

[Translation: Please note that the following purports to be an accurate translation of excerpt contents of the original Japanese document, prepared for foreign shareholders solely as a reference material. In case of any discrepancy between the translation and the Japanese original, the latter shall prevail. Please also be advised that certain explanations for the domestic voting procedures are omitted or modified in this translation.]

Securities Code: 9401

June 3, 2009

Dear Shareholders:

TOKYO BROADCASTING SYSTEM HOLDINGS, INC.

(the "Company")

Keizo Zaitso

President and Representative Director

5-3-6 Akasaka, Minato-ku, Tokyo

Notice of Convocation of the 82nd Ordinary General Meeting of Shareholders

You are cordially invited to attend the 82nd Ordinary General Meeting of Shareholders of the Company to be held as described below.

If you are unable to attend the meeting, you can exercise voting rights in writing. Please review the following reference materials for the General Meeting of Shareholders, complete the enclosed Voting Rights Exercise Form indicating your approval or disapproval for each matter for resolution and send it to the Company by mail before 5:30 P.M. on Thursday, June 25, 2009.

Details

1. Date and Time of the Meeting

10:00 A.M. Friday, June 26, 2009

2. Place of the Meeting

Akasaka BLITZ

5-3-2 Akasaka, Minato-ku, Tokyo

(Please be advised that the place of the meeting is the same as last year, which is different from the extraordinary meeting of shareholders held at the end of last year.)

3. Purpose of the Meeting

Matters for Reporting:

1. Report on the business report, the consolidated accounting documents, and report on the audit results of the consolidated accounting documents by the Accounting Auditors and the Board of Corporate Auditors for the 82nd fiscal year (from April 1, 2008 to March 31, 2009);
2. Report on the accounting documents for the 82nd fiscal year (from April 1, 2008 to March 31, 2009).

Matters for Resolution

- First Item of Business:** Disposal of Surplus
Second Item of Business: Partial Amendments to the Articles of Incorporation
Third Item of Business: Election of Thirteen (13) Directors

4. Matters Concerning Exercise of Voting Rights

(1) Exercising Voting Rights by Proxy

If you are unable to attend the General Meeting of Shareholders, you are entitled to attend the General Meeting of Shareholders by designating another shareholder with voting rights of the Company as your proxy. Provided, however, that a document certifying the power of proxy needs to be submitted.

(2) Exercising Voting Rights in Contrasting Votes

If you intend to exercise voting rights in contrasting votes (that is, exercising some voting rights for and some against the same proposal), please notify the Company in writing of your intention and reasons no later than three (3) days prior to the date of the General Meeting of Shareholders.

- End -

When attending the meeting, please submit the enclosed form for exercising voting rights to the reception at the meeting place (Akasaka BLITZ).
Immediately before the opening of the meeting, the reception will be awfully crowded, we sincerely ask you to come to the meeting place a little earlier (the reception will start at 9 A.M.).

In the event of any amendment to the attached documents to the Notice of Convocation and Reference Materials for the General Meeting of the Shareholders, please note that amendments to such documents might be posted on the Company's website (<http://www.tbsholdings.co.jp/>).

Business Report
for the 82nd fiscal year
from 1 April, 2008 to 31 March, 2009

1. The Current Position of Tokyo Broadcasting System Holdings, Inc. and its Subsidiaries

(1) Business Activities and Results

The fiscal year ended March 31, 2009 brought continued rapid deterioration of economic conditions in Japan. Most notably, the “Lehman shock” in September 2008 triggered a global economic recession of historic proportions, which led to a sharp decline in exports and a rapid worsening of corporate profits and employment. Furthermore, stock market fluctuations continuing beyond the fiscal year-end contributed to heightened fears of a further downturn in business conditions.

The broadcasting industry was also affected by the full impact of the worldwide recession, and experienced a year-on-year decline in television and radio advertising revenues as companies sharply curtailed program sponsorship, a fixed expense. An exception to the trend was robust advertising revenues from satellite media.

In this operating environment, the TBS Group actively worked to build operating revenues and business development revenues through tie-ups with broadcast programs and events held in the Akasaka Sacas commercial complex, located in the Akasaka district of Tokyo near TBS headquarters. The Group also undertook business infrastructure development to ensure sustained development as a media group while absorbing changes in the business environment. This entailed adding new revenue sources such as retail operations to the real estate income earned from Akasaka Sacas, where a number of commercial facilities simultaneously began operation in the spring of 2008, and linking these revenue sources to the broadcast business.

As a result of these developments, consolidated operating revenues in the fiscal year ended March 31, 2009 increased by 18.1% from the previous fiscal year to ¥372,306 million. Nevertheless, ordinary income decreased by 13.5% to ¥19,979 million, and net income decreased by 91.3% to ¥1,655 million as a result of the disposal of a portion of deferred tax assets.

To further enhancement of the Group management efficiency and stability and maximizing the Group’s corporate value in accordance with the common interest of the shareholders, on April 1, 2009, after the end of the year under review, the TBS Group shifted to a holding company structure. Thus, the Company became a certified broadcast holding company, changed its name to Tokyo Broadcasting System Holdings, Inc., and commenced full-scale Group management. Concurrent with this transition, the Company transferred the TV broadcasting license, the Broadcasting Business and the Multi Visual Ventures & Cultural Events Business to wholly owned subsidiary Tokyo Broadcasting System Television, Inc.

<<Broadcasting>>

Consolidated operating revenues from the Broadcasting Business decreased by 8.7% from the previous fiscal year to ¥233,278 million, and an operating loss of ¥1,507 million was recorded.

<<Television>>

Terrestrial television time sales decreased from the previous fiscal year owing to curtailment of advertising spending by corporations in response to the worldwide recession and a dip in revenues following the World Track & Field Championships in Osaka, which set a record for single event sales the previous year. The sales decrease occurred notwithstanding favorable results from major sports programs such as the Beijing Olympics in August, the World Baseball Classic (WBC) in March, UEFA EURO 2008 soccer, and the Women's Volleyball World Grand Prix, as well as active selling of major specials such as *Earth Frontier – Mirai wo Sukuu Chikyuu Kyoushitsu!* (“Earth Frontier – Earth Classroom to Save the Future!”), *The Vermeer Code – Hikari no Tensai no Sakuhin to Shougai no Nazo wo Toku* (“The Vermeer Code – Solving the Mystery of the Works and Life of the Genius of Light”), *Nekketsu! Chikyuu Kyoushitsu 2009* (“Enthusiasm! Earth Classroom 2009”), and *Kandou! Kita no Daishizen Special – Mori no Lavender* (“Thrilled! Northern Nature Special – Forest Lavender”).

Spot sales declined from the previous fiscal year as a result of an adverse business environment in which spot commercial volume in the Kanto region again fell sharply year on year. Sales declined in all sectors except entertainment and hobbies, where performance was strong.

With regard to programming, average audience ratings for the year under review were 11.2% for the golden time slot (7 p.m. to 10 p.m.) and 11.1% for the prime time slot (7 p.m. to 11 p.m.), which was a decrease of 0.5 percentage points for both slots. The audience rating across all time slots fell by 0.1 percentage points, notwithstanding stable ratings in the 8% range for Mino Monta's *Asa Zuba!* (“Mino Monta's Morning Point-Blank”) and in the 5% range for *Niji-Ciao!* (“Two O'clock Ciao!”).

In these circumstances, the Company implemented structural programming changes in April, 2008, including a review of the drama and variety show categories, converting the long-familiar Saturday 8 p.m. variety program time slot to a drama time slot.

The first drama program aired in that slot was *Rookies*, a story of problem high school students who are rehabilitated under the guidance of an enthusiastic teacher and attempt to qualify for the Koshien national high school baseball tournament. *Rookies* began to tap the potential for the Saturday 8 p.m. drama time slot, capturing an average audience rating of 15.0% and spawning a base of enthusiastic fans.

This time slot has subsequently delivered outstanding results with *Bloody Monday* and *Rescue: Tokubetsu Koudo Kyuujotai* (“Special Hyper Rescue”), which are popular dramas targeting young singles and young families. In the Friday 10 p.m. time slot, *Around 40 -- Chuumon no Ooi Onnatachi* (“Around 40 – Women Who Demand a Lot”), starring Yuki Amami, struck a chord among women and recorded a 14.7% audience rating. The expression “Around 40” became a social phenomenon and won the grand prize in a buzzword contest. Similarly, the Friday drama *Ryuusei no Kizuna* (“Bonded By The Shooting Star”) delivered excellent results, with an average audience rating of 16.6% and a rating of 22.6% for the final episode.

In addition, the dramas such as *Wataru Seken wa Oni Bakari* and *Mito Komon*, that have been national pastime dramas for decades, maintained stable average ratings at 14.2% and 12.9%, respectively.

In the variety show category, Hiroshi Sekiguchi's *Tokyo Friend Park II* and *Pittanko Kan Kan* enjoyed stable average ratings of around 15%, and shows such as Masahiro Nakai's *Kinyoubi no Sumatachi e* (“To the Friday SMA-Wives”), *Lincoln*, and *The Iromonea* were highly popular, especially among women and young viewers.

In the results for special programs, the large variety shows that are a strength of the Company continued to perform well: the longtime favorite *All Star Kanshasai* (“All-Star

Appreciation”) garnered a rating of 15.5%, and *Doors* captured a rating of 14.7%. Furthermore, a special program of nostalgic scenes compiled from *Hachiji da yo! Zenin Shugo* (“It’s 8 O’clock! Everybody Get Together!”) won favorable audience ratings of 14.4% and 18.5% in two broadcasts. A commemorative broadcast to mark the 50th production of the special *Kagayaku! Nihon Record Taishou* (Japan Record Award) since its inception in 1959 captured a 16.9% audience rating. In this way, long-running and well-received TBS variety shows continued to capture high audience ratings.

In the sports category, live broadcasts of the Beijing Olympics baseball elimination game *Japan vs. Taiwan* and the semi-final game *Japan vs. South Korea* garnered ratings of 19.1% and 13.2%, respectively. In athletics, the historic moments when Usain Bolt, known as “the fastest man in human history,” set new world records in the 100-meter and 200-meter dashes was broadcasted. Also the exclusive terrestrial television broadcasting of the second round and championship round of the World Baseball Classic (WBC) was offered in March, providing exhaustive coverage of many hotly contested games on “Samurai Japan’s” triumphant path to its second consecutive WBC championship.

In the news category, we sought to further strengthen our regular news programs by means of a full-scale renewal of the flagship programs *News 23* and *Houdou Tokushuu Next* (“News Special Report Next”). We engaged in special news programming to cover major news events such as the Iwate-Miyagi Inland Earthquake in June and the resignation of Prime Minister Yasuo Fukuda in September, promptly and accurately reporting on constantly changing circumstances.

As of March 31, 2009, 28 companies throughout Japan were affiliated with the TBS Group’s JNN television network. The number was unchanged from the previous fiscal year. Digital satellite broadcasting services continued to achieve steady market penetration, with cumulative receiver shipments over 50 million units in the fiscal year ended March 31, 2009. This provided a tailwind for equity-method subsidiary BS-i, Incorporated, which stepped up sales activities and strove to control costs while providing high-quality programming. These efforts enabled BS-i to turn a profit for the second consecutive year. On April 1, 2009, after the end of the year under review, BS-i, Incorporated changed its name to BS-TBS, Incorporated.

<Radio>

In the radio business, on October 1, 2001 TBS split off its radio operation as a separate company, TBS Radio & Communications, Inc. (TBS R&C), to which the broadcasting license was transferred.

Total time sales decreased from the previous fiscal year, as active selling of programs related to the Beijing Olympics and major special programming events failed to compensate for a slump in sales of regular programming.

Spot sales were also lower than the previous fiscal year. Although various strategies resulted in the successful acquisition of new sponsors and somewhat favorable results in the first half, the worsening economic environment in the second half had a negative impact on sales.

In April 2008 a major change was implemented in Sunday afternoon programming, introducing *Bakushou Mondai Sunday*, in which Tomochika joined the comedy duo Bakushou Mondai as an assistant. This major revamping of a four-hour program resulted in a hit program that ranked first in each of six ratings surveys conducted during the year under review, including one conducted immediately after the program debuted. In sports area, the program *Excite Baseball* provided live coverage of professional baseball games from the start of the pennant race through to the Japan Series. Also, the professional boxing programming featured live broadcasts of WBC world flyweight champion Daisuke Naito’s title matches in

July and December. The sports-related programming, including a program featuring a Daisuke Naito character that offers listeners problem-solving advices were also developed.

In October half-year programming changes, programs were developed adopting the times and listener needs, introducing a three-hour early Saturday morning program *Doyou Ichi Entaa – Masaaki Horio + PLUS!* (Early Saturday Entertainment -- *Masaaki Horio + PLUS!*) and revamped a long-running program format of 44 years with the introduction of *Zenkoku Kodomo Denwa Soudanshitsu – Real!* (“Nationwide Children's Telephone Consultation Service -- Real”), in which children and the program hosts consider children’s problems together.

In ratings survey results, TBS has been maintaining the top spot for 7 years and 8 months in 46 consecutive surveys for the Tokyo Metropolitan Area conducted since August 2001.

In other developments, podcasting aimed at capturing young listeners met with a favorable reception, with the record of 10 million downloads per month for free-of-charge distribution of around 40 titles that have attracted attention at radio stations in the Tokyo Metropolitan Area. Also, with the TBS On Demand video distribution service, we are actively working to expand the listener base by using PCs as a medium, which include the start of paid distribution of programs such as a round-table discussion special showcasing personalities from the popular program JUNK.

OTTAVA, a classical music station that can also be heard online, has seen an increase in popularity since its launch in April 2007 for 2 years, and the number of registered listeners has come to exceed 300,000. This success has provided impetus for OTTOVA promotion activities that take advantage of the refined image of classical music. These activities have resulted in sponsorship from companies that place importance on branding.

As of March 31, 2009, 34 companies throughout Japan were affiliated with the TBS radio network JRN. This number is unchanged from the previous fiscal year.

<<Multi-visual Ventures and Cultural Events>>

Operating revenues from the Multi Visual Ventures and Cultural Events Business were ¥121,717 million, more than double the revenues of the previous fiscal year. Operating income increased by 53.0% to ¥12,103 million.

In the cultural events business, the Akasaka ACT Theater, reopened in Akasaka Sacas, has drawn more than 350,000 customers since opening at the end of March 2008. The first production staged at the theater was the music drama *Turandot*, featuring a stellar cast, followed by a lineup of topical shows including *Kamome* (Sea Gull), *Akasaka Daikabuki*, *Chicago*, and *Hula Girl*.

The theater Akasaka BLITZ, which also reopened following a renovation, got off to a favorable start, drawing more than 250,000 customers. The Tetsuya Kumakawa K-Ballet Company continued to enjoy great popularity, staging productions including *Swan Lake*, *Le Corsaire*, and *The Nutcracker*. The established favorites, *Ultraman Festival* and *Hanamaru Market: Omeza Fair*, also drew large crowds. Audience-pleasing music-related events included *Rossini Opera Festival in Japan*, *The Tomomi Nishimoto “From The New World” Tour*, and *Yoshida Brothers Nationwide Tour*, a performance of Tsugaru shamisen music.

With regard to sporting events, *K-1 World Max* and *Dream*, a mixed martial arts event were hosted and broadcasted, which drew large numbers of enthusiastic fans. Meanwhile, the *Vermeer and the Delft Style* exhibition captured the attention of people who frequent art museums and drew more than 900,000 visitors to the Tokyo Metropolitan Art Museum. Other popular exhibitions included *Kinrui no Fushigi*, an exhibition of bacteria, fungus and molds, and *Collection of the Pola Museum of Art*.

In the video business, the cinema film *Okuribito* (“Departures”) became the first Japanese film to win the Academy Award for the best foreign language film, earning box office revenues of ¥6 billion. *Hana Yori Danshi Final* (“Boys Before Flowers Final”), earned ¥7.7 billion at the box office and sold 440,000 copies on DVD. The theater attendance was steadily increased by releasing other films that attracted public attention, including *Sand Glass*, *After School*, *Watashi wa Kai ni Naritai* (“I Want to Be a Shellfish”), *Kansen Rettou* (“Pandemic”), and *General Rouge no Gaisen* (“The Triumphant Return of General Rouge”). The most noteworthy DVD release was the popular drama *Rookies*, which set a new TBS record for shipments for a drama series, with sales reaching 90,000 Part 1 box sets and 100,000 Part 2 box sets. Other popular dramas included *Maou* (The Devil) and *Bloody Monday*. High-selling titles in other genres, included *Hachiji da yo! Zenin Shugo* (“It's 8 O'clock! Everybody Get Together!”) and the performances of traditional comedic storytelling *Kokontei Shincho Zenshu* (“Collected Works of Shincho Kokontei”). The hit animation titles included the wildly popular *CLANNAD* series, *To Love-Ru*, and *Hidamari Sketch x 365*.

In the communication satellite business, TBS Channel and TBS Newsbird of the CS (Communication Satellite) broadcast channels have seen steady increases in the number of subscribers and revenues, and the TBS On Demand video distribution service is attracting attention following the start of full-scale operation.

In the licensing planning and development business, the original merchandise was developed with the cooperation of stars from TV programs, such as *Sunday Japon*, *Ousama no Buranchi* (“King’s Brunch”) and *Rookies*, as well as from cinema films, such as *Hana Yori Danshi Final* (“Boys Before Flowers Final”) and have increased the merchandise sales by broadcasting shopping specials twice a year.

In the digital business, in collaboration with the Internet search portal Yahoo!, the drama *Rookies* had a novel program advertising approach with the use of video sites. We also offer an on-demand service for PC users who have missed broadcasts of dramas and variety shows, as well as one-segment, non-simultaneous broadcasting of sports and shopping programs.

The StylingLife Group, which became a consolidated subsidiary during the year under review, operates subsidiaries in the areas of general merchandise sales, mail order, cosmetics manufacturing and sales, restaurants, and confectionery production and sales under the holding company StylingLife Holdings Inc. PLAZASTYLE CORPORATION, the group’s core company, maintained excellent sales and enjoyed tremendous success in the Christmas selling season. As an example of the benefits available from business tie-ups, the StylingLife Group’s restaurant operation, Maxim’s de Paris Corporation, posted an operating income margin exceeding 25% for the month of December, with the collaboration of the performances by the K-Ballet Company

<<Real Estate Business>>

Operating revenues from the Real Estate Business were ¥17,245 million, more than 4.5 times the revenues of the previous fiscal year. Operating income increased to ¥7.77 billion, which was 18 times more than the income of the previous fiscal year.

There was a major increase in the revenues from the real estate business, since all of the buildings in the Akasaka Sacas area, including the Akasaka Biz Tower office and retail complex, had been completed and put into operation by the end of the previous fiscal year.

<<Others>>

External sales from other businesses decreased by 64.2% from the previous fiscal year to ¥65 million. Operating income decreased by 4.2% to ¥77 million, including income from intra-company sales.

(2) Capital Investment

Total capital investment in the year under review was ¥14.5 billion. The principal investment item was facilities related to terrestrial digital broadcasting.

The Company began terrestrial digital broadcasting in the Kanto region in December 2003 and continued to upgrade and expand broadcasting facilities and video transmission facilities in the year under review.

With regard to broadcasting facilities, the relay station network has developed steadily, constructing 31 digital terrestrial relay stations in locations including Kodama, Saitama Prefecture and Juo, Ibaraki Prefecture in partnership with private-sector broadcasters and NHK. With regard to transmission facilities, digital broadcasting capability was added to the Tsukuba FPU base station, as well as high-definition broadcasting capability for live programming and video transmission from the northern Kanto and Bousou Peninsula areas. Furthermore, we deployed the latest technology to add high-definition broadcasting capability to the video material transmission system (SNG) at the TBS headquarters base station and the SNG relay vehicles. Concerning production facilities, the functional enhancements were implemented to the lighting facilities at the Akasaka B Studio, which increased the operational efficiency and the safety. In addition, we updated radio automatic transmission facilities at TBS Radio and the JRN master station to further stabilize the operation.

(3) Capital Procurement

The TBS Group's interest-bearing debt at the end of the year under review was approximately ¥115.6 billion, consisting of ¥30.0 billion in corporate bonds, ¥83.2 billion in long-term debt (including the current portion), and approximately ¥2.4 billion in short-term borrowings from non-consolidated affiliates by means of concentration of funds under the Group's cash management system.

In order to ensure flexible access to business funds and operating capital, as of the end of the year under review, the Company and StylingLife Holdings Inc. had established the commitment lines agreement, totaling ¥102.0 billion with multiple financial institutions (none of these funds have been drawn, and the available balance is ¥102.0 billion).

Besides above, with the aim of streamlining of funds, some of the account receivables are in the process of liquidation.

(4) Assets and Income in the Past Three Business Years

1. □Assets and Income of the Business Group

	79th Business Term Year ended March 31, 2006	80th Business Term Year ended March 31, 2007	81st Business Term Year ended March 31, 2008	82nd Business Term Year ended March 31, 2009 (current fiscal year)
Operating revenue (millions of yen)	306,041	318,700	315,175	372,306
Ordinary income (millions of yen)	15,388	26,216	23,088	19,979
Net income (millions of yen)	13,513	13,299	19,022	1,655
Net income per share (yen)	72.17	70.07	100.14	8.71
Net assets (millions of yen)	378,026	385,298	360,376	342,231
Total assets (millions of yen)	555,271	567,722	537,211	556,780

Note: The Accounting Standard for the Presentation of Net Assets in the Balance Sheet (Accounting Standard 5, December 9, 2005) and the Implementation Guidance of the Accounting Standard for the Presentation of Net Assets in the Balance Sheet (Accounting Standard Implementation Guidance 8, December 9, 2005) have been applied since the 80th Business Term.

2. □Assets and Income of Tokyo Broadcasting System Holdings, Inc.

	79th Business Term Year ended March 31, 2006	80th Business Term Year ended March 31, 2007	81st Business Term Year ended March 31, 2008	82nd Business Term Year ended March 31, 2009 (current fiscal year)
Operating revenue (millions of yen)	265,695	277,400	271,404	272,764
Ordinary income (millions of yen)	11,649	19,732	17,994	12,777
Net income (millions of yen)	11,152	10,367	17,174	Δ3,801
Net income per share (yen)	60.22	54.52	90.23	Δ19.97

Net assets (millions of yen)	351,739	353,425	328,633	297,762
Total assets (millions of yen)	524,372	534,322	508,463	490,549

Note 1: The Accounting Standard for the Presentation of Net Assets in the Balance Sheet (Accounting Standard 5, December 9, 2005) and the Implementation Guidance of the Accounting Standard for the Presentation of Net Assets in the Balance Sheet (Accounting Standard Implementation Guidance 8, December 9, 2005) have been applied since the 80th Business Term.

Note 2: Δ indicates losses.

(5) Status of Main Parent Company and Subsidiaries

1. □Parent Company

Tokyo Broadcasting System Holdings, Inc. has no parent company.

2. Main Subsidiaries

Company name	Capital (millions of yen)	Ownership (%)	Main business activities
Tokyo Broadcasting System Television, Inc.	300	100	Planning, production and sales of television programs etc.
TBS Radio & Communications, Inc.	478	100	Radio broadcasting, Planning and production of radio programs
TBS Service, Inc.	200	100	Planning, production of sound and video recordings and printing, sales of broadcast programs
TBS-Vision, Inc.	100	100	Planning and production of television programs etc.
Nichion, Inc.	50	100	Promotion and management of musical works, planning and production of master recordings
Midoriyama Studio City Inc.	100	100	Leasing, operation and management of buildings, studios etc.
TBS Kaikan Co., Ltd.	20	100	Real estate management
ACS Inc.	30	100	Planning, production and procurement of studio sets, costumes, designs etc.

Tokyo Broadcasting System International, Inc.	US\$3.28 million	100	Collection of media information and news coverage in the United States
TBS Kikaku Co., Ltd.	150	100	Operation and management of parking lots, insurance agency services
TBS Sun Work, Inc.	40	100	Operation, maintenance and management of buildings and auxiliary facilities, transport service, repair and maintenance of cars, temporary staffing service
TBS Media Research Institute Inc.	12	100	Surveys and research on broadcasting and multimedia, collection and supply of media information
Yokohama BayStars Baseball Club, Inc.	100	51.5 (Note 1)	Baseball promotion
Akasaka Heat Supply Co., Ltd.	400	70	Heat supply services under the Heat Supply Business Law
OXYBOT, Inc.	200	100	Planning, production and sales of computer-generated video etc.
TC Entertainment, Inc.	200	51	Planning, production and duplication etc., of video and audio software and computer software
StylingLife Holdings Inc.	1,048	50.8	Planning of management, finance, organization and personnel strategy as a holding company, and development of new business
Tohoseisaku, Inc.	30	* 100	VTR editing of news and collation of materials, editing and filming etc., of information programs
TBS TriMedia, Inc.	10	* 100	Planning and production of television and radio programs, planning and production of events
Akasaka Video Center Co., Ltd.	100	* 100	Post production services etc., including VTR editing, dubbing and MA
Akasaka Graphics Art, Inc.	10	* 100	Planning, production and sales of computer graphic screens
Dreamax Television Inc.	220	* 74.7	Planning and production of television programs
Sounds Art Co., Ltd.	30	* 100	Production of video and audio software, operation, management and maintenance etc., of broadcast studios

Grand Marché, Inc.	360	* 60	Mail order sales, mail order sales agency services, store operation etc.
F&F Inc.	25	* 100	Planning, production and sales of broadcasting programs, provision of video production and editing technology
Telecom Sounds, Inc.	20	* 100	Planning and production of broadcasting programs, planning and production of events for radio etc.
Pro Cam., Inc.	150	* 100	Production and sales etc., of broadcast programs and general video
Jasc, Inc.	10	* 100	Temporary staffing services, broadcast program production services
VuCast, Inc.	10	* 100	Production of videos, including television programs and video packages, temporary staffing services
PLAZASTYLE CORPORATION	1,200	* 51	General imported merchandise retail business, licensing business, and original product planning
LightUp Shopping Club Inc.	480	* 51	Store and non-store sales of cloths, sports and leisure goods, electronic products, and household products
B&C Laboratories Inc.	480	* 51	Planning , production and sales of cosmetics and quasi drugs
CP Cosmetics Inc.	100	* 51	Planning , production and sales of cosmetics and quasi drugs
Maxim's de Paris Corporation	100	* 51	Operation of French restaurants, light meal restaurants and coffee shops, Production and sales of confectionary

Note 1: Equity-method affiliate BS-i Incorporated also has a 17.6% ownership in Yokohama BayStars Baseball Club, Inc.. In addition, on April 1, 2009, BS-i Incorporated changed its name to BS-TBS, Incorporated.

Note 2: An asterisk (*) indicates the shareholding ratio, including shares held by subsidiaries.

Note 3: The Company's consolidated subsidiaries are the 34 principal subsidiaries listed above.

On January 1, 2009, TBS Sun Work, Inc. acquired TRC, Co., Ltd., formerly a consolidated subsidiary of the Company.

(6) Important Absorption-Type Company Split, Acquisition of Shares of Other Companies

1. On April 1, 2009, the Company transferred the TV broadcasting business and the Multi Visual Ventures and Cultural Events Business to Tokyo Broadcasting System Television, Inc. in an absorption-type company split implemented to effect a transition to a certified broadcast holding company structure. On the same day, the Company changed its name to Tokyo Broadcasting System Holdings, Inc.
2. On July 31, 2008 the Company acquired 51% (on a voting rights basis) of the shares of StylingLife Holdings Inc., which had been owned by Asia Retail Holdings Ltd., and made StylingLife Holdings Inc. and its five wholly owned subsidiaries (including one indirectly owned company) as consolidated subsidiaries.

(7) Priorities

In developments in the broadcasting industry, which is accelerating preparations for the full switchover to digital broadcasting, in the year under review the worldwide economic recession brought sharp declines in production, exports, employment, corporate profits, and personal consumption in Japan. Revenue deterioration has worsened due to factors including year-on-year declines in the number of spots in the Kanto region each month throughout the fiscal year because of corporate cutbacks in ad placement. In this adverse business environment, the Company will firmly adhere to the Group management policy of positioning broadcasting as the core business and make the securing of revenues in the TV and radio broadcasting businesses the top management priority. In broadcasting-related businesses as well, we will endeavor to increase corporate value by continuing vigorous, broad-based efforts to expand revenue streams.

The Company has been pursuing greater efficiency in the Group management and sustained growth, and on April 1, 2009, a Group reorganization was implemented involving a transition to a certified broadcast holding company structure, with the aim of clearly defining the responsibilities and the authorities of each business, and engaging in optimal resource allocation. Under this new corporate structure, we will accurately ascertain the needs of viewers and sponsors, prevail in ratings and market share competition among stations, and increase the Group revenues.

In the TV broadcasting business in the year under review, the terrestrial broadcasting operation achieved a great success with the live broadcasts of major sporting events, such as the World Baseball Classic (WBC), WBC World Flyweight Champion Daisuke Naito's title defenses, and World Grand Prix Volleyball. In addition, the dramas *Rookies*, *Ryuusei no Kizuna* ("Bonded By The Shooting Star"), and *Around 40* were the major hits. The regular variety programs *Pittanko Kan Kan*, Masahiro Nakai's *Kinyoubi no Sumatachi e* ("To the Friday SMA-Wives"), Hiroshi Sekiguchi's *Tokyo Friend Park II*, *Lincoln*, *The Iromonea*, and the collaborative information program *Jouhou 7 Days Nyuusukyasutaa* ("Information 7 Days Newscaster"), by Beat Takeshi and announcer Shinichiro Azumi, cemented their popularities. These successes notwithstanding, fierce competitions to secure audience ratings among key stations continued. It is aimed to secure the revenues in these circumstances by making the reinforcement of afternoon, evening, and nighttime information and news programs, and increasing the ratings of regular programs, as the urgent priorities.

In the radio business, in February 2009 TBS Radio & Communications, Inc. (TBS R&C) extended its string of consecutive first-place rankings in audience ratings surveys to 46 consecutive survey periods. Although the operating environment for the radio industry as a

whole remains adverse, TBS R&C has achieved tremendous success with vigorous activities to capture young listeners. For instance, the program *Bakushou Mondai Sunday*, which began airing on Sunday afternoons in April 2008, ranked first for its time slot in each of six ratings surveys conducted during the fiscal year under review. Also, TBS R&C is recording 10 million downloads per month in its free-of-charge podcasting of about 40 titles.

Although we regard our success in capturing the top audience rating for 7 years and 8 months in succession as a sign of strong penetration among listeners, we will continue to mount an all-out effort to capture new listeners while striving to earn revenues throughout the efficient management.

In the Multi Visual Ventures and Cultural Events Business, *Okuribito* (“Departures”) became the first Japanese film to win the Academy Award for best foreign language film. As of April 1, 2009, the movie had earned box office revenues of ¥6.0 billion.

Also, the movie *Hana Yori Danshi Final* (“Boys Before Flowers Final”) became a phenomenal hit among young women, earning ¥7.7 billion at the box office and selling 440,000 copies on DVD. These successes contributed to the establishment of the TBS brand in the film industry.

In other DVD sales, popular titles included the drama *Rookies, Hachiji da yo! Zenin Shugo* (“It’s 8 O’clock! Everybody Get Together!”), *Kokontei Shincho Zenshu* (“Collected Works of Shincho Kokontei”), and the animation series *CLANNAD*. We will continue our businesses with complete confidence, that the production and the discovery of high-grade soft content which inspires people, will generate substantial revenues.

With regard to exhibitions, the *Vermeer* and the *Delft Style* exhibiton recorded the fourth highest attendance for art exhibitions in Japan. In the media commerce business, the subsidiary Grand Marché, Inc. achieved annual sales of over ¥12 billion.

To further enhance the shopping business and create new synergy with the broadcasting business, during the year under review, the Company acquired the management rights of StylingLife Holdings Inc. and made the companies in the StylingLife Group consolidated subsidiaries of the TBS Group. The StylingLife Group propounds a management philosophy of proposing lifestyles and has loyal customers of all ages. With regard to joint businesses between the StylingLife Group and the TBS Group, we undertook a series of experiments involving merchandise sales at the Akasaka Sacas area, joint production and broadcasting of shopping programs, and tie-ups with information programs. Each of these joint undertakings has begun to deliver results, and we will continue to pursue synergy with the StylingLife Group to increase consolidated profits.

In the Real Estate Business, the stable profits were gained from the rental of properties, including the Akasaka Biz Tower office and retail complex in the Akasaka Sacas area in the year under review. The cultural facilities and entertainment at Akasaka ACT Theater, Akasaka BLITZ and Akasaka Gallery, which opened at the end of the previous fiscal year, drew large crowds and the number of visitors exceeded 10 million in April 2009.

Akasaka Sacas is already establishing a position as a Tokyo tourist attraction, and we will continue efforts to increase recognition of the property as a center for communication and media culture, and increase the consolidated revenues through undertakings and events linked to broadcasts.

With regard to the TBS Group’s comprehensive media strategy, as indicated by discussions on the nature of a new radio broadcast medium following the discontinuation of terrestrial analog broadcasting, and on the establishment of a comprehensive legal structure for broadcasting and transmission, the media environment is becoming increasingly diversified. For this reason, to satisfy expanding content needs, we will endeavor to further augment content capabilities for the quasi-backbone BS (broadcast satellite) broadcasting medium, which was renamed as BS-TBS in April 2009, and for paid CS broadcasting, a

medium from which more detailed viewer services are required. The strategic preparations for multimedia broadcasting for mobile phones and digital radio broadcasting will also be progressed actively, in order to expand Group revenues.

The Company's self-appointed mission is to be a media group that makes wide-ranging contributions to society, particularly with respect to the environment and ecology, and we actively encourage viewer and listener involvement in a variety of ways in socially beneficial activities through our program production.

Following the broadcasting and publication of *Yomei Ikkagetsu no Hanayome* ("Bride with One Month to Live"), a documentary about the desires and the hopes of a late-stage breast cancer patient we encountered in news bureau reporting, we contributed to the cause by sponsoring a nationwide caravan of mammography vehicles in October 2008, which was designated by the Worldwide Pink Ribbon month, and this led to the launch of the TBS Pink Ribbon Project, promoting the early detection and eradication of breast cancer. The Company continued to communicate to the general public the importance of mammography examination through the May release of a movie of the same name. We are committed to further efforts to raise the examination rate in Japan to the high levels achieved in Europe and North America.

With regard to the issue of Rakuten, Inc (Rakuten)'s large-scale holding of TBS shares, Rakuten expressed opposition to the Company's transition to a certified broadcast holding company structure and the transfer of the TV broadcasting business, the Multi Visual Ventures and Cultural Events Business, and related assets to Tokyo Broadcasting System Television in an absorption-type company split. At the end of the year under review, Rakuten requested to repurchase the Company's shares. As the discussions with Rakuten concerning a purchase price failed to result in agreement, on May 1, 2009, the Company petitioned a court to decide a purchase price.

The Company has always benefited from the support of a wide range of shareholders without showing preference toward any specific major shareholder, and our management philosophy has been to fulfill our social mission as a broadcast media group on that basis. As we continue to engage in the Group's broadcasting-focused businesses in the coming years, we will strive to increase operating cash flow and maximize shareholder value while collaborating as necessary with a number of business partners we consider optimal for each business. We will also continue to do our utmost to establish an unassailable position in the broadcast industry as the ultimate source of content for the digital era.

(8) Main Business Activities (As of March 31, 2009)

The core activities of the TBS Group are television and radio broadcasting, the production and sales of video and audio software, and cultural activities. Other areas of activity include maintenance and services relating to these core activities.

Activities in the current consolidated fiscal year were as follows:

Segment	Activities
Broadcasting	*Broadcasting-related business Broadcasting, program production, video technology, art production, computer graphics, audio technology, lighting technology, camera filming, cable TV investment, video investment etc.
Multi-visual Ventures and Cultural Events	* Events, baseball promotion, planning and production of video software etc.,

	Production and sales of video and audio software, events and programs, planning, production and sales of video and audio software, baseball promotion, retail of general merchandise, mail-order marketing, production and sales of cosmetics, restaurant operation, production and sales of confectionary etc.
Real Estate	* Real estate leasing, maintenance and services Studio management, cooling and heating services, parking lot management, equipment leasing, insurance agency services, real estate leasing etc.
Others	Other services Transportation, surveys and research etc.

(9) Principal Places of Business (As of March 31, 2009)

1. Tokyo Broadcasting System Holdings, Inc.

Place of business	Address
Head office and studios	5-3-6, Akasaka, Minato-ku, Tokyo
Midoriyama Studio	2100 Midoriyama, Aoba-ku, Yokohama City, Kanagawa Prefecture
TV Broadcasting Center	4-2-8, Shibakoen, Minato-ku, Tokyo
Kansai Branch Office	2-5-25, Umeda, Kita-ku, Osaka City, Osaka Prefecture

2. Subsidiaries

Company name	Location
Tokyo Broadcasting System Television, Inc., TBS Radio & Communications, Inc., TBS Service, Inc., TBS-Vision, Inc., Nichion, Inc., TBS Kikaku Co., Ltd., TBS Sun Work, Inc., Art Communication Systems, Inc., TBS Media Research Institute Inc., TBS Kaikan Co., Ltd., Tohoseisaku, Inc., TBS TriMedia, Inc., Akasaka Video Center Co., Ltd., Akasaka Graphics Art, Inc., Sounds Art Co., Ltd., F&F Inc., Telecom Sounds, Inc., Akasaka Heat Supply Co., Ltd., Dreamax Television Inc., Pro Cam., Inc., VuCast, Inc., Jasc, Inc., Grand Marché, Inc., OXYBOT, Inc., TC Entertainment. Inc., PLAZASTYLE CORPORATION (Note 1), LightUp Shopping Club Inc.	Minato-ku, Tokyo
B&C Laboratories Inc. (Note 2), CP Cosmetics Inc. (Note 3)	Shinagawa-ku, Tokyo
Maxim's de Paris Corporation (Note 4)	Chiyoda-ku, Tokyo
StylingLife Holdings Inc.	Shibuya-ku, Tokyo
Midoriyama Studio City Inc., Yokohama BayStars Baseball Club, Inc.	Yokohama City, Kanagawa Prefecture
Tokyo Broadcasting System International, Inc.	New York, U.S.A.

Note 1: Plazastyle Corporation operates a nationwide store network in Japan consisting of 72 Plaza stores, 6 directly operated Miniplaza stores and 39 affiliated Miniplaza stores, as well as 4 affiliated Plaza stores and 3 affiliated Miniplaza stores in Taiwan.

Note 2: B&C Laboratories Inc. has its main plant in Yaizu City, Shizuoka Prefecture.

Note 3: CP Cosmetics Inc. also has sales offices in Sapporo, Yokohama, Nagoya, Osaka, and Fukuoka.

Note 4: Maxim's de Paris Corporation also has principal sales offices in Chuo-ku and Minato-ku, Tokyo.

(10) Work Force (As of March 31, 2009)

1. Group Work Force

Segment	Number of employees	Change since end of previous fiscal year
Broadcasting	2,491	Increase of 292
Multi-visual Ventures and Cultural Events	2,212	Increase of 1,724
Real Estate	123	Decrease of 224
Others	16	Decrease of 89
Corporate (shared)	197	Increase of 58
Total	5,039	Increase of 1,761

Note: Employees classed as "corporate (shared)" are administrative employees who cannot be allocated to any specific segment.

2. Work Force of Tokyo Broadcasting System Holdings, Inc.

Number of employees	Change since end of previous year	Average age	Average years of service
1,109	Decrease of 31	44.2 years old	19.7 years

Note: The number of employees includes people on transfer to subsidiaries etc.

(11) Main Lenders (As of March 31, 2009)

Lender	Amount
Syndicated loan (1)	¥20.00 billion
Syndicated loan (2)	¥16.80 billion
Syndicated loan (3)	¥16.25 billion
Syndicated loan (4)	¥13.20 billion
Nippon Life Insurance Company	¥10.00 billion
Meiji Yasuda Life Insurance Company	¥3.00 billion
Sumitomo Life Insurance Company	¥2.00 billion
Taiyo Life Insurance Company	¥2.00 billion

Note 1: The syndicated loan (1) was provided by five financial institutions, with the Sumitomo Mitsui Banking Corporation acting as an arranger.

Note 2: The syndicated loan (2) was provided by fifteen financial institutions, with the Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. acting as arrangers.

Note 3: The syndicated loan (3) was provided by four financial institutions, with the Sumitomo Mitsui Banking Corporation acting as an arranger.

Note 4: The syndicated loan (4) was provided by nine financial institutions, with the Sumitomo Mitsui Banking Corporation and The Bank of Tokyo-Mitsubishi UFJ, Ltd. acting as arrangers.

Note 5: The Company and StylingLife Holdings, Inc. has signed contracts with multiple financial institutions to establish a ¥102.0 billion commitment line. Refer to Section 1 (The Current Position of Tokyo Broadcasting System Holdings, Inc. and its Subsidiaries), Item (3). There was no borrowing under this contract in the current consolidated fiscal year.

2. The Current Position of Tokyo Broadcasting System Holdings, Inc.

(1) Common Stock (As of March 31, 2009)

1. Total number of shares issuable 400,000,000 shares

2. Issued number of shares 190,434,968 shares
(an increase of 28,000 shares compared with the previous fiscal year)

Note: The reason for the increase in the number of shares issued in the current consolidated fiscal year was shares issued due to exercise of stock options.

3. Number of Shareholders 12,800
(an increase of 1,634 compared with the previous fiscal year)

4. Major Shareholders and Number of Shares Held (Top 10)

Shareholders	Investment in the Company	
	Number of shares held	Percentage of total share ownership (%)
Rakuten, Inc.	37,770,700	19.83
The Master Trust Bank of Japan, Ltd. (Pension Account-Pension Trust Account held for Dentsu Inc.)	9,310,500	4.88
The Master Trust Bank of Japan, Ltd. (Trust Account)	8,449,700	4.43
Nippon Life Insurance Company	7,821,735	4.10
Mainichi Broadcasting System, Inc.	6,166,000	3.23
Sumitomo Mitsui Banking Corporation	5,745,267	3.01
Mitsui Fudosan Co., Ltd.	5,713,728	3.00
Japan Trustee Services Bank, Ltd. (Trust Account 4G)	5,187,800	2.72
Mitsui & Co., Ltd	4,288,000	2.25
Bic Camera Inc.	3,810,000	2.00

Note 1: Treasury stock (24,642 shares), which was registered in the shareholders' register list as of March 31, 2009, was excluded when percentages of total shares ownership were calculated.

Note 2: Percentages of total shares ownership were rounded down to three decimals.

Note 3: The percentage of voting rights held by foreign shareholders at the end of the current consolidated fiscal year, as defined in Radio Law, was 3.73%.

Note 4: 9,310,500 shares held by the Master Trust Bank of Japan, Ltd. Pension Account-Pension Trust Account held for Dentsu Inc. are the Company's shares owned by Dentsu and deposited in Dentsu's pension trust.

5. Other Important Matters Concerning the Company's Stock

In accordance with a resolution of an Extraordinary Meeting of Shareholders held on December 16, 2008, the Company implemented an absorption-type company split on April 1, 2009, the effective date, under which it transferred the Company's TV broadcasting business and the Multi Visual Ventures and Cultural Events Business to the Company's wholly owned subsidiary Tokyo Broadcasting System Television, Inc. and effected a transition to a certified broadcast holding company structure.

On March 31, 2009, the Company received an application for the exercise of the right to request the repurchase of the Company's shares pursuant to Paragraph 1, Article 785 of the Companies Act from Rakuten, Inc. and one other shareholder who had opposed the resolution for approval of an absorption-type company split agreement. The number of shares subject to the repurchase request is 37,770,800 shares, 19.83% of the total outstanding of the Company's issued shares as of March 31, 2009.

In response to this request, the Company discussed a purchase price for the shares with these shareholders, but as the discussions were not concluded within 30 days of the effective date, on May 1, 2009 the Company petitioned the Tokyo District Court to decide a purchase price.

As soon as the court decides a price, the Company plans to make payments for the shares subject to the repurchase request, and a change in shares will consequently occur.

(2) Stock Options (As of March 31, 2009)

(i) Stock Options Held by Officers of the Company

Stock options issued by the Company, under the provisions of Article 280-20 and Article 280-21 of the old Commercial Code, are summarized below.

Stock Options Resulting from a Resolution of the Board of Directors on July 27, 2005

(a) Type and number of shares for which options have been issued

Common stock 276,000 shares

(b) Amount payable on exercise of options

¥2,145 per share

(c) Period during which options can be exercised

From July 1, 2007 to June 30, 2009

(d) Conditions for exercise of options

- Options can be exercised after retirement
- Options cannot be inherited
- Options are canceled if employment is terminated under special circumstances
- Transfers, pledging etc., are prohibited

(e) Holdings of current officers of the Company

Category	Number of options	Number of shares	Number of holders
Directors (excluding outside directors)	54	54,000	10
Auditors (excluding outside auditors)	6	6,000	1

(ii) Stock Options Issued to Employees etc., as Remuneration for the Performance of Services During the Current Consolidated Fiscal Year

There are no applicable items.

(iii) Other Significant Matters Pertaining to Stock Options etc.

There are no applicable items.

(3) Corporate Officers

1. Directors and Auditors (As of March 31, 2009)

Position	Name	Areas of responsibility and representative status, etc. in other corporations, etc.
President and Representative Director	Hiroshi Inoue (Note 1)	In charge of Office of Internal Inspection of Business, President and Representative Director, Tokyo Broadcasting System Television, Inc.
Senior Managing Director and Representative Director	Keizo Zaitzu (Note 2)	In charge of Overall Businesses, President's Office, and Administration Office
Senior Managing Director	Kazuo Hiramoto	In charge of Strategic Center for Facility Management and Premises Development, Finance Division, and Management Division
Managing Director	Yukio Kinugasa	In charge of Office of Compliance, Division of Human Resources & Labor, Program Examination Office, and Program Council Secretariat
Director and Executive Advisor	Kiyoshi Wakabayashi	Owner, Yokohama BayStars Baseball Club, Inc.
Director	Shinji Takeda	Division President of Marketing Media Division, in charge of TBS Radio & Communications, Inc.
Director	Yoshitomo Mori	In charge of Head Office of TV Sales, and Head Office of Project Development
Director	Kenichiro Kidokoro	In charge of Marketing Media Division, and General Media Council
Director	Toshichika Ishihara (Note 3)	In charge of Operation Management, and TV Network Division
Director	Toshishige Namai	President and Representative Director, BS-i, Incorporated (Note 4)
Director	Yoji Shimizu	Chairman and Representative Director of TBS Radio & Communications, Inc.
Director	Masahiro Yamamoto	Chairman and Representative Director, Mainichi Broadcasting System, Inc.
Director	Tateo Mataki	President and Representative Director, Dentsu Inc. President, Japan Advertising Agencies Association Vice-Chairman, Japan Association for the Promotion of Creative Events

Director	Masatou Kitamura	President and Representative Director, The Mainichi Newspapers Co., Ltd. Representative Director, Mainichi Building Inc. President and Representative Director, Nippon Press Center, Ltd. Chairman, The Japan Newspaper Publisher & Editors Association
Director	Shoei Utsuda	President and Representative Director, Mitsui & Co., Ltd.
Standing Statutory Corporate Auditor	Kunio Ogawa	
Standing Statutory Corporate Auditor	Tadaaki Oda	
Corporate Auditor	Keiichiro Okabe	Chairman and Representative Director, Cosmo Oil Co., Ltd.
Corporate Auditor	Takeo Tanaka	Statutory Standing Auditor, Tokyo Electron Ltd.
Corporate Auditor	Yasushi Akashi	Chairman of the Japan Center for Conflict Prevention, Representative of the Government of Japan on Peace-Building, Rehabilitation, and Reconstruction in Sri Lanka, President of the Japanese Organization for International Cooperation in Family Planning (JOICEP)

- Note 1: Attendant on the Company's transition to a certified broadcast holding company structure on April 1, 2009, after the end of the year under review, Hiroshi Inoue assumed the office of Chairman and Representative director of Tokyo Broadcasting System Holdings, Inc.. Mr. Inoue also assumed the office of Chairman and Representative Director of Tokyo Broadcasting System Television, Inc. on the same day.
- Note 2: Attendant on the Company's transition to a certified broadcast holding company structure on April 1, 2009, after the end of the year under review, Keizo Zaitu assumed the office of President and Representative Director of Tokyo Broadcasting System Holdings, Inc..
The management structure following the transition to a certified broadcast holding company structure is as described in Note 10.
- Note 3: On April 1, 2009, after the end of the year under review, Toshichika Ishihara, who had concurrently served as a senior managing director of Tokyo Broadcasting System Television, Inc., assumed the office of President and Representative Director of Tokyo Broadcasting System Television, Inc..
- Note 4: On April 1, 2009, after the end of the year under review, BS-i, Incorporated changed its name to BS-TBS, Incorporated.
- Note 5: Among the directors, Masahiro Yamamoto, Tateo Mataka, Masatou Kitamura, and Shoei Utsuda are the outside directors.
- Note 6: Among the auditors, Keiichiro Okabe, Takeo Tanaka, and Yasushi Akashi are the outside corporate auditors.
- Note 7: Corporate auditor Keiichiro Okabe has an experience as the director in charge of financial affairs and accounting at Cosmo Oil Co., Ltd. and has considerable knowledge of finance and accounting.
- Note 8: Corporate auditor Takeo Tanaka has an experience as the head of financial affairs and accounting at Tokyo Electron Ltd. and has considerable knowledge of finance and accounting.
- Note 9: Significant concurrent posts of directors and auditors relevant to the year under review not listed in the table above are as follows:
- President and Representative Director Hiroshi Inoue concurrently serves as an outside director of Mainichi Broadcasting System, Inc., The Mainichi

Newspapers Co., Ltd., and Tokyo Electron Ltd. and as an outside corporate auditor for RKB Mainichi Broadcasting Corp.

- On April 1, 2009, after the end of the year under review, Managing Director Yukio Kinugasa assumed the office of a director of Tokyo Broadcasting System Television, Inc..
- Director Shinji Takeda concurrently serves as an outside director of BS-TBS, Incorporated and StylingLife Holdings Inc. and as an outside corporate auditor for SKY Perfect JSAT Holdings Inc. In addition, on April 1, 2009, after the end of the year under review, Mr. Takeda assumed the office of a director of Tokyo Broadcasting System Television, Inc.
- Director Yoshitomo Mori, who served as a senior managing director for Tokyo Broadcasting System Television, Inc., resigned effective March 31, 2009.
- Director Kenichiro Kidokoro concurrently serves as an outside director of TBS Radio & Communications Inc., StylingLife Holdings Inc. Broadcasting System of Niigata Inc., and WOWOW Inc.. In addition, on April 1, 2009, after the end of the year under review, Kidokoro assumed the office of Vice-Chairman of Tokyo Broadcasting System Television, Inc..
- Director Toshishige Namai concurrently serves as an outside director of Bic Camera Inc..
- Corporate auditor Kunio Ogawa concurrently serves as an outside corporate auditor of TBS Radio & Communications, Inc.. On April 1, 2009, after the end of the year under review, Mr. Ogawa assumed the office of a corporate auditor of Tokyo Broadcasting System Television, Inc..
- Managing Director Yukio Kinugasa assumed the office of Director of Tokyo Broadcasting Television, Inc. on April 1, 2009, after the end of the year under review.
- Concurrent posts of outside corporate officers are listed in (4) Items Pertaining to Outside Officers below.

Note 10: The Company's management structure following the transition to a certified broadcast holding company structure on April 1, 2009 is as follows:
Directors and Auditors of Tokyo Broadcasting System Holdings, Inc.
(as of April 1, 2009):

Chairman and Representative Director	Hiroshi Inoue	
President and Representative Director	Keizo Zaitso	(Office of Internal Inspection of Business)
Senior Managing Director	Kazuo Hiramoto	In charge of the Finance Division and Strategic Center for Real Estate Management and Premises Development
Managing Director	Yukio Kinugasa	In charge of the President's Office, Office of Compliance, Administration Office, and Division of Human Resources and Labor
Director and Executive Advisor	Kiyoshi Wakabayashi	Owner, Yokohama Bay Stars Baseball Club. Inc.
Director	Shinji Takeda	In charge of the Division of Corporate Planning, Marketing Media Division, and TBS Radio & Communications

Director	Yoshitomo Mori	
Director	Kenichiro Kidokoro	Vice-chairman, Tokyo Broadcasting System Television, Inc.
Director	Toshichika Ishihara	President and Representative Director, Tokyo Broadcasting System Television, Inc.
Director	Toshishige Namai	President and Representative Director, BS-TBS, Incorporated
Director	Yoji Shimizu	Chairman and Representative Director, TBS Radio & Communications, Inc.
Director	Masahiro Yamamoto	Chairman and Representative Director, Mainichi Broadcasting System, Inc.
Director	Tateo Mataka	Chairman and Representative Director, Dentsu Inc.
Director	Masatou Kitamura	Chairman and Representative Director, The Mainichi Newspapers Co., Ltd.
Director	Shoei Utsuda	Chairman and Representative Director, Mitsui & Co., Ltd.
Standing Statutory Corporate Auditor	Kunio Ogawa	
Standing Statutory Corporate Auditor	Tadaaki Oda	
Corporate Auditor	Keiichiro Okabe	President and Representative Director, Cosmo Oil Co., Ltd.
Corporate Auditor	Takeo Tanaka	Standing Statutory Auditor, Tokyo Electron Ltd.
Corporate Auditor	Yasushi Akashi	Chairman, Japan Center for Conflict Prevention; Representative of the Government of Japan on Peace-Building, Rehabilitation, and Reconstruction in Sri Lanka; President, JOICFP (Japanese Organization for International Cooperation in Family Planning)

2. Changes to Directors and Auditors in the Year Under Review

(a) Appointments

At the 81st Ordinary General Meeting of Shareholders held on June 27, 2008, Tadaaki Oda and Yasushi Akashi were elected and assumed the office as corporate auditors.

Note: At a meeting of the Board of Corporate Auditors held the same day, Kunio Ogawa and Tadaaki Oda were appointed and assumed the office of Standing Statutory Corporate Auditors. Tadaaki Oda was newly appointed.

(b) Retirements

At the conclusion of the 81st Ordinary General Meeting of Shareholders held on June 27, 2008, Auditor Masao Saito retired upon completion of his term of office.

(c) Changes in the Posts and Areas of Responsibility of Directors in the Year Under Review

Name	New	Old	Transfer Date
Kazuo Hiramoto	Senior Managing Director	Managing Director	June 27th, 2008
Yukio Kinugasa	Managing Director	Director	June 27th, 2008
Kenichiro Kidokoro	Director	Senior Managing Director	March 31st, 2009

3. Amounts of Fees, etc. Paid to Directors and Auditors

Category	Recipients	Total amount of fees, etc.
Directors	15	¥501 million
(subtotal: outside directors)	(4)	(¥20 million)
Corporate Auditors	6	¥59 million
(subtotal: outside statutory corporate auditors)	(3)	(¥13 million)

Note 1: The above recipients and the total amount of fees and others include one auditor who resigned at the conclusion of the 81st Ordinary General Meeting of Shareholders held on June 27, 2008, and fees for said retired auditor.

Note 2: In addition to the above amount, ¥32 million was paid to directors who were also employees, as an amount equivalent to their salaries as employees (including bonuses).

Note 3: Resolutions were passed at the 70th Ordinary General Meeting of Shareholders held on June 27, 1997 stipulating maximum amounts of ¥50 million per month (¥600 million per year) for directors' fees (not including salaries paid to directors who were also employees) and ¥6 million per month (¥72 million per year) for corporate auditors' fees.

Note 4: In addition to the above amounts, a total of ¥280 million will be paid to 9 directors (including ¥1 million to one outside director) and ¥9 million will be paid to two outside auditors at the time of the resignations of said directors and auditors as the amount of severance payment attendant on the abolition of the termination of the retirement benefit scheme in accordance with a resolution approved at the 77th Ordinary General Meeting of Shareholders held on June 29, 2004.

4. Items Pertaining to Outside Officers

(i) Posts Held Concurrently in Other Companies (Executive Service in Other Companies and the Relationships between the Company and Said Other Companies; Service as Outside Officers of Other Companies)

- Outside director Masahiro Yamamoto is Chairman and Representative Director of Mainichi Broadcasting System, Inc., with which TBS competes in the broadcasting business and others, but also has an ongoing business relationship in the areas of broadcast syndication, television frequency fees and others. Mr. Yamamoto is also an outside director of RKB Mainichi Broadcasting Corp. and The Mainichi Newspapers Co. In addition, on April 1, 2009, after the end of the year under review, Mr. Yamamoto assumed office as an outside director of Tokyo Broadcasting System Television, Inc.
- Outside director Tateo Mataka is Chairman and Representative Director of Dentsu Inc., a principal TBS customer with which TBS has an ongoing business relationship

in the area of sales of broadcasting time, sales of programs and others. Also, on April 1, 2009, after the end of the year under review, Mr. Mataki assumed the office as an outside director of Tokyo Broadcasting System Television, Inc.

- Outside director Masatou Kitamura is President and Representative Director of The Mainichi Newspapers Co., Ltd., with which TBS has an ongoing business relationship involving advertisement placement, the provision of news and information and others, Mr. Kitamura is also an outside director of Mainichi Broadcasting System, Inc. and RKB Mainichi Broadcasting Corp. In addition, on April 1, 2009, after the end of the year under review, Mr. Kitamura assumed the office as an outside director of Tokyo Broadcasting System Television, Inc.
- Outside director Shoei Utsuda is President and Representative Director of Mitsui & Co., Ltd., with which TBS has an ongoing business relationship involving business outsourcing and others. In addition, on April 1, 2009, after the end of the year under review, Mr. Utsuda assumed the offices as Chairman and Director of Mitsui & Co., Ltd. and as an outside director of Tokyo Broadcasting System Television, Inc.
- Outside corporate auditor Keiichiro Okabe is President and Representative Director of Cosmo Oil Co., Ltd., with which TBS has no significant business relationship. In addition, on April 1, 2009, after the end of the year under review, Mr. Okabe assumed the office as an outside corporate auditor of Tokyo Broadcasting System Television, Inc.
- Outside corporate auditor Takeo Tanaka assumed the office as an outside corporate auditor of Tokyo Broadcasting System Television, Inc., on April 1, 2009, after the end of the year under review.
- Outside corporate auditor Yasushi Akashi assumed the office as an outside corporate auditor of Tokyo Broadcasting System Television, Inc., on April 1, 2009, after the end of the year under review.

(ii) Principle Activities in the Fiscal Year Under Review

- Outside Directors: There were 13 meetings of the Board of Directors in the year under review, of which Masahiro Yamamoto attended 7, Tateo Mataki attended 5, Masatou Kitamura attended 9, and Shoei Utsuda attended 9. All four outside directors provided appropriate advice based on their extensive experiences and knowledge as corporate managers and others, in positions independent from TBS executives.
- Outside Corporate Auditors: There were 13 meetings of the Board of Directors and 8 meetings of the Board of Corporate Auditors in the year under review, of which Keiichiro Okabe attended 11 and 6, respectively, and Takeo Tanaka attended 8 and 6, respectively. Yasushi Akashi attended 7 of 11 meetings of the Board of Directors and 5 of 6 meetings of the Board of Corporate Auditors held following his assumption of the office as an auditor. All three outside auditors offered questions, advice and other contributions based on their extensive experiences and knowledge acquired as managers of business corporations or in activities in the United Nations.

(4) Accounting Auditors

(i) Name of accounting auditor: KPMG AZSA & Co.

(ii) Fees, etc. paid to accounting auditors in the current fiscal year under review

	Amount paid
A. Fees, etc. pertaining to the current fiscal year under review	¥ 109 million

B. Total amount of cash and other asset-based benefits payable to the accounting auditors of Tokyo Broadcasting System, Inc. and its subsidiaries	¥ 111 million
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Note 1: Among the subsidiaries, StylingLife Holdings, Inc. and Plazastyle Corporation are audited by the other accounting auditors.

Note 2: The audit agreement between the Company and the accounting auditor does not separate the amounts of fees etc., for audits under the Companies Act from the amounts of fees etc., for audits under the Financial Instruments and Exchange Law. Because it is essentially impossible to separate these amounts, the amount shown for A. above represents the sum of both.

(iii) Non-Auditing Services

Financial research on share acquisition of StylingLife Holdings, Inc.

(iv) Policy on Dismissal or Non-Reappointment of Accounting Auditor

If there are grounds for dismissal under the provisions of Article 340-1 of the Companies Act, the Board of Corporate Auditors of the Company. will dismiss the accounting auditor, subject to approval by all corporate auditors.

The Board of Directors will submit a proposal to a general meeting of shareholders concerning dismissal or non-reappointment of the accounting auditor, with the agreement of or at the request of the Board of Corporate Auditors, if this is deemed necessary, such as when the accounting auditor is deemed to be incapable of performing the duties.

3. Systems Ensuring that Directors Perform their Duties in Accordance with the Law and the Articles of Association and that Other Operations are Conducted Appropriately

The Company adopted the policy “concerning the establishment of the system necessary to ensure appropriate operation as a joint-stock corporation”, as stipulated in Item 6, Paragraph 4 of Article 362 and Paragraphs 1 and 3 of Article 100 of the Companies Act.

Introduction

As a broadcaster entrusted with the use of finite and valuable electromagnetic waves, Tokyo Broadcasting System Holdings, Inc. is profoundly aware of the social responsibilities and public mission of certified broadcast holding company with a broadcaster under its umbrella, as stated in the TBS Group Broadcasting Standards, and will continue to fulfill and strengthen its corporate governance.

As part of our efforts to carry out our business activities appropriately and efficiently while maintaining and increasing the corporate value of the TBS Group, we have established the TBS Group Corporate Activities Committee to build and implement internal control systems for the Group. The Committee is chaired by the President and made up of directors from the Company and its Group companies, as well as outside members. Its responsibilities are as follows:

1. Matters pertaining to the development, evaluation and improvement of internal control systems
2. Matters pertaining to upholding business ethics
3. Matters pertaining to the risk management and the appropriate and efficient performance of operations
4. Matters pertaining to information disclosure
5. Matters pertaining to questions from the boards of directors of TBS Group Companies

(1) Systems Ensuring that Directors Perform their Duties in Accordance with the Law and the Articles of Incorporation

- (a) All officers and employees swear a basic oath under the TBS Group Activities Charter, which defines the corporate philosophy under which the TBS Group is working to achieve growth based on excellence as a corporate Group. We are working to ensure the full implementation of the TBS Group Activities Standards, which were formulated as standards for the realization of the Charter.
- (b) We have formulated the TBS Group Information Disclosure Policies, and we will fulfill our responsibilities as a corporate Group through the timely disclosure of accurate information.
- (c) The Special Committee for Appraising Corporate Value, consisting of outside directors, outside corporate auditors and outside experts, assesses policies from the perspective of maximizing corporate value in response to questions submitted by the Board of Directors, and advises the Board of Directors of the results of its deliberations.
- (d) Tokyo Broadcasting System Holdings, Inc. is audited by the Board of Corporate Auditors, formed by full time corporate auditors and outside corporate auditors. The important subsidiary, Tokyo Broadcasting System Television, Inc. does not set the Board of Corporate Auditors but is audited by outside corporate auditors on the basis of the structure of Tokyo Broadcasting System Holdings, Inc.

(2) Systems Concerning the Storage and Management of Information Pertaining to the Performance of Directors' Duties

- (a) We have formulated the Document Handling Regulations, which define standards for the handling of documents containing information pertaining to the performance of directors' duties. Documents are stored and managed appropriately and reliably during the periods stipulated in those regulations.
- (b) We will maintain document storage and management systems capable of responding promptly to requests from directors and auditors who wish to peruse documents pertaining to the performance of directors' duties.

(3) Risk of Losses Management Regulations and Other Systems

- (a) We will set the TBS Group Risk Management Policies, TBS Group Risk Management Regulations and other regulations required to support ongoing control of the risk of losses affecting our business activities and operations, and establish the risk management systems. We will maintain risk management systems to evaluate the risk management condition for the previous financial term and implement those systems appropriately. In this context, the risk management plan for the coming financial term will be approved by the TBS Group Risk Management Committee, which is the sub-committee of the TBS Group Corporate Activities Committee.
- (b) We have formulated the Basic Policies for Managing Market Risk. This policy is reviewed semi-annually to ensure an appropriate response to the risk of share price, exchange rate and interest rates fluctuations.
- (c) We have formulated the Investment and Financial Management Regulations to support the management, coordination and efficient use of investments and finance. The appropriateness of investments and loans is assessed by the Investment and Financial Judging Committee after consultation with TBS Group Management Strategy Meeting.
- (d) To ensure an appropriate response to risks, we have formulated the TBS Group Crisis Response Regulations, which define organizational structures, operational procedures, information management methods and other systems to be employed in the event of a serious risk situation, such as damage to our corporate brand.
- (e) We have formulated the "Information Security Policy" to ensure appropriate network use and prevent threats, such as unauthorized access, system damage caused by computer viruses etc., and data leakage or tampering etc.

(4) Systems Ensuring the Efficient Performance of Directors' Duties

- (a) In principle, the Board of Directors meets regularly once every month. This is the basic system for ensuring the efficient performance of directors' duties.
- (b) Important matters pertaining to management policy and strategies are discussed at TBS Group Management Strategy Meeting, which are in principle held once a week. Decisions on executive actions are taken after these deliberations.
- (c) The TBS Group Management Strategic Meeting, which advises the President, supports comprehensive long-term management planning by facilitating and coordinating long-term management planning activities.

(5) Systems Ensuring that Employees Perform their Duties in Compliance with Laws, Regulations and the Articles of Incorporation

- (a) We have formulated the TBS Group Activities Charter as a basic oath that all officers and employees are required to uphold. We have also adopted the TBS Group Activities Standards as standards for the realization of the Charter.
- (b) We will ensure that the Office of Compliance is able to function effectively and appropriately as the coordinating unit for the development and operation of internal control and compliance system, and that the Office of Internal Inspection of Business can function effectively and appropriately as the internal audit unit.
- (c) We will maintain the TBS Hotline as an internal reporting system for the TBS Group, and we will make effective use of the Office of Internal Inspection of Business and outside law offices as contact points for the reporting of problems, such as situations that contravene laws, regulations or corporate rules.
- (d) We will maintain internal checks and balances, such as personnel-related systems, to eliminate the concentration of authority in the hands of individual employees.

(6) Systems Ensuring the Appropriateness of the Business Operations of the Group Consisting of Tokyo Broadcasting System, Inc. and Its Subsidiaries

- (a) We will apply the TBS Group Activities Charter and the TBS Group Activities Standards as the oath and behavior guidelines for the TBS Group.
- (b) Tokyo Broadcasting System Television, Inc. and Tokyo Broadcasting Radio & Communication, Inc., our owned broadcasters under the company, will set the Broadcast Council in the accordance with the Broadcast Law, and that the Broadcast Council will be the committee for consultation and proposal of all queries, aiming for the improvement and the development of broadcast programs.
- (c) For Tokyo Broadcasting System Television, Inc., which has a large influence on, ‘the Broadcasting and Human Rights’ Special Committee will counsel with the Board of Directors about any needs on human rights at broadcasting environments. The Company will then receive a report from Tokyo Broadcasting System Television, Inc. to handle with given situations.
- (d) The company will set the division of operational auditing to audit the operations of all related TBS Group companies.
- (e) Each company within the TBS group will lay down the “TBS Group Corporate Governance” to straighten the system of the relationship between a parent company and subsidiaries in the Group to improve the penetration of formulation and the operation of internal control systems.
- (f) Each company within the TBS group will participate in the ‘TBS Hotline’ to set out the structure that covers surrounded situations and operate.
- (g) We have formulated the Affiliated Company Management Regulations as the basis for efforts to enhance the management efficiency of the TBS group and accelerate their development through the provision of guidance.

(7) Systems Ensuring the Effectiveness of Audits Conducted by the Corporate Auditors

1. Items Pertaining to Employees in the Auditor Support Organization and the Independence of those Employees from Directors
 - (a) We will ensure that the Office of Corporate Auditors is able to function as a support unit for the activities of the auditors, and we will maintain regulations pertaining to the employees who provide that support.
 - (b) The Board of Corporate Auditors will establish a Board of Corporate Auditors Headquarters if required, such as when there are matters requiring investigation by the auditors. Employees nominated by the Board of Corporate Auditors Headquarters will provide assistance to the Board of Corporate Auditors Headquarters or the auditors.
 - (c) The approval of the auditors will be obtained for personnel appraisals and transfers of employees who assist in the work of the auditors, and for any disciplinary action against such employees.

2. Systems for Reporting to the Corporate Auditors by Directors and Employees and for Other Reports to the Corporate Auditors
 - (a) The directors and employees will report to Corporate Auditors whenever there are important matters affecting operations or performance.
 - (b) The Corporate Auditors may require reports from directors or employees as required at any time.
 - (c) We will operate the TBS Hotline appropriately and maintain appropriate reporting systems, so that the Corporate Auditors can be informed of any compliance issues, including violations laws and regulations.
 - (d) The Corporate Auditors will receive reports on the results of internal audits conducted by the Office of Internal Inspection of Business.
 - (e) The Corporate Auditors can attend important meetings, peruse documents concerning important decisions, and require directors to provide reports concerning the performance of operations. If necessary, the Corporate Auditors can also hold direct hearings in any department.
 - (f) The Corporate Auditors, Accounting Auditors and Office of Internal Inspection of Business will maintain effective and efficient internal control systems by sharing information.

4. Basic Policy Regarding Parties Deciding on Financial and Business Policies of Tokyo Broadcasting System Holdings, Inc.

The Company revised TBS Group's medium-term management plan from "V! up 2010 Plan" to "V! up 2012 Plan" at the Board of Directors' meeting held on November 13, 2008 to withstand with the dramatic changes in corporate environments, including domestic and overseas economic trends, and has been striving for its goal.

At the same time, a certified broadcast holding company structure was introduced by the virtue of the amended Japanese Broadcast Law effective on April 2008, allowing full-fledged shift to a holding company structure in the broadcasting industry. The Company has, from the stance of seeking further efficient and stabilized group management, and maximizing the corporate values of TBS Group and shareholders' common interests, shifted to a certified broadcast holding company as of April 1 this year upon the approval given by the shareholders at our extraordinary meeting of shareholders held on December 16, 2008 regarding the absorption-type company split enabling Tokyo Broadcasting System Television, Inc. (hereinafter referred to as "TBS TV"), a wholly owned subsidiary of the Company, to succeed our television broadcasting and multi-visual ventures and cultural events businesses. In addition, in order to closely respond to such changes of legal environment as the implementation of dematerialization of share certificates as of January this year and the reorganization of the Securities and Exchange Law into the Financial Instruments and Exchange Law in 2007, the Company made, at the Board of Directors' meeting held on April 3 this year, partial amendment, within the necessary and minimum scope, to the "Response Policy for a Takeover Proposal Regarding the Company's Shares" (Anti-Takeover Measures; hereinafter referred to as "the Plan") which had been announced as of May 18, 2005, revised as of February 28, 2007 and approved by our shareholders at the 80th Ordinary General Meeting of Shareholders of the Company held on June 28, 2007.

On the back of the above development, the Company decided to implement the captioned basic policy (the engagement required by Item B (2), Paragraph 3 of Article 118 of Ordinance for Enforcement of the Companies Act, amended by "Ministerial Ordinance for Partial Amendment of Ordinance for Enforcement of the Companies Act, Corporate Accounting Regulation, etc. (Ministry of Justice Ordinance No.7 of 2009) corresponding to the engagement required by Item B, Paragraph 2 of Article 127 of Ordinance for Enforcement of the Companies Act before the amendment in the manner described below at the Board of Directors' meeting held on April 28 this year.

Despite the changes in the corporate environment and the reorganization of TBS Group's structure as mentioned above, the Company's fundamental perspective on Basic Policy Regarding Parties Deciding on Financial and Business Policies of the Company remains the same as before.

(1) Basic Policy

As a listed company, the Company has a responsibility to contribute to the market economy. We also have an important public mission as a certified broadcast holding company with a broadcaster under its umbrella that is entrusted with the use of finite and valuable electromagnetic waves. The corporate characteristics of the Company are expressed as follows in "II. Activities Charter" of the "TBS Group Activities Charter" which was formulated by the Company. "We consistently commit ourselves to the freedom of expression and make efforts to transmit fair, honest and accurate information that contributes to both society and culture, thereby fulfilling the mission expected of a news medium" and "We place a great importance on relations with society and harmonious coexistence with nature, and commit ourselves to a positive social contribution as well as in the realization of better global environment through our business and

individual activities across the board.” In addition, the Company is given a vital role as a certified broadcast holding company with a broadcaster under its umbrella that is, as our country’s key media, expected to perform the function of social lifeline particularly at the time of disasters and emergencies without any delay.

With the emergence of full-scale digital terrestrial broadcasting and the arrival of the multimedia era, the challenge for the broadcasting industry is the improvement of the program production, planning and development capabilities and program quality.

We recognize our work force, including the employees and associated workers of Tokyo Broadcasting System Holdings, Inc. and its subsidiaries (hereinafter referred to as the “TBS Group”) as a business resource that is vital to the fulfillment of public mission and social role, and to our efforts to improve program production, planning and development capabilities and program quality, which are key to our competitiveness as a broadcaster.

Furthermore, the relationships of trust that we have built over many years with our contractors and suppliers, and with all of the people who contribute to the development of programs and content, play an extremely important role as a business resource. These above all are the sources of our corporate value.

To maximize our corporate value and the shared interests of our shareholders, we must develop and strengthen the sources of our corporate value from a long-term perspective. Decisions concerning our financial and business policies need to be based on an awareness of these facts.

As a listed company, we are not opposed to a large-scale acquisition of our shares if this contributes to the maximization of our corporate value and the shared interests of our shareholder. Nor are we opposed to the proposal of ideas relating to these actions. However, if decisions on our corporate financial and business policies are controlled by parties who do not share our belief in the need to strengthen the aforementioned sources of our corporate value from a long-term perspective, there is a risk that these resources will be impaired in the long-term. If so, this would compromise our efforts to maximize our corporate value and the shared interests of all shareholders. In view of our important public mission as a core media organization in Japan, there is also a danger that the interests of the Japanese people as a whole would be harmed.

For these reasons, and in keeping with the spirit of the Broadcasting Law and the Radio Law, Tokyo Broadcasting System Holdings, Inc. may, under certain circumstances, take steps to secure and maximize its corporate value and the common interests of all shareholders, within the limits allowable under the law and the articles of incorporation of Tokyo Broadcasting System Holdings, Inc. We may take such steps if there is a risk that a specific party or group, or its related parties (hereinafter collectively referred to as the “acquirer etc.”), may damage the sources of our corporate value from a long-term perspective, for instance through the acquisition of voting rights equivalent to 20% or more of the total voting rights in Tokyo Broadcasting System Holdings, Inc., where the acquirer etc., is unsuitable as a party controlling decisions concerning the financial or business policies of Tokyo Broadcasting System Holdings, Inc.

The certified broadcast holding company structure intends to provide new management platforms that enable broadcasters to further promote management efficiency in line with the purport of the principle of excluding multiple ownerships of the media by granting broadcasters avail of the holding company structure. Under the structure, those shareholders with the legal voting right more than 33% are restricted from holding the portion of the voting right in excess of 33% for the purpose of securing pluralism, diversity and regionality of broadcasting. Thus, this restriction is already applied to the Company shareholders as the result of the Company’s shift to a certified broadcast holding company.

Even after the shift to a certified broadcast holding company, the Company has been placing “all-around business alliance policy” in a tie-up policy that aims at adherence to the impartiality of broadcasting and realization of optimal tie-ups with optimal business partners in each field, thereby building all-around relationships with various business partners as a whole. In

light of this policy, however, an appearance of shareholders with shareholding ratio exceeding 20% still remains unfavorable for the Company's corporate value as well as the common interest of our shareholders unless it is expected to bring more benefit than the case where the tie-up policy above is strictly observed. Accordingly, regardless of an application of the voting right holding restriction structure to the Company as the result of the shift to a certified broadcast holding company system, the Company will continuously maintain its engagement to prevent controls over the decision on the Company's finance and business policies by inappropriate parties in light of the partially amended Basic Policy.

(2) Raising Corporate Value and Maximizing the Common Interests of Shareholders under the V!up 2012 Plan

The Company and the TBS Group will continue to use television and radio broadcasting to serve the public's right to access information, and to provide quality entertainment that will appeal to a wide range of audiences. At the same time, in order to establish an unshaken position in the broadcasting industry in a digital era and accomplish the betterment of sustainable corporate value, which was announced in February 2006, "V! up 2010 Plan" as a medium-term management plan of the TBS Group toward 2010 and had strived for its goals. Thereafter, we revised the medium-term management plan to "V! up 2012 Plan", a new plan toward 2012, to outstand with the environmental changes surrounding the Company, including economic trends in and outside of Japan. Thus, an effort to carry out the new plan has been made since November 2008.

Our goals under "V! up 2012 Plan" are to win a top position in viewer ratings of terrestrial TV programs in 2012 and to increase our sales share of TV spot advertising to more than 25% of the five broadcasters based in Tokyo. The Company also established a policy to make all-out efforts, by putting an emphasis on balancing revenues and costs, to secure profit and attain the target of 6% ratio of operating profit to net sales on a consolidated basis in 2012, on the premise of a continuing harsh corporate environment hereafter.

Through the V!up 2012 Plan, the Company and the TBS Group will establish the position as the 'Most Powerful Source for Contents', and aim to maximize the common benefits shared with shareholders, by researching for the efficiency of management and the high quality of broadcastings, software, and contents.

(3) Approach to Prohibiting Control by Inappropriate Parties in Light of a Basic Policy

In accordance with a resolution adopted by the Board of Directors on February 28, 2007, Tokyo Broadcasting System Holdings, Inc. has made the amendments to its policy for responding to takeover proposals, which was announced on May 18, 2005 (hereinafter referred to as the "year 2005 plan").

We have retained the essence of the plan, which is intended to secure and improve our corporate value and the common interests of all shareholders, while making the changes to place an even greater emphasis on the wishes of shareholders. The amended policy will be referred to hereinafter as "the Plan."

The Plan was partially amended, within the necessary and minimum scope, by the resolution of the Board of Directors' meeting held on April 3, 2009 within a frame of the resolution approved at the 80th General Meeting of Shareholders held on May 18, 2007 (hereinafter referred to as the "2007 shareholders' meeting") with a prior and unanimous approval by all incumbent members of the Special Committee for Appraising Corporate Value (hereinafter referred to as the "Special Committee"). As described above, the amendment was in line with the

Company's shift to a certified broadcast holding company as of April 1, 2009 and such changes in the legal environment as the implementation of dematerialization of share certificates as of January this year and the reorganization of the Securities and Exchange Law into Financial Instruments and Exchange Law in 2007. Details of the Plan are as indicated below. It is noted that although the description hereunder is the same as the partially amended Plan announced as of April 3 this year, it is partially simplified/rationalized to secure the understandability of descriptions as a business report.

1. Plan Details

(a) Procedures for Triggering the Plan

(i) Acts Subject to the Plan

The Plan is applied when an act that falls under any item from I. through III. below (hereinafter, "Large-Scale Acquisition") is implemented and the Plan procedures shall be initiated when a party emerges that maintains a policy of conducting such act (including a party that the Company's Board of Directors reasonably determines as having such policy based on the recommendations of the special committee, but excluding cases in which the Board of Directors has given prior approval).

The details of the countermeasures against a Large-Scale Acquisition are as set out in (iv) below, but the countermeasures under the Plan shall not be triggered as a matter of course when a party as described above emerges, and the decision to trigger the countermeasures against such party shall be determined in strict accordance with the procedures in (ii),(iii)and (v) or (vii) below.

I. A tender offer (*koukaikaisuke*)¹ intended to result in the holding ratio of share certificates, etc. (*kabuken tou shoyuu wariiai*)² of the tender offeror group (Note 1) amounting to a total of 20% or more of the share certificates, etc. (*kabuken tou*)³ issued by the Company after the acquisition;

II. An acquisition, etc. that would result in the owning ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*)⁴ of the large-scale acquisition group (Note 2) amounting to 20% or more of the share certificates, etc. (*kabuken tou*)⁵ issued by the Company after the acquisition;

III. Notwithstanding the implementation by the Company of a tender offer or other acquisition of share certificates, etc. issued by the Company, (i) an agreement or other act made or conducted between the large-scale acquisition group and another shareholder of the Company whose total owning ratio of share certificates, etc. together with the large-scale acquisition group is 20% or more of the total ownership in the Company's share certificates, and results

1 "Tender Offer" (*koukaikaisuke*) as defined in Article 27-2(6) of the Financial Instruments and Exchange Law; the same applies hereinafter unless otherwise provided for.

2 "Holding ratio of share certificates, etc" (*kabuken tou shoyuu wariiai*) as defined in Article 27-2(8) of the Financial Instruments and Exchange Law as a ratio for holding share certificates, etc. (*kabuken tou hoyuu wariiai*) to be calculated by deeming tender offerors and tender offeror groups (excluding special interested parties (*tokubetsu kankeisha*)) as a special interested parties (*tokubetsu kankeisha*) set out herein; the same applies hereinafter unless otherwise provided for.

3 "Share certificates, etc." (*kabuken tou*) as defined in Article 27-2(1) of the Financial Instruments and Exchange Law.

4 "Owning ratio of share certificates, etc" (*kabuken tou hoyuu wariiai*) as defined in Article 27-23(4) of the Financial Instruments and Exchange Law as a ratio for owning ratio of share certificates, etc. (*kabuken tou hoyuu wariiai*) to be calculated by deeming the owner of share certificates and those belonging to the large-scale acquisition group (excluding joint owners (*kyoudou hoyuusha*)) as a joint owner (*kyoudou hoyuusha*); the same applies hereinafter unless otherwise provided for.

5 "Share certificates, etc." (*kabuken tou*) as defined in Article 27-23(1) of the Financial Instruments and Exchange Law; the same applies hereinafter unless otherwise provided for.

in such other shareholder becoming a joint holder (*kyoudou hoyuusha*)⁶ of such large-scale acquisition group, or (ii) an act that establishes a relationship⁷ between the Company's core shareholders in the large-scale acquisition group and other shareholders where one party has substantial control over the other party, or that leads to the parties taking joint or collaborative action (Note 3).

(Note 1)

The "tender offeror group" refers to the tender offeror itself, its special concerned parties (*tokubetsu kankeisha*)⁸; investment banks, securities companies, and other financial institutions that have signed a financial advisory agreement with these parties, and other parties holding a substantial common interest in the tender offeror or its special concerned parties; the tender offer agent, and other parties that the Company's Board of Directors has reasonably acknowledged based on the recommendations of the special committee as being substantially under the control of the foregoing parties or with whom such parties take joint or collaborative action.

(Note 2)

The "large-scale acquisition group" refers to the holders (*hoyuusha*)⁹ and joint holders (*kyoudou hoyuusha*)¹⁰ of share certificates, etc. issued by the Company; investment banks, securities companies, and other financial institutions that have signed a financial advisory agreement with these parties, and other parties holding a substantial common interest in the holders or joint holders; and other parties that the Company's Board of Directors has reasonably acknowledged based on the recommendations of the special committee as being substantially under the control of the foregoing parties or with whom such parties take joint or collaborative action.

(Note 3)

Whether or not the act described in III above has been carried out is to be reasonably determined by the Company's Board of Directors based on the recommendations of the special committee. Also, please note that the Company's Board of Directors may request that the Company's shareholders provide information pursuant to the information described in (ii) below to the extent that it is deemed necessary in order to determine whether or not the requirements in III apply.

The tender offeror group, the Large-Scale Acquisition group and the other shareholders in III above, shall be collectively referred to as the "Acquirer Group."

(ii) Request, etc. of Information from the Acquirer Group

⁶ "Joint Holders" (*kyoudou hoyuusha*) as defined in Article 27-23(5) of the Financial Instruments and Exchange Law; the same applies hereinafter.

⁷ Whether or not such relationship has been established shall be determined on the basis of new contribution relationships, trade and contractual relationships, formation of relationships in terms of interlocking officers or sponsorship, direct or indirect influences that the core shareholders of the Company belonging to the large-scale acquisition group and the other shareholders may have on the Company.

⁸ "Special concerned party" (*tokubetsu kankeisha*) as defined in Article 27-2(7) of the Financial Instruments and Exchange Law (including parties that the Company's Board of Directors deems pertinent).

⁹ "Holder" (*hoyuusha*) as defined in Article 27-23(1) of the Financial Instruments and Exchange Law, including those deemed to be holders under Article 27-23(3) (including parties that the Company's Board of Directors deems pertinent); the same applies hereinafter.

¹⁰ "Joint Holder" (*kyoudou hoyuusha*) defined in Article 27-23(5) of the Financial Instruments and Exchange Law, including those deemed to be joint holders under Article 27-23(6) (including parties that the Company's Board of Directors deem pertinent); the same applies hereinafter.

Unless the Company's Board of Directors determines otherwise, the Acquirer Group shall, before the commencement or implementation of the Large-Scale Acquisition, submit a written document with the information set out in the items below (“Necessary Information”), and if during the Board of Director’s evaluation period (as defined in (iii) below) or as a result of the evaluation period, the Company’s Board of Directors resolves to convene a general meeting of shareholders pursuant to (vi) below, a written document stating that the Company’s share certificates may not be purchased during the waiting period¹¹ of 21 days following such point of time (“Waiting Period”), and a covenant pledging its compliance with the Plan procedures (together with the Necessary Information, collectively, the “Statement of Acquisition Intent”).

If the special committee finds the submitted information insufficient as Necessary Information, it may request the Acquirer Group to provide additional information by a suitable reply deadline (as a general rule, 60 days).

If the Company’s Board of Directors requests the Statement of Acquisition Intent, or if the Statement of Acquisition Intent is submitted, the Company shall, in a timely and appropriate manner, inform the shareholders to that effect and disclose matters which the Company’s Board of Directors deems adequate according to the relevant laws and ordinances, and stock exchange rules, such as:

I. a Summary of the Acquirer Group (including specific names, major shareholders or investors, investment ratios, financial status, names and brief career summary of the Officers. If the Acquirer Group is an entity engaged in funds or investments, the above information pertaining to major partners, investors (whether investing directly or indirectly), other constituent members, managing partners and parties who continuously give investment advice is to be included);

II. the purpose, method and details of the Large-Scale Acquisition (the types and amount of consideration for the Large-Scale Acquisition, period of the Large-Scale Acquisition, structure of the related transactions, the legality of the method of the Large-Scale Acquisition, the feasibility of achieving the Large-Scale Acquisition and related transactions, and if the Company share certificates, etc are to be delisted after the Large-Scale Acquisition, notice to that effect and reasons therefor. The legality of the method of Large-Scale Acquisition shall be submitted together with the attorney’s legal opinion);

III. whether or not there was communication of intent between a third party in regards to the Large-Scale Acquisition (including the communication of intent for carrying out a significant proposal (referring to a significant proposal, etc. set out in Article 27-26(1) of the Financial Instruments and Exchange Law) against the Company; the same applies hereinafter) and if the communication of intent occurred, the name of the other party, a brief description of the party, the specific manner in which the intent was communicated and the details thereof;

IV. the basis for the calculation of the consideration for the Large-Scale Acquisition and the process of calculation (including the underlying facts and hypotheses, calculation method, numerical information used in the calculation, the amount and details of any expected

¹¹ The waiting period may be extended to a reasonable extent with the approval of the special committee, in order to confirm the intentions of shareholders and by taking into account the clerical burdens for delivering the convocation notices for the convocation of the extraordinary shareholders meeting and other physical reasons; the same applies hereinafter unless otherwise provided for.

synergies from the series of transactions relating to the Large-Scale Acquisition (including the amount and details of such synergies to be distributed to minority shareholders) and the basis for the calculation);

V. the underlying funds for the Large-Scale Acquisition (including the specific names of the providers of the funds (including substantial providers of the funds (whether investing directly or indirectly)), a brief description, financing methods, conditions for such funding, (including the status of created security and whether or not it is scheduled for the future), existence or non-existence of covenants for after the funding is provided, its details and the terms of any related specific transactions);

VI. the Company and the Company group's management policy, business plan, financial plan, funding plan, investment plan, capital and dividend policies, and program scheduling policy (including plans for the sale, creation as security and other plans regarding the disposal of Company and Company group entities including Tokyo Broadcasting System Television, Inc.'s assets after the Large-Scale Acquisition) planned for after the Large-Scale Acquisition is conducted, and other policies dealing with the treatment of the Company and Company group's officers, employees, clients, customers, business collaborators and other interested parties of the Company after the completion of the Large-Scale Acquisition;

VII. existence of connections (whether direct or indirect) with antisocial powers or terrorist organizations and policies for dealing with such;

VIII. the Company's approach in fulfilling its public mission as a certified broadcast holding company and Tokyo Broadcasting System Television, Inc. as a broadcasting station (including its approach to matters set out in Article 1, Article 3, and Article 3.2 of the Broadcasting Law); and

IX. Other information that the Company's Board of Directors or the special committee reasonably deems necessary.

(iii) Consideration by the Board of Directors and the Special Committee

The Company's Board of Directors and the special committee shall stipulate either period I. or period II. below that complies with the details of the Large-Scale Acquisition disclosed by the Acquirer Group (such period shall start on the date the Company discloses the fact that the Company's Board of Directors or the special committee has decided that the Statement of Acquisition Intent and the Necessary Information have been completely submitted, according to the related laws and ordinances, and stock exchange rules) as the period for the Company's Board of Directors to evaluate, consider, form an opinion, devise an alternative proposal and negotiate with the Acquirer Group (the "Board of Directors Evaluation Period").

The Board of Directors Evaluation Period has been established taking into consideration the difficulty involved in evaluating and considering the Company's business details, as well as the difficulty of forming an opinion and devising an alternative proposal.

I. If all the Company's shares etc. are acquired through a tender offer where the consideration is only in cash (yen): 60 days (excluding the initial date)

II. If a Large-Scale Acquisition other than item I. above is conducted: 90 days (excluding the initial date)

The Company's Board of Directors shall, within the Board of Directors Evaluation Period, evaluate, consider, form an opinion, devise an alternative proposal and negotiate with the Acquirer Group with respect to a Large-Scale Acquisition proposed by Acquirer Group based on the Necessary Information provided by the Acquirer Group with a view to maximizing the corporate value of the Company and the common interests of the shareholders.

At that time, the Company's Board of Directors shall, whenever necessary, obtain the advice of third-party professionals independent from the Company's Board of Directors (financial advisers, attorneys-at-law, certified public accountants and the like).

The special committee shall also evaluate and consider the Acquirer Group's proposal and may obtain advice from third-party professionals independent from the Company's Board of Directors (financial advisers, attorneys-at-law, certified public accountants and the like) during such evaluation and consideration as necessary, and the expenses shall be borne by the Company.

If there are unavoidable reasons such as the special committee's failure in making a recommendation set forth in (iv) below during the Board of Directors Evaluation Period, and the Company's Board of Directors cannot resolve (a) whether to or not to trigger the countermeasures within the Board of Directors Evaluation Period, or (b) to convene a general meeting of shareholders, the Company's Board of Directors may, based on the special committee's recommendation, extend the Board of Directors Evaluation Period to the extent that it is necessary and for a maximum of 30 days (excluding the initial date), and in the event that further extension is required, the same shall apply *mutatis mutandis* thereto.

If the Company's Board of Directors resolves to extend the Board of Directors Evaluation Period, the specific period and the reasons necessary for the extension shall be disclosed in a timely and appropriate manner by following the relevant laws, ordinances and stock exchange rules.

The special committee may, when it acknowledges that the Acquirer Group has initiated the Large-Scale Acquisition without complying with the Plan procedures herein, recommend the Company's Board of Directors trigger the required countermeasures provided in (iv) below, such as the gratis allotment of the Stock Acquisition Rights, except in unusual situations where further consultations and negotiations with the Acquirer Group are required in order to obtain the Necessary Information. In such case, the Company's Board of Directors shall trigger the required countermeasures in (iv) below, such as the gratis allotment of the Stock Acquisition Rights, with the utmost respect to the special committee's aforementioned recommendation, except in unusual situations where the director has obviously breached the duty of care as a good manager.

(iv) Specific Details of the Countermeasure

The countermeasures against the Large-Scale Acquisition to be triggered by the Company in accordance with the Plan shall be, as a general rule, a gratis allotment of the Stock Acquisition Rights. Provided, however, that if it is determined that the triggering of other countermeasures granted under the Corporation Law, other laws or ordinances, or the Company's articles of incorporation are appropriate, such countermeasures shall be triggered instead.

A summary regarding the gratis allotment of the Stock Acquisition Rights as a countermeasure against the Large-Scale Acquisition is as set out in “3. Outline of Gratis Allotment of Stock Acquisition Rights” below, but for the actual gratis allotment of the Stock Acquisition Rights to take place the following, as well as the exercise period, exercise terms and acquisition terms etc., in view of its effectiveness as a countermeasure for the Large-Scale Acquisition, shall be included:

(i) terms that prohibit the Exceptional Party (defined in (f) of “3. Outline of Gratis Allotment of Stock Acquisition Rights” below) from exercising their Stock Acquisition Rights;

(ii) acquisition provisions which provide that the Company may acquire the Stock Acquisition Rights through various considerations depending on whether or not the Acquisition Rights holder is an Exceptional Party (provisions that provide that the Stock Acquisition Rights held by a Stock Acquisition Rights holder who is not an Exceptional Party shall be acquired by the Company in exchange for shares of common stock, and if the Company deems it appropriate, a Stock Acquisition Rights holder who is an Exceptional Party, may acquire new stock acquisition rights and other assets as a replacement for the Stock Acquisition Rights), or

(iii) acquisition provisions which provide that when acquiring a part of the Stock Acquisition Rights, the Company may only acquire the Stock Acquisition Rights held by a Stock Acquisition Rights holder who is not an Exceptional Party.

As set out in “3. Outline of Gratis Allotment of Stock Acquisition Rights” below), the allocation record date for the gratis allotment of Stock Acquisition Rights shall be after the date the Large-Scale Acquisition is initiated for the reasons described in the provisions of (i) above or against the Plan procedures. Thus, the gratis allotment of Stock Acquisition Rights shall not be conducted under usual conditions. Also, the Company’s Board of Directors shall, as a general rule, stipulate the allotment record date so that it falls after the date of the general meeting of shareholders and shall conduct consultations with related organizations to make allowances so that accidental damages do not extend to the shareholders.

(v) Recommendation to Non-trigger the Countermeasures

Regardless of whether the Directors Evaluation Period is complete, the special committee shall make a recommendation to the Company’s Board of Directors that the countermeasure of a gratis allotment of the Stock Acquisition Rights should not be triggered if the special committee determines that the Acquirer Group is not, overall, an abusive acquirer in accordance with the Company’s guidelines after considering the Acquirer Group’s Large-Scale Acquisition and the acquisition proposal details, consulting or negotiating with such group, and the incumbent members of the special committee reaching a unanimous decision.

However, if the underlying facts change after the special committee recommends the non-triggering of the countermeasures, the special committee may withdraw such recommendation and make another different recommendation.

If the special committee recommends to non-trigger the gratis allotment of Stock Acquisition Rights and other countermeasures, the Company’s Board of Directors shall follow such recommendation and resolve not to trigger the gratis allotment of Stock Acquisition Rights

and other countermeasures in accordance with the recommendation except in an unusual situation where the director has obviously breached the duty of care as a good manager.

(vi) Convocation of a General Shareholders Meeting

If, after exploring the Acquirer Group's Large-Scale Acquisition and its proposal and as a result of consultations and negotiations with the Acquirer Group, the special committee cannot reach a unanimous decision of the incumbent special committee members to make the recommendation in (v) above, the special committee shall recommend the Company's Board of Directors seek the judgment of a general shareholders meeting in order to determine whether to make a gratis allotment of the Stock Acquisition Rights, trigger the acquisition provision and other countermeasures. In such case, the Company's Board of Directors shall promptly carry out convocation procedures for a general shareholders meeting at which the agenda items shall be to seek approval regarding the gratis allotment of Stock Acquisition Rights, and triggering of the acquisition provision and other countermeasures.

In such case, the Company's Board of Directors shall promptly disclose the summary of the Necessary Information, the Company's Board of Directors' opinion regarding the Statement of Acquisition Intent, the details of the special committee's recommendations, and other matters that the Company's Board of Directors deems appropriate, in a timely and appropriate manner and in accordance with the relevant laws and ordinances and stock exchange rules.

As a premise for holding the general shareholders meeting, the Company's Board of Directors shall fix a record date to determine the shareholders who may exercise their voting rights at such general shareholders meeting ("Voting Rights Approval Record Date") promptly after it has received sufficient information from the Acquirer Group and shall give notification thereof at least 2 weeks prior to such record date. The shareholders who may exercise their voting rights at such general shareholders meeting shall be the shareholders entered or recorded in the final shareholders register on the Voting Rights Approval Record Date.

The resolution of the general shareholders meeting shall be adopted by a majority vote of the shareholders present who may exercise their right to vote. The result of the general shareholders meeting shall be disclosed promptly after such resolution is made.

(vii) Resolution of the Board of Directors

The Company's Board of Directors shall make a resolution regarding the gratis allotment of Stock Acquisition Rights, the triggering of the acquisition provision, and the triggering or non-triggering of other countermeasures without delay, as an entity under the Corporation Law, by following the prescribed Plan procedures and paying the utmost respect to the special committee's recommendations (recommendations regarding the triggering of the countermeasures pursuant to (iii) above, or the non-triggering of countermeasures pursuant to (v) above, and in accordance with the above resolution of the general shareholders meeting, except in an unusual situation where a director has obviously breached the duty of care as a good manager.

If the Company's Board of Directors makes the above resolution, the Company's Board of Directors shall disclose the summary of the above resolution and other matters that the Company's Board of Directors deems appropriate in a timely and appropriate manner, and in accordance with the relevant laws ordinances and stock exchange rules.

The Acquirer Group shall not conduct the Large-Scale Acquisition unless the Company's Board of Directors has resolved not to trigger the gratis allotment of Stock Acquisition Rights or other such countermeasures by following the prescribed Plan procedures (in other words, due to the special committee's recommendation of the non-triggering of countermeasures pursuant to (v) above, or because a resolution for triggering the countermeasures as in (vi) above could not be reached at the general shareholders meeting).

(b) The Plan's Effective Period, Abolition and Changes

The Plan will automatically renew for a successive period of three years and the same shall apply thereafter unless a resolution is passed to abolish the Plan at an ordinary general shareholders meeting convened during or after April 2010. However, if a resolution is made by the Company's Board of Directors or at the Company's general shareholders meeting to abolish the Plan or the special committee unanimously resolves to abolish the Plan, the Plan shall be abolished at that point, even during the effective period.

When laws and regulations are revised (including changes in naming of laws and regulations as well as an enactment of new laws and regulations succeeding the old ones) and enforced, each article and paragraph of the laws and regulations quoted in the Plan should read as each article and paragraph of these laws and regulations after revision, or each article and paragraph of the laws and regulations substantially succeeding these laws and regulations.

2. Outline of the Company's Special Committee for Appraising Corporate Value

The Company's Special Committee for Appraising Corporate Value is an outside advisory body separate from the Board of Directors that will consider the adequacy of measures for matters such as those inquired about by the Company's Board of Directors based on the Plan and other such matters in determining whether such items will maximize the Company's corporate value, and give recommendations based upon the results. The Company's Board of Directors will respect the Special Committee's recommendation to the utmost degree and make final decisions on preliminary responses based on the response policy and matters that are necessary to the countermeasures. The Company's Board of Corporate Auditors shall supervise the Board of Directors' and the Special Committee's decision making process.

The Special Committee shall consist of: (1) one or two of the Company's outside directors; (2) one or two of the Company's or Tokyo Broadcasting System Television Inc.'s outside corporate auditors, and (3) three or four experts from outside the Company with achievements as attorneys-at-law, public accountants, persons experienced in investment banking companies, management, and experienced scholars knowledgeable about the Companies Act. The term of office for each committee member shall be two years.

3. Outline of Gratis Allotment of Stock Acquisition Rights

(a) Entitled Shareholders

The Company will make a gratis allotment of stock acquisition rights to the shareholders whose names are entered or recorded in the last register of shareholders on the record date determined by the Company's Board of Directors (the date immediately following the occurrence of the acts subject to the Plan as set out in the body of (a)(i) of "1. The Plan Details" above), for one stock acquisition right per share in the Company held by those shareholders (excluding shares of common stock held by the Company).

(b) Class and Number of Shares to be Issued upon Exercise of Stock Acquisition Rights

The class of shares to be issued upon exercise of stock acquisition rights will be shares of common stock in the Company and the number of shares to be issued upon exercise will be one share or a fraction of one share of common stocks in the Company determined by the Company's Board of Directors.

(c) Effective Date of Gratis Allotment of Stock Acquisition Rights

The Company's Board of Directors will separately determine the effective date.

(d) Total Number of Stock Acquisition Rights to be Allotted to Shareholders

The total number of the stock acquisition rights to be allotted to shareholders will be the number determined by the Company's Board of Directors up to the last total number of outstanding shares on the record date of the gratis allotment (excluding the number of shares of common stock held by the Company).

(e) Amount of Property to be Contributed upon Exercise of Each Stock Acquisition Right

Contributions upon exercise of each stock acquisition right are to be in cash, and the amount per share of common stock in the Company to be contributed upon exercise of the stock acquisition rights will be one yen or more.

(f) Conditions for Exercise of Stock Acquisition Rights

The Company's Board of Directors will determine the conditions for exercise of stock acquisition rights. (The Company may attach a condition for exercise that the Company will not allow an exercise of the rights by any party it designates pursuant to the procedures prescribed by the Board of Directors as a party who belongs to an Acquirer Group (the "Exceptional Party").)

(g) Acquisition of Stock Acquisition Rights by the Company

- (i) The Company may establish, by resolution of its Board of Directors, an acquisition clause allowing only an acquisition of (x) all stock acquisition rights or (y) the stock acquisition rights owned by stock acquisition rights holders other than the Exceptional Party upon the occurrence of certain events or the arrival of certain dates that are determined by the Board of Directors.
- (ii) If the Company establishes an acquisition clause set out in (a) above and acquires stock acquisition rights from a stock acquisition rights holder other than the Exceptional Party, the Company will, in exchange for one stock acquisition right, deliver to the stock acquisition rights holder the number of shares of common stock in the Company to be predetermined by the Board of Directors as one share or a fraction of one share. Also, if the Company acquires stock acquisition rights from a stock acquisition rights holder who is the Exceptional Party, the Company may, in exchange for one stock acquisition right, deliver to the stock acquisition rights holder new stock acquisition rights issued in place of the existing stock acquisition rights or other property.
- (iii) If, as a result of acquiring the stock acquisition rights pursuant to the acquisition clause set out in (a) above, foreign shareholders (as defined in the body of Article 52-32, Paragraph 1 of the Broadcast Law; hereinafter the same) that do not fall under the Exceptional Party will hold 20% or more of the total voting rights of the Company, for those shares of common stock to be issued to

those foreign shareholders as consideration for acquisitions that will compose 20% or more of the total voting rights of the Company (as defined in the body of Article 52-30, Paragraph 2-5 (A) or (B) of the Broadcast Law, hereinafter the same), the Company will, in exchange for one stock acquisition right, deliver new stock acquisition rights in place of the existing stock acquisition right or other property, both in proportion to the holding ratio of each such foreign shareholders.

(h) Exercise Period and Other Matters of Stock Acquisition Rights

The exercise period of the stock acquisition rights and other necessary matters will separately be determined and then publicly announced by the Company's Board of Directors.

(i) Non-issuance of Certificates Representing Stock Acquisition Rights

Certificates representing the Stock Acquisition Rights will not be issued, unless the stock acquisition rights holder requests otherwise.

(4) Positions of the Board of Directors Concerning Specific Initiatives, and Reasons for those Positions

This Plan aimed at ensuring and improving both the Company's corporate value and the common interests of shareholders and based on the year 2005 plan, adopted by the Board of Directors, was repositioned, and partially amended to prohibit control by inappropriate parties to control the determination of joint-stock companies' financial and business principles by the Board of Directors on February 28, 2007 and approved at the 80th Ordinary General Meeting of Shareholders held on June 28, 2007. The partial amendment was made of the Board of Directors on April 3rd this year, which we assessed that the amendment made was within the approval at the 2007 general meeting of shareholders.

The response policy after the revision (the "Plan") was developed, adheres to the corporate legal systems such as the Companies Act, the "Guidelines regarding Takeover Defense for the purposes of Protection and Enhancement of Corporate Value and Shareholders' Common Interests" released by the Ministry of Economy, Trade and Industry and the Ministry of Justice on May 27, 2005 (the "Government Guidelines"), the "Partially Revised Listing Examination Criteria for Share Certificates following an overhaul of the Listing System pertaining to the Introduction of Takeover Defense Policies" released by Tokyo Stock Exchange Inc. on March 7, 2006, and various Tokyo Stock Exchange Inc. rules, with sufficient regard to the shareholder's rights, the exercise thereof, and the Company shares' impact on the stock markets on which the Company's shares are listed, and a general shareholders meeting will be convened as a general rule to allow direct canvassing of the wishes of shareholders before the countermeasures are triggered, and to ensure fairness and objectivity, a Special Committee for Appraising Corporate Value, consisting of highly independent outside directors, outside corporate auditors and outside experts shall give advice about triggering or not triggering the Plan, and such advice shall be followed to the greatest possible extent to ensure fairness and objectivity, and the Plan can be terminated by a single resolution of a general shareholders meeting. Accordingly the amended policy is seen as contributing to our corporate value and the common interests of shareholders and not as a policy designed to maintain the positions of officers of the Company.

Consolidated Balance Sheets

(As of March 31, 2009)

(Millions of yen)

ASSETS		LIABILITIES	
Current Assets:	128,048	Current Liabilities:	92,608
Cash and Deposits	48,862	Notes and Accounts Payable	40,360
Notes and Accounts Receivable	39,727	Short-Term Borrowings	2,449
Inventories	15,547	Current Portion of Long-Term Borrowings	21,250
Prepaid Expenses	10,861	Accrued Amount Payable	11,656
Deferred Tax Assets	3,782	Accrued Income Taxes	3,035
Other Current Assets	9,442	Accrued Consumption Taxes	2,151
Less: Allowance for Doubtful Accounts	△176	Unpaid Expenses	5,613
Fixed Assets:	428,731	Reserve for Director and Corporate Auditor Bonuses	209
Tangible Asset: (2&4)	234,213	Other Current Liabilities	5,881
Buildings and Structures	126,035	Fixed Liabilities:	121,940
Machinery, Equipment and Vehicles	17,317	Bonds	30,000
Fixtures and Fittings	3,641	Long-Term Borrowings	62,000
Land	84,752	Accrued Retirement Benefits	12,487
Lease Assets	156	Deferred Tax Liabilities	1,158
Construction in Progress	2,310	Other Long-Term Liabilities	16,294
Intangible Fixed Assets:	36,080	Total Liabilities	214,548
Software	5,299	NET ASSETS	
Goodwill	28,783	Shareholders' Equity:	330,693
Lease Asset	381	Common Stock	54,986
Other Intangible Asset	1,615	Capital Surplus	60,254
Investments and Other Assets:	158,437	Retained Earnings	215,539
Investments in Securities(1)	136,875	Less: Treasury Stock	△87
Deferred Tax Assets	7,615	Valuation, Translation Adjustments and Others:	642
Other Investments	14,522	Unrealized Gains on Available-for-Sale Securities	1,061
Less: Allowance for Doubtful Accounts	△576	Deferred Gains (Losses) on Hedges	△335
		Adjustments on Foreign Currency Statement Translation	△83
		Minority Interests in Consolidated Subsidiaries	10,895
		Total Net Assets	342,231
TOTAL ASSETS	556,780	TOTAL LIABILITIES AND NET ASSETS	556,780

Consolidated Statements of Income
(Fiscal Year from April 1, 2008 to March 31, 2009)

(Millions of yen)

Accounting Item	Amount	
Net Sales		372,306
Cost of Sales		261,730
Gross Profit		110,576
Selling, General and Administrative Expenses		92,118
Income from Operations		18,457
Other Income		
Interest and Dividend Income	3,059	
Investment Income by Equity Method	167	
Others	637	3,864
Other Expenses		
Interest Expense	1,300	
Loss on Disposal of Fixed Asset	319	
Others	722	2,341
Ordinary Income		19,979
Extraordinary Income		
Compensation for Transfer of Property	323	
Others	253	577
Extraordinary Loss		
Loss on Revaluation of Investment Securities	10,502	
Loss on Disposal of Investment Securities	415	
Loss on Disposal of Fixed Asset	187	
Others	773	11,879
Income before Income Taxes		8,677
Income Taxes		4,510
Adjustment for Corporate Tax, etc.		1,859
Less: Minority Interests in Net Income of Consolidated Subsidiaries		652
Net Income		1,655

Consolidated Statements of Changes in Shareholders' Equity

(Fiscal Year from April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' equity				
	Common Stock	Capital Surplus	Retained Earnings	Treasury Stock	Total Shareholders' Equity
Balance at March 31, 2008	54,959	60,227	217,691	Δ79	332,799
Changes During the Fiscal Period					
Proceeds of New Shares	27	27			55
Cash Dividends from Retained Earnings			Δ3,807		Δ3,807
Net Income			1,655		1,655
Acquisition of Treasury Stock				Δ7	Δ7
Net Change in Items Other than Shareholders' Equity					—
Total Changes During the Fiscal Period	27	27	Δ2,152	Δ7	Δ2,105
Balance at March 31, 2009	54,986	60,254	215,539	Δ87	330,693

	Valuation, Translation Adjustment and Others				Minority Interests	Total Net Assets
	Unrealized Gains (Losses) on Securities	Deferred Gains (Losses) on Hedges	Adjustments on Foreign Currency Statement Translation	Total Valuation, Translation Adjustment and Others		
Balance at March 31, 2008	25,647	Δ417	Δ72	25,157	2,420	360,376
Changes During the Fiscal Period						
Proceeds of New Shares						55
Cash Dividends from Retained Earnings						Δ3,807
Net Income						1,655
Acquisition of Treasury Stock						Δ7
Net Change in Items Other than Shareholders' Equity	Δ24,586	82	Δ10	Δ24,514	8,475	Δ16,039
Total Changes During the Fiscal Period	Δ24,586	82	Δ10	Δ24,514	8,475	Δ18,144
Balance at March 31, 2009	1,061	Δ335	Δ83	642	10,895	342,231

Notes to Consolidated Financial Statements

Basis of Presenting Consolidated Financial Statements

1. Scope of Consolidation

(1) Consolidated subsidiaries

Number of consolidated subsidiaries: 34

Names of principal consolidated subsidiaries

Principal subsidiaries are as listed in Business Report 1 (5) Status of Main Parent Company and Subsidiaries.

As a result of the acquisition of shares in StylingLife Holdings, Inc., six wholly owned subsidiaries of that company, Plazastyle Corp., Lightup Shopping Club Inc., B&C Laboratories Inc., CP Cosmetics Inc. and Maxim's de Paris Corporation, were brought within the scope of the consolidation.

TRC, Co., Ltd. ceased to exist as a separate entity following its absorption by another consolidated subsidiary, TBS Sunwork, Inc. on January 1, 2009, and was therefore excluded from the scope of the consolidation.

(2) Non-consolidated Subsidiaries

Names of principal non-consolidated subsidiaries: Telepac Co. Ltd.

The 26 non-consolidated subsidiaries are all minor in terms of various items, including assets, net sales, net income and retained earnings (based on the Company's share interest), and their overall effect on the Company's consolidated financial statements is minimal.

2. Application of Equity Method

(1) Affiliated Companies to Which Equity Method Applies

Number of companies: 5

TOTSU Inc. TLC Inc. BS-i Inc. Tomo-Digi Corp. and RG Marketing Inc.

As an affiliated company of B&C Laboratories Inc., which was brought within the scope of the consolidation in the fiscal year under review, RG Marketing Co., Ltd. became subject to the equity method.

(2) Affiliated Companies to Which Equity Method Does Not Apply

Name of principal non-equity-method company: C-TBS, Inc.

The 26 non-consolidated subsidiaries and 37 non-consolidated affiliated companies are all minor in terms of net income and retained earnings (based on the Company's share interest), and have minimal effect on the Company's consolidated financial statements. Because of their limited overall significance the equity method has not been applied and the companies have instead been valued at book value.

3. Fiscal Periods, etc. of Consolidated Subsidiaries

Two of the Company's consolidated subsidiaries, Tokyo Broadcasting System International Inc. and Yokohama Bay Stars Baseball Club, Inc. had a fiscal year that ended on December 31, 2008. The consolidated statements have been adjusted to reflect important transactions that took place between the respective term-ends of those companies and March 31, 2009.

4. Notes on Accounting Standards

(1) Revaluation of Major Assets

a. Revaluation standards and methods for securities

Subsidiaries and affiliated companies: At cost, using the moving average method

Other securities:

Market value applicable: At market value, based on market price at fiscal year-end (Net unrealized gains/losses are shown in net assets. Realized gains/losses are calculated using the moving average method.)"

Market value not applicable: At cost based on the moving average method

b. Revaluation standards for derivatives: At market value

c. Revaluation policies and methods for inventory assets

Programs and work in progress:

At cost, using the identified cost method (book value written down based on reduction of profit potential)

Commodities and products

Mainly at cost, using the moving average or total average method (book value written down based on reduction of profit potential)

Raw materials and supplies

Mainly at cost, using the moving average or total average method (book value written down based on reduction of profit potential)

(Change to Accounting Policy)

The "Accounting Standard for Measurement of Inventories" (Corporate Accounting Standard No. 9, July 5, 2006) has been applied as of the fiscal year under review. The effect of this change on income is immaterial.

(2) Depreciation of Major Fixed Assets

Tangible fixed assets (excluding lease assets)

Declining balance method (straight-line method for buildings)

Other tangible fixed assets (excluding lease assets)

Straight-line method: Software (items used in-house) is depreciated using the straight-line method over the estimated useful life of the item (five years).

Lease assets

Lease assets under finance leases that do not result in transfers of ownership

The economic life of the asset is deemed to be the lease period, and the straight-line method is applied over that period until the residual value is zero.

Assets leased under finance leases that do not result in transfers of ownership and have commencement dates prior to March 31, 2008, are accounted for using the methods used for normal leasing transactions.

Long-term prepaid expenses

Amortization using the straight-line method

(3) Accounting Standards for Major Reserves

a. Allowance for doubtful accounts:

To provide against losses on defaults of notes and accounts receivable the Company provides the allowance for doubtful accounts according to a ratio based on historical experience in the case of general claims plus the amount of uncollectible receivables estimated on an individual basis in the case of claims at risk of default.

b. Reserve for directors' and statutory auditors' bonuses:

The Company has set aside a reserve for bonus payments to corporate officers based

on the projected amount payable at the end of the current fiscal year.

c. Accrued retirement benefits:

The Company has set aside a reserve for retirement and severance payments to employees based on the amount payable as of the end of the current fiscal year and the estimated value of pension assets. Actuarial gains and losses are treated as expenses in the following fiscal year after the period in which they are incurred.

(4) Other Major Items

a. Major hedging transactions

Accounting method for hedges: Deferral hedge accounting, special accounting for interest swaps that meet the conditions for special accounting

Hedging instruments: Derivatives (forward exchange contracts) covering trade accounts payable
Derivatives (interest swaps) covering accrued interest

Items covered by hedges: Items exposed to losses resulting from price fluctuations, items for which price fluctuations, are not reflected in valuations and items for which fluctuations can be avoided by means of fixed cash flows

Hedging policy

Exchange rate fluctuation risk:

Items to be hedged are limited and hedging is used only for actual needs.

Risk of interest rate fluctuation risk:

Fixed and floating interest rates are swapped to reduce interest payable on bonds issued and borrowings.

Assessment of hedging effectiveness:

Effectiveness is assessed by analyzing fluctuation in cash flows and market prices. However, the effectiveness of interest rate swaps for which special accounting is used is not assessed.

b. Consumption Tax

In respect to consumption tax and others, the Company has adopted the tax-exclusive method.

5. Evaluation of Assets and Liabilities of Consolidated Subsidiaries

Full fair value method

6. Depreciation of Goodwill and Negative Goodwill

Goodwill is subject to straight-line depreciation over 20 years from the year of incurrence. However insignificant amounts are treated as gains or losses in the year of incurrence.

Changes in Accounting Practices

(Accounting Policy for Lease Transactions)

Finance leases that do not result in transfers of ownership were previously accounted for using the method for leasing transactions. The Accounting Standard for Lease Transactions (Corporate Accounting Standard No. 13, June 17 1993, 1st Committee, Business Accounting Council, Revised March 30, 2007) and the Guidance on Accounting Standard for Lease Transactions (Corporate Accounting Standard No. 16, January 18, 1994, Japanese Institute of Certified Public Accountants, Accounting Systems Committee, revised March 30, 2007) have been applied as of the year under review, and these transactions have accordingly been accounted for using the method for normal purchase transactions.

Where the commencement date for a finance lease that does not result in transfers of ownership is prior to the first year in which these standards have been applied, that transaction will continue to be accounted for using the method for normal lease transactions.

The effect of this change on income is immaterial.

(Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements)

“Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for Consolidated Financial Statements” (ASBJ PITF 18, May 17, 2006) has been applied as of the year under review, and the necessary adjustments have been made in the consolidated accounts. This change has no effect on income.

Consolidated Balance Sheet

1. Assets pledged as collateral	
Investment securities	¥1,058 million
Shares in EMOBILE Ltd. (in which the Company has invested) worth ¥1,058 million have been pledged as collateral on a bank loan for that company.	
2. Accumulated depreciation of tangible fixed assets	¥147,221 million
3. Guarantee liabilities	
Employees' housing loans	¥6,235 million
Bank loan for Broadcasting Satellite System Corporation	¥583 million
Joint guarantee on lease agreement for RCC Broadcasting Co. Ltd.	¥807 million
Joint guarantee on lease agreement for i-Television Inc.	¥704 million
Joint guarantee on premises lease contract for LIFENEO Inc.	<u>¥64 million</u>
Total	¥8,395 million
4. Amount deducted from acquisition prices of tangible fixed assets for government subsidies etc. received	¥2,335 million

Consolidated Statements of Changes in Shareholders' Equity

1. Categories and Numbers of Shares Issued, Categories and Numbers of Shares of Treasury Stock

(Shares)

	Number at End of Previous Fiscal Year	Increase in Current Fiscal Year	Reduction in Current Fiscal Year	Total at End of Current Fiscal Year
Numbers of Shares Issued				
Common stock (Note 1)	190,406,968	28,000	-	190,434,968
Total	190,406,968	28,000	-	190,434,968
Treasury stock				
Common stock (Note 2)	410,731	4,583	-	415,314
Total	410,731	4,583	-	415,314

Notes 1: The increase of 28,000 shares of common stock resulted from the exercise of stock options.

Notes 2: The increase of 4,583 shares of treasury stock resulted from the purchase of less-than-one-unit shares.

2. Stock Acquisition Rights

Category	Breakdown of Stock Acquisition Rights	Type of Shares Covered	Number of Shares for the Purpose of Stock Acquisition Rights (Shares)				Balance at End of Current Fiscal Year (Millions of Yen)
			End of Previous Fiscal Year	Increase in Current Fiscal Year	Reduction in Current Fiscal Year	End of Current Fiscal Year	
Tokyo Broadcasting System Holdings, Inc.	Stock Acquisition Rights issued as stock options in 2004	Common stock	166,000	-	166,000	-	-
	Stock Acquisition Rights issued as stock options in 2005	Common stock	278,000	-	2,000	276,000	-
Consolidated Subsidiaries	-	-	-	-	-	-	-
Total		-	-	-	-	-	-

Notes 1: The number of shares represents the number of stock acquisition rights that can be exercised.

Notes 2: The reduction for Tokyo Broadcasting System Holdings, Inc. breaks down as follows:
The reduction in 2004 consisted of stock acquisition rights for 26,000 shares exercised as stock options and 140,000 lapsed stock option rights.
The reduction in 2005 resulted from the exercise of stock acquisition rights as stock options.

3. Dividends

(1) Cash Dividend Amounts

Resolution	Type of Shares	Total Dividend (Millions of Yen)	Dividend Per Share (Yen)	Date of Record	Effective Date
Ordinary General Meeting of Shareholders on June 27, 2008	Common stock	2,284	12	Mar. 31, 2008	Jun. 30, 2008
Board of Directors' Meeting on November 5, 2008	Common stock	1,523	8	Sep. 30, 2008	Dec. 9, 2008

(2) Dividends for which the date of record is in the current fiscal year, but the effective date is in the following fiscal year.

Scheduled Resolution	Type of Shares	Total Dividend (Millions of Yen)	Source	Dividends Per Share (Yen)	Date of Record	Effective Date
Ordinary General Meeting of Shareholders on June 26, 2009	Common stock	380	Earned surplus	2	Mar. 31, 2009	Jun. 29, 2009

Per Share Information

1. Net assets per share ¥1,743.69
2. Net income per share ¥8.71

Additional Information

In accordance with the resolution adopted at the General Meeting of Shareholders held on December 16, 2008, an absorption-type split was implemented with regard to the Company's TV broadcasting business and cultural business, with Tokyo Broadcasting System Television, Inc., a wholly owned subsidiary of Tokyo Broadcasting System Holdings, Inc., as the succeeding company, and Tokyo Broadcasting System Holdings, Inc. was converted into a certified broadcast holding company. These changes took effect on April 1, 2009.

In connection with this absorption-type split, Rakuten, Inc., a dissenting shareholder of the Company, and one other shareholder demanded the purchase of their shares in the Company by March 31, 2009 under the provisions of Article 785-1 of the Companies Act. Following the receipt of these demands, an attempt was made to negotiate a purchase price. However, these negotiations failed to produce an agreement within 30 days of the date on which the changes took effect, and an application was therefore made to the Tokyo District Court for a ruling on the purchase price for the shares. (The total number of shares to be purchased is 37,770,800, which is equivalent to 19.83% of the total number of shares issued by the Company as of March 31, 2009.)

Non-Consolidated Balance Sheets

(As of March 31, 2009)

(Millions of yen)

ASSETS		LIABILITIES	
Current Assets:	92,555	Current Liabilities:	93,017
Cash and Deposits	44,110	Notes and Accounts Payable (4)	33,101
Notes	648	Short-Term Borrowings (4)	27,387
Accounts Receivable (4)	31,557	Current Portion of Long-Term Borrowings	20,000
Program Account	4,754	Accrued Amount Payable	8,542
Prepaid Expenses	8,271	Accrued Income Taxes	181
Accounts Receivable from Affiliates (4)	1,210	Accrued Consumption Taxes	1,408
Deferred Tax Assets	1,175	Unpaid Expenses	1,356
Other Current Assets (4)	955	Other Current Liabilities	1,038
Less: Allowance for Doubtful Accounts	Δ127		
Fixed Assets:	397,994		
Tangible Asset: (2&5)	224,543	Fixed Liabilities:	99,770
Buildings	116,405	Bonds	30,000
Structures	5,021	Long-Term Borrowings	47,000
Machinery, Equipment	13,928	Long-Term Deposits Payable	13,742
Vehicles	194	Accrued Retirement Benefits	8,482
Fixtures and Fittings	2,864	Long-Term Accounts Payable	290
Land	83,849	Other Long-Term Liabilities	255
Lease Asset	18		
Construction in Progress	2,261		
Intangible Fixed Assets:	4,210	Total Liabilities	192,787
Right to use facilities	15	NET ASSETS	
Software	4,109	Shareholders' Equity:	298,174
Other Intangible Asset	85	Common Stock	54,986
Investments and Other Assets:	169,241	Capital Surplus	56,693
Investments in Securities (1)	125,222	Capital Reserve	55,026
Equity of Affiliated Company	42,529	Others	1,667
Investments	24	Gain on Disposal of Treasury Stock	1,667
Investments in Affiliated Company	10	Retained Earnings	186,563
Long-Term Loan (4)	455	Legal Reserve	4,217
Long-Term Prepaid Expense	1,559	Others	182,346
Deferred Tax Assets	5,609	Reserve for Special Depreciation	826
Other Investments	4,841	Other Reserve	184,312
Less: Allowance for Doubtful Accounts	Δ273	Retained Surplus	Δ2,792
Less: Allowance for Investment Devaluation	Δ10,739	Treasury Stock	Δ69
		Valuation, Translation Adjustments and Others:	Δ412
		Unrealized Gains on Available-for-Sale Securities	Δ268
		Deferred Gains (Losses) on Hedges	Δ144
		Total Net Assets	297,762
TOTAL ASSETS	490,549	TOTAL LIABILITIES AND NET ASSETS	490,549

Non-Consolidated Statements of Income
(Fiscal Year from April 1, 2008 to March 31, 2009)

(Millions of yen)

Accounting Item	Amount	
Net Revenue (1)		272,764
Cost of Revenue (1)		203,388
Gross Profit		69,376
Selling, General and Administrative Expenses (1)		59,065
Income from Operations		10,310
Other Income		
Interest and Dividend Income (1)	4,070	
Others	311	4,381
Other Expenses		
Interest Expense (1)	1,154	
Loss on Disposal of Fixed Asset	170	
Fees and Commissions	255	
Loss on Sales of Receivables	182	
Others	151	1,914
Ordinary Income		12,777
Extraordinary Loss		
Loss on Revaluation of Investment Securities	10,460	
Loss on Sales of Investments in Securities	415	
Loss on Equity of Affiliated Company Investments	208	
Loss on Revaluation of Capital Investment	26	
Loss on Disposal of Fixed Asset	24	
Loss on Revaluation of Golf Club Membership	12	11,149
Income before Income Taxes		1,628
Income Taxes		7
Adjustment for Corporate Tax, etc.		5,422
Net Income		Δ3,801

Non-Consolidated Statements of Changes in Shareholders' Equity
(Fiscal Year from April 1, 2008 to March 31, 2009)

(Millions of yen)

	Shareholders' Equity								
	Common Stock	Capital Surplus			Legal Reserve	Retained Earnings			Total Retained Earnings
		Capital Reserve	Other Capital Surplus	Total Capital Surplus		Other Retained Earnings			
					Reserve for Special Depreciation	General Reserve	Retained Earnings Carried Forward		
Balance at March 31, 2008	54,959	54,998	1,667	56,666	4,217	118	172,312	17,525	194,173
Changes During the Fiscal Period									
Proceeds of New Shares	27	27		27					
Reserve for Special Depreciation						725		△725	
Disposal of reserve for special depreciation						△16		16	
General Reserve							12,000	△12,000	
Cash Dividends from Retained Earnings								△3,807	△3,807
Net Loss								△3,801	△3,801
Acquisition of Treasury Stock									
Net Change in Items Other than Shareholders' Equity									
Total Changes During the Fiscal Period	27	27	—	27	—	708	12,000	△20,318	△7,609
Balance at March 31, 2009	54,986	55,026	1,667	56,693	4,217	826	184,312	△2,792	186,563

	Shareholders' Equity		Valuation, Translation Adjustment and Others			Total Net Assets
	Treasury Stock	Total Shareholders' Equity	Unrealized Gains (Losses) on Available-for-Sale Securities	Deferred Gains (Losses) on Hedges	Total Valuation, Translation Adjustment and Others	
Balance at March 31, 2008	△61	305,736	23,069	172	22,897	328,633
Changes During the Fiscal Period						
Proceeds of New Shares		55				55
Reserve for Special Depreciation		—				—
Disposal of reserve for special depreciation		—				—
General Reserve		—				—
Cash Dividends from Retained Earnings		△3,807				△3,807
Net Loss		△3,801				△3,801
Acquisition of Treasury Stock	△7	△7				△7
Net Change in Items Other than Shareholders' Equity			△23,338	28	△23,309	△23,309
Total Changes During the Fiscal Period	△7	△7,562	△23,338	28	△23,309	△30,871
Balance at March 31, 2009	△69	298,174	△268	△144	△412	297,762

Notes to Non-Consolidated Financial Statements

Basis of Presenting Non-Consolidated Financial Statements

1. Asset Revaluation Standards and Methods

(1) Revaluation Standards and Methods for Marketable Securities

Shares in subsidiaries and affiliated companies:

- | | |
|-------------------------------|--|
| | At cost, using the moving average method |
| | Other securities |
| a Market value applicable | At market value, based on financial year-end prices (Net unrealized gains are shown in net assets. Realized gains are calculated using the moving average method.) |
| b Market value not applicable | At cost based on the moving average method |

(2) Revaluation standards for derivatives: At market value

(3) Revaluation Standards and Methods for Inventories

Mainly at cost, using the identified cost method (book value written down based on reduction of profit potential)

(Change to Accounting Policy)

“Accounting Standard for Measurement of Inventories” (Corporate Accounting Standard No. 9, July 5, 2006) has been applied as of the year under review.

This change has no effect on income.

2. Depreciation of Fixed Assets

Tangible fixed assets (excluding lease assets)

Declining balance method (straight-line method for buildings)

Other tangible fixed assets (excluding lease assets)

Straight-line method: Software (items used in-house) is depreciated using the straight-line method over the estimated useful life of the item (five years).

Lease assets

Lease assets under finance leases that do not result in transfers of ownership

The economic life of the asset is deemed to be the lease period, and the straight-line method is applied over that period until the residual value is zero.

Assets leased under finance leases that do not result in transfers of ownership and have commencement dates prior to March 31, 2008, are accounted for using the methods used for normal leasing transactions.

Long-term prepaid expenses

Amortization using the straight-line method

3. Accounting Standards for Reserves

(1) Allowance for doubtful accounts

To provide against losses on defaults of trade accounts receivable and loans, the Company provides the allowance for doubtful accounts according to a ratio based on historical experience in the case of general claims, plus the amount of uncollectible receivables estimated on an individual basis in the case of claims at risk of

default.

(2) Accrued retirement benefits

The Company has set aside a reserve for retirement and severance payments to employees, based on the amount payable as of the end of the current fiscal year and the estimated value of pension assets. Actuarial gains and losses are treated as expenses in the following accounting period in which they are incurred.

(3) Securities revaluation reserve

The Company sets aside an amount required to provide against losses on investments in its affiliated companies, etc., taking into account the extent of declines in the substantial value of the companies concerned, the prospect of a future recovery, and other factors.

4. Other Significant Items Concerning the Preparation of Financial Statements

(1) Hedge accounting

Hedge accounting method

The Company uses deferral hedge accounting, special accounting for interest swaps that meet the conditions for special accounting.

Hedging instruments

Derivatives (forward exchange contracts) covering trade accounts payable

Derivatives (interest swaps) covering accrued interest

Items covered by hedges

Items exposed to losses resulting from price fluctuations, items for which price fluctuations, are not reflected in valuations, and items for which fluctuations can be avoided by means of fixed cash flows.

Hedging policy

Exchange rate fluctuation risk

Items to be hedged are limited, and hedging is used only for actual needs.

Interest rate fluctuation risk

Fixed and floating interest rates are swapped to reduce interest payable on bonds issued and borrowings.

Assessment of hedging effectiveness

Fluctuation in cash flows and market values are analyzed. Calculations are made semiannually based on monthly and cumulative records. The effectiveness of interest swaps for which special accounting is used is not assessed.

Other risk management methods relating to hedge accounting

Hedge transactions are carried out by finance departments. The covered by hedged accounting types and limits for transactions are determined in advance by the Board of Directors, and the results of transactions are reported as required to meetings of fulltime Directors.

(2) Consumption Tax

The Company has adopted the tax-exclusive method.

Change in Accounting Practices

Finance leases that do not result in transfers of ownership were previously accounted for using the method for leasing transactions. The Accounting Standard for Lease Transactions (Corporate Accounting Standard No. 13, June 17 1993, 1st Committee, Business Accounting Council, Revised March 30, 2007) and the Guidance on Accounting Standard for Lease Transactions (Corporate Accounting Standard No. 16, January 18, 1994, Japanese Institute of Certified Public Accountants, Accounting Systems Committee, revised March 30, 2007) have been applied as of the year under review, and these transactions have accordingly been accounted for using the method for normal purchase transactions.

Where the commencement date for a finance lease that does not result in transfers of ownership is prior to the first year in which these standards have been applied, that transaction will continue to be accounted for using the method for normal lease transactions.

The effect of this change on income is immaterial.

Balance Sheet

1. Assets pledged as collateral	
Investment securities	¥1,058 million
Shares in EMOBILE Ltd. (in which the Company has invested) worth ¥1,058 million pledged as collateral on a bank loan for that company	
2. Accumulated depreciation of tangible fixed assets	¥133,930 million
3. Guarantee liabilities	
Employees' housing loans	¥6,235 million
Bank loan for Broadcasting Satellite System Corporation	¥583 million
Joint guarantee on lease agreement for RCC Broadcasting Co., Ltd.	¥807 million
Joint guarantee on lease agreement for i-Television Inc.	<u>¥704 million</u>
Total	¥8,330 million
4. Short-term receivables from subsidiaries and affiliates	¥3,885 million
Long-term receivables from subsidiaries and affiliates	¥400 million
Short-term accounts payable	¥39,090 million
5. Amount deducted from acquisition prices of tangible fixed assets for government subsidies, etc., received:	¥235 million

Statements of Income

1. Transactions with subsidiaries and affiliates	
Sales	¥21,831 million
Purchases	¥123,208 million
Non-trading transactions	¥1,285 million

Statements of Changes in Shareholders' Equity

1. Types and number of shares of treasury stock

	(shares)			
	Total at end of previous fiscal year	Increase in current fiscal year	Reduction in current fiscal year	Total at end of current fiscal year
Common stock	20,059	4,583	-	24,642
Total	20,059	4,583	-	24,642

Note: The increase of 4,583 in the shares of common stock resulted from the purchase of incomplete trading units.

Tax Effect Accounting

1. Main sources of deferred tax assets

Deferred tax assets, current (ΔDeferred tax liabilities (current))	Millions of yen
Accrued enterprise taxes	Δ15
Accrued bonuses	358
Program account	222
Loss carried forward	264
Others	<u>395</u>
Subtotal	1,225
Valuation reserve	<u>Δ50</u>
Total	1,175

Deferred tax assets, fixed (ΔDeferred tax liabilities (fixed))	
Investment securities	5,154
Reserve for retirement benefits	3,451
Long-term prepaid expenses	2,449
Valuation losses on shares in subsidiaries	1,195
Other valuation differences of marketable securities	183
Deferred exchange contracts	98
Special depreciation reserve	Δ567
Loss carried forward	2,382
Others	<u>351</u>
Subtotal	14,700
Valuation reserve	<u>Δ9,090</u>
Total	5,609

2. Breakdown of Reasons for Significant Difference, if Any, between the Effective Statutory Tax Rate and the Income Taxes Levied etc., After the Application of Tax Benefit Accounting

Effective statutory tax rate (adjusted)	40.69%
Entertainment expenses	20.22%
Dividends received	Δ61.97%
Increase (decrease) in valuation reserve	337.59%

Others	<u>△3.03%</u>
Income tax, etc., after application of tax benefit accounting	333.50%

Lease Transactions

In addition to fixed assets shown in the balance sheet, certain weather forecasting systems and election prediction systems, etc., are used under finance leases that do not involve the transfer of ownership.

Transactions with Group Company

(1) Subsidiary

(Millions of yen)

Relationship	Company name, etc.	Address	Voting rights owned	Relationship		Nature of transactions	Amount	Item	Year-end balance
				Sharing of officers, etc.	Business relationship				
Subsidiary	Tokyo Broadcasting System Television, Inc.	Minato-ku Tokyo	Direct ownership : 100%	3 officers	Program production contracting, etc.	Program purchasing	76,654	Accounts payable	7,516

Transaction terms, policy for setting transaction terms, etc.

Note 1: Prices and other terms are determined through negotiations based on general trading terms, taking market prices into account.

Note 2: Consumption tax is not included in the transaction amount but is included in the year-end balance.

Per Share Information

1. Net assets per share	¥1,563.79
2. Net income per share	△¥19.97

Additional Information

In accordance with the resolution adopted at the General Meeting of Shareholders held on December 16, 2008, an absorption-type split was implemented with regard to the Company's TV broadcasting business and cultural business, with Tokyo Broadcasting System Television, Inc., a wholly owned subsidiary of Tokyo Broadcasting System Holdings, Inc., as the succeeding company, and Tokyo Broadcasting System Holdings, Inc. was converted into a certified broadcast holding company. These changes took effect on April 1, 2009.

In connection with this absorption-type split, Rakuten, Inc., a dissenting shareholder of the Company, and one other shareholder demanded the purchase of their shares in the Company by March 31, 2009 under the provisions of Article 785-1 of the Companies Act. Following the receipt of these demands, an attempt was made to negotiate a purchase price. However, these negotiations failed to reach agreement within 30 days of the date on which the changes took effect, and an application was therefore made to the Tokyo District Court for a ruling on the purchase price for the shares. (The total number of shares to be purchased is 37,770,800, which is equivalent to 19.83% of the total number of shares issued by the Company as of March 31, 2009.)

Copy of the Independent Auditors' Report (Consolidated)

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

Independent Auditors' Report

May 8, 2009

The Board of Directors
Tokyo Broadcasting System Holdings, Incorporated

KPMG AZSA & Co.

Haruhiko Yamada
Designated and Engagement Partner
Certified Public Accountant

Takaya Abe
Designated and Engagement Partner
Certified Public Accountant

Yutaka Yuguchi
Designated and Engagement Partner
Certified Public Accountant

We have audited the consolidated statutory report, comprising the consolidated balance sheet, the consolidated statement of income, the consolidated statement of changes in net assets and the related notes of Tokyo Broadcasting System Holdings, Incorporated (former Tokyo Broadcasting System, Incorporated) as of March 31, 2009 and for the year from April 1, 2008 to March 31, 2009 in accordance with Article 444 (4) of the Companies Act. The consolidated statutory report is the responsibility of the Company's management. Our responsibility is to express an opinion on the consolidated statutory report based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the consolidated statutory reports are free from material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the consolidated statutory report. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated statutory report referred to above presents fairly, in all material respects, the financial position and the results of operations of Tokyo Broadcasting System Holdings, Incorporated (former Tokyo Broadcasting System, Incorporated) and its consolidated subsidiaries for the period, for which the consolidated statutory report was prepared, in conformity with accounting principles generally accepted in Japan.

As in the additional information, Tokyo Broadcasting System Holdings, Incorporated (former Tokyo Broadcasting System, Incorporated) received an appraisal remedy in accordance under the provisions of Article 785, Paragraph 1 of the Companies Act and the application was made to the Tokyo District Court on May 1, 2009.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of the Independent Auditors' Report

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

Independent Auditors' Report

May 8, 2009

The Board of Directors
Tokyo Broadcasting System Holdings, Incorporated

KPMG AZSA & Co.

Haruhiko Yamada
Designated and Engagement Partner
Certified Public Accountant

Takaya Abe
Designated and Engagement Partner
Certified Public Accountant

Yutaka Yuguchi
Designated and Engagement Partner
Certified Public Accountant

We have audited the statutory report, comprising the balance sheet, the statement of income, the statement of changes in net assets and the related notes, and its supporting schedules of Tokyo Broadcasting System Holdings, Incorporated as of March 31, 2009 and for the year from April 1, 2008 to March 31, 2009 in accordance with Article 436 (2) (a) of the Companies Act. The statutory report and supporting schedules are the responsibility of the Company's management. Our responsibility is to express an opinion on the statutory report and supporting schedules based on our audit as independent auditors.

We conducted our audit in accordance with auditing standards generally accepted in Japan. Those auditing standards require us to obtain reasonable assurance about whether the statutory report and supporting schedules are free of material misstatement. An audit is performed on a test basis, and includes assessing the accounting principles used, the method of their application and estimates made by management, as well as evaluating the overall presentation of the statutory report and supporting schedules. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the statutory report and supporting schedules referred to above present fairly, in all material respects, the financial position and the results of operations of Tokyo Broadcasting System Holdings, Incorporated (former Tokyo Broadcasting System, Incorporated) for the period, for which the statutory report and supporting schedules were prepared, in conformity with accounting principles generally accepted in Japan.

As in the additional information, Tokyo Broadcasting System Holdings, Incorporated (former Tokyo Broadcasting System, Incorporated) received an appraisal remedy in accordance under the provisions of Article 785, Paragraph 1 of the Companies Act and the application was made to the Tokyo District Court on May 1, 2009.

Our firm and engagement partners have no interest in the Company which should be disclosed pursuant to the provisions of the Certified Public Accountants Law of Japan.

Copy of the Board of Corporate Auditors' Report

[English Translation of the Auditors' Report Originally Issued in the Japanese Language]

AUDIT REPORT

The Board of Corporate Auditors has received the reports of the business performance of the directors during the 82nd business term from April 1, 2008 through March 31, 2009 from each of the corporate auditors. After discussing the reports we have prepared this Audit Report and report as follows.

1. Method and Details of Audit Performed by corporate auditors and the Board of Corporate Auditors

The Board of Corporate Auditors established the audit policy and division of responsibilities, received reports on the status and results of audits from corporate auditors, received reports on the status of execution of duties from directors and independent auditors, and requested explanations when necessary.

Each of the auditors worked to communicate with directors, the internal auditing division, the office of internal inspection of business and other employees, made efforts to gather information and establish the audit environment, in addition to attending the meetings of the Board of Directors and other important meetings, receiving reports from the directors and other managers on their duties, requesting explanations when necessary, inspecting documents concerning matters such as important decisions, and investigating the conditions of the business and financial conditions at the head office and the principal offices. Furthermore, to ensure the execution of the duties of directors complied with the Law and the Articles of Incorporation and to ensure appropriate joint-stock company operations, corporate auditors also monitored and investigated the details of the board resolution on the establishment of a system stipulated in Paragraph 1 and Paragraph 3 of Article 100 of the Ordinances for Enforcement of the Companies Act and the status of the system (internal control system) established based on this resolution. We examined the principal of policies (formerly Paragraph 2 of Article 127 of the Ordinances for Enforcement of the Companies Act) and efforts of controlling the company (Paragraph 3 (b) of Article 118, formerly Paragraph 1 of Article of 127, of the Ordinances for Enforcement of the Companies Act) as shown in the business report, understanding discussions made at the Board of Directors' meeting or other occasions. We worked to communicate and exchange information with the directors of subsidiaries and received reports on operations from subsidiaries when necessary through on-site inspection. The above methods were used to examine the business report and accompanying notes for the fiscal year under review.

Furthermore, in addition to monitoring and examining whether the independent auditor maintained an independent position and performed auditing appropriately, we received reports from the independent auditor on the execution of its duties and requested explanations when necessary. In addition, we received notice from the independent auditor that "The systems for ensuring the proper execution of duties" (set forth in each Item of Article 159 of the Ordinance for Corporate Accounting) is organized in accordance with the "Standards for Quality Control of Audit" (Business Accounting Council, October 28, 2005) and other relevant standards, and sought explanations whenever necessity arose. Based on the above methods, we examined the financial statements (balance sheets, statements of income, statements of changes in shareholder's equity, note to financial statements), accompanying schedules, and the consolidated financial statements (consolidated balance sheets, consolidated statements of income, consolidated statements of changes in shareholder's equity, note to consolidated financial statements) for the fiscal year under review.

2. Result of audit

(1) Result of audit of business report

- i) The Business Report and accompanying schedules fairly represent the condition of the company in accordance with the law and the Articles of Incorporation of the company.
- ii) We have determined that there were no serious occurrences of dishonest or false activity or violations of any laws or the company's Articles of Incorporation by any of the

directors in carrying out their duties.

iii) We believe the details of resolutions of the Board of Directors regarding the internal control system are appropriate. We found no matters of note regarding the execution of duties of directors regarding the internal control system.

iv) Nothing has to be reported to point out in the principle policies for controlling the company as a part of the business report.

We have assured that the efforts made to realize the policies in the Business Report are accordance with Paragraph 3 (b) of Article 118 of the Ordinances for Enforcement of the Companies Act and they are aiming at neither harming the common interest of shareholders nor protecting own interests of the directors of the company.

(2) Result of audit of financial statements and accompanying schedules

In our opinion, the audit procedures and audit results received from the independent auditor KPMG AZSA & Co. are appropriate.

(3) Result of audit of consolidated financial statements

In our opinion, the audit procedures and audit results received from the independent auditor KPMG AZSA & Co. are appropriate.

May 13, 2009

Board of Corporate Auditors of
Tokyo Broadcasting System Holdings,
Incorporated

Corporate Auditor (full-time)
Kunio Ogawa

Corporate Auditor (full-time)
Masao Saito

Corporate Auditor
Keiichiro Okabe

Corporate Auditor
Takeo Tanaka

Corporate Auditor
Yasushi Akashi

Note: Mr. Keiichiro Okabe, Mr. Takeo Tanaka and Mr. Yasushi Akashi are external corporate auditors set forth in Paragraph 16 of the Article 2 and Paragraph 3 of the Article 335 of the Companies Act.

Reference Materials for General Meeting of Shareholders

Items of Business and Reference Matters

First Item of Business: Disposal of Surplus

The Company would like to dispose surplus as stated below:

1. Matters related to disposal of surplus:

Since the Company recorded negative retained earnings carried forward for the fiscal year under review, the Company would like shareholders to approve the reversal of general reserve, in the light of continuing distribution of stable dividends to shareholders.

- (1) Item of surplus the amount of which decreases, and the amount thereof:
General reserve: ¥6,000,000,000
- (2) Item of surplus the amount of which increases, and the amount thereof:
Retained earnings carried forward: ¥6,000,000,000

2. Matters related to year-end dividend:

With respect to business performance for the fiscal year under review, the Company recorded net loss due to reversal of deferred tax assets. However, comprehensively taking the fundamental policy for stable distribution of dividends that the Company has kept and others into consideration, the proposal of the amount of year-end dividends to shareholders is hereby made as follows:

- (1) Type of dividend: Cash
- (2) Matters related to distribution of cash to shareholders and the total amount:
¥2 per share of common stock of the Company.
The total amount: ¥380,820,652
In total for the fiscal year under review, it is ¥10 per share, including ¥8 per share as an interim dividend which has already been paid.
- (3) Effective date for distribution of surplus to shareholders:
June 29, 2009

Second Item of Business: Partial Amendments to the Articles of Incorporation

1. Reason for the Amendments

- (1) By virtue of the enforcement of the “Law for Partial Amendments to the Law Concerning Book-Entry Transfer of Corporate Bonds and Other Securities for the Purpose of Streamlining the Settlement for Trade of Stocks and Other Securities” (Law No.88, 2004) (hereinafter referred to as the “Settlement Streamlining Law”), the Company proposes the following amendments by revising the current Articles of Incorporation:
 - (i) In accordance with paragraph 1, Article 6 of Supplementary Provisions, the Settlement Streamlining Law, it has been deemed that the Company had adopted on the effective date of Dematerialized System (January 5, 2009), a resolution to change the Articles of Incorporation that the provisions to issue share certificates was abolished. Therefore, the Company will delete Article 8 (Issuance of Shares) of the current Articles of Incorporation that is deemed to have been abolished, as well as delete and modify words relating to share certificates of Article 11 of the current

Articles of Incorporation.

- (ii) As a result of abolition of the “Law Concerning Central Securities Depository and Book-Entry Transfer” (Law No. 30, 1984), the Company will delete words relating to beneficial shareholders' register, which was a system under the said law, from Article 9 of the current Articles of Incorporation.
- (iii) Since the Company shall prepare and keep the lost share certificates register until the day on which one year has elapsed from the day immediately following the effective date of the Settlement Streamlining Law (January 5, 2010), in accordance with the provisions of Article 221 of the Companies Act, the Company will shift the provisions relating to the lost share certificates of Article 10 of the current Articles of Incorporation to Supplementary Provisions, and establish the provisions that it will remain effective until January 6, 2010.
- (2) In order to enable Outside Director and Outside Corporate Auditor to fully exercise the roles expected to be performed, the Company will establish Article 27 (Contracts for Limitation of Liability with Outside Director) and Article 36 (Contracts for Limitation of Liability with Outside Corporate Auditor) in the current Articles of Incorporation. With respect to the establishment of Article 27, the Company has obtained a previous consent from the Board of Corporate Auditors.
- (3) As a result of the amendments stated above, the Company will renumber the Articles and modify others accordingly.

2. Details of Amendments

The details of the amendments are set out as below.

(The amended words are underlined)

Current Articles of Incorporation	Proposed Amendments
<p>Article 1- Article 7 (Omitted)</p> <p><u>Article 8. (Issuance of Shares)</u> <u>The Company issues certificates for its shares.</u> 2. <u>Notwithstanding the preceding paragraph, the Company may choose not to issue certificates for shares constituting less than one unit.</u></p> <p>Article 9. (Restriction on Entering or Recording Non-Japanese Parties in Shareholders Register) If the total ratio of (a) the voting rights to be held directly by the parties described in items 1 to 3 below (“Foreign Nationals”) and (b) the ratio specified by Ordinance of the Ministry of Internal Affairs and Communications as the ratio of voting rights to be held indirectly by Foreign Nationals through the parties described in item 4 below becomes not less than one-fifth (1/5) of the total voting rights of the Company, then under the Broadcasting Law the Company may refuse to enter or record in its shareholders' register <u>(including the beneficial shareholders'</u></p>	<p>Article 1- Article 7 (Same as at present)</p> <p>(Deleted)</p> <p>Article 8. (Restriction on Entering or Recording Non-Japanese Parties in Shareholders Register) If the total ratio of (a) the voting rights to be held directly by the parties described in items 1 to 3 below (“Foreign Nationals”) and (b) the ratio specified by Ordinance of the Ministry of Internal Affairs and Communications as the ratio of voting rights to be held indirectly by Foreign Nationals through the parties described in item 4 below becomes not less than one-fifth (1/5) of the total voting rights of the Company, then under the Broadcasting Law the Company may refuse to enter or record in its shareholders' register the shares acquired by the Foreign</p>

Current Articles of Incorporation	Proposed Amendments
<p><u>register; the same hereinafter applicable</u>) the shares acquired by the Foreign Nationals:</p> <ol style="list-style-type: none"> 1. a person without Japanese nationality; 2. a foreign government or its representative; 3. a foreign organization or juridical person; and 4. an organization or juridical entity whose ratio of voting rights held directly by the parties set out in items 1 to 3 shall be not less than the ratio specified by Ordinance of the Ministry of Internal Affairs and Communications. <p>Article 10. (Share Registrar) The Company has a share registrar.</p> <ol style="list-style-type: none"> 2. The share registrar and its place of business shall be determined in accordance with a resolution of the Board of Directors and announced in a public notice. 3. All businesses concerning the preparation and maintenance of the Company's shareholders' register, the stock acquisition rights register, <u>and the lost share certificates register</u>, and all other business relating to the shareholders' register, the stock acquisition rights register, <u>and the lost share certificates register</u> shall be delegated to the share registrar, and no such businesses shall be handled by the Company. <p>Article 11. (Share Handling Regulations) <u>The denomination of shares issued by the Company, and other handlings</u> related to shares of the Company and the fees therefor shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to laws and ordinances, or these Articles of Incorporation.</p> <p>Article 12- Article 27 (Omitted)</p> <p>(New)</p>	<p>Nationals:</p> <ol style="list-style-type: none"> 1. a person without Japanese nationality; 2. a foreign government or its representative; 3. a foreign organization or juridical person; and 4. an organization or juridical entity whose ratio of voting rights held directly by the parties set out in items 1 to 3 shall be not less than the ratio specified by Ordinance of the Ministry of Internal Affairs and Communications. <p>Article 9. (Share Registrar) The Company has a share registrar.</p> <ol style="list-style-type: none"> 2. The share registrar and its place of business shall be determined in accordance with a resolution of the Board of Directors and announced in a public notice. 3. All businesses concerning the preparation and maintenance of the Company's shareholders' register <u>and</u> the stock acquisition rights register, and all other business relating to the shareholders' register <u>and</u> the stock acquisition rights register shall be delegated to the share registrar, and no such businesses shall be handled by the Company. <p>Article 10. (Share Handling Regulations) Handlings related to shares of the Company and the fees therefor shall be governed by the Share Handling Regulations established by the Board of Directors, in addition to laws and ordinances, or these Articles of Incorporation.</p> <p>Article 11- Article 26 (Same as at present)</p> <p>Article 27. (Contracts for Limitation of Liability with Outside Director) <u>In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with an Outside Director limiting his or her liability for</u></p>

Current Articles of Incorporation	Proposed Amendments
<p>Article 28- Article 35 (Omitted)</p> <p>(New)</p>	<p><u>compensation as provided for in Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of liability under the agreement shall be an amount provided for in the laws and ordinances.</u></p> <p>Article 28- Article 35 (Same as at present)</p> <p><u>Article 36. (Contracts for Limitation of Liability with Outside Corporate Auditor)</u> <u>In accordance with the provisions of Article 427, Paragraph 1 of the Companies Act, the Company may enter into a contract with an Outside Corporate Auditor limiting his or her liability for compensation as provided for in Article 423, Paragraph 1 of the Companies Act. Provided, however, that the limit of liability under the agreement shall be an amount provided for in the laws and ordinances.</u></p>
<p>Article 36- Article 42 (Omitted)</p> <p>(New)</p> <p>(New)</p> <p style="text-align: right;">End</p>	<p>Article 37- Article 43 (Same as at present)</p> <p style="text-align: center;"><u>Supplementary Provisions</u></p> <p><u>Article 1.</u> <u>The preparation and maintenance of the Company's lost share certificates register, and all other business relating to the lost share certificates register shall be delegated to the share registrar, and no such businesses shall be handled by the Company.</u></p> <p><u>Article 2.</u> <u>The provisions of the preceding Article shall be invalid on January 6, 2010, and the provisions of the preceding Article and this Article shall be deleted on the said date.</u></p> <p style="text-align: right;">End</p>

Third Item of Business:**Election of Thirteen (13) Directors**

All of fifteen (15) Directors of the Company will terminate their term at the close of this Ordinary General Meeting of Shareholders. Accordingly, the Company would like shareholders to elect thirteen (13) Directors at this Ordinary General Meeting of Shareholders.

The candidates for Directors are as follows

Candidate Number	Name (Date of birth)	Brief history (Position and Responsibilities and Representation of Other Companies)		Number of shares of the Company held by Candidate
1.	Hiroshi Inoue (Jan. 5, 1940)	Apr. 1963: Jun. 1993: May 1995: Jun. 1996: Jun. 1997: Jun. 2001: Jun. 2002: Apr. 2009: Oct. 2004: Apr. 2009:	Joined the Company Director, Division President of TV Sales Division Director, Division President of TV Programming Division Managing Director Senior Managing Director Executive Vice President President (to present) Chairman (to present) President of Tokyo Broadcasting System Television, Inc. Chairman of Tokyo Broadcasting System Television, Inc.	36,600 shares
2.	Keizo Zaitzu (Sep. 16, 1945)	Apr. 1968: May 1996: Jun. 1997: Jun. 1999: Jun. 2001: Oct. 2004: Jun. 2006: Apr. 2009	Joined the Company Division President of President's Office President of President's Office Director, Division President of Administration Division Managing Director Senior Managing Director Senior Managing Director President (to present) (In charge of Office of Internal Inspection of Business)	31,900 shares
3.	Yukio Kinugasa (Sep. 22, 1949)	Apr. 1973: Oct. 2004: Jun. 2005: Jun. 2006: May 2008: Jun. 2008: Apr. 2009	Joined the Company Division President of Division of Human Resources & Labor Executive Officer, Division President of Division of Human Resources & Labor Director, Division President of Division of Human Resources & Labor Director Managing Director (to present) In charge of President's Office, Division of Compliance, Division of General Affairs, and Division of Human Resources and Labor Director of Tokyo Broadcasting System Television, Inc. (to present)	5,600 shares
4.	Kiyoshi Wakabayashi (Oct. 3, 1942)	Apr. 1967: May 1995: Jun. 1996:	Joined the Company Division President of TV Sales Division Director, Division President of TV Sales	19,700 shares

Candidate Number	Name (Date of birth)	Brief history (Position and Responsibilities and Representation of Other Companies)		Number of shares of the Company held by Candidate
		Jun. 1997: Jun. 2004: Jun. 2006: Jun. 2007:	Division Managing Director Executive Vice President Director Executive Advisor (to present) (Owner of Yokohama Bay Stars Baseball Club. Inc.)	
5.	Shinji Takeda (Jul. 5, 1952)	Jul. 1975 : Apr. 1978: Nov.1991: May 2004: Jun. 2005: Apr. 2007: Jun. 2007: Apr. 2009: Apr. 2009:	Joined Matsudo City Government Joined The Mainichi Newspapers Co., Ltd. Joined the Company Division President of Sales Division, Head Office of Sales Executive Officer, Executive Vice Division President of Office of Sales Executive Officer, Division President of Office of Management Media Director, Division President of Office of Management Media Director (to present) In charge of Corporate Planning Division, Division of Media Development, TBS Radio & Communications, Inc. Director of Tokyo Broadcasting System Televisions, Inc. (to present)	3,600 shares
6.	Takafumi Kannari* (Jun. 8, 1956)	Apr. 1980: Jun. 2007:	Joined the Company Division President of Accounting Division (to present)	9,900 shares
7.	Toshichika Ishihara (Oct. 2, 1945)	Apr. 1969: Jun. 1997: Jun. 1998: Nov.1998: Apr. 2002: Jun. 2002: Jun. 2003: May 2004: Oct. 2004: Apr. 2007: Jun. 2007: Apr. 2009:	Joined the Company Division President of Programming Division Division President of Office of JDC Promotion Division President of Office of BS Council Division President of Division of Digital Media Executive Officer, Division President of Division of Digital Media Director, Division President of Division of Digital Media Director, Division President of Head Office of Programming Director, Division President of Head Office of TV Programming and Production, and Head Office of TBS News Director (to present) Senior Managing Director of Tokyo Broadcasting System Television, Inc. President of Tokyo Broadcasting System Television, Inc. (to present)	24,400 shares

Candidate Number	Name (Date of birth)	Brief history (Position and Responsibilities and Representation of Other Companies)		Number of shares of the Company held by Candidate
8.	Kazuo Hiramoto (Oct. 16, 1945)	Apr. 1969: Jun. 1999: Jun. 2002: Jun. 2003: Jun. 2005: Jun. 2008:	Joined the Company Division President of TBS News & Live Executive Officer, Division President of TBS News & Live Director Managing Director Senior Managing Director (to present) In charge of Finance and Management Division, and Strategic Center for Facility Management and Premises Development	18,500 shares
9	Morihiro Kodama* (May. 17, 1943)	Apr. 1965: Jun. 1997: Jun. 1999: Jun. 2001: Jun. 2002: Jun. 2003: May. 2004: Oct. 2004 Jan. 2007: Jun. 2007:	Joined the Company President of Project Division and Project Center Director, President of Project Division Senior Corporate Officer, President of Project Division Director, President of Project Division Managing Director Managing Director and President of Head Office of Project Division Director, President of Head Office of Project Division President of Dreamax Television, Inc. President of TBS Service, Inc. (to present)	19,500 shares
10.	Masahiro Yamamoto (Jun. 17, 1940)	Apr. 1964: Jun. 1997: Jun. 1999: Jun. 2001: Jun. 2002: Jun. 2002: Jun. 2007: Apr. 2009:	Joined Mainichi Broadcasting System, Inc. Director and Division President of Radio Division of Mainichi Broadcasting System, Inc. Managing Director and Division President of Head Office of TV of Mainichi Broadcasting System, Inc. Executive Managing Director and Division, President of Head Office of TV of Mainichi Broadcasting System, Inc. President of Mainichi Broadcasting System, Inc. Director of the Company (to present) Chairman of Mainichi Broadcasting System Inc. (Note 1) (to present) Director of Tokyo Broadcasting System Television, Inc. (to present)	0 Shares
11.	Shoei Utsuda (Feb. 12, 1943)	Apr. 1967: Jun. 1997: Jun. 2000: Apr. 2002:	Joined Mitsui & Co., Ltd. Director and General Manager of Machinery and Information Administration Department of Mitsui & Co., Ltd. Managing Director and General Manager of Operation Department of Mitsui & Co., Ltd. Senior Managing Director and Senior Executive Officer, Chief Strategic Officer	0 shares

Candidate Number	Name (Date of birth)	Brief history (Position and Responsibilities and Representation of Other Companies)		Number of shares of the Company held by Candidate
		Oct. 2002: Apr. 2009: Jun. 2007: Apr. 2009:	of Mitsui & Co., Ltd. President & CEO of Mitsui & Co., Ltd. Chairman of Mitsui & Co., Ltd. (to present) Director of the Company (to present) Director of Tokyo Broadcasting System Television, Inc. (to present)	
12.	Tatsuyoshi Takashima* (Jan. 1, 1944)	Apr. 1966: Jun. 1993: Jun. 1997: Jun. 1999: Jun. 2000: Jun. 2002: Jun. 2004: Jun. 2007: Apr. 2009:	Joined Dentsu Inc. General Manager of Head Office of News Paper Division of Dentsu Inc. Director of Dentsu Inc. Senior Corporate Officer of Dentsu Inc Managing Director of Dentsu Inc Senior Managing Director of Dentsu Inc Vice President of Dentsu Inc President of Dentsu Inc President and Corporate Officer of Dentsu Inc (Note1) (to present)	0 shares
13.	Yutaka Asahina* (Sep. 14, 1947)	Jul. 1971: Jun. 2002: Jun. 2004: Jun. 2006: Jun. 2008	Joined The Mainichi Newspaper Co., Ltd. Chief of Editor of Tokyo Head Office of The Mainichi Newspaper Co., Ltd. Director and Executive Secretary of The Mainichi Newspaper Co., Ltd. Managing Director of The Mainichi Newspaper Co., Ltd. President of The Mainichi Newspaper Co., Ltd. (Note1) (to present)	0 shares

- Notes 1: Special interests between the Company and candidates:
Mr. Masahiro Yamamoto is the Chairman and Representative Director of Mainichi Broadcasting Co., Ltd. ("Mainichi Broadcasting"). Mainichi Broadcasting's business falls under the same business segment as Tokyo Broadcasting System Televisions, Inc. (TBS TV), the wholly owned subsidiary of the Company, and it has continued transactions with TBS TV with respect to the supply of programs and TV wave charges.
Mr. Tatsuyoshi Takashima is the President, CEO and Representative Director of Dentsu Inc. ("Dentsu"). Dentsu is a principal party with which TBS TV, the wholly owned subsidiary of the Company has transactions, and it has continued transactions with TBS TV with respect to broadcasting time and sales of programs.
Mr. Yutaka Asahina is the President and Representative Director of The Mainichi Newspapers Co., Ltd. ("Mainichi Newspapers"). Mainichi Newspapers has continued transactions with TBS TV, the wholly owned subsidiary of the Company, relating to newspaper advertisement and the provision of news information.
None of other candidates have special interests in the Company.
- Notes 2: Please refer to Business Report "2. (3) (i) Directors and Auditors" (page 20-23) with respect to representation of other companies.
- Notes 3: * denotes a Director candidate to be newly-appointed.
- Notes 4: Messrs. Masahiro Yamamoto, Shoei Utsuda, Tatsuyoshi Takashima, Yutaka Asahina are candidates for outside Directors.
- Notes 5: The following are matters that the shareholders should specifically note in respect of each of the candidates for outside Directors.
(1) Reasons for nominating candidates as outside Directors
Messrs. Masahiro Yamamoto Shoei Utsuda, Tatsuyoshi Takashima and

Yutaka Asahina have plenty of experiences and a high degree of knowledge as a member of top management of a broadcasting company, general trading company, advertisement and newspaper company, respectively, and all of them deeply understand the source of corporate value and business characteristics of the Company. They are enthusiastic about maximizing corporate value of the Company and have affluent knowledge to achieve it.

Therefore, the Company believes that they are suitable for outside Directors who can contribute to strengthen corporate governance of the Company, and maximize corporate value and common interests of the shareholders.

- (2) In the case that the candidates for outside Directors have been in office as Directors, Executive Officer or Corporate Auditor of any other company for the last five (5) years, and that there were violations of laws and ordinances or the Articles of Incorporation, or any undue businesses executed within such companies during the term of office, the facts are as follows; and in the case that the candidates for outside Directors have been in office as outside Directors or outside Corporate Auditors of other companies, any countermeasures taken by such candidates to prevent those violations and undue businesses and any action taken by such candidates to respond to those violations and undue businesses after they occurred are as follows:

Mainichi Broadcasting of which Mr. Masahiro Yamamoto has held the office of the Chairman and Representative Director, was warned by the Kinki Bureau of Telecommunications about inappropriate expressions in some program. Moreover, Mainichi Broadcasting was ordered by the court to pay damages because of certain illegal elements in part of its coverage of two programs.

With respect to Mitsui & Co. of which Shoei Utsuda has held the office of Chairman, it was found that Mitsui Oil (Asia) Pte. Ltd., one of its wholly owned subsidiaries, hid losses arising out of forged market prices relating to Naphtha transactions, that the sales department of its Kyushu Branch was involved in inappropriate circular transactions including some false transactions from September 2000 to February 2008 in connection with transactions of agricultural materials with local customers, and that the sales department of its Performance Chemicals Business Unit reported sham transactions as export transactions with Indonesia and other Southeast Asian countries from April 2004 to August 2008.

- (3) Number of years since the candidates assumed the office of outside Directors of the Company:
1. The term of office of Mr. Masahiro Yamamoto as outside Director, at the close of this Ordinary General Meeting of Shareholders, will have been seven (7) years.
 2. The term of office of Mr. Shoei Utsuda as outside Director, at the close of this Ordinary General Meeting of Shareholders, will have been two (2) years.
 3. Mr. Tatsuyoshi Takashima is a Director candidate to be newly appointed.
 4. Mr. Yutaka Asahina is a Director candidate to be newly appointed.
- (4) In the event that four (4) outside Director candidates, Messrs. Masahiro Yamamoto, Shoei Utsuda, Tatsuyoshi Takashima and Yutaka Asahina are appointed and the Second Item of Business is approved, the Company is going to enter into a limited liability agreement with the four Directors pursuant to Article 423, paragraph 1 of the Companies Act for the purpose of limiting the liability for damages under Article 427, paragraph 1 of said Act. Provided, however, the limit of the liabilities

for such damages shall be the statutorily prescribed amount.

End