

Continuing to Evolve



Corporate Governance

Basic Corporate Governance Philosophy

The NTV Group recognizes that stable growth of corporate value over the long term and greater contributions to society lead to increased shareholder value. The Company strives to further develop its corporate governance for swift decision-making and operational execution in response to changes in the business environment and to facilitate transparent and sound management.

Corporate Governance Framework

NTV has a Board of Statutory Auditors with a management structure under which the Board of Directors oversees the operational execution of the representative directors. Meanwhile, the statutory auditors and Board of Statutory Auditors audit the operational execution of the directors.

The Company has also emphasized external monitoring of management, incorporating six outside directors pursuant to Article 2, Paragraph 15, of the Companies Act into the 17-member Board of Directors for greater management integrity and more transparent decision-making processes. The three-member Board of Statutory Auditors includes two outside auditors pursuant to Article 2, Paragraph 16, of the Companies Act for greater independence from the Board of Directors and stronger auditing functions related to the execution of duties.

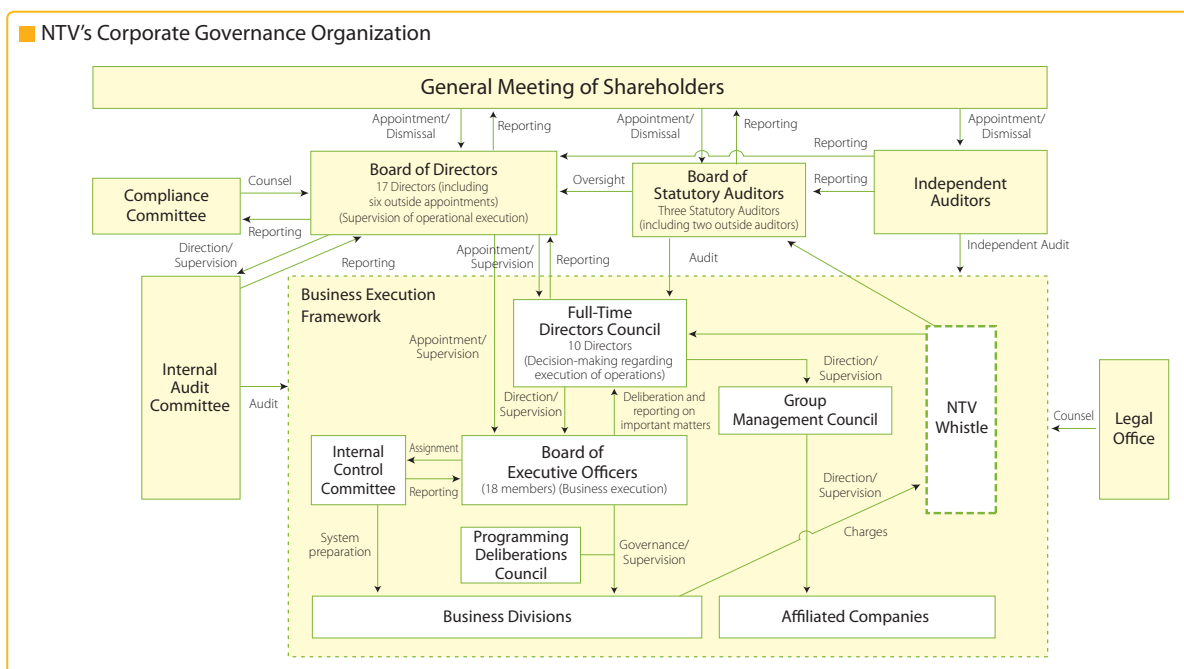
Under the Board of Directors, NTV has established an Internal Audit Committee to supervise overall business execution and monitor internal control systems. The Remuneration Committee, charged with fielding inquiries about compensation for directors, has also been formed under the Board of Directors. The Company has additionally set up a Compliance Committee to reinforce corporate

governance and ensure thorough compliance and a high degree of transparency in NTV's activities, thus striving to reinforce society's trust and earn its support.

The Executive Officer System is a means of delegating authority, accelerating decision-making and clarifying responsibilities for the execution of operations. In addition, oversight and auditing functions are conducted by the Board of Directors, statutory auditors and the Board of Statutory Auditors, all of which include outside officers.

To enhance internal control systems, the Company has established an Internal Control Committee chaired by a representative director, to review and improve business controls across the entire Group.

Concerning third-party contribution to NTV's corporate governance framework, the Company has reinforced its legal risk management system by concluding advisory agreements pertaining to corporate management and daily business tasks with multiple law offices, and by seeking advice as necessary. We have also concluded audit agreements concerning audits relating to the Companies Act and the Securities and Exchange Law with audit corporations, which conduct audits from an independent standpoint.



Continuing to Evolve

Progress on Implementation of Initiatives to Enhance Corporate Governance in the Past Year

Two new outside directors were appointed at the General Meeting of Shareholders held in June 2007. The new appointments brought the number of outside directors to six in the 17-member Board of Directors. As of the General Meeting of Shareholders held in June 2008, there remain six outside directors in the 17-member Board of Directors.

Moreover, in response to the Personal Information Protection Act, NTV advances daily information management by designating a person responsible for control of personal information in each department. To ensure appropriate handling of personal information, the Company also provides detailed training to managers, general employees, new employees and cooperating staff, and steadily implements audits for each department based on the audit plan. In addition, concerning the Act against Delay in Payment of Subcontract Proceeds, etc., to Subcontractors, we hold periodic internal training sessions and are implementing an order management system for more appropriate and legally compliant subcontracting.

NTV Sustainability is our corporate management program encompassing activities aimed at contributing to sustainable development of the environment, global society and business. As part of the program, we have actively advanced our NTV Eco environmental preservation initiative, with a keen awareness of our responsibility as a corporate media leader in prevention of destruction of the global environment.

Other efforts included educational sessions on insider trading regulations for officers of the Company and the Group companies held in April 2007 as part of initiatives to strengthen compliance. In May 2008, to further enhance internal information management systems, NTV amended regulations prohibiting insider trading and revised related rules. We also organized educational sessions for all officers and cooperating staff to keep everyone informed on the content of the regulations.

Organization of Internal Audits and Mutual Cooperation with Independent Auditors

Statutory auditors receive explanations from independent auditors on the outline of the audit plan before the independent audit is carried out. Statutory auditors also exchange information with independent auditors on the progress of audit procedures and issues arising during the course of the audits performed by the independent auditors, and receive explanations on the results of the independent audit following completion of the audit.

Statutory auditors can also order employees who belong to the Board of Statutory Auditors Management Office to investigate matters necessary for auditing duties. Employees working for the Board of Statutory Auditors Management Office concurrently work as a secretariat for the Internal Audit Committee and assist the statutory auditors with their duties. The statutory auditors maintain close contact with the Internal Audit Committee.

Independent Auditing

NTV has concluded an audit agreement with audit corporation Deloitte Touche Tohmatsu to have independent audits carried out pursuant to the Companies Act and the Securities and Exchange Law. For the fiscal year ended March 31, 2008, audit duties were performed by certified public accountants Akihide Fukuda and Yoshiyuki Higuchi, who executed independent audit duties, and 11 assistants—five certified public accountants and three assistant certified public accountants.

Compensation to the audit corporations employed by NTV and its consolidated subsidiaries in the fiscal year ended March 31, 2008, is as follows.

(Millions of yen)

	Compensation based on Duties Specified in Article 2, Paragraph 1 of the Certified Public Accountant Law	Other Compensation
NTV	38	11
NTV and its consolidated subsidiaries	46	11

Support Framework for Outside Directors and Outside Auditors

Corporate Administration supports outside directors from the standpoint of management of the Board of Directors, and Finance and related departments transmit information to the outside directors as needed by distributing materials and giving explanations. NTV has also established the Board of Statutory Auditors Management Office as a dedicated section to support outside auditors. Employees who belong to the Office assist statutory auditors with their duties and transmit information by distributing materials and giving explanations.

Executive Compensation

NTV has established executive compensation regulations, which incorporate the idea that remuneration is tied to business performance as a basic policy. Executive compensation for the Company's directors and statutory auditors in the fiscal year ended March 31, 2008, was as follows.

(Millions of yen)

	Executive Remuneration		Executive Bonuses		Executive Retirement Allowance	
	Amount	Officers paid	Amount	Officers paid	Amount	Officers paid
Directors	477	17	50	16	97	5
Directors Statutory auditors	34	4	-	-	-	-

Notes:

1. The number of officers as of March 31, 2008, was 17 directors and three statutory auditors.
2. The remuneration amounts listed above do not include the employee portion of salary or bonuses for those officers who are also employees.
3. Executive bonuses were approved at the 75th Ordinary General Meeting of Shareholders held in June 2008.
4. According to a resolution of the General Meeting of Shareholders, remuneration is limited to ¥50,000,000 per month for directors and ¥6,000,000 per month for statutory auditors. The yearly limit on the amount of remuneration was revised to ¥950,000,000 for directors (of which, up to ¥110,000,000 may be paid to outside directors) and ¥72,000,000 for statutory auditors, pursuant to a resolution of the 75th Ordinary General Meeting of Shareholders.
5. Besides the amounts listed above, NTV accounted an additional ¥50,000,000 in the fiscal year ended March 31, 2008, as provision for reserve for bonuses to directors and statutory auditors, allotted for the payment of executive bonuses. The Company also posted ¥187,000,000 in the fiscal year ended March 31, 2008, as provision for liability for retirement benefits for directors and statutory auditors, allotted for the payment of executive retirement allowance.

Progress on Implementation of Measures Concerning Shareholders and Other Interested Parties

Progress on Initiatives to Vitalize the General Meeting of Shareholders and Facilitate the Exercise of Voting Rights

NTV issues convocation notices for the General Meeting of Shareholders one week prior to the legal date of record. The Company is also working to facilitate the exercise of voting rights by implementing a system for exercising voting rights over the Internet and by compiling English versions of its convocation notices for foreign shareholders and posting such materials on the Company Web site.

Progress on Initiatives for Investor Relations

To encourage fuller understanding of the NTV Group's business content and strategies by our shareholders and investors, the Company holds explanatory sessions for analysts and institutional investors in Japan four times a year, timed to the settlement of accounts each quarter. For institutional investors based overseas, representative directors conduct overseas investor relations activities and the Company actively participates in conferences organized by securities firms.

Furthermore, NTV posts explanatory materials in Japanese and English on its Web site each quarter. We distribute videos of corporate representatives conducting explanatory sessions to provide the same level of disclosure to individual investors as to session attendees.

Basic Philosophy and Development Progress on Internal Control Systems

NTV has established the following basic policy on internal control mechanisms.

1. System to ensure that the execution of duties of directors and employees conforms to laws and the Articles of Incorporation

NTV promotes compliance with laws and regulations, as well as highly transparent corporate activities, by maintaining a Compliance Committee consisting of lawyers and other outside professionals to serve as directors and observers.

The Company has formulated the NTV Compliance Charter, to which all full-time officers and employees pledge, to ensure that corporate activities conform to laws, the Articles of Incorporation and corporate ethics. To disseminate the Charter throughout the Company, employees receive education from Human Resources Administration, Corporate Administration and Compliance & Standards. In addition, the NTV Whistle has been established as an internal reporting hotline to enable employees to report directly on legally doubtful acts inside the Company and request an investigation.

To ensure the compliance of directors' execution of duties, the Company emphasizes the supervisory function of the outside directors and outside auditors and works to activate the Board of Directors to pursue higher corporate governance.

NTV has established an Internal Audit Committee to prevent fraudulent acts through internal audits.

Furthermore, we resolutely confront any antisocial elements and ensure that such elements play no part in our business relationships or transactions. There will be no offer of illegal profits: any unjust demands or wrongful intervention will be reported to the police and other authorities concerned as part of an organized response based on close liaison with such agencies.

2. System relating to retention and management of information concerning directors' execution of duties

Pursuant to the document handling regulations, information related to directors' execution of duties is recorded in writing or via electromagnetic media (hereinafter "documents, etc.") and retained for a specified period. Under the supervision of Corporate Administration, such documents, etc., are retained at each division, at which a person in charge of and a person responsible for retaining them are designated. The directors and statutory auditors are able to view such documents at any time.

3. Regulations and other risk management systems for losses

The Company has established an Internal Control Committee to manage risk on a companywide basis and a Risk Management Committee to manage newly emerging risks in an expedient manner, with each committee being chaired by a representative director.

Various committees throughout the Company address risks related to disasters, information management, program production, copyright contracts, broadcasting and fraudulent acts, thereby improving each system and updating regulations. Broadcasters such as NTV have a special obligation to conduct emergency broadcasts following earthquakes and other disasters. The Company therefore maintains equipment and systems to enable uninterrupted broadcasting after such emergencies and has created the Metropolitan Area Anti-Disaster Manual as the basis for training simulations.

4. System to ensure efficient execution of directors' duties

The Company maintains a system to ensure that directors execute their duties appropriately and efficiently by clarifying their administrative authority and establishing decision-making rules based on internal regulations on division of duties and rules for ringi (circulating agendas and seeking approval before or without holding a meeting). Moreover, we have introduced an Operating Officer System to streamline directors' execution of duties and created systems to encourage more dynamic execution of duties. We also strive to enhance corporate governance by having outside directors, who have no interest-based relationships with the Company, supervise the execution of duties in a working system of checks and balances.

5. System to ensure the appropriateness of duties conducted by the Company and the corporate group consisting of the parent company and its subsidiaries

The NTV Group Strategy center formulates and implements comprehensive strategies for Group management and business content, and handles general operations-related tasks, to enforce Groupwide compliance with laws and regulations and to maintain the risk management system. Compliance-related training is given to officers and employees of the Group as necessary. The Company also maintains a Group Management Council—consisting of representatives of the Group companies—to share information, thereby reinforcing the appropriateness of operations.

6. Matters concerning employees who are to assist statutory auditors upon statutory auditors' request

Statutory auditors can order employees who belong to the Board of Statutory Auditors Management Office to investigate matters necessary for auditing duties. Such employees shall assist the statutory auditors with their auditing duties and concurrently work as a secretariat for the Internal Audit Committee.

7. Matters concerning the independence of the employees who assist statutory auditors from directors

Directors are not allowed to give orders different from those of the statutory auditors to the employees who assist the statutory auditors. Directors must obtain the approval of the statutory auditors for transfer of and disciplinary actions against employees who assist the statutory auditors.

8. A system that requires directors to report to the Board of Statutory Auditors, and a means for employees to report to statutory auditors

Directors must report to the Board of Statutory Auditors on matters stipulated by law that could have a substantial impact on the Company or the Group, as well as on the status of internal auditing.

In case employees find matters stipulated by law that could have a substantial impact on the Company or the Group, or facts that violate laws or the Articles of Incorporation, they can directly report such instances to the statutory auditors through the NTV Whistle, which is an internal reporting system.

9. Other systems to ensure effective auditing by statutory auditors

Standing statutory auditors shall attend the Full-Time Directors Council and exchange opinions with the full-time directors. Statutory auditors may attend the Group Management Council, which consists of representatives from the Group companies, and may receive advice regarding auditing duties from lawyers, Certified Public Accountants and other professionals if necessary.

NTV's Basic Policy on Sustainability

Sustainability is our corporate management program encompassing activities aimed at contributing to sustainable development of the environment, global society and business.

The program pursues the three key areas of financial, environmental and social sustainability. In addition to striving to produce quality programs that attract high viewer ratings, NTV works to remain financially viable in the new digital era through efficient use of the cutting-edge capabilities of the NTV Tower. For the environment, the Company promotes ecology through its programming and works to reduce the environmental footprint of its business activities, and thus leave behind a beautiful world for future generations. Socially, we aim for swift decision-making and business execution in response to changes in the business environment, to achieve sustainable growth of corporate value and enhanced contributions to society.

Stance on Environmental and CSR Activities

The Company is keenly aware of its social responsibilities as a leading media company and strives to promote global environmental preservation through programs and events in line with NTV Sustainability. We advance our environmental protection and CSR activities primarily through the NTV Eco Committee, established in March 2003, and the NTV Environmental Management Office, established in June 2003. In August 2005, we also formulated the NTV Environment Policy, and in November 2005 the environmental management system (EMS) in place at the NTV Tower was awarded ISO 14001 certification—the international standard for such systems. This achievement marked the first time that a key commercial broadcaster in Tokyo was recognized with certification on a companywide basis. We expanded the Company's ISO 14001 certification in November 2006 to cover the Kansai Office, the Nagoya Sales Office, the Kojimachi Building and the Ikuta Studio. In addition, since 2005 we have been actively participating in Team Minus 6%, an initiative advanced by Japan's Ministry of the Environment.

The Company actively implements thorough compliance measures, as incorporated in the NTV Compliance Charter. Concerning disclosure, the charter calls for the Company to disclose pertinent information in a timely and accurate fashion and conduct its activities with fairness and transparency.



FTSE4Good

NTV has been selected as a member of the FTSE4Good Index series of environmental sustainability indices provided by FTSE International Limited of the United Kingdom, for five consecutive years.

NTV Original Social Contribution Activities through Television Broadcasts

24-Hour Television: "Love Saves the Earth"

This year marked the 31st annual broadcast of this program since its inception in 1978. In 2008, the special aired on August 30 and 31 with the theme "Vow: The Most Important Promise." Guided by the principle "Love Saves the Earth," viewer donations raised through this broadcast are used in charitable, environmental and disaster-relief causes through the 24-Hour Television Charity Committee. In addition to donating special vehicles for public service activities—an ongoing activity that started from the first broadcast—the funds go toward popularization of assistance dogs for the disabled, support for people with visual and hearing disabilities, environmental conservation, disaster relief and other social causes. In 2008, we used donated funds for additional special vehicles for public service activities; lake, river, ocean and other cleanup activities at waterfronts and at Mt. Fuji; and relief contributions for the Sichuan Earthquake in China and the Iwate-Miyagi Inland Earthquake.

As of September 30, 2007, funds raised in the 30 times this program has aired totaled ¥26,164,747,249.

■ Implementing the Cleanup Japan Project

To leave behind a beautiful world for future generations, through *24-Hour Television* we began supplementing the mainstay support for environmental preservation in 2004. Beginning with initiatives within our reach, we removed illegally dumped garbage on Mt. Fuji and cleaned up the shores of Lake Biwa. From 2007, we have cooperated in the removal of drifting ocean trash, which mars the coastal landscape and negatively impacts ocean ecosystems. In 2008, the circle of cooperation expanded to all of Japan, and NTV and 15 other commercial broadcasters carried out cleanup activities with the cooperation of more than 7,500 volunteers.

This year, NTV also started collecting floating trash from rivers in Tokyo's Edogawa and Arakawa wards to remove the refuse before it flows into the ocean. We also continued coastal cleanup activities begun last year on Jogashima Island in the city of Miura, Kanagawa Prefecture and engaged in other accessible activities to protect the natural environment.

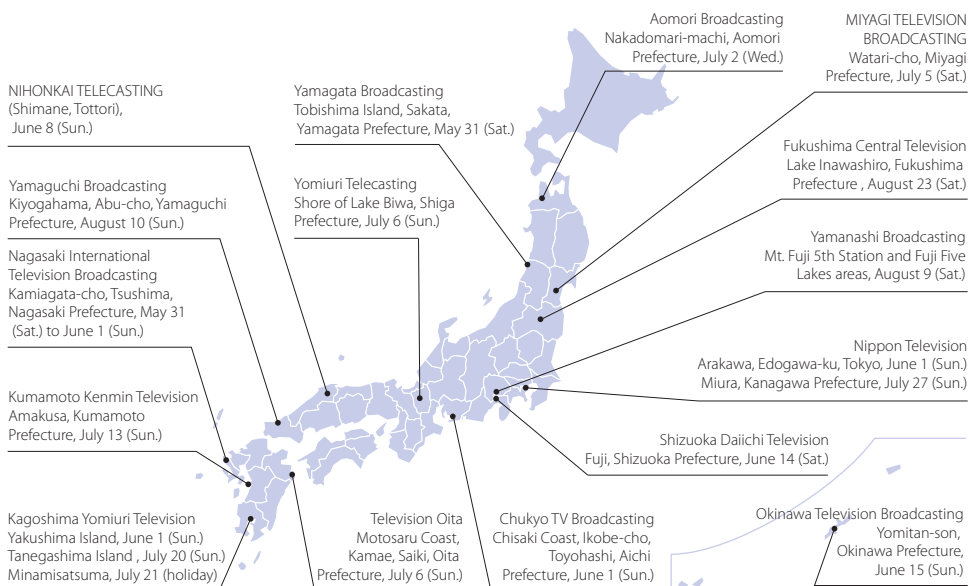


24-Hour Television
the 31st anniversary of NTV's annual charity program



Implementing the Cleanup Japan Project
in Arakawa, Edogawa-ku, Tokyo

□ List of Cleanup Japan Project Activities Conducted in 2008





Yomikikasekai Anpanman Picture-Story Show for children and their parents to think about the Earth together
© YANASE · F · N



Yomiuri Shimbun presents the Children's Soccer Classroom with Ramos Rui of Tokyo Verdy

NTV Eco Week: "Touch! eco"

NTV's environmental preservation activities have been aimed at ensuring that the world we entrust to future generations remains one filled with promise, under the key phrase, "Let's Think about the Earth Together." As part of these activities, every year since 2005 we have hosted NTV Eco Week in conjunction with United Nations World Environment Day on June 5. In 2008, during the week from June 2 to June 8, we held a large-scale NTV Eco Week event to commemorate the 55th anniversary of NTV's establishment under the unifying theme of "Touch! eco." This entailed furnishing viewers with information and news programs with eco-related information every day in set time slots for a week, and actively incorporating ecological themes into an array of regular programming, including variety programs and talk shows broadcast during golden time. In the 13-hour live special presentation *Touch! eco 2008 Special: 55 Challenges*, we took a variety of approaches in conveying the crisis we face from global warming and the importance of recycling, to give viewers a sense of how relevant these environmental issues are to their lives. Furthermore, we aired the environmental documentary *Hidetoshi Nakata: The World as I Have Seen it; Travel and Sometimes Soccer*, in which we followed the travels of Hidetoshi Nakata—who has been sorely missed by fans after his withdrawal from the soccer world in June 2006—and expressed the preciousness of the environment through views of world travel destinations.

At the same time, NTV's head office in Shiodome, Tokyo, held its fifth annual eco event. This year, we built on the previous weekend-only event to hold a week-long event to coincide with NTV Eco Week.

We consider it part of our mission as a television station to create programming that prompts many viewers to think about the environment through such programs and events, and we will continue working to fulfill this mission.

Promoting Free Access to Information

NTV strives to bridge gaps in information accessibility across an array of programs. Such efforts include sign language interpretation and on-screen text display of closed-captioning for the hearing impaired, as well as audio narration tracks of drama series scenes for the visually impaired. NTV has long worked to eliminate differences in access to information. In 1973, the Company established the NTV "Dove of Love" Welfare Foundation out of the desire to support those who cannot fully enjoy television due to visual and hearing disabilities. The foundation primarily supports early detection and treatment of disabilities, rejuvenation of functionality, and cooperative activities to raise public understanding of such conditions. In the 30 years since its establishment, the foundation's activities have ranged from offering courses in sign language and distributing Braille calendars to aiding programs for early detection of hearing and speech impediments in children. In addition, in August 2001 NTV launched Japan's first full-length, real-time closed-captioned news programs, known as RealCap broadcasts.