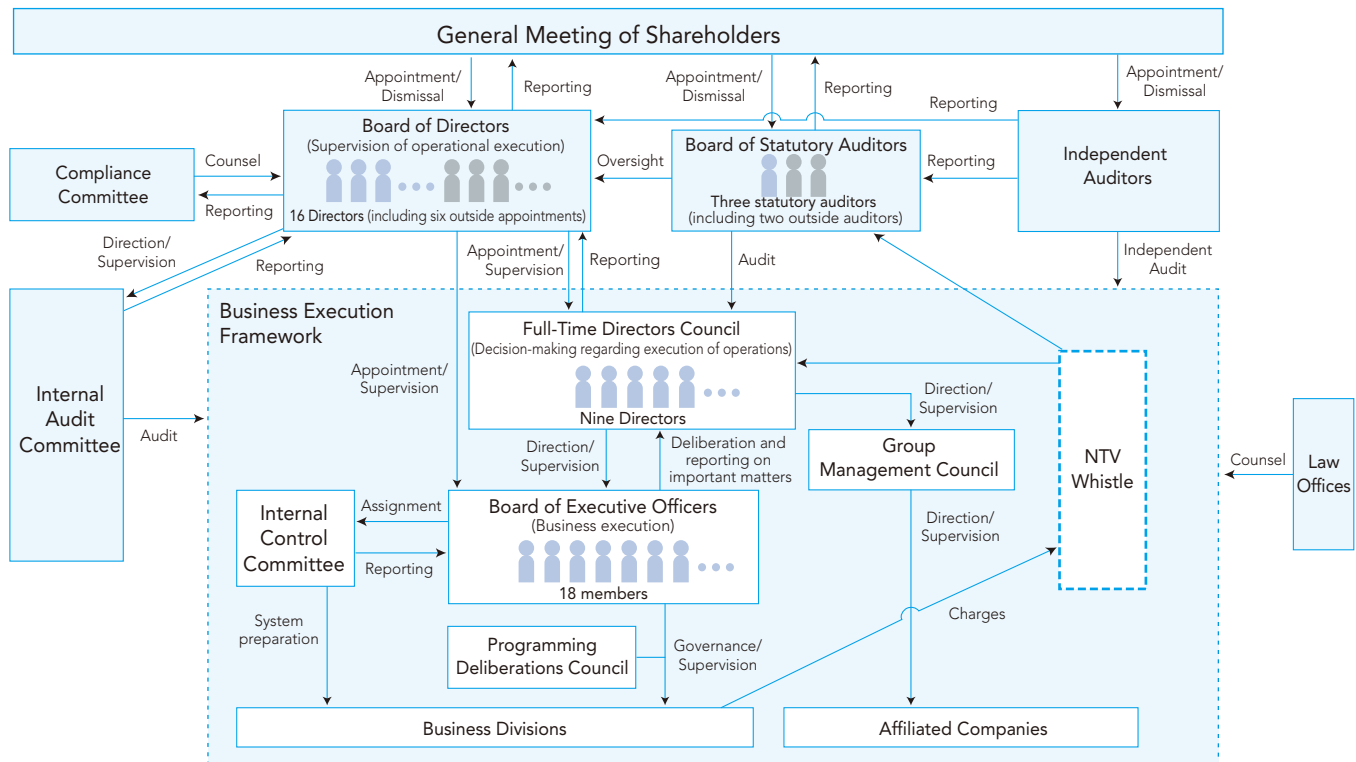


Corporate Governance

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 16-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.

The Internal Audit Committee is in place 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.

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

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.

In a news program aired on November 23, 2008, NTV broadcast information without sufficiently confirming the veracity of its source, and the information turned out to be false. To address this issue, in addition to forming an in-house

team to study the situation we took a number of actions to prevent a recurrence. For example, we:

- 1) Permanently installed a crisis management team within the News division,
- 2) Upgraded our standardized staff training system and
- 3) Reviewed our program production structure.

Among other compliance efforts, in May 2008 NTV amended regulations prohibiting insider trading and revised related rules to further enhance internal information management systems. From July through October 2008, we formulated in-house information management regulations for each department. Furthermore, on April 5, 2009, we supplemented these efforts by conducting a Web-based training program on insider trading regulations for all officers, employees and cooperating staff and held group training sessions.

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, 2009, audit duties were performed by certified public accountants Akihide Fukuda and Yoshiyuki Higuchi,

who executed independent audit duties, and 14 assistants—five certified public accountants and four assistant certified public accountants.

Compensation to the audit corporations employed by NTV and its consolidated subsidiaries in the fiscal year ended March 31, 2009, is as follows.

(Millions of yen)

	Compensation based on Audit Certification Activities	Compensation based on Non-Audit Activities
NTV	¥ 63	¥ 0
NTV and its Consolidated Subsidiaries	8	—
Total	¥ 71	¥ 0

Executive Compensation

Executive compensation for the Company's directors and statutory auditors in the fiscal year ended March 31, 2009, was as follows.

(Millions of yen)

	Executive Remuneration		Executive Bonuses		Executive Retirement Allowance	
	Amount	Officers paid	Amount	Officers paid	Amount	Officers paid
Directors	¥ 486	¥ 17	¥ 50	¥ 17	—	—
Directors Statutory Auditors	33	4	—	—	¥ 26	¥ 2

Notes:

1. The number of officers as of March 31, 2009, 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 76th Ordinary General Meeting of Shareholders held in June 2009.
4. At the 75th Ordinary General Meeting of Shareholders, a resolution was passed that revised the yearly limit on the amount of remuneration 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.
5. Besides the amounts listed above, NTV posted ¥156,000,000 in the fiscal year ended March 31, 2009, as provision for liability for retirement benefits for directors and statutory auditors, allotted for the payment of executive retirement allowance.

Basic Philosophy and Development Progress on Internal Control Systems

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, and educates employees about the Charter. 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.