Closer to the Hearts of Nippon

Annual Report 2001

Nippon Television Network Corporation

Contents

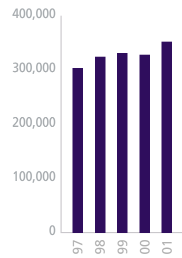
…Most Experienced & Most Watched Television Network in Japan

Financial Highlights

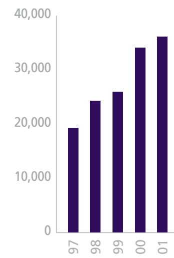
Nippon Television Network Corporation and Consolidated Subsidiaries
Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
For the year:			
Net sales	**¥ 352,409**	¥ 328,014	**$2,844,302**
Operating income	**67,303**	54,351	**543,204**
Net income	**36,008**	34,003	**290,623**
At year-end:			
Total assets	**¥ 410,042**	¥ 364,896	**$3,309,459**
Total shareholders' equity	**291,501**	253,912	**2,352,712**
	Yen		U.S. Dollars
Per share of common stock:			
Net income	**¥1,419.96**	¥1,341.04	**$ 11.46**
Cash dividends applicable to the year	**120.00**	80.00	**0.97**

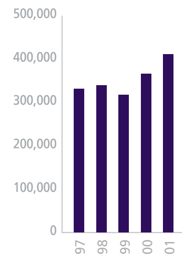
Net Sales



Net Income



Total Assets



(Millions of Yen)

To Our Shareholders

Toshio Hagiwara
President & COO

Seiichiro Ujiie
Chairman & CEO

Kohei Manabe
Vice Chairman

REVIEW OF FISCAL 2000

The year ended March 2001, or fiscal 2000, was an excellent one for us at Nippon Television Network Corporation (NTV). Our consolidated net sales increased by a solid 7.4%, to ¥352,409 million. Operating income soared 23.8% to ¥67,303 million, while net income rose by 5.9% to ¥36,008 million. Both these profit figures marked new record highs. Following a two-for-one share split conducted on June 30, 2000, net income per share of common stock amounted to ¥1,419.96.

The NTV Group currently includes 12 subsidiaries in Japan and abroad. All the firms in Japan continue to enjoy good growth. They average annual growth in operating income of 7-8%, and we expect them to maintain this consistent level of high performance in the future.

We believe that two major factors underpin the success that we are generating. First, content creation is our particular forte. The evidence for this is overwhelming: our viewer ratings rank us at the top of the Japanese commercial broadcasting industry. Since 1994, for seven consecutive years, we have retained the "Grand Slam" of top ratings in the four principal time categories that are used in Japanese commercial television: namely all-day, golden time, prime time, and non-prime time. Second, we have actively undertaken initiatives across the company to keep costs down and make the most effective use of capital. Our efforts to boost the return on capital employed are now showing through in markedly higher profits.

For further details of our operating conditions and results, please refer to the Financial Review section on pages 18-20.

STRENGTHENING CORE COMPETENCIES

Compared to our commercial broadcasting rivals in Japan, we produce much higher revenues from our core broadcasting operations. We also consistently outperform them in terms of profitability. The fact that we can reign at the top of all the viewer rating categories year after year is a testament to the power of the NTV brand, which is what allows us to make higher profits. This kind of brand power is an essential ingredient of success within the Japanese broadcasting industry.

Our view is that content development represents one of our core competencies. We have invested a lot of creative effort in producing long-running programs that have become staple viewing for many habitual NTV fans. In several areas we have one of the strongest lineups of programs in Japan, including news reporting, variety shows and sports coverage. In particular, our live broadcasts of Tokyo-based Yomiuri Giants baseball games regularly attract top ratings. Once people start watching our programs, the power of our content is such that they tend to get hooked, and they keep watching regularly.

One example of a program that has continued to attract a large number of viewers for over twenty years is *Zoom-In!! Asa! (Morning Zoom-In)*, a news program that is aired on weekday mornings. Years ago, we faced some difficulties in attracting large numbers of viewers in the morning time slots. However, following a long, steady process of repeated trial and error, we have honed this news program to the point where it consistently attracts much higher ratings than those of other stations. Also, by capturing the hearts and minds of viewers, this program has established a base of viewer support that builds our ratings through the afternoon and into the critical golden time slots (7 p.m. to 10 p.m.).

By maintaining our position as the king of TV ratings, we have established our name as the leading commercial broadcaster in Japan. We continue to utilize this brand power, and by doing so we have realized high profitability combined with strong earnings growth. The NTV brand name also counts as a lucrative asset that is helping us as we expand into new arenas, such as multimedia and multi-channel digital satellite broadcasting. In order to keep a firm grip on our top ratings crown, we are working to strengthen our broadcasting lineup of core content to ensure renewed growth in profitability. This will help support the continued development of our business as we enter a new age of broadcasting in Japan.

PERSONNEL DEVELOPMENT AND TALENT RETENTION

In raising the value added by our products, principally NTV program content, one of the most important elements of success is the recruitment, retention and development of talented staff. The broadcasting business is an industry dominated by content, and content creation is a process that increasingly relies on software development. The value that even one single individual can add in such an industry can be immense, and we therefore make great efforts to attract and keep the most outstanding people.

This rationale is the reason why we have been an industry pioneer in the introduction of a novel contract-based annual salary remuneration system. It is a scheme based on the principle that people should decide the value of the product that they create (which is the value represented by the salary) and then do the work that is commensurate with that level of value contribution. We applied this meritocratic, results-based system to our intake of new graduate recruits who joined the company in April 2000, specifically for those on the career track of content production.

Personnel remuneration, at large companies in Japan such as ours, has traditionally been based on the principles of lifetime employment and promotion by seniority. Our introduction of a new, innovative system is, therefore, partly a recognition that we must attract a new generation of people by non-traditional means. It is also an attempt to create higher added value across the company. It is a policy that we believe will make us a much stronger enterprise. Not only will it help us to attract and retain the most talented people, but it will also help elevate the moral atmosphere within the company to a higher plane, matched with a healthy level of competition. We believe this new way of thinking will contribute to a new commitment by our staff, who will be incentivized to buy into the "NTV Dream" and thereby help us realize our corporate goals.

TOWARDS A NEW DIGITAL MULTIMEDIA AGE

The digital revolution is now ushering in a new age of broadcasting, one in which multiple channels and multimedia content will play a greatly enhanced role. We are tackling two main challenges in relation to this so-called digital age. First, we are developing content that is designed to suit various media. Second, we are building up our creative development infrastructure in order to produce high-value content.

We have adopted a strategic stance on the role of our new digital satellite broadcasting operations, BS Nippon, that differentiates us from other broadcasters. Although many of our rivals seem to regard digital satellite broadcasting as an extension of their terrestrial broadcasting operations, we, on the other hand, have decided to focus our BS content on news programming and information services. Even though these operations just commenced in December 2000, our policy of selectivity is already paying dividends in the form of higher viewer ratings. As the total BS viewer population grows over time, we have every confidence that our competitive edge, in terms of ratings, will allow us to demonstrate the value of digital satellite multi-channel broadcasting as a mainstream advertising medium.

Another aspect of our digital-age development is digital terrestrial broadcasting, which we plan to commence in 2003. We have taken the lead within the domestic industry in the area of the development of associated technology. The R&D work that we have put into the progressive digital scanning technology has placed us in the vanguard of this field. Progressive scanning is the preferred image-processing technology used in Hollywood, and it has earned us many plaudits within the film industry. We also believe that the technical advantages of this system, compared with conventional interlaced scanning technology, will eventually become the technical standard for the future development of high-definition television (HDTV).

The year 2003 also promises to be momentous because it will mark the completion of our new head office at the site in Shiodome in central southwest Tokyo. This building will be equipped with state-of-the-art broadcasting and production systems that maximize both function and efficiency. Based on the use of the most advanced technology and systems, we are confident that we will be ready to make the most of this new era of digital broadcasting.

We are also keenly involved in the evolution of broadband in Japan, a sector that promises to blur the distinction between communications and broadcasting. In September 2000, in conjunction with Nippon Telegraph & Telephone (NTT) East and other members of the NTT Group, we established B-BAT, Inc., a joint venture whose mission is to develop ideas and test business approaches that are based on open, independent content platforms, and which can cater to the growing demand for broadband services in Japan. We have been studying such a business concept with NTT over the course of several years. As soon as we have cleared the copyright issues and data security hurdles, we plan to launch nationwide services. We anticipate that full-scale operations will commence by the end of 2001, and we expect this globally-oriented venture to develop into a substantial source of future revenue growth.

A NEW ERA OF BUSINESS

In today's business world, one that is characterized by incessant, fast-paced change, companies must be agile and dynamic to prosper. In line with such thinking, in June 2001 we decided to introduce a new system that clarifies the distinction between the strategic decision-making and policy-execution roles of our senior management team. In this new system, we have divided them into a Board of Directors, responsible for making the key strategic decisions, and an Executive Board, whose role is to oversee day-to-day execution of business strategy. While operational responsibility has been delegated to the Executive Board, the Board of Directors retains an overall supervisory function so that it can audit progress efficiently. This is one aspect of our new policy on corporate governance, which is aimed at improving the transparency of our operations and raising the degree of disclosure.

The same kind of rapid change also governs viewer tastes. It is therefore crucial for us to be able to anticipate these changes by cultivating the best program development and production talent: people who can bring novelty and creativity to our content development. Only by continuing to deliver top-quality content can we maintain our primacy in the viewing figures. Only by continuing to secure the top ratings can we translate such figures into high earnings. We believe that NTV possesses a solid business base, together with the skills required to leverage the content production expertise that differentiates us from our competitors in the new, multi-channel, multimedia age being ushered in by the advent of digital broadcasting (both via broadcast (BS) and communications (CS) satellites) and broadband technologies. We are therefore confident that we can survive and thrive in this new business environment. The 21st century promises to be full of challenges. Amid such fast-paced change, we at NTV remain focused on maintaining our strong balance sheet and healthy earnings growth.

In closing, we hope our shareholders will give us their continued support and understanding.

Seiichiro Ujiie

Seiichiro Ujiie
Chairman & CEO

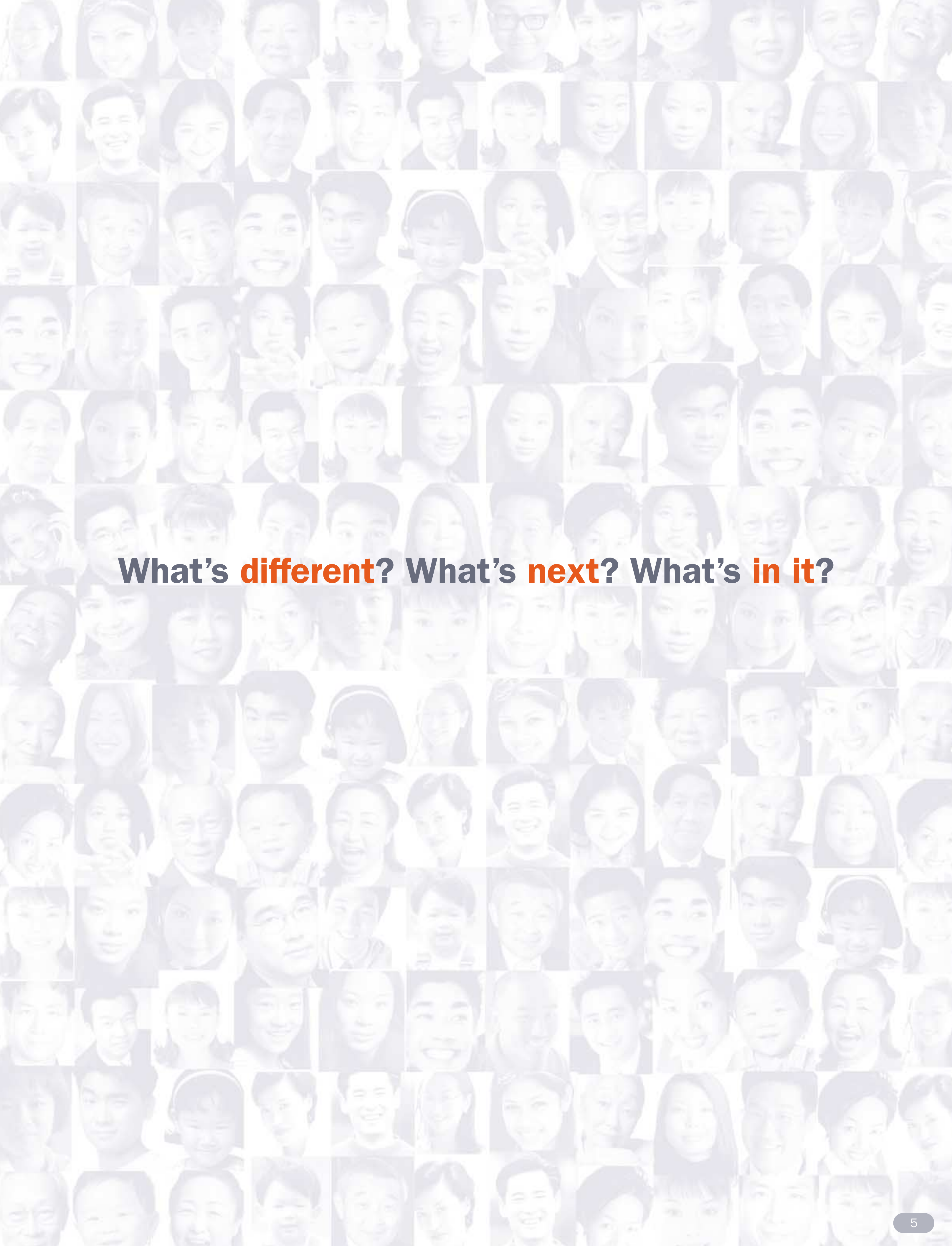
Kohei Manabe

Kohei Manabe
Vice Chairman

Toshio Hagiwara

Toshio Hagiwara
President & COO

July 1, 2001



What’s different? What’s next? What’s in it?

Shinpei Fukushima
Director General,
Programming & Production

“ At NTV, there are no boundaries separating people and programs. For instance, someone in charge of a sports feature might also write the production plan for a soap opera. Perhaps they might also be in charge of production. People with talent are given the leeway to take on the challenge of creating new ideas, irrespective of the type of programming involved. I think that is the element of vitality that lies behind high-quality content production at NTV. ”

What’s

The most important concept in program production is the incorporation of the maximum number of ideas within the limited amount of time that is available for a broadcast. This means that it is critical to provide the right creative atmosphere, so that the company’s top producers have the space and the best environment in which to exercise their program creation talents to the fullest. The other key element of successful program development is knowing which parts of the current programming line-up require alteration and which do not, and then taking the appropriate action at the right juncture.

One major action that NTV has decided to take in this regard is to develop a new format for the long-running morning news program *Zoom-In!! Asa! (Morning Zoom-In)*, which has been the network’s leading morning program for over two decades. The image overhaul is designed to bring the program more in line with new-century styles. The new-style program will begin broadcasting in October 2001. The revamp is also part of an image-change process for NTV as a whole, whose ultimate purpose is to maintain and increase viewer ratings for the key golden time and prime time segments.

In another key initiative aimed at boosting programming production capabilities, NTV has undertaken a major personnel shuffle that is designed to unify the two roles of strategy formulation and program production. As a result of this move, strategic planning staff are being given hands-on experience of program production, while production personnel are receiving a thorough grounding in the practicalities of strategy formulation. The theory is that once the knowledge gap between these two key functions has been eliminated, this will greatly aid the process of high-quality content development.

Within NTV’s prime time programming lineup, perhaps its most valuable assets are the Yomiuri Giants baseball games, for most of which NTV has live broadcasting rights. Over the course of the past year, these sporting fixtures accounted for approximately 11% of total prime time broadcasting, which encapsulates in one figure, the sheer influence of this content. As of June 2001, viewer ratings for these baseball games were around four points lower than the previous year. NTV has responded by inserting quiz shows into parts of the program schedule, and is also working to boost ratings through newspaper and television promotional campaigns. To engineer better long-term solutions, NTV has also conducted marketing surveys ahead of the next season. A program of measures stemming from these surveys is due to be implemented from August 2001.

Although the planned commencement of digital terrestrial broadcasting services in 2003 implies the need to focus on content development in a bid to boost viewer numbers, the basic principles promise to be the same as those applied to analog broadcasting. Even so, in the multimedia age, the issue of how to make content compatible with different media is becoming increasingly important. One area with considerable potential in which NTV is investing much of its effort is the development of content designed for mobile communications devices, such as mobile phones and personal digital assistants.

different?

"For each of the various kinds of media, we need to conduct research to assess future potential and then take the appropriate first steps. Yet the issue of whether a business based on a particular medium is viable or not is entirely separate. Our aim at NTV is to develop a media strategy that emphasizes high earnings based on proprietary content."

Shintaro Kubo
Executive Officer and Director General,
Media Strategy Planning & Development

What's

To date, Japanese commercial broadcasters have been able to generate high earnings based on the industry's regionally oligopolistic nature and license-based regulatory structure. With the advent of deregulation and the arrival of a multi-channel, multimedia business environment spanning new technologies, such as BS and CS digital broadcasting, as well as broadband, the main problem is how to maintain earnings in the face of such content distribution channel proliferation.

There is no doubt that terrestrial analog broadcasting remains the main pillar of NTV's earnings base. A single indicator, viewer ratings, provides an objective basis for assessing the earnings power of terrestrial analog broadcasting services. However, in the new multi-channel, multimedia age, the significance and application of concepts, such as ratings, are likely to undergo substantial change.

According to research projections by the National Association of Commercial Broadcasters in Japan, once the roll-out of terrestrial digital broadcasting services is completed a decade from now, the share of the broadcast media pie occupied by terrestrial broadcasting will have dropped to around 70%. In other words, the share of viewer numbers won by terrestrial broadcasting is forecast to shrink considerably. Faced with this prospect, NTV's media strategy is geared at generating supplementary business that can compensate for the expected cannibalization of core earnings from terrestrial broadcasting, while also contributing to earnings growth.

Another guiding aim of NTV's media strategy is to maximize the return on capital invested in new media ventures while seeking to minimize business development risks. NTV has applied these principles by establishing ventures in all three major emerging media sectors in conjunction with a number of other partners. In BS digital broadcasting, NTV has established two ventures, BS Nippon and Nippon Data Broadcasting. In CS digital broadcasting, NTV has established CS Nippon. In addition, to provide platform services for the CS digital broadcasting business, NTV has teamed up with Mitsubishi Corporation and BS broadcasting channel operator WOWOW to form PLAT-ONE CORPORATION.

next?

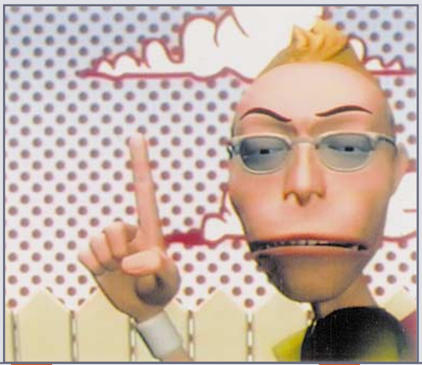
Owing to its totally unregulated nature, broadband is one sector where, in many areas, NTV cannot realistically hope to apply its extensive experience as a broadcaster. For NTV, the unknowns in such a business are numerous, and the probability of competition with new kinds of rivals is high. NTV has therefore pursued the path of establishing a company, B-BAT, Inc., to develop a broadband content distribution market. Its two partners in this venture are Nippon Telegraph & Telephone East Corporation and NTT-ME, both members of the NTT Group. The development of B-BAT, Inc. promises to provide NTV with a means of secure, copyright-protected online distribution of multimedia content over the Internet or to mobile communications devices. The establishment of such infrastructure is a vital part of realizing the value of NTV’s vast array of content assets, thereby extending the earnings base to include a variety of new media.

Takashi Tanatsugu
Director General,
Content Businesses

"The prime focus in our content business is to concentrate on profitability and generate steady earnings growth, rather than mere business expansion. Even so, if a business shows potential, we are definitely not shying away from it. The question then is more one of attaining the right balance between the efforts we put into various ventures, as well as the establishment of efficient systems."

What's

NTV has developed a range of content-based businesses that span a number of areas. In information services, the company is providing content tailored to transmission either over the Internet or to mobile communications devices. Program-related publishing businesses and content distribution businesses distribute NTV program-related content in video or printed media, both in Japan and abroad. NTV has invested in film production, and has other movie-related operations that aim to generate distribution revenues from videos and broadcast content. Another operation is involved in mail-order sales. Rounding out the lineup are businesses centered around NTV's vast content library and the issue of copyright protection in content distribution.



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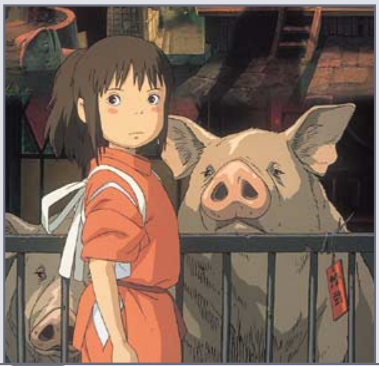

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in it?

Rather than merely seeking to increase revenues, NTV regards it as critically important to assess whether content-related operations have the realistic potential to be developed into profitable businesses. To make such decisions, which in some cases may mean withdrawing from an area, NTV invests much effort in ensuring that enough information about the area is collected so that future potential can be accurately assessed and the necessary systems for growth set in place.

One of the best-performing of NTV's content businesses develops, packages and delivers content for the i-Mode Internet-compatible mobile phone platform marketed by NTT DoCoMo. NTV subsidiary Forecast Communications, Inc. manages this business, and is generating high earnings from it. The current service mix aimed at mobile phone users comprises a free i-NTV information service, offering news, program information, cooking tips and news on events, together with a MY-NTV fee-based service that offers live updates on Giants baseball games, for which users pay a monthly subscription of ¥250.

Animation is another area with significant potential owing to the multimedia development possibilities of animated features. However, in view of the high costs and appreciable risk involved, NTV is analyzing options involving possible business partners. The company is also developing its own animation production systems.

For the medium and longer terms, NTV is developing a number of other content businesses that are due to blossom in 3-5 years.

The underlying rationale for all of NTV's content businesses is to extract additional profits from the use and re-use of its huge and varied content assets, principally derived from terrestrial broadcast programs. To develop a culture of multi-format content re-use, NTV has created a series of booklets for internal distribution that discuss the benefits of secondary content applications. By raising the awareness of production staff of the possibilities of the content-related businesses involved, the company expects to realize the vast potential of this unexplored area.

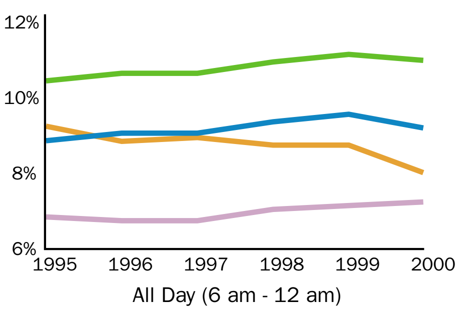
Average Viewership Figures

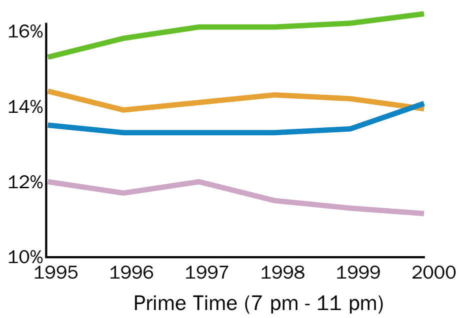
Hakone Ekiden
(Long-distance relay road race)

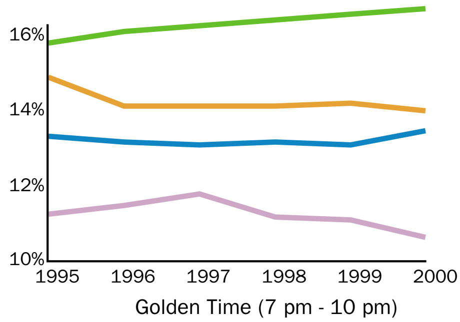
24 Hour Television

Odoru! Samma Goten!!
(Dancing Samma Palace)

Yomiuri Giants baseball game







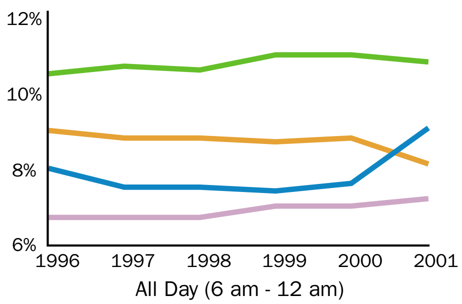
Average Viewership (Calendar Year)

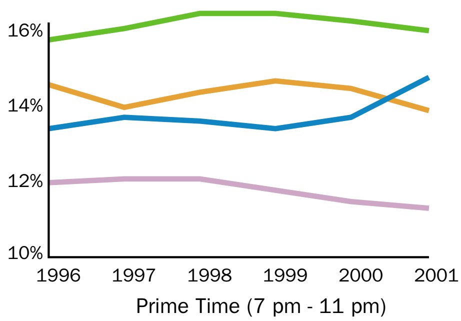
Zoom - In!! Asa!
(Morning Zoom - In)

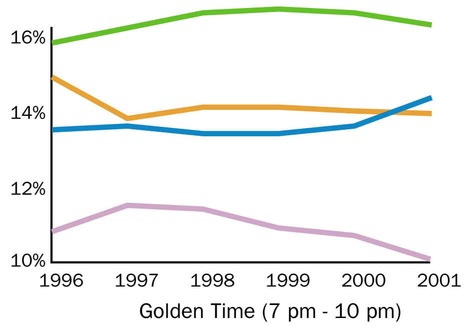
The Tetsuwan Dash
(The Dash!)

Soreike!! Anpanman
(ANPANMAN)

News Plus 1
(News Plus One)







Average Viewership (Fiscal Year)

NTV
Company A
Company B
Company C

The Year in Review

NTV continues to be firmly dedicated to making popular programs that will maintain top viewer ratings and to being the leading producer of content within regular terrestrial broadcasting, which remains a harshly competitive industry.

TELEVISION BROADCASTING

An extremely strong lineup of programs led NTV to the top of the ratings for the seventh consecutive year. The station achieved very high average program ratings, registering 10.7% for the all-day period (6 a.m. to midnight), 16.4% for the golden time period (7 p.m. to 10 p.m.), 16.2% for the prime time period (7 p.m. to 11 p.m.), and 9.2% for the non-prime time period. As of March 2001, NTV had scored the highest ratings in all four time categories for 32 consecutive months, continuing to set a record among Japanese commercial broadcasters. In all 26 districts, NTV-affiliated stations topped the ratings in all three major time categories for both the calendar year and the fiscal year, a first in broadcasting history.

This performance reflected an across-the-board strength among NTV's programs. The station's mainstay news and current affairs programs continued to retain their core base of viewers. The regular prime time programs, *Itoh-ke no Shokutaku (Dining Table of the Itoh Family)* and *Tetsuwan Dash (The Dash!)*, remained favorites among viewers for their all-around entertainment value, generating high ratings. The victory of the Yomiuri Giants, Tokyo's favorite baseball team in the Central League, also sparked high ratings. The famous rivalry between the managers Oh and Nagashima in the four matches of the Japan Series was something that had the nation on the edge of its seat. In addition, special feature programs, shown in between series and which are produced based on popular regular programs, once again enjoyed strong ratings.

NTV showed its genuine concern for society by holding a forum on the possible links between TV and the crime rate of Japan's youth. In an effort to quash the possible adverse effects of TV on youth, program content and broadcast time were among the issues that were discussed.

All in all, NTV continues to be firmly dedicated to making popular programs that will maintain top viewer ratings and to being the leading producer of content within regular terrestrial broadcasting, which remains a harshly competitive industry.

OTHER PROJECTS

NTV is continuously committed to the development and enhancement of its various business activities. Fiscal 2000 was marked by a number of media events and shows that were sponsored by NTV. The world-renowned Berlin Philharmonic Orchestra, complete with the added attraction of an opera, performed in Japan for the first time in two years in Tokyo on November 23, as well as in Yokohama and Osaka. The show was very well received by audiences and proved a big success. December 2000 saw the opening of SHIBUYA-AX, a new live house in one of the trendy areas of Tokyo, rousing a great deal of interest among the young, and proving to be a popular addition to the area.

In an effort to prepare for the continued trend towards the merger of broadcasting and communications, NTV amalgamated its contents businesses into one business department in June. This new contents business will act to respond to the ever-changing and diverse new multimedia world. NTV is also active in continuing its satellite broadcasting. In fiscal 1999, the company began satellite transmissions of Yomiuri Giants baseball games to various locations in Asia, as well as in Hawaii, and in fiscal 2000, it stepped up efforts to gain a foothold in the North American market by beginning broadcasts of the Japan Series there.

On the Internet front, Forecast Communications Inc., a subsidiary established to promote Internet business interests, showed its superiority over other entities in terms of the large amount of advertising revenue gained in fiscal 2000. The distribution of

various pay-per-view programs through mobile phones continues to increase at a steady rate.

On a publishing level, the overwhelming popularity of TV series, such as *Sanpun Cooking (Three-Minute Cooking), Omoikkiri TV (Complete TV)* and *Itoh-ke no Shokutaku (Dining Table of the Itoh Family)*, helped boost merchandising sales of selected books and magazines. In addition, the books *Moumusu Uranai (Morning Girls Prophecy)* and *Omoikkiri Kantan Kakeibo (Very Simple Family Finances Booklet)* proved to be popular with a wide range of readers.

NTV was also successful with numerous movie releases, scoring big hits with *Sakura Youkaiden (Sakuya)*, *Umi no Aurora (The Aurora)*, *Sore Ike!! Anpanman: Ningyohime no Namida (Anpanman: Tears of a Mermaid), Juugo sai: Gakkou 4 (School 4), Natou: Odoru! Ninja Densetsu (The Legend of Dancing Ninja), Kairo (The Circuit)* and *Satorare (Being Understood).*

Merchandising rights from copyright licensing contracts again produced high revenue earnings, with an increase in sales of 23% over the previous fiscal year, a new record for NTV. Sales from the popular TV characters, *Anpanman* and *Rupan Sansei (Lupin III),* were among the biggest hits for NTV, as was the game software *Geki Kuukan Puro Yakyuu (Professional Japanese Baseball Game)*. Despite the protracted downturn in the video licensing industry, sales of sports videos such as *Nagashima Yomigaeru Sanban (The Legend of Shigeo Nagashima)* and *Puroresu (Professional Wrestling)* demonstrated favorable growth.

In response to the new two-way communicative era brought about by 110 CS digital broadcasting and digital satellite broadcasting, NTV has introduced a new business tool, namely a credit card called Poshure Card, which is convenient for TV shopping, as well as being a useful card for e-commerce and TV-commerce.

EQUIPMENT AND CAPITAL SPENDING

The major steps undertaken during the year with regard to equipment and capital spending were as follows:

* NTV continued its investment in Nippon News Network (NNN) by acquiring helicopters and various essential equipment to be used on board for news gathering purposes in May 2000.

* Work was completed on the No. 1 studio for drama production in Ikuta in July 2000. The No. 3 studio is due to be completed in 2001 to complement the No. 2 studio that was constructed in 1999.

* In August, SNG (Satellite News Gathering), a vehicle for transmitting satellite pictures and sound, was set up in NTV's Yokohama branch.

* The development of the innovative non-linear system, which started in September 2000, combines the essential features of recording, editing and simultaneous transmission into one integrated system, and is proving to be an invaluable asset in the area of live transmissions.

* In November 2000, NTV changed the studio and sub-control room for NNN24 broadcasts to high definition, as well as set up high definition remote sub. In December, NTV also launched high definition TV programs on its own satellite broadcasting service, BS Nippon.

* NTV continued to invest heavily in R&D, with investment in research of multi-function services, such as data transmission services and accumulated type receptors for broadcasting and communications satellites. NTV also has a number of technical personnel involved in the creation of specifications and standards for technology and service in the industry and for government institutions. NTV is also

dedicated to continuing its R&D activities in the ever-changing field of broadband broadcasting.

* The excellence of NTV's R&D efforts were honored with an award from the Japanese Motion Picture and TV Engineering Society in December 2000 for the development of a device to measure picture quality of high vision TVs. NTV continues to promote the development of such broadcasting systems and equipment.

* In January 2000, construction commenced on NTV's new head office in Shiodome, with work underway on the underground section. The building will comprise 36 floors, including four underground. The lower nine floors will house broadcasting studios and program production units, while the upper levels will mainly contain offices. Construction commenced on the above-ground levels in May 2001.

NEWS PROGRAMMING

The NTV network is the largest broadcasting network in Japan with 30 affiliated stations throughout Japan. In all 26 districts, these NTV-affiliated stations topped the ratings in three major time categories. This reflected not only the popularity of key station programming, but also the high quality and volume of content of locally-produced news and other current affairs programs.

In fiscal 2000, NTV again demonstrated its dominance in the area of news gathering. NTV's flagship evening news program, *Kyou no Dekigoto (Today's Events)* improved its rating 0.5% over fiscal 2000 to 9.9%. NNN's leading news program, News Plus One, achieved an average viewer rating of 10.9% in fiscal 2000, maintaining its dominance at the top of Japan's news programs so far for an exceptional 57 consecutive months.

NNN has continued to gain respect as one of the most trusted news sources in Japan. News coverage of major events during the year, such as the eruption of Mount Usu and the volcanic tremors in the Izu islands, as well as the infamous bus hijacking and the fatal submarine accident off the coast of Hawaii, showed clearly that viewers' first choice for late-breaking news was NNN. Coverage of the volcanic eruption on Miyakejima Island in July 2000, the earthquake in Tottori prefecture in October 2000, and in Ehime prefecture in March 2001, again showed the superiority of NNN in its prompt response to major domestic incidents.

NNN's speed in reaching the scene of international events, such as the close U.S. presidential election race and the catastrophic Ehime Maru collision story, also demonstrated its dedication to bringing the news to the nation as quickly as possible.

NTV's 24-hour news channel NNN24 has boosted its potential cable TV viewer audience to 2.2 million homes. In addition, the provision of various pay-per-view Internet services on mobile phones, such as i-Mode, has resulted in usership reaching more than 110,000 registered subscribers. The satellite broadcasting service, BS Nippon, which began in December 2000, also transmits news events.

BOOSTING COMPETITIVENESS

NTV faces a variety of challenges, ranging from the explosive development and spread of the Internet leading to big changes in the broadcasting industry, to the intense competition brought about by the virtual integration of broadcasting and communications. Amid such a harsh environment, NTV has adopted an aggressive stance towards developing new business opportunities by forming alliances, not only in the field of broadcasting, but also through the Internet.

As a further step to prosperity during such a competitive era, NTV is committed to leveraging its position as the leading producer of program content among Japan's commercial broadcasters. In essence, this means retaining the top spot in all four program ratings categories, continuing the high performance it has shown in previous years.

Additional challenges confronting NTV include: preparing for the start of digital terrestrial broadcasting in 2003, the construction of the new head office in Shiodome due to be completed in the same year, and the introduction of new businesses to cope with the changes in the business environment. In response to these challenges, NTV realizes the necessity to boost sales in an effort to offset the large capital investment required.

With the advent of new media avenues, such as digital terrestrial broadcasting, NTV launched BS Nippon in December 2000, and on March 27, 2001, CS Nippon, another affiliate company, which gained authorization to establish a digital communications satellite above the 110-degree east longitude. Plans are in place to begin pay-per-view, multi-channels and multi-function broadcasts in the first half of fiscal 2002. Both of these two companies are expected to be invaluable to NTV in the years to come.

Various efforts have been made to reduce the burden connected with the shift from analog to digital broadcasting, which is scheduled to be completed by July 2011. As an example of this, the government will be assisting with the heavy costs involved with this change.

Another initiative to combat the problems incited by the new broadband age is the B-BAT plan. Established in September 2000, it is a major step forward in realizing the content distribution market in the broadband era. This plan helps to solve the problems concerning breaches of content copyright, with plans to create a neutral content distribution market appropriate for the Internet era.

NTV is attempting to create a highly creative corporate culture with the introduction of the flex-time system. This allows workers more freedom to control their hours of work as well as encourages an independent work philosophy. In addition, NTV introduced a discretionary work system in its programming department in December 2000, a new annual salary system in 1999, and a performance-based salary system in 2000. As a complement to these efforts, NTV has also taken a very positive approach towards the education of its employees to ensure the highest level of quality in all aspects of business activity. All these initiatives represent NTV's strong determination to promote a unique business environment.

NTV remains committed to providing objective reporting and wholesome family entertainment, furthering efforts to raise broadcasting ethics. All the while, the company is resolute in ensuring originality in its entire program content.

Financial Review

OPERATING ENVIRONMENT

In the year ended March 31, 2001 (fiscal 2000), despite some signs of recovery prompted by government fiscal stimulatory measures and growth in private-sector capital investment led by the IT sector, worries over job security, on the part of many workers, persisted. Overall, a full-fledged economic recovery failed to take hold.

Despite the lackluster economic backdrop, the fortunes of Japan's advertising industry recovered from the start of the year as many companies increased their advertising budgets. Particular factors spurring the increase in spending included fiercer competition within the computing and communications industries and strong volume growth in advertising by the finance and insurance industry, where there was increased consolidation and a dramatic increase in market participation by foreign-owned firms. Favorable conditions lasted throughout the year, producing strong growth in advertising revenues. In addition, the commencement of NTV's digital satellite broadcasting services under the BS Japan name on December 1, 2000, generated further increases in business. Having suffered in fiscal 1999, Japan's music industry recovered somewhat through concerted efforts to reduce costs. This revival in profitability helped to generate a considerably increased contribution to NTV Group earnings.

REVENUES & EARNINGS

Net sales of NTV and its consolidated subsidiaries increased by 7.4%, or ¥24,395 million, to ¥352,409 million.

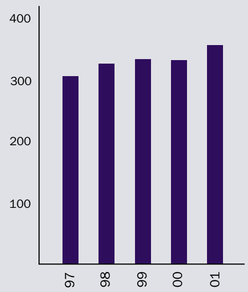
As a result of multiple business development projects during the year, combined with various initiatives in connection with the NTV network, the cost of sales rose by 1.9%, or ¥3,881 million, to ¥207,744 million. Partly as a result of the adoption of a new accounting standard related to retirement benefits, selling, general and administrative expenses increased by 10.8%, or ¥7,562 million, to ¥77,362 million. Operating income soared 23.8% to ¥67,303 million, producing a consolidated operating margin of 19.1%, compared with a figure of 16.6% recorded in fiscal 1999.

In connection with the application of a new accounting policy on the use of financial instruments, an extraordinary loss of ¥3,385 million was recorded as a valuation loss on investment securities. As a result, other income recorded a loss of ¥3,380 million, compared with a profit of ¥5,158 million in fiscal 1999.

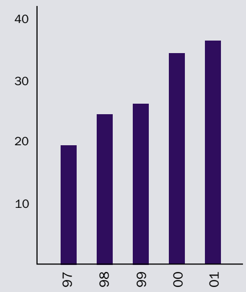
Income before income taxes and minority interests increased by 7.4%, or ¥4,414 million, to ¥63,923 million, while net income rose by 5.9%, or ¥2,005 million, to ¥36,008 million. Net income per share of common stock was ¥1,419.96, with dividends per share applicable to the year being changed from ¥80.00 to ¥120.00.

PERFORMANCE BY BUSINESS SEGMENT

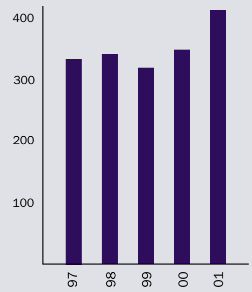
On the back of vigorous sales efforts that were reflected in NTV gaining the top spot among Japanese commercial broadcasters in terms of ratings in all four viewer categories for the seventh consecutive year, sales in NTV's core business segment of television broadcasting maintained solid growth. Revenues from sponsorship of programs in NTV's popular golden time (7 p.m. to 10 p.m.) lineup posted healthy growth. Sales were also boosted by a number of major sporting events, notably the Sydney Olympics and baseball games such as Professional All-Star fixtures and the Japan



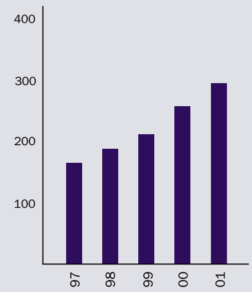
Net Sales



Net Income



Total Assets



Total Shareholders' Equity

Billions of Yen

Series. Fueled by the strong rise in advertising spending, sales of TV advertising spots also increased sharply.

As a result, television broadcasting segment sales rose 9.6%, or ¥27,100 million, to ¥310,242 million. Combined with the success of efforts to hold down programming costs, segment operating income jumped by 23.5%, or ¥12,172 million, to ¥63,897 million.

Sales in the cultural activities segment fell slightly, dropping by 7.3%, or ¥3,109 million, to ¥39,726 million. This was mainly due to a reduction in the number of major art exhibitions held, together with lower volume sales at subsidiaries operating in the music business. Thanks to successful efforts to cut costs, however, segment operating income recovered, rising 26.7%, or ¥615 million, to ¥2,922 million.

Sales in the other segment rose by 7.2%, or ¥508 million, to ¥7,539 million. Segment operating income also recovered sharply, rising 58.4%, or ¥178 million, to ¥483 million.

FINANCIAL CONDITION

Cash and cash equivalents, and program rights rose ¥21,311 million and ¥149 million, respectively, while the value of marketable securities fell ¥21,655 million following the application of a new accounting policy on the use of financial instruments. Deferred tax assets from the application of tax-effect accounting increased by ¥494 million. These factors contributed to an increase in total current assets of ¥7,987 million, or 4.4%, to ¥188,377 million.

The book value of net property and equipment increased by ¥4,296 million to ¥147,388 million, principally due to expenditure on the construction of NTV's new corporate headquarters complex in Shiodome, Tokyo. Total investments and other assets rose by ¥32,863 million to ¥74,277 million, mainly as the result of an increase in the value of investment securities following the application of the new financial instruments accounting policy. As a result, total assets rose by 12.4%, or ¥45,146 million, to ¥410,042 million.

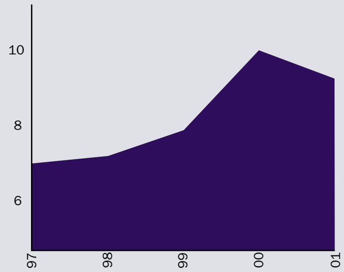
Although trade payables fell slightly, income taxes payable increased appreciably. As a result, total current liabilities rose 7.4%, or ¥5,715 million, to ¥82,481 million. Consequently, working capital, calculated as the difference between current assets and current liabilities, rose by ¥2,272 million to ¥105,896 million, leading to a current ratio of 228.4%.

Mainly as a result of higher deferred tax liabilities associated with the adoption of a new accounting standard on the use of financial instruments, together with increased liabilities for retirement benefits arising from the adoption of a new accounting standard related to retirement benefits, total non-current liabilities rose by ¥1,793 million, or 5.4%, to ¥34,929 million.

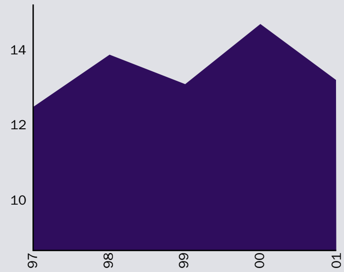
Higher net income and unrealized gain on available-for-sale securities posted in relation to the adoption of a new accounting standard on the use of financial instruments, both helped to boost total shareholders' equity, which rose 14.8%, or ¥37,589 million, to ¥291,501 million. The ratio of shareholders' equity to total assets increased by 1.5 percentage points, from 69.6% to 71.1%.

CASH FLOW

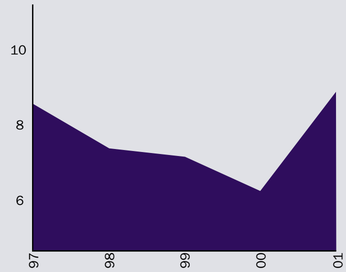
Boosted by steady growth in television broadcasting



Return on Assets (%)



Return on Equity (%)



Dividend Payout Ratio (%)

revenues underpinned by high viewer ratings, and partly as a result of reductions in general operating expenses, net cash provided by operating activities totaled ¥45,549 million, compared with positive cash flow of ¥42,152 million in fiscal 1999, while income before income taxes and minority interests stood at ¥63,923 million, leading to an increase in capital.

Net cash used in investing activities amounted to ¥21,701 million. This represented the net purchase of marketable securities and investment securities, capital spending related to the move towards digital broadcasting, as well as payments related to the construction of the new NTV head office at the Shiodome site. This figure, compared with positive cash flow recorded in fiscal 1999 of ¥19,241 million, has increased.

Mainly as a result of dividends paid, net cash used in financing activities amounted to ¥2,432 million. This compared with negative cash flow recorded in fiscal 1999 of ¥24,900 million.

Consolidated Five-Year Summary

	Millions of Yen					Thousands of U.S. Dollars
Year ended March 31	**2001**	2000	1999	1998	1997	**2001**
For the year :						
Net sales	**¥ 352,409**	¥ 328,014	¥330,976	¥ 323,956	¥ 302,851	**$ 2,844,302**
Cost of sales	**207,744**	203,863	210,925	198,668	194,631	**1,676,707**
Operating income	**67,303**	54,351	48,981	48,284	37,622	**543,204**
Net income	**36,008**	34,003	25,921	24,230	19,243	**290,623**
At year-end :						
Total assets	**¥ 410,042**	¥ 364,896	¥316,758	¥ 338,797	330,045	**$ 3,309,459**
Total shareholders' equity	**291,501**	253,912	209,239	185,502	162,962	**2,352,712**
	Yen					U.S. Dollars
Per share :						
Net income	**1,419.96**	1,341.04	1,022.28	955.58	759.20	**11.46**
Cash dividends	**120.00**	80.00	70.00	67.50	60.00	**0.97**
Ratios :						
Operating income margin (%)	**19.1**	16.6	14.8	14.9	12.4	
Return on assets (%)	**9.3**	10.0	7.9	7.2	7.0	
Return on equity (%)	**13.2**	14.7	13.1	13.9	12.5	
Dividend payout ratio (%)	**8.9**	6.3	7.2	7.4	8.6	

Notes : 1. Net income per share is computed based on the weighted average number of shares outstanding during the respective years, retroactively adjusted for stock splits.

2. Cash dividends per share are the amounts applicable to the respective years, including dividends to be paid after the end of year, retroactively adjusted for stock splits.

Nippon Television Network Corporation and Consolidated Subsidiaries

Consolidated Balance Sheets

March 31, 2001 and 2000

ASSETS	Millions of Yen 2001	Millions of Yen 2000	Thousands of U.S. Dollars (Note 1) 2001
CURRENT ASSETS:			
Cash and cash equivalents	¥ **84,065**	¥ 62,754	$ **678,491**
Time deposits	**413**	281	**3,333**
Marketable securities (Note 3)	**1,875**	23,530	**15,133**
Receivables :			
Trade notes	**13,579**	11,190	**109,597**
Trade accounts	**71,235**	66,174	**574,939**
Other	**644**	1,094	**5,198**
Allowance for doubtful accounts	**(257)**	(330)	**(2,074)**
Program rights	**5,154**	5,005	**41,598**
Deferred tax assets (Note 8)	**7,855**	7,361	**63,398**
Prepaid expenses and other	**3,814**	3,331	**30,782**
Total current assets	**188,377**	180,390	**1,520,395**
PROPERTY AND EQUIPMENT, AT COST (Notes 4 and 9):			
Land	**112,357**	112,357	**906,836**
Buildings and structures	**33,598**	34,551	**271,170**
Machinery, vehicles and equipment	**63,457**	62,293	**512,163**
Construction in progress	**7,935**	2,379	**64,044**
Total	**217,347**	211,580	**1,754,213**
Accumulated depreciation	**(69,959)**	(68,488)	**(564,641)**
Net property and equipment	**147,388**	143,092	**1,189,572**
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Note 3)	**50,133**	13,746	**404,625**
Investment in unconsolidated subsidiaries and associated companies	**4,610**	2,475	**37,207**
Deferred tax assets (Note 8)	**708**	906	**5,714**
Long-term deposits	**350**	5,500	**2,825**
Long-term receivable	**11,738**	11,685	**94,738**
Other assets	**7,091**	7,259	**57,232**
Allowance for doubtful accounts	**(353)**	(157)	**(2,849)**
Total investments and other assets	**74,277**	41,414	**599,492**
TOTAL	¥ **410,042**	¥ 364,896	$ **3,309,459**

See notes to consolidated financial statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	Millions of Yen 2001	2000	Thousands of U.S. Dollars (Note 1) 2001
CURRENT LIABILITIES:			
Short-term bank loans (Note 5)	¥ **1,060**	¥ 1,428	$ **8,555**
Payables :			
Trade notes	**7,151**	7,788	**57,716**
Trade accounts	**42,884**	44,734	**346,118**
Other	**3,948**	4,809	**31,864**
Income taxes payable	**19,856**	9,923	**160,258**
Accrued expenses and other	**7,582**	8,084	**61,195**
Total current liabilities	**82,481**	76,766	**665,706**
NON-CURRENT LIABILITIES:			
Liabilities for retirement benefits (Note 6)	**14,877**	14,116	**120,073**
Guarantee deposits received (Note 4)	**19,000**	19,000	**153,349**
Deferred tax liabilities (Note 8)	**1,035**		**8,354**
Other	**17**	20	**137**
Total non-current liabilities	**34,929**	33,136	**281,913**
MINORITY INTERESTS	**1,131**	1,082	**9,128**
COMMITMENTS AND CONTINGENT LIABILITIES (Notes 9 and 10)			
SHAREHOLDERS' EQUITY (Notes 7 and 11):			
Common stock, ¥500 par value–authorized, 50,000,000 shares in 2001 and 19,200,000 shares in 2000; issued and outstanding, 25,364,548 shares in 2001 and 12,682,274 shares in 2000	**18,576**	18,576	**149,927**
Additional paid-in capital	**17,928**	17,928	**144,697**
Retained earnings	**251,376**	217,536	**2,028,862**
Unrealized gain on available-for-sale securities	**3,978**		**32,107**
Foreign currency translation adjustments	**(195)**		**(1,574)**
Total	**291,663**	254,040	**2,354,019**
Treasury stock	**(162)**	(128)	**(1,307)**
Total shareholders' equity	**291,501**	253,912	**2,352,712**
TOTAL	¥ **410,042**	¥ 364,896	**$ 3,309,459**

Nippon Television Network Corporation and Consolidated Subsidiaries

Consolidated Statements of Income

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2001	2000	**2001**
NET SALES	**¥ 352,409**	¥ 328,014	**$ 2,844,302**
COST OF SALES	**207,744**	203,863	**1,676,707**
Gross profit	**144,665**	124,151	**1,167,595**
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 9)	**77,362**	69,800	**624,391**
Operating income	**67,303**	54,351	**543,204**
OTHER INCOME (EXPENSES) :			
Interest and dividend income	**808**	671	**6,521**
Interest expense	**(16)**	(54)	**(129)**
Gain on sales of property and equipment	**50**	6,730	**404**
Loss on devaluation of property and equipment		(1,446)	
Loss on devaluation of investment securities	**(3,385)**	(1,609)	**(27,320)**
Other-net	**(837)**	866	**(6,755)**
Other income (expenses)-net	**(3,380)**	5,158	**(27,279)**
INCOME BEFORE INCOME TAXES AND MINORITY INTERESTS	**63,923**	59,509	**515,925**
INCOME TAXES (Note 8):			
Current	**30,006**	21,344	**242,179**
Deferred	**(2,149)**	4,256	**(17,345)**
Total	**27,857**	25,600	**224,834**
MINORITY INTERESTS IN NET (INCOME) LOSS	**(58)**	94	**(468)**
NET INCOME	**¥ 36,008**	¥ 34,003	**$ 290,623**
	Yen		U.S. Dollars
PER SHARE OF COMMON STOCK (Note 2. m)			
Net income	**¥ 1,419.96**	¥ 1,341.04	**$ 11.46**
Cash dividends applicable to the year	**120.00**	80.00	**0.97**

See notes to consolidated financial statements.

Nippon Television Network Corporation and Consolidated Subsidiaries

Consolidated Statements of Shareholders' Equity

Years Ended March 31, 2001 and 2000

	Thousands	Millions of Yen					
	Shares of Common Stock	Common Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-Sale Securities	Foreign currency Translation Adjustments	Treasury Stock
BALANCE, April 1, 1999	12,682	¥ 18,576	¥ 17,928	¥ 172,857			¥ (122)
Net income				34,003			
Cash dividends, ¥140 per share				(1,775)			
Bonuses to directors				(125)			
Adjustment of retained earnings for the adoption of deferred tax accounting method				12,576			
Increase in treasury stock-net							(6)
BALANCE, MARCH 31, 2000	12,682	18,576	17,928	217,536			(128)
Net income				36,008			
Cash dividends, ¥115 per share				(1,458)			
Bonuses to directors				(140)			
Stock split (Note 7)	12,683						
Interim cash dividends, ¥22.50 per share				(570)			
Valuation of financial instruments					¥ 3,978		
Foreign currency translation adjustments						¥ (195)	
Increase in treasury stock-net							(34)
BALANCE, MARCH 31, 2001	**25,365**	**¥18,576**	**¥ 17,928**	**¥251,376**	**¥ 3,978**	**¥ (195)**	**¥ (162)**

	Thousands of U.S. Dollars (Note 1)					
	Common Stock	Additional Paid-in Capital	Retained Earnings	Unrealized Gain on Available-for-Sale Securities	Foreign currency Translation Adjustments	Treasury Stock
BALANCE, MARCH 31, 2000	$149,927	$144,697	$1,755,738			$ (1,033)
Net income			290,623			
Cash dividends, $0.93 per share			(11,768)			
Bonuses to directors			(1,130)			
Interim cash dividends, $0.18 per share			(4,601)			
Valuation of financial instruments				$ 32,107		
Foreign currency translation adjustments					$ (1,574)	
Increase in treasury stock-net						(274)
BALANCE, MARCH 31, 2001	**$149,927**	**$144,697**	**$ 2,028,862**	**$ 32,107**	**$ (1,574)**	**$ (1,307)**

See notes to consolidated financial statements.

Nippon Television Network Corporation and Consolidated Subsidiaries

Consolidated Statements of Cash Flows

Years Ended March 31, 2001 and 2000

	Millions of Yen		Thousands of U.S. Dollars (Note 1)
	2001	2000	**2001**
OPERATING ACTIVITIES:			
Income before income taxes and minority interests	**¥ 63,923**	¥ 59,509	**$ 515,925**
Adjustment for:			
Income taxes-paid	**(20,073)**	(22,285)	**(162,009)**
Depreciation and amortization	**6,521**	6,269	**52,631**
Provision for (reversal of) liabilities for retirement benefits	**761**	(1,045)	**6,142**
Gain on sales of property and equipment	**(50)**	(6,730)	**(404)**
Loss on devaluation of property and equipment		1,446	
Loss on devaluation of investment securities	**3,385**	1,609	**27,320**
Changes in operating assets and liabilities:			
Increase in trade notes and accounts receivables	**(7,450)**	(2,671)	**(60,129)**
Increase in program rights	**(149)**	(1,411)	**(1,203)**
Increase (decrease) in trade notes and accounts payables	**(2,487)**	6,872	**(20,073)**
Other-net	**1,168**	589	**9,427**
Total adjustments	**(18,374)**	(17,357)	**(148,298)**
Net cash provided by operating activities	**45,549**	42,152	**367,627**
INVESTING ACTIVITIES:			
Increase in long-term deposits	**(100)**	(5,150)	**(807)**
Decrease in long-term deposits	**250**	8,521	**2,018**
Purchases of marketable securities	**(2,000)**	(19,899)	**(16,142)**
Proceeds from sales of marketable securities	**1,009**	8,381	**8,144**
Purchases of property and equipment	**(11,812)**	(5,049)	**(95,335)**
Proceeds from sales of property and equipment	**415**	17,474	**3,349**
Purchases of intangible assets	**(1,059)**	(1,596)	**(8,547)**
Proceeds from sales of investment securities	**2,148**		**17,337**
Purchases of investment securities	**(9,848)**	(3,037)	**(79,483)**
Increase in guarantee deposits received		19,000	
Other-net	**(704)**	596	**(5,682)**
Net cash provided by (used in) investing activities	**(21,701)**	19,241	**(175,148)**
FINANCING ACTIVITIES:			
Change in short-term bank loans-net	**(368)**	(23,365)	**(2,970)**
Dividends paid	**(2,028)**	(1,775)	**(16,369)**
Other-net	**(36)**	240	**(290)**
Net cash used in financing activities	**(2,432)**	(24,900)	**(19,629)**
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	**(40)**	(178)	**(323)**
CASH AND CASH EQUIVALENTS OF DECONSOLIDATED SUBSIDIARIES, BEGINNING OF YEAR	**(65)**		**(525)**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**21,311**	36,315	**172,002**
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	**62,754**	26,439	**506,489**
CASH AND CASH EQUIVALENTS, END OF YEAR	**¥ 84,065**	¥ 62,754	**$ 678,491**

See notes to consolidated financial statements.

Notes to Consolidated Financial Statements

Years Ended March 31, 2001 and 2000

1. BASIS OF PRESENTING CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Securities and Exchange Law and its related accounting regulations, and in conformity with accounting principles and practices generally accepted in Japan, which are different in certain respects as to application and disclosure requirements of International Accounting Standards. The consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Japan.

In preparing these consolidated financial statements, certain reclassifications and rearrangements have been made to the consolidated financial statements issued domestically in order to present them in a form which is more familiar to readers outside Japan.

The consolidated financial statements are stated in Japanese yen, the currency of the country in which Nippon Television Network Corporation (the “Company”) is incorporated and operates. The translations of Japanese yen amounts into U.S. dollar amounts are included solely for the convenience of readers outside Japan and have been made at the rate of ¥123.9 to $1, the approximate rate of exchange at March 31, 2001. Such translations should not be construed as representations that the Japanese yen amounts could be converted into U.S. dollars at that or any other rate.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Consolidation - The consolidated financial statements as of March 31, 2001 include the accounts of the Company and its 12 significant (13 in 2000) subsidiaries (together, the “Group”).

Investments in 5 (3 in 2000) unconsolidated subsidiaries and 15 (15 in 2000) associated companies are accounted for by the equity method.

All significant intercompany balances and transactions have been eliminated in consolidation. All material unrealized profit included in assets resulting from transactions within the Group is eliminated.

b. Cash and Cash Equivalents - Cash equivalents are short-term investments that are readily convertible into cash and that are exposed to insignificant risk of changes in value.

Cash equivalents include time deposits, commercial paper and mutual funds investing in bonds that represent short-term investments, all of which mature or become due within three months of the date of acquisition.

c. Program Rights - Costs incurred in connection with the production of programming and the purchase of rights to programs are capitalized and amortized as the respective programs are broadcast. Program rights are carried at cost.

d. *Marketable and Investment Securities* - Prior to April 1, 2000, marketable and investment securities listed on stock exchanges were stated at the lower of cost, determined by the moving-average method, or market.

Effective April 1, 2000, the Group adopted a new accounting standard for financial instruments. The new standard requires that all applicable securities be classified as trading securities, held-to-maturity debt securities or available-for-sale securities depending on management's intent. The Group classifies all securities as available-for-sale securities.

Marketable available-for-sale securities are stated at fair value with unrealized gains and losses, net of applicable taxes, reported in a separate component of shareholders' equity. The cost of securities sold is determined based on the moving-average method.

Non-marketable available-for-sale securities are stated at cost determined by the moving-average method. For other than temporary declines in fair value, non-marketable available-for-sale securities are reduced to net realizable value by a charge to income.

The effect of adoption of the new standard was to decrease income before income taxes and minority interests by ¥3,162 million ($25,521 thousand) for the year ended March 31, 2001.

Marketable securities classified as current assets decreased by ¥22,318 million ($180,129 thousand) and long-term deposits classified as investments and other assets decreased by ¥5,000 million ($40,355 thousand) and investment securities increased by ¥27,318 million ($220,484 thousand) as of April 1, 2000.

e. *Property and Equipment* - Property and equipment are stated at cost. Depreciation is computed by the declining-balance method over the estimated useful lives of the assets, while the straight-line method is applied to buildings acquired after April 1, 2000. The range of useful lives is from 3 to 50 years for buildings and structures, from 2 to 20 years for machinery, vehicles and equipment.

f. *Retirement and Pension Plan* - The Company and subsidiaries have an unfunded lump-sum retirement benefits plan and a non-contributory funded pension plan.

Prior to April 1, 2000, the annual provision for retirement benefits for employees is calculated to state the liability at the amount that would be required if all employees voluntarily terminated their employment at each balance sheet date. Effective April 1, 2000, the Group adopted a new accounting standard for employees' retirement benefits and accounted for the liability for retirement benefits based on projected benefit obligations and plan assets at the balance sheet date.

The Company's transition assets of ¥2,776 million ($22,405 thousand), determined at the beginning of the year, is being amortized over 10 years. The Consolidated Subsidiaries' transitional obligation of ¥180 million ($1,453 thousand) determined at the beginning of the year is charged to expenses in the year ended March 31, 2001.

As a result, net periodic benefit costs as compared with the prior method, increased by ¥875 million ($7,062 thousand) and income before income taxes and minority interests decreased by ¥875 million ($7,062 thousand).

The annual provision for retirement benefits for directors and corporate auditors is calculated to state the liability at the amount that would be required if all directors and corporate auditors retired at each balance sheet date.

g. Leases - All leases are accounted for as operating leases. Under Japanese accounting standards for leases, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized, while other finance leases are permitted to be accounted for as operating lease transactions if certain “as if capitalized” information is disclosed in the notes to the consolidated financial statements.

h. Income Taxes - The provision for income taxes is computed based on the pretax income included in the statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts and the tax bases of assets and liabilities. Deferred taxes are measured by applying currently enacted tax laws to the temporary differences.

i. Appropriations of Retained Earnings - Appropriations of retained earnings at each year end are reflected in the financial statements for the following year upon shareholders’ approval.

j. Foreign Currency Translations - Receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates at the balance sheet date.

Foreign exchange gains and losses are recognized in the fiscal periods in which they occur.

k. Foreign Currency Financial Statements - The balance sheet and revenue and expense accounts of the consolidated overseas subsidiaries are translated into yen at the current exchange rates as of the balance sheet date except for shareholders’ equity, which is translated at the historical exchange rate.

Prior to April 1, 2000, differences arising from such translation were shown in “Other assets” in the balance sheet. Effective April 1, 2000, such differences are shown as “Foreign currency translation adjustments” in a separate component of shareholders’ equity in accordance with the revised accounting standard for foreign currency transactions.

l. Cash Dividends - Cash dividends charged to retained earnings are those actually paid during the year which represents year-end dividends for the preceding year and interim dividends for the current year.

m. Per Share Information - The computation of net income per share is based on the weighted average number of shares of common stock outstanding during each year, retroactively adjusted for stock splits. The average number of common shares used in the computation was 25,358,411 shares for 2001 and 25,355,380 shares for 2000, respectively.

Diluted net income per share is not disclosed because the Company has no such dilutive common stock equivalents.

Cash dividends per share presented in the accompanying consolidated statements of income are dividends applicable to the respective years, including dividends to be paid after the end of the year, retroactively adjusted for stock splits.

3. MARKETABLE AND INVESTMENT SECURITIES

Marketable and investment securities as of March 31, 2001 and 2000, consisted of the following:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Marketable securities :			
Marketable equity securities		¥ 1,891	
Government and corporate bonds	**¥ 1,875**	15,459	**$ 15,133**
Trust fund investments		6,180	
Total	**¥ 1,875**	¥ 23,530	**$ 15,133**
Investment securities :			
Marketable equity securities	**¥ 11,776**	¥ 3,186	**$ 95,044**
Non-marketable equity securities	**13,976**	10,410	**112,801**
Others	**24,381**	150	**196,780**
Total	**¥ 50,133**	¥ 13,746	**$ 404,625**

The carrying amounts and aggregate fair value of marketable securities, including marketable securities and investment securities, at March 31, 2001 were as follows:

	Millions of Yen			
March 31, 2001	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	¥ 5,227	¥ 6,649	¥ 100	¥ 11,776
Government and corporate bonds	16,838	430	164	17,104
Trust fund investments and others	9,103	80	31	9,152

	Thousands of U.S. Dollars			
March 31, 2001	Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities classified as:				
Available-for-sale:				
Equity securities	$ 42,187	$ 53,664	$ 807	$ 95,044
Government and corporate bonds	135,900	3,471	1,324	138,047
Trust fund investments and others	73,470	646	250	73,866

Available-for-sale securities whose fair value is not readily determinable as of March 31, 2001 were as follows:

	Carrying amount	
	Millions of Yen	Thousands of U.S. Dollars
Available-for-sale:		
Non-marketable equity securities	¥ 13,976	$ 112,801

Proceeds from sales of available-for-sale securities for the year ended March 31, 2001 were ¥2,148 million ($17,337 thousand). Gross realized gains and losses on these sales, computed on the moving average cost basis, were ¥246 million ($1,985 thousand) and ¥254 million ($2,050 thousand), respectively.

The carrying values of debt securities by contractual maturities for securities classified as available-for-sale at March 31, 2001 are as follows:

	Millions of Yen	Thousands of U.S. Dollars
Available for Sale		
Due in one year or less	¥ 2,353	$ 18,991
Due after one year through five years	17,436	140,726
Due after five years through ten years	250	2,018
Total	¥ 20,039	$ 161,735

The carrying amounts of marketable securities, excluding the securities for which there is no readily available market amounted to ¥7,380 million, and the related aggregate market values as of March 31, 2000 were as follows:

	March 31, 2000 Millions of Yen
Current:	
Carrying amount	¥ 16,150
Aggregate market value	26,948
Net unrealized gain	¥ 10,798
Non-current :	
Carrying amount	¥ 3,186
Aggregate market value	3,920
Net unrealized gain	¥ 734

4. PROPERTY AND EQUIPMENT

At March 31, 2001, land of ¥101,000 million ($815,174 thousand) was pledged as collateral for guarantee deposits received of ¥19,000 million ($153,349 thousand).

5. SHORT-TERM BANK LOANS

Short-term bank loans outstanding were generally represented by bank overdraft arrangements. The annual interest rates ranged from 1.03% to 1.26% and from 0.29% to 2.29% at March 31, 2001 and 2000, respectively.

6. RETIREMENT AND PENSION BENEFITS PLAN

The Company and certain subsidiaries have severance payment plans for employees, directors and corporate auditors.

Retirement benefits for employees are determined on the basis of length of service, basic rate of pay at the time of termination and certain other factors. If the termination is involuntary, the employee is usually entitled to greater payment than in the case of voluntary termination.

Effective April 1, 2000, the Group adopted a new accounting standard for employees' retirement benefits.

The liability for employees' retirement benefits at March 31, 2001 consisted of the following:

	Millions of Yen	Thousands of U.S. Dollars
Projected benefit obligation	¥ 25,500	$ 205,811
Fair value of plan assets	(14,025)	(113,196)
Unrecognized net transition assets	2,498	20,161
Net liability	¥ 13,973	$ 112,776

The components of net periodic benefit costs for year ended March 31, 2001 are follows:

	Millions of Yen	Thousands of U.S. Dollars
Service cost	¥ 1,546	$ 12,478
Interest cost	483	3,898
Expected return on plan assets	(541)	(4,366)
Recognized actuarial loss	1,764	14,237
Amortization of net transition assets	(97)	(783)
Net periodic benefit costs	¥ 3,155	$ 25,464

Assumptions used for the year ended March 31, 2001 are set forth as follows:

Discount rate		2.3%
Expected rate of return on plan assets		4.0%
Recognition period of actuarial gain / loss		1 years
Amortization period of net transition asset	Company:	10 years
	Consolidated subsidiaries:	1 year

The assets of the Company's pension fund as of September 30, 1999 (the most recent date of available information) were ¥12,526 million.

Retirement benefits for directors and corporate auditors are paid subject to approval of the shareholders in accordance with the Japanese Commercial Code. Retirement benefits as of March 31, 2001 and 2000 included those for directors and corporate auditors in the amount of ¥904 million ($7,297 thousand) and ¥874 million, respectively.

7. SHAREHOLDERS' EQUITY

Under the Japanese Commercial Code (the "Code"), at least 50% of the issue price of new shares, with a minimum of the par value, is to be designated as stated capital. The portion which is to be designated as stated capital is determined by resolution of the Board of Directors. Proceeds in excess of the amounts designated as stated capital are credited to additional paid-in capital. The Company may transfer portions of additional paid-in capital to stated capital by resolution of the Board of Directors.

The Code also requires companies to appropriate from retained earnings to a legal reserve an amount equal to at least 10% of all cash payments which are made as an appropriation of retained earnings until such reserve equals 25% of stated capital. The Company's reserve amount, which is included in retained earnings, totals ¥3,266 million ($26,359 thousand) and ¥3,049 million as of March 31, 2001 and 2000, respectively, and is not available for dividends but may be used to reduce a deficit by resolution of shareholders.

The Company may also transfer portions of unappropriated retained earnings to stated capital by resolution of the shareholders.

Under the Code, the Company may issue new shares of its common stock to the existing shareholders without consideration pursuant to resolution of the Board of Directors as a stock split. The Company may make such a stock split to the extent that the amount calculated by multiplying the number of issued shares after the stock split by par value per share does not exceed the stated capital and that the amount calculated by dividing the total amount of shareholders' equity by the number of issued shares after the stock split shall not be less than ¥500.
On March 14, 2000, the Company made a stock split by way of a free share distribution to shareholders at the rate of 1 share for each outstanding share as of March 31, 2000 representing 12,682,274 shares which were issued on June 30, 2000.

8. INCOME TAXES

The Company and its domestic subsidiaries are subject to Japanese national and local income taxes which, in the aggregate, resulted in normal effective statutory tax rates of approximately 42.1% for the years ended March 31, 2001 and 2000.

The tax effects of significant temporary differences and loss carryforwards which resulted in deferred tax assets and liabilities as of March 31, 2001 and 2000 are as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
Current :			
Deferred tax assets:			
Devaluation of program rights	**¥ 4,910**	¥ 5,008	**$ 39,629**
Accrued enterprise taxes	**1,880**	978	**15,174**
Accrued bonuses	**639**	629	**5,157**
Other	**494**	773	**3,987**
Less valuation allowance	**(68)**	(27)	**(549)**
Total	**¥ 7,855**	¥ 7,361	**$ 63,398**
Non-current:			
Deferred tax assets:			
Retirement benefits	**¥ 5,992**	¥ 5,508	**$ 48,362**
Devaluation of property and equipment	**773**	1,403	**6,239**
Devaluation of investment securities	**1,372**		**11,073**
Other	**722**	334	**5,827**
Less valuation allowance	**(146)**	(210)	**(1,178)**
Total	**8,713**	7,035	**70,323**
Offset with deferred tax liabilities	**(8,005)**	(6,129)	**(64,609)**
Net deferred tax assets	**¥ 708**	¥ 906	**$ 5,714**
Deferred tax liabilities:			
Tax benefit from deferred gain on sales of property and equipment	**¥ (6,091)**	¥ (6,121)	**$ (49,161)**
Unrealized gain on available-for-sale securities	**(2,949)**		**(23,802)**
Other		(8)	
Total	**(9,040)**	(6,129)	**(72,963)**
Offset with deferred tax assets	**8,005**	¥ 6,129	**64,609**
Net deferred tax liabilities	**¥ (1,035)**		**$ (8,354)**

The difference between the normal effective tax rate and the actual effective tax rate for the years ended March 31, 2001 and 2000 is nominal.

9. LEASES

a. Finance Lease Transactions

Total rental expenses under finance leases were ¥572 million ($4,617 thousand) and ¥621 million for the years ended March 31, 2001 and 2000, respectively.

Pro forma information of leased property, such as acquisition cost, accumulated depreciation, obligation under finance lease, depreciation expense, interest expense of finance leases that do not transfer ownership of the leased property to the lessee on a "as if capitalized" basis for the years ended March 31, 2001 and 2000 was as follows:

	Millions of Yen		Thousands of U.S. Dollars
Machinery, vehicles and equipment	**2001**	2000	**2001**
Acquisition cost	**¥ 1,825**	¥ 2,650	**$ 14,729**
Accumulated depreciation	**1,175**	1,591	**9,483**
Net book value	**¥ 650**	¥ 1,059	**$ 5,246**

	Millions of Yen		Thousands of U.S. Dollars
Obligations under finance leases	**2001**	2000	**2001**
Due within one year	**¥ 428**	¥ 635	**$ 3,454**
Due after one year	**572**	851	**4,617**
Total	**¥ 1,000**	¥ 1,486	**$ 8,071**

Obligation under finance leases, including obligation on sublease of ¥350 million ($2,824 thousand) and ¥427 million at March 31, 2001 and 2000, respectively.

Depreciation expense, which is not reflected in the accompanying consolidated statements of income, computed by the straight-line method was ¥572 million ($4,617 thousand) and ¥621 million for the years ended March 31, 2001 and 2000, respectively.
The amounts of obligations, acquisition cost and depreciation under finance leases include the imputed interest expense portion.

b. Operating Lease Transactions

The minimum rental commitments under noncancellable operating leases at March 31, 2001 and 2000 were as follows:

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
As lessee			
Due within one year	**¥ 65**	¥ 56	**$ 524**
Due after one year	**152**	171	**1,227**
Total	**¥ 217**	¥ 227	**$ 1,751**

	Millions of Yen		Thousands of U.S. Dollars
	2001	2000	**2001**
As lessor			
Due within one year			
Due after one year	**¥ 6,500**	¥ 6,500	**$ 52,462**
Total	**¥ 6,500**	¥ 6,500	**$ 52,462**

10. CONTINGENT LIABILITIES

The Group's contingent liabilities as of March 31, 2001 as guarantors of indebtedness were as follows:

	March 31, 2001	
	Millions of Yen	Thousands of U.S. Dollars
Associated companies	¥ 14	$ 113
Employees	1,110	8,959
Broadcasting Satellite System Corporation	2,719	21,945
Total	¥ 3,843	$ 31,017

11. SUBSEQUENT EVENT

The following appropriations of retained earnings at March 31, 2001 were approved at the Company's shareholders meeting held on June 28, 2001:

	Millions of Yen	Thousands of U.S. Dollars
Year-end cash dividends, ¥97.50 ($0.78) per share	¥ 2,472	$ 19,952
Bonuses to directors	140	1,130

In addition to the cash dividends described above, the Company paid interim cash dividends of ¥570 million ($4,601 thousand), ¥22.50 ($0.18) per share on December 5, 2000, to shareholders of record as of September 30, 2000, based on a resolution of the Board of Directors.

12. SEGMENT INFORMATION

Information about industry segments, geographic segments and sales to foreign customers for the years ended March 31, 2001 and 2000 were as follows:

(1) Industry Segments

a. Sales and Operating Income

	Millions of Yen				
	2001				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Sales to outside customers	¥ 310,072	¥ 38,575	¥ 3,762		¥ 352,409
Intersegment sales / transfers	170	1,151	3,777	¥ (5,098)	
Total sales	310,242	39,726	7,539	(5,098)	352,409
Operating expenses	246,345	36,804	7,056	(5,099)	285,106
Operating income	¥ 63,897	¥ 2,922	¥ 483	¥ 1	¥ 67,303

b. Assets, Depreciation and Capital Expenditures

	Millions of Yen				
	2001				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Assets	¥ 154,460	¥ 13,685	¥ 7,512	¥ 234,385	¥ 410,042
Depreciation	6,443	18	42	18	6,521
Capital expenditures	6,567	61	206	4,323	11,157

a. Sales and Operating Income

	Thousands of U.S. Dollars				
	2001				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Sales to outside customers	$2,502,599	$ 311,340	$ 30,363		$2,844,302
Intersegment sales / transfers	1,372	9,290	30,484	$ (41,146)	
Total sales	2,503,971	320,630	60,847	(41,146)	2,844,302
Operating expenses	1,988,257	297,046	56,949	(41,154)	2,301,098
Operating income	$ 515,714	$ 23,584	$ 3,898	$ 8	$ 543,204

b. Assets, Depreciation and Capital Expenditures

	Thousands of U.S. Dollars				
	2001				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Assets	$1,246,651	$ 110,452	$ 60,629	$1,891,727	$3,309,459
Depreciation	52,002	145	339	145	52,631
Capital expenditures	53,002	493	1,663	34,891	90,049

a. Sales and Operating Income

	Millions of Yen				
	2000				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Sales to outside customers	¥ 282,969	¥ 41,581	¥ 3,464		¥ 328,014
Intersegment sales / transfers	173	1,254	3,567	¥ (4,994)	
Total sales	283,142	42,835	7,031	(4,994)	328,014
Operating expenses	231,417	40,528	6,726	(5,008)	273,663
Operating income	¥ 51,725	¥ 2,307	¥ 305	¥ 14	¥ 54,351

b. Assets, Depreciation and Capital Expenditures

	Millions of Yen				
	2000				
	Television Broadcasting	Cultural Activities	Other	Elimination / Corporate	Consolidated
Assets	¥ 142,584	¥ 14,604	¥ 8,505	¥ 199,203	¥ 364,896
Depreciation	6,091	16	143	19	6,269
Capital expenditures	7,589	7	117	1,304	9,017

Notes:

1. The Group is engaged in three segments: television broadcasting, cultural activities and other. The three segments consist of the following activities:

   Television broadcasting : Sales of advertising time and programs.

   Cultural activities : Sponsoring movies, music concerts, art exhibitions and sports events, and sales of publications.

   Other : Land leasing for model homes, sales of novelty items, professional soccer activities.

2. Corporate assets mainly consist of cash and cash equivalents, marketable securities, investment securities, long-term deposits, land and construction in progress relating to construction of the headquarters building and administrative assets amounted to ¥234,840 million ($1,895,400 thousand) and ¥199,651 million as of March 31, 2001 and 2000.

(2) Geographic Segments

Sales and total assets of the Company and its domestic subsidiaries for the years ended March 31, 2001 and 2000, represented more than 90% of the consolidated sales and total assets of the respective years. Accordingly, geographic segments were not required to be disclosed.

(3) Sales to Foreign Customers

Sales to foreign customers for the years ended March 31, 2001 and 2000, represented less than 10% of consolidated sales of the respective years. Accordingly, sales to foreign customers were not required to be disclosed.

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Deloitte Touche Tohmatsu

INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
Nippon Television Network Corporation:

We have examined the consolidated balance sheets of Nippon Television Network Corporation and consolidated subsidiaries as of March 31, 2001 and 2000, and the related consolidated statements of income, shareholders' equity, and cash flows for the years then ended, all expressed in Japanese yen. Our examinations were made in accordance with auditing standards, procedures and practices generally accepted and applied in Japan and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the consolidated financial statements referred to above present fairly the financial position of Nippon Television Network Corporation and consolidated subsidiaries as of March 31, 2001 and 2000, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles and practices generally accepted in Japan applied on a consistent basis.

As described in Note 2, effective April 1, 2000, the consolidated financial statements have been prepared in accordance with new accounting standards for employees' retirement benefits and financial instruments.

Our examinations also comprehended the translation of Japanese yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 1. Such U.S. dollar amounts are presented solely for the convenience of readers outside Japan.

Deloitte Touche Tohmatsu

June 28, 2001

TV Broadcasting

Planning and Production of Programs

- NTV Eizo Center Corporation*
- NTV Video Corporation*
- NTV Enterprises Co., Ltd.*
- Nippon Television Art Corp.*
- NTV America Company*
- NTV International Corporation (NTVIC)*

- Nippon Television Network Europe B.V.
- Force Co.

- Nishi Nippon Eizo Co.
- Nagasaki Vision Co.
- Kanazawa Eizo Center Co.
- Nagano Visual Center Corp.
- Cosmo Space Co., Ltd.
- Kagoshima Vision Co.
- Videowing
- Pro Media Niigata Co.

Broadcasting

- CS Nippon Corporation
- PLAT-ONE Corporation

Culture-Related Business

Music Production and Rights Management

- Nippon Television Music Corporation*
- Rights Inn Corporation

Planning, Production and Sales

- VAP Inc.*
- Variws Tokyo Inc.
- Variws Niigata Inc.
- Towani Corporation

Art Museum Planning and Management

- Museo D' Arte Ghibli

Other Business

Property Management and Events Organization

- NTV Services Inc.*
- Nippon Television Work 24 Corporation*

Pro Football Team Management

- Nippon Television Football Club Co., Ltd.*

Art Import & Export

- Art Yomiuri Co.

Internet and New Media

- Forecast Communications Inc.*
- B-BAT Inc.

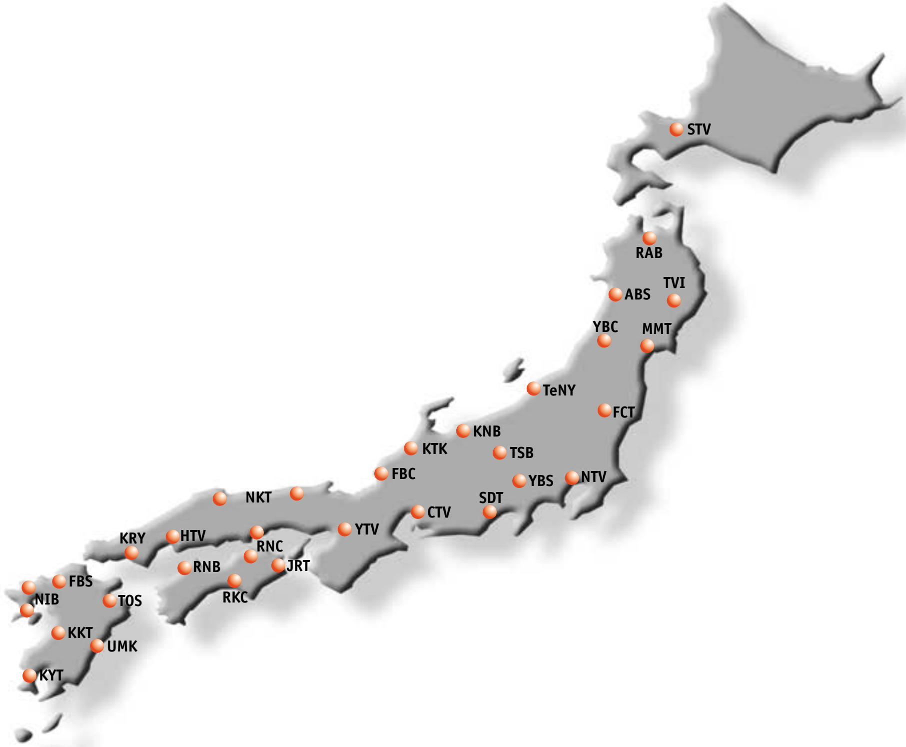
Other

- Shiodome Urban Energy

* Consolidated

NTV'S Global Network

NTV AFFILIATE STATIONS (JAPAN)



NTV/NNN OVERSEAS NEWS BUREAUS

Corporate Data
(As of June 30, 2001)

Head Office:	NIPPON TELEVISION NETWORK CORPORATION 14 Niban-cho, Chiyoda-ku, Tokyo 102-8004, Japan Tel. 81-3-5275-1111 Fax. 81-3-5275-4030 Email. ir@ntv.co.jp URL. http://www.ntv.co.jp
Date of Establishment:	October 15, 1952
Start of Operations:	August 28, 1953
Number of Employees:	1,126 (As of April 1, 2001)
Common Stock:	
Authorized	50,000,000 shares
Issued	25,364,548 shares
	¥18,576 million
Stock Exchange Listing:	Tokyo
Transfer Agent and Registrar:	The Toyo Trust & Banking Co., Ltd. 1-4-3, Marunouchi, Chiyoda-ku, Tokyo 100-0005 Tel. 81-3-3287-2211

Board of Directors and Corporate Auditors
(As of July 1, 2001)

Chairman & CEO
Seiichiro Ujiie

Vice-Chairman
Kohei Manabe

President & COO
Toshio Hagiwara

Board Directors
Takashi Kobayashi
Hiroshi Kubota
Akira Hara
Iwao Maekawa
Noritada Hosokawa
Toru Shoriki
Tsuneo Watanabe
Gaishi Hiraiwa
Nobuo Yamaguchi

Corporate Auditors
Tokio Yamamoto
Ryuzo Sejima
Tomonari Doi
Kenya Mizukami

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