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Securities code: 9413

May 31, 2022

To Shareholders:

Ichiro Ishikawa
CEO President
TV TOKYO Holdings Corporation
3-2-1 Roppongi, Minato-ku, Tokyo,
Japan

**NOTICE OF CONVOCATION FOR
THE 12TH ANNUAL GENERAL MEETING OF SHAREHOLDERS**

Dear Shareholders,

We would like to express our appreciation for your continued support and patronage.

We hereby inform you that the 12th Annual General Meeting of Shareholders of TV TOKYO Holdings Corporation (the “Company”) will be held as described below.

To prevent the spread of COVID-19, please review the Reference Documents for the General Meeting of Shareholders below and exercise your voting rights in writing or via the Internet.

1. Date and Time: 10 a.m. (Japan time) on Thursday, June 16, 2022
(The reception desk will open at 9 a.m.)

2. Venue: Tokyo Dome City Hall
1-3-61 Koraku, Bunkyo-ku, Tokyo, Japan
(Please see the map at the end of this document.)

3. Meeting Agenda:

- Matters to be reported:**
1. The Business Report and Consolidated Financial Statements for the Company’s 12th Fiscal Year (from April 1, 2021 to March 31, 2022) and results of audits by the Accounting Auditor and the Audit & Supervisory Board of the Consolidated Financial Statements
 2. Non-consolidated Financial Statements for the Company’s 12th Fiscal Year (from April 1, 2021 to March 31, 2022)

Proposals <proposed by the Company>

- Proposal 1:** Appropriation of Surplus
Proposal 2: Partial Amendments to the Articles of Incorporation
Proposal 3: Election of Twelve (12) Directors
Proposal 4: Election of One (1) Audit & Supervisory Board Member
Proposal 5: Payment of Bonuses for Directors

Proposals <proposed by Shareholder>

- Proposal 6:** Partial Amendment of the Articles of Incorporation (Prohibition of Employment of Resigned Officers (Parachutists) from Nikkei Inc.)
- Proposal 7:** Partial Amendment of the Articles of Incorporation (Abolishment of Consultant and Other Similar Positions)
- Proposal 8:** Election of One (1) Director
- Proposal 9:** Partial Amendment of the Articles of Incorporation (Individual Disclosure of Directors' Remuneration)
- Proposal 10:** Partial Amendment of the Articles of Incorporation (Disclosure of Capital Cost)
- Proposal 11:** Partial Amendment of the Articles of Incorporation (Sales of Cross-held Shares)
- Proposal 12:** Appropriation of Surplus

The contents of proposals are described in the "Reference Documents for the General Meeting of Shareholders" as described herein below. However, the Board of Directors opposes Proposals 6 to 12 submitted by the shareholders.

4. Exercise of Voting Rights

- (1) If you exercise your voting rights both in writing and via the Internet, the exercise of voting rights via the Internet will be regarded as valid.
- (2) If you exercise your voting rights multiple times via the Internet, the final exercise of voting rights will be regarded as valid.
- (3) Among the documents provided to shareholders along with this Notice, "System for Ensuring Proper Business Activities and Its Operating Status," "Notes to Consolidated Financial Statements," and "Notes to Non-consolidated Financial Statements" will be provided on our website (<https://www.txhd.co.jp/>) in accordance with laws and regulations and our Articles of Incorporation, and will be deemed as the submission of documents to shareholders thereby. Documents attached to this Notice are therefore a part of the documents audited by the Audit & Supervisory Board Members and the Accounting Auditor for creating audit reports.

Reference Documents for the General Meeting of Shareholders

Proposals and References

<Company Proposals (Proposals 1 to 5)>

Company Proposal

Proposal 1: Appropriation of Surplus

The Company regards the distribution of profits to shareholders as an important management topic. While we recognize our strong public nature under the certified broadcasting holding company system, we aim to strike a balance between the pursuit of growth of the Group and maximization of corporate value as well as the internal reserves necessary to support the long-term foundation of our businesses, and with an emphasis on the continuance of stable dividend, we also endeavor to return our profits in accordance with our performance, which we regard as our basic policy on dividend. In specific, in addition to stable dividend with a lower limit of ¥20 per share, we aim for a dividend payout ratio of 30% on a consolidated basis as dividend that fluctuates with our performance.

On the basis of the above basic policy, we would like to pay the year-end dividend for the current fiscal year as follows:

- (1) Type of dividend property
Cash

- (2) Matters regarding the allocation of dividend property and the total amount thereof
Per share of the Company's common stock: ¥45 Total: ¥1,248,685,335
*As a result, the annual dividend per share including the interim dividend will be ¥60.

- (3) Effective date of distribution of surplus
Friday, June 17, 2022

Company Proposal

Proposal 2: Partial Amendments to the Articles of Incorporation

1. Reason for the amendments

The amendment to the provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the “Act Partially Amending the Companies Act” (Act No. 70 of 2019) will come into effect on September 1, 2022. The Company hereby amends the Articles of Incorporation of the Company to prepare for the introduction of the electronic provision system of general shareholder meeting materials.

- (1) The proposed Article 18, Paragraph 1 provides that electronic provision measures shall be taken for information contained in the reference documents for the general meeting of shareholders, etc.
- (2) The proposed Article 18, Paragraph 2 provides provisions that limit the range of matters to be written in the documents to be delivered to shareholders who request the issuance of the documents.
- (3) The provisions related to internet disclosure and deemed provision of reference documents for the general meeting of shareholders, etc. (Article 18 of the current Articles of Incorporation) will become unnecessary and will therefore be deleted.
- (4) Following the above establishment and deletion of the provisions, supplementary provisions related to the effective date, etc., shall be established.

2. Details of the amendments

The details of the amendments are as follows:

(The amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
<p><u>(Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.)</u> <u>Article 18 The Company may, when convening a general meeting of shareholders, deem that it has provided information to shareholders pertaining to matters to be described or indicated in the reference documents for the general meeting of shareholders, business report, non-consolidated financial statements, and consolidated financial statements, by disclosing such information through the internet in accordance with the provisions provided in the Ordinance of the Ministry of Justice.</u></p>	<p>(Deleted)</p>

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p>(Electronic Provision Measures, Etc.)</p> <p><u>Article 18 The Company shall, when convening a general meeting of shareholders, take electronic provision measures for information contained in the reference documents for the general meeting of shareholders, etc.</u></p> <p><u>2 Among the matters for which electronic provision measures shall be taken, the Company shall be entitled not to describe all or a part of the matters stipulated in the Ordinance of the Ministry of Justice in the documents to be sent to shareholders who requested the issuance of the documents by the record date for voting rights.</u></p>
(Newly established)	<p><u>Supplementary Provisions</u></p> <p><u>1 The deletion of Article 18 (Internet Disclosure and Deemed Provision of Reference Documents for the General Meeting of Shareholders, Etc.) of the current Articles of Incorporation and the proposed Article 18 (Electronic Provision Measures, Etc.) shall come into effect on the date of enforcement of the amended provisions stipulated in the proviso of Article 1 of the Supplementary Provisions of the Act Partially Amending the Companies Act (Act No. 70 of 2019) (the “Enforcement Date”).</u></p> <p><u>2 Notwithstanding the provisions of the preceding paragraph, Article 18 of the current Articles of Incorporation shall remain in force with respect to a general meeting of shareholders to be held on a date within six (6) months from the Enforcement Date.</u></p> <p><u>3 These Supplementary Provisions shall be deleted after the elapse of six (6) months from the Enforcement Date or the elapse of three (3) months from the date of the general meeting of shareholders set forth in the preceding paragraph, whichever is later.</u></p>

Company Proposal

Proposal 3: Election of Twelve (12) Directors

The term of office of all of the twelve (12) Directors incumbent will expire at the close of this General Meeting of Shareholders. Therefore, the Company proposes to elect twelve (12) Directors.

The submission of this proposal has been consulted upon by the Nomination Advisory Committee.

The candidates for Directors are as follows:

No.	Name	Current position at the Company	Term of office	Attendance at the Board of Directors meetings	Advisory Committee
1	Shigeru Komago [Reappointment]	Chairman	7 years	12/12	
2	Ichiro Ishikawa [Reappointment]	CEO President	6 years	12/12	<u>Nomination</u> <u>Remuneration</u>
3	Suguru Niinomi [Reappointment]	Senior Managing Director	3 years	12/12	
4	Atsunobu Matsumoto [Reappointment]	Senior Managing Director	3 years	12/12	
5	Hiroko Kitsunezaki [Reappointment]	Managing Director	3 years	12/12	
6	Yukio Kawasaki [Reappointment]	Managing Director	2 years	12/12	
7	Hiroshi Yoshitsugu [New appointment]	–	–	–	
8	Yoji Ohashi [Reappointment] [Outside] [Independent Executive]	Director (Outside Director)	11 years 9 months	12/12	<u>Nomination</u>
9	Hikomichi Iwasa [Reappointment] [Outside] [Independent Executive]	Director (Outside Director)	7 years	12/12	<u>Remuneration</u>
10	Naotoshi Okada [Reappointment] [Outside]	Director (Outside Director)	3 years	11/12	
11	Hajime Sawabe [Reappointment] [Outside] [Independent Executive]	Director (Outside Director)	1 year	9/9	<u>Nomination</u>
12	Masayuki Oku [Reappointment] [Outside] [Independent Executive]	Director (Outside Director)	1 year	9/9	<u>Remuneration</u>

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
1	Shigeru Komago (November 5, 1951) [Reappointment]	<p>April 1976 Joined Nikkei Inc.</p> <p>March 1997 Washington Bureau Chief, Nikkei Inc.</p> <p>March 2008 Director and Editor-in-Chief, Tokyo Head Office Editorial Bureau, Nikkei Inc.</p> <p>March 2010 Managing Director, Nikkei Inc.</p> <p>June 2011 Outside Director, TV TOKYO Corporation</p> <p>June 2011 Outside Director, BS Japan Corporation (current BS TV TOKYO Corporation)</p> <p>March 2012 Senior Managing Director, Nikkei Inc.</p> <p>March 2014 Executive Vice President, Nikkei Inc.</p> <p>June 2015 Executive Vice President, the Company</p> <p>June 2015 CEO President, BS Japan Corporation</p> <p>June 2015 Director, TV TOKYO Corporation</p> <p>June 2015 Director, Nikkei Inc.</p> <p>June 2016 Chairman, BS Japan Corporation</p> <p>June 2016 Executive Vice President, TV TOKYO Corporation</p> <p>June 2017 CEO President, the Company</p> <p>June 2017 CEO President, TV TOKYO Corporation</p> <p>June 2020 Chairman, the Company (current)</p> <p>June 2020 Chairman, TV TOKYO Corporation (current)</p> <p>[Significant concurrent positions] Chairman, TV TOKYO Corporation</p>	17,419
<p>[Reason for nomination as candidate for Director] Mr. Shigeru Komago possesses the above experience and has developed company business by directing the Group's management. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
2	<p data-bbox="199 609 438 672">Ichiro Ishikawa (September 8, 1957)</p> <p data-bbox="223 705 414 739">[Reappointment]</p>	<p data-bbox="470 291 1260 952"> April 1980 Joined Nikkei Inc. March 2011 Executive Officer and General Manager, General Affairs Division, Nikkei Inc. March 2012 Managing Director, Nikkei Inc. March 2015 Senior Managing Director, Nikkei Inc. June 2016 Senior Managing Director, the Company June 2016 CEO President, BS Japan Corporation (current BS TV TOKYO Corporation) June 2016 Director, TV TOKYO Corporation June 2017 Senior Managing Director, in charge of 4K Business, the Company June 2018 Senior Managing Director, TV TOKYO Corporation June 2019 Senior Managing Director; General Administration & Human Resources, Operational Reforms, Corporate Strategy Manager, the Company June 2020 CEO President, the Company (current) June 2020 CEO President, TV TOKYO Corporation (current) March 2021 Director, Nikkei Inc. (current) </p> <p data-bbox="470 952 1260 1057"> [Significant concurrent positions] CEO President, TV TOKYO Corporation Director, Nikkei Inc. </p>	<p data-bbox="1380 660 1460 694">10,882</p>
<p data-bbox="199 1070 758 1104">[Reason for nomination as candidate for Director]</p> <p data-bbox="199 1104 1460 1254">Mr. Ichiro Ishikawa possesses the above experience and has developed company business by directing the Group's management. He also concurrently serves as Director at Nikkei Inc. and commits himself to cooperative development between Nikkei Inc. and the Group. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
3	Suguru Niinomi (September 13, 1959) [Reappointment]	<p>April 1983 Joined Nikkei Inc.</p> <p>March 2008 Deputy Editor-in-Chief, Tokyo Head Office Editorial Bureau; Deputy General Manager, Digital Editorial Group; Manager, Digital Planning and Development Department, Nikkei Inc.</p> <p>April 2009 Deputy Editor-in-Chief, Tokyo Head Office Editorial Bureau; General Manager, Online News Group, Nikkei Inc.</p> <p>July 2010 Deputy Editor-in-Chief, Tokyo Head Office Editorial Bureau; Manager, Economy and Finance Department, Nikkei Inc.</p> <p>March 2012 Director, Nikkei Business Publications, Inc.</p> <p>March 2014 Executive Officer; General Affairs, Tokyo Head Office Editorial Bureau, Nikkei Inc.</p> <p>March 2016 President & CEO, Nikkei Business Publications, Inc.</p> <p>March 2016 Director, Nikkei Inc.</p> <p>March 2019 Counselor and CIO (Chief Information Officer), the Company</p> <p>March 2019 Executive Officer and CIO (Chief Information Officer), TV TOKYO Corporation</p> <p>June 2019 Senior Managing Director and CIO; Engineering, News, Media Strategy Manager, the Company</p> <p>June 2019 Senior Managing Director and CIO, TV TOKYO Corporation (current)</p> <p>June 2020 Senior Managing Director and CIO, Engineering, News, Media Strategy, Operational Reforms Manager; Vice Chair, Content Supervisory Council, the Company (current)</p> <p>[Significant concurrent positions] Senior Managing Director, TV TOKYO Corporation</p>	6,253
<p>[Reason for nomination as candidate for Director] Mr. Suguru Niinomi possesses the above experience and has achieved remarkable results in the fields of digital media, technology, reporting, and media strategy. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
4	Atsunobu Matsumoto (June 13, 1961) [Reappointment]	<p>April 1985 Joined TV TOKYO Corporation</p> <p>June 2010 Deputy General Manager, Production Division; Chief Producer, Production Department, TV TOKYO Corporation</p> <p>June 2012 General Manager, Business Division, TV TOKYO Corporation</p> <p>April 2014 General Manager, Programming Division, BS Japan Corporation (current BS TV TOKYO Corporation)</p> <p>June 2016 Director, BS Japan Corporation (current BS TV TOKYO Corporation)</p> <p>October 2017 Counselor, Content Strategy Division, the Company</p> <p>June 2019 Director, Production Manager, the Company</p> <p>June 2019 Director, TV TOKYO Corporation</p> <p>June 2020 Managing Director; General Manager, Content Supervisory Division; Chair, Content Supervisory Council, the Company</p> <p>June 2020 Managing Director, TV TOKYO Corporation</p> <p>June 2021 Senior Managing Director; Content in general (Programming, Production, Sales, Streaming Manager); Chair, Content Supervisory Council; the Company (current)</p> <p>June 2021 Senior Managing Director, TV TOKYO Corporation (current)</p> <p>[Significant concurrent positions] Senior Managing Director, TV TOKYO Corporation</p>	6,702
<p>[Reason for nomination as candidate for Director] Mr. Atsunobu Matsumoto possesses the above experience and has achieved remarkable results in the fields of program production, program organization, event business, content strategy, etc. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
5	Hiroko Kitsunezaki (August 25, 1960) [Reappointment]	April 1984 Joined TV TOKYO Corporation	7,101
		June 2009 Deputy General Manager, Programming Division; Manager, Program Advertising Department; BS Business Promotion Unit, TV TOKYO Corporation	
		June 2010 General Manager, Public Relations Division, TV TOKYO Corporation	
		October 2010 General Manager, Public Relations Division, the Company	
		June 2016 Executive Officer; General Manager, Network Division, TV TOKYO Corporation	
		April 2018 Counselor; General Manager, Network Division, the Company	
		June 2019 Director; in charge of General Administration & Human Resources; Labor Management Manager, the Company	
		June 2019 Director, TV TOKYO Corporation	
		June 2020 Managing Director; in charge of General Administration & Human Resources; Labor Management Manager, the Company	
		June 2020 Managing Director, TV TOKYO Corporation (current)	
April 2021 Managing Director; in charge of General Administration & Human Resources; Legal Affairs, Public Relations, Labor Management, Group Manager, the Company (current)			
[Significant concurrent positions] Managing Director, TV TOKYO Corporation			
<p>[Reason for nomination as candidate for Director] Ms. Hiroko Kitsunezaki possesses the above experience and has achieved remarkable results in the fields of sports programs, program organization, sales, public relations, networks, general administration and human resources, labor management, group strategy, etc. The Board of Directors believes that her wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates her as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
6	Yukio Kawasaki (September 20, 1963) [Reappointment]	<p>April 1987 Joined TV TOKYO Corporation</p> <p>June 2011 General Manager, Animation Division, TV TOKYO Corporation</p> <p>June 2017 Executive Officer; General Manager, Animation Division, TV TOKYO Corporation</p> <p>October 2017 Counselor, Content Strategy Division, the Company</p> <p>June 2018 Senior Executive Officer; in charge of Animation Division; General Manager, IP Rights Business Unit, TV TOKYO Corporation</p> <p>June 2019 Senior Executive Officer; General Manager, Animation & IP Rights Unit, TV TOKYO Corporation</p> <p>June 2020 Director; Animation & IP Rights Manager, the Company</p> <p>June 2020 Director, TV TOKYO Corporation (current)</p> <p>April 2021 Director; Animation & Business Manager, the Company (current)</p> <p>June 2021 Managing Director; Animation & Business Manager, the Company (current)</p> <p>June 2021 Managing Director, TV TOKYO Corporation (current)</p> <hr/> <p>[Significant concurrent positions] Managing Director, TV TOKYO Corporation</p>	6,127
<p>[Reason for nomination as candidate for Director] Mr. Yukio Kawasaki possesses the above experience and has achieved remarkable results in the fields of animation, content business, etc. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
7	Hiroshi Yoshitsugu (April 25, 1963) [New appointment]	April 1987 Joined Nikkei Inc.	4,273
		March 2014 Deputy Editor-in-Chief, Tokyo Head Office Editorial Bureau; Manager, Securities News Department ; Deputy Head, Policy and Market News Center, Nikkei Inc.	
		April 2015 Deputy General Manager, Programming Division, TV TOKYO Corporation	
		June 2015 Associate General Manager, Programming Division; Manager, Budgets & Studios Management Department, TV TOKYO Corporation	
		April 2016 General Manager, News Division, TV TOKYO Corporation	
		June 2018 Counselor, General Manager, Corporate Strategy Division, the Company	
		June 2018 Executive Officer; General Manager, Corporate Strategy Division, TV TOKYO Corporation	
		June 2019 Counselor; General Manager, Corporate Strategy Division; Assistant to General Manager, Content Supervisory Division, the Company	
		June 2019 Senior Executive Officer; General Manager, Corporate Strategy Division, TV TOKYO Corporation	
		June 2020 Director TV TOKYO Corporation	
		June 2021 Managing Executive Officer, Assistant to Finance Manager, in charge of Network, the Company (current)	
		June 2021 Managing Director, TV TOKYO Corporation (current)	
		[Significant concurrent positions] Managing Director, TV TOKYO Corporation	
		[Reason for nomination as candidate for Director] Mr. Hiroshi Yoshitsugu possesses the above experience and has achieved remarkable results in the fields of program organization, reporting, corporate planning, content strategy, network, accounting, etc. The Board of Directors believes that his wealth of business experience and expertise will contribute to enhancing the Group's corporate value, and nominates him as a candidate for Director.	

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
8	<p data-bbox="220 577 434 645">Yoji Ohashi (January 21, 1940)</p> <p data-bbox="229 689 424 757">[Reappointment] [Outside]</p> <p data-bbox="181 763 456 797">[Independent Executive]</p>	<p data-bbox="475 293 1198 327">April 1964 Joined ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 331 1246 398">June 1993 Member of the Board of Directors, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 403 1145 470">June 1997 Executive Vice President, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 474 1198 542">June 1999 Representative Director, Vice President, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 546 1262 636">April 2001 Representative Director, President & Chief Executive Officer, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 640 1230 707">April 2005 Representative Director, Chairman of the Board, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 712 1257 779">April 2007 Chairman of the Board, ALL NIPPON AIRWAYS CO., LTD.</p> <p data-bbox="475 784 1171 817">June 2009 Outside Director, TV TOKYO Corporation</p> <p data-bbox="475 822 1203 889">October 2010 Outside Director (Independent Executive), the Company (current)</p> <p data-bbox="475 893 1230 927">April 2013 Chairman of the Board, ANA HOLDINGS INC.</p> <p data-bbox="475 931 1225 999">April 2015 Senior Advisor to the Board, ANA HOLDINGS INC. (current)</p> <p data-bbox="475 1003 1082 1081">[Significant concurrent positions] Senior Advisor to the Board, ANA HOLDINGS INC.</p>	0
<p data-bbox="193 1093 1070 1126">[Reason for nomination as candidate for Outside Director and expected roles]</p> <p data-bbox="193 1131 1465 1373">Mr. Yoji Ohashi has long been involved in corporate management as above and supervising the Company's overall management based upon his wealth of experience and insight into corporate management. He has also proactively provided valuable opinions to the Nomination and Remuneration Advisory Committee and the Nomination Advisory Committee established in April 2022. The Board of Directors nominates him as a candidate for Outside Director so that he can continue to bring his abundant experience and insight to the Company's management. Mr. Ohashi will continue to participate in the Nomination Advisory Committee. He will have been in office as Outside Director at the Company for approximately eleven (11) years and nine (9) months at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
9	Hikomichi Iwasa (May 27, 1942) [Reappointment] [Outside] [Independent Executive]	<p>April 1967 Joined Mitsui Fudosan Co., Ltd.</p> <p>June 1995 Managing Director, Mitsui Fudosan Co., Ltd.</p> <p>April 1996 Executive Managing Director, Mitsui Fudosan Co., Ltd.</p> <p>June 1997 Senior Executive Managing Director, Mitsui Fudosan Co., Ltd.</p> <p>June 1998 President, Mitsui Fudosan Co., Ltd.</p> <p>April 2001 President and Chief Executive Officer, Mitsui Fudosan Co., Ltd.</p> <p>June 2011 Chairman of the Board and Chief Executive Officer, Mitsui Fudosan Co., Ltd.</p> <p>June 2015 Outside Director (Independent Executive), the Company (current)</p> <p>April 2019 Chairman of the Board, Mitsui Fudosan Co., Ltd. (current)</p> <p>[Significant concurrent positions] Chairman of the Board, Mitsui Fudosan Co., Ltd.</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Hiromichi Iwasa has long been involved in corporate management as above and supervising the Company's overall management based upon his wealth of experience and insight into corporate management. He has also proactively provided valuable opinions to the Nomination and Remuneration Advisory Committee and the Remuneration Advisory Committee established in April 2022. The Board of Directors nominates him as a candidate for Outside Director so that he can continue to bring his abundant experience and insight to the Company's management. Mr. Iwasa will continue to participate in the Remuneration Advisory Committee. He will have been in office as Outside Director at the Company for approximately seven (7) years at the close of this General Meeting of Shareholders.</p>			
10	Naotoshi Okada (April 15, 1953) [Reappointment] [Outside]	<p>April 1976 Joined Nikkei Inc.</p> <p>March 2007 Executive Officer, Nikkei Inc.</p> <p>March 2009 Director, Nikkei Inc.</p> <p>March 2010 Managing Director, Nikkei Inc.</p> <p>March 2012 Senior Managing Director, Nikkei Inc.</p> <p>March 2014 Executive Vice President, Nikkei Inc.</p> <p>March 2015 President & CEO, Nikkei Inc.</p> <p>June 2019 Outside Director, the Company (current)</p> <p>March 2021 Chairman & Group CEO, Nikkei Inc. (current)</p> <p>[Significant concurrent positions] Chairman & Group CEO, Nikkei Inc.</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Naotoshi Okada has long been involved in corporate management as above and supervising the Company's overall management based upon his wealth of experience and insight as an expert of news media. He also concurrently serves as Chairman & Group CEO of Nikkei, Inc. and commits himself to cooperative development between Nikkei, Inc. and the Group. The Board of Directors nominates him as a candidate for Outside Director so that he can continue to bring his abundant experience and insight to the Company's management. He will have been in office as Outside Director at the Company for approximately three (3) years at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
11	<p>Hajime Sawabe (January 9, 1942)</p> <p>[Reappointment] [Outside] [[Independent Executive]</p>	<p>April 1964 Joined Tokyo Denki Kagaku Kogyo K.K. (current TDK Corporation)</p> <p>June 1996 Director, TDK Corporation</p> <p>June 1998 Representative Director, President and CEO, TDK Corporation</p> <p>June 2006 Representative Director and Chairman, TDK Corporation</p> <p>June 2011 Director, Chair of the Board of Directors, TDK Corporation</p> <p>June 2012 Advisor, TDK Corporation</p> <p>June 2021 Outside Director (Independent Executive), the Company (current)</p> <hr/> <p>[Significant concurrent positions] Outside Director, EBARA CORPORATION</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles]</p> <p>Mr. Hajime Sawabe has long been involved in corporate management as above and served as Outside Officer at many listed companies. He has been supervising the Company's overall management based upon his wealth of experience and insight into corporate management. He has also proactively provided valuable opinions to the Nomination and Remuneration Advisory Committee and the Nomination Advisory Committee established in April 2022. The Board of Directors nominates him as a candidate for Outside Director so that he can continue to bring his abundant experience and insight to the Company's management. Mr. Sawabe will continue to participate in the Nomination Advisory Committee. He will have been in office as Outside Director at the Company for approximately one (1) year at the close of this General Meeting of Shareholders.</p>			

No.	Name (Date of birth)	Career summary, positions, responsibilities, and significant concurrent positions	Number of shares of the Company held
12	<p>Masayuki Oku (December 2, 1944)</p> <p>[Reappointment] [Outside] [[Independent Executive]</p>	<p>April 1968 Joined The Sumitomo Bank, Ltd. (current Sumitomo Mitsui Banking Corporation)</p> <p>June 1994 Director, The Sumitomo Bank, Ltd. (current Sumitomo Mitsui Banking Corporation)</p> <p>April 2001 Senior Managing Director, Senior Managing Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>December 2002 Senior Managing Director, Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2003 Deputy President, Sumitomo Mitsui Banking Corporation</p> <p>June 2005 President and Chief Executive Officer, Sumitomo Mitsui Banking Corporation; Chairman of the Board, Sumitomo Mitsui Financial Group, Inc.</p> <p>April 2011 Retired from President and Chief Executive Officer, Sumitomo Mitsui Banking Corporation</p> <p>April 2017 Director, Sumitomo Mitsui Financial Group, Inc.</p> <p>June 2017 Honorary Advisor, Sumitomo Mitsui Financial Group, Inc. (current)</p> <p>June 2021 Outside Director (Independent Executive), the Company (current)</p> <p>[Significant concurrent positions] Honorary Advisor, Sumitomo Mitsui Financial Group, Inc. Outside Director, Chugai Pharmaceutical Co., Limited Outside Director, Rengo Co., Ltd. Outside Director, The Royal Hotel, Ltd. Non-executive Director, The Bank of East Asia, Limited</p>	0
<p>[Reason for nomination as candidate for Outside Director and expected roles] Mr. Masayuki Oku has long been involved in corporate management as above and served as Outside Officer at many listed companies. He has been supervising the Company's overall management based upon his wealth of experience and insight into corporate management. He has also proactively provided valuable opinions to the Nomination and Remuneration Advisory Committee and the Remuneration Advisory Committee established in April 2022. The Board of Directors nominates him as a candidate for Outside Director so that he can continue to bring his abundant experience and insight to the Company's management. Mr. Oku will continue to participate in the Remuneration Advisory Committee. He will have been in office as Outside Director at the Company for approximately one (1) year at the close of this General Meeting of Shareholders.</p>			

- Notes:
1. None of the candidates has any special relationship of interest with the Company.
 2. The number of shares of the Company held includes shares in the officers' shareholding association.
 3. Mr. Yoji Ohashi, Mr. Hiromichi Iwasa, Mr. Naotoshi Okada, Mr. Hajime Sawabe, and Mr. Masayuki Oku are candidates for Outside Directors.
 4. Appointment of independent officers pursuant to the provisions of the Tokyo Stock Exchange
The Company has appointed Mr. Yoji Ohashi, Mr. Hiromichi Iwasa, Mr. Hajime Sawabe, and Mr. Masayuki Oku as independent officers pursuant to the provisions of the Tokyo Stock Exchange, and has filed them with the Exchange. If they are reelected, the Company will continue their appointments as independent officers.
 5. Overview of the liability limitation agreement
Mr. Yoji Ohashi, Mr. Hiromichi Iwasa, Mr. Naotoshi Okada, Mr. Hajime Sawabe, and Mr. Masayuki Oku currently serve as Outside Directors of the Company. The Company has entered into a liability limitation agreement with each of them to limit their liability for compensation of damages under Article 423, Paragraph 1 of the Companies Act to the minimum liability amount stipulated in the Companies Act. If they are reelected, the Company will continue the liability limitation agreement with them.
 6. Overview of the directors and officers liability insurance contract
The Company has entered into a directors and officers liability insurance contract with an insurance company to insure Directors, Audit & Supervisory Board Members, Executive Officers, and managerial employees of the Company and its subsidiaries (TV TOKYO Corporation and BS TV TOKYO Corporation). The purpose of the contract is to indemnify legal compensatory damages and litigation expenses, etc. in the event that a claim for compensation of damages is raised against the insured due to an act committed by the insured in his/her capacity as such. The insurance premiums are fully borne by the Company.
To ensure that the adequacy of execution of duties by the insured is not impaired by this insurance contract, there are certain exemptions to the insurance contract; for example, damage caused as a result of any criminal conduct or other conduct committed while knowing that the conduct is in violation of laws and regulations shall not be indemnified.
The insurance contract will insure each of the candidates in the event that they are appointed, and will be renewed during their term of office.
 7. Japan Display Inc., where Mr. Hajime Sawabe served as Outside Director until June 2017, disclosed the results of an investigation by a third-party committee concerning improper accounting and the revision of financial results for past fiscal years in April 2020. Mr. Sawabe was not aware of the fact until the case was revealed, but had been fulfilling his duties by promoting awareness of the importance of internal control systems and compliance on a daily basis.

(Reference) Management Structure After Approval of Proposal 3

	Name	Current position/ responsibilities	Corporate management/ governance	Corporate finance/ accounting	Broadcasting Act/ Legal/compliance	Human resources/ labor management/ human resources development	Sales/marketing	IT/digital	News/ Content production	Streaming business
1	Shigeru Komago	Chairman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>	<input type="checkbox"/>
2	Ichiro Ishikawa	CEO President	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>
3	Suguru Niinomi	Senior Managing Director and CIO, Engineering, News, Media Strategy, Operational Reforms Manager; Vice Chair, Content Supervisory Council	<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	
4	Atsunobu Matsumoto	Senior Managing Director; Content in general (Programming, Production, Sales, Streaming Manager); Chair, Content Supervisory Council					<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5	Hiroko Kitsunezaki	Managing Director; in charge of General Administration & Human Resources; Legal Affairs, Public Relations, Labor Management, Group Manager	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	
6	Yukio Kawasaki	Managing Director; Animation & Business Manager	<input type="checkbox"/>				<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>
7	Hiroshi Yoshitsugu	–	<input type="checkbox"/>	<input type="checkbox"/>					<input type="checkbox"/>	

Regarding Outside Directors, expertise and experience particularly anticipated by the Company are described.

	Name	Current position/ responsibilities	Corporate management/ governance	Corporate finance/ accounting	Broadcasting Act/ Legal/compliance	Human resources/ labor management/ human resources development	Sales/marketing	IT/digital	News	Management experience at other companies
8	Yoji Ohashi	Director (Outside Director: Independent Executive)	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>
9	Hikomichi Iwasa	Director (Outside Director: Independent Executive)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>		<input type="checkbox"/>
10	Naotoshi Okada	Director (Outside Director)	<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	Hajime Sawabe	Director (Outside Director: Independent Executive)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				<input type="checkbox"/>
12	Masayuki Oku	Director (Outside Director: Independent Executive)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>			<input type="checkbox"/>

Note: The above overview does not represent the entirety of each person's expertise and experience.

Company Proposal

Proposal 4: Election of One (1) Audit & Supervisory Board Member

The term of office of Audit & Supervisory Board Member Mr. Toshio Kagami will expire at the close of this General Meeting of Shareholders. Therefore, the Company proposes to elect one (1) Audit & Supervisory Board Member.

The submission of this proposal has been agreed upon by the Audit & Supervisory Board.

The candidate for Audit & Supervisory Board Member is as follows:

Name (Date of birth)	Career summary, positions, and significant concurrent positions	Number of shares of the Company held
<p>Toshio Kagami (January 5, 1936)</p> <p>[Reappointment] [Outside]</p>	April 1958 Joined Keisei Electric Railway Co., Ltd.	0
	June 1981 Executive Director, Oriental Land Co., Ltd.	
	June 1983 Executive Managing Director, Oriental Land Co., Ltd.	
	June 1991 Senior Executive Managing Director, Oriental Land Co., Ltd.	
	June 1993 Executive Director and Executive Vice President, Oriental Land Co., Ltd.	
	June 1995 Representative Director and President, Oriental Land Co., Ltd.	
	June 1996 Representative Director and President, Maihama Resort Hotels Co., Ltd. (current Milial Resort Hotels Co., Ltd.)	
	June 2005 Representative Director, Chairman and CEO, Oriental Land Co., Ltd. (current)	
	April 2009 Representative Director and Chairman, Milial Resort Hotels Co., Ltd.	
	June 2014 Outside Audit & Supervisory Board Member, the Company (current)	
June 2018 Executive Director and Counselor, Milial Resort Hotels Co., Ltd. (current)		
<p>[Significant concurrent positions]</p> <p>Representative Director, Chairman and CEO, Oriental Land Co., Ltd.</p> <p>Outside Corporate Auditor, Keiyo Gas Co., Ltd.</p>		
<p>[Reason for nomination as candidate for Outside Audit & Supervisory Board Member and term of office as Outside Audit & Supervisory Board Member]</p> <p>Mr. Toshio Kagami possesses the above experience and has been supervising and checking the overall management based upon his wealth of experience and insight into corporate management. The Board of Directors nominates him as a candidate for Outside Audit & Supervisory Board Member with the consent of the Audit & Supervisory Board so that he can continue to bring his abundant experience and insight to the Company's management. He will have been in office as Outside Audit & Supervisory Board Member at the Company for eight (8) years at the close of this General Meeting of Shareholders.</p>		

- Notes: 1. The candidate has no special relationship of interest with the Company.
2. Mr. Toshio Kagami is a candidate for Outside Audit & Supervisory Board Member.
3. Overview of the liability limitation agreement

Mr. Toshio Kagami currently serves as Outside Audit & Supervisory Board Member at the Company. The Company has entered into a liability limitation agreement with him to limit his liability for compensation of damages under Article 423, Paragraph 1 of the Companies Act to the

minimum liability amount as stipulated in the Companies Act. If he is reelected, the Company will continue the liability limitation agreement with him.

4. Overview of the directors and officers liability insurance contract

The Company has entered into a directors and officers liability insurance contract with an insurance company to insure Directors, Audit & Supervisory Board Members, Executive Officers, and managerial employees of the Company and its subsidiaries (TV TOKYO Corporation and BS TV TOKYO Corporation). The purpose of the contract is to indemnify legal compensatory damages and litigation expenses, etc. in the event that a claim for compensation of damages is raised against the insured due to an act committed by the insured in his/her capacity as such. The insurance premiums are fully borne by the Company.

To ensure that the adequacy of execution of duties by the insured is not impaired by this insurance contract, there are certain exemptions to the insurance contract; for example, damage caused as a result of any criminal conduct or other conduct committed while knowing that the conduct is in violation of laws and regulations shall not be indemnified.

The insurance contract will insure the candidate in the event that he is appointed, and will be renewed during his term of office.

Company Proposal

Proposal 5: Payment of Bonuses for Directors

The Company pays bonuses as performance-linked remuneration. Bonuses for Directors in charge of executing operations have been subject to a resolution of the Annual General Meeting of Shareholders.

As for bonuses for Directors for the fiscal year under review, the Company would like to pay up to ¥33,000,000 in total to five (5) Directors as of the end of the fiscal year under review (excluding Outside Directors, as well as Directors who concurrently serve as Directors at subsidiaries and are paid officers' remuneration by the subsidiaries). The amount paid to each Director will be determined in accordance with the "Overview of the Policy Concerning Determination of Individual Remuneration of Directors" below.

The amount of payment is calculated by using consolidated-basis net sales, operating income, and net income belonging to shareholders of the parent company as indicators, and considering the past bonus amounts and business environment, etc. in the fiscal year under review. The Company, therefore, believes that the contents thereof are reasonable based on consultation regarding the remuneration with the Remuneration Advisory Committee held in April 2022.

For the performance, etc. of the fiscal year under review, please refer to the "Overview of Business Results" below.

<Shareholder Proposals (Proposals 6 through 12)>

Proposals 6 through to 12 are the proposals submitted by one (1) shareholder (number of voting rights: 300) (hereinafter referred to as the “Proposer”) (hereinafter referred to as the “Proposals”).

The contents of the following proposals (summary of proposal) and the reasons for proposals are displayed as per the original text from the applicable parts of the Proposals submitted by the Proposer.

Shareholder Proposal

Proposal 6: Proposal of Partial Amendment of the Articles of Incorporation (Prohibition of Employment of Resigned Officers (Parachutists) from Nikkei Inc.)

(1) Summary of proposal

The following provisions shall be newly established in the Articles of Incorporation of the Company (The underlined are the amended parts)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>(Prohibition of Employment of Resigned Officers (Parachutists) from Nikkei Inc.)</u> <u>Article 23-2 The Company shall not render any persons who have working experience as officers at Nikkei Inc., its subsidiaries or affiliate companies (hereinafter referred to as “Nikkei and Others”) as candidates for directors proposed by the Company until ten (10) years have elapsed since their resignation from Nikkei and Others.</u>

(2) Reason for proposal

Since the Company appointed Mr. Yoshikuni Sato to the CEO President in 1973, the Company has elected top-level executives from Nikkei Inc. (Nikkei), the largest shareholder that holds approximately 32% of issued stocks of the Company, and appointed them to the CEO President for nine (9) generations in a row. After approximately fifty (50) years, three (3) top-level executives of the Company, namely, Mr. Shigeru Komago, Chairperson and the former CEO President, Mr. Ichiro Ishikawa, current CEO President, and Mr. Suguru Niimi, Senior Managing Director, are former executives of Nikkei, and twenty (20) employees are being seconded from Nikkei. Nikkei owns the Company’s stocks nearly close to the limit on the ownership as provided in the Principle of Excluding Multiple Ownership of the Media (Article 91, etc. of the Broadcast Act), and effectively controls the Company, and the Company is construed as a de facto “subsidiary” of Nikkei. Only the Company, out of five (5) listed key stations in Tokyo, has followed the practice of “employment of parachutists.”

In 1970s, those executives from Nikkei were appointed to the top management on the grounds of financial restructuring of the Company. However, the Company has already regained strong financial position; thus, the post of the CEO President of the Company has currently become merely a landing ground for “parachutists” from Nikkei. As the result of such personnel practice, which disregards the interests of minority shareholders of the Company, the price-book value ratio (PBR) which indicates the dissolution value has remained below 1 for a long period of time. The share price of the Company is also underperforming conspicuously. Since Mr. Ishikawa, who is originally from Nikkei and is the current management top, was appointed to the CEO President on June 18, 2020, the share price of the Company has dropped approximately 21%, and is approximately 40 points below the TOPIX, and approximately 18 points lower than the average of other four (4) key stations in Tokyo (as of April 8).

Nikkei is not a group of experts in broadcasting and audiovisual contents, but a company which focuses on news reports via newspaper and electronic media. “Nikkei is not a content company in a broad sense including animations, music and games, but rather is a content company that makes it its mission to ‘think and communicate’ contents,” said Mr. Tsuyoshi Hasebe, President of Nikkei, in the management briefing in the beginning of 2022.

At Nikkei, which is an unlisted company, most of the top management are former reporters, professional news reporters and editors, who have not been trained in management and capital allocation. At Nikkei, the operating profit ratio on sales based on slashing payrolls is one of the key performance indicators (KPI), and Nikkei is not much concerned with capital efficiency like listed companies.

In the first place, newspaper and broadcasting have significantly different profit-making processes and digital strategies, and there are hardly any media conglomerates in the world where a newspaper company controls a broadcast company. The “Study Group on Broadcasting Systems in the Digital Era” held by the Ministry of Internal Affairs and Communications did not raise newspaper as an issue in the future view of broadcasting services. The Company places at the center of growth not only reporting but also animation, which Nikkei does not value much, and uses management resources for various contents such as variety shows. The Company also sets up the “Creative Business Production Team” to seek entrepreneurship spirit even at the employee level.

The editorial of Nikkei newspaper’s morning edition dated August 5, 2019 titled “Harmful Effects of Parent-Subsidiary Listings Which Should Not Be Overlooked” stated that “we should create a mechanism to protect the interests of general shareholders of listed subsidiaries who are placed in a weak position, and companies should also strive to reduce the number of listed parent-subsidiary companies peculiar to Japan.”

The Company faces pressing issues which should be addressed, with a view towards the digital era. The return on equity (ROE) should be enhanced towards solving the PBR so that it is no longer less than 1, which is a side effect of “employment of parachutists from Nikkei”, and guidelines of capital allocation should be created in order to contribute to the interests of minority shareholders. From the perspectives of knowledge and experiences which directors should have, it is not an appropriate personnel selection for the Company to select and appoint former Nikkei executives to its directors as part of their “parachuting.” The Company does not disclose such matters as the details of the appointment authority of Nikkei nor the reasons to select persons from Nikkei who are not experts in broadcasting. Under these circumstances, the minority shareholders of the Company cannot objectively determine the appropriateness of personnel selection.

The Corporate Governance Code of the Tokyo Stock Exchange stipulates as follows: “*Controlling shareholders should respect the common interests of the company and its shareholders and should not treat minority shareholders unfairly, and listed companies with controlling shareholders are required to develop a governance system to protect the interests of minority shareholders*” (Corporate Governance Code (June 2021 version), General Principle 4 (pages 14 to 15)).

In page 5 of the “Revisions of Japan’s Corporate Governance Code and Guidelines for Investor and Company Engagement (April 6, 2021)” issued by the Council of Experts Concerning the Follow-up of Japan’s Stewardship Code and Japan’s Corporate Governance Code, Group Governance is stated with emphasis on the following: “*Controlling shareholders should respect the interests of the company and the common interests of shareholders, and should not treat minority shareholders unfairly. Accordingly, in listed companies with controlling shareholders, it is required to protect minority shareholders through measures such as the realization of a higher level of independence in the composition of the board, or deliberations and reviews by an independent special committee for material transactions and actions which are likely to involve a conflict of interests between controlling shareholders and minority shareholders (e.g., direct transactions between a parent company and its subsidiary, business transfers or business adjustments between a parent company and its subsidiary, and a parent company rendering a company as its wholly owned subsidiary). It is particularly important for listed companies with controlling shareholders to take measures to ensure the independence of the board of directors from the controlling shareholders as well as the protection of the common interests with the shareholders, in relation to the ratio of independent outside directors and the mechanism for their appointment.*”

As described above, at listed companies with parent companies or controlling shareholders, it is strongly required to organize a governance system to protect the interests of minority shareholders, based upon the risk that the interests of minority shareholders of such listed companies may be impaired.

In particular, regarding appointment of management team of listed companies with parent companies or controlling shareholders, pages 134 to 135 of the “Practical Guidelines for Group Governance System” of the Ministry of Economy, Trade and Industry (the “Group Guidelines”) points

out that “parent companies, as controlling shareholders, effectively are authorized to appoint top management of listed subsidiaries, and have significant influence on the nomination process,” and “in nominating the management team of a listed subsidiary, the issue is to select a person who can contribute to the enhancement of corporate value as a listed subsidiary, also caring for the interests of general shareholders, on the basis that there is a risk that conflicts of interest exist between controlling shareholders and general shareholders.” Based on such awareness of issues, the Group Guidelines states under “Responses Required of Listed Subsidiaries” that “with respect to the management team of a listed subsidiary, a listed subsidiary should formulate its succession plan and nominate candidates from an independent standpoint, from the perspective of whether they will contribute to the enhancement of the listed subsidiary’s corporate value. In doing so, while it is reasonable to collaborate with the parent company, an objective judgment should be made regarding the eligibility of candidates proposed by the parent company as well” (page 135).

As an actual matter, the practice of appointing only persons originally from Nikkei to CEO President means that none of the original Company employees can become a president, which is likely to serve as a factor which inhibits the motivation of the Company's employees.

Opinion of the Board of Directors

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

The Company has been considering the election of directors and selection of the representative director from the viewpoint of whether or not they contribute to the enhancement of the Company’s corporate value and shareholder interests while ensuring objectivity, transparency, etc. of the process.

Specifically, the representative director selects and proposes candidates of directors who have capacities and insights to properly perform the duties of a director as well as excellent personality, and after undergoing consultation as described below and obtaining a resolution from the board of directors, submits the proposal to the General Meeting of Shareholders for approval. The Board of Directors selects a person qualified to serve as the representative director from the directors elected at the General Meeting of Shareholders.

Until FY2021, we sought advice from the Nomination and Remuneration Advisory Committee, which included independent outside directors as its members, and from FY2022, we established the Nomination Advisory Committee, whose majority of members are independent outside directors, as an advisory body to the Board of Directors, and introduced a system to appoint appropriate persons in a more objective manner. In the past and in the future, the framework is formed such that a final decision is made by a resolution of the Board of Directors after ensuring an opportunity to obtain appropriate advice from independent outside directors, and the CEO President cannot be decided by the sole discretion of the representative director.

The Nomination Advisory Committee has also reported on matters regarding individual director candidates to be presented at this Annual General Meeting of Shareholders, including the selection of the representative director. As is clear from what has already been stated, the indication by the Proposer that Nikkei Inc. (hereinafter referred to as “Nikkei”) has the authority to nominate candidates for the Company’s Board of Directors is contrary to the facts.

Both Chairman Mr. Shigeru Komago and CEO President Mr. Ichiro Ishikawa have accumulated sufficient experience and insight in the broadcasting business through their service as executives in charge of the Visual Images Strategy Headquarter (formerly the Denpa Honbu) at Nikkei and as President of BS Television Tokyo before they assumed their positions as the representative directors of the Company.

Nikkei and the Company have maintained a close relationship for many years through personnel exchanges, including at the executive and employee levels, as well as through sales and marketing cooperation that utilizes the unique characteristics of both companies as media. In particular, economic reporting contents provided by the TV TOKYO Group, which Nikkei produces in cooperation with news commentary and performers, has a strong originality unparalleled with other media. The contents are highly rated by viewers and achieve great results in terms of sales.

Specifically, these include “WBS (World Business Satellite),” “NIKKEI NEWS Plus 9” on BS TV TOKYO, which has been offering substantially redesigned contents since this April, and the economic documentary “Gaia no Yoake” that is called Nikkei Special. The Company and Nikkei mutually cooperate with each other in the creation of contents such as by the joint implementation of public opinion polls and

TV TOKYO's provision of videos to the Nikkei online edition. Drama, variety, animation and other contents produced by broadcasters that have a close relationship with Nikkei are also of high quality, have high brand value, and are widely accepted by viewers. TXN Network whose key station is TV TOKYO Corporation has been able to maintain the status of a "national network" because TXN Network has affiliate stations in which Nikkei Inc. has a large stake.

In this way, TV TOKYO Group and Nikkei are close partners in a win-win relationship, so to speak, in which they mutually enhance each other's value. We believe that the driving force behind the record-high consolidated operating profits for the fiscal year ended March 31, 2022 is precisely the fruit of this cooperative relationship.

While having Nikkei Inc. as a large stakeholder is beneficial as mentioned above, Nikkei Inc. is neither a parent company nor a controlling shareholder of the Company even in light of the listing regulations, etc. of Tokyo Stock Exchange. With reference to the Practical Guidelines for Group Governance System released by the Ministry of Economy, Trade and Industry, the Proposer argues about governance in a listed company having a parent company or a controlling shareholder, and then requests that necessary measures be taken with respect to the selection processes of management members and a succession plan. As stated above, however, the indication by the Proposer is unfounded because Nikkei Inc. is neither a parent company nor a controlling shareholder of the Company.

The Proposal could impair the cooperative relationship between TV TOKYO Group and Nikkei, including personnel exchanges, and the best corporate structure, and is extremely unreasonable because the Proposal contains many disadvantages from the perspective of improving the corporate value of the Company.

The Board of Directors of the Company believes that the selection of candidates for the Board of Directors should be considered and determined by the Nomination Advisory Committee and the Board of Directors through the consideration of various perspectives, including the cooperative relationship between the TV TOKYO Group and Nikkei as described above. Therefore, we believe that it is inappropriate to stipulate the contents of this Proposal in the Articles of Incorporation, which are the fundamental rules of a company.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 7: Partial Amendments to the Articles of Incorporation (Abolishment of Consultant and Other Similar Positions)

(1) Summary of proposal

The following article shall be newly established in the Articles of Incorporation of the Company:

(The amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>(Abolishment of Consultant and Other Similar Positions)</u> <u>Article 26</u> <u>2 The Company shall not establish titles and positions such as Advisor and Consultant whose responsibilities are to give advice and make proposals for the development of the Company.</u>

(2) Reason for proposal

At the Company, former President Mr. Yuichi Takahashi, who is originally from Nikkei Inc., has been serving as remunerated Special Consultant (*Tokubetsu Komon*). Former President Mr. Masayuki Shimada, who was originally from Nikkei Inc., served as remunerated Special Consultant of the Company before Mr. Takahashi. The Special Consultant post is a symbol of the Nikkei Inc.'s effective control over the Company. Not only that, it also poses the risk of having the Company management surmise the intentions of Special Consultant and hesitate to unwaveringly make decisions on matters such as review of the business portfolio for the Company, which now stands at a strategic juncture.

In fact, page 48 of the Practical Guidelines for Corporate Governance Systems (CGS Guidelines) released by the Ministry of Economy, Trade and Industry states that, "the advisor or consultant who has no responsibility for company management may exercise unreasonable influence over incumbent management members", and that "there may arise a harmful effect that it is not clear who is actually taking the management leadership."

Opinion of the Board of Directors of the Company

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

The Consultant of the Company inputs excellent experience and expertise to our operations in aspects such as maintaining and developing the relationships with business partners, thereby enhancing the Company's corporate value. In addition, the Consultant of the Company has neither decision-making authority nor authority to execute operations, and is thereby prevented from exercising unreasonable influence over management members. The Board of Directors thus considers it inappropriate to stipulate its abolishment in the Articles of Incorporation.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 8: Election of One (1) Director

(1) Summary of proposal

Mr. Shigeo Abe shall be appointed as a Director.

(2) Reason for proposal

As in the announcement titled “Establishment of the Nomination Advisory Committee and the Remuneration Advisory Committee”, the Company established the voluntary Nomination Advisory Committee and the Remuneration Advisory Committee as advisory organizations for the Board of Directors. However, each of these committees is not totally composed of truly independent Outside Directors. The Company maintains cross-shareholdings with ANA HOLDINGS INC., to which Mr. Yoji Ohashi originally belonged, and with Sumitomo Mitsui Financial Group, Inc., to which Mr. Masayuki Oku originally belonged. It is therefore unlikely that the Company will actively proceed with discussions on capital allocation with an intention to reduce cross-shareholdings. While Nikkei has a popular column “*Watashi no Rirekisho* (My resume),” to which most business leaders would wish to contribute, three (3) Outside Directors Mr. Ohashi, Mr. Oku, and Mr. Hajime Sawabe contributed to that column. Considering the contributor selection process for “*Watashi no Rirekisho*,” it is reasonable to consider that there has been intensive interaction between these three (3) Outside Directors Mr. Ohashi, Mr. Oku, and Mr. Sawabe and the management members of Nikkei Inc. At the same time, it must be said that it is difficult for them to argue the problems regarding substantial “parent-child” relationship and “executive parachuting” from the standpoint of minority shareholders independently from Nikkei Inc.

Among other things, Mr. Naotoshi Okada, one of the Outside Directors, is current Chairman of Nikkei Inc. and also a former colleague and superior of the Company’s executives. According to media reports, when Mr. Okada was President of Nikkei Inc., there were successive harassment cases allegedly committed by its executives and misappropriation by its American subsidiary where corporate funds amounting to approximately \$29 million were misappropriated from that American company in 2019. In addition to conflicts of interests inherent to executive parachuting, Mr. Okada’s qualities as an Outside Director of the Company are dubious.

General Principle 4-6 of Japan’s Corporate Governance Code requests companies to “consider utilizing directors who are neither involved in business execution nor have close ties with the management” in order to “ensure effective, independent and objective oversight of the management by the board.” The editorial of Nikkei newspaper’s morning edition dated July 24, 2021 titled “The Board of Directors must be more diverse and more highly professional” emphasized that “a company cannot enhance its competitiveness in a sustainable manner without enhancing the qualities of each director.” Furthermore, the editorial of Nikkei newspaper’s morning edition dated February 2, 2019 titled “Outside Directors must be truly effective” emphasized that “the important role of outside directors is to supervise a company and check whether its operations are properly conducted, from the perspective of a third party not bound by internal theories or constraints.”

The candidate for Director Mr. Shigeo Abe is one of Japan's leading journalists like no other. As an expert in corporate governance and legal compliance, he reported the deceptive accounting of Olympus Corporation. In addition, he successfully started up a media company specialized in investigative journalism, and currently, he has also established an online media. Mr. Abe has years of experience and proven track records in the field of news contents, a field in which the Company has a focus, and could provide valuable insights as an outside expert to the Board of Directors of the Company. He authored (as a single author) the books titled “*Iraku Kenkoku* (The Founding of Iraq)” and “*Itan Montanosu-Ha—Shoki Kirisutokyōu Huin-sareta Seirei* (The Heretical Montanus Faction—The Sealed Holy Spirit of Christianity)”, and translated the books titled “The Voices from the Street,” “THIS IS WATER,” and “The Glass Bees.” With these achievements, he is also expected to contribute to operations related to contents other than news contents.

Although Mr. Abe is originally from Nikkei Inc., he has had no relationships with promotion races or being parachuted. As the largest economic media company in Japan, Nikkei Inc. has a strong influence on the business circles in Japan with no comparable examples in the rest of the world. Mr. Abe is a journalist with a critical spirit, and could contribute in solving the problems caused by

substantial “parent-child” relationship and “parachuting” from an independent position. Accordingly, the appointment of Mr. Abe would diversify the Board of Directors in terms of corporate governance, legal compliance, journalism, and entrepreneurship, and is therefore consistent with the spirit of the General Principle 4-6 of Japan’s Corporate Governance Code.

(3) Name, career summary, and other information of the candidate

Candidate	Shigeo Abe	Date of birth: May 22, 1948
		Number of shares of the Company held: 0
Career summary, positions, responsibilities, and significant concurrent positions		
1973	Joined Nikkei Inc. Staff Writer, City News Department, Nikkei Inc.	
1977	Staff Writer, Page Editing Department, Nikkei Inc.	
1987	Leading Staff Writer, Finance News Department, Nikkei Inc.	
1989	Deskman and Senior Staff Writer, Finance News Department, Nikkei Inc.	
1990	Editorial Board Member and Senior Staff Writer, and Columnist for the front page column <i>Shunju</i> , Nikkei Inc.	
1992	Received the Japan Newspaper Publishers and Editors Association Award for a project “ <i>Bi no Kairou</i> (Corridor of Beauty)” planned by Cultural News Department of Nikkei Inc.	
1994	Senior Staff Writer, Securities News Department, Nikkei Inc. Received the Japan Newspaper Publishers and Editors Association Award for a front-page project “ <i>Kanryo</i> (Bureaucrats)”	
1995	Senior Staff Writer, Editorial Headquarters for Europe, Middle East and Africa, Nikkei Inc.	
1998	Chief Editor of Nikkei Venture Visiting Fellow at Cambridge University, the United Kingdom	
1999	Vice President and Chief Editor for the monthly information magazine <i>Sentaku</i>	
2006	Launched the monthly magazine FACTA	
2011	Won a prize from the Foreign Correspondents' Club of Japan for the coverage of the impropriety scandal of Olympus Corporation	
2019	Launched the quarterly magazine <i>Σtoica</i>	
2021	Launched the online media outlet <i>Σtoica Online</i>	
	[Significant concurrent positions] Editor and Representative of <i>Σtoica Online</i>	

Opinion of the Board of Directors of the Company

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

Management of the Company including the current Board of Directors is moving forward with reformation of the Company in tandem with employees. For the fiscal year ended March 31, 2022, the Company achieved record-high consolidated operating profit. Not only that, it achieved record-high gross profit for the rights business for contents such as animations, which the Company regards a growing area.

Needless to say, the individual Outside Directors of the Company are legally compliant. Notably, they have vast experience in corporate management in various business fields, and have excellent proven track records in the corporate governance practice. They have been contributing to the enhancement of the Company’s corporate value from their objective perspectives backed by experience. The Board of Directors accordingly considers that the Proposal is incorrect in its statement that “the committee is not composed of truly independent Outside Directors.” Furthermore, the Board of Directors of the Company is currently composed of twelve (12) Directors with a decrease in number from the fiscal year ended March 31, 2021. At the same time, the number of Outside Directors was increased from three (3) to five (5), and the number of independent Outside Directors accounts for one-third of all the Directors. The Company has been thus enhancing a mechanism to ensure the transparency

and the objectiveness of discussions of the Board of Directors.

In consideration of the current composition of Outside Directors and their experience, expertise, and proven track records, the Board of Directors considers it unnecessary to additionally appoint the candidate for Director set forth in the Proposal.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 9: Partial Amendments to the Articles of Incorporation (Individual Disclosure of Directors' Remuneration)

(1) Summary of proposal

The following article shall be newly established in the Articles of Incorporation of the Company:

(The amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	(Directors' Remuneration, Etc.) Article 32 (Text omitted) <u>2</u> With respect to directors' remuneration, <u>the Company shall individually disclose on an annual basis the remuneration amounts, details, and determination method, in its business report and securities report.</u>

(2) Reason for proposal

The current situation is that the Representative Directors' posts of the Company are nothing more than reserved seats for executives and officers parachuted from Nikkei Inc. The Company is thus under the effective control of Nikkei Inc. Thus, its corporate governance has been seriously undermined, and its stock price has been consequently low. It is suspected that there may be large gaps in compensation between those parachuted from Nikkei Inc. who became Directors of the Company and those who have climbed the career ladder within the Company to Directors. In particular, if there actually are gaps in remuneration, such gaps represent the true nature of a problem that the Company may have.

It is accordingly proposed that a provision to obligate the Company to individually disclose Directors' remuneration be established in the Articles of Incorporation.

Opinion of the Board of Directors of the Company

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

The Company discloses the details of remuneration paid to Directors, the process for determining the remuneration, and the total amount thereof in documents such as the securities reports in compliance with laws and regulations, and the requirements of corporate governance. No officers of the Company obtain the amount of remuneration subject to disclosure by laws and regulations (¥100 million or more).

The individual amounts of Directors' remuneration have always been appropriately determined and provided based on data such as corporate business performances and individual Directors' performances. The Company considers that it is important for Directors' remuneration to function as incentives for medium- and long-term enhancement of the corporate value, and the Company recognizes the Directors' remuneration system as one of the important matters concerning corporate governance. From fiscal year 2022 onwards, the Company has introduced the Remuneration Advisory Committee where independent Outside Directors constitute the majority of members, thus taking initiatives to further improve the adequacy and transparency of its remuneration determination process.

Thus, the Board of Directors considers it inappropriate to stipulate the disclosure of Directors' individual remunerations in the Article of Incorporation.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 10: Partial Amendments to the Articles of Incorporation (Disclosure of Capital Cost)

(1) Summary of proposal

The following chapter and article shall be newly established in the Articles of Incorporation of the Company.

(The amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<p><u>Chapter 8</u> <u>Disclosure of Cost of Shareholder’s Equity</u> <u>(Disclosure of Cost of Shareholder’s Equity)</u></p> <p><u>Article 50</u> In the written report related to corporate governance submitted to the Tokyo Stock Exchange by the Company, <u>the Company shall disclose the cost of shareholder’s equity identified by the Company within one (1) month before the date of submission of the written report, together with the basis of calculation thereof.</u></p>

(2) Reason for proposal

The stock price of the Company has been constantly below its dissolution value, which is equivalent to a price-book value ratio (PBR) of 1. It means that the ROE is below the level required by investors, i.e., the capital cost as seen by shareholders (cost of shareholder’s equity). Most of the listed Tokyo-based key television stations disclose their capital costs, which serve as capital allocation measures, or give investors explanations of their capital costs. The Company, however, neither discloses nor gives investors any such explanation.

As of the end of December 2021, the Company holds cash and deposits of ¥34.5 billion. As of the end of March 2021, its cross-held shares amount to ¥10.9 billion. These operating assets which do not contribute to its main business reach a total amount of ¥45.4 billion, accounting for 82% of its market capitalization based on the closing price on April 8, 2022, which was ¥55.5 billion. Such a low market evaluation indicated by the PBR lower than 1 is a result of the Company’s having placed little importance on capital allocation with capital cost treated as a hurdle, and having neglected its useless surplus capital.

Meanwhile, an article in the Nikkei newspaper's morning edition dated September 19, 2021 titled “Mountains of cash—Inconvenient truth of accumulated dead capital” argued that “never-ending *zero-risk management* ignoring capital efficiency underlies the sluggish deflation-stricken economy” and stated the importance of capital allocation.

Japan’s Corporate Governance Code released by the Tokyo Stock Exchange stipulates the following in “Principle 5-2: Establishing and Disclosing Business Strategies and Business Plans”: “when establishing and disclosing business strategies and business plans, companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the companies’ capital costs. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human capital, and specific measures that will be taken in order to achieve their plans and targets.”

Given these circumstances, the Company should “present” its cost of shareholder’s equity as a “target for profitability and capital efficiency,” and “provide explanations that are clear and logical to shareholders with respect to the allocation of management resources, such as reviewing their business portfolio and investments in fixed assets, R&D, and human capital, and specific measures that will be taken in order to achieve their plans and targets.” Such initiatives would allow the Company to have more active dialogue with shareholders and improve the low market evaluation of the Company’s stock.

Opinion of the Board of Directors of the Company

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

The Company makes it its basic policy to meet its obligations with each stakeholder (audience, society as a whole, shareholders, business partners, and employees) in a balanced manner and, through enhancement of its corporate value, increase the aggregate satisfaction of stakeholders.

Consistent profit growth is critical for enhancement of the corporate value. For this reason, the Company is aware that it needs to raise its operating margin as well as to achieve net-sales and operating-income targets in its current three-year plan set by the Company. For future growth, the Company will stay committed to its strategy of proactively allocating funds to such activities as mergers and acquisitions, investment in contents, and new investment for digital transformation (DX).

Principle 5-2 of the Corporate Governance Code stipulates that “companies should articulate their earnings plans and capital policies, and present targets for profitability and capital efficiency after accurately identifying the companies’ capital costs. Also, companies should provide explanations that are clear and logical to shareholders with respect to the allocation of management resources (omitted) and specific measures that will be taken in order to achieve their plans and targets.” This Principle does not necessarily request companies to disclose their capital costs. The Company fully complies with this Corporate Governance Code while being appropriately aware of various performance measures including the capital cost.

Particularly in investment to acquire contents, which is the most important activity for the growth of the Company, the Company is expected to face increasingly intense competition as its competitors include not only television stations but also new competitors such as distribution platforms. Not to mention that the investment efficiency of each project is important, it is of the utmost importance to take the following into consideration with respect to such investment: securing the rights for contents to be invested in; determining the future prospects of the contents; and securing channels to which the contents are provided in medium to long terms. If capital cost, which is information that would affect the competition, is widely disclosed to the public, it may possibly bring us disadvantages in negotiations and other activities that the Company will perform for growth investment in the future.

Meanwhile, the Company acknowledges the fact that its capital adequacy ratio is relatively high and its price book-value ratio (PBR) and other performance indicators are relatively low, as compared with those of average listed companies, as the Proposer points out. As a broadcast license holder, however, the Company is obliged to quickly, extensively, and continually deliver information when reporting emergency issues such as disasters and is required to have necessary and sufficient facilities and equipment in preparation for emergencies. This particularity of a broadcast business requires the Company to adequately hold extra funds and equity capital. It is the Company’s mission to continue broadcasting even if income is temporarily lost under unpredictable circumstances. In addition, it must deal with regular updates to the master control system, which is an infrastructure for broadcasting.

The Company considers the following as its most appropriate conducts in an effort to enhance its corporate value: to establish medium- to long-term business strategies in consideration of the capital cost while meeting with the spirit of the above Corporate Governance Code; and to regularly have constructive dialogue with stakeholders including shareholders so that they can more deeply understand the Company's management policies and that their valuable opinions can be reflected in the development of its business operations.

Thus, disclosure of the capital cost is considered unamenable as a provision in the Articles of Incorporation, which are the fundamental rules of a company.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 11: Partial Amendments to the Articles of Incorporation (Sales of Cross-held Shares)

(1) Summary of proposal

The following chapter and article shall be newly established in the Articles of Incorporation of the Company. In the case that it is necessary to make formalistic adjustments to the chapter or article described as this proposal (including, but not limited to, renumbering of article numbers) due to the passage of another proposal (including proposals proposed by the Company) at the Annual General Meeting of Shareholders, the provision related to this proposal shall be reread as the article after making the necessary adjustment.

(The amended parts are underlined.)

Current Articles of Incorporation	Proposed Amendments
(Newly established)	<u>Chapter 9 Sales of Cross-held Shares</u> (Sales of Cross-held Shares) <u>Article 51 The Company shall dispose of all cross-held shares by March 31, 2025.</u>

(2) Reason for proposal

According to the securities report for the 11th fiscal year (from April 1, 2020 to March 31, 2021) submitted by the Company on June 18, 2021, the following is information as of March 31, 2021: the Company had cross-held shares of three (3) stocks worth approximately ¥2 billion; and its subsidiary TV TOKYO Corporation had cross-held shares of twelve (12) stocks worth approximately ¥8.9 billion. These cross-held shares were worth approximately ¥10.9 billion in total, accounting for more than 10% of its consolidated equity capital. Moreover, during the fiscal year ended March 31, 2021, the Company purchased additional approximately 240,000 cross-held shares worth approximately ¥1.1 billion of Sumitomo Realty & Development Co., Ltd., the owner of the office building where the Company has its headquarters as a tenant.

An editorial of the Nikkei newspaper's morning edition dated August 30, 2019 titled "Companies must fulfill its accountability for cross-shareholdings" criticized cross-shareholdings and stated that "cross-shareholdings have no clear benefits to profitability and could lead to self-preservation of management." By having cross-held shares, the Company helps cross-shareholding partner companies update anti-takeover measures, thereby functioning as a stable shareholder and helping directors of the partner companies to protect themselves. Based on this Nikkei editorial that requested listed companies to reduce cross-shareholdings, there is no rationale that supports cross-shareholdings and the Company should immediately dispose of cross-held shares, and Nikkei Inc., the largest shareholder, is unlikely to have any objection.

It is accordingly proposed that a provision to obligate the Company to dispose of cross-held shares by a certain deadline be established to immediately reduce the cross-shareholdings of the Company.

Opinion of the Board of Directors of the Company

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

Given the recent trend against cross-shareholdings, the Company considers it appropriate to sell cross-held shares in stages and as soon as practicable, and will seek understanding from various parties concerned. As a matter of fact, TV TOKYO Group has been reducing its cross-held shares, for example, by selling 40% of the cross-held share stocks in the past ten (10) years. The Company stands firm to implement its policy of consistently reducing cross-shareholdings, and its basic stance does not contradict with this shareholder proposal.

At the same time, however, there have been a variety of reasons for the Company to be in its current situation, based upon its judgment that cross-shareholding enhances its corporate value in such a manner as to comprehensively maintain and develop businesses, as well as maintain and strengthen business alliances with, counterpart companies. Reducing cross-shareholdings would require comprehensive consideration by the Board of Directors. In conclusion, the Board of Directors considers it unamenable to expressly state in the Articles of Incorporation, which are the fundamental rules of a company, that the Company shall all cross-held shares by a

certain deadline as in this Proposal.

The Board of Directors of the Company accordingly objects to this proposal.

Shareholder Proposal

Proposal 12 Appropriation of Surplus

(1) Summary of proposal

The surplus shall be appropriated as follows:

In the case that the Board of Directors proposes appropriation of surplus at the Annual General Meeting of Shareholders, the Proposer shall submit Proposal 12 separately as an additional proposal to the proposal submitted by the Board of Directors.

1 Type of dividend property

Cash

2 Distribution amount per share

The amount calculated by deducting from ¥190 the surplus distribution amount per common stock of the Company which the Board of Directors proposed to the Annual General Meeting of Shareholders and which was approved at the Annual General Meeting of Shareholders (if the Board of Directors does not propose appropriation of surplus at the Annual General Meeting of Shareholders, the amount shall be ¥190)

3 Matters concerning the allocation of dividend property, and the total amount thereof

The distribution amount per common stock of the Company as provided in the previous paragraph 2 (the total distribution amount is calculated by multiplying the distribution amount per stock by the total number of common stocks issued by the Company current as of March 31, 2022 (excluding treasury stocks)).

4 Effective date of distribution of surplus

Date of the Annual General Meeting of Shareholders

5 Date of commencement of dividend payment

Date on which three (3) weeks elapse after the business day following the date of the Annual General Meeting of Shareholders

(2) Reason for proposal

The Company holds cash items equivalent to ¥34.5 billion as of the end of December 2021, and cross-held shares of ¥10.9 billion (as of the end of March 2021). These operating assets which do not contribute to the main business of the Company reach a total amount of ¥45.4 billion, and account for 82% of the aggregate market value of ¥55.5 billion. The low market evaluation of the Company as PBR less than 1 is a result of the Company's having placed little importance on capital allocation with capital cost treated as a hurdle, and having neglected excess capital with a capital adequacy ratio of as much as 68% (as of the end of December 2021).

The Bloomberg Information Terminal used by many institutional investors who invest in the Japanese market indicates the cost of shareholders' equity at 8.8% as of April 8, 2022. On the other hand, the average ROE of the Company for the past ten (10) years is merely approximately 4%, and the shareholder value of the Company has been continuously impaired.

The "correction" of excess capital is a pressing issue for the capital allocation of the Company; however, the Company has not yet presented any directions for capital allocation so far. The Company has disclosed neither capital cost nor targeted ROE, which produces lack of transparency as to whether the Company would succeed or fail in transforming into a business model which produces return exceeding the capital cost.

Considering the risk that the corporate value would continuously be impaired in the future, with the cash items and the securities for investment being maintained as they are and the capital cost rising with further ballooning shareholder capital without clear guidelines on capital allocation, it would protect minority shareholders by none other than making a decision to return to shareholders in order to stop the vicious cycle of the continuous deterioration of the capital efficiency of the Company.

In light of the above, at least a 100% dividend payout ratio is necessary. We therefore propose to distribute to shareholders ¥190 per share, which is equivalent to the current net income per share which is the prospective performance of the Company for the fiscal year ended March 31, 2022.

The ratio that the proposed dividend of ¥190 per share occupies against the total market value closely matches with the cost of shareholder's equity indicated by the Bloomberg Information Terminal. However, if the ratio that the dividend occupies against the total market value falls short of the cost of shareholder's equity in future, a decision should be made to acquire the treasury shares. This is because,

even if the 100% dividend payout rate is continued, inefficient capital distribution where cost of shareholder's equity is subordinate to ROE would not be corrected so long as the excess capital and operating assets with low return as described above remain maintained, and PBR is likely to continuously be less than 1 unless the ratio which the total amount of returns to shareholders adding the dividend payment and purchase of treasury shares occupies against the total market value reaches at least the cost of shareholder's equity.

Opinion of the Board of Directors

Objection: The Board of Directors of the Company objects to this proposal for the following reason.

The Company recognizes that shareholder return is one of the important management issues, and therefore, the Company has always strived for stable and continuous distribution of dividends. We have set an average dividend payout ratio at 30%, and in addition, we also implemented acquisition and extinguishment of treasury shares in FY2021, and have taken steps towards shareholder return while being mindful of a total payout ratio above a certain level. We also plan to increase the annual dividend in FY2021 by ¥20 per share to ¥60.

The Company accepts the point of effective utilization of the assets as pointed out by the Proposer, and would like to reflect it in the operations of the Company. However, as mentioned in "Proposal 10: Partial Amendments to the Articles of Incorporation (Disclosure of Capital Cost)," the Company deems holding cash, etc. as reasonable in consideration of the peculiarities of the broadcasting business. It is unavoidable for us to consider that the Proposal, which requests for appropriation of surplus at a 100% dividend payout rate, stands on irresponsible and short-term viewpoint by ignoring the environment surrounding the broadcasting business and the necessity of proactive business investment by the Company, as well as corporate continuity.

We consider that the Proposal would likely result in damaging the middle to long-term corporate value, and that it would not benefit the interests of either shareholders or various stakeholders.

The Board of Directors of the Company accordingly objects to this proposal.