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The renaissance of Fuji Television: a charter for the future

"If it's not fun, it's not TV. " With these words, forty-two-year-old Hisashi Hieda ushered in Fuji TV's golden age. 45 years later the party is over: Fuji TV has stagnated and Hieda is finally gone. The moment for rebirth has arrived. As major shareholders of Fuji Media Holdings (FMH), we are proposing a slate of fresh directors to blow the cobwebs away and begin the transformation.

Things must change:

1. **Governance Reform** An atrophied and entitled management has allowed a once proud company to slip into disrepute with a scandal that has led to a 90% decline in net sales. This is a total disgrace, made worse still by the re-appointment of the same failed directors – the message is clear: nothing has changed. We will not tolerate this; the Old Boy's Club must be swept away and FMH's governance overhauled by a breath of fresh air from outside the organisation.
2. **Spin-off the real estate business** FMH is fundamentally a broadcaster, subject to the foreign investment restrictions afforded by the Broadcasting Act. It has allowed the company to become lazy, inward-looking and protected. This has nothing to do with real estate, indeed FMH is a very unsuitable parent, which has pillaged an unrelated business to subsidise its failing core business. An immediate tax-efficient spin-off is needed to create an independent property business separate from broadcasting and the media. Each activity should be allowed to grow to its potential; we are proposing real estate professionals amongst our proposed directors to allow this to happen.
3. **Unwinding of cross shareholdings** This is an outdated mechanism to disenfranchise shareholders. It is capital inefficient and designed to keep the old regime in place. The Japanese government is urging their elimination everywhere. Our candidate directors will liberate over 300 billion yen held in FMH's cross shareholdings, which will be used to renew the broadcasting and media businesses, whilst returning surplus funds to their rightful owners, the company's shareholders.
4. **Reform of Fuji TV's core business** Fuji TV foolishly downgraded its content creating abilities through its early retirement programme of 2022, which saw much talent leave the business, as well as its reliance on advertisers, which resulted in dull, homogenised dramas. It needs to return to its roots: to train young, talented people in a vibrant creative environment, forge genuine partnerships with third-party production companies and local TV stations, using their skills and resources to generate exciting, original content. It must no longer depend on advertising revenue but seek new distribution channels, such as free and paid-for streaming platforms, both domestic and global. There is also an opportunity to monetise further content already owned by Fuji TV, Pony Canyon and Fuji Pacific – this is a valuable, under-utilised asset. By bringing in outside, fresh perspectives in content, production and distribution the network can be reborn.

We are putting up a diverse group of candidates for election to FMH's Board; men and women capable of driving change and providing dynamic leadership. Management teams with different but complementary skills will be needed at both FMH and Fuji TV. This is an historic opportunity for renewal, it must not be missed. Indeed, it must be embraced!



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