

## The Tokyo Dome Group's Corporate Governance

The Tokyo Dome Group believes that the transparency, soundness and effectiveness of business realized through corporate governance is indispensable to sustainable growth in corporate value, and considers governance to be a central management issue. We believe that timely and accurate disclosure of information, along with maintaining transparency in corporate activity, is particularly important to building positive relationships with shareholders and all stakeholders, including guests, trading partners, the local community and employees.

### Corporate Governance Structures and Features

#### • Management Structure

The Tokyo Dome Group has adopted the auditing system, with supervision of management centered on oversight of operations by the Board of Directors, along with auditing by the Board of Auditors.

The Board of Directors, as of April 25, 2008, consists of 10 directors (three of whom are external directors). The Board makes decisions regarding management policies and business operations, and supervises the conduct of business by directors and operating officers. A Management Committee has been established that consists of all regular members of the Board of Directors. This committee makes the necessary reports on the conduct of business by the President, based on the decisions regarding items that should be referred to the Board of Directors, and matters to be resolved by the Board of Directors.

TOKYO DOME CORPORATION introduced the operating officer system in April 2002 with the aim of providing for strategic and flexible decision-making and business implementation. Operating officers are appointed by the Board of Directors. They have responsibility as the operating officer for operations delegated by the President and CEO based on decisions of the Board of Directors, and conduct those operations. An Operating Officer Committee composed of all operating officers has also been established, which conveys the decisions of the Board of Directors and Management Committee, as well as ensures the smooth exchange of information, reporting and coordination regarding the conduct of operations by the President and CEO.

To ensure that oversight of decision-making is rooted in actual situations and circumstances, supervision and operations are not completely separated. Regular members of the Board of Directors also act as operating officers in charge of the conduct of operations, as well as participate as part of the Board of Directors.

The Board of Auditors, as of April 25, 2008, consists of five corporate auditors (three of whom are external auditors). The Board receives reports, holds discussions and makes decisions regarding significant matters pertaining to auditing. Each of the auditors, in accordance with the auditing policies determined by the Board of Auditors and the responsibilities delegated to

them, attends meetings of the Board of Directors and other significant meetings, makes requests for reports on operations to directors and other managers, inspects records of decisions and other important documents, personally inspects major branch business offices, and assesses the status of the Company's business operations and finances. Corporate auditors also receive reports and explanations as necessary from accounting auditors regarding audits conducted, and provide additional clarifications on financial documents and supplementary materials.

#### • Enhancing Internal Communications

Since November 2005, TOKYO DOME CORPORATION has held regular meetings (called the "Communication Lounge") to allow for exchange between management and employees. These meetings help to deepen mutual understanding of the work performed by both managers and employees, and foster a more open, highly transparent corporate culture.

### Determination of Director Compensation

The maximum amount of compensation paid to all directors and auditors is determined through resolution at the General Meeting of Shareholders, providing a system for shareholder oversight. Compensation paid to TOKYO DOME CORPORATION directors and auditors during the fiscal year ended January 2008 is as follows.

Compensation paid to directors and auditors:

Directors:	¥191 million
Of which to external directors	9 million
Retirement bonuses paid to directors:	2 million
Of which to external directors	2 million
Auditors:	46 million
Of which to external auditors	8 million
Note: No retirement or other types of bonuses were paid to auditors.	

### Internal Control Systems

Basic policy regarding establishment of internal control systems was determined at a meeting of the Board of Directors held on July 27, 2006. TOKYO DOME CORPORATION is establishing internal control systems in accordance with this policy, the principal aspects of which are as follows.

#### • Compliance Structure

The Tokyo Dome Group has established a Compliance Committee, headed by the President, to build strong relationships with all stakeholders, and to pursue compliance from a company-wide perspective. A Compliance Code of Conduct establishing ethical guidelines for directors and employees has also been formulated, with which everyone is expected to comply.

TOKYO DOME CORPORATION has launched an internal reporting system, called the "Speak-Up System," which allows employees to report to or consult with the Compliance Committee should they feel that the actions of a director or employee are in violation of the Compliance Code of Conduct. Maintaining and improving this system helps to prevent the occurrence of situations that may harm the Company's

corporate value, such as a loss of credibility arising from a compliance violation.

Further, the Internal Auditing & Legal Division, the main body for internal auditing, ensures that the conduct of business by employees complies with laws and regulations. It examines and evaluates the status of business conduct at all departments from the standpoint of legal compliance and rationality, and reports the results, along with recommendations and proposals, to the President, corporate auditors, and the manager of the department subject to the audit. The Legal Review Division also participates in regular hearings with the accounting auditor (twice a year under Company regulations), and makes other efforts to share information and improve mutual cooperation.

### • Ensuring Efficient Conduct of Operations

A Management Committee composed of all regular members of the Board of Directors has been established as the fundamental structure to ensure the efficient conduct of operations by the Board of Directors. The Committee makes the necessary reports on the conduct of business by the President, based on the decisions on items that should be referred to the Board of Directors, and matters to be resolved by the Board of Directors. Further, an Operating Officer Committee composed of all operating officers has also been established that conveys the decisions of the Board of Directors and Management Committee, as well as ensures the smooth exchange of information, reporting and coordination regarding the conduct of operations by the President.

### • Ensuring Proper Conduct of Operations at Group Companies

TOKYO DOME CORPORATION has established Affiliated Company Management Guidelines to ensure the appropriateness of operations at all group companies. These regulations provide for management of group companies through an approval

and reporting system to the respective companies. A range of business unit meetings tailored to the business content of each subsidiary are also held each fiscal quarter for the purpose of reporting earnings and exchanging information.

### • Risk Management Measures

The Tokyo Dome Group has formulated Risk Management Regulations to systematically implement risk management. Based on these regulations, a Risk Management Committee has also been established to gain a comprehensive awareness of and provide for a response to the risks with a potentially significant impact on business.

Several subcommittees have been established under the Risk Management Committee, including the Disaster Prevention Subcommittee to coordinate disaster prevention measures; the Safety Management Subcommittee to oversee the safety of park guests; the Information Management Subcommittee to handle the timely disclosure and overall administration of information; and the Environmental Preservation Subcommittee to coordinate strategies regarding the surrounding environment. Each of these subcommittees conducts risk management in the areas they cover.

The Risk Management Committee gathers reports on the activities of the subcommittees, as well as the status of risk management at each division and group company. It then reviews the overall status of risk management, and reports the findings to the Board of Directors or corporate auditors on a regular and/or extraordinary basis. The Committee also prepares individual guidelines and manuals aimed at ensuring the smooth and efficient conduct of risk management.

### • Crisis Management Structure

In the event of an unforeseen occurrence such as a crisis, an emergency task force headed by the President will be immediately established to prevent escalation and minimize damage.

