



SKY Perfect JSAT Group Earning Results Briefing of 3Q/FY2010

February 3, 2011
SKY Perfect JSAT Holdings Inc.

Forward-Looking Statements

Statements about the SKY Perfect JSAT Group's forecasts, strategies, management policies, and targets contained in this presentation that are not based on historical facts constitute forward-looking statements. These statements are based on management's assumptions, plans, expectations and judgments in light of information available at the time. These forward-looking statements are subject to a variety of risks and uncertainties. Therefore, actual results may differ materially from forecasts. The primary risks and uncertainties currently assumed by the SKY Perfect JSAT Group include, but are not limited to, the following:

<General Management Risks>

- Risks related to constraints imposed on the Group's business due to legal regulations related to Group's business operations
- Risks related to customer information security
- Risks related to major equipment failures due to large-scale disasters

<Risks related to Satellite Infrastructure>

- Risks related to communications satellite malfunctions and/or impaired operations
- Risks related to communications satellite acquisition
- Risks related to securing satellite insurance

<Risks related to Multichannel Pay TV Broadcast Platform Services>

- Risks related to subscriber acquisition/retention
- Risks related to broadcasters
- Risks related to IC card security, etc.

* Please see FYE March 2010 Annual Securities Report for more details.

Topics of 3Q/FY2010

■ Multichannel Pay TV Business

- Number of SKY PerfectTV!e2 subscribers in December hit record high
- Enriched 3D contents

■ Satellite Business

- Stable Revenue base from domestic corporate clients
- Revenue increase from satellite acquisition (N-STARc)
- Start of “All Japan” framework



Consolidated Business Performance Highlights

Summary of Operating Income Statements

Operating income increased slightly from the previous term.

(Units: ¥ millions)

	1-3Q/FY Consolidated (Prior Period Actual)	1-3Q/FY Consolidated (Current Period Actual)	Comparison to FY09
Revenue	104,598	105,551	100.9%
Operating Income	12,377	8,637	69.8%
Ordinary Income	11,107	7,433	66.9%
Net Income	5,895	2,694	45.7%
EBITDA*1	29,491	25,279	85.7%
Simple EBITDA*2	29,856	26,718	89.5%

*1 EBITDA is calculated as Net Income + Tax Expense + Depreciation Expense + Interest Expense.

*2 Simple EBITDA is calculated as Operating Income + Depreciation Expense.

Indicators for Multichannel Pay TV Business

The number of new subscribers increased about 10,000 from last year.

HD subscription rate increased to 16%.

(Units: yen)

		1-3Q/FY2009	1-3Q/FY2010
ARPU *1 (unit price)	Gross ARPU	3,265	3,244
	Net ARPU	1,403	1,476
SAC (unit price)		36,722	36,429
Number of new subscriptions *2 (thousand)		409	419
Number of cumulative subscriptions *2 (thousand)		3,671	3,696
SKY PerfecTV! HD subscription rate *3		3.3%	16.0%

*1. ARPU is calculated while taking into account three SKY PerfecTV! services

Gross ARPU: Conventional subscription fee-based unit price

Net ARPU: Sales-based unit price (unit price based on the subscription or commission fee, which contribute to sales)

*2. The number of subscribers from Cable Television Adachi has been deducted from FY2009 figure.

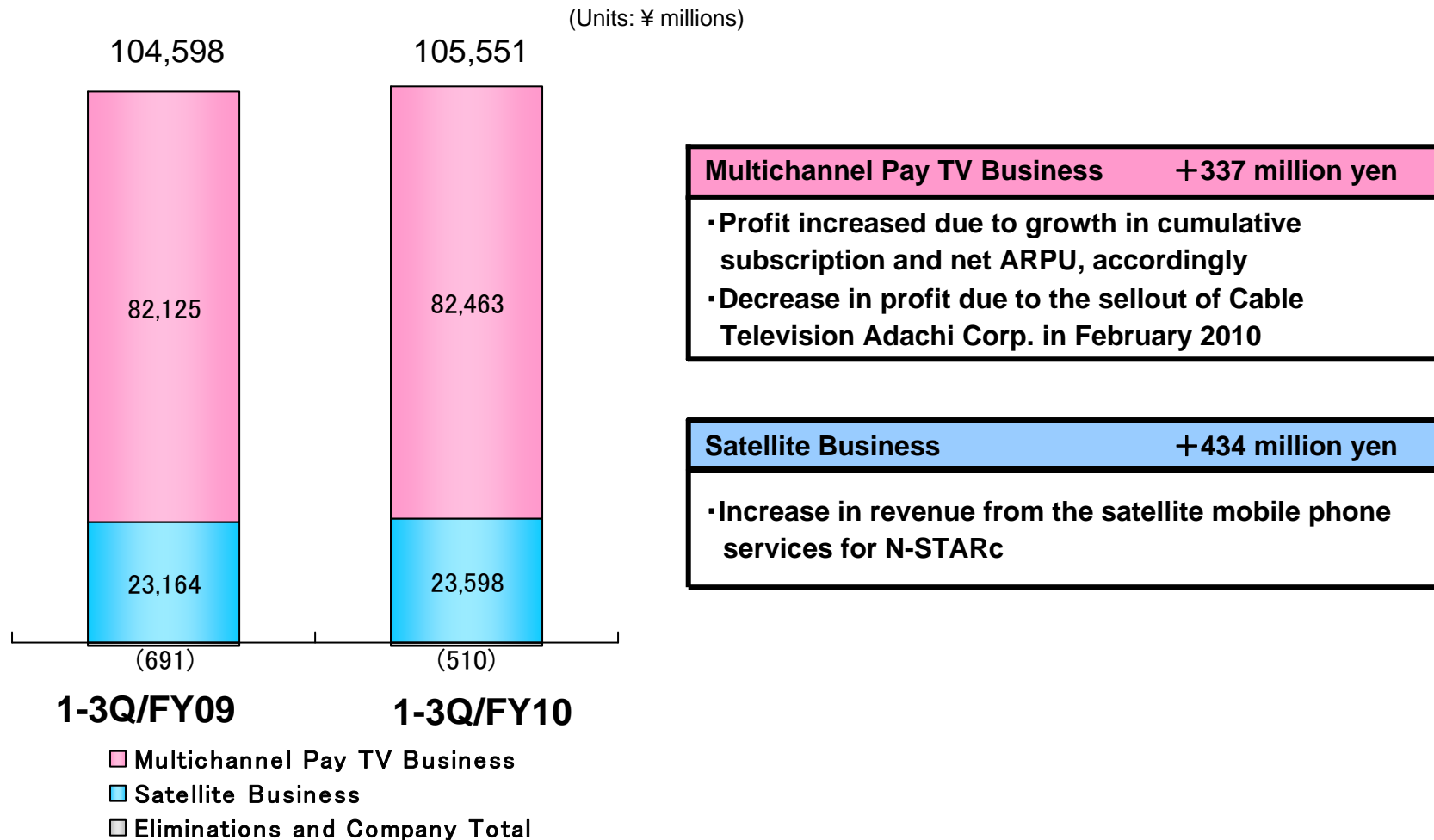
*3. SKY PerfecTV! HD subscription rate: Cumulative number of subscriptions of SKY PerfecTV! HD / (Cumulative number of subscriptions of SKY PerfecTV! SD + Cumulative number of subscriptions of SKY PerfecTV! HD)



Analysis of Consolidated Business Performance

Revenue

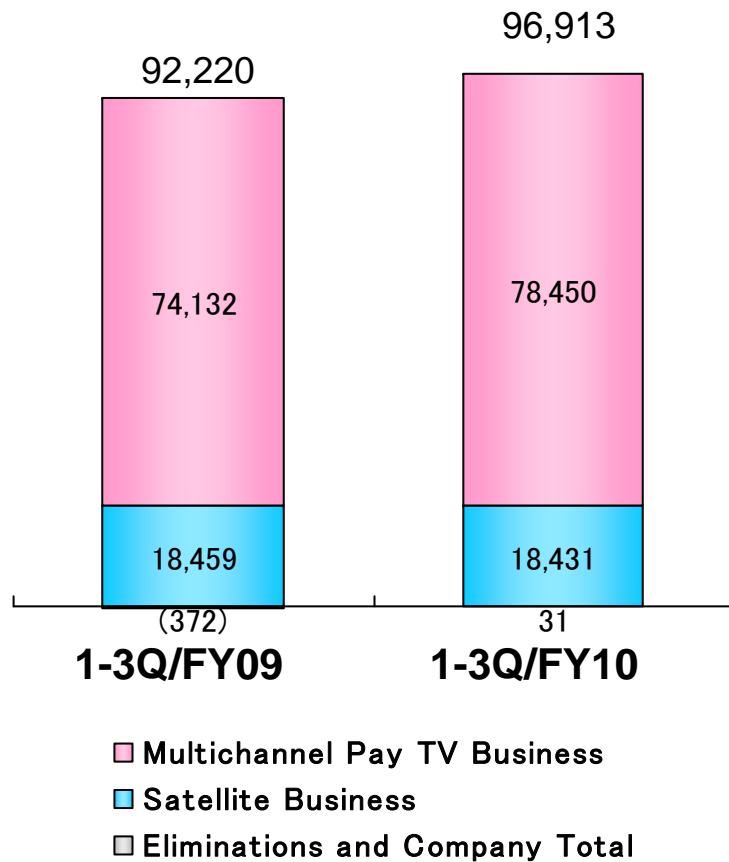
The increases in the cumulative number of subscribers and ARPU contributed.



Operating Expenses

Costs for increasing new subscribers and promoting the shift to High-Definition services increased.

(Units: ¥ millions)



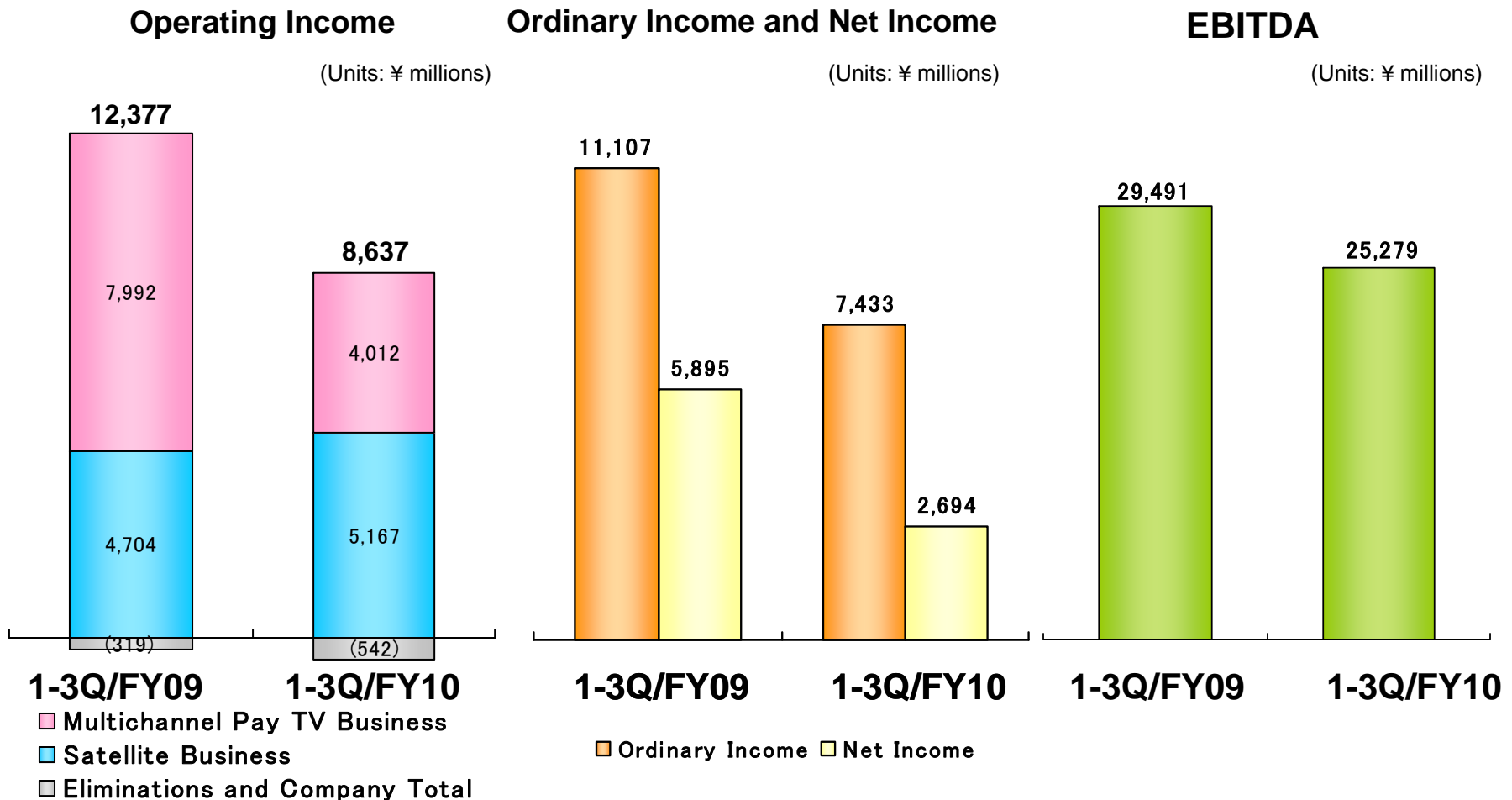
Multichannel Pay TV Business	+4,317 million yen
<ul style="list-style-type: none"> • Recording World Cup-related expenses • Increase in the expenses for shifting to High-Definition • Increase in depreciation cost of JCSAT-RA and High-Definition service equipment 	

Satellite Business	-28 million yen
<ul style="list-style-type: none"> • Increase in depreciation expenses of JCSAT-85 	

Depreciation Expense (Total)	+601 million yen
<ul style="list-style-type: none"> • Full-year contribution of JCSAT-RA launched in August 2009 • Full-year contribution of JCSAT-85 launched in December 2009 • Increase in depreciation expenses of facilities related to High-Definition services 	

Operating Income, Ordinary Income, Net Income and EBITDA

Income and EBITDA decreased due to the higher cost in the multichannel pay TV business



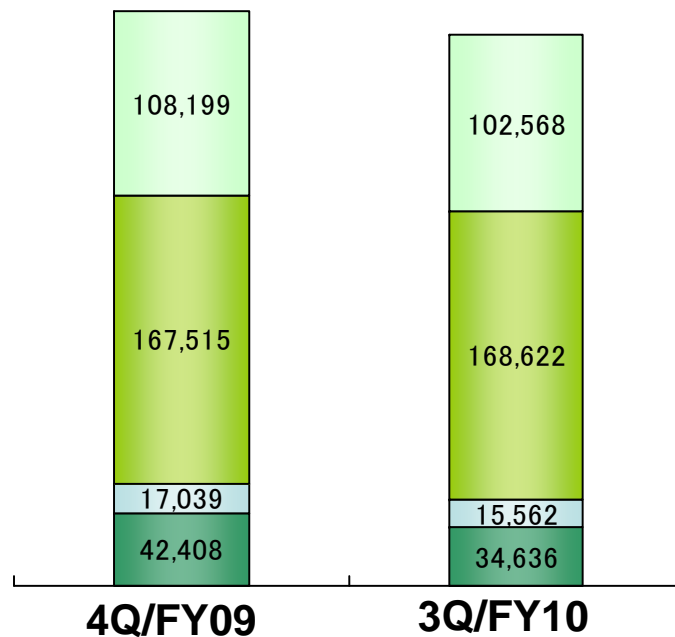
Balance Sheets

Stable financial basic maintained

Equity Ratio: 55.4%, Current Ratio: 226.7%

Assets

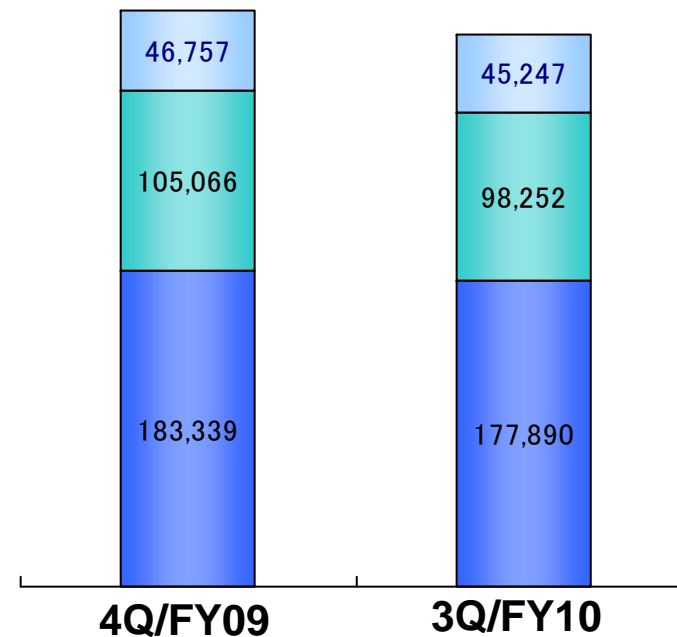
(Units: ¥ millions)



- Current Assets
- Property and Equipment Net
- Intangible Fixed Assets
- Investment and Others

Liabilities and Equity

(Units: ¥ millions)



- Current Liabilities
- Long-Term Liabilities
- Total Equity

Cash Flows

Healthy Cash Flows from Operating Activities

(Units: ¥ millions)

	1-3Q/FY2009	1-3Q/FY2010
Net Cash From Operating Activities	31,676	31,199
Net Cash From Investing Activities	(23,782)	(28,175)
Net Cash From Financing Activities	16,423	(15,819)
Total Fund at the End of Fiscal Year (A)	77,753	79,470
Term-end balance of debts and unsecured corporate bonds (B)	113,322	93,045
Net Debt at the End of Fiscal Year (B-A)	35,569	13,575
Capital Expenditures	26,036	16,454
Free Cash Flows	5,639	14,744

* 1 Free Cash Flows = (Cash Flows from Operating Activities) – (Capital Expenditures)

Operating Results of Major Subsidiaries

Subsidiary performed well

(Units: ¥ millions)

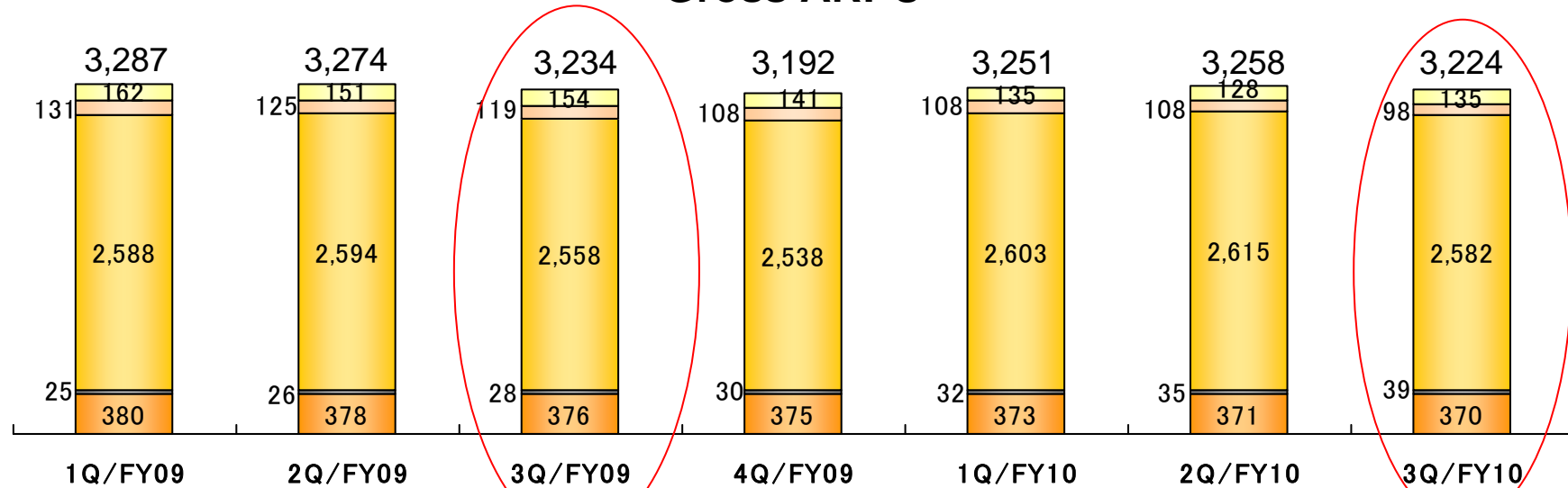
Company Name		SKY Perfect JSAT	SKY Perfect Customer-relations Corporation	SKY Perfect Broadcasting	OptiCast	Satellite Network	JSAT International Inc.
Major Area of Business		Broad-casting platform, Satellite Operation	Customer management	Broadcasting	Content distribution via FTTH	Satellite communications	Satellite communications
% of Equity Held by Holdings		100	100	100	100	92	100
Revenues	1-3Q/FY09	90,339	13,520	9,656	8,528	2,932	1,817
	1-3Q/FY10	91,313	13,148	17,359	6,933	3,392	1,679
Operating Income	1-3Q/FY09	13,368	193	(71)	(756)	270	554
	1-3Q/FY10	8,061	87	233	600	305	626
Ordinary Income	1-3Q/FY09	13,354	195	(70)	(818)	268	553
	1-3Q/FY10	7,464	94	234	545	287	631

Reference

ARPU

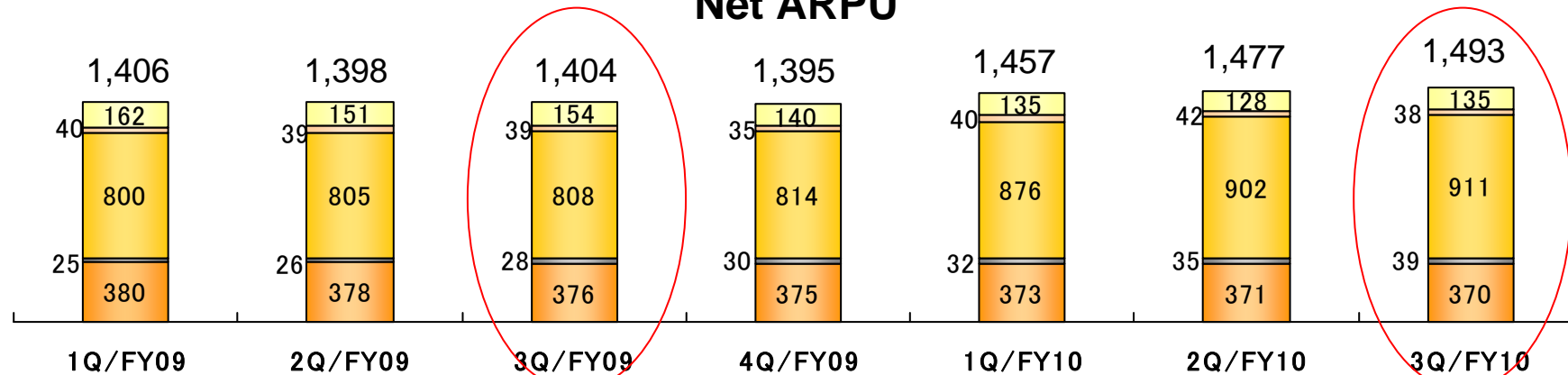
Gross ARPU

(Units: yen)



Net ARPU

(Units: yen)



■ Basic fee
 ■ Rental fee
 ■ Monthly subscription fee
 ■ PPV subscription fee
 ■ Revenues from SKY Perfect's own content

* ARPU is calculated while taking into account three SKY PerfectTV! services

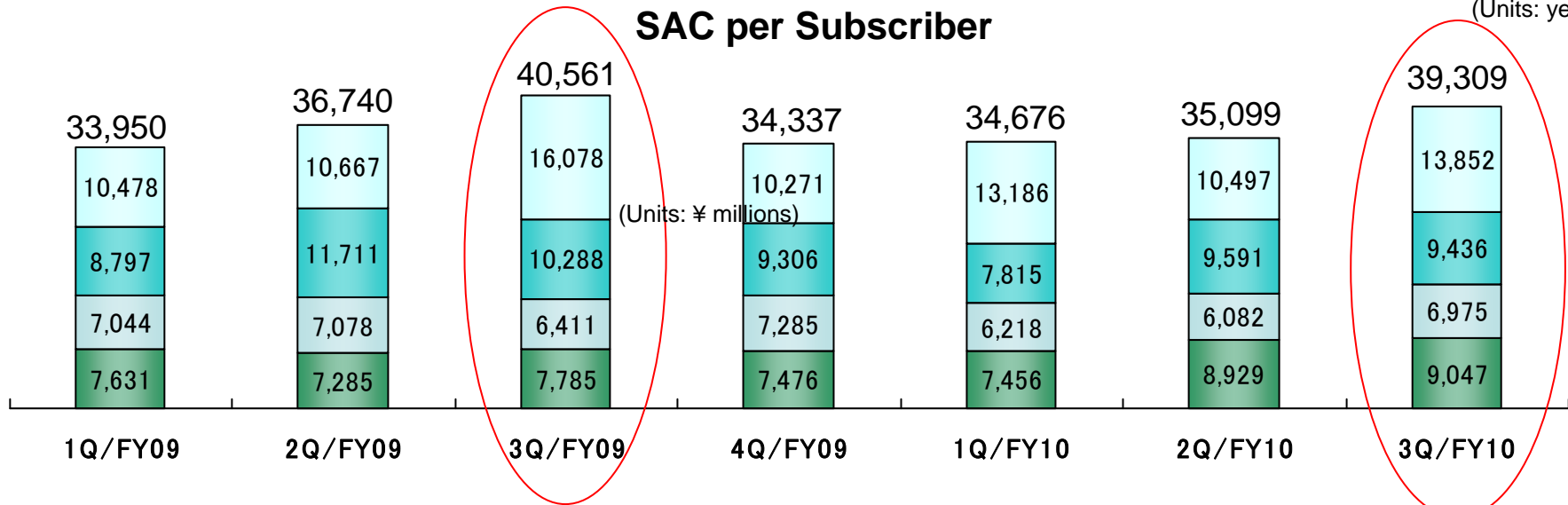
Gross ARPU: Conventional subscription fee-based unit price

Net ARPU: Sales-based unit price (unit price based on the subscription or commission fee, which contribute to sales)

SAC

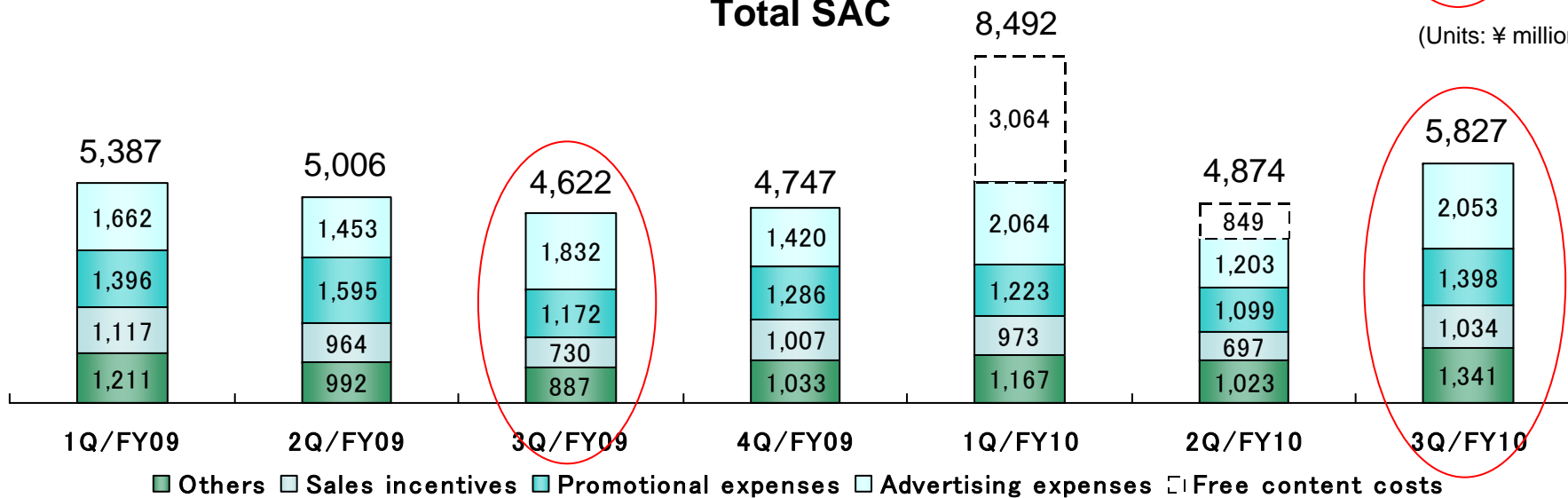
SAC per Subscriber

(Units: yen)



Total SAC

(Units: ¥ millions)

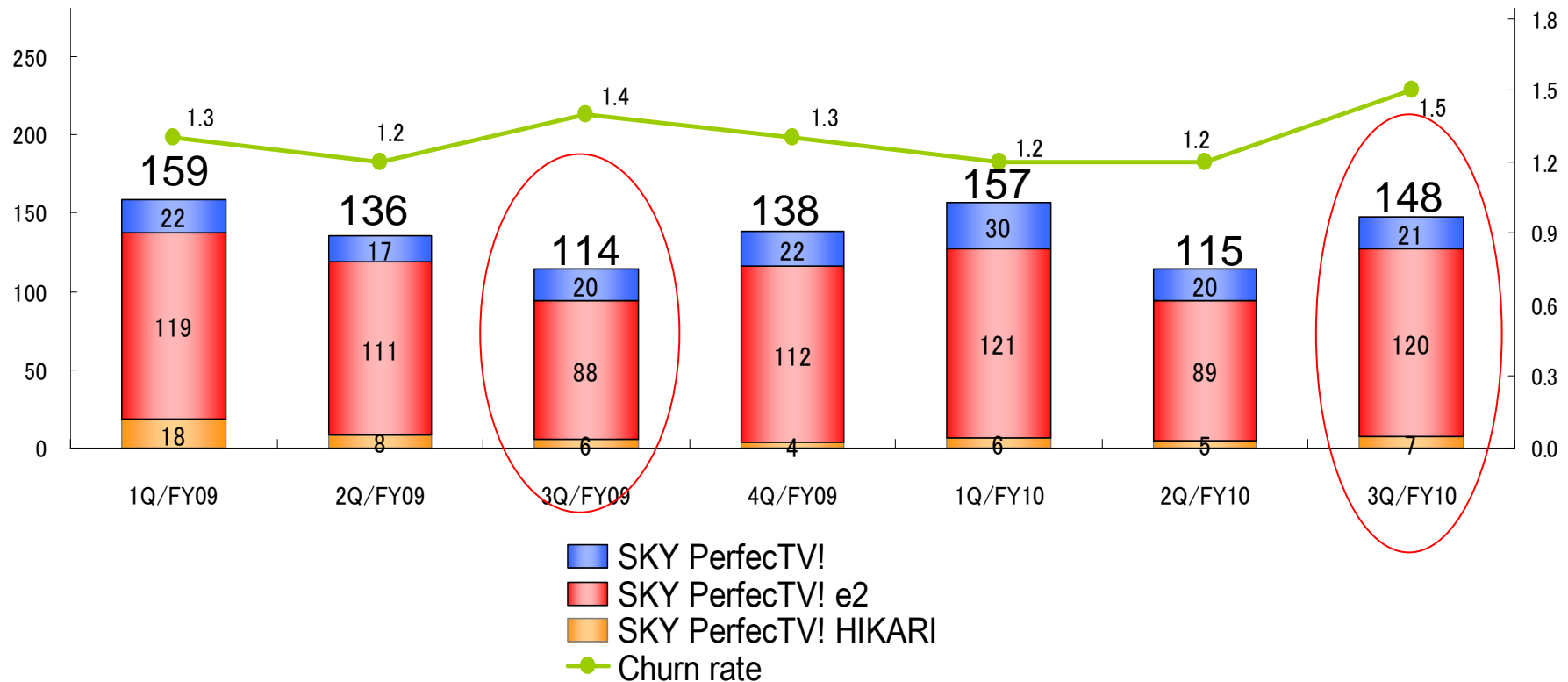


* Free content costs are broadcast rights fees, production costs, and promotional cost, etc. related to the World Cup.

Trends in Number of New Subscribers and Churn Rate

(Unit: thousand)

(Unit: %)



Measures To Be Addressed
~ Multichannel Pay TV Business ~

Thorough Expansion of SKY PerfectTV! e2



➤ Thoroughgoing campaigns for acquiring new subscribers

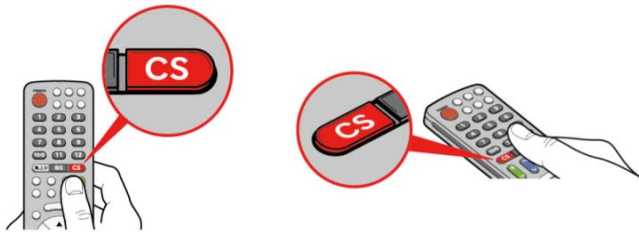
- **J-League Kick-off Campaign**
New subscribers (start subscription in February) can watch SKY PerfectTV! e2 free of charge for a month .
- **SKY PerfectTV! e2 Basic Package 1,000 Yen Discount Campaign**
1,000 yen discount for new subscribers
- **SKY PerfectTV! e2 After Buying TV Campaign**
5,000 yen discount, when subscribing just after buying a TV set, etc..
- **SKY PerfectTV! e2 Web Discount**
3,000 yen discount, when apply through our website

➤ Sales promotion of SKY PerfectTV! e2 Retransmission

To strengthen the cooperation with NTT East and West, and promote SKY PerfectTV! e2 Retransmission in collaboration with Flet's TV

To maximize SKY PerfectTV! e2 as digital TV is distributed to every household

➤ To clearly explain that “the e2 tuner has been installed in a TV set.”



➤ Enriched contents

- Intensive broadcasting of professional baseball games in 2011
- Broadcasting of all of J-League games in 2011
- Music concert of Hikaru Utada “Wild Life”
- Feature of SKY PerfectTV! Samurai Drama Festival



(C)J.LEAGUE PHOTOS

New projects for SKY PerfectTV! e2 focused on new BS



➤ Unified operation of new BS and e2



Platform management
as SKY PerfectTV! e2



➤ Newly approved BS channels

From the first period (from Oct. 2011),
we aim to complete the channel lineup of
SKY PerfectTV! e2.

Current BS broadcasting	New BS broadcasting	
	[1 st period] Scheduled to start in October, 2011 or later	[2 nd period] Scheduled to start in March, 2012 or later
12ch	11ch	7ch

Measures for new BS and new projects for e2

➤ To promote BS subscribers to
subscribe to e2

To enhance sales promotion, for example,
by developing original products targeted at
those who have only BS antennas

➤ Distinctive contents lineup for
SKY PerfectTV!

To develop 1ch, add original contents, and
propose a diversified lineup in cooperation
with broadcasters

Three SKY PerfectTV! services lead 3D broadcasting



➤ Sales promotion of SKY PerfectTV! HD in cooperation with TV manufactures

As the compatibility between SKY PerfectTV! HD and 3D TV is improving, we will promote the sales of packaged products, including Blu-ray disk recorders.



To offer the largest amount of 3D contents in Japan

➤ New 3D programs are scheduled to be started one after another.

- drama series **TOKYO Control**
- 2011 J1 3D Live broadcasting
- Beethoven is splendid!
Concert of all symphonies 2010
- May'n Acoustic Special Live Concert
- Princess' Super Illusion—Tenko and 3D
- The World Heritages 3D, etc.



TOKYO Control



May'n Acoustic Special Live Concert



Beethoven is splendid!
Concert of all symphonies 2010

➤ SKY PerfectTV! e2, too, will start 3D broadcasting.

Start in March 2011



Enhance services from the viewpoint of customers

➤ Promote discounts for multiple TV sets and re-subscription

<Discount for multiple TV sets>
From the second TV tuner, the registration and basic fees are free.
In addition, the subscription halves (for up to 3 tuners).

<Discount for re-subscription>
For the re-subscription within 1 year, the registration fee is free.

➤ To increase online customers

To start accepting the application for “charge-free trial” from mobile phones and PCs 24 hours a day

Friendly services from the viewpoint of customers

➤ Digitization of subscriber magazines

- Electronic magazines have been issued for SKY PerfectTV! HIKARI from last December.
- In addition to the iPhone and iPad, the Android version has been issued from January.



➤ To improve the services for long-term subscribers

- Anniversary service
Service for the customers who have subscribed for over 2 years

Measures to be Addressed
~ Satellite Business ~

Development in the stably profitable market

➤ Public Services Business Market

- To propose the piggyback satellite
- To increase new customers with the Esbird service, which secure communications at the time of disaster



➤ Mobile Business Market

- To offer the maritime broadband service, and promote the use for the communication among vessels
- Progress in collaboration with Inmarsat

Focus on ascendant Satellite Business Fields

➤ Global Business Market

- To increase orders in Asia, Middle East, and Russia
- To export the package of application software for disaster prevention and global observation to emerging countries that use satellites in Latin America, Africa, and Asia

➤ Space Business Market

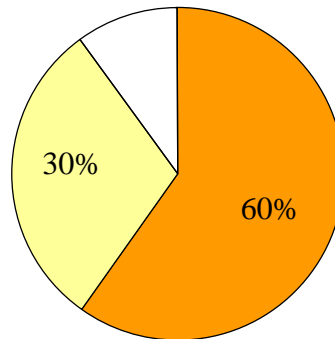
- To enter the space business using the public-private collaborative satellite
- To increase business opportunities by operation entrustment

Stable clients with long-term contracts

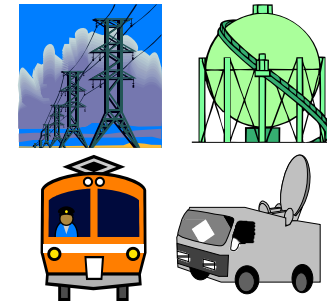
➤ Stable clients

• 90% of revenue from the satellite business comes from Japanese large corporations and public or government entities

- Revenue form Japanese corporations
- Revenue from public and government entities



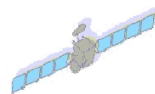
• Major Japanese corporate clients: electric power, gas, railway companies, television stations, and communications firms



Information infrastructure business that supports social infrastructure

➤ Basically, long-term contracts

• Average lifespan of satellites:
12-15 years



➤ Only satellite operating company in Japan

We exert our advantages in

Wide area

Multicasting

Disaster tolerance

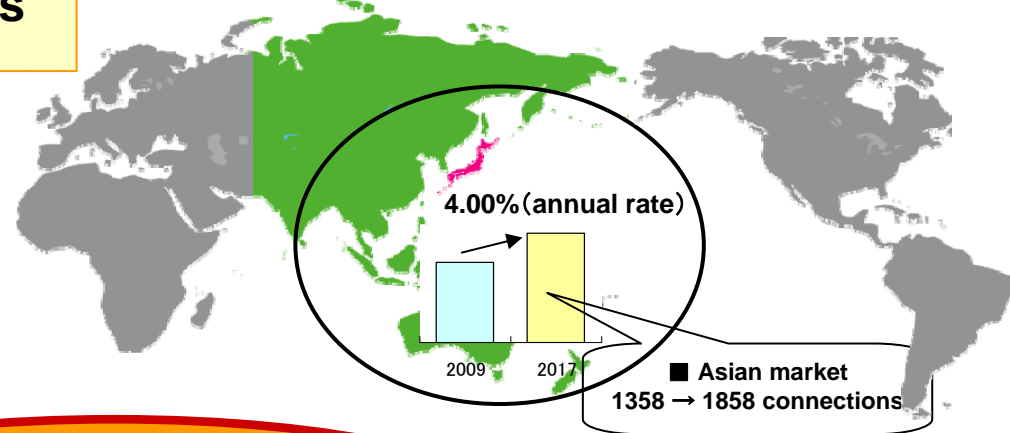
Promote global and mobile businesses

➤ Promotion of global business

The satellite market in Asia will grow steeply

- In addition to Intelsat in North America, we will cooperate with satellite business companies in Asia and Europe.

Forecast of the demand for satellite connections in Asia (2009→2017)



Source: SES, Wall Street Research

Cultivation of new fields, including global and mobile businesses

➤ Maritime broadband service

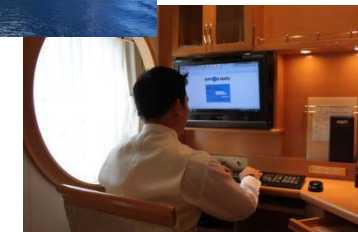
Full-scale introduction targeted at three Japanese leading merchant vessels

Realization of the global service area, including major channels around the world

<Examples>

- Passenger vessels (Nippon-maru and Fuji-maru)
- Under experiment, with bulk carriers, college training ships, container vessels, LNG carriers, and car carriers

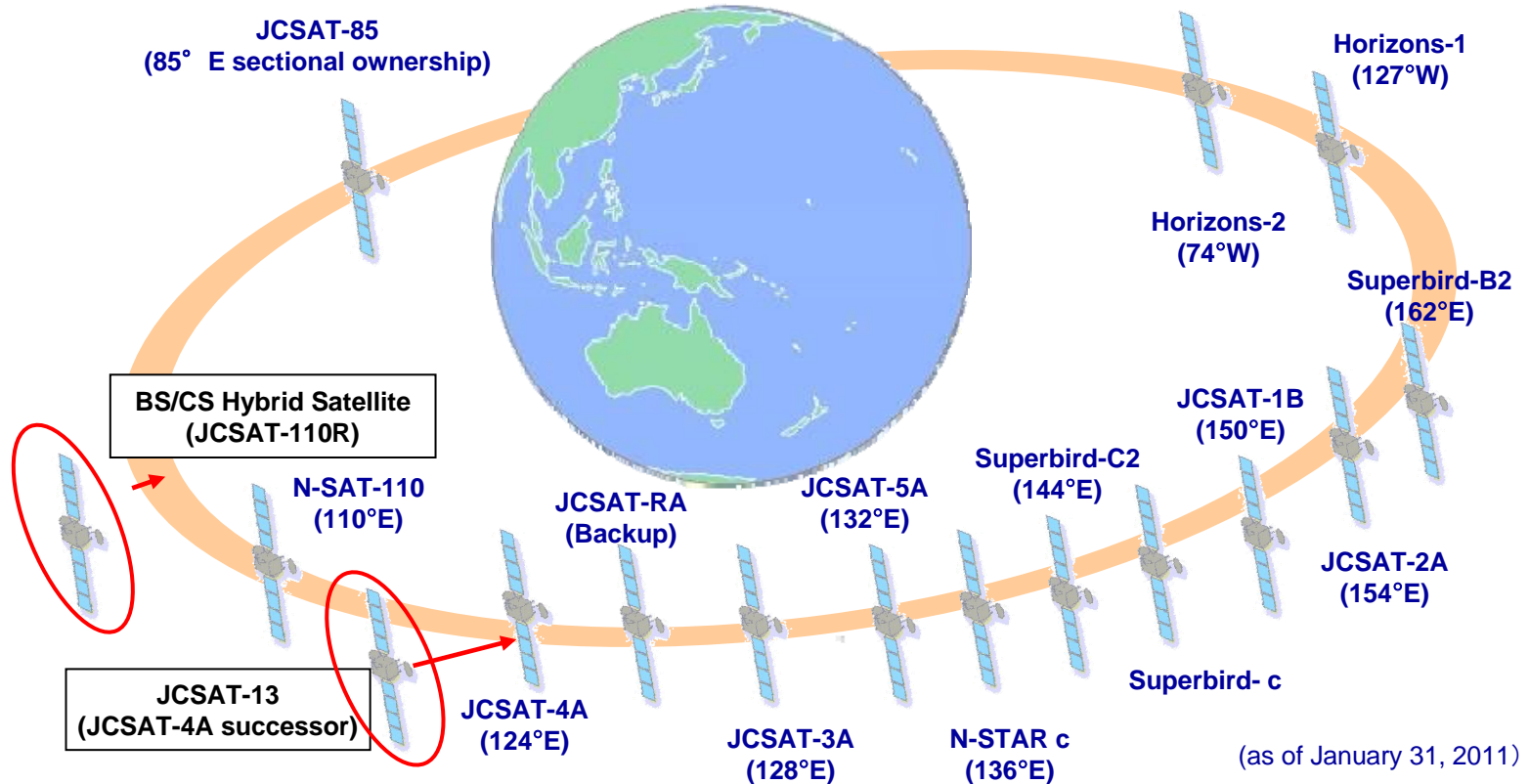
Nippon-maru



Using OceanBB in a ship

Satellite Fleet

14 satellites will cover Middle East, Asia, Oceania, and North America broadly



【 Satellite to be launched 】

■ BS/CS Hybrid Satellite

(JCSAT-110R CS110 Back Up Satellite)

<Launch Timing>

First Half 2011 (planned)

<Coverage Area>

Japan

<No. of Transponder >

Ku-band 12 + spare

■ JCSAT-13 (JCSAT-4A successor)

<Launch Timing>

2013 (planned)

<Coverage Area>

Japan, Asia, Middle East, Oceania

<No. of Transponder >

Ku-band 44



Performance Forecast for FY2010

For the year ending March 31, 2011

Performance Forecast for FY2010

(Units: ¥ millions)

	FY2009	FY2010 Forecast
Revenue	141,068	143,000
Operating Income	15,093	7,400
Ordinary Income	13,472	6,200
Net Income	14,223	2,000
Dividends per Share (¥)	1,200	1,200

(Units: thousands)

New Individual Subscribers	547	614
SKY PerfectTV!	81	103
SKY PerfectTV! e2	430	475
SKY PerfectTV! HIKARI	36	36
Net Increase	22	97
Churn Rate (%)	15.8%	15.6%
Individual Subscribers: at the End of Year	3,688	3,785

* Annualized Churn Rate = Total for 12 month of monthly churn rate

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