

Summary of Business Results for 2Q/FY2011

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; Representative Director, President: Shinji Takada) today announced the consolidated financial and operational results for 2Q/FY2011 (From Apr. 1, 2011 to Sep. 30, 2011).

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This material contains forward-looking statements based on SKY Perfect JSAT Holdings' own projections and estimates. The markets where SKY Perfect JSAT Holdings Inc. is active are extremely volatile, subject to rapid changes in technology, customer demands, economic conditions including prices, the potential failures of satellites and many other variables. Due to the risks and uncertainties involved, actual results may differ from the content of these statements. Therefore, these statements should not be interpreted as representations that such objectives will be fulfilled.

Summary of Business Results

I . Consolidated Financial Highlights

(Unit: Millions of Yen)

	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Revenues	35,171	35,346	35,032	36,299	141,850	37,911	39,144
Operating Income	1,045	4,153	3,439	4,865	13,503	5,916	5,653
Ordinary Income	463	3,721	3,248	4,961	12,394	5,663	5,321
Net Income (Loss)	(1,053)	1,912	1,835	1,727	4,421	3,420	3,041
Net Income (Loss) per Share	(313.15)	568.23	545.43	513.25	1,313.76	1,016.32	903.59
Total Equity per Share	52,498.68	52,908.84	52,806.30	53,452.19	53,452.19	53,921.48	54,896.07
EBITDA ¹	5,807	9,888	9,583	9,976	35,256	12,226	11,761
Simple EBITDA ²	7,230	10,133	9,353	10,824	37,542	11,954	11,864
Cash Dividend per Share	-	600	-	600	1,200	-	600

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

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

(Unit: Millions of Yen)

Main Cost of Sales Administrative Expense	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Advertisement Expenses	2,196	1,310	2,153	1,598	7,258	1,707	1,729
Promotion Expenses	4,447	2,113	1,991	1,790	10,343	1,530	452
Agency Commission	1,106	568	1,036	1,267	3,979	1,000	1,033

II . Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of Jun. 30, 2010	As of Sep. 30, 2010	As of Dec. 31, 2010	As of Mar. 31, 2011	Cumulative	As of Jun. 30, 2011	As of Sep. 30, 2011
Assets:							
Current assets	115,143	107,250	102,568	109,109	-	119,210	124,270
Fixed assets	223,580	220,315	218,821	212,969	-	210,950	208,012
Total Assets	338,724	327,565	321,390	322,078	-	330,161	332,283
Liabilities and Equity:							
Current liabilities	54,337	43,516	45,247	61,675	-	68,361	71,670
Long-term liabilities	107,526	105,810	98,252	80,338	-	80,185	75,716
Total Liabilities	161,864	149,326	143,499	142,013	-	148,547	147,387
Shareholders' equity	178,560	180,473	180,289	182,016	-	183,418	186,459
Valuation and translation adjustments	(1,875)	(2,407)	(2,568)	(2,122)	-	(1,944)	(1,705)
Stock acquisition rights	62	62	62	62	-	22	22
Minority interests	112	111	107	108	-	117	120
Total Equity	176,860	178,239	177,890	180,065	-	181,613	184,896
Total Liabilities and Equity	338,724	327,565	321,390	322,078	-	330,161	332,283

III. Segment Information ^{*3}

(Unit: Millions of Yen)

	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Revenues	35,171	35,346	35,032	36,299	141,850	37,911	39,144
Multichannel Pay TV Business	24,242	24,370	24,296	24,715	97,625	26,129	27,426
Space & Satellite Business ^{*4}	13,303	13,158	13,056	13,973	53,492	14,366	14,454
Eliminations and Corporate Total	(2,374)	(2,182)	(2,319)	(2,390)	(9,267)	(2,584)	(2,736)
Operating Income (Loss)	1,045	4,153	3,439	4,865	13,503	5,916	5,653
Multichannel Pay TV Business	(2,888)	452	(747)	246	(2,938)	968	532
Space & Satellite Business ^{*4}	4,118	3,884	4,361	4,761	17,125	5,118	5,240
Eliminations and Corporate Total	(184)	(183)	(174)	(141)	(683)	(170)	(119)
Depreciation Expense	6,185	5,980	5,914	5,968	24,048	6,037	6,210
Multichannel Pay TV Business	—	—	—	—	7,564	—	—
Space & Satellite Business ^{*4}	—	—	—	—	16,289	—	—
Eliminations and Corporate Total	—	—	—	—	195	—	—
Capital Expenditures	4,252	5,379	6,822	2,302	18,757	3,479	3,919
Multichannel Pay TV Business	—	—	—	—	2,768	—	—
Space & Satellite Business ^{*4}	—	—	—	—	15,883	—	—
Eliminations and Corporate Total	—	—	—	—	105	—	—

*3. New segments have been used since the year ending March 31, 2012. The figures for the year ended March 31, 2011 have been revised in accordance with the new segment standard and the figures after 3rd quarter hasn't been audited yet.

*4. The "satellite business" was renamed "space and satellite business" in the year ending March 2012.

IV. Cash Flows

(Unit: Millions of Yen)

	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Net Cash Provided by Operating Activities	15,669	6,728	8,801	7,757	38,956	17,909	8,321
Net Cash Used in Investing Activities	(8,249)	(6,841)	(13,084)	(420)	(28,595)	5,280	2,565
Purchases of Property and Equipment- Net	(5,318)	(4,885)	(6,986)	(1,355)	(18,546)	(4,555)	(1,502)
Net Cash Provided by (Used in) Financing Activities	(3,184)	(6,719)	(5,915)	(1,482)	(17,302)	(3,481)	(1,642)

V. Reference Data of Multichannel Pay TV Services

(Unit: Thousand)

Number of Subscribers and Churn Rate	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
New Subscribers	157	115	148	161	580	154	162
SKY PerfecTV!	30	20	21	21	93	19	19
SKY PerfecTV! e2	121	89	120	133	463	127	133
SKY PerfecTV! HIKARI	6	5	7	7	25	9	10
Number of Re-registered Subscribers	14	9	9	28	60	22	13
SKY PerfecTV!	4	3	3	4	14	4	3
SKY PerfecTV! e2	10	6	7	23	46	18	10
SKY PerfecTV! HIKARI	0	0	0	0	0	0	0
Churn	139	139	166	160	603	160	148
SKY PerfecTV!	88	82	88	93	352	92	82
SKY PerfecTV! e2	45	52	73	61	230	62	60
SKY PerfecTV! HIKARI	6	5	5	6	21	6	7
Net Increase	32	(15)	(9)	29	38	16	26
SKY PerfecTV!	(53)	(59)	(64)	(68)	(245)	(69)	(60)
SKY PerfecTV! e2	86	44	54	96	279	83	83
SKY PerfecTV! HIKARI	(0)	1	2	2	4	2	4
Total Subscribers	3,720	3,705	3,696	3,725	3,725	3,742	3,768
SKY PerfecTV!	2,402	2,343	2,279	2,211	2,211	2,142	2,082
(SKY PerfecTV! HD)	215	265	365	426	426	468	525
SKY PerfecTV! e2	1,212	1,255	1,309	1,404	1,404	1,487	1,570
SKY PerfecTV! HIKARI	106	106	108	110	110	112	116
Churn Rate(%)*5	1.2%	1.2%	1.5%	1.4%	16.3%	1.4%	1.3%
SKY PerfecTV!	1.2%	1.2%	1.3%	1.4%	15.0%	1.4%	1.3%
SKY PerfecTV! e2	1.3%	1.4%	1.9%	1.5%	18.4%	1.4%	1.3%
SKY PerfecTV! HIKARI	1.9%	1.4%	1.6%	1.7%	19.9%	1.8%	2.0%

*5. Quarterly Churn Rate = Average monthly churn rate for 3 months.

Annualized Churn Rate = Total for 12 months of monthly churn rate: churns during the current month/Total Subscribers at the end of the previous month.

SAC (3 Services Total)	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SAC per Subscriber (¥)	34,676	35,099	39,309	30,698	34,839	29,502	29,393
Advertisement expenses ⁶	13,186	10,497	13,852	7,703	11,304	10,287	9,932
Promotion expenses ⁷	7,815	9,591	9,436	7,310	8,440	6,067	6,252
Sales incentives	6,218	6,082	6,975	7,862	6,840	6,467	6,508
Others	7,456	8,929	9,047	7,824	8,255	6,681	6,702
SAC Total (¥ million)	8,492	4,874	5,827	4,942	24,137	4,553	4,765
Advertisement expenses ⁶	2,064	1,203	2,053	1,240	6,561	1,587	1,610
Promotion expenses ⁷	1,223	1,099	1,398	1,177	4,899	936	1,013
Sales incentives	973	697	1,034	1,265	3,970	998	1,055
Others	1,167	1,023	1,341	1,259	4,792	1,031	1,086
Free content costs ⁸	3,064	849	-	-	3,913	-	-

*6. Advertising expense does not include public relations expenses. Other includes SKY Perfect Customer-relations Corporation costs in addition to outsourcing fees

*7. As a result of the revision in accounting procedures, part of sales promotion expenses are excluded from SAC in the year ending March 2012

(Difference from the former standard: 2Q Unit price: -¥883, 2Q Total amount:- ¥143 million)

*8. Free content costs are broadcast rights fees, production costs, and promotional costs, etc. related to the 2010 FIFA World Cup SOUTH AFRICA

(Unit: Yen)

ARPU (3 Services Total) *9	For the year ended March 31, 2011					For the year ending March 31, 2012	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Gross ARPU	3,251	3,258	3,224	3,212	3,236	3,264	3,240
Revenues from own content	135	128	135	126	131	135	127
PPV Subscription fee	108	108	98	96	102	89	88
Monthly subscription fee	2,603	2,615	2,582	2,567	2,592	2,617	2,603
Rental fee	32	35	39	54	40	57	59
Basic fee	373	371	370	368	371	366	363
Net ARPU	1,457	1,477	1,493	1,529	1,489	1,586	1,659
Revenues from own content	135	128	135	126	131	135	127
PPV Subscription fee	40	42	38	36	39	37	37
Monthly subscription fee	876	902	911	944	908	991	1,073
Rental fee	32	35	39	54	40	57	59
Basic fee	373	371	370	368	371	366	363

*9. 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)

VI. Operating Results of Major Subsidiaries

(Unit: Millions of Yen)

		For the year ended March 31, 2011					For the year ending March 31, 2012	
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SKY Perfect JSAT Corporation	Revenue	30,988	30,298	30,027	30,457	121,770	31,448	31,271
	Operating Income	1,573	3,818	2,669	4,555	12,617	5,722	5,055
	Ordinary Income	1,370	3,594	2,499	4,559	12,023	5,675	5,083
SKY Perfect Customer-relations Corporation (Former DNCC)	Revenue	4,353	4,220	4,573	4,448	17,596	3,983	4,095
	Operating Income(loss)	(219)	(3)	310	210	297	(61)	126
	Ordinary Income(loss)	(218)	1	311	221	315	(60)	129
SKY Perfect Broadcasting Corporation	Revenue	5,466	5,787	6,105	6,028	23,388	6,950	8,368
	Operating Income(loss)	(238)	416	55	25	259	(16)	136
	Ordinary Income(loss)	(236)	416	54	25	260	(15)	137
OptiCast Inc.	Revenue	2,273	2,269	2,390	2,421	9,355	2,543	2,705
	Operating Income	119	225	255	219	819	222	334
	Ordinary Income	102	202	240	189	734	203	316
Satellite Network, Inc.	Revenue	939	994	1,459	1,626	5,019	1,821	1,800
	Operating Income	61	69	174	122	427	208	133
	Ordinary Income	58	66	162	109	396	188	115
JSAT International Inc.	Revenue	581	537	561	504	2,183	541	543
	Operating Income	222	184	219	195	822	230	240
	Ordinary Income	224	186	219	194	825	230	240
SKY Perfect JSAT Holdings Inc.	Revenue	-	-	-	4,994	4,994	-	-
	Operating Income(loss)	(238)	(234)	(226)	4,803	4,104	(229)	(200)
	Ordinary Income(loss)	(240)	(213)	(221)	4,804	4,128	(220)	(199)

VI. Performance Forecasts

(Unit: Millions of Yen)

Consolidated Performance Forecast	For the year ending March 31, 2012			
	Revenues	Operating Income	Ordinary Income	Net Income
Full Year	152,000	15,500	14,500	8,000

(Unit: Yen)

Dividends Forecast per Share	For the year ending March 31, 2012
Interim	600.00
Year-End	600.00
Total	1,200.00