

SKY Perfect JSAT Group
Earning Results Briefing of 3Q/FY2011

February 9, 2012
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.

Consolidated Business Performance Highlights

Operating Results Summary of 3Q/FY2011

The trend of the increases in sales and profit continued in the 3Q/FY2011

Consolidated (Units: ¥ millions)

	1-3Q/FY2010	1-3Q/FY2011	Comparison to 1-3Q/FY2010	Full Year Forecast of FY2011	vs. Full Year Forecast of FY2011
Revenues	105,551	115,904	+9.8%	152,000	76.3%
Operating Income	8,637	14,763	+70.9%	15,500	95.3%
Ordinary Income	7,433	13,984	+88.1%	14,500	96.4%
Net Income	2,694	7,012	+160.3%	8,000	87.7%
EBITDA^{*1}	25,279	33,247	+31.5%	—	—

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

Indicators for Multichannel Pay TV Business

The number of new subscriptions to the 3 services was over 500,000, a record high.

(Units: thousand)

		1-3Q/FY2010	1-3Q/FY2011	Full Year FY2010	Full year Forecast of FY2011
Number of New Subscribers		419	504	580	608
Net Increase in Subscribers		8	49	38	53
Number of Cumulative Subscribers		3,696	3,775	3,725	3,778
ARPU *1	Gross ARPU (units: yen)	3,244	3,244	3,236	—
	Net ARPU (units: yen)	1,476	1,644	1,489	—
SAC (units: yen) *1 *2		35,312	29,509	33,806	—
SKY PerfecTV! HD Subscribers Rate *3		16.0%	28.1%	19.2%	—

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

Gross ARPU: Conventional subscribers fee-based unit price

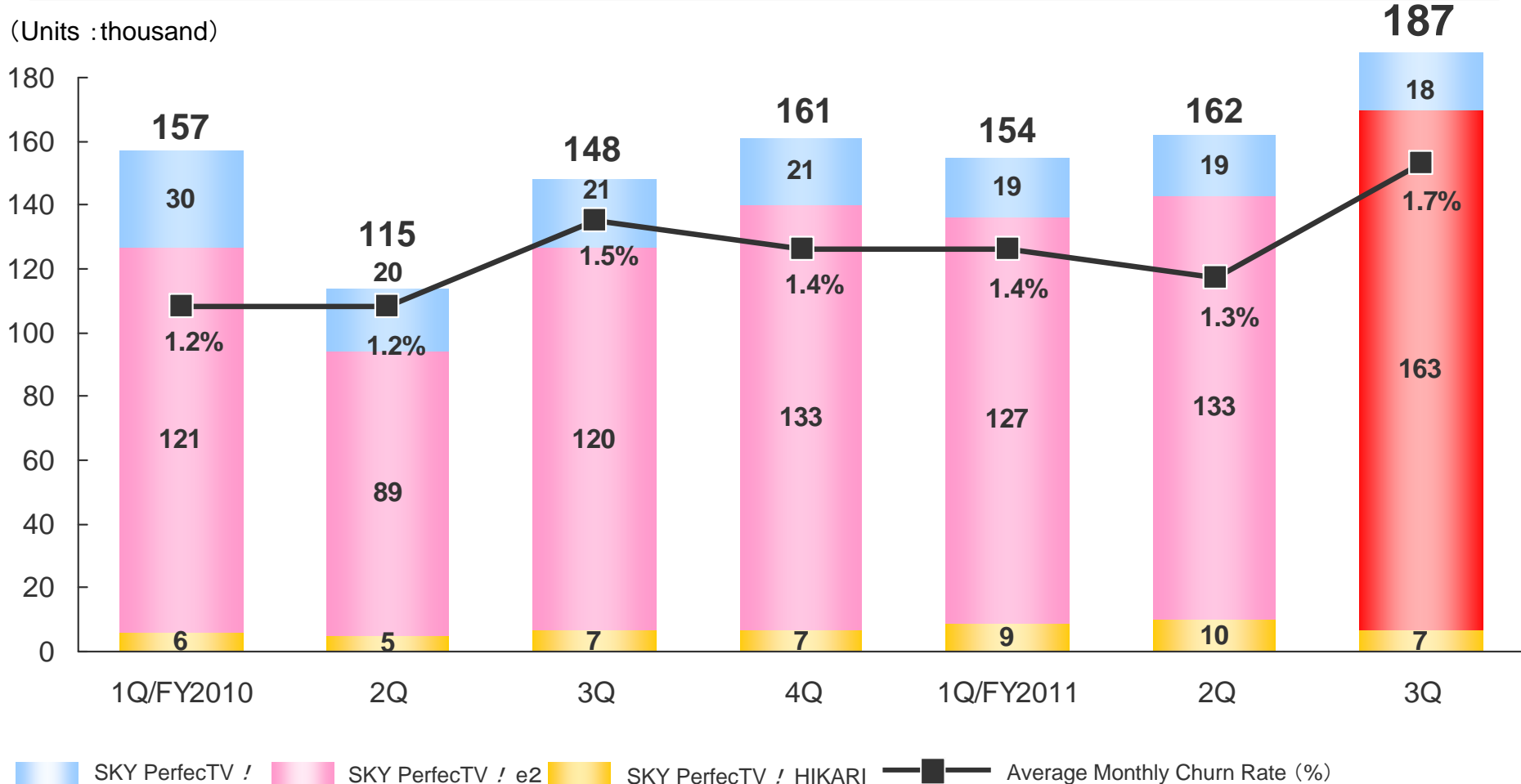
Net ARPU: Sales-based unit price (unit price based on the subscription or commission fee, which contribute to sales)

*2. Since accounting procedures have been revised, part of sales promotion expenses are excluded from SAC from the previous quarter.

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

Trends in Number of New Subscribers and Churn Rate (Quarterly)

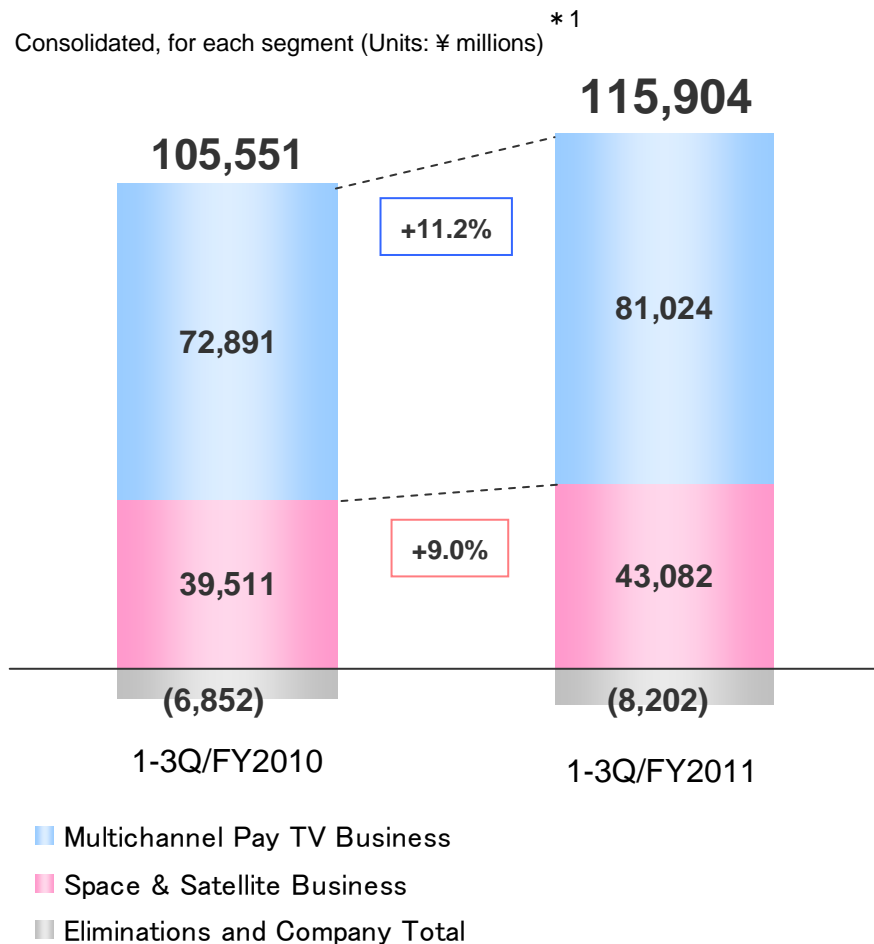
As the new BS broadcasting started, the number of new subscriptions to SKY PerfectTV! e2 increased.



Analysis of Consolidated Business Performance

Revenues (Increase/decrease factors in revenue by segment)

The increased income from subscription fees and the use of satellites after the earthquake disaster contributed to our revenue.



* 1 The value in each segment was calculated with the new method.
(The values for fiscal 2010, too, were revised.)

(Units: ¥ millions)

Multichannel Pay TV Business : +8,100

transactions among segments + including 200 million yen

(Main causes)

- Increase in the income from subscription fees
(HD +7,600, others +900) +8,500
- Increase in the income from STB Rental Fee + 800
- Decrease in the income from SD commission fees
(SD -4,000, e2 +1,700) -2,300

Space & Satellite Business : +3,600

transactions among segments + including 1,200 million yen

(Main causes)

- Increase in revenue from the satellite business for coping with earthquakes and BCP +2,100
- Increase in the income from the transponder usage fee in proportion to SKY PerfectTV! e2 subscribers +1,000

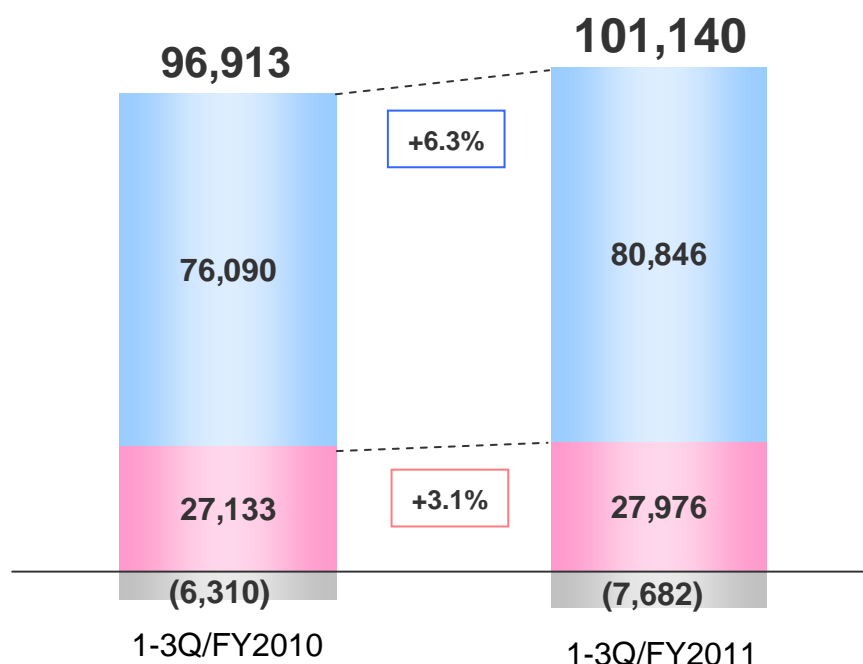
• Note: In addition, eliminations/corporate decreased by 1.3 billion yen from the same period of the previous year

Operating Expenses (Increase/decrease factors in revenue by segment)

As SKY PerfectTV! HD expanded, the cost for purchasing HD programs increased.

(Units: ¥ millions)

Consolidated, for each segment (Units: ¥ millions) * 1



- Multichannel Pay TV Business
- Space & Satellite Business
- Eliminations and Company Total

* 1 The value in each segment was calculated with the new method.
(The values for fiscal 2010, too, were revised.)

Multichannel Pay TV Business : +4,800	
transactions among segments + including 1,200 million yen	
(Main causes)	
· Decrease in cost for the broadcasting right of the World Cup	-3,700
· Increase in expense for purchasing programs (HD+4,500, e2 +800)	+5,400
· Cost for the new BS broadcasting	+1,300
· Increase of transactions among segments, etc.	+1,200

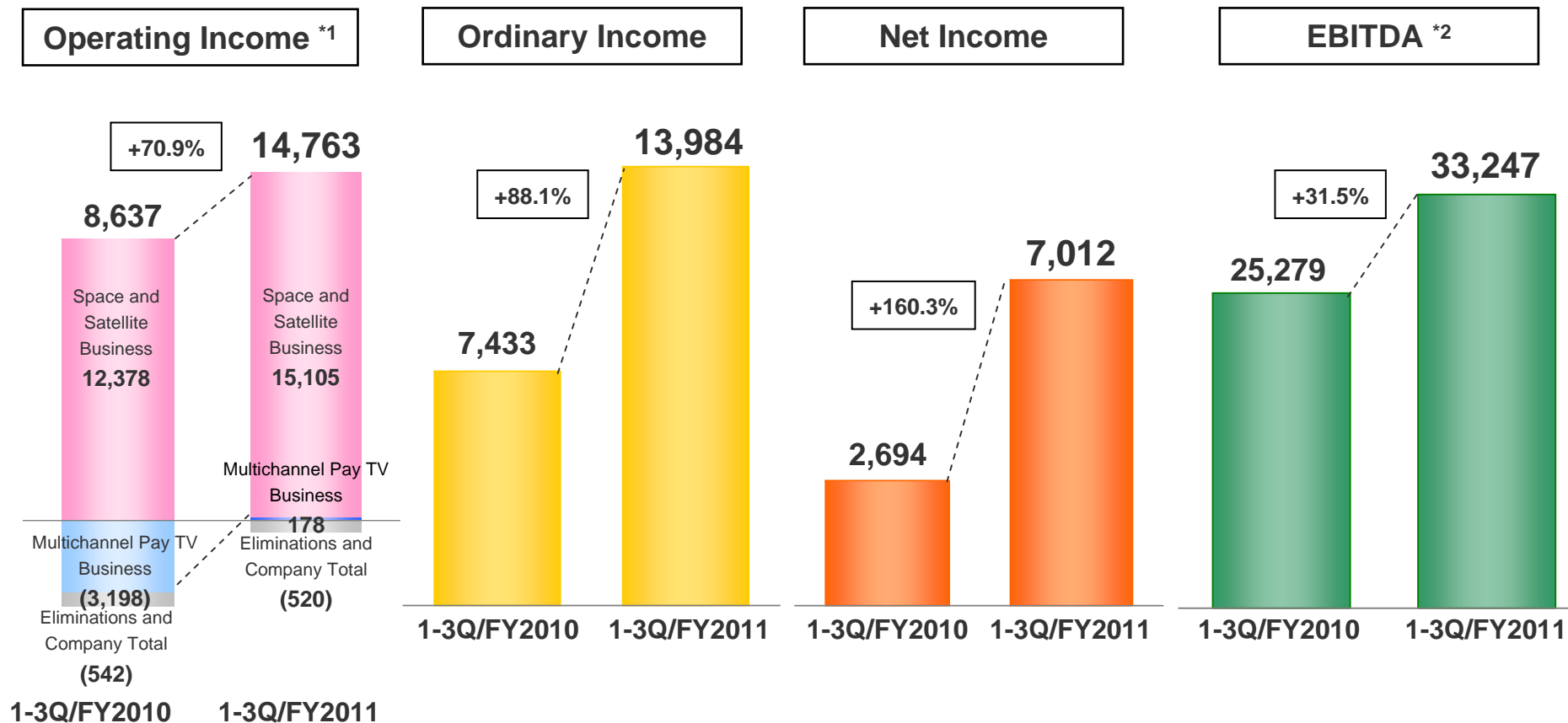
Space & Satellite Business : +800	
transactions among segments + including 200 million yen	
(Main causes)	
· Increase in cost for sale	+500
· Increase in depreciation	+300

Note: Other than above, eliminations/corporate decreased by 1.4 billion yen from the same period of the previous year

Profit Performances

Trend of growing revenues
in both business realized profit increases

Consolidated (Units: ¥ millions)



*1 The value in each segment was calculated with the new method. (The values for fiscal 2010, too, were revised.)

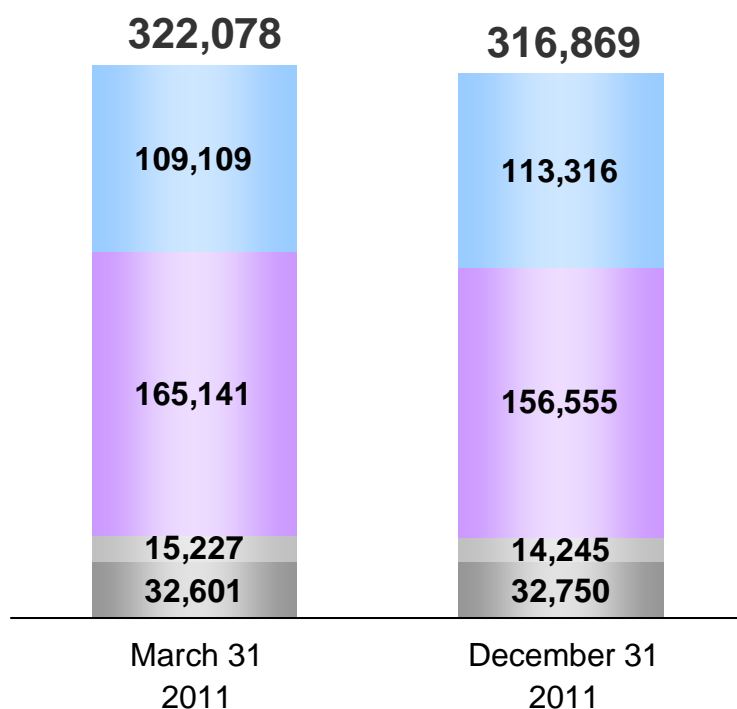
*2 EBITDA = Net Income + Tax Expense + Depreciation Expense + Interest Expense

Balance Sheets

As liabilities decreased, our financial base was stabilized.
(Equity Ratio : 57.7%)

Consolidated (Units: ¥ millions)

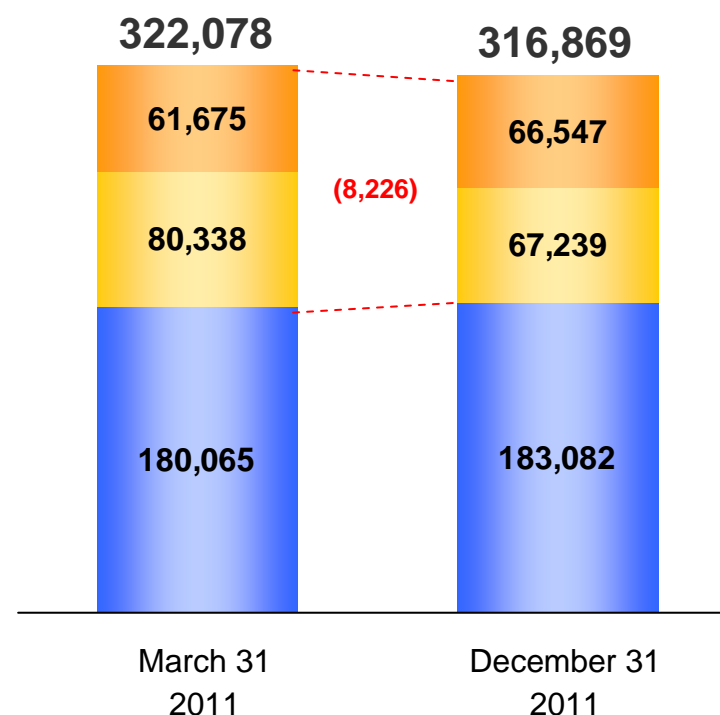
Assets



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

Consolidated (Units: ¥ millions)

Liabilities and Equity



- Current Liabilities
- Long-Term Liabilities
- Total Equity

Cash Flows

Net cash from operating activities is strong.
The term-end balance of net interest-bearing debts decreased.

Consolidated (Units: ¥ millions)

	1-3Q/FY2010	FY2010	1-3Q/FY2011
Net Cash from Operating Activities	31,199	38,956	32,299
Net Cash from Investing Activities	(28,175)	(28,595)	1,933
Net Cash from Financing Activities	(15,819)	(17,302)	(12,547)
Cash and Cash Equivalents at the End of Fiscal Year (A)	53,726	59,499	81,090
Term-end balance of interest-bearing debt*¹ (B)	93,045	91,692	84,232
Term-end balance of net interest-bearing debt (B) – (A)	39,319	32,192	3,142
Capital Expenditures	16,454	18,757	8,861
Free Cash Flows *²	14,744	20,199	23,438

*1 Term-end balance of debts and unsecured corporate bonds

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

Operating Results of Major Subsidiaries

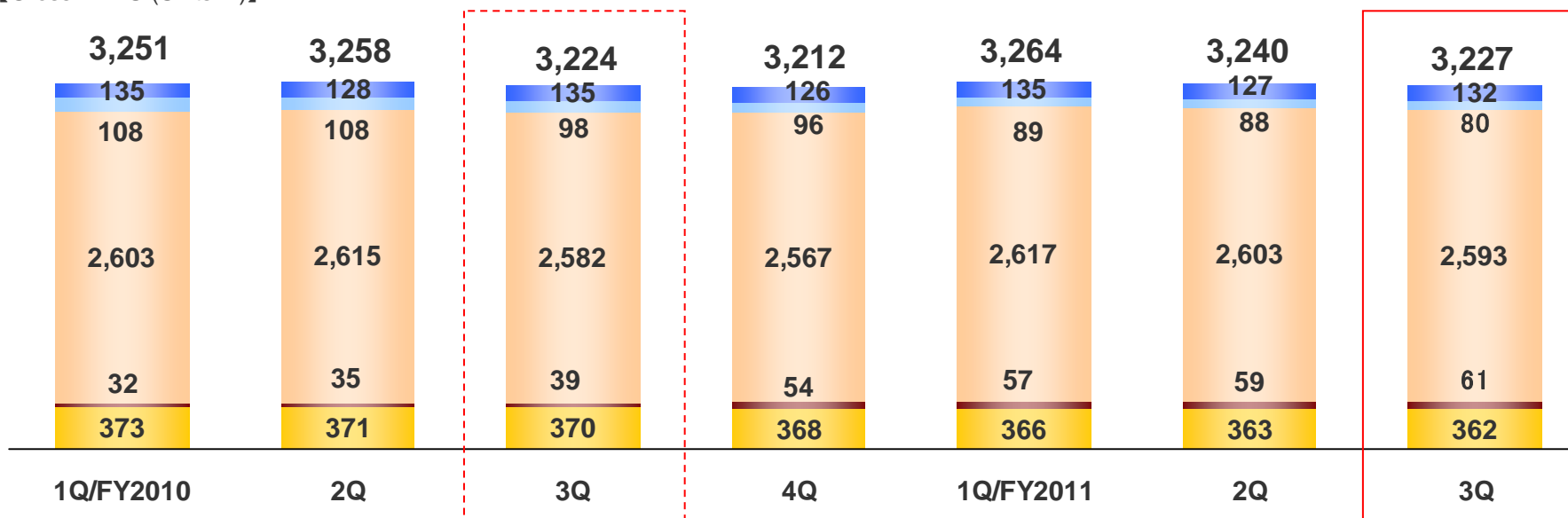
Stable performance of subsidiaries continues

(Units: ¥ millions)

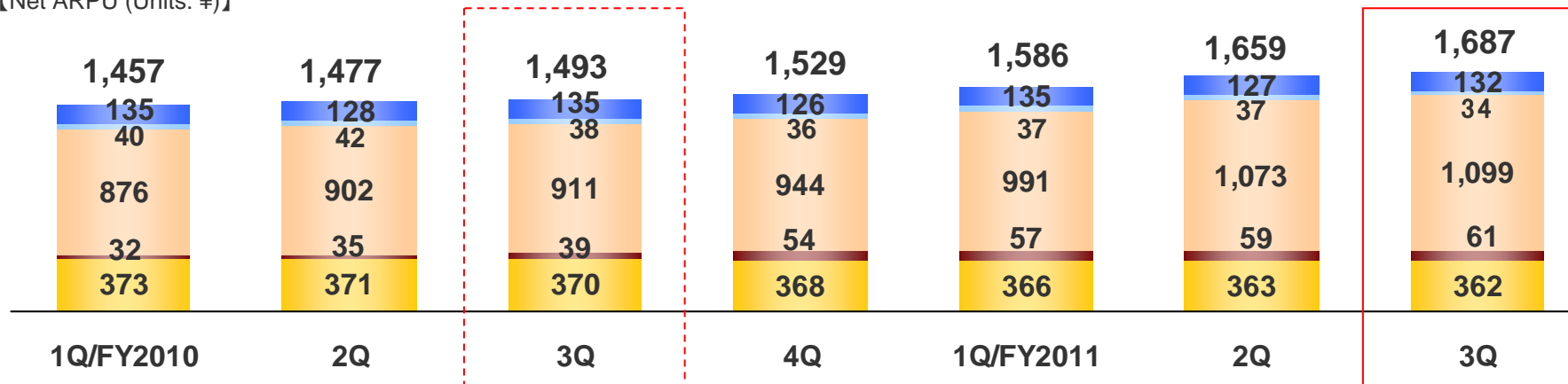
		SKY Perfect JSAT	SKY Perfect Customer-relations	SKY Perfect Broadcasting	OptiCast	Satellite Network	JSAT International Inc.
Major Area of Business		Broad-casting platform, Satellite Operation	Customer management	Broadcasting	Content distribution via FTTH	Satellite communications	Satellite communications
% of Equity held by Holdings		100	100	100	100	92	100
Revenues	1-3Q/FY10	91,313	13,148	17,359	6,933	3,392	1,679
	1-3Q/FY11	93,654	12,298	24,509	8,012	5,305	1,573
Operating Income	1-3Q/FY10	8,061	87	233	600	305	626
	1-3Q/FY11	13,300	327	262	901	450	669
Ordinary Income	1-3Q/FY10	7,464	94	234	545	287	631
	1-3Q/FY11	13,333	332	266	849	395	669

ARPU

【Gross ARPU (Units: ¥)】



【Net ARPU (Units: ¥)】



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

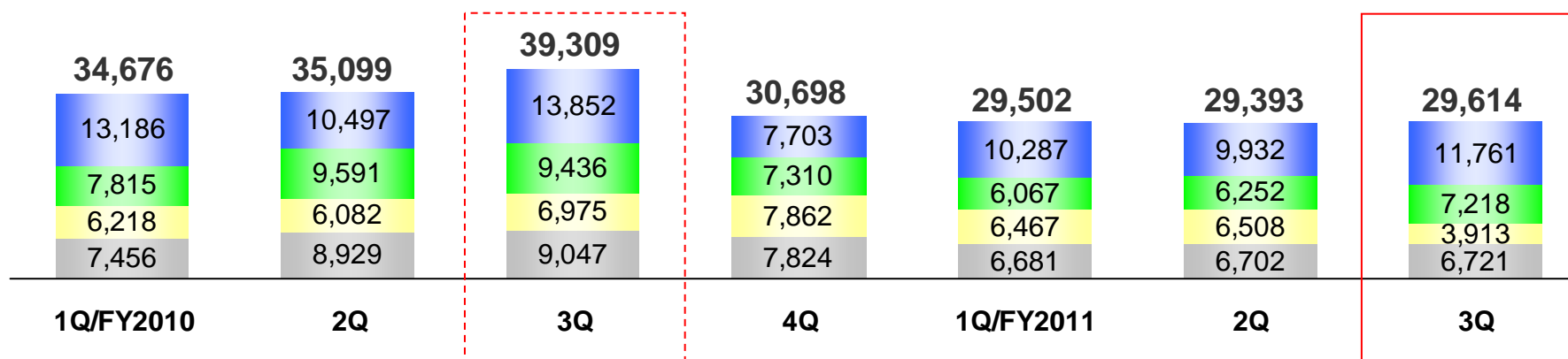
*1 ARPU is calculated while taking into account three SKY PerfectTV! services

Gross ARPU: Conventional subscription fee-based unit price

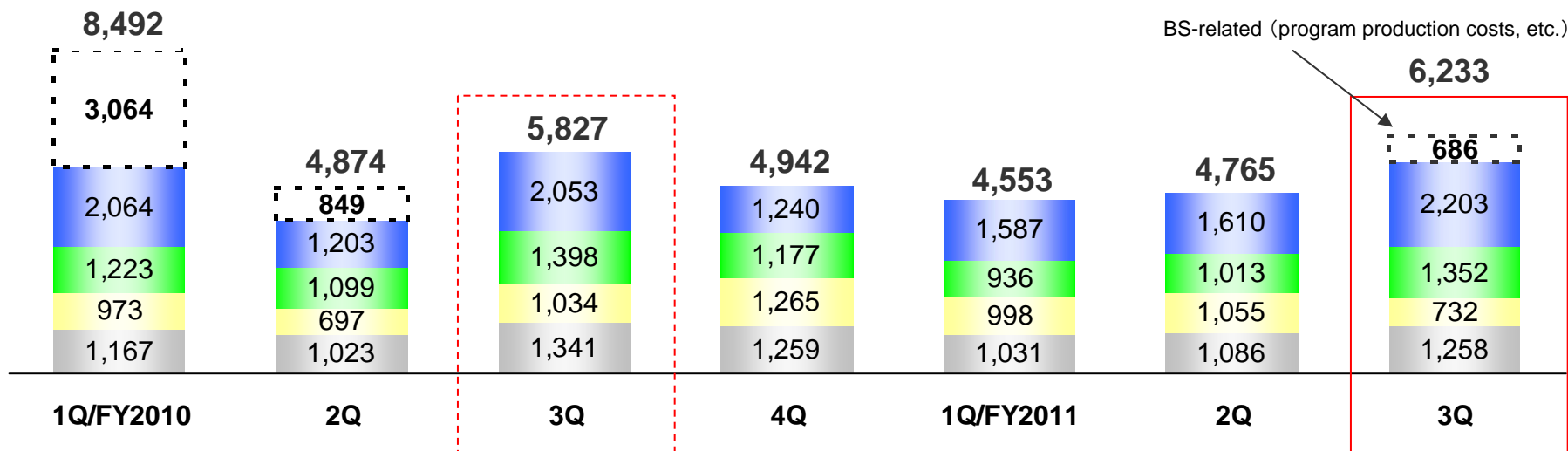
Net ARPU: Revenue-based unit price (unit price based on the subscription fee or commission fee, which contribute to sales)

SAC

【SAC unit (Units: ¥)】*1



【SAC total (Units: ¥ millions)】*2



■ Others ■ Sales incentives ■ Promotional expenses ■ Advertising expenses ■ Free content costs *2

*1 Total of 3 services of SKY PerfectTV! (SAC unit is excluding free content costs)

*2 The costs for charge-free contents of SAC total include the costs for the related to World Cup in FY2010 and the costs for BS program production, etc. in 3Q/FY2011.

*3 Since accounting procedures were revised, part of sales promotion cost was excluded from SAC from the first quarter of this year.

Measures To Be Addressed
~ Multichannel Pay TV Business ~

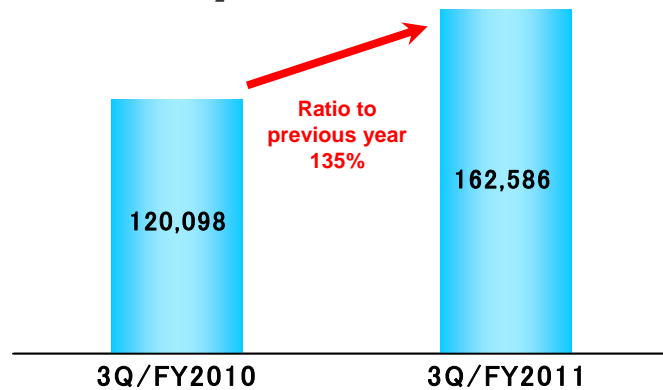
Situation after the new BS was launched

SKY PerfecTV! e2 performed well

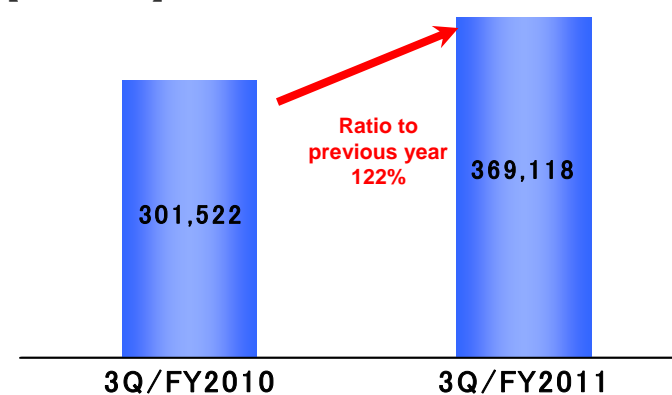
- On a single month basis, both the number of “new subscribers” and “free trials” of SKY PerfecTV! e2 for October were record-high.
- On quarter basis, new subscribers increased by 30% from the previous year.

Performance of SKY PerfecTV! e2 for 3Q/FY2011
compared with the previous year

【New subscribers】



【Free trials】



Start of the second phase of the new BS broadcasting and corresponding measures

6 new BS pay channels will start in March 2012.

• In parallel with the start of the second phase of the new BS, we will implement the 11-day free viewing campaign from March, to expand e2 further.

		From Oct. 2011 (First phase of new BS)	From Mar. 2012 (Second phase of new BS)
Old analog band <small>*Viewable with an antenna that can receive BS signals</small>	Charge-free		
	Paid		
Extended band <small>*Viewable with an antenna that can receive BS and CS signals</small>	Charge-free		
	Paid		
		24ch (including 12 new ch)	31ch (including 7 new ch*)

<Second phase of new BS >

New channels of SKY PerfectTV! e2 *excluding free channels

	J sports 3
	J sports 4
	BS JAPANESE MOVIE CHANNEL
	IMAGICA BS
	BSTsuri Vision
	Disney channel

* Paid: 6ch, Charge-free: 1ch

Acceleration of the shift to HD

Multifaceted measures for the shift to HD

- We will accelerate the shift to HD, for example, by having special sales of HD tuners to subscribers with high ARPU.
- We will implement the antenna campaign and the campaign for those who purchased 4-signal blue-ray disk recorders.

Measure for the shift to HD targeted at existing subscribers



Antenna campaign



Campaign targeted at those who purchased 4-signal BD recorders



To improve contents

Development of contents leveraging the merits of the platform

- With the new BS channel “BS SKY PerfectTV!” at the core, we will collect the contents demanded by viewers.
- Promote up-selling through the shift of subscribers to their favorite services, such as shift from BS SKY PerfectTV! to the 3 services of SKY PerfectTV!.

BS SKY PerfectTV! Spring Festival of Special Programs 2012

BS6チャンネル開局記念 BSスカパー!



スカパー!の楽しさをもっと²みんなに。



BS SKY PerfectTV! × IMAGICA BS
「PAN AM」



Commemorating the debut of BS Tsuru
Vision; London boots Ryo @ Audacious
program jacking



Commemorating the debut of BS JAPANESE
MOVIE CHANNEL; Kousuke Kindaichi Series
“Yatsuhakamura”

Opening of the 2012 season of J-League

We will broadcast all games of J1 and J2 Leagues. Live broadcasting of all games from the opening game to the semifinal of the Nabisco Cup. As for the Emperor's Cup, major games are to be broadcasted.



* We have obtained the right to broadcast the games from 2012 to 2016.

We will broadcast the baseball games of Central and Pacific Leagues Thoroughly.



Full-scale start of VOD and increase of compatible hardware

Multi-device expansion of SKY PerfectTV! On-Demand

•We will start distributing programs for TV in addition to PCs and smartphones on February 1.

methods of viewing for TV services

Via a SKY PerfectTV! HD tuner

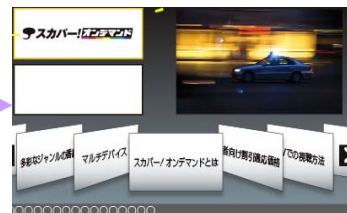


Select one

EPG

Convenience function

Menu page



To the top page of the TV services of SKY PerfectTV!



Via digital TV (for T's TV)



Live J-League games “anytime, anywhere”

With “Resume” and “Time Shifted Play ,” it is possible to watch J-League games “anytime, anywhere.”

Campaign for live J-League anywhere

お手持ちのスカパー! HDチューナーで見たい番組を
「いつでも・どこでも・何度でも!」

どこでもJリーグLIVEキャンペーン

キャンペーン期間: Jリーグ2012年シーズン(2012年3月1日~2012年12月31日ご契約分)

スマートフォン、タブレット、パソコンで
J1・J2リーグ戦のライブ中継などを見られる!

キャンペーン対象のJリーグ系セット契約者は **0円**/月

In living room



Outside the home



Smartphones



Tablet PC

In private room



PC

*for only PC and Android

Measures to be Addressed
~Space & Satellite Business~

BCP measures for the next term

To respond to the reviews of business continuity plans (BCPs) by governmental offices and firms

FY 2011:

Support for the recovery and restoration from the Great East Japan Earthquake

It is expected to end in FY 2011.

- **Mobile carriers**
(line with portable base stations)
- **Media**
(Transmission of news)
- **Electricity and gas suppliers**
(Lines for monitoring and control, etc.)
- **Central government**
(Communication lines for rescue and restoration, etc.)



FY 2012:

Active revisions to BCP

As BCP is revised, there is a trend of additional and new subscribers.

- **Mobile carriers**
(line with portable base stations)
- **Financial institutions**
(Data center backup line)
- **Electric power and gas companies**
(Lines for TV conferences, monitoring, and control , etc.)
- **Local governments**
(Strengthening of radioactivity monitoring)

Enrichment of the global business

To further increase the overseas sales ratio

① To change the orbit of Horizons-2

Scheduled to be operated
in February 2012

74° W ⇒ 85° E

New coverage area:
Russia



Horizons-2

Background

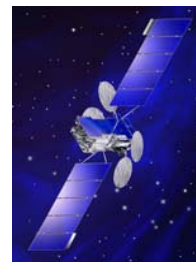
- Diffusion of DTH in Russia, and the growth of demand for satellite services in Russia and surrounding regions

② To launch JCSAT-13

To be launched in 1Q/ FY2012
(April- June)

124° E

Coverage area:
Japan, Asia,
Oceania, Middle East



JCSAT-13

Background

- Growth of DTH in Southeast Asia, including Indonesia

③ Promotion of the sale of transponders to the outside of Japan

C band

- JCSAT-2A (154 degrees east longitude)
- JCSAT-5A (132 degrees east longitude)

Ku band

- Superbird-C2 (144 degrees east longitude)
- JCSAT-1B (150 degrees east longitude)

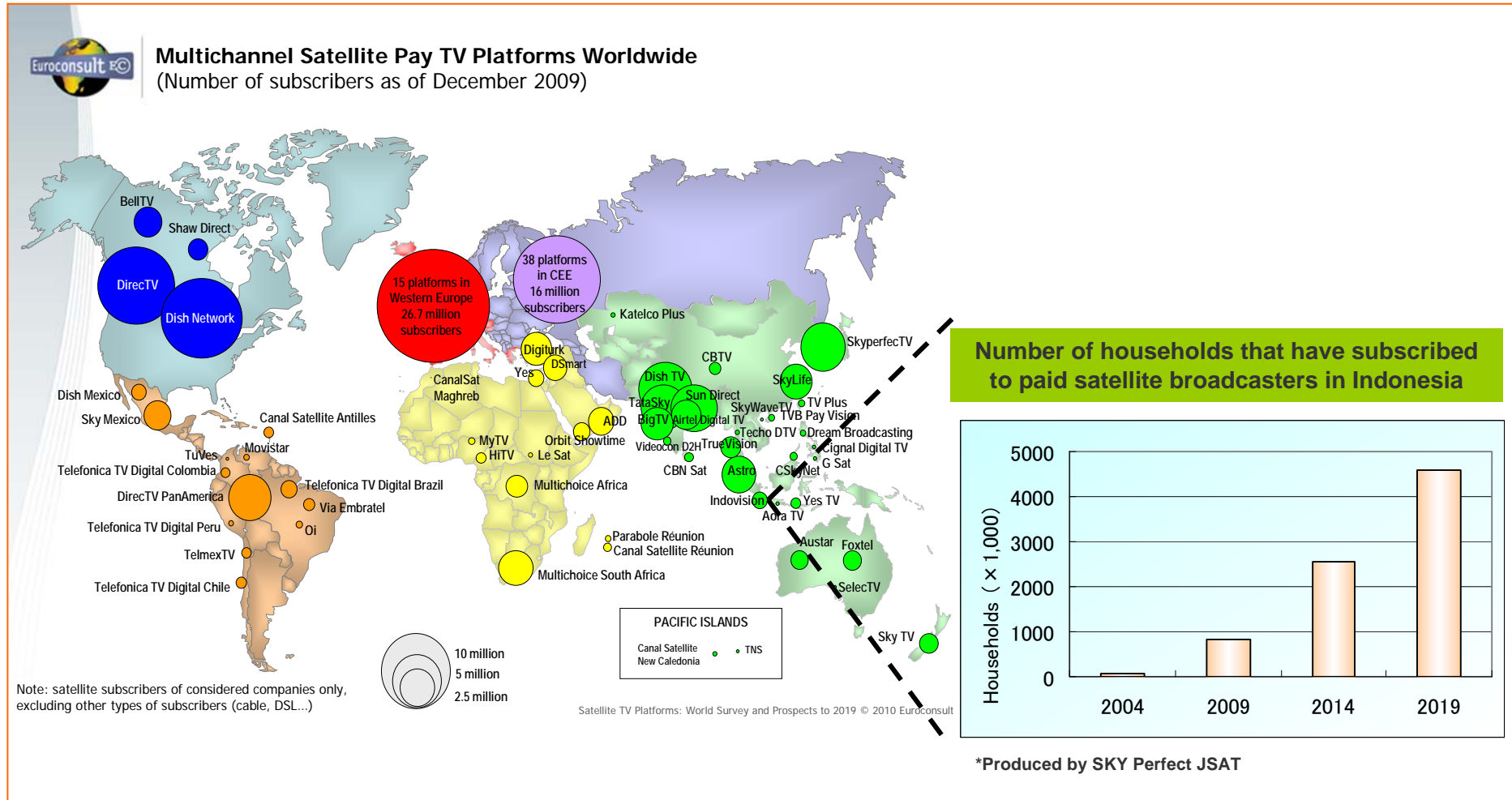
Background

- Overseas demand is expected to increase.

Future expansion

- We will actively capture the steadily growing demand for DTH in Russian and Southeast Asia.
- We will capture the demand for satellite use for the trunk line of the broadband service inside aircrafts.
- We plan to establish new sales offices in Southeast Asia in addition to Hong Kong Branch.

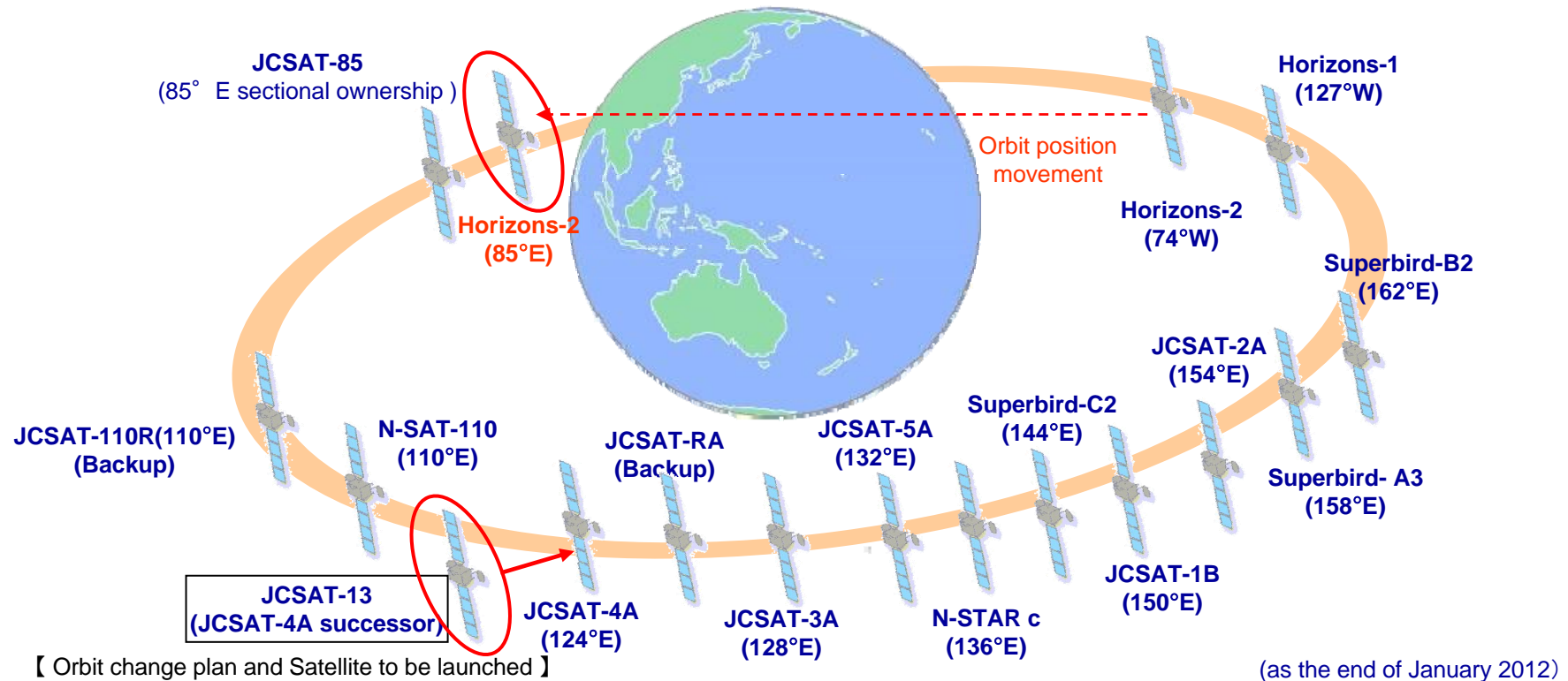
Reference: Multi-channel pay TV satellite broadcasters around the world



- The number of households that have subscribed to paid satellite broadcasters in Indonesia is estimated to increase about five times in 10 years.
- The new entry to the DTH business is expected, and satellite operators plan to provide transponders for Indonesia.

(Reference) Satellite Fleet ~ Orbit position ~

JCSAT-13 (JCSAT-4A successor) will be launched in cover Middle East, Asia, and Oceania broadly



■ Horizons-2 (74° W → 85° E)

<Change the Orbit Timing>

February 2012

<Coverage Area>

Russia

<No. of Transponder >

Ku-band 20

■ JCSAT-13 (JCSAT-4A successor)

<Launch Timing>

1Q/FY2012 (April - June)

<Coverage Area>

Japan, Asia, Oceania, Middle East

<No. of Transponder >

Ku-band 44

Please direct any inquiries regarding this material to the division in charge.

SKY Perfect JSAT Holdings Inc.
Corporate Communications & Investor Relations Div.