

December 5, 2012
SKY Perfect JSAT Holdings Inc.

Establishment of a New Company by a Consolidated Subsidiary

SKY Perfect JSAT Holdings Inc. (“SKY Perfect JSAT Holdings” or “the Company”) today announced that the Company approved its wholly owned subsidiary, SKY Perfect JSAT Corporation (“SKY Perfect JSAT”) to establish a company on the meeting of the Company’s Board of Directors held on December 5, 2012. Brief details are presented as follows.

1. Reasons for Establishment

SKY Perfect JSAT made the decision to establish a new company to carry out “X-Band Satellite Communications System Upgrade Program (“the Program”)” because a consortium led by SKY Perfect JSAT was selected as the successful bid for the tender notice with respect to the Program issued on September 20, 2012. The Program is the procurement and operations of the nation’s next period X-band satellite communications system as a special program under Article 6 of the Act on Promotion of Private Finance Initiative (PFI), Act No. 117 of 1999 (“PFI Act”).

2. Profile of the Subject Company

(1) Company name	DSN Corporation	
(2) Address	1-14-14 Akasaka, Minato-ku, Tokyo	
(3) Representative title and name	Koki Koyama, Representative Director	
(4) Business activities	Satellite procurement and operation; ground facility development, maintenance, and management	
(5) Capital	¥1 billion	
(6) Scheduled date of establishment	December 19, 2012 (Wednesday)	
(7) Major shareholders and shareholdings	SKY Perfect JSAT Corporation (65.0%) NEC Corporation (17.5%) NTT Communications Corporation (17.5%)	
(8) Relationships between the listed and subject companies	Capital	SKY Perfect JSAT plans to secure a 65.0% equity interest in the subject company
	Personnel	SKY Perfect JSAT plans to dispatch directors and personnel to the subject company
	Business	Plans are in place for consignment and related agreements to be executed between SKY Perfect JSAT and the subject company

3. Establishment Schedule

Date of resolution by Board of Directors (SKY Perfect JSAT Holdings Inc.): December 5, 2012

Date of establishment: December 19, 2012

4. Outlook

The subject company and the Government are scheduled to execute a business agreement pursuant to the PFI Act for the procurement of two communications satellites and ground facilities for the Program and to start operating the satellite communications system from fiscal 2015. The impact on the Company's consolidated results for the fiscal year under review is negligible.

(Reference) Consolidated performance forecasts for the fiscal year ending March 31, 2013 (announced on October 31, 2012) and consolidated business results for the fiscal year ended March 31, 2012

(Millions of Yen)	Revenues	Operating Income	Ordinary Income	Net Income
FY2012 (the fiscal year ending March 31, 2013)	164,000	16,000	15,500	9,000
FY2011 (the fiscal year ended March 31, 2012)	155,242	17,486	16,702	8,569