

The document is an English translation of the Japanese document titled “Operating Results for the 1st Quarter Ended June 30, 2007,” as submitted to the Tokyo Stock Exchange on August 8, 2007. This English translation was prepared solely for the convenience of non-Japanese readers. In the event of any discrepancies, the original Japanese shall prevail. The disclosure methods employed in this document are in accordance with Tokyo Stock Exchange specifications and may differ from those used in the Company’s annual report. Furthermore, the information contained herein has not been reviewed by an accounting auditor.

Operating Results for the 1st Quarter Ended June 30, 2007

Company name: SKY Perfect JSAT Corporation

Stock listings: Tokyo Stock Exchange (First Section)

Stock code: 9412

URL <http://www.skyperfectjsat.co.jp/>

Representative: Masao Nito, President and Representative Director

(Amounts less than one million yen are rounded down.)

1. Consolidated Financial Results (for the three months ended June 30, 2007)

(1) Operating Results

(Percentages represent year-on-year changes.)

	Revenues		Operating Income		Ordinary Income		Net Income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Three months ended June 30, 2007	30,162	—	3,022	—	3,313	—	6,170	—
Three months ended June 30, 2006	—	—	—	—	—	—	—	—
Fiscal year ended March 31, 2007	—	—	—	—	—	—	—	—

	Net Income per Share (Basic)		Net Income per Share (Diluted)	
	¥		¥	
Three months ended June 30, 2007	1,803.67		—	
Three months ended June 30, 2006	—		—	
Fiscal year ended March 31, 2007	—		—	

(2) Financial Position

	Total Assets	Total Equity	Equity Ratio	Total Equity per Share
	¥ Million	¥ Million	%	¥
Three months ended June 30, 2007	282,636	174,657	60.4	49,904.53
Three months ended June 30, 2006	—	—	—	—
Fiscal year ended March 31, 2007	—	—	—	—

(3) Cash Flows

	Cash Flows from Operating Activities	Cash Flows from Investing Activities	Cash Flows from Financing Activities	Cash and Cash Equivalents at End of Period
	¥ Million	¥ Million	¥ Million	¥ Million
Three months ended June 30, 2007	10,121	(9,596)	(3,849)	40,252
Three months ended June 30, 2006	—	—	—	—
Fiscal year ended March 31, 2007	—	—	—	—

Note: The Company was established on April 2, 2007 through joint share transfers by SKY Perfect Communications Inc. and JSAT Corporation. Accordingly, no year-on-year changes or results for the corresponding period or full-year of the previous fiscal year are shown.

2. Dividends

(Record Date)	Dividends per Share
	End of 1Q
Three months ended June 30, 2007	¥ —
Three months ended June 30, 2006	—

3. Forecasts for the Fiscal Year Ending March 31, 2008 (April 1, 2007 to March 31, 2008) [Reference]

(Percentages represent changes over the corresponding period of the previous fiscal year.)

	Revenues		Operating Income		Ordinary Income		Net Income		Net Income per Share
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥
Interim	60,000	—	4,000	—	4,000	—	7,000	—	2,046.04
Full-year	125,000	—	5,500	—	5,000	—	8,500	—	2,484.47

4. Others

- (1) Significant changes in subsidiaries during the period under review (changes in certain specified subsidiaries resulting in revised scope of consolidation): None
 (2) Adoption of simplified accounting methods: None

5. Non-Consolidated Financial Results (April 2, 2007 to June 30, 2007) [Reference]

(1) Operating Results

(Percentages represent year-on-year changes.)

	Revenues		Operating Income		Ordinary Income		Net Income	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%
Three months ended June 30, 2007	400	—	6	—	(39)	—	(39)	—
Three months ended June 30, 2006	—	—	—	—	—	—	—	—
Fiscal year ended March 31, 2007	—	—	—	—	—	—	—	—

	Net Income per Share (Basic)		Net Income per Share (Diluted)	
	¥		¥	
Three months ended June 30, 2007	(11.64)		—	
Three months ended June 30, 2006	—		—	
Fiscal year ended March 31, 2007	—		—	

(2) Financial Position

	Total Assets		Total Equity		Equity Ratio		Total Equity per Share	
	¥ Million		¥ Million		%		¥	
Three months ended June 30, 2007	192,077		189,922		98.9		55,495.96	
Three months ended June 30, 2006	—		—		—		—	
Fiscal year ended March 31, 2007	—		—		—		—	

6. Non-Consolidated Forecast for the Fiscal Year Ending March 31, 2008 (April 2, 2007 to March 31, 2008) [Reference] (Percentages represent changes over the corresponding period of the previous fiscal year.)

	Revenues		Operating Income		Ordinary Income		Net Income		Net Income per Share	
	¥ Million	%	¥ Million	%	¥ Million	%	¥ Million	%	¥	
Interim	900	—	(50)	—	(100)	—	(100)	—	(29.23)	
Full-year	5,500	—	5,500	—	3,800	—	3,800	—	1,110.71	

Dividends

(Record Date)	Dividends per Share
	¥
Interim-end	500.00
Fiscal year-end	500.00

* Explanations concerning proper use of business forecasts and other particularly noteworthy matters

- 1) Consolidated business forecasts have been revised to reflect the application of adjustments to income taxes resulting from deferred tax accounting to consolidated business forecasts announced on April 2, 2007.
 2) Dividend forecasts announced on April 2, 2007 have been revised to allow for the payment of an interim dividend of ¥500 per share from the standpoint of flexibly returning earnings to shareholders.

For further details, please refer to “Revision of Consolidated Business and Dividend Forecasts” released on August 8, 2007.

Business forecasts, outlook and other projections contained in this report reflect management’s decisions based on information available at the time of issue. Actual results could differ from forecasts due to a variety of factors

[Qualitative Information / Financial Statements and Other Matters]

1. Qualitative Information on Consolidated Business Results

On April 2, 2007, SKY Perfect JSAT Corporation was established as a holding company of wholly owned subsidiaries JSAT Corporation and SKY Perfect Communications Inc., having integrated management of both companies. The new company intends to drive further expansion in Japan's multichannel pay TV market and contribute to the advancement of satellite communications and broadcasting infrastructure worldwide. At the same time, by expanding business from a comprehensive standpoint in anticipation of the convergence of communications and broadcasting and by raising operating efficiency, SKY Perfect JSAT Corporation aims to maximize corporate value.

In regards to first-quarter consolidated business results, there was an increase in the cumulative number of subscribers at SKY Perfect Communications Inc. and steady growth in revenues at JSAT Corporation. Consequently, the Company reported consolidated revenues of ¥30,162 million, ordinary income of ¥3,313 million, and income before income taxes and minority interests of ¥3,513 million. Having stabilized its earnings base, the SKY Perfect JSAT Group recorded deferred tax assets in line with the adoption of deferred tax accounting. As a result, the Group reported net income of ¥6,170 million.

2. Qualitative Information on Consolidated Financial Position

As of June 30, 2007, total assets were ¥282,636 million. Of these assets, current assets were ¥79,231 million and fixed assets were ¥203,405 million. Meanwhile, total liabilities were ¥107,978 million and total equity was ¥174,657 million. Total equity includes minority interests of ¥3,864 million.

In regards to first-quarter cash flows, operating activities provided net cash of ¥10,121 million, investing activities used net cash of ¥9,596 million and financing activities used net cash of ¥3,849 million. Cash and cash equivalents as of June 30, 2007 were ¥40,252 million.

3. Qualitative Information on Consolidated Business Forecasts

The Company has revised its business forecasts announced on April 2, 2007. For further details, please refer to "Revision of Consolidated Business and Dividend Forecasts" released on August 8, 2007.

4. Others

The Company was established on April 2, 2007 through joint share transfers by SKY Perfect Communications Inc. and JSAT Corporation. Accordingly, no changes in accounting standards from the most recent fiscal year are shown.

5. Quarterly Consolidated Financial Statements (Summary)

(1) Summary of Quarterly Consolidated Balance Sheets

(Millions of yen, %)

	As of June 30, 2006		As of June 30, 2007		Change		(Reference) As of March 31, 2007	
	Amount	%	Amount	%	Amount Change	% Change	Amount	%
ASSETS								
I. Current Assets								
1. Cash and cash equivalents	—		19,723		—		—	
2. Receivables	—		9,211		—		—	
3. Short-term investments	—		26,278		—		—	
4. Short-term loans	—		10,000		—		—	
5. Other current assets	—		14,017		—		—	
Total current assets	—	—	79,231	28.0	—	—	—	—
II. Fixed Assets								
1. Property and equipment	—		115,977		—		—	
2. Intangible assets	—		19,920		—		—	
3. Investments and other assets								
(1) Investment securities	—		46,559		—		—	
(2) Long-term loans	—		13,554		—		—	
(3) Other assets	—		7,392		—		—	
Total investments and other assets	—		67,507		—		—	
Total fixed assets	—	—	203,405	72.0	—	—	—	—
Total assets	—	—	282,636	100.0	—	—	—	—

(Millions of yen, %)

	As of June 30, 2006		As of June 30, 2007		Change		(Reference) As of March 31, 2007	
	Amount	%	Amount	%	Amount Change	% Change	Amount	%
LIABILITIES								
I. Current Liabilities								
1. Payables	—		298		—		—	
2. Short-term borrowings	—		20		—		—	
3. Current portion of long-term debt	—		5,087		—		—	
4. Accrued expenses	—		8,356		—		—	
5. Income taxes payable	—		771		—		—	
6. Subscription fees received	—		13,544		—		—	
7. Other current liabilities	—		13,124		—		—	
Total current liabilities	—	—	41,201	14.6	—	—	—	—
II. Long-Term Liabilities								
1. Long-term debt	—		61,066		—		—	
2. Other long-term liabilities	—		5,710		—		—	
Total long-term liabilities	—	—	66,777	23.6	—	—	—	—
Total liabilities	—	—	107,978	38.2	—	—	—	—
EQUITY								
I. Shareholders' Equity								
1. Common stock	—		10,000	3.6	—	—	—	—
2. Capital surplus	—		177,287	62.7	—	—	—	—
3. Retained earnings	—		5,179	1.8	—	—	—	—
4. Treasury stock, at cost	—		(19,165)	(6.8)	—	—	—	—
Total shareholders' equity	—	—	173,300	61.3	—	—	—	—
II. Valuation and Translation Adjustments								
1. Net unrealized loss on available-for sale securities	—		(2,722)	(1.0)	—	—	—	—
2. Deferred gain on derivatives under hedge accounting	—		280	0.1	—	—	—	—
3. Foreign currency translation adjustment	—		(123)	(0.0)	—	—	—	—
Total valuation and translation adjustments	—	—	(2,565)	(0.9)	—	—	—	—
III. Stock Acquisition Rights	—	—	57	0.0	—	—	—	—
IV. Minority Interests	—		3,864	1.4	—	—	—	—
Total equity	—	—	174,657	61.8	—	—	—	—
Total liabilities and equity	—	—	282,636	100.0	—	—	—	—

(2) Summary of Quarterly Consolidated Statements of Operations

(Millions of yen, %)

	As of June 30, 2006		As of June 30, 2007		Change		(Reference) As of March 31, 2007	
	Amount	%	Amount	%	Amount Change	% Change	Amount	%
I. Revenues	—	—	30,162	100.0	—		—	—
II. Cost of Services	—	—	18,787	62.3	—		—	—
Gross profit	—	—	11,375	32.7	—		—	—
III. Selling, General and Administrative Expenses	—	—	8,353	27.7	—	—	—	—
Operating income	—	—	3,022	10.0	—	—	—	—
IV. Other Income	—	—	833	2.8	—	—	—	—
V. Other Expenses	—	—	542	1.8	—	—	—	—
Ordinary income	—	—	3,313	11.0				
VI. Extraordinary Gains	—	—	413	1.4				
VII. Extraordinary Losses	—	—	212	0.7				
Income before income taxes and minority interests	—	—	3,513	11.7	—	—	—	—
Income taxes	—	—	(2,351)	(7.8)				
Minority interests in net income	—	—	(305)	(1.0)	—	—	—	—
Net income	—	—	6,170	20.5	—	—	—	—

(3) Summary of Quarterly Consolidated Statements of Changes in Equity

For the First Quarter of the Fiscal Year Ending March 31, 2008 (April 1, 2007 to June 30, 2007)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at March 31,2007	—	—	—	—	—
Changes during the period under review					
Increase (decrease) due to stock transfer	10,000	169,375	1,691		181,067
Cash dividends (See note below)			(2,683)		(2,683)
Net income			6,170		6,170
Transfer of treasury stock		7,911		(19,165)	(11,254)
Net changes in items other than shareholders' equity					
Total changes during the period under review	10,000	177,287	5,179	(19,165)	173,300
Balance at June 30, 2007	10,000	177,287	5,179	(19,165)	173,300

	Valuation and translation adjustments				Stock acquisition rights	Minority interests	Total equity
	Net unrealized gain on available-for-sale securities	Deferred gain on derivatives under hedge accounting	Foreign currency translation adjustment	Total valuation and translation adjustments			
Balance at March 31,2007	—	—	—	—	—	—	—
Changes during the period under review							
Increase (decrease) due to stock transfer	(2,287)	36		(2,251)	54	3,685	182,556
Cash dividends (See note below)							(2,683)
Net income							6,170
Transfer of treasury stock							(11,254)
Net changes in items other than shareholders' equity	(435)	244	(123)	(313)	2	178	(132)
Total changes during the period under review	(2,722)	280	(123)	(2,565)	57	3,864	174,657
Balance at June 30, 2007	(2,722)	280	(123)	(2,565)	57	3,864	174,657

Note: Earnings appropriated at the ordinary shareholders' meetings of SKY Perfect Communications Inc. and JSAT Corporation held in June 2007.

(4) Summary of Quarterly Consolidated Statements of Cash Flows

(Millions of yen, %)

	As of June 30, 2006	As of June 30, 2007	(Reference) As of March 31, 2007
	Amount	Amount	Amount
I. Operating Activities			
Income before income taxes and minority interests	—	3,513	—
Depreciation and amortization	—	3,922	—
Other—net	—	3,671	—
Subtotal	—	11,107	—
Interest and dividends received	—	478	—
Interest paid	—	(340)	—
Income taxes paid	—	(1,123)	—
Net cash provided by operating activities	—	10,121	—
II. Investing Activities			
Refund from time deposits	—	300	—
Proceeds from redemption of securities	—	999	—
Payments for short-term loans	—	(14,000)	—
Collection of short-term loans	—	11,000	—
Purchase of property and equipment	—	(9,249)	—
Proceeds from sales of property and equipment	—	0	—
Purchase of intangible assets	—	(444)	—
Proceeds from sales of intangible assets	—	29	—
Purchase of investment securities	—	(536)	—
Proceeds from sales and redemption of investment securities	—	3,080	—
Payments for long-term loans	—	(775)	—
Net cash used in investing activities	—	(9,596)	—
III. Financing Activities			
Proceeds from short-term borrowings	—	55	—
Repayments of short-term borrowings	—	(55)	—
Repayments of installment debt	—	(86)	—
Proceeds from long-term debt	—	775	—
Repayments of long-term debt	—	(2,083)	—
Dividends paid	—	(2,450)	—
Dividends paid to minority shareholders	—	(4)	—
Net cash used in financing activities	—	(3,849)	—
IV. Foreign currency translation adjustments on cash and cash equivalents	—	(5)	—
V. Net decrease in cash and cash equivalents	—	(3,330)	—
VI. Cash and cash equivalents, beginning of period	—	43,583	—
VII. Cash and cash equivalents, end of period	—	40,252	—

[Supplementary Information]

1. Quarterly Consolidated Balance Sheets by Company (Summary)

(Millions of yen)

	JSAT Corporation (Consolidated) As of June 30, 2006	SKY Perfect Communications Inc. (Consolidated) As of June 30, 2007
	Amount	Amount
ASSETS		
I. Current Assets		
1. Cash and cash equivalents	3,464	16,084
2. Receivables	1,532	8,637
3. Short-term investments	11,420	30,685
4. Other current assets	16,037	12,173
Total current assets	32,455	67,581
II. Fixed Assets		
1. Property and equipment	96,985	19,901
2. Intangible assets	886	4,541
3. Investments and other assets		
(1) Investment securities	17,439	29,066
(2) Other assets	20,929	3,070
Total investments and other assets	38,368	32,137
Total fixed assets	136,240	56,580
Total assets	168,696	124,161
LIABILITIES		
I. Current Liabilities		
1. Payables	174	—
2. Short-term borrowings	—	920
3. Current portion of long-term debt	4,937	150
4. Accrued expenses	825	8,864
5. Income taxes payable	1,477	143
6. Other current liabilities	9,565	19,333
Total current liabilities	16,979	29,412
II. Long-Term Liabilities		
1. Long-term debt	60,253	—
2. Other long-term liabilities	3,866	3,218
Total long-term liabilities	64,120	3,218
Total liabilities	81,100	32,630
EQUITY		
I. Shareholders' Equity		
1. Common stock	53,769	50,083
2. Capital surplus	21,278	41,626
3. Retained earnings	11,910	756
II. Valuation and Translation Adjustments		
1. Net unrealized loss on available-for sale securities	182	(4,484)
2. Deferred gain on derivatives under hedge accounting	465	90
3. Foreign currency translation adjustment	(210)	—
Total valuation and translation adjustments	437	(4,393)
III. Minority Interests	199	3,457
Total equity	87,595	91,530
Total liabilities and equity	168,696	124,161

[Supplementary Information]

2. Quarterly Consolidated Statements of Operations by Company (Summary)

(Millions of yen)

	JSAT Corporation (Consolidated) As of June 30, 2006	SKY Perfect Communications Inc. (Consolidated) As of June 30, 2007
	Amount	Amount
I. Revenues	9,711	22,565
II. Cost of Services	5,337	15,579
Gross profit	4,374	6,986
III. Selling, General and Administrative Expenses	1,904	6,377
Operating income	2,470	608
IV. Other Income	701	396
V. Other Expenses	310	200
Ordinary income	2,862	805
VI. Extraordinary Gains	541	8
VII. Extraordinary Losses	—	212
Income before income taxes and minority interests	3,403	600
Income taxes	1,370	131
Minority interests in net income	4	(214)
Net income	2,028	683

[Supplementary Information]

3. Number of Subscribers and Churn Rate

(Thousands)

		Total Subscribers				Individual Subscribers				Churn rate for individual subscribers
		New subscribers	Churn	Net increase (decrease)	Cumulative total	New subscribers	Churn	Net increase (decrease)	Cumulative total	
For the three months ended June 30, 2006	SKY PerfecTV!	99	79	19	3,756	89	74	15	3,269	9.1%
	e2 by SKY PerfecTV!	69	25	45	365	39	4	35	268	7.0%
	Total of DTH Services	168	104	64	4,121	128	78	50	3,538	8.9%
	SKY PerfecTV! HIKARI	5	0	4	13	4	0	4	13	6.5%
	Other Wired Services	2	1	0	40	2	1	0	40	12.8%
	Total of Wired Broadcasting Services	7	1	5	53	6	1	5	52	11.4%
	Total	174	105	69	4,175	117	103	13	3,573	11.6%
For the three months ended June 30, 2007	SKY PerfecTV!	69	99	(30)	3,655	66	94	(28)	3,174	11.8%
	e2 by SKY PerfecTV!	69	23	47	520	51	9	41	399	10.0%
	Total of DTH Services	138	122	16	4,175	134	80	54	3,590	9.0%
	SKY PerfecTV! HIKARI	9	1	8	38	10	1	9	37	13.1%
	Other Wired Services	1	1	0	41	1	1	0	41	12.4%
	Total of Wired Broadcasting Services	10	2	8	79	11	2	9	78	12.7%
	Total	148	124	24	4,253	128	106	22	3,650	11.6%
(Reference) For the year ended March 31, 2007	SKY PerfecTV!	302	349	(47)	3,685	273	326	(53)	3,202	10.1%
	e2 by SKY PerfecTV!	278	125	153	474	156	33	124	357	10.7%
	Total of DTH Services	580	474	106	4,159	430	358	71	3,559	10.2%
	SKY PerfecTV! HIKARI	23	2	22	30	21	1	20	28	7.8%
	Other Wired Services	7	5	2	41	7	5	2	41	12.9%
	Total of Wired Broadcasting Services	30	7	23	72	28	7	21	69	11.3%
	Total	610	481	129	4,231	457	365	93	3,628	10.2%

Notes: 1. Figures other than percentages are rounded to the nearest 1,000. Churn rates for individuals are rounded off to the nearest one decimal place.

2. Total Subscribers: The total number of individual, institutional, and CATV subscribers plus retailers' exhibitions and registrations for technical development.
3. Individual Subscribers: Number of subscribers who have concluded pay-subscription agreements.
4. Churn Rate for Individuals: Obtained by dividing the number of individual churn-outs for the period by the average number of individual subscribers between the period beginning and end, and annualizing the resulting figure.
5. Other wired broadcasting services: Other wired broadcasting services refer to the number of multichannel broadcasting contracts using SKY PerfecTV's digital broadcasting system, including cable television, but excluding SKY PerfecTV! HIKARI. Includes subscribers to multichannel broadcasting services offered by subsidiary Cable television Adachi Corporation.