

SKY Perfect JSAT Corporation

News Release



SKY Perfect JSAT
Corporation

October, 31 2007
SKY Perfect JSAT Corporation

Revision of Business Forecasts

In light of recent business performance and other factors, SKY Perfect JSAT Corporation (Head Office: Minato-ku, Tokyo; President and Representative Director: Masao Nito) has revised its interim and full-year consolidated business results forecasts as well as its interim non-consolidated business results forecast for the fiscal year ending March 2008 (from April 1, 2007 to March 31, 2008) as follows:

1. Revisions of Consolidated Business Results Forecasts

1) Revisions of Consolidated Business Forecasts

i. Revision of Interim Business Forecasts for Fiscal Year Ending March 31, 2008 (from April 1, 2007 to September 30, 2007)

(Millions of yen)

| | Revenues | Operating income | Ordinary income | Interim net income |
|---|----------|------------------|-----------------|--------------------|
| Previous forecast (A) | 60,000 | 4,000 | 4,000 | 7,000 |
| Revised forecast (B) | 60,000 | 6,800 | 6,600 | 8,200 |
| Difference (B-A) | – | 2,800 | 2,600 | 1,200 |
| Change (%) | – | 70.0% | 65.0% | 17.1% |
| Interim business results for the fiscal year ended March 31, 2007 | – | – | – | – |

ii. Revision of Full-year Business Forecasts for Fiscal Year Ending March 31, 2008 (from April 1, 2007 to March 31, 2008)

(Millions of yen)

| | Revenues | Operating income | Ordinary income | Net income |
|---|----------|------------------|-----------------|------------|
| Previous forecast (A) | 125,000 | 5,500 | 5,000 | 8,500 |
| Revised forecast (B) | 121,000 | 7,000 | 7,000 | 9,000 |
| Difference (B-A) | -4,000 | 1,500 | 2,000 | 500 |
| Change (%) | -3.2% | 27.3% | 40.0% | 5.9% |
| Business results for the fiscal year ended March 31, 2007 | – | – | – | – |

2) Reasons of the Revisions

For consolidated revenue, the full-year revenue forecast will be revised downward from the previously issued forecast of 12,500 million yen to 12,100 million yen due to a lower number of subscriptions than previous expectations for SKY Perfect Communications Inc. (“SKY Perfect”) services, especially SKY PerfectTV! HIKARI, as well as an current level of the service cancellation rate.

For profit and loss, given that the costs incurred by SKY Perfect for acquiring new subscribers were lower than initial expectations, and due to improvements in operating cost savings achieved by JSAT Corporation (“JSAT”) and SKY Perfect as well as other factors, the consolidated operating income and consolidated ordinary income for the interim period will both be revised upward from

the previously issued forecast to 6,800 million yen and 6,600 million yen respectively (up 2,800 million yen and 2,600 million yen respectively). Also, for the full-year forecast, despite an increase in costs due to the enhancement of marketing operations, mainly for e2 by SKY PerfectTV!, the previously issued forecast of 5,500 million yen for consolidated operating income and 5,000 million yen for consolidated ordinary income will both be revised upward to 7,000 million yen.

As for consolidated net income, in addition to the above factors, in light of the fact that the loss on revaluation of investments in securities amounting to approximately 2,400 million yen resulting from loss on securities held by Index Holdings, etc. will be recorded as extraordinary loss and also accounting for the adjustment (of approximately 4,500 million yen) in corporate taxes, etc. for the end of the interim period made due to the adoption of tax effect accounting, as well as other factors, an upward revision will be made from the previously issued forecast of 7,000 million yen to 8,200 million yen for the interim period and 8,500 million yen to 9,000 million yen for the full year.

2. Revisions of Non-Consolidated Business Results Forecast

1) Revisions of the Non-Consolidated Business Results Forecast Figures

(Millions of yen)

| | Revenues | Operating income | Ordinary income | Net income |
|---|----------|------------------|-----------------|------------|
| Previous forecast (A) | 900 | -50 | -100 | -100 |
| Revised forecast (B) | 800 | 50 | 10 | -30 |
| Difference (B-A) | -100 | 100 | 110 | 70 |
| Change (%) | -11.1% | - | - | - |
| Business results for the fiscal year ended March 31, 2007 | - | - | - | - |

* There has been no change to the non-consolidated full-year business forecasts (5,500 million yen for revenue, 3,900 million yen for operating income, 3,800 million yen for ordinary income, and 3,800 million yen for net income) of SKY Perfect JSAT Corporation

*Regarding the dividend forecast, there is no changes to the interim dividend (500 yen/share) and total annual dividend (1,000 yen/share).

2) Reasons of the Revisions to the Non-Consolidated Business Results Forecasts

For the interim period, the previously forecast figures of 900 million yen for revenue, -50 million yen for operating income, -100 million yen for ordinary income, and -100 million yen for net income, will be revised to 800 million yen, 50million yen, 10 million yen, and -30million yen respectively. However, since these revisions are mainly due to modifications in the timing and method of recording revenues and costs, the full-year forecasts remain unchanged from the previous forecasts.

* The business and other forecasts contained in this news release reflect management's decisions based on information available at the time of issue and therefore contain considerable uncertainties. Actual results could differ from forecasts due to changes in business conditions and other factors.