

February 13, 2008  
SKY Perfect JSAT Corporation

### **Acquisition of Space Communications Corporation Shares**

SKY Perfect JSAT Corporation (Minato-ku, Tokyo; Masao Nito, President and Representative Director; “SKY Perfect JSAT”) announces that, on February 13 2008, its board of directors resolved to purchase shares of Space Communications Corporation (Shinagawa-ku, Tokyo; Masuyuki Annen, CEO; “SCC”), making SCC a subsidiary of SKY Perfect JSAT, and it executed Share Transfer Agreement with all shareholders of SCC.

#### Details

##### 1. Reasons for Share Acquisition

On April 2, 2007 SKY Perfect JSAT was established as a holding company resulting from a management integration via equity transfer between JSAT Corporation (Minato-ku, Tokyo; Kiyoshi Isozaki, President and CEO; “JSAT”), the largest satellite operator/ a leading operator in the Asia-Pacific region, and SKY Perfect Communications, Inc. (Minato-ku, Tokyo; Masao Nito, President and Representative Director; “SKY Perfect”), the largest multi-channel pay TV platform in Japan. The purpose of the business combination was the further expansion of the market for subscription multi-channel broadcasting in Japan, as well as enhancing corporate value through comprehensive expansion via communications/ broadcast integration and management efficiencies.

Since being established in 1985, SCC has been one of the leading satellite broadcasters/ communications operators in the world, and together with JSAT, has been at the forefront of the industry in Japan.

Recently, the broadcast/ communications industry has undergone consolidation and intensified competition that ranges beyond the traditional borders of the industry. Mergers and acquisitions to capture competitive advantage have increased, and the industry has undergone other major changes. Given this environment, the Company’s board of directors studied the potential for the integration of the JSAT and SCC satellite businesses, as well as the effects of expected synergies, looking toward securing competitive advantage in the

satellite industry that will serve as the source of investment for promoting expansion strategies in the subscription multi-channel pay TV market, which is a central feature of the SKY Perfect JSAT Group growth strategy. As a result of these deliberations, the Company's board of directors affirmed that such integration would be extremely significant, leading to the above-mentioned resolution.

By converting SCC into a subsidiary and integrating the SCC business into our Group, we expect the SKY Perfect JSAT Group will enjoy the following synergistic benefits. Also, JSAT and SCC will adhere to provide stable and continuing services as before.

- (1) Capture an overwhelming lead in the domestic satellite industry and add further strength to the foundation of the satellite business and increase competitive power

As the pace of reorganization among world's satellite operators continues to accelerate, this integration will make JSAT the No. 5 satellite operator in the world, allowing JSAT to capture a superior position in the global competition and to other telecommunication operators, while also enhancing our negotiation power to satellite manufacturers and other related companies and creating new opportunities for joint projects with other satellite operators.

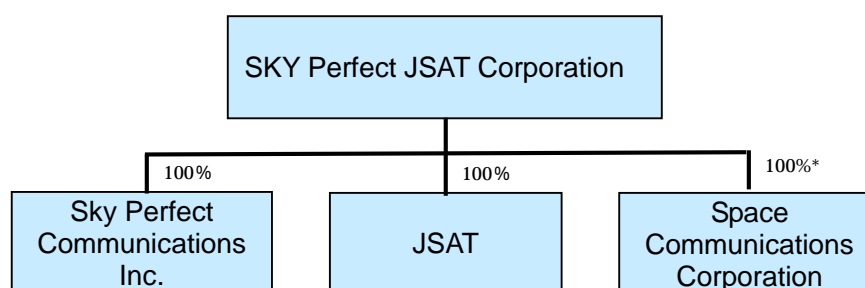
- (2) Efficiencies through Horizontal Integration and improve services

SCC and JSAT are engaged in the same business. This integration will allow for operational efficiencies, including staff streamlining and effective assignments, consolidation of and greater efficiency in satellite control functions, optimization of satellite fleet, etc. Also, two companies will endeavor to improve services in the area where satellite has advantages.

- (3) Enhanced cash flow generation capacity and 110-degree satellite system serving as a base for realizing the growth potential of subscription multi-channel broadcasting

As a satellite communications operator, SCC has continued to record stable cash flows. Adding these cash flows to the Group business will strengthen the Group's profitability and cash flow generation capacity. Also, by building out 110-degree satellite services (the foundation of the "e2 by SKY PerfecTV!" service expected to drive subscriber growth) within the SKY Perfect JSAT Group, we believe that the Group will be able to realize the greater growth potential of subscription multi-channel broadcasting, which is the central goal of the SKY Perfect JSAT Group.

Reference: SKY Perfect JSAT Group after Acquisition of SCC Shares



\*Although the Company agreed to acquire 100% of SCC's shares, Mitsubishi Corporation, the largest SCC shareholder, will continue to hold 3% of its current 28.41% ownership of outstanding SCC shares for a period of one year or less. This arrangement is to promote the smooth integration of the two businesses. SKY Perfect JSAT will be able to acquire the remaining 3% outstanding shares at any time within the aforementioned one- year period under the original terms of the acquisition agreement.

## 2. Overview of SCC (as of December 2007)

- (1) Company Name: Space Communications Corporation
- (2) Representative: Masuyuki Annen, CEO
- (3) Address: Sphere Tower Tennoz, 2-8 Higashi-shinagawa 2-chome, Shinagawa-ku, Tokyo
- (4) Established: March 22, 1985
- (5) Main Business Lines: Dedicated satellite communications services
- (6) Fiscal Year End: March
- (7) Employees: 174
- (8) Main Office: Sphere Tower Tennoz 11F, 2-8 Higashi-shinagawa 2-chome, Shinagawa-ku, Tokyo
- (9) Capital Stock: ¥20 billion
- (10) Total Shares Outstanding: 400,000 shares
- (11) Equity Structure and Share Ratio:

Mitsubishi Corporation (28.41%), Mitsubishi Electric Corporation (18.94%), Mitsubishi Heavy Industries, Ltd. (10.00%), The Bank of Tokyo-Mitsubishi UFJ, Ltd. (5.00%), Tokio Marine & Nichido Fire Insurance Co., Ltd. (5.00%), Mitsubishi UFJ Trust and Banking Corporation (5.00%), Mitsubishi Estate Co., Ltd. (5.00%), Meiji Yasuda Life Insurance Company (5.00%), Kirin Holdings Co., Ltd. (5.00%) Other

\* As noted in 3. Shares to be Acquired From.

## (12) Operating Results for the Most Recent Fiscal Year

(¥ Million)

	FY2005	FY2006
Revenues	17,985 million	17,610 million
Operating income	2,912 million	3,437 million
Ordinary income	2,389 million	3,003 million
Net income	1,008 million	1,816 million
Total assets	49,887 million	59,617 million
Total equity	24,276 million	25,983 million

### 3. Shares to be Acquired From

Shares to be Acquired From	Number of Shares	Ratio( % )
Mitsubishi Corporation	113,640	28.41
Mitsubishi Electric Corporation	75,760	18.94
Mitsubishi Heavy Industries, Ltd,	40,000	10.0
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	20,000	5.0
Tokio Marine & Nichido Fire Insurance Co., Ltd.	20,000	5.0
Mitsubishi UFJ Trust and Banking Corporation	20,000	5.0
Mitsubishi Estate Co., Ltd	20,000	5.0
Meiji Yasuda Life Insurance Company	20,000	5.0
Kirin Holdings Co., Ltd.	20,000	5.0
Mitsubishi Materials Corporation	8,000	2.0
Mitsubishi Chemical Corporation	6,000	1.5
Mitsubishi Motors Corporation	6,000	1.5
Mitsubishi Logistics Corporation	4,000	1.0
Asahi Glass Co., Ltd.	4,000	1.0
Nippon Yusen Kabushiki Kaisha	4,000	1.0
Nippon Oil Corporation	2,000	0.5
Mitsubishi Rayon Co., Ltd.	2,000	0.5
Mitsubishi Paper Mills Limited	2,000	0.5
Mitsubishi Gas Chemical Company, Inc.	2,000	0.5
Mitsubishi Plastics, Inc.	2,000	0.5
Nikon Corporation	2,000	0.5
Mitsubishi Aluminum Co., Ltd.	2,000	0.5
P.S.Mitsubishi Construction Co., Ltd.	2,000	0.5
Mitsubishi Cable Industries, Ltd.	1,200	0.3
Mitsubishi Steel Mfg. Co., Ltd.	800	0.2
Mitsubishi Kakoki Kaisha, Ltd.	200	0.05
Mitsubishi Shindoh Co., Ltd.	200	0.05
Mitsubishi Research Institute, Inc.	200	0.05

### 4 . Number of Shares Acquired, Acquisition Cost and Ownership Prior to/ After Acquisition

(1) Share Ownership Ratio before Acquisition 0 shares

(Voting Shares 0 shares; Ownership Ratio 0.0%)

(2) Shares Acquired 400,000 shares

(Voting Shares 400,000 shares; Acquisition Cost ¥ 28,000 million)

(3) Share Ownership Ratio after Acquisition 400,000 shares

(Voting Shares 400,000 shares; Ownership Ratio 100.0%)

## 5 . Schedule

February 13, 2008	Board of Directors' resolution and execution of Share Transfer Agreements
March 31, 2008	Share certificate transfer date (388,000 shares)
By March 31, 2009	Share certificate transfer date (12,000 shares)

## 6 . Future Outlook

SKY Perfect JSAT expects to enjoy the synergistic effects of the integration as noted in this filing; however, we are still investigating quantitative projections of post-integration consolidated operating results as well as the effect on mid-term management plans. We will provide further information when we formally announce our consolidated forecasts for FY 2009.