

February 13, 2008
SKY Perfect JSAT Corporation

Absorption Demerger Agreement Signed with Consolidated Subsidiary

At a meeting of the board of directors held February 13, 2008, SKY Perfect JSAT Corporation (Head Office: Minato-ku, Tokyo; President and Representative Director: Masao Nito, “SKY Perfect JSAT”), resolved to succeed shares of SKY Perfect JSAT stock owned by consolidated subsidiary JSAT Corporation (Head Office: Minato-ku, Tokyo, President and CEO: Kiyoshi Isozaki, “JSAT”) and SKY Perfect Communications Inc. (Head Office: Minato-ku, Tokyo; President and Representative Director: Masao Nito, “SKY Perfect”) via corporate absorption demerger on April 1, 2008. The agreement for absorption demerger has been executed as of today.

Details

1. Purpose of the Demerger

The purpose of the above-mentioned absorption demerger is to concentrate SKY Perfect JSAT stock owned by consolidated subsidiaries to SKY Perfect JSAT as part of the enhancement of the SKY Perfect JSAT Corporation Group capital policy. At the same time it will satisfy requirements under the Company Law (Article 135 Paragraph 3) requiring that parent company stock owned by subsidiaries must be disposed of within an appropriate time.

2. Summary of Demerger

(1) Schedule

February 13, 2008 Absorption demerger agreement approved by board resolution

February 13, 2008 Absorption demerger agreement execution

April 1, 2008 Scheduled demerger date (effective date)

(Due to the fact that this demerger meets the requirements of summary demerger based on the provisions of Company Law Article 784 Paragraph 1 for JSAT and SKY Perfect (the demerged companies), and requirements of simplified demerger based on Company Law Article 796 Paragraph 3 for SKY Perfect JSAT (the successor company), the approval via general shareholders' meeting has been omitted.)

(2) Demerger Method

Absorption demerger in which SKY Perfect JSAT shall be the successor company, while wholly owned subsidiaries JSAT and SKY Perfect shall be the demerged companies.

(3) Allocation of Stock

No stock allocation will take place due to the fact that JSAT and SKY Perfect are wholly owned subsidiaries of SKY Perfect JSAT.

(4) Capital Increase via Succession

The demerger will effect no change in the amount of capital of the successor company.

(5) Treatment of Stock Warrants and Bonds with Stock Warrants Attached of the Demerged Companies

Not applicable.

(6) Projections of Fulfillment of Obligations

SKY Perfect JSAT, the successor company, and JSAT and SKY Perfect (the demerged companies) have determined that there are no problems related to the certainty of the performance of obligations presented after the date of the demerger.

3. Overview of Parties involved in the Demerger (as of September 30, 2007)

(1)Company Name	JSAT Corporation (demerged company)	SKY Perfect Communications Inc. (demerged company)	SKY Perfect JSAT Corporation (successor company)
(2)Business Overview	Network-related services via communications satellite; video-related services	Subscription multichannel Pay TV platform services	Broadcasting; electronic communications; etc.
(3)Date Established	February 1985	November 1994	April 2, 2007
(4)Main Office	Minato-ku, Tokyo	Minato-ku, Tokyo	Chiyoda-ku, Tokyo
(5)Representative	Kiyoshi Isozaki, President & CEO	Masao Nito, President and Representative Director	Masao Nito President and Representative Director
(6)Capital Stock	¥53,769 million	¥50,083 million	¥10,000 million
(7)Total Shares Outstanding	356,418 shares	2,270,365 shares	3,696,037 shares
(8)Total Assets	¥172,238 million	¥126,992 million	¥290,381 million
(9)Total Equity	¥86,796 million	¥93,169 million	¥174,410 million
(10)Fiscal Year End	March 31	March 31	March 31
(11)Major Shareholders and Ownership Ratios	SKY Perfect JSAT Corporation 100%	SKY Perfect JSAT Corporation 100%	Mizuho Trust & Banking Co., Ltd.(Pension trust account for ITOCHU Corporation) 9.4% Sony Broadcast Media Co., Ltd. 7.7% Fuji Television Network, Inc. 7.7% NTT Communications Corporation 7.0% Japan Trustee Services Bank, Ltd. ((Pension trust account for Sumitomo Corporation) 5.9% Nippon Television Network Corporation 5.6% Tokyo Broadcasting System, Inc. 4.6%

4. Summary of Assets Succeeded

(1) Detail of Assets Succeeded

SKY Perfect JSAT stock owned by JSAT and SKY Perfect

(2) Categories and Amounts of Assets to be Succeeded by SKY Perfect JSAT

SKY Perfect JSAT shall succeed all SKY Perfect JSAT stock owned by JSAT and SKY Perfect as stipulated in the absorption demerger agreement executed between SKY Perfect JSAT, JSAT and SKY Perfect on February 13, 2008.

Assets			
Category		No. of Shares	Book Value (¥millions)
JSAT	SKY Perfect JSAT stock	162,882	11,660
SKY PerfecTV	SKY Perfect JSAT stock	111,909	7,446

5. Condition of SKY Perfect JSAT Corporation after Succession

No changes to company name, business lines, head office location, representative, capital stock or fiscal year end will occur as a result of this absorption demerger.

6. Future Outlook of the Demerger

The impact of the announced incidents on the consolidated results of SKY Perfect JSAT is expected to be negligible, and on the non-consolidated results will be provided when it becomes clear.