

**SKY Perfect JSAT Group
Financial Summary of FY2007 and
Business Strategy**

May 14, 2008

SKY Perfect JSAT Corporation

Forward-looking Statements



Statements about the SKY Perfect JSAT Group's forecasts, strategies, management policies and objectives contained in this presentation that are not based on historical facts constitute forward-looking statements. These statements are strictly based on management's assumptions, plans, expectations and judgments in light of information currently available. These forward-looking statements, facts, and assumptions, are subject to a variety of risks and uncertainties. Therefore, actual results may differ materially from forecasts. The primary risks and uncertainties currently assumed by the SKY Perfect JSAT Group include, but are not limited to, the following:

<Risks Common to Both JSAT Corporation and SKY Perfect Communications>

Decline in demand for the SKY Perfect JSAT Group's services;

Constraints imposed on the Group's businesses by new or revised laws and regulations relevant to the SKY Perfect JSAT Group's business and operations;

Inability to develop new businesses as planned, or the failure of such businesses to contribute to operating results;

Advances in video and audio compression technologies accompanying the digitization of telecommunications technologies, or by other communications innovations, broadcasting, satellite and other technologies, all of which may affect the Group's operating results;

Inability to realize or develop future strategic partnerships in relevant fields or to create relationships with partner companies as envisioned; and

Changes in economic conditions, such as interest rates or currency exchange rates, affecting the Group's financial condition

<Risks Mainly Related to the Satellite Operation Business>

Damage, malfunctions or breakdowns experienced by the SKY Perfect JSAT Group's communications satellites;

Failure to launch satellites or place them in proper orbits; launch delays;

Inability to establish an effective backup satellite system;

Inability to conduct business as planned due to a failure or delay in coordinating orbital slots and communication frequencies at the international level;

Cost of satellites exceeding budgets due to changes in satellite specifications, currency exchange rates, or insurance market conditions;

Inability to obtain insurance policies that are economically viable or that provide coverage for all types of accidents that require insurance;

Failure to realize international business partnerships or failure of such partnerships to generate results as expected;

Inability of businesses operated in the U.S. by significant subsidiaries or affiliates to perform as envisioned due to a failure to meet projected order volume or due to other factors; and

Intensifying competition in Japan, Asia, Europe and the U.S. having an adverse effect on the JSAT Group's financial position or operating results.

<Risks Mainly Related to the Broadcast-Related Business>

Changes in the economic environment in relevant business fields; changes in consumer trends in particular;

Changes in legislation such as laws regarding broadcasting and communications, particularly those laws that restrict the SKY Perfect business or proposals to this effect; new business entry by rival companies; and

Ability to develop and continue to provide programs and services acceptable to subscribers in a fiercely competitive market characterized by features such as remarkably rapid technical innovation in the digital technology fields in particular, and the subjective and dynamic customer preferences in the broadcasting business.

Major FY 2007 Topics

<Achievements/ Financial affairs>

- FY2007 consolidated result was an increase in revenue and profit due to an increase in the cumulative number of subscribers
- Implementation of the increased dividend (plan) and of share elimination
- In FY 2008, it is predicted that revenue and profit will increase with making Space Communications Corporation a wholly owned subsidiary and 560 thousand new individual subscribers

<Acquisition of Space Communications Corporation shares and future expansion of satellite operation business>

- Inclusion of Space Communications Corporation as an a subsidiary company and the synergistic effect thereof
- Business expansion in the international telecommunication field

<Future expansion of broadcast-related business>

- Large expansion in the number of subscribers to e2 by SKY PerfecTV! is predicted
- SKY PerfecTV! is scheduled to shift to HD format with a total of 62 channels in autumn, 2009

→ Started work on the review of the Mid-Term Management Plan and group reorganization

Financial Summary of FY2007

FY2007: Summary of Consolidated Statements of Income

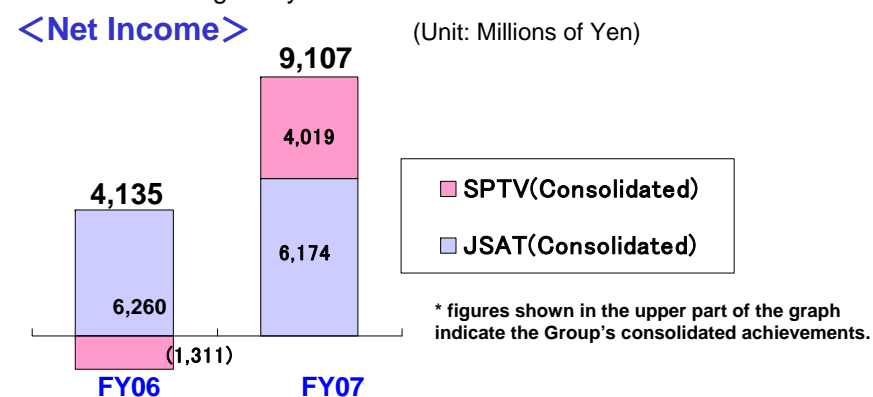
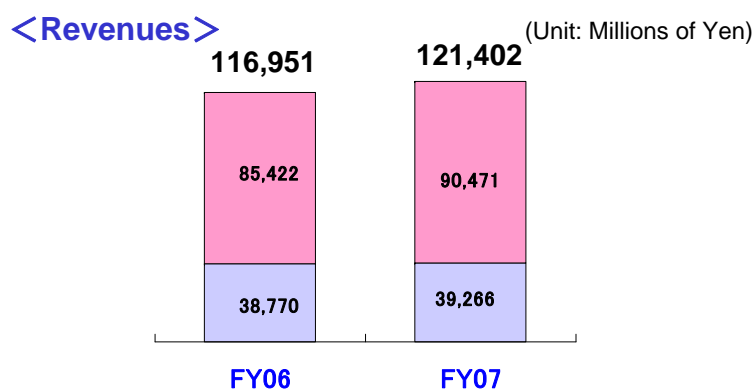


(Millions of Yen)

	SKY Perfect JSAT	JSAT (Consolidated)	SKY Perfect (Consolidated)	FY07 Group Consolidated	(Reference) FY 06 Group Consolidated* ¹
Revenues	8,070	39,266	90,471	121,402	116,910
Operating Income	6,616	9,126	2,487	11,255	12,519
Ordinary Income	6,537	9,288	2,571	10,778	12,916
Net Income	6,416	6,174	4,019	9,107	4,135
Net Income per Share (Yen)	1,736.13	—	—	2,662.00	1,209.20
Dividends per Share (Yen)* ²	1,500.00	—	—	1,500.00	—
Net Assets per Share (Yen)	53,116.87	—	—	50,301.34	
EBITDA	—	—	—	24,848	—

*1 FY 2006 indicates the figures of proforma consolidated results

*2 Including 300 yen as the commemorative dividend



FY2007 Breakdown of Revenues by Business Service



(Millions of Yen)

	FY2006	% of total	FY2007	% of total
Satellite Broadcasting*²	92,296	79.0%	93,650	77.1%
Satellite Communication*³	16,813	14.4%	17,183	14.2%
Wired Broadcasting*⁴	4,437	3.8%	7,151	5.9%
Other Operations*⁵	3,362	2.9%	3,416	2.8%
Total Operating Revenues	116,910	100.0%	121,402	100.0%

*1 Segments of our group are consisted by Satellite Operation and Broadcast-related Businesses. This table indicates the classification of operating profit by service on the basis of estimates for comparison.

*2 Satellite Broadcasting includes JSAT's broadcasting-related operating revenues, operating revenues relating to satellite broadcasting of SKY Perfect (including revenues from proprietary content) and operating revenues of Data Network Center, SKYPerfect Marketing, PPVJ, Samurai TV, eTEN, and Multi Channel Entertainment.

*3 Satellite Communications includes JSAT's communications-related operating revenues and operating revenues of Satellite Network and JAST International.

*4 Wired broadcasting includes wired broadcasting-related revenues of SKY PerfectTV! and operating revenues of OptiCast and Cable television Adachi.

*5 Main factors of Other Operations are advertising revenue of SKY Perfect, JSAT's operating revenue related to controlling services, and operating revenues of SKY Perfect Well Think and SKY Perfect Mobile.

FY2007: Consolidated Operating Results



(Millions of Yen)

Company Name	JSAT	SKY Perfect	JSAT Int'l	Satellite Network	DNCC	PPVJ	OptiCast	Cable television Adachi ("CTA")	SKY Perfect Well Think	SKY Perfect JSAT	Group Consolidated	Space Communication Corporation (SCC)
Major Area of Business	Satellite Operation	Broadcasting platform	Satellite communications	Satellite communications	Customer management	Broadcasting	Content distribution service	Cable television	Content development and investments	Holding company		Satellite Operation
% of Equity Held by SKY Perfect JSAT	100.0	100.0	100.0	92.0	51.0	100.0	100.0	77.3	100.0	—	—	97.0
Revenues	34,516	77,109	1,867	4,616	17,338	12,099	4,421	3,468	757	8,070	121,402	17,288
Operating Income	7,843	6,606	990	283	509	19	(4,791)	576	(289)	6,616	11,255	3,248
Ordinary Income	8,013	7,654	941	286	513	20	(4,870)	585	(530)	6,537	10,778	2,914
Net Income	5,169	△2,563	596	173	307	30	(2,791)	341	(445)	6,416	9,107	2,683

*1 Other includes Samurai TV Inc., SKY Perfect Mobile, Inc., Multi Channel Entertainment Inc., eTEN, Inc. and OptiCast's subsidiaries, namely OptiCast Marketing Inc. and Information Network Koriyama Inc. (16 consolidated subsidiaries in total)

*2 The company accounts for 5 equity method companies, including System Create Inc., J SPORTS Broadcasting Corporation and Nikkatsu Corporation. (except 5 content production communities)

FY2007: Summary of Consolidated Balance Sheets



(Millions of Yen)

	JSAT (Consolidated)	SKY Perfect (Consolidated)	SCC	SKY Perfect JSAT (Consolidated)
Current Assets	38,821	73,761	9,498	83,994
Fixed Assets	126,075	53,144	52,141	239,929
Total Assets	164,896	126,905	61,639	323,923
Current Liabilities	20,265	31,865	9,172	56,962
Fixed Liabilities	62,269	2,861	24,232	88,750
Total Liabilities	82,534	34,726	33,404	145,713
Common Stock	53,769	50,083	20,000	10,000
Capital Surplus	21,278	41,626	144	177,287
Retained Earnings	13,560	119	8,631	8,236
Treasury Stock	-	-	-	(19,165)
Total Shareholders' Equity*	88,608	91,830	28,776	176,358
Valuation and Translation Adjustments	(6,455)	(4,878)	540	(4,265)
Stock Acquisition Rights			-	65
Minority Interests	209	5,227	-	6,051
Total Net Assets	82,362	92,178	28,235	178,210
Total Liabilities and Net Assets	164,896	126,905	61,639	323,923

FY2007: Summary of Consolidated Cash Flows



(Millions of Yen)

SKY Perfect JSAT (Consolidated)	FY2007 (1)	(Reference) SCC (2)	(Reference) Simple sum (1)+(2)
Net Cash From Operating Activities	48,362	7,805	56,167
Net Cash From Investing Activities	(51,080)	(4,698)	(55,778)
Net Cash From Financing Activities	3,159	461	3,620
Effect of Exchange Rate Changes	(24)	(7)	(31)
Net Increase (Decrease) in Cash and Cash Equivalents	416	3,567	416
Cash and Cash Equivalents at the Beginning of Fiscal Year	44,583	3,211	44,583
Cash and Cash Equivalents at the End of Fiscal Year (A)	44,999	6,779	44,999
Marketable Securities at the End of Fiscal Year (B)	22,072	93	22,072
Total Fund at the End of Fiscal Year (C=B+A)	67,072	6,873	67,072
Balance of Debt at the End of Fiscal Year (D)	96,843	29,673	96,843
Net Debt at the End of Fiscal Year (D-C)	29,770	22,800	29,770

FY2007 Other Financial Matters

<Capital Expenditure and Depreciation>

(Millions of Yen)

	FY 2007 performance	
	CAPEX	Depreciation
Group consolidated results	36,193	16,126

* FY 2007

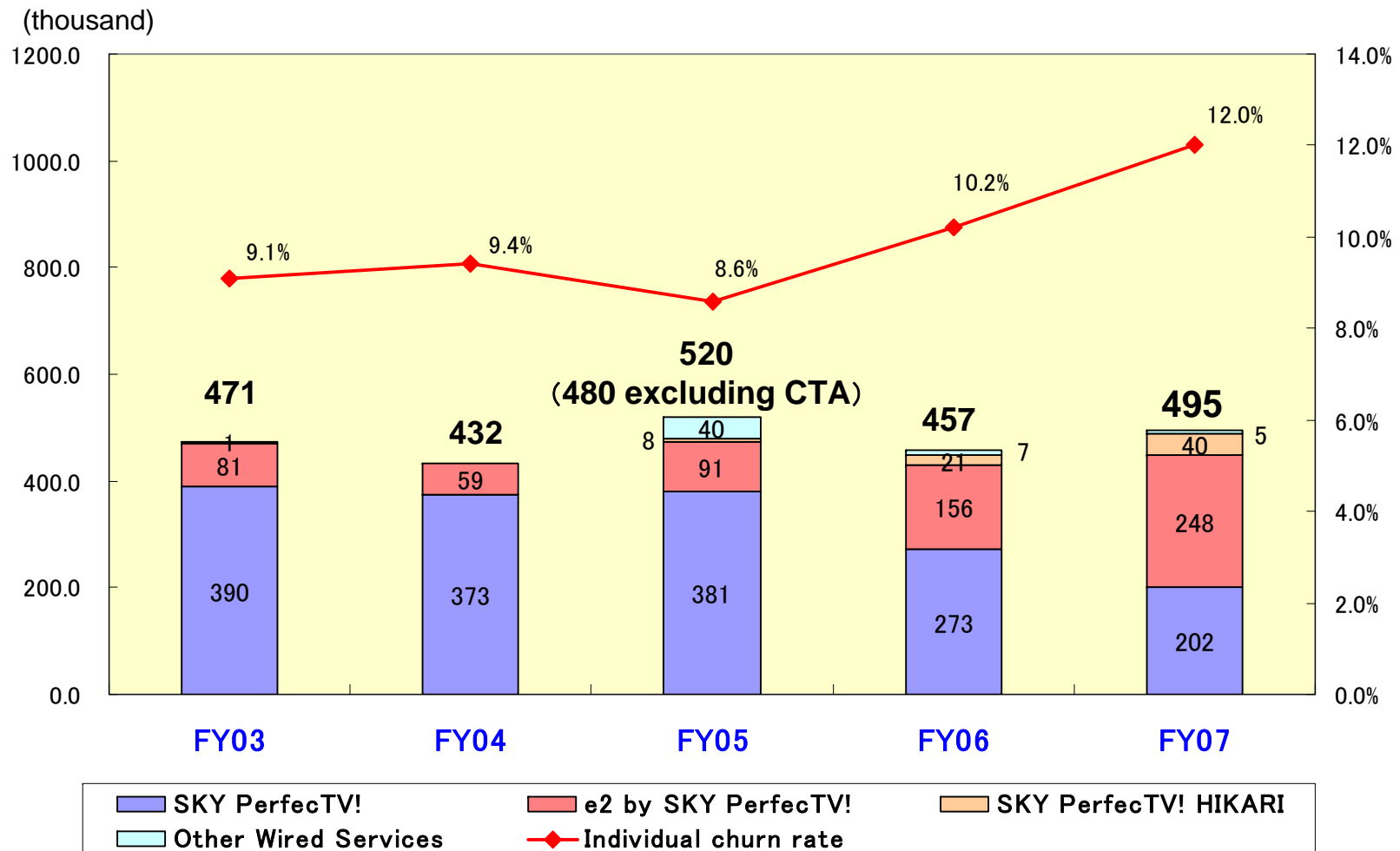
Major capital expenditure: Satellite procurement-related (¥ 25.6 billion), Broadcast fixture-related (¥ 9.2 billion)

<Goodwill by Integrations>

(Millions of Yen)

Integration Form	Time	Amount for Goodwill	Years of Amortization	Annual Amortization
Share transfer	April, 2007	12,166	15 years	811
Inclusion of Space Communications Corporation as a subsidiary company	March, 2008	1,005	15 years	67
Total		13,171	-	878

Trend in the Number of New Individual Subscribers and the Churn Rate

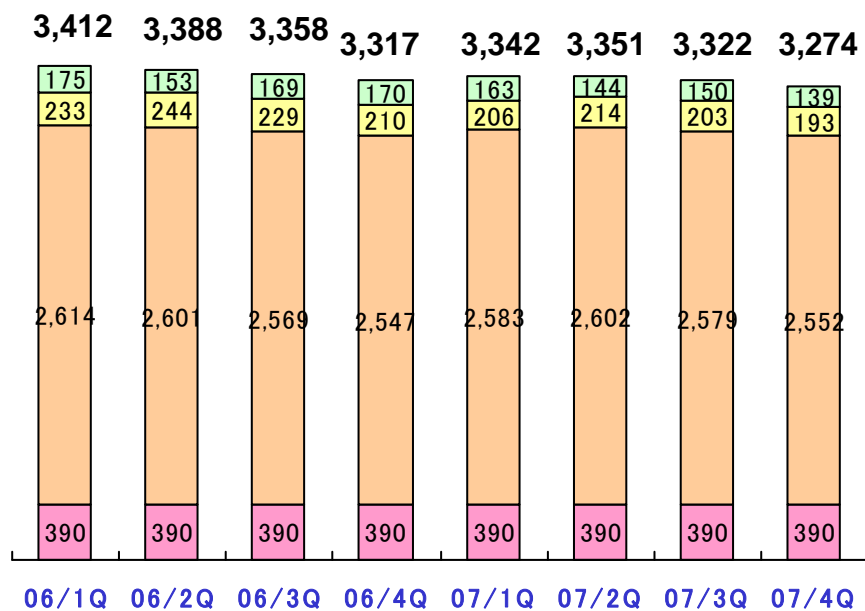


Average Revenues per User (ARPU) (SKY PerfecTV! and e2 by SKY PerfecTV!)



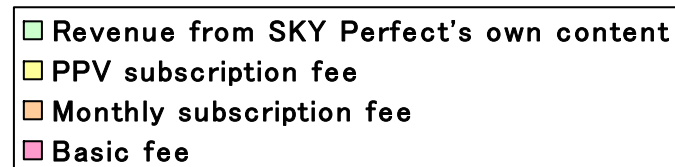
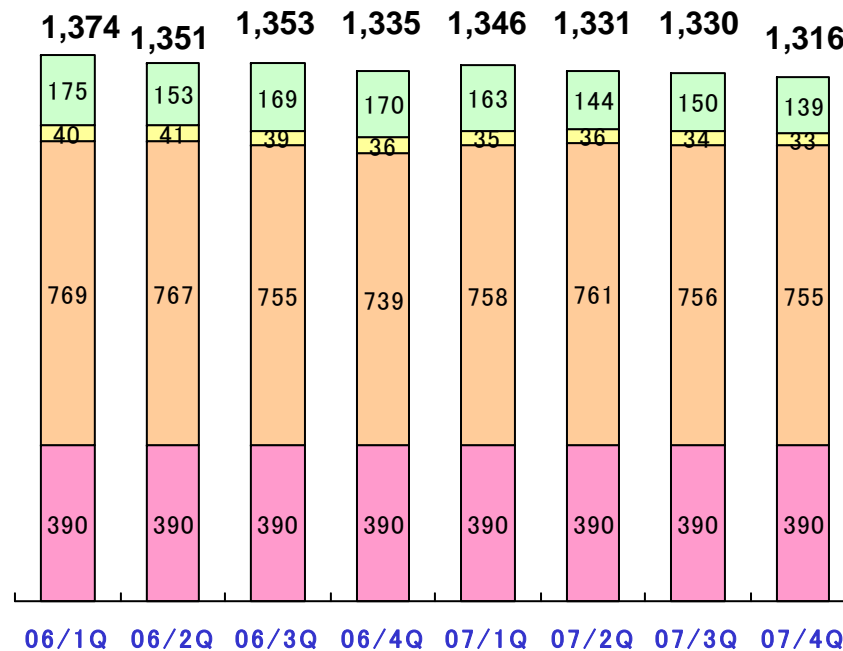
(Yen)

Subscription Fee Per Subscriber



(Yen)

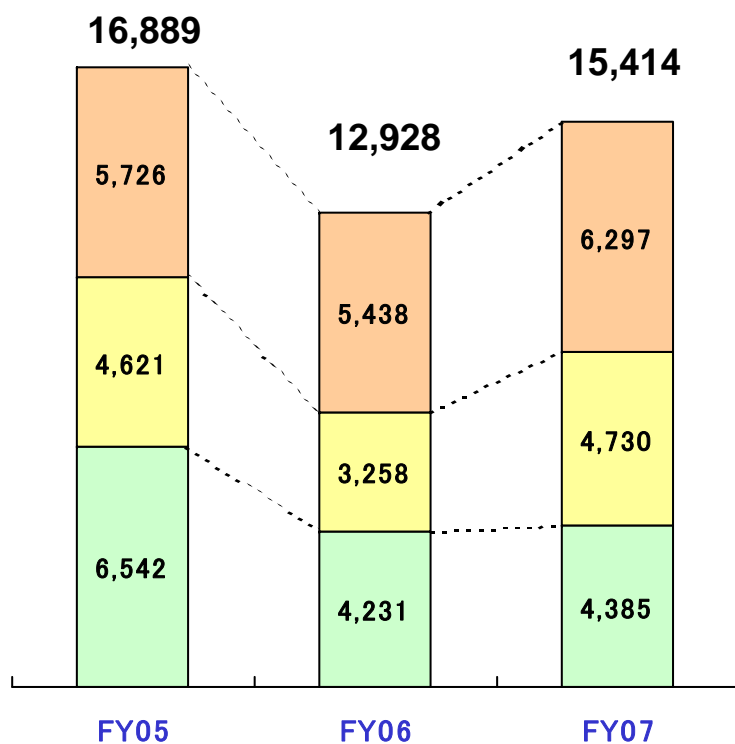
Subscriber-related Revenues per Subscriber



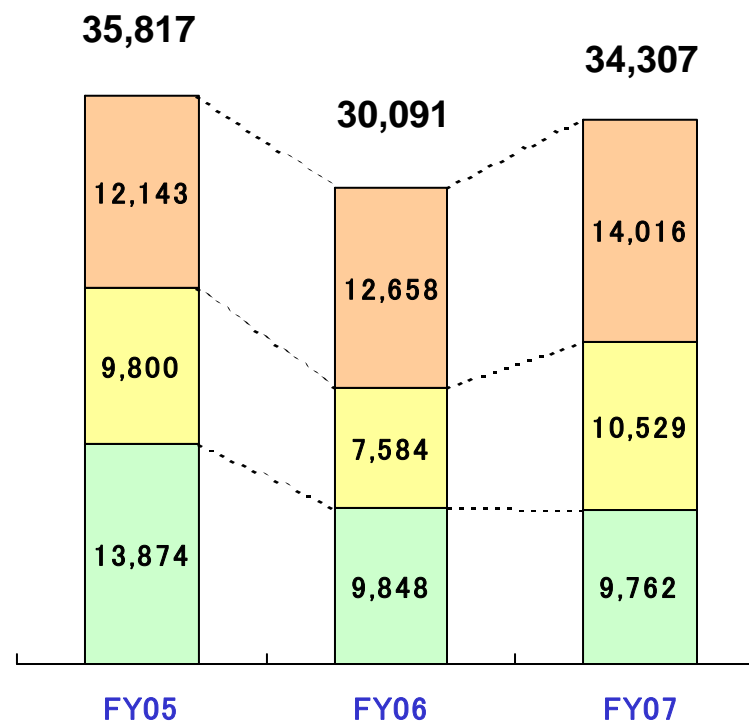
Subscriber Acquisition Cost (SAC) (SKY PerfecTV! and e2 by SKY PerfecTV!)



Total SAC (Millions of Yen)



SAC per Subscriber (Yen)



*1 Expenses incurred at SKY Perfect and SKY Perfect Marketing.

*2 Advertising expenses exclude public relations expenses

Future Expansion of Group Business

FY2008: Results Forecast

(Millions of Yen)

SKY Perfect JSAT (Consolidated)	FY 2007		FY 2008 Forecast	
	Interim	Full-Year	Interim	Full-Year
Revenues	60,128	121,402	70,000	148,000
Operating Income	6,854	11,255	6,700	14,500
Ordinary Income	6,629	10,778	6,000	13,000
Net Income	8,201	9,107	4,600	9,400
Dividend per Share (¥)	500	1,500	600	1,200

<Reference: Forecast for SKY PerfectTV! Subscribers and Churn Rate>

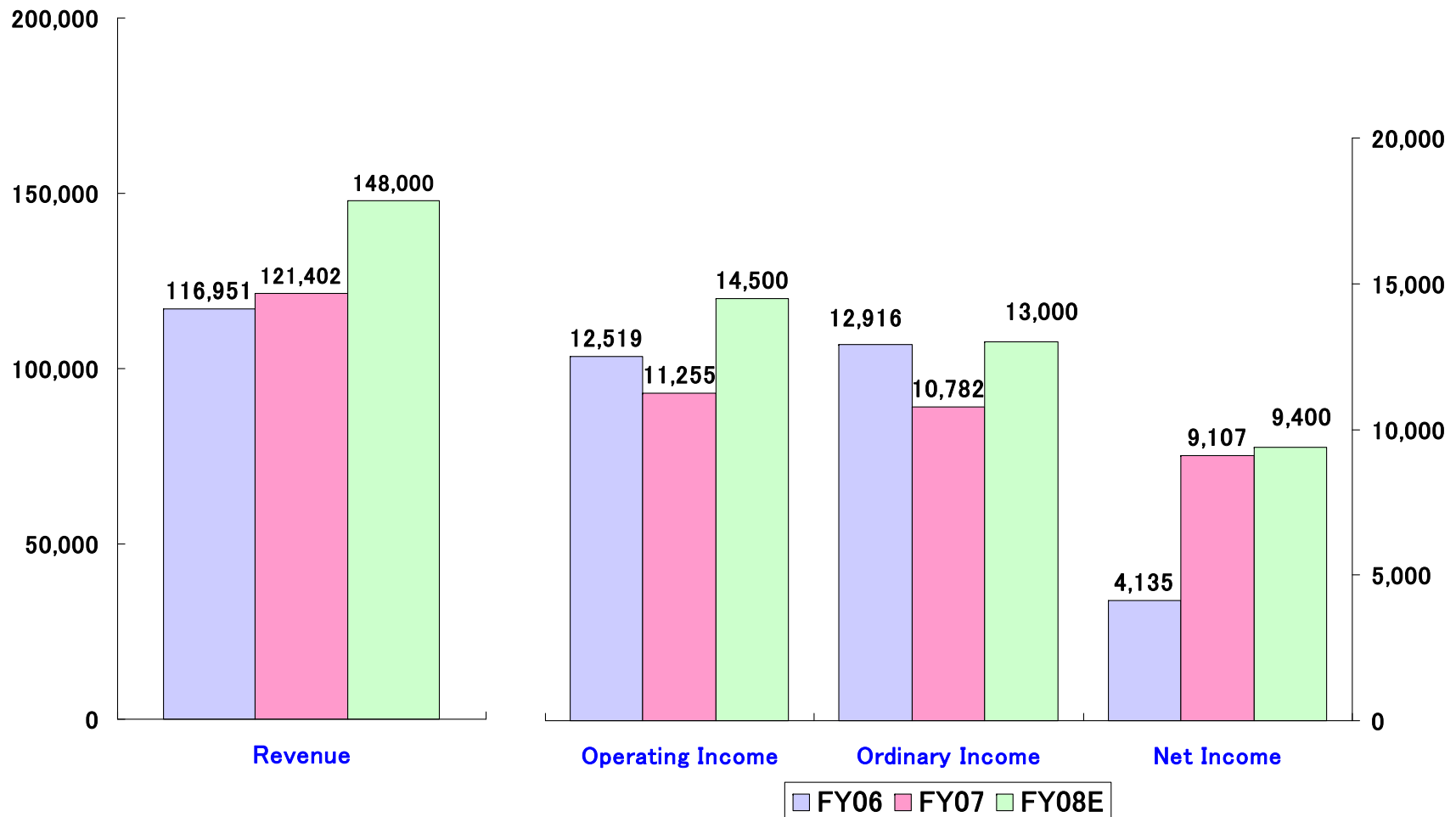
	FY2007	FY2008 Forecast
New Individual Subscribers (Thousands)	495	560
Churn Rate (%)	12.0%	12.0%
Net Increase in Individual Subscribers (Thousands)	55	111
Individual Subscribers: at the End of Year (Thousands)	3,683	3,794

	170 thousand
	330 thousand
	total wired services 60 thousand

Trend of the consolidated Financial Result and Forecast



(Millions of Yen)



* FY 2006 indicates the figures of proforma consolidated results

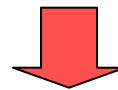
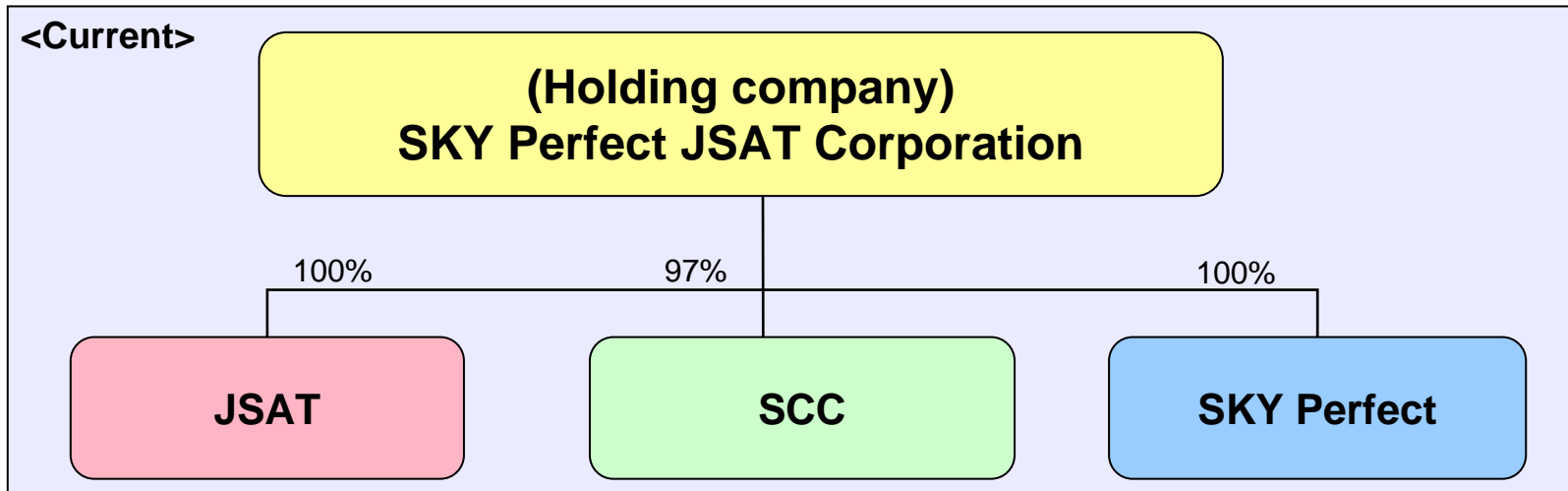
Updating the Mid-Term Management Plan



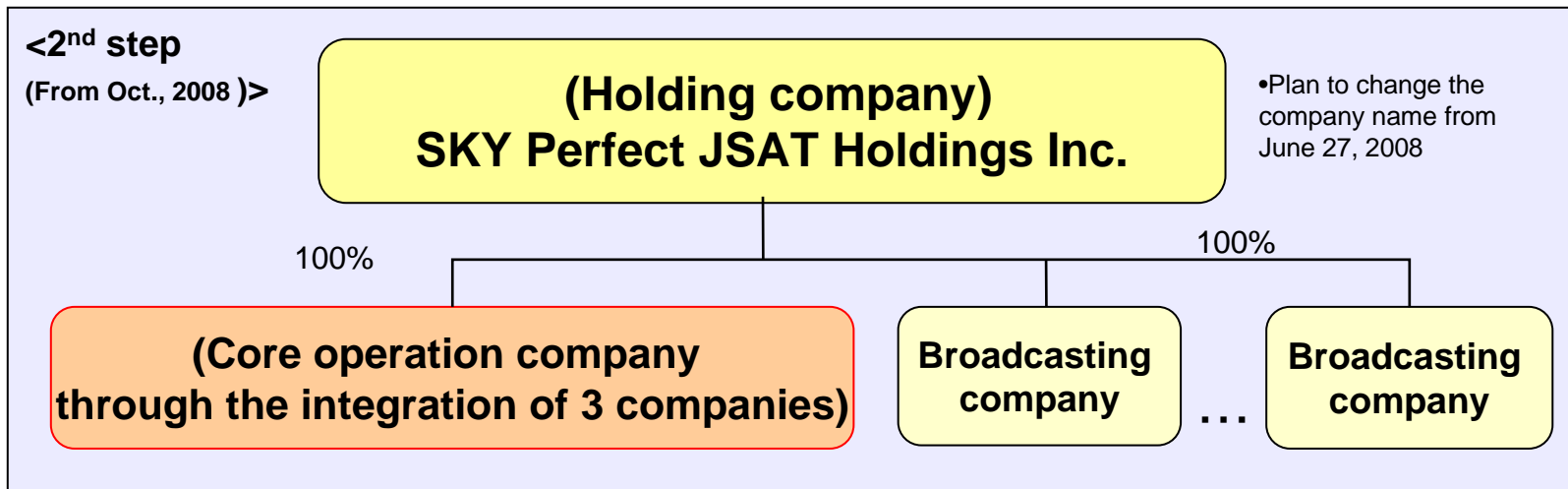
Changes in the premise of the Mid-Term Management Plan announced in March, 2007

- Integration of Space Communications Corporation
 - Changes in the business plan of OptiCast Inc.
 - Transition in the number of planned subscribers and achievements
 - Progress of shift to HD format in SKY PerfecTV! service
 - Changes in environment for mobile phones and IP
- **Plan to readjust the Mid-Term Management Plan**
Reorganizing group companies

Reorganization of Group Companies



(Merits) Promotion of integral management/ rapid decision making/
promotion of efficiency/ reallocation of human resources, etc.



New Executive Organization of the SKY Perfect JSAT Group



<SKY Perfect JSAT>

Title	Name	Remarks
President and Representative Director	Masanori Akiyama	Currently Chairman and Representative Director
Director	Masao Nito	Currently President and Representative Director
Director	Yutaka Nagai	Currently Director, JSAT Corporation Currently President & CEO, Space Communications Corporation
Director	Yoichi Iizuka	Currently Board Director & Senior Managing Executive Officer, JSAT Corporation Currently Director, Space Communications Corporation

* The above-listed individuals are all executive directors. There are 7 non-executive directors and 4 corporate auditors.

* Director Ryoji Hirabayashi will become the Managing Executive Officer of SKY Perfect Communications Inc., and Director Hiroo Sumitomo will become the Managing Executive Officer of JSAT Corporation.

<Presidents of the Major Group Companies>

Company name	Title	Name
JSAT Corporation	President & CEO	Masanori Akiyama
SKY Perfect Communications Inc.	Chairman and Representative Director President and Representative Director	Hiroyuki Shinoki Masao Nito
Space Communications Corporation	President & CEO	Yutaka Nagai

* The above-listed designations are all tentative and awaiting approval at the ordinary shareholders meeting and subsequent board meeting scheduled for June 27th, 2008.

Satellite Operation Business

Synergy of SCC Integration

Synergy of making SCC a wholly owned subsidiary

1. Promote incremental and continuous operating effectiveness to strengthen the competitive edge

- NO.1 satellite operator in the Asia-Pacific region, TOP5 in the world.
 - New opportunities for joint projects with other top satellite operators
- Becoming the only company that provides satellite communications in Japan
 - Enhancing customer base for long-term and stable satellite communications

2. Efficiencies through horizontal integration and improve services

- Short Term (FY2008 ~)
 - Operational efficiencies, including staff streamlining and effective assignments throughout the group
- Mid Term (~FY2010)
 - Consolidation of and greater efficiency in satellite control functions and services (equipments / operations)
- Long term (FY2011 ~)
 - Optimization of satellite fleet

3. Maximize stable profit and cash flow

- Invest aggressively in multi-channel pay TV business to realize the growth potential leveraging
 - Acquisition of new subscribers
 - Investment in HD transition, promotion

Satellite-Launch Schedule

Planning to launch 4 satellites by the end of 2011

■ FY2008

- Superbird-7 (C2)

A successor satellite to the Superbird-C currently owned by the Space Communications Corporation

■ FY2009

- Intelsat-15

Partial ownership of the satellite will be launched by Intelsat, Ltd.

- JCSAT-12

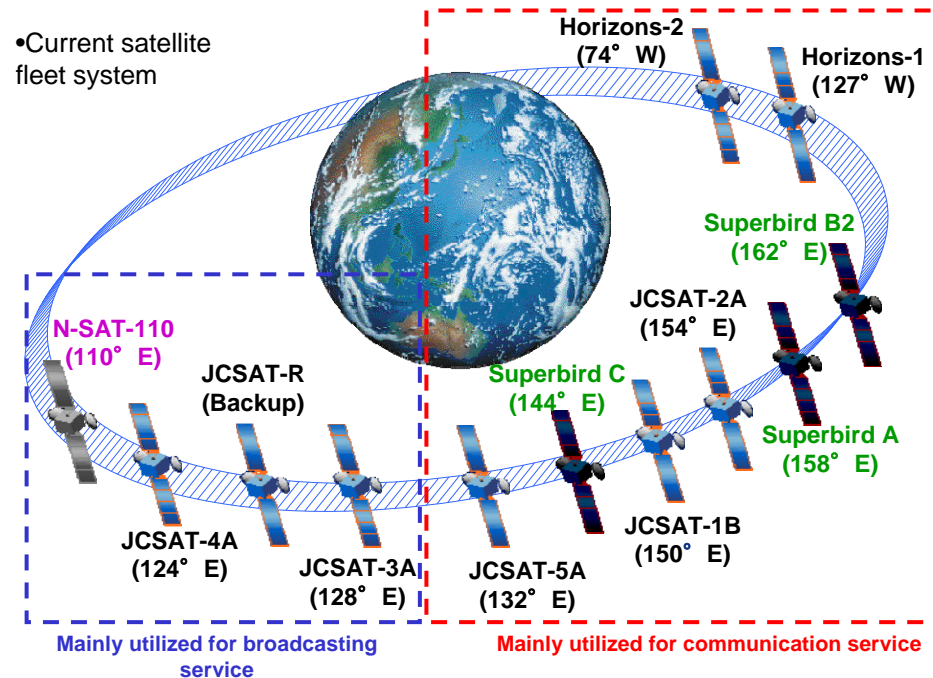
A successor satellite to the JCSAT-R currently owned by JSAT Corporation

■ FY2011

- JCSAT-110R (BS/CS hybrid satellite)

A satellite jointly owned with Broadcasting Satellite System Corporation

Loaded with the back-up satellite system of the N-SAT-110 jointly owned by JSAT Corporation and Space Communications Corporation currently.



Launch of Superbird-7(C2)

- Designed in consideration of consistency with the current Superbird-C, improvement in high-performance, and service expansion
- The first commercial satellite produced by the Japanese manufacturer (Mitsubishi Electric Corporation)

Launch of Superbird-7

Date of launch: Summer, 2008

Satellite bus: DS2000
(Mitsubishi Electric)

Booster-rocket: Ariane 5
(Arianespace)

Orbital slot: Longitude 144° east

Covered area: Almost the entire area of Asia and Pacific including Japan

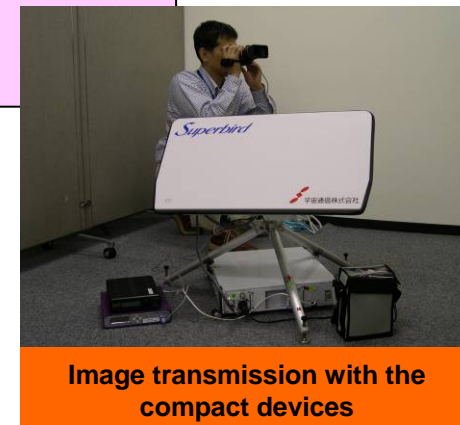
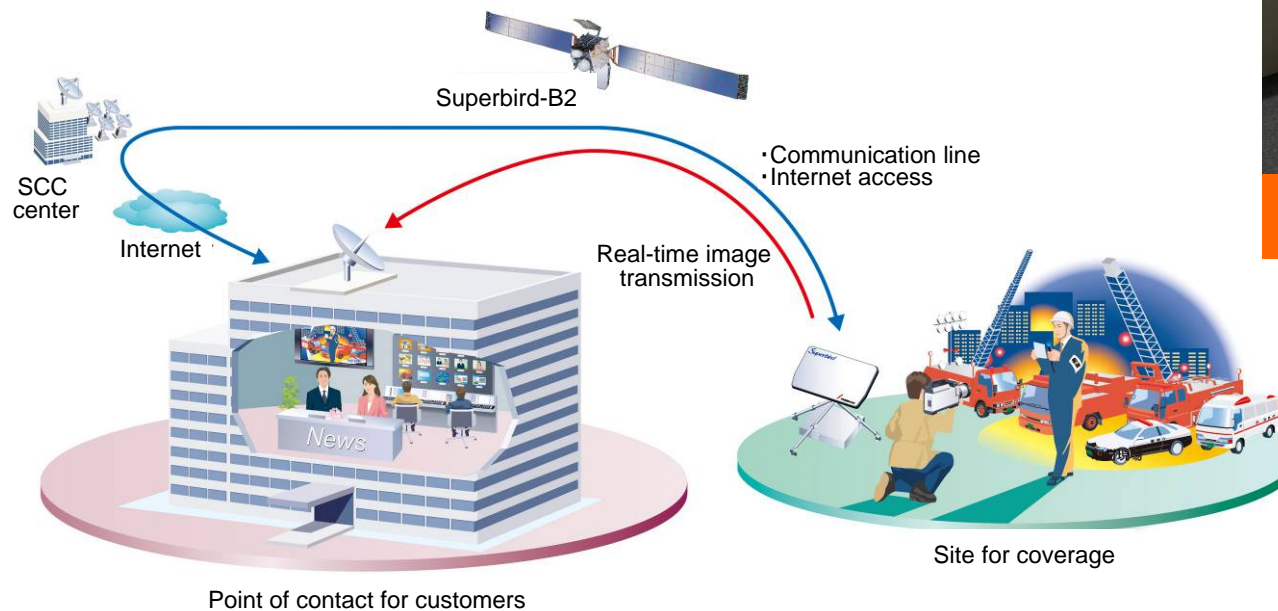


Putting Efforts into the Superior Field of Satellite: Portalink service (Video transmission)

Developed a transmission terminal superior in the transmission of HD images

Portalink service features

Seeking portability: Microminiaturized lightweight terminal (less than 20kg)
Easy installation(Approx. 5 minutes from assembly to satellite capture)
Possible to transmit HD images (maximally 6Mbps)




Putting Efforts into the Superior Field of Satellite: Global




SKY Perfect JSAT Corporation

Expansion of the market in North America due to the start of Horizons-2 service

Status of JSAT International Inc, (JII)

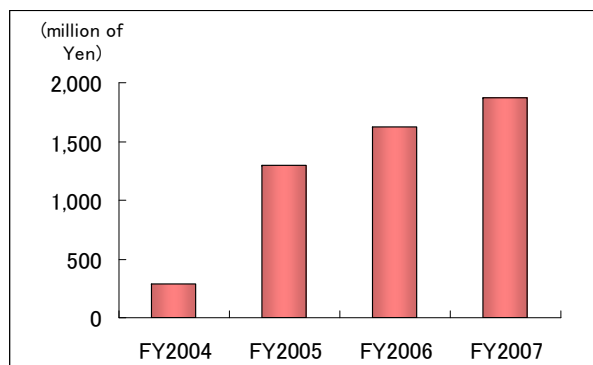
- 
Horizons-1
 - Focus on the corporate use of VSAT*. Currently handle sales of data communication for commercial-use aircrafts

- 
Horizons-2
 - Respond to the expansion of sales of data communication for corporations in North America and HD image transmission as a high-power satellite

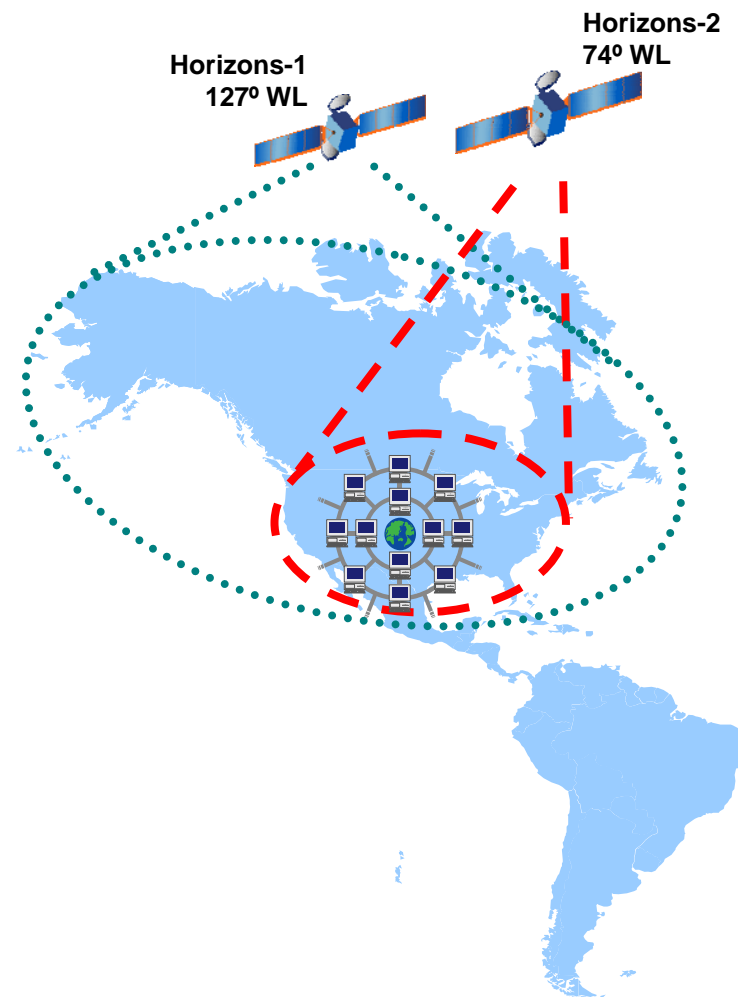


Market trends

~ Firm sales of Ku band in North America ~



<JII Operating revenue transition>



*. VSAT (Very Small Aperture Terminal)

Broadcast-Related Business

<Transition in the number of new individual subscribers>

■ Tuner built into a digital TV set

Serve as a spur to expand sales focusing on the Beijing Olympics this summer after last year's year-end sales campaign

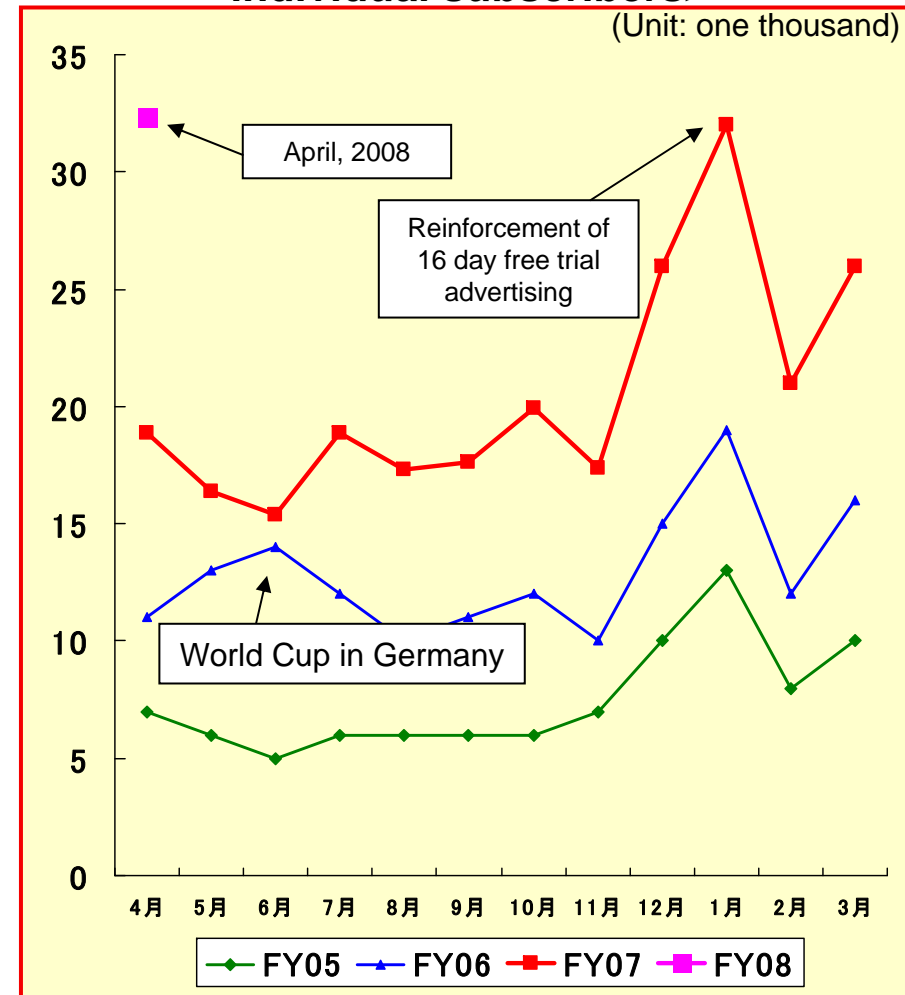
■ Continual implementation of measures including enhancement of advertising, 16 day free trial and antenna support campaign

■ Establish an official "e2 SKY PerfecTV!" website supporting "acTVila" in March

■ Broadcast semifinal and final games of the "SKY PerfecTV! Sports Special - The 37th Wheelchair basketball championship in Japan" by HD

■ HD channel

Opened Fuji TV CSHD station in April, 2008. Changing 2 channels (Movie Plus, LALA TV) into HD format. 7 channels in total.



SKY PerfecTV! HD service/ Schedule



Expand the number of channels to a total of 62

① 1st phase HD channels (scheduled to start October 1st, 2008)

Number of channels: 12

PPV 3chs+Premium 4chs+Basic 5chs

(movies, sports, dramas, etc.)



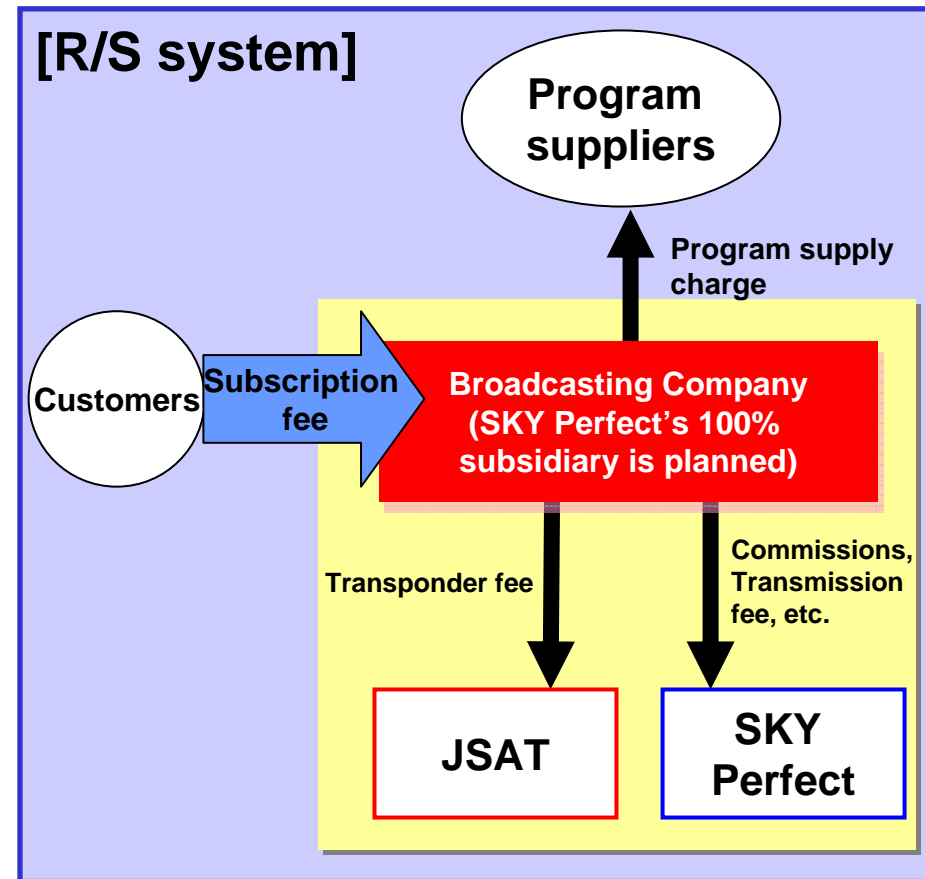
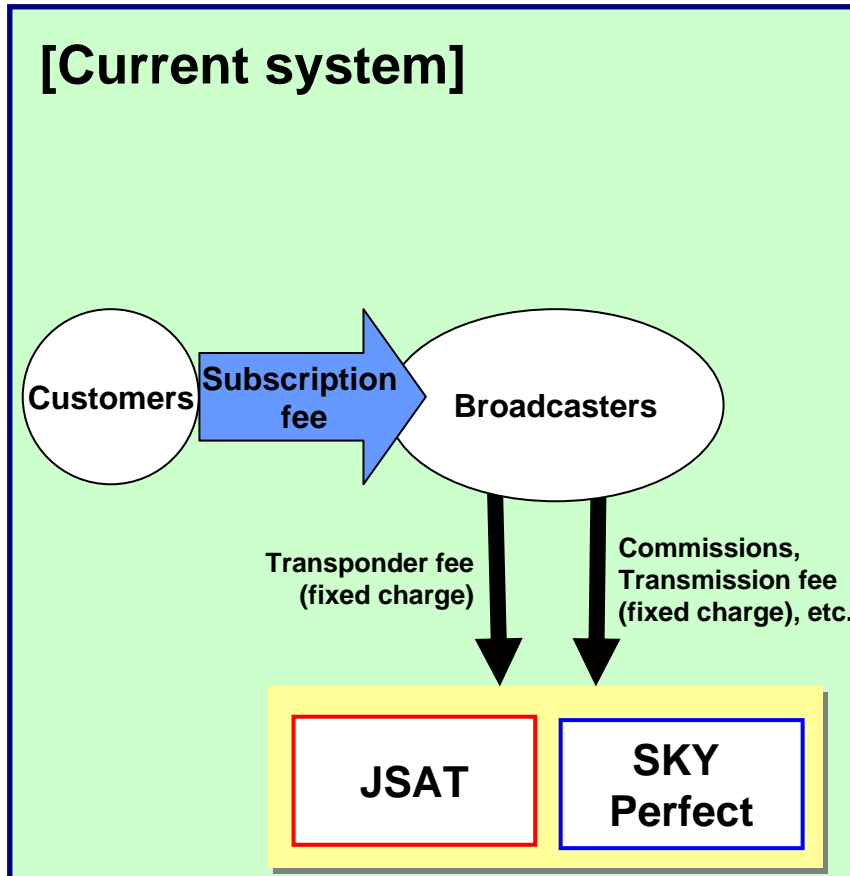
② 2nd phase HD channels (aiming for Autumn, 2009)

Number of channels: 50 (addition of 10chs)

PPV 8chs+Premium 9chs+Basic 35chs

(movies, sports, music, animation, dramas, documentaries, hobbies, etc.)

SKY PerfecTV! HD Service/ Business Scheme



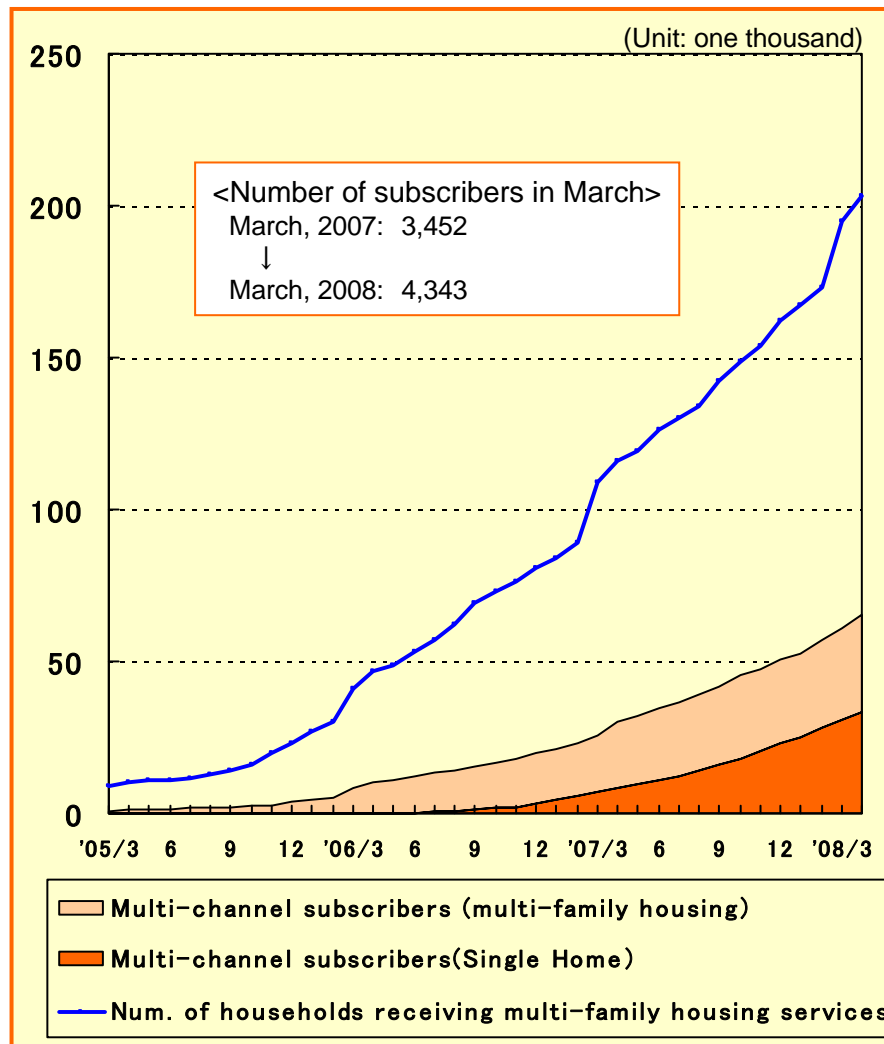
→ **SKY PerfecTV! HD assumes revenue share (R/S) model.**

- Reduce transponder fee to be paid by broadcasting service providers
- Record operating revenue based on subscription fees

SKY PerfecTV! HIKARI



- Cumulative total of new individual subscriber – 67,000 at the end of April, 2008
- Sales promotion by NTT including aggressive advertising promotion through TVCM, and DM and insert advertising tie-up with each branch office
- Increase subscribers of detached homes in the expanded areas for the service
- Increased capital of OptiCast group at the end of March, 2008 and changed business plan
- Started service for detached homes in Nagoya area of NTT West Corporation in April, 2008.
- Started service for detached homes in Hyogo area of NTT West Corporation in May, 2008.
- ★ Discussing cooperation with NTT group through Next Generation Network (NGN)



SKY PerfecTV! Mobile Television – To achieve personal SKY PerfecTV!

Start SKY PerfecTV! Mobile Television – content delivery pay service for NTT DoCoMo mobile phones – on April 21st

Broadcast channels (simulcast)

- ① J League (live): Free (will become a pay service in June)
 - ② National Geographic Channel: 525 yen/month
 - ③ Baby TV: 525 yen/ month
 - ④ Pachinko & slot machine site SEVEN: 1,050 yen/ month
 - ⑤ Daiwa – Securities information TV: 250 yen/ month
- 5 channels in total (as of April 21st)

VOD service

Prepare approx. 150 programs including soccer (champion league) gravure, and entertainment

Champion league features highlights of famous games and goal shots in the past

Future plan

Plan to expand broadcast channels and VOD sequentially
Plan to upload approx. 50 VOD programs/ month

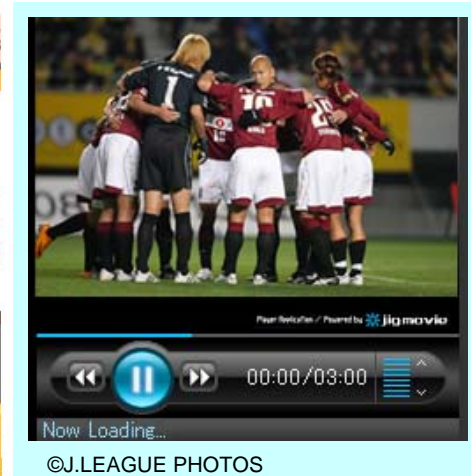


Image of the top of the “SKY PerfecTV!
Mobile Television” website

Please direct any inquiries regarding IR information to the division in charge.

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