

SKY Perfect JSAT Holdings Inc.

News Release



November 12, 2008
SKY Perfect JSAT Holdings Inc.

Summary of Business Results for FY2008

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Masanori Akiyama) today announced the financial and operational results of SKY Perfect JSAT Corporation (Head Office: Minato-ku, Tokyo; President & CEO; Masanori Akiyama), a 100% owned subsidiary of SKY Perfect JSAT Holdings Inc. for FY2008.

Contents:

- I. Financial Highlights
- II. Results Forecast for SKY Perfect JSAT Holdings Inc.
- III. Summary of Consolidated Financial Statements
- IV. Number of Subscribers

Notes:

1. These financial results have been extracted and translated from the Japanese “Kessan Tanshin” prepared under accounting principles generally accepted in Japan (Japanese GAAP). Though the Kessan Tanshin is an audited document, this news release is unaudited.
2. This news release contains forward-looking statements based on SKY Perfect JSAT Holdings’ own projections and estimates. The markets where SKY Perfect JSAT Holdings Inc. is active are extremely volatile, subject to rapid shifts in technology, customer demands, and prices, changes in economic conditions, the potential of satellite failures and many other variables. Due to the risks and uncertainties involved, actual results may differ from the content of these statements. Therefore, these statements should not be interpreted as representations that such objectives will be fulfilled.

I. Financial Highlights

1. Consolidated Financial Highlights

Consolidated	(¥ Million)	
	Six-Month periods ended September 30	
	2008	2007
Results of operations:		
Revenues	69,409	60,128
Operating income	8,196	6,854
Ordinary income	7,388	6,629
Net income (loss)	309	8,201
		(¥)
Net income (loss) per share (yen)	89.43	2,397.16
Interim Dividends per share	600	500
Total assets	310,367	322,212
Total equity	174,575	176,499
Average number of Shares	3,460,468	3,421,246

II. Results Forecast

1. Consolidated Forecast

	(¥ Million)			
	For the year ending March 31, 2009			
	Operating revenues	Operating income	Ordinary income	Net income
Full year	148,000	14,500	13,000	5,000

2. Dividends per Share

	(¥)	
	For the year ended March 31, 2008	For the year ending March 31, 2009
Interim	500.00	600.00
Year-end	1000.00*	600.00
Total	1,500.00	1,200.00

*300.00 yen out of 1,000 yen is a dividend commemorating the first fiscal year of SKY Perfect JSAT.

III. Summary of Consolidated Financial Statements

(1) Consolidated Balance Sheets

(¥ Million)

	Six-Month periods ended September 30, 2008	Years ended March 31, 2008
Assets:		
Current assets	69,977	82,283
Fixed assets	240,390	239,929
Total assets	310,367	322,212
Liabilities and equity:		
Current liabilities	53,362	56,962
Long-term liabilities	82,430	88,750
Total liabilities	135,792	145,713
Shareholders' equity	171,016	174,647
Valuation and translation Adjustments	(1,936)	(4,265)
Stock acquisition rights	71	65
Minority interests	5,423	6,051
Total equity	174,575	176,499
Total liabilities and equity	310,367	322,212

(2) Consolidated Statements of Income

(¥ Million)

	Six-Month periods ended September 30,	
	2008	2007
Revenues	69,409	60,128
Operating expenses	61,213	53,273
Operating income	8,196	6,854
Other income (expenses), net	(808)	(225)
Ordinary income	7,388	6,629
Extraordinary gain (loss), net	(8,104)	(2,522)
Income (loss) before income taxes and minority interests	(716)	4,108
Income taxes	(3,093)	(3,541)
Minority interests in net income (loss)	(616)	550
Net income (loss)	309	8,201

(3) Consolidated Statements of Cash Flows

(¥ Million)

	Six-Month periods ended September 30,	
	2008	2007
Operating activities:		
Income (loss) before income taxes and minority interests	(716)	4,108
Depreciation and amortization	11,225	8,466
Other—net	5,958	4,933
Net cash from operating activities	16,467	17,507
Investing activities:		
Payments for time deposits, net	951	422
Proceeds from (purchases of) short-term investments, net	1,280	(2,900)
Proceeds from (purchases of) property and equipment, net	(18,675)	(14,969)
Proceeds from (purchases of) investment securities, net	577	8,017
Proceeds from (purchases of) long-term investments, net	304	(7,812)
Other—net	(1,196)	(138)
Net cash from investing activities	(16,758)	(17,380)
Financing activities:		
Increase in short-term borrowings, net	-	(20)
Repayments of installment debt	(27)	(156)
Increase in long-term borrowings, net	(5,197)	4,963
Dividends paid	(3,413)	(2,556)
Dividends paid to minority shareholders	(18)	(18)
Net cash from financing activities	(8,848)	2,210
Foreign currency translation adjustments on cash and cash equivalents	(135)	38
Net increase (decrease) in cash and cash equivalents	(9,275)	2,375
Cash and cash equivalents at beginning of year	44,999	44,583
Cash and cash equivalents at end of year	35,723	46,958

IV. Number of Subscribers

	1H / FY2008	1H / FY2007	(Reference) Years ended March 31, 2007
(Thousands)			
Net addition of total subscribers:	34	50	16
SKY PerfecTV!	(130)	(68)	(184)
SKY PerfecTV! e2* ¹	144	102	164
SKY PerfecTV! HIKARI* ²	19	16	35
Other Wired Services	0	1	1
Total subscribers at the period-end:	4,283	4,281	4,246
SKY PerfecTV!	3,374	3,618	3,501
SKY PerfecTV! e2* ¹	783	575	638
SKY PerfecTV! HIKARI* ²	84	46	65
Other Wired Services	42	41	42
New individual subscribers:	277	241	495
SKY PerfecTV!	81	115	202
SKY PerfecTV! e2* ¹	168	104	248
SKY PerfecTV! HIKARI* ²	25	19	40
Other Wired Services	2	3	5
Number of individual subscribers' churn:	261	204	440
SKY PerfecTV!	214	181	384
SKY PerfecTV! e2* ¹	38	19	46
SKY PerfecTV! HIKARI* ²	6	2	5
Other Wired Services	2	2	4
Net addition of individual subscribers:	28	37	55
SKY PerfecTV!	(127)	(66)	(182)
SKY PerfecTV! e2* ¹	135	85	202
SKY PerfecTV! HIKARI* ²	19	16	35
Other Wired Services	0	1	1
Individual subscribers at the period-end:	3,711	3,665	3,683
SKY PerfecTV!	2,893	3,136	3,020
SKY PerfecTV! e2* ¹	694	443	559
SKY PerfecTV! HIKARI* ²	82	45	63
Other Wired Services	42	41	42
Annualized Churn rate of individual subscribers:	1.18%	0.93%	12.0%
SKY PerfecTV!	1.21%	0.95%	12.3%
SKY PerfecTV! e2* ¹	1.02%	0.79%	10.1%
SKY PerfecTV! HIKARI* ²	1.45%	0.96%	11.6%
Other Wired Services	0.79%	0.90%	10.6%

*1 Rounded to the nearest 1000. Annual churn rate rounded to the first decimal place; monthly churn rate rounded to the second decimal place.

*2 "Churn rate of individual subscribers" is calculated by dividing the number of individual cancellations for the fiscal period in question by the period-beginning and period-end average number of individual cancellations for the same period in order to convert to a monthly rate. (Full-year figure for fiscal year ended March 2008 is the annual rate)

*3 On October 1, 2008, e2 by SKY PerfecTV! changed its broadcasting service name to SKY PerfecTV! e2. The new name is used in this document.

*4 "Other Wired Services" are multi-channel paid broadcast contracts utilizing the SKY PerfectTV! digital format through cable television and other wired transmission routes other than SKY PerfectTV! HIKARI. This includes multi-channel broadcast service subscriptions for consolidated subsidiary Cabletelevision Adachi Corporation services.