

# SKY Perfect JSAT Holdings Inc.

## News Release



August 5, 2009  
SKY Perfect JSAT Holdings Inc.

### **Summary of Business Results for 1Q/FY2009**

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Masanori Akiyama) today announced the consolidated financial and operational results for 1Q/FY2009.

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#### 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)	
	Three-Month periods ended June 30	
	2008	2009
Results of operations:		
Revenues	34,634	34,990
Operating income	4,203	4,031
Ordinary income	4,113	3,760
Net income (loss)	80	1,900
	(¥)	(¥)
Net income (loss) per share (yen)	23.55	564.58
Total assets (*as of March 31, 2009)	309,811	313,179
Total equity (*as of March 31, 2009)	173,502	174,105
Average number of shares	3,421,243	3,365,519

## II. Results Forecast

### 1. Consolidated Business Result Forecast

	(¥ Million)			
	For the year ending March 31, 2010			
	Revenues	Operating income	Ordinary income	Net income
Interim	69,000	6,100	5,600	2,400
Full year	140,000	10,000	9,000	4,200

### 2. Dividends Forecast per Share

	(¥)
	For the year ending March 31, 2010
Interim	600.00
Year-end	600.00
Total	1,200.00

### III. Summary of Consolidated Financial Statements

#### (1) Consolidated Balance Sheets

	(¥ Million)	
	March 31, 2009	June 30, 2009
Assets:		
Current assets	79,544	81,292
Fixed assets	230,267	231,886
Total assets	309,811	313,179
Liabilities and equity:		
Current liabilities	50,602	53,008
Long-term liabilities	85,707	86,065
Total liabilities	136,309	139,073
Shareholders' equity	171,449	171,330
Valuation and translation adjustments	(2,023)	(990)
Stock acquisition rights	71	64
Minority interests	4,004	3,702
Total equity	173,502	174,105
Total liabilities and equity	309,811	313,179

#### (2) Consolidated Statements of Income

	(¥ Million)	
	Three-Month periods ended June 30	
	2008	2009
Revenues	34,634	34,990
Operating expenses	30,431	30,959
Operating income	4,203	4,031
Other income (expenses), net	(90)	(271)
Ordinary income	4,113	3,760
Extraordinary gain (loss), net	(3,357)	(47)
Income (loss) before income taxes and minority interests	756	3,713
Income taxes	(56)	1,542
Minority interests in net income (loss)	(291)	18
Net income (loss)	80	1,900

### (3) Consolidated Statements of Cash Flows

(¥ Million)

	Three-Month periods ended June 30	
	2008	2009
Operating activities:		
Income (loss) before income taxes and minority interests	756	3,713
Depreciation and amortization	5,321	5,560
Other—net	4,069	6,344
Net cash from operating activities	10,146	15,617
Investing activities:		
Payments for time deposits, net	1,246	(2,000)
Proceeds from (purchases of) short-term investments, net	1,285	-
Proceeds from (purchases of) intangible fixed assets	(634)	(529)
Proceeds from (purchases of) property and equipment, net	(7,276)	(8,295)
Proceeds from (purchases of) investment securities, net	(450)	237
Proceeds from (purchases of) long-term investments, net	2	1,144
Other—net	(975)	(772)
Net cash from investing activities	(6,168)	(10,215)
Financing activities:		
Repayments of installment debt	(18)	-
Increase in long-term borrowings, net	(982)	(1,161)
Dividends paid	(3,111)	(1,881)
Dividends paid to minority shareholders	(4)	(7)
Other—net	(13)	(71)
Net cash from financing activities	(4,130)	(3,122)
Foreign currency translation adjustments on cash and cash equivalents	(248)	147
Net increase (decrease) in cash and cash equivalents	(399)	2,427
Cash and cash equivalents, beginning of year	44,999	40,419
Cash and cash equivalents, end of year	44,599	42,847

#### (4) Segment Information

Three-Month periods ended June 30 2008

	Broadcast-related Business (¥ Million)	Satellite Operation Business (¥ Million)	Total (¥ Million)	Eliminations and Company Total (¥ Million)	Consolidated Amount (¥ Million)
(1) Revenue	22,518	12,115	34,634	-	34,634
(2) Internal Transfer	957	1,453	2,411	(2,411)	-
Total	23,476	13,569	37,046	(2,411)	34,634
Operating Income	564	3,834	4,398	(194)	4,203

Three-Month periods ended June 30 2009

	Multi-channel Pay TV Business (¥ Million)	Satellite Business (¥ Million)	Total (¥ Million)	Eliminations and Company Total (¥ Million)	Consolidated Amount (¥ Million)
(1) Revenue	27,552	7,438	34,990	-	34,990
(2) Internal Transfer	14	231	245	(245)	-
Total	27,567	7,669	35,236	(245)	34,990
Operating Income	2,638	1,570	4,209	(177)	4,031

\*From 3Q/FY 2008, segment changed “Broadcast-related Business” and “Satellite Operation Business” to “Multi-channel Pay TV Business” and “Satellite Business”.

\*Deference of new segment and old segment for Three-month period ended June 30, 2008

(¥ Million)

	Multi-channel Pay TV Business	Satellite Business	Eliminations and Company Total	Consolidated Amount
Revenue	+3,357	-5,515	+2,158	-
Operating Income	+2,154	-2,366	+212	-172

## IV. Number of Subscribers

	(Thousands)		
	Three-Month periods ended June 30, 2008	Three-Month periods ended June 30, 2009	FY2009
Net addition of total subscribers:	31	-	45
SKY PerfecTV!	(55)	-	(290)
SKY PerfecTV! e2* <sup>4</sup>	76	-	299
SKY PerfecTV! HIKARI	10	-	36
Other Wired Services* <sup>5</sup>	0	-	0
Total subscribers at the period-end:	4,277	-	4,291
SKY PerfecTV!	3,446	-	3,211
SKY PerfecTV! e2* <sup>4</sup>	714	-	937
SKY PerfecTV! HIKARI	76	-	101
Other Wired Services* <sup>5</sup>	42	-	42
New individual subscribers:	144	160	543
SKY PerfecTV!	46	22	131
SKY PerfecTV! e2* <sup>4</sup>	84	119	354
SKY PerfecTV! HIKARI	13	18	53
Other Wired Services* <sup>5</sup>	1	1	4
Number of individual re-registered subscribers* <sup>2</sup>	6	13	34
SKY PerfecTV!	3	5	15
SKY PerfecTV! e2* <sup>4</sup>	3	8	19
SKY PerfecTV! HIKARI	0	0	0
Other Wired Services* <sup>5</sup>	0	0	0
Number of individual subscribers' churn:	127	149	552
SKY PerfecTV!	105	104	429
SKY PerfecTV! e2* <sup>4</sup>	18	35	102
SKY PerfecTV! HIKARI	3	9	17
Other Wired Services* <sup>5</sup>	1	1	4
Net addition of individual subscribers:	24	24	25
SKY PerfecTV!	(56)	(77)	(283)
SKY PerfecTV! e2* <sup>4</sup>	69	92	271
SKY PerfecTV! HIKARI	11	9	36
Other Wired Services* <sup>5</sup>	0	(0)	0
Individual subscribers at the period-end:	3,707	3,731	3,708
SKY PerfecTV!	2,964	2,660	2,737
SKY PerfecTV! e2* <sup>4</sup>	628	922	830
SKY PerfecTV! HIKARI	73	108	99
Other Wired Services* <sup>5</sup>	42	4	42
Annualized Churn rate of individual* <sup>3</sup> subscribers:	1.14%	1.34%	14.9%
SKY PerfecTV!	1.17%	1.29%	14.9%
SKY PerfecTV! e2* <sup>4</sup>	1.03%	1.35%	14.7%
SKY PerfecTV! HIKARI	1.26%	2.75%	20.8%
Other Wired Services* <sup>5</sup>	0.83%	0.95%	9.6%

- \*1 Rounded to the nearest 1,000. Annual churn rate rounded to the first decimal place.
- \*2 The number of re-registered subscribers is the number of individuals who agreed with pay-subscription agreement within one of cancellation and have already paid for the viewing.
- \*3 "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. Churn rate of individual subscribers of FY2008 is an annualized rate. FY2009 and thereafter, "churn rate of individual subscribers" is disclosed as "churn rate." (Old name is used in this document for convenience.)
- \*4 On October 1, 2008, e2 by SKY PerfectTV! changed its broadcasting service name to SKY PerfectTV! e2. The new name is used in this document.
- \*5 "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.
- \*6 Fiscal 2009 and thereafter, "SKY PerfectTV! HD" and "SKY PerfectTV! e2 re-broadcasting" subscriber number is disclosed as a breakdown of "SKY PerfectTV!" and "SKY PerfectTV! e2 " subscriber number respectively. For 1Q/FY2009, the number of new subscribers and cumulative subscribers of SKY PerfectTV! HD is 7 thousand and 34 thousand, and the number of new subscribers and cumulative subscribers of SKY PerfectTV! e2 re-broadcasting is 4 thousand and 5 thousand, respectively.