

Summary of Business Results for 2Q/FY2010

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; President & CEO: Masanori Akiyama) today announced the consolidated financial and operational results for 2Q/FY2010.

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This material 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 changes in technology, customer demands, economic conditions including prices, the potential failures of satellites 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.

Summary of Business Results
I . Consolidated Financial Highlights

(Unit: Millions of Yen)

	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Revenues	34,990	34,765	34,841	36,470	141,068	35,171	35,346
Operating Income	4,031	4,218	4,128	2,715	15,093	1,045	4,153
Ordinary Income	3,760	3,656	3,689	2,365	13,472	463	3,721
Net Income (Loss)	1,900	1,381	2,613	8,327	14,223	(1,053)	1,912
Net Income (Loss) per Share	564.58	410.61	776.51	2,474.46	4,226.16	(313.15)	568.23
Total Equity per Share	50,613.18	50,825.01	50,945.50	53,560.19	53,560.19	52,498.68	52,908.84
EBITDA*1	9,667	9,682	10,141	12,210	41,702	5,807	9,888
Simple EBITDA*2	9,591	9,888	10,375	9,044	38,900	7,230	10,133
Cash Dividend per Share	—	600	—	600	1,200	-	600

*1.EBITDA is calculated as Net Income + Tax Expense+ Depreciation Expense+ Interest Expense.

*2.Simple EBITDA is calculated as Operating Income + Depreciation Expense.

(Unit: Millions of Yen)

Main Cost of Sales Administrative Expense	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Advertisement Expenses	1,768	1,590	2,006	1,652	7,018	2,196	1,310
Promotion Expenses	1,732	1,823	1,482	1,798	6,838	4,447	2,113
Agency Commission	1,240	1,092	861	1,137	4,333	1,106	568

II . Consolidated Balance Sheets

(Unit: Millions of Yen)

	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Assets:							
Current assets	81,292	101,392	99,361	108,199	-	115,143	107,250
Fixed assets	231,886	234,724	229,320	226,964	-	223,580	220,315
Total Assets	313,179	336,117	328,682	335,163	-	338,724	327,565
Liabilities and Equity:							
Current liabilities	53,008	54,187	46,929	46,757	-	54,337	43,516
Long-term liabilities	86,065	107,066	106,486	105,066	-	107,526	105,810
Total Liabilities	139,073	161,254	153,416	151,823	-	161,864	149,326
Shareholders' equity	171,330	172,712	173,306	181,634	-	178,560	180,473
Valuation and translation adjustments	(990)	(1,659)	(1,848)	(1,376)	-	(1,875)	(2,407)
Stock acquisition rights	64	62	62	62	-	62	62
Minority interests	3,702	3,747	3,745	3,019	-	112	111
Total Equity	174,105	174,863	175,266	183,339	-	176,860	178,239
Total Liabilities and Equity	313,179	336,117	328,682	335,163	-	338,724	327,565

III. Segment Information

(Unit: Millions of Yen)

	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Revenues	34,990	34,765	34,841	36,470	141,068	35,171	35,346
Multichannel Pay TV Business	27,567	27,276	27,281	26,362	108,488	27,517	27,465
Satellite Business	7,669	7,729	7,764	10,293	33,457	7,854	8,085
Eliminations and Corporate Total	(245)	(240)	(205)	(184)	(876)	(200)	(204)
Operating Income (Loss)	4,031	4,218	4,128	2,715	15,093	1,045	4,153
Multichannel Pay TV Business	2,638	2,759	2,594	1,022	9,015	(458)	2,775
Satellite Business	1,570	1,513	1,620	1,814	6,518	1,688	1,561
Eliminations and Corporate Total	(177)	(54)	(87)	(121)	(441)	(184)	(183)
Depreciation Expense	5,560	5,670	6,247	6,328	23,807	6,185	5,980
Multichannel Pay TV Business	—	—	—	—	12,670	—	—
Satellite Business	—	—	—	—	10,571	—	—
Eliminations and Corporate Total	—	—	—	—	565	—	—
Capital Expenditures	—	—	—	—	29,709	4,252	5,379
Multichannel Pay TV Business	—	—	—	—	23,935	—	—
Satellite Business	—	—	—	—	5,580	—	—
Eliminations and Corporate Total	—	—	—	—	193	—	—

IV. Cash Flows

(Unit: Millions of Yen)

	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Net Cash Provided by Operating Activities	15,617	7,984	8,074	7,664	39,340	15,669	6,728
Net Cash Used in Investing Activities	(10,215)	(8,921)	(4,645)	(104)	(23,886)	(8,249)	(6,841)
Purchases of Property and Equipment- Net	(8,827)	(11,420)	(8,143)	(2,531)	(30,922)	(5,318)	(4,885)
Net Cash Provided by (Used in) Financing Activities	(3,122)	23,804	(4,258)	(5,587)	10,835	(3,184)	(6,719)

V. Reference Data of Multichannel Pay TV Services

(Unit: Thousand)

Number of Subscribers and Churn Rate*3	For the year ended March 31, 2010*3					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
New Subscribers	159	136	114	138	547	157	115
SKY PerfectTV!	22	17	20	22	81	30	20
SKY PerfectTV! e2	119	111	88	112	430	121	89
SKY PerfectTV! HIKARI	18	8	6	4	36	6	5
Number of Re-registered Subscribers	13	8	8	27	57	14	9
SKY PerfectTV!	5	3	3	6	18	4	3
SKY PerfectTV! e2	8	5	5	20	39	10	6
SKY PerfectTV! HIKARI	0	0	0	0	0	0	0
Churn	148	133	153	148	582	139	139
SKY PerfectTV!	104	90	89	97	380	88	82
SKY PerfectTV! e2	35	36	57	45	173	45	52
SKY PerfectTV! HIKARI	9	7	7	6	29	6	5
Net Increase	24	12	(31)	17	22	32	(15)
SKY PerfectTV!	(77)	(70)	(66)	(69)	(281)	(53)	(59)
SKY PerfectTV! e2	92	80	36	88	296	86	44
SKY PerfectTV! HIKARI	9	1	(1)	(2)	7	(0)	1
Cumulative Total	3,690	3,701	3,671	3,688	3,688	3,720	3,705
SKY PerfectTV!	2,660	2,590	2,524	2,456	2,456	2,402	2,343
SKY PerfectTV! e2	922	1,002	1,038	1,126	1,126	1,212	1,255
SKY PerfectTV! HIKARI	108	109	108	106	106	106	106
Churn Rate(%)*4	1.3%	1.2%	1.4%	1.3%	15.8%	1.2%	1.2%
SKY PerfectTV!	1.3%	1.1%	1.2%	1.3%	14.6%	1.2%	1.2%
SKY PerfectTV! e2	1.4%	1.3%	1.9%	1.4%	17.8%	1.3%	1.4%
SKY PerfectTV! HIKARI	2.8%	2.1%	2.2%	2.0%	27.0%	1.9%	1.4%

*3. The portion of Cable Television Adachi of which all stocks were sold in February 2010 has been removed from the value for the fiscal year ended March 2010 or later.

*4. Quarterly Churn Rate = Average monthly churn rate for 3 months.

Annualized Churn Rate = Total for 12 month of monthly churn rate: churns during the current month/Total Subscribers at the end of the previous month.

SAC (3 Services Total)*7	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SAC per Subscriber (¥)	33,950	36,740	40,561	34,337	36,120	34,676	35,099
Advertisement expenses *5	10,478	10,667	16,078	10,271	11,639	13,186	10,497
Promotion expenses	8,797	11,711	10,288	9,306	9,961	7,815	9,591
Sales incentives	7,044	7,078	6,411	7,285	6,982	6,218	6,082
Others	7,631	7,285	7,785	7,476	7,538	7,456	8,929
SAC Total (¥ million)	5,387	5,006	4,622	4,747	19,764	8,492	4,874
Advertisement expenses *5	1,662	1,453	1,832	1,420	6,368	2,064	1,203
Promotion expenses	1,396	1,595	1,172	1,286	5,450	1,223	1,099
Sales incentives	1,117	964	730	1,007	3,820	973	697
Others	1,211	992	887	1,033	4,124	1,167	1,023
Free content costs *6	—	—	—	—	—	3,064	849

*5. Advertising expense does not include public relations expenses. Other includes SKY Perfect Customer-relations Corporation costs in addition to outsourcing fees.

*6. Free content costs are broadcast rights fees, production costs, and promotional costs, etc. related to the World Cup.

*7. From the fiscal year ending March 2011, the SAC tabulation method has been partially amended. (The SAC value for the fiscal year ended March 2010 has also been recomputed.)

(Unit: Yen)

ARPU (3 Services Total) *8	For the year ended March 31, 2010					For the year ending March 31, 2011	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Gross ARPU	3,287	3,274	3,234	3,192	3,247	3,251	3,258
Revenues from own content	162	151	154	141	152	135	128
PPV Subscription fee	131	125	119	108	121	108	108
Monthly subscription fee	2,588	2,594	2,558	2,538	2,570	2,603	2,615
Rental fee	25	26	28	30	27	32	35
Basic fee	380	378	376	375	377	373	371
Net ARPU	1,406	1,398	1,404	1,395	1,401	1,457	1,477
Revenues from own content	162	151	154	140	152	135	128
PPV Subscription fee	40	39	39	35	38	40	42
Monthly subscription fee	800	805	808	814	807	876	902
Rental fee	25	26	28	30	27	32	35
Basic fee	380	378	376	375	377	373	371

*8. ARPU is calculated while taking into account three SKY PerfectTV! services

Gross ARPU: Conventional subscription fee-based unit price

Net ARPU: Sales-based unit price (unit price based on the subscription or commission fee, which contribute to sales)

VI. Operating Results of Major Subsidiaries

(Unit: Millions of Yen)

		For the year ended March 31, 2010					For the year ending March 31, 2011	
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SKY Perfect JSAT Corporation	Revenue	30,351	29,874	30,113	32,119	122,459	30,988	30,298
	Operating Income	4,404	4,308	4,655	2,855	16,224	1,573	3,818
	Ordinary Income	4,551	4,203	4,599	2,674	16,029	1,370	3,594
SKY Perfect Customer-relations Corporation (Former DNCC)	Revenue	4,599	4,501	4,419	4,492	18,012	4,353	4,220
	Operating Income	24	147	21	2	196	(219)	(3)
	Ordinary Income	25	148	22	3	199	(218)	1
SKY Perfect Broadcasting Corporation	Revenue	3,194	3,092	3,369	3,644	13,300	5,466	5,787
	Operating Income	77	74	(223)	(284)	(356)	(238)	416
	Ordinary Income	77	74	(222)	(278)	(349)	(236)	416
Opticast Inc.	Revenue	2,771	2,830	2,926	2,103	10,632	2,273	2,269
	Operating Income	(434)	(242)	(79)	22	(734)	119	225
	Ordinary Income	(440)	(274)	(102)	18	(799)	102	202
Satellite Network, Inc.	Revenue	983	982	966	1,128	4,061	939	994
	Operating Income	105	104	59	39	309	61	69
	Ordinary Income	105	104	57	38	306	58	66
JSAT International Inc.	Revenue	574	643	599	562	2,379	581	537
	Operating Income	147	199	207	195	750	222	184
	Ordinary Income	147	198	207	196	749	224	186
SKY Perfect JSAT Holdings Inc.	Revenue	-	-	-	4,994	4,994	-	-
	Operating Income	(235)	(265)	(213)	4,769	4,055	(238)	(234)
	Ordinary Income	(209)	(329)	(218)	4,860	4,111	(240)	(213)

VI. Performance Forecasts

(Unit: Millions of Yen)

Consolidated Performance Forecast	For the year ending March 31, 2011			
	Revenues	Operating Income	Ordinary Income	Net Income
Full Year	143,000	7,400	6,200	2,000

(Unit: Yen)

Dividends Forecast per Share	For the year ending March 31, 2011
Interim	600.00
Year-End	600.00
Total	1,200.00