



SKY Perfect JSAT Group Earning Results Briefing of 2Q/FY2010

November 5, 2010
SKY Perfect JSAT Holdings Inc.

Forward-Looking Statements

Statements about the SKY Perfect JSAT Group's forecasts, strategies, management policies, and targets contained in this presentation that are not based on historical facts constitute forward-looking statements. These statements are based on management's assumptions, plans, expectations and judgments in light of information available at the time. These forward-looking statements 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:

<General Management Risks>

- Risks related to constraints imposed on the Group's business due to legal regulations related to Group's business operations
- Risks related to customer information security
- Risks related to major equipment failures due to large-scale disasters

<Risks related to Satellite Infrastructure>

- Risks related to communications satellite malfunctions and/or impaired operations
- Risks related to communications satellite acquisition
- Risks related to securing satellite insurance

<Risks related to Multichannel Pay TV Broadcast Platform Services>

- Risks related to subscriber acquisition/retention
- Risks related to broadcasters
- Risks related to IC card security, etc.

* Please see [FYE March 2010 Annual Securities Report](#) for more details.



Consolidated Business Performance Highlights

Summary of Operating Income Statements

Revenue increased by 1.1 %

(Units: ¥ millions)

	1-2Q/FY Consolidated (Prior Period Actual)	1-2Q/FY Consolidated (Current Period Actual)	Comparison to FY09
Revenue	69,756	70,518	101.1%
Operating Income	8,249	5,198	63.0%
Ordinary Income	7,417	4,184	56.4%
Net Income	3,282	858	26.2%
Dividends per Share (¥)	600	600	—
EBITDA*1	19,350	15,696	81.1%
Simple EBITDA*2	19,480	17,364	89.1%

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

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

Indicators for Multichannel Pay TV Business

Net ARPU increased due to HD diffusion

(Units: yen)

		1-2Q/FY2009	1-2Q/FY2010
ARPU *1 (unit price)	Gross ARPU	3,280	3,254
	Net ARPU	1,402	1,467
SAC (unit price)		35,239	34,855
Number of new subscriptions (thousand)		295	271
Number of cumulative subscriptions (thousand)		3,701	3,705
SKY PerfectTV! HD subscription rate *2		1.8%	11.3%

*1. 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)

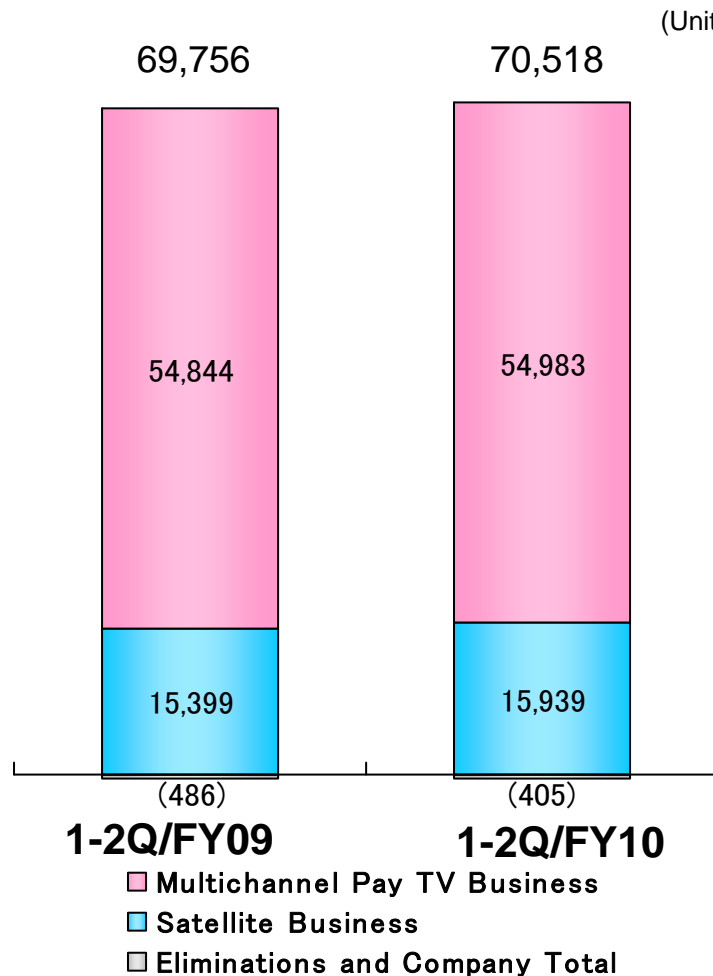
*2. SKY PerfectTV! HD subscription rate: Cumulative number of subscriptions of SKY PerfectTV! HD / (Cumulative number of subscriptions of SKY PerfectTV! SD + Cumulative number of subscriptions of SKY PerfectTV! HD)



Analysis of Consolidated Business Performance

Revenue

Revenue increased due to growth in HD and e2 cumulative subscription and ARPU



Multichannel Pay TV Business +100 million yen

- Profit increased due to growth in cumulative subscription of SKY PerfectTV ! HD and SKY PerfectTV ! e2 and net ARPU, accordingly
- Decrease in profit due to the sellout of Cable Television Adachi Corp. in February 2010

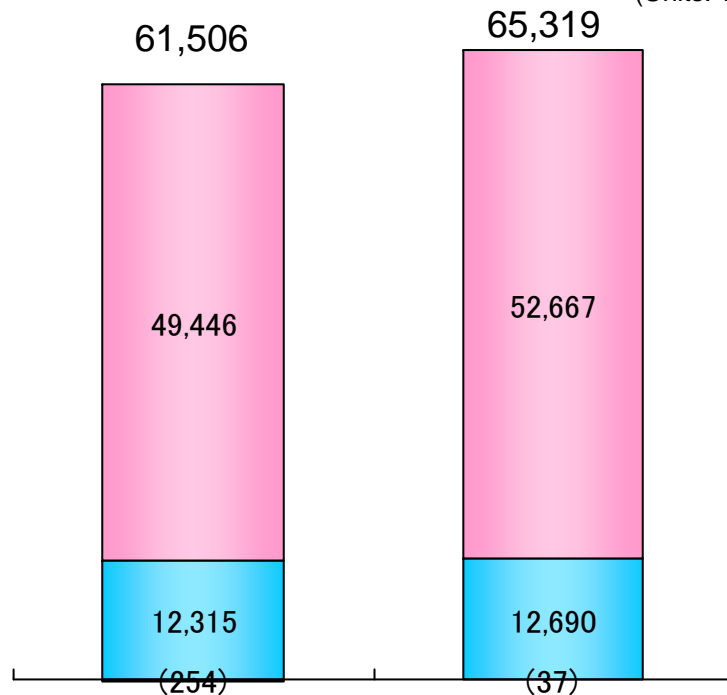
Satellite Business +500 million yen

- Increase in revenue from subsidiary (JSAT MOBILE)

Operating Expenses

Cost increase due to the recording expenses for World Cup

(Units: ¥ millions)



1-2Q/FY09

1-2Q/FY10

- Multichannel Pay TV Business
- Satellite Business
- Eliminations and Company Total

Multichannel Pay TV Business +3,200 million yen

- Recording World Cup-related expenses
- Increase in the expenses for shifting to SKY PerfectTV! HD
- Increase in depreciation expenses of JCSAT-RA launched in Aug. 2009 and facilities related to HD services started full-scale operation in Sep. 2009.
- Decrease in total SAC

Satellite Business +300 million yen

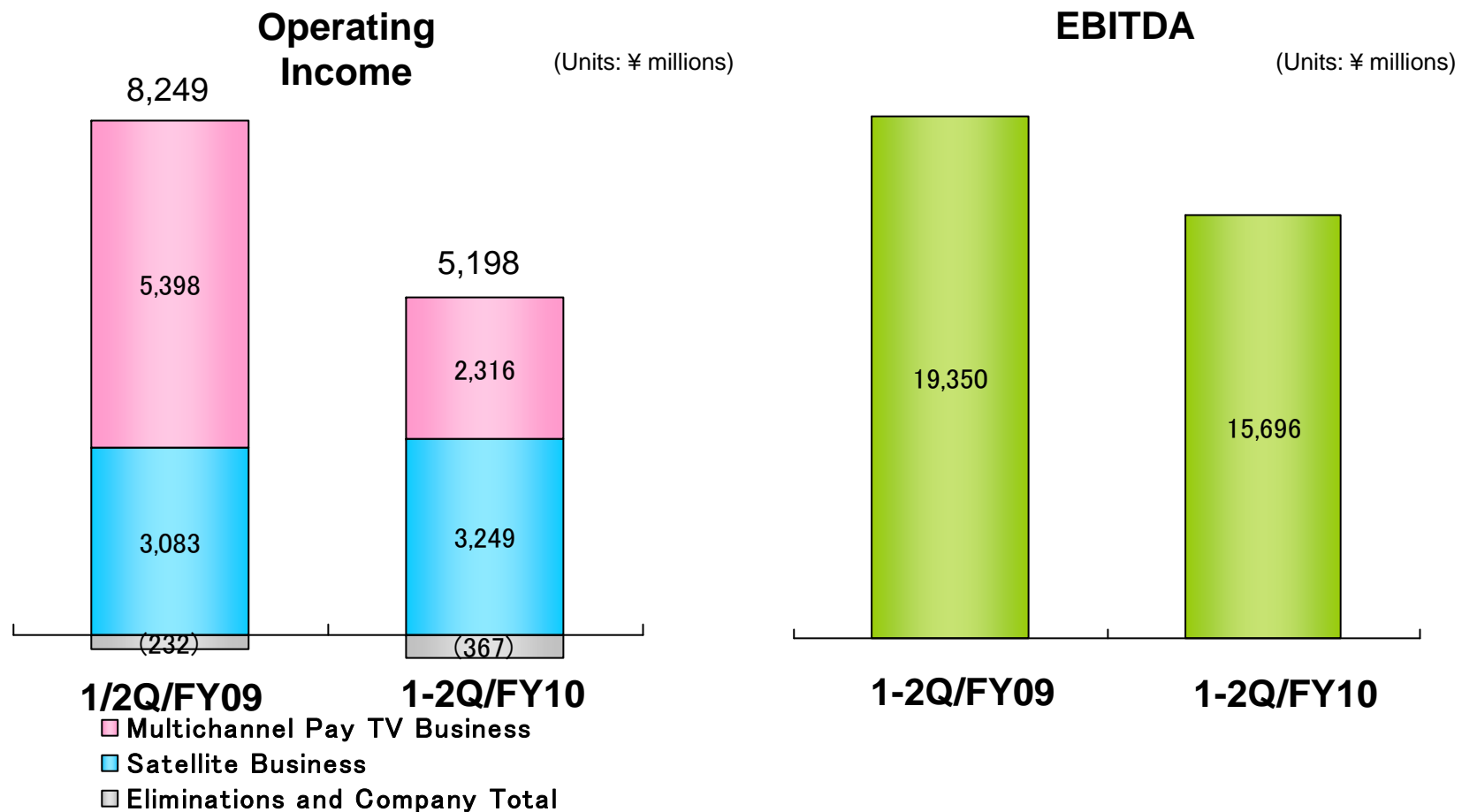
- Increase in depreciation expenses of JCSAT-85

Depreciation Expense (Total) +900 million yen

- Full-year contribution of JCSAT-RA launched in August 2009
- Full-year contribution of JCSAT-85 launched in December 2009
- Increase in depreciation expenses of facilities related to HD services

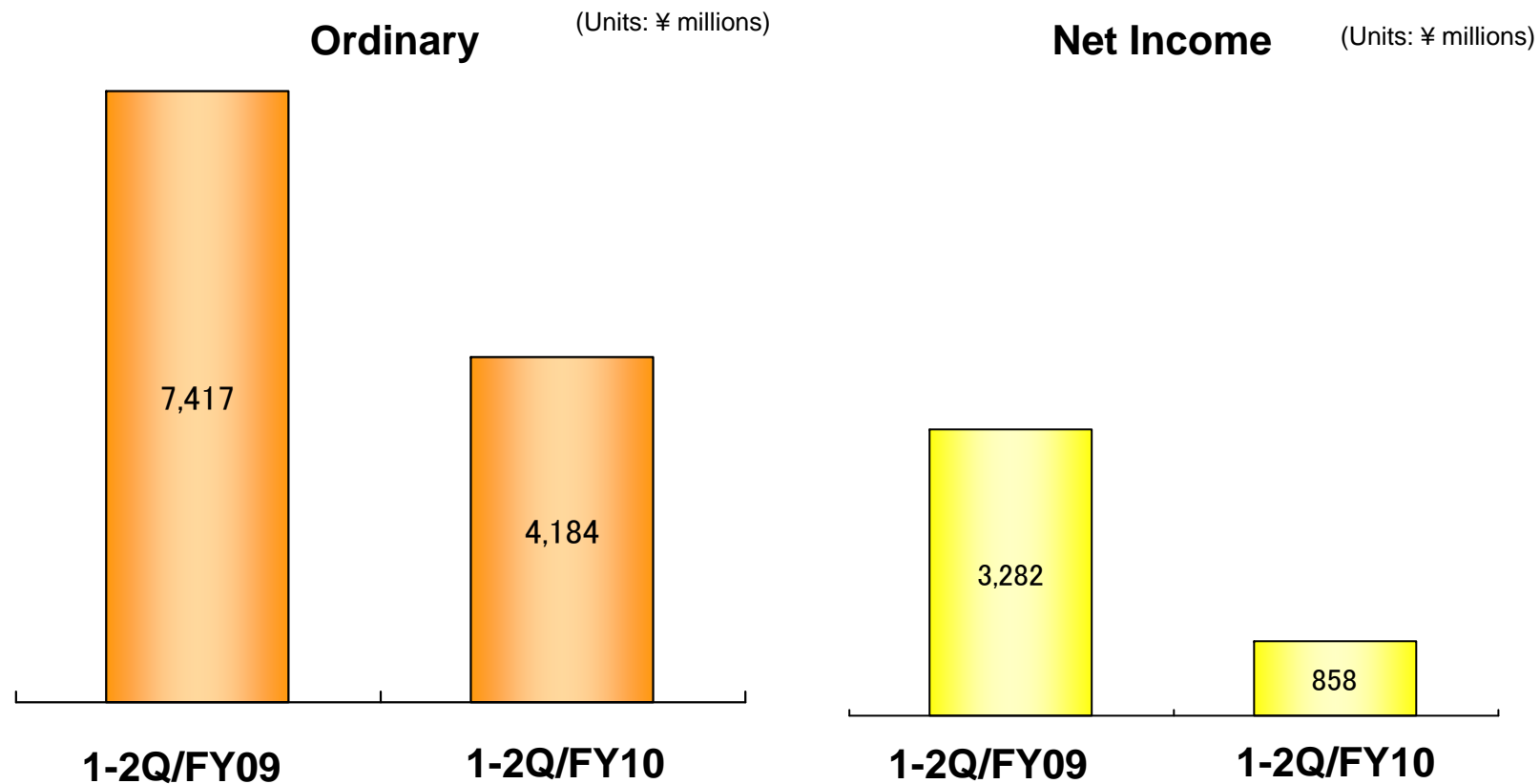
Operating Income and EBITDA

Decrease in operating income and EBITDA due to the increased cost



Ordinary Income and Net Income

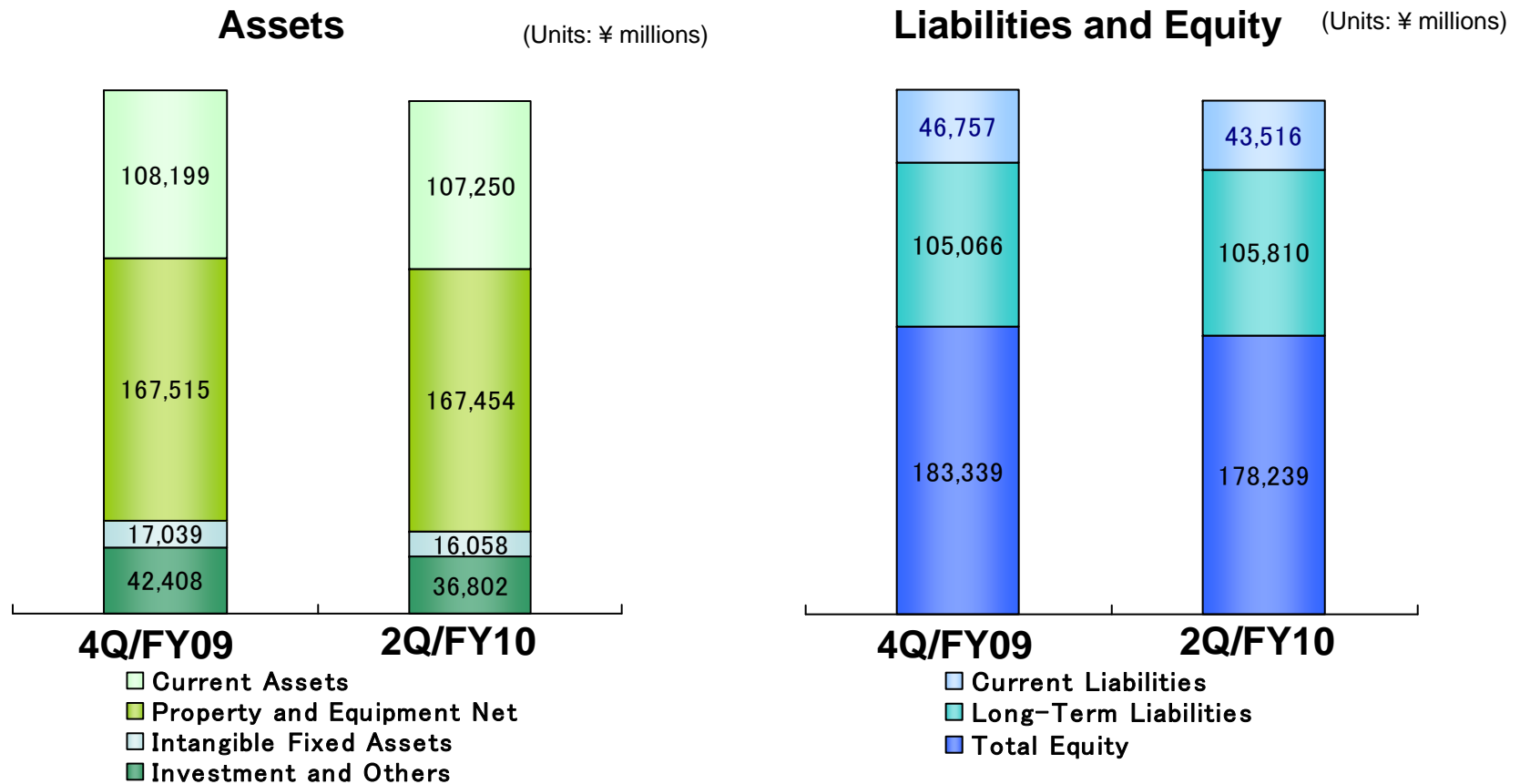
Extraordinary losses were recorded due to the loss on disposals of property and equipment, etc.



Balance Sheets

Stable financial ground maintained

Equity Ratio: 54.4%, Current Ratio: 246.5%



Cash Flows

Free cash flows increase; debt decreased

(Units: ¥ millions)

	1-2Q/FY2009	1-2Q/FY2010
Net Cash From Operating Activities	23,601	22,398
Net Cash From Investing Activities	(19,136)	(15,091)
Net Cash From Financing Activities	20,682	(9,903)
Total Fund at the End of Fiscal Year (A)	81,339	83,366
Term-end balance of debts and unsecured corporate bonds (B)	116,221	99,584
Net Debt at the End of Fiscal Year (B-A)	34,881	16,218
Capital Expenditures	19,252	9,632
Free Cash Flows	4,348	12,765

* 1 Free Cash Flows = (Cash Flows from Operating Activities) – (Capital Expenditures)

Operating Results of Major Subsidiaries

Subsidiary performed well as projected

(Units: ¥ millions)

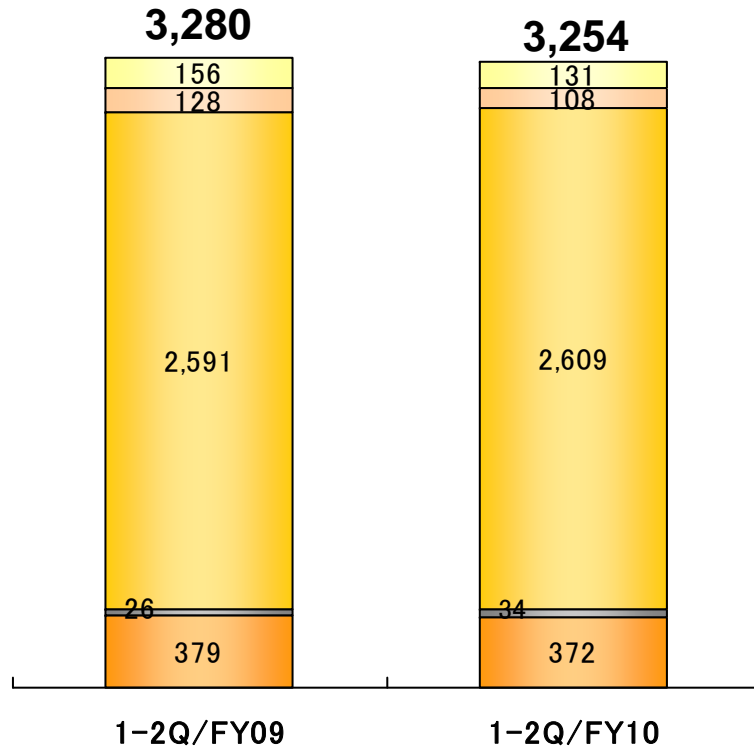
Company Name		SKY Perfect JSAT	SKY Perfect Customer-relations Corporation	SKY Perfect Broadcasting	OptiCast	Satellite Network	JSAT International Inc.
Major Area of Business		Broad-casting platform, Satellite Operation	Customer management	Broadcasting	Content distribution via FTTH	Satellite communications	Satellite communications
% of Equity Held by Holdings		100	100	100	100	92	100
Revenues	1-2Q/FY09	60,226	9,101	6,286	5,602	1,966	1,217
	1-2Q/FY10	61,286	8,574	11,253	4,543	1,933	1,118
Operating Income	1-2Q/FY09	8,713	172	151	(677)	210	347
	1-2Q/FY10	5,392	(223)	178	344	130	407
Ordinary Income	1-2Q/FY09	8,754	173	151	(715)	210	345
	1-2Q/FY10	4,964	(217)	179	304	124	411

Reference

ARPU

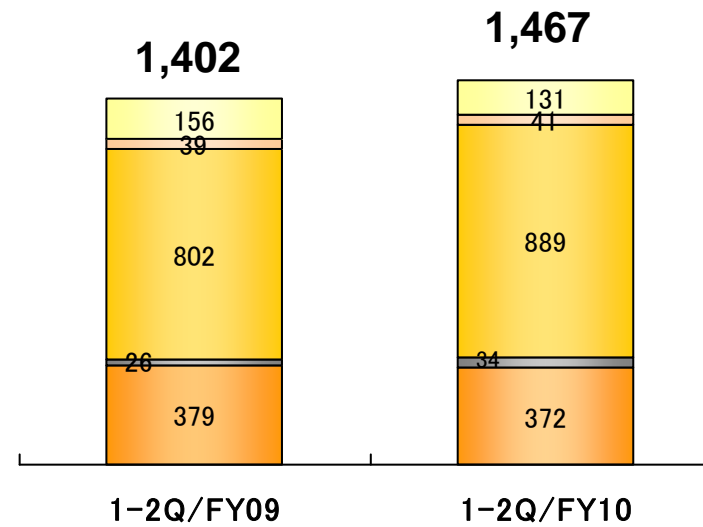
(Units: yen)

Gross ARPU



(Units: yen)

Net ARPU



- Revenues from SKY Perfect's own content
- PPV subscription fee
- Monthly subscription fee
- Rental fee
- Basic fee

- Revenues from SKY Perfect's own content
- PPV subscription fee
- Monthly subscription fee
- Rental fee
- Basic fee

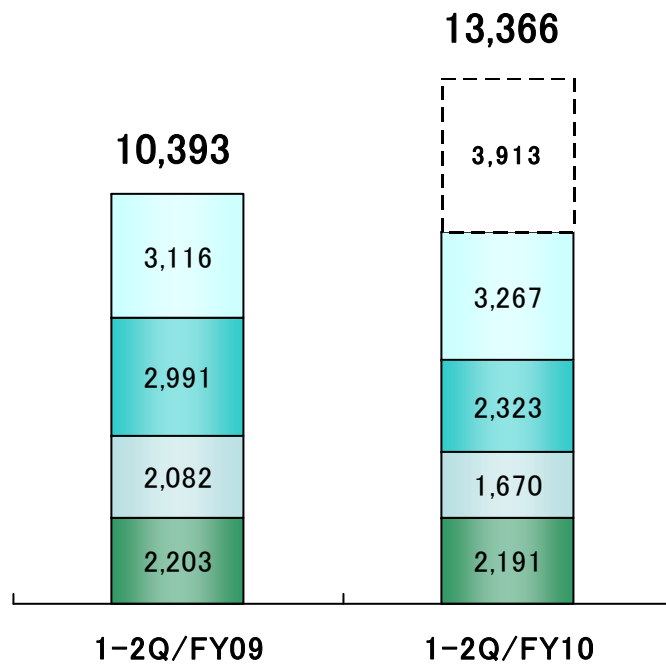
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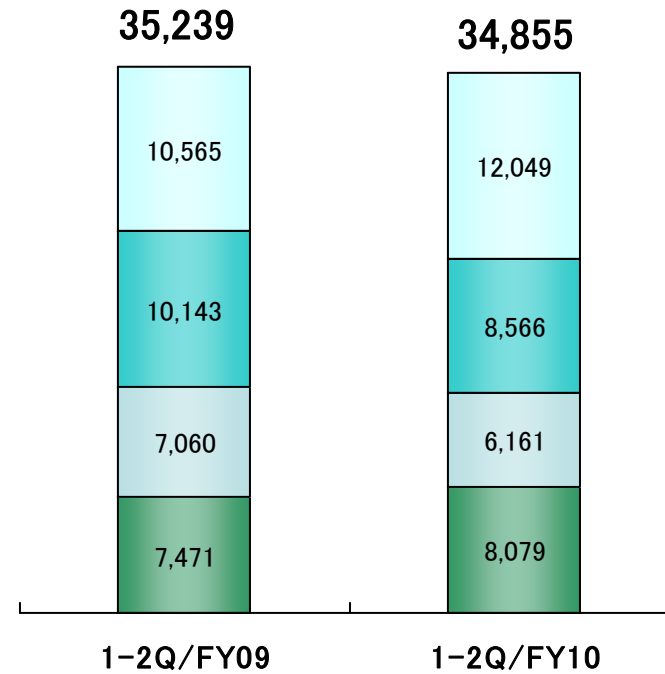
SAC

Total SAC (Units: ¥ millions)



- Free content costs
- Advertising expenses
- Promotional expenses
- Sales incentives
- Others

SAC per Subscriber (Units: yen)



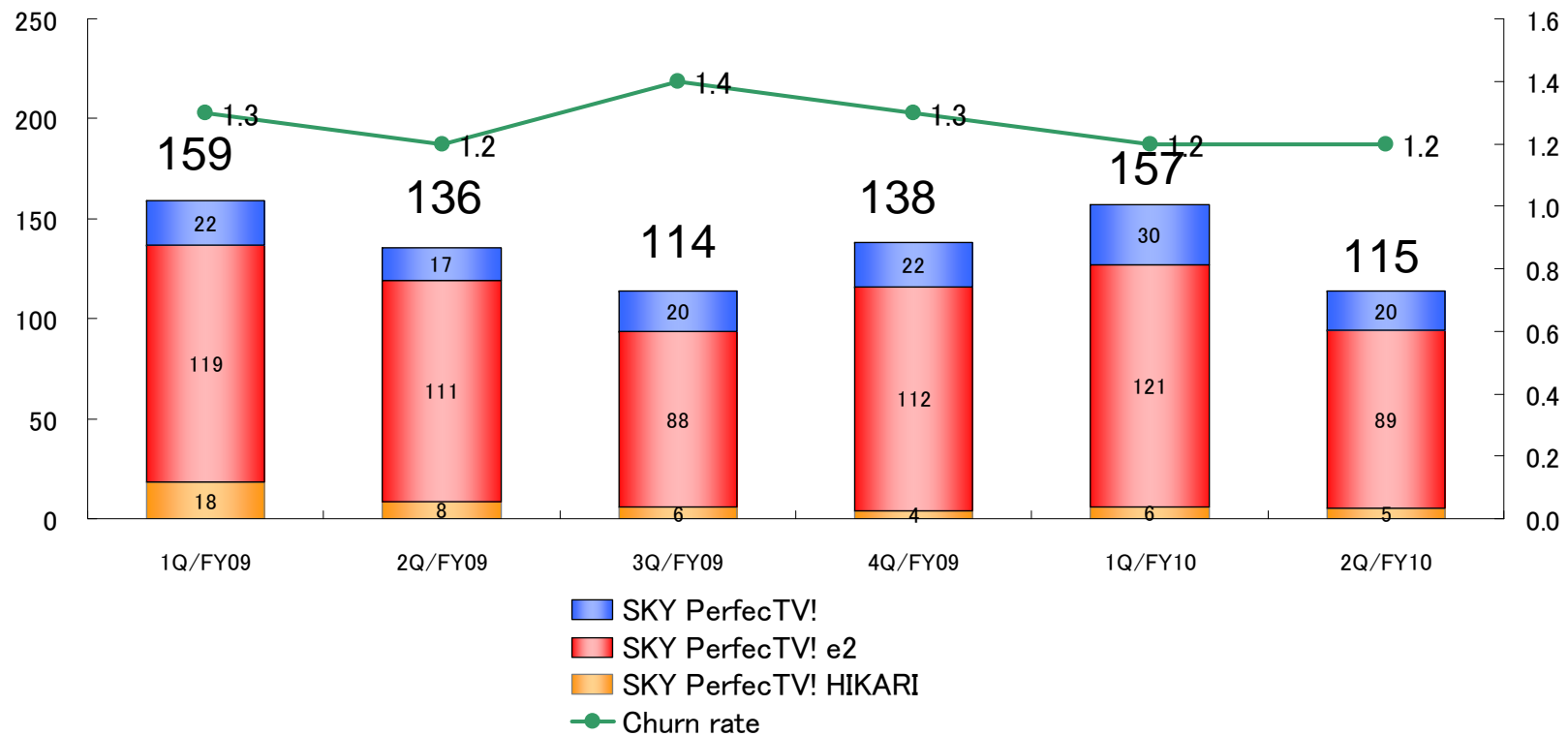
- Free content costs
- Advertising expenses
- Promotional expenses
- Sales incentives
- Others

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

Trends in Number of New Subscribers and Churn Rate

(Unit: thousand)

(Unit: %)



Measures To Be Addressed
~ Multichannel Pay TV Business ~



➤ Special campaigns to be carried out



41ch

¥3,570 → ¥2,570

(limited time offer from November to the following February)

➤ Exclusive features of e2

- Single-channel (program) sale
- Easy-to-use remote controller to be provided



Insure to acquire new customer by taking occasions of eco-point system

➤ Promotion expenses: 2.6 times more than 2009

- New CM was released from October 30

➤ Enrich Contents

December Dream Golf Match

Tiger Woods vs Ryo Ishikawa
~everyone meets the dream~

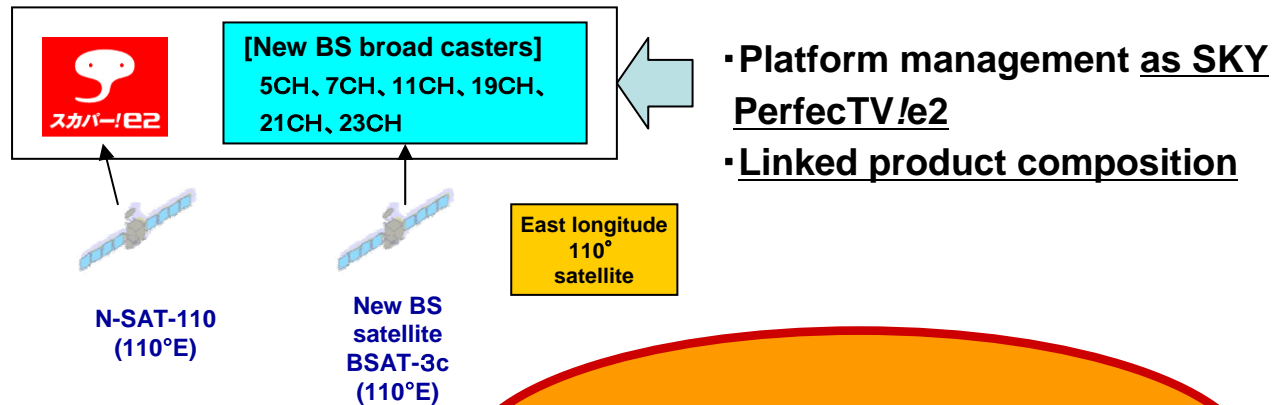


Others
Countdown live events of many artists to be carried out





➤ Unified operation of new BS and e2



e2 moves towards a new stage

➤ Promote platform business

Schedule for start of new BS broadcasting
1st stage ~ October 2011
2nd stage ~ March 2012

➤ Promote broadcasting business

Providing 1 channel of our own direction

➤ Solicit 3D program plans

- Over 600 applications from more than 100 companies
- Broadcasting schedule for in from December to the following March

➤ Open SKY PerfecTV! 3D Cafe

- Limited Period:
September 30, 2010 to March 31, 2011
- Inside of Shinjuku Station

Japan's only specialized 3D channel
"Sukachan 3D 169"

➤ Content Lineup

【Movies to be come on Sky PerfecTV! HD with DVD releases】

December
Inception
Cats and Dogs, etc.

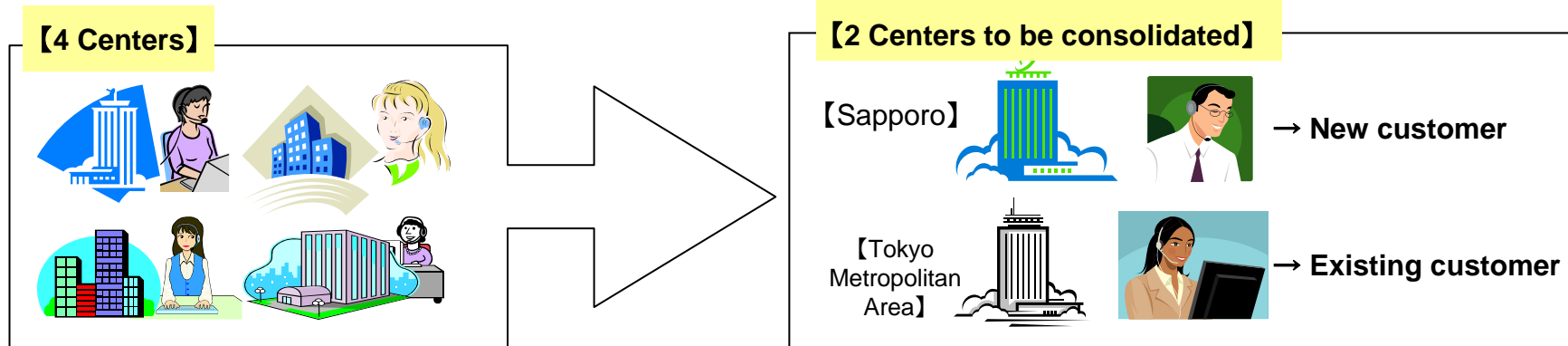


December
2010 Chubu Nippon Figure Skating
Competition (3D)

January
Tiger Woods vs Ryo Ishikawa
~everyone meets the dream~

Enhancement of Customer Centers

➤ Consolidate and Improve function of customer centers



The new Sapporo Center is a sales center for the acquisition of new subscriptions

➤ Maintain quality of Call Center

Obtained COPC (Customer Operations Performance Center) certification

➤ Implement proposal-based marketing

Measures to be Addressed
~ Satellite Business ~

Stable Profit and New Growth Strategy

➤ Public Services Business

- Government and other public offices, utility sector including electric, gas and transportation
- Solution for disaster-related system

➤ Mobile Business Market

- Expand sales of Ocean BB
- Progress in collaboration with Inmarsat
(Launch of new satellite cell phone Isat Phone Pro)



The Nippon Maru operated by Mitsui O.S.K. Lines, Ltd.

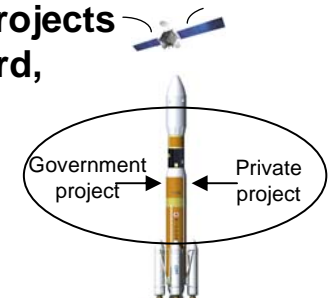
Focus on ascendant Satellite Business Fields

➤ Global Business Market

- Closer tie-up with world largest Intelsat
- Expansion in the Middle East and Asia in addition to North America market

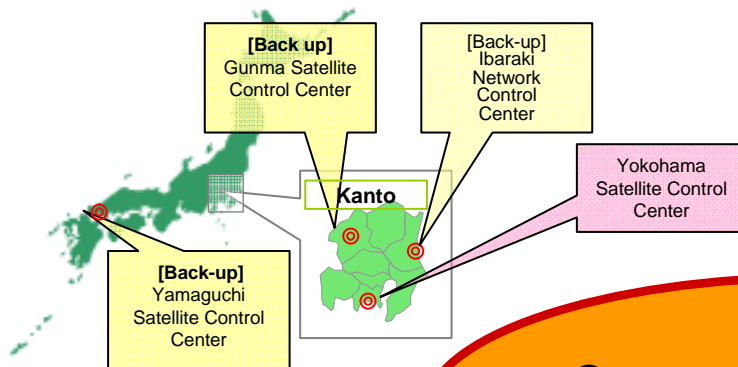
➤ Space Business Market

- Develop public-private joint projects (Overseas operations of Esbird, etc.)
- Decrease operating cost through use of piggyback satellites



Hedge against Particular Risks with Business

➤ 24h operation with multiple control centers



➤ Back-up satellite JCSAT-RA in orbit

• JCSAT-RA will mainly back up two broadcasting satellites

**Consecutive Services
with Great Reliability**

➤ Launch Insurance Covers CAPEX for Satellite

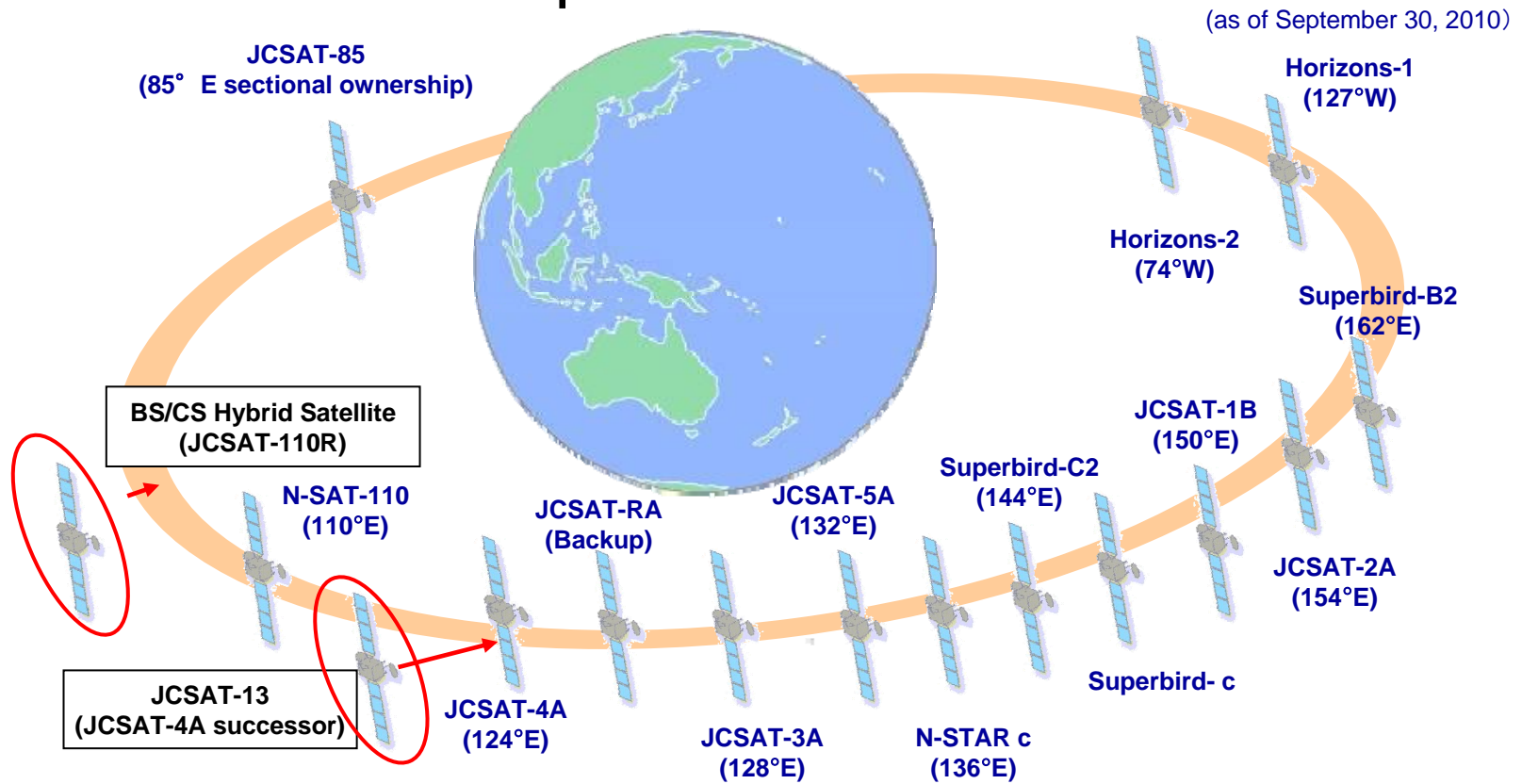
• All investment loss to be compensated

➤ In-orbit Insurance Covers Book Value of Satellite



Satellite Fleet

Fleet: 14 satellites in operation



【 Satellite to be launched 】

■ BS/CS Hybrid Satellite

(JCSAT-110R CS110 Back Up Satellite)

<Launch Timing>

First Half 2011

<Coverage Area>

Japan

<No. of Transponder >

Ku-band 44

■ JCSAT-13 (JCSAT-4A successor)

<Launch Timing>

2013

<Coverage Area>

Japan, Asia, Middle East, Oceania

<No. of Transponder >

Ku-band 44



Performance Forecast for FY2010

For the year ending March 31, 2011

Performance Forecast for FY2010

(Units: ¥ millions)

	FY2009	Initial Forecast for FY2010	FY2010 Forecast
Revenue	141,068	143,000	143,000
Operating Income	15,093	7,400	7,400
Ordinary Income	13,472	6,200	6,200
Net Income	14,223	2,000	2,000
Dividends per Share (¥)	1,200	1,200	1,200

(Units: thousand)

New Individual Subscribers	547	575	614
SKY PerfecTV!	81	103	103
SKY PerfecTV! e2	430	430	475
SKY PerfecTV! HIKARI	36	42	36
Net Increase	22	97	97
Churn Rate (%)	15.8%	14.8%	15.6%
Individual Subscribers: at the End of Year	3,688	3,785	3,785

* Annualized Churn Rate = Total for 12 month of monthly churn rate

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SKY Perfect JSAT Holdings Inc.
Corporate Communications & Investor Relations Div.

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