

March 4, 2015
SKY Perfect JSAT Holdings Inc.

**SKY Perfect JSAT Holdings to Establish a New Sub-Subsidiary and
to Change in its Subsidiary in line with Implementation of Capital Increase
by way of Third-Party Allotment of Shares of the Sub-Subsidiary**

SKY Perfect JSAT Holdings Inc. (hereafter, the “Company”) resolved at the Board of Directors meeting today for SKY Perfect JSAT Corporation (hereafter, “SKY Perfect JSAT”), a wholly owned subsidiary of the Company, to establish a new company, WAKUWAKU JAPAN Corporation, on May 1, 2015 (planned) in order to expand its WAKUWAKU JAPAN business (hereafter, “this business”), which delivers Japanese content to overseas audiences. The Company also resolved at the Board meeting that said sub-subsidiary would increase its capital by way of a third-party allotment of shares on July 1, 2015 (planned) and SKY Perfect JSAT would invest in the sub-subsidiary through the capital increase. In addition, Cool Japan Fund Inc. (headquarters: Minato-ku, Tokyo; Chief Executive Officer: Nobuyuki Ota; hereafter, “Cool Japan Fund”) is also to invest in the sub-subsidiary through the capital increase by way of a third-party allotment of shares. The amount of capital of said sub-subsidiary will exceed an amount equivalent to 10/100 of the amount of capital of the Company by conducting the third-party allotment capital increase, and the sub-subsidiary will correspond to a special subsidiary of the Company.

1. Purpose

The SKY Perfect JSAT Group has been developing this business and acquiring know-how in Indonesia and Myanmar since WAKUWAKU JAPAN started in February 2014, which delivers Japanese content 24 hours a day to overseas audiences. After the launch, SKY Perfect JSAT has been able to earn the related experience and know-how and to confirm strong overseas demands for Japanese content, and decided to promote further expansion of this business. Going forward, the Company intends to accelerate business development and further boost earnings by securing human resource network essential to strengthening of compilation and content; creating a robust all-Japanese structure by bolstering ties with the Japanese government and domestic corporations, etc.; and swiftly developing business in multiple countries. To achieve this, the Company decided that SKY Perfect JSAT is to newly establish a subsidiary (a sub-subsidiary for the Company; hereafter, the “sub-subsidiary”) on May 1, 2015 (planned) before transferring this business, which is currently operated by SKY Perfect JSAT, to the sub-subsidiary by way of a simple absorption-type split on July 1, 2015 (planned), and also decided that SKY Perfect JSAT is to invest in the sub-subsidiary through its capital increase by way of a third-party allotment of shares on the same day. In addition, Cool Japan Fund Inc. is also to invest in the sub-subsidiary through the capital increase by way of a third-party allotment of shares.

The SKY Perfect JSAT Group aims to expand this business in approximately 22 countries worldwide by fiscal 2020 and to promote the appeal of Japan to these countries, and also expects to increase further

demand for Japanese merchandise and to contribute to an increase in tourists to Japan through this business.

2. Overview of subsidiary establishing the sub-subsidiary

(1) Corporate name	SKY Perfect JSAT Corporation
(2) Headquarters	1-14-14 Akasaka, Minato-ku, Tokyo
(3) Name and title of representative	Shinji Takada, Representative Director, President & CEO
(4) Business	Multichannel Pay TV business Space & Satellite Business
(5) Amount of capital	¥50,083 million
(6) Establishment	October 1, 2008
(7) Largest shareholders and shareholding ratio	SKY Perfect JSAT Holdings Inc. 100%

3. Overview of sub-subsidiary to be established

(1) Corporate name	WAKUWAKU JAPAN Corporation
(2) Headquarters	TBD (Minato-ku, Tokyo)
(3) Name and title of representative	TBD (To be dispatched from SKY Perfect JSAT)
(4) Business	Delivery of Japanese content to overseas audiences
(5) Amount of capital	¥15 million
(6) Establishment	May 1, 2015 (planned)
(7) Fiscal year end	March 31
(8) Largest shareholders and shareholding ratio	SKY Perfect JSAT Corporation 100%

4. Overview of subsidiary (sub-subsidiary) following capital increase by way of a third-party allotment of shares

(1) Corporate name	WAKUWAKU JAPAN Corporation
(2) Headquarters	TBD (Minato-ku, Tokyo)
(3) Name and title of representative	TBD (To be dispatched from SKY Perfect JSAT)
(4) Business	Delivery of Japanese content to overseas audiences
(5) Amount of capital	¥5,500 million *SKY Perfect JSAT plans to make additional investment of ¥6,570 million in addition to the ¥30 million invested at the time of establishment and Cool Japan Fund plans to make additional investment of ¥4,400 million, each through a method undertaking a capital increase by way of a third-party allotment of shares. As a result, capital will increase by ¥5,485 million and capital reserves will increase by the same amount.
(6) Establishment	May 1, 2015 (planned)
(7) Fiscal year end	March 31
(8) Largest shareholders and shareholding ratio	SKY Perfect JSAT 60% Cool Japan Fund 40%

5. Overview of Cool Japan Fund

(1) Corporate name	Cool Japan Fund Inc.	
(2) Headquarters	17F Roppongi Hills Mori Tower, 6-10-1, Roppongi, Minato-ku, Tokyo	
(3) Name and title of representative	Nobuyuki Ota, CEO	
(4) Business	Investment business (support and promotion related to cultivating overseas demand for appealing products and services from Japan)	
(5) Amount of capital	¥40.6 billion	
(6) Establishment	November 25, 2013	
(7) Fiscal year end	March 31	
(8) Largest shareholders and shareholding ratio	Japanese government (finance minister) 73.89% Japanese business companies (22) 26.11%	
(9) Relationship between Cool Japan Fund and the Company/SKY Perfect JSAT	Capital ties	Nothing to report
	Personal ties	Cool Japan Fund Chairman Kazunobu Iijima is concurrently a Non-Standing Board Director of SKY Perfect JSAT Holdings Inc.
	Transactional ties	Nothing to report
	Related party transaction	Cool Japan Fund is not a related party of SKY Perfect JSAT Holdings Inc. and SKY Perfect JSAT Corporation.

6. Number of shares to be acquired, acquisition price and status of shares held before and after acquisition

(1) Number of shares held prior to capital increase	3 (Number of voting rights: 3 units) (Ownership of voting rights: 100%)
(2) Number of shares to be acquired	657 (Number of voting rights: 657 units)
(3) Acquisition price	¥6,570 million
(4) Number of shares held following capital increase	660 (Number of voting rights: 660 units) (Ownership of voting rights: 60%)

7. Schedule

(1) Board of Directors meeting for the Company and SKY Perfect JSAT	March 4, 2015
(2) Date of conclusion of agreement between shareholders	March 4, 2015
(3) Establishment of sub-subsidiary	May 1, 2015 (planned)
(4) Date of change in subsidiary (due date of capital increase payment by sub-subsidiary)	July 1, 2015 (planned)

8. Future outlook

The impact of the capital increase on the Company's consolidated financial results for the fiscal year ending March 31, 2015 is expected to be immaterial.

(Reference) Consolidated financial forecast for the current fiscal year (portion announced on February 4, 2015) and consolidated results for the previous fiscal year

	Consolidated operating revenue	Consolidated operating income	Consolidated ordinary income	Consolidated net income
Consolidated financial forecast (Year ending March 31, 2015)	¥164,000 million	¥19,500 million	¥19,500 million	¥14,000 million
Consolidated results (Year ended March 31, 2014)	¥171,683 million	¥21,713 million	¥21,529 million	¥9,659 million