

**SKY Perfect JSAT Group
Financial Summary of 3Q/FY2007 and
Business Strategy**

February 14, 2008

SKY Perfect JSAT Corporation

Forward-looking Statements

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

<Risks Common to Both JSAT Corporation and SKY Perfect Communications>

Decline in demand for the SKY Perfect JSAT Group's services;

Constraints imposed on the Group's businesses by new or revised laws and regulations relevant to the SKY Perfect JSAT Group's business and operations;

Inability to develop new businesses as planned, or the failure of such businesses to contribute to operating results;

Advances in video and audio compression technologies accompanying the digitization of telecommunications technologies, or by other communications innovations, broadcasting, satellite and other technologies, all of which may affect the Group's operating results;

Inability to realize or develop future strategic partnerships in relevant fields or to create relationships with partner companies as envisioned; and

Changes in economic conditions, such as interest rates or currency exchange rates, affecting the Group's financial condition

<Risks Mainly Related to the JSAT Corporation (JSAT) Business>

Decline in the usage of various services by major customers or volatility in their operating results;

Damage, malfunctions or breakdowns experienced by the SKY Perfect JSAT Group's communications satellites;

Failure to launch satellites or place them in proper orbits; launch delays;

Inability to establish an effective backup satellite system;

Inability to conduct business as planned due to a failure or delay in coordinating orbital slots and communication frequencies at the international level;

Cost of satellites exceeding budgets due to changes in satellite specifications, currency exchange rates, or insurance market conditions;

Inability to obtain insurance policies that are economically viable or that provide coverage for all types of accidents that require insurance;

Failure to realize international business partnerships or failure of such partnerships to generate results as expected;

Inability of businesses operated in the U.S. by significant subsidiaries or affiliates to perform as envisioned due to a failure to meet projected order volume or due to other factors; and

Intensifying competition in Japan, Asia, Europe and the U.S. having an adverse effect on the JSAT Group's financial position or operating results.

<Risks Mainly Related to the SKY Perfect Communications Inc. (SKY Perfect) Business>

Changes in the economic environment in relevant business fields; changes in consumer trends in particular;

Changes in legislation such as laws regarding broadcasting and communications, particularly those laws that restrict the SKY Perfect business or proposals to this effect; new business entry by rival companies; and

Ability to develop and continue to provide programs and services acceptable to subscribers in a fiercely competitive market characterized by features such as remarkably rapid technical innovation in the digital technology fields in particular, and the subjective and dynamic customer preferences in the broadcasting business.

Major Topics of 3Q/FY2007

<Operations / Financials>

- Downward revision of forecasts for FY 2007 new subscribers from 570,000 to 490,000.
Upward revision of forecasts for consolidated Ordinary Income from ¥7billion to ¥10billion.
- Maintain projection for consolidated Net Income forecast as ¥9 billion in consideration of impairment of Investment Securities
- SKY Perfect JSAT will inherit all SKY Perfect JSAT shares owned by subsidiaries through corporate demerger method

<Acquisition of Space Communications Corporation (“SCC”) Shares and Business Strategy of JSAT>

- SKY Perfect JSAT to purchase shares of SCC, making SCC a wholly owned subsidiary
→ Enhance satellite broadcasting / satellite communication business

<Business Strategy of SKY Perfect>

- Boost subscriber acquisition of e2 by SKY PerfectTV!
- Favorable progress of preparations to provide SKY PerfectTV! HD Service

Financial Summary of 3Q/FY2007

3Q/FY2007: Summary of Consolidated Statements of Income



(Millions of Yen)

1Q-3Q	SKY Perfect JSAT	JSAT (Consolidated)	SKY Perfect (Consolidated)	Group Consolidated
Revenues	4,898	28,928	67,663	90,418
Operating Income	3,819	6,914	2,876	9,605
Ordinary Income	3,752	7,284	3,020	9,493
Net Income	3,709	4,715	2,392	10,919
Net Income per Share (Yen)	1,003.63	—	—	3,191.80

(Millions of Yen)

EBITDA	20,745
EBITDA Margin(%)	22.9%

[Indicators Related to SKY Perfect Services]

(Thousands)

New Individual Subscribers	359	Churn Rate of Individual Subscribers	11.5%	Net Increase in Individual Subscribers	45
Cumulative Subscribers	4,230	Cumulative Individual Subscribers	3,673		

3Q/FY2007: Breakdown of Revenues by Business Sector



(Millions of Yen)

	1Q-3Q/FY2006*5	% of total	1Q-3Q/FY2007	% of total
Satellite Broadcasting*1	69,095	79.6%	71,345	78.9%
Satellite Communication	11,691	13.5%	11,562	12.8%
Wired Broadcasting	3,308	3.8%	5,072	5.6%
Other Operations	2,739	3.2%	2,437	2.7%
Total Revenues	86,833	100.0%	90,418	100.0%

*1 Satellite Broadcasting includes JSAT's broadcasting-related revenues, revenues relating to satellite broadcasting of SKY Perfect (including revenues from proprietary content) and revenues of Data Network Center, PPVJ, Samurai TV, eTEN, and Multi Channel Entertainment.

*2 Satellite Communications includes JSAT's communications-related operating revenues and operating revenues of Satellite Network and JSAT International.

*3 Wired broadcasting includes wired broadcasting-related revenues of SKY Perfect and operating revenues of OptiCast and Cable television Adachi.

*4 Main elements of Other operations consists of advertising revenue for SKY Perfect, operating revenue related to JSAT's controlling services, and operating revenues of SKY Perfect Well Think and SKY Perfect Mobile.

*5 The details for FY2006 are estimates for comparative purposes, and have not been audited.

3Q/FY2007: Consolidated Operating Results



(Millions of Yen)

Company Name	JSAT	SKY Perfect	JSAT Int'l	Satellite Network	DNCC	PPVJ	OptiCast	Cable television Adachi	SKY Perfect Well Think	SKY Perfect JSAT	Group Consolidated
Major Area of Business	Satellite communications	Broadcasting platform	Satellite communications	Satellite communications	Customer management	Broadcasting	Content distribution service	Cable television	Content development and investments	Holding company	
% of Equity Held by SKY Perfect JSAT	100.0	100.0	100.0	92.0	51.0	85.0	100.0	77.3	100.0	-	-
Revenues	25,303	58,141	1,406	3,441	12,896	9,228	3,062	2,564	522	4,898	90,418
Operating Income	5,902	5,571	689	268	454	86	(3,606)	458	(47)	3,819	9,605
Ordinary Income	6,323	6,460	653	270	457	86	(3,625)	464	(265)	3,752	9,492
Net Income	3,902	(5,008)	421	168	262	81	(2,935)	268	(226)	3,709	10,919

*1 Other includes SKY Perfect Mobile, Inc., Multi Channel Entertainment Inc., eTEN, Inc. and OptiCast's subsidiaries, namely OptiCast Marketing Inc. and Information Network Koriyama Inc. (15 consolidated subsidiaries in total)

*2 The company accounts for 5 equity method companies, including System Create Inc., J SPORTS Broadcasting Corporation and Nikkatsu Corporation. (except 4 content production communities)

FY2007 Revised Forecast Projections



(Millions of yen)

SKY Perfect JSAT Consolidated <Full Year>	FY 2006 Actual (Pro-Forma Consolidation)	FY 2007 Forecast		
		Prior Forecast	Revised Forecast	Difference
Revenues	116,951	121,000	121,000	-
Operating Income	12,519	7,000	10,000	+3,000
Ordinary Income	12,916	7,000	10,000	+3,000
Net Income	4,135	9,000	9,000	-

* SKY Perfect JSAT Corporation full-year operating projections have changed as follows (Operating Revenue of ¥5.5 billion→¥5.2 billion; Operating Income of ¥3.9 billion→¥3.6 billion; Ordinary Income of ¥3.8 billion→¥3.5 billion; Net Income of ¥3.8 billion→¥3.5 billion).

Reference: Forecast for SKY Perfect's Subscribers and Churn Rate

	FY 2006 Actual	FY 2007 Prior Forecast	FY 2007 Revised Forecast
New Individual Subscribers (Thousands)	457	570	490
Churn Rate (%)	10.2%	11.5%	12.0%
Net Increase in Individual Subscribers (Thousands)	93	144	52
Individual Subscribers: at the End of Year (Thousands)	3,628	3,772	3,680
Total Registrations: at the End of Year (Thousands)	4,231	4,375	4,238

breakdown

	SKY PerfectTV! 250,000 → 200,000
	e2 by SKY PerfectTV! 280,000 → 250,000
	SKY PerfectTV! HIKARI 40,000 (total wired services)

3Q/2007: Summary of Consolidated Balance Sheets



(Millions of Yen)

	JSAT (Consolidated)	SKY Perfect (Consolidated)	SKY Perfect JSAT (Consolidated)
Current Assets	45,508	65,742	92,769
Fixed Assets	122,772	56,675	189,145
Total Assets	168,280	122,417	281,915
Current Liabilities	17,577	28,310	40,418
Fixed Liabilities	65,334	2,937	67,709
Total Liabilities	82,912	31,247	108,128
Common Stock	53,769	50,083	10,000
Capital Surplus	21,278	41,626	172,381
Retained Earnings	13,171	200	10,049
Treasury Stock	—	—	(19,165)
Total Shareholders' Equity*	88,219	91,910	173,265
Valuation and Translation Adjustments	(3,060)	(4,238)	(3,046)
Minority Interests	209	3,498	3,504
Total Net Assets	85,368	91,170	173,786
Total Liabilities and Net Assets	168,280	122,417	281,915

*SKY Perfect JSAT resolved to succeed shares of SKY Perfect JSAT stock owned by JSAT and SKY Perfect via corporate demerger on April 1, 2008.

3Q/2007: Summary of Consolidated Cash Flows



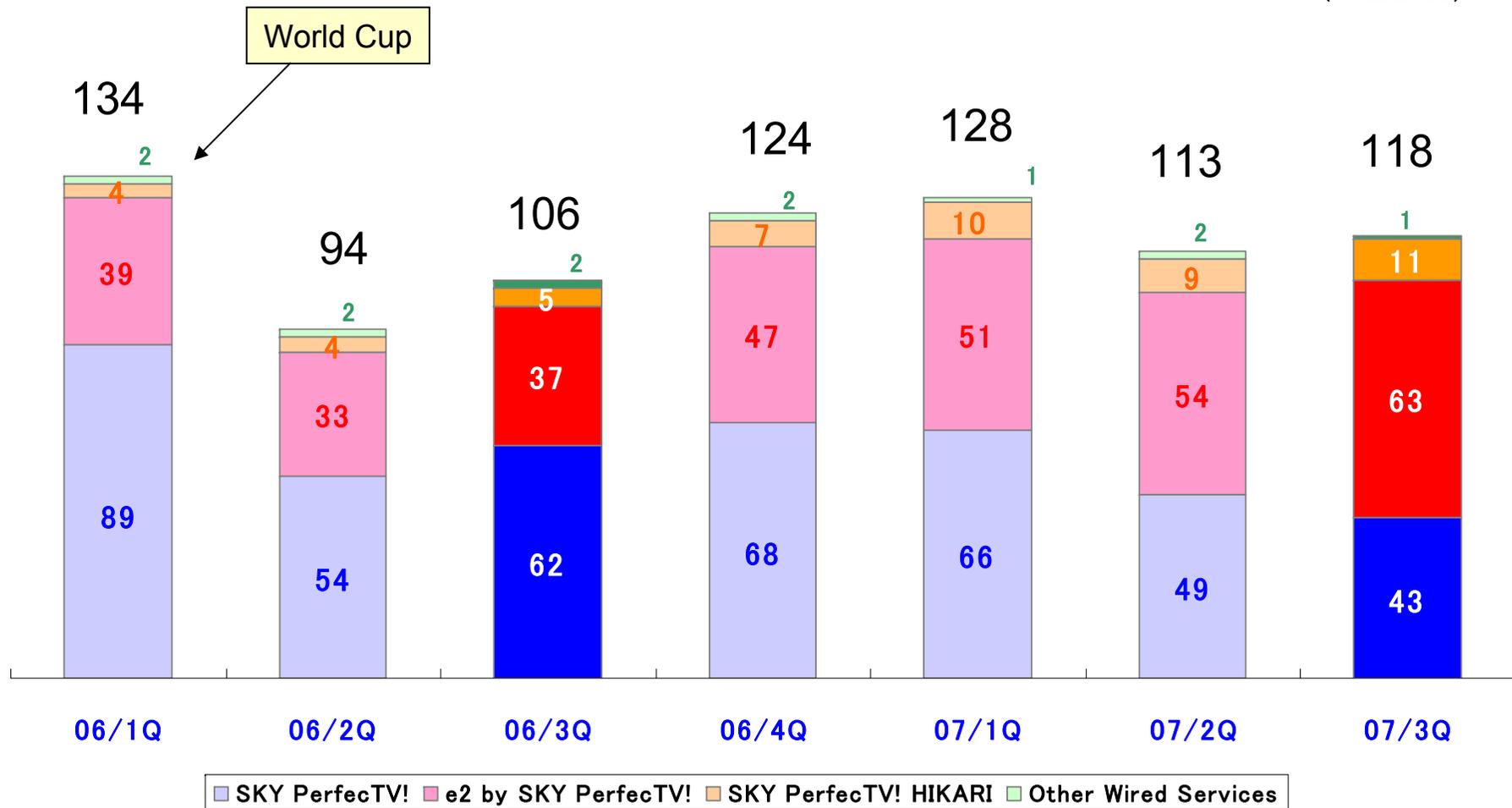
(Millions of Yen)

SKY Perfect JSAT (Consolidated)	FY07/1-3Q
Net Cash From Operating Activities	43,459
Net Cash From Investing Activities	(30,904)
Net Cash From Financing Activities	584
Effect of Exchange Rate Changes	(11)
Net Increase (Decrease) in Cash and Cash Equivalents	13,127
Cash and Cash Equivalents at Beginning of Fiscal Year	44,583
Cash and Cash Equivalents at the End of Fiscal Year (A)	57,710
Marketable Securities at the End of Fiscal Year (B)	27,875
Total Fund at the End of Fiscal Year (C=B+A)	85,586

Balance of Debt at the End of Fiscal Year (D)	68,859
Net Debt at the End of Fiscal Year (D-C)	(16,727)

Number of New Subscribers

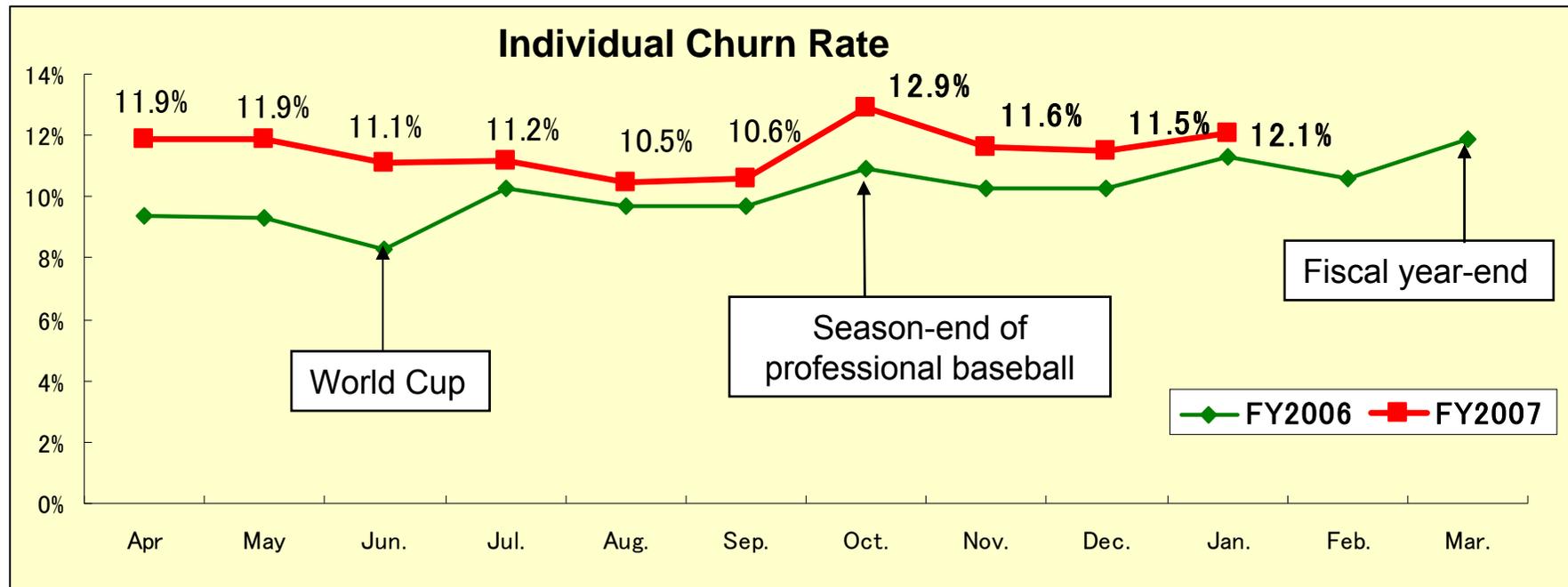
(Thousands)



3Q/2007: Annualized Individual Churn Rate



	1Q	2Q	3Q	4Q	Full-Year
FY2005	8.3%	8.3%	8.8%	9.0%	8.6%
FY2006	9.0%	9.9%	10.5%	11.3%	10.2%
FY2007	11.6%	10.7%	12.0%		E12.0%

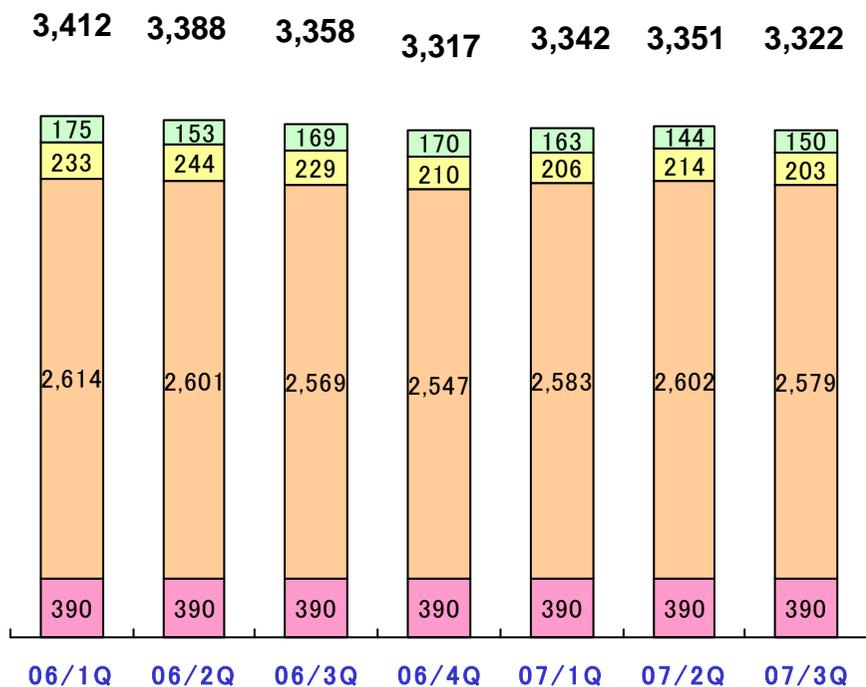


Average Revenues per User (ARPU) (SKY PerfecTV! and e2 by SKY PerfecTV!)



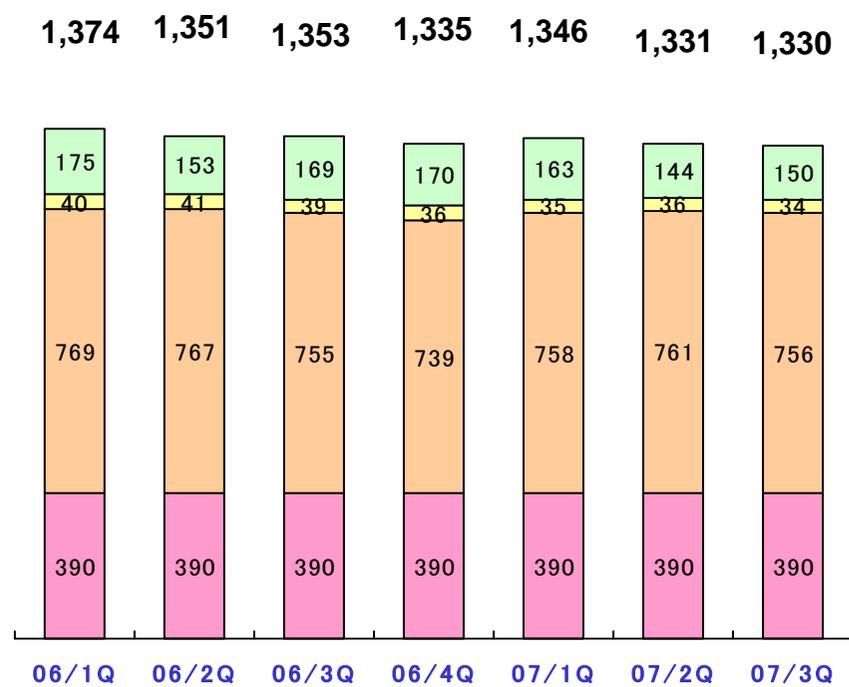
(Yen)

Subscription Fee Per Subscriber



(Yen)

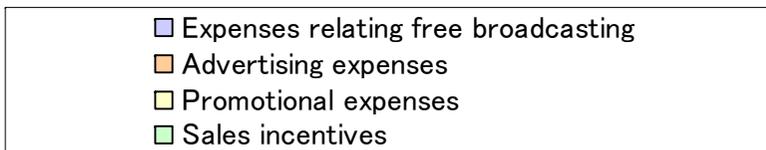
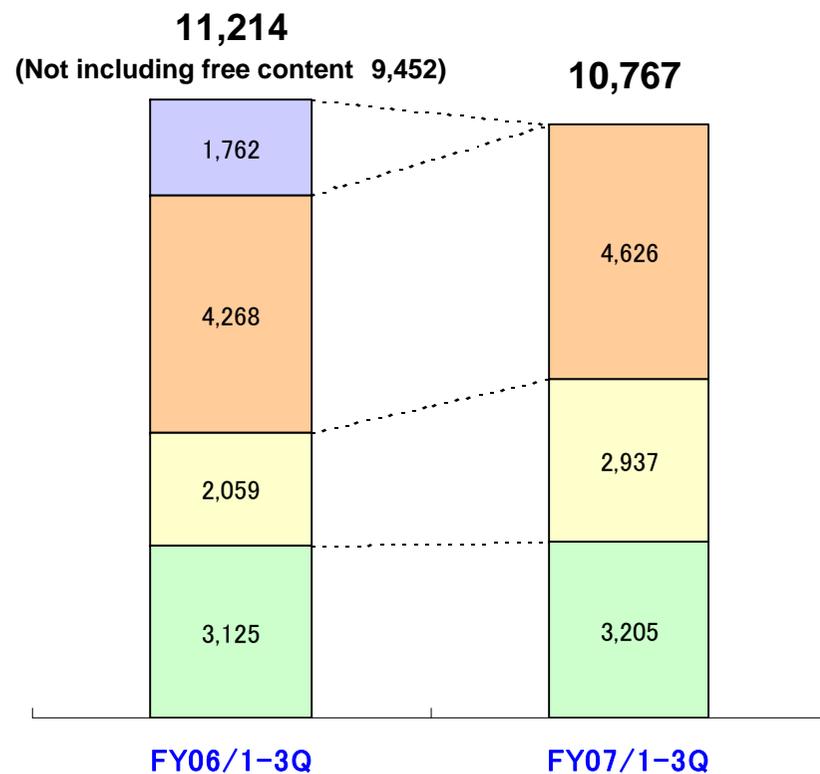
Subscriber-related Revenues per Subscriber



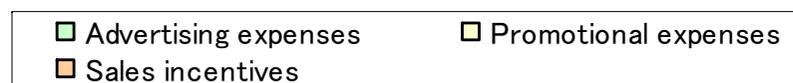
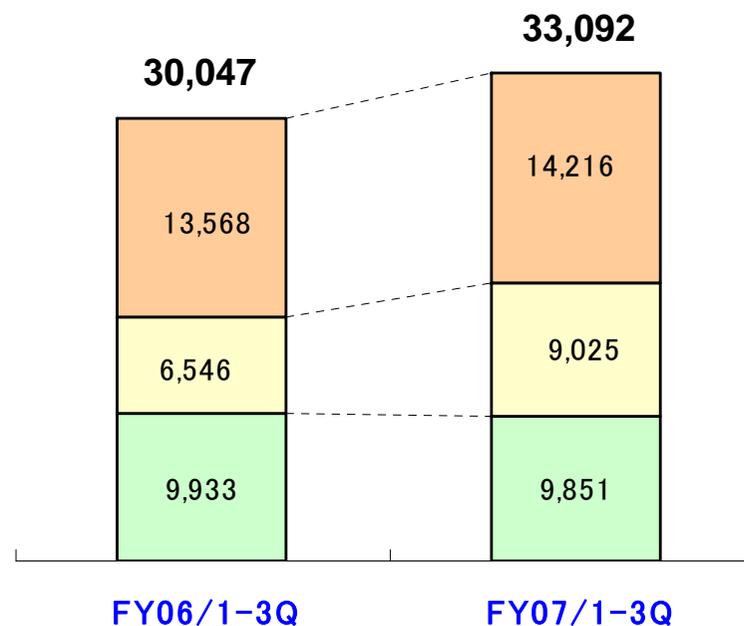
Subscriber Acquisition Cost (SAC) (SKY PerfecTV! and e2 by SKY PerfecTV!)



Total SAC (Millions of Yen)



SAC per Subscriber (Yen)



*1 Expenses incurred at SKY Perfect and SKY Perfect Marketing.
 *2 Advertising expenses exclude public relations expenses
 *3 Expenses related to free broadcasting is excluded from SAC per subscriber

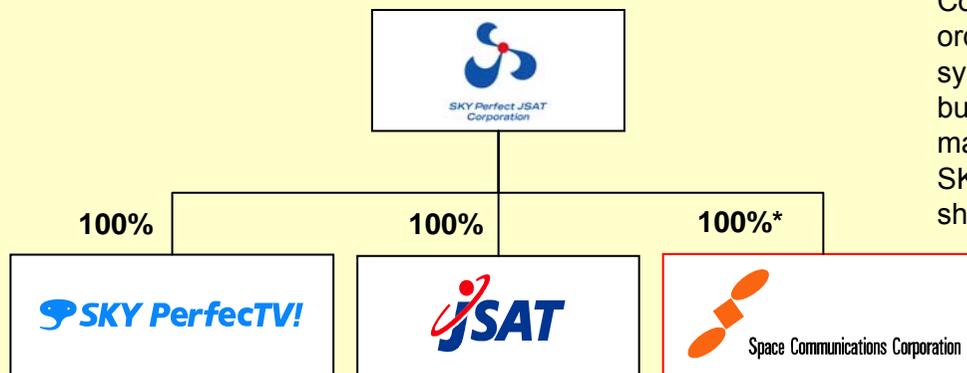
Acquisition of SCC and Business Strategy of JSAT

Summary of the Acquisition

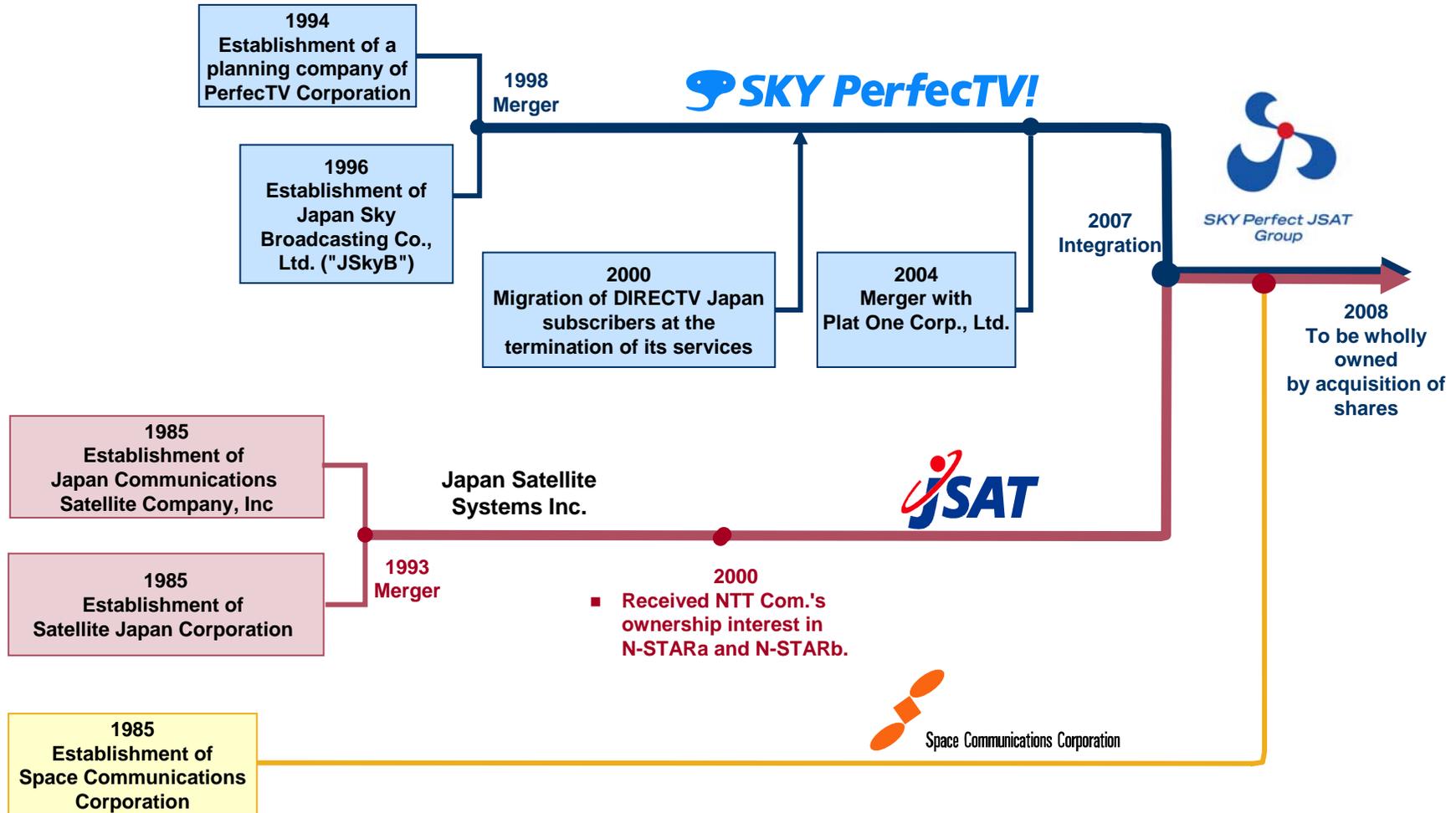
Acquisition of Space Communications Corporation (“SCC”) Shares

1. Shares Acquired: 400,000 shares
2. Acquisition Cost: ¥ 28,000 million (¥ 70,000/share)
3. Shares to be Acquired From: Mitsubishi Corporation, Mitsubishi Electric Corporation, etc. 28 companies in total
4. Share Certificate Transfer Date: March 31, 2008*

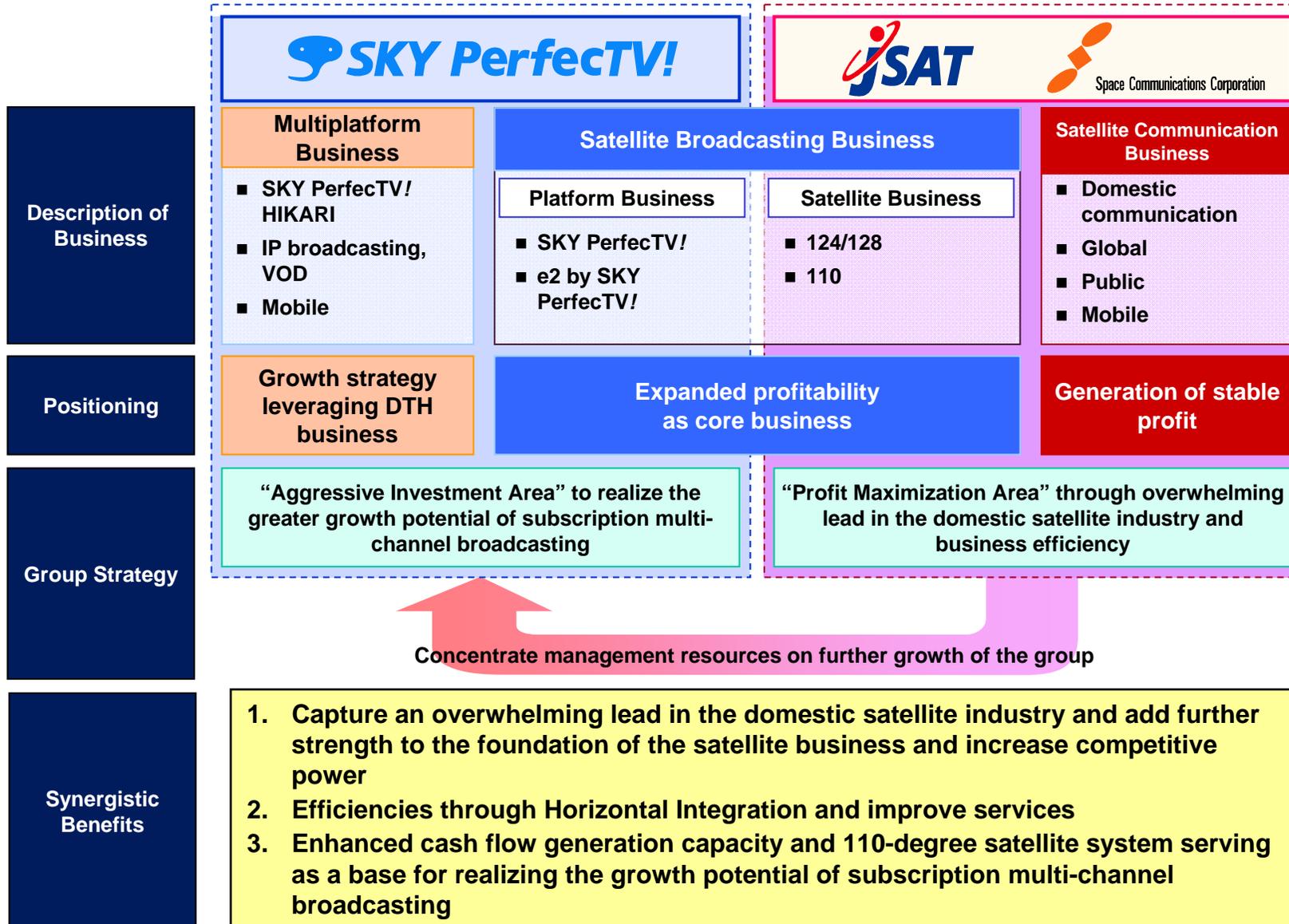
* Mitsubishi Corporation, the largest SCC shareholder, has agreed to maintain ownership of 3% of Space Communication shares for a certain period of time in order to facilitate the rapid realization of the synergies, as well as the smooth integration of our businesses. At the stage where certain progress is made toward the realization of integration effects, SKY Perfect JSAT plans to acquire remaining 3% shares owned by Mitsubishi Corporation.



History of the SKY Perfect JSAT Group



Group Strategy and Benefits of the Acquisition



Synergy (1)

- Further Enhancement of Satellite Business

As the trend of reorganization among world's satellite carriers continues to accelerate, clear distinction is made between top tier satellite carriers and others.

JSAT's superior position in the Asian markets and making the company as the No. 5 satellite carrier in the world will lead to following benefits;

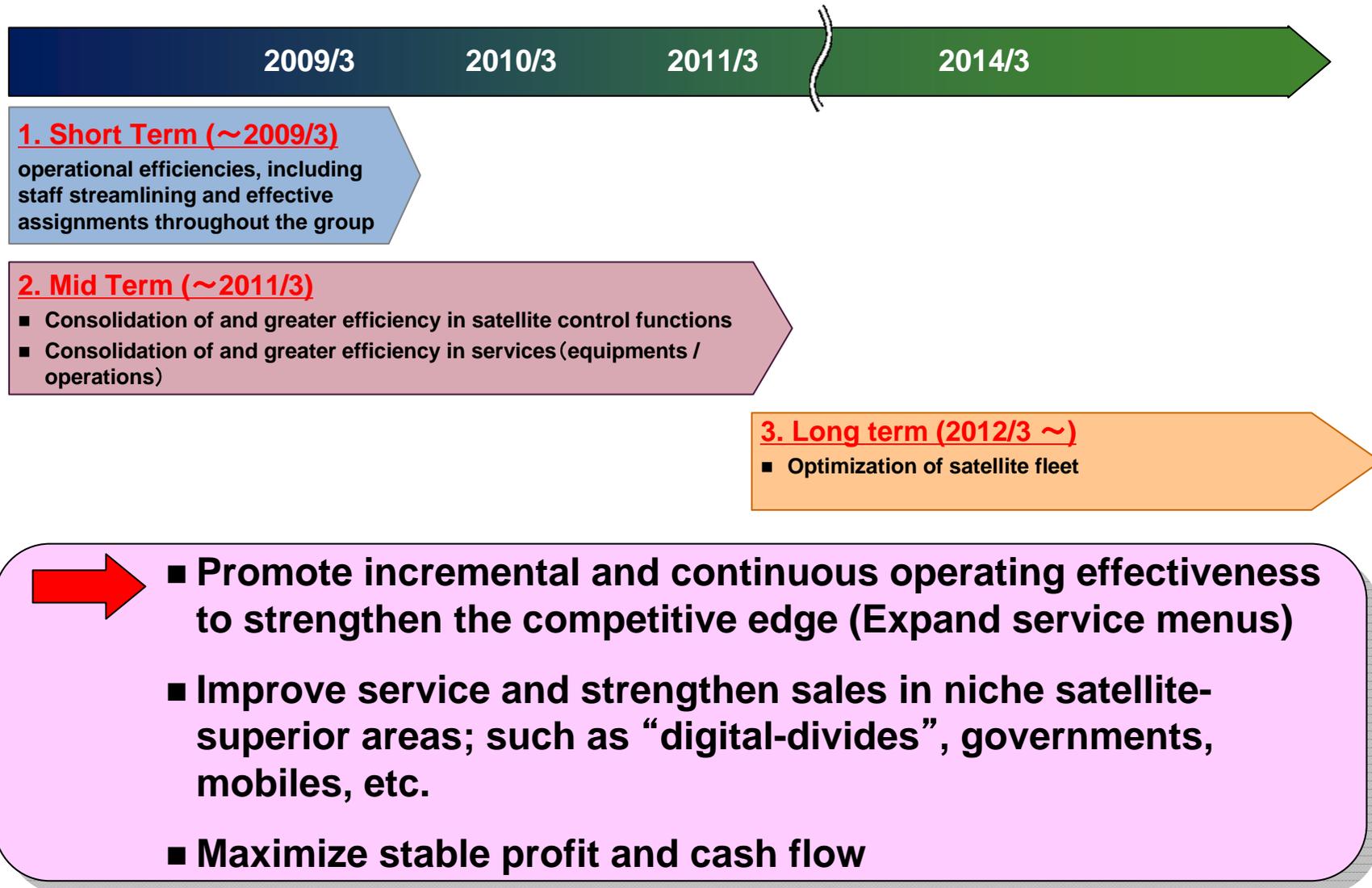
- Competitive power over the global competitors or communication infrastructure operators
- Enhanced bargaining power towards satellite manufacturers, rocket companies and insurance companies
- New opportunities for joint projects with other top satellite carriers
(Examples of joint projects: Horizons satellite in the North America with Intelsat, Joint satellite in the Indian Ocean)

Worldwide Communications Satellite Operators (Source: SPACE NEWS)

(FY 2006)			(After the transaction(Sum of the companies))			
No.	Satellite Operator	Sales (USD in millions)		No.	Satellite Operator	Sales (USD in millions)
1	Intelsat	2,100	<div style="display: flex; align-items: center; justify-content: center;"> <div style="text-align: center; margin-right: 10px;"> <p>2007 Autumn</p> <p>→</p> </div> <div style="text-align: center; margin-right: 10px;"> <p>2008 Spring</p> <p>→</p> </div> </div>	1	Intelsat	2,100
2	SES	1,900		2	SES	1,900
3	Eutelsat	1,050		3	Eutelsat	1,050
4	Telesat Canada	411		4	Telesat + Loral	575
5	JSAT	326		5	JSAT + SCC	477
6	Star One SA	196		6	Star One SA	196
⋮				⋮		
8	Loral Skynet	164				
⋮						
11	SCC	151				

Synergy (2)

- Efficiencies through Horizontal Integration and Improve Services

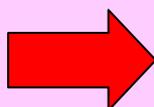
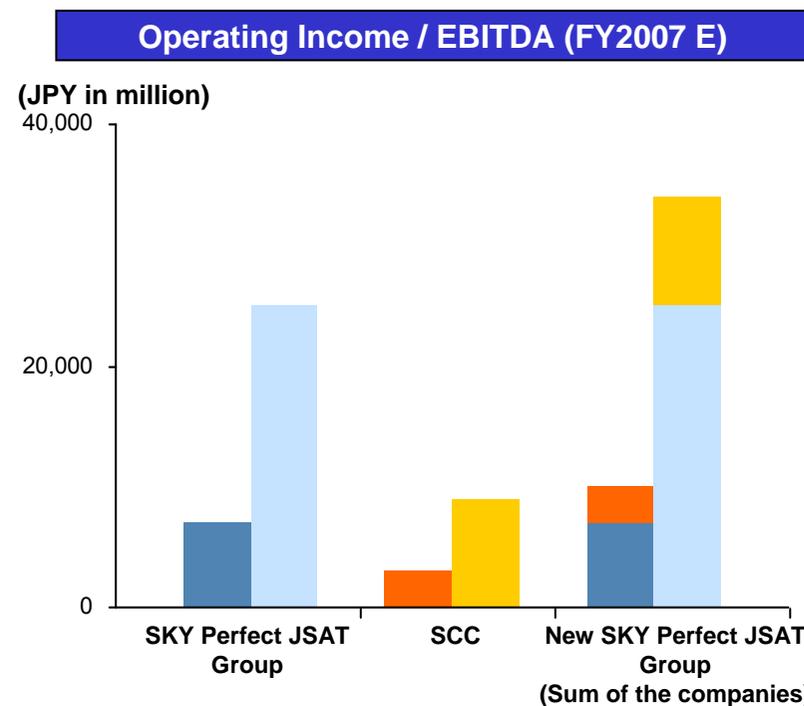
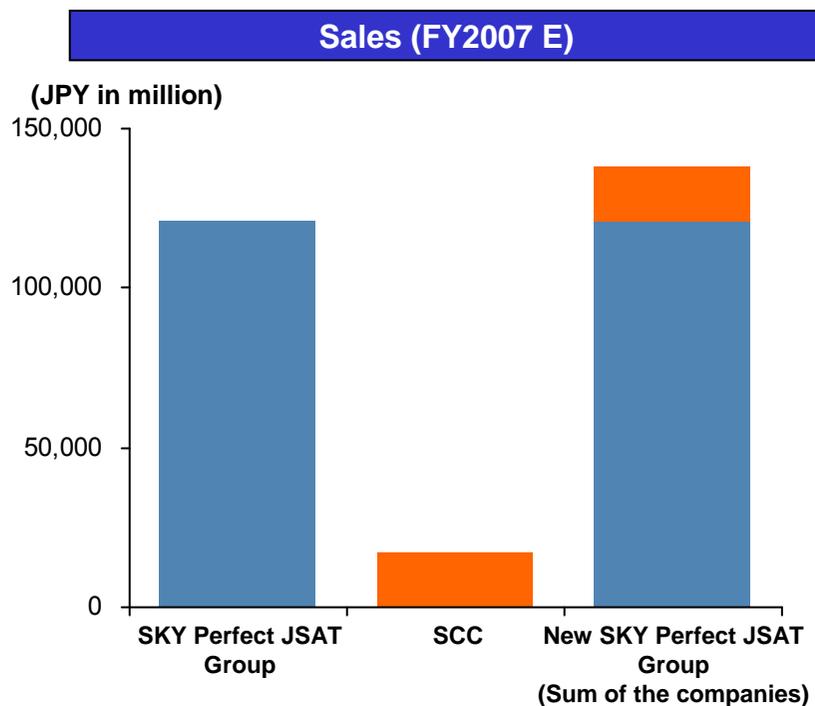


Synergy (3)

- Enhanced Cash Flow Generation Capacity



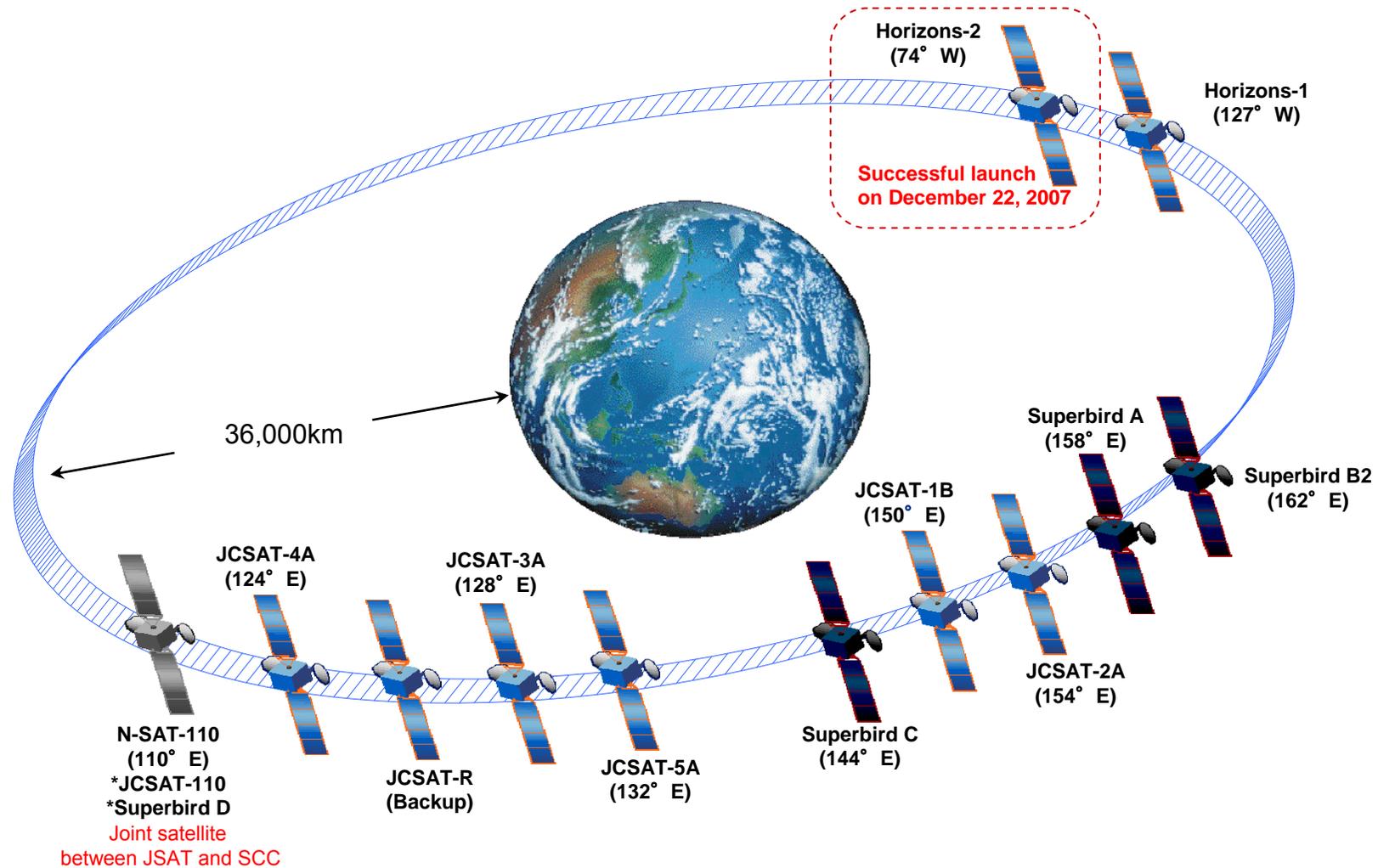
SKY Perfect JSAT Corporation



Invest aggressively in multi-channel pay TV business to realize the growth potential leveraging the stable profit / cash flows from the satellite business

- Acquisition of new subscribers
- Investment in HD transition, promotion.....

(Reference) Satellite Fleet Status After the Acquisition



Satellite Launch Schedule

Summer 2008	Superbird C2
Early 2009	Intelsat-15 (Covers / Partly covers Asia, Indian Ocean, Middle East)
Summer 2009	JCSAT-12 (Backup satellite)
2011	JCSAT-110R (Backup satellite for JCSAT-110)

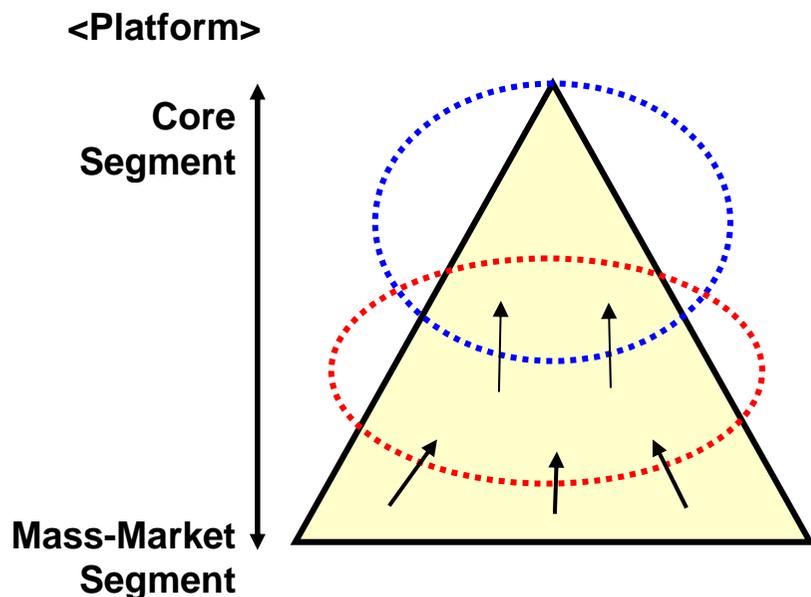
Entered into Basic Agreement with BROADCASTING SATELLITE SYSTEM CORPORATION (B-SAT)

2011: Launch of joint satellite (BS/CS Hybrid) with B-SAT (JCSAT-110R: Backup satellite for JCSAT-110)

⇒ Provide stable and reliable service for “e2 by SKY PerfecTV!”, a growing 110-degree CS digital service

Business Strategy of SKY Perfect

Positioning of Satellite Broadcasting Service



SKY PerfectTV!: Content-Sensitive Segment

- Plentiful options of channels and categories
 - Enhancement of HD channels (FY2008-2009)
 - Launch of highly functional tuner (FY2009-)
- Improve ARPU

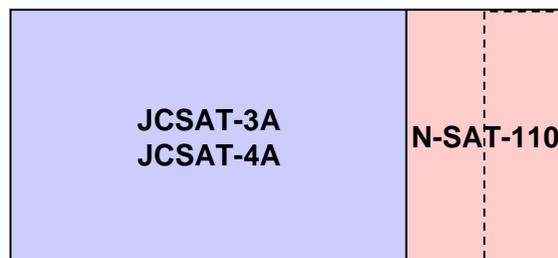


e2 by SKY PerfectTV!: General / Family Segment

- No dedicated tuners nor antennas needed
 - Remote controllers common with terrestrial and BS digital
 - Categories suitable for the entrance to multi-channel
- Boost acquisition of subscribers with lower SAC



<Satellite>



Held by JSAT

Jointly held by
JSAT and SCC

Acquisition of SCC leads to:

1. Leverage the increased cash flows to enhance the satellite broadcasting market
2. All communication satellites to be owned by SKY Perfect JSAT Group
3. Establish complete backup systems for 110-degree satellites in 2011

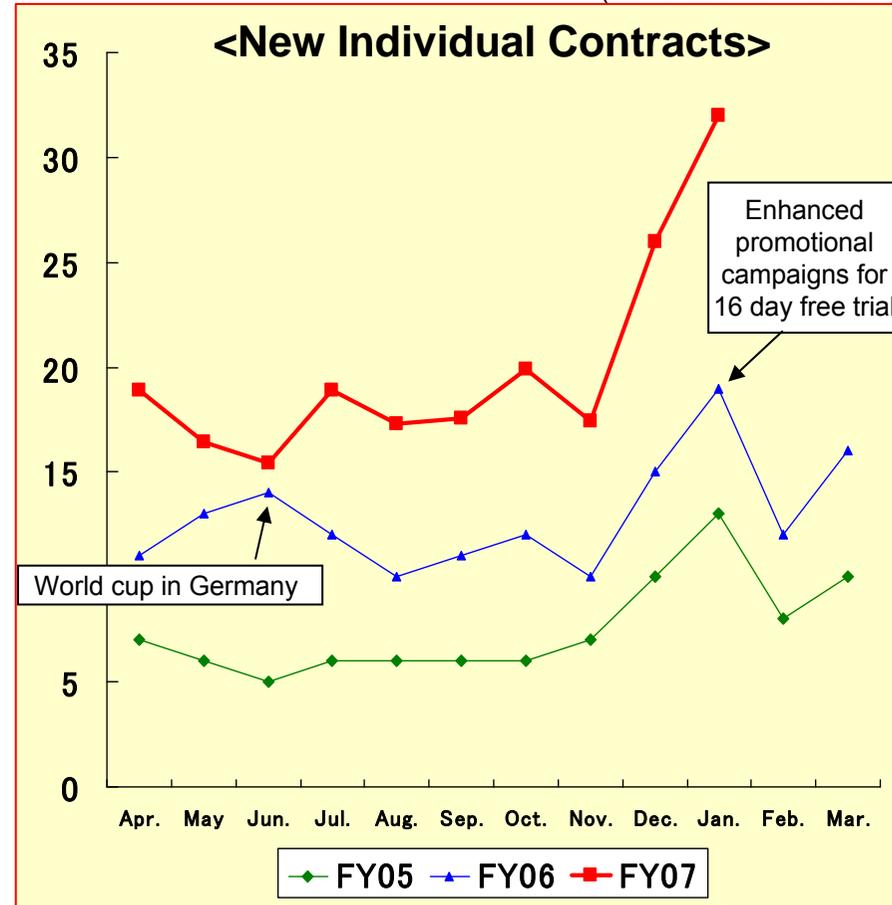
e2 by SKY PerfecTV! -Highlights



<Highlights>

- **Incorporate tuner into digital TV.**
After the bonus sales season, '08 Beijing Olympics add momentum.
- **Step up advertising campaign using popular "WaT" singing duo**
- **Implement continued promotional campaigns for 16-day free trial, antenna support**
- **HD Channel**
 - Four channels at end of Jan. '08
 - Launch "Fuji Television CSHD" in April 2008; add two channels ("Movie Plus" and "LaLa TV"). Expand to total of seven channels.

(Thousands of Contracts)



SKY PerfecTV! - Highlights



(Thousands of contracts)

<Highlights>

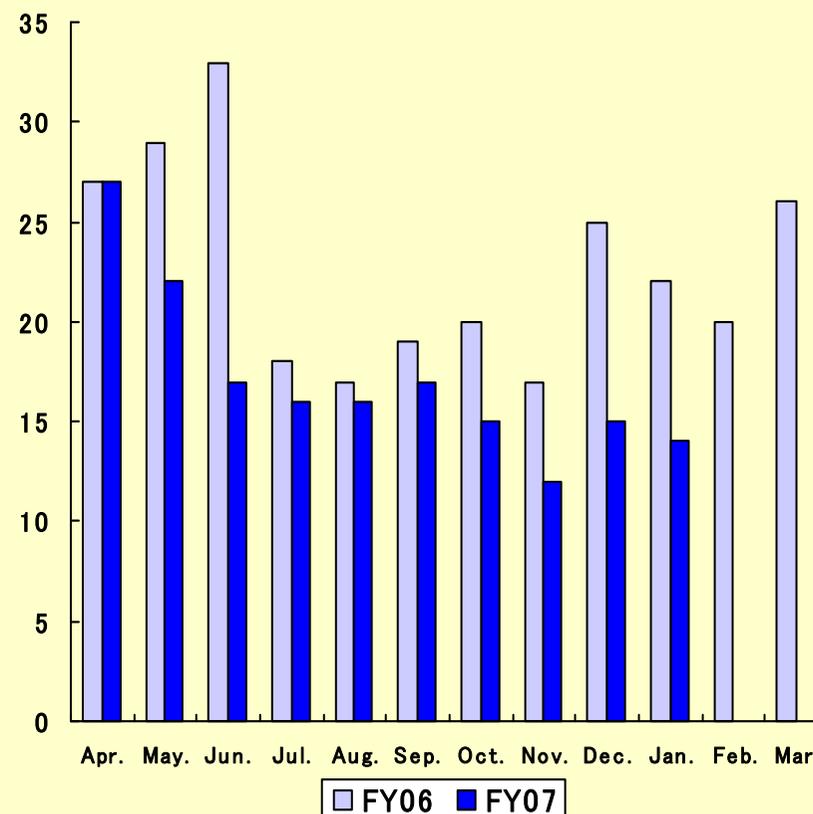
- Forecast a net reduction in subscribers for FY 2007 (HD service planned for launch during Fall)
- Push for local area marketing, focused on around J League and Pro Baseball
- “Valuable/ Select 15” combination and Soccer package discount promotion in cooperation with WOWOW
- Expansion of cross-channel advertising focusing on content

January “R35 Festival”

February “Hanryu Festival”

March “Jump Festival”

<New Individual Contracts>



SKY PerfecTV! - HD Service



<HD Service Launch Schedule>

Phase I : Autumn 2008 (target)

- About 10 channels, mainly PPV (Movie, Soccer, Adult) and premium
- Introduce HD receiver (terrestrial digital tuner included; HDMI interface; DLNA interface; Ethernet communications compatible)

Phase II : Autumn 2009 (target)

- Add about 40 channels, mainly basic
- Set up “HD Basic Pack”
- Introduce high-function HD receiver

About 50 channels in total planned for offer

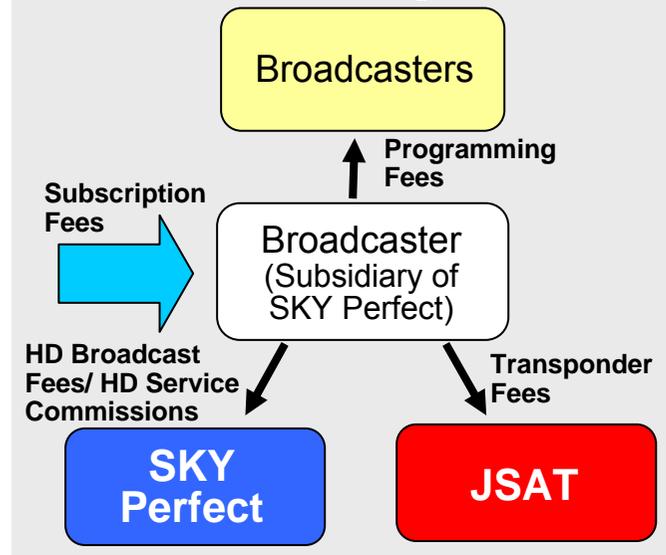
■ Studying business models incorporating revenue sharing via Broadcaster (subsidiary of SKY Perfect) in order to conduct flexible business development

■ Presently, about 90 channels are hoping to enter HD service.

■ Studying “product development matching customer needs”

→Position “SKY PerfecTV!” as a premium service, and “e2 by SKY PerfecTV!” as an entry-level service to attract the general consumer segment to expand DTH in the aggregate

<Revenue Sharing Method>



Second Cooperative Package with WOWOW



Start discount combination package: “SKY PerfectTV! Valuable Pack” and “SKY PerfectTV! Select 15.”

- Sales started February 1 (Friday)
- Customers viewing “Valuable Pack” / “Select 15” on SKY PerfectTV! are eligible to view WOWOW for an additional monthly fee of ¥1,680.

“SKY PerfectTV! Valuable Pack” (¥3,500/ month) + WOWOW



Regular WOWOW fee of ¥2,100/ month reduced to **¥1,680/month**

“SKY PerfectTV! Select 15” (¥2 800/month) + WOWOW



Regular WOWOW fee of ¥2,100/ month reduced to **¥1,680/month**



©A.M.P.A.S.®

“Exclusive live broadcast! 80th Annual Academy Awards”

February 25 (Mon.) 9:50 a.m.

Live from the “Los Angeles Kodak Theater”

Simultaneous translation

February 25 (Mon.) 9:00 p.m.

Repeat broadcast, subtitled



JEFF KRAVITZ/FILM MAGIC

「THE POLICE LIVE IN CONCERT」

February 23 (Sat.) 8:00 p.m.

J League Season Opening



Catch phrase for this second broadcast season:

Let's Go "Away" Games with SKY PerfectTV!

J1/J2 Leagues to open 2008/2009
Season on March 8

<2008/2009 Season Broadcast Overview>

• This season (second year broadcast) is scheduled to broadcast all 306 J1 League games, all 315 J2 League games, and two cross-over games, for a **total of 623 games**

<J.League Broadcast Features>

① **SKY PerfectTV! as part of your hometown lifestyle**

Implement advertisements more closely tied in with local community.

② **Scheduled to broadcast all J1 games in HD in conjunction with SKY PerfectTV! HD broadcast launch (planned for Autumn 2008)**

③ **Build out video for Internet and mobile**

<SKY PerfectTV! >

***same for SKY PerfectTV! HIKARI**

J.League Live DX	¥2,980
	(including tax)/ month
J1 Live	¥2,580
	(including tax)/ month
J2 Live	¥2,500
	(including tax)/ month

<e2 by SKY PerfectTV!>

J.League Selection	¥2,500
	(including tax)/ month

Yubari International Fantastic Film Festival 2008



**Special cooperation with the “Yubari International Fantastic Film Festival 2008.”
First-ever in Japan: Satellite broadcast services for Yubari International Fantastic Film Festival entries!**

<Yubari International Fantastic Film Festival 2008>

Festival Dates: March 19 (Wed.) through March 23 (Sun.) 2008

Festival Location: Throughout Yubari City, Hokkaido

Screening Categories: Invited films, Forum Theater, Off Theater Competition

Films Screened: Approximately 50 films

<Satellite Screening Overview>

Satellite Screening:

“Forum Theater Category” A collection of creator submissions;

“Off Theater Competition Category” Works selected from general creator submissions

Viewer Fees:

“SKY PerfectTV!” Perfect Choice (Ch. 174)

Product Name: Yubari International Film Festival 2008 Viewer Pass

Series Fee (PPS) allowing access to all submissions: ¥1,050 including tax
(sales period Feb. 15 through Mar. 22)

Fees for single movies/ compositions: ¥315/ including tax

“e2 by SKY PerfectTV!” Sukachan! Hi-Vision (Ch. 800)

Product Name: Yubari International Film Festival 2008 Ticket

Fee: ¥735/ including tax (sales period: Feb. 15 through Mar. 24)

Access to 13 Forum Theater films; 12 Off Theater films. Not all movies available in Hi- Difinision.



“Yubari International Fantastic Film Festival 2008” press conference
(Sapporo City, Hokkaido, Feb. 5, 2008)

Customer Service Initiatives & Newsletter Renewal

Customer Service Initiatives

■ Reassuring Support Services Implemented January 08

(SKY PerfectTV!! e2 by SKY PerfectTV!)

- Established support desk for current subscribers in order to prevent contract cancellations due to moving or malfunction.

“Moving Support”

- Remove antenna and tuner from old location/ Reinstall antenna and tuner in new location when customer moves.

“Viewing Trouble Support”

- Service for diagnosing signal receiving problems, laying lines, making adjustments, etc.

- Clearly identify installation fees as total of service call cost + basic labor cost + optional costs.

■ Begin accepting cancellations via telephone starting mid-February 2008

(SKY PerfectTV!! e2 by SKY PerfectTV!)

- Eliminate paper cancellation forms. Transition to call center format.
- Eliminate satellite mail notices. Transition to notices delivered by regular mail
→ In February, around 12,000 extra cancellations are expected by the factor for this period only.

SKY PerfectTV ! Newsletter Renewal

■ Relaunched “e2Days” (formerly “CS Life e2”) during December 2007

- ① Send as a booklet separate from invoice
- ② Transition to an easier-to-read one-day/ one-page format
- ③ Major increase in number of programs featured (more than twice the former format)

* CLUB SKY PerfectTV! scheduled for relaunch in March (April Issue)

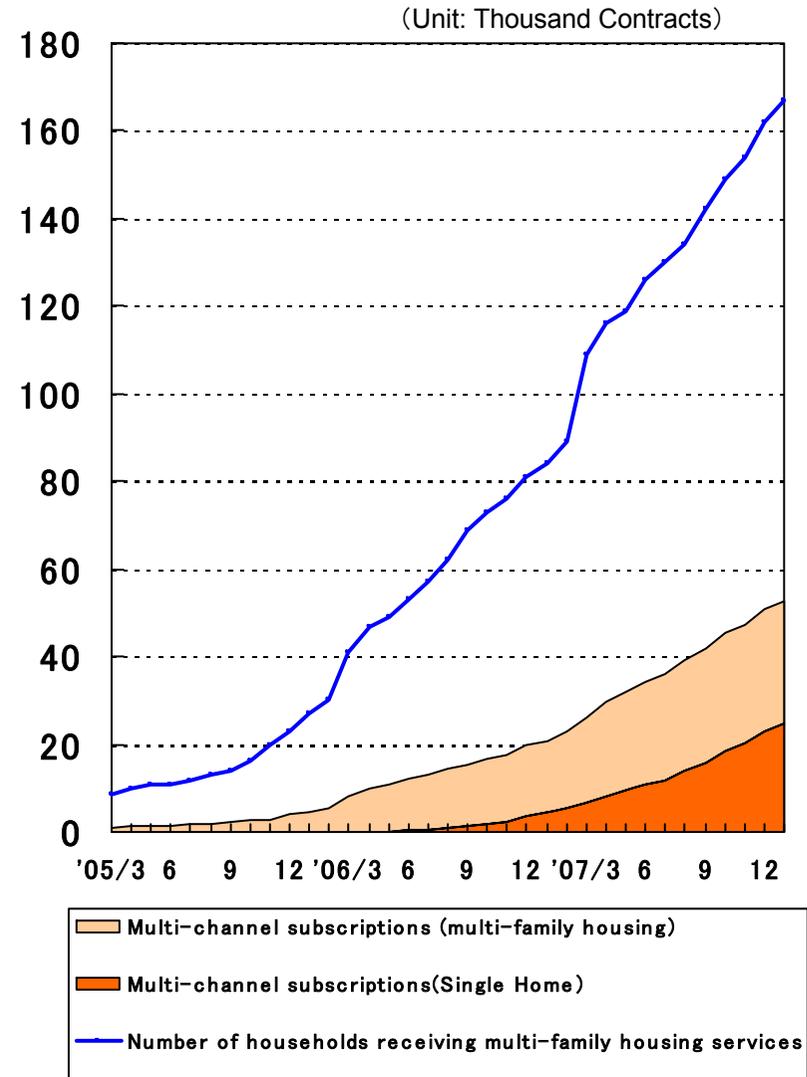


SKY PerfecTV! HIKARI - Highlights



<Highlights>

- End of December 2007
54,000 in cumulative total contracts
- Expand “FLET’S” “SKY PerfecTV! HIKARI” joint installation/ follow-up call project presently under current exclusive trial with Bic Camera to eight other home electronics chains.
- Aggressive TVCM advertising promotions with NTT and insert ad tie-up with each branch location.
- Increase in detached home subscriptions during the third quarter, mainly in targeted expansion area. In December 2007, more than 2/3 of subscribers were detached home contracts.



Please direct any inquiries regarding IR information to the division in charge.

SKY Perfect JSAT Corporation
Public Relations & Investor Relations Department

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