

August 6, 2008
SKY Perfect JSAT Holdings Inc.

Notice of Merger of Consolidated Subsidiaries

At the Board of Directors meeting held on August 6, 2008, SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; President and Representative Director: Masanori Akiyama) passed a resolution on the merger of SKY Perfect Communications Inc. (Head Office: Minato-ku, Tokyo; President and Representative Director: Masao Nito), JSAT Corporation (Head Office: Minato-ku, Tokyo; President and CEO: Masanori Akiyama), and Space Communications Corporation (Head Office: Shinagawa-ku, Tokyo; President and CEO: Yutaka Nagai) as follows:

1. Purpose of the merger

SKY Perfect JSAT Holdings Inc. was established as a holding company of JSAT Corporation and SKY Perfect Communications Inc. on April 2, 2007. We also announced a new “Mid-Term Management Plan - Quality for Value -” taking account of the rapid change in the media business environment after the establishment and for the reinforcement of future competitive power.

Our Mid-Term Management Plan places an emphasis on promoting the establishment of an effective organization and cost structure through the early realization of a synergistic integration of group companies as a priority issue.

Recently, in order to exercise the integrated force of the group companies, we promoted the best allocation of human resources and the highest efficiency of management, unified three subsidiary companies and organized a system to achieve the Mid-Term Management Plan.

2. Merger outline

1) Schedule for the merger

Board of Directors meeting to approve the merger agreement	August 6, 2008
Conclusion of a merger agreement	August 6, 2008
General shareholders' meeting to approve the merger agreement	September 1, 2008 (plan)
Effective date of the merger	October 1, 2008 (plan)* ¹

Note 1: Shares of Space Communications Corporation (3%) owned by Mitsubishi Corporation shall be transferred to SKY Perfect JSAT Holdings Inc. on the same day of the effective date of the merger.

2) Method of the merger

The merger shall be carried out by absorption by SKY Perfect Communications Inc., the surviving company, and JSAT Corporation and Space Communications Corporation shall be dissolved.

3) Merger ratio and merger subsidy

There are no agreements on merger ratio due to the fact that this merger is carried out between the wholly owned subsidiaries of SKY Perfect JSAT Holdings Inc. In addition, payment of the merger subsidy is not scheduled.

3. Profiles of companies involved in this merger

Corporate name	SKY Perfect Communications Inc. (Surviving company)	JSAT Corporation (Merged company)	Space Communications Corporation (Merged company)
Establishment	November 10, 1994	February 18, 1985	March 22, 1985
Business description	Platform business for CS digital broadcasting	Satellite operation business	Satellite operation business
Head office	1-14-14, Akasaka, Minato-ku, Tokyo	1-14-14, Akasaka, Minato-ku, Tokyo	2-2-8, Higashi-Shinagawa, Shinagawa-ku, Tokyo
Representative	Masao Nito, President and Representative Director	Masanori Akiyama, President and CEO	Yutaka Nagai, President and CEO
Capital	¥50,083 million	¥53,769 million	¥20,000 million
Number of shares issued	2,270,365 shares	356,418 shares	400,000 shares
Total assets	¥115,932 million	¥141,738 million	¥61,639 million
Net assets	¥89,208 million	¥80,498 million	¥28,235 million
End of fiscal year	March 31	March 31	March 31
Number of employees	504	239	165
Major shareholders and their shareholding ratio	SKY Perfect JSAT Holdings Inc. 100% *	SKY Perfect JSAT Holdings Inc. 100% *	SKY Perfect JSAT Holdings Inc. 97% *

(Figures above are as of March 31, 2008, except that figures with * are as of June 27, 2008)

4. Corporate profile after the merger

Corporate name	SKY Perfect JSAT Corporation
Business description	Platform business for CS digital broadcasting and satellite communication business
Head office	1-14-14, Akasaka, Minato-ku, Tokyo
Representative	Masanori Akiyama, President and Representative Director
Capital	¥50,083 million
Shareholder	SKY Perfect JSAT Holdings Inc. 100%
End of fiscal year	March 31

5. Company management (Omitted)

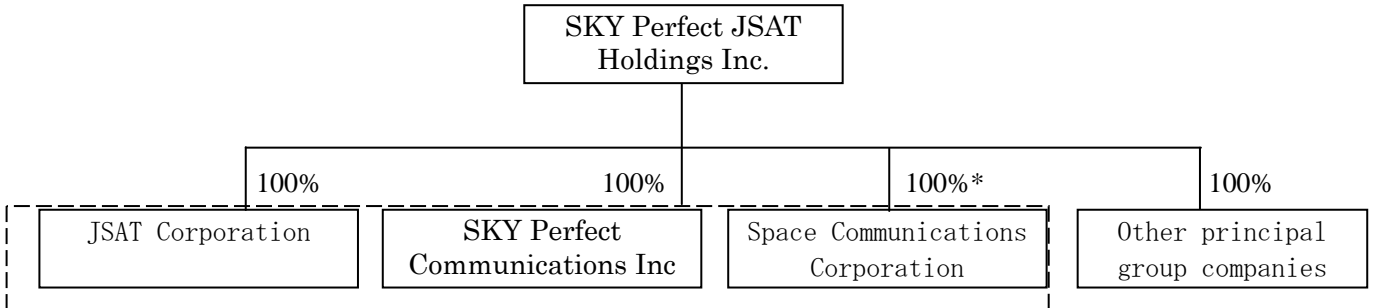
6. Organization chart (Omitted)

7. Effect on performance

This merger will have a minor impact on the consolidated results of our group companies due to the fact that this merger is between the wholly owned subsidiaries of SKY Perfect JSAT Holdings Inc.

(Reference)

Before the merger



* Shares of Space Communications Corporation (3%) owned by Mitsubishi Corporation shall be transferred to SKY Perfect JSAT Holdings Inc. on the same day of the effective date of the merger.

After the merger

