

Interview with CEO

Osamu Inoue

Chairman and CEO,
JSAT International Inc.



● Please tell us how JSAT International (JII) was founded.

Late in 2000, JSAT (now SKY Perfect JSAT Corporation) received a proposal from Panamsat (PAS). PAS wanted to launch a C/Ku Hybrid satellite over North America to replace an existing C-band satellite operating at 127° West. The Japanese government held the rights in this orbital slot for Ku-band usage and would not relinquish this right. PAS proposed a possible joint venture with JSAT for the construction, launch, and operations of a satellite at this orbital location.

A deal was quickly reached in which PAS would own 100% of the C-band capacity (Galaxy 13) and 50% of the Ku-band capacity. JSAT would own the remaining 50%. The Ku-band capacity would be labeled “Horizons-1.” With growing demand for Ku-band in North America, we decided to make the investment to launch the satellite.

While the satellite was being constructed, we established JSAT International Inc. (JII) in August 2001 as a subsidiary company of JSAT based in North America to execute the joint venture with PAS, a company that has since been acquired by Intelsat.

● Please tell us about your decision to launch a second satellite.

In August of 2005, JII and PAS began discussions about another possible collaboration, Horizons-2. The PAS satellite located at 74° West, SBS-6, was reaching its end-of-life. We reached agreement quickly that same month. JII agreed to provide the financing and the interest expense of the satellite. PAS provided the orbital slot license. Horizons-2 was successfully launched in December 2007 and service began shortly after in February 2008.

It was at this time that Intelsat acquired PAS and the ownership of Horizons assets were transferred to Intelsat, the largest satellite operator in the world.

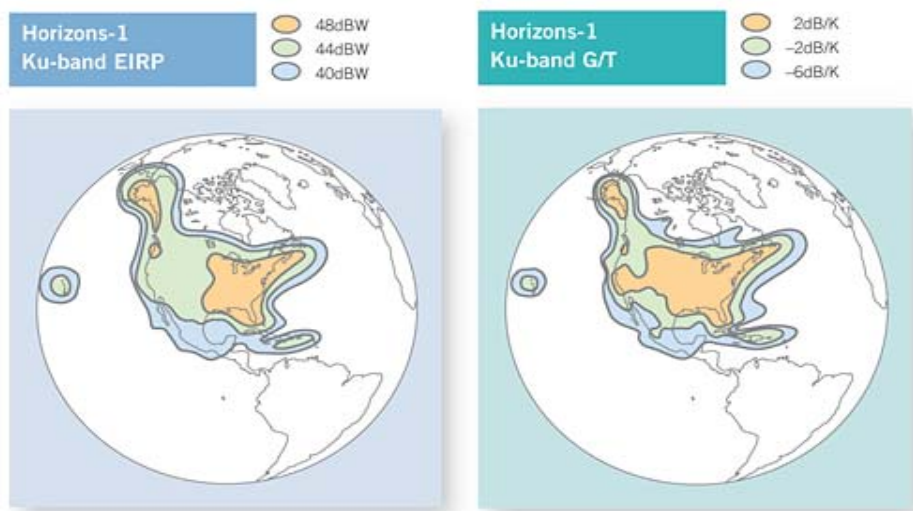
● Please tell us about the business model for the Horizons projects

JII and Intelsat jointly established a holding company, Horizons Satellite Holdings LLC. We established two affiliated companies – one for Horizons-1 and a second for Horizons-2. JII and Intelsat equally shared the selling of capacity and the revenue that was realized.

To facilitate the relationship with Intelsat we relocated our headquarters from Los Angeles to Washington, DC in 2007. Our goal was to strengthen our sales efforts within the U.S. especially to government and media entities.

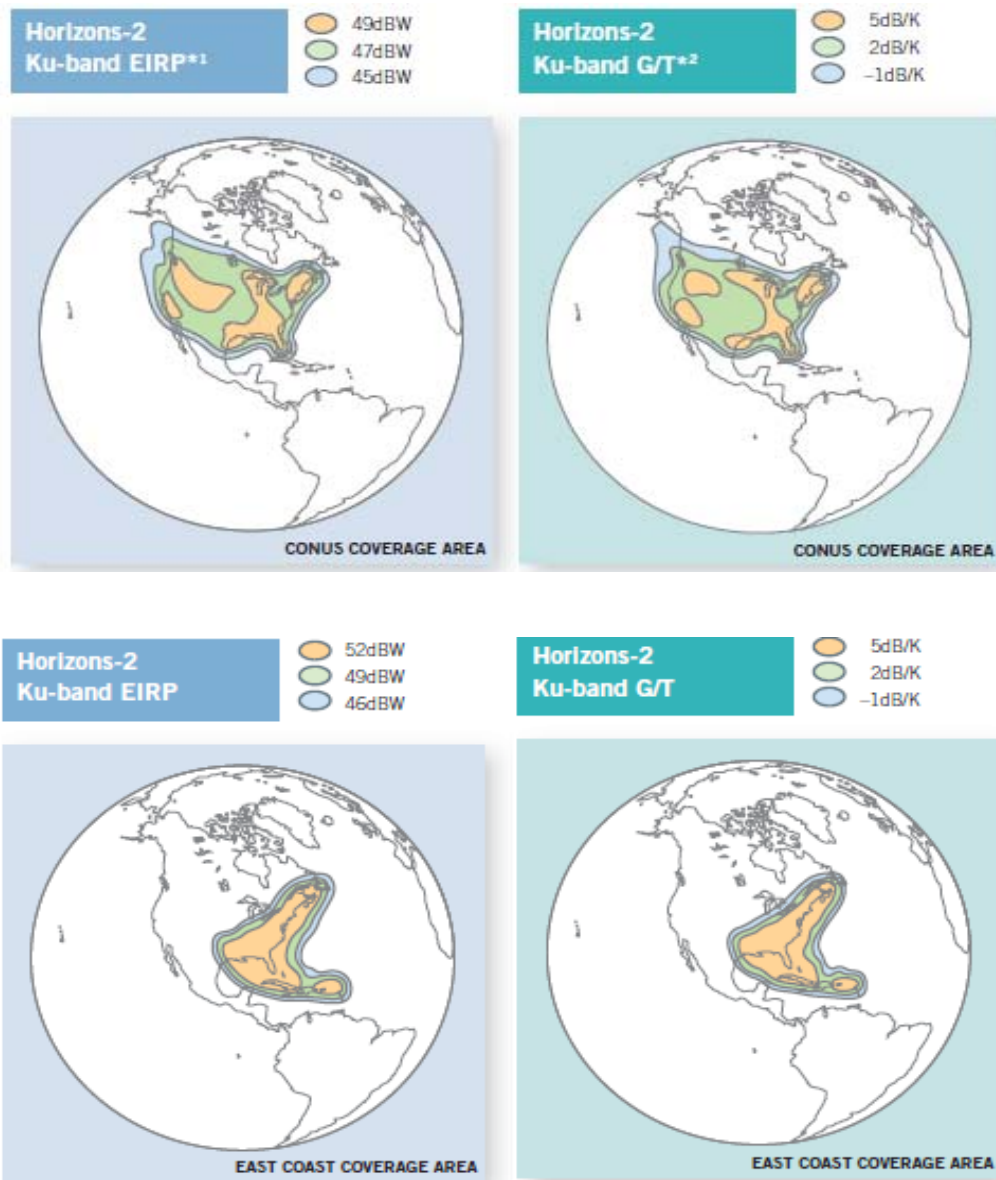
About Horizons-1

- **Orbital Location:** 127 deg WL
- **Launch:** September 30, 2003 (Service in: January, 2004)
- **Launched by:** Sea Launch / Zenit-3SL
- **Spacecraft Type:** Boeing 601 HP
- **Payload:** Ku-band 36MHz x 24
- **Coverage:** CONUS, Alaska, Hawaii



About Horizons-2

- **Orbital Location:** 74 deg WL
- **Launch:** December 21st, 2007 (Service in: February, 2008)
- **Launched by:** Land Launch / Ariane 5
- **Spacecraft Type:** Orbital Sciences Corp. Star-2
- **Payload:** Ku-band 36MHz x 16
Ku-band 72MHz x 4
- **Coverage:** CONUS, East Coast of US



● **Please tell us about JII's business conditions.**

We are in a good financial position. We turned a single-year profit in 2005 and accumulated surplus in 2006.

Horizons-1 is principally used for business-to-business communication and digital divide measures, taking advantage of its 50 state coverage, including Alaska and Hawaii. Horizons-2 is primarily used to support government related and media contribution networks.

Despite the current difficult economic environment in the U.S., JII has achieved steady revenue growth each year. We continue to focus on accelerating our core business of transponder sales. At the same time, we are expanding our services to assure continued revenue growth. We are quietly developing a Digital Signage network offering and are currently piloting this system with a large US retailer.

● **You are now the CEO of JII. How will you manage the company going forward?**

The first CEO of JII was Mr. Akiyama (now President and CEO of SKY Perfect JSAT Corporation). The second was Mr. Mizoguchi (now CEO of JSAT MOBILE Communications). I will be a non-resident CEO of JII and concurrently serve as the Senior Executive Vice President of SKY Perfect JSAT Corporation.

JII has a staff of seven and a well established business plan which is meeting their financial objective. I will leave the day-to-day operations to Mr. Iwase, COO of JII. I plan to manage the company from Japan using conference calls and email. I will visit our locations as well as meet with Intelsat executives and our US based clients on a periodic basis.

In my previous assignment, I was in charge of a global business for fifteen years. During this time I visited the US many times on business trips. I also worked in the US in the San Francisco bay area from 1994 to 1996. During this time I was on loan to an American company and was a frequent visitor to Washington, DC. I have fond memories of DC, so I'm looking forward to returning there.

If you find yourself traveling through Washington, DC, please feel free to call us or pay us a visit. We look forward to seeing you.



JII Staff, Messrs Okabe, Shoda, Iwase and Sato, from left.

Osamu Inoue

Chairman and CEO

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