

Securities Code: 9412

SKY Perfect JSAT Holdings Inc.



# 2Q 2023 Presentation Material

For the 6-month period ended September 30, 2023

November 1, 2023

# 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 from 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 concerning business investment
- Risks concerning legal regulations on business
- Risks concerning leaks and handling of personal information and important information, and cyber security
- Risks concerning business continuity due to large-scale disaster and new infectious diseases, etc.

## Space Business

- Risks concerning lower competitiveness in the satellite communications Market
- Risks concerning procurement of communications satellites
- Risks concerning operations of communications satellites

## Media Business

- Risks concerning lower business competitiveness of Multi channel pay TV business
- Risks concerning illegal viewing
- Risks concerning customer management system

# Summary

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<b>Financial Results</b>	<ul style="list-style-type: none"><li>• Consolidated results continued to increase both revenue and net income YoY</li></ul>
<b>Space Business</b>	<ul style="list-style-type: none"><li>• Secured its first pre-launch commitment with Panasonic Avionics to provide capacity for In-Flight-Connectivity</li><li>• Decided to procure in-orbit satellite life-extension service Flexibility of fleet planning greatly improved</li></ul>
<b>Media Business</b>	<ul style="list-style-type: none"><li>• Increasing Affiliated Cable Television Stations. Total 16 stations</li></ul>
<b>ESG</b>	<ul style="list-style-type: none"><li>• Declared achievement of carbon neutral goal by the end of FY2025</li></ul>
<b>Shareholder Return</b>	<ul style="list-style-type: none"><li>• Acquisition of treasury stock of ¥5 billion is underway</li></ul>

# Consolidated Financial Results

## Second Quarter of FY2023

# Consolidated Earning Results for 2Q of FY2023

- Consolidated results continue to show an increase in both revenue and net income YoY
- Space Business: Sales in both the Global & Mobile Field and Domestic Satellite Business Field remained strong
- Media Business: Loss on valuation of investment securities pushed down segment profit

(in Millions of ¥)

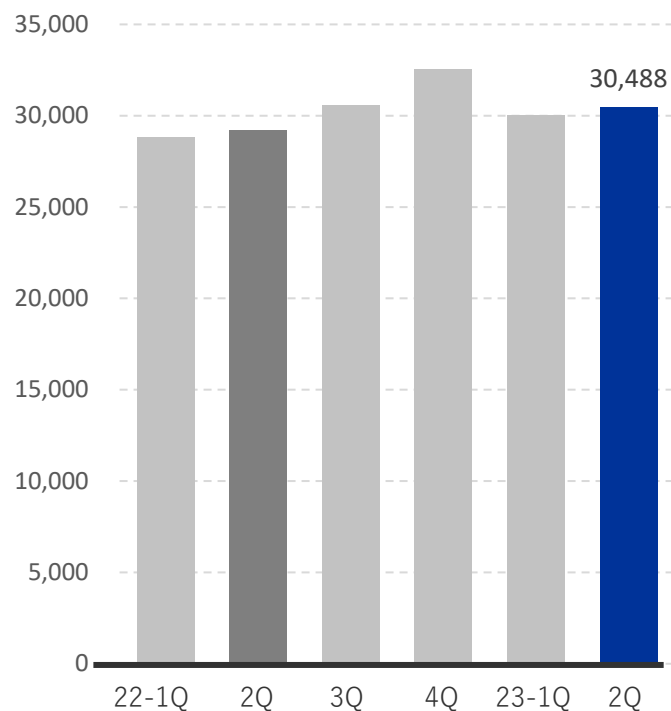
	FY2022-2Q Cumulative Total	FY2023-2Q Cumulative Total	Change (%)	FY2023 Forecast	Progress (%)
Revenue	57,996	60,498	+ 4.3%	121,000	50.0%
Operating Income	11,147	13,401	+ 20.2%	22,500	59.6%
Ordinary Income	11,635	13,839	+ 18.9%	22,000	62.9%
Net Income (Profit attributable of owners of the parent)	7,703	8,555	+ 11.1%	15,000	57.0%
EBITDA *	22,613	23,681	+ 4.7%	43,600	54.3%

\* EBITDA = Net Income + Tax Expense + Depreciation Expense + Amortization of Goodwill + Interest Expense

# Trends of Consolidated Financial Results by Quarter (FY2022-1Q – FY2023-2Q)

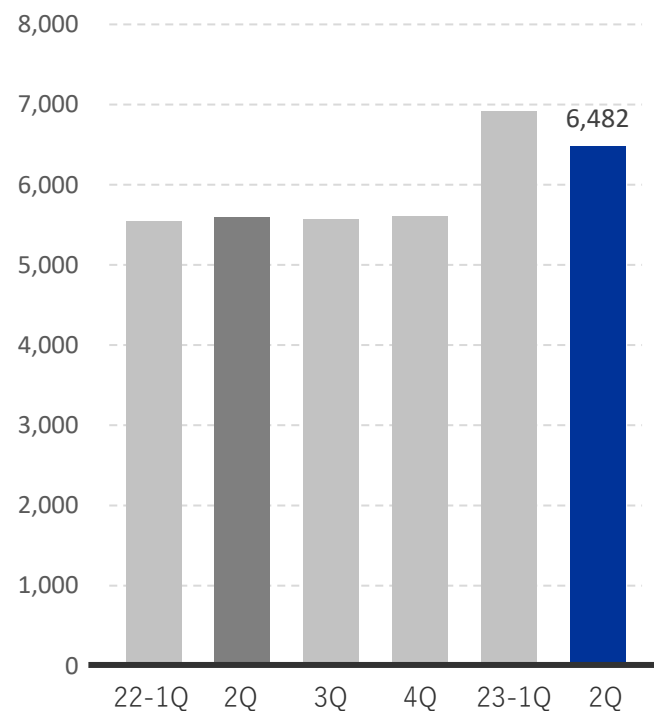
## Revenue

(in Millions of ¥)



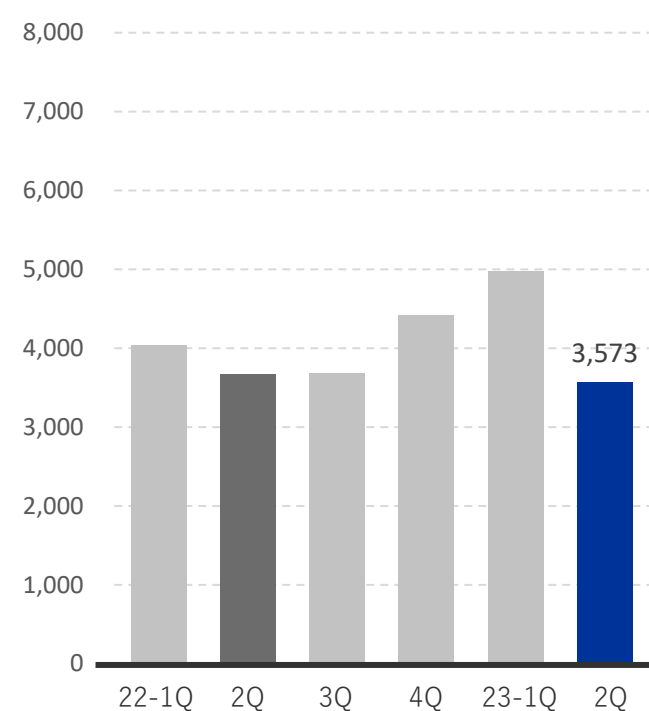
## Operating Income

(in Millions of ¥)



## Net Income

(in Millions of ¥)



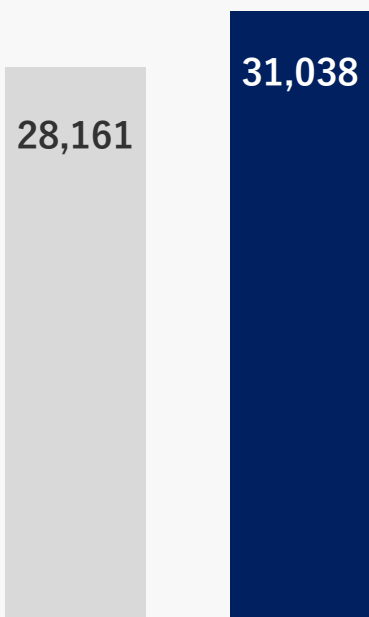
# Earnings Overview: Space Business



- Continuous revenue growth driven by the expanded use of JCSAT-1C and Horizons 3e in Global & Mobile Field and increased equipment sales and capacity usage in Domestic Satellite Business Field.
- Income increased due to an increase in revenue and a decrease in depreciation expenses.

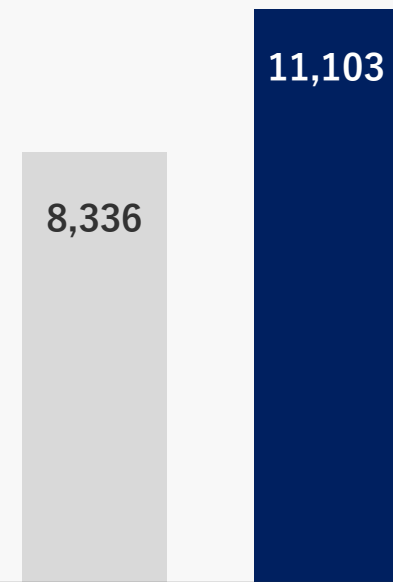
## Revenue

(in Millions of ¥)



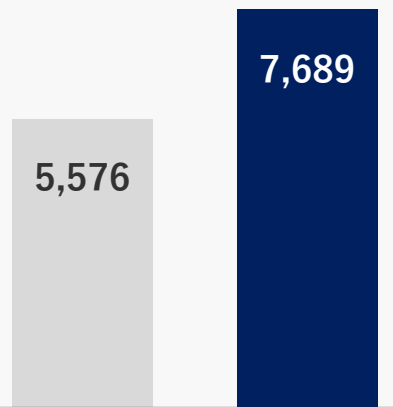
## Operating Income

(in Millions of ¥)



## Segment Profit\*

(in Millions of ¥)



## Major factors of change (YoY)

- Revenue **¥31.0 billion** [+2.9B]\*\*
  - Increase in sales in Global & Mobile field: +1.5B
  - Increase in sales in Domestic satellite field: +1.4B
  - Decrease in Broadcasting transponder-related revenue: (0.3B)
- Operating Expense **¥19.9 billion** [+0.1B]\*\*
  - Decrease in depreciation expenses: (0.6B)
  - Increase in satellite business related cost: +0.7B
- Operating Income **¥11.1 billion** [+2.8B]
- Segment Profit **¥7.7 billion** [+2.1B]

\* Segment Profit is calculated based on net income after tax

\*\* Including inter-segment transactions



# Earnings Overview: Media Business

- Range of income decline was reduced due to improved profitability in existing businesses and increased FTTH Business sales, despite a decrease in broadcasting-related revenue..
- Loss on valuation of investment securities pushed down segment profit.

## Revenue

(in Millions of ¥)



FY2022-2Q Cumulative Total    FY2023-2Q Cumulative Total

## Operating Income

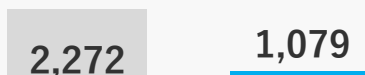
(in Millions of ¥)



FY2022-2Q Cumulative Total    FY2023-2Q Cumulative Total

## Segment Profit\*

(in Millions of ¥)



FY2022-2Q Cumulative Total    FY2023-2Q Cumulative Total

## Major factors of change (YoY)

- **Revenue ¥34.2 billion [(0.6B)] \*\***
  - Decrease in viewing fees and basic fees: (1.3B)
  - Increase in sales of FTTH business: +0.1B
  - Real Event Related : +0.6B
- **Operating Expense ¥31.5 billion [(0.1B)] \*\***
  - Decrease in contents expenses: (0.1B)
  - Decrease in depreciation expenses: (0.1B)
  - Decrease in satellite line usages, etc: (0.5B)
  - Real Event Related : +0.6B
- **Operating Income ¥2.7 billion [(0.5B)]**
- **Segment Profit ¥1.1 billion [(1.2B)]**
  - Loss on valuation of investment securities: (0.8B)

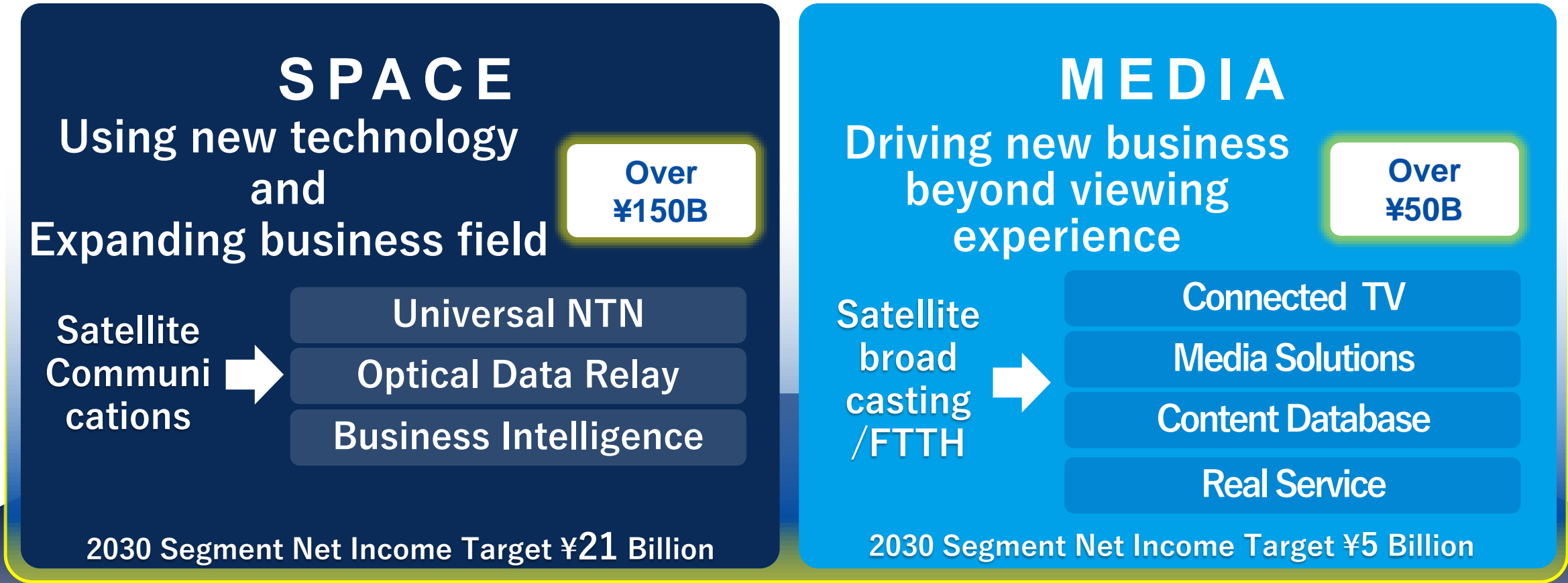
\* Segment Profit is calculated based on net income after tax

\*\* Including inter-segment transactions



# Toward 2030

# Investment will be over ¥200 billion for new domains



**Sustainable Growth**  
**Target Net income is over ¥25 Billion in 2030**

# Sustainable Growth for Society and Our Group

Mission

Sustainability Policy

Space for your Smile

Economic Value

Social Value

FY2030 target Net Profit over ¥25 billion

Delivering peace of mind and safety of society  
Contributing to the creation of enjoyable future

Space Business

Business Vision

Media Business

Contribution to the realization of  
**super-smart society (Society 5.0)**  
by building an innovative communications network  
for all spaces and a global data collection network

Contribution to the realization of  
**a diverse and highly creative society**  
as a platform that connects people, companies, and society

Management Strategies

Value Creation by “Change”

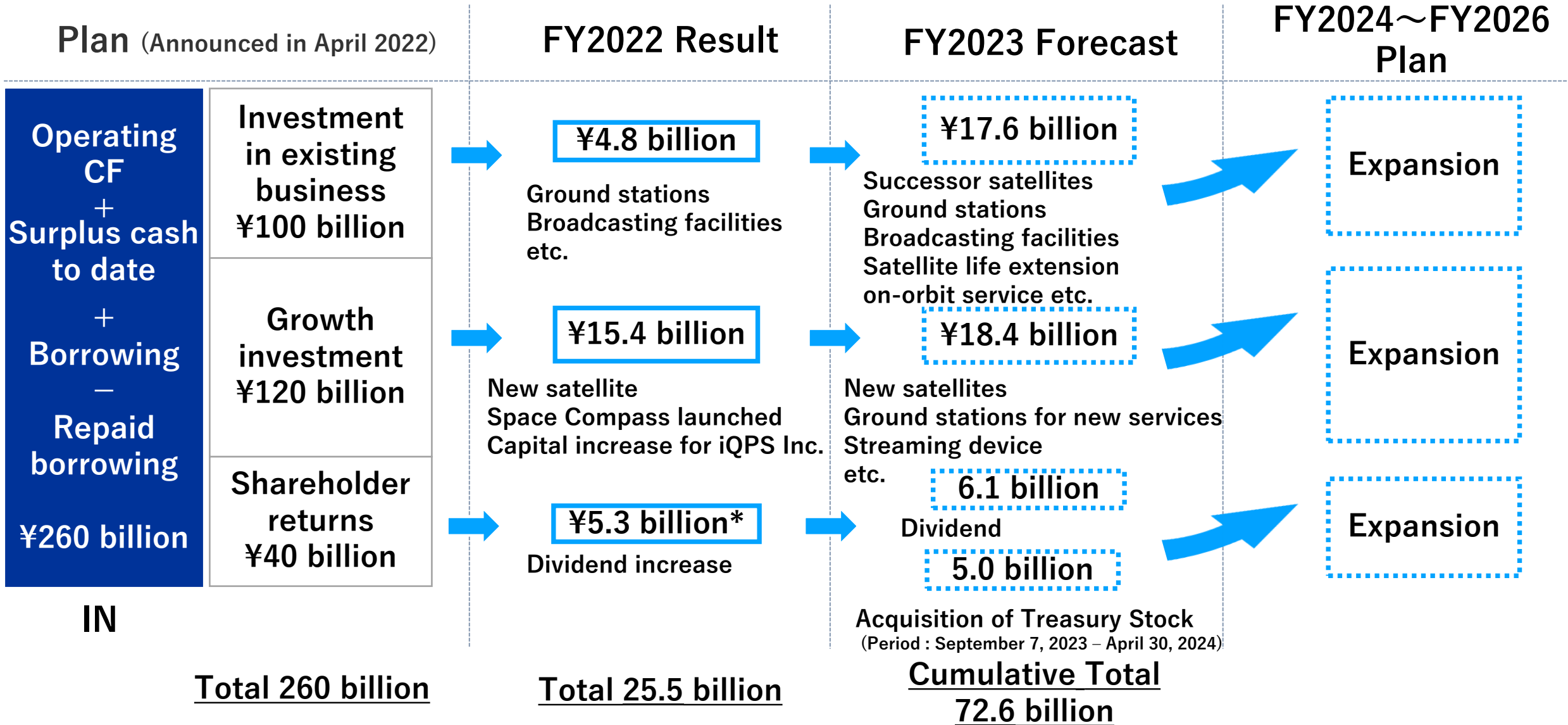
Exploring  
new business domains

Improving profitability  
in core business

Strengthening  
human capital

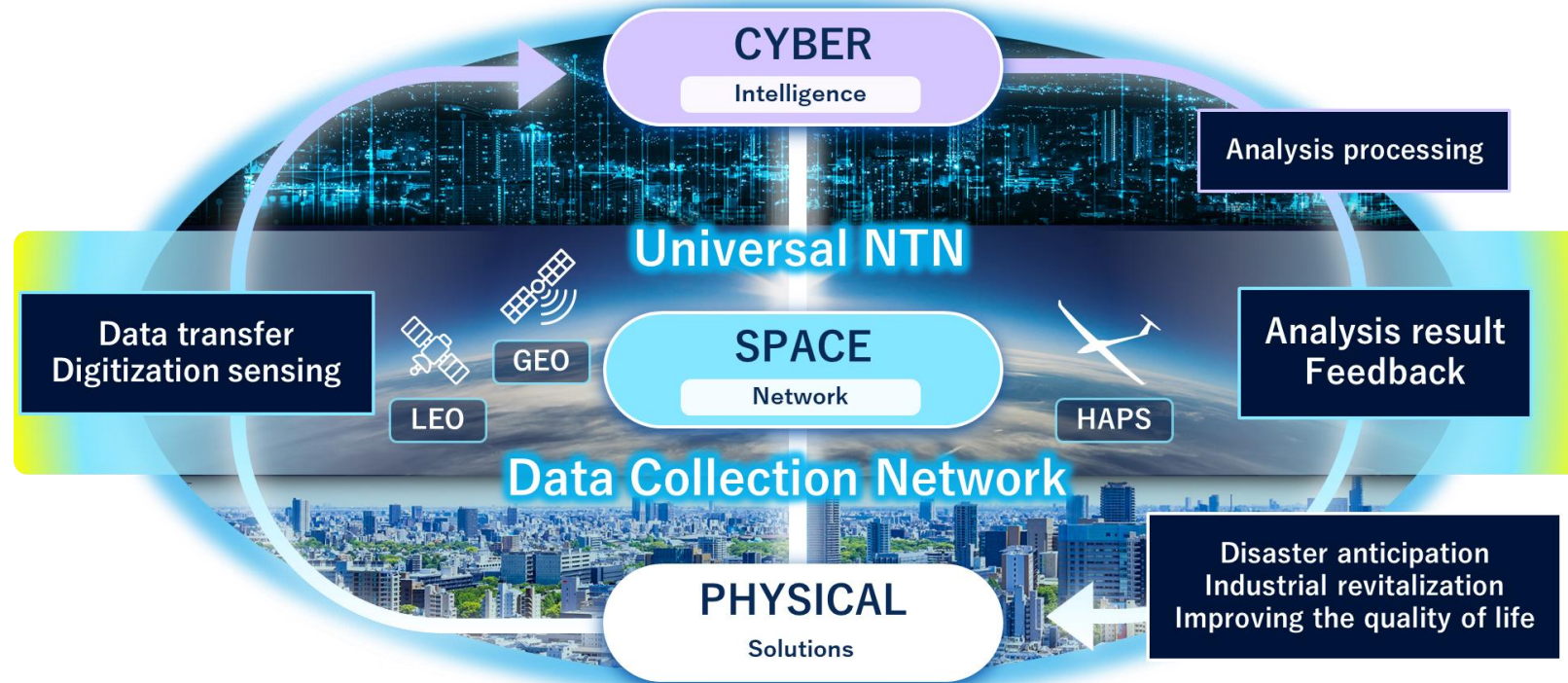
Enhancing of  
management base

# Progress of Capital Allocation (FY2022~FY2026)



\*It has been revised to the payment basis, 5.3billion even though the amount was 5.8billion in the progress of capital allocation announced on April 28, 2023.

We are actively contributing towards the realization of a Super-Smart Society by aiming to establish both an innovative communication network covering all spaces and a global data collection network.



Segment  
Net Income Target  
**¥21 Billion**



To begin offering “Starlink Business”,  
a broadband service using LEO satellites, by end of 2023

- Expand our broadband service lineup
- Improve customer convenience  
by providing low-latency, high-speed  
communication service
- In addition to direct sales, plan to deliver the service  
through NTT DOCOMO, INC.  
and NTT Communications Corporation to increase sales



©SpaceX

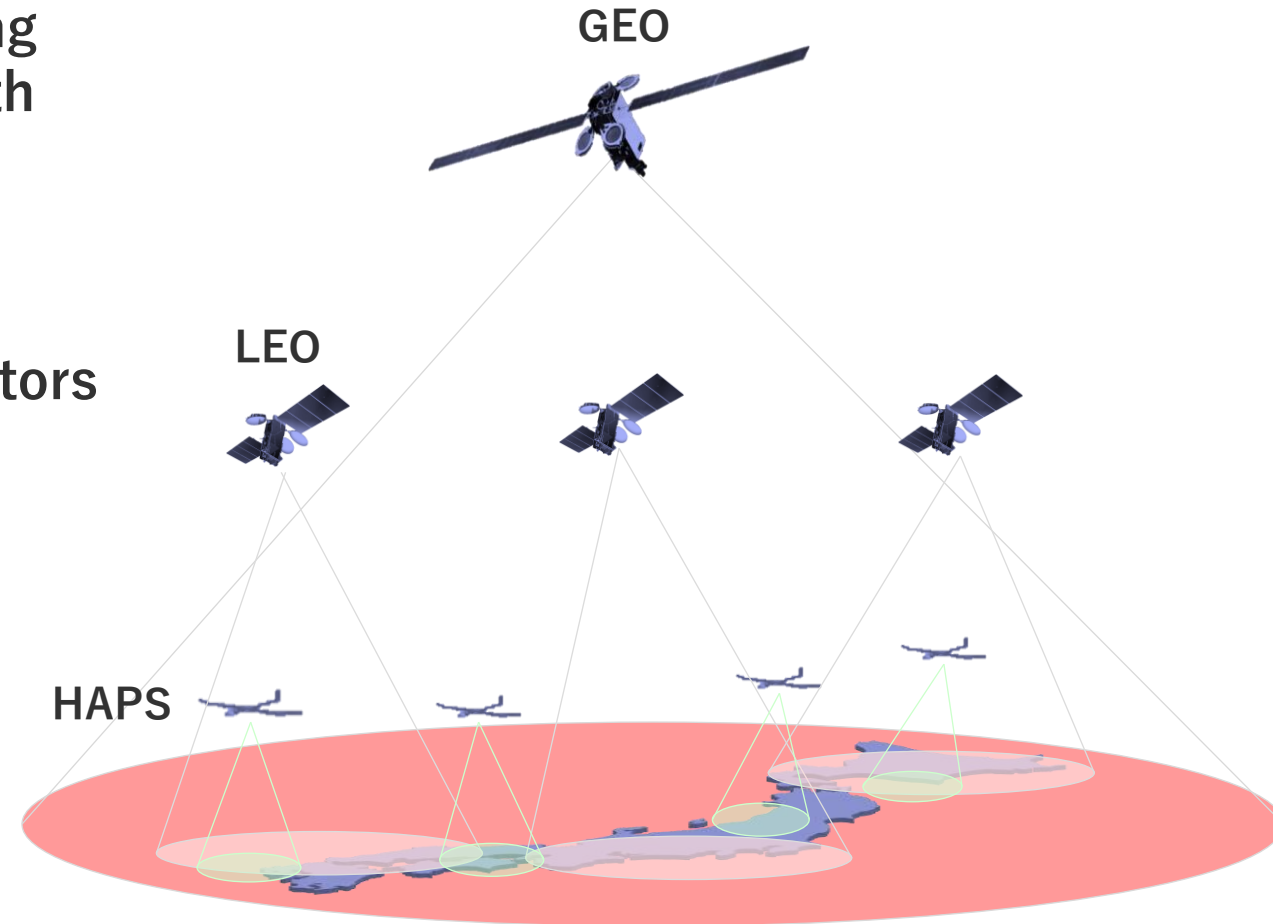
# Building a Multi-Layer Communications Networking Universal NTN

SPACE

New Business

- Adding LEO, HAPS to GEO and leveraging each strengths to provide customers with seamless and optimal solutions
- Dealing with new use cases such as autonomous driving and flying cars
- Promoting collaboration with LEO operators

NTN : Non-Terrestrial Network  
GEO : Geostationary Orbit Satellite  
LEO : Low Earth Orbit Satellite  
HAPS : High Altitude Platform Station



## Provision of High-Throughput In-Flight-Connectivity capacity through Superbird-9 Software-Defined Satellite

- Execution of agreement with Panasonic Avionics Corporation
- Early contributions to revenue can be expected with the securing of this pre-launch commitment
- Deliver Gbps-class capacity and highly flexible satellite coverage by Software-Defined Satellite

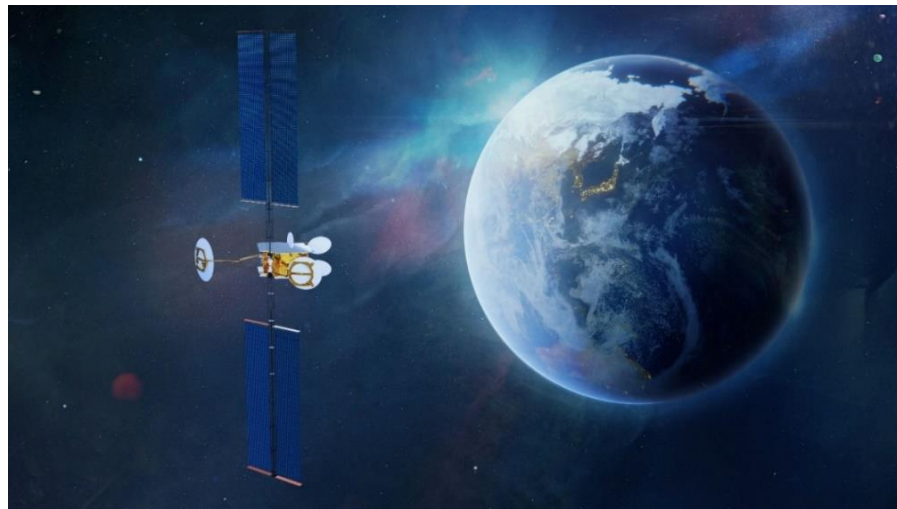
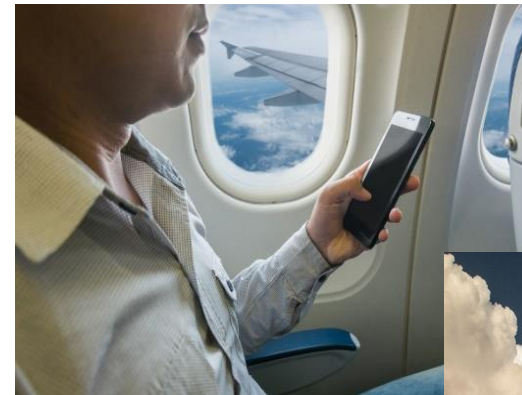


Image of Superbird-9 satellite  
(C)AIRBUS

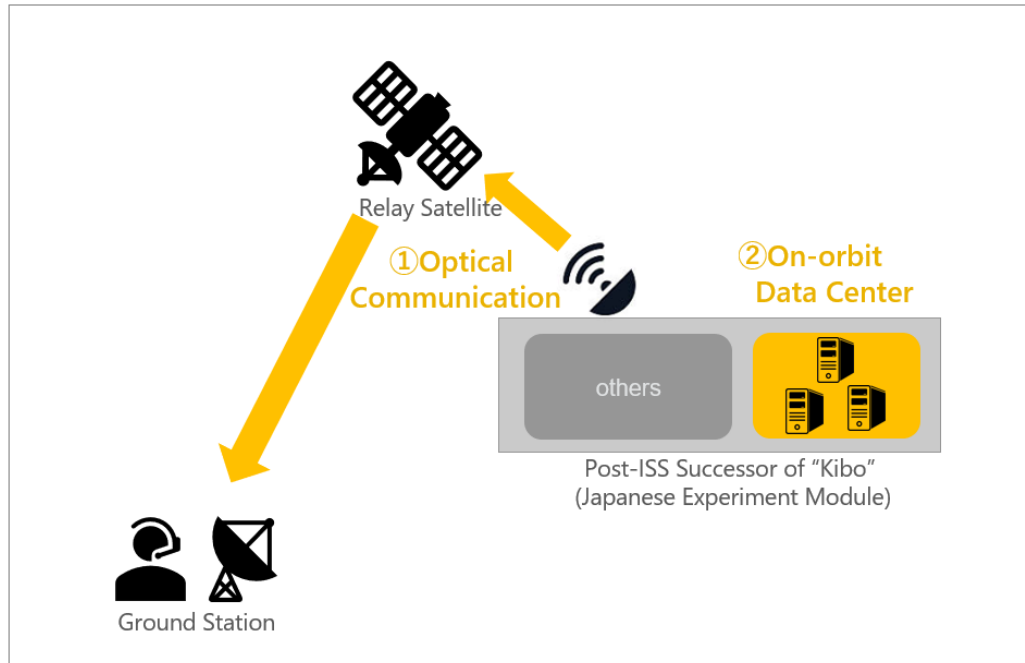




# Towards Realization of Space Integrated Computing Network

Creating new value by the feasibility study to commercialize telecommunication and on-orbit data processing for the post-ISS\* Japanese module "Kibo"

\*International Space Station



Accelerate the realization of Space Data Center Business

- ① Optical communication services between "Kibo" successor module and Earth
- ② On-orbit data center services for data processing inside of "Kibo" successor module

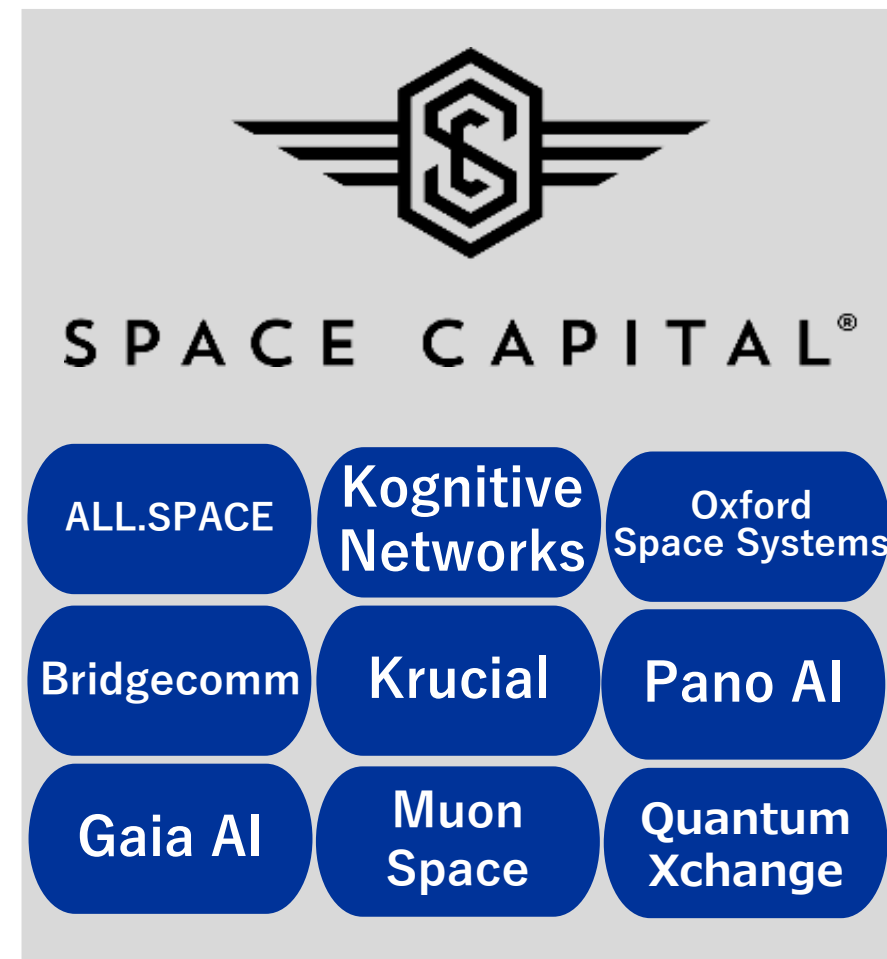
## Initiatives in Open Innovation

### Promote collaboration with space startups

- In March 2018 and September 2023, invested in U.S. fund Space Capital
- Promote investment and collaboration in domestic startups and space funds

### NEW Organizational Structure to Enhance the Drivers of New Business Development

- “Investment and Collaboration Promotion Project” launched in October 2023
- Accelerate development of new business domains through activities crossing the boundaries of organization



Space Capital Parts of Portfolio companies

## Horizons-4 successfully launched

- Service-in in October 2023
- To meet rising telecommunications demand in North America and the Pacific region

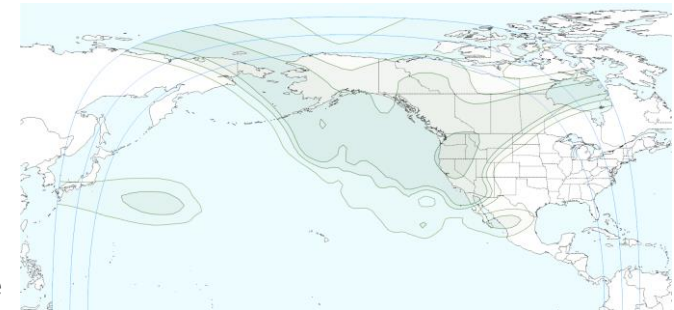
## Horizons-1\* To provide services for the Northeast Pacific region

- The latitude was changed to 150° W and it is scheduled to be operated by the end of 2029
- To meet demand for mobility communications

\*Launch date: 1<sup>st</sup> October 2003 (JST)

## Decided to procure in-orbit satellite life-extension service

- Flexibility of fleet planning greatly improved by utilizing in-orbit satellite life extension service
- In addition, actively studying the adoption of new space technology



Horizons-1 Coverage

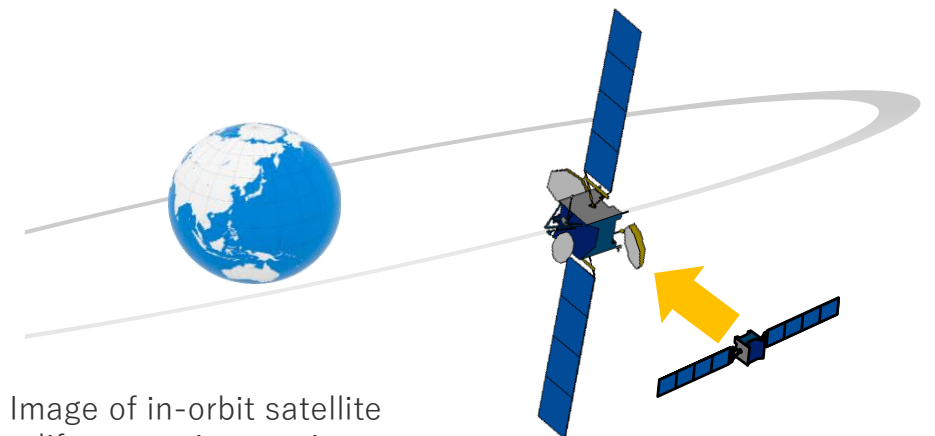


Image of in-orbit satellite life-extension service




# Satellite Fleet Update

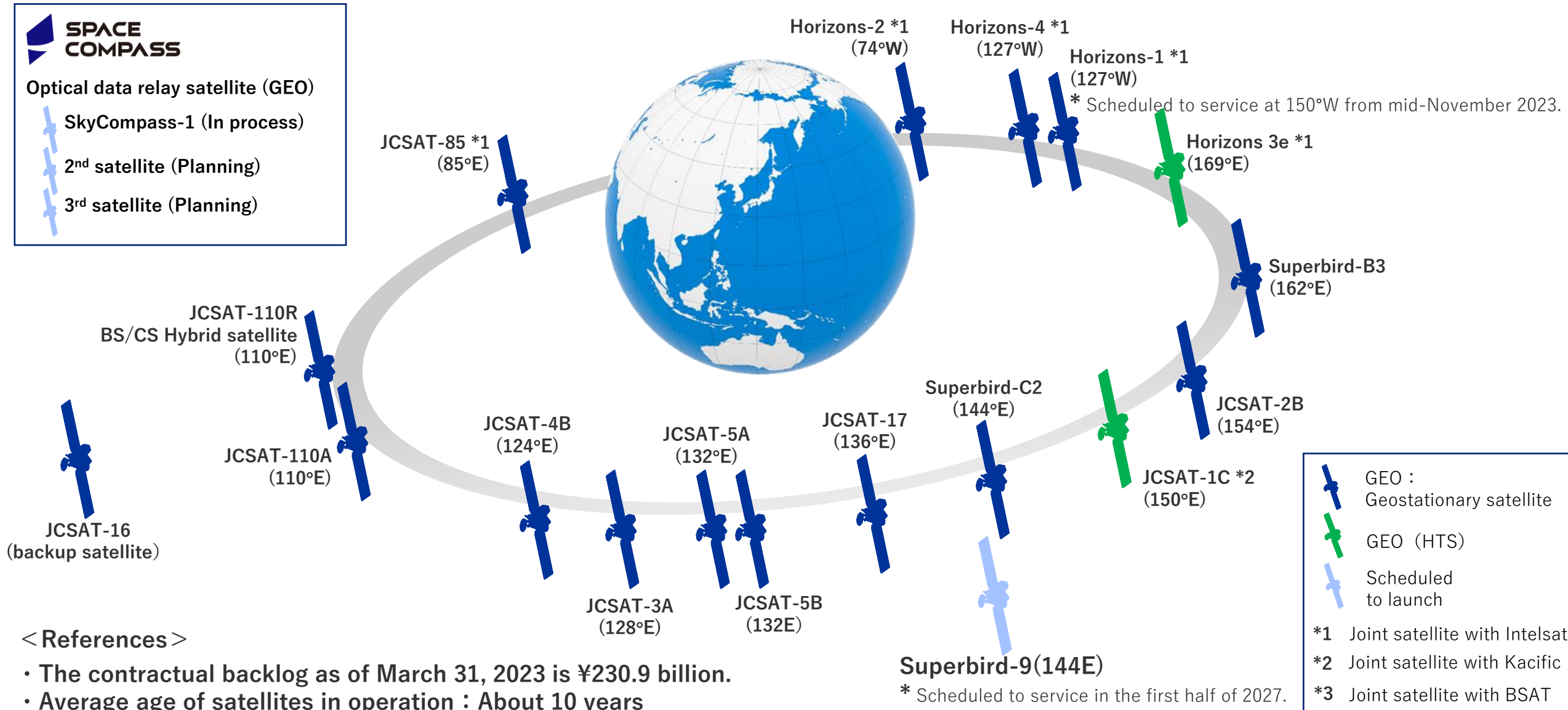
(As of November 2023)

## A total of 17 satellites covering from North America to the Indian Ocean

**SPACE COMPASS**

Optical data relay satellite (GEO)

-  SkyCompass-1 (In process)
-  2<sup>nd</sup> satellite (Planning)
-  3<sup>rd</sup> satellite (Planning)






\* Scheduled to service at 150°W from mid-November 2023.

### <References>

- The contractual backlog as of March 31, 2023 is ¥230.9 billion.
- Average age of satellites in operation : About 10 years
- Design life : About 15 years

**Superbird-9(144E)**  
 \* Scheduled to service in the first half of 2027.  
 \* HTS, Software-Defined Satellite

-  GEO : Geostationary satellite
-  GEO (HTS)
-  Scheduled to launch
- \*1 Joint satellite with Intelsat
- \*2 Joint satellite with Kacific
- \*3 Joint satellite with BSAT

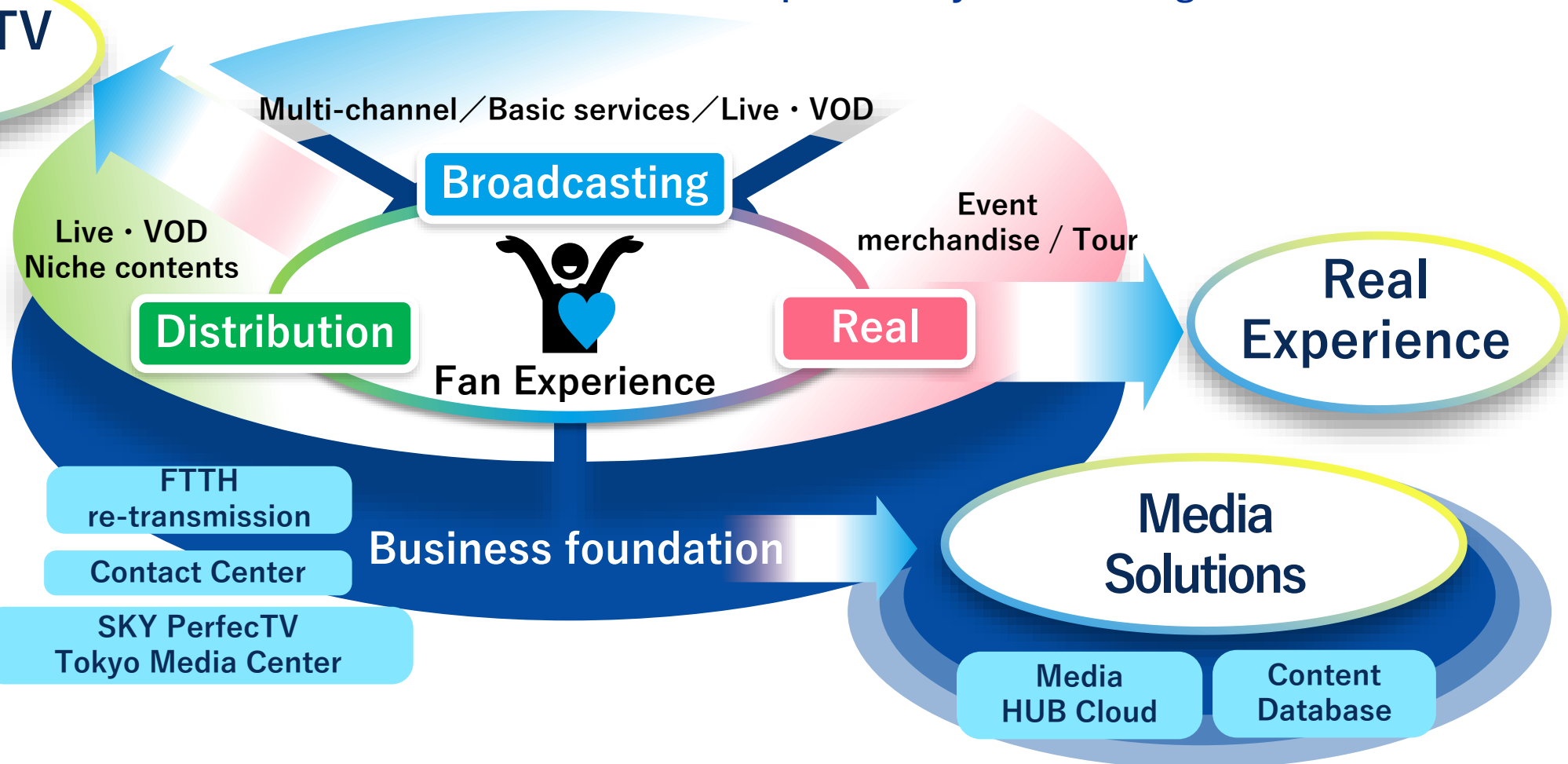
# Media Business Vision

We are contributing to the realization of a diverse and highly creative society as a platform that connects people, companies, and society.

Enhance the fan experience by Broadcasting + Distribution + Real

## Connected TV

Dongle / Ad Platform



Live · VOD  
Niche contents

**Distribution**

**Broadcasting**

**Real**

**Real Experience**

Fan Experience

Event merchandise / Tour

**Business foundation**

FTTH re-transmission

Contact Center

SKY PerfectTV  
Tokyo Media Center

**Media Solutions**

Media HUB Cloud

Content Database

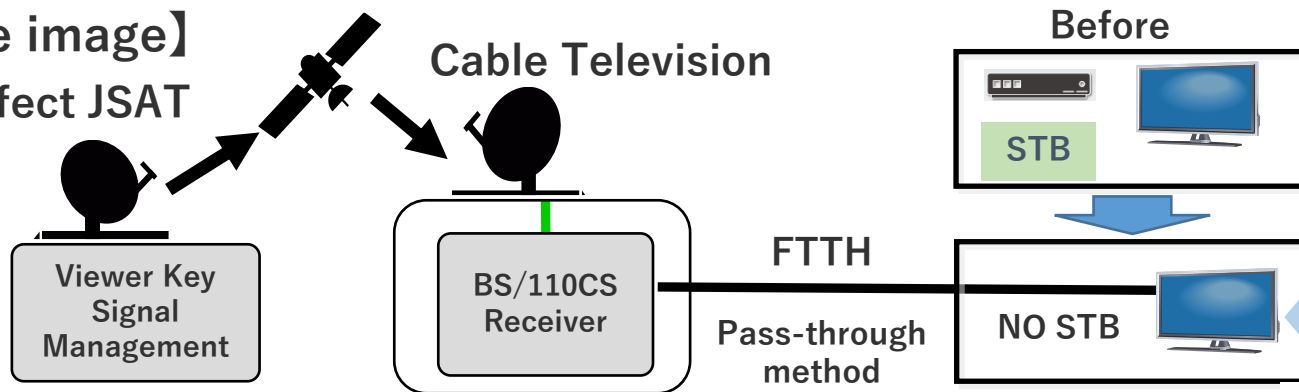
2030 Segment Net Income  
**¥5 billion**

## Using Satellite Communications and Viewer Key Signal Management Technologies to Solve Challenges for Cable Television Businesses

- Agreed to discussions with CCJ Corporation (Mie prefecture), a CATV management company
- 8 stations where service has already started, 8 stations before service started, 16 stations in total as of October 2023
- Total number of subscribing households of 16 stations:  
About 440 thousand households (Source cable&satellite Fact books)

- <Major Introduction Benefits>
- To reduce capital expenditures in response to ACAS
  - No STB required for customer homes.
  - To Continue multi-channel broadcasting services, etc.

【Service image】  
SKY Perfect JSAT



Providing Viewing control functions

Income  
 • Registration Fee (Initial)  
 • Key management fee (Monthly)



We aim to further strengthen alliances with CATV operators by promoting the dissemination of SKY PerfectTV! program distribution and implementing the CTV strategy.

# Introduced FTTH (Fiber-To-The-Home) Services for condominiums

MEDIA

FTTH

Together with TSUNAGU NETWORK COMMUNICATIONS INC, Introduced ultra-high-speed Internet, max 10Gbps and fiber-optic television to Azabudai Hills promoted by Mori Building Co., Ltd.

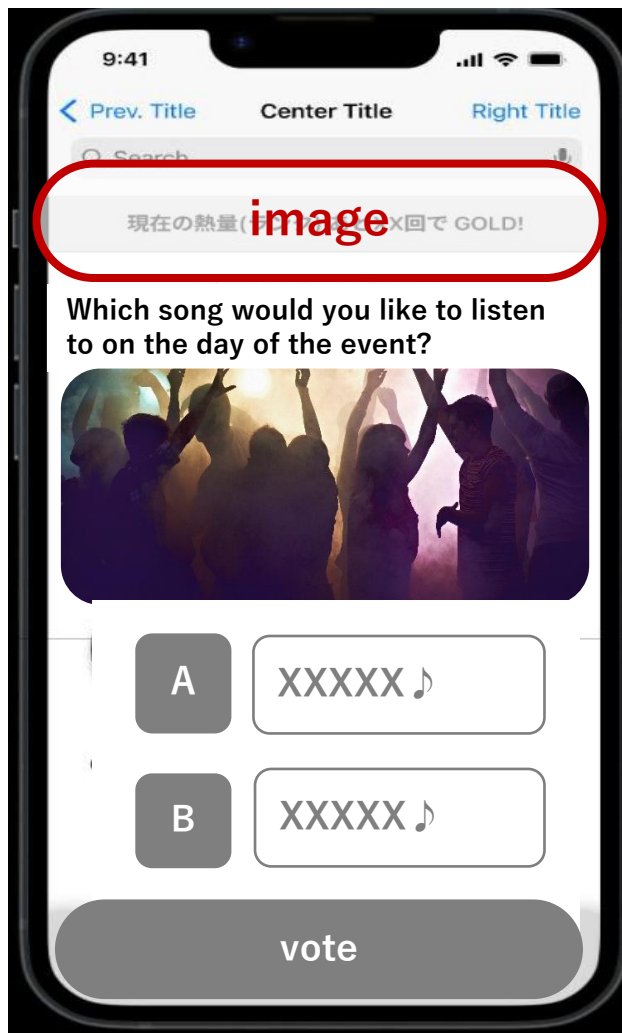
【Azabudai Hills's exterior】  
Azabudai Hills Mori JP Tower, Azabudai Hills Residence, etc  
total : 1,412 households



Cumulative number of subscribing households for FTTH Services: 2,688,469  
(as of the End of September 2023)

# Trial to enter web3 marketplace

## New Initiatives of SKY PerfecTV! beyond broadcasting



- ✓ Providing voting and fan services that leverage blockchain technology to boost real events
- ✓ This year, as a trial, we will provide services at idol events.

### The significance of our efforts

- Create new web3 related services by leveraging collaboration with broadcasters, creators and IP holders.
- Leverage our neutral position as a platform and infrastructure operator to develop markets together with various operators.

**We will continue to conduct trials to expand the fan experience.**



# Ongoing SKY PerfecTV! Autumn Promotion (in October and November)

MEDIA

Broadcasting · Distribution

Real services

## Diversified deployment of broadcasting + distribution (program distribution and SPOOX) + events + merchandise



Japanese music group, Ketsumeishi  
KTM Request Live  
Nittete plus ver.(broadcast, program distribution)



Ex-Pro. Baseball player's talk event  
(broadcast, program distribution, event, merchandise)



<Exclusive Live >  
Japanese girls pop idol, Morning Musume  
'23 concert tour autumn  
"Neverending Shine Show"  
Fukumura Mizuki graduation special  
(broadcast, program distribution)



TOKYO BB~travel programs by cub in Busan, Korea ~  
(broadcast, program distribution, SPOOX event, merchandise)

# Free of Charge Baseball and Soccer Contents

Provide free of charge baseball and soccer contents



11/29~12/1

Baseball tournament after COVID-19 for National ex-high school baseball players (broadcast\*, program distribution, BASEBALL SET app.)

\*11/29 Opening ceremonies, events, and games only



12/17

“SHUNSUKE NAKAMURA FAREWELL MATCH” (broadcast, program distribution, SKY PerfecTV ! SOCCER app.)

## 4K Channel Broadcasting is Scheduled to End

### 4K channel broadcasting provided by SKY Perfect Entertainment is scheduled to end in March 2024

- The impact on consolidated financial results for FY2023 is insignificant.
- We continue to examine utilizing the vacant bandwidth in CS left-handed circular polarization as a substitute for terrestrial television in disadvantaged areas, such as areas with many remote islands, hilly and mountainous areas, and receiving disability areas.

#### **[Channels subject to terminate]**

J S P O R T S 1、2、3、4 (4 K) (CS821, 822, 823, 824) 、 Nihon-Eiga+Jidaigeki 4 K (CS880) 、  
Star Channel 4 K (CS881) 、 Sukachan 1 4 K、 Sukachan 2 4 K (CS882/CS883)

\*Including Premium Service's Sukachan 1 4 K

The channels offered in Hi-Vision (2K) will remain unchanged from April 1, 2024  
You can view WOWOW4K (BS191).

# Progress of ESG

- Declared achievement of carbon neutral goal by the end of FY2025 (November 2023) **E**
  - Accelerate Scope 1, Scope 2 carbon neutral goal ahead of schedule in 2030
  - Aiming to achieve target in the telecommunications and media industry at an early stage
- Human Rights Policy Formulated in Accordance with International Standards and Frameworks (October 2023) **S** **G**
- Supplier Sustainability Guidelines formulated (November 2023) **E** **S** **G**
- Expansion of disclosure of non-financial information **E** **S** **G**

## Integrated Report 2023

- Renewed business model pages
- Dialogue with Outside Directors and Corporate Auditor



[https://www.skyperfectjsat.space/en/ir/library/jsat\\_report/HOME>Investor Relations>IR Library>Integrated Report](https://www.skyperfectjsat.space/en/ir/library/jsat_report/HOME>Investor Relations>IR Library>Integrated Report)

## Sustainability Web Site Renewal

- Fulfilled ESG data
- Employee's stories

English version will be coming soon



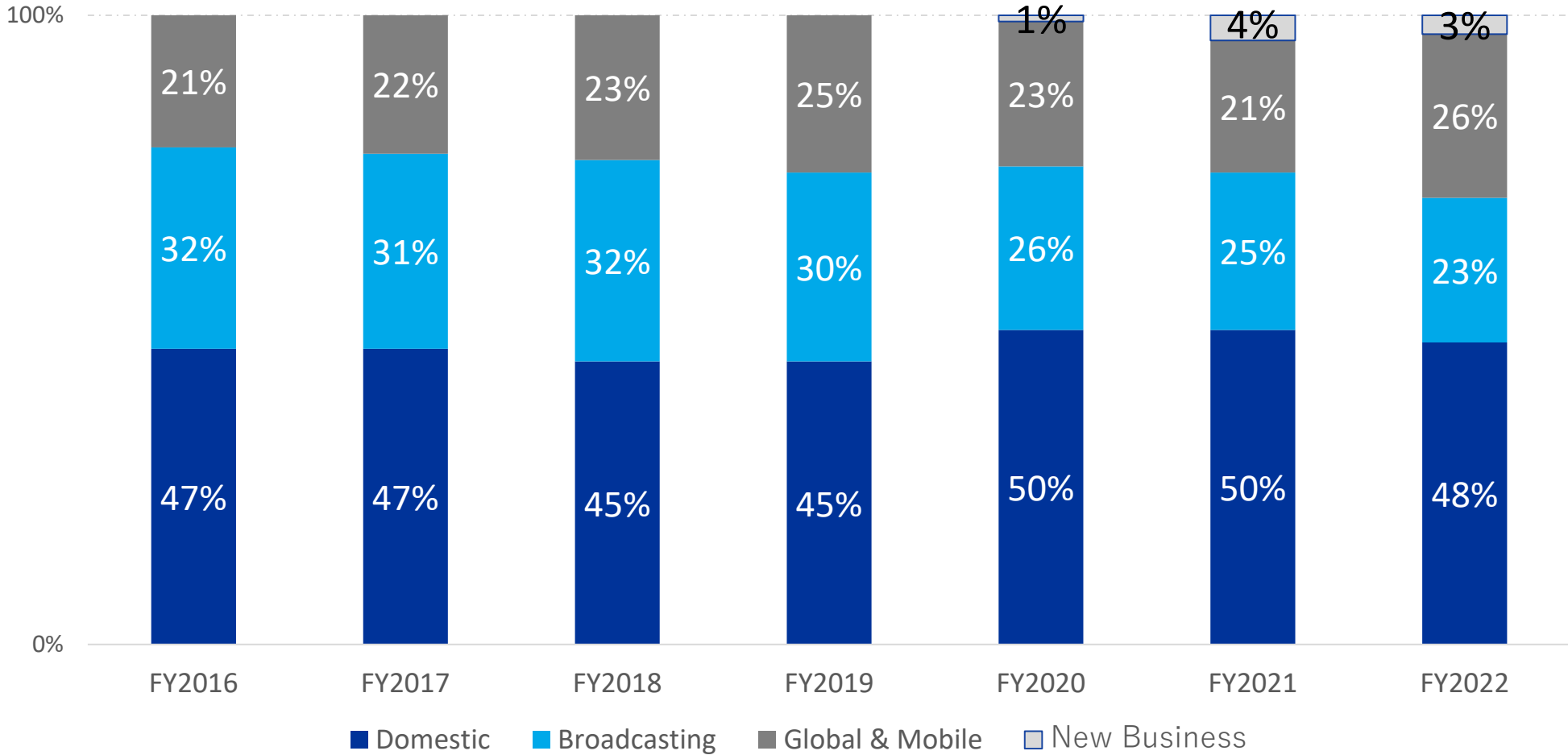
<https://www.skyperfectjsat.space/en/sustainability/HOME>Sustainability>

# Space for your Smile

Toward a world where  
uncertainty turns to peace of mind,  
difficulty turns to ease,  
and interest turns to passion

# References

# Revenue Composition ratio in Space Business

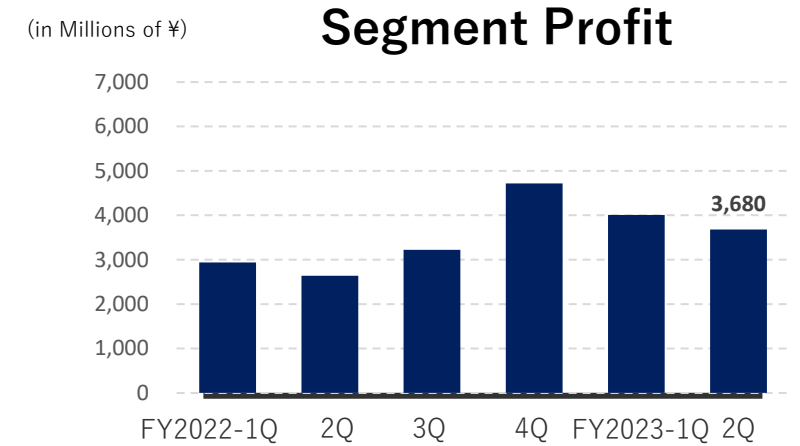
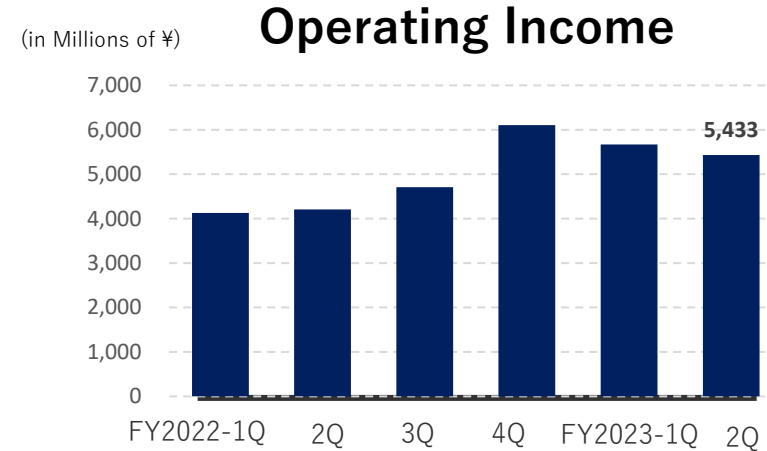
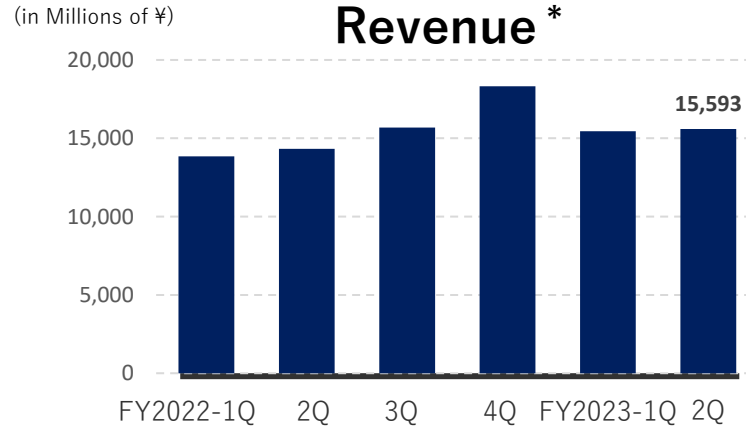


※Excluding the impact of the sale of communications satellites to the Ministry of Defense in FY2016 and FY2018

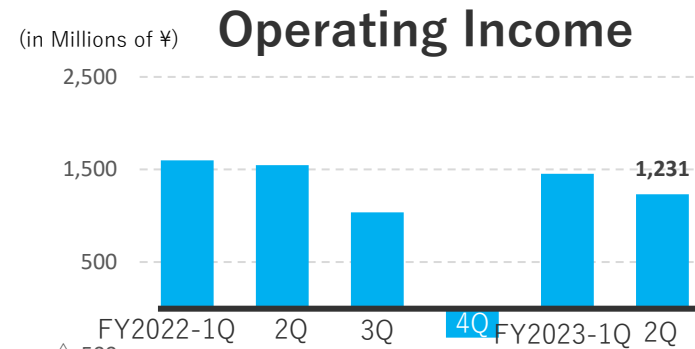
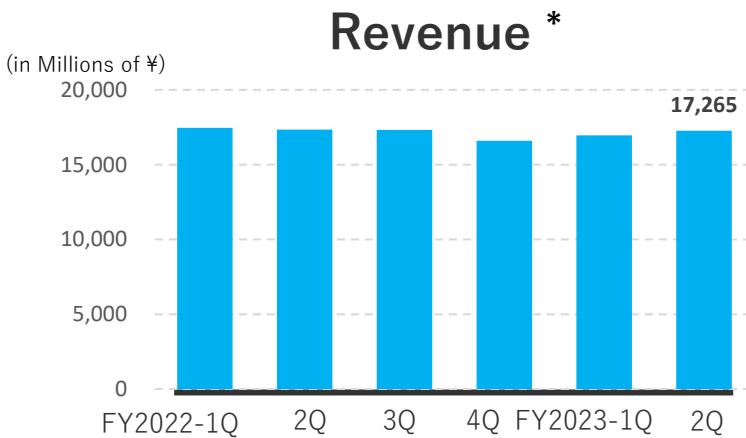
※Accounting Standard for Revenue Recognition, etc. adopted from FY2021

# Trends of Quarterly Financial Results by Segment

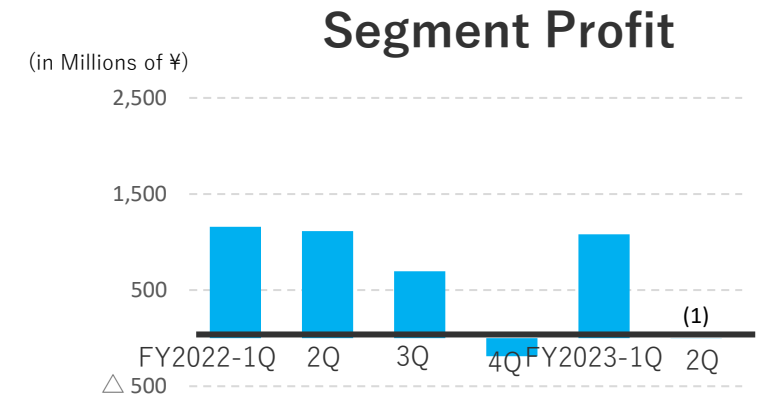
## Space Business



## Media Business



Media division tends to have a high level of Operating expenses such as sales promotion costs in 4Q.



\* Including inter-segment transactions



# Trends of Quarterly Financial Results by Segment

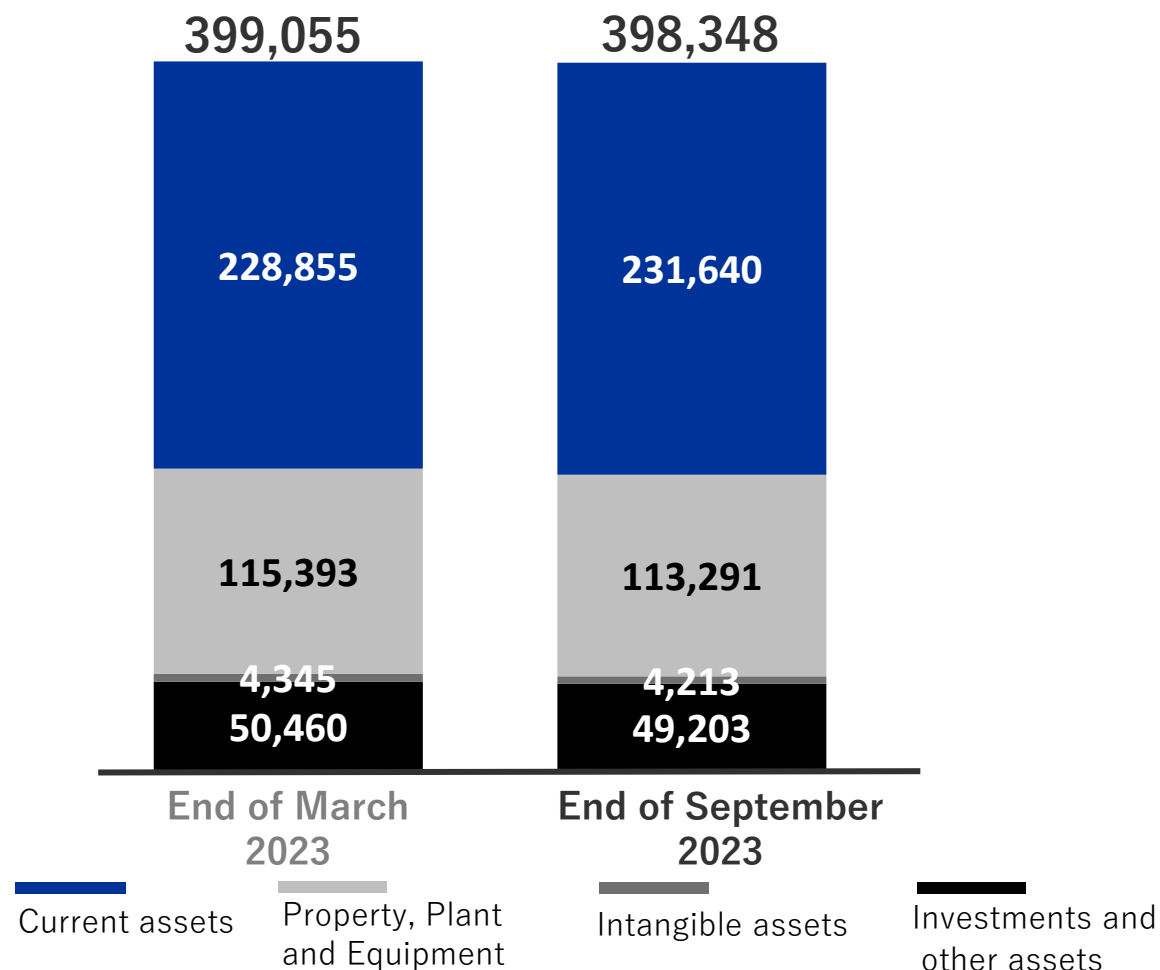
(in Millions of ¥)

	FY2022					FY2023	
	1Q	2Q	3Q	4Q	Total	1Q	2Q
<b>Revenue</b>	<b>28,806</b>	<b>29,190</b>	<b>30,597</b>	<b>32,545</b>	<b>121,139</b>	<b>30,009</b>	<b>30,488</b>
<b>Space</b>	13,841	14,319	15,677	18,314	62,154	15,445	15,593
<b>Media</b>	17,463	17,340	17,326	16,601	68,733	16,965	17,265
<b>Consolidated Elimination</b>	(2,499)	(2,470)	(2,406)	(2,370)	(9,747)	(2,401)	(2,370)
<b>Operating Profit</b>	<b>5,551</b>	<b>5,595</b>	<b>5,566</b>	<b>5,609</b>	<b>22,324</b>	<b>6,919</b>	<b>6,482</b>
<b>Space</b>	4,128	4,208	4,708	6,106	19,151	5,670	5,433
<b>Media</b>	1,598	1,546	1,036	(318)	3,863	1,453	1,231
<b>Consolidated Elimination</b>	(175)	(158)	(178)	(177)	(690)	(203)	(181)
<b>Segment Profit (Profit attributable to owners of the parent)</b>	<b>4,033</b>	<b>3,669</b>	<b>3,683</b>	<b>4,423</b>	<b>15,810</b>	<b>4,982</b>	<b>3,573</b>
<b>Space</b>	2,938	2,637	3,221	4,717	13,515	4,008	3,680
<b>Media</b>	1,159	1,113	696	(189)	2,779	1,081	(1)
<b>Consolidated Elimination</b>	(64)	(81)	(234)	(104)	(484)	(107)	(105)

# Consolidated Balance Sheet

## Assets

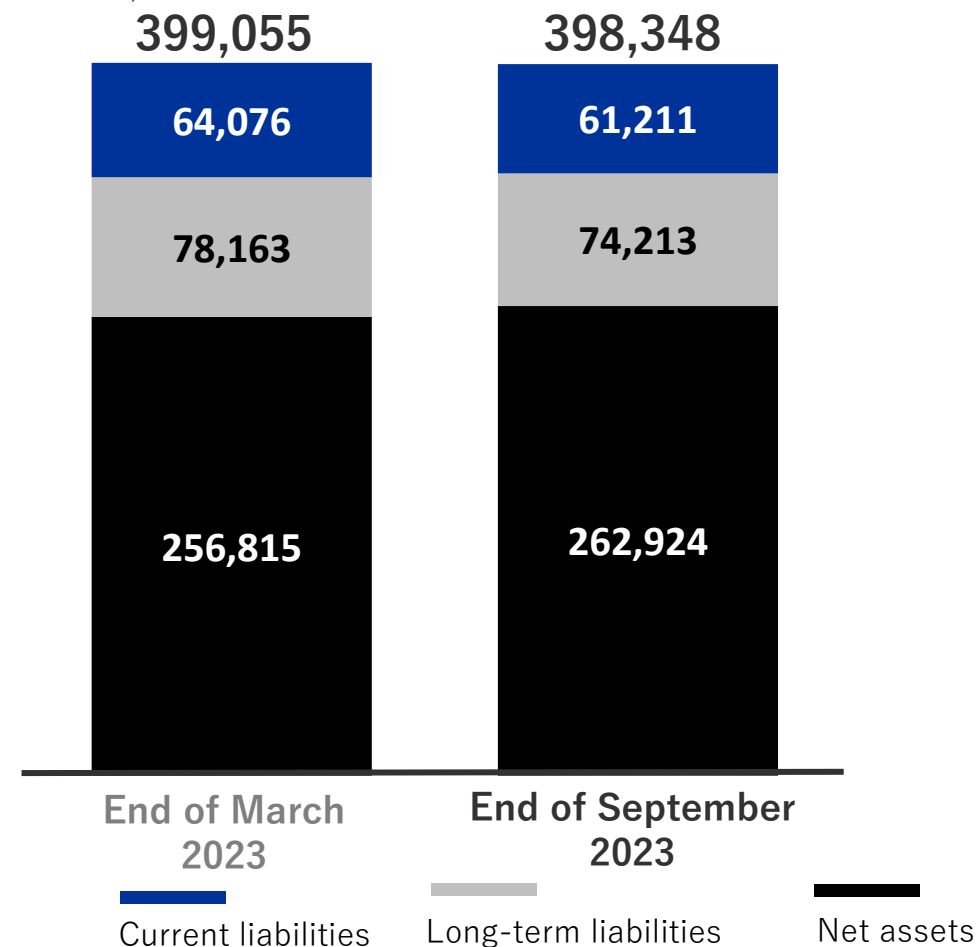
(in Millions of ¥)



## Liabilities and Net Assets

Equity Ratio : 64.0% → 65.6%

(in Millions of ¥)



# Consolidated Cash Flows

(in Millions of ¥)

	2Q FY2022	2Q FY2023
<b>Net Cash from Operating activities</b>	32,290	16,183
<b>Net Cash from Investing activities</b>	(8,018)	(3,797)
<b>Free Cash Flows <sup>*1</sup></b>	24,272	12,385
<b>Net Cash from Financing activities</b>	(11,921)	(9,512)
<b>Cash and Cash Equivalents at Term-end(a)</b>	99,187	111,415
<b>Interest-bearing Debt at Term-end <sup>*2</sup> (b)</b>	79,924	70,773
<b>Net Interest-bearing Debt at Term-end (b) – (a)</b>	(19,263)	(40,642)

\*1 Net Cash from Operating activities + Net Cash from Investing activities

\*2 Term-end balance of Debts and unsecured corporate bonds

# Earnings Results of Subsidiaries

(Millions in ¥)

		SJC	SPCC	SPET	SPBC	JII	JMC
<b>Business Description</b>		Provision of Broadcasting Platform and satellite communications	Customer Center operations for multichannel Pay TV services, etc.	Licensed broadcaster providing multichannel pay TV services	Planning, production of content, technical support and provider of programs	Sale of satellite connections in North America, Russia, and Asia-Pacific	A provider of mobile satellite communications services
<b>Share (%)</b>		100.0	100.0	100.0	100.0	100.0	53.3
<b>Revenue</b>	<b>FY2022-2Q</b>	<b>55,195</b>	<b>2,901</b>	<b>7,260</b>	<b>675</b>	<b>2,455</b>	<b>2,125</b>
	<b>FY2023-2Q</b>	<b>56,903</b>	<b>2,859</b>	<b>6,634</b>	<b>541</b>	<b>3,114</b>	<b>2,446</b>
<b>Operating Income</b>	<b>FY2022-2Q</b>	<b>10,211</b>	<b>186</b>	<b>199</b>	<b>120</b>	<b>527</b>	<b>383</b>
	<b>FY2023-2Q</b>	<b>11,685</b>	<b>202</b>	<b>143</b>	<b>109</b>	<b>1,164</b>	<b>453</b>
<b>Ordinary Income</b>	<b>FY2022-2Q</b>	<b>10,948</b>	<b>185</b>	<b>202</b>	<b>124</b>	<b>668</b>	<b>460</b>
	<b>FY2023-2Q</b>	<b>12,448</b>	<b>201</b>	<b>145</b>	<b>110</b>	<b>1,224</b>	<b>506</b>

SJC: SKY Perfect JSAT Corporation  
 SPCC: SKY Perfect Customer-relations Corporation  
 SPET: SKY Perfect Entertainment Corporation  
 SPBC: SKY Perfect Broadcasting Corporation

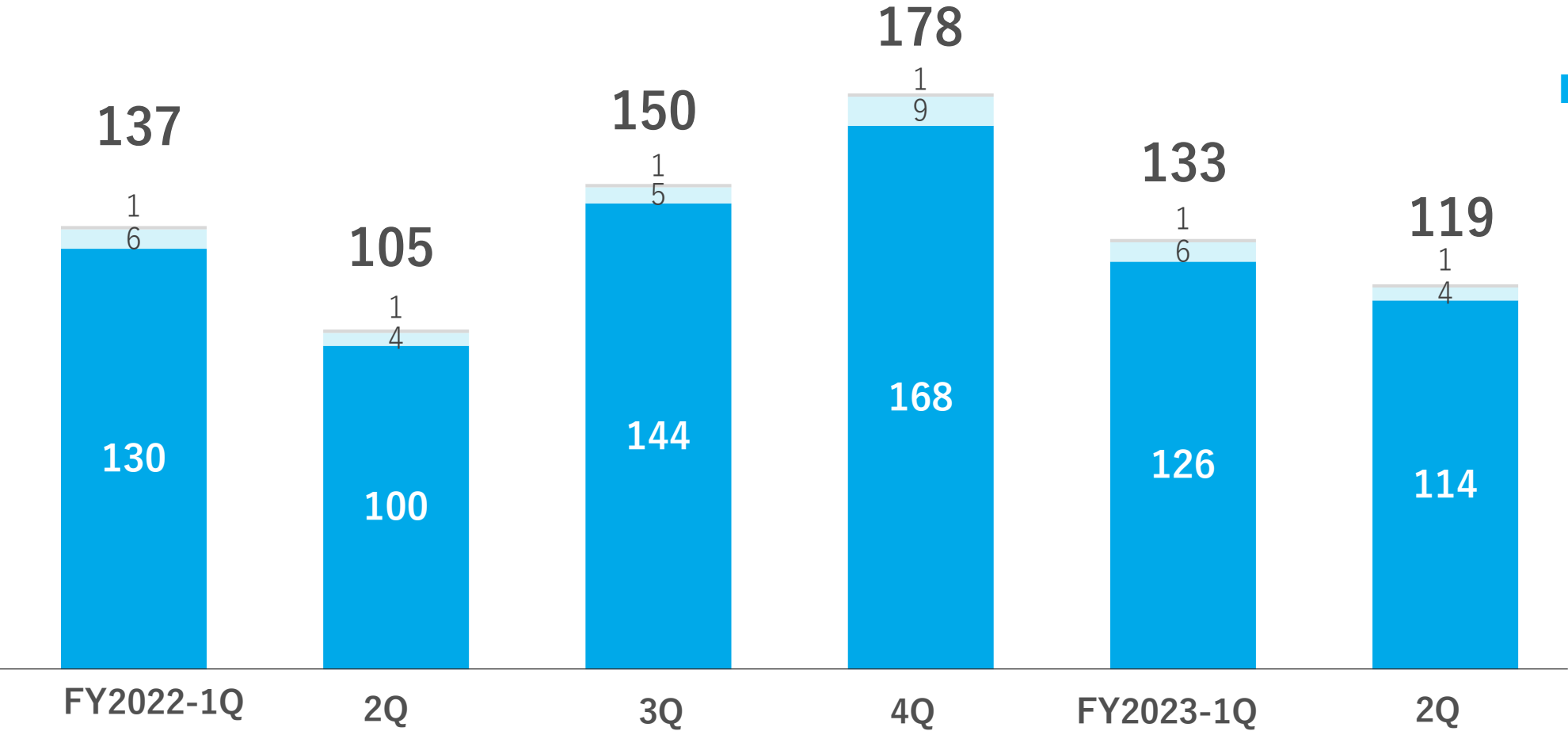
JII: JSAT International Inc.  
 JMC: JSAT MOBILE Communications Inc.

# Key Indicators of Media Business (FY2023-2Q) *SKY PerfecTV!*

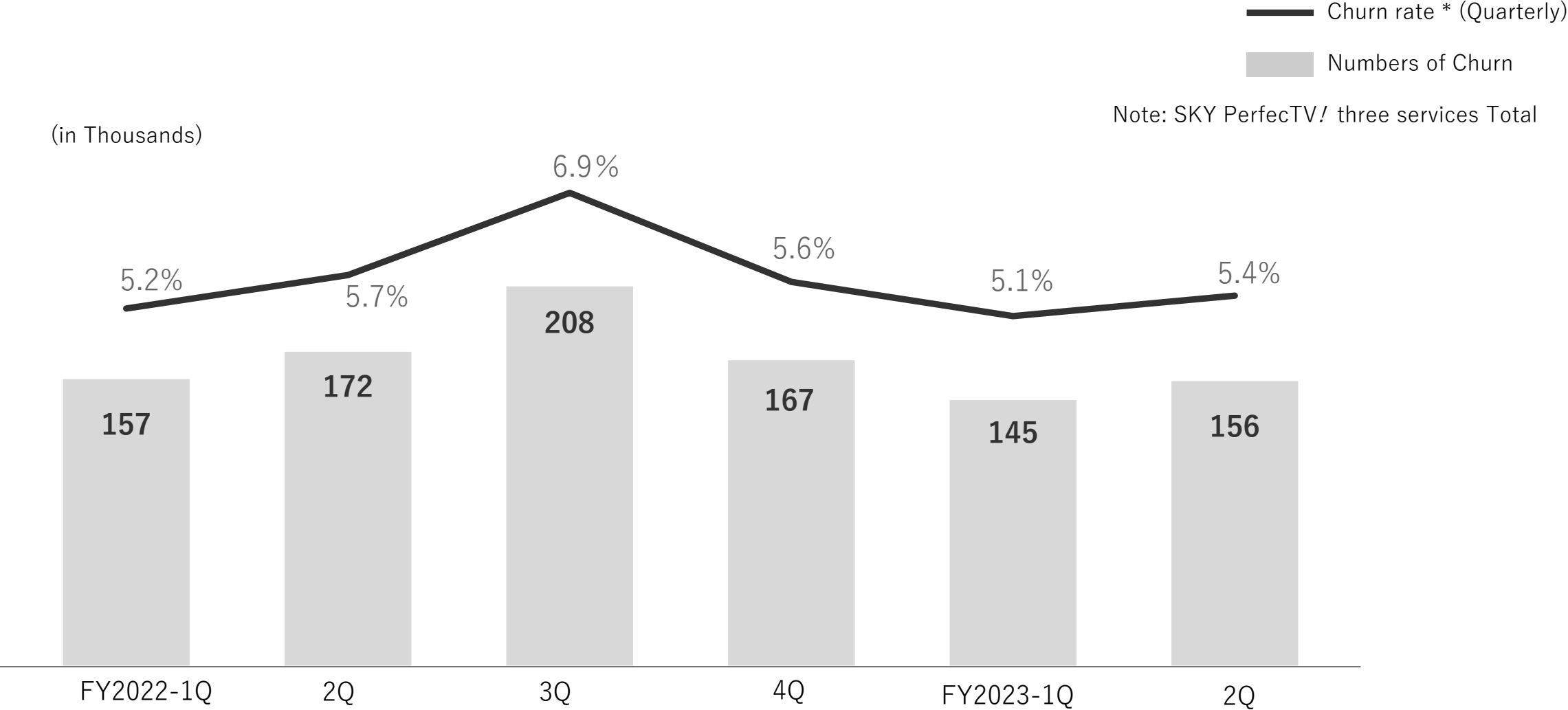
(in 10 Thousands)	FY2022-2Q	FY2023-2Q	Annual Target For FY2023
<b>New Subscribers</b> (IC cards or chips)	<b>24.2</b>	<b>25.2</b>	<b>56.4</b>
<b>Net Increase (IC cards or chips)</b>	<b>(8.7)</b>	<b>(4.9)</b>	<b>(13.3)</b>
- <i>SKY PerfecTV!</i>	<i>(5.0)</i>	<i>(1.9)</i>	<i>(5.4)</i>
- <i>SKY PerfecTV! Premium Service</i>	<i>(3.4)</i>	<i>(2.8)</i>	<i>(7.5)</i>
- <i>SKY PerfecTV! Premium Service Hikari</i>	<i>(0.2)</i>	<i>(0.2)</i>	<i>(0.4)</i>
<b>Cumulative number of subscribers</b> (IC cards or chips)	<b>292.2</b>	<b>282.6</b>	<b>274.2</b>
<b>Cumulative number of contractors</b> (contracts)	<b>230.8</b>	<b>221.4</b>	<b>212.6</b>
<b>Number of subscribing households of Optical Fiber Based Re-transmission service</b> (million)	<b>258.3</b>	<b>268.8</b>	<b>273.5</b>
<b>Average Monthly Contractor's Payment (Yen)</b>			
- SKY PerfecTV!	<b>3,351</b>	<b>3,362</b>	—
- SKY PerfecTV! Premium Service	<b>3,561</b>	<b>3,531</b>	—
- SKY PerfecTV! Premium Service Hikari	<b>5,078</b>	<b>5,009</b>	—

# Number of New Subscribers (IC cards or chips)

(in Thousands)



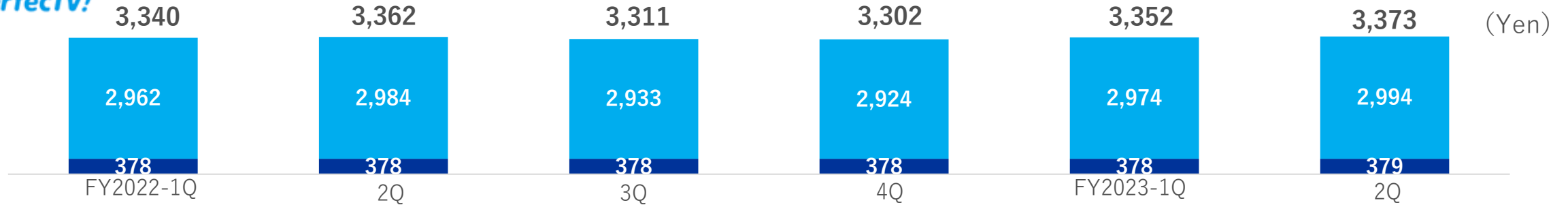
# Churn Rate (IC cards or chips)



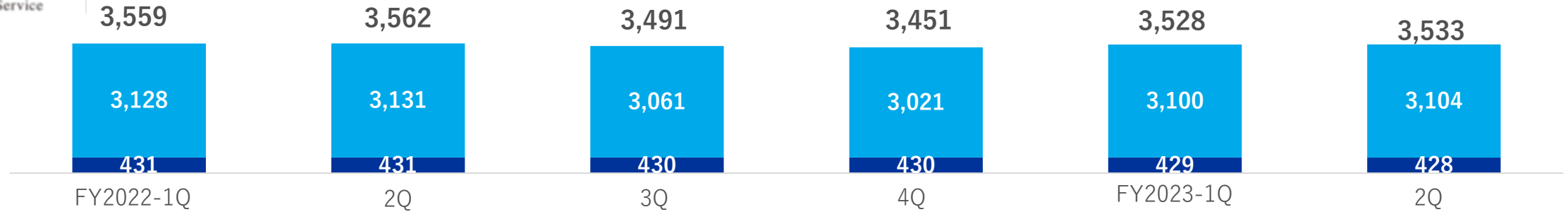
\* The churn rate is calculated by dividing the total number of cancellations for each quarter by the cumulative number of subscribers at the end of the previous fiscal year.

# Average Monthly Contractor's Payment <sup>\*1</sup>

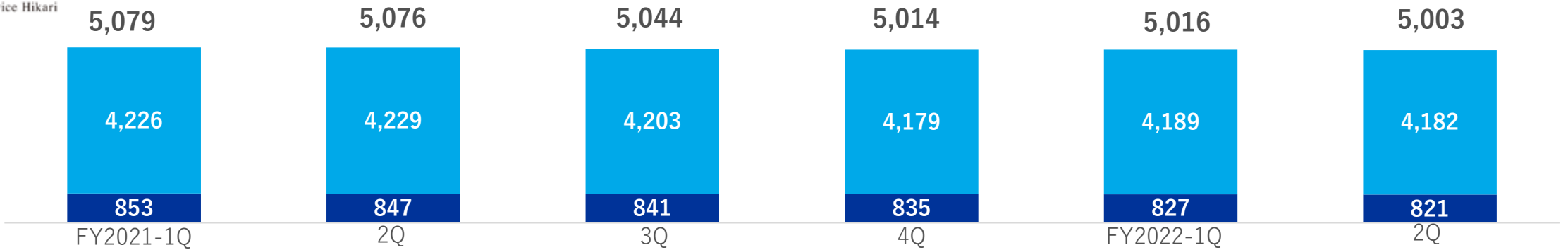
SKY PerfectTV!



SKY PerfectTV!  
Premium Service



SKY PerfectTV!  
Premium Service Hikari



\*1 Average monthly Contractor's payments made by contractors such as Basic fees and Viewing fees. The monthly unit price is on a basis of Contractor, Of Viewing fees paid by contractors, SKY PerfectTV! service recognizes around 30% as commission revenues and SKY PerfectTV! Premium service and SKY PerfectTV! Premium service HIKARI recognize around 50% deducting Cost of Program provision as Viewing fees revenues.

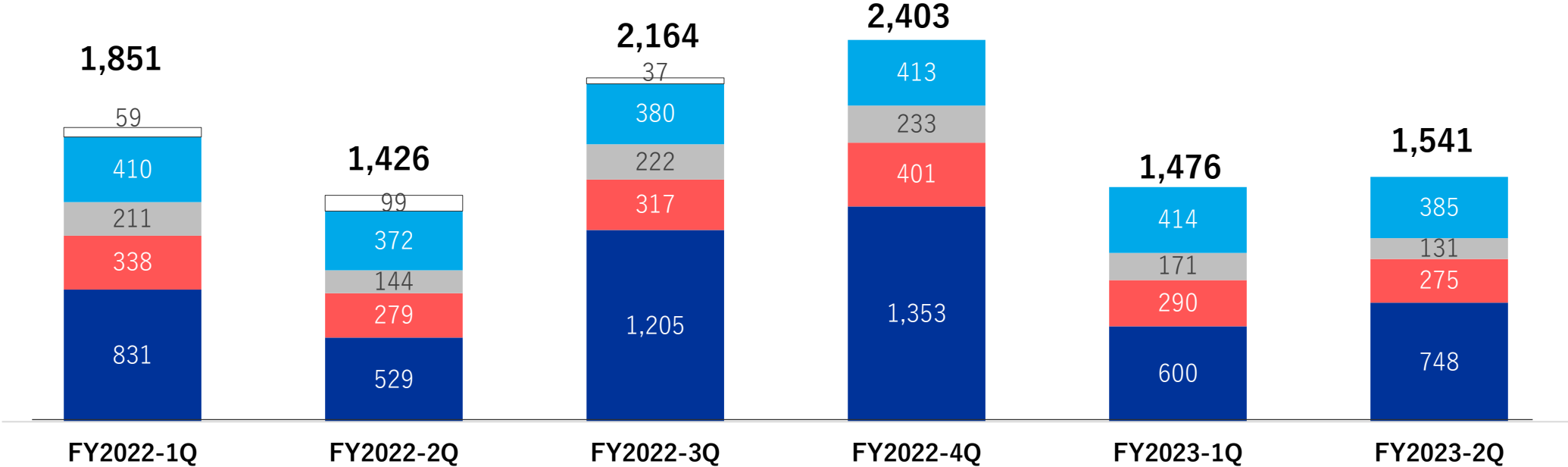
\*2 Basic fees and set-top box rental fees.

■ Basic fees and other\*2  
■ Viewing fees



# Total Subscribers Acquisition Cost (SAC)

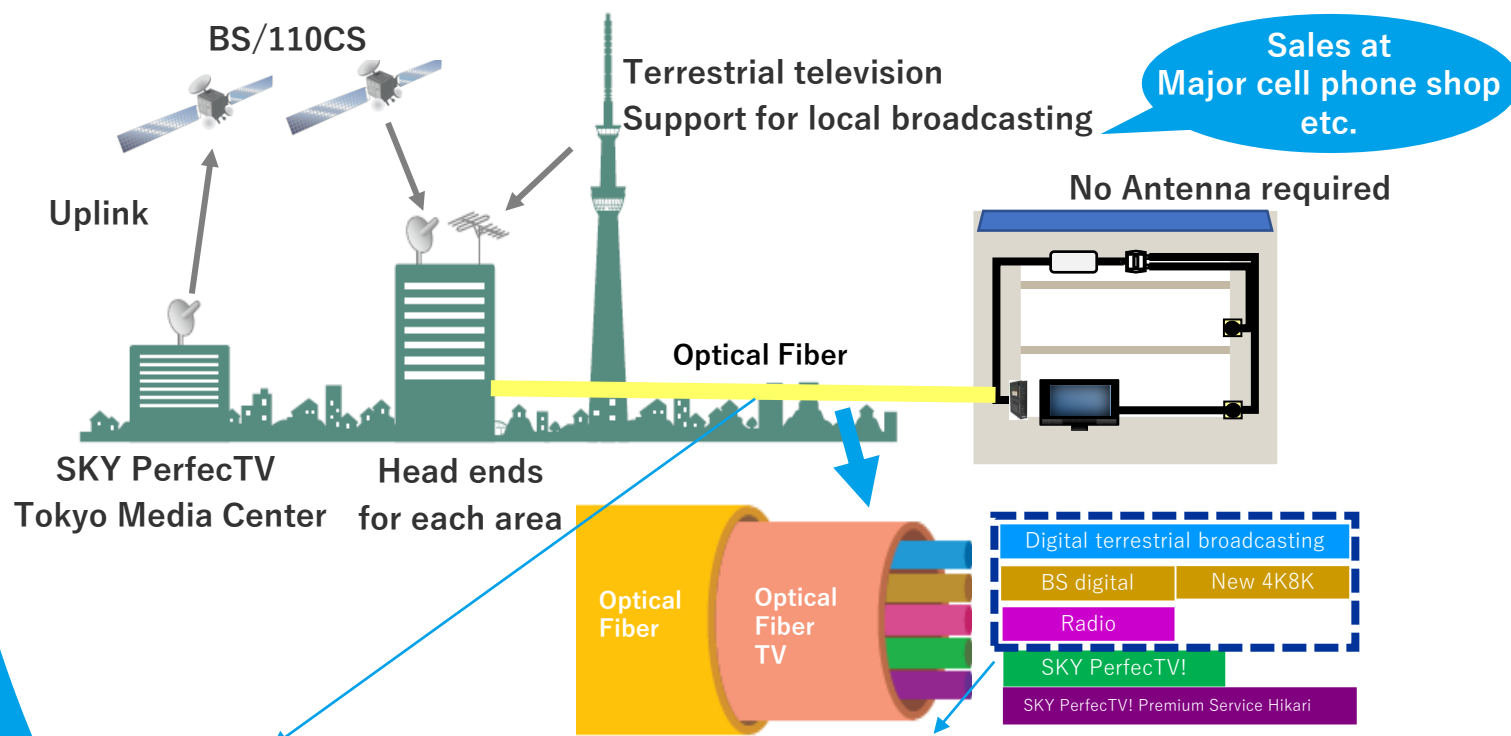
(in Millions of ¥)



- Advertising expenses: advertising expenses for various media
- Promotion expenses\*: promotion cost to acquire new subscribers, sales incentives.
- Subscription campaign expenses: campaign costs to acquire new subscribers such as free of charge antenna installation, etc.
- Others: Operation costs of SKY PerfecTV! Customer service center, etc.
- Production costs for free programs: Costs associated with production cost for free programs such as BS SKY PerfecTV!

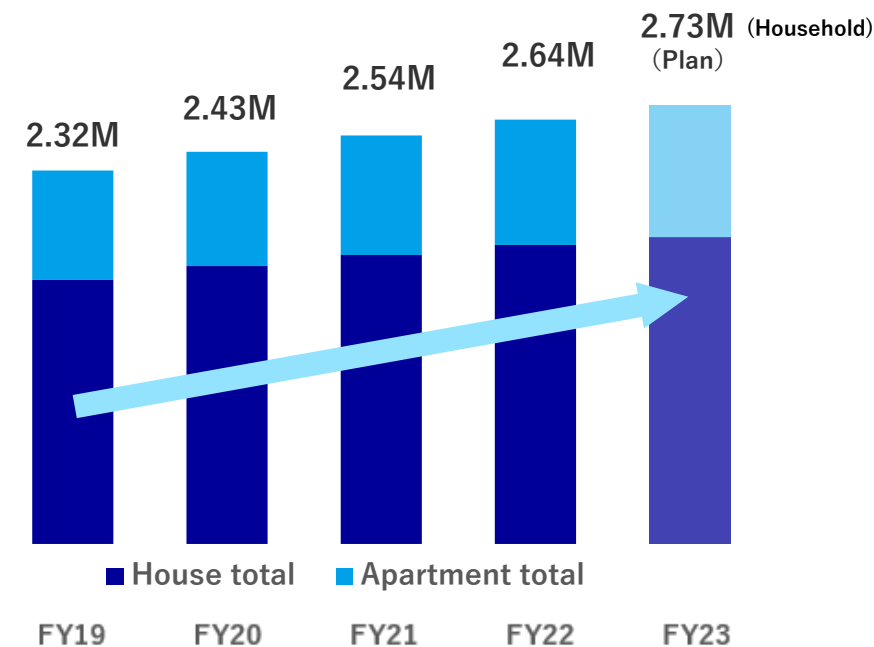
# About FTTH (Fiber-To-The-Home) Business

- Retransmission of terrestrial and BS・CS broadcasting, etc. on fiber-optic lines for detached houses and apartments.
- The Service area steadily expanded to household coverage ratio of 76%.



Number of FTTH available households : 42.8M

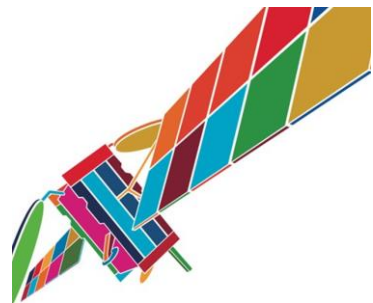
## Household coverage Trend



**Cost:** Access charge to telecommunications carriers etc.

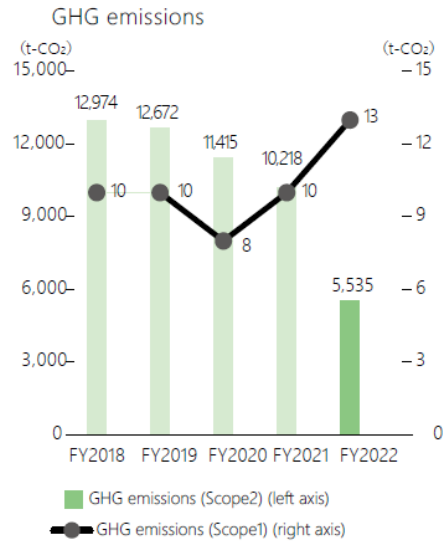
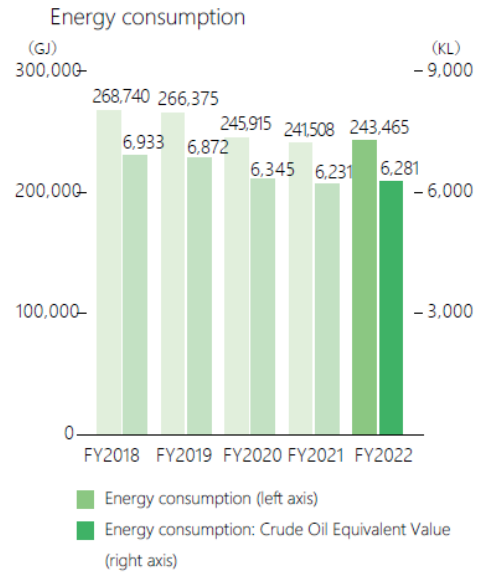
**Monthly usage fee: ¥825\*** \*for house (tax included)  
 TV viewing service ¥330/month (provided by SKY Perfect JSAT)  
 + fiber-optic television transmission services ¥495/month (provided by collaboration providers)

# 9 (Nine) Important Materiality Themes



Please view here for the details of the sustainability of the Group  
<https://www.skyperfectjsat.space/en/sustainability/>

# ESG Data \*SKY Perfect JSAT Corporation only (Excluding Total waste emissions)



### Total waste emissions

FY2022 (2022/4/1~2023/3/31) (t)

Total amount of industrial waste, etc.	94,214
Total amount of general waste, etc.	43,694
<b>Total emissions</b>	<b>137,908</b>

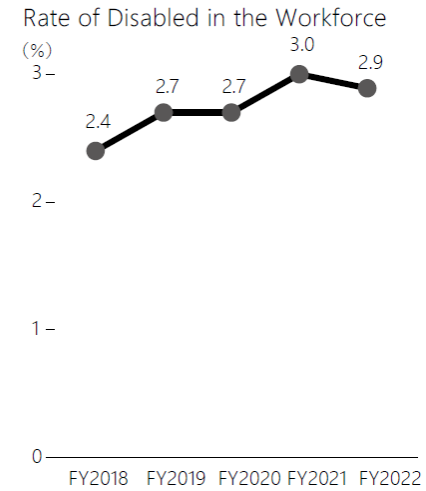
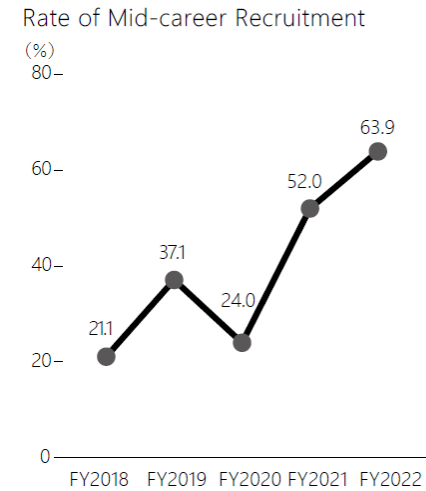
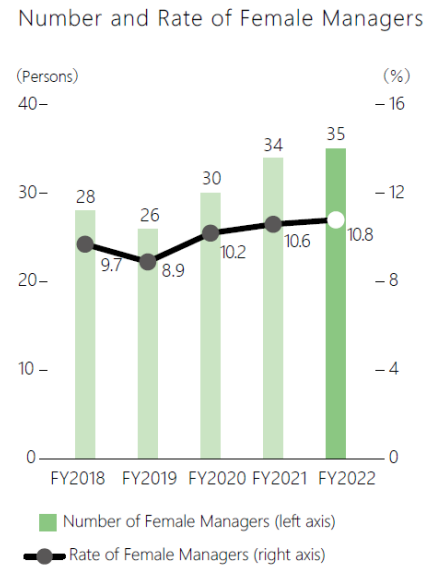
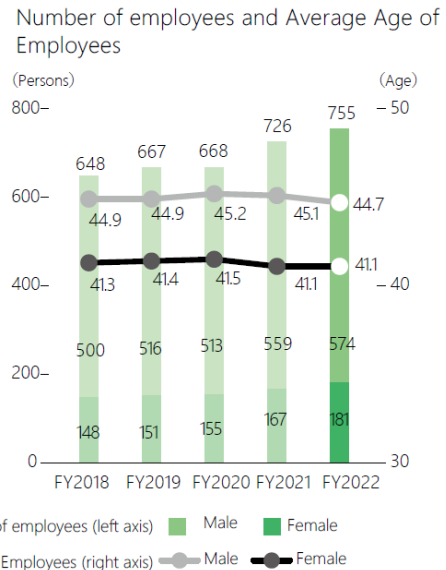
(SKY Perfect JSAT Holdings Inc. and parts of consolidated domestic subsidiaries excluding SKY Perfect Customer-relations Corporation)

Scope 1: Greenhouse gas (GHG) emissions released directly into the atmosphere at the GHG emissions source

Scope 2: CO<sub>2</sub> emissions from electricity purchased from a third party, electricity generated from heat, and the heat generation stage (Basic Guidelines on Accounting for Greenhouse Gas Emissions throughout the Supply Chain (Ministry of the Environment/Ministry of Economy, Trade and Industry))

GJ (gigajoule: unit of energy), t-CO<sub>2</sub> (tonne weight: weight indication for the amount of energy used converted on a CO<sub>2</sub> basis)

ESG data of FY 2022 results are updated on our web site.  
<https://www.skyperfectjsat.space/en/sustainability/esg/>





 *SKY Perfect JSAT Group*