

Summary of Business Results for the Six Months Ended September 30, 2019

This material contains forward-looking statements based on SKY Perfect JSAT Holdings' own projections and estimates. The markets where SKY Perfect JSAT Holdings Inc. is active are extremely volatile, subject to rapid changes in technology, customer demands, economic conditions including prices, the potential failures of satellites and many other variables. Due to the risks and uncertainties involved, actual results may differ from the content of these statements. Therefore, these statements should not be interpreted as representations that such objectives will be fulfilled.

Supplementary Data
I . Consolidated Financial Highlights

(Unit: Millions of Yen)

	For the year ended March 31, 2019						For the year ending March 31, 2020		
	1Q	2Q	2Q Cumulative	3Q	4Q	Cumulative	1Q	2Q	2Q Cumulative
Revenues	58,772	35,066	93,838	34,716	35,458	164,014	34,519	34,752	69,271
Operating Income	4,646	4,969	9,615	3,033	2,642	15,290	3,694	4,636	8,331
Ordinary Income	5,090	5,255	10,345	3,313	2,981	16,640	3,807	5,001	8,808
Profit attributable to owners of parent	3,321	3,438	6,760	2,140	780	9,681	2,464	3,479	5,943
Total Assets	219,715	224,231	224,231	224,125	224,014	224,014	224,054	224,813	224,813
Total Equity	368,929	378,601	378,601	378,634	376,102	376,102	374,203	373,816	373,816
Net Income per Share (Yen)	11.18	11.58	22.76	7.21	2.63	32.60	8.30	11.72	20.01
Total Equity per Share (Yen)	729.78	744.94	744.94	745.05	745.26	745.26	745.71	754.10	754.10
EBITDA*1	11,346	11,298	22,644	9,595	8,503	40,742	10,821	11,457	22,279
Cash Dividend per Unit Share (Yen)	—	9.00	9.00	—	9.00	18.00	—	9.00	9.00
Net Cash Provided by Operating Activities	7,877	4,357	12,234	9,911	3,751	25,898	13,524	5,651	19,176
Net Cash Provided by (Used in) Investing Activities	(10,139)	(4,739)	(14,878)	(9,958)	(8,632)	(33,469)	(6,868)	(5,999)	(12,867)
Net Cash Provided by (Used in) Financing Activities	9,076	3,895	12,971	(3,844)	235	9,362	(5,197)	(1,907)	(7,104)

*1. EBITDA is calculated as Net Income + Tax Expense + Depreciation Expense+ Goodwill Amortization + Interest Expense.

II. Segment Information

(Unit: Millions of Yen)

	For the year ended March 31, 2019						For the year ending March 31, 2020		
	1Q	2Q	2Q Cumulative	3Q	4Q	Cumulative	1Q	2Q	2Q Cumulative
Revenues	58,772	35,066	93,838	34,716	35,458	164,014	34,519	34,752	69,271
Media Business	25,857	25,368	51,225	25,160	25,109	101,495	24,985	24,822	49,808
Space Business	35,541	12,266	47,808	12,221	13,359	73,389	12,570	12,893	25,464
Eliminations and Corporate Total	(2,626)	(2,569)	(5,195)	(2,665)	(3,009)	(10,870)	(3,037)	(2,963)	(6,000)
Operating Income	4,646	4,969	9,615	3,033	2,642	15,290	3,694	4,636	8,331
Media Business	797	2,055	2,852	19	(343)	2,528	654	1,932	2,586
Space Business	4,034	3,082	7,116	3,170	3,142	13,430	3,225	2,875	6,101
Eliminations and Corporate Total	(185)	(168)	(354)	(156)	(157)	(668)	(185)	(171)	(356)
Profit attributable to owners of parent			6,760						5,943
Media Business			2,083						1,891
Space Business			4,897						4,343
Eliminations and Corporate Total			(221)						(290)
Depreciation Expense	5,742	5,421	11,164	5,471	5,877	22,513	6,263	5,740	12,004
Media Business	1,869	1,813	3,683	1,851	2,235	7,770	2,646	2,144	4,790
Space Business	3,758	3,494	7,252	3,506	3,533	14,292	3,515	3,532	7,047
Eliminations and Corporate Total	115	113	228	113	109	450	101	64	165
Capital Expenditures	5,475	3,034	8,510	10,544	4,779	23,833	4,654	5,925	10,579
Media Business	1,314	1,923	3,238	7,576	3,020	13,834	2,518	3,667	6,186
Space Business	4,128	1,102	5,230	2,963	1,719	9,913	2,093	2,222	4,316
Eliminations and Corporate Total	33	7	41	4	39	85	41	34	76

III. Reference Data of Media Business (Total for SKY PerfectTV!)

(Unit: Thousand)

Number of Subscribers and Churn Rate		For the year ended March 31, 2019					For the year ending March 31, 2020	
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
New Subscribers	Total for SKY PerfectTV! ^{*2}	109	87	137	125	457	132	99
	SKY PerfectTV!	93	74	124	113	404	124	95
	SKY PerfectTV! Premium Service	13	10	11	10	45	6	3
	SKY PerfectTV! Premium Service Hikari	3	2	2	2	9	2	1
Number of Re-registered Subscrib	Total for SKY PerfectTV! ^{*2}	46	32	34	74	186	44	34
	SKY PerfectTV!	41	29	31	67	168	40	32
	Premium Service	4	3	3	8	18	4	3
	Premium Service Hikari	0	0	0	0	1	0	0
Churn	Total for SKY PerfectTV! ^{*2}	147	156	201	154	658	148	168
	SKY PerfectTV!	114	122	163	120	519	116	134
	Premium Service	31	31	36	32	129	29	32
	Premium Service Hikari	2	2	2	3	10	3	2
Net Increase	Total for SKY PerfectTV! ^{*2}	7	(37)	(30)	45	(15)	28	(34)
	SKY PerfectTV!	20	(19)	(9)	60	52	48	(7)
	Premium Service	(13)	(18)	(22)	(14)	(67)	(19)	(26)
	Premium Service Hikari	1	0	(0)	(1)	0	(1)	(1)
Total Subscribers	Total for SKY PerfectTV! ^{*2}	3,270	3,233	3,203	3,248	3,248	3,275	3,241
	SKY PerfectTV!	2,104	2,085	2,076	2,137	2,137	2,184	2,177
	Premium Service	1,081	1,062	1,041	1,027	1,027	1,007	982
	Premium Service Hikari	85	85	85	85	85	84	83
Churn Rate(%) ^{*3}	Total for SKY PerfectTV! ^{*2}	4.5%	4.8%	6.2%	4.7%	20.2%	4.6%	5.2%
	SKY PerfectTV!	5.5%	5.8%	7.8%	5.7%	24.9%	5.4%	6.3%
	Premium Service	2.8%	2.9%	3.3%	2.9%	11.8%	2.8%	3.1%
	Premium Service Hikari	2.7%	2.7%	2.7%	3.4%	11.4%	3.4%	2.8%

*2. The figures are the total amounts for SKY PerfectTV!, Premium Service, and Premium Service HIKARI.

SKY PerfectTV! is the service (former SKY PerfectTV!e2) using the satellite at 110 degrees east longitude.

Premium Service is the service using the satellites at 124 and 128 degrees east longitude (including standard definition channels).

Premium Service HIKARI is the service using optical fibers.

*3. Quarterly Churn Rate is calculated by dividing Each quarterly churn subscribers and Total Subscribers at the end of the previous fiscal year.

(Unit: Yen)

Average Monthly Subscriber's Payment *4	For the year ended March 31, 2019					For the year ending March 31, 2020	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SKY PerfecTV!	3,304	3,310	3,243	3,208	3,267	3,256	3,290
Subscription fee	2,927	2,933	2,866	2,831	2,890	2,879	2,913
Basic fee and Others *5	377	377	377	377	377	377	377
Premium Service	3,742	3,732	3,658	3,609	3,686	3,674	3,684
Subscription fee	3,298	3,291	3,217	3,168	3,245	3,235	3,245
Basic fee and Others *5	443	441	441	440	441	439	438
Premium Service Hikari	5,284	5,283	5,228	5,238	5,258	5,254	5,258
Subscription fee	4,368	4,358	4,355	4,353	4,359	4,378	4,392
Basic fee and Others *5	916	925	873	885	900	876	866

*4. Average amount paid by subscribers in the form of monthly viewing fees, etc. These figures are calculated based on number of cumulative contractors.

30% of subscriber payments for SKY PerfecTV! is recognized as commission fee revenue.

100% of subscriber payments for SKY PerfecTV! Premium Service and SKY PerfecTV! Premium Service Hikari is recognized as viewing fee revenue.

*5. Basic fee and others : Basic fee and rental fee of Set top box

(Unit: Millions of Yen)

Subscriber Acquisition Cost (Total for SKY PerfecTV!)	For the year ended March 31, 2019					For the year ending March 31, 2020	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SAC Total (Millions of Yen) ^{*6}	3,997	3,129	4,073	4,013	15,214	2,837	2,267
Advertising expenses	1,208	913	1,460	1,543	5,125	1,141	846
Promotion expenses	237	217	252	336	1,044	180	131
Sales incentives	242	179	177	159	758	115	95
Subscription campaign expenses	618	476	673	568	2,337	345	231
Others	631	629	638	641	2,541	552	545
Production costs for free programs	1,059	712	872	762	3,406	501	417

*6. Advertising expenses: Advertising expenses for various media.

Promotion expenses: Promotion cost to acquire new subscribers.

Sales incentives: Incentives and agency fees for electronics retail stores and mobile carriers.

Subscription campaign expenses: Cost of campaigns to acquire new subscribers (free of charge antenna installation, etc.).

Others: Operation costs of SKY PerfecTV! customer center etc.

Production costs for free programs: Costs associated with production cost for free programs, such as BS SKY PerfecTV!.