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Consolidated Financial Results for the Nine Months Ended December 31, 2021 [Japanese GAAP]

February 02, 2022

Company name: SKY Perfect JSAT Holdings Inc.

Stock exchange listing: Tokyo

Code number: 9412

URL: <https://www.skyperfectjsat.space/>

Representative: Eiichi Yonekura

Representative Director, President

Contact: Koichi Matsutani

Director

Phone: 03-5571-1500

Scheduled date of filing quarterly securities report: February 04, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2021 (April 01, 2021 to December 31, 2021)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Nine months ended December 31, 2021	88,436	(15.2)	16,256	(1.9)	17,401	0.3	12,653	12.1
December 31, 2020	104,342	0.5	16,577	34.7	17,351	33.0	11,290	32.4

(Note) Comprehensive income: Nine months ended December 31, 2021: ¥ 14,094 million [22.7%]
 Nine months ended December 31, 2020: ¥ 11,487 million [45.9%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2021	42.79	-
December 31, 2020	38.00	-

(Note) We adopt “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020), etc. from the beginning of First Quarter of FY2021. Each figure from First Quarter of FY2021 is after adoption of “Accounting Standard for Revenue Recognition”, etc.

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Million yen	Million yen	%	Yen
As of December 31, 2021	371,780	241,189	64.6	824.51
March 31, 2021	385,568	235,314	60.8	788.27

(Reference) Equity: As of December 31, 2021: ¥ 240,196 million
 As of March 31, 2021: ¥ 234,249 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2021	-	9.00	-	9.00	18.00
Fiscal year ending March 31, 2022	-	9.00	-		
Fiscal year ending March 31, 2022 (Forecast)				9.00	18.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2022 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2022(April 01, 2021 to March 31, 2022)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	122,000	(12.6)	18,000	(6.0)	18,800	(7.6)	13,000	(2.6)	43.75

(Note) Revision to the financial results forecast announced most recently: No

(Note) The above forecasts are based on figures after adoption of “Accounting Standard for Revenue Recognition”, etc.

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2021

(changes in specified subsidiaries resulting in changes in scope of consolidation): Yes

New - (Company name:)

Exclusion: - (Company name: Satellite Network, Inc.)

(Note) Satellite Network, Inc. merged with SKY Perfect JSAT Corporation, which is the 100% subsidiary of SKY Perfect JSAT Holdings Inc., and SKY Perfect JSAT Corporation is the surviving company. Satellite Network, Inc. has been excluded from the scope of consolidation from the third quarter of FY2021.

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2021: 297,404,212 shares

March 31, 2021: 297,170,975 shares

2) Total number of treasury shares at the end of the period:

December 31, 2021: 6,082,888 shares

March 31, 2021: - shares

3) Average number of shares during the period:

Nine months ended December 31, 2021: 295,699,521 shares

Nine months ended December 31, 2020: 297,082,589 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

	As of March 31,2021	As of December 31,2021
Assets		
Current assets		
Cash and deposits	50,195	57,709
Accounts receivable - trade	68,177	62,684
Lease receivables	49,045	46,993
Securities	22,998	18,999
Broadcasting rights	1,972	893
Merchandise	925	966
Work in process	298	597
Supplies	155	135
Short-term loans receivable	2,076	2,449
Accounts receivable - other	186	144
Other	4,028	5,066
Allowance for doubtful accounts	(390)	(221)
Total current assets	199,670	196,418
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	9,204	8,489
Machinery, equipment and vehicles, net	25,520	23,026
Telecommunications satellites, net	83,968	75,247
Land	2,924	2,924
Construction in progress	7,097	7,635
Other, net	5,238	5,013
Total property, plant and equipment	133,953	122,337
Intangible assets		
Goodwill	945	286
Software	5,105	5,259
Other	59	60
Total intangible assets	6,110	5,606
Investments and other assets		
Investment securities	18,473	20,747
Long-term loans receivable	15,479	15,515
Deferred tax assets	8,990	8,172
Other	2,928	2,983
Allowance for doubtful accounts	(38)	-
Total investments and other assets	45,834	47,418
Total non-current assets	185,897	175,361
Total assets	385,568	371,780

(Million yen)

	As of March 31,2021	As of December 31,2021
Liabilities		
Current liabilities		
Accounts payable - trade	516	135
Current portion of bonds payable	-	5,000
Current portion of long-term borrowings	7,718	8,407
Accounts payable - other	13,058	8,392
Income taxes payable	4,265	401
Subscription fees received	7,585	7,348
Unearned revenue	12,373	13,812
Provision for bonuses	801	307
Asset retirement obligations	-	138
Other	8,695	3,493
Total current liabilities	55,013	47,436
Non-current liabilities		
Bonds payable	15,000	10,000
Long-term borrowings	68,241	61,224
Deferred tax liabilities	533	733
Provision for retirement benefits for directors (and other officers)	6	-
Retirement benefit liability	6,753	6,796
Asset retirement obligations	2,323	2,215
Other	2,381	2,185
Total non-current liabilities	95,239	83,154
Total liabilities	150,253	130,591
Net assets		
Shareholders' equity		
Share capital	10,033	10,081
Capital surplus	132,017	131,892
Retained earnings	94,501	101,823
Treasury shares	-	(2,558)
Total shareholders' equity	236,552	241,239
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	37	(216)
Deferred gains or losses on hedges	(421)	(385)
Foreign currency translation adjustment	(1,314)	140
Remeasurements of defined benefit plans	(605)	(581)
Total accumulated other comprehensive income	(2,303)	(1,043)
Non-controlling interests	1,065	992
Total net assets	235,314	241,189
Total liabilities and net assets	385,568	371,780

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Operating revenue	104,342	88,436
Operating costs	64,584	50,521
Operating gross profit	39,757	37,914
Selling, general and administrative expenses	23,180	21,657
Operating profit	16,577	16,256
Non-operating income		
Interest income	1,377	1,113
Dividend income	17	13
Share of profit of entities accounted for using equity method	258	320
Foreign exchange gains	-	57
Other	377	584
Total non-operating income	2,030	2,089
Non-operating expenses		
Interest expenses	988	803
Foreign exchange losses	64	-
Commission expenses	141	-
Other	62	140
Total non-operating expenses	1,256	944
Ordinary profit	17,351	17,401
Extraordinary income		
Gain on sale of non-current assets	-	230
Total extraordinary income	-	230
Extraordinary losses		
Loss on sale of investment securities	34	-
Loss on sale of shares of subsidiaries and associates	-	9
Loss on valuation of investment securities	-	96
Loss on valuation of shares of subsidiaries and associates	430	-
Total extraordinary losses	464	105
Profit before income taxes	16,886	17,526
Income taxes - current	5,069	3,708
Income taxes - deferred	456	1,030
Total income taxes	5,525	4,739
Profit	11,360	12,786
Profit attributable to non-controlling interests	70	133
Profit attributable to owners of parent	11,290	12,653

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Profit	11,360	12,786
Other comprehensive income		
Valuation difference on available-for-sale securities	29	(242)
Deferred gains or losses on hedges	134	84
Foreign currency translation adjustment	(59)	1,455
Remeasurements of defined benefit plans, net of tax	10	23
Share of other comprehensive income of entities accounted for using equity method	11	(14)
Total other comprehensive income	126	1,307
Comprehensive income	11,487	14,094
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,389	13,913
Comprehensive income attributable to non-controlling interests	98	180

Quarterly Consolidated Statements of Cash Flows

(Million yen)

	For the nine months ended December 31,2020	For the nine months ended December 31,2021
Cash flows from operating activities		
Profit before income taxes	16,886	17,526
Depreciation	17,473	16,717
Amortization of goodwill	658	658
Interest and dividend income	(1,394)	(1,126)
Interest expenses	988	803
Share of loss (profit) of entities accounted for using equity method	(258)	(320)
Loss (gain) on valuation of investment securities	-	96
Loss on valuation of shares of subsidiaries and associates	430	-
Loss (gain) on sale of non-current assets	-	(230)
Decrease (increase) in trade receivables	7,577	5,582
Decrease in broadcasting rights	137	1,079
Decrease (increase) in accounts receivable - other	374	42
Decrease (increase) in inventories	45,321	(319)
Increase (decrease) in accounts payable - other	(2,789)	(4,668)
Increase (decrease) in unearned revenue	6,130	1,436
Decrease (increase) in lease receivables	(45,099)	2,051
Other, net	1,481	(5,531)
Subtotal	47,918	33,796
Interest and dividends received	1,673	1,379
Interest paid	(1,380)	(1,053)
Income taxes paid	(1,105)	(7,219)
Net cash provided by (used in) operating activities	47,106	26,902
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,742)	(5,154)
Purchase of intangible assets	(707)	(1,616)
Purchase of investment securities	(70)	(3,034)
Proceeds from collection of loans receivable	196	990
Purchase of shares of subsidiaries and associates	(289)	(30)
Proceeds from sale of shares of subsidiaries and associates	-	1,181
Other, net	0	3
Net cash provided by (used in) investing activities	(7,612)	(7,659)
Cash flows from financing activities		
Repayments of finance lease obligations	(70)	(9)
Repayments of long-term borrowings	(6,085)	(7,357)
Redemption of bonds	(5,000)	-
Purchase of treasury shares	-	(2,559)
Dividends paid	(5,338)	(5,320)
Dividends paid to non-controlling interests	(35)	(276)
Net cash provided by (used in) financing activities	(16,530)	(15,523)
Effect of exchange rate change on cash and cash equivalents	(64)	245
Net increase (decrease) in cash and cash equivalents	22,898	3,964
Cash and cash equivalents at beginning of period	43,602	73,193
Cash and cash equivalents at end of period	66,501	77,158