

Jan. 30, 2013

SKY Perfect JSAT Holdings Inc.

Summary of Business Results for the Nine Months Ended December 31, 2012

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; Representative Director, President: Shinji Takada) today announced the consolidated financial and operational results for the nine months ended December 31, 2012.

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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, 2012					For the year ending March 31, 2013		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Revenues	37,911	39,144	38,848	39,337	155,242	39,086	39,429	39,390
Operating Income	5,916	5,653	3,193	2,722	17,486	5,043	3,144	4,623
Ordinary Income	5,663	5,321	2,999	2,718	16,702	4,922	3,029	4,766
Net Income	3,420	3,041	550	1,557	8,569	3,228	1,745	2,856
Net Income per Share	1,016.32	903.59	163.66	462.69	2,546.26	959.34	518.62	848.76
Total Equity per Share	53,921.48	54,896.07	54,357.48	54,952.96	54,952.96	55,345.65	55,769.74	56,117.87
EBITDA ¹	12,226	11,761	9,259	8,758	42,005	11,127	9,762	11,688
Simple EBITDA ²	11,954	11,864	9,513	9,046	42,378	11,078	9,724	11,410
Cash Dividend per Share	-	600	-	600	1,200	-	600	-

¹1.EBITDA is calculated as Net Income + Tax Expense+ Depreciation Expense+ Interest Expense

²2.Simple EBITDA is calculated as Operating Income + Depreciation Expense

(Unit: Millions of Yen)

Main Selling and Administrative Expenses	For the year ended March 31, 2012					For the year ending March 31, 2013		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Advertisement Expenses	1,707	1,729	2,337	2,305	8,080	1,561	2,169	1,722
Promotion Expenses	1,530	452	1,009	1,711	4,704	870	1,191	1,311
Agency Commission	1,000	1,033	757	716	3,507	662	534	678

II . Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of Jun. 30, 2011	As of Sep. 30, 2011	As of Dec. 31, 2011	As of Mar. 31, 2012		As of Jun. 30, 2012	As of Sep. 30, 2012	As of Dec. 31, 2012
Assets:								
Current assets	119,210	124,270	113,316	99,606	-	102,099	101,244	93,863
Fixed assets	210,950	208,012	203,552	200,526	-	197,522	195,414	190,165
Total Assets	330,161	332,283	316,869	300,133	-	299,622	296,658	284,029
Liabilities and Equity:								
Current liabilities	68,361	71,670	66,547	55,384	-	54,629	52,064	44,393
Long-term liabilities	80,185	75,716	67,239	59,696	-	58,615	56,771	50,262
Total Liabilities	148,547	147,387	133,786	115,080	-	113,244	108,836	94,656
Shareholders' equity	183,418	186,459	184,990	186,547	-	187,757	189,502	190,339
Valuation and translation adjustments	(1,944)	(1,705)	(2,049)	(1,602)	-	(1,490)	(1,808)	(1,474)
Stock acquisition rights	22	22	22	22	-	22	-	-
Minority interests	117	120	119	84	-	88	128	507
Total Equity	181,613	184,896	183,082	185,052	-	186,377	187,822	189,373
Total Liabilities and Equity	330,161	332,283	316,869	300,133	-	299,622	296,658	284,029

III. Segment Information

(Unit: Millions of Yen)

	For the year ended March 31, 2012					For the year ending March 31, 2013		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Revenues	37,911	39,144	38,848	39,337	155,242	39,086	39,429	39,390
Multichannel Pay TV Business	26,129	27,426	27,468	27,479	108,503	28,400	28,465	28,432
Space & Satellite Business	14,366	14,454	14,261	14,625	57,707	13,444	13,790	13,853
Eliminations and Corporate Total	(2,584)	(2,736)	(2,881)	(2,766)	(10,968)	(2,759)	(2,826)	(2,895)
Operating Income (Loss)	5,916	5,653	3,193	2,722	17,486	5,043	3,144	4,623
Multichannel Pay TV Business	968	532	(1,322)	(1,815)	(1,636)	819	(836)	487
Space & Satellite Business	5,118	5,240	4,746	4,706	19,812	4,376	4,149	4,284
Eliminations and Corporate Total	(170)	(119)	(230)	(168)	(688)	(153)	(168)	(149)
Depreciation Expense	6,037	6,210	6,320	6,323	24,891	6,035	6,579	6,787
Multichannel Pay TV Business	—	—	—	—	7,716	—	—	—
Space & Satellite Business	—	—	—	—	16,669	—	—	—
Eliminations and Corporate Total	—	—	—	—	506	—	—	—
Capital Expenditures	3,479	3,919	1,462	5,111	13,972	3,447	5,890	2,245
Multichannel Pay TV Business	—	—	—	—	6,243	—	—	—
Space & Satellite Business	—	—	—	—	7,443	—	—	—
Eliminations and Corporate Total	—	—	—	—	285	—	—	—

IV. Cash Flows

(Unit: Millions of Yen)

	For the year ended March 31, 2012					For the year ending March 31, 2013		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Net Cash Provided by Operating Activities	17,909	8,321	6,068	7,677	39,976	13,987	10,848	4,198
Net Cash Provided by (Used in) Investing Activities	5,280	2,565	(5,912)	61	1,995	(4,098)	(4,902)	(2,068)
Purchases of Property and Equipment- Net	(4,555)	(1,502)	(3,626)	(3,183)	(12,867)	(4,583)	(5,411)	(2,376)
Net Cash Provided by (Used in) Financing Activities	(3,481)	(1,642)	(7,422)	(22,445)	(34,993)	(3,482)	(4,355)	(8,175)

V. Reference Data of Multichannel Pay TV Service

(Unit:Thousand)

Number of Subscribers and Churn Rate	For the year ended March 31, 2012					For the year ending March 31, 2013							
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q					
New Subscribers	Total for SKY PerfectTV! ^{*3}					154	162	187	174	678	165	131	159
	SKY PerfectTV! (Former SKY PerfectTV! e2)					127	133	163	149	571	141	113	142
	Premium Service					19	19	18	20	75	0	14	14
	Premium Service HIKARI					9	10	7	5	31	5	4	3
Number of Re-registered Subscribers	Total for SKY PerfectTV! ^{*3}					22	13	12	39	86	25	16	15
	SKY PerfectTV! (Former SKY PerfectTV! e2)					18	10	9	34	71	21	14	12
	Premium Service					4	3	2	5	15	3	2	2
	Premium Service HIKARI					0	0	0	0	0	0	0	0
Churn	Total for SKY PerfectTV! ^{*3}					160	148	193	174	674	173	159	191
	SKY PerfectTV! (Former SKY PerfectTV! e2)					62	60	102	85	309	88	91	122
	Premium Service					92	82	83	81	338	79	63	64
	Premium Service HIKARI					6	7	7	7	27	6	5	5
Net Increase	Total for SKY PerfectTV! ^{*3}					16	26	7	39	89	17	(13)	(18)
	SKY PerfectTV! (Former SKY PerfectTV! e2)					83	83	70	98	333	74	35	32
	Premium Service					(69)	(60)	(63)	(56)	(248)	(56)	(47)	(48)
	Premium Service HIKARI					2	4	0	(2)	4	(1)	(1)	(2)
Total Subscribers	Total for SKY PerfectTV! ^{*3}					3,742	3,768	3,775	3,814	3,814	3,831	3,819	3,801
	SKY PerfectTV! (Former SKY PerfectTV! e2)					1,487	1,570	1,640	1,737	1,737	1,812	1,847	1,879
	Premium Service					2,142	2,082	2,020	1,963	1,963	1,907	1,860	1,812
	(High Definition)					468	525	567	638	638	708	804	878
	Premium Service HIKARI					112	116	116	114	114	113	112	109
Churn Rate(%) ^{*4}	Total for SKY PerfectTV! ^{*3}					1.4%	1.3%	1.7%	1.5%	17.9%	1.5%	1.4%	1.7%
	SKY PerfectTV! (Former SKY PerfectTV! e2)					1.4%	1.3%	2.1%	1.7%	19.7%	1.6%	1.7%	2.2%
	Premium Service					1.4%	1.3%	1.4%	1.0%	16.2%	1.4%	1.1%	1.2%
	Premium Service HIKARI					1.8%	2.0%	2.0%	2.1%	24.3%	1.8%	1.6%	1.6%

*3. The figures are the total amounts for SKY PerfectTV! (former SKY PerfectTV! e2), 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.

*4. Quarterly Churn Rate = Average monthly churn rate for 3 months.

Annualized Churn Rate = Total for 12 months of monthly churn rate: churns during the current month/Total Subscribers at the end of the previous month.

SAC (Total for SKY PerfectTV!)	For the year ended March 31, 2012					For the year ending March 31, 2013							
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q					
SAC per Subscriber (¥)	29,502	29,393	29,614	32,294	30,223	26,117	35,244	28,319					
	Advertisement expenses ^{*5}					10,287	9,932	11,761	12,210	11,103	8,701	15,637	10,008
	Promotion expenses					3,159	3,316	2,683	4,261	3,348	2,113	3,627	3,344
	Sales incentives					4,258	4,328	3,008	3,107	3,634	3,198	3,111	3,218
	User incentives ^{*6}					5,117	5,116	5,440	6,675	5,606	6,102	6,321	5,480
	Others					6,681	6,702	6,721	6,041	6,533	6,003	6,547	6,270
SAC Total (¥ million)	4,553	4,765	6,233	6,175	21,727	4,603	5,285	5,042					
	Advertisement expenses ^{*5}					1,587	1,610	2,203	2,121	7,522	1,435	2,046	1,590
	Promotion expenses					487	537	502	740	2,267	348	474	531
	Sales incentives					657	701	563	539	2,461	527	407	511
	User incentives ^{*6}					789	829	1,019	1,159	3,797	1,006	827	870
	Others					1,031	1,086	1,258	1,049	4,426	990	857	996
	Free content costs ^{*7}					-	-	686	564	1,251	294	672	542

*5. Advertising expense does not include public relations expenses. Other includes SKY Perfect Customer-relations Corporation costs in addition to outsourcing fee

*6. User incentives include antenna installation cost, and incentives for new subscription, which are paid to new subscribers. They are indicated separately from conventional promotion expenses and sales incentives since the year ending March 31, 2013. The figures for the year ended March 31, 2012 were re-calculated based on the current standard.

*7. Free content costs are broadcast rights fees and production costs, etc. related to the BS SKY PerfectTV! since the year ended March 31, 2012.

(Unit: Yen)

ARPU (Total for SKY PerfectTV!)	For the year ended March 31, 2012					For the year ending March 31, 2013		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Average Monthly Subscriber's Payment ⁸	3,264	3,240	3,227	3,175	3,226	3,223	3,238	3,194
(Former Gross ARPU)								
Revenues from own content	135	127	132	116	127	132	129	137
PPV Subscription fee	89	88	80	78	84	69	67	62
Monthly subscription fee	2,617	2,603	2,593	2,560	2,593	2,603	2,623	2,577
Rental fee	57	59	61	61	60	61	61	61
Basic fee	366	363	362	360	362	359	358	357
ARPU ⁸	1,586	1,659	1,687	1,677	1,652	1,738	1,765	1,808
(Former Net ARPU)								
Revenues from own content	135	127	132	116	127	132	129	137
PPV Subscription fee	37	37	34	31	35	30	29	37
Monthly subscription fee	991	1,073	1,099	1,109	1,068	1,157	1,188	1,216
Rental fee	57	59	61	61	60	61	61	61
Basic fee	366	363	362	360	362	359	358	357

*8. Average Monthly Subscriber's Payment: Conventional subscription fee-based unit price

ARPU: Sales-based unit price (unit price based on the subscription or commission fee, which contribute to sale)

VI. Operating Results of Major Subsidiaries

(Unit: Millions of Yen)

		For the year ended March 31, 2012					For the year ending March 31, 2013		
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
SKY Perfect JSAT Corporation	Revenue	31,448	31,271	30,934	31,276	124,930	30,904	30,803	30,500
	Operating Income	5,722	5,055	2,521	2,586	15,886	4,996	3,238	4,098
	Ordinary Income	5,675	5,083	2,574	2,648	15,982	5,152	3,354	4,272
SKY Perfect Customer-relations Corporation	Revenue	3,983	4,095	4,219	4,094	16,393	2,429	2,294	2,351
	Operating Income(loss)	(61)	126	262	(76)	250	(247)	(378)	104
	Ordinary Income(loss)	(60)	129	263	(65)	267	(244)	(376)	115
SKY Perfect Broadcasting Corporation	Revenue	6,950	8,368	9,190	8,862	33,372	10,005	10,481	11,238
	Operating Income(loss)	(16)	136	143	108	370	55	71	142
	Ordinary Income(loss)	(15)	137	144	108	375	56	72	143
OptiCast Inc.	Revenue	2,543	2,705	2,763	2,784	10,797	2,852	2,851	2,815
	Operating Income	222	334	344	302	1,203	352	233	254
	Ordinary Income	203	316	330	290	1,140	339	220	248
Satellite Network, Inc.	Revenue	1,821	1,800	1,683	1,857	7,162	1,489	1,498	1,526
	Operating Income	208	133	108	122	572	113	144	136
	Ordinary Income	188	115	91	110	506	100	131	125
JSAT International Inc.	Revenue	541	543	488	458	2,032	417	443	457
	Operating Income	230	240	198	167	837	132	159	180
	Ordinary Income	230	240	198	168	838	134	159	180
SKY Perfect JSAT Holdings Inc.	Revenue	-	-	-	4,994	4,994	-	-	-
	Operating Income(loss)	(229)	(200)	(192)	4,817	4,195	(205)	(196)	(179)
	Ordinary Income(loss)	(220)	(199)	(188)	4,818	4,209	(201)	(196)	(174)

VII. Performance Forecasts

(Unit: Millions of Yen)

Consolidated Performance Forecast	For the year ending March 31, 2013			
	Revenues	Operating Income	Ordinary Income	Net Income
Full Year	164,000	16,000	15,500	9,000

(Unit: Yen)

Dividends Forecast per Share	For the year ending March 31, 2013
Interim	600.00
Year-End	600.00
Total	1,200.00