

May 8, 2014

SKY Perfect JSAT Holdings Inc.

## Summary of Business Results for the year Ended March 31, 2014

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 year ended March 31, 2014.

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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, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	39,086	39,429	39,390	41,703	159,609	41,044	41,759	41,391	47,487	171,683
Operating Income	5,043	3,144	4,623	3,342	16,153	5,210	5,692	6,084	4,725	21,713
Ordinary Income	4,922	3,029	4,766	2,979	15,698	5,246	5,635	6,088	4,559	21,529
Net Income	3,228	1,745	2,856	1,851	9,682	3,140	3,387	3,628	(496)	9,659
Net Income per Share <sup>*1</sup>	9.59	5.18	8.50	5.50	28.77	9.33	10.06	11.05	(0.93)	29.50
Total Equity per Share <sup>*1</sup>	553.46	557.70	561.18	571.33	571.33	576.79	588.24	600.11	598.13	598.13
EBITDA <sup>*2</sup>	11,127	9,762	11,688	9,870	42,448	11,835	11,961	12,119	7,756	43,673
Simple EBITDA <sup>*3</sup>	11,078	9,724	11,410	10,055	42,269	11,580	11,813	11,957	10,794	46,146
Cash Dividend per Unit Share <sup>*4</sup>	-	600	-	600	1,200	-	600	-	6	-

\*1. Our common shares have been split at a ratio of 1:100 on October 1, 2013. The figures of Net Income per share and Total Equity per share have been calculated on the basis that the split had been effective at the beginning of the year ended March 31, 2013.

\*2. EBITDA is calculated as Net Income + Tax Expense+ Depreciation Expense+ Interest Expense.

\*3. Simple EBITDA is calculated as Operating Income + Depreciation Expense.

\*4. Our common shares have been split at a ratio of 1:100 on October 1, 2013. The figures of cash dividend for the year ended March 31, 2013 and at the end of the 2nd Quarter of the year ended March 31, 2014 are the actual paid amount.

(Unit: Millions of Yen)

Main Selling and Administrative Expenses	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Advertisement Expenses	1,561	2,169	1,722	2,025	7,480	1,521	1,548	2,126	3,119	8,316
Promotion Expenses	870	1,191	1,311	1,930	5,304	1,422	1,236	1,379	1,752	5,791
Agency Commission	662	534	678	719	2,594	562	516	465	595	2,140

### II. Consolidated Balance Sheets

(Unit: Millions of Yen)

	As of Jun. 30, 2012	As of Sep. 30, 2012	As of Dec. 31, 2012	As of Mar. 31, 2013		As of Jun. 30, 2013	As of Sep. 30, 2013	As of Dec. 31, 2013	As of Mar. 31, 2014	
Assets:										
Current assets	102,099	101,244	93,863	104,431	-	111,068	119,741	96,402	109,908	-
Fixed assets	197,522	195,414	190,165	186,055	-	181,404	179,681	179,303	177,672	-
Total Assets	299,622	296,658	284,029	290,486	-	292,473	299,422	275,705	287,580	-
Liabilities and Equity:										
Current liabilities	54,629	52,064	44,393	51,329	-	53,026	73,149	64,307	74,238	-
Long-term liabilities	58,615	56,771	50,262	46,463	-	44,923	27,922	26,066	28,662	-
Total Liabilities	113,244	108,836	94,656	97,793	-	97,949	101,072	90,374	102,900	-
Shareholders' equity	187,757	189,502	190,339	192,191	-	193,538	196,925	183,289	182,793	-
Valuation and translation adjustments	(1,490)	(1,808)	(1,474)	90	-	582	1,050	1,673	1,558	-
Stock acquisition rights	22	-	-	-	-	-	-	-	-	-
Minority interests	88	128	507	410	-	402	374	368	327	-
Total Equity	186,377	187,822	189,373	192,693	-	194,523	198,350	185,331	184,679	-
Total Liabilities and Equity	299,622	296,658	284,029	290,486	-	292,473	299,422	275,705	287,580	-

**III. Segment Information**

(Unit: Millions of Yen)

	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	39,086	39,429	39,390	41,703	159,609	41,044	42,030	41,119	47,487	171,683
Multichannel Pay TV Business	28,400	28,465	28,432	29,117	114,415	30,405	30,686	30,620	30,443	122,155
Space & Satellite Business	13,444	13,790	13,853	15,556	56,645	13,818	14,371	14,041	20,355	62,586
Eliminations and Corporate Total	(2,759)	(2,826)	(2,895)	(2,970)	(11,452)	(3,179)	(3,026)	(3,542)	(3,311)	(13,059)
Operating Income (Loss)	5,043	3,144	4,623	3,342	16,153	5,210	5,692	6,084	4,725	21,713
Multichannel Pay TV Business	819	(836)	487	(1,289)	(819)	625	954	1,081	(1,477)	1,184
Space & Satellite Business	4,376	4,149	4,284	4,788	17,598	4,713	4,880	5,141	6,347	21,083
Eliminations and Corporate Total	(153)	(168)	(149)	(155)	(626)	(128)	(142)	(138)	(144)	(554)
Depreciation Expense	6,035	6,579	6,787	6,713	26,116	6,369	6,120	5,873	6,068	24,433
Multichannel Pay TV Business	—	—	—	—	8,047	—	—	—	—	8,563
Space & Satellite Business	—	—	—	—	17,614	—	—	—	—	15,449
Eliminations and Corporate Total	—	—	—	—	454	—	—	—	—	420
Capital Expenditures	3,447	5,890	2,245	2,267	13,851	1,715	5,629	6,444	9,212	23,001
Multichannel Pay TV Business	—	—	—	—	7,354	—	—	—	—	7,569
Space & Satellite Business	—	—	—	—	6,428	—	—	—	—	15,131
Eliminations and Corporate Total	—	—	—	—	68	—	—	—	—	300

**IV. Cash Flows**

(Unit: Millions of Yen)

	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Net Cash Provided by Operating Activities	13,987	10,848	4,198	9,338	38,372	15,938	4,821	5,852	6,733	33,345
Net Cash Provided by (Used in) Investing Activities	(4,098)	(4,902)	(2,068)	(49)	(11,119)	(2,456)	(3,764)	(5,245)	(7,503)	(18,969)
Purchases of Property and Equipment- Net	(4,583)	(5,411)	(2,376)	(1,212)	(13,584)	(2,879)	(4,805)	(6,844)	(7,793)	(22,322)
Net Cash Provided by (Used in) Financing Activities	(3,482)	(4,355)	(8,175)	(3,387)	(19,401)	(4,899)	2,027	(23,145)	572	(25,444)

**V. Reference Data of Multichannel Pay TV Service**

(Unit: Thousand)

Number of Subscribers and Churn Rate	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
New Subscribers	165	131	159	167	622	132	111	113	124	480
Total for SKY PerfecTV! <sup>5</sup>	165	131	159	167	622	132	111	113	124	480
SKY PerfecTV! (Former SKY PerfecTV! e2)	141	113	142	151	546	116	96	99	109	420
Premium Service	0	14	14	14	61	12	12	11	13	48
Premium Service HIKARI	5	4	3	3	15	3	3	3	3	12
Number of Re-registered Subscribers	25	16	15	49	104	24	20	16	56	117
Total for SKY PerfecTV! <sup>5</sup>	25	16	15	49	104	24	20	16	56	117
SKY PerfecTV! (Former SKY PerfecTV! e2)	21	14	12	43	90	21	17	14	50	103
Premium Service	3	2	2	6	14	3	2	2	6	13
Premium Service HIKARI	0	0	0	0	0	0	1	0	0	1
Churn	173	159	191	188	711	188	153	198	170	710
Total for SKY PerfecTV! <sup>5</sup>	173	159	191	188	711	188	153	198	170	710
SKY PerfecTV! (Former SKY PerfecTV! e2)	88	91	122	110	411	105	94	129	102	430
Premium Service	79	63	64	69	275	65	55	67	65	253
Premium Service HIKARI <sup>6</sup>	6	5	5	8	25	18	3	3	3	27
Net Increase	17	(13)	(18)	28	15	(32)	(22)	(69)	11	(113)
Total for SKY PerfecTV! <sup>5</sup>	17	(13)	(18)	28	15	(32)	(22)	(69)	11	(113)
SKY PerfecTV! (Former SKY PerfecTV! e2)	74	35	32	83	225	32	19	(16)	58	93
Premium Service	(56)	(47)	(48)	(50)	(201)	(50)	(42)	(54)	(46)	(191)
Premium Service HIKARI	(1)	(1)	(2)	(5)	(10)	(14)	1	0	(1)	(14)
Total Subscribers	3,831	3,819	3,801	3,829	3,829	3,797	3,775	3,706	3,717	3,717
Total for SKY PerfecTV! <sup>5</sup>	3,831	3,819	3,801	3,829	3,829	3,797	3,775	3,706	3,717	3,717
SKY PerfecTV! (Former SKY PerfecTV! e2)	1,812	1,847	1,879	1,963	1,963	1,995	2,014	1,998	2,056	2,056
Premium Service	1,907	1,860	1,812	1,762	1,762	1,712	1,671	1,617	1,571	1,571
Premium Service (High Definition)	708	804	878	1,032	1,032	1,128	1,179	1,241	1,261	1,261
Premium Service HIKARI	113	112	109	104	104	90	91	91	90	90
Churn Rate(%) <sup>7</sup>	1.5%	1.4%	1.7%	1.6%	18.6%	1.6%	1.3%	1.8%	1.6%	18.5%
Total for SKY PerfecTV! <sup>5</sup>	1.5%	1.4%	1.7%	1.6%	18.6%	1.6%	1.3%	1.8%	1.6%	18.5%
SKY PerfecTV! (Former SKY PerfecTV! e2)	1.6%	1.7%	2.2%	1.9%	22.2%	1.8%	1.6%	2.2%	1.7%	21.9%
Premium Service	1.4%	1.1%	1.2%	1.3%	14.8%	1.2%	1.1%	1.3%	1.3%	14.3%
Premium Service HIKARI <sup>6</sup>	1.8%	1.6%	1.6%	2.5%	22.8%	5.8%	1.2%	1.0%	1.2%	25.9%

\*5. The figures are the total amounts for SKY PerfecTV! (former SKY PerfecTV! e2), Premium Service, and Premium Service HIKARI. SKY PerfecTV! is the service (former SKY PerfecTV!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.

\*6. As the standard definition service in SKY PerfecTV! Premium service HIKARI ended at the end of June, 2013, the number of churn and churn rate of the service increased temporary for the 1st quarter of the year ended March 31,2014.

\*7. 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.

Subscriber Acquisition Cost (Total for SKY PerfecTV!)	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q <sup>9</sup>	2Q	3Q <sup>12</sup>	4Q	Cumulative
SAC per Subscriber (¥) <sup>8</sup>	26,117	35,244	28,319	31,065	29,931	30,121	32,888	36,524	44,558	36,007
Advertisement expenses	8,701	15,637	10,008	11,202	11,167	10,525	12,806	17,443	23,433	16,024
Promotion expenses	2,113	3,627	3,344	4,207	3,309	3,075	3,872	3,969	4,852	3,930
Sales incentives	3,198	3,111	3,218	3,031	3,140	2,951	3,208	2,401	3,103	2,920
User incentives <sup>10</sup>	6,102	6,321	5,480	5,341	5,784	5,837	5,574	5,894	5,894	5,649
Others	6,003	6,547	6,270	7,285	6,531	7,733	7,427	7,475	7,275	7,483
SAC Total (¥ million) <sup>8</sup>	4,603	5,285	5,042	5,764	20,695	4,399	4,173	4,639	6,266	19,478
Advertisement expenses	1,435	2,046	1,590	1,875	6,948	1,384	1,423	1,970	2,912	7,691
Promotion expenses	348	474	531	704	2,059	404	430	448	602	1,886
Sales incentives	527	407	511	507	1,953	388	356	271	385	1,401
User incentives <sup>10</sup>	1,006	827	870	894	3,599	767	619	591	732	2,711
Others	990	857	996	1,220	4,063	1,017	825	844	904	3,591
Free content costs <sup>11</sup>	294	672	542	561	2,071	436	517	513	728	2,196

\*8. Advertising expense does not include public relations expenses. Other includes SKY Perfect Customer-relations Corporation costs in addition to outsourcing fees.

\*9. The amount of advertising expenses of the 1Q for the year ended March 31, 2014 was revised.

\*10. User incentives are the costs such as antenna installation, incentives for new subscription and etc.

\*11. Free content costs are broadcast rights fees and production costs, etc. related to the BS SKY PerfecTV!.

\*12. The amount of advertising expenses, Promotion expenses, User incentives and Others of the 3Q for the year ended March 31, 2014 was revised.

ARPU (Total for SKY PerfectTV!)	For the year ended March 31, 2013					For the year ended March 31, 2014				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Average Monthly Subscriber's Payment <sup>*13</sup>	3,223	3,238	3,194	3,143	3,200	3,190	3,198	3,174	3,153	3,179
Revenues from own content	132	129	137	126	131	152	147	151	136	147
PPV Subscription fee	69	67	62	61	65	53	52	46	45	49
Monthly subscription fee	2,603	2,623	2,577	2,540	2,586	2,573	2,588	2,566	2,563	2,573
Rental fee	61	61	61	61	61	58	56	56	56	57
Basic fee	359	358	357	356	357	354	355	354	354	354
ARPU <sup>*13</sup>	1,738	1,765	1,808	1,828	1,784	1,938	1,991	2,032	2,059	2,004
Revenues from own content	132	129	137	126	131	152	147	151	136	147
PPV Subscription fee	30	29	37	36	33	35	38	38	39	37
Monthly subscription fee	1,157	1,188	1,216	1,251	1,203	1,338	1,396	1,433	1,475	1,410
Rental fee	61	61	61	61	61	58	56	56	56	57
Basic fee	359	358	357	356	357	354	355	354	354	354

\*13. 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 sales)

## VI. Operating Results of Major Subsidiaries

(Unit: Millions of Yen)

		For the year ended March 31, 2013					For the year ended March 31, 2014				
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
SKY Perfect JSAT Corporation	Revenue	30,904	30,803	30,500	31,925	124,135	31,244	31,154	30,627	36,191	129,218
	Operating Income	4,996	3,238	4,098	2,704	15,037	5,044	5,405	5,524	4,194	20,168
	Ordinary Income	5,152	3,354	4,272	3,195	15,974	5,246	5,404	5,927	4,555	21,133
SKY Perfect Customer-relations Corporation	Revenue	2,429	2,294	2,351	2,631	9,707	2,107	1,814	1,808	1,795	7,526
	Operating Income(loss)	(247)	(378)	104	270	(250)	58	(326)	(94)	(1)	(364)
	Ordinary Income(loss)	(244)	(376)	115	271	(234)	60	(326)	(94)	(1)	(362)
SKY Perfect Broadcasting Corporation	Revenue	10,005	10,481	11,238	11,880	43,605	13,714	14,587	14,898	15,445	58,647
	Operating Income	55	71	142	170	439	254	248	290	250	1,044
	Ordinary Income	56	72	143	171	443	255	249	291	256	1,052
OptiCast Inc.	Revenue	2,852	2,851	2,815	2,791	11,310	2,800	2,752	2,831	2,888	11,273
	Operating Income(loss)	352	233	254	266	1,106	(163)	359	413	425	1,034
	Ordinary Income(loss)	339	220	248	258	1,067	(166)	351	403	419	1,008
Satellite Network, Inc.	Revenue	1,489	1,498	1,526	1,769	6,284	963	1,117	954	1,049	4,085
	Operating Income	113	144	136	209	604	119	122	53	57	353
	Ordinary Income	100	131	125	199	557	116	116	49	50	332
JSAT International Inc.	Revenue	417	443	457	511	1,829	606	689	644	684	2,624
	Operating Income	132	159	180	230	702	280	344	304	347	1,276
	Ordinary Income	134	159	180	233	708	281	351	309	350	1,292
SKY Perfect JSAT Holdings Inc.	Revenue	-	-	-	4,994	4,994	-	-	-	4,994	4,994
	Operating Income(loss)	(205)	(196)	(179)	4,811	4,229	(191)	(184)	(182)	4,830	4,271
	Ordinary Income(loss)	(201)	(196)	(174)	4,810	4,237	(187)	(183)	(188)	4,829	4,270

**VI. Performance Forecasts**

(Unit: Millions of Yen)

Consolidated Performance Forecast	For the year ending March 31, 2015			
	Revenues	Operating Income	Ordinary Income	Net Income
Full Year	163,500	18,000	17,500	12,000

(Unit: Yen)

Dividends Forecast per Share	For the year ending March 31, 2015
Interim	6.00
Year-End	6.00
Total	12.00