

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended September 30, 2014 (Based on Japanese GAAP)

October 29, 2014

Company name: SKY Perfect JSAT Holdings Inc.  
 Stock exchange listing: Tokyo  
 Stock code: 9412 URL <http://skyperfectjsat.co.jp>  
 Representative: Representative Director, President Shinji Takada  
 Inquiries: Director Masao Nito TEL 03-5571-1500  
 Scheduled date to file Quarterly Securities Report: October 31, 2014  
 Scheduled date to commence dividend payments: December 2, 2014  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended September 30, 2014 (from April 1, 2014 to September 30, 2014)

(1) Consolidated financial results (cumulative)

Percentages indicate year-on-year changes

	Operating revenue		Operating income		Ordinary income		Net income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended September 30, 2014	82,381	(0.5)	12,830	17.7	12,761	17.3	10,056	54.1
Six months ended September 30, 2013	82,804	5.5	10,903	33.2	10,881	36.8	6,527	31.2

	Net income per share		Diluted net income per share	
	Yen		Yen	
Six months ended September 30, 2014	32.63		-	
Six months ended September 30, 2013	19.39		-	

(Note) The Company carried out a 1:100 stock split on October 1, 2013. Net income per share has been calculated on the basis that the split had been effective at the beginning of the year ended March 31, 2014.

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of September 30, 2014	278,674	192,462	69.0	623.53
As of March 31, 2014	287,580	184,679	64.1	598.13

(Note) The Company carried out a 1:100 stock split on October 1, 2013. Net assets per share has been calculated on the basis that the split had been effective at the beginning of the year ended March 31, 2014.

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen				
Year ended March 31, 2014	-	600.00	-	6.00	-
Year ending March 31, 2015	-	6.00	-	-	-
Year ending March 31, 2015 (Forecast)	-	-	-	6.00	12.00

(Note) The Company carried out a 1:100 stock split on October 1, 2013. The amount of cash dividend at the 2nd quarter-end of the year ended March 31, 2014 shows the actual dividend before the said stock split.

3. Forecast of consolidated financial results for the year ending March 31, 2015 (from April 1, 2014 to March 31, 2015)

Percentages indicate year-on-year changes

	Operating revenue		Operating income		Ordinary income		Net income		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	163,500	(4.8)	18,000	(17.1)	17,500	(18.7)	12,000	24.2	38.93

4. Notes

- (1) Changes in significant subsidiaries during the six months ended September 30, 2014  
(changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

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

As of September 30, 2014	344,603,700 shares	As of March 31, 2014	344,603,700 shares
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Number of treasury shares at the end of the period

As of September 30, 2014	36,387,600 shares	As of March 31, 2014	36,387,600 shares
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Average number of shares during the period (cumulative from the beginning of the fiscal year)

Six months ended September 30, 2014	308,216,100 shares	Six months ended September 30, 2013	336,551,900 shares
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(Note) The Company carried out a 1:100 stock split on October 1, 2013. Number of issued shares (common shares) has been calculated on the basis that the split had been effective at the beginning of the year ended March 31, 2014.

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
Assets		
Current assets		
Cash and deposits	40,787	48,334
Accounts receivable - trade	24,245	16,200
Securities	22,996	1,999
Broadcasting rights	3,648	3,144
Merchandise	626	714
Work in process	9,821	20,398
Supplies	465	396
Accounts receivable - other	1,357	396
Deferred tax assets	1,432	1,446
Short-term loans receivable	2,574	1,236
Other	2,589	2,956
Allowance for doubtful accounts	(637)	(577)
Total current assets	109,908	96,646
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,241	10,747
Machinery, equipment and vehicles, net	22,115	22,056
Telecommunications satellites	87,475	81,319
Land	3,041	3,041
Leased assets, net	1,117	785
Construction in progress	12,205	25,404
Other, net	3,150	3,000
Total property, plant and equipment	140,347	146,354
Intangible assets		
Goodwill	7,092	6,653
Software	3,512	7,007
Other	99	95
Total intangible assets	10,704	13,756
Investments and other assets		
Investment securities	15,830	11,779
Deferred tax assets	8,309	7,692
Other	2,531	2,445
Allowance for doubtful accounts	(51)	(0)
Total investments and other assets	26,620	21,916
Total non-current assets	177,672	182,027
Total assets	287,580	278,674

(Millions of yen)

	As of March 31, 2014	As of September 30, 2014
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	710	460
Current portion of bonds	20,000	—
Current portion of long-term loans payable	6,708	6,020
Accounts payable - other	21,051	10,660
Income taxes payable	6,048	2,934
Subscription fees received	9,912	10,020
Provision for bonuses	545	464
Asset retirement obligations	332	163
Other	8,927	15,117
<b>Total current liabilities</b>	<b>74,238</b>	<b>45,841</b>
<b>Non-current liabilities</b>		
Long-term loans payable	19,285	30,807
Deferred tax liabilities	1,165	1,143
Provision for directors' retirement benefits	6	6
Net defined benefit liability	3,992	4,107
Asset retirement obligations	2,105	2,126
Other	2,107	2,180
<b>Total non-current liabilities</b>	<b>28,662</b>	<b>40,370</b>
<b>Total liabilities</b>	<b>102,900</b>	<b>86,212</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	10,000	10,000
Capital surplus	158,193	158,193
Retained earnings	33,728	41,938
Treasury shares	(19,128)	(19,128)
<b>Total shareholders' equity</b>	<b>182,793</b>	<b>191,004</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	760	446
Deferred gains or losses on hedges	662	903
Foreign currency translation adjustment	137	(163)
Remeasurements of defined benefit plans	(2)	(7)
<b>Total accumulated other comprehensive income</b>	<b>1,558</b>	<b>1,178</b>
<b>Minority interests</b>	<b>327</b>	<b>279</b>
<b>Total net assets</b>	<b>184,679</b>	<b>192,462</b>
<b>Total liabilities and net assets</b>	<b>287,580</b>	<b>278,674</b>

**Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)**

**Consolidated statements of income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Operating revenue	82,804	82,381
Operating cost	54,128	52,561
Operating gross profit	28,676	29,819
Selling, general and administrative expenses	17,772	16,988
Operating income	10,903	12,830
Non-operating income		
Interest income	204	84
Dividend income	50	51
Share of profit of entities accounted for using equity method	–	95
Foreign exchange gains	22	–
Other	76	62
Total non-operating income	354	293
Non-operating expenses		
Interest expenses	333	237
Share of loss of entities accounted for using equity method	28	–
Foreign exchange losses	–	47
Other	12	77
Total non-operating expenses	375	362
Ordinary income	10,881	12,761
Extraordinary income		
Gain on sales of investment securities	74	988
Other	0	1
Total extraordinary income	74	989
Extraordinary losses		
Loss on sales of investment securities	–	193
Other	10	4
Total extraordinary losses	10	197
Income before income taxes and minority interests	10,945	13,554
Income taxes - current	4,952	3,080
Income taxes - deferred	(506)	459
Total income taxes	4,445	3,539
Income before minority interests	6,500	10,014
Minority interests in loss	(27)	(42)
Net income	6,527	10,056

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Income before minority interests	6,500	10,014
Other comprehensive income		
Valuation difference on available-for-sale securities	272	(312)
Deferred gains or losses on hedges	(130)	239
Foreign currency translation adjustment	806	(301)
Remeasurements of defined benefit plans, net of tax	–	(4)
Share of other comprehensive income of entities accounted for using equity method	11	(0)
Total other comprehensive income	959	(379)
Comprehensive income	7,459	9,634
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	7,486	9,676
Comprehensive income attributable to minority interests	(27)	(42)

## Consolidated statements of cash flows

(Millions of yen)

	Six months ended September 30, 2013	Six months ended September 30, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	10,945	13,554
Depreciation	12,490	11,378
Amortization of goodwill	439	439
Interest and dividend income	(255)	(136)
Interest expenses	333	237
Share of (profit) loss of entities accounted for using equity method	28	(95)
Loss (gain) on sales of investment securities	(74)	(795)
Decrease (increase) in notes and accounts receivable - trade	2,018	8,016
Decrease in Broadcasting rights	504	504
Decrease (increase) in accounts receivable - other	150	961
Decrease (increase) in inventories	(4,795)	(10,595)
Increase (decrease) in accounts payable - other	(4,397)	(10,390)
Increase (decrease) in unearned revenue	5,991	4,147
Other, net	(5)	408
Subtotal	23,375	17,633
Interest and dividend income received	199	197
Interest expenses paid	(370)	(230)
Income taxes paid	(2,444)	(6,234)
Net cash provided by (used in) operating activities	20,760	11,365
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,160)	(17,857)
Purchase of intangible assets	(523)	(529)
Purchase of investment securities	(69)	(109)
Proceeds from sales and redemption of investment securities	1,278	4,786
Purchase of shares of subsidiaries and associates	(913)	(625)
Collection of long-term loans receivable	1,169	1,251
Other, net	(1)	(129)
Net cash provided by (used in) investing activities	(6,221)	(13,212)
Cash flows from financing activities		
Repayments of finance lease obligations	(1,669)	(566)
Proceeds from long-term loans payable	4,483	12,722
Repayments of long-term loans payable	(3,658)	(1,846)
Redemption of bonds	-	(20,000)
Cash dividends paid	(2,017)	(1,848)
Cash dividends paid to minority shareholders	(9)	(6)
Net cash provided by (used in) financing activities	(2,871)	(11,545)
Effect of exchange rate change on cash and cash equivalents	252	(57)
Net increase (decrease) in cash and cash equivalents	11,919	(13,449)
Cash and cash equivalents at beginning of period	74,472	63,783
Cash and cash equivalents at end of period	86,392	50,334