SKY Perfect JSAT Corporation

News Release

October 24, 2017

SKY Perfect JSAT Corporation
Satellite Network, Inc.
enRoute Co., Ltd.

SKY Perfect JSAT Corporation and Satellite Network, Inc. invest in enRoute Co., Ltd.

SKY Perfect JSAT Corporation (Head office: Minato-ku, Tokyo; Representative Director, President & Chief Executive Officer: Shinji Takada; "SJC") and SJC subsidiary Satellite Network, Inc. (Head office: Minato-ku, Tokyo; President and Chief Executive Officer: Takayoshi Matsumoto; "SNET") have acquired 100% voting rights in SNET subsidiary enRoute Co., Ltd. (Head office: Asaka City, Saitama Prefecture; President and Chief Executive Officer: Masayasu Takigawa; "enRoute") effective October 20 through stock acquisition by SNET and third-party allocation of newly issued shares to SJC.

enRoute is a leading industrial multi-rotor drones company in Japan. Since its investment in enRoute in July 2016, SNET has been promoting business in many different fields. With the market for drones expected to continue expanding at a rapid pace, SJC made the decision to invest in the drone business in anticipation of Group synergy.

enRoute's strength is its ability to provide integrated services, from the planning, design, and development of drones to their manufacture, sales and maintenance, as well as a drone pilot training school. enRoute developed agricultural crop-spraying drones ahead of other companies and has become a top agri-drone manufacturer. In the surveying field, the company developed the QC730-TS drone together with Topcon Corporation—a global manufacturer of optical instruments—and SNET. The drone, which dramatically enhances surveying efficiency, was released in September 2017 and is receiving very favorable reviews. enRoute is also taking the lead in the research and development of drones for use in the field of infrastructure inspections, including bridges and solar panels, and disaster management. Going forward, the company plans to provide a service that combines maintenance and information analysis, and other solutions, with drone sales.

With this investment, the SKY Perfect JSAT Group will create a framework for the mass production of high quality drones that meet customer needs. At the same time, the technological capabilities of SJC's Space & Satellite Business will be utilized for the resolution of technical issues—including those related to communication dead zones, such as mountainous and island areas, and flying drones beyond visual line of sight—with satellite communications as well as speed up the development of image analysis and other solutions and services. The Sky Perfect JSAT Group will unite in efforts toward expanding the continually growing fields in which drones are utilized.

[Outline of enRoute Co, Ltd.] (As of October 20, 2017)

Name	enRoute Co., Ltd.
Address	2-4-23 Kitahara, Asaka City, Saitama Prefecture
Capital	946 million yen (including capital reserve)
Shareholders	Satellite Network, Inc. and SKY Perfect JSAT Corporation
Directors	Representative Director & President: Masayasu Takigawa Representative Director & Executive Vice President: Tomoyuki Inoue Director: Hiroshi Kajihara Director (part-time): Takayoshi Matsumoto Director (part-time): Toshihide Nagatsuka Director (part-time): Masato Ogawa Auditor (part-time): Shideko Kono Auditor (part-time): Takayuki Hiragushi

(Reference material)

<The Future of Agriculture and Surveying Changed by enRoute Drones>

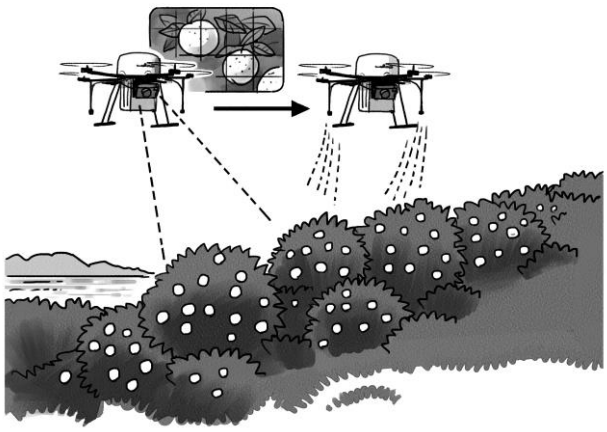
[Agriculture]

Phase 1: Freeing people from drone operation

enRoute agricultural drones, which already realize extremely excellent balance between efficiency and costs, are about to achieve an even further advancement.

The theme toward the future is none other than to free people from having to pilot drones. We will soon be entering an age in which drones can be safely and swiftly flown to spray crops by simply marking a map on a computer or tablet.

Phase2: Accelerating the development of smart drones through computer vision and artificial intelligence



Young rice stalks growing toward harvest time; fruits that deepen in color every day as they begin to ripen and increase their sugar content... The camera that serves as an “eye” of an enRoute drone will not miss even small changes to crops, whether the change is in their color, size or texture. Based on this information, artificial intelligence will immediately determine the pesticide, fertilizer or other chemical agent required, and the drone will then automatically spray crops in the most efficient way. That is what enRoute aims to realize.

[Surveying]

QC730-TS, a Drone for Exclusive Use with the TS Tracking UAS System That Requires No Ground Control Points

(Details can be found in the press release dated September 8, 2017)

enRoute's QC730-TS is a drone for use with Topcon Corporation's TS Tracking UAS, an innovative surveying system that requires no ground control points. Attaching a special prism to the drone's camera made consecutive surveying through automatic tracking possible. The combined use of the QC730-TS drone with this system dramatically improves the efficiency of surveying operations.