

Translation

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## Summary of Consolidated Financial Results for the Year Ended March 31, 2014 (Based on Japanese GAAP)

May 8, 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 of ordinary general meeting of shareholders: June 20, 2014  
 Scheduled date to file Securities Report: June 20, 2014  
 Scheduled date to commence dividend payments: June 23, 2014  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the year ended March 31, 2014 (from April 1, 2013 to March 31, 2014)

#### (1) Consolidated financial results

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	%
Year ended March 31, 2014	171,683	7.6	21,713	34.4	21,529	37.1	9,659	(0.2)
Year ended March 31, 2013	159,609	2.8	16,153	(7.6)	15,698	(6.0)	9,682	13.0

	Net income per share	Diluted net income per share	Net income/equity	Ordinary income/total assets	Operating income/net sales
	Yen	Yen	%	%	%
Year ended March 31, 2014	29.50	–	5.1	7.4	12.6
Year ended March 31, 2013	28.77	–	5.1	5.3	10.1

(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, 2013.

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of March 31, 2014	287,580	184,679	64.1	598.13
As of March 31, 2013	290,486	192,693	66.2	571.33

(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, 2013.

#### (3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended March 31, 2014	33,345	(18,969)	(25,444)	63,783
Year ended March 31, 2013	38,372	(11,119)	(19,401)	74,472

### 2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended March 31, 2013	–	600.00	–	600.00	1,200.00	4,038	41.7	2.1
Year ended March 31, 2014	–	600.00	–	6.00	–	3,868	40.7	2.1
Year ending March 31, 2015 (Forecast)	–	6.00	–	6.00	12.00		30.8	

(Note) The Company carried out a 1:100 stock split on October 1, 2013. The amount of cash dividend of the year ended March 31, 2013 and 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 year ended March 31, 2014

(changes in specified subsidiaries resulting in the change in scope of consolidation): No

(2) 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 after error corrections: No

(3) Number of issued shares (common shares)

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

As of March 31, 2014	344,603,700 shares	As of March 31, 2013	344,603,700 shares
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Number of treasury shares at the end of the period

As of March 31, 2014	36,387,600 shares	As of March 31, 2013	8,051,800 shares
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Average number of shares during the period

Year ended March 31, 2014	327,468,918 shares	Year ended March 31, 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, 2013.

**Consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
Assets		
Current assets		
Cash and deposits	42,478	40,787
Accounts receivable - trade	19,793	24,245
Securities	31,994	22,996
Broadcasting rights	3,482	3,648
Merchandise	215	626
Work in process	178	9,821
Supplies	440	465
Accounts receivable - other	597	1,357
Deferred tax assets	1,354	1,432
Short-term loans receivable	2,114	2,574
Other	2,497	2,589
Allowance for doubtful accounts	(715)	(637)
Total current assets	104,431	109,908
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,938	11,241
Machinery, equipment and vehicles, net	19,757	22,115
Telecommunications satellites	100,532	87,475
Land	3,041	3,041
Leased assets, net	2,623	1,117
Construction in progress	669	12,205
Other, net	3,194	3,150
Total property, plant and equipment	141,758	140,347
Intangible assets		
Goodwill	7,970	7,092
Software	4,368	3,512
Other	121	99
Total intangible assets	12,460	10,704
Investments and other assets		
Investment securities	19,634	15,830
Deferred tax assets	7,609	8,309
Other	4,644	2,531
Allowance for doubtful accounts	(52)	(51)
Total investments and other assets	31,835	26,620
Total non-current assets	186,055	177,672
Total assets	290,486	287,580

(Millions of yen)

	As of March 31, 2013	As of March 31, 2014
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable - trade	783	710
Current portion of bonds	-	20,000
Current portion of long-term loans payable	12,256	6,708
Accounts payable - other	15,460	21,051
Income taxes payable	2,451	6,048
Subscription fees received	10,233	9,912
Provision for bonuses	477	545
Asset retirement obligations	300	332
Other	9,365	8,927
<b>Total current liabilities</b>	<b>51,329</b>	<b>74,238</b>
<b>Non-current liabilities</b>		
Bonds payable	20,000	-
Long-term loans payable	17,142	19,285
Deferred tax liabilities	892	1,165
Provision for retirement benefits	3,729	-
Provision for directors' retirement benefits	6	6
Net defined benefit liability	-	3,992
Asset retirement obligations	1,985	2,105
Other	2,707	2,107
<b>Total non-current liabilities</b>	<b>46,463</b>	<b>28,662</b>
<b>Total liabilities</b>	<b>97,793</b>	<b>102,900</b>
<b>Net assets</b>		
<b>Shareholders' equity</b>		
Capital stock	10,000	10,000
Capital surplus	158,193	158,193
Retained earnings	27,881	33,728
Treasury shares	(3,883)	(19,128)
<b>Total shareholders' equity</b>	<b>192,191</b>	<b>182,793</b>
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	858	760
Deferred gains or losses on hedges	367	662
Foreign currency translation adjustment	(1,135)	137
Remeasurements of defined benefit plans	-	(2)
<b>Total accumulated other comprehensive income</b>	<b>90</b>	<b>1,558</b>
<b>Minority interests</b>	<b>410</b>	<b>327</b>
<b>Total net assets</b>	<b>192,693</b>	<b>184,679</b>
<b>Total liabilities and net assets</b>	<b>290,486</b>	<b>287,580</b>

**Consolidated statements of income and consolidated statements of comprehensive income**  
**Consolidated statements of income**

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Operating revenue	159,609	171,683
Operating cost	106,168	111,252
Operating gross profit	53,441	60,430
Selling, general and administrative expenses	37,288	38,717
Operating income	16,153	21,713
Non-operating income		
Interest income	392	382
Dividend income	52	60
Foreign exchange gains	72	80
Other	119	111
Total non-operating income	637	634
Non-operating expenses		
Interest expenses	670	620
Share of loss of entities accounted for using equity method	8	190
Commission fee	385	-
Other	28	6
Total non-operating expenses	1,092	817
Ordinary income	15,698	21,529
Extraordinary income		
Gain on sales of investment securities	-	74
Gain on reversal of subscription rights to shares	22	-
Profit on redemption of securities	51	-
Other	-	4
Total extraordinary income	73	78
Extraordinary losses		
Impairment loss	123	78
Loss on valuation of investment securities	-	2,975
Other	4	10
Total extraordinary losses	128	3,064
Income before income taxes and minority interests	15,643	18,543
Income taxes - current	6,387	9,772
Income taxes - deferred	(408)	(811)
Total income taxes	5,978	8,960
Income before minority interests	9,664	9,582
Minority interests in loss	(17)	(76)
Net income	9,682	9,659

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

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Income before minority interests	9,664	9,582
Other comprehensive income		
Valuation difference on available-for-sale securities	947	(99)
Deferred gains or losses on hedges	232	292
Foreign currency translation adjustment	483	1,273
Share of other comprehensive income of entities accounted for using equity method	29	4
Total other comprehensive income	1,693	1,470
Comprehensive income	11,358	11,053
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,376	11,129
Comprehensive income attributable to minority interests	(17)	(76)

## Consolidated statements of changes in net assets

Fiscal year ended March 31, 2013

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,000	158,193	22,237	(3,883)	186,547
Changes of items during period					
Dividends of surplus			(4,038)		(4,038)
Net income			9,682		9,682
Purchase of treasury shares					
Change of scope of equity method					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	5,643	-	5,643
Balance at end of current period	10,000	158,193	27,881	(3,883)	192,191

	Accumulated other comprehensive income					Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	(92)	108	(1,618)	-	(1,602)	22	84	185,052
Changes of items during period								
Dividends of surplus								(4,038)
Net income								9,682
Purchase of treasury shares								
Change of scope of equity method								
Net changes of items other than shareholders' equity	951	258	483	-	1,693	(22)	325	1,997
Total changes of items during period	951	258	483	-	1,693	(22)	325	7,641
Balance at end of current period	858	367	(1,135)	-	90	-	410	192,693

Fiscal year ended March 31, 2014

(Millions of yen)

	Shareholders' equity				
	Capital stock	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance at beginning of current period	10,000	158,193	27,881	(3,883)	192,191
Changes of items during period					
Dividends of surplus			(4,038)		(4,038)
Net income			9,659		9,659
Purchase of treasury shares				(15,244)	(15,244)
Change of scope of equity method			225		225
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	5,846	(15,244)	(9,398)
Balance at end of current period	10,000	158,193	33,728	(19,128)	182,793

	Accumulated other comprehensive income					Subscription rights to shares	Minority interests	Total net assets
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	858	367	(1,135)	-	90	-	410	192,693
Changes of items during period								
Dividends of surplus								(4,038)
Net income								9,659
Purchase of treasury shares								(15,244)
Change of scope of equity method								225
Net changes of items other than shareholders' equity	(98)	295	1,273	(2)	1,467	-	(83)	1,384
Total changes of items during period	(98)	295	1,273	(2)	1,467	-	(83)	(8,013)
Balance at end of current period	760	662	137	(2)	1,558	-	327	184,679



## Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2013	Fiscal year ended March 31, 2014
Cash flows from operating activities		
Income before income taxes and minority interests	15,643	18,543
Depreciation	26,116	24,433
Impairment loss	123	78
Amortization of goodwill	878	878
Interest and dividend income	(445)	(442)
Interest expenses	670	620
Share of (profit) loss of entities accounted for using equity method	8	190
Loss (gain) on sales of investment securities	-	(74)
Loss (gain) on valuation of investment securities	-	2,975
Decrease (increase) in notes and accounts receivable - trade	(1,839)	(4,303)
Increase (Decrease) in broadcasting rights	971	(166)
Decrease (increase) in accounts receivable - other	3,007	(760)
Decrease (increase) in inventories	20	(10,078)
Increase (decrease) in accounts payable - other	1,158	5,585
Increase (Decrease) in subscription fees received	(2,975)	(321)
Increase (decrease) in unearned revenue	643	(443)
Other, net	3,067	2,950
Subtotal	47,048	39,664
Interest and dividend income received	425	449
Interest expenses paid	(693)	(669)
Income taxes paid	(8,408)	(6,099)
Net cash provided by (used in) operating activities	38,372	33,345
Cash flows from investing activities		
Proceeds from sales and redemption of securities	97	-
Purchase of property, plant and equipment	(11,646)	(21,065)
Proceeds from sales of property, plant and equipment	68	64
Purchase of intangible assets	(1,938)	(1,256)
Purchase of investment securities	(0)	(79)
Proceeds from sales and redemption of investment securities	1,567	2,515
Collection of long-term loans receivable	1,949	2,387
Purchase of shares of subsidiaries and associates	(974)	(1,521)
Other, net	(243)	(12)
Net cash provided by (used in) investing activities	(11,119)	(18,969)
Cash flows from financing activities		
Repayments of finance lease obligations	(2,119)	(2,105)
Proceeds from long-term loans payable	-	9,679
Repayments of long-term loans payable	(13,590)	(13,721)
Purchase of treasury shares	-	(15,252)
Proceeds from share issuance to minority shareholders	350	-
Cash dividends paid	(4,034)	(4,035)
Cash dividends paid to minority shareholders	(6)	(9)
Net cash provided by (used in) financing activities	(19,401)	(25,444)
Effect of exchange rate change on cash and cash equivalents	217	379
Net increase (decrease) in cash and cash equivalents	8,068	(10,689)
Cash and cash equivalents at beginning of period	66,404	74,472
Cash and cash equivalents at end of period	74,472	63,783