

Translation

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Summary of Consolidated Financial Results for the Year Ended March 31, 2015 (Based on Japanese GAAP)

May 13, 2015

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 26, 2015
 Scheduled date to file Securities Report: June 26, 2015
 Scheduled date to commence dividend payments: June 29, 2015
 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, 2015 (from April 1, 2014 to March 31, 2015)

(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, 2015	163,294	(4.9)	19,627	(9.6)	19,580	(9.1)	13,515	39.9
Year ended March 31, 2014	171,683	7.6	21,713	34.4	21,529	37.1	9,659	(0.2)

	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, 2015	43.85	–	7.1	6.9	12.0
Year ended March 31, 2014	29.50	–	5.1	7.4	12.6

(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 March 31, 2015	282,516	195,640	69.2	634.20
As of March 31, 2014	287,580	184,679	64.1	598.13

(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, 2015	16,633	(34,746)	(12,078)	33,963
Year ended March 31, 2014	33,345	(18,969)	(25,444)	63,783

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, 2014	–	600.00	–	6.00	–	3,868	40.7	2.1
Year ended March 31, 2015	–	6.00	–	6.00	12.00	3,698	27.4	1.9
Year ending March 31, 2016 (Forecast)	–	7.00	–	7.00	14.00		29.8	

(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, 2016 (from April 1, 2015 to March 31, 2016)

Percentages indicate year-on-year changes

	Operating revenue		Operating income		Ordinary income		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	168,000	2.9	23,000	17.2	22,500	14.9	14,500	7.3	47.04

4. Notes

(1) Changes in significant subsidiaries during the year ended March 31, 2015

(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, 2015	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 March 31, 2015	36,387,600 shares	As of March 31, 2014	36,387,600 shares
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Average number of shares during the period

Year ended March 31, 2015	308,216,100 shares	Year ended March 31, 2014	327,468,918 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.

Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Assets		
Current assets		
Cash and deposits	40,787	33,963
Accounts receivable - trade	24,245	17,424
Securities	22,996	—
Broadcasting rights	3,648	5,771
Merchandise	626	452
Work in process	9,821	29,404
Supplies	465	437
Accounts receivable - other	1,357	576
Deferred tax assets	1,432	1,055
Short-term loans receivable	2,574	—
Other	2,589	3,775
Allowance for doubtful accounts	(637)	(566)
Total current assets	109,908	92,295
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	11,241	10,510
Machinery, equipment and vehicles, net	22,115	21,474
Telecommunications satellites	87,475	75,335
Land	3,041	3,041
Leased assets, net	1,117	645
Construction in progress	12,205	39,903
Other, net	3,150	3,519
Total property, plant and equipment	140,347	154,430
Intangible assets		
Goodwill	7,092	6,214
Software	3,512	6,932
Other	99	77
Total intangible assets	10,704	13,223
Investments and other assets		
Investment securities	15,830	13,185
Deferred tax assets	8,309	6,721
Other	2,531	2,660
Allowance for doubtful accounts	(51)	(0)
Total investments and other assets	26,620	22,566
Total non-current assets	177,672	190,221
Total assets	287,580	282,516

(Millions of yen)

	As of March 31, 2014	As of March 31, 2015
Liabilities		
Current liabilities		
Accounts payable - trade	710	995
Current portion of bonds	20,000	–
Current portion of long-term loans payable	6,708	2,402
Accounts payable - other	21,051	16,126
Income taxes payable	6,048	514
Subscription fees received	9,912	9,743
Unearned revenue	2,192	2,428
Provision for bonuses	545	553
Asset retirement obligations	332	23
Other	6,734	7,187
Total current liabilities	74,238	39,974
Non-current liabilities		
Long-term loans payable	19,285	35,964
Deferred tax liabilities	1,165	1,391
Provision for directors' retirement benefits	6	6
Net defined benefit liability	3,992	4,439
Asset retirement obligations	2,105	2,135
Other	2,107	2,964
Total non-current liabilities	28,662	46,901
Total liabilities	102,900	86,876
Net assets		
Shareholders' equity		
Capital stock	10,000	10,000
Capital surplus	158,193	158,193
Retained earnings	33,728	43,548
Treasury shares	(19,128)	(19,128)
Total shareholders' equity	182,793	192,614
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	760	618
Deferred gains or losses on hedges	662	1,112
Foreign currency translation adjustment	137	1,243
Remeasurements of defined benefit plans	(2)	(119)
Total accumulated other comprehensive income	1,558	2,854
Minority interests	327	171
Total net assets	184,679	195,640
Total liabilities and net assets	287,580	282,516

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

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Operating revenue	171,683	163,294
Operating cost	111,252	104,175
Operating gross profit	60,430	59,119
Selling, general and administrative expenses	38,717	39,491
Operating income	21,713	19,627
Non-operating income		
Interest income	382	117
Dividend income	60	63
Share of profit of entities accounted for using equity method	–	75
Foreign exchange gains	80	–
Other	111	148
Total non-operating income	634	405
Non-operating expenses		
Interest expenses	620	339
Share of loss of entities accounted for using equity method	190	–
Other	6	112
Total non-operating expenses	817	452
Ordinary income	21,529	19,580
Extraordinary income		
Gain on sales of investment securities	74	988
Other	4	3
Total extraordinary income	78	991
Extraordinary losses		
Impairment loss	78	–
Loss on sales of investment securities	–	201
Loss on valuation of investment securities	2,975	2
Other	10	5
Total extraordinary losses	3,064	209
Income before income taxes and minority interests	18,543	20,362
Income taxes - current	9,772	5,091
Income taxes - deferred	(811)	1,809
Total income taxes	8,960	6,901
Income before minority interests	9,582	13,461
Minority interests in loss	(76)	(54)
Net income	9,659	13,515

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Income before minority interests	9,582	13,461
Other comprehensive income		
Valuation difference on available-for-sale securities	(99)	(139)
Deferred gains or losses on hedges	292	373
Foreign currency translation adjustment	1,273	1,105
Remeasurements of defined benefit plans, net of tax	–	(117)
Share of other comprehensive income of entities accounted for using equity method	4	(21)
Total other comprehensive income	1,470	1,200
Comprehensive income	11,053	14,662
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	11,129	14,812
Comprehensive income attributable to minority interests	(76)	(150)

Consolidated statements of changes in net assets

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
Cumulative effects of changes in accounting policies					–
Restated balance	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					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
Cumulative effects of changes in accounting policies							–
Restated balance	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

Fiscal year ended March 31, 2015

(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	33,728	(19,128)	182,793
Cumulative effects of changes in accounting policies			3		3
Restated balance	10,000	158,193	33,731	(19,128)	182,796
Changes of items during period					
Dividends of surplus			(3,698)		(3,698)
Net income			13,515		13,515
Purchase of treasury shares					
Change of scope of equity method					
Net changes of items other than shareholders' equity					
Total changes of items during period	-	-	9,817	-	9,817
Balance at end of current period	10,000	158,193	43,548	(19,128)	192,614

	Accumulated other comprehensive income					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	760	662	137	(2)	1,558	327	184,679
Cumulative effects of changes in accounting policies						0	3
Restated balance	760	662	137	(2)	1,558	327	184,683
Changes of items during period							
Dividends of surplus							(3,698)
Net income							13,515
Purchase of treasury shares							
Change of scope of equity method							
Net changes of items other than shareholders' equity	(142)	450	1,105	(116)	1,296	(156)	1,140
Total changes of items during period	(142)	450	1,105	(116)	1,296	(156)	10,957
Balance at end of current period	618	1,112	1,243	(119)	2,854	171	195,640

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended March 31, 2014	Fiscal year ended March 31, 2015
Cash flows from operating activities		
Income before income taxes and minority interests	18,543	20,362
Depreciation	24,433	22,867
Impairment loss	78	–
Amortization of goodwill	878	878
Interest and dividend income	(442)	(180)
Interest expenses	620	339
Share of (profit) loss of entities accounted for using equity method	190	(75)
Loss (gain) on sales of investment securities	(74)	(786)
Loss (gain) on valuation of investment securities	2,975	2
Decrease (increase) in notes and accounts receivable - trade	(4,303)	6,916
Increase (Decrease) in broadcasting rights	(166)	(2,122)
Decrease (increase) in accounts receivable - other	(760)	781
Decrease (increase) in inventories	(10,078)	(19,381)
Increase (decrease) in accounts payable - other	5,585	(4,931)
Increase (decrease) in accrued consumption taxes	(12)	926
Increase (decrease) in unearned revenue	(443)	232
Other, net	2,641	2,144
Subtotal	39,664	27,973
Interest and dividend income received	449	246
Interest expenses paid	(669)	(320)
Income taxes paid	(6,099)	(11,266)
Net cash provided by (used in) operating activities	33,345	16,633
Cash flows from investing activities		
Purchase of property, plant and equipment	(21,065)	(35,398)
Purchase of intangible assets	(1,256)	(5,070)
Purchase of investment securities	(79)	(109)
Proceeds from sales and redemption of investment securities	2,515	4,809
Collection of long-term loans receivable	2,387	2,583
Purchase of shares of subsidiaries and associates	(1,521)	(1,291)
Other, net	51	(269)
Net cash provided by (used in) investing activities	(18,969)	(34,746)
Cash flows from financing activities		
Repayments of finance lease obligations	(2,105)	(743)
Proceeds from long-term loans payable	9,679	19,080
Repayments of long-term loans payable	(13,721)	(6,713)
Redemption of bonds	–	(20,000)
Purchase of treasury shares	(15,252)	–
Cash dividends paid	(4,035)	(3,696)
Cash dividends paid to minority shareholders	(9)	(6)
Net cash provided by (used in) financing activities	(25,444)	(12,078)
Effect of exchange rate change on cash and cash equivalents	379	372
Net increase (decrease) in cash and cash equivalents	(10,689)	(29,820)
Cash and cash equivalents at beginning of period	74,472	63,783
Cash and cash equivalents at end of period	63,783	33,963