

Summary of Business Results for the Three Months Ended June 30, 2016

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 Three Months Ended June 30, 2016

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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, 2016					For the year ending March 31, 2017
	1Q	2Q	3Q	4Q	Cumulative	1Q
Revenues	41,122	40,633	41,710	39,438	162,905	39,707
Operating Income	5,855	5,015	7,689	5,650	24,210	6,266
Ordinary Income	5,792	5,091	7,670	5,457	24,012	6,285
Profit attributable to owners of parent	3,788	3,246	5,099	4,733	16,867	4,284
Total Assets	197,331	203,995	198,368	200,511	-	199,331
Total Equity	303,605	315,864	306,540	319,223	-	320,184
Net Income per Share	12.29	10.53	16.74	15.94	55.39	14.43
Total Equity per Share	639.63	647.52	653.98	661.80	661.80	658.55
EBITDA ^{*1}	11,563	11,003	13,362	10,741	46,669	11,700
Cash Dividend per Unit Share	-	7	-	7	14	-
Net Cash Provided by Operating Activities	10,748	3,320	9,276	1,460	24,806	4,199
Net Cash Provided by (Used in) Investing Activities	(10,066)	(6,404)	(4,266)	(8,066)	(28,804)	(4,905)
Net Cash Provided by (Used in) Financing Activities	17,868	7,673	(9,347)	2,392	18,586	(919)

*1. EBITDA is calculated as Net Income + Tax Expense + Depreciation Expense+ Goodwill Amortization + Interest Expense.

II. Segment Information

(Unit: Millions of Yen)

	For the year ended March 31, 2016					For the year ending March 31, 2017
	1Q	2Q	3Q	4Q	Cumulative	1Q
Revenues	41,122	40,633	41,710	39,438	162,905	39,707
Multichannel Pay TV Business	30,904	30,636	29,690	29,184	120,415	30,095
Space & Satellite Business	13,320	13,098	14,992	13,187	54,599	12,626
Eliminations and Corporate Total	(3,102)	(3,101)	(2,972)	(2,932)	(12,109)	(3,013)
Operating Income (Loss)	5,855	5,015	7,689	5,650	24,210	6,266
Multichannel Pay TV Business	1,307	772	3,087	1,074	6,241	1,861
Space & Satellite Business	4,714	4,407	4,752	4,738	18,611	4,585
Eliminations and Corporate Total	(166)	(164)	(150)	(162)	(643)	(180)
Depreciation Expense	5,458	5,373	4,992	4,868	20,693	4,944
Multichannel Pay TV Business	—	—	—	—	7,233	—
Space & Satellite Business	—	—	—	—	13,082	—
Eliminations and Corporate Total	—	—	—	—	378	—
Capital Expenditures	9,204	7,371	4,088	5,601	26,266	4,130
Multichannel Pay TV Business	—	—	—	—	4,434	—
Space & Satellite Business	—	—	—	—	21,549	—
Eliminations and Corporate Total	—	—	—	—	282	—

III. Reference Data of Multichannel Pay TV Service

(Unit: Thousand)

Number of Subscribers and Churn Rate		For the year ended March 31, 2016					For the year ending March 31, 2017
		1Q	2Q	3Q	4Q	Cumulative	1Q
New Subscribers	Total for SKY PerfecTV! ^{*2}	120	106	96	122	443	86
	SKY PerfecTV! (Former SKY PerfecTV! e2)	104	92	84	106	387	69
	Premium Service	13	12	9	14	48	15
	Premium Service Hikari	2	2	2	2	8	2
Number of Re-registered Subscribers	Total for SKY PerfecTV! ^{*2}	32	26	25	69	153	35
	SKY PerfecTV! (Former SKY PerfecTV! e2)	28	23	22	61	135	31
	Premium Service	4	3	3	8	18	4
	Premium Service Hikari	0	0	0	0	0	0
Churn	Total for SKY PerfecTV! ^{*2}	129	135	173	139	575	129
	SKY PerfecTV! (Former SKY PerfecTV! e2)	97	105	138	107	447	100
	Premium Service	30	27	32	29	118	28
	Premium Service Hikari	3	3	2	3	10	2
Net Increase	Total for SKY PerfecTV! ^{*2}	23	(3)	(52)	53	21	(9)
	SKY PerfecTV! (Former SKY PerfecTV! e2)	36	10	(32)	61	75	0
	Premium Service	(13)	(12)	(19)	(7)	(52)	(9)
	Premium Service Hikari	(0)	(1)	(1)	(1)	(3)	(0)
Total Subscribers	Total for SKY PerfecTV! ^{*2}	3,484	3,482	3,430	3,482	3,482	3,473
	SKY PerfecTV! (Former SKY PerfecTV! e2)	2,156	2,166	2,134	2,195	2,195	2,195
	Premium Service	1,242	1,229	1,210	1,203	1,203	1,194
	Premium Service Hikari	87	86	86	85	85	85
Churn Rate(%) ^{*3}	Total for SKY PerfecTV! ^{*2}	3.7%	3.9%	5.0%	4.0%	16.6%	3.7%
	SKY PerfecTV! (Former SKY PerfecTV! e2)	4.6%	4.9%	6.5%	5.0%	21.1%	4.5%
	Premium Service	2.4%	2.2%	2.5%	2.3%	9.4%	2.3%
	Premium Service Hikari	3.2%	2.9%	2.8%	3.0%	12.0%	2.8%

*2. 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.

*3. Quarterly Churn Rate is calculated by dividing Each quarterly churn subscribers and Total Subscribers at the end of the previous fiscal year.

(Unit: Millions of Yen)

Subscriber Acquisition Cost (Total for SKY PerfectTV!)	For the year ended March 31, 2016					For the year ending March 31, 2017
	1Q	2Q	3Q	4Q	Cumulative	1Q
SAC per Subscriber (Yen) ^{*4}	32,051	38,868	29,056	31,981	33,018	37,790
Advertisement expenses	13,631	18,247	10,301	16,142	14,707	14,019
Promotion expenses	3,779	4,401	3,636	3,611	3,851	3,722
Sales incentives	1,465	1,366	1,399	1,150	1,340	2,051
User incentives ^{*5}	5,656	6,235	5,113	4,659	5,404	9,106
Others	7,521	8,619	8,608	6,419	7,716	8,893
SAC Total (Millions of Yen) ^{*4}	4,847	5,681	3,867	5,385	19,783	4,308
Advertisement expenses	1,630	1,936	984	1,963	6,514	1,205
Promotion expenses	452	466	347	439	1,705	320
Sales incentives	175	144	133	139	593	176
User incentives ^{*5}	676	661	488	566	2,393	783
Others	899	914	822	780	3,417	764
Free content costs ^{*6}	1,013	1,557	1,090	1,495	5,157	1,057

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

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

*6. Free content costs are broadcast rights fees and production costs, etc. related to the BS SKY PerfectTV!.

(Unit: Yen)

ARPU (Total for SKY PerfecTV!)	For the year ended March 31, 2016					For the year ending March 31, 2017
	1Q	2Q	3Q	4Q	Cumulative	1Q
Average Monthly Subscriber's Payment ^{*7}	3,378	3,369	3,321	3,270	3,335	3,331
Revenues from own content	181	180	180	165	177	182
PPV Subscription fee	38	37	35	33	36	32
Monthly subscription fee	2,756	2,752	2,707	2,681	2,724	2,728
Rental fee	52	50	49	40	48	39
Basic fee	351	351	350	350	351	350
ARPU ^{*7}	2,232	2,215	2,181	2,136	2,191	2,164
Revenues from own content	181	180	180	165	177	182
PPV Subscription fee	36	36	34	32	34	31
Monthly subscription fee	1,612	1,599	1,567	1,548	1,582	1,561
Rental fee	52	50	49	40	48	39
Basic fee	351	351	350	350	351	350

*7. 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)