SKY Perfect JSAT Holdings Inc.

News Release



January 4, 2017 SKY Perfect JSAT Holdings Inc.

Beginning of year briefing by our President

Our President Shinji Takada made the following briefing to all of the Group's employees regarding the commencement of work for this year.

<u>Briefing by SKY Perfect JSAT Holdings Inc. Representative Director and President Shinji Takada (summary)</u>

First, I would like to look back on 2016 at the beginning of this new year.

I would like for our entire company to celebrate the success of three satellite launches as an important mission to support our business foundations in 2016. Two satellites are already smoothly operating, and the JCSAT-15 that was launched at the end of last year is also smoothly operating and will be used in test broadcasting of 110-degree CS left-handed circular polarization from April. At the end of this month, a satellite for the Ministry of Defense will be launched for the first time using a Japanese-made H2A rocket, and accordingly I would like to request everyone to make full preparations to ensure that all four launches for FY2016 are a success.

I would like to confirm the important issues for this year.

Multichannel Pay TV Business

The certification of 110-degree CS left-handed circular polarization 4K8K broadcasting is also scheduled for next week, and preparations will be accelerated in aim for the start of actual broadcasting at the end of FY2018. In addition to promoting the development of the reception environment essential for the spread of this broadcasting and of course the building of platform equipment, we will also work to take the lead in fostering needs through the production of quality contents and proactive awareness raising and PR activities. I would like to take full advantage of the state-of-the-art 4KHDR SNG trucks that will be introduced this month.

We will create original services that we are uniquely capable of by leveraging our strengths in user interfaces using the 4K8K broadcast method MMT and smart TV functions. I would also like to get on track towards the realization of 110-degree CS left-handed circular polarization bandwidth HD editing as quickly as possible.

Space and Satellite Business

The procurement of highly-functional satellites with a new mission for 2018 and 2019 is going smoothly, and a major theme being addressed is sales promotion in response to global demand centered around the Asia-Pacific region and mobile demand.

We will further strengthen initiatives in new business developing using non-geostationary low earth orbit satellites and drones that looks to be a promising market. We will leverage our strengths of owning and operating geostationary satellites in the security and IoT fields and focus on the development of information services utilizing images and data to promote coordination across multiple fields.

Reforms in working and communication styles

While I communicated my stance towards reforms in working styles last year, reductions in working hours and strengthened work attendance management alone will not lead to true reform or the growth of the company. In order to fully implement reforms in working styles, we need to reorganize our organization that has become fragmented as our services have become more diverse to enable flexible and effective business operations. In addition, we will aim to invigorate communication inside and outside of the company and create an environment that enables the promotion of new business development aimed at growth.

Management will speedily implement operations while making various decisions. I would like for everyone to take on challenges in the new year while recognizing once more that this will be a year during which we must achieve big changes.