

Summary of Business Results for the Nine Months Ended December 31, 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 Nine Months Ended December 31, 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	3Q Cumulative	4Q	Cumulative	1Q	2Q	3Q	3Q Cumulative
Revenues	41,122	40,633	41,710	123,466	39,438	162,905	39,707	39,610	38,806	118,124
Operating Income	5,855	5,015	7,689	18,560	5,650	24,210	6,266	4,795	4,468	15,530
Ordinary Income	5,792	5,091	7,670	18,554	5,457	24,012	6,285	4,839	4,745	15,870
Profit attributable to owners of parent	3,788	3,246	5,099	12,134	4,733	16,867	4,284	2,727	3,270	10,283
Total Assets	197,331	203,995	198,368	198,368	200,511	200,511	199,331	202,126	205,409	205,409
Total Equity	303,605	315,864	306,540	306,540	319,223	319,223	320,184	323,657	317,152	317,152
Net Income per Share (Yen)	12.29	10.53	16.74	39.52	15.94	55.39	14.43	9.18	11.01	34.62
Total Equity per Share (Yen)	639.63	647.52	653.98	653.98	661.80	661.80	658.55	668.58	680.45	680.45
EBITDA**1	11,563	11,003	13,362	35,928	10,741	46,669	11,700	9,935	10,871	32,507
Cash Dividend per Unit Share (Yen)	-	7.00	-	7.00	7.00	14.00	-	8.00	-	8.00
Net Cash Provided by Operating Activities	10,748	3,320	9,276	23,346	1,460	24,806	4,199	3,478	(113)	7,564
Net Cash Provided by (Used in) Investing Activities	(10,066)	(6,404)	(4,266)	(20,737)	(8,066)	(28,804)	(4,905)	(6,102)	(5,958)	(16,965)
Net Cash Provided by (Used in) Financing Activities	17,868	7,673	(9,347)	16,194	2,392	18,586	(919)	463	(1,199)	(1,655)

*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	3Q Cumulative	4Q	Cumulative	1Q	2Q	3Q	3Q Cumulative
Revenues	41,122	40,633	41,710	123,466	39,438	162,905	39,707	39,610	38,806	118,124
Multichannel Pay TV Business	30,904	30,636	29,690	91,231	29,184	120,415	30,095	29,882	29,130	89,108
Space & Satellite Business	13,320	13,098	14,992	41,411	13,187	54,599	12,626	12,718	12,580	37,925
Eliminations and Corporate Total	(3,102)	(3,101)	(2,972)	(9,176)	(2,932)	(12,109)	(3,013)	(2,990)	(2,905)	(8,909)
Operating Income (Loss)	5,855	5,015	7,689	18,560	5,650	24,210	6,266	4,795	4,468	15,530
Multichannel Pay TV Business	1,307	772	3,087	5,167	1,074	6,241	1,861	1,023	1,135	4,019
Space & Satellite Business	4,714	4,407	4,752	13,873	4,738	18,611	4,585	3,937	3,488	12,011
Eliminations and Corporate Total	(166)	(164)	(150)	(480)	(162)	(643)	(180)	(165)	(155)	(501)
Depreciation Expense	5,458	5,373	4,992	15,824	4,868	20,693	4,944	5,354	5,503	15,802
Multichannel Pay TV Business	—	—	—	—	—	7,233	—	—	—	—
Space & Satellite Business	—	—	—	—	—	13,082	—	—	—	—
Eliminations and Corporate Total	—	—	—	—	—	378	—	—	—	—
Capital Expenditures	9,204	7,371	4,088	20,664	5,601	26,266	4,130	3,746	2,514	10,391
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	2Q	3Q
New Subscribers	Total for SKY PerfecTV! ^{*2}	120	106	96	122	443	86	88	85
	SKY PerfecTV! (Former SKY PerfecTV! e2)	104	92	84	106	387	69	71	67
	Premium Service	13	12	9	14	48	15	16	16
	Premium Service Hikari	2	2	2	2	8	2	2	2
Number of Re-registered Subscribers	Total for SKY PerfecTV! ^{*2}	32	26	25	69	153	35	29	28
	SKY PerfecTV! (Former SKY PerfecTV! e2)	28	23	22	61	135	31	26	25
	Premium Service	4	3	3	8	18	4	3	3
	Premium Service Hikari	0	0	0	0	0	0	0	0
Churn	Total for SKY PerfecTV! ^{*2}	129	135	173	139	575	129	145	210
	SKY PerfecTV! (Former SKY PerfecTV! e2)	97	105	138	107	447	100	114	168
	Premium Service	30	27	32	29	118	28	28	40
	Premium Service Hikari	3	3	2	3	10	2	2	3
Net Increase	Total for SKY PerfecTV! ^{*2}	23	(3)	(52)	53	21	(9)	(28)	(97)
	SKY PerfecTV! (Former SKY PerfecTV! e2)	36	10	(32)	61	75	0	(17)	(75)
	Premium Service	(13)	(12)	(19)	(7)	(52)	(9)	(10)	(21)
	Premium Service Hikari	(0)	(1)	(1)	(1)	(3)	(0)	(0)	(1)
Total Subscribers	Total for SKY PerfecTV! ^{*2}	3,484	3,482	3,430	3,482	3,482	3,473	3,446	3,348
	SKY PerfecTV! (Former SKY PerfecTV! e2)	2,156	2,166	2,134	2,195	2,195	2,195	2,178	2,102
	Premium Service	1,242	1,229	1,210	1,203	1,203	1,194	1,184	1,163
	Premium Service Hikari	87	86	86	85	85	85	84	83
Churn Rate(%) ^{*3}	Total for SKY PerfecTV! ^{*2}	3.7%	3.9%	5.0%	4.0%	16.6%	3.7%	4.2%	6.0%
	SKY PerfecTV! (Former SKY PerfecTV! e2)	4.6%	4.9%	6.5%	5.0%	21.1%	4.5%	5.2%	7.6%
	Premium Service	2.4%	2.2%	2.5%	2.3%	9.4%	2.3%	2.4%	3.3%
	Premium Service Hikari	3.2%	2.9%	2.8%	3.0%	12.0%	2.8%	2.7%	3.2%

*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	2Q	3Q
SAC per Subscriber (Yen) ^{*4}	32,051	38,868	29,056	31,981	33,018	37,790	37,971	43,490
Advertisement expenses	13,631	18,247	10,301	16,142	14,707	14,019	16,164	21,656
Promotion expenses	3,779	4,401	3,636	3,611	3,851	3,722	3,915	4,127
Sales incentives	1,465	1,366	1,399	1,150	1,340	2,051	1,980	1,632
User incentives ^{*5}	5,656	6,235	5,113	4,659	5,404	9,106	7,339	6,859
Others	7,521	8,619	8,608	6,419	7,716	8,893	8,572	9,217
SAC Total (Millions of Yen) ^{*4}	4,847	5,681	3,867	5,385	19,783	4,308	5,202	4,814
Advertisement expenses	1,630	1,936	984	1,963	6,514	1,205	1,427	1,844
Promotion expenses	452	466	347	439	1,705	320	345	351
Sales incentives	175	144	133	139	593	176	174	138
User incentives ^{*5}	676	661	488	566	2,393	783	648	584
Others	899	914	822	780	3,417	764	756	784
Free content costs ^{*6}	1,013	1,557	1,090	1,495	5,157	1,057	1,849	1,110

*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 PerfectTV!)	For the year ended March 31, 2016					For the year ending March 31, 2017		
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q
Average Monthly Subscriber's Payment ^{*7}	3,378	3,369	3,321	3,270	3,335	3,331	3,323	3,295
Revenues from own content	181	180	180	165	177	182	178	180
PPV Subscription fee	38	37	35	33	36	32	31	31
Monthly subscription fee	2,756	2,752	2,707	2,681	2,724	2,728	2,726	2,696
Rental fee	52	50	49	40	48	39	38	38
Basic fee	351	351	350	350	351	350	350	350
ARPU ^{*7}	2,232	2,215	2,181	2,136	2,191	2,164	2,154	2,142
Revenues from own content	181	180	180	165	177	182	178	180
PPV Subscription fee	36	36	34	32	34	31	31	30
Monthly subscription fee	1,612	1,599	1,567	1,548	1,582	1,561	1,556	1,543
Rental fee	52	50	49	40	48	39	38	38
Basic fee	351	351	350	350	351	350	350	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)