

## Summary of Business Results for the Six Months Ended September 30, 2017

SKY Perfect JSAT Holdings Inc.  
Today announced the consolidated financial and operational results for the Six Months Ended September 30, 2017.

Contents:

- I . Consolidated Financial Highlights**
- II . Segment Information**
- III . Reference Data of Multichannel Pay TV Service**
  - Number of Subscribers and Churn Rate
  - SAC
  - ARPU

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, 2017						For the year ending March 31, 2018		
	1Q	2Q	2Q Cumulative	3Q	4Q	Cumulative	1Q	2Q	2Q Cumulative
Revenues	39,707	39,610	<b>79,318</b>	38,806	74,750	192,875	37,195	36,525	<b>73,720</b>
Operating Income	6,266	4,795	<b>11,061</b>	4,468	8,903	24,433	4,334	4,547	<b>8,881</b>
Ordinary Income	6,285	4,839	<b>11,125</b>	4,745	9,004	24,875	4,535	4,917	<b>9,453</b>
Profit attributable to owners of parent	4,284	2,727	<b>7,012</b>	3,270	7,132	17,415	2,941	3,465	<b>6,407</b>
Total Assets	199,331	202,126	<b>202,126</b>	205,409	213,908	213,908	214,648	217,931	<b>217,931</b>
Total Equity	320,184	323,657	<b>323,657</b>	317,152	359,484	359,484	361,968	357,021	<b>357,021</b>
Net Income per Share (Yen)	14.43	9.18	<b>23.61</b>	11.01	24.01	58.64	9.91	11.67	<b>21.57</b>
Total Equity per Share (Yen)	658.55	668.58	<b>668.58</b>	680.45	709.14	709.14	711.74	723.36	<b>723.36</b>
EBITDA <sup>*1</sup>	11,700	9,935	<b>21,635</b>	10,871	15,217	47,724	10,942	11,589	<b>22,531</b>
Cash Dividend per Unit Share (Yen)	-	8.00	<b>8</b>	-	10	18	-	9.00	<b>9</b>
Net Cash Provided by Operating Activities	4,199	3,478	<b>7,678</b>	(113)	(535)	7,029	11,892	(3,882)	<b>8,010</b>
Net Cash Provided by (Used in) Investing Activities	(4,905)	(6,102)	<b>(11,007)</b>	(5,958)	(5,917)	(22,882)	(4,845)	(6,920)	<b>(11,766)</b>
Net Cash Provided by (Used in) Financing Activities	(919)	463	<b>(455)</b>	(1,199)	15,124	13,469	3,966	1,124	<b>5,091</b>

\*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, 2017						For the year ending March 31, 2018		
	1Q	2Q	2Q Cumulative	3Q	4Q	Cumulative	1Q	2Q	2Q Cumulative
Revenues	39,707	39,610	<b>79,318</b>	38,806	74,750	192,875	37,195	36,525	<b>73,720</b>
Media Business	30,095	29,882	<b>59,978</b>	29,130	27,668	116,777	27,424	26,828	<b>54,253</b>
Space & Satellite Business	12,626	12,718	<b>25,344</b>	12,580	49,822	87,748	12,524	12,428	<b>24,953</b>
Eliminations and Corporate Total	(3,013)	(2,990)	<b>(6,004)</b>	(2,905)	(2,740)	(11,650)	(2,754)	(2,731)	<b>(5,485)</b>
Operating Income (Loss)	6,266	4,795	<b>11,061</b>	4,468	8,903	24,433	4,334	4,547	<b>8,881</b>
Media Business	1,861	1,023	<b>2,884</b>	1,135	551	4,571	1,005	1,448	<b>2,453</b>
Space & Satellite Business	4,585	3,937	<b>8,522</b>	3,488	8,515	20,527	3,531	3,430	<b>6,962</b>
Eliminations and Corporate Total	(180)	(165)	<b>(345)</b>	(155)	(164)	(665)	(202)	(331)	<b>(533)</b>
Depreciation Expense	4,944	5,354	<b>10,299</b>	5,503	5,738	21,541	5,870	5,811	<b>11,682</b>
Media Business	—	—	—	—	—	6,962	—	—	—
Space & Satellite Business	—	—	—	—	—	14,264	—	—	—
Eliminations and Corporate Total	—	—	—	—	—	314	—	—	—
Capital Expenditures	4,130	3,746	<b>7,877</b>	2,514	5,785	16,177	1,888	2,473	<b>4,361</b>
Media Business	—	—	—	—	—	5,635	—	—	—
Space & Satellite Business	—	—	—	—	—	10,370	—	—	—
Eliminations and Corporate Total	—	—	—	—	—	170	—	—	—

III. Reference Data of Multichannel Pay TV Service

(Unit: Thousand)

Number of Subscribers and Churn Rate		For the year ended March 31, 2017					For the year ending March 31, 2018	
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
New Subscribers	Total for SKY PerfectTV! <sup>*2</sup>	86	88	85	91	350	84	75
	SKY PerfectTV!	69	71	67	73	280	67	60
	SKY PerfectTV! Premium Service	15	16	16	15	62	14	13
	SKY PerfectTV! Premium Service Hikari	2	2	2	3	8	3	2
Number of Re-registered Subscribers	Total for SKY PerfectTV! <sup>*2</sup>	35	29	28	75	166	45	33
	SKY PerfectTV!	31	26	25	68	150	41	30
	Premium Service	4	3	3	7	16	4	3
	Premium Service Hikari	0	0	0	0	0	0	0
Churn	Total for SKY PerfectTV! <sup>*2</sup>	129	145	210	194	679	136	137
	SKY PerfectTV!	100	114	168	150	531	104	106
	Premium Service	28	28	40	41	137	30	29
	Premium Service Hikari	2	2	3	3	11	2	2
Net Increase	Total for SKY PerfectTV! <sup>*2</sup>	(9)	(28)	(97)	(29)	(162)	(6)	(29)
	SKY PerfectTV!	0	(17)	(75)	(9)	(102)	4	(17)
	Premium Service	(9)	(10)	(21)	(19)	(59)	(11)	(13)
	Premium Service Hikari	(0)	(0)	(1)	(0)	(2)	(0)	0
Total Subscribers	Total for SKY PerfectTV! <sup>*2</sup>	3,473	3,446	3,348	3,320	3,320	3,314	3,285
	SKY PerfectTV!	2,195	2,178	2,102	2,093	2,093	2,098	2,081
	Premium Service	1,194	1,184	1,163	1,144	1,144	1,133	1,120
	Premium Service Hikari	85	84	83	83	83	84	84
Churn Rate(%) <sup>*3</sup>	Total for SKY PerfectTV! <sup>*2</sup>	3.7%	4.2%	6.0%	5.6%	19.5%	4.1%	4.1%
	SKY PerfectTV!	4.5%	5.2%	7.6%	6.8%	24.2%	5.0%	5.1%
	Premium Service	2.3%	2.4%	3.3%	3.4%	11.4%	2.6%	2.5%
	Premium Service Hikari	2.8%	2.7%	3.2%	3.7%	12.5%	2.7%	2.6%

\*2. The figures are the total amounts for SKY PerfectTV!, Premium Service, and Premium Service HIKARI.

SKY PerfectTV! is the service (former SKY PerfectTV!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 PerfecTV!)	For the year ended March 31, 2017					For the year ending March 31, 2018	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
SAC per Subscriber (Yen) <sup>*4</sup>	37,790	37,971	43,490	37,992	39,274	37,934	37,550
Advertisement expenses	14,019	16,164	21,656	16,484	17,056	16,351	15,825
Promotion expenses	3,722	3,915	4,127	3,371	3,778	3,080	3,923
Sales incentives	2,051	1,980	1,632	1,859	1,881	2,624	2,017
User incentives <sup>*5</sup>	9,106	7,339	6,859	7,533	7,706	7,825	7,958
Others	8,893	8,572	9,217	8,745	8,852	8,054	7,827
SAC Total (Millions of Yen) <sup>*4</sup>	4,308	5,202	4,814	4,557	18,882	4,277	4,010
Advertisement expenses	1,205	1,427	1,844	1,497	5,975	1,379	1,184
Promotion expenses	320	345	351	306	1,323	259	293
Sales incentives	176	174	138	168	659	221	151
User incentives <sup>*5</sup>	783	648	584	684	2,699	659	595
Others	764	756	784	794	3,101	679	586
Free content costs <sup>*6</sup>	1,057	1,849	1,110	1,105	5,123	1,078	1,198

\*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 PerfecTV!.

(Unit: Yen)

ARPU (Total for SKY PerfecTV!)	For the year ended March 31, 2017					For the year ending March 31, 2018	
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q
Average Monthly Subscriber's Payment <sup>*7</sup>	3,331	3,323	3,295	3,211	3,291	3,247	3,254
Revenues from own content	182	178	180	97	160	82	74
PPV Subscription fee	32	31	31	30	31	29	30
Monthly subscription fee	2,728	2,726	2,696	2,697	2,712	2,750	2,766
Rental fee	39	38	38	38	38	36	35
Basic fee	350	350	350	350	350	349	349
ARPU <sup>*7</sup>	2,164	2,154	2,142	2,069	2,133	2,063	2,056
Revenues from own content	182	178	180	97	160	82	74
PPV Subscription fee	31	31	30	30	31	29	30
Monthly subscription fee	1,561	1,556	1,543	1,554	1,554	1,566	1,567
Rental fee	39	38	38	38	38	36	35
Basic fee	350	350	350	350	350	349	349

\*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)