

May 9, 2018

SKY Perfect JSAT Holdings Inc.

Summary of Business Results for the Year Ended March 31, 2018

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 ended March 31, 2018				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	39,707	39,610	38,806	74,750	192,875	37,195	36,525	35,762	36,018	145,501
Operating Income	6,266	4,795	4,468	8,903	24,433	4,334	4,547	3,233	3,536	15,652
Ordinary Income	6,285	4,839	4,745	9,004	24,875	4,535	4,917	3,396	3,862	16,712
Profit attributable to owners of parent	4,284	2,727	3,270	7,132	17,415	2,941	3,465	2,213	2,731	11,353
Total Assets	199,331	202,126	205,409	213,908	213,908	214,648	217,931	217,508	219,634	219,634
Total Equity	320,184	323,657	317,152	359,484	359,484	361,968	357,021	354,881	359,343	359,343
Net Income per Share (Yen)	14.43	9.18	11.01	24.01	58.64	9.91	11.67	7.45	9.20	38.22
Total Equity per Share (Yen)	658.55	668.58	680.45	709.14	709.14	711.74	723.36	722.38	729.48	729.48
EBITDA ^{*1}	11,700	9,935	10,871	15,217	47,724	10,942	11,589	9,913	10,587	43,032
Cash Dividend per Unit Share (Yen)	—	8.00	—	10.00	18.00	—	9.00	—	9.00	18.00
Net Cash Provided by Operating Activities	4,199	3,478	(113)	(535)	7,029	11,892	(3,882)	7,515	7,020	22,546
Net Cash Provided by (Used in) Investing Activities	(4,905)	(6,102)	(5,958)	(5,917)	(22,882)	(4,845)	(6,920)	(8,205)	(7,241)	(27,213)
Net Cash Provided by (Used in) Financing Activities	(919)	463	(1,199)	15,124	13,469	3,966	1,124	(2,319)	2,095	4,866

*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 ended March 31, 2018				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	39,707	39,610	38,806	74,750	192,875	37,195	36,525	35,762	36,018	145,501
Media Business	30,095	29,882	29,130	27,668	116,777	27,424	26,828	25,925	25,620	105,798
Space & Satellite Business	12,626	12,718	12,580	49,822	87,748	12,524	12,428	12,459	12,987	50,400
Eliminations and Corporate Total	(3,013)	(2,990)	(2,905)	(2,740)	(11,650)	(2,754)	(2,731)	(2,622)	(2,589)	(10,697)
Operating Income (Loss)	6,266	4,795	4,468	8,903	24,433	4,334	4,547	3,233	3,536	15,652
Media Business	1,861	1,023	1,135	551	4,571	1,005	1,448	239	541	3,233
Space & Satellite Business	4,585	3,937	3,488	8,515	20,527	3,531	3,430	3,034	3,141	13,137
Eliminations and Corporate Total	(180)	(165)	(155)	(164)	(665)	(202)	(331)	(40)	(145)	(719)
Depreciation Expense	4,944	5,354	5,503	5,738	21,541	5,870	5,811	5,831	5,979	23,493
Media Business	—	—	—	—	6,962	—	—	—	—	7,238
Space & Satellite Business	—	—	—	—	14,264	—	—	—	—	15,870
Eliminations and Corporate Total	—	—	—	—	314	—	—	—	—	384
Capital Expenditures	4,130	3,746	2,514	5,785	16,177	1,888	2,473	6,525	5,052	15,939
Media Business	—	—	—	—	5,635	—	—	—	—	5,668
Space & Satellite Business	—	—	—	—	10,370	—	—	—	—	9,109
Eliminations and Corporate Total	—	—	—	—	170	—	—	—	—	1,161

III. Reference Data of Media Business (Total for SKY PerfecTV!)

(Unit: Thousand)

Number of Subscribers and Churn Rate	For the year ended March 31, 2017					For the year ended March 31, 2018				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
New Subscribers	Total for SKY PerfecTV! ^{*2}									
	86	88	85	91	350	84	75	104	107	370
	SKY PerfecTV!									
	69	71	67	73	280	67	60	87	92	305
	SKY PerfecTV! Premium Service									
	15	16	16	15	62	14	13	14	13	55
	SKY PerfecTV! Premium Service Hikari									
	2	2	2	3	8	3	2	3	3	10
Number of Re-registered Subscribers	Total for SKY PerfecTV! ^{*2}									
	35	29	28	75	166	45	33	31	69	179
	SKY PerfecTV!									
	31	26	25	68	150	41	30	28	62	161
	Premium Service									
	4	3	3	7	16	4	3	3	7	17
	Premium Service Hikari									
	0	0	0	0	0	0	0	0	0	0
Churn	Total for SKY PerfecTV! ^{*2}									
	129	145	210	194	679	136	137	181	153	607
	SKY PerfecTV!									
	100	114	168	150	531	104	106	147	119	475
	Premium Service									
	28	28	40	41	137	30	29	33	31	123
	Premium Service Hikari									
	2	2	3	3	11	2	2	2	2	9
Net Increase	Total for SKY PerfecTV! ^{*2}									
	(9)	(28)	(97)	(29)	(162)	(6)	(29)	(46)	24	(57)
	SKY PerfecTV!									
	0	(17)	(75)	(9)	(102)	4	(17)	(31)	35	(9)
	Premium Service									
	(9)	(10)	(21)	(19)	(59)	(11)	(13)	(15)	(11)	(50)
	Premium Service Hikari									
	(0)	(0)	(1)	(0)	(2)	(0)	0	1	0	2
Total Subscribers	Total for SKY PerfecTV! ^{*2}									
	3,473	3,446	3,348	3,320	3,320	3,314	3,285	3,238	3,262	3,262
	SKY PerfecTV!									
	2,195	2,178	2,102	2,093	2,093	2,098	2,081	2,049	2,084	2,084
	Premium Service									
	1,194	1,184	1,163	1,144	1,144	1,133	1,120	1,105	1,094	1,094
	Premium Service Hikari									
	85	84	83	83	83	84	84	84	85	85
Churn Rate(%) ^{*3}	Total for SKY PerfecTV! ^{*2}									
	3.7%	4.2%	6.0%	5.6%	19.5%	4.1%	4.1%	5.5%	4.6%	18.3%
	SKY PerfecTV!									
	4.5%	5.2%	7.6%	6.8%	24.2%	5.0%	5.1%	7.0%	5.7%	22.7%
	Premium Service									
	2.3%	2.4%	3.3%	3.4%	11.4%	2.6%	2.5%	2.8%	2.7%	10.7%
	Premium Service Hikari									
	2.8%	2.7%	3.2%	3.7%	12.5%	2.7%	2.6%	2.5%	2.9%	10.8%

*2. The figures are the total amounts for SKY PerfecTV!, 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.

Subscriber Acquisition Cost (Total for SKY PerfecTV!)	For the year ended March 31, 2017					For the year ended March 31, 2018				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
SAC per Subscriber (Yen) ^{*4}	37,790	37,971	43,490	37,992	39,274	37,934	37,550	29,233	30,804	33,353
Advertisement expenses	14,019	16,164	21,656	16,484	17,056	16,351	15,825	13,300	15,036	15,009
Promotion expenses	3,722	3,915	4,127	3,371	3,778	3,080	3,923	2,661	3,057	3,127
Sales incentives	2,051	1,980	1,632	1,859	1,881	2,624	2,017	1,686	1,870	2,020
User incentives ^{*5}	9,106	7,339	6,859	7,533	7,706	7,825	7,958	5,702	5,331	6,534
Others	8,893	8,572	9,217	8,745	8,852	8,054	7,827	5,884	5,510	6,663
SAC Total (Millions of Yen) ^{*4}	4,308	5,202	4,814	4,557	18,882	4,277	4,010	4,513	3,896	16,697
Advertisement expenses	1,205	1,427	1,844	1,497	5,975	1,379	1,184	1,378	1,614	5,556
Promotion expenses	320	345	351	306	1,323	259	293	275	328	1,157
Sales incentives	176	174	138	168	659	221	151	174	200	747
User incentives ^{*5}	783	648	584	684	2,699	659	595	590	572	2,418
Others	764	756	784	794	3,101	679	586	609	591	2,466
Free content costs ^{*6}	1,057	1,849	1,110	1,105	5,123	1,078	1,198	1,483	588	4,349

*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 ended March 31, 2018				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Average Monthly Subscriber's Payment ^{*7}	3,331	3,323	3,295	3,211	3,291	3,247	3,254	3,209	3,163	3,219
Revenues from own content	182	178	180	97	160	82	74	79	75	78
PPV Subscription fee	32	31	31	30	31	29	30	29	27	29
Monthly subscription fee	2,728	2,726	2,696	2,697	2,712	2,750	2,766	2,717	2,679	2,728
Rental fee	39	38	38	38	38	36	35	35	34	35
Basic fee	350	350	350	350	350	349	349	349	347	349
ARPU ^{*7}	2,164	2,154	2,142	2,069	2,133	2,063	2,056	2,034	2,004	2,040
Revenues from own content	182	178	180	97	160	82	74	79	75	78
PPV Subscription fee	31	31	30	30	31	29	30	29	27	29
Monthly subscription fee	1,561	1,556	1,543	1,554	1,554	1,566	1,567	1,542	1,521	1,549
Rental fee	39	38	38	38	38	36	35	35	34	35
Basic fee	350	350	350	350	350	349	349	349	347	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)