

May 8, 2019

SKY Perfect JSAT Holdings Inc.

Summary of Business Results for the Year Ended March 31, 2019

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, 2018					For the year ended March 31, 2019				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	37,195	36,525	35,762	36,018	145,501	58,772	35,066	34,716	35,458	164,014
Operating Income	4,334	4,547	3,233	3,536	15,652	4,646	4,969	3,033	2,642	15,290
Ordinary Income	4,535	4,917	3,396	3,862	16,712	5,090	5,255	3,313	2,981	16,640
Profit attributable to owners of parent	2,941	3,465	2,213	2,731	11,353	3,321	3,438	2,140	780	9,681
Total Assets	214,648	217,931	217,508	219,634	219,634	219,715	224,231	224,125	224,014	224,014
Total Equity	361,968	357,021	354,881	359,343	359,343	368,929	378,601	378,634	376,102	376,102
Net Income per Share (Yen)	9.91	11.67	7.45	9.20	38.22	11.18	11.58	7.21	2.63	32.60
Total Equity per Share (Yen)	711.74	723.36	722.38	729.48	729.48	729.78	744.94	745.05	745.26	745.26
EBITDA ^{*1}	10,942	11,589	9,913	10,587	43,032	11,346	11,298	9,595	8,503	40,742
Cash Dividend per Unit Share (Yen)	—	9.00	—	9.00	18.00	—	9.00	—	9.00	18.00
Net Cash Provided by Operating Activities	11,892	(3,882)	7,515	7,020	22,546	7,877	4,357	9,911	3,751	25,898
Net Cash Provided by (Used in) Investing Activities	(4,845)	(6,920)	(8,205)	(7,241)	(27,213)	(10,139)	(4,739)	(9,958)	(8,632)	(33,469)
Net Cash Provided by (Used in) Financing Activities	3,966	1,124	(2,319)	2,095	4,866	9,076	3,895	(3,844)	235	9,362

*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, 2018					For the year ended March 31, 2019				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Revenues	37,195	36,525	35,762	36,018	145,501	58,772	35,066	34,716	35,458	164,014
Media Business	27,424	26,828	25,925	25,620	105,798	25,857	25,368	25,160	25,109	101,495
Space Business ^{*2}	12,524	12,428	12,459	12,987	50,400	35,541	12,266	12,221	13,359	73,389
Eliminations and Corporate Total	(2,754)	(2,731)	(2,622)	(2,589)	(10,697)	(2,626)	(2,569)	(2,665)	(3,009)	(10,870)
Operating Income	4,334	4,547	3,233	3,536	15,652	4,646	4,969	3,033	2,642	15,290
Media Business	1,005	1,448	239	541	3,233	797	2,055	19	(343)	2,528
Space Business ^{*2}	3,531	3,430	3,034	3,141	13,137	4,034	3,082	3,170	3,142	13,430
Eliminations and Corporate Total	(202)	(331)	(40)	(145)	(719)	(185)	(168)	(156)	(157)	(668)
Depreciation Expense	5,870	5,811	5,831	5,979	23,493	5,742	5,421	5,471	5,877	22,513
Media Business	—	—	—	—	7,238	—	—	—	—	7,770
Space Business ^{*2}	—	—	—	—	15,870	—	—	—	—	14,292
Eliminations and Corporate Total	—	—	—	—	384	—	—	—	—	450
Capital Expenditures	1,888	2,473	6,525	5,052	15,939	5,475	3,034	10,544	4,779	23,833
Media Business	—	—	—	—	5,668	—	—	—	—	13,834
Space Business ^{*2}	—	—	—	—	9,109	—	—	—	—	9,913
Eliminations and Corporate Total	—	—	—	—	1,161	—	—	—	—	85

*2. In July, 2018, the naming for business segment "Space & Satellite Business" has changed to "Space Business." There is no affect on the result by business segment.

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

(Unit: Thousand)

Number of Subscribers and Churn Rate		For the year ended March 31, 2018					For the year ended March 31, 2019				
		1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
New Subscribers	Total for SKY PerfecTV! ^{*3}	84	75	104	107	370	109	87	137	125	457
	SKY PerfecTV!	67	60	87	92	305	93	74	124	113	404
	SKY PerfecTV! Premium Service	14	13	14	13	55	13	10	11	10	45
	SKY PerfecTV! Premium Service Hikari	3	2	3	3	10	3	2	2	2	9
Number of Re-registered Subscribers	Total for SKY PerfecTV! ^{*3}	45	33	31	69	179	46	32	34	74	186
	SKY PerfecTV!	41	30	28	62	161	41	29	31	67	168
	Premium Service	4	3	3	7	17	4	3	3	8	18
	Premium Service Hikari	0	0	0	0	0	0	0	0	0	1
Churn	Total for SKY PerfecTV! ^{*3}	136	137	181	153	607	147	156	201	154	658
	SKY PerfecTV!	104	106	147	119	475	114	122	163	120	519
	Premium Service	30	29	33	31	123	31	31	36	32	129
	Premium Service Hikari	2	2	2	2	9	2	2	2	3	10
Net Increase	Total for SKY PerfecTV! ^{*3}	(6)	(29)	(46)	24	(57)	7	(37)	(30)	45	(15)
	SKY PerfecTV!	4	(17)	(31)	35	(9)	20	(19)	(9)	60	52
	Premium Service	(11)	(13)	(15)	(11)	(50)	(13)	(18)	(22)	(14)	(67)
	Premium Service Hikari	(0)	0	1	0	2	1	0	(0)	(1)	0
Total Subscribers	Total for SKY PerfecTV! ^{*3}	3,314	3,285	3,238	3,262	3,262	3,270	3,233	3,203	3,248	3,248
	SKY PerfecTV!	2,098	2,081	2,049	2,084	2,084	2,104	2,085	2,076	2,137	2,137
	Premium Service	1,133	1,120	1,105	1,094	1,094	1,081	1,062	1,041	1,027	1,027
	Premium Service Hikari	84	84	84	85	85	85	85	85	85	85
Churn Rate(%) ^{*4}	Total for SKY PerfecTV! ^{*3}	4.1%	4.1%	5.5%	4.6%	18.3%	4.5%	4.8%	6.2%	4.7%	20.2%
	SKY PerfecTV!	5.0%	5.1%	7.0%	5.7%	22.7%	5.5%	5.8%	7.8%	5.7%	24.9%
	Premium Service	2.6%	2.5%	2.8%	2.7%	10.7%	2.8%	2.9%	3.3%	2.9%	11.8%
	Premium Service Hikari	2.7%	2.6%	2.5%	2.9%	10.8%	2.7%	2.7%	2.7%	3.4%	11.4%

^{*3} 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.

^{*4} 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, 2018					For the year ended March 31, 2019				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
SAC per Subscriber (Yen) ^{*5}	37,934	37,550	29,233	30,804	33,353	27,064	27,902	23,371	25,994	25,824
Advertisement expenses	16,351	15,825	13,300	15,036	15,009	11,132	10,543	10,661	12,343	11,210
Promotion expenses	3,080	3,923	2,661	3,057	3,127	2,189	2,507	1,845	2,694	2,284
Sales incentives	2,624	2,017	1,686	1,870	2,020	2,229	2,078	1,294	1,275	1,659
User incentives ^{*6}	7,825	7,958	5,702	5,331	6,534	5,696	5,504	4,914	4,549	5,112
Others	8,054	7,827	5,884	5,510	6,663	5,818	7,271	4,658	5,132	5,558
SAC Total (Millions of Yen) ^{*5}	4,277	4,010	4,513	3,896	16,697	3,997	3,129	4,073	4,013	15,214
Advertisement expenses	1,379	1,184	1,378	1,614	5,556	1,208	913	1,460	1,543	5,125
Promotion expenses	259	293	275	328	1,157	237	217	252	336	1,044
Sales incentives	221	151	174	200	747	242	179	177	159	758
User incentives ^{*6}	659	595	590	572	2,418	618	476	673	568	2,337
Others	679	586	609	591	2,466	631	629	638	641	2,541
Free content costs ^{*7}	1,078	1,198	1,483	588	4,349	1,059	712	872	762	3,406

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

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

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

*8. Total SAC(¥4,059M → ¥4,073M) and Unit SAC (¥23,269 → ¥23,371) for 3Q of FY2018 were re-calculated.

(Unit: Yen)

ARPU (Total for SKY PerfectTV!)	For the year ended March 31, 2018					For the year ended March 31, 2019				
	1Q	2Q	3Q	4Q	Cumulative	1Q	2Q	3Q	4Q	Cumulative
Average Monthly Subscriber's Payment ^{*8}	3,247	3,254	3,209	3,163	3,219	3,207	3,195	3,114	3,033	3,138
Revenues from own content	82	74	79	75	78	83	63	60	52	65
PPV Subscription fee	29	30	29	27	29	27	27	25	23	25
Monthly subscription fee	2,750	2,766	2,717	2,679	2,728	2,718	2,729	2,656	2,590	2,674
Rental fee	36	35	35	34	35	33	32	32	31	32
Basic fee	349	349	349	347	349	345	345	341	337	342
ARPU ^{*8}	2,063	2,056	2,034	2,004	2,040	2,020	1,995	1,950	1,898	1,966
Revenues from own content	82	74	79	75	78	83	63	60	52	65
PPV Subscription fee	29	30	29	27	29	27	27	25	23	25
Monthly subscription fee	1,566	1,567	1,542	1,521	1,549	1,531	1,529	1,492	1,455	1,502
Rental fee	36	35	35	34	35	33	32	32	31	32
Basic fee	349	349	349	347	349	345	345	341	337	342

*8. 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)