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Consolidated Financial Results for the Nine Months Ended December 31, 2023 [Japanese GAAP]

February 7, 2024

Company name: SKY Perfect JSAT Holdings Inc.

Stock exchange listing: Tokyo

Code number: 9412

URL: <https://www.skyperfectjsat.space/>

Representative: Eiichi Yonekura

Representative Director, President

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Director

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Scheduled date of filing quarterly securities report: February 9, 2024

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down.)

1. Consolidated Financial Results for the Nine Months Ended December 31, 2023 (April 1, 2023 to December 31, 2023)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Nine months ended December 31, 2023	91,022	2.7	20,541	22.9	20,934	22.2	13,376	17.5
December 31, 2022	88,594	0.2	16,714	2.8	17,125	(1.6)	11,386	(10.0)

(Note) Comprehensive income: Nine months ended December 31, 2023: ¥ 18,166 million [6.1%]
 Nine months ended December 31, 2022: ¥ 17,123 million [21.5%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2023	46.29	-
December 31, 2022	39.21	-

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2023	386,970	263,902	67.8	926.02
March 31, 2023	399,055	256,815	64.0	879.33

(Reference) Equity: As of December 31, 2023: ¥ 262,300 million

 As of March 31, 2023: ¥ 255,420 million

2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2023	-	9.00	-	11.00	20.00
Fiscal year ending March 31, 2024	-	10.00	-		
Fiscal year ending March 31, 2024 (Forecast)				10.00	20.00

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending March 31, 2024 :

Commemorative dividend	- yen
Special dividend	- yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending March 31, 2024(April 1, 2023 to March 31, 2024)

(% indicates changes from the previous corresponding period.)

	Operating revenues		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	121,500	0.3	25,000	12.0	25,300	9.1	16,500	4.4	57.38

(Note) Revision to the financial results forecast announced most recently: Yes

For details of the revisions to the consolidated earnings forecasts, please refer to the "Notice of Revision of Consolidated Financial Forecasts (Upward Revisions)" announced today (February 7, 2024).

* Notes:

(1) Changes in significant subsidiaries during the nine months ended December 31, 2023

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

New	-	(Company name:)
Exclusion:	-	(Company name:)

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: No

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

December 31, 2023: 297,578,423 shares

March 31, 2023: 297,404,212 shares

2) Number of treasury shares at the end of the period:

December 31, 2023: 14,323,086 shares

March 31, 2023: 6,933,124 shares

3) Average number of shares outstanding during the period:

Nine months ended December 31, 2023: 288,986,997 shares

Nine months ended December 31, 2022: 290,398,110 shares

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Assets		
Current assets		
Cash and deposits	74,913	40,841
Accounts receivable - trade	61,474	54,866
Lease receivables	46,234	43,851
Securities	32,995	61,998
Broadcasting rights	948	1,002
Merchandise	1,232	2,067
Work in process	349	201
Supplies	228	152
Advance payments to suppliers	1,247	5,626
Short-term loans receivable	3,629	4,091
Accounts receivable - other	706	139
Other	4,982	4,151
Allowance for doubtful accounts	(88)	(85)
Total current assets	228,855	218,904
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,446	8,690
Machinery, equipment and vehicles, net	18,521	18,808
Telecommunications satellites, net	61,640	54,379
Land	2,924	3,098
Construction in progress	20,523	23,506
Other, net	4,337	4,939
Total property, plant and equipment	115,393	113,423
Intangible assets		
Software	4,287	4,067
Other	58	57
Total intangible assets	4,345	4,124
Investments and other assets		
Investment securities	24,856	27,829
Long-term loans receivable	12,946	12,547
Deferred tax assets	10,154	7,809
Other	2,503	2,331
Total investments and other assets	50,460	50,518
Total non-current assets	170,200	168,066
Total assets	399,055	386,970

(Millions of yen)

	As of March 31, 2023	As of December 31, 2023
Liabilities		
Current liabilities		
Accounts payable - trade	254	143
Current portion of long-term borrowings	10,572	10,414
Accounts payable - other	13,715	7,533
Income taxes payable	5,804	736
Subscription fees received	6,754	6,549
Unearned revenue	19,145	20,992
Provision for bonuses	628	306
Other	7,201	6,172
Total current liabilities	64,076	52,849
Non-current liabilities		
Bonds payable	10,000	10,000
Long-term borrowings	52,975	45,456
Deferred tax liabilities	1,102	1,534
Retirement benefit liability	6,545	6,579
Asset retirement obligations	2,273	2,317
Other	5,266	4,331
Total non-current liabilities	78,163	70,219
Total liabilities	142,239	123,068
Net assets		
Shareholders' equity		
Share capital	10,081	10,129
Capital surplus	131,911	131,958
Retained earnings	114,333	121,628
Treasury shares	(2,924)	(7,924)
Total shareholders' equity	253,401	255,791
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(191)	1,131
Deferred gains or losses on hedges	7	277
Foreign currency translation adjustment	2,546	5,411
Remeasurements of defined benefit plans	(343)	(311)
Total accumulated other comprehensive income	2,018	6,509
Non-controlling interests	1,395	1,601
Total net assets	256,815	263,902
Total liabilities and net assets	399,055	386,970

Quarterly Consolidated Statements of Income and Comprehensive Income
Quarterly Consolidated Statements of Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Operating revenue	88,594	91,022
Operating costs	50,832	49,954
Operating gross profit	37,761	41,067
Selling, general and administrative expenses	21,047	20,525
Operating profit	16,714	20,541
Non-operating income		
Interest income	1,176	1,672
Dividend income	14	19
Foreign exchange gains	43	81
Other	287	269
Total non-operating income	1,522	2,042
Non-operating expenses		
Interest expenses	1,038	1,432
Share of loss of entities accounted for using equity method	19	141
Other	53	76
Total non-operating expenses	1,110	1,649
Ordinary profit	17,125	20,934
Extraordinary income		
Gain on sale of investment securities	59	-
Total extraordinary income	59	-
Extraordinary losses		
Impairment losses	73	-
Loss on valuation of investment securities	223	842
Other	9	-
Total extraordinary losses	307	842
Profit before income taxes	16,877	20,091
Income taxes - current	4,625	4,572
Income taxes - deferred	723	1,880
Total income taxes	5,349	6,453
Profit	11,527	13,638
Profit attributable to non-controlling interests	140	262
Profit attributable to owners of parent	11,386	13,376

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Profit	11,527	13,638
Other comprehensive income		
Valuation difference on available-for-sale securities	(135)	1,325
Deferred gains or losses on hedges	57	273
Foreign currency translation adjustment	5,660	2,865
Remeasurements of defined benefit plans, net of tax	36	32
Share of other comprehensive income of entities accounted for using equity method	(22)	31
Total other comprehensive income	5,595	4,527
Comprehensive income	17,123	18,166
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	16,850	17,867
Comprehensive income attributable to non-controlling interests	272	298

Quarterly Consolidated Statements of Cash Flows

(Millions of yen)

	For the nine months ended December 31, 2022	For the nine months ended December 31, 2023
Cash flows from operating activities		
Profit before income taxes	16,877	20,091
Depreciation	15,871	15,008
Impairment losses	73	-
Amortization of goodwill	50	-
Interest and dividend income	(1,191)	(1,691)
Interest expenses	1,038	1,432
Share of loss (profit) of entities accounted for using equity method	19	141
Loss (gain) on valuation of investment securities	223	842
Decrease (increase) in trade receivables	6,095	6,862
Decrease in broadcasting rights	(796)	(53)
Decrease (increase) in inventories	(820)	(610)
Decrease (increase) in advance payments to suppliers	(72)	(4,378)
Increase (decrease) in accounts payable - other	(4,646)	(6,186)
Increase (decrease) in unearned revenue	9,054	1,842
Decrease (increase) in lease receivables	2,071	2,383
Other, net	2,312	(3,983)
Subtotal	46,161	31,698
Interest and dividends received	1,273	1,650
Interest paid	(1,168)	(1,803)
Income taxes paid	(3,303)	(8,276)
Net cash provided by (used in) operating activities	42,962	23,269
Cash flows from investing activities		
Purchase of property, plant and equipment	(14,555)	(9,214)
Purchase of intangible assets	(1,154)	(1,199)
Purchase of investment securities	(79)	(233)
Proceeds from sale and redemption of investment securities	542	-
Proceeds from collection of loans receivable	1,403	1,890
Purchase of shares of subsidiaries and associates	(3,000)	-
Other, net	(79)	1
Net cash provided by (used in) investing activities	(16,923)	(8,755)
Cash flows from financing activities		
Repayments of finance lease liabilities	(0)	-
Proceeds from long-term borrowings	-	1,000
Repayments of long-term borrowings	(8,498)	(10,202)
Redemption of bonds	(5,000)	-
Purchase of treasury shares	-	(5,044)
Dividends paid	(5,216)	(6,070)
Dividends paid to non-controlling interests	(58)	(92)
Net cash provided by (used in) financing activities	(18,773)	(20,409)
Effect of exchange rate change on cash and cash equivalents	1,131	825
Net increase (decrease) in cash and cash equivalents	8,396	(5,069)
Cash and cash equivalents at beginning of period	85,914	107,908
Cash and cash equivalents at end of period	94,311	102,839