

December 4, 2019

SKY Perfect JSAT Holdings Inc.

Notice Regarding Merger between The Consolidated Subsidiaries

SKY Perfect JSAT Holdings Inc. (Head Office: Minato-ku, Tokyo; Representative Director, President: Eiichi Yonekura) announces that its board meeting held today has resolved that SKY Perfect JSAT Corporation (Head Office: Minato-ku, Tokyo; Representative Director, President & Chief Executive Officer: Eiichi Yonekura; hereinafter "SKY Perfect JSAT"), a wholly-owned subsidiary of SKY Perfect JSAT Holdings Inc., would absorb WAKUWAKU JAPAN Corporation (Head Office: Minato-ku, Tokyo; Representative Director, President: Masafumi Kawanishi; hereinafter "WAKUWAKU JAPAN"), a subsidiary of SKY Perfect JSAT and sub-subsidiary and consolidated subsidiary of SKY Perfect JSAT Holdings Inc. in an absorption-type merger (the "Merger") as follows.

Some items/information for disclosure have been omitted because the Merger is an absorption merger of a consolidated subsidiary by another consolidated subsidiary.

1. Purpose of the Merger

The Merger aims to promote the effective utilization of human resources and management resources within the Group, accelerate profitability of business focused on the "WAKUWAKU JAPAN" dedicated channel for delivering Japanese content overseas and enhance its role as a hub for the overseas expansion of the Group, thereby contributing to increased revenue for the entire Group.

Summary of the Merger

(1) Schedule

Date of board meeting resolution (companies involved in the Merger)	November 26, 2019
Date of board meeting resolution (SKY Perfect JSAT Holdings Inc.)	December 4, 2019
Date of the Merger agreement	December 4, 2019
Date of general meeting of shareholders the Merger resolution (SKY Perfect JSAT)	December 4, 2019
Date of the Merger (effective date)	March 1, 2020 (planned)

* A general meeting of shareholders of WAKUWAKU JAPAN regarding authorization of the Merger agreement will not be held, as the Merger is a short-form merger, as defined in Article 784 Paragraph 1 of the Companies Act.

(2) Merger type

The Merger shall be an absorption-type merger, where SKY Perfect JSAT is the surviving company and WAKUWAKU JAPAN will be dissolved.

(3) Allocation regarding the Merger

The Merger does not involve the allocation of any shares or other money, etc.

(4) The Merger does not involve any share acquisition rights or bonds with share acquisition rights.

2. Overview of Companies Involved in the Merger

	Absorbing company	Absorbed company
① Trade name	SKY Perfect JSAT Corporation	WAKUWAKU JAPAN Corporation
② Head office address	1-8-1 Akasaka, Minato-ku, Tokyo Akasaka Intercity AIR	1-7-1 Akasaka, Minato-ku, Tokyo
③ Name and position of representatives	Representative Director, President & Chief Executive Officer Eiichi Yonekura	Representative Director, President Masafumi Kawanishi
④ Main business	Media business Space business	Delivery of Japanese content to overseas audiences
⑤ Capital	¥50,083 million	¥100 million
⑥ Date established	October 1, 2008	May 1, 2015
⑦ Number of shares issued	2,270,365	1,100
⑧ Fiscal Year-end	March 31	March 31
⑨ Main shareholders and shareholding ratios	SKY Perfect JSAT Holdings Inc. 100%	SKY Perfect JSAT Corporation 100%
⑩ Financial position and results of previous financial year (FY 2018)		
Net assets	¥193,670 million	¥4,649 million
Total assets	¥289,666 million	¥4,818 million
Total equity per share	¥85,303.88	¥4,227,098.45
Revenues	¥135,094 million	¥204 million
Operating profit	¥14,587 million	(¥1,005 million)
Ordinary profit	¥15,736 million	(¥1,008 million)
Net income for the current financial year	¥8,373 million	(¥1,026 million)
Net income for the current financial year per share	¥3,688.04	(¥932,896.24)

3. Situation after the Merger

The Merger will not change the name, address, position and names of representatives, main business, capital, or accounting period of SKY Perfect JSAT.

4. Future Outlook

The Merger will have minor impact on consolidated financial results.