

A satellite with two long solar panel arrays is shown in space, orbiting Earth. The Earth's surface is visible on the left side of the frame, showing clouds and landmasses. The satellite is gold-colored with various instruments and antennas.

# FIRST QUARTER 2014-2015 REVENUES

Thursday 30<sup>th</sup> October 2014

/// **Q1 2014-2015 highlights**

/// Q1 2014-2015 performance

/// Outlook

# First Quarter highlights

## ✓ Quarterly revenues in line with objectives: €358m, +4.2%<sup>1</sup>

- Video growth reflecting new capacity, notably Express-AT1
- Data: mixed regional trends
- Continued uptake on KA-SAT
- Government Services benefiting from new contracts and the good performance of Satmex

## ✓ High-single digit growth for Satmex

## ✓ Backlog at €6.3bn, representing 4.5 years of revenues

## ✓ Full-year and three-year financial targets confirmed

<sup>1</sup> On a proforma basis (including revenues for Satmex from July to December 2013 and adjusting for the impact of the KabelKiosk disposal) at constant currency and excluding non-recurring revenues.

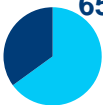



# Agenda

/// Q1 2014-2015 highlights

/// **Q1 2014-2015 performance**

/// Outlook

# First Quarter Revenues: €358m, +4.2%<sup>1</sup>

	REVENUE CONTRIBUTION <sup>2</sup>	REVENUES (€M)	Y-O-Y CHANGE (%)	
			LIKE-FOR-LIKE <sup>1</sup>	REPORTED
Video	 65%	228	+3.2	+4.8
Data	 15%	51	-5.0	+18.4
VAS	 7%	26	+14.2	+14.1
Government Services	 13%	44	+2.8	+20.8

<sup>1</sup> Change at constant currency and excluding non-recurring revenues, based on restated revenues for Q1 2013-2014. On a reported basis, total revenue is up 10.5%

<sup>2</sup> Excluding Other revenues and non-recurring revenues

# Video: benefiting from new capacity

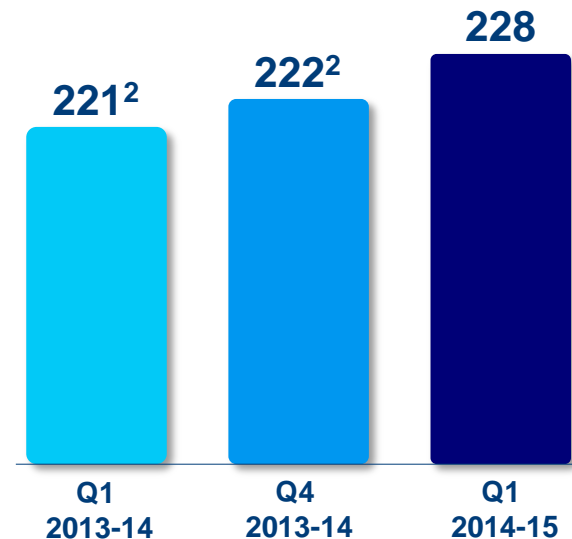
## ✓ Revenues up 3.2%<sup>1</sup> reflecting

- Additional resources added at 7°/8° West in September 2013
- Entry into service of Express-AT1
- Growth at Satmex

## ✓ 5,788 channels broadcast at end-September 2014

- +16% y-o-y excluding Satmex
- Improved HD penetration at almost 11% (vs. 9.3% at end-September 2013)

## REVENUES (€m)



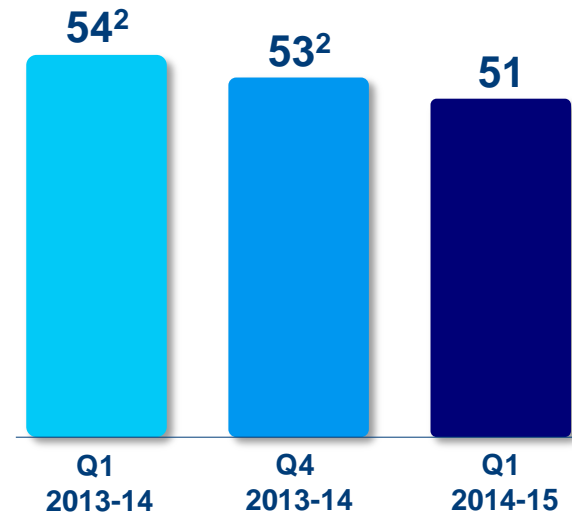
<sup>1</sup> On the basis of restated revenues at constant currency

<sup>2</sup> Restated revenues including revenues for Satmex from July to September 2013 and adjusting for the impact of the KabelKiosk disposal and from reclassifications between applications

# Data: Mixed regional trends

- ✓ Revenues of €51m, down 5.0%<sup>1</sup>
- ✓ Ongoing tough conditions in EMEA
- ✓ Good momentum in LATAM and Asia-Pacific
- ✓ Improved geographic mix post Satmex acquisition

## REVENUES (€m)

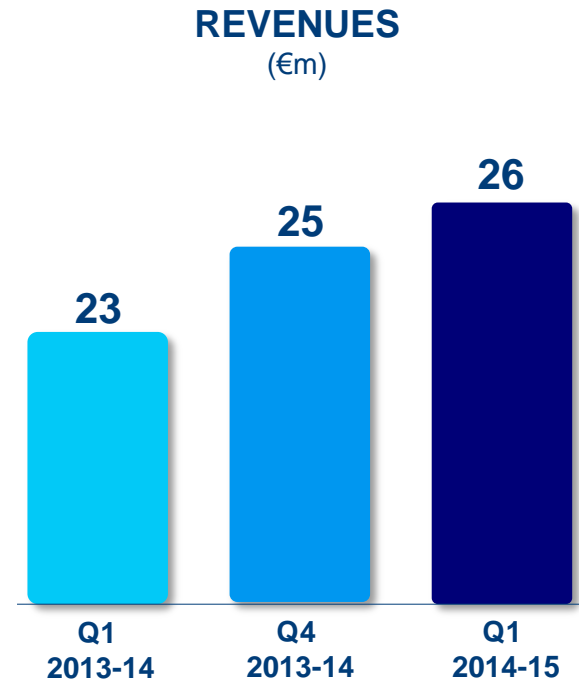


<sup>1</sup> On the basis of restated revenues at constant currency

<sup>2</sup> Restated revenues including revenues for Satmex from July to September 2013 and adjusting from reclassifications between applications

# VAS: Continued uptake on KA-SAT

- ✓ Revenues to €26m up 14%<sup>1</sup>
- ✓ 166,000 terminals activated on KA-SAT at 30 September 2014 (108,000 a year earlier)
- ✓ Good uptake in France, Germany, Turkey and Italy



<sup>1</sup>At constant currency



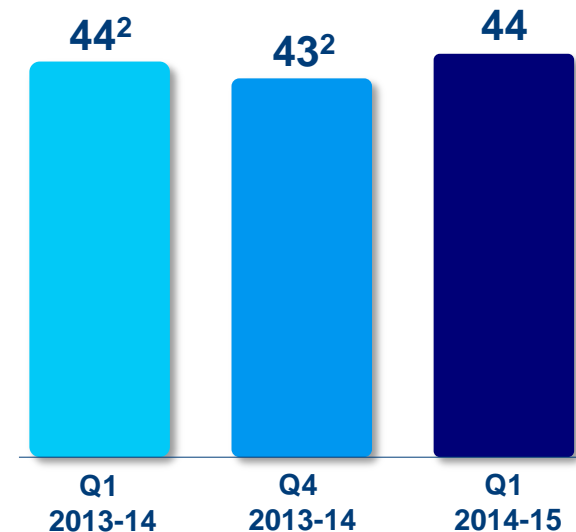
# Government services: new contracts and good performance of Satmex

## ✓ Revenues to €44m up 2.8%<sup>1</sup>

- New contracts, notably on EUTELSAT 48D and EUTELSAT 33B
- Good performance of Satmex
- Ongoing impact of the lower level of contract renewals in FY 2013-2014

## ✓ September/October 2014 renewals with US administration in line with expectations

REVENUES  
(€m)



<sup>1</sup> On the basis of restated revenues at constant currency

<sup>2</sup> Restated revenues including revenues for Satmex from July to September 2013 and adjusting from reclassifications between applications

# Backlog providing strong visibility

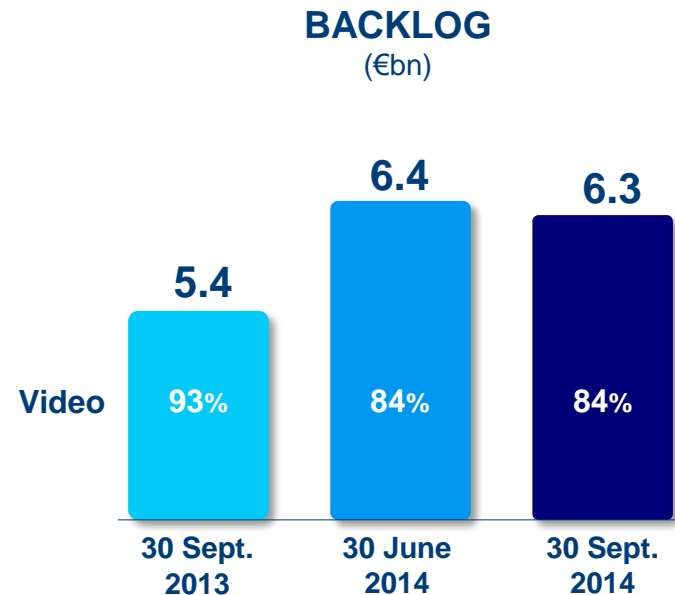
Backlog up 16 %, 10% excl. Satmex

Like-for-like increase reflecting

- EUTELSAT 9A for Video in Europe
- EUTELSAT 36C for Video in Africa
- HTS payloads of EUTELSAT 3B and EUTELSAT 65 West A for Latam
- HTS payload of EUTELSAT 172B for Asia-Pacific

Backlog represents 4.5 years of revenues<sup>1</sup>

Video remains the largest component of the backlog: 84%



*The backlog represents future revenues from capacity lease agreements (including contracts for satellites not yet delivered). These capacity lease agreements can be for the entire operational life of the satellites.*

<sup>1</sup> Based on proforma revenues for FY 2013-2014

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/// **Outlook**

# Update on our growth drivers

## VIDEO

- New platforms in developing markets
- Higher definition
- More interactivity

- ### Q1 ACHIEVEMENTS
- ✓ Entry into service of EUTELSAT 7B
  - ✓ Further rise in HD penetration

## BROADBAND AND MOBILITY

- Selective investments in HTS
- Broadband growth

- ✓ Procurement of EUTELSAT 172B
- ✓ Expansion of broadband Internet customer base

## FAST-GROWING MARKETS

- Investments focused on highest growth markets, Latin America and Asia-Pacific

- ✓ Entry into service of EUTELSAT 3B
- ✓ Satmex delivering high-single digit growth

# Expansion capacity to support our growth drivers

## Seven launches between now and June 2017

- Launch schedule unchanged compared to July 2014

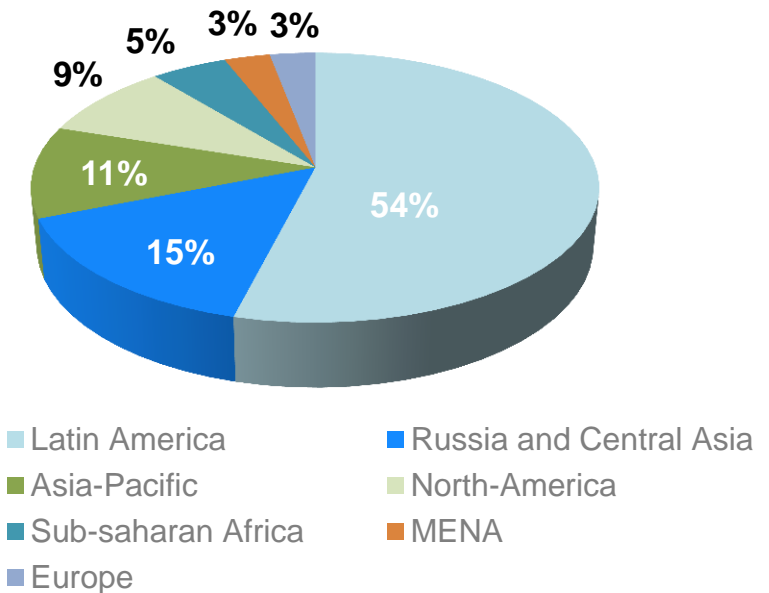
## Expansion capacity of >30%<sup>1</sup> focused

- On high growth markets, especially Latin America
- On Video and HTS payloads

## Young fleet with average age of 5.7 years

## EXPANSION CAPACITY BY REGION

(For the 7 satellites to be launched by June 2017)



<sup>1</sup> Increase in number of physical transponders expected between end-September 2014 and end-June 2017. One spot beam is considered equivalent to one transponder. Calculation based on nominal deployment plan and including unannounced redeployments.

# Outlook Confirmed

## Revenues

(At constant currency,  
excl. non recurring revenues)

**Around 4.0% growth for 2014-2015, like-for-like<sup>1</sup>**

**Above 5% average growth in 2015-2016 and 2016-2017**

## EBITDA

**EBITDA margin above 76.5% to June 2017**

## Capex

**Average of €500 M per annum to June 2017**

Including cash outflows related to ECA loan repayments and capital lease payments

## Leverage

**Investment grade ratings**

**Long-term Net debt / EBITDA target below 3.3x**

## Distribution

**Payout ratio of 65% to 75% of Group share of net income**

<sup>1</sup> Based on proforma revenues ,excluding non-recurring revenues, of €1,377 M for FY 2013-2014 (see table in appendix)

# Questions & Answers



# Appendix 1: Restated revenues for FY 2013-2014

In millions of euros	3 months ended				Full-year ended 30 June 2014
	30/09/2013	31/12/2013	31/03/2014	30/06/2014	
Video Applications	220.7	215.2	214.7	221.7	872.3
Data Services	54.2	52.0	50.6	52.5	209.2
Value-Added Services	23.0	20.1	20.5	25.0	88.7
Government Services	43.6	43.8	44.0	43.2	174.7
Other revenues	2.6	11.9	7.8	10.0	32.4
<b>Sub-total</b>	<b>344.1</b>	<b>343.0</b>	<b>337.7</b>	<b>352.5</b>	<b>1 377.3</b>
Non-recurring revenues	0.3	0.2	-	-	0.5
<b>Total</b>	<b>344.4</b>	<b>343.2</b>	<b>337.7</b>	<b>352.5</b>	<b>1 377.8</b>

Revenues published for Q1 2014-2015 and subsequently take account of changes in perimeter (acquisition of Satmex, disposal of KabelKiosk) as well as several reclassifications between the various applications in order to better reflect the final usage of the capacity. To facilitate comparison with financial year 2013-2014, the table above shows restated revenue using the same basis as financial year 2014-2015.



# Appendix 2: Three year deployment plan



	<b>EUTELSAT 115 WEST B</b>	<b>EUTELSAT 9B</b>	<b>EUTELSAT 8 WEST B</b>	<b>EUTELSAT 36 C</b>	<b>EUTELSAT 117 WEST B</b>	<b>EUTELSAT 65 WEST A</b>	<b>EUTELSAT 172 B</b>
<b>Position</b>	114.9° West	9° East	7/8° West	36° East	116.8° West	65° West	172° East
<b>Launch</b>	<b>Q1 2015</b>	<b>Q2 2015</b>	<b>Q3 2015</b>	<b>Q4 2015</b>	<b>Q4 2015</b>	<b>Q2 2016</b>	<b>H1 2017</b>
<b>Manufacturer</b>	Boeing	Airbus DS	TAS	Airbus DS	Boeing	SSL	Airbus DS
<b>Launcher</b>	SpaceX	Proton	Arianespace	Proton	SpaceX	N/A	Arianespace
<b>Coverage</b>	<b>Americas</b>	<b>Europe</b>	<b>MENA LATAM</b>	<b>Russia SSA</b>	<b>LATAM</b>	<b>LATAM</b>	<b>Asia-Pacific</b>
<b>Applications</b>	<b>Video Data GS</b>	<b>Video</b>	<b>Video Data</b>	<b>Video Data Broadband</b>	<b>Video Data GS</b>	<b>Video Data Broadband</b>	<b>Data GS Mobility</b>
<b>Capacity (txp)</b>	34 Ku 12 C	50 Ku	40 Ku 10 C	52 Ku 18 Ka <sup>1</sup>	40 Ku	24 Ku 10 C 24 Ka	36 Ku 14 C 11 HTS Ku <sup>1</sup>
<b>O/w expansion<sup>3</sup></b>	34 Ku 12 C	12 Ku	6 Ku 10 C	20 Ku 18 Ka <sup>1</sup>	40 Ku	24 Ku 10 C 24 Ka <sup>1</sup>	16 Ku <sup>2</sup> 11 HTS Ku <sup>1</sup>

 Electrical propulsion. E 115 West B and E 117 West B will enter service 7 to 9 months after launch; and E 172B c. 4 months.

<sup>1</sup> Spotbeams - <sup>2</sup> Doubling of regular Ku-band capacity - <sup>3</sup> excludes unannounced redeployments

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