Q1 2018 Results

SES beyond frontiers

Three months ended 31 March 2018

27 April 2018
Betzdorf, Luxembourg

Highlights

- Solid Q1 2018 results, in line with expectations
- Strong underlying growth in SES Networks
- SES Video resilient and highly profitable
- Strong quarter of execution with three successful launches and SES-15 now in service
- Outlook remains unchanged and an update will be given with H1 2018 results following internal review by incoming CEO and CFO

Solid Financial Results; In Line With Company's Expectations

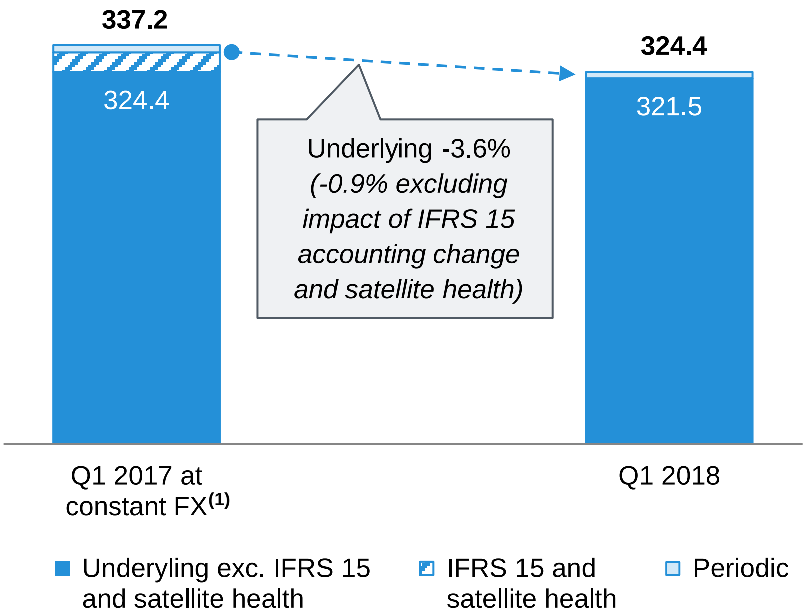
- Revenue **EUR 477.6 million** with underlying revenue stable[(1)] compared with Q1 2017
  - SES Video resilient with underlying revenue -0.9%[(1)] excluding IFRS 15 (EUR 8.2 million) and satellite health (EUR 1.0 million)
  - Anticipated growth in SES Networks now becoming evident with 8.5%[(1)] growth in underlying revenue
- EBITDA **EUR 304.4 million** including restructuring provision associated with on-going optimisation programme
  - EBITDA margin of 64.8% excluding restructuring provision of EUR 5.0 million
- Net profit[(2)] **EUR 98.2 million** representing earnings per share of EUR 0.19
- Contract backlog **EUR 7.2 billion** in line with Q1 2017 at constant FX

1) Comparative figures are restated at constant FX to neutralise currency variations. Underlying revenue excludes periodic revenue and other (disclosed separately) that are not directly related to or would distort the underlying business trends
2) Net profit attributable to SES shareholders

SES | Video
Strong Fundamentals Underpin Resilient, Profitable Neighbourhoods

SES Video revenue

EUR million



351 million TV households now served by SES (2016: 325 million)

7,773 total TV channels; **+2%** (YOY)

2,665 HDTV channels; **+7%** (YOY)

32 UHD TV channels; **+45%** (YOY)

1) Q1 2017: EUR 353.4 million as reported

SES | Video
Prime Neighbourhoods and Differentiated Services Supporting Clients

Viacom: Important capacity extension at 19.2°E and 28.2°E to serve viewers in Germany, Austria and the U.K.

Canal+ UHD: UHD and multi-screen for best viewer experience to 100% of Canal+ TV households in France

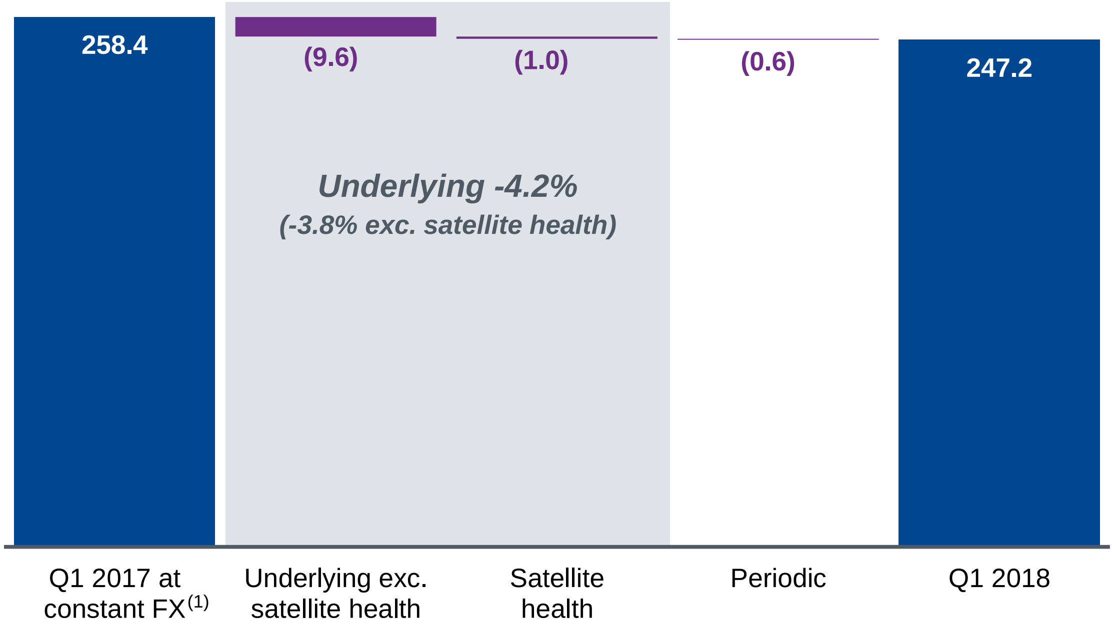
Kiwisat: Supporting launch of new DTH offering for viewers in the Caribbean with 130 TV channels

AFP: MX1 transmitting AFP news feeds to broadcasters around the world via cloud-based service (MX1 360)

SES | Video
Video Distribution - Core Neighbourhoods Remain Resilient

Video Distribution revenue walk

EUR million

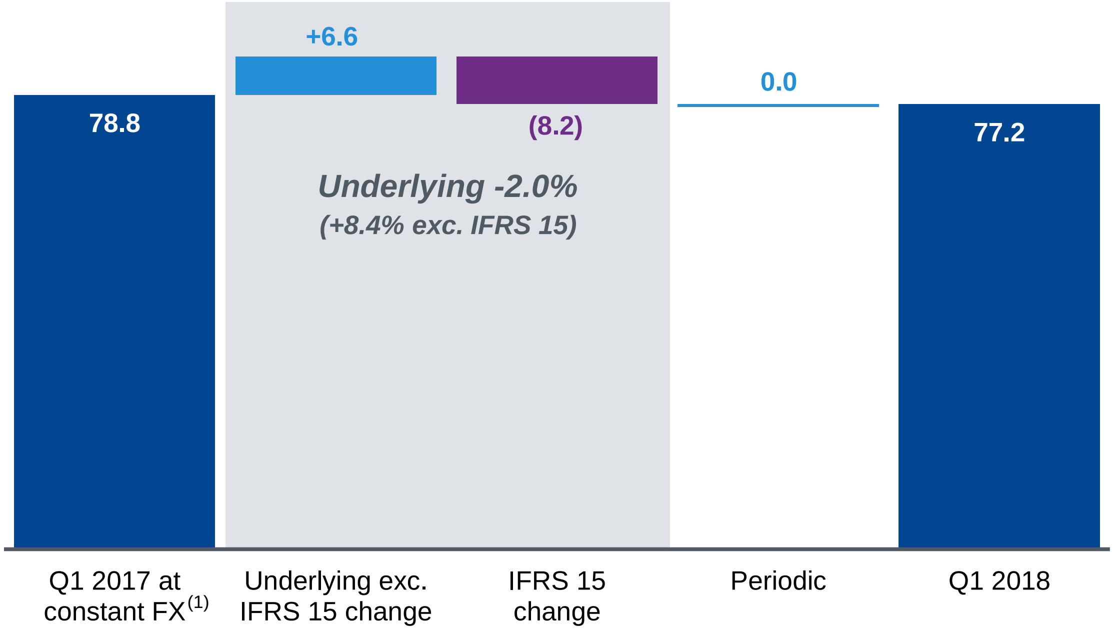


- Underlying revenue -4.2% (YOY), including impact of satellite health
  - Europe stable with long-term renewals signed at like-for-like pricing
  - North America lower due to volume reductions and lower occasional use
  - International lower as gradual ramp-up of new capacity offset by near-term challenging market conditions

1) Q1 2017: EUR 271.7 million as reported

SES | Video
Video Services - MX1 Stability Complementing HD+ Growth

Video Services revenue walk
EUR million



▲ Underlying revenue +8.4% (YOY), excluding impact of IFRS 15

- Increase in HD+ annual fee (start of Q2 2017) driving growth and supporting expansion of customer offering
- MX1 stable as new revenue (bundling capacity and services) now offsetting non-renewal of ‘legacy’ contracts

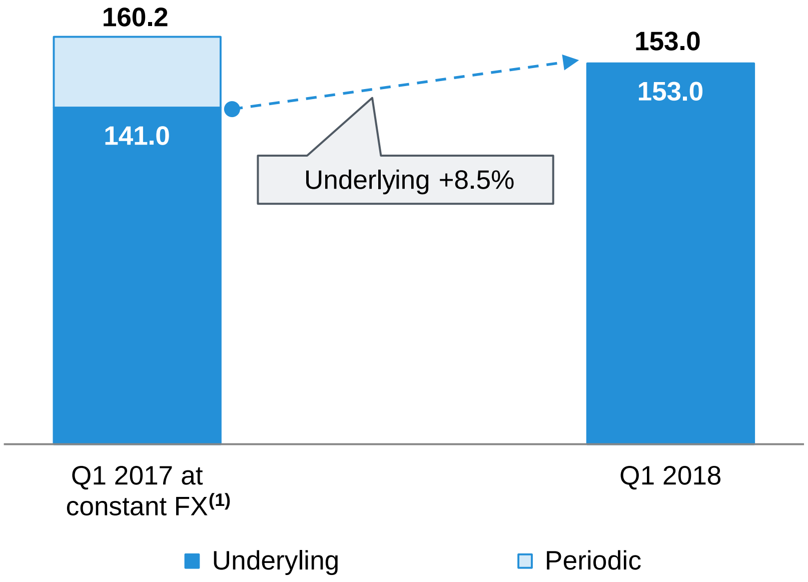
1) Q1 2017: EUR 81.7 million as reported

SES | Networks
Differentiated Services Generating Demand and Underlying Growth

SES

SES Networks revenue

EUR million



3 launches successfully executed during Q1 2018

Establishing SES-15 as a prime satellite for **aero** in North America

Growing **government** revenue from both U.S. and Global clients

Expanding **telco and MNO** networks by providing managed services

1) Q1 2017: EUR 181.7 million as reported

SES | Networks
Executing on Strategy, Building Commercial Momentum

mu Space Corp

Increasing broadband access to businesses and thousands of locations across Thailand

gogo

SES-15 enhancing customer broadband experience on board over 200 aircraft within the first operational month

Department of Defense — United States of America

Providing essential 'fibre-like' network connectivity for U.S. AFRICOM

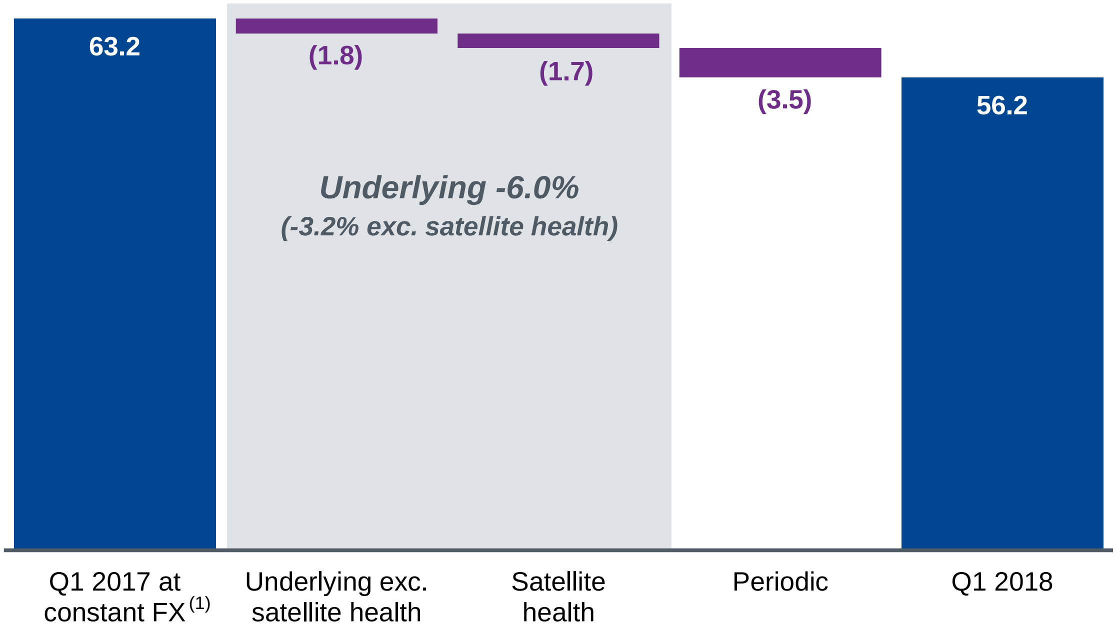
CARNIVAL CORPORATION & PLC

MedallionNet™ now capable of delivering internet speeds ahead of typical hotel levels

SES | Networks
Fixed Data - Expanding Managed Services For Telcos and MNOs

Fixed Data revenue walk

EUR million

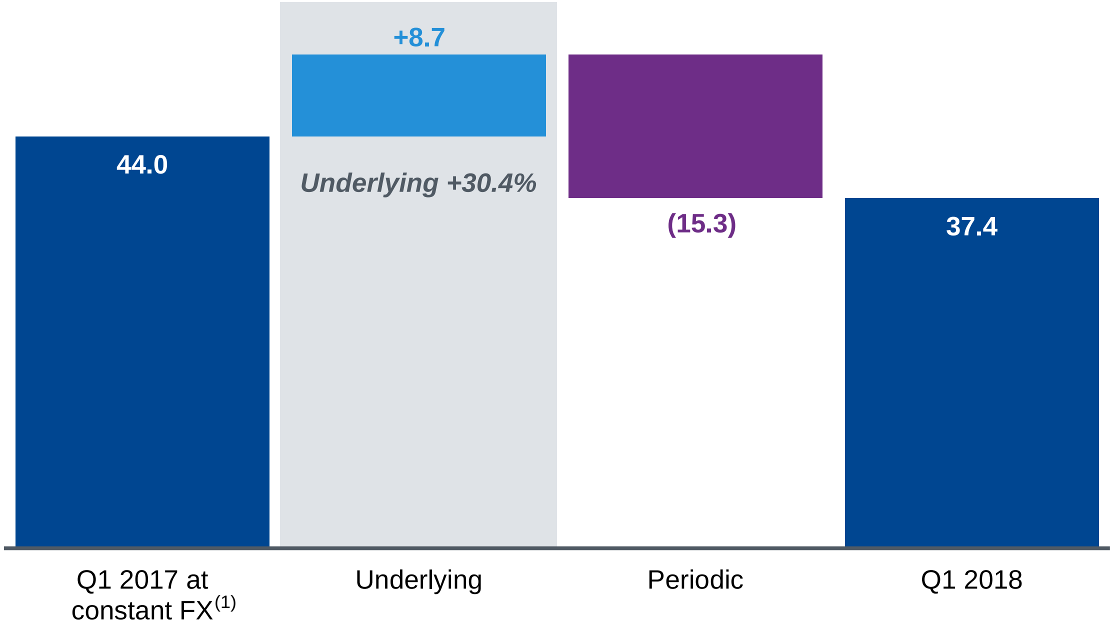


- ▲ Underlying revenue -3.2% (YOY) excluding impact of satellite health
  - Lower wholesale capacity revenue, notably in EMEA
- ▲ Growing managed services with Telcos and MNOs, notably in Latin America and Asia-Pacific
- ▲ Successful launch of next four O3b satellites adding capacity and increasing network performance

1) Q1 2017: EUR 71.6 million as reported

SES | Networks
Mobility - New Aero Services Driving Strong Underlying Growth

Mobility revenue walk
EUR million

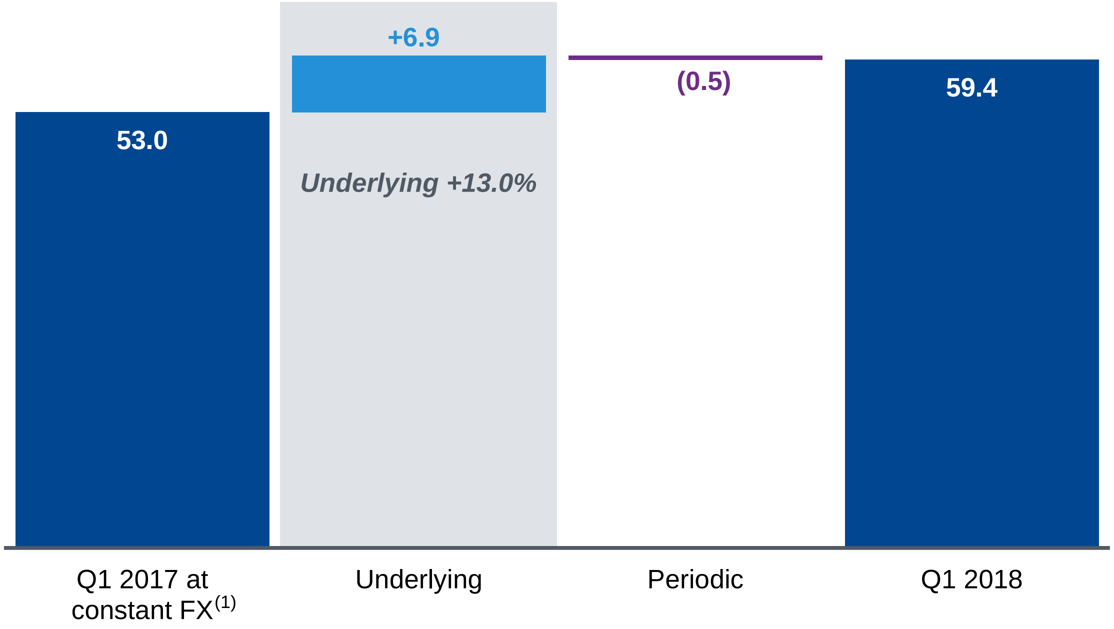


- ▲ Comparison with Q1 2017 affected by transponder sale in periodic
  - Second (of two) up-front contributions from Global Eagle Entertainment
- ▲ Underlying revenue +30.4% (YOY)
  - Strong growth in Aeronautical, with benefit of SES-15 entry into service
  - Maritime stable but making good progress in cruise during Q1 2018

1) Q1 2017: EUR 50.6 million as reported

SES | Networks
Government - Growing U.S. and Global Government Revenue Base

Government revenue walk
EUR million



- ▲ Underlying revenue +13.0% (YOY)
  - Significant incremental adoption of MEO by U.S. DoD driving growth
  - Strong growth in Global Government, notably in Europe and Africa
- ▲ SES-16/GovSat-1 in service from March 2018
- ▲ Next four O3b satellites (13-16) to be in service from end of Q2 2018

1) Q1 2017: EUR 59.5 million as reported

FINANCIAL REVIEW

Andrew Browne, CFO

Financial Overview (1/2)

- **Revenue of EUR 477.6 million** reflecting stable underlying development compared with Q1 2017
  - Total revenue down 11.7% as reported and down 4.9% at constant FX including periodic and other revenue
  - Impact of adopting new IFRS 15 standard in Q1 2018 resulted in a non-cash reduction of EUR 8.2 million
- **EBITDA of EUR 304.4 million** (-14.9% as reported and -8.7% at constant FX) following revenue development
  - EBITDA margin of 63.7% (Q1 2017: 66.2%) or 64.8% excluding EUR 5.0 million restructuring provision related to optimisation programme
  - Operating expenses of EUR 168.2 million excluding provision, in line with Q1 2017 at constant FX
- **Operating profit of EUR 138.8 million** (Q1 2017: EUR 186.7 million) represents a margin of 29.1%, compared with 34.5% in Q1 2017
  - Net operating profit lower than Q1 2017 driven by lower revenue partly offset by lower operating, depreciation and amortisation expenses
- **Total CapEx Outlook Unchanged**

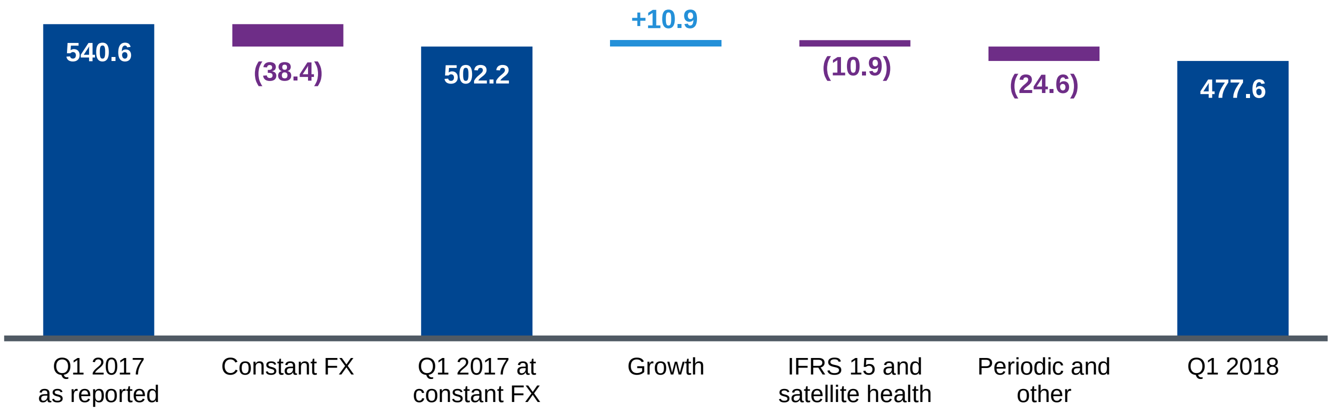
Financial Overview (2/2)

- **Net debt to EBITDA of 3.41x** (3.27x in Q1 2017) is expected to be below 3.3x at end-2018
  - Q1 2018 ratio reflects lower 12-month rolling EBITDA and impact of higher proportion of CapEx and interest payments in Q1 2018
- **EUR 500 million** Eurobond maturing in 2026 successfully issued in March 2018 at low coupon of 1.625%
- **Current financial outlook remains unchanged** and an update will be provided with the H1 2018 results
- Going forward, **complete focus on execution, transparency and communication**

Stable Underlying Revenue Development Compared With Q1 2017

Revenue walk

EUR million

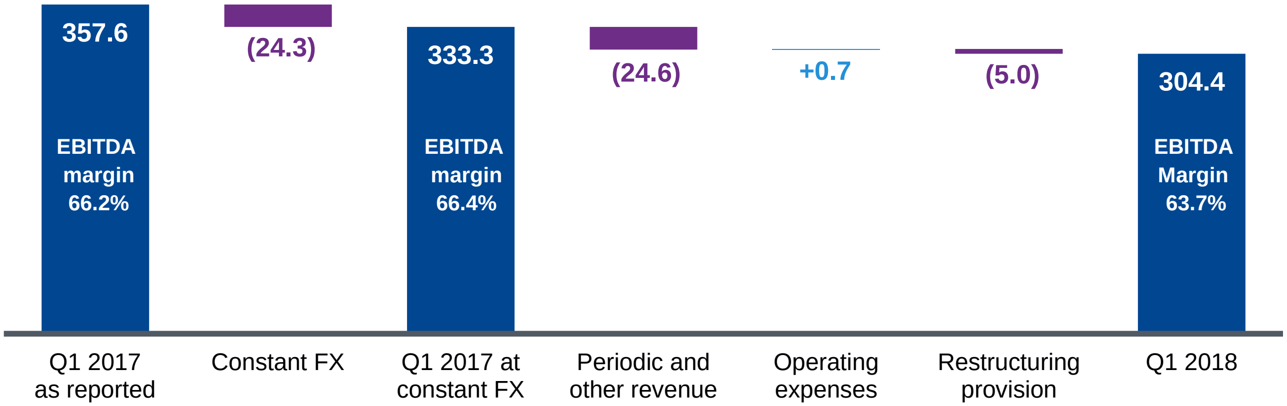


- ▲ Underlying revenue in line with Q1 2017, including impact of IFRS 15 accounting change (EUR 8.2 million) and satellite health (EUR 2.7 million)
- ▲ Revenue down 11.7% as reported and down 4.9% at constant FX
  - Year-on-year revenue reduction reflects stronger U.S. dollar, higher periodic and other revenue in Q1 2017

EBITDA Following Revenue Development

EBITDA walk

EUR million



- OpEx includes EUR 5.0 million restructuring provision; further EUR 5-7 million provision expected in Q2 2018
- OpEx of EUR 168.2 million (exc. restructuring provision) is in line with Q1 2017 at constant FX
- EBITDA margin of 64.8% excluding restructuring provision

Net Profit of EUR 98.2 million (2016: EUR 128.4 million)

EUR million	Q1 2018	Q1 2017
EBITDA	**304.4**	**357.6**
Depreciation and amortisation expense	(165.6)	(170.9)
Operating profit	**138.8**	**186.7**
- ***Operating profit margin***	***29.1%***	***34.5%***
Net financing costs	(35.9)	(29.7)
Income tax benefit/(expense)	+10.1	(27.7)
- *Effective tax rate (normalised)*[(1)]	*21.9%*	*17.7%*
Non-controlling interests	(14.8)	(0.9)
Net profit attributable to SES shareholders	**98.2**	**128.4**

EUR 8.9 million higher at constant FX, reflecting new capacity brought into commercial service

Lower net interest expense offset by less capitalised interest and FX gain of EUR 7.1 million in Q1 2017

Recognition of deferred tax asset with SES-16/GovSat-1 entry into service (end of Q1 2018)

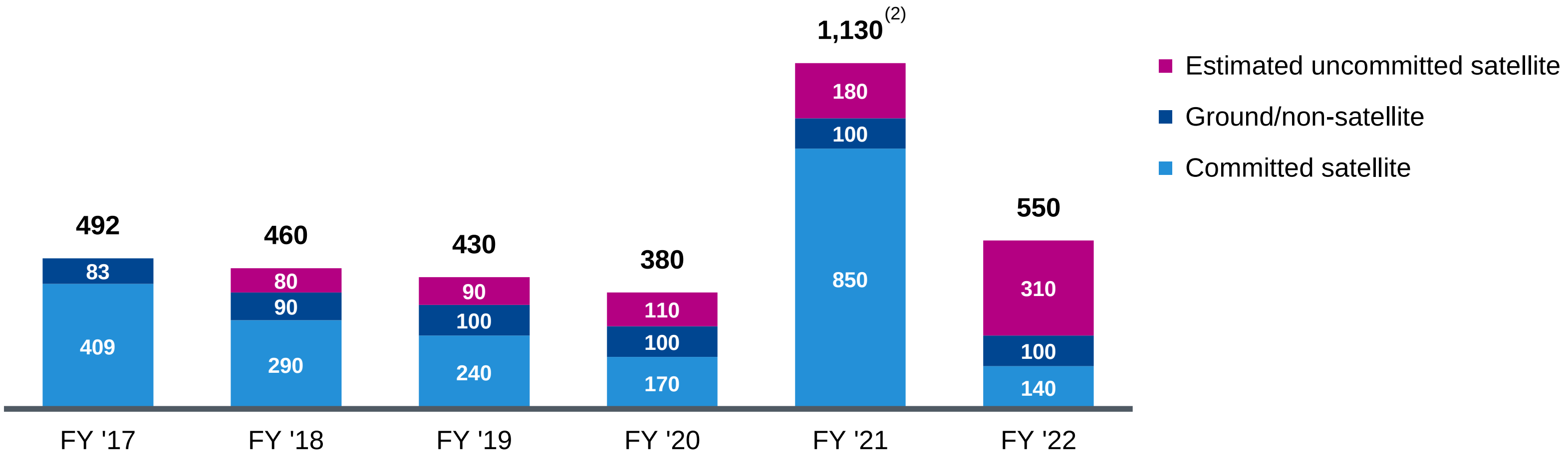
Corresponding impact on non-controlling interests line as SES-16/GovSat-1 owned by GovSat (a 50/50 public private partnership between SES and Luxembourg Government)

1) Excluding non-recurring tax items

Investing in Future Growth; CapEx Remains Unchanged

GEO-MEO Capital Expenditure (growth and replacement)(1)

EUR million



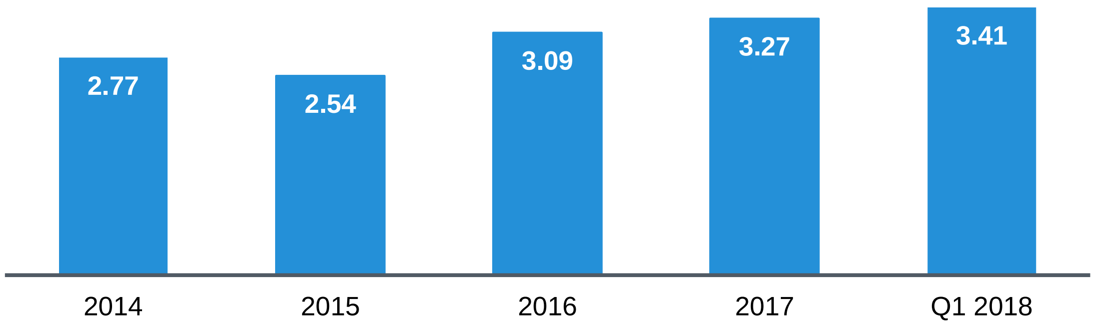
1) Cash CapEx including payload, launcher, capitalised interest and excluding financial or intangible investments (based on EUR/USD FX rate of 1.15 as of FY '18). CapEx includes capitalised interest as follows: 2017: EUR 47 million, 2018: EUR 35 million, 2019: EUR 15 million, 2020: EUR 20 million, 2021: EUR 50 million and 2022: EUR 25 million

2) Includes O3b mPOWER, for which SES has the right to acquire the satellites directly at the end of the construction period (shown above as base case assumption), or enter into a leasing agreement that would result in a deferred payment plan, or to direct the sale of these assets to a third party

First Quarter 2018 Leverage Development

Net debt to EBITDA

Times(1)



- Net debt to EBITDA increase reflects lower 12-month rolling EBITDA and higher proportion of CapEx and Interest payments in Q1 2018; net debt to EBITDA expected to be below 3.3 times by year end 2018
- EUR 500 million maturing in 2026 successfully issued in March 2018 at low coupon of 1.625%
  - Allows refinancing of upcoming debt maturity (EUR 500 million at 1.875% coupon due in October 2018) at favourable terms

1) Based on rating agency methodology (treats hybrid bonds as 50% debt and 50% equity)

Financial Outlook

	2017 as reported	2017	2018	2020
Average EUR/USD FX rate	*1.1249*	*1.15*	*1.15*	*1.15*
SES Video	EUR 1,383 million	EUR 1,373.7 million	EUR 1,300 - 1,320 million	Over EUR 1,350 million
SES Networks	EUR 646 million	EUR 632.0 million	EUR 660 - 690 million	Over EUR 875 million
Group EBITDA margin	65.1%	65.1%	64.0% to 64.5%	Over 65.0%

Financial outlook assumes EUR/USD exchange rate of 1.15; nominal launch schedule and satellite health status and includes the impact of IFRS accounting changes. Group margin includes EUR 10-12 million restructuring provision expected in H1 2018

- Current financial outlook remains unchanged
- An update will be provided with the H1 2018 results following internal review by the incoming CEO and CFO

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