



FULL-YEAR 2014-2015 RESULTS

Thursday 30th July 2015

Agenda

/// **FY 2014-2015 highlights**

/// Operational performance

/// Financial overview

/// Outlook

Key Figures

Revenues	<ul style="list-style-type: none">○ Revenues of €1,476m up 4.0¹% like-for-like○ Increase of 9.5% on a reported basis
EBITDA	<ul style="list-style-type: none">○ Strong profitability: EBITDA of €1,132m○ Stable EBITDA margin of 76.7%
Net result	<ul style="list-style-type: none">○ Group share of net income of €355m, up 17%○ Net margin of 24%
Financial Position	<ul style="list-style-type: none">○ Robust free cash-flow generation○ Improved Net Debt / EBITDA ratio at 3.4
Distribution	<ul style="list-style-type: none">○ Proposed dividend of €1.09 per share○ Payout ratio of 70%

¹At constant perimeter and currency and excluding non-recurring revenues, based on proforma revenues of €1,377m for FY 2013-2014 (see table in appendix)

Operational highlights

✓ Positive contribution to revenue growth from all applications

- Strong performance of Satmex

✓ Commercial wins contributing to solid order book of €6.2bn

- Renewal at HOT BIRD position with nc+ for Poland
- Renewal at 16° East with Total TV for South-East Europe
- Several new contracts in dynamic Africa video market

✓ Deployment plan paving the way for future growth

- Procurement of EUTELSAT 172B to accelerate development in Asia-Pacific
- Launch of EUTELSAT 115 West B, increasing resources in LATAM

✓ Procurement of 'Eutelsat Quantum' software-defined satellite

- Unprecedented flexibility
- Innovation as a driver of growth

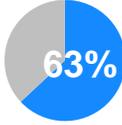
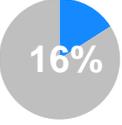
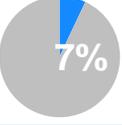
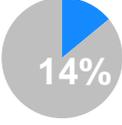
✓ Early refinancing of term loan

- Reduction of nominal and extended debt maturity profile
- Reduction in financial charges starting this year

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Full Year revenues: €1,476m +4.0% like-for-like¹

	REVENUE CONTRIBUTION ²	REVENUES (€m)		Y-O-Y CHANGE (%) ³	
				LIKE-FOR-LIKE	ACTUAL
 <p>Video</p>	 <p>63%</p>	913		+3.5	+4.7
 <p>Data</p>	 <p>16%</p>	227		+1.3	+8.3
 <p>VAS</p>	 <p>7%</p>	102		+14.8	+15.4
 <p>Government Services</p>	 <p>14%</p>	196		+2.6	+12.5

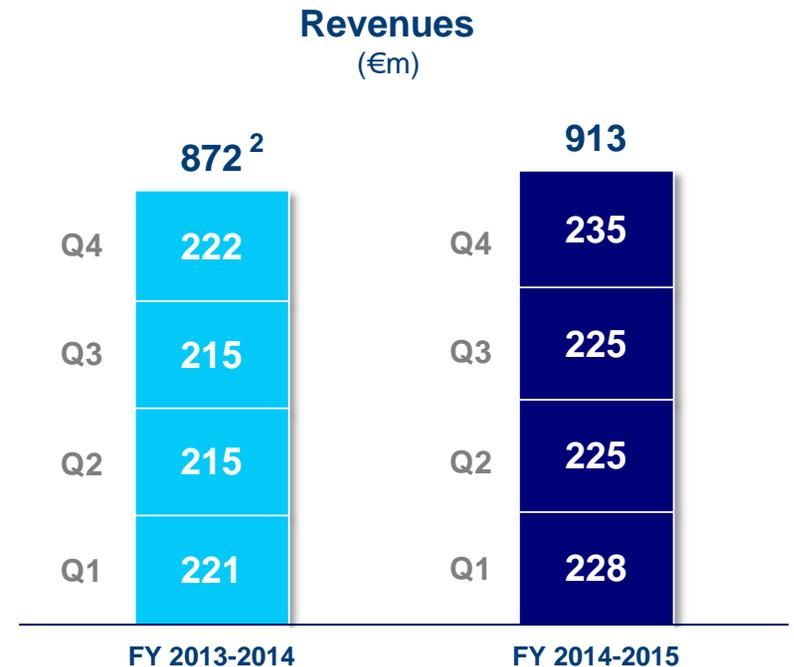
¹ At constant perimeter and currency and excluding non-recurring revenues

² Excluding Other revenues and Non-recurring revenues

³ Versus restated revenues for FY 2013-2014. Please refer to table in the Appendix

Video: Benefits of added capacity and new contracts

- / **Revenues of €913m up 3.5%¹ like-for-like, underpinned by:**
 - Resources added at 56° East and 7/8° West
 - Good performance of Eutelsat Americas
 - Higher revenues at 36° East, 7° East and 16° East
- / **Offsetting impact of:**
 - Lower revenues at 28.5° East in Q1
 - Non-renewal at HOT BIRD of contracts with some service providers
 - Renegotiation of Russian contracts
- / **5,793 channels broadcast at end-June 2015**
- / **HD penetration at 11.9% vs. 10.2%**

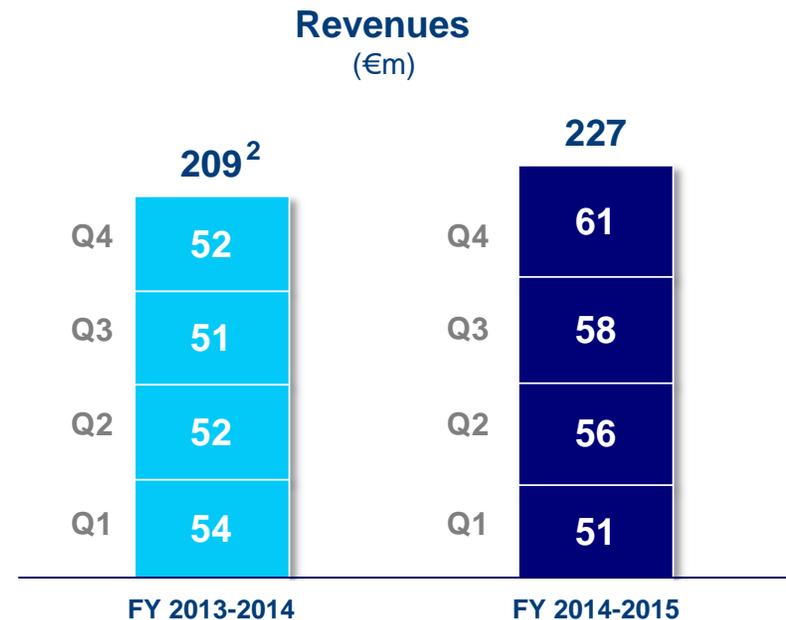


¹ On the basis of restated revenues at constant currency

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

Data: Positive dynamics in LATAM

- ✓ Revenues of €227m, up 1.3%¹ like-for-like
- ✓ Positive dynamics in LATAM
 - Strong growth for regular capacity
 - HTS payload on EUTELSAT 3B providing broadband services in Brazil
- ✓ Ramp-up of new regular capacity on EUTELSAT 3B
- ✓ Ongoing tough conditions in EMEA



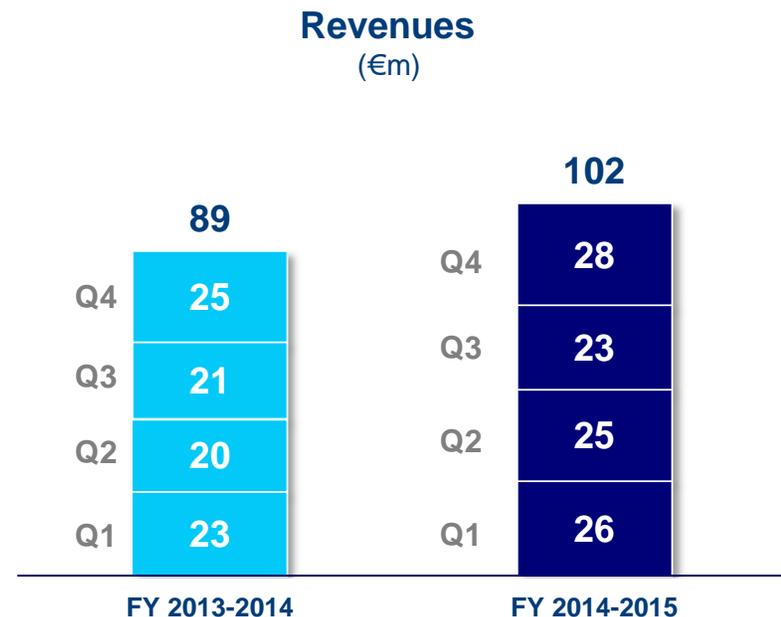
¹ On the basis of restated revenues at constant currency

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

VAS: Double-digit revenue growth

- ✓ Revenues of €102m, up 14.8%¹
- ✓ 185,000 terminals activated on KA-SAT at 30 June 2015
 - 31,000 terminals activated in FY 2014-15
 - France, Italy, Germany and Norway the largest contributors to full-year growth
 - Stabilisation of net additions in Q4
- ✓ Sequential revenue rise reflecting notably:
 - Rise in KA-SAT subscribers
 - Seasonality in maritime mobility business
 - Non-recurrence of negative one-off in Q3

¹At constant currency



Government Services: Challenging market

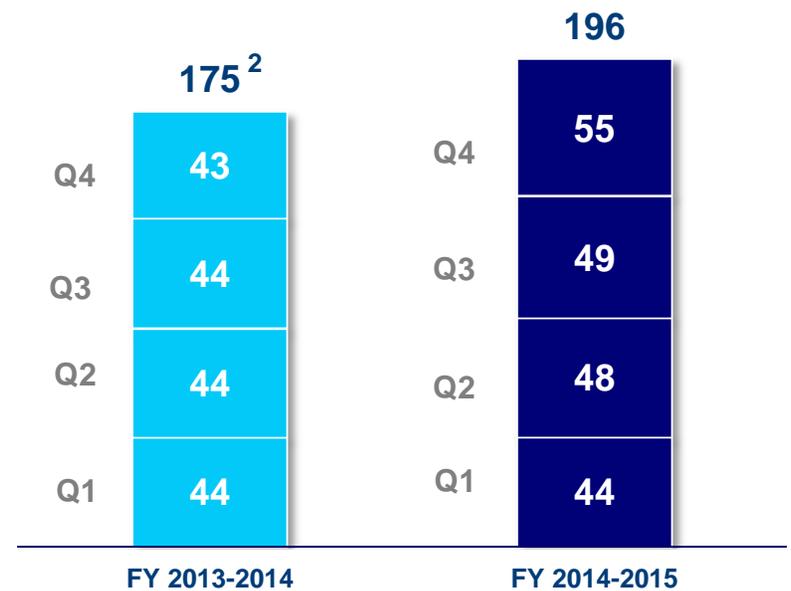
Revenues of €196m up 2.6%¹ at constant currency and 12.5%¹ at actual currency

- Contribution of new contracts on EUTELSAT 33B, EUTELSAT 36B and EUTELSAT 48D
- Good performance of Eutelsat Americas
- Negative impact of lower renewals in past 18 months

Low visibility in forthcoming year

- Increasing pricing pressure
- Impact of reduced operations
- Ongoing budgetary constraints
- Tougher procurement processes

Revenues
(€m)

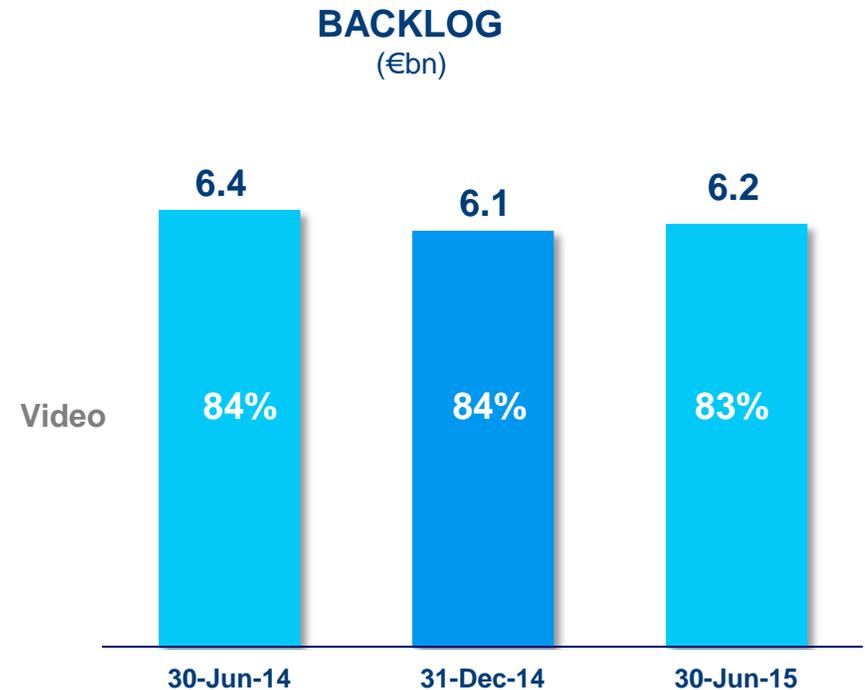


¹ On the basis of restated revenues

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

Backlog representing 4.2 years of revenues

- Backlog down 3.5% year-on-year
 - After 14% increase at constant perimeter in previous year
- Slight y-o-y decline reflecting
 - Renewals with nc+ and Total TV
 - New contracts in Africa and LATAM
 - Backlog consumption
 - Impact of Russian contract renegotiations
- 4.2 years of revenues
- Video accounting for 83%



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.

Progressive ramp-up of new capacity

Operational TPEs* up 46 y-o-y

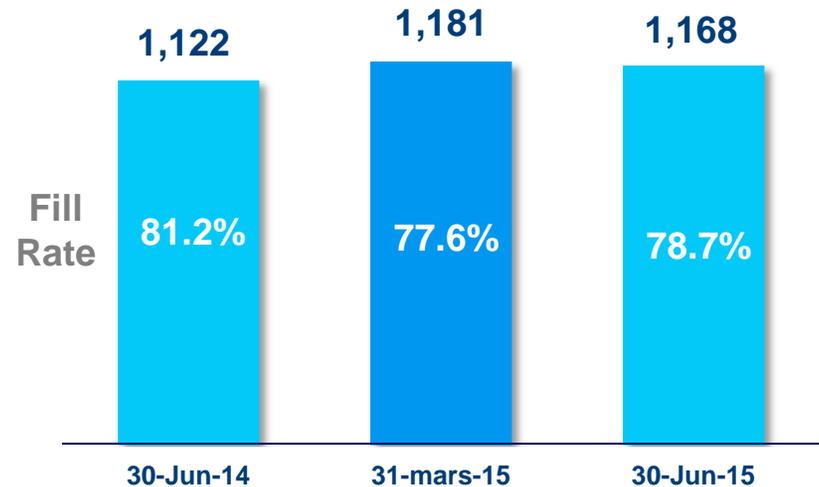
- Entry into service of EUTELSAT 3B, EUTELSAT 7B and Express-AT2

Fill Rate of 78.7% slightly up on end-March

- Reduction in capacity at 53°East
- New contracts in Africa and Latin America
- Lower volumes leased by Russian customers.

**The number of operational and leased transponders has until now been reported on the basis of physical transponders including HTS spotbeams. To better reflect actual capacity volumes, the number of transponders (operational and leased) and the fill rate is henceforth disclosed on the basis of the number of 36 MHz-equivalent transponders (TPE) for regular capacity, excluding HTS capacity. An equivalence table is published in the appendix to the press release.*

Operational TPEs (Regular capacity)



Based on 36 MHz-equivalent transponders (TPE), excluding HTS capacity (KA-SAT 82 spot-beams and EUTELSAT 3B's 5 Ka-band spot beams)

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- ✓ Outlook

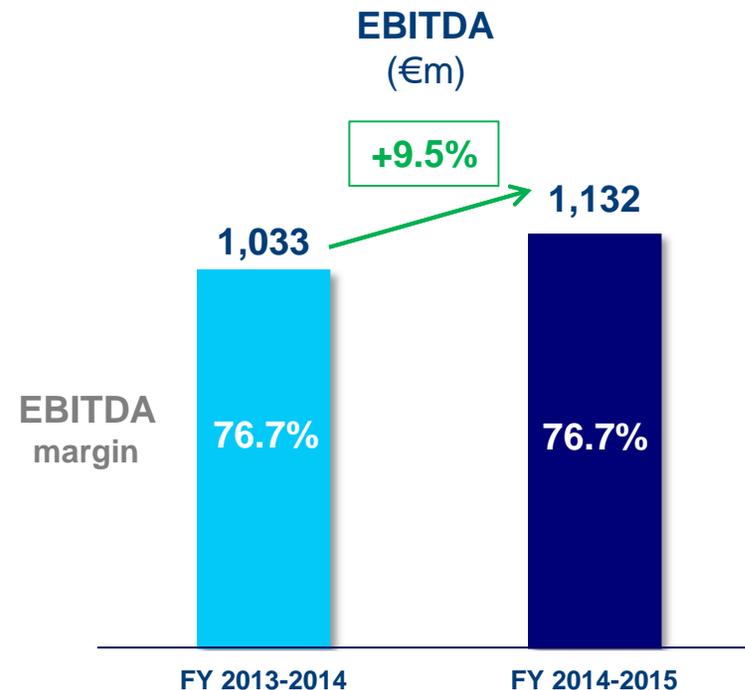
Stable EBITDA margin

EBITDA up 9.5%

- Top-line growth
- Full-year contribution of Satmex

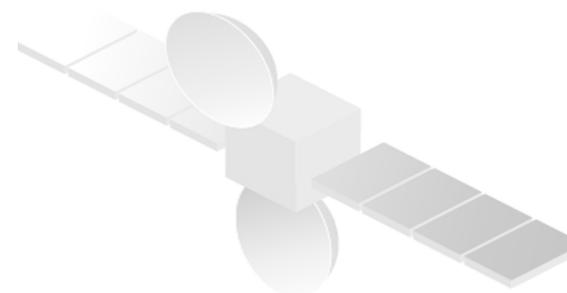
EBITDA margin stable at 76.7%

- Leverage from the overall increase in revenues
- Negative mix effect due to relatively higher growth of VAS



Net income of €355m, net margin at 24%

<i>Extracts from the consolidated income statement in €m¹</i>	FY 2013-14	FY 2014-15	Change
Revenues	1,348	1,476	+ 9.5%
EBITDA²	1,033	1,132	+ 9.5%
Operating income	623	662	+6.1%
Financial result	(132)	(116)	-12.3%
Income tax	(190)	(194)	+2.3%
Income from associates	15	19	+26.2%
Group share of net income	303	355	+17.2%

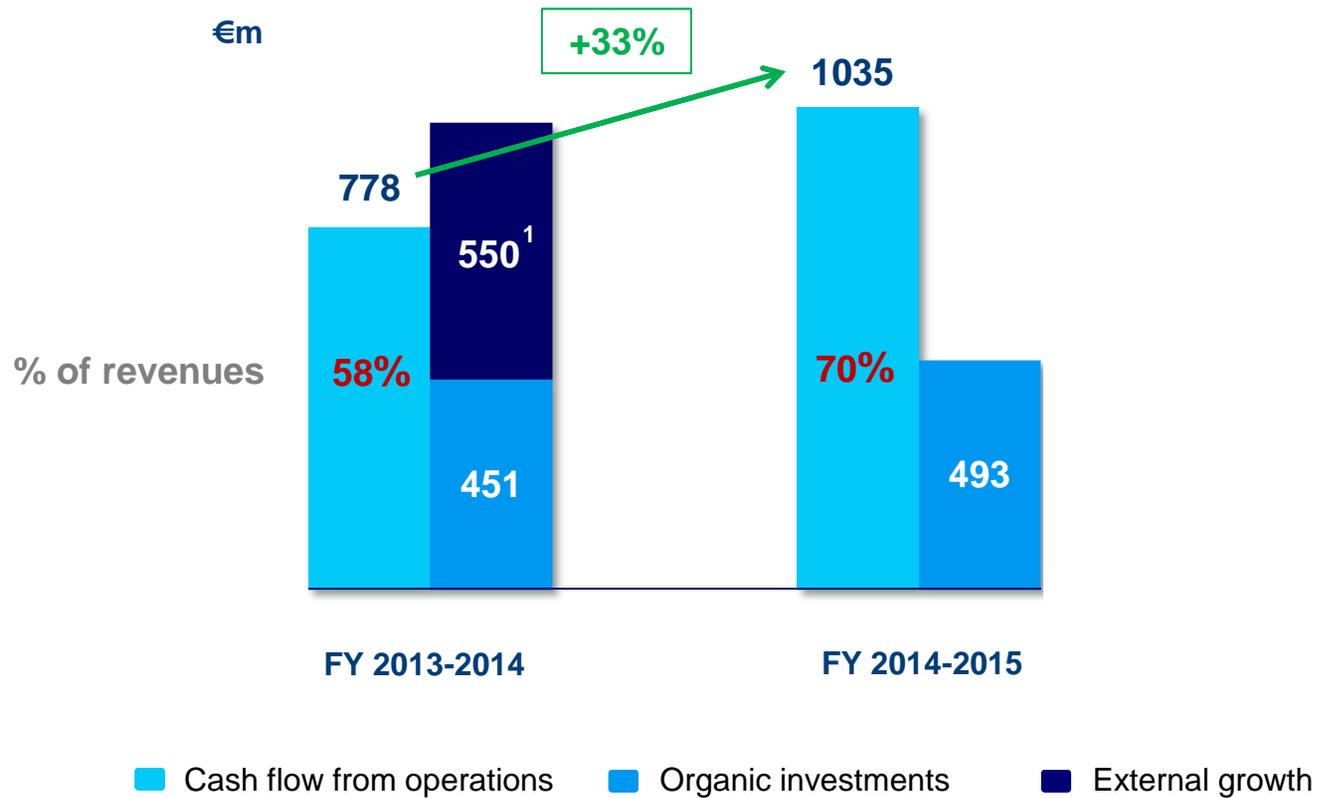


- Higher D&A reflecting Satmex consolidation and fleet investment
- Other operating income and expenses of €(3.7)m in FY 2014-2015 vs. €(8.5)m in FY 2013-2014
- Full impact of Dec. 2013 €930m bond
- Positive forex impact of €21m (-€7m in FY 2013-2014)
- Higher income before tax
- Lower tax rate reflecting activation of tax loss carry-forwards in LATAM and non recurrence of FY2013-2014 tax settlement
- Increased contribution from Hispasat
- Net margin of 24%

¹ Rounded to closest million

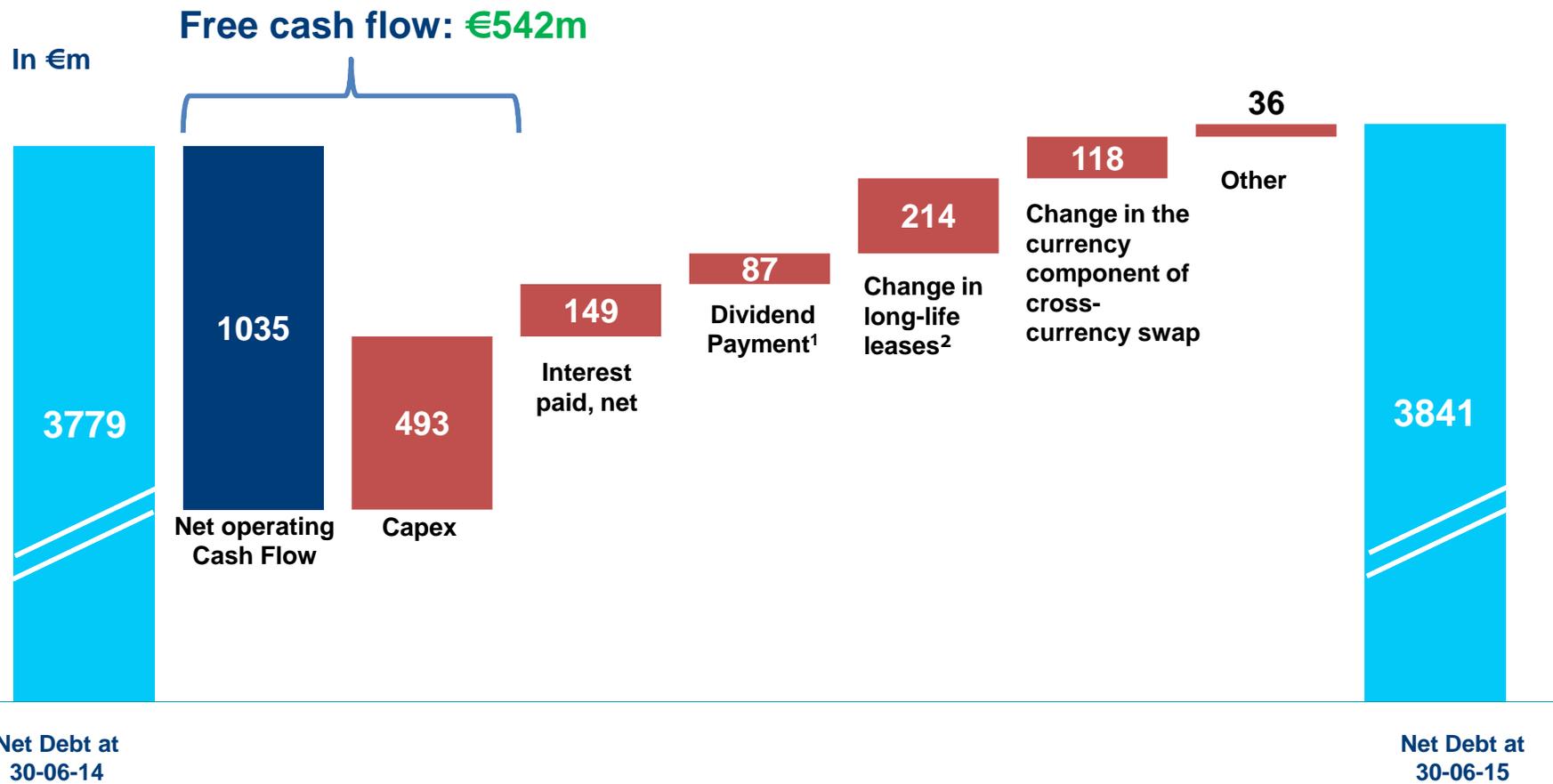
² EBITDA defined as operating income before depreciation, amortisation, impairments and other operating income/(expenses)

Strong cash flow generation, up 33%



¹ Acquisition of Satmex (€566m) net of disposals in equity investments or subsidiaries (€16m)

Stable net debt



Net Debt at 30-06-14

Net Debt at 30-06-15

¹ Including non-controlling interests; €78m to shareholders of Eutelsat Communications

² including the short-term portion of these leases

Sound financial structure

/// Ongoing funding optimisation

- Early refinancing and partial reimbursement of €800m term loan
- Extended debt maturity and financial charges reduction of c.€15m¹ pa pretax

/// Average weighted debt maturity of 4.1 years

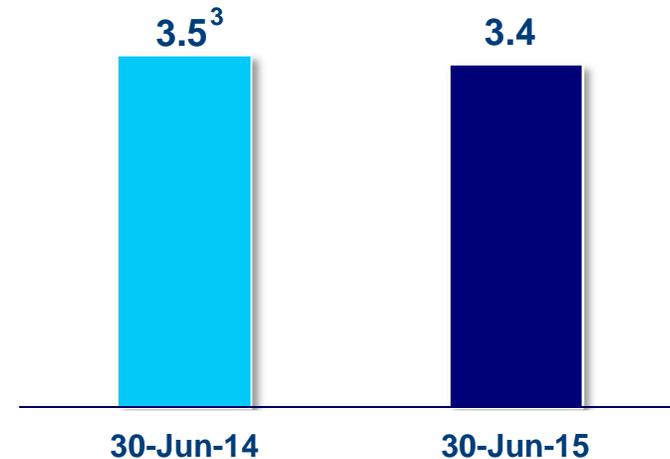
/// Average cost of debt after hedging of 3.8%

/// Strong liquidity:

- Cash of €420m
- €650m available revolving lines of credit

¹ Excluding arrangement fees and hedging instruments

NET DEBT / EBITDA RATIO²



² Based on net debt at the end of the period and last twelve months' EBITDA

³ Proforma of Satmex acquisition.

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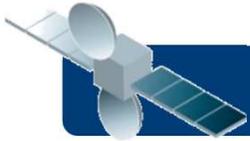
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/// **Outlook**

Our framework for profitable growth



Three priority growth opportunities

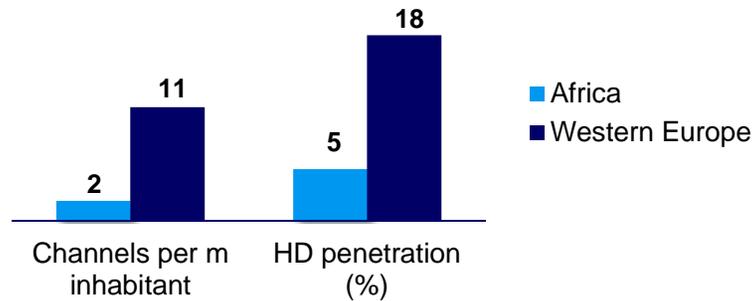
Video	Broadband and Mobility	Geographic footprint
<ul style="list-style-type: none">✓ New platforms in developing markets✓ Higher definition✓ New services to address changing customer usages	<ul style="list-style-type: none">✓ Selective investments in HTS✓ Broadband growth✓ Development of Mobility	<ul style="list-style-type: none">✓ Investments geared towards highest growth markets

Underpinned by:

- ✓ Ongoing cost containment measures
- ✓ Capex optimisation
- ✓ Innovation to drive growth and efficiency

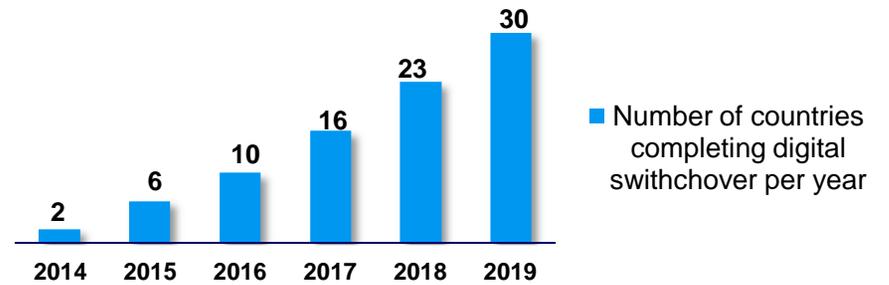
Video: Growth opportunity in Africa

Underpenetration of African market



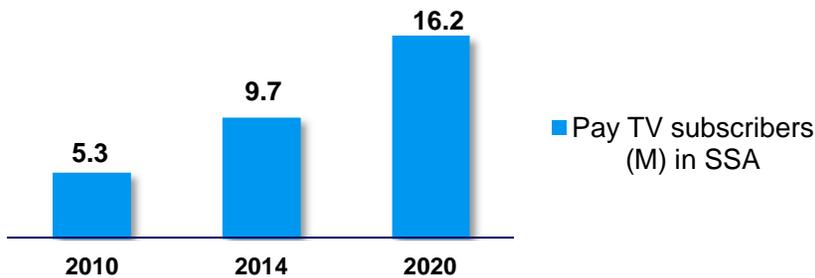
Source: Euroconsult, 2014

DTT transition to boost channel line-up



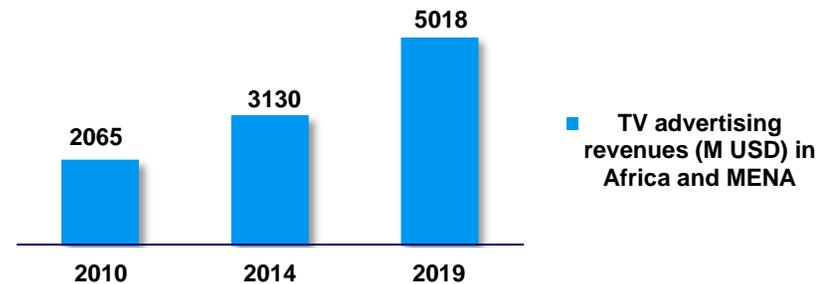
Source: Digital TV Research and African Telecommunications Union

Growth in Pay-TV subscribers



Source: Global Satellite TV forecast, Digital TV research, May 2015

Advertising revenues supporting FTA

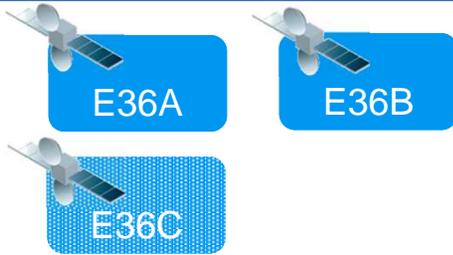


Source: Global entertainment and media outlook 2015-2019, PWC

Channel growth of >6% CAGR by 2023

Video: Strong position of Eutelsat in Africa

36° E



- Focus on English and Portuguese speaking countries
- MultiChoice anchor customer
- Resources to be added with EUTELSAT 36C



16° E



- Focus on West Africa
- Unified neighbourhood with Amos creating leading FTA position



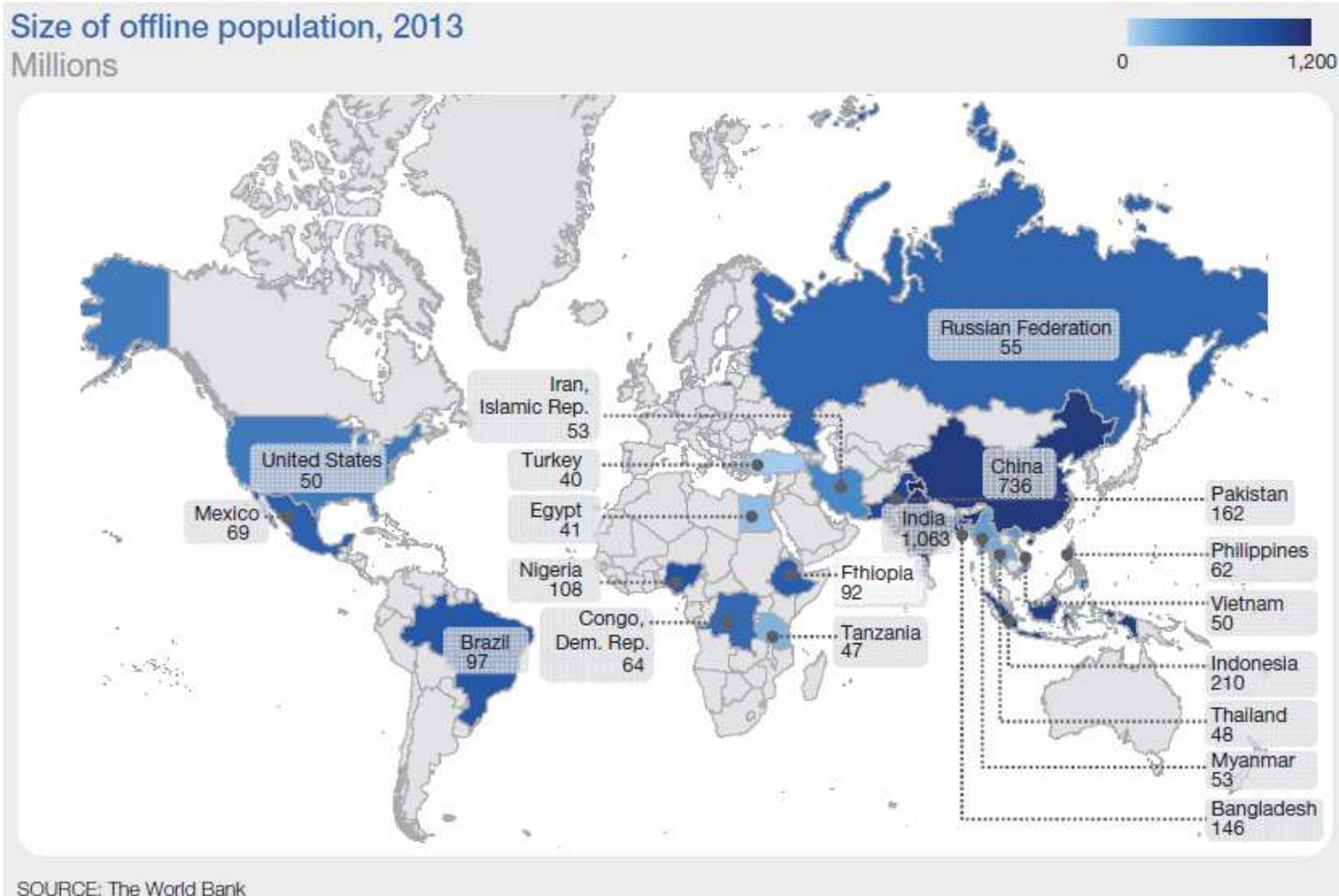
7° E



- New DTH Hotspot for East Africa, mostly English-speaking
- Resources enhanced with EUTELSAT 7B in July 2014



Broadband: Offline population exceeding 4 billion



**LATAM, SSA, Russia and South-East Asia
the regions with the strongest potential**

Satellite broadband: Opportunity in emerging markets

Insufficient scale of terrestrial broadband networks

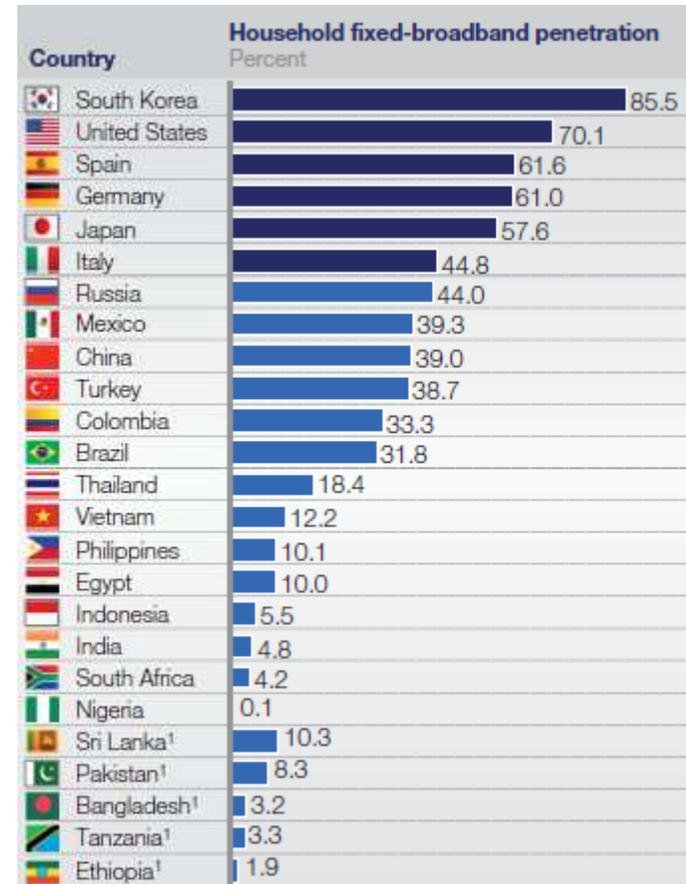
- Fixed line infrastructure less developed
- Mobile networks for broadband less deployed and often congested
- Roll-out of terrestrial networks takes time

High cost, limited performance and low reliability of such services where they exist

Higher proportion of areas with rural population favours satellite

- Network expansion often un-economic in areas with lower ARPUs and limited density

HTS satellites significantly improving cost per Mbps



Source: McKinsey – offline and falling behind., 2014
Pyramid research September 2013, WEF, Global information technology report 2014

Eutelsat is addressing this opportunity

/// Dedicated payloads on existing and future satellites



- /// 5-Steerable Ka-band spotbeams over Brazil
- /// Full payload already sold
- /// ~ 4Gbps of capacity

LAUNCHED



- /// 18 Ka-band spotbeams covering Russia
- /// Local JV in charge of commercialization
- /// 11.6 Gbps of capacity

**TO BE LAUNCHED
IN Q4 2015**



- /// Up to 24 Ka-band spotbeams over LATAM
- /// Wholesale agreement for the Brazilian payload already sold to Echostar
- /// 37.5 Gbps of capacity

**TO BE LAUNCHED
IN H2 2016**

/// Future projects under consideration

Geographic footprint: Expansion capacity focused on fast-growing markets

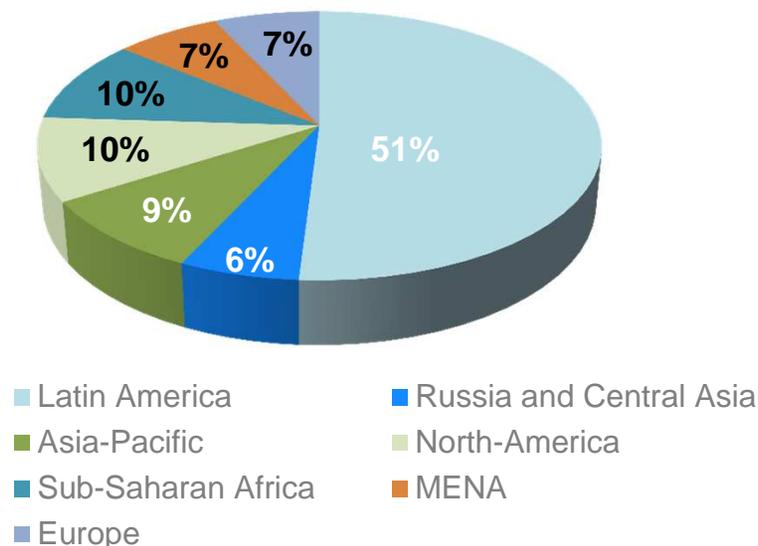
Expansion of regular capacity of c. 20%¹ focused

- On high growth markets, especially Latin America

Expansion of HTS capacity targeting fast-growing Broadband and Mobility markets

- EUTELSAT 36C: Russia (11.6 Gbps)
- EUTELSAT 65 West A: LATAM (37.5 Gbps)
- EUTELSAT 172B: APAC (1.8 Gbps)

Capacity expansion by region
(Regular capacity, Jun. 2015 to Dec. 2017)



¹ Increase in number of 36 Mhz-equivalent transponders expected between end-June 2015 and end-Dec. 2017, excluding HTS capacity. Calculation based on nominal deployment plan and including unannounced redeployments.

Updated deployment plan



	EUTELSAT 115 WEST B	EUTELSAT 8 WEST B	EUTELSAT 36 C	EUTELSAT 9B	EUTELSAT 117 WEST B	EUTELSAT 65 WEST A	EUTELSAT 172 B
Position	LAUNCHED 114.9° West	7/8° West	36° East	9° East	116.8° West	65° West	172° East
Launch	Q1 2015	20 Aug. 2015	Q4 2015	Q4 2015	Q4 2015	H2 2016	H1 2017
Manufacturer	Boeing	TAS	Airbus DS	Airbus DS	Boeing	SSL	Airbus DS
Launcher	SpaceX	Arianespace	Proton	Proton	SpaceX	Arianespace	Arianespace
Coverage	Americas	MENA LATAM	Russia SSA	Europe	LATAM	LATAM	Asia-Pacific
Applications	Video Data GS	Video Data	Video Data Broadband	Video	Video Data GS	Video Data Broadband	Data GS Mobility
Capacity (TPE / Spotbeams)	41 Ku 24 C	42 Ku 20 C	48 Ku 18 Ka ¹	47 Ku	48 Ku	24 Ku 15 C 24 Ka ¹	42 Ku 24 C 11 HTS Ku ¹
O/w expansion²	41 Ku 24 C	6 Ku 20 C	19 Ku 18 Ka ¹	12 Ku	48 Ku	24 Ku 15 C 24 Ka ¹	19 Ku 11 HTS Ku ¹

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

¹ Spotbeams - ² excludes unannounced redeployments

Financial outlook

Revenues

(At constant currency,
excl. non recurring revenues)

Growth of 2-3% in 2015-2016

Growth of 4-6% in 2016-2017

EBITDA

EBITDA margin above 76.5% to June 2017

Capex

Average of €500m per year to June 2018

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

Leverage

Investment grade ratings

Objective of Net debt / EBITDA below 3.3x

Distribution

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

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
Sub-total	344.1	343.0	337.7	352.5	1 377.3
Non-recurring revenues	0.3	0.2	-	-	0.5
Total	344.4	343.2	337.7	352.5	1 377.8

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.

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