FIRST QUARTER 2016-17 REVENUES

27 October 2016

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Agenda

1 **Business highlights**

2 **Q1 2016-17 performance**

3 **Outlook**

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Highlights

- Procurement of EUTELSAT 5 West B satellite with significant capex savings in the context of a design-to cost approach
- Solid renewals with USG confirming a stabilisation of trends in Government Services
- New contracts signed for airline mobility demonstrating strong positioning of KA-SAT
- Launch of Russian broadband project and Ka capacity secured for African Broadband to replace AMOS-6
- Portfolio optimisation: sale of the 70% stake in Wins /DHI and initiation of the process of divesting the 34% stake in Hispasat
- Q1 revenues in line with expectations; all financial targets confirmed

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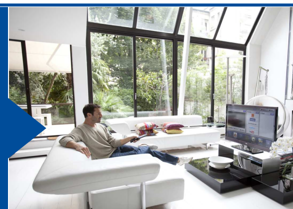
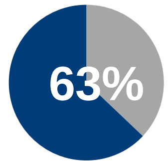
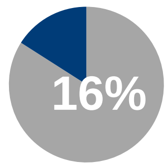
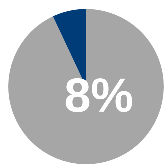
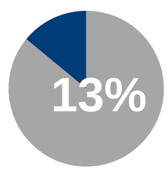
Q1 Revenues: €385m, +0.7% like-for-like[1]

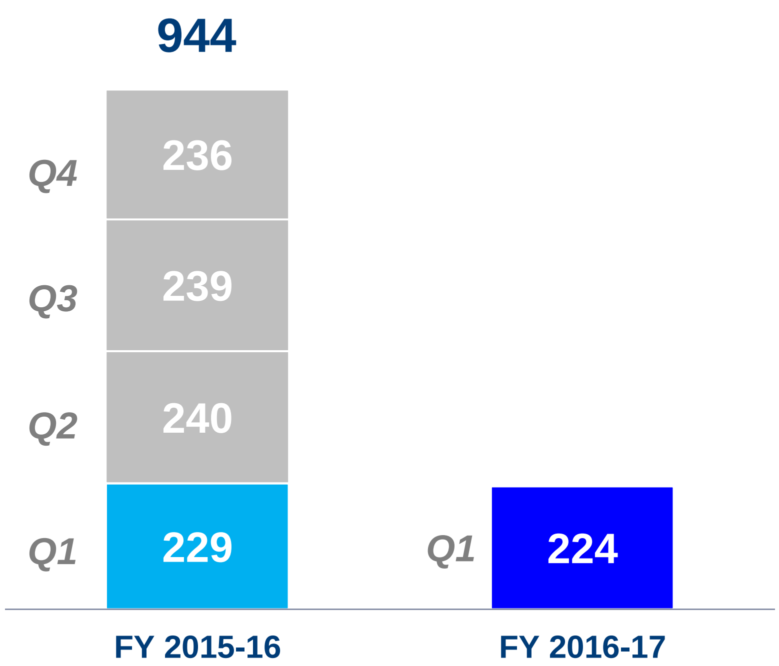
		REVENUE CONTRIBUTION[2]	REVENUES (€m)	CHANGE (%)	
				LIKE-FOR-LIKE	REPORTED
Video		 63%	**224**	***-1.3%***	***-2.2%***
Data Services		 16%	**57**	***-2.8%***	***-3.3%***
Value-Added Services		 8%	**29**	***+8.3%***	***-1.0%***
Government Services		 13%	**47**	***-10.7%***	***-11.2%***
Other revenues			**27**	***+62.9%***	***+61,8%***
Total revenues			**385**	***+0.7%***	***-0.7%***

[1] At constant currency and perimeter and excluding non-recurring revenues. [2] The share of each application as a percentage of total revenues is calculated excluding "Other revenues" and "Non-recurring revenues".

Video

- **Revenues of €224m, down 1.3% y-o-y like-for-like[1]**
- **Positive impact of incremental capacity launched last year**
  - EUTELSAT 8 West B in MENA
  - EUTELSAT 36C in SSA
- **Lower revenues at HOTBIRD following rationalisation of distribution**
- **Lower revenues for Professional Video**
- **6,336 channels at end-June 2016**
  - +8% y-o-y
  - Total HD penetration from 12.3% to 14.8%
  - HOTBIRD HD penetration from 19% to 22%

REVENUES (€M)

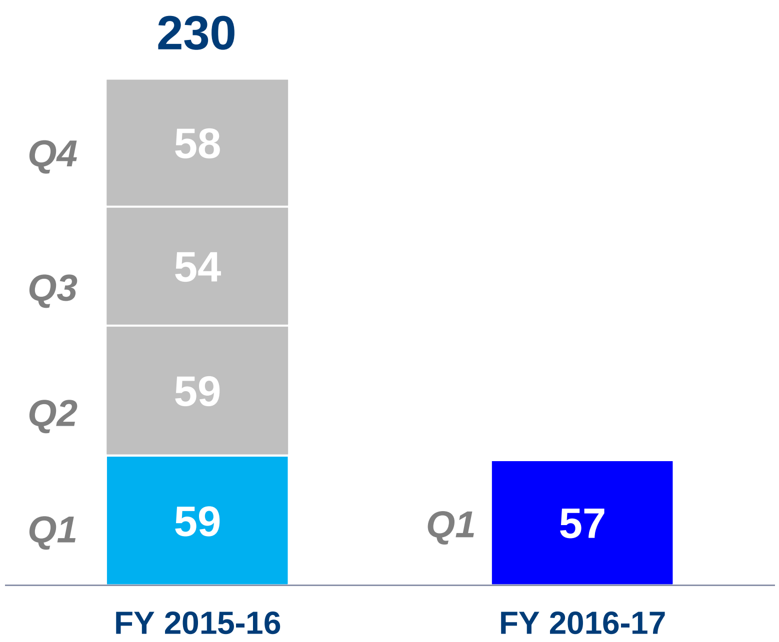


[1] -2.2% reported

Data Services

- **Revenues of €57m, down 2.8% y-o-y like-for-like[1]**
- **Full-quarter contribution of the Ka-band payload on EUTELSAT 65 West A**
  - HTS Payload fully sold since entry into service in May 2016
- **End of contract for Ka-band on EUTELSAT 3B in December 2015**
- **Ongoing tough environment in all geographies**

REVENUES (€M)

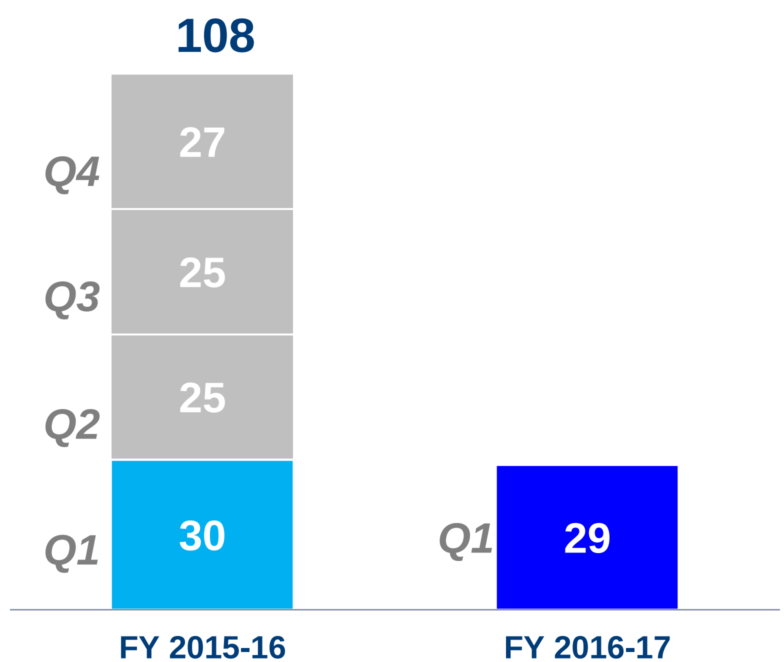


[1] -3.3% reported

Value-Added Services

- **Revenues of €29m, up 8.3% y-o-y like-for-like[1]**
  - Sale of Wins/DHI. Impact of c.€2.5m
- **KA-SAT: 179,000 terminals activated at 30 Sept. 2016**
  - ARPU and revenue trends well oriented
- **Russian broadband service launched on EUTELSAT 36C**
  - Distribution agreement with Tricolor TV
- **African Broadband back on track**
  - Alternative Ka capacity deal with Yahsat
  - Enabling launch of African Broadband initiative in first four
  - Revert to initial business plan in FY 18

REVENUES (€M)

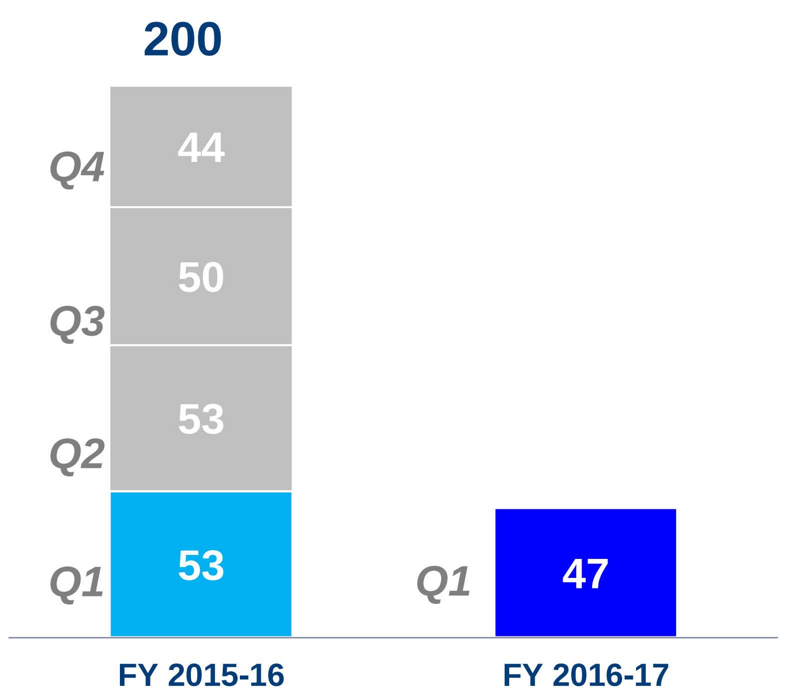


[1] -1.0% reported

Government Services

- **Revenues of €47m, down 10.7% y-o-y like-for-like[1]**
- **Revenue trend reflecting mainly the effect of lower renewals of last fiscal year**
- **Renewal rate above 90% in Fall round**
  - Considerable improvement vs. Spring round (65%)
  - Broadly stable volume
  - Modest price softening
- **New contracts representing four 36-MHz equivalent transponders**
  - Confirming prospects of a stabilisation in this vertical.

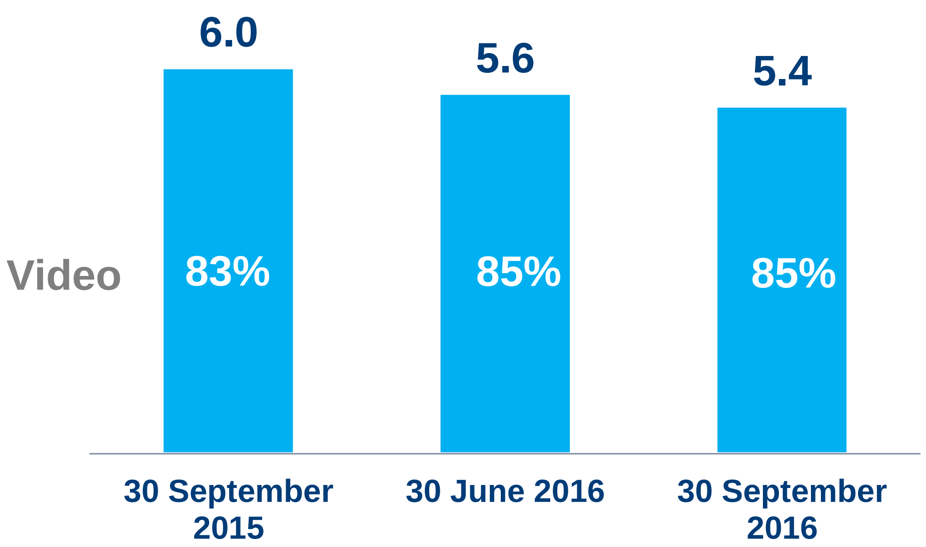
REVENUES (€M)



[1] -11.2% reported

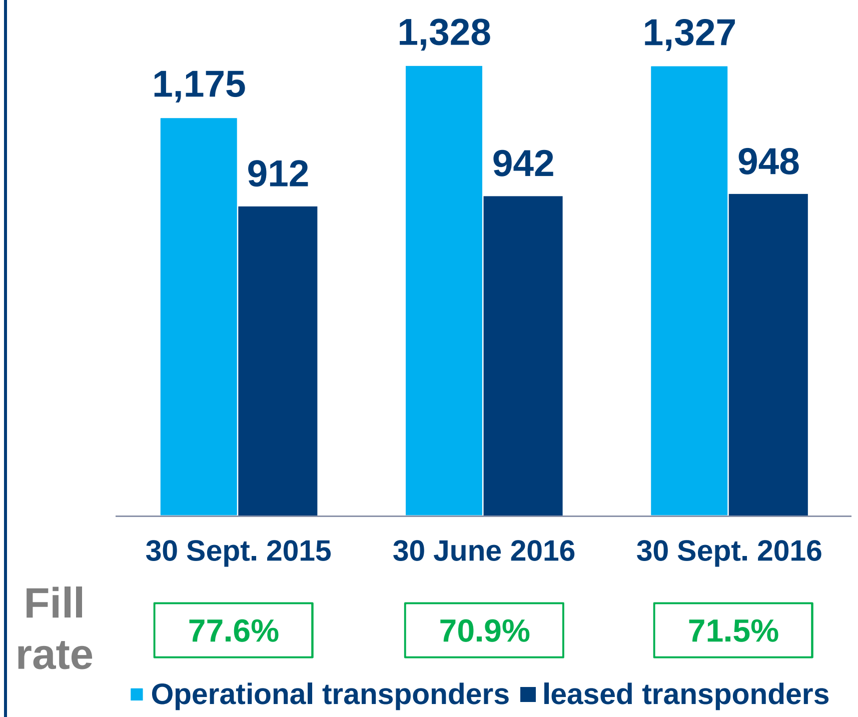
Backlog and Fill Rate

BACKLOG (€BN)



- Backlog of €5.4bn
- 3.6 years of revenues
- Video accounting for 85%

OPERATIONAL AND LEASED TRANSPONDERS



- Operational txp unchanged Q-o-Q
- Leased txp up by 6 units Q-o-Q
- Fill rate of 71.5%

Based on 36 MHz-equivalent transponders (TPE), excluding HTS capacity

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Strategic roadmap adapted to new market conditions

STEP 1	STEP 2	
GROW CASH FLOW	**GROW TOPLINE**	
2017-19	**2019-2025+**	
Maximise free-cash-flow generation of existing businesses	**Build on our core video business to accelerate growth**	**Capture longer term potential in Connectivity**

- Financial and operational measures
- Optimizing revenues in the core businesses

Strategic roadmap: Main achievements in Q1

STEP 1	Maximise free-cash-flow generation	Financial and operational measures	✓ Capex optimisation: EUTELSAT 5 WB procured with significant savings ✓ Asset disposals: Wins /DHI , Hispasat put option exercised
		Optimizing revenues in the core businesses	✓ Video: HOTBIRD “rationalisation” completed ✓ Government: improving USG trends
STEP 2	Grow topline	Build on core video business	✓ Tricolor TV rolling out Smartbeam Multi-screen delivery Video service
		Capture longer term potential in Connectivity	✓ Broadband: launch of Russian broadband service and agreement with Tricolor TV; capacity secured to launch African broadband ✓ Mobile connectivity: several contract wins in Aero mobility: SAS, Finnair

Design-to-cost benefits: EUTELSAT 5 West B case study

DESIGN-TO-COST	LAUNCH
Improved match of coverage with customer requirements	Shared launch in a stacked configuration on a Proton rocket

- Lower cost of payload
- Smaller platform

- Lower launch cost
- Lower insurance cost

- >30%[1] in capex savings
- Improved IRR
- Enhanced performance

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(1) relative to the theoretical cost of replicating EUTELSAT 5 West A's Ku band mission

KA-SAT ramping-up on aero Mobility

- Two new contracts signed using capacity on KA-SAT
- Finnair to connect entire Airbus A320 series short-haul fleet
  - ~40 aircrafts
- SAS to connect its short and medium-haul fleet
  - ~80 aircrafts
- Eutelsat provides satellite capacity, ViaSat is the prime contractor
- EL AL expected to enter full retail service before the end of 2016

Financial outlook confirmed

REVENUES (At constant currency, and perimeter excl. non recurring revenues)	► FY 2016-17: Between -3% and -1% ► FY 2017-18: Broadly stable ► FY 2018-19: Slight growth
EBITDA MARGIN	► FY 2016-17 to FY 2018-19: above 75%
CAPEX	► FY 2016-17 to FY 2018-19: Average of €420m[1] per year'
FREE CASH FLOW	► FY 2015-16 to FY 2018-19: Discretionary free cash flow[2] CAGR >10%
LEVERAGE	► Investment grade rating ► Target net debt / EBITDA: below 3.3x
DISTRIBUTION	► Stable to progressing dividend

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1 Inc. cash outflows related to ECA loan repayments and capital lease payments
2 Net cash-flow from operating activities less Cash Capex less Interest and Other fees paid net of interest received. Three year CAGR calculated on the period FY 2015-16 to FY 2018-19.

APPENDICES

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Fleet plan

Name	EUTELSAT 117 WB	EUTELSAT 172 B	EUTELSAT 7C	EUTELSAT 5 WEST B	eutelsat QUANTUM	AFRICAN BBAND. SATELLITE
Position	116.8° West	172° East	7°East	5°West	TBD	TBD
Launch	**Launched 15 June 2016**	H1 2017	H2 2018	2018	2019	2019
Manufacturer	BOEING	AIRBUS DEFENCE & SPACE	SSL	AIRBUS DEFENCE & SPACE / Orbital ATK	AIRBUS DEFENCE & SPACE	ThalesAlenia Space
Launcher	SPACEX	arianespace	TBD	ILS	TBD	TBD
Coverage	LATAM	Asia-Pacific	MENA SSA	Europe MENA	Flexible	SSA
Applications	Video Data GS	Data GS Mobility	Video	Video	Data GS Mobility	Broadband
Total Capacity (TPE/Spotbeams)	48 Ku	42 Ku 24 C **11 Ku / 1.8 Gbps**	49 Ku	35 Ku	N/A	**65 Ka / 75 Gbps**
Expansion Capacity[1]	48 Ku	19 Ku **11 Ku / 1.8 Gbps**	19 Ku	-	N/A	**65 Ka / 75 Gbps**

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Electrical propulsion

HTS Payload

1 Excludes unannounced redeployments

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