

FULL YEAR 2021-22 RESULTS

- *FY 2021-22 Operating Verticals revenues slightly above the mid-point of our expected range*
- *FY 2021-22 Adjusted Discretionary Free Cash Flow well above objectives*
- *Updated financial objectives*
 - *Return to topline growth from FY 2023-24 confirmed*
 - *Continued strong cash flow generation*
- *Dividend maintained at a high level of €0.93 per share¹*

Paris, 26 July 2022 – The Board of Directors of Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL), chaired by Dominique D’Hinnin, reviewed yesterday the financial results for the year ended 30 June 2022.

Key Financial Data	FY 2020-21	FY 2021-22	Change
P&L			
Revenues - €m	1,233.9	1,151.6	-6.7%
“Operating Verticals” revenues reported - €m	1,201.2	1,148.3	-4.4%
“Operating Verticals” revenues at constant currency and perimeter - €m	1,165.1	1,121.4	-3.8%
“Operating Verticals” revenues as per financial objectives - €m	-	1,122.1²	-
EBITDA ³ - €m	921.9	861.6	-6.5%
EBITDA margin - % ³	74.7%	74.8%	+0.1 pt
Operating income - €m	347.2	424.8	+22.3%
Group share of net income - €m	214.1	230.8	+7.8%
Financial structure			
Reported Discretionary Free Cash Flow - €m ³	467.1	443.2	-5.1%
Adjusted Discretionary Free Cash Flow - €m³	470.0	460.0	-2.1%
Net debt - €m	2,655.5	2,814.4	+€159.0m
Net debt/EBITDA - X ³	2.88x	3.27x	+0.39 pt
Backlog - €bn	4.4	4.0	-7.5%

Eva Berneke, Chief Executive Officer of Eutelsat Communications, said: “We delivered a robust performance in FY 2021-22 with revenues slightly above the mid-point of our guidance range, a stable industry-leading profitability and a continued strong free cash flow generation which is well above our range of objectives. Importantly, Fixed Broadband and Mobile Connectivity businesses have delivered double-digit growth highlighting their long-term potential whereas our Broadcast business has shown an improvement in trend in the second semester. In parallel, all the components necessary to foster our Telecom Pivot are gradually being put in place, including a new organization, an integrated platform and adequate in-orbit resources which will enable us to address the massive long-term connectivity opportunity. For the first year of our investment, our cooperation with OneWeb has been strengthened with in particular, the conclusion of a global distribution agreement to address all connectivity verticals further strengthened by an exclusive commercial partnership. Looking ahead, Operating Verticals

¹ Dividend proposed at the next AGM.

² FY 2021-22 “Operating Verticals” revenues are converted at 1.20 €/€ rate.

³ Please refer to Appendix 3 for more details on Alternative Performance Measures.

revenues for FY 2022-23 are expected between €1,150 and €1,180 million⁴ with a return to growth in FY 2023-24 fully reiterated. Cash generation will remain sustained with an Adjusted Discretionary Free Cash Flow objective expected on average at €420 million per annum in the next couple of years. We are also renewing our commitment to strong shareholder returns with a recommended dividend maintained at a high level of €0.93 per share.”

EBITDA, EBITDA margin, Net debt / EBITDA ratio, Cash Capex, Discretionary Free Cash Flow and Adjusted Discretionary Free Cash Flow are considered Alternative Performance Indicators. Their definition and calculation are in appendix 3 of this document.

HIGHLIGHTS

Announcement of a combination between Eutelsat and OneWeb representing a leap forward in the Satellite Connectivity space; separate press release published this morning

Operating Verticals revenues slightly ahead of the mid-point of the expected range; Fourth Quarter revenues slightly up relative to the Third Quarter after a broad stabilisation in the Third Quarter relative to the Second Quarter

- €1,148 million on a reported basis, down 3.8% like-for-like.
- €1,122 million at 1.20 €/€ rate, slightly above the mid-point of our €1,110 to 1,130 million range.
- Broadcast (-6.9% YoY): confirmed resilience in the Second Half with two consecutive quarters of broad stability (Q3 vs Q2 and Q4 vs Q3).
- Fixed Data and Professional Video (-4.2% YoY): mid-single digit erosion, confirming the improvement in trend recorded in FY 2020-21.
- Government Services (-7.9% YoY): reflecting geopolitical context in MENA ahead of the full benefit of Quantum which enabled a sequential stabilisation of revenues in the Fourth Quarter.
- Fixed Broadband (+36.0% YoY) and Mobile Connectivity (+15.0% YoY): strong double-digit growth highlighting long-term potential.
- Fourth Quarter revenues up 1.5% quarter-on-quarter (up 0.6% excluding one-off in Fixed Broadband) after a broad stabilisation (-0.7%) in the Third Quarter versus the Second Quarter.

Resilient financial performance despite revenue headwinds

- Industry-leading profitability with a 74.8% EBITDA margin, stable year-on-year.
- Continued robust cash generation
 - Adjusted Discretionary Free Cash Flow of €460 million (Based on €/€ rate of 1.20), well above the expected range of objectives (€400 to 430 million).
 - Reported Discretionary Free Cash Flow of €443 million, representing 38% of revenues.
 - Cumulative Reported DFCF above €2.2bn over the last 5 years.
- Net Debt / EBITDA ratio at 3.27x (versus 2.88x last year) ahead of phase 2 of C-Band proceeds.

Putting all components in place to foster the Telecom Pivot

- Massive long-term market opportunity for both B2C and B2B connectivity.
- Successful launch of our Eutelsat Advance managed services solutions with a promising commercial start, notably in Maritime.
- Reorganization along two business lines, Video and Connectivity to enhance customer-centricity, gain efficiency and favour return to growth, as part of Comete project.
- Substantial growth capacity entering service from FY 2023-24 with high level of pre-commitments.

Closer cooperation with OneWeb which is making good progress despite Russian headwind

- Investment closed with a further strengthening of the initial stake making Eutelsat OneWeb's second largest shareholder.

⁴ Based on €/€ rate of 1.00 and on the nominal deployment plan outlined below. It assumes no material deterioration of revenues generated from Russian customers.

- Global distribution partnership secured to address key connectivity verticals, deepening cooperation and showcasing operational synergies between the two companies.
- Exclusive commercial partnership agreement, with Eutelsat taking a firm commitment for some OneWeb's capacity and benefitting from exclusive use over certain pre-determined sales regions and verticals, in particular continental Europe and Global cruise.
- Following the suspension of operations in Baikonur, OneWeb to resume satellite launches with SpaceX and New Space India.
- Continued commercial traction highlighting substantial long-term potential.

Updated financial objectives including confirmed return to topline growth from FY 2023-24

- Operating Vertical revenues expected between €1,150 million and €1,180 million in FY 2022-23.
- Operating Vertical revenues expected to grow from FY 2023-24 on the back of the entry into service of new assets with substantial firm precommitments.
- Adjusted Discretionary Free Cash Flow objective expected at an average of €420 million per year in FY 2022-23 and FY 2023-24, representing a cumulative Adjusted DFCF generation of €1,361 million over three fiscal years (FY 2021-22, FY 2022-23 and FY 2023-24) at a 1.00 €/€ rate.
- All objectives are set using a 1.00 €/€ rate.

Recommended dividend of €0.93 per share, subject to AGM approval

- Dividend covered more than twice by Reported Discretionary Free Cash Flow.
- Scrip dividend option to be proposed to shareholders.

ANALYSIS OF REVENUES⁵

In € millions	FY 2020-21	FY 2021-22	Change	
			Reported	Like-for-like ⁶
Broadcast	741.0	696.9	-6.0%	-6.9%
Data & Professional Video	161.4	158.5	-1.8%	-4.2%
Government Services	151.4	144.4	-4.6%	-7.9%
Fixed Broadband	80.2	68.7	-14.3%	+36.0%
Mobile Connectivity	67.2	79.9	+18.9%	+15.0%
Total Operating Verticals	1,201.2	1,148.3	-4.4%	-3.8%
Other Revenues ⁷	32.7	3.3	-89.9%	-11.8%
Total	1,233.9	1,151.6	-6.7%	-3.9%
<i>EUR/USD exchange rate</i>	<i>1.19</i>	<i>1.14</i>		

Total revenues for **FY 2021-22** stood at €1,152 million, down by 6.7% on a reported basis and by 3.9% like-for-like.

Revenues of the five **Operating Verticals** (ie, excluding 'Other Revenues') stood at €1,148 million. They were down by 3.8% on a like-for-like basis excluding a positive currency effect of circa 2 points as well as a negative perimeter effect of circa 2.5 points from the disposal of Euro Broadband Infrastructure

⁵ The share of each application as a percentage of total revenues is calculated excluding "Other Revenues".

⁶ Change at constant currency and perimeter. The variation is calculated as follows: i) FY 2021-22 USD revenues are converted at FY 2020-21 rates; ii) the contribution of BigBlu Broadband Europe (BBB) from 1st July 2021 to 30 September 2021 is excluded from FY 2021-22 revenues; iii) the contribution of Eurobroadband Infrastructure (EBI) is excluded from FY 2020-21 revenues; iv) Hedging revenues are excluded from Other Revenues.

⁷ "Other Revenues" include mainly the impact of EUR/USD revenue currency hedging, the provision of various services or consulting/engineering fees and termination fees.

(EBI) on 30 April 2021, only partly offset by the consolidation of Bigblu Broadband Europe since 1st October 2020.

Fourth Quarter revenues stood at €293 million down 3.8% on a reported basis and by 3.3% like-for-like. Revenues of the five Operating Verticals stood at €295 million, down 3.1% year-on-year and up 1.5% quarter-on-quarter on a like-for-like basis.

Unless otherwise stated, all variations indicated below are on a like-for-like basis, ie, at constant currency and perimeter.

Broadcast (61% of revenues)

FY 2021-22 Broadcast revenues were down 6.9% like-for-like to €697 million. They reflected predominantly the effect of the partial renewal of capacity with Nilesat at 7/8° West as well as lower revenues in Europe in the first half of the fiscal year due largely to the carry-forward effect of a slowdown in the pace of new business during the Covid period.

Fourth Quarter revenues stood at €174 million, down by 5.8% year-on-year. Excluding the 7/8° West impact, Broadcast revenues experienced a low-single-digit decline. Quarter-on-quarter, revenues were broadly stable for the second quarter in a row.

Data & Professional Video (14% of revenues)

FY 2021-22 Data & Professional Video revenues stood at €159 million, down by 4.2% year-on-year, a trend which is broadly in keeping with the previous fiscal year (-3.7%).

Fixed Data, which accounts for more than two thirds of this vertical, is benefiting from higher volumes which partly offset a continued double-digit price pressure. Professional Video remains in structural decline, although it benefited from a robust performance in Occasional Use.

Fourth Quarter revenues stood at €41 million, down 5.8% year-on-year and 1.1% quarter-on-quarter.

Government Services (12% of revenues)

FY 2021-22 Government Services revenues stood at €144 million, down 7.9% year-on-year. This reflected the negative effect of US Government renewals, driven by the withdrawal of troops from Afghanistan which led to a renewal rate of circa 75% during the fiscal year, as well as the end of life in stable orbit of EUTELSAT 174A. These headwinds were only partly offset by initial incremental revenues secured on EUTELSAT QUANTUM.

Fourth Quarter revenues stood at €36 million, down 12.9% year-on-year. They were stable quarter-on-quarter.

Fixed Broadband (6% of revenues)

FY 2021-22 Fixed Broadband revenues stood at €69 million, up 36.0% year-on-year. They reflected the contribution from the wholesale agreements with Orange, TIM and, from November 2021, Hispasat, the strong dynamic of our African operations and the ramp-up of the multi-beam agreement signed on EUTELSAT 65 West A with several Mexican service providers. Revenues also benefitted from a positive one-off in the Fourth Quarter amounting to circa €2.5 million. These tailwinds more than offset the erosion of the legacy business of Bigblu Broadband on the KA-SAT satellite.

Fourth Quarter revenues stood at €22 million, up 26.0% quarter-on-quarter and largely reflecting the above-mentioned one-off. They were up 39.2% on a year-on-year basis (+22.4% excluding the one-off).

Mobile Connectivity (7% of revenues)

FY 2021-22 Mobile Connectivity revenues stood at €80 million, up 15.0% year-on-year. Revenues reflected the carry-forward effect of the contract signed with Anuvu last year as well as the ongoing strong growth of Maritime, driven by the ramp-up of contracts with service providers signed in recent years and by the agreement inked earlier this year on EUTELSAT QUANTUM with a customer in the Middle East. These tailwinds more than offset the downsizing of a contract with a service provider in the Middle East.

Fourth Quarter revenues stood at €23 million, up 16.4% year-on-year and 4.5% quarter-on-quarter.

On the **commercial front**, Eutelsat has been selected by Telenor Maritime for in-orbit resources and managed services for cruise connectivity on several of its satellites. Under the agreement Eutelsat will deliver capacity on EUTELSAT 33E for coverage of the Mediterranean Sea, and on multiple satellites, together with its Eutelsat ADVANCE managed connectivity service, for coverage of the Caribbean Sea. This deal testifies to the strong momentum of the maritime connectivity business and showcases the compelling combination of Eutelsat's in-orbit resources and its Eutelsat ADVANCE solution.

Other Revenues

Other Revenues amounted to €3 million versus €33 million a year earlier. They included a negative €12 million impact from hedging operations compared to a positive effect of €16 million last year.

OPERATIONAL AND UTILIZED TRANSPONDERS

The number of operational transponders at 30 June 2022 stood at 1,361 units, down 16 units year-on-year, the latter reflecting principally the end of life in stable orbit of EUTELSAT 174A.

The number of utilized transponders stood at 996 units, up 15 units year-on-year, reflecting principally the ramp-up of the maritime connectivity vertical, partially offset by the renewal campaigns with the US Government as well as the partial renewal with Nilesat.

As a result, the fill rate stood at 73.2% compared with 71.2% a year ago.

	30 June 2021	30 June 2022
Operational transponders ⁸	1,377	1,361
Utilized transponders ⁹	981	996
Fill rate	71.2%	73.2%

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity

BACKLOG

At 30 June 2022 the backlog stood at €4.0 billion, down 7.5% compared to 30 June 2021, largely reflecting natural backlog consumption.

The backlog was equivalent to 3.5 times 2021-22 revenues, with Broadcast representing 62%.

	30 June 2021	30 June 2022
Value of contracts (in billions of euros)	4.4	4.0
<i>In years of revenues based on last fiscal year</i>	3.5	3.5
Share of Broadcast	64%	62%

Note: The backlog represents future revenues from capacity or service agreements and can include contracts for satellites under procurement.

⁸ Number of transponders on satellites in stable orbit, back-up capacity excluded.

⁹ Number of transponders utilized on satellites in stable orbit.

PROFITABILITY

EBITDA stood at €862 million versus €922 million at 30 June 2021, down 6.5%. Despite lower revenues, the EBITDA margin is stable at 74.8% (75.0% at constant currency and excluding Hedging) versus 74.7% a year earlier.

Opex were €26m lower than last fiscal year at constant currency reflecting the favorable effect of changes in perimeter, lower Bad Debt and continued strict cost discipline in the legacy businesses which more than offset additional costs for growth verticals. In the context of the LEAP 2 cost-saving program, €24 million savings are being achieved, in the high end of the 20-25 million annual savings target range.

Group share of net income stood at €231 million versus €214 million in FY 2020-21, up by 7.8%. The net margin stood at 20% versus 17% last year. This reflected mainly:

- Lower **depreciation and amortisation costs** of -€482 million at 30 June 2022 compared with -€508 million a year earlier, as a result of the disposal of the KA-SAT satellite in May 2021 and of the end of the amortisation period of certain in-orbit assets, which more than offset the effect of the entry into service of KONNECT in November 2020 and of EUTELSAT QUANTUM in November 2021.
- **Other operating income** of +€45 million versus -€67 million last year. FY 2021-22 included the \$125m payment related to Phase I of C-Band proceeds, partly offset by some asset impairments recorded mostly in the first half. FY 2020-21 included notably costs related to the Issy-les-Moulineaux headquarters move, the LEAP 2 plan and M&A activity as well as some asset impairments.
- A **net financial result** of -€65 million (versus -€95 million a year earlier), mainly reflecting a favourable impact from foreign exchange gains and losses.
- Higher **tax**, at -€49 million versus -€24 million, last year reflecting notably the 30% tax rate applied to the above-mentioned C-Band proceeds.
- Negative **income from associates** ((€72) million) reflecting the contribution of the stake in OneWeb since September.

CASH FLOW

Net cash flow from operating activities amounted to €801 million, €88 million lower than last year. This reflected the decrease in EBITDA as well as an unfavourable comparison basis for working capital requirement as FY 2020-21 benefitted from a catch up after the Covid crisis. Excluding the tax related to the phase I of C-Band proceeds, cash tax was lower than in previous year.

Cash Capex¹⁰ amounted to €280 million (€63 million below FY 2020-21), well within our €400m per annum envelope and not reflective of our long-term expectations. FY 2020-21 notably included anticipated leases and ECA repayments.

Interest and other fees paid net of interest received amounted to €78 million, essentially unchanged versus last year (€80 million).

As a result, **Reported Discretionary Free Cash Flow** amounted to €443 million on a reported basis. At the €/€ rate which was set for financial objectives (1.20) and excluding the impact of hedging and one-off costs, Adjusted DFCF stood at €460 million, down 2.1% compared to the record high level of FY 2020-21, but well above our expected range of objectives (€400 to €430 million).

Reported Discretionary Free Cash Flow represented 38% of revenues.

¹⁰ Please refer to Appendix 3 for more details on Alternative Performance Measures.

FINANCIAL STRUCTURE

At 30 June 2022 **net debt** stood at €2,814 million, a €159m increase versus end of June 2021. It mainly reflected, on one hand, the €443 million reported Discretionary Free Cash Flow and the first instalment of C-Band proceeds net of tax of €86 million, and on the other, the dividend payment of €222 million (including minority interests) and the outflow in respect of inorganic investments of €495m, mostly OneWeb. Other items (mostly variations related to leases, structured debt and the foreign exchange portion of the cross-currency swap) contributed to the decrease in net debt for a net impact of €28 million.

As a result, the **net debt to EBITDA ratio** stood at 3.27x, 0.39x higher compared to end-June 2021 (2.88x).

The weighted average maturity of the Group's debt stood at 4.3 years (5.0 years at end-June 2021) and the average cost of debt after hedging stood at 2.55% versus 2.4% in FY 2020-21. The Group's liquidity position at the end of June 2022 including cash and undrawn credit lines stood at around €1.9 billion.

DIVIDEND

On 25 July 2022 the Board of Directors agreed to recommend to the next Annual Meeting of Shareholders a dividend of €0.93 per share for FY 2021-22, unchanged versus last fiscal year.

An option for shareholders to receive the entire dividend, either in cash or in new shares of the Company will be proposed.

OUTLOOK AND FINANCIAL OBJECTIVES

With a robust backlog, an industry-leading profitability and a proven ability to generate a high level of Free Cash Flow, Eutelsat is in a strong position to face the challenges of FY 2022-23, which is expected to be the last year of transition before a return to growth from FY 2023-24, driven by new in-orbit resources.

- Broadcast revenue trend is expected to materially improve in FY 2022-23 relative to FY 2021-22 (-6.9%). Nevertheless, while the impact of the Nilesat headwind will wash out from mid-October 2022, revenues will be negatively affected by the anticipated non-renewal of the capacity contract with Digitürk, leading to an overall mid-single digit decline for this application.
- Data & Professional Video revenue trend in FY 2022-23 will remain largely in keeping with the mid-single digit decline trend reported in FY 2021-22 (-4.2%).
- Government Services revenue will reflect, on one hand, the ramp-up of EUTELSAT QUANTUM, and on the other, the carry-forward effect of FY 2021-22 below-average renewals. The outturn of the fiscal year will also remain dependent on the outcome of future renewals.
- Fixed Broadband and Mobility will keep growing in FY 2022-23, although at a slower pace compared to the massive double-digit growth recorded in FY 2021-22 (respectively +36.0% and +15.0%), ahead of the arrival of incremental capacity.

Taking these elements into account, we expect to generate revenues from the five Operating Verticals of between €1,150-1,180 million in FY 2022-23, based on a €/€ rate of 1.00, representing a -4% like-for-like decline at mid-point versus FY 2021-22, in keeping with the trend of FY 2021-22. Thanks to new capacity including notably the firm precommitments secured on EUTELSAT KONNECT VHTS and EUTELSAT 10B, revenues are expected to grow from FY 2023-24.

Cash Capex¹¹ will not exceed €400 million per annum for each of the next two fiscal years (FY 2022-23 / FY 2023-24).

The Group will continue to leverage all measures to maximise cash generation with an objective of Adjusted Discretionary Free Cash Flow expected at an average of €420 million per year at a €/€ rate of 1.00 for FY 2022-23 and FY 2023-24. This is equivalent to a cumulative Adjusted DFCF generation of €1,361 million over three fiscal years at a 1.00 €/€ rate (FY 2021-22, FY 2022-23 and FY 2023-24). Adjusted DFCF objectives exclude future payments related to the exclusive commercial partnership with OneWeb mentioned below.

We remain committed to a sound financial structure and continue to target a medium-term net debt / EBITDA ratio of around 3x.

A €0.93 per share dividend will be proposed to the upcoming AGM with a scrip option. Beyond that, the dividend policy is suspended in the context of the Oneweb transaction.

This outlook is based on the nominal deployment plan outlined below. It assumes no material deterioration of revenues generated from Russian customers. It excludes the impact of the contemplated combination with OneWeb.

COMETE PROJECT

Eutelsat has decided to adapt its organisation to better serve its strategic priorities, the evolution of its markets and the specific characteristics of each of its businesses.

In this context, two distinct Business Units, Video and Connectivity, will be created and will integrate all the activities carried out by the current Sales Department, as well as the teams providing support for customer services, currently in the Technical Department. The new organisation, which is expected to be fully in place early in calendar year 2023, will place customer satisfaction at the heart of our operations, enable differentiated sales strategies per each sub-segment and increase collaboration between the relevant teams.

This new organization will be instrumental to foster return to growth, enhance customer centricity, and ensure an optimized efficiency in the use of the resources of the company.

¹¹ Including capital expenditure and payments under existing export credit facilities and other bank facilities financing investments as well as payments related to lease liabilities.

FLEET DEPLOYMENT

Nominal deployment program

Compared to the last quarterly update in May 2022, the entry into service of EUTELSAT 10B has been slightly delayed from the end of the first half of calendar 2023 to the third quarter of calendar year 2023.

Satellite	Orbital position	Estimated entry into service (calendar year)	Main applications	Main geographic coverage	Physical Transponders/ Spot beams	Of which expansion
EUTELSAT 10B	10° East	Q3 2023	Mobile Connectivity	EMEA Atlantic & Indian Ocean	12 Ku 10 C >100 Ku spot beams	-48 Ku c. 35 Gbps
EUTELSAT HOTBIRD 13G	13° East	H1 2023	Broadcast	Europe MENA	80 Ku ¹ EGNOS payload	EGNOS payload
KONNECT VHTS	To be confirmed	H2 2023	Connectivity	Europe	~230 Ka spot beams	500 Gbps
EUTELSAT HOTBIRD 13F	13° East	Q2/Q3 2023	Broadcast	Europe MENA	80 Ku ¹	None
EUTELSAT 36D	36° East	H2 2024	Broadcast Government	Africa, Russia, Europe	70 Ku UHF payload	UHF payload

¹ Nominal capacity corresponding to the specifications of the satellites. Total operational capacity at the HOTBIRD orbital position will remain unchanged with 102 physical transponders operated, once regulatory, technical and operational constraints are taken into account.

Changes in the fleet since 30 June 2021

- EUTELSAT QUANTUM was launched on 30 July 2021 and entered service in November 2021.
- The lease agreement for capacity on the YAHSAT 1B and Al Yah 3 satellites was terminated in the First Quarter of Fiscal Year 2021-22.
- EUTELSAT 48E, which was in inclined orbit, terminated its life in October 2021.
- EUTELSAT 174A is operating in inclined orbit since January 2022.

CORPORATE GOVERNANCE

Ana Garcia Fau stepped down from the Board. The Board is composed of 9 members, 44% of whom are women and 67% of whom are independent.

RECENT EVENTS

Exclusive commercial partnership with OneWeb

Following the Global distribution agreement signed earlier this year and in the context of a strengthened collaboration between the two companies, a take or pay agreement was signed with OneWeb.

Under the terms of this agreement:

- Eutelsat takes a firm commitment to purchase \$275 million of OneWeb's constellation capacity at pre-defined terms over a 5 years duration starting from the full availability of the constellation.
- Eutelsat will benefit from the exclusive use of OneWeb's capacity over certain pre-determined sales regions and verticals, in particular continental Europe and Global cruise.

Three instalments will be paid by Eutelsat to OneWeb, \$100 million respectively in FY 2022-23 and in FY 2023-24, and \$75 million in FY 2024-25.

Note: The audit procedures for the consolidated financial statements have been completed. The certification report will be issued at the end of the next Board of Directors' meeting, after completion of the specific verifications and review of events after 25 July 2022.

Documentation

Consolidated accounts are available at <https://www.eutelsat.com/en/investors/financial-information.html>

Results presentation

Eutelsat Communications will present its results on **Tuesday, July 26th, 2022** by conference call and webcast at **8:30am CET**.

To join the call, please dial the following numbers:

- +33 (0)1 70 73 03 39 (from France)
- +44 (0)330 165 4012 (from the U.K)
- +1 720-452-7989 (from the United States)

Access code: **3285948#**

A live webcast will be available [here](#)

A replay will be available from July 26th, 12:30 CET to August 02, 12:30 CET by dialling the following numbers:

- +33 (0) 1 70 48 00 94 (from France)
- +44 (0)20 3859 5407 (from the UK)
- +1 719-457-0820 (from the USA)

Access code: **3285948#**

Financial calendar

Note: The financial calendar is provided for information purposes only. It is subject to change and will be regularly updated.

- 27 October 2022: First Quarter 2022-23 revenues
- 10 November 2022: Annual General Shareholders' Meeting
- 17 February 2023: First Half 2022-23 results

About Eutelsat Communications

Founded in 1977, Eutelsat Communications is one of the world's leading satellite operators. With a global fleet of satellites and associated ground infrastructure, Eutelsat enables clients across Video, Data, Government, Fixed and Mobile Broadband markets to communicate effectively to their customers, irrespective of their location. Around 7,000 television channels operated by leading media groups are broadcast by Eutelsat to one billion viewers equipped for DTH reception or connected to terrestrial networks. Committed to promoting all facets of sustainable development across its business activities, Eutelsat leverages its in-orbit resources to help bridge the digital divide while maintaining a safe and uncluttered space environment. As an attractive and socially responsible employer, Eutelsat assembles 1,200 men and women from 50 countries who are dedicated to delivering the highest quality of service. Eutelsat Communications is listed on the Euronext Paris Stock Exchange (ticker: ETL).

For more about Eutelsat go to www.eutelsat.com

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Disclaimer

The forward-looking statements included herein are for illustrative purposes only and are based on management's views and assumptions as of the date of this document.

Such forward-looking statements involve known and unknown risks. For illustrative purposes only, such risks include but are not limited to: risks related to the health crisis; operational risks related to satellite failures or impaired satellite performance, or failure to roll out the deployment plan as planned and within the expected timeframe; risks related to the trend in the satellite telecommunications market resulting from increased competition or technological changes affecting the market; risks related to the international dimension of the Group's customers and activities; risks related to the adoption of international rules on frequency coordination and financial risks related, inter alia, to the financial guarantee granted to the Intergovernmental Organization's closed pension fund, and foreign exchange risk.

Eutelsat Communications expressly disclaims any obligation or undertaking to update or revise any projections, forecasts or estimates contained in this document to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law.

The information contained in this document is not based on historical fact and should not be construed as a guarantee that the facts or data mentioned will occur. This information is based on data, assumptions and estimates that the Group considers as reasonable.

APPENDICES

Appendix 1: Additional financial data

Extract from the consolidated income statement (€ millions)

Twelve months ended June 30	2021	2022	Change
Revenues	1,233.9	1,151.6	-6.7%
Operating expenses ¹²	(312.0)	(290.1)	-7.0%
EBITDA	921.9	861.6	-6.5%
Depreciation and amortisation	(507.7)	(481.7)	-5.1%
Other operating income (expenses)	(67.0)	44.9	NR
Operating income	347.2	424.8	+22.3%
Financial result	(95.0)	(64.9)	-31.6%
Income tax expense	(24.2)	(48.6)	+101.1%
Income from associates	-	(71.5)	NR
Portion of net income attributable to non-controlling interests	(14.0)	(9.1)	-35.1%
Group share of net income	214.1	230.8	+7.8%

Change in net debt (€ millions)

Twelve months ended June 30	2021	2022
Net cash flows from operating activities	889.0	800.9
Cash Capex	(342.0)	(279.5)
Interest and Other fees paid net of interests received	(80.0)	(78.3)
Reported Discretionary Free Cash Flow	467.1	443.2
Acquisition / disposal of equity investments and subsidiaries	(15.3)	(494.9)
Distributions to shareholders (including non-controlling interests)	(204.9)	(221.5)
Change in fair value of Cross-Currency Swap ¹³	34.4	(80.0)
C-band net of taxes	-	86.1
Other	62.6	108.1 ¹⁴
Decrease (increase) in net debt	343.9	(159.0)

¹² Operating expenses is defined as the sum of operating costs and of selling, general & administrative expenses.

¹³ Forex portion.

¹⁴ Mostly related to leases and structured debt.

Appendix 2: Quarterly revenues by application

Analysis of revenues by business application in the Fourth Quarter (€ millions)

In € millions	Q4 2020-21 reported	Q4 2021-22 reported	Actual change	Like-for-like change ¹⁵
Broadcast	180.1	173.9	-3.4%	-5.8%
Data & Professional Video	40.6	40.7	+0.2%	-5.8%
Government Services	37.7	36.0	-4.5%	-12.9%
Fixed Broadband	17.7	21.7	+22.6%	+39.2%
Mobile Connectivity	17.6	22.7	+29.0%	+16.4%
Total Operating Verticals	293.7	295.0	+0.4%	-3.1%
Other Revenues	10.4	(2.3)	NR	-15.0%
Total	304.1	292.6	-3.8%	-3.3%
<i>EUR/USD exchange rate</i>	<i>1.20</i>	<i>1.08</i>		

Quarterly Reported revenues FY 2021-22

The table below shows quarterly reported revenues.

In € millions	Q1 2021-22	Q2 2021-22	Q3 2021-22	Q4 2021-22	FY 2021-22
Broadcast	177.6	172.8	172.5	173.9	696.9
Data & Professional Video	38.4	39.4	40.0	40.7	158.5
Government Services	37.0	36.8	34.6	36.0	144.4
Fixed Broadband	14.6	15.5	16.9	21.7	68.7
Mobile Connectivity	17.1	19.4	20.7	22.7	79.9
Total Operating Verticals	284.8	283.9	284.7	295.0	1,148.3
Other Revenues	2.6	1.0	2.1	(2.3)	3.3
Total	287.3	284.9	286.8	292.6	1,151.6

¹⁵ Change at constant currency and perimeter. The variation is calculated as follows: i) Q4 2021-22 USD revenues are converted at Q4 2020-21 rates; ii) the contribution of Eurobroadband Infrastructure (EBI) is excluded from Q4 2020-21 revenues; iii) Hedging impact is excluded from Other Revenues.

Appendix 3: Alternative performance indicators

In addition to the data published in its accounts, the Group communicates on four alternative performance indicators which it deems relevant for measuring its financial performance: EBITDA, cash capex, Discretionary free cash flow (DFCF) and Adjusted Discretionary free cash flow. These indicators are the object of reconciliation with the consolidated accounts.

EBITDA, EBITDA margin and Net debt / EBITDA ratio

EBITDA reflects the profitability of the Group before Interest, Tax, Depreciation and Amortisation. It is a frequently used indicator in the Fixed Satellite Services Sector and more generally the Telecom industry. The table below shows the calculation of EBITDA based on the consolidated P&L accounts for FY 2020-21 and FY 2021-22:

Twelve months ended June 30 (€ millions)	2021	2022
Operating income	347.2	424.8
+ Depreciation and Amortisation	507.7	481.7
- Other operating income and expenses	67.0	-44.9
EBITDA	921.9	861.6

The EBITDA margin is the ratio of EBITDA to revenues. It is calculated as follows:

Twelve months ended June 30 (€ millions)	2021	2022
EBITDA	921.9	861.6
Revenues	1,233.9	1,151.6
EBITDA margin (as a % of revenues)	74.7%	74.8%

The Net debt / EBITDA ratio is the ratio of net debt to last-twelve months EBITDA. It is calculated as follows:

Twelve months ended June 30 (€ millions)	2021	2022
Last twelve months EBITDA	921.9	861.6
Closing net debt ¹⁶	2,655.5	2,814.4
Net debt / EBITDA	2.88x	3.27x

Cash Capex

The Group on occasion operates capacity within the framework of leases, or finances all or part of certain satellite programs under export credit agreements or through other bank facilities, leading to outflows which are not reflected in the item "acquisition of satellites and other tangible or intangible assets". Cash Capex including the outflows related to these elements is published in order to reflect the totality of Capital Expenditures undertaken in any financial year.

¹⁶ Net debt includes all bank debt, bonds and all liabilities from lease agreements and structured debt as well as Forex portion of the cross-currency swap, less cash and cash equivalents (net of bank overdraft). Net Debt calculation is available in the Note 7.4.4 of the consolidated financial statements.

In addition, in the event of a partial or total loss of a satellite, as previously reported cash Capex included investment in assets which are inoperable or partially inoperable, the amount of insurance proceeds is deducted from Cash Capex.

Cash Capex therefore covers the acquisition of satellites and other tangible or intangible assets, payments in respect of export credit facilities or other bank facilities financing investments as well as payments related to lease liabilities. If applicable it is net from the amount of insurance proceeds.

The table below shows the calculation of Cash Capex for FY 2020-21 and FY 2021-22:

Twelve months ended June 30 (€ millions)	2021	2022
Acquisitions of satellites, other property and equipment and intangible	(183.4)	(177.2)
Insurance proceeds	6.6	-
Repayments of ECA loans, lease liabilities and other bank facilities ¹⁷	(165.2)	(102.3)
Cash Capex	(342.0)	(279.5)

Discretionary Free Cash Flow (DFCF)

The Group communicates on Discretionary Free Cash Flow which reflects its ability to generate cash after the payment of interest and taxes. DFCF generally and principally serves the shareholder remuneration and debt reduction.

Reported Discretionary Free Cash Flow is defined as Net cash flow from operating activities less Cash Capex as well as Interest and other fees paid net of interest received. It excludes C-Band proceeds and attendant tax.

Adjusted Discretionary Free Cash Flow (as per financial objectives) is calculated at the €/€ rate assumed in financial objectives (1.20) and excludes one-off impacts such as Hedging, effects of changes in perimeter when relevant, and one-off costs related to specific projects in particular to the LEAP 2 program and to the move to new headquarters. The table below shows the calculation of Reported Discretionary Free Cash Flow and Adjusted Discretionary Free Cash Flow for FY 2020-21 and FY 2021-22 and its reconciliation with the Cash Flow statement:

Twelve months ended June 30 (€ millions)	2021	2022
Net cash flows from operating activities	889.0	800.9
Cash Capex (as defined above)	(342.0)	(279.5)
Interest and other fees paid net of interest received	(80.0)	(78.3)
Reported Discretionary Free Cash Flow	467.1	443.2
Currency impact ¹⁸	(3.2)	(16.6)
Hedging Impact	(15.6)	11.8
One-off costs related to "LEAP 2" program and move to new headquarters	21.7	21.6
Adjusted Discretionary Free Cash Flow	470.0	460.0

¹⁷ Included in lines "Repayment of borrowings" and "Repayment of lease liabilities" of cash flow statement

¹⁸ FY 2020-21 and FY 2021-22 Discretionary Free Cash Flows have been converted at 1.20 €/€ rate.