

SES's growth accelerators: HTS+

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HTS is a cornerstone of SES's Data strategy

Lower cost per bit pricing poised to unlock growth



Majority of infrastructure growth in Data is predicated on HTS capacity⁽¹⁾

10 USD billion



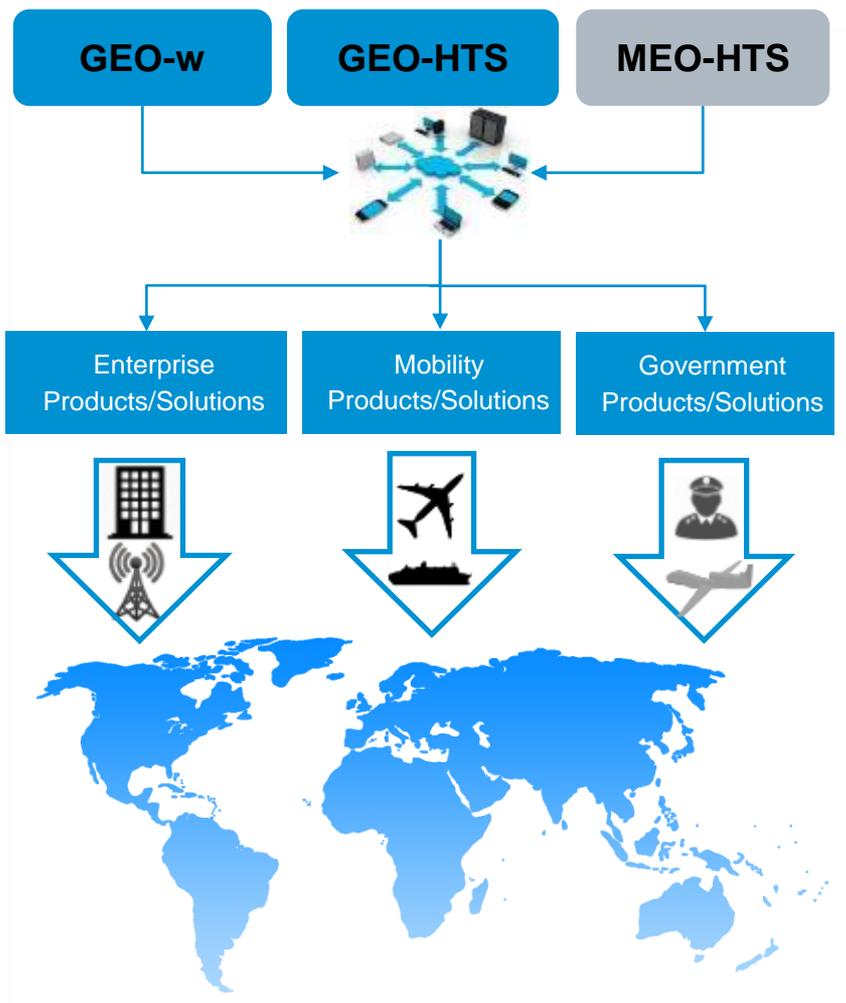
Increased network complexity stimulates deeper value-chain positioning



- ▲ Leveraging the ability of HTS infrastructure to offer lower prices per bit
- ▲ Unlocking new markets, applications and customers
- ▲ Creating differentiation relevance by having a deep (global) and wide (MEO/GEO) portfolio of infrastructure that can efficiently provide differentiated connectivity solutions to Data clients across all regions
- ▲ Providing wider parts of the value chain to help customers to cope with the complexity of HTS based solution
- ▲ Capturing large parts of the predicted connectivity demand increase

1) Source: NSR

HTS serves clients in all Data verticals and all regions



SES[^] SES[^] 3b Networks

	Application	GEO wide beam	GEO HTS	MEO HTS
E	Corporate networks	Low density	High density	
	Enterprise broadband	Low speed & density	High speed	Max speed
	Energy		Global coverage	Max speed, low latency
	Mobile backhaul		High speed	Max speed, low latency
	Consumer broadband		High speed	Max speed
	Trunking			Max speed, low latency
M	Aeronautical	Broadcast overlay	High speed & density	
	Maritime	Broadcast overlay	Global coverage	Max speed
G	Defense & Civilian	Global coverage		

Not all HTS systems are created equal

Backward
compatibility

Open system

Wide beam
overlay

DTP capability

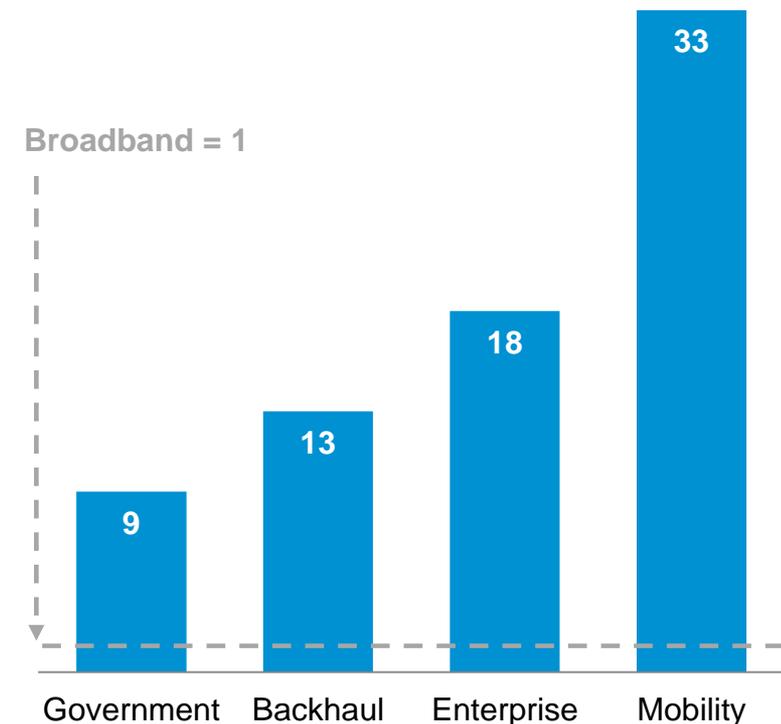
Low latency

- ▲ SES adopting a differentiated approach to HTS
 - Locking in anchor customers and backlog to de-risk investments
 - Differentiating using O3b's low-latency/high throughput capabilities
 - Future-proofing SES's investments by incorporating the latest technologies into payload and ground systems
- ▲ SES HTS offers unique capabilities
 - Backward compatibility of SES Ku HTS allows customers to use existing Ku-band ground technology
 - SES open system enables customer's choice of their network system
 - Wide beam overlay drives the best of both worlds – wide beam and spot beams – for applications in all verticals
 - Digital Transparent Processing allows adjustment and concentration of throughput to match market demand
 - Combining GEO/MEO infrastructures offer low latency high throughput solutions

Relentlessly pursuing differentiation

Normalised wholesale capacity revenues per Gbps index⁽¹⁾

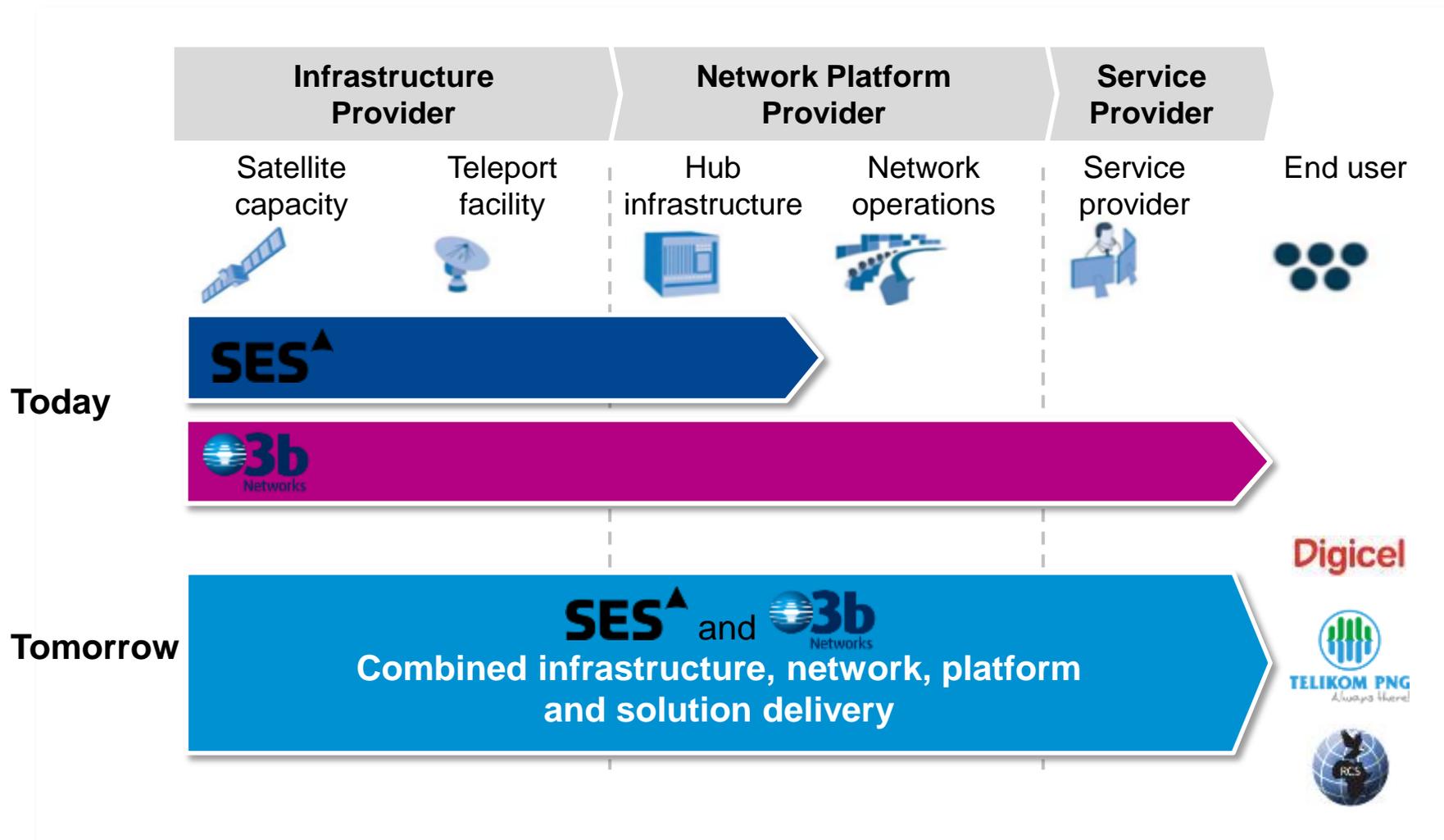
(Broadband = 1)



- ▲ Differentiation is the prerequisite to serve market segments in a relevant manner, and with commensurate economics
- ▲ HTS enabling new data applications with higher bandwidth capabilities, and generating tiering requirements
- ▲ SES's approach based on delivering the optimal technology solution to best serve customer requirements

1) Source: NSR, SES estimates. Wholesale category is based on wholesale revenue derived from HTS

HTS Offering the unique combination of GEO and MEO





Strong strategic rationale for taking full control



Expanding through Globalisation

O3b is global by design
O3b accelerates the expansion of SES's International revenue base



Augmenting through Verticalisation

O3b offers managed service solutions to serve global requirements across Enterprise, Mobility and Government verticals



Enhancing through Shaping the future

O3b offers one-of-a-kind low-latency, high throughput and flexible connectivity solutions



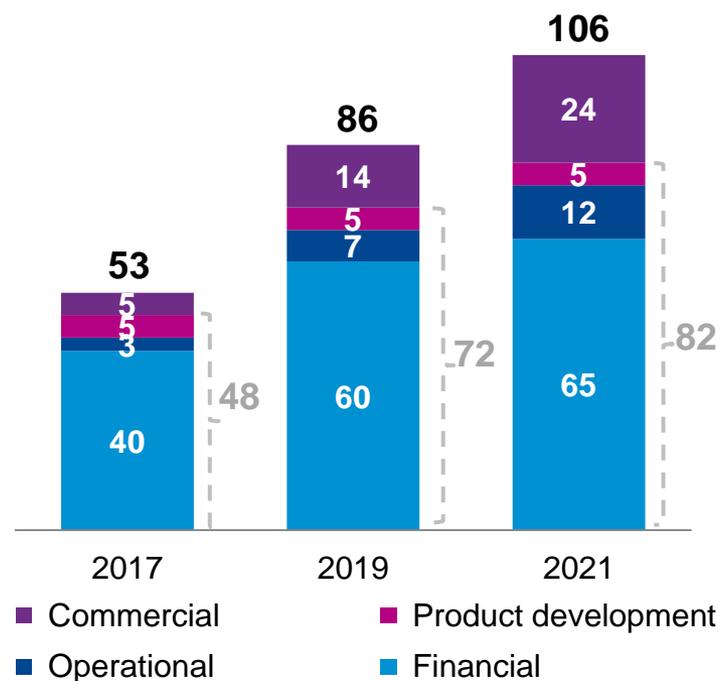
Synergising through Acquisition

Delivering transformational financial, operational, technical and commercial synergies
Building on SES and O3b strong capabilities

Accelerating EUR 106 million of synergies

Consistent delivery of substantial synergies

EUR million



EPS impact:

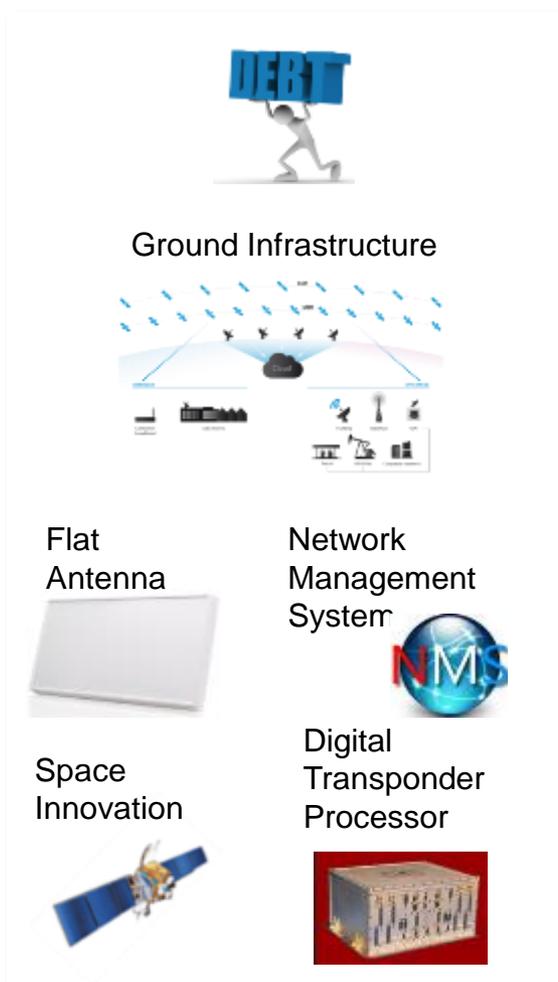
EUR 0.12

EUR 0.19

EUR 0.23

- ▲ EUR 53 million in 2017 rising to EUR 106 million in 2021
- ▲ Combinational and transformational synergies
 - Commercial
 - Product Development
 - Operational
 - Financial
- ▲ Synergies will be delivered
 - SES and O3b Tie-up implemented at closing
 - Building on SES and O3b strong management and operational capabilities
- ▲ Does not include impact from improved normalized CapEx
- ▲ Synergies accretion to EPS leading to overall value accretion at 15 P/E ratio⁽¹⁾

Financial, operational, product and procurement synergies

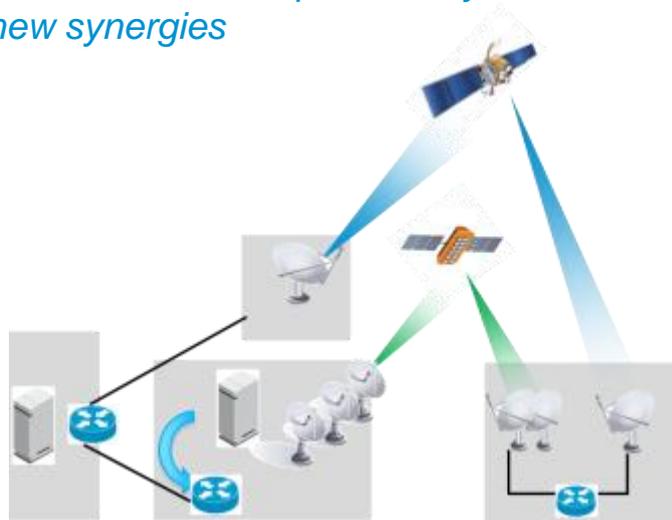


- ▲ EUR 60 million of financial synergies (2019)
 - Reducing significantly O3b average cost of debt from 9.5% to SES average cost of debt of 4%
- ▲ EUR 7 million of operational synergies (2019)
 - Operational synergies across the group
- ▲ EUR 5 million of product development synergies (2019)
 - Aligning and incorporating key innovations
 - Developing seamless GEO/MEO network capabilities
- ▲ Satellite Procurement synergies (not included in 2019 number)
 - EUR 20-25 million reduction in O3b's normalised CapEx⁽¹⁾
 - Leveraging space innovation (e.g. Digital Transponder Processors)
 - Leveraging on SES Normalised CapEx reduction program

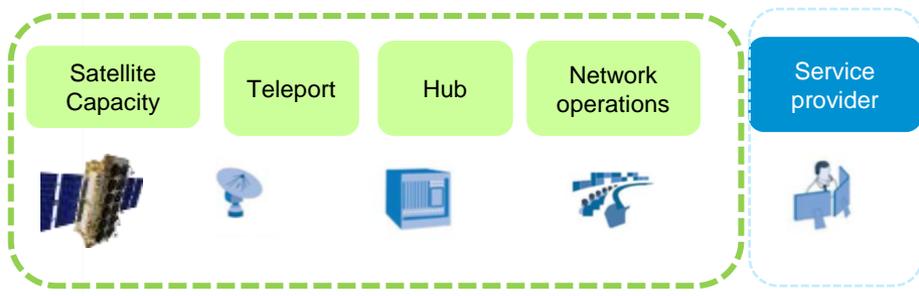
1) Excludes economies of scale and design on SES's GEO fleet

Commercial synergies

O3b and SES complementary services unlock new synergies



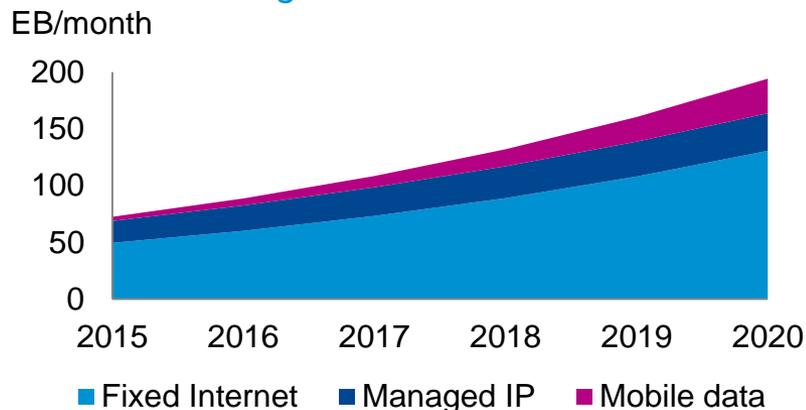
O3b Managed Service capabilities unlock new opportunities



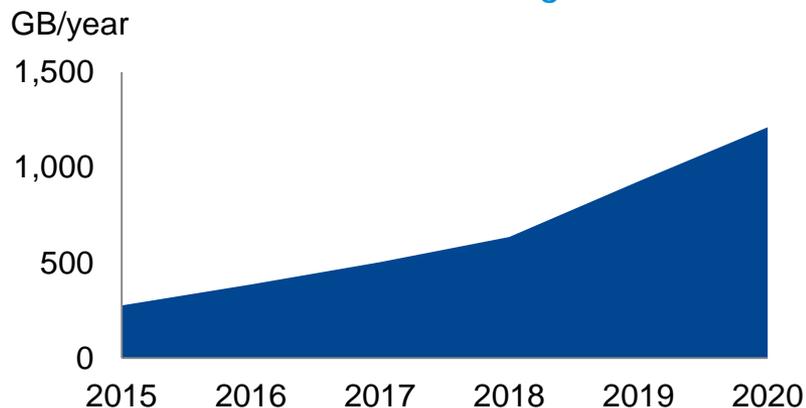
- ▲ EUR 14 million of commercial synergies (2019)
- ▲ Cross fertilising sales to gain market share
- ▲ Cross fertilising products – SES and O3b combined network is unmatched in the industry and will provide a differentiated suite of solutions
 - Geographic complementarity
 - Application complementarity
 - Product complementarity
 - Commercial path to capacity upgrade from GEO to MEO
- ▲ Deploying new fully managed services across the relevant data market verticals
 - Integrating O3b expertise to expand into the value chain towards a vertically integrated model (matching terrestrial Telco data service standard)

HTS demand is growing in line with global IP traffic

Global IP traffic growth⁽¹⁾



GEO & non-GEO HTS demand growth⁽²⁾



1) Source: Cisco ; 2) Source: NSR ; 3) Annualised incremental revenue at average "steady-state" utilisation of around 75% (based on FX rate of EUR 1: U.S. Dollar 1.10)
 4) With 17 satellites in operation and at 'steady-state' utilisation (based on FX rate of EUR 1: U.S. Dollar 1.10)

SES -9/10/12/14/15/16
EUR 250 - 300 million of potential annualised revenue by 2021⁽³⁾
 (Up to 15% of SES FY 2015 revenue)



3b Networks
EUR 400 - 450 million of potential annualised revenue by 2021⁽⁴⁾
 (Up to 22% of SES FY 2015 revenue)