

Investor Day 2017



London

28 June 2017

Agenda

Overview		<p>Karim Michel Sabbagh President and CEO</p>
Development		<p>Christophe De Hauwer Chief Strategy and Development Officer</p>
SES Video		<p>Ferdinand Kayser CEO of SES Video</p>
SES Networks		<p>Steve Collar CEO of SES Networks</p>
Q&A		
Technology		<p>Martin Halliwell Chief Technology Officer</p>
Finance		<p>Padraig McCarthy Chief Financial Officer</p>
Q&A		
Lunch		

DELIVERING SUSTAINED AND PROFITABLE GROWTH

Karim Michel Sabbagh, President and CEO

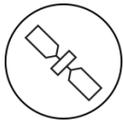
World's Leading Satellite-enabled Solutions Provider



Covering 99.99%
of the globe and world's population



Serving customers in more than
130 countries



>50 GEO satellites
offering multiple frequency bands



Delivering value-added **end-to-end solutions**



12 MEO satellites
(growing to 20 satellites by 2019)



>EUR 2 billion annual
revenue (FY 2016)



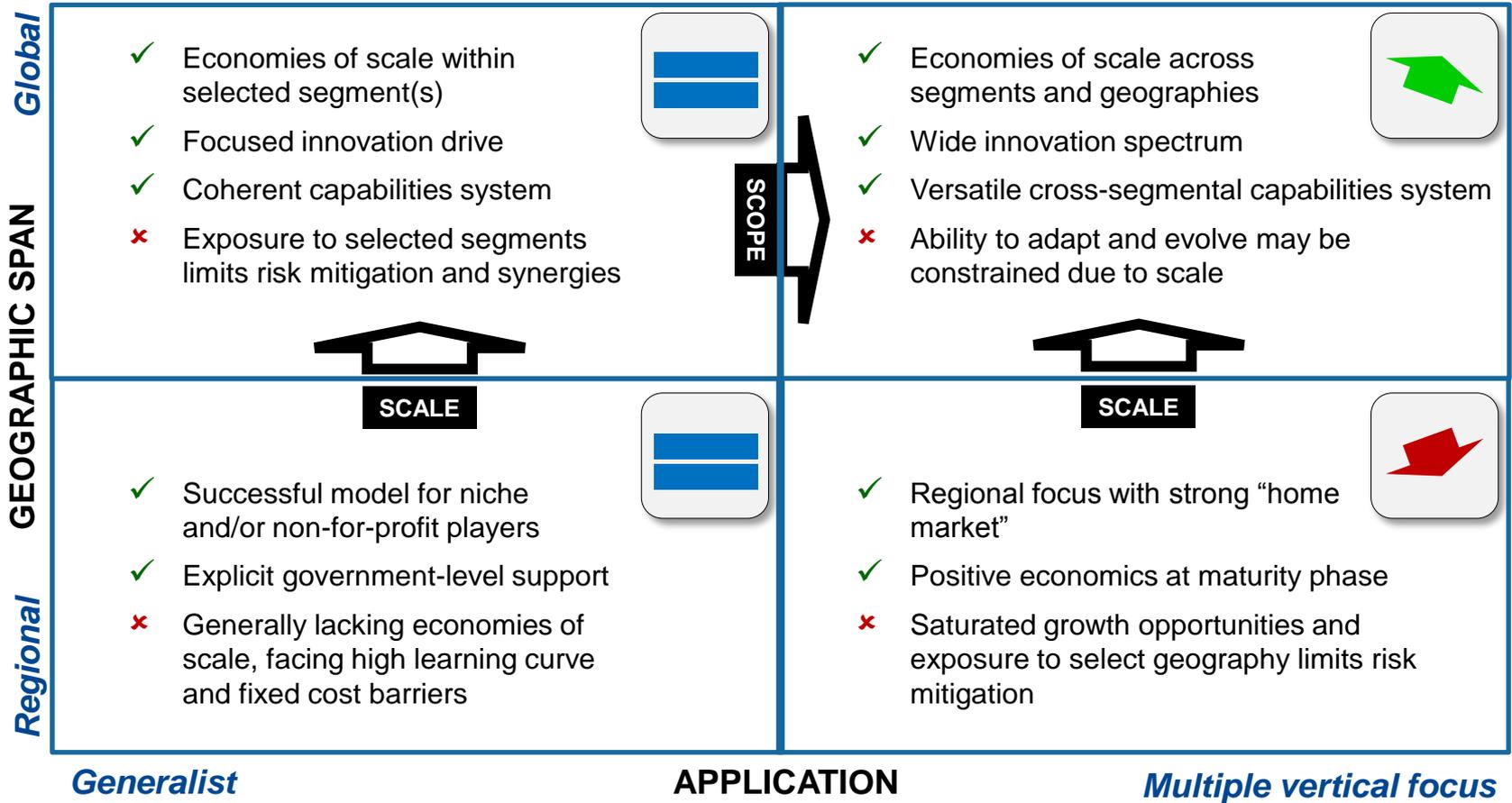
>60 Teleports
supporting global ground network



EUR 7.8 billion
contract backlog (as at Q1 2017)

Focusing on Globalisation and Verticalisation Key to Growth

Adapted from SES's 2014 Investor Day



Executing Differentiated Strategy



Delivering a **flexible and scalable, global** satellite-enabled network



Focusing on **value-added, end-to-end solutions** in four key verticals

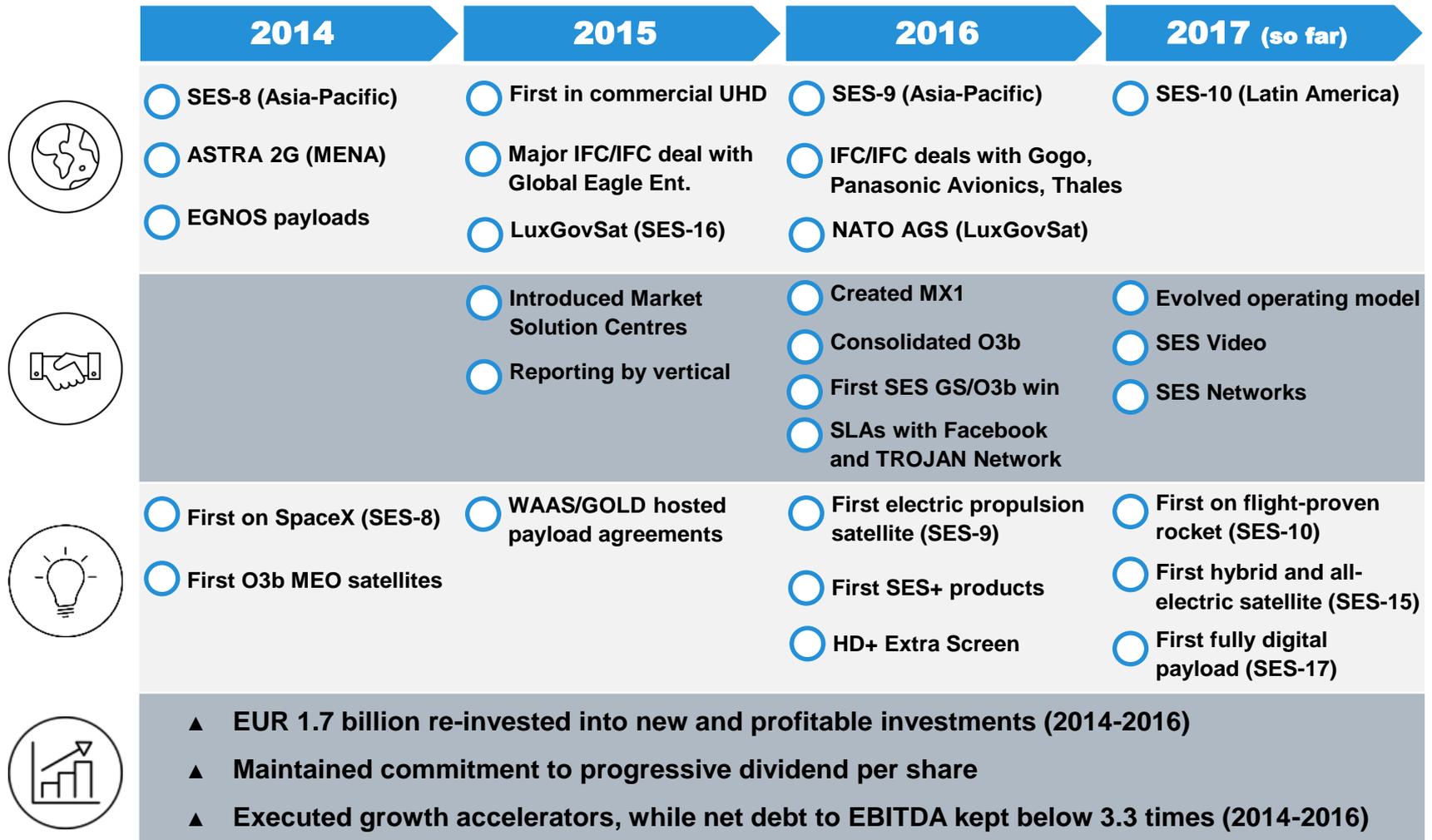


Innovating at all levels of the business to create **future-proof differentiation**



Executing **profitable growth strategy** within SES's financial framework

Improving Business Mix Through Strategy Execution



Delivering Sustained and Profitable Growth

	% of 2016 Revenue ⁽¹⁾	Growth drivers	Market opportunity
Video	67%	<ul style="list-style-type: none"> ▲ Growing HD and UHD ▲ Expanding video platforms globally ▲ Delivering hybrid solutions 	+2% CAGR To USD 20 billion (by 2022) ⁽²⁾
Fixed Data	13%	<ul style="list-style-type: none"> ▲ Enabling clients to extend connectivity ▲ Delivering end-to-end network solutions 	+3% CAGR To USD 8 billion (by 2022) ⁽³⁾
Mobility	7%	<ul style="list-style-type: none"> ▲ Providing 'home-equivalent' experience ▲ Delivering end-to-end network solutions 	+14% CAGR To USD 5 billion (by 2022) ⁽³⁾
Government	11%	<ul style="list-style-type: none"> ▲ Expanding government applications ▲ Delivering end-to-end network solutions 	+7% CAGR To USD 4 billion (by 2022) ⁽³⁾

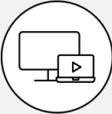
1) Like for like (assuming that RR Media and O3b had been consolidated from 1 January 2016)

2) Source: NSR forecast revenue from satellite video capacity; playout, media asset management and teleport; online video platforms and ancillary services (2016-2022)

3) Source: NSR forecast revenue from satellite capacity (wide beam and HTS), network platform and service provision (2016-2022)

Aligning Go-to-market Organisation to Customer-centric Focus

- ▲ Creating two natural business units – SES Video and SES Networks
- ▲ Coalescing differentiated capabilities to bring the best of SES to each and every client

		SES's differentiated value proposition
 <p>SES Video</p>	  	<ul style="list-style-type: none"> ▲ Prime neighbourhoods in all global markets ▲ Highly efficient and cost effective distribution platform ▲ Fully integrated digital model ▲ World-leading media services provider ▲ End-to-end DTH and OTT platform capabilities
 <p>SES Networks</p> 	   	<ul style="list-style-type: none"> ▲ Multi-layered, distributed (GEO-MEO) network ▲ Flexible global coverage across multiple frequencies ▲ Scaling up integrated, end-to-end capabilities ▲ Reliable and scalable global ground network ▲ Long-standing relationships with global governments

Expanding, Enhancing and Innovating in Technology

<p>Increasing flexibility and scalability</p>	<ul style="list-style-type: none"> ▲ Adding hosted payloads to replacement missions ▲ Fully flexible digital processing in GEO and MEO
<p>Collaborating with customers during design phase</p>	<ul style="list-style-type: none"> ▲ EUR 1.1 billion contract backlog in Mobility <div style="display: flex; justify-content: space-around; align-items: center;">     </div>
<p>Reducing time to market and increasing access to space</p>	<div style="display: flex; align-items: center;">  <div style="margin-left: 20px;">  <ul style="list-style-type: none"> ▲ First to launch on flight-proven Falcon-9 rocket </div> </div>
<p>Pursuing an open innovation model and network architecture</p>	<ul style="list-style-type: none"> ▲ SAT > IP™ enhancing multi-screen experience ▲ Enabling customer's full choice of solutions
<p>Maximising capital efficiency and profitability</p>	<ul style="list-style-type: none"> ▲ Delivering 20% reduction in normalised CapEx vs. 2014 (one year ahead of schedule)

Supporting Growth With a Consistent Financial Framework



Separate investing decision from financing decision

- ▲ Target IRRs in excess of 10%
- ▲ Securing anchor customers in advance of procurement
- ▲ Seeding new market opportunities with existing global network/assets
- ▲ Disciplined investment across value chain to deliver customer solutions



Financing decision to maximise future ROIC

- ▲ Optimising SES's long-term cost of capital and liquidity
- ▲ Retaining flexibility with access to wide range of attractive sources
- ▲ Maintaining net debt to EBITDA ratio below 3.3 times



Applying consistent use of cash approach

- ▲ Current replacement requirements and committed growth pipeline
- ▲ Maintaining a progressive dividend per share
- ▲ Executing additional growth accelerators within financial framework

- ▲ Well positioned to deliver sustained and profitable growth and returns

BOLD STRATEGY ROADMAP

Christophe De Hauwer, Chief Strategy and Development Officer

Employing an Adaptive Strategy Roadmap



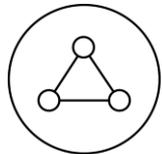
Placing **Customer-centricity** at the core



Developing an **optimised and flexible technology** model to best serve clients in each of the market verticals

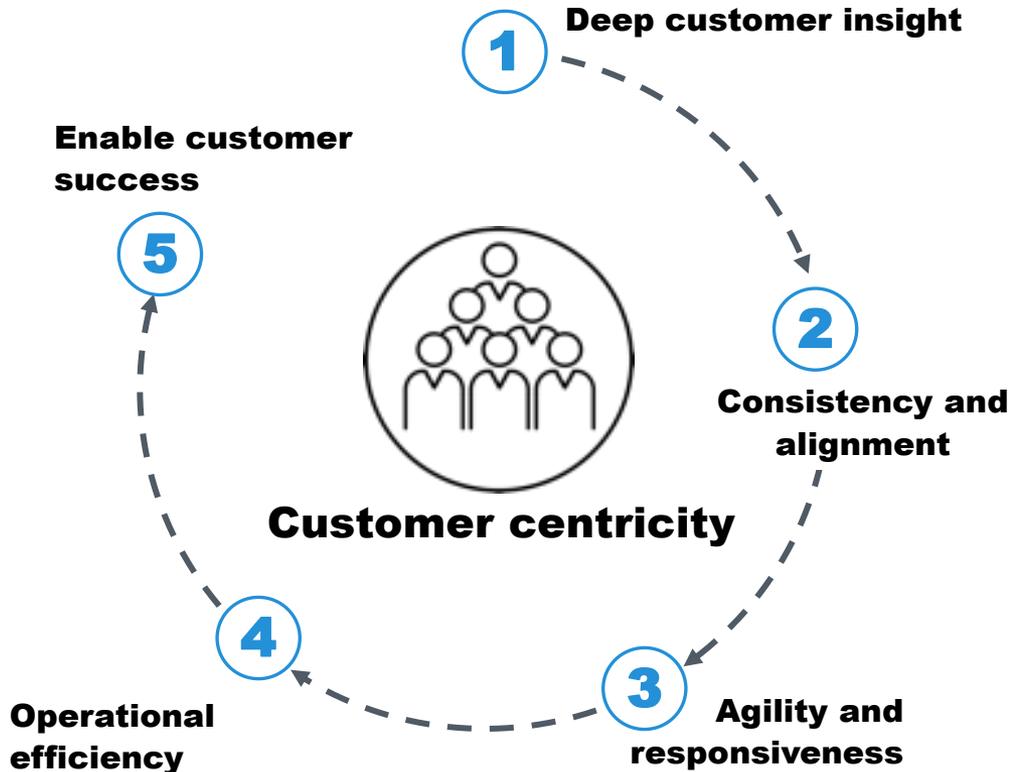


Optimised SES's business models and capability system across the value chain to build long term partnerships with customers



Shaping the ecosystem in the industry to continue to enhance, expand and innovate

Placing Customer-centricity at the Core



- ▲ **Customers** seeking for flexible and scalable solutions
- ▲ Increasingly technology agnostic and capabilities focused
- ▲ Building SES's expertise and differentiated offering

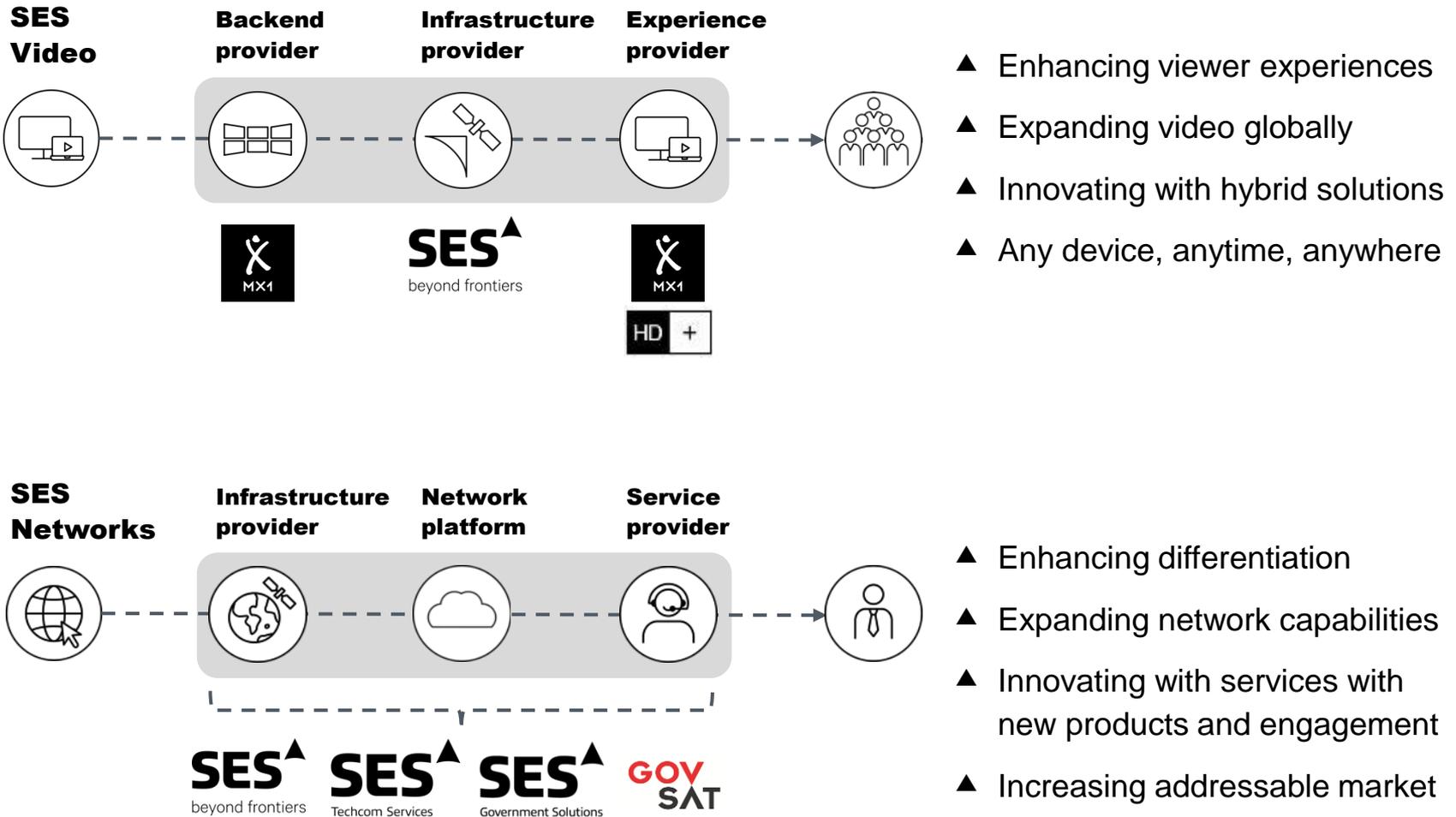
Optimising SES's Technology Model

- ▲ Providing **flexible and scalable** products and solutions
- ▲ Integrating **technology evolution** seamlessly
- ▲ **Improving economics** do drive increased usage



	H1 2017		H2 2017		2018/19		2020/+		
	SES-15 (hybrid)	SES-12 (hybrid)	SES- 16/ GovSat	SES-14 (hybrid)	O3b Block-3	SES-17	GEO/MEO- Next		
Payload	Shaped +HTS	Shaped +HTS + DTP	Steerable spot beams	Shaped +HTS + DTP	HTS	HTS + Full DTP	Full hybrid + Full DTP		
Segments	  	  		  	  	  	   		
Anchor	Aero IFC/IFE WAAS payload	Aero IFC/IFE	LuxGovSat for NATO	Aero IFC/IFE GOLD payload	Backhaul Maritime Government	Aero IFC/IFE			

Optimising SES's Business Model and Commercial Approach



Shaping the Ecosystem in the Industry

▲ Shaping SES’s strategy and business model in tandem with market / industry foresights

▲ Expanded capabilities



embrace hybrid SAT/IP environment

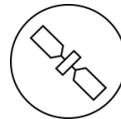


“SES+” end-to-end products

▲ Enhanced monetisation, time-to-market



Improved monetisation potential from **12** inclined orbit satellites



5 Hosted payloads: leverage fleet, to offer low cost to space and short time-to-market

▲ Bold Innovation



Venture Capital
to maximise intelligence



Start-up incubator
to test new ideas / business models

Bold Strategy Roadmap



Build a **strong capability system** to execute on our strategy presently and in the future



Lead the top four verticals with differentiated solutions that add value to our customers and enable their businesses



Establish **SES as the foremost provider** of satellite enabled communications and media solutions

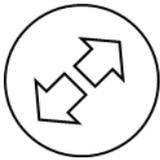
SHAPING FUTURE VIDEO EXPERIENCES

Ferdinand Kayser, CEO of SES Video

Shaping the Future Video Experiences with Unique Offering



Enhancing the viewer experience by upgrading to HD/UHD



Expanding end-to-end capabilities and video neighbourhoods globally



Innovating to deliver the best experience to any device, anywhere, anytime

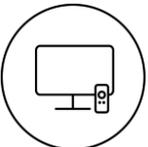
SES Video at a Glance



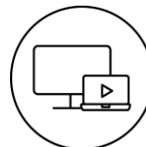
325 million global households served by SES satellites (+3% YOY)



22 UHD channels representing a 47% increase YOY



7,610 TV channels broadcast globally (+4% YOY)



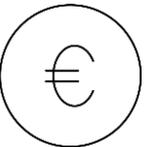
44 million IPTV homes; enabling hybrid solutions



2,496 HDTV channels (+6% YOY); HD penetration of 33%



>2,750 TV channels distributed globally by MX1



<EUR 0.5 average monthly distribution cost per household



>120 Video on Demand platforms supported by MX1 globally

▲ Focusing on delivering the best viewer experience to any device, anywhere

SES Video: Complete and Differentiated Capabilities

Service Capability

System capabilities

Service platform capabilities

Media Service Scope

Conventional Video Services

Online Video Services

Distribution Infrastructure

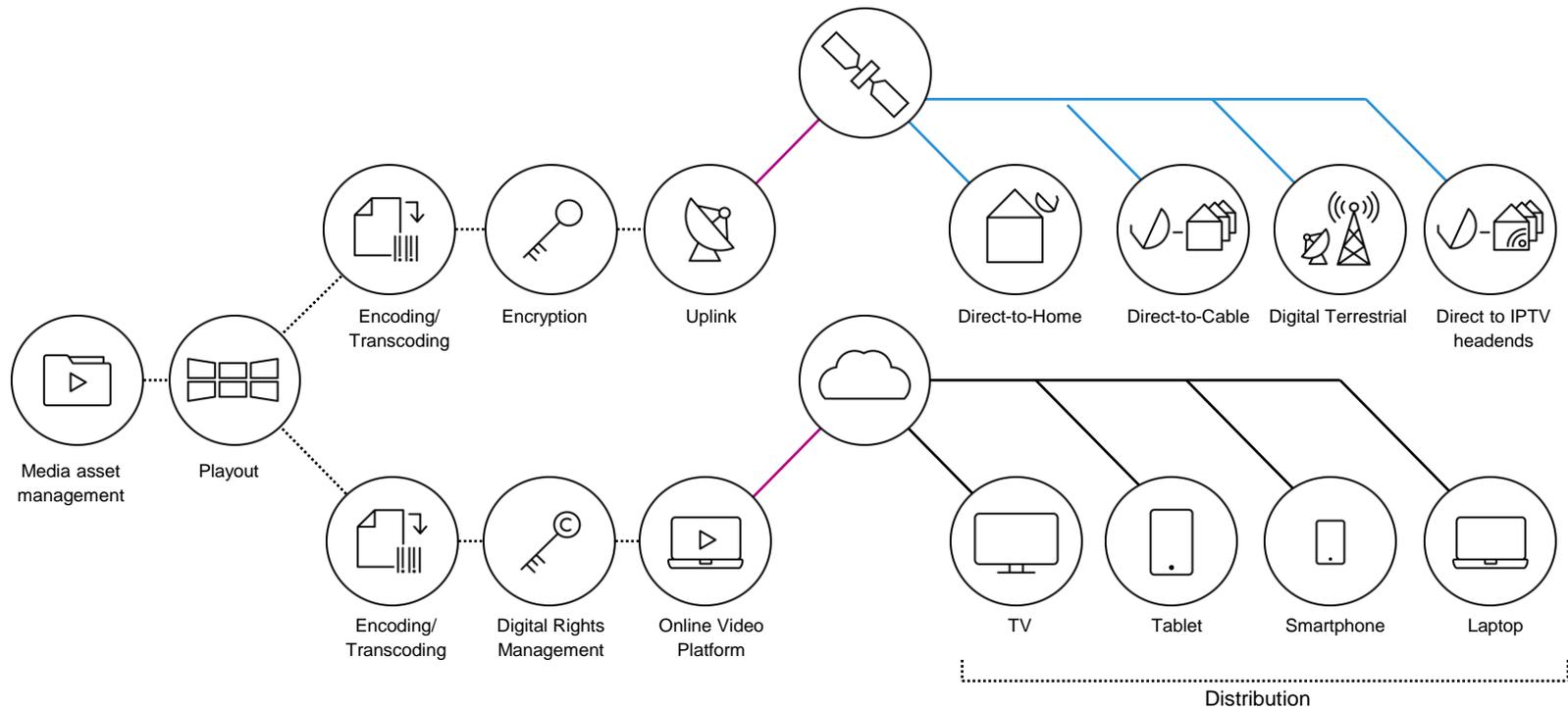
Satellite capacity

Online distribution capabilities

Coverage

Global Scope

All devices

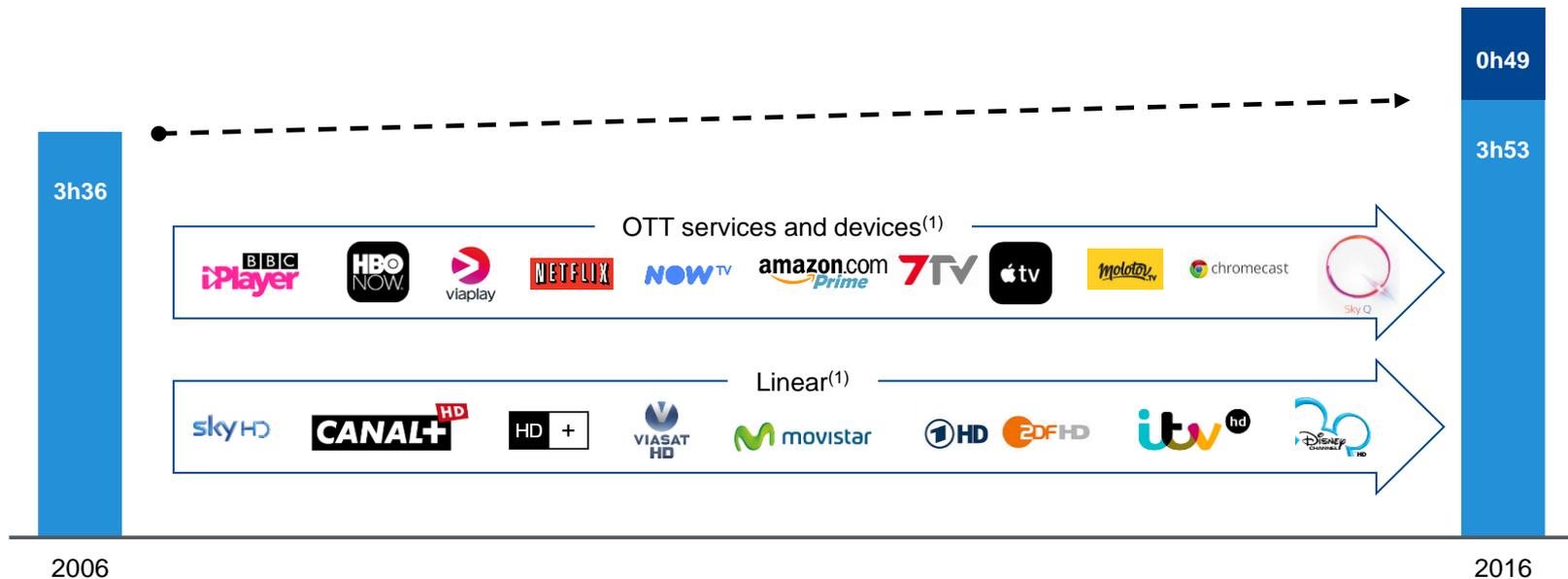


Evolving and Complementary Viewing Experiences

Linear and non-Linear Video Consumption

Daily TV viewing time in Europe

■ Linear TV ■ OTT



Mediametrie 2017 – OTT from Ampere Q1 2017 : average of UK - France – Germany

- ▲ Increasing complementarity of expanded linear and non-linear viewing experiences
- ▲ 61% of U.S and 33% of European households⁽²⁾ combine Pay TV and VoD today

1) Not chronological

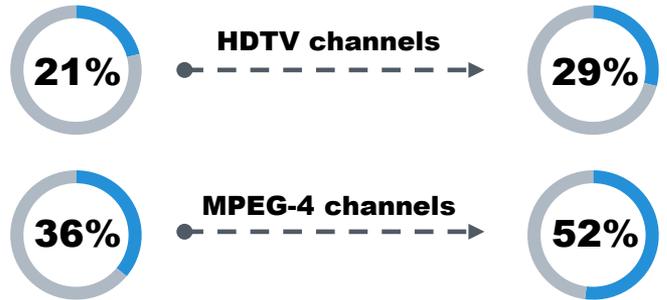
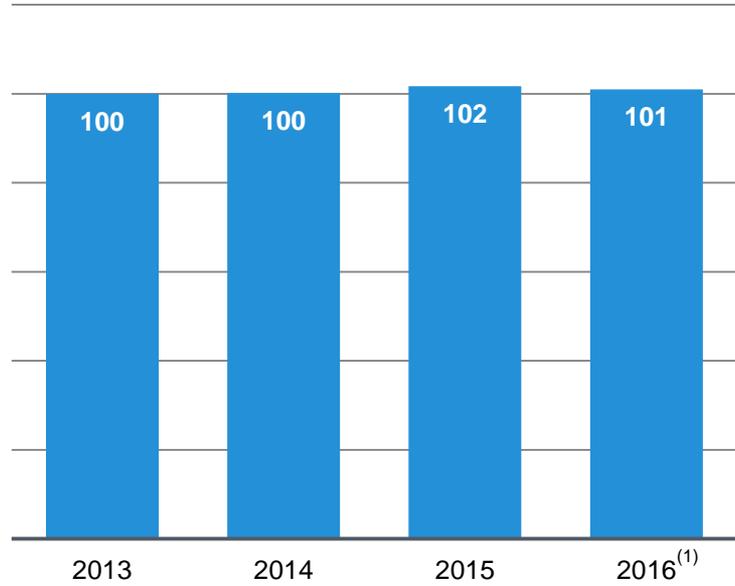
2) Source: Ampere Consumer, Q1 2017 - 21,000 respondents in North America and Europe. 'Pay TV' includes utility cable TV services provided through housing associations



Enhanced Growth Outlook for European Video

Robust Performance and transition to HD

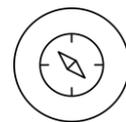
Revenue evolution: 2013 = 100 (at constant FX)



156 million European households
+2% CAGR since 2012, including 30 million IPTV



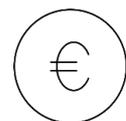
>15% CAGR HD penetration increase since 2013, to 740 HD channels in Q1 '17



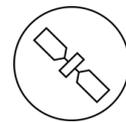
10-12 years typical contract length



~8 years of remaining contract length among our top 5 customers



Stable ARPUT in total Europe even higher on premium positions (19.2°E/28.2°E), with limited upcoming renewals



Limited **CapEx** requirements before 2023

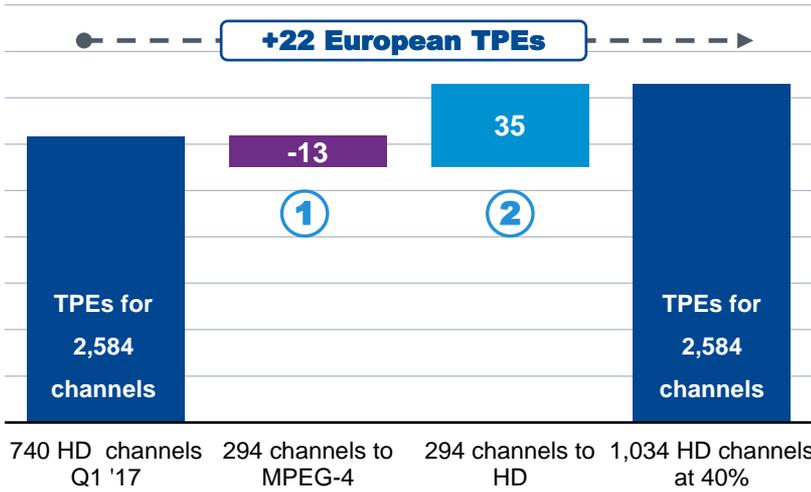
1) 2016: Same scope excludes RR Media contribution – MPEG-4 and HD TV are based on Q1 '17 channel count



Enhance Video Experience: HD Penetration in Europe

Europe at 40% HD penetration

TPEs incremental need assuming flat channel count⁽¹⁾



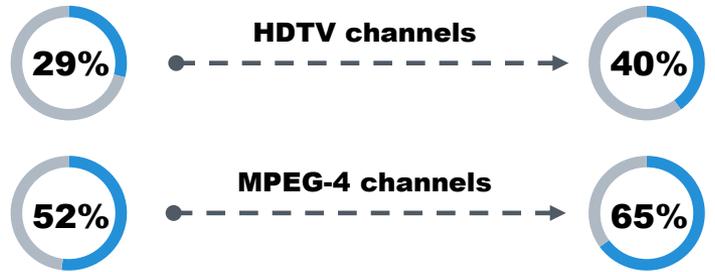
~200 broadcast clients all at different stage:

- 1 Upgraded infrastructure and **switch to MPEG-4**
- 2 Over time clients enhance experience and **upgrade to HD**



~15-40 TPEs of incremental bandwidth consumed when:

- ▲ 40-45% of total channels in HD; and
- ▲ 60-70% of channels in MPEG-4
- ▲ Represents up to 10% of SES's current satellite capacity in Europe



Future upside from **UHD acceleration** offsets risk from MPEG-2 switch-off: simulcast and/or OTT

- ▲ 30 UHD channels bandwidth requirement equivalent to 220 SD MPEG-4 channels

¹⁾ Illustrative analysis based on Q1 2017 channel count. Implies following channels/TPE (36 MHz equivalent): SD MPEG2 = 11; SD MPEG4 = 22; HD MPEG4 = 6; UHD HEVC=3

A man with a shaved head, wearing a dark grey suit, a light blue shirt, and a red and white striped tie, is sitting in a red chair. He is looking slightly to the left of the camera with a neutral expression. The background features a window with light-colored curtains, and several other red chairs are visible in the room. The lighting is soft and even.

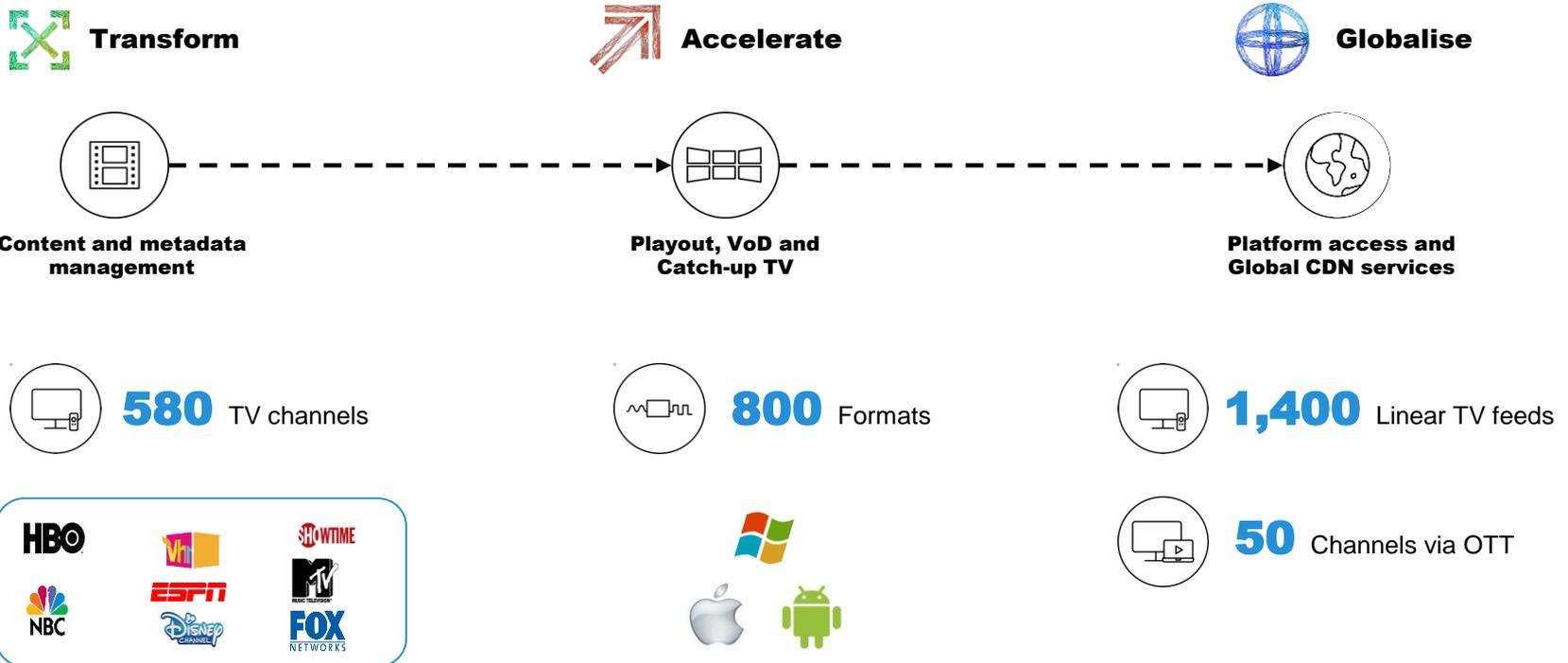
Prosiebensat.1



Viasat Scandinavia MTG

Expand Video Offering and Build Major Presence in the U.S.

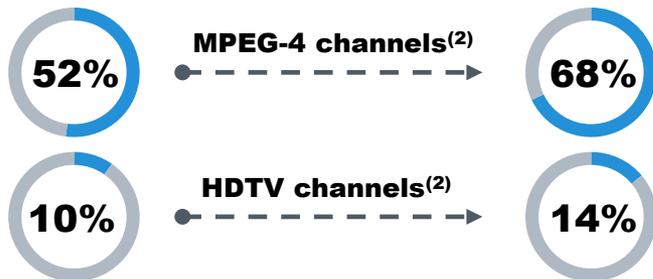
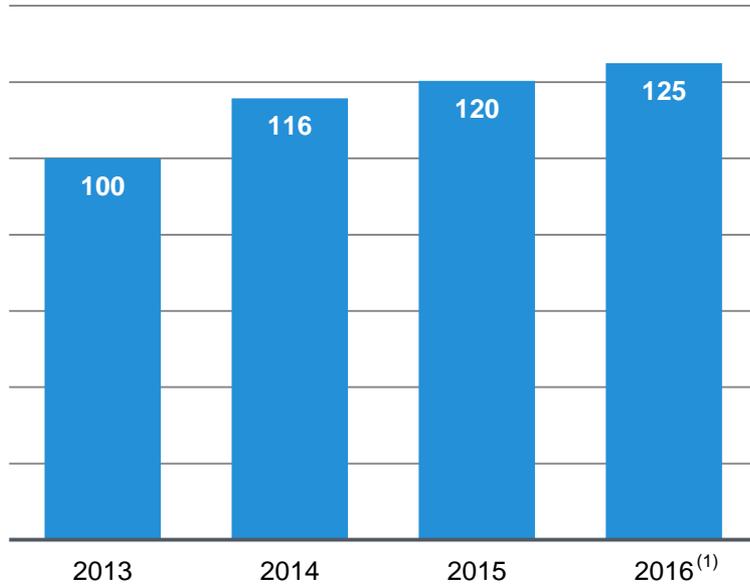
- ▲ **Value chain expansion** to match end-to-end requirements
- ▲ **MX1** fully-managed service to **VUBIQUITY** using MX1 360 platform
- ▲ Multi-year agreement for optimised delivery over **satellite, fibre and the internet**



Expanding in Emerging Markets

Growing reach and revenue

Revenue evolution: 2013 = 100 (at constant FX)



1) 2016 at same scope (excluding RR Media contribution)

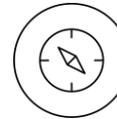
2) Based on Q1 2017 channel count



>90 million International households
+11% CAGR since 2012, of which 55 million DTH



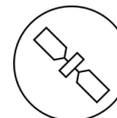
>10% CAGR SES Channel count increase since 2013, to around 2,900 SD and HD channels in Q1 '17



5-10 years typical contract length



~7 years of remaining contract length among our top 5 customers



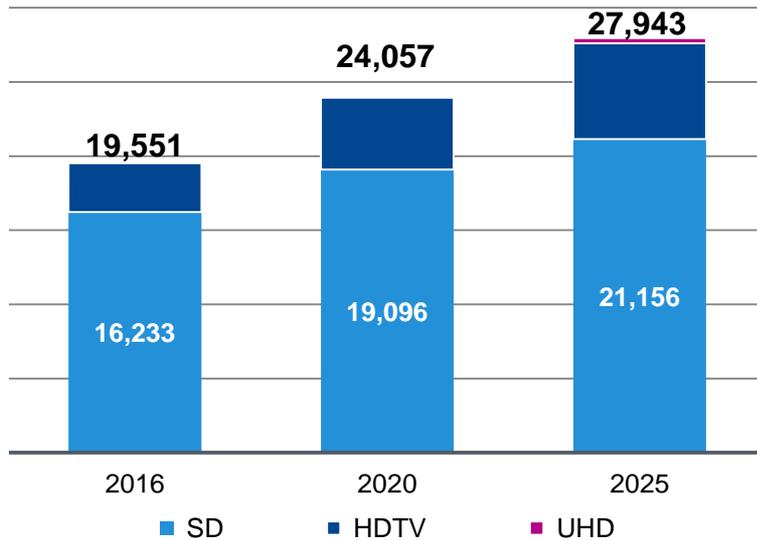
4 new satellites of latest generation with limited cost per transponder



Emerging Markets Expansion Drivers

International channel count

Number



Expanding SES International platforms

Developing Pay TV and FTA platforms



Middle East and North Africa operated with Yahlive



+4% CAGR⁽¹⁾ channel count from 2016 to 2025, to reach more than 27,000 channels



Reach increasing in fast growing markets



~8% CAGR⁽¹⁾ HD channel from 2016 to 2026 to reach more than 6,000 channels

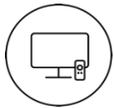


SES's unique track-record to grow and develop new video neighbourhoods

1) Source: NSR forecast C and Ku band only

Expanding and Stimulating Emerging Ecosystems

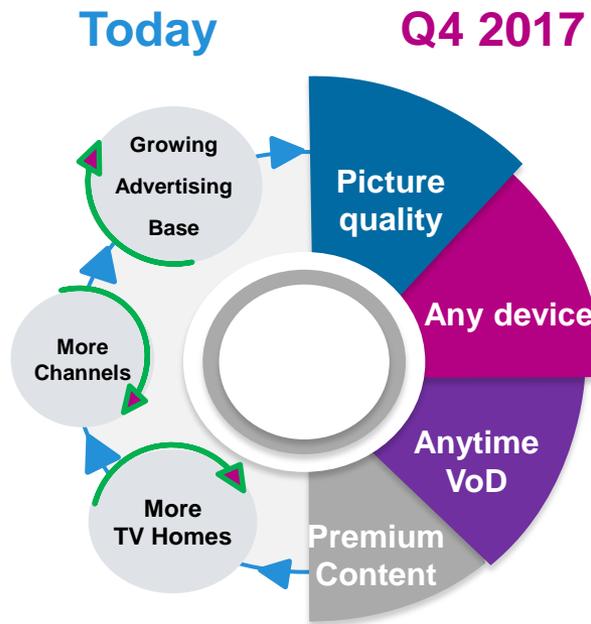
- ▲ **Building full ecosystems** by partnering with local players since end of 2014
- ▲ Expanding reach and driving digitalisation and platform evolution



100
TV channels



4.3 million
TV Homes



- ▲ Best picture quality
- ▲ Convenience
- ▲ Content neighbourhood
- ▲ Content monetisation
- ▲ Differentiating features
- ▲ Reach



Analog TV

Free TV

Pay TV



Expanding Video Offer in Growing Neighbourhoods

▲ In less than 10 years SES has developed a **leading Pay TV position** in Philippines

▲ Involves the three major operators



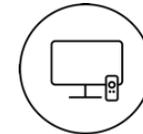
- ▲ Differentiating through exclusive content
- ▲ Facilitating reach



- ▲ Convenience
- ▲ Platform neighbourhood
- ▲ Set for future growth



2 million
DTH Homes



206 SD TV
channels

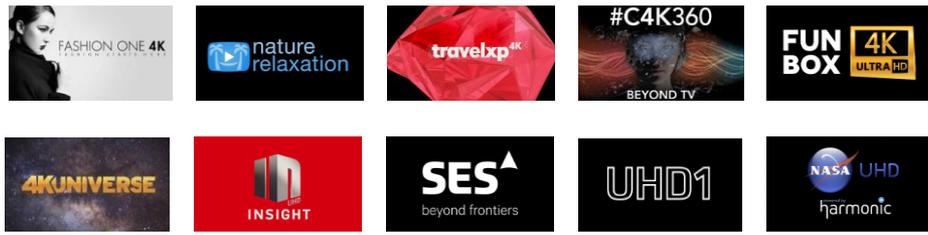


59 HD TV
channels



Innovating the UHD Experience in North America

- ▲ Engaging programmers and manufacturers to build a **new backbone distribution** platform
- ▲ **End-to-end** ecosystem for **25+** MVPDs⁽¹⁾, including **Verizon** and **Frontier**
- ▲ World's largest linear UHD bouquet with **10** channels:

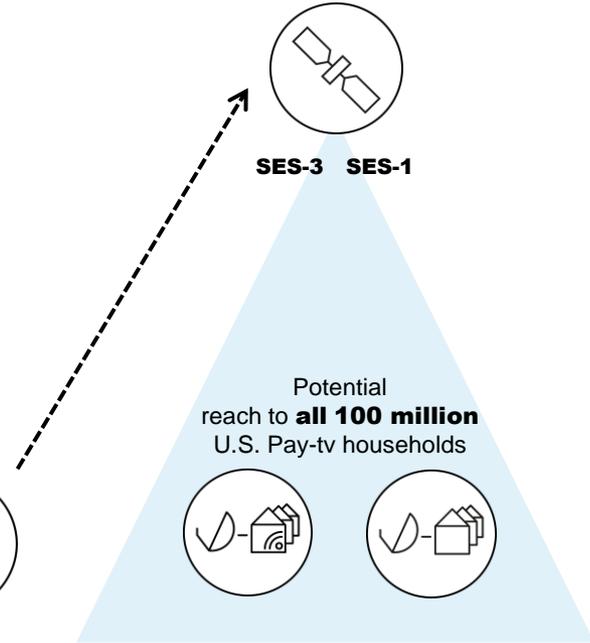
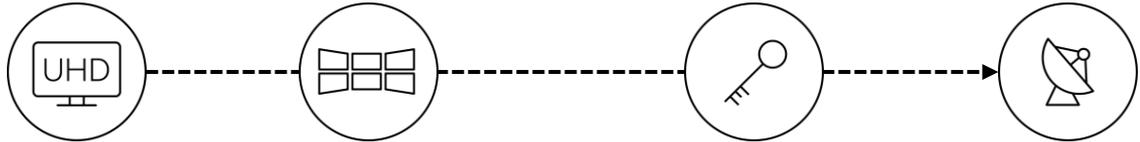


- ▲ Since April 2017, **three** US cable operators have launched their first commercial UHD packages

With High Dynamic Range technology

Playout and Encryption

Uplink



1) Multi Channel Video Program Distributors



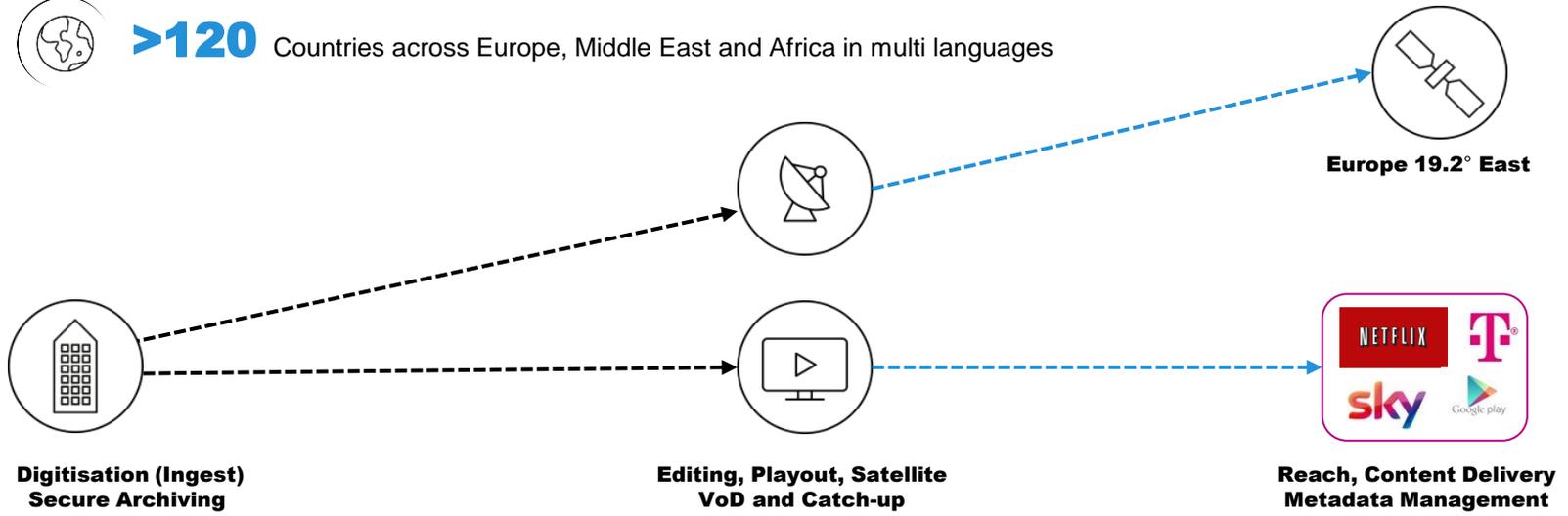
Innovating to Deliver Best Experience to Any Device, Anytime

- ▲ End 2016, **MX1** tailored a solution for the supply of backend services and VoD platforms
- ▲ Expanded existing satellite contracts, SES now provides a complete end-to-end solution to Turner

TURNER to **focus on core business:** content and end customer management:

 **70** TV channels:    

 **>120** Countries across Europe, Middle East and Africa in multi languages



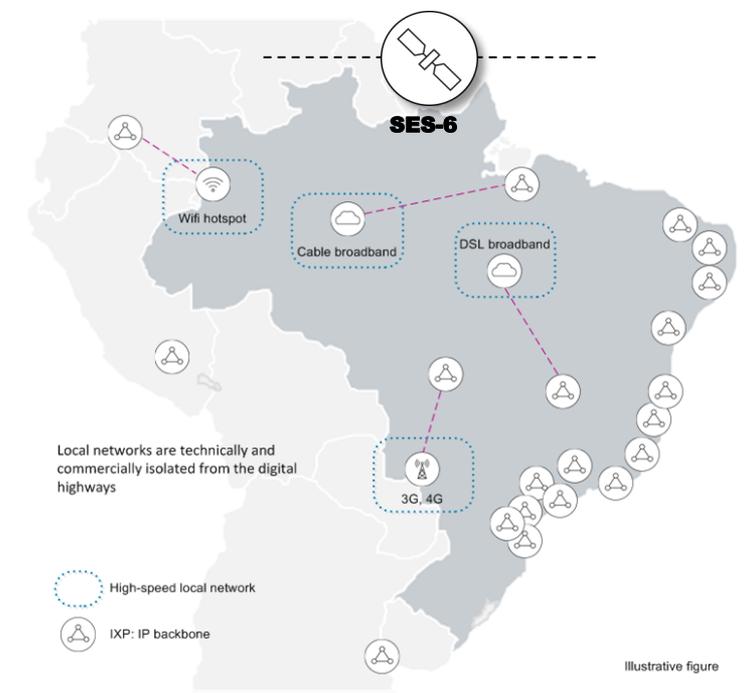
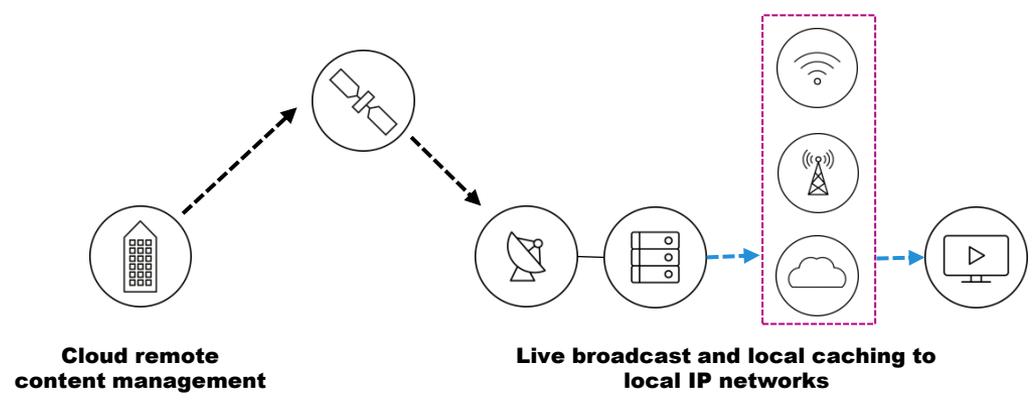


Innovating to Deliver the Best of Both Worlds

- ▲ **Network offloading** via satellite and local caching, MX1 cloud services, uplink & space by SES
- ▲ End-to-end solution for IP-based networks, **combining Linear and Non-Linear** Video



Pilot successfully performed in late 2016



Enabling innovative business models

- ▲ A customisable, replicable white-label solution
- ▲ Easy deployment and integration
- ▲ Pay-as-you-grow business model



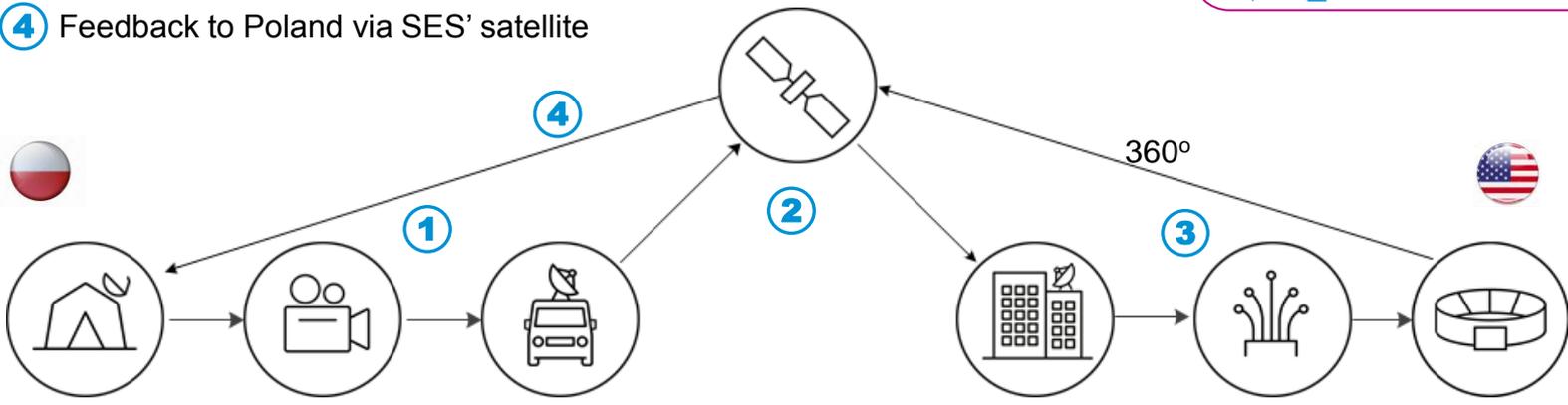
Innovating to Shape Virtual Reality Experience

NFL Super Bowl VR demonstration

- ▲ MX1 delivered unique demonstration of satellite live broadcast transmission and VR integration to **>110 million** Super Bowl viewers (February 2017)
- ▲ Most advanced and highest-quality workflow for 360° VR broadcast, strong end-user experience

Intercontinental project coordination

- 1 Production and uplink trucks and at US Army Base in Kazan, Poland
- 2 Full satellite transmission from Poland to USA, utilising SES' fleet
- 3 Sport event world feed provision via satellite (SES-4)
- 4 Feedback to Poland via SES' satellite





Hyundai - Virtual Reality experience

GROWTH THROUGH ENHANCED CUSTOMER EXPERIENCE

Steve Collar, CEO of SES Networks



BlueSky 4G in the Cook Islands



**A SNAPSHOT
OF THE BUSINESS**



**DELIVERING
GROWTH ACROSS
MARKET VERTICALS**



**INNOVATION AND
THE FUTURE**

SES Networks at a Glance



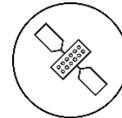
Unique global **GEO-MEO** distributed network/architecture



99.99% measured service availability (benchmark: 99.97%)



>300 enterprise customers, including major tier one global clients



Up to 2 Gbps per MEO beam with low latency (<150 ms)



Our IFC/IFC partners serve **~90%** of total connected aircraft market



>One million cruise passengers served each year

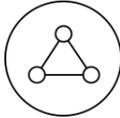


62 global government clients served in 28 countries



13 U.S. Government agencies served by dedicated Government team

SES Networks' Value Proposition



Agility Leading change to grow the market for satellite and deliver customer value



Application Optimised Infrastructure unique multi-frequency, multi-orbit infrastructure offering application optimised performance, speed and reach



Global Scale End-to-End Solutions Delivering Fixed data, Mobility and Government networks for end-users, globally across 130 countries with 60 satellites



Strong Vertical Focus Deep insights into the market verticals that we serve delivering the solutions that our customers demand



Customer Engagement and **Fully Managed Experience** partnering to create new markets and monetise opportunities; managing and optimising end-user experience

Growth Outlook across all Network Verticals

Fixed Data	Telco/MNO	+13 billion connected devices by 2021 ⁽¹⁾
	Cloud services	+70% managed IP traffic growth by 2020 ⁽²⁾
	Enterprise	+160% fixed internet traffic growth by 2020 ⁽²⁾
Mobility	Energy	+55,000 in-service terminals by 2021 ⁽³⁾
	Aero	+12,000 connected aircraft by 2021 ⁽³⁾
	Maritime	+7,000 connected vessels by 2021 ⁽³⁾
Government	U.S. Government	+12% U.S. Defense budget growth by 2021 ⁽⁴⁾
	Global Government	>50% increase in UAV-ISR in-service units ⁽³⁾

1) Source: Ericsson

2) Source: Cisco

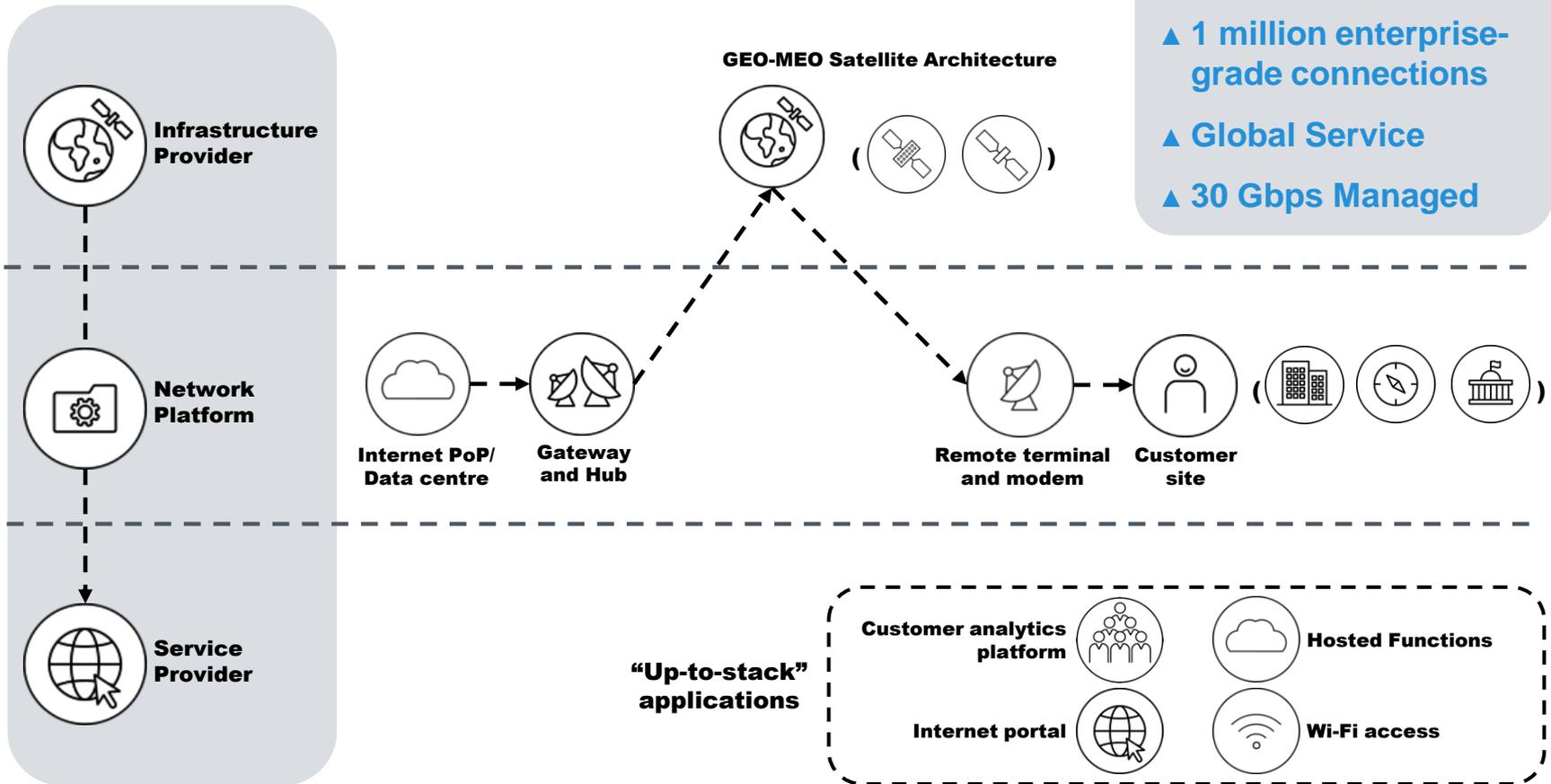
3) Source: NSR

4) Source: U.S. Department of Defense. Base budget, excluding overseas contingency operations (funded annually)

Enabling Clients with Customised, end-to-end Solutions

- ▲ Delivering tailored solutions across a wide range of growth applications
- ▲ Providing reliable and secure connectivity across the value chain

- ▲ 130 Countries Served
- ▲ >60 satellites
- ▲ 1 million enterprise-grade connections
- ▲ Global Service
- ▲ 30 Gbps Managed



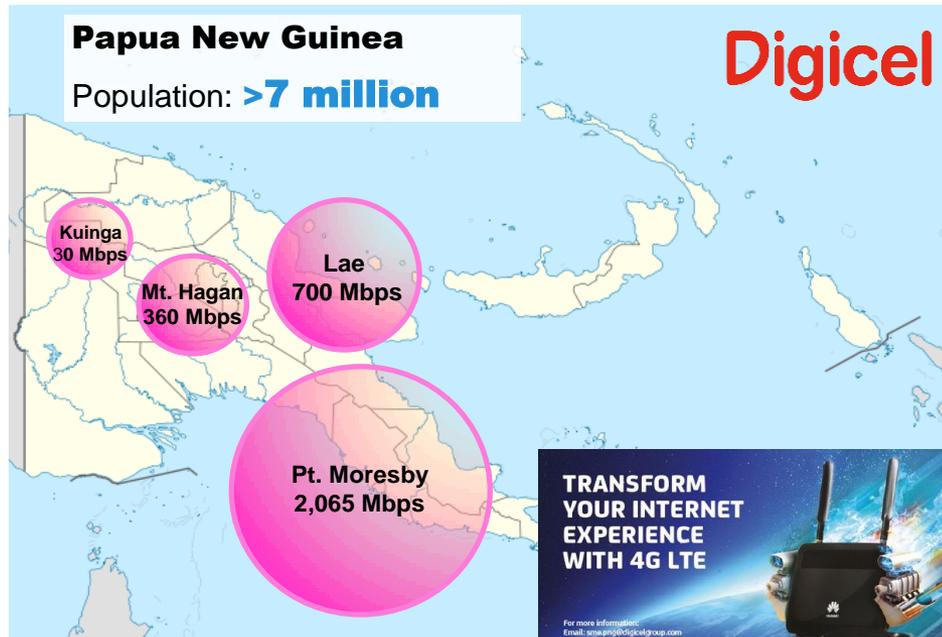
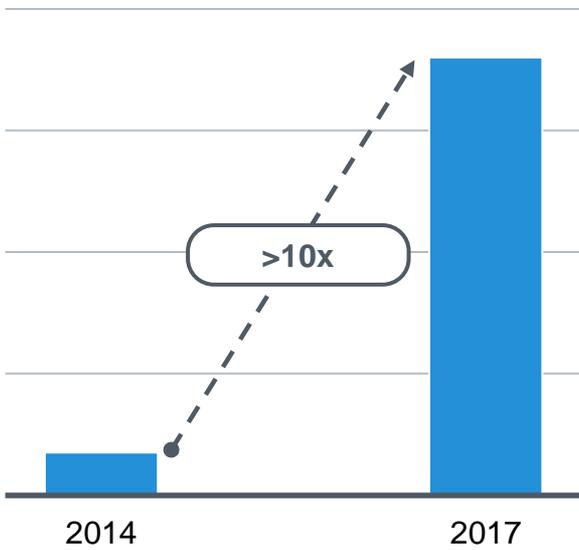


Enabling 4G With Major Telcos – Explosion of Data Demand

- ▲ Largest Telco / MNO in Pacific demanding network solutions, instead of just satellite capacity
- ▲ Delivering high performance, cost-effective solutions in 4 major population centres in PNG
- ▲ Enabling **>2x increase** in 3G subscribers nationwide and new business in mining sector
- ▲ Supporting **>40,000** LTE subscribers

Digicel MEO bandwidth

Gbps



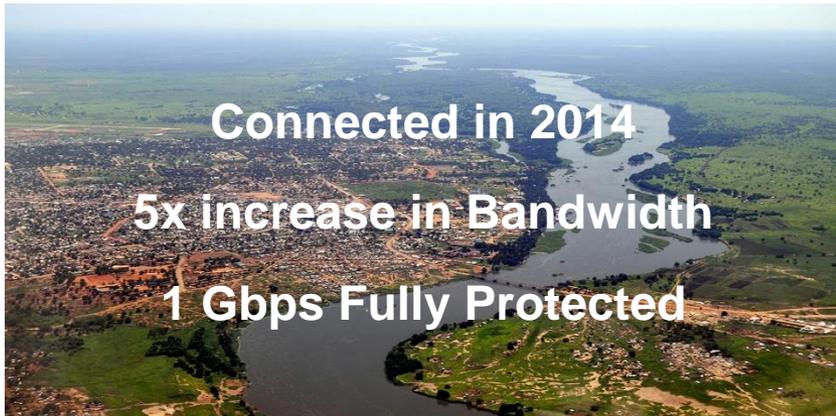
TRANSFORM YOUR INTERNET EXPERIENCE WITH 4G LTE

For more information:
Email: info@sesdigicelgroup.com
Complete solutions for your needs

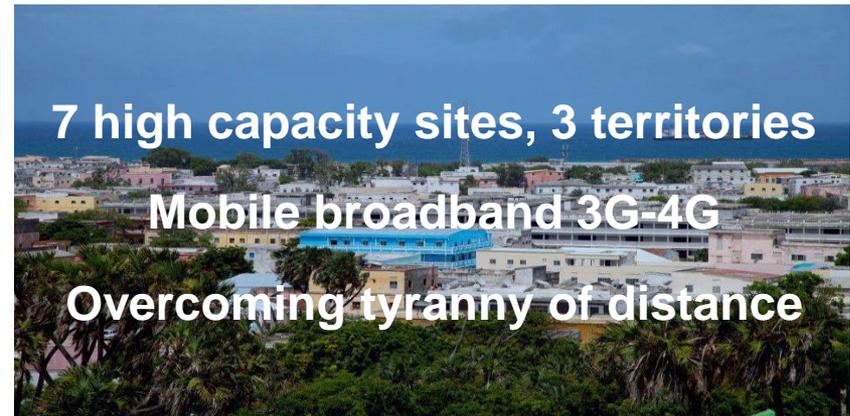
Digicel | BUSINESS



Connecting Africa - One Story at a Time



Juba



Mogadishu



N'Djamena

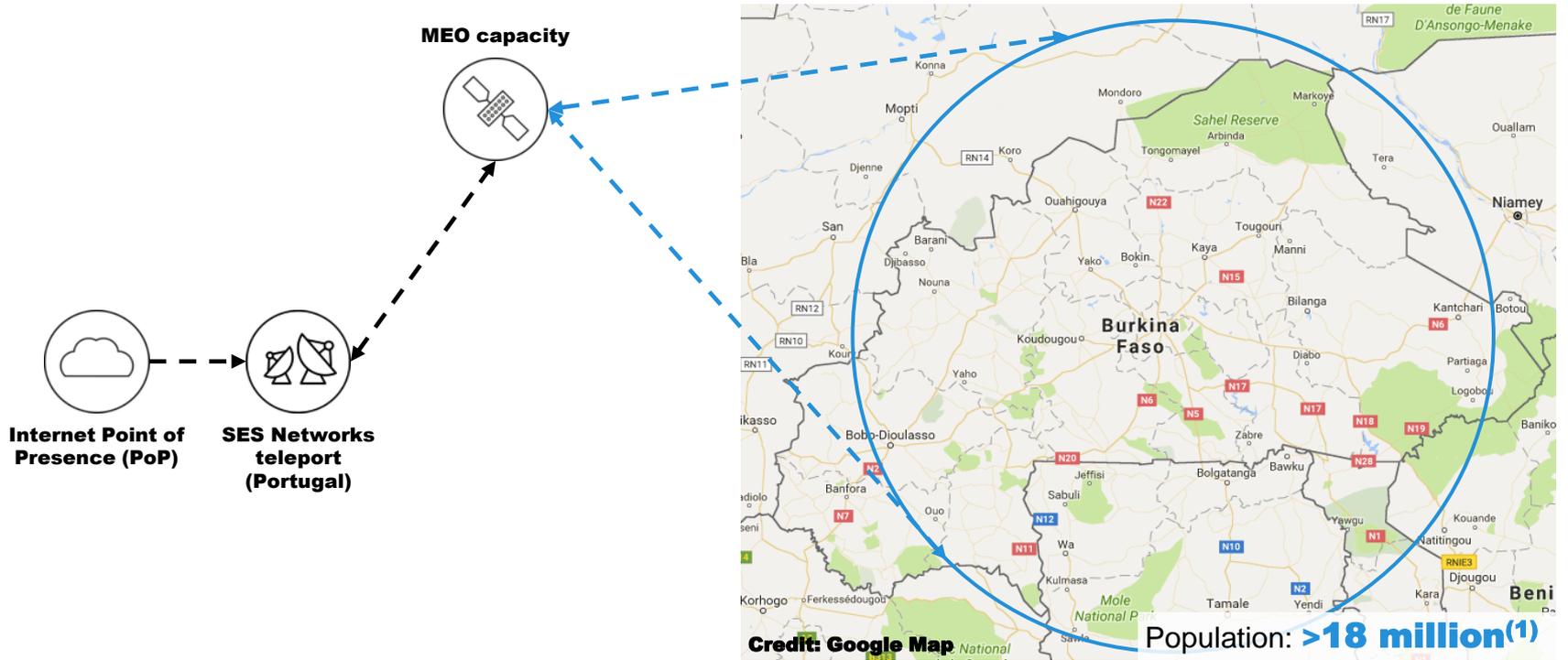


Entebbe



Delivering Core Infrastructure supporting Nation Building

- ▲ Turnkey, fully managed hybrid (satellite and terrestrial) network in Burkina Faso
- ▲ Expanding ICT infrastructure, capabilities and performance across the country



 >60 PTP links

 >100 base stations

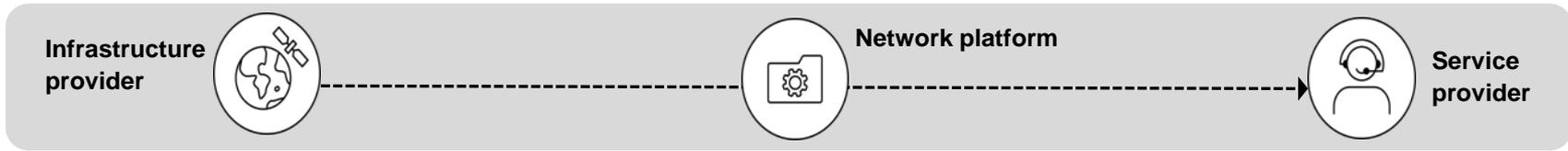
 >880 connected sites

 >40 connected institutions

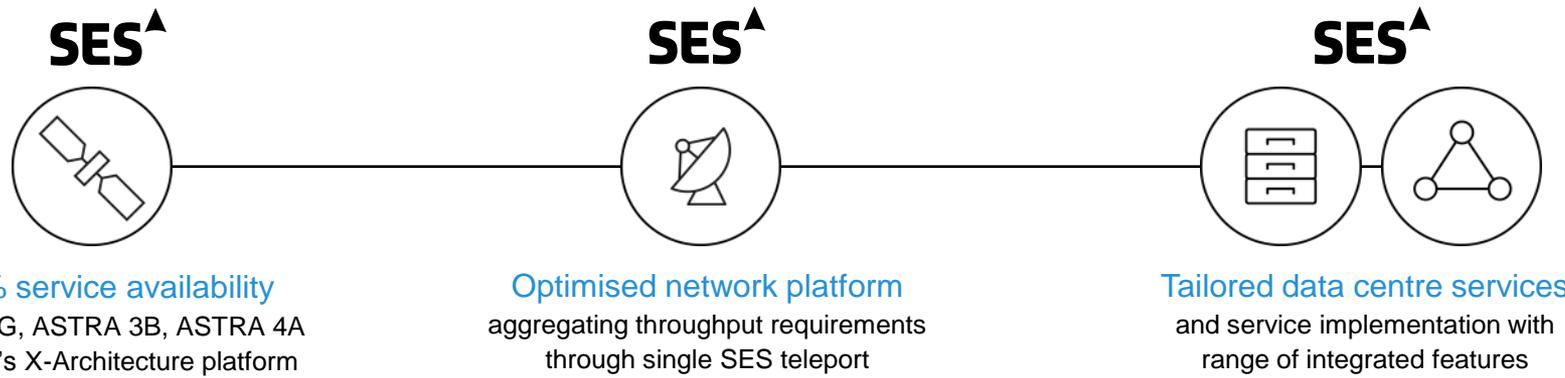
1) Source: World Bank



Expanding Turnkey Solutions for Global Cloud-based Services



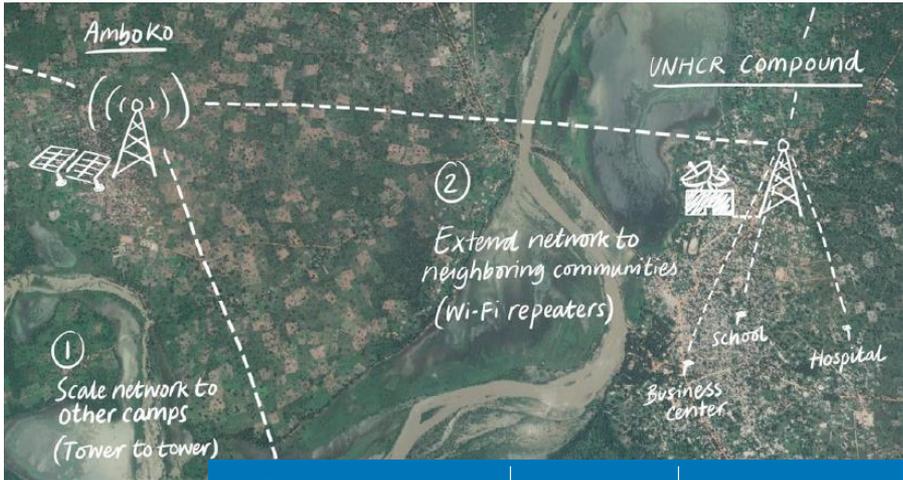
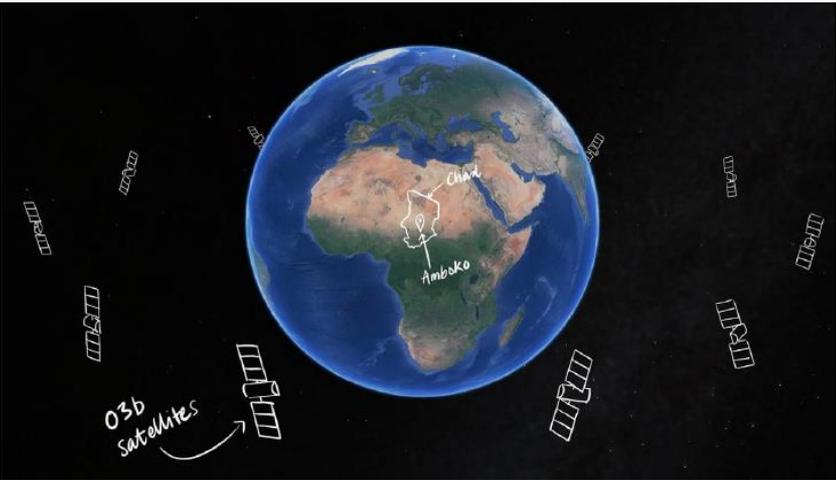
▲  : providing a complete solution that brings internet services to Sub-Saharan Africa



▲ Expanding future capabilities with flexible and scalable SES GEO and O3b MEO HTS solutions

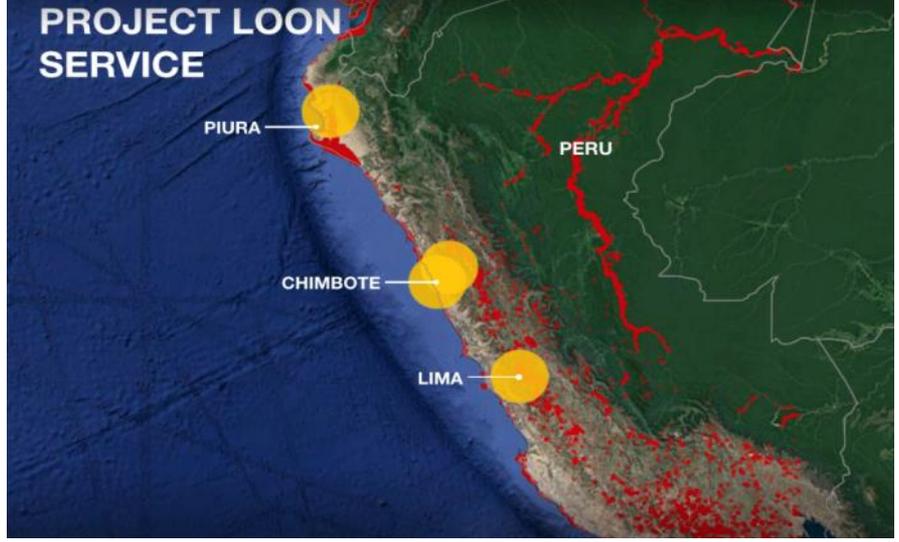


Connecting the Unconnected - A Force for Good





Response + Performance = Impact

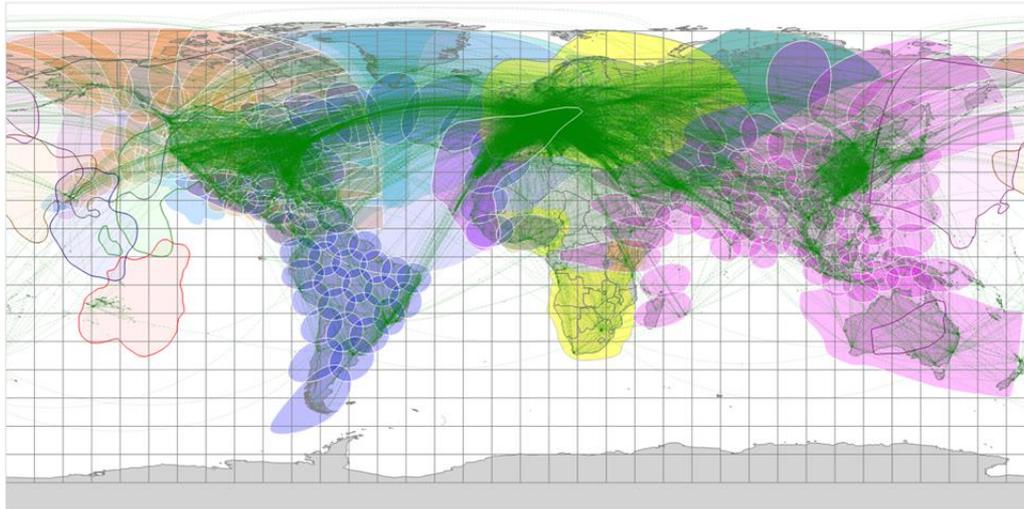




Project Loon



Strategically Positioned With all IFC/IFE Service Providers



- ▲ SES Networks has been extremely successful to date in driving the growth in aero-mobility through investment in dedicated and specialised payloads, capitalising ahead of the competition
- ▲ Around USD one billion in secured backlog with all four of the leading IFC/IFE service providers
- ▲ Substantial opportunities in the aeronautical segment remain with aircraft penetration rate increasing from ~25% today to >60% by 2026

Commercial Aero Backlog

Around USD 1 billion

Satellites Accessed

>20

Airlines Served

>15

Service provider served

Global Eagle



THALES

Panasonic
Panasonic Avionics Corporation

ENABLING NEXT GENERATION INFLIGHT CONNECTIVITY AND ENTERTAINMENT

Panasonic

Panasonic Avionics Corporation

- ▲ Covering **99.8%** of all commercial flight hours
- ▲ Delivering an entertainment experience to **>500 million passengers** every year

SES[▲]

- ▲ Global connectivity network, including optimised HTS payloads, ensuring ubiquitous coverage
- ▲ 'Home-equivalent' connectivity experience
- ▲ Enabling **95%** of Lufthansa passengers to watch live-stream of World Cup Finals and Super Bowl





Panasonic



Enhancing Passenger Experiences Through Partnerships

▲ Developing smart IFC/IFE solution for **THALES** using five key principles:

1	Collaborative processes	▲ Working closely with Thales to design HTS satellite to support delivery of FlytLIVE inflight connectivity and streaming services
2	Tailored coverage	▲ Designing HTS payload specifically for aero mobility throughout the Americas to fully meet Thales' service requirements
3	Customised service	▲ Providing specialised service packages
4	Diverse fleet options	▲ Enabling roll-out of services in 2017 using existing network
5	Open architecture	▲ Driving collaboration and innovation at every level

▲ Total commitment represents **significant share of expected investment** in SES-17

A DIFFERENTIATED INNOVATOR

Expanding leadership in the maritime growth markets of Caribbean & Asia

AN INNOVATORS DREAM – CRUISE

- ▲ Unrivalled connectivity > 1 Gbps to a single cruise ship
- ▲ Benefitting more than 1 million passengers a year
- ▲ Fully integrated service offering
- ▲ Benefitting leading cruise lines globally

FIT FOR PURPOSE – MERCHANT

- ▲ Fully managed Maritime+ service, highest reliability
- ▲ Benefitting critical communications workers at sea
- ▲ Launch of volume-based service offering driving adoption
- ▲ Network of Channel Partners guarantee global service level

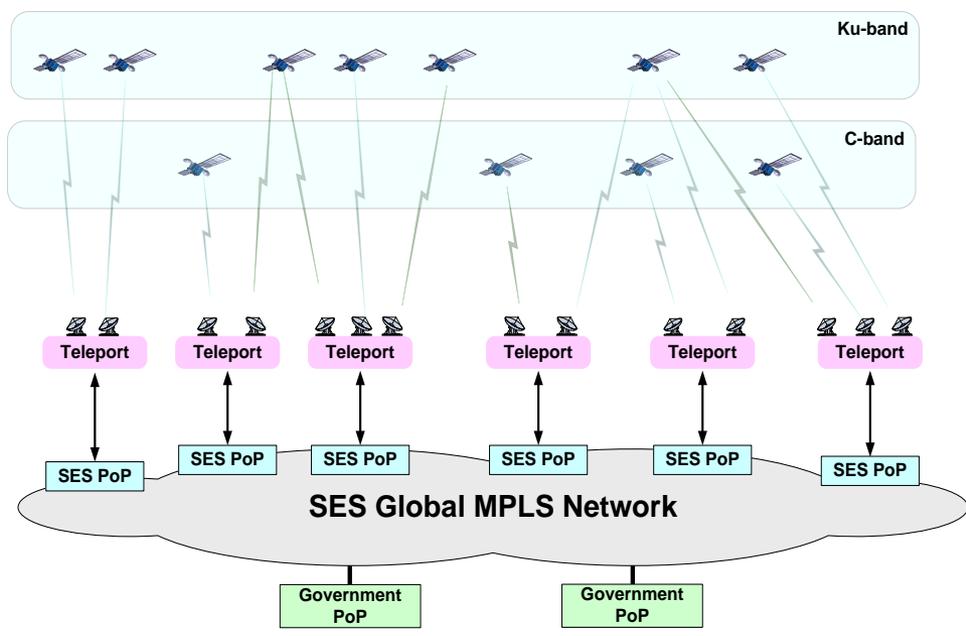


Delivering Turnkey Solutions to U.S. Army through TROJAN

▲ SES GS's TROJAN program is a managed service that meets mission critical U.S. Army Intelligence and Security Command (INSCOM) requirements:



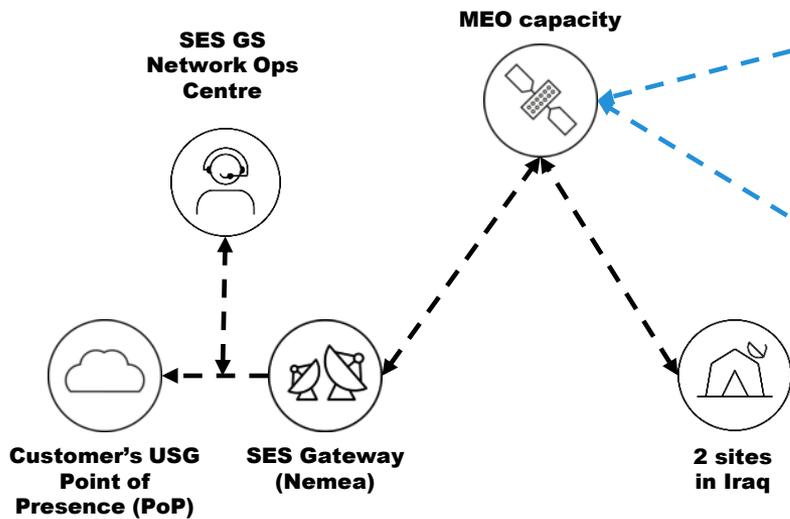
- Global, multi-band, end-to-end managed services
- Meeting Service Level Agreement
- Self-healing terrestrial network provides access to Army intelligence units
- Centralised network management in SES GS's secure NOC
- Customised monitoring and control, as well as bandwidth management tools





Differentiated Service Offering for U.S. Central Command

- ▲ SES Government Solutions has delivered two turnkey, mission-critical high-performance traffic nodes in Iraq delivering services to two different customers
- ▲ New capability enabling high speed backhaul and supporting latency sensitive applications
- ▲ End-to-end managed services delivered including leased remote terminals with 'on-site' service support and 24 x 7 secure NOC with terrestrial backhaul to U.S. DOD PoP
- ▲ Understanding the mission and shaping requirements is fundamental to shared success





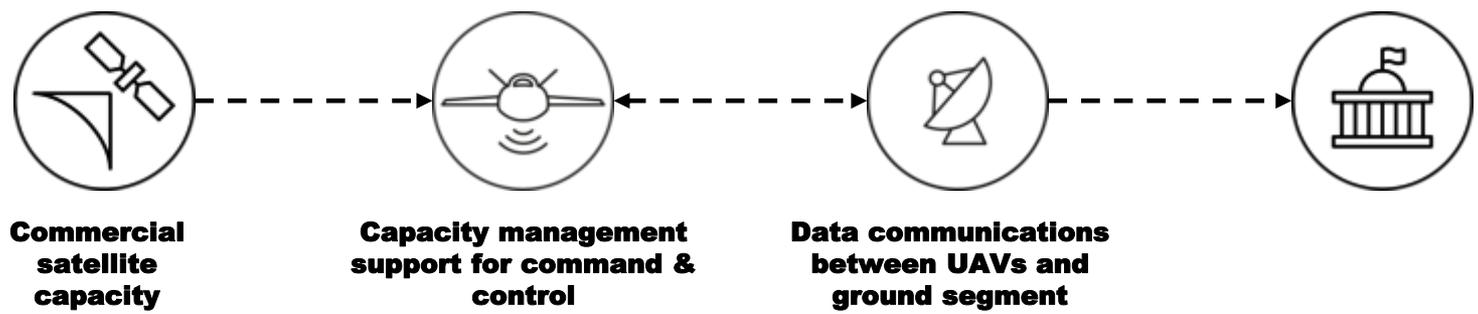
Global Government – A Long Term Growth Driver



NATO | **OTAN** Alliance Ground Surveillance (AGS)

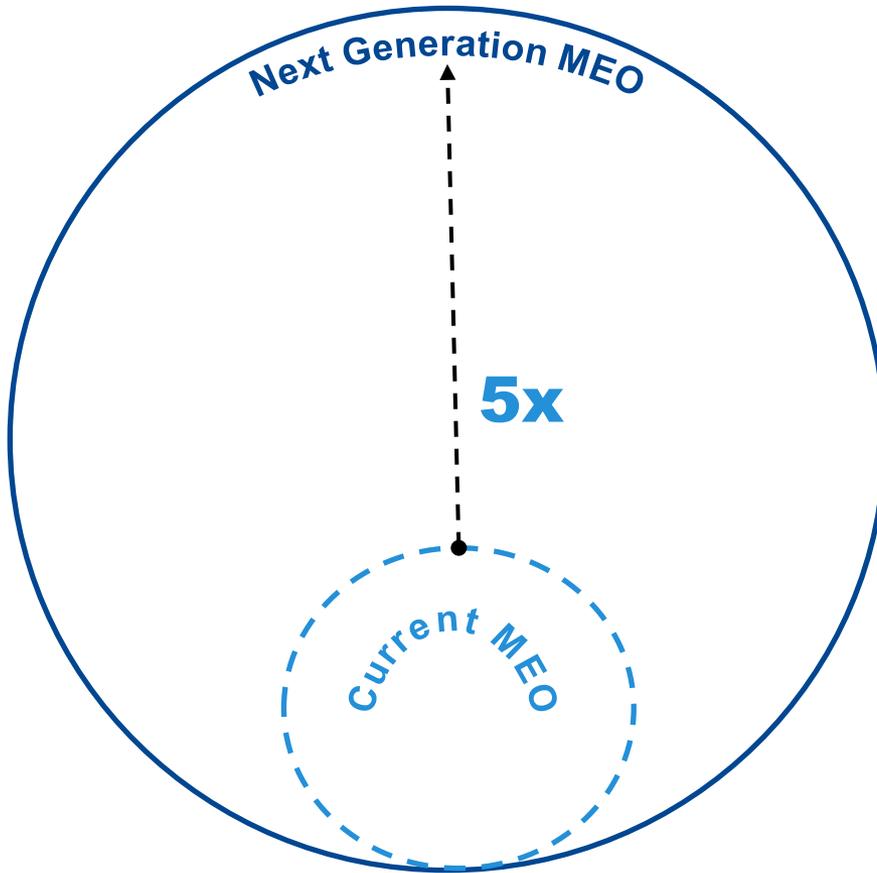
- ▲ Five Global Hawk remotely piloted aircraft
- ▲ Equipped with 'state of the art' radar technology
- ▲ Contributing to a range of civilian/defence missions
- ▲ Acquired by 15 countries (including Luxembourg)

▲ **GOV SAT** secured long-term contract for end-to-end service



Innovating Network Capabilities to Expand Growth Potential

Expanding MEO addressable market



-
- Small towns and remote locations
 - Remote offices
 - Data centres
 - Cloud access
 - Smaller mobile production vessels
 - Smaller cruise ships
 - Large yachts
 - Inter-regional commercial ships
 - Commercial aircraft
 - VIP aircraft
 - Multiple units in theatre
-
- Small cities / towns
 - Large multi-national organisations
 - Fixed rigs/larger production vessels
 - Large cruise ships
 - Larger fixed/mobile installations

FUTURE OF THE NETWORK

Ubiquitous, broadband customer experience in all verticals and markets

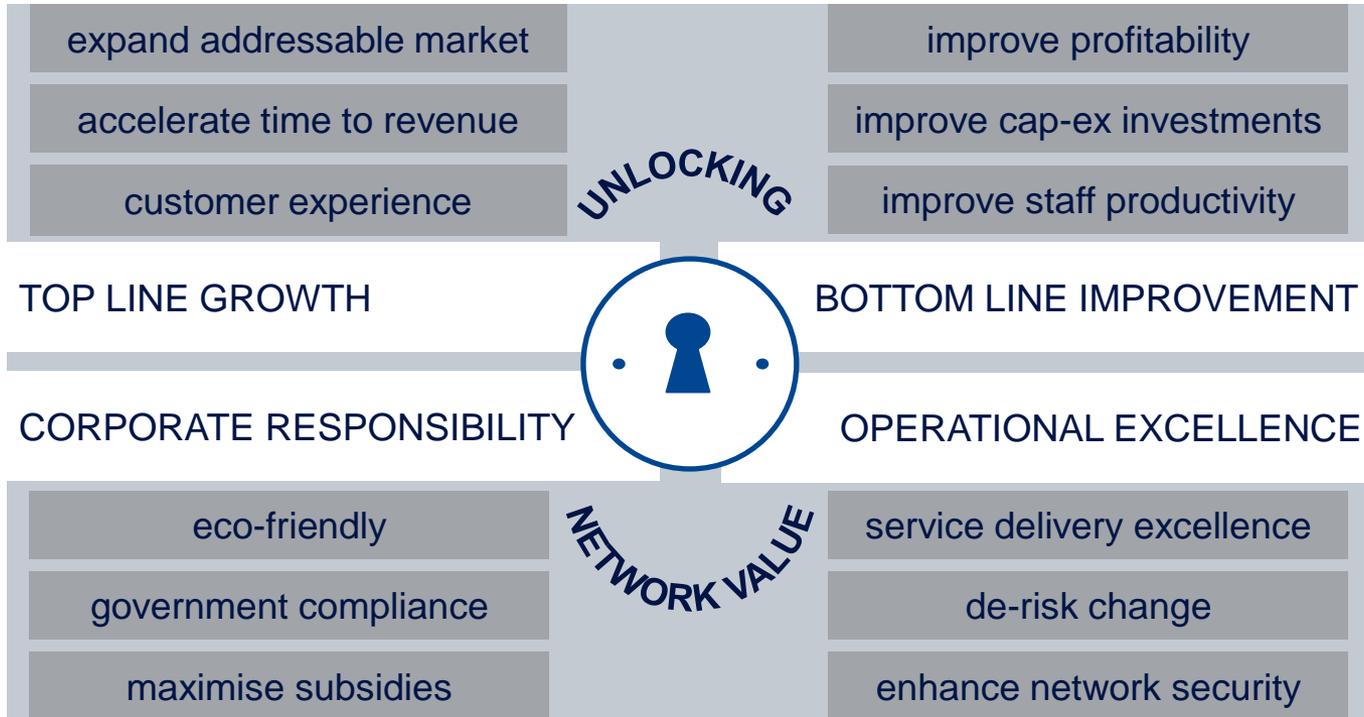
STATE OF THE ART

- ▲ Ultra-HTS - performance to support all applications
- ▲ Total flexibility in assignment of power, bandwidth, location
- ▲ Prime real estate – the best orbit with perfected spectrum
- ▲ A network that scales with the market
- ▲ State-of-the art performance with simple, proven operation

STEP CHANGE IN NETWORK SERVICE

- ▲ Massive, distributed network serving small dishes
- ▲ Serving land, air and sea, in motion or stationary
- ▲ 'From where you are to where you want to be'
- ▲ Responsive to 'elastic' demand – delivering experience

Unlocking the Value in our Customers' Networks



1

**A STRONG
GROWTH OUTLOOK
ACROSS OUR
MARKETS**

2

**DIFFERENTIATED
VALUE FOR OUR
CUSTOMERS AND
PARTNERS**

3

**CONTINUAL
INNOVATION FOR
LONG-TERM
SUCCESS**

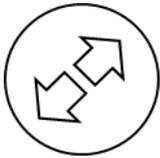
INNOVATING SES'S TECHNOLOGY SOLUTIONS

Martin Halliwell, Chief Technology Officer

Innovating SES's Technology Solutions



Expanding flexibility and scalability of SES's global network and capabilities

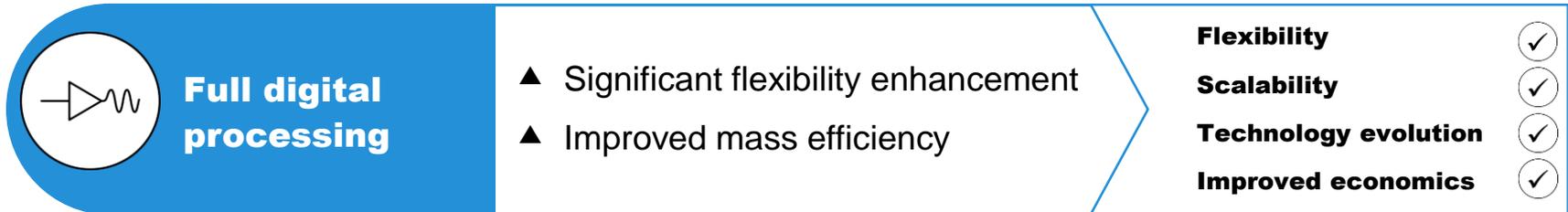


Delivering optimal end-to-end solutions by technology **innovation** across the value chain

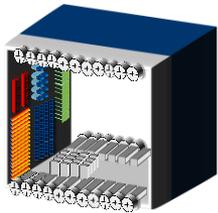


Strong track record of **enhancing** SES's economics

Expanding Flexibility with Digital Processing

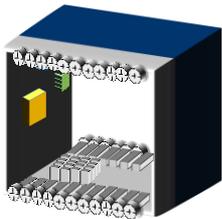


Today – Traditional payloads architecture



- ▲ Several hundred low noise amplifiers and frequency converters
- ▲ Hundreds of input and output filters and RF switches
- ▲ Difficult and costly production process

Tomorrow – Fully Digitised Satellite Payload



- ▲ Software defined payloads
- ▲ Real time resource management
- ▲ Dynamic bandwidth and coverage allocation
- ▲ Optimisation of scarce spectrum resources
- ▲ Cost reduction and payload production acceleration

Spot Beams and Digital Processing Expand SES's Capabilities

Infrastructure provision

- ▲ Customised market coverage
- ▲ Distributed network

Flexibility

✓

Scalability

✓

Technology evolution

✓

Improved economics

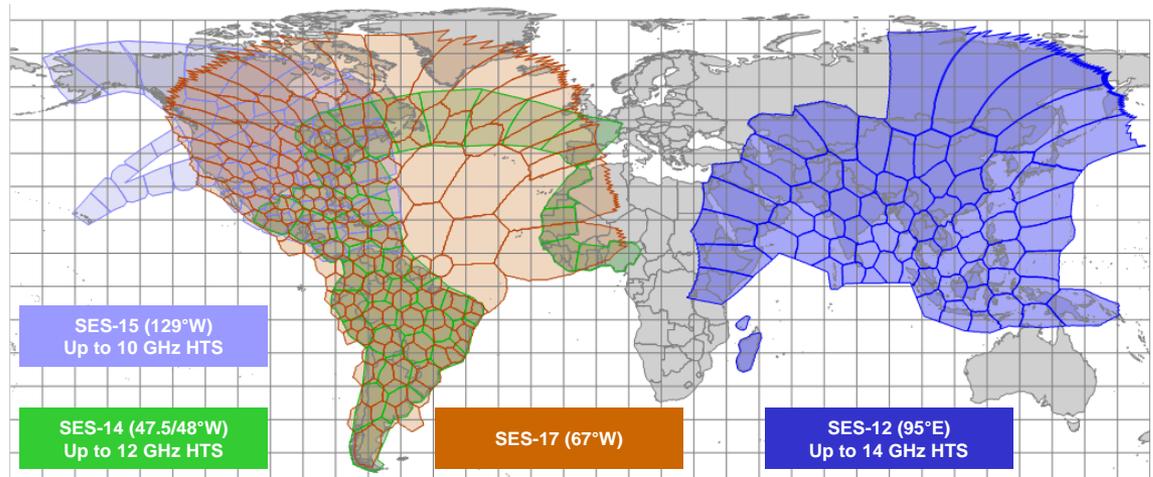
✓

SES-12, SES-14, SES-15 and SES-17 HTS spot beam footprints augmenting MEO HTS capabilities

1 Spot beams
laying down high volume of capacity globally



2 Digital processing
optimally allocating capacity to key areas



On-orbit capability to pivot from one market opportunity to another



Boeing

Reduced Cost and Time to Market with Reusable Rockets

Re-usable
rockets

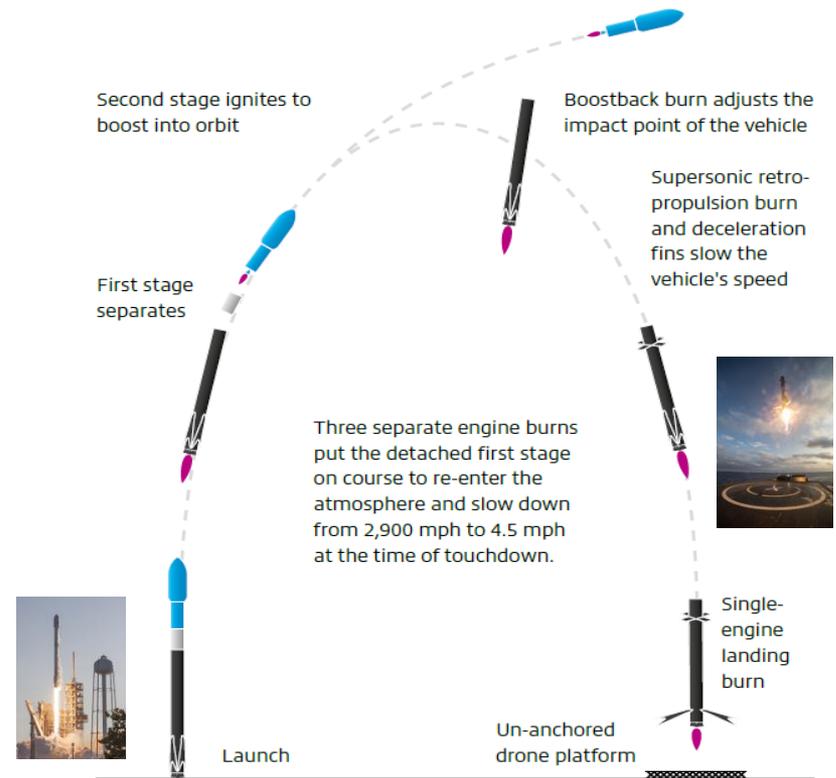
- ▲ Increased availability
- ▲ Payload diversity
- ▲ Reduced cost

Flexibility ✓

Scalability ✓

Technology evolution ✓

Improved economics ✓



Photos: SES-10 launch (credit Space-X)



SpaceX

Innovation Across the Value Chain - "GEONext" (1/2)

GEO/MEONext

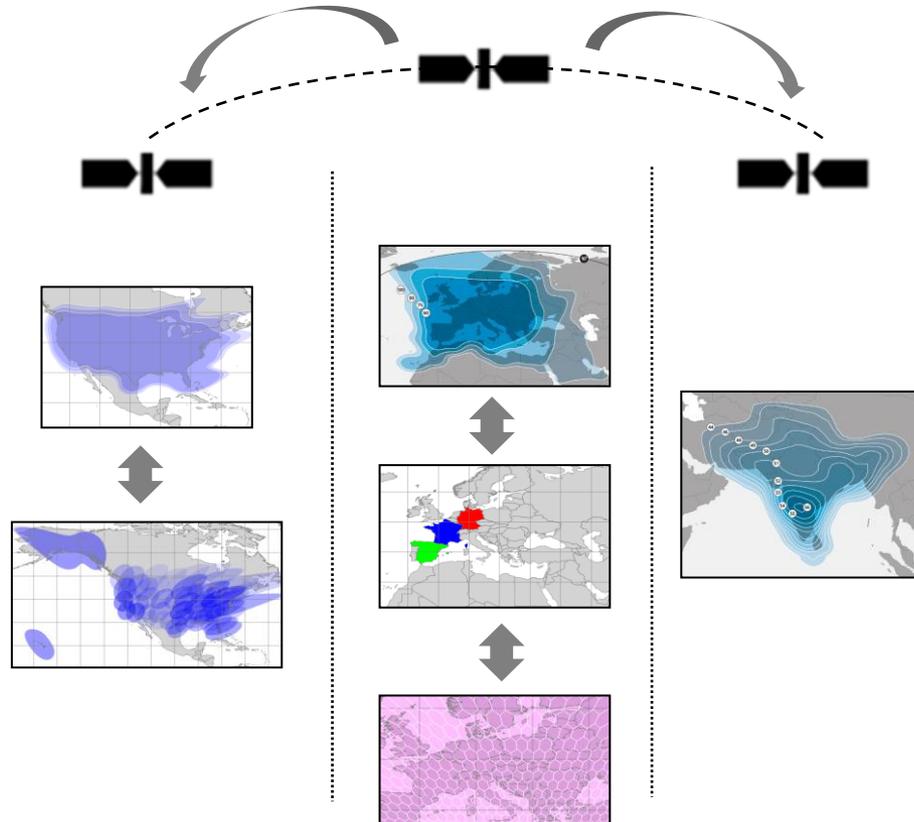
- ▲ Programming of beams
- ▲ Standardised payloads
- ▲ Fleet flexibility

Flexibility
✓

Scalability
✓

Technology evolution
✓

Improved economics
✓



▲ **Beams programmed in orbit** per application

- Beam forming of legacy, regional video or very small data beams
- Real time capacity allocation

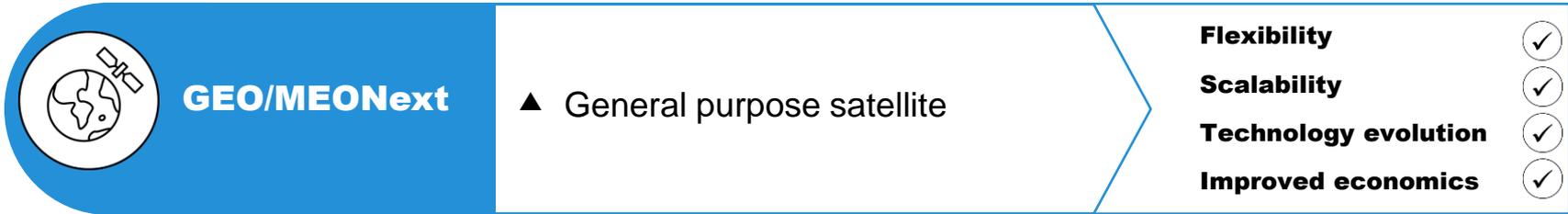
▲ **Standardised "movable"** satellite payloads

- Industrial production line integration
- Highly integrated band-specific satellites programmable to serve DTH, HTS or a combination
- Satellites deployable at different orbit locations

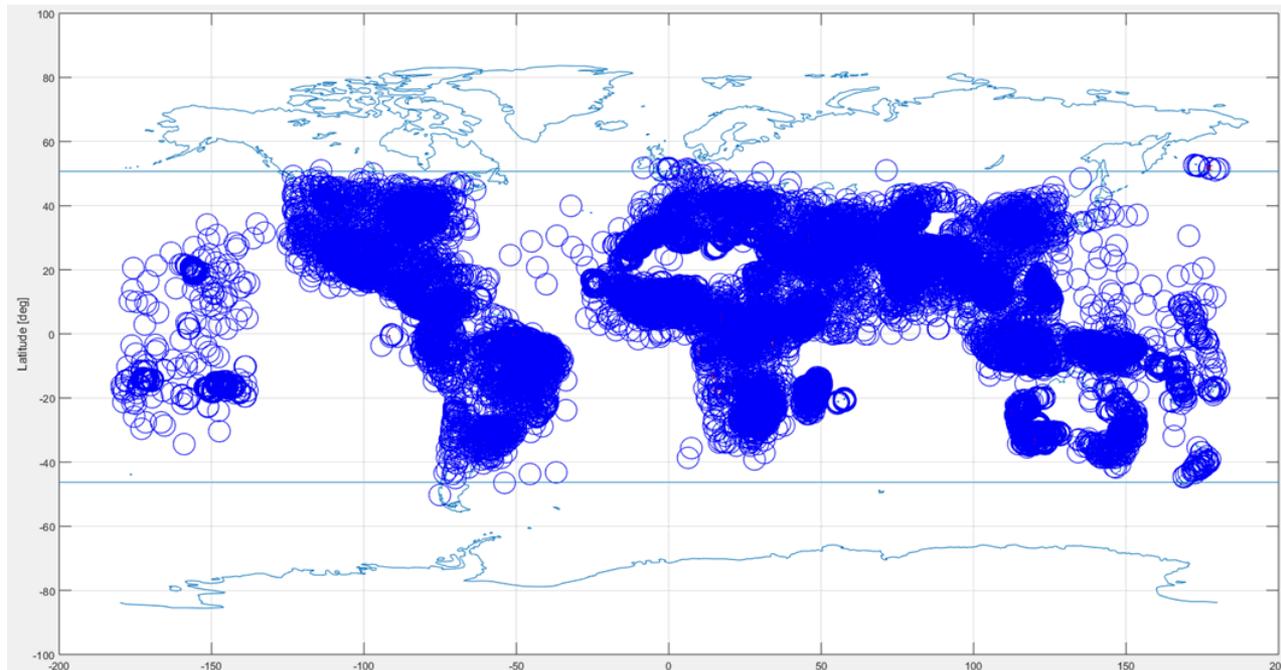
▲ **Scalability at the level of the fleet**

- Co-location of multiple small satellites for quick capacity augmentation

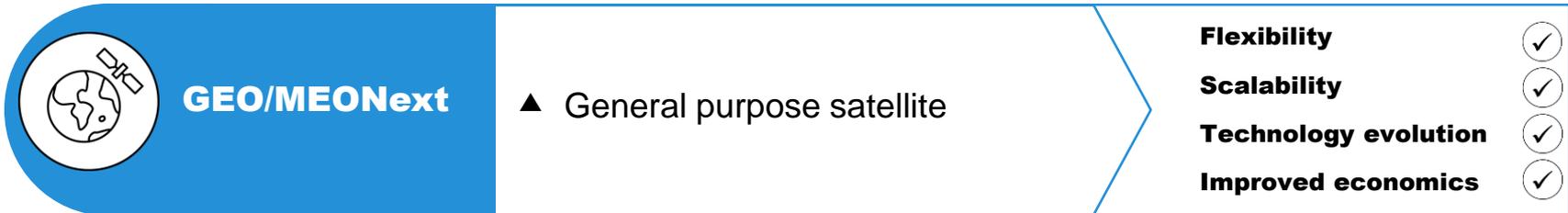
Innovation Across the Value Chain - “MEONext”



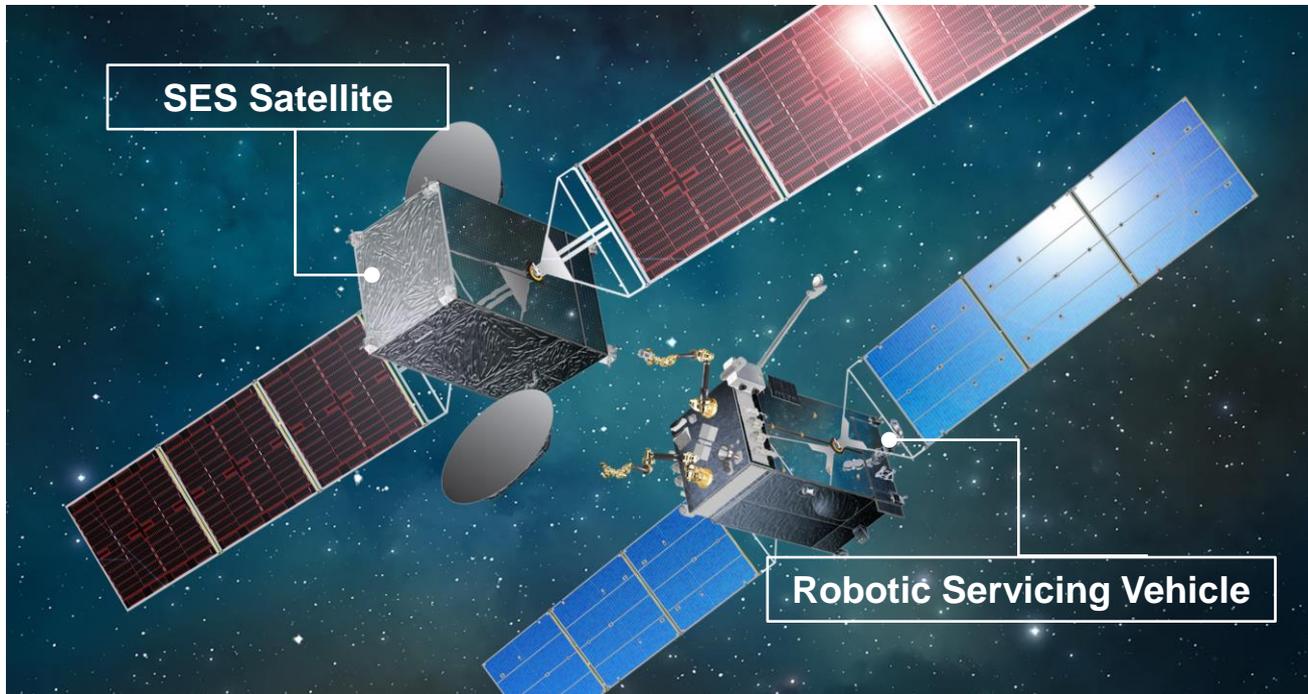
Sample operational coverage of a “MEONext” solution – Capability to change coverage in real time part of design



Innovation Across the Value Chain - Extending Satellite Life



SES and MDA entered into a partnership agreement for the first commercial refuelling of a GEO satellite in 2020+



Source: MDA

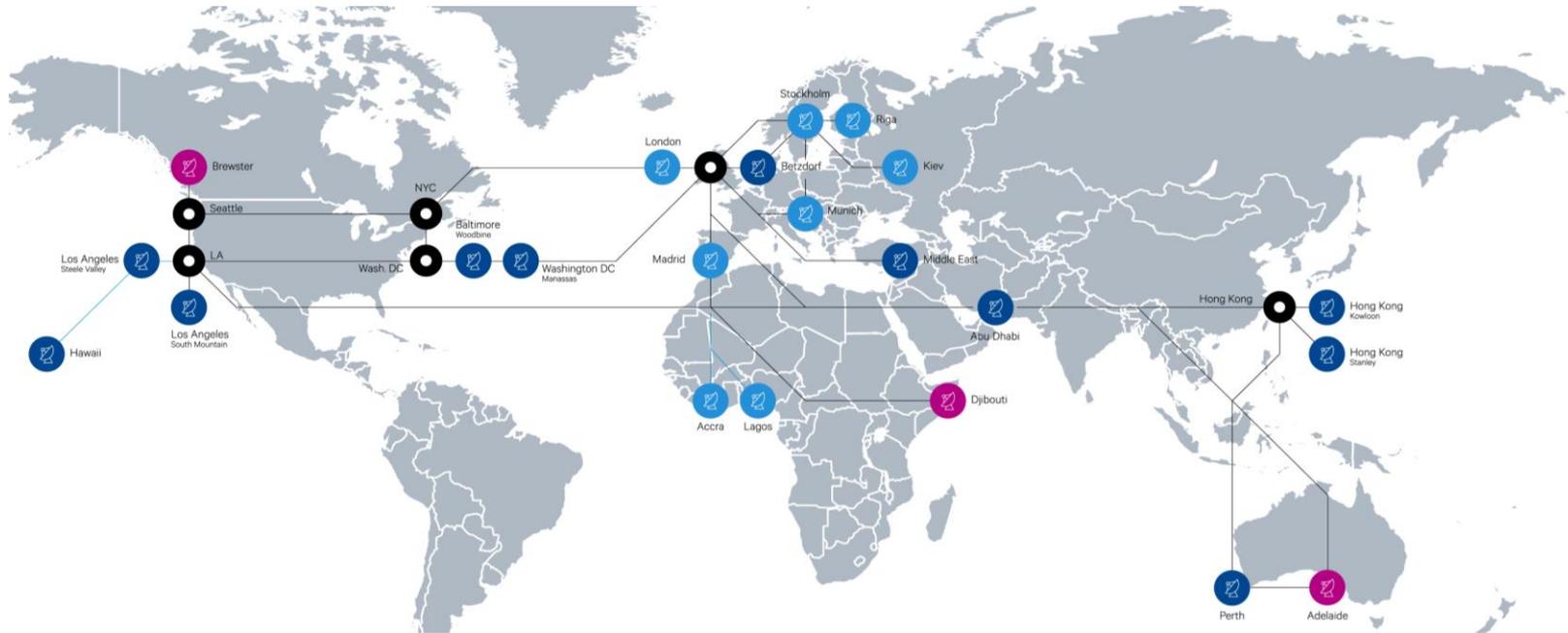
Space and Ground Infrastructure Expand SES's Capabilities

Global service provision

- ▲ Multi purpose infrastructure
- ▲ Cost efficiency

- Flexibility** ✓
- Scalability** ✓
- Technology evolution** ✓
- Improved economics** ✓

66 Teleports and 28 points of presence, including ...



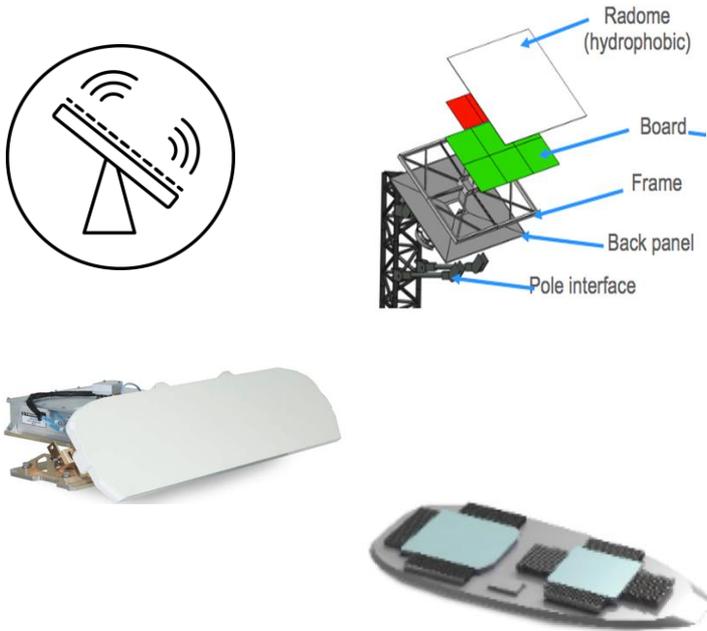
▲ **Flexibility:** Customer connects anywhere

▲ **Presence:** Licenses to operate almost all over the world

Ground Ecosystem Driving Integrated Network Management



Focus on flat panel antenna



- ▲ **Flexibility** for steerability
- ▲ **Smaller** in size
- ▲ **Quick** setup
- ▲ **Lower** cost / Mbps
- ▲ **Serve** multiple applications
- ▲ **Unlock** new applications
- ▲ **Enable** seamless allocation of resources

Open Architecture Provides Interoperability

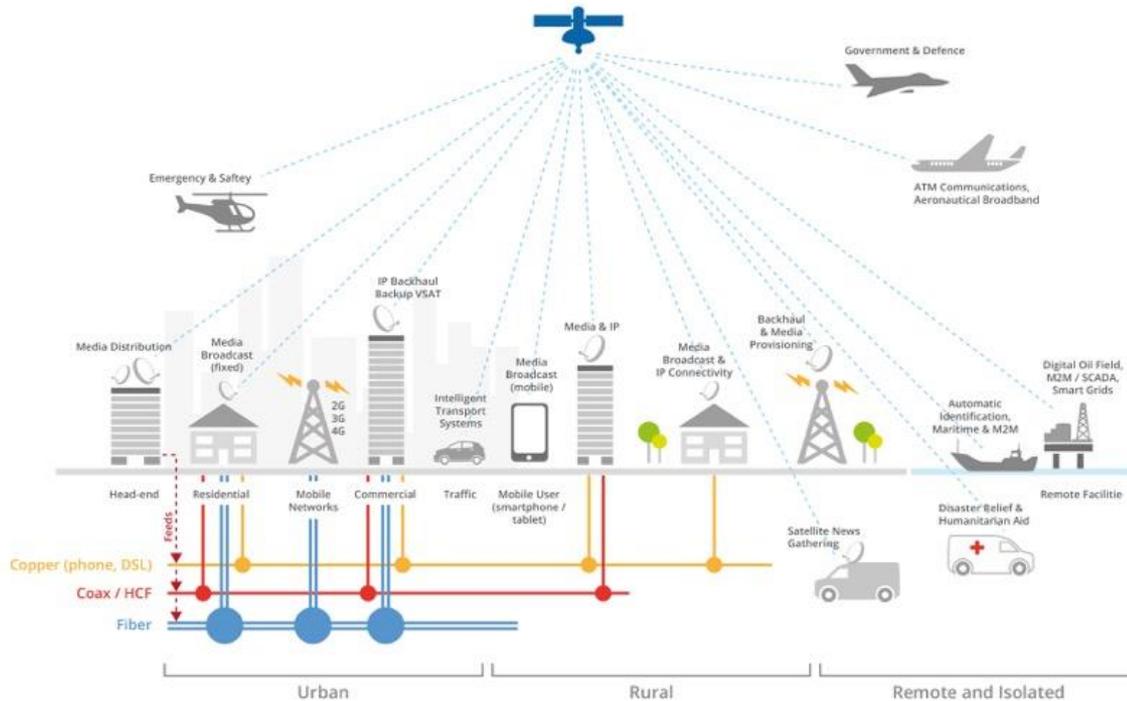


Open Architecture

- ▲ Multi modal delivery
- ▲ Interoperability

- Flexibility** ✓
- Scalability** ✓
- Technology evolution** ✓
- Improved economics** ✓

Multi modal delivery and interoperability



- ▲ **5G** ubiquitous access
- ▲ **Hybrid** video capabilities
- ▲ **Integrated** GEO/MEO network

Innovation Drives Managed Solutions for Video and Networks

Managed Solutions

- ▲ Video
- ▲ Virtual Networks

Flexibility

✓

Scalability

✓

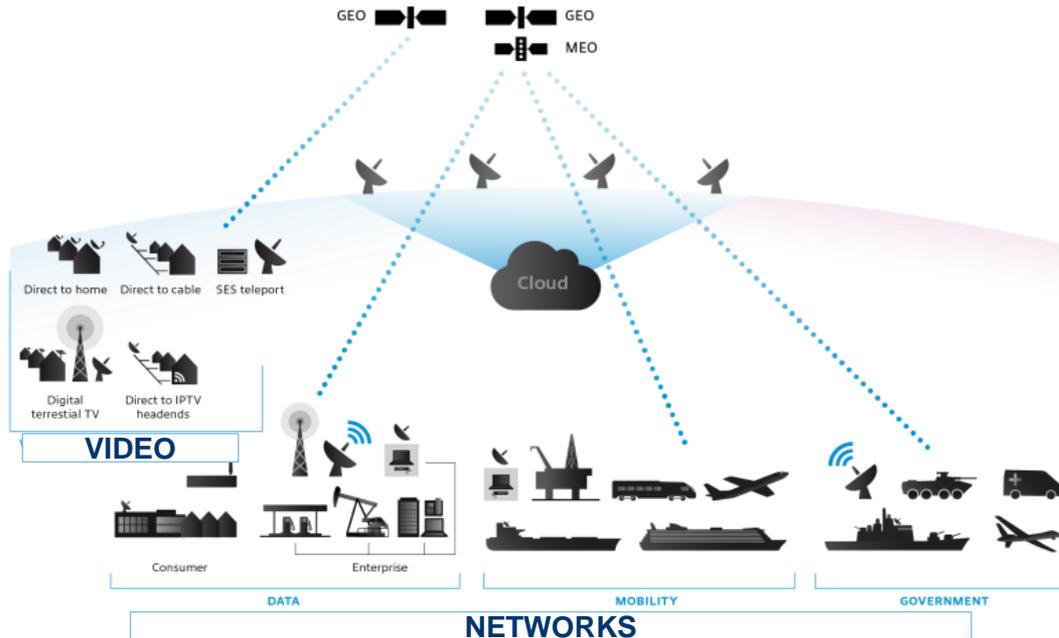
Technology evolution

✓

Improved economics

✓

Multi-layer multi-band satellites to enable managed solutions



- ▲ Unified **resource management** capabilities
- ▲ Integrated **ground segment** design
- ▲ End-to-end **network management**

Strong Track Record of Enhancing SES's CapEx Efficiency

Cost efficiency

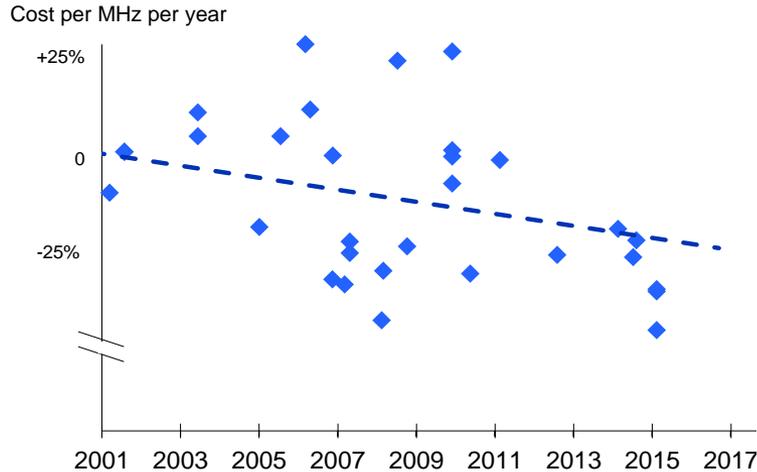
▲ Technological evolution and customised solutions

- Flexibility**
✓
- Scalability**
✓
- Technology evolution**
✓
- Improved economics**
✓

Continuous cost reduction for shaped beams, accelerated for spot beams

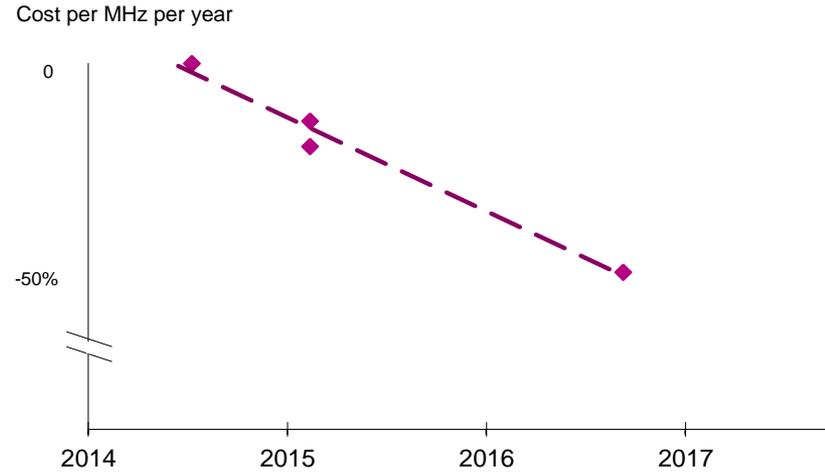
Shaped missions:

Satellite + Launch costs⁽¹⁾ per MHz per Year



HTS missions:

Satellite + Launch costs⁽¹⁾ per MHz per Year



1) Cost refers to the average amounts contracted with the satellite manufacturer and launch services provider i.e. excludes insurance, ground, project management, capitalized interests; Capacity refers to the predicted active MHz at EOL (End Of Life); Years are the date of contract placed with satellite manufacturer

Continued CapEx Efficiency Supporting Competitiveness

2014 - 2017

20% Normalised CapEx reduction



Achieved



Economies of scale

- ▲ Improved satellite efficiency enables five less primary satellites



Procurement and design

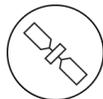
- ▲ Project control and close partnership with manufacturers

2018 - 2022

Around EUR 100 million of further reduction on a like for like basis



25% already identified



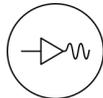
Electrical propulsion

- ▲ Improved mass efficiency
- ▲ More launcher options



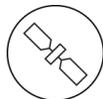
Re-usable rockets

- ▲ Reduced cost
- ▲ Shorter time to space



Full digital processing

- ▲ Improved mass efficiency
- ▲ Flexibility enhancement



Satellite life extension

- ▲ Operational expertise
- ▲ Improved monetisation

Flexibility



Scalability



Technology evolution



Improved economics



Advancing Space Capabilities Through Innovation

▲ **Five GEO** and **eight MEO satellites** under procurement with enhanced capabilities

	H1 2017	H2 2017	2018 /19	2018 /19	2018 /19	2020/+	
	SES-11	SES-12	SES-14	SES- 16/ GovSat ⁽¹⁾	O3b Block-3 ⁽²⁾	SES-17	GEO/MEO- Next
Payload type	Shaped	HTS + Shaped	HTS + Shaped	Steerable spot beams	HTS	HTS	General payload
Digital processing	No	Yes	Yes	No	No	Yes	Yes
Satellite Propulsion	Chemical	Electric	Electric	Chemical	Chemical	Electric	Electric
Launch Vehicle	Falcon 9	Ariane 5	Falcon 9	Falcon 9	Soyuz	TBD	TBD

1) Procured by LuxGovSat

2) Satellites 13-16 scheduled for launch in Q1 2018 and satellites 17-20 in Q4 2019

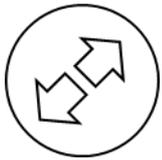
APPLYING FINANCIAL FRAMEWORK TO DRIVE PROFITABLE GROWTH

Padraig McCarthy, Chief Financial Officer

Delivering Profitable Growth With Clear Financial Framework



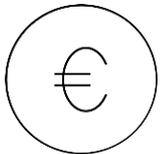
Enhancing business mix via organic investment and a strong financial base



Expanding profitability drivers by investing in inorganic growth accelerators



Combining sustained revenue growth and **innovation** to maximise returns



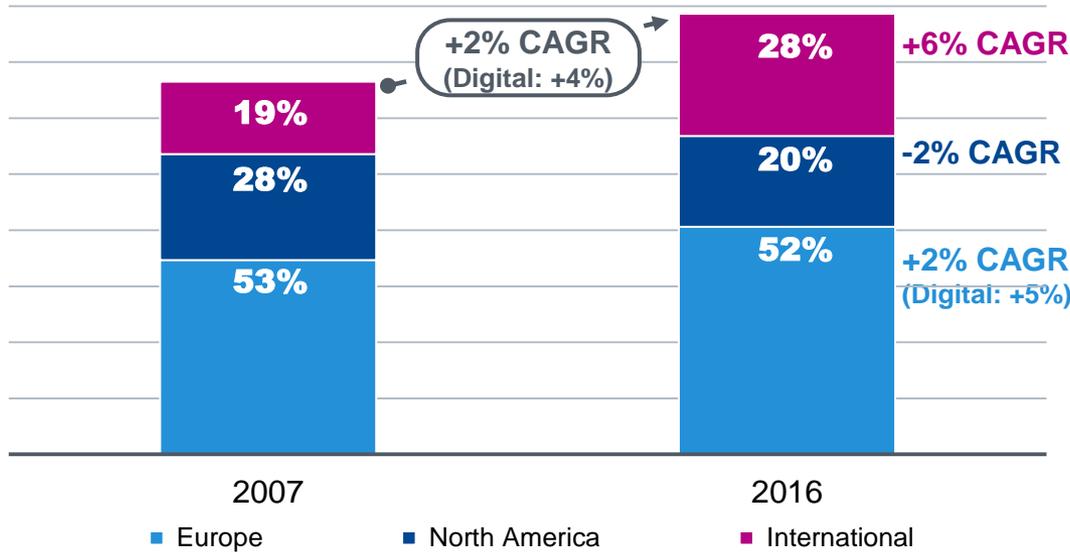
Driving the business within a clear and consistent **financial framework**

Enhancing Profitability Through Globalisation



Group revenue by region (at same scope)

EUR million (at constant FX)



- ▲ Delivering strong growth in International markets and Europe (digital)
- ▲ North America impacted by U.S. Government budget sequester, now stabilising



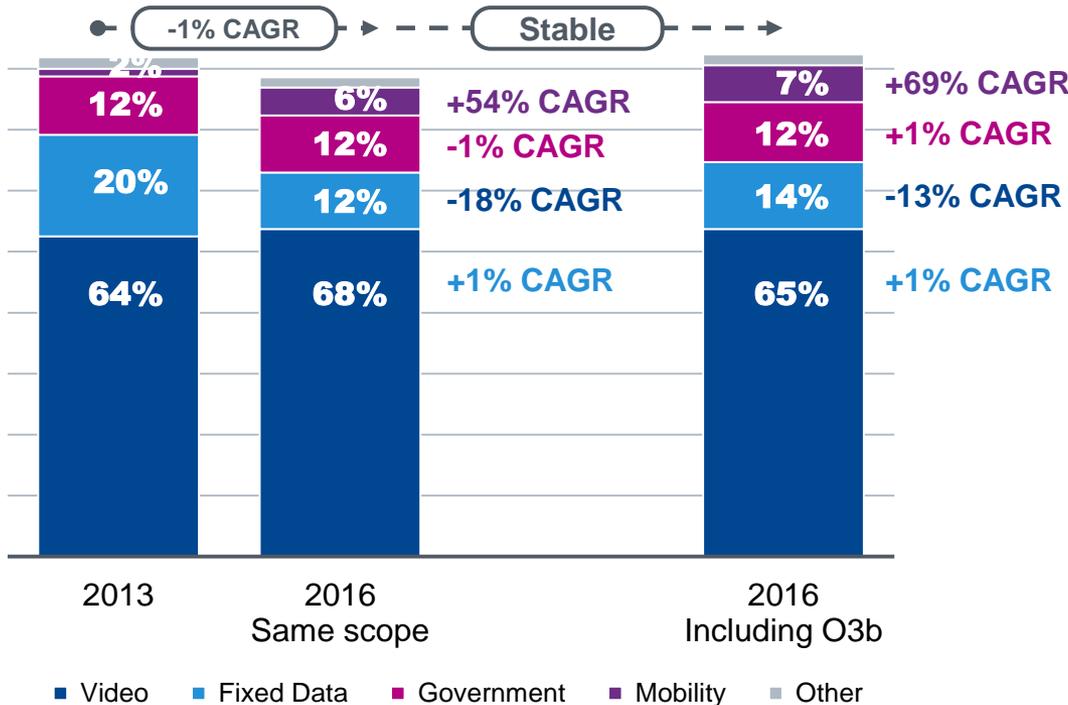
- ▲ Improving profitability while expanding globally and across the value chain

Enhancing Profitability Through Verticalisation



Group revenue by vertical

EUR million (at constant FX)



- ▲ Slight growth in Video, underlining solid base
- ▲ Improving growth profile in SES Networks, supported by completion of O3b acquisition, started in 2009

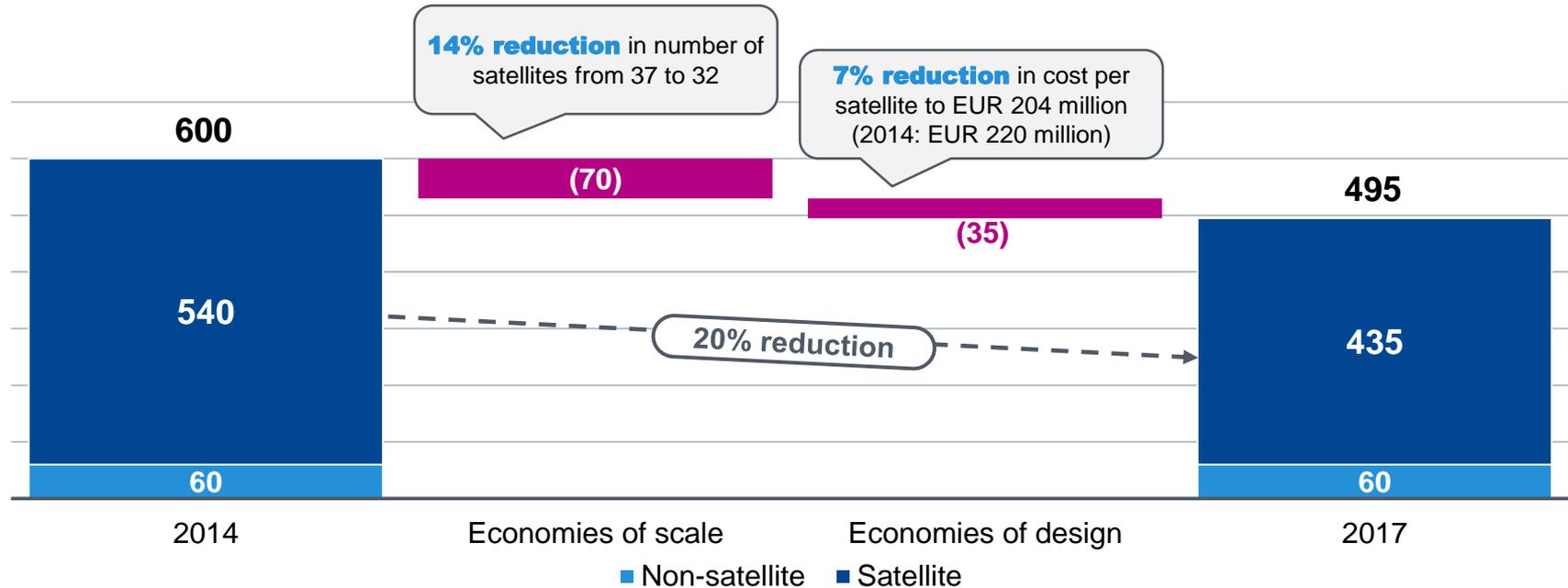
1) "Other" includes development and other related revenue not directly attributable to a vertical

Enhancing Profitability Through Innovation



SES's normalised CapEx (at same scope)⁽¹⁾

EUR million



▲ Achieving target of 20% reduction in normalised satellite CapEx **one year ahead of schedule**

1) Represents normalised satellite CapEx to replace current, active fleet plus satellites under construction plus non-satellite CapEx; same scope does not include HTS payloads on SES-12/-14 /-15, SES-16/GovSat and SES-17

Improving Returns Through Strategy Execution



Return on Invested Capital (RoIC)⁽¹⁾ (at same scope)⁽²⁾

at constant FX

	2007	2016	
Revenue	EUR 1,662 million	EUR 1,965 million	+2% CAGR
Operating profit margin	40.7%	44.2%	+350 bps
Effective tax rate	16.2%	15.0%	-120 bps
Net operating profit after tax	EUR 574 million	EUR 737 million	+3% CAGR
RoIC	8.2%	9.3%	+110 bps

1) Net operating profit after tax (NOPAT) divided by average of opening and closing net equity plus net debt

2) Excluding ND Satcom in 2007 and the impact of consolidation of RR Media and O3b in 2016; 2016 Like-for-Like RoIC at 6.5%

Applying Consistent Use of Cash Approach

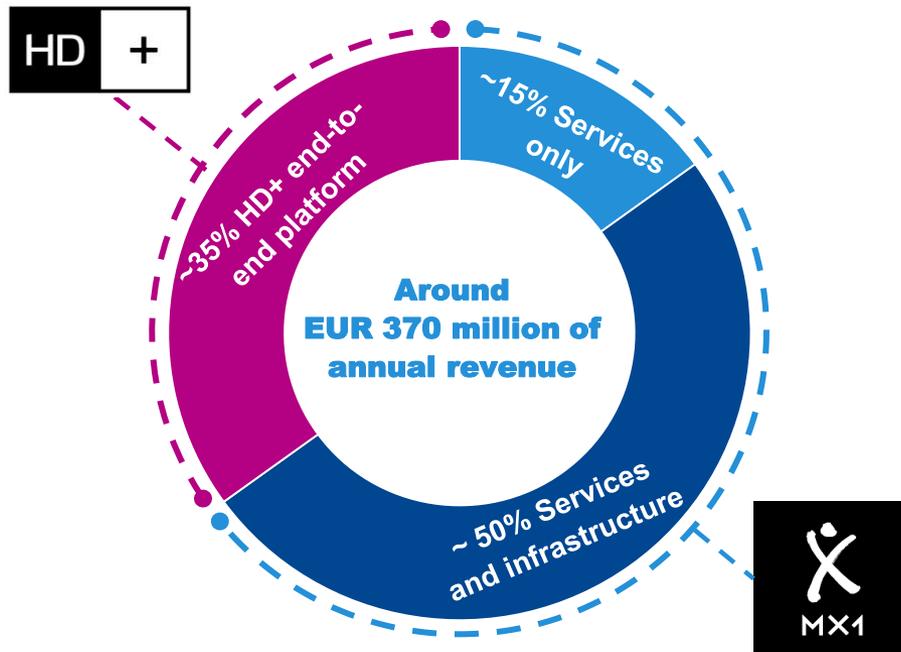
	Use of cash approach	2007-2016
	1. Fund replacement and committed growth pipeline	▲ EUR 6.9 billion re-invested, expanding globally and profitably
	2. Maintain progressive dividend per share policy	▲ EUR 3.7 billion returned to shareholders through annual and growing dividend
	3. Invest in additional growth accelerators	▲ EUR 1.3 billion invested ⁽¹⁾ , adding scale and differentiated capabilities
	4. Optimise leverage and cost of capital	▲ EUR 2.1 billion of share buy-backs ▲ Net debt to EBITDA managed below 3.3x ▲ Reduced interest cost from 4.9% to 3.9%

1) Excluding USD 1.4 billion of O3b debt, refinanced in 2016

Expanding Growth Drivers Across Value Chain: RR Media/MX1

Video services revenue

EUR million (2016 like for like⁽¹⁾)



- ▲ Delivering value-added, turnkey solutions
 - Creating **world-leading** media services provider with Merger of SES PS + RR Media
 - **MX1 non-European revenue increased** from 3% in 2010 **to around 30%** in 2016
- ▲ Enhancing Video services growth and profitability through differentiation⁽²⁾
 - “Pull-through” revenue of **EUR 70 million** representing a **CAGR of 15%** since 2010
 - **EBITDA margin of 40-50%** before internal transponder costs⁽³⁾
 - Video services’ return on invested capital improved from **5% in 2010 to 19% in 2016**, benefiting from **low CapEx requirement** and was **accretive to SES group RoIC**

1) Assuming RR Media had been consolidated from 1 January 2016

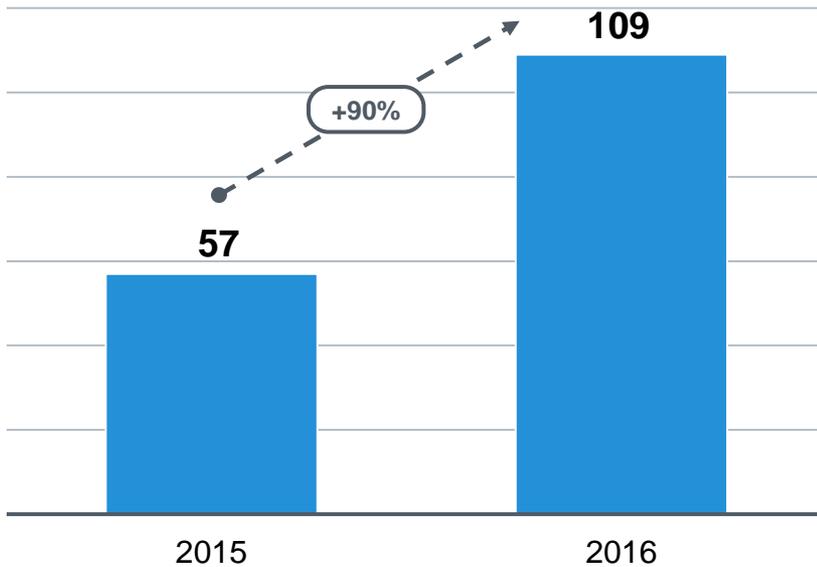
2) At same scope including SES PS and HD+; RR Media will be included with the first full year of consolidated operations and integration into MX1

3) MX1 Video services margin before paying full market rates for infrastructure capacity

Expanding Growth Drivers With Unique Solutions: O3b

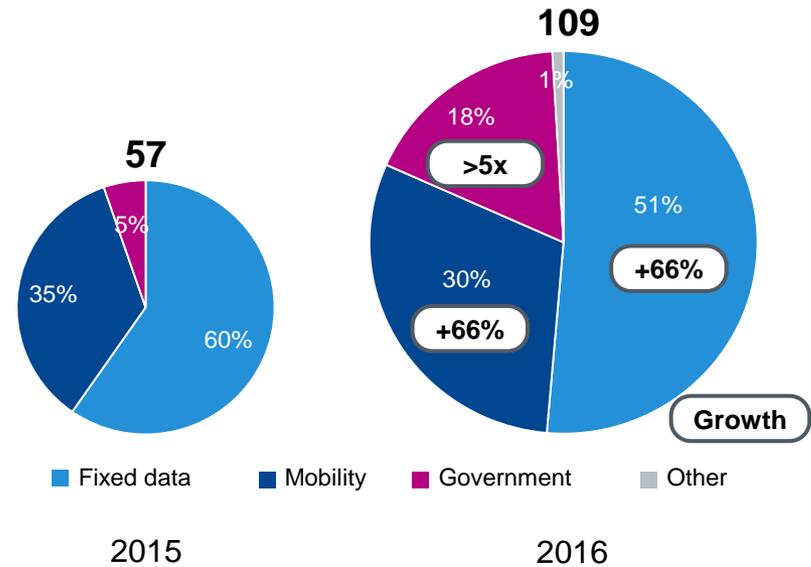
O3b revenue development

USD million



O3b revenue and growth by vertical

USD million



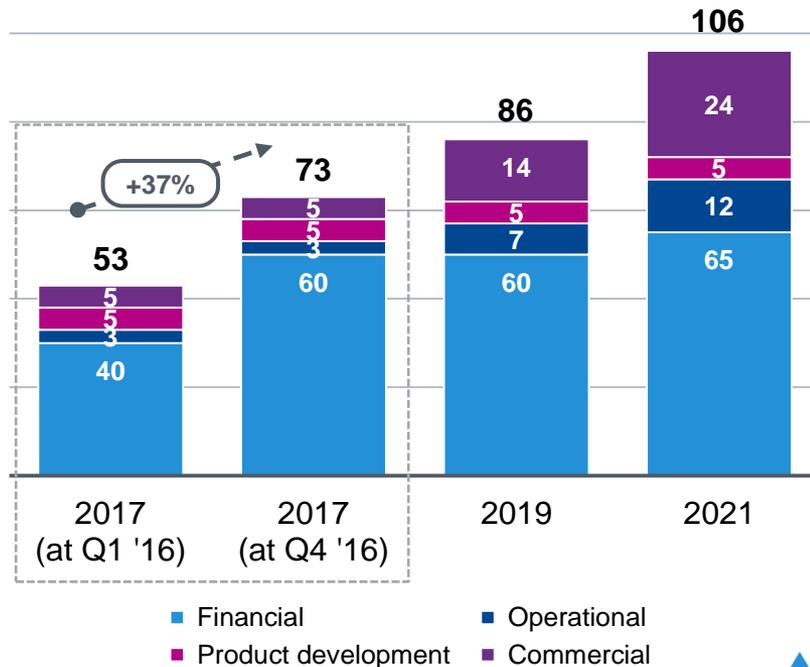
- ▲ Unique combination of performance and economics driving **90% revenue growth** (YoY)
- ▲ Scaling up existing clients, of which **~70% have upgraded** from initial bandwidth requirements
- ▲ Validating **clear business and financial rationale** for accelerated acquisition of 100%

Delivering Significant Synergies From Consolidation of O3b

▲ Synergies enhancing overall earnings accretion of O3b transaction **by 2018**

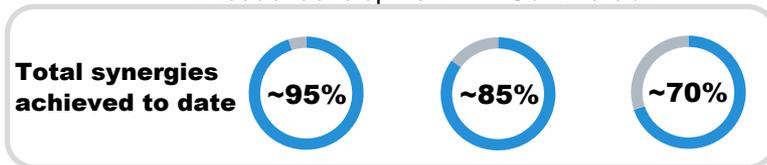
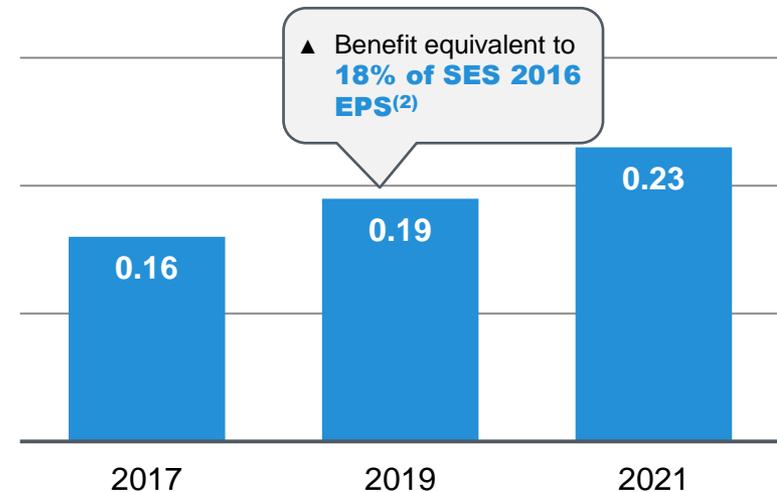
Synergies from O3b consolidation

EUR million



EPS impact⁽¹⁾

EUR



▲ **Already achieved ~85% of 2019 synergies**, driven by financial synergies (refinancing of O3b debt) and augmented by commercial, product development and operational synergies

1) EPS accretion from total synergies (based on P/E ratio of 15x)

2) Excluding gain of EUR 495.2 million on deemed disposal of O3b equity interest following SES's acquisition of remaining O3b shares (completed 1 August 2016)

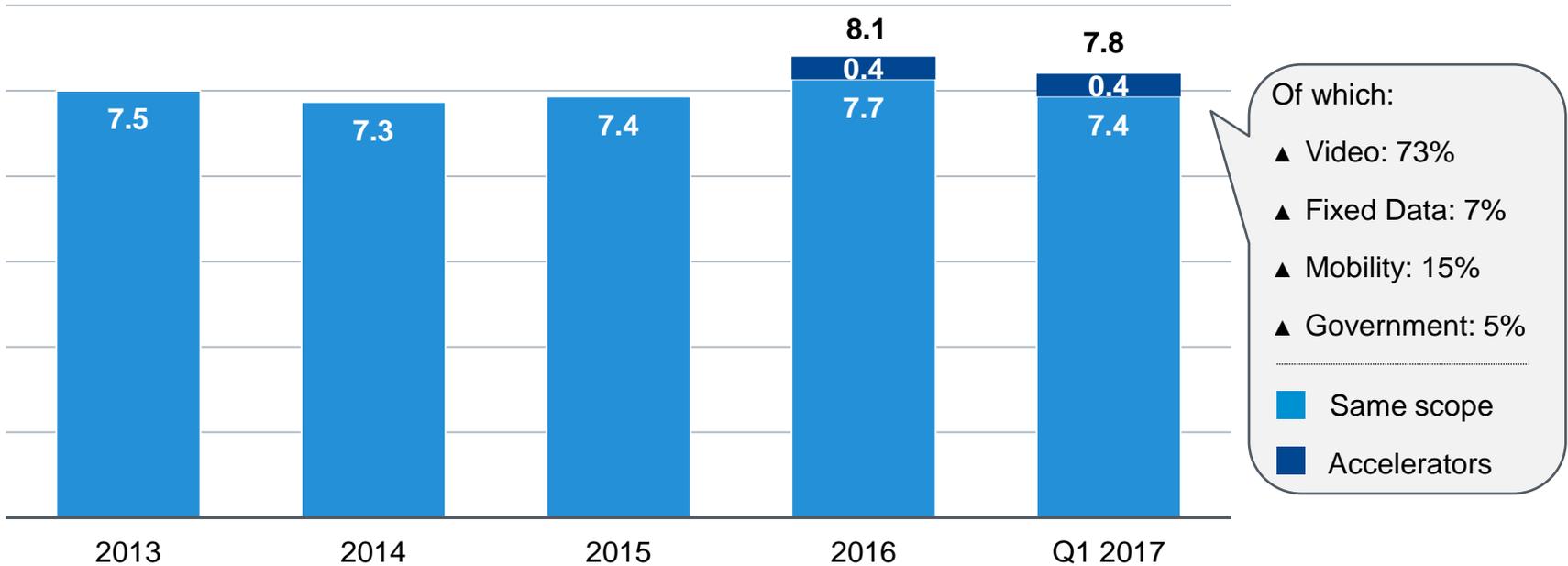
Well Placed to Grow Future Return on Invested Capital

- ① Generating **sustained revenue growth**
 - ② **Maximising profitability** through operational cost and CapEx efficiencies
 - ③ **Optimising leverage and cost of capital**
- ≡ **Improving return on invested capital** over the medium-term

Underpinning Growth Profile With Substantial Contract Backlog

Fully protected contract backlog

EUR billion



▲ **Robust and stable contract backlog** at same scope, to record level with accelerators

1) At same scope; at around seven years when including RR Media and O3b on an annualised base

Re-affirming 2017 Revenue Outlook

	Like for like ⁽¹⁾	2016 revenue (EUR million)	% of 2016 revenue	Outlook for 2017
	Video	1,449.1	67%	Stable to slight growth
	Fixed Data	275.1	13%	Returning to growth
	Mobility	150.4	7%	Strong growth
	Government	245.4	11%	Stable to slight growth
	Other	48.4	2%	EUR 5 - 10 million
	Total	2,168.4		

- ▲ Expecting revenue development in the verticals to be **progressive** over the course of 2017
- ▲ Lower 'Other' likely to impact full year growth by **around 2%**, commencing in Q2 2017 and normalising from 2018 onwards
- ▲ USD-denominated revenue represents **around 50%** of 2016 like for like group revenue

1) Assuming RR Media had been consolidated from 1 January 2016

Delivering Sustained Growth With Differentiated Investments

	Satellite(s) ⁽¹⁾	Target Verticals	Launch Date	Operational Service Date	Transponder Equivalents ⁽²⁾	Annualised Revenue ('steady-state') ⁽³⁾
 GEO wide beam	SES-9		4-Mar-16	June '16	53	 EUR 100 - 125 million
	SES-10		30-Mar-17	May '17	27	
	SES-15		18-May-17	End '17	16	
	SES-12		Q4 2017	Launch +6 mths	8	
	SES-14		Q1 2018	Launch +6 mths	8	
	SES-16/GovSat-1		Q4 2017	Launch +2 mths	68	
 GEO HTS	SES-15 (10 GHz)		18-May-17	Launch +6 mths	69	 EUR 150 - 175 million
	SES-12 (14 GHz)		Q4 2017	Launch +6 mths	97	
	SES-14 (12 GHz)		Q1 2018	Launch +6 mths	83	
 MEO HTS	Satellites 1-12 (9 operational)		2014 / 2015		n/a	 EUR 400 - 450 million
	Satellites 13-16		Q1 2018	Launch +2 mths	n/a	
	Satellites 17-20		Q4 2019	Launch +2 mths	n/a	
Revenue from investments launched by end 2019						EUR 650 - 750 million

- ▲ Significant annualised revenue contribution, of which more than **30% already contracted**
- ▲ Plus **additional growth** from SES-17 (from 2020) and future GEO-MEO growth investments

1) SES-11 is not included as being a replacement satellite for AMC-15 and -16 (Launch date: Q3 2017)

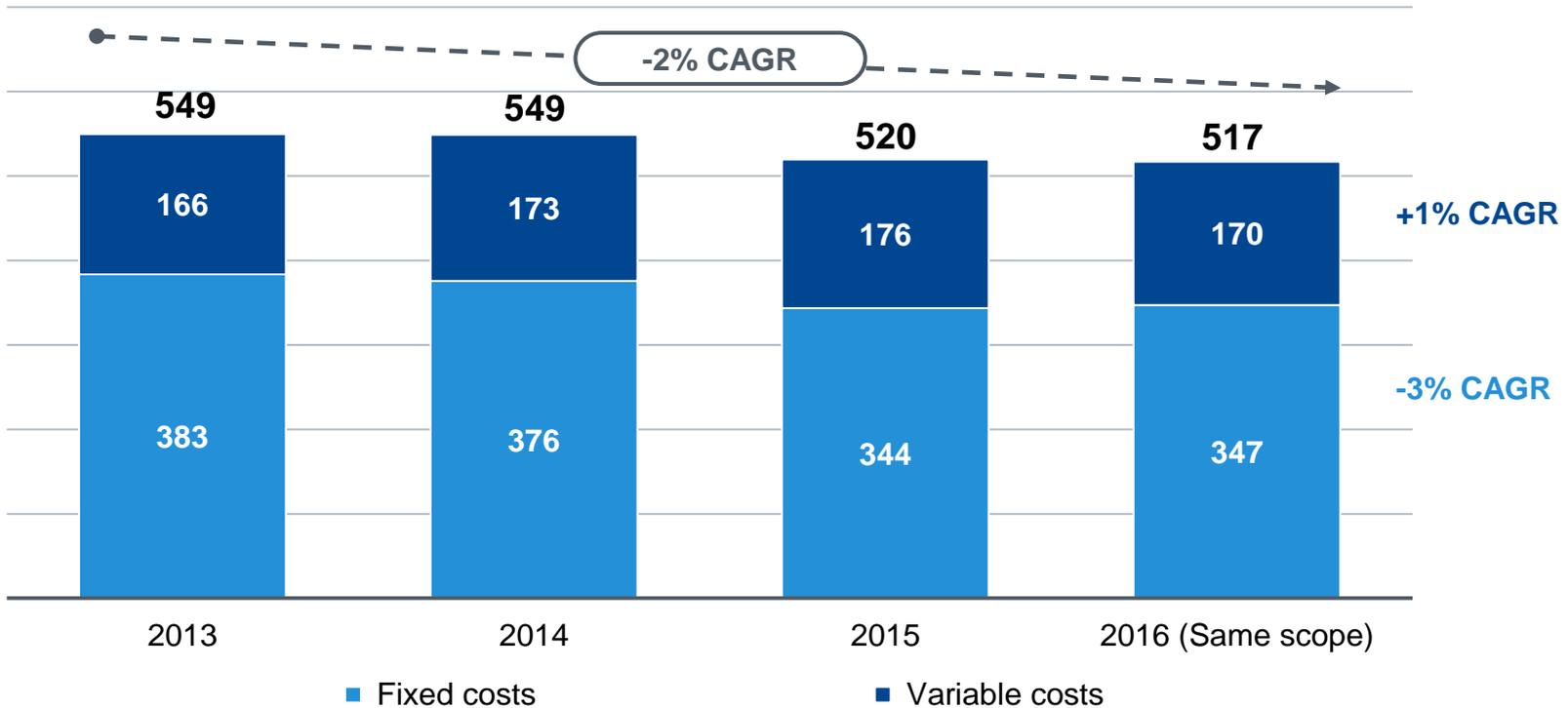
2) 36 MHz equivalent. For GEO HTS, assumes that four HTS TPEs are equal to one wide beam data TPE ("rule of four")

3) Annualised revenue at around 75% utilisation for GEO; and 'steady-state' utilisation for MEO (based on constellation of 17 operational satellites); EURUSD @ 1.10

Consistently Generating Operating Cost Efficiencies

Group operating expenses

EUR million (at constant FX)

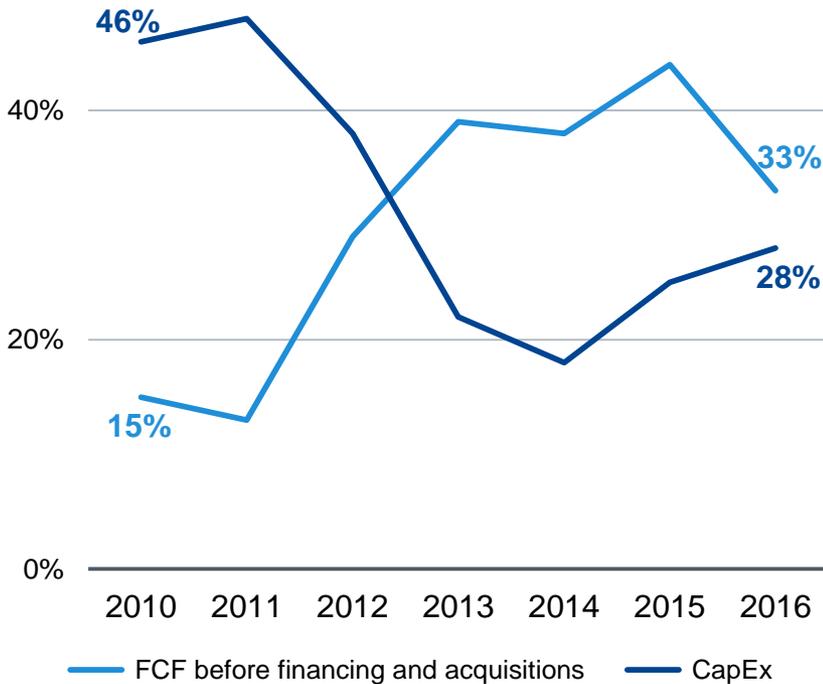


- ▲ Total OpEx **reduced by 2% CAGR** through efficiencies and economies of scale
- ▲ Fixed costs continuously optimised with **3% CAGR** reduction, with 2016 being 91% of 2013 base

CapEx Cycle and Efficiencies a Key Driver of Free Cash Flow

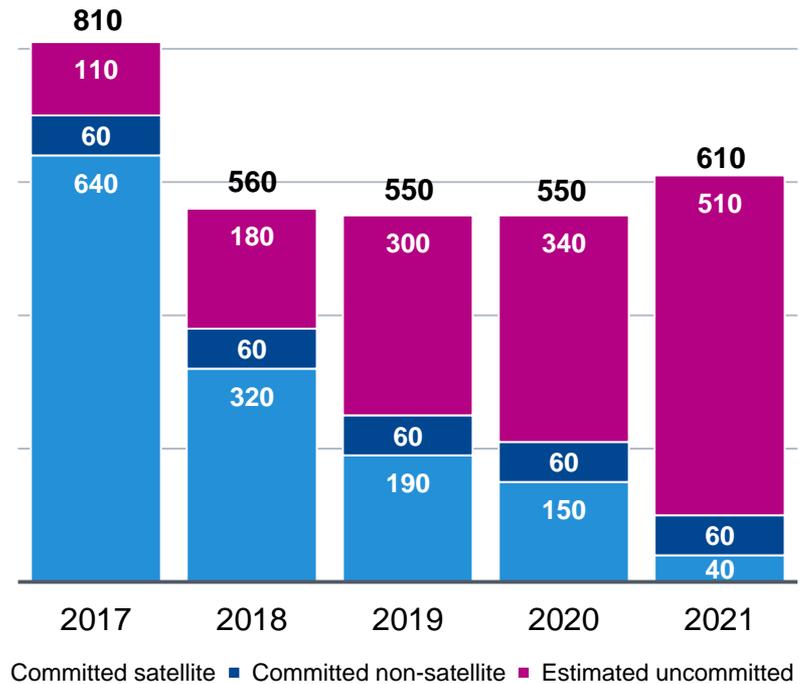
Free cash flow and CapEx development

As a % of group revenue (at same scope)



Future GEO-MEO Capital Expenditure

EUR million (replacement and growth)



▲ FCF supported by strong cash conversion rate⁽¹⁾ of **85-90%** and improves as CapEx cycle reduces

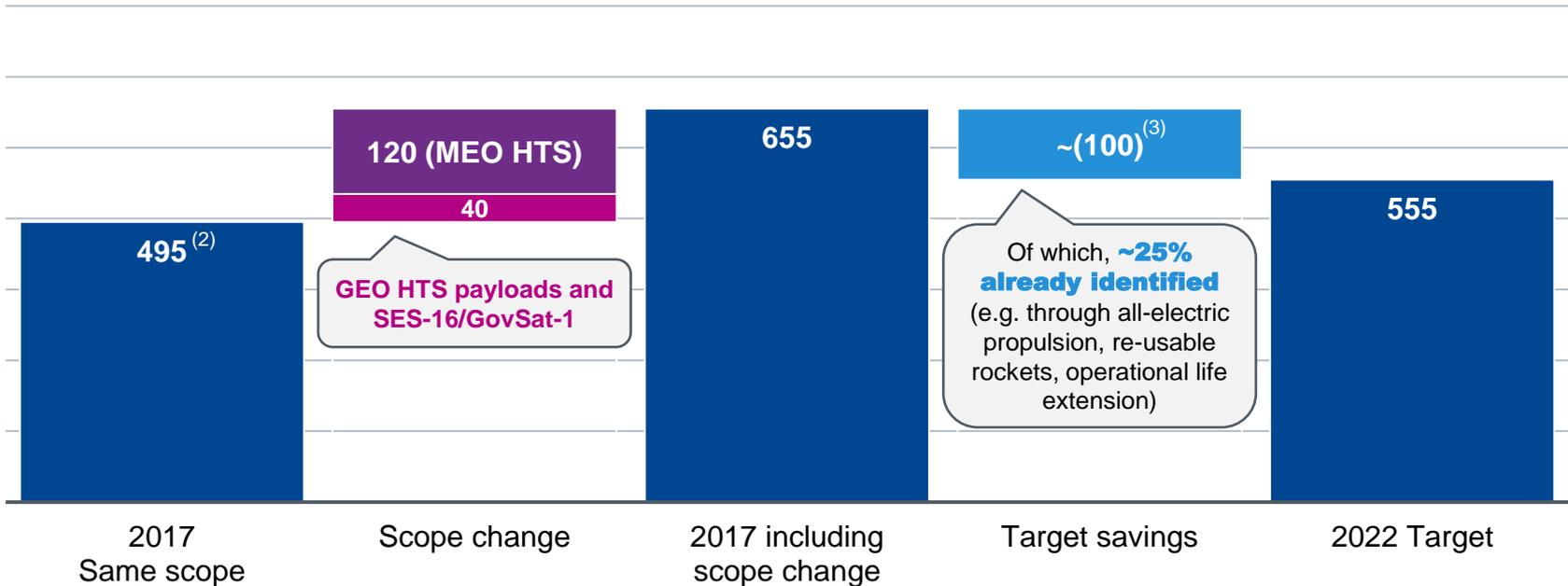
▲ **Around 50%** of 2017-2021 CapEx schedule **uncommitted**

1) Net operating cash flow divided by EBITDA

Generating Further Important CapEx Efficiencies

Normalised CapEx⁽¹⁾

EUR million



- ▲ Reducing normalised CapEx/sales ratio from ~40% (2005-2012) to **20-25%** (2018-2022)
- ▲ Design life extension introduced with **gain of 0.8 years** on GEO fleet (from 15 to 15.8 years)
- ▲ Future **GEO-MEO synergies**

1) Excluding SES-17 (expected to be launched in 2020), which represents an additional scope change

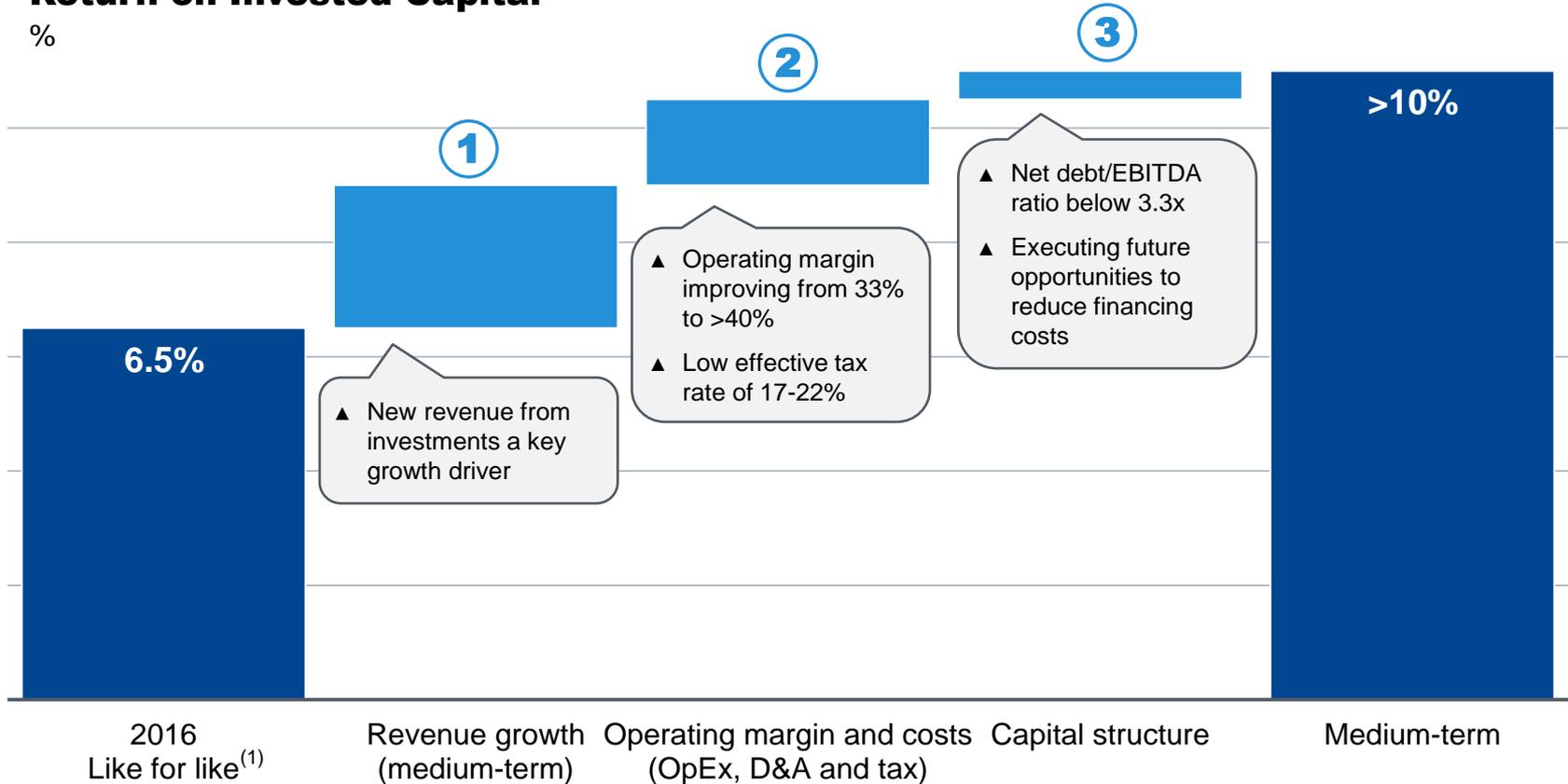
2) Current total normalised CapEx comprising satellite and non-satellite CapEx at same scope

3) EUR 100 million target saving based on mid-point of satellite CapEx reduction by 15% to 20% from EUR 595 million to EUR 495 million

Well Placed to Deliver Sustained Growth and Improving Returns

Return on Invested Capital

%



▲ **Improving returns** to support future growth investments and progressive dividend per share

1) Assuming RR Media and O3b had been consolidated from 1 January 2016

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