

Investor Presentation



London

September 2017

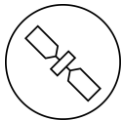
World's Leading Satellite-enabled Solutions Provider



Covering 99.99%
of the globe and world's population



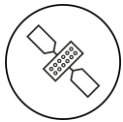
Serving customers in more than
130 countries



>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)



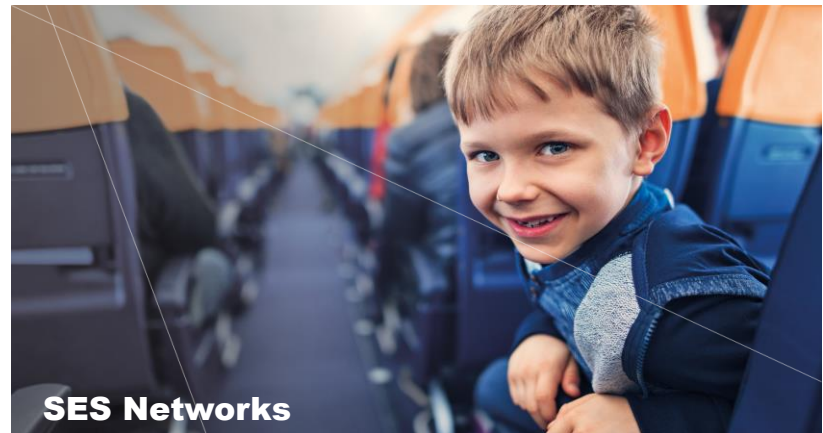
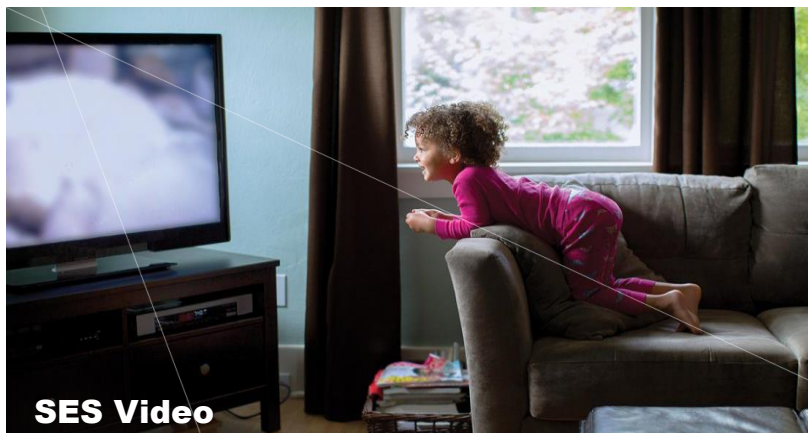
>60 Teleports
supporting global ground network



EUR 7.5 billion
contract backlog (as at Q2 2017)

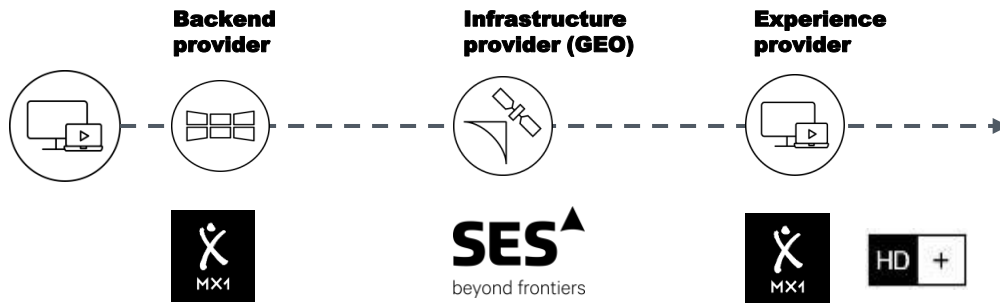
Executing Differentiated Strategy to Deliver Profitable Growth

- ▲ Enabling customers' success with differentiated end-to-end solutions
- ▲ Delivering the most flexible and scalable satellite-enabled networks globally
- ▲ Innovating at all levels of the business to extend future-proof differentiation
- ▲ Building revenues in fast growing markets where SES has a competitive advantage
- ▲ Applying a consistent financial framework to maximise profitability and returns



Enabling Customers With Differentiated End-to-End Solutions

SES Video



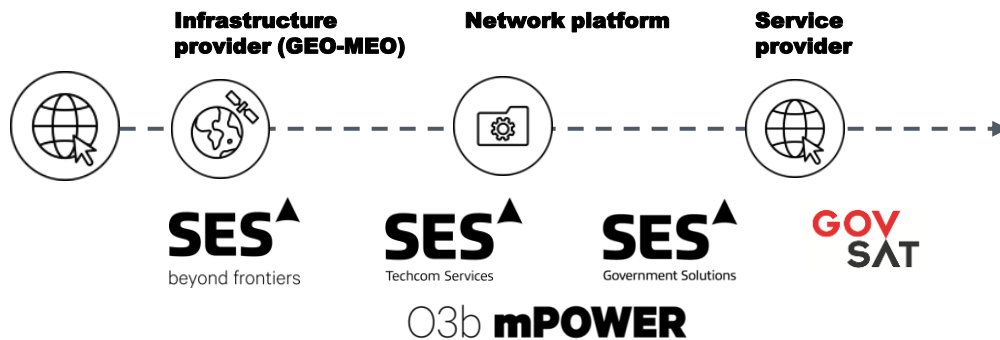
325 million
TV households served by SES

>7,700
TV channels on SES's global fleet

>2,750
TV channels distributed by MX1

>120
VoD platforms supported by MX1

SES Networks



>30 Gbps
Managed worldwide

~90%
of global connected planes served by our IFC/IFE partners

>One million
Cruise passengers served each year

62
Global government clients in 28 countries

Delivering Flexible and Scalable Satellite-enabled Solutions

Differentiated value proposition in Video and Networks

Empowering clients

>50

GEO satellites with 99.99% reliability

FOUR

GEO HTS payloads tailored to Mobility

12

MEO satellites, plus further eight in 2018/19

GLOBAL

Service network of 66 teleports and 28 PoPs



SES Video

- ▲ Prime video neighbourhoods in all global markets
- ▲ Most efficient, reliable and cost-effective video distribution platform
- ▲ Fully integrated digital media model
- ▲ World-leading media services provider
- ▲ Unique combination of end-to-end linear and non-linear capabilities



SES Networks

- ▲ Only multi-orbit, multi-frequency end-to-end networks provider
- ▲ Most powerful, flexible and scalable satellite-based system
- ▲ Unrivalled performance and coverage, empowering network clients
- ▲ Tailored network solutions across a range of growth applications
- ▲ Ecosystem of technology and value-add service partners



Focusing on Market Segments With Sustained Growth Outlook

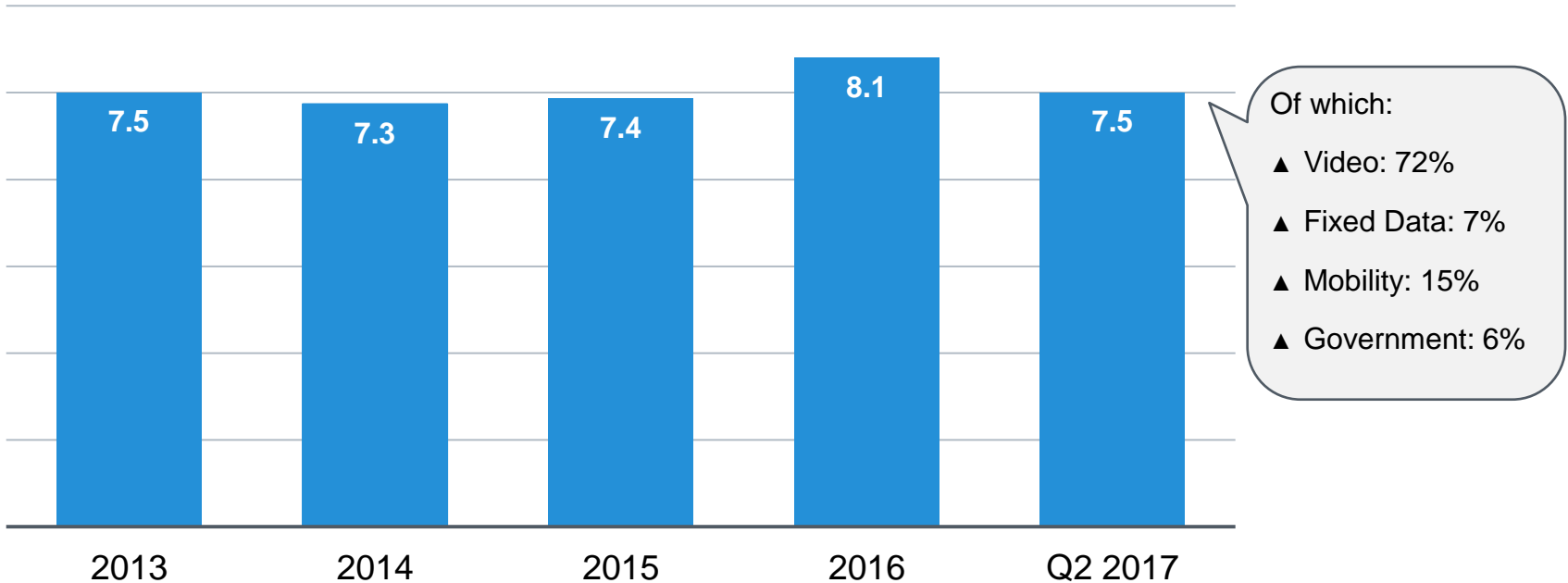
	% of revenue	Growth drivers	Market opportunity
Video	67% (H1 2017)	<ul style="list-style-type: none"> ▲ Growing HD/UHD and expanding video platforms ▲ Delivering hybrid (DTH/OTT) solutions 	+2% CAGR to USD 20 billion (by 2022) ⁽¹⁾
Fixed Data	13% (H1 2017)	<ul style="list-style-type: none"> ▲ Enabling clients to extend connectivity ▲ Delivering end-to-end network solutions 	+3% CAGR to USD 8 billion (by 2022) ⁽¹⁾
Mobility	8% (H1 2017)	<ul style="list-style-type: none"> ▲ Providing 'home-equivalent' experience ▲ Delivering end-to-end network solutions 	+14% CAGR to USD 5 billion (by 2022) ⁽²⁾
Government	12% (H1 2017)	<ul style="list-style-type: none"> ▲ Expanding government applications ▲ Delivering end-to-end network solutions 	+7% CAGR to USD 4 billion (by 2022) ⁽²⁾

1) Source: NSR forecast (2016-2022)

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

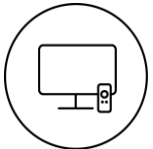
SES Video: End-to-end Solutions in Prime Neighbourhoods



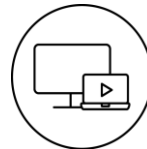
325 million global households served by SES satellites (+3% YOY)



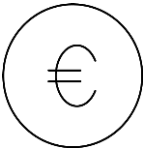
20 UHD channels including Fashion One and Sky (+25% YOY)



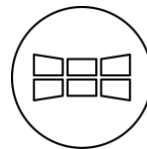
7,741 TV channels broadcast globally (+4% YOY)



44 million IPTV homes; enabling hybrid solutions



<EUR 0.5 average monthly cost per household



>2,750 TV channels distributed globally by MX1



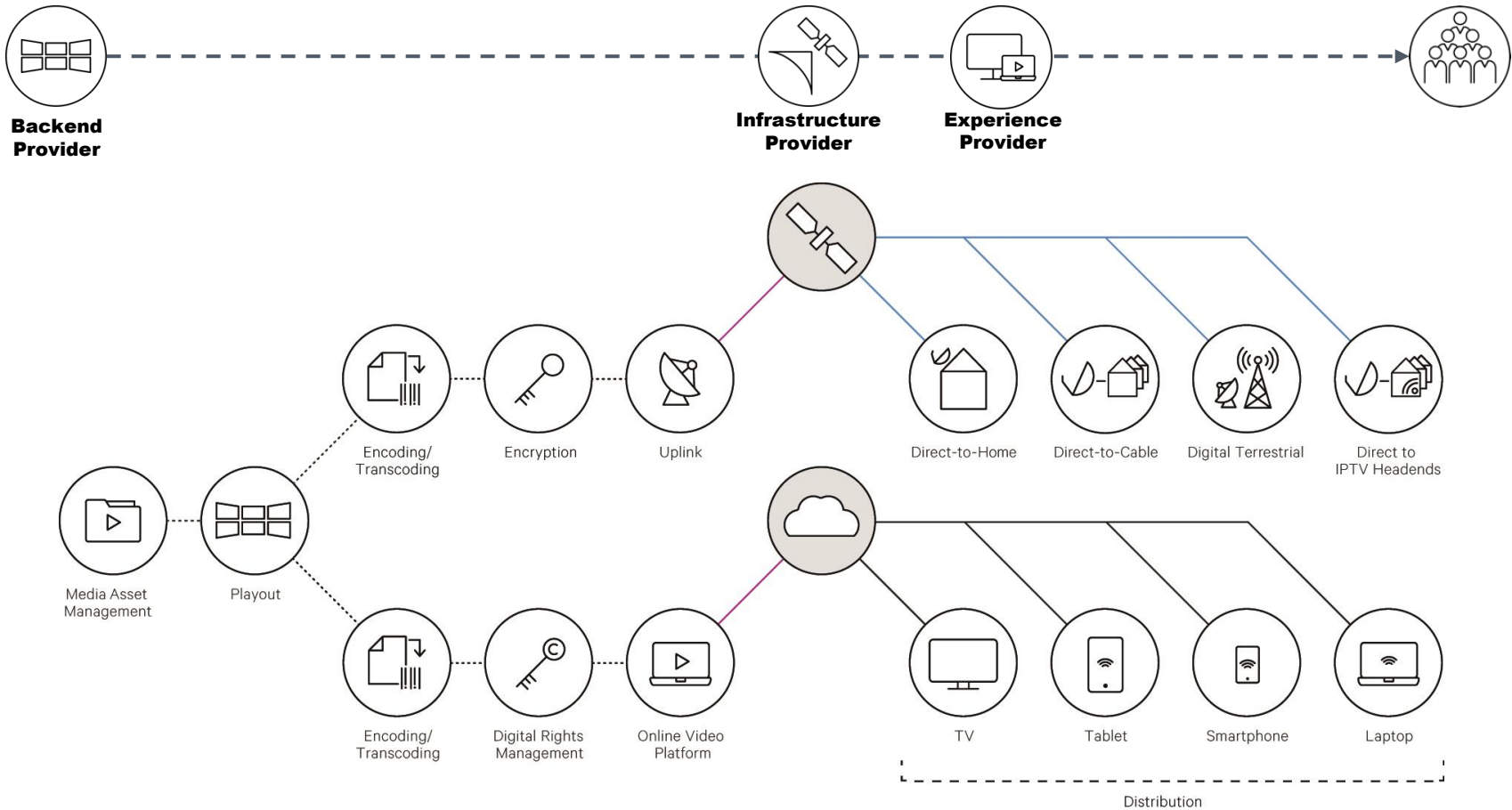
2,587 HDTV channels (+6% YOY); HD penetration of 33%



>120 Video on Demand platforms supported by MX1 globally

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

Providing End-to-End Hybrid (DTH/OTT) Media Solutions

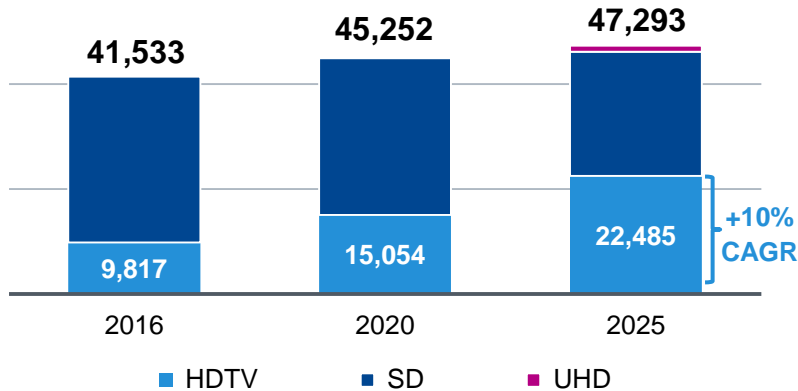


▲ Enabling clients to reach audiences on any device, anytime and anywhere

Robust Demand Outlook Across Video

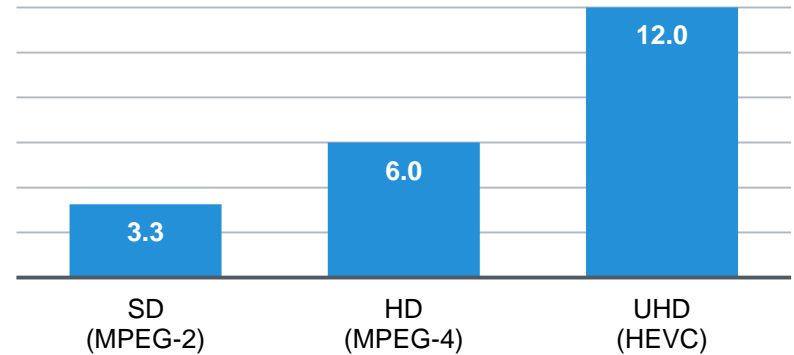
Global TV channels growing⁽¹⁾

Number



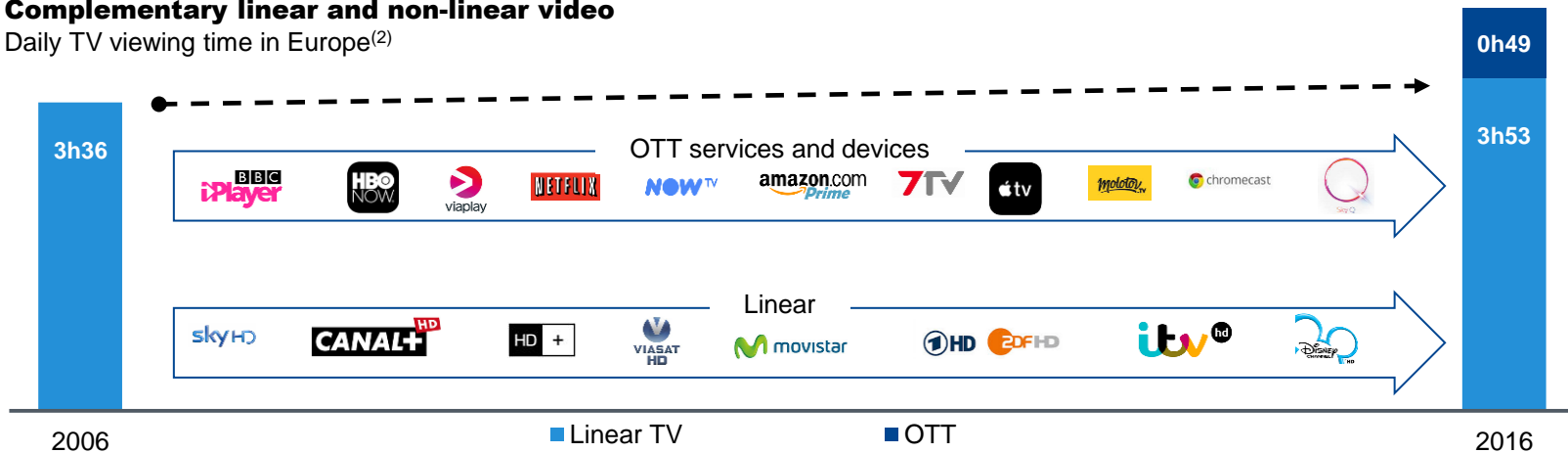
Bandwidth requirement by channel definition

MHz by channel (one transponder = 36 MHz)



Complementary linear and non-linear video

Daily TV viewing time in Europe⁽²⁾



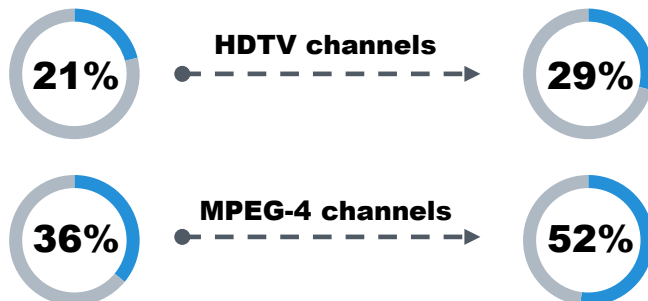
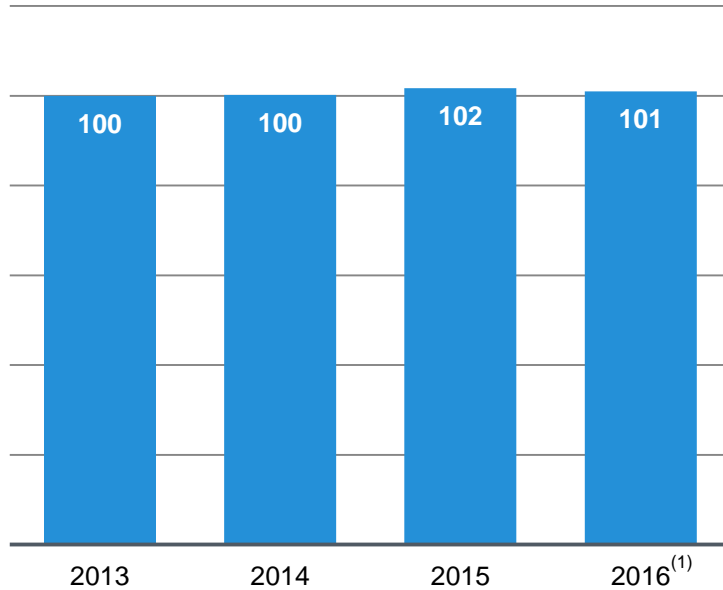
1) Source: Euroconsult. 2025 forecast includes 1,116 UHD TV channels (2016: 71)

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

Enhancing the Viewing Experience to Drive Demand in Europe

Robust Performance and transition to HD

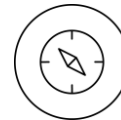
Revenue evolution: 2013 = 100 (at constant FX)



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



>15% CAGR HD penetration increase since 2013, to 784 HD channels in Q2 '17



>10 years typical contract length



~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

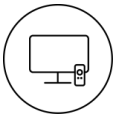
- ▲ 30 UHD channels bandwidth requirement equivalent to 220 SD MPEG-4 channels

1) 2016: Same scope excludes RR Media contribution – MPEG-4 and HD TV are based on Q4 '16 channel count

Expanding Digital Video Platforms in Developing Markets



90 million households across Asia-Pacific, Latin America and Africa



>3,000 TV channels broadcast over the SES fleet



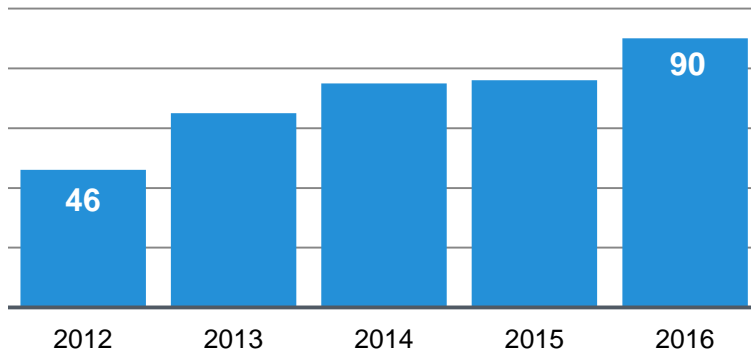
+35%⁽¹⁾ total channels expected in developing markets (2016-2025), with HD channels **x3**



+13%⁽²⁾ expansion of SES capacity for developing markets (2016-2017)

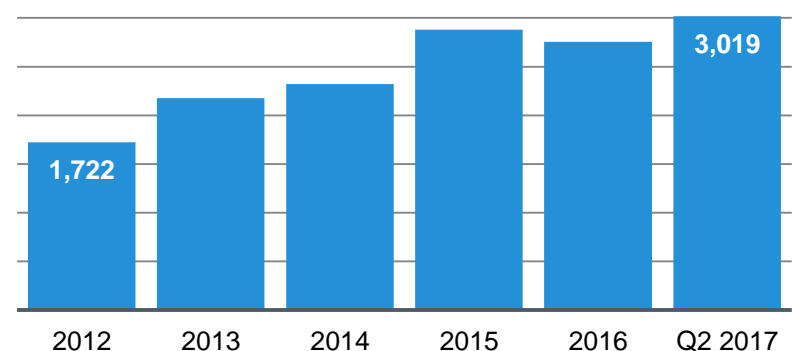
SES technical reach in International markets

Millions of households



SES total TV channels


Number



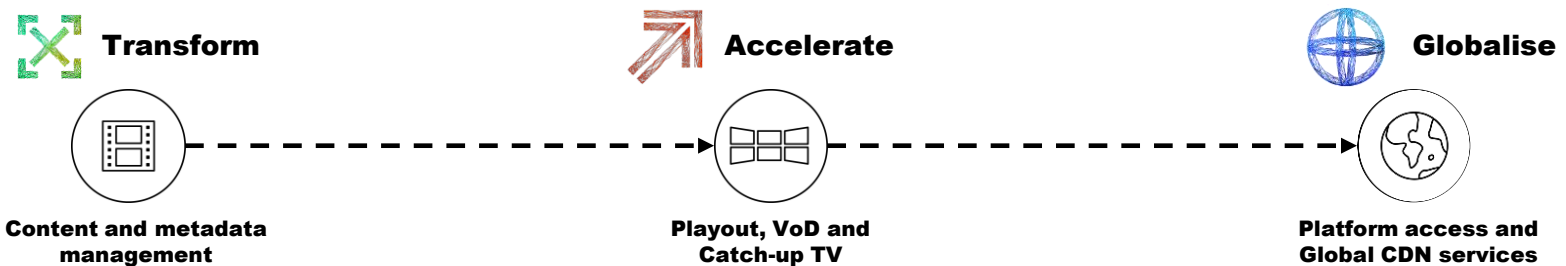
1) Source: Euroconsult

2) Represents incremental wide beam transponders (36 MHz equivalent) recently and expected to be launched on SES-9, SES-10, SES-12 and SES-14





Expanding Linear/Non-linear End-to-end solutions

- ▲  : World-leading media solutions and experience provider

- Distributing **>2,750** TV channels; serving **>120** VoD platforms; delivering **>500** hours of sports per day



- ▲ Enabling major broadcast clients:

-  : providing content distribution services for global broadcasting of premier league matches in HD
-  : agreement to bring first free-to-air channel (Sky Sports News HD) to Germany and Austria
-  : Combining fully managed services for 1,400 linear TV feeds and 50 channels via OTT
-  : multi-year deal for the global distribution of live games and content in HD

SES Networks: Global Managed Connectivity Networks



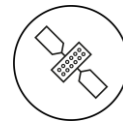
Unique global **GEO-MEO**
distributed network



99.99% measured service
availability (benchmark: 99.97%)



>300 enterprise customers,
including major tier one global clients



Up to 1.6 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



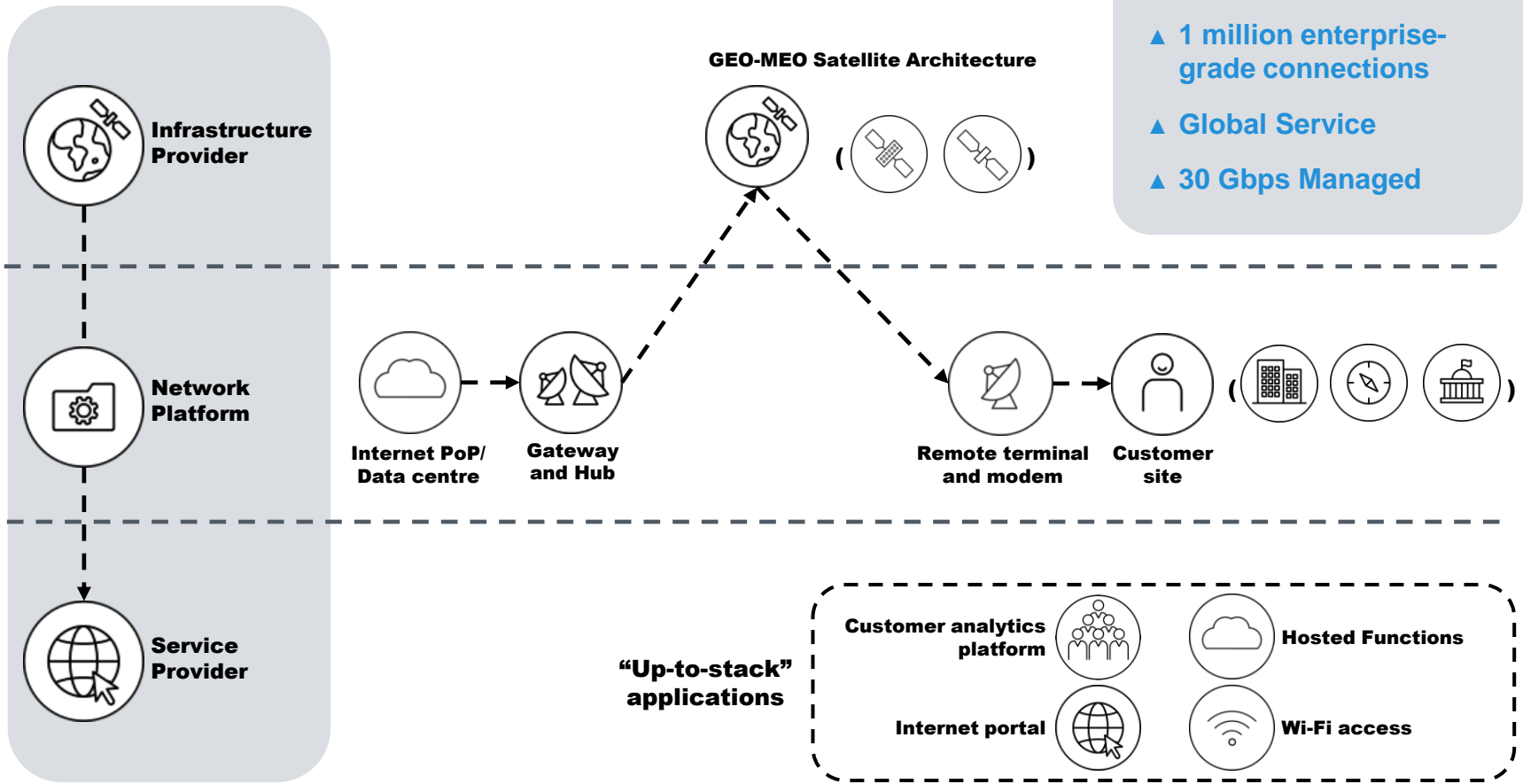
13 U.S. Government agencies
served by SES Government Solutions

▲ Focusing on delivering scalable and high-performing connectivity solutions

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



Unlocking Exponentially Accelerating Demand for Connectivity

Fixed Data	Telco/MNO	+47% CAGR in mobile data traffic by 2021 ⁽¹⁾
	Cloud services	+70% managed IP traffic growth by 2020 ⁽¹⁾
	Enterprise	+160% fixed internet traffic growth by 2020 ⁽¹⁾
Mobility	Energy	+55,000 in-service terminals by 2021 ⁽²⁾
	Aero	+12,000 connected aircraft by 2021 ⁽²⁾
	Maritime	+7,000 connected vessels by 2021 ⁽²⁾
Government	U.S. Government	+12% U.S. Defense budget growth by 2021 ⁽³⁾
	Global Government	>50% increase in UAV-ISR in-service units ⁽²⁾

▲ USD 17 billion total market opportunity (by 2022) for satellite-based applications⁽²⁾

1) Source: Cisco

2) Source: NSR

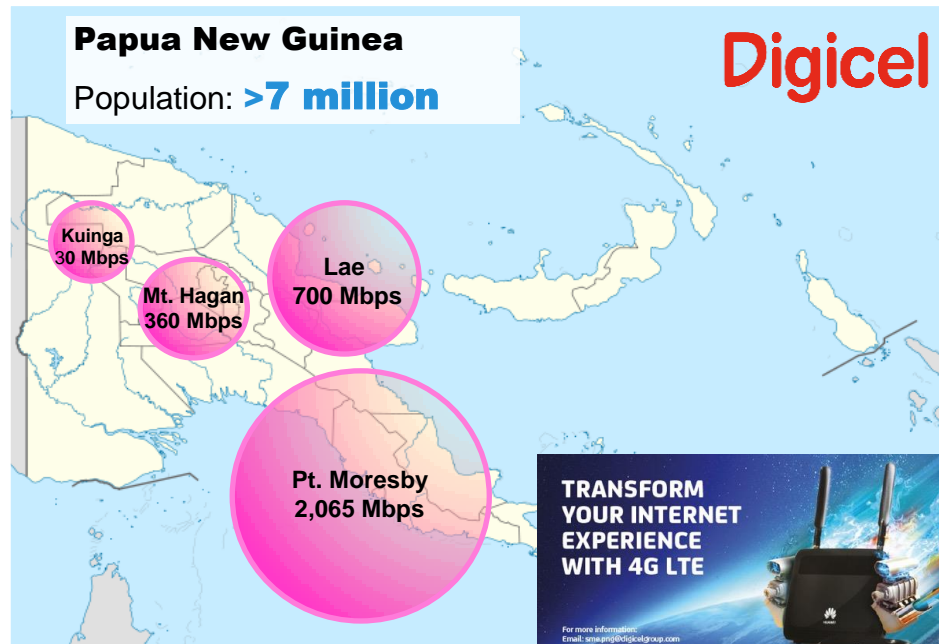
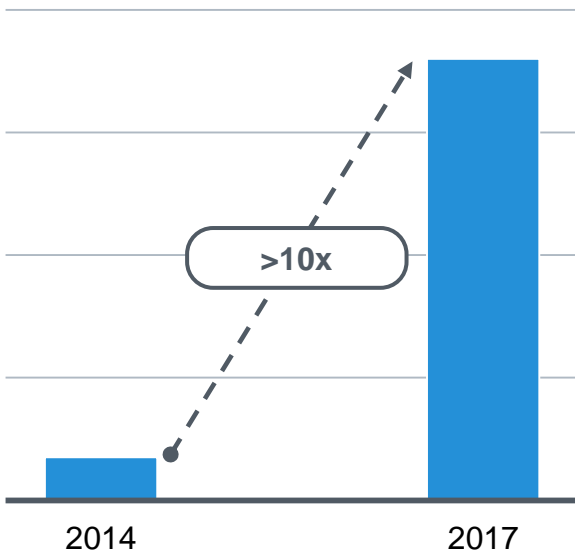
3) Source: U.S. Department of Defense. Base budget, excluding overseas contingency operations (funded annually)

Enabling 4G With Major Telcos – Explosion of Data Demand

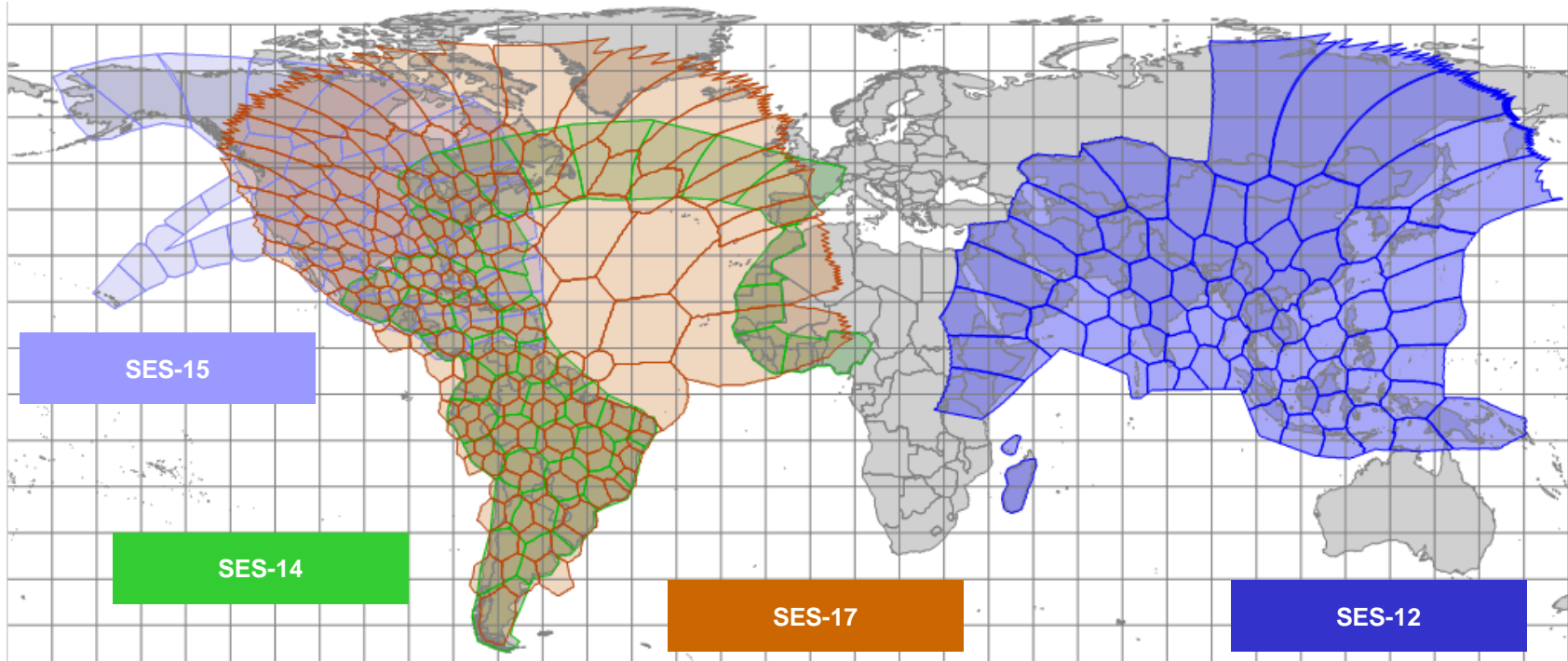
- ▲ Largest Telco / MNO in Pacific demanding network solutions, instead of just satellite capacity
- ▲ Delivering high performance, cost-effective solutions in 4 major population centres in PNG
- ▲ Enabling **>2x increase** in 3G subscribers nationwide and new business in mining sector
- ▲ Supporting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

Digicel MEO bandwidth

Gbps



Superior 'Home-equivalent' Passenger Experiences in the Air



- ▲ Complementing SES's global wide beam GEO network, along with unique MEO constellation
- ▲ Securing long-term agreements with major global service providers: [Global Eagle](#) [gogo](#) [Panasonic](#)
- ▲ Developing tailored IFC/IFE solution with [THALES](#) for SES-17

Delivering Seamless Maritime Connectivity



▲ Delivering the next generation data network for the maritime industry (Maritime+)

- Unique global GEO-MEO capabilities
- Access to multiple spectrum
- Volume-based offering driving adoption
- Innovative, customised products/solutions
- 24/7 network operations and services

▲ O3b changing the cruise industry

- From serving two ships to 11 ships
- From follow the ship to dynamic shared capacity
- From bandwidth only to fully managed solution

Royal Caribbean INTERNATIONAL


SURF • STREAM • SHARE

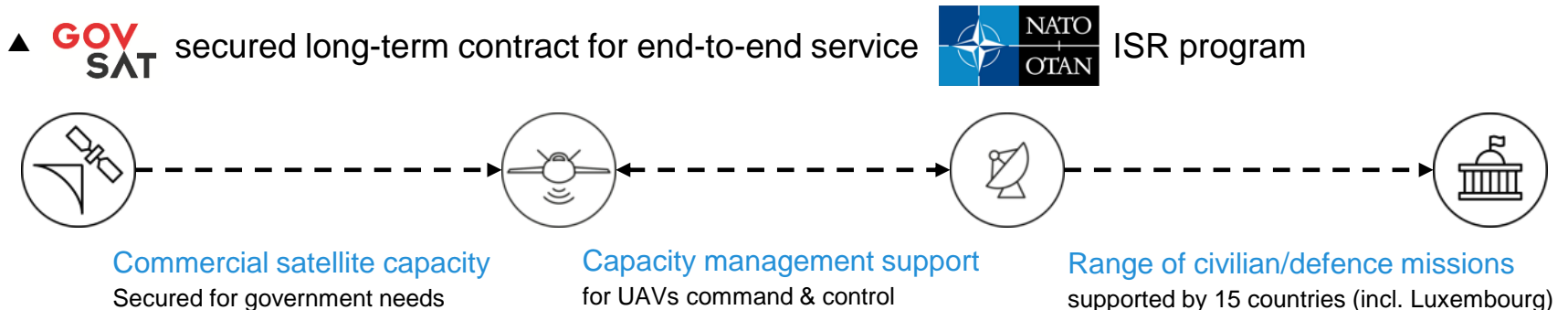
voom

LEAVES ALL OTHER INTERNET IN ITS WAKE

O3b branded Service for RCCL

End-to-end Solutions for Global Government Clients

- ▲  **TROJAN Network** : SES GS's largest ever contract award (potential value of up to USD 285 million)
 - From bandwidth-only to customised managed service for U.S. Army Intelligence and Security Command
 - SES GS providing access to a global and multi-band end-to-end network via the SES fleet
 - SES GS delivering centralised network management and bandwidth management solutions



Delivering Unrivalled Connectivity and Managed Data Services

03b **mPOWER**: the most powerful, flexible and scalable satellite-based system

✓	Flexibility	<ul style="list-style-type: none"> ▲ More than 30,000 formed beams fully-shapeable and steerable in real-time ▲ Unrivalled coverage of nearly 400 million square kilometres
✓	Scalability	<ul style="list-style-type: none"> ▲ Multiple terabits of throughput across a global 'virtual fibre' network ▲ Small, fast and easy-to-install terminals, reducing deployment time from days to hours
✓	Technology evolution	<ul style="list-style-type: none"> ▲ Incorporating cutting-edge space and ground technologies across the ecosystem ▲ Seamless integration with existing GEO-MEO and terrestrial network
✓	Improved economics	<ul style="list-style-type: none"> ▲ Lower cost/bit and ground equipment costs ▲ Improving SES's CapEx efficiency, notably in context of upcoming GEO replacements

Redefining Satellite Connectivity to Expand Addressable Market

CURRENT MEO

12 satellites in service⁽¹⁾ plus eight launched in 2018/2019

- ▲ Small cities and towns
- ▲ Large multi-national organisations
- ▲ Fixed rigs/larger production vessels
- ▲ Large cruise ships
- ▲ Larger fixed/mobile installations

NEW OPPORTUNITIES

WITH O3b mPOWER FROM 2021

Seven super-power satellites

- ▲ Multiple units in theatre
- ▲ VIP aircraft
- ▲ Commercial aircraft
- ▲ Inter-regional commercial ships
- ▲ Large yachts

- ▲ Smaller cruise ships
- ▲ Smaller mobile production vessels
- ▲ Cloud access
- ▲ Data centres
- ▲ Remote offices
- ▲ Small towns and remote locations

¹⁾ Comprising nine operational satellites and three held as in-orbit back-up

Expanding Future Satellite Network and Capabilities

	Target Verticals	Launch date	Payload type	Incremental txps ⁽³⁾	HTS capacity (GHz)	Launch provider
SES-10		Launched March 2017 (OSD by end May 2017)	Shaped	27	-	SpaceX
SES-15 ⁽¹⁾		Launched May 2017 (OSD by end 2017)	Shaped/HTS	16	10	Soyuz
SES-11		Q4 2017	Shaped	-	-	SpaceX
SES-12 ⁽¹⁾		Q1 2018	Shaped/HTS	8	14	SpaceX
SES-16/GovSat-1 ⁽²⁾		Q4 2017	Fully steerable	68	-	SpaceX
SES-14 ⁽¹⁾		Q1 2018	Shaped/HTS	8	12	Ariane
O3b (satellites 13-16)		Q1 2018	HTS			
O3b (satellites 17-20)		H1 2019	HTS			
SES-17		H1 2021	HTS			

▲ Expanding global network, with long term anchor customers secured before procurement

1) SES-12, SES-14 and SES-15 will be positioned using electric orbit raising, with entry into service some four to six months after launch date

2) Procured by LuxGovSat

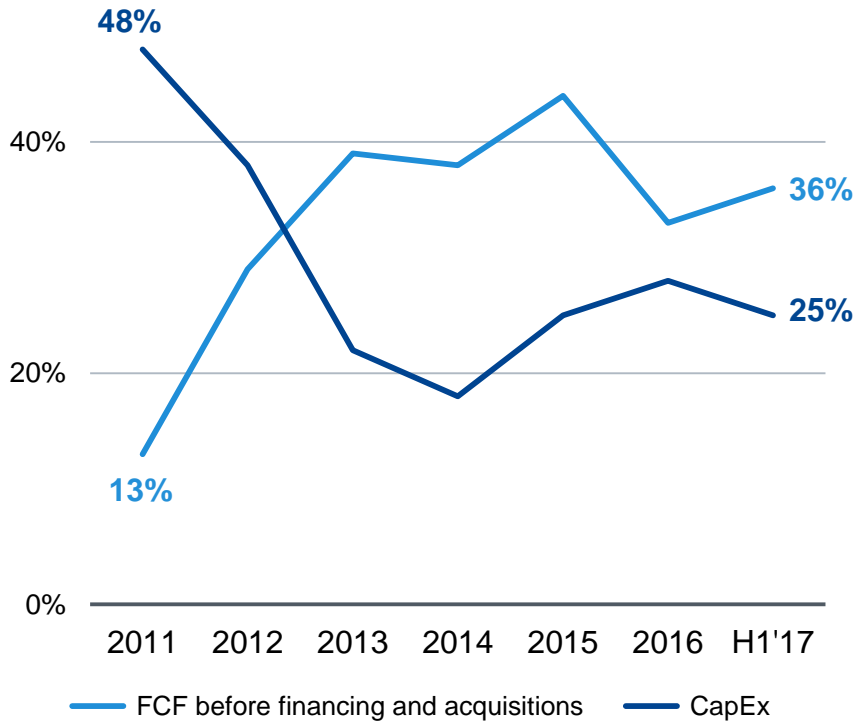
3) 36 MHz equivalent

"OSD" refers to Operational Service Date

CapEx Cycle and Efficiencies a Key Driver of Free Cash Flow

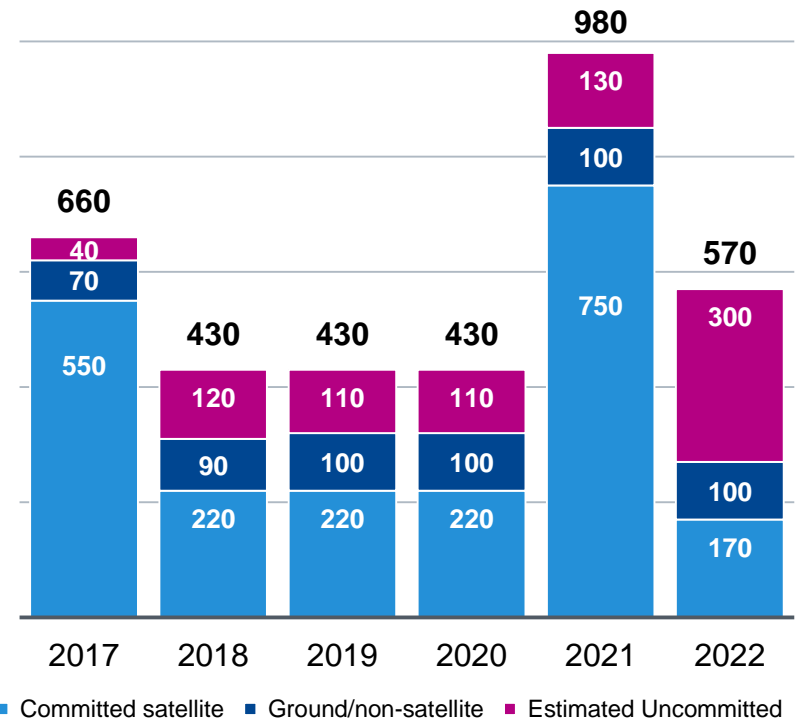
Free cash flow and CapEx development

As a % of group revenue (at same scope)



Future GEO-MEO Capital Expenditure

EUR million (replacement and growth)



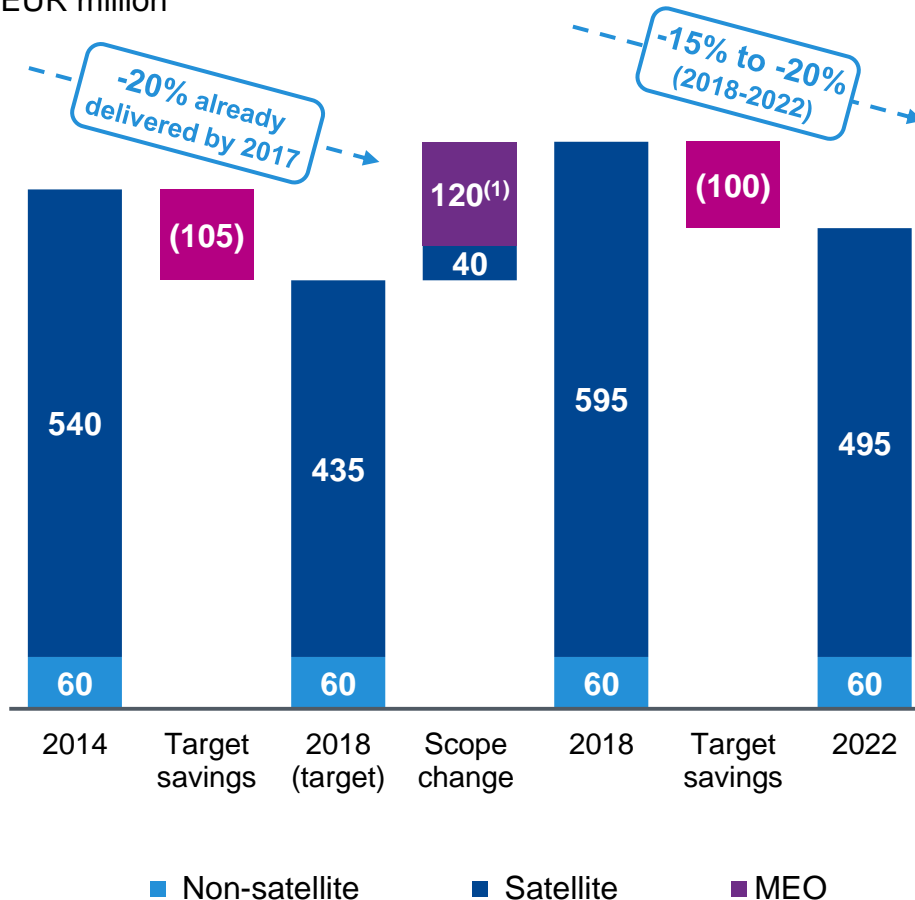
- ▲ FCF supported by strong cash conversion rate⁽¹⁾ of 85-90% and improves as CapEx cycle reduces
- ▲ Flexible and back-loaded future CapEx profile

1) Net operating cash flow divided by EBITDA

Reducing Normalised CapEx; Improving Capital Efficiency

SES's Normalised CapEx development

EUR million

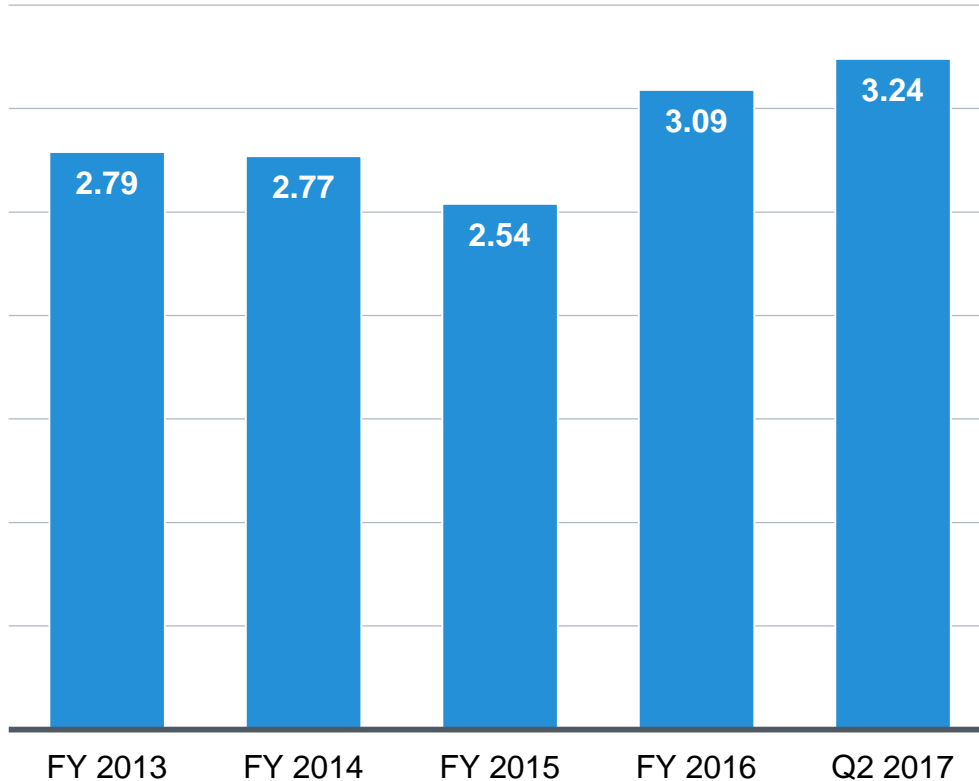


- ▲ Economies of scale and design reduce Normalised CapEx by 20% from 2014
 - Primary satellites reduced from 37 to 32
 - Cost per satellite EUR 204 million (-7%)
 - Delivered on target one year ahead of plan
- ▲ Scope change (SES-16 and HTS capacity) and existing MEO will add EUR 160 million
- ▲ Targeting 15%-20% reduction in consolidated Normalised CapEx
 - Efficiencies in fleet scale, design and scope synergies (e.g. GEO/MEO)
- ▲ O3b mPOWER will unlock important GEO-MEO synergies from 2021
 - Up to two replacement GEO satellites

1) Based on current MEO constellation (excluding O3b mPOWER, starting in 2021)

Maintaining SES's Strong Balance Sheet Metrics

SES's net debt to EBITDA ratio⁽¹⁾ Times



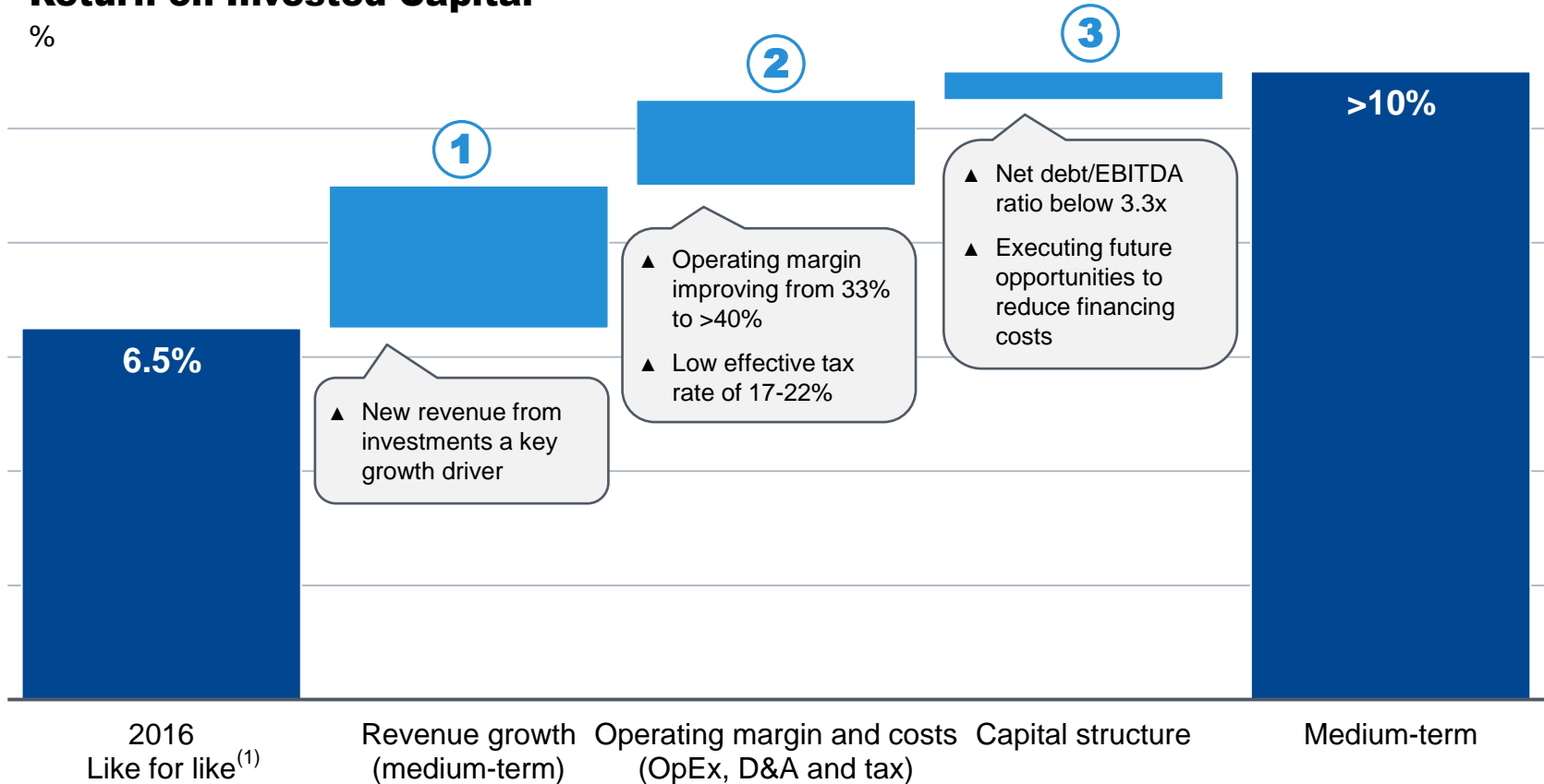
- ▲ Executed growth accelerators within financial framework
- ▲ Net Debt to EBITDA ratio increased following RR Media and O3b consolidation
- ▲ Average interest cost of 3.9%
- ▲ Long-term average debt maturity of around eight years

1) Based on rating agency methodology (hybrid bonds as 50% debt/50% equity) and includes last 12 months EBITDA from O3b and RR Media

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

Applying a Consistent Financial Framework

 Separate investing decision from financing decision	<ul style="list-style-type: none">▲ 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	<ul style="list-style-type: none">▲ 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	<ul style="list-style-type: none">▲ Current replacement requirements and committed growth pipeline▲ Maintaining a progressive dividend per share▲ Executing additional growth accelerators within financial framework

▲ Driving sustained, profitable growth and long-term returns

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