

Press release

YTD 2018 Results

LUXEMBOURG, 26 October 2018 -- SES S.A. announced solid financial results for the nine and three months ended 30 September 2018 with group revenue growing, fuelled by strengthening double-digit growth at SES Networks.

Key financial highlights

- Reported revenue of EUR 1,469.4 million (YTD 2017: EUR 1,527.2 million), up 0.4% at constant FX⁽¹⁾
- Underlying revenue⁽²⁾ of EUR 1,445.6 million; up 2.1%⁽¹⁾ (SES Video: -2.8%^(1,2) and SES Networks +13.6%^(1,2))
- YTD 2018 EBITDA margin of 63.1% (YTD 2017: 65.1%); 63.8% excluding restructuring charge of EUR 9.7 million
- Net profit attributable to SES shareholders of EUR 303.7 million (YTD 2017: EUR 394.5 million)
- Free Cash Flow before financing activities up 29.2% to EUR 593.0 million
- On track to deliver FY 2018 and FY 2020 financial outlook

EUR million	YTD 2018	YTD 2017	Change (%)	
			Reported	Constant FX ⁽¹⁾
Revenue	1,469.4	1,527.2	-3.8%	+0.4%
EBITDA	927.7	994.6	-6.7%	-2.9%
Operating profit	404.3	448.4	-9.8%	-7.2%
Net profit attributable to SES shareholders	303.7	394.5	-23.0%	n/a
Earnings per share	EUR 0.59	EUR 0.77	-23.4%	n/a

1) Comparative figures are restated at constant FX to neutralise currency variations

2) Excluding periodic and other revenue (disclosed separately) that are not directly related to or would distort the underlying business trends

Steve Collar, President and CEO, commented: “Our focus on execution continues to generate strong financial performance, delivering growth in absolute and underlying revenue, and we remain on track to deliver on our year-end financial outlook.

SES Networks has again demonstrated that it is the growth engine for our business with underlying growth of 14% year-to-date and almost 20% in Q3 2018. For the first time in a number of years, all three of the SES Networks’ business verticals delivered growth this quarter, including a positive contribution from Fixed Data. To reinforce the positive contribution from Fixed Data, we have delivered a major turn-key project in Papua New Guinea in record time in the quarter, underscoring our capabilities as an end-to-end managed service provider, while also concluding an important partnership agreement with IBM, strengthening my belief that Global Cloud Connectivity, and integration with Cloud Service Providers, will be an important driver of revenue and growth for SES in the future.

SES Video has signed important renewals and new business this quarter with now 96% of 2018’s expected total revenue secured, including an important renewal with Channel 4 in the U.K. Video Services contributed positively in Q3 with growing traction for our MX1 360 platform. International video distribution remains challenged with some platforms struggling to achieve market traction and strong competition for all new platforms. We remain focused on growth opportunities while reinforcing our core neighbourhoods that are among the best and most penetrated DTH neighbourhoods in the world.

Finally, we continue to make strong progress with our C-band initiative in the U.S., aligning our proposal with the leading continental U.S. satellite services operators, founding the C-band Alliance (CBA) and hiring experienced U.S. executives to run the consortium. In comments to the FCC’s NPRM due next week, the CBA will confirm on behalf of its members that up to 200 MHz of mid-band spectrum could be cleared to support 5G wireless deployment nationwide in the U.S. while protecting the important broadcast and other communities that we serve today. I am increasingly persuaded that our market-based

proposal is the best way to facilitate a leading position for the U.S. in 5G and is the only way to repurpose spectrum in a timeframe consistent with the stated goals of the FCC.”

Key business highlights

- Group revenue was EUR 1,469.4 million for YTD 2018 (+0.4% at constant FX compared with the prior period). Underlying revenue (excluding periodic and other) grew by 2.1% (year-on-year) at constant FX to EUR 1,445.6 million, including growth of 3.2% (year-on-year) in Q3 2018. Periodic and other revenue for YTD 2018 was EUR 23.8 million, including EUR 3.7 million in Q3 2018.
- SES Video YTD 2018 underlying revenue of EUR 967.5 million was 2.8% lower (year-on-year) at constant FX, as growth in video services partly offset lower video distribution revenue. Q3 2018 underlying revenue of EUR 317.5 million was 3.8% lower (year-on-year) at constant FX.
- In Q3 2018, SES Video continued to secure important renewals across core neighbourhoods (including Channel 4 and QVC), while also securing agreements with customers to expand TV channel offerings in Latin America (Kiwisat) and Nigeria (Africa.XP). MX1 is now partnering with Smart Mobile Labs to enhance the experience for spectators of live events, while also continuing to build market traction for the MX1 360 solution.
- SES Networks YTD 2018 underlying revenue grew by 13.6% (year-on-year) at constant FX to EUR 478.1 million. Mobility (+32.6%) and Government (+21.0%) continued to deliver strong growth, while Fixed Data (-3.3%) lower (year-on-year) was positive in Q3 (+1.7%). Q3 2018 underlying revenue grew by 19.5% (year-on-year) at constant FX to EUR 166.7 million with Government, Fixed Data and Mobility all contributing positively.
- SES Networks gained further commercial momentum in Q3 2018 with new agreements signed across all verticals including new fixed data business in Latin America (TV Isla), the Pacific (DataCo) and global cloud (IBM); new U.S. Government business supporting Air Combat Command; and incremental maritime services signed with Navarino and Marlink. This was complemented by expanded commitments in aeronautical, and the addition of new cruise clients.
- YTD 2018 EBITDA of 927.7 million represented an EBITDA margin of 63.1%, or 63.8% excluding a restructuring charge of EUR 9.7 million associated with the group's on-going optimisation programme.
- Net profit attributable to SES shareholders was EUR 303.7 million for YTD 2018, including the positive tax contribution relating to GovSat-1 and the O3b business that was recognised in the H1 2018 results.
- Net debt to EBITDA ratio (as per the rating agency methodology) was 3.43 times, compared with 3.53 times at Q2 2018 and 3.27 times at Q4 2017. The net debt to EBITDA ratio is expected to be below 3.30 times by the end of 2018.
- SES's fully protected contract backlog as at Q3 2018 was EUR 7.0 billion (at Q3 2017: EUR 7.6 billion at constant FX).
- 97% of 2018 expected group revenue is now contractually committed and the business remains on track to deliver 2018 group revenue within the top half of the outlook range (between EUR 1,990 million and EUR 2,035 million¹, with SES Video at the lower end and SES Networks at the higher end of the range) and EBITDA of over EUR 1,270 million¹ and grow group revenue and EBITDA by 2020 at constant FX.
- 2018 expected Capital Expenditure (CapEx) is reduced by EUR 80 million to EUR 380 million¹, of which EUR 10 million has been moved to 2019 and EUR 70 million to 2020, with no change in the overall CapEx profile between 2018 and 2022.

1) Financial outlook assumes EUR/USD exchange rate of 1.15, nominal launch schedule and satellite health status

OPERATIONAL REVIEW

For the nine months ended 30 September 2018, underlying revenue of EUR 1,445.6 million was EUR 29.2 million (or 2.1%) higher at constant FX, compared with the prior period, fuelled by double-digit growth delivered by the expansion of SES Networks. Total group revenue included periodic and other revenue of EUR 23.8 million (2017: EUR 50.7 million).

Third quarter 2018 underlying revenue of EUR 484.2 million was EUR 14.8 million (or 3.2%) higher at constant FX than the prior period.

REVENUE BY BUSINESS UNIT

EUR million	YTD 2018	YTD 2017	Change (%)	
			Reported	Constant FX
SES Video	977.4	1,031.5	-5.2%	-2.5%
- Underlying	967.5	1,024.6	-5.6%	-2.8%
- Periodic	9.9	6.9	n/m	n/m
SES Networks	491.0	490.0	+0.2%	+7.7%
- Underlying	478.1	451.9	+5.8%	+13.6%
- Periodic	12.9	38.1	n/m	n/m
Sub-total	1,468.4	1,521.5	-3.5%	+0.7%
- Underlying	1,445.6	1,476.5	-2.1%	+2.1%
- Periodic	22.8	45.0	n/m	n/m
Other ⁽¹⁾	1.0	5.7	n/m	n/m
Group Total	1,469.4	1,527.2	-3.8%	+0.4%

"Underlying" revenue represents the core business of capacity sales, as well as associated services and equipment. This revenue may be impacted by changes in launch schedule and satellite health status. "Periodic" revenue separates revenues that are not directly related to or would distort the underlying business trends on a quarterly basis. Periodic revenue includes: the outright sale of transponders or transponder equivalents; accelerated revenue from hosted payloads during the course of construction; termination fees; insurance proceeds; certain interim satellite missions and other such items when material.

1) Other includes revenue not directly applicable to SES Video or SES Networks

SES Video: 67% of group revenue (YTD 2017: 68%)

SES VIDEO REVENUE BY VERTICAL

EUR million	YTD 2018	YTD 2017	Change (%)	
			Reported	Constant FX
Video Distribution	734.7	791.9	-7.2%	-4.3%
- Underlying	724.8	785.0	-7.7%	-4.7%
- Periodic	9.9	6.9	n/m	n/m
Video Services	242.7	239.6	+1.3%	+3.5%
- Underlying	242.7	239.6	+1.3%	+3.5%
- Periodic	--	--	n/m	n/m
SES Video	977.4	1,031.5	-5.2%	-2.5%
- Underlying	967.5	1,024.6	-5.6%	-2.8%
- Periodic	9.9	6.9	n/m	n/m

SES Video's underlying revenue of EUR 967.5 million was EUR 27.9 million (or 2.8%) lower at constant FX than the prior period. Total revenue for SES Video included EUR 9.9 million of periodic revenue (YTD 2017: EUR 6.9 million).

Third quarter 2018 underlying revenue of EUR 317.5 million was EUR 12.4 million (or 3.8%) lower at constant FX than the prior period.

At Q3 2018, SES is now delivering 8,020 total TV channels to viewers around the world. This represented an increase of 4% (year-on-year) reflecting the introduction of new HD (up 7% year-on-year to 2,795 HD TV channels) and UHD (up 67% to 40 commercial UHD TV channels) offerings across all three of SES' major regions. At Q3 2018, 65.4% of total TV channels are now broadcast in MPEG-4 (Q3 2017: 63.5%).

Video Distribution

Underlying revenue for the first nine months of 2018 was 4.7% lower than YTD 2017.

The European business continued to benefit from important long-term renewals, notably in the U.K. and Germany. Q3 2018 was impacted by the expiration of certain capacity contracts signed on a short-term basis, contributing to overall revenue being slightly lower in the quarter. Appetite for UHD is continuing to grow and remains an important contributor to the future development of SES' largest and most valued video neighbourhoods.

North America decreased (year-on-year), as anticipated, due to lower volume resulting from the switch-off of SD TV channels which had already been replaced with HD TV channels, as well as on-going fleet optimisation initiatives.

Trading conditions in the International markets continue to be challenging with recently launched customer platforms struggling to build traction while competition to establish new platforms remains intense. The business continues to focus on building the commercial pipeline, notably for SES-9 and SES-10.

In September 2018, the Board of directors of YahLive (a partnership between SES and YahSat, in which SES has a 35% participation) decided to undertake a strategic review to consider options for the future development of the business which serves direct-to-home video neighbourhoods in the Middle East, as well as North Africa and Southwest Asia.

Third quarter 2018 underlying revenue of EUR 237.8 million was 5.8% lower (constant FX) than the prior period.

Video Services

Underlying revenue was 3.5% higher for YTD 2018 compared with the prior period.

HD+ continued to benefit from the increase in the annual subscription fee (from EUR 60 per annum to EUR 70 per annum) that was introduced at the start of Q2 2017, contributing to growth (year-on-year) in underlying revenue.

This was complemented by stable (year-on-year) development of MX1's underlying revenue base, as new business wins secured throughout 2018 to provide value-added linear and OTT services offset the non-renewal of certain legacy contracts.

Third quarter 2018 underlying revenue of EUR 79.7 million was 3.1% higher (constant FX).

SES Networks: 33% of group revenue (YTD 2017: 32%)

SES NETWORKS REVENUE BY VERTICAL

EUR million	YTD 2018	YTD 2017	Change (%)	
			Reported	Constant FX
Government	200.6	181.1	+10.8%	+17.5%
- Underlying	192.8	169.6	+13.7%	+21.0%
- Periodic	7.8	11.5	n/m	n/m
Fixed Data	171.6	194.5	-11.8%	-4.9%
- Underlying	166.5	185.5	-10.2%	-3.3%
- Periodic	5.1	9.0	n/m	n/m
Mobility	118.8	114.4	+3.8%	+13.3%
- Underlying	118.8	96.8	+22.7%	+32.6%
- Periodic	--	17.6	n/m	n/m
SES Networks	491.0	490.0	+0.2%	+7.7%
Underlying	478.1	451.9	+5.8%	+13.6%
Periodic	12.9	38.1	n/m	n/m

Underlying revenue of EUR 478.1 million was EUR 57.1 million (or 13.6%) higher at constant FX, compared with YTD 2017, reflecting strong growth in Government and Mobility (notably aeronautical) throughout the first nine months of 2018, while Fixed Data also made a positive contribution to growth (year-on-year) in Q3 2018.

SES Networks' total YTD 2018 revenue included EUR 12.9 million of periodic revenue (YTD 2017: EUR 38.1 million, including the second of two up-front revenue contributions from the sale of transponders to Global Eagle Entertainment).

Third quarter 2018 underlying revenue of EUR 166.7 million was 19.5% higher (constant FX) than the prior period, benefiting from the positive contribution of all three SES Networks verticals, including Fixed Data.

Government

Underlying revenue grew by 21.0% for YTD 2018, compared with YTD 2017, reflecting strong growth in both SES Networks' U.S. Government and Global Government businesses.

Significant incremental adoption of SES Networks' O3b-based services by the U.S. Department of Defense was the key driver of strong growth (year-on-year) in U.S. Government revenue. This was complemented by solid performance across the existing business which has secured almost all of its renewals thus far in 2018, as well as winning some important new business on the GEO fleet.

SES' Global Government business also delivered strong (year-on-year) performance, as the extension and expansion of service commitments, notably to support humanitarian and peacekeeping operations, was complemented by an incremental revenue contribution from GovSat-1 which began delivering services to government clients at the end of Q1 2018.

Third quarter 2018 underlying revenue of EUR 69.6 million was 28.1% higher (constant FX) than the prior period.

Fixed Data

Underlying revenue for YTD 2018 was 3.3% (year-on-year) lower at constant FX, compared with YTD 2017.

Revenue in the Americas and Asia grew (year-on-year) benefiting from the deployment of managed service agreements supporting telecommunications companies (Telcos) and mobile network operators (MNOs) to extend their 3G and 4G network reach where these cannot be delivered terrestrially.

Fixed Data revenue in Europe, the Middle East and Africa decreased (year-on-year) reflecting the impact of lower wholesale capacity revenue which offset positive momentum generated by the expansion of O3b-based services.

Third quarter 2018 underlying revenue of EUR 55.5 million was 1.7% higher (constant FX) than the prior period, driven by new revenue from new managed services deployed on behalf of Telcos, MNOs and cloud service providers. This outweighed the impact of lower (year-on-year) wholesale capacity revenue where pricing has stabilised in recent months, albeit significantly below historic levels.

Mobility

Underlying revenue grew by 32.6%, versus YTD 2017, as significant growth in aeronautical was complemented by additional new business wins in maritime.

Aeronautical has continued to deliver significant growth, notably in North America with the start of commercial services on SES-15 at the beginning of 2018, while SES Networks also signed important incremental agreements with Gogo and Global Eagle Entertainment in Q3 2018.

This growth was complemented by stable year-to-date development in maritime, as the impact of lower equipment revenues in H1 2018 (compared with the prior year) was offset by growth in recurring revenue delivered in Q3 2018, which benefited from expansion of contracts with existing and new cruise customers.

Third quarter 2018 underlying revenue of EUR 41.6 million was 36.1% higher (constant FX) than the prior period.

Other Revenue

Other revenue includes transactions not directly applicable to SES Video or SES Networks and was EUR 1.0 million for YTD 2018 (YTD 2017: EUR 5.7 million). This included EUR 0.3 million of other revenue in Q3 2018 (Q3 2017: EUR 0.2 million).

Future satellite capacity and fleet update

COMMITTED LAUNCH SCHEDULE

Satellite	Region	Application	Launch Date
SES-12 ⁽¹⁾	Asia-Pacific	Video, Fixed Data, Mobility	Launched (June 2018)
SES-14 ⁽¹⁾	Latin America	Video, Fixed Data, Mobility	Launched (January 2018)
GovSat-1 ⁽²⁾	Europe/MENA	Government	Launched (January 2018)
O3b (satellites 13-16)	Global	Fixed Data, Mobility, Government	Launched (March 2018)
O3b (satellites 17-20)	Global	Fixed Data, Mobility, Government	H1 2019
SES-17	Americas	Fixed Data, Mobility, Government	H1 2021
O3b mPOWER (satellites 1-7)	Global	Fixed Data, Mobility, Government	H1 2021

1) To be positioned using electric orbit raising (entry into service typically around six months after launch)

2) Procured by GovSat

All the scheduled 2018 launches were successfully completed during H1 2018, adding important future growth capabilities. Apart from SES-12 (which is expected to enter commercial service by the end of Q1 2019), these assets are already in commercial service and contributing to the business.

FINANCIAL REVIEW

Income Statement

REVENUE, OPERATING EXPENSES AND EBITDA

EUR million	YTD 2018	YTD 2017	Change	Change (%)
Revenue	1,469.4	1,527.2	-57.8	-3.8%
Revenue (constant FX)	1,469.4	1,463.2	+6.2	+0.4%
Operating expenses	(541.7)	(532.6)	-9.1	-1.7%
Operating expenses (constant FX)	(541.7)	(507.7)	-34.0	-6.7%
EBITDA	927.7	994.6	-66.9	-6.7%
EBITDA (constant FX)	927.7	955.5	-27.8	-2.9%

Reported **revenue** was lower than the prior period due to the weaker U.S. dollar compared to 2017. At constant FX, lower periodic and other revenue was fully offset by underlying revenue growth of EUR 29.2 million (or 2.1%).

Operating expenses were EUR 9.1 million higher as reported and EUR 24.3 million higher at constant FX excluding a restructuring charge of EUR 9.7 million as part of the company's on-going optimisation programme. The balance of the movement at constant FX reflects higher operating expenses, primarily to support the expansion of SES Networks which has delivered double-digit growth (year-on-year) in its underlying revenue for the nine months ended 30 September 2018.

Group **EBITDA** of EUR 927.7 million for YTD 2018 represented an EBITDA margin of 63.1% (YTD 2017: 65.1%), or 63.8% excluding the restructuring charge noted above.

DEPRECIATION, AMORTISATION AND OPERATING PROFIT

EUR million	YTD 2018	YTD 2017	Change	Change (%)
Depreciation and impairment expense	(463.7)	(488.0)	+24.3	+5.0%
Amortisation expense	(59.7)	(58.2)	-1.5	-2.7%
Depreciation, impairment and amortisation	(523.4)	(546.2)	+22.8	+4.2%
Depreciation, impairment and amortisation (constant FX)	(523.4)	(519.9)	-3.5	-0.7%
Operating profit	404.3	448.4	-44.1	-9.8%
Operating profit (constant FX)	404.3	435.6	-31.3	-7.2%

Reported **depreciation, impairment and amortisation expense** reduced by EUR 22.8 million compared with the prior period which included an impairment charge of EUR 38.4 million. At constant FX, this item offset the higher YTD 2018 depreciation expense which was driven by the entry into service of new satellites since 30 September 2017.

Group **operating profit** represented an operating profit margin of 27.5% (YTD 2017: 29.4%), or 28.2% excluding the restructuring charge of EUR 9.7 million as noted above.

PROFIT ATTRIBUTABLE TO SES SHAREHOLDERS

EUR million	YTD 2018	YTD 2017	Change	Change (%)
Net interest expense and other	(134.7)	(141.6)	+6.9	+4.9%
Capitalised interest	23.8	36.5	-12.7	-34.9%
Net foreign exchange gains	(0.6)	2.9	-3.5	-118.8%
Net financing costs	(111.5)	(102.2)	-9.3	-9.1%
Profit before tax	292.8	346.2	-53.4	-15.4%
Income tax benefit/(expense)	27.3	49.5	-22.2	-44.8%
Profit after tax	320.1	395.7	-75.6	-19.1%
Non-controlling interests	(16.4)	(1.2)	-15.2	n/m
Profit attributable to SES shareholders	303.7	394.5	-90.8	-23.0%
Coupon on hybrid (perpetual) bond, net of tax	(36.0)	(36.3)	+0.3	+0.8%
Adjusted profit attributable to SES shareholders	267.7	358.2	-90.5	-25.3%
Earnings per A Class share	EUR 0.59	EUR 0.77	-0.18	-23.4%

Net financing costs were EUR 9.3 million higher than the prior period as lower capitalised interest and lower net foreign exchange gains offset a reduction in net interest expense.

The positive **income tax** contribution included the recognition of a one-time deferred tax asset relating to GovSat-1 in Q1 2018, as well as the transfer of the O3b Jersey business to Luxembourg in Q2 2018. The group's normalised **effective tax rate** was 25.6% in YTD 2018 (YTD 2017: 17.2%).

Recognition of the deferred tax asset relating to GovSat-1 accounted for the increase in **non-controlling interests** as the satellite is owned by GovSat, a 50/50 public private partnership between SES and the Government of Luxembourg.

Consequently, **net profit attributable to SES shareholders** of EUR 303.7 million (YTD 2017: EUR 394.5 million) represented **earnings per share** of EUR 0.59 (YTD 2017: EUR 0.77) after deducting the assumed coupon (net of tax) for the group's hybrid (perpetual) bonds.

Financing and Free Cash Flow

The group's **Net debt to EBITDA ratio** (as per the rating agency methodology which treats the hybrid bonds as 50% debt and 50% equity) at 30 September 2018 was 3.43 times, compared with 3.53 times at 30 June 2018 and 3.27 times at 31 December 2017. The net debt to EBITDA ratio is expected to be below 3.30 times by 31 December 2018.

For the YTD 2018, **free cash flow before financing activities** of EUR 593.0 million was 29.2% higher than the prior period reflecting the combination of higher net operating cash flow and lower investing activities.

In October 2018, the group repaid a five-year EUR 500 million Eurobond that was due for maturity and carried a fixed interest rate of 1.875%. This was funded from the group's existing resources, which included the proceeds from the issuance of an eight-year EUR 500 million Eurobond with an annual coupon of 1.625% that was successfully completed in March 2018.

CONSOLIDATED INCOME STATEMENT

FOR THE NINE MONTHS ENDED 30 SEPTEMBER

EUR million	2018	2017
Average EUR/USD exchange rate	1.1979	1.1078
Revenue	1,469.4	1,527.2
Operating expenses	(541.7)	(532.6)
EBITDA⁽¹⁾	927.7	994.6
Depreciation and impairment expense	(463.7)	(488.0) ⁽³⁾
Amortisation expense	(59.7)	(58.2)
Operating profit	404.3	448.4
Net financing costs	(111.5)	(102.2)
Profit before tax	292.8	346.2
Income tax benefit/(expense)	27.3 ⁽⁴⁾	49.5
Profit after tax	320.1	395.7
Non-controlling interests	(16.4) ⁽⁴⁾	(1.2)
Profit attributable to owners of the parent	303.7	394.5
Earnings per share (in EUR)⁽²⁾		
Class A shares	0.59	0.77
Class B shares	0.24	0.31

1) Earnings before interest, tax, depreciation, amortisation and share of associates' result (net of tax)

2) Earnings per share is calculated as profit attributable to owners of the parent divided by the weighted average number of shares outstanding during the year, as adjusted to reflect the economic rights of each class of share. For the purposes of the EPS calculation only, the net profit for the year attributable to ordinary shareholders has been adjusted to include the assumed coupon, net of tax, on the perpetual bonds. Fully diluted earnings per share are not significantly different from basic earnings per share

3) Includes impairment charge of EUR 38.4 million against AMC-9

4) Includes recognition of one-time deferred tax asset in Q1 2018, following the entry into service of GovSat-1 (owned by GovSat, a 50/50 public private partnership between SES and the Government of Luxembourg), resulting in a corresponding increase in non-controlling interests

Supplementary information:

QUARTERLY REVENUE BY VERTICAL (REPORTED)

EUR million	Revenue (reported)				Change (YOY) at constant FX			
	Q1 2018	Q2 2018	Q3 2018	YTD 2018	Q1 2018	Q2 2018	Q3 2018	YTD 2018
Video Distribution	247.2	248.3	239.2	734.7	-4.3%	-3.1%	-5.5%	-4.3%
- Underlying	244.3	242.7	237.8	724.8	-4.2%	-4.2%	-5.8%	-4.7%
- Periodic	2.9	5.6	1.4	9.9	n/m	n/m	n/m	n/m
Video Services	77.2	85.8	79.7	242.7	-2.0%	+9.5%	+3.1%	+3.5%
- Underlying	77.2	85.8	79.7	242.7	-2.0%	+9.5%	+3.1%	+3.5%
- Periodic	--	--	--	--	n/m	n/m	n/m	n/m
SES Video	324.4	334.1	318.9	977.4	-3.8%	-0.2%	-3.5%	-2.5%
- Underlying	321.5	328.5	317.5	967.5	-3.6%	-1.0%	-3.8%	-2.8%
- Periodic	2.9	5.6	1.4	9.9	n/m	n/m	n/m	n/m
Government	59.4	71.6	69.6	200.6	+12.0%	+26.0%	+14.3%	+17.5%
- Underlying	59.4	63.8	69.6	192.8	+13.0%	+21.7%	+28.1%	+21.0%
- Periodic	--	7.8	--	7.8	n/m	n/m	n/m	n/m
Fixed Data	56.2	57.8	57.6	171.6	-11.1%	-7.7%	+5.6%	-4.9%
- Underlying	56.2	54.8	55.5	166.5	-6.0%	-5.3%	+1.7%	-3.3%
- Periodic	--	3.0	2.1	5.1	n/m	n/m	n/m	n/m
Mobility	37.4	39.8	41.6	118.8	-14.8%	+31.3%	+36.1%	+13.3%
- Underlying	37.4	39.8	41.6	118.8	+30.4%	+31.3%	+36.1%	+32.6%
- Periodic	--	--	--	--	n/m	n/m	n/m	n/m
SES Networks	153.0	169.2	168.8	491.0	-4.5%	+13.0%	+15.6%	+7.7%
- Underlying	153.0	158.4	166.7	478.1	+8.5%	+12.7%	+19.5%	+13.6%
- Periodic	--	10.8	2.1	12.9	n/m	n/m	n/m	n/m
Sub-total	477.4	503.3	487.7	1,468.4	-4.0%	+3.9%	+2.4%	+0.7%
- Underlying	474.5	486.9	484.2	1,445.6	0.0%	+3.1%	+3.2%	+2.1%
- Periodic	2.9	16.4	3.5	22.8	n/m	n/m	n/m	n/m
Other⁽¹⁾	0.2	0.5	0.3	1.0	n/m	n/m	n/m	n/m
Group Total	477.6	503.8	488.0	1,469.4	-4.9%	+4.0%	+2.4%	+0.4%

"Underlying" revenue represents the core business of capacity sales, as well as associated services and equipment. This revenue may be impacted by changes in launch schedule and satellite health status. "Periodic" revenue separates revenues that are not directly related to or would distort the underlying business trends on a quarterly basis. Periodic revenue includes: the outright sale of capacity; accelerated revenue from hosted payloads during the course of construction; termination fees; insurance proceeds; certain interim satellite missions and other such items when material.

1) Other includes revenue not directly applicable to SES Video or SES Networks

QUARTERLY INCOME STATEMENT (AS REPORTED)

EUR million	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Average EUR/USD exchange rate	1.1655	1.1764	1.2221	1.2033	1.1682
Revenue	478.5	507.8	477.6	503.8	488.0
Operating expenses	(171.0)	(178.2)	(173.2)	(187.1)	(181.4)
EBITDA	307.5	329.6	304.4	316.7	306.6
EBITDA margin	64.3%	64.9%	63.7%	62.9%	62.8%
Depreciation and impairment	(146.0) ⁽¹⁾	(147.0)	(147.0)	(156.5)	(160.2)
Amortisation	(19.1)	(20.4)	(18.6)	(21.3)	(19.8)
Operating profit	142.4	162.2	138.8	138.9	126.6
Operating profit margin	29.8%	31.9%	29.1%	27.6%	26.0%
Net financing costs	(33.6)	(41.1)	(35.9)	(39.3)	(36.3)
Profit before tax	108.8	121.1	102.9	99.6	90.3
Income tax	9.4	81.1	10.1	30.8	(13.6)
Non-controlling interests	0.8	(0.6)	(14.8)	(0.9)	(0.7)
Profit attributable to owners of the parent	119.0	201.6	98.2	129.5	76.0
Earnings per share (in EUR)⁽²⁾					
Class A shares	0.23	0.42	0.19	0.26	0.14
Class B shares	0.09	0.17	0.08	0.10	0.06

1) Includes EUR 38.4 million of impairment charge related to the loss of AMC-9

2) Earnings per share is calculated as profit attributable to owners of the parent divided by the weighted average number of shares outstanding during the year, as adjusted to reflect the economic rights of each class of share. For the purposes of the EPS calculation only, the net profit for the year attributable to ordinary shareholders has been adjusted to include the coupon, net of tax, on the perpetual bonds. Fully diluted earnings per share are not significantly different from basic earnings per share

QUARTERLY OPERATING PROFIT (AT CONSTANT FX)

EUR million	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018
Average U.S. dollar exchange rate	1.1682	1.1682	1.1682	1.1682	1.1682
Revenue	476.6	508.5	487.2	510.7	488.0
Operating expenses	(170.6)	(178.6)	(178.2)	(190.5)	(181.4)
EBITDA	306.0	329.9	309.0	320.2	306.6
EBITDA margin	64.2%	64.9%	63.4%	62.7%	62.8%
Depreciation	(145.4)	(147.5)	(150.9)	(159.4)	(160.2)
Amortisation	(19.0)	(20.4)	(18.8)	(21.4)	(19.8)
Operating profit	141.6	162.0	139.3	139.4	126.6
Operating profit margin	29.7%	31.9%	28.6%	27.3%	26.0%

For further information please contact:

Richard Whiteing
Investor Relations
Tel: +352 710 725 261
Richard.Whiteing@ses.com

Markus Payer
Corporate Communications
Tel: +352 710 725 500
Markus.Payer@ses.com

Follow us on:

[Social Media](#)
[Blog](#)
[Media Library](#)
[White Papers](#)

Presentation of Results:

A presentation of the results for investors and analysts will be hosted at 9.30 CEST on 26 October 2018, and will be broadcast via webcast and conference call. The details for the conference call and webcast are as follows:

Belgium	+32 (0)2 404 0659 / 0800 58228
France	+33 (0)1 76 77 22 74 / 0805 101 219
Germany	+49 (0)69 2222 13420 / 0800 589 4609
Luxembourg	+352 2786 1336 / 800 24405
U.K.	+44 (0)330 336 9105 / 0800 358 6377
U.S.A.	+1 323 794 2093 / 866 548 4713

Confirmation code: 5934274

Webcast registration: https://edge.media-server.com/m6/go/SES_18Q3

The presentation will be available for download from the Investors section of the SES website (www.ses.com), and a replay will be available for two weeks from the Investors section of the SES website.



About SES

SES is the world's leading satellite operator with over 70 satellites in two different orbits, Geostationary Orbit (GEO) and Medium Earth Orbit (MEO). It provides a diverse range of customers with global video distribution and data connectivity services through two business units: SES Video and SES Networks. SES Video reaches over 351 million TV homes, through Direct-to-Home (DTH) platforms and cable, terrestrial, and IPTV networks globally. The SES Video portfolio includes MX1, a leading media service provider offering a full suite of innovative services for both linear and digital distribution, and the ASTRA satellite system, which has the largest DTH television reach in Europe. SES Networks provides global managed data services, connecting people in a variety of sectors including telecommunications, maritime, aeronautical, and energy, as well as governments and institutions across the world. The SES Networks portfolio includes GovSat, a 50/50 public-private partnership between SES and the Luxembourg government, and O3b, the only non-geostationary system delivering fibre-like broadband services today. Further information is available at: www.ses.com

Disclaimer

This presentation does not, in any jurisdiction, and in particular not in the U.S., constitute or form part of, and should not be construed as, any offer for sale of, or solicitation of any offer to buy, or any investment advice in connection with, any securities of SES nor should it or any part of it form the basis of, or be relied on in connection with, any contract or commitment whatsoever.

No representation or warranty, express or implied, is or will be made by SES, its directors, officers or advisors or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation, and any reliance you place on them will be at your sole risk. Without prejudice to the foregoing, none of SES or its directors, officers or advisors accept any liability whatsoever for any loss however arising, directly or indirectly, from use of this presentation or its contents or otherwise arising in connection therewith.

This presentation includes "forward-looking statements". All statements other than statements of historical fact included in this presentation, including, without limitation, those regarding SES's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to SES products and services) are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of SES to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding SES and its subsidiaries and affiliates, present and future business strategies and the environment in which SES will operate in the future and such assumptions may or may not prove to be correct. These forward-looking statements speak only as at the date of this presentation. Forward-looking statements contained in this presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. SES and its directors, officers and advisors do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.