

A STRONG YEAR OF EXECUTION

Romain Bausch
Chairman

Since the day SES launched its first satellite – a 30-year anniversary that we celebrated this year – until today, SES has been part of a changing and evolving landscape of services delivered from space. As we have broadened our reach from Direct-to-Home (DTH), to broad video distribution and contribution and into data services, over this period our ability to touch lives and have an impact on the world has grown. This was underscored further in our early investment in and ultimate acquisition of O3b, now fully part of SES Networks, and its unique capabilities to deliver true ‘Telco’ services to the most remote and disconnected populations. Over 30 years, SES has transformed itself time and time again to be able to respond to the needs of the market and prepare for the future—a future that as we look forward will be defined by the inexorable demand for video content and data across a multitude of platforms, devices and geographies.

2018 was an important year for SES. We executed well as a business, both in terms of financial results and in terms of preparing for our future. The company delivered a solid year, exceeding revenue expectations, growing cash flow, limiting capex and managing leverage. At the same time, we launched a record number of satellites, executing flawlessly in placing the capacity and capabilities into orbit that will fuel our future development and growth as a company.

I am proud that our video business serves more than 355 million households. That reflects an audience of approximately 1 billion people, or 15% of the world’s population. Together with our customers and platform partners we have built a reach that is unrivalled. To these strong neighbourhoods, we have added digital video solutions and capabilities to serve customers with ‘Over the Top’ and ‘On Demand’ content as well as the very highest quality linear distribution. We carry more Ultra-High Definition and High Definition content than any other operator and continue to innovate to deliver even higher quality programming for our customers.

The growth that we have delivered in 2018 from our networks business is particularly gratifying given the investments that we have made in transforming SES from a heavily video-focused business to one that is now more balanced between video and networks. This is a trend that I expect to continue in the coming years as we continue to make satellite a much more integral part of terrestrial-hybrid networks.

Given the solid financial performance, the Board of Directors has proposed a dividend of EUR 0.80 per Class A share for 2018, the same as in 2017, representing a yield of approximately 5%. On behalf of the Board of Directors, I would like to thank our shareholders for their continued confidence in our business.

In April 2018, Steve Collar was appointed as President and CEO, having previously been the CEO at SES Networks; Andrew Browne returned to SES as CFO. I am grateful to Steve, Andrew and the rest of the management team at SES for a strong year of execution. They have positioned SES in a fast-changing environment, built world-class capabilities within the leadership team, and restructured our business and organisation, most recently with the addition of a new Head of Global Services, a reflection of our strong focus on customer success.

We look forward to 2019 with much confidence. With our human capital, our industry position, our solid balance sheet and our differentiated assets and capabilities, we have a truly bright future ahead.



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