

LETTER FROM THE CHAIRMAN

2019 was another important year for our company where, against the backdrop of changing and challenging trading conditions, SES delivered a robust financial and operational performance.

For the year ended 31 December 2019, the group generated total revenue of €1.98 billion, EBITDA of €1.22 billion, net profit of €296 million, and free cash flow before financing activities of €826 million reflecting a strong focus on cash flow generation.

Our Video business is facing challenges in the near-term as our customers—the world's leading broadcasters, platform operators and content owners—adapt their business models in response to the changes in consumer behaviour. Despite this, our Direct-to-Home neighbourhoods grew in reach for an eighth consecutive year and SES is now serving audiences in more than 367 million households around the world, more than any other satellite operator.

Satellite remains the most reliable and cost-effective platform for our customers' most valuable content and in 2019 the number of High Definition and Ultra High Definition TV channels grew to almost 3,000 TV channels, some 1,300 TV channels more than the next operator and underscoring the long-term attraction of SES' highly profitable, market-leading Video neighbourhoods and connecting global audiences to the best content.

In the last two years, our Networks business has expanded with double-digit growth, delivering on the opportunity to extend satellite-based connectivity everywhere on Earth with an important and differentiated investment programme. In 2019, we successfully launched and brought the final four satellites into service for the first generation of our unique Medium Earth Orbit, O3b constellation, expanding low latency services to major telcos, mobile network operators, government clients and cruise lines.

This year, we also completed our initial investment programme in Geostationary high throughput satellite (HTS) capabilities, with the entry into service of SES-12 and deployment of important rural broadband and mobile connectivity services, bridging the digital divide in Asia. SES-12 will also cater to the growing demand for Aeronautical connectivity, complementing the significant new business secured in the Americas on SES-15 and SES-14 during 2019 which contributed to double-digit growth in SES' Mobility revenue.

Demonstrating the value of SES' investment grade status, the company successfully completed €500 million of new financing at a record-low annual coupon this year and renewed the €1.2 billion credit facility at rates below the previous facility.

In total, SES has raised over €1.4 billion of new financing in the last two years at an average cost of below 1.5%, allowing the company to retire maturities carrying an average annual cost of over 3% and reducing SES' overall cost of capital.



Romain Bausch, Chairman of the Board of Directors

1 OUR COMPANY

In view of the important investments in SES-17 and O3b mPOWER that peak in 2021, and of SES' commitment to an Investment Grade credit rating, the Board took the prudent decision to propose a 2019 dividend per A-share of €0.40 to shareholders. The Board considers that this dividend level, which is well covered by earnings, proves an attractive return to shareholders while supporting the short-term investment peak.

The SES transformation is also taking place at the level of the Board. This year, the Directors voted to reduce the size of the Board to 12, down from 15 in 2018 and from 18 in 2015, becoming more focused and agile.

I would like to take this opportunity to thank Hadelin de Liedekerke Beaufort, Marc Beuls, Victor Casier, Conny Kullman, Marc Serres, François Tesch, Jean-Paul Senninger, and Jean-Paul Zens for their contribution, commitment and service to SES and the Board and wish them well.

Accordingly, I am delighted that Peter van Bommel, Béatrice de Clermont-Tonnerre, Frank Esser and Paul Konsbruck agreed to join the SES Board, and each will bring strong competencies complementing those of the rest of the Board.

On behalf of the Board, I would also like to share our appreciation for Andrew Browne, who stepped down as CFO last November, and look forward to welcoming Sandeep Jalan who will take over as our new CFO in May this year.

2 OPERATIONAL AND STRATEGIC REPORT

3 CONSOLIDATED FINANCIAL STATEMENTS

As we look to 2020 and beyond, our company is in a great position to continue to grow from strength to strength. With a clear and compelling purpose and set of ambitions, talented and innovative people, a unique set of capabilities and value proposition, and an enthusiastic and experienced Board, I am confident that SES will continue to lead our industry forward and create value for all our stakeholders over this new decade just as we have done in the decades before.

Let me finish by sharing with you my decision not to stand up for re-election as Chairman of SES. I have been at the helm of the company for 25 years, firstly as CEO and latterly as Chairman and with the company now entering an exciting period of transformation under Steve Collar's leadership and with a newly invigorated and streamlined Board, I consider it to be the right time to pass the baton to a new Chair in the renewed Board. It has been a true privilege to serve SES in these different roles and I want to thank our shareholders for their continued support.



Romain Bausch

Chairman of the Board of Directors

4 SES S.A. ANNUAL ACCOUNTS

5 ADDITIONAL INFORMATION