



**WE DO THE EXTRAORDINARY IN SPACE  
TO DELIVER AMAZING EXPERIENCES  
EVERYWHERE ON EARTH**

**SES<sup>^</sup>**

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**Investor Presentation**

**September 2020**

# Agenda

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**SES<sup>^</sup>**

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**SES AT A  
GLANCE**





# LEADER IN GLOBAL CONTENT CONNECTIVITY SOLUTIONS



## TAKE YOUR STORY ANYWHERE

At SES, we believe everyone should have the freedom to take their story wherever they want it go – unlimited by geography, technology, or even gravity.

So as the leader in global content connectivity solutions, we leverage a vast and intelligent network that spans satellite and ground infrastructure to create, deliver and manage video and data solutions that connect more people in more places with content that enriches their personal stories with knowledge, entertainment and opportunity.

We do the extraordinary in space, to deliver amazing experiences everywhere on Earth. Because when *everyone* is empowered with content and connectivity, billions of stories have infinite possibilities.

**99%**  
of the world's population  
covered by SES' network

**+25% growth**  
in SES Networks underlying  
revenue (last 3 years)

**ONLY**  
Multi-orbit, multi-frequency  
satellite-enabled solutions

**367MN**  
TV homes served  
by SES Video

**PARTNER**  
to world-leading companies,  
governments and institutions

**€1.98BN**  
2019 group  
Revenue

**€1.24BN**  
2019 group  
Adjusted EBITDA

**3.2x**  
2019 net debt to EBITDA ratio  
(rating agency methodology)

**€6BN**  
Fully protected  
contract backlog

**€0.40**  
2019 dividend  
per A-share



# WE DO THE **EXTRAORDINARY** IN SPACE TO DELIVER **AMAZING** EXPERIENCES **EVERYWHERE** ON EARTH



We believe in content and connectivity everywhere



We provide cloud-enabled, satellite-based intelligent connectivity



We are future-proof, powered by sustained growth and innovation



We are passionate about customer experience and focused on customer success



SES is a great place to work



We are here to make a difference

## Business Highlights

**Solid H1 2020 financial performance despite challenging environment. Underlying growth in Networks of +7% YOY and +25% over the last 3 years**

**€40-60mn exceptional cost reduction measures in place to protect 2020 bottom line given expected COVID-19 related revenue developments in H2 2020**

**Substantially increased visibility for \$4bn of accelerated relocation payments from repurposing of U.S. C-Band spectrum – now fully embedded in financial projections**

**4 additional O3b mPOWER satellites added while Capex through 2024 in line with March 2020 outlook. 90% increase in constellation throughput, improved launch cadence and resilience. Expanded offerings for Government users including collaboration with Boeing**

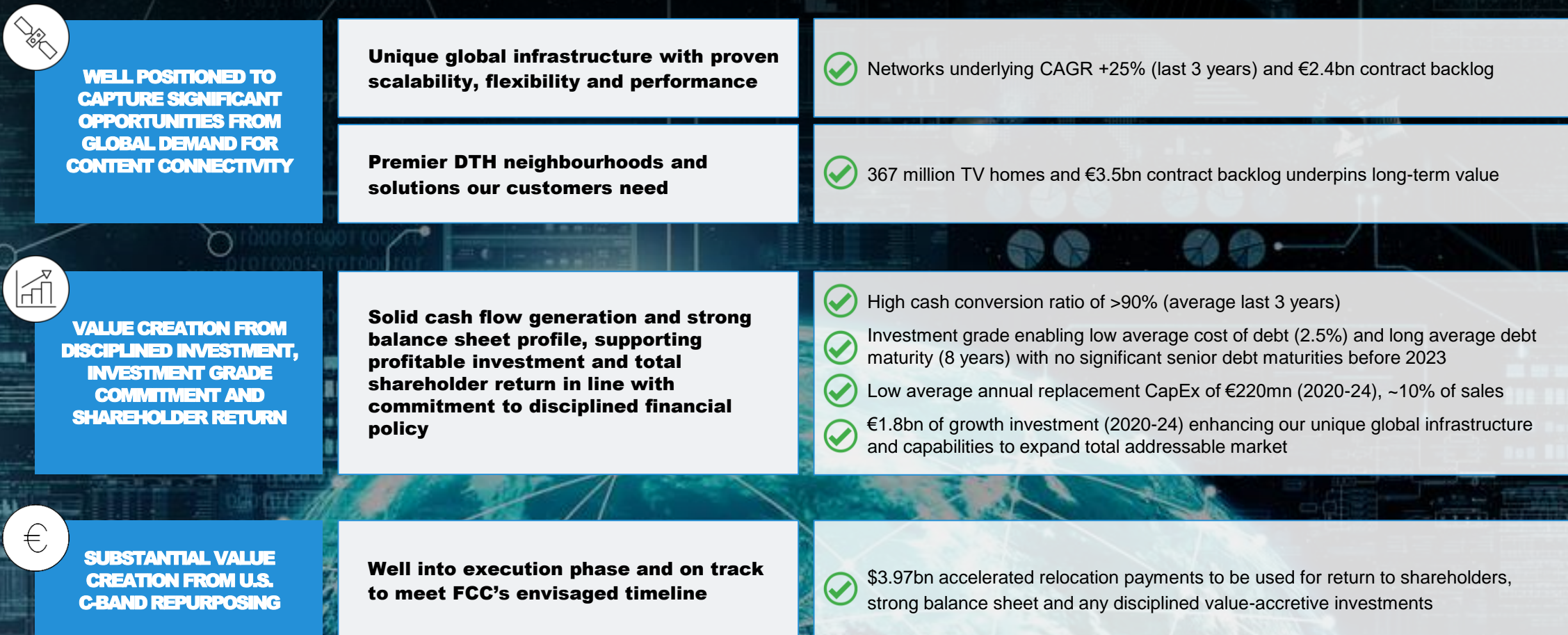
**Significant progress on 'Simplify & Amplify' to deliver €40-50mn of annual EBITDA improvement from 2021 onwards, increase business efficiency and drive innovation**

**Strong balance sheet, strong liquidity, senior debt maturities retired through 2023 while lowering debt expense. Disciplined financial policy**





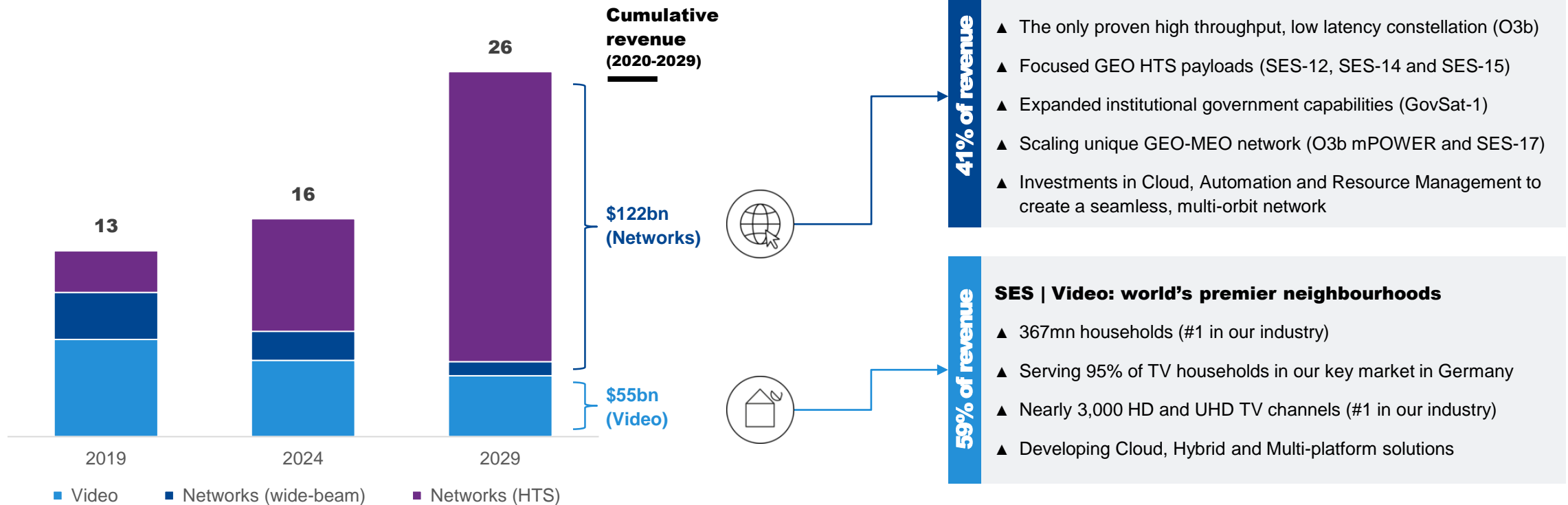
# WELL POSITIONED TO DELIVER LONG-TERM VALUE CREATION FOR SHAREHOLDERS



# Industry Revenues Forecast to Double Over Next 10 Years With SES Well Positioned

## NSR Forecast for Global Satellite Industry Capacity Revenue<sup>(1)</sup>

\$bn



<sup>1)</sup> Source: Northern Sky Research (June 2020)



## Our Key Priorities

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**Video** moving images that move the world

- ▲ **Reinforcing premier neighbourhoods** (focus on reach, content and value)
- ▲ **Customer success and engagement**
- ▲ **Deliver solutions our customers need** (cloud, hybrid and multi-platform)
- ▲ **Continued strong focus on value creation** (cash profitability and return on capital)



**Networks** changing lives by connecting people

- ▲ **Leveraging unique infrastructure**, enhancing market-leading position & profitable long-term growth
- ▲ **Expanding managed connectivity solutions** and total addressable market
- ▲ **Enable cloud adoption on a global scale** with automation, virtualisation, cloud technologies
- ▲ **Seamless integration in broader ecosystem** ... making satellite mainstream



**Financial** discipline and value creation

- ▲ **Disciplined investment** (IRR >10% post-tax)
- ▲ **Maintain strong balance sheet** consistent with investment grade ratios
- ▲ **Return cash to shareholders and utilise excess cash** in the most optimal way
- ▲ **Strengthening competitiveness** and drive innovation
- ▲ **Capture value from U.S. C-band** (\$4bn of accelerated relocation payments)

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# BUSINESS OVERVIEW



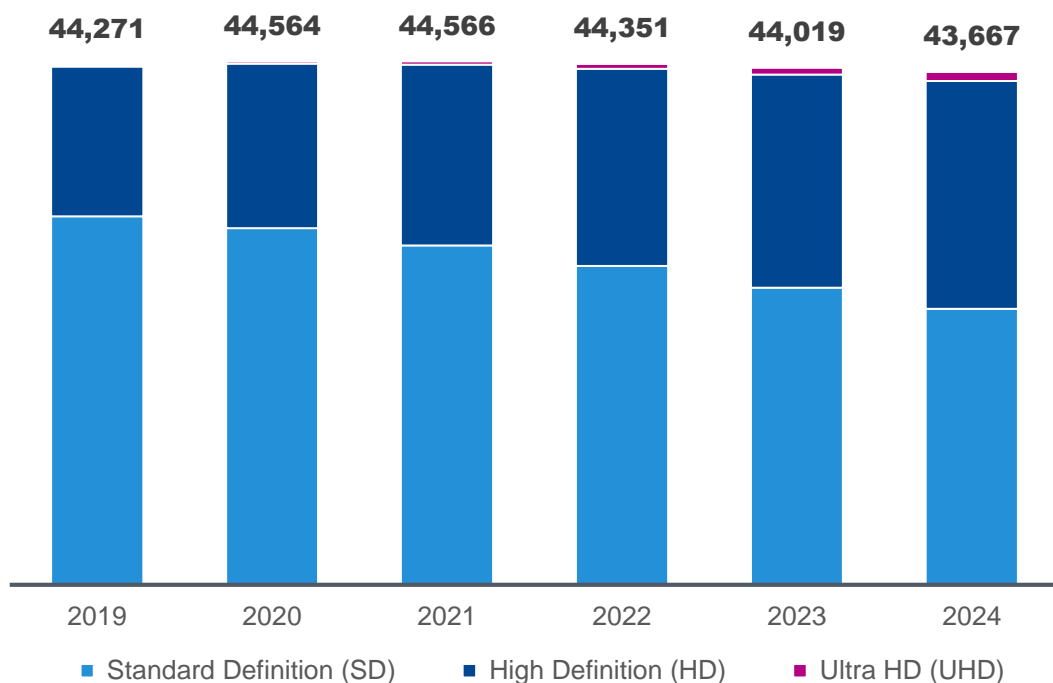




## Increasing Penetration of UHD TV Sets Fueling Expansion of HD and UHD Experiences

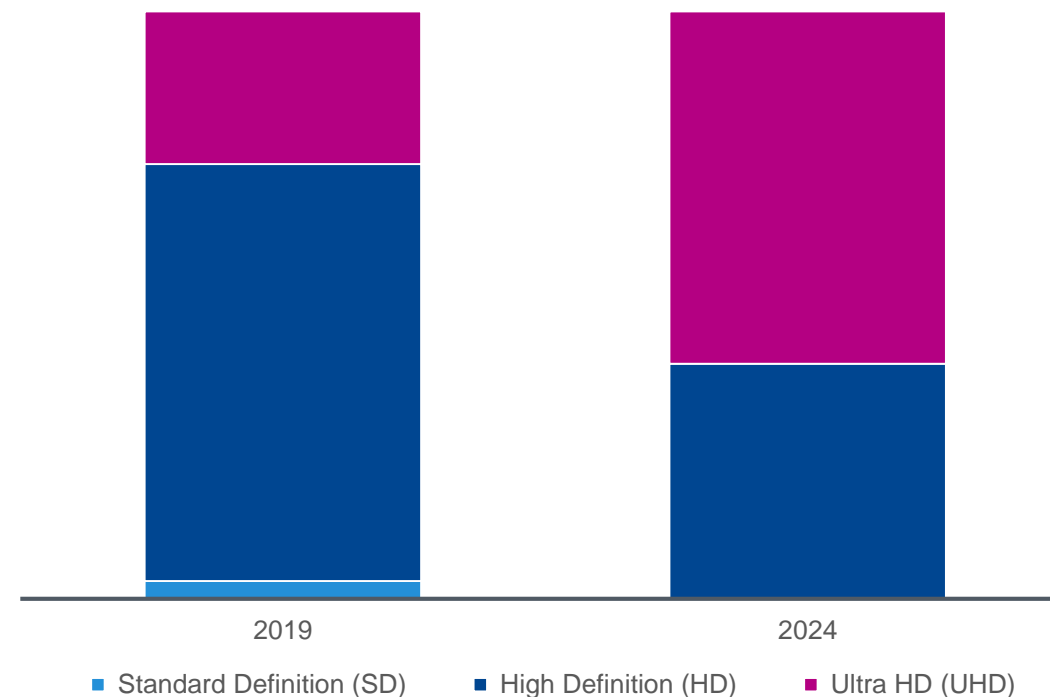
**Total TV channels distributed by the satellite industry<sup>(1)</sup>**

Number



**TV home by resolution in Europe and North America<sup>(2)</sup>**

%



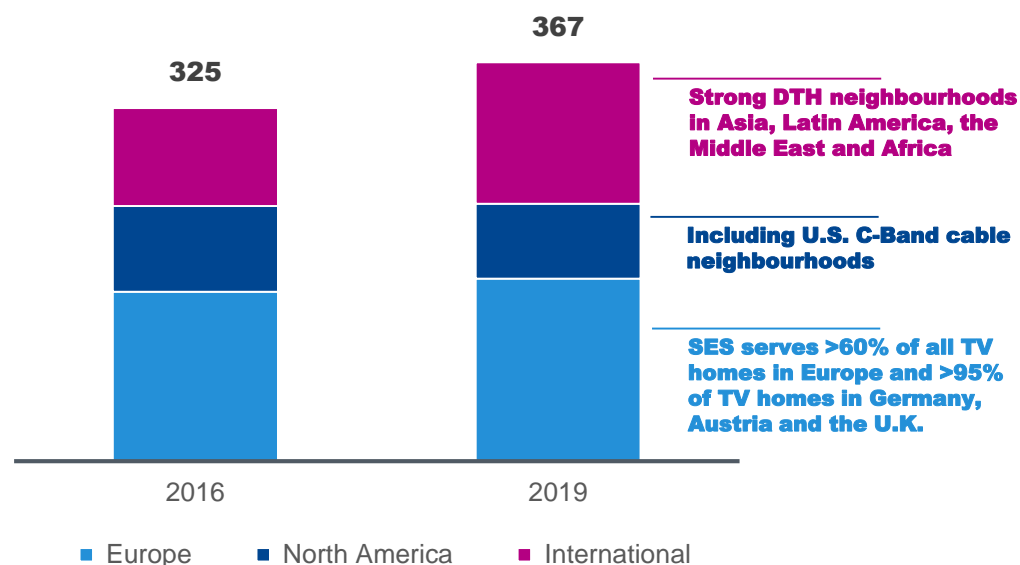
1) Source: Euroconsult; 2) Source: Dataxis



# Unparalleled Reach, Quality and Reliability Underpinning Long-term Value

## TV households served by SES

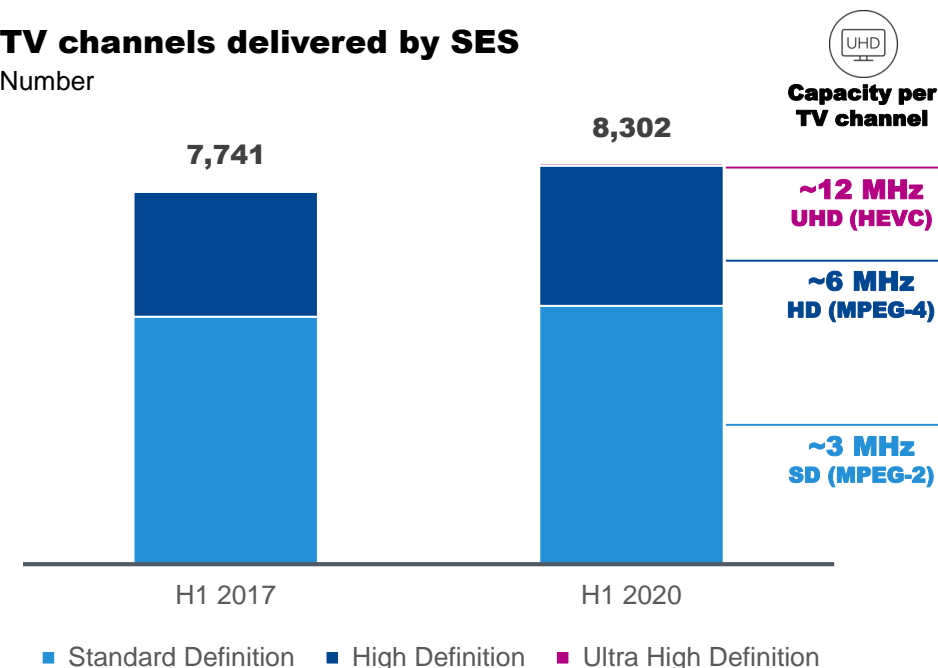
Mns of TV households



- ▲ 367MN TV homes served by SES (#1 in our industry) and growing
- ▲ Reaching more than 1 billion people worldwide (#1 in our industry)
- ▲ Integrating 18MN satellite TV homes, content and playout services and HD+ platform in Germany and Austria (our largest market)

## TV channels delivered by SES

Number



- ▲ >8,300 total TV channels (#1 in our industry)
- ▲ ~3,000 HD & UHD TV channels (#1 in our industry), requiring 2-4x the satellite capacity as compared with SD TV channels
- ▲ 68% of TV channels now in MPEG-4 and further 4% in HEVC





## Premium Direct-To-Home Neighbourhoods



World's **strongest video neighbourhoods** with access to more than 1 billion people



**Trusted partner** to the world's leading broadcasters, platforms and content owners

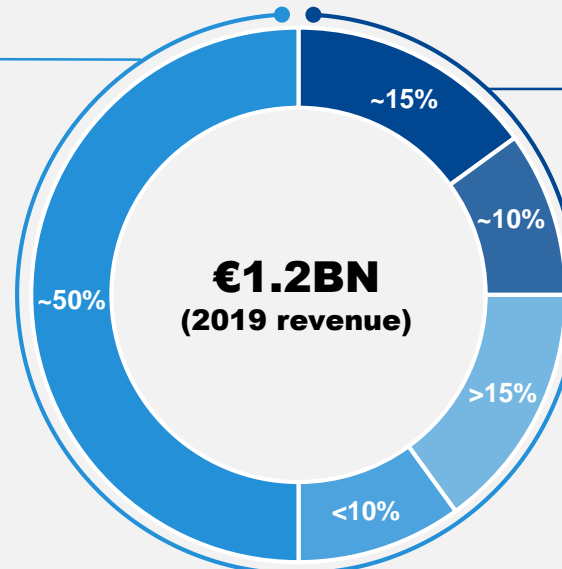


**Offering unified linear and OTT** distribution capabilities - 'one-stop-shop'



### VIDEO DISTRIBUTION (75% of Video 2019 revenue)

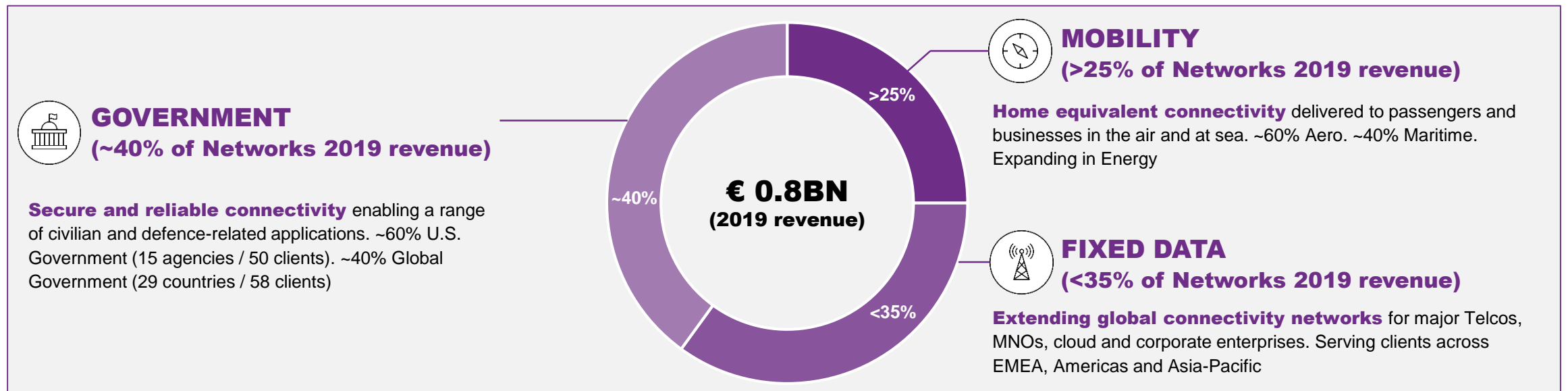
- **Europe (~50%)**: leading video neighbourhoods in Germany, U.K., France and the Nordics; delivering content to over 60% of all TV homes
- **North America (<10%)**: mix between long-term lease agreement and direct-to-cable; serving as a key distribution network
- **International (>15%)**: delivering content across Asia-Pacific, Latin America, Africa and Middle East



### VIDEO SERVICES (25% of Video 2019 revenue)

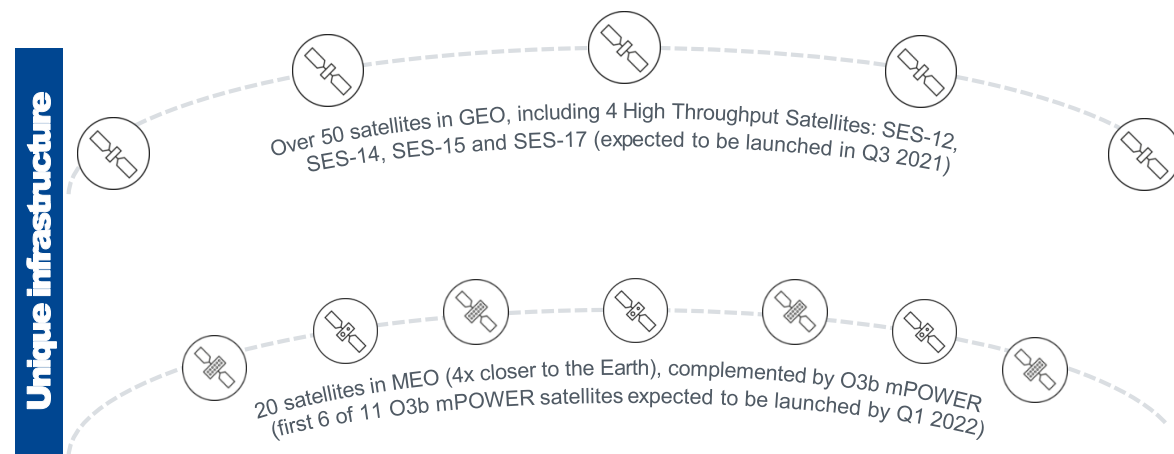
- **Services (~15%)**: supporting the world's leading media businesses with a full range of content aggregation, management, playout, online video and content distribution services
- **HD+ (~10%)**: platform for broadcasters in Germany to deliver HD and UHD content to over 2 million paying subscribers with exceptional Net Promoter Score

## Delivering Unparalleled Customer Experience





## Investment in Unique, Cloud-enabled Global Infrastructure Will Drive Networks Growth



### ▲ **Procurement of 4 additional O3b mPOWER satellites**

- Scaling only proven NGSO constellation – adding 90% increased network throughput while providing launch and deployment resilience, capex efficiency, deferred and optimised CapEx in line with previous forecast by prioritising unique and differentiated investments

### ▲ **Strong commercial pipeline - Industry collaboration**

- SES and Boeing have agreed to collaborate to develop solutions for Government users that leverage multi-orbit interoperability and capabilities. Commitments secured with major telcos and cruise lines

### ▲ **Unrivalled throughput per user**

- Uncontended, fibre-equivalent managed network services – ranging from Mbps to multiple Gbps per connection – to extend edges of customers' network simply, rapidly, and with the scale to meet user demand

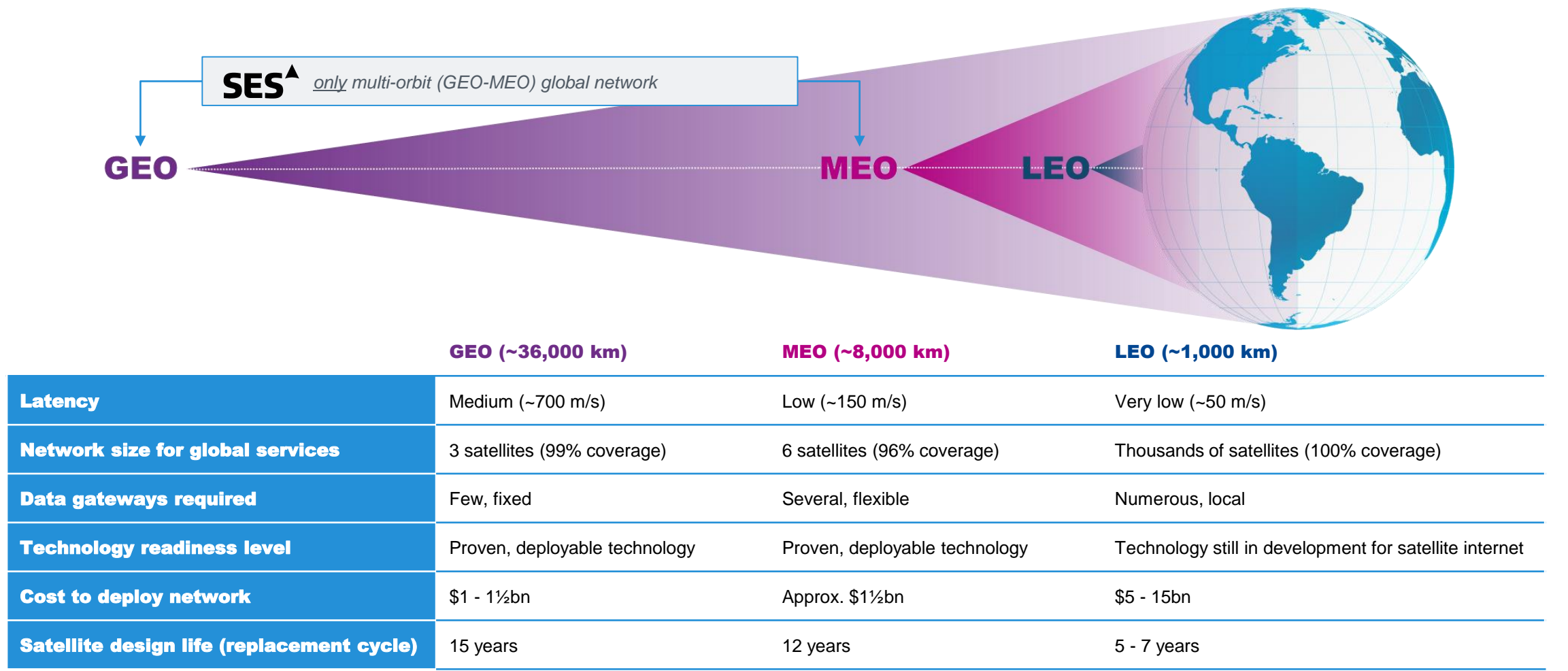
### ▲ **Unprecedented flexibility**

- Flexibility of traffic routing and bandwidth allocation with ability to deploy and re-deploy on the fly, eliminating stranded resources and landing traffic virtually anywhere

### ▲ **Industry leading performance – Cloud-enabled**

- Service level agreements covering throughput, latency and availability providing superior performance in critical cloud and edge applications that increase productivity, as well as business and operational agility

# Global Multi-orbit Network a Key Differentiator For SES







## SES' Commitment to the Disciplined Financial Policy

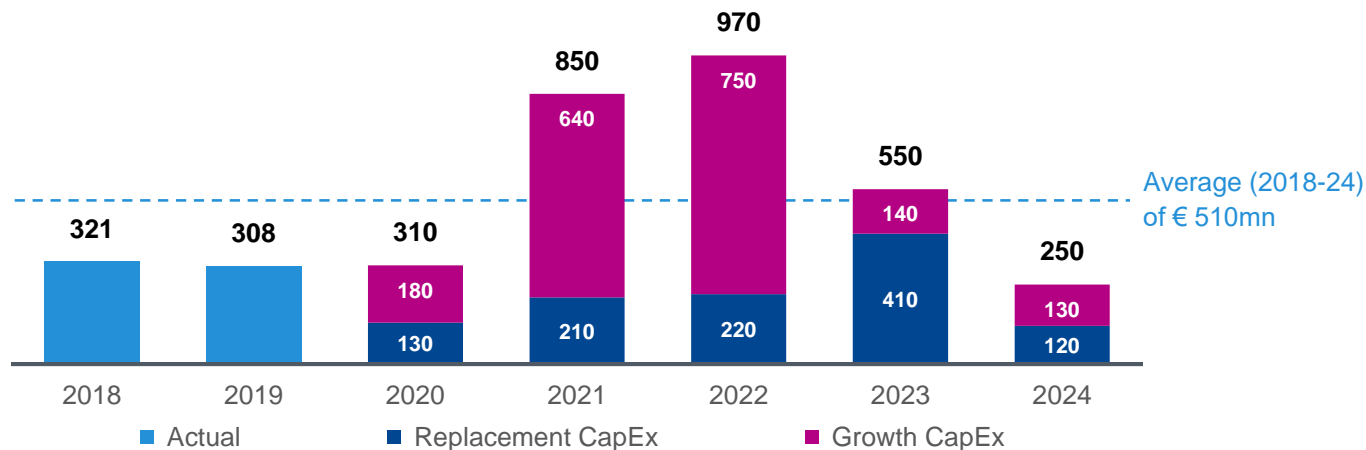
		OUR POLICY	OUTLOOK
	<b>DISCIPLINED INVESTMENT</b>	<ul style="list-style-type: none"> <li>▲ Replacement CapEx to sustain profitable portfolio of business</li> <li>▲ Disciplined value-accretive growth investment opportunities</li> <li>▲ IRR hurdle rate &gt;10% (post-tax) over the investment horizon</li> </ul>	<ul style="list-style-type: none"> <li>▲ Limited annual replacement CapEx of €220mn (2020-2024)</li> <li>▲ €1.8bn total growth CapEx (2020-2024) followed by substantially lower growth CapEx anticipated</li> </ul>
	<b>MAINTAIN STRONG BALANCE SHEET</b>	<ul style="list-style-type: none"> <li>▲ Maintain a strong balance sheet consistent with investment grade ratios, allowing continued access to wide range of funding sources and keeping low cost of funding</li> </ul>	<ul style="list-style-type: none"> <li>▲ Net debt to Adjusted EBITDA below 3.3x</li> </ul>
	<b>CASH RETURN TO SHAREHOLDERS</b>	<ul style="list-style-type: none"> <li>▲ Maintain a base dividend</li> </ul>	<ul style="list-style-type: none"> <li>▲ 2019 dividend of €0.4 per A-share paid in April 2020</li> </ul>
	<b>UTILISING EXCESS CASH</b>	<ul style="list-style-type: none"> <li>▲ Utilise any excess cash in the most optimal way for the benefit of shareholders</li> </ul>	<ul style="list-style-type: none"> <li>▲ First payment of C-band relocation incentive (\$0.98bn pre-tax linked to success milestone in Q4 2021) to be fully utilised to strengthen the Balance Sheet</li> <li>▲ Second payment of C-band relocation incentive (\$2.99bn pre-tax linked to success milestone in Q4 2023) to be used for a mix between return to shareholders, strong balance sheet and any disciplined value-accretive investment</li> </ul>



## Re-profiled CapEx Outlook With €550mn Deferred From 2020 and 2021

### Capital Expenditure (growth and replacement)<sup>(1)</sup>

€mn (excluding U.S. C-band)



March 2020 Outlook <sup>(2)</sup>	360	1,350	450	450	250
Change vs. current	(50)	(500)	+520	+100	-

Net increase of €70mn

- ▲ CapEx forecast 2020-24 reprofiled with net increase since March'20 of €70mn
  - Substantially deferred CapEx (€550mn) from 2020-21
  - €180mn of 'non-critical' CapEx removed in May 2020
  - 4 additional O3b mPOWER satellites (€250mn<sup>(2)</sup>) increasing constellation efficiency and further de-risking investment
- ▲ €2.9bn of total CapEx (2020-24) which comprises €1.8bn (60%) growth investment and €1.1bn (40%) replacement CapEx
  - Average annual replacement CapEx of €220mn
  - Average annual growth CapEx of €370mn followed by substantially lower growth CapEx anticipated

1) CapEx represents the net cash absorbed by the group's investing activities excluding acquisitions and financial investments. 2020-2024 outlook assumes EUR/USD FX rate of EUR 1 = USD 1.15; and excludes any impact from the repurposing of part of SES' U.S. C-Band; 2) Total investment of EUR 480 million of which EUR 250 million in the period 2020-2024 and the remaining balance thereafter



# **SIMPLIFY & AMPLIFY** Transforming SES - Strengthening Competitiveness

<b>CREATE PURE-PLAY VERTICALS</b>	<ul style="list-style-type: none"> <li>▲ Increase visibility, operational focus and strategic flexibility</li> <li>▲ Realise substantial shareholder value from U.S. C-Band</li> </ul>	<ul style="list-style-type: none"> <li>✓ Investigation of potential separation of Video and Networks within SES underway</li> <li>✓ Established dedicated team to execute accelerated clearing of U.S. C-Band</li> </ul>
<b>FOCUS ON CORE STRENGTHS</b>	<ul style="list-style-type: none"> <li>▲ Expected to generate EBITDA optimisation ramping up to €40 - 50mn annually from 2021 onwards<sup>(1)</sup></li> <li>▲ Simplify operations and maximise efficiency</li> </ul>	<ul style="list-style-type: none"> <li>✓ Re-aligned Video organisation to better support customers and drive value</li> <li>✓ Created stand-alone unit for project-related institutional government activities</li> </ul>
<b>SIMPLIFY OPERATIONS</b>		<ul style="list-style-type: none"> <li>✓ Closure of non-core offices enabling consolidation of support functions</li> <li>✓ Impacting 10% and 15% of its global employee base through voluntary phased retirement programs and removing management layers</li> </ul>
<b>INNOVATE FOR THE FUTURE</b>	<ul style="list-style-type: none"> <li>▲ Driving leadership in Cloud integration</li> <li>▲ Co-creating and incubating solutions and technologies with customers and partners</li> </ul>	<ul style="list-style-type: none"> <li>✓ Cross-functional organisation established to drive a unified approach to cloud</li> <li>✓ Innovation hub inceptioned to co-create solutions with customers and partners</li> </ul>

<sup>1)</sup> For which SES will incur a restructuring charge of EUR 40 million in FY 2020



## Cleared Path to Substantial Value Creation From USD 4 Billion<sup>(1)</sup> C-Band Proceeds



### REGULATORY TIMELINE

Clear path to 8<sup>th</sup> December 2020 C-Band auction

- ▲ Final Report & Order published on Federal register
- ▲ 100% of eligible operators have elected to clear
- ▲ Clear litigation landscape
- ▲ Clearinghouse and Relocation Coordinator selected
- ▲ FCC final cost catalogue published



### CLEARING IMPLEMENTATION

SES is ahead of its clearing implementation plan, guaranteeing continuity and quality of existing services

- ▲ Six satellites being manufactured, on track for in-orbit service by end of 2022 consistent with FCC timeline
- ▲ Launch vehicle procurement finalised
- ▲ Ground equipment (filters, compression hardware, TT&C) under procurement
- ▲ Customer migrations already begun
- ▲ Dedicated SES team of ~70 FTEs fully operational

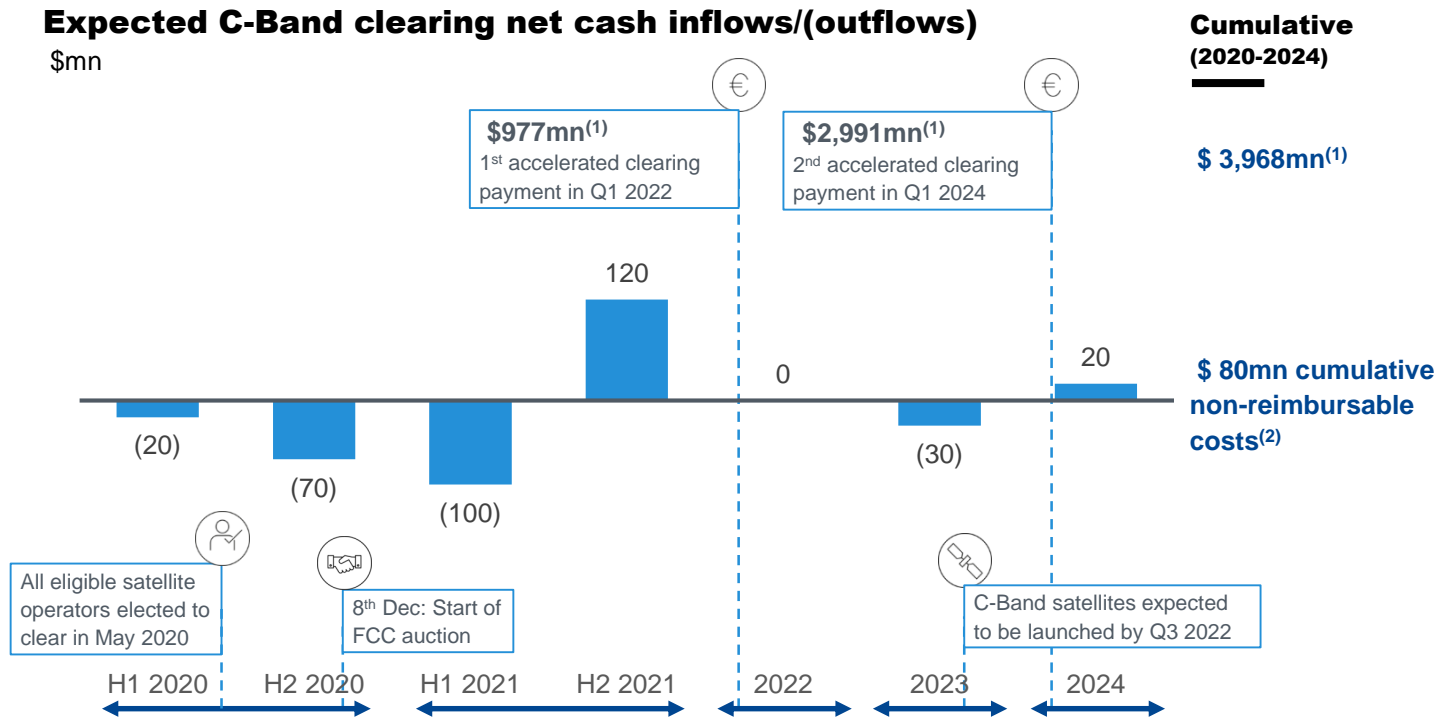
- ✔ **Substantial value creation for SES shareholders through \$4bn<sup>(1)</sup> of accelerated relocation payments**
- ✔ **5G Rollout in top U.S. markets from December 2021 and to the entire continental U.S. from December 2023**
- ✔ **Seamless continuation and protection of existing TV and radio services delivered via C-Band to nearly 120 million homes**

1) Pre-tax





## Strong Visibility and Conviction to Capture Value From U.S. C-Band



- ▲ Total clearing cost of \$1.6bn of which over \$1.5bn expected to be reimbursed
- ▲ Deferred payment terms agreed with vendors in line with commitment to maintaining investment grade
- ▲ EBITDA impact of total non-reimbursable costs of \$80mn (about \$30mn in 2020 and then slightly decreasing over 2021-2023)
- ▲ Clear roadmap and dedicated team to meet deadlines and realise \$4bn<sup>(1)</sup> relocation payments
  - First payment of C-band relocation incentive (\$0.98bn pre-tax linked to success milestone in Q4 2021) to be fully utilised to strengthen the Balance Sheet
  - Second payment of C-band relocation incentive (\$2.99bn pre-tax linked to success milestone in Q4 2023) to be used for a mix between return to shareholders, strong balance sheet and any disciplined value-accretive investment

1) Pre-tax; and 2) Estimated total clearing costs of USD 1.6 billion less over USD 1.5 billion expected to be eligible for reimbursement by the Clearinghouse



# Making a Difference

- ▲ The aim of our corporate activities is to add value in the short, medium and long-term for stakeholders reflecting the resources we have
- ▲ We aspire to conduct our business activities in a sustainable, responsible way and support the principles of the U.N. SDGs

<b>SOCIETY</b>	<ul style="list-style-type: none"> <li>▲ SES provides <b>over 1 billion people with access</b> to entertainment, news, <b>connectivity</b> also to remote populations;</li> <li>▲ Pioneer in new technologies that can drive social, environment and economic change globally; and save lives by <b>restoring critical connectivity following natural disasters</b>.</li> </ul>	<ul style="list-style-type: none"> <li>▲ Disaster relief and humanitarian missions: since 2012, <b>emergency.lu covered 27 missions</b> with 69 deployments</li> <li>▲ <b>Deployment of Universal Access</b>: Columbia, Indonesia, Brazil</li> <li>▲ <b>Giving back</b> initiatives: employees engage in charity, social projects</li> </ul>
<b>ENVIRONMENTAL</b>	<ul style="list-style-type: none"> <li>▲ SES applies a <b>responsible fleet management approach</b> together with its satellite manufacturer to <b>mitigate the environmental impact</b> and to <b>minimise space debris</b></li> <li>▲ <b>Minimising the environmental impact</b> of SES sites and ground stations</li> </ul>	<ul style="list-style-type: none"> <li>▲ Satellites create <b>no carbon emissions during their operating lifetimes</b> but SES reports the CO2 emissions of earth operations</li> <li>▲ Papercut initiatives: <b>SES saved 86,535 pages</b> and 43,946 color pages equaling 6.85 trees <b>and 724.9 kg of CO2</b></li> </ul>
<b>SOCIAL</b>	<ul style="list-style-type: none"> <li>▲ <b>More than 2,100 people from 81 nationalities worldwide</b> contribute their concepts and ideas to their tasks and help to make improvements and <b>innovations to create amazing customer experiences everywhere on the world</b>.</li> </ul>	<ul style="list-style-type: none"> <li>▲ Attractive and fair compensation and <b>flexible working conditions</b></li> <li>▲ Employee welfare and <b>supporting employees in times of need</b></li> <li>▲ Diversity and inclusion: 81 nations; <b>24% women; healthy age distribution</b></li> <li>▲ Learning and Development: <b>15,000 hours of training</b> in total</li> </ul>
<b>GOVERNANCE</b>	<ul style="list-style-type: none"> <li>▲ <b>Integrity, compliance and legal responsibility are the cornerstones</b> of our sustainable corporate governance and serve as the basis for all our actions.</li> </ul>	<ul style="list-style-type: none"> <li>▲ <b>Nearly 70% independent Board members</b>; reduced Board to 12 members with various industry expertise</li> <li>▲ <b>Fully implemented compliance processes</b> and commitments to anti-bribery, human rights, data security</li> </ul>

More information on: [www.ses.com/about-us/corporate-social-responsibility](http://www.ses.com/about-us/corporate-social-responsibility)



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**LATEST  
FINANCIALS &  
ADDITIONAL  
INFORMATION**



## Key Financial Highlights

	H1 2020		
<b>Video Revenue</b>	€559mn	-7.5% YOY as reported	-8.0% YOY underlying <sup>(1)</sup>
<b>Networks Revenue</b>	€387mn	+8.7% YOY as reported	+7.1% YOY underlying <sup>(1)</sup>
<b>Group Revenue</b>	€948mn	-1.5% YOY as reported	-2.4% YOY underlying <sup>(1)</sup>
<b>Adjusted EBITDA<sup>(2)</sup></b>	€582mn	-2.3% YOY as reported	-3.5% YOY at constant FX
<b>Adj. Net debt to Adj. EBITDA<sup>(2,3)</sup></b>	3.3 times		

- ▲ Networks growth of +8.7% reported and +7.1% underlying driven by sustained strength in Mobility and return to growth in Fixed Data
- ▲ Video in line with expectations and flat QOQ, excluding COVID-19 impact on Sports & Events business
- ▲ Adjusted EBITDA margin of 61.4%<sup>(2)</sup> reflects strong COVID-19 cost savings and control. Lower recurring operating expenses YOY
- ▲ Adjusted Net debt to Adjusted EBITDA lower YOY. SES committed to maintaining investment grade credit rating

1) At constant FX (comparative figures restated at the current period FX) and excluding periodic and other revenue; 2) EBITDA excluding restructuring charge (H1 2020: €22mn and H1 2019: €11mn) and operating expenses related to U.S. C-Band spectrum clearing (H1 2020: €14mn and H1 2019: nil); and 3) Treats hybrid bonds as 50% and 50% equity, per the rating agency methodology

## Solid H1 2020 Financial Performance In Line With Expectations

€mn	H1 2019 reported	H1 2020 reported
<b>Revenue</b>	961	948
<b>Operating expenses<sup>(1)</sup></b>	(365)	(366)
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>596</b>	<b>582</b>
<b>Adjusted EBITDA margin</b>	62.0%	61.4%
<b>Restructuring &amp; U.S. C-Band expenses</b>	(11)	(35)
<b>Depreciation and Amortisation</b>	(368)	(363)
<b>Net financing costs</b>	(82)	(91)
<b>Income tax benefit/(expense)</b>	22	(11)
<b>Non-controlling interests</b>	12	4
<b>Net profit</b>	<b>169</b>	<b>86</b>
<b>Net cash generated by operating activities</b>	<b>554</b>	<b>412</b>

- ▲ H1 2020 underlying operating expenses included a one-off charge related to Luxembourg net wealth tax (€8mn) offsetting 2% (YOY) reduction in 'recurring' operating expenses
- ▲ Adjusted EBITDA excludes restructuring expense of €22mn, as part of Simplify & Amplify, and U.S. C-Band operating expenses of €14mn
- ▲ Depreciation and amortisation 2% lower YOY
- ▲ Net financing costs impacted by lower interest capitalised and FX losses
  - Net interest expense (€80mn) reduced 10% YOY
- ▲ YOY comparison of net cash generated by operating activities was predominantly impacted by timing of receivables securitisation and customer prepayments

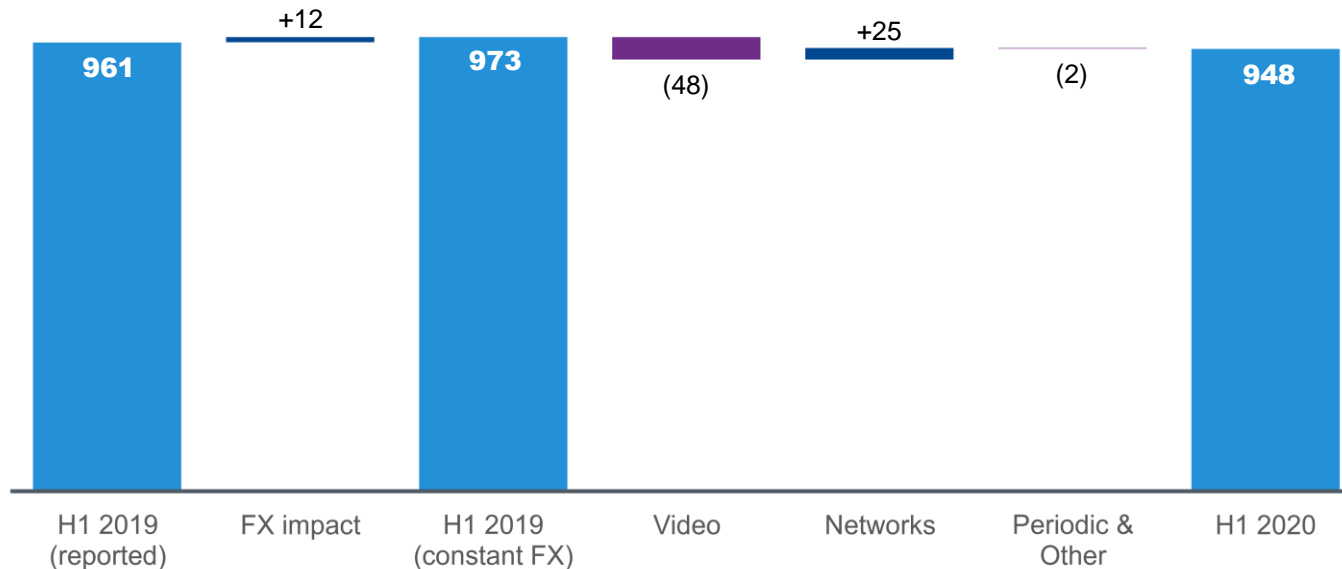
<sup>1)</sup> Excluding restructuring expenses and U.S. C-band operating expenses



# Acceleration in Networks Being Offset By Near-term Impacts on Video

## Revenue Walk

€mn

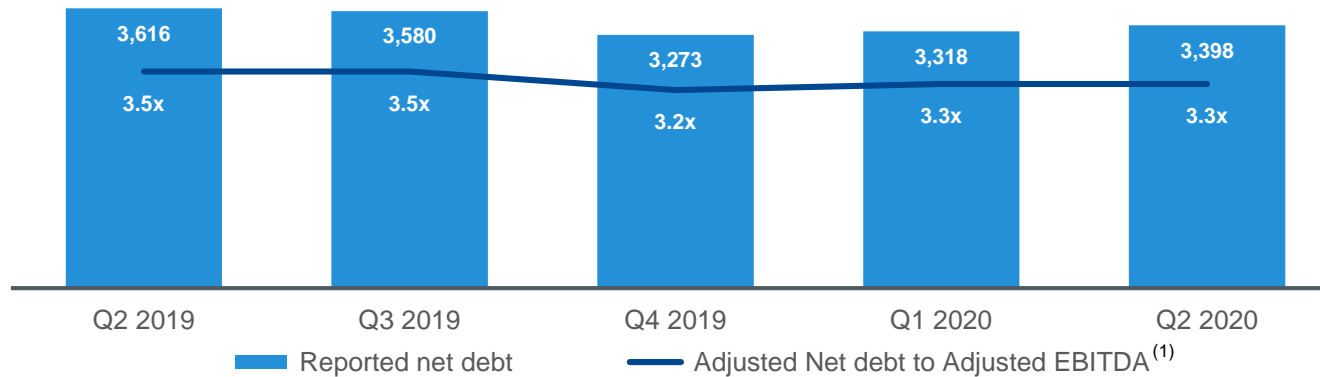


- ▲ Overall group revenue of €948mn for H1 (-1.5% YOY as reported and -2.4% YOY underlying)
- ▲ Video (-8.0% YOY) reflected combination of lower distribution from customers 'right-sizing' capacity in mature markets, and reduced exposure to low-margin video services activities
  - Video revenue was flat QOQ, excluding COVID-19 impact on Sports & Events business
- ▲ Networks (+7.1% YOY) driven by double-digit Mobility growth and a return to growth in Fixed Data, while Government expected to benefit from new business wins from H2

# Maintaining SES' Strong Balance Sheet, Liquidity and Debt Maturity Profile

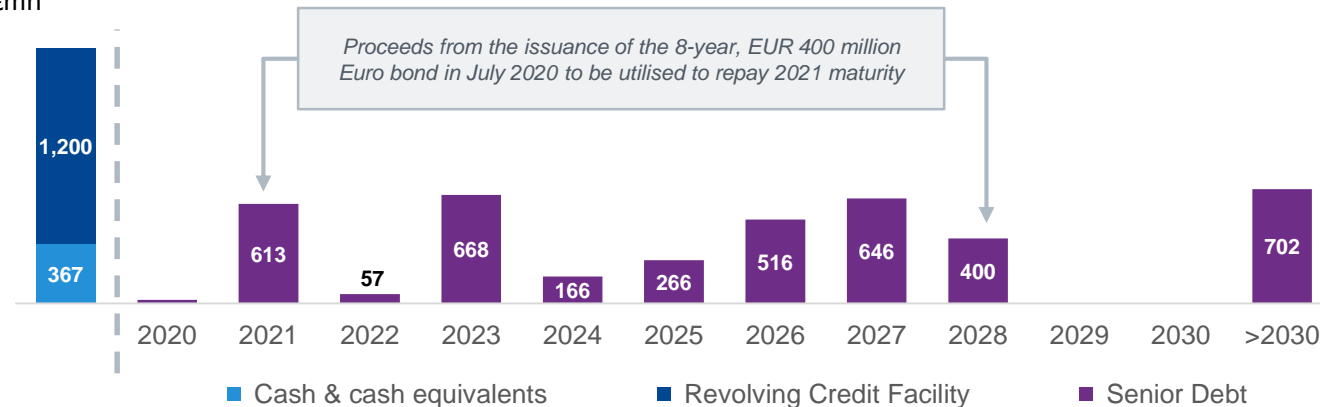
## Reported net debt and Adjusted Net Debt to Adjusted EBITDA ratio

€mn and Times



## Debt Maturity Profile

€mn



- ▲ Reported net debt reduced by 6% YOY
- ▲ Strong Liquidity of over €1.6bn including:
  - €1.2bn fully undrawn revolving credit facility
  - €367mn of cash & cash equivalents
- ▲ Pro-active liability management, cost reduction and maturity extension:
  - 2020 Notes €650mn (4.625%) refinanced with 2027 Notes €500mn (0.875%), repaid in March 2020
  - 2028 Notes €400mn (2%) issued in June 2020, used to early repay 2021 Notes €650mn (4.75%) - €94mn paid in 2020 and rest in March 2021
  - Significant reduction of over €30mn per annum in interest cost pro forma post repayment of 2021 Notes, reducing weighted average cost of senior debt from 3.7% in Q3 2019 to 2.5%<sup>(2)</sup> from Q2 2021
  - Improving average debt maturity to 8 years<sup>(2)</sup> with no significant senior debt maturities before 2023

1) Adjusted Net debt to Adjusted EBITDA ratio treats hybrid bonds as 50% debt and 50% equity, per the rating agency methodology; 2) pro forma, after the 2021 Notes are settled in March 2021

## Updated Financial Outlook reflecting COVID-19 Headwinds in H2 2020

H1 business performance resilient in the face of global pandemic. H2 expected to be more challenging given business impact to Mobility and Sports & Events in COVID-19 environment. Outlook for the year adjusted accordingly with strong cost mitigation actions in place

*Financial outlook assumes EUR/USD FX rate of € 1 = \$ 1.15, nominal launch schedule and satellite health status*

<b>Revenue</b>	<p>Between €1,860mn and €1,900mn <i>(from €1,920 - 2,000mn<sup>(1)</sup>)</i></p> <ul style="list-style-type: none"> <li>▲ Video between €1,090mn and €1,110mn <i>(from €1,110 - 1,150mn)</i></li> <li>▲ Networks between €770mn and €790mn <i>(from €800 – 840mn)</i></li> </ul>
<b>Adjusted EBITDA</b>	<p>Between €1,120mn and €1,160mn <i>(from € 1,150 - 1,210mn)</i></p> <p><i>(Excluding restructuring expenses of approximately €40mn and U.S. C-Band operating expenses of approximately €25mn)</i></p>

- ▲ €5.9bn fully protected contract backlog with gross backlog of €6.4bn
- ▲ Updated outlook reflects support to mobility customers, lower new business in mobility and Sports & Events and higher estimates for bad debt in H2 given COVID-19 environment
- ▲ Nearly 95% of updated revenue outlook is already contracted
- ▲ Adjusted EBITDA outlook includes €40-60mn of COVID-19 specific cost mitigation measures to protect bottom line in FY 2020

*1) Group revenue outlook previously also included approximately EUR 10 million of Other revenue*



## Alternative Performance Measures

SES regularly uses Alternative Performance Measures (APM) to present the performance of the Group and believes that these APMs are relevant to enhance understanding of the financial performance and financial position. These measures may not be comparable to similarly titled measures used by other companies and are not measurements under IFRS or any other body of generally accepted accounting principles, and thus should not be considered substitutes for the information contained in the Group's financial statements.

€mn	H1 2019 reported	H1 2020 reported
<b>Adjusted EBITDA</b>	596	582
<b>C-band operating expenses</b>	-	(14)
<b>Restructuring expenses</b>	(11)	(22)
<b>EBITDA</b>	585	547

€mn	H1 2019 reported	H1 2020 reported
<b>Total borrowings</b>	3,938	3,764
<b>Cash &amp; cash equivalents</b>	(322)	(367)
<b>Net debt</b>	<b>3,616</b>	<b>3,398</b>
<b>50% of SES' hybrid bonds</b>	650	650
<b>Adjusted Net Debt (A)</b>	<b>4,266</b>	<b>4,048</b>
<b>12-month rolling Adjusted EBITDA (B)</b>	1,233	1,223
<b>Adjusted Net Debt to Adjusted EBITDA (A / B)</b>	<b>3.5x</b>	<b>3.3x</b>

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