



Press Release

YTD and Q3 2024 RESULTS

Luxembourg, 7 November 2024 -- SES S.A. announces financial results for the nine months and three months ended 30 September 2024 with solid operational and financial performance driving the Full Year 2024 revenue and Adjusted EBITDA outturn which is now expected to close at the top end of SES's financial outlook range.

- Revenue of €1,475 million (-1.1% YOY⁽¹⁾) and Adjusted EBITDA⁽²⁾ of €775 million (-2.0% YOY⁽¹⁾)
- Networks up +2.9% YOY⁽¹⁾ with high single digit growth in Government, Aviation, and Cruise
- Media performance (-5.5% YOY⁽¹⁾ YTD) in line with expectations and improving trend in Q3 2024 of -3.1% YOY⁽¹⁾
- €900 million renewals & new business. Signed \$200 million NATO government contract for O3b mPOWER; Thai Airways and Turkish Airlines for SES Open Orbits⁽³⁾; multi-year media renewals with Sky, Warner Brothers Discovery, Telekom Srbija, RTL, and ORF/ORS
- Adjusted Free Cash Flow of €262 million up 5% YOY with Net Leverage at 1.1x⁽⁴⁾. Cash & cash equivalents at €3.2 billion including €1 billion of proceeds from the successful Hybrid bonds issuance
- 2024 Revenue outlook⁽⁵⁾ and Adjusted EBITDA outlook⁽⁴⁾ are now both tracking to the top end of the expected range
- [Intelsat acquisition](#) on track to complete during H2 2025 with progress towards regulatory clearances and integration planning
- IRIS² concession award enables MEO network expansion to keep pace with growing customer demand in line with financial policy

Adel Al-Saleh, CEO of SES, commented: “2024 financial performance continues to track in line with our expectations, reflecting solid execution and the strength of SES's differentiated customer solutions across our target segments. We expect to deliver Full Year 2024 revenue and Adjusted EBITDA at the top end of our outlook, as we work towards improving the business' growth trajectory.

Our Networks business continues to grow led by high single digit growth in Government, Aviation, and Cruise. The launch of mPOWER satellites 7 and 8 is on track for December 2024 which, along with the launch of satellites 9, 10, and 11 during 2025 and satellites 12 and 13 at the end of 2026, will add much needed capacity to the constellation to support the rapidly expanding demand for our MEO-based vertical solutions. In Media, we expect our solid Q3 2024 performance to continue for Q4, underscoring the underlying value of our core TV neighbourhoods and customer offerings, as reflected by the important multi-year deals signed this year.

The regulatory process for the Intelsat acquisition is beginning to gather pace with a number of clearances already granted, while the integration planning has further advanced to ensure execution from Day 1 of closing which remains on course for H2 next year.

Lastly, the award to SES and our consortium partners to design, deliver, and operate Europe's sovereign multi-orbit IRIS² government communications network creates value for the European Union and enables the expansion of our differentiated MEO infrastructure, where customer demand continues to grow, while remaining committed to all our financial policy objectives.”

1) At constant FX (comparative figures restated to neutralise currency variations)

2) Excluding operating expenses/income recognised in relation to U.S. C-band repurposing and other significant special items (disclosed separately).

3) SES Open Orbits™ is a partnership between SES, Neo Space Group, AeroSat Link, and Hughes Communications India. These new IFC services are delivered by SES along with one of its key SES Open Orbits™ connectivity service partners, Neo Space Group

4) Adjusted Net Debt to Adjusted EBITDA (treats hybrid bonds as 50% debt and 50% equity)

5) Financial outlook assumes a €/€ FX rate of €1 = \$1.09, nominal satellite health, and nominal launch schedule



Key business and financial highlights (at constant FX unless explained otherwise)

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.

€ million	YTD 2024	YTD 2023	Δ as reported	Δ at constant FX
Average €/ \$ FX rate	1.09	1.08		
Revenue	1,475	1,494	-1.3%	-1.1%
Adjusted EBITDA	775	792	-2.1%	-2.0%
Adjusted Net Profit	116	180	-35.1%	n/m
Adjusted Net Debt / Adjusted EBITDA	1.1 times	3.5 times	n/m	n/m

"At constant FX" refers to comparative figures restated at the current period FX, to neutralise currency variations.

Networks (53% of total) revenue of €787 million increased +2.9% year on year driven by growth in Government (+7.2%) and Mobility (+5.0% including periodic revenue in Q1 2024 and high single digit growth in Aviation). In Fixed Data (-7.4%), the comparison with YTD 2023 is impacted by periodic revenue recognised in the prior period, although revenue in Q3 2024 was 16.0% higher than Q2 2024 mainly reflecting the benefit of new Cloud business. YTD the Networks business secured €545 million of renewals and new business.

Media (47% of total) revenue of €686 million represented a reduction of -5.5% compared with YTD 2023, mainly driven by lower revenue in mature markets which were partially offset by double digit growth in Sports & Events revenue. So far in 2024, the Media business secured €355 million of renewals and new business.

SES's fully protected contract backlog on 30 September 2024 was €3.7 billion (€4.6 billion gross backlog including backlog with contractual break clauses), of which Media was €1.9 billion (€2.0 billion gross backlog) and Networks was €1.8 billion (€2.6 billion gross backlog).

Adjusted EBITDA of €775 million represented an Adjusted EBITDA margin of 53% (YTD 2023: 53%). Adjusted EBITDA excludes significant special items of €41 million (YTD 2023: €2,678 million), comprising net U.S. C-band income of €2 million (YTD 2023: net income of €2,701 million) and expenses related to other significant special items of €43 million (YTD 2023: €23 million).

Adjusted Net Profit of €116 million mainly reflected the lower year on year Adjusted EBITDA and higher depreciation & amortisation. This was offset by lower net financing costs of €6 million (YTD 2023: €49 million) which included the benefit of earning interest income on the group's cash & cash equivalents of €92 million (YTD 2023: €13 million). It also included a net foreign exchange (FX) loss of €8 million (YTD 2023: FX gain of €17 million) and lower capitalised interest of €11 million (YTD 2023: €24 million).

Adjusted Free Cash Flow (excluding significant special items) of €262 million was €12 million, or 4.8%, higher year on year including the benefit of lower year on year investing activities of €264 million (YTD 2023: €303 million) and higher cash interest received of €90 million (YTD 2023: €13 million). These items were partly offset by higher year on year cash tax payments and changes in working capital.

Adjusted Net Debt to Adjusted EBITDA ratio (treating 50% of €1.625 billion of hybrid bonds as debt and 50% as equity) on 30 September 2024 was 1.1 times (30 September 2023: 3.5 times, 31 December 2023: 1.5 times). Cash & cash equivalents of €3.2 billion included the proceeds from the [hybrid dual-tranche bond offering](#) totalling €1 billion completed at the end of September 2024.

The total amount of remaining U.S. C-band clearing cost reimbursements expected to be received in future is now approximately \$150 million and SES is continuing to engage with insurers regarding the claim of \$472 million relating to O3b mPOWER satellites 1-4.

The Full Year 2024 interim dividend of €0.25 per A-share and €0.10 per B-share was paid to shareholders on 18 October 2024.

The share buyback programme of €150 million was started in November 2023 and has been completed in respect of the A-shares in October 2024 with 24 million A-shares purchased at an average price of €5.22 per A-share. In addition, 6 million B-shares were purchased and a further 6 million B-shares will be purchased to maintain the ratio of two A-shares to one B-share, as required by the Articles of Association, at a combined average price of €2.09 per B-share. The shares acquired will be cancelled after the expiry of one year, which will reduce the total number of voting and economic shares in issue.

For Full Year 2024, group revenue and Adjusted EBITDA (assuming an FX rate of €1=\$1.09, nominal satellite health, and nominal launch schedule) are expected to be at the top end of the range of €1,940-2,000 million and €950-1,000 million respectively, with growth in Networks revenue expected to mostly offset lower year on year Media revenue. Capital expenditure (net cash absorbed by investing



activities excluding acquisitions, financial investments, U.S. C-band repurposing, and assuming an FX rate of €1=\$1.09) is expected to be in the range of €500-550 million in 2024 with an average annual capital expenditure of approximately €350 million for 2025-2028. This excludes any potential change relating to IRIS² where the cash flows and investment levels have not yet been finalised as part of final contract negotiations.

Operational performance

REVENUE BY BUSINESS UNIT

2024	Revenue (€ million) as reported				Change (YOY) at constant FX			
	Q1 2024	Q2 2024	Q3 2024	YTD 2024	Q1 2024	Q2 2024	Q3 2024	YTD 2024
Average €/€ FX rate	1.09	1.08	1.09	1.08				
Media	228	225	233	686	-5.2%	-8.2%	-3.1%	-5.5%
Networks	268	255	264	787	+9.6%	+0.7%	-1.0%	+2.9%
Government	125	130	136	391	+6.1%	+10.7%	+5.1%	+7.2%
Fixed Data	59	55	64	179	-0.5%	-15.1%	-6.1%	-7.4%
Mobility	84	70	64	217	+24.5%	-1.5%	-7.4%	+5.0%
Other	2	-	-	2	n/m	n/m	n/m	n/m
Group Total	498	480	497	1,475	+2.5%	-3.7%	-2.0%	-1.1%

"At constant FX" refers to comparative figures restated at the current period FX, to neutralise currency variations.

Future satellite launches

Satellite	Region	Application	Launch Date
O3b mPOWER (satellites 7-8)	Global	Fixed Data, Mobility, Government	Late 2024
O3b mPOWER (satellites 9-11)	Global	Fixed Data, Mobility, Government	2025
EAGLE-1	Europe	Government	2026
O3b mPOWER (satellites 12-13)	Global	Fixed Data, Mobility, Government	2026
ASTRA 1Q	Europe	Media, Fixed Data, Mobility, Government	2027
SES-26	Africa, Asia, Europe, Middle East	Media, Fixed Data, Mobility, Government	2027

Final launch dates are subject to confirmation by launch providers.

CONSOLIDATED INCOME STATEMENT

€ million	YTD 2024	YTD 2023
Average €/€ FX rate	1.09	1.08
Revenue	1,475	1,494
U.S. C-band repurposing income	6	2,718
Operating expenses	(747)	(742)
EBITDA	734	3,470
Depreciation expense	(473)	(447)
Amortisation expense	(106)	(67)
Non-cash impairment	(24)	(1,553)
Operating profit	131	1,403
Net financing income/(costs)	(6)	(49)
Profit/ (loss) before tax	125	1,354
Income tax expense	(42)	(492)
Non-controlling interests	(6)	-
Net Profit attributable to owners of the parent	77	862
Basic and diluted earnings per A-share (in €)⁽¹⁾	0.15	1.90
Basic and diluted earnings per B-share (in €) ⁽¹⁾	0.06	0.76

1) 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.

€ million	YTD 2024	YTD 2023
Adjusted EBITDA	775	792
U.S. C-band income	6	2,718
U.S. C-band operating expenses	(4)	(17)
Other significant special items	(43)	(23)
EBITDA	734	3,470

€ million	YTD 2024	YTD 2023
Adjusted Net Profit	116	180
U.S. C-band income	6	2,718
U.S. C-band operating expenses	(4)	(17)
Non-cash impairment	(24)	(1,553)
Other significant special items	(43)	(23)
Tax on significant special items	26	(443)
Net profit attributable to owners of the parent	77	862

SUPPLEMENTARY INFORMATION

QUARTERLY INCOME STATEMENT (AS REPORTED)

€ million	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
<i>Average €/€ FX rate</i>	1.07	1.08	1.08	1.07	1.09	1.08	1.09
Revenue	490	497	507	536	498	480	497
U.S. C-band income	2	1	2,715	26	1	4	1
Other income	-	-	-	5	-	-	-
Operating expenses	(240)	(251)	(251)	(355)	(230)	(248)	(269)
EBITDA	252	247	2,971	212	269	236	229
Depreciation expense	(148)	(146)	(153)	(156)	(139)	(162)	(172)
Amortisation expense	(17)	(29)	(21)	(22)	(19)	(49)	(38)
Non-cash impairment	-	-	(1,553)	(2,123)	-	(25)	1
Operating profit	87	72	1,244	(2,089)	111	-	20
Net financing (costs)/income	(29)	(18)	(2)	7	5	(5)	(6)
(Loss)/Profit before tax	58	54	1,242	(2,082)	116	(5)	14
Income tax benefit/(expense)	(3)	(17)	(472)	316	(43)	5	(4)
Non-controlling interests	-	-	-	(1)	-	-	(6)
Net (Loss)/Profit attributable to owners of the parent	55	37	770	(1,767)	73	0	4
Basic (loss)/earnings per share (in €)¹⁾							
Class A shares	0.10	0.07	1.73	(4.04)	0.16	(0.01)	0.00
Class B shares	0.04	0.03	0.69	(1.62)	0.06	0.00	0.00
Adjusted EBITDA	265	265	262	233	275	250	250
Adjusted EBITDA margin	54%	53%	52%	44%	55%	52%	50%
U.S. C-band income	2	1	2,715	26	1	4	1
Other Income	-	-	-	5	-	-	-
U.S. C-band operating expenses	(6)	(7)	(4)	(30)	(2)	(1)	(1)
Other significant special items	(9)	(12)	(2)	(22)	(5)	(17)	(21)
EBITDA	252	247	2,971	212	269	236	229

1) 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.

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.

Alternative Performance Measure	Definition
Reported EBITDA and EBITDA margin	EBITDA is profit for the period before depreciation, amortisation, impairment, net financing cost, and income tax. EBITDA margin is EBITDA divided by the sum of revenue and other income including U.S. C-band repurposing income.
Adjusted EBITDA and Adjusted EBITDA margin	EBITDA adjusted to exclude significant special items of a non-recurring nature. The primary exceptional items are the net impact of the repurposing of U.S. C-band spectrum, restructuring charges, costs associated with the development and/or implementation of merger and acquisition activities, specific business taxes, one-off regulatory charges arising outside ongoing operations. Adjusted EBITDA margin is Adjusted EBITDA divided by revenue.
Adjusted Free Cash Flow	Net cash generated by operating activities less net cash absorbed by investing activities, interest paid on borrowings, coupon paid on perpetual bond and lease payments, and adjusted to exclude the effect of cash flows generated by significant special items of a non-recurring nature. The primary exceptional items are the net impact of the repurposing of U.S. C-band spectrum, restructuring charges, costs associated with the development and/or implementation of merger and acquisition activities, specific business taxes, one-off regulatory charges arising outside ongoing operations.
Adjusted Net Debt to Adjusted EBITDA	Adjusted Net Debt to Adjusted EBITDA represents the ratio of Net Debt plus 50% of the group's hybrid bonds (per the rating agency methodology) divided by the last 12 months' (rolling) Adjusted EBITDA.
Adjusted Net Profit	Net profit attributable to owners of the parent adjusted to exclude the after-tax impact of significant special items.

Presentation of Results:

A presentation of the results for investors and analysts will be hosted at 9.30 CET on 7 November 2024 and will be broadcast via webcast and conference call. The details for the conference call and webcast are as follows:

U.K.	+44 (0) 33 0551 0200
France	+33 (0) 1 70 37 71 66
Germany	+49 (0) 30 3001 90612
U.S.A.	+1 786 697 3501

Confirmation code **SES**

Webcast registration https://channel.royalcast.com/landingpage/ses/20241107_1/

The presentation is available for download from <https://www.ses.com/company/investors/financial-results> and a replay will be available shortly after the conclusion of the presentation.

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About SES

SES has a bold vision to deliver amazing experiences everywhere on Earth by distributing the highest quality video content and providing seamless data connectivity services around the world. As a provider of global content and connectivity solutions, SES owns and operates a geosynchronous orbit fleet and medium earth orbit (GEO-MEO) constellation of satellites, offering a combination of global coverage and high performance services. By using its intelligent, cloud-enabled network, SES delivers high-quality connectivity solutions anywhere on land, at sea or in the air, and is a trusted partner to telecommunications companies, mobile network operators, governments, connectivity and cloud service providers, broadcasters, video platform operators and content owners around the world. The company is headquartered in Luxembourg and listed on Paris and Luxembourg stock exchanges (Ticker: SESG). Further information is available at: www.ses.com.

Forward looking statements

This communication contains forward-looking statements. Generally, the words “anticipate,” “estimate,” “expect,” “project,” “intend,” “plan,” “contemplate,” “predict,” “forecast,” “likely,” “believe,” “target,” “will,” “could,” “would,” “should,” “potential,” “may” and similar expressions or their negative, may, but are not necessary to, identify forward-looking statements.

Such forward-looking statements, including those regarding the timing and consummation of the transaction described herein, involve risks and uncertainties. SES’s and Intelsat’s experience and results may differ materially from the experience and results anticipated in such statements. The accuracy of such statements is subject to a number of risks, uncertainties and assumptions including, but not limited to, the following factors: the risk that the conditions to the closing of the transaction are not satisfied, including the risk that required approvals of the transaction from the shareholders of Intelsat or from regulators are not obtained; litigation relating to the transaction; uncertainties as to the timing of the consummation of the transaction and the ability of each party to consummate the transaction; risks that the proposed transaction disrupts the current plans or operations of SES or Intelsat; the ability of SES and Intelsat to retain and hire key personnel; competitive responses to the proposed transaction; unexpected costs, charges or expenses resulting from the transaction; potential adverse reactions or changes to relationships with customers, suppliers, distributors and other business partners resulting from the announcement or completion of the transaction; the combined company’s ability to achieve the synergies expected from the transaction, as well as delays, challenges and expenses associated with integrating the combined company’s existing businesses; the impact of overall industry and general economic conditions, including inflation, interest rates and related monetary policy by governments in response to inflation; geopolitical events, and regulatory, economic and other risks associated therewith; and continued uncertainty around the macroeconomy. Other factors that might cause such a difference include those discussed in the prospectus on Form F-4 to be filed in connection with the proposed transaction. The forward-looking statements included in this communication are made only as of the date hereof and, except as required by federal securities laws and rules and regulations of the SEC, SES and Intelsat undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Additional Information and Where to Find It

In connection with the proposed transaction, SES intends to file with the SEC a registration statement on Form F-4 that also constitutes a prospectus of SES. SES also plans to file other relevant documents with the SEC regarding the proposed transaction. No offer of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended. INVESTORS AND SHAREHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT, PROSPECTUS AND OTHER DOCUMENTS THAT MAY BE FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY IF AND WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION. Investors and shareholders will be able to obtain free copies of these documents (if and when available), and other documents containing important information about SES and Intelsat, once such documents are filed with the SEC through the website maintained by the SEC at <http://www.sec.gov>. Copies of the documents filed with the SEC by SES will be available free of charge on SES’s website at www.ses.com or by contacting SES’s Investor Relations Department by email at ir@ses.com. Copies of the documents filed with the SEC by Intelsat will be available free of charge on Intelsat’s website at www.intelsat.com or by contacting Intelsat’s Investor Relations Department by email at investor.relations@intelsat.com.

No Offer or Solicitation

This communication is not intended to and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. No offer of securities shall be made, except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.