



**EURONEXT
CORPORATE SOLUTIONS**

SES Q1 2026 Results

Tuesday, 12th May 2026

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Operator: Ladies and gentlemen, welcome to the SES First Quarter 2026 Results Conference Call. For the first part of the conference call, the participants will be in listen-only mode. During the Q&A session, participants are able to ask questions by dialling pound key five on their telephone keypad.

Now I will hand the conference over to Christian Kern, Head of Investor Relations. Please, sir, go ahead.

Christian Kern: Thank you, Gaya. Good morning, everyone, and thank you for joining us today. It is my pleasure to welcome you to SES Q1 2026 results call on behalf of our management team.

Before proceeding with the management presentation, we would like to inform you that the financial information contained in this document has been prepared under International Financial Reporting Standards. As usual, this presentation may contain announcements that constitute forward-looking statements, which are no guarantees for future business performance and involve risks as well as uncertainties.

Also, certain results may materially differ from those in these forward-looking statements due to several factors. We invite you to read the detailed disclaimer on slide two of this presentation. The presentation is also available on our company web page.

Today, I'm joined by our CEO, Adel Al-Saleh, and our CFO, Lisa Pataki, who will take you through the presentation, followed by a Q&A session.

Adel, without further ado, over to you.

Adel Al-Saleh: Thank you, Christian. Good morning, everyone. Q1 2026 was a solid start to the financial year for SES. Our performance in the quarter reflects disciplined execution across both networks and media, reinforcing confidence in our strategy and our 2026 financial outlook, which we are reiterating today. These results are driven by our clear vision to position SES as a leading multi-orbit space solutions company, delivering resilient high performance connectivity to the world's most demanding customers.

Let's start on slide number three. Today, I want to begin by briefly reminding you of our vision and strategy for the company. We're building a space solutions company that is an integrated full service provider, combining multi-orbit networks, our extensive ground capabilities, software and services and supported by an open and inclusive ecosystem of partners to meet the mission-critical customer needs.

The way we deliver on this ambition is by anchoring our strategy on four strategic pillars. Pillar number one is sustained financial strength, through focused execution, disciplined capital allocation and strong cash generation with a resilient balance sheet supporting long-term investments.

Pillar number two is vertical customer solutions. We want to continue to focus on high-priority verticals, government and defence as the priority vertical, aviation and maritime, fixed data and media with solutions tailored to customer missions. We'll focus on the areas where we can provide differentiated value to our customers.

Pillar number three is investment in innovation. Through innovation across our operations, we're building a continuously evolving modular network, software-defined satellites, hosted payloads to secure sovereign networks. This positions us well to advance differentiation through performance, scale and resilience. Achieving this vision requires greater ownership of our supply chain. That is why we're transitioning and focusing our efforts on verticalization.

Our fourth pillar, smart diversification: selective expansion into new areas and pockets of growth that reinforce our capabilities with leveraging partnerships and ecosystem models to accelerate growth and reduce risk.

Hosted payloads for new missions and direct-to-device with Lynk Global are good examples of smart diversification.

Moving to slide number four. The next major steps in our journey, which is meoSphere. As you're aware, meoSphere is our recently announced next-generation MEO network, which will drive a step-change in SES' capability, competitiveness and future growth. This next-generation network will be scalable, high-performance, adaptable and designed to support multiple missions, meeting dynamic customer needs and expanding them.

Let me highlight some key features of the meoSphere. First of all, flexible and modular space segment. The design will have a transparent and regenerative payloads, enabling real-time dynamic capacity allocation. We'll have flexible multiple payload designs supporting multiple missions on a single satellite. Optical and RF communication for high throughput resilience and future interoperability. The satellites will be configurable size, weight and power, also known as SWAP to accommodate additional and evolving missions with true global portable coverage at 8,000 kilometres above earth, which is the MEO orbit. High scalability with incremental satellite deployments as customer needs and demand evolve and designed to offer governments sovereign operations and slices of the network.

Digital orchestrated operations, that means global virtualised ground network for resilience, efficiency and rapid service provisioning. It will be 5G compatible architecture, enabling seamless integration with terrestrial and non-terrestrial networks. And of course, advanced service orchestration, enabling dynamic routing, multi-orbit integration and end-to-end service management.

Finally, compact, easy-to-deploy terminals. We will have small, easy-to-deploy designed for rapid installation and mobility use cases terminals, high performance form factors. We'll have a 50 by 50 centimetre terminals delivering up to one gigabits per second, peak forward throughput and ultracompact 25 by 25 centimetres options for space and weight constrained environments. We will have diverse antenna choices to match mission and platform requirements.

Finally, single user interface and true plug-and-play operations, simplifying deployment and day-to-day operations.

meoSphere is targeted for operation by 2030 and designed to significantly boost our MEO network capacity. SES will pair its own software-defined payloads being developed and manufactured in Luxembourg with an initial 28 high power satellite buses developed by K2 Space, representing the first phase of the meoSphere rollout. This initiative is included in our previously announced and today reiterated CAPEX outlook. We will continue executing our rigorous financial discipline.

Together with K2, we are derisking the development of the network by having multiple, what we call Pathfinder missions, with SES payloads, of which the first has recently been successfully deployed and is now being tested in orbit.

Let us now move to slide number six and our Q1 2026 business highlights.

As a reminder, we closed the Intelsat acquisition on 17th July last year. These results are shown on a reported basis with Q1 2026 being fully consolidated quarter. The figures are compared year-on-year to Q1 2025 SES stand-alone reported numbers on a constant FX basis. In a few minutes, Lisa will also share like-for-like comparisons.

We have delivered Q1 2026 performance according to plan, representing a solid start to 2026. Q1 2026 revenue was €847 million, up 80% year-on-year, driven by networks growth of 106% year-on-year. Q1 2026 adjusted EBITDA of €404 million was up 57% year-on-year with a margin of 47.7%. Capital expenditure for Q1 2026 were close to €320 million, with full year 2026 expected to be front-loaded while we continue executing on planned CAPEX synergies.

In Q1 2026, we secured €306 million of renewals and new customer contracts, with the majority coming from our growth segments. This has supported our gross backlog of €6.2 billion, which continues to be impacted by a weaker US dollar and intercompany eliminations.

Overall, Q1 2026 delivered a solid start to the financial year, with performance materialising as planned and in line with our expectations. As a combined company, we are executing with discipline while navigating a mixed operating environment. We are delivering on our synergy plans, achieving a reduction of 20% year-on-year in staff costs in Q1, and that is on a like-for-like basis.

Overall, OPEX was down 9% year-on-year. We continue facing some near-term headwinds, most notably in parts of fixed data and in media. In fixed data, we took decisions to restructure the business, to address competitive dynamics and to position the business on a more sustainable footing.

In Media, we delivered to expectations. Year-on-year decline is still impacted by the Brazilian customer bankruptcy. We expect performance to stabilise in the second half of the year. Multiyear contract renewals in media, such as the recently announced decade-long contract renewal with ARD in Germany, underpin key customers' commitment to satellite broadcasting and support the strong cash-generative nature of the business. In addition to ARD, we're in the middle of important contract renewals with dates well past 2030.

At the same time, our other business units continue to perform well and deliver growth. Networks remains the primary growth engine of the company and continued momentum across mobility where aviation stands out and government, underpinned by strong demand for our differentiated multi-orbit solutions.

Let us now turn to slide number seven and our key customer renewals and strategic wins this quarter.

Q1 delivered solid commercial momentum across our verticals. We remain a trusted partner to customers in more than 130 countries, reflected in our strong customer base and continued momentum.

In media, we continue to secure long-term renewals with leading customers, including ARD, as I just mentioned, as well as International Judo Federation, DISH, Airtel and ESPN with some contracts extending well beyond 2035, supporting the strong cash-generative profile of the business and contributing to greater stability as we move into the second half of the year.

Government performance remained strong, led by our global government activity and our involvement in IRIS² project. The IRIS² programme is in the middle of Rendez-vous 1, nearing completion. We will share more details in due course.

During the quarter, we also extended the EGNOS GEO-1 satellite service agreement with the European Union Agency for Space programmes, and it was through 2030, ensuring the continued delivery of high-precision, high-reliable navigation services for aviation, maritime and other critical users across Europe.

These wins reinforce SES is in high-priority mission-critical programmes and underscore the strength of our differentiated space-based solutions.

In Aviation, we now have nearly 600 aircraft flying with our multi-orbit ESA in-flight connectivity system, delivering fast, dependable internet access to millions of passengers every day. Demand for multi-orbit electronically secured antennas continues to accelerate, highlighted by the new commitments in the quarter, including more than 40 long-haul aircrafts from Japan Airlines as well as Saudi Airlines with open orbits.

We also reached an important milestone with Boeing towards factory line fit across all aircraft models, scaling our aviation footprint. Our backlog of ESA installations, we continue to make great progress equipping the aircraft of American Airlines, Air Canada and Avianca, which will underpin future growth and profitability. Despite ongoing competition, the market continues to accommodate multiple players with clearly differentiated offerings.

In Maritime, we remain a leading provider of connectivity at sea, supporting passengers and cruise across a wide range of maritime use cases. Despite ongoing competition pressures, we continue to see long-term renewals in the cruise segment.

In Q1, we secured additional renewals with key customers like MSC Cruises, Carnival and Navarino, reflecting confidence in our platforms.

In Fixed Data, we took decisive actions to navigate ongoing market headwinds and reposition the business for the future. At the same time, in the quarter, we delivered important customer renewals such as Orange, Petrobras, emergency.lu, AMN and many others, reflecting the ongoing value of our services to key enterprise and network customers as we continue to serve eight of the world's top 10 mobile operators and numerous global energy companies.

Overall, these wins reinforce the strength of our customer relationships and our differentiated multi-orbit value proposition.

With this, I now hand over to Lisa, who will go through further details of our Q1 2026 financial performance.

Lisa Pataki: Thanks, Adel. Good morning, everyone. Before turning to our Q1 2026 financial performance, I'd like to highlight that the press release available on our company website includes supplementary financial information with like-for-like revenue per vertical and adjusted EBITDA at the Group level, as if the Intelsat transaction had consolidated from 1st January 2024.

To reflect internal changes, we have updated our vertical reporting structure to better align with our operating model and leadership responsibilities. We continue reporting on our two primary businesses, Media and Networks.

Within Networks, we now report Government, Fixed Data and Mobility with Mobility encompassing both aviation and maritime. To support this change and provide greater transparency, our Q1 2026 press release includes additional supplementary disclosures showing these vertical splits on a like-for-like basis going back to Q1 2024. We hope you find this enhanced disclosure helpful for your modelling of the combined company by vertical. We appreciate your engagement as always. As usual, our IR team is available for any questions that you might have on this topic.

Let's now turn to slide nine for our financial highlights.

The first quarter of 2026 marked a solid start to the year with reported revenue of €847 million, resulting in a growth rate of 80.5% year-over-year on a reported basis when compared to the same period last year. On a like-for-like basis, with constant foreign exchange rates, Q1 2026 revenue was up 3.1% compared to Q1 2025. This was primarily driven by growth in Mobility, particularly in aviation as well as in Government, partly offset by ongoing headwinds in Fixed Data and Media.

In Mobility, aviation performed well, supported by demand for our multi-orbit solutions. This business has also benefited from a planned contract restructuring, which enabled us to recover and redeploy capacity to higher demand customers. This improves utilisation with continued strong interest in our open orbit offering.

In Fixed Data, we are taking decisive actions to navigate the competitive headwinds that are behind the continued declines. Within Media, the decline was driven by structural headwinds and the impact of the Brazilian customer bankruptcy.

Q1 2026 adjusted EBITDA was €404 million, showing growth of 57% year-over-year with margins of 47.7%. On a like-for-like basis, Q1 2026 adjusted EBITDA was up 5% compared to Q1 2025, driven by the aviation contract restructuring and lower operating expenses resulting from our integration activities. These gains were partially constrained by the same underlying near-term margin headwinds driven by what we previously discussed.

In our aviation business, we installed over 100 electronically steered antennas in Q1 2026, and there are nearly 600 aircraft now flying with the multi-orbit system. As noted in prior periods, this equipment revenue is initially margin-dilutive before transitioning to higher margin service revenue following installation. The quarter also included some expected impacts from timing differences between the onboarding and decommissioning of airline customers.

In Government, we continue to have some timing impacts due to contract rationalisation by the US Department of Government Efficiency, otherwise known as DOGE, and some postponements of large contracts, in part due to the US government shutdown in late 2025. These government impacts are largely timing-related with several awards expected to materialise later this year and drive growth in the second half.

Finally, we have seen company revenue mix change due to structural pressure in Media and challenging conditions in Fixed Data. We remain focused on stabilising Media and restructuring Fixed Data through disciplined value-driven capacity allocation.

With the expected solid Q1 2026 performance, we are also reaffirming our 2026 financial outlook.

Let's now move to slide 10 to give a more detailed view of the financial performance of our vertical segments.

Media's Q1 2026 revenue of €285 million, now accounting for 34% of total revenues, increased by 42.9% over prior year due to inorganic growth offsetting structural declines. On a like-for-like basis, Media was down 11%, driven by structural declines of capacity optimisation in mature markets and the impact of the Brazilian customer bankruptcy. Q1 2025 was the final quarter in which the Media business recorded revenue for the Brazilian customer.

Despite ongoing structural decline, Media remains a highly cash-generative and profitable business. In Q1 2026, we secured close to \$100 million in renewals, including with several key customers extending well beyond the next decade.

I should also highlight a recent announcement after the quarter closed, whereby SES secured an important long-term renewal with the German broadcaster, ARD, with a commitment of service through 2039. These long-term awards reinforce the confidence our customers have in our reliable service and solutions as well as providing SES with strong revenue visibility.

Free-to-air, free-to-view and sports and events continues to be resilient. Satellite remains the most efficient and reliable distribution platform in many remote and under-deserved regions.

Moving now to slide 11. Our Networks business now comprises over 66% of total revenues. On a reported basis, Networks revenue more than doubled compared to the prior year. On a like-for-like basis, Networks revenue increased by 13% versus the prior year, reflecting the growth momentum of the Aviation and Government segments.

Within Networks, the Mobility segment, as mentioned, now comprising Aviation and Maritime, achieved revenues of €259 million, 2.7 times higher on a reported basis and up 37.6% on a like-for-like basis year-over-year. This growth was driven by our aviation vertical and includes the continued adoption of our ESA multi-orbit solution, now with close to 600 tails benefiting from it. We will continue the rollout of ESA installations, which will then generate subsequent service revenues, driving future growth in this competitive market.

As mentioned, Aviation performance also benefited from a planned strategic contract restructuring, which accounted for €81 million in Q1 2026, allowing capacity recovery and redeployment from a highly contended North American satellite to higher demand uses.

Our Maritime vertical continues to perform to our expectations with some restructuring happening in the wholesale maritime business, yet we continue to benefit from important customer renewals and new wins in our cruise and commercial shipping businesses.

Our Government segment delivered revenues of €189 million in Q1 2026, up 50.7% year-over-year on a reported basis. On a like-for-like basis, Government grew 8.8% year-over-year, driven by solid performance in global government. This is due to rising demand for secure, resilient connectivity and defence-related applications. This was partially offset in the quarter by budgetary pressures in the US government business, including contract rationalisation linked to DOGE initiative in 2025. We expect this impact to ease with growth anticipated in the second half of the year.

The IRIS² programme continues to progress through Rendez-vous 1 with more details to be shared in due course. Geopolitical developments, including the conflict in the Middle East are driving increased demand for secure communications capacity. With proven multi-orbit capabilities and a strong history serving US, European and allied governments, SES is well positioned to capture this potential uplift and support future growth in this vertical as we deploy our next-generation MEO constellation meoSphere.

Lastly, in our Fixed Data business, revenues in Q1 2026 totalled €109 million. This represented a growth of 79% year-over-year on a reported basis. On a like-for-like basis, revenues declined 16.9%, reflecting ongoing competitive headwinds. In response to this competitive environment, we have taken decisive actions to restructure the business, including a sharp focus on customer and capacity prioritisation. As such, we expect progress as the year unfolds.

We continue to see a solid backlog driven by continued demand for our multi-orbit solutions underpinned by \$210 million new business and renewals in our Network segment, with customers such as the European Union Agency for the Space Programme, Japan Airlines, Carnival and Petrobras driving expansion across our verticals.

Turning now to slide 12 for a detailed view of our capital allocation priorities and our debt maturity profile as of 31st March 2026.

Our combined like-for-like adjusted net debt-to-adjusted EBITDA ratio stands at 4.1 times versus 3.9 times in the previous quarter, reflecting mainly timing effects of cash flows and debt refinancing and lower 12-month trailing adjusted EBITDA. This includes cash and cash equivalents of €874 million, excluding €306 million of restricted cash, which is related to the SES-led consortiums involvement in the IRIS² programme.

Our debt portfolio remains well-structured with a weighted average cost of around 4.2%, approximately 70% of debt at fixed interest rates and an average maturity of roughly five years, providing resilience, flexibility and clear visibility into long-term planning.

Our capital allocation priorities remain unchanged with a continued focus on deleveraging and improving credit metrics over time while maintaining sufficient liquidity to meet upcoming obligations. Our balance sheet and access to capital markets provide flexibility as we consider future financing actions.

During the period, we actively managed our maturity profile. We now have approximately €750 million due for the rest of the year, having repaid debt principals of around €979 million, including a €650 million senior bond and a €327 million tender offer relating to our €525 million hybrid.

Regarding the remaining €198 million balance on the hybrid notes, we have recently issued a notice of redemption and as such, we will be redeeming the outstanding securities on 27th May 2026.

In March, we have successfully raised €650 million with our new SPACE hybrid offering, which was 5 times oversubscribed, demonstrating strong investor demand. This new €650 million SPACE hybrid benefits from an innovative structure, achieving 100% Moody's equity credit while sub-investment grade, providing a balanced solution between credit reinforcement and capital efficiency. This instrument allows us to

strengthen our balance sheet and leverage reduction targets as well as preserve liquidity headroom and address near-term maturities.

In order to be consistent with prior periods, we have considered this instrument as 50% equity credit in our net leverage calculation. We continue to make progress in our O3b mPOWER insurance claim, having collected US\$10 million equal to roughly €9 million this quarter, bringing the total proceeds to US\$202 million to-date. We will continue to provide updates as the final settlement negotiations progress.

As we continue to invest in our next-generation MEO capabilities and focused GEO replacement to support our Media and Government customers, we remain highly disciplined in capital deployment, ensuring every investment aligns with our strategic priorities. Q1 2026 capital expenditures totalled €319 million, primarily reflecting some timing shifts related to the O3b mPOWER satellite programme. During the quarter, we continued to execute on our CAPEX plans with discipline.

We continue to rationalise our mid-term CAPEX plans and have decided to cancel two GEO satellites that do not meet our IRR thresholds. As Adel mentioned, we expect CAPEX to be front-loaded in 2026. We remain fully aligned with our CAPEX outlook for 2026 as we deliver on our CAPEX synergies and work towards fleet and ground optimisation.

Following a successful Annual General Meeting on 2nd April, we continue to deliver on shareholder returns and paid a 2025 final dividend of €0.25 per A share and €0.10 per B share on 16th April 2026. As previously stated, once the company meets its net leverage target, at least a majority of future exceptional cash flows of the combined company will be prioritised for shareholder returns.

Overall, our focus this year remains firmly on cash generation, balance sheet strength and disciplined execution with a clear and credible path towards deleveraging and long-term value creation.

With that, I'd like to hand it back to Adel for his closing remarks.

Adel Al-Saleh: Thank you, Lisa. On slide 14, we are reiterating our financial outlook for 2026. Following a solid first quarter performance, in line with our expectations, we expect to see some quarterly variations driven by well understood dynamics. As the year progresses, we expect Government revenues to ramp up as US contract signings effects ease and demand for sovereign connectivity solutions continues to grow.

In Aviation, we expect margin support from conversion of equipment revenue into service revenues. Media declines are expected to improve as the impact from the Brazilian customer bankruptcy washes through. In Fixed Data, the restructuring is expected to improve performance.

With these well-controlled dynamics and execution on track, we're fully committed to delivering our full year outlook of stable revenue and stable adjusted EBITDA. We continue to fast-track our CAPEX synergy delivery. 2026 capital expenditures at euro-US dollar exchange rate of 1.20 are still expected to be around €700 million, including IRIS² and the first phase of meoSphere.

O3b mPOWER satellite 9 and 10 entered service in late February, providing much needed capacity. The launch of Satellites 11, 12 and 13 continue to be on track for the second half of 2026. We're very pleased with the progress of Pathfinder-1 mission. Our meoSphere agile development is enabling us to identify and address design issues early on.

Overall, the mission is performing well, and we're excited to see it continue and deliver on its objectives. On the C-band, there are no material updates since our reply comments to the FCC's notice of proposed rulemaking, which was in February. We remain fully engaged with the FCC and continue to expect an FCC ruling in the second half of 2026. We'll keep you updated as the process progresses.

I would like to conclude today's presentation on slide number 15. Our 2026 priorities remain clear and focused. We're focused on customer needs through our vertical solutions, our flawless integration, sustained

financial strength and relentless operational execution with synergy delivery. We're scaling differentiated multi-orbit network solutions, growing through customer-driven innovation and building a best-in-class team grounded in responsible business practices. Together, these priorities position SES to deliver sustainable growth and attractive total shareholder returns.

With this, we're now ready to answer your questions.

Questions and Answers

Operator: Ladies and gentlemen, if you wish to ask a question, please dial pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial pound key six. Please limit your questions to two. We have the first question coming from Aleksander Peterc from Bernstein. Your line is now open. Please go ahead.

Aleksander Peterc (Bernstein): Yes, good morning, and thank you for taking my questions. I just have two. The first one is on the nature and the mechanics of the Aviation €81 million in the first quarter, as it's quite sizable, close to 10% of your revenue in the quarter. I'd just like to understand to what extent this was a one-off Q1 event? And as I understand it wasn't previously flagged, but correct me if I'm wrong. I just wanted to know to what extent this was baked into market expectations?

Then the second question I would have is on your strong progress on OPEX reduction, down 9% like-for-like year-on-year, which was stronger than I expected. I'd just like to understand if this is entirely synergy driven and how we should think about the trajectory of your OPEX reductions in the remainder of the year? Thank you very much.

Lisa Pataki: Great. Thanks, Aleks, for the questions. I'll start and then hand it over to Adel. First of all, on the aviation contract restructuring, you did hit it. This was planned in our guidance that we had given when we gave the full year results back in March. Really no surprises in terms of how we've thought through the year in terms of planning. This is actually quite a favourable contract restructure for us. We did not have to do it, but the reality is that this unlocked capacity on one of our most valuable satellites that we're able to redeploy to other customers. So it's quite a good deal for us. We're very happy to have gotten that over the line. Just the way the revenue recognition works, we did need to take that upfront in Q1, but it's a good overall deal for us, and again, it was included in the guidance.

In terms of your question on the OPEX reduction of 9%, we're obviously quite pleased with how we've been progressing in terms of the integration and the synergies. We've discussed a lot on previous calls that we've taken the integration quite seriously. We have accelerated as much in terms of headcount reductions and reduction of consulting costs and acceleration of our IT systems and environments as much as we possibly could, knowing that the mix of the business really does impact our overall EBITDA. Hence why we have kept our guidance at stable year-over-year. So it is quite important to us that we're actively working through the synergies, and we're quite happy with our progress thus far.

Christian Kern: Operator, we are ready for the next question.

Operator: The next question is coming from Nick Dempsey from Barclays. Your line is now open. Please go ahead.

Nick Dempsey (Barclays): Yes. Good morning, guys. I've got two. First of all, just coming back to that €81 million benefit in Q1. Am I right in thinking that that would naturally have landed in your revenues in Q2, Q3 and Q4, the €81 million? But it's all landed in Q1, but you've freed up some capacity, so by reselling some of that capacity, you might be able to mitigate some of the €81 million of year-on-year headwind that lands in Q2, Q3, and Q4. Am I thinking about that right?

My second question, just regarding your plans to cancel a couple of satellite projects, which will clearly help your CAPEX. Does that have a negative impact on your expected revenue growth over the coming years compared to what you were thinking before?

Lisa Pataki: Yes, on the €81 million, so we will continue to have revenue streams throughout the year. In fact, we'll end up allocating more of that locked-up capacity to other customers. So it's overall a good thing for us. If we would not have cancelled the contract, it would have gone longer than just this year. So that €81 million would have been spread over several years. But this actually gives us more optionality to repurpose that satellite capacity on our open orbit solution. So we're actually quite happy with how that played out. Again, just to reiterate, this was planned in the guidance this way.

On the cancellations for the satellites, just to reiterate, we have two synergy kind of workflows. One is cost reduction from operating expenses, and the second one is on CAPEX. We've spoken about the need to rationalise the fleet of GEO satellites, both from the ground and the spacecraft in the sky. So we've taken some pretty hard decisions on which satellites we need in our fleet, which satellites can use life extension vehicles, and therefore, which satellites we no longer need to procure. So that was baked into our CAPEX guidance when we gave the guidance at the full year. We just needed to really work through which satellites we're talking about and how we were really going to optimise that.

Nick Dempsey: Okay. Thank you.

Operator: The next question is coming from Roshan Ranjit from Deutsche Bank. Your line is now open. Please go ahead.

Roshan Ranjit (Deutsche Bank): Morning, everyone. Thank you for the questions. I've got two as well, please. And perhaps just following up on the contract restructuring. Again, please correct me if I'm wrong. If my math is correct, if I take out the €81 million from the Aviation revenue stream, that would then suggest year-on-year growth down 5% on a like-for-like basis in Aviation. Firstly, is that correct?

And secondly, what is reason for that, given the kind of ESA installs that we've had? And maybe tied to that, the customer that is returning the capacity, are they looking at alternative constellations, or is it just that they are not in that business anymore?

And secondly, Adel, I think you recently met with the FCC Chair, given the comments around kind of US and European satellite capacity and infrastructure. Anything you can share about those discussions and how that fits in with the, I guess, EU draft commentary around European capacity? Thank you.

Lisa Pataki: Yes. Sure. So again, on the contract restructuring, keep in mind that we have contract restructurings that occur as normal business practices. If you look at the first quarter of 2025, we did also have contract restructurings in the maritime business. If you look at Mobility, overall, and you remove those two items, Mobility would have been about 4% year-over-year.

But you are right. If you strip out the €81 million, and you just look at that, you would be down 5% year-over-year on the revenue. But again, we had planned it this way.

On the ESA installs, quarter-over-quarter, so Q1 '25 to Q1 '26, we actually did more ESA installs than we had last year. And I think if you recall, we really started to ramp up ESA installations in the second half of 2025. Those installations are very margin-dilutive. As we install those, it is a hit to our margins. Then when those airlines go online, we're starting to see good results from the service revenue. So that's a good thing.

And then just your last point on, why didn't the customer want to relieve the capacity on the satellite that resulted in the restructuring? They are just interested in a different business line. This isn't a direct to airline type of arrangement that was restructured. So it was just simply a third party that wanted to get out of that particular business. They had capacity that was allocated solely to them. Now we're able to use that capacity for multiple customers.

Adel Al-Saleh: Yes. Lisa, I mean, you've handled the €81 million now multiple times in multiple questions. Emphasising the last point that Lisa made. This is not an end customer, an airline. This was a reseller, right, or an integrator, if you will, that no longer wants to be in that business. Or at least they're restructuring their focus and looking at different ways. So it was an opportunity for us to take capacity back and redeploy it.

Roshan, it's not as simple as removing €81 million from the quarter. It's quite complicated because there was a commitment that to continue to drive that revenue from that contract in the quarter, We're able already to deploy some of that capacity to other customers, etc.

As Lisa said, we see it as a very good deal for us. We wanted to get back a lot of that capacity because it's a very high-throughput satellite position on top of North America. It will drive additional growth for us going forward. So it was a good deal for us.

Look, on the FCC meeting, I mean, we've disclosed what the meeting was all about. The discussion with the FCC continues to be very constructive on multiple fronts. Clearly, the C-band cooperation that we have with FCC to enable them to execute what they would like to execute continues to progress. Like I said, there's not much more to disclose. We're expecting the ruling to come in in the second half of the year, which is very imminent here now coming up, which is good news for us.

By the way, we have now demonstrated, and I hope many of you have seen this, a very credible solution for our Media customers as we transition C-band out, right, to move them to a Ku+ solution. If you have not seen that, by the way, I would encourage you to look at some of the public posts that we've done from the NAB show, as well as on our websites and some of the publicly available information of what that solution looks like, including in our FCC filings.

We are very excited about that. Excited about C-band, excited about having a solution for our clients. And many of our large customers in North America are supporting our solution, the way we'll go forward. That's the FCC.

Now regarding the different regulatory frameworks, look, SES is uniquely positioned, right, because we have big presence on both sides of the Atlantic. We work very closely with the European Commission on their future regulatory frameworks. We're a good example of a company that works in both North America and the European theatre like to have rules and regulations that enable our growth. We lobby both sides of the Atlantic to make sure that whatever new rulings or new acts are being put in place that they're keeping in mind the global nature of our business. And we have a lot of ears listening to us and taking our advice and shaping the laws as they go forward.

Christian Kern: Roshan, I hope that answers your questions.

Roshan Ranjit: No, that's very helpful. Thanks both. Thank you.

Operator: The next question is coming from Ben Rickett from New Street Research. Your line is now open. Please go ahead.

Ben Rickett (New Street Research): I had two questions, please. So the first one on Government revenues, that was quite strong in Q1, up 9%. Are you able to quantify how much of that was IRIS² revenue?

Then sort of a related question. You said that you expect to see new US government contracts coming in H2. Is there a risk though that those contracts don't materialise? And do you think you'd still be able to hit the guidance if they don't materialise?

Then my second question was on Lynk and Omnispace. Given all the interest in direct-to-device, I just wondered if you could talk a little bit about what your relationship is with those companies and the combined company, what your shareholding is? And also, would you be prepared to commit additional capital to the company to fund their consolidation? Thank you very much.

Lisa Pataki: Sure. All right, so on the government side, we do have revenue in the first quarter for IRIS². It's just shy of about €40 million. That's taking us. We're still going through the Rendez-vous 1.

On the US government side, you can probably all tell that the second half is back-end loaded in terms of revenue. Some of that is due to the government, in particular in the US, where we have two contract awards that we expect to conclude in the second half. That's all baked into the guidance.

Adel Al-Saleh: Yeah. Just to add to that, Lisa. Look, in our business, you got to win contracts, right? So it's not that we're suddenly reliant on a particular contract to happen. We have a pipeline of very attractive deals. We're hoping to win all of them, but we're not counting on winning all of them, right? So if you look at our forecast, it's a balanced forecast with puts and takes, and we're very confident in what we have committed to the marketplace in terms of stable-stable.

And as I said, and Lisa highlighted, we'll have a little bit variation quarter-to-quarter, right, to explain that some of these variations are because of the nature of these contracts as they either wind down or come on board. Translation of equipment revenue to service revenue, where the revenue will come down but the margin will increase as a result. So all these dynamics have put in our forecasts, right, as we look at it. And first quarter is a tick mark, Now we got to close the second quarter, and we've got to go to the second half when we are done with the second quarter. So that is how we see it and how we will execute according to that.

Now in terms of, Ben, your specific question, what happens if they don't materialise? As I said, we have enough in the pipeline to have a trade-off of things that happens, things that get delayed, and things that potentially could come in earlier, right? And we believe we're very balanced in the way we're forecasting.

Like, in terms of your question on Lynk and Omnispace, I mean, that's part of our diversification strategy. It's a very exciting partnership. The partnership is quite extensive, right? We have invested in the company. I don't remember, Lisa, if we disclosed this, so I'm not going to disclose it on this call.

Lisa Pataki: It's included in the CAPEX outlook.

Adel Al-Saleh: Yeah. It's all included in our CAPEX outlook, in the past what we spent, and in the future. But the relationship is beyond that, right? We really like their technologies because their technology, you can go to the website and look at it. It's quite unique the way they approach direct-to-device, and their patent portfolio is quite interesting because they were the founding fathers, if you will, of the direct-to-device activities.

We also see a multi-orbit combination of a LEO constellation like this one direct-to-device with MEO as a backbone to support that infrastructure and support that constellation. We've already made proof of concepts and demonstrated it where we initiate a voice call to a direct-to-device link satellite connected to MEO and deliver the signal somewhere else in the world very quickly.

Basically what that allows Lynk to do is not to invest as much capital they need to in the ground infrastructure where they will be using our ground infrastructure, right, in order to deploy their services. In addition to that, we help them in warning their satellites and manoeuvring their satellites due to the extensive capability we have in TT&C.

Then finally, spectrum. Both companies, Lynk and Omnispace and SES, have very valuable spectrum along the world, and I'm not going to get into the details what that is, but we are looking at how we can help them leverage the spectrums that we have in order to create better services for this kind of service. So very exciting opportunity for us, and we're looking forward to building it up and progressing.

Ben Rickett: Thanks.

Adel Al-Saleh: Thank you, Ben.

Ben Rickett: You're not able to say what your ownership stake would be in the combined business?

Adel Al-Saleh: I don't think that's disclosable, right? So it's not significant for all. When Lynk and Omnispace do combine, they're on the verge of getting their final regulatory approvals. It's up to them to disclose who their shareholders are and what the position is.

Ben Rickett: Okay. Thank you.

Operator: The next question is coming from Paul Sidney from Berenberg. Your line is now open. Please go ahead.

Paul Sidney: Yeah. Good morning, everyone. Thank you for taking the questions. I have two as well. Apologies for going back to the revenue question, but if we look over to 2026, I appreciate that the quarterly phasing is very complex. You've got the contract restructuring, capacity redeployment potentially. But with Media stabilising in the second half, the momentum you have in Government, Aviation installs coming online, are you more confident now than you were three months ago on that top line performance?

And second question, just around the IRIS². You've been working on the project for some time now. Again, it's about the confidence. How much more confident are you in the success and capability of the project now compared to when you first agreed to be part of the process? Any update on any other countries joining the project? And when we can expect, Rendez-vous 1? Thank you very much.

Adel Al-Saleh: I'll start, and then Lisa, please help me when you think it's appropriate. Look, on the revenue, we were very confident as we started the year. We've done a lot of work on the visibility. I mean, you got to keep in mind that we have a very good business model where we have visibility to our revenue up to 80% of the year when we start the year because of the long-term nature of the contracts that we have, right? And some of our businesses have more like 60% visibility, like Fixed Data, where they have to win a lot more in the quarter. But other businesses have greater than 80% visibility, like our Media business, right? We have the balance of the portfolio that gives us visibility.

Clearly, delivering a good Q1 gives us more confidence, right, of course. But I have to emphasise that we were quite confident when we gave the guidance, and it's four quarters and we delivered the first one, and we're going to deliver a quarter at a time. So confidence is good. We never take anything for granted though, right? You got to keep driving and keep closing these deals and the year.

Look, our deals are also not about just the year, right? A lot of our deals that we're talking about secure our business in the future years, 2027, '28, '29. That's why we're very focused on it. So yeah, I mean, Paul, that's kind of my view.

Look, regarding IRIS² and our confidence and what's happening? Look, there is an unwavering commitment from the European Union, European Commission to make IRIS² a reality. It is a sophisticated, complicated project with multi-orbit capabilities and things that we need to invent and evolve. That's why Rendez-vous 1 needs to take its course. We believe Rendez-vous 1 will be completed in the next weeks, if not maybe month or 1.5 month. That's up to the European Commission to decide when they decide when Rendez-vous 1 is complete.

But we're making good progress. And as I said always, the only way we can participate in IRIS² if it makes sense to us financially, right, for us and for our shareholders. And we have our clear red lines defined. We know what we need to do. If we meet them, then it's going to be successful. If we don't meet them, then we need to make a hard decision as a company. But the project is a great project with a lot of support and a lot of commitment from all of the stakeholders in there. So that's where we are, Paul, on that one.

Paul Sidney: Thank you, Adel. And just any other countries looking to join the project or joined recently that we may have missed?

Adel Al-Saleh: Well, I mean, you've got all of the European Union members that are automatically part of it with this capacity.

Paul Sidney: Yeah, I was probably thinking more about the UK. Yeah, the UK or maybe non-Europe.

Adel Al-Saleh: The UK is looking at that. Yeah, I mean, there's active discussions between European Commission and allied nations, and we'll be announcing them in due course. But there is big interest in this project on a global basis.

Paul Sidney: Perfect. Really appreciate the comment. Thank you.

Adel Al-Saleh: Thank you, Paul.

Operator: The next question is coming from Geoffrey d'Halluin from BNP Paribas. Your line is now open. Please go ahead.

Geoffrey d'Halluin (BNP Paribas): Yes. Good morning. Thanks for taking my questions. I will have two questions, please. The first one is related to the questions on the OPEX savings. I guess, you are aiming to save €210 million of savings on annual run rate. I just wanted to know how much did you deliver so far at end of Q1? If you can share that number with us.

And the second question is related to FX. Would you mind to remind us, how much is the sensitivity to the business on US dollar-euro rate? So that means, €0.01 of moves, how much is it in terms of revenues and in terms of EBITDA would be helpful, please. Thank you very much.

Lisa Pataki: Yeah, sure. So, on the FX sensitivity, let's just baseline, for 2025's full year results, the average exchange rate was about 1.12. For Q1, the average was 1.18. So you can find in the slides in the appendix, we've kind of broken out what the exchange rate impacts were. So it's in there for revenue and adjusted EBITDA.

And then OPEX savings. So yeah, €210 million on the annual run rate savings. So we're obviously progressing ahead of schedule. We said that we'd be able to complete that within three years. We are progressing way ahead of schedule on that. We haven't disclosed the actual numbers, but obviously you can see in a 9% overall reduction that we're progressing quite well there.

Geoffrey d'Halluin: Thank you very much.

Operator: The next question is coming from Nick Dempsey from Barclays. Your line is now open. Please go ahead.

Nick Dempsey: Sorry to jump back in with another one. But just something you said before about IRIS² contribution in the first quarter of €40 million. First of all, is that the only contribution you expect from IRIS² this year, but it's all landed in Q1? Or should we expect more through the other quarters?

And secondly, if there was nothing from IRIS² in Government in Q1 2025, the ex IRIS² number is down quite a lot, even when I capture FX. What's driving that exactly?

Lisa Pataki: Yeah. So really on the government side, what's driving the decline right now is it's on the US government. So if you look at Q1 '25, you did not have the actions in the Department, the DOGE effects. They weren't in '25. Those didn't happen until late Q2, kind of Q3 timeframe. Q1 '25 from a US government perspective was actually quite robust. So that is where the decline is in terms of the government. Our global government business, in contrast, is actually performing quite well, double digits.

The other thing I think to keep in mind too is that, the US budgets for the addressable market that we serve are quite good. So we continue, kind of as Adel mentioned, as we start bidding on these programmes, or have even bids on these programmes, the style of the programmes are different, but there is ample budget in the US that we're looking to tap into in the second half. So really the US government is kind of driving the decline in government if you strip out IRIS.

Adel Al-Saleh: Yeah. As Lisa's saying, it's contract timings, right, that we're seeing right now, Nick, right? And the double-digit global government growth is without IRIS², to be clear.

Now, we're not going to disclose what our assumptions are for IRIS² for the rest of the year, but the project has different scenarios, right, scenario with continuation, scenario without continuation after Rendez-vous 1. And we kind of build the most likelihood case in our forecast, which we will not disclose at this point in time.

Nick Dempsey: So you can't say if there's nothing else expected for the year or something else expected for the year?

Lisa Pataki: The way we've planned it out is that we will be working on the IRIS² programme. So that's the way that it has been based. Obviously, we're in the Rendez-vous 1 right now, and as Adel was mentioning, there's several outcomes in terms of how we progress on it. We don't have the answers on that yet.

Adel Al-Saleh: I think it's important to highlight as well that the nature of IRIS² as it exits Rendez-vous 1 will be different than prior to Rendez-vous 1, right? Because post Rendez-vous 1, you're going to be executing a contract agreement that you signed with the Commission. Prior to Rendez-vous 1, you're working on the preparations and the execution of everything that's leading to the final agreement with the Commission. That's why it's a little tricky to disclose everything and tell you what it looks like. But as Lisa said, right, we're assuming that things will continue to do in IRIS².

Nick Dempsey: Okay. Thank you. That's great.

Operator: There are no more questions at this time, so I hand the conference back to Christian Kern for any closing remarks.

Christian Kern: Thank you, Gaya. Thank you, participants, for your good set of questions. We hope we have addressed all those comprehensively. And if there are any follow-ups, please come through on the usual channels to the IR team. We're more than happy to help. And again, thank you for being part of the call today, and have a good day.

Adel Al-Saleh: Thank you, everybody.

Lisa Pataki: Goodbye.

Operator: Thanks for participating to today's call. You may now disconnect.

[END OF TRANSCRIPT]