First Half 2013-2014 Results

February 14, 2014

Agenda

- **H1 2013-2014 highlights**
- Operational performance
- Financial overview
- Outlook
- Appendix

First Half 2013-2014: Key Figures

Revenue	Revenues of €647 M, up 2.2% + 3.1% at constant currency (excluding non-recurring revenues)
EBITDA	Strong profitability: EBITDA at €501 M 77.4% margin in line with objectives
Net result	Group share of net income at €147 M Net margin at a high level (22.8%)
Financial position	Robust financial position, with Net Debt[1] / EBITDA at 2.8x
Distribution	Dividend of €1.08 (+8%) paid on 21 November 2013 Payout ratio of 67%

[1] Net debt including €537 M of cash on Satmex notary escrow account that is accounted as a current financial asset

H1 2013-2014 Highlights

Procurement of EUTELSAT 65 West A

Successful launch and entry into service of EUTELSAT 25B at 25.5°East

- EUTELSAT 25C was redeployed to 33°East (now EUTELSAT 33B)
- EUTELSAT 33A to be redeployed to 31°East where it will be operated by Türksat

Closing of the acquisition of Satmex finalised on 1 January 2014

- Upscaling in Latin America to complement strong presence in fast-growing markets
- Successful issuance of a €930 M 6-year bond at attractive conditions

Agreement reached with SES settling dispute at 28.5°East

Outlook

- Confirmed on a standalone basis
- Satmex acquisition will further enhance the Group’s growth profile

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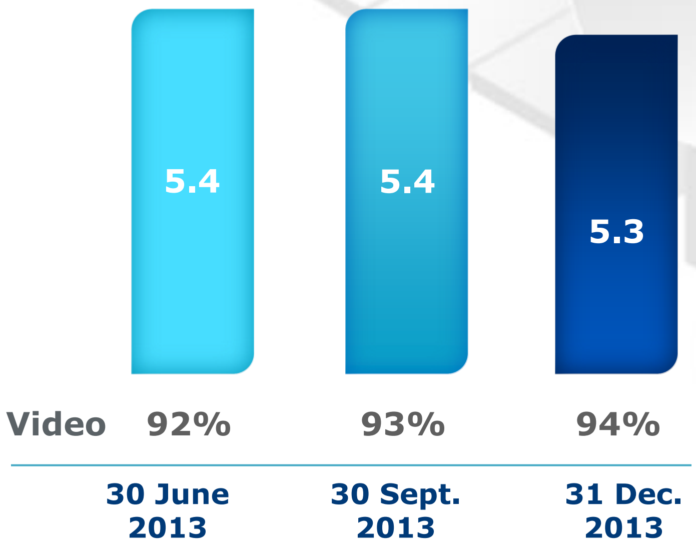
Strong Backlog Providing Long-Term Visibility on Revenues and Cash Flows

Backlog (€Bn)
(excluding Satmex)

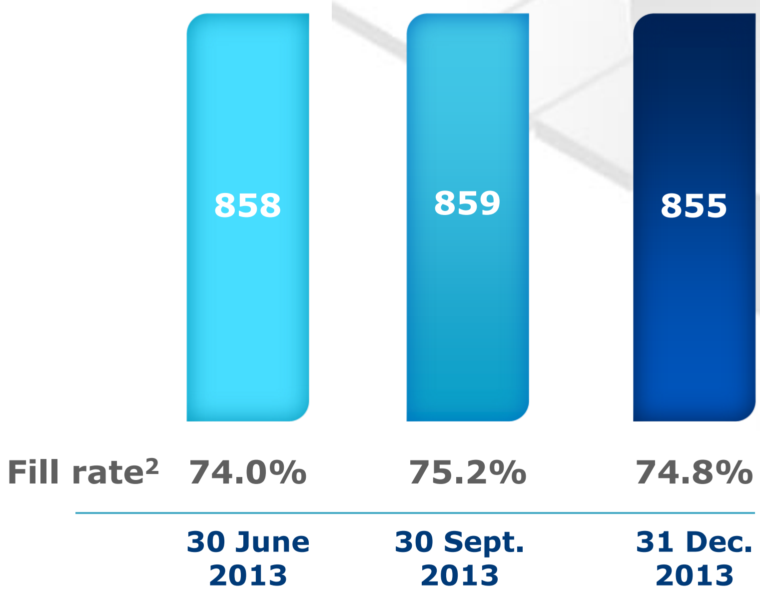


The backlog represents future revenues from capacity lease agreements (including contracts for satellites not yet delivered). These capacity lease agreements can be for the entire operational life of the satellites.

- Backlog represents 4.1 years of revenues
- Video remains the largest component of the backlog
- Average remaining life of contracts at 7.1 years
- Satmex will bring an additional USD 0.42 Bn backlog

Stable Fill Rate Despite Partial Switch-off at 28.5° East

Operational transponders[1]
(in txp – excluding Satmex)



- In H1 2013-2014, entry into service of EUTELSAT 25B and relocation of EUTELSAT 8 WEST C were offset by the suspension of operations on certain transponders at 28.5° East
- High fill rate at key video neighbourhoods
- Fill rate is above 80%, excluding KA-SAT
- Satmex fill rate was around 85% at 31 December 2013

[1] Including KA-SAT 82 spot beams
[2] KA-SAT specific fill rate calculation: fill rate considered at 100% when 70% of the capacity is sold

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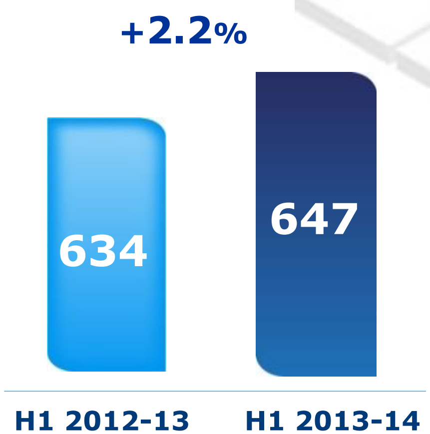
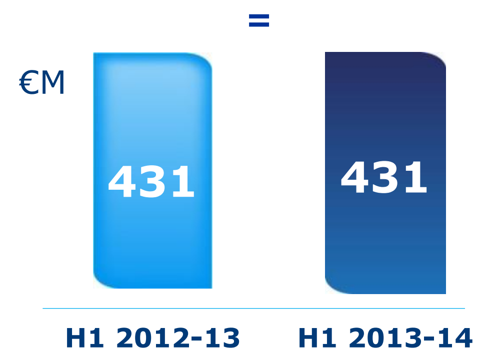
Revenue Growth in Line with Targets at Constant Exchange Rate (+3.1%)[1]

Revenues (€M)[2]



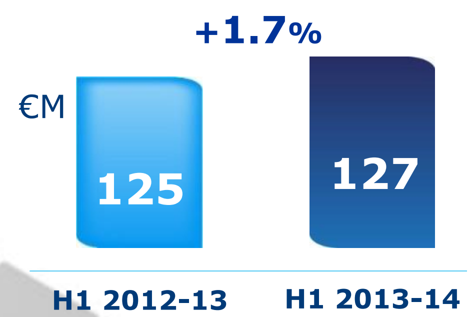
VIDEO

68.2%



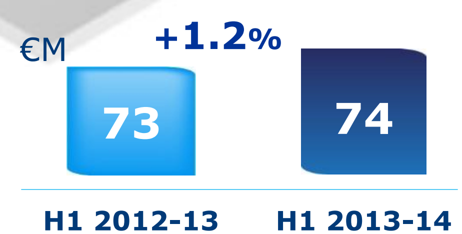
DATA & VALUE-ADDED SERVICES

20.1%



MULTI-USAGE

11.7%



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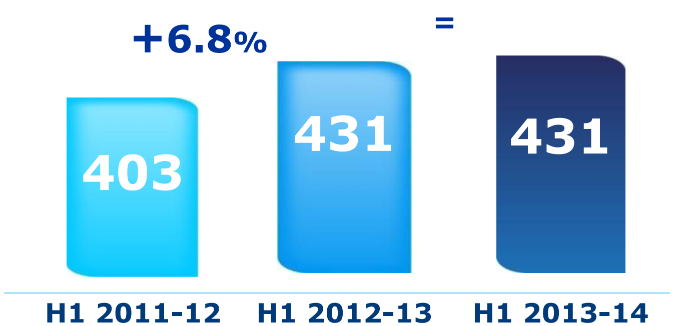
Expressed as percentage of turnover as of December 31, 2013 excluding "other and non recurring revenues"

[1] excluding "non recurring revenues" [2] Including €15.8 M of Other revenues in H1 2013-14 (€5.4 M in H1 2012-13)

Video: Stable Revenues Mainly Reflect Absence of Available Capacity

- End of operations on disputed frequencies at 28.5° East since 4 October 2013
- Good dynamic at key Video neighbourhoods serving fast-growing markets (16° East, 36° East, and 7°/8° West)
- 4,807 channels, up 7%
- HD penetration for the entire fleet of 10.6%

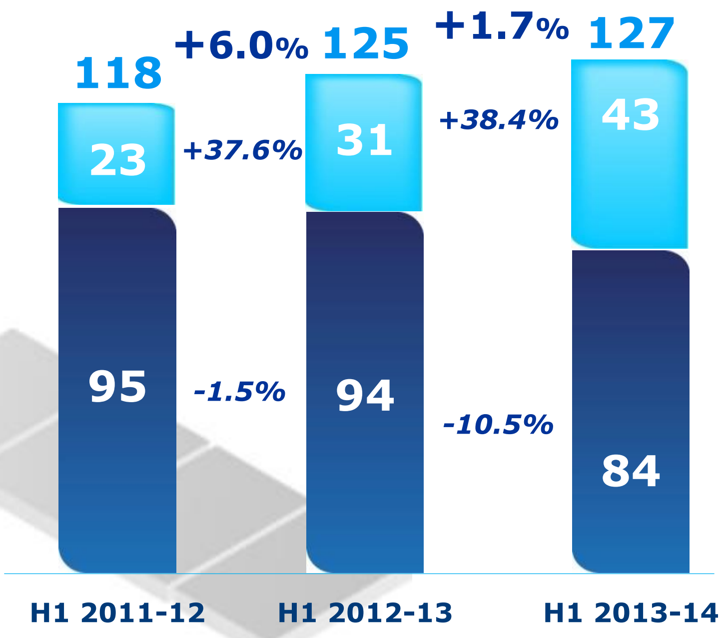
Revenues from Video (€M)



Data and Value Added Services: Strong Growth in VAS

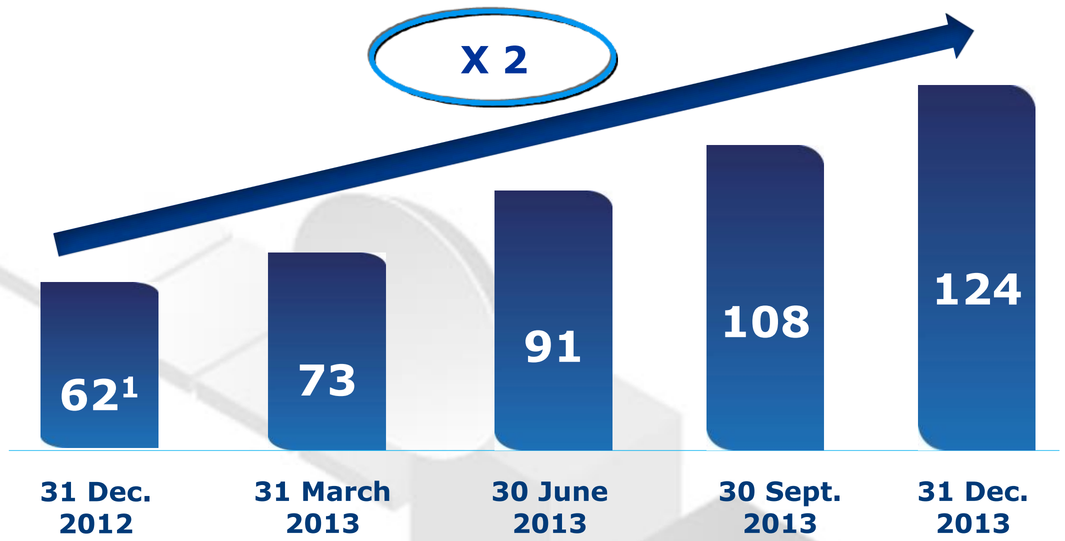
- Data Services
  - Positive impact of the integration of EUTELSAT 172A
  - H1 revenues negatively impacted by
    - Continuing tough competitive environment for point-to-point services
    - The reclassification of certain contracts to other applications to reflect the final usage of the capacity
    - The termination of contracts with customers impacted by the U.S administration's budgetary constraints
- Value-Added Services
  - 124,000 KA-SAT terminals activated at end-December 2013 (62,000 at end-December 2013)
  - Both consumer and professional services showing traction
  - Good performance of connectivity services for maritime markets, despite quarterly seasonality

Revenues for Data & VAS (€M)



Continued Good Dynamic for Broadband Customers on KA-SAT

KA-SAT terminals activated (in thousands of units)



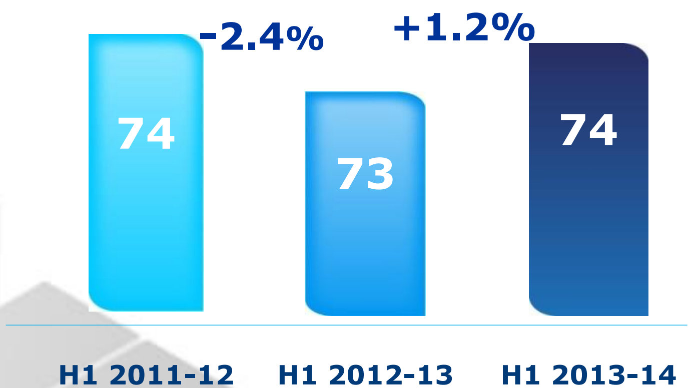
- Consumer broadband
  - France, Spain, Italy, Turkey, Germany and the UK are the largest contributors
  - Two new agreements enhancing the distribution network across Europe
    - in Italy with Poste Italiane
    - in Germany with Euronics, one of the country's leading electronics retailers
- Professional broadband
  - Strategic agreement was notably signed with Telespazio

[1] Figure reported as of 31 December 2012 (72,000 terminals) was for Tooway™ consumer terminals (included Pre KA-SAT terminals and excluded professional broadband)

Multi-usage Reflecting Integration of EUTELSAT 172A

- The effect of…
  - The February/March 2013 contract renewal campaign
  - The September/October 2013 contract renewal campaign
- …are positively offset by
  - Integration of EUTELSAT 172A
  - New contracts
  - Reclassification of Data Services revenues in Multi-usage line

Revenues from Multi-usage (€M)



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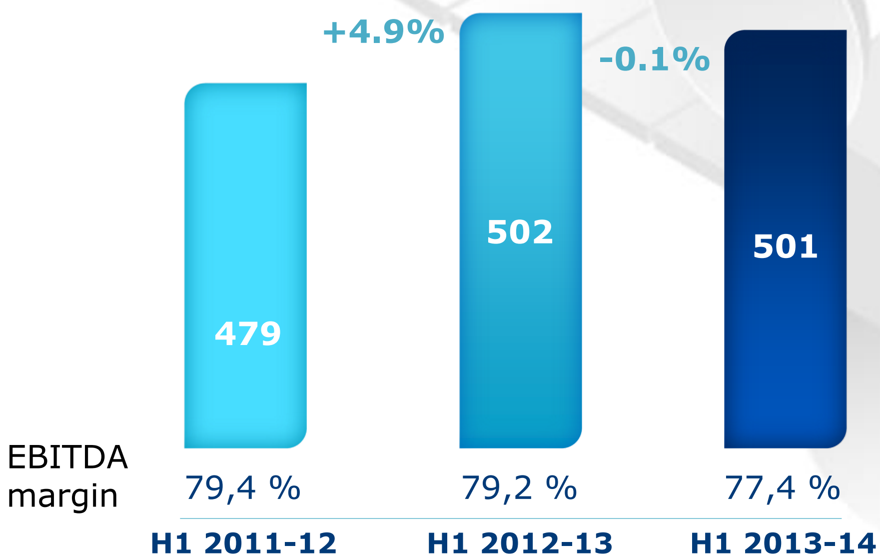
EBITDA Margin in Line With Full-Year Objective

EBITDA (€M)



- Increase in operating expenses
  - Resources allocated to the development of commercial activity increased
  - Costs are more evenly spread across the year than in FY 2012-2013
- High level of operating profitability with a 77.4% EBITDA margin

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Net Income of €147 Million, Net Margin at 23%

Extracts from the consolidated income statement in €M[1]	H1 2012-13	H1 2013-14	Change	
Revenues	634	647	+2.2%	
EBITDA[2]	502	501	-0.1%	
Operating income	339	320	-5.6%	▪ Increase in D&A ▪ Includes capital gain on the disposal of Solaris
Financial result	(54)	(65)	+19.1%	▪ Lower average cost of debt offset by higher gross debt, decrease in capitalised interests and unfavourable change in the valuation of financial instruments
Income tax	(104)	(109)	+4.4%	▪ Tougher French tax environment ▪ Settlement of the French Tax Audit
Income from associates	6	7	+16.9%	▪ Strong performance of Hispasat
Group share of net income	179	147	-17.5%	▪ Net margin of c. 23% of revenues

[1] Figures rounded to the million

[2] EBITDA is defined as operating income before depreciation, amortisation, impairments and other operating income/(expenses)

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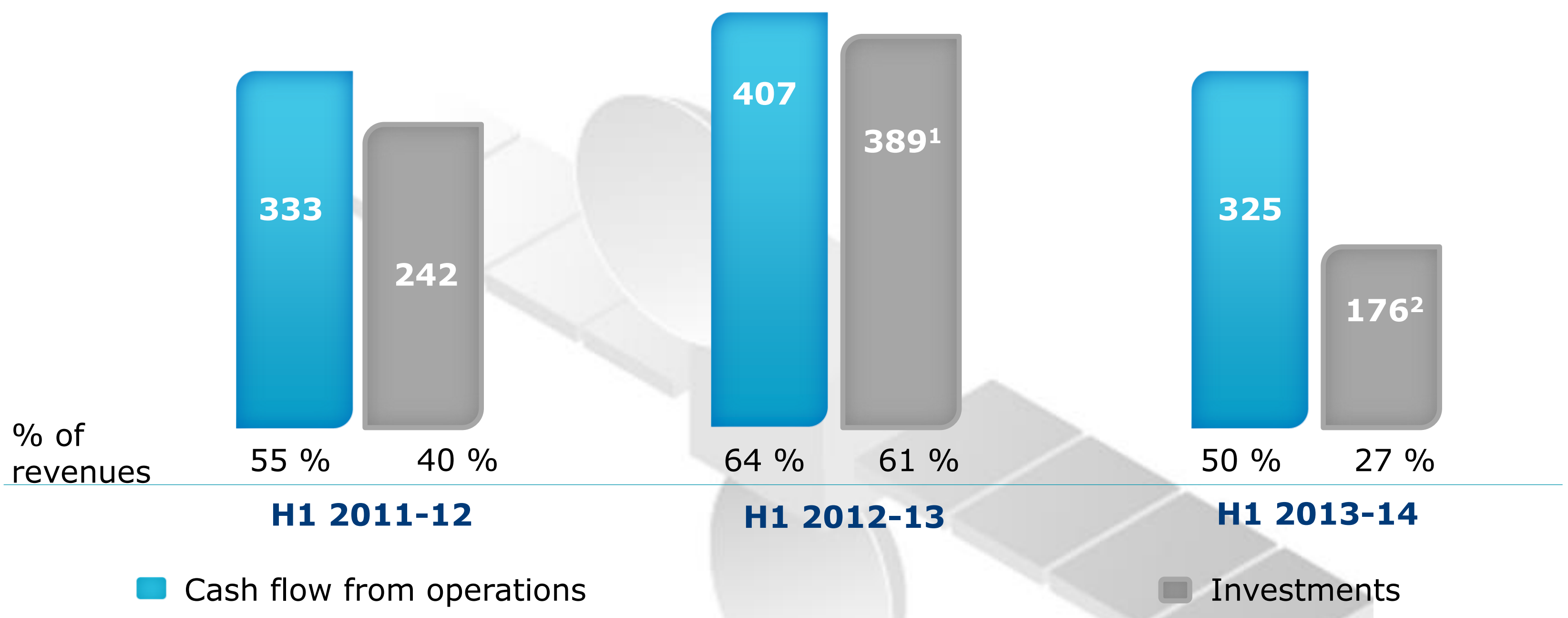
Cash Flow From Operations

€M



[1] Including acquisition of EUTELSAT 172A for US$228 M (€177 M)

[2] Including
- -€16 M of disposals in equity investments and subsidiaries
- €44 M for the share of Satmex equity acquired as of 31 December 2013 (9.9% of Satmex equity)

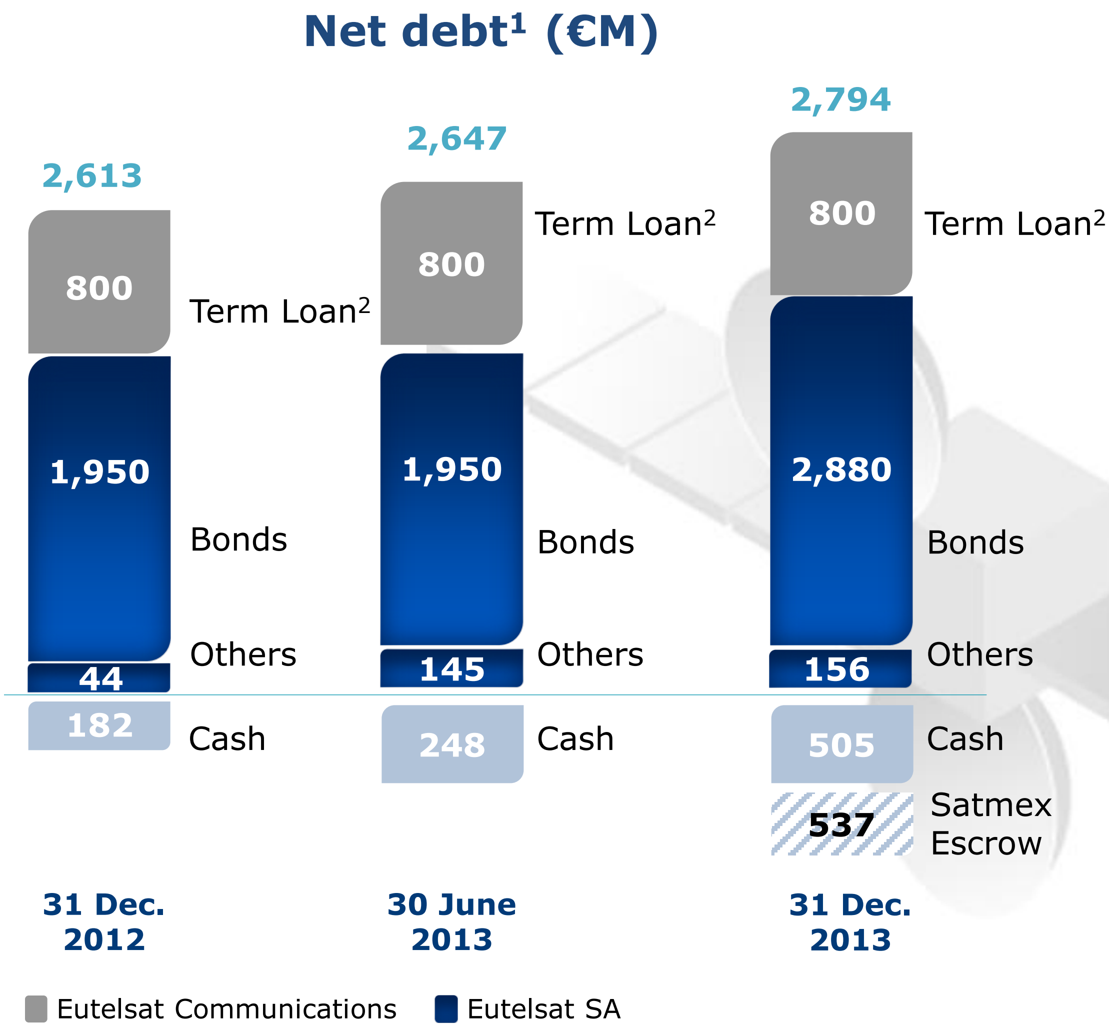
Excluding the amount on Satmex notary escrow account as of 31 December 2013 (€537 M accounted as current financial assets as of 31 December 2013)

Financing of the Acquisition of Satmex Concluded at Attractive Terms

- Issuance of a €930 M 6-year bond at attractive terms in December 2013
  - 2.625 percent coupon
  - Maturity: January 2020
  - Covers financing requirements in connection with the acquisition
  - The bridge facility signed in September 2013 was cancelled

- Investment grade confirmed by both rating agencies
  - On 1 August 2013, both S&P and Moody’s put Eutelsat’s ratings under watch for a potential downgrade
  - On 18 October 2013, S&P affirmed Eutelsat S.A.’s 'BBB’ long-term rating, with a negative outlook, and removed the watch
  - On 28 November 2013, Moody's downgraded Eutelsat SA's long-term rating to Baa3, with a stable outlook

Diversified debt structure and strong liquidity



[1] Including liabilities from long-term lease agreements, overdraft and net of cash

[2] Swap at 3.85% (purchased in 2006 and active from end April 2010 to June 2013) plus margin

- Net Debt includes €537 M of cash that was put in an escrow account for the payment of the remaining 90% share capital of Satmex (released on 2nd January 2014).
- Average weighted maturity of 4.8 years
- Improved average cost of debt after hedging: 3.70% (5.00% in H1 2012-2013)
- €650 M revolving lines of credit available
  - The €450 M Eutelsat S.A. revolving credit facility was refinanced at attractive terms in September 2013, with a maturity in September 2018

Net Debt / EBITDA Ratio

	As of 31 December 2013		Reminder: reported as of 31 December 2012
(€M)	Reported[1]	Proforma including Satmex Acquisition[2]	
Net Debt	**2,794**	**3,571**	**2,613**
12-month rolling EBITDA	**995**	**1,067**	**981**
Net Debt / 12-m rolling EBITDA	***2.8***	***3.3***	***2.7***

[1] Calculation based on

- Net debt including €537 million of cash on Satmex notary escrow account that is accounted as a current financial asset
- Reported EBITDA

[2] Calculation based on

- Proforma net debt, including the full impact of the acquisition of Satmex at a 1.38 €/USD exchange rate (exchange rate as of 31/12/2013).
- Proforma EBITDA including Satmex 12-months rolling EBITDA at a 1.33 €/USD exchange rate (average exchange rate for the calendar year)
- Based on preliminary unaudited accounts

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Additional Capacity Focused on Areas of Highest Growth

	2014			2015					2016
Satellite	AT1 (March 2014)	AT2 (March 2014)	EUTELSAT 3B (April 2014)	SATMEX 7 (Q1 2015)	EUTELSAT 9B (Q1 2015)	EUTELSAT 8 West B (Q3 2015)	EUTELSAT 36C (Q4 2015)	SATMEX 9 (Q4 2015)	EUTELSAT 65 West A (Q2 2016)
Position / capacity	56° East 19 Ku[1]	140° East 8 Ku[1]	3° East 30 Ku, 9 Ka and 12 C	114.9° West 12 C / 34 Ku	9° East 60 Ku	7/8° West 40 Ku / 10 C	36° East Up to 52 Ku / 18 Ka	116.8° West 40 Ku	65° West 10 C / 24 Ku / Up to 24 Ka
Applications / regions	DTH • Russia	DTH • Russia	DTH[1], Data • Europe • Africa • Middle East • Central Asia • Latin America	Video, Data • Americas	DTH Europe • Support for development of HD and KabelKiosk MENA	DTH • Middle East • Africa • South America	DTH, Broadband • Russia • Sub-Saharan Africa	DTH, Data • Latin America	Video, Data, Broadband • Latin America
Notes	Capacity leased from RSCC [1] Eutelsat Txp	Capacity leased from RSCC [1] Eutelsat Txp	[1]When launched at 3° East, Eutelsat 3B should release EUTELSAT 3D to 7° East		Carries hosted payload		Capacity leased from RSCC		

Television Radio Broadband Telecoms Enterprise Multi-usage

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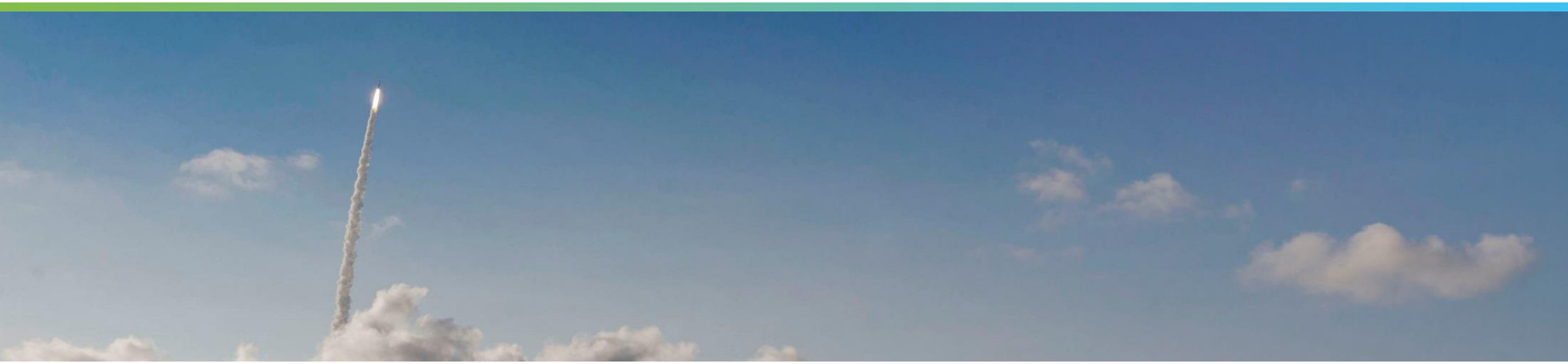
Outlook Confirmed on a Standalone Basis

	Eutelsat Standalone	With Satmex
Revenue *(at constant currency, excluding non recurring revenues)*	• Above 2.5% revenue growth for FY 2013-2014 • Above 5% average revenue growth in FY 2014-2015 and FY 2015-2016	• Satmex will add around US$70 M for FY 2013-2014 • In the medium term, Satmex will continue to grow at high-single digit
EBITDA	• EBITDA margin at around 77% for each fiscal year until 2016	• Consolidated EBITDA margin at around 76.5% for FY 2013-2014 • Higher margins expected for Satmex in the future
Capex[1]	• Capex of c. €550 M per annum on average to June 2016	• Consolidated Capex of c. €600 M per annum on average to June 2016
Leverage	• Investment grade ratings • Long term net debt/EBITDA target below 3.3x	
Distribution	• Pay-out ratio of 65% to 75% of Group share of net Income.	

[1]This includes capital expenditures and payments under existing export credit facilities and under long-term lease agreements on third-party capacity.

Questions & Answers



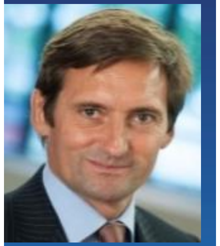
Michel de Rosen

CEO

Michel Azibert

Deputy CEO

Antoine Castarède



CFO

Léonard Wapler

Head of Investor Relations

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Capex as defined in the Outlook

Extracts from the consolidated statement of cash-flows in €M[1]	**H1 2013-2014**
Acquisitions of satellites, other property and equipment and intangible assets	**148.2**
Repayments of ECA loans and long-term capital leases	**4.6**
Capex as defined in the Outlook	**152.8**

Note: Capex as defined in the Outlook includes cash outflows related to existing ECA loan repayments and capital lease payments

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