H1 2016-17 RESULTS

February 9, 2017

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Business highlights

Solid commercial performance supporting revenues	► Fall campaign renewal rate with DoD above expectations ► Progress on HD and UHD take-up on HOTBIRD ► KA-SAT: contracts with SAS and Finnair for IFEC ► EUTELSAT 3B: HTS payload fully re-sold
Robust profitability	► High level of profitability in H1 2016-17 ► Launch of 'LEAP' cost-savings plan ► EBITDA margin outlook raised
Delivering on Capex reduction and FCF growth	► >30% capex savings on EUTELSAT 5WB procurement with 'design-to-cost' policy ► Strong growth of Discretionary Free-Cash Flow in H1 2016-17
Preparing the ground for future growth in Connectivity	► Capacity secured for launch of Konnect Africa in H2 ► Upcoming Joint-Venture with ViaSat for European broadband and Mobility ► Expecting to add ViaSat 3 VHTS for step-change in Connectivity in EMEA from early 2020s with no change to Capex

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First Half Key data

REVENUES	► Revenues of €755m, down 2.5% reported and 0.9% like-for-like[1], in line with expectations
EBITDA	► EBITDA of €588m ► EBITDA margin of 77.9% (vs. 77.5% in H1 2015-16)
NET INCOME	► Group share of net income of €192m, up 2% ► Net margin of 25%
FINANCIAL POSITION	► Discretionary Free-cash-flow[2]: €325m, up 27% ► Net Debt / EBITDA ratio of 3.37x (3.44x at end June 2016)
DIVIDEND	► Dividend per share of €1.10 (up from €1.09) ► Fully paid in cash on 18 November 2016

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[1]At constant currency and perimeter
[2]Net cash-flow from operating activities less Cash Capex less Interest and Other fees paid net of interest received. Please refer to slide 19 for detailed calculation.

New segmental reporting for revenues

- **Revenues henceforth reported on five applications:**
  - Video, Fixed Data and Government Services ('Core Businesses')
  - Fixed Broadband and Mobile Connectivity ('Connectivity')
- **Consistent with new strategy**
- **Main changes relative to previous reporting basis around four applications as follows:**
  - **Video applications:** Unchanged with the exception of the reclassification of some Professional Video revenues towards Fixed Data to better reflect the final usage of capacity
  - **Data Services:** Renamed Fixed Data. Certain revenues have been reclassified under Fixed Broadband or Mobile Connectivity.
  - **Government Services:** Revenues relating to non-military and security applications are reclassified under Fixed Data.
  - **Value-Added Services**: Henceforth split between Fixed Broadband and Mobile Connectivity.
- **Definition of 'Other Revenues' remains unchanged**

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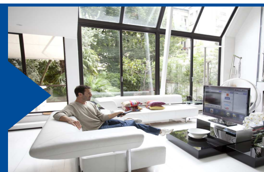
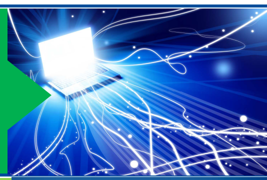
H1 2016-17 Revenues by application

			REVENUE CONTRIBUTION[1]	REVENUES[2] (€m)	LIKE-FOR-LIKE[3] CHANGE
CORE BUSINESSES	Video		64%	455	-2.0%
CORE BUSINESSES	Fixed Data		12%	85	-15.9%
CORE BUSINESSES	Government Services		12%	86	-9.1%
CONNECTIVITY	Fixed Broadband		7%	49	+18.3%
CONNECTIVITY	Mobile Connectivity		5%	39	+19.3%

[1] The share of each application as a percentage of total revenues is calculated excluding “Other revenues.
[2] Total revenues of €755m also include Other revenues of €42m
[3]At constant currency and perimeter and excluding non-recurring revenues. Based on new applications reporting.

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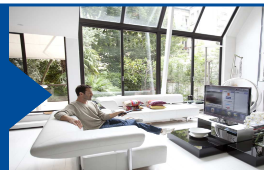
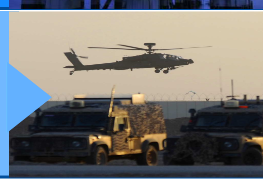
Q2 2016-17 revenues by application

		REVENUE CONTRIBUTION[1]	Q2 2016-17[2] (€m)	LIKE-FOR-LIKE[3] CHANGE vs. Q1 2016-17
CORE BUSINESSES	Video 	64%	229	*+0.9%*
	Fixed Data 	12%	41	*-5.3%*
	Government Services 	12%	44	*+2.7%*
CONNECTIVITY	Fixed Broadband 	7%	24	*-4.9%* *stable ex one-off in Q1*
	Mobile Connectivity 	5%	18	*+21.5%*

[1] The share of each application as a percentage of total revenues is calculated excluding "Other revenues".
[2] Total revenues of €370m also include Other revenues of €15m
[3] At constant currency and perimeter and excluding non-recurring revenues. Based on new applications reporting.

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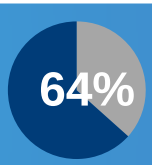
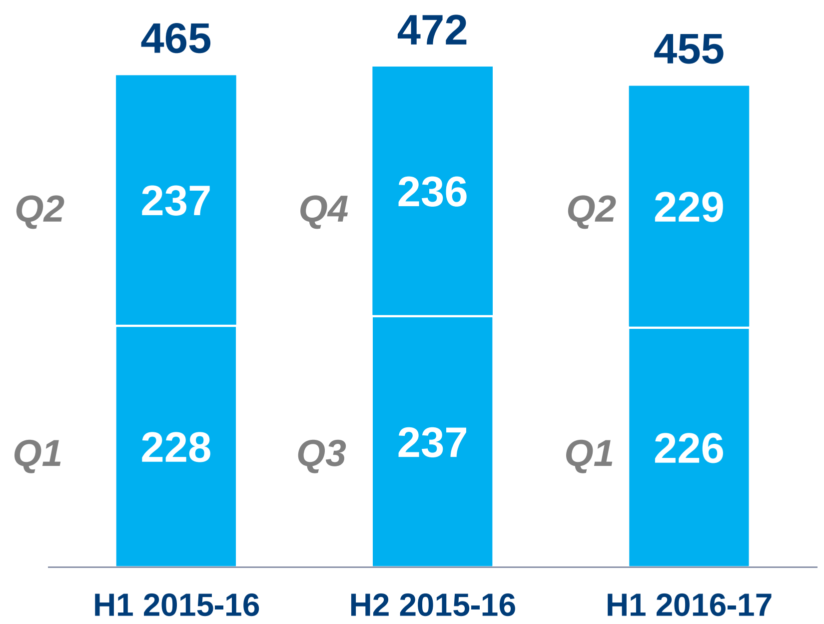
Video



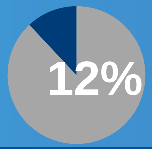
- **H1 revenues of €455m, down 2.0% like-for-like**
- **Stable broadcast revenues**
  - Positive contribution from incremental capacity launched last year (E 8WB and E 36C)
  - Impact of rationalisation of capacity at HOTBIRD
  - Broadcast up 4% excluding HOTBIRD impact
- **Lower revenues from Professional Video**
  - But sequential improvement
- **6,339 channels at end-Dec 2016**
  - +5.6% y-o-y
  - HD penetration rises to 15.7%

REVENUES[1] (€M)



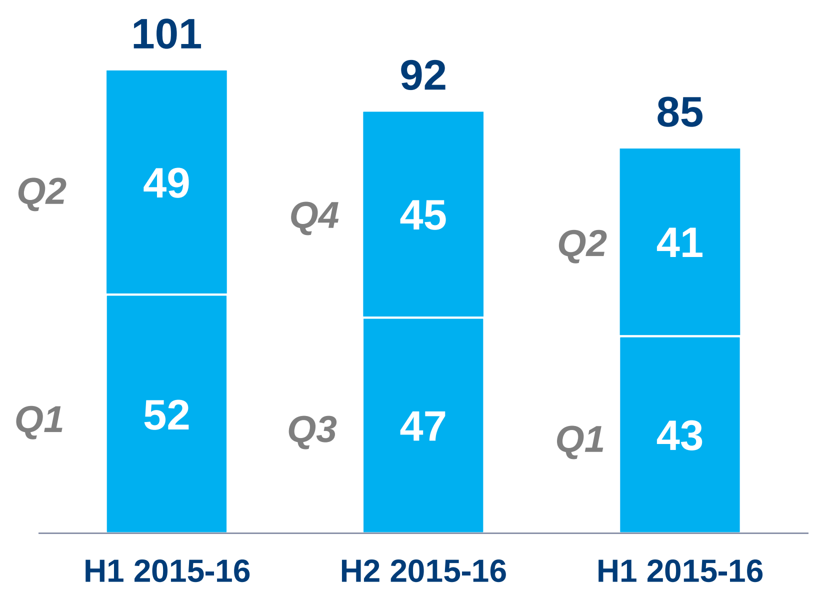
[1] *Proforma revenues reflecting new applications as well as the disposals of Alterna'TV and DSAT Cinema for FY 2015-16.*

Fixed Data



- H1 revenues of €85m, down 15.9% like-for-like
- Ongoing pricing pressure in all geographies as expected
- Fast-growing Broadband and Mobility revenues transferred to new applications

REVENUES[1] (€M)



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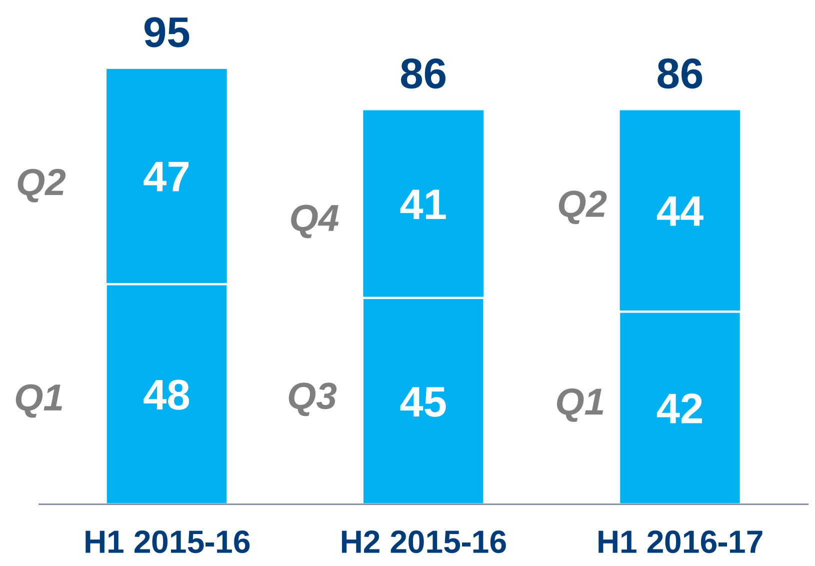
[1] Proforma revenues reflecting new applications

Government Services

12%

REVENUES[1] (€M)

- **H1 revenues of €86 million, down 9.1% like-for-like**
- **Carry-forward of lower US DoD renewals in Spring 2016 campaign**
- **Improved q-o-q trend reflecting positive outcome of Fall 2016 campaign**
  - Renewal rate above 90%
  - New contracts representing 4 TPE



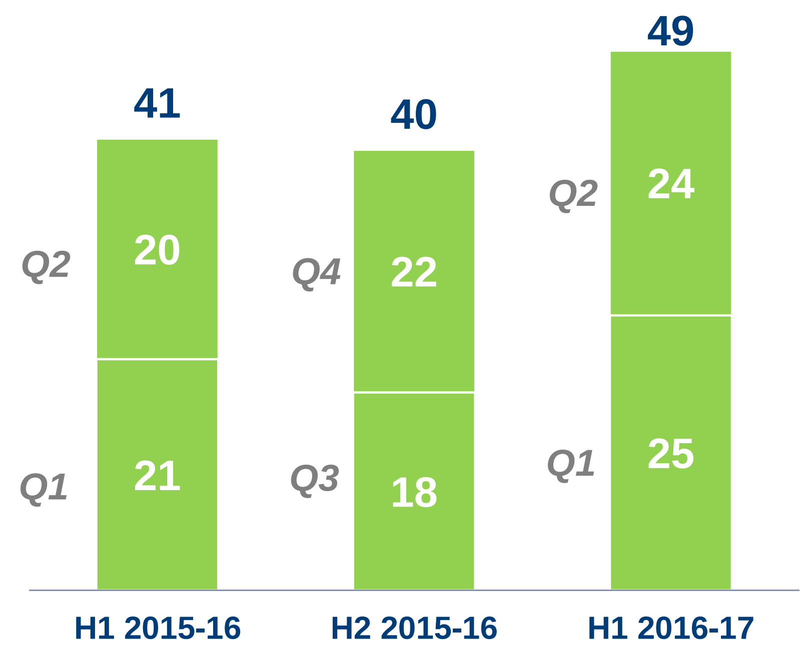
[1] *Proforma revenues reflecting new applications*

Fixed Broadband

7%

- H1 revenues of €49m, up 18.3% like-for-like[1]
- Entry into service of fully-sold HTS payload on EUTELSAT 65 West A in May 2016
- Resilient revenues on KA-SAT in Europe
- Impact of contract termination for Ka-band payload on EUTELSAT 3B in Dec 2015
- Russian consumer broadband service on EUTELSAT 36C to ramp-up progressively
- Launch of African broadband service (Konnect Africa) in H2

REVENUES[1] (€M)



[1] Proforma revenues reflecting new applications

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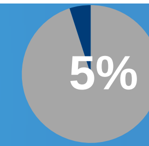
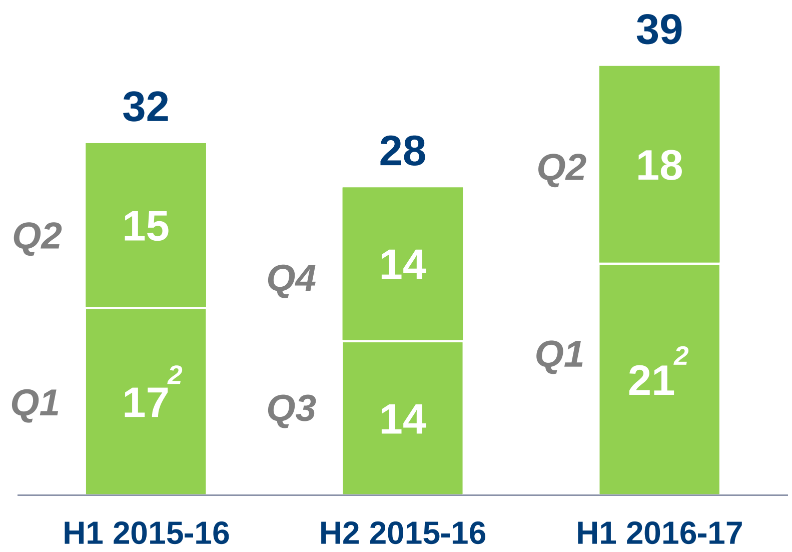
Mobile Connectivity



- **H1 revenues of €39m, up 19.3% like-for-like**
- **Increased activity resulting from new capacity leases and volume increases**
- **Growing orbital positions: 10° East, 21° East, 70° East, 172° East**
- **Customers including Gogo and Panasonic**
- **Looking ahead**
  - Contracts signed for capacity for IFEC with ViaSat for Finnair and SAS
  - Contract with Taqnia for Saudi Arabian Airlines

REVENUES[1] (€M)



[1] Proforma revenues reflecting new applications as well as the disposal of Wins for FY 2015-16
2 Including two Months of Wins/DHI

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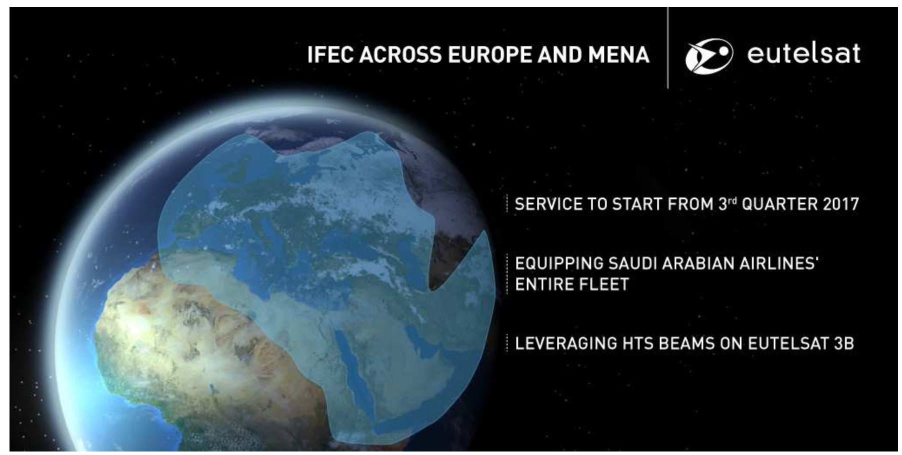
New IFEC contract with Taqnia / Saudia

- **Multi-year lease to Taqnia of four steerable HTS Ka-band spotbeams on EUTELSAT 3B**
- **Capacity to be used for IFEC on 130 medium / long-haul aircraft of Saudi Arabian Airlines**
- **Covering flight paths from Middle East to Europe**
- **Potential for incremental business in the future**

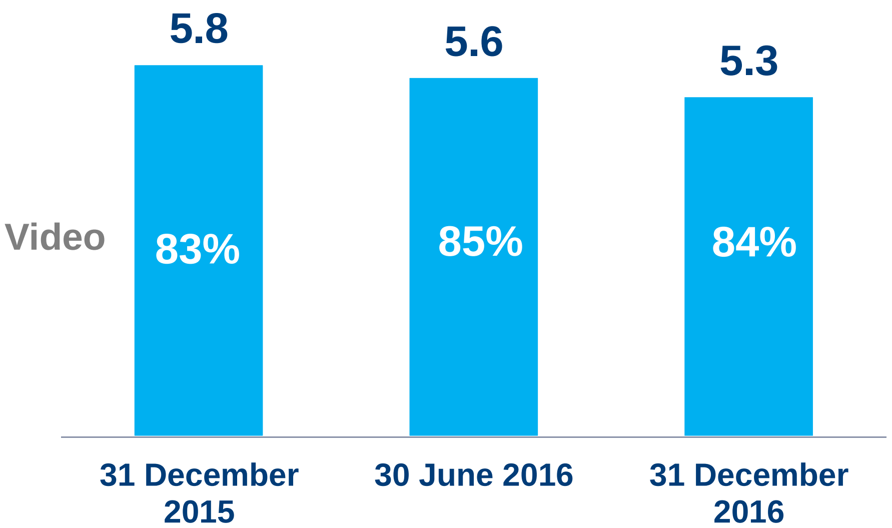
TAQNIA

السعودية
SAUDIA



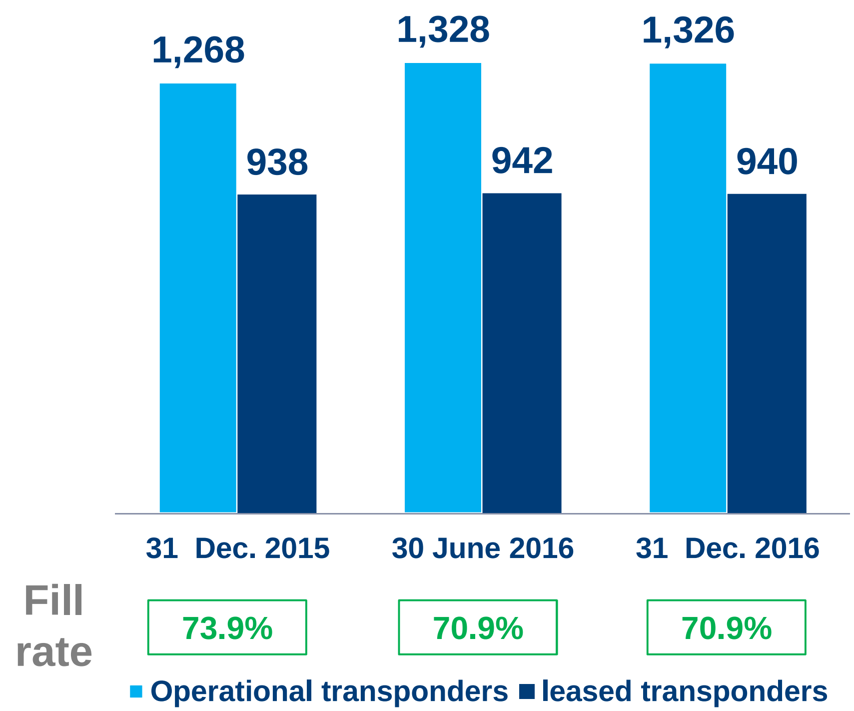
Backlog and Fill Rate

BACKLOG (€BN)



- Backlog of €5.3bn
- 3.5 years of revenues
- Video accounting for 84%

OPERATIONAL AND LEASED TRANSPONDERS



- Operational and leased TPE broadly unchanged on 30 June
- Fill rate of 70.9%

Based on 36 MHz-equivalent transponders (TPE), excluding HTS capacity

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1 Recent highlights

2 Operational performance

3 Financial performance

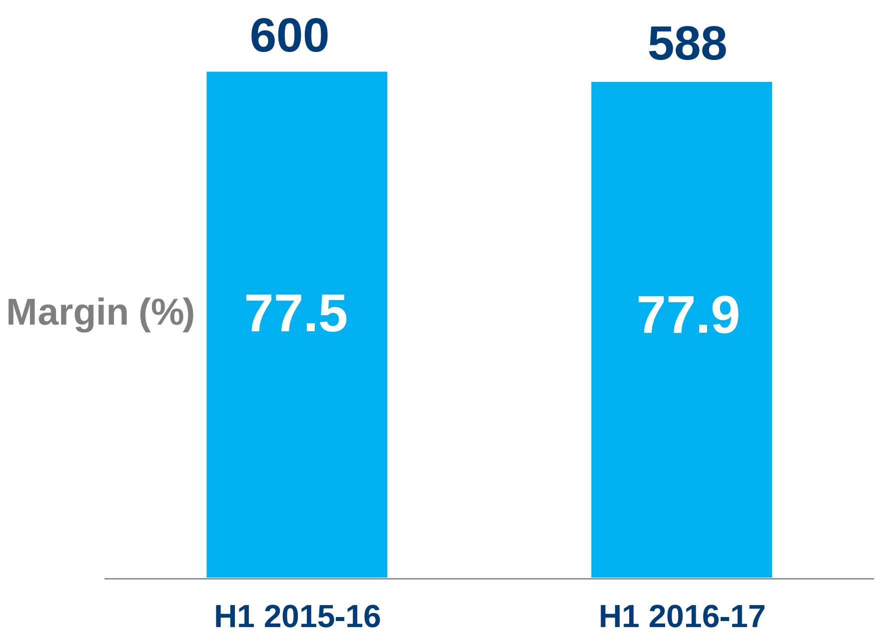
4 Outlook

Profitability

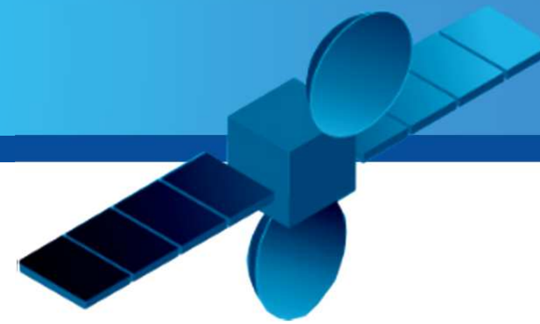
► **EBITDA of €588m, down 2%**
- 2.5% decline in reported revenues

► **EBITDA margin slightly up to 77.9% benefiting from**
- Recurrent favourable phasing of operating costs
- High level of 'Other Revenues' (€42m, + 48% yoy) mostly with no associated costs
- Deconsolidation of Wins/DHI

EBITDA (€M)



Net income



Extracts from the consolidated income statement in €m[1]	H1 2015-16	H1 2016-17	Change	
Revenues	774	755	*-2.5%*	
EBITDA[2]	600	588	*-2.0%*	▶ Stable margin vs H1 2015-16 ▶ Favourable phasing of Opex in H1 ▶ High level of 'Other revenues'
Operating income	361	337	*-6.7%*	▶ Higher D&A ▶ Capital gain on Wins/DHI
Financial result	(63)	(60)	*-6.0%*	▶ June 2016 bond issue and EUTELSAT 36C lease ▶ Lower capitalized interest ▶ Variation in forex impact
Income tax	(112)	(78)	*-30.3%*	▶ Partial tax-exemption of Wins/DHI capital gain ▶ Non-cash positive one-off related to future tax rate cut in France
Income from associates	10	0	*n.a*	▶ Hispasat reclassified in assets held for sale
Group share of net income	188	192	*+2.2%*	▶ Net margin of 25%

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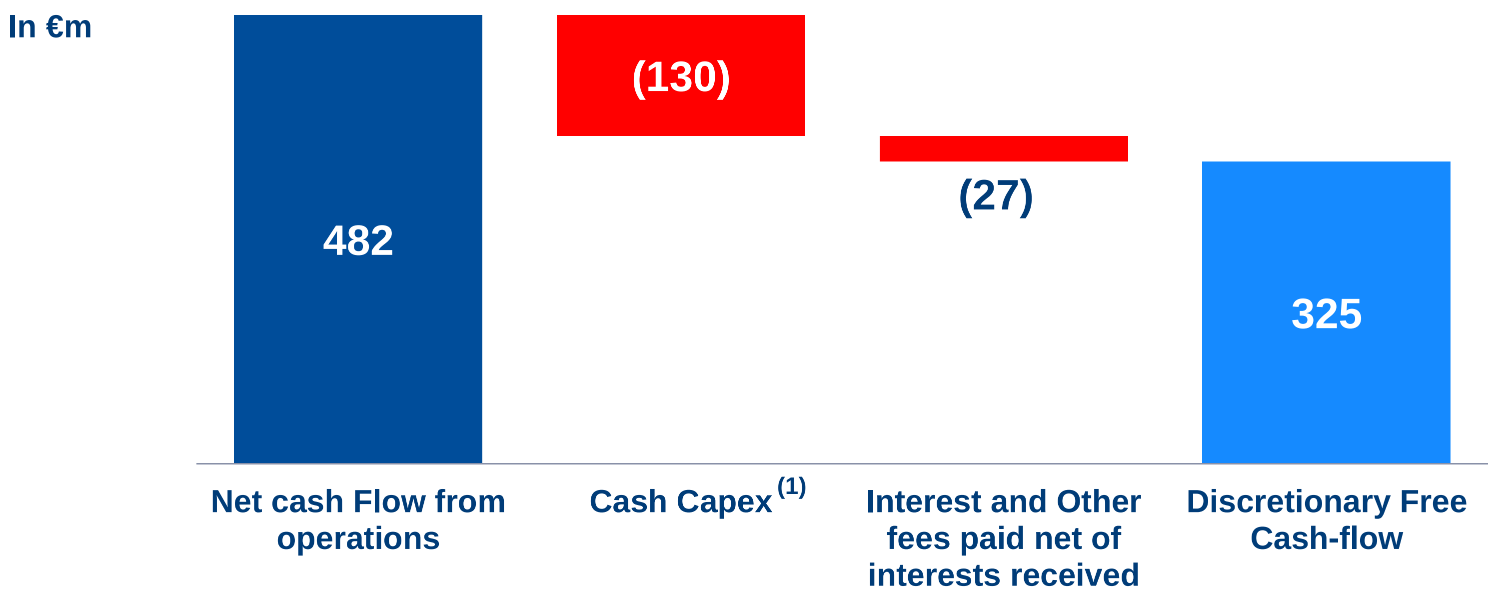
[1]Rounded to closest million
[2]EBITDA defined as operating income before depreciation, amortisation, impairments and other operating income/(expenses)

Discretionary Free-Cash Flow up 27%



H1 2015-16	*447*	*(171)*	*(19)*	*257*

(1) Cash Capex includes capital expenditures and payments under existing export credit facilities and under long-term lease agreements on third party capacity. Cash Capex for H1 2016-17 is restated from the value of the payment owed in FY 2015-16 to RSCC in respect of lease of EUTELSAT 36C but paid effectively in H1 2016-17 (payment of €87.2m in H1 2016-17 out of a total of €95.2m expected over the full year) which was already accounted for in FY 2015-16 cash capex

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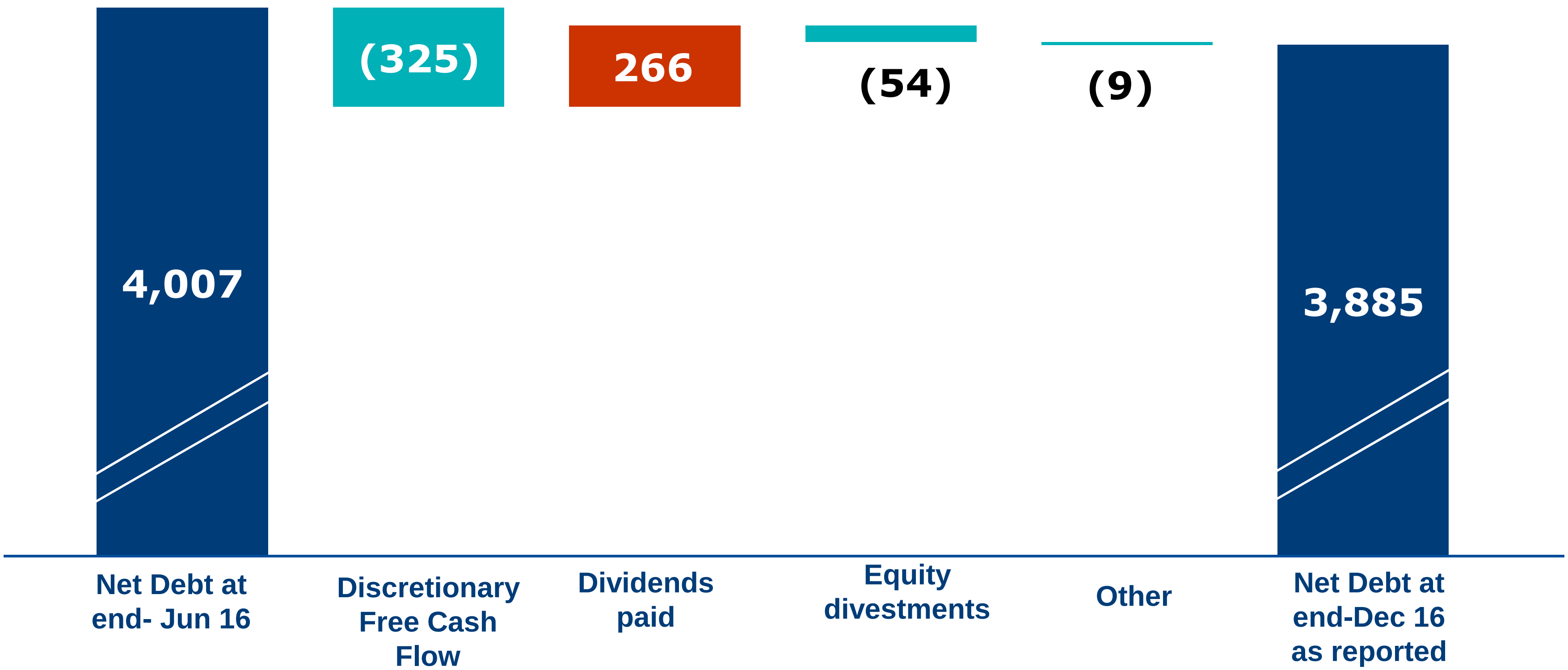
Net debt

In €m



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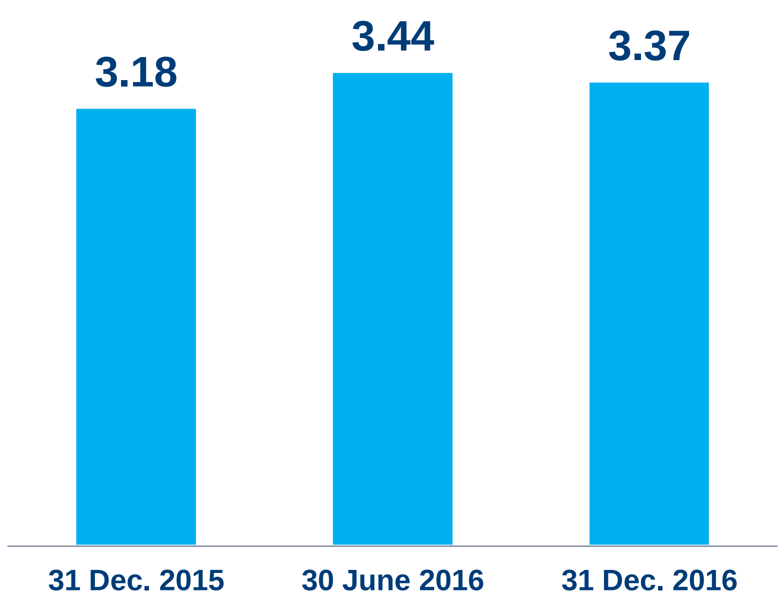
Financial structure

- Net Debt/EBITDA ratio reduced to 3.37x vs. 3.44x at 30 June 2016
- Average cost of debt after hedging reduced to 3.1% (vs 3.6% in H1 2015-16)
- Average weighted maturity of 2.9 years
- New BBB/stable rating by Fitch
  - Further support to Investment Grade
- Re-financing to generate €30m savings in FY 2017-18

NET DEBT / EBITDA RATIO[1]



[1]Based on net debt at the end of the period and last twelve months' EBTIDA

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1 Recent highlights

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3 Financial performance

4 Outlook

Our strategic roadmap

STEP 1	STEP 2	
GROW CASH-FLOW	**GROW TOPLINE**	
2016-2019	2019-2025+	
Maximise Free-Cash-Flow generation of core businesses	Build on our core video business to accelerate growth	Capture longer term potential in Connectivity

Progress in H1

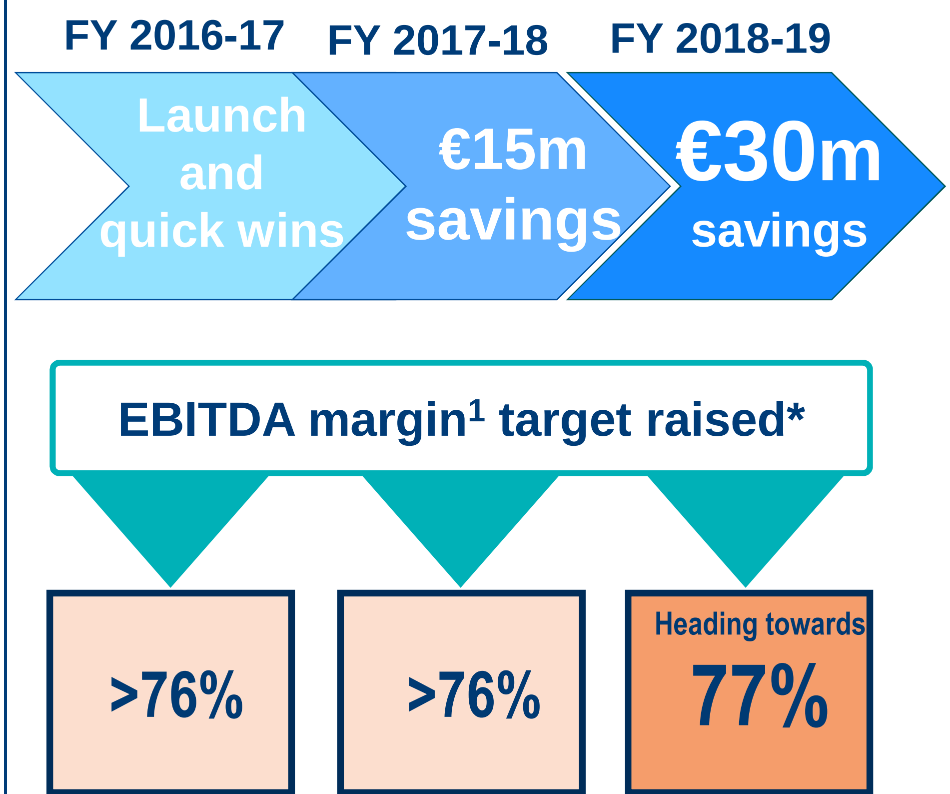
STEP 1	Maximise Free Cash Flow	Financial and operational measures	✓ Cost-savings plan: Launch of 'LEAP' ✓ Capex optimisation: EUTELSAT 5 WB procured with significant savings ✓ Asset disposals: Wins /DHI , Hispasat put option exercised
		Optimizing revenues in the core businesses	✓ Video: Ramp-up of HD and UHD on HOTBIRD ✓ Government: Strong fall renewals with US DoD
STEP 2	Grow topline	Build on core video business	✓ Innovation: Tricolor TV selected Smartbeam Multi-screen delivery Video service
		Capture longer term potential in Connectivity	✓ Broadband: launch of Russian broadband service; capacity secured to launch African broadband ✓ Mobile connectivity: several contract wins in aero mobility: SAS, Finnair, Saudia ✓ ViaSat: European JV with extended scope; Considering joint investment in VHTS technology

LEAP Programme: €30m cost-savings by 2019

LAUNCH OF LEAP WITH IDENTIFIEDSAVINGS

- **EBITDA margin above 75%**
  - Scope for improvement relative to best-in class
- **c.€140m of adressable costs identifed**
  - Out of total opex base of c.€340m
- **Target of >20% reduction**
  - Based on granular internal analysis and benchmarking
- **Cost savings target attributed to each manager with attendant incentivisation**

TIMING AND IMPACT OF LEAP



from >75% previously for the three years

[1]At constant currency

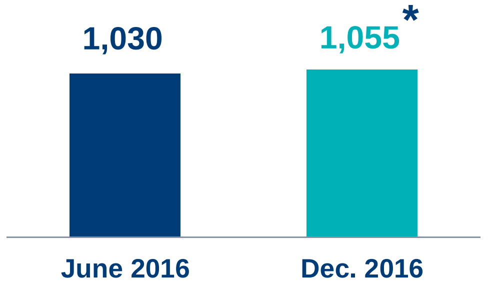
HOTBIRD update

ON TRACK TO PREPARE RETURN TO GROWTH

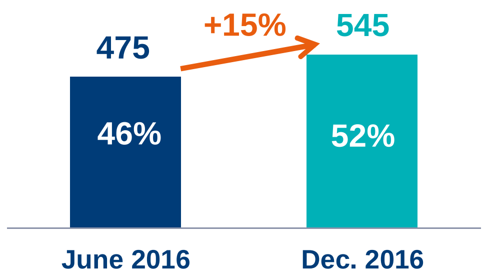
- **Rationalisation of distribution completed**
- **Differentiated pricing to incentivise HD migration**
- **Ongoing migration of FTA to HD**
  - Launch of Euronews HD
  - 5 Rai channels transitioned to HD
  - 3 CCTV channels
- **Launch of two UHD channels**
  - Multi-year contracts with FTV UHD and Travelxp 4K
- **Slight improvement in Fill Rate**

SOLID FUNDAMENTALS

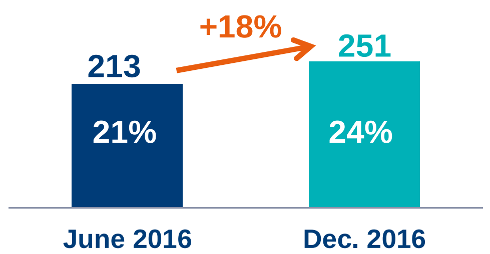
Resilient channel count



MPEG-4 more advanced than HD



Acceleration in HD ramp-up



*Including TV d'Orange bouquet ceased in Jan. 2017

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Agreement with ViaSat…

CLOSING OF JV AGREEMENT	WHAT'S NEW?

CLOSING OF JV AGREEMENT

- **Combining Eutelsat's European broadband business with ViaSat's expertise**
- **Two entities:**
  - Infrastructure (51% Eutelsat):
  - Retail (51% ViaSat)
- **ViaSat to pay €132.5m for 49% of European Broadband business**

WHAT'S NEW?

- **Initial JV perimeter extended to include both fixed broadband AND in-flight mobility**
- **Initial technical assessment of Viasat 3 VHTS technology successfully completed**
- **ViaSat-3 EMEA satellite expected to be added to the joint venture**
- **Platform to drive growth acceleration in Connectivity vertical from early 2020s**

…paving the way for the longer-term Connectivity opportunity

Significant long-term potential	► Core market for Fixed Broadband via satellite estimated at c.5m households in Europe in 2030[1] ► Global revenues for in-flight connectivity capacity expected to exceed €1bn in 2025
VHTS game-changing technology	► Provision of fibre-like service ► Production costs enabling transition from niche to mass market
Springboard for growth rebound from 2020	► Early mover advantage ► Strong technology partner ► Combining ViaSat's distribution know how and Eutelsat's established positions and 'go-to-market' experience
Managed within current capex and profitability framework	► Shared Investment with ViaSat ► KA-SAT funds earmarked for VHTS investment ► Eutelsat retains an infrastructure business model with no impact on margins

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[1] *Households with Fixed Broadband connection below 10 Mbps and no indoor LTE coverage*

Financial outlook

REVENUES (At constant currency, and perimeter)	► **FY 2016-17: Between -3% and -1%** ► **FY 2017-18: Broadly stable** ► **FY 2018-19: Slight growth**
EBITDA MARGIN[1]	► **FY 2016-17 and FY 2017-18: above 76%** ► **FY 2018-19: heading towards 77%** ***(versus above 75% previously)***
CAPEX	► **FY 2016-17 to FY 2018-19:** **Average of €420m[2] per year'**
FREE CASH FLOW	► **FY 2015-16 to FY 2018-19:** **Discretionary Free Cash Flow[3] CAGR >10%**
LEVERAGE	► **Investment grade rating** ► **Target net debt / EBITDA: below 3.3x**
DISTRIBUTION	► **Stable to progressing dividend**

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1 At constant currency
2 Inc. cash outflows related to ECA loan repayments and capital lease payments
3 Net cash-flow from operating activities less Cash Capex less Interest and Other fees paid net of interest received. Three year CAGR calculated on the period FY 2015-16 to FY 2018-19.

To Sum Up:

- On track to deliver on revenue objectives, underpinned by solid commercial performance
- Raised EBITDA margin outlook on the back of ‘LEAP’ cost-savings plan
- Strong growth in Discretionary Free-Cash-Flow with opex savings coming on top of Capex and financial costs
- Paving the way for Connectivity-driven post-2020 revenues rebound through ViaSat partnership, with no increase in capex outlook
- Retained commitment to deliver stable to progressing dividend

APPENDICES

Future launches

Name	EUTELSAT 172 B	EUTELSAT 7C	EUTELSAT 5 WEST B	eutelsat QUANTUM	AFRICAN BBAND. SATELLITE
Position	172° East	7° East	5° West	TBD	TBD
Launch[1]	Q2 2017	H2 2018	H2 2018	2019	2019
Manufacturer	AIRBUS DEFENCE & SPACE	SSL	AIRBUS DEFENCE & SPACE / Orbital ATK	AIRBUS DEFENCE & SPACE	ThalesAlenia Space
Launcher	arianespace	TBD	ILS	TBD	TBD
Coverage	Asia-Pacific	MENA SSA	Europe MENA	Flexible	SSA
Applications	Data GS Mobility	Video	Video	Data GS Mobility	Broadband
Total Capacity (TPE/Spotbeams)	42 Ku 24 C **11 Ku / 1.8 Gbps**	49 Ku	35 Ku	N/A	**65 Ka / 75 Gbps**
Expansion Capacity[2]	19 Ku **11 Ku / 1.8 Gbps**	19 Ku	-	N/A	**65 Ka / 75 Gbps**

Electrical propulsion

HTS Payload

1 Calendar year
2 Excludes unannounced redeployments

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