

FIRST QUARTER 2021-22 REVENUES

- *Operating Verticals revenues of €285 million, down 3.4%¹, in line with the mid-point of full year objectives*
- *All financial objectives confirmed*
- *Robust progress in Fixed Broadband roll-out with several new wholesale agreements*
- *Additional investment in OneWeb which is gaining significant operational and commercial traction*

Paris, 28 October 2021 – Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL) reports revenues for the First Quarter ended 30 September 2021.

In € millions	Q1 2020-21	Q1 2021-22	Change	
			Reported	Like-for-like ²
Broadcast	190.6	177.6	-6.8%	-6.5%
Data & Professional Video	39.5	38.4	-2.8%	-1.4%
Government Services	38.4	37.0	-3.6%	-1.8%
Fixed Broadband	20.5	14.6	-28.8%	+65.0%
Mobile Connectivity	17.7	17.1	-3.4%	+0.8%
Total Operating Verticals	306.7	284.8	-7.1%	-3.4%
Other Revenues ³	8.6	2.6	-69.8%	-54.8%
Total	315.3	287.3	-8.9%	-4.4%
EUR/USD exchange rate	1.16	1.18		

Rodolphe Belmer, Chief Executive Officer of Eutelsat Communications, said: *“First Quarter Revenues are in line with our expectations, and we confirm our financial objectives for the current and subsequent years. Our broadcast activities continue to reflect the carry-forward effects of last year’s Covid-related slowdown, but we are seeing signs of a return to normal with renewed commercial activity in Europe, while we are making progress on selling capacity at our popular 7/8 degrees West position following its partial renewal by Nilesat. At the same time, our growth drivers are now coming into their stride, notably with major deals secured for our broadband capacity in two more of Europe’s largest markets, Germany and Spain, and ongoing traction in Africa. Moreover, EUTELSAT QUANTUM was successfully launched, and we have a strong pipeline of interest as it prepares for its imminent entry into service. This quarter also seen the strengthening of our commitment to OneWeb, where we are now the second largest shareholder, underpinning our key non-geostationary strategic pillar and which is gaining significant operational and commercial traction.”*

¹ Like-for-like variation at constant currency and perimeter.

² Change at constant currency and perimeter. The variation is calculated as follows: i) Q1 2021-22 USD revenues are converted at Q1 2020-21 rates; ii) the contribution of BigBlu Broadband Europe (BBB) is excluded from Q1 2021-22 revenues; iii) the contribution of Eurobroadband Infrastructure (EBI) is excluded from Q1 2020-21 revenues; iii) Hedging impact is excluded.

³ Other Revenues include mainly the impact of EUR/USD revenue currency hedging, the provision of various services or consulting/engineering fees and termination fees.

HIGHLIGHTS

Successful launch of **EUTELSAT QUANTUM** with entry into service imminent. To be located at 48°East, the satellite brings unprecedented flexibility to address the government and mobility markets and a strong pipeline of opportunities with both USG and non-USG customers should lead to the recognition of the first revenues in the upcoming quarters.

Further progress in our **Fixed Broadband** roll-out confirming the role of satellite as a complementary infrastructure enabling telcos to achieve ubiquitous reach for high speed Broadband:

- Distribution agreement with Deutsche Telekom for the German capacity on EUTELSAT KONNECT, and multi-year wholesale commitment from Hispasat for the Iberian capacity on the same satellite, with possible extension to the future EUTELSAT KONNECT VHTS satellite, meaning four of the five most populated European countries are now covered by wholesale or distribution agreements with major operators
- Multi-year, multi-Gbps wholesale capacity contract with Globacom, the second largest Telecom operator in Nigeria.

Further strengthening our investment in **OneWeb**

- Closing of the initial \$550m investment in September
- Stake subsequently raised to 23%, making Eutelsat OneWeb's second largest shareholder
- Significant operational and commercial traction for OneWeb ahead of imminent partial entry into service, notably with a major pre-commitment from NEOM for capacity across Saudi Arabia and the wider MENA area.

Resale of capacity at 7/8°West well on track and in line with expectations, confirming our **MENA leadership**

- Partial renewal of capacity with Nilesat on improved terms
- Multiple agreements including multi-year, multi-transponders contracts with Du, Jordan Media City and Abu Dhabi Media
- Substantial pipeline of further opportunities for the resale of capacity at a higher price

Phase 1 of **C-Band transition** completed and validated by the FCC. \$125m payment expected around the turn of the year. Operations related to Phase 2 on track.

Total revenues down 5.3% and Operating Verticals revenues down 3.4% year-on-year on a like-for-like basis, broadly **in line with the variation implied by the mid-point of full-year objective**.

All **financial objectives** for current and next fiscal year confirmed.

FIRST QUARTER REVENUES⁴

Total revenues for the First Quarter stood at €287.3 million down 8.9% on a reported basis and by 4.4% like-for-like.

Revenues of the five Operating Verticals (ie, excluding 'Other Revenues') stood at €284.8 million. They were down by 3.4% on a like-for-like basis excluding a negative currency effect of c.-0.7 points and a negative perimeter effect of circa -3 points deriving from the disposal of Euro Broadband Infrastructure (EBI) on 30 April 2021, only partly offset by the consolidation of Bigblu Broadband Europe since 1st October 2020.

⁴ The share of each application as a percentage of total revenues is calculated excluding "Other Revenues".

Quarter-on-quarter, revenues of the five Operating Verticals were down by 2.7% like-for-like.

Unless otherwise stated, all variations indicated hereunder are expressed on a like-for-like basis, ie, at constant currency and perimeter.

Broadcast (62% of revenues)

First Quarter Broadcast revenues amounted to €177.6 million, down 6.5% year-on-year. They reflected the carry-forward effect of the slowdown in the pace of new business against the Covid backdrop which notably affected resellers across Europe during FY 2020-21, as well as a negative impact of circa 1.5 points stemming mainly from a tough comparison basis, as the First Quarter of FY 2020-21 which included a positive one-off of circa €2m, and to a lesser extent from lower revenues from Fransat.

On a quarter-on-quarter basis, revenues were down by 1.7%.

On the commercial front, we experienced some signs of a return to normality, notably in Europe with a multi-year agreement signed with the Polish national commercial broadcaster, TVN, for an additional transponder at the HOTBIRD neighbourhood and a contract with Zeonbud, Ukraine's nation-wide DTT operator for capacity at the 9°East orbital position.

Furthermore, we are well on track and in line with expectations regarding the resale of capacity at the 7/8°West orbital position over MENA. We opted for a partial renewal agreement with Nilesat, while multiple new contracts have been signed including multi-year agreements with Du, Jordan Media City and Abu Dhabi Media. This is expected to generate a temporary headwind for Broadcast revenues. However, we continue to see a substantial pipeline of opportunities in the region for the resale of the remaining capacity at a higher price.

Data & Professional Video (14% of revenues)

First Quarter Data & Professional Video revenues stood at €38.4 million, down by 1.4% year-on-year.

The pace of year-on-year decline was slightly more pronounced in Professional Video, which now represents one third of revenues for this application, than in Fixed Data where improved volume trends are now compensating for most of the negative impact of competitive pressure.

Quarter-on-quarter, revenues were down by 6.2%, reflecting in particular the inclusion in revenues for the Fourth Quarter of FY 2020-21 of a one-off relating to the sale of equipment for circa €1m.

On the commercial front, EUTELSAT 172B was selected by Lintasarta to support rural backhaul in Indonesia in a multi-transponder agreement.

Government Services (13% of revenues)

First Quarter Government Services revenues stood at €37 million, down 1.8% year-on-year. This reflected mostly the negative carry-forward effect of USG renewals.

On a quarter-on-quarter basis, revenues were down by 3.2%.

The latest renewal campaign with the US Government (Fall 2021) resulted in an estimated renewal rate of around 75%, reflecting notably the geopolitical context in MENA.

Government Services will benefit in particular in the second half from the progressive ramp-up of EUTELSAT QUANTUM for which we see a strong pipeline of opportunities with both USG and non-USG customers.

Fixed Broadband (5% of revenues)

First Quarter Fixed Broadband revenues stood at €14.6 million, up 65% year-on-year on a like-for-like basis, ie, excluding the impact of the acquisition of BBB and of the disposal of EBI.

This reflects in particular the contribution of the wholesale agreements with Orange and TIM, as well as, to a lesser extent the progress of our retail and African operations.

On a quarter-on-quarter basis, revenues were down by 2.6% (or €0.4m), reflecting the erosion of the heritage business of BBB on KA-SAT and the volatility of terminal sales.

The first four months of the financial year saw further progress in our Fixed Broadband strategy roll-out confirming satellite as a complementary infrastructure to enable Telecom operators to achieve ubiquitous reach for high-speed Broadband. A distribution agreement was signed with Deutsche Telekom on the EUTELSAT KONNECT satellite for the German coverage as well as a multi-year wholesale commitment from Hispasat for the Iberian capacity on EUTELSAT KONNECT. Both agreements could be extended to KONNECT VHTS in the future. In Africa a multi-year, multi-Gbps wholesale capacity contract was secured with Globacom, Nigeria's second largest Telecom operator.

Mobile Connectivity (6% of revenues)

First Quarter Mobile Connectivity revenues stood at €17.1 million, up 0.8% year-on-year. This reflected, on one hand, continued progress in Maritime as well as the contribution of the contract with Global Eagle signed in the second half of FY 2020-21, and, on the other, the ongoing impact of lower revenues from certain service providers in the Aero Mobility segment.

Revenues were down 3.6% quarter-on-quarter.

Other Revenues

'Other Revenues' amounted to €2.6 million in the First Quarter versus €8.6 million a year earlier and €10.4 million in the Fourth Quarter of FY 2020-21. They did not include any substantial impact from hedging operations compared to a positive impact of €2.4 million last year.

OPERATIONAL AND UTILIZED TRANSPONDERS

The number of operational transponders at 30 September 2021 stood at 1,376 and was broadly stable year-on-year and quarter-on-quarter in the absence of entry into service of any new regular capacity or end of stable-orbit life of any satellite over the last 12 months. The number of utilized transponders stood at 984, up 18 units on a year-on-year basis and by three units quarter-on-quarter. As a result, the fill rate stood at 71.5% compared with 69.9% a year ago and 71.2% at end-June 2021.

	30 Sep 2020	30 Jun 2021	30 Sep 2021
Operational transponders ⁵	1,382	1,377	1,376
Utilized transponders ⁶	966	981	984
Fill rate	69.9%	71.2%	71.5%

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity

⁵ Number of transponders on satellites in stable orbit, back-up capacity excluded.

⁶ Number of transponders utilized on satellites in stable orbit.

BACKLOG

The backlog stood at €4.2 billion at 30 September 2021, versus €4.4 billion at end-September 2020 and end-June 2021. The backlog was equivalent to 3.4 times 2020-21 revenues, with Broadcast representing 64%.

	30 Sep 2020	30 Jun 2021	30 Sep 2021
Value of contracts (in billions of euros)	4.4	4.4	4.2
In years of annual revenues	3.4	3.5	3.4
Share of Broadcast	70%	64%	64%

Note: The backlog represents future revenues from capacity or service agreements and can include contracts for satellites under procurement.

OUTLOOK AND FINANCIAL TARGETS

The First Quarter performance was in line with our expectations enabling us to confirm our FY 2021-22 objective of revenues of the five Operating Verticals of between €1,110-1,150 million⁷.

All other objectives are also confirmed as follows:

- Operating Verticals revenues are expected to grow from FY 2022-23 with an acceleration in FY 2023-24.
- Cash Capex⁸ will not exceed €400 million per annum for each of the next three fiscal years (FY 2021-22 / FY 2022-23 / FY 2023-24).
- The LEAP 2 plan aimed at generating €20-25 million in annual savings by FY 2021-22.
- Adjusted Discretionary Free Cash Flow of between €400 million and €430 million in FY 2021-22 at a €/€ rate of 1.20. Adjusted Discretionary Free Cash Flow is expected to grow in FY 2022-23 and in FY 2023-24.
- Commitment to a sound financial structure to support our solicited investment grade credit ratings targeting a medium-term net debt / EBITDA ratio of around 3x.
- Stable to progressive dividend policy based on the dividend of 0.93 euros recommended at the upcoming Annual General Meeting.

This outlook is based on the nominal deployment plan outlined hereunder.

FLEET DEPLOYMENT

Nominal deployment programme

There are no changes to the nominal deployment plan since the last quarterly update in July 2021.

⁷ Based on a €/€ rate assumption of 1.20 and current perimeter.

⁸ Including capital expenditure and payments under existing export credit facilities and other bank facilities financing investments as well as payments related to lease liabilities.

Satellite	Orbital position	Estimated entry into service (calendar year) ¹	Main applications	Main geographic coverage	Physical Transponders/ Spot beams	Of which expansion
EUTELSAT QUANTUM	48° East	Q4 2021	Government, Mobility	Flexible	8 "QUANTUM" beams	8 "QUANTUM" beams
KONNECT VHTS	To be confirmed	H1 2023	Connectivity	Europe	~230 Ka spot beams	500 Gbps
EUTELSAT 10B	10° East	H1 2023	Mobile Connectivity	EMEA Atlantic & Indian Ocean	12 Ku 10 C >100 Ku spot beams	-48 Ku c. 35 Gbps
EUTELSAT HOTBIRD 13G	13° East	H1 2023	Broadcast	Europe MENA	80 Ku ² EGNOS payload	EGNOS payload
EUTELSAT HOTBIRD 13F	13° East	Q2/Q3 2023	Broadcast	Europe MENA	80 Ku ²	None
EUTELSAT 36D	36° East	H2 2024	Broadcast Government	Africa, Russia, Europe	70 Ku UHF payload	UHF payload

¹ Launches are expected to occur in the course of H1 2022 for EUTELSAT HOTBIRD 13F, EUTELSAT HOTBIRD 13G and KONNECT VHTS, in H2 2022 for EUTELSAT 10B and in H1 2024 for EUTELSAT 36D. EUTELSAT QUANTUM was launched on 30 July 2021.

² Nominal capacity corresponding to the specifications of the satellites. Total operational capacity at the HOTBIRD orbital position will remain unchanged with 102 physical transponders operated, once regulatory, technical and operational constraints are taken into account.

Changes in the fleet since 30 June 2021

- EUTELSAT QUANTUM was launched on 30 July 2021 and is expected to enter into service by calendar year-end.
- The lease agreement for capacity on the YAHSAT 1B and AI Yah 3 satellites was terminated in the first quarter of fiscal year 2021-22.

RECENT EVENTS

Increase in the stake in OneWeb

On 6 October, a call option on a portion of the latest OneWeb funding round subscribed by Bharti was exercised for a consideration of 165 million U.S. dollars, taking Eutelsat's shareholding from 17.6% to 22.9%⁹. The transaction was undertaken on identical financial terms to Eutelsat's initial investment of 550 million U.S. dollars announced in April and completed on 8 September. The completion of this latest transaction is expected around year-end 2021 subject to regulatory authorisations.

Statement Concerning Press Rumours

On 29 September 2021, it has been confirmed that Eutelsat received an unsolicited, preliminary and non-binding proposal from Patrick Drahi in connection with a potential transaction on all of the company's share capital. The relevant governance bodies of Eutelsat Communications unanimously decided not to engage in discussions based on the terms of this proposal. On 30 September, it has been also confirmed that the proposal received from Mr. Patrick Drahi - and rejected unanimously by the relevant governance bodies of the company - priced Eutelsat at 12.10 euros per share, all dividend attached.

Update on C-Band proceeds

In the context of the clearing of the 300 MHz of C-band satellite spectrum, executed in two phases under FCC-determined deadlines of respectively December 2021 and December 2023, Eutelsat is eligible for a pre-tax sum of \$507m, of which \$125m in respect of Phase 1 and \$382m for Phase 2.

⁹ Subject to the completion of the investment announced by Hanwha in August 2021.

Phase 1 has been completed ahead of the deadline, with the attendant certification filed to the FCC on 27 September 2021 and validated by the FCC on 27 October 2021. The related payment is expected around the turn of the year.

Thanks to a simplified migration strategy, the operations necessary to fulfil Phase 2 obligations are now close to completion and remain on track with the objective to receive the related proceeds by the end of our current fiscal year.

Eutelsat Chief Executive Officer Rodolphe Belmer to step down

On 20 October 2021, Eutelsat Communications Chief Executive Officer Rodolphe Belmer has notified the board of directors of his intention to step down at the beginning of 2022 at the latest. The process of recruiting a successor started immediately. In the meantime, Rodolphe will remain fully at the helm and focused on the development and performance of Eutelsat.

CORPORATE GOVERNANCE

Upcoming Annual General Meeting

The Board of 30 July 2021 proposed, amongst others, the following resolutions to be submitted to the vote of shareholders at the Annual General Meeting of 4 November 2021:

- Approval of the accounts;
- Dividend relating to Financial Year 2020-21;
- Renewal of the mandates of Esther Gaide, Dominique D'Hinnin and Didier Leroy;
- The appointment of BPIFrance Investissement as a Board member. Subject to the vote of the Ordinary General Meeting, it will be represented by Paul François Fournier;
- Compensation of corporate officers and compensation policy.

Following the next Annual General Meeting and subject to the approval of the above-mentioned resolutions, the Board will be composed of 10 members, 50% of whom are women and 70% of whom are independent.

First Quarter 2021-22 revenues conference call

A conference call will be held on **Thursday, 28 October 2021** at **18.30 CET / 17.30 GMT / 12.30 EST**

To connect to the call, please use the following numbers:

- France: +33 (0) 9 80 09 90 82
- UK: +44 (0) 330 027 1846
- United States: +1 334 777 6978

Access code: **9878796#**

Instant replay will be available from 28 October, 22.30 CET to 4 November, 22.00 CET on the following numbers:

- France: +33 (0) 1 70 48 00 94
- UK: + 44 (0) 203 859 5407
- United States: + 1 719 457 0820

Access code: **9878796#**

Financial calendar

Note: The financial calendar is provided for information purposes only. It is subject to change and will be regularly updated.

- 4 November 2021: Annual General Shareholders' Meeting
- 17 February 2022: First Half 2021-22 results

About Eutelsat Communications

Founded in 1977, Eutelsat Communications is one of the world's leading satellite operators. With a global fleet of satellites and associated ground infrastructure, Eutelsat enables clients across Video, Data, Government, Fixed and Mobile Broadband markets to communicate effectively to their customers, irrespective of their location. Around 7,000 television channels operated by leading media groups are broadcast by Eutelsat to one billion viewers equipped for DTH reception or connected to terrestrial networks. Headquartered in Paris, with offices and teleports around the globe, Eutelsat assembles 1,200 men and women from 50 countries who are dedicated to delivering the highest quality of service. Eutelsat Communications is listed on the Euronext Paris Stock Exchange (ticker: ETL).

For more about Eutelsat go to www.eutelsat.com

Media

Joanna Darlington	Tel.: +33 1 53 98 31 07	jdarlington@eutelsat.com
Marie-Sophie Ecuier	Tel.: +33 1 53 98 32 45	mecuer@eutelsat.com
Jessica Whyte	Tel.: +33 1 53 98 46 21	jwhyte@eutelsat.com

Investors

Joanna Darlington	Tel.: +33 1 53 98 31 07	jdarlington@eutelsat.com
Cédric Pugni	Tel.: +33 1 53 98 31 54	cpugni@eutelsat.com
Alexandre Illouz	Tel.: +33 1 53 98 46 81	aillouz@eutelsat.com

Disclaimer

The forward-looking statements included herein are for illustrative purposes only and are based on management's views and assumptions as of the date of this document.

Such forward-looking statements involve known and unknown risks. For illustrative purposes only, such risks include but are not limited to: risks related to the health crisis; operational risks related to satellite failures or impaired satellite performance, or failure to roll out the deployment plan as planned and within the expected timeframe; risks related to the trend in the satellite telecommunications market resulting from increased competition or technological changes affecting the market; risks related to the international dimension of the Group's customers and activities; risks related to the adoption of international rules on frequency coordination and financial risks related, inter alia, to the financial guarantee granted to the Intergovernmental Organization's closed pension fund, and foreign exchange risk.

Eutelsat Communications expressly disclaims any obligation or undertaking to update or revise any projections, forecasts or estimates contained in this document to reflect any change in events, conditions, assumptions or circumstances on which any such statements are based, unless so required by applicable law.

The information contained in this document is not based on historical fact and should not be construed as a guarantee that the facts or data mentioned will occur. This information is based on data, assumptions and estimates that the Group considers as reasonable.

APPENDIX

Quarterly Reported revenues FY 2020-21

The table below shows quarterly reported revenues.

In € millions	Q1 2020-21	Q2 2020-21	Q3 2020-21	Q4 2020-21	FY 2020-21	Q1 2021-22
Broadcast	190.6	188.3	182.0	180.1	741.0	177.6
Data & Professional Video	39.5	41.9	39.5	40.6	161.4	38.4
Government Services	38.4	38.5	36.7	37.7	151.4	37.0
Fixed Broadband	20.5	21.6	20.5	17.7	80.2	14.6
Mobile Connectivity	17.7	16.2	15.7	17.6	67.2	17.1
Total Operating Verticals	306.7	306.4	294.4	293.7	1,201.2	284.8
Other Revenues	8.6	6.8	6.9	10.4	32.7	2.6
Total	315.3	313.2	301.3	304.1	1,233.9	287.3

Quarterly Proforma revenues FY 2020-21

For comparability purposes, the table below shows proforma quarterly revenues, which exclude the contribution of EBI from 1st July 2020.

In € millions	Q1 2020-21	Q2 2020-21	Q3 2020-21	Q4 2020-21	FY 2020-21
Broadcast	190.6	188.3	182.0	180.1	741.0
Data & Professional Video	39.4	41.8	39.4	40.5	161.1
Government Services	38.4	38.5	36.7	37.7	151.4
Fixed Broadband	5.6	12.3	12.6	14.9	45.4
Mobile Connectivity	17.3	15.9	15.5	17.5	66.3
Total Operating Verticals	291.3	296.8	286.2	290.8	1,165.2
Other Revenues	8.6	6.8	6.9	10.4	32.7
Total	300.0	303.6	293.1	301.2	1,197.9