PRESS RELEASE

SES DELIVERS 2014 GROWTH AND SETS NEW BUSINESS OPPORTUNITIES

Luxembourg, 20 February 2015 – SES S.A. (NYSE Euronext Paris and Luxembourg Stock Exchange: SESG) reports financial results for the year ended 31 December 2014.

HIGHLIGHTS

Full Year 2014 growth compared to prior year period	As reported	At constant FX[1]
Revenue	+3.0%	+4.0%
EBITDA	+4.6%	+5.0%

Delivering revenue growth with operational optimisation, driving 5.0% growth in EBITDA

- Revenue of EUR 1,919.1 million, up 4.0% at constant FX over the prior year
- EBITDA of EUR 1,428.0 million, up 5.0% at constant FX over the prior year
- EBITDA margin improved to 74.4% from 73.7% at constant FX
- Profit of the group up 6.0% to EUR 600.8 million; EPS up 5.6% to EUR 1.49
- 2014 Dividend of EUR 1.18 per A-share proposed, representing 10% increase over 2013

Executing on SES's strategic principles and positioning for long-term growth

- Infrastructure revenue increased by 3.8%, with 12.2% growth in "pull-through" from services
- 5.1% increase in HD TV channels over SES satellites, commensurate with revenue growth
- Six new satellites procured since 1 January 2014 to build future growth
- EUR 1.9 billion of new financing agreed, reducing cost of debt and extending average maturity
- Strong balance sheet with Net Debt / EBITDA of 2.77x (31 December 2013: 2.79x)
- Fully protected contract backlog remains strong at EUR 7.3 billion

Karim Michel Sabbagh, President and CEO, commented:

"SES delivered another year of strong revenue and EBITDA growth in 2014. This reflects a series of successes in key market verticals and geographies in securing new business, as well as further serving our long-standing customers. We have continued to execute on SES's strategic principles for delivering long-term profitable growth, and enhancing our world-leading satellite operations. We have expanded our core video business by developing new neighbourhoods, securing new contracts and increasing channel count. Our investments in innovative solutions that bring together linear and non-linear broadcasting are also paving the way for the introduction of Ultra HD TV. Data and Mobility applications are an increasing source of demand, and SES has continued to build its capabilities across multiple verticals – securing major new contracts for fixed networks as well as maritime and aeronautical connectivity. Our government business has continued to develop, with important new business wins despite the prevailing U.S. budget constraints. Within the business, our focus on operational optimisation has improved margins and enhanced overall profitability.

"Looking forward, 2015 will be a year in which SES continues to build for future growth. The recent announcements of the SES-14, SES-15 and SES-16/GovSat programmes demonstrate SES's commitment to generating long-term revenue growth as part of our existing investment plan. These satellite programmes will use the latest technological innovations and leverage SES's differentiated capabilities to deliver new capacity that will optimally serve attractive market verticals across the globe."

[1] "Constant FX" refers to the restatement of comparative figures to neutralise currency variations and thus facilitate comparison. Comparative revenue and operating expenses for 2013 are also adjusted to reflect the disposal of the Glocom business in November 2013.

Revenue and EBITDA development

- Revenue up 4.0% at constant FX to EUR 1,919.1 million
- EBITDA up 5.0% at constant FX, benefiting from improved margin of 74.4%

Reported **revenue** increased by 3.0%, or 4.0% at constant FX, with growth in European and International infrastructure sales, combined with a strong European services performance, being the key drivers.

The sale of eight transponders to Eutelsat, as part of the comprehensive agreement in January 2014, was a significant overall revenue contributor to the European growth of 9.1% (at constant FX). This was complemented by new Direct-To-Home (DTH) contracts, European services growth and the contribution of the EGNOS hosted payloads. The International segment revenue grew by 8.3% at constant FX, benefiting from the continued success in commercialising new capacity brought into service in emerging markets. The North America region has continued to be negatively impacted by the U.S. Government sequester, which was the principal factor in the revenue decrease of 13.5% at constant FX.

Operating expenses decreased 1.3% as reported, and increased 1.3% at constant FX, mostly driven by variable costs associated with growth in services revenues. The continued optimisation of operating costs, coupled with revenue growth, has led to improved margins.

Reported **EBITDA** increased by 4.6%, or 5.0% at constant FX, leading to an improved **EBITDA margin** of 74.4%, compared with 73.3% (73.7% at constant FX) for the previous year.

Depreciation and amortisation of EUR 545.4 million increased 6.2%, or 6.5% at constant FX. This reflects the on-going expansion of SES's fleet, with three satellites launched during 2013 and two satellites in 2014. The depreciation expense also included an impairment charge against AMC-15, due to further power degradation being noted on the satellite since Q3 2014.

Operating profit of EUR 882.6 million was 3.7% higher as reported, and increased 4.1% at constant FX.

Net financing costs of EUR 155.0 million reduced by 10.7%, benefiting from SES's successful refinancing activities since 2013. This was complemented by a positive net foreign exchange gain resulting from the strengthening of the U.S. dollar exchange rate, as well as a lower value adjustment on financial assets. These more than offset the reduction in capitalised interest from EUR 41.1 million to EUR 23.7 million.

The **income tax expense** for the year was EUR 85.2 million (2013: EUR 87.5 million), resulting in an **effective tax rate** of 11.7% (2013: 12.9%).

The **share of loss attributed to associates** of EUR 39.0 million (2013: EUR 21.7 million loss) principally relates to SES's 45% interest in O3b Networks, which entered into commercial service in September 2014.

As a result, **net profit attributable to SES shareholders** of EUR 600.8 million was EUR 34.3 million (6.0%) higher than 2013, while **earnings per share** grew by 5.6% to EUR 1.49.

The group's future income profile benefits from a fully protected **contract backlog** of EUR 7.3 billion as at 31 December 2014, representing approximately four times 2014 group revenue.

The Board is proposing a **dividend** of EUR 1.18 for each Class A share (2013: EUR 1.07) and EUR 0.47 for each Class B share (2013: EUR 0.43), representing an increase of 10% over the prior year. The dividend, which is subject to approval at the company's annual general meeting on 2 April 2015, will be paid to shareholders on 22 April 2015.

REGIONAL MARKETS – Infrastructure and Services

Growth in European and International infrastructure revenue was the main contributor to the positive performance for the year. The continued development of complementary services provided added momentum. Meanwhile, the on-going U.S. Government budget sequester continued to impact our government business in North America.

Video broadcasting remains a core part of SES's business. During the year, the total number of TV channels broadcast via SES's satellite fleet increased by 4.7% to 6,529, which represents 17% of the world's total satellite TV channels. This includes an increase of 5.1% in HDTV channels from 1,793 to 1,885 broadcast by SES (representing 25% of the total market).

Infrastructure

Europe

European revenue rose by 9.1% on a constant FX basis to EUR 1,017.7 million, benefiting from increased infrastructure and services revenues. This included the sale of eight transponders to Eutelsat, during the first half of 2014, as part of the comprehensive agreement in January 2014, which was a significant contributor to revenue growth.

European revenue also included the full year benefit of the first European Geostationary Navigation Overlay Service (EGNOS) payload, hosted on SES-5, which entered into service in August 2013. The second EGNOS payload is hosted on ASTRA 5B, and entered commercial service in June 2014.

The revenue performance also reflects a number of video contracts signed throughout the year in which customers retained or increased capacity on SES satellites. ORF (Österreichischer Rundfunk), the Austrian public broadcaster, contracted an additional transponder at 19.2 degrees East for the expansion of its HD offering. In November 2014, satellite TV provider M7 Group extended and increased its requirement for capacity at 23.5 degrees East. The additional capacity will allow M7 Group to expand the HD channel offering of Skylink, a DTH platform for the Czech Republic and Slovakia. In addition, SES will now deliver two new HD channels to 13 countries in Central and Eastern Europe and the Commonwealth of Independent States for Setanta Sports, and a channel for TurkShow, a new Germany-based free-to-air channel broadcast across Western Europe.

The Winter Olympics, where SES provided capacity for NBC's coverage, and the 2014 FIFA World Cup demonstrated the ability of SES's global fleet to provide occasional use capacity for major global events. Ten SES satellites delivered 39,000 hours of FIFA World Cup 2014 coverage for Eurovision, the EBU's distributor of premium sports content, and other broadcasters around the world. In addition, the BBC contracted incremental broadcast capacity for the period covering the 2014 Wimbledon tennis tournament, the Glastonbury music festival and the 2014 Commonwealth Games.

SES has continued to develop its position as a leading facilitator of the commercial introduction of Ultra HD by achieving several significant milestones during 2014. A live Ultra HD broadcast from 19.2 degrees East demonstrated the feasibility of Ultra HD transmissions over satellite at IBC in September 2014. The broadcast, in the HEVC compression standard and with content protection, was displayed on a Samsung Ultra HD TV. Other developments included the broadcast of several major events in Ultra HD using SES satellites, such as Eurovision's broadcast of the 2014 FIFA World Cup. Rock band Linkin Park's Berlin concert in November 2014 was the world's first live concert to be broadcast in Ultra HD via satellite in the new HEVC compression standard.

The principal developments in the provision of data services included a long-term contract with SIS LIVE, operator of the largest outside broadcast and satellite uplink fleet in Europe, to provide Ka-band capacity on ASTRA 1L at 19.2 degrees East. This enables SIS LIVE to deliver satellite news gathering services to some of the UK's major news and content providers, including ITN and ITV.

Following the 2014 year end, SES announced an agreement with the Luxembourg Government jointly to incorporate a legal entity, LuxGovSat, to procure and launch a dedicated satellite for governmental use, to be launched in Q2 2017. Each party will invest EUR 50 million into the new company, which will also receive a EUR 125 million bank loan to finance the satellite's procurement and launch.

North America

Revenue for the North America segment decreased by 13.5% (at constant FX) to EUR 341.7 million, mainly due to the impact of the U.S. Government budget sequestration.

SES Government Solutions serves a relatively diversified portfolio of U.S. Government customers (including the Army, Navy, Air Force, NASA, Coast Guard, Department of State and the National Park Service). A trend of lower level of contract renewals and some downscaling of business during 2014 had an adverse influence on revenue development, and is expected to continue into at least the first half of 2015. The prior year period included revenue from the CHIRP hosted payload contract which was terminated at the end of 2013.

SES Government Solutions has continued to build on its relationships across the U.S. Government by securing several new long-term contracts in the second half of the year which will contribute to revenue from 2015. These included a multi-year agreement to provide capacity to support the Army WIN-T network, which will be supported entirely by SES satellites, as well as contracts for capacity in SES's International segment.

Video activities in North America were stable during the year. In September 2014, SES extended its strategic partnership with EchoStar at 105 degrees West with the procurement of SES-11. The new satellite will provide replacement capacity for AMC-15 (a satellite wholly contracted by EchoStar) and SES's C-band payload on AMC-18. AMC-18 will subsequently be redeployed to a secondary mission over North America.

SES also agreed new contracts to provide capacity for data applications in the Oil and Gas sector. In November 2014, SES signed a new capacity agreement with Global Data Systems to enable Stallion Oilfield Services to connect a growing number of oil and gas drilling sites across the U.S. and Canada. This was then followed by an agreement with SageNet/Spacenet to use Ku-band capacity on SES-1 for energy companies to connect their mission-critical operations across the North America region.

As demand for in-flight connectivity increases, SES agreed contracts with two of the major providers of broadband Internet to airlines. In April 2014, SES established a partnership to provide capacity on three spacecraft (SES-1, SES-4 and SES-6) for Gogo's Ku-band-delivered connectivity services to passengers flying over the U.S., Atlantic Ocean region and Europe. This was followed in October 2014 by the long-term agreement between SES and Global Eagle Entertainment (GEE) to provide Ku-band satellite bandwidth for GEE's in-flight connectivity system. The partnership with GEE includes access to SES's existing satellite network, as well as to future HTS spot beam-based systems. In the future, GEE will also use capacity on SES-14 and SES-15 (to be launched in Q4 2017 and Q2 2017 respectively), which will provide comprehensive coverage of both North America and South America.

International

International revenue increased by 8.3% to EUR 559.7 million, at constant FX, as SES continued to commercialise new capacity brought into service in emerging markets.

The International segment revenue included an important contribution from ASTRA 1G, which was contracted for an interim mission in Q4 2014, as foreseen in SES's financial guidance.

During 2014, SES continued to build on the core video business by establishing new DTH platforms in West Africa and Latin America. This was complemented by securing rights to two orbital positions in Brazil, which SES will develop using already positioned assets and new satellite programmes.

SES launched a new digital TV platform for West Africa on ASTRA 2F at 28.2 degrees East in July 2014. The platform will be Nigeria's first free-to-air, DTH platform and will reach millions of satellite homes across the region. In addition to providing incremental growth opportunities for local and international broadcasters, the new platform could also be used to accelerate the pace of digital TV migration. Also in West Africa, SES secured a multi-year capacity contract with a consortium of West African broadcasters, led by Africable and Media Plus, for a new DTH platform. SES will deliver some 80 channels, both free-to-air and encrypted, to French-speaking countries in Sub-Saharan Africa using SES-4 at 22 degrees West.

In May 2014, SES launched a new video distribution neighbourhood for Latin America by repositioning the NSS-806 satellite, which is now located at 47.5 degrees West. By using this in-orbit asset in conjunction with a new antenna seeding programme, SES is able to establish critical mass and grow a new video neighbourhood in Latin America. As a vote of confidence in the new neighbourhood, Encompass Latin America contracted for multiple transponders to deliver premium international and domestic channels throughout the region.

SES further expanded its presence in Latin America by securing the exploitation rights for two new orbital positions – at 48 degrees West and 64 degrees West – from Anatel (the Brazilian national telecommunications agency) in August 2014. At 47.5/48 degrees West, SES will offer C-, Ku- and Ka-band capacity for multiple applications and has begun to develop a new media neighbourhood using the repositioned NSS-806 satellite. The 64 degrees West position is exclusively for DTH broadcasting and complements existing activities at 67 degrees West. This will expand SES's video coverage for the Latin American market to accommodate increasing demand for HD channels.

In February 2014, SES signed a major data contract with Telefonica Global Solutions to connect VIVO mobile phone users across Northern and North East Brazil. As part of the multi-year deal, Telefonica will utilise capacity aboard NSS-7 to enhance and extend the reach of the company's popular VIVO mobile voice and data services, which is already Brazil's largest provider. In January 2014, Orange Business Services renewed and expanded its use of capacity on NSS-12 at 57 degrees East to support growing connectivity needs in the Russian Federation. The increased capacity allows Orange Business Services to provide a suite of high-quality business communication services, such as point-to-point and corporate connectivity.

In Asia, two agreements have been signed with new DTH customers in the Pacific and in South Asia. Existing DTH customers in Thailand and India also added important growth capacity to augment their offering to subscribers, while transitioning their services to the SES-8 satellite which was commercialised in early 2014. In the Middle East, Yahlive substantially grew its free-to-air offering in the market, while in the data segment important new contracts were entered into with enterprise customers across the region.

The International region also incorporated revenue relating to the SES Government Solutions' Pathfinder contract which was announced in July 2014. The multi-year contract provides capacity to support Ku-band communications for U.S. Africa Command.

At the end of the year, Airbus Defence and Space signed a major, multi-year agreement to use SES satellite capacity and network services for the expansion of their business in Africa. Using capacity on SES-5 and the SES teleport in Luxembourg, Airbus Defence and Space will serve its VSAT networks across the continent.

Services

Services are an integral part of the SES offering, playing an essential role in the delivery of end-to-end customer solutions and supporting SES's development of Next Generation Video (NGV) and Next Generation Data (NGD) services on a global scale. A development priority has been to invest in scaling up SES's network capabilities, which also facilitates incremental infrastructure sales – "pull-through" capacity.

During 2014, SES augmented its service offering with the provision of Next Generation Network services for international markets. The extended suite of services now offered by SES supports a holistic approach to managed TV channel playout services with media asset management, programme traffic scheduling, advertising insertion, localisation, transcoding and multiscreen Over-the-Top (OTT) content – all under one roof and on a global basis.

In the year, European services activities continued to deliver strong growth. HD+, SES's HD transmission platform, celebrated its fifth year of commercial operation with a customer base of over 1.6 million paying households in Germany. Since its inception, the platform's offering has grown substantially and now delivers 20 HD channels to a total audience of more than 3.0 million households (including those enjoying the free six-month introductory period). In November 2014, SES Platform Services agreed a contract to manage the technical operations of the Sky Online service. The service allows customers to watch content on-demand or streamed linear TV content both at home and on the move.

SES Broadband Services extended its partnership with ORBITCOM to provide the 'Astra Connect' service to villages in Germany. The solution provides broadband connection to entire communities using a single antenna, which is then distributed via a local network infrastructure, such as Wi-Fi. The success of 'Astra Connect' in Germany has allowed SES Broadband Services to market the solution in other countries, leading to an agreement in October 2014 with Swisscom to provide 'Astra Connect' in Switzerland as part of that country's Universal Broadband Service Obligation.

OTHER DEVELOPMENTS

O3b Networks

O3b Networks, in which SES has a 45% interest, commenced commercial operations at the beginning of September 2014. During the year, O3b successfully launched eight new Medium Earth Orbit (MEO) satellites, each capable of delivering more than 10 Gbps throughput, increasing the total fleet size to a constellation of 12 Super High Throughput Satellites.

O3b's MEO constellation delivers higher throughput and lower latency in comparison with Geostationary Earth Orbit (GEO) satellites, providing more flexible and affordable 'fibre in the sky' connectivity solutions to areas not connected by terrestrial fibre optic cables. O3b provides a highly differentiated offering to service data and mobility applications, which strongly complements SES's existing capabilities.

O3b has contracts with 36 customers, half of which are activated on the network, with the rest to be switched on by mid-2015. These customers have committed to 20 Gbps of capacity. O3b is now evaluating the expansion of its fleet development, with new procurements likely to be announced during the year.

SES Government Solutions was granted General Services Administration (GSA) approval to offer O3b services directly to its U.S. Government customers, allowing them to purchase O3b bandwidth, whole beams, gateway IP connectivity and modems, as well as ground and maritime terminals. SES Government Solutions conducted a live demonstration to U.S. Central Command (CENTCOM) showcasing HD UAV video distribution applications, which CENTCOM participants declared "game-changing" and "transformational" to in-theatre communications.

FLEET DEVELOPMENT AND UTILISATION

- Available transponder capacity grew by 3.2%
- Utilised transponder capacity grew by 1.4%
- ASTRA 5B and ASTRA 2G successfully launched during 2014
- Six new satellites procured since end-2013 for launch between H2 2016 and end-2017

Two new satellites were launched during 2014, increasing the overall fleet to 54 satellites. In addition, ASTRA 2E and SES-8 entered into service during January and February 2014, respectively, each having been launched during Q4 2013.

ASTRA 5B entered into service in June 2014 at the orbital position of 31.5 degrees East. The spacecraft provides DTH as well as direct-to-cable services and contribution feeds to digital terrestrial television networks in its target markets in Central and Eastern Europe.

ASTRA 2G, which completes the current replacement programme at 28.2/28.5 degrees East, was successfully launched at the end of December 2014. The satellite is currently undertaking an interim mission, after which in-orbit testing will be completed prior to its entry into service during the second quarter of 2015.

Available transponder capacity increased by 3.2% to 1,534, while the number of utilised transponders grew by a net 15, or 1.4%, to a total of 1,115 transponders. At 31 December 2014, the group satellite fleet utilisation rate was 72.7% (31 December 2013: 74.0%).

Utilisation - Europe

Available capacity increased by 5.5% to 366 transponders since 31 December 2013, reflecting the additional capacity brought into service on ASTRA 5B. Utilised transponders increased by 19, or 6.8%, to 297, as additional capacity was contracted by video customers. This resulted in an increased utilisation rate of 81.1% (31 December 2013: 80.1%). Average revenue per utilised transponder remained stable in the discrete national markets served.

Utilisation - North America

A reduction of the AMC-6 payload following a solar array circuit failure resulted in the reduction of available satellite capacity by five transponders to 379. Utilised transponders declined against the previous year by 14, or 5.0%, to 265, principally due to the reduction in net new business at SES Government Solutions as a result of the U.S. Government sequester. The utilisation rate was 69.9% at 31 December 2014 (31 December 2013: 72.7%). Average revenue per utilised transponder remained stable.

Utilisation - International

Following the entry into service of the Middle East/Africa beam of ASTRA 2E, and of the SES-8 spacecraft covering South Asia, the number of available transponders increased by 4.4% to 789. Utilisation increased by a net 10, or 1.8%, to 553 transponders, as new capacity brought into service was commercialised, with a partial offset due to non-renewals in SES Government Solutions. The utilisation rate was 70.1% compared to 71.8% the year before. Average revenue per utilised transponder remained stable.

Satellite Health

SES operates a number of satellites that are susceptible to solar array circuit failures. During the period, AMC-6 experienced further power degradation, as did AMC-16, a satellite wholly contracted to EchoStar. Since the end of the third quarter 2014, further power degradation was also noted on AMC-15, which is also wholly contracted to EchoStar. No other reduction in commercial capacity due to additional circuit failures occurred on other fleet assets.

Forthcoming launches

SES's investment programme is focused on delivering the most advanced technology solutions on the most flexible and advanced satellite fleet, while continuing to reduce programme cost. SES aims to optimise its capital expenditure across a range of market verticals and best serve regions with strong demand, while reducing average cost per transponder.

During 2014, SES announced the procurement of three new satellites (SES-10, SES-11 and SES-12) and has continued to re-invest in attractive organic growth opportunities, with a further three satellite programmes (SES-14, SES-15 and SES-16/GovSat) announced in February 2015.

The future launch schedule now comprises seven new satellites providing both replacement and incremental capacity across our key geographic market regions. Four of the seven satellites have been procured to extend SES's coverage in key emerging markets such as Asia-Pacific and Latin America.

Satellite	Region	Application	Launch Date
SES-9	Asia-Pacific	Video, Enterprise, Mobility	Q2/Q3 2015
SES-10	Latin America	Video, Enterprise	Q4 2016
SES-11	North America	Video	Q4 2016
SES-12	Asia-Pacific	Video, Enterprise, Mobility	Q4 2017
SES-14	Latin America	Video, Enterprise, Mobility	Q4 2017
SES-15	North America	Enterprise, Mobility, Government	Q2 2017
SES-16/GovSat[1]	Europe/MENA	Government	Q2 2017

[1] *Procured by LuxGovSat*

In February 2014, SES announced the procurement of SES-10 to expand capabilities in Latin America and the Caribbean. The spacecraft will be positioned at 67 degrees West and will offer high power beams tailored to provide DTH broadcasting, enterprise and broadband connectivity services. SES-10 will provide replacement capacity for AMC-3 and AMC-4, as well as incremental capacity.

The procurement of SES-11 extends SES's relationship with EchoStar and will provide them with replacement Ku-band capacity for AMC-15. The spacecraft will also carry a replacement C-band payload for AMC-18 at 105 degrees West. AMC-18 will be redeployed to a secondary mission over North America.

SES has continued to invest in its fleet, recently announcing the procurement of three new satellites optimised for Next Generation Video (NGV) and Next Generation Data (NGD) services. These satellites add high-powered multi-spot beam payloads (referred to as High Throughput Satellites, or HTS), optimised by on-board Digital Signal Processors, to the wide-beam payloads on these satellites.

The first of these satellites, SES-12, will carry a traditional wide-beam payload and a high-powered Ku-band multi-spot beam payload. These two distinct but complementary missions will expand SES's ability to provide DTH broadcasting in Asia-Pacific, as well as very small aperture satellite terminal (VSAT), Mobility and High Throughput Satellite (HTS) data connectivity services. The satellite will replace NSS-6 and be co-located with the recently launched SES-8 at 95 degrees East, where SES currently serves close to 20 million DTH households in India and south-east Asia.

In February 2015, SES announced the procurement of two new satellites which further support SES's development of the video, enterprise, government and mobility verticals in both North America and South America. SES-14 is a hybrid satellite with C- and Ku-band wide-beam coverage as well as Ku- and Ka-band HTS coverage across Latin America and the North Atlantic region. Operating at 47.5/48 degrees West, SES-14 will address Video (DTH and Direct-To-Cable (DTC)), Enterprise and Mobility data opportunities across its footprint. SES-15 will also carry a hybrid payload, with Ku-band wide beams and Ku-band HTS capability. The satellite will serve North America from the 129 degrees West orbital position and solidifies SES's positioning in the aeronautical Mobility vertical. Global Eagle Entertainment will use the capacity on this satellite and that on SES-14 to deliver comprehensive coverage over the Americas. SES-14 and SES-15 are scheduled for launch in Q4 2017 and Q2 2017 respectively.

On 12 February 2015, SES and the Luxembourg Government jointly incorporated a legal entity, LuxGovSat, to procure and launch a dedicated satellite (SES-16/GovSat) to be commercialised for Governmental and Institutional use. SES-16/GovSat, on which the Luxembourg Government has pre-committed to a significant amount of capacity to support Luxembourg's NATO obligations, will use dedicated military frequencies (X-band and military Ka-band), providing high-powered, global and fully steerable spot beams to support multiple missions. Capacity will also be made available to other governmental and institutional customers for defence and other applications.

Satellite operations

In addition to the new satellite programmes, SES has invested in its ground operations to improve operational excellence and allow the business to meet ever-evolving customer requirements. In July 2014, SES opened a new satellite operations centre (SOC) at its commercial sales and satellite engineering office in Princeton, New Jersey. The new SOC provides 24/7 monitoring and management of over 20 satellites delivering video and data services throughout North America and around the world.

SES has also enhanced its local presence in the Middle East with the opening of a new office in Dubai, United Arab Emirates, to develop relationships and capture the growing customer demand for data connectivity in the region.

OUTLOOK AND GUIDANCE

Market outlook

In Europe and North America, consumer demand for greater viewing choice is driving continued growth in HD TV. Meanwhile, the combination of population growth and improving levels of disposable income is creating significant demand for additional DTH platforms across emerging markets. In the coming years, the introduction of Ultra HD television is expected to become an important catalyst of the next phase of growth.

The additional requirement for satellite capacity coming from a range of enterprise customers is a further growth driver. For example, growth in mobile communications is leading to the continued expansion of cellular networks in Asia-Pacific, Latin America and Africa and related growth in demand for satellite backhaul connectivity. In the Oil and Gas sector, additional capacity is being used for increased safety and monitoring requirements.

Meanwhile, growing consumer demand for airline and maritime Internet connectivity is generating an additional source of demand from mobility service providers such as Global Eagle Entertainment and Gogo.

In the medium and long term, increasing use of more bandwidth-intensive government data applications is likely to be an area of future capacity demand. In addition to military usage, government requirements are expanding to cover a more diverse range of satellite connectivity needs, including schooling and distance learning, civil protection, emergency response and disaster recovery.

These factors are particularly relevant in emerging markets, where satellite has a distinct advantage in reaching areas where deployment of terrestrial high bandwidth networks is not economically viable.

Overlaying these trends is the increasing importance of providing a hybrid satellite solution, as video and data/mobility applications become more interconnected. For example, as consumer behaviour and viewing patterns change, DTH and DTC platforms are likely to become increasingly complemented by the broadcast of video to mobile devices (such as smartphones, tablets and computers) via more integrated satellite data applications.

Financial guidance

Looking ahead, 2015 is a year in which SES will continue to build on its foundations for long-term growth. Although seven new satellites are currently under construction to underpin future growth, only SES-9 is expected to be launched in 2015. In addition, 2015 will have a lower level of outright transponder sales compared with 2014. Group revenue and EBITDA growth of up to 1% (at constant FX) will be delivered by the commercialisation of existing capacity. This assumes no change to the current launch schedule or fleet health status.

EBITDA margin is expected to be above 82% for SES’s infrastructure business, and between 14% and 18% for the services business.

The three-year revenue and EBITDA CAGR guidance for 2014-2016 of 3.5% to 4% at constant FX will reflect the eventual timing of the launch of SES-9, due to take place in Q2 or Q3 2015. The guidance is based on the current launch schedule and fleet health status.

SES’s results for the first quarter of the 2015 financial year will be announced on 30 April 2015.

Quarterly development of operating results (as reported)

In millions of euro	Q4 2013	Q1 2014	Q2 2014	Q3 2014	**Q4 2014**
Average U.S. dollar exchange rate	*1.3585*	*1.3706*	*1.3748*	*1.3408*	***1.2530***
Revenue	484.3	465.6	473.3	467.7	**512.5**
Operating expenses	(128.9)	(120.6)	(124.5)	(111.8)	**(134.2)**
EBITDA	355.4	345.0	348.8	355.9	**378.3**
Depreciation expense	(110.1)	(114.7)	(118.3)	(123.7)	**(134.9)**
Amortisation expense	(21.0)	(10.9)	(12.4)	(13.2)	**(17.3)**
Operating profit	224.3	219.4	218.1	219.0	**226.1**

Quarterly development of operating results (at constant FX)

In millions of euro	Q4 2013	Q1 2014	Q2 2014	Q3 2014	**Q4 2014**
Revenue	501.6	484.0	493.0	482.2	**512.5**
Operating expenses	(136.2)	(129.7)	(133.4)	(118.2)	**(134.2)**
EBITDA	365.4	354.3	359.6	364.0	**378.3**
Depreciation expense	(110.5)	(119.3)	(123.5)	(127.5)	**(134.9)**
Amortisation expense	(21.1)	(11.0)	(12.4)	(13.2)	**(17.3)**
Operating profit	233.8	224.0	223.7	223.3	**226.1**

Transponder utilisation at end of period

In 36 MHz-equivalent	Q4 2013	Q1 2014	Q2 2014	Q3 2014	**Q4 2014**
Europe Utilised	278	279	289	292	**297**
Europe Available	347	347	362	366	**366**
Europe %	80.1%	80.4%	79.8%	79.8%	**81.1%**
North America Utilised	279	271	267	269	**265**
North America Available	384	379	379	379	**379**
North America %	72.7%	71.5%	70.4%	71.0%	**69.9%**
International Utilised	543	548	554	549	**553**
International Available	756	789	789	789	**789**
International %	71.8%	69.5%	70.2%	69.6%	**70.1%**
Group Utilised	1,100	1,098	1,110	1,110	**1,115**
Group Available	1,487	1,515	1,530	1,534	**1,534**
Group %	74.0%	72.5%	72.5%	72.4%	**72.7%**

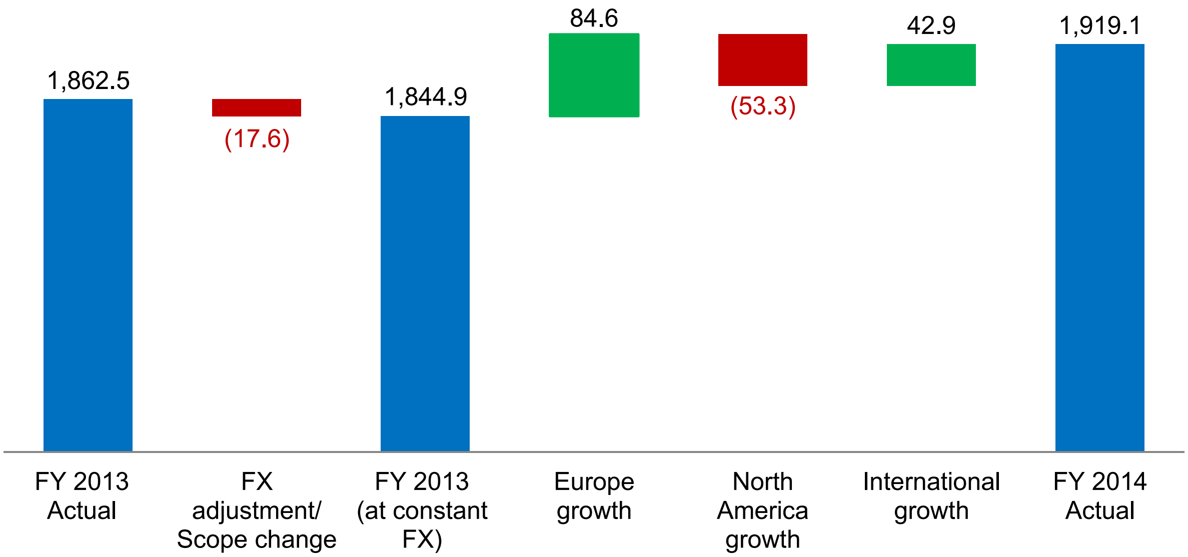
U.S. dollar exchange rate

	2014 Average	2014 Closing		2013 Average	2013 Closing
EUR 1 = United States dollar	1.3348	1.2141		1.3259	1.3791

FINANCIAL REVIEW

Revenue

In millions of euro	**2014**	2013	Change	Change
Revenue	**1,919.1**	1,862.5	+56.6	+3.0%
Revenue with prior at constant FX	**1,919.1**	1,844.9	+74.2	+4.0%



Revenue by downlink region:

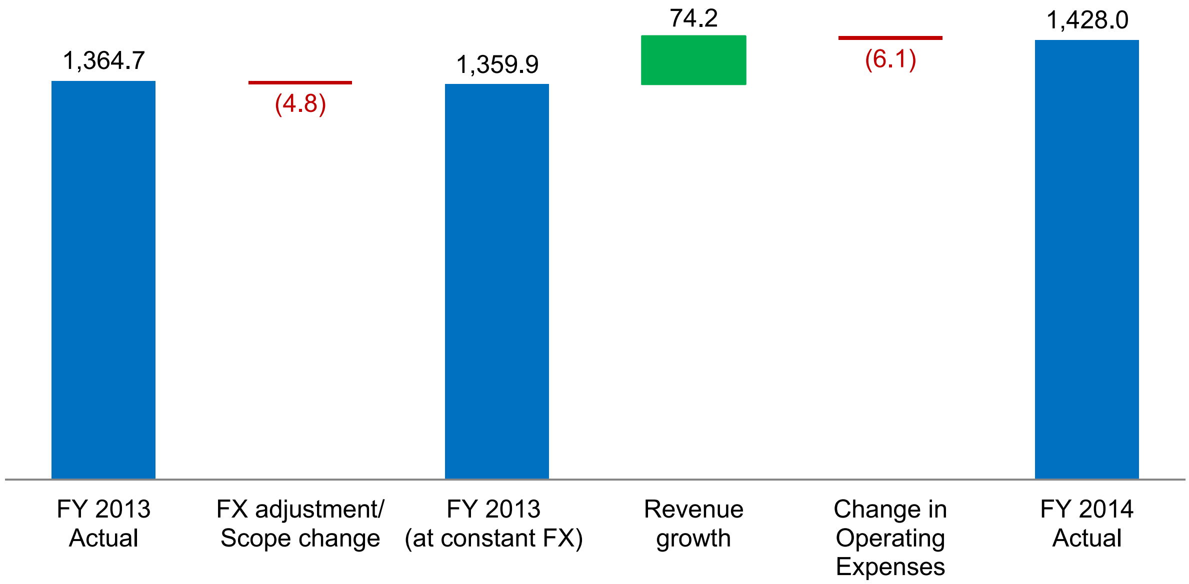
As reported *In millions of euro*	**Q4 2014**	Q4 2013	Change		**2014**	2013	Change
Europe	**259.9**	253.9	+2.4%		**1,017.7**	936.4	+8.7%
North America	**88.8**	94.3	-5.8%		**341.7**	398.0	-14.1%
International	**163.8**	136.1	+20.4%		**559.7**	528.1	+6.0%
Group	**512.5**	484.3	+5.8%		**1,919.1**	1,862.5	+3.0%

At constant FX *In millions of euro*	**Q4 2014**	Q4 2013	Change		**2014**	2013	Change
Europe	**259.9**	253.1	+2.7%		**1,017.7**	933.1	+9.1%
North America	**88.8**	102.1	-13.0%		**341.7**	395.0	-13.5%
International	**163.8**	146.4	+11.9%		**559.7**	516.8	+8.3%
Group	**512.5**	501.6	+2.2%		**1,919.1**	1,844.9	+4.0%

Infrastructure growth in European and International markets, combined with a strong performance from SES's European services business, was the key driver of the overall growth in **revenue**. The sale of eight transponders to Eutelsat, as part of the comprehensive agreement in January 2014, was a key contributor to growth in Europe of 9.1% (at constant FX). The International segment grew by 8.3% at constant FX, benefiting from the continued success in commercialising new capacity brought into service in emerging markets. The North America region continues to be adversely impacted by the U.S. Government sequester, which was the principal factor in the decrease of 13.5% at constant FX.

EBITDA

In millions of euro	**2014**	2013	Change	Change
Operating expenses (reported)	**(491.1)**	(497.8)	+6.7	+1.3%
Operating expenses with prior at constant FX	**(491.1)**	(485.0)	-6.1	-1.3%
EBITDA (reported)	**1,428.0**	1,364.7	+63.3	+4.6%
EBITDA with prior at constant FX	**1,428.0**	1,359.9	+68.1	+5.0%



In millions of euro	Infrastructure	Services	Elimination / Unallocated[1]	Total
Revenue	1,643.3	455.7	(179.9)	1,919.1
EBITDA	1,386.9	75.8	(34.7)	1,428.0
2014 margin	84.4%	16.6%		74.4%
2013 margin at constant FX	83.4%	17.5%		73.7%

[1] *Revenue elimination refers mainly to "pull-through" capacity provided by Infrastructure to Services; EBITDA impact represents unallocated corporate expenses*

Operating expenses of EUR 491.1 million represented a decrease of 1.3% as reported, or an increase of 1.3% at constant FX, which was mostly driven by variable costs associated with growth in services revenues. Staff costs also increased against the prior year, reflecting continued investment in developing SES's presence and capabilities in emerging markets. This was mitigated by continued cost optimisation, including a reduction of costs associated with the rental of third party satellite capacity, with traffic being migrated to SES spacecraft, increasing "pull-through" revenue generated between the services and infrastructure operations by 12%.

Reported **EBITDA** increased by 4.6% over 2013, or 5.0% at constant FX. SES's overall **EBITDA margin** improved to 74.4% for the year compared with 73.3% (73.7% at constant FX) for the year ended 31 December 2013.

The Infrastructure margin improved over 2013, to 84.4%, benefiting from the transponder sales in Europe, a reduction of third party capacity costs and overall cost management. Services activities returned a margin of 16.6%.

Operating profit

In millions of euro	**2014**	2013	Change	Change
Depreciation expenses	**(491.6)**	(466.5)	-25.1	-5.4%
Amortisation expenses	**(53.8)**	(47.0)	-6.8	-14.5%
Depreciation and amortisation	**(545.4)**	(513.5)	-31.9	-6.2%
Operating profit	**882.6**	851.2	+31.4	+3.7%
Operating profit with prior at constant FX	**882.6**	847.9	+34.7	+4.1%

Depreciation and amortisation was 6.2% above the prior year's reported comparable, reflecting the on-going expansion of the SES fleet with the launch of three satellites during 2013 and a further two satellites in 2014. The depreciation expense also included an impairment charge against AMC-15 due to further power degradation being noted on the satellite since Q3 2014.

Profit before tax

In millions of euro	**2014**	2013	Change	Change
Net interest expense	**(200.4)**	(210.4)	+10.0	+4.8%
Capitalised interest	**23.7**	41.1	-17.4	-42.3%
Net foreign exchange gains	**20.6**	4.3	+16.3	Nm
Value adjustment on financial assets	**1.1**	(8.5)	+9.6	Nm
Net financing costs	**(155.0)**	(173.5)	+18.5	+10.7%
Profit before tax	**727.6**	677.7	+49.9	+7.4%

Net financing costs were 10.7% lower, benefiting from SES's successful refinancing activities since 2013. This was complemented by a positive net foreign exchange gain resulting from the strengthening of the U.S. dollar exchange rate, as well as a lower value adjustment on financial assets. These more than offset the reduction in capitalised interest from EUR 41.1 million to EUR 23.7 million.

Profit attributable to owners of the parent

In millions of euro	**2014**	2013	Change	Change
Income tax expense	**(85.2)**	(87.5)	+2.3	+2.6%
Share of joint ventures and associates' result	**(39.0)**	(21.7)	-17.3	-79.7%
Non-controlling interests	**(2.6)**	(2.0)	-0.6	-30.0%
Profit attributable to SES shareholders	**600.8**	566.5	+34.3	+6.0%

The **income tax expense** for the year resulted in an **effective tax rate** of 11.7% (2013: 12.9%). The **share of loss attributed to associates** of EUR 39.0 million (2013: EUR 21.7 million) principally relates to SES's interest in O3b Networks, which entered into commercial service in September 2014.

Cash flow

In millions of euro	**2014**	2013	Change	Change
Net operating cash flow	**1,239.5**	1,148.5	+91.0	+7.9%
Investing activities	**(501.1)**	(422.3)	-78.8	-18.7%
Free cash flow before financing activities	**738.4**	726.2	+12.2	+1.7%

Net Debt

In millions of euro	**31 December 2014**	31 December 2013	Change	Change
Cash and cash equivalents	**(524.5)**	(544.2)	+19.7	+3.6%
Loans and borrowings	**4,486.1**	4,345.9	+140.2	+3.2%
Net Debt	**3,961.6**	3,801.7	+159.9	+4.2%
Net Debt / EBITDA	**2.77**	2.79		

Net Debt was EUR 3,961.6 million (31 December 2013: EUR 3,801.7 million), contributing to a **Net Debt/EBITDA ratio** of 2.77 times, compared with 2.79 times at the end of 2013. Net Debt includes EUR 524.5 million of cash and cash equivalents as at 31 December 2014 (31 December 2013: EUR 544.2 million).

The strengthening of the U.S. dollar has a temporary impact of increasing the Net Debt/EBITDA ratio. This reflects the translation of U.S. dollar denominated borrowings at the 2014 closing rate (EUR 1 = 1.2141 U.S. dollars), while EBITDA is based on the 2014 average of EUR 1 = 1.3348 U.S. dollars. This FX difference resulted in a 17 basis point increase in the Net Debt/EBITDA ratio at 31 December 2014, which is expected to reverse over time. From an operational perspective, Net Debt/EBITDA reduced by 19 basis points.

During the year, SES agreed EUR 1.9 billion of financing at attractive funding rates. In January, the company renewed a EUR 1.2 billion five-year multi-currency revolving credit facility with two one-year extension options. The new facility has an annual margin of 45 bps, based on the group's current investment grade credit rating of BBB/Baa2. In March, SES completed its second benchmark transaction in the U.S. dollar bond market by raising USD 500 million of 2.5% notes (due in 2019) and USD 500 million of 5.3% notes (due in 2044). This follows the EUR 1.5 billion of financing secured in 2013.

As a result of this activity, SES's weighted **average interest rate** (excluding loan origination costs and commitment fees) has reduced to 3.8% as at 31 December 2014 (31 December 2013: 4.0%) while the group's **average debt maturity** has been significantly extended from 6.4 years to 8.7 years.

In addition, U.S. dollar borrowings now represent 42% of total group borrowings (31 December 2013: 23%).

CONSOLIDATED INCOME STATEMENT

For the year ended December 31

In millions of euro	**2014**	2013
Revenue	**1,919.1**	1,862.5
Cost of sales	**(173.5)**	(179.6)
Staff costs	**(194.5)**	(185.8)
Other operating expenses	**(123.1)**	(132.4)
Operating expenses	**(491.1)**	(497.8)
EBITDA[1]	**1,428.0**	1,364.7
Depreciation expense	**(491.6)**	(466.5)
Amortisation expense	**(53.8)**	(47.0)
Operating profit	**882.6**	851.2
Finance income	**33.8**	9.6
Finance costs	**(188.8)**	(183.1)
Net financing costs	**(155.0)**	(173.5)
Profit before tax	**727.6**	677.7
Income tax income / (expense)	**(85.2)**	(87.5)
Profit after tax	**642.4**	590.2
Share of joint ventures and associates' result, net of tax	**(39.0)**	(21.7)
Profit for the year	**603.4**	568.5
Attributable to:		
Owners of the parent	**600.8**	566.5
Non-controlling interests	**2.6**	2.0
	603.4	568.5
Earnings per share (in euro)[2]		
Class A shares	**1.49**	1.41
Class B shares	**0.59**	0.56

[1] *Earnings before interest, tax, depreciation, amortisation and share of joint ventures and associates' result.*

[2] *Earnings per share are calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of shares outstanding during the year, as adjusted to reflect the economic rights of each class of share. Fully diluted earnings per share are insignificantly different from basic earnings per share.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31

In millions of euro	**2014**	2013
Non-current assets		
Property, plant and equipment	**4,341.6**	3,747.7
Assets in the course of construction	**684.8**	1,099.8
Total property, plant and equipment	**5,026.4**	4,847.5
Intangible assets	**3,307.3**	2,750.3
Investments in joint ventures and associates	**93.1**	141.8
Other financial assets	**37.4**	3.9
Trade and other receivables	**60.3**	65.5
Deferred tax assets	**122.2**	95.7
Total non-current assets	**8,646.7**	7,904.7
Current assets		
Inventories	**5.3**	6.4
Trade and other receivables	**691.5**	586.6
Prepayments	**38.8**	37.4
Derivatives	**-**	9.5
Income tax receivable	**45.3**	-
Cash and cash equivalents	**524.5**	544.2
Total current assets	**1,305.4**	1,184.1
Total assets	**9,952.1**	9,088.8
Equity		
Attributable to the owners of the parent	**3,404.7**	2,820.7
Non-controlling interests	**84.9**	78.2
Total equity	**3,489.6**	2,898.9
Non-current liabilities		
Loans and borrowings	**4,227.6**	3,542.2
Provisions	**140.5**	129.0
Deferred income	**335.1**	227.8
Deferred tax liabilities	**676.5**	645.3
Other long-term liabilities	**23.6**	59.7
Total non-current liabilities	**5,403.3**	4,604.0
Current liabilities		
Loans and borrowings	**258.5**	803.7
Provisions	**43.8**	12.6
Deferred income	**410.6**	385.6
Trade and other payables	**335.3**	341.4
Income tax liabilities	**11.0**	42.6
Total current liabilities	**1,059.2**	1,585.9
Total liabilities	**6,462.5**	6,189.9
Total equity and liabilities	**9,952.1**	9,088.8

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended December 31

In millions of euro	**2014**	2013
Profit before tax	**727.6**	677.7
Taxes paid during the year	**(88.7)**	(30.6)
Finance costs, net	**162.8**	147.7
Depreciation and amortisation	**545.4**	513.5
Amortisation of client upfront payments	**(58.0)**	(42.3)
Other non-cash items in consolidated income statement	**26.3**	24.2
Consolidated operating profit before working capital changes	**1,315.4**	1,290.2
(Increase) / decrease in inventories	**3.9**	1.3
(Increase) / decrease in trade and other debtors	**21.2**	(211.6)
(Increase) / decrease in prepayments and deferred charges	**(5.7)**	2.9
Increase / (decrease) in trade and other payables	**(43.3)**	(60.3)
Increase / (decrease) in payments received on account	**(16.3)**	(21.2)
Increase / (decrease) in upfront payments and deferred income	**(35.7)**	147.2
Changes in working capital	**(75.9)**	(141.7)
Net operating cash flow	**1,239.5**	1,148.5
Cash flow from investing activities		
Net disposal / (purchase) of intangible assets	**(129.9)**	(5.5)
Purchase of tangible assets	**(324.2)**	(377.5)
Disposal of tangible assets	**1.3**	0.2
Investment in subsidiaries and equity-accounted investments	**(18.3)**	-
Proceeds from disposal of subsidiaries and joint ventures	**-**	15.5
Loan granted to associate	**(42.5)**	(12.3)
Repayment of loan to associate	**-**	14.2
Settlement of net investment hedge instruments	**13.1**	(57.0)
Other investing activities	**(0.6)**	0.1
Net cash absorbed by investing activities	**(501.1)**	(422.3)
Free cash flow before financing activities	**738.4**	726.2
Cash flow from financing activities		
Proceeds from borrowings	**707.9**	1,769.5
Repayment of borrowings	**(808.6)**	(1,587.1)
Dividends paid on ordinary shares, net of dividends received	**(433.1)**	(390.2)
Dividends paid to non-controlling interest	**(5.6)**	(5.6)
Interest on borrowings	**(188.5)**	(180.3)
Acquisition of treasury shares	**(121.5)**	(22.9)
Proceeds on treasury shares sold and exercise of stock options	**92.4**	44.7
Net cash absorbed by financing activities	**(757.0)**	(371.9)
Net foreign exchange movements	**(1.1)**	(50.1)
Net (decrease) / increase in cash	**(19.7)**	304.2
Net cash at beginning of the year	**544.2**	240.0
Net cash at end of the year	**524.5**	544.2

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TELECONFERENCES

A call for **press** will be hosted at 11:00 CET, 20 February 2015. Journalists are invited to call one of the following numbers five minutes prior to this time.

Belgium	+32 (0)2 400 1973
France	+33 (0)1 76 77 22 34
Germany	+49 (0)69 2222 10634
Luxembourg	+352 2088 1429
UK	+44 (0)20 3427 1928

Confirmation Code: **3269213**

A call for **investors and analysts** will be hosted at 14:00 CET, 20 February 2015. Participants are invited to call one of the following numbers five minutes prior to this time.

Belgium	+32 (0)2 620 0137
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Germany	+49 (0)69 2222 10643
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Confirmation Code: **9771171**

A presentation, which will be referred to during the calls, will be available for download from the Investor Relations section of the SES website **www.ses.com**

A replay will be available for one week on our website: www.ses.com

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