

FIRST HALF 2021-22 RESULTS

- *Operating vertical revenues down -4.2% like-for-like; full year revenues now expected in the lower half of the guidance range*
- *Robust profitability with 76.1% EBITDA margin*
- *Further high level of Free Cash-Flow generation*
- *Delayed availability of growth assets leading to mechanical revision of medium-term revenue objectives*
- *Discretionary Free-Cash-Flow objectives and dividend policy confirmed*
- *Return to growth expected in FY 2023-24*

Paris, 17 February 2022 – The Board of Directors of Eutelsat Communications (ISIN: FR0010221234 / Euronext Paris: ETL), chaired by Dominique D’Hinnin, reviewed the financial results for the Half Year ended 31 December 2021.

Key Financial Data	6M to Dec. 2020	6M to Dec. 2021	Change
P&L			
Revenues - €m	628.5	572.2	-9.0%
“Operating Verticals” revenues reported - €m	613.1	568.7	-7.2%
“Operating Verticals” revenues at constant currency and perimeter - €m	588.1	563.3	-4.2%
EBITDA ¹ - €m	484.1	435.7	-10.0%
EBITDA margin - % ¹	77.0	76.1	-0.9 pts
EBITDA margin at constant currency - %	77.0	76.4	-0.6 pts
Group share of net income - €m	137.4	166.0	+20.8%
Financial structure			
Reported Discretionary Free Cash-Flow - €m ¹	256.9	195.0	-24.1%
Adjusted Discretionary Free Cash-Flow - €m¹	265.9	203.4	-23.5%
Net debt - €m	2,994.4	3,081.0	+€86.6m
Net debt/EBITDA ¹	3.09x	3.53x	+0.44 pts
Backlog – €bn	4.4	4.2	-4.9%

Commenting on the First Half, Eva Berneke Chief Executive Officer of Eutelsat Communications, said: *“This has been a satisfactory First Half in financial terms, with strong free cash flow generation and a further industry leading EBITDA margin, despite the decline in revenues, testifying to our fundamentally robust business model and stringent financial discipline. The First Half has seen a number of important commercial and operational milestones, notably with the entry into service of EUTELSAT QUANTUM, strong progress on our Fixed Broadband roll-out, the cementing of our position in OneWeb and the receipt of the first tranche of our C Band proceeds. Newly at the helm, I am impressed by the technical expertise, asset quality and long-term commercial traction within*

¹ Please refer to Appendix 3 for definition and calculation.

Eutelsat. Although we have mechanically revised down our medium-term revenue expectations on the back of delayed availability of capacity, I am confident we have the elements in place to enable us to return to growth from FY 2023-24 and continue to deliver long-term value to our shareholders.”

Notes: This press release contains figures from the consolidated half-year accounts prepared under IFRS and subject to a limited review by the Auditors. They were reviewed by the Audit Committee on 15 February 2022 and approved by the Board of Directors on 16 February 2022. EBITDA, EBITDA margin, Net debt / EBITDA ratio, Cash Capex, Discretionary Free Cash-Flow and Adjusted Discretionary Free Cash-Flow are considered Alternative Performance Indicators. Their definition and calculation are in Appendix 3 of this document. The comparative financial statements as of 31 December 2020 have been restated with respect to the CVAE, which has been reclassified from "Selling, general and administrative expenses" to "Corporate income tax" for an amount of 2.1 million euros in order to align the presentation with the consolidated financial statements as of 31 December 2021.

KEY EVENTS

- New Chief Executive Officer, Eva Berneke, took office on 1st January 2022.
- First Half Operating Vertical revenues down 4.2% on a like-for-like basis, broadly in line with expectations and within the range of objectives for the Full Year.
- Industry-leading profitability with a 76.4% EBITDA margin in the First Half at constant currency, despite revenue decline.
- Adjusted Discretionary Free Cash-Flow of €203m, well on track to reach full year objective.
- \$125m proceeds related to Phase I of C-Band transition received in December.
- Sustained progress in our Fixed Broadband strategy
 - Following recent contracts with Hispasat (Spain) and Deutsche Telekom (Germany), four of the five most populous European markets are now covered by wholesale or distribution deals with major operators, including France (Orange) and Italy (TIM);
 - Growing momentum in Africa, evidenced by agreements with Telecom operators Globacom in Nigeria and Vodacom in Tanzania, and with the service provider Intersat for Gambia and Guinea Bissau.
- Successful entry into service of EUTELSAT QUANTUM bringing unprecedented flexibility to address government and mobility markets with four beams out of eight at a well-advanced stage of commercialization after a few months of operations
 - Two beams already secured
 - One beam with a customer in the Middle East for maritime Mobility;
 - One beam in government services with a USG service provider.
 - Well-advanced discussions for the commercialization of two additional beams;
 - Strong pipeline of opportunities with both USG and non-USG customers.
- Investment in OneWeb closed making Eutelsat the number two shareholder in one of the few global LEO constellations, a critical infrastructure to serve long-term Telecom needs.
- Updated revenues objectives
 - For FY 2021-22, revenues expected in our predicted range, albeit in the lower half;
 - For the medium-term, revenue objectives mechanically revised to reflect delayed availability of KONNECT VHTS and EUTELSAT 10B;
 - Return to topline growth expected in FY 2023-24 on the back of incremental capacity.
- Adjusted DFCF objectives confirmed.
- Dividend policy (stable to progressive dividend) confirmed.

ANALYSIS OF REVENUES²

In € millions	6 months to Dec. 2020	6 months to Dec. 2021	Change	
			Reported	Like-for-like ³
Broadcast	378.9	350.5	-7.5%	-7.5%
Data & Professional Video	81.4	77.8	-4.4%	-4.1%
Government Services	76.9	73.9	-3.9%	-3.8%
Fixed Broadband	42.1	30.1	-28.5%	+37.3%
Mobile Connectivity	33.9	36.5	+7.7%	+9.8%
Total Operating Verticals	613.1	568.7	-7.2%	-4.2%
Other Revenues ⁴	15.4	3.5	-77.3%	NR
Total	628.5	572.2	-9.0%	-4.7%
<i>EUR/USD exchange rate</i>	<i>1.17</i>	<i>1.17</i>		

Total revenues in the **First Half** stood at €572 million, down 9.0% on a reported basis and by 4.7% like-for-like.

Revenues of the five Operating Verticals (ie, excluding 'Other Revenues') stood at €569 million. They were down by 4.2% on a like-for-like basis excluding a negative perimeter effect of circa 3 points 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.

Second Quarter revenues stood at €285 million down 5.0% like-for-like. Revenues of the five Operating Verticals stood at €284 million, down 5.1% year-on-year and by 1.0% quarter-on-quarter on a like-for-like basis.

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

Broadcast (62% of revenues)

First Half Broadcast revenues were down 7.5% to €351 million, reflecting mostly three items: lower revenues in Europe due largely to the carry-forward effect of a slowdown in the pace of new business last year, the temporary headwind of the partial renewal of capacity with Nilesat at 7/8°West, and a negative impact of circa one point reflecting a positive one-off booked in the First Quarter of 2020-21 as well as lower revenues from Fransat.

Second Quarter revenues stood at €173 million down by 8.6% year-on-year and 3.1% quarter-on-quarter.

The trend is expected to progressively improve as the comparison basis becomes easier from the Second Half and the available capacity at 7/8°West is gradually resold.

Data & Professional Video (14% of revenues)

First Half revenues stood at €78 million, down by 4.1% year-on-year.

In Fixed Data (two thirds of this application), improved volume trends are now offsetting most of the negative impact of competitive pressure.

Professional Video (one third of revenues), recorded a high-single digit decline on the back of the unfavourable phasing of a specific contract as well as the ongoing structural headwinds in this application.

² The share of each application as a percentage of total revenues is calculated excluding "Other Revenues".

³ Change at constant currency and perimeter. The variation is calculated as follows: i) H1 2021-22 USD revenues are converted at H1 2020-21 rates; ii) the contribution of BigBlu Broadband Europe (BBB) is excluded from H1 2021-22 revenues; iii) the contribution of Eurobroadband Infrastructure (EBI) is excluded from H1 2020-21 revenues; iv) Hedging impact is excluded.

⁴ Other Revenues include mainly the impact of EUR/USD revenue currency hedging, the provision of various services or consulting/engineering fees and termination fees.

Second Quarter revenues stood at €39 million, down 6.7% year-on-year, but up by 1.4% quarter-on-quarter.

We expect the full year decline for this application to remain broadly consistent with the trend of the First Half.

Government Services (13% of revenues)

First Half Government Services revenues stood at €74 million, down by 3.8%, reflecting the negative carry-forward effect of USG renewals with, in particular, a 75% renewal rate in Fall 2021 as a result of the geopolitical context in MENA, partly offset by new business.

Second Quarter revenues stood at €37 million, down by 5.9% year-on-year and by 2.0% quarter-on-quarter.

The Second Half will reflect the full effect of the above-mentioned headwinds.

Fixed Broadband (5% of revenues)

First Half revenues stood at €30 million, up 37.3% on a like-for-like basis. This reflected the contribution from the wholesale agreements with Orange, TIM and, from November 2021, Hispasat as well as, to a lesser extent the growth of our African operations.

Second Quarter revenues stood at €16 million. On a like-for-like basis, they were up 24.7% year-on-year, and 5.9% quarter-on-quarter.

The First Half saw material progress in the roll-out of our Fixed Broadband strategy with four of the five most populated countries in Europe now covered by distribution or wholesale agreements with major operators. 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 as well as a service agreement with Vodacom Tanzania, the country's leading telecommunications company. A contract was also signed with Intersat for the entire capacity covering Gambia and Guinea Bissau. In addition, several spotbeams on the HTS payload of the EUTELSAT 65 West A satellite were selected by Mexican service providers to address Internet connectivity needs under a government-sponsored rural schools connectivity project.

These tailwinds will benefit the Second Half which will see a continuation of significant double-digit organic growth.

Mobile Connectivity (6% of revenues)

First Half revenues stood at €37 million, up 9.8% like-for-like, reflecting in particular the contribution of the contract with Anuvu. Maritime mobility also continued to record a sound performance driven by the ramp-up of contracts with service providers signed in previous years and the above-mentioned agreement on EUTELSAT QUANTUM.

Second Quarter revenues stood at €19 million, up 19.6% year-on-year and by 11.0% quarter-on-quarter.

On the commercial front, the global partnership with Marlink has been extended to Asia-Pacific and the Americas, including incremental capacity commitments on multiple satellites across our fleet. This comes on top of the agreement with a customer in the Middle-East on EUTELSAT QUANTUM for maritime mobility.

This positive dynamic is expected to translate into double-digit growth for the Full Year.

Other Revenues

In the **First Half**, Other Revenues amounted to €4 million versus €15 million a year earlier. They included a €2 million negative impact from hedging operations versus a positive effect of €6 million a year earlier.

OPERATIONAL AND UTILIZED TRANSPONDERS

The number of operational transponders at 31 December 2021 stood at 1,380, broadly stable year-on-year and compared to end-June 2021, with no 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 974, up by seven units year-on-year and down by seven units compared to end June, the latter reflecting notably the return of capacity by Nilesat.

As a result, the fill rate stood at 70.6% compared to 70.1% a year earlier and 71.2% at end-June.

	31 Dec. 2020	30 June 2021	31 Dec. 2021
Operational transponders ⁵	1,380	1,377	1,380
Utilized transponders ⁶	967	981	974
Fill rate	70.1%	71.2%	70.6%

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity, EUTELSAT QUANTUM and satellites in inclined orbit.

BACKLOG

The backlog⁷ stood at €4.2 billion at 31 December 2021 versus 4.4 billion a year earlier and at end June 2021. The natural erosion of the backlog in the First Half more than offset the contribution of the partial renewal with Nilesat and the wholesale contract with Hispasat.

The backlog was equivalent to 3.4 times 2020-21 revenues, and Broadcast represented 64% of the total.

	31 Dec. 2020	30 June 2021	31 Dec. 2021
Value of contracts (in billions of euros)	4.4	4.4	4.2
<i>In years of annual revenues based on previous fiscal year</i>	3.4	3.5	3.4
Share of Broadcast application	67%	64%	64%

PROFITABILITY

EBITDA stood at €436 million at 31 December 2021 compared with €484 million a year earlier, down by 10.0%. The **EBITDA margin** stood at 76.4% at constant currency (76.1% reported) versus 77.0% a year earlier, reflecting lower revenues. Opex were €8m lower than last fiscal year reflecting the favourable effect of changes in perimeter, lower Bad Debt and continued strict cost discipline in the legacy businesses. In the context of the LEAP 2 cost-saving program, €24 million savings have been fully secured for current fiscal year, in the high end of the 20-25 million annual savings target range.

Group share of net income stood at €166 million versus €137 million a year earlier, up by 20.8% and representing a margin of 29%. This reflected:

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

⁶ Number of transponders utilised on satellites in stable orbit.

⁷ The backlog represents future revenues from capacity or service agreements and can include contracts for satellites under procurement.

- Lower **depreciation and amortisation** ((€243) million at 31 December 2021 compared with (€260) million a year earlier) as a result in particular of the disposal of the KA-SAT satellite and of the end of the amortization period of certain in-orbit assets.
- **Other operating income** of €84m (compared to expenses of €8 million last year) including the \$125m payment related to Phase I of C-Band proceeds, partly offset by some asset impairments.
- A **net financial result** of (€35) million (versus (€47) million a year earlier), reflecting a favourable evolution of foreign exchange gains and losses.
- A **tax rate** of 24% (versus 15% last year) reflecting the 30% tax rate applied to the C-Band proceeds.
- Negative **income from associates** ((€13) million) reflecting the contribution of the stake in OneWeb since September.

CASH FLOW

In H1 2021-22, **net cash flow from operating activities** amounted to €363 million, €72 million lower than a year earlier due principally to the decline in EBITDA.

Cash Capex amounted to €98 million (versus €117 million last year); it reflects the phasing of satellite program milestones and is not representative of the expected Full Year figure.

Interest and other fees paid net of interest received amounted to €70 million versus €61 million last year. All the coupon payments related to our bond issuances now fall due in the First Half (four maturities representing a nominal amount of €2.3bn) whereas in FY 21, a coupon on a €500 million issue fell due in the Second Half.

Discretionary Free Cash-Flow amounted to €195 million on a reported basis, down €62 million. Adjusted Discretionary Free Cash-Flow as per the financial outlook definition⁸ stood at €203 million, down €62 million or 23.5%.

FINANCIAL STRUCTURE

At 31 December 2021, **net debt** stood at €3,081 million, up €426 million versus end-June. It mainly reflected, on one hand, €195 million in Discretionary Free Cash-Flow generated in the First Half and C-Band proceeds of \$125 million, and on the other, the dividend payment of €222 million (including minority interests) and the outflow in respect of inorganic investments of €495m, mostly OneWeb. Other items (mostly variations related to leases, structured debt and the foreign exchange portion of the cross-currency swap) contributed to the increase in net debt for a net impact of €14 million.

The **net debt to EBITDA ratio** stood at 3.53 times, compared to 3.09 times at end-December 2020 and 2.88 times at end-June 2021. As a reminder, December represents a peak in the annual leverage profile reflecting the timing of the dividend payment. The picture is exacerbated this year by the timing of the investment in OneWeb whereas only a quarter of C-Band proceeds have been received.

The average cost of debt after hedging stood at 2.5% (2.3% in H1 2020-21). The weighted average maturity of the Group's debt stood at 4.5 years, compared to 4.3 years at end-December 2020.

Liquidity remained strong, with undrawn credit lines and cash around €1.5 billion.

DIVIDEND

The Annual General Meeting of Shareholders of 4 November 2021 approved the payment of a dividend of €0.93 per share in respect of the Financial Year ended 30 June 2021. The dividend was paid on November 18, 2021.

⁸ Please refer to Appendix 3.

INVESTMENT IN ONEWEB

On 8 September 2021, Eutelsat completed its initial investment in OneWeb of 550 million U.S. dollars announced in April. 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 million⁹ U.S. dollars.

As a result, Eutelsat now owns 22.9% of OneWeb¹⁰.

FLEET DEPLOYMENT

Nominal deployment programme

Compared to the last quarterly update in October 2021, the entry into service of KONNECT VHTS has been delayed from the first half to the second half of calendar 2023. Furthermore, while still expected within the H1 2023 window, the entry into service of the EUTELSAT 10B satellite has been delayed versus our previous expectations. This reflects the impact of both manufacturing delays and their knock-on effects, including pairing difficulties, related to launch rescheduling, in the context of global Covid crisis.

All other data remains unchanged.

Satellite	Orbital position	Estimated entry into service (calendar year)	Main applications	Main geographic coverage	Physical Transponders/ Spot beams	Of which expansion
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
KONNECT VHTS	To be confirmed	H2 2023	Connectivity	Europe	~230 Ka spot beams	500 Gbps
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 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 entered service in November 2021.
- The lease agreement for capacity on the YAHSAT 1B and Al Yah 3 satellites was terminated in the first quarter of fiscal year 2021-22.
- EUTELSAT 48E, which was in inclined orbit, terminated its life in October 2021.
- EUTELSAT 174A is operating in inclined orbit since January 2022.

⁹ Of which \$30m called at end-December 2021.

¹⁰ Subject to the completion of the investment announced by Hanwha in August 2021. As of 31/12/2021, Eutelsat held a 25.13% stake.

FINANCIAL OUTLOOK

First Half revenues were broadly in line with expectations, albeit at the lower end of our guidance range for FY 2021-22. The geopolitical situation in the Middle East has resulted in a headwind for Government Services which already partly materialized in the Fall 2021 renewal campaign with the US Department of Defence, and is also expected to impact the Spring 2022 campaign. Elsewhere, although the available resources are drawing strong commercial interest, the resale of capacity at 7/8°West is taking slightly longer than expected to materialize and will therefore contribute lower than expected to revenues in FY 2021-22. As a result, we now expect an outturn in the lower half of our Operating Verticals Revenue guidance range for the Full Year of €1,110 to €1,150 million¹¹ and are reducing the top end of this range to €1,130 million.

Elsewhere, the delay in the availability of both KONNECT VHTS and EUTELSAT 10B has a mechanical effect on our expectations for subsequent years.

As a result, return to topline growth in FY 2022-23 is no longer achievable, although the trend will materially improve relative to FY 2021-22.

Revenues are now expected to return to growth in FY 2023-24 on the back of incremental capacity.

All other objectives are confirmed as follows:

- Cash Capex¹² not exceeding €400 million per annum for each of the next three fiscal years (FY 2021-22 / FY 2022-23 / FY 2023-24).
- 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.
- The LEAP 2 plan aimed at generating €20-25 million in annual savings by FY 2021-22.
- 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.

The dividend policy of a stable to progressive dividend is also reiterated.

This outlook is based on the revised nominal deployment plan outlined above.

CORPORATE GOVERNANCE

Appointment of Eva Berneke as Chief Executive Officer

The Board of Directors appointed Eva Berneke as Chief Executive Officer, with effect from 1st January 2022. Eva Berneke was also co-opted as a member of the Board. She replaced Rodolphe Belmer whose office terminated on 31 December 2021.

Annual General Meeting

The Ordinary and Extraordinary Shareholders' Meeting of 4 November 2021 renewed the mandates of Esther Gaide, Dominique D'Hinnin and Didier Leroy. *BPIFrance Investissement* was appointed as a Board Member and is represented by Paul François Fournier.

The Board is composed of 10 members, 50% of whom are women and 70% of whom are independent.

The Combined General Meeting also approved all the other resolutions, including the accounts, the dividend in respect of FY 2020-21, compensation of corporate officers and compensation policy.

¹¹ Based on a €/€ rate assumption of 1.20 and current perimeter.

¹² Including capital expenditure and payments under existing export credit facilities and other bank facilities financing investments as well as payments related to lease liabilities.

Results presentation

Eutelsat Communications will present its results on **Thursday, February 17th, 2022** by conference call and webcast at **9:00 CET**.

To join the call, please dial the following numbers:

- + 33 (0)1 70 72 25 50 (from France)
- + 44 (0)330 336 9125 (from Europe)
- +1 720 543 0214 (from USA)

Access code: 7259725#

A live webcast will be available [here](#).

A replay will be available from 17 February, 13:00 CET to 24 February, 13:00 CET by dialling the following numbers:

- + 33 (0) 1 70 48 00 94 (from France)
- + 44 (0) 203 859 5407 (from Europe)
- +1 719 457 0820 (from USA)

Access code: 7259725#

Documentation

Consolidated accounts are available at: <https://www.eutelsat.com/en/investors/financial-information.html>.

Financial calendar

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

- 12 May 2022: Third Quarter 2021-22 revenues
- 3 August 2022: Full Year 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. Committed to promoting all facets of sustainable development across its business activities, Eutelsat leverages its in-orbit resources to help bridge the digital divide while maintaining a safe and uncluttered space environment. As an attractive and socially responsible employer, 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

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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.

APPENDICES

Appendix 1: Additional financial data

Extract from the consolidated income statement (€ millions)

Six months ended December 31	2020	2021	Change (%)
Revenues	628.5	572.2	-9.0%
Operating expenses	(144.4)	(136.5)	-5.5%
EBITDA	484.1	435.7	-10.0%
Depreciation and amortisation	(260.2)	(243.0)	-6.6%
Other operating income (expenses)	(7.7)	83.7	n/r
Operating income	216.3	276.4	+27.8%
Financial result	(47.4)	(34.6)	-27.0%
Income tax expense	(24.9)	(56.9)	+128.5%
Income from associates	-	(12.5)	n/r
Portion of net income attributable to non-controlling interests	(6.6)	(6.4)	-3.0%
Group share of net income	137.4	166.0	+20.8%

Change in net debt (€ millions)

Half-year ending	31/12/2020	31/12/2021
Net cash flows from operating activities	435.1	363.0
Cash Capex	(116.9)	(98.2)
Interest and Other fees paid net of interests received	(61.4)	(69.7)
Discretionary Free Cash-Flow	256.9	195.0
(Acquisitions) / disposals	(56.1)	(494.9)
C-band proceeds	-	109.4
Distributions to shareholders	(204.9)	(221.5)
Other	9.1	(13.5)
Decrease (increase) in net debt	5.0	(425.5)

Appendix 2: Quarterly revenues by application

Quarterly Reported revenues FY 2020-21 and FY 2021-22

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	Q2 2021-22
Broadcast	190.6	188.3	182.0	180.1	741.0	177.6	172.8
Data & Professional Video	39.5	41.9	39.5	40.6	161.4	38.4	39.4
Government Services	38.4	38.5	36.7	37.7	151.4	37.0	36.8
Fixed Broadband	20.5	21.6	20.5	17.7	80.2	14.6	15.5
Mobile Connectivity	17.7	16.2	15.7	17.6	67.2	17.1	19.4
Total Operating Verticals	306.7	306.4	294.4	293.7	1,201.2	284.8	283.9
Other Revenues	8.6	6.8	6.9	10.4	32.7	2.6	1.0
Total	315.3	313.2	301.3	304.1	1,233.9	287.3	284.9

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

Appendix 3: Alternative performance indicators

In addition to the data published in its accounts, the Group communicates on three alternative performance indicators which it deems relevant for measuring its financial performance: EBITDA, Cash Capex and Discretionary free cash flow (DFCF). These indicators are the object of reconciliation with the consolidated accounts.

EBITDA, EBITDA margin and Net debt / EBITDA ratio

EBITDA reflects the profitability of the Group before Interest, Tax, Depreciation and Amortization. It is a frequently used indicator in the Fixed Satellite Services Sector and more generally the Telecom industry. The table below shows the calculation of EBITDA based on the consolidated P&L accounts for H1 2020-21 and H1 2021-22:

Six months ended December 31 (€ millions)	2020	2021
Operating result	216.3	276.4
+ Depreciation and Amortization	260.2	243.0
- Other operating income and expenses	7.7	(83.7)
EBITDA	484.1	435.7

The EBITDA margin is the ratio of EBITDA to revenues. It is calculated as follows:

Six months ended December 31 (€ millions)	2020	2021
EBITDA	484.1	435.7
Revenues	628.5	572.2
EBITDA margin (as a % of revenues)	77.0	76.1

At constant currency, the EBITDA margin stood at 76.4% as of 31 December 2021.

The Net debt / EBITDA ratio is the ratio of net debt to last-twelve months EBITDA. It is calculated as follows:

Six months ended December 31 (€ millions)	2020	2021
Last twelve months EBITDA	968.6	873.4
Closing net debt ¹³	2,994.4	3,081.0
Net debt / EBITDA	3.09x	3.53x

¹³ Net debt includes all bank debt, bonds and all liabilities from lease agreements and structured debt as well as Forex portion of the cross-currency swap, less cash and cash equivalents (net of bank overdraft). Net Debt calculation is available in the Note 6.4.3 of the appendices to the financial accounts.

Cash Capex

The Group on occasion operates capacity within the framework of leases, or finances all or part of certain satellite programs under export credit agreements or through other bank facilities, leading to outflows which are not reflected in the item “acquisition of satellites and other tangible or intangible assets”. Cash Capex including the outflows related to these elements is published in order to reflect the totality of Capital Expenditures undertaken in any financial year.

In addition, in the event of a partial or total loss of satellite, as previously reported cash Capex included investment in assets which are inoperable or partially inoperable, the amount of insurance proceeds is deducted from Cash Capex.

Cash Capex therefore covers the acquisition of satellites and other tangible or intangible assets, payments in respect of export credit facilities or other bank facilities financing investments as well as payments related to lease liabilities. If applicable it is net from the amount of insurance proceeds.

The table below shows the calculation of Cash Capex for H1 2020-21 and H1 2021-22:

Six months ended December 31 (€ millions)	2020	2021
Acquisitions of satellites, other property and equipment and intangible assets	(67.5)	(83.1)
Insurance proceeds	6.6	-
Repayments of ECA loans, lease liabilities and other bank facilities ¹⁴	(56.0)	(15.2)
Cash Capex	(116.9)	(98.2)

Discretionary Free Cash-Flow (DFCF)

The Group communicates on Discretionary free cash flow which reflects its ability to generate cash after the payment of interest and taxes. DFCF generally and principally serves the shareholder remuneration and debt reduction.

Reported Discretionary free cash flow is defined as Net cash flow from operating activities less Cash Capex as well as Interest and other fees paid net of interest received.

Adjusted Discretionary free cash flow (as per financial objectives) is calculated at constant currency and excludes one-off impacts such as Hedging, effects of changes in perimeter when relevant, and one-off costs related to specific projects in particular to the LEAP 2 program and to the move to new headquarters.

The table below shows the calculation of Reported Discretionary Free Cash-Flow and Adjusted Discretionary Free Cash-Flow for H1 2020-21 and 2021-22 and its reconciliation with the Cash-Flow statement:

Six months ended December 31 (€ millions)	2020	2021
Net Cash-Flows from operating activities	435.1	363.0
Cash Capex (as defined above)	(116.9)	(98.2)
Interest and other fees paid net of interest received	(61.4)	(69.7)
Reported Discretionary Free Cash-Flow	256.9	195.0
Currency impact ¹⁵	-	0.9
Hedging impact	(6.1)	2.3
One-off costs related to “LEAP 2” program and move to new headquarters	15.1	5.2
Adjusted Discretionary Free Cash-Flow	265.9	203.4

¹⁴ Included in lines “Repayment of borrowings” and of “Repayment of lease liabilities” of cash-flow statement

¹⁵ H1 2021-22 discretionary Free Cash-Flow has been converted at H1 2020-21 rates.