inmarsat

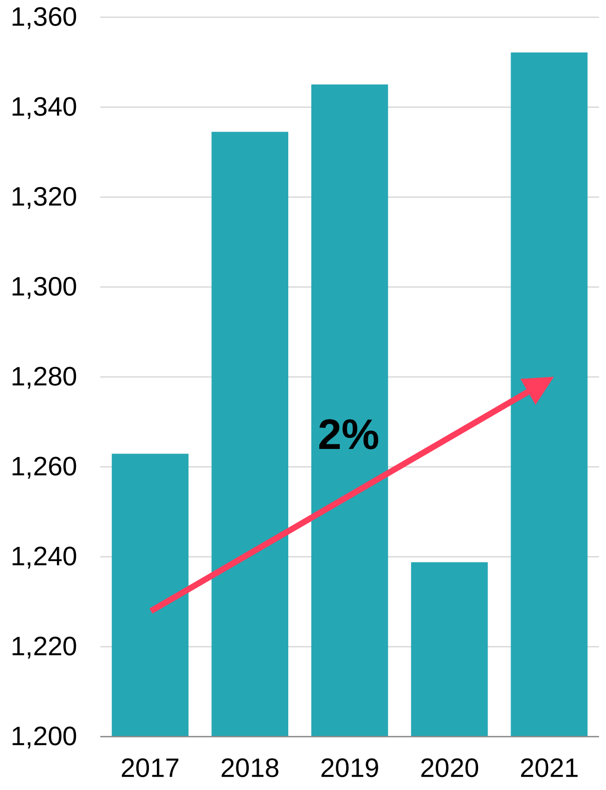
INMARSAT

FY 2021 RESULTS

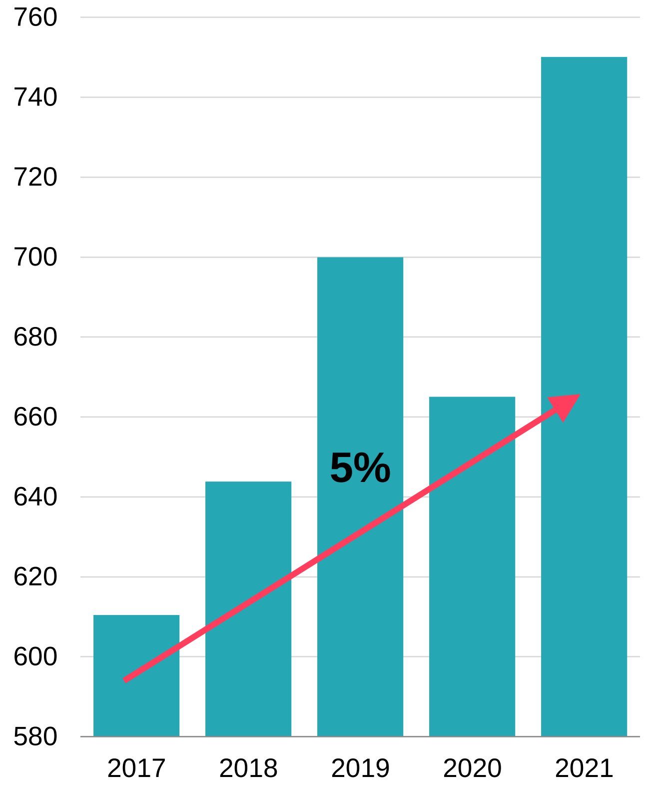
28.03.2022

CONTINUING REVENUE AND EBITDA GROWTH

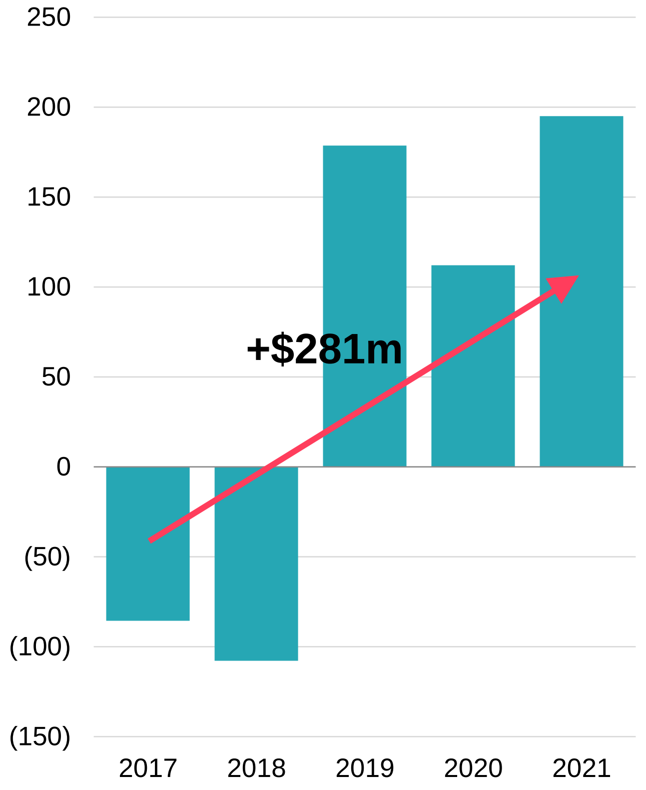
REVENUE



EBITDA



FREE CASH FLOW



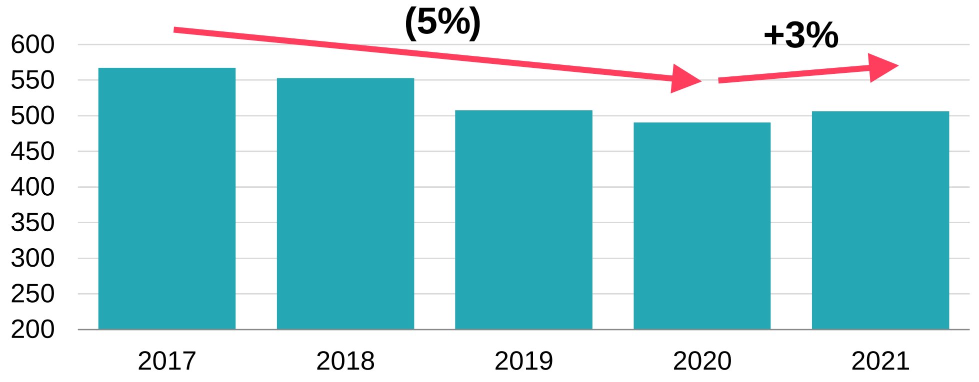
Capex	**614**	**591**	**433**	**288**	**356**

Note : Growth rates are 2017-21 CAGR. All other data in $m and adjusted to exclude amounts related to 2019 Public to Private transaction (2019: $153.7m cost and $113.5m cash outflow; 2020: $0.2m provision release and $24.6m cash outflow), Rignet settlement (2019: $50.8m revenue, $47.3m EBITDA and $46.5m cash inflow), contributions from Ligado (2017: $128.8m revenue, $126.8m EBITDA, $126.8m cash outflow; 2018: $130.7m revenue, $130.6m EBITDA, $118.5m cash outflow; 2019: $0.2m revenue; 2020: $33.3m revenue, $33.3m EBITDA and $733.9m cash inflows), and amounts related to the Viasat transaction (2021: $11.1m costs and $2.5m cash outflow).

POSITIVE MOMENTUM IN ALL BUSINESS UNITS

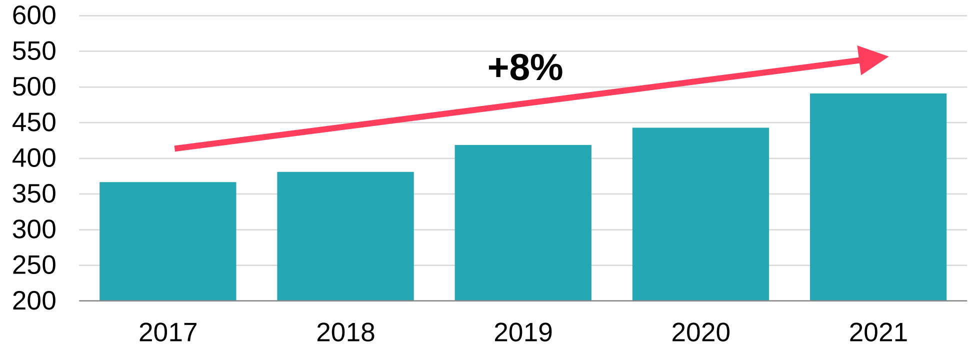
MARITIME

Stabilising as FX growth outpaces FB decline



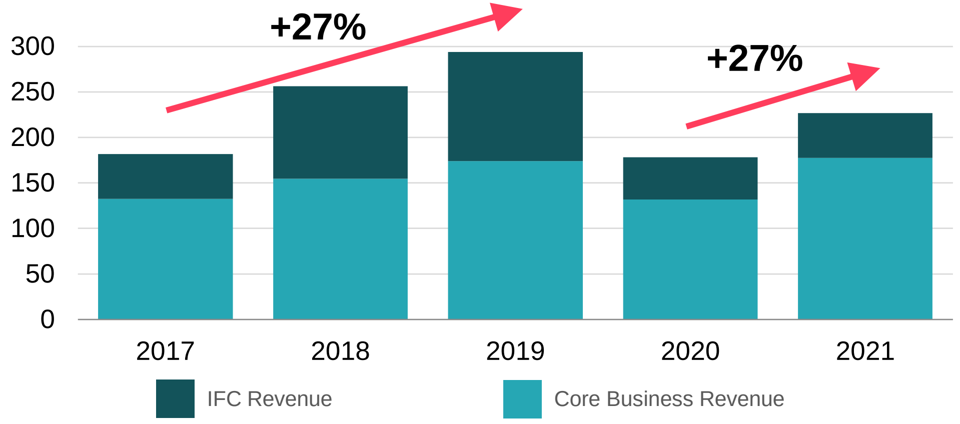
GOVERNMENT

Sixth consecutive year of growth



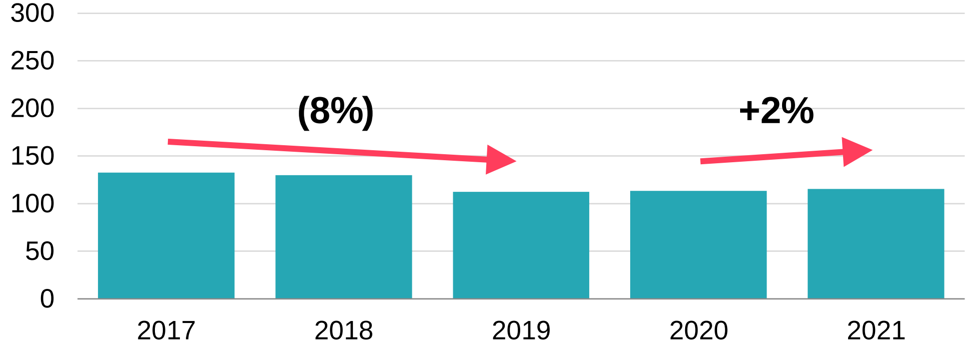
AVIATION

Returning to growth as the industry recovers



ENTERPRISE

Diversified portfolio with IoT growth potential



Note : All growth rates are CAGR over the period represented by the arrow

ADDITIONAL SOLID FOUNDATIONS FOR GROWTH LAID IN 2021

Renewed Technology Leadership

- ORCHESTRA: GEO augmented with LEO and 5G
- ELERA: L-band renewal; competitive IoT foundation
- I-6 launched; world's most advanced commercial communications satellite
- 6 satellite build programme continued

Deepened Installed Base

- Underlying growth continues with further installations, contract wins, successful renewals, no material losses
- Significant FX and IFC installation backlogs
- Speedcast customers acquired and integrated
- 250th activation on EAN

Strengthened Operational Capability

- New CEO, enhanced management team
- Creation of Customer and Product Management organisation
- Refreshed growth strategy, sharply prioritized portfolio and roadmap
- Tighter and lower cost organisation

Business Momentum – Strong FCF

- Revenue and EBITDA growth fastest in a decade; revenue grew 600bps faster than the market
- All business units grew in 2021
- Term loan repriced and improved credit rating
- HMRC launch costs appeal granted

Low exposure to Russia / Ukraine. Small but growing supply chain disruption.

VIASAT TRANSACTION UPDATE

- On 8 November, Viasat Inc and Inmarsat announced a definitive agreement under which Viasat will acquire Inmarsat in a transaction valued on announcement at ~$7.3bn.
- The rationale for the transaction is compelling:
  - **Creation of new global communications innovator:** ~$4.1bn revenue, ~$1.4bn EBITDA, combination of two growing companies focused on the expanding satellite communications market.
  - **Strong complementary capabilities:** networks, spectrum portfolio, distribution channels, innovation, manufacturing operations and product offering.
  - **Material synergy opportunities:** $1.5bn NPV cost and capital synergy opportunities. Revenue opportunities to be determined.
  - **Technology leadership:** positioned to accelerate next-generation hybrid network and delivery of innovative new product offers, for example in IoT, leading to generation of medium term growth.
  - **Free cash flow:** more than doubles cumulative FCF over 2023-2026 relative to Viasat's prior stand-alone targets.
- Initial transaction milestones are complete:
  - Change of control waiver agreed for Inmarsat's $1.7bn term loan and $700m revolving credit facility.
  - Pre-merger control and Foreign Direct Investment notifications filed under multiple jurisdictions.
  - First draft of the Proxy statement filed on 9 February 2022 with the SEC.
  - Viasat raised $700m term loan for general corporate purposes and future capital expenditure.
  - UK government undertakings agreed.
- The transaction is proceeding as expected and, subject to Viasat shareholder and regulatory approval, is expected to close H2 2022.

GROUP FINANCIAL PERFORMANCE[1]

STRONG REVENUE, EBITDA AND FREE CASH FLOW GROWTH

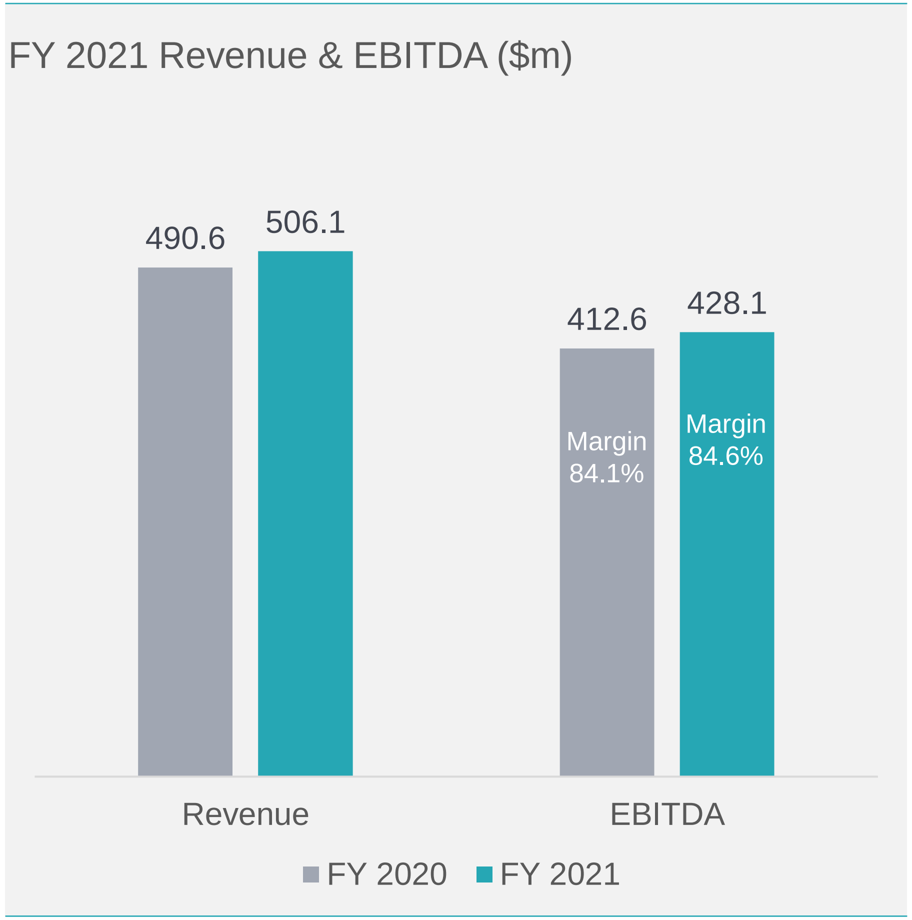
$m	FY 2021	FY 2020	Change $m	Change %	Q4 2021	Q4 2020	Change $m	Change %
Revenue	**1,352.4**	**1,238.8**	**113.6**	**9.2%**	**341.6**	**330.3**	**11.2**	**3.4%**
o/w Maritime	506.1	490.6	15.5	3.2%	125.7	123.9	1.8	1.5%
o/w Government	490.7	442.8	47.9	10.8%	115.8	122.6	(6.8)	(5.5%)
o/w Aviation	226.9	178.2	48.6	27.3%	67.7	51.9	15.8	30.4%
o/w Enterprise	115.5	113.5	2.0	1.8%	29.1	28.7	0.4	1.0%
o/w Central services	13.2	13.7	(0.5)	(3.6%)	3.3	3.2	0.1	3.1%
Direct Costs	(177.9)	(177.6)	(0.3)	(0.2%)	(44.7)	(48.1)	3.4	7.1%
Gross Margin	**1,174.5**	**1,061.2**	**113.3**	**10.7%**	**296.9**	**282.2**	**14.7**	**5.2%**
Indirect Costs	(424.5)	(396.2)	(28.3)	(7.1%)	(114.0)	(111.5)	(2.5)	(2.3%)
EBITDA	**750.0**	**665.0**	**85.0**	**12.8%**	**182.9**	**170.7**	**12.2**	**7.1%**
Cash Capital Expenditure	**(356.3)**	**(287.9)**	**(68.4)**	**(23.8%)**	**(191.4)**	**(84.8)**	**(106.6)**	**(125.7%)**
Free Cash Flow	**195.1**	**111.9**	**83.2**	**74.4%**	**(62.6)**	**(5.9)**	**(56.7)**	**(961.0%)**

1. FY 2021 and Q4 2021 adjusted to exclude amounts relating to the Viasat transaction ($11.1m costs and $2.5m cash outflow); FY 2020 adjusted to exclude amounts related to 2019 Public to Private transaction ($0.2m provision release and $24.6m of cash outflows) and contributions from Ligado ($33.3m revenue, $33.3m EBITDA and $733.9m cash inflows). Q4 2020 adjusted to exclude amounts related to 2019 Public to Private transaction ($3.3m costs and $2.3m of cash outflows) and contributions from Ligado ($700m cash inflow). Free cash flow now includes foreign exchange, restating FY 2020 and Q4 2020 by $0.4m.

MARITIME FY RESULTS

REVENUES CONTINUE TO STABILISE

- Revenue increased by 3% ($16m)
  - VSAT growth exceeds FleetBroadband decline
  - Includes $12m from acquired Speedcast customers
- VSAT revenue up 26% ($54m) to $262m
  - 11,800 FX vessels installed (FY 2020: 9,800)
  - ARPU decline to $1,810, mainly mix driven (FY 2020: $1,940)
- FleetBroadband revenue down 20% ($43m) to $175m
  - Continued customer migration to VSAT
  - ARPU 6% lower at $609 as higher value customers migrate
- Legacy / other revenue up 7% ($5m) to $69m
  - Small declines in legacy products
  - Price change in Q3 2020 contributing to YoY growth
- EBITDA increased by $16m (4%)
  - Higher revenues, flat indirect costs
  - Includes $7m additional EBITDA from Speedcast acquisition

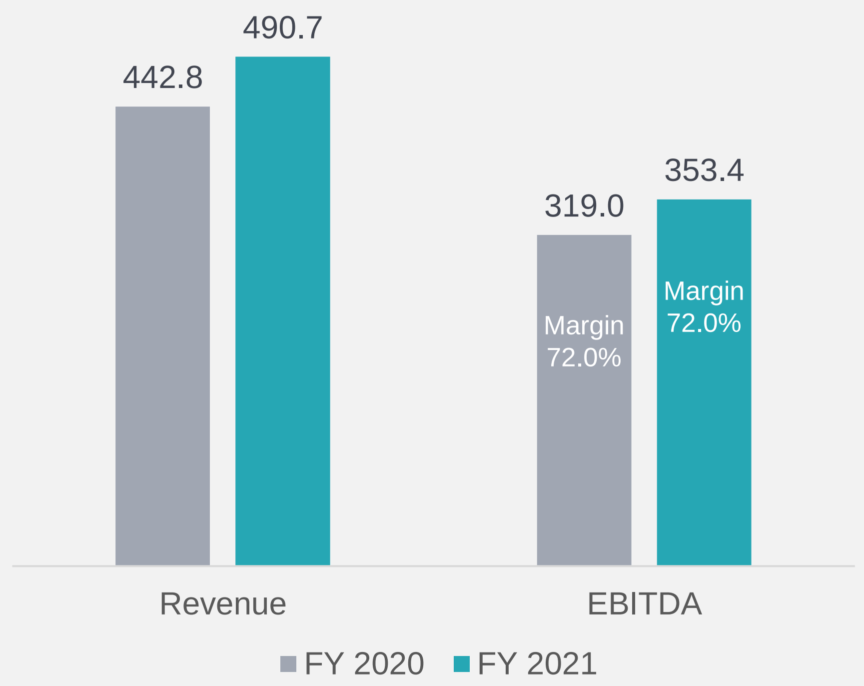


GOVERNMENT FY RESULTS

6TH CONSECUTIVE YEAR OF REVENUE AND EBITDA GROWTH

- Total Government revenue up 11% ($48m)
  - Underpinned by strong operational tempo, GX services and new business wins
- US revenues up 13%
  - Strong underlying performance across the board
  - Expanded mandate for GX services
  - High op tempo, leasing revenues and equipment sales
- Outside the US revenues up 6%
  - Strong underlying performance led by new GX airtime
  - New managed services contracts
  - Growth in lease services
- EBITDA up $34m or 11%
  - Increased revenues, increased direct and indirect costs

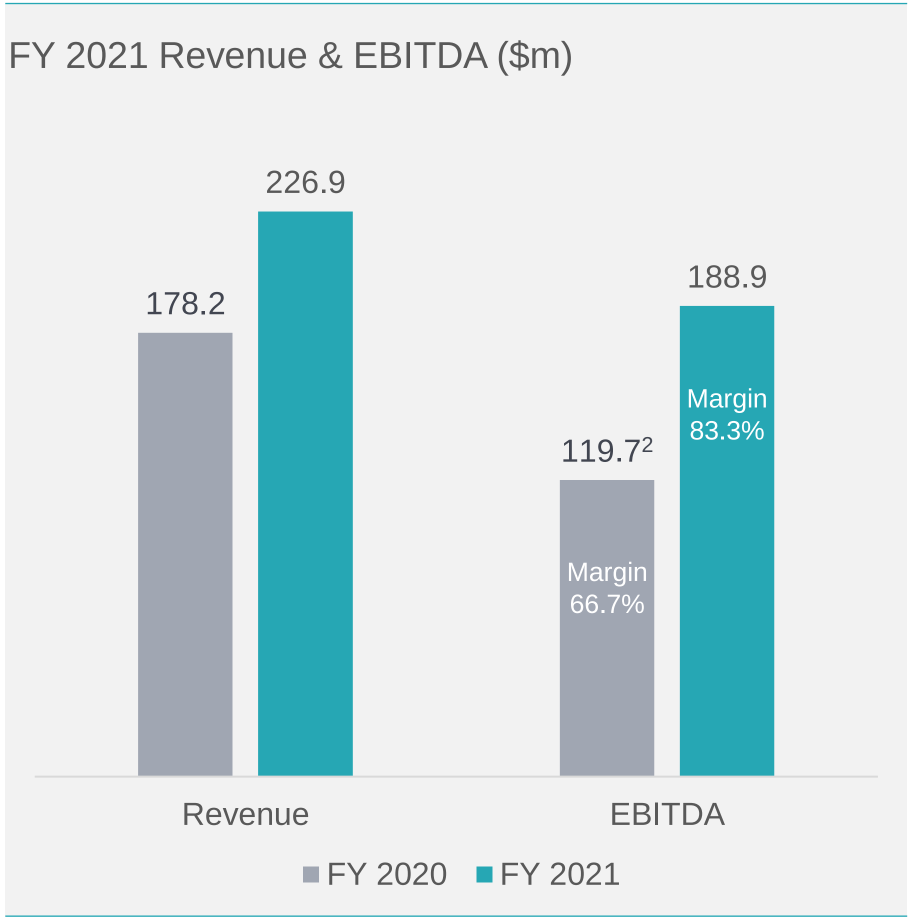
FY 2021 Revenue & EBITDA ($m)



AVIATION FY RESULTS

STRONG RECOVERY IN CORE BUSINESS, IFC STEADILY IMPROVING

- Revenue up 27% ($49m)
  - Core business continues its strong recovery
  - IFC activity and revenue steadily improving
- Core revenues up 35% at $178m
  - BGA up 38% due to Covid recovery and JX installations
  - 1,118 JX aircraft installed (234 increase in the year)
  - AOS up 25% reflecting price change and increased activity
- IFC revenue up 6% at $49m
  - IFC airtime revenues up $6m (16%) to $43m
  - Low margin hardware sales down $3m to $5m
  - End of Covid-19 relief to customers in Q3
  - 853 aircraft installed (47[1] increase in the year)
- EBITDA[2] up $69m (58%)
  - Higher revenues, absence of Covid-19 related provisions taken in 2020, significantly lower indirect costs

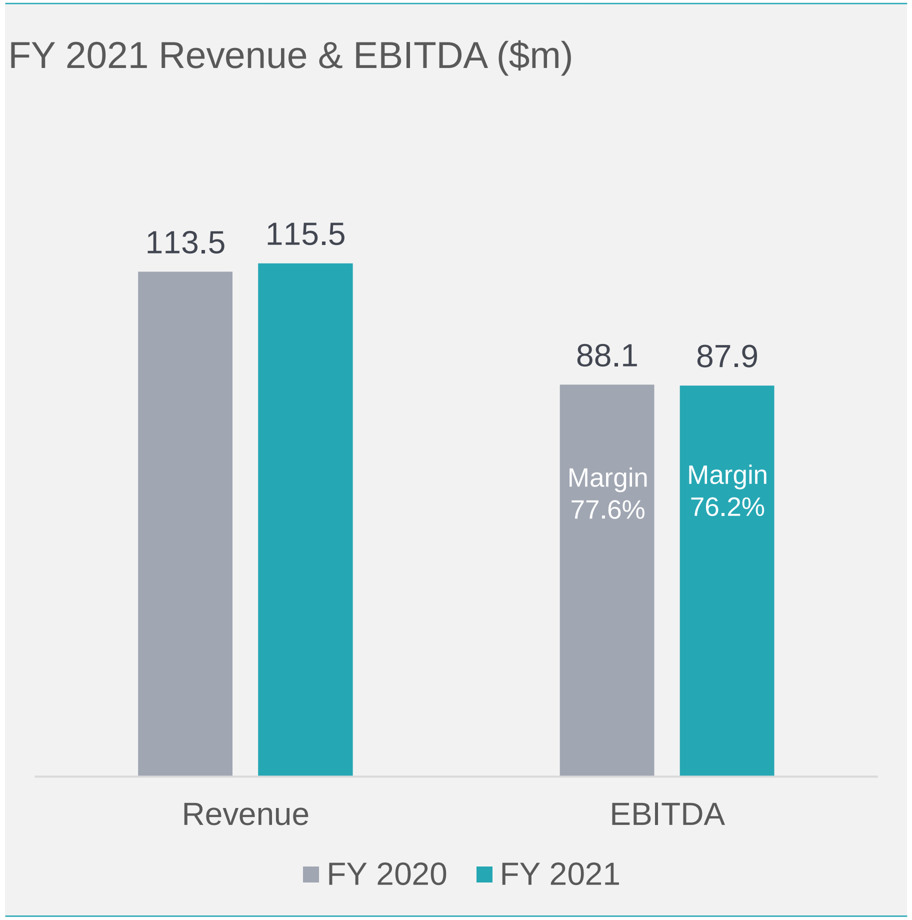


1. Increase of 47 installed aircraft excludes 109 reduction as a result of the Norwegian Air Shuttle bankruptcy in Q2 2021 (915 installed aircraft at end of FY 2020.)
2. FY 2020 EBITDA has been restated to exclude $19.2m service delivery costs which are now reported in Central Services

ENTERPRISE FY RESULTS

YEAR-ON-YEAR GROWTH FROM A HIGHLY DIVERSIFIED PORTFOLIO

- Revenue up 2% ($2m)
- Satellite phone revenues up $6m (16%) at $40m
  - Higher handset sales and stable usage
- Legacy product revenues down $5m at $38m
  - Small declines in legacy products such as BGAN and F2M
- IoT (M2M and lease) revenues up $1m at $38m
  - Lease growth exceeds declines in M2M
- EBITDA flat on prior year
  - Higher satellite handsets in the sales mix, flat indirect costs



LIQUIDITY AND LEVERAGE

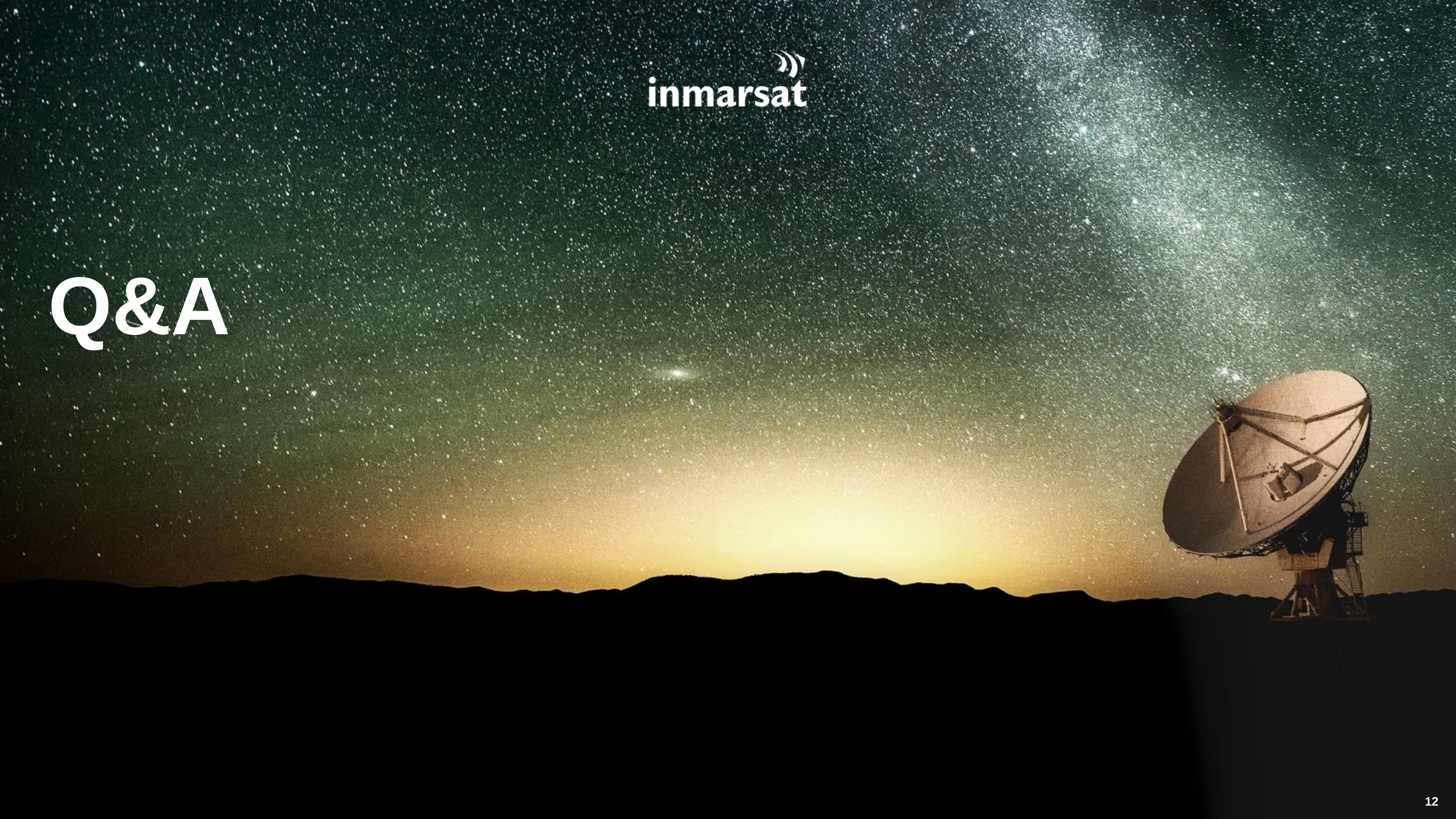
SIGNIFICANT LIQUIDITY AND COVENANT HEADROOM

$m	FY 2021	Q3 2021
Total cash, cash equivalents and short-term deposits	394.0	462.1
Undrawn RCF	700.0	700.0
Total available liquidity	**1,094.0**	**1,162.1**
Gross debt	3,636.6	3,633.9
Cash and cash equivalents and short term deposits	(394.0)	(462.1)
Net debt	**3,242.6**	**3,171.8**
Deferred financing costs	91.9	96.0
Gain on repricing term loan, net of amortisation	65.9	68.8
Net financial debt	**3,400.4**	**3,336.6**
Pro forma adjusted EBITDA (LTM)	**779.5**	**777.4**
Pro forma adjusted net leverage[1]	**4.4x**	**4.3x**

Guidance :

- CAPEX expected to be between $500m and $600m in 2022, primarily reflecting slippage from 2021.
- Medium term Capex and leverage guidance suspended given the Viasat transaction.

1. Calculation used to test the Financial Performance Covenant under the debt agreements.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Q&A

BASIS OF PREPARATION

Inmarsat's FY 2021 Results Presentation should be read alongside the Management Discussion and Analysis which is provided in accordance with the reporting requirements set out in our debt agreements. The financial information has not been prepared in accordance with the requirements of Regulation S-X of the Securities Act of 1933, other requirements of the Securities Exchange Commission, International Financial Reporting Standards ("IFRS"), or other generally accepted accounting principles. Neither the assumptions underlying the pro forma adjustments nor the resulting pro forma non-IFRS measures have been audited or reviewed in accordance with any generally accepted auditing standards. You should not consider such items as an alternative to the historical financial position or results, or other indicators of our position or performance based on IFRS measures.

In addition, the results presented could vary from those presented in other materials, particularly those that are related to the acquisition of Inmarsat by Viasat, given differences in international and US accounting and audit standards and the corporate entity (Viasat is acquiring Connect Topco, whereas the reported results are for Connect Bidco).


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THANK YOU