INMARSAT GROUP LIMITED

Extract of the consolidated financial results for the three months and year ended 31 December 2017 (unaudited)
INMARSAT GROUP LIMITED  
CONDENSED CONSOLIDATED INCOME STATEMENT  
For the three months and year ended 31 December 2017 (unaudited)

(US$ in millions)

<table>
<thead>
<tr>
<th></th>
<th>For the three months ended 31 December</th>
<th>For the year ended 31 December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenues</td>
<td>353.7</td>
<td>358.1</td>
</tr>
<tr>
<td>Employee benefits costs</td>
<td>(71.6)</td>
<td>(66.3)</td>
</tr>
<tr>
<td>Network and satellite operations costs</td>
<td>(49.9)</td>
<td>(41.2)</td>
</tr>
<tr>
<td>Other operating costs</td>
<td>(63.6)</td>
<td>(38.9)</td>
</tr>
<tr>
<td>Own work capitalised</td>
<td>11.9</td>
<td>10.7</td>
</tr>
<tr>
<td><strong>Total net operating costs</strong></td>
<td>(173.2)</td>
<td>(135.7)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>180.5</td>
<td>222.4</td>
</tr>
<tr>
<td>Restructuring charge</td>
<td>(19.9)</td>
<td>-</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>160.6</td>
<td>222.4</td>
</tr>
<tr>
<td>Depreciation and amortisation</td>
<td>(112.6)</td>
<td>(87.1)</td>
</tr>
<tr>
<td>Loss on disposal</td>
<td>(1.8)</td>
<td>-</td>
</tr>
<tr>
<td>Share of profit of associates</td>
<td>1.9</td>
<td>0.4</td>
</tr>
<tr>
<td><strong>Operating profit</strong></td>
<td>48.1</td>
<td>135.7</td>
</tr>
<tr>
<td>Financing income</td>
<td>1.3</td>
<td>2.9</td>
</tr>
<tr>
<td>Financing cost</td>
<td>(17.3)</td>
<td>(23.7)</td>
</tr>
<tr>
<td>Net financing costs</td>
<td>(16.0)</td>
<td>(20.8)</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>32.1</td>
<td>114.9</td>
</tr>
<tr>
<td>Taxation</td>
<td>(13.1)</td>
<td>(25.1)</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>19.0</td>
<td>89.8</td>
</tr>
</tbody>
</table>

\[1\] The consolidated financial results were prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.
## INMARSAT GROUP LIMITED
### CONDENSED CONSOLIDATED BALANCE SHEET (unaudited) ¹

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>As at 31 December 2017</th>
<th>As at 31 December 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>3,239.3</td>
<td>2,971.4</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>788.9</td>
<td>796.4</td>
</tr>
<tr>
<td>Investments</td>
<td>16.2</td>
<td>13.2</td>
</tr>
<tr>
<td>Other receivables</td>
<td>23.9</td>
<td>11.7</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>35.6</td>
<td>38.6</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>0.3</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>4,104.2</strong></td>
<td><strong>3,831.4</strong></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>143.2</td>
<td>259.7</td>
</tr>
<tr>
<td>Short term deposits</td>
<td>342.0</td>
<td>395.0</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>346.6</td>
<td>326.0</td>
</tr>
<tr>
<td>Inventories</td>
<td>33.9</td>
<td>34.3</td>
</tr>
<tr>
<td>Current tax assets</td>
<td>13.8</td>
<td>8.5</td>
</tr>
<tr>
<td>Derivative financial instruments</td>
<td>1.2</td>
<td>1.7</td>
</tr>
<tr>
<td>Restricted cash</td>
<td>2.3</td>
<td>2.3</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td><strong>883.0</strong></td>
<td><strong>1,027.5</strong></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>4,987.2</strong></td>
<td><strong>4,858.9</strong></td>
</tr>
</tbody>
</table>

| LIABILITIES | | |
| **Current liabilities** | | |
| Borrowings | 563.6 | 459.7 |
| Trade and other payables | 572.7 | 497.1 |
| Provisions | 16.2 | 1.9 |
| Current tax liabilities | 148.7 | 144.5 |
| Derivative financial instruments | 7.9 | 5.9 |
| **Total current liabilities** | **1,309.1** | **1,109.1** |
| **Non-current liabilities** | | |
| Borrowings | 1,884.9 | 1,906.5 |
| Other payables | 25.0 | 41.5 |
| Provisions | 9.7 | 2.8 |
| Deferred tax liabilities | 235.1 | 208.3 |
| Derivative financial instruments | 2.1 | 20.1 |
| **Total non-current liabilities** | **2,156.8** | **2,179.2** |
| **Total liabilities** | **3,466.9** | **3,288.3** |
| **Net assets** | **1,521.3** | **1,570.6** |

### Shareholders’ equity

| Ordinary shares | 0.4 | 0.4 |
| Share premium | 677.4 | 677.4 |
| Other reserves | 423.8 | 396.9 |
| Retained earnings | 419.1 | 495.3 |
| **Equity attributable to shareholders** | **1,520.7** | **1,570.0** |
| **Non-controlling interest** | **0.6** | **0.6** |
| **Total equity** | **1,521.3** | **1,570.6** |

¹ The consolidated financial results were prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.
INMARSAT GROUP LIMITED  
CONDENSED CONSOLIDATED CASH FLOW STATEMENT ¹  
For the three months and year ended 31 December 2017 (unaudited)  

(US$ in millions)  

<table>
<thead>
<tr>
<th></th>
<th>For the three months ended 31 December</th>
<th>For the year ended 31 December</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flows from operating activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash generated from operations</td>
<td>208.6</td>
<td>190.5</td>
</tr>
<tr>
<td>Interest received</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td>Tax paid</td>
<td>(1.7)</td>
<td>(6.4)</td>
</tr>
<tr>
<td>Net cash from operating activities</td>
<td>207.9</td>
<td>184.5</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of property, plant and equipment</td>
<td>(91.3)</td>
<td>(137.1)</td>
</tr>
<tr>
<td>Additions to intangible assets</td>
<td>(97.5)</td>
<td>(26.1)</td>
</tr>
<tr>
<td>Own work capitalised</td>
<td>(11.9)</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Short-term cash deposits &gt;3 months</td>
<td>(155.3)</td>
<td>-</td>
</tr>
<tr>
<td>Investment in financial asset</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net cash used in investing activities</td>
<td>(356.0)</td>
<td>(173.9)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(72.2)</td>
<td>(84.5)</td>
</tr>
<tr>
<td>Proceeds from issue of long term borrowings</td>
<td>-</td>
<td>5.5</td>
</tr>
<tr>
<td>Repayment of borrowings</td>
<td>-</td>
<td>(106.5)</td>
</tr>
<tr>
<td>Drawdown of borrowings</td>
<td>78.4</td>
<td>-</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(38.2)</td>
<td>(28.2)</td>
</tr>
<tr>
<td>Arrangement costs of financing</td>
<td>-</td>
<td>(0.7)</td>
</tr>
<tr>
<td>Related party financing</td>
<td>64.0</td>
<td>-</td>
</tr>
<tr>
<td>Other financing activities</td>
<td>(0.3)</td>
<td>0.5</td>
</tr>
<tr>
<td>Net cash used in financing activities</td>
<td>31.7</td>
<td>(213.9)</td>
</tr>
<tr>
<td>Foreign exchange adjustment</td>
<td>2.1</td>
<td>0.3</td>
</tr>
<tr>
<td>Net (decrease)/increase in cash and cash equivalents</td>
<td>(114.3)</td>
<td>(203.0)</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td></td>
<td></td>
</tr>
<tr>
<td>At beginning of period</td>
<td>257.2</td>
<td>462.2</td>
</tr>
<tr>
<td>Net (decrease)/increase in cash and cash equivalents</td>
<td>(114.3)</td>
<td>(203.0)</td>
</tr>
<tr>
<td>At the end of the year</td>
<td>142.9</td>
<td>259.2</td>
</tr>
<tr>
<td>Comprising:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>108.2</td>
<td>48.4</td>
</tr>
<tr>
<td>Short-term deposits</td>
<td>377.0</td>
<td>606.3</td>
</tr>
<tr>
<td>Cash reclassified to short-term investments with maturity greater than three months</td>
<td>(342.0)</td>
<td>(395.0)</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>(0.3)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Cash and cash equivalents at the end of the year</td>
<td>142.9</td>
<td>259.2</td>
</tr>
</tbody>
</table>

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