

# **INMARSAT GROUP LIMITED**

**Extract of the consolidated financial results for the  
three months and year ended  
31 December 2018  
(un-audited)**

**INMARSAT GROUP LIMITED**  
**CONDENSED CONSOLIDATED INCOME STATEMENT<sup>1</sup>**  
**For the three months and year ended 31 December 2018 (unaudited)**

(US\$ in millions)	For the three months ended 31 December		For the year ended 31 December	
	2018	2017 (restated)	2018	2017 (restated)
<b>Revenues</b>	<b>378.7</b>	<b>351.8</b>	<b>1,465.2</b>	<b>1,391.7</b>
Employee benefits costs	(74.4)	(91.5)	(293.3)	(303.7)
Network and satellite operations costs	(43.2)	(49.9)	(183.3)	(192.8)
Impairment of financial assets	(9.5)	(0.3)	(18.1)	(3.0)
Other operating costs	(68.3)	(58.8)	(237.4)	(202.0)
Own work capitalised	8.8	11.9	37.7	49.1
<b>Total net operating costs</b>	<b>(186.6)</b>	<b>(188.6)</b>	<b>(694.4)</b>	<b>(652.4)</b>
<b>EBITDA</b>	<b>192.1</b>	<b>163.2</b>	<b>770.8</b>	<b>739.3</b>
Depreciation and amortisation	(120.8)	(114.3)	(468.3)	(411.8)
Impairment loss	(7.5)	-	(14.5)	-
Loss on disposal	(0.3)	(1.8)	(2.5)	(7.3)
Share of profit of associates	1.1	1.9	3.9	4.0
<b>Operating profit</b>	<b>64.6</b>	<b>49.0</b>	<b>289.4</b>	<b>324.2</b>
Financing income	2.5	1.7	9.1	8.0
Financing cost	(10.6)	(17.3)	(76.8)	(83.9)
Net financing costs	(8.1)	(15.6)	(67.7)	(75.9)
<b>Profit before tax</b>	<b>56.5</b>	<b>33.4</b>	<b>221.7</b>	<b>248.3</b>
Taxation	(22.5)	(13.6)	(51.1)	(50.4)
<b>Profit for the period</b>	<b>34.0</b>	<b>19.8</b>	<b>170.6</b>	<b>197.9</b>

<sup>1</sup> 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)<sup>1</sup>**

(US\$ in millions)	As at 31 December 2018	As at 31 December 2017 (restated)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	3,356.1	3,258.2
Intangible assets	800.4	808.1
Investments	18.8	16.2
Right-of-use assets	62.4	-
Other receivables	35.2	17.5
Deferred tax assets	52.5	35.4
Derivative financial instruments	-	0.3
	<b>4,325.4</b>	<b>4,135.7</b>
<b>Current assets</b>		
Cash and cash equivalents	138.3	143.2
Short term deposits	145.7	342.0
Trade and other receivables	400.9	358.8
Inventories	50.7	33.9
Current tax assets	4.6	13.8
Derivative financial instruments	0.3	1.2
Restricted cash	2.4	2.3
	<b>742.9</b>	<b>895.2</b>
<b>Total assets</b>	<b>5,056.2</b>	<b>5,030.9</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Borrowings	123.2	563.6
Trade and other payables	777.1	622.5
Provisions	14.3	16.2
Current tax liabilities	189.0	148.7
Derivative financial instruments	2.4	7.9
Lease obligations	10.4	-
	<b>1,116.4</b>	<b>1,358.9</b>
<b>Non-current liabilities</b>		
Borrowings	1,772.9	1,884.9
Other payables	13.9	25.0
Provisions	11.1	9.7
Deferred tax liabilities	250.3	236.2
Derivative financial instruments	1.6	2.1
Lease obligations	59.6	-
	<b>2,109.4</b>	<b>2,157.9</b>
<b>Total liabilities</b>	<b>3,225.8</b>	<b>3,516.8</b>
<b>Net assets</b>	<b>1,842.5</b>	<b>1,514.1</b>
<b>Shareholders' equity</b>		
Ordinary shares	0.4	0.4
Share premium	1,118.5	677.4
Other reserves	435.5	423.8
Retained earnings	287.3	411.9
<b>Equity attributable to shareholders</b>	<b>1,841.7</b>	<b>1,513.5</b>
<b>Non-controlling interest</b>	<b>0.8</b>	<b>0.6</b>
<b>Total equity</b>	<b>1,842.5</b>	<b>1,514.1</b>

<sup>1</sup> 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<sup>1</sup>**  
**For the three months and year ended 31 December 2018 (unaudited)**

(US\$ in millions)	For the three months ended 31 December		For the year ended 31 December	
	2018	2017 (restated)	2018	2017 (restated)
<b>Cash flows from operating activities</b>				
Cash generated from operations	193.4	213.8	720.4	779.7
Interest received	1.5	1.0	6.0	5.5
Tax paid	(1.6)	(1.7)	2.3	(19.8)
<b>Net cash from operating activities</b>	<b>193.3</b>	<b>213.1</b>	<b>728.7</b>	<b>765.4</b>
<b>Cash flows from investing activities</b>				
Purchase of property, plant and equipment	(111.0)	(95.5)	(460.3)	(454.3)
Additions to intangible assets	(55.8)	(97.5)	(93.0)	(110.7)
Own work capitalised	(8.6)	(11.9)	(37.4)	(49.1)
Proceeds from short-term deposits	50.9	89.9	459.5	455.1
Repayments of short-term deposits	(145.7)	(149.5)	(263.2)	(402.0)
Investment in financial asset	-	-	-	(1.1)
<b>Net cash used in investing activities</b>	<b>(270.2)</b>	<b>(264.5)</b>	<b>(394.4)</b>	<b>(562.1)</b>
<b>Cash flows from financing activities</b>				
Dividends paid	-	(72.2)	(97.3)	(280.0)
Repayment of borrowings	-	-	(563.3)	(80.8)
Drawdown of borrowings	-	78.4	-	78.4
Interest paid	(39.5)	(38.2)	(103.5)	(95.0)
Arrangement costs of financing	(0.4)	-	(4.8)	(1.1)
Drawdown of related party financing	-	63.0	-	63.0
Cash payments for the principal portion of the lease obligations	(2.8)	-	(12.3)	-
Net proceeds from the issue of ordinary shares	-	-	441.1	-
Other financing activities	(0.7)	(0.3)	(1.6)	(1.9)
<b>Net cash used in financing activities</b>	<b>(43.4)</b>	<b>30.7</b>	<b>(341.7)</b>	<b>(317.4)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(120.3)</b>	<b>(20.7)</b>	<b>(7.4)</b>	<b>(114.1)</b>
<b>Cash and cash equivalents</b>				
At beginning of period	258.1	161.5	142.9	259.2
Net (decrease)/increase in cash and cash equivalents	(120.3)	(20.7)	(7.4)	(114.1)
Foreign exchange adjustment	0.5	2.1	2.8	(2.2)
<b>At the end of the year</b>	<b>138.3</b>	<b>142.9</b>	<b>138.3</b>	<b>142.9</b>
<b>Comprising:</b>				
Cash at bank and in hand	138.3	108.2	138.3	108.2
Short-term deposits with original maturity of less than three months	-	35.0	-	35.0
Bank overdrafts	-	(0.3)	-	(0.3)
<b>Cash and cash equivalents at the end of the year</b>	<b>138.3</b>	<b>142.9</b>	<b>138.3</b>	<b>142.9</b>

<sup>1</sup> The consolidated financial results were prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union.