

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 STATEMENT¹
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) |
| Revenues | 378.7 | 351.8 | 1,465.2 | 1,391.7 |
| 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 |
| Total net operating costs | (186.6) | (188.6) | (694.4) | (652.4) |
| EBITDA | 192.1 | 163.2 | 770.8 | 739.3 |
| 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 |
| Operating profit | 64.6 | 49.0 | 289.4 | 324.2 |
| 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) |
| Profit before tax | 56.5 | 33.4 | 221.7 | 248.3 |
| Taxation | (22.5) | (13.6) | (51.1) | (50.4) |
| Profit for the period | 34.0 | 19.8 | 170.6 | 197.9 |

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

| (US\$ in millions) | As at 31 December 2018 | As at 31 December 2017 (restated) |
|--|------------------------------|--|
| Assets | | |
| Non-current assets | | |
| 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 |
| | 4,325.4 | 4,135.7 |
| Current assets | | |
| 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 |
| | 742.9 | 895.2 |
| Total assets | 5,056.2 | 5,030.9 |
| Liabilities | | |
| Current liabilities | | |
| 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 | - |
| | 1,116.4 | 1,358.9 |
| Non-current liabilities | | |
| 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 | - |
| | 2,109.4 | 2,157.9 |
| Total liabilities | 3,225.8 | 3,516.8 |
| Net assets | 1,842.5 | 1,514.1 |
| Shareholders' equity | | |
| 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 |
| Equity attributable to shareholders | 1,841.7 | 1,513.5 |
| Non-controlling interest | 0.8 | 0.6 |
| Total equity | 1,842.5 | 1,514.1 |

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INMARSAT GROUP LIMITED
CONDENSED CONSOLIDATED CASH FLOW STATEMENT¹
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) |
| Cash flows from operating activities | | | | |
| 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) |
| Net cash from operating activities | 193.3 | 213.1 | 728.7 | 765.4 |
| Cash flows from investing activities | | | | |
| 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) |
| Net cash used in investing activities | (270.2) | (264.5) | (394.4) | (562.1) |
| Cash flows from financing activities | | | | |
| 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) |
| Net cash used in financing activities | (43.4) | 30.7 | (341.7) | (317.4) |
| Net (decrease)/increase in cash and cash equivalents | (120.3) | (20.7) | (7.4) | (114.1) |
| Cash and cash equivalents | | | | |
| 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) |
| At the end of the year | 138.3 | 142.9 | 138.3 | 142.9 |
| Comprising: | | | | |
| 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) |
| Cash and cash equivalents at the end of the year | 138.3 | 142.9 | 138.3 | 142.9 |

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