

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 ¹
For the three months and year ended 31 December 2017 (unaudited)

(US\$ in millions)	For the three months ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016
Revenues	353.7	358.1	1,400.2	1,329.0
Employee benefits costs	(71.6)	(66.3)	(283.8)	(260.4)
Network and satellite operations costs	(49.9)	(41.2)	(192.8)	(168.6)
Other operating costs	(63.6)	(38.9)	(221.3)	(147.3)
Own work capitalised	11.9	10.7	49.1	42.0
Total net operating costs	(173.2)	(135.7)	(648.8)	(534.3)
Adjusted EBITDA	180.5	222.4	751.4	794.7
Restructuring charge	(19.9)	-	(19.9)	-
EBITDA	160.6	222.4	731.5	794.7
Depreciation and amortisation	(112.6)	(87.1)	(406.7)	(349.4)
Loss on disposal	(1.8)	-	(7.3)	(0.7)
Share of profit of associates	1.9	0.4	4.0	2.4
Operating profit	48.1	135.7	321.5	447.0
Financing income	1.3	2.9	6.7	4.8
Financing cost	(17.3)	(23.7)	(83.9)	(66.5)
Net financing costs	(16.0)	(20.8)	(77.2)	(61.7)
Profit before tax	32.1	114.9	244.3	385.3
Taxation	(13.1)	(25.1)	(49.1)	(66.2)
Profit for the period	19.0	89.8	195.2	319.1

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 2017	As at 31 December 2016
Assets		
Non-current assets		
Property, plant and equipment	3,239.3	2,971.4
Intangible assets	788.9	796.4
Investments	16.2	13.2
Other receivables	23.9	11.7
Deferred tax assets	35.6	38.6
Derivative financial instruments	0.3	0.1
	4,104.2	3,831.4
Current assets		
Cash and cash equivalents	143.2	259.7
Short term deposits	342.0	395.0
Trade and other receivables	346.6	326.0
Inventories	33.9	34.3
Current tax assets	13.8	8.5
Derivative financial instruments	1.2	1.7
Restricted cash	2.3	2.3
	883.0	1,027.5
Total assets	4,987.2	4,858.9
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
	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
	2,156.8	2,179.2
Total liabilities	3,465.9	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

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INMARSAT GROUP LIMITED
CONDENSED CONSOLIDATED CASH FLOW STATEMENT ¹
For the three months and year ended 31 December 2017 (unaudited)

(US\$ in millions)	For the three months ended		For the year ended	
	31 December	2016	2017	2016
Cash flows from operating activities				
Cash generated from operations	208.6	190.5	827.3	785.1
Interest received	1.0	0.4	5.5	1.0
Tax paid	(1.7)	(6.4)	(19.8)	(35.6)
Net cash from operating activities	207.9	184.5	813.0	750.5
Cash flows from investing activities				
Purchase of property, plant and equipment	(91.3)	(137.1)	(438.9)	(302.9)
Additions to intangible assets	(97.5)	(26.1)	(110.7)	(68.0)
Own work capitalised	(11.9)	(10.7)	(49.1)	(42.0)
Short-term cash deposits >3 months	(155.3)	-	53.1	(395.0)
Investment in financial asset	-	-	(1.1)	-
Net cash used in investing activities	(356.0)	(173.9)	(546.7)	(807.9)
Cash flows from financing activities				
Dividends paid	(72.2)	(84.5)	(280.0)	(228.5)
Proceeds from issue of long term borrowings	-	5.5	-	400.0
Repayment of borrowings	-	(106.5)	(80.8)	(213.0)
Drawdown of borrowings	78.4	-	78.4	-
Interest paid	(38.2)	(28.2)	(95.0)	(83.6)
Arrangement costs of financing	-	(0.7)	(1.1)	(11.3)
Related party financing	64.0	-	-	278.2
Other financing activities	(0.3)	0.5	(1.9)	1.8
Net cash used in financing activities	31.7	(213.9)	(380.4)	143.6
Foreign exchange adjustment	2.1	0.3	(2.2)	0.1
Net (decrease)/increase in cash and cash equivalents	(114.3)	(203.0)	(116.3)	86.3
Cash and cash equivalents				
At beginning of period	257.2	462.2	259.2	172.9
Net (decrease)/increase in cash and cash equivalents	(114.3)	(203.0)	(116.3)	86.3
At the end of the year	142.9	259.2	142.9	259.2
Comprising:				
Cash at bank and in hand	108.2	48.4	108.2	48.4
Short-term deposits	377.0	606.3	377.0	606.3
Cash reclassified to short-term investments with maturity greater than three months	(342.0)	(395.0)	(342.0)	(395.0)
Bank overdrafts	(0.3)	(0.5)	(0.3)	(0.5)
Cash and cash equivalents at the end of the year	142.9	259.2	142.9	259.2

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