



speedcast

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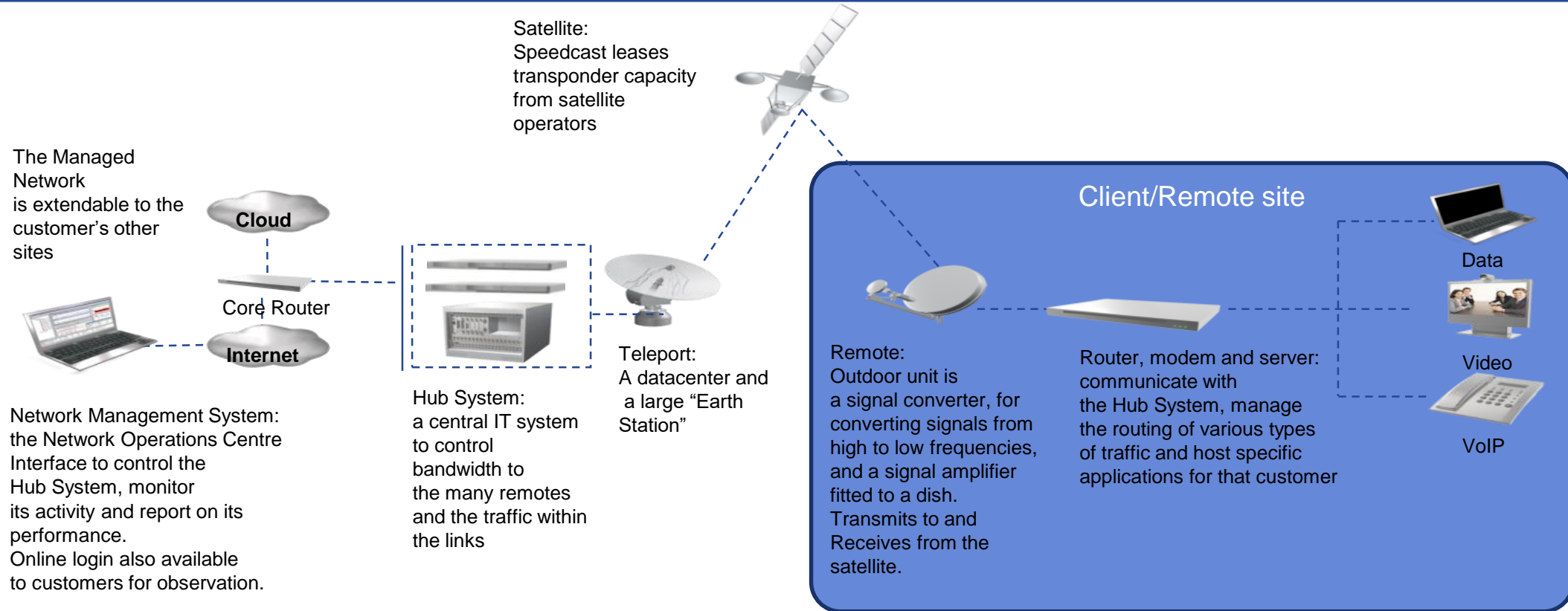
The Global Leader in Remote Communications and IT Services | 4

- ▶ **Speedcast is the world's most trusted provider of fully managed remote communication network and IT services**
- > **Industry leader:** extensive worldwide footprint of local support, infrastructure and coverage, coupled with world-class technology and a strong safety culture
- > **Scale:** one of the largest commercial buyers of satellite capacity and one of the largest satellite service providers globally
- > **Innovator:** able to design, integrate, secure and optimize networks tailored to customer needs
- > **Customer focused:** technology agnostic solutions and support designed to meet the needs of each unique customer installation
- > **Expertise:** highly skilled people a key differentiator
- > **Sustainable competitive advantages:** given Speedcast's established scale, customer relationships, global footprint and corporate culture



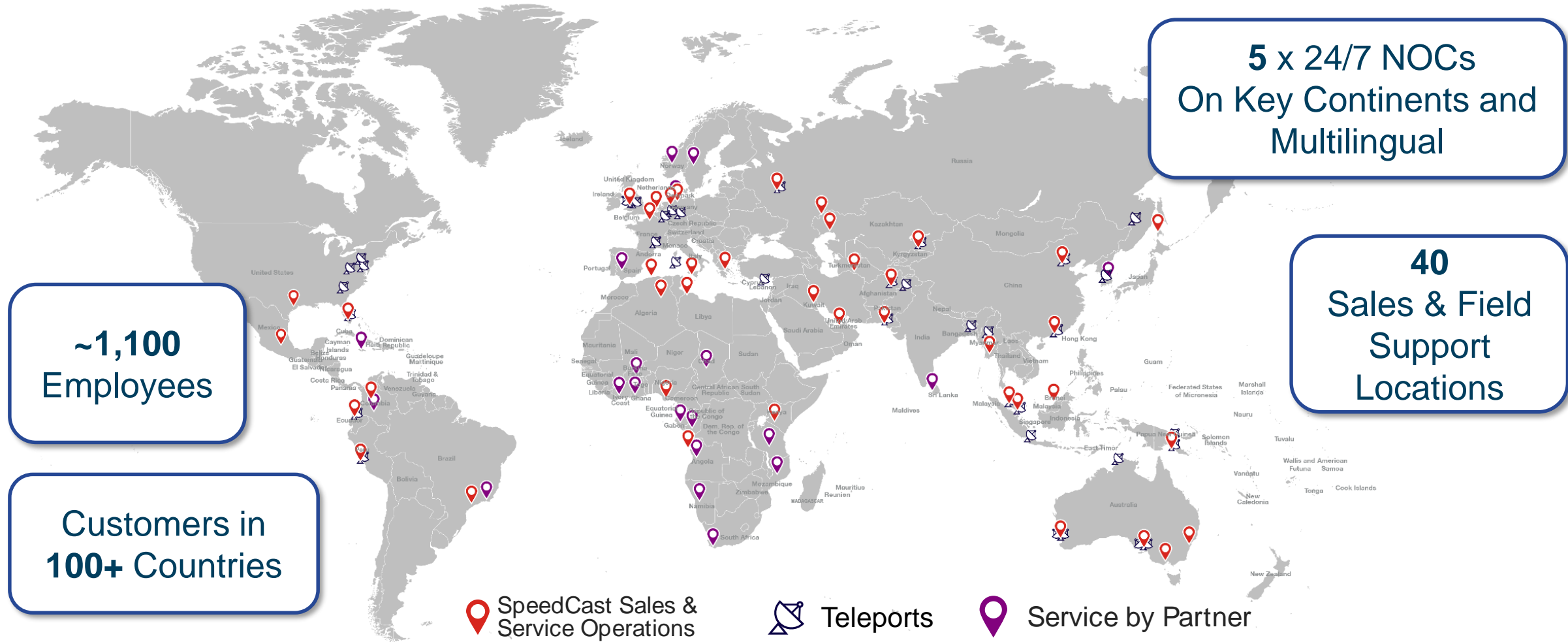
Speedcast Provides the Necessary Infrastructure and Capabilities to Turn Satellite Capacity into a Useful Network Service for a Wide Range of End Users⁵

Illustrative Speedcast VSAT network setup



Unmatched Global Footprint Delivering Service & Support Wherever Customers Need It

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THE CRITICAL COMMUNICATIONS COMPANY

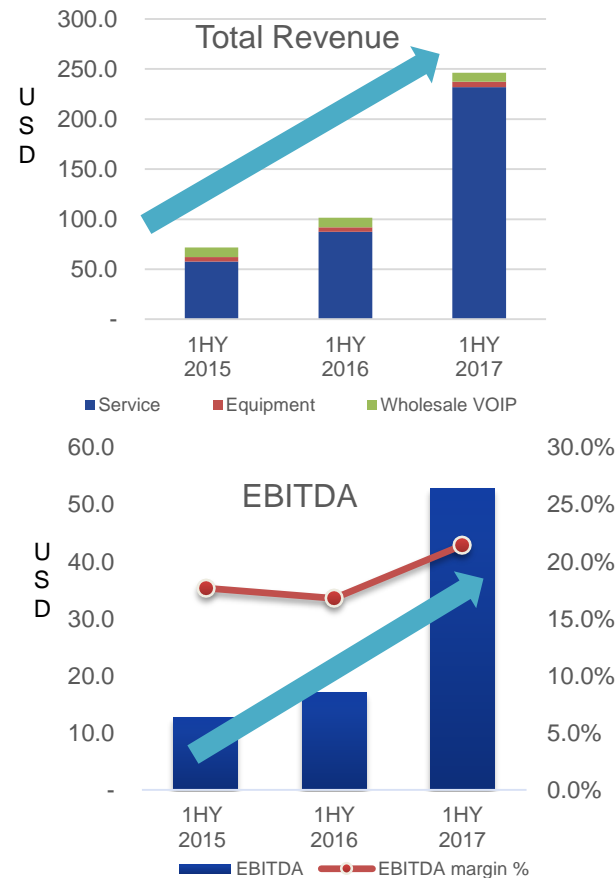
Communications | IT Solutions | Consulting

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Sound Underlying Financial Characteristics

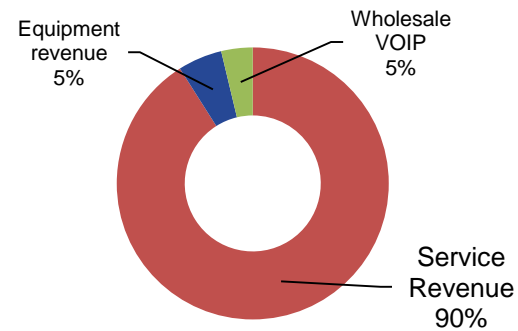
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Growth in Key Financial Metrics



Recurring revenue base

Revenue by type



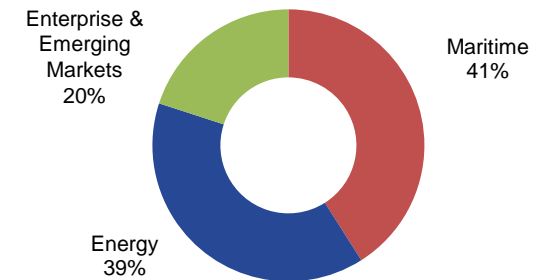
- ▶ Service revenues (c.90% of total)
- ▶ Monthly recurring revenue
- ▶ 2-3 year average contract length
- ▶ High renewal rate

Capital & Cash Flow

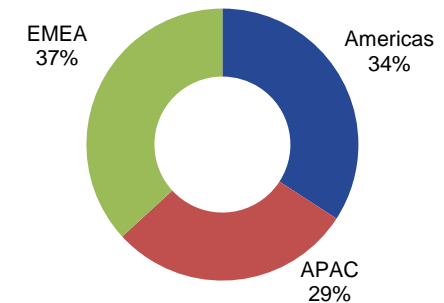
- ▶ Low capex vs D&A
- ▶ Strong operating cash flows (96% EBITDA conversion in 1H to 30 June 2017)

Diversification across Industries and Geographically

Revenue by segment



Revenue by geography



Increasing Demand for Connectivity Driving Growth

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► Business needs

- > Condition monitoring
- > Analytics
- > Remote access
- > Regulatory compliance
- > Video surveillance
- > Cyber security
- > Cloud-based applications
- > Automation – autonomous assets

► Crew & passenger needs

- > News & Entertainment
- > Training
- > Communication: Email, voice, video
- > Social media



Exposure to Diverse Industries With Positive Growth Outlooks | 9

Energy



- > Cyclical industry, expected to come out of a severe downturn in the near future
- > Consolidated services requirement with focus on reliability and support
- > Outsourcing likely to grow as customers need to be leaner
- > Digitalisation of the oilfield will increase data requirements

Maritime



- > Low VSAT penetration driving growth in merchant shipping
- > Strong volume growth fundamentals in Cruise segment driven by passenger demand
- > Market still fragmented in merchant shipping
- > Opportunity for new applications and innovation

Enterprise & Emerging Markets ('EEM')



- > Diversified segment
- > Fragmented industry with smaller players
- > Limited global competitors
- > Cellular backhaul driving growth
- > Mining spending expected to improve

Government



- > Government spending expected to rise globally in coming years
- > Access to US Govt. opportunities
- > Significant opportunity in the IGO/NGO space
- > Experienced leadership team led by UltiSat's CEO

Change Is Happening Everywhere

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MARITIME

The use of IoT
can save
up to **15%**
in fuel cost per
year

CRUISE

Demanding
100's
megabits
per second

ENERGY

Preparing for the
**GLOBAL
UPTURN**

CELLULAR BACKHAUL

Backhaul
capacity
demand to
increase
9X in 5 years



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Global Scale is Becoming Table Stakes

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Customers looking for more outsourcing

- > Cost pressure and need for flexibility driving outsourcing

Need for consolidated managed services

- > Managed services gaining momentum – communications service providers need to go beyond connectivity and have strong solutions, R&D

Customers buy more globally, less regionally

- > Global commercial and engineering presence a must

Strong satellite capacity supply

- > Volume growth and capacity oversupply create opportunities for large buyers

Growing technological complexity requires scale

- > LEO, MEO, HTS satellites
- > All-round technological expertise required for managed services/value added services

Consolidation of the services industry ongoing

- > Global scale more important than ever in order to compete effectively

Business update



Reaching An Inflection Point in Terms of Service Revenue Growth

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- ▶ Quarterly **Energy** revenues stabilised, three quarters of consistent service revenues. Pipeline activity growing following positive oil price trends although lead times mean that the impact is not expected to be seen until 2H 2018 at the earliest.
- ▶ **Cruise** customers looking for strategic partners to deliver stepped change in connectivity requirements to meet passenger demand
- ▶ **Merchant shipping** sector delivering steady growth in VSAT with strong activation levels continuing into 2H 2017
- ▶ Ongoing rollout of **EEM** backlog and conversion of opportunity pipeline for new projects will lead to return to organic growth in 2018. Material new contract negotiations progressing - although slightly delayed, expect to sign before the end of the year.



Preparing Platform for Future Growth

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▶ **EBITDA margin % expansion as a result of scale and cost synergies**

- > EBITDA margin of 21.4% in 1H17 (1H16:16.7%)
- > Scale added by Harris CapRock acquisition driving operating cost efficiencies
- > Additional synergy cost benefits expected to grow EBITDA % further in 2H17 & 2018

▶ **Harris Caprock integration progressing to plan**

- > Integration activities progressed in line with project timeframes, now >90% complete
- > Harris CapRock synergies now expected to be \$30M+ vs original investment case estimate of \$24M
- > Significant work now ongoing around culture and core values

▶ **Balance sheet de-leveraging occurring**

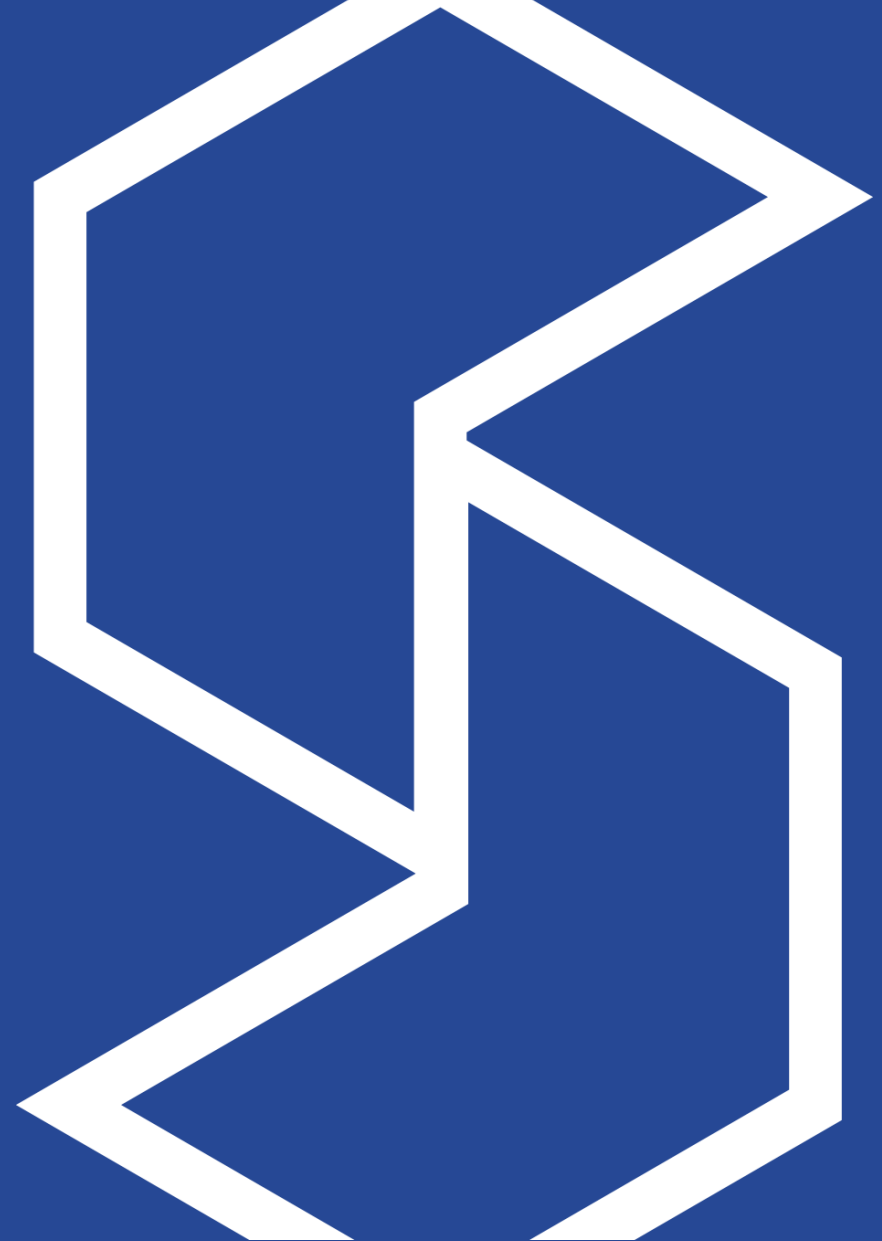
- > Strong operating cash flows (96% cash conversion of EBITDA in 1H 2017) following integration of transactional finance teams
- > 1H17 capex behind historical norms; Roll out of backlog and implementation of new projects to increase capex in 2H17, bringing overall capex for 2017 back in line with expectations
- > Pre-impact of Ultisat acquisition, net debt and pro forma leverage reducing

▶ **UltiSat acquisition completed in Q4 2017**

- > Regulatory (DSS and CFIUS) approvals obtained; 1 November 2017 effective closing date
- > Increase in existing debt facility of \$60M to fund acquisition, with the remaining funding requirement sourced from the reinvestment of free cash flow from operations



Conclusion

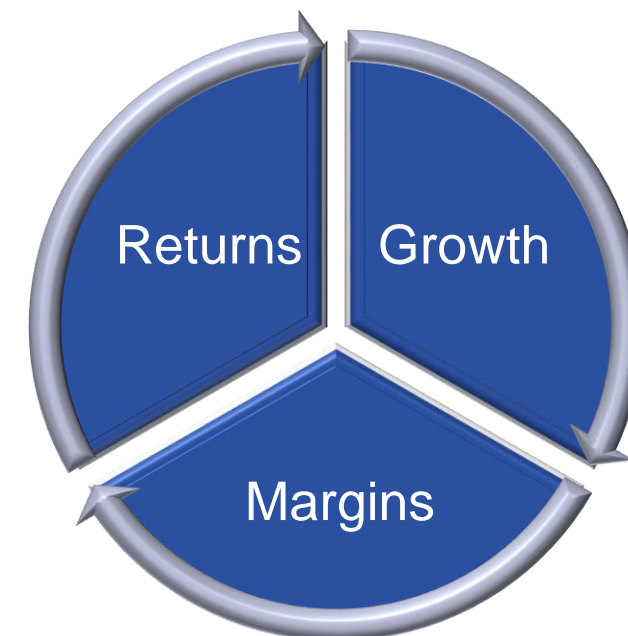


Positioned for growth in shareholder value creation

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- **Speedcast shareholder value creation fundamentals remain strong**

Growth	<ul style="list-style-type: none">▪ Recurring revenue base making up ~90% of total group revenues; Industry and geographical diversification; High customer retention rates▪ Execution of focused M&A strategy has resulted in strong competitive positions in key markets for satellite communications with potential for strong organic growth profile – Cruise, Oil & Gas, Government, Merchant Shipping▪ Backlog and opportunity pipeline growing to support delivery of organic growth▪ Innovation to drive increased revenues from value added services
Margins	<ul style="list-style-type: none">▪ Improving EBITDA margins through delivering acquisition cost synergy benefits and leveraging increased scale of the group▪ Operating leverage expected as Speedcast group grows - maintaining cost discipline whilst balancing investment in key support functions
Returns	<ul style="list-style-type: none">▪ Strong operating cash flows and cash conversion delivered▪ Low ongoing capex requirements vs depreciation▪ Outperformance on M&A cost synergy targets



Overall Speedcast strategy starting to crystalize as scale, technical capabilities, network, local presence and culture combine to create a growing competitive advantage leading to market share gains

Thank You





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