

FOR IMMEDIATE RELEASE

Speedcast Completes Globecomm Acquisition

Acquisition will Enhance Market Position in Government, Maritime and Enterprise Sectors

SYDNEY, December 17, 2018 - Speedcast International Limited (ASX: SDA) (“**Speedcast**”), the world’s most trusted provider of remote communication and IT solutions, today announced that on December 14, 2018 it completed the acquisition of Globecomm Systems Inc. (“**Globecomm**”) for cash consideration of \$134 million (net of cash acquired).

Globecomm is a leading provider of remote communications and multi-network infrastructure in over 100 countries and the acquisition strengthens Speedcast’s global leadership with enhanced competitive positions in Government, Maritime, and Enterprise. The acquisition complements Speedcast’s acquisition of UltiSat in November 2017 by doubling Speedcast’s revenue in the Government sector and adding more scale, visibility and capabilities in this growth market. In addition, Globecomm will benefit from Speedcast’s scale and capabilities in the Maritime and Enterprise sectors.

“The acquisition of Globecomm fits perfectly with Speedcast’s strategy to build competitive advantages based on scale, reach and unique capabilities. Globecomm is particularly complementary as it significantly strengthens our Government division at a time when government spending globally is expected to rise. Globecomm also has a strong reputation providing remote communications and professional services to key customers in Maritime and Enterprise and will strengthen our innovation capabilities with new solutions and strong engineering expertise in growth areas such as IoT, wireless and media services” said Speedcast CEO Pierre-Jean Beylier. “I am excited about the growth opportunities created by the combination of our two companies. I welcome the Globecomm team to Speedcast and look forward to their contribution to our journey. I welcome Globecomm customers and I am confident they will find benefits from all the additional capabilities and resources our Group can offer.”

Speedcast is very confident of achieving a targeted US\$15 million in annual cost synergies within 18 months of completing the acquisition, as communicated previously. The cost synergies are expected to be generated across the business, including through footprint rationalisation, network improvements and improved procurement.

As previously announced, in connection with closing the acquisition, Speedcast completed a US\$175 million incremental term loan add-on to its existing US\$425 million US Term Loan B facility (due 2025). The proceeds from the term loan add-on were used to fund the acquisition consideration, pay fees and transaction expenses and repay a portion of the outstanding loans under the company's revolving credit facility.

The only financial covenant in the company's debt facilities is a requirement to maintain net leverage¹ at or below 4.0x EBITDA. In addition, the covenant only applies if the revolving credit facility is more than 35% drawn. Speedcast's net leverage as at June 30, 2018 pro forma for the transaction was 3.4x EBITDA.

The table below sets out a summary of the key terms of Speedcast's seven year Senior Secured Credit Facility on completion of the acquisition:

Term	Description
Term Loan Facility	
Facility Size	US\$599 million
Term	7 years (due 2025)
Interest Rate	LIBOR ² plus 2.75% p.a.
Amortisation of principal	1% p.a.
Early repayment	At Speedcast's option
Financial covenant	None
Revolving Credit Facility ("RCF")	
Facility Limit	US\$100 million
Term	5 years (due 2023)
Interest Rate	LIBOR plus 2.50% p.a. (current rate subject to a grid which reduces when first lien net leverage ¹ is < 3.0x)
Financial Covenant	When RCF drawings are > 35% of the RCF Facility Limit, maximum first lien net leverage ¹ 4.0x

For more information about Speedcast, please visit www.speedcast.com.

¹ Net leverage means the ratio of Net Debt to Consolidated EBITDA (as defined in the credit facility agreement, including the full twelve month pro forma impact of acquisitions and identified synergies).

² Speedcast has entered into interest rate swap agreements in respect of approximately 70% of the term loan debt outstanding on completion of the acquisition through to 2023.

About Speedcast International Limited

Speedcast International Limited (ASX: SDA) is the largest provider of remote communications and IT services in the world. Speedcast's fully managed service is delivered via a leading global, multi-access-technology, multi-band and multi-orbit network of 70+ satellites and an interconnecting global terrestrial network, bolstered by extensive on the ground local support from 40+ countries. This global "network of networks" allows customers to fully rely on the most robust, integrated infrastructure available in the market for their mission critical applications. Speedcast is uniquely positioned as a strategic business partner, tailoring communications, IT and digital solutions to meet unique customer needs and enable business transformation. Speedcast extends its managed services through differentiated technology offerings including cyber-security, crew welfare, content solutions, data and voice applications and network systems integration services. With a passionate customer focus and a strong safety culture, Speedcast serves more than 2,000 customers in over 140 countries in sectors such as Maritime, Energy, Mining, Enterprise, Media, Cruise, NGOs and Government. Learn more at www.speedcast.com.

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