

FIRST HALF 2018-19 RESULTS

- Continued strong delivery on cash generation strategy
- Operating Verticals revenues of €660 million, down 2.4% like-for-like
- High level of profitability: EBITDA margin of 79% at constant currency, above full-year objective
- Discretionary Free Cash Flow of €235 million at constant currency and perimeter
- All elements of the Financial Outlook confirmed for current and future years

Paris, 15 February 2019 – The Board of Directors of Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL), chaired by Dominique D’Hinnin, reviewed the financial results for the half-year ended 31 December 2018.

Key Financial Data	6M to Dec. 2017 Restated	6M to Dec. 2018	Change
P&L			
Revenues - €m	688.1	658.1	-4.4%
“Operating Verticals” revenues	675.9	660.4	-2.3%
“Operating Verticals” revenues at constant currency and perimeter	669.9	653.8	-2.4%
EBITDA ¹ - €m	546.2	518.4	-5.1%
EBITDA margin - %	79.4	78.8	-0.6 pts
EBITDA margin at constant currency - %	79.4	79.0	-0.4 pts
Group share of net income - €m	158.0	150.4	-4.8%
Financial structure			
Discretionary Free-Cash-Flow at constant currency and perimeter ²	337.1	235.2	-30.2%
Net debt - €m	3,630.3	3,304.3	-€326m
Net debt/EBITDA - X	3.3x	3.1x	-0.2 pts
Backlog – €bn	4.7	4.6	-2.9%

Commenting on the First Half, Rodolphe Belmer Chief Executive Officer of Eutelsat Communications, said: “Eutelsat delivered a solid set of results in the First Half. While the revenues profile reflected the anticipated back-end loading in the second half, profitability remained robust and gearing was further reduced. We continued to leverage all components of cash generation, with the LEAP cost-savings plan on track, the effective application of design-to-cost to the HOTBIRD replacement, the successful €800 million bond issue in October and the disposal of our stake in EUTELSAT 25B. In addition, although it cannot be reliably measured at this stage, new provisions in the 2019 French Finance Law will likely have a significant beneficial impact on our corporate tax bill.

On the commercial front, the Konnect Africa Broadband service is being progressively launched in several countries, and its initial reception reinforces our confidence in the strong potential of this activity. Elsewhere, we signed new or renewal contracts in most verticals including, in video, first deals for the recently launched CIRRUS platform as well as regular capacity contracts, and in Mobility, a multi-transponder deal for maritime connectivity. Several leads are in the pipeline for the remainder of the year.

In consequence we continue to target a broadly stable topline for our operating verticals for the year as a whole, and we are confident in our ability to deliver strongly on our profitability, Discretionary Free Cash Flow and de-leveraging targets.”

Notes: This press release contains figures from the consolidated half-year accounts prepared under IFRS and subject to a limited review by the Auditors. They were reviewed by the Audit Committee on 13 February 2019 and approved by the Board of Directors on 14 February 2019. EBITDA, EBITDA margin, Net debt / EBITDA ratio, Cash Capex and Discretionary Free-Cash-Flow are considered as Alternative Performance Indicators. Their definition and calculation can be found in appendix 3 of this document. Figures as of 31 December 2017 have been restated throughout this announcement to reflect the retrospective adoption of IFRS 15 on 1 July 2018. The impact of the application of IFRS 15 is presented in the note 3 to the consolidated financial statements. The Group adopted IFRS16 and IFRS 9 on 1 July 2018.

¹ Operating income before depreciation and amortisation, impairments and other operating income/(expenses).

² Net cash-flow from operating activities - Cash Capex - Interest and Other fees paid net of interests received.

KEY EVENTS

Since the beginning of FY 2018-19, Eutelsat has taken further measures to maximise cash generation, leveraging all components of cash-flow:

- The successful issue of an €800 million 2.0 percent Eurobond with a 7-year maturity, enabling the full redemption of the outstanding bonds bearing a 5.0 per cent coupon maturing in January 2019. This transaction will reduce pre-tax cash interest by some €24 million on an annualized basis from FY 2019-20;
- The disposal of the interest in EUTELSAT 25B for a cash consideration of €135 million;
- Further progress on the implementation of the capex optimization strategy with:
 - The replacement of the HOTBIRD constellation negotiated at highly compelling terms thanks to the application of design-to-cost;
 - A long-term service agreement with Arianespace covering five launches until 2027, providing cost-effective, assured access to space with schedule flexibility;
- The LEAP cost-saving program, comfortably on track to deliver €30m in opex savings this year;
- The French Finance Law for 2019 contains a provision specifying the rules relating to the territoriality of corporate tax applicable to telecommunications satellite operators. This will likely have a significant beneficial impact on Eutelsat's tax bill, although it cannot be reliably measured at this stage.

At the same time Eutelsat has continued to build the foundations for its return to growth:

- Extracting greater value from its core Video business with the launch in September 2018 of Eutelsat CIRRUS, a hybrid satellite-OTT turnkey delivery solution enabling broadcast customers to offer a flexible, seamless content experience across multiple screens, and representing a further step in the integration of satellite into the IP ecosystem;
- Capturing the connectivity opportunity with:
 - The commercial launch of the Connect Africa broadband service in several countries;
 - The completion of the overhaul of the distribution strategy in Europe focused on selected specialist distribution partners and major telecom operators.

ANALYSIS OF REVENUES³

In € millions	6 months to Dec 2017 IFRS 15 restated	6 months to Dec 2017 proforma ⁴	6 months to Dec 2018 reported	Actual change	Like-for-like change ⁵
Video Applications	443.0	437.0	432.1	-2.5%	-2.0%
Government Services	79.6	79.6	81.8	+2.9%	+1.7%
Fixed Data	73.4	73.4	66.0	-10.2%	-11.9%
Fixed Broadband	42.8	42.8	40.5	-5.5%	-5.8%
Mobile Connectivity	37.1	37.1	40.0	+7.9%	+6.7%
Total Operating Verticals	675.9	669.9	660.4	-2.3%	-2.4%
Other Revenues ⁶	12.2	12.2	(2.3)	n/a	n/a
Total revenues	688.1	682.0	658.1	-4.4%	-4.5%
EUR/USD exchange rate	1.17	1.17	1.16		

³ The share of each application as a percentage of total revenues is calculated excluding "other revenues".

⁴ Pro-forma revenues reflecting the disposal of EUTELSAT 25B. Please refer to the appendix for more detail.

⁵ At constant currency, perimeter and accounting standards. The variation is calculated as follows: i) H1 2018-19 USD revenues are converted at H1 2017-18 rates; ii) H1 2017-18 revenues are restated from the disposal of Eutelsat's interest in EUTELSAT 25B and from the impact of IFRS 15 standards; iii) H1 2018-19 revenues are restated from the net contribution of Noorsat.

⁶ Other revenues include mainly compensation paid on the settlement of business-related litigations, the impact of EUR/USD currency hedging, the provision of various services or consulting/engineering fees and termination fees. Hedging effect amounted to (€7.1) million in the first half of FY 2018-19 and +€1.9m a year earlier.

Total revenues for **the First Half** of FY 2018-19 stood at €658 million down by 4.4% at constant accounting standards.

Revenues of the five Operating Verticals (ie, excluding 'Other Revenues') were down by 2.4% on a like-for-like basis excluding a negative perimeter effect of c.0.5 points (net effect of the disposal of the stake in EUTELSAT 25B and the acquisition of Noorsat) and a positive currency effect of c.0.5 points.

Second Quarter revenues stood at €323 million, down 5.7% at constant accounting standards. Revenues of the five Operating Verticals stood at €326 million, down 3.0% year-on-year and by 2.2% quarter-on-quarter on a like-for-like basis.

Unless otherwise stated, all variations indicated below are on a like-for-like basis, ie, at constant currency and perimeter.

Core businesses

Video Applications (66% of revenues)

First Half Video Applications revenues were down 2.0% like-for-like to €432 million, reflecting lower Professional Video revenues in a context of continued price pressure as well as the impact of a lower contribution from Fransat. Excluding these two factors, pure Broadcast revenues were broadly stable.

Second Quarter revenues stood at €215 million, down by 2.4% year-on-year but broadly stable on a quarter-on-quarter basis.

At 31 December 2018, the total number of channels broadcast by Eutelsat satellites stood at 7,067, up 3.8% year-on-year. HD penetration continued to increase, standing at 1,500 channels versus 1,275 a year earlier (+17.6%), implying a penetration rate of 21.2% compared to 18.7% a year earlier.

On the commercial front, contracts were signed with the Ethiopian Broadcasting Corporation and the Association of Ethiopian Broadcasters for capacity on EUTELSAT 8 West B, representing multi-transponder capacity including incremental resources. A new multi-year, multi-transponder contract has also been signed with Afghanistan Broadcasting System for capacity on the EUTELSAT 53A satellite. Elsewhere, Eutelsat will now sell capacity directly to beIN Media, reflecting the direct approach implemented in the MENA region. Finally, the first contracts have been signed for the CIRBUS platform.

Thanks to these contracts and other business opportunities in the pipeline close to materialization, trends in Broadcast are set to improve in the coming quarters.

Government Services (12% of revenues)

First Half Government Services revenues stood at €82 million, up 1.7% on a like-for-like basis. This reflected on one hand the incremental business secured last year over Asia-Pacific at the 174°East orbital position, and on the other the lower than expected level of renewals with the US Government in the Fall 2018 campaign.

Second Quarter revenues stood at €39 million, stable on a year-on-year basis, and down by 8.0% quarter-on-quarter.

Fixed Data (10% of revenues)

First Half Fixed Data revenues stood at €66 million, down 11.9% like-for-like. The performance of this vertical continues to reflect ongoing pricing pressure and a highly competitive environment, with Latin America the main contributor to the decline.

Second Quarter revenues amounted to €33 million, down 11.7% on a year-on-year basis, and by 3.1% quarter-on-quarter.

On the commercial front, a framework agreement was signed with Orange incorporating a material multi-transponder renewal which secures business on a multi-year basis, as well as setting the stage for potential incremental business in Fixed Data, Government Services and Mobile Connectivity.

Connectivity

Fixed Broadband (6% of revenues)

First Half Fixed Broadband revenues stood at €40 million, down 5.8% like-for-like. This performance continued to reflect lower revenues for European Broadband in a context of scarcity of available capacity in certain Western Europe countries and transition to a new, self-managed distribution strategy, as well as the expiry of a contract with a Middle-East customer for a spotbeam on EUTELSAT 3B, re-contracted to Taqnia in the Mobile Connectivity vertical.

Second Quarter revenues stood at €20 million, down 4.2% year-on-year and by 1.5% quarter-on-quarter.

Revenue trends stand to improve in the Second Half, notably thanks to the launch and progressive ramp-up of the Konnect Africa broadband service in several countries. The commercial service was launched in November 2018 in DRC (Democratic

Republic of Congo) with a large network of local partners ranging from telecom and television services distributors to financial services operators.

In Europe, an overhaul of the standalone distribution strategy, focused on selected specialist distribution partners and telecom operators has been completed. In this context, an agreement has been signed with the Spanish telco operator, Masmovil, for the distribution of broadband services via the KA-SAT satellite, while a Preferred Partner Programme (PPP) has been launched to reinforce relations with key partners and revitalize the distribution of KA-SAT capacity.

Mobile Connectivity (6% of revenues)

First Half Mobile Connectivity revenues stood at €40 million, up 6.7% like-for-like. They reflected the positive impact of the new contract with Taqnia at 3°East and 70°East, the carry-over effect of the entry into service of EUTELSAT 172B at end-November 2017 and the ongoing ramp-up of capacity contracts on KA-SAT.

Second Quarter revenues stood at €19.4 million, up 2.6% on a year-on-year basis, and down by 6.9% quarter-on-quarter.

On the commercial front, a multi-transponder contract was signed with a leading service provider on multiple satellites for capacity dedicated to maritime connectivity. This new contract as well as the start of the UnicomAirNet contract for in-flight connectivity on EUTELSAT 172B will support revenue growth in the Second Half.

Other Revenues

In the **First Half**, Other revenues amounted to (€2.3) million versus €12.2 million a year earlier. They included a negative (€7.1) million impact from hedging operations. The lumpiness of this line means the half yearly performance cannot be extrapolated for the full year.

OPERATIONAL AND UTILIZED TRANSPONDERS

The number of operational transponders at 31 December 2018 stood at 1,419, up by three units year-on-year and down by eight versus end-June, principally reflecting the disposal of EUTELSAT 25B.

The number of utilized transponders stood at 970, up 21 units year-on-year and stable versus end-June. The evolution versus end-June principally reflects the disposal of EUTELSAT 25B as well as the outcome of the Fall renewals in Government Services, offset by new contracts with Orange Slovensko and Ethiopian broadcasters as well as the ramp-up at 174° East.

As a result, the fill rate stood at 68.3% compared to 67.0% a year earlier and 68.1% at end-June.

	31 Dec 2017	30 Jun 2018	31 Dec 2018
Operational transponders ⁷	1,416	1,427	1,419
Utilized transponders ⁸	949	971	970
Fill rate	67.0%	68.1%	68.3%

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity.

⁷ Number of transponders on satellites in stable orbit, back-up capacity excluded.

⁸ Number of transponders utilised on satellites in stable orbit.

ORDER BACKLOG

The order backlog⁹ stood at €4.6 billion at 31 December 2018 versus 4.7 billion a year earlier and 4.6 billion at end June 2018. The stability versus end-June reflects notably the inclusion of future revenues related to commitments from Orange and Thales on KONNECT VHTS as well as the new contracts in maritime and with the Ethiopian broadcasters in Video which offset the negative effects of the disposal of EUTELSAT 25B, the adoption of IFRS 15 and natural backlog consumption.

The backlog was equivalent to 3.3 times 2017-18 revenues. Video Applications represented 77% of the backlog.

	31 Dec 2017	30 Jun 2018	31 Dec 2018
Value of contracts (in billions of euros)	4.7	4.6	4.6
<i>In years of annual revenues based on previous fiscal year</i>	3.2	3.2	3.3
Share of Video Applications	85%	83%	77%

PROFITABILITY

EBITDA stood at €518 million at 31 December 2018 compared with €546 million a year earlier, down by 5%. The **EBITDA margin** stood at 78.8% (79.0% at constant currency) versus 79.4% a year earlier, reflecting lower high-margin 'Other Revenues', the dilutive effect of changes in perimeter as well as costs related to the Konnect Africa project. The LEAP program is progressing in line with expectations and is well on track to deliver on its €30m target for the full year.

Group share of net income stood at €150 million versus €158 million a year earlier, down 5% and representing a margin of 23%. This reflected:

- Broadly unchanged **depreciation and amortisation** ((€258) million at 31 December 2018 compared with (€254) million a year earlier);
- '**Other operating income**' of €36 million reflecting principally the capital gain on the disposal of the interest in EUTELSAT 25B in August 2018;
- A **net financial result** of (€53) million (versus (€56) million a year earlier), mainly reflecting the balance sheet evolution of foreign exchange gains and losses;
- A **tax rate** of 35% (versus 27% last year) which does not reflect the potential impact of the above-mentioned new provisions included in the French Finance Law for 2019. As a reminder, the previous year's tax rate included a positive non-cash one-off related to deferred tax liabilities to reflect future changes in the French corporate tax rate, as well as the full impact of the refund relating to the 3% dividend tax for previous years.

CASH FLOW

In H1 2018-19 **Net cash flow from operating activities** amounted to €379 million, €33 million lower than a year earlier. This reflected principally the decrease in EBITDA partly as a result of negative currency and perimeter impacts.

Cash Capex amounted to €130 million, fully consistent with expectations. As a reminder, last year's cash capex in the first half stood at just €53 million, a level which was not representative of the full year figure.

Interest and other fees paid net of interest received amounted to €24 million versus €21 million last year.

As a result, **Discretionary Free Cash-Flow** amounted to €225 million (€235 million at constant currency and perimeter), down 34% on a reported basis and by 30% at constant currency and perimeter, reflecting predominantly the phasing of investments. This evolution should not be extrapolated for the year as a whole.

⁹ The backlog represents future revenues from capacity or service agreements and can include contracts for satellites under procurement.

FINANCIAL STRUCTURE

At 31 December 2018 **net debt** stood at €3,304 million, up €63 million versus end-June. It reflected on one hand €225 million in discretionary free cash-flow generated in the first semester and half of the consideration for EUTELSAT 25B (€68 million), and on the other, the dividend payment of €310 million and the impact of IFRS 16 for €44 million. Other items, mainly repayments of export credit financing and financial leases, changes in the foreign exchange portion of the cross-currency swap and premia for derivatives settled represented a net amount of €1 million.

The **net debt to EBITDA ratio** stood at 3.1 times, an improvement on end-December 2017 (3.3 times). As a reminder, December usually represents a peak in the annual net debt profile reflecting the timing of the dividend payment.

The weighted average maturity of the Group's debt stood at 2.7 years, compared to 2.5 years at end-December 2017. The average cost of debt after hedging stood at 2.8% (2.9% in H1 2017-18). When restated from the repayment of the January 2019 €800m maturity, these metrics stood at 3.4 years and 2.2% respectively.

Liquidity remained strong, with undrawn credit lines of €650 million and cash of €677 million on top of the €800 million earmarked for the redemption at maturity of the January 2019 bond.

DIVIDEND

The Annual General Meeting of Shareholders of 8 November 2018 approved the payment of a dividend of €1.27 per share in respect of the financial year ended 30 June 2018, up from €1.21 the previous year. The dividend was paid on 22 November 2018.

FINANCIAL OUTLOOK

The underlying trend of the five Operating Verticals is broadly in line with our expectations. The second half will benefit from the ramp-up of Konnect Africa (fixed broadband), the contracts with China Unicom on EUTELSAT 172B and in maritime at several orbital positions (mobile connectivity) as well as an expected improvement in Video on the back of an easing comparison basis for Fransat and new business signed (Ethiopian broadcasters, Orange Slovensko, Afghanistan Broadcasting System) and in the pipeline. The Group therefore confirms its expectation of 'broadly stable' **revenues**¹⁰ for the current fiscal year with a return to slight growth from FY 2019-20.

All other elements of the financial outlook are also confirmed:

- The **EBITDA margin** (at constant currency) is expected above 78% from FY 2018-19, taking into account the impact of IFRS 15 and IFRS 16 accounting standards.
- The estimated **Cash Capex**¹¹ spend is expected at an average of €400 million¹² per annum for the period July 2017 to June 2020.
- **Discretionary Free Cash Flow** is expected to grow at a mid-single digit CAGR in the period July 2017¹³ to June 2020 (at constant currency and excluding the impact of the disposal of the interest in EUTELSAT 25B).
- The Group is committed to maintaining a sound financial structure to support its investment grade credit rating with a **net debt / EBITDA** ratio below 3.0x.
- It also reiterates its commitment to serving a **stable to progressive dividend**.

This outlook is based on the nominal deployment plan outlined hereunder.

¹⁰ Revenues for the Operating Verticals (excluding Other revenues) at constant currency, perimeter and accounting standards. Proforma revenues for the five operating verticals stood at €1,330 million in FY 2017-18, excluding the contribution of EUTELSAT 25B from August 2017 and restated from the impact of IFRS 15 standards.

¹¹ Including capital expenditure and payments under existing export credit facilities and long-term lease agreements on third party capacity.

¹² Including impact of new IFRS 16 accounting standard.

¹³ Net cash-flow from operating activities - Cash Capex - Interest and Other fees paid net of interest received.

FLEET DEPLOYMENT

Nominal launch programme

Satellite ¹	Orbital position	Estimated launch (calendar year)	Main applications	Main geographic coverage	Physical Transponders/ Spot beams	36 MHz-equivalent transponders / Spot beams	Of which expansion
EUTELSAT 7C	7° East	Q2 2019	Video	Turkey, Middle-East, Africa	44 Ku	49 Ku	19 Ku
EUTELSAT 5 WEST B	5° West	Q2 2019	Video	Europe, MENA	35 Ku	35 Ku	None
EUTELSAT QUANTUM	To be confirmed	H2 2019	Government Services	Flexible	8 "QUANTUM" beams	Not applicable	Not applicable
KONNECT	To be confirmed	H2 2019	Connectivity	Africa Europe	65 spot beams	75 Gbps	75 Gbps
KONNECT VHTS	To be confirmed	2021	Connectivity Government Services	Europe	~230 spot beams	500 Gbps	500 Gbps
EUTELSAT HOTBIRD 13F	13° East	2021	Video	Europe MENA	80 Ku ²	73 Ku ²	None
EUTELSAT HOTBIRD 13G	13° East	2021	Video	Europe MENA	80 Ku ²	73 Ku ²	None

¹ Chemical propulsion satellites (EUTELSAT QUANTUM, EUTELSAT 5 West B) generally enter into service 1 to 2 months after launch. Electric propulsion satellites (EUTELSAT 7C, KONNECT, KONNECT VHTS, EUTELSAT HOTBIRD 13F and EUTELSAT HOTBIRD 13G) between 4 and 6 months.

² Nominal capacity corresponding to the specifications of the satellites. Total operational capacity at the HOTBIRD orbital position will remain unchanged with 102 physical transponders (95 36 Mhz equivalent transponders) operated, once regulatory, technical and operational constraints are taken into account.

Since the last quarterly update in October 2018, the launches of EUTELSAT 7C and EUTELSAT 5 WEST B are now expected in Q2 2019, versus Q1 2019 previously, with no material impact on the revenue profile.

Changes in the fleet in the First Half

- Eutelsat sold its interest in the EUTELSAT 25B satellite to the co-owner of the satellite, Es'hailSat.
- The Al Yah 3 satellite started operations.
- EUTELSAT 33C was relocated to 133° West and renamed EUTELSAT 133 WEST A.
- EUTELSAT 59A reached the end of its operational life and was de-orbited.

CORPORATE GOVERNANCE

The Ordinary and Extraordinary Shareholders' Meeting of 8 November 2018 renewed the mandates of Ross McInnes and Bpifrance Participations.

The Board is composed of twelve members, 42% of whom are women (five out of twelve) and 58% of whom are independent directors (seven out of twelve).

The Combined General Meeting also approved all the other resolutions, including the approval of the accounts, the dividend for the 2017-18 Financial Year, compensation of corporate officers and compensation policy.

Elsewhere, Esther Gaide has been appointed chairwoman of the Audit, Risks and Compliance Committee replacing Ross McInnes who will remain a member of this Committee. Ross McInnes has been appointed chairman of the Nomination and Governance Committee replacing Carole Piwnica who will remain a member of this Committee.

APPENDICES

Appendix 1: Additional financial data

Extract from the consolidated income statement (in € millions)

Six months ended December 31	2017 ¹⁴	2018	Change (%)
Revenues	688.1	658.1	(4.4%)
Operating expenses	(141.9)	(139.7)	(1.6%)
EBITDA	546.2	518.4	(5.1%)
Depreciation and amortisation	(254.2)	(257.6)	+1.3%
Other operating income (expenses)	(10.4)	35.7	n.a.
Operating income	281.7	296.6	+5.3%
Financial result	(55.8)	(53.2)	-4.7%
Income tax expense	(60.6)	(85.0)	+40.3%
Income from associates	(1.0)	(1.3)	+30.0%
Portion of net income attributable to non-controlling interests	(6.3)	(6.8)	+7.9%
Group share of net income	158.0	150.4	-4.8%

Net debt to EBITDA ratio

		31 Dec. 2017	31 Dec. 2018
Net debt at the beginning of the period	€m	3,641	3,242
Net debt at the end of the period	€m	3,630	3,304
Net debt / EBITDA (Last twelve months)	X	3.3	3.1

Change in net debt (€ millions)

Half-year ending	31/12/2017	31/12/2018
Net cash flows from operating activities	412.1	378.7
Cash Capex	(52.8)	(130.0)
Interest and Other fees paid net of interests received	(20.5)	(23.5)
Discretionary Free Cash Flow	338.8	225.3
(Acquisition) / disposal of equity investments and subsidiaries	(89.0)	67.5
Distributions to shareholders (including non-controlling interests)	(295.5)	(310.5)
Change in foreign exchange portion of the cross-currency swap	32.4	(11.9)
IFRS 16 Impact as of 1 July 2018	-	(43.8)
Other	23.7	10.7
Decrease (increase) in net debt	10.4	(62.7)

¹⁴ Figures as of 31 December 2017 have been restated to reflect the adoption of IFRS 15 from 1 July 2018. The impact of the application of IFRS 15 standards is presented in the note 3 to the consolidated financial statements.

Appendix 2: Quarterly revenues by application

Reported Revenues

The table below shows quarterly reported revenues. As a reminder, IFRS 15 was adopted from July 1st 2018.

In € millions	Q1 2017-18	Q2 2017-18	Q3 2017-18	Q4 2017-18	FY 2017-18	Q1 2018-19	Q2 2018-19
Video	223.3	225.9	225.0	223.1	897.3	217.2	214.9
Government Services	41.1	39.6	38.0	40.2	158.9	42.4	39.4
Fixed Data	37.1	36.3	34.9	34.2	142.5	33.3	32.6
Fixed Broadband	22.3	21.8	21.5	21.1	86.7	20.4	20.1
Mobile Connectivity	18.6	18.5	17.9	19.5	74.4	20.6	19.4
Total operating verticals	342.4	342.1	337.3	338.1	1,359.8	334.0	326.4
Other Revenues	6.8	5.4	0.1	35.8	48.1	1.2	(3.5)
Total	349.1	347.4	337.4	373.9	1,407.9	335.1	322.9

Proforma revenues

The table below shows quarterly proforma revenues for FY 2017-18. For comparability purposes with FY 2018-19 figures, they are restated from the following items:

- The contribution of Eutelsat 25B as of August 2017. As a reminder, Eutelsat sold its interest in the Eutelsat 25B satellite in August 2018.
- The impact of IFRS 15.

In € millions	Q1 2017-18	Q2 2017-18	Q3 2017-18	Q4 2017-18	FY 2017-18
Video	217.9	219.0	217.9	215.6	870.5
Government Services	41.1	38.5	38.0	40.2	157.8
Fixed Data	37.2	36.2	35.3	34.2	143.0
Fixed Broadband	22.0	20.9	20.8	20.7	84.3
Mobile Connectivity	18.6	18.5	17.9	19.5	74.4
Total operating verticals	336.8	333.0	329.9	330.2	1,330.0
Other Revenues	6.6	5.5	0.6	33.9	46.7
Total	343.5	338.6	330.4	364.1	1,376.6

Appendix 3: Alternative performance indicators

In addition to the data published in its accounts, the Group communicates on three alternative performance indicators which it deems relevant for measuring its financial performance: EBITDA, cash capex and Discretionary free cash flow (DFCF). These indicators are the object of reconciliation with the consolidated accounts.

EBITDA, EBITDA margin and Net debt / EBITDA ratio

EBITDA reflects the profitability of the Group before Interest, Tax, Depreciation and Amortization. It is a key indicator in the Fixed Satellite Services Sector. The table below shows the calculation of EBITDA based on the consolidated P&L accounts for H1 2017-18 and H1 2018-19:

Six months ended December 31 (€ millions)	2017	2018
Operating result	281.7	296.6
+ Depreciation and Amortization	254.2	257.6
- Other operating income and expenses	10.4	(35.7)
EBITDA	546.2	518.4

The EBITDA margin is the ratio of EBITDA to revenues. It is calculated as follows:

Six months ended December 31 (€ millions)	2017	2018
EBITDA	546.2	518.4
Revenues	688.1	658.1
EBITDA margin (as a % of revenues)	79.4	78.8

At constant currency, the EBITDA margin stood at 79.0% as of 31 December 2018.

The Net debt / EBITDA ratio is the ratio of net debt to last-twelve months EBITDA. It is calculated as follows:

Six months ended December 31 (€ millions)	2017	2018
Last twelve months EBITDA ¹⁵	1,090.2	1,050.7
Closing net debt ¹⁶	3,630.3	3,304.3
Net debt / EBITDA	3.3	3.1

¹⁵ Based on reported figures for fiscal year 2017-18.

¹⁶ Net debt includes all bank debt, bonds and all liabilities from lease agreements and Export Credit Agencies as well as Forex portion of the cross-currency swap, less cash and cash equivalents (net of bank overdraft). Net Debt calculation is available in the Note 14 of the appendices to the financial accounts.

Cash Capex

The Group on occasion operates capacity within the framework of financial leases, or finances all or part of certain satellite programs under export credit agreements, leading to outflows which are not reflected in the item "acquisition of satellites and other tangible or intangible assets". Cash Capex including these two elements is published in order to reflect the totality of Capital Expenditures undertaken in any financial year.

Cash Capex therefore covers the acquisition of satellites and other tangible or intangible assets as well as payments in respect of export credit facilities and long term financial leases on third party capacity.

The table below shows the calculation of Cash Capex for H1 2017-18 and 2018-19:

Six months ended December 31 (€ millions)	2017	2018
Acquisitions of satellites, other property and equipment and intangible assets	26.7	82.2
Repayments of ECA loans and lease liabilities ¹⁷	26.2	47.8
Cash Capex	52.8	130.0

Discretionary free cash flow (DFCF)

The Group communicates on Discretionary free cash flow which reflects its ability to generate cash after the payment of interest and taxes. DFCF generally and principally serves the dividend payment and debt reduction.

Discretionary free cash flow is defined as Net cash flow from operating activities less Cash Capex as well as interest and other financial costs, net of interest income.

The table below shows the calculation of Discretionary free cash flow for H1 2017-18 and 2018-19 and its reconciliation with the cash flow statement:

Six months ended December 31 (€ millions)	2017	2018
Net cash flows from operating activities	412.1	378.7
Acquisitions of satellites, other property and equipment and intangible assets	(26.7)	(82.2)
Repayment of Export credit facilities ¹⁸	(11.9)	(11.9)
Repayment in respect of lease liabilities	(14.3)	(35.9)
Interest and other fees paid net of interest received	(20.5)	(23.5)
Accounting discretionary Free-Cash Flow	338.8	225.3
Perimeter impact ¹⁹	(1.8)	5.5
Currency impact ²⁰	-	4.4
Discretionary Free-Cash Flow at constant currency and perimeter	337.1	235.2

¹⁷ Included in lines "Repayment of borrowings" and of "Repayment of lease liabilities" of cash-flow statement

¹⁸ Included in the line "Repayment of borrowings" of cash-flow statement

¹⁹ Impact of the disposal of EUTELSAT 25B satellite. For comparability purposes: i) H1 2017-18 is restated from the contribution of the EUTELSAT 25B to Free-Cash-Flow from August 2017; ii) H1 2018-19 is restated from the advanced payment made by Es'hailSat for capacity on EUTELSAT 25B (€5.5 million) which had to be reimbursed by Eutelsat to Es'hailSat when the asset was sold in August 2018.

²⁰ H1 2018-19 discretionary Free-Cash Flow has been converted at H1 2017-18 €/€ rate and hedging revenue have been excluded.