



## Press Release

### Inmarsat plc Interim Management Statement

London, UK: 11 May 2010. Inmarsat plc (LSE: ISAT), the leading provider of global mobile satellite communications services, today provided the following information for the 3 months ended 31 March 2010.

#### Inmarsat plc Highlights

- Inmarsat Global MSS revenue \$181.2m up 12.3% (2009: \$161.3m)
- Total revenue \$281.5m up 11.8% (2009: \$251.8m)
- Acquisition of Segovia government solutions business completed
- €225m EIB financing facility completed to fund Alphasat
- Global handheld satellite phone launch set for June

#### Inmarsat Group Limited<sup>1</sup> Highlights

- Q1 EBITDA \$144.1m up 22.8% (2009: \$117.3m)
- Q1 Free Cash Flow \$104.7m up 146% (2009: \$42.6m)

Andrew Sukawaty, Inmarsat's Chairman and Chief Executive Officer, said, "We have started the year with strong revenue growth and seen very strong cash flow growth in our Inmarsat Global business. We continue to be confident in our market opportunities and believe we are on track to deliver our objectives for the year."

#### Inmarsat plc Revenue

(US\$ in millions)	Three months ended		Increase/ (decrease) %
	2010	2009	
Inmarsat Global	200.7	163.4	22.8%
Stratos	159.9	156.6	2.1%
	360.6	320.0	12.7%
Intercompany eliminations and adjustments	(79.1)	(68.2)	
<b>Total revenue</b>	<b>281.5</b>	<b>251.8</b>	<b>11.8%</b>

<sup>1</sup> Inmarsat Group Limited results include the results of our recent Segovia acquisition, but exclude the results of Stratos Global Corporation.

## Inmarsat Global

Inmarsat Global Revenue Breakdown  (US\$ in millions)	Three months ended 31 March		Increase/ (decrease) %
	2010	2009	
Maritime sector			
Voice services	24.2	26.2	(7.6%)
Data services	62.0	59.9	3.5%
Total maritime sector	<b>86.2</b>	<b>86.1</b>	<b>0.1%</b>
Land mobile sector			
Voice services	2.2	2.4	(8.3%)
Data services	43.0	32.1	34.0%
Total land mobile sector	<b>45.2</b>	<b>34.5</b>	<b>31.0%</b>
Aeronautical sector	22.8	16.8	35.7%
Leasing	27.0	23.9	13.0%
Total mobile satellite communications services	<b>181.2</b>	<b>161.3</b>	<b>12.3%</b>
Other income	19.5	2.1	828.6%
<b>Total revenue</b>	<b>200.7</b>	<b>163.4</b>	<b>22.8%</b>

During the first quarter our maritime revenue was impacted by lower traffic volumes. However, additions of new Fleet and FleetBroadband terminals were particularly strong, with over 2,000 new terminals added in the quarter. Although we see continued weakness in our maritime voice revenue, we believe demand for data services remains solid and can deliver further growth during the rest of the year.

The land mobile sector revenue was driven by strong underlying demand for our BGAN service and additional BGAN demand in response to the earthquake events in Haiti and Chile. BGAN revenue for the quarter increased by 62% compared to the prior year.

Our aeronautical and leasing sectors have continued to perform strongly. Aeronautical revenue growth was driven by high levels of demand for our Swift 64 service and steady revenue growth from our SwiftBroadband service. New additions of SwiftBroadband terminals remained strong and well ahead of our Swift 64 service.

Our leasing business growth was driven by new leasing business across our business sectors.

Growth in other income primarily reflects the revenue contribution from our Segovia business acquisition with effect from 12 January 2010.

## Stratos

Stratos Revenue Breakdown	Three months ended 31 March		Increase/ (decrease) %
	2010	2009	
(US\$ in millions)			
MSS revenue			
Inmarsat MSS	108.8	101.4	7.3%
Other MSS	32.2	31.0	3.9%
<b>Total MSS revenue</b>	<b>141.0</b>	<b>132.4</b>	<b>6.5%</b>
Broadband	18.9	24.2	(21.9%)
<b>Total revenue</b>	<b>159.9</b>	<b>156.6</b>	<b>2.1%</b>

Our Stratos Inmarsat MSS revenue growth was driven by strong growth in land mobile, aeronautical, and leasing, offset by a small decline in maritime revenues. Growth in other MSS revenue was primarily driven by increases in traffic carried over the Stratos network for other Inmarsat distributors. The factors contributing to lower broadband revenue were broadly unchanged and mainly reflect the impact of current economic conditions.

### Liquidity and Foreign Exchange Hedging

At 31 March 2010, the Inmarsat plc group had net borrowings of \$1,328.8m, made up of cash of \$294.5m and total borrowings of \$1,623.3m. Taking into consideration our cash on hand and available but undrawn borrowing facilities of \$110.0m, the group had total available liquidity of \$404.5m at the end of the quarter. On 19 April, we announced that we had completed an 8-year €225.0m facility with the European Investment Bank to fund the build and launch of our Alphasat satellite.

We recently decided to complete hedging arrangements for our anticipated sterling costs in both 2011 and 2012. As a result, we now expect our hedged rate of exchange for 2011 to be US\$1.52/£1.00 and for 2012 to be US\$1.48/£1.00.

### Our Financial Reports

Inmarsat Group Limited today reported unaudited consolidated financial results for the three months ended 31 March 2010. Inmarsat Group Limited is our wholly-owned subsidiary and is required by the terms of its outstanding debt securities to report quarterly results. A copy of the full financial report for Inmarsat Group Limited can be accessed via the investor relations section of our website.

As a result of our recently announced reorganisation plan, we expect that Stratos will no longer be required to report quarterly results and, as a result, no report for 3 months ended 31 March 2010 will be released. For the 3 months to 30 June

2010 and for all reporting periods beyond, the results of Stratos will be consolidated into the results of Inmarsat Group Limited and segmental analysis of the results of both Inmarsat and Stratos businesses will be provided. In future, the results of our Segovia business will be consolidated into the segmental results for Stratos within the Broadband business line.

### **Other Information**

Other than disclosed in this Interim Management Statement and the above mentioned report of Inmarsat Group Limited, there have been no material events or transactions that have taken place in the reporting period. This Interim Management Statement is required by the UK Listing Authority's Disclosure and Transparency Rules.

Inmarsat management will discuss the first quarter results and other financial and business information in a conference call on Tuesday, 11 May at 2:00 p.m. London time, (United States, 9:00 a.m. EST). To access the call please dial +44 (0)20 7162 0025. The conference id for the call is 863154. The call will be recorded and available for one week after the event. To access the recording please dial +44 (0)20 7031 4064 and enter the access number 863154. The call will also be available via a webcast, to access the webcast please go to <http://www.inmarsat.com/webcast>.

### **Forward-looking Statements**

Certain statements in this announcement constitute "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements involve risks, uncertainties and other factors that may cause our actual results, performance or achievements, or industry results, to be materially different from those projected in the forward-looking statements. These factors include: general economic and business conditions; changes in technology; timing or delay in signing, commencement, implementation and performance of programmes, or the delivery of products or services under them; structural change in the satellite industry; relationships with customers; competition; and ability to attract personnel. You are cautioned not to rely on these forward-looking statements, which speak only as of the date of this announcement. We undertake no obligation to update or revise any forward-looking statement to reflect any change in our expectations or any change in events, conditions or circumstances.

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