



Inmarsat plc

Q4 & preliminary results 2012

7 March 2013

Forward-looking statements

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Preliminary results 2012

Andrew Sukawaty
Executive Chairman

2012 highlights

- Core wholesale MSS business returned to growth in 2012
- Total Inmarsat Global MSS revenue up 2.5%
- Established growth momentum in key services
- On track to deliver two-year target revenue growth
- LightSquared agreement suspended until 2014
- Global Xpress (GX) programme begins deployment this year
- Successful Investor Day on GX opportunity
- Business unit structure and strengthened management team
- Fully-funded with significant liquidity headroom

**Confident and well-positioned to
deliver enhanced growth and cash flow**

Dividend

US\$ cents	2011	2012	Growth
Final * Dividend	24.96	27.45	10.0%
Interim Dividend	15.40	16.94	10.0%
Total	40.36	44.39	10.0%

- Final 2012 dividend increased by 10%
- Three-year commitment to annual 10% dividend growth delivered
- Board committed to sustainable dividend increases in line with performance
- Board will consider further returns to shareholders as necessary to maintain an efficient balance sheet

* Final dividend for 2012 will be paid on 24 May 2013 to shareholders on the register on 17 May 2013. Subject to shareholder approval at the AGM to be held on 2 May 2013.



Q4 & preliminary results 2012

Rick Medlock
Chief Financial Officer

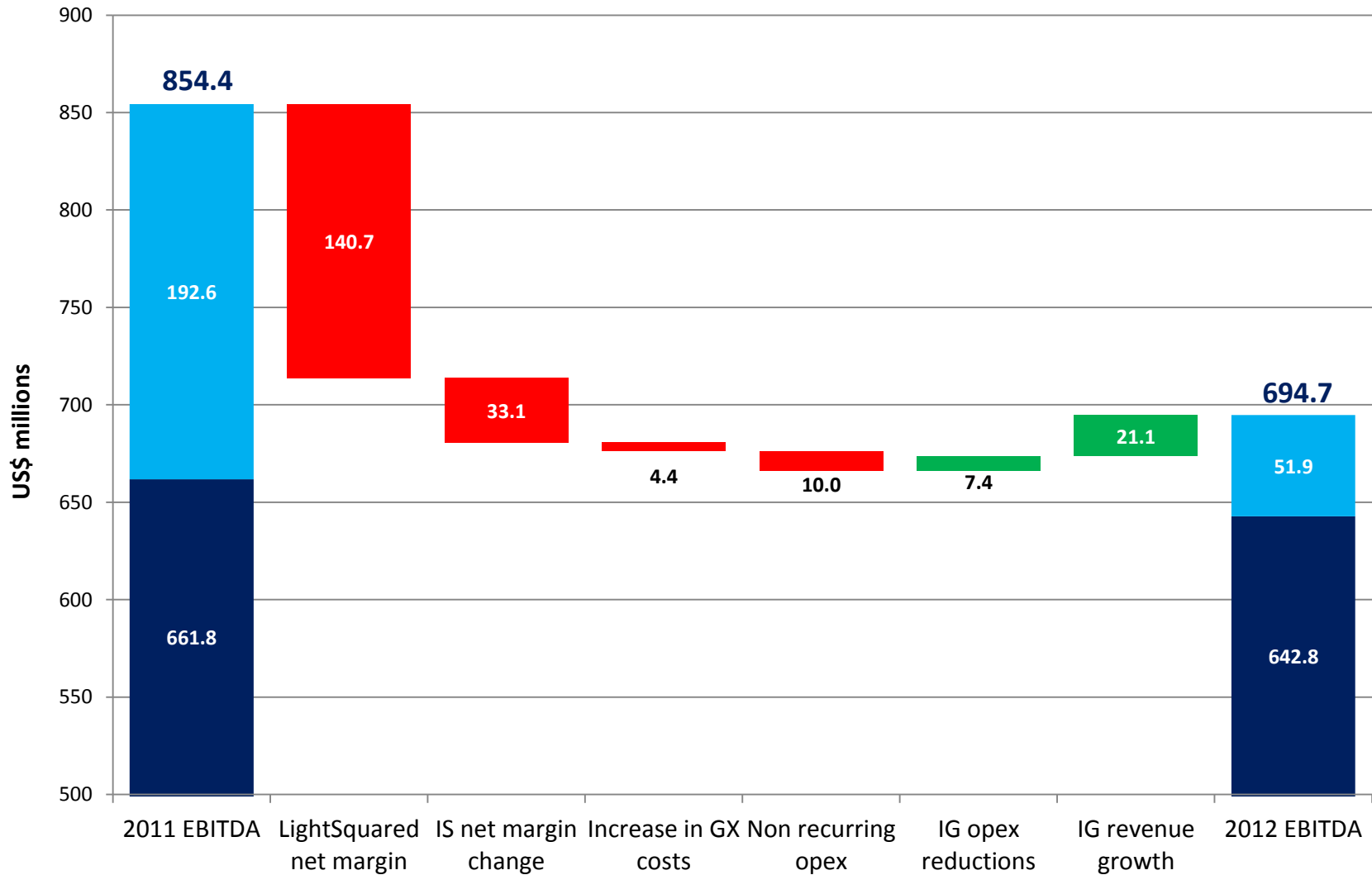
Group revenue

US\$m	2012	2011	
Inmarsat Global:			
Wholesale MSS	738	720	2%
LightSquared	60	204	(70%)
Other	38	34	10%
Total Inmarsat Global segment	836	958	(13%)
Inmarsat Solutions segment	810	758	7%
	1,646	1,717	(4%)
Intercompany eliminations and adjustments	(308)	(308)	
Total revenue	1,338	1,409	(5%)

Income statement

US\$m	Financial year		
	2012	2011	
Revenue	1,337.8	1,408.5	(5.0%)
Operating costs	(643.1)	(554.1)	16.1%
EBITDA	694.7	854.4	(18.7%)
Depreciation & amortisation	(255.2)	(245.8)	
Impairment	(94.7)	(141.5)	
Other	1.6	(0.6)	
Operating profit	346.4	466.5	(25.7%)
Net interest payable	(52.8)	(99.6)	
Profit before tax	293.6	366.9	(20.0%)
Tax expense	(76.2)	(117.4)	
Profit for the period	217.4	249.5	(12.9%)

EBITDA bridge

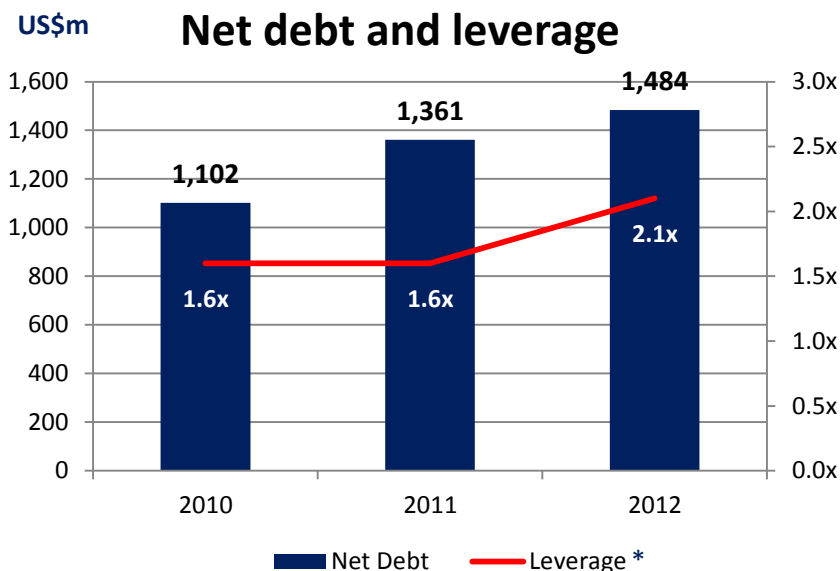


Free cash flow

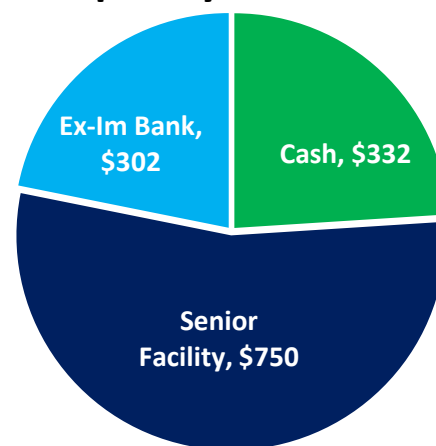
US\$m	Financial year		
	2012	2011	
EBITDA	694.7	854.4	
Working capital/non-cash items	32.2	136.8	
Operating cash flow	726.9	991.2	
Capital expenditure	(484.0)	(531.0)	
Cash interest	(95.7)	(76.7)	
Cash tax	(69.2)	(112.6)	
Free cash flow	78.0	270.9	(71%)

Net debt and liquidity

- Remain fully-funded for foreseeable future
- \$1.38b of available liquidity
 - Including cash of \$332m
 - \$200m incremental bond funding
 - No redemption on Convertible debt
- Leverage increase modest on higher net debt and lower contribution from LightSquared
- Peak leverage expectations unchanged at ~3x

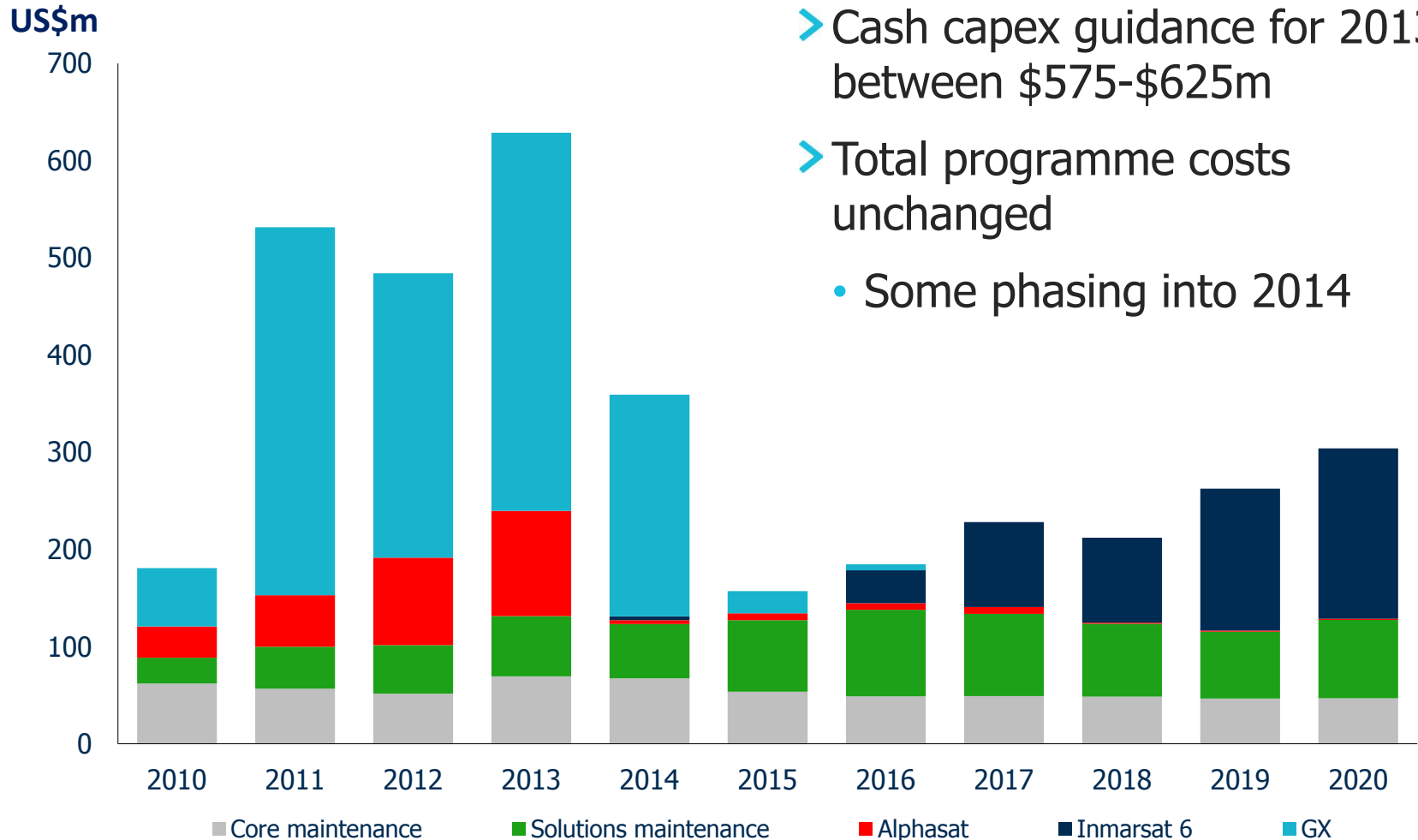


Liquidity - \$1.38bn



* Leverage defined as total external borrowings divided by LTM EBITDA

Expected capex profile - updated

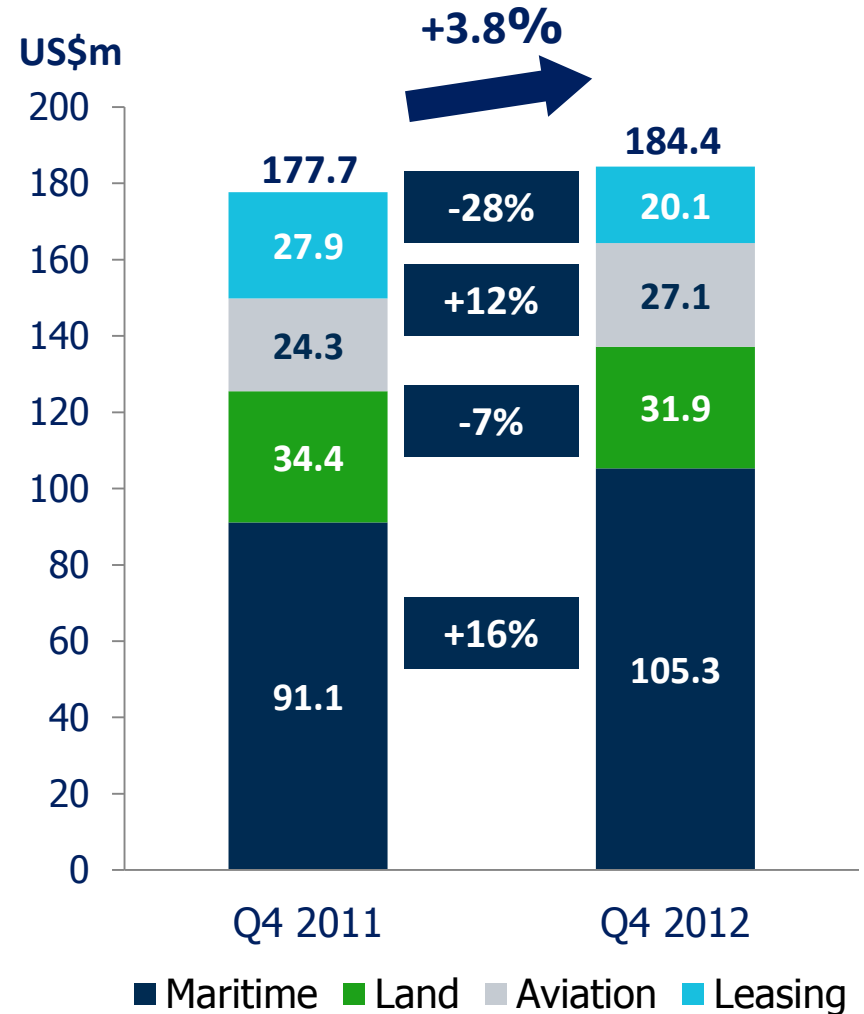


- > Cash capex guidance for 2013: between \$575-\$625m
- > Total programme costs unchanged
 - Some phasing into 2014

Current as at 7 March 2013. Based on current expectations as to total programme cash costs and timing. Excludes capitalised interest.

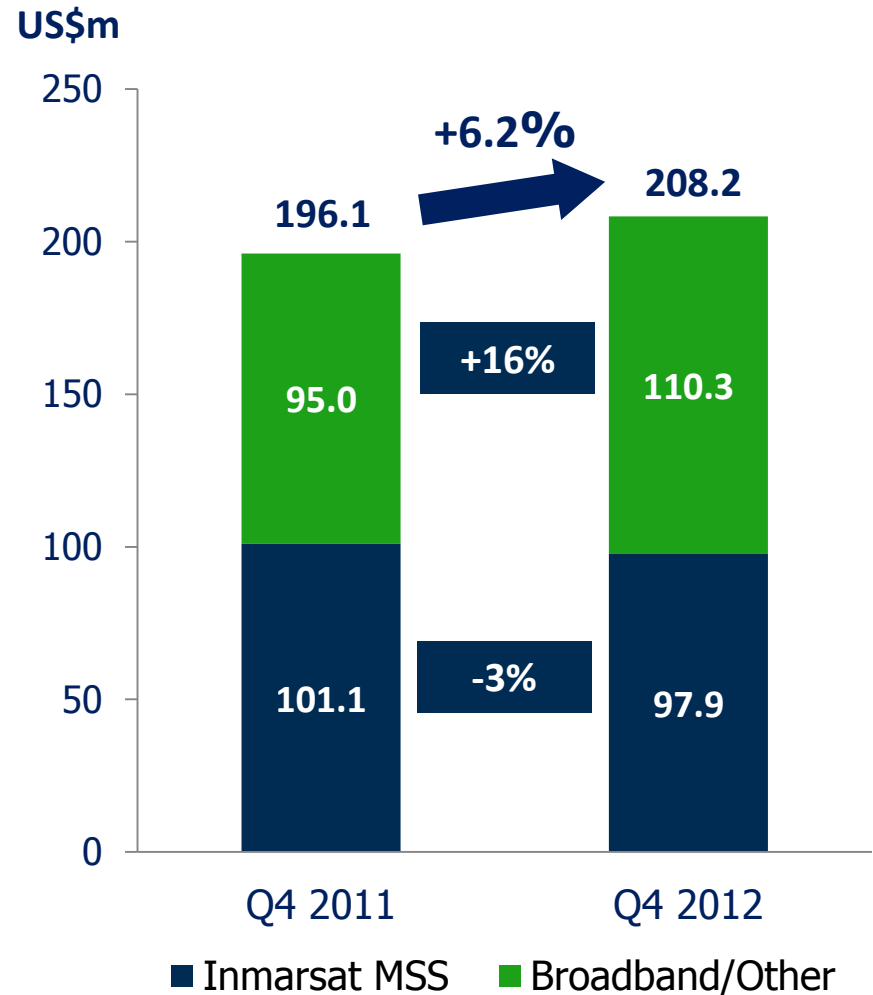
Q4 revenue – Inmarsat Global MSS

- Maritime data revenue driven by strong ARPU and continued FBB subscriber growth
- Land impacted by Afghanistan, but BGAN sales robust
- Land voice revenue driven by IsatPhone Pro, \$1m of non-recurring billings in Q4
- Aviation very strong, driven by strong SwiftBroadband ARPU and stable Swift 64



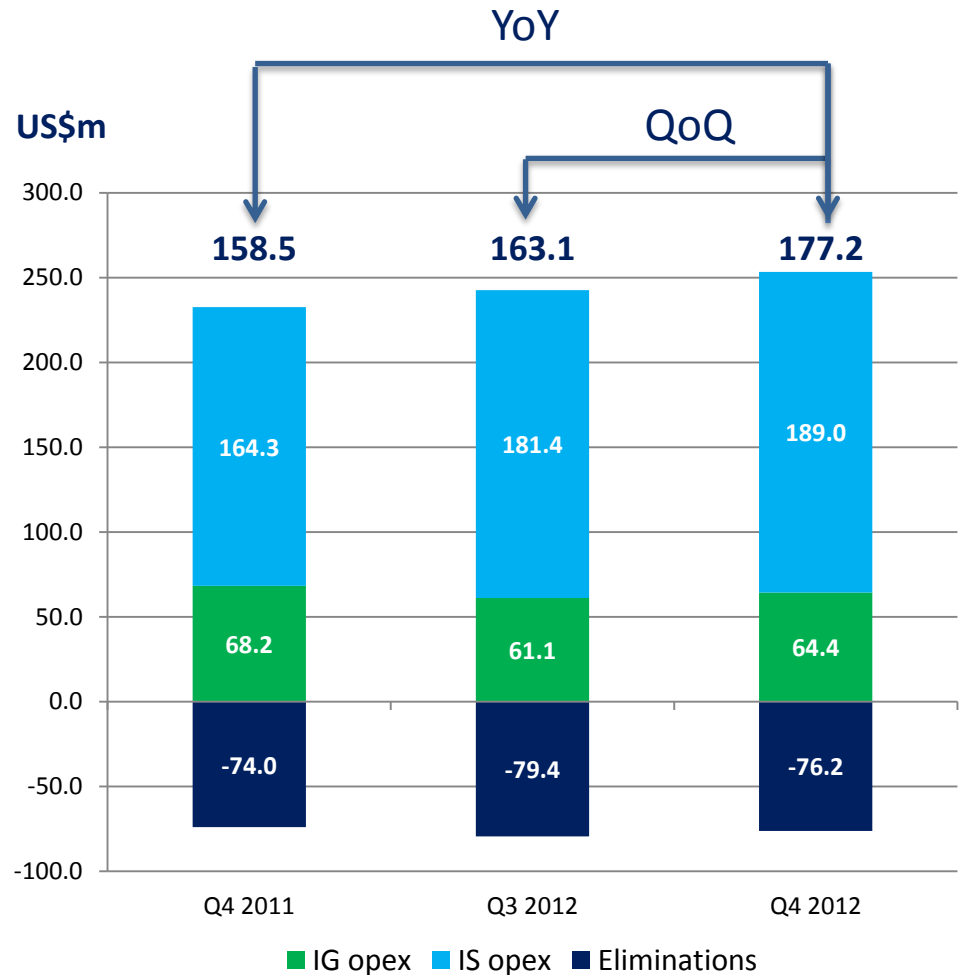
Q4 revenue - Inmarsat Solutions

- Improved MSS performance from maritime revenues
- MSS offset by:
 - Disproportionate share of Afghanistan and Leasing revenue
 - Some price increases absorbed
- Broadband/Other driven by:
 - Growth in Government business



Operating costs

- IG costs YoY down 6%
 - Lower network and lower LightSquared costs
- IG costs up 5% QoQ
 - Phasing of employee costs
 - Provision for limited redundancies
- IS cost YoY up 15%
 - Increase govt. business
 - Wholesale MSS price increases
- IS costs QoQ up 4%
 - Includes ~\$5m of non-recurring charges





Operations review and outlook

Rupert Pearce
Chief Executive Officer

Key organisational focus in 2013

- Maintain our predominantly indirect/wholesale focus
- Improve quality/speed of product & service innovation
- Deliver more efficient enterprise & business processes
- Clarify the roadmap for the Global Xpress product launch

Proximity

- Get closer to our channel & customers
- Develop innovation from market knowledge

Agility

- Empower Business Units to act decisively
- Be fast-moving and flexible in decision-making

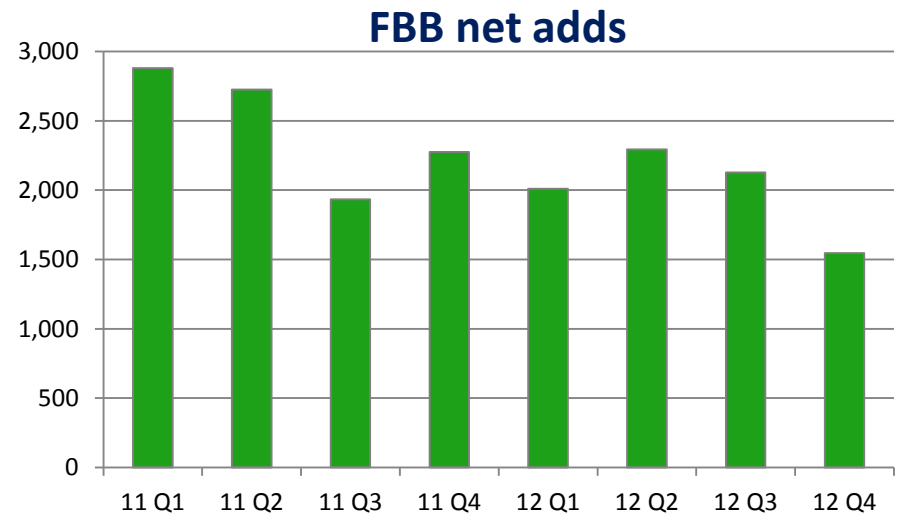
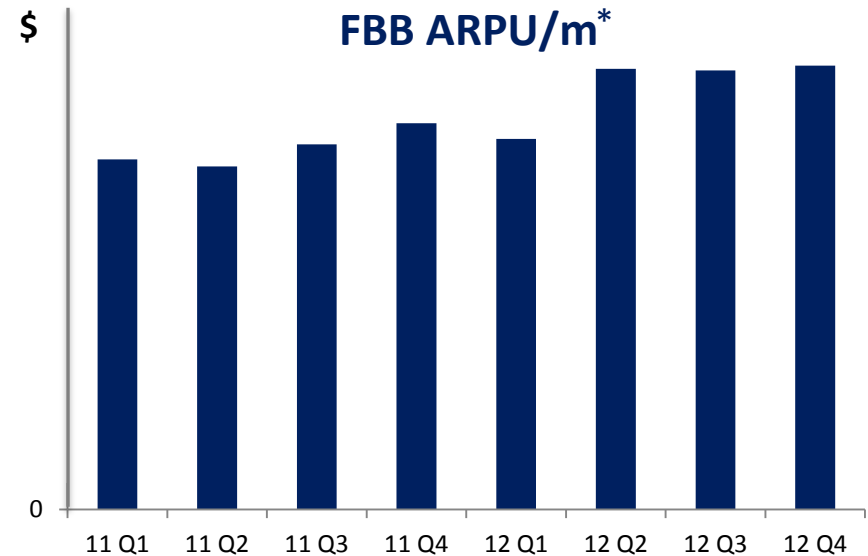
Efficiency

- Align assets for maximum market impact
- Avoid duplication of function or activity

FleetBroadband

- FleetBroadband remains the market leading maritime service
- Successful transition to subscription packages driving ARPU growth
- ~50% of FBB revenue from recurring customer subscriptions
- Migration effect on revenue growth reducing
 - 5,027 Inmarsat Bs still active
- Expanding addressable market
 - >7,900 FB 150s at 31 Dec 12

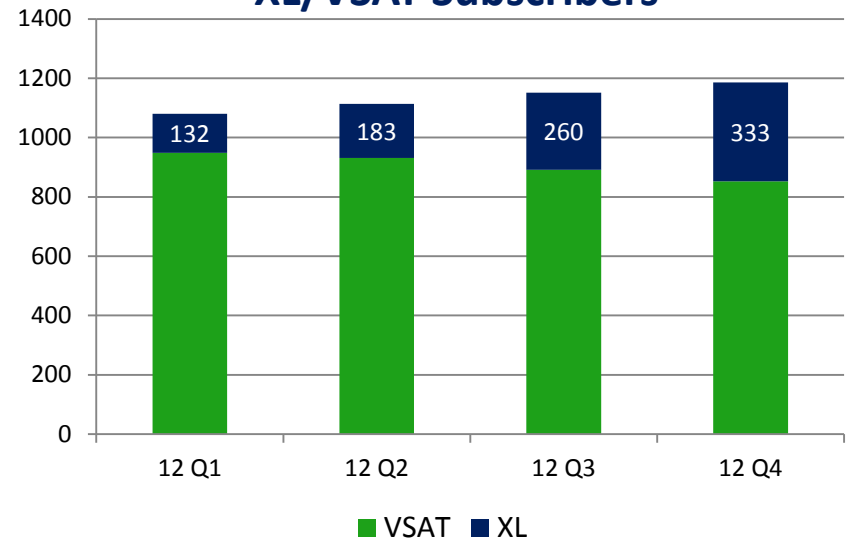
* FBB ARPU is for all FleetBroadband terminals, including FB250/500 and FB 150.



XpressLink

- XpressLink has gained rapid market acceptance in first year
- >330 XL installed, backlog adds >150
 - Existing VSAT customers upgrading to XL
- Total XL/VSAT installed base 1,186 ships
- Multi-year agreements mean contractual commitment to GX
- Endorsement of L-band hybrid solution

XL/VSAT Subscribers



5 March 2013 – Press release

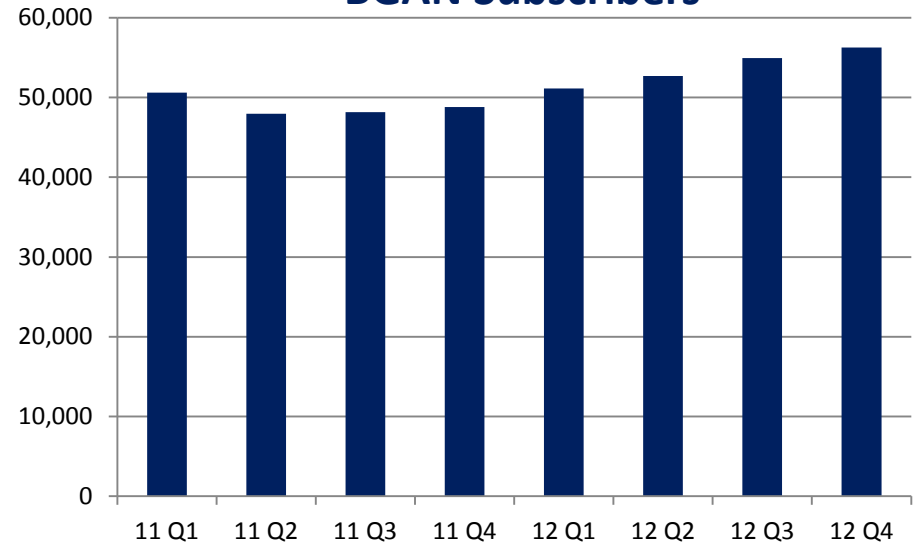


**Nordic Tankers Migrate to XpressLink
For Enhanced Reliability**

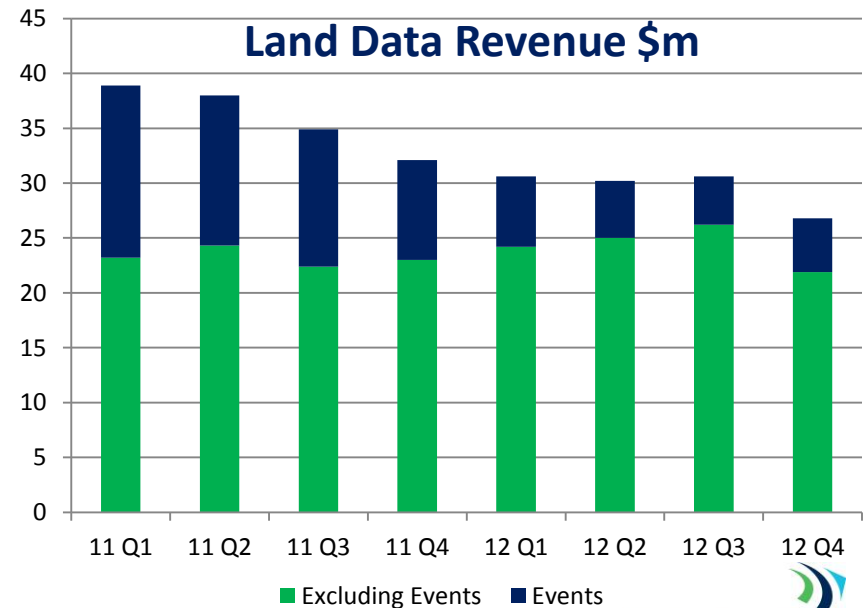
BGAN

- Strong BGAN subscriber growth in 2012
- Contribution from events has reduced while underlying revenue has grown YoY
- Exposure to Afghanistan and current events now less than 3% of MSS revenue
- Strong competitive position

BGAN Subscribers



Land Data Revenue \$m

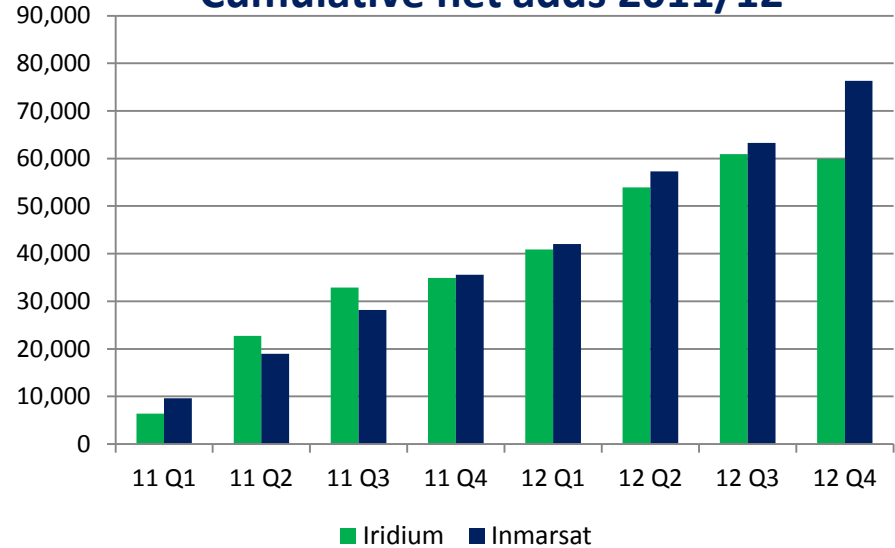


■ Excluding Events ■ Events

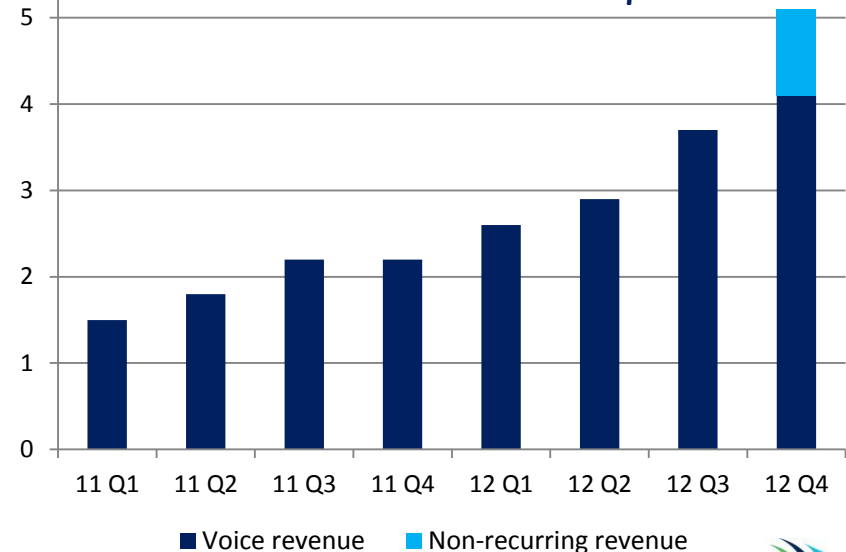
IsatPhone Pro

- IsatPhone Pro >84,000 active subscribers
- >10% market share by units
- Strong Q4 with >13,000 net adds
- IsatPhone outsold market leader in Q4 and cumulatively over first two years
- Reignited growth in land voice revenue after years of decline

Cumulative net adds 2011/12*



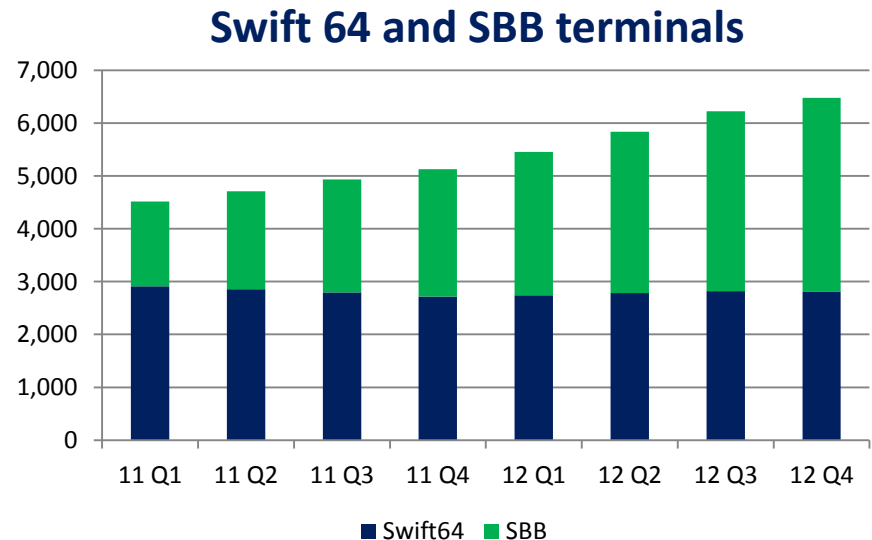
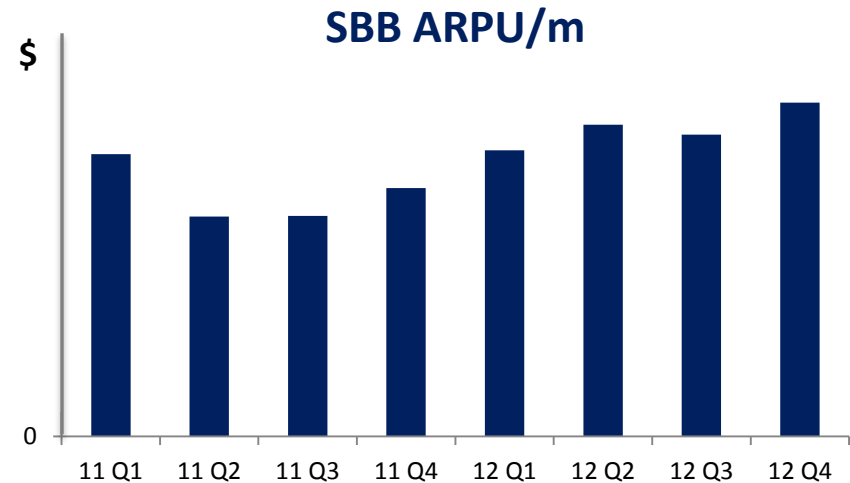
Land voice revenue \$m



* Based on change in billable commercial voice subscribers for each quarter end as reported in Iridium SEC filings on form 10-Q/10-K for the applicable period. Active IsatPhone Pro subscribers for Inmarsat.

SwiftBroadband

- Strong subscriber and ARPU growth – very strong Q4
- Subscriber base now exceeds Swift 64, little or no migration
 - Overall aviation base is growing
- Deployment for passenger services
 - 138 planes equipped with SBB
 - Significant backlog



Global Xpress status

- 20% of business plan revenues through first 5 years of service either on network or contractually committed
- Strategic partnership with Cisco for service and applications enablement, plus integrated L-/Ka- networks
- Business aviation agreement and pre-capacity commitment from Honeywell
- Multiple distribution and user equipment agreements signed and in train
- On budget and on-track for 1st satellite launch in 2013 and global coverage by end of 2014

Significant technical and commercial progress in 2012

Outlook and Summary

- Growth momentum in key MSS services across market sectors
- Subscriber growth & ARPU growth
- Expect organic growth to outstrip reduced revenue from Afghanistan
- Expect revenue growth in 2013 and to meet two-year revenue targets
- High conviction for Global Xpress business case – backed up market interest and commitments
- Reiterate revenue targets for 2014-2016

