



Photo: (credits: OneWeb) Artist's view of a satellite in the OneWeb constellation

Apr 27, 2021 17:46 CEST

Eutelsat enters LEO space through investment in OneWeb

- *Compelling entry point to considerable LEO constellation opportunity*
- *Similar governance rights to UK Government and Bharti Global*
- *Strong commercial potential for 'win-win' co-operation thanks to complementarity of resources and assets*
- *Consistent with our financial objectives and dividend policy*

Paris, 27 April 2021 – Eutelsat Communications (Euronext Paris: ETL) has entered into an agreement with OneWeb for the subscription of a c.24% equity stake, becoming a leading shareholder of the company alongside the UK Government and Bharti Global. Eutelsat will invest \$550 million in OneWeb, with closing expected in H2 2021 subject to regulatory authorisations.

With much of its global network already deployed, the OneWeb constellation, which enjoys valuable ITU-backed priority spectrum rights, will operate 648 satellites in low orbit (LEO) offering low latency. This first generation of satellites will offer significant regional coverage by the end of 2021, reaching global coverage the following year. OneWeb will be the first complete non-geostationary constellation with truly global coverage, significantly ahead of competing projects. It will deliver 1.1 Tbps of capacity addressing the government, fixed data and mobility markets. Plans include a second-generation constellation that will provide significant enhancements in terms of capacity, flexibility and economics. It anticipates annual revenues of circa \$1 billion within three to five years following the full deployment of the constellation, with a partnership approach and profitable wholesale business model. Eutelsat's investment leaves OneWeb almost fully funded and the company is well advanced in terms of securing its remaining funding needs this year.

Eutelsat's investment will come with similar governance rights to the UK Government and Bharti, including board representation, where its position and expertise as one of the world's leading satellite operators will help to drive the success of the new constellation. In a context where LEO features will enable the extension of the addressable market for satellite operators well beyond their current reach, the complementarity of Eutelsat's and OneWeb's resources and assets is expected to optimize both companies' commercial potential thanks to Eutelsat's strong commercial and institutional relationships, recognized technical expertise and global geostationary fleet, and OneWeb's ability to address the multiple applications requiring low latency and ubiquity.

The investment will be 100% cash financed through Eutelsat's liquidity position of €1.9bn as at end-March 2021^{[\[1\]](#)} and the \$507m US C-Band auction proceeds, and will be accounted for under the equity method. It is consistent with Eutelsat's financial hurdle rates and does not alter its financial objectives, which are fully confirmed, including the medium-term net debt / EBITDA target of c.3x and a commitment to solicited Investment

Grade credit ratings. Eutelsat's policy of a stable to progressive dividend is also reiterated.

Commenting on the agreement, Rodolphe Belmer, Eutelsat's Chief Executive Officer said: *"We are excited to become a shareholder and partner in OneWeb in the run up to its commercial launch and to participate in the substantial opportunity represented by the non-geostationary segment within our industry. We are confident in OneWeb's right to win thanks to its earliness to market, priority spectrum rights and evolving, scalable technology. We look forward to working alongside the UK Government, Bharti and the other shareholders to open new opportunities and market access to ensure OneWeb maximizes its potential. OneWeb will become our main growth engine outside our broadcast and broadband applications, as we continue to maximize cash-flow extraction from our highly profitable heritage business and grow our fixed broadband vertical leveraging our geostationary assets."*

Business Secretary Kwasi Kwarteng said: "Today's investment is another giant leap forward for OneWeb in realising its ambition to provide global broadband connectivity around the globe. Eutelsat brings over forty years of experience in the global satellite industry and this exciting new partnership puts OneWeb on a strong commercial footing, and the UK at the forefront of the latest developments in low Earth orbit technology. This comes alongside yesterday's exciting news that a further 36 satellites were launched into space and demonstrates the momentum behind OneWeb and the promising efforts to provide connectivity to some of the world's most remote places."

OneWeb Executive Chairman, Sunil Bharti Mittal, said: *"We are delighted to welcome Eutelsat into OneWeb family. As an open multi-national business, we are committed to serving the global needs of Governments, Businesses and Communities across the Globe. Together we are stronger, benefiting from the entrepreneurial energy of Bharti, extensive global outreach of UK and long-term expertise of the satellite industry at Eutelsat. OneWeb, with its innovatory approach, is poised to take a leading position in LEO broadband connectivity"*.

Neil Masterson, Chief Executive Officer of OneWeb added: *"As OneWeb accelerates the deployment of its fleet and engages in discussions with potential customers, we welcome the powerful support of Eutelsat during the next exciting phase of our journey together, benefitting both companies equally. Eutelsat is a great partner for OneWeb thanks to our high level of complementarity in terms of technology, assets, addressable markets, geographic reach and institutional*

relationships”.

[1] €1.4 billion when restated for the upcoming € 500 million bond maturity

Investor presentation

Eutelsat Communications will hold a conference call on **Tuesday, April 27th, 2021 at 18.30h CET / 17.30h GMT / 12.30h EST**

To join the call, please dial the following numbers:

+ 33 (0)1 76 77 25 07 (from France)

+ 44 (0)330 336 9424 (from Europe)

++1 720 543 0206 (from USA)

Access code: 7026990#

A live webcast will be available at:

https://globalmeet.webcasts.com/starthere.jsp?ei=1457661&tp_key=e289286098.

A replay will be available from 27 April, 22:30 CET to 4 May, 22:30 CET by dialing the following numbers:

+33 (0) 1 70 48 00 94 (from France)

+44 (0) 207 660 0134 (from Europe)

+1 719 457 0820 (from USA)

Access code: 7026990#

[\[1\]](#) €1.4 billion when restated for the upcoming € 500 million bond maturity

About Eutelsat Communications

Founded in 1977, Eutelsat Communications is one of the world's leading satellite operators. With a global fleet of satellites and associated ground infrastructure, Eutelsat enables clients across Video, Data, Government, Fixed and Mobile Broadband markets to communicate effectively to their customers, irrespective of their location. Over 6 600 television channels operated by leading media groups are broadcast by Eutelsat to one billion viewers equipped for DTH reception or connected to terrestrial networks. Headquartered in Paris, with offices and teleports around the globe, Eutelsat assembles 1,200 men and women from 50 countries who are dedicated to delivering the highest quality of service.

Eutelsat Communications is listed on the Euronext Paris Stock Exchange (ticker: ETL).

For more about Eutelsat go to www.eutelsat.com

Media enquiries		
Joanna Darlington	Tel.: + 33 1 53 98 31 07	jdarlington@eutelsat.com
Marie Sophie Ecuier	Tel.: + 33 1 53 98 32 45	mecuer@eutelsat.com
Jessica Whyte	Tel.:+ 33 1 53 98 46 21	jwhyte@eutelsat.com
Investors		
Joanna Darlington	Tel.: +33 1 53 98 31 07	jdarlington@eutelsat.com
Cédric Pugni	Tel.: +33 1 53 98 31 54	cpugni@eutelsat.com
Alexandre Illouz	Tel.: +33 1 53 98 46 81	aillouz@eutelsat.com

About OneWeb

OneWeb is a global communications network powered from space, headquartered in London, enabling connectivity for governments, businesses, and communities. It is implementing a constellation of Low Earth Orbit satellites with a network of global gateway stations and a range of user

terminals to provide an affordable, fast, high-bandwidth and low-latency communications service, connected to the IoT future and a pathway to 5G for everyone, everywhere. Find out more at <http://www.oneweb.world>

[OneWeb Media Enquiries](#)

Group		
Chris McLaughlin	M: + 447870 374795	cmclaughlin@oneweb.net
USA, Latin America, Canada		
Katie Dowd	M: +1 202 415 4030	kdowd@oneweb.net

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