



Photo credit: SES

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## SpaceRISE consortium inks agreement as concessionaire for the European Union's landmark IRIS2 constellation

- *Landmark public-private partnership unlocking economies of scale and de-risked through anchor sovereign customer commitment*
- *Representing a key step in Eutelsat's strategy to develop and expand its low Earth orbit capacities*
- *Fully consistent with Eutelsat's financial framework*

**Paris, 16 December 2024** - SpaceRISE, the consortium comprising Eutelsat (ISIN: FR0010221234 - Euronext Paris / London Stock Exchange: ETL),

Hispasat, and SES, has signed the agreement that will see the consortium design, build, and operate the IRIS<sup>2</sup> (Infrastructure for Resilience, Interconnectivity and Security by Satellite) constellation on behalf of the European Union under a Public-private Partnership (PPP) model in the form of Concession with an initial duration of 12 years.

The constellation will comprise around 290 spacecraft including 264 low Earth orbit (LEO) and 18 medium Earth orbit (MEO) satellites and is expected to be in service in 2030. The EU and Member States will be the anchor customers of the IRIS<sup>2</sup> constellation, which will deliver enhanced communication solutions and high-speed broadband connectivity for consumers, governments and businesses, reinforcing Europe's digital sovereignty and security.

The project is valued at some €10.6 billion, with public funding from the European Commission, EU Member States, and the European Space Agency representing c. 60% of the total project cost, supplemented by private financing from the consortium members. Eutelsat will invest in the region of €2 billion, back-end loaded to the later stages of the project.

Eutelsat will act as *Consortium System Development Prime*, the technical authority within the consortium. In this role it will leverage its unique LEO expertise and make available its priority spectrum rights in the Ku band to lead on the design of the LEO segment of the constellation, as well as co-leading on the conception of the common elements. Eutelsat will benefit, along with the other SpaceRISE members, from the scale advantages of shared fixed costs and R&D investments in the development of new technologies, while revenues from the EU will flow in during the build phase covering the up-front operating costs of the concessionaire. Finally, it will benefit, alongside its SpaceRISE partners, from commitments from the Commission and Member States for IRIS<sup>2</sup> capacity to the tune of several hundred million Euros.

Eutelsat's involvement in IRIS<sup>2</sup> represents a key step in the company's strategy to develop and expand its low Earth orbit capacities, and the extension of its existing OneWeb constellation will be technologically compatible with the future IRIS<sup>2</sup> assets. Once operational the IRIS<sup>2</sup> constellation will offer compelling complementarity with Eutelsat's existing LEO business, notably giving Eutelsat access to additional sellable LEO capacity secured by its investment of at least 1.5 Tbps out of a total of 2 Tbps

of LEO capacity, at an attractive cost per Gbps, as well as to KaMil capacity not consumed by EU sovereign needs. Eutelsat will also be able to complete IRIS<sup>2</sup> with further satellites to scale up capacity and carry additional payloads based on demand.

The project is fully consistent with Eutelsat's financial framework and compatible with its required returns on investment. Eutelsat's financial commitment is clearly capped, while the agreement signed today comprises protections to support the economics of the project including notably strict milestones providing for exit possibilities and compensation for consortium members in the event of missed or delayed targets compromising anticipated returns. Over the period of the concession, Eutelsat expects to generate revenues of at least 6.5 billion euros, derived from anchor EU customers as well as the global distribution of its LEO capacities to commercial customers.

Commenting on the agreement, Eva Berneke, Chief Executive Officer of Eutelsat said: *"IRIS<sup>2</sup> is a landmark initiative that embodies Europe's commitment to digital sovereignty, resilience, and strategic autonomy. Eutelsat is uniquely positioned to bring unparalleled expertise to this mission, leveraging our unique LEO expertise and spectrum priority. By combining this advanced infrastructure with the collective strengths of the SpaceRISE consortium, we will deliver a transformative communications backbone that addresses Europe's most critical connectivity needs, reinforces its leadership in space innovation, and bridges the digital divide for millions of citizens and businesses across the continent."*

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## **About Eutelsat Group**

Eutelsat Group is a global leader in satellite communications, delivering connectivity and broadcast services worldwide. The Group was formed through the combination of the Company and OneWeb in 2023, becoming the first fully integrated GEO-LEO satellite operator with a fleet of 35 Geostationary satellites and a Low Earth Orbit (LEO) constellation of more than 600 satellites. The Group addresses the needs of customers in four key verticals of Video, where it distributes more than 6,500 television channels, and the high-growth connectivity markets of Mobile Connectivity, Fixed Connectivity, and Government Services. Eutelsat Group's unique suite of in-orbit assets and ground infrastructure enables it to deliver integrated solutions to meet the needs of global customers. The Company is headquartered in Paris and the Eutelsat Group employs more than 1,500

people across more than 50 countries. The Group is committed to delivering safe, resilient, and environmentally sustainable connectivity to help bridge the digital divide. The Company is listed on the Euronext Paris Stock Exchange (ticker: ETL) and the London Stock Exchange (ticker: ETL)

Find out more at [www.eutelsat.com](http://www.eutelsat.com)

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