

## HISPASAT reaches a net profit of 80.5 million Euros

- **The Spanish operator has managed to consolidate its total revenues, 235 million Euros, in a complicated year for the satellite market.**
- **The EBITDA margin continues to be above 80%, among the highest in the sector.**
- **The guaranteed long-term satellite capacity contracts (back-log) stands at 4.4 times the company's annual revenues.**

**MADRID, 08 March 2018.** HISPASAT, the Spanish satellite-based communications operator, has achieved a net profit of 80.5 million Euros in 2017, which means a 220% increase from the previous fiscal year, when extraordinary expenses and the adverse situation of the investee company HISDESAT negatively impacted the company's accounts.

The total revenues have been 235.1 million Euros, which represents a 2.7% increase over those obtained in 2016. Revenues from space capacity, however, have fallen from 225.5 million Euros in the previous fiscal year to 218.8 million Euros due to the complicated situation of the satellite market, in addition to a dramatic change in paradigms, with a surplus offer exerting downward pressure on prices and strong competition from other technologies. Furthermore, the delays in the launch of the scheduled satellites have also had a negative impact on the revenues, as it has not been possible to sell the expected new capacity.

By geographic areas, 36.4% of the revenues due to the leasing of the company's space capacity come from Europe, 62.7% from the American market and the remaining 0.98% from other regions.

During 2017 HISPASAT has continued to carry out intense commercial work in order to offer the best communications solutions and to answer the market's new demands. As a consequence, the company's guaranteed long-term satellite capacity contracts (back-log) continues to be among the highest in the sector, at 4.4 times HISPASAT's annual revenues.

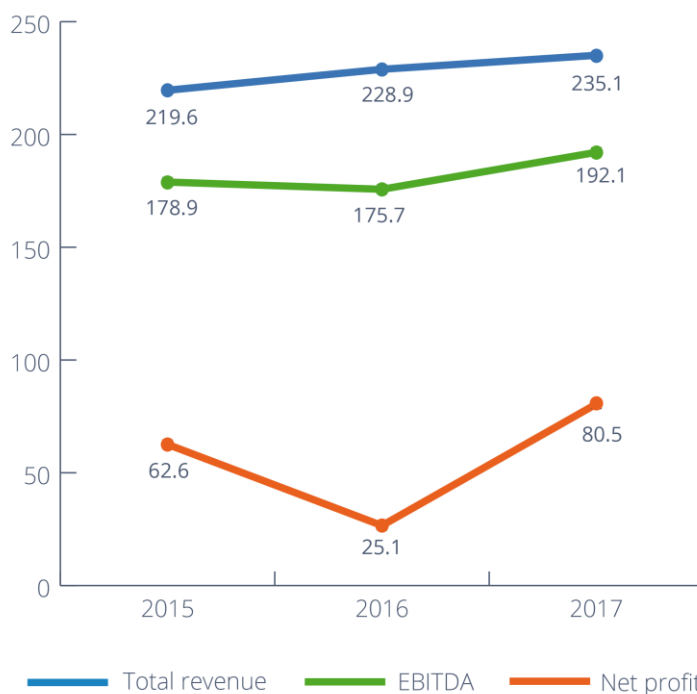
The company's EBITDA reached 192.1 million Euros, 9.4% higher than in 2016, and the EBITDA margin is 81.7%, five points higher than last year, remaining among the highest in the sector. This increase in the EBITDA is due in large measure to the strict control over managing the operating revenues which, during last fiscal year, dropped by more than 10 million Euros, representing more than 19% of consolidated savings. Isolating the extraordinary revenues incurred in 2016, the company has cut back its recurring operating costs by 2.4 million Euros, 5.5% less than in the previous year.

Furthermore, the operator continued developing its growth plan during 2017, sending the Hispasat 36W-1 and Amazonas 5 satellites into orbit and finalising the construction of Hispasat 30W-6. Investment has reached 115.1 million Euros, dedicated fundamentally to these satellite programmes, as well as the innovation projects, both in satellites as well as in products and services, to provide a response to the challenges and opportunities present in the market. This amount has fallen by 31.4% compared with the 167.8 million from last year due to slowing down the investment rhythm derived

from finalising the current fleet growth phase, which will culminate with the launch of the Hispasat 30W-6. A consequence of all this is the decrease of the company's debt ratio, which is now 1.88 times Net Debt/EBITDA.

For Elena Pisonero, president of HISPASAT, *“this fiscal year has been very complex. The satellite market is in complete evolution: changes are occurring in the business models and new technologies and new actors are appearing on the market. This year we have managed to consolidate our revenues and increase our profits thanks to the excellent management of the company's team of professionals, but we are facing new challenges. Consumer habits, both for television as well as for data, are changing, and the satellite sector must adapt to these changes. As such we are going to continue promoting innovation and designing new proposals so that our offer continues to be relevant and attractive for our clients”*.

**EVOLUTION OF THE MAIN FIGURES**  
(in millions of Euros)



#### About HISPASAT

HISPASAT is comprised of companies that have a presence in Spain as well as in Latin America, where its Brazilian affiliate HISPAMAR is based. HISPASAT is a world leader in the distribution and broadcasting of Spanish and Portuguese audiovisual content, and its satellite fleet is used by important direct-to-home television (DTH) and high-definition television (HDTV) digital platforms. HISPASAT also provides satellite broadband and connectivity services which include Internet access, mobility and the extension of mobile networks, in addition to other added value solutions to governments, corporations and telecommunication operators in America, Europe and North Africa. HISPASAT is one of the world's largest companies in its sector in terms of revenue, and the main communications bridge between Europe and the Americas.

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