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Hispasat and LeoSat Sign Strategic Investment Agreement

- LeoSat's constellation will provide unique seamless satellite-based VPN with low fiber-like latency to grow data and mobility markets.
- This agreement enables Hispasat to strengthen and expand its geostationary fleet satellite services and ensure its position in the face of data volume growth.

MADRID, July 10th 2018. LeoSat Enterprises, which is launching a constellation of low-earth-orbit communications satellites providing the fastest, most secure and widest coverage data network in the world, has entered into an agreement with Hispasat, the Spanish national satellite operator, to invest in LeoSat, both companies announced today. With this agreement, Hispasat joins Asia's largest satellite operator SKY Perfect JSAT, in the growing trend for satellite operators to future-proof their communications solutions through the development of low earth orbit (LEO) capabilities.

Big data is driving the need for new communications infrastructure. Data volumes are exploding, with more data created in the past two years that in the entire history of the human race. Global networks are already carrying more than 1 Zeta Byte of traffic globally and this is forecast to grow exponentially. This will have a lasting effect on the communications industry, with the need to invest in and deploy appropriate infrastructure, particularly on satellite communications, whose data market will grow with the deployment of low earth orbit solutions that will enable operators to complement their current portfolio with suitable capabilities for the future demand.

Hispasat is one of the only satellite operators to have achieved continuous growth over the past years thanks to a strong focus on innovation and smart long term investments. With the investment in LeoSat, Hispasat finds a perfect complement for its geostationary fleet and expands its scope significantly towards new verticals that will define data market over the next years. The investment in LeoSat underlines their firm belief in the unique attributes of LeoSat's new low earth orbit network architecture to ensure further growth in the future. Combining advanced on-board routers with intersatellite laser links, LeoSat is creating an <u>optical backbone in space</u>, providing fiber-like low-latency and gigabit per second data delivery which is ultra-secure and extremely resilient, thanks to its gateway independent meshed-network data-connectivity from transmitter to receiver. This solution will provide LeoSat and its partners valuable new business opportunities in the growing data and mobility markets in sectors such as telecommunications, multinational enterprise, maritime and government services by ensuring previously unavailable levels of network performance combined with worldwide reach.

With the ever-increasing demand to move large quantities of data quickly and securely around the world there is a growing interest in the major performance advantages of communications networks in low earth orbit (LEO). The unique features of LeoSat's system – ubiquity, low-latency, speed and cybersecurity – are ideal for a number of applications, such as to enabling global 4G and 5G satellite connectivity for cellular operators, providing the bandwidth required for energy, maritime or financial sector operations, delivering secure networks for government and defense communications, ensuring critical back up for emergency communications and enabling Internet access and connectivity for remote communities.

With Hispasat now joining SKY Perfect JSAT, both companies will work with LeoSat to accelerate a number of key activities including, vendor selections for customer premise equipment and ground



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operations, as well as further optimization of the satellite platform. The partnership will also enable LeoSat to leverage both the commercial and regulatory expertise of these two well-established operators.

Mark Rigolle, CEO of LeoSat, said: "We are delighted that Hispasat, with its reputation for quality, efficiency and reliability and its strong presence on Europe, North of Africa and Latin America, has chosen to invest in LeoSat to expand its network capabilities. "Always-on" connectivity, increasing digitization and the move to cloud-based operations and smart data analysis and management, all require resilient and future-proof networks to deliver connectivity and services. Whilst the perception of satellite for data communications is often seen as a last resort, LeoSat will change that by pairing the speed of fiber with the ubiquity of satellite and adding a new dimension of ultra-security. Hispasat recognizes that we will not only bring a paradigm shift in expanding the existing satellite services market, we will open up new markets for space-based data networking for telecoms, tech and media across the globe."

Carlos Espinós, CEO of Hispasat, said: "With the current and future growth of data traffic, we see the strategic importance of investing in new infrastructure to enable our existing and future customers to substantially increase their communications capabilities. LeoSat has distinguishing features from the rest of constellations that makes it especially interesting: high capacity, low latency, high security and a meshed network that simplifies its architecture. LeoSat's system design, combining satellite and networking technology to provide a network in space, is a departure from existing solutions today and we see this as a key opportunity for us to open-up new markets and deliver business growth. This investment in LeoSat demonstrates our belief that there will be very strong demand for LeoSat as it is the best solution to address the Enterprise market. It will allow Hispasat to strengthen and expand our existing GEO satellite services and position the company at the forefront of the new digital infrastructure. In addition, HISPASAT and JSAT has a relationship of complementarity, understanding and mutual trust that will ease our joint leadership in this initiative."

Koki Koyama, Senior Managing Executive Officer of SKY Perfect JSAT, commented: "This is an exciting time and we are delighted to welcome Hispasat on board LeoSat which will provide the first enterprisegrade, extremely high speed and secure data service worldwide. Both SKY Perfect JSAT and Hispasat will support LeoSat in ensuring the successful launch of this unique new next-generation network."

About LeoSat Enterprises

LeoSat Enterprises was established to leverage the latest developments in satellite communications technologies to develop and launch a new low-earth-orbit satellite constellation which will provide the first commercially available, business grade, extremely high-speed and secure data service worldwide.

With up to 108 low-earth-orbit communications satellites in the constellation LeoSat is the first company to have all the High Throughput Satellites (HTS) in the constellation interconnected through laser links, creating an optical backbone in space which is about 1.5 times faster than terrestrial fiber backbones and without the need for any terrestrial touchpoints. This unique set of features enables LeoSat to provide instant infrastructure from anywhere to everywhere which is fast, secure and reliable.

Based in Washington DC, LeoSat is currently working with Thales Alenia Space for the low-earth-orbit constellation of Ka-band communications satellites. Once operational, the constellation will provide high-speed, low-latency and highly secure communications and bandwidth for business operations in the telecom backhaul, Energy, Maritime, Government and international business markets. Launch of the constellation is expected in 2019. www.leosat.com

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New York based GH Partners acted as lead financial advisor to LeoSat Enterprises. For further information:

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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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