



speedcast

- The following notice and disclaimer applies to this investor presentation (Presentation) and you are therefore advised to read this carefully before reading or making any other use of this Presentation or any information contained in this Presentation. By accepting this presentation you represent and warrant that you are entitled to receive the Presentation in accordance with the above restrictions and agree to be bound by the limitations contained herein.
- This Presentation has been prepared by Speedcast International Limited (ACN 600 699 241) (Speedcast). This Presentation has been prepared in relation to Speedcast's acquisition of UltiSat Inc.

Summary information

- This Presentation contains summary information about Speedcast and its activities which is current only as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in Speedcast or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act.
- Speedcast's historical information in this Presentation is, or is based upon, information that has been released to the Australian Securities Exchange (ASX). This Presentation should be read in conjunction with Speedcast's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au. Certain information in this Presentation has been sourced from UltiSat and its associates. While steps have been taken to review that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, correctness, completeness or adequacy. Certain market and industry data used in connection with this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither Speedcast nor its representatives have independently verified any such market or industry data provided by third parties or industry or general publications.
- This Presentation is not a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission (ASIC)) or any other law. This Presentation is for information purposes only and is not an invitation or offer of securities for subscription, purchase or sale in any jurisdiction.
- The release, publication or distribution of this Presentation (including an electronic copy) outside Australia and New Zealand may be restricted by law. If you come into possession of this Presentation, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.
- This Presentation does not constitute investment or financial product advice (nor tax, accounting or legal advice) or any recommendation by SpeedCast or its advisers to acquire SpeedCast securities and does not and will not form any part of any contract for the acquisition of securities. This Presentation has been prepared without taking account of any person's individual investment objectives, financial situation or particular needs. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own investment objectives, financial situation and needs and seek legal, accounting and taxation advice appropriate to their jurisdiction. SpeedCast is not licensed to provide financial product advice in respect of SpeedCast securities.
- This Presentation may not be released or distributed in the United States. This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or any other jurisdiction in which such an offer would be illegal. Neither the New Shares nor entitlements have been, and will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or the securities laws of any state or other jurisdiction of the United States. Accordingly neither the New Shares nor the entitlements may be offered or sold, directly or indirectly, in the United States, unless they have been registered under the U.S. Securities Act (which Speedcast has no obligation to do or procure), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable United States state securities laws.
- This Presentation contains certain 'forward looking statements', including but not limited to projections, guidance on future revenues, earnings, margin improvement, other potential synergies and estimates, the timing and outcome of the UltiSat acquisition and the future performance of Speedcast and UltiSat post-acquisition [(Combined Group)]. Forward looking statements can generally be identified by the use of forward looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target' 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Speedcast, its Directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in this Presentation. Investors should consider the forward looking statements contained in this Presentation in light of those disclosures. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this Presentation. The forward looking statements are based on information available to Speedcast as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), Speedcast undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

Acquisition of UltiSat, Inc.

24 July, 2017



- Speedcast has entered into an agreement to acquire 100% of UltiSat for an initial consideration of USD 65.0M (USD60.0M cash, USD5.0M scrip), plus an earn-out consideration of up to USD 35.0M¹ to be paid in 2018 and 2019
- Based in Gaithersburg, Maryland, UltiSat is a satellite services provider to the Military, Government, IGO and NGO sectors with coverage in over 130 countries
- UltiSat accelerates Speedcast's push into the Government vertical, a global market of USD 4.8bn per annum, and gives Speedcast a critical mass in that vertical with over USD 100M in revenues globally
- Strong cost synergies are anticipated from the rationalisation of support functions, satellite capacity procurement, and teleport consolidation – conservatively estimated at USD 3.0M (with 1.5M expected in the first 12 months)
- Acquisition expected to represent a multiple of ~7x FY2017 EBITDA (pre-synergies), reducing to approximately 5.5x FY2017 EBITDA post-synergies and anticipated tax benefits²
- On a pro forma full year basis, the acquisition is expected to be accretive immediately and double digit EPS accretive in 2018 before synergies
- Initial consideration is to be funded through USD 60.0M extension of Speedcast's existing debt facilities with pro forma leverage ratio expected to be at or below 3.0x at 31 December 2017
- Transaction is expected to complete in 4Q 2017, subject to regulatory approvals

1. Earn out based on achievement of certain financial metrics, payable in 2Q18 for 2017 financial performance (up to USD 20.0M) and 2Q19 for 2018 financial performance (up to USD15.0M). 2. Based on UltiSat FY17F EBITDA of USD12.0M, synergies of USD3.0M, and reflecting payment of upfront consideration plus 100% of potential 2017 earnout of USD20.0M only. These estimates are subject to assumptions and risks in relation to future performance, and actual results may vary.

Strategic rationale – new powerful growth engine

| 5

- 1 Acquire direct access to US Government opportunities**, via innovative solutions and valuable contract vehicles, at a time when Government spending is starting to rise
- 2 Achieve critical mass in our Government business** – creation of a fourth pillar of growth – with Government division combining Speedcast and UltiSat Government revenues and with sales in excess of USD 100M
- 3 Strengthen organic growth through significant revenue synergies** with UltiSat benefitting from Speedcast's scale and global operational capabilities to upsell to its existing customer base and Speedcast leveraging UltiSat's innovative solutions and expertise to serve other governments globally where Speedcast has existing relationships
- 4 Create a global force in the IGO/NGO space** capable of gaining market share
- 5 Attract talented and experienced leadership to further strengthen the Group** – UltiSat CEO to lead the new Government division
- 6 Generate value through strong cost synergies** resulting from rationalisation of support functions, satellite capacity procurement, and teleport consolidation – conservatively estimated at USD 3.0M

- Headquartered in the Washington, DC area, UltiSat provides end-to-end global satellite communications services primarily to:
 - **US Government agencies:** DISA, GSA, Air Force, Army, FEMA and others
 - **Leading defence contractors:** Leidos, General Dynamics, AT&T Government, AECOM, SOSi and others
 - **Major NGOs and UN agencies:** UNHCR, UNDP, NetHope and others
- Established in 2003, UltiSat has 150 employees, a teleport in Denmark, sales offices in Washington, DC and San Diego and global field-service operations
 - UltiSat's teleport in Denmark can access more than 100 satellites in the geosynchronous arc from 55°W to 70°E
 - Senior management have 130+ years of experience in the telecom, aerospace, and Government services industries
- UltiSat Offers to its clients primarily managed network services that can include value added services such as data analytics. UltiSat has integrated and delivered a wide portfolio of solutions in the manned and unmanned airborne intelligence, surveillance and reconnaissance (ISR) sector.

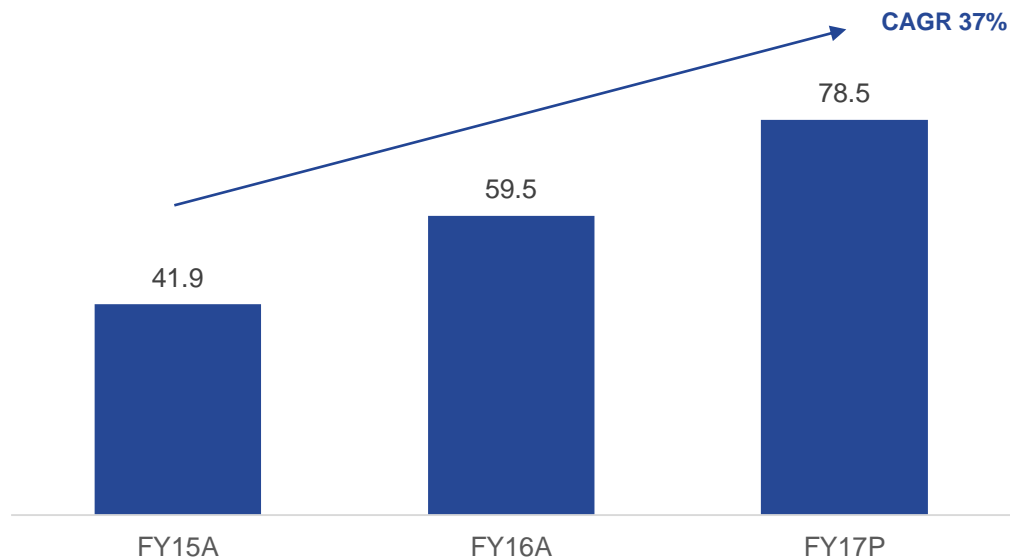


NETHOPE

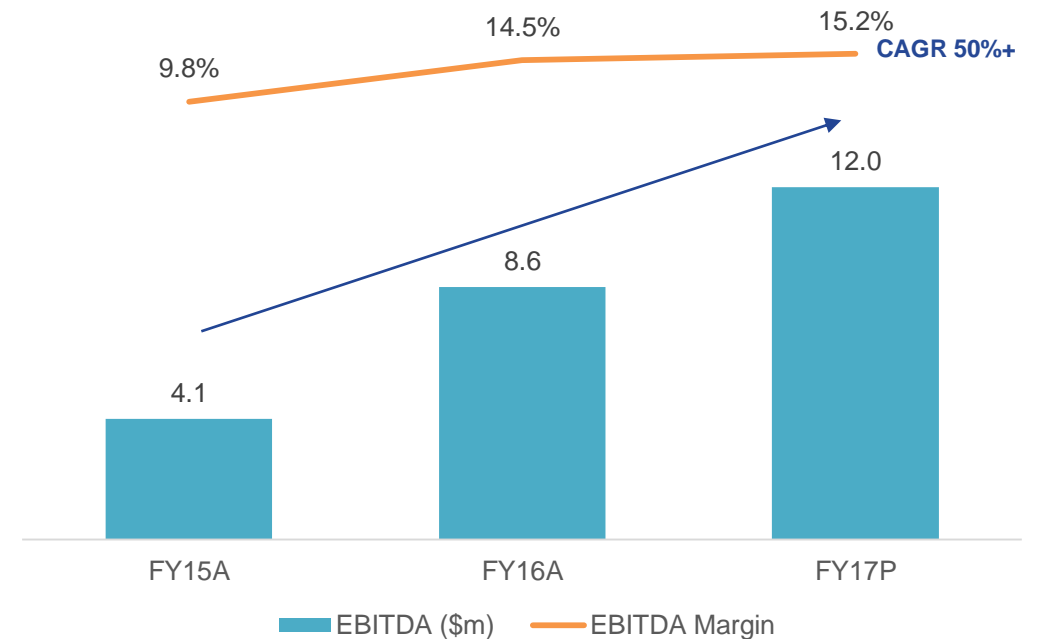
UltiSat has a strong track record of growth

UltiSat has a track record of revenue and EBITDA growth and is expected to achieve over 30% revenue growth and 40% EBITDA growth in FY2017 (before synergies)¹ driven by surge in US government activities

UltiSat Revenue (USDm) ⁽¹⁾



UltiSat EBITDA (USDm) and EBITDA margin ⁽¹⁾

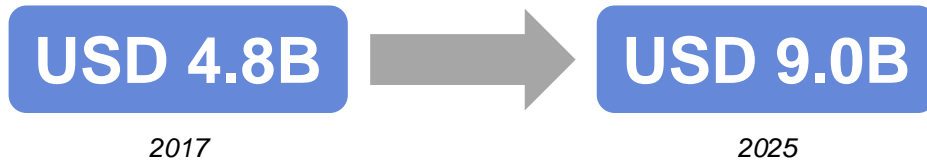


1. UltiSat financial year ends 31 December. These estimates are subject to assumptions and risks in relation to future performance, and actual results may vary.

Attractive Government vertical new pillar of growth

Market Opportunity

- Government market expected to grow at ~8% CAGR



- Government and Military satellite communication markets have started stabilizing in 2016-17 after several years of downturn
 - New opportunities materialising as Government spending is expected to grow in key developed markets around the world, as demonstrated by UltiSat's strong revenue growth
 - Opportunities emerging within the Classified Military space in North America, Latin America, Europe & Asia
 - Aero government applications expected to experience strong growth



Speedcast's Government strategy

Scale to give access to larger US government contracts

UltiSat's solutions portfolio to be leveraged globally

Strategic secured infrastructure growth

Global and unique NGO/IGO network solutions



Targeting \$200M⁽¹⁾ revenue within 5 years

Source: NSR & Speedcast

1. These estimates are subject to assumptions and risks in relation to future performance, and actual results may vary

Government to become a fourth pillar for growth

Government division combining Speedcast and UltiSat Government revenues with sales in excess of USD 100M. Further diversification of Speedcast's business.

Energy



- Cyclical industry, expected to come out of a severe downturn in the near future
- Consolidated services requirement with focus on reliability and support
- Outsourcing likely to grow as customers need to be leaner

Maritime



- VSAT penetration driving growth in merchant shipping
- Strong volume growth fundamentals in Cruise segment
- Market still fragmented
- Opportunity for new applications and innovation

Enterprise & Emerging Markets ('EEM')



- Diversified segment
- Fragmented industry
- Limited global competitors
- Cellular backhaul driving growth
- Mining spending expected to improve

Government



- Government spending expected to rise globally in coming years
- Access to US Govt. opportunities
- Significant opportunity in the IGO/NGO space
- Experienced leadership team led by UltiSat CEO

Transaction expected to be accretive immediately and double digit accretive in 2018 pre-synergies

Expected financial impact on Speedcast

- UltiSat revenue expectations for FY2017 pro forma approximately USD 78.5M, and approximately USD 12.0M EBITDA (pre-synergies)¹
- Combined Speedcast and UltiSat Government pro forma revenues are expected to be in excess of USD 100.0M per annum, creating a new fourth division for the group
- Including the acquisition of UltiSat, the group's pro forma leverage ratio is expected to be at or below 3.0x by 31 December 2017
- On a pro forma full year basis, the acquisition is expected to be accretive immediately and double digit EPS accretive in 2018 before synergies

Estimated synergies - Speedcast & UltiSat

- Strong cost synergies resulting from the rationalisation of corporate support functions, satellite capacity procurement, and teleport consolidation
- Conservative estimate at USD 3.0M, with USD 1.5M expected to be delivered within 12 months post acquisition¹
- Speedcast confident in achieving at least the target synergies given the group's strong track record of integration and delivery of previous synergy benefits
- Combination of the two businesses expected to create significant revenue generating opportunities in the Government and IGO/NGO sectors not previously available
- USD 200M¹ revenue target within 5 years

1. These estimates are subject to assumptions and risks in relation to future performance, and actual results may vary

Earn-out consideration is subject to future financial performance metrics being met

First earn-out (2Q18)

- The first earn-out consideration may be payable in 2Q 2018 post the release of Speedcast's FY2017 audited results
- First earn-out consideration is based on FY2017 audited EBITDA performance (excluding synergies)
- First earn-out consideration – capped at USD 20.0M cash consideration – to be funded from operating cash flows

Second earn-out (2Q19)

- The second and final earn-out consideration may be payable in 2Q 2019 post the release of Speedcast's FY2018 audited results
- The second earn-out is subject to certain financial performance measures being achieved by UltiSat in 2018 (excluding synergies)
- Second earn-out consideration – capped at USD 15.0M cash consideration – to be funded from operating cash flows

UltiSat acquisition consideration	USD M	Payable
Initial consideration	65.0	4Q 2017
First earn-out (cash) - 2017 performance	20.0	2Q 2018
Second earn-out (cash) - 2018 performance	15.0	2Q 2019

Integration experience highlighted in Harris CapRock deal

- In November 2016, the Integration Program for Harris CapRock commenced. In January 2017 15 work streams, 53 initiatives and 244 key milestones were established to achieve the integration plan.
- The execution of the program is ahead of plan and management are now confident that the expected synergy benefits from the transaction in future years will be in excess of those previously announced
- By end of June 2017, approximately 75% is completed based on achievement of planned key milestones, 87% completed based on planned 2017 synergies
- After July, some key initiatives will continue including: further re-branding, ERP implementation, implementation of Shared Services Centers, migration of customer support ticketing system, and network consolidation initiatives
- By end of October 2017, we expect to have only 2 work streams remaining before full completion of integration by the end of Q4 2017

Integration Program	Jan 2017	End of June Approx. 75% completed	End of July Approx. 85% completed	End of Sept Approx. 95% completed	End of Oct Approx. 98% completed
# of work streams remaining	15	10	7	5	2
# of initiatives in progress	53	26	18	11	3
Key milestones to achieve	244	Approx. 60	Approx. 30	Approx. 12	3

- The acquisition of UltiSat further strengthens Speedcast's position as the global leader in remote communications and IT services with unique scale and capabilities
- UltiSat acquisition expedites Speedcast's push into the attractive Government vertical at a time when government spending is starting to rise globally
 - Combined Speedcast and UltiSat's Government revenues are expected to be in excess of USD 100M per annum
 - Diversifies Speedcast's business further
 - Full year run-rate cost synergies from UltiSat acquisition conservatively estimated at USD 3.0M per annum¹
 - On a pro forma full year basis, the acquisition is expected to be accretive immediately and double digit EPS accretive in 2018 before synergies¹
 - Speedcast continues to generate strong operating cash flows and earnings growth, and the combination of these two factors is expected to reduce the pro forma leverage materially over time
- Increasing demand for connectivity and a new investment cycle will underpin long-term growth in the Government vertical, supported by technology developments and satellite capacity availability
- Speedcast is targeting to grow Government revenues to USD 200M within 5 years¹

1. These estimates are subject to assumptions and risks in relation to future performance, and actual results may vary.

For further information please contact:

Ian Baldwin

Chief Financial Officer

ian.baldwin@speedcast.com

Tel: +61 432 680 746

About Speedcat International Limited

Speedcast International Ltd (ASX: SDA) is the world's most trusted provider of highly reliable, fully managed, end-to-end remote communication and IT solutions. The company utilizes an extensive worldwide footprint of local support, infrastructure and coverage to design, integrate, secure and optimize networks tailored to customer needs. With differentiated technology, an intense customer focus and a strong safety culture, Speedcast serves more than 2,000 customers in over 140 countries via 39 teleports, including offshore rigs and cruise ships, 10,000+ maritime vessels and 4,500+ terrestrial sites. Speedcast supports mission-critical applications in industries such as maritime, oil and gas, enterprise, media, cruise and government. Learn more at www.Speedcast.com. Social Media: [Twitter](#) | [LinkedIn](#) | [Facebook](#)

Speedcast® is a trademark and registered trademark of Speedcast International Limited. All other brand names, product names, or trademarks belong to their respective owners. © 2017 Speedcast International Limited. All rights reserved.