FOR IMMEDIATE RELEASE

Correction to ASX Announcement on 27 August 2019

To the Manager, ASX Market Announcements Office,

Speedcast International Ltd (ASX: SDA) refers to its announcement released on 27 August 2019 under the title “Speedcast 1H 2019 Results Presentation”.

Please note that there was an allocation issue in the bridge on slide 29 that has now been corrected. An amended version of the announcement is attached.

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Speedcast

The Critical Communications Company

2019 Half Year Results Presentation

27 August 2019

All $ amounts in USD unless otherwise specified

2019 half year results

Revenue	Gross Profit	Underlying EBITDA[1]	Underlying NPATA[2]	Cash conversion	Leverage Ratio
$357.6m	$159.7m	$66.8m	$14.7m	36%	3.6x

1. Includes US$4.6m impact of adopting AASB16 (Leases)
2. Excludes items that are non-recurring in nature, such as goodwill impairment charges, acquisition-related transaction costs, integration costs and restructuring costs

Addressing challenges through 4 key strategic objectives

Established 4 key strategic objectives

1 Operational improvements

- Continuous improvement programs launched – customer experience benefits began flowing in 2H19
- New regional organisation streamlining operational services and consolidating key expertise
- Implemented new ticketing and problem management IT system globally, enhancing KPI-based monitoring: NPS, MTTR, MTTA

2 Systems and processes integration and consolidation

- Since 1 July 2019 all non-Government business is on a common Enterprise Resource Planning (ERP) system – supporting better forecasting and faster decision making capability
- Now implementing Phase 2 of ERP rollout to enhance features and capabilities
- Process improvement program launched; external assistance planned to drive rapid progress

3 Organic revenue and earnings growth

- Upselling strong products portfolio to existing customers and extending sales reach with a stronger channel partner program
- Secured $11m Globecomm cost synergies
- Targeting $20m of annual savings in 2020 Operating Costs and Cost of Sales – reorganisation of certain functions and some procurement activities have already secured over $10m of annualised cost savings

4 Reduced debt ratio

- Implemented interim increase in covenant Leverage Ratio to 4.5x (to 31 Dec 2020), providing additional headroom
- Maximising cash flow in 2H19 with optimisation activities on inventory, receivables and lower Capex
- No dividend declared for 1H19 or planned for 2H19

Further strengthening leadership team

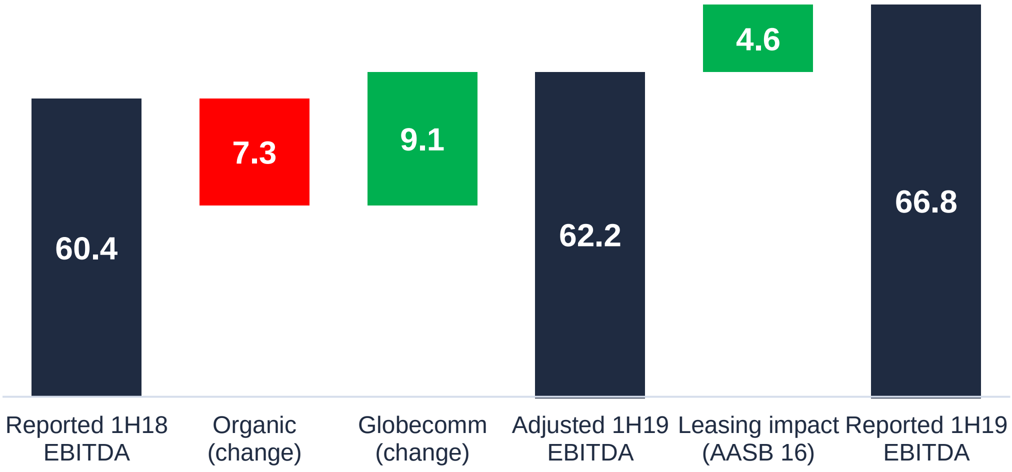
- Russell Reynolds appointed in July 2019 to undertake a formal global search process for additional non-executive Directors to underpin Speedcast's leadership renewal process
- As part of this process, Directors have determined that two current non-executive Directors would resign and four new non-executive Directors would be appointed
- In line with this approach:
  - John Mackay has resigned as Chairman, effective immediately but will remain on the Board as a non-executive Director until 30 September 2019 to ensure an orderly transition to the new Chairman
  - Stephe Wilks has been appointed to the Board and elected Chairman, effective immediately
  - It is anticipated that another Director will retire from the Board once a suitable appointment is made
- The Board is well advanced on the search for three additional independent non-executive Directors. Russell Reynolds will now progress this process in close consultation with Mr Wilks to identify suitable candidates
- In addition to the Board changes, Clive Cuthell (CFO) has resigned by way of mutual agreement, and will continue until the end of this year to allow for the orderly transition to a new CFO
- Russell Reynolds is also conducting a thorough global search for suitable candidates to replace Mr Cuthell in his role

1H19 financials reflect business challenges

Key underlying financial results

	Underlying[1]		
$m	1H19	1H18	Var. %
Revenue	357.6	304.8	*17.3*
EBITDA[2]	66.8		
EBITDA excluding AASB 16 impact	*62.2*	60.4	*3.0*
EBITDA %	*17.4*	*19.8*	*(2.5)*
NPAT	(5.6)	5.9	*(355.9)*
NPATA	14.7	21.1	*(30.3)*
NPATA per share ($ cents)	6.1	8.8	*(75.0)*

EBITDA reconciliation ($m)



- Revenue up 17.3% to $357.6m, with Globecomm contributing $70.3m revenue
- On an organic basis, revenue declined 5.8% primarily due to:
  - Transition from Phase 1 to Phase 2 of the nbn project and delays to implementation of new projects in Enterprise and Emerging Markets (EEM)
  - Major expected churn event in Commercial Maritime and slower than expected implementation of VSAT backlog
- EBITDA (ex Lease impact) was up 3.0% to $62.2m, with Globecomm contributing $9.1m EBITDA (ex Lease impact)
  - Excludes goodwill impairment of $154.8m to Speedcast non-Government business
- On an organic basis, EBITDA was down 12.1% primarily due to:
  - Organic revenue declines in EEM and Maritime
  - Technical difficulties causing additional costs to be incurred in the ramp up of the Carnival contract

1. Exclude items that are non-recurring in nature, such as goodwill impairment charges, acquisition related transaction costs, integration costs and restructuring costs
2. Includes the $4.6m positive impact of adopting AASB16 Leases

Working capital

$m	June 2019	Dec 2018
Inventories	40.6	28.9
Trade and other receivables	267.0	235.0
Trade and other payables	(284.0)	(277.3)
Other net working capital	4.7	1.1
Net Working Capital	**28.3**	**(12.3)**

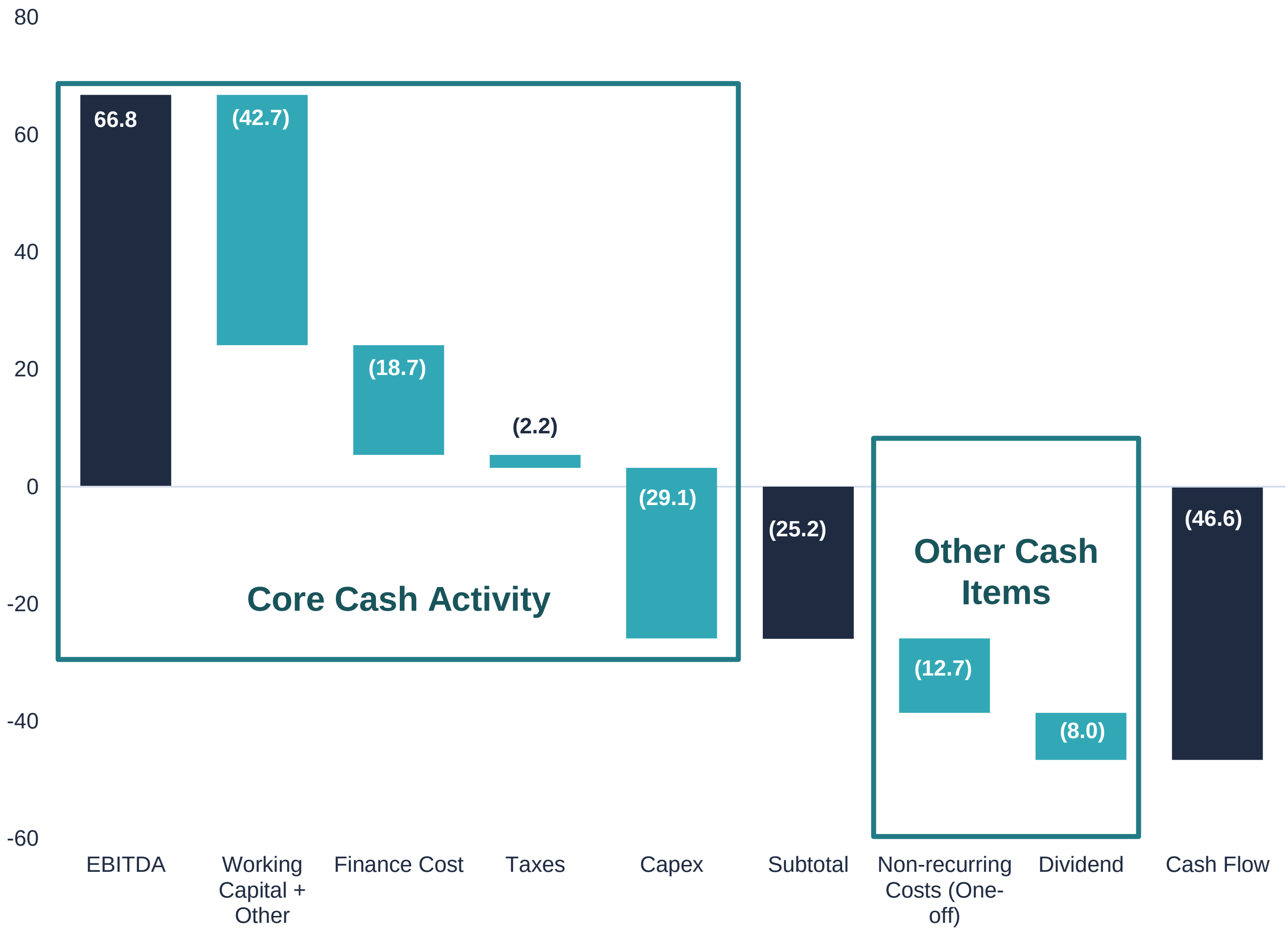
- Inventories includes Equipment, Spares and Work in Progress
- Trade and other receivables includes (Current & Non current) trade and other receivable balances
- Trade and other payables includes (Current & Non current) trade and other payable balances

- Negative working capital movement of $40.6m over 1H19 reflects increased inventory and receivables
- The $11.7m increase in inventory included a significant investment in Maritime inventory
- The $32.0m increase in receivables was due to:
  - $12m regarding specific situations in the Cruise segment, which are expected to reverse in 2H19
  - Increased DSO across rest of business due to change in IT systems and supporting processes
- Expect turnaround back to positive working capital in 2H19:
  - Initiatives being implemented to reverse Maritime inventory build up
  - Stronger focus and approach to delinquent customers now being implemented

Cash flow

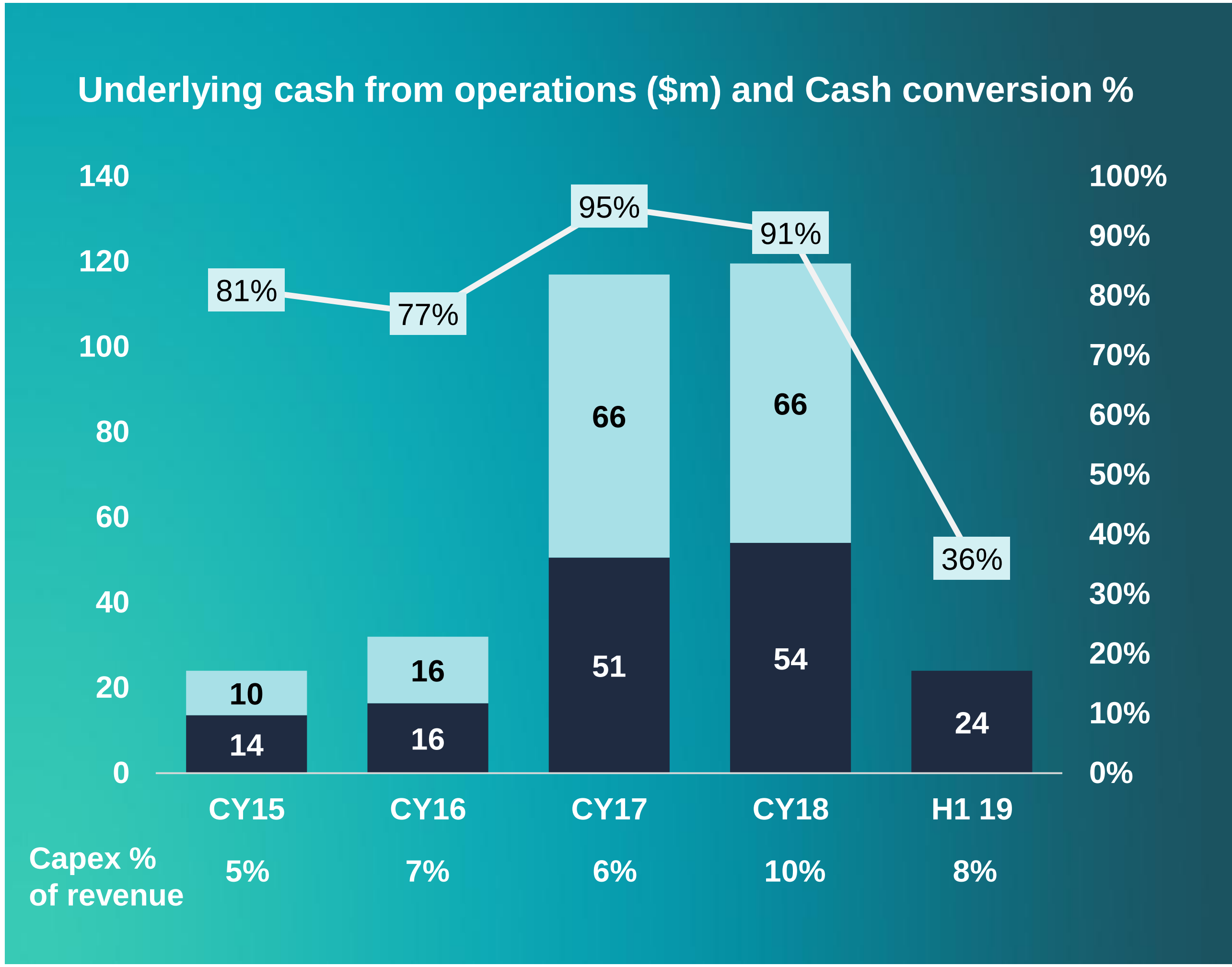
- Core cash activities of the business generated a cash outflow of $25.2m in 1H19
  - Adverse working capital & other of $42.7m
  - Capex investment of $29.1m - in line with pcp of $28.6m incorporating the acquisition of Globecomm
  - Finance costs $18.7m – increased by $5.2m due to higher borrowing levels
  - Tax costs of $2.2m – reduced from $11.5m in pcp
- Cash outflows included $20.7m that is not expected to continue in 2H:
  - Non-recurring cash cost $12.7m – integration and acquisition costs relating mainly to Globecomm
  - Prior period dividend of $8m – Board has decided to not declare a dividend for 1H19 or 2H19

Cashflow Waterfall ($m)



Cash conversion

- Cash conversion[1] of 36%, or $23.9m
  - Primarily impacted by temporary negative working capital movement of $40.6m
  - Includes negative impact of 2% from AASB16 (leases)
- Expect cash conversion to return to historic averages in 2H19 given strong focus on inventory and receivables management
- Capex investment at 8% of revenue (down from 10% in CY18), above long-term trend of 6% due to investment in corporate platforms
- Significant improvement in cash conversion targeted for 2H19
  - Working Capital improvements
  - Lower Capex

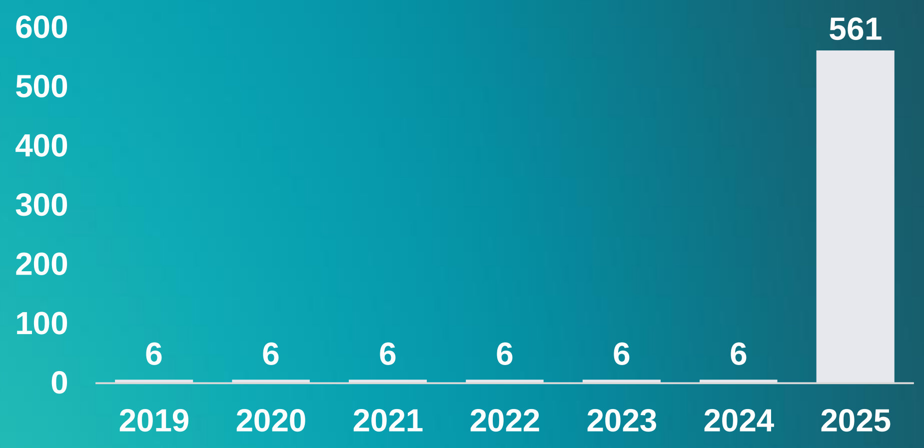


1. Underlying cash generated in operations (cash generated in operations adjusted for restructuring and integration) divided by Underlying EBITDA

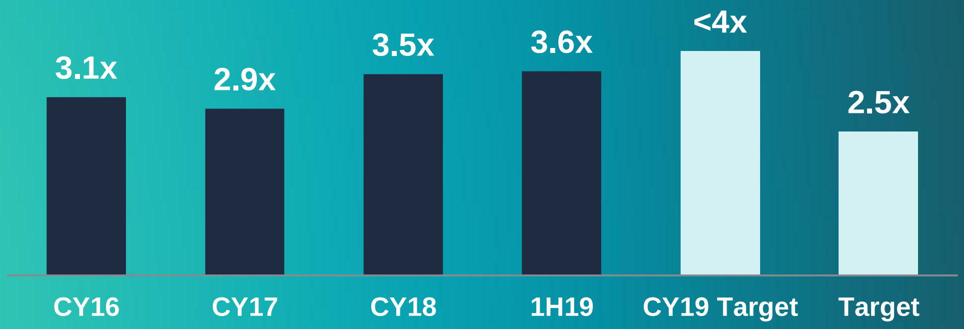
Deleveraging is a key priority

- Net Debt at June 2019 of $625m, up from $586m in December 2018
  - Non-recurring $14m cash out flow re Globecomm acquisition and $8m prior period dividend payment
  - $42.7m movement in working capital and other items
- Covenant-lite loan facilities – Leverage Ratio[1] covenant increased to 4.5x (until 31 Dec 20)
  - 3.6x at at 30 June 2019
  - Longer term target of 2.5x remains
- December 2019 Leverage Ratio to increase due to impact of lower pro forma EBITDA, but target to remain below 4x
  - Nil dividend declared for 1H19
  - Working capital improvements
- No significant debt maturity until 2025, with the Company working on increasing its RCF

Term Debt Maturity Profile ($m)



Net Debt / EBITDA ratio[2]



1. Net Debt/EBITDA calculated based on LTM Consolidated EBITDA including the Pro Forma impact of Globecomm EBITDA and identified cost synergies (acquired on 14 December 2018)

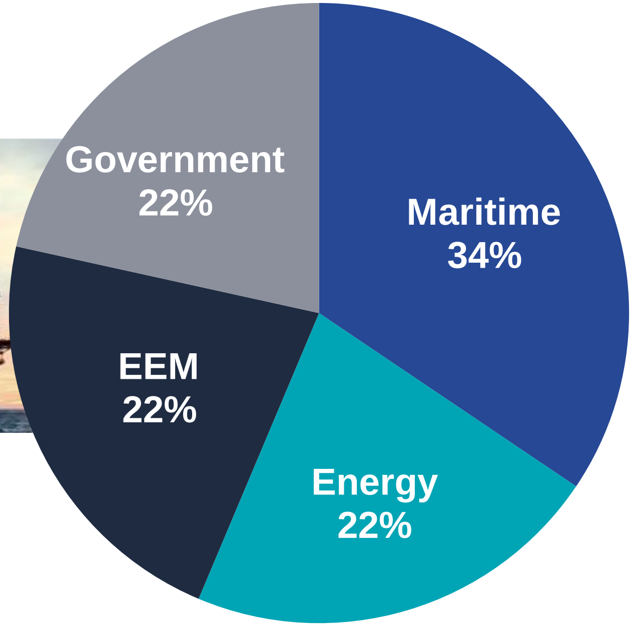
Divisional & Operational Update

Strong platform supporting four key divisions

1H19 Total Revenue $357.6m

% var. to pcp *+17.3%*

Revenue % by Division



Maritime	EEM[1]	Government	Energy
$119.3m[2]	$79.6m[2]	$80.4m[2]	$78.3m[2]
+12.0% on pcp	*+6.8% on pcp*	*+69.3% on pcp*	*+2.6% on pcp*

1. Enterprise & Emerging Markets
2. $70.3m revenue from Globecomm split: Maritime $14.6m, EEM $21.0m, Government $32.8m, Energy $1.9m

Maritime

- Maritime revenue was up 12.0% to $119.3m driven by Globecomm's $14.6m contribution
- Organic revenue was down 1.7% due to:
  - Churn from a major Commercial Maritime contract (as highlighted in FY18 results and 2 July trading update) also impacting the number of VSAT vessels
  - L-band revenue declining by $2.3m as migration to VSAT continues
  - Decline in Equipment & Installation revenue as implementation of backlog slowed
- Organic Services revenue grew by 3.1% as Commercial Maritime churn was offset by growth in Cruise
- Cruise performing well
  - Both Services and Equipment & Installation revenue growing
  - Trial ongoing to address technical difficulties encountered in the Carnival rollout

$m	1H19	1H18	% var.
Services	111.3	94.1	*18.3*
Equipment & Installation	8.0	12.4	*(35.4)*
Total Maritime Revenue[1]	**119.3**	**106.5**	***12.0***
excluding Globecomm	*104.7*	*106.5*	*(1.7)*

	30 Jun 2019	31 Dec 2018
Commercial Shipping		
VSAT vessels	2,192	2,122
with Globecomm	2,928	2,807
L-Band Terminals	11,178	11,015
with Globecomm	13,406	13,355
Cruise		
Cruise ships	267	230
Ferries	115	121

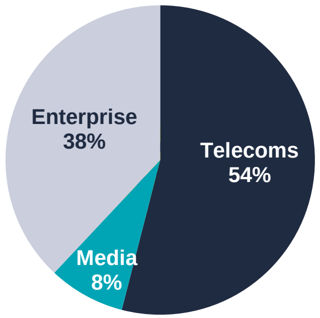
Note: 1H19 revenue reconciliation by division is disclosed in Appendix 4

EEM

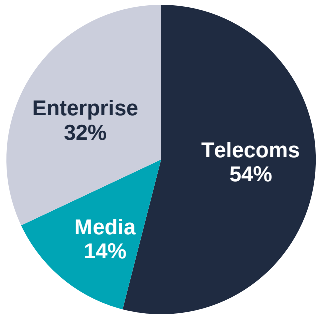
- EEM revenue was up 6.8% to $79.6m driven by Globecomm's $21m contribution
- Organic revenue was down 21.4% due to:
  - Decrease in Equipment & Installation revenue of $13.3m as a result of the phasing of the nbn contract with the majority of equipment and installation occuring in 2018
  - Wholesale Voice, a low margin segment of the EEM division, decreased by $2.7m
  - Services revenue (ex Globecomm) stabilising at $40.8m – churn has decreased, while growth is occurring in Latin America and Asia in particular
- IOT growth continuing with 20,000 devices connected, up from 16,000 in December 2018, and a backlog of 24,000 to be implemented
- Division's performance is improving with stabilisation of Services revenue, and good momentum across South East Asia, Latin America and IoT

$m	1H19	1H18	% var.
Services	56.3	40.7	*38.4*
Wholesale Voice	9.6	12.3	*(22.2)*
Equipment & Installation	13.7	21.5	*(36.2)*
Total EEM Revenue	**79.6**	**74.5**	***6.8***
excluding Globecomm	58.6	74.5	*(21.4)*

1H19 Revenue (excl. Globecomm and nbn)



1H19 Revenue (excl. nbn)



Note: 1H19 revenue reconciliation by division is disclosed in Appendix 4

Government

- Government revenue was up 69.3% driven by Globecomm's $32.8m contribution
- Organic revenue was flat, reflecting:
  - Services revenue decline of 9.1% due to contract completions that were partially offset by new customer programs including Airborne COTM
  - New customer programs, including Airborne COTM, drove an increase in Equipment & Installation revenue of 151.7%
- Moderate and temporary shift in the revenue mix from Service revenue to Equipment & Installation revenue as we are going through a cycle of new program implementation

$m	1H19	1H18	% var.
Services	67.6	44.8	*50.8*
Equipment & Installation	12.8	2.7	*374.3*
Total Government Revenue[1]	**80.4**	**47.5**	***69.3***
excluding Globecomm	*47.5*	*47.5*	*0.0*

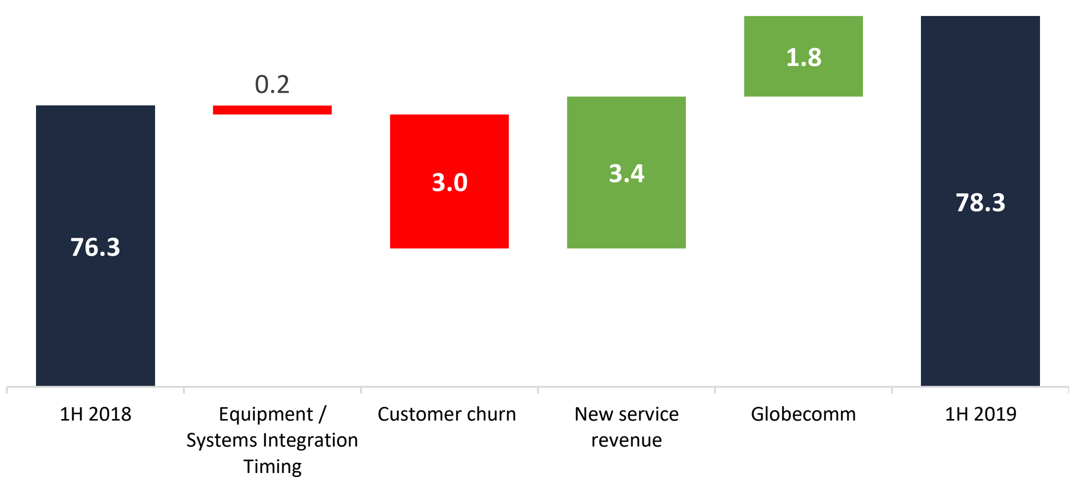
Note: 1H19 revenue reconciliation by division is disclosed in Appendix 4

Energy

- Energy revenues up 2.6% to $78.3m driven primarily by Globecomm's $1.8m contribution and slight increase in organic revenue
- Organic revenue up 0.2% to $76.5m, reflecting:
  - Services revenue up 0.5% due to new drilling fleet and strong growth in oilfield services, offset by customer churn (mainly prior year)
  - Delays to Mozambique associated systems integration projects pushing revenue out to 2H19 / 1H20
  - Overall, 1H activations exceeded revenue churn
- Total number of active deepwater offshore rigs served by Speedcast has increased to 87 at end of June 2019, from 73 at end of December 2018
- Energy Division revenue has stabilised, in line with the overall oil & gas sector. Global rig count has started increasing in 1H19

$m	1H19	1H18	% var.
Services	74.0	72.2	*2.4*
Equipment & Installation	4.3	4.1	*5.7*
Total Energy Revenue	**78.3**	**76.3**	***2.6***
excluding Globecomm	*76.5*	*76.3*	*0.2*

1H18 to 1H19 Energy revenue bridge ($m)

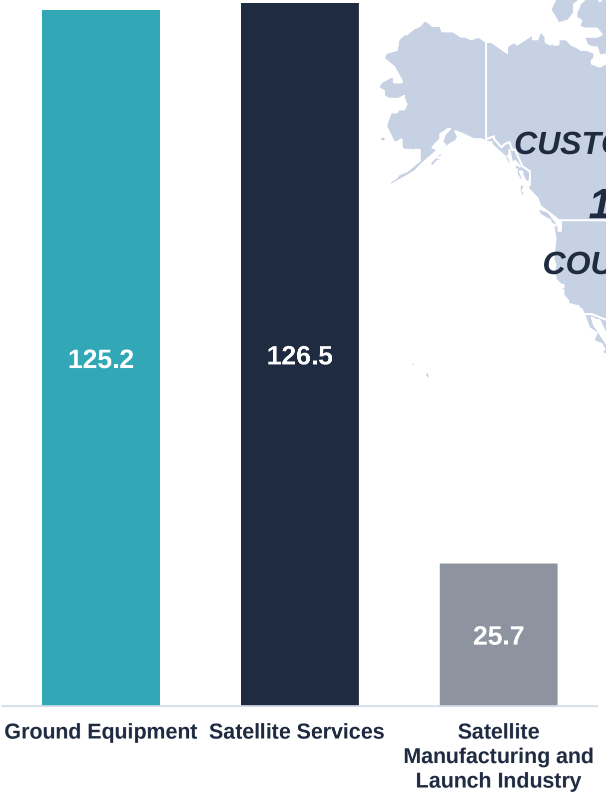


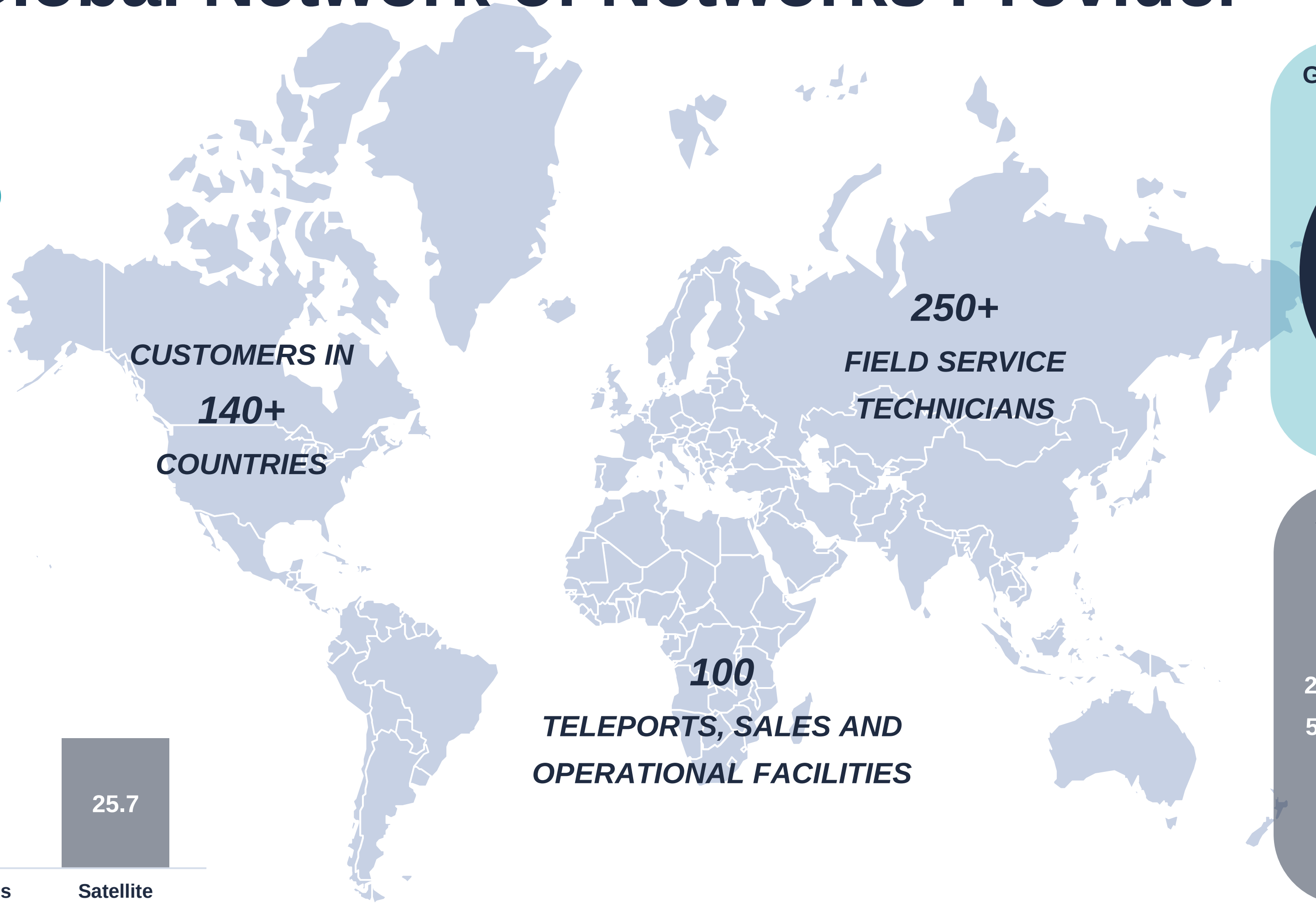
1. 1H19 revenue reconciliation by division is disclosed in Appendix 4

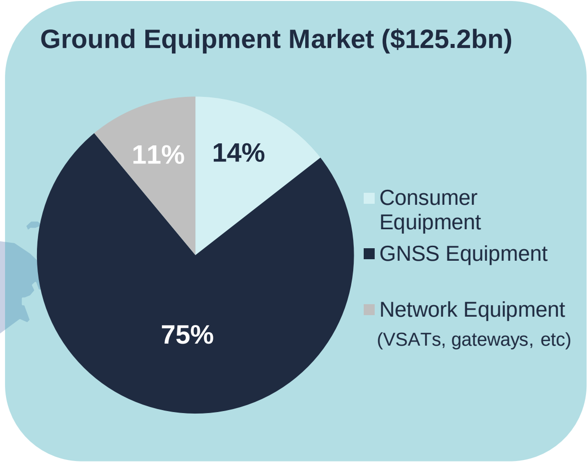
Streamlining operations and systems

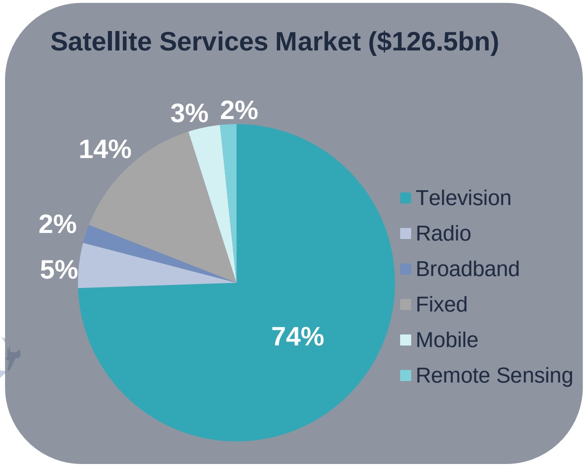
Largest Global Network of Networks Provider

Global Satellite Market ($bn)









ASIASAT eutelsat INTELSAT SES inmarsat APSTAR JSAT RSCC Telesat

Source: Satellite Industry Association, Annual State of the Satellite Industry 2018

From Vision to Actions

Mission

Readying Speedcast for the next level

1. Strengthening the foundations of the operating system and driving efficiencies through: processes, standards, and leveraging our global footprint to its maximum potential

2. Becoming data and software driven in everything we do: internally (analytic based decision and automation) and in our products (“more software, less hardware”).

Vision

Speedcast operating system to become a differentiating and athletic engine for growth

Enable organic growth through leading and outstanding performance.

Attributes
Energetic, Agile, Lean, Efficient, Performant, Focused, In control, Confident.

Four pillars
- People
- Effectiveness
- Efficiencies
- Technology

Key Initiatives

Focused on four key focal areas underpinned by key initiatives

Priorities for the Operation organisation to support the Mission and progress towards the Vision

Four key focal areas

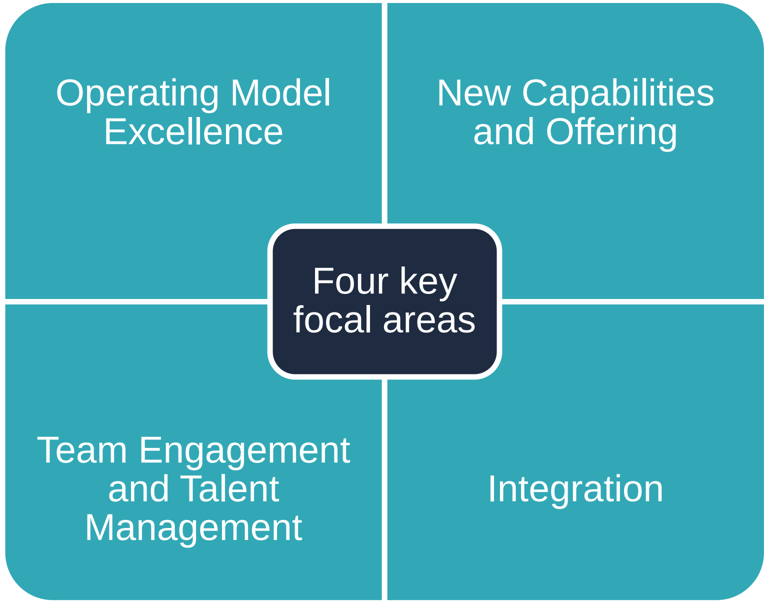
- Operating Model Excellence
- New Capabilities and Offering
- Team Engagement and Talent Management
- Integration

Continuing to focus on service performance

Strategies	*Completed or underway*
Leveraging prior year momentum to continue to deliver high level service	Service management platform unified as at June 2019
Focus on further strengthening synergies from acquisitions	Best of breed Service Quality & Problem Management practice in place
Leverage our unparalleled footprint and global scale	Global Knowledge Management practice and new strategic operations hubs under development
Introduce data and analytics driven operations	End-to-end consistent performance management analytics released (MTTR, MTTA, FTR, NPS)*
Invest with best of breed technology partners	Next generation sat platform, modems and applications

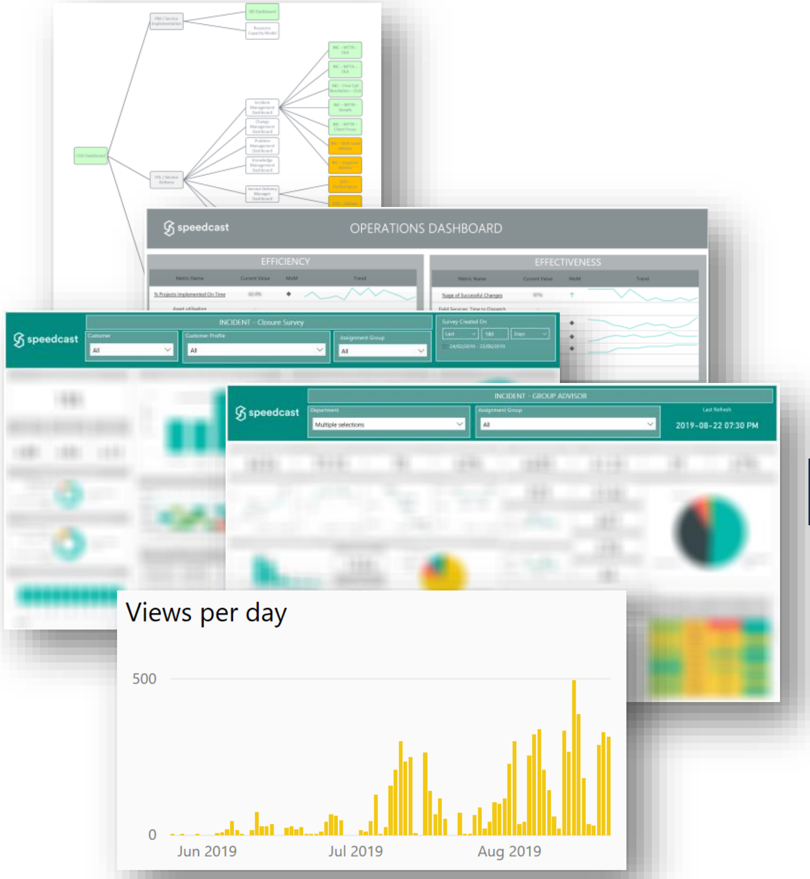
** MTTR: Mean Time to Repair; MTTA: Mean Time to Assign; FTR: First Call/Time Resolution; NPS: Net Promoter Score*

Key initiatives driving data-based outcomes

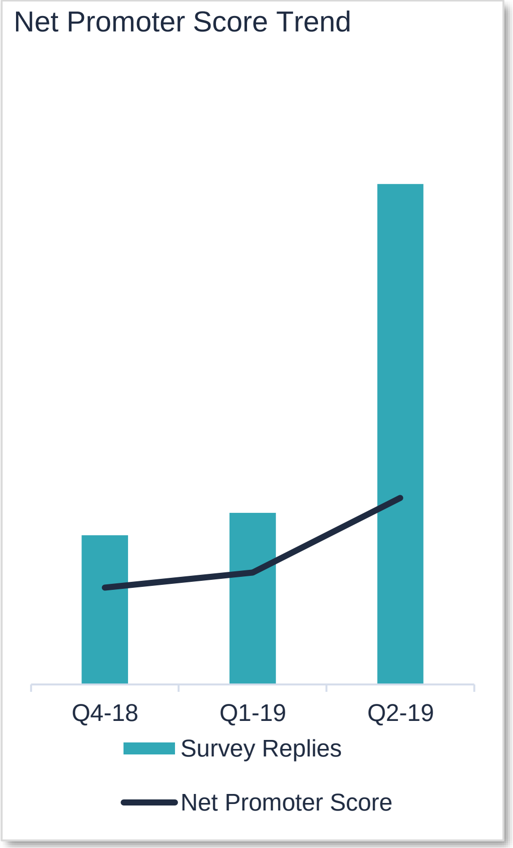


Examples of underlying initiatives

- Global Engineering Centralised
- Global Teleport Operating Model
- OLAs Model and Adoption – Data Driven
- One CSC Program
- Service Delivery Process Governance



Data Driven Organisation



+92% NPS Improvement
Q4-18 to Q2-19

Systems and processes integration and consolidation

ERP milestones achieved in 1H19

- Since 1 July, ERP is now one system in terms of financial data and transactions, with Globecomm integration completed
  - 81 operating entities in total
  - Consolidation of Financial Reporting
  - Global Operations, Billing, Supply Chain and Accounting are all transacting in a single ERP system
- Improved Reporting Platform established

ERP improvements for 2H19

- Further development and enhancements of ERP system
  - Improved reporting enhancements
  - Process improvement program launched
- CRM Upgrade in 4Q19 – Live 1 Jan 2020

Other milestones achieved in 1H19

- Service management system rolled out globally
- Improved Security posture and strengthened business continuity plan

Other improvements for 2H19

- Centralised automated Customer Reporting through the customer portal
- Enhance corporate network performance and reduce cost
- Consolidation of data centers by region

Driving organic growth and positive outlook for 2H19

Contracts announced over 1H19

Key contract wins

Maritime

Four contracts announced

- Delivery of Ku-band VSAT for 17 SKOM vessels for the chartering division of one of Malaysia's largest offshore support vessel providers, Nam Cheong
- New multi-year, fully managed communications contract with color line, onboard the Color Carrier Vessel
- Delivery of Ku-band VSAT services for an additional six vessels for Goodwood Fleet
- Partnership with Nelco Limited, India's fastest growing VSAT service provider to offer global comms at sea

EEM

Ten contracts announced

- New contract increasing mobile coverage in Central America
- Expansion in Ecuador through long-time partner PuntoNet
- Developed nationwide satellite backhaul network for a major US mobile carrier
- Upgraded domestic hub in Cook Islands to provide enhanced service offering
- End-to-end support services contract for a major US-based merchandise chain
- Custom private C-band VSAT network for Western Highlands Provincial Health Authority in PNG
- Further contracts and agreements signed with South African based Mike Horn; Columbia based CenturyLink and In Aria!

Government

Four contracts announced

- One of multiple awardees on 5-year, multi-billion dollar defense contract to provide equipment and services
- Subcontract agreement for US Government Defense to provide access control, communications and surveillance services across five geographic locations
- 12-month contract for the implementation and provisioning of cellular-based voice, data and messaging services
- Awarded multiple airborne, comms-on-the-move (COTM) equipment and services contracts

Energy

Six contracts announced

- 1000-site installation spanning 27 US states for a North American provider of midstream energy services
- Awarded new multi-year communications contract with Fred Olsen Windcarrier
- Awarded new master service agreement with Sapura Energy and multi-year contract to deliver communications onboard assets
- Three-year contract for onshore/offshore connectivity services in North and South America for Nabors Industries
- Awarded a new contract to deliver communications for a worker camp in Mozambique

2019 market and revenue outlook for our four divisions

Maritime

Cruise | Ferries | Yachting | Fishing | Commercial Shipping

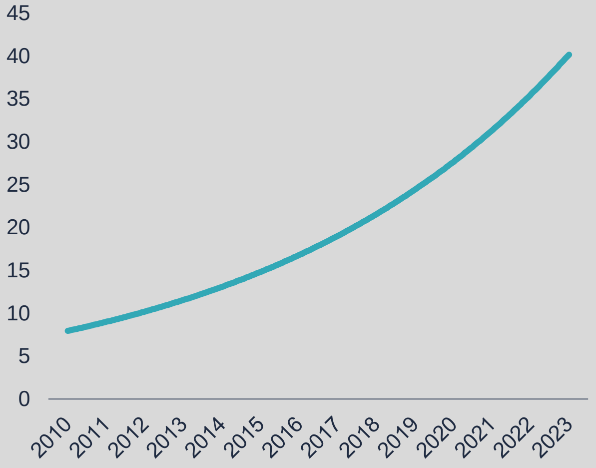
Revenue Outlook

- Targeting modest single digit growth (excluding Globecomm)
  - Major Commercial Maritime contract end in 1H negatively impacting FY19 growth. Backlog of 487 vessels to continue being implemented in 2H19
  - Cruise and Ferries expected to continue healthy growth in 2H driven by bandwidth increases and equipment sales

Market Outlook

- Cruise passenger and crew connectivity demands at a positive inflexion point
- Narrowband to broadband migration accelerating in commercial shipping as it is becoming a standard
- Automation and IOT to drive bandwidth growth

Active maritime VSAT terminals (000's)



Source: NSR

EEM

ISP | Telco | NGO/Civil | | Broadcast/Media | Mining

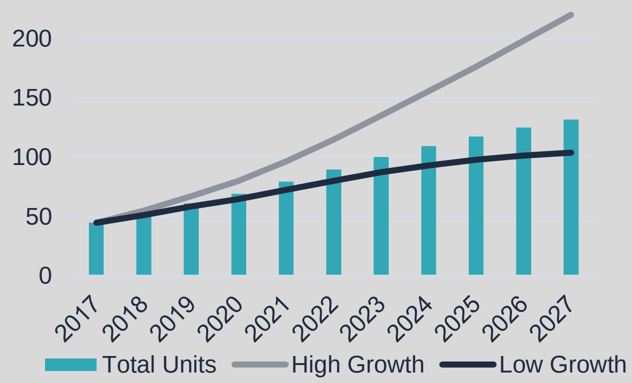
Revenue Outlook

- Second half expected to be stronger on the back of:
  - Higher NBN revenue with the end of Phase 1 and the start of Phase 2 operations revenue
  - Backlog implementation and recent contract wins expected to exceed revenue churn
  - Well advanced large systems integration opportunities in the US and EMEA
  - Continued implementation of IOT services with a backlog of 24,000 connections
- As a result organic services revenue growth is expected in FY19, but overall organic revenue will decline due to NBN impact

Market Outlook

- Diversified segment in fragmented industry
- Cellular backhaul and rural connectivity driving growth

In-Service Units - Wireless Backhaul (000's)



Source: NSR

2019 market and revenue outlook for our four divisions

Government

US/Global Government | IGO | Military/Defense | Navy/Coast Guard | Land/Sea/Air

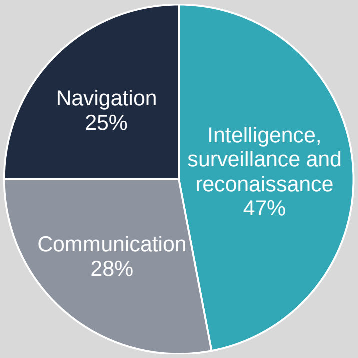
Revenue Outlook

- Revenue growth for FY19 is still expected to be mid to low single digits, excluding Globecomm, driven by new Equipment sales and Services revenue as a result of pipeline conversion of managed network service and professional service opportunities
- Revenue mix expected to be weighted towards equipment and system integration, in line with addressing increasingly complex military satcoms

Market Outlook

- Speedcast's penetration of the US$6.9 billion Government satcom market is less than 3%, providing growth opportunity through:
  - Global military satellite segment penetration and projected growth in addressable market of 3% CAGR over 2018-2028[1]
  - Significant opportunity for deeper penetration in the IGO/NGO space

Global military satellite market by segment and value



Intelligence, surveillance and reconnaissance

- Strong foothold in this segment and investing for further growth

Communication

- Positioned in communications segment but opportunity for penetration into military communications still to be realised

Navigation

- Significant opportunity as Speedcast currently has not entered this segment

Energy

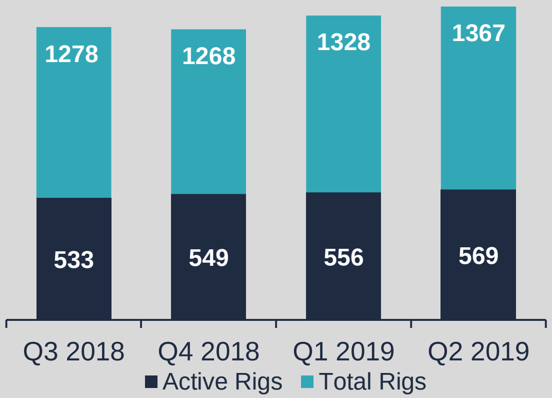
O&G Offshore/Onshore | Pipelines | Oil Platforms | OSV | FPSO | Renewable Energy

Revenue Outlook

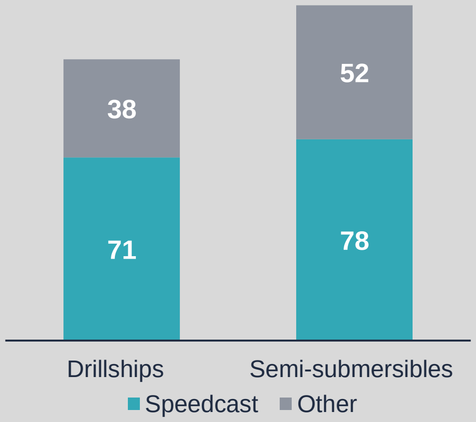
- Revenue expected to grow around 5% in line with previous guidance
- Continued revenue growth with oil services companies
- Strong focus on growing market share in drilling through leveraging recent contract awards and opportunities in the pipeline
- Delays to some systems integration projects expected in H2 2019/H1 2020 due to unrest in Mozambique

Market Outlook

- Market has stabilised and Speedcast is positioned as the market leader with significant of market share in deepwater drilling, well positioned for growth as the market starts recovering.



Deepwater drilling market share



Source: NSR Government & Military Satellite Communications, 15th Edition –November 2018; Speedcast Research

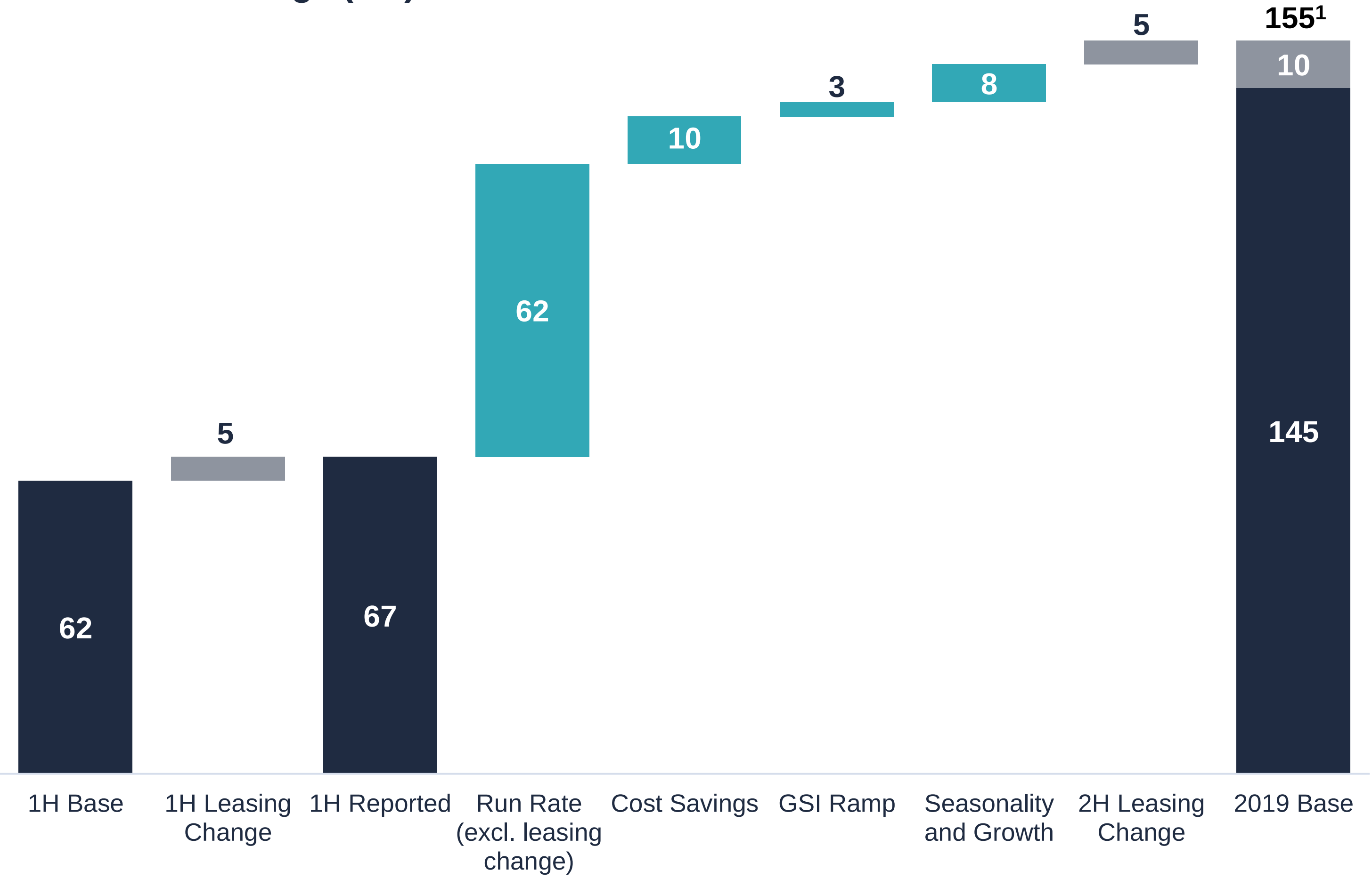
Implementing cost savings

- Delivering cost reductions in 2H across the business through:
  - Comprehensive staffing review leading to streamlining of middle management positions and reinvestment in areas critical to enhancing customer experience (net ~$5.5m)
  - Targeted approach to network cost optimisation ($2.0m)
  - Other procurement negotiations, including indirect costs (~$1.0m)
  - Additionally, Speedcast is better embedding a cost-conscious culture and assessing other opex savings ($1.5m)
- The above operational cost savings are targeting $10m in cost savings in 2H19 with the business focused on maintaining this level of expenditure moving forward

Outlook for FY19

- Moderate organic growth in 2H19
- EBITDA in the range of $150m - $160m (including $10m of Leasing reclassification benefit)
- Globecomm underlying EBITDA expected to be ~$21m, including cost synergies of ~$11m ex Leasing reclassification benefit
    - Expecting $18-20m of Globecomm cost synergies in 2020
- Expected cost savings of $10m in 2H19, equating to $20m of annualised savings
- Targeting $50m capex
- No dividend to be declared for 2H19
- Leverage Ratio target below 4x at end of 2019

FY19 EBITDA Bridge ($m)



1. Reflects the midpoint of the guidance range of $150-160m

Thank you. Any questions?

Appendices

Appendix 1: Reconciliation of Statutory to Underlying results

USD $m	Underlying 1H19	Underlying 1H18
Statutory NPAT	**(175.5)**	**0.5**
Acquisition related costs[1]	2.7	0.4
Integration costs[2]	10.0	1.0
Restructuring costs[3]	-	0.6
Impairment	154.8	-
(Gain) on extinguishment of interest rate hedges	-	(3.0)
Foreign exchange loss/(gain)	4.8	(1.9)
Accelerated amortisation of capitalised facility fees on borrowing – finance cost	-	8.6
Interest expense on deferred consideration – finance cost	0.3	0.8
Unwinding of fair value adjustments on acquisitions – finance cost	0.2	0.3
Tax effect of above items	(2.9)	(1.4)
Underlying NPAT	**(5.6)**	**5.9**
Add back: Amortisation (net of tax)	20.3	15.2
Underlying NPATA	**14.7**	**21.1**

(1) Acquisition-related costs such as due diligence, consultants and legal fees in connection with M&A have been excluded from the underlying financial results. Staff costs of $1.0m for the half year ended 30 June 2019 and $0.4m for the half year ended 30 June 2018 are included in acquisition-related costs;

(2) Integration costs relating to the integration of Globecomm, acquired on 14 December 2018 have been excluded from the underlying financial results. Staff costs of $4.3m for the half year ended 30 June 2019 and $0.7m for the half year ended 30 June 2018 are included in intergaration costs;

(3) Restructuring costs of US$0.6m were incurred during the half year ended 30 June 2018. There have been no restructuring costs incurred in the half year ended 30 June 2019. Staff costs of $0.2m for the half year ended 30 June 2018 are included in restructuring costs;

- The underlying financial results have been presented to provide a better understanding of Speedcast's financial performance in the period
- Underlying financial results are intended to exclude items which are non-recurring in nature, such as goodwill impairment charges, acquisition related transaction costs, integration costs and restructuring costs
- The table opposite reconciles Statutory NPAT to Underlying NPAT and NPATA
  - Acquisition related costs of $2.7m include due diligence, consultants and legal fees, including in relation to Globecomm and other projects
  - Integration and restructuring costs (totalling $10.0m) principally relate to the Globecomm acquisition
  - Foreign exchange losses of $4.8m arose on non trading balances in various countries and have been excluded from the underlying result
  - The collective tax impact of the adjustments is a credit of $2.9m

Appendix 2: Statutory results impacted by goodwill impairment

	Statutory	
$m	**1H19**	**1H18**
Revenue	357.6	304.8
Expenses	(383.1)	(304.1)
Impairment	(154.8)	-
(Loss)/Profit before income tax	**(180.3)**	**0.7**
Income tax benefit /(expense)	4.8	(0.2)
(Loss)/Profit after income tax	**(175.5)**	**0.5**

- Goodwill allocated to Speedcast non-Government and Speedcast Government reporting segments
- A review for impairment was triggered by lower than expected financial performance and consequent impact on market capitalisation
- Goodwill impairment of $154.8m to Speedcast non-Government, excluded from Underlying results
- Statutory Loss after income tax of $175.5m

Appendix 3: EBITDA leasing reconciliation

AASB16 Leases adopted from 1 January 2019.
In accordance with Accounting Standards, prior year comparatives have not been restated

P&L impact

- Previously lease payments in 'other expenses' now split between Depreciation and Finance Costs
- Underlying EBITDA H1 19 includes $4.6m reclassification benefit
- This has no cash impact

Balance sheet impact

- To increase balance sheet reported lease liabilities by $58.8m (current & non-current)
- To increase balance sheet reported PP&E assets by $52.4m

Credit Facility impact

- The adoption of AASB16 does not impact the calculation of EBITDA and Indebtedness under the definitions of the Facility Agreement entered into by Speedcast in May 2018

Underlying	Pre-AASB16		Net impact of AASB16	Reported
US$m	1H18	1H19	1H19	1H19
EBITDA	**60.4**	**62.2**	**4.6**	**66.8**
Depreciation and Amortisation	(37.9)	(49.6)	(4.1)	(53.7)
EBIT	**22.5**	**12.6**	**0.5**	**13.1**
Finance costs	(15.0)	(19.5)	(1.1)	(20.6)
Income tax expense	(1.6)	1.9	-	1.9
Underlying NPAT	**5.9**	**(5.0)**	**(0.6)**	**(5.6)**

Balance Sheet impact (US$m)	30 Jun 19
Lease liabilities (current & non-current)	58.8
PP&E	52.4

Appendix 4: Divisional revenue reconciliation

$m	Services 1H19	Services % change from 1H18	Equipment & Installation 1H19	Equipment & Installation % change from 1H18	Wholesale Voice 1H19	Wholesale Voice % change from 1H18	Divisional Totals 1H19	Divisional Totals % change from 1H18
Maritime Revenue	**111.3**	**18.3%**	**8.0**	***(34.4%)***	-	-	**119.3**	**12.0%**
Maritime Revenue excluding Globecomm	*97.0*	*3.1%*	*7.7*	*(38.0%)*	-	-	*104.7*	*(1.7%)*
EEM Revenue	**56.3**	**38.4%**	**13.7**	***(36.2%)***	**9.6**	**(22.2%)**	**79.6**	**6.8%**
EEM Revenue excluding Globecomm	*40.8*	*0.2%*	*8.2*	*(61.8%)*	*9.6*	*(22.2%)*	*58.6*	*(21.4%)*
Government Revenue	**67.6**	**50.8%**	**12.8**	***374.3%***	-	-	***80.4***	***69.3%***
Government Revenue excluding Globecomm	*40.7*	*(9.1%)*	*6.8*	*151.7%*	-	-	*47.5*	-
Energy Revenue	**74.0**	**2.4%**	**4.3**	***(5.7%)***	-	-	***78.3***	***2.6%***
Energy Revenue excluding Globecomm	*72.6*	*0.5%*	*3.8*	*(6.4%)*	-	-	*76.5*	*0.2%*
Total Revenue	**309.1**	**22.8%**	**38.9**	***(4.6%)***	***9.6***	**(22.2%)**	***357.6***	**17.3%**
Total Revenue excluding Globecomm	*251.1*	*(0.3%)*	*26.6*	*(34.8%)*	*9.6*	*(22.2%)*	*287.2*	*(5.8%)*

Appendix 5: Balance Sheet Overview

USD $m	30 Jun 2019	31 Dec 2018
Cash	54.6	79.7
Trade & other receivables	261.8	232.5
Inventories	40.6	28.9
Income tax receivable	4.7	4.5
Total current assets	**361.7**	**345.6**
PP&E	197.4	140.2
Deferred Tax Assets	28.3	21.6
Intangibles (including Goodwill)	537.2	710.1
Other Non-current assets (including Derivative Financial Instruments)	5.2	2.5
Total Assets	**1,129.8**	**1,220.0**
Trade and other payables	268.1	252.8
Borrowings (Current)	4.7	6.0
Income tax payable	-	3.4
Lease liabilities	8.3	-
Total Current liabilities	**281.1**	**262.2**
Borrowings (Non-Current)	649.9	625.4
Trade and other payables	15.9	24.5
Deferred Tax Liabilities	18.1	19.9
Derivative liabilities	20.2	6.2
Lease Liabilities	50.5	-
Total Liabilities	**1,035.7**	**938.2**
Net Assets	**94.1**	**281.8**

- Net Working Capital, including Trade & Other Receivables, Inventories, and Trade and Other Payables are discussed in more detail on slide 8
- Intangibles decreased from $710m to $537m mainly due to the goodwill impairment accounted in 1H19
- Current and Non Current Borrowings total $655m at 30 Jun 2019 ($631m at 31 Dec 2018). This includes gross drawn debt of $667m (Dec 2018: $645m) offset by prepaid facility fees of $12m (Dec 2018: $13m)
- Net debt (as defined in the Facility Agreement) increased by $39m from $586m at 31 Dec 2018 to $625m at 30 Jun 2019. Net debt includes Borrowings (excluding prepaid facility fees), Unrestricted Cash and other asset financing. The increase reflects adverse working capital, non-recurring integration costs and capex

Appendix 6: Leverage ratio reconciliation

US$m	Dec 18	Jun 19
Total 12m Reported EBITDA	**132**	**134**
Adjustments	(1)	(1)
Proforma Globecomm (incl synergies)	40	22
Proforma Cost optimisation	-	20
Total EBITDA for leverage calculation	**170**	**175**
Cash & Cash Equivalents	(80)	(55)
Restricted Cash	11	5
RCF Drawn	47	72
TLB Drawn	597	594
Asset financing	10	9
Net debt for leverage calculation	**586**	**625**
Net debt / EBITDA	**3.44**	**3.57**

- Net debt and EBITDA have been shown in accordance with the definitions of the Credit Facility Agreement

Appendix 7: Glossary

BI	Business Intelligence
COTM	Communications On The Move
CRM	Client Relationship Management
CY	Calendar Year
EBITDA	Earnings before interest taxes depreciation and amortization
EEM	Enterprise and Emerging Markets
ERP	Enterprise Resource Planning
FPSO	Floating Production Storage and Offloading
FY	Financial year
IGO	International Government Organization
ISP	Internet Service Provider
NBN	Australia's National Broadband Network
NPAT	Net profits after taxes
NPATA	Net profits after taxes and amortization
OSV	Offshore Supply Vehicle
PCP	Prior corresponding period
Telco	Telecommunications
USD	United States Dollars
VSAT	Very Small Aperture Terminal

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