

## Ratings update

**SYDNEY, 5 September 2019** – [Speedcast International Limited](#) (ASX: SDA), the world's most trusted provider of remote communication and IT solutions, provides the following update in relation to the Company's credit ratings:

- S&P Global has lowered its issuer credit rating to B from B+, and placed its rating on CreditWatch negative
- Moody's has lowered its issuer credit rating to B2 from B1, and retained its negative ratings outlook

These ratings actions were the result of the Company's recently announced financial results for the six months ended 30 June 2019 (H1 2019) and board and management changes.

Having historically delivered a strong track record of cash generation, the Company's negative cashflows over H1 2019 were non-structural and mostly due to an adverse short-term working capital movement.

Initiatives implemented in relation to inventory and receivables to deliver positive working capital, reduced capital expenditure at the lower end of previous guidance, a pause in dividends, and cost savings actions already implemented, are expected to lead to a significant improvement in cashflow in H2 2019.

Speedcast does not have a ratings covenant in its debt facilities, and the only financial covenant in place requires its Leverage Ratio (being net debt to pro forma last 12 months' EBITDA) to be below 4.5x (up to 31 December 2020). As at 30 June 2019, this ratio was 3.6x, with the Company targeting the ratio to be below 4.0x at the end of 2019.

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### About Speedcast International Limited

Speedcast International Ltd (ASX: SDA) is the largest provider of remote communications and IT services in the world. Speedcast's fully managed service is delivered via a leading global, multi-access-technology, multi-band and multi-orbit network of 70+ satellites and an interconnecting global terrestrial network, bolstered by extensive on the ground local

support from 40+ countries. This global “network of networks” allows customers to fully rely on the most robust, integrated infrastructure available in the market for their mission critical applications. Speedcast is uniquely positioned as a strategic business partner, tailoring communications, IT and digital solutions to meet unique customer needs and enable business transformation. Speedcast extends its managed services through differentiated technology offerings including cyber-security, crew welfare, content solutions, data and voice applications and network systems integration services. With a passionate customer focus and a strong safety culture, Speedcast serves more than 2,000 customers in over 140 countries in sectors such as Maritime, Energy, Mining, Enterprise, Media, Cruise, NGOs and Government. Learn more at [www.speedcast.com](http://www.speedcast.com).

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