

## CUSTOMER FAQ

### **1. What did Intelsat announce?**

Intelsat announced on May 13 that it is undertaking a financial restructuring to position the Company for long-term success – paving the way for future innovation and growth. The restructuring process is intended to enhance the Company’s liquidity and will likely result in a substantial reduction of Intelsat’s legacy debt burden, allowing for Intelsat to emerge with a strengthened balance sheet to complement its strong operating model.

### **2. Why did Intelsat initiate a financial restructuring process and why now?**

One of the primary catalysts for restructuring the balance sheet now is the Company’s desire to participate in the accelerated clearing of C-band spectrum under the Federal Communications Commission order in support of a build-out of 5G wireless infrastructure in the United States. On May 26, Intelsat announced its decision to opt into the accelerated clearing plan. To meet the FCC’s accelerated clearing deadlines and ultimately be eligible to receive \$4.87 billion of accelerated relocation payments, Intelsat needs to spend more than \$1 billion on clearing activities. These clearing activities must start immediately, long before costs begin to be reimbursed. The Company is also managing the economic slowdown impacting several of its end markets caused by the COVID-19 global health crisis.

Following a thorough review of various alternatives, Intelsat determined that the best way to generate the liquidity necessary to clear the C-band, continue its capital investments, and address its significant legacy debt burden was through a financial restructuring in Chapter 11. Intelsat General (IGC), which serves the Company’s U.S. commercial, government, and Allied military customers, is not part of the Chapter 11 proceedings.

### **3. Does this mean that Intelsat will be participating in the accelerated clearing of C-band spectrum as called for by the FCC’s order?**

Yes. We have elected to participate in the accelerated clearing of C-band spectrum under the Federal Communications Commission order in support of a build-out of 5G wireless infrastructure in the United States.

### **4. How does this benefit Intelsat? Why is this a positive development?**

Intelsat has a powerful platform, a talented team of dedicated employees that it is looking to retain, and a compelling business model and plan for future growth. With a strengthened balance sheet, Intelsat will be on stronger financial footing for the future. This will further enhance the Company’s industry-leading portfolio of services in space-based communications, making Intelsat an even better partner to its customers and business partners, and paving the way for the continued investment, innovation, and growth that will drive the business forward.

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**5. Will Intelsat’s day-to-day operations be affected?**

No. Intelsat’s day-to-day operations will continue as usual during the financial restructuring process.

Moreover, during the process, Intelsat will be driving its business forward – launching new satellites, investing in its ground networks, developing new services, and progressing its next generation network and service strategy at full speed. The Company’s momentum has not changed.

**6. Does Intelsat have enough money to continue operating as usual during the financial restructuring process? To continue to invest?**

Intelsat has secured \$1 billion of new financing. This financing – coupled with significant cash on hand and positive cash flow generated by the business – will provide ample liquidity during the process to support ongoing operations, fund the substantial upfront clearing costs, and allow the Company to continue investing in the innovations and services that its customers need today and in the future.

**7. When will the financial restructuring process be completed?**

Intelsat’s goal is to complete its financial restructuring process as quickly as possible.

**8. Are there companies that went through this process and emerged stronger?**

Absolutely. Many well-known companies, including General Motors and American Airlines, have gone through this orderly, proven process, “reset,” and emerged stronger.

**9. How will the financial restructuring process affect Intelsat customers?**

Intelsat is moving the business forward – without interruption – and that means we will remain focused on successfully serving you, across all of our world-class capabilities, with the same level of excellence you expect from us.

Moreover, the process does not alter our momentum – we will continue to invest, focus on innovation, progress our next generation network and service strategy, launch new satellites, and develop new services for our customers.

It’s important to recognize that, unlike some other companies in the space, Intelsat is using the financial restructuring process as a mechanism for investment and growth. This is not a situation where the Company is looking to revamp its business model.

At the end of this process, we will be on stronger financial footing for the future, paving the way for our continued investment, innovation, and growth. This will position us to build on our strengths and serve the mission-critical needs of our customers with additional resources and wind in our sails.

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**10. Can I expect the same level of service from IntelSat?**

Absolutely. We are moving the business forward – without interruption – and you can count on IntelSat to continue to serve you at the level of excellence you have come to expect from us.

**11. Will IntelSat continue to execute on its investment plans during the financial restructuring process?**

While IntelSat moves as quickly as possible through this strategic restructuring process, it will continue to execute on its investment plans:

- The Company has contracted for the next IntelSat Epic satellite (IntelSat 40e) to serve CONUS starting in 2022.
- The Company plans to contract for the next generation of IntelSat Epic software-defined satellites this year.
- The Company is launching Galaxy 30 and proceeding with a second Mission Extension Vehicle before year end.
- The Company is investing in ground and universal modem technology and pursuing other organic and inorganic disruptive technology opportunities.
- The Company is contracting for new satellites to support the C-band clearing.

**12. Will I have the same point of contact during the restructuring process?**

IntelSat does not anticipate any change to your usual point of contact.

**13. How can I obtain more information?**

As always, you should feel free to reach out to your sales director or your regional vice president with any questions. Senior executives are also available to answer any questions you may have.

Additional information can also be found at [Intelsatonward.com](https://www.intelsatonward.com).