



Jorge Rodriguez, Marketing
Manager at HISPASAT ●●●

HISPASAT is the Spanish satellite communications operator, leader in the distribution of content in Spanish and Portuguese.

With more than 25 years of experience, the HISPASAT Group maintains an important presence on the Iberian Peninsula and in Latin America, where it is now the fourth satellite operator. HISPASAT has solidly positioned itself in high growth markets and has a stable strategic client base.

HISPASAT distributes more than 1,250 television and radio channels through its powerful fleet of satellites and is a key driver for the Spanish aerospace industry.

Expanding capacity in key regions

Spanish satellite operator HISPASAT has more than 25 years of experience in the industry, and has solidly positioned itself in high growth markets and gained a stable and strategic client base. The company distributes more than 1,250 TV and radio channels through its extensive fleet of traditional and high throughout satellites. Amy Saunders met with Jorge Rodriguez, Marketing Manager at HISPASAT, to discuss the latest trends in the broadcast market and the company's growing presence in the satellite sector.

Question: Can you provide an overview of HISPASAT's key achievements this year?

Jorge Rodriguez: 2017 is a very important year for us because we have launched two new satellites - HISPASAT 36W-1 and Amazonas 5 - that together with HISPASAT 30W-6, which will be in orbit in the following months, will complete the significant milestone to launch three satellites in one year.

It's a substantial change for us in terms of growth. Our capacity will be expanded a lot, especially in our key regions; EMEA and the Americas. In terms of market segments, Amazonas 5 and HISPASAT 30W-6 include Ka-band high throughput capacity, which will help us to grow in the broadband

and connectivity markets. Amazonas 5, for example, will provide 25Gbps of HTS connectivity in Latin America, consolidating our leadership in the region in HTS.

We are also incorporating more Ku and C-band capacity, especially in the Americas, where we have major video distribution and DTH neighbourhoods in both 30 degrees W and 61 degrees W orbital positions. With these new satellites, we are reinforcing our role in video delivery in the region, boosting our customers' platforms and services.

Question: What can you tell us about HISPASAT's key markets, and how are they evolving?

Jorge Rodriguez: In terms of geographies, we are seeing Latin America as a key market for us in terms of growth. Additionally, we are also adding new capabilities to our coverage in Europe, North of Africa and North America to support our key partners and customers in these regions.

Video delivery, including distribution, broadcasting, and contribution, is key to our business, so we are supporting this vertical by increasing our capacity and performances, serving high level of quality requirements for our media customers and boosting innovation in areas such as 4K TV and second screen.

Moreover, we see very promising prospects for the connectivity market. The fixed broadband market will have a CAGR growth rate of 18.3 percent during 2016-2026. Consumer broadband and backhauling, where



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HISPASAT has a strong position, are leading the growth in this market. We are sure that satellite will play a role to connect the unconnected that will drive the growth of our sector in the coming years.

HISPASAT is also the leader in the mobility sector for railway. We have a proven track record of projects in Europe. Currently, we are exporting our solutions to other markets in collaboration with key players in the value chain. Railway is relevant, but other market segments like maritime and aero are impacting positively on our revenues.

Question: The broadcasting market is in a major state of change as 4K and HDR become more commonplace throughout the industry. What is your assessment of these trends?

Jorge Rodriguez: HISPASAT has a long history with 4K. Our first demonstration was in 2013, four years ago. Since then, we have performed many demonstrations and pilots, and also have our own 4K channel: HISPASAT 4K TV. After some years of technology consolidation, it is now time for commercial launch.

Sales of 4K TVs are growing. Some key players in the market are investing in 4K and we expect that, in the coming years, the number of 4K channels available will grow significantly. Right now, there are close to 100 UHD available, and it is expected that by 2025 there will be more than 800 services.

We are working to help our customers launch their 4K projects. For example, during IBC 2017, HISPASAT announced a new project with Media Broadcast Satellite for a 4K distribution platform across Europe, North Africa, and the Middle East. With this new platform, we will help service providers to launch their 4K services mitigating the main barriers they have for distribution.

In terms of technology innovation, HDR is key for 4K development; it is a great technology that will help all ultra-high definition systems to increase quality and prove a truly immersive experience.

There are many formats on the market right now, some with dynamic metadata, and some with static metadata, so it is important that this fragmentation is solved soon. We need

to have a clear solution for operators as soon as possible.

Question: OTT is another major trend affecting the broadcast sector right now – How do you think this trend is going to develop?

Jorge Rodriguez: We think that the future is hybrid. The combination of OTT with linear TV is key to balance user needs and network efficiency. The figures are supporting this idea; Netflix users, for example, watch 1.5 hours per day of Netflix content, but they're still watching 2.5 hours of linear TV per day as well (this data is taken from the USA). So, while we're seeing some changes in patterns from the consumer perspective, these two technologies are linked, creating a very good experience for end users.

Question: What can you tell us about HISPASAT's plans for future satellites?

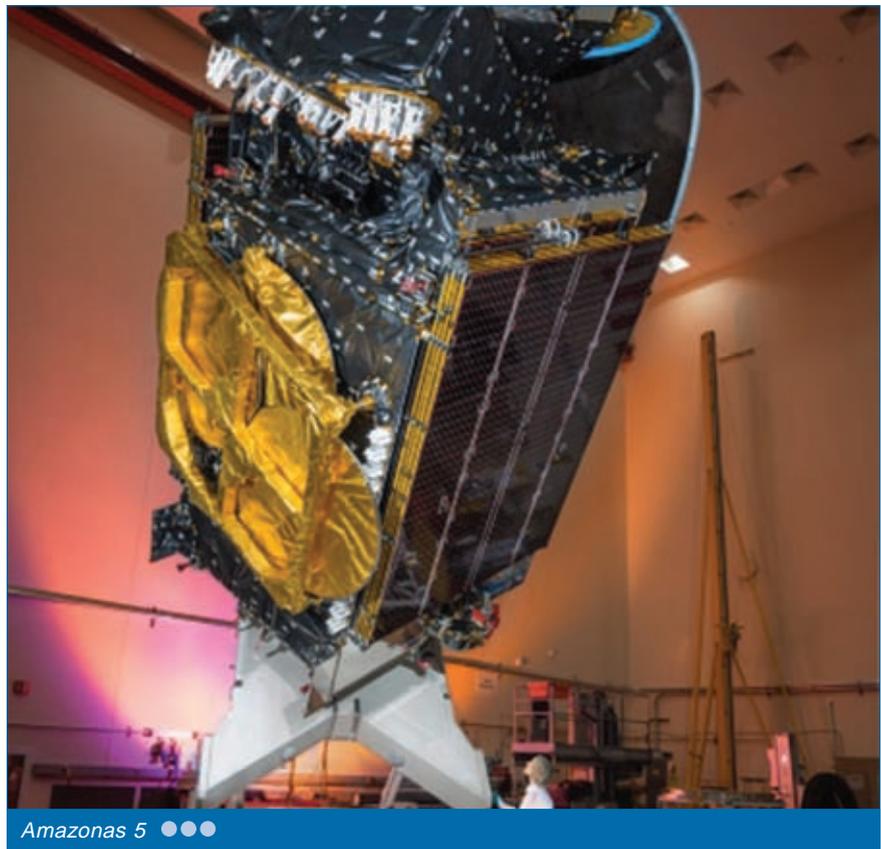
Jorge Rodriguez: As you know, the satellite sector is changing, and there are a lot of options available right now. Many operators, as HISPASAT is, are launching HTS and looking for solutions for very high throughput satellites

(VHTS), which will provide close to 1Tbps. Additionally, new entrants are announcing new LEO constellations that will arise in the coming years.

At HISPASAT, we are committed to providing affordable and seamless connectivity in our footprints, so we will always look for the best solution for our customers and partners. It is too soon to say what technology will win the battle for efficiency and performance; what is sure is that HISPASAT will keep innovating and working with the industry to improve current solutions. Our future satellites for sure will incorporate advanced communications systems to keep being competitive and a leader in our market segments.

Question: What do you expect HISPASAT to achieve in 2018?

Jorge Rodriguez: From the commercial and operational perspectives, our focus will be the operation and commercialization of our three new satellites. Getting those new payloads and the ground segment operational is key, especially the Ka-band HTS capacity. So, 2018 will be a challenging year for us, full of new projects and opportunities.



Amazonas 5 ●●●