



INMARSAT PLC 2014 UK SHARES/SAVE PLAN

2018 AND 2019 SHARE OPTIONS

This Letter is important and explains the impact of the Acquisition on your 2018 and/or 2019 share options and what you need to do. Please read it carefully.

You will need to make a decision about when you want to exercise your 2018 and/or 2019 share options. More detail is set out in this Letter but if you want to exercise at the earliest opportunity (on Court Sanction), the deadline for you to make your choice is 5 pm UK time on 30 September 2019.

Please note that all unexercised 2018 and 2019 share options will lapse in full six months after Court Sanction (unless they lapse earlier in accordance with their terms) so if you do nothing, your 2018 and/or 2019 share options will lapse, you will receive no value for them and your savings will be returned to you.

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Acquisition or the contents of this Letter or what action you should take, you are recommended to seek your own personal financial, tax and legal advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

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Connect Bidco Limited
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9 September 2019

Dear Colleague

Acquisition of Inmarsat plc by Connect Bidco Limited: how it affects 2018 and 2019 UK Sharesave Plan share options

As you know, Inmarsat and Bidco announced on 25 March 2019 that they had agreed the terms of a recommended acquisition of Inmarsat by Bidco.

This Letter tells you about the impact of the Acquisition on any 2018 and 2019 share options you hold under the UK Sharesave Plan, the choices you have if the Acquisition proceeds and what you need to do. **Once you have made your choice, you will not be able to change it.**

At the back of this Letter you will find a definitions section which explains the key defined terms used in this Letter. A copy of this Letter can also be found on Inmarsat's website at <https://investors.inmarsat.com/offer-for-inmarsat>.

Proposal

Bidco is required by the Takeover Code to make "appropriate proposals" to holders of 2018 and 2019 share options to safeguard their interests in the context of the Acquisition. The proposals are that you exercise any 2018 and 2019 share options you hold to the extent permitted under the UK Sharesave Plan rules either on Court Sanction or within six months after Court Sanction (depending on your individual tax position) and receive USD 7.09 for each Inmarsat Share received on exercise.

Recommendation

The Inmarsat Board, which has been so advised by J.P. Morgan Cazenove, PJT Partners and Credit Suisse as to the financial terms of the proposals, considers the terms of the proposals set out in this Letter to be fair and reasonable in the context of the Acquisition. In providing their advice to the Inmarsat Board, J.P. Morgan Cazenove, PJT Partners and Credit Suisse have taken into account the commercial assessments of the Inmarsat Directors. PJT Partners is providing independent financial advice to the Inmarsat Directors for the purpose of Rule 15(b) of the Takeover Code.

The Inmarsat Board recommends that you accept one of the proposals as set out in this Letter. You should consider your own personal circumstances, including your tax position, when deciding your preferred timing for exercising any 2018 and 2019 share options you hold.

Questions

If you have any questions on the contents of this Letter, please contact shareplans@inmarsat.com but please be aware that no legal, tax, financial or investment advice on the Acquisition, the UK Sharesave Plan or your choices can be provided by Inmarsat, Bidco or Equiniti.

Yours faithfully

A handwritten signature in black ink, appearing to read "Alison Horrocks", with a horizontal line underneath.

Alison Horrocks
Chief Corporate Affairs Officer
for and on behalf of
Inmarsat plc

Yours faithfully

A handwritten signature in blue ink, appearing to read "G. de Lhoneux", with a horizontal line underneath.

Gonzague de Lhoneux
Director
for and on behalf of
Connect Bidco Limited

IMPACT ON 2018 AND 2019 SHARE OPTIONS

1. When can I exercise my 2018 and/or 2019 share options?

If you have already left Inmarsat, please see question 11 below.

If you are still an employee of Inmarsat, you can exercise a proportion of any 2018 and 2019 share options using the savings you have made at the point of exercise from the date of Court Sanction until six months after Court Sanction (unless they lapse earlier under the UK Sharesave Plan rules).

2. What are my choices?

You have two choices - the choice you make will impact how you are taxed when you exercise any 2018 and 2019 share options (see questions 4 and 5 below and the Tax Summary for more detail):

Choice 1: exercise a proportion of any 2018 and 2019 share options on Court Sanction

If you elect to exercise on Court Sanction, each of the Inmarsat Shares you receive on exercise of your 2018 and/or 2019 share options will be bought automatically by Bidco under the Acquisition. You will receive USD 7.09 in cash for each Inmarsat Share.

To exercise a proportion of your 2018 and/or 2019 share options on Court Sanction, please complete the attached Form of Instruction and return the form by email to shareplans@inmarsat.com by no later than **5 pm UK time on 30 September 2019**.

Choice 2: exercise a proportion of any 2018 and 2019 share options in the six months after Court Sanction

You can elect to exercise your 2018 and/or 2019 options in the six months after Court Sanction (unless the 2018 and/or 2019 share options lapse earlier under the UK Sharesave Plan rules). This will give you the chance to make more savings contributions and buy more Inmarsat Shares on exercise than would be the case if you select Choice 1 but it will affect your tax position and you may receive less overall than you would have done if you had exercised on Court Sanction. When you then exercise, each of the Inmarsat Shares you receive on exercise of your 2018 and/or 2019 share options will be bought automatically by Bidco. You will receive USD 7.09 in cash for each Inmarsat Share (less any income tax which your employer has agreed to withhold).

When you wish to exercise, you will need to contact shareplans@inmarsat.com to request an exercise form.

If you do not submit an exercise form so it is received and processed within six months after Court Sanction, any 2018 and 2019 share options will lapse (unless they lapse earlier under the UK Sharesave Plan rules) and you will receive no value for them. Your savings will be returned to you.

3. Can I make different choices for different share options?

Yes, if you hold share options granted in different years, you can choose to exercise each of those share options at different times. You do not have to exercise all your share options at the same time.

Any choice you make for an share option will apply to all of that share option.

4. Do I have to pay income tax and national insurance contributions ("NICs") when I exercise?

This depends on when you choose to exercise:

Choice 1: if you choose to exercise on Court Sanction, you will receive beneficial tax treatment and will not have to pay any income tax or NICs.

Choice 2: if you choose to exercise within the six months after Court Sanction, you will not qualify for beneficial tax treatment and you will need to pay income tax on the "gain" you make. The gain is the difference between the market value of the Inmarsat Shares when you receive them on exercise and the price you paid for them. We expect the market value of an Inmarsat Share to be the same as the cash consideration due to you from Bidco. You will not be subject to NICs.

Please see the Tax Summary for more detail on the tax treatment of 2018 and 2019 share options.

5. How do I pay the income tax?

Your employer has agreed to withhold income tax on 2018 and 2019 share options so that you do not have to deal with the tax yourself. Any tax that your employer has agreed to deduct will be deducted from the cash consideration payable to you by Bidco for the Inmarsat Shares you receive on exercise.

6. When will I receive my cash consideration after I exercise my 2018 and/or 2019 share options?

For Choice 1, you will receive the cash consideration through your payroll in the next practicable payroll after the cash consideration has been paid by Bidco.

For Choice 2, please note that exercises will be processed in batches, usually on a monthly basis. You will receive the cash consideration through your payroll (less any income tax which your employer has agreed to withhold) in the next practicable payroll after your 2018 and/or 2019 share option exercise has been processed.

However, please note that for both Choices 1 and 2, if you elect to receive the cash consideration in USD (see question 7 below) your cash consideration will not be paid through payroll and will be paid to you directly.

7. Will I be able to choose which currency I receive the cash consideration in?

If you exercise your 2018 and/or 2019 share options on Court Sanction, you will receive the USD 7.09 per Inmarsat Share in GBP unless you elect to receive the USD 7.09 per Inmarsat Share in USD. If you wish to elect to receive the USD 7.09 per Inmarsat Share in USD, please contact shareplans@inmarsat.com.

If you exercise your 2018 and/or 2019 share options after Court Sanction, you will receive the USD 7.09 per Inmarsat Share in GBP unless you elect to receive the USD 7.09 per Inmarsat Share in USD. If you wish to elect to receive the USD 7.09 per Inmarsat Share in USD, please contact shareplans@inmarsat.com.

8. Will I receive any compensation?

Yes. Bidco has agreed to pay you a cash amount that reflects the number of additional Inmarsat Shares you would have received had you been able to save for another six months. We will take the total number of Inmarsat Shares under 2018 and 2019 share options, divide that number by 36 and then multiply it by 6. This number of Inmarsat Shares will then be multiplied by the difference between USD 7.09 and the exercise price of your 2018 and/or 2019 share options to give us the compensation amount payable to you.

The compensation amount will be paid through your payroll in the next practicable payroll after you exercise your 2018 and/or 2019 share options (less income tax and NICs). Please see the Tax Summary for more detail.

If you do not exercise your 2018 and/or 2019 share options, you will not receive the cash compensation.

9. What could I receive?

The Appendix to this Letter sets out illustrative examples of the amount that could be received on a 2018 and a 2019 share option exercised on or after Court Sanction.

10. What happens to my savings?

Until you exercise your 2018 and/or 2019 share options, your savings contributions will continue to be deducted from your salary as normal and will be held in your savings account.

When you exercise, your savings account will be closed and your savings used to pay the exercise price of your 2018 and/or 2019 share options.

11. What happens if I leave Inmarsat?

References to "Inmarsat" in this question 11 include Inmarsat and its direct and indirect subsidiary undertakings.

Before the date of this Letter

If you have already left Inmarsat as a Good Leaver, you will normally be able to exercise your 2018 and/or 2019 share options at any time until the earlier of six months from the date you left Inmarsat and six months from Court Sanction, after which time any unexercised 2018 and 2019 share options will lapse. You will need to ensure that you have submitted an exercise form so is it received and processed before the end of that six-month period.

Between the date of this Letter and Court Sanction

If you are a Good Leaver, you will normally be able to exercise your 2018 and/or 2019 share options for six months from the earlier of the date you leave Inmarsat and Court Sanction. You will need to ensure that you have submitted a Form of Instruction or an exercise form so is it received and processed before the end of that six-month period.

If you leave for any other reason (e.g. you resign or are dismissed), your 2018 and/or 2019 share options will lapse on the date you leave Inmarsat and you will get your savings back. Any choice you have submitted on the Form of Instruction or exercise form will be disregarded.

After Court Sanction

If you are a Good Leaver, you will normally be able to exercise your 2018 and/or 2019 share options at any time until six months from Court Sanction, after which time any unexercised 2018 and/or 2019 share options will lapse. You will need to ensure that you have submitted an exercise form so is it received and processed before the end of that six-month period.

If you leave for any other reason (e.g. you resign or are dismissed) after Court Sanction, your 2018 and/or 2019 share options will lapse on the date you leave Inmarsat and you will get your savings back. Any choice you have submitted on the exercise form will be disregarded.

12. What happens if I do nothing?

If you do not submit the Form of Instruction or an exercise form so it is received and processed within six months after Court Sanction (or any earlier lapse date which applies to your 2018 and/or 2019 share

options), your 2018 and/or 2019 share options will **lapse** and you will receive no value for them. You will only get back your savings. You will also not benefit from the cash compensation payment.

13. What should I do now?

If you wish to exercise your 2018 and/or 2019 share options on Court Sanction, please complete the attached Form of Instruction and return the form by email to shareplans@inmarsat.com by no later than **5 pm UK time on 30 September 2019**.

If you wish to exercise after Court Sanction and within six months of that date (unless your 2018 and/or 2019 share options lapse earlier under the UK Sharesave Plan rules), please contact shareplans@inmarsat.com to request the appropriate exercise form to complete.

ACQUISITION SUMMARY

1. **How does the Acquisition work?**

The Acquisition will be carried out through what is called a "scheme of arrangement". The Scheme has been approved by Inmarsat Shareholders and requires final approval by the Court. If you want to read more about this, please go to <https://investors.inmarsat.com/offer-for-inmarsat> on the Inmarsat website where you will find the Scheme Document about the Acquisition that was sent to Inmarsat Shareholders on 18 April 2019. A copy of this Letter is also available on the same Inmarsat website.

2. **What can Inmarsat Shareholders receive under the Acquisition?**

For each Inmarsat Share sold to Bidco through the Scheme, an Inmarsat Shareholder will receive USD 7.09.

3. **When will the Acquisition take place?**

The date for Court Sanction has not yet been set but is still anticipated to occur in the fourth quarter of 2019. The timing of Court Sanction and the Acquisition completing (known as the Effective Date) will be announced when known.

4. **What will happen if the Acquisition does not complete?**

If Court Sanction does not happen, your membership of the UK Sharesave Plan and your 2018 and/or 2019 share options will continue unaffected and you will continue saving via your payroll as normal.

DEFINITIONS

"Acquisition"	the proposed acquisition by Bidco of the entire issued and to be issued share capital of Inmarsat to be implemented by the Scheme
"Bidco"	Connect Bidco Limited (formerly known as Triton Bidco (Guernsey) Limited), a company incorporated in Guernsey with company number 66187
"Bidco Directors"	the directors of Bidco from time to time
"Court"	the High Court of Justice in England and Wales
"Court Sanction"	the date the Court sanctions the Scheme
"Credit Suisse"	Credit Suisse International
"Effective Date"	the date on which the Scheme becomes effective in accordance with the Scheme Document
"Form of Instruction"	the form of instruction provided with the Letter
"Good Leaver"	a UK Sharesave Plan participant who leaves employment with Inmarsat due to injury, disability, redundancy, retirement, transfer out of Inmarsat, or who dies (although the precise meaning is provided in the rules of the UK Sharesave Plan)
"Inmarsat"	Inmarsat plc, a public limited company incorporated in England and Wales with registered number 04886072
"Inmarsat Directors" or "Inmarsat Board"	the board of directors of Inmarsat and "Inmarsat Director" means any of them
"Inmarsat Shareholders"	holders of Inmarsat Shares
"Inmarsat Shares"	the ordinary shares of €0.0005 each in the capital of Inmarsat
"J.P. Morgan Cazenove"	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
"Letter"	the letter dated 9 September 2019 from Inmarsat and Bidco explaining the impact of the Acquisition on 2018 and 2019 UK Sharesave Plan share options
"PJT Partners"	PJT Partners (UK) Limited
"Scheme"	the proposed scheme of arrangement under Part 26 of the Companies Act 2006 between Inmarsat and the Inmarsat Shareholders to implement the Acquisition
"Scheme Document"	the document dated 18 April 2019 sent to (among others) Inmarsat Shareholders to explain the Scheme
"Takeover Code"	the City Code on Takeovers and Mergers
"Tax Summary"	the tax summary provided with this Letter
"UK Sharesave Plan"	the Inmarsat 2014 UK Sharesave Plan

LEGAL NOTES:

The release, publication or distribution of this Letter and any accompanying documents in, into or from jurisdictions other than the United Kingdom or the United States may be restricted by the laws of those jurisdictions and therefore persons into whose possession these documents come should inform themselves about, and observe, such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Inmarsat and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

This Letter and any accompanying documents have been prepared in connection with a proposal in relation to a scheme of arrangement pursuant to, and for the purpose of complying with English law, the Takeover Code and the listing rules issued by the UK Financial Conduct Authority or its successor from time to time pursuant to Part 6 of the Financial Services and Markets Act 2000, as it may have been, or may from time to time be, amended, re-enacted or replaced, and the information disclosed may not be the same as that which would have been disclosed if this Letter and any accompanying documents had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. Nothing in this Letter or the accompanying documents should be relied upon for any other purpose.

J.P. Morgan Cazenove is authorised in the United Kingdom by the Prudential Regulation Authority ("PRA") and regulated by the PRA and the Financial Conduct Authority ("FCA"). J.P. Morgan Cazenove is acting as financial adviser exclusively for Inmarsat and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Inmarsat for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.

PJT Partners, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Inmarsat and no one else in connection with the matters described herein and will not be responsible to anyone other than Inmarsat for providing the protections afforded to clients of PJT Partners or for providing advice in connection with the matters described herein. Neither PJT Partners nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of PJT Partners in connection with this Letter, any statement contained herein or otherwise.

Credit Suisse, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for Inmarsat and no one else in connection with the matters set out in this Letter and will not be responsible to any person other than Inmarsat for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the content of this Letter or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this Letter, any statement contained herein or otherwise.

Each of J.P. Morgan Cazenove, PJT Partners and Credit Suisse has given and not withdrawn its written consent to the issue of this Letter with the inclusion of references to its name in the form and context in which they are included.

The Inmarsat Directors, whose names are set out in paragraph 2(a) of Part 6 of the Scheme Document, accept responsibility for the information contained in this Letter (including any expression of opinion) other than the information for which responsibility is taken by others pursuant to paragraphs 1(b) to 1(f) of Part 6 of the Scheme Document and the opinion of the UK employee representative set out in Part 13 of the Scheme Document. To the best of the knowledge and belief of the Inmarsat Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bidco Directors, whose names are set out in paragraph 2(b) of Part 6 of the Scheme Document, accept responsibility for the information contained in this Letter (including any expression of opinion) relating to Bidco and themselves, their close relatives, related trusts and other connected persons and other persons acting in concert with Bidco (as that term is used in the Takeover Code). To the best of the knowledge and belief of the Bidco Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they

accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The persons from Apax Partners LLP ("Apax") whose names are set out in paragraph 2(c) of Part 6 of the Scheme Document (the "Apax Responsible Persons"), each accept responsibility for the information contained in this Letter (including any expression of opinion) relating to Bidco, Apax, the funds advised by Apax and themselves and their respective close relatives, related trusts and other connected persons contained in this Letter. To the best of the knowledge and belief of the Apax Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The persons from Warburg Pincus LLC ("Warburg Pincus") whose names are set out in paragraph 2(d) of Part 6 of the Scheme Document (the "Warburg Pincus Responsible Persons"), each accept responsibility for the information contained in this Letter (including any expression of opinion) relating to Bidco, Warburg Pincus, the funds advised by Warburg Pincus or its affiliates and themselves and their respective close relatives, related trusts and other connected persons contained in this Letter. To the best of the knowledge and belief of the Warburg Pincus Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The persons from Canada Pension Plan Investment Board ("CPPIB") whose names are set out in paragraph 2(e) of Part 6 of the Scheme Document (the "CPPIB Responsible Persons"), accept responsibility for the information contained in this Letter (including any expression of opinion) relating to Bidco, CPPIB and themselves and their respective close relatives, related trusts and other connected persons contained in this Letter. To the best of the knowledge and belief of the CPPIB Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

The persons from Ontario Teachers' Pension Plan Board ("OTPP") whose names are set out in paragraph 2(f) of Part 6 of the Scheme Document (the "OTPP Responsible Persons"), accept responsibility for the information contained in this Letter (including any expression of opinion) relating to Bidco, OTPP and themselves and their respective close relatives, related trusts and other connected persons contained in this Letter. To the best of the knowledge and belief of the OTPP Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Accidental omission to dispatch this Letter to, or any failure to receive the same by, any person shall not invalidate anything set out in this Letter.

Your 2018 and/or 2019 share options are governed by the rules of the UK Sharesave Plan and in the event of a conflict between this Letter and the rules of the UK Sharesave Plan or any relevant legislation, the rules of the UK Sharesave Plan or the legislation will prevail.

Receipt of documents will not be acknowledged. All documents sent by or to a participant in the UK Sharesave Plan will be sent at the individual's own risk. A participant may request that copies of this Letter be sent to him/her in hard copy form and that all future documents sent to him/her be in hard copy form. Requests should be submitted to shareplans@inmarsat.com.

Please also read the additional information addressed to people in certain countries as set out in the "Overseas Shareholders" section at paragraph 17 of Part 2 of the Scheme Document as if that wording is set out in this Letter and addressed to you, as appropriate.

The statements contained in this Letter are not to be construed as legal, investment, financial or tax advice. If you are in any doubt about the contents of this Letter, you should consult your own legal adviser, investment adviser, financial adviser or tax adviser for legal, investment, financial or tax advice.

APPENDIX

2018 share option

What could I receive if I exercise on Court Sanction (Choice 1)?

Set out below is an illustrative example of the amount that could be received on a 2018 share option exercised on Court Sanction and assumes:

- 17 monthly contributions are made;
- monthly savings of GBP 250;
- an exercise price of GBP 3.0088; and
- that Court Sanction occurs on 1 December 2019.

Cash consideration calculation

- Total savings: **GBP 4,250** (17 months x GBP 250 of savings per month)
- Share option can be exercised to buy: **1,412 Inmarsat Shares** (GBP 4,250 total savings divided by GBP 3.0088 exercise price)
- Acquisition price: **USD 7.09 for each Inmarsat Share** assumed equivalent to GBP 5.87
- Cash consideration payable from Bidco: **GBP 8,288.44** (1,412 x GBP 5.87)
- Exercise price payable to exercise: **GBP 4,250**
- Total share option gain: **GBP 4,038.44** (GBP 8,288.44 – GBP 4,250)

Compensation calculation

- Number of Inmarsat Shares over which share option is exercised with 6 months savings: **498** (GBP 250 x 6 / GBP 3.0088)
- Gain per Inmarsat Share: **GBP 2.8612** (GBP 5.87 – GBP 3.0088 exercise price)
- Total share option gain on 498 Inmarsat Shares at GBP 5.87: **GBP 1,424.28** (GBP 2.8612 x 498)
- Compensation payable by Bidco: **GBP 1,424.28**

	20% income tax + 12% NIC	40% income tax + 5% NIC	45% income tax + 2% NIC
Share option gain	GBP 4,038.44	GBP 4,038.44	GBP 4,038.44
Less income tax due on share option gain	None	None	None
Compensation from Bidco	GBP 1,424.87	GBP 1,424.87	GBP 1,424.87
Less income tax and NIC due on compensation	GBP 455.95	GBP 641.19	GBP 669.68
Net amount of cash payable to you	GBP 5,007.36	GBP 4,822.12	GBP 4,793.63

What could I receive if I exercise six months after Court Sanction (Choice 2)?

Set out below is an illustrative example of the amount that could be received on a 2018 share option exercised six months after Court Sanction and assumes:

- 23 monthly contributions are made;
- monthly savings of GBP 250;
- an exercise price of GBP 3.0088; and
- that Court Sanction occurs on 1 December 2019.

Cash consideration calculation

- Total savings: **GBP 5,750** (23 months x GBP 250 of savings per month)
- Share option can be exercised to buy: **1,911 Inmarsat Shares** (GBP 5,750 total savings divided by GBP 3.0088 exercise price)
- Acquisition price: **USD 7.09 for each Inmarsat Share** assumed equivalent to GBP 5.87
- Cash consideration payable from Bidco: **GBP 11,217.57** (1,911 x GBP 5.87)
- Exercise price payable to exercise: **GBP 5,750**
- Total share option gain: **GBP 5,467.57** (GBP 11,217.57 – GBP 5,750)

Compensation calculation

- Number of Inmarsat Shares over which share option is exercised with 6 months savings: **498** (GBP 250 x 6 / GBP 3.0088)
- Gain per Inmarsat Share: **GBP 2.8612** (GBP 5.87 – GBP 3.0088 exercise price)
- Total share option gain on 498 Inmarsat Shares at GBP 5.87: **GBP 1,424.87** (GBP 2.8612 x 498)
- Compensation payable by Bidco: **GBP 1,424.87**

	20% income tax + 12 % NIC	40% income tax + 5% NIC	45% income tax + 2% NIC
Share option gain	GBP 5,467.57	GBP 5,467.57	GBP 5,467.57
Less income tax due on share option gain	GBP 1,093.51	GBP 2,187.02	GBP 2,460.40
Compensation from Bidco	GBP 1,424.87	GBP 1,424.87	GBP 1,424.87
Less income tax and NIC due on compensation	GBP 455.95	GBP 641.19	GBP 669.68
Net amount of cash payable to you	GBP 5,342.98	GBP 4,064.23	GBP 3,762.36

2019 share option

What could I receive if I exercise on Court Sanction (Choice 1)?

Set out below is an illustrative example of the amount that could be received on a 2019 share option exercised on Court Sanction and assumes:

- 6 monthly contributions are made;
- monthly savings of GBP 250;
- an exercise price of GBP 4.2352; and
- that Court Sanction occurs on 1 December 2019.

Cash consideration calculation

- Total savings: **GBP 1,500** (6 months x GBP 250 of savings per month)
- Share option can be exercised to buy: **354 Inmarsat Shares** (GBP 1,500 total savings divided by GBP 4.2352 exercise price)
- Acquisition price: **USD 7.09 for each Inmarsat Share** assumed equivalent to GBP 5.87
- Cash consideration payable from Bidco: **GBP 2,077.98** (354 x GBP 5.87)
- Exercise price payable to exercise: **GBP 1,500**
- Total share option gain: **GBP 577.98** (GBP 2,077.98 – GBP 1,500)

Compensation calculation

- Number of Inmarsat Shares over which share option is exercised with 6 months savings: **354** (GBP 250 x 6 / GBP 4.2352)
- Gain per Inmarsat Share: **GBP 1.6348** (GBP 5.87 – GBP 4.2352 exercise price)
- Total share option gain on 354 Inmarsat Shares at GBP 5.87: **GBP 578.71** (GBP 1.6348 x 354)
- Compensation payable by Bidco: **GBP 578.71**

	20% income tax + 12% NIC	40% income tax + 5% NIC	45% income tax + 2% NIC
Share option gain	GBP 577.98	GBP 577.98	GBP 577.98
Less income tax due on share option gain	None	None	None
Compensation from Bidco	GBP 578.71	GBP 578.71	GBP 578.71
Less income tax and NIC due on compensation	GBP 185.18	GBP 260.41	GBP 271.99
Net amount of cash payable to you	GBP 971.51	GBP 896.28	GBP 884.70

What could I receive if I exercise six months after Court Sanction (Choice 2)?

Set out below is an illustrative example of the amount that could be received on a 2019 share option exercised six months after Court Sanction and assumes:

- 12 monthly contributions are made;
- monthly savings of GBP 250;
- an exercise price of GBP 4.2352; and
- that Court Sanction occurs on 1 December 2019.

Cash consideration calculation

- Total savings: **GBP 3,000** (12 months x GBP 250 of savings per month)
- Share option can be exercised to buy: **708 Inmarsat Shares** (GBP 3,000 total savings divided by GBP 4.2352 exercise price)
- Acquisition price: **USD 7.09 for each Inmarsat Share** assumed equivalent to GBP 5.87
- Cash consideration payable from Bidco: **GBP 4,155.96** (708 x GBP 5.87)
- Exercise price payable to exercise: **GBP 3,000**
- Total share option gain: **GBP 1,155.96** (GBP 4,155.96 – GBP 3,000)

Compensation calculation

- Number of Inmarsat Shares over which share option is exercised with 6 months savings: **354** (GBP 250 x 6 / GBP 4.2352)
- Gain per Inmarsat Share: **GBP 1.6348** (GBP 5.87 – GBP 4.2352 exercise price)
- Total share option gain on 354 Inmarsat Shares at GBP 5.87: **GBP 578.71** (GBP 1.6348 x 354)
- Compensation payable by Bidco: **GBP 578.71**

	20% income tax + 12 % NIC	40% income tax + 5% NIC	45% income tax + 2% NIC
Share option gain	GBP 1,155.96	GBP 1,155.96	GBP 1,155.96
Less income tax due on share option gain	GBP 231.19	GBP 462.38	GBP 520.18
Compensation from Bidco	GBP 578.71	GBP 578.71	GBP 578.71
Less income tax and NIC due on compensation	GBP 185.18	GBP 260.41	GBP 271.99
Net amount of cash payable to you	GBP 1,318.30	GBP 1,011.88	GBP 942.50