



DEUTSCHE BANK
2019 MEDIA, INTERNET & TELECOM CONFERENCE
MARCH 12, 2019



FORWARD-LOOKING STATEMENTS

Safe Harbor Statement

This presentation contains statements about future events and expectations known as “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Iridium Communications Inc. (“Iridium” or the “Company”) has based these statements on its current expectations and the information currently available to it.

Forward-looking statements in this presentation include statements regarding expected equipment revenue, service revenue, Operational EBITDA, Operational EBITDA margin, capital expenditure, free cash flow, cash taxes and leverage levels; expected Iridium® NEXT capabilities and benefits; expected growth in the MSS industry; contracted U.S. government revenues; the market for and capabilities of new products and services, such as Iridium CertusSM broadband; the capabilities and benefits of and the market for the AireonSM system; and the Aireon and Harris hosted payload’s financial impact on Iridium. Other forward-looking statements can be identified by the words “anticipates,” “may,” “can,” “believes,” “expects,” “projects,” “intends,” “likely,” “will,” “to be” and other expressions that are predictions of or indicate future events, trends or prospects. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Iridium to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to, uncertainties regarding expected Operational EBITDA, growth in subscribers and revenue, levels of demand for mobile satellite services (MSS), the development of and market for the Aireon and Harris hosted payloads, the ability of Aireon to raise funds to pay its hosting fees, the development and demand for new products and services, including Iridium Certus broadband, and the Company’s ability to maintain the health, capacity and content of its satellite constellation, as well as general industry and economic conditions, and competitive, legal, governmental and technological factors. Other factors that could cause actual results to differ materially from those indicated by the forward-looking statements include those factors listed under the caption “Risk Factors” in the Company’s Form 10-K for the year ended December 31, 2018, filed with the SEC on February 28, 2019, as well as other filings Iridium makes with the SEC from time to time. There is no assurance that Iridium’s expectations will be realized. If one or more of these risks or uncertainties materialize, or if Iridium’s underlying assumptions prove incorrect, actual results may vary materially from those expected, estimated or projected.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof unless otherwise indicated. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise.



NON-GAAP FINANCIAL MEASURES

Non-GAAP Financial Measures

In addition to disclosing financial results that are determined in accordance with U.S. GAAP, the Company provides Operational EBITDA and Operational EBITDA margin, which are non-GAAP financial measures, as supplemental measures to help investors evaluate the Company's fundamental operational performance. Operational EBITDA represents earnings before interest, income taxes, depreciation and amortization, Iridium NEXT revenue and expenses (for periods prior to the deployment of Iridium NEXT only), loss from investment in Aireon, share-based compensation expenses, the impact of purchase accounting, and non-cash gain from the Boeing transaction. Iridium NEXT revenue and expenses were excluded from Operational EBITDA through 2017. Beginning in 2018, Iridium NEXT revenues and recurring Iridium NEXT expenses (recurring Iridium NEXT expenses are not part of the approximately \$3 billion construction cost of Iridium NEXT (the "Construction Costs")) were no longer excluded in calculating Operational EBITDA. U.S. GAAP requires that certain of the Construction Costs be expensed. These certain Construction Costs, which beginning in 2018 principally consisted of in-orbit insurance, will continue to be excluded from the calculation of Operational EBITDA through the first quarter of 2020. The Company also presents Operational EBITDA expressed as a percentage of GAAP revenue, or Operational EBITDA margin. Operational EBITDA, along with its related measure, Operational EBITDA margin, does not represent, and should not be considered, an alternative to U.S. GAAP measurements such as net income or loss, and the Company's calculations thereof may not be comparable to similarly titled measures reported by other companies. A reconciliation of consolidated GAAP net income to Operational EBITDA is in the attached appendix. By eliminating interest, income taxes, depreciation and amortization, Iridium NEXT revenue and expenses (for periods prior to the deployment of Iridium NEXT only), loss from investment in Aireon, share-based compensation expenses, the impact of purchase accounting, and non-cash gain from the Boeing transaction, the Company believes the result is a useful measure across time in evaluating its fundamental core operating performance. Management also uses Operational EBITDA to manage the business, including in preparing its annual operating budget, debt covenant compliance, financial projections and compensation plans. The Company believes that Operational EBITDA is also useful to investors because similar measures are frequently used by securities analysts, investors and other interested parties in their evaluation of companies in similar industries. However, there is no standardized measurement of Operational EBITDA, and Operational EBITDA as the Company presents it may not be comparable with similarly titled non-GAAP financial measures used by other companies. As indicated, Operational EBITDA does not include interest expense on borrowed money, the payment of income taxes, amortization of the Company's definite-lived intangibles assets, or depreciation expense on the Company's capital assets, which are necessary elements of the Company's operations. It also excludes expenses in connection with the development, deployment and financing of Iridium NEXT and the loss from investment in Aireon. Since Operational EBITDA does not account for these and other expenses, its utility as a measure of the Company's operating performance has material limitations. Due to these limitations, the Company's management does not view Operational EBITDA in isolation, but also uses other measurements, such as net income, revenues and operating profit, to measure operating performance.

A STARK FINANCIAL TRANSFORMATION IS UNDERWAY



First-Generation network launched in 1990s lasted for 20+ years



**Iridium NEXT[®]
Campaign Completed**



Upgraded constellation fully deployed on February 5, 2019

Business Fundamentals

- Global Coverage
- One-of-a-kind Network Architecture (Unmatched by Competitors)
- Proven Track Record
 - ✓ >9% organic OEBITDA CAGR (2009 - 2018) to approximately \$300M
 - ✓ >1.1 million active users, including IoT (650k); Handsets (350k); Maritime vessels (10k)
 - ✓ Established, embedded U.S. DoD relationship for 15+ years
- Completed ~\$3B Iridium NEXT mission

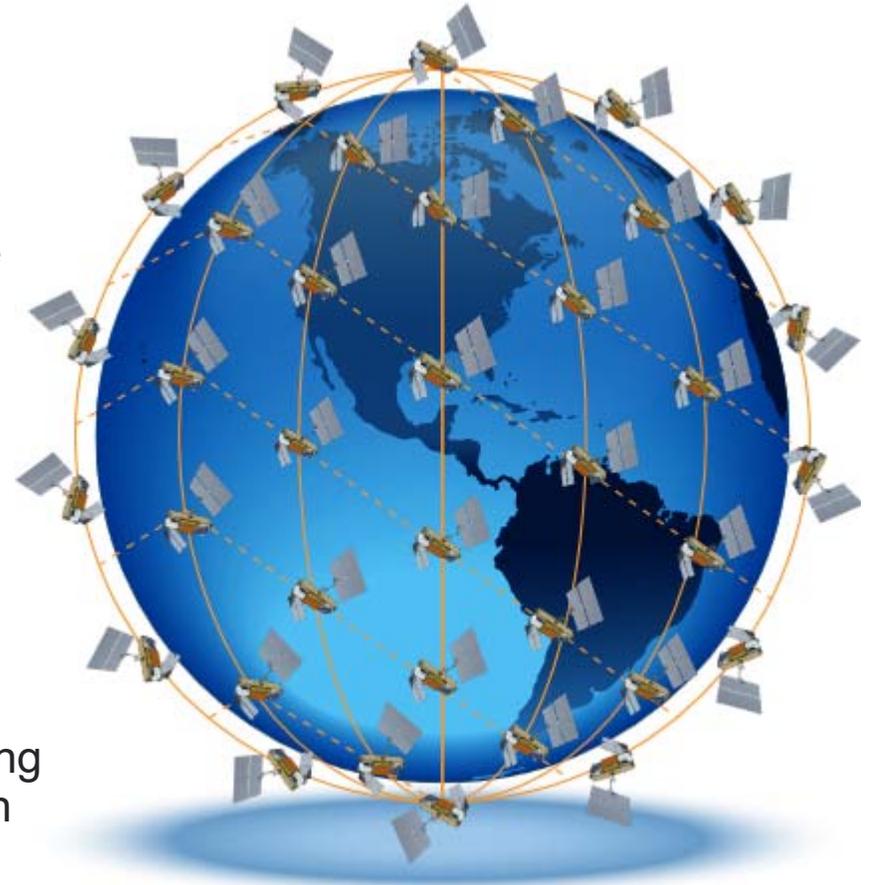
The Iridium-NEXT Era



- Positioned for significant free cash flow post-Iridium NEXT "capex holiday"
 - Growth Augmented by Newly Addressable Markets
 - Hosted Payloads (Over \$1B in Value)
 - Iridium CertusSM Broadband (\$700M Market Opportunity)
 - Iridium Certus Narrowband (Telephony & IoT)

IRIDIUM'S NETWORK ARCHITECTURE PROVIDES A SUSTAINABLE COMPETITIVE ADVANTAGE

- A unique Low-Earth-Orbit (LEO) constellation sets Iridium apart
 - LEO results in smaller antennas, lower latency and a better customer experience
 - Engineered for adaptable 2-way communications
- Only communications system with true global coverage
- Cross-linked and overlapping “mesh” architecture delivers superior availability, efficiency and reliability
- 100% of current network traffic is connecting through new Iridium NEXT satellites, which deliver significant improvements in voice quality and transmission speeds



Our satellite network provides a superior and differentiated experience for customers with true global coverage



UPGRADED CONSTELLATION SUPPORTS LONG-TERM GROWTH⁽¹⁾

EXPECTED MATERIAL BENEFIT TO SHAREHOLDERS

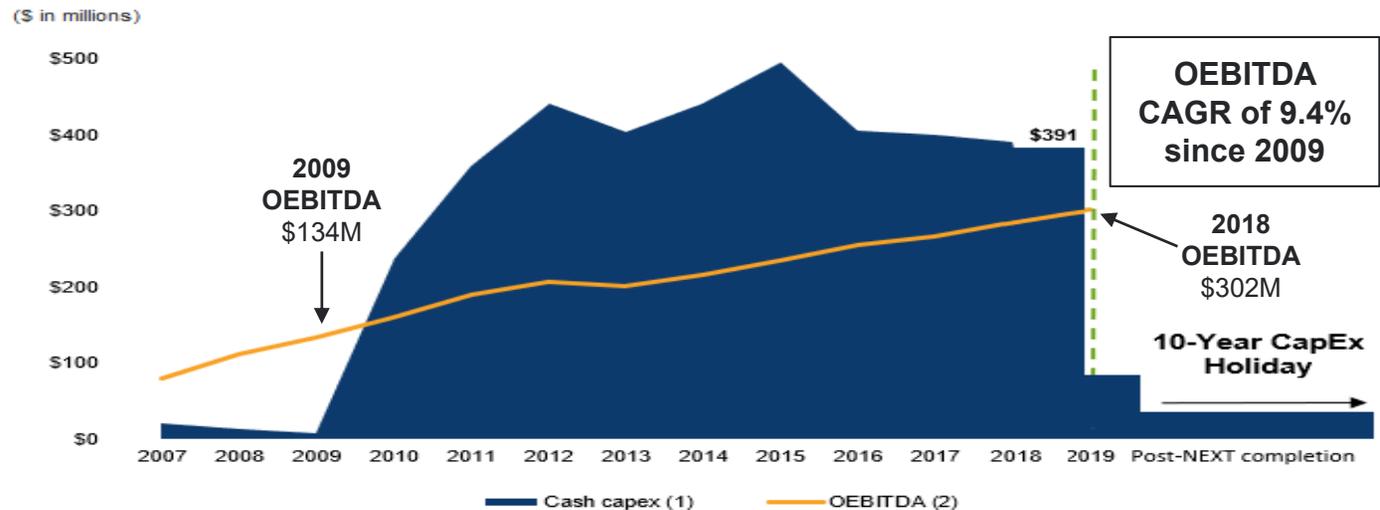
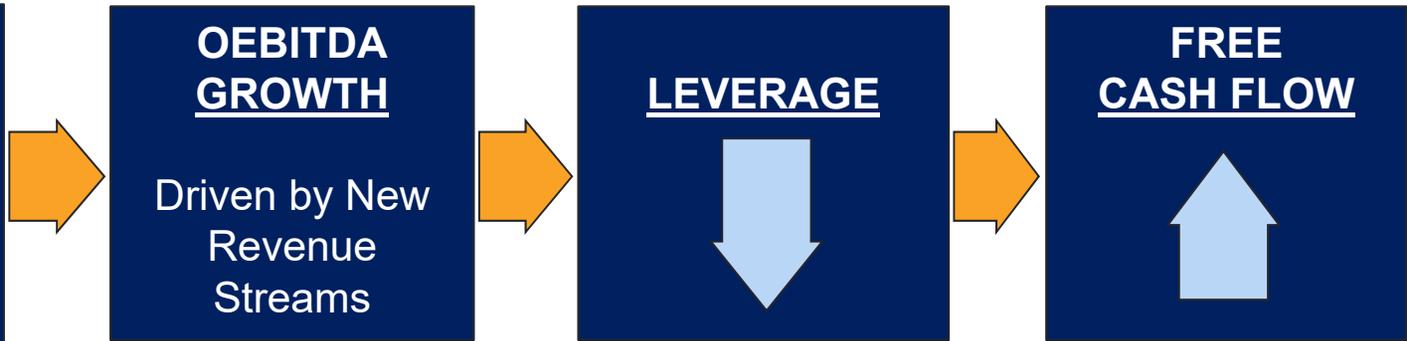
IRIDIUM NEXT

Completed in February 2019

Design, Build and Launch of New Network Started in 2010

~\$3 Billion Network Cost

Net Leverage Peaked in Q1'18

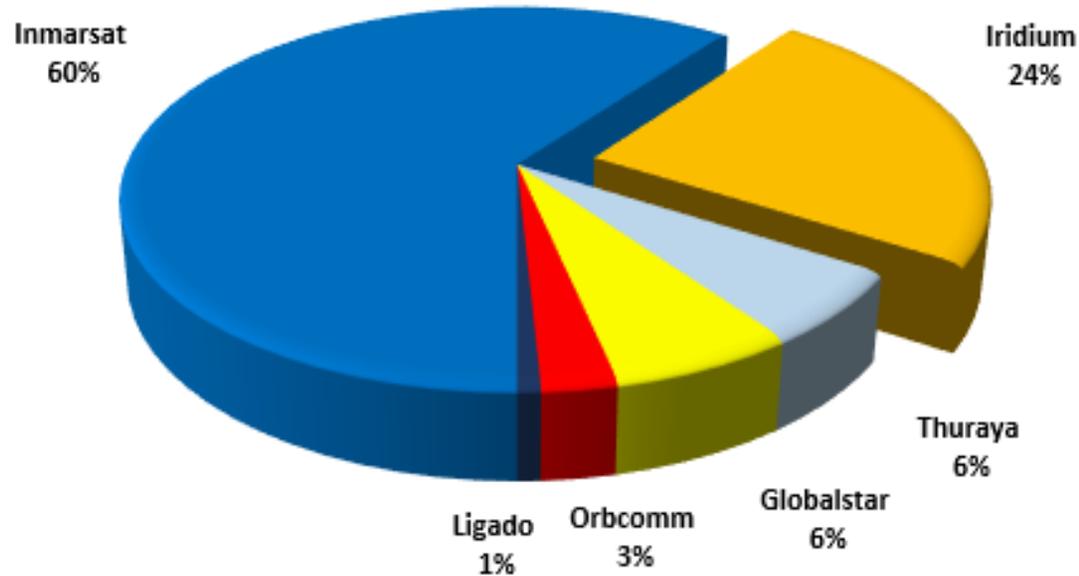


Note: Cash capex adjusted to exclude deferred capex / financing payments.

- (1) Guidance speaks only as of the date it was originally provided (February 28, 2019). Inclusion of guidance herein should not be interpreted as a re-affirmation by Iridium of its guidance. Iridium undertakes no obligation to update its guidance after the date it was originally provided
- (2) Operational EBITDA represents earnings before interest, income taxes, depreciation and amortization, Iridium NEXT revenue and expenses (for periods prior to the deployment of Iridium NEXT only), loss from investment in Aireon, share-based compensation expenses, the impact of purchase accounting, and non-cash gain from the Boeing transaction; See OEBITDA reconciliation.

ATTRACTIVE AND GROWING MOBILE SATELLITE SERVICES (MSS) MARKET

Forecasted MSS Market Share⁽¹⁾



MSS market estimated to have generated \$1.5 billion in 2017 revenue⁽¹⁾

MSS industry revenue CAGR of 12% expected between 2013 and 2023⁽²⁾

(1) Satellite Mobility Perspectives, Telecom, Media & Finance Associates (January 12, 2018)

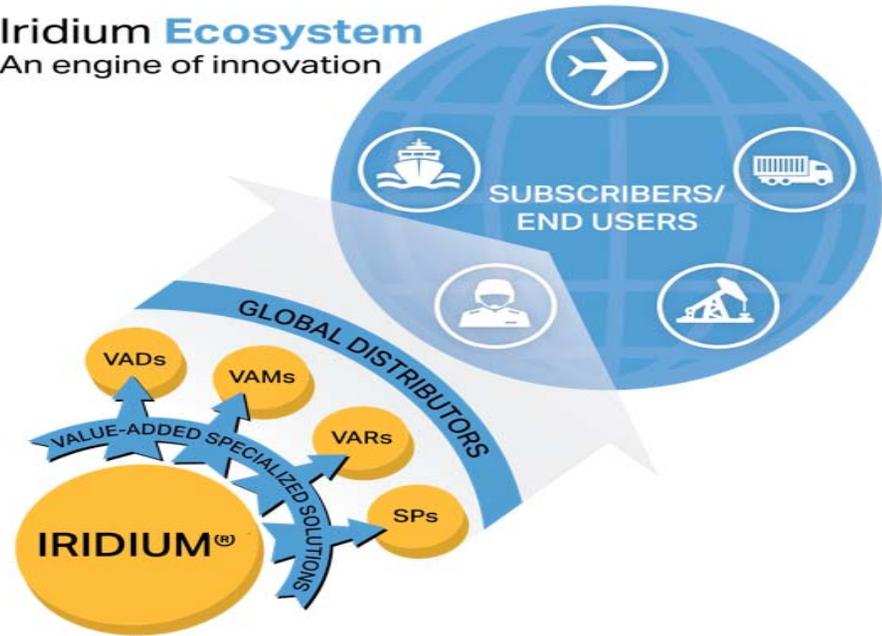
(2) Sourced from Northern Sky Research (2014)



EXPANSIVE DISTRIBUTION NETWORK ENHANCES MARKET REACH

- Wholesale distribution model lowers costs and risks
- Extensive channel of hundreds of distribution partners
- Partners develop specialty products for their customer segments
- Hundreds of applications targeting key vertical markets

Iridium **Ecosystem**
An engine of innovation



Examples of Iridium's 400+ Partners

GENERAL DYNAMICS

**Rockwell
Collins**

GARMIN

CAT

COBHAM

KDDI

MVS

AST

Honeywell

HITACHI
Hitachi Construction Machinery

MARLINK

KOMATSU

speedcast

**NETWORK
INNOVATIONS**

**marine
instruments**

COMSAT

JOHN DEERE

Trimble

SingTel

CNH

KVH

**L3
communications**

A GROWING AND ROBUST EQUIPMENT PORTFOLIO





FINANCIAL OVERVIEW

2018 FINANCIAL PERFORMANCE

	2018 Financial Results (\$M)	Year-Over-Year Growth (%)
Total Service Revenue	\$406.8	16%
<i>Commercial Revenue</i>	\$318.8	22%
<i>Government Revenue</i>	\$88.0	<i>Unchanged</i>
Equipment Revenue	\$97.8	27%
Engineering & Support Revenue	\$18.4	-13%
Total Revenue	\$523.0	17%
 		
OEBITDA	\$302.0	14%
OEBITDA Margin	58%	vs. 59%
Total Subscribers	1,121,000	16%



2019 FINANCIAL GUIDANCE⁽¹⁾

Metrics	2019
Total Service Revenue	~\$440M
Operational EBITDA (OEBITDA)	\$325M – \$335M
Cash Taxes	Negligible through approximately 2023
Net Leverage ⁽²⁾	~4.5x

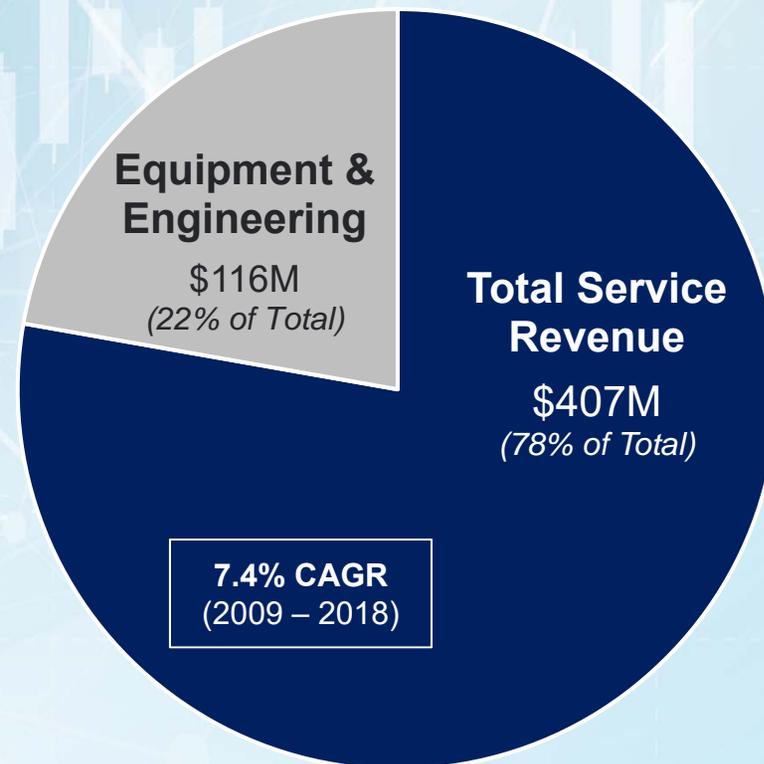
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(2) At year-end, expect ~4.75 times OEBITDA if refinancing is completed (as a result of transaction costs).

IRIDIUM 2018 REVENUE

- Total Service Revenue is recurring and highly predictable
 - A driver of future Total Revenue and OEBITDA growth
 - 7.4% CAGR since 2009
- Equipment revenue expected to be down from 2018 with low growth thereafter
 - Equipment margin expected to remain at ~40%

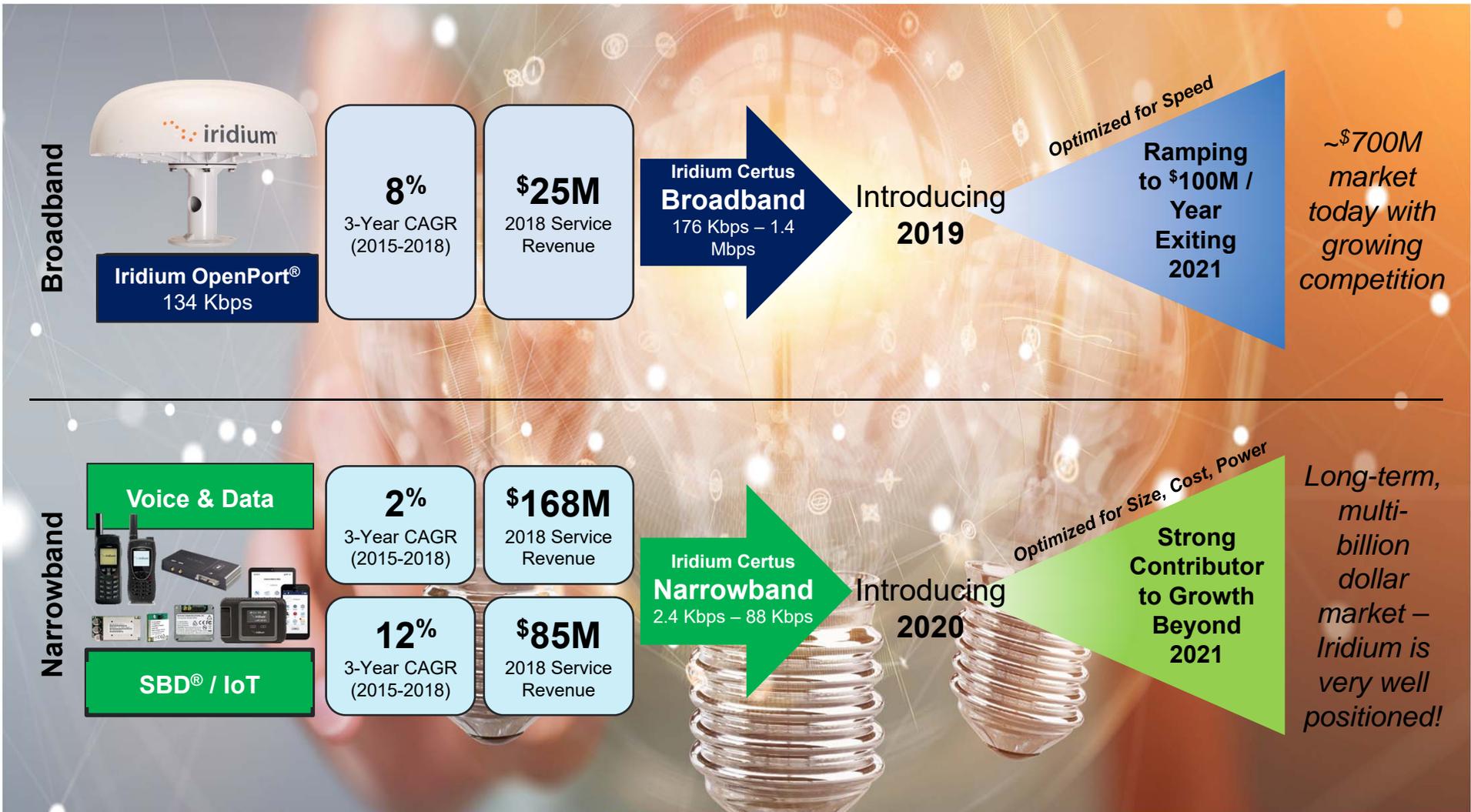
2018 Total Revenue
\$523M



DIVERSIFIED BUSINESS LINES PROVIDE MULTIPLE GROWTH DRIVERS

Recurring Revenue	2018(A)	Y/Y Change	2019(E)	Revenue Characteristics
Commercial Telephony	\$168M	+ 8%		Highly defensible base + PTT & Iridium GO!® growth – expect low single digit growth (plus Iridium Certus 9770 22/88 opens new capabilities post-2021)
Commercial Broadband	\$25M	+ 11%		Significant Iridium Certus growth fuels expected \$100M annual exit rate in 2021; Significant growth continues thereafter
Commercial IoT	\$85M	+ 15%		Y/Y double-digit subscriber growth; Iridium Certus 9770 partner ecosystem potential and volume to open new horizons post-2021
Hosted Payload	\$26M		\$35-40M	Contractual revenue from new satellites ~\$47M at full ramp; Aireon data fee ramps to ~\$23M/year in 2H-2019
Other Data Services	\$14M	+ 86%		Primarily Satellite Timing & Location (STL) + licensing revenue
Commercial Services	\$319M	+ 22%		
U.S. Government	\$88M	0%		Long-standing customer with fixed-price contract renewal expected in April 2019; expect long-term contract and increased revenues
Total Service Revenue	\$407M	+ 16%	~\$440M	

IRIDIUM CERTUS: A FLEXIBLE PLATFORM FOR GROWTH



IRIDIUM CERTUS IS FASTER, SMALLER, LIGHTER AND LESS EXPENSIVE THAN THE COMPETING PRODUCT

VesseLINK



SAILOR 4300

SAILOR 500



SAILOR 4300 (Iridium)	Antenna Comparison ⁽¹⁾	SAILOR 500 (Inmarsat)
25.3 cm	Antenna Height	79.7 cm
38 cm	Antenna Diameter	68.7 cm
8 kg	Weight	16 kg

Iridium Certus	Service Comparison ⁽²⁾	FleetBroadband 500
Up to 704 Kbps	Connection Speeds	Up to 432 Kbps
True Global Coverage	Coverage	Not Global
L-Band	Spectrum	L-Band

(1) Comparison and technical specifications based upon Cobham product sheets for SAILOR 4300 (Iridium Certus) and SAILOR 500 FleetBroadband (Inmarsat).
 (2) References Iridium Certus broadband by 2019 and Inmarsat FleetBroadband 500.

HISTORICAL GROWTH UNDER ENHANCED MOBILE SATELLITE SERVICES (EMSS)



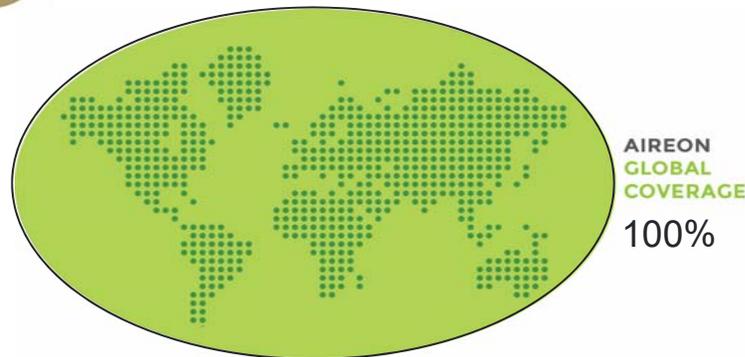


THE AIREON OPPORTUNITY

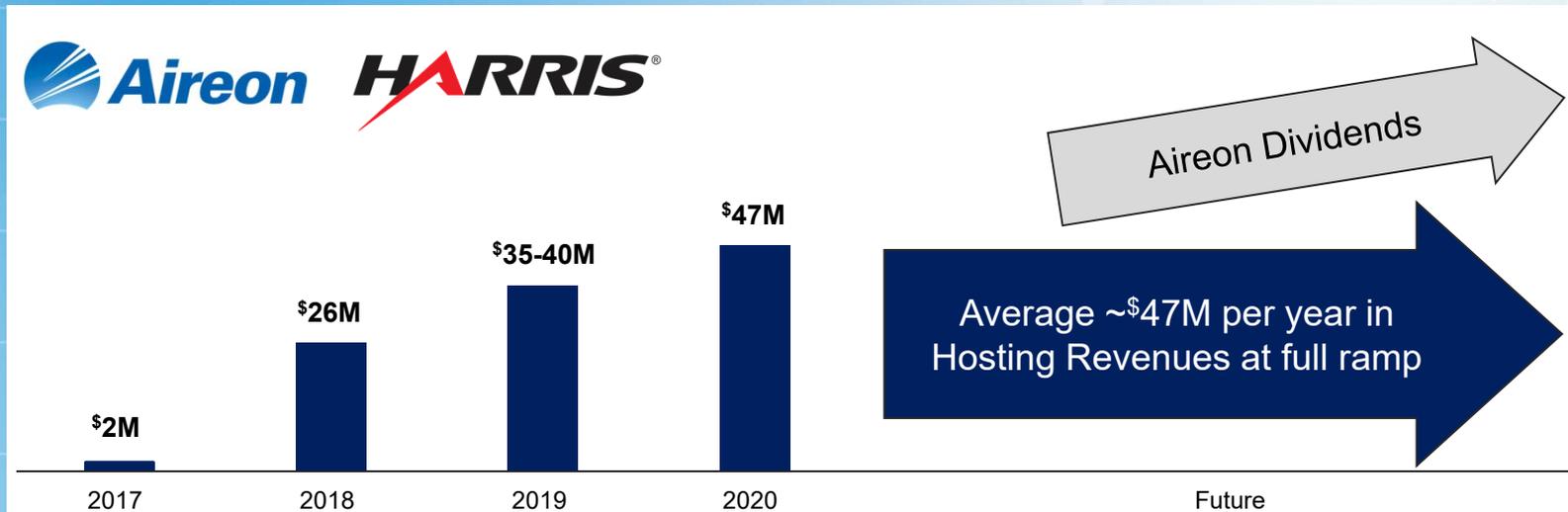


Positioned to deliver real-time aircraft surveillance – an annual addressable market opportunity approaching \$750M

- Aireon has signed 11 long-term data service agreements with ANSPs
- Aireon has signed Memorandums of Agreement covering more than 30 countries
- Aireon’s six equity investors include some of the largest ANSPs in the world



HOSTED PAYLOAD: HISTORICAL PERFORMANCE & FUTURE PROSPECTS



- Expect Aireon to pay material dividends no later than 2024
- Eventually Aireon Annual Dividends are projected to exceed Aireon hosting revenues
- Iridium will own approximately 22% of Aireon post-redemption of \$120M equity
- Aireon Total Addressable Market of \$750M and EBITDA margins projected to exceed Iridium's

IRIDIUM CAPITAL STRUCTURE ROAD MAP

**Refinance
BPI
Facility**

*As early as
Spring 2019*

**Retire
10.25%
HY⁽¹⁾ Debt
w/ tack-on**

Spring 2020

Maintain target **debt ratios at 2.5x – 3.5x OEBITDA** and use excess cash for **dividends, share buybacks, and strategic investments** if compelling

2019

2020

2021

2022

2023

2024

2025

(1) HY references 10.25% high yield notes.



COMPARATIVE TERMS

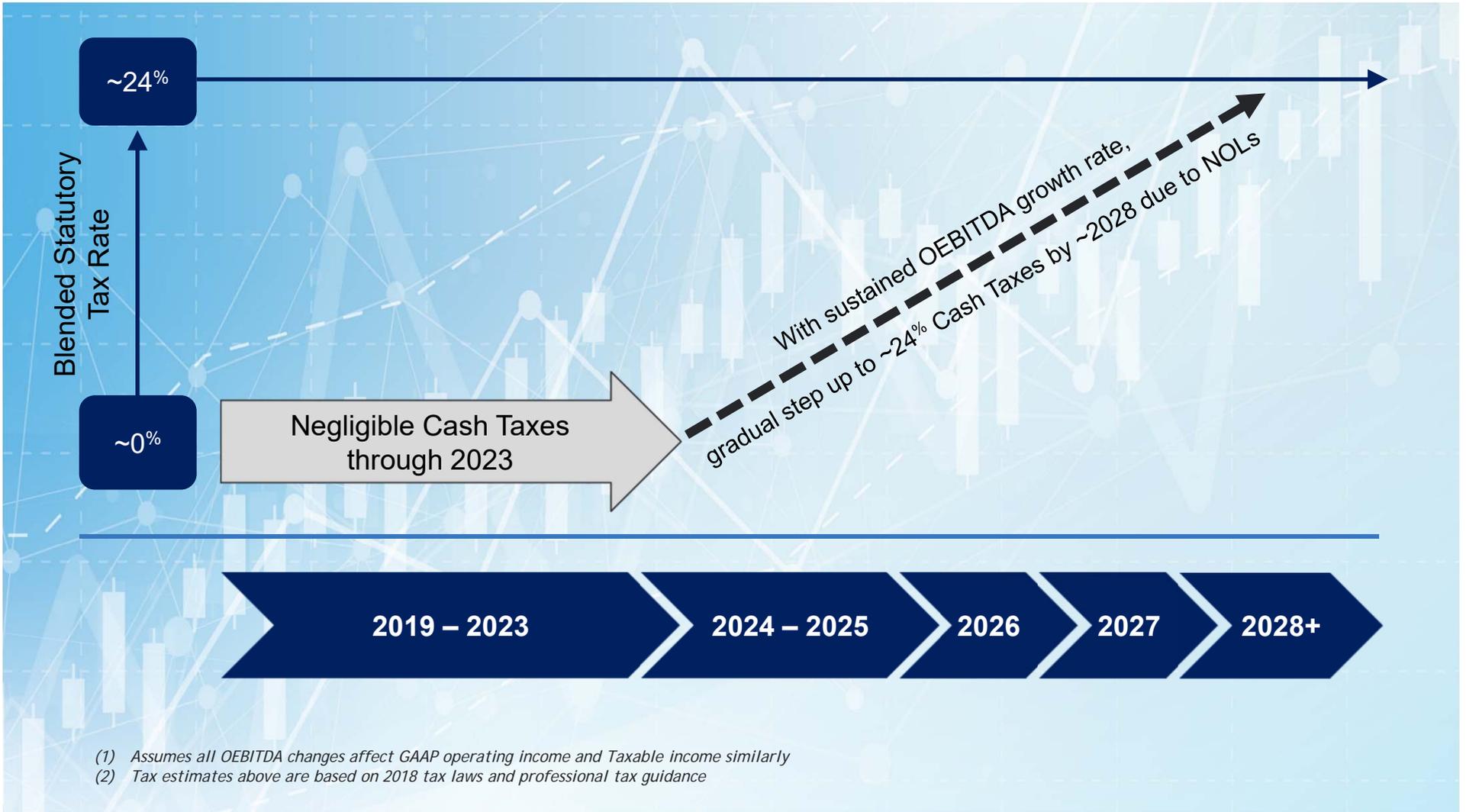
Intention is to refinance BPIAE facility (pending market conditions) as early as spring 2019 with a pre-determined accordion in place to refinance the HY bond in spring 2020 (post non-call period)

- Potential Term Loan B: approximately \$1.5B for 7-year term
- Revolver: approximately \$100M for 5-year term
- Accordion provides added capacity to take out high-yield debt
- 1% annual amortization with bullet at maturity

	Existing BPIAE	Potential Term Loan B
Amortization	2018 – 4% 2019 – 7% 2020 – 12% 2021 – 17% 2022 – 17% 2023 – 20% 2024 – 23%	1% per year; bullet at maturity
Financial Maintenance Covenants	8.24x net leverage stepping to 2.0x; 1.25x to 1.5x DSCR	N/A - Covenant-lite
Restricted Payments/ Dividends	Minimal Flexibility	Carve-Outs for Restricted Payments

Improved Flexibility via Capital Structure Migration

ESTIMATED CASH TAXES





INVESTMENT HIGHLIGHTS



Superior Operating Performance

- OEBITDA CAGR >9% since 2009
- Monetizing new capabilities enabled by upgraded constellation
- Capitalizing on IoT opportunities



Strong Cash Flow Conversion

- 10+ year CapEx holiday
- Negligible cash taxes through 2023 and gradual step-up thereafter due to NOLs



Flexible Allocation of Capital

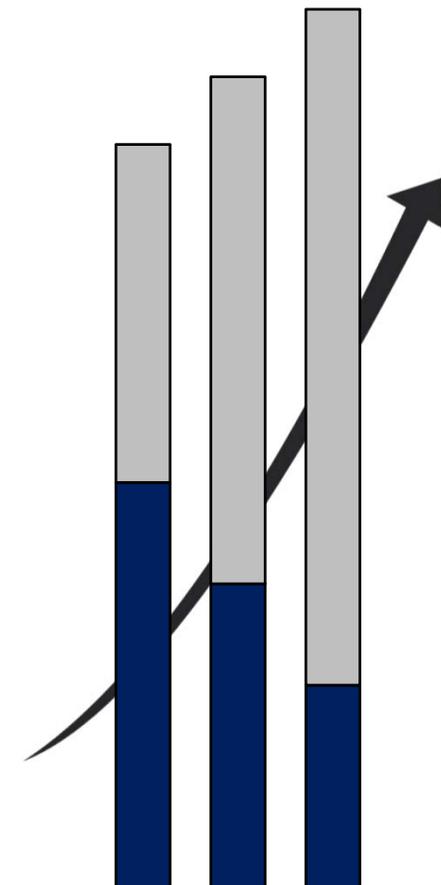
- Continued deleveraging
- Return capital to shareholders
- 2.5x – 3.5x target net leverage



Maximizing Shareholder Returns

Path to ~\$2B in capital returns through 2025

- ~70% of current market cap⁽²⁾ *pro forma for conversion of preferred*



Equity Net Debt

Rare combination of Growth and Levered Free Cash Flow

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(2) Market capitalization as of 2/28/19.

LEVERED FREE CASH FLOW 2019 NORMALIZED & FUTURE GROWTH

(\$ Millions, Except per Share)	2019 Outlook
OEBITDA (2019 Guidance Midpoint)	\$330
Iridium CapEx (Non-Iridium NEXT)	(\$35)
Working Capital (expected \$5M to \$10M annual range)	(\$8)
Interest ⁽¹⁾	(\$120)
Cash Taxes	\$0
LFCF	\$167
LFCF/Share ⁽²⁾	\$1.23
LFCF Yield ⁽³⁾	6%
LFCF Conversion	>50%

**With CapEx holiday and cash tax profile,
LFCF grows materially faster than OEBITDA**

(1) Cash Interest based on currently outstanding debt

(2) Per share data based on ~136M Fully-Diluted Common Shares Outstanding (pro forma for 12/31/18 conversion of Preferred, Options and RSUs)

(3) Yield based on \$21.29 Iridium (IRDM) share price at 2/28/19 less -\$2 value per share from Aireon

MORE COMPARABLE TO FIBER & TOWER SECTORS THAN SATELLITE PEERS



Factors Affecting Valuation in Each Sector

- | | | | |
|--|--|--|--|
| <ul style="list-style-type: none"> ✓ Traditionally high CapEx requirements creating barriers to entry ✓ Generally high margins reflecting wholesale business model focusing on reselling available capacity and relying on long-term contracts with customers ✗ Competition from terrestrial providers ✗ Commodity bandwidth pricing pressure ✗ Declining demand in traditionally largest revenue segment - video | <ul style="list-style-type: none"> ✓ Recurring revenue ✓ High capital requirements and regulatory oversight create high barriers to entry ✓ Strong industry growth and increased demand | <ul style="list-style-type: none"> ✓ Recurring revenue ✓ Significant cash flow generation driven by high growth, operating leverage, growing margins and low CapEx and taxes ✓ High barriers to entry ✓ Significant and growing market potential | <ul style="list-style-type: none"> ✓ Long-term contractual revenues (including escalator) ✓ High cash flow conversion due in part to the REIT status ✓ High capital requirements and regulatory oversight create high barriers to entry ✓ Demand for mobility data creating favorable industry tailwinds |
|--|--|--|--|

(1) NOTE: EBITDA multiples represent Enterprise values as of 2/28/19 divided by 2019 projected EBITDA; IRDM enterprise value based on ~136M FDSO (proforma for conversion of preferred, Options & RSU's as of 12/31/18) and excludes ~\$2 per share value from Aireon



IRIDIUM'S ATTRACTIVE FINANCIAL PROFILE

	Other Satellite Services	Fiber	 iridium®	Tower REITs
2018/2019 EBITDA Growth ^(a)	(-3%)	6%	9%	3%
2018 EBITDA Margins ^(b)	62%	44%	>57% (and expanding)	64%
CapEx Intensity ^(c)	28%	19%	<7% (and contracting)	18%
LFCF Yield ^{(d) (e)}	6%	4%	6%	5%
LFCF Conversion (LFCF / EBITDA) ^(d)	24%	32%	>50% (and expanding)	42%

Notes: Comps = Avg. for sector: Satellite includes SATS, I, SES, ETL, ISAT; Tower REITs include AMT, CCI, SBAC; Fiber includes ZAYO and CCOI

(a) IRDM OEBITDA growth based on 2019 guidance midpoint

(b) IRDM 2018 OEBITDA Margin

(c) IRDM CapEx intensity = normalized Non-Iridium NEXT CapEx of \$35M (during CapEx holiday) / 2018 Revenue; Comps = projected 2019 CapEx (avg. 2019-21 CapEx for Satellite Services comps) / projected 2019 revenue

(d) IRDM LFCF = 2019 midpoint OEBITDA less \$35M normalized Non-Iridium NEXT Capex less \$8M working capital less \$120M projected interest expense based on currently outstanding debt; Comps LFCF = estimated consensus 2019 Operating Cash Flow less 2019 CapEx (avg. 2019-21 CapEx for Satellite Services comps)

(e) IRDM LFCF Yield = IRDM LFCF per share (at 136M FDSO proforma for conversion of preferred) / \$21.29 share price at 2/28/19 less \$2 / share attributable to Aireon stake; Comps= projected 2019 OCF less 2019 CapEx (avg. 2019-21 CapEx for Satellite Services comps) / 2/28/19 market capitalization; Represents AFFO yield for Tower REITs

Source: Wall Street Research, FactSet



IRIDIUM COMMUNICATIONS INC.



Appendix

NON-GAAP FINANCIAL MEASURES

Iridium Communications Inc.

Reconciliation of GAAP Net Income to Operational EBITDA
 (\$ in thousands)

	For the Year Ended December 31,				
	2014	2015	2016	2017	2018
GAAP net income	\$ 74,989	\$ 7,123	\$ 111,032	\$ 233,856	\$ (13,384)
Impairment of goodwill	-	87,039	-	-	-
Adjusted net income	74,989	94,162	111,032	233,856	(13,384)
Interest income, net	(3,640)	(3,069)	(2,934)	(4,328)	62,441
Income taxes	41,463	65,992	67,133	(114,284)	(7,265)
Depreciation and amortization	72,769	51,834	49,394	122,266	218,207
EBITDA	185,581	208,919	224,625	237,510	259,999
Iridium NEXT expenses, net	18,064	17,296	16,732	23,316	27,606
Loss from investment in Aireon	4,296	-	-	-	-
Share-based compensation	9,559	8,602	13,689	15,806	14,408
Purchase accounting adjustments	(1,000)	(775)	(825)	-	-
Gain on Boeing transaction	-	-	-	(11,003)	-
Operational EBITDA	\$ 216,500	\$ 234,042	\$ 254,221	\$ 265,629	\$ 302,013