



**DEUTSCHE BANK
28TH ANNUAL MEDIA,
INTERNET & TELECOM
CONFERENCE**

MARCH 2020





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 service revenue, including the telephony and IoT sectors, Operational EBITDA, Operational EBITDA margin, capital expenditure and capex intensity, free cash flow, levered free cash flow and LFCF conversion, cash taxes and leverage levels; capital structure plans and expectations, including potential terms of a refinancing and potential returns to shareholders; expected capabilities and benefits of the new Iridium constellation; expected growth and competitive factors in the MSS industry; contracted U.S. government revenues; the market for and capabilities of new products and services, such as Iridium Certus®; 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, 2019, filed with the SEC on February 25, 2020, 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), share-based compensation expenses, the impact of purchase accounting, and non-cash gain from the Boeing transaction. The Company considers the loss on early extinguishment of debt to be financing-related costs associated with interest expense or amortization of financing fees, which by definition are excluded from Operational EBITDA. 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), share-based compensation expenses, the impact of purchase accounting, non-cash gain from the Boeing transaction, and loss on extinguishment of debt, 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. 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⁽¹⁾



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



Iridium® NEXT Campaign Completed



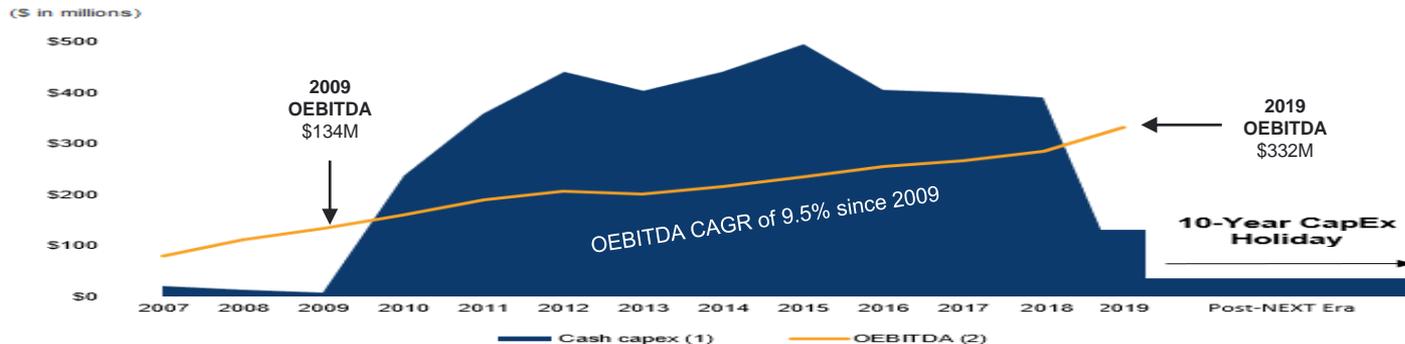
Upgraded constellation fully deployed on February 5, 2019

IRIDIUM NEXT

Completed in February 2019

Design, Build and Launch of New Network Started in 2010

~\$3 Billion Network Cost



- (1) Guidance speaks only as of the date it was originally provided (February 25, 2020). 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.
- (3) 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.

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



NETWORK ARCHITECTURE PROVIDES IRIDIUM 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
- Cross-linked, overlapping “mesh” architecture delivers superior availability, efficiency and reliability
 - Only system with true global coverage
- Upgraded Iridium satellites deliver significant improvements in quality and speeds for specialty broadband
- Iridium is complementary to planned, new LEO mega constellations offering commodity broadband



Our Satellite Network Provides a Superior and Differentiated Experience for Customers with True Global Coverage



WELL-POSITIONED TO ADDRESS NEEDS OF GLOBAL MOBILE SATELLITE SERVICES (MSS) MARKET

	Iridium's Market Position	Key Competitors	Iridium's Advantages	Iridium's Growth Strategy
 Land/Mobile	Market leader with premium product offering	Inmarsat Globalstar (Regional) Thuraya (Regional)	<ul style="list-style-type: none">• True mobility• Global coverage• Reliability	<ul style="list-style-type: none">• Robust product portfolio• Attractive handset margins
 IoT Services	Premium provider with rapid subscriber growth	Inmarsat Orbcomm (Hybrid) Globalstar (Regional)	<ul style="list-style-type: none">• Global coverage• Low latency• Throughput• Small form factor	<ul style="list-style-type: none">• Hardware cost reductions• Complement to terrestrial solutions
 Maritime	Large addressable market with high value customers	Inmarsat	<ul style="list-style-type: none">• Global coverage• Low cost• Small antenna	<ul style="list-style-type: none">• Safety services, including GMDSS• Value-oriented offerings• Higher throughput
 Aviation	Market leader in general aviation with broadband growth opportunity	Inmarsat	<ul style="list-style-type: none">• Global coverage• Low cost• Small device	<ul style="list-style-type: none">• Safety services for pilots in cockpit• Leverage global coverage advantage

EXPANSIVE DISTRIBUTION NETWORK DRIVES HIGH MARGINS

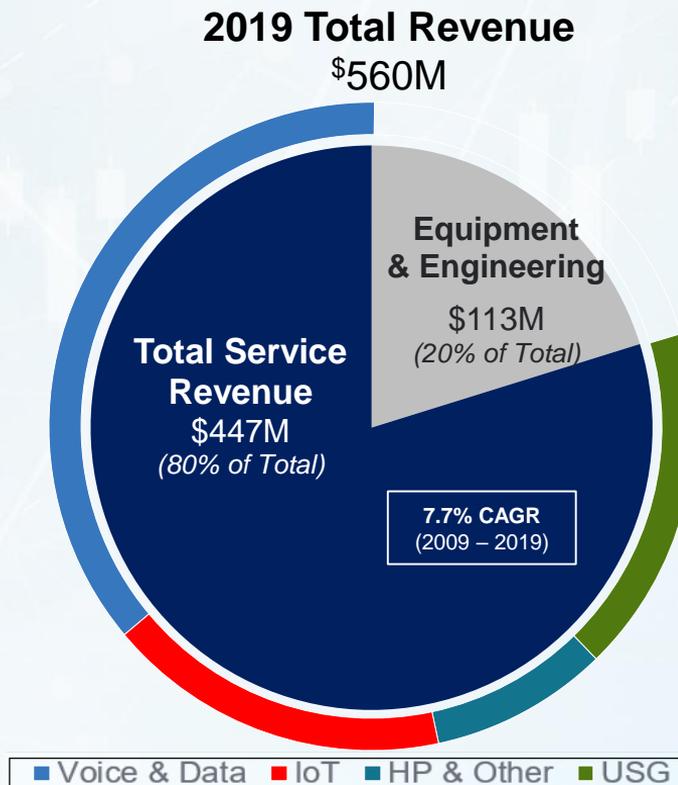
450+ Partner Ecosystem: *An Engine of Innovation*

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



IRIDIUM 2019 REVENUE

- Total Service Revenue is recurring and highly predictable
 - Primary driver of future Total Revenue and OEBITDA growth
 - Commercial Voice & Data revenue is largest component at \$203.6M
 - Commercial IoT has the most subscribers at 802,000 (28% CAGR since 2009)
- Equipment margin of ~40%
- Engineering revenues driven by episodic government projects





DIVERSIFIED BUSINESS LINES PROVIDE MULTIPLE GROWTH DRIVERS⁽¹⁾

Recurring Revenue	2019(A)	2018(A)	Y/Y Change	Revenue Characteristics
Commercial Services	\$350M	\$319M	+ 10%	
Commercial Voice	\$204M	\$193M	+ 6%	Highly defensible base + PTT & Iridium GO! [®] growth – expect low single-digit growth (plus Iridium Certus broadband opens new capabilities)
Commercial IoT	\$96M	\$85M	+ 13%	Y/Y double-digit subscriber growth; Iridium Certus 9770 partner ecosystem potential and volume to open new horizons post-2021
Hosted Payload	\$40M	\$26M	+ 52%	Contractual revenue from new satellites ~\$47M at full ramp; Aireon data fee stepped-up to ~\$23M/year in 2020
Other Data Services	\$10M	\$14M ⁽²⁾	- 30%	Primarily Satellite Timing & Location (STL) and licensing revenue
U.S. Government	\$97M	\$88M	+ 10%	New 7-year \$738.5M contract renewal with U.S. government announced in September 2019
Total Service Revenue	\$447M	\$407M	+ 10%	

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(2) Includes one-time catch up payment of \$4.5M in 2018.



2020 FINANCIAL GUIDANCE⁽¹⁾

Metrics	2020	Year-Over-Year Change
Total Service Revenue	6 to 8% Growth	N/A
Operational EBITDA (OEBITDA)	~\$355 to 365M	Up 9% ⁽³⁾
Cash Taxes	Negligible through approximately 2023	N/A
Net Leverage ⁽²⁾	~4.0x	Down ~0.8x

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- (2) Guidance of ~4.0 times OEBITDA at year-end 2020 is inclusive of transaction costs associated with the refinancing of the High Yield Notes.
- (3) 2020 estimates 9% growth to mid-point of guidance.

THE AIREON OPPORTUNITY



Delivering the only real-time aircraft surveillance service – an annual addressable market opportunity approaching \$750M

- Aireon has signed 15 data service agreements with Air National Service Providers (ANSPs)
- Aireon's signed agreements cover more than 35 countries
- Aireon's six equity investors include some of the largest ANSPs in the world



PRE-AIREON
GLOBAL
SURVEILLANCE
COVERAGE
30%



AIREON
GLOBAL
COVERAGE
100%



SPACE-BASED ADS-B TECHNOLOGY



AireonSM services leverage existing aircraft ADS-B equipment to address a global ICAO mandate for commercial aircraft tracking

- ADS-B required in the United States and Europe starting in 2020





IRIDIUM CAPITAL STRUCTURE ROAD MAP





INVESTMENT HIGHLIGHTS⁽¹⁾



Superior Operating Performance

- OEBITDA CAGR >9% (2009-2019)
- 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

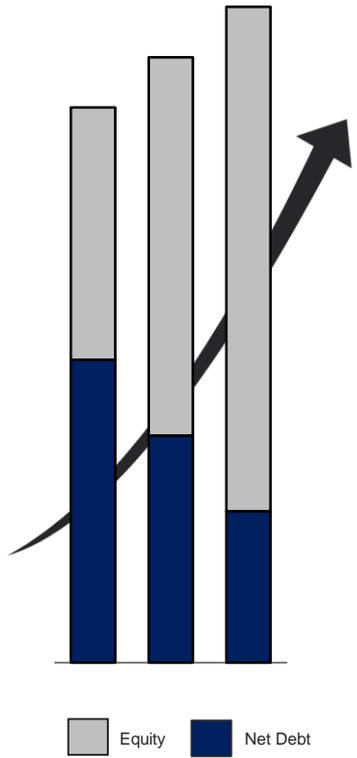
- Continued deleveraging
- Return capital to shareholders
- 2.5x – 3.5x target net leverage



Maximizing Shareholder Returns

Path to meaningful capital returns through 2025

Rare Combination of Growth and Free Cash Flow



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PRO FORMA FREE CASH FLOW* 2019 & 2020

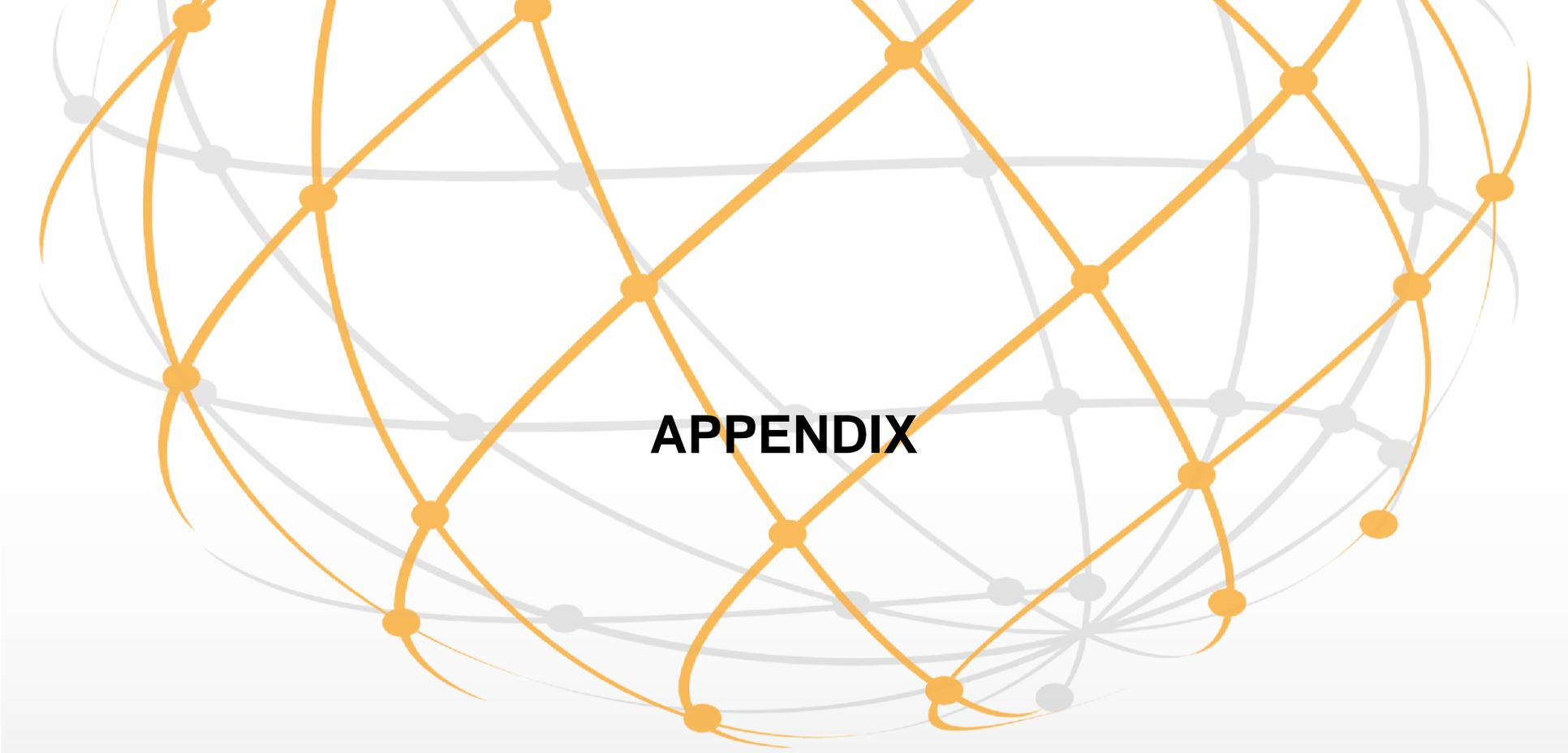
(\$ Millions, Except per Share)	2019 Pro Forma Results	2020 Pro Forma Outlook	% Change
Operational EBITDA (1)*	\$332	\$360	9%
Hosted Payload Cash Timing (2)	(\$6)	(\$18)	
Working Capital (3)	(\$8)	(\$8)	
Iridium CapEx (4)	(\$37)	(\$35)	
Net Interest (5)	(\$112)	(\$90)	(-19%)
Cash Taxes (6)	(\$1)	(\$1)	
Free Cash Flow (FCF)	\$168	\$208	24%
FCF/Share (7)	\$1.22	\$1.52	24%
FCF Yield (8)	~5.4%	~5.4%	
FCF Conversion (FCF as % of OEBITDA)	>50%	>57%	14%

* Footnote to Pro Forma Free Cash Flow appear in the appendix to this presentation



WELL-POSITIONED FOR GROWTH AND SHAREHOLDER RETURNS

- Unique network architecture and L-band spectrum sustain position in a market with high barriers to entry
- Strong business fundamentals and new revenue streams drive top- and bottom-line growth
 - ~78% of total 2019 revenue is recurring service revenue
- Poised to capture market share with new satellite network and fastest broadband L-band service in industry
- Global ecosystem of distribution partners drives subscriber growth and margin expansion in wholesale business
- Capex holiday creates growing free cash flow and potential benefit for shareholders



APPENDIX



FOOTNOTES TO PRO FORMA FREE CASH FLOW

- (1) See below for the definition of Operational EBITDA and a reconciliation of GAAP net loss to OEBITDA for 2019
- (2) Hosted Payload adjusts OEBITDA for revenue recognition from Aireon and Harris Hosting and Prepaid data in excess of cash received in period
- (3) Working Capital timing is expected to result in a net use of cash averaging \$5-\$10M annually as Iridium grows; 2019 excludes Iridium NEXT working capital impacts
- (4) Booked CapEx excludes Iridium NEXT expenditures for 2019; consistent with guidance, it is expected to average ~\$35M annually over the 10 years beginning with 2019
- (5) Pro Forma Net Interest for 2019 includes 10-months BPIAE debt at (~5.0%), 2-months Term Loan B (~5.7%), 12-months high yield (~10.25%) and ~\$8M interest income; 2020 reflects current \$1.65B TLB at ~5.7% for 12-months and ~\$3M interest income (excludes costs related to the refinancing)
- (6) Cash Taxes reflect tax payments (and exclude tax refunds)
- (7) Per share data based on ~137M Fully-Diluted Common Shares Outstanding (pro forma for 12/31/19 conversion of outstanding Options and RSUs)
- (8) Yields for 2019 and 2020 are based on Iridium (IRDM) share prices of \$24.64 at 12/31/19 and \$30.20 at 2/21/20 less ~\$2 value per share value from Aireon

***Non-GAAP Financial Measures**

Pro forma free cash flow: The Company uses pro forma free cash flow to evaluate the Company's capacity for deleveraging and other shareholder-friendly actions. Notes 1-8 above detail the elements of the calculation of pro forma free cash flow from OEBITDA. Pro forma free cash flow also excludes costs associated with refinancing. Because pro forma free cash flow includes these and other significant adjustments, its utility as a measure of the Company's capacity for deleveraging and other shareholder-friendly actions has material limitations. Due to these limitations, the Company's management does not view pro forma free cash flow in isolation, but also uses other measurements, such as net cash provided by operating activities, to measure the Company's capacity for deleveraging and other shareholder-friendly actions.

OEBITDA: OEBITDA represents earnings before interest, income taxes, depreciation and amortization, and share-based compensation expenses. The Company considers the loss on early extinguishment of debt to be financing-related costs associated with interest expense or amortization of financing fees, which by definition are excluded from OEBITDA. Such charges are incidental to, but not reflective of, the Company's day-to-day operating performance. U.S. GAAP requires that certain of the expenses associated with the approximately \$3 billion construction cost of Iridium NEXT (the "Construction Costs") be expensed. These Construction Costs, which beginning in 2018 principally consisted of in-orbit insurance, will continue to be excluded from Operational EBITDA through the first quarter of 2020. By eliminating interest, income taxes, depreciation and amortization, and share-based compensation expenses, the Company believes the result is a useful measure across time in evaluating its fundamental core operating performance. Management also uses OEBITDA to manage the business, including in preparing its annual operating budget, debt covenant compliance, financial projections and compensation plans. The Company believes that OEBITDA 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, OEBITDA does not include interest expense on borrowed money, the payment of income taxes, amortization of the Company's definite-lived intangible assets, or depreciation expense on the Company's capital assets, which are necessary elements of the Company's operations. Since OEBITDA 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 OEBITDA in isolation, but also uses other measurements, such as net income, revenues and operating profit, to measure operating performance. Please refer to the schedule below for a reconciliation of consolidated GAAP net loss to OEBITDA for 2019. We do not provide a forward-looking reconciliation of expected full-year 2020 Operational EBITDA guidance as the amount and significance of special items required to develop meaningful comparable GAAP financial measures cannot be estimated at this time without unreasonable efforts.

NON-GAAP FINANCIAL MEASURES

Iridium Communications Inc.
 Reconciliation of GAAP Net Income to Operational EBITDA
(\$ in thousands)

	For the Year Ended December 31,				
	2015	2016	2017	2018	2019
GAAP net income	\$ 7,123	\$ 111,032	\$ 233,856	\$ (13,384)	\$ (161,999)
Impairment of goodwill	87,039	-	-	-	-
Adjusted net income	94,162	111,032	233,856	(13,384)	(161,999)
Interest income, net	(3,069)	(2,934)	(4,328)	62,441	115,396
Income taxes	65,992	67,133	(114,284)	(7,265)	(56,120)
Depreciation and amortization	51,834	49,394	122,266	218,207	297,705
EBITDA	208,919	224,625	237,510	259,999	194,982
Iridium NEXT expenses, net	17,296	16,732	23,316	27,606	9,641
Share-based compensation	8,602	13,689	15,806	14,408	15,351
Purchase accounting adjustments	(775)	(825)	-	-	-
Gain on Boeing transaction	-	-	(11,003)	-	-
Loss on extinguishment of debt	-	-	-	-	111,710
Operational EBITDA	\$ 234,042	\$ 254,221	\$ 265,629	\$ 302,013	\$ 331,684



IRIDIUM COMMUNICATIONS INC.

