

Intelsat S.A.  
Form 20-F  
February 26, 2018  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 20-F**

(Mark One)

**REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2017**

**OR**

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**OR**

**SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

**Commission file number: 001-35878**

**INTELSAT S.A.**

**(Exact name of Registrant as specified in its charter)**

**N/A**

**(Translation of Registrant's name into English)**

**Grand Duchy of Luxembourg**

**(Jurisdiction of incorporation or organization)**

**4 rue Albert Borschette**

**Luxembourg**

**Grand-Duchy of Luxembourg**

**L-1246**

**(Address of principal executive offices)**

**Michelle V. Bryan, Esq.**

**Executive Vice President, General Counsel and Chief Administrative Officer**

**Intelsat S.A.**

**4, rue Albert Borschette**

**L-1246 Luxembourg**

**Telephone: +352 27-84-1600**

**Fax: +352 27-84-1690**

**(Name, Telephone, E-Mail and/or Facsimile number and Address of Company Contact Person)**

**Securities registered or to be registered pursuant to Section 12(b) of the Act:**

**Title of Each Class**

**Name of Each Exchange On Which Registered**

**Common Shares, nominal value \$0.01 per share**

**New York Stock Exchange**

**Securities registered or to be registered pursuant to Section 12(g) of the Act:**

**None**

**Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:**

**None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the Annual Report.

**119,555,279 common shares, nominal value \$0.01 per share**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Note checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of large accelerated filer, accelerated filer, and emerging growth company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated Filer

Non-accelerated filer

Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards\* provided pursuant to Section 13(a) of the Exchange Act.

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\* The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP

International Financial Reporting Standards as issued

Other

by the International Accounting Standards Board

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17      Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).    Yes      No

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**FORWARD-LOOKING STATEMENTS**

Some of the statements in this Annual Report on Form 20-F, or Annual Report, and oral statements made from time to time by our representatives constitute forward-looking statements that do not directly or exclusively relate to historical facts. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for certain forward-looking statements as long as they are identified as forward-looking and are accompanied by meaningful cautionary statements identifying important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements.

When used in this Annual Report, the words may, will, might, should, expect, plan, anticipate, project, estimate, predict, intend, potential, outlook and continue, and the negative of these terms, and other similar expressions are intended to identify forward-looking statements and information. Examples of these forward-looking statements include, but are not limited to, statements regarding the following: our belief that the growing worldwide demand for reliable broadband connectivity everywhere at all times, together with our leadership position in our attractive sector, global scale, efficient operating and financial profile, diversified customer sets and sizeable contracted backlog, provide us with a platform for long-term success; our belief that the new and differentiated capacity of our next generation Intelsat Epic<sup>NG</sup> satellites will provide inventory to help offset recent trends of pricing pressure in our network services business; our outlook that the increased volume of services provided by our Intelsat Epic<sup>NG</sup> fleet is expected to stabilize business activity in the network services sector; our expectation that over time incremental demand for capacity to support the new 4K format, also known as ultra-high definition, could compensate for reductions in demand related to use of new compression technologies in our media business; our expectation that our investment in a new generation of ground hardware will simplify access to satellite communications, potentially opening much larger and faster growing sectors than those traditionally served by our industry; our belief that employing a disciplined yield management approach, and focusing our marketing and distribution strategies around our four primary customer sets will drive stability in our core business; our expectation that designing and deploying differentiated managed service offerings in targeted verticals, leveraging the scale, higher performance and better economics of our Intelsat Epic<sup>NG</sup> fleet will drive revenue growth; our intentions of further use of our partnerships and investments in adjacent markets and other inorganic opportunities to access innovations, continue to transform our capabilities and utilize broader solutions, including integrated solutions such as those to be offered by our partner, OneWeb, to enhance our service offerings to customers and drive revenue growth; our ability to efficiently incorporate new technologies into our network to capture growth; our intention to maximize our revenues and returns generated by our assets by developing and managing our capacity in a disciplined and efficient manner; our projection that our government business will benefit from the increasing demands for mobility services from the U.S. government for aeronautical and ground mobile requirements; our intention to leverage our satellite launches and maximize the value of our spectrum rights, including the pursuit of partnerships to optimize new satellite business cases and the exploration of joint-use of certain spectrum with the wireless sector in certain geographies; our intent to consider select acquisitions of complementary businesses or technologies that enhance our product and geographic portfolio; our belief that developing differentiated services and investing in new technology will allow us to unlock opportunities that are essential, but have been slow to develop due to cost and/or technology challenges; the trends that we believe will impact our revenue and operating expenses in the future; our assessments regarding how long satellites that have experienced anomalies in the past should be able to provide service on their transponders; our assessment of the risks of future anomalies occurring on our satellites; our plans for satellite launches in the near-term; our expected capital expenditures in 2018 and during the next several years; our belief that the diversity of our revenue and customer base allows us to recognize trends, capture new growth opportunities, and gain experience that can be transferred to customers in other regions; our belief that the scale of our fleet can reduce the financial impact of any satellite or launch failures and protect against service interruption; and the impact on our financial position or results of operations of pending legal proceedings.



Forward-looking statements reflect our intentions, plans, expectations, anticipations, projections, estimations, predictions, outlook, assumptions and beliefs about future events. These forward-looking statements speak only as of their dates and are not guarantees of future performance or results and are subject to risks, uncertainties and other factors, many of which are outside of our control. These factors could cause actual results or developments to differ materially from the expectations expressed or implied in the forward-looking statements and include known and unknown risks. Known risks include, among others, the risks discussed in Item 3D Risk Factors, the political, economic and legal conditions in the markets we are targeting for communications services or in which we operate and other risks and uncertainties inherent in the telecommunications business in general and the satellite communications business in particular.

Other factors that may cause results or developments to differ materially from historical results or developments or the forward-looking statements made in this Annual Report include, but are not limited to:

risks associated with operating our in-orbit satellites;

satellite launch failures, satellite launch and construction delays and in-orbit failures or reduced satellite performance;

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potential changes in the number of companies offering commercial satellite launch services and the number of commercial satellite launch opportunities available in any given time period that could impact our ability to timely schedule future launches and the prices we pay for such launches;

our ability to obtain new satellite insurance policies with financially viable insurance carriers on commercially reasonable terms or at all, as well as the ability of our insurance carriers to fulfill their obligations;

possible future losses on satellites that are not adequately covered by insurance;

U.S. and other government regulation;

changes in our contracted backlog or expected contracted backlog for future services;

pricing pressure and overcapacity in the markets in which we compete;

our ability to access capital markets for debt or equity;

the competitive environment in which we operate;

customer defaults on their obligations to us;

our international operations and other uncertainties associated with doing business internationally;

litigation; and

other risks discussed under Item 3D Risk Factors.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee our future results, level of activity, performance or achievements. Because actual results could differ materially from our intentions, plans, expectations, anticipations, projections, estimations, predictions, outlook, assumptions and beliefs about the future, you are urged not to rely on forward-looking statements in this Annual Report and to view all forward-looking statements made in this Annual Report with caution. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**INDUSTRY AND MARKET DATA**

This Annual Report includes information with respect to regional and sector share and industry conditions from third-party sources, public filings and based upon our estimates using such sources when available. While we believe that such information and estimates are reasonable and reliable, we have not independently verified the data from third-party sources, including *Euroconsult Satellite Communications & Broadcasting Markets Survey, 24th Edition (September 2017)*, *NSR Government & Military Satellite Communications, 14th Edition (December 2017)*, *NSR Global Satellite Capacity Supply & Demand, 14th Edition (June 2017)*, *NSR Linear TV via Satellite, 9th Edition (March 2017)*, *NSR Wireless Backhaul via Satellite, 11th Edition (March 2017)*, *the World Bank Group*, and *Seradata Spacetrak*. Unless otherwise specified, all references contained in this Annual Report to these third-party sources are as of the dates of these sources stated above. Similarly, our internal research is based upon our understanding of industry conditions, and such information has not been verified by independent sources. Specifically, when we refer to the relative size, regions served, number of customers contracted, experience and financial performance of our business as compared to other companies in our sector, our assertions are based upon public filings of other operators and comparisons provided by third-party sources, as outlined above.

Throughout this Annual Report, unless otherwise indicated, references to market positions are based on third-party market research. If a regional position or statement as to industry conditions is based on internal research, it is identified as management's belief. Throughout this Annual Report, unless otherwise indicated, statements as to our relative positions as a provider of services to customers and regions are based upon our relative share. For additional information regarding our regional share with respect to our customer sets, services and regions, and the bases upon which we determine our share, see Item 4B Business Overview.

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**PART I**

**Item 1. Identity of Directors, Senior Management and Advisers**

Not applicable.

**Item 2. Offer Statistics and Expected Timetable**

Not applicable.

**Item 3. Key Information**

*In this Annual Report unless otherwise indicated or the context otherwise requires, (1) the terms we, us, our, the Company and Intelsat refer to Intelsat S.A., and its subsidiaries on a consolidated basis, (2) the term Intelsat Holdings refers to our indirect subsidiary, Intelsat Holdings S.A., (3) the term Intelsat Investments refers to Intelsat Investments S.A., Intelsat Holdings' direct wholly-owned subsidiary, (4) the term Intelsat Luxembourg refers to Intelsat (Luxembourg) S.A., Intelsat Investments' direct wholly-owned subsidiary, (5) the terms Intelsat Connect and ICF refer to Intelsat Connect Finance S.A., Intelsat Luxembourg's direct wholly-owned subsidiary, (6) the term Intelsat Jackson refers to Intelsat Jackson Holdings S.A., Intelsat Connect's direct wholly-owned subsidiary, and (7) the term Intelsat refers to specific Intelsat-satellites. We refer to Intelsat General Corporation, one of our subsidiaries, as Intelsat General. In this Annual Report, unless the context otherwise requires, all references to transponder capacity or demand refer to transponder capacity or demand in the C-band and Ku-band only.*

**A. Selected Financial Data**

The following selected historical consolidated financial data should be read in conjunction with, and is qualified by reference to, Item 5 Operating and Financial Review and Prospects and our audited consolidated financial statements and their notes included elsewhere in this Annual Report. The consolidated statement of operations data and consolidated cash flow data for the years ended December 31, 2015, 2016 and 2017, and the consolidated balance sheet data as of December 31, 2016 and 2017 have been derived from audited consolidated financial statements included elsewhere in this Annual Report. The consolidated statement of operations data and consolidated cash flow data for the years ended December 31, 2013 and 2014 and the consolidated balance sheet data as of December 31, 2013, 2014 and 2015, have been derived from audited consolidated financial statements that are not included in this Annual Report.

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	Year Ended December 31,				
	2013	2014	2015	2016	2017
	(in thousands, except per share amounts)				
<b>Consolidated Statement of Operations Data</b>					
Revenue	\$ 2,603,623	\$ 2,472,386	\$ 2,352,521	\$ 2,188,047	\$ 2,148,612
Operating expenses:					
Direct costs of revenue (excluding depreciation and amortization)	375,769	348,348	328,501	341,147	322,216
Selling, general and administrative	288,467	197,407	199,412	231,397	204,015
Impairment of goodwill and other intangibles			4,165,400		
Depreciation and amortization	736,567	679,351	687,729	694,891	707,824
Gain on satellite insurance recoveries	(9,618)				
<b>Total operating expenses</b>	<b>1,391,185</b>	<b>1,225,106</b>	<b>5,381,042</b>	<b>1,267,435</b>	<b>1,234,055</b>
Income (loss) from operations	1,212,438	1,247,280	(3,028,521)	920,612	914,557
Interest expense, net	1,122,261	944,787	890,279	938,501	1,020,770
Gain (loss) on early extinguishment of debt	(368,089)	(40,423)	7,061	1,030,092	(4,109)
Other income (expense), net	(4,918)	(2,593)	(6,201)	(2,105)	6,638
Income (loss) before income taxes	(282,830)	259,477	(3,917,940)	1,010,098	(103,684)
Provision for (benefit from) income taxes	(30,837)	22,971	1,513	15,986	71,130
Net income (loss)	(251,993)	236,506	(3,919,453)	994,112	(174,814)
Net income attributable to noncontrolling interest	(3,687)	(3,974)	(3,934)	(3,915)	(3,914)
Net income (loss) attributable to Intelsat S.A.	(255,680)	232,532	(3,923,387)	990,197	(178,728)
Cumulative preferred dividends	(10,196)	(9,917)	(9,919)		
Net income (loss) attributable to common shareholders	\$ (265,876)	\$ 222,615	\$ (3,933,306)	\$ 990,197	\$ (178,728)
<b>Other Data</b>					
Capital expenditures	\$ 600,792	\$ 645,424	\$ 724,362	\$ 714,570	\$ 461,627
Other payments for satellites	\$	\$			