



RAYMOND JAMES 41ST ANNUAL INSTITUTIONAL INVESTOR CONFERENCE

MARCH 3, 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 operational EBITDA, capital expenditures, pro forma free cash flow metrics, cash taxes and leverage levels, and potential returns to shareholders. 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

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 on slide 6 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.

A STARK FINANCIAL TRANSFORMATION IS UNDERWAY⁽¹⁾



IRIDIUM NEXT

Completed in February 2019

Design, Build and Launch of New Network Started in 2010

~\$3 Billion Network Cost



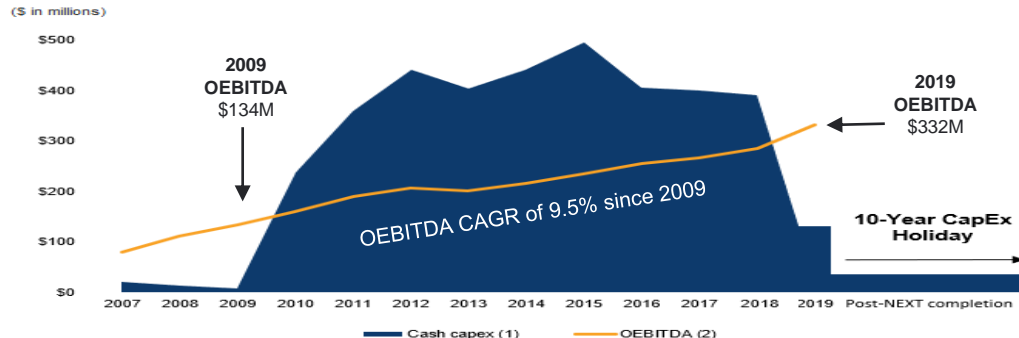
OEBITDA⁽²⁾ GROWTH



FALLING NET LEVERAGE



GROWING FREE CASH FLOW⁽³⁾



- (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.

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%



PRO FORMA FREE CASH FLOW FOOTNOTES

- (1) See next slide for the reconciliation of GAAP net loss to operational EBITDA 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



RECONCILIATION OF GAAP NET LOSS TO OEBITDA

(\$ Millions)		2019 Results
GAAP Net Loss		(\$162)
Interest Expense, Net		\$115
Income Tax Benefit		(\$56)
Depreciation & Amortization		\$298
Iridium NEXT Expenses, net		\$10
Share-based Compensation		\$15
Loss on Extinguishment of Debt		\$112
Operational EBITDA (OEBITDA)		\$332



IRIDIUM COMMUNICATIONS INC.

