



The S-Network Space Index

Powered by Space Investment Services LLC

Q1 2018



- ❑ **Private Industry is Rapidly Joining the New “Space Race”**

- ❑ **Investors are Increasingly Able to Distinguish Space Industry from Government/Defense Programs**

- ❑ **Broad-Based Investment in Space-Related Activities Prevents Overly Narrow Bets**
 - Telecommunications
 - Television and Radio Broadcasting
 - Rocket and Satellite Manufacturing and Operation
 - Ground Equipment Manufacturing
 - Space-Based Imagery and Intelligence Services

**The S-Network Space Index is Limited to Truly Space-Related Companies,
While Also Diversifying Across Different Space-Related Activities.**

Index Characteristics

❑ Companies Screened Using Information from Space Investment Services LLC

- 74% of Index Constituent Revenues Derived from Space-Related Activities
- Areas Include:
 - Launch Vehicle Prime Manufacturing
 - Components and Ground Equipment
 - Satellite Operation and Manufacturing

❑ Two Tranches for Space-Related Activities

- Diversified (20% Weight)
- Pure-Play (80% Weight)

❑ Weighting

- By Market Cap Adjusted for Float and Percentage of Revenue from Space-Related Activities
- Constituent Weighted Within Their Tranches
- Within-Tranche Weights Capped
 - 12% (Diversified)
 - 6% (Pure-Play)

❑ Maintenance

- Semiannual Reconstitution
- Quarterly Rebalancing

The S-Network Space Index Employs Careful Handling of Relative Weightings and Regular, Strictly Rules-Based Maintenance.

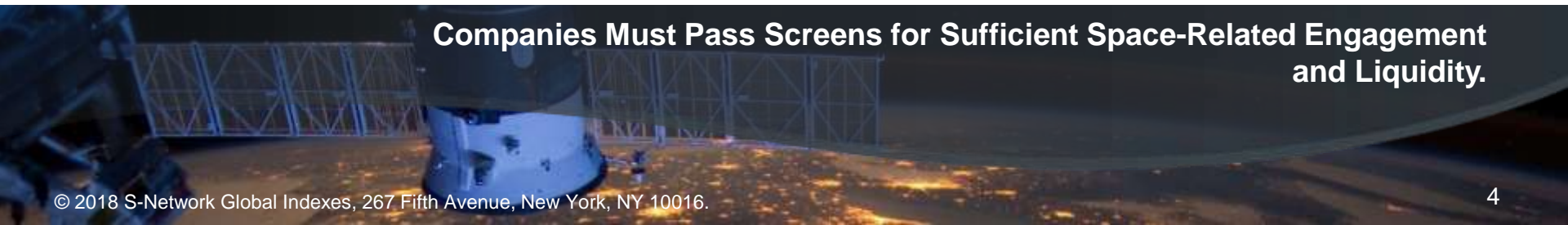
❑ Must Derive Substantial Revenue from Space-Related Activities

❑ Screened with Several Relevant Questions

- Was the company the prime manufacturer for a satellite in the past five years?
- Was the company the prime manufacturer/operator of a launch vehicle in the past five years?
- Does the company currently operate satellites?
- Is the company substantially engaged in manufacturing space vehicle components (for satellites, launch vehicles, or other spacecraft)?
- Is the company substantially engaged in manufacturing ground equipment used with satellite systems?

❑ Eligibility

- Stock Must be Traded on a Recognized Exchange
- Minimum Three-Month Average Daily Trading Volume of 1 Million USD



Companies Must Pass Screens for Sufficient Space-Related Engagement and Liquidity.

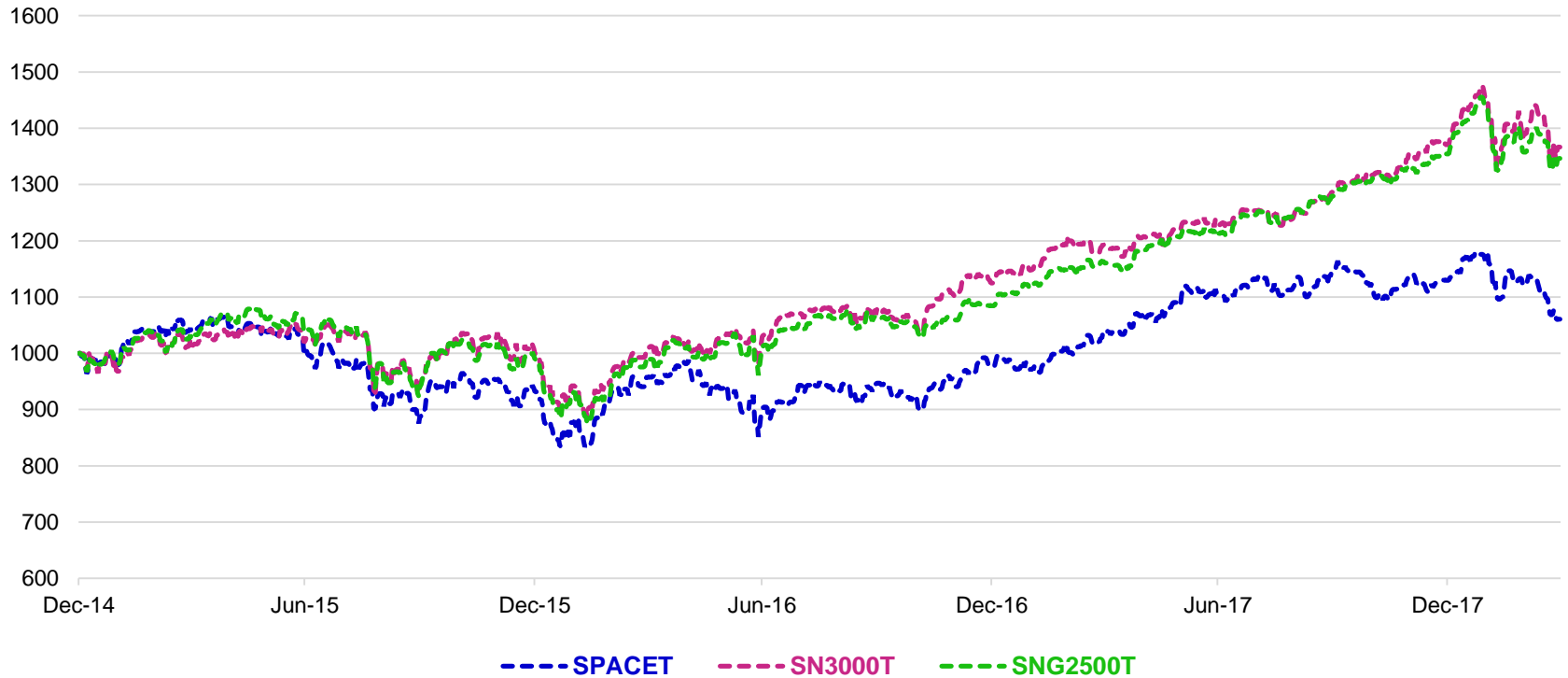


Historical Performance



Historical Performance

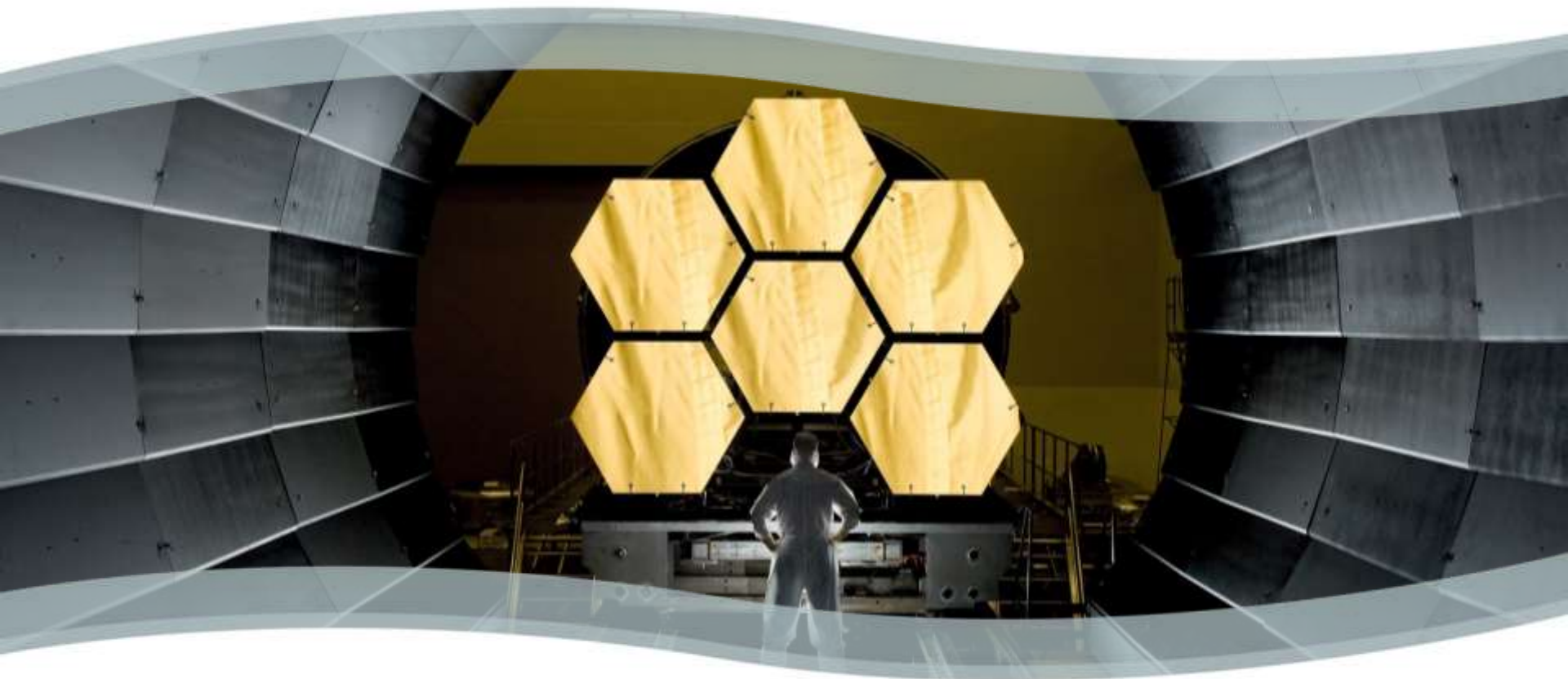
The S-Network Space Index vs. Benchmarks* 12/31/2014–3/31/2018



*To ensure fair comparisons, all of the starting index values are normalized to 1,000 as of December 31, 2014.

Source: S-Network, as of 3/31/2018





Index Constituents



Market Capitalization Profile

The S-Network Space Index		
	Pure Play Tranche (80%)	Diversified Tranche (20%)
Number Of Constituents	21	10
Total Market Capitalization	128.89 Billion USD	709.85 Billion USD
Largest Market Capitalization	31.26 Billion USD	218.95 Billion USD
Smallest Market Capitalization	133.45 Million USD	2.11 Billion USD
Average Market Capitalization	6.14 Billion USD	70.99 Billion USD

Source: S-Network, as of 3/31/2018

Top Ten Constituents (Pure Play Tranche)

The S-Network Space Index: Pure Play Tranche			
Company Name	Ticker	Country	Weight
Sky Plc	SKY LN	United Kingdom	5.06%
Iridium Communications Inc.	IRDM US	United States	5.00%
Garmin Ltd	GRMN US	United States	4.98%
Sirius Xm Holdings Inc	SIRI US	United States	4.92%
Speedcast International Ltd	SDA AU	Australia	4.91%
Maxar Technologies Ltd.	MAXR CN	Canada	4.89%
Dish Network Corp A	DISH US	United States	4.79%
Trimble Navigation Ltd	TRMB US	United States	4.69%
Echostar Holding Corp A	SATS US	United States	4.66%
Eutelsat Communications Promesses	ETL FP	France	4.62%

Source: S-Network, as of 3/31/2018

You Don't Own These Companies; The Sum of All SPACE Constituents' Weights in the Global 2500 Index is Only 1.55%.

Top Five Constituents (Diversified Tranche)

The S-Network Space Index: Diversified Tranche			
Company Name	Ticker	Country	Weight
Orbital ATK Inc	OA US	United States	2.58%
Northrop Grumman Corp	NOC US	United States	2.57%
Lockheed Martin	LMT US	United States	2.56%
At&T Inc	T US	United States	2.48%
Airbus SE	AIR FP	France	2.46%

Source: S-Network, as of 3/31/2018



Statistical Profiles



Total Return Appreciation			
	SPACE TR	SN3000 TR	SNG2500 TR
3 Year	2.16%	34.39%	31.38%
2 Year	10.78%	35.84%	35.68%
1 Year	1.82%	14.69%	16.03%

Compound Annual Growth Rate			
	SPACE TR	SN3000 TR	SNG2500 TR
3 Year	0.71%	10.36%	9.52%
2 Year	5.25%	16.55%	16.48%
1 Year	1.82%	14.69%	16.03%

Annualized Monthly Standard Deviation			
	SPACE TR	SN3000 TR	SNG2500 TR
3 Year	11.77%	10.50%	10.86%
2 Year	10.30%	7.39%	7.07%
1 Year	10.01%	8.29%	8.48%

*From 12/31/2014

Source: S-Network, as of 3/31/2018

Sharpe Ratio			
	SPACE TR	SN3000 TR	SNG2500 TR
3 Year	0.0688	0.9381	0.8400
2 Year	0.4701	2.0127	2.0915
1 Year	0.1074	1.5562	1.6607

Correlation		
	SPACE TR vs. SN3000 TR	SPACE TR vs. SNG2500 TR
3 Year	0.7723	0.7952
2 Year	0.6477	0.7244
1 Year	0.7675	0.7911

*From 12/31/2014

Source: S-Network, as of 3/31/2018



Beta		
	SPACE TR vs. SN3000 TR	SPACE TR vs. SNG2500 TR
3 Year	0.8657	0.8614
2 Year	0.9031	1.0552
1 Year	0.9269	0.9334

R-Squared		
	SPACE TR vs. SN3000 TR	SPACE TR vs. SNG2500 TR
3 Year	0.5965	0.6323
2 Year	0.4195	0.5248
1 Year	0.5891	0.6259

*From 12/31/2014

Source: S-Network, as of 3/31/2018



Index Information



Index Details & Data Distribution

❑ Tickers

- SPACE (USD Price)
- SPACET (USD Total Return)
- SPACEE (Euro Price)
- SPACEET (Euro Total Return)

❑ Comprehensive Historic Data (including simulated back-tests from 12/31/2014)

- Daily Prices for Price-Only + TR Indexes in USD + EURO
- Quarterly Portfolio Snapshots (Historic Constituents and Weights)

❑ Broad data distribution via third party vendors

- Disseminated Daily via NYSE
- S&P/Bloomberg/Yahoo, etc.
- S-Network contribution page on Bloomberg: SNET

❑ Extensive Analytic support

- Quarterly Reports (“Index Insights”)
- Industry Overviews
- Extensive Statistical Data

The S-Network Space Index Offers Rich Historical and Live Production Data.

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