



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 (30% Weight)
- Pure-Play (70% 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.

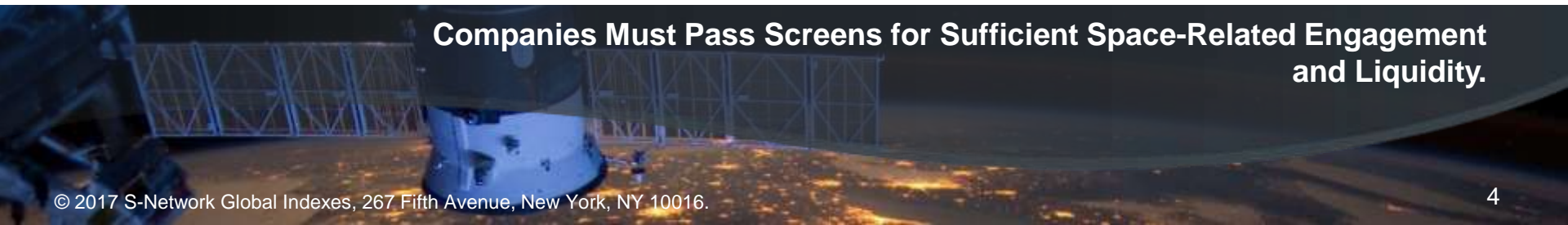
❑ Must Derive Substantial Revenue from Space-Related Activities

❑ 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.

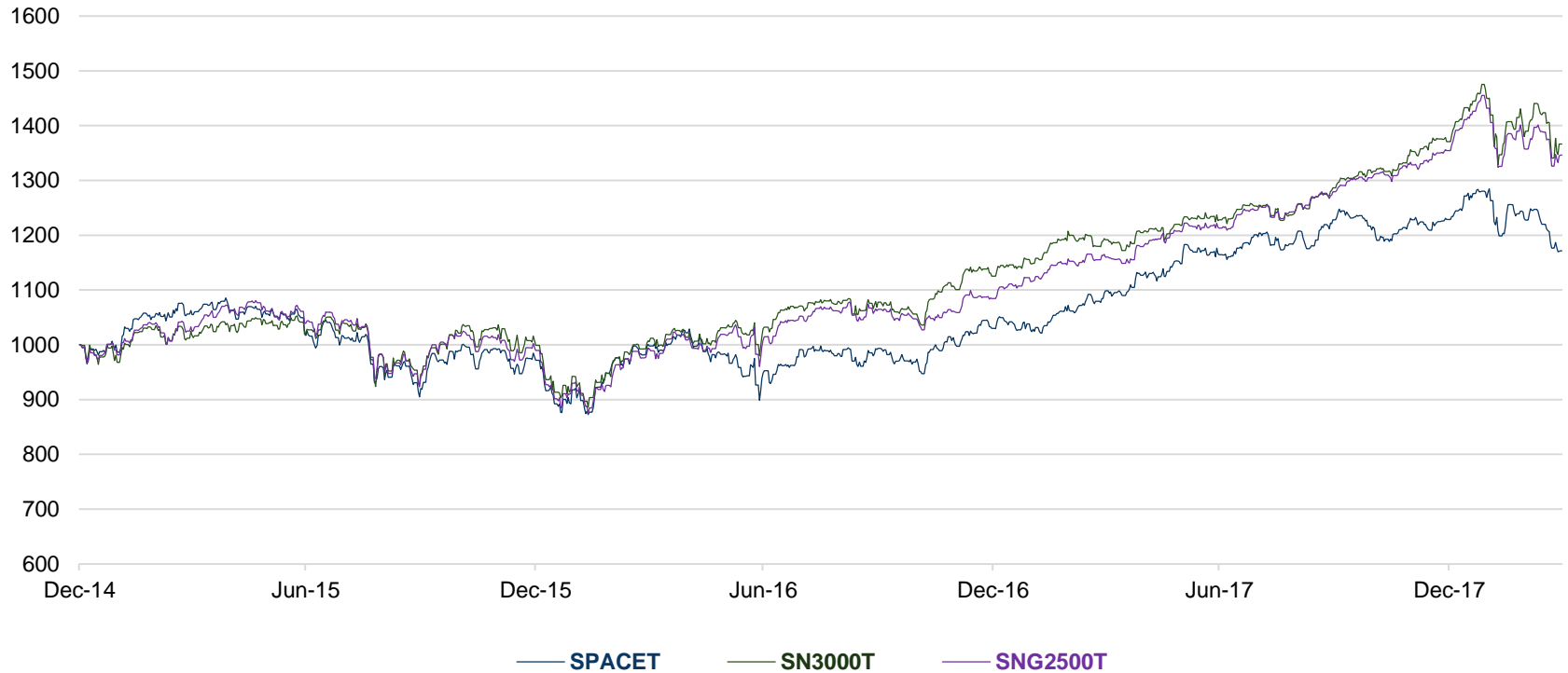


Historical Performance



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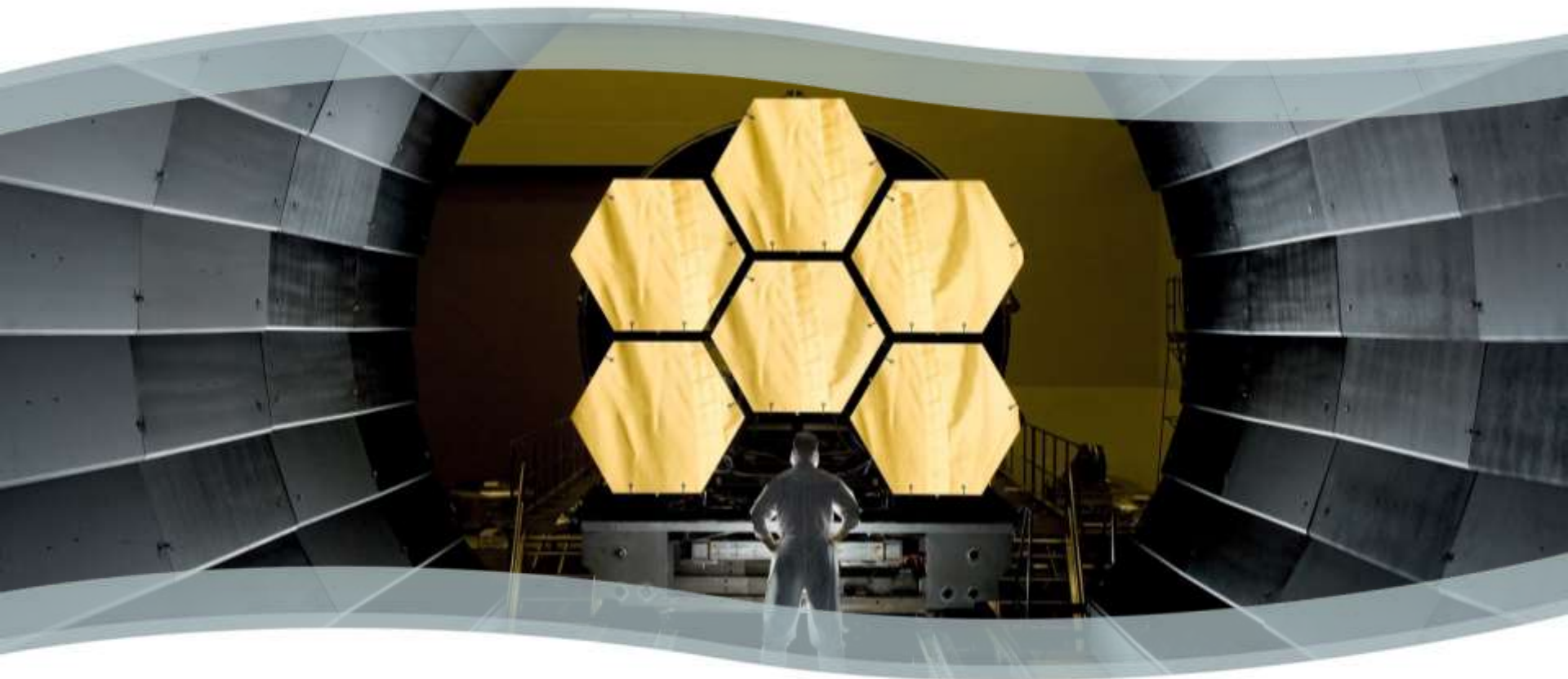
The S-Network Space Index vs. Benchmarks*
12/31/2014–3/31/2018



*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 (70%) | Diversified Tranche (30%) |
| 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 | 4.40% |
| Iridium Communications Inc. | IRDM US | United States | 4.35% |
| Garmin Ltd | GRMN US | United States | 4.33% |
| Sirius Xm Holdings Inc | SIRI US | United States | 4.28% |
| Speedcast International Ltd | SDA AU | Australia | 4.27% |
| Maxar Technologies Ltd. | MAXR CN | Canada | 4.26% |
| Dish Network Corp A | DISH US | United States | 4.17% |
| Trimble Navigation Ltd | TRMB US | United States | 4.08% |
| Echostar Holding Corp A | SATS US | United States | 4.05% |
| Eutelsat Communications Promesses | ETL FP | France | 4.02% |

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 | 3.85% |
| Northrop Grumman Corp | NOC US | United States | 3.84% |
| Lockheed Martin | LMT US | United States | 3.81% |
| At&T Inc | T US | United States | 3.70% |
| Airbus SE | AIR FP | France | 3.66% |

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



Statistical Profiles



| Total Return Appreciation | | | |
|---------------------------|----------|-----------|------------|
| | SPACE TR | SN3000 TR | SNG2500 TR |
| 3 Year | 11.05% | 34.39% | 31.38% |
| 2 Year | 17.40% | 35.84% | 35.68% |
| 1 Year | 6.63% | 14.69% | 16.03% |

| Compound Annual Growth Rate | | | |
|-----------------------------|----------|-----------|------------|
| | SPACE TR | SN3000 TR | SNG2500 TR |
| 3 Year | 3.56% | 10.36% | 9.52% |
| 2 Year | 8.35% | 16.55% | 16.48% |
| 1 Year | 6.63% | 14.69% | 16.03% |

| Annualized Monthly Standard Deviation | | | |
|---------------------------------------|----------|-----------|------------|
| | SPACE TR | SN3000 TR | SNG2500 TR |
| 3 Year | 11.30% | 10.50% | 10.86% |
| 2 Year | 9.61% | 7.39% | 7.07% |
| 1 Year | 9.44% | 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 | 0.3135 | 0.9381 | 0.8400 |
| 2 Year | 0.8004 | 2.0127 | 2.0915 |
| 1 Year | 0.5982 | 1.5562 | 1.6607 |

| Correlation | | |
|---------------|------------------------|-------------------------|
| | SPACE TR vs. SN3000 TR | SPACE TR vs. SNG2500 TR |
| 3 Year | 0.8091 | 0.8205 |
| 2 Year | 0.6806 | 0.7398 |
| 1 Year | 0.7908 | 0.8188 |

*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 | 0.8708 | 0.8534 |
| 2 Year | 0.8855 | 1.0053 |
| 1 Year | 0.9011 | 0.9115 |

| R-Squared | | |
|-----------|------------------------|-------------------------|
| | SPACE TR vs. SN3000 TR | SPACE TR vs. SNG2500 TR |
| 3 Year | 0.6546 | 0.6732 |
| 2 Year | 0.4632 | 0.5473 |
| 1 Year | 0.6254 | 0.6704 |

*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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