FULL YEAR 2013-2014 RESULTS

Results in line with objectives, Satmex integration on track

- **Revenue growth in line with objectives**
  - **2.6% at constant currency excluding non-recurring items and Satmex**
  - **USD72 million six-month revenues for Satmex**
- **High level of profitability: EBITDA margin of 76.7% with Satmex**
- **Record backlog of €6.4 billion**
- **Proposed dividend of €1.03 per share, payout ratio of 75%**
- **Outlook: topline growth acceleration in next three years, high level of profitability maintained**

Paris, 31 July 2014 – The Board of Directors of Eutelsat Communications (ISIN: FR0010221234 – NYSE Euronext Paris: ETL) met yesterday and reviewed its financial results for the year ended 30 June 2014.

Key financial data*		2013	**2014**	**Change**
Twelve months ended June	**Income statement**			
Revenues	€m	1,284.1	**1,347.9**	**+5.0%**
EBITDA	€m	995.3	**1,033.2**	**+3.8%**
EBITDA margin	%	77.5	**76.7**	**-0.9ppt**
Group share of net income	€m	354.9	**303.2**	**-14.6%**
	Financial structure			
Net debt	€m	2,647	**3,779**	**+42.8%**
Net debt/EBITDA	X	2.7	**3.7**	**-**
Net debt/EBITDA proforma**	X	-	**3.5**	**-**
	Order Backlog			
Backlog	€bn	5.37	**6.44**	**+19.9%**

*FY2013-2014 figures include 6 months of Satmex operations, as the acquisition of Satmex was closed on 1st January 2014.
** Proforma EBITDA including July to December 2013 Satmex EBITDA of USD51.0 million converted at EUR/USD exchange rate of 1.349

Commenting on the full year 2013-2014 results, Michel de Rosen, Chairman and CEO of Eutelsat Communications, said:

"Eutelsat's full year results were in line with objectives, with revenue growth above 2.5% and an EBITDA margin at a high level of 76.7%. The integration of Satmex is being executed smoothly with its financial contribution fulfilling our expectations. Our backlog stands at an all-time high of €6.4 billion, confirming the long term positive dynamics in our existing and new markets. The Board of Directors recommends a dividend of €1.03 per share, implying a payout ratio of 75%, at the top end of our policy range.

Additional capacity coming on stream will allow us to accelerate topline growth in the coming three years. This growth will be principally driven by video and selected opportunities in broadband and mobility in fast growing markets, notably in Latin America and in Asia Pacific. We are committed to our high level of profitability, and will remain selective on capital expenditure that supports our development. This will allow us to strengthen our balance sheet and maintain an attractive level of dividend."

Note: unless otherwise stated, all growth indicators or comparisons are made in comparison with the previous fiscal year or June 30, 2013. The share of each application as a percentage of total revenues is calculated excluding "other revenues" and "non-recurring revenues".

SOLID REVENUE GROWTH

Total revenues for fiscal year 2013-2014 including Satmex rose to €1,347.9 million, up by 5.0%. Excluding non-recurring revenues and Satmex and at constant currency, revenues rose by 2.6%, in line with objectives. Consolidated as of 1 January 2014, Satmex contributed €52.6 million to revenues.

Revenues by business application (in millions of euros)

12 months closed 30 June	2013	**2014**	Change (%) reported	Change (%) excluding Satmex and at constant currency
Video Applications	865.6	**877.2**	+1.3%	=
Data & Value-Added Services	252.8	**278.5**	+10.2%	+0.8%
Data Services	*187.5*	***189.8***	*+1.2%*	*- 11.5%*
Value-Added Services	*65.3*	***88.7***	*+36.0%*	*+36.3%*
Multi-usage	145.4	**157.8**	+8.5%	+6.7%
Other revenues	10.4	**33.9**	N/A	N/A
Sub-total	1,274.2	**1,347.4**	+5.7%	+2.6%
Non-recurring revenues	9.8	**0.5**	N/A	N/A
Total	1,284.1	**1,347.9**	+5.0%	+1.9%

VIDEO APPLICATIONS (66.8% of revenues)

In full year 2013-2014, video revenues rose 1.3% to €877.2 million on a reported basis, including Satmex. Excluding Satmex, revenues were stable at constant currency.

The impact of limited additional capacity for much of the year and the suspension in October 2013 of operations on certain frequencies at 28.5° East was compensated by growth at video neighbourhoods serving broadcasters in fast-growing markets, notably 36° East (addressing Russia and Sub-Saharan Africa) and 7°/8° West (addressing the Middle East and North Africa) as well as by the entry into service in May 2014 of Express-AT1 (addressing Siberia).

Satmex has already started to contribute to Video Applications, notably with a contract signed with Millicom for the development of DTH pay-TV services over several countries in Latin America.

In the fourth quarter 2013-14, Video Applications revenues amounted to €226.4 million (including Satmex), up 3.6% year-on-year and by 2.7% quarter-on-quarter, reflecting the entry into service in May of Express-AT1, with 21 transponders all contracted.

At 30 June 2014, the total number of channels broadcast by Eutelsat satellites stood at 5,746. Excluding Satmex (316 channels as of 30 June 2014), the channel count was up 769 channels (or +16.5%) year-on-year. Including Satmex, 584 channels were in High Definition, up from 419, implying a penetration rate of 10.2% (10.5% excluding Satmex), compared to 9.0% at 30 June 2013.

DATA and VALUE-ADDED SERVICES (21.2% of revenues)

Revenues from **Data and Value-Added Services** rose by 10.2% to €278.5 million on a reported basis and by 0.8% excluding Satmex and at constant currency.

Data Services revenues declined by 11.5% at constant currency and excluding Satmex, but including EUTELSAT 172A since 25 September 2012. This performance continues to reflect:

- A persistently competitive environment, with point-to-point services under pressure from the roll-out of terrestrial networks and, specifically in Africa, from the significant existing supply of satellite capacity;
- The reclassification of certain contracts to more accurately reflect the final usage of capacity, as well as the termination of contracts with customers impacted by the U.S administration's budgetary constraints.

Satmex generated €27.9 million of revenues in Data Services in the second half of 2013-2014.

A number of significant contracts was signed during the year, particularly in Latin America with Hughes Network Systems do Brasil on the future EUTELSAT 65 West A satellite, and with Via Sat Brasil on the recently launched EUTELSAT 3B satellite.

Value-Added Services recorded strong growth of 36.3% on a like-for-like basis, to €88.7 million.

Services on KA-SAT continued to perform well, with 154,000 broadband terminals activated at 30 June 2014, up from 91,000 a year earlier. Mobile connectivity services for the maritime market, notably through WINS, also contributed to revenue growth.

Both the broadband and mobility markets are experiencing good momentum and continue to enjoy solid growth potential.

MULTI-USAGE (12.0% of revenues)

Multi-usage revenues rose by 8.5% to €157.8 million, on a reported basis and by 6.7% excluding Satmex and at constant currency.

The negative carry-forward effect of the outcome of the last 18 months contract renewals continued to weigh on revenues, but was more than offset by the integration of EUTELSAT 172A into the fleet, new contracts and the reclassification of certain contracts from Data Services.

OTHER AND NON-RECURRING REVENUES

Other revenues mainly include compensation paid on the settlement of business-related litigation, the financing of certain research programmes by the European Union and other organisations, and the recognition of EUR/USD foreign exchange gains/losses. In full year 2013-2014, they amounted to €33.9 million, compared with €10.4 million at 30 June 2013, reflecting notably the agreements with SES at 28°5 East.

Non-recurring revenues were €0.5 million, versus €9.8 million at 30 June 2013. Non-recurring revenues are composed of penalties when satellites are delivered behind schedule.

OPERATIONAL KEY PERFORMANCE INDICATORS

Operational and leased transponders

The number of operational transponders on Eutelsat's fleet increased by 16.1% to 996 at 30 June 2014, reflecting integration into the fleet of EUTELSAT 113 West A (previously Satmex 6) and EUTELSAT 117 West A (previously Satmex 8) and the entry into service of Express-AT1.

The fill rate stood at 78.7%, compared to 74.0% a year earlier, mostly as a result of the integration of Satmex, whose fill rate is above Group average, and the ramp-up of KA-SAT.

Record Backlog of €6.4 billion

The backlog represents future revenues from capacity lease agreements and can include contracts for satellites under procurement.

At 30 June 2014, it stood at €6.4 billion, up 19.9% compared to 30 June 2013. Excluding Satmex, the backlog rose by 13.6%, boosted by recent contract wins in Latin America, Asia Pacific, Russia and Africa. 84% of the backlog relates to Video Applications.

The backlog is equivalent to 4.6 times 2013-2014 revenues[1].

HIGH LEVEL OF PROFITABILITY

EBITDA MARGIN: 76.7%

Group EBITDA amounted to €1,033.2 million (€995.3 million at 30 June 2013), including Satmex.

The EBITDA margin stood at the high level of 76.7%, slightly lower than in 2012-2013 (77.5%) reflecting the slightly dilutive impact of Satmex and increased resources allocated to the development of commercial activity, which were partly offset by tight cost management.

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[1] *Calculation including USD69.0 million for Satmex July to December 2013 revenues.*

Group share of net income stood at €303 million versus €355 million in 2012-2013.

This reflects mainly:

- An increase in the depreciation charge of €56.8 million reflecting principally the full effect of the three satellites launched in 2012-2013 (EUTELSAT 21B, EUTELSAT 70B and EUTELSAT 3D) as well as the integration of EUTELSAT 172A and Satmex;
- A lower financial result (-€132.3 million in 2013-2014 versus -€117.5 million in 2012-2013) due notably to the higher indebtedness related to the acquisition of Satmex;
- A higher effective tax rate (38.6% in 2013-2014 compared to 37.0% in 2012-2013) due mainly to an increase in corporate tax rate in France and the settlement of a tax audit for €5.6 million;
- Other operating income of -€8.5 million versus +€30.8 million last year, a difference of €39.3 million. This year's other operating income reflects the impact of the disposals of Solaris and KabelKiosk as well as fees related to the acquisition of Satmex.

STRONG CASH FLOW GENERATION

Net cash flows from operating activities amounted to €778 million, representing 58% of revenues, versus €816 million in 2012-2013. This reflects an increase in taxes paid (+€40 million) resulting from the increase in net profit before tax in fiscal year 2012-2013 compared to fiscal year 2011-2012, partly compensated by a higher EBITDA. Moreover, previous year cash flows from operating activities included proceeds from a litigation settlement.

The acquisition of satellites, other property and equipment and intangible assets amounted to €440 million in 2013-2014, including Satmex capital expenditure. Cash flows from investing activities were also impacted by the disposal of Solaris Mobile Ltd (€16 million inflow) and the acquisition of Satmex equity for €566 million, net of cash acquired.

FINANCIAL POSITION REFLECTING SATMEX ACQUISITION

Following the acquisition of Satmex, net debt stood at €3,779 million versus €2,647 million at 30 June 2013. On a proforma basis, including the EBITDA of Satmex from July to December 2013, the net debt to EBITDA ratio stood at 3.5 times (versus 2.7 times at 30 June 2013).

Eutelsat continued to optimise its sources of funding:

- In December 2013, it raised €930 million through the issuance of a 6-year bond at Eutelsat S.A. level with a coupon of 2.625%;
- On 15 May 2014, all the notes issued on 5 May 2011 and 30 March 2012 by Satmex, initially maturing on 15 May 2017, were redeemed at 104.75% of their principal value, plus accrued and unpaid interest to the redemption date. The notes represented an aggregate principal amount of approximately US$360 million and bore a coupon of 9.5%.

At 30 June 2014, the weighted average maturity of the Group's debt stood at 4.4 years at 30 June 2014, down from 5.0 years at 30 June 2013.

The average cost of debt drawn by the Group was 4.0% (after hedging) in 2013-2014, down from 4.9% in 2012-2013.

DIVIDEND

On 30 July 2014, the Board of Directors agreed to submit for approval at the 7 November 2014 Annual Meeting of Shareholders a dividend of €1.03 per share versus €1.08 for fiscal year 2012-2013.

This represents a 75% of Group share of net income pay-out ratio, at the top end of the range of the group's policy of a payout ratio of 65% to 75%, versus 67% in 2013, reflecting the group's commitment to shareholder remuneration.

OUTLOOK

Revenues (at constant currency and excluding non-recurring revenues)

Based on a nominal satellite deployment plan, the Group targets organic revenue growth of around 4.0% for the current year on a proforma basis[2].

With the deployment of additional capacity, average revenue growth should be above 5% for the two subsequent years to 30 June 2017.

EBITDA

The EBITDA margin is targeted at above 76.5% for each fiscal year until 30 June 2017.

Active and targeted investment policy

The Group will continue to focus its investment policy on high growth markets in Latin America, Russia, the Middle East, Africa and Asia-Pacific. Average investments will stand at around €500 million a year over the three fiscal years to 30 June 2017. This includes capital expenditures and payments under existing export credit facilities and under long-term lease agreements on third party capacity.

Sound financial structure

The group will maintain a sound financial structure to support its investment grade rating. Over the long term, it aims at a net debt / EBITDA ratio below 3.3x.

Attractive shareholder remuneration

The Group remains committed to sharing its profits with its shareholders over the fiscal years until 30 June 2017, with a payout ratio of 65% to 75% of Group share of net income.

FLEET DEPLOYMENT PROGRAMME

Estimated launch schedule (satellites generally enter into service one to two months after launch for chemical propulsion satellites and four to eight months after launch for electric propulsion satellites.)

Satellite	Orbital position	Estimated launch (calendar year)	Main applications	Main geographic coverage	Transponders
EUTELSAT 115 West B (ex-SATMEX 7)[(1)]	114.9° West	Q1 2015	Video, Data, Multi-usage	Americas	34 Ku / 12 C
EUTELSAT 9B	9° East	Q2 2015	Video	Europe	60 Ku
EUTELSAT 8 West B	7°/8° West	Q3 2015	Video, Data	Middle East, Africa, South America	40 Ku / 10 C
EUTELSAT 36C[(2)]	36° East	Q4 2015	Video, Data, Broadband	Russia, Sub-Saharan Africa	Up to 52 Ku / 18 Ka
EUTELSAT 117 West B (ex-SATMEX 9)[(1)]	116.8 ° West	Q4 2015	Video, Data, Multi-usage	Latin America	40 Ku
EUTELSAT 65 West A	65° West	Q2 2016	Video, Data, Broadband	Latin America	24 Ku, 10 C, up to 24 Ka
EUTELSAT 172B[(1)]	172° East	H1 2017	Data, Multi-usage, Mobility	Asia Pacific	36 Ku (regular), 14 C, 11 Ku-band HTS spotbeams

[1] Electric propulsion satellites: EUTELSAT 115 West B and EUTELSAT 117 West B will need 6 to 8 months after launch to enter in service, and EUTELSAT 172B circa 4 months.
[2] Partnership satellite with RSCC

[2] Adding to FY13-14 reported revenues USD69.0 million revenues for Satmex from July to December 2013 and adjusting for the net revenue impact of the KabelKiosk disposal, FY13-14 revenues would amount to c. €1,377 million on a proforma basis.

RECENT EVENTS

Launch and entry into service of EUTELSAT 3B

Following its launch on 26 May 2014, the EUTELSAT 3B satellite started to provide commercial services on 6 July, increasing and diversifying capacity and reach of Europe, Africa, the Middle East, Central Asia and Brazil from 3° East. The satellite's entire High Throughput payload has been leased by Via Sat Brasil.

EUTELSAT 3B's entry into service has enabled EUTELSAT 3D to be co-positioned with EUTELSAT 7A at 7° East. Renamed EUTELSAT 7B, it increases capacity and in-orbit security for customers providing DTH, professional video, data and telecoms services in Europe, Turkey, the Middle East, Africa and Indian Ocean islands. Liquid Telecom, an existing customer at 7°East, has contracted additional capacity on EUTELSAT 7B.

Eutelsat sells KabelKiosk platform to M7 Deutschland

On 30 July 2014, M7A Group S.A., acquired Eutelsat visAvision GmbH. that operates the KabelKiosk platform of digital channels and interactive services for cable and IPTV networks in Germany.

The transaction includes a long-term agreement with M7A Group S.A for the lease of multiple transponders at Eutelsat's 9° East orbital position.

KabelKiosk generated approximately €28.7 million of revenues in Eutelsat's 2013-2014 financial year. The terms of the sale agreement remain confidential.

Closing of Enlaces Integra sale on 3 July 2014

The sale by Satmex of Enlaces Integra, S. de R.L. de C.V. to Axesat S.A. was completed. The terms of the sale agreement are also confidential.

MultiChoice Africa and Eutelsat strike new long-term multi-transponder agreement

Eutelsat and MultiChoice Africa, one of Africa's most prominent media companies, have signed a multi-transponder contract for the entire payload of 15 Ku-band transponders connected to the African service area of the EUTELSAT 36C satellite that will be launched next year. These resources will support growth of the DStv pay-TV platform over Sub-Saharan Africa. This commercial success further anchors Eutelsat's neighbourhood of high-power satellites at 36° East as the point of reference for broadcasting in Sub-Saharan Africa.

Procurement of EUTELSAT 172B

EUTELSAT 172B, will be launched by an Ariane 5 rocket in the first half of 2017 to 172° East as an early follow-on programme to EUTELSAT 172A. It will provide continuity and expansion capacity at a position that is already a prime gateway for services in the Asia Pacific region. EUTELSAT 172B will pioneer a High Throughput payload customised for in-flight broadband over trans-Pacific and Asian flight paths, and has been selected by Panasonic Avionics Corporation as its prime platform for growth in the region. EUTELSAT 172B will be manufactured by Airbus Defence and Space and will use electric propulsion for in-orbit raising, a procedure expected to take approximately four months.

CORPORATE GOVERNANCE

Following the resignation of Jean-Martin Folz as Chairman on 16 September 2013, the Board of Directors of Eutelsat Communications voted to merge the functions of Chairman and CEO and appointed Michel de Rosen, who has held the position of CEO since 2009, as Chairman and CEO. The mandate of Jean-Martin Folz expired at the General Assembly on 7 November 2013 and was not renewed.

The total number of Board Directors now stands at nine, of which five are independent.

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Notes: This press release contains audited consolidated financial statements prepared under IFRS, adopted by the Board of Directors of Eutelsat Communications on 30 July 2014 and reviewed by the Audit Committee on 29 July 2014. These accounts will be subject to the approval of shareholders of Eutelsat Communications at the Annual General Shareholders Meeting of 7 November 2014.

Documentation

Consolidated accounts are available at www.eutelsat.com/investors/index.html

Results presentation

Eutelsat Communications will hold a results presentation on **Thursday, 31 July 2014 at its headquarters, 70, rue Balard, 75015 Paris**, starting at **9.30am CET.**

To listen by conference call please dial the following numbers:

- + 33 (0) 1 70 99 43 01 (from France)
- + 44 (0)20 3427 1901 (from Europe)
- + 1 646 254 3366 (from United States)

Access code: 2858327#

There will also be a live webcast via the home page of the Investor Relations section at www.eutelsat.com

A replay will be available from July 31, 1:30pm to August 6, midnight CET by dialing the following numbers:

- + 33 (0) 1 74 20 28 00 (from France)
- + 44 (0) 20 3427 0598 (from Europe)
- + 1 347 366 9565 (from the United States)

Access code: 2858327#

Financial calendar

- October 30, 2014: first quarter 2014-2015 revenues
- November 7, 2014: Annual General Shareholders' Meeting

About Eutelsat Communications

Established in 1977, Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is one of the world's leading and most experienced operators of communications satellites. The company provides capacity on 39 satellites to clients that include broadcasters and broadcasting associations, pay-TV operators, video, data and Internet service providers, enterprises and government agencies. Eutelsat's satellites provide ubiquitous coverage of Europe, the Middle East, Africa, Asia-Pacific and the Americas, enabling video, data, broadband and government communications to be established irrespective of a user's location. Headquartered in Paris, with offices and teleports around the globe, Eutelsat represents a workforce of 1,000 men and women from 32 countries who are experts in their fields and work with clients to deliver the highest quality of service. For more about Eutelsat please visit www.eutelsat.com

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Appendix

Extract from the consolidated income statement (in millions of euros)[3]

Twelve months ended June 30	2013	**2014**	Change (%)
Revenues	1,284.1	**1,347.9**	+5.0%
Operating expenses[4]	(288.8)	**(314.7)**	+9.0%
EBITDA	995.3	**1,033.2**	+3.8%
Depreciation and amortisation[5]	(344.6)	**(401.3)**	+16.5%
Other operating income (charges)	30.8	**(8.5)**	N/A
Operating income	681.5	**623.4**	-8.5%
Financial result	(117.5)	**(132.3)**	+12.5%
Income tax expense	(208.4)	**(189.8)**	-8.9%
Income from associates	14.2	**14.9**	+4.9%
Portion of net income attributable to non-controlling interests	(14.9)	**(13.1)**	-12.2%
Group share of net income	354.9	**303.2**	-14.6%

Fill rate evolution

As of June 30	2012	2013	**2014**
Number of operational transponders[6]	801	858	**996**
Number of leased transponders[7]	606	635	**784**
Fill rate	75.6%	74.0%	**78.7%**

Note: *KA-SAT's 82 spot beams are considered transponder equivalents. The satellite's fill rate is considered to be at 100% when 70% of the capacity is taken up.*

Backlog evolution

As of June 30	2012	2013	**2014**
Value of contracts (in billions of euros)	5.24	5.37	**6.44**
In years of annual revenues based on last fiscal year	*4.3*	*4.2*	***4.6****
Share of Video Applications	92%	92%	**84%**

** Calculation including US69.0 million revenues for Satmex from July to December 2013.*

[3] For more detail, please refer to Group consolidated financial statements at www.eutelsat.com.
[4] Operating expenses is defined as the sum of operating costs and of selling, general & administrative expenses.
[5] Comprises amortisation expense of €52.9 million corresponding to the intangible asset "Customer Contracts and Relationships".
[6] Number of transponders on satellites in stable orbit, back-up capacity excluded
[7] Number of transponders leased on satellites in stable orbit

Quarterly revenues by business application (financial year 2013-2014)

	Three months ended			
In millions of euros	30/09/2013	31/12/2013	31/03/2014	30/06/2014
Video Applications	217.1	213.5	220.3	226.4
Data & Value-Added Services	66.3	60.7	73.0	78.5
Data	*43.2*	*40.6*	*52.5*	*53.4*
Value-Added Services	*23.0*	*20.1*	*20.5*	*25.0*
Multi-usage	36.8	36.7	41.1	43.1
Other	3.0	12.8	7.8	10.3
Sub-total	**323.2**	**323.7**	**342.3**	**358.2**
Non-recurring revenues	0.3	0.2	-	-
Total	**323.5**	**323.9**	**342.3**	**358.2**

***Note**: At a constant euro-dollar exchange rate, revenue growth would have been 10.9% (+9.3% at variable currencies) in Q4 2013-2014 compared with Q4 2012-2013.*

Quarterly revenues by business application (financial year 2012-2013)

	Three months ended			
In millions of euros	30/09/2012	31/12/2012	31/03/2013	30/06/2013
Video Applications	216.3	214.4	216.4	218.5
Data & Value-Added Services	61.1	63.8	60.8	67.1
Data	*44.9*	*48.8*	*46.7*	*47.1*
Value-Added Services	*16.2*	*15.0*	*14.1*	*20.0*
Multi-usage	34.1	38.6	35.4	37.4
Other	3.0	2.4	2.6	2.5
Sub-total	**314.4**	**319.2**	**315.1**	**325.5**
Non-recurring revenues	-	-	7.7	2.1
Total	**314.4**	**319.2**	**322.9**	**327.6**

***Note**: At a constant euro-dollar exchange rate, revenue growth would have been 4.8% (+5.3% at variable currencies) in Q4 2012-2013 compared with Q4 2011-2012.*

Satmex quarterly revenues by business application (financial year 2013-2014)

	Three months ended	
In millions of euros	31/03/2014	30/06/2014
Video Applications	7.3	8.1
Data & Value-Added Services	13.7	14.2
Data	*13.7*	*14.2*
Value-Added Services	-	-
Multi-usage	4.4	4.9
Other	-	-
Sub-total	**25.4**	**27.2**
Non-recurring revenues	-	-
Total	**25.4**	**27.2**

Net debt to EBITDA ratio

		30 June 2013	**30 June 2014**
Net debt at the beginning of the period	€m	2,374	**2,647**
Net debt at the end of the period	€m	2,647	**3,779**
Net debt / EBITDA as reported	**X**	2.7	**3.7**
Net debt / EBITDA as proforma*	**X**	N/A	**3.5**

**Calculation based on*

- *Reported net debt as of end-June 2014*
- *Proforma EBITDA including July to December 2013 Satmex EBITDA of USD51.0 million converted at 1.349*

Net debt includes all bank debt, bonds and all liabilities from long-term lease agreements, less cash and cash equivalents (net of bank overdraft).

Change in net debt (in millions of euros)

Twelve months ended June 30	**2013**	**2014**
Net cash flows from operating activities	**816.2**	**777.6**
Capital expenditure	(566.4)	(439.6)
Operating free cash flows	**249.8**	**338.0**
Interest and other fees paid, net	(140.0)	(127.2)
Acquisition / disposal of equity investments and subsidiaries (net of cash acquired)	(83.5)	(550.1)
Distributions to shareholders (including non-controlling interests)	(229.6)	(249.5)
Gross debt of Satmex as of end-December 2013*	-	(261.2)
Change in long-life leases (including the short-term portion of these leases)	4.0	(212.9)
Other	(69.4)	(69.6)
Decrease (increase) in net debt	**(272.8)**	**(1,132.5)**

**Gross debt of Satmex as of 31 December 2013 of USD360.0 million at a 1.378 EUR/USD exchange rate*

Channel growth at neighbourhoods serving Central and Eastern Europe, Russia, Middle East, Africa

Orbital position	Markets	**30/06/2013**	**30/06/2014**
7°/ 8° West	North Africa, Middle East	662	**809**
7° East	Turkey	224	**310**
16° East	Central Europe, Indian Ocean islands	666	**780**
36° East	Russia, Africa	761	**835**
56° East	Russia	0	**273**
Total		**2,313**	**3,007**