

EUTELSAT STATEMENT ON THE W2M SATELLITE

Paris, 28 January 2009

Eutelsat Communications (Euronext Paris: ETL) announces that the performance of the W2M satellite, which was launched on 20 December 2008, does not comply with the requirements set with the spacecraft's manufacturer, EADS Astrium/ISRO Antrix, following a major anomaly affecting the satellite's power subsystem. This anomaly occurred during the satellite's transfer from the location used for in-orbit tests to its operating position at 16 degrees East where its mission was to replace well in advance Eutelsat's W2 satellite.

In the interests of protecting continuity of service for clients leasing capacity at the 16 degrees East position, Eutelsat has consequently taken the decision that in the current circumstances W2M will not be integrated into Eutelsat's satellite fleet. Currently under the control of ISRO, the satellite is undergoing a full technical investigation by ISRO and EADS.

In this current context Eutelsat is pursuing the following actions:

- W2 will continue its mission at 16 degrees East with no impact on currently operational services.
- Eutelsat's W3B satellite, ordered in February 2008, and designed with a high degree of flexibility to ensure Ku-band continuity at either 16 degrees East, 10 degrees East or 36 degrees East, will now be deployed at 16 degrees East. Scheduled for launch in mid-2010, W3B will increase the number of operational transponders at 16 degrees East from 27 to 56.
- Eutelsat is analysing options using its existing in-orbit resources for meeting the requirements of clients who were expected to benefit from the increased capacity on W2M in comparison to W2. The number of operational transponders at 16 degrees East was scheduled to increase from 27 to up to 30.

Commenting on these decisions, Eutelsat Communications Chairman and CEO Giuliano Berretta said: "The situation affecting W2M is a serious disappointment for Eutelsat. However, for many years we have pursued a strategy based on securing and expanding our

in-orbit resources in order to mitigate this type of risk. Our current investment programme consequently combines early renewal of operating satellites, together with securing the fleet through readily available back-up resources, and expansion of services with larger satellites. This policy puts us in a position to absorb the unavailability of W2M without impact on the continuity of service we provide our customers.”

Eutelsat confirms that the unavailability of W2M does not impact on the Group’s guidance for revenues in excess of 900 million euros for the 2008-2009 financial year. The W2M satellite programme is fully insured.

About Eutelsat Communications

Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is the holding company of Eutelsat S.A.. With capacity commercialised on 26 satellites that provide coverage over the entire European continent, as well as the Middle East, Africa, India and significant parts of Asia and the Americas, Eutelsat is one of the world's three leading satellite operators in terms of revenues. At 30 September 2008, Eutelsat’s satellites were broadcasting more than 3,180 television channels and 1,100 radio stations. Almost 1,100 channels broadcast via its HOT BIRD™ video neighbourhood at 13 degrees East which serves over 120 million cable and satellite homes in Europe, the Middle East and North Africa. The Group’s satellites also serve a wide range of fixed and mobile telecommunications services, TV contribution markets, corporate networks, and broadband markets for Internet Service Providers and for transport, maritime and in-flight markets. Eutelsat's broadband subsidiary, Skylogic, markets and operates services through its teleport in Italy that serves enterprises, local communities, government agencies and aid organisations in Europe, Africa, Asia and the Americas. Headquartered in Paris, Eutelsat and its subsidiaries employ 538 commercial, technical and operational experts from 27 countries.

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