

## EUTELSAT COMMUNICATIONS REPORTS EXCELLENT FIRST QUARTER 2010-2011 REVENUES

Total first quarter revenues up 12.9% to €285.6 million

- Video: +8.1%, driven notably by continued growth in TV channels across all markets
- Data and Value-Added Services: +23.5%, meeting demands for Internet and GSM traffic
- Multi-usage: +25.8% particularly for capacity in the Middle East and Central Asia

Objectives confirmed for full-year 2010 - 2011 and the period 2010 - 2013

Paris, November 3, 2010 – Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL), one of the world's leading satellite operators, today reported revenues for the first quarter ended September 30, 2010.

Business applications In millions of euros	First quarter ended September 30		
	2009	2010	Change
Video Applications	180.8	195.5	+8.1%
Data & Value Added Services	47.7	58.9	+23.5%
Multi-usage	22.9	28.8	+25.8%
Other revenue	1.7	2.5	N/S
<b>Total</b>	<b>253.0</b>	<b>285.6</b>	<b>+12.9%</b>

Commenting on the first quarter, Michel de Rosen, Eutelsat CEO said, "*Eutelsat once again delivered double-digit revenue growth, reflecting the dynamism of all the Group's markets, each of which reported a significant rise in sales. These quarterly revenues are in line with our expectations, underpinned by the full effect of the W7 satellite. Our Video business, which represents nearly 70% of our activity, welcomed 92 HDTV channels and 279 new Standard Digital television channels over the past 12 months. Growth in the Data and Value Added Services activity was driven by sustained demand for capacity for Internet and GSM services. Despite the non-availability of the W3B satellite, we confirm the financial objectives, both for the current year and the 2010 -2013 guidance period, which we communicated to the market on July 30, 2010.*"

### FIRST QUARTER 2010-2011 REVENUE ANALYSIS

*Note: Unless otherwise stated, all growth indicators or comparisons are made against the first quarter of the previous fiscal year or September 30, 2009. The share of each application as a percentage of total revenues is calculated excluding "other revenues" and "one-off revenues".*

First quarter revenues stood at €285.6 million marking a rise in first quarter revenues of 12.9% reflecting growth across all applications as well as a favourable US dollar impact. At constant currencies the increase would have been 10.5%.

#### VIDEO APPLICATIONS (69.1% of revenues)

Revenues from **Video Applications** rose 8.1% to €195.5 million. As at September 30, 2010, the quarter was characterised by:

- Continued growth in the number of TV channels broadcast across all of Eutelsat's video neighbourhoods: at September 30, 2010, Eutelsat's fleet was broadcasting a total of 3,700 television channels, up 11%, from 3,329 last year.

- Robust demand for satellite capacity for high definition television as broadcasters continue to upgrade to rich quality images: the number of the new HDTV channels broadcast from Eutelsat's fleet almost doubled compared to first quarter of the previous year from 100 to 192. All of the Group's video neighbourhoods have contributed to this growth: 40% of new HD channels are addressing Western Europe and 60% Eutelsat's Second Continent (Central and Eastern Europe, Russia, Africa, the Middle East and Central Asia). In addition, reflecting the emergence of 3D, the first 3D TV channel was launched in August 2010 from the HOT BIRD™ video neighbourhood.
- Further dynamism in Eutelsat's fast-growing markets, notably Russia, the Middle East and Africa, where several customers expanded their capacity requirements. Channels broadcasting from the principal neighbourhoods serving these markets grew 28.1% over the last 12 months.

*TV channels broadcast from high-growth video neighbourhoods*

Orbital position	Market	09/30/09	09/30/10	Change
7°West	North Africa, Middle East	247	349	+41.3%
7°East	Turkey	179	202	+12.8%
36°East	Russia, Africa	448	569	+27%
<b>Total</b>		874	1,120	+28.1%

**DATA AND VALUE-ADDED SERVICES (20.8% of revenues)**

Revenues grew in both activities as follows:

**Data Services** revenues grew 27.6% to €47.2 million, driven by Internet traffic and mobile communications in Africa, Central Asia and Middle East. In these areas, satellite capacity serves as a relay to interconnect transmitters for mobile communications networks and for businesses to connect to the Internet backbone for local access.

**Value Added Services** revenues rose by 9.2% to reach €11.7 million. Both D-STAR™, serving enterprise needs, and TOOWAY™ for consumer Internet access, enjoyed sustained growth. These service businesses provide direct access to broadband for homes and businesses that are located beyond range of terrestrial networks and will benefit fully from the arrival of the KA-SAT satellite in early 2011. In preparation for this expansion, Eutelsat has continued to grow its network of TOOWAY™ distributors which now stands at 67 in 30 countries in Europe.

**MULTIUSAGE (10.2 % of revenues)**

Revenues from **Multiusage** services stood at €28.8 million (up 25.8%). Demand for government services remained strong with renewed and expanded contracts for capacity in Central Asia and the Middle East. At constant currencies, revenue growth would have been 14.9%.

**OTHER REVENUES**

Other revenues amounted to €2.5 million, an increase of €0.8 million above the previous year.

**RECENT EVENTS AND FLEET DEPLOYMENT**

**W3B Update** -- Eutelsat Communications announced on October 29 the loss of the W3B satellite, following an anomaly on the satellite's propulsion subsystem after its launch. W3B was scheduled to be located at 16° East to replace Eutelsat's EURO-BIRD™ 16, W2M and SESAT 1 satellites. With the non-availability of W3B, these three satellites will now remain in full service at 16° East until the arrival in of W3C in mid-2011.

Eutelsat will also immediately initiate a replacement satellite programme, called W3D, for a planned launch in the first quarter (calendar year) of 2013.

**Upcoming launch of KA-SAT** -- Eutelsat's KA-SAT satellite is scheduled to launch in late December by a Proton

rocket provided by International Launch Services (ILS) from the Baikonour Cosmodrome in Kazakhstan.

Eutelsat's KA-SAT is the first of a new generation of High Throughput Satellites in Europe. It is optimised for consumer broadband services and targeting users located beyond range of high-speed terrestrial networks. Fully-operating in Ka-band frequencies and with total throughput of over 70 Gigabits per second, the satellite will be located at Eutelsat's 9 degrees East position. Through a configuration of 82 spot beams and a ground infrastructure of ten gateways connected to the Internet, service will be provided across Europe and the Mediterranean Basin. In addition to supporting expansion of Eutelsat's TOOWAY™ consumer broadband service, KA-SAT will open new resources for telecom operators, broadcasters and ISPs, for data and video services.

#### *Estimated satellite launch schedule*

Satellite	Estimated launch	Transponders
KA-SAT	December 2010	> 80 Ka beams
W3C	July 2011	53 Ku 3 Ka
ATLANTIC BIRD™ 7	October – December 2011	50 Ku
W6A	July - September 2012	40 Ku
W5A	October – December 2012	48 Ku
EUROBIRD™ 2A/ ES'HAIL <sup>1</sup>	H1 2013	24 Ku / 14 Ka
W3D	Q1 2013	TBC

*Note: Satellites generally enter into service one to two months after launch, KA-SAT, however, is expected to enter into service in April 2011.*

### OUTLOOK FOR 2010 – 2011 AND 3 YEAR OBJECTIVES

Management confirms its solid medium-term outlook:

Revenues in excess of €1.120 billion for fiscal year 2010-2011 and a 3-year CAGR above 7% over the next three fiscal years 2010-2011 to 2012-2013.

EBITDA margin above 77% for each fiscal year until June 2013 – with EBITDA above €875 million for fiscal year 2010-2011.

Average capital expenditure of €450 million per annum over the period fiscal years 2010 – 2013

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#### **Financial calendar**

*The financial calendar below is provided for information purposes only. It is subject to change and will be regularly updated, please consult the investors section of the corporate website [www.eutelsat.com](http://www.eutelsat.com) for the latest information:*

- November 9, 2010: Annual Shareholders Meeting.
- February 17, 2011: earnings for the first half ended December 31, 2010.
- May 10, 2011: revenues for third quarter ended March 31, 2011.
- July 28, 2011: earnings for the full year ended June 30, 2011

<sup>1</sup> Partnership satellite with ictQATAR

## 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 2010, Eutelsat's satellites were broadcasting more than 3,700 television channels. More than 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 access to high speed internet services through teleports in France and Italy that serve enterprises, local communities, government agencies and aid organisations in Europe, Africa, Asia and the Americas. Headquartered in Paris, Eutelsat and its subsidiaries employ nearly 661 commercial, technical and operational employees from 28 countries.

## For further information

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## Appendix

### *Revenue breakdown by application (in percentage of revenues)\**

3 months ended 30 September	2009	2010
Video Applications	71.9%	69.1
Data & Value-Added Services	19.0%	20.8
.....of which Data Services	14.7%	16.7
.....of which Value-Added Services	4.3%	4.1
Multi-usage	9.1%	10.2
<b>Total</b>	<b>100%</b>	<b>100%</b>

\*excluding other revenues and one-off revenues (€1.7 million in Q1 2009-2010 and €2.5 million in Q1 2010-2011)

### *Quarterly revenues by business application*

In millions of euros	3 months ended				
	09/30/2009	12/31/2009	03/31/2010	06/30/2010	09/30/2010
Video Applications	180.8	180.6	189.6	191.0	195.5
Data & Value-Added Services	47.7	48.7	52.0	55.3	58.9
.....of which Data Services	36.9	37.3	40.9	42.2	47.2
.....of which Value-Added Services	10.7	11.5	11.0	13.1	11.7
Multi-usage	22.9	21.5	25.1	28.6	28.8
Other	1.7	1.0	0.7	(4.0)	2.5
<b>Sub-total</b>	<b>253.0</b>	<b>251.8</b>	<b>267.4</b>	<b>270.9</b>	<b>285.6</b>
One-off revenues <sup>2</sup>	-	3.2	0.9	--	--
<b>Total</b>	<b>253.0</b>	<b>255.0</b>	<b>268.3</b>	<b>270.9</b>	<b>285.6</b>

### *Eutelsat fleet changes since Q4 2009 - 2010:*

- January 2010: Entry into service of W7 at 36°East (replacing SESAT1 which moved to 16°E)
- January 2010: Entry into service of W2M at 16°East (replacing W2)
- March 2010: De-orbiting of W2

<sup>2</sup> Non-recurring revenues comprise late delivery penalties and outage penalties.