

EUTELSAT COMMUNICATIONS - FIRST QUARTER 2013-2014 REVENUES

Quarterly revenues in line with objectives:

Revenues up 2.9% to €323.5 million (+4.0% at constant currency and excluding non-recurring revenues)

- Video Applications up 0.4%, reflecting the lack of incremental capacity and a high fill-factor at the Group's key video neighbourhoods
- Data and Value-Added Services up 8.5%, with strong growth of Value-Added Services (+42.4%)
- Multi-usage up 8.1% with the integration of EUTELSAT 172A

Backlog at €5.4 billion, up 3.9 % year-on-year

Outlook: current year and three year targets confirmed, excluding Satmex, and pending outcome of on-going discussions with SES relating to disputed frequencies at 28.5° East

Paris, 29 October 2013 – Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL) today reported revenues for the first quarter ended 30 September 2013.

Business applications	First quarter ended 30 September			
	In millions of euros	2012	2013	Change
Video Applications		216.3	217.1	+0.4%
Data & Value Added Services		61.1	66.3	+8.5%
Data Services		44.9	43.2	-3.8%
Value Added Services		16.2	23.0	+42.4%
Multi-usage		34.1	36.8	+8.1%
Other revenues		3.0	3.0	+1.6%
Total excluding non-recurring revenues		314.4	323.2	+2.8%
Non-recurring revenues		-	0.3	NS
Total revenues		314.4	323.5	+2.9%

Note: unless otherwise stated, all growth indicators or comparisons are made against the first quarter of the previous fiscal year or 30 September 2012. The share of each application as a percentage of total revenues is calculated excluding "other revenues" and "non-recurring revenues".

Commenting on the first quarter, Michel de Rosen, Eutelsat Chairman and CEO said:

"Eutelsat delivered first quarter 2013-2014 revenues in line with objectives. The performance of Video Applications reflects the lack of available capacity for this activity, which will be addressed with future fleet deployments. The Group's main video neighbourhoods saw good channel growth, demonstrating the positive underlying trend in our main application. Data and Value-Added Services revenues were underpinned by the growing contribution from Value-Added Services, up 42% in the quarter. Revenues also factored in the effect of the acquisition of EUTELSAT 172A for Data Services and Multi-usage.

This quarter saw the announcement of the acquisition of Satmex which, together with our multi-band EUTELSAT 65 West A satellite to be launched to 65° West will equip us to scale up our presence in the dynamic Latin American markets. Our in-orbit resources for North Africa, Middle East and Central Asia markets continues to expand with the entry into service today of the EUTELSAT 25B satellite launched in August. Our deployment plan for the remainder of the current and the coming two years is on track, bringing additional capacity that will principally serve video markets in the fastest growing regions, notably Russia, the Middle East and Africa.

Our financial objectives remain unchanged for the current and following two years. They will be adjusted once the Satmex acquisition is closed, and if necessary in the context of the current discussions with SES on the 28°5 East situation."

FIRST QUARTER 2013-2014 REVENUE ANALYSIS

First quarter revenues stood at €323.5 million, up 2.9%. Excluding non-recurring revenues and at constant currencies, revenues increased 4.0%.

VIDEO APPLICATIONS (67.8% of revenues)

Revenues from **Video Applications** were virtually stable at €217.1 million, reflecting the lack of incremental capacity and a high fill-rate at key video neighbourhoods.

- Channels broadcast from the 7°/8° West neighbourhood rose by 17% during the year to 688 (+101) at 30 September 2013. This neighbourhood, serving broadcasters in the Middle East and North Africa, benefitted from contracts signed with clients that include Al Jazeera, Gulsat, MBC, Nilesat and Noorsat in the previous fiscal year. Although resources were reinforced with the redeployment of EUTELSAT 8 West C (formerly HOT BIRD 13A) to 7/8° West in mid-September, transponders contracted on this satellite contributed only marginally to first quarter revenues.
- Channels broadcast from the 16° East neighbourhood rose by 23% during the year to 728 (+137) at 30 September 2013. New contracts signed at this neighbourhood, which serves broadcasters in sub-Saharan Africa, Indian Ocean Islands and Central Europe include one towards the end of the quarter with Telekom Austria Group to support the launch of its new white label DTH platform for Central and Eastern Europe.
- Channels broadcast from the 36° East neighbourhood, serving broadcasters in Russia and sub-Saharan Africa rose by 9% during the year to 786 (+63) at 30 September 2013. The DTH business at this neighbourhood continues to expand, with a new contract signed with Lybid TV in Ukraine.

At 30 September 2013, the total number of channels broadcast by Eutelsat's satellites was 4,713, up 7.0% (+310 TV channels) year-on-year. 439 of these channels were in HD (from 379, or +15.8%), implying an HD penetration rate of 9.3% compared to 8.6% at 30 September 2012.

Professional video revenues were slightly down as the first quarter of the previous fiscal year benefitted from additional demand for capacity generated by broadcasters and service providers delivering coverage of the 2012 London Olympic Games.

Coverage of Russia will be further enhanced with the entry into service of Express-AT1 (at 56° East) and Express-AT2 (at 140° East) in the second half of the current financial year, on which 16 transponders have already been contracted to TricolorTV.

DATA AND VALUE ADDED SERVICES (20.7% of revenues)

Data Services revenues declined by 3.8% to €43.2 million, reflecting the on-going competitive environment as point-to-point services continue to be under pressure from the roll-out of terrestrial networks and, specifically in Africa, from the existing supply of satellite capacity. This application is also impacted by the on-going expected negative impact of the transfer of a Data customer from 7° East to 10° East in order to prepare for the expansion at 7° East of a broadcast customer. This was not offset by the integration of EUTELSAT 172A into the fleet (acquisition closed on 25 September 2012).

Value Added Services revenues amounted to €23.0 million, up 42.4%.

Broadband services on KA-SAT performed well, reflecting the continuing success of the intensified marketing efforts and the enhanced broadband offer launched in the last financial year. Around 108,000 terminals were activated at 30 September 2013 (from 91,000 at 30 June 2013).

- On the consumer broadband side, distributors in France and Spain were the major contributors to net adds, while distributors in the Ukraine and in Russia started to show traction. Training of consumer equipment installers has continued, with a total of 4,000 trained installers in October 2013.
- On the professional side, the roll-out of corporate networks continues, with notably a contract allowing Montenegro's police headquarters to connect with the country's border control stations. VPN services on KA-SAT specifically target corporates and administrations requiring centralised control over geographically dispersed offices.

Mobile connectivity services for the maritime market, notably through WINS, also contributed to year-on-year revenue growth in Value Added Services.

MULTI-USAGE (11.5% of revenues)

Revenues from **Multi-usage** services stood at €36.8 million, up 8.1%, with the integration of EUTELSAT 172A into the fleet and new contracts together more than offsetting the carry forward effect of the February / March 2013 renewal campaign. The September / October 2013 contract renewal campaign was in line with expectations. Budgetary constraints in the United

States are still on-going, leading Eutelsat to confirm a degree of caution on the evolution of revenues for this application.

OTHER AND NON-RECURRING REVENUES

Other revenues, which mainly comprise contributions from service contracts with partners and the Group's foreign exchange hedging programme, were stable at €3.0 million.

Non-recurring revenues stood at €0.3 million.

OPERATIONAL AND LEASED TRANSPONDERS

The fill rate stood at 75.2% at 30 September 2013, compared to 74.0% at 30 June 2013 and 75.8% at 30 September 2012. The year-on-year evolution reflects the entry into service of new satellites (EUTELSAT 21B, EUTELSAT 70B and EUTELSAT 3D) and the redeployment of EUTELSAT 8 West C at the 7°/8° West neighbourhood in mid-September 2013. EUTELSAT 25B, launched on 29 August 2013, became operational on 29 October 2013 and is therefore not included in the table below.

At 30 September	2012	2013
Number of operational transponders ¹	801	859
Number of leased transponders ²	607	646
Fill rate	75.8%	75.2%

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 AT €5.4 BILLION (93% VIDEO)

The order backlog stood at €5.4 billion at 30 September 2013, up 3.9% year-on-year and equivalent to 4.2 times 2012-2013 revenues. The backlog represents future revenues from capacity lease agreements and can include contracts for satellites not yet in operation.

As of September 30	2012	2013
Value of contracts (in billions of euros)	5.2	5.4
<i>In years of annual revenues based on last fiscal year</i>	4.2	4.2
Share of Video Applications	91%	93%

OUTLOOK FOR FISCAL YEAR 2013–2014 AND TWO FOLLOWING YEARS

Eutelsat confirms the outlook published on 30 July 2013 for the current and next two years to June 2016, as follows:

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

Based on a nominal satellite deployment plan, the Group targets organic revenue growth above 2.5% for the current year. With the deployment of additional capacity, mainly in 2014 and 2015, average revenue growth should be above 5% for the two subsequent years to 30 June 2016.

EBITDA

The EBITDA margin is targeted at around 77% for each fiscal year until 2016.

Active and targeted investment policy

The Group will continue to pursue a targeted investment policy. Average investments will stand at around €550 million a year over the three fiscal years to 30 June 2016. This includes capital expenditures and payments under 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 an investment grade credit rating. Over the long term, it aims at a net debt / EBITDA below 3.3x.

¹ Number of transponders on satellites in stable orbit, back-up capacity excluded

² Number of transponders leased on satellites in stable orbit

Attractive shareholder remuneration

The Group remains committed to sharing its profits with its shareholders over the fiscal years 2013-2016, with a pay-out ratio of 65% to 75% of Group share of net income.

Revenues, EBITDA and Capex targets are given excluding the impact of the acquisition of Satmex.

In a press release dated 4 October 2013, Eutelsat indicated that revenues from the disputed frequencies at 28.5° East were estimated at some €20 million for the remainder of the current fiscal year 2013-2014 and approximately €25 million for each of the two following years; the potential loss of these revenues was not taken into account in the above objectives. They will be adjusted, if and when necessary.

FLEET DEVELOPMENT UPDATE

Launch of EUTELSAT 25B and redeployment of EUTELSAT 25C

EUTELSAT 25B satellite, a joint venture satellite with Es'hailSat from Qatar, went into commercial service on 29 October 2013 at 25.5° East. The satellite was launched on 29 August by an Ariane 5 rocket.

Traffic on Eutelsat's EUTELSAT 25C satellite at 25.5° East was transferred onto Ku-band transponders commercialised by Eutelsat on the new EUTELSAT 25B satellite in the night of 28 to 29 October. This transfer has released EUTELSAT 25C for a new mission at 33° East. It will be copositioned next month with EUTELSAT 33A at 33° East to bring additional capacity to this orbital location.

EUTELSAT 25B brings additional capacity to 25.5° East to serve broadcasters, businesses and public agencies operating in the Middle East, North Africa and Central Asia. The new satellite operates in both Ku and Ka-bands.

Satellite redeployments and strengthening of in-orbit security

Following the entry into service of EUTELSAT 3D at 3° East, EUTELSAT 3C was redeployed in early July to the HOT BIRD position at 13° East. Renamed HOT BIRD 13D, it is now colocated with the identical HOT BIRD 13B and C satellites. With each satellite equipped with 64 high-power Ku-band transponders, they together span the entire range of 102 Ku-band frequencies at 13° East and deliver broadcast customers industry-leading levels of security and 100% in-orbit redundancy.

The reconfiguration of the HOT BIRD constellation released the HOT BIRD 13A satellite which has since been deployed to 7°/8° West. Renamed EUTELSAT 8 West C, it has enabled Eutelsat to switch on additional transponders at the key neighbourhood for broadcasting in North Africa and the Middle East. This orbital position will get a further boost in the second half of 2015 with the launch of EUTELSAT 8 West B.

In October 2013, EUTELSAT 4B was de-orbited after reaching the end of its operational life.

Estimated satellite launch schedule (satellites generally enter into service one to two months after launch.)

Satellite	Orbital position	Estimated launch (calendar year)	Main applications targeted	Main geographic coverage	Transponders
Express AT1 ⁽¹⁾	56° East	Q4 2013	Video	Siberia	19 Ku
Express AT2 ⁽¹⁾	140° East	Q4 2013	Video	Far East Russia	8 Ku
EUTELSAT 3B ⁽²⁾	3° East	H1 2014	Telecoms, Broadband	Europe, Africa, Middle East, Central Asia, Latin America	30 Ku / 9 Ka / 12 C
EUTELSAT 9B	9° East	Q1 2015	Video	Europe, North Africa, Middle East	60 Ku
EUTELSAT 8 West B	7°/8° West	Q3 2015	Video, Data	Middle East, Africa, South America	40 Ku / 10 C
EUTELSAT 36C ⁽¹⁾	36° East	H2 2015	Video, Data, Broadband	Russia, Sub-Saharan Africa	Up to 52 Ku / 18 Ka
EUTELSAT 65 West A	65° West	H1 2016	Video, Data, Broadband	Latin America	Up to 58 (Ku, Ka, C)

¹ Partnership satellites with RSCC. For Express-AT1 & AT2, transponders indicated for Eutelsat portion only

² When launched to 3° East, EUTELSAT 3B will release EUTELSAT 3D to 7° East to address video markets in Turkey

RECENT EVENTS

Acquisition of Satmex

Eutelsat Communications announced on 31 July 2013 it had reached an agreement to acquire 100% of Satélites Mexicanos, S.A. de C.V. ("Satmex") for an enterprise value of US\$1,142 million. This acquisition, together with the recently ordered

EUTELSAT 65 West A satellite, will position the Group as a major satellite operator in Latin America, reflecting its strategy to expand in high growth markets.

The closing of the transaction is expected by year-end 2013.

In September 2013, the acquisition financing was finalised at attractive terms through a 2-year \$850 million bridge term loan. The €450 million revolving credit facility of Eutelsat S.A. was also refinanced through a new €450 million revolving credit facility maturing in September 2018 at improved terms.

Operations at 28°5 East

Following the decision of the Arbitral Tribunal constituted under the rules of the International Chamber of Commerce of Paris that concluded the first phase of arbitration in September 2013 and a preliminary injunction by the regional civil court of Bonn, SES and Eutelsat Communications collaborated in the best interest of customers to ensure a smooth transition of operations on frequencies at 28.5° East under a German filing. As of October 4, SES was operating and Eutelsat had ceased operating on these frequencies. The transfer was successfully completed in the night of 3-4 October.

SES and Eutelsat are in discussions to find a solution regarding the subject matter of the arbitration.

Update on tax audit

As disclosed in the Eutelsat Communications 2012-2013 consolidated accounts, the French tax authorities notified Eutelsat on 20 December 2012 of a total €27.5 million tax reassessments over a 3-year period. These were challenged by Eutelsat in view of the strong arguments held. On 11 October 2013, the company was informed that the French tax authorities abandoned certain of the reassessments for a total of approximately €5.5 million. The remaining reassessment was confirmed and Eutelsat continues to contest it.

GOVERNANCE

At its meeting of 16 September 2013, the Board of Eutelsat Communications (Euronext Paris: ETL) was informed by its Chairman, Jean-Martin Folz, that he would not seek to renew his mandate, which expires at the General Assembly of Shareholders of 7 November 2013, in order to respect corporate governance recommendations on multiple directorships by the Afep-Medef. To enable the Board to immediately appoint a successor and to avoid uncertainty during a period of transition, Jean-Martin Folz has resigned as Chairman. He will remain a Board member until the General Assembly. The board expressed its appreciation for Jean-Martin Folz's contribution to the strategic directions pursued by the Group over the last two years.

Noting that the recent developments of Eutelsat and the reorganisation of shareholders no longer justifies the separation of the roles of Chairman and CEO, the Board decided to merge the two functions, reverting to the practice in place from 2004 to 2009. The Board subsequently unanimously decided to appoint Michel de Rosen, who has been CEO since 2009, as Chairman and CEO.

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First quarter revenues presentation for analysts and investors

Eutelsat Communications will hold an analysts and investors conference call in English on **Tuesday, 29 October 2013** to present its first quarter 2013-2014 revenues. The conference call will begin at **6:30 pm Paris time** (London: 5:30 pm, New York: 12:30 pm).

You can follow this presentation live (in English) by connecting via the following telephone numbers:

- + 33(0) 1 76 74 24 28 (from France)
- +44 (0)1452 555 566 (from the UK or elsewhere)
- +1 631 510 7498 (from United States)

Access code: 84320201 #

Instant replay number will be available from 29 October midnight to 7 November, midnight (Paris time):

- + 44 (0) 1452 550 000 (from the U.K or elsewhere)
- +1 866 247 4222 (from the United States)

Access code: 84320201 #

Financial calendar

The financial calendar below is provided for information purposes only. It is subject to change and will be regularly updated.

- November 7, 2013: Annual General Shareholders Meeting
- February 14, 2014: First Half 2013-2014 Financial Results
- May 15, 2014: Third Quarter 2013-2014 Revenues

About Eutelsat Communications

With capacity commercialised on 31 satellites delivering reach of Europe, the Middle East, Africa, Asia, significant parts of the Americas and the Asia-Pacific, Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is one of the world's leading satellite operators. As of 30 September 2013, Eutelsat's satellites were broadcasting more than 4,700 television channels to over 200 million cable and satellite homes in Europe, the Middle East and Africa. The Group's satellites also provide a wide range of services for TV contribution, corporate networks and fixed and mobile broadband markets. Headquartered in Paris, Eutelsat and its subsidiaries employ over 780 commercial, technical and operational professionals from 30 countries. www.eutelsat.com

For further information

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APPENDIX

Revenue breakdown by application (in percentage of revenues)*

3 months ended 30 September	2012	2013
Video Applications	69.4	67.8
Data & Value-Added Services	19.6	20.7
.....of which Data Services	14.4	13.5
.....of which Value-Added Services	5.2	7.2
Multi-usage	10.9	11.5
Total	100%	100%

*excluding other revenues and one-off revenues (€3.0 million in Q1 2012-2013 and €3.3 million in Q1 2013-2014)

Quarterly revenues by business application

In millions of euros	3 months ended				
	30/09/2012	31/12/2012	31/03/2013	30/06/2013	30/09/2013
Video Applications	216.3	214.4	216.4	218.5	217.1
Data & Value-Added Services	61.1	63.8	60.8	67.1	66.3
.....of which Data Services	44.9	48.8	46.7	47.1	43.2
.....of which Value-Added Services	16.2	15.0	14.1	20.0	23.0
Multi-usage	34.1	38.6	35.4	37.4	36.8
Other revenues	3.0	2.4	2.6	2.5	3.0
Sub-total	314.4	319.2	315.1	325.5	323.2
Non-recurring revenues ³	-	-	7.7	2.1	0.3
Total	314.4	319.2	322.9	327.6	323.5

Note: At a constant euro-dollar exchange rate, revenue growth would have been 4.1% (+2.9% at variable currencies) in Q1 2013-2014 compared with Q1 2012-2013.

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

Orbital position	Markets	30/09/2012	30/09/2013	Growth
7°/8° West	North Africa, Middle East	587	688	+17.2%
7° East	Turkey	218	222	+1.8%
16° East	Central Europe, Indian Ocean islands	591	728	+23.2%
36° East	Russia, Africa	723	786	+8.7%
Total		2,119	2,424	+14.4%

³ Non-recurring revenues comprise late delivery penalties and outage penalties.