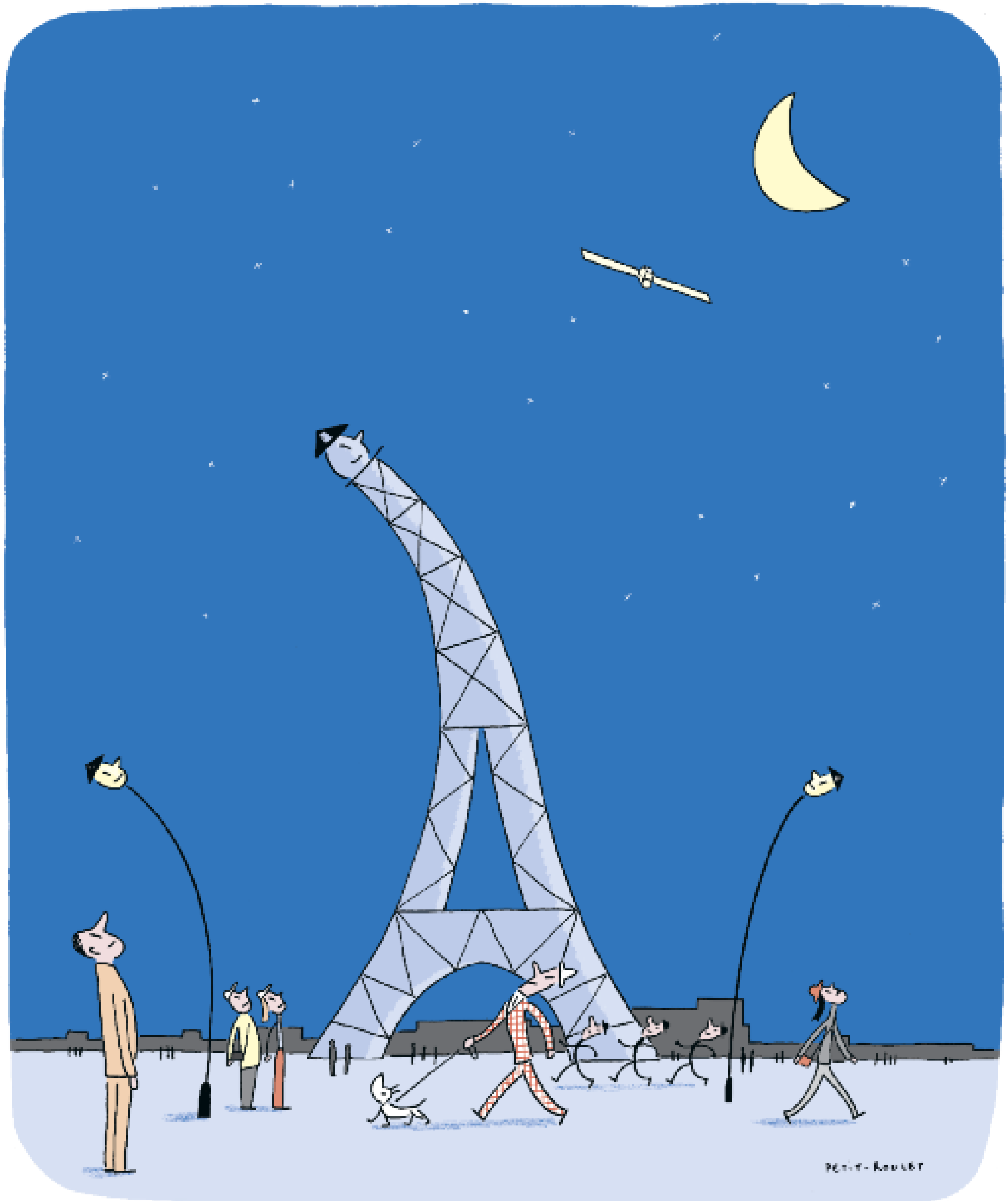
eutelsat
COMMUNICATIONS

Expanding space to communicate



PANORAMA 2010-2011

CONTENTS

Eutelsat Communications, more space for your communications

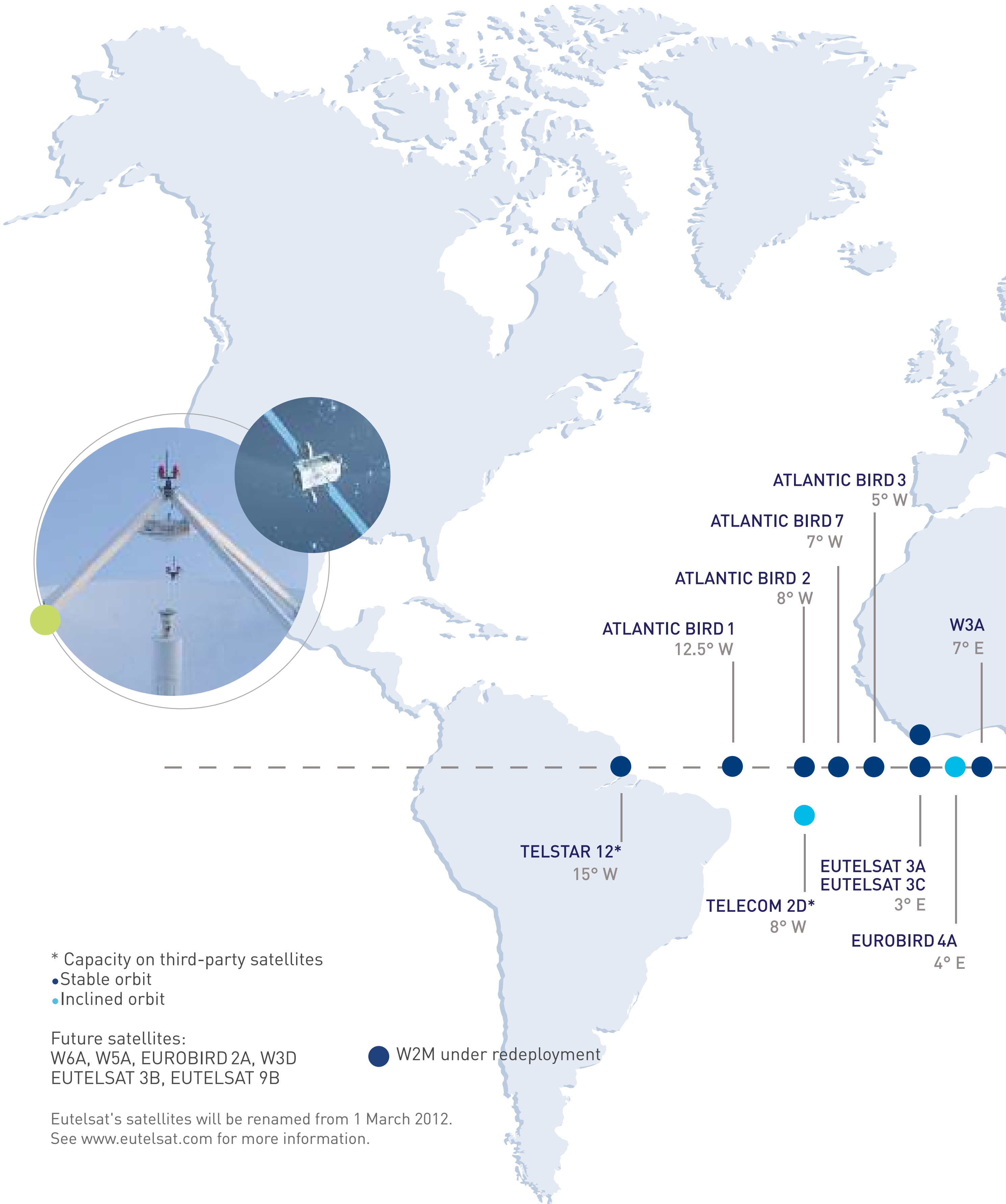
As the leading satellite operator in Europe, the Middle East and Africa, Eutelsat's mission is to deploy and maintain a telecommunications infrastructure that supports the continued growth of digital services, leaving no territory uncovered.

Combining the technical excellence of our teams and the diversity of the markets we serve and their geographic spread, Eutelsat has built a business model based on performance and long-term sustainability.

The commitment of the men and women who work at Eutelsat, the trust of our customers, the support of our shareholders and our tremendous capacity for innovation strengthen our determination to capture new business and to pursue lasting growth.

In-orbit resources

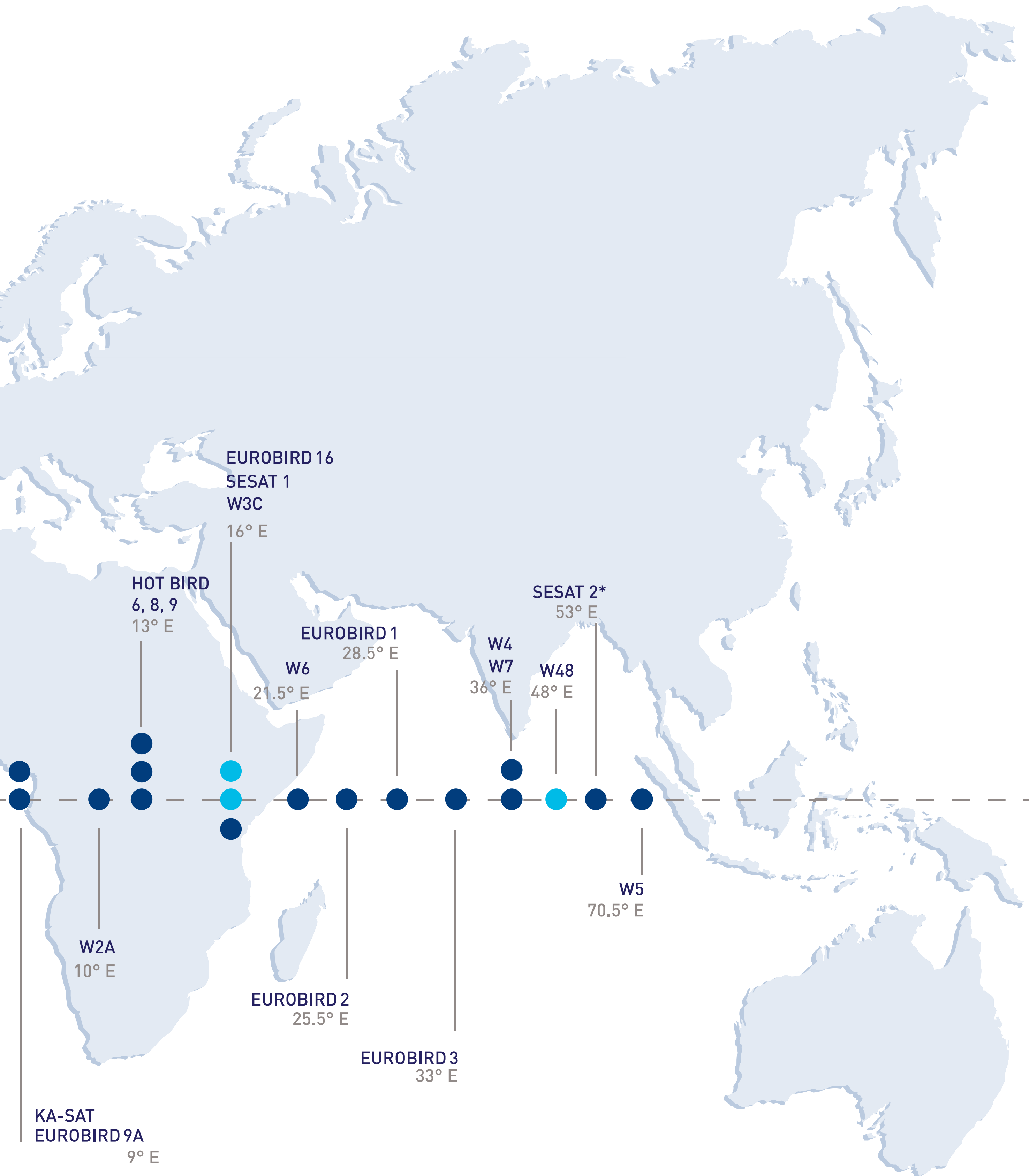
Situation November 2011



* Capacity on third-party satellites
• Stable orbit
• Inclined orbit

Future satellites:
W6A, W5A, EUROBIRD 2A, W3D
EUTELSAT 3B, EUTELSAT 9B

Eutelsat's satellites will be renamed from 1 March 2012.
See www.eutelsat.com for more information.


EUROBIRD 16
SESAT 1
W3C
16° E
HOT BIRD
6, 8, 9
13° E
EUROBIRD 1
28.5° E
SESAT 2*
53° E
W4
W7
36° E
W6
21.5° E
W48
48° E
W5
70.5° E
W2A
10° E
EUROBIRD 2
25.5° E
EUROBIRD 3
33° E
KA-SAT
EUROBIRD 9A
9° E

Growth, continuity, new impetus and ideas: Eutelsat is well equipped to consolidate its strong position.

It is with both pride and enthusiasm that I have assumed the position of Chairman of the Board of Eutelsat Communications.

In this first opportunity to write to you, I wish to pay tribute to my predecessor, Giuliano Berretta, whose strategic vision and commitment made a significant contribution to Eutelsat's success.

All of the Group's activities increased in the 2010-2011 financial year. Going forward, prospects for growth are strong, driven by the continuing expansion of broadcast and broadband services that sit at the heart of the digital revolution and that constitute the majority of our business.

Growth, continuity, new impetus and ideas: Eutelsat is well equipped to pursue its trajectory of success, supported by a board of directors bringing their experience and diverse skills to the table, an accomplished international management team, the technical expertise and enthusiasm of the men and women working in the company, and a corporate positioning that is fully in line with underlying market trends.

The Board gives its total support to the development strategy pursued by Eutelsat's Chief Executive Officer. This strategy combines performance and accountability with the commitment to invest, in order to ensure lasting growth for the company and value creation for our shareholders.

Jean-Martin Folz
Chairman
of the Board

Our technology choices and geographic positioning enable us to look to the future with confidence.

Michel de Rosen
Chief Executive Officer

Eutelsat registered another record year in 2010-2011. Revenues and EBITDA each achieved double-digit growth for the second consecutive year, and group share of net income showed an increase of over 25%. This performance shows the solid reliability of a business model built on sustained investment and relationships with clients built for the long-term.

The men and women at Eutelsat have accomplished remarkable work. Sales have progressed across the board and confirm the continuing strength of our satellite infrastructure to serve rapidly-expanding broadcast and broadband markets.

Results of this quality are achieved through a combination of skills: the ability to manage complex and innovative technical programmes, commercial efficiency which is reflected by the highest fill rate in the satellite sector, and a business model prioritising applications and markets offering the best potential for growth in well-identified geographic regions. This selective expansion strategy has enabled Eutelsat to continue to grow more quickly than the sector in which we operate.

Our technology choices and geographic positioning enable us to look to the future with confidence. Our backlog of almost five billion euros represents over four years of revenues. Going forward, the objective we have set is to maintain a sustained average growth rate of more than 7% a year over the next three years.

Our ambitions are backed up by the long-term trends in our markets. The steady increase in the number of television channels broadcast by satellite, the take-up of HDTV, the emergence of 3D, the potential of connected TV and the development of digital cinema are all clearly-identified growth areas. The same trends apply to the broadband market where governments urgently need to complement terrestrial networks with satellite solutions, particularly in areas of low population density.

The scope of our activities continues to grow in pace with these developments. To maintain our leadership, we are investing the equivalent of more

than 40% of our revenues in order to expand our satellite resources. The end of the financial year was marked by the entry into service of KA-SAT, Europe's first High Throughput Satellite that significantly reduces the cost of satellite broadband and equips us to serve consumer and enterprise markets on a mass-market scale. Since the close of the last financial year, two broadcast satellites, ATLANTIC BIRD 7 and W3C, have been successfully launched to serve the Middle East, North Africa, Central Europe and Indian Ocean islands. Six further satellites are under construction, for launches by end 2014. This significant investment programme will increase our in-orbit resources by more than 20% over the coming three years.
Our objectives are clear: to consolidate our position as the leading satellite operator in Europe, the Middle East and Africa through organic growth and profitable investment. To achieve our goal, I know that I can count on the skills of the men and women at Eutelsat who are united by a base of common values, focused on serving our clients and committed to further unlocking the potential of high technology for the benefit of existing and future users.

Michel de Rosen
Chief Executive Officer

Executive Committee (at 8 November 2011)

The Executive Committee's seven members define and execute the Group's strategy whose principal directions are reviewed by the Board of Directors.

MICHEL AZIBERT
Deputy CEO
Committee Deputy Chairman

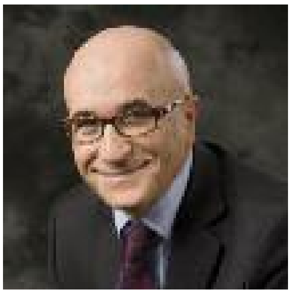
MICHEL DE ROSEN
CEO,
Committee Chairman

CATHERINE GUILLOUARD
Chief Financial Officer
Committee member

DAVID BAIR
Chief Technical Officer
Committee member

ANDREW WALLACE
Chief Commercial Officer
Committee member

JACQUES DUTRONC
Chief Development and Innovation Officer
Committee member



EDOUARD SILVERIO
Group General Counsel & Company Secretary
Committee member and secretary

Management Committee

The Management Committee manages Eutelsat's operating activities.

In addition to the members of the Executive Committee, the Management Committee includes Antonio Arcidiacono, Director of Innovation, Izy Béhar, Director of Human Resources, Jean-François Bureau, Director of Institutional & International Affairs, Manuel Calvo, Director of Operations, Francesco Cataldo, Director of Resource Management & Capacity Sales, Ignacio Gonzalez Nunez, Chief Risk Officer, Yohann Leroy, Director of Strategy, Raphaël Mussalian, Director of Engineering, Vanessa O'Connor, Director of Corporate Communications, Arduino Patacchini, Director of Multimedia & Value-Added Services and Ariane Rossi, Director of Accounting, Controlling and Corporate Finance.

Corporate Governance

Corporate governance

Chaired during the year by Giuliano Berretta, the Board of directors of Eutelsat Communications is committed to vigilant corporate governance and to supporting the Group's further expansion.

The Board's 12 members include three independent directors. The Executive secretary of the EUTELSAT intergovernmental organisation and two representatives of the Works Council of the Eutelsat S.A. operating subsidiary, participate in meetings as observers, sharing the same information as directors. The Board met 10 times during the year with meetings showing an attendance rate of 90%.

The Board is assisted by three committees: the Strategy and Investment Committee, the Audit Committee and the Governance, Selection and Remuneration Committee. Its work during the year mainly consisted in reviewing and approving the half-year and annual accounts, compiling the Group's 2011-2012 consolidated annual budget and preparing a strategic five-year plan. The Board also approved the procurement of two satellites, W3D and EUTELSAT 9B, and launch contracts with Arianespace and ILS.

The Governance, Selection and Remuneration Committee also initiated discussions on terms governing the implementation of recommendations relating to gender equality on the Board to ensure that the prescribed female ratio of 20 percent is achieved by April 2013, in advance of the legal requirement by November 2014.

Jean-Martin Folz (right), Chairman of the Board since 8 November 2011, and Michel de Rosen, CEO.

→ CHANGES TO THE BOARD OF DIRECTORS

The composition of the Board of directors evolved during the year with the appointments of Carole Piwnica and Olivier Rozenfeld at the General meeting of shareholders of 9 November 2010. The FSI (Fonds Stratégique d'Investissement), represented by Thomas Devedjian, was co-opted to replace CDC Infrastructure following the contribution of its entire stake in Eutelsat Communications to the FSI. Abertis Telecom, represented by Marta Casas Caba, was co-opted to replace Carlos Espinos Gomez.

Following the General Meeting of shareholders of 8 November 2011, and the end of Giuliano Berretta's term of office as the Board's Chairman, the Board appointed Jean-Martin Folz as its new Chairman for a term of six years. Jean-Martin Folz was appointed director of the Board by the General meeting of shareholders of 8 November 2011. Jean-Paul Brillaud, whose application was submitted by the FSI, was also appointed to the Board as director. Jean-Paul Brillaud stepped down from his duties as the Group's Deputy Chief Executive Officer on the same day, succeeded by Michel Azibert, who joined the company on 5 September 2011.

The Board of Directors of 8 November 2011 also appointed Giuliano Berretta as Honorary Chairman.

Michel de Rosen and Giuliano Berretta (right), Honorary Chairman.

The Board of Directors (at 8 November 2011)

JEAN-MARTIN FOLZ
non-executive Chairman of the Board

MICHEL DE ROSEN
Chief Executive Officer, Eutelsat Communications

ABERTIS INFRAESTRUCTURAS SA
Represented by Francisco Reynes Massanet

ABERTIS Telecom
Represented by Marta Casas Caba

LORD BIRT
Independent Director

JEAN-PAUL BRILLAUD

FONDS STRATÉGIQUE D'INVESTISSEMENT (FSI)
Represented by Thomas Devedjian

BERTRAND MABILLE
Chief Executive Officer, Carlson Wagonlit Travel

CAROLE PIWNICA
Independent Director

RETEVISION I SA
Represented by Andrea Luminari

OLIVIER ROZENFELD
Independent Director

TRACHIA Telecom SA
Represented by Tobias Martinez Gimeno

CHRISTIAN ROISSE
Board observer
Executive Secretary EUTELSAT IGO

Key figures 2010-2011

Double digit growth for second consecutive year.

REVENUES (M€)

+ 11.5%

Eutelsat posts another record year, with revenues up by over 120 M€.

10/11	1,168.1
09/10	1,047.2
08/09	940.5

EBITDA (M€)

+ 11.9%

The Group continues to maintain profitability at the highest level among leading satellite operators, with an EBITDA[1] margin of 79.3%.

10/11	926.4
09/10	827.8
08/09	742.1

NET CASH FLOW FROM OPERATING ACTIVITIES (M€)

+ 17%

Net cash flow from operating activities, after self-financing of investments, shows available free cash flow[2] of 566 M€.

10/11	816.8
09/10	698.3
08/09	654.7

NET INCOME (M€)

+ 25.6%

Group share of net income was up 25.6%, reflecting the Group's excellent operational performance and the effectiveness of its financial policy.

10/11	338.5
09/10	269.5
08/09	247.3

NET DEBT (€bn)

- 9.3%

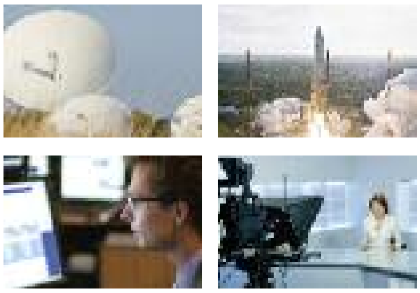
With net debt down by 226 M€, the net debt to EBITDA ratio improved to 2.37x compared to 2.93x the previous year

10/11	2,198
09/10	2,424
08/09	2,326

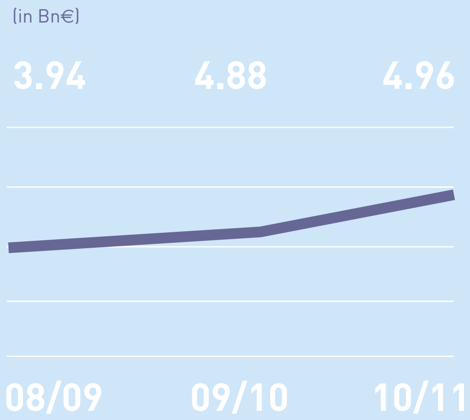
1 - EBITDA is defined as operating income before depreciation and amortisation, impairments and other operating income/ (expenses).

2 - Available free cash flow is defined as net operating cash flow less procurement of satellites and other buildings, plants and equipment, net of disposals and insurance reimbursement.

Eutelsat's results for 2010-2011 and the strong performance of the markets in which the Group operates are encouraging indicators for future growth.



4.2 x annual revenues



ORDER BACKLOG

Eutelsat's backlog during the financial year reached a record high of 4.96 Bn€, equivalent to more than four times the Group's annual revenues.

1st Half 2010-2011 Highlights

The FIFA Football World Cup in 2010 propelled 3D sports into Europe's cinemas. A total of 21 of 60 matches were broadcast to 200 cinemas via Eutelsat's satellites.

Eutelsat and ictQATAR commissioned a joint venture satellite from Space Systems/Loral.

Eutelsat's satellite TV audience tops 200 million homes.

An ILS Proton rocket successfully launches KA-SAT, Europe's first High Throughput Satellite (HTS).

2nd Half 2010-2011 Highlights

Eutelsat signs a launch contract with Arianespace for a launch mission during 2012.

TV channels broadcast by Eutelsat's satellites reach 3,800, including 220 in High Definition.

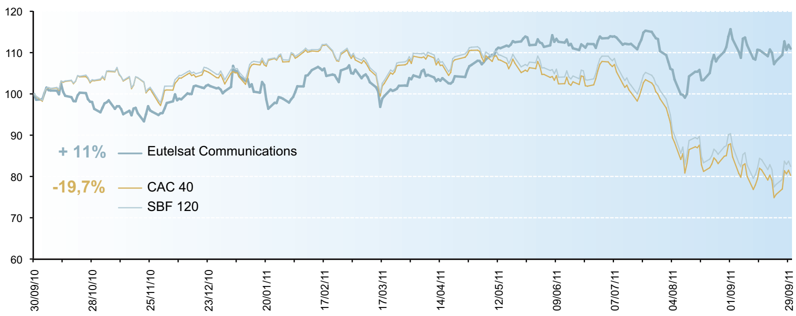
RSCC, Russia's state satellite operator, and Eutelsat sign a strategic agreement to optimise long-term joint operations at 36° East.

Eutelsat launches the new-generation Tooway™ broadband service on KA-SAT.

Stock market and shareholders

"We aim to continue to increase our dividend each year so that investors can share in the company's development."

→ Stock performance adjusted for securities transactions and distribution in November 2010. (from 30 September 2010 to 29 September 2011)



→ Key stock figures

At 30 September	2009	2010	2011
Market capitalisation	4.572 €bn	6.163 €bn	6.647 €bn
ETL share performance	+ 15.2%	+ 35%	+ 11%
CAC40 performance	- 5.9%	- 0.3%	- 19.7%
ETL highest	21.07 €	29.38 €	31.5 €
ETL lowest	14.14 €	20.73 €	25.4 €
Number of shares constituting capital at 30 October	220,113,982	220,113,982	220,113,982

In September 2011, the share price of Eutelsat Communications attained its highest level to date, at 31.5 €. Over the past 12 months it has outperformed the CAC 40 index by over 30%, posting an increase of +11% compared to -19.7%.

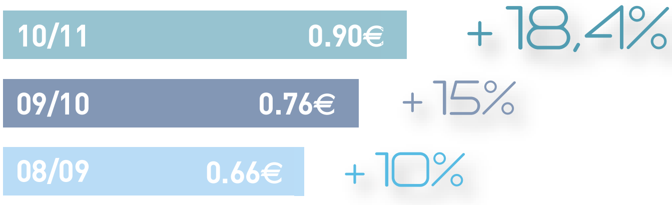
Eutelsat Communications strives to build a relationship of trust with shareholders since its stock market flotation in December 2005. Transparency of financial information and a high degree of visibility on the prospects for growth of the Group's markets underscore its commitment to shareholders.

Operating a high-technology infrastructure, the Group aims to give investors and financial analysts a clear snapshot of business activities, challenges and opportunities in the sector. Financial reports are accompanied by presentations made available to corporate and private investors. Written reports are relayed at regular meetings, that represent a privileged platform for debate and communicating comprehensive information.

An attractive distribution policy and an investment programme to drive long-term growth.

INCREASED DIVIDENDS

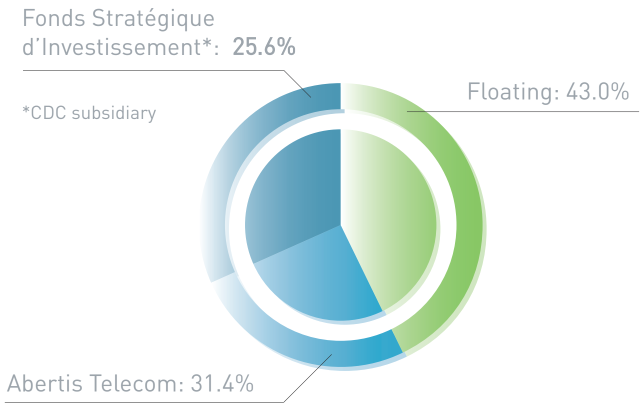
The dividend per share approved by the General meeting of shareholders of 8 November 2011 was up 18.5% over the previous year, which was itself up 15%. It represents a payout ratio of 58% and reflects the Group's objective to associate shareholders with its performance while maintaining the capacity to finance its significant investment programme, which is equivalent to over 40% of revenues for the 2010-2014 period.



SHAREHOLDER BREAKDOWN (at 30 June 2011)

In addition to Abertis and the Fonds Stratégique d'Investissement (a subsidiary of the Caisse des Dépôts et Consignations), the Group's shareholders comprise corporate and individual investors with a floating shareholding.

The number of corporate shareholders, primarily from Europe and North America, rose by 47% in the financial year. The number of individual shareholders posted 80% growth to reach almost 20,000.



INDICATIVE FINANCIAL CALENDAR

16 February 2012: half-year results ending 31 December 2011
10 May 2012: financial situation for third quarter ending 31 March 2012
30 July 2012: full-year results for financial year ending 30 June 2012
25 October 2012: financial situation for first quarter ending 30 September 2012
8 November 2012: Annual general meeting

Contacts and information

Web: www.eutelsat.com
E-mail: investors@eutelsat-communications.com
Tel: +33 (0)1 53 98 35 30

HERMESdatacomms

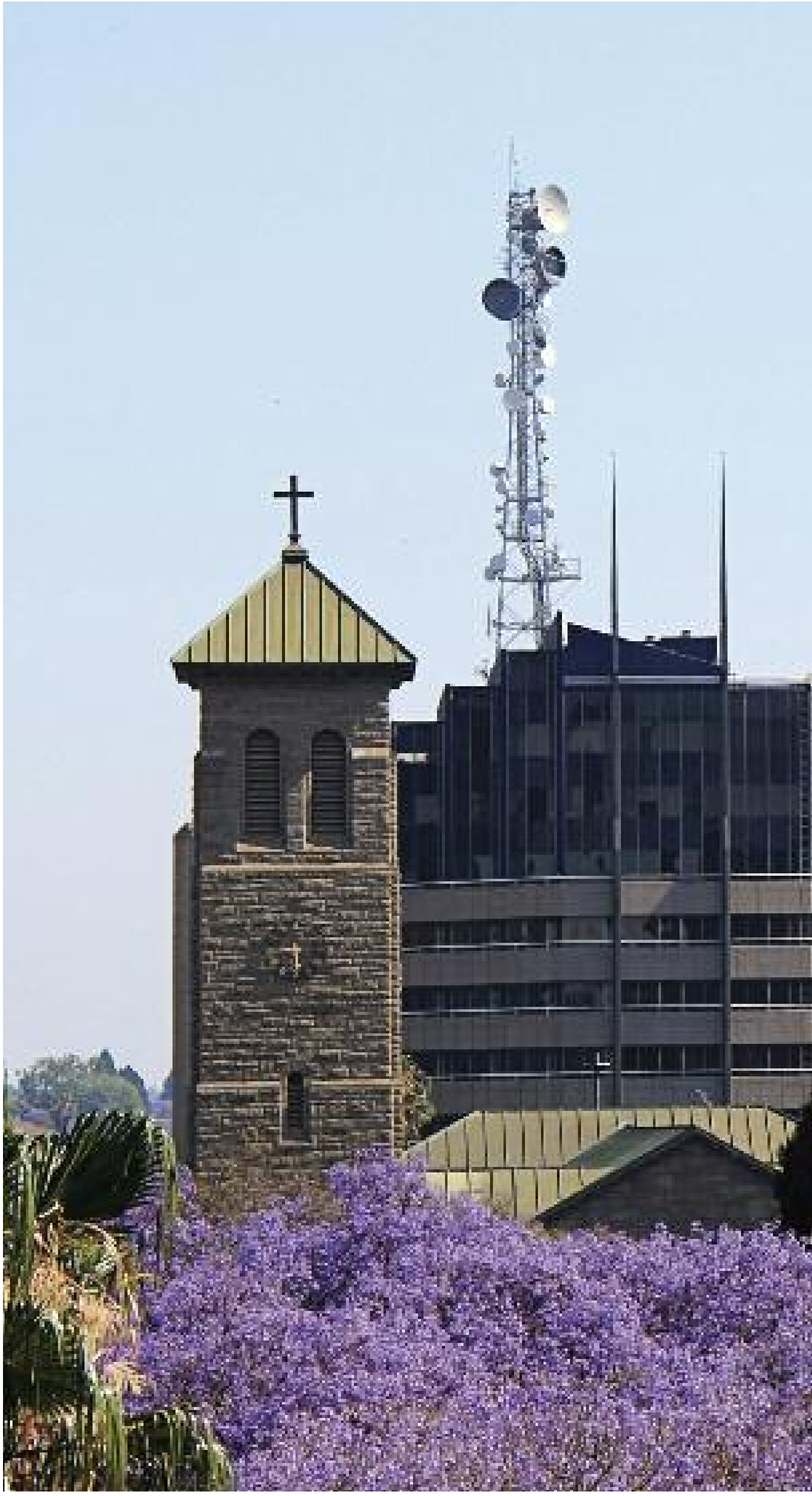
Connecting people, even in the most isolated locations

Specialised in providing satellite-based communications services for the oil & gas industry, particularly in difficult and challenging locations, Hermes Datacomms has fully benefitted from resources on the W7 and W2A satellites that provide superior reach of major oil and gas reserves in Central Asia, the United Arab Emirates and the North Sea.

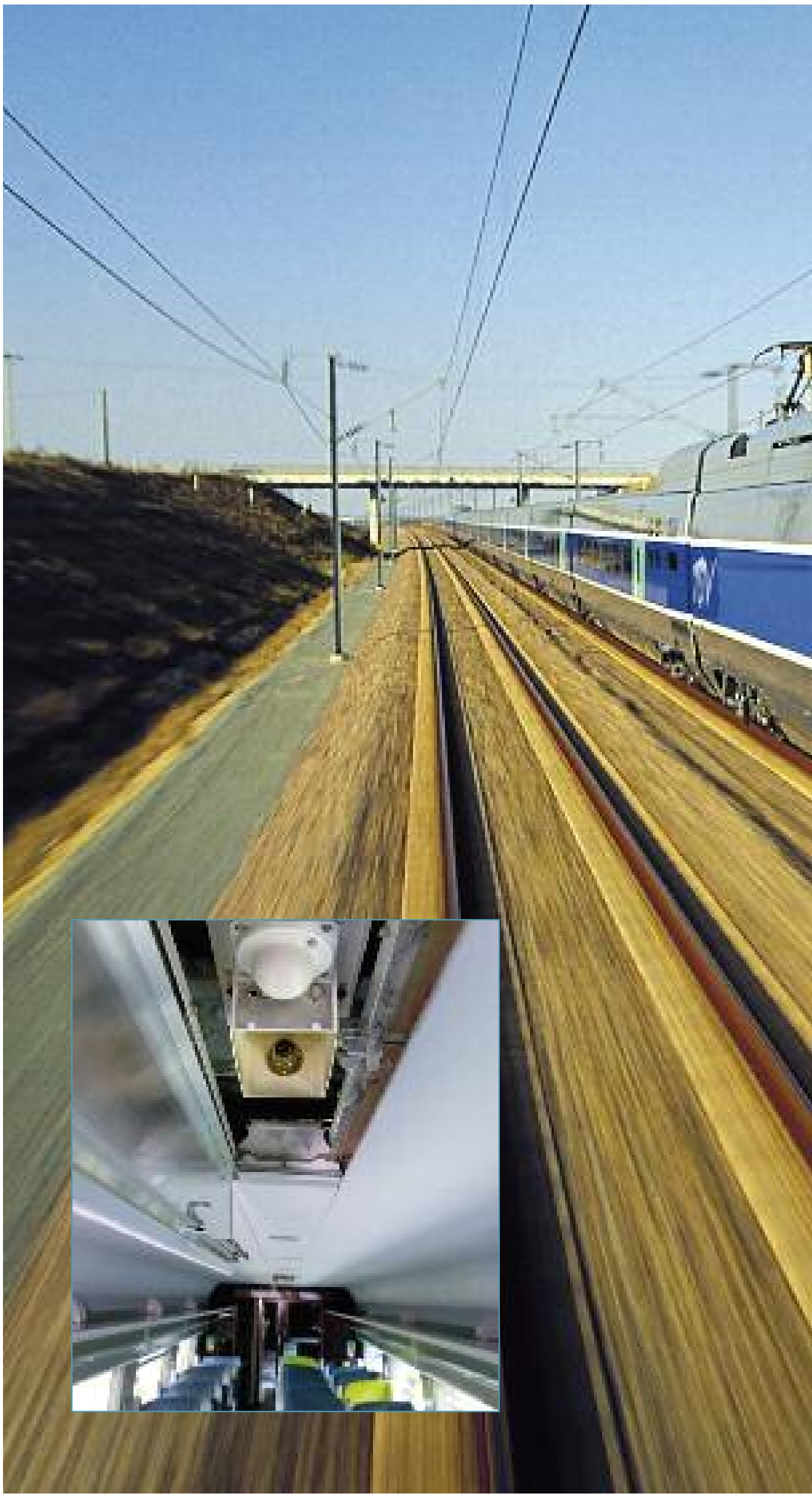
LIQUID TELECOM

Stepping up deployment of GSM networks

To accompany the rapid growth of mobile telephony in Africa, where penetration has quadrupled in five years, Liquid Telecom, a specialist in GSM back-haul, is using capacity on ATLANTIC BIRD 3 and W2A to pursue major deployment programmes in Botswana, Nigeria, Zimbabwe (photo), Lesotho, Somalia, Burundi, Niger and Kenya.




FLY air zimbabwe



High-speed Internet on high-speed trains

Launched on 1 December 2010 on the SNCF's TGV East European rail network, the TGV Box service unites the expertise of Orange Business Services, Eutelsat, Alstom and Capgemini to deliver Internet connectivity via ATLANTIC BIRD 2 to passengers travelling at more than 320 km/h.


SNCF
363

Serving the timber industry in the heart of the tropical rainforest

Rougier, a major player in Central Africa's timber industry, pursues a development policy that combines logging, sustainable forestry and local processing activities to create employment. Rougier's technology partner, Afrique Télécom, uses W3A to provide direct telecommunications links between concessions and plants in the heart of the forest and Rougier's offices in Europe.

2010-2011 on our satellites

Russian television boosts offer of thematic channels

Tricolor is one of the most spectacular success stories in digital broadcasting in Europe. The Russian TV platform launched on W4 in 2005. It topped the 100-channel mark this year and attracted 2.5 million new subscribers, taking its audience to over nine million Russian homes.

2010-2011 on our satellites

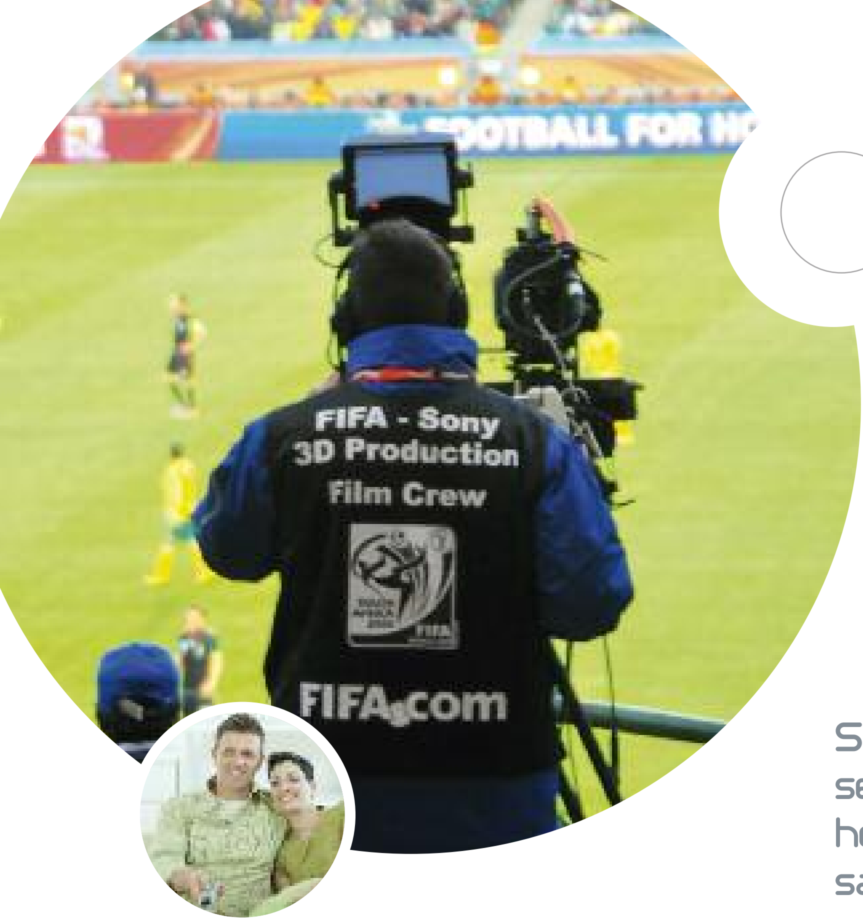
Telecoms to support emergency operations

The key mission of Télécoms Sans Frontières (TSF) is to support the work of humanitarian ONGs by restoring communications in disaster situations. Eutelsat has been a partner of TSF since 2007, providing D-Star and Tooway™ services that enable Internet, fax and voice communications to be fully operational in a few hours.


tsf

Outlook

The continuing expansion of the digital communications universe, and the need for all to be able to access services, are strong growth drivers for the Group.



The Group's markets

Spurred by the growth of digital services, the 2010-2011 period heralds a strong future for the satellite industry worldwide.

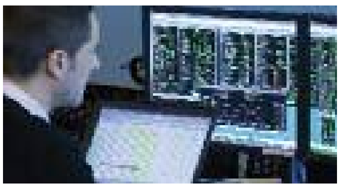
Eutelsat's model for growth is stimulated by capitalising on the strengths of each business activity, common technology platforms and targeted geographic positioning. With this strategy, it has continued to outperform in its sector and maintain profitability at the highest level among leading Fixed Satellite Services (FSS) operators.

The Group prioritises the allocation of resources to applications that take advantage of the wide coverage afforded by satellites, especially for broadcast services. In parallel, it has deployed innovative satellite programmes that open new opportunities in rapidly-growing broadband and data markets.

Business portfolio At 30 June 2011

68.6%

VIDEO APPLICATIONS



20.4%

DATA NETWORKS AND BROADBAND

11%

MULTI-USAGE

At the heart of the digital revolution

Sources: Euroconsult and Eutelsat Strategy Department

In 2010, according to Euroconsult, the Fixed Satellite Services sector represented a global market of $10.8 billion against $10.3 billion in 2009. Operating on long cycles, global satellite demand is forecast to continue to grow at an average annual weighted rate of 3.7% between 2010 and 2015, driven by the global surge in digital broadcasting and a lack of high-speed terrestrial networks in emerging markets which expands opportunities for the satellite sector.

The prospects for video applications, the Group's principal activity, remain strong, notably in extended Europe and sub-Saharan Africa where demand is expected to post an average annual weighted growth rate of 4.8% between 2010 and 2015.

The number of satellite channels broadcasting in these regions should rise from 9,700 in 2010 to over 15,000 in 2020. HDTV channels, each requiring 2.5 times more bandwidth than Standard Digital channels, are forecast to grow at an average annual weighted rate of 28% between 2010 and 2015. This trend towards HDTV will be supported by penetration into European homes of HD Ready flat screens, which in 2010 already accounted for more than 60% of displays.

Consumer appetite for services emerging from the convergence between the Internet and TV, such as triple-play and connected TV, is triggering new growth drivers for satellites, which are the only technology able to deliver high-quality linear television where terrestrial networks are lacking or where ADSL throughput is insufficient.

This type of satellite/terrestrial environment follows a similar model to telecom operators, who for the last two years have been integrating satellite-based Internet services into their offers in order to expand their subscriber base in more sparsely populated areas where terrestrial network build-out would be unprofitable. Europe now numbers more than 13 million homes beyond reach of ADSL and a further 17 million with access to throughput of less than 2 Mbps. These unserved and underserved markets represent a significant opportunity for High Throughput Satellites, pioneered in Europe by Eutelsat's KA-SAT.

The Group's markets

By allocating more than 40% of its revenues to renewing, increasing and securing in-orbit resources, Eutelsat is implementing a strategy that combines performance and long-term visibility.

In addition to addressing the dynamic of television and Internet markets in extended Europe, the FSS sector is also addressing sustained demand from developing markets, where economic growth is driving up professional and consumer expectation for digital services. These countries are faced with telecommunications networks unable to meet demand, thereby increasing the opportunity for satellites.

In order to make up for this infrastructure deficit, fast-expanding economies are deploying cellular networks that can efficiently extend digital communications to end-users. Cellular networks in Africa have increased fourfold in five years to reach 550 million subscribers in mid-2011. Satellites play a key role in these programmes, assuring the link between local networks and the Internet backbone, and enabling mobile telephony to evolve from principally voice-based communications to data services.

According to Euroconsult forecasts, demand for satellite capacity for corporate networks and Internet access will increase by 13% per year between 2010 and 2015 in Sub-Saharan Africa, and by 18% per year in Russia and Central Asia, regions where Eutelsat performs the bulk of its data activities.

Our ambition is clear: to continue to grow faster than our markets through compelling services for our customers and sustained investment and innovation.

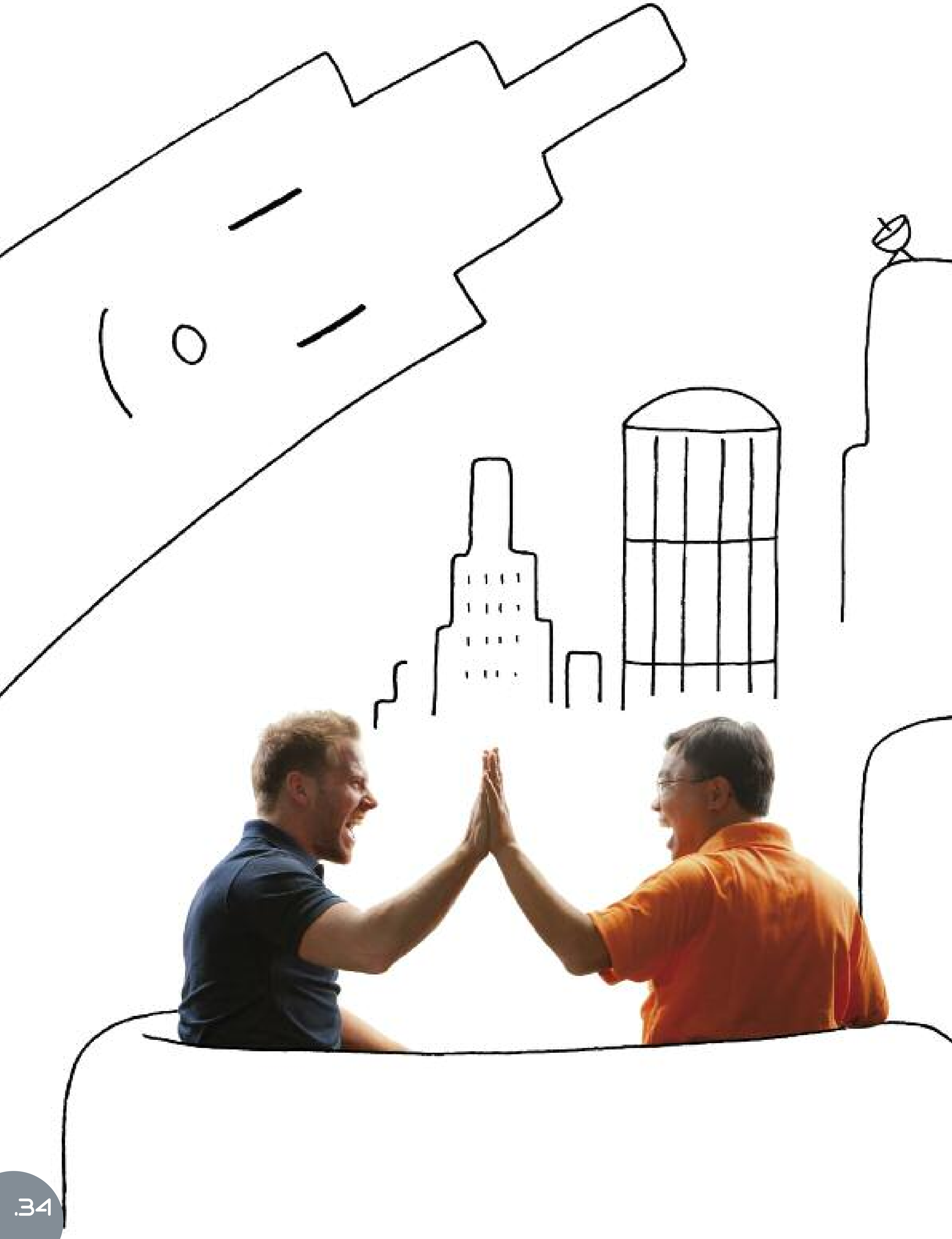
Objectives for the three financial years from July 2011 to June 2014

Solid revenue growth
Average annual weighted growth of over 7%.

High profitability
EBITDA margin of over 77%.

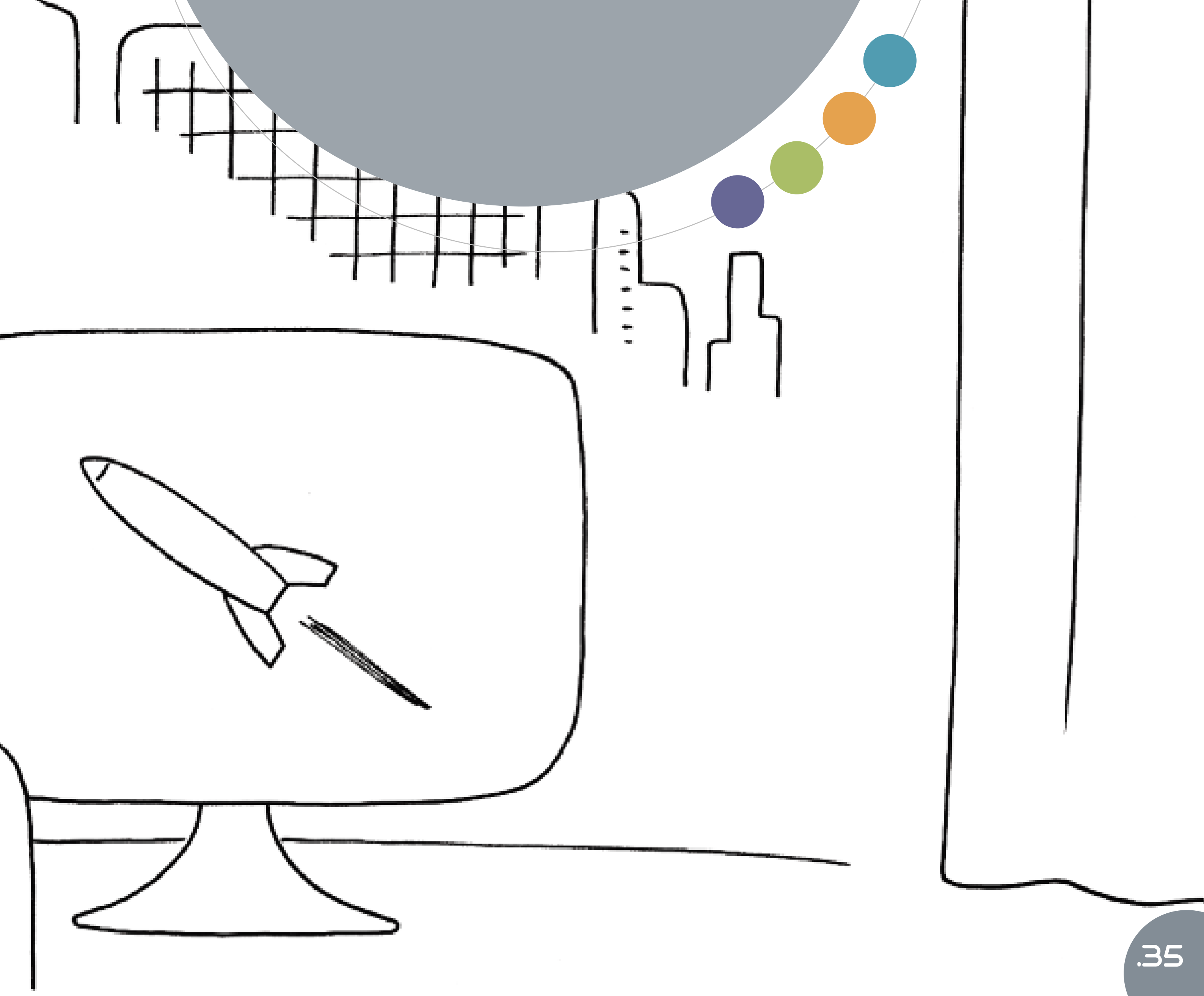
Sustained investment
Average annual investment of 550 €M.

Attractive dividends
Between 50% and 75% of net income Group share.



Connecting

All activities have contributed to growth for the second consecutive year.



Video applications

With 218 new TV channels, including a third in high definition, Eutelsat posted over 6% growth in video applications during the 2010-2011 financial year, to 786.5 €M.

This growth, which outperformed the global satellite market, reflects the strength of Eutelsat's premium video neighbourhoods at 13° East and 28.5° East serving Europe, and its policy of prioritising resources for expanding broadcast markets, especially in Russia, the Middle East and Africa.

Video applications, which accounted for 56% of geostationary satellite usage in 2010 and generate 70% of Eutelsat's revenues, show strong prospects for continuing growth for the Group. This activity spans Direct-to-Home broadcasting, feeding terrestrial headends (including cable, DTT, ADSL), professional programme exchanges and satellite newsgathering. It benefits from the continuing increase of television channels, the rise of HDTV and the emergence of 3D.

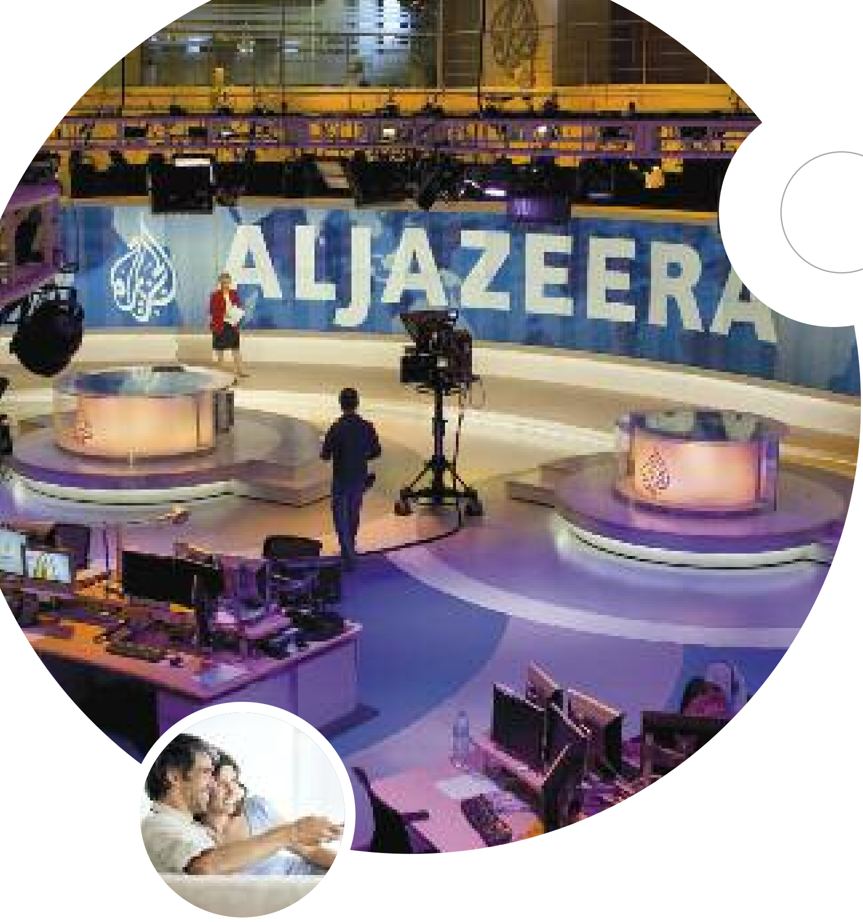
In 2010, the number of satellite channels worldwide rose from 26,400 to 29,300 and the number of homes equipped for DTH or collective satellite reception increased by more than 30 million (+12%) to over 270 million (Source Idate).

Satellites set to be a key component of the connected TV environment

Linear, catch-up, on demand, connected, mobile, an array of TV formats now exist as the technology boundaries, that once separated the broadcast and Internet worlds, continue to break down. Far from representing a challenge for satellites, this convergence is expanding the role they play in hybrid models, which combine terrestrial and satellite in order to widen access to enriched services for users located beyond range of terrestrial broadband networks.

Signal quality and universal coverage anchor satellites as an efficient vehicle for broadcasting linear television. Platforms continue to evolve to include video-on-demand and catch-up TV, delivering cost-effective push solutions in areas where terrestrial networks lack throughput.

Video applications, accounting for nearly 70% of the Group's revenues, are characterised by long-term contracts with an average term of over 10 years.

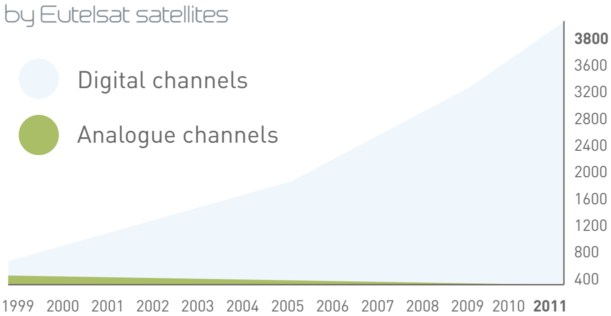


Activities in 2010-2011

Video applications

More than 2,000 TV channels have joined the fleet over the last five years.

Growth of TV channels broadcast by Eutelsat satellites



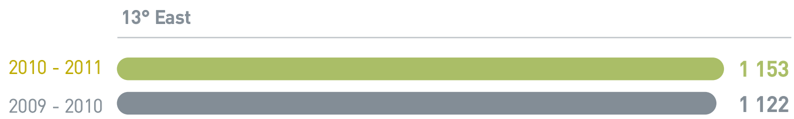
The growth of Eutelsat's video neighbourhoods during the 2010-2011 financial year shows the continuing expansion of free-to-air and pay-TV channels across all regions served by the Group's fleet. Of the 3,880 channels broadcast by Eutelsat at 30 June 2011, 37% were free-to-air and 63% were pay.

Free-to-air broadcasting, which progressed by 5,5% during the year, to 1 341 channels, was fuelled in particular by the roll-out in Europe of Digital Terrestrial Television (DTT) and by a buoyant thematic television market in the Middle East and North Africa. Pay-TV increased by 5,6% to 2 539 channels, reflecting the development of platforms, including NTV Plus and Tricolor in Russia, Multi-Choice Africa in sub-Saharan Africa, Sky Italia in Italy, and the launch of Max TV in Croatia and ZAP in Africa.

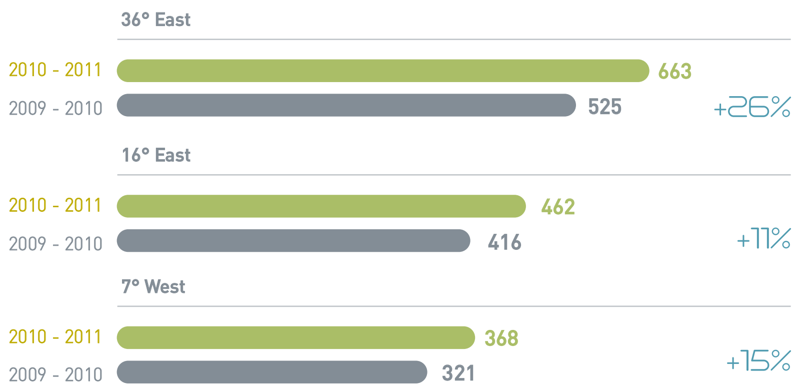
FIFA World Cup Football in July 2010 marked the launch of 3DTV

Alongside Eutelsat's flagship HOT BIRD position, which was broadcasting 1,150 channels at 30 June 2011, three video neighbourhoods serving emerging markets posted double-digit growth for the year. Channels broadcasting from the 36° East position, which via two footprints serves broadcast markets in the European part of the Russian Federation and Sub-Saharan Africa, increased from 525 to 663 (+26%). Channels broadcasting from the 16° East neighbourhood serving Central Europe and islands in the Indian Ocean, were up 11% to 462 channels. The 7° West neighbourhood, which reaches into over 30 million homes in the Middle East and North Africa, grew by 15%, from 321 to 368 Arab and international channels. This neighbourhood is operated in close collaboration with Nilesat, the Egyptian satellite operator.

HOT BIRD at 13° East, Europe's leading video neighbourhood



Three video neighbourhoods with double-digit channel growth



Video applications

The HDTV channel count grew by 42%. All Eutelsat video neighbourhoods are now broadcasting HD channels.

Eutelsat's longstanding video markets in Europe show solid growth, with prospects for further expansion coming from HDTV, the emergence of 3D and the expansion of Digital Terrestrial Television (DTT).

60% of European homes are HD-equipped

According to Screen Digest, more than 103 million homes in Europe are equipped with HD-Ready displays, making HD available in over 60% of households. HDTV represents one of the main growth drivers for satellite capacity as its bandwidth requirements are 2.5 times Standard Digital channels. Euroconsult forecasts that the share of HD channels in the worldwide satellite broadcasting market will increase from 5% in 2010 to 20% in 2020. This trend is accelerating in leading satellite television markets in Europe, including in Italy and Poland where the number of HD channels rose during the year by 70% and 30% respectively, reflecting the premium offers of anchor pay-TV platforms.

More than one in two digital households worldwide receives television via satellite

As technological innovation continues to redefine the telecoms and media sectors, satellites are further anchored as a key component of the digital broadcasting environment. Research by Idate shows an 11.4% increase over the last year in the number of homes worldwide equipped for Direct-to-Home satellite reception. This means that in 2010, 30 million new homes were equipped for DTH or collective reception, bringing the penetration rate for satellite reception to over 20% of 1.36 billion TV homes.

As a unique technology, ensuring universal coverage, even signal quality and bandwidth availability for HDTV and 3D, satellites are a powerful platform in a multi-channel broadcast environment. A total of 96.5% of satellite homes are already equipped for digital (free-to-air and pay-TV), compared to only 37.9% for cable and 16.7% for Digital Terrestrial Television.

The benefits of bandwidth availability, coverage and cost-efficiency herald new growth opportunities for the satellite market from telecom operators faced with consumer demand for connected TV. These operators are developing hybrid network models which combine the effectiveness of satellites for delivering linear television with terrestrial networks for interactivity.

With the increasing storage capacity of consumer devices and connectivity via hybrid terminals enabling linear television and interactivity, connected TV is forecast to take a place at the heart of the consumer's personal digital universe. Delivering functionalities similar to PCs, connected TV marks a transition towards an extended offering that combines traditional television and offline viewing as well as access to on-demand services and social TV.

Satellite reception is forecast to increase by 5% per year between 2010 and 2015.

(in millions)	2007	2009	2011	2013	2015
Satellite homes	206,5	245,7	300,1	341,7	372,1
Free-to-air	107,8	113,6	124,1	139,1	153,8
Pay-TV	98,8	132,0	176,0	202,6	218,2

Source Idate

Eutelsat's FRANSAT satellite DTT service, which was launched in 2009 to accompany France's transition into a fully digital broadcast environment, reached the landmark of more than one million homes in June 2011.

HOT BIRD TV AWARDS 2010

Bringing together the finest thematic broadcasting channels, the 13th edition of the HOT BIRD TV AWARDS in 2010 selected 17 winners.

HDTV Mezzo Live HD (France)
Children's Your family (Germany)
Fiction/Cinema Kino Polska (Poland)
Culture/Education Nostalgia (Russia)
Documentaries 365 Days TV (Russia)
Fiction/Entertainment Ma Chaîne Etudiante (France)
Lifestyle Joint winners: Gambero Rosso Channel (Italy) and Information TV (UK)
Music iConcerts (Switzerland)

News Joint winners: BBC World (UK) and NewsCurrent (Italy)
Sport Sky Sport Channels (Italy)
National Window CCTV News (China)
People's Choice TVN Warsawa (Poland)

Best Programme Metro - RTR Planeta (Russia)
Special Mention: La bataille de la vallée Afghanya FRANCE 24 (France)
Best New Channel SuperSport International (South Africa)

Activities in 2010-2011

Data and broadband

Data and broadband services represent the second largest share of Eutelsat's revenues. They posted solid growth of 14.9% during the year to 234 €M.

Emerging markets lacking terrestrial infrastructure are driving growth.

Eutelsat's data and broadband activities benefited from the entry into service in May 2009 and January 2010 of the high-capacity W2A and W7 satellites that notably provide premium coverage of regions in Africa, the Middle East and Central Asia that have low terrestrial network penetration. These resources contributed to a 14.9% increase in revenues from data and broadband services to 234 €M, representing 20.4% of Group revenues.

This growth rate in 2010-2011 was more than two times that of the global data market and reflects Eutelsat's strategy to pursue sustained but selective investment in these markets.

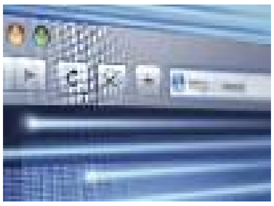
Markets in Russia, Central Asia and Sub-Saharan Africa that are increasing their industrial activity and skilled workforce are forecast to deliver solid growth in demand for satellite capacity for corporate networks and Internet access. According to analysis from Euroconsult, demand in Russia and Central Asia is expected to increase by 13% per year for the 2010-2015 period and by 18% per year in Sub-Saharan Africa over the same period. The W5A and W6A satellites, which are scheduled for launch in third quarter 2012, will deliver new resources to these markets to drive further growth.

In parallel to the deployment of fibre, which now serves the main international data and broadband traffic routes, satellites are asserting their role as the back-up technology for terrestrial networks and for feeding local networks where terrestrial infrastructure is lacking or insufficient.

Eutelsat supplies leading telecommunications operators with satellite resources that are integrated into turnkey solutions to serve enterprise users and public agencies. In addition to leasing capacity to service providers operating their own ground platforms, Eutelsat delivers value added services from its Turin and Cagliari teleports in Italy, which associate capacity with network operations and user terminals. These value added services represent 20% of the Group's data and broadband revenues.

Activities in 2010-2011

Data and broadband



Euroconsult estimates that the satellite market for enterprise networks will continue to grow at an average weighted rate of 10% per year to 2020. The number of installed VSAT terminals is expected to grow to 4.3 million from 1.7 million in 2010.

In the regions served by Eutelsat's satellites, demand continues to be driven by the distribution market in Europe, and by the finance sector in Africa and Central Asia for interconnecting banks and cash dispensers as well as delivering market information in real-time.

The oil and gas sector is also generating sustained demand for satellite capacity to connect isolated sites and manage the transition from low-bandwidth voice traffic to more bandwidth-hungry applications that include video, remote monitoring, machine-to-machine communications and crew welfare.

GSM backhaul and Internet backbone connectivity are other key applications served by the Group's professional data and broadband activities. These services are proving most dynamic in countries in Africa and Central Asia that are extending access to voice and data services via cellular networks. Satellites play a key role in interconnecting these local networks to the Internet backbone and in meeting progressive use of data traffic through mobile telephony networks.

GSM transmitters and Internet platforms connected directly by satellite to fibre backbone networks can operate totally independently of terrestrial networks. To address this market with maximum efficiency,

The number of enterprise VSAT terminals worldwide progressed by 17% in 2010.

Eutelsat provides solutions that include using satellites delivering Ka-band capacity in Europe and Ku-band for the emerging markets that are driving demand.

Multi-usage activity, which covers capacity provision for governments and administrations, and is characterised by short-term contracts, was up 28% in the year to 125.6 €M. This strong growth reflects the objective of administrations to optimise resource management by sourcing capacity from the commercial satellite sector in addition to using their proprietary infrastructure.

Activities in 2010-2011

Data and broadband

Eutelsat launches the new-generation Tooway™ consumer broadband service on KA-SAT.

Consumer satellite broadband, which is propelled forward by the arrival of a new generation of High Throughput Satellites, posted one of the strongest growth rates in the FSS sector in 2010. The number of homes worldwide equipped for Direct-to-Home satellite broadband rose by 17% to 2.8 million. Euroconsult forecasts that take-up will continue at an average annual rate of 26% to exceed 28 million homes in 2020.

The entry into commercial service of the KA-SAT satellite in May 2011 ushered in a new era for Eutelsat's value added broadband services, which are managed by its Skylogic affiliate. The Group has pursued an ambition to contribute to closing the digital divide in Europe, and invested in resources to serve a mass market through the KA-SAT programme which was initiated in 2008. This ambition is echoed by the commitment of governments to make broadband accessible to all citizens at a time when more than 13 million homes in Europe are located beyond range of ADSL and another 17 million have access to a limited 2 Mbps.

In order to transform satellite broadband into a mass market proposition, the challenge faced by Eutelsat was to develop on-ground and in-orbit technologies able to reduce the cost of terminals and bandwidth, while maintaining profitability. In partnership with ViaSat, whose terminals already power broadband for over half a million homes in North America, Eutelsat launched a first-generation of services in 2008 using four Ka-band transponders on the HOT BIRD 6 satellite. This first phase enabled Eutelsat and Skylogic to validate the efficiency of the Ka-band in Europe for two-way Internet and to build a wide network of partners across Europe.

Broadband access immediately available across Europe

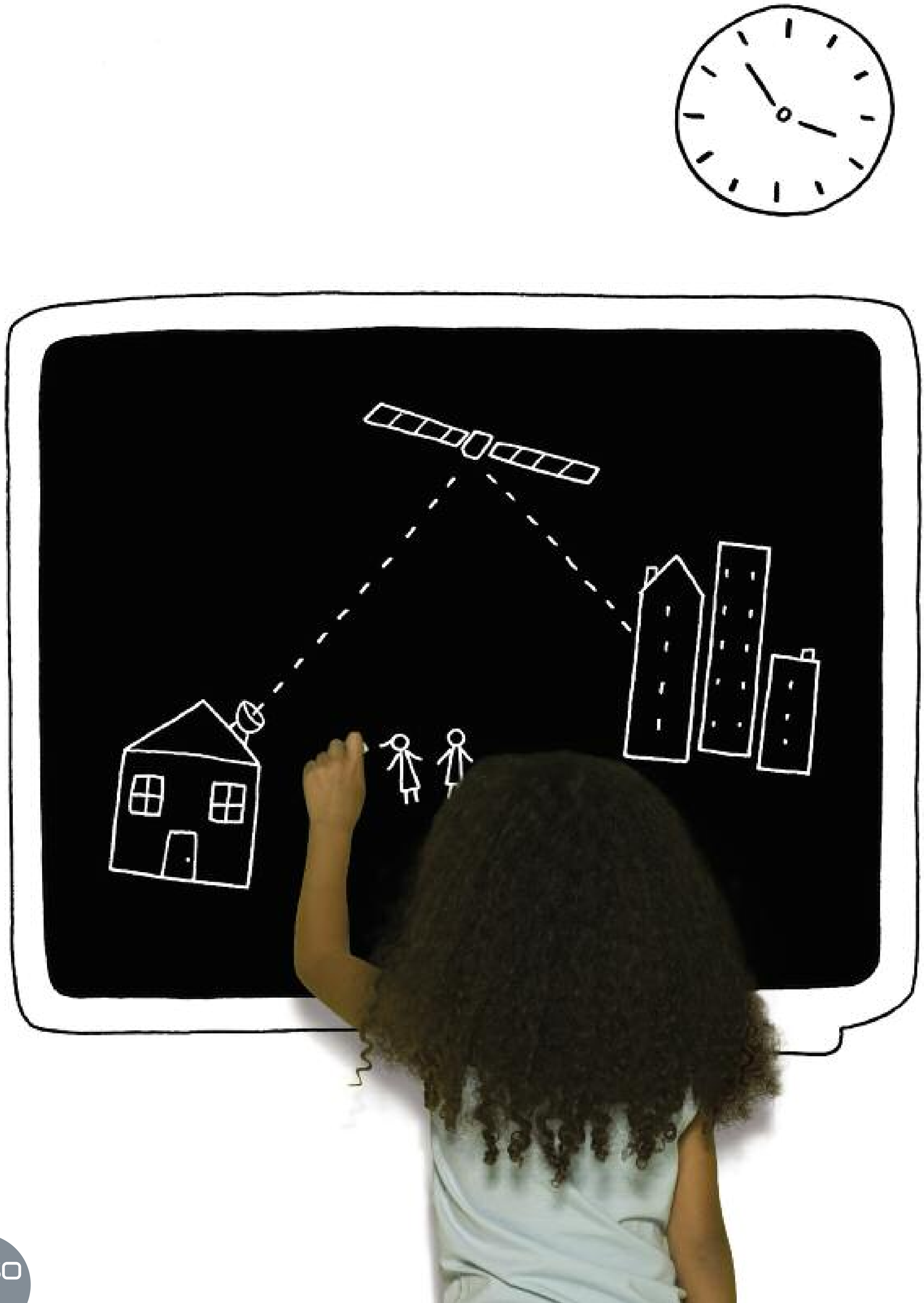
With more than 70 Gbps of throughput, and reach of Europe and large parts of the Mediterranean Basin, KA-SAT is the platform for the new-generation Tooway service which offers consumers download speeds of up to 10 Mbps and upload speeds of up to 4 Mbps. User equipment comprising a modem connected to a 77 cm dish is available throughout the entire footprint of the KA-SAT

satellite which will be able to deliver Internet access to more than one million homes beyond range of terrestrial networks. Using a double-feed (Ku-Ka) antenna, users can also receive TV channels broadcast in the Ku-band from neighbouring satellites.

In order to take advantage of the performance of the KA-SAT multi-beam architecture for IP services, Eutelsat is preparing to launch services for enterprise markets in the second half of 2011. Designed to offer higher download speeds, of up to 50 Mbps, and upload speeds of up to 20 Mbps, they will be easily integrated into existing network architectures and offered with the appropriate level of support for professional users. They will in particular target large companies seeking to connect isolated sites to their networks and multi-site networks (banks, supermarkets, service stations, warehouses ...) with a base station centralising transactions and data flows.

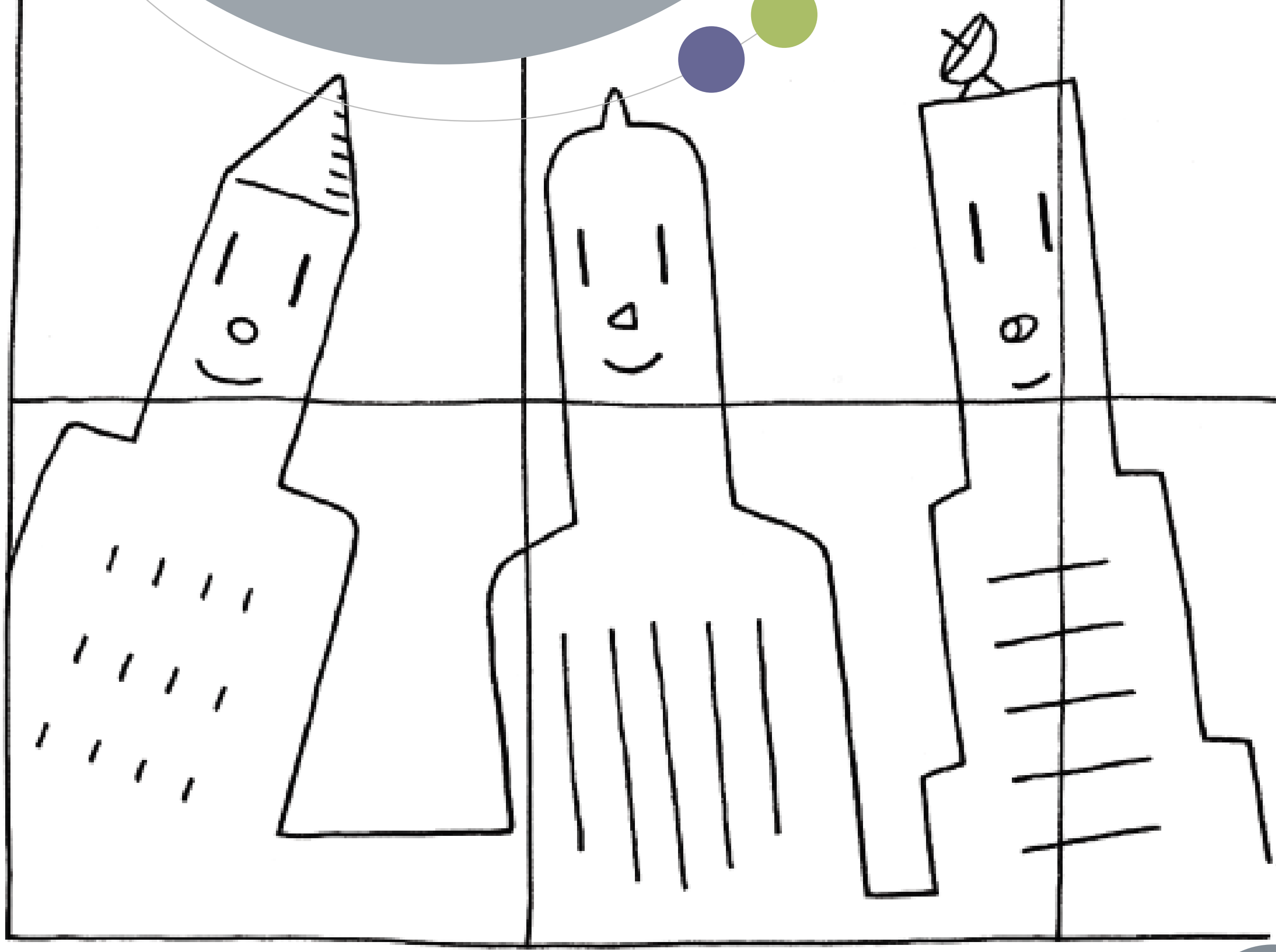
Professional terminals are also being launched for video file transfer using lightweight, transportable equipment costing 15 times less than classic Ku-band SNG terminals. These solutions will accelerate live video contribution to TV stations and open new opportunities to serve the media industry.

The number of homes equipped for satellite broadband is set to grow by 26% a year to 2020.



Commitment

A commitment to responsible operations unites the men and women working at Eutelsat.



Corporate responsibility

Performance and responsibility drive the Group's business culture

As a voluntarily international group, Eutelsat is committed to fostering a response to customers, partners and other stakeholders that combines performance and responsibility for the long-term. Actions that support this objective cover a large scope, including seamlessly integrating teleports into their environment, securing certification for satellite control procedures, ensuring sustained commitment to innovation so that digital services are made accessible to the widest possible audience, and raising awareness by staff of the importance of sustainable development through a joint working group.

The international perspective that characterises the work of satellite operators opens multiple opportunities for sustainable and responsible business. They include stepping up investment in developing economies, promoting cultural diversity through the thousands of channels broadcast by the Group's fleet, facilitating the restoration of communications at disaster sites, or developing education and qualified employment in areas where satellites alone can deliver connectivity to the rest of the world. These activities are powerful sources of motivation in a high-technology environment that provides significant opportunities for innovation and new ventures.

Eutelsat cultivates the spirit of a responsible enterprise that generates loyalty and pride. Staff can evolve in a multicultural environment assembling 30 nationalities and draw benefit from access to a broad mix of profiles and from long-term programmes that are meaningful and a source of professional satisfaction.

DEVELOPING SKILLS THAT CONTRIBUTE TO STRATEGIC SUCCESS

As a company playing an active role in facing the challenge of building a digital economy, technical excellence and in-depth market knowledge represent a strategic priority for Eutelsat. The multi-skilled and complementary profiles of teams that together total 700 employees representing 30 nationalities, underpin the Group's objective to cultivate sound knowledge of each environment in which it operates. Eutelsat's training policy capitalises on this international resource, with on-going training enabling staff members to hone their skills and contribute to delivering on strategy. Eutelsat assigned approximately 3% of its salary costs to on-going training during the financial year, benefiting almost 40% of employees.

PREVENTING DISCRIMINATION AND GUARANTEEING EQUAL OPPORTUNITIES

Prevention of discrimination is a second principle around which employees are united on the basis of shared values. As a signatory of a Business Diversity Charter, Eutelsat has pursued this principle since its creation as an intergovernmental organisation, and applies it through good practices in recruitment and corporate activities. Although operating in a high-technology sector where women make up less than 25% of the student population, Eutelsat's objective is to achieve a better balance of responsibilities between men and women, mainly with the recruitment of engineers and managers as well as through mobility and internal promotion.

The Group also strives for seamless integration of its technical facilities into the social environment of the regions where they are located. This involves dialogue with stakeholders on environmental issues and the creation of skilled jobs in the rural areas where teleports are primarily deployed. This responsible attitude is also illustrated by the success of the "Solidarity rounding" initiative supported by 50% of employees. It entails rounding off centimes on the payroll and donating them to finance microcredit programmes that are designed to generate employment. Individual efforts by employees are matched by the Group's donations.

SHARING THE BENEFITS OF EXPERIENCE AND ENCOURAGING PERFORMANCE

Eutelsat's attitude as a responsible employer is also illustrated by the social dialogue it maintains with staff representative bodies, by its objective to foster a fulfilling work environment and by its coherent and attractive remuneration policy, which places emphasis on individual responsibility and performance. The Group has implemented a high-level of social cover schemes and created a favourable environment for employee shareholding, long-term saving and a company contribution policy, even for modest levels of saving.

In order for staff to share in the results of growth, employees are also shareholders within the framework of free share allocation plans, which systematically involve full-time employees in the company for more than three months.

Corporate responsibility

Commitment to corporate social responsibility and solidarity

Eutelsat strengthened its support for Télécoms Sans Frontières (TSF) in the course of the financial year, consolidating an association that began in 2007. Tooway™ terminals using the new KA-SAT satellite were made available to TSF in addition to D-Star terminals already in operation.

The provision of satellite equipment plays a key role in TSF's mission, which is to restore communications in conflict zones or disaster areas in order to support relief work by humanitarian organisations. Immediate intervention in an emergency situation, when lives can be saved, is a priority for TSF. Easily transportable satellite terminals can be deployed and operational in a matter of hours, delivering Internet connectivity for data and video transmission, voice communications and fax. They also help victims of conflicts and refugees to make contact with their families by enabling TSF to offer families a no-charge three-minute call.

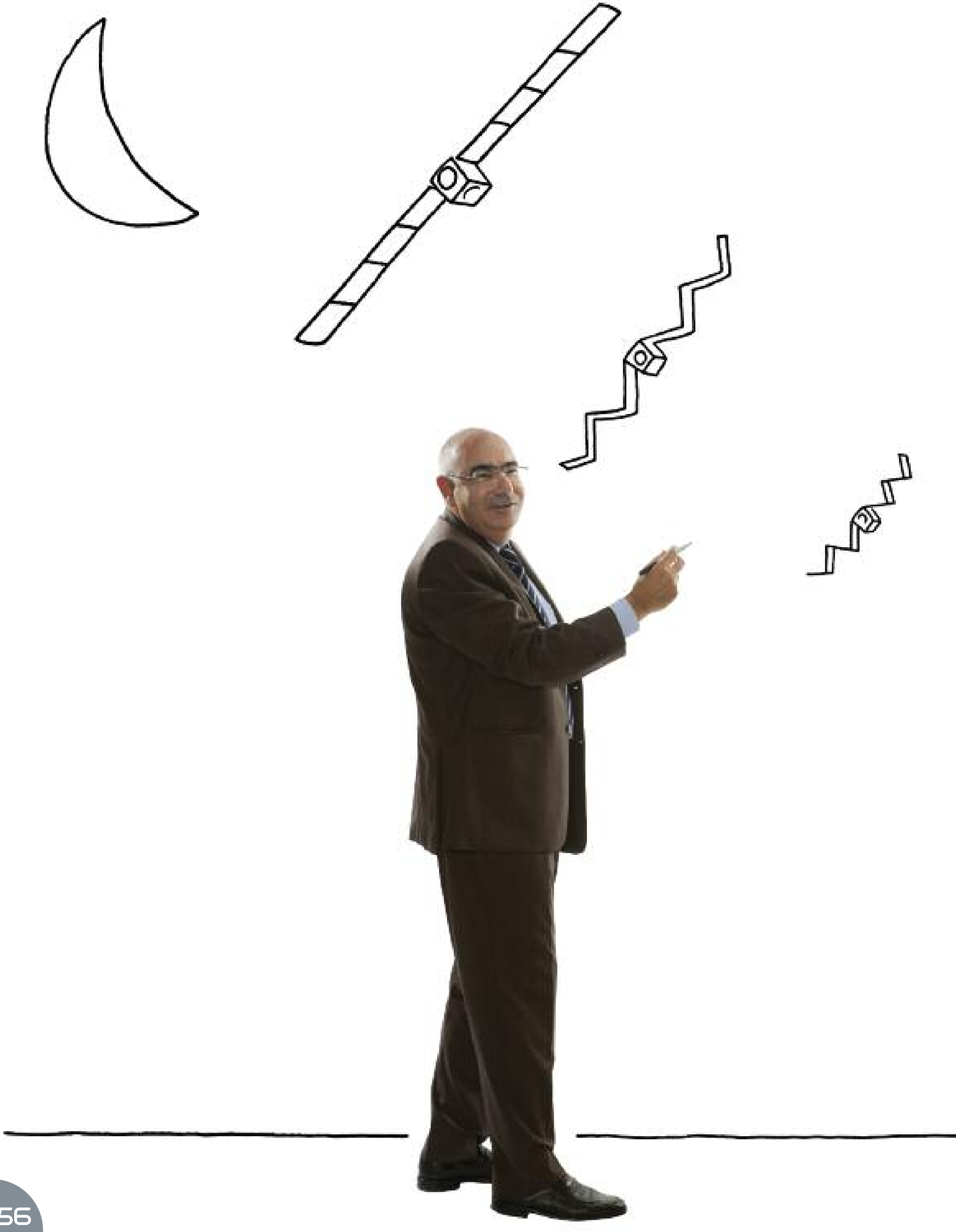
In addition to emergency situations, Eutelsat also supports the long-term co-operation programmes pursued by TSF to connect isolated and vulnerable communities. These programmes are organised in partnership with local associations that are trained to subsequently manage their own community telecommunications centres.

As part of an initiative to support education, Eutelsat joined forces during the year with MultiChoice Africa, a longstanding partner and pioneer of pay TV services. The two companies launched the DStv Star Awards in over 40 African countries. This new competition was designed for secondary school students to encourage creative thinking on applications that can support the development of the African continent. It underscores Eutelsat and MultiChoice Africa's shared conviction of the crucial importance of science and technology teaching for Africa's future.

Two 26-minute films were produced and broadcast via satellite on the Mindset Learn educational channel to assist teachers supporting the initiative. An educational booklet and a dedicated website were also developed. These learning materials were made available to schools across Africa, including in remote areas, with the support of MultiChoice Resource Centres, which represent more than 1,000 establishments equipped for recording satellite-delivered educational programmes.

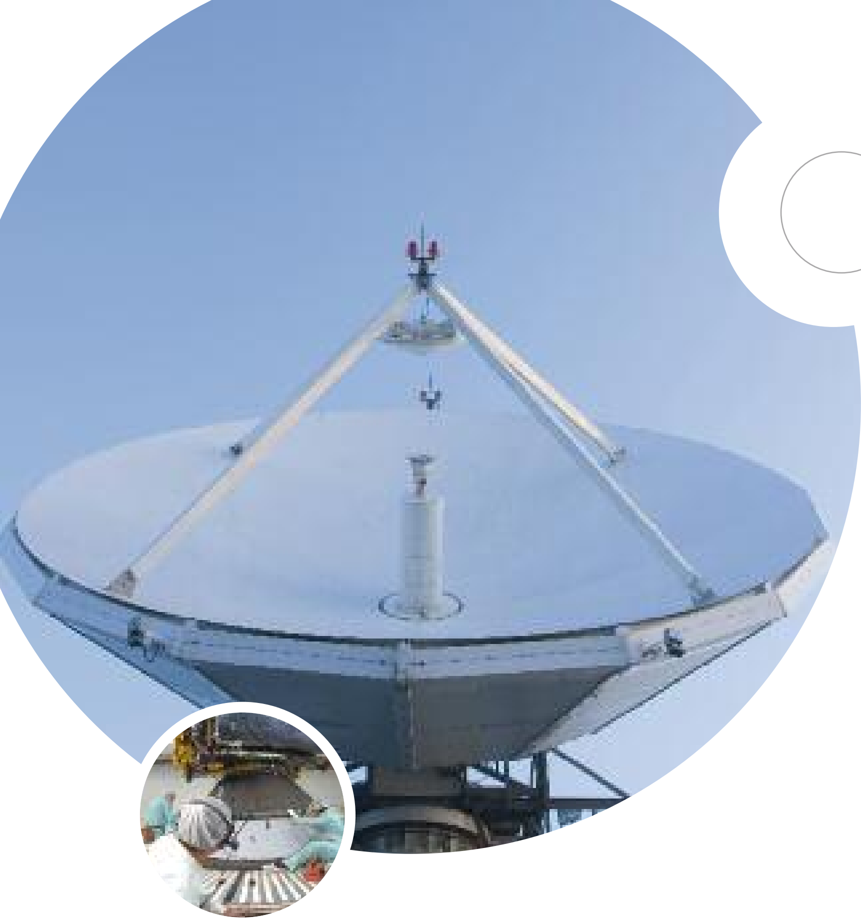
The first edition of the DStv Star Awards was open to students aged 14 to 19 and attracted more than 800 competition entries, including essays and posters on the theme of science in space and its application for the benefit of Africa.

A prestigious jury, chaired by Georges Smoot, astrophysicist and Nobel Prize-winner for Physics 2006, met in Johannesburg to select the four winners. The jury awarded the Ugandan student, Mary Misumire (below) first prize in the Best Entry Award category for her essay, "Looking to the sky for answers". Runner-up Best Overall Award went to Michael Yeboah from Guinea. The jury also assigned a Merit Award to the Mauritian student, Shanen Ganapathee, and to Tofunmi Olagoke from South Africa.



Investing

Eutelsat's in-orbit expansion programme ensures that clients benefit from one of the youngest satellite fleets, equipped with world-leading technologies.



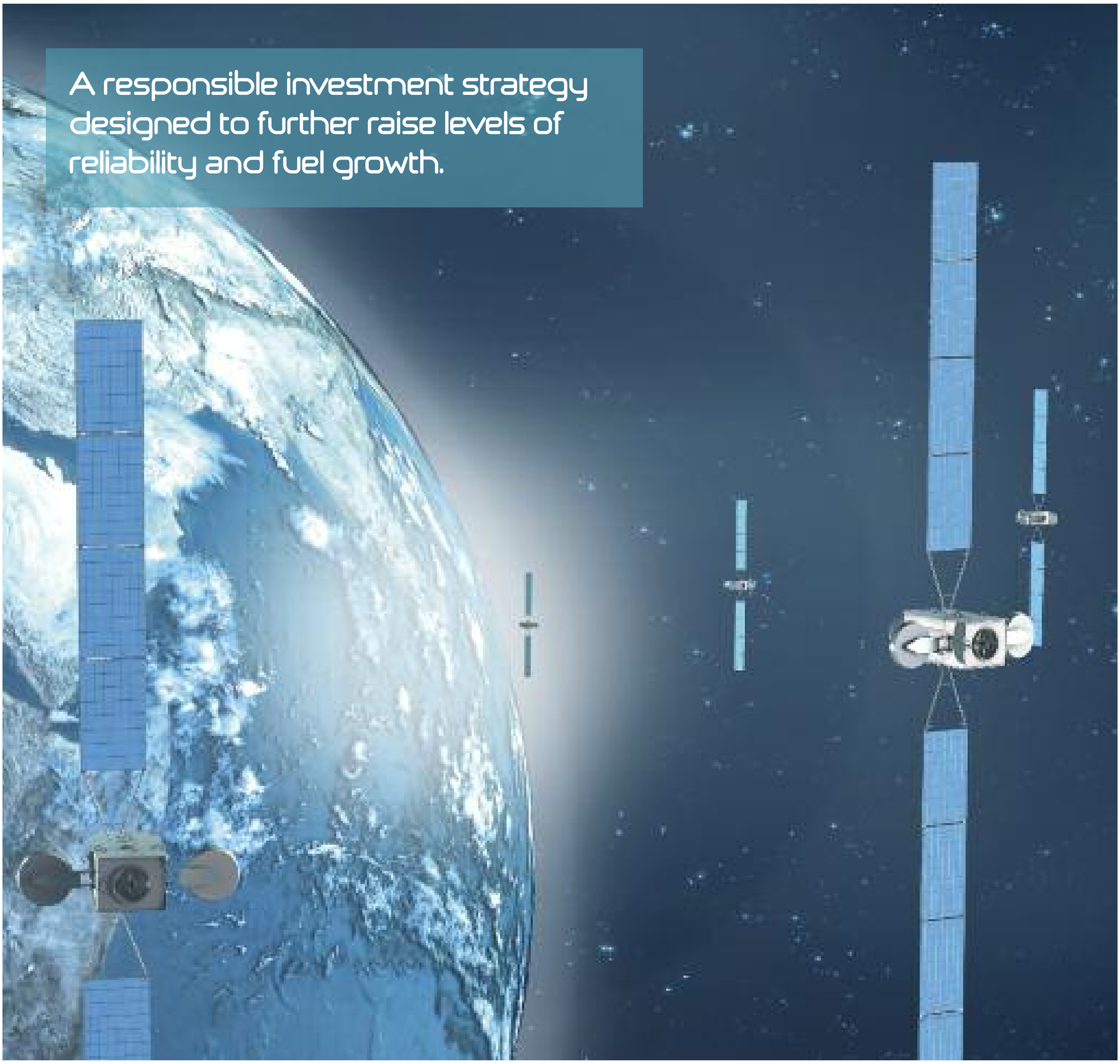
In-orbit operations

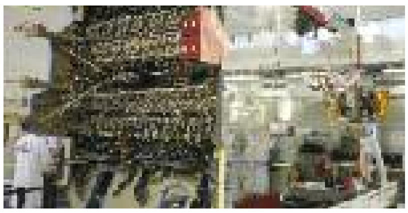
Eutelsat's in-orbit infrastructure comprises 29 satellites located at 20 orbital positions, making it the third largest worldwide. Reach of Europe, Africa, the Middle East, Russia and Central Asia offers prime opportunities for regional coverage as well as interconnectivity between continents.

With a strategy based on raising redundancy at leading orbital locations and increasing resources where there is potential for growth, Eutelsat is pursuing one of the most ambitious in-orbit expansion programmes in the FSS sector, investing the equivalent of more than 40% of revenues every year. In order to anticipate the average two-year cycle between ordering and launching a satellite, the Group ensures the early replacement of operational satellites with higher capacity spacecraft. Satellites replaced before the end of their operational life are redeployed to capture new market opportunities or to consolidate an emerging neighbourhood.

The high fill rate, which exceeded 90% throughout the majority of the 2010-2011 financial year, underlined Eutelsat's proven capacity to optimise in-orbit resources in order to serve sustained demand. It reflects the rapid take-up of resources made available in the 2008-2010 period with the launches of four satellites and the redeployment of six satellites already in-orbit. It also illustrates the Group's strategy to place flexibility and reactivity at the centre of in-orbit deployment, using satellites that are frequently interchangeable and concentrated in approximately one quarter of the geostationary arc.

This dynamic optimisation of in-orbit resources underpins the Group's success. It enables Eutelsat to make long-term commitments to customers, offers strong visibility on future resources to support commercial planning and mitigates the consequences of a launch failure. This was illustrated with the non-availability of the W3B satellite after its launch in October 2010. This loss was compensated at 16° East by the EUROBIRD 16 and W2M satellites that were joined by SESAT 1 once it was released from its initial mission at 36° East.





INVEST

Between June 2011 and June 2014 Eutelsat's objective is to invest on average 550 M€ a year in expanding and securing its fleet. Investments are entirely self-financed by net income from operating activities.

RENEW

By replacing in-orbit satellites with new high-capacity and flexible spacecraft, Eutelsat is constantly strengthening the security of its fleet, one of the youngest in the FSS sector with an average age of 6.5 years at 30 June 2011.

INNOVATE

Recognised for its track record of innovation in the FSS sector, Eutelsat launched the world's most powerful satellite in 2010: the KA-SAT High Throughput Satellite for Europe and the Mediterranean Basin.

In-orbit operations

A significant investment programme designed to support customers for the long term.

The 2010-2011 financial year benefited from the full-year effect of satellites launched in the last two years, notably W7 whose 70 transponders increased in-orbit resources by 10% in the second half of the previous financial year.

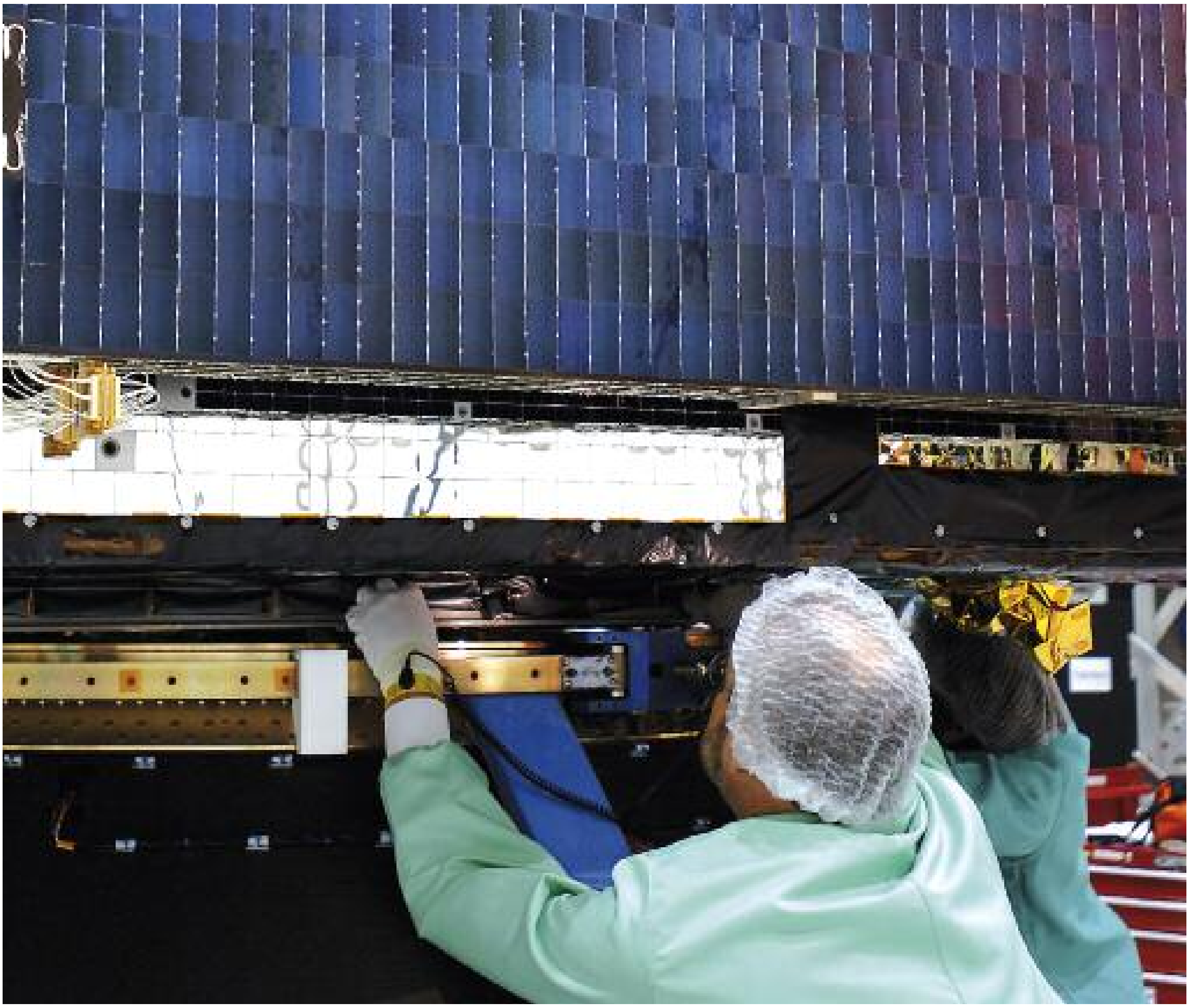
KA-SAT, which entered into service at the end of the financial year, represents a milestone for Eutelsat, expanding key resources in a newly-utilised frequency band with considerable growth potential. Launched on 26 December 2010 from the Baikonour Cosmodrome, KA-SAT ushers in a new generation of High Throughput Satellite.

Using a multi-beam architecture linked to a network of 10 ground stations, KA-SAT is designed for high reuse of Ka-band frequencies across 82 beams providing coverage of Europe and the Mediterranean Basin. This configuration takes overall throughput to over 70 Gigabits, 20 times more than traditional Ku-band satellites. Following an in-orbit test period, which was completed on 20 February 2011, Eutelsat's engineering teams and its Skylogic broadband subsidiary proceeded to ensure KA-SAT's integration with the network of ground stations. The satellite entered into commercial service as planned on 31 May 2011.

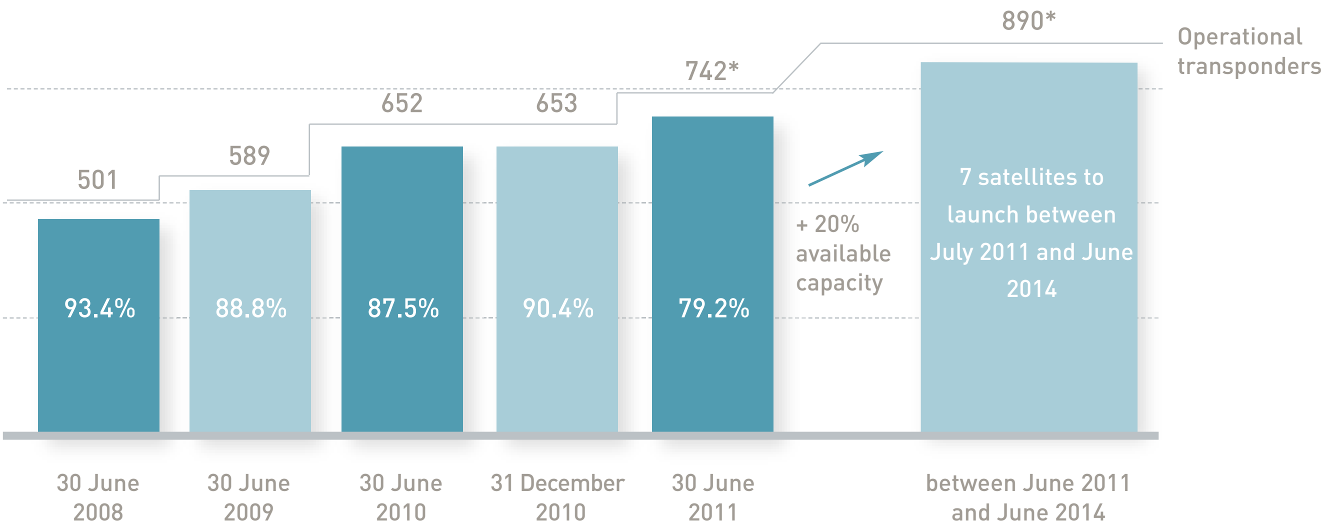
In-orbit operations progressed in the fourth quarter of the financial year with the opening of business at the 3° East orbital position, marking a new phase of expansion. Initial capacity at 3° East on a satellite named EUTELSAT 3A, leased from a third party, will be boosted by the launch in early 2014 of a new tri-band satellite called EUTELSAT 3B.

Whereas overall fleet capacity remained unchanged for the majority of the financial year, the entry into service of KA-SAT, the availability of resources on EUTELSAT 3A and the deorbiting of the W75 satellite in the fourth quarter took the number of operational transponders at 30 June 2011 to 742, and the fill rate to 79.2%.

The Group's satellite network is linked to four teleports in Europe, located in Rambouillet (France), Turin and Cagliari (Italy) and Madeira (Portugal) and a network of ten ground stations integrated into the KA-SAT system.



Fill-rate maintained at the highest level of leading satellite operators:



* Includes KA-SAT. Its specific fill rate is considered to be at 100% when 70% of capacity is taken up. One spotbeam is considered equivalent to one transponder.

In-orbit operations

New programmes

With orders placed during the year of the EUROBIRD 2A and W3D satellites, a total of seven Eutelsat spacecraft are scheduled to enter service between July 2011 and June 2014, increasing the Group's in-orbit resources by almost 20%.

The ATLANTIC BIRD 7 and W3C programmes, awarded in 2009 to Astrium and Thales Alenia Space respectively, entered into the final phase of preparation during the year, for their launches in September and October 2011. They are designed to strengthen resources at key video neighbourhoods: 7° West for ATLANTIC BIRD 7 to serve North Africa and the Middle East, and 16° East for W3C to serve Central Europe and islands in the Indian Ocean.

Construction progressed according to schedule of the W6A and W5A programmes that were initiated in the previous financial year, with launches planned in the second quarter of the 2012-2013 financial year. Thales Alenia Space is prime contractor for W6A and Astrium prime contractor for W5A. W6A's mission is to replace the W6 satellite and enable a 50% capacity increase at 21.5° East for telecoms services. One footprint will serve North Africa and the Middle East and a second footprint will deliver broad pan-European coverage extending east to Central Asia. W5A will double Eutelsat's resources at 70.5° East and optimise capacity for corporate networks and government administrations at a strategic location at the crossroads of Europe, Africa and Asia.

The order of the EUROBIRD 2A satellite was placed in July 2010 with Space Systems/Loral within the framework of the strategic agreement signed in May 2010 between Eutelsat and ictQATAR to jointly develop the 25.5° East position. The satellite will be launched in the first half of 2013 and will assemble payloads belonging to each partner. For Eutelsat, it will replace the EUROBIRD 2 satellite to address the Middle East and North Africa, and will also open new Ka-band resources to cater to emerging demand for capacity in this frequency band.

Thales Alenia Space was selected by Eutelsat in December 2010 to build the W3D satellite. Its mission will be to secure and increase by 75% the resources at 7° East. The satellite will be copositioned with W3A in the first quarter of 2013 to serve three high-growth markets: a high-power beam focused over Turkey will serve broadcasting markets; a wide footprint covering Europe, the Middle East, North Africa and Central Asia will address data and broadband markets; and a footprint centred on Sub-Saharan Africa and Indian Ocean islands will address markets for regional telecom services and provide connectivity to Europe.

After the close of the financial year, in July 2011, Eutelsat selected Astrium for the EUTELSAT 3B satellite which will be copositioned with EUTELSAT 3A to support development of the 3° East location opened in June 2011. EUTELSAT 3B will operate in the Ku, Ka and C bands to offer extensive flexibility and cover all of the Group's markets, from Europe to Africa and Central Asia to South America. The satellite's launch is scheduled for the first half of 2014.

Astrium was selected in October 2011 to build the EUTELSAT 9B satellite that will be launched to 9° East at the end of 2014 and also embark a hosted payload for the ESA/Astrium European Data Relay Satellite System (EDRS).

In-orbit operations

EUTELSAT COMMUNICATIONS' WHOLLY-OWNED SATELLITES November 2011

SATELLITE	ORBITAL POSITION	COVERAGE
HOT BIRD 6	13° East	Europe, North Africa, Middle East
HOT BIRD 8	13° East	Europe, North Africa, Middle East
HOT BIRD 9	13° East	Europe, North Africa, Middle East
EUROBIRD 1	28,5° East	Europe
EUROBIRD 2	25,5° East	Europe, North Africa, Middle East
EUROBIRD 3	33° East	Europe
EUROBIRD 4A (inclined orbit)	4° East	Europe, North Africa, Middle East, Central Asia
EUROBIRD 9A	9° East	Europe, North Africa, Middle East
EUROBIRD 16 (inclined orbit)	16° East	Europe, Middle East, Indian Ocean islands
EUTELSAT 3A	3° East	Europe, Middle East, Central Asia, Africa
EUTELSAT 3C	3° East	Europe, Middle East, Central Asia, Africa
SESAT 1 (inclined orbit)	16° East	Europe, Middle East, Africa
W2M	Under redeployment	Europe, Middle East, Indian Ocean islands
W2A	10° East	Europe, Middle East, Africa
W3A	7° East	Europe, Middle East, Africa
W3C	16° East	Europe, Middle East, Africa
W4	36° East	Africa, Russia
W5	70,5° East	Europe, Middle East, Asia
W6	21,5° East	Europe, Middle East, Africa
W7	36° East	Europe, Middle East, Africa
W48 (inclined orbit)	48° East	Central Europe, Middle East, Central Asia
ATLANTIC BIRD 1	12,5° West	Europe, Middle East, Americas
ATLANTIC BIRD 2	8° West	Europe, Middle East, Americas
ATLANTIC BIRD 3	5° West	Europe, Americas, Africa
ATLANTIC BIRD 7	7° West	Middle East, North Africa
KA-SAT	9° East	Europe, Mediterranean Basin
CAPACITY LEASED ON THIRD-PARTY SATELLITES		
Telecom 2D (inclined orbit)	8° West	Europe
Telstar 12	15° West	Europe, Americas
SESAT 2	53° East	Europe, North Africa, Middle East, Asia
FUTURE SATELLITES	**LAUNCH**	
W6A	2012	Europe, North Africa, Middle East, Central Asia
W5A	2012	Europe, Africa, Central Asia, South-East Asia
EUROBIRD 2A	2013	Europe, North Africa, Middle East
W3D	2013	Europe, Africa, Middle East, Central Asia
EUTELSAT 3B	2014	Europe, Africa, Central Asia, South America
EUTELSAT 9B	2014	Europe

Eutelsat's satellites will be renamed from 1 March 2012. See www.eutelsat.com for more information.

Financial report summary 2010-2011

Auditors : Ernst & Young and Autres and Mazars

Financial report summary

→ KEY FINANCIAL FIGURES

Financial year ending 30 June	2009	2010	2011	Variation
KEY ELEMENTS OF INCOME STATEMENT				
Revenues (M€)	940.5	1,047.2	1,168.1	+11.5%
EBITDA*(M€)	742.1	827.8	926.4	+11.9%
EBITDA margin (%)	78.9	79.0	79.3	
Group share of consolidated net income (M€)	247.3	269.5	338.5	+25.6%
Diluted earnings per share (€)	1.126	1.224	1.539	+25.7%
KEY ELEMENTS OF CASH FLOW STATEMENT				
Net cash flow from operating activities (M€)	654.7	698.3	816.8	+17.0%
Investments (M€)	416.6	494.4	485.9	-1.7%
Free cash flow (M€)	358.7	203.9	566.0	+177.5%
KEY ELEMENTS OF FINANCIAL STRUCTURE				
Net debt (M€)	2,326	2,424	2,198	-9.3%
Net debt/EBITDA (X)	3.13	2.93	2.37	
Backlog (Bn€)	3.94	4.88	4.96	+1.6%
KEY OPERATIONAL METRICS				
Leased transponders (Units)	523	570	588	
Fill rate (%)	88.8%	87.5%	79.2%	

* EBITDA is defined as the operating result before depreciation and amortisation and other operating income and expenses.

→ CONSOLIDATED REVENUES

At 1,168.1 M€, annual consolidated revenues at 30 June 2011 were up strongly, by 11.5%, on the preceding year. All of the Group's business activities contributed to growth: Video Applications progressed by 6% to 786.5 M€, Data and Value-Added Services by 14.9% to 234 M€ and Multi-Usage by 28% to 125.6 M€. Other income stood at 17.4 M€, mainly resulting from the favourable effect of foreign currency hedging set up by the Group. Non-recurring income stood at 4.7 M€ and mainly comprised indemnity payments made to Eutelsat for late delivery of satellites.
At constant euro-dollar parity, revenue growth compared to the previous financial year was 10%.

Video Applications continue to dominate the Group's business portfolio, accounting for 68.6% of total revenues, excluding other income and non-recurring income. Data and Value-Added Services account for 20.4% of the total figure and Multi-Usage accounts for 11%.

→ CONSOLIDATED OPERATING EXPENSES

Operating expenses, which comprise operating costs and commercial and administrative costs, were 20.7% of 2010-2011 revenues compared with 21% for 2009-2010. These costs remained more or less stable as a percentage of revenues. The 10.2% progression (+22 M€) compared to the previous financial year is therefore lower than the increase in revenues and reflects the Group's rigorous cost control policy. It also reflects the higher resources allocated by the Group to the development of new products (FRANSAT, Tooway™, KabelKiosk).

→ CONSOLIDATED EBITDA

At 926.4 M€, EBITDA improved by 98.6 M€, up by 11.9% compared to the results for the year ending 30 June 2010. The consolidated EBITDA margin of 79.3%, as against 79% in 2009-2010, means that the Group remains the highest leading Fixed Satellite Service operator for the sixth consecutive year in terms of profitability.

→ OPERATING INCOME

Due to the Group's excellent performance, operating income progressed by 26.9% to 645.2 M€, accounting for 55.2% of total revenues, as against 48.6% for the previous year.
Depreciation and amortisation was 280.5 M€, down by 10.5% compared to 30 June 2010, the decrease attributable to the end of the depreciation cycle for certain satellites, including SESAT 1 and W1, partly offset by the increase in depreciation charge for the W7 satellite linked to the full-year effect. "Other operating income and expenses" came out at 0.8 M€ against a loss of 5.8 M€ last year.

→ GROUP SHARE OF NET INCOME

Group share of net income was up 25.6% to 338.5 M€. It reflected Eutelsat's excellent operational performance and the effectiveness of the Group's financial policy, despite the full-year effect of an interest rate hedging contract dating from 2006 on Eutelsat Communications' debt, starting in April 2010.

→ CASH FLOW

The Group continued to generate very strong cash flow from operating activities, representing 816.8 M€, up by 118.5 M€ or 17%, compared with the previous year, including an improvement in working capital requirement. Cash flow from operating activities represented 69.9% of revenues, against 66.7% at 30 June 2010.
Cash flows linked to investing activities stood at 485.9 M€.
Available free cash flow was up by 177.5% to 566 M€, despite investments in satellites and other tangible fixed assets up 51.6 M€ to 545.9 M€. This performance was partly due to Eutelsat's 60 M€ quota of funds received from a reduction in capital of the Solaris Mobile joint venture and a 235.1 M€ insurance refund received for the loss of the W3B satellite.

→ NET DEBT

The net debt** to EBITDA ratio improved to 2.37x compared to 2.93x at 30 June 2010, despite increased investments and distribution to shareholders. This is partly due to the positive effect of the two non-recurrent elements described above.
At 30 June 2011, the Group's total net debt stood at 2,198 M€ and mainly comprised: (i) 1,465 M€ in credit facilities drawn under the Eutelsat Communications Refinancing Loan, (ii) a 850 M€ bonded debt issued by Eutelsat S.A., (iii) 15 M€ in liabilities from other financial resources, and (iv) 132 M€ from cash and cash equivalents and marketable securities (net of bank credit balances).
In June 2011, the Group decided to complete early redemption of

* Available free cash flow is defined as net operating cash flow less procurement of satellites and other buildings, plants and equipment, net of disposals and insurance reimbursement.

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

150 M€ of its Eutelsat Communications Term loan of 1,615 M€, in order to optimise its financing costs.

At the close of the financial year, the Group also had an undrawn amount of 750 M€ under the various credit facilities.

During previous financial years, the Group had set up hedging instruments to protect almost all amounts drawn under these credit facilities until they mature. The average cost of Group debt for the 2010-2011 financial year was therefore 4.42% (after hedging) compared with 3.61% in 2009-2010. The increase is due to the full-year impact of the (floating to fixed) interest rate swaps on the Eutelsat Communications Term Loan set up in 2006, which came into effect in April 2010.

→ BACKLOG

At 30 June 2011, the order backlog stood at 4.96 Bn€, representing the equivalent of nearly 4.2 times the Group's annual revenues and up 2% on the previous year. The backlog is composed of contracts with an average weighted remaining lifetime of 7.5 years. Video Applications account for 91% of the total value.

→FILL RATE

The deployments carried out during the financial year, together with the in-orbit expansion programme enabled the Group to meet sustained demand for capacity and increase the number of leased transponders from 570 in June 2010 to 588 in June 2011.
Eutelsat operated its satellite fleet for much of the year at a fill rate above 90%. This rate only fell to 79.2% during the fourth quarter with the entry into service of the KA-SAT satellite on 31 May 2011 and the lease of a third-party satellite called EUTELSAT 3A. At 30 June 2011, the fleet comprised 742 operating transponders, compared to 652 at 30 June 2010.

Selected consolidated financial statement of **Eutelsat Communications**

→ CONSOLIDATED BALANCE SHEET
(In thousands of euros)

ASSETS	30 June 2010	30 June 2011
NON-CURRENT ASSETS		
Goodwill	807 752	807 752
Intangible assets	709 195	671 044
Satellites and other property and equipment, net	1 797 588	1 950 206
Construction in progress	732 913	697 976
Investments in associates	232 928	188 422
Non-current financial assets	3 049	5 803
Deferred tax assets	52 624	19 374
TOTAL NON-CURRENT ASSETS	**4 336 049**	**4 340 577**
CURRENT ASSETS		
Inventories	1 372	1 211
Accounts receivable	298 816	244 060
Other current assets	13 510	19 306
Current tax receivable	2 867	1 582
Current financial assets	4 900	7 512
Cash and cash equivalents	59 519	136 946
TOTAL CURRENT ASSETS	**380 984**	**410 617**
TOTAL ASSETS	**4 717 033**	**4 751 194**

→ CONSOLIDATED BALANCE SHEET (continuation)
(In thousands of euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	30 June 2010	30 June 2011
SHAREHOLDERS' EQUITY		
Share capital	220 114	220 114
Additional paid-in capital	497 128	453 214
Reserves and retained earnings	725 951	978 302
Non-controlling interests	69 112	77 123
TOTAL SHAREHOLDERS' EQUITY	**1 512 305**	**1 728 753**
NON-CURRENT LIABILITIES		
Non-current financial debt	2 446 102	2 300 762
Other non-current financial liabilities	49 164	59 081
Other non-current debt	1 469	99
Non-current provisions	30 156	28 564
Deferred tax liabilities	289 501	308 124
TOTAL NON-CURRENT LIABILITIES	**2 816 392**	**2 696 630**
CURRENT LIABILITIES		
Current financial debt	32 866	19 970
Other current financial liabilities	160 661	85 343
Accounts payable	40 956	53 173
Fixed assets payable	30 424	22 162
Taxes payable	12 618	39 719
Other current payables	97 153	91 252
Current provisions	13 658	14 192
TOTAL CURRENT LIABILITIES	**388 336**	**325 811**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**4 717 033**	**4 751 194**

→ CONSOLIDATED INCOME STATEMENT
(In thousands of euros, except per share data)

	Twelve-month period ended 30 June 2010	Twelve-month period ended 30 June 2011
Revenues	1 047 224	1 168 142
REVENUES FROM OPERATIONS	**1 047 224**	**1 168 142**
Operating costs	(80 877)	(88 659)
Selling, general and administrative expenses	(138 552)	(153 074)
Depreciation and amortisation	(313 419)	(280 459)
Other operating income	148	235 393
Other operating expenses	(5 973)	(236 145)
OPERATING INCOME	**508 551**	**645 198**
Financial income	32 868	16 579
Financial expenses	(133 512)	(125 747)
FINANCIAL RESULT	**(100 644)**	**(109 168)**
Income from associates	17 843	17 754
NET INCOME BEFORE TAX	**425 750**	**553 784**
Income tax expense	(143 239)	(199 041)
NET INCOME	**282 511**	**354 743**
Attributable to the Group	269 501	338 474
Attributable to non-controlling interests	13 010	16 269
Earnings per share attributable to Eutelsat Communications' shareholders		
Basic earnings per share in €	1.224	1.539
Diluted earnings per share in €	1.224	1.539

→ COMPREHENSIVE INCOME STATEMENT (In thousands of euros)

	Twelve-month period ended 30 June 2010	Twelve-month period ended 30 June 2011
NET INCOME	**282 511**	**354 743**
OTHER ITEMS OF GAIN OR LOSS ON COMPREHENSIVE INCOME		
Translation adjustment	3 813	(1 891)
Tax effect	(858)	164
Changes in fair value of cash-flow hedging instruments	(24 663)	75 867
Tax effect	8 491	(26 023)
TOTAL OF OTHER ITEMS OF GAIN OR LOSS ON COMPREHENSIVE INCOME	**(13 217)**	**48 117**
TOTAL COMPREHENSIVE INCOME STATEMENT	**269 294**	**402 860**
Attributable to the Group	255 760	386 296
Attributable to non-controlling interests	13 534	16 564

→ TCONSOLIDATED STATEMENT OF CASH FLOWS (In thousands of euros)

	Twelve-month period ended 30 June 2010	Twelve-month period ended 30 June 2011
CASH FLOW FROM OPERATING ACTIVITIES		
Net income	282 511	354 743
Income from equity investments	(17 844)	(17 754)
(Gain) / loss on disposal of assets	120	-
Other non-operating items	238 525	257 436
Depreciation, amortisation and provisions	321 824	282 477
Deferred taxes	15 428	26 509
Changes in accounts receivable	(19 274)	24 280
Changes in other assets	4 447	(6 820)
Changes in accounts payable	12 430	33 244
Changes in other debt	8 821	3 684
Taxes paid	(148 702)	(140 979)
NET CASH INFLOW FROM OPERATING ACTIVITIES	**698 286**	**816 820**

→ CONSOLIDATED STATEMENT OF CASH FLOWS (continuation) (In thousands of euros)

	Twelve-month period ended 30 June 2010	Twelve-month period ended 30 June 2011
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of satellites, other property and equipment and intangible assets	(494 362)	(545 933)
Movements in equity investments	-	60 000
Proceeds from disposal of assets	8	22
Insurance indemnities on property and equipment	-	235 096
Changes in non-current financial assets	(295)	(879)
Dividends received from associates	3 169	3 378
NET CASH FLOWS FROM INVESTING ACTIVITIES	**(491 480)**	**(248 315)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Changes in capital	-	-
Distributions	(156 196)	(177 125)
Movements in treasury shares	263	(13 650)
Increase in debt	843 472	-
Repayment of debt	(850 184)	(150 559)
Repayment in respect of performance incentives and long-term leases	(14 329)	(11 366)
Other loan-related expenses	(9 554)	(30)
Interest and other fees paid	(76 930)	(112 228)
Interest received	1 498	2 870
Premiums and termination indemnities paid for derivatives settled	(38 015)	(5 977)
Acquisition of non-controlling interests	(6 717)	(7 769)
Other changes	315	(2 261)
TRÉSORERIE UTILISÉE PAR LES OPÉRATIONS DE FINANCEMENT	**(306 377)**	**(478 094)**
Impact of exchange rate on cash and cash equivalents	(464)	684
Increase (decrease) in cash and cash equivalents	(100 035)	91 095
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	**141 372**	**41 337**
CASH AND CASH EQUIVALENTS, END OF PERIOD	**41 337**	**132 432**
CASH RECONCILIATION		
Cash	59 519	136 944
Overdraft included under debt (1)	(18 182)	(4 512)
Cash and cash equivalents per cash flow statement	**41 337**	**132 432**

(1) Overdrafts are included in determining "Cash and cash equivalents" in the cash-flow statement as they are repayable on demand and form an integral part of the Group's cash-flow management. They are shown as "Current financial debt" under "Current liabilities" on the balance sheet.

> CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(In thousands of euros, except share data)

	Common stock			Reserves and retained earnings	Shareholders' equity Group share	Non-controlling interests	Total
	Number	Amount	Additional paid-in capital				
AS OF 30 JUNE 2009	**219 803 965**	**219 804**	**526 047**	**584 913**	**1 330 764**	**67 070**	**1 397 834**
Net income for the period				269 501	269 501	13 010	282 511
Other items of gain or loss on comprehensive income				(13 741)	(13 741)	524	(13 217)
TOTAL COMPREHENSIVE INCOME STATEMENT				**255 760**	**255 760**	**13 534**	**269 294**
Transactions affecting the capital	310 017	310	(310)	-	-	-	-
Treasury stock				263	263	-	263
Transactions with non-controlling interests				(4 183)	(4 183)	(2 170)	(6 353)
Distributions			(28 609)	(116 636)	(145 245)	(10 951)	(156 196)
Benefits for employees upon exercising options and free shares granted				1 563	1 563	40	1 603
ABSA commitments				(1 002)	(1 002)	2 245	1 243
Liquidity offer				5 273	5 273	(656)	4 617
AS OF 30 JUNE 2010	**220 113 982**	**220 114**	**497 128**	**725 951**	**1 443 193**	**69 112**	**1 512 305**
Net income for the period				338 474	338 474	16 269	354 743
Other items of gain or loss on comprehensive income				47 822	47 822	295	48 117
TOTAL COMPREHENSIVE INCOME STATEMENT				**386 296**	**386 296**	**16 564**	**402 860**
Transactions affecting the capital				-	-	-	-
Treasury stock				(13 649)	(13 649)	-	(13 649)
Transactions with non-controlling interests				(3 929)	(3 929)	(3 792)	(7 721)
Distributions			(43 914)	(122 958)	(166 872)	(10 252)	(177 124)
Benefits for employees upon exercising options and free shares granted				4 031	4 031	150	4 181
ABSA commitments				2 249	2 249	1 739	3 988
Liquidity offer				311	311	3 602	3 913
AS OF 30 JUNE 2011	**220 113 982**	**220 114**	**453 214**	**978 302**	**1 651 630**	**77 123**	**1 728 753**

Selected financial data from annual statements of **Eutelsat S.A.**

→ BALANCE SHEETS (in thousands of euros)

ASSETS	30 June 2010	30 June 2011
LONG-TERM ASSETS		
Intangible assets	10 691	12 087
Tangible assets	2 424 398	2 521 079
Financial assets	338 595	253 787
TOTAL LONG-TERM ASSETS	2 773 685	2 786 952
CURRENT ASSETS		
Inventories	829	128
Accounts receivable	333 719	265 118
Other receivables	30 387	83 766
Cash and marketable securities	7 407	71 001
TOTAL CURRENT ASSETS	372 343	420 014
Prepaid expenses	46 716	44 158
TOTAL ASSETS	3 192 744	3 251 124

BALANCE SHEETS
(in thousands of euros)

LIABILITIES AND SHAREHOLDERS' EQUITY	30 June 2010	30 June 2011
Common stock (1 013 162 112 ordinary shares as of 30 June 2011 with a nominal value of €0.65 per share)	658 540	658 555
Additional paid-in capital	366 319	366 343
Legal reserve	65 841	65 854
Retained earnings	7 293	1 440
Result for the year	257 575	349 443
Regulated provisions	292 707	380 960
TOTAL SHAREHOLDERS' EQUITY	**1 648 276**	**1 822 596**
Provisions for risks	13 370	14 489
Provisions for expenses	10 329	14 235
TOTAL PROVISIONS FOR RISKS AND EXPENSES	**23 699**	**28 724**
Other bond issues	850 000	850 000
Loans and bank debt (*)	27 586	13 615
Other financial debt	36 221	43 229
TOTAL BANK DEBT	**913 807**	**906 843**
Accounts payable	48 442	54 359
Tax and employee-related payable	38 949	46 021
Fixed assets payable	61 119	36 751
Other payables	416 565	322 269
TOTAL OPERATING DEBT	**565 074**	**459 400**
Deferred revenues	41 888	33 561
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**3 192 744**	**3 251 124**
(*) part maturing within one year	27 586	13 615

> INCOME STATEMENT
(in thousands of euros)

	Twelve-month period ended 30 June 2010	Twelve-month period ended 30 June 2011
Revenues	1 025 337	1 111 615
Stocked production	-	4
Costs eligible for capitalisation	22 602	29 070
Grants received	460	657
Release of provisions and reclassification of costs	21 056	17 566
Other income	1	1
TOTAL OPERATING INCOME	**1 069 456**	**1 158 914**
Purchase of goods and changes in inventories	2 364	1 570
Purchase of stocked supplies and changes in inventories	-	4
Other purchases and external expenses	145 579	134 341
Taxes and assimilated	15 789	16 986
Wages	41 064	41 669
Social charges	22 239	27 209
Depreciation, amortisation and provisions	277 427	241 522
Other charges	1 453	1 721
TOTAL OPERATING CHARGES	**505 915**	**465 023**
OPERATING RESULT	**563 541**	**693 891**
Financial income	28 680	39 474
Financial expenses	107 753	98 087
FINANCIAL RESULT	**(79 073)**	**(58 614)**
Exceptional income	41 265	277 056
Exceptional charges	119 619	362 488
EXCEPTIONAL RESULT	**(78 355)**	**(85 432)**
Mandatory employee profit-sharing	4 387	6 185
Income tax	144 151	194 217
NET INCOME	**257 575**	**349 443**

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