

Expanding space to communicate

PANORAMA 2008-2009



eutelsat
COMMUNICATIONS

WIAZ

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Eutelsat, Europe's leading satellite operator

Over the past 30 years, Eutelsat has built a world-leading satellite infrastructure, and is one of Europe's major economic success stories. With coverage of more than 150 countries, we are permanently opening up in-orbit resources to enable our customers to establish new television and broadband activities. This virtuous circle combines continued growth with long-term visibility, consolidating a robust business model that creates high value for our Group, our workforce, our partners and our shareholders.

Eutelsat Communications is the holding company of the Eutelsat Group with a role to oversee the Group's strategic and financial activities. Operating activities presented in this Panorama are conducted by Eutelsat S.A., the Group's main subsidiary, which is 96% owned by Eutelsat Communications. Eutelsat S.A. owns 100% of Skylogic, which operates a teleport in Turin and commercialises an offer of Value-Added Services. Eutelsat Communications also has an indirect 27.69% equity interest in the Spanish operator Hispasat S.A. and a 50% equity interest in Solaris Mobile Ltd., a joint venture company established together with SES Astra.

In-orbit resources

Situation November 2009

- ◆ Stable orbit ◆ Inclined orbit ◆ Future satellites: W3B, KA-SAT, W3C, ATLANTIC BIRD™ 7
- ◆ W7: due to enter service at 36° East in January 2010
- * Capacity on third-party satellites ** W2M: satellite not integrated to date into the fleet



Giuliano Berretta
Chairman of the Board



Giuliano Berretta
Chairman of the Board

The quality of this year's results underscores the strength of our business model.

The growth and continuity that characterise the performance of our Group in the 2008-2009 financial year are all the more relevant in the current economic downturn.

Eutelsat has achieved remarkable growth this year. It bears witness both to the success of our in-orbit expansion programme and to strong sales performance that has enabled us to extract value from additional resources serving markets with proven and solid dynamic. With increased business across all our activities, we have exceeded our objectives in all the regions around the world where we are present.

From year to year, Eutelsat has strengthened the quality of our infrastructure business model, which is centred on digital broadcast and broadband markets. It is a model based on a combination of high capital intensity and exceptional visibility on revenues through contracts which are frequently signed for the operational life of our satellites. The consequence of these features is that they have flattened out the impact of the current economic environment on our business.

We can be confident for the short term, and have every reason to be so for the long term. The growth of our business will be buoyed by the rapid expansion of digital television and communications. Throughout the world, satellites are an indispensable source of bandwidth in these markets for serving large audiences on a Direct-to-Home basis, as well as for feeding and interconnecting terrestrial networks, and complementing their reach.

Eutelsat's balance sheet as of 30 June 2009 is particularly robust, with revenues increasing by 7.2% to €940 million. Our 78.9% EBITDA margin remained among the highest of leading satellite operators and our Group share of net income increased by 43.6%, to €247 million. Operating cash flow rose by 15.6%, allowing us to entirely self-finance our in-orbit expansion programme for the period 2008 to 2011, to maintain net debt within 3 to 4 times EBITDA and to distribute an attractive remuneration of 0.66 euros per share to our shareholders. This corresponds to almost 59% of Group share of net income.

Giuliano Berretta
Chairman of the Board

A smooth transition to ensure continuing success.

In order to accompany growth on the long term, I am delighted that Michel de Rosen has joined our Group as a Member of the Board and Chief Executive Officer. A smooth transition is now underway to ensure continued success for Eutelsat. After a remarkable career at the head of international corporations, Michel de Rosen assumed the management of our Group following the General Shareholders' Meeting on 10 November 2009, bringing with him his energy, enthusiasm and talent as a leader. As Chairman of the Board, my objective is to ensure strong, vigilant governance that fully plays its role in terms of analysis, control and strategic directions, in a climate of mutual trust.

Over three decades, Eutelsat has built a model that has firmly stood the test of time. By developing its reactivity and its capacity for anticipation, our Group has further consolidated the values it has inherited, evolving into one of the most significant success stories in European industry. It has been able to attract and unify teams who have earned a worldwide reputation for technical excellence and innovation.

We are as proud of this reputation as we are of our results. It sits at the core of the confidence that our customers and shareholders have in us which enables us to build our long-term strategy.



Michel de Rosen
Chief Executive Officer

We are going forward with ambition, building on our key strengths.

First and foremost, I would like to express how honoured I am to take over the management of Eutelsat, heading a team of 600 people whose expertise and enthusiasm have built Eutelsat's exceptional international reputation.

Encouraged by this year's excellent results, we have entered the 2009-2010 financial year with confidence and ambition. Ninety per cent of our Group's revenues derive from the high-growth sectors of digital broadcasting and broadband services, and we have clearly identified multiple vectors for expansion in these sectors. The progression of digital TV formats including High Definition TV, mobile TV, digital cinema and 3D each represent a strong source of growth throughout the 150 countries covered by our satellites. The rapid and worldwide take-up of broadband is another fundamental development anchoring satellites as the perfect complement to fibre in order to guarantee universal coverage of all countries and deliver digital communications to all citizens.



Short and medium term objectives raised for Group revenues and profitability.



Eutelsat's backlog at the end of the 2008-2009 financial year confirms these favourable long-term trends. At €3.9 billion, our backlog stands at one of the highest levels ever, representing the equivalent of over four years of revenues.

While pursuing a growth strategy targeting as a priority the markets that preserve the high profitability of our operational margins, Eutelsat is executing one of the largest in-orbit investment programmes in the sector over the 2008-2011 period. The first stage of this programme enabled us to put into service three new satellites and to redeploy five others in the first half of 2009. Designed to increase in-orbit security at our flagship HOT BIRD™ neighbourhood and to develop four positions serving Europe, the Middle East and Africa, these additional resources have also increased our flexibility, reducing our fill factor to 89% from the record 97% reached in December 2008.

With our objectives set on continuing to build in-orbit security and on increasing resources by over 30%, the second phase of our in-orbit investment programme comprises five satellites to be launched by the end of 2011.

Encouraged by the excellent sales performance of the 2008-2009 financial year, by the quality of technical operations and the effectiveness of strict cost control, our Group announced in July that it is setting its sights higher for both the short and medium term. We are now targeting revenues of over one billion euros for the 2009-2010 financial year, one year ahead of our original forecast. This target is part of an average annual growth objective of 7% for the period 2009-2012. The EBITDA margin associated with this growth will be €780 million in 2009-2010 and will remain at a high level, in the range of 77% over the three-year period.

These ambitions confirm the strength and pertinence of Eutelsat's model, built up by Giuliano Berretta and his team since 1 July 2001 when the assets and activities of the EUTELSAT intergovernmental organisation (IGO) were transferred into a private company.

With the support of a Board of Directors committed to accompanying the development of our Group, the team that I lead has the responsibility to build our future for both the medium and long term, and to manage the present and the short-term. We have considerable challenges ahead of us, including those of further integrating satellites into emerging networks, contributing to reducing the digital divide in the markets where we are active and playing our part in propelling forward the digital revolution. Our approach to these opportunities will be grounded on principles of operational excellence, unfailing concern for client service, technical quality, innovation and the creation of value for our shareholders.

The commitment and talent of our teams enables us to face these challenges with confidence. We at Eutelsat, and our shareholders with us, have a bright future ahead.

Corporate Governance

A Board of Directors, fully committed to the Group's development.

Since the General Meeting of Shareholders of 10 November 2009, governance of the Eutelsat Communications Group has evolved, following the handover between Giuliano Berretta, whose term of office as Chief Executive Officer had come to an end, and Michel de Rosen, who joined the Group on 1 July 2009.

Following the General Meeting, the Board of Directors confirmed that the function of non-executive Chairman of the Board of Directors, which Giuliano Berretta continues to fulfil under his current mandate, and that of Chief Executive Officer, which has been assigned to Michel de Rosen under a six-year term of office, have been separated. The General Meeting also elected Michel de Rosen as a member of the Board, while the Board subsequently decided to renew the mandate of Jean-Paul Brillaud as the Group's Deputy CEO for a period of six years.

The Board of Directors of Eutelsat Communications comprises 10 directors whose wide range of

backgrounds and complementary experience contributes to ensuring vigilant corporate governance. This underpins a long-term strategy that protects the interests of all Group shareholders. The Executive Secretary of the intergovernmental EUTELSAT Organisation has been designated as an observer on the Board, while in line with a policy of open and responsible communication between management and workforce, two representatives of the Eutelsat S.A. works' council attend Board meetings as observers with the same information that is given to Board Members.

Two committees and one working group prepare the Board's work, acting under their individual frames of reference. The Selection and Remuneration Committee is chaired by Tobías Martínez Gimeno, the Audit Committee by Jean-Luc Archambault and the Strategy and Investment Working Group is led by Jean Bensaïd and Carlos Espinós Gómez.

THE BOARD

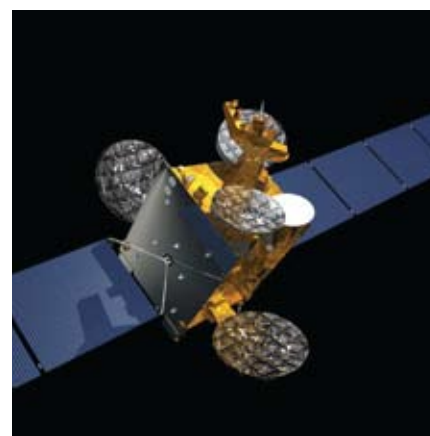
- 1. GIULIANO BERRETTA**
Chairman of the Board
- 2. MICHEL DE ROSEN**
Chief Executive Officer, Eutelsat Communications
- 3. JEAN-LUC ARCHAMBAULT**
Chief Executive Officer, Lysios
- 4. CDC INFRASTRUCTURE**
Represented by Jean Bensaïd, Deputy Finance & Strategy Director, Caisse des Dépôts et Consignations
- 5. LORD BIRT**
Independent Director, Former Director General BBC
- 6. CARLOS ESPINÓS GÓMEZ**
Deputy Managing Director and Member of the Executive Committee of Abertis Telecom
- 7. ANDREA LUMINARI**
Business Development Director, Abertis Telecom
- 8. BERTRAND MABILLE**
Chief Executive Officer, Carlson Wagonlit France
- 9. TOBÍAS MARTÍNEZ GIMENO**
Managing Director, Abertis Telecom, Member of the Executive Committee of Abertis Telecom
- 10. CARLOS SAGASTA REUSSI**
Finance Planning and Control Director, Abertis Telecom, Member of the Executive Committee of Abertis Telecom
- 11. CHRISTIAN ROISSE, Observer**
Executive Secretary, EUTELSAT Intergovernmental Organisation

Details of how the Group's administrative and management bodies operate are available in the 2008-2009 reference document.

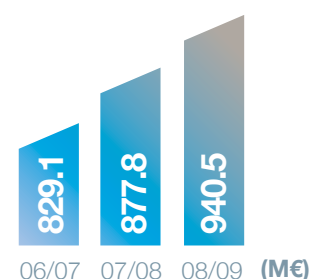


Key figures 2008/2009

Progression of all financial indicators.



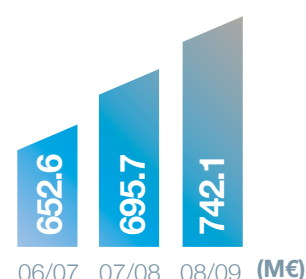
Eutelsat achieved record growth and results for the 2008-2009 financial year.



REVENUES

+7.2%

Consolidated revenues increased by 7.2%, or by 6.7% at a constant exchange rate excluding other income and non-recurring income. This performance reflects the progression of all the Group's business activities which were notably driven by the dynamic of broadcasting, business communications and broadband.

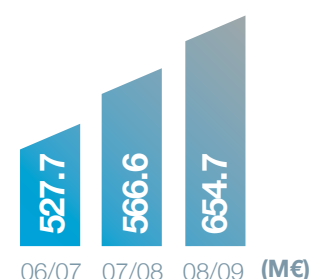


EBITDA

+6.7%

Consolidated EBITDA* is up by 6.7%, taking Group EBITDA margin to 78.9%. The Group's commercial performance over the year, together with a policy maintained of strict cost control, enabled profitability to remain at the highest level among leading satellite operators.

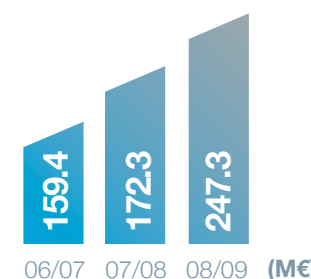
**EBITDA is defined as operating income before depreciation and amortisation, and excludes impairment of assets.*



CASH FLOW FROM OPERATING ACTIVITIES

+15.6%

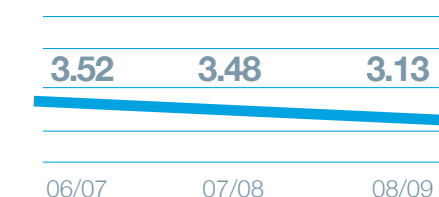
Up by 15.6%, cash flow from operating activities was 654.7 M€, representing 69.6% of revenues compared with 64.5% for 2007-2008. This performance enables the Group to self-finance its capital investments and leaves a free cash flow of 358.7 M€. Free cash flow, up by 149%, includes receipt of an insurance indemnity for 121 M€.



NET INCOME

+43.6%

Consolidated net income is up sharply by 43.6%, showing the high level of Eutelsat's operational performance and, in terms of its equity investments, the excellent results of Hispasat, the Spanish operator in which Eutelsat owns a 27.69% stake. The figure also includes one-off non-recurring income of 25 M€ received in return for relinquishing certain rights.



NET DEBT / EBITDA RATIO

-0.35 pt

At June 30, 2009

The Group reduced its net debt during the year by nearly 100 M€ compared with end-June 2008. Its net debt / EBITDA ratio improved to 3.13 from 3.48.

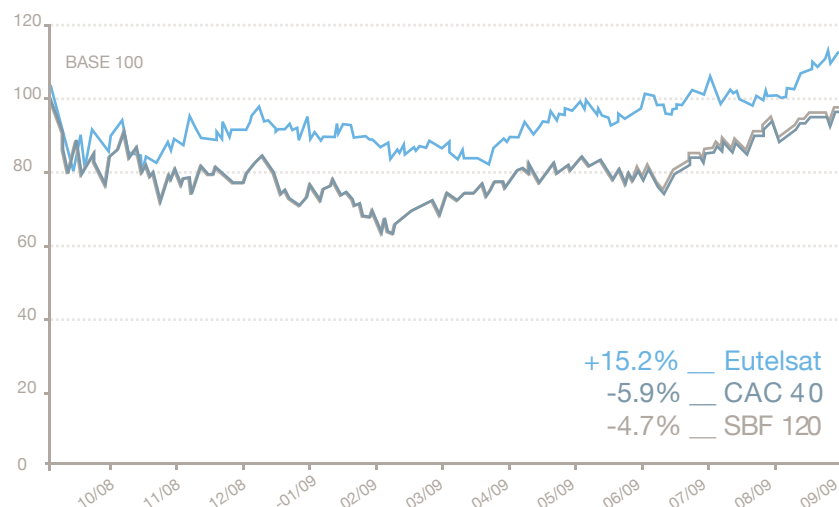
Stock Market and Shareholders

Stock combining security with growth.

The Eutelsat Communications stock, which on 30 September 2009 was ranked 37th on the Euronext Paris stock market, is today acknowledged as one of the premier European securities, showing strong resistance to market swings due to the economic environment, and demonstrating potential for growth.

FOR THE THIRD CONSECUTIVE YEAR, EUTELSAT COMMUNICATIONS STOCK EXCEEDED MARKET INDEXES.

Stock track record adjusted for the securities transactions and distribution in November 2008



Comparison between evolution of share price and indexes for 12 months ending 30 September

| | 2009 | 2008 | 2007 |
|---------------------------------------|-----------|----------|----------|
| Market capitalisation on September 30 | 4.572 Bn€ | 4.07 Bn€ | 3.78 Bn€ |
| Share evolution over the period | +15.2 % | +11.40 % | +32.89 % |
| SBF120 evolution over the period | -4.7 % | -29.93 % | +9.33 % |
| CAC40 evolution over the period | -5.9 % | -29.46 % | +8.87 % |

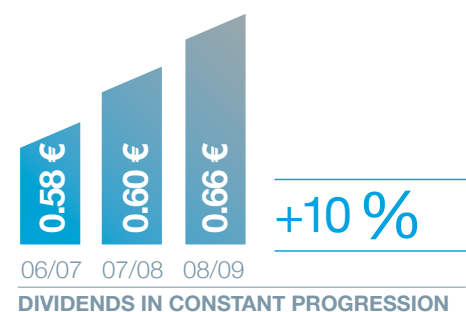
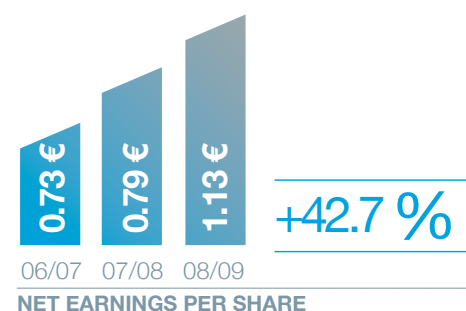
Share data over the period

Period high: 21.07 €

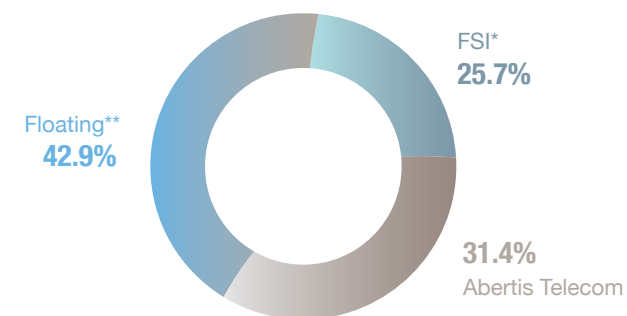
Period low: 14.14 €

EUTELSAT COMMUNICATIONS SHARE DATA

- ISIN Code: FR0010221234 Ticker: ETL
- Cash trading in Paris
- Nominal value: 1 €
- Security eligible for Deferred Settlement Service (SRD) in Paris
- Stock market: Euronext Paris-Eurolist



DISTRIBUTION OF CAPITAL ON 30 JUNE 2009



* Controlled by the Caisse des Dépôts & Consignations
** 25% Europe, 75% outside Europe

ATTRACTIVE DISTRIBUTION POLICY AND INVESTMENT PROGRAMME GUARANTEEING LONG TERM GROWTH

Up 15% over the previous fiscal year, the dividend voted by the Shareholders' Meeting of 10 November 2009 was 0.66 € per share, representing almost 59% of consolidated net income Group share. This high distribution rate reflects Eutelsat's ambition to guarantee attractive remuneration for shareholders investing in the Group, while pursuing major self-financed investment programmes that will guarantee long term business growth.

The financial community has welcomed Eutelsat Communications for posting a clear and ambitious strategy with results in line with stated targets. As a result, the Group's share has appreciated by over 10% over the last 12 months in a stock market environment that declined by 5.9% for CAC 40 stock and 4.7% for the SBF 120.

MAINTAINING DIRECT DIALOGUE

With few satellite operators listed on the world's stock markets, Eutelsat has given priority to communicating with institutional investors and financial analysts. This dialogue includes road-shows in Europe, North America and Asia, management participation in conferences organised by financial institutions, and individual meetings and conference calls on the occasion of company results. This year, the Group met with almost 300 institutional investors.

While the floating shareholding of Eutelsat Communications is still dominated by institutional investors, the number of private investors grew by over 40% in 2009.

Eutelsat is keen to ensure that everyone has access to clear and transparent information with a dedicated section on the company website, www.eutelsat.com, which allows shareholders to have direct access to information about Group developments, resources and results.

Building on successful meetings initiated in 2007/2008, this year Eutelsat met with private shareholders in Annecy, Caen, Bordeaux, Lille, Lyon, Nancy and Paris. Eutelsat was also present at the Actionaria investors' fair in November in Paris. This policy focusing on local dialogue will continue in 2009/2010.

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Strategy and outlook

Our Group makes an essential contribution to providing resources that foster efficient and effective communications. Worldwide demand for bandwidth is both strong and sustained. While safeguarding visibility and reactivity, Eutelsat is pursuing an ambitious growth strategy founded on favourable and longstanding market trends for digital television and broadband.

BUILDING ON SOLID ASSETS

Eutelsat has been progressively strengthening its infrastructure model, which is centred on serving broadcast and broadband markets in a virtuous circle of growth and profitability. Its development is built on strong capital expenditure to consolidate orbital positions, and the very high visibility derived from long term contracts with clients.

With this solid foundation, Eutelsat is able to fully benefit from the rapid expansion of digital services for which satellites are an essential platform for feeding headends of terrestrial networks and for direct satellite reception.

A SUSTAINED AND SELECTIVE INVESTMENT POLICY

Eutelsat's investment policy preserves the profitability of its business in each geographic region by building on the specific features of each country and their drivers for growth.

The Group seeks to consolidate and secure its positions in mature markets and to accelerate the deployment of resources in emerging markets in order to benefit from their dynamic.

With nine satellites launched between 2008 and 2011, Eutelsat is executing one of the most important expansion programmes in the sector, increasing in-orbit resources by more than 30%. These investments are entirely self-financed by cash flow from operations.

DIVERSIFIED MARKETS WITH STRONG SYNERGIES

Eutelsat operates services from 22 orbital positions covering more than 150 countries.

The robustness of its business model derives from a geographically diversified customer portfolio and from business sectors – broadcasting, corporate networks and Internet access – that share a common technology base and present significant opportunities for synergies.

Business portfolio

At 30 June 2009

90% of revenues derive from broadcast and broadband services addressing professional and consumer markets.



VIDEO APPLICATIONS

73.3%

Direct-to-Home broadcasting of TV and radio channels – Distribution of TV programmes to cable, DTT and ADSL headends – Newsgathering – Programme exchanges between broadcasters.



DATA NETWORKS AND BROADBAND

18.6%

Interconnection for telephony networks and corporate networks – Data broadcasting – Internet backbone connectivity for access providers – Direct Internet access services by satellite – Messaging and positioning for professional mobile services.



MULTI-USAGE

8.1%

Lease of capacity to government administrations or other satellite operators.

A sector showing continuous growth

Sources: Eutelsat Strategy Department and Euroconsult 'Satellite Communications and Broadcasting Market Survey 2009'



LONG CYCLES BUILDING RESISTANCE DURING ECONOMIC DOWNTURN

In 2008, Fixed Satellite Services represented a global market of 9.8 billion dollars. Despite the economic crisis, and because this business is characterised by long-term contracts that smooth the effects of the economic environment, the global demand for capacity has recorded its strongest annual growth in a decade (9%).

While the economic downturn is likely to reduce this growth rate to between 4% and 6%, trends in the coming years remain favourable, driven by the continuous development worldwide of telecom and broadcast services.

At the end of 2008, the total leased capacity of commercial satellites operating in geostationary orbit was 5 780 transponders, compared with 5 300 at the end of 2007. At 76%, the average fill rate of satellites in operation grew for the fifth consecutive year. This high fill rate limits pressure from competition, allowing operators to increase their revenues with increased capacity without any negative impact on their margins.

EMERGING COUNTRIES DRIVE GROWTH

Emerging countries are now the strongest contributors to this dynamic, with double-digit growth, particularly Central Europe (+15.5%), Sub-Saharan Africa (+13.5%), Russia and Central Asia (+12.9%) and the Middle East and North Africa (+12%). North America and Europe, growing respectively by 7% and 4.4%, continue to represent two thirds of global demand (38%).

MAJOR BARRIERS TO ENTRY

With 36 satellite operators at the end of 2008, four leading players, including Eutelsat, cumulatively represent more than two thirds of the global market. Operating large fleets that give them potential for growth, flexibility, security and economies of scale, these leading operators benefit from the advantage of major barriers to entry to the market. After several waves of consolidation, the market share of the leading players has remained stable, essentially supported by organic growth with investment in new satellites to enlarge in-orbit fleets.

One out of five satellite channels worldwide will be broadcasting in High-Definition in 10 years.

24,000 SATELLITE TV CHANNELS BROADCAST WORLDWIDE

Transport of television content continues to dominate the satellite services market, representing almost 60% of satellite capacity worldwide. Excluding professional news-gathering and programme exchanges between broadcasters, Direct-to-Home (DTH) broadcasting alone represents 43.5% of demand.

Driven by the development of pay TV, this sector has experienced uninterrupted growth over the last 15 years. A total of 18 platforms were launched in 2008, bringing the number of pay-TV platforms worldwide to 109. The number of channels broadcasting at the end of 2008 was 24 000, compared to 21 000 at the end of 2007. Here again, growth is driven by emerging countries including Russia where pay-TV has progressed by 53%.

The expansion of demand for satellite capacity goes hand in hand with the increased bandwidth required by HDTV.

This format, which requires 2.5 times more bandwidth than Standard Digital television, places satellites in a more favourable position for reaching audiences spread out over a wide area than more expensive terrestrial platforms. In one year, the number of satellite-delivered HD channels has grown by 72%, exceeding 1,000 channels worldwide, of which 200 in extended Europe. This penetration of HD in the television sector is forecast continue. 39 200 TV channels are expected to be broadcast by satellite in the world in 2018 of which HD should represent 19% compared with 4% today, confirming significant growth potential for satellite services.



NEW MULTI-BEAM SATELLITES TO STIMULATE CONSUMER BROADBAND

Growing by 30% worldwide, there were 1.2 million homes equipped for satellite Internet access at the end of 2008. North America represents 76% of this market, confirming the economic efficiency of multi-beam Ka band satellites which have been available since 2005. With the entry into service in 2011 of multi-beam satellites optimised for broadband applications, Europe and the Middle East should experience a similar dynamic, stimulated by public policy to make access to broadband a priority in economic recovery plans.



The efficiency of multi-beam Ka-band satellites will enable more than 10 million homes worldwide to benefit from satellite broadband compared to 1.2 million today.

Group activities 2008-2009

All activities have contributed to the record revenue growth achieved during the year.

The launch of three satellites and the redeployment of existing in-orbit resources have equipped Eutelsat to capture growth opportunities in regions experiencing the strongest commercial dynamic. The Group's satellite expansion programme ensures a strong position in well-identified markets with continuing potential for growth.

VIDEO APPLICATIONS



679.7 M€

+ 4.7%

DATA AND BROADBAND



173.0 M€

+ 13.4%

MULTI-USAGE



75.4 M€

+ 29.8%



Video applications

The strong development of digital broadcasting markets shows once again the validity of Eutelsat's strategy to allocate significant in orbit resources to video applications.

Leveraging the ability of satellites to address large audiences at costs far lower than terrestrial platforms, video applications give the Group a high level of profitability and excellent visibility for its long term revenues. On 30 June 2009, the share of video applications in the company's turnover stood at 73.3%. Their weight in the backlog was 92%, with an average residual contract duration close to eight years.

GROWTH DRIVEN BY AVAILABILITY OF NEW RESOURCES IN THE SECOND HALF OF THE YEAR

Eutelsat has recorded a new year of growth of its video applications with revenues of 679.7 M€. This represents 4.7% growth, which is all the more remarkable as new in-orbit resources dedicated to this business only went into operation with the entry into commercial service of the HOT BIRD™ 9 satellite in the third quarter and ATLANTIC BIRD™ 4A in the fourth quarter. Thanks to a cascade effect, these satellites have facilitated the relocation of HOT BIRD™ 7A (renamed EUROBIRD™ 9A) at 9° East and ATLANTIC BIRD™ 4 (renamed EUROBIRD™ 16) at 16° East. While securing

Eutelsat's flagship HOT BIRD™ position for television broadcasting, these orbital operations have also enabled the company to significantly increase resources for Central Europe, the western part of Russia, the Middle East and North Africa, in order to capitalise on rapid growth in these markets. 2009-2010 will benefit from the full year effect of these new resources, reinforced by the launch in November of the W7 satellite, which will double the Group's broadcasting capacity in Russia and Sub-Saharan Africa.



Services combining profitability and long-term visibility.

190 MILLION HOUSEHOLDS RECEIVE TELEVISION VIA A EUTELSAT SATELLITE

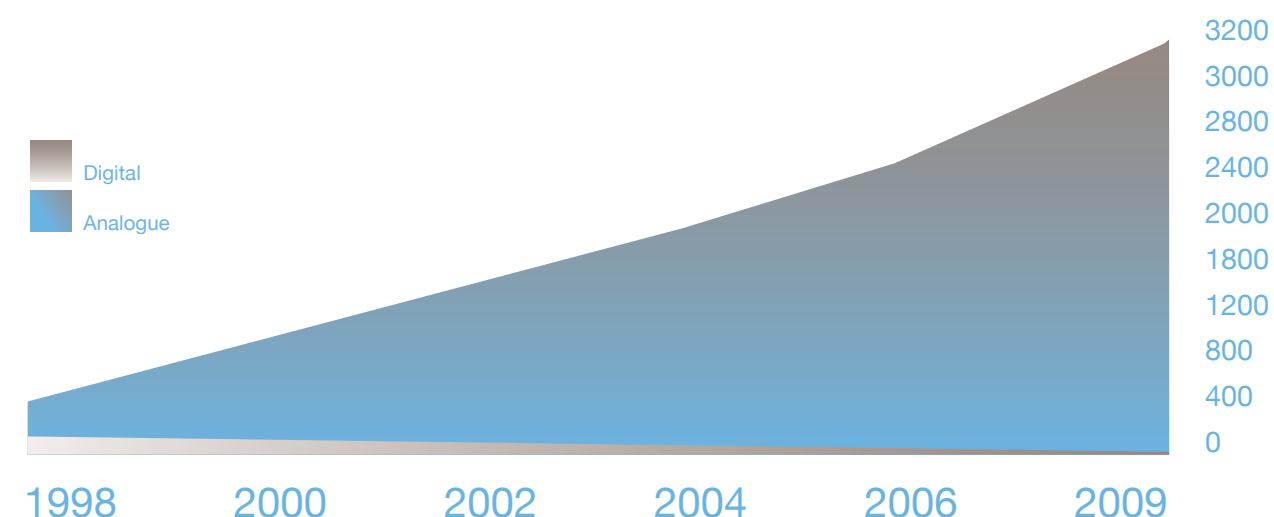
The number of homes worldwide equipped for satellite TV reception is constantly growing, and Eutelsat has benefited from strong presence in the most dynamic markets. With growth of 10% over the past two years, the audience of homes receiving television from a Eutelsat satellite has gone from 173 to 190 million homes. The HOT BIRD™ position, covering 45 countries in Europe, the Middle East and North Africa, has consolidated its leadership with 123 million homes receiving either Direct-to-Home or via a terrestrial network.

The 16° East and 36° East neighbourhoods have benefited from the spectacular growth of Direct-to-Home reception in Central and Eastern Europe, which has seen the number of satellite homes progress from 11 to 18 million in two years. Their respective audiences stand at 11 and 12 million homes. In the Middle East and North Africa, the rapid expansion of satellite reception has taken the audience at 7° West to over 24 million homes, in a joint operation with Nilesat, the Egyptian national operator. The W3A satellite at 7° East, covering Turkey, has topped the six million home mark, growing by 104% between 2006 and 2008.

ALMOST 3200 CHANNELS ON EUTELSAT SATELLITES

On 30 June 2009, the total number of channels carried by Eutelsat's fleet was 3 191. Underscoring a development driven by pay-TV in all the Group's markets, the spread between free-to-air and pay services stood respectively at 39% and 61%, compared to 42% and 58% in June 2008. As a consequence of additional resources, the Middle East, Russian and African markets now represent 54% of the total number of channels carried by the fleet.

This geographic balance between Europe and the rest of the world consolidates Eutelsat's business model by anchoring activity across a wide range of distinct markets. Growing by 76% over the year, High Definition channels have gone from 49 to 86 in Eutelsat's fleet. In terms of satellite capacity, this represents the equivalent of 100 new Standard Definition channels.



HOT BIRD™ 9 CONSOLIDATES A MARKET-LEADING NEIGHBOURHOOD

Launched in December 2008, HOT BIRD™ 9's superior capacity in comparison to the HOT BIRD™ 7A satellite it replaced, has taken Eutelsat's premier video neighbourhood to new industry-leading heights of in-orbit redundancy. This increased security has further consolidated the HOT BIRD™ position, which is already the world's number one satellite neighbourhood for the number of channels broadcast.

Over the past year, Eutelsat has recorded the long term renewal of capacity contracts with major media players including Telespazio in Italy, Cyfrowy Polsat in Poland and GlobeCast, France Telecom Group's broadcasting subsidiary. New entrants have also launched or increased their services on HOT BIRD™, among them the Air Field Media Group, which launched its first French-speaking Belgian package, Télésat, and the French operator Orange which launched the cinema offer for its Orange TV service intended for triple-play homes unable to receive television via ADSL.

EUROBIRD™ 9A DOUBLES RESOURCES AT 9° EAST

Released from its initial mission at 13° East and repositioned at 9° East, the EUROBIRD™ 9A satellite (formerly HOT BIRD™ 7A) has significantly accelerated development of Eutelsat's newest video neighbourhood, opened in 2007 to serve extended Europe. With the doubling of broadcasting capacities the channel count at this position increased from 125 to 245 channels, with the arrival of major international channels such as BBC Entertainment, France24 and Russia Today, along with international broadcasters reaching out to communities living in Europe, such as China's TVBN and CCTV, and new platforms such as Hungary's Hello HD and Russia's Platforma HD.

Following its transfer from the 8° West position, Eutelsat's KabelKiosk service, which is dedicated to feeding cable networks on the European continent, has also benefited from the new resources provided by EUROBIRD™ 9A. This transfer has given KabelKiosk increased opportunity for expansion at a time when, in 2008, the service recorded its strongest ever annual growth, the number of distributed channels going from 70 to 110.



EUTELSAT CONFIRMS ITS LEADERSHIP IN HIGH DEFINITION, WITH MORE THAN 40% OF EUROPE'S HD CHANNELS

Growing by 75% over the year, Eutelsat's in-orbit resources now broadcast 86 HD channels, up from 49. With more than 40% of the HD channels in Europe and the Middle East, Eutelsat has consolidated its pole position in this rapidly growing market.

All of the Group's video neighbourhoods have registered growth of their HD offers. Sport and cinema/fiction contribute equally to 50% of HD programming, followed by documentaries and entertainment, each representing 16% of HD content. All of Eutelsat's major client platforms including BSKyB, SKY Italia, Cyfra+, Cyfrowy Polsat, "n", NTV+, Digitalb, Digturk, TVR, Hello HD, Platforma HD and Orange, now have multi

theme offers in HD. European public broadcasters are also entering the HDTV market as part of the overall movement to digital.

In addition to consumer broadcasting, Eutelsat's professional video services, which cover live feeds and programme exchanges between broadcasters, have also benefited from the development of HD which requires 2.5 times more bandwidth than Standard Digital television. Eurovision, with 75 member broadcasters in 56 European countries and 43 associate members around the world, was able to increase its resources for covering Europe and Africa as soon as the W2A satellite went into service, including feeds in HD.

HOT BIRD™ TV Awards: the winners for the 2009 event

The HOT BIRD™ TV Awards ceremony for 2009, held in the prestigious location of the Scuola Grande de San Giovanni Evangelista in Venice, announced the winners of the annual competition which has become the reference for thematic satellite television broadcasting. Almost 150 channels from 20 countries took part in this year's event which distinguished channels for innovation and new programme ideas.



PEOPLE 'S CHOICE
Duna TV_Hungarian

CHILDREN'S
TV-Nanny_Russian

LIFESTYLE
Body in Balance_German

NATIONAL WINDOW
Yes Italia_Italian

CINEMA
Wojna i Pokój_Polish

MUSIC
Trace Tropical_French

HDTV
HD Suisse_French, German,
Italian, Romansh

CULTURE & EDUCATION
Zakon TV_Russian

NEWS
BBC Persian_Farsi

DOCUMENTARIES
Vremya_Russian

EXCELLENCE AWARD
SKY News 24_Italian

FICTION
M-Net Action_English

SPORT
SKY Sport 24_Italian



In the presence of Fadila Laanan, Minister for Culture and Broadcasting for Belgium's French-speaking community, January 19, 2008 marked an historic date for broadcasting with the launch of Télésat, the country's first francophone satellite platform.

Eutelsat provides Télésat with a fully integrated service combining channel delivery to its Rambouillet teleport and uplinking to HOT BIRD™ 8 in a digital multiplex which includes FRANCE 24, Eurosport and RTBF.





3D OPENS NEW OPPORTUNITIES FOR TELEVISION, CINEMAS AND PUBLIC SCREENINGS

Be it IBC, Mipcom, NAB, Sat Expo or IFA, all the gatherings of broadcast professionals this year have shown the emergence of 3D and the outstanding opportunities it represents. In order for industry and content producers to share a testbed, Eutelsat opened the first permanent channel for 3D content broadcasting on its EURO-BIRD™ 9A satellite. With a string of varied content, from animation to feature films and series, from talk shows to documentaries and concerts, this channel is enabling all players in the broadcast chain to assess the performance of screens as well as recording and transmission equipment. While stereoscopic television may start to penetrate homes as early as 2010, boosted by the announcement of major platforms such as BSkyB and the arrival of 3D screens in

stores, 3D is also a powerful accelerator for digitising cinema theatres. More than 60 films have been produced in 3D, with 3D projections of Kevin Chu's 'Voyage to the Centre of the Earth' generating strong box office success, recording four times more admissions than in 2D. In line with the new "out-of-the-home" entertainment trends for high definition broadcasting of sports events and operas, Eutelsat and its partners Opensky, dBw and Ciel Ecran have provided the first live multiple broadcasting in 3D of prestigious concerts on giant screens in France and Italy. Each of these markets represents a significant growth potential for Eutelsat, leveraging the unique potential offered by satellites for broadcasting rich content to large audiences in theatres or Direct-to-Home.

BROADCASTING DTT AND IPTV FOR A SEAMLESS SHIFT TO A DIGITAL ENVIRONMENT

While representing only 2% of TV homes worldwide at the end of 2008, ADSL TV subscribers have grown by 67% over the past year according to Idate statistics. A pioneer in this market, the French operator Orange was also the first European provider to associate its ADSL network with complementary satellite coverage to enable subscribers with insufficient throughput to receive the TV component of a triple-pay package by satellite. This service launched in 2008 on two Eutelsat satellites. Following its success in France, France Telecom announced the launch of a similar service in Poland using capacity at the HOT BIRD™ neighbourhood.

Digital Terrestrial Television (DTT) networks have continued to be deployed across Europe in advance of analogue switch-off. Full coverage of each country via networks of terrestrial transmitters faces the challenge of how to economically serve homes located in sparsely-populated areas or 'shadow areas'. In these cases, satellite broadcasting is the only effective and economically viable technology. The progressive move to analogue switch-off has triggered the launch of satellite DTT. Using Eutelsat's resources offers are now operated in multiple countries including Switzerland, Algeria, France, Spain and Italy.

Broadcasting DTT and IPTV channels to propel all homes into a fully digital broadcasting environment.

FRANSAT

FRANSAT

FRANSAT, A SATELLITE DTT OFFER FOR MORE THAN 1.5 MILLION FRENCH HOMES IN WHITE AREAS

Six months before analogue-switch-off in the first French region, Eutelsat opened the FRANSAT service on its ATLANTIC BIRD™ 3 satellite. This service carries the 18 Standard Definition channels of French DTT and the four channels available in HD. Through FRANSAT, these channels which were already present on ATLANTIC BIRD™ 3 via the Orange TV and BIS platforms, can now be received directly by all French homes wherever they are located. Having chosen a non-proprietary system to ensure the widest possible availability, FRANSAT is a subscription free service available through all sales circuits, using a wide range of quality-assured multiple brand decoders.

This initiative underscores Eutelsat's determination to support France in its seamless transition to a fully digital broadcasting environment. It is a continuation of the universal service policy the Group has been pursuing for over 20 years from its 5° West position, to serve 1.5 million French homes that were already beyond range of terrestrial analogue transmitters. For these homes, the move to digital consequently only requires a change of decoder, with no change to their outdoor equipment.





Launched with Eutelsat in 1997, satellite television in Russia now represents 180 channels and over six million subscriber homes.

Two players, who have been present since they launched from Eutelsat's 36° East neighbourhood, share 95% of the Russian market: NTV-Plus, the pioneer, which has built its 600 000 subscriber success story on premium content, and Tricolor TV, launched in 2005 with entry level pricing and now exceeding five million subscribers after just four years.

In total, the Russian broadcast offer on Eutelsat's fleet comprises more than 230 channels of which 17 in HD. Thirty channels are broadcast free-to-air, in particular to reach expatriate Russian communities in Europe and the Middle East.



SATELLITE RECEPTION RAPIDLY EXPANDING IN CENTRAL AND EASTERN EUROPE, AND RUSSIA

Central and Eastern Europe, including Russia, represent one of the most dynamic digital broadcast markets in the world, with 70% growth between 2006 and 2008 of homes equipped for satellite Direct-to-Home reception. Having topped the 18 million home mark in 2008, satellite television penetration is now 16% in these markets. The comparison with Western Europe, with a penetration of 31%, highlights the strong potential for development over the next years. The development of pay-TV represents 90% of the growth in these regions.

The number of pay-TV satellite homes multiplied by three between 2006 and 2008, going from 3.1 to 10.7 million homes, driven by Russia, Poland and Romania.

Eutelsat's four video neighbourhoods supporting the main players in these markets have significantly benefited from this dynamic: the HOT BIRD™ position which broadcasts the Polish platforms Cyfra +, Cyfrowy Polsat and "n"; 36° East which hosts Russia's two major platforms NTV-Plus and Tricolor TV; 16° East which transmits the Albanian platform Digitalb, Romania's TVR and Serbia's SBB; and 9° East which carries the Hungarian platform HelloHD and Russia's Platforma HD/DV. These four neighbourhoods have seen the number of channels from Central and Eastern Europe go from 452 to 549.



Television should "provide support for parents and teachers educating Arab children about their identity" according to the Qatar Foundation for Education, Science and Community Development. Baraem, Al-Jazeera Children Group's channel dedicated to three to six year olds, started broadcasting free-to-air in January 2009, inspired by this innovative concept. Using the HOT BIRD™ neighbourhood's extended coverage of Europe, the Middle East and North Africa, Baraem offers 17 hours of daily programmes full of colour, music, stories and games.



With more than 120 channels and 200,000 new subscribers across sub-Saharan Africa, the DStv platform operated by MultiChoice has recorded one of its strongest periods of growth over the last 12 months. As part of its commitment to social development in the countries it serves, the group is also pursuing the deployment of "MultiChoice resource centres" equipped for satellite reception of educational programmes in schools and colleges.

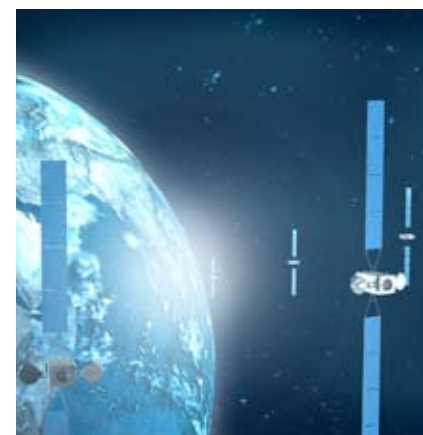


NEW STRATEGIC AGREEMENT WITH NILESAT AT 7° WEST

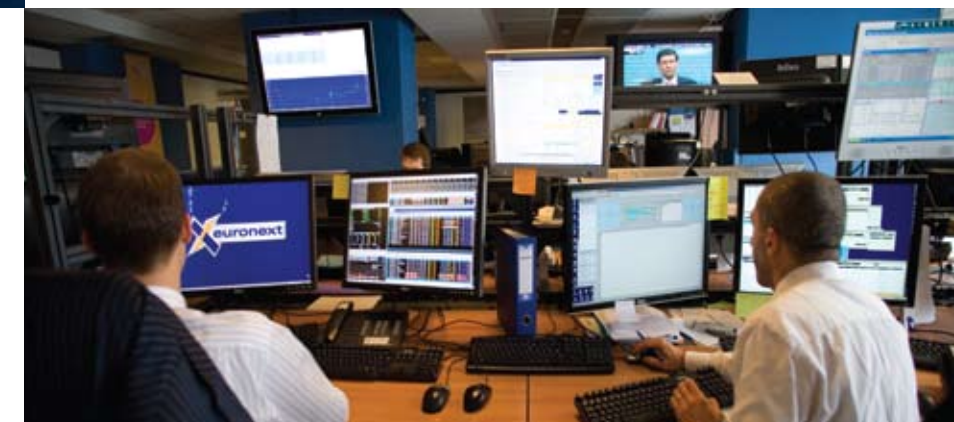
Beginning in 2006 with the co-location of Eutelsat's ATLANTIC BIRD™ 4 satellite with the Nilesat 101 and 102 satellites, the partnership with Egypt's national operator crossed a new threshold this year with the arrival of ATLANTIC BIRD™ 4A at 7° West.

In April 2009, Eutelsat increased the number of transponders available to Nilesat at 7° West from 15 to 26 to accompany its development at this premier video neighbourhood for the Middle East, the Gulf countries and North Africa. By rapidly adding new resources to 7° West, Eutelsat and Nilesat are equipped to benefit from the expansion of digital broadcasting in this region. On 30 June, the three co-located satellites were broadcasting over 450 channels. The strategic agreement between the two operators will enter a new phase when Nilesat deploys the Nilesat 201 satellite in mid-2010, followed in 2011 by ATLANTIC BIRD™ 7 for which Eutelsat confirmed its order from Astrium in May 2009.

The same market dynamic has led to sustained growth of all Eutelsat neighbourhoods covering these regions. Alongside the major Arab TV platforms such as ART, Showtime and Orbit, who are all three present on Eutelsat, the supply of free-to-air content from the Middle East and North Africa has recorded a 15% increase this year, going from 326 to 390 channels.



Our satellites benefit from increased exchange of content via the networks they interconnect, feed or complement with direct reception.



Data and broadband

By focusing on developing its data and broadband activity in regions with low competition from terrestrial networks, Eutelsat in 2008-2009 has benefited from very high demand in Africa, Central Asia and the Middle East.

In these markets, satellite technology is clearly the most cost-effective solution for satisfying rapidly increasing demand for Internet access and supporting developing economies. Demand for satellite capacity has also been driven by growth in GSM traffic, for which Eutelsat's satellites provide interconnection for transmitters spread over wide areas.



MARKETS LEVERAGING THE UNIVERSAL COVERAGE PROVIDED BY SATELLITES

Data and broadband services, Eutelsat's second main business, recorded 13.4% growth in 2008-2009, reaching 173 M€. Growth of data services and value added services stands respectively at 13.9% and 11.9%.

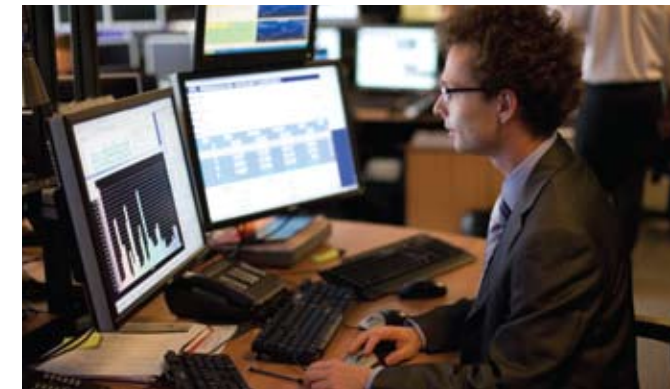
While today's major international data routes are dominated by cable, including fibre, satellites are strengthening their presence with the opening of new resources for domestic network markets, Internet access in white areas and securing communication in the event of breakdown of terrestrial infrastructure. Installed worldwide on thousands of GSM transmitters, Internet access platforms and corporate network headends, VSAT terminals increased in number by 10% in one year, to more than 1.5 million. Deployed in just a few hours, these terminals can establish broadband connectivity with no need for terrestrial networks.

In most of the emerging markets covered by Eutelsat's fleet, less than 25% of consumers and businesses have the possibility of connecting to broadband via a terrestrial network. For these markets, the continuous drop in equipment prices is opening up the use of satellites to an increasing number of businesses, schools and administrations. State budgets and international funds for development aid see universal broadband access as a priority for transforming progress in digital technology into economic progress for all.

In addition to professional services, Eutelsat is continuing to develop a new generation of value added services that can make broadband satellite technology available to the general public with speeds and price conditions that are comparable to ADSL. Operating on the HOT BIRD™ 6 and EURO BIRD™ 3 multibeam satellites, the Tooway™ service is now available through 40 distributors in 22 countries, serving a potential extended European market of more than 15 million homes beyond range of terrestrial networks.

OVER 15 PENTABYTES OF INFORMATION PRODUCED EVERY DAY

Because the wide coverage provided by Eutelsat's satellites makes it possible to share information simultaneously among an unlimited number of sites, they sit at the heart of major data transmission networks. Over 15 pentabytes of information are produced each day for thousands of businesses around the world, covering stock market trading, regulatory environments, legal decisions or registered patents. A major part of the satellite capacity of these networks is dedicated to news feeds which provide quasi real time information to editorial desks of broadcasters, newspapers and agencies as well as Internet information sites. The growing share of video in these exchanges is also a powerful factor driving demand. Thomson Reuters, the leading provider of financial information, supplies its European network using the W3A satellite to provide for 250 000 data updates per second.



NEW INTERCONNECTION RESOURCES BETWEEN EUROPEAN, AFRICAN AND CENTRAL ASIAN TELECOM OPERATORS

With a global market for satellite capacity for data transmission growing by 7.3% in 2008, Eutelsat recorded growth at twice that rate. This commercial performance reflects its longstanding presence in Africa, Central Asia and the Middle East, markets which are driving the overall expansion of this segment.

Eutelsat works closely with major telecom operators who associate turnkey applications for their clients with its space segment. The main applications are interconnection between fixed and mobile telephony networks, supplying call centres and Internet access platforms, network management for international corporations, connecting isolated industrial sites and shipping fleets.

On these markets, and thanks to the strong coverage provided by satellites positioned at 10° East, 7° East, 21.5° East and 12.5° West, Eutelsat has this year strengthened long term capacity lease contracts with major players including Algérie Télécom, Hughes Network Systems, Telespazio, Horizon Satellite Services, GT&T, IABG, ORG and Etisalat.

Sales in this dynamic business sector were further strengthened when the W2A satellite entered commercial service during the fourth quarter. Providing exceptional coverage in Europe and Africa, the opening of the payload in the Ku and C bands of W2A immediately activated a set of new contracts with major operators such as France Telecom, London Satellite Exchange and PCCW Global.



ADMINISTRATIONS INCREASE THEIR CAPACITIES ON THE COMMERCIAL MARKET

In the Multi-Usage segment, capacities leased by Eutelsat to operators serving government and administration markets grew by 29.8% over the year, to 75.4 M€. Excluding the appreciation of the US dollar to euro, these services recorded an 18% growth at constant exchange rates.

Confirming a trend initiated a few years ago, this growth is driven by the ambition of civilian and military administrations to strengthen the weight of commercial satellites in order to optimise the management of their resources and complete their proprietary infrastructures.

Operated by the London Satellite Exchange via the Astrium Services teleport in Toulouse, "PASSEREL" is a service that provides French and European troops stationed in Tchad with permanent telephone and Internet connections. Under a contract signed with the French Army commissariat, "PASSEREL" enables over 10 000 service men and women around the world to stay in touch with their families by satellite while they are stationed overseas.



TOOWAY™ NOW CLOSING THE DIGITAL DIVIDE IN 22 EUROPEAN COUNTRIES

Selected by leading operators including Telecom Italia and Fastweb in Italy, El Corte Inglés in Spain, SBI/3 in Ireland and Hellas On line in Greece, Tooway™ has in one year more than doubled the availability of its broadband offer for the consumer public, going from 10 to 22 European countries.

In each of these countries, national and regional initiatives are multiplying in order for broadband to be accessible to homes beyond range of ADSL. For Tooway™ and its distributors these initiatives are creating market conditions that are particularly favourable for the development of public services. In France, Numeo and Sat2way have adapted their Tooway™ offers to match the speeds and price levels of the government plan "Digital France 2012". Similarly, in the United Kingdom, the Tooway™ service distributed by Bentley Walker, Avonline Ltd, Satellite Solutions Worldwide Ltd and Remote Data Services Ltd meets the conditions to satisfy the wide scale digitisation of rural areas recommended by Lord Carter in his white paper Digital Britain. TeleCable is following the same rationale in equipping rural homes in the Spanish province of Asturias; while Swisscom, the first national operator in Europe to commit to the principle of nationwide universal service, provides Tooway™ terminals to Swiss homes beyond range of terrestrial networks.

To transform satellite Internet access a mass market solution capable of resolving Europe's digital divide, Eutelsat has strengthened its partnership with ViaSat by pooling broadband ground technologies and innovative orbital resources.

For the terminals, by driving down the cost of hardware, the use of ViaSat's Surfbeam® standard has made it possible to include equipment in monthly subscription costs, similar to models practised by mobile telephony or pay TV. In terms of bandwidth, the Tooway™ service is currently operating on Eutelsat's two multibeam satellites, HOT BIRD™ 6 and EURO BIRD™ 3. The spectrum efficiency of a multibeam architecture facilitates subscriber speeds of up to 3.6 Mbps at prices similar to ADSL. The partnership between Eutelsat and ViaSat will enter a second phase after the launch of the KA-SAT satellite in the fourth quarter of 2010. This new-generation satellite will carry into orbit over 80 beams in the Ka-band. Through a ground infrastructure of eight stations connected to the satellite, from a few hundred thousand homes today, the number of homes able to connect to the Internet via a single satellite will go to over one million, at prices comparable to ADSL 2.



In the Saint-Céré district council in the south west of France, only two out of 13 municipalities are connected to ADSL. Hilly landscape and farming activities have spread the local population across plateaus and valleys. During the first phase of a broadband deployment operation, almost 40 Tooway™ terminals were installed by Numéo. The district's goal is to cover the majority of homes in white areas in order to preserve the habitat and to develop employment in business parks where broadband is essential.



Public initiatives are multiplying to ensure that all homes have access to broadband.



NEARLY 10 000 D-STAR TERMINALS ALREADY IN SERVICE

With 65% of its business in Africa and the Middle East, D-STAR offers broadband access to enterprises and local authorities. Progressing this year by 11%, this growth means that close to 10 000 public and private sites are connected to broadband via a D-STAR terminal which is totally independent from terrestrial networks.

Thanks to its ability to adjust speed according to applications and number of connected terminals, the D-STAR service is today available with a wide range of options adapted to specific markets, whether for local authorities and SMEs, industrial sites, itinerant worksites, ships at sea, off-shore platforms and high speed trains. For this last sector, and after a test period in early 2008, Eutelsat and its partners Alstom, Cap Gemini and Orange were selected to equip 52 SNCF high-speed trains of its East network with an Internet connection and a multimedia portal.

In other markets, in response to initiatives by service operators such as Horizon Satellite, Bentley Walker, Satxpro, Afrique Telecom and ComIP, D-STAR technology has been selected to ensure the surveillance of control valves on gas pipelines, equip itinerant worksites for railway construction projects, and provide connections between forest, farm and mining outposts and their bases. Nortis Telecom was notably selected to deploy D-STAR terminals in 470 schools in rural locations in Morocco within the framework of a far-reaching programme driven by the Education ministry to develop ICT facilities. To serve these markets, operators are associating permanent satellite capacity leased from Eutelsat with value-added services for administering and securing networks, voice over IP, video-conferencing and telemetry.

In-orbit operations



With three satellites launched in 2008-2009 and five satellites redeployed in orbit, Eutelsat has completed the first stage of its significant in-orbit investment programme designed to expand and secure satellite operations.

The programme includes five further satellites to be launched by the end of 2011, making it one of the most far-reaching in the commercial satellite sector. Combining increased security at flagship positions, and the development of emerging positions, it equips the Group to capture opportunities in the markets it addresses, reinforces the reliability of its service and delivers the flexibility needed to seize new opportunities. As of 30 June 2009, Eutelsat was operating resources on 27 satellites between 15° West and 70.5° East.



3 NEW SATELLITES IN ORBIT

HOT BIRD™ 9 at 13° East
ATLANTIC BIRD™ 4A at 7° West.
W2A at 10° East



5 SATELLITES REDEPLOYED

EUROBIRD 9A at 9° East
EUROBIRD 16 at 16° East
EUROBIRD 4A at 4° East
W48* at 48° East*
W75* at 75° East*

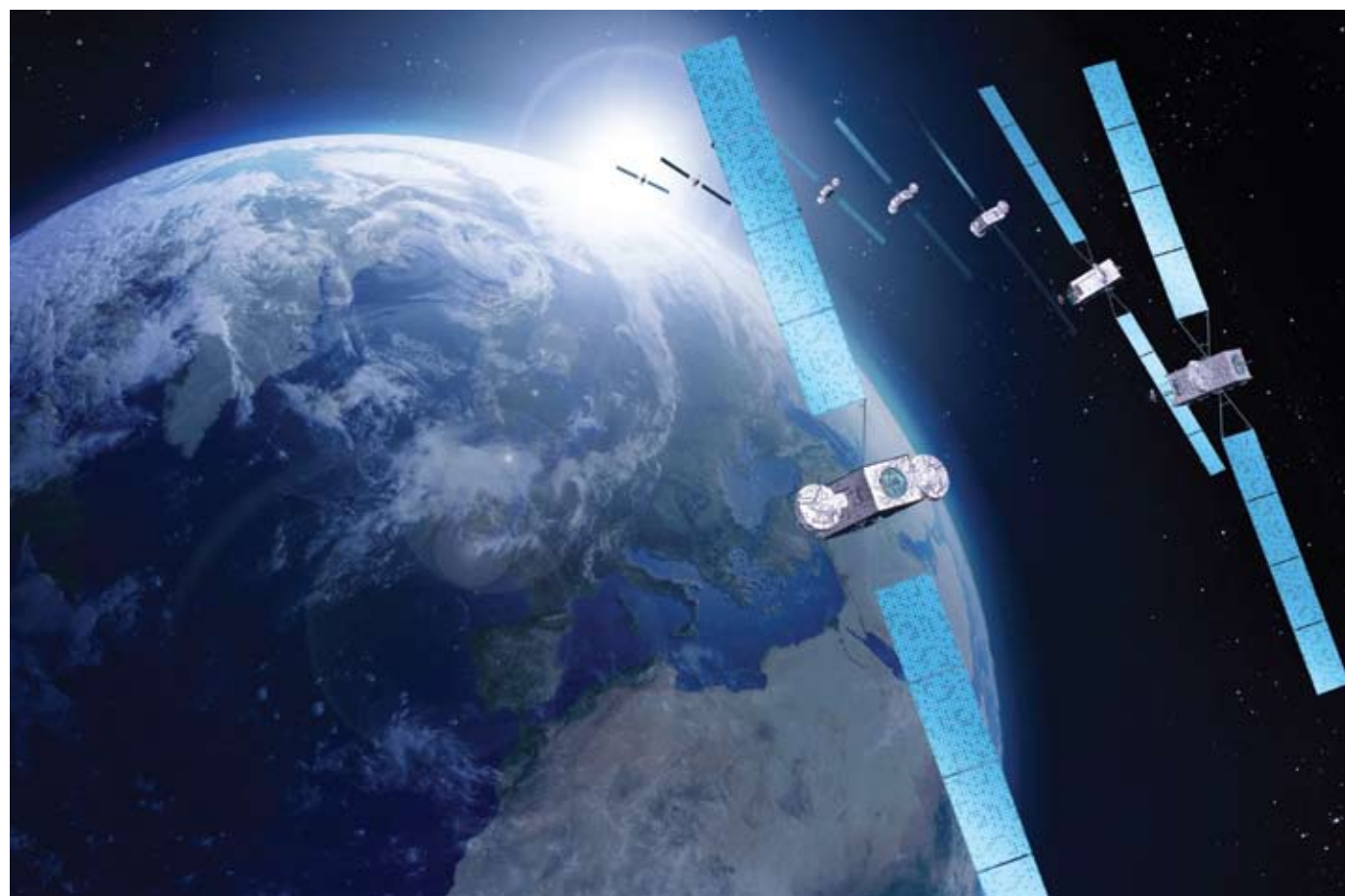
* Second half 2009



5 SATELLITES TO COME

W7 for 36° East
KA-SAT for 13° East
W3B for 16° East
W3C for 7° East
ATLANTIC BIRD™ 7 for 7° West

With 27 satellites operating at 22 leading orbital positions, Eutelsat's fleet is one of the largest serving Europe, the Middle East, Africa and large areas of Asia and the American continent.



With the competitive advantage of operating resources concentrated in a quarter of the geostationary arc, Eutelsat is pursuing a dynamic strategy of expanding and securing capacity through new satellites and through the redeployment of existing satellites. The Group's policy is to anticipate requirements by replacing satellites already in operation with more powerful spacecraft. The replaced satellites, released before the end of their in-orbit life, are subsequently redeployed to other positions, enabling an optimised spread of capacity for maximum market growth.

The second half of the financial year was marked by the entry into service of three new satellites, HOT BIRD™ 9, HOT BIRD™ 10 (rebranded ATLANTIC BIRD™ 4A), and W2A.

By a cascade effect, these high-capacity satellites have released HOT BIRD™ 7A, EUROBIRD™ 9, ATLANTIC BIRD™ 4, EUROBIRD™ 4 and W1 from their initial missions. Three of these five satellites were redeployed immediately and the other two will be redeployed over the following six months.

These movements increased the number of operational transponders in stable orbit from 501 to 589 in this financial year. They have further secured the premium HOT BIRD™ neighbourhood and injected extra capacity to four fast-developing positions (7° West, 9° East, 10° East and 16° East). The Group also improved its flexibility by reducing its fill factor to 88.8% as of 30 June 2009 from the record level of 97.6% on 31 December 2008.

REVIEW OF IN-ORBIT OPERATIONS

Arianespace is a longstanding partner to Eutelsat, having executed 24 of the Group's 42 launches since its creation. During the year Arianespace performed two more launches for Eutelsat, placing three satellites into orbit: HOT BIRD™ 9 together with W2M on 20 December 2008, and HOT BIRD™ 10 on 12 February 2009.

The 64-transponder HOT BIRD™ 9 satellite went into service on 17 February 2009 at 13° East. Following on from the launch of HOT BIRD™ 8 in 2006, HOT BIRD™ 9 is the second of a new generation of high-performance broadcast satellite. Identical in design in order to achieve the most effective redundancy, the dual mission of these satellites is to anticipate the renewal of capacity at the Group's premium broadcast neighbourhood at 13° East and ensure industry-leading levels of in-orbit security. With 1 100 channels delivered through the three copositioned satellites (HOT BIRD™ 6, 8 and 9) 13° East has consolidated its pole position worldwide for the number of channels broadcast.

Replaced by HOT BIRD™ 9 after three years of service, HOT BIRD™ 7A was redeployed on 24 February 2009 to the Group's newest video neighbourhood, at 9° East. This position was opened in May 2007 by the EUROBIRD™ 9 satellite, and quickly scored commercial success across Europe, with 125 channels after 12 months. One of its assets is its immediate proximity to the HOT BIRD™ neighbourhood, enabling homes to receive channels from both positions with a single dual-feed antenna. The arrival of HOT BIRD™ 7A, renamed EUROBIRD™ 9A, at 9° East has doubled transponders, increasing the number of channels broadcast from 125 to 245. The Group schedules to redeploy EUROBIRD™ 9, released from its mission at 9° East, to 48° East during the first half of the 2009-2010 financial year.

Following close behind HOT BIRD™ 9, the launch HOT BIRD™ 10 enabled Eutelsat to consolidate the 7° West neighbourhood, which is one of the most dynamic in the Middle East. Rebranded ATLANTIC BIRD™ 4A, this satellite went into service on 30 March 2009 at 7° West for the first part of its life in order to increase capacity at an orbital position operated jointly with the Egyptian operator NileSat. The partnership between the two operators began in July 2006 with the collocation of Eutelsat's ATLANTIC BIRD™ 4 satellite alongside the two Egyptian satellites NileSat 101 and NileSat 102. The arrival of ATLANTIC BIRD™ 4A is a second step in the shared development of this position. This step will be followed by the deployment of the Egyptian satellite NileSat 201 in mid 2010, followed by Eutelsat's ATLANTIC BIRD™ 7 in late 2011.

Continuing its policy of dynamic optimisation of resources, the Group redeployed ATLANTIC BIRD™ 4 from its original 7° West location to 16° East on 15 April 2009. The satellite was renamed EUROBIRD™ 16 and co-located with W2 to reinforce resources for broadcasting in Central and Europe and Indian Ocean islands.

The W2M satellite, launched together with HOT BIRD™ 9 on Ariane flight 186, has not been integrated into Eutelsat's commercial fleet. This decision was taken as a result of a major anomaly which occurred during the satellite's transfer from its test position to its operating position. W2M was subsequently located at 3° East under the control of Eutelsat, which received insurance compensation of 121 M€ during the financial year.



The W2A satellite was launched on 3 April 2009 by an ILS Proton rocket from the Baikonur Cosmodrome and went into service on 19 May at 10° East to replace W1. Equipped with 46 Ku-band and 10 C-band transponders, it has almost tripled resources of this major position serving professional video, data and broadband markets in Europe and Africa. As well as its original mission in Ku- and C-bands, W2A took the first European S-band payload into orbit. Owned by Solaris Mobile, a joint company created by Eutelsat and SES Astra, this payload dedicated to operating data and television services to mobile terminals was not put into service during the year, due to an anomaly detected during in-orbit tests. In June 2009, Solaris Mobile filed an insurance claim for compensation for non-conformity with contract conditions.

In-orbit operations in the financial year closed with the redeployment, in June 2009, of W1 (renamed EUROBIRD™ 4A) to the 4° East position which is in high demand for government services. The satellite replaced EUROBIRD™ 4, which will be redeployed in the next six months to 75° East within the framework of a cooperation agreement with the operator ABS.



With orders placed for two new satellites this year, the Group has five satellites in construction for launches by the end of 2011. The objective of the second stage of this investment plan for the 2008-2011 period is to increase resources at four major video neighbourhoods. The programme also includes the deployment of the first European Ka-band multi-beam satellite whose main mission will be to support national universal broadband programmes for homes beyond range of terrestrial networks.



Ordered from Thales Alenia Space in 2007, W7 opens the second phase of the expansion programme pursued between 2008 and 2011. W7 is the most powerful satellite ordered to date by Eutelsat, with a payload capable of operating up to 70 transponders connected to five high-power beams providing coverage of Europe, Russia, the Middle East, Africa and Central Asia. Copositioned with W4, it will replace SESAT 1 and double resources at 36° East. It will in particular enable Eutelsat to keep pace with the significant growth of digital broadcasting in Russia and Sub-Saharan Africa and will also provide new resources for telecoms and data services in Europe, the Middle East, Central Asia and Africa.

The launch of W7 will be followed in the second half of the 2009-2010 financial year by W3B. This satellite will be located at Eutelsat's 16° East position to assume the mission initially assigned to W2M, which was not commercially integrated into the fleet following a technical anomaly. Based on the Space 4000 platform of Thales Alenia Space, W3B will replace W2 and increase the number of operational transponders at 16° East from 27 to 56, principally for broadcasting in Central Europe and Indian Ocean islands.

As a consequence of the decision to locate W3B at 16° East, the Group placed an order with Thales Alenia Space for W3C in March 2009, for launch in third quarter 2011. Co-located at 7° East with W3A, the new satellite will take the number of operational transponders at this position from 44 to 70. These additional resources will be connected to three footprints addressing regions experiencing high demand for capacity: a high-power beam centred on Turkey and Central Europe to serve dynamic digital TV markets; a widebeam covering Europe, the Middle East, North Africa and Central Asia for data services and broadband, and a beam centred over Sub-Saharan Africa and Indian Ocean islands for regional telecommunications services and interconnectivity with Europe.

The second order placed during the year, on 11 May 2009, was for ATLANTIC BIRD™ 7 which will be built by Astrium for launch in the last quarter of 2011. Planned to replace ATLANTIC BIRD™ 4A at 7° West, it will increase from 26 to almost 50 the number of Eutelsat transponders at this key neighbourhood, which is jointly operated with the Egyptian operator Nilesat. ATLANTIC BIRD™ 7 will be equipped with two footprints: one centred over the Middle East, the Gulf States and North Africa; and a second over Northwest Africa including all the Maghreb and down to the Gulf of Guinea.

A FAR-REACHING PROGRAMME FOR DELIVERING BROADBAND TO HOMES ACROSS EUROPE BEYOND RANGE OF ADSL

Ordered in January 2008 from Astrium, construction of the KA-SAT satellite has progressed, with launch scheduled for autumn 2010. Based on a ground-breaking design, this new satellite will be the cornerstone of an infrastructure associating more than 80 footprints over Europe with eight hub stations connected to the Internet backbone. Its mission will be to deliver Internet Service Providers with a satellite-based broadband solution that operates as a complement to terrestrial networks, enabling them to extend connectivity to the broadest user base.

In order to serve a market which concerns more than 15 million homes located beyond range of ADSL networks, KA-SAT will associate the efficiency of frequency reuse made possible by a high number of Ka-band spotbeams with the SurfBeam® technology developed by ViaSat. This combination will deliver a throughput of more than 70 Gbps, enabling up to two million homes to be served with speeds and prices comparable to ADSL.



With worldwide recognition of its engineering expertise and top end of the range facilities, Eutelsat carries out the full set of control manoeuvres and monitoring of its satellites. The second half of the financial year was marked by intense activity, particularly for LEOP and IOT teams who carried out post-launch and in-orbit testing of four new satellites and redeployment of three others.

EUTELSAT'S IN-ORBIT RESOURCES

| SATELLITE | 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 | 4° East | Europe, North Africa, Middle East, Central Asia |
| EUROBIRD™ 9A | 9° East | Europe, North Africa, Middle East |
| EUROBIRD™ 16 | 16° East | Europe, Middle East, Africa |
| W2A | 10° East | Europe, Middle East, Africa |
| W2 | 16° East | Europe, Middle East, Africa |
| W3A | 7° East | Europe, Middle East, Africa |
| W4 | 36° East | Africa, Russia, Oriental Europe |
| W5 | 70.5° East | Europe, Middle East, Asia |
| W6 | 21.5° East | Europe, Middle East, Africa |
| W48 (inclined orbit) | 48° East | Central Europe, Middle East, Central Asia |
| SESAT 1 | 36° East | Europe, North Africa, Middle East, Asia |
| ATLANTIC BIRD™ 1 | 12.5° West | Europe, North Africa, Middle East, Americas |
| ATLANTIC BIRD™ 2 | 8° West | Europe, North Africa, Middle East, Americas |
| ATLANTIC BIRD™ 3 | 5° West | Europe, Americas, Africa, Americas |
| ATLANTIC BIRD™ 4A | 7° West | North Africa, Middle East |
| W75 (inclined orbit) | 75° East | Under redeployment |
| W2M | 3° East | Satellite not integrated to date into Eutelsat's fleet |

CAPACITY LEASED ON THIRD-PARTY SATELLITES

| SATELLITE | POSITION | COVERAGE |
|-----------------------------|----------|---|
| Telecom 2D (inclined orbit) | 8° West | Europe |
| Telstar 12 | 15° West | Europe, Americas |
| Express A4 | 14° West | Europe, North Africa, Middle East |
| SESAT 2 | 53° East | Europe, North Africa, Middle East, Asia |

SATELLITES TO LAUNCH

| SATELLITE | POSITION | COVERAGE |
|------------------|----------|---|
| W7 | 36° East | Europe, Russia, Africa, Middle East, Central Asia |
| W3B | 16° East | Europe, Africa, Middle East, Central Asia |
| KA-SAT | 13° East | Europe, Mediterranean basin |
| W3C | 7° East | Europe, Africa, Middle East, Asia |
| ATLANTIC BIRD™ 7 | 7° West | North Africa, Middle East |



Human resources

The diversity of our human capital is a core component of wealth creation, creativity and progress. Working together with a shared passion for an outstanding adventure that has become one of the significant achievements of European industry, the 600-strong Eutelsat workforce is the powerhouse of the Group's economic performance. The diversity of backgrounds - 30 nationalities in all – and their complementary skillsets, from the highest of hi-tech to detailed market knowledge make daily interaction a rich source of creativity.

Eutelsat's Human Resources policy aims to develop a workplace that enhances this diversity, encourages individual initiative and provides a structure for networking of skills to guarantee top level intervention for each profit centre and project.



'Centimes' for solidarity

A type of "payroll giving", further illustrates individual and collective social concern within Eutelsat. Staff can donate 'centimes' of their salaries to non-profit organisations with Eutelsat matching contributions. The amount collected each month is paid directly to non-profit associations (ADIE in France and PlaNet Finance internationally) in order to help create employment through microfinance.

ANTICIPATING AND TRAINING TO SHARE SUCCESS

Customer focus, operating in project mode, operational excellence, leadership: these are bywords for Eutelsat in-service training policy. Employees are encouraged to hone their expertise and help build the success of Group strategy. As part of this programme, in-house seminars encourage sharing best practice, mobilising teams around corporate values, methods and targets. In addition to training programmes, seminars and conferences, the e-learning portal, Eutelsat C@mpus, offers a broad range of subjects for staff to follow when they choose in order to enhance business skills, learn languages, improve management techniques or for personal development. During this financial year, over 42% of staff took part in some educational activity.

ATTRACTING FRESH TALENT

Convinced of the importance of close links between educational establishments and companies, Eutelsat pursues an active policy of initiatives and partnerships that also assist recruitment of new talent. These links take the form of panel sessions, participating in juries, tutored study projects, portals presenting Eutelsat on the websites of partner establishments or industrial visits to teleports and offices. Another element is integration of new staff through ongoing in-depth dialogue to expose corporate values and skills to new recruits, and to benefit in return from their fresh viewpoint.

In order to retain experts, the Group's objective is to create a rewarding environment and workspace and offer a wide range of advantages, including a long-term savings scheme enhanced by an Employer Matching Contribution.



COMMITMENT WITH RESPONSIBILITY

Above and beyond financial results and the success of its business model, Eutelsat develops its business on a solid foundation of corporate values shared by all staff. Its aim is for sustainable and responsible growth that anchors the Group in civil society and respects all stakeholders. The Joint Working Party on civic engagement and individual and collective action for the environment and sustainable development works in this spirit.

Another ethical principle is total non-discrimination. As a signatory of the Workplace Diversity Charter, from the outset as an intergovernmental organisation Eutelsat has been committed to diversity, skill enhancement and equal opportunities in the workplace. These values form part of its core identity, requiring the implementation of best practice rules in recruitment and corporate life in general.

The Group also works at ensuring that all operational sites and offices are well integrated into their local context, demonstrated by the creation of new highly qualified jobs in Sardinia and Madeira where ground facilities have been established.

Summary of financial report

Key financial data

Auditors: Ernst & Young Audit, Mazars et Guérard.

KEY FINANCIAL DATA

| Twelve months ended 30 June | 2007 | 2008 | 2009 | Change |
|--|-------|-------|---------|--------|
| Key elements of the income statement | | | | |
| Revenues | 829.1 | 877.8 | 940.5 | +7.2% |
| EBITDA* | 652.6 | 695.7 | 742.1 | +6.7% |
| EBITDA Margin | 78.7 | 79.3 | 78.9 | — |
| Group share of consolidated net income | 159.4 | 172.3 | 247.3 | +43.6% |
| Diluted earnings per share | 0.718 | 0.789 | 1.126 | +42.7% |
| Key elements of the cash-flow statement | | | | |
| Net cash flow from operating activities | 527.7 | 566.6 | 654.7 | +15.6 |
| Investments | 350.1 | 422.5 | 416.6 | -1.4% |
| Free cash flow | 177.6 | 144.1 | 358.7** | +149% |
| Key elements of financial structure | | | | |
| Net debt | 2 295 | 2422 | 2 326 | -4% |
| Net debt / EBITDA | 3.52 | 3.48 | 3.13 | — |
| Backlog | 3.69 | 3.41 | 3.94 | +15.5 |
| Key operational metrics | | | | |
| Leased transponders | 404 | 468 | 523 | — |
| Fill rate | 80.0% | 93.4% | 88.8% | — |

* EBITDA is defined as the operating result before depreciation and amortisation and other operating income and expenses (impairment of assets, dilution profits (losses), launch indemnities, etc.).

** Includes an insurance compensation of €121 million related to the W2M satellite. Excluding this insurance proceed, operating free cash flow from operating activities would have been up by 65.3%.

GROUP SHARE OF CONSOLIDATED REVENUES

At 940.5 M€, annual consolidated revenues at 30 June 2009 were up strongly on last year by 7.2%. All the Group's business activities contributed to growth: Video Applications progressed by 4.7% to 679.7 M€, Data by 13.9% to 134.1 M€, Value-Added Services by 11.9% to 38.8 M€ and Multi-Usage by 29.8% to 75.4 M€. Other income brought in 10.7 M€ for the twelve-month period compared with 17.8 M€ in the previous year. The difference is largely related to the exceptionally high level of gains resulting from foreign-currency hedges in 2007-2008. The consolidated figure also includes a one-off payment of 1.8 M€ as an indemnity payment for late delivery of the W2M satellite. Excluding other income and non-recurring income, overall revenue growth was 7.9%. At a constant exchange rate and excluding other income and non-recurring income, growth was 6.7%.

Video Applications continue to dominate the Group's business portfolio, generating 73.3% of total revenues excluding other income and non-recurring income. Data, Value-Added Services and Multi-Usage respectively account for 18.6% and 8.1% of the total figure.

CONSOLIDATED OPERATING EXPENSES

Operating expenses were 21.1% of 2008-2009 revenues compared with 20.7% for 2007-2008. The 9% progression (+16 M€) is explained by the extremely high number of provisions released last year. When this item is restated to reflect this one-off effect, progression in operating expenses was only 6.8%. It shows the higher resources allocated by the Group to development of new products, growth of commercial activities linked to the arrival of new satellites, and the increase in "taxe professionnelle" due to last year's improved result.

CONSOLIDATED EBITDA

EBITDA improved by more than 46 M€, up by 6.7% compared to 30 June 2008. At 78.9%, the Group's consolidated EBITDA margin remains the highest of leading fixed satellite service operators for the fourth consecutive year.



OPERATING INCOME

At 471.6 M€, operating income progressed by more than 90 M€. Depreciation and amortisation was down by 6.6 M€, the decrease attributable to the end of the depreciation cycle for certain satellites including EURO-BIRD™ 9, and the lower depreciation charge for EURO-BIRD™ 3, which more than offset the depreciation charge for new satellites activated during the twelve-month period. A sharp rise in “Other operating income (costs)” is mainly due to the 25.0 M€ received as a one-off payment for the sale of certain rights in Hispasat. It was also due to the exceptional impairment of the W2M satellite following the major anomaly in January 2009, which was offset by insurance compensation. This item also includes the dilution expense arising from the exercise of Eutelsat S.A. stock options involving only a relatively small amount.

GROUP SHARE OF NET INCOME

Group share of net income grew by 75.1 M€ and was up by 43.6%. This reflects Eutelsat’s excellent operational performance and the reduction in net financial expenses, mainly due to increased capitalised borrowing costs for implementation of the major investment programme during the financial year. The figure also takes into account an effective tax rate of 34.4% in 2008-2009 compared with 36.1% the previous year, as well as strong growth in income from equity investments due to the excellent commercial and operating performance of Hispasat, the leading satellite operator in Spanish and Portuguese-language markets, of which Eutelsat owns 27.69%.

CASH FLOW

The Group continued to generate very strong cash flow from operating activities, representing 654.7 M€ or 69.6% of revenues compared with 64.5% the previous year. Growth was helped by the 25.0 M€ received as compensation for relinquishing certain rights in Hispasat and by the reimbursement of an income-tax instalment (21.6 M€).

Capital expenditure of 416.6 M€ is fully covered by net operating cash flows. This includes net cash flows used for on-going satellite programmes, orders placed for two new satellites during the second half of the year, and the 33 M€ reimbursement by Solaris Mobile of capital expenditure paid by the Group on behalf of its subsidiary.

The particularly high level of available free cash flow* of 358.7 M€ (+149%) includes the 120.5 M€ insurance indemnity received as a result of the major anomaly sustained by the W2M satellite in January 2009. This was deducted from cash flows used in investing activities. Excluding the insurance indemnity, available free cash flow would have progressed by 65.3%.

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

NET DEBT

The Group reduced its net debt** by almost 100 M€ compared with end-June 2008. The net debt to EBITDA ratio improved to 3.13x against 3.48x at 30 June 2008. It should be noted that the Group’s financial debt comprises two syndicated credit facilities, one for 1.9 Bn€ (of which 300 M€ is undrawn) maturing in June 2013, and the other for 1.3 Bn€ (of which 450 M€ is undrawn) maturing in November 2011. In previous financial years, the Group put hedging instruments in place to protect almost all amounts drawn under these credit facilities from any interest-rate variations until their maturity. The average cost of Group debt for the 2008-2009 financial year was 4.15% (net of hedging effects). Net debt also takes into account a distribution to the Group’s shareholders of 142 M€.

** Net debt includes all bank debt and debt related to long-term leases, less cash on hand and marketable securities (net of credit balances with banks).

BACKLOG

Eutelsat’s excellent commercial performance and the renewal and growth of in-orbit resources during the second half of the financial year saw the backlog increase year-on-year at a rate twice that of revenues. The backlog at 30 June 2009 was more than 3.9 Bn€ compared with 3.4 Bn€ at 30 June 2008, which is the equivalent of more than four times the Group’s annual revenues. The backlog is composed of contracts with an average weighted remaining lifetime of almost eight years, Video Applications accounting for 92% of the total value.

FILL RATE

The first successful satellite deployments under the in-orbit expansion and renewal programme made it possible to meet sustained demand for capacity and to increase the number of leased transponders from 488 at end-June 2008 to 523 at end-June 2009. The entry into service of the HOT BIRD™ 9, HOT BIRD™ 10 and W2A satellites, and the redeployment of satellites released from their original missions also led to a significant improvement in the fleet’s operating flexibility, increasing the number of operational transponders at end-June 2008 and end-June 2009 respectively from 501 to 589.



Selected consolidated financial statement of Eutelsat Communications

CONSOLIDATED BALANCE SHEET (in thousands of euros)

| ASSETS | 30 June 2008 | 30 June 2009 |
|--|------------------|------------------|
| Non-current assets | | |
| Goodwill | 804 869 | 807 752 |
| Intangible assets | 793 322 | 751 484 |
| Satellites and other property and equipment, net | 1 441 751 | 1 780 519 |
| Construction work in progress | 777 608 | 543 717 |
| Investments in associates | 177 169 | 216 502 |
| Non-current financial assets | 2 498 | 2 561 |
| Deferred tax assets | 2 255 | 36 937 |
| TOTAL NON-CURRENT ASSETS | 3 999 473 | 4 139 472 |
| Current assets | | |
| Inventories | 2 013 | 1 771 |
| Accounts receivable | 239 435 | 298 792 |
| Other current assets | 17 148 | 17 203 |
| Current tax receivable | 23 579 | 3 407 |
| Current financial assets | 193 005 | 5 053 |
| Cash and cash equivalents | 21 321 | 143 745 |
| TOTAL CURRENT ASSETS | 496 501 | 469 971 |
| TOTAL ASSETS | 4 495 974 | 4 609 443 |

CONSOLIDATED BALANCE SHEET (in thousands of euros)

| LIABILITIES AND SHAREHOLDERS' EQUITY | 30 June 2008 | 30 June 2009 |
|---|------------------|------------------|
| Shareholders' equity | | |
| Share capital | 219 642 | 219 804 |
| Additional paid-in capital | 662 566 | 526 047 |
| Reserves and retained earnings | 469 511 | 584 913 |
| Minority interests | 65 525 | 67 070 |
| TOTAL SHAREHOLDERS' EQUITY | 1 417 244 | 1 397 834 |
| Non-current liabilities | | |
| Non-current bank debt | 2 412 189 | 2 454 678 |
| Other non-current financial liabilities | 60 150 | 51 775 |
| Other non-current debt | 20 603 | 20 332 |
| Non-current provisions | 35 631 | 30 095 |
| Deferred tax liabilities | 311 417 | 266 874 |
| TOTAL NON-CURRENT LIABILITIES | 2 839 990 | 2 823 754 |
| Current liabilities | | |
| Current bank debt | 31 333 | 14 090 |
| Other current financial liabilities | 33 799 | 138 428 |
| Accounts payable | 50 909 | 41 508 |
| Fixed assets payable | 35 668 | 72 036 |
| Taxes payable | 9 | 33 638 |
| Other current payables | 77 022 | 77 318 |
| Current provisions | 10 000 | 10 837 |
| TOTAL CURRENT LIABILITIES | 238 740 | 387 855 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 4 495 974 | 4 609 443 |

Summary of financial report
2008-2009

CONSOLIDATED INCOME STATEMENT

(in thousands of euros, except per share data)

| | Twelve-month period ended 30 June 2008 | Twelve-month period ended 30 June 2009 |
|--|--|--|
| Revenues | 877 765 | 940 541 |
| REVENUES FROM OPERATIONS | 877 765 | 940 541 |
| Operating costs | (69 239) | (72 104) |
| Selling, general and administrative expenses | (112 780) | (126 325) |
| Depreciation and amortisation | (300 886) | (294 271) |
| Other operating income | 3 858 | 145 769 |
| Other operating charges | (19 870) | (121 968) |
| OPERATING INCOME | 378 848 | 471 642 |
| Financial income | 19 586 | 29 938 |
| Financial expenses | (128 675) | (129 562) |
| FINANCIAL RESULT | (109 088) | (99 624) |
| Income from associates | 11 193 | 15 954 |
| NET INCOME BEFORE TAX | 280 953 | 387 972 |
| Income tax expense | (97 509) | (127 988) |
| NET INCOME | 183 444 | 259 984 |
| Group share of net income (loss) | 172 276 | 247 348 |
| Minority interests' share of net income | 11 168 | 12 636 |
| Earnings per share attributable to Eutelsat | | |
| Basic earnings per share in € | 0.790 | 1.126 |
| Diluted earnings per share in € | 0.789 | 1.126 |

CONSOLIDATED STATEMENT OF CASH FLOWS

(in thousands of euros)

| | Twelve-month period ended 30 June 2008 | Twelve-month period ended 30 June 2009 |
|--|--|--|
| Cash flow from operating activities | | |
| Net income | 183 444 | 259 984 |
| Income from equity investments | (11 193) | (15 954) |
| (Gain) / loss on disposal of assets | 84 | 20 |
| Other non-operating items | 209 408 | 100 137 |
| Depreciation, amortisation and provisions | 311 462 | 411 335 |
| Deferred taxes | (144) | (4 944) |
| Changes in accounts receivable | (20 075) | (73 851) |
| Changes in other assets | (9 855) | 20 945 |
| Changes in accounts payable | 8 564 | 5 650 |
| Changes in other debt | 5 936 | 27 788 |
| Taxes paid | (111 039) | (76 378) |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 566 592 | 654 732 |
| Cash flows from investing activities | | |
| Acquisitions of satellites, other property and equipment and intangible assets | (377 224) | (386 802) |
| Acquisitions of equity investments | (45 250) | (29 750) |
| Proceeds from sale of assets | 589 | 198 |
| Insurance indemnities on property and equipment | — | 120 545 |
| Acquisition of minority interests | (47 680) | (7 458) |
| Changes in other non-current financial assets | 563 | (279) |
| Dividends received from associates | 1 535 | 2 473 |
| NET CASH FLOWS USED IN INVESTING ACTIVITIES | (467 467) | (301 073) |

Summary of financial report
2008-2009

CONSOLIDATED STATEMENT OF CASH FLOWS CONTINUED
(in thousands of euros)

| | Twelve-month period ended 30 June 2008 | Twelve-month period ended 30 June 2009 |
|---|--|--|
| Cash flows from financing activities | | |
| Changes in capital | 150 | — |
| Distributions | (138 920) | (141 737) |
| Increase in debt | 100 000 | 39 843 |
| Repayment of debt | (168) | — |
| Repayment in respect of performance incentives and long-term leases | (21 232) | (15 994) |
| Interest and other fees paid | (91 623) | (108 626) |
| Interest received | 4 314 | 5 791 |
| Other changes | 17 204 | 2 946 |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | (130 275) | (217 777) |
| Impact of exchange rate on cash and cash equivalents | 501 | (619) |
| Increase (decrease) in cash and cash equivalents | (30 649) | 135 263 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD | 36 758 | 6 109 |
| CASH AND CASH EQUIVALENTS, END OF PERIOD | 6 109 | 141 372 |
| Cash reconciliation | | |
| Cash | 21 318 | 143 745 |
| Overdraft included under debt (1) | (15 209) | (2 373) |
| CASH AND CASH EQUIVALENTS PER CASH FLOW STATEMENT | 6 109 | 141 372 |

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(In thousands of euros, except share data)

| | Number | SHARE CAPITAL Amount | Additional paid-in capital | Reserves and retained earning | Minority interests | Total |
|--|--------------------|----------------------|----------------------------|-------------------------------|--------------------|------------------|
| 30 June 2007 | 217 401 082 | 217 401 | 776 135 | 242 523 | 75 454 | 1 311 513 |
| Translation adjustment | | | | | | |
| Changes in fair value of cash-flow hedges | | | | 16 546 | 171 | 16 717 |
| Tax impact | | | | (5 697) | (59) | (5 756) |
| INCOME AND EXPENSES RECOGNISED DIRECTLY UNDER EQUITY | | | | 10 849 | 112 | 10 961 |
| Net income for the period | | | | 172 276 | 11 168 | 183 444 |
| TOTAL INCOME AND EXPENSES RECOGNISED FOR THE PERIOD | | | | 183 125 | 11 280 | 194 405 |
| Transactions affecting the capital (1) | 2 240 873 | 2 241 | 13 144 | 20 080 | | 35 465 |
| Loan set-up fees | | | | | | |
| Treasury stock | | | | (655) | | (655) |
| Changes in scope of consolidation | | | | | (10 882) | (10 882) |
| Distributions | | | | (126 713) | (12 206) | (138 919) |
| Benefits for employees upon exercising options and free shares granted | | | | 3 829 | (1) | 3 829 |
| ABSA commitments | | | | 18 194 | (6 328) | 11 866 |
| Liquidity offer | | | | 2 415 | 8 208 | 10 623 |
| 30 June 2008 | 219 641 955 | 219 642 | 662 566 | 469 511 | 65 525 | 1 417 244 |
| Translation adjustment | | | | (670) | (27) | (697) |
| Changes in fair value of cash-flow hedges | | | | (216 736) | (2 996) | (219 732) |
| Tax impact | | | | 74 662 | 1 032 | 75 694 |
| INCOME AND EXPENSES RECOGNISED DIRECTLY UNDER EQUITY | | | | (142 744) | (1 991) | (144 735) |
| Net income for the period | | | | 247 348 | 12 636 | 259 984 |
| TOTAL INCOME AND EXPENSES RECOGNISED FOR THE PERIOD | | | | 104 604 | 10 645 | 115 249 |
| Transactions affecting the capital (1) | 162 010 | 162 | (4 772) | 4 610 | — | — |
| Treasury stock | | | — | (215) | — | (215) |
| Changes in scope of consolidation | | | | (626) | (696) | (1 322) |
| Distributions | | | (131 747) | — | (9 990) | (141 737) |
| Employee benefits for subscription of shares and free shares | | | | 3 667 | | 3 667 |
| ABSA commitments | | | | 2 913 | 538 | 3 451 |
| Liquidity offer | | | | 448 | 1 049 | 1 497 |
| 30 June 2009 | 219 803 965 | 219 804 | 526 047 | 584 913 | 67 070 | 1 397 834 |

(1) The amount shown as additional paid-in capital includes negative retained earnings of € 20 080 thousand for this item at 31 December 2007 and. € 4 610 at 31 December 2008.

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

Operating company of the Group

BALANCE SHEETS (in thousands of euros)

| ASSETS | 30 June 2008 | 30 June 2009 |
|--------------------------------|------------------|------------------|
| Long-term assets | | |
| Intangible assets | 10 315 | 10 094 |
| Tangible assets | 2 193 919 | 2 212 003 |
| Financial assets | 223 539 | 329 057 |
| TOTAL LONG-TERM ASSETS | 2 427 773 | 2 551 154 |
| Current assets | | |
| Inventories | 449 | 310 |
| Accounts receivable | 260 680 | 325 255 |
| Other receivables | 55 764 | 13 776 |
| Cash and marketable securities | 1 368 | 104 444 |
| TOTAL CURRENT ASSETS | 318 260 | 443 785 |
| Prepaid expenses | 52 217 | 46 616 |
| TOTAL ASSETS | 2 798 251 | 3 041 554 |

BALANCE SHEETS (in thousands of euros)

| LIABILITIES AND SHAREHOLDERS' EQUITY | 30 June 2008 | 30 June 2009 |
|--|------------------|------------------|
| Common stock (1 012 944 284 ordinary shares as of 30 June 2009 with a nominal value of € 0.65 per share) | 657 326 | 658 414 |
| Additional paid-in capital | 364 531 | 366 100 |
| Legal reserve | 59 065 | 65 733 |
| Free reserve | 65 | 48 |
| Retained earnings | 4 725 | 3 484 |
| Result for the year | 248 293 | 277 413 |
| Advance payments on dividends | — | — |
| Regulated provisions | 139 042 | 198 269 |
| TOTAL SHAREHOLDERS' EQUITY | 1 473 046 | 1 569 461 |
| — | — | — |
| Provisions for risks | 8 709 | 11 797 |
| Provisions for expenses | 11 989 | 7 495 |
| TOTAL PROVISIONS FOR RISKS AND EXPENSES | 20 698 | 19 292 |
| Loans and bank debt (*) | 825 331 | 852 474 |
| Other financial debt | 19 019 | 28 803 |
| TOTAL BANK DEBT | 844 350 | 881 277 |
| Accounts payable | 50 673 | 43 730 |
| Tax and employee-related payable | 31 564 | 35 644 |
| Fixed assets payable | 98 100 | 102 078 |
| Other payables | 248 557 | 357 882 |
| TOTAL OPERATING DEBT | 428 894 | 539 335 |
| Deferred revenues | 31 263 | 32 189 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | 2 798 251 | 3 041 554 |
| (*) part maturing within one year | 175 331 | 202 474 |

Summary of financial report

2008-2009

INCOME STATEMENT

(in thousands of euros)

| | Twelve-month period ended 30 June 2008 | Twelve-month period ended 30 June 2009 |
|---|--|--|
| Revenues | 852 270 | 935 481 |
| Costs eligible for capitalisation | 14 060 | 31 699 |
| Grants received | 464 | 1 031 |
| Release of provisions and reclassification of costs | 29 350 | 15 626 |
| Other income | 1 | 193 |
| TOTAL OPERATING INCOME | 896 144 | 984 031 |
| Purchase of goods and changes in inventories | 2 791 | 1 221 |
| Other purchases and external expenses | 123 459 | 125 362 |
| Taxes and assimilated | 13 255 | 15 364 |
| Wages | 36 528 | 39 804 |
| Social charges | 18 417 | 20 067 |
| Depreciation, amortisation and provisions | 261 959 | 263 561 |
| Other charges | 1 937 | 846 |
| TOTAL OPERATING CHARGES | 458 346 | 466 224 |
| OPERATING RESULT | 437 798 | 517 806 |
| Exceptional income | 26 180 | 34 675 |
| Exceptional charges | 56 919 | 77 897 |
| EXCEPTIONAL RESULT | (30 739) | (43 222) |
| Financial income | 11 397 | 222 838 |
| Financial expenses | 43 225 | 269 932 |
| FINANCIAL RESULT | (31 829) | (47 094) |
| Mandatory employee profit-sharing | 4 531 | 4 283 |
| Income tax | 122 406 | 145 794 |
| NET INCOME | 248 293 | 277 413 |

COVER ILLUSTRATION

WIAZ

CREDITS

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 Channel One Russia
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