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EUTELSAT COMMUNICATIONS REPORTS FIRST QUARTER 2006-2007 REVENUES

- **First quarter revenues up 6.0% year-on-year**
- **Strong growth in Video Applications: up 10.7%, following deployment of HOT BIRD™ 7A and ATLANTIC BIRD™ 4 satellites**
- **Performance in line with FY 2006-2007 revenue objective of above 800 million euros**

Paris, November 8, 2006

Eutelsat Communications (Euronext Paris: ETL), one of the world's leading satellite operators, today reported revenues for the first quarter ended September 30, 2006.

Commenting on first quarter 2006-2007 revenues, Giuliano Berretta, Eutelsat Communications Chief Executive Officer said: *"Our 6% revenue growth in the first quarter reflects the strong performance of Video Applications which are a source of long-term contracts. This segment now accounts for more than 70% of total revenue and reinforces the distinctive profile of the Eutelsat Group, which combines visibility, growth and high profitability.*

This increase demonstrates the efficiency of our strategy, which aims at consolidating our orbital locations serving European Union countries, and at further developing our resources for emerging markets in eastern and central Europe, the Middle East and Africa in order to accompany the dynamic of digital broadcasting. With this in view, after the entry into service in April of HOT BIRD™ 7A we redeployed during the quarter the ATLANTIC BIRD™ 4 satellite and launched HOT BIRD™ 8. Moreover, capacity formerly leased to another satellite operator on a short-term basis for Multi-Usage purposes was reassigned for video services, thereby allowing us to increase capacity for broadcasting in the Middle East and North Africa.

In parallel to robust growth in Video Applications, revenue from Data and Value-Added Services registered a slight decrease year-on-year, mainly as a result of the transformation of some short term contracts into long term contracts and of the technical incident in August 2005 on the W1 satellite. However, revenue from this segment showed a return to sequential growth of 1.6%.

With the performance achieved in this quarter we are confident in our ability to meet our revenue objective of above 800 million euros for the current fiscal year."

Revenue by application	3 months ended September 30			
	In millions of euros	2005	2006	Change (in Mio€)
Video Applications	129.0	142.8	+13.8	+10.7%
Data & Value Added Services	42.2	40.8	-1.4	-3.4%
Multi-usage	16.2	14.7	-1.5	-9.1%
Other	0.9	1.3	+0.4	
Total	188.3	199.5	+11.2	+6.0%

FIRST QUARTER 2006-2007 ANALYSIS

Group revenue rose 6% year-on-year to 199.5 million euros. At constant exchange rates, revenue grew by 6.5%.

Video Applications (71.6% of first quarter revenue) achieved strong growth of 13.8 million euros (+10.7%).

Performance was driven by:

- Full effect of contracts activated during the previous quarter following the entry into service of the HOT BIRD™ 7A satellite on April 20, 2006
- Entry into service on July 1, 2006 of the ATLANTIC BIRD™ 4 satellite which added 15 additional transponders to 7/8 degrees West, enabling entry into force of contracts recently concluded with operators in the Middle East
- Reallocation of part of EURO BIRD™ 2 capacity formerly leased to the operator ARABSAT from the Multi-Usage segment to Video Applications following signature of new medium-term to long-term contracts with other customers
- Strong demand for professional video services, notably during the 2006 FIFA World Cup during which 25% of live transmissions and programme exchanges through Eutelsat satellites were in HDTV.

Data and Value Added Services (20.4% of first quarter revenue) revenue was down by 1.4 million euros (-3.4%) year-on-year but up 1.6% quarter-on-quarter.

- The slight year-on-year decrease is mainly due to the technical incident in August 2005 on the W1 satellite, which led to the non-renewal of some contracts. Data revenue also reflects the transformation last year of some short term contracts into long term contracts which, in counterpart, bear more visibility on revenue.
- Revenue from Value-Added Services providing high-speed Internet access in areas not served by broadband terrestrial networks, was up 4.6% year-on-year despite the technical incident on W1 which led to the loss of one transponder dedicated to this activity.

Multi-usage (7.4% of first quarter revenue) first quarter revenue was 14.7 million euros, with the renewal of all government service contracts which had expired during the quarter. Revenue from this segment was down 1.5 million euros (-9.1%) year-on-year.

- The overall performance of this segment is mainly due to the reallocation to Video Applications of capacity previously leased to ARABSAT following expiration of a contract. This capacity, which represented revenue of 2.5 million euros in the first quarter 2005-2006, is now leased for video broadcasting services under medium-term and long-term contracts.
- Multi-usage revenue also reflects unfavourable €/US\$ currency fluctuations. At constant exchange rates, revenue decrease would have been limited to 5.1%.

Outlook for capital expenditure:

The Group raises by 210 million euros its capital expenditure guidance for the next three years (2006-2007, 2007-2008, 2008-2009) to 980 million euros, compared with 770 million euros previously planned over the same period. This increase reflects the advanced procurement of the HOT BIRD™ 10 broadcast satellite which is now scheduled for launch in first quarter 2009 and which will allow earlier relocation of HOT BIRD™ 7A to 10 degrees East, and also the addition of an S-Band payload on the W2A satellite for addressing the market for video to mobiles and other services.

This does not change the Group's average annual spending estimate of 260 million euros required beyond 2008-2009 to progressively renew its fleet.

Financial calendar

Shareholders general meeting: November 10, 2006.

Distribution of reserves (€0.54 per share) following approval at Shareholders general meeting: November 15, 2006.

First half 2006-2007 results: February 2007.

About Eutelsat Communications

Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is the holding company of Eutelsat S.A.. With capacity commercialised on 23 satellites that provide coverage over the entire European continent, as well as the Middle East, Africa, India and significant parts of Asia and the Americas, Eutelsat is one of the world's three leading satellite operators in terms of revenues. At 30 June 2006 Eutelsat's satellites were broadcasting over 2,100 television channels and 970 radio stations, of which over 900 channels were broadcasting via its HOT BIRD™ video neighbourhood which serves more than 110 million cable and satellite homes in Europe, the Middle East and North Africa. The Group's satellites also serve a wide range of fixed and mobile telecommunications services, TV contribution markets, corporate networks, and broadband markets for Internet Service Providers and for transport, maritime and in-flight markets. Eutelsat's broadband subsidiary, Skylogic, markets and operates services through teleports in France and Italy that serve enterprises, local communities, government agencies and aid organisations in Europe, Africa, Asia and the Americas. Headquartered in Paris, Eutelsat and its subsidiaries employ 490 commercial, technical and operational experts from 27 countries.

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