Société anonyme with a Board of Directors
and a share capital of € 219 803 965
Registered office: 70 rue Balard,
75015 Paris

481 043 040 R.C.S. PARIS

MANAGEMENT REPORT OF THE BOARD OF DIRECTORS ON THE CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

INDEX

ANNEXES

1. CONSOLIDATED FINANCIAL STATEMENTS OF EUTELSAT COMMUNICATIONS AT 30 JUNE 2009
2. COMPANY FINANCIAL STATEMENTS OF EUTELSAT COMMUNICATIONS AT 30 JUNE 2009
3. TABLE OF RESULTS FOR THE LAST FIVE FINANCIAL PERIODS
4. TABLE OF AUDITORS' FEES
5. REPORT OF THE CHAIRMAN OF THE BOARD IN ACCORDANCE WITH ARTICLE L.225-37 OF THE *CODE DE COMMERCE*
6. TABLE OF COMPENSATION OF COMPANY OFFICERS IN THE AFEP-MEDEF RECOMMENDED FORMAT

Dear shareholder(s)

We are required to submit to you a management report on the activities of Eutelsat Communications (the Company) and the Eutelsat Group[1] for the year ended 30 June 2009.

We are also presenting the Company and consolidated financial statements for the year ended 30 June 2009. The consolidated statements take into account the intra-group relations with our subsidiaries and affiliated companies.

This report was adopted by the Board of Directors at its meeting on 30 July 2009.

INTRODUCTION

With a fleet of 27 satellites in geostationary orbit (GEO), 22 of which are wholly owned, operating from 20 orbital positions between 15° West and 70.5° East, broadcasting more than 3000 television channels, the Group is leader in Extended Europe for the provision of Fixed Satellite Services (FSS).

It mainly operates and supplies capacity for video applications, professional data networks and value-added services.

Via its fleet, the Group covers the entire European continent, the Middle East and North Africa ("Extended Europe"), as well as sub-Saharan Africa and a large section of the Asian and American continents, potentially giving the Group access to 90% of the world's population.

Leading European and international media and telecommunications operators are among the users of the Group's capacity:

- private and public broadcasters, including the European Broadcasting Union (EBU), RAI, France Télévisions, Deutsche Welle, BBC, Mediaset, TVN, TF1, RTL, France 24, ARD and ZDF, NHK, Discovery Channel, CCTV, Eurosport and Euronews;
- major pay-TV digital television operators, including Sky Italia, the Canal+ Group, BskyB, Bis, Orange, Tele Columbus, ART, Orbit, Multichoice Africa, Cyfra+, Polsat, n, Digiturk, NTV+ and Tricolorr;
- International groups such as Renault, Shell, Total, General Motors, Volkswagen, Euronext, Reuters, Schlumberger and Associated Press;
- corporate network service providers or network operators such as Hughes Network Systems, Algérie Télécom, Orascom, AT&T, Siemens Business Services, Atrexx and Bentley Walker;
- operators of satellite services such as Nilesat and Noorsat in the Middle East;
- telecom operators for broadband Internet access providers, including Swisscom, France Telecom, Hellas-on-Line and Fastweb.

The Group offers its services to broadcasters and network operators directly or via distributors. These include the leading European telecommunications providers such as France Telecom/Globecast, Telespazio, British Telecom/Arqiva, Deutsche Telekom/Media Broadcast, RSCC in Russia and Belgacom.

---

[1] " The Eutelsat Group" or "The Group" refers to Eutelsat Communicatios and all the companies controlled directly or indirectly by Eutelsat Communications

1 KEY POINTS IN THE FINANCIAL YEAR

1.1 KEY INDICATORS OF THE GROUP

Twelve month period ending 30 June		2008	**2009**	**Variation**
Main elements of income statement				
Revenues	M€	877.8	**940.5**	**+7.2%**
EBITDA	M€	695.7	**742.1**	**+6.7%**
EBITDA Margin	%	79.3	**78.9**	**-**
Group share of net income	M€	172.3	**247.3**	**+43.6%**
Diluted earnings per share	€	0.789	**1.126**	**+42.7%**
Main elements of cash flow				
Cash from operations	M€	566.6	**654.7**	**+15.6%**
Investments	M€	422.5	**416.6**	**--1.4%**
Available operating cash flow	M€	144.1	**358.7**[2]	**+149%**
Main elements of the financial structure				
Net debt	M€	2 422	**2 326**	**-4%**
Net debt/EBITDA	X	3.48	**3.13**	**-**
Backlog				
Backlog	B€	3.41	**3.94**	**+15.5%**
Other indicators				
Number of transponders	units	501	**589**	**-**

1.2 A STRATEGY OF GROWTH

During the year, the Company has successfully pursued its development strategy, which is designed to consolidate and develop its positions in the most profitable segments of the FSS sector both in terms of applications provided and geographical regions covered. To achieve this, the Group has continued its ambitious policy of renewing and increasing its resources in orbit over Extended Europe, as well as innovating to operate on new frequencies such as Ka-band or S-band. This will lead to the development of new applications promising further growth, such as household satellite-based broadband Internet access or 3D TV.

Over the year, the development strategy has taken the following directions:

- growth of all Group Applications during the period. This performance is all the more remarkable in that additional resources in orbit were only deployed during the second half of the year.

[2] Includes an insurance indemnity of about € 121 M for the satellite W2M

- unprecedented technical activity with the entry into operational service of 3 new satellites and the deployment of 5 other satellites in the second half of the year, demonstrating the technical excellence of the company and its teams as well as the quality of its deployment plan and its operational flexibility;
- new frequencies going into operation. In the Ka-band, the Group has pursued the technical development of its multibeam Ka-Sat satellite whose entry into operational service is planned for 2011, and the setting up of the sales network for its Tooway broadband Internet access service for households that are outside the reach of terrestrial broadband networks. Finally, Solaris Mobile Ltd, a joint company with SES ASTRA, has crossed a major development threshold by obtaining some of the frequencies in the S-Band for the whole of the European Union;
- pursuing a significant investment policy. This has seen the Group commission two new satellites during the year, W3C and ATLANTIC BIRD7 for launch in 2010-2011

1.3 EXCELLENT COMMERCIAL PERFORMANCE

From a commercial point of view, this strategy has strengthened the Group's position in all its markets:

- Video Applications: by consolidating the Company's positions in its Western European markets, in particular following the new resources for the HOT BIRD™ position starting in the second half of the year in order to increase the security level of our capacity in this key position by strengthening the capacities at the Video positions 9° East (EURBIRD 9A), 7° West (ATLANTIC BIRD 4A) and 16° East (EUROBIRD 16), which are used in particular by the Central and Eastern European markets, along with Russia, Central Asia, the Middle East and North Africa;
- Data Services: by a very dynamic marketing policy and by increasing the resources dedicated to this application thanks to the entry into operational service in Q4 of the W2A satellite in orbital position 10° East, and the rapid marketing of capacities in the C-band by the major telecoms players who are very present in the African market;
- Value-added Services: by the building up its broadband solution for professionals (D STAR), in particular in Africa and the Middle East, and by developing the distribution network for the new Broadband Internet Solution via satellite known as TOOWAY in the Ku and Ka bands. As a result, at 30 June, the Company could count on a network of over 40 partners and distributors for the whole of Europe.

1.4 AN ACTIVE INVESTMENT POLICY TO ENSURE DURABLE FUTURE GROWTH

The objective of the Group's investment policy is to guarantee future growth for its business (i) by securing its orbital positions at 13° East and 7° East, (ii) by ensuring an appropriate increase of its in-orbit resources serving fast-growing markets, and (iii) by developing innovative solutions so as to position the Group on new markets, e.g. satellite broadband access services for users in the Ka band or mobile television in S-band.

In 2007-2008, this investment policy saw orders placed for two new satellites (W3C and ATLANTIC BIRD 7) and further progression of the satellite programmes commissioned in previous years (HOT BIRD™ 9, HOT BIRD™ 10, W2M, W2A, W7, KASAT and W3B).

You are informed that the Group has launched 4 satellites during the period (HOT BIRD™ 9, ATLANTIC BIRD™ 4A, W2M and W2A) and redeployed 5 existing satellites (HOT BIRD™ 7A, ATLANTIC BIRD™ 4, W1) to other orbital positions. Please note that the EUROBIRD™ 9 and EUROBIRD™ 4 satellites are currently being relocated.

1.5 FINANCIAL INDICATORS MAINTAINED AT A VERY HIGH LEVEL

- *No. 1 in the world in terms of profitability among the major operators in its sector*

The excellence of the Group's operating performance, combined with rigorous cost control, has resulted in further growth (6,7%) of EBITDA to € 742.1 million. The EBITDA margin stands at 78.9% on 30 June 2009.

- *43.6% progression of the Group share of net income*

The year also saw further improvement in the intermediate operating indicators, in particular under the effect of non recurring items. The Group's operating income progressed by nearly 24.5% to € 471.6 million or more than 50% of revenues.

Combined with the slight improvement of the Group's financial expenses and the effective rate of tax which at 30 June 2009 now stands at 34.4%, as well as the good performance of Hispasat in which the Group has a 27.69% stake, this improvement saw the Group record a very strong increase in its Group share net income, at € 247.3 million.

The Group's net income amounts to 26.3% of Group revenues at 30 June 2009 compared to 20.9% at 30 June 2008, which shows the robustness of our economic model.

Extract from the consolidated income statement

IFRS (in thousands of euros)	12-month period ended 30 June 2006	12-month period ended 30 June 2007	12-month period ended 30 June 2008	12-month period ended 30 June 2009
Revenues	791 070	829 086	877 765	***940 541***
Operating charges……… …...	(174 550)	(176 464)	(182 019)	*198 429*
Depreciation and amortisation........	(285 805)	(300 849)	(300 886)	*(294 271)*
Operating income........................	303 709	362 529	378 848	***471 642***
Financial result………………….	(179 570)	(108 160)	(109 088)	*(99 624)*
Net income before tax…………	129 958	262 235	280 953	*387 972*
Consolidated net income…………	40 234	170 020	183 444	*259 984*
Group share of net income	**30 420**	**159 377**	**172 276**	***247 348***

You are reminded that the Company's financial year has a duration of 12 months ending 30 June. You are also reminded that the financial year ended 30 June 2006 was the Company's first 12-months reporting period.

The information given above concerning the financial periods ending on 30 June 2006 and 30 June 2007 is communicated only for information purposes and will not be a subject of discussion or comment in this management report.

2 OVERVIEW OF THE GROUP'S MARKETS

According to Euroconsult, the FSS sector was generating total revenues of $ 9,8 billion as of 31 December 2008, $ 8.7 billion of which represented infrastructure revenues. It should be observed that this sector is very tightly concentrated, with the five leading global operators accounting for 71% of worldwide infrastructure revenues in the sector.

With in-orbit resources on 27 satellites providing coverage for all of Europe, the Middle East, Africa, India and large areas of Asia and the American continent, the Group is number 3 worldwide in its sector and is number 1 in Europe in terms of satellites and TV channels broadcasted.

2.1 AN INFRASTRUCTURE IN SPACE

The FSS sector is tied to the infrastructure in place, and so presents a number of shared characteristics, including:

- major barriers to entry, particularly the significant investment needed to operate a fleet of satellites and the fact that there is only a limited number of positions on the geostationary satellite orbit situated 36 000 km above the earth;

- generally high visibility over revenues, primarily because of long-term leases (particularly for video applications); the Group's backlog represents € 3.9 billion of revenues at 30 June 2009 and the average weighted remaining duration of the contracts is in excess of 7.8 years;

- generally high operating margins and a high proportion of fixed costs (resulting in strong operating leverage); the Group's EBITDA margin stands at 78.9% at 30 June 2009;

- generation of strong operating cash flow, which over the last three financial years has constantly amounted to a figure representing more than 60% of the Group's revenues, reaching a record 69.6% of Group revenues at 30 June 2009.

2.2 THE HIGHEST OF ALL THE TELECOMMUNICATIONS INFRASTRUCTURE NETWORKS

FSS operators operate geostationary (GEO) satellites, positioned in orbit in space approximately 36 000 kilometres from the earth in the equatorial plane. At this altitude, a satellite orbits the earth at the same speed as the earth turns on its axis, allowing it to remain in a fixed position in space in relation to a given point on the earth's surface. This allows the transmission of signals towards an unlimited number of fixed terrestrial antennas permanently turned towards the satellite. Because of its altitude, a GEO satellite can theoretically cover up to one third of the earth's surface.

GEO satellites are therefore one of the most effective and economical means of communications to ensure transmission from one fixed point to an unlimited number of fixed points, as required for television services for example, or to complement the coverage capability of the terrestrial networks to enable terrestrial network operators (Internet, television, private corporate networks) to provide 100% coverage of any given territory. Satellites make it possible to provide communications facilities that are totally independent of the availability or even existence of terrestrial networks, and this is an advantage when, for example, natural disasters occur, or on board trains and boats.

Once a satellite is in service at a given orbital position, FSS operators lease the transmission capacity (i.e. the transponders) to customers: this includes operators of broadcasting platforms, television channels, telecommunications services operators and Internet service providers. Transponders are facilities on-board a satellite, which receive, amplify and retransmit the signals received.

The FSS sector uses several types of frequency bands (C-band, Ku-band, Ka-band), but the Group's fleet consists primarily of transponders operating in Ku-band, which are particularly suitable for services such as direct broadcast because of the ability to use small receive antennas.

2.3 AN INFRASTRUCTURE AT THE HEART OF COMMUNICATION AND BROADBAND

The Group considers that it has a portfolio of services combining visibility and growth, concentrated on the most profitable segments of the FSS sector.

*Business portfolio (expressed as a percentage of revenues)**

Year ended 30 June	2008	**2009**
Video Applications	75.5%	**73.3%**
Data Services and Value-added Services	17.7%	**18.6%**
Data Services	*13.7%*	***14.4%***
Value-added Services	*4.0 %*	***4.2%***
Multi-usage	6.8%	**8.1%**
Total	100%	**100%**

**excluding other revenue and one-off revenue of € 17.6 million at 30 June 2008 and € 12.5 million at 30 June 2009 respectively*

It is worth noting the significant presence of Video Applications in the Group's business portfolio at 30 June 2009, and the sustained growth of all business segments, in particular Data Services and Value-added Services.

Video Applications	
• **Broadcast**	
- Direct broadcasting of TV and radio to satellite-dish equipped households (Direct-to-Home) - Distribution of TV channels and radio stations to terrestrial head-ends (cable, DTT)	o Pay-TV platforms and television channels o Operators of ADSL networks o Terrestrial network operators, cable operators, operators of fibre networks
• **Professional Video Networks**	
- Point to point connections for routing TV channels to the teleport enabling them to pick up from direct-broadcast satellites	o Television channels o Teleport operators
- Live reports and broadcasts of events to TV channel production studios	o Television channels o Providers (at technical level) of television channels
- Permanent connections constituting a mesh network for programme exchanges between broadcasters	o European Broadcasting Union
Data Services and Value-added Services	
• **Data Services**	
- VSAT data communications networks - Internet backbone connectivity - Private corporate networks / networks for local authorities	o Press agencies, financial agencies, major retailing, oil-extraction industry o Internet Service Providers (ISP) o Communications network operators and integrators
• **Value-added Services**	
- D-STAR/D-SAT professional broadband Internet access solutions	o Companies and local authorities with little or no coverage from the terrestrial broadband networks
- TOOWAY™ broadband Internet access solutions for the general consumer	o Internet Service Providers, operators of terrestrial networks, local authorities
- Internet mobile access solutions or solutions for extensions to the mobile telephony networks (GSM)	o Cruise ships, business jets, trains
- Mobile Communications Services (EutelTracs)	o Road-haulage companies
Multi-Usage Applications	
- Supply of capacity for government services	o Government, Civil Security

2.4 A GROWING BUSINESS, DRIVEN BY VIDEO APPLICATIONS AND BROADBAND

According to business analysts Euroconsult, demand for satellite capacity in Extended Europe[3] should progress at a weighted average annual rate of 4.6% during the period 2008-2013.

[3] Extended Europe consists of Western Europe, Central Europe, the Community of Independent States, the Middle East, North Africa and Sub-Saharan Africa

The increased demand for satellite transmissions is expected to derive mainly from the growth of Video Applications, largely due to the development of TV and HDTV programme offers. But there will also be a sustained demand for Data Networks and Value-added Services from 2010 onwards.

2.4.1 The development of TV-based offers, the driving force behind the growth of Video Applications

According to Euroconsult, demand for capacity for video service transmissions should continue to rise at a weighted average annual rate of 4.6 % between 2008 and 2013 in Extended Europe.

This growth should mainly be driven by the increase in the number of television channels in areas covered by the Group's satellites.

According to Euroconsult, the number of TV channels should increase from about 8 904 in 2008 to more than 14 000 within ten years in Extended Europe. This increase is mainly due to the development of TV channel offerings in the emerging countries of Central and Eastern Europe, North Africa and the Middle East, with lower costs for accessing satellite capacity stimulating the expansion of thematic and community channels.

The Group is broadcasting 3 191 television channels as of 30 June 2009. Growth has chiefly been observed from the Group positions targeting emerging markets, with an 11% growth during the period 2008-2009, going from 1 535 channels at 30 June 2008 to 1 708 television channels at 30 June 2009.

It is worth bearing in mind that broadcasting television channels via satellite represents an essential tough not very significant cost item for both bouquets and individual channels, which means that the growth of Group's video applications is not very exposed to the difficult macroeconomic climate. For example, the Group considers that the maximum cost per subscriber or television viewer for broadcasting a digital television channel over one of the satellites in its fleet is, in euros, currently less than 1 cent per month, based on 4 million subscribers or television viewers..

2.4.2 The development of HDTV offers (high-definition television).

The transmission of HDTV programmes requires more satellite capacity than traditional digital television. In MPEG-2 compression mode (the standard currently used by traditional digital television), a high-definition channel requires 5 times more capacity for transmission than in standard digital format. With the MPEG-4 compression mode and the DVB-S2 broadcasting system, a high definition channel requires a 2.5 greater capacity than the same channel in MPEG-2 standard digital definition mode. Moreover, the development of HDTV will require additional satellite capacity to ensure the simultaneous broadcasting in standard and high definition modes (simulcast) of television channels (a requirement the will last for some time).

The number of HD channels broadcasted by satellite in Extended Europe has more than doubled in one year, from 81 to 194 HD channels at 31 December 2008, according to the Lyngast source. Euroconsult says that the number of HDTV channels is expected to progress at a weighted average annual rate of 39% in 2008-2013, reaching more than 1 000 channels in Extended Europe in 2013.

This strong acceleration is due to a context that is favourable to the development of High Definition Television, thanks in particular to massive adoption of HD-ready or Full-HD television sets in Western and Eastern Europe.

This democratisation phenomenon is being supported by the declining price of flat screen television sets and their HD standardisation. According to the GfK Institute, the average price of an LCD flat television screen dropped by 21% in the H1 2008, compared with H1 2007, and according to Euroconsult 70 to 95% of televisions sold in Western Europe in 2008 are HD-ready depending on the country (i). Finally, the inclusion of the ability to read the HD format in game consoles is a further factor increasing the penetration of HD appliances.

The development of High-Definition Television is showing itself to be an accelerator for the growth of the satellite operator market in emerging countries because the bouquets benefit from a more recent decoder user-base, often capable of reading the HD channels, and from the availability of native HD contents such US series, major sports events and films.

Euroconsult estimates that 48 million European households were HD-ready at the end of 2008, i.e. 26% of the television user-base. 2008 sports events such as the European Football Championship and the Beijing Olympics also contributed to increasing interest among consumers.

Of the 194 HD channels present in Extended Europe, 177 belonged to pay-TV operators at 31 December 2008.

Furthermore, High Definition Television is no longer the exclusive domain of pay-TV premium or thematic channels but is present in free-to-air programming as may be seen in the 7 free-to-air channels of the Group's fleet at 30 June 2009. This strong presence may be explained by the broadcasters' desire to give the end-user a better quality image than the standard signal. It is consequently a clear point of differentiation both for paying and free TV channels.

There has been an acceleration of the development of HDTV during the period ending 30 June 2009, at which date the Group's fleet was broadcasting 86 HDTV channels (of which 7 free-to-air), compared with 49 HDTV channels at 30 June 2008. The Group was broadcasting 31 high-definition channels from its Hot Bird™ et Eurobird™1 flagship positions and 55 high-definition channels from its positions targeting emerging markets.

Several of the Group's customers operating TV platforms in Western Europe and in Central Europe, Turkey and Russia have rolled out commercial programme offers with one or more high-definition channels.

Customers or users of the Group's satellite capacity who launched or developed commercial HDTV programmes during the financial year just ended include SKY Italia in Italy and BSkyB in the United Kingdom, "n" and Cyfra+ in Poland, NTV+ and Platforma HD in Russia, Hello HD in Hungary, DIgitAlb in Albania and DigiTurk in Turkey.

As a result of the extra bandwidth needed to transmit high-definition TV, the Group considers that its progressive deployment will involve an increased demand for capacity on its satellites, and provide significant growth opportunities for video services.

2.4.3 The development of Digital Terrestrial Television (DTT)

Initially launched in Western Europe, particularly the United Kingdom, Spain, Switzerland, Germany, France and Italy, DTT is beginning to be more widely rolled out across Europe. At the end of 2008, close to 50 million European households had access to DTT (chiefly for receiving free channels) (source: Dataxis). DTT gives satellite operators an opportunity to provide the capacity that will feed terrestrial re-transmitters. In addition, satellites also provide the additional coverage for direct reception via dish antennas for households located in the shadow zones of terrestrial re-transmitters.

The Group has thus developed a service for broadcasting the channels of French free DTT channels on its ATLANTIC BIRD™ 3 satellite. This service, called FRANSAT™, is available since June 2009. For over twenty years, Eutelsat's 5° West position, occupied by the ATLANTIC BIRD™ 3 satellite, has been providing additional coverage for the French microwave terrestrial network to households located in shadow zones. The move to digital broadcasting from this flagship French position fits logically within the French 2012 Digital Plan and the new law on audiovisual activities of 5 March 2009 which aims to provide shadow zone households with a solution to access DTT without incurring additional cost for modifying installed dishes.

2.4.4 The introduction of additional services on digital broadcast platforms.

A large number of satellite broadcast platforms offer or intend to offer interactive services (home shopping services, betting, Video on Demand (VOD)). The increase in the range of interactive services available should result in an increase in demand for satellite capacity.

2.4.5 Optimisation of the compression rates for television signals

In the 1990s, with the development of the DVB standard, the video applications segment saw a transition from the analogue broadcasting format to digital. On average, this format allows approximately 10 channels per transponder to be broadcast instead of just one in analogue format. With continuing technological innovations, such as the development and broadcasting of the MPEG-4 compression format, up to twice as many channels can be broadcast per transponder. The number of channels is expected to increase significantly with the development and deployment of the DVB-S2 standard and with further use of statistical multiplexes, which allow optimisation of bandwidth use between television channels and so reduce the cost of access to satellite capacity.

2.4.6 New growth vectors with broadband services

The FSS industry is benefiting from sustained growth in the demand for capacity for Internet applications.

According to Euroconsult, demand for satellite capacity for professional data networks (including Internet trunking) and value-added services is expected to grow at a weighted average annual rate of 3% in Extended Europe between 2008 and 2013. This rate could reach 13.5%, according to Euroconsult, exclusively for the Corporate Network and broadband Internet access segments.

Their growth will be supported by the emerging markets covered by the Group because they have less dense terrestrial networks than in Western Europe. Euroconsult reckons that growth of the demand for capacity in the C and Ku-bands for corporate networks will exceed 14% in these regions between 2008 and 2013, supported by the development of specific networks for the oil industry, banks and international organisations. Among these regions, Sub-Saharan Africa will experience the strongest growth in demand, with a 19% growth rate over the same period.

The Group also considers that value-added services will grow significantly over 2008-2013, mainly as a result of the development of a major service offer in Ka-band from the beginning of 2011.

Indeed, as the resources available in Ku-band are scarce and their technical characteristics less suitable in terms of reception, the Group's view is that Ka-band is better adapted to the provision of data services or broadband services, because of the resources available in this band of frequencies and also its transmit capabilities, which allow satellite transmissions to be concentrated into very narrow spotbeams for reception and consequently use very small receive antennas and enable frequencies to be re-used on-board the satellites in Ka-band. The Group considers that its service offer in the Ka-band will make it possible to reduce the cost of transmission per Giga-octet by a factor of 8, from 25 euros today in the Ku-band, to 3 euros in the Ka-band.

The Group also believes that the significant reduction in the cost of accessing satellite capacity in Ka-band will favour the emergence of a local or regional TV offer in Extended Europe and allow satellite to regain its competitiveness with the terrestrial networks for the professional data networks now being so extensively deployed.

After closely monitoring not only the launch and development in North America of value-added services in Ka band by the companies WildBlue and Telesat Canada based on the DOCSIS standard, and also the use of satellites in Ka-band by DirecTV to offer services for the broadcasting of high-definition television channels to local network head-ends in this same market, the Group launched a service in Extended Europe called TOOWAY™, which is designed to operate in Ka-band on HOT BIRD™ 6 and which will also be made available in Ku band on EUROBIRD™ 3, in order to prepare the way for the coming of KA-SAT in 2010.

Satellite Internet access services include IP trunking to enable ISPs to connect to the Internet backbone, as well as facilities for connecting to an Internet local loop (IP access) for business companies and local institutions. This allows them to connect their remote sites within a private and secure virtual network, particularly in regions with little or no service from the terrestrial networks (DSL lines or cable): IP data broadcasts for the broadcasting of multimedia content.

The Group expects the market for satellite broadband services to be driven by declining prices for user terminals and by improvements in the quality of the service offers, as well as the development of solutions for people on the move (trains, aircraft, boats). But it will also be driven by the determination of numerous Member States of the European Union to have a telecommunications infrastructure that in 5 years time will be able to offer broadband Internet access across 100% of their territory.

2.4.7 Services to government departments, an application offering less visibility

According to Euroconsult, this market segment, which corresponds mainly to the demand for satellite services by defence and security departments, should see a weighted average rate of growth of 8.4% over the period 2008-2013 in Extended Europe. These applications are closely linked to the way in which the international environment evolves and, in particular, the occurrence of geopolitical conflicts and natural disasters.

This type of service is characterised by a certain volatility and by a very strong concentration of demand, with North America and the Middle East/North Africa region accounting for nearly 68% of the demand for military communications by satellite, as estimated by Euroconsult. It generally involves contracts of short duration (one year), and alternative solutions involving capacity on military satellites are emerging.

2.5 COMPETITION

The Group has to contend with significant competition from international, national and regional satellite operators and from terrestrial network operators (cable, fibre optic, DSL, microwave broadcasting and VHF/UHF) for the provision of many transmission services and value-added services, particularly broadband access.

2.5.1 The principal competitors are the satellite operators

The Group's principal competitors are the other major FSS operators, primarily SES and Intelsat. Other FSS operators compete with the Group only for certain services or in certain geographical regions.

SES S.A. is the Group's main competitor. SES primarily provides video services in the European and North American markets. It also provides Internet broadband services and capacity for professional data networks. At 31 December 2008, SES's fleet consisted of 40 satellites located on 26 orbit positions (i.e. 1 082 transponders) and covered the entire world population. At 31 December 2008, SES's revenues were € 1 630.3 million (against 1 610.7 at 31 December 2007) and its EBITDA level was € 1 100 million, i.e. an EBITDA margin of 67.5%[4].

SES is present in Extended Europe through its subsidiary companies SES Astra, SES SIRIUS and, in part, SES NewSkies. As of 31 December 2008, the 16 satellites of the combined fleet of SES Astra and SES SIRIUS were broadcasting 2 491 TV and radio channels in Europe, including 64 HDTV channels, to more than 122.2 million cable and satellite homes.

SES is listed for trading on the Eurolist market of Euronext Paris and in Luxembourg.

Intelsat is the largest operator in the world for fixed satellite services. It was founded in 1964 as an international telecommunications satellite organisation and was privatised in July 2001. As of 31 December 2008, Intelsat was operating a fleet of 52 satellites (2 127 transponders), located above North America and the Atlantic, Pacific and Indian oceans. As of 31 December 2008, Intelsat's pro-forma revenues were $US 2.36 billion and its pro-forma EBITDA was $US 916.8 million[5]. However, while covering a larger geographical area than the other operators, the range of services offered by Intelsat is more limited. Intelsat is the leader for video, data and value-added services in North America and the leader for video services in Latin America and Africa. Intelsat primarily competes with the Group in Africa and the Middle East and, to a lesser extent, in Europe.

The Group also competes with a large number of regional and national satellite operators. Some of these operators, for example Turksat, Hellasat and Telenor, also provide international connections in addition to providing communications services for their domestic markets. Competition from these regional and national operators is essentially based on price and some of them enjoy advantages (tax or regulatory, for example) in their national markets.

For most of these services, the Group considers that it is not in direct competition with satellite mobile service operators (notably Inmarsat). Inmarsat is nevertheless in competition with the Group for Value-added Marine Services (D-STAR).

2.5.2 A limited risk of replacement by the terrestrial communications networks

To some extent, satellite transmission is open to competition from alternative solutions offered by the terrestrial networks.

Fibre-optic networks are highly suited to transmitting large volumes of point-to-point traffic (video or data), which may encourage some customers to use these networks rather than a satellite connection.

---

[4] Source SES – Annual results

[5] Source Intelsat – Annual results

However, the Group considers that because of the size of the investment necessary for the deployment of this type of network, the development of fibre-optic networks is currently limited to very densely populated urban zones.

DSL networks dedicated mainly to the provision of broadband Internet access and television channels could offer their services in urban and suburban areas on more competitive financial conditions than the satellite operators. However, because of the technical limitations of this mode of distribution (limitation on volume and proximity of DSLAM distribution frames), this type of network currently only offers limited geographical coverage and is not suitable for the supply of large volumes over point-to-multipoint links.

Satellite is also, to a lesser extent, in competition with cable access and with DTT for the supply of television programmes. The continuing deployment of this type of network in terms of both capacity and coverage, could reduce opportunities for satellite operators. As the activity of the Group demonstrates, however, terrestrial network operators such as Télédiffusion de France (TDF), Mediaset and RAI continue to use satellite to expand their coverage and feed the terrestrial re-transmitters. The Group's satellites carry DTT networks in France, Italy, Switzerland and Spain.

The performance of the Group's value-added services and video applications shows that satellite transmission today has several competitive advantages over the terrestrial networks. Satellites can be used (i) for the transmission of point-to-multipoint signals with particularly high transmission speeds largely independently of the terrestrial infrastructure, and (ii) to provide coverage of vast geographical areas at a low marginal cost, unlike the terrestrial networks.

For example, the Group considers that the maximum cost per subscriber or television viewer for broadcasting a digital television channel over one of the satellites in its fleet is, in euros, currently less than 1 cent per month, based on 4 million subscribers or television viewers.

And lastly, the Group takes the view that satellite transmission services can make it possible to complement terrestrial networks, especially for transmissions to mobile terminals.

In 2008, this led the Group to create Solaris Mobile, a joint company with SES Astra, to develop mobile TV services using next generation satellites by making use of S-band payload on the W2A satellite. The role of Solaris Mobile is to distribute TV, video and radio services along with interactive communications to all types of mobile terminals whether portable or on-board vehicles. Solaris Mobile will be rolling out its services in the 2 GHz frequency range (S band) reserved for the exclusive use of satellite or terrestrial mobile services. The S-band, which is close to the UMTS frequencies of 3G telephony, is currently not being used and is entirely available.

In May 2009, Solaris Mobile Ltd obtained from the EU Commission the use of 15Mhz (out of a total of 30Mhz to be allotted) subject to allocation of rights by the Member States

.

3 OVERVIEW OF THE SERVICES OFFERED BY THE GROUP DURING THE FINANCIAL PERIOD

3.1 ANALYSIS OF COMMERCIAL ACTIVITY DURING THE YEAR

3.1.1 Growth across all Applications

The following table shows the distribution of revenues by application for the years ended 30 June 2008 and 30 June 2009:

Revenues by application (in millions of euros)

			Change	
Year ended 30 June	2008	2009	(en M€)	(as a %)
Video Applications	649.3	**679.7**	+30.3	+4.7
Data & Value-added Services	152.5	**173.0**	+20.5	+13.4
Data Services	*117.8*	***134.1***	*+16.4*	*+13.9*
Value-added Services	*34.7*	***38.8***	*+4.1*	*+11.9*
Multi-usage	58.1	**75.4**	+17.3	+29.8
Other revenues	17.6	**10.7**	(7.1)	NS
Sub-total	877.8	**938.8**	+ 61.0	+7.0[6]
Non recurring revenues	-	**1.8**	+1.8	NS
Total	877.8	**940.5**	+62.8	+7.2

Regular growth of Video applications

The growth of **Video Applications** for the period stands at € 30.3 million. This growth is all the more remarkable because the new capacity resources only went operational starting in February 2009, with the entry into operational service, in the third and fourth quarters, of the HOT BIRD™ 9 and ATLANTIC BIRD™ 4A satellites. These satellites, thanks to a cascade effect, made it possible to relocate the EUROBIRD™ 9A satellite at 9° East and EUROBIRD™ 16[7] at 16° East.

This growth reflects several elements that are driving well oriented trends for the future:

- price raises for lease contracts renewed during the period on the HOT BIRD™ position;
- continuing strong demand for capacity, in particular on the four orbital positions:
  - 9° East, covering Europe, which is seeing the number of its channels doubling with the expansion of existing clients and the arrival of new bouquets such as the Russian Platforma;
  - 36° East, covering Russia and Sub-Saharan Africa, with the continuous development of the Russian bouquets NTV+ and TRICOLOR and the African bouquet MultiChoice;
  - 16° East is driven by the development of Central European bouquets such as Digitalb (Albania), Total TV (ex-Yugoslavia) and TVR (Romania);
  - 7° West, operated together with the Egyptian operator Nilesat and covering North Africa and the Middle East, and whose resources were increased when the new satellite ATLANTIC BIRD™ 4A went into operational service at the beginning of the fourth quarter;

[6] Excluding other income and non recurring income, the growth of the business came to 7.9%

[7] Formerly known respectively as HOT BIRD 7A et ATLANTIC BIRD 4

- A significant increase (+75%) in the number of high-definition channels (HDTV) carried by the Group's satellites. This number went from 49 HDTV to 86 HDTV (+37) during the period, with the expansion of the offers of existing major bouquets, in particular Sky Italia, Cyfrowy Polsat and NTV+, and the arrival of new services such as the Russian Platforma HD. Considering that high-definition requires 2.5 times more capacity than standard definition, this increase is equivalent to nearly 100 new television channels in standard definition.

A last highlight for the period was the launch of the FRANSAT service in June 2009 on the ATLANTIC BIRD™ 3 satellite. This subscription-free service brings together all the free channels of the French DTT offer to allow households that are far from terrestrial transmitters to continue to receive the free French television channels after analogue service shuts down. For the 1.5 million French households in shadow zones and who already equipped with an antenna pointing to ATLANTIC BIRD™ 3 to receive analogue television, the switch to digital will merely require changing the decoder without modifying the antenna.

At 30 June 2009, the number of channels carried by Eutelsat came to 3 191, of which 86 in High-Definition.

Number of TV channels broadcast by the Eutelsat fleet

At 30 June	2008	**2009**	As a %
Premium orbital positions for broadcasting services[8]	1 422	1 369	**-5,4%**
Major orbital positions for broadcasting services[9]	1 535	1 708	**+11,2%**
Other orbital positions[10]	166	114	**-3.1%**
Total	3 123	3 191	**+2.2%**

An additional element for appreciating the Group's Video activity is the strong growth of the TV audience of the orbital positions recorded by the 2009 Observatory of Satellite and Cable Households. This study, undertaken every two years by Eutelsat for its broadcasting clients in 45 countries, shows the following elements:

- The HOT BIRD™ position, the world's leading position in terms of the number of broadcasted programmes, is consolidating its audience of 123 million households equipped to receive directly or via cable networks.
- Three of the Group's main Video orbital positions serving the Second Continent markets are recording two-digit growth rates:
  - Benefiting from the strong dynamic of the Russian market, the 36° East position is extending its audience to 12 million households, an average annual growth of 15%;
  - Eutelsat's historic position in Central Europe and the Balkans, 16° East, is confirming its regional leadership with 10 million households, a 20% average annual growth;
  - The 7° East position, dedicated to the Turkish market is recording an average annual growth rate of 43%, bringing its audience to 6 million households.

Reflecting the dynamic in the market for Video applications, in particular on the Second Continent, the global audience of the Group's TV broadcasting satellites has thus progressed over the past two years by 10%, from 173 million to 190 million households.

Strong progression of Data Services and Value-added Services

Data Services have experienced a strong growth of 13.9% at € 134.1 million. This confirms the robust demand on the fixed and mobile telecommunications and also Internet markets, particularly in Africa, Central Asia and the Middle East. On these markets, satellites have been shown to be the best economic solution for supplying or interconnecting local networks spread over large territories.

---

[8] HOT BIRD™ positioned at 13° East (Europe) and EUROBIRD™ 1 at 28.5° East (UK and Ireland)

[9] 7° West (Middle East, North Africa), 36° East (Russia, Africa), 16° East (Central Europe), 7° East (Turkey), 5° West (France), 9° East (Europe) and 25.5° East (Middle East)

[10] Used for professional contribution or distribution services

Thanks to the excellent coverage of the satellites positioned at 10° East, 7° East, 21.5° East and 12° West, this business has recorded the signing of numerous new long term lease contracts with such major players as Algérie Telecom, Hughes Network Systems, Telespazio, Horizon Satellite Services, London Satellite Exchange, ORG or Etisalat.

During the last quarter, the performance of Data Services also reflects the entry into operational service of payloads in the Ku and C-bands of the W2A satellite, providing excellent interconnection coverage between Europe, Africa, Central and Southern Asia and South America. The opening of these resources has enabled the immediate activation of a set of contracts with major telecom operators such as France Telecom and PCCW Global.

The second segment of this business, **Value-added Services**, has recorded a growth of 11.9% at € 38.8 million, driven in particular by direct Internet access services (+24%) for corporate applications, which remain the number one growth driver in this business. The D-STAR equipment fleet in operation has thus grown by 11% to 9 914 terminals; Africa and the Middle East represent the two main expansion zones. Following the success of tests carried out last year, we can also mention the deployment by SNCF on the whole of its TGV Est high-speed train network of the D-STAR solution developed to enable Internet connections on high-speed trains.

Along with this the Group has continued to develop the marketing and sales network of its Tooway Internet access service for the general public: numerous distribution agreements have been signed, in particular with Telecom Italia and Fastweb in Italy, with 3 in Ireland, El Corté Inglés in Spain and Hellas On Line in Greece. Eutelsat's objective in so doing is to prepare the arrival of its KA-SAT satellite at the end of 2010. Tooway, currently operating on the HOT BIRD™ 6 and EUROBIRD™ 3 satellites, has all the ingredients for ensuring the perfect complement to broadband terrestrial network coverage and meet the ambitions of an increasing number of governments wishing to ensure universal access to broadband across their territory by 2012.

Sustained demand for Multi-usage services

Growing by 29.8%, **Multi-usage** services have shown particularly vigorous growth thanks to the interaction of two elements:

- a request for additional capacity, in particular in Central Asia and the Middle East, for government services, and a price rise for contracts renewed when they expire.
- a significant appreciation of the US dollar compared to the Euro. At constant exchange rates, the Multi-usage business would have recorded a growth of 18%.

Other revenues and one-off revenues

Other revenues generated over the period come to € 10.7 million. The € 7.1 million decline can be explained by the exceptionally high level of earnings from the currency hedging undertaken last year. As for the one-off revenues, these are a € 1.8 million indemnity for the delayed delivery of the W2M satellite.

3.2 OTHER INFORMATION ON COMMERCIAL ACTIVITY DURING THE YEAR

3.2.1 Commercial and distribution policy

As a consequence of its legacy, a large part of the Group's revenues is generated by capacity allotment agreements with telecom operators such as France Telecom/Globecast, British Telecom/Arqiva, Telespazio and Deutsche Telekom/Media-Broadcast.

In addition, although these operators use part of the Group's capacity and services for their own needs, they act primarily as distributors of the Group's satellite capacity and services (client-distributors) to end-users such as television channels or pay-TV platforms.

As of 30 June 2008 and 2009, the Group's top four client-distributors (France Telecom/Globecast, British Telecom/Arqiva, Telespazio and Deutsche Telekom/T-Systems) represented 36.9% of revenues and 33.3% of consolidated Group revenues.

This reduction in the large client–distributors' relative contribution to the Group's consolidated revenues reflects the desire of certain end-users of the Group's satellite capacity to establish direct contractual links with the Group, particularly for Video Applications. Some pay-TV operators now prefer to sign contracts directly with the Group when the time comes to renew their existing allotment agreements or when they have need of additional capacity. In July 2005, SKY Italia signed a framework agreement with the Group for the additional lease of a minimum of 10 transponders for a 10-year period and to renew their existing allotment agreements (covering 16 transponders) direct with the Group as and when their current agreements with the client-distributors expire.

Moreover, through its teleports in Rambouillet and Turin, and drawing on the experience of its subsidiary Skylogic in setting up and managing video platforms for the 2006 Winter Olympic Games in Turin, the Group is now able to offer services to its customers and end-users related to the provision of satellite capacity, such as multiplexing services on the ground or the encryption/decryption of signals, for more than 300 television channels broadcast across its satellite fleet.

3.2.2 Portfolio of customers

The Group's customer base includes client-distributors, who sell satellite capacity to end-users, and customers who are themselves users, and use the Group's satellite capacity for their own needs.

In terms of utilisation of the Group's satellite capacity, it should be noted that none of the Group's end-users individually accounted for more than 10% of the Group's revenues as of 30 June 2009.

As of 30 June 2009, the Group's top 10 customers accounted for 53.8% of the Group's revenues. They are as follows:

Customers	Revenues per customer (in millions of euros)	Revenues per customer (as a %)
France Télécom / Globecast	105.1	11.2%
Telespazio/ Telecom Italia	80.2	8.5%
Government services	72.2	7.7%
BT/Arqiva	68.3	7.3%
Deutsche Telekom/Media Broadcast	59.4	6.3%
SKYItalia	41.5	4.4%
Noorsat WLL	24.1	2.6%
TVN/ITI Neovision	20.1	2.1%
European Broadcasting Union	17.7	1.9%
Groupe Canal +	17.2	1.8%
Total for top 10 customers	**505.7**	**53.8%**
Other	434.8	46.2%
Total	**940.5**	**100%**

3.2.3 Backlog

The Group's backlog represents future revenues from current allotment agreements in force, including contracts for satellites still being manufactured. These lease capacity agreements can be for the entire useful operational life of the satellites.

Backlog varies over time, based on the gradual recognition of the revenues from these contracts, the increase in the age of the fleet and the signing of new contracts.

As of 30 June	2006	2007	2008	2009
Value of the agreements (In billions of €)	4.0	3.7	3.4	3.9
Weighted remaining duration of the agreements	7.7	7.3	7.4	7.8
Share of video applications	92%	92%	93%	92%

At 30 June 2009, the Group's backlog stood at € 3.9 billion or 4.2 times annual revenues (excluding other revenues and non-recurring revenues), compared to € 3.4 billion at 30 June 2008. The 15.5% increase in the backlog between 30 June 2008 and 30 June 2009 is mainly due to the signing of new lease agreements which more than compensated for the natural erosion linked with the increase in the average age of the fleet, as most of the order backlog is composed of agreements entered into for the duration of satellite lives.

The share of agreements relating to Video Applications in the backlog at 30 June 2009, which stood at 92% as of 30 June 2009, has remained stable with respect to 30 June 2008, giving the Group high visibility over its future revenues. Indeed, the operators of TV broadcasting platforms have a recurring requirement for long-term capacity. The average remaining duration of the contracts making up the backlog represents as of 30 June 2009 (weighted for the amount involved) is 7.8 years (compared to 7.4 years at 30 June 2008.)

Breakdown of the backlog by year at 30 June 2009 is as follows:

Year ended 30 June	Backlog
	(unaudited, in millions of euros)
2010..	765.3
2011	610.1
2012 and later...	2 564.2
Total..	3 939.6

The majority of the Group's backlog is made up of contracts that can be terminated by payment of a penalty. The backlog is not adjusted for any terminations and resulting penalties. Long-term lease capacity agreements can generally be terminated after two years, subject to an additional notice period of one year and the payment of a penalty for early termination. The early termination penalties are calculated based on the length of time the contract has been in force and the remaining contract duration. No capacity allotment agreement generating the payment of an indemnity for early termination was ended during the year.

4 A FLEET CONCENTRATED ON EXTENDED EUROPE

As of 30 June 2009, the Group was operating a fleet of 27 satellites[11] in 20 orbital positions, located between 15° West and 70.5° East, providing coverage of the entire European continent, the Middle East and North Africa ("Extended Europe"), sub-Saharan Africa and a large section of the Asian and American continents.

This fleet represents a total of 589 operational transponders in stable orbit as of 30 June 2009 – compared to 501 transponders in stable orbit as of 30 June 2008, following the success of the first stages of a major plan for renewing and increasing our resources.

You are reminded that the Group is currently pursuing one of the most important investment programmes it has ever undertaken, with the launch of five satellites over the next three years, W7, KASAT, W3B, W3C and ATLANTIC BIRD™ 7. The objective of this investment programme is to guarantee the foundations of the Group's future growth by reinforcing our in-orbit resources at orbital positions developing strongly, improving our service offer by securing our in-orbit resources, and reaping the benefit of new growth areas with new innovative applications for our customers and the consumers

4.1.1 An unprecedented level of activity during the year

The period 2008-2009 has seen a level of operations on the fleet that is unprecedented in the Group's history. Indeed, Eutelsat has successfully undertaken:

- the entry into operational service of 3 new satellites to strengthen the securing of its HOT BIRD™ flagship position at 13° East (HOT BIRD™ 9) on the one hand, and increasing its in-orbit resources at the positions 7° West (ATLANTIC BIRD™ 4A) and 10° East (W2A) on the other hand;
- the redeployment of 3 of its existing satellites in order to strengthen its resources at the orbital positions 9° East (EUROBIRD™ 9A), 16° East (EUROBIRD™ 16A[12]) and 4° East (W1), thus taking full advantage of the flexibility of its fleet.

Thanks to the good performance of the first stages of its deployment plan, the Group has been able to respond to the sustained demand for capacity on its orbital positions, as may be seen in the increased number of transponders leased as of 30 June 2009 (+55), but it has also significantly improved the operational flexibility of its fleet. Thus the fleet fill factor stood at 88.8% at 30 June 2009 against more than 97% at the end of the first half of the financial year.

The table below shows the evolution of the fleet during the financial year:

	30 June 2008	31 December 2008	30 June 2009
Number of operational transponders[13]	501	501	**589**
Number of leased transponders[14]	468	488	**523**
Fill rate	93.4%	97.4%	**88.8%**

[11] In addition to the fleet in stable orbit, the Group uses capacity on two satellites in inclined orbit, Telecom 2C and Telecom 2D, located respectively at 3° East and 8° West.

[12] Formerly known respectively as HOT BIRD 7A and ATLANTIC BIRD 4

[13] Number of responders on the satellites in stable orbit, not counting emergency capacity

[14] Number of transponders leased on the satellites in stable orbit

4.1.2 Characteristics of the fleet

The main characteristics of the Group's satellite fleet are as follows:

- a fleet concentrated on the European orbital arc, serving geographical areas covering both mature markets (Western Europe) and rapidly expanding markets (Second Continent);
- high technical flexibility, particularly with satellites that have on-board antennas with steerable beams or several beams with different coverage capacities so that areas covered can be adapted and reconfigured to meet customer needs, respond to geographical market factors or reconfigure coverage areas if a satellite is repositioned to a new orbital position;
- connectivity between transponders and the geographical coverage zones possible, enabling the Group to respond to evolving customer demands;
- and redundancy of the on-board equipment.

4.1.3 Summary table of the fleet at 30 June 2009

Each year, the Group reviews the estimated lifetimes of the satellites in orbit (see Note 5 to the consolidated financial statements for 2008-2009 for further information). We draw your attention to the fact that the number of transponders mentioned below is the number of nominal transponders per satellite. The number of transponders may vary upwards or downwards depending on regulatory constraints, the power available on-board the satellites or the technical characteristics related to the strength of the signals transmitted from the satellites.

The table below shows the Group's satellite fleet in stable orbit as of 30 June 2009. The estimated dates of the end of operational lifetimes shown in the table below are the Group's estimates at 30 June 2009 and are expressed based on the calendar year.

Satellite	Orbital position	Type of transponder (C, Ku or Ka)	Nominal capacity	Date launched	Estimated end of operational use in stable orbit
HOT BIRD™ 6	13° East	Ku/Ka	28/4	August 2002	Q1 2018
HOT BIRD™ 8	13° East	Ku	64	August 2006	Q1 2025
HOT BIRD™ 9	13° East	Ku	64	Dec. 2008	Q4 2024
EUROBIRD™ 1	28.5° East	Ku	24	March 2001	Q3 2018
EUROBIRD™ 2	25.5° East	Ku	16	Oct. 1998	Q1 2013
EUROBIRD™ 3	33° East	Ku	20	Sept. 2003	Q3 2014
EUROBIRD™ 9A	9° East	Ku	38	March 2006	Q3 2024
EUROBIRD™ 16A	16°East	Ku	15	Feb. 1998	Q4 2011
W1	4° East	Ku	14	Sept. 2000	Q1 2012
W2	16° East	Ku	24	Oct. 1998	Q4 2009
W3A	7° East	Ku/Ka	42/2	March 2004	Q2 2021
W4	36° East	Ku	31	May 2000	Q2 2017
W5	70.5° East	Ku	20	Nov. 2002	Q1 2017
W6	21.5° East	Ku	24	April 1999	Q2 2013

Satellite	Orbital position	Type of transponder (C, Ku or Ka)	Nominal capacity	Date launched	Estimated end of operational use in stable orbit
W2A	10° East	C/Ku	10/46	April 2009	Q1 2023
SESAT™ 1	36° East	Ku	18	April 2000	Q4 2011
ATLANTIC BIRD™ 1	12.5° West	Ku	19	August 2002	Q4 2017
ATLANTIC BIRD™ 2	8° West	Ku	26	Sept. 2001	Q4 2018
ATLANTIC BIRD™ 3	5° West	Ku/C	27/10	July 2002	Q3 2019
ATLANTIC BIRD™ 4A	7°West	Ku	64	Feb. 2009	Q1 2025
Telstar 12[15]	15° West	Ku	4	Oct. 1999	Q4 2011
SESAT 2[16]	53° East	Ku	12	Dec. 2003	Q1 2016

Finally, the Group operates 2 transponders on the EXPRESS A4 satellite under the name ATLANTIC BIRD™14 at the 14° West position.

You are furthermore informed that the two existing satellites EUROBIRD™ 4 and EUROBIRD™9, which are coming to the end of their operational life, are being redeployed to other orbital positions at the time of writing of this report.

Finally, we inform you that the satellite W2M is currently at the 3° East orbital position. This satellite W2M is not being operated commercially at the time of writing this report.

4.1.4 Incidents during the financial year

W2M: This satellite, launched in December 2008, encountered a major anomaly in its electrical power generation system in January 2009. Following this incident, the Group was unable to include it in its commercial fleet as initially planned. A constructive total loss (CTL) was acknowledged by all the insurers of the investment. An indemnity of € 120 545 500 representing the total amount insured was consequently paid to Eutelsat in June 2009.

The agreement with the insurers also foresees that if in the future it was possible to put W2M into commercial service, a part of the revenues associated with the satellite (10% or 28.75% according to the case) would be paid back to the insurers, with a total pay-back ceiling of 30 million euros. The revenues will be accounted for annually starting on 1st July 2009, but the first annual payment to the insurers will only start in August 2012, if and only if the satellite can still be operated commercially as of 1st July 2012.

Payload in S-band: The S-band payload belonging to Solaris Mobile Ltd suffered damage which prevented it from operating properly. Because the S-band payload of the satellite did not comply with the contract specifications, a declaration for constructive total loss (CTL) was registered by Solaris Mobile Ltd with its insurers. It should be noted that this incident has no consequences for the operation and performance of the W2A satellite's other missions outside of the S-band and Solaris remains confident in its ability to meet the commitments it has made to the European Commission.

15 Belongs to Loral Skynet

16 Belongs to RSCC

4.1.5 An active investment policy

The Group has also pursued an active investment policy during the period, ordering two new satellites and continuing with the procurement of five other programmes.

New satellites ordered

W3C: ordered from Thales Alenia Space, the mission of this large capacity satellite is similar to the W3B satellite that the Group has decided to place on orbital position 16° East in order to renew and reinforce the resources of this orbital position following the CLT of satellite W2M in February 2009. W3C's mission is to increase and secure the resources at the orbital position 7° East and offset the risk of a possible launch failure of W7 or W3B.

The order placed for W3C reflects the policy that aims to convert 7° East into a flagship position by co-locating two large satellites at this location. This approach is the same as the strategy that made the HOT BIRD™ neighbourhood the leading position in the world in terms of the number of television programmes broadcast from this slot.

The arrival of W3C will increase the Group's capacity in operational service at 7° East from 44 to 70 transponders. These extra resources will be used by Eutelsat to support the expansion of existing customers, especially broadcasters wishing to launch their first high-definition programming offers, and will reinforce Eutelsat's ability to serve other target regional markets.

In addition, thanks to the flexibility of its architecture, the W3C satellite will also be used to ensure service continuity at 36° East or 16° East in the event of a launch failure of W7 or W3B.

ATLANTIC BIRD™ 7: on order from Astrium, the mission of this other large capacity satellite will be to take over from ATLANTIC BIRD™ 4A in its orbital position 7° West, in order to significantly increase the resources of this key orbital position for broadcasting to the Middle East and North Africa jointly with Nilesat.

A programme of satellites in course of procurement

The Group has continued the procurement process for the 3 satellites ordered during the previous years; they are currently being constructed by EADS ASTRIUM and Thales Alenia Space.

W7, ordered from Thales Alenia Space in December 2006 will have up to 70 Ku-band transponders connected to six beams covering Europe, Russia, Africa, the Middle East and Central Asia. Co-located with W4, its main mission will be the replacement of the Ku-band capacity on SESAT 1 and the expansion of the 36° East orbital position.

KA SAT, ordered from EADS ASTRIUM in January 2008, is the first satellite of the Group operating solely in Ka-band. This satellite will be the cornerstone of a new major satellite infrastructure programme, considerably extending the resources and accessibility of the TOOWAY™ broadband services for the general consumer throughout Europe and the Mediterranean Basin while at the same time offering new opportunities for local and regional TV markets. This satellite will be equipped with more than 80 narrow beams, making it the most advanced multi-beam satellite ever designed in the world so far. A network of eight stations managed by Eutelsat will be an integral part of this new infrastructure, to be able to access the KA-SAT satellite and provide the full range of available broadband services to end-users.

The KA-SAT multi-beam satellite will be located at 13° East where it will join the three large HOT BIRD™ broadcasting satellites operating in Ku-band at what is the leading television transmission neighbourhood in the world today. Co-locating the satellites in this way will enhance the service offer available to the general public at the Group's flagship satellite location and allow homes equipped to receive television programmes in Ku-band to have access also to new multimedia content in Ka-band via a single dual-feed antenna.

The mission of this new satellite, with a capacity that is unequalled in Europe, will be to supply broadband Internet access solutions and serve professional data or video networks along with local or regional television markets.

W3B, ordered from Thales Alenia Space in May 2008, W3B is scheduled for launch in the second quarter of 2010 and will go to the orbital position 16° East. Assigned to a Spacebus 4000 platform from Thales Alenia Space, W3B's 56 transponders will enable Eutelsat to significantly strengthen its capacity at this orbital position.

The table below summarises the satellites under construction or ordered during the financial year. An additional period of one to two months should be allowed after the launch date in order to estimate the date of a satellite's entry into operational service.

Name of satellite	Manufacturer	Estimated launch date	Capacity	Operational position in orbit
W7	Thales Alenia Space	November 2009	70 Ku	36° East
KA-SAT	EADS Astrium	Oct./Dec. 2010	+80 Ka spots	13° East
W3B	Thales Alenia Space	July/Sept. 2010	56 Ku	16° East
W3C	Thales Alenia Space	July/ Sept. 2011	56 Ku	7° East
ATLANTIC BIRD™ 7	EADS Astrium	Oct./Dec. 2011	50 Ku	7° West

The two launches associated with these programmes are intended to be carried out by Sea Launch Limited Partnership, a company which on 22 June 2009 placed itself under the protection of chapter 11 of the U.S. Bankruptcy Code, whose purpose is to facilitate the restructuring of a company that is experiencing difficulties so that it may continue its activity. Starting on 22 June 2009, Sea Launch has 120 days to submit a restructuring plan to the Courts. Once the plan has been registered by the competent jurisdiction, it is submitted to a vote by the creditors' committee within a further 180 days. The launch costs already paid and appearing as assets under construction come to € 79.9 million at 30 June 2009. Based on the information available at the time of closing its accounts, the Group reckons that Sea Launch will be in a position to fulfil its contract commitments to Eutelsat concerning these two launches.

As a general rule, under its policy of securing its resource deployment plan, the Group can avail itself of alternative solutions that minimise as much as possible the risk of failure of its satellite launches. Thus, for example, its satellites are technically adaptable for launches from several different types of launcher vehicles. In the same way, the Group can choose to reallocate its satellite launches among its launch service providers depending on whether its launch service provision contracts are firm or optional.

4.2 POLICY OF THE GROUP FOR INSURING ITS SATELLITE FLEET

The Group uses insurance policies to cover the two phases of the lives of its satellites, namely their launch (launch-insurance policy) and their in-orbit lifetime (in-orbit insurance policy). The Group has also taken out ground and in-orbit civil liability insurance.

4.2.1 Launch + 1 year Insurance

In April 2008, Eutelsat took out an L + 1 insurance policy (Launch + 1 year in orbit) which covers up to € 200 million per satellite for the seven satellites currently being constructed (HOT BIRD™9, HOT BIRD™10, W2M, W2A, W7, Ka-Sat, W3B). Only the satellites ordered since 1st July 2008 are not covered by this policy.

This policy is valid for a period of three years until 1st June 2011 and provides the flexibility required to allocate any type of launcher to the seven satellites insured.

The Group has also underwritten additional policies to cover the whole net book value of the satellites (HOT BIRD™9, HOT BIRD™10, W2M, W2A and W7).

4.2.2 Policy for insuring in-orbit lives

Eutelsat's in-orbit insurance programme expired on 26 November 2008. It has been replaced by a new 12 month programme with 18 insurers, defined by Eutelsat to minimise, at an acceptable cost, the impact on its balance sheet and results of the loss of one or more of its satellites. Under this programme, 14 satellites belonging to the Group (with the exclusion of W1, ATLANTIC BIRD™1, EUROBIRD™4 et W5) benefit from insurance cover. The only reservation concerns a limit on the cover of satellites W2, W4 and W6 for incidents resulting from technical problems that have already been identified.

The insurance policy for damages underwritten for this programme covers the cumulated total or partial losses affecting the 14 insured satellites, within a limit of € 180 million per satellite and for a total annual budget of € 390 million. The satellites belonging to Eutelsat insured under this policy are covered for a value representing their net book value.

This insurance programme keeps the same risk retention as previously (limited in any case to a cumulated annual amount of € 80 million).

A new tranche covering losses between € 50 and 80 million has been underwritten as co-insurance for a maximum of 50% with the insurer LIBSAT.

5 ACTIVITIES OF SUBSIDIARIES AND EQUITY INTERESTS

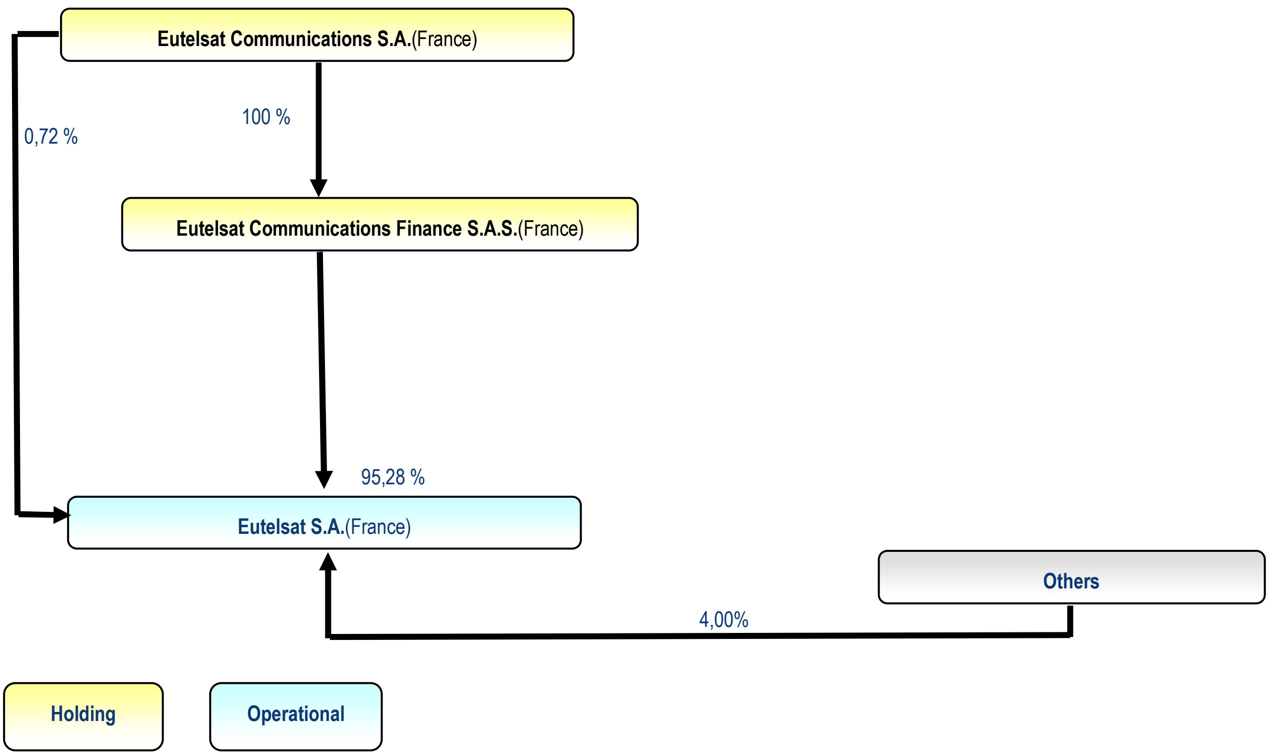
The financial year ended 30 June 2009 saw the development of new Eutelsat S.A. commercial subsidiaries in order to provide a better response to the needs of the Group's customers in their various markets.

At 30 June 2009, the Group directly or indirectly owns 22 subsidiaries and has equity interests in 5 different companies.

The organisational charts below show the stake holdings of Eutelsat S.A., the Group's main operating subsidiary (see diagram 1), and all the subsidiaries and equity interests held directly or indirectly by Eutelsat S.A. (see diagram 2) at 30 June 2009. It should be borne in mind that the subsidiaries managing the Company's equity interest in Eutelsat S.A. have no operational, commercial or technical role.

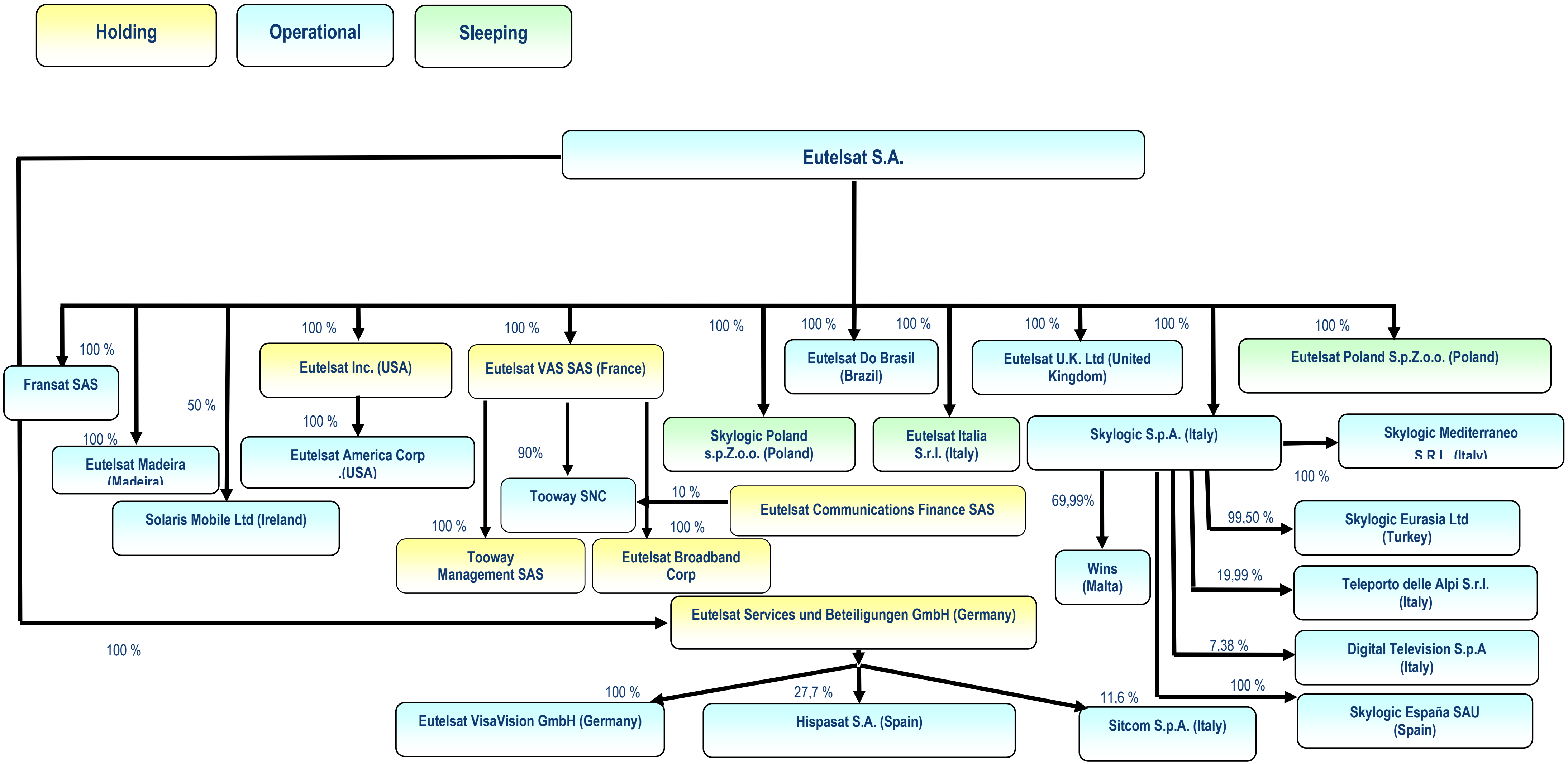
Your attention is drawn to the fact that all revenues and results shown below are based on the annual accounts of these companies, drawn up in accordance with local accounting standards. These figures are not representative of the contribution of the various companies to the consolidated performance of the Group.

ORGANISATIONAL CHART OF THE GROUP AT 30 JUNE 2009 (DIAGRAM 1)



The term "Others" groups together all minority shareholders of Eutelsat S.A., namely the historical institutional shareholders of Eutelsat S.A., i.e. mainly telecoms operators and governments in Central and Eastern Europe or Central Asia, as well as Eutelsat S.A. employees.

ORGANISATIONAL CHART OF THE GROUP AT 30 JUNE 2009 (DIAGRAM 2)



5.1 SUBSIDIARIES

You are reminded that our main operating subsidiaries are Eutelsat S.A. and Skylogic S.p.A. (Italy), which is itself a subsidiary of Eutelsat S.A.

5.1.1 Subsidiaries managing equity interests

Under its policy of internal restructuring, we inform you that during this financial year the Group has pursued its efforts to simplify its structures. For this reason the companies WhiteBirds SAS and SatBirds 2 SAS have merged and been absorbed into Eutelsat Communications Finance SAS.

Eutelsat Communications Finance SAS (France)

100% owned by Eutelsat Communications and established in June 2006, this simplified stock corporation is domiciled at 70 rue Balard - 75015 Paris. Its purpose is to act as recipient of the financing provided under the refinancing arrangements for the Revolver and Senior credit facilities entered into by some of the Group's subsidiaries during the 2005-2006 financial year.

The sole activity of Eutelsat Communications Finance SAS is to hold an indirect stake in Eutelsat S.A. of 95.28% of the capital of Eutelsat S.A.

During this financial period, Eutelsat Communications Finance SA undertook the merger absorption of Satbirds 2 SAS et WhiteBirds SAS, companies that it wholly owned at 100%.

No revenues were reported at 30 June 2009 and its net result showed a profit of € 236.2 million.

5.2 EUTELSAT S.A. (FRANCE) AND ITS SUBSIDIARIES

As of 30 June 2009, the Company directly and indirectly owns 96% of the capital of Eutelsat S.A., the main operating company in the Eutelsat Group, through which it has control of several subsidiaries and sub-subsidiaries of Eutelsat S.A. as well as indirect holdings such as Hispasat and Solaris Mobile Ltd.

Eutelsat S.A. is a *société anonyme* incorporated under French law. Its head office is located at 70 rue Balard - 75015 Paris.

As of 30 June 2009, its revenue[17] stood at € 935 481 million and its net income showed a profit of € 277.4 million.

5.2.1 Representation and promotion of Eutelsat S.A. business

Eutelsat S.A. has many subsidiaries whose main activity is to promote the Group's services and to represent Eutelsat S.A.. Their turnover and net result are not significantly indicative of their activities.

Eutelsat Inc. (United States): This company is responsible for promoting Eutelsat S.A.'s services and satellite capacity in the United States. Furthermore, Eutelsat Inc. owns 100% of a subsidiary, Eutelsat America Corp., which is responsible for distributing Eutelsat capacity in the North American market.

Eutelsat do Brasil (Brazil): Eutelsat do Brasil is responsible for promoting and marketing our capacity and services in Latin America. In addition Eutelsat do Brasil has obtained landing rights from the Brazilian authorities allowing it to offer satellite capacity for the needs of the Brazilian market, using the W1, ATLANTIC BIRD™1 and ATLANTIC BIRD™2 satellites.

Eutelsat UK Ltd (Great Britain): This company is responsible for promoting Eutelsat S.A.'s business activities in the United Kingdom and Ireland.

Eutelsat Poland s.p.Z.o.o. (Poland): Created in January 2004, the purpose of this company is to promote Eutelsat's services in Poland and Central Europe.

Skylogic Poland s.p.Z.o.o. (Poland): Created in January 2004, this is a shell company with no activity as of 30 June 2009.

---

[17] Non consolidated sales figures calculated on the basis of the annual income statements at 30 June 2009, including billing to subsidiaries, equity interests, and associate companies but excluding sales figures of subsidiaries, equity interests or associate companies of Eutelsat S.A.

Eutelsat Italia (Italy) – Eutelsat Italia is a shell company with no activity as of 30 June 2009.

5.2.2 Operating subsidiaries of Eutelsat S.A.

To further develop its business, Eutelsat S.A. has set up a number of operating subsidiaries in charge of new services or marketing capacities dedicated to specific markets.

Skylogic Italia SpA (Italy) – This is Eutelsat S.A.'s main subsidiary, responsible for operating value-added services, in particular the D-STAR™ satellite Internet access system as well as Tooway.

Skylogic acquired a minority stake of 7.38% in Digital TV SpA by means of a capital increase, involving an overall amount of € 1 000 000 and a 19.99% stake in Teleporto delle Alpi s.r.l., a company with no activity at 30 June 2009.

At 30 June 2009 (closing date for the period), Skylogic revenues were € 23.8 million. Net income after tax (financial statement for the year ending 30 June 2009) showed a profit of € 6.67 million. Skylogic's business activity during the period was principally focused on marketing its D-STAR service and developing technical activities relating to the development of Tooway.

Skylogic also owns 70% of Wins (Malta) under a partnership with the Maltese operator MALTASAT. It is responsible for marketing the D-STAR service in the Mediterranean Basin to cruise ships and ferries, particularly to provide telephony (GSM) and broadband access facilities.

Finally, Skylogic owns Skylogic Mediterraneo srl (Italy) whose purpose is to operate the teleport currently under construction in Sardinia.

Eutelsat Do Madeira (Portugal): This company is responsible for marketing the 25 transponders on the W2A satellite for which Eutelsat S.A. gave it full ownership for a total value of € 72.8 million in April 2009. In addition, an increase in capital of € 6 million cash was carried out in May 2009.

As of 30 June 2009, its revenue stood at € 1 814 million and its net result showed a profit of € 688 thousand.

Eutelsat Services und Beteiligungen GmbH (Germany): You are reminded that Eutelsat S.A. acquired a company in April 2002 renamed Eutelsat Services und Beteiligungen GmbH (Eutelsat GmbH), which is 100% owned. Eutelsat GmbH holds a 27.69% interest in the Spanish operator Hispasat and has a role in promoting and representing Eutelsat S.A. in Germany.

As compensation for transferring some of its rights in Hispasat, the company received € 25 million with partial linked rights for Eutelsat.

Revenues (as per annual financial statements at 30 June 2009) were € 1 647 thousand and its net income showed a profit of € 20 923 thousand.

Eutelsat GmbH's main subsidiary, VisaVision GmbH (Germany), is responsible for promoting the KabelKiosk service in Germany. This service consists of providing satellite capacity and associated dedicated services for a range of channels (including ethnic channels) marketed by regional cable operators to their subscribers.

Eutelsat VAS S.A.S. : At 30 June 2009, it was a shell company with no business activity. Its net income showed a profit of € 643 thousand. It also has 100% ownership of a holding company called Eutelsat BroadBand Corporation whose role will be to hold the Group's equity interest in the VIASAT subsidiary in charge of operating and commercialising the Ka-band satellite VIASAT1 on the North-American continent. The satellite has a scheduled launch date in 2011.

It should be noted that the structuring of the Ka–Sat TOOWAY project provides for this company to hold 90% of TOOWAY SNC *(société en nom collectif*), a general partnership arrangement set up in July 2008, with the balance of the share capital to be held by Eutelsat Communication Finance S.A.S.

The role of Tooway SNC is to own the KA-SAT satellite. TOOWAY Management SAS, 100% owned by Eutelsat VAS S.A.S., manages TOOWAY SNC.

FRANSAT SAS: Set up in May 2009, this company is responsible for operating and developing the FRANSAT offer available on ATLANTIC BIRD™ 3. This subscription-free service brings together all the free channels of the French DTT offer to allow households that are far from terrestrial transmitters to continue to receive the free French television channels after analogue service shuts down, because the move to digital will merely require changing the decoder without modifying the antenna already pointing to the ATLANTIC BIRD™ 3 satellite.

The company reported revenues of € 235 thousand at 30 June 2009 and its net income showed a loss of € 295 thousand.

5.2.3 Main equity interests

- Hispasat S.A. (Spain)

As of 30 June 2009, the Group indirectly owned 27.69% of the voting rights in the Hispasat Group, a private unlisted Spanish satellite operator, 21.15% of which was acquired on 28 December 2001 and 6.54% of which was acquired on 8 April 2002.

- Solaris Mobile Ltd (Ireland)

At 30 June 2009, the Group indirectly held 50% of the voting rights and capital of Solaris Mobile Ltd. Solaris Mobile is jointly held in equal portions by the Group and by SES. Its role is to operate and commercialise the S-band payload of the future W2A satellite.

In May 2009, Solaris Mobile Ltd obtained from the EU Commission the use of 15Mhz (out of 30Mhz allocated) of the S band frequencies, subject to allocation of rights by the Member States, to provide services on this frequency across the territory of the European Union.

In May 2009, it suffered an anomaly on its S-band payload, preventing it from operating properly. Solaris Mobile Ltd filed for an insurance indemnity for non-compliance of the S-band payload with the contract specifications. This application is currently being processed.

Solaris however remains confident in its ability to meet the commitments made to the European Commission.

At 30 June 2009, with no revenues recorded, its net result showed a loss of € 3 954 thousand.

.

6 CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 - FINANCIAL INFORMATION

6.1 FINANCIAL AND ACCOUNTING POLICY – IFRS STANDARDS

In this section references to Notes refer to the Notes annexed to the Group's consolidated financial statement for the financial year ended 30 June 2009 which are annexed to this report.

The financial year of Eutelsat Communications runs for twelve months and ends on 30 June.

In accordance with European Union Regulation 1602-2002 on the application of international accounting standards, the Company decided from its inception to use IFRS to draw up its consolidated financial statements.

The consolidated financial statements at 30 June 2009 have therefore been prepared in accordance with IFRS, as adopted by the European Union and effective as of that date.

The main accounting principles applied by the Group are as follows:

Consolidation method: The companies controlled directly or indirectly by Eutelsat Communications, even if the Company does not directly own any of the equity of these companies, are consolidated using the full consolidation method. Control is the power to direct financial and operational policies and is presumed to exist where the Group holds directly or indirectly more than 50% of the voting rights. The determination of control takes into account the existence of potential voting rights, provided that these are immediately exercisable or convertible.

Companies over which the Group exercises joint control with a limited number of partners under a contractual agreement are consolidated using the equity method of accounting.

Associated entities over which the Group exerts significant influence (generally between 20% and 50% of voting rights), are accounted for using the equity method. Significant influence is defined as the power to participate in the financial and operational policies of the investee without having joint or sole control over them.

Companies are consolidated as of the date when control or significant influence is transferred to the Group. The Group's share in the earnings of these companies subsequent to acquisition is recorded in its income statement a of the same date. Similarly, the changes in their reserves following the acquisition that are not related to operations that had an impact on the income statement are recorded in the consolidated reserves up to the limit of the Group’s share. Companies cease to be consolidated as of the date when the Group transfers control or significant influence. Intra-Group balances and transactions are eliminated on consolidation.

Acquisition of minority interests: Although IFRS 3 "Business Combinations" and IAS 27 "Consolidated and Separate Financial Statements" standards, as revised, now indicate how acquisitions of minority interests are to be recognised, these two texts have not yet been adopted by the EU and will be compulsory only for financial years beginning on or after 1 July 2009. For this reason, and in order to ensure the same accounting methods are applied from one financial period to the next, the Group is continuing to apply the same accounting treatment, and the difference between the purchase price and the carrying amount of acquired minority interests, as indicated in the consolidated financial statements of the Group prior to the acquisition, continues to be recognised as goodwill. This method will be reviewed when the relevant compulsory texts become applicable.

Operations in foreign currencies:

Transactions in foreign currencies: Transactions denominated in foreign currencies are translated into the functional currency of the entity at the rate prevailing on the date of the transactions.

Monetary assets and liabilities (including payables and receivables) in foreign currency are translated into the functional currency at the end of the period, using the balance sheet rate. The resulting foreign-exchange gains and losses are recorded in the income statement during the period. Conversely, foreign exchange gains and losses arising from the translation of capitalisable advances made to foreign subsidiaries and forming part of the net investment in the consolidated subsidiary are recognised directly as “Cumulative translation adjustment” within shareholders' equity.

The principal foreign currency used is the U.S. dollar. The closing exchange rate used is $US 1.41 per euro and the average exchange rate used for the period is $US 1.36 per euro.

Translation of foreign subsidiaries' financial statements: Each subsidiary outside the euro zone maintains its accounting records in the currency that is most representative of its economic environment. Their financial statements are translated into euros using the closing-rate method. All assets and liabilities, including goodwill, are translated into euros using the exchange rate prevailing at the balance sheet date. Income and expenses are translated using a weighted-average exchange rate for the period. The resulting translation difference is included under a separate component of shareholders' equity under "Translation adjustments".

Intangible assets

Intangible assets purchased separately or acquired in the context of a business combination:

Intangible assets purchased separately are recorded at their historical cost and those purchased in a business combination are recorded at fair value at the acquisition date as part of the process of allocation of the acquisition cost of the entity. The fair value is determined by reference to the generally accepted methods, such as those based on revenues or market value.

Intangible assets consist of the "Eutelsat" brand and the associated "Customer Contracts and Relationships" assets. Because its lifetime is indefinite, the "Eutelsat" brand is not amortised but is systematically tested for impairment on a yearly basis. The "Customer Contracts and Relationships" assets are amortised on a straight-line basis over 20 years. This useful life was estimated on the basis of the average length of the contractual relationships existing at the date of acquisition of Eutelsat and taking account of anticipated contract renewal rates.

Research and Development costs: Development costs are recorded as intangible assets if the capitalisation criteria defined under IAS 38 "Intangible Assets" are met. Otherwise, they are expensed in the period in which they are incurred. Research costs are recorded as incurred.

For the periods ended 30 June 2008 and 2009, no development costs were capitalised by the Group. Research expenses were mainly incurred for multimedia activities. They are recorded in the income statement under "Selling, general and administrative expenses".

Goodwill: Goodwill is valued at the date of the business combination at cost, representing the difference between the cost of the business combination, including directly attributable costs, and the fair value of the Group's share of the acquired identifiable assets and assumed liabilities.

Goodwill arising on the acquisition of a subsidiary is separately identified in the consolidated balance sheet, under "Goodwill." Goodwill arising on the acquisition of an associated company is included within the book value of the investment within the line item "Investments in associates."

After initial recognition at cost, goodwill is measured at cost less any cumulative impairment losses.

Goodwill is tested for impairment at least annually or whenever events or circumstances indicate that the carrying amount may be impaired. Such events or circumstances arise when there are significant adverse developments that call into question the recoverable amount of the initial investment.

Satellites and other property and equipment

Satellites and other property and equipment acquired separately ("Tangible fixed assets") are recognised at their acquisition cost, which includes all costs directly attributable to making the asset ready for use, less accumulated depreciation and any impairment.

Borrowing costs related to the financing of tangible fixed assets are capitalised with respect to the portion incurred during the period of construction. In the absence of a loan specifically related to the asset in course of construction, the capitalised interest is calculated on the basis of a capitalisation rate, which is equal to the weighted average of the borrowing costs of the Company during the period.

Satellites: Satellite costs include all expenses incurred in bringing individual satellites into operational use, and comprise manufacturing, launch and attributable launch insurance costs, capitalised interest, performance incentives, and costs directly associated with the monitoring of the satellite programme (studies, staff and consultancy costs).

Satellite Performance Incentives: Certain contracts with its satellite manufacturers require the Group to make certain performance incentive payments upon the initial entry into operational service of the satellites and with respect to future periods of successful satellite operation in orbit. These elements are part of the cost of the satellite and are recognised as an asset offsetting a liability equal to the NPV of the expected payments. Any subsequent modification in the amount of such an incentive payment with respect to one or more periods is recognised as an adjustment of the cost of the satellite. The new value of the satellite is amortised on a prospective basis over the remaining useful life.

Ground equipment: Ground equipment comprises the monitoring and control equipment at various European locations, and equipment at the Group's headquarters, including technical installations, office furniture and computer equipment.

Depreciation and amortisation: This is calculated on a straight-line basis over the estimated useful lives of assets, which are determined on the basis of the expected use of the assets. It takes account, as appropriate, of the residual value of each asset or group of assets, starting from the date they are brought into operational use. The useful lives of the principal categories of fixed assets are as follows:

Satellites	10 – 17 years
Traffic monitoring equipment	5 – 10 years
Computer equipment	2 – 5 years

The Group performs an annual review of the remaining useful lives of its in-orbit satellites on the basis of both their forecast utilisation and the technical assessment of their useful lives. When a significant change occurs, depreciation is charged for the years to come by taking into account the asset's new remaining useful life.

Assets under construction: Assets under construction primarily consist of percentage completion payments for construction of future satellites, and advances paid in respect of launch vehicles and related launch-insurance costs. Studies, staff and consultancy costs, interest and other costs incurred directly in connection with the acquisition of satellites are also capitalised.

Assets under finance leases: Agreements for the Group to use capacity on all or part of a satellite's transponders are recognised in accordance with IAS 17 "Leases." Under this standard, leases that transfer substantially all risks and rewards incidental to ownership to the Group are recognised as finance leases and accounted for by recognising the asset, and the corresponding obligation as a liability, in the balance sheet. Assets are depreciated over the shorter of their useful lives and the corresponding lease terms.

Impairment of non-current assets: Goodwill and other intangible assets with an indefinite useful life, such as the Eutelsat brand, are systematically tested annually for impairment in December, or more frequently when an event or circumstance occurs indicating a potential decline in its value.

An impairment test consists of assessing the recoverable amount of an asset, which is the higher of its fair value net of selling costs and its value in use. If it is not practicable to estimate the recoverable value of a particular asset, the Group determines the recoverable amount of the cash generating unit (CGU) with which it is associated. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows largely independent of the cash inflows from other assets or groups of assets.

It is not always necessary to estimate both the fair value of an asset net of selling costs and its value in use. If either of these amounts is greater than the carrying amount of the asset, its value has not been impaired and it is not necessary to estimate the other amount.

The Group estimates value in use on the basis of the estimated future pre-tax cash flows to be generated by an asset or CGU during its useful life and are based upon the medium-term plan approved by General Management and reviewed by the Board of Management. The revenues from this plan are based on the backlog per satellite, market studies and the deployment of existing and future satellites. The costs of the plan taken into account in the depreciation test principally include the insurance costs in orbit, the costs of operating and controlling the satellites directly attributable to the tested satellites. Beyond a maximum five-year period, cash flows are estimated on the basis of stable rates of growth or decline.

Future cash flows are discounted using the long-term pre-tax interest rates that, in the opinion of the Group, best reflect the time value of money and the specific risks associated with the related assets or CGU.

The fair value net of selling costs is equal to the amount that could be received from the sale of the asset (or of one CGU) in the course of an arm's length transaction between knowledgeable, willing parties, less the costs relating to the deal. Impairment losses and reversals of impairment losses are recognised respectively within the income statement captions "Other operating costs" and "Other operating income". An impairment of goodwill cannot be reversed.

As of 30 June 2008 and 2009, the following CGUs have been identified for the purpose of impairment tests for each of the satellites, i.e. 27 as of 30 June 2009, the investment in the Hispasat group and each of the four assets related to "Customer Contracts and Relationships".

Revenue recognition

The Group's revenues are mainly attributable to the leasing of space segment capacity on the basis of terms and conditions set out in the lease contracts. These contracts are mainly over periods ranging from one year to the end of life of the satellite. Contracts usually provide for the right to free-of-charge time in cases of service interruptions caused by under-performing transponders. Pursuant to certain contractual termination rights, the agreement can usually be terminated after two years with a one-year notice period and, depending on the type of lease, payment of the difference between the contractual price and the price that would have been paid for a lease with a duration similar to the expired period, plus interest for late payment, or by paying a percentage of the annual price applied to the remaining duration of the lease. The revenues initially recognised are then adjusted to reflect the overall economic outcome of the contract.

Revenues are recognised over the contractual period during which services are rendered, provided that a contract exists and the price is fixed or determinable, and provided that, as of the date it is reported in the accounts, it is probable that the amount receivable will be recovered. Deferred revenues include unearned balances of amounts for a period of no more than one year received in advance from customers. Such amounts are recorded as revenue on a straight-line basis over the corresponding duration of the relevant transponder leases or of the services provided.

Significant judgments and estimates

Preparation of the Group's financial statements requires the Management to use judgments and estimates likely to have an impact on the amounts recognized in the financial statements for assets and liabilities, and income and expenses, as well as on the information given on contingent liabilities. Eutelsat Communications is required to continually review its estimates and judgments based on historical information and other factors deemed to be relevant in the light of economic conditions. However, due to the uncertainty of the estimates and assumptions underlying the transactions, the actual outcome of the transactions may result in a significant adjustment to the amounts recognized in a subsequent accounting period.

Judgments: In establishing the financial statements at 30 June 2009, Management has exercised its judgment, in particular regarding:

- The capacity of the company Sea Launch, following its decision to file for protection under Chapter 11, to honour its contract obligations to the Eutelsat Group regarding the two Sea Launch launchers. (cf. Note 6 - Satellites and other intangible assets).
- The acknowledgement by Solaris of income to be received, equal to the loss sustained, under the request for total compensation following the damage sustained by the S-band payload on board the satellite W2A. (cf. Note 7 – *Equity interests in associate companies*).

Estimates: The key estimates relating to the future and the other main sources of uncertainty at the date of closing the accounts, are shown below:

- the estimate of the collectability of accounts receivable (cf. Note 10 – *Accounts receivable and related accounts*), the exposure to credit risk, and the risk profile,
- provisions for contingencies and benefits related to the personnel (cf. Note 22 – *Provisions*),
- tax charges and the evaluation of the deferred tax assets (cf. Note 21 – *Current and deferred taxes*),
- the possible depreciation of goodwill and intangible assets (cf. Note 5 - *Goodwill and other intangible assets*).
- the estimate of the useful life of satellites and their depreciation (cf. Note 6 – *Satellites and other tangible assets*).

6.2 CONSOLIDATED SIMPLIFIED BALANCE SHEET OF EUTELSAT COMMUNICATIONS

Details of the Eutelsat Communications consolidated balance sheet at 30 June 2008 and 30 June 2009 are shown in the attached consolidated financial statements.

Simplified consolidated balance sheet

Assets	30 June 2008	30 June 2009
Non-current assets		
Goodwill	804 869	807 752
Intangible assets	785 340	751 484
Satellites and other property and equipment, net	1 469 927	1 780 519
Assets under construction	757 415	543 717
Investments in associates	177 169	216 502
TOTAL NON-CURRENT ASSETS	3 999 473	4 139 472
Current assets		
Accounts receivable and related accounts	239 435	298 792
Other current assets	17 148	17 203
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**
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
TOTAL SHAREHOLDERS' EQUITY	1 417 244	1 397 834
Non-current liabilities		
Bank debt	2 412 189	2 454 678
Other non-current financial liabilities	60 150	51 775
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
Other current payables	77 022	77 318
TOTAL CURRENT LIABILITIES	238 740	387 855
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**4 495 974**	**4 609 443**

Operations affecting Eutelsat Communications' capital during the year are described in section 9.9 below.

6.3 SIMPLIFIED CONSOLIDATED INCOME STATEMENT OF EUTELSAT COMMUNICATIONS

IFRS (in thousands of euros)	12-month period ended 30 June 2008	12-month period ended 30 June 2009
Revenues	**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 result	(109 088)	(99 624)
Net income before tax	280 953	387 972
Income tax expense	(97 519)	(127 988)
Net income	**183 434**	**259 984**
Group share	**172 276**	**247 348**
Minority interests' share of net income	11 168	12 636

6.3.1 Operating charges at 30 June 2009

We remind you that operating costs mainly include staff costs and other costs associated with controlling and operating the satellites, as well as insurance premiums for satellite in-orbit lives:

Staff costs. These comprise salaries and the payments by the employer for employees responsible for supplying, operating and maintaining the satellites (including French mandatory profit-sharing for Group employees).

Costs for satellite operation and control. These correspond to the earth station operating costs and equipment costs, which include in particular telemetry, control, positioning, payload management, and maintaining software and equipment at the satellite control centres, as well as traffic supervision and management. The amount of these costs is based on the number of satellites and the family of satellites operated, any repositioning of the satellites, as well as the number and type of services offered.

These costs also include sub-contracting of telemetry, control and tracking operations for a number of the satellites in orbit. In addition, Eutelsat S.A. has signed service agreements with eight suppliers related to control of the satellite communications systems.

In-orbit insurance premiums for satellite lives. Satellite in-orbit insurance generally takes effect when the launch insurance policy expires (generally one year after the satellite is launched). When the Group signs for launch insurance covering a satellite's in-orbit life, the premiums for periods after the first anniversary of the launch date are treated as in-orbit insurance costs. Almost all the satellites in-orbit owned by the Group are insured for amounts defined on the basis of an insurance scheme that is structured in tranches. Depending on the selected risk management policy, and general market conditions for space insurance, the costs for these insurance premiums can vary from one year to the next (see Section 4.4 "Policy of the Group for insuring its satellite fleet").

Operating costs also include a portion of the *taxe professionnelle*, which is divided between operating costs on the one hand and selling, general and administrative expenses on the other (based on corresponding staff numbers).

You are reminded that selling, general and administrative expenses include:

administrative and commercial staff costs (including mandatory employee profit-sharing);

marketing expenses, such as advertising and co-marketing expenses with distributors and end-users;

general expenses associated with property leases, external studies and logistics;

expenses associated with developing and marketing new products;

a portion of the operating taxes (including part of the *taxe professionnelle*); and

provisions for accounts receivable or other receivables.

Operating costs, i.e. operating costs and selling, general and administrative expenses represent 21.1% of revenues for 2008-2009 against 20.7% for the period 2007-2008.

Year-on-year growth is 9% (+€ 16 million) and includes:

- a comparison effect linked to the exceptionally high level of release of provisions during the previous accounting period. Restated for this one-off effect, the variation of the operating expenses does not exceed 6.8%.
- increased resources set aside by the Group to accompany the development of its new products and the growth of its commercial activities, in particular relating to the commercialisation of its new resources;
- an increase of the *taxe professionnelle* following the improved results earned by the Group during the previous accounting period.

6.3.2 Depreciation and amortisation and other operating costs

Details of how this item has evolved are given in Notes 4 and 5 to the attached consolidated financial statements.

Depreciation and amortisation mainly relates to the depreciation of satellites and terrestrial installations, as well as amortisation of the "Customer Contracts and Relationship" asset. The latter represents an amount of € 44 million per year.

It is the Group's largest cost item.

At 30 June 2009, the reduction of the provisions for amortisation (-€ 6.6 million) to € 294.7 million can be attributed to the end of the amortisation of the EUROBIRD™ 9 and Express A3 satellites, as well as to the reduced amortisation charges for the EUROBIRD™ 3 satellite, which have been more than compensated for by the provisions for amortisation associated with the new satellites that went into service during the accounting period.

“Other operating income and expenses” have very strongly increased compared to the previous accounting period, standing at +€ 23.8 million against € 16 million for the previous period. This increase is essentially due to a one-off income of € 25 million received for the transfer of certain rights in Hispasat; the exceptional depreciation following the anomaly experienced in January 2009 by the W2M satellite was compensated by an insurance income of the same amount, while the dilution charges relating to the exercise of stock options at Eutelsat S.A. were for a relatively small amount.

6.4 OPERATING INCOME

Operating income corresponds to revenues minus operating costs, selling, general and administrative expenses and allowances for depreciation, amortisation and other operating costs.

At 30 June 2009, reflecting the Group’s good performance and the strong increase of “Other Operating Income”, this operating income was € 471.6 million and represented 50.1% of revenues, compared with € 378.8 million (43.7% of revenues) at 30 June 2008.

6.5 FINANCIAL RESULT

The financial result shows an expense of € 99.6 million at 30 June 2009, compared with € 109.2 million the previous financial year.

The improved financial result, despite increased interest charges, is the result of an increase of the capitalised loan costs relating to a major investment programme undertaken during the financial year.

6.6 CONSOLIDATED NET RESULT

At 30 June 2009, the consolidated net result shows a profit of € 260 million compared to € 183.4 million at 30 June 2008.

This marked improvement in consolidated net income comes from the excellent operational performance of the Group, which has seen an improvement in all intermediate management balances and particularly the operating result, but also a reduction in the Group's effective rate of tax, which was 34.4% at 30 June 2009 compared to 36.0% at 30 June 2008, and a sound operational performance by our equity interest Hispasat.

At 30 June 2008, the Group share of net income was € 247.3 million compared to € 172.3 million at 30 June 2008.

6.7 GROUP LIQUIDITY AND FINANCIAL RESOURCES

During the financial year ending 30 June 2009, the Group significantly reduced its level of debt, thanks in particular to non-recurring items.

The Group's liquidity requirements mainly include the following: financing the construction and launch of satellites; - servicing its debt; - financing its working capital requirements.

The Group's main financial resources are composed of the cash flows generated by the operating activities of Eutelsat S.A. The Group has additional financial resources in the form of the lines of credit it has been granted.

6.7.1 Status of the Group's net indebtedness[18]

At 30 June 2009, the Group's total net debt was € 2 326 million, compared to € 2 422 million at 30 June 2008.

The table below describes the Group's main credit facilities as of 30 June 2009:

(In millions of euros)	Amount granted	Amount used	Maturity
"ETL COM Refinancing" bullet loan	1 615	1 615	8 June 2013
ETL COM renewable credit facility	300	0	8 June 2013
Eutelsat S.A. renewable credit facility	650	200	24 November 2011
Eutelsat S.A. bullet loan	650	650	24 November 2011
Total	3 215	2 465	

The weighted average interest rate for drawdowns on the revolving lines of credit is 5.05% and 5.11% after taking into account the effects of hedging instruments for the period ended 30 June 2009.

Effective interest rates for the "ETL COM Refinancing" loans and the Eutelsat S.A. bullet loan are respectively 3.83% and 3.24% for this same period. After taking into account hedging effects, effective interest rates for these bullet loans are respectively 4.45% and 3.90%.

As of 30 June 2009, nearly all the Group's debt bore interest at a variable rate (generally EURIBOR plus a margin)

An increase of ten base points (+0.1%) over the Euribor interest rate has an impact on an annual basis of € 0.81 million in the consolidated income statement at 30 June 2009.

The evolution of the Group's net indebtedness during the financial year results mainly from the progression of the amount distributed to shareholders in Eutelsat S.A. and the Company in November 2008, as well as limited financing needs for satellites under construction or ordered during the financial year which have been more than compensated for by non-recurring items linked to insurance products and the repayment by Solaris of the investment expenses undertaken by the Group on its behalf.

[18] The Group's net debt includes all bank debt as well as debts linked to the satellite lease financing contracts less cash and investment (see Notes 15 and 16 annexed to the consolidated income statement).

6.7.2 Description of the financial instruments in place during the financial year ended 30 June 2009

- **Eutelsat S.A.'s credit facilities**

On 24 November 2004, Eutelsat S.A. entered into a seven-year € 1.3 billion syndicated credit facility comprising (i) a € 650 million bullet loan and (ii) a renewable line of credit for € 650 million to refinance existing debt and the Company's financing needs in general.

The amounts drawn on this line of credit incur interest at EURIBOR (or LIBOR for drawdowns denominated in US dollars), plus a margin of between 0.25% and 0.75%, based on the long-term rating assigned to Eutelsat S.A. by Standard & Poor's. Eutelsat S.A. has set in place hedging instruments for some of the sums drawn on this credit facility.

Under the terms of this line of credit, Eutelsat S.A. is required to maintain a total net debt to EBITDA ratio (a contractually defined ratio) of less than or equal to 3.75 to 1, this ratio being verified at 30 June and 31 December each year. (See Note 16 to the Company's consolidated financial statements for more information).

As of 30 June 2009, drawdowns on these financing facilities came to a total of € 200 million.

- **The Refinancing Loan**

To enable the early repayment of credit lines with SatBirds Finance Sarl, Eutelsat Communications signed a loan agreement with a group of banks on 8 June 2006 to set up a syndicated loan of € 1 915 million over 7 years, divided into two parts:

Tranche A: a long-term bullet loan of € 1 615 million to be repaid at EURIBOR plus a margin of between 75 and 162.5 base points depending on the net consolidated debt to consolidated EBITDA ratio.

Tranche B: a revolving line of credit for € 300 million. Drawdowns for a maximum period of 6 months are repaid at EURIBOR plus a margin of between 75 and 162.5 base points depending on the net consolidated debt to consolidated EBITDA ratio.

The Refinancing bullet loan agreement of 8 June 2006 does not involve any guarantee by Eutelsat Communications' subsidiaries or any pledge of assets as collateral for the loan. This loan agreement includes some restrictive clauses, subject to the usual exceptions in loan agreements. (See Note 13 to the attached consolidated financial statements for more information on the restrictive conditions and the limitations applying to this loan agreement). The agreement provides for each lender party to the agreement to ask for early repayment of all monies owed if there is a change in control of Eutelsat Communications and Eutelsat S.A. or in the event of concerted action.

In addition, Eutelsat Communications has agreed to directly or indirectly retain 95% of the capital and voting rights in Eutelsat S.A. for the duration of the loan.

Finally, it should be noted that these credit lines are accompanied by the following financial covenants, based on the Group's consolidated financial statements presented according to IFRS:

"Leverage Ratio": consolidated net debt/consolidated EBITDA at or below 5.5 for the half-year and full-year periods defined in the agreement, the first of which is 30 June 2006. This ratio then gradually reduces every six months by 0.25X from 31 December 2008 to 4.5X at 31 December 2011.

"Interest Cover Ratio": Consolidated EBITDA/interest payable (due and matured) greater than or equal to 2.75 (if Leverage Ratio greater than 3.5).

In addition, interest rate hedging is required for a minimum period of three years in order to limit exposure to interest rate risk for no less than 50% of the amounts drawn under the Term Loan facility. On 19 June 2006, SatBirds Finance Sàrl consequently transferred to Eutelsat Communications the interest rate hedging instruments set in place for the above loan.

In addition, Eutelsat Communications acquired a new interest-rate hedging instrument to cover the years 2010 to 2013 of the loan.

The fees incurred for setting up the Refinancing syndicated credit facility of € 1 915 million, which represent almost one year of margin based on a Net Debt/EBITDA leverage ratio between 3.5 and 4, were spread over the duration of the loan.

Costs remaining to be spread at 30 June 2009 have been charged to the carrying amount of the loan facilities.

6.7.3 Financial instruments

The Group has exposure to market risks, particularly with regard to foreign exchange and interest rates. To deal with this, the Group uses a number of derivative financial instruments, the objective of which is to limit, where appropriate, exposure of revenues and cash flows to fluctuations in interest rates and foreign exchange rates. The Group's policy is to use derivatives to manage such exposure. The Group does not engage in financial transactions for which the associated risk cannot be quantified at their outset, i.e. the Group never sells assets it does not possess or does not know it will subsequently possess.

Foreign exchange risk hedges

The Group's functional currency is the euro and the Group is therefore principally exposed to fluctuations in the value of the U.S. dollar.

The policy of the Group is to hedge the exchange rate risk deriving from its purchases and sales in U.S. dollars, based on the maturity date of the hedged transaction. As a means of preserving the value of assets, commitments and forecast transactions, the Group consequently enters into contracts whose value fluctuates in line with changes in the euro/dollar exchange rate. In particular, the Group hedges certain future U.S. dollar revenues by means of financial instruments such as options contracts, forward currency transactions and foreign currency deposits. These instruments are traded over-the-counter with first-rate banking counterparts.

Purchase commitments relate to satellite construction contracts and launch contracts denominated in US dollars. They generally mature after three years and payments are made according to a pre-determined schedule. Commitments to sell relate to contracts denominated in US dollars.

During the financial year ending 30 June 2009, the Group only purchased foreign exchange options (euro calls / US dollar puts) and sold synthetic forwards with a knock-in option.

Considering its exposure to foreign-currency risk, the Group estimates that a 1% reduction in the value of the US dollar against the euro would not have a significant impact on the Group's results and the equity.

Interest rate risk hedges

The Group's exposure to interest rate risk is managed by hedging its variable rate debt. To hedge its debt, the Group has set up the following interest rate hedges:

- a tunnel (purchase of a cap and sale of a floor) over three years until 29 April 2008 for a notional amount of € 1 615 million to hedge the long-term Eutelsat Communications bullet loan.
- with deferred start in April 2008, for two years (years 4 and 5) a forward pay fixed/receive variable swap for a notional amount of € 807.5 million and the purchase of a forward cap for a notional amount of € 807.5 million, to hedge the Eutelsat Communications' long-term bullet loan.

At end-September 2006, a new forward interest-rate hedge (years 6 and 7) was put in place:

- A pay fixed/receive variable swap for the notional amount of € 1 615 million to hedge the Eutelsat Communications' long-term bullet loan.

For each of these instruments; the interest periods are periods of 6 months beginning 29 April and 29 October each calendar year, except for the final period which runs from 29 April 2013 to 8 June 2013.

In addition, at the level of the Eutelsat S.A. sub-group, the following corresponding derivatives have been put in place to hedge the syndicated credit facility entered into in November 2004 for a notional amount of € 1 300 million:

- A pay fixed/receive variable interest rate swap entered into in November 2004 covering the long-term € 650 million portion of the 7-year term loan until its maturity;
- A pay fixed/receive variable swap entered into in February 2007 for a notional amount of € 250 million over 4 years until maturity of the € 650 million revolving credit facility;
- Purchase of a cap in March 2007 in return for payment of a premium (€ 2 million) for a notional amount of € 200 million over 4 years until maturity of the € 650 million revolving credit facility;
- In November 2007, a new pay 3-month EURIBOR / receive 1-month EURIBOR basis swap was put in place for a period of 6 months until 30 June 2008.

This "pay 3-month EURIBOR / receive 1-month EURIBOR" swap operation has been renewed three times:

- on 11 June 2008 for a duration of 6 months until 31 December 2008
- on 21 November 2008 for a duration of 6 months until 30 June 2009
- on 15 May 2009 for a duration of 1 year until 30 June 2010

These last three basis swap operations are combined with the pay fixed swap put in place to hedge the € 650 million term loan. For each of these instruments, with the exception of the basis swaps, the interest periods are periods of 3 months beginning 31 March, 30 June, 30 September and 31 December each calendar year, except for the final period which runs from 30 September 2011 to 24 November 2011.

Sensitivity to interest rate risk

In view of the evolution of interest rates consecutive to the financial crisis, the fair value of the Group's financial instruments has suffered a significant drop seen in equity. However, the effectiveness of these hedging instruments is not called into question.

Taking into account all the financial instruments available to the Group at 30 June 2009, an increase of ten base points (+0.10%) over the Euribor interest rate would lead to:

An additional interest rate charge, on an annual basis of € 807.5 million in the income statement, linked to the part not hedged against the risk of variation of interest rates on bank debt.

Financial counterpart risk

Counterpart risk includes issuer risk, execution risk in connection with derivatives or monetary instruments, and credit risk related to liquidity and long-term investments. The Group minimises its exposure to issuer risk and its exposure to credit risk by acquiring only financial products with first-rate financial institutions or banks. Exposure to these risks is closely monitored and maintained within predetermined limits. As of 30 June 2009, the Eutelsat Communications banking syndicate is made up of 50 lenders and that of Eutelsat S.A. has 26.

If any of the lenders defaults on the term loan part of the credit facilities, the Group retains the amounts initially allocated in full. If any counterpart defaults on the revolving part of a credit facility, the amount obtained may be less than the total amount requested. In this case, the Group has the possibility of drawing one or more additional amounts from the other counterparts in order to obtain the extra sums needed to make up the total amount required.

The Group does not foresee any loss resulting from a failure by its counterparts to respect their commitments under the agreements it has concluded.

Liquidity risk

The Group manages liquidity risk by using a tool that enables it to monitor and manage its recurring requirements and liquidity needs. This tool takes into account the maturity of financial investments, financial assets and estimated future cash flows from operating activities.

The Group's objective is to maintain a balance between continuity of its funding needs and their flexibility through the use of overdraft facilities, term loans and revolver lines of credit from banks, and satellite leases.

34% per cent of the Group's debt matures in November 2011 and 66% in June 2013.

7 COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009 - FINANCIAL INFORMATION

7.1 ACCOUNTING AND FINANCIAL PRINCIPLES

The Company's financial statements at 30 June 2009 have been prepared in accordance with the *Code de Commerce* (Articles L.123-12 to L123-28) and Rule 99-03 of the *Comité de la Réglementation Comptable* (CRC). The conventions below were applied in adherence to the principle of prudence, according to the basic rules of (i) continuity of operations (ii) keeping financial years independent of each other, (ii) consistency in accounting methods from one financial year to the next and (iv) in compliance with the general rules for drawing up and presenting annual financial statements.

7.2 COMPANY ACTIVITIES AND KEY HIGHLIGHTS DURING THE YEAR

It should be noted that the Company acts as a holding company: its role is therefore to direct the financial and strategic activities of the Eutelsat Group and the Company has no other operational activity.

7.3 EXTRACTS FROM THE COMPANY'S BALANCE SHEET AND INCOME STATEMENT AT 30 JUNE 2009

Details of the Company's balance sheet and income statement for the financial year ended 30 June 2009 are presented in the Company financial statements in Annex 2 to this report.

7.3.1 Simplified balance sheet at 30 June 2009 - Company financial statements

ASSETS		
(In thousands of euros)	**30 June 2008**	**30 June 2009**
Financial assets	2 442 280	2 442 466
Total long-term assets	2 442 280	2 442 466
Prepaid expenses	49 571	66 720
Settlement accounts	16 702	12 506
TOTAL ASSETS	**2 508 553**	**2 521 692**
LIABILITIES & SHAREHOLDERS EQUITY		
	30 June 2008	**30 June 2009**
Common stock (219 641 955 ordinary shares with a nominal value of 1 euro per share at 30 June 2007)	219 642	219 804
Additional paid-in capital	662 566	526 046
Legal reserve	79	79
Retained earnings	1	1
Result for the year	(4 610)	122 908
TOTAL SHAREHOLDERS' EQUITY	**877 693**	**868 948**
Loans and bank debt	1 627 407	1 623 999
Other financial debt	-	-
Total bank debt	1 627 407	1 623 999
Total operating debt	3 255	28 685
TOTAL LIABILITIES	**2 508 553**	**2 521 692**

As of 30 June 2009, financial assets were composed mainly of the following:

- Equity interests, namely 500 000 shares in Eutelsat Communications Finance S.A.S. and 7 248 478 shares in Eutelsat S.A. for a total amount of € 2 441 million;

- Company shares held at 30 June 2009 under a liquidity agreement with Exane BNP PARIBAS amount to 67 179 shares for a total amount of € 1 202 thousand.

At Group level, all distributions of additional paid-in capital have been treated in the accounts as repayment of a capital contribution. These have been reported as a reduction in the value of the shares, as following implementation of the Group's legal structure it was envisaged that most of the additional contributions would be recognised as additional paid-in capital to make it easier for liquidity to rise to the head company in the Group. This can be achieved by distributing amounts recognised as additional paid-in capital irrespective of whether or not a distributable profit is recognised in the books of the Group's subsidiaries. These operations are described in detail in Note 3 to the Company financial statements, which can be found in Annex 2.

Changes in shareholders' equity over the year are described in detail in Note 7 to the Company financial statements in Annex 2.

The Company's indebtedness is the result of the Company signing a refinancing loan for € 1 615 million and a revolving loan, which has not been drawn on, for a total of € 300 million.

For more information about these operations see Note 8 - Indebtedness - in the Company financial statements in Annex 2 and in section 6.7.1 of this report.

7.3.2 Simplified income statement at 30 June 2009 – Company Financial statements

(in thousands of euros)	30 June 2008	30 June 2009
Revenues	1 812	1 765
Release of provisions and reclassification of costs	135	147
Total operating income	**1 947**	**1 911**
Other purchases and external expenses	5 410	5 708
Taxes and assimilated	62	40
Wages	1 263	1 123
Total operating charges	**10 355**	**10 625**
Operating result	**(8 408)**	**(8 713)**
Financial income	38 323	173 676
Financial expenses	65 011	70 068
Financial result	**(26 688)**	**103 608**
Exceptional result	**60**	**21**
NET INCOME	**(4 610)**	**122 908**

The Company's net result showed a profit of € 122 908 million. This significant improvement chiefly derives from the very strong improvement of its Financial Income, that is to say the flows distributed by Eutelsat S.A. and fed back to Eutelsat Communications during the financial year via Eutelsat Communications Finance SAS.

8 OBJECTIVES OF THE GROUP

Growth objectives revised upwards

The Group considers that the outlook for growth of its markets, despite the troubled global economic climate, remains robust. In view of the excellent operational performance obtained in 2008-2009, the Group is making an upward adjustment to its prospective growth over 3 years and is now targeting an annual average growth rate of its revenues of 7% for the period June 2009-June 2012.

The Group is consequently aiming for a revenue target of more than € 1 billion for the financial year 2009-2010.

Maintaining a high level of profitability

The Group is aiming for an EBITDA target of more than € 780 million for the financial year 2009-2010.

Furthermore, the Group has set itself the objective of maintaining its EBITDA margin around 77% for each of the financial years until June 2012, placing it at the highest level of the major fixed satellite service operators. It has confirmed the robustness of its development model and its business portfolio.

Pursuing an active investment policy

Fully intending to benefit from its privileged position in strong growth markets such as the Middle East, North Africa, central Asia and Central and Eastern Europe (including Russia), the Group will pursue an active investment policy to the tune of € 450 million on average per year for the period June 2009-June 2012, for the purpose of:

- increasing its in-orbit resources (except the satellites in the Ka-band) at an annual average growth rate of 5% for the period June 2009-June 2012, in particular with the launch of the 4 satellites currently under construction and intended to strengthen or secure the major orbital positions serving strong growth markets (36° East, 16° East, 7° East, 7° West);
- making wide scale use in extended Europe of the new resources in the Ka-band with the KA-SAT multi-beam satellite which is scheduled to enter operational service in the second half of the financial year 2010-2011. The mission of this new satellite with a capacity that is unequalled in Europe, will be to provide broadband Internet access solutions, to serve professional data and video networks and the local and regional television market;
- initiating the investments required to replace the 3 satellites launched in the years 1998-2000.

An attractive remuneration policy for shareholders

For the period June 2009-June 2012, the Group will continue to associate its shareholders with its development by distributing each year between 50% and 75% of its Group share net income.

These objectives are based inter alia on the following assumptions: (i) launch and successful entry into operation of the 5 satellites in course of construction in accordance with the timetable envisaged by the Group (ii) continued growth in satellite demand in Western Europe and in the Second Continent at satisfactory tariff conditions, (iii) maintaining of the existing operating capacity of the Group's fleet, (iv) no incidents to affect any of the satellites in orbit, (v) continuation of a policy of controlling operating costs and their evolution, (vi) maintaining of the general conditions of the space insurance and space industry market (vii) continued strong demand for broadband Internet access services, particular for the general public.

The forward-looking objectives, statements and information summarised above are based inter alia on the data, assumptions and estimates cited earlier and are considered by Eutelsat Communications to be reasonable as of the date of this document.

The reader is cautioned that these forward-looking statements are dependent on circumstances or facts that are to occur in the future. These statements are not historical data and must not be interpreted as guarantees that the facts and data cited will occur or that the objectives will be attained. By their nature, these data, assumptions and estimates, as well as all elements taken into consideration to determine these forward-looking objectives, statements and information, could prove to be wrong or may not materialise and may change or be modified due to uncertainties related to the economic, financial, competitive and regulatory environment in particular.

Additionally, some of these data, assumptions and estimates come from or are based in full or in part on assessments or decisions of the corporate bodies of Eutelsat Communications, which could change or be modified in the future. Furthermore, the materialisation of certain risks described in the chapter “Principal Risks” below could have a negative impact on the Group's business and on the achievement of the objectives, statements and information cited above.

9 CORPORATE GOVERNANCE

The financial year ending 30 June 2009 was marked by the strengthening of our Company's role in steering the finances and strategy of the Eutelsat Group, the number 3 operator of Fixed Satellite Services.

This strengthening process may be seen in particular in the significant increase of the activities of the Audit, Selection and Remuneration Committees, as well as in the "Strategy and Investments" working group, to prepare the Board of Directors' decisions in their respective fields. It can also be seen in the stronger risk management and internal audit practices applied within the Group, particularly because of the strong development of its technical business and the launch of new projects in the Ka and S bands.

9.1 ABSENCE OF CONTROL OF THE COMPANY

You are reminded that at the moment of drafting this report, no shareholder of the Company, directly or indirectly, by itself or with others, exercised control within the meaning of Article L. 233.3 of the *Code de Commerce*. This situation has not been altered by the changes in the make-up of the Company's share capital over this and previous years.

The major shareholders of our Group are represented on the Company's Board of Directors. These are ABERTIS TELECOM, with 31.43% of the share capital, and Caisse des Dépôts et Consignations-Infrastructure, with 25.68% of the share capital, as of 30 June 2008.

Under Article 148 of the decree of 23 March 1967, the Board of Directors decided at its meeting of 31 August 2005 to combine the functions of Chairman of the Board and CEO. Consequently, Mr Giuliano Berretta, Chairman of the Board of Directors, is accordingly responsible for the overall management of the Company.

9.2 CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS

With the exception of the resignation of Mr Guarguaglini on 19 June 2009, there has been no change in the composition of the Board of Directors during the year, as shown in the following table.

Name	Date of appointment	End of term of office
Jean-Luc ARCHAMBAULT	10/05/2007	OGM accounts 30 June 2011
Bertrand MABILLE	10/05/2007	OGM accounts 30 June 2011
CDC-Infrastructure, represented by Jean BENSAÏD	14/02/2007	OGM accounts 30 June 2011
Carlos SAGASTA-REUSSI	23/01/2007	OGM accounts 30 June 2011
Tobías MARTÍNEZ GIMENO	23/01/2007	OGM accounts 30 June 2011
Andrea LUMINARI	23/01/2007	OGM accounts 30 June 2011
Carlos ESPINÓS-GÓMEZ	23/01/2007	OGM accounts 30 June 2011
Lord John BIRT	10/11/2006	OGM accounts 30 June 2012
Pier Francesco GUARGUAGLINI	25/07/2007	Resigned as of 19 June 2009 OGM accounts 30 June 2012
Giuliano BERRETTA	31/08/2005	OGM accounts 30 June 2011

You are reminded moreover that in application both of the Letter-Agreement between the Company and EUTELSAT IGO, and also the Company's by-laws, Mr Christian Roisse, Executive Secretary of EUTELSAT IGO, sits on the Board of Directors as an observer (*censeur*).

Finally, you are informed that as part of a policy aimed at strengthening communication between the Group's management and employees, during the previous financial period the Company entered into an agreement with the works' council of our operating subsidiary Eutelsat S.A.

This agreement is designed to give the works' council of Eutelsat S.A., and hence all Eutelsat S.A. employees, greater visibility over the Company's operations and decisions. It has seen the introduction of a procedure for informing the Eutelsat S.A. works' council when operations are undertaken by the Company that are liable to affect the operations and scope of activity of our operating subsidiary Eutelsat S.A. Under the same agreement, the two Eutelsat S.A. works' council representatives on the Board of Directors of Eutelsat S.A. are invited to attend meetings of the Board of Directors of the Company, with access to the same information as the Company's directors.

9.2.1 The mission of the Board of Directors

Under Article L.225.35 of the *Code de Commerce*, the Board of Directors is notably responsible for orienting the Company's business activities and ensuring this framework is properly implemented. Subject to the powers expressly reserved for General Meetings of Shareholders, the Board of Directors can examine any question that affects the sound operation of the Company or the Eutelsat Group.

It should also be noted that in addition to the powers provided by law and in application of the Board's internal rules, a number of strategic decisions and undertakings require the prior approval of the Board of Directors.

These decisions can be grouped under the following headings:

Operations affecting the by-laws: Any operation that results in an increase in the Company's capital or a modification of the Company's bylaws is submitted for prior approval by the Board of Directors.

Strategic operations: The Group's Five-Year Strategic Plan, as well as any acquisition of shares in another company or any operations or mergers with a substantial effect on the Company's structure or strategy, is submitted for prior approval by the Board of Directors. This also applies to any investment in the capital of another company of more than € 50 million or of more than € 25 million if the relevant investment operation is not foreseen in the Strategic Plan.

Financial commitments and investments: The Group's consolidated Annual Budget is subject to prior approval by the Board of Directors at the beginning of each financial year. All capital expenditure in excess of € 50 million (or in excess of € 25 million if not included in the annual budget) is subject to prior approval by the Board of Directors. Any loan or financing contract that results in increasing the Group's indebtedness by more than € 50 million that is not included in the Annual Budget is subject to prior approval by the Board of Directors. Lastly, any decision to dispose of, loan, lease or transfer assets of the Group (excluding commercial operations) or any decision to disinvest any amount in excess of € 50 million that is not included in the annual budget is subject to prior approval by the Board of Directors.

Composition of the Board of Directors and management of the Group: The Board of Directors is in charge of defining the requirements for independence and selection of the independent directors, and its prior approval is needed before any recruitment or dismissal of a manager working for the Group whose remuneration is one of the six largest.

Other matters: Any projected take-over or merger of the Company, any offer to buy any other company for which payment is to be wholly or partly in Company shares, any draft reference documents or offer documents for investors must be submitted for approval by the Board of Directors.

You are reminded that the General Meeting of Shareholders of 9 November 2007 delegated its powers to the Board of Directors for purposes of issuing stock warrants (free of charge) known as "Bons Bretons" in the event of a takeover bid concerning the Group. This delegation of powers was not used or implemented in the course of the financial year.

9.2.2 Meetings of the Board of Directors

The Board of Directors meets as often as the interests of the Company or the Group require.

The Board of Directors met 10 times during the financial year.

The attendance rate at meetings during the financial year exceeded 98%, with only 1 director unable to participate in all Board meetings held during that period.

In accordance with the relevant provisions of the internal rules of the Board of Directors, documents for a Board meeting are sent to its members at least 5 days before the meeting of the Board takes place. For an emergency meeting of the Board, documents are sent out in a shorter timeframe.

During the year, the Chairman requested Lord Birt, with the support of the Secretary to the Board and the Deputy CEO, to issue a set of recommendations for improving the Board's work, especially documentation for Board meetings, and to propose inter alia the introduction of a single format for all documents. These recommendations were examined and approved by the Board on 26 April 2008.

Furthermore, to provide directors with a better knowledge of the Group's operations and business activities, the Chairman of the Board & CEO gives a status report at each Board meeting on the activities of all the Group's Departments during the period leading up to the meeting, and on on-going projects in those Departments.

9.3 ROLE & COMPOSITION OF THE COMMITTEES AND WORKING GROUPS OF THE BOARD OF DIRECTORS

During the year, the Board of Directors decided to set up an Audit Committee alongside the Selection and Remuneration Committee and a "Strategy and Investment" working group to provide advice to the Board in their respective areas of competence.

Selection and Remuneration Committee: This Committee is mainly responsible for studying and providing recommendations to the Board as appropriate on (i) the remuneration of the Chairman of the Board & CEO and of the Deputy CEO, (ii) the introduction of stock-option plans or plans for the purchase or granting of shares within the Group, (iii) the allocation of attendance fees to members of the Board, (iv) the selection of the independent directors, (v) the recruitment or departure of any employee whose remuneration is one of the 6 highest in the Group.

Chaired by Mr Martínez Gimeno, the Committee is currently composed of Messrs Bensaid, Espinós-Gómez and Lord John Birt. The Secretary to the Committee is Mr Izy Béhar, Director of Human Resources. All Committee members took part in all meetings of the Committee during the year.

This Selection and Remuneration Committee was very busy during this financial period in particular with defining, implementing and supervising the process of selecting a new CEO; the current CEO, Mr Berretta, having reached the age limit of his mandate as CEO.

Following this process undertaken since the first quarter of the period with the support of specialist recruitment consultants, the Selection and Remuneration Committee made the following proposal to the Board of Directors:

- to modify some of the provisions of the Company by-laws with a view to specifying the end of the terms of office of the Directors, the CEO, the Deputy CEO and the Chairman when they have reached the statutory age limits;
- to postpone the age limit of the Chairman of the Board from 70 to 71 years;
- to accept the proposal to appoint Mr Michel de Rosen as Deputy CEO of the Company. Mr de Rosen should be appointed CEO of the Company once Mr Giuliano Berretta's mandate has expired, while the latter will remain Chairman of the Board. At that moment the functions of CEO and Chairman of the Board will be dissociated;
- to define the conditions of remuneration of Mr de Rosen in accordance with the recommendations of the AFEP-MEDEF Code of Ethics which the Company has subscribed to.

Consequently, on 11 June 2009 the Board of Directors decided:

- to approve the resolutions modifying the By-laws and to convene an Extraordinary General Meeting which was held on 6 July 2009 and which approved the proposed changes to the By-laws;
- to approve the choice of Mr de Rosen as Deputy CEO of the Company and its future CEO, replacing Mr Berretta, and to dissociate as of the Ordinary General Meeting of the shareholders meeting to approve the accounts for the period 2008-2009 functions of CEO from those of Chairman of the Board;
- to approve the remuneration conditions for Mr de Rosen.

Furthermore, in order to ensure the transition phase, and following a proposal made by Mr Berretta, Mr de Rosen has been appointed Deputy CEO of the Company as of 1 July 2009, by the Board meeting on 11 June 2009.

In the course of the year, the Committee continued to examine the employee shareholding policy and consider how to ensure the loyalty of the Group's key staff. Thus based on the Committee's recommendations, the Board of Directors meeting on 26 May 2009 took note of the expiry of the period for acquiring shares under the Free Share Allocation Plan dated 10 May 2007 for the benefit of the Group's employees and managers and, following those recommendations, the

Board decided on the list of beneficiaries. In accordance with Article L.225-197 of the *Code de Commerce*, allotment of these free shares will become absolute provided the beneficiaries fill the conditions of having been with the Group for two years. These shares will only become available until a further period of 2 years has expired, i.e. as of 26 May 2011.

Audit Committee: The task of the Audit Committee is to assist the Board of Directors by (i) reviewing the Company's draft half-year and full-year accounts (Company and consolidated accounts), (ii) expressing recommendations on the draft consolidated annual budget proposed by Management, prior to its examination by the Board, (iii) expressing recommendations to the Management of the Company and to the Board of Directors on the policy and methods for ensuring the production of accounting and financial information that is reliable and sincere, (iv) making sure that the internal controls applied within the Group are appropriately implemented, and (v) presenting recommendations to the Board and to Management on the appropriate method of handling any risk of any kind liable to affect the Group's operations.

Set up during the previous accounting period, the Audit Committee, consisting of Mr Archambault, Chair of the Committee, Lord Birt and Mr Sagasta-Reussi has played a very active role during this period.

The Secretary of the Committee is Ms Lallement, Chief Legal Officer. Ms Guillouard, CFO, also took part in all the meetings of the Audit Committee. The Committee members took part in nearly all meetings of the Committee.

The activity of the Audit Committed is mainly focused on the second half of the financial year, in particular because of having to examine the half-year accounts in the month of February and of the cycle for the drafting the consolidated budget by the Group's finance department, a process that begins in March so as to be presented for approval by the Board of Directors before the financial year closes.

The Audit Committee nevertheless considered other important business during the course of the year, in particular to examine the stakes, consequences and measures to be put in place or that have been put in place by the Group to minimise as much as possible the potential consequences of the global financial crisis for the Group's business. This study undertaken by the finance department led in particular to strengthening the customer risk control and management procedures and the underwriting of a new credit insurance policy.

Furthermore, the Audit Committee examined the work plan and the objectives of the Internal Audit function during the financial period. The Audit Committee has also engaged in regular dialogue with the Company's auditors. The auditors attend Audit Committee meetings when half-year and full-year accounts are being prepared, prior to their adoption by the Board of Directors.

Lastly, and following the setting up of the Risk Management function, the Audit Committee has engaged in regular dialogue with the Risk Management Director in the framework of the latter's task and established their annual work schedule.

Strategy and Investment Working Group: This Working Group was set up in April 2007. It meets on an ad hoc basis and has the task of submitting recommendations to the Board as appropriate on any projected external growth operations and investments under the Strategic Plan or annual budget.

The members of the Working Group are Jean Bensaïd and Carlos Espinós-Gómez. They are assisted by the other directors as necessary.

In the course of its work, the Working Group oversaw the preparation of the Group's 2009-2014 Strategic Plan and the preparation of the Group's consolidated annual budget for 2009-2010, in conjunction with the Audit Committee.

The Working Group in particular monitored the implementation of the KASAT-TOOWAY™ programme, which seeks to provide as of the financial year 2010-2011 a solution for broadband Internet access to all households in Europe.

In addition, the Working Group looked closely at the strategy for securing the deployment plan of the satellite fleet, following the failure of the W2M satellite launch. The implementation of the alternative solutions studied and recommended by the Working Group to compensate for this failure have led the Group to order a new W3C satellite, whose objective on the one hand will be to fulfil the initial tasks of the W7 or W3B satellites in case of a launch failure and, on the other hand, to guarantee the development and securing of the orbital position 7° East in accordance with the security policy defined by the Group during the previous accounting period.

9.4 INFORMATION CONCERNING THE MEMBERS OF THE BOARD OF DIRECTORS

In accordance with the provisions of law No. 2003-706 of 1 August 2003, amending law No. 2001-420 of 15 May 2001, related to the new economic regulations, it is our duty to inform you of the total compensation (including benefits in-kind) paid to the members of the Company's corporate bodies during the financial year ended 30 June 2009 (See the Notes to the Company financial statements for more information).

9.4.1 Attendance fees paid to members of the Board of Directors

Pursuant to the resolution approved by the AGM on 10 November 2006, the total amount of attendance fees eligible for payment during the financial year was € 700 000.

The level of attendance fees paid to members of the Board of Directors is dependent upon (i) their attendance rate at Board meetings, and (ii) the missions or specific tasks carried out by them as members of the various Committees and Working Groups of the Board.

The table below records the net amounts received by the Directors serving on the Board at the closing of this financial year, for the past two financial years:

Members of the Board	2007-2008	2008-2009
Lord J. Birt, Member of the Board	52 500€	52 500€
CDC Infrastructure, Member of the Board, represented by J. Bensaïd	59 000€	70 000€
C. Espinós Gomez, Member of the Board	52 500	52 500€
A. Luminari , Member of the Board	37 500 €	37 500 €
T. Martínez Gimeno, Member of the Board	51 000€	52 500€
C. Sagasta Reussi , Member of the Board	51 750 €	52 500 €
B. Mabille, Member of the Board	50 000€	50 000€
J.L. Archambault, Member of the Board	70 000€	70 000€

9.4.2 List of functions or offices exercised in any French company by the members of the Board of Directors as of 30 June 2009

Name	Function	Other functions or offices exercised by the Board member in and outside of the Group
Giuliano Berretta	Chairman of the Board of Directors and CEO	Chairman of the Board of Directors and CEO of Eutelsat S.A.
Jean-Luc Archambault,	Board member	Board member of Eutelsat S.A. Chairman of Lysios S.A.S.
CDC Infrastructure represented by **Jean Bensaïd**	Board member	Chairman and representative of CDC, MAP SUB Board member of Eutelsat S.A. Board Member of CDC Infrastructures, GALAXY Permanent representative of CDC on the Supervisory Board of Tower Participations

		Permanent representative of CDC on the Board of Directors of Seche, TDF (TéléDiffusion de France) and SANEF (Société des Autoroutes du Nord et de l'Est de la France)
Lord John Birt	Board member	None
Carlos Espinos Gomez	Board member	Board member of Eutelsat S.A.
Andrea Luminari	Board member	Board member of Eutelsat S.A.
Bertrand Mabille	Board member	Board member of Eutelsat S.A. Chairman of the Supervisory Board of Adeuza Member of the Supervisory Board of Cofitel CEO of CWT France Representative of the Chairman of CWT France and CWT Voyages SAS Representative of the Chairman of CWT France and of CWT Meetings & Events SAS Manager of SETA (Travel Forum) Permanent representative of CWT France, Board member, on the board of Acta Voyages Permanent representative of CWT, Board member, on the Board of Comevat
Tobias Martinez Gimeno	Board member	Board member of Eutelsat S.A.
Carlos Sagasta Reussi	Board member	Board member of Eutelsat S.A.
Christian Roisse	*Censeur*	*Censeur* for Eutelsat S.A.

9.5 INFORMATION CONCERNING THE COMPENSATION PAID TO THE COMPANY OFFICERS

9.5.1 Summary Table

The compensation of Company officers in the format recommended by the AFEP-MEDEF report is in the Annex of this report.

The following table presents compensation paid to Management during the financial years 2007-2008 ending 30 June 2008 and 2008-2009 ending 30 June 2009.

Name and position	Year	Fixed compensation	Variable compensation	Attendance fees	Benefits in kind	Total
G. Berretta Chairman & CEO	2007/2008	550 000	1 010 655	50 000	4 216	1 614 871
	2008/2009	550 000	865 676	50 000	4 949	**1 470 625**
J-P. Brillaud	2007/2008	311 720	310 851	NA	5 070	627 641
Deputy CEO	2008/2009	311 720	257 957	NA	6 708	**576 385**

The fixed amount shown here paid to Mr Berretta corresponds to Mr Berretta's total gross compensation paid to him by Eutelsat S.A. and Eutelsat Communications during the financial year that began 1 July 2008 and ended 30 June 2009, both for his duties as Chairman of the Board & CEO of Eutelsat Communications and his employment contract with Eutelsat S.A as its Director of International Development.

Details of the variable compensation paid during the year for his role as *Mandataire Social* (Company Officer) of Eutelsat Communications follow.

Mr Berretta did not receive any other sum, in any capacity, from any company in the Group. In particular, Mr Berretta received no compensation for his role as Chairman & CEO of Eutelsat S.A.

The fixed compensation paid to Mr Brillaud corresponds to Mr Brillaud's total gross compensation paid to him by Eutelsat S.A. during the financial year that began 1 July 2008 and ended 30 June 2009 for his employment contract with Eutelsat S.A. Mr. Brillaud received no compensation for his role as *Mandataire Social* (Company Officer) of Eutelsat Communications or for his role as Deputy CEO of Eutelsat S.A.

Details of the variable compensation paid during the year for his role as *Mandataire Social* (Company Officer) of Eutelsat Communications follow. Mr Brillaud did not receive any other sum, in any capacity, from any company in the Group.

(a) Factors used to calculate the variable compensation

In accordance with AFEP-MEDEF guidelines, the variable part of Company Officer compensation depends on preset qualitative and quantitative targets.

The variable part of Mr Berretta's compensation is composed of:

- a variable discretionary objective-based bonus, amounting to € 325 000 in the year ending 30 June 2008, which was paid during the first half of the year ending 30 June 2009;
- a bonus that varies according to targets to be obtained, that takes account of Company performance as compared to a preset financial indicator (EBTDA). This amounted to € 500 000 in the year ending 30 June 2008, and was paid during the first half of the year ending 30 June 2009;
- a sum of € 20 320 paid as participation and profit-sharing for the year ending 30 June 2008.

The variable part of Mr Brillaud's compensation is composed of:

- a variable discretionary objective-based bonus, amounting to € 48 628 in the year ending 30 June 2008, which was paid during the first half of the year ending 30 June 2009;
- a bonus that varies according to targets to be obtained, that takes account of Company performance as compared to a preset financial indicator (EBTDA). This amounted to € 187 943 in the year ending 30 June 2008, and was paid during the first half of the year ending 30 June 2009;
- a sum of € 20 986 paid as participation and profit-sharing for the year ending 30 June 2008.

The assessment criteria of the variable part of Mr Berretta's and Mr Brillaud's compensation were the same as those used in the years ending 30 June 2007 and 2008.

For the year ended 30 June 2009, based on a recommendation by the Selection and Remuneration Committee, the Board of Directors decided the previous financial year to review the assessment criteria for the variable components of compensation paid to Messrs Berretta and Brillaud. It is based on targets related to the Group's key financial indicators, namely revenues, EBITDA and consolidated net income. The Board also fixed qualitative evaluation criteria for the Company officers, linked to the work of the Board during the financial year ending 30 June 2009.

The variable component of compensation of Company officers for the year ended 30 June 2009 will be determined by the Board of Directors, based on a recommendation by the Selection and Remuneration Committee, and will paid during the first quarter of the financial year 2009-2010.

The variable compensation that will be paid to Mr de Rosen, Deputy CEO, in office since 1 July, will be decided using assessment criteria to be determined later.

(b) Components of compensation and payments in kind due or liable to be due because of or after leaving Management positions in the Group

The Group contributes to an additional supplemental retirement plan with defined benefits (Article 39) for its Company officers corresponding to 10% of their fixed compensation, the benefit of which is conditional upon their retirement from Eutelsat. The obligation in this regard has been covered by a special pension allocation.

Furthermore, the Supervisory Board of Eutelsat S.A. decided, on 5 November 2002, in accordance with a decision of the Nomination and Compensation Committee, to create compensation for Mr Berretta if his corporate appointment was ended against his will.

Eutelsat S.A. initially made this commitment to compensation, but the Board of Eutelsat Communications decided to take on the commitment itself on 28 June 2006. Today this compensation amounts to 1 million euros, and is due to Mr Berretta if the Board or the Annual General Meeting of Eutelsat Communications decides to end his corporate appointment (except in the case of gross misconduct). This payment is subject to performance conditions: during each of the three previous financial years ended before termination of the corporate appointment, the quantitative target to be met for receiving variable compensation (namely the EBITDA target) must have been higher than the budget of the year in question.

The General Assembly of Shareholders on 6 November 2008 adopted a specific resolution to meet this commitment.

(c) Stock options or stock purchase options or Free Shares

The Company did not offer any stock option or stock-purchase plans during the financial years ended 30 June 2007, 2008 and 2009. However, during previous financial years, the operating subsidiary Eutelsat S.A. offered stock options or stock-purchase plans. As of the date of this report, Messrs. Berretta and Brillaud hold no further stock options under existing Eutelsat S.A. stock option plans.

On 27 May 2009, the Board decided, based on a recommendation by the Selection and Remuneration Committee, to grant Mr Giuliano Berretta, Chairman & CEO, and Mr Jean-Paul Brillaud, Deputy CEO, 30 000 and 10 000 free shares respectively, in accordance with the Plan for the allocation of free shares dated 10 May 2007. In accordance with Article L.225-197 of the *Code de Commerce*, these shares will only be available after a further period of two years has expired.

No other allocations had been made when this report was written.

However, you are reminded that, in accordance with the plan for the allocation of free shares dated 25 July 2007, for which the period for definitive acquisition expires on 26 July 2009, Company officers can be allocated free shares, on condition that the Group meets its own performance targets and a quoted stock price objective.

The Board did not offer the Company officers any stock-option or stock-purchase plans during the financial year ended 30 June 2009.

Section 2.1 <u>INFORMATION ABOUT THE COMPANY'S SHARE CAPITAL</u>

(a) Information on the composition of the share capital

You are informed that, to our knowledge as of 30 June 2009, the main shareholders of the Company are as follows:

Shareholder	% of voting rights	% of shares
ABERTIS TELECOM	31.40	31.40
CDC-Infrastructures	25.66	25.66
Public[19]	42.94	42.94

Please note that the Caisse des Dépôts et Consignations-Infrastructure's share in our Company was transferred, through a series of transactions in July 2008, to the Fonds Stratégique d'Investissement SA, of which the Caisse des Dépôts et Consignations is the major shareholder.

9.5.2 Information concerning thresholds crossed or changes in the control of the Company

We can inform you that, to our knowledge, no shareholder acting alone or with others holds more than 50% of the Company's voting rights and that no shareholder acting alone or with others controls the Company within the meaning of Articles L. 233 and following of the *Code de Commerce*.

In application of Article 12 of the Company's by-laws, we have been notified that the following statutory thresholds have been crossed. The Board of Directors was duly informed:

23 July 2009	Notification of the crossing of legal and statutory thresholds by CDC when CDC transferred 56 399 600 shares to FSI SA i.e. 25.66% of the Company's capital
7 July 2009	Notification of the crossing of legal and statutory thresholds by CDC Infrastructure on 1 July 2009 when CDC transferred 56 399 660 shares to CDC i.e. 25.66% of the Company's capital. On 18 July 2009, CDC transferred all the shares it held to Fonds Stratégique d'Investissement S.A.
20 March 2009	Notification of the upward crossing of the 7% threshold by Franklin Resources Inc., as they hold 15 535 240 shares or 7.073% of the Company's capital
14 August 2008	Notification of the downward crossing of the 7% threshold by Franklin Resources Inc., as they hold 15 249 046 shares or 6.94% of the Company's capital

As of the date of this report, we have not been notified of any other upward or downward crossing of the legal or statutory thresholds in the capital of our Company.

[19] Including employees and managers for 1.14% i.e. 2 495 393 shares

9.5.3 Restrictions on the transfer of shares or securities giving access to the Company's capital

As of 30 June 2009, there is no restriction on the transfer of shares or securities giving access to the Company's capital, with the exception of the restrictions or bans on acquiring/transferring our securities, as specified in the Share Dealing Code relating to the holding of privileged information. This Share Dealing Code is applicable to Board members and to the Group's employees and the Company officers, as well as to related parties, in accordance with the regulations of the *Autorité des Marchés Financiers* (the French financial markets authority).

This Share Dealing Code sets periods during which the persons concerned are prohibited from exercising any securities giving rights to the Company's capital and from selling or transferring any Company shares for a duration of 3 weeks prior to the disclosure of periodic financial information, ending 48 hours after the information is published.

9.5.4 Operations affecting the share capital during the year

9.6.4.1 Capital increase as a result of the free allocation of shares

You are informed that on 27 May 2009, the Board of Directors noted the issue of 162 010 new shares to be allocated to 433 employees and managers (including the Chairman and the Deputy CEO) as a result of the decision by the Board of Directors on 10 May 2007 to allocate free shares. You are reminded that definitive acquisition of these free shares only became absolute as of 10 May 2009, but only becomes available after a further period of two years has expired, i.e. as of 10 May 2011.

Thus the Board allocated 30 000 and 10 000 free shares respectively to Mr Giuliano Berretta, Chairman and CEO and Mr Jean-Paul Brillaud, Deputy CEO, in accordance with the Plan for the allocation of free shares dated 10 May 2007.

9.5.5 Concerning stock options or stock-purchase plans

The Company did not offer any stock option or stock-purchase plans during the financial year ended 30 June 2009.

A total of 1 673 648 stock options were exercised during the financial year in our subsidiary Eutelsat S.A.

9.5.6 Concerning other securities granting access to the share capital

9.6.6.1 Plans for the allocation of free shares

The Board of Directors meeting on 25 July 2007 decided to establish a plan for the allocation of free shares to all employees and key managers of the Group, the total allocation being 474 831, with each employee of the Group receiving 400 free shares. The shares will definitively vest after an acquisition period of 2 years beginning on 26 July 2009 with a requirement that the employee must still be working for the Group at that time. Beneficiaries are then required to keep their shares for a further period of 2 years after effective acquisition.

As well as a requirement that the beneficiaries must still be working for the Group after 2 years, acquisition of all or part of the free shares is, for half of the shares granted, subject to the achievement of certain targets over a two-year period linked to a financial target (50% of the relevant portion) and to a target linked to the Company's share price over a two-year period (the remaining 50%).

The first Board meeting held after the period for final allocation of shares, which is fixed at 26 July 2009, will determine the final allocation of shares under this plan and the number of shares per beneficiary.

9.5.7 Concerning the additional acquisition of Eutelsat S.A. shares

Several sales transactions took place this year, as in previous years:

(i) "Liquidity Offers" for all members or former members of Group staff on a half-yearly basis and

(ii) "Acquisition Transactions" for some Eutelsat S.A. key managers who had entered into commitments to transfer shares to the Company.

Liquidity Offers

At its meeting on 28 June 2006, the Board controlling Eutelsat S.A. decided to offer shareholders who were Company employees or former employees (except for employees or former employees who had entered into commitments to transfer shares from Manager Plans) a liquidity offer of Eutelsat S.A. shares in cash, on a half-yearly basis.

The method of evaluating the unit price of Eutelsat S.A. shares, which was identical for each of the Liquidity Offers, was calculated on the mean of the last 20 quoted market prices of Eutelsat Communications shares, using a formula identical to that of liquidity offers implemented in previous financial years.

Therefore two private offers for purchasing shares were offered to employees and former employees of Eutelsat S.A. in December 2008 and May 2009 respectively.

It should be specified that the Liquidity Offers described below expressly exclude Eutelsat S.A. shares issued under the Managers 1, 2, 3 and 4 Plans to certain beneficiaries who, on 15 July 2005, agreed to sell their shares to Eutelsat Communications and its subsidiaries.

Liquidity offer (December 2008)

Through its subsidiary SatBirds 2 SAS, the Company made a Liquidity Offer to the beneficiaries of stock options granted under the Partners and the Managers 1, 2, 3 and 4 plans and beneficiaries of the stock-purchase plans of March and April 2004, to acquire their shares from these stock options in December 2008 at a unit price of € 5.01 per Eutelsat S.A. share. The Liquidity offer closed on 12 October 2008, resulting in the transfer of 127 699 shares by the beneficiaries to SatBirds 2 SAS, the subsidiary of Eutelsat Communications, for a total of € 639 772.

Liquidity offer (April-May 2009)

Through its subsidiary Eutelsat Communications Finances, the Company offered the beneficiaries of stock options granted under the Partners and the Managers 1, 2, 3 and 4 plans and beneficiaries of the stock-purchase plans of March and April 2004, to acquire their shares in April/May 2009 at a unit price of € 4.88 per Eutelsat S.A. share. During the Liquidity offer, 179 779 shares were transferred by the beneficiaries to Eutelsat Communications Finances for a total of € 877 321,52.

Acquisition offers

Under the commitments to sell their shares signed by the Company and certain beneficiaries of stock options deriving from the exercise of Managers 1, 2, 3 and 4 stock options dated 15 July 2005, the Company undertook two share acquisition transactions.

The July 2008 acquisition transaction

Under the commitments to sell their shares, granted by certain Eutelsat S.A. key manager beneficiaries of Eutelsat S.A. shares deriving from the exercise of Managers 3 stock options, the SatBirds 2 S.A.S. company acquired a total of 437 374 Eutelsat S.A. shares at a unit price of € 2.70 in July 2008.

The January 2009 acquisition transaction

Under the commitments to sell their shares, granted by certain Eutelsat S.A. key manager beneficiaries of Eutelsat S.A. shares deriving from the exercise of Managers 4 stock options, the SatBirds 2 S.A.S. company acquired a total of 1 762 954 Eutelsat S.A. shares at a unit price of € 2.70 in January 2009.

Mr. Brillaud transferred a total of 437 374 Eutelsat S.A. shares in these transactions.

10 OTHER INFORMATION

10.1 RESEARCH AND DEVELOPMENT

Research and Development activities relate mainly to multimedia activities. There was no development cost capitalised as of 30 June 2009.

10.2 TABLE OF RESULTS FOR THE LAST FIVE FINANCIAL PERIODS

As required by Article 148 of Decree No. 67-236 of 23 March 1967, a table showing the Company's results over each of the last five financial periods (see Annex 3) has been attached to this report; the first period shown is the one in which the Company was first formed.

10.3 NON-DEDUCTIBLE CHARGES AND EXPENDITURES FOR THE YEAR ENDED 30 JUNE 2009

Non-deductible charges and expenditures of € 579 442 were reported by the Company for the year ended 30 June 2009.

10.4 AGREEMENTS REFERRED TO IN ARTICLE L.225-38 OF THE *CODE DE COMMERCE*

In application of Article L. 225-38, the Board of Directors authorised a tax consolidation agreement with the Eutelsat Communications Finance S.A.S. and Eutelsat S.A. companies. This agreement has continued in force this year.

10.5 ACQUISITION OF SHARES BY THE COMPANY

The Company did not directly acquire any of its shares during the year ended 30 June 2009. However, the Company entered into a liquidity agreement with Exane BNP PARIBAS. As of 30 June 2009, this liquidity agent had acquired a total of 67 179 shares in the name of and on behalf of the Company with a unit value of € 17.90, amounting to a total of € 1 202 463.63.

10.6 EMPLOYEE PARTICIPATION IN THE SHARE CAPITAL OF THE COMPANY

Further information is given in Note 12 to the attached annex to the Company financial statements and in the special report by the Board of Directors drawn up in application of the provisions of Article L.225-177 and L.225-197 of the *Code de Commerce*.

Senior managers and employees hold 1.12% of the Company's capital. The shares they hold result from i) the stock warrants subscribed for by certain managers and the Company officers, ii) a capital increase reserved for employees at the time of the Company's IPO, iii) the offer to exchange shares in October 2007, and iv) the Board's policy to allocate free shares.

10.7 DIVIDEND POLICY

The dividend distribution policy is defined by the Board of Directors after analysing the Group's results and its financial position in particular.

Because it was only recently created, Eutelsat Communications has paid no dividend since it was first established. However, Eutelsat Communications did distribute € 0.54 per share, deducted from additional paid-in capital, for the year ended 30 June 2006, and € 0.58 per share, also deducted from additional paid-in capital, for the year ended 30 June 2007, and € 0.60 per share also deducted from additional paid-in capital for the year ended 30 June 2008.

For the year ended 30 June 2009, the Board decided on 30 July 2009 to propose to the annual General Meeting of Shareholders that an amount of € 0.66 per share be distributed, of which € 0.13 per share deducted from additional paid-in capital, and € 0.53 per share as dividends.

For the future, the objective of Eutelsat Communications is to distribute between 50% and 75% of the Group share of consolidated net income to its shareholders.

This objective in no way constitutes a commitment by the Group, and future distributions will depend on the Group's results, its financial position, and a certain number of restrictions.

10.8 ALLOCATION OF THE RESULT

At its meeting on 30 July 2009, the Board decided to allocate the net result for the year, which shows a profit of € 1 22 908 336.23, as follows:

- to allocate € 6 145 416.81 to legal reserve, and
- to distribute € 0.66 per share, amounting to an estimated total of € 145 026 278.76 on the basis of the number of shares as of 30 June, deducted (i) from the distributable earnings and (ii) from the balance, from the additional paid-in capital.

10.9 POWERS DELEGATED TO THE BOARD OF DIRECTORS BY GENERAL MEETINGS OF SHAREHOLDERS

The table below gives a summary of the powers delegated to the Board by the Company's Extraordinary General Meeting of Shareholders and still applicable at 30 June 2009:

	Operation concerned	Maximum nominal amount	Duration of the delegation of powers and expiry date
1.	Authorisation provided to the Board to buy Company shares	10% of the shares comprising the share capital up to a maximum amount of € 400 million	12 months (OGM Nov. 2009)
2.	Delegation of authority for the Board to issue ordinary shares in the Company and also marketable securities giving access to ordinary shares in the Company or in one of its subsidiaries, while maintaining shareholders' preferential subscription rights	€ 120 million	26 months (31décembre 2009)
3.	Delegation of authority for the Board to issue ordinary shares in the Company and also marketable securities giving access to ordinary shares in the Company or in one of its subsidiaries, with suspension of shareholders' preferential subscription rights	€ 120 million	26 months (31 December 2009)
4.	Authorisation provided to the Board to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights	€ 120 million	26 months (31 December 2009)
5.	Delegation of authority for the Board to increase the capital by including reserves, profits, premiums or other capitalisable amounts	€ 100 million	26 months (31 December 2009)
6.	Delegation of authority in the event of a public offering for Company securities in order to issue share subscription warrants free of charge to shareholders	€ 120 million	18 months (30 April 2009)

7.	Delegation of authority for the Board to issue ordinary shares in the Company and also marketable securities giving access to ordinary shares in the Company in the event of a public share exchange offer initiated by Eutelsat	€ 120 million	26 months (31 December 2009)
8.	Delegation of authority for the Board to undertake a capital increase by issuing ordinary shares in the Company and also marketable securities giving access to ordinary shares in the Company as a consideration for contributions in kind up to a maximum of 10% of the Company's share capital.	up to a maximum of 10 % of the Company's share capital	26 months (31 December 2009)
9.	Delegation of authority for the Board to issue ordinary shares a result of the issuing of marketable securities giving access to ordinary Company shares by Company subsidiaries.	€ 120 million	26 months (31 December 2009)
10.	Delegation of authority for the Board to issue marketable securities giving entitlement to the allocation of debt securities	€ 2 billion	26 months (31 December 2009)
11.	Authorisation for the Board to increase the share capital to the benefit of the members of a savings plan	€ 2 million	26 months (31 December 2009)
12.	Authorisation for the Board to allocate Company shares free of charge	up to a maximum of 4 % of the Company's share capital	38 months (31 December 2010)
13.	Authorisation for the Board to allocate share subscription and/or purchase options for ordinary shares in the Company	4% of the share capital > or = 95% of the average share price over 20 trading days	38 months (31 December 2010)
14.	Reduction of the share capital by cancellation of shares bought back	up to a maximum of 10 % of the Company's share capital	12 months (OGM November 2009)

In the course of the financial year, the Board used only the delegations of authority under No.1 and No.12 in the following table:

- for the purpose of a liquidity agreement to animate the secondary market;
- for the purpose of allocating free shares to the employees, managers and Company officers of the Group.

Section 3.1 ENVIRONMENTAL INFORMATION

The Group believes that its business as operator of fixed satellite communications services does not pose any significant risks to the environment. In fact, its business as a satellite operator does not involve any manufacturing process posing a serious threat to the environment, rare or non-renewable resources, natural resources or bio-diversity. The Group's assets are mainly satellites in geostationary orbit 36 000 kilometres above the earth.

In the absence of any regulations or applicable legislation relating to de-orbiting manoeuvres, the Group adheres to the principles discussed at an international level by the Inter-Agency Space Debris Coordination Committee and the United Nations Committee on the Peaceful Uses of Outer Space.

For the purposes of its business, the Group also operates earth stations with antennas to receive and transmit radio signals to its satellite fleet. All these facilities obey current environmental legislation, especially in terms of the regulations applying to the radiation of radio signals.

Section 4.1 POST BALANCE-SHEET EVENTS

NONE

11 PRINCIPAL RISKS FACING THE GROUP

These can be divided into three categories:

- Risks related to the Group's fleet of satellites and to the investments necessary for its deployment;
- Risks associated with the evolution of the telecommunications satellite market;
- Financial and other risks

This section presents a summary of the principal risks with which the Group may be confronted in conducting its business activities. The risks mentioned are solely for illustrative purposes and the list is not exhaustive. These or other risks unidentified as of the date of this report, or deemed insignificant by the Group as of the date of this report, could have a negative impact on the Group’s business, financial position, results or prospects for development. It should also be remembered that some of the risks mentioned in this report as well as some risks that are not mentioned in this report may be triggered or may arise as a result of external factors or cases of force majeure, and that such risks are beyond the Group's control.

11.1 RISKS RELATED TO THE GROUP'S FLEET OF SATELLITES AND TO THE INVESTMENTS NECESSARY FOR ITS DEPLOYMENT

The Group might not be able to keep to its launch or entry-into-service schedule for its new satellites.

The Group plans to launch five new satellites (W7, W3B, KA SAT, W3C and ATLANTIC BIRD™ 7) in the next few years. The purpose of these new satellites is to ensure service continuity for some satellites currently being operated, to increase resources at certain orbital positions, to increase the Group’s service offerings and to secure certain orbital positions.

It is possible that the planned schedule for launching these new satellites will not be met or that the launches will fail.

A significant delay or launch failure of one of these satellites would impair the Group’s ability to meet its contractual service continuity commitments for its customers or end users and to meet its growth targets.

Any significant delay or launch failure of any of its satellites could thus have a significant negative impact on the Group’s business, financial position and results.

Delays for any reason in the Group's satellite deployment plan caused by launch failures or launch delays may prevent the Group from finding new business opportunities and thereby impair its ability to achieve its development strategy, which could have a significant negative impact on its business, financial position and results.

The Group is dependent on several large suppliers for fulfilling its deployment plan

The number of constructors capable of designing and building satellites in compliance with technical specifications and the quality demanded by the Group is limited, as is the number of agencies capable of launching these satellites. The reduced number of these suppliers could reduce the Group's negotiating power and result in less favourable economic conditions. The small number of suppliers could make it more difficult for the Group to implement its deployment programme according to the desired schedule. Moreover, the Group is exposed to the risk that its suppliers will have operational or financial difficulties, or that they will be made bankrupt or exposed to lawsuits related to intellectual property rights.

Two of the launches for the future satellite programmes are due to be carried out by Sea Launch Limited Partnership, a company that was placed under the protection of Chapter 11 of the U.S. Bankruptcy Code on 22 June 2009. The outcome of this is to restructure a company in financial difficulties to enable it to continue its activity.

Sea Launch has 120 days as from 22 June 2009 to submit a restructuring plan to the court. Once the project has been filed and recorded by the relevant court, the Creditors' Committee has a further 180 days to vote on it. The launch costs that are already paid and that are counted as current fixed assets amount to € 79.9 million as of 30 June 2009.

Based on information available at the date on which the accounts were adopted, the Group believes that Sea Launch will be able to to continue to honour its contractual commitments to Eutelsat for these two launches.

It is a key factor for the Group deployment plan to have these two launches carried out on time. Therefore if Sea Launch is late or fails to fulfil its commitments, the Group may have to have the satellites launched by other launch service operators, and in some cases, sign new launch service contracts.

In general, as part of its policy of securing its resource deployment plan, the Company has alternative solutions that minimise the risk of delayed satellite launch as much as possible. This is why, for example, satellites are technically adaptable and can be launched by several types of launch vehicles. In the same way, the Company can choose to redistribute satellite launch between the launch service operators by way of its firm or optional launch service contracts.

The limited number of suppliers could have a significant negative impact on the Group's business, financial position and results.

The satellites operated by the Group may experience failures or malfunctions in orbit.

Satellites are sophisticated pieces of equipment, which are sensitive to the external environment. Once in orbit, malfunctions may occur for various reasons and reduce their remaining operating life and/or permanently or intermittently reduce their transmission capability, which could have a significant negative impact on the Group's business, financial position and results.

After launching, but before entry into service, the W2M satellite experienced a major anomaly in one of its electrical power generator sub-systems, so that it was impossible to incorporate it into the Group's commercial fleet, and this led to a significant reduction in its broadcasting capacity. Similarly, some of the Group's satellites have lost some equipment in the past, and are operating by using on-board redundant equipment.

If a satellite breaks down or malfunctions while in orbit, the Group cannot guarantee that it will be able to ensure service continuity for its customers at that orbital position by successfully launching a replacement satellite or a satellite that can fulfil the mission of the failed one.

If a satellite breaks down or malfunctions while in orbit, the Group cannot guarantee that it will be able to ensure service continuity for its customers by using sparing equipment or the back-up capacity of another satellite, particularly if satellite capacity appropriate for the needs of the relevant customers is not available.

If there is a failure or malfunction in orbit, the Group could have trouble in retaining its customers (who could terminate or renegotiate their capacity allotment agreement) and might not be capable of entering into new capacity allotment agreements on satisfactory terms.

Such failures or malfunctions could have a significant negative impact on the Group's business, financial position and results.

The Group has not taken out insurance policies for all the satellites in orbit that belong to it, and these policies might not protect it against all the damage that could be sustained by its satellites.

The Group has implemented an in-orbit lifetime insurance programme covering 16 of its 19 satellites for their net book values. Under certain conditions, the policies cover the partial losses and/or the constructive total losses of the insured satellites. In spite of this total or partial insurance coverage, a failure or the loss of one or more of the Group's satellites could have a significant negative impact on its business, financial position and results.

The in-orbit lifetime insurance policies taken out by the Group contain typical exclusion clauses as well as specific exclusion clauses for the risks of potential failures for certain satellites. In the event of losses resulting from an event or piece of equipment not covered by these policies, the damage suffered will not be compensated. In addition, some partial losses or constructive total losses may not be fully compensated under the insurance programme in force. Nor does this insurance programme protect against certain damage or harm, such as opportunity loss, interruption of business, delayed entry into service or lost revenues. Finally, insurance companies could dispute the causes for the failures or malfunctions or the amount of the damage incurred by the Group. The Group cannot guarantee that in the event of a proven failure or malfunction in any of its satellites covered under past insurance programmes, insurance will compensate the Group within a reasonable time frame or for the amount claimed in compensation by the Group. The lack of compensation, late compensation or partial compensation of losses suffered could have a significant negative impact on the Group's business, financial position and results.

Changes in technology could render the Group's satellite telecommunications system obsolete.

The telecommunications industry is subject to rapid technological changes. If the Group were not in a position to adapt to these changes quickly and efficiently, its satellite telecommunications system could become obsolete. As such, the Group's competitive position could be weakened, especially if its competitors were capable of incorporating these new technologies. If the Group's satellite telecommunications system became obsolete, demand for its services could decrease, which would have a significant negative impact on its business, financial position and results.

11.2 RISKS ASSOCIATED WITH THE EVOLUTION OF THE TELECOMMUNICATIONS SATELLITE MARKET

The Group might not be able to meet the demand for satellite capacity at certain orbital positions.

The available supply of satellite capacity is currently significantly lower than the level of demand in certain frequency bands (Ku and C) and/or in Extended Europe. This situation, which could last, is mainly due to long investment and in-orbit operation cycles that do not correspond and to variations in demand as a result of the prevailing economic climate.

Given that the utilisation rate of its satellite capacity is so high, the Group might not be able to meet additional demand for satellite capacity from existing customers at certain orbital positions. These customers could then lease additional satellite capacity from other operators and/or decide to terminate their allotment agreements with the Group and to transfer all the capacity they lease from the Group to other satellite operators that do have capacity available, which could have a significant negative impact on the Group's business, financial position and results.

In addition, because of the utilisation rate of its satellite capacity and the limited number of customers and/or end users of satellite capacity, then should the current situation where there is too little capacity persist due in particular to launch delays or launch failures of the upcoming satellites, the Group might not be able to meet demand from new customers, which could have a significant negative impact on the Group's prospects and on its ability to achieve its growth targets.

The Group's business is sensitive to the evolution of the level of demand by users of video applications

The audiovisual industry is sensitive to variations in advertising budgets and household expenditure, which are themselves affected by the economic environment as a whole. In recent years, many television channels, broadcasting platform operators and cable TV operators have experienced financial difficulties as a result of declining advertising revenue and a general economic slowdown. Some have gone bankrupt or have had to restructure. The Group cannot be certain that the audio-visual broadcast industry, which is an important part of its end-user base, will not be similarly affected by a deterioration in general economic conditions in the future, leading to a decrease in demand or additional pressure on prices. Such a deterioration could have a significant negative impact on the Group's business, financial position and results.

Continuation of the consolidation trend could also result in broadcasting platform operators or cable TV operators having greater negotiation leverage with satellite operators or their distributors, creating additional pressure on prices. Such consolidation could thus have a significant negative impact on the Group's business, financial position and results.

The adoption of new technical broadcasting standards, which has resulted in and could continue to result in an increase in the signal compression rate, has reduced and could continue to reduce the demand for transponders for a given number of television channels. If this reduction is not offset by an increase in the number of channels transmitted, the overall demand for transponders could decrease, which could have a significant negative impact on the Group's business, financial position and results.

The Group's development is closely tied to the prospects for growth in the demand for satellite services. This demand might not become reality or the Group might not be in a position to meet it.

The Group's development is also closely tied to the prospects for growth in the demand for video services, which is partly linked to the expected development of DTH broadcasting in the emerging countries and of high–definition television (HDTV) and Internet by satellite. This growth in demand may not materialise. Moreover, the Group might not be in a position to make the investments necessary at the appropriate time to meet this demand. In particular, with HDTV consuming more satellite capacity than is the case with the current satellite TV broadcasting standard, the Group might not be in a position to invest in additional satellites at the appropriate time or in proportions enabling it to meet market demand. If demand for video services does not increase or the Group is not in a position to meet this demand, this could have a significant negative impact on its business, financial position and results.

Another vector of the Group's strategy is developing value-added services (especially IP access solutions). This will depend, in part, on continued growth in demand for broadband Internet services, which is not a certainty and which is hard to predict. Demand for broadband Internet services could decrease or not continue to grow as quickly as over the last few years. Even if this demand does continue to grow, the Group cannot guarantee that such growth will generate an increased demand for satellite services due to the cost of access to satellite capacity. Furthermore, the Group might not be able to provide broadband Internet services that correspond to market demand at competitive prices, especially if its KA SAT TOOWAY™ programme suffers any delay or failure.

If the demand for satellite broadband Internet services does not develop as predicted or the Group is not able to meet it adequately, this could have a significant negative impact on its business, financial position and results.

Development of the Group's business also depends on the availability of capacity in the various frequency bands requested by customers. Availability is insufficient in some frequency bands, and this could have a significant negative impact on the Group's ability to meet its customers' needs in these bands.

The Group is exposed to risks inherent in the international nature of its customer base and its business.

The Group provides satellite telecommunications services to customers in about 150 countries and could potentially move into other countries. Consequently, the Group is exposed to geopolitical, economic or other risks inherent in the international nature of its commercial activities. Pricing, tax, regulatory and customs policies pertaining to the services provided by the Group, the commercial practices in certain countries and also their political or economic instability could prevent the Group from implementing its development strategy and thereby have a significant negative impact on its business, financial position and results.

Additionally, if the Group had to bring legal action against its customers or commercial partners located outside the European Union, it could prove difficult to assert its rights, which could have a significant negative impact on its business, financial position and results.

The Group derives a substantial part of its revenues from Multi-usage leases, which depend heavily on the international political and economic context.

Over the last few years, the Group has generated a substantial portion of its revenues from the Multi-usage market segment. This market segment includes the direct or indirect supply of services to governments, especially in the United States. Obtaining and/or renewing capacity allotment agreements for this segment depends to a great extent on the international political and economic context. As a result, the Group cannot be certain that it will be capable of continuing to earn revenues from such leases.

Any failure to obtain new contracts or any termination, non-renewal or renewal under less favourable terms of such contracts could have a significant negative impact on the Group's business, financial position and results.

The Group is dependent on several major customers.

The Group generates a significant portion of its business from a limited number of customers, most of which are telecommunications operators. As of 30 June 2009, the Group's 10 largest customers represented 53.8% of its revenues.

Some of the Group's major customers could decide (i) to terminate their contracts, (ii) not to renew them, or (iii) to renew them on terms, particularly price terms, less favourable to the Group, which could have a significant negative impact on its business, financial position and results.

Moreover, some of the Group's major customers in terms of capacity and revenues, particularly those located in emerging markets, could encounter or are encountering financial difficulties liable to lead to late payments or to unpaid invoices, which could lead to termination of the corresponding allotment agreements without the Group being able to replace the defaulting customers with new customers, which could also have a significant negative impact on the Group's business, financial position and results.

The Group has to contend with significant competition from satellite operators and from terrestrial network operators.

The Group has to contend with significant competition from international, national and regional satellite operators. The Group's main competitors are the other major international satellite operators, such as SES and Intelsat. These competitors have greater satellite capacity and geographical coverage than the Group, and more financial resources are available to them. The Group is also in competition with regional and national satellite operators, some of which enjoy advantages (e.g. tax or regulatory advantages) in their domestic markets. The heightened competition between satellite operators could lead to greater pressure on prices, which could have a significant negative impact on the Group's business, financial position and results.

The Group is also in competition with terrestrial network operators (cable, fibre optic, DSL, radio relay broadcasting and VHF/UHF transmission, especially digital) for many transmission services and value-added services, particularly for broadband IP access but also for the transmission of audiovisual programmes (ADSL TV, DTT). This intensified competition could result in greater pressure on prices for satellite broadcasting and telecommunications services. Furthermore, any improvement or increase in the geographical reach of the terrestrial network operators could result in the Group's customers opting for the telecommunications solutions proposed by these operators, thereby making it more difficult for the Group to retain or develop its customer portfolio. Finally, some technological innovations that could be developed in the future with alternatives to satellites that could render satellite technology obsolete. Heightened competition with the terrestrial network operators could thus have a significant negative impact on the Group's business, financial position and results.

11.3 FINANCIAL AND OTHER RISKS

The Group has a high level of debt.

Any rise in interest rates could lead to an increase in the level of indebtedness of the Group.

Amounts due under current borrowings bear interest at a variable rate plus a margin. The Group has entered into transactions to hedge the interest rate risk for most of the amounts drawn on these credit facilities over a specified period of time. However, the Group does not currently hedge the full extent of its exposure, over time, to interest-rate risk. A rise in the reference interest rates could therefore have a significant negative impact on the Group's business, financial position and results.

A change in the Group's debt rating could affect the cost and terms of its debt as well as its ability to finance itself.

The Group's debt instruments are rated by the independent rating agencies Moody's Investor Service and Standard & Poor's. These ratings affect the cost and terms of the Group's credit lines. Future rating downgrades, should they occur, would probably affect the Group's ability to obtain financing and the terms associated with that financing. The Group cannot guarantee that it will be able to take measures enabling it to improve or maintain its ratings, nor that the rating agencies will consider that the measures the Group has taken to that end are sufficient. Additionally, factors outside the Group's control, such as those related to its industry segment or the geographical areas in which it operates, may affect the rating assigned by these agencies. Consequently, the Group cannot guarantee that its debt rating will not be adversely affected in the future, which could have a significant negative impact on its business, financial position and results.

The Company is a holding company, which depends on its subsidiaries for the necessary resources to be available for the payment of dividends. The ability of its subsidiaries to make distributions may be subject to certain constraints.

The Company is a holding company, which has no operating assets and only a limited ability to generate revenues. Therefore, the Company depends on its subsidiaries to have the resources necessary for any payment of dividends or any other form of distribution to its shareholders.

Eutelsat S.A. distributable sums could be heavily affected by that company's expenses, whether or not they involve a disbursement, and in particular, by any asset impairments recognised in its accounts. In the past, Eutelsat S.A. has recognised major impairments of its assets and could have to recognise such impairments in the future. The fact that the Company is a holding company and that the ability of its subsidiaries to make distributions is subject to certain constraints could therefore have a significant negative impact on its financial position, its results and its ability to make distributions.

The Group could be subject to new requests for funding as a result of its financial guarantee in respect of the IGO Closed Pension Fund.

Before the creation of Eutelsat S.A., IGO managed a pension fund (the "Closed Pension Fund") for its staff members. The rights of the Closed Pension Fund's beneficiaries were frozen, and management of the fund and the corresponding assets assigned to a Trust (which was also charged with managing the corresponding pension commitments). Under the Transfer Agreement of 2 July 2001, Eutelsat S.A. took over the unlimited financial guarantee taken on by the IGO to cover any shortfall in the financing of the Pension Fund. Any shortfall in the amount needed to finance the Closed Pension Fund could involve the Group in new obligations as regards the financial guarantee, which could have a significant negative impact on the Group's business, financial position and results.

The Group is subject to foreign currency risk

Part of the Group's business is conducted outside Europe. Most of the Group's customers pay for the services they take in euros, and the Group presents its financial results in euros. However, some of the Group's customers pay in U.S. dollars, the amount involved representing 22% of the Group's revenues in euros as of 30 June 2009, and because developing its business outside Europe is a key part of the Group's strategy, this proportion could increase as the Group expands its business to countries located outside the euro zone. This geographical expansion could increase the foreign currency risk in terms of the U.S. dollar against the euro for the Group. Fluctuating exchange rates could lead to an increase in the price of the Group's capacity and services when they are paid for in currencies other than the euro.

These fluctuations could then reduce demand from customers paying in currencies other than the euro. Even in the absence of fluctuating demand, fluctuations in the exchange rate could have an impact on the Group's revenues, because a portion of those revenues is in a currency other than the euro.

Also, the Group's customers located in emerging countries could encounter difficulties in obtaining euros or US dollars (because of currency controls), which could significantly affect their ability to pay in euros or in US dollars, thereby exposing the Group to additional exchange risks. Also, the Group's contracts with American suppliers (including contracts signed with launch agencies) are denominated in U.S. dollars. The Group generally negotiates forward contracts or call options in U.S. dollars to hedge the payment obligations that it has when a satellite is delivered or after it is launched. However, the Group also has contracts with suppliers that are payable in U.S. dollars and for which the risk is not hedged.

All the foreign currency risks mentioned above could have a significant negative impact on the Group’s business, financial position and results.

Share risk

As of 30 June 2009, the Group owned none of its own shares (excluding shares held as of 30 June 2009 under the liquidity agreement with Exane BNP PARIBAS) nor any equity interests in any listed companies and is not therefore exposed to any significant risk in this regard.

The Group provides its satellite telecommunications services in a heavily regulated environment.

The satellite telecommunications industry in which the Group operates is highly regulated. Changes in policy or regulation – at an international level under the International Telecommunication Union, in the European Union, in France or in the other countries in which the Group does business – could have a significant negative impact on the Group’s business or its development, particularly if these changes increase the cost and the regulatory constraints associated with provision of the Group's services. These changes could have a significant negative impact on the Group’s business, financial position and results.

The Group has to be able to continue to benefit from the existing frequency assignments at the orbital positions at which it operates or it could need to redeploy some of its satellites. It also has to be able to obtain new frequency assignments, for the same of for new orbital positions, for the future expansion of its business. Loss of existing frequency assignments or failure to obtain new frequency assignments within timeframes compatible with the Group’s development plan could have a significant negative impact on the Group's business, financial position and results.

Moreover, certain States could decide to impose a system of taxation on satellite operators for the reception of satellite transmissions over their territory. Such a development could have a significant negative impact on the Group’s business, financial position and results.

* * * *

ANNEXE 3

TABLE OF RESULTS FOR THE LAST FIVE FINANCIAL PERIODS

EUTELSAT COMMUNICATIONS SA

RESULTATS FINANCIERS DE LA SOCIETE AU COURS DES CINQ DERNIERS EXERCICES
(art. 133, 135 et 148 du décret sur les Sociétés Commerciales)

Nature des indications	Juin 2005 (trois mois)	Juin 2006 (douze mois)	Juin 2007 (douze mois)	Juin 2008 (douze mois)	Juin 2009 (douze mois)
I - CAPITAL EN FIN D'EXERCICE					
a) Capital social	278 732 598	215 692 592	217 401 082	219 641 955	219 803 965
b) Nombre des actions ordinaires existantes	278 732 598	215 692 592	217 401 082	219 641 955	219 803 965
c) Nombre maximal d'actions futures à créer :					
- Par exercice de bons de souscription BSA 1		548 362	0	0	0
- Par exercice de bons de souscription BSA 2		1 238 097	77 969	0	0
II - OPERATIONS ET RESULTATS DE L'EXERCICE					
a) Chiffre d'affaires hors taxes	0	1 197 900	1 422 474	1 812 118	1 764 544
b) Résultat avant participation, impôts et charges calculées (amortissements et provisions)	-13 217 299	-3 145 328	-17 173 689	-32 255 036	97 567 042
c) Impôts sur les bénéfices	0	0	-79 084	-30 426 199	-27 993 460
d) Participation des salariés due au titre de l'exercice	0	0	0	0	0
e) Résultat après participation, impôts et charges calculées (amortissements et provisions)	-13 217 299	-3 235 692	-20 080 615	-4 609 948	122 908 336
f) Distribution dividendes					
III - RESULTATS PAR ACTION					
a) Résultat après participation, impôts, mais avant charges calculées (amortissements et provisions)	-0.05	-0.01	-0.08	-0.01	0.57
b) Résultat après participation, impôts et charges calculées (amortissements et provisions)	-0.05	-0.02	-0.09	-0.02	0.56
c) Dividende attribué à chaque action	0.00	0.00	0.00	0.00	0.00
IV - PERSONNEL					
a) Effectif moyen		1	1	1	1
b) Montant de la masse salariale de l'exercice		1 357 333	1 105 997	1 263 000	1 123 000
c) Montant des sommes versées au titre des avantages sociaux de l'exercice		421 749	275 070	402 677	389 698

ANNEXE 4

TABLE OF AUDITORS' FEES

(En milliers d'euros)

	ERNST & YOUNG				MAZARS			
	Montant N	**%**	**Montant N-1**	**%**	**Montant N**	**%**	**Montant N-1**	**%**
Audit								
Commissariat aux comptes, certification, examen des comptes individuels et consolidés								
Eutelsat communications	307	40%	207	33%	256	57%	215	100%
Autres filiales	353	46%	342	55%	190	43%	-	0%
Autres diligences et prestations directement liées à la mission du commissaire aux comptes								
Eutelsat communications	-	0%	18	3%	-	0%	-	0%
Autres filiales	36	5%	19	3%	-	0%	-	
Sous total	696	91%	585	94%	446	100%	215	100%
Autres prestations, le cas échéant								
Juridique, fiscal, social	66	9%	38	6%	-	0%	-	0%
Sous total	66	9%	38	6%	-	0%	-	0%
TOTAL	762	100%	624	100%	446	100%	215	100%

ANNEXE 6

TABLE OF COMPENSATION OF COMPANY OFFICERS IN THE AFEP-MEDEF RECOMMENDED FORMAT

Synthèse des rémunérations et des options et actions attribuées aux dirigeants mandataires sociaux de la société (Tableau n° 1)

	2007-2008	**2008-2009**
G.Berretta **Président Directeur Général**		
Rémunérations (détaillées au tableau n°2)	1.614.871€	1.470.625€
Valorisation des options attribuées au cours de l'exercice 2008-2009	-	-
Valorisation des actions de performance attribuées au cours de l'exercice 2008-2009	-	-
TOTAL	1.614.871€	1.470.625€
J-P. Brillaud **Directeur Général délégué**		
Rémunérations (détaillées au tableau n°2)	627.641€	576.385€
Valorisation des options attribuées au cours de l'exercice 2008-2009	-	-
Valorisation des actions de performance attribuées au cours de l'exercice 2008-2009	-	-
TOTAL	627.641€	576.385€

Récapitulatif des rémunérations de chaque dirigeant mandataire social (Tableau n° 2)

	2007-2008		2008-2009	
	Montants dus	**Montants versés**	**Montants dus**	**Montants versés**
G. Berretta				
Président Directeur Général				
Rémunération fixe	550.000€	550.000€	550.000€	550.000€
Rémunération variable	1.010.655€	1.010.655€	865.676€	865.676€
Jetons de présence	50.000€	50.000€	50.000€	50.000€
Avantages en nature	4.216€	4.216€	4.949€	4.949 €
Rémunération exceptionnelle	-	-	-	-
TOTAL	1.614.871€	1.614.871€	1.470.625€	1.470.625€
J-P. Brillaud				
Directeur Général délégué				
Rémunération fixe	311.720€	311.720€	311.720€	311.720€
Rémunération variable	310.851€	310.851€	257.957€	257.957€
Jetons de présence	0€	0€	0€	0€
Avantages en nature	5.070€	5.070€	6.708€	6.708€
Rémunération exceptionnelle	-	-	-	-
TOTAL	627.641€	627.641€	576.385€	576.385€

Jetons de présence perçus par les mandataires sociaux non dirigeants (Tableau n° 3)

Membres du conseil d'administration	Jetons de présence versés au cours de l'exercice 2007-2008	Jetons de présence versés au cours de l'exercice 2008-2009
G. Berretta **Président du Conseil d'Administration**	50.000€	50.000€
Lord J. Birt **Administrateur**	52.500€	52.500€
CDC Infrastructure **Administrateur** **représentée par J. Bensaïd**	59.000€	70.000€
C. Espinós Gomez **Administrateur**	52.500€	52.500€
A. Luminari **Administrateur**	37.500€	37.500€
T. Martínez Gimeno **Administrateur**	51.000€	52.500€
C. Sagasta Reussi **Administrateur**	51.750€	52.500€
B. Mabille **Administrateur**	50.000€	50.000€
J.L. Archambault **Administrateur**	70.000€	70.000€
P.F Guarguaglini **Administrateur***	33.750€	11.250€

* M. Guarguaglini a démissionné au cours de l'exercice 2008-2009.

Actions de performance attribuées à chaque dirigeant mandataire social (Tableau n° 6)

Actions de performance attribuées définitivement par le Conseil d'administration sur délégation de l'assemblée générale à chaque mandataire social par l'émetteur et par toute société du Groupe depuis le 30 juin 2008	N°et date du plan	Nombre d'actions attribuées depuis le 30 juin 2008	Valorisation des actions selon la méthode retenue pour les comptes consolidés	Date d'acquisition	Date de disponibilité	Conditions de performances du plan
G. Berretta **Président Directeur Général**	25 juillet 2007 pour deux ans	38.216*	536.934,80€	26 juillet 2009	26 juillet 2011	50 % de l'attribution basée sur un objectif de performance d'EBITDA par exercice et
J-P. Brillaud **Directeur Général délégué**	25 juillet 2007 pour deux ans	12.996*	182.593,80€	26 juillet 2009	26 juillet 2011	50 % de l'attribution basée sur un objectif de cours de bourse de plus de 20 % (soit 21,58 euros) par rapport au cours d'attribution (soit 17,99 euros)
Total		51.212	719.528,60€			

* Actions attribuées définitivement le 30 juillet 2009

Aucune action de performance n'est devenue disponible pour les dirigeants mandataires sociaux durant l'exercice 2008-2009.