

**QUARTERLY FINANCIAL INFORMATION**
**EUTELSAT COMMUNICATIONS REPORTS RECORD REVENUE GROWTH  
 IN THE FIRST QUARTER 2009-2010: +11.6%**

- **Strong revenue increase across all business applications:**
  - **Video: +8.5%, driven by take-up of digital TV in emerging markets and by growth of HDTV**
  - **Data and Value-Added Services: +16%, continued solid demand, notably in Africa and the Middle East**

**Paris, November 5, 2009** – Eutelsat Communications (ISIN: FR0010221234 - Euronext Paris: ETL), one of the world's leading satellite operators, today reported financial information for the first quarter ended September 30, 2009.

## Revenues by business application

In millions of euros	First quarter ended September 30		Change
	2008	2009	In %
Video Applications	166.7	<b>180.8</b>	<b>+8.5%</b>
Data & Value Added Services	41.1	<b>47.7</b>	<b>+16.0%</b>
Multi-usage	15.6	<b>22.9</b>	<b>+46.2%</b>
Others	3.2	<b>1.7</b>	-
<b>Total</b>	<b>226.7</b>	<b>253.0</b>	<b>+11.6%<sup>1</sup></b>

Commenting on performance during the first quarter 2009-2010, Giuliano Berretta, Chairman and CEO of Eutelsat Communications said: "*Eutelsat Communications' double digit revenue growth for our first quarter testifies to the success of our in-orbit expansion programme, which in combination with excellent commercial performance, has enabled us to leverage new capacity for markets recording the most buoyant growth. Following the entry into service in the second half of the 2008-2009 financial year of three satellites and the redeployment of five satellites already in orbit, our expansion programme takes a new step forward later this month with the launch of W7 to serve particularly dynamic broadcast and telecom markets in Russia, the Ukraine, Africa and Central Asia. Four more satellites are scheduled for launch by the end of 2011 to drive further growth.*

*Our commercial efforts are supported by the ongoing dynamic of digital broadcasting and broadband services. Positioned at the heart of our business, these two activities fundamentally require satellites to serve users directly and to feed or complement terrestrial networks. Our video business has also benefited from the expansion of HDTV which requires on average 2.5 times the bandwidth used by a Standard Digital channel. Meanwhile, increased initiatives at national and regional levels to deliver broadband to users*

<sup>1</sup> At constant exchange rate, revenue growth would have been 11.9%

*beyond range of ADSL are stimulating demand for our value-added broadband services for businesses, communities and consumers.*

*With the pursuit of our ambitious strategy, backed by strong structural assets and markets showing significant potential for growth, Eutelsat can be confident of meeting our objectives and continuing our trajectory of lasting and profitable growth.”*

## FIRST QUARTER 2009-2010 REVENUE ANALYSIS

*Note: Unless otherwise stated, all growth indicators or comparisons are made against the first quarter of the previous fiscal year or September 30, 2008. The share of each application as a percentage of total revenues is calculated excluding 'other revenues' and 'one-off revenues'.*

The excellent performance achieved in the first quarter (+11.6%) reflects strong growth across all applications. The period fully benefited from an increase in in-orbit resources following the entry into service of three satellites over the last nine months and the redeployment of five satellites already in orbit. This additional capacity enabled Eutelsat to leverage the strong commercial momentum of buoyant markets in Central and Eastern Europe, the Middle East and Africa.

### VIDEO APPLICATIONS (71.9% of revenues)

**Video Applications** registered sustained increase in revenue (+8.5%) to €180.8 million. With 329 TV channels broadcast by Eutelsat's fleet at September 30, 2009 (+4.7%), Eutelsat further consolidated the commercial strength of its nine video neighbourhoods.

This strong performance was driven by the following:

- For European markets, the successful launch of HOT BIRD™ 9 and the redeployment of EURO BIRD™ 9A<sup>2</sup> and EURO BIRD™ 16<sup>3</sup> further anchored the leadership of the premium HOT BIRD™ video neighbourhood, and enabled the Group to increase capacity at 9° East and 16° East in order to enhance customer service.

Growth in the first quarter consequently reflects the full effect of contracts concluded over the last nine months through dynamic management of in-orbit resources. Significant long-term contracts include Sky Italia (Italy) and Cyfrowy Polsat (Poland) at the HOT BIRD™ position, contracts at 9° East with Hello HD (Hungary) and Platforma HD (Russia) and at 16° East with SBB (Serbia) for the Total TV platform and with Globecast to broadcast channels produced by TVR, Romania's national public broadcaster.

- In Middle East and African markets, Eutelsat's broadcasting resources at 7° West almost doubled with the entry into service of ATLANTIC BIRD™ 4A. This satellite equips the Group to capture opportunities presented by the rapid take-up of digital TV in these regions within the framework of the strategic agreement concluded with the Egyptian operator, Nilesat. The number of channels broadcast at this neighbourhood rose by 64% year-on-year to 247 channels at September 30, 2009.
- High Definition TV which increased at each of the Group's video neighbourhoods. In total, the number of HDTV channels broadcast by Eutelsat's fleet rose by over 60% during the period to break the barrier of 100 channels. With a share exceeding 40% of HDTV channels broadcast over Europe, Russia and the Middle East, Eutelsat reinforced its pole position in this growing market.

### DATA AND VALUE-ADDED SERVICES (19% of revenues)

The 17.8% increase in **Data Services** revenues at €6.9 million shows strong demand for capacity for corporate networks and GSM backhaul in Africa, Central Asia and the Middle East and for Internet backbone connectivity for local Internet Service Providers operating in areas unserved by terrestrial networks. Revenue growth reflects in particular:

- The activation of recently signed contracts, notably with British Telecom and Hughes Network Systems;

<sup>2</sup> Previously HOT BIRD™ 7A

<sup>3</sup> Previously ATLANTIC BIRD™ 4

- The entry into service of the W2A satellite whose excellent coverage of Europe and Africa enabled increased capacity to be leased in particular by ACS Angola, Globecast, Telespazio, SkyVision and the London Satellite Exchange (a subsidiary of Astrium Services).

Revenue from **Value-Added Services** continued to rise steadily to €10.7 million (+10.3%) as a consequence of sustained demand for direct Internet access from enterprises and communities located in areas unserved by terrestrial broadband networks, and also for mobile services. With an installed base of 10,028 terminals at September 30, 2009, the D-STAR<sup>4</sup> service gained further marketshare in the first quarter with new contracts including its selection to deliver a satellite-based broadband service to 470 Moroccan schools in rural areas. The Tooway<sup>TM5</sup> consumer broadband service, with 48 distributors in 22 countries at September 30, 2009, is gaining increasing interest from governments and institutions as a solution to the digital divide. Within the framework of Ireland's National Broadband Scheme, Tooway<sup>TM</sup> was recently selected by the Irish mobile broadband provider 3<sup>TM</sup> and Satellite Broadband Ireland in order to offer broadband to the 5 to 8% of Irish homes beyond reach of terrestrial broadband networks.

#### **MULTI-USAGE (9.1% of revenues)**

**Multi-usage** services (up 46.2% to €2.9 million) benefited from the entry into service in June 2009, of the EUROIRD<sup>TM</sup> 4A satellite (redployment of W1 satellite at 4° East) which allowed the Group to activate new contracts for government services, notably in Central Asia and the Middle East.

#### **Other revenues and one-off revenues**

The slight €1.5 million decrease in other revenues is mainly due to lower currency hedging gains which were relatively high in the first quarter of the previous fiscal year.

### **UPCOMING SATELLITE LAUNCH: W7**

The Group continues to execute its in-orbit expansion programme which encompasses the launch of five satellites by end 2011. The W7 satellite is currently in final stages of preparation for launch on November 23, 2009 from the Baikonour Cosmodrome on a Proton Breeze M rocket operated by International Launch Services (ILS).

Built for Eutelsat by Thales Alenia Space, Eutelsat's newest and most powerful satellite to date will be colocated with W4 at 36° East to double resources at one of Eutelsat's fastest-growing neighbourhoods.

Through a configuration of up to 70 transponders connected to five high-performance fixed and steerable beams, W7 will provide coverage of Russia and sub-Saharan Africa for digital broadcasting services including pay-TV, and add significant resources and flexibility for expanding video and telecommunications markets in Europe, Africa, the Middle East and Central Asia. The satellite will also enhance service provided since 2000 by SESAT 1, which after W7's entry into service at 36° East will be redeployed at an alternative location.

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#### **Financial calendar**

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

<sup>4</sup> The D-STAR service provides Internet access and Virtual Private Networks to enterprises and institutions in regions with inexistent or unreliable terrestrial broadband infrastructure.

<sup>5</sup> The Tooway<sup>TM</sup> service, both in Ka-band and Ku-band, provides broadband access to homes beyond range of terrestrial networks.

- November 10, 2009: Annual Shareholders' Meeting
- February 18, 2010: earnings for the first half ended December 31, 2009
- May 12, 2010: financial report for third quarter ended March 31, 2010
- July 29, 2010: earnings for the full year ended June 30, 2010

## About Eutelsat Communications

Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is the holding company of Eutelsat S.A.. With capacity commercialised on 27 satellites that provide coverage over the entire European continent, as well as the Middle East, Africa, India and significant parts of Asia and the Americas, Eutelsat is one of the world's three leading satellite operators in terms of revenues. At 30 September 2009, Eutelsat's satellites were broadcasting 3,300 television channels and 1,100 radio stations. More than 1,000 channels broadcast via its HOT BIRD™ video neighbourhood at 13 degrees East which serves over 123 million cable and satellite homes in Europe, the Middle East and North Africa. The Group's satellites also serve a wide range of fixed and mobile telecommunications services, TV contribution markets, corporate networks, and broadband markets for Internet Service Providers and for transport, maritime and in-flight markets. Eutelsat's broadband subsidiary, Skylogic, markets and operates services through teleports in France and Italy that serve enterprises, local communities, government agencies and aid organisations in Europe, Africa, Asia and the Americas. Headquartered in Paris, Eutelsat and its subsidiaries employ 615 commercial, technical and operational employees from 28 countries.

[www.eutelsat.com](http://www.eutelsat.com)

### For further information

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## Appendix

### **Revenue breakdown by application (in percentage of revenues)\***

3 months ended 30 September	2008	2009
Video Applications	74.6%	<b>71.9%</b>
Data & Value-Added Services	18.4%	<b>19.0%</b>
.....of which Data Services	14.1%	<b>14.7%</b>
.....of which Value-Added Services	4.3%	<b>4.3%</b>
Multi-usage	7.0%	<b>9.1%</b>
<b>Total</b>	<b>100%</b>	<b>100%</b>

\*excluding other revenues and one-off revenues (€2.2 million in Q1 2008-2009 and €1.7 million in Q1 2009-2010)

### **Quarterly revenues by business application**

In millions of euros	3 months ended				
	30/09/2008	31/12/2008	31/03/2009	30/06/2009	30/09/2009
Video Applications	166.7	169.8	172.3	170.8	180.8
Data & Value-Added Services	41.1	43.2	42.3	46.4	47.7
..... of which Data Services	31.4	33.1	33.1	36.6	36.9
....of which Value-Added Services	9.7	10.1	9.2	9.8	10.7
Multi-usage	15.6	19.3	19.7	20.8	22.9
Other	3.2	4.5	2.2	0.8	1.7
<b>Sub-total</b>	<b>226.7</b>	<b>236.8</b>	<b>236.5</b>	<b>238.8</b>	<b>253.0</b>
One-off revenues <sup>6</sup>	-	-	-	1.8	-
<b>Total</b>	<b>226.7</b>	<b>236.8</b>	<b>236.5</b>	<b>240.5</b>	<b>253.0</b>

### **Estimated satellite launch schedule**

Satellite	Expected orbital position	Estimated launch	Transponders
W7	36° East	23 November 2009	70 Ku
W3B	16° East	Q2 2010	53 Ku / 3 Ka
KA-SAT	13° East	Q4 2010	> 80 Ka beams
W3C	7° East	Q3 2011	56 Ku
ATLANTIC BIRD™7	7° West	Q4 2011	50 Ku

Note: Satellites generally enter into service one to two months after launch.

### **Eutelsat's fleet changes since Q4 2008-2009:**

- April 2009: entry into service of ATLANTIC BIRD™ 4A at 7° West to serve North Africa and Middle-East ;
- May 2009: entry into service of W2A at 10° East for Data and Value-Added Services in Ku-band and C-band ;

<sup>6</sup> Non-recurring revenues comprise late delivery penalties and outage penalties.

- May 2009: redeployment of ATLANTIC BIRD™4 (renamed EUROBIRD™16) at 16° East for Central Europe ;
- June 2009: redeployment of W1 (renamed EUROBIRD™4A) at 4° East for Multi-usage services.