



eutelsat
communications via satellite

EUTELSAT S.A.
€300,000,000 3.125% BONDS DUE 2022
ISSUE PRICE: 99.148 PER CENT

The €300,000,000 aggregate principal amount 3.125% per cent. bonds due 10 October 2022 (the **Bonds**) of Eutelsat S.A. (the **Issuer**) will be issued outside the Republic of France on 9 October 2012 (the **Bond Issue**).

Each Bond will bear interest on its principal amount at a fixed rate of 3.125 percent. per annum from (and including) 9 October 2012 (the **Issue Date**) to (but excluding) 10 October 2022, payable in Euro annually in arrears on 10 October in each year and commencing on 10 October 2013, as further described in "Terms and Conditions of the Bonds - Interest".

Unless previously redeemed or purchased and cancelled in accordance with the terms and conditions of the Bonds, the Bonds will be redeemed at their principal amount on 10 October 2022 (the **Maturity Date**).

The Issuer may at its option, and in certain circumstances shall, redeem all (but not part) of the Bonds at par plus any accrued and unpaid interest upon the occurrence of certain tax changes as further described in the section "Terms and Conditions of the Bonds - Redemption and Purchase - Redemption for tax reasons".

The Bondholders may under certain conditions request the Issuer to redeem all or part of the Bonds following the occurrence of certain events triggering a downgrading of the Bonds as further described in the Section "Terms and Conditions of the Bonds — Redemption and Purchase - Redemption following a Change of Control".

The obligations of the Issuer in respect of principal and interest payable under the Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* among themselves and *pari passu* with all other present or future direct, unconditional, unsecured and unsubordinated obligations of the Issuer, as further described in "Terms and Conditions of the Bonds - Status".

Payments in respect of the Bonds will be made without deduction for, or on account of, French taxes to the extent set out in the section "Terms and Conditions of the Bonds - Taxation—Additional Amounts".

Application has been made to the Commission de Surveillance du Secteur Financier (the **CSSF**) in its capacity as competent authority under the Luxembourg Act dated 10 July 2005 on prospectuses for securities, as amended by the Luxembourg Act dated 3 July 2012 (the **Prospectus Act**) to approve this document (the **Prospectus**) as a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC of the European Parliament and the Council dated 4 November 2003, as amended, on the prospectus to be published when securities are offered to the public or admitted to trading (the **Prospectus Directive**). Application has also been made to the Luxembourg Stock Exchange for the Bonds to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange as of the Issue Date. The Luxembourg regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of the Investment Services Directive 2004/39/EC on financial instruments markets. Pursuant to Article 7(7) of the Luxembourg Prospectus Act, by approving this Prospectus, the CSSF gives no undertakings as to the economic and financial soundness of the Bond Issue or the quality or solvency of the Issuer.

The Bonds will be issued in dematerialised form in a denomination of €100,000 and will at all times be evidenced by book-entries in compliance with Article L. 211-3 et seq. and R. 211-1 et seq. of the French Code monétaire et financier. No physical documents of title will be issued in respect of the Bonds. As from the date of issue of the Bonds, the Bonds will be registered in the books of Euroclear France, a subsidiary of Euroclear Bank S.A./N.V. (**Euroclear France**) (acting as central depository) which shall credit the accounts of Account Holders (as defined in "Terms and Conditions of the Bonds - Form, Denomination and Title") including Euroclear Bank S.A./N. V. (**Euroclear**) and the depository bank for Clearstream Banking, société anonyme (**Clearstream Luxembourg**).

The Bonds have been assigned a rating of BBB by Standard & Poor's Credit Market Services Europe Limited (**S&P**) and Baa2 by Moody's Investors Service Ltd (**Moody's**). S&P and Moody's are established in the European Union and are registered under Regulation (EC) No. 1060/2009 on credit rating agencies (as amended) (the **CRA Regulation**). As such S&P and Moody's are included in the list of registered credit rating agencies published by the European Securities and Markets Authority (**ESMA**) on its website (<http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold the Bonds. Any credit rating is subject to revision, suspension or withdrawal at any time by the relevant rating organisation. Any revision, suspension, reduction or withdrawal of the rating may adversely affect the market price of the Bonds.

This document is not for distribution, directly or indirectly, in or into the United States. This document is neither an offer of securities for sale nor the solicitation of an offer to purchase securities in the United States or any other jurisdiction where such offer may be restricted. Securities may not be offered or sold in the United States absent registration with the Securities and Exchange Commission under the U.S. Securities Act of 1933, as amended (the **Securities Act**), or an applicable exemption from registration. The Bonds have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)). Copies of this document are not being, and should not be, distributed in or sent into the United States.

An investment in the Bonds involves certain risks. Potential investors should review all the information contained in this document and, in particular, the information set out in the section entitled "Risk Factors" of this Prospectus prior to investing in the Bonds.

Joint Bookrunners

Crédit Agricole CIB

Société Générale Corporate & Investment Banking

Date: 5 October 2012

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RESPONSIBILITY STATEMENT

As of the date of this Prospectus, to the best knowledge of the Issuer, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Prospectus is in accordance with the facts and makes no omission likely to affect the import of such information. The Issuer accepts responsibility for the information contained in this Prospectus accordingly.

IMPORTANT INFORMATION FOR INVESTORS

References herein to the Issuer are to Eutelsat S.A. This Prospectus has been prepared for the purpose of giving information with regard to (i) the Issuer, (ii) the Issuer and its subsidiaries (direct or indirect) and affiliates taken as a whole (the **Group**) but excluding its controlling entities, Eutelsat Communications S.A. and Eutelsat Communications Finance S.A.S., and (iii) the Bonds, which is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position and profit and losses of the Issuer. No information contained in this Prospectus may be used for any purposes other than investing in the Bonds.

Certain information contained in this Prospectus has been extracted from sources which the Issuer believes to be reliable, specified in the sections where such information appears. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the above sources, no facts have been omitted which would render the information in this Prospectus inaccurate or misleading in any material respect.

The Joint Bookrunners (as defined under the section entitled "Subscription and Sale") have not verified the information contained in this Prospectus. The Joint Bookrunners do not make any representation, warranty or undertaking, express or implied, and no responsibility or liability is accepted by the Joint Bookrunners or any of their respective affiliates, as to the accuracy or completeness of the information contained in, or incorporated by reference in, this Prospectus or any other information provided by the Issuer in connection with the issue of the Bonds.

Any decision to purchase any Bonds should be based on this Prospectus. No person is or has been authorised by the Issuer or the Joint Bookrunners or any of their affiliates to give any information or to make any representation other than those contained in this Prospectus in connection with the issue or sale of the Bonds and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer or the Joint Bookrunners or any of their affiliates. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Bonds shall in any circumstances imply that the information contained herein is correct at any time subsequent to the date hereof, nor does the Issuer undertake to update this Prospectus except as may be required by applicable law or regulations. The Joint Bookrunners do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds or to advise any investor in the Bonds of any information coming to their attention.

Neither this Prospectus nor any other information provided in connection with the issue of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Prospectus or any recipient of any other information supplied in connection with the issue of the Bonds should purchase any Bonds. Neither this Prospectus nor any other information supplied in connection with the issue and sale of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or the Joint Bookrunners to any person to subscribe for or to purchase any Bonds.

Prospective investors contemplating purchasing any Bonds should rely on their own independent investigation and appraisal of (a) the Issuer, the Group, their respective business, financial condition and affairs and (b) the terms of the offering, including the merits and risks involved. Investors should review, *inter alia*, the documents incorporated by reference into this Prospectus when deciding whether or not to subscribe for or purchase the Bonds. The contents of this Prospectus are not to be construed as legal, business, financial or tax advice. Each prospective investor should consult its own advisers as to legal, tax, financial, credit and related aspects of an

investment in the Bonds. Potential investors should, in particular, read carefully the section entitled "Risk Factors" set out below before making a decision to invest in the Bonds.

This Prospectus does not constitute an offer of, or an invitation or solicitation by or on behalf of the Issuer or the Joint Bookrunners to subscribe or purchase, any of the Bonds in any jurisdiction where, or to any person to whom, it is unlawful to make an offer or solicitation. The distribution of this Prospectus and the offering and sale of the Bonds in certain jurisdictions, including the United States, France, Luxembourg and other Member States of the European Economic Area, may be restricted by law. The Issuer and the Joint Bookrunners do not represent that this Prospectus may be lawfully distributed, or that any Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Bookrunners which would permit a public offering of any Bonds, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe any, such restrictions on the distribution of this Prospectus and the offering and sale of Bonds. In particular, there are restrictions on the distribution of the Prospectus and the offer or sale of Bonds in the United States, the United Kingdom and France (see **Subscription and Sale**).

The Bonds have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act (**Regulation S**)).

The information in the sections concerning clearing systems has been obtained from sources that the Issuer believes to be reliable. The Issuer accepts no responsibility for the accuracy of such information, other than for the correct extraction and reproduction of such information. If investors want to use the facilities of Euroclear France, Clearstream Luxembourg or Euroclear, they should confirm the continued applicability of the rules, regulations and procedures of Euroclear France, Clearstream Luxembourg or Euroclear, as applicable. The Issuer will not be responsible or liable for any aspect of the records held through the facilities of Clearstream or Euroclear or for maintaining, supervising or reviewing any such records.

An application has been made to admit the Bonds to listing on the Official List of the Luxembourg Stock Exchange and to trading on the Luxembourg regulated market but we cannot guarantee that our application to listing and trading of the Bonds will be approved as at the Issue Date or any time after the Issue Date.

In this Prospectus, unless otherwise specified or the context requires, references to "Euro", "EUR" and "€" are to the single currency of the participating Member States of the European Economic and Monetary Union.

In connection with the issue of the Bonds, Crédit Agricole Corporate and Investment Bank (the Stabilising Manager) (or any person acting on behalf of the Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment

must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

The market data and other statistical information used throughout this Prospectus are based on estimates which the Issuer has made in good faith, review by the Issuer of internal surveys as well as analysis prepared, based on or derived from independent industry publications, government publications, reports by market research firms or other published independent sources. These publications and surveys generally state that they contain information from sources believed to be reliable but do not guarantee the accuracy and completeness of such information. While the Issuer believes these sources are reliable and such information was accurately reproduced in this Prospectus, the Issuer has not verified the research by any independent source.

The Issuer cannot assure that any of the assumptions underlying these statements are accurate or correctly reflect the Issuer's position in the industry and none of the internal surveys or information of the Issuer has been verified by any independent sources. Neither the Joint Bookrunners nor the Issuer make any representation or warranty as to the accuracy or completeness of this information. All of the information set forth in this Prospectus relating to the operations, financial results or market share of our competitors has been obtained from information made available to the public in such companies' publicly available reports and independent research, as well as from the Issuer's experience, internal studies, estimates and investigation of market conditions. Neither the Joint Bookrunners nor the Issuer have independently verified this information and the Joint Bookrunners and the Issuer cannot guarantee its accuracy.

Potential investors must rely upon their own examination of the Issuer and the financial statements presented in this Prospectus. Certain financial information contained or incorporated by reference in this Prospectus has been rounded and, as a result, the figures shown as totals may vary slightly from the exact arithmetic aggregation of the figures that precede them.

Certain statements contained herein are forward-looking statements including, but not limited to, statements that are predictions of or indicate future events, trends, plans or objectives, based on certain assumptions and include any statement that does not directly relate to a historical fact or current fact. The Issuer may also make forward-looking statements in its audited annual financial statements, in its interim financial statements, in its prospectuses, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Forward-looking statements are typically identified by words or phrases such as, without limitation, "anticipate", "assume", "believe", "continue", "estimate", "expect", "foresee", "intend", "may increase" and "may fluctuate" and similar expressions or by future or conditional verbs such as, without limitation, "may", "will", "should", "would" and "could." Although the Issuer believes that expectations reflected in its forward-looking statements are reasonable as of the date of this Prospectus, there can be no assurance that such expectations will prove to have been correct. Undue reliance should not be placed on such statements, because, by their nature, they are subject to known and unknown risks, uncertainties, and other factors. These factors include those set forth in section entitled "Risk Factors" below.

The risks described in this Prospectus are not the only risks an investor should consider. New risk factors emerge from time to time and it is not possible for the Issuer to predict all such risk factors on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Issuer undertakes no obligation to update the forward-looking statements contained in this Prospectus or any other forward-looking statement it may make.

INFORMATION SOURCED FROM THIRD PARTIES

Certain information contained in this Prospectus has been sourced from third party sources. While the Issuer believes that the information sourced from third parties, which is reproduced in this Prospectus, is reliable, the Issuer has not independently verified such information.

RISK FACTORS

The following is a summary of certain aspects of the offering of the Bonds of which prospective investors should be aware. Prior to making an investment decision, prospective investors should consider carefully all of the information set out in this Prospectus, including in particular the risk factors detailed below. Prospective investors should make their own independent evaluations of all investment considerations and should also read the detailed information set out elsewhere in this Prospectus.

Terms defined in the section entitled “Terms and Conditions of the Bonds” shall have the same meaning where used below.

The Issuer believes that the factors described below represent the principal risks associated with investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. Additional risks or uncertainties not known to the Issuer as at the date of this Prospectus, or that the Issuer believes are immaterial may also impact on the business operations of the Issuer. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

1. RISKS RELATING TO THE ISSUER AND THE GROUP

The risks described below are those identified by the Issuer that could have an adverse effect on the Group's situation. Additional risks, which are either not currently known or not considered likely to materialise, as at the date of this Prospectus may also exist, such additional risks could materially and adversely affect the Group's business, financial condition or the results of its operations. The occurrence of one or more of these risks could also have an adverse effect on the Group's situation.

Risks inherent to business

The Group might not be able to meet its launch or activation timetables for its new satellites.

The Group plans to launch seven new satellites (EUTELSAT 21B, EUTELSAT 70B, EUTELSAT 25B, EUTELSAT 3D, EUTELSAT 3B, EUTELSAT 9B and EUTELSAT 8 West B) before the end of calendar year 2015. The purpose of these satellites is to ensure continuity of service provided by some existing satellites, increase resources in certain orbital positions, consolidate the Group's service offering and step up the level of security at certain orbital positions.

The Group may not be able to comply with the currently scheduled timetable for launching these new satellites.

Moreover, the limited number of launch service operators reduces the Group's flexibility and options when it comes to transferring planned launches from one provider to another in the event of a launch being delayed or a launch failure.

A significant delay in satellite construction, or a delay or failure in the launch of one of these satellites, would impair the Group's ability to generate new sales opportunities, implement its development strategy, meet its contractual service continuity commitments to customers and end users, or meet its growth objectives. Any significant delay or failure in the launch of any of its satellites could thus have a significant negative impact on the Group's business, financial situation, results and objectives.

Access to space according to the Group's timetable is a crucial part of its satellite deployment plan and growth strategy.

Given the small number of launch service providers with the technical ability to launch the satellites currently on order, as well as future satellites that have not yet been ordered, the Group considers that this small number constrains its operating flexibility and could increase the cost of its launch programme within the timeframe set out by the Group.

In order to keep as close as possible to the original timetable for its deployment plan and thereby reduce costs, the Group has diversified its launch service providers. The Group thus currently intends to use three different launch service providers: Arianespace, International Launch Services (ILS) and Sea Launch Limited Partnership.

However, should one of the launch service providers prove incapable of meeting its contractual commitments towards the Group within the specified deadline due to operating (e.g. following a failed launch) or financial difficulties, the Group could re-allocate the satellite concerned to another launch service provider or even, in some cases, sign new launch service contracts that could prove more costly than the current contracts. Such events could have a significant detrimental impact on the Group's business (e.g. delayed satellite activation) and financial position.

The Group's satellite deployment plan is dependent on several major suppliers.

The number of satellite manufacturers capable of designing and building satellites in compliance with the technical specifications and quality required by the Group is limited, as is the number of suppliers capable of launching these satellites. The limited number of suppliers could reduce the Group's bargaining power and increase the cost of implementing its programme within the scheduled timeframe.

As of 30 June 2012, future payments on satellite construction contracts amounted to €246 million and future payments on launch contracts amounted to €336 million. These future payments are spread over four years. The Group has also committed additional investments with other suppliers for service provisions and acquisitions of fixed assets relating to the monitoring and control of satellites.

During the year ended 30 June 2012, the Group's procurement from satellite manufacturers and launch service providers stood at €388.3 million, with no single supplier representing more than 35% of this amount.

Satellite and launch service procurement, which for the years ended 30 June 2012 and 30 June 2011 represented 78% and 75% of Group acquisitions of tangible fixed assets respectively, included payments to satellite manufacturers (EADS Astrium; Thales Alenia Space and Space Systems Loral) and launch operators (Arianespace, International Launch Services, Sea Launch Limited Partnership and China Great Wall Industry Corp (CGWIC)/Chinese Society of Astronautics (CSA)).

The Group considers that it is not dependent on suppliers other than satellite manufacturers and launch operators.

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

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

Satellites are sophisticated devices that are sensitive to the external environment. Once they are in-orbit, malfunctions may occur for various reasons and reduce their remaining operating life and/or permanently or intermittently reduce their transmission capacity, which could have a significant adverse impact on the Group's business, financial situation and results.

In the event of a satellite failure or in-orbit malfunction, the Group may not be able to guarantee continuity of service for all its clients by using redundant equipment or back-up capacity on another satellite, particularly if there is a lack of available satellite capacity suitable for the needs of the customers concerned. Similarly, the Group may not be able to guarantee continuity of service for all customers at that orbital position by successfully launching a replacement satellite or one capable of carrying out the tasks of the defective satellite.

In the event of a satellite failure or in-orbit malfunction, the Group may have difficulty in retaining its customers (who could terminate or renegotiate their capacity allotment agreements) and might not be able to enter into new capacity allotment agreements on satisfactory terms.

The Group does not have insurance coverage for all the in-orbit satellites it owns, and existing insurance might not protect the Group against all damage suffered by its satellites.

The Group currently has an in-orbit insurance programme covering fifteen of its satellites on the basis of their net book value. The policies cover the partial losses and/or deemed-total losses of the insured satellites under certain conditions. In spite of total or partial insurance coverage, a failure or loss of one or more of the Group's satellites could have a significant negative impact on its business, financial situation and results.

Furthermore, this insurance programme does not protect the Group against losses such as opportunity cost, interruption of business, delayed activations or loss of revenues.

Finally, insurance companies could challenge the causes of the failure or malfunction or the amount of the indemnity. The Group cannot guarantee that in the event of a proven failure or malfunction on any of its satellites covered under past insurance programmes, insurers would compensate the Group within a reasonable timeframe or for the amount claimed by the Group. A lack of compensation, late compensation or partial compensation of losses sustained could have a significant adverse impact on the Group's business, financial situation and results.

In the future, insurance policy premiums for satellites in orbit and satellite launches could increase and insurance cover could be more difficult to obtain or to renew.

During the financial year ended 30 June 2012, insurance premiums accounted for 3.4% of total operating costs.

The main insurance policies of the Group cover in-orbit insurance policies, renewable on an annual basis. The in-orbit insurance plan taken out by the Group was renewed in 2012 for a 12-month-period starting on 1 July 2012.

Numerous factors, some of which are outside the Group's control, may affect the amount of insurance premiums. Insurance premiums depend mainly of statistics on satellite failures or launch failures across the sector as a whole.

The Group might not be able to renew its in-orbit insurance plan on comparable terms. A deterioration in the in-orbit insurance market or an increase in insurance premiums could prompt the Group to reduce its coverage of partial losses or deemed-total losses which itself could lead to an increase in the Group's exposure to the consequences of a failure or malfunction in-orbit.

In addition, the Group has subscribed launch-plus-one-year insurance covering the launch of the EUTELSAT 7 West A, EUTELSAT 16A, EUTELSAT 21B, EUTELSAT 70B and EUTELSAT 25B satellites.

The Group might not be able to obtain additional cover or launch insurance for new satellites currently under construction, or future satellites, on satisfactory terms. This could arise from a reduction in the supply of insurance products and services or a substantial increase in launch insurance premiums due, in particular, to launch failure statistics across the whole sector. These different factors could have a significant negative impact on the Group's business, financial situation and results.

Some of the Group's revenues are generated by Multi-Usage Services, which depend heavily on the global political and economic context.

Over the last few years, the Group has generated a substantial portion of its revenues (12.1% of the Group's total revenues for the financial year ended 30 June 2012) from the Multi-Usage Services market segment. This market segment includes the direct and indirect supply of services to governments, especially in the United States on the basis of one-year capacity allotment agreements. Obtaining and/or renewing capacity allotment agreements for this segment depends, to a large extent, on the international political and economic context. As a result, the Group cannot be certain that it will be capable of continuing to generate a comparable level of revenues from the Multi-Usage Services market segment.

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

A growing portion of the Group's customers consists of end-users and demand for capacity is becoming increasingly fragmented.

For several years, end-users constitute a growing percentage of the Group's total number of customers. Furthermore, certain distributors could in the future ask the Group to take over end-user contracts. End-user customers could have less extensive financial resources than traditional distributor-customers which could increase the risk of outstanding debts. As a consequence, an increasing proportion of end-users in the customer base of the Group could have a significant adverse impact on the Group's business, financial situation and results.

Moreover, end-user customers require satellite capacity that may be lower than that requested by distributor-customers. Thus, a larger proportion of the Group's new capacity allotment agreements may involve the use of only a fraction of a transponder and not an entire transponder. If an end-user customer using a fraction of a transponder were not to pay its invoices or were not to comply with any other contractual commitment vis-à-vis the Group, the Group might not be able to discontinue the services provided to that customer without interrupting service for all customers using that same transponder. This fragmented capacity demand could have a significant negative impact on the Group's business, financial situation and results.

In addition, the new business model represented by the Group's Tooway™ consumer broadband activity includes building a base of individual subscribers to Internet services via a network of distributors and re-sellers, thus using a business-to-business-to-consumer model. As of 30 June 2012, 52,450 Tooway™ consumer internet terminals had been activated. This business model is new to Eutelsat S.A. and its success has yet to be proven.

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

The Group provides satellite telecommunications services to customers in about 150 countries and could potentially reach customers in other countries. Consequently, the Group is exposed to geopolitical, economic or other risks associated with 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.

Furthermore, in the normal course of its business, the Group occasionally encounters difficulty in recovering payment for customers' use of satellite capacity. In this respect, the standard contracts with customers provide for the suspension or interruption of services in the event of payment not being made. During the financial year ended 30 June 2012, outstanding amounts having triggered service interruptions amounted to less than 1% of total revenue.

The in-house Revenue Management Department of the Financial Division has exclusive responsibility for checking payments. In the event of a dispute, the Risk Management Department would contact the Legal Department which handles any litigation with the support of specialised law firms.

Moreover, the Group considers that healthy receivables are not really a risk, apart from the possibility of customers located in geographical areas deemed to be potentially the most exposed to the impact of the financial crisis. Risks associated with customers located in geographical areas deemed to be potentially the most exposed to the impact of the financial crisis are estimated at about 2.9% of the value of receivables as of 30 June 2012.

The Group might not be in a position to meet 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 and sub-Saharan Africa. This situation, which could persist, results from a mismatch between the long-term investment and operation cycles of satellites and cyclical variations in demand.

The Group might not be able to meet additional demand for satellite capacity from existing customers at certain orbital positions. These customers could consequently lease additional satellite capacity from other operators and/or decide to terminate their allotment agreements with the Group and to transfer all or part of 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.

Furthermore, from time to time, satellite capacity utilisation rates reach high levels and given the limited number of customers and/or end-users of satellite capacity, the Group might not be in a position to satisfy demand from new customers should a situation of limited capacity persist, especially if the Group were to experience delays or failures with upcoming satellite launches. This could have a significant negative impact on the Group's business, financial situation and results.

The Group is exposed to specific risks arising from the capacity it uses on satellites in stable orbit belonging to third parties.

At the filing date of this Prospectus, the Group uses capacity from three satellites in stable orbit (Telstar 12, SESAT 2 and EUTELSAT 3A) belonging to third parties, and which are recognised as assets in its consolidated balance sheet.

In the event of failure or malfunction affecting these satellites, the Group cannot guarantee that it would be in a position to obtain compensation and equivalent available capacity under the same conditions. The Group cannot guarantee that a dispute resulting from such failures or malfunctions would be resolved in its favour.

The Group may also be exposed to the risk of bankruptcy of the owners of such satellites, which could result in the termination or interruption of its capacity leases.

Such situations could lead to a write-down of these assets in the Group's consolidated financial statements and might adversely affect its business, financial situation and results.

Risks inherent to the FSS (Fixed Satellite Services) sector

The Group is facing substantial competition from other satellite operators and terrestrial network operators.

The Group experiences 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 significant 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 also competes 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 and contents (ADSL TV, DTT). Any heightened 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. Increased competition with the terrestrial network operators could thus have a significant negative impact on the Group's business, financial position and results.

The Group's operations are sensitive to changes in demand among 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. 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.

The ongoing consolidation among satellite TV broadcast platform operators and/or cable operators that has already taken place in Spain, Poland, Italy and France could also give TV broadcast platform operators or cable operators greater bargaining power with satellite operators or their distributors, thereby creating additional price pressure. Such consolidation could have a significant negative impact on the Group's business, financial position and results.

The implementation 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 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 2012, the Group's 10 largest customers represented 53.3% of its revenues. Some of the Group's major customers could decide to terminate their contracts, not to renew them, or to renew them on terms, particularly price terms, that are 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 susceptible 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, in turn, have a significant negative impact on the Group's business, financial position and results.

The Group may suffer the departure of key employees or be unable to hire the staff needed for its operations.

For Management and operational purposes, the Group depends on a number of key employees who have very specialised skills and extensive experience in their respective fields. If these employees were to leave, the Group might have trouble replacing them. Moreover, the Group's business, characterised by constantly-evolving technology, requires the ability to attract new, highly technically qualified employees on a permanent basis. In the future, if the Group is unable to retain or replace these employees, or is unable to attract new, highly-qualified employees, this could have a significant negative impact on its business, financial situation and results.

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

Some technological innovations that could be developed in the future with alternatives to satellites could render satellite technology obsolete.

The telecommunications industry is subject to rapid technological changes. Should the Group not be 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 into their own systems. 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 situation and results.

The Group's operations are exposed to the risk of sabotage, including terrorist acts and piracy.

The Group's operations are exposed to the risk of sabotage, including terrorist acts and intrusions into its satellite control systems. If the Group's facilities and equipment were disabled, the Group might not be able to prevent a temporary or permanent interruption in service. Such disturbances in the satellite network could result in the loss of customers.

Furthermore, the Group's insurance policies, as is customary in the space industry, automatically provide exclusions in the event of damage caused by acts of sabotage, piracy or terrorism.

Any act of terrorism, sabotage or piracy could thus have a significant negative impact on the Group's business, financial situation and results.

Risks relating to the Group's strategic development

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

The Group's development depends in part on the prospects for growth in demand for video services, which is itself partly linked to the expected development of DTH (Direct-to-Home) broadcasting in 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 stop growing 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 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 EUTELSAT KA-SAT 9A 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's development strategy depends partly on expanding into geographical areas in which it has little or no experience and where prices could come under pressure.

The Group's future development depends, in part, on its ability to develop in geographical areas in which it has little or no experience and where there could be substantial competitive and price pressure. This could result in prices that are lower than those seen in Europe. This competitive context could limit the Group's ability to penetrate these markets or be competitive within them.

Furthermore, in order to facilitate distribution and marketing of its services in those areas, the Group could seek to enter into agreements with other companies, such as joint ventures or partnerships. However, it might not be able to identify or enter into agreements with appropriate partners. Furthermore, these agreements could contain certain risks arising, for example, from a lack of control over projects, conflicts of interest between the partners, the possibility that any one of them might not meet one of its obligations (including with regard to its equity investments) and the difficulty faced by the Group in maintaining uniform standards, control procedures and policies.

If the Group is unable to penetrate these markets in satisfactory economic conditions or, as the case may be, with appropriate partners, this could prevent the Group from implementing its development strategy. This could have a significant adverse impact on its business, financial situation, results and growth objectives.

The Group has undertaken new and innovative projects, the success of which is not guaranteed.

The Group has made major investments in new infrastructure including a new satellite (EUTELSAT KA-SAT 9A, launched in December 2010) and a complex network of terrestrial stations which will enable it to sell a range of services and, particularly, satellite broadband Internet access solutions (Tooway™) to the general public across Europe.

The development of these new activities depends greatly on the outlook for growth in demand for satellite services. This demand may not materialise, or the Group may be unable to respond to it.

Furthermore, the Group's failure to develop, operate or sell these innovative projects, especially the EUTELSAT KA-SAT 9A-Tooway™ project, would have a detrimental effect on the Group's prospects and growth targets, and accordingly a significant negative effect on its business, financial situation and results. During the financial year 2011-2012, Skylogic, the Eutelsat S.A. subsidiary delivering broadband services via EUTELSAT KA-SAT 9A, signed Tooway™ broadband services distribution contracts with NordNet, Connexion Verte (France), Optimus (Portugal), Italian Space Agency (Italy), Eser Telekom (Turkey), RG Networks (Hungary), Vivacom (Bulgaria), Eurosat-Ukraine (Ukraine), Forthnet Group (Greece) and Egyptsat (Egypt).

Moreover, the deterioration in the technical quality of the S-band payload services owned by Solaris Mobile Ltd. led the Group to review its development prospects.

In addition, in October 2011, Eutelsat S.A. announced the order of a new satellite, EUTELSAT 9B, to host the first data relay payload for the European Data Relay Satellite System (E.D.R.S), under construction via a Public/Private Partnership (PPP) between Astrium and ESA.

The Group could be exposed to additional risks in the event of acquisitions.

The Group could make acquisitions in the future. These acquisitions could be paid for in cash or in shares. Furthermore, such transactions imply a certain number of risks relating to the integration of operations or personnel, customer retention, managerial distraction, unforeseen liabilities or costs, or regulations applicable to such transactions. Acquisitions could therefore have a significant negative impact on the Group's business, financial situation and results.

Financial risks

The Issuer could be subject to new financing requests related to the financial guarantee it provides to IGO's Closed Pension Fund.

Before Eutelsat S.A. was set up and prior to the transfer by IGO of its operating activities, the 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 were assigned to a Trust, which was also in charge of managing the associated pension liabilities.

As of 30 June 2012, the discounted value of the Trust's pension liabilities amounted to €202.7 million in Eutelsat S.A.'s consolidated financial statements, and the fair value of its assets was €155.0 million. The calculation of total pension liabilities is based on actuarial assumptions including the discount rate, the long-term yield on assets invested, and the estimated life expectancy of the Closed Pension Fund's beneficiaries. Estimated total pension liabilities may be higher or lower depending on the scenario applied. Pursuant to the transfer agreement dated 2 July 2001, Eutelsat S.A. took over the unlimited financial guarantee given by the IGO to cover any financing shortfall in the Closed Pension Fund. Any shortfall in the amount needed to finance the Closed Pension Fund could imply for the Group new obligations in terms of financial guarantee, which could have a significant negative impact on the Group's business, financial position, results and prospects. The unlimited financial guarantee taken over by Eutelsat S.A. may be activated under certain conditions so as to make up for any such future funding shortfall. During the year ended 30 June 2011, given the sharp fall in long-term interest rates, the amount of guarantee being called upon was €8.2 million. This amount was calculated on the basis of the Trust's projections, taking into account future market developments. In February 2011, an agreement was reached with the Trust for incremental payments of the amount being called upon of €4.1 million on 30 June 2011 and 2012.

The first payment of €4.1 million was made during the financial year ended 30 June 2011 and the second payment of the same amount during the financial year ended 30 June 2012.

Furthermore, in accordance with the agreements governing the Closed Pension Fund, the Trust's administrators have the power to liquidate the Closed Pension Fund if certain events should occur, including if they deem that the Closed Pension Fund cannot continue to be effectively managed. In the event that administrators of the Trust liquidate the Closed Pension Fund, they would appoint an actuary to determine any shortfall between the value of the Closed Pension Fund's assets relative to its liabilities, and the Group would be compelled to pay the difference, which could be substantial.

The Group cannot predict with great certainty what amount it would potentially have to pay if the guarantee were enforced. Any financing shortfall in the Closed Pension Fund could create new obligations for Eutelsat S.A. pursuant to the financial guarantee; this could have a significant negative impact on the Group's business, financial situation and results.

Issuer's credit ratings may not reflect all risks.

One or more independent credit rating agencies may assign credit ratings to the Issuer. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed in this Prospectus, and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold Bonds and may be revised or withdrawn by the rating agency at any time.

The Group is not exposed to any substantial liquidity risk.

As of 30 June 2012, cash and cash equivalents as per cash flow statement amounted to €87.4 million, in addition to which there were €450 million of bank credit facilities, which had not been drawn as of that date. The Group believes that it is not exposed to any significant liquidity risk.

As of 30 June 2012, the Group complied with all of the financial ratios (covenants) required by its various credit facilities.

The Group manages liquidity risk by using a tool enabling it to monitor and manage its recurrent cash flow needs. This tool takes into account the maturity of financial investments, financial assets and estimated future cash flows arising from operations.

The Group's goal is to maintain a balance between continuous funding and flexibility by use of overdrafts, short term bank loans, revolving credit and satellite rental contracts.

Regulatory risks

The Issuer is subject to the Amended Convention of EUTELSAT IGO.

The by-laws of Eutelsat S.A. provide that the international treaty establishing the Eutelsat IGO, dated 15 July 1982 and amended on 20 May 1999 (hereinafter the "Amended Convention"), is a "reference document" for the conduct of Eutelsat S.A.'s business activities.

Furthermore, the reciprocal rights and obligations of Eutelsat S.A. and Eutelsat IGO are defined in an agreement pursuant to the Amended Convention (the "Arrangement") dated 2 July 2001.

The rights that Eutelsat IGO enjoys under the Arrangement are intended to allow Eutelsat IGO to ensure that Eutelsat S.A. abides by the Basic Principles defined in the Amended Convention, namely: the public service/universal service obligation for telephony services connected to the international public switched network; the provision of audiovisual services in keeping with relevant international agreements, including the European Convention on transfrontier television and national regulations; the pan-European coverage of the satellite system and compliance with the principles of non-discrimination and fair competition in defining its strategy and conducting its business.

In particular, Eutelsat S.A. is required to inform Eutelsat IGO in the event of major changes to its operational, technical, commercial or financial policy that could affect compliance with the Basic Principles and to obtain the prior written agreement of Eutelsat IGO if it intends to proceed with voluntary liquidation, including in the event of a merger or consolidation with another entity.

Furthermore, Eutelsat S.A. is obliged to finance the operating costs of Eutelsat IGO.

With a view to allowing Eutelsat Communications to carry out an initial public offering of its shares, Eutelsat Communications and Eutelsat IGO signed a Letter-Agreement dated 2 September 2005 (the "Letter-Agreement") by which Eutelsat Communications made certain commitments to Eutelsat IGO.

Eutelsat Communications undertook, in particular, not to propose and/or vote for any decision to distribute Eutelsat S.A. dividends in excess of the total net annual profits of Eutelsat S.A. and/or the aggregate of the net annual profit(s) of Eutelsat S.A. that may have been allocated to the reserve and/or that could result in increasing Eutelsat S.A.'s net debt/EBITDA ratio to a value higher than 3.75/1; to take all measures to ensure that the obligations entered into by Eutelsat Communications, or that Eutelsat Communications might enter into, shall in no way result in default by Eutelsat S.A. as regards its own financing; to maintain in Eutelsat S.A. a minimum amount of equity in accordance with the sound financial management of Eutelsat S.A. and to enable it to continue complying with the Basic Principles and to maintain a level of consolidated Group debt that is not contrary to either market practice or the sound management of the Group.

Moreover, in order to facilitate reporting to Eutelsat IGO regarding Eutelsat S.A.'s operations, the Executive Secretary of Eutelsat IGO takes part in meetings of the Eutelsat S.A. Board of Directors and, since Eutelsat Communications' IPO, has attended meetings of Eutelsat Communications' Board of Directors as an Observer.

Eutelsat IGO's assessment of Eutelsat S.A.'s operations and strategy, in terms of the obligation to observe the Basic Principles, and the Group's financial policy, could be different from that of the Group. Taking into account Eutelsat IGO's recommendations or requests could reduce the Group's responsiveness and flexibility in conducting its business, managing its debt and equity and defining its distribution policy, and could have a significant negative impact on the Group's business, financial situation and results.

The application of international regulations on co-ordinating frequency assignments could make it more difficult for the Group to implement its deployment plan.

Frequency assignments are co-ordinated internationally according to the International Telecommunication Union's (ITU's) "Radio Regulations". The purpose of this coordination is to limit the risks of interference between broadcasts.

Eutelsat S.A. has a number of frequency assignments for which the international coordination procedure, in accordance with the general regime defined by the ITU's Radio Regulations is not yet complete and/or is not yet in operation with any of the Group's satellites. As regards assignments for which the coordination procedure is not yet complete, the priorities for these assignments and for third parties involved in the coordination could mean that coordination restricts the Group's capacity to fully operate some of these assignments. As regards assignments for which the coordination procedure is not yet in operation, the Group might not be in a position to activate them within the deadlines set by the Radio Regulations, which would result in a loss of their current priorities. Both situations could have a significant adverse impact on the Group's activities, financial situation and results.

The Group also has certain frequency assignments governed by specific national regulations. If any country decided to exercise its rights under these systems, or if these special regimes were amended, the Group could be forced to change or discontinue the current use of its assignments, which could have a significant negative impact on its business, financial situation and results.

Finally, the ITU's Radio Regulations provide only for voluntary resolution of disputes in the event of disagreements between the ITU's Member States over non-compliance with international regulations governing coordination of their frequency assignments. The Group could be forced to accept the result of an unfavourable agreement between ITU Member States relating to frequency assignments it uses. This could have a significant negative impact on the Group's business, financial situation and results.

The Group's provision of satellite telecommunications services is subject to certain specific legislative and regulatory provisions.

The satellite telecommunications industry in which the Group operates is the subject of extensive regulation. Changes in policy or regulation on a global level within the framework of the ITU or within the European Union, France or other countries in which the Group does business could have a significant negative impact on the Group's activities, financial situation and results, particularly if such changes increase costs and regulatory restrictions relating to the Group's services.

The Group must be able to continue to benefit from its existing frequency assignments at the orbital positions at which it operates, or where it might need to redeploy some of its satellites. It must also be able to obtain new frequency assignments, at the same or new orbital positions, for the future expansion of its business.

In France, regulations on obtaining and using assigned frequencies relating to a satellite system have been in force since the "Confidence in the Digital Economy Act" (No. 2004-575 of 21 June 2004) and the decree of 11 August 2006. Applied strictly, this regulation has already to some extent, and could in future, limit the Group's ability to obtain new assigned frequencies from the French authorities or to use them as it would like. Such a situation could have a significant negative impact on the Group's business, financial situation and results.

Currently, the cost of requests for frequency assignments from the ITU and of requests for frequency usage authorisations consists solely of the handling costs of the *Agence nationale des fréquences*. A change in the pricing policy could prompt the authorities to charge operators for part of the economic value of the orbital positions they operate. This could have a significant adverse effect on the Group's business, financial situation or results.

Furthermore, the use of radio frequencies by RF earth stations is covered by authorisations issued by ARCEP ("frequency assignments"). Changes in global, European or national regulatory policies could mean that certain frequency bands previously open to satellites could no longer be accessed through future authorisation requests in France. This is the case with the 3.4-3.8 GHz band, which cannot now be used for Fixed Satellite Services. Such a situation could have a significant negative impact on the Group's business, financial situation and results.

When developing new businesses, the Group could be subject to regulatory requirements including requirements relating to broadcasting (content broadcast) and earth stations. Compliance with these new regulatory requirements could involve considerable investments of time and resources. Furthermore, the Group cannot guarantee that it will be able to obtain or maintain the necessary authorisations, which could delay or interfere with the provision of services to clients in the affected countries or the implementation of its development strategy, thereby having a significant negative impact on its business, financial situation and results.

Under the partnership with SES, the Group and SES formed a joint venture, Solaris Mobile Ltd, responsible for operating and marketing an S-band payload on the EUTELSAT 10A satellite, which was launched on 3 April 2009. On 7 August 2008, the European Commission invited applications in order to select S-band satellite mobile systems operators in the European Union. Solaris Mobile Ltd. responded to this invitation on 7 October 2008. Solaris Mobile Ltd. was selected by the Commission in its decision of 13 May 2009. Member States must grant a right of use in their territory for the frequencies identified in the Commission's decision for a period of 18 years from the date of the decision. Solaris Mobile Ltd. currently has 19 national authorisations (France, Germany, Italy, Luxembourg, Sweden, Poland, UK, Spain, Denmark, Finland, Netherlands, Slovenia, Belgium, Lithuania, Estonia, Austria, Malta, Hungary and Ireland).

If Solaris Mobile Ltd. does not comply with the undertakings made in its application or with the scheduled progress of the project, sanctions could be applied to Solaris Mobile Ltd., including the suspension or co-ordinated withdrawal of authorisations. This could have an adverse impact on the Group's business, financial situation and results.

The amendment of applicable regulations could also limit or prevent the obtaining or retaining of the requisite authorisations regarding the Group's current business or its development strategy, which could have a significant negative impact on the Group's business, financial position and earnings.

Furthermore, some States could decide to impose a system of taxation on satellite operators for satellite broadcast reception in their territory. Such a development could have a significant negative impact on the Group's business, financial situation and results.

Since 10 December 2010, the Group has been subject to a new set of regulations through the French Space Operations Act

The Space Operations Act was published in France on 4 June 2008, and its application decrees were published on 10 June 2009. The Group is mainly affected by decree No.2009-643 relating to authorisations. The Act has been in force since 10 December 2010.

In-orbit control

On 24 December 2010, the Group obtained by decree, a licence equivalent to authorisation for the "control of space devices" for its entire fleet. This licence was granted for a one-year period from the effective date of the decree insofar as the technical regulations relating to the Act had not been published as of 10 December 2010. On 11 October 2011 and after the publication of the technical regulations, the Group was granted a licence valid until 31 December 2020.

The technical regulations relating to the Act were published by decree on 31 May 2011. Some requirements cannot yet be completely fulfilled given current satellite design, but temporary measures have been provided which are applicable until 1 January 2021.

The technical regulations also impose new internal processes. Thus, the Group must be capable of informing the Ministry responsible for Space and the *Centre National d'Études Spatiales* (CNES) of certain technical and organisational data likely to affect space operations as authorised.

In addition to the technical regulations, the licence decree stipulates a number of other requirements. In particular, the Group is required to notify the Minister and the CNES of any changes in orbital position other than an avoidance manoeuvre one month before the start of its implementation, except in the event of an emergency.

Thus, if the Group and its co-contractors do not make the technical and organisational changes required by the licence decree, and within the specified timeframe, the Group may fail to obtain the required new authorisation or licence, or find itself subject to sanctions within the framework of the existing licence (including withdrawal of the licence in the event of non compliance). This could therefore have a significant negative impact on the Group's business, financial situation and results.

Launches

Any satellite launches undertaken by the Group from France or abroad remain subject to licensing on a case by case basis. Nevertheless, on December 23, 2010, the Group obtained a licence certifying that Eutelsat S.A. has moral, financial and professional/business guarantees granting it an exemption from the administrative part of such requests and shortening the authorisation timeframe from four months to one month.

In addition, as part of its authorisation to proceed with the launch of satellites, one month before launch the Group must provide the launch authorisation obtained by Arianespace in the case of a launch by Ariane 5, or, in the case of a launch by other launchers, the launch authorisation granted by the relevant government to its launch operator or, failing this, a "certificate" for authorisation to launch from the relevant government or its launch operator. In the event that the Group were to fail to obtain the required authorisations or certificates, it will find itself subject to sanctions. This could lead to the withdrawal of the authorisation for non-compliance with requirements. This could therefore have a significant negative impact on the Group's business, financial situation and results.

On 31 March 2011 and 12 March 2012, the Group obtained the authorisation to proceed with the launch of the satellites currently being manufactured by the traditional launchers currently known. Any other launches require a new application for authorisation.

Furthermore, the Group will not benefit from Government guarantees to cover any damage caused by third parties beyond the insurance limit for any satellite launches abroad or for any damage caused in orbit during the control phase. Thus, the Group will remain subject to the risk of having to settle any potential claims arising from a large proportion of its activities.

The application of the Space Operations Act could therefore have a significant negative impact on the Group's business, financial situation and results.

The Group is subject to strict regulations on the content of the programmes broadcast via its satellites.

Regulations on the broadcasting of television programmes in the European Union specify that each Member State must ensure that the programmes transmitted comply with applicable laws on broadcasts to the general public, especially for the purpose of protecting children and prohibiting the promotion of hatred and racial discrimination. As a French satellite operator, the Group could be given formal notice to cease broadcasting a television channel from outside the European Union whose programming does not comply with French laws and regulations that might jeopardise public order. However, the Group might not be technically able to cease that transmission without being forced to interrupt the transmission of other television channels that are part of the same multiplex on the same transponder. These television channels might then terminate contracts for that capacity and demand compensation, which could have a significant negative impact on the Group's business, financial situation and results.

In future, the French authorities could issue an order, to the effect that the broadcasting of non-European channels be discontinued. If governmental or judicial decisions can at any time prevent it from providing its transmission services, it could become more and more difficult for the Group to continue its policy of long-term contracts for the transmission of television channels with foreign customers. This could prompt some customers to use the services of competing operators, which would have a significant negative impact on the Group's business, financial situation and results.

This risk could be reduced given the fact that a large portion of the foreign channels broadcast by the Group have been governed, since 19 December 2009, by the regulator of the country where the satellite uplink takes place (Germany, Italy, UK, etc.), and no longer by the French regulator.

Within the authorised European limits, some countries may be more flexible than France and their regulators may be more amenable than France's. However, certain steps relating to channels that may create compliance problems under French law and the European directive (which is merely transposed by national legislation) are initiated by the Commission itself. Such steps may therefore have repercussions regardless of which is the competent national regulator within the European Union. The position of one or other of the appropriate European regulators may, moreover, change and become entrenched over time, and this can neither be predicted nor prevented.

Lastly, it is always possible, although unlikely, that French legislation could in future be supplemented or amended, especially with respect to non-European television channels, and could prohibit French satellite operators from broadcasting television channels that do not have an authorisation or licence from the *Conseil Supérieur de l'Audiovisuel* (CSA). This could have a significant negative impact on the Group's business, financial situation and results.

2. RISK FACTORS RELATING TO THE BONDS

The Bonds may not be a suitable investment for all investors.

Each potential investor in the Bonds must determine the suitability of that investment in light of its own situation. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its own financial situation, an investment in the Bonds and the impact that any such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear the risks of an investment in the Bonds, including any currency exchange risk due to the fact that the potential investor's currency is not Euro;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets and any relevant indices;
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the risks of such investment; and
- (vi) consult its own advisers as to legal, tax and related aspects of an investment in the Bonds.

Risks related to the structure of the Bonds

Set out below is a brief description of the principal risks relating to the structure of the Bonds.

The Bonds are subject to early redemption by the Issuer for taxation reasons

An early redemption feature of Bonds is likely to affect their market value. During any period when the Issuer may elect or be obliged to redeem Bonds in accordance with Condition 5(b) “Terms and Conditions of the Bonds - Redemption for Taxation Reasons”, the market value of those Bonds generally will not rise substantially above the price at which they can be redeemed. This may also be true prior to any redemption period.

An investor may not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider investment risk in light of other investments available at that time.

Interest rate risk on the Bonds

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The exercise of the Change of Control Put Option in respect of a significant number of Bonds may affect the liquidity of the Bonds in respect of which such Put Option is not exercised

Depending on the number of Bonds in respect of which the Put Option (as defined in “Terms and Conditions of the Bonds”) is exercised in conjunction, if applicable, with any Bonds purchased by the Issuer and cancelled, any trading market of the Bonds in respect of which such Put Option is not exercised may become less liquid or illiquid.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange risk and interest rate risk.

An active trading market for the Bonds may not develop

The Bonds are new securities for which there is currently no established trading market. There can be no assurance that an active trading market for the Bonds will develop, or, if one does develop, that it will be maintained. If an active trading market for the Bonds does not develop or is not maintained, the liquidity and the market or trading price of the Bonds may be adversely affected.

The trading market for the Bonds may be volatile and may be adversely impacted by many events

The secondary market for debt securities is influenced by economic and market conditions and, to varying degrees, interest rates, currency exchange rates and inflation rates in other European and other industrialised countries. There can be no assurance that events in France, Europe or elsewhere will not cause market volatility or that such volatility will not adversely affect the price of the Bonds or that economic and market conditions will not have any other adverse effect. Developments and changes in securities analysts’ recommendations regarding the sectors in which the Issuer operates may also influence and bring volatility to the market of the Bonds.

The value of the Bonds may go down as well as up and an investor may not be able to sell the Bonds for the amount invested in them.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risk relating to currency conversions if an investor's financial activities are denominated principally in a currency unit (the **Investor's Currency**) other than the Euro. These include the risk that exchange rate may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency-equivalent value of the principal payable on the Bonds and (3) the Investor's Currency-equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate, the market price of the Bonds or certain investors' right to receive interest or principal on the Bonds.

Risks related to the Bonds generally

Modification and waiver

The Conditions of the Bonds contain provisions for convening meetings of Bondholders to consider matters affecting their interests generally. These provisions allow defined majorities to bind all Bondholders including Bondholders who did not attend and/or vote at the relevant meeting and Bondholders who voted in a manner contrary to a two-third majority in accordance with Article L. 228-65 II of the French *Code de Commerce*.

No voting rights

The Bonds do not give the Bondholders the right to vote at meetings of the shareholders of the Issuer.

No limitation on issuing debt

There is no restriction in the Bonds on the amount of debt which the Issuer may incur. Any such further debt may reduce the amount recoverable by the Bondholders upon liquidation or insolvency of the Issuer.

Credit ratings may not reflect all risks

The credit ratings assigned to the Bonds may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above or other factors that may affect the value of the Bonds.

Change of law

The Conditions of the Bonds are based on the laws of France in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of France or administrative practice after the date of this Prospectus.

Taxation

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions, or in accordance with any applicable double tax treaty. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This paragraph has to be read in conjunction with the taxation section of this Prospectus.

EU Savings Directive

The EU Savings Directive of 3 June 2003 (in this section "Risk Factors", the **Directive**) provides that each Member State is required, as from 1 July 2005 to give to the tax authorities of another Member State details of payments of interest (or similar income) paid by a paying agent within its jurisdiction to an individual resident in that other Member State or to "residual entities" established in that other Member State, except that, for a transitional period, Luxembourg and Austria will instead be required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments unless the beneficiary elects for the exchange of information regime (the ending of such transitional period being dependent upon the conclusion of certain agreements relating to information exchange with certain other countries). A number of non-EU countries and territories, including Switzerland, have agreed to adopt similar measures.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a Member State which has opted for a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor any paying agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

French Insolvency law

Under French insolvency law, holders of debt securities are automatically grouped into a single assembly of holders (the **Assembly**) including all equivalent debt securities (i.e. "obligations" within the meaning of French law) in case of the opening in France of accelerated financial safeguard (*procédure de sauvegarde financière accélérée*), safeguard (*procédure de sauvegarde*) or judicial reorganization proceedings (*procédure de redressement judiciaire*) with respect to the Issuer.

The Assembly deliberates on the proposed safeguard, accelerated financial safeguard or judicial reorganization proceedings which may, *inter alia*:

- increase the liabilities (*charges*) of the Bondholders or holders of equivalent debt securities (*obligations*) by rescheduling due payments and/or partially or totally writing off their claim;
- establish an unequal treatment between holders of the Bonds or equivalent debt securities (*obligations*) if justified by their differences in situation; and/or
- convert, in whole or in part, the Bonds or equivalent debt securities (*obligations*) into securities that give or may give right to share capital (subject to the relevant shareholder consent).

Decisions of the Assembly will be taken by a two-thirds majority (calculated as a proportion of the Bonds and equivalent debt securities (*obligations*) held by the holders expressing a vote). No quorum is required at the Assembly.

For the avoidance of doubt, the provisions relating to the representation of the Bondholders described in this Prospectus will not be applicable to the extent they do not comply with compulsory insolvency law provisions that apply in these circumstances.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of the Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Bonds under any applicable risk-based capital or similar rules.

SELECTED FINANCIAL INFORMATION OF EUTELSAT S.A.

The tables below provide selected financial information from the Issuer's consolidated balance sheets, income statements, EBITDA calculations and statements of consolidated cash flows, in compliance with, for the purposes of the issue of the Bonds contemplated in this Prospectus, IFRS for the last two financial years ended 30 June 2011 and 30 June 2012. The Issuer's 2011 Financial Statements and 2012 Financial Statements have been audited by Ernst & Young Audit and Mazars.

The main accounting principles used by the Issuer in preparing its consolidated financial statements for the last two financial years are set out in Notes 3 and 4 of the notes to the Issuer's 2011 Financial Statements and 2012 Financial Statements.

Selected financial information from the Consolidated Balance Sheets of the Issuer

(in millions of Euros)	Eutelsat S.A.	
	For the year ended	
	30 June 2011 (Audited)	30 June 2012 (Audited)
Total of non-current assets	2,860.3	3,128.6
Total current assets	409.3	415.1
Total assets	3,269.7	3,543.7
Total shareholders' equity	1,780.3	1,410.5
Total non-current liabilities	1,233.0	1,866.8
Total current liabilities	256.4	266.4
Total liabilities and shareholders' equity	3,269.7	3,543.7
NET DEBT⁽¹⁾	966.0	1,633.2

(1) Net debt includes all bank debt and Intra-group loans as well as debt associated with long-term leases, minus cash and marketable securities (net of credit balances with banks).

Selected financial information from the Consolidated Income Statements of the Issuer

(in millions of Euros)	Eutelsat S.A.	
	For the year ended	
	30 June 2011 (Audited)	30 June 2012 (Audited)
REVENUES	1,170.0	1,224.8
Operating costs	(89.0)	(106.4)
Selling, general and administrative expenses	(148.5)	(155.3)
Depreciation and amortisation	(236.0)	(264.4)
Other operating income	235.4	-
Other operating charges	(236.3)	(7.0)
OPERATING INCOME	695.6	691.7
Net financial items	(31.9)	(40.3)
CONSOLIDATED NET INCOME	452.9	430.7
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	452.6	430.4

Selected financial information from the Consolidated Statements of Cash Flow of the Issuer

(in millions of Euros)	Eutelsat S.A.	
	For the year ended	
	30 June 2011 (Audited)	30 June 2012 (Audited)
Net cash flows from operating activities	807.4	493.9
Net cash flows used in investing activities	(248.1)	(482.4)
Net cash flows used in financing activities	(469.2)	(54.4)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	90.8	(43.9)

Other Selected Financial Information: EBITDA

(in millions of Euros)	Eutelsat S.A.	
	For the year ended	
	30 June 2011	30 June 2012
Revenues	1,170.0	1,224.8
Operating expenses ⁽¹⁾	(237.6)	(261.7)
EBITDA⁽²⁾	932.5	957.2
EBITDA margin (<i>as a percentage of revenues</i>)	79.7%	78.3%

(1) Operating expenses are defined as operating costs plus selling, general and administrative expenses.

(2) EBITDA is defined as operating income before depreciation and amortisation and other operating revenue and expenses.

EBITDA is not a GAAP measure and as such it is not audited or reviewed by the auditors. EBITDA does not constitute a measure of financial performance. It should not be compared to operating income, net income or cash flow from operating activities. Nor should it be used as an indicator of profitability or liquidity. Likewise, it should not be used as an indicator of past or future operating results. EBITDA is calculated differently from one company to another, and accordingly the information given in this Prospectus about EBITDA should not be compared to EBITDA information reported by other companies.

Order Backlog Evolution

	Eutelsat S.A.	
	30 June 2011	30 June 2012
Value of contracts (<i>in billions of Euros</i>)	5.0	5.2
Weighted remaining duration of contracts	7.5	6.9
Portion relating to Video Applications	91%	92%

At 30 June 2012, the Group's order backlog totalled 5.2 billion Euros or around 4.3 times annual revenues, compared with 5.0 billion Euros at 30 June 2011.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents which have been previously published or are published simultaneously with this Prospectus and that have been filed with the CSSF in Luxembourg and shall be incorporated in, and form part of, this Prospectus:

- (a) the Issuer's consolidated financial statements for the financial year ended 30 June 2011 in the English translation (the **2011 Financial Statements**) which include a free translation of the statutory auditors' audit report for the financial year ended 30 June 2011¹; and
- (b) the Issuer's consolidated financial statements for the financial year ended 30 June 2012 in the English translation (the **2012 Financial Statements**) which include a free translation of the statutory auditors' audit report for the financial year ended 30 June 2012²,

save that any statement contained in a document which is incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise).

The financial statements of the Issuer and the free translation of the auditors' reports related thereto are uncertified English translations and were originally issued in French and are provided solely for the benefit of English speaking users.

Copies of the documents incorporated by reference in this Prospectus will be available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Eutelsat Communications in the section *Investors/ Eutelsat S.A.* (www.eutelsat.com/investors/eutelsat-sa.html).

The Issuer will provide, without charge, to each person to whom a copy of this Prospectus has been delivered, upon the oral or written request of such person, a copy of any or all of the documents which are incorporated herein by reference unless such documents have already been supplied to such person. Written or oral requests for such documents should be directed to the Issuer at its principal office set out at the end of this Prospectus. In addition, such documents will be available, without charge, from the principal office of the Fiscal Agent (as defined below).

Any information not listed in the cross reference list below but included in the documents incorporated by reference above is given for information purposes only.

The information incorporated by reference in this Prospectus shall be read in conjunction with the following cross-reference table:

	2011 Financial Statements (English Translation)	2012 Financial Statements (English Translation)
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Historical Financial Information

Free Translation of Audit Reports	Pages 82 to 84	Pages 72 to 74
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¹ For the avoidance of doubt, the free translation of the statutory auditors' audit report for the financial year ended 30 June 2011 is subject to the Responsibility Statement on page 3 of this Prospectus.

² For the avoidance of doubt, the free translation of the statutory auditors' audit report for the financial year ended 30 June 2012 is subject to the Responsibility Statement on page 3 of this Prospectus.

Consolidated balance sheet	Page 2	Page 2
Consolidated income statement	Page 3	Page 3
Comprehensive income statement	Page 4	Page 4
Consolidated cash flow statement	Page 5	Page 5
Accounting policies and explanatory notes	Pages 7 to 81	Pages 7 to 71

TERMS AND CONDITIONS OF THE BONDS

The following is the text of the terms and conditions that, subject to their issue, shall be applicable to the Bonds. The text of the terms and conditions will not be endorsed on physical documents of title but will be constituted by the following text.

The issue of the Bonds outside the Republic of France has been authorised by a resolution of the Board of Directors (*Conseil d'administration*) of Eutelsat S.A. (the **Issuer**) dated 28 September 2012 and a decision of Mr. Michel de Rosen, *Directeur Général* of the Issuer dated 1 October 2012. The Issuer will enter into an agency agreement dated on or about 5 October 2012 (as amended or supplemented from time to time, the **Agency Agreement**) with CACEIS Corporate Trust, as fiscal agent and paying agent (the **Fiscal Agent**, and with any additional or substitute paying agents, the **Paying Agents**). Copies of the Agency Agreement are available for inspection during usual business hours at the specified offices of the Paying Agents. The Bondholders (as defined below) are deemed to have notice of all the provisions of the Agency Agreement relating to their rights. References to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. Form, Denomination and Title

The Bonds are issued in dematerialised bearer form (*au porteur*) in the denomination of €100,000 each and will at all times, in compliance with Articles L. 211-3 and R. 211-1 of the French *Code monétaire et financier* (Monetary and Financial Code), be evidenced by book-entries (*inscription en compte*) in the books of the Account Holders. No physical documents of title (including *certificats représentatifs* pursuant to Article R. 211-7 of the French *Code monétaire et financier*) will be issued in respect of the Bonds.

The Bonds will, upon issue, be registered in the books of Euroclear France, which shall credit the accounts of the Account Holders.

Account Holder means any authorised financial intermediary institution entitled to hold accounts directly or indirectly on behalf of its customers with Euroclear France, and includes Euroclear Bank S.A./N.V. and the depositary banks for Clearstream Banking, *société anonyme*.

Title to the Bonds shall be evidenced by entries in the books of Account Holders and will pass upon, and transfer of the Bonds may only be effected through, registration of the transfer in such books. References to **Holders of Bonds** or **Bondholders** shall be construed as references to the persons whose names appear in the books of Account Holders as the persons entitled to the Bonds.

2. Status of the Bonds

The obligations of the Issuer under the Bonds in respect of principal, interest and other amounts, constitute direct, unconditional, unsecured (subject to Condition 3) and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves and (subject to such exceptions as are from time to time mandatory under French law) equally and rateably with all other present or future direct, unconditional, unsecured and unsubordinated obligations of the Issuer.

3. Negative pledge

So long as any of the Bonds remains Outstanding (as defined below), the Issuer shall not, and shall procure that none of its Material Subsidiaries, create or permit to subsist any Security over its assets or revenues to secure (i) any Relevant Debt (as defined below) or (ii) any guarantee or indemnity in respect of any Relevant Debt unless, at the same time or prior to such time, the Issuer's obligations under the Bonds are secured equally and rateably with such Relevant Debt or such guarantee or indemnity in respect of any Relevant Debt, or are given the benefit of such other security, guarantee or arrangement as shall be approved by the *Masse* of the Bondholders.

For the purposes of these Conditions:

EBITDA means, in respect of any relevant determination period the consolidated net income (loss) before net financial charges, tax, depreciation and amortization, other operating expenses and income from associates (as such term is defined under IAS 28).

Material Subsidiary means at any time, any subsidiary of the Issuer:

- (a) whose EBITDA (consolidated in the case of a subsidiary which itself has subsidiaries) is then 10 per cent. or more of the consolidated EBITDA of the Issuer and its subsidiaries taken as a whole (in each case after giving effect, on a pro forma basis, to acquisitions and disposals taking place during the financial period to which the relevant financial statements referred to below relate); or
- (b) whose total assets (consolidated in the case of a subsidiary which itself has subsidiaries) are then 10 per cent. or more of the consolidated total assets of the Issuer and its subsidiaries taken as a whole,

all as determined by reference to the most recent annual (audited if available) or (if prepared) interim financial statements of such subsidiary and the most recent annual audited or interim financial statements of the Issuer, provided that if any Material Subsidiary sells, transfers or otherwise disposes of all or substantially all of its undertaking or assets (whether by a single transaction or a number of related transactions) to any of the Issuer's other subsidiaries (each a **Transferee**), it shall no longer be a Material Subsidiary on the date of the relevant sale, transfer or disposal and each Transferee (if it is not already a Material Subsidiary) shall be deemed to become a Material Subsidiary on the date of the relevant sale, transfer or disposal, until the Material Subsidiaries are next determined on the basis of the annual audited financial statements referred to above.

Outstanding means, in relation to the Bonds, all the Bonds issued other than: (i) those which have been redeemed in accordance with the Conditions, (ii) those in respect of which the date for redemption in accordance with Conditions has occurred and the redemption monies (including all interest accrued on such Bonds to the date for such redemption and any interest payable under Condition 4(c) after such date) have been duly paid to the Fiscal Agent, (iii) those which have been purchased and cancelled as provided in Conditions 5(d) and (e), and (iv) those in respect of which a Put Option has been validly exercised within the Put Period as provided in Condition 5(c).

Relevant Debt means any present or future indebtedness for borrowed money in the form of, or represented by, bonds or notes (*obligations*) or other debt securities (including *titres de créance négociables*) which are for the time being, or are capable of being, quoted, admitted to trading or ordinarily dealt with any stock exchange, over-the counter market or other securities market.

Security means a mortgage, pledge, lien, assignment by way of security, hypothecation or other security interest or encumbrance, or other agreement or arrangement conferring security or having a similar effect (but excluding any *opération de crédit-bail* or *location financière*) and securing any obligation of any person.

4. Interest

(a) Accrual and Interest Payment Dates

Each Bond bears interest on its principal amount at a rate of 3.125% per cent per annum (the **Rate of Interest**) from, and including, 9 October 2012 (the **Issue Date**) to, but excluding, 10 October 2022 (the **Maturity Date**) payable annually in arrears on 10 October in each year (an **Interest Payment Date**) commencing on 10 October 2013, except that the first payment of interest on 10 October 2013 will be in respect of the period from (and including) the Issue Date to (but excluding) 10 October 2013 and will amount to €3,133.56 per Bond.

Each Bond will cease to bear interest from, and including, the due date for its redemption unless payment of its principal amount is improperly withheld or refused on such date or unless default is otherwise made in respect of such payment.

(b) Interest Periods

The period from (and including) the Issue Date to (but excluding) the first Interest Payment Date and each successive period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date is referred to as an **Interest Period**.

Interest will be calculated on an Actual/Actual (ICMA) basis. Where interest is to be calculated in respect of a period which is shorter than an Interest Period, it shall be calculated by applying the Rate of Interest to the principal amount of each Bond and multiplying the product by a fraction whose numerator is the number of days in the relevant period, from (and including) the date from which interest begins to accrue to (but excluding) the date on which interest becomes payable, and whose denominator is the number of days in the Interest Period in which the relevant shorter period falls.

(c) Default interest

If any amount due and payable by the Issuer under the Conditions is not paid on its due date (the **Unpaid Amount**), interest shall continue to accrue on the Unpaid Amount at the Rate of Interest, in accordance with this Condition 4.

5. Redemption and Purchase

The Issuer may not redeem the Bonds except in accordance with the following provisions of this Condition 5.

(a) Redemption at maturity

Unless previously redeemed or purchased and cancelled as provided below, the Bonds will be redeemed in full in a single instalment on the Maturity Date.

(b) Redemption for taxation reasons

- (i) If by reason of a change in the laws or regulations of the French Republic, or any political subdivision therein or any authority thereof or therein having power to

tax, or any change in the application or official interpretation of such laws or regulations (including a judgment by a court of competent jurisdiction), becoming effective on or after the Issue Date, the Issuer would on the occasion of the next payment of principal or interest due in respect of the Bonds, not be able to make such payment without having to pay additional amounts, the Issuer may, at any time, subject to having given not more than 60 nor less than 30 days' prior notice to the Bondholders (which notice shall be irrevocable), in accordance with Condition 10, redeem the Bonds (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder may be given shall be no earlier than the latest practicable date on which the Issuer could make payment of principal and interest without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

- (ii) If the Issuer would on the occasion of the next payment of principal or interest in respect of the Bonds be prevented by French law from making payment to the Bondholders of the full amount then due and payable, notwithstanding the undertaking to pay additional amounts, then the Issuer shall forthwith give notice of such fact to the Fiscal Agent and the Issuer shall, upon giving not less than seven days' prior notice to the Bondholders in accordance with Condition 10, redeem the Bonds (in whole but not in part) at their principal amount plus accrued interest up to (but excluding) their effective redemption date provided that the due date for redemption of which notice hereunder shall be given shall be no earlier than the latest practicable date on which the Issuer could make payment of the full amount of principal and interest payable without withholding for French taxes or, if such date has passed, as soon as practicable thereafter.

(c) Redemption following a Change of Control

If at any time while any of the Bonds remains Outstanding, (i) a Change of Control occurs and (ii) a Negative Rating Event in respect of that Change of Control is deemed to have occurred and is not cured before the last day of the Change of Control Period (a **Put Event**), then each Bondholder shall have the option (the **Put Option**) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) all (but not some only) of its Bonds at their principal amount together with (or, where purchased, together with an amount equal to) accrued interest to (but excluding) the Optional Redemption Date (as defined below).

Promptly upon the Issuer becoming aware of the occurrence of a Put Event, the Issuer shall give notice to the Bondholders in accordance with Condition 10, specifying the nature of the Change of Control, the circumstances giving rise to it and the procedure for exercising the Put Option contained in this Condition 5(c) (the **Put Event Notice**).

Each Bondholder will have the right to require the Issuer to redeem or, at the Issuer's option, to purchase (or procure the purchase of) all of the Bonds held by it within a 40-day period (the **Put Period**) commencing on the first Business Day (as defined in Condition 6) following the expiry of the Change of Control Period. To exercise the Put Option, each Bondholder must transfer (or cause to be transferred by its Account Holder) its Bonds to be so redeemed or purchased to the account of the Fiscal Agent specified in the Put Option Notice for the account of the Issuer within the Put Period, together with a duly signed and completed notice of exercise in the form obtainable from the specified office of the Fiscal Agent (a **Put Option Notice**) and in which the relevant Bondholder will specify a bank account to which payment is to be made under this Condition 5(c). A Put Option Notice once given may not be revoked.

The Issuer shall, subject to the transfer of such Bonds to the account of the Fiscal Agent as described above, redeem or, at the option of the Issuer, purchase (or procure the purchase of) all the Bonds in respect of which the Put Option has been validly exercised as provided above on the twentieth (20th) Business Day (as defined in Condition 6) following the expiry of the Put Period (the **Optional Redemption Date**). Payment in respect of any Bond so transferred will be made in Euro to the Euro-denominated bank account of the Holder specified in the Put Option Notice on the Optional Redemption Date via the relevant Account Holder.

For the purposes of this Condition:

A **Change of Control** occurs where, other than in connection with a Permitted Restructuring or a Permitted Change of Control, (i) Eutelsat Communications S.A. ceases to own, directly or indirectly, at least 50% of the share capital and the voting rights of the Issuer (or the surviving entity following a Permitted Restructuring), or (ii) any person or group of persons acting in concert, as defined in Article L. 233-10 of the French *Code de Commerce*, directly or indirectly owns or acquires more than 50% of the share capital and voting rights of Eutelsat Communications S.A.

Change of Control Period means, in relation to a Change of Control, the period commencing on the date of the first public announcement of the occurrence of the relevant Change of Control, and ending on (i) the date which is 120 days (inclusive) after such public announcement or (ii) the date which is 180 days (inclusive) after such public announcement if, at the end of the period stated in sub-paragraph (i) above, either one or both Rating Agencies have officially placed the Bonds under consideration for rating review.

Existing Major Shareholder means the Fonds Stratégique d'Investissement and/or any person controlled (as defined in article L. 233-3 I of the French *Code de Commerce*) by it.

A **Negative Rating Event** will be deemed to have occurred in respect of a Change of Control:

- (i) in circumstances where on the day immediately preceding the date of a Potential Change of Control the credit rating previously assigned to the Bonds by each Rating Agency is an investment grade rating (BBB-/Baa3 or better or their equivalent), if the credit rating assigned to the Bonds by at least one Rating Agency, whether at the invitation of the Issuer or by the Rating Agency's own volition, is reduced to BB+/Ba1 (or their equivalent), or below, on or after the date of a Potential Change of Control but before the expiry of the Change of Control Period and, after the date of such reduction but before the expiry of the Change of Control Period, such Rating Agency or Rating Agencies, as the case may be, has/have not assigned to the Bonds a credit rating at least at the level of the credit rating assigned to the Bonds on the day immediately preceding the date of such Potential Change of Control;
- (ii) in circumstances where on the day immediately preceding the date of a Potential Change of Control, the credit rating previously assigned to the Bonds by at least one Rating Agency is below investment grade (BB+/Ba1 or below or their equivalent), if the credit rating assigned to the Bonds by at least one Rating Agency, whether at the invitation of the Issuer or by the Rating Agency's own volition, is reduced by at least one full rating notch on or after the date of a Potential Change of Control but before the expiry of the Change of Control Period and, after the date of such reduction but before the expiry of the Change of Control Period, such Rating Agency or Rating Agencies, as the case may be, has/have not assigned to the Bonds a credit rating at least at the level of the credit rating assigned to the Bonds on the day immediately preceding the date of such Potential Change of Control;

- (iii) if the credit rating previously assigned to the Bonds by at least one Rating Agency, whether at the invitation of the Issuer or by the Rating Agency's own volition, is withdrawn on or after the date of a Potential Change of Control but before the expiry of the Change of Control Period, and, after the date of such withdrawal but before the expiry of the Change of Control Period, such Rating Agency or Rating Agencies, as the case may be, has/have not assigned to the Bonds a credit rating at least at the level of the credit rating assigned to the Bonds on the day immediately preceding the date of withdrawal; or
- (iv) if the credit ratings assigned to the Bonds by both Rating Agencies, whether at the invitation of the Issuer or by the Rating Agency's own volition, had been withdrawn by both Rating Agencies prior to the date of a Potential Change of Control, and, on or after the date of a Potential Change of Control but before the expiry of the Change of Control Period, none of the Rating Agencies has assigned to the Bonds a credit rating at least at the level of the credit rating assigned to the Bonds on the day immediately preceding the date of withdrawal.

provided that, in the case of sub-paragraphs (i), (ii) and (iii) above, each relevant Rating Agency publicly announces, or confirms in writing to the Issuer, the Fiscal Agent or any Bondholder, that any such reduction or withdrawal is due, wholly or in part, to the relevant Change of Control.

Permitted Change of Control means any transaction where the Existing Major Shareholder acting individually or in concert (*personnes agissant de concert*, as defined in Article L. 233-10 of the French *Code de Commerce*) owns or acquires directly or indirectly more than 50% of the share capital and voting rights of the Issuer (or the surviving entity following a Permitted Restructuring).

Permitted Restructuring means any merger (*fusion*), demerger (*scission*) or asset contribution (*apport partiel d'actifs*) between, or involving, the Issuer and Eutelsat Communications S.A. or any entity held directly or indirectly by Eutelsat Communications S.A., provided that Eutelsat Communications S.A. owns more than 50% of the share capital and voting rights of such entity and, if the Issuer is not the surviving entity, all the Issuer's liabilities and obligations under the Bonds are transferred and assumed by such surviving entity.

Potential Change of Control means the first public announcement or statement, made by the Issuer, or any of its direct or indirect parent companies, or any actual or potential bidder(s), or any of their respective advisers on their behalf, relating to any potential Change of Control.

Rating Agency means Standard & Poor's Credit Market Services Europe Limited (**S&P**) or its successor and/or Moody's Investors Service Ltd (**Moody's**) or its successor (or, if either or both cease to exist or publish ratings generally, any alternative internationally recognised rating agency or agencies which has, at the request of the Issuer, assigned a credit rating to the Bonds or to the Issuer's long-term senior unsecured and unsubordinated indebtedness).

(d) *Purchases*

The Issuer, any of its subsidiaries and/or its affiliates, may at any time purchase any Bonds for cash consideration or otherwise (including, without limitation, by means of an exchange offer) in the open market or otherwise, at any price and on any conditions, in accordance with any applicable laws and regulations. If purchases are made by tender, tenders must be available to all Bondholders alike on the same terms. All Bonds so purchased by the Issuer may be held and resold in accordance with Article L.213-1 A and D.213-1 A of the French *Code monétaire et financier* for the purpose of enhancing the liquidity of the Bonds.

(e) Cancellation

All Bonds which are (i) redeemed or (ii) purchased for cancellation by or on behalf of the Issuer will forthwith be cancelled in accordance with the rules and procedures of Euroclear France.

6. Payments

(a) Payments to Bondholders

On each date on which the Issuer is required to make a payment under the Bonds, payment shall be made in Euro by transfer to the account of the relevant Account Holder for the benefit of the relevant Bondholder. Payment by the Issuer to the relevant Account Holder shall constitute an effective discharge of the Issuer to the extent of such payment.

(b) Partial payments

If a payment is made by the Issuer and the Bondholder receives an amount less than the amount of such payment, the Bondholder may apply the amount received towards the obligations of the Issuer to interest first and principal thereafter.

(c) Payments on Business Days

If the due date for payment of any amount in respect of any Bond is not a Business Day, payment shall not be made until the next following Business Day and the Bondholders shall not be entitled to any interest or other sums in respect of such postponed payment.

For the purpose of these Conditions:

A **Business Day** means any day on which the TARGET System is operating and commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in Paris and Luxembourg.

TARGET System means the Trans-European Automated Real-Time Gross Settlement Express Transfer 2 System or any system that replaces it.

(d) Payments subject to law

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8 below.

(e) Fiscal Agent and Paying Agent

The name of the initial Fiscal Agent and Paying Agent and its specified office are set forth below:

Fiscal and Principal Paying Agent

CACEIS Corporate Trust
14, rue Rouget de Lisle
92862 Issy les Moulineaux cedex 9
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent and/or appoint additional or other Paying Agents or approve any change in the office through which any such Paying Agent acts, provided that there will at all times be (i) a Fiscal Agent having a

specified office in a European city and (ii) so long as the Bonds are admitted to trading on the regulated market of the Luxembourg Stock Exchange and to the extent that the rules of that exchange so require, a Paying Agent having a specified office in Luxembourg (which may be the Fiscal Paying Agent). The Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26 and 27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive.

Any termination or appointment shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not more than forty five (45) nor less than thirty (30) calendar days' notice thereof shall have been given to the Bondholders by, or on behalf of, the Issuer in accordance with Condition 10.

In the absence of wilful default, bad faith or manifest error, no liability shall attach to any of the Paying Agents in connection with the exercise or non-exercise by it of its powers, duties and discretions under these Conditions.

7. Events of Default

Each Bondholder may, upon written notice to the Issuer and the Fiscal Agent given before all defaults shall have been cured, cause all (but not some only) of the Bonds held by it to become immediately due and payable at their principal amount, together with any accrued interest thereon, as of the date on which such notice for payment is received by the Fiscal Agent without further formality, if any of the following events (each an **Event of Default**) shall occur:

- (a) the Issuer fails to pay or, in the case of a purchase of any Bonds under Condition 5(c), to procure the payment of, any amount of principal or interest in respect of the Bonds or any of them within 10 days of the due date for such payment; or
- (b) the Issuer defaults in the performance or observance of any of its other obligations under or in respect of any of the Bonds and (except where such default is incapable of remedy) such default has not been cured within 30 days after each of the Issuer and the Fiscal Agent receives written notice specifying such default by the Holder of any such Bonds; or
- (c) (i) any other present or future indebtedness of the Issuer or any of its Material Subsidiaries for borrowed money becomes due and payable prior to its stated maturity as a result of a default thereunder, or (ii) any such indebtedness is not paid when due, or (iii) any guarantee or indemnity given by the Issuer or any of its Material Subsidiaries for, or in respect of, any such indebtedness of others is not honoured when due and called upon, provided, in each case, that the relevant aggregate amount of the indebtedness, guarantee or indemnity in respect of which one or more of the preceding events has occurred exceeds, whether individually or in the aggregate, €50,000,000 (or its equivalent in any other currency); or
- (d) (i) the Issuer suspends or ceases to carry on all or substantially all of its business, or (ii) sells or otherwise disposes of all or substantially all of its assets, or (iii) an order is made or an effective resolution is passed for its winding-up, dissolution or liquidation, unless:
 - (x) such suspension, cessation, sale, disposal, winding-up, dissolution or liquidation is made or takes place in connection with a merger, demerger, consolidation, amalgamation or other form of corporate reorganisation (together, **Merger**) with

any other corporation, where all the Issuer's liabilities under the Bonds are transferred to and assumed by such other corporation; and

- (y) (A) the Merger is a *fusion*, a *scission* or an *apport partiel d'actifs* falling within articles L. 236-1 *et seq.* of the French *Code de commerce*; or
 - (B) for any Merger other than a Merger referred to in paragraph (A) above, the corporate credit rating for long-term indebtedness assigned by S&P or Moody's (each as defined in Condition 5(c)) to such other corporation immediately following the Merger is not lower than (1) BBB- or Baa3 or (2) if the corporate credit rating for long-term indebtedness assigned by such Rating Agency to the Issuer immediately prior to such Merger was higher than BBB- or Baa3, such credit rating; or
- (e) (i) the Issuer or any of its Material Subsidiaries is subject to a *mandat ad hoc* proceeding pursuant to Article L. 611-3 of the French *Code de commerce*, any amicable settlement proceedings (*procédure de conciliation*) in accordance with Articles L. 611-4 to L. 611-15 of the French *Code de commerce*, any accelerated financial safeguard procedure (*sauvegarde financière accélérée*) as defined by Articles L. 628-1 *et seq.* of the French *Code de commerce* or any safeguard proceedings (*procédure de sauvegarde*) as defined by Articles L. 620-1 *et seq.* of the French *Code de commerce* (ii) with respect to the Issuer or any of its Material Subsidiaries a judgment is issued for judicial liquidation (*liquidation judiciaire*) without ordering the continued operation of the business (*liquidation judiciaire sans poursuite d'activité autorisée par le tribunal*), or for a transfer of the whole of its business (*cession totale de l'entreprise à la suite d'un plan de cession*) pursuant to a judicial reorganisation (*redressement judiciaire*) as defined by Articles L. 631-1 *et seq.* of the French *Code de commerce* or a judicial liquidation (*liquidation judiciaire*) as defined by Articles L.640-1 *et seq.* of the French *Code de commerce*, or the continued operation of the business authorized by the judicial liquidation proceedings ends, or (iii) the Issuer or any of its Material Subsidiaries is subject to equivalent legal proceedings, or in the absence of legal proceedings the Issuer or any of its Material Subsidiaries makes a voluntary conveyance, assignment or other arrangement for the benefit of its creditors or enters into a composition with its creditors.

8. Taxation – Additional Amounts

(a) Withholding Tax

All payments of principal, interest and other revenues by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within any jurisdiction or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law.

(b) Additional Amounts

If, pursuant to French laws or regulations, payments of principal or interest in respect of any Bond become subject to deduction or withholding in respect of any present or future taxes, duties, assessments or other governmental charges of whatever nature imposed by or on behalf of France or any authority therein or thereof having power to tax, the Issuer shall, to the fullest extent then permitted by law, pay such additional amounts as may be necessary in order that the Holder of each Bond, after such deduction or withholding, will receive the full amount then due and payable

thereon in the absence of such withholding; provided however, that the Issuer shall not be liable to pay any such additional amounts in respect of any Bond:

- (i) to, or to a third party on behalf of, a Bondholder who is liable to such taxes, duties, assessments or governmental charges in respect of such Bond by reason of his having some connection with France other than the mere holding of such Bond;
- (ii) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to any European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN Council meeting of 26/27 November 2000 on the taxation of savings or any law implementing or complying with, or introduced in order to conform to, such Directive;
- (iii) if the Bondholder (or a beneficial owner) was able to avoid such withholding or deduction by requesting payment under the relevant Bond to another Paying Agent in a Member State of the European Union; or
- (iv) if the Bondholder has not supplied any information or declaration that has been requested by the Paying Agent in a reasonable and timely fashion and that is necessary to avoid or reduce such deduction or withholding;
- (vi) any combination of sub-paragraphs (i) through (iv) above.

Any references to these Conditions to principal and interest shall be deemed also to refer to any additional amounts which may be payable under the provisions of this Condition 8.

9. Representation of the Bondholders

The Masse

The Bondholders will be grouped automatically for the defence of their respective common interests in a *masse* (hereinafter referred to as the **Masse**).

The *Masse* will be governed by those provisions of the French *Code de commerce* with the exception of the provisions of Articles L. 228-48, L. 228-59, R. 228-63, R. 228-67, R. 228-69 and R. 228-72 of the French *Code de commerce*, as summarised and supplemented by the conditions set forth below, provided that notices calling a general meeting of the Bondholders (a **General Meeting**) and the resolutions passed at any General Meeting and any other decision to be published pursuant to French legal and regulatory provisions will be published only as provided under Condition 10 below.

(a) Legal Personality

The *Masse* will be a separate legal entity, by virtue of Article L. 228-46 of the French *Code de commerce* acting in part through one (1) representative (the **Representative**) and in part through a General Meeting.

The *Masse* alone, to the exclusion of all individual Bondholders, shall exercise the common rights, actions and benefits which may accrue now or in the future with respect to the Bonds.

(b) Representative

The office of Representative may be conferred on a person of any nationality. However, the following persons may not be chosen as Representative:

- (i) the Issuer, its members of Board of Directors, its statutory auditors or its employees and their ascendants, descendants and spouses;
- (ii) companies possessing at least ten (10) per cent. of the share capital of the Issuer or of which the Issuer possesses at least ten (10) per cent. of the share capital;
- (iii) companies guaranteeing all or part of the obligations of the members of their Board of Directors, their statutory auditors or their employees and their ascendants, descendants and spouse; and
- (iv) persons to whom the practice of banker is forbidden or who have been deprived of the right of directing, administering or managing a business in whatever capacity.

The initial Representative shall be:

Crédit Agricole Corporate and Investment Bank

9, quai du Président Paul Doumer

92920 Paris La Défense Cedex

France

Duly represented by **Frank Hergault**

In the event of death, incompatibility retirement or revocation of the initial Representative, such initial Representative will be replaced by another Representative, which will be elected by the General Meeting.

The Representative shall not be entitled to any remuneration.

All interested parties will at all times have the right to obtain the name and the address of the Representative at the head office of the Issuer and at the offices of the Fiscal and Paying Agent.

(c) Powers of the Representative

The Representative shall, in the absence of any decision to the contrary of the General Meeting, have the power to take all acts of management to defend the common interests of the Bondholders.

All legal proceedings against the Bondholders or initiated by them in order to be justifiable, must be brought against the Representative or by it, and any legal proceedings which shall not be brought in accordance with this provision shall not be legally valid.

The Representative may not interfere in the management of the affairs of the Issuer.

(d) General Meeting

General Meetings may be held at any time, on convocation either by the Issuer or by the Representative. One or more Bondholders, holding together at least one-thirtieth (1/30) of Outstanding Bonds may address to the Issuer and the Representative a request to convene the General Meeting; if such General Meeting has not been convened within two (2) months from such request, such Bondholder(s) may appoint one of themselves to petition the competent court in Paris to appoint an agent who will call the meeting.

Notice of the date, hour, place, agenda and quorum requirements of any meeting of a General Meeting will be published as provided under Condition 10 not less than 15 calendar days prior to the date of the General Meeting on first convocation and 6 calendar days on second convocation.

Each Bondholder has the right to participate in meetings of the *Masse* in person, by proxy or, if permitted by the by-laws (*statuts*) of the Issuer at the relevant time, by videoconference or such other means of telecommunication authorised by applicable law. As of the date of issue of the Bonds, the by-laws (*statuts*) of the Issuer do not permit such participation by Bondholders. Each Bond carries the right to one vote.

In accordance with Article R.228-71 of the French *Code de commerce*, the rights of each Bondholder to participate in General Meetings will be evidenced by the entries in the books of the relevant Account Holder of the name of such Bondholder on the third business day in Paris preceding the date set for the meeting of the relevant General Meeting at 0:00, Paris time.

(e) Powers of General Meetings

A General Meeting is empowered to deliberate on the dismissal and replacement of the Representative, and also may act with respect to any other matter that relates to the common rights, actions and benefits which now or in the future may accrue with respect to the Bonds, including authorising the Representative to act as law as plaintiff or defendant.

A General Meeting may further deliberate on any proposal relating to the modification of the Conditions of the Bonds, including:

- (i) any proposal, whether for arbitration or settlement, relating to rights in controversy or which were the subject of judicial decisions; and
- (ii) any proposal relating to the issue of securities carrying a right of preference compared to the rights of the Bondholders,

it being specified, however, that a General Meeting may not increase the liabilities (*charges*) of the Bondholders, nor establish any unequal treatment between the Bondholders.

General Meetings may deliberate validly on first call for a meeting only if Bondholders present or represented hold at least one fifth (1/5) of the principal amount of the Bonds then Outstanding. On second call for a meeting, no quorum shall be required. Decisions at meetings shall be taken by a two-thirds (2/3) majority of votes cast by the Bondholders attending such meeting or represented thereat.

(f) Notice of Decisions

Decisions of the meetings must be published in accordance with the provisions set out in Condition 10 not more than ninety (90) days from the date thereof.

(g) Information to the Bondholders

Each Bondholder or representative thereof will have the right, during a 15 day period preceding the holding of each General Meeting, to consult or make a copy of the text of the resolutions which will be proposed and of the reports which will be presented at the meeting, which will be available for inspection at the principal office of the Issuer, at the offices of the Paying Agents and at any other place specified in the notice of meeting.

(h) *Expenses*

The Issuer will pay all reasonable expenses incurred in the operation of the *Masse*, including expenses relating to the calling and holding of meetings, and more generally all administrative expenses resolved upon by a General Meeting of the Bondholders, it being expressly stipulated that no expenses may be imputed against interest payable on the Bonds.

10. Notices

Any notice to the Bondholders pursuant to these Conditions will be valid if (i) delivered to Euroclear France, Euroclear and/or Clearstream, for so long as the Bonds are cleared through such clearing systems or, if not so cleared, published in a leading English language daily newspaper having general circulation in Europe, and (ii) for so long as the Bonds are admitted to trading on the regulated market of the Luxembourg Stock Exchange and, to the extent so required by the Luxembourg Stock Exchange, published on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice shall be deemed to have been given on the date of such delivery or publication or, if delivered more than once or on different dates, on the first date on which such delivery or publication is made.

11. Prescription

Claims against the Issuer for the payment of principal and interest in respect of the Bonds shall become prescribed five (5) years from the due date for payment thereof.

12. Further Issues

The Issuer may from time to time without the consent of the Bondholders issue further bonds to be consolidated and form a single series (*assimilées*) with the Bonds as regards their financial service, provided that such further bonds and the Bonds shall carry rights identical in all respects (or in all respects except for the first payment of interest thereon) and that the terms of such further bonds shall provide for such consolidation (*assimilation*). In the event of such consolidation, the Bondholders and the holders of any consolidated bonds (*obligations assimilées*) will for the defence of their common interests be grouped in a single *Masse* having legal personality.

13. Governing law and Jurisdiction

The Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by and shall be construed in accordance with the laws of the Republic of France.

Any action against the Issuer in connection with the Bonds will be submitted to the exclusive jurisdiction of the Commercial Court (*Tribunal de Commerce*) of Paris.

USE OF PROCEEDS

The net proceeds of the Bond Issue are expected to amount approximately to €296.2 million and will be used by the Issuer for general corporate purposes.

INFORMATION ABOUT THE ISSUER

The Issuer

Business description

Eutelsat S.A. (**Eutelsat** or the **Issuer**) is a private fixed satellite operator involved in the design, establishment, operation and maintenance of satellite telecommunications systems covering a large geographical area (Extended Europe - including North Africa, Russia and the Middle East - the east of North America, Latin America, sub-Saharan Africa and part of Asia). Eutelsat is incorporated as a limited liability company (*société anonyme*) under the laws of France. Eutelsat's headquarters are located in Paris, France.

At the date of this Prospectus, Eutelsat exploits 28 satellites in geostationary orbit to provide capacity to major international telecommunications operators or broadcasting companies, for television and radio broadcasting services, both analogue and digital, for business telecommunications services, for multimedia applications and for messaging and positioning services. In addition, Eutelsat uses capacity on certain transponders on three satellites owned by both related and unrelated parties.

Seven more satellites (EUTELSAT 21B, EUTELSAT 70B, EUTELSAT 25B, EUTELSAT 3D, EUTELSAT 3B EUTELSAT 9B and EUTELSAT 8 West B) are currently under construction or about to be procured. They are expected to be launched before the end of the calendar year 2015.

Formation and transfer of IGO activities

The activities of Eutelsat S.A. were originally carried out by an intergovernmental organisation, the European Telecommunications Satellite Organisation (the **IGO**). The IGO was founded by a number of countries in Western Europe to develop and operate a satellite telecommunications system for trans-European telecommunications purposes. On 2 July 2001, all the IGO's operating activities were transferred to Eutelsat S.A. (the **Transformation**).

The Transformation was motivated mainly by the liberalisation of the telecommunications industry in Europe, under the more specific framework laid out by the European Commission in its 1990 Green Paper which recommended that the international satellite telecommunications organisations should be reformed in order to liberalise end-user access to satellite capacity and ensure it could be freely commercialised by operators. The main purpose of the Transformation, therefore, was to position the IGO's operating activity in a competitive environment with a view to an open satellite telecommunications market.

The frequency allocations for the spectrum and orbital resources used by Eutelsat upon the transfer of activity for its satellite operations remain under the joint responsibility of the member countries of the IGO, and of the IGO.

Legal information about the Issuer

The Issuer is registered with the French *Registre du Commerce et des Sociétés de Paris* (Commercial and Corporate Registry of Paris) under number 422 551 176. The Issuer was incorporated on 15 April 1999 as a French *société anonyme* (limited liability company) for a period of 99 years, expiring on 15 April 2098.

Registered office, legal form, applicable legislation

Registered office

70, rue Balard
75015 Paris
France
Telephone: +33 (0)1 53 98 47 47

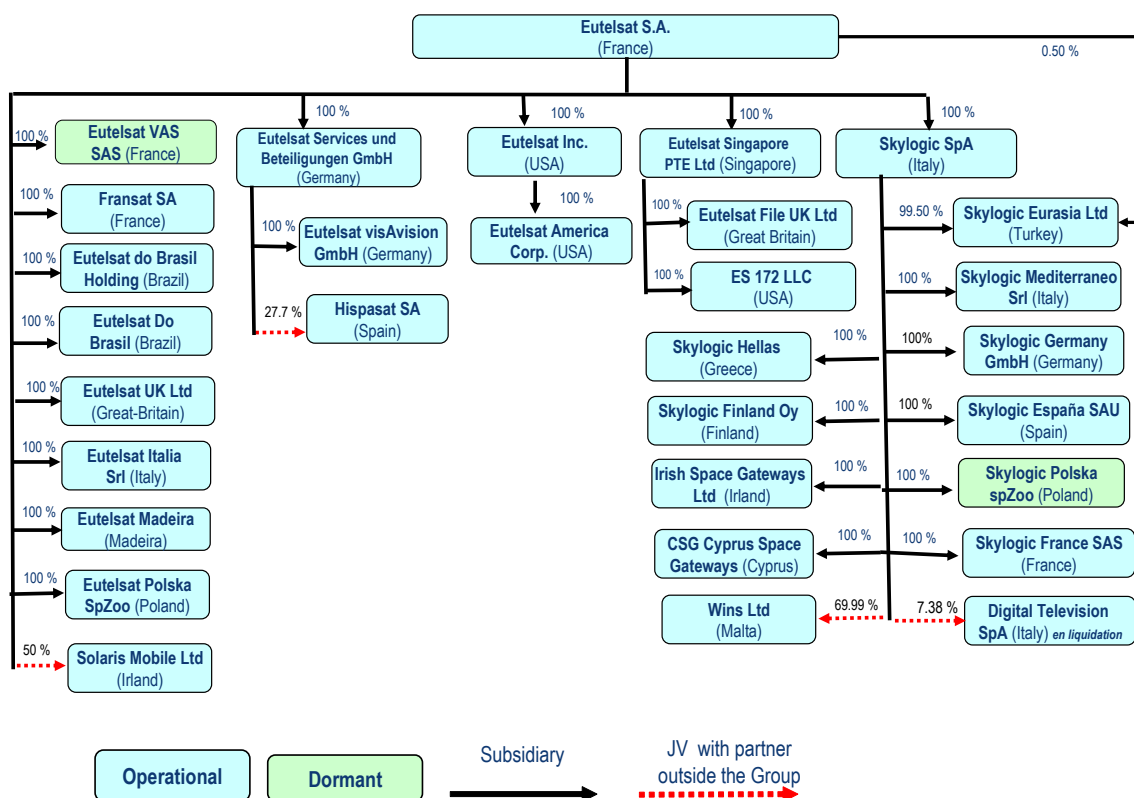
Legal form and applicable legislation

A *société anonyme* (limited company) under French law with a Board of Directors, governed by the provisions of Book II of the French Commercial Code.

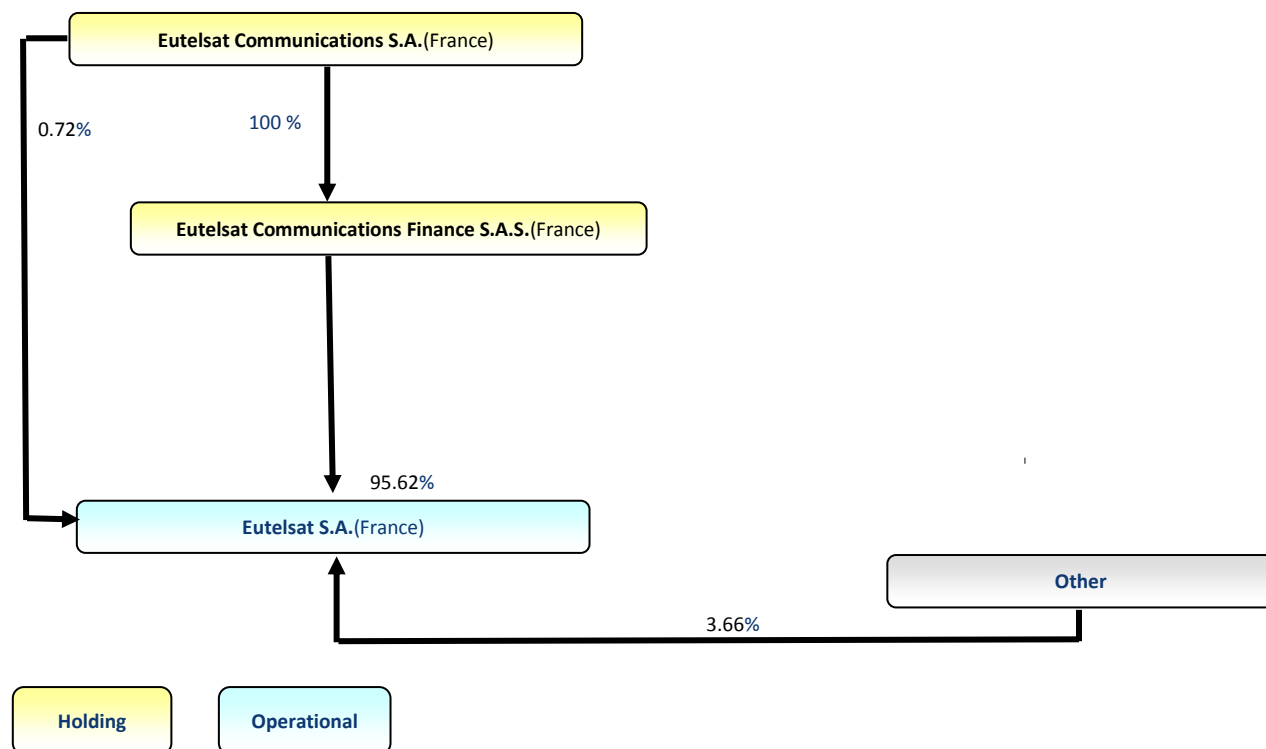
Structure

The Group's Organisational Chart

The chart below shows the Group's operating organisation as of the date of this Prospectus.



Principal shareholders of the Issuer



Eutelsat Communication S.A. (France)

Eutelsat Communication S.A. is a *société anonyme* (limited company) whose shares are listed on NYSE Euronext Paris. Its registered offices are at 70, rue Balard, 75015 Paris.

The three largest shareholders of Eutelsat Communications are Fonds Stratégique d'Investissement (**FSI**), which owns at 30 June 2012 a stake of 25.62% of the share capital of Eutelsat Communications, ABERTIS TELECOM S.a.u. which owns 8.35% of the share capital of Eutelsat Communications and China Investment Corporation (**CIC**) which owns 7.06% of the share capital of Eutelsat Communications.

At the date of this Prospectus, and to the best knowledge of the Issuer, no shareholder acting individually or in concert controls Eutelsat Communications.

The chart below provides shareholders information for Eutelsat Communication S.A. as of 30 June 2012:

Shareholders	At 30 June 2012	
	Number of shares and voting rights	Percentage
Fonds Stratégique d'Investissement (FSI)	56,399,660	25.62%
Abertis Telecom S.a.u.	18,396,773	8.35%
China Investment Corporation (CIC)	15,541,767	7.06%
Blackrock Inc.	11,031,045	5.01%
Radio Televizija Slovenia	1,619,724	0.74%
Entreprise des Postes et Telecoms (Luxembourg)	2,395,886	1.09%
Other minority shareholders(1)	3,227,577	1.47%
Free float	110,065,101	50.00%

Employees and senior managers	1,436,449	0.65%
TOTAL SHARES	220,113,982	100%
<i>(1) This category includes a number of Eutelsat Communications' minority shareholders, such as notably the Croatian ministry of the sea, transportation and infrastructure, Turksat Satellite Communications and the national telecommunications of Bosnia-Herzegovina, Bulgaria, Albania and the Macedonian Ministry of transport and communications and the Cyprus telecommunications authority.</i>		

At 30 June 2012, Eutelsat Communications directly and indirectly held 96.34% of the share capital of the Issuer.

Eutelsat Communications Finance S.A.S. (France)

This French *société par actions simplifiée* (simplified joint-stock company) is wholly owned by Eutelsat Communications.

It was created in June 2006 and is located at 70, rue Balard, 75015 Paris.

At 30 June 2012, Eutelsat Communications Finance S.A.S. directly held a 95.62% stake in the Issuer.

At the date of this Prospectus, Eutelsat Communications Finance S.A.S.'s only activity consisted of holding a direct equity interest in the Issuer.

Services agreements between the Issuer and its holding entities and other related party agreements

Eutelsat Communications S.A. and its subsidiaries (including the Issuer) maintain contractual relationships related to the organisation and operations of the Group. These transactions mainly relate to the management services agreement, the split of common administrative expenses, centralised cash management and the existence of a tax group. In addition, during the financial year ended 30 June 2012, the chargeback agreement entered into by Eutelsat Communications S.A. and certain of its subsidiaries (including the Issuer) in connection with the free share allocation plan and the associated Eutelsat Communications S.A. share buy back programme remained in force, together with the supplementary pension scheme with defined benefits (Article 39 of the French *Code Général des Impôts*), for the benefit of Mr. Jean-Paul Brillaud.

Shareholders of the Issuer

The share capital of the Issuer comprises only ordinary shares. The chart below sets out shareholders information for Eutelsat S.A. as of 30 June 2012:

Shareholders	Number of shares	Percentage
Eutelsat Communications Finance S.A.S.	968,798,885	95.62%
RSCC (Russia)	34,284,270	3.38%
Eutelsat Communications	7,248,478	0.72%
Beltelecom (Belarus)	500,000	0.05%
Broadcasting Radio Communications & Television (Ukraine)	500,000	0.05%
Ministère des Technologies de l'Information (Azerbaijan)	500,000	0.05%
Ministry of Transport & Inf. (Kazakhstan)	500,000	0.05%
Employees and managers	830,472	0.08%

Others	7	< 0.01%
TOTAL	1,013,162,112	100%

Group's employees

As of 30 June 2012 the Group had 747 employees.

The table below illustrates the breakdown of the average number of Group employees in operations and commercial and administrative activities:

	Average number of employees for the financial years ended 30 June		
	2010	2011	2012
Operations	253	296	338
Commercial and administrative activities	386	394	409
TOTAL	639	690	747

The number of staff employed by the Group has risen over the last three financial years. The change in the number of staff can be explained in part by the increase in the staff employed by the Group's foreign subsidiaries between June 2008 and June 2010, which rose from 178 to 220 during the financial year 2010-2011 and from 220 to 233 during 2011-2012. This increase in the headcount was mainly driven by the Italian subsidiaries Skylogic S.p.A. and Skylogic Mediterraneo s.r.l. due to the entry into service of EUTELSAT KA-SAT 9A satellite and the launch of the new Tooway™ services on 31 May 2011 and by an increase in the number of staff employed by Eutelsat S.A.'s operating activities.

Each year, Eutelsat S.A. prepares a social audit report recapitulating key data in a single document, thereby making it possible to carry out an assessment of the company's labour profile. This social audit report is prepared with reference to a calendar year. Each year, the Company's Work Council issues an opinion on this social audit report. The social report and the opinion of the Work Council are then made available to employees and to the company's shareholders upon request, in accordance with Articles L. 225-108 and L. 225-115 of the French Code de commerce.

During calendar year 2011, Eutelsat S.A. employed an average of approximately nine temporary staff per month. Temporary staff worked for an average of 15 days. Eutelsat S.A. employees had an average length of service of 11 years, with managers representing approximately an overall 84% of company staff during the 2011 calendar year.

The Group believes that its relations with its employees are good.

However, the Group cannot rule out future costs arising from disputes with its personnel.

Financial indebtedness of the Issuer prior to the issue of the Bonds

The €850,000,000 aggregate principal amount 4.125 per cent. bonds issued on 26 March 2010 and due 27 March 2017.

The €800,000,000 aggregate principal amount 5.000 per cent. bonds issued on 14 December 2011 and due 14 January 2019.

A €450,000,000 revolving credit facility was granted to the Issuer under a revolving credit facility agreement dated 24 March 2010 between the Issuer and BNP Paribas, Crédit Agricole Corporate &

Investment Bank, The Royal Bank of Scotland, plc and Société Générale as Mandated Lead Arrangers and Bookrunners (the **Existing Credit Facility**).

The Issuer believes that the implementation of the issuance of the Bonds will improve the debt maturity profile of the group formed by Eutelsat Communications S.A. and its subsidiaries (direct or indirect).

Please refer to the section “Recent Developments” for all significant changes that occurred since 30 June 2012.

Eutelsat S.A. Board as of the date of this Prospectus

As at the date of the authorisation, the Board of Directors of the Issuer was composed of 6 members as detailed in the table below.

In addition, a *Censeur*, namely the Executive Secretary of EUTELSAT IGO, appointed for a three-year term of office, as well as two representatives of the Workers' Council, are called to and may attend all meetings of the Board of Directors and express their points of view on any item on the agenda, however they may not take part in the vote.

Surname, first name, business address	Office held in Eutelsat S.A.	Other office and positions held in the Eutelsat Group over the past 5 years	Office and positions held outside the Eutelsat Group over the past 5 years
Jean-Martin Folz Eutelsat Communications 70, rue Balard 75015 Paris	Chairman of the Board of Directors	<i>Office in progress:</i> - Chairman of the Board of Directors of Eutelsat Communications	<i>Office in progress:</i> - Board Member of Alstom - Board Member of AXA - Board Member of Saint-Gobain - Board Member of Société Générale - Board Member of Solvay
		<i>Office and positions that have expired:</i> - None	<i>Office and positions that have expired:</i> - Board Member of Carrefour
Michel de Rosen Eutelsat Communications 70, rue Balard 75015 Paris	Board Member and Chief Executive Officer	<i>Office in progress:</i> - Board Member and Chief Executive Officer (CEO) of Eutelsat Communications - Representative of Eutelsat S.A., Chairman of Eutelsat VAS S.A.S. - Chairman of the Board of Eutelsat Inc. - Board Member of Skylogic SpA	<i>Office in progress:</i> - Board Member of ABB Ltd - Board Member of Hispasat S.A. - Board Member of Solaris Mobile Ltd.
		<i>Office and positions that have expired:</i> - Deputy CEO of Eutelsat Communications and Eutelsat SA	<i>Office and positions that have expired:</i> - Chairman and CEO of SGD - CEO of the US company ViroPharma
Jean-Paul Brillaud Eutelsat Communications 70, rue Balard 75015 Paris	Board Member	<i>Office in progress:</i> - Board Member of Eutelsat Communications	<i>Office in progress:</i> - None
		<i>Office and positions that have expired:</i> - Deputy CEO of Eutelsat Communications and Eutelsat SA - Board Member of Eutelsat Inc.	<i>Office and positions that have expired:</i> - Board Member of Hispasat S.A. - Board Member of Solaris Mobile Ltd.

Surname, first name, business address	Office held in Eutelsat S.A.	Other office and positions held in the Eutelsat Group over the past 5 years	Office and positions held outside the Eutelsat Group over the past 5 years
		- Member of the Supervisory Board of Eutelsat Services und Beteiligungen GmbH	
Fonds Stratégique d'Investissement 56, rue de Lille 75007 Paris represented by Thomas Devedjian	Board Member	<i>Office in progress of the permanent representative, T. Devedjian:</i> - Representative of Fonds Stratégique d'Investissement, as Board Member of Eutelsat Communications	<i>Office in progress of the permanent representative, T. Devedjian:</i> - Member of the Supervisory Committee of HIME - Board member of Eramet
		<i>Office and positions that have expired of the permanent representative, T. Devedjian:</i> - None	<i>Office and positions of the permanent representative that have expired:</i> - Member of the Supervisory Board of Apcoa - Board Member of Novaset
Bertrand Mabile Eutelsat Communications 70, rue Balard 75015 Paris	Board Member	<i>Office in progress:</i> - Board Member of Eutelsat Communications	- Office in progress: - Executive Vice-President of CWT France-Mediterranean - Representative of Carlson Wagonlit Travel France, Chairman of Carlson Wagonlit Distribution - Representative of Carlson Wagonlit Travel France, Chairman of Carlson Wagonlit Meetings & Events - Chairman of the Board of Carlson Wagonlit Italia Srl - Chairman of SETA (Forum Voyages) - Chairman of the Board of Acentro Turismo SpA - Managing Director of Carlon Wagonlit Espanas L.U. - Joint and several Director of Viajes Lepanto S.L.U. - Representative of Carlson Wagonlit Spain Holding II B.V. - Director of the Board of Carlson Wagonlit Maroc S.A. - Representative of CWT Beheermaatschappij B.V. at the Board of Carlson Wagonlit Maroc S.A.
		<i>Office and positions that have expired:</i> - None	<i>Office and positions that have expired:</i> - Member of the Supervisory Board of Cofitel - CEO of CWT France - Chairman of the Supervisory Board of Jet Multimedia - Chairman of the Supervisory Board of Adeuza - Board member of So Ouat
Dennis Pivnyuk Russian Satellite Communications Company 8, bld.6, 1 st Goncharny pereulok, Moscow, 115172, Russia	Board Member	<i>Office in progress:</i> - None	<i>Of office in progress:</i> - Chief Financial Officer of Russian Satellite Communications Company (RSCC)
		<i>Office and positions that have expired:</i> - None	<i>Office and positions that have expired:</i> - None

BUSINESS OVERVIEW

Presentation

With a market share of 15% worldwide and capacity on 28 satellites in geostationary earth orbit (or GEO) at the date of filing of this Prospectus, the Group is the world's third-largest Fixed Satellite Service (FSS) operator and Europe's leading player in terms of the number of TV channels broadcast (source: Euroconsult, Satellite Communications & Broadcasting Markets Survey – 2012 edition).

The Group's service portfolio includes Video Applications (television broadcasting services for the general public and Professional Video Networks), communication solutions for Data Services, Value-Added Services (satellite broadband Internet access) and Multi-Usage Services.

With its fleet of satellites located on 19 orbital positions as of 30 June 2012, extending from 15° West to 70°5 East, the Group covers the whole of the European continent, the Middle East, Russia and North Africa (**Extended Europe**), sub-Saharan Africa and a large part of the Asian and American continents, potentially giving it access to 90% of the world's population.

The Group's satellite fleet had 801 operational transponders in stable orbit at 30 June 2012, as opposed to 742 transponders and 652 transponders in stable orbit at 30 June 2011 and 30 June 2010 respectively.

At 30 June 2012, the Group broadcasted 4,261 television channels and 1,070 radio stations to more than 204 million cable and satellite households in Extended Europe.

Users of the Group's capacity include leading media and telecommunications operators in Europe and worldwide, such as:

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

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

The Group has over 30 years of experience in the FSS field and carried out the first digital television transmissions by satellite in Europe using the DVB (Digital Video Broadcast) format, which today is recognised as the standard format for satellite video transmission.

Group strengths and strategy

Group strengths

The Group believes that its business is characterised by the following strengths:

A large portfolio of attractive orbital positions

With 19 orbital positions in operational service, the Group is the satellite operator with the greatest number of orbital positions transmitting video programming over the European arc from 15° West to 70.5° East. Within its portfolio, the Group has developed four flagship orbital positions and controls six major orbital positions allowing it to broadcast television channels in Extended Europe and sub-Saharan Africa.

The Group has successfully developed the orbital position located at 13° East, known as the HOT BIRD™ position, which is particularly suitable for TV broadcasting to the European Union. This orbital position remains Eutelsat's number one TV broadcasting position. It represents the leading television programme transmission position in Europe (source: Observatoire Cable et Satellite Eutelsat 2010) and benefits fully from two favourable and mutually reinforcing trends: the increased number of channels broadcast from an orbital position and the largest number of households equipped to receive its signals (source: Observatoire Cable et Satellite Eutelsat 2010). The three HOT BIRD™ satellites were broadcasting 1,093 channels as of 30 June 2012 (more than any other orbital position in Europe) to over 120 million households, of which 52 million are equipped for direct satellite reception.

The Group has also developed the 28.5° East position, providing efficient coverage of the United Kingdom and Ireland with the EURO BIRD™ 1 satellite which, as of 30 June 2012, was broadcasting more than 300 channels to almost 11 million English and Irish households equipped for direct satellite reception.

More recently, the Group has successfully replicated the HOT BIRD™ model in fast-growing markets where the Group operates, aimed at building new flagship positions.

With last September's launch of the EUTELSAT 7 West A satellite broadcasting television and radio programmes in the Middle East and North Africa, the Group consolidated its leadership at 7° West (source: Observatoire Cable et Satellite Eutelsat 2010), within the 7° West/8° West neighbourhood. The attractiveness of the 7° West position is reinforced by the satellites of Eutelsat's partner, Egyptian operator Nilesat. This position is the number one broadcasting position in the Middle East and North Africa with nearly 900 TV channels broadcast on Eutelsat and Nilesat satellites as of 30 June 2012 to more than 40 million households (source: Nilesat).

In collaboration with its partner RSCC, the Group has also developed the 36° East position with the EUTELSAT 36B and EUTELSAT 36A satellites serving the Russian, Ukrainian and sub-Saharan African markets. It is currently used by the digital broadcasting platform, DStv, operated by Multichoice Africa to sub-Saharan Africa, together with the NTV Plus and Tricolor TV broadcasting platforms aimed at Russia. This position was broadcasting 715 channels as of 30 June 2012, a growth of 8.0% compared to 30 June 2011. This very rapid expansion is linked, firstly, to the entry into service of the EUTELSAT 36B satellite, launched in November 2009, bringing additional capacity at the 36° East position and, secondly, to the development of the Russian and African markets. Given the dynamism of these markets, the audience at the 36° East position in direct reception is currently

8.1 million satellite dishes. Either in direct reception or through cable networks, the audience of the 36° East position exceeds 17 million households (source: Eutelsat Cable and Satellite Review 2010).

The Group estimates that the channels broadcast via these four flagship positions are received by more than 110 million households equipped with dishes for individual or community reception (source: Eutelsat Cable and Satellite Review 2010).

In addition to these four flagship orbital positions, the Group is in the process of developing major orbital positions specialised by geographic regions. These non-premium positions, which were broadcasting more than 1,400 television channels as of 30 June 2012, enable the Group to capitalise on the swiftly increasing number of digital television channels in geographical areas such as Central and Eastern Europe, Russia, North Africa, the Middle East and sub-Saharan Africa (via its positions at 5° West, 7° East, 9° East, 16° East, and 25.5° East).

The Group believes that its orbital positions constitute a rare resource, giving it a strategic advantage with which to develop its business. Almost all orbital positions and associated frequency rights for the Ku-band have already been allocated to existing operators by the International Telecommunication Union (ITU), thus making it virtually impossible for new operators to secure access to orbital positions in Ku-band under current ITU rules. Thanks to its current portfolio of utilisation rights for orbital positions and its active rights management policy, the Group believes itself capable of rapidly adjusting to any possible change in demand and seize new market opportunities that may arise in the future.

In-orbit satellite infrastructure that represents a major strategic advantage

The Group is operating 28 geosynchronous satellites at the date of this Prospectus.

It has the following major advantages:

- a broad portfolio of orbital positions concentrated on the European orbital arc, serving geographical areas covering both mature (Western Europe) and high-growth markets;
- a modern satellite fleet with an average age of five and a half years as of 30 June 2012 (excluding satellites in inclined orbit), in the process of being renewed with the launch of seven new satellites over the next few years. For reference, the operating life of satellites in stable orbit is usually about 15 years;
- a high level of technical flexibility, in particular including on-board antennae with steerable beams or several beams with different coverage areas, thereby allowing the Group to adjust and reconfigure coverage areas to meet customer needs, respond to geographical market features and reconfigure the coverage area in the event of a satellite being relocated;
- connectivity between transponders and the various geographical coverage areas, enabling the Group to cater to changing customer demand;
- on-board redundant equipment and large-scale back-up capacity at key orbital positions, enabling the Group to offer, under certain circumstances, service continuity in the event of a satellite breaking down or malfunctioning; and
- a new-generation Ka-band multi-spotbeam satellite, EUTELSAT KA-SAT 9A, the first high-throughput satellite in Europe enabling the development of broadband services for the general public and professionals across Europe and large parts of the Mediterranean Basin where the terrestrial networks remain undeveloped.

Significant growth potential

In the digital market, the Group considers that the advanced services it offers give it a strong position from which to seize opportunities for growth in the TV and Value-Added Services markets.

In the Video Applications market, the Group considers that several factors should continue to stimulate growth in its business, particularly:

- rapid growth in the number of channels being transmitted, a trend expected to continue;
- significant growth in demand from emerging markets (such as Central and Eastern Europe, Russia, North Africa, the Middle East and sub-Saharan Africa);
- the accelerated roll-out of HDTV in Extended Europe where the Group has established a firm foothold due to its capacity and leading orbital positions (source: Observatoire Cable et Satellite Eutelsat 2010), which can be immediately allocated to this kind of application. The Group believes, moreover, that it will stand to gain from its leading position in Europe, to the extent that its existing customer base includes several HDTV players with which the Group enjoys long-standing close relationships. The Group sees broadcasting high definition channels is a genuine driver of growth since high-definition digital television channels in MPEG 4 format require two and a half times more capacity than standard digital television in MPEG 2 format;
- the Group believes that it will further benefit from growth in the broadcasting of 3D content to digital cinemas as part of special events and, in the longer term, to homes; and
- the Group considers that ultra-HD is a particularly promising innovation that could underpin its growth over the long term.

In the Professional Data Networks and Value-Added Services market, the Group believes that growth in its business will be boosted by a number of factors, such as:

- the rapid development of broadband satellite applications. For example, demand for satellite capacity for business networks and broadband services, excluding capacity allocated to broadband services distributed by multibeam satellites, grew at a CAGR of 20% between 2007 and 2011 in Extended Europe and sub-Saharan Africa (source: Euroconsult 2012);
- rapidly increasing demand in emerging markets (such as Central and Eastern Europe, Russia, North Africa, the Middle East and sub-Saharan Africa);
- the development of new mobile services and applications, which may constitute an additional source of growth. The Group today boasts considerable know-how in this segment, especially via its services aimed at the land, sea and air transport sectors; and
- the development of new broadband Internet access-orientated services and applications in new frequency bands such as the Ka-band, which make it possible to slash the costs involved in securing access to satellite capacity in regions where there is little or nothing in the way of terrestrial networks.

Furthermore, because its satellites are appropriately located, Eutelsat is in a position to capitalise on the opportunities arising from the sizeable growth in satellite requirements for national defence and security systems.

The Group's growth potential also depends on its ability to innovate, which has always been the primary focus of its strategy. Historically speaking, the Group has demonstrated its ability to develop new technologies and Value-Added Services, which now constitute significant sources of

revenue and growth (D-STAR™, Tooway™) and should further fuel the Group's growth in the future. In December 2010, the launch of the EUTELSAT KA-SAT 9A satellite, which is the first new generation high throughput satellite (HTS) in Europe using multi-spotbeams writes a new page of the Group's innovation strategy.

A leading position in the European market for satellite broadcasting

The Group is the number one operator in Europe's satellite TV and radio broadcasting market in terms of the number of channels broadcast and transponders with 4,261 television channels and 1,070 radio stations broadcast to almost 204 million cable and satellite households as of 30 June 2012. (source: Euroconsult 2012)

A significant share of the Group's video business is carried out in Europe. The European satellite broadcasting market is attractive relative to other geographical regions, particularly in terms of pricing.

A business portfolio focused on the most profitable applications

Within the framework of its development strategy, the Group has focussed its satellite resources on Video Applications, Data and Value-Added Services in Europe including Central Europe, but equally in Russia, the Middle East, North and sub-Saharan Africa.

Video Applications are regarded as the industry's most stable source of revenue. On the one hand, audiovisual platform operators have significant and recurrent capacity needs; on the other, the broad base of satellite dishes installed makes it more difficult for end-users to change operators. Operators therefore have agreed to sign long-term contracts (often covering the operating life of the satellites concerned, generally speaking about 15 years). This provides the Group with a stable customer base and a regular source of income.

Video Applications accordingly account for a large share of the Group's revenue, having increased by 5.8% between the year ended 30 June 2011 and the year ended 30 June 2012 to €832.2 million. The leasing of transponders for Video Applications represented 68.6% of the Group's revenue (excluding other forms of revenue and non-recurring revenue) both in the year ended 30 June 2012 and the year ended 30 June 2011.

In addition to its Video Applications business, the Group also operates in the Data Services and Value-Added Services market. These activities, which accounted for 19.4% of Group revenues (excluding other revenues and non-recurring revenues) in the financial year ended 30 June 2012, grew by 0.4% compared to the financial year ended 30 June 2011.

Data Service revenues alone decreased by 1.6% between the year ended 30 June 2012 compared to year ended 30 June 2011.

Value-Added Services generated revenues of €49.9 million for the year ended 30 June 2012, an increase of 8.5% compared to the previous year. Value-Added Services accounted for 4.1% of total revenues (excluding other revenues and non-recurring revenues). with the take-up of Tooway™ consumer services more than offsetting the sharp decline in enterprise services from D-Star.

Finally, Multi-Usages Services for governments and administrations grew robustly over the period, contributing over 12.1% of the Group's revenue (excluding other revenues and non-recurring revenues) for the year ended 30 June 2012, an increase of 16.7% compared to the year ended 30 June 2011.

The Group's business portfolio is based on a very effective distribution network, essentially made up of incumbent telecommunications operators which are both customers and distributors, who are well-established in their respective markets with which the Group enjoys close relationships. In addition to this network of incumbent distributors, and in order to respond to requests from various customers, the Group has developed a targeted sales and direct marketing strategy, and actively manages its relationships with its key account clients.

Significant and predictable cash flows

Over the last few years, the Group has generated significant cash flow from operating activities, totalling €807.4 million and €493.9 million, respectively, for the years ended 30 June 2011 and 2012.

Cash flow from operating activities is for the most part predictable in nature, due to the size of the Group's order backlog and the average residual length of contracts (weighted by amount), which stood at 6.9 years as of 30 June 2012. The order backlog mainly consists of long-term contracts (often corresponding to the operational life of satellites) entered into on the basis of pre-determined tariff conditions. As of 30 June 2012, the Group's total order backlog was €5.2 billion, representing around 4.3 times the consolidated revenue for the financial year ended 30 June 2012.

One of the best financial performances in the Fixed Satellite Services (FSS) sector

The Group's financial performance over the last three years has been particularly robust:

- over the last five financial years revenue has shown average annual growth of more than 8% (financial years ended 30 June 2008, 2009, 2010, 2011 and 2012);
- a very high level of profitability, as illustrated by the EBITDA margin which has been above 78% over the last three years, establishing the Group as the world's leading FSS operator in terms of profitability (source: Eutelsat Communications). This high level of profitability is attributable to the Group's high fleet capacity fill rate and its relatively high capacity leasing rates for its flagship orbital positions, confirming the effectiveness of the Group's strategy, which involves maximising revenue per transponder and keeping strict control over costs.

A management team with recognised leadership

The Group's management is well balanced between recognised and experienced leaders (including in the telecom infrastructure industry) and experts with in-depth knowledge of fixed satellites technical requirements.

Strategy

During the financial year, the Group continued to successfully implement its development strategy which aims to consolidate and increase its position in the most profitable segments of the FSS sector, in terms of both geographies and applications. To this end, the Group pursued its ambitious policy of renewing and developing its in-orbit resources over Extended Europe and sub-Saharan Africa, along with innovating towards operating in new frequencies such as the Ka or the S band. This will lead to the development of promising new applications for further growth, such as consumer satellite broadband Internet access, satellite / terrestrial network hybridisation, and, over the longer term, delivery of Ultra HD or 3D TV. This long-term strategy combines growth and profitability, and revolves around two main objectives:

- maximise revenue per leased transponder by positioning its services on the most lucrative applications. The Group thus focuses its satellite resources on Video Applications and Value-

Added Services, as much in countries of the European Union as in the emerging markets of sub-Saharan Africa, North Africa and the Middle East, Russia and Central Asia; and,

- secure the Group's long-term growth by enhancing its portfolio of orbital positions, by pursuing an ongoing policy of innovation so as to oversee the development of new applications such as 3D TV and Ultra HD, consumer satellite broadband Internet access and infomobility by providing access to new frequency bands (Ka-or S-bands).

Implementing this strategy also involves the following activities.

Strengthening the Group's position for satellite TV and radio broadcasting in Extended Europe and sub-Saharan Africa

The Group intends to strengthen its position in all of its markets by:

- consolidating the Company's positions in Western European markets with new contracts and renewals on the 13° East (HOT BIRD™) and 28.5° East orbital positions, as well as in fast-growing markets through the development of commercial relationships on the 7° West and 36° East flagship positions. This involved, notably, last September's launch of the EUTELSAT 7 West A satellite at 7° West, consolidating the leadership of this orbital position for the broadcasting of Middle-Eastern and North African radio and television programmes.
- strengthening and developing the appeal - for broadcasters and consumers alike - of its major orbital video positions (5° West, 7° East, 9° East, 10° East, 16° East and 25.5° East) which cover, notably, emerging markets such as Central and Eastern Europe, North Africa, the Middle East and sub-Saharan Africa. The entry into service, in November 2011, of EUTELSAT 16A at 16° East reinforced this broadcasting position in Central Europe and the Indian Ocean islands.
- implementing a pro-active fleet security policy at the flagship orbital position, 13° East, which will lead to 100% redundant satellite capacity; and
- the July 2011 announcement of the opening of a new orbital position at 3° East, a new step in the development of the Group's resources. This expansion aims to meet the demand from the rapidly-growing digital television, data networks and broadband internet access markets.

Finally, the Group remains attentive to external growth opportunities that could create value either in its current markets or in markets with a strong growth potential such as Asia or Latin America. The announcement in June 2012 of the signature of a contract to acquire the GE-23 (EUTELSAT 172A) satellite enables Eutelsat to expand its reach and commercial offering in the Asia-Pacific region.

Developing innovative solutions for Professional Data Networks and Value-Added Services to meet growing demand for broadband Internet applications

The Group intends to continue the development of Value-Added Services for broadband IP applications, particularly by:

- building up its broadband solution for professionals (D-STAR™), particularly in Africa and the Middle East, enabling it to offer an economical and effective solution for broadband networks and services targeting, primarily, companies and regional or local authorities operating in areas with little or no terrestrial coverage. With its new "IP easy" broadband platform using the EUTELSAT 16A satellite, the Group has reinforced its offer, extending internet access to residential and home office users as well as small and medium-sized enterprises across sub-Saharan Africa;

- expanding the range of mobile communication services, particularly for land, air and sea transport. To this end, the Group is working with Alstom, Orange and Capgemini to provide the SNCF's TGV Eastern high-speed trains with on-board broadband Internet access; and
- developing the distribution network for the new consumer broadband internet solution via satellite known as Tooway™ in the Ku and Ka-bands. This service, delivered via the EUTELSAT KA-SAT 9A satellite, offers competitively-priced, new-generation broadband internet access to households with poor or no access to terrestrial networks. Commercialised under agreements concluded with European telecommunications operators, the service demonstrates the Group's commitment, at a time of digital convergence, to developing and structuring partnerships with such operators, thereby positioning the satellite as a technology that complements terrestrial networks. Tooway™ is operated by Skylogic S.p.A., a broadband subsidiary of Eutelsat S.A.

The Group also intends to strengthen its competitive position in the Professional Data Network segment, especially by developing new solutions based on IP technology which harness the exceptional performances delivered by the EUTELSAT KA-SAT 9A satellite.

Remaining attentive to customer needs

The Group believes that long-term partnerships with its customers, meeting their needs in the best possible fashion, but also looking ahead to their future requirements in an industry based on long cycles, are the essential prerequisites for consolidating its orbital positions over the long term. It therefore intends to maintain and increase the contact it has with its current and potential customers, to the benefit of all parties.

Pursuing an active policy of technical innovation

In December 2010, the Group launched a Ka-band satellite, known as EUTELSAT KA-SAT 9A, to meet the broadband service requirements of populations either little or poorly covered by terrestrial broadband networks throughout Europe and the Mediterranean basin. This is the first of the Group's satellites to operate solely in Ka-band and is configured with more than 80 narrow beams, making it the most advanced multibeam satellite ever designed. The bandwidth provided by EUTELSAT KA-SAT 9A, in conjunction with SurfBeam®, ViaSat's next generation ground network system, will offer this satellite an unrivalled level of efficiency, its total bandwidth being in excess of 90 Gigabits/second. EUTELSAT KA-SAT 9A is therefore a step forward in designing multibeam satellites, which have already proved an effective way of providing Internet access, HDTV and local television services to the general public in regions of North America.

During financial year 2007-2008, the Group established a partnership with SES Astra to set up a company known as Solaris Mobile Ltd. (Solaris) based in Dublin, Ireland, to operate and market the S-band payload of the W2A satellite launched on 3 April 2009. This particular frequency band makes it possible to distribute TV, video and radio services, along with bi-directional communications using mobile equipment such as telephones, personal computers and multimedia players.

Furthermore, the Group has developed innovative technical solutions geared to professional markets, such as broadband Internet access via satellite on French high-speed trains, or delivering content to cinemas via satellites (digital cinema), especially for 3D broadcasting.

Finally, the Group is a firm believer in enriching the TV offering, and favours the hybridization of networks making broadband access and audiovisual broadcasting universally available. Eutelsat plays a major role in both downstream hybridization within the framework of IPTV (e.g. Orange

triple play via its hybrid terminal, where broadcast transmission passes through satellite) or midstream (e.g. delivery to broadband terrestrial networks). Eutelsat supports the HbbTV standard as the hybrid TV broadcast solution which can take place via satellite, and for internet access. Within this framework, Eutelsat opened its first hybrid television services in Germany (KabelKiosk Choice) using the HbbTV standard. This new hybrid service enables German cable network operators to offer their subscribers a package combining linear television reception and an enriched services and contents offer via the internet.

Eutelsat is now able to respond to the challenge of interactivity directly by offering an alternative in "push broadcast" mode to the catch-up and Video on Demand services proposed by the "Over The Top" players.

Pursuing a proactive policy for managing non-allocated capacity

The Group plans to continue to leverage the profitability of its available satellite resources by optimising their allocation, taking into account fill rates observed in each geographical area and for each application as well as the expected increase in demand. Accordingly, the Group intends to harness all opportunities arising in segments that are not part of its core business (including services to public-sector entities), while giving priority to contracts that deliver greater added value in the long term when allocating available capacity.

Maintaining a high-quality flexible fleet that can be adjusted to the Group's strategic requirements

The Group intends to maintain market-leading satellite capacity by:

- increasing the satellite fleet's technological advantages, on board redundancy and back-up capacity;
- maintaining flexibility in the fleet's operating and technical configuration; and
- carrying out targeted investments aimed at increasing satellite capacity where necessary to implement the Group's growth strategy.

Keeping a tight rein on costs

It is the Group's intention to maintain strict control over operating costs, as it has done in recent years. The Group, in particular, reviews on a regular basis its policy for insuring its fleet in-orbit, and takes a close look at solutions potentially enabling it to reduce associated costs in future, whilst maintaining a satisfactory level of coverage for the fleet.

Main markets

Data relating to the Group's main markets are taken, unless otherwise stated, from Euroconsult's Satellite Communications & Broadcasting Markets Survey - 2012 Edition.

Fixed Satellite Services (FSS) sector.

FSS providers operate satellites in geostationary earth orbit (GEO), positioned approximately 36,000 kilometres from the earth in the equatorial plane. At this altitude, a satellite rotates around the earth at the same speed as the earth spins on its own axis, which allows it to maintain a fixed position in space relative to a given point on the earth's surface. This makes it possible to transmit signals towards an unlimited number of fixed terrestrial antennae permanently turned towards the

satellite. Depending on 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 is required for television broadcasting, for example. GEO satellites are also suitable for linking together a group of sites spread out over vast geographical areas (private business networks or providing communications support at retail outlets), as well as rolling out the coverage of mobile networks and Internet access to geographical areas where terrestrial networks provide little or no coverage (for example, at sea or in "shadow" areas) and establishing or restoring communications networks in emergency situations (civil protection or humanitarian operations).

FSS operators rent out transmission capacity (i.e. transponders) to customers: TV broadcasting platform operators, TV networks, telecoms operators and Internet service providers in particular. Transponders are the items of equipment installed on-board satellites. They receive, amplify and re-transmit signals they pick up.

The FSS sector uses several types of frequency bands: C, Ku-and Ka.

There is also an S-band, where signals have frequencies adjacent to those of the UMTS signals used in 3G telephony. It is reserved exclusively for satellite and terrestrial mobile services.

The Group's fleet of satellites mainly consists of transponders operating in the Ku-band, which are particularly well suited to services such as direct broadcasting to small antennae. Since May 2011, Eutelsat has operated the EUTELSAT KA-SAT 9A high-capacity all Ka-band satellite, a powerful new platform for delivering high bandwidth services at a competitive price to users beyond range of terrestrial networks, thereby contributing to building inclusive digital economies across Europe and the Mediterranean Basin.

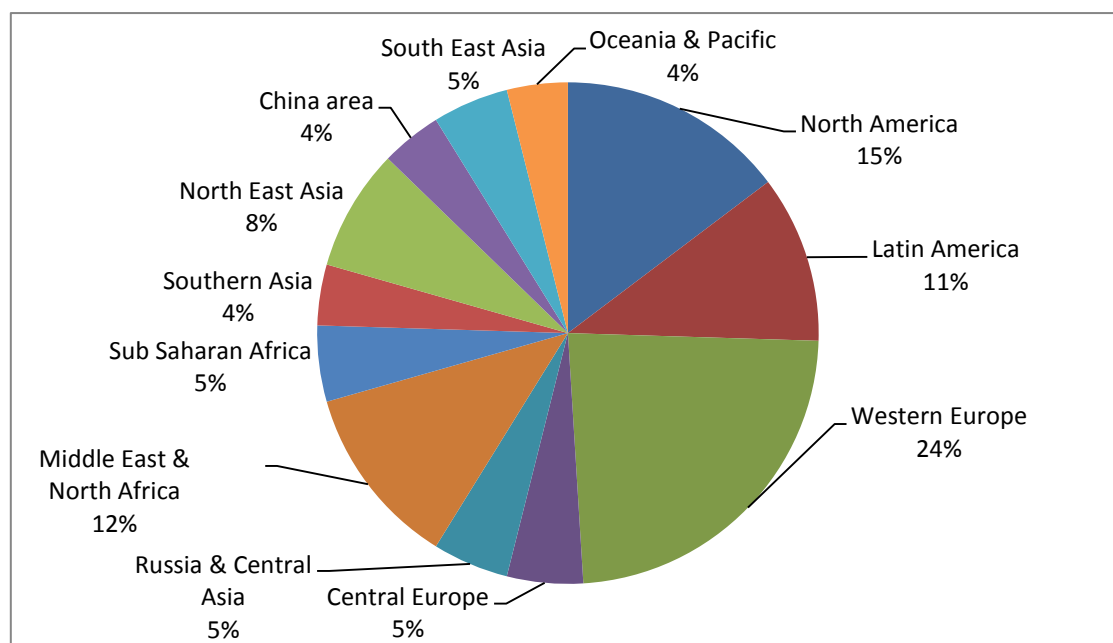
The FSS sector has the following characteristics:

- major barriers to entry, owing especially to the limited number of commercially viable orbital positions in the world, the complex international regulatory framework, the significant investment involved and high level of technical expertise required to develop and operate a fleet of GEO satellites, and the substantial and sustained commercial effort needed to develop various orbital positions;
- limited risk of losing and having to replace customers, to the extent that GEO satellites are the most efficient and economical form of broadcasting technology for content distribution over a wide geographical area. Moreover, transferring broadcasting services to a rival satellite operator involves sizeable costs for a television platform operator which requires re-pointing the base of receiving antennae to another orbital position;
- a robust business model, with a large order book resulting in a high level of visibility with regard to future revenue;
- generally high operating margins and a high proportion of fixed costs, hence the strong operating leverage; and,
- the existence of several new growth drivers, including the emergence of HDTV, 3D TV and eventually Ultra HD, and the development of mobile communication solutions (television on mobile phones and broadband Internet on trains, commercial aircraft and ships).

According to Euroconsult, the FSS sector generated worldwide revenues of US\$11.7 billion as of 31 December 2011, including US\$10.3 billion in infrastructure revenue. Total infrastructure revenue in Extended Europe and sub-Saharan Africa amounted to US\$5.2 billion. In 2011, there were 258 commercially active satellites.

The geographical breakdown of infrastructure revenues generated in 2011 by the FSS sector is shown below:

BREAKDOWN OF INFRASTRUCTURE REVENUES IN THE FSS SECTOR BY REGION*



Source: Euroconsult, 2012.

**Infrastructure revenues represent revenues generated solely from the sale of satellite bandwidth (broadcasting capacity), excluding revenues from services.*

According to Euroconsult, almost half of the FSS industry's revenues are generated in the mature markets of North America and Western Europe. Other expanding geographical zones like Africa, the Middle East, Russia and Asia offer major growth opportunities given the limited competition, resulting from underdeveloped terrestrial infrastructure.

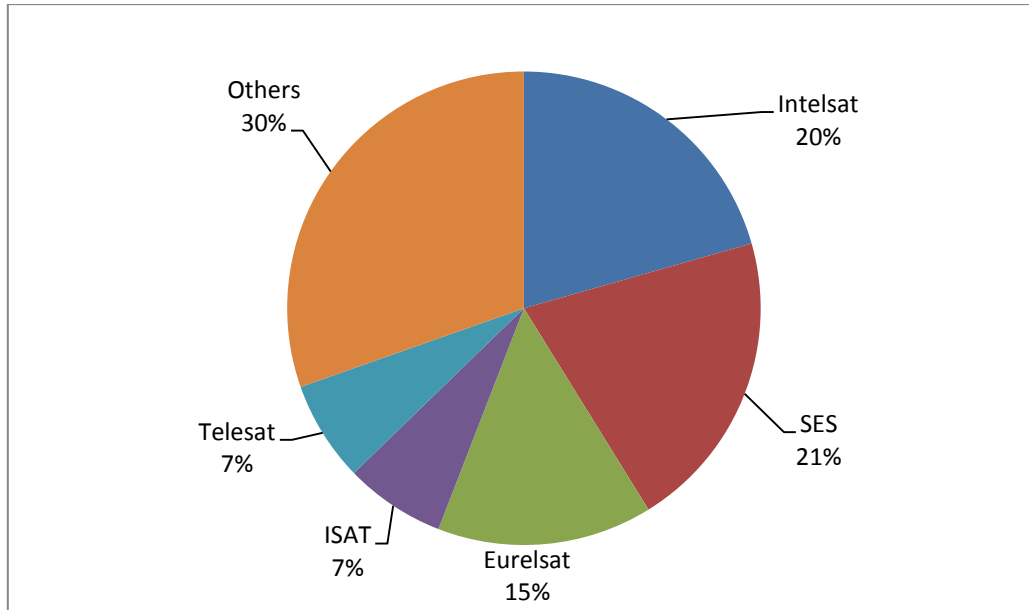
Competition

The Group has to contend with stiff competition from regional, national and international satellite operators and from terrestrial network operators (cable, fibre-optic, DSL, microwave broadcasting and VHF/UHF) for many different kinds of transmission service and Value-Added Services, particularly broadband access.

Satellite operators

The Group's chief competitors are the other major FSS operators, and primarily SES and Intelsat. According to Euroconsult, as of 31 December 2011 and based on infrastructure revenues, the Group is the third-largest FSS operator in the world with market share of 15%.

MARKET SHARES OF OPERATORS IN EXTENDED EUROPE (BASED ON INFRASTRUCTURE REVENUES)



Source: Euroconsult, 2012.

The Group believes that only SES and Intelsat offer a range of services comparable to its own. Other FSS operators only compete with the Group on certain services or some geographical regions.

The information presented below is taken from annual reports and documents published by SES and Intelsat.

SES S.A. is the Group's main competitor and primarily provides video services in the European and North American markets. It also provides Internet broadband services and capacity for professional data networks.

Intelsat is the largest operator in the world for fixed satellite services. It was established in 1964 as an international telecommunications satellite organisation and was privatised in July 2001.

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 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 its services, the Group considers that it is not in direct competition with satellite mobile service operators (especially Inmarsat). Inmarsat does, however, compete with the Group for some of its value-added maritime services (D-STAR™).

Terrestrial communications services

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

Fibre-optic networks are well suited to transmitting high volumes of point-to-point traffic (video or data), and this may encourage some customers to use these networks rather than a satellite connection. However, the Group considers that, because of the scale of the investment required to

deploy fibre-optic networks, their development is currently limited to very densely populated urban areas.

DSL networks, dedicated mainly to providing broadband Internet access and television channels, can offer their services in urban and suburban areas at more competitive financial conditions than satellite operators. However, because of the technical constraints involved with this kind of distribution (constraints concerning volume and the proximity of DSLAM distribution frames), DSL networks currently only offer limited geographical coverage and are not suitable for delivering large volumes over point-to-multipoint links.

Satellite transmission is also, to a lesser degree, in competition with cable access and with DTT for the provision of television programmes. Continuing deployment of this kind of network in terms of both capacity and coverage could reduce opportunities for satellite operators. However, as the Group's business demonstrates, terrestrial network operators such as TDF, Mediaset and RAI continue to use satellites to expand their coverage and feed terrestrial retransmitters. The Group's satellites carry signals for DTT networks in France, Italy and Algeria.

Furthermore, as the performance of the Group's Value-Added Services and Video Applications clearly demonstrates satellite transmission today has several competitive advantages over terrestrial networks. Satellites can be used (i) for the point-to-multipoint transmission of signals, at particularly wide bandwidth, very much independent of terrestrial infrastructure and with particularly high transmission output and (ii) to provide coverage of vast geographical areas at low marginal cost, in contrast to terrestrial networks.

Thus, by way of example, the Group considers that the current maximum cost per subscriber or viewer for the broadcast of a digital TV channel via a Eurosat satellite is less than €0.01 per month, based on four million subscribers or viewers.

Given its coverage and low broadcasting cost, satellite is now emerging more as the technological complement of DSL networks but also, potentially, of 3G networks and LTE, rather than their competitor. The HbbTV pan-European initiative in which Eutelsat is involved clearly demonstrates the complementarity of TV broadcasting and Internet access.

Lastly, the Group takes the view that satellite transmission services should make it possible to offer a complement to terrestrial networks, especially in terms of transmission to mobile terminals. In 2009, the Group set up Solaris Mobile Ltd. a joint venture with SES Astra to develop mobile TV services via next generation satellite technology by making use of S-band payload on the W2A satellite. The role of Solaris Mobile Ltd. is to distribute TV, video and radio services, along with interactive communications across all types of mobile terminals including those built into vehicles. Solaris Mobile Ltd. will be rolling out its services in the 2 GHz (S-band) frequencies reserved exclusively for satellite and terrestrial mobile services. The S-band, which is close to the UMTS frequencies used in 3G telephony, is currently unused and fully available.

Solaris Mobile Ltd. was granted use of 15MHz (of a total 30 MHz available) by the European Commission in May 2009, subject to allocation of rights by the Member States.

Diverse range of services

The Group designs and operates satellites aimed at providing capacity for Video Applications, Data and Value-Added Services, as well as for Multi-Usage Services. The services offered by the Group vary considerably in terms of output (from 4.8 kbit/s to 155 Mbit/s and more).

In geographical terms, the Group has extended its coverage beyond its original market to include Central and Eastern Europe, the Middle East, Central Asia, and North Africa to take advantage of strong demand in these markets.

Video Applications constitute the Group's main area of activity and accounted for 68.6% of revenue in the financial year ended 30 June 2012 (excluding other revenues and non-recurring revenues). The Group, moreover, has a firm foothold in the Data and Value-Added Service segments which represented 19.4% of revenue (excluding other revenues and non-recurring revenues) as of 30 June 2012. Lastly, the Group offers Multi-Usage Services, which accounted for 12.1% of revenue (excluding other revenues and non-recurring revenues) as of 30 June 2012.

Presentation of services offered by the Group by application.

The table below sets out the Group's services in each user application area.

Video Applications	
Applications	Customers
Broadcasting	
Direct broadcasting of TV and radio to households with a satellite dish (Direct-to-Home or DTH)	Pay-TV platforms and TV channels
	ADSL network operators
Distribution of television channels and radio stations to cable operator network head-ends and DTT retransmitters (cable, DTT)	Terrestrial network operators, cable operators, fibre network operators
Professional Video Networks	
Point-to-point connections for routing TV channels to the teleport, enabling them to be transmitted to a direct broadcasting satellite	TV channels
	Teleport operators
Transmission of live reports and events to production studios of TV channels	TV channels
	TV channel technical service providers
Permanent connections constituting a mesh network for programme exchanges between broadcasters	European Broadcasting Union

Data and Value-Added Services	
Applications	Customers
Data Services	
Professional VSAT data communication networks	Press agencies, financial agencies, retail, oil industry
Mobile networks connection even in the most remote areas	Telecom providers
Private networks for companies and local authorities	Communication network integrators and operators
Value-Added Services	
Professional broadband access solutions D-STAR™/D-SAT™	Businesses and local authorities in regions with little or no coverage from terrestrial broadband networks
Tooway™ consumer broadband Internet access solutions	Internet services providers, terrestrial network operators, local authorities
Mobile Internet access solutions and mobile network extensions	Large ships, business aircraft, trains
Mobile communications services (EutelTRACS)	Road haulage companies

Multi-Usage Services	
Applications	Customers
Supply of capacity for government services	Government agencies, civil protection

Video Applications

With revenues of €832.2 million in the financial year ended 30 June 2012 (growth of 5.8%), Video Applications represent the Group's main area of business, contributing 68.6% of revenues (excluding other revenues and non-recurring revenues).

The Group's satellite capacity is used by public and private television channels (European Broadcasting Union (EBU), RAI, France Télévisions, Deutsche Welle, the BBC, Mediaset, TVN, TF1, RTL, France 24, ARD, ZDF, NHK, Discovery Channel, Aljazeera, CCTV, Eurosport and Euronews), by digital broadcast platforms (including Sky Italia, the Canal+ Group, BSkyB, Bis, Orange, TeleColumbus, Orbit, Multichoice Africa, Cyfra+, Polsat, n, DigiTurk, NTV+ and Tricolor) and by international media groups (such as Reuters and Associated Press) as well as professional video network operators.

Broadcasting

With some 4,261 TV channels as of 30 June 2012, the Group is the European market leader in terms of the number of channels broadcast (source: Eutelsat, June 2012).

The three HOT BIRD™ satellites located at the 13° East orbital position make up the leading transmission array in Europe, the Middle East and North Africa with 1,093 channels transmitted as of 30 June 2012 and an audience of over 123 million households (source: Eutelsat cable and satellite review, 2010). One of the Group's priorities is to consolidate this flagship position by maintaining a flexible and high-performance fleet capable of meeting users' needs and providing back-up capacity for its customers.

This leading position has been strengthened by the EUTELSAT 28A satellite, located in orbital position 28.5° East which broadcast 316 TV channels as of 30 June 2012 to more than 11 million households in the UK and Ireland via both DTH receivers and cable (source: Eutelsat cable and satellite review, 2010). EUTELSAT 28A is also used by the Sky Digital platform to broadcast its programmes.

More recently, the Group has successfully replicated the HOT BIRD™ model in fast-growing markets where it operates, aimed at building new flagship orbital positions.

With last September's launch of the EUTELSAT 7 West A satellite broadcasting television and radio programmes in the Middle East and North Africa, the Group consolidated its leadership at 7° West within the 7° West/8° West neighbourhood. The attractiveness of the 7° West position is reinforced by the satellites of Eutelsat's partner, the Egyptian operator, Nilesat. This position is the number one broadcasting position in the Middle East and North Africa with nearly 900 TV channels on Eutelsat and Nilesat satellites as of 30 June 2012 to more than 40 million households (source: Nilesat).

In collaboration with RSCC, the Group has also developed the 36° East position, with the EUTELSAT 36A and EUTELSAT 36B satellites, serving the Russian, Ukrainian and sub-Saharan African markets. It is currently used by the digital broadcasting platform DStv, operated by Multichoice Africa, aimed at sub-Saharan Africa, together with the NTV Plus and Tricolor TV broadcasting platforms aimed at Russia. This position was broadcasting 715 channels as of 30 June 2012, a growth of 8.0% in one

year. This very rapid expansion is linked, firstly, to the entry into service of the EUTELSAT 36B satellite, launched in November 2009, bringing additional capacity at the 36° East position and, secondly, to the development of the Russian and African markets. Given the dynamism of these markets, the audience at the 36° East position in direct reception is currently 8.1 million satellite dishes. Either in direct reception or through cabled networks, the audience of the 36° East position exceeds 17 million households (source: Eutelsat Cable and Satellite Review 2010).

The Group estimates that the channels broadcast through these four flagship positions are received by more than 110 million households equipped with dishes for individual or community reception (source: Eutelsat Cable and Satellite Review 2010).

Beyond these flagship positions, the Group believes that some of the orbital positions it operates are likely to become new premium transmission arrays. To harness growth in certain markets the Group is also operating from various other orbital positions:

- 16° East with the entry into service of the EUTELSAT 16A satellite, which saw contract renewals and extensions with public and private broadcasters covering Central Europe and the Indian Ocean Islands. The orbital position 16° East is used by digital TV broadcast platforms like CanalSatellite Réunion and Parabole Océan Indien for the islands in the Western Indian Ocean and regional broadcast platforms in Central Europe and the Balkans (including DigitAlb and Tring TV in Albania, Total TV in Serbia, Croatia, Bulgaria, Slovenia, Montenegro and Bosnia-Herzegovina). This position was broadcasting 570 channels as of 30 June 2012, an increase of nearly 23% year-on-year. In direct reception, 16° East has an audience of some three million households (source: Eutelsat Cable and Satellite Review, 2010);
- 7° East with the EUTELSAT 7A satellite, which is used by the digital broadcast platform DigiTurk (the leading pay-TV platform in Turkey. In direct reception, the audience for 7° East stands at more than three million households (source: Eutelsat Cable and Satellite Review, 2010);
- 5° West with the EUTELSAT 5 West A satellite, which broadcasts all the French domestic channels to homes that cannot otherwise receive them because of terrestrial “shadow” zones, along with the Bis platforms and the Orange package to complement its ADSL TV coverage. This satellite has been used since March 2005 to broadcast terrestrial digital channels to the head-ends of DTT retransmitter networks in France.

The Group has also developed a service for broadcasting French free-to-air DTT channels using this satellite. This service, called FRANSAT™, has been available since June 2009. The digital switchover of this key French orbital position is an important part of the plan called “France numérique 2012” plan and the new broadcasting Act of 5 March 2009, aimed at giving homes in shadow zones access to DTT with no costs arising from altering installed dishes.

- 25.5° East with the EUTELSAT 25A satellite, covering the Middle East and currently broadcasting more than 50 television channels;
- 9° East with the EUTELSAT 9A satellite, which is used by the new Greek package OTE, the Hungarian package Hello HD, by European TV channels and by the third largest German cable-operator TeleColombus to transmit TV channels to head-ends. Roots Global, the new pan-European TV package dedicated to South Asian communities living in Europe, the Middle East and North Africa, has expanded the range of channels it broadcasts using the EUTELSAT 9A satellite; with this position transmitting some 328 channels as of 30 June 2012.

The growth in the number of TV channels at positions dedicated to rapidly growing countries was particularly strong last year, reaching over 20% between 30 June 2011 and 30 June 2012. The

number of channels rose from 1,970 as of 30 June 2011 to 2,360 as of 30 June 2012. The Group was broadcasting a total of 4,261 channels as of 30 June 2012.

The development of HDTV gained momentum during the financial year ended 30 June 2012. The Group was broadcasting 346 HDTV channels (seventeen of which were free-to-air) across its fleet as of 30 June 2012, up from 220 (fourteen of which were free-to-air) as of 30 June 2011.

Amongst the clients buying satellite capacity from the Group, Sky Italia and Mediaset (Italy), BSkyB (UK), Orange and Bis (France), KabelKiosk (Germany), Polsat, and Cyfra+ (Poland), NTV+ (Russia), Hello HD (Hungary), DigitAlb (Albania), Al Jazeera Sport (Middle East), Multichoice and Zap (Africa), and DigiTurk (Turkey) all launched or developed their HDTV offerings during the financial year.

Professional Video Networks

The Group provides television channels or broadcasting platforms with point-to-point links, allowing them to route their programmes to dedicated teleports so they can be beamed to satellites offering broadcasting services for television channels.

Professional video links are also used to broadcast news, sports and entertainment in real time or in pre-recorded mode. Such links are generally set up on a temporary basis but can also be permanent, particularly when connecting overseas offices and television broadcast centres.

Professional video links can also be used to establish mesh networks used for exchanging television programmes between channels within the framework of the European Broadcasting Union.

Professional video links can be offered on all satellites, and the Group is thus able to decide on the optimal solution for its users based on the required technical parameters.

The Group's customers for these types of services include the European Broadcasting Union, television stations (the BBC, CBS, Mediaset, NBC, NHK, RAI, TF1), and video reporting professionals such as APTN and Enex.

Data and Value-Added Services

Data and Value-Added Services generated revenue of €235.0 million in the financial year ended 30 June 2012 (an increase of 0.4%).

Data Services

Data Services generated revenue of €185.1 million in the financial year ended 30 June 2012, decreasing by 1.6% relative to the previous financial year.

Professional VSAT-type networks

In this segment, the Group delivers satellite capacity enabling companies to connect their different sites by using a proprietary network of terminals with small antennae (VSAT – Very Small Aperture Terminal). These VSAT network services are used by companies such as those in the finance, energy or automobile industries, including Reuters, Euronext, Volkswagen, General Motors, Schlumberger, Shell and Total. Rather than signing a contract with a local operator in each country where these companies operate, they may prefer to use a unified and private communications network allowing them to transmit all kinds of content (video and data). These networks are used, for example, to set up intranets and extranets, video-conferencing, credit card authorisation systems and distance learning systems.

Network operators like Cable & Wireless, British Telecom, Telespazio, T-Systems, Belgacom, Hughes Network Systems, Algérie Télécom, BT Turkey (Turkey), Siemens (Germany) and Gulfsat (Middle East) all lease capacity on Eutelsat satellites.

Mobile networks connection

The Group offers telecom providers a satellite connection to broaden cellular coverage, create an internet backbone or provide a back-up connection in case of failure of the terrestrial network. This capacity is used by cellular networks providers such as Algérie Télécom.

Internet backbone connectivity

The Group offers Internet Service Providers (ISPs) a satellite connection to the Internet backbone. This capacity is used by ISPs operating in areas with few or poor terrestrial network facilities for connection to the Internet backbone, including Cable & Wireless, IABG and Horizon Satellite Services.

Value-Added Services

Value-Added Services generated revenue of €49.9 million in the financial year ended 30 June 2012.

The Value-Added Services offered by the Group make it possible for customers to benefit from turnkey solutions combining capacity leasing and specific services. These Value-Added Services include IP access solutions designed and developed by the Group (D-STAR™, Tooway™, D-SAT™, IP Broadcast) and mobile services like EutelTRACS and D-STAR™ maritime via its WINS subsidiary.

Furthermore, Value-Added-Services are benefiting from the entry into service of EUTELSAT KA-SAT 9A as of 31 May 2011. The Group's Tooway™ broadband service for individual consumers and the service aimed at corporate customers mainly use the capacity available on EUTELSAT KA-SAT 9A to serve the Western and Eastern European markets and the Mediterranean Basin.

IP access solutions

The main IP access solutions offered by the Group are as follows:

D-STAR™. This service offers a bi-directional IP access satellite solution so that users with a terminal connected to a small antenna (less than one metre across) can have a permanent broadband connection to the Internet or to their company networks. This service enables companies and local authorities in Europe or emerging-market countries that have little or no service from terrestrial networks to set up "star" networks, where data streams pass through a central communications node (hub). These hubs are operated directly by the Group using its platforms in Turin and Cagliari. For example, the D-STAR™ service is used by the Irish Ministry of National Education to connect Irish schools to its information network. This service is also used to link up isolated towns in the Piedmont region of Italy to the Internet, for schools in Morocco, to interconnect branches of Algeria's public bank network and to link up emergency services, as took place during the L'Aquila (Italy) earthquake in 2009. The D-STAR™ service is operated and marketed by the Skylogic S.p.A. subsidiary.

The potential number of applications for this broadband Internet access service is considerable especially with mobility solutions. The Group has developed further satellite IP access solutions for users on the move, so that they can access the Internet from commercial aircraft, boats and trains.

The Group has been selected in partnership with Orange, Alstom and Cap Gemini by the French railway operator, the SNCF, to deliver broadband Internet access to passengers onboard the TGV East, the Eastern France high-speed train. After successful tests in 2008, the SNCF rolled out the D-STAR™ solution across the whole TGV Eastern network, allowing passengers to connect to the Internet on high-speed trains in 2010.

The Group continues to develop D-STAR™ equipment for use on commercial jets, the deployment of which is handled by Arinc (around 40 aircraft equipped).

On ships, in partnership with Maltasat, Skylogic S.p.A. has launched a service for cruise ships, making it possible to have a GSM network and broadband Internet access on-board (see the paragraph on WINS below).

Tooway™ consumer broadband Internet access solution. In recent years, the Group has focused considerable efforts on innovation to make satellite internet access available to consumers at prices and speeds comparable to ADSL. This service was launched in two stages: a first “pre-KA-SAT” stage between 2008 and 2011 to launch the service and a second stage thereafter involving the launch of the service on the EUTELSAT KA-SAT 9A satellite.

The Tooway™ service uses the SurfBeam® DOCSIS technology from ViaSat, the world leader for communication through satellite devices. It is already provided to more than 0.5 million households in North America, and is provided in Europe through Eutelsat. Eutelsat uses a Ka-band payload on the EUTELSAT HOT BIRD 13A satellite and Ku-band resources on the EUTELSAT 33A satellite for the “pre-KA-SAT” subscribers together with a Ka-band satellite, EUTELSAT KA-SAT 9A. Without any technological equivalent to date in Europe, this Ka-band internet access solution opens the way to universal broadband internet access, serving regions not covered by terrestrial networks. This service is already deployed in Europe, North Africa and the Middle East with 52,450 Tooway™ active terminals as of 30 June 2012. Tooway™ offers a comprehensive, complementary alternative to high speed terrestrial networks and meets the needs of a growing number of governments committed to providing universal national high-speed coverage .

Launched in 2010, EUTELSAT KA-SAT 9A forms the cornerstone of a new satellite and ground infrastructure. By offering geographical coverage based on relatively small spot-beams and the possibility of re-using unallocated frequencies between some spots, this satellite reduces the cost of accessing Ka-band satellite capacity by a factor of between six and eight. With capacity of more than 90 Gbps, EUTELSAT KA-SAT 9A is the commercial satellite with the most capacity in Europe. The relatively modest cost of the equipment for consumers (€300 per terminal) means that this satellite can provide a high speed internet access solution at competitive prices for households located in areas not covered by broadband terrestrial networks. Market research estimates that more than 30 million households in Europe and Africa are not covered by high speed terrestrial connectivity services (Source: IDATE, April 2010). The Tooway™ service for consumers is increasingly efficient: on “pre KA-SAT”, the maximum reception speed stood at 3.6 Mbps, rising to 10 Mbps on the launch of the EUTELSAT KA-SAT 9A offer and a maximum reception speed of 18Mbps for the most-recent offer in 2012, with higher speeds for professional services. The level of performance reached by Tooway™ and the new equipment facilities now offered are likely to enable a more rapid migration to satellite Internet access for households with currently only limited internet access, and not yet able to benefit from the economic and social progress offered by broadband. The technical progress achieved with the Ka-band together with the multibeam architecture enables the use of smaller, more-efficient equipment.

D-SAT™. This satellite IP access solution makes it possible to set up mesh networks for transferring sizeable volumes of data at high speed, with payment based on actual usage. This service uses larger and more expensive terminals than the D-STAR™ service and is available on cruise ships and ferries.

Mobile Internet access solutions and mobile networks extensions

The Group has developed turnkey services to meet the specific needs of the road haulage and maritime transport industries.

WINS

This subsidiary markets the D-STAR™ maritime service. This adaptation of the D-STAR™ service is a full-fledged turnkey solution, making it possible to provide passengers onboard large ships and yachts with access to Internet and telephone networks (traditional and VoIP), and also enables them to use their own mobile phone. WINS is based on the D-STAR™ technology that establishes a bi-directional broadband satellite link between the ship and the teleport in Turin, Italy. For GSM connections, a routing platform links the local GSM network of the ship with the global GSM network, using a leased line via the Vodafone Malta platform.

The equipment onboard the ship typically consists of a dish measuring 120 centimetres in diameter, installed on the upper deck and containing an antenna with automatic pointing towards the EUTELSAT 33A and EUTELSAT 12 West A satellites. This antenna is connected to a modem, which interfaces with a local distribution network delivering Internet access by fixed line and Wi-Fi, and a set of four cellular relays providing optimum coverage of the ship for GSM communications.

When the ship leaves the port and loses contact with terrestrial GSM networks, the WINS satellite network takes over and is displayed on the screen of mobile phones according to the principle of international call routing between operators.

EutelTRACS

EutelTRACS was the first European satellite mobile messaging and positioning service developed for managing and securing vehicle fleets. EutelTRACS operates a closed secure network between the central office of a motorway transport operator and its vehicle fleet for localisation and data communication. The service is operated in co-operation with Qualcomm and draws on capacity provided by the SESAT 1 satellite serving Europe, North Africa, the Middle East and Central Asia. Each EutelTRACS mobile unit is equipped with a small antenna and a terminal connecting the mobile unit to the customer's operations centre. The flexibility of the EutelTRACS system also enables clients to develop additional solutions specific to their needs.

Multi-Usage Services

Multi-Usage Services generated revenue of €146.5 million for the financial year ended 30 June 2012 (an increase of 16.7%). These services mostly involve delivering capacity to other satellite operators and providers of Internet services to government agencies, particularly in the USA. The service mainly uses capacity on the EUTELSAT 25A and EUTELSAT 70B satellites.

Satellites and coverage areas

As of 30 June 2012, the Group operated a fleet of 24 geostationnery satellites in stable orbit, of which three were leased to third parties. In addition, the Group operates capacity on four satellites in inclined orbit: Telecom 2D (leased from a third party), EUTELSAT 16B, EUTELSAT 16C and EUTELSAT 48A, respectively located at 8° West, 16° East and 48° East.

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

- a broad portfolio of orbital positions concentrated on the European orbital arc, serving both mature markets (Western Europe) and rapidly expanding markets;
- a fleet which ranks as one of the youngest among major satellite operators, having an average age of 5.5 years as of 30 June 2012 (weighted by number of transponders), excluding satellites in inclined orbit;
- a high level of technical flexibility, with satellites featuring on-board antennae with steerable beams or several beams having different coverages, allowing the Group to adjust and reconfigure the areas covered to meet customer needs, respond to geographical market features or reconfigure coverage areas in the event of a satellite being repositioned to a new orbital position;
- connectivity between transponders and the various possible zones of geographical coverage, enabling the Group to respond to changing customer demand;
- on board redundant equipment and considerable back-up capacity in orbital positions enabling the Group to offer, in some cases, service continuity in the event of a satellite breaking down or malfunctioning; and
- a new-generation Ka-band multi-spotbeam satellite, EUTELSAT KA-SAT 9A, the first high-throughput satellite in Europe enabling the development of broadband services for the general public and professionals across Europe and large parts of the Mediterranean Basin where the terrestrial networks remain undeveloped.

Every year, the Group reviews the estimated operational life of the satellites in-orbit.

The following table shows a detailed breakdown of the satellite fleet operated by the Group as of this Prospectus. Nominal capacity is the nominal number of transponders per satellite. The estimated dates indicated for the end of operational use reflect the Group's in-house estimates as of 30 June 2012 and are expressed in terms of calendar year.

New name of the satellite	Former name of the satellite	Orbital position	Type of transponder (Frequency band)	Nominal capacity (number of transponders)	Launch date	Estimated end of operational use in stable orbit as of 30 June 2012 (calendar year))
EUTELSAT HOT BIRD 13A	HOT BIRD™ 6	13° East	Ku/Ka	28/4	August 2002	Q2 2018
EUTELSAT HOT BIRD 13B	HOT BIRD™ 8	13° East	Ku	64	August 2006	Q1 2025
EUTELSAT HOT BIRD 13C	HOT BIRD™ 9	13° East	Ku	64	December 2008	Q3 2024
EUTELSAT 12 West A	ATLANTIC BIRD™ 1	12.5° West	Ku	19	August 2002	Q2 2018
EUTELSAT 8 West A	ATLANTIC BIRD™ 2	8° West	Ku	26	September 2001	Q1 2019
EUTELSAT 7 West A	ATLANTIC BIRD™ 7	7° West	Ku	50	September 2011	Q4 2032
EUTELSAT 5 West A	ATLANTIC BIRD™ 3	5° West	Ku/C	35/10	July 2002	Q3 2019
EUTELSAT 3C ⁽¹⁾	ATLANTIC BIRD™ 4A	3° East	Ku	37	February. 2009	Q1 2024
EUTELSAT 7A	W3A	7° East	Ku/Ka	42/2	March 2004	Q2 2021
EUTELSAT 9A	EUROBIRD™ 9A	9° East	Ku	38	March 2006	Q4 2024
EUTELSAT KA-SAT 9A	KA-SAT	9° East	Ka	82	December. 2010	Q4 2028

EUTELSAT 10A	W2A	10° East	Ku/C/S	42/10	April 2009	Q1 2023
EUTELSAT 16A	W3C	16° East	Ku/Ka	53/3	October. 2011	Q3 2027
EUTELSAT 21A	W6	21.5° East	Ku	24	April 1999	Q1 2013
EUTELSAT 25A	EUROBIRD™ 2	25.5° East	Ku	16	October. 1998	Q1 2013
EUTELSAT 28A	EUROBIRD™ 1	28.5° East	Ku	24	March 2001	Q3 2018
EUTELSAT 28B	W2M	28.5° East	Ku	8	December 2008	Q1 2020
EUTELSAT 33A	EUROBIRD™ 3	33° East	Ku	20	September 2003	Q2 2014
EUTELSAT 36A	W4	36° East	Ku	31	May 2000	Q1 2017
EUTELSAT 36B	W7	36° East	Ku	70	November 2009	Q4 2026
EUTELSAT 70A ⁽²⁾	W5 ⁽²⁾	70.5° East	Ku	20	November 2002	Q4 2016
EUTELSAT 16B	EUROBIRD™ 16	16° East	Ku		February 1998	Inclined orbit
EUTELSAT 16C	SESAT™ 1	16° East	Ku		April 2000	Inclined orbit
EUTELSAT 48A	W48	48° East	Ku		November 1996	Inclined orbit
<p>(1) Considering the coverages as well as the related rights and frequency, the maximum capacity of this satellite is 37 transponders for this orbital.</p> <p>(2) Considering the incident occurred on 16 June 2008, the power of this satellite and its remaining in-orbit life have been reduced. See Note 6 of the consolidated accounts for the year ending 30 June 2011.</p>						

Leased capacity

Satellite	Orbital position	Type of transponder (C, Ku or Ka)	Nominal capacity (Number of transponders)	Launch date	Estimated end of operational use in stable orbit as of 30 June 2012 (Calendar year)
Telstar 12 ⁽¹⁾	15° West	Ku	4	October 1999	Q2 2016
EUTELSAT 3A ⁽²⁾	3° East	C	7	May 2007	Q2 2015
SESAT TM 2 ⁽³⁾	53° East	Ku	12	December 2003	Q1 2016
TELECOM 2D	8° West	Ku		August 1996	Inclined orbit
<p>(1) Owned by Loral Skynet. Capacity corresponds to that operated by Eutelsat.</p> <p>(2) Previously known as Sinosat3 or ChinaSat5C and owned by China Satcom. Capacity corresponds to that operated by Eutelsat.</p> <p>(3) Owned by Russian Satellite Communications Company (RSCC). Capacity corresponds to that operated by Eutelsat.</p>					

Recent Evolution of the fleet of the Group

Since 30 June 2012, the Group has successfully redeployed EUTELSAT 48B at 28°5 East under the name EUTELSAT 28B.

Satellite fleet usage and performance

As of 30 June 2012, the Group operated a total of 801 transponders in stable orbit compared to 742 as of 30 June 2011. This increase was due mainly to the entry into the fleet of EUTELSAT 7 West A and EUTELSAT 16A respectively in October and November 2011.

The number of transponders in operation can vary over time depending on the electrical power of the satellites, their degree of working order, their age, the frequencies available at the orbital positions and technical characteristics relating to the strength of signal transmitted by the satellites in-orbit.

The fill rate (or fill factor) represents the total percentage of the Group's overall allotted satellite capacity in stable orbit, which is expressed as a percentage of total operational satellite capacity in stable orbit. It came to 75.6% as of 30 June 2012 compared to 79.2% as of 30 June 2011.

During the financial year, the Group:

- Completed the de-orbit procedure on the W75 satellite (ex HOTBIRDTM 3) in July 2011 after more than 13 years of operations at various orbital positions;
- Brought the EUTELSAT 7 West A satellite into service in October 2011 (following its September launch), replacing ATLANTIC BIRDTM 4A at 7° West;

- Brought the EUTELSAT 16A satellite into service in November 2011 (following its October launch) replacing SESAT™ 1, W2M and EUROIRD™ 16 at 16° East. The EUTELSAT 16B (ex EUROIRD™ 16) and EUTELSAT 16C (ex SESAT™ 1) satellites have since been operated in inclined orbit at this orbital position;
- Migrated services from EUTELSAT 4A at 4° East to EUTELSAT 3C (ATLANTIC BIRD™ 4A repositioned and renamed) at 3° East in November 2011;
- Repositioned the W2M satellite from 16° East to 48° East in December 2011, where it was subsequently operated, between January 2012 and July 2012, under the name EUTELSAT 48B; and
- Completed the de-orbit procedure on EUTELSAT 4A in December 2011, the satellite having reached the end of its life after more than eleven years at various orbital positions.

Since the end of the financial year, the Group has redeployed the EUTELSAT 48B satellite to 28.5° East orbital position where it now operates under the name EUTELSAT 28B.

Capacity evolution

The table hereunder reflects the capacity evolution of the Group over the last 2 years.

	30 June		
	2010	2011	2012
Number of operational transponders ⁽¹⁾	652	742	801
Number of leased transponders ⁽²⁾	570	588	610
Fill rate	87.5%	79.2%	75.6%
(1) Number of transponders on satellites in stable orbit, excluding back-up capacity.			
(2) Number of transponders leased on satellites in stable orbit.			

Satellites ordered and in course of construction

Satellites under construction

The Group also continued the procurement of the satellites ordered during the past financial year or previous financial years and currently under construction at EADS Astrium, Thales Alenia Space and Space Systems/Loral Inc.

EUTELSAT 21B: formerly W6A ordered from Thalès Alenia Space, scheduled for launch by Arianespace during the fourth quarter of 2012; its mission will be to replace the W6 satellite and increase the resources of the 21.5° East orbital position by over 50%. This position is used for Video and Data and Value-Added as well as government services across the European, North African, Middle Eastern and Central Asian markets;

EUTELSAT 70B: formerly W5A, ordered from EADS Astrium, scheduled for launch by Sea Launch during the fourth quarter of 2012; its mission will be to replace the W5 satellite, more than doubling the capacity at 70.5° East. It will enable Eutelsat to reach the regional markets served from this orbital position with expanded resources (mainly Central and South-East Asia) but also to offer interconnection solutions between all the regions covered by the fleet. For example, EUTELSAT 70B will enable efficient satellite links for a range of services such as governmental

networks from teleports located in Central Asia as well as in Europe, corporate networks between South-East Asia and Africa, and direct connectivity between Europe and Australia.

EUTELSAT 25B: formerly EUROIRD™ 2A, ordered from Space Systems/Loral Inc, scheduled for launch during the first half of 2013; its mission will be to replace the EUROIRD™ 2 satellite at the 25.5° East orbital position. Its 46 transponders, of which 32 are in Ku-band and 14 in Ka-band, will be shared equally with Qatar Satellite Company (QSC), representing the State of Qatar. It will ensure the continuity of services in Ku-band on the satellite which it will replace, with enlarged coverage in the Middle East, North Africa and Central Asia, and will provide this orbital position with its first resources in Ka-band, enabling Eutelsat to offer new services in the regions covered;

EUTELSAT 3D: formerly EUTELSAT 7B, ordered from Thalès Alenia Space and scheduled for launch during the first quarter of 2013; its mission will be to replace the EUTELSAT 3C satellite at the 3° East orbital position. EUTELSAT 3C will be released from its mission and redeployed; and

EUTELSAT 9B, ordered from EADS Astrium and scheduled for launch during the second half of 2014, will accelerate the development of the 9° East orbital position, addressing the high-growth Video markets across Europe. This orbital position benefits from its close proximity to the flagship HOT BIRD satellites at 13° East enabling combined reception on a single dual-feed antenna.

Other satellites announced but not yet commissioned

EUTELSAT 8 West B: Scheduled for launch during the first half of 2015, this satellite will replace EUTELSAT 8 West A at the 8° West orbital position and reinforce In-orbit capabilities in response to the strong video market demand at 7°/ 8° West.

The following table provides an overview of satellites under construction, ordered, or about to be ordered as of the filing date of this document. An additional period of one to two months after the launch date is required to assess the date at which a satellite should be commissioned.

Name of satellite	Constructor	Estimated launch	Nominal capacity	Orbital position
EUTELSAT 21B	Thalès Alenia Space	Q4 2012	40 Ku	21.5° East
EUTELSAT 70B	EADS Astrium	Q4 2012	48 Ku	70.5° East
EUTELSAT 3D*	Thalès Alenia Space	Q1 2013	37 Ku	3° East
EUTELSAT 25B**	Space Systems/Lo ral Inc	H1 2013	16 Ku/7 Ka	25.5° East
EUTELSAT 3B	EADS Astrium	H1 2014	51 (Ku,Ka,C)	3° East
EUTELSAT 9B	EADS Astrium	H2 2014	60 Ku	9° East

EUTELSAT 8 West B	To be defined	HI 2015	40 Ku/10C	8°West
<i>* Formerly EUTELSAT 7B</i> <i>**In partnership with QSC, the transponders mentioned concern only Eutelsat</i>				

TCR – Telemetry, command and ranging

The Group's fleet is operated from control centres at the Group's head office in Paris and at the Rambouillet teleport, which the Group bought from France Telecom in September 2004. There is full back up between the Paris and Rambouillet facilities. The first control centre handles satellite telemetry and remote control (Satellite Control Centre) and the second manages communications and space segment access from customers' terrestrial stations (Communications Control Centre). All software used to control the satellite platforms and communications payload was developed by companies in accordance with the Group's specifications.

The Group monitors its satellites and communications 24 hours a day and 365 days a year and, as of 30 June 2012, employed more than 100 specialist technicians and engineers in this capacity.

Activities of the Satellite Control Centre

As of 30 June 2012, the Group managed the 24 satellites it owned, with support from a contractor for EUTELSAT 12 West A. Telecom 2D is controlled by France Telecom, Telstar 12 is controlled by Skynet, SESAT™ 2 is controlled by RSCC, while Eutelsat 3A is controlled by China Satcom.

The Group's engineers regularly make minor positioning adjustments on each of the satellites controlled by the Group and perform East-West and North-South station-keeping manoeuvres. In addition, it is also possible to change the orbital position of a satellite so that it is able to serve new markets or provide in-orbit back-up capacity to another satellite.

Daily operations on the satellites, including configuration of the payload and management of electrical power and propulsion systems, are controlled (via the Telemetry, Command and Ranging (TCR) station network) from the Satellite Control Centre.

The Group's satellite control activities are certified ISO 9001. This ISO 9001 certification was obtained in 2005, renewed in 2008, and again renewed in 2011 for a three-year period to June 2014. The Rambouillet teleport contains the largest number of TCR stations. This site is also used for in-orbit positioning of the new satellites in the Group's fleet. LEOP ("Launch and Early Orbit Phase") operations on a geostationary satellite were successfully performed for the first time from Rambouillet for the EUTELSAT 7A (ex W3A) satellite in March and April 2004. Since then, LEOP operations have been carried out from the Rambouillet site for the EUTELSAT 9A, EUTELSAT HOTBIRD 13B and 13C, EUTELSAT 3C, EUTELSAT 10A, EUTELSAT 36B, EUTELSAT KA-SAT 9A, and EUTELSAT 7 West A satellites launched between March 2006 and September 2011. The positioning operations (LEOP) on the EUTELSAT 16A satellite were carried out by the manufacturer, Thalès Alenia Space, following its launch in October 2011. Furthermore, the Group has entered into long-term service agreements with five operators who provide capacity at their transmission/reception earth stations and perform telemetry and in-orbit monitoring operations. These contracts also cover the operation and maintenance of the Group's equipment installed at their sites. Under these contracts, the Group has extended control and supervision rights. These services are currently provided from TCR stations located in Sintra in Portugal, Dubna in Russia, Caniçal in Madeira, Makarios in Cyprus and Fucino in Italy. The different stations and control centres are all linked up with a network of protected and redundant voice/data lines. The network and the

location of the sites were selected so that operations could be continued even if one of the sites were to become unavailable.

Activities of the Communications Control Centre

Payload control is carried out for all satellites and transponders whose capacity is marketed by the Group, including satellites owned by other companies. The Group has a set of facilities at its Paris and Rambouillet sites for this purpose. In addition to these facilities, the Group has service contracts with operators of eight sites worldwide, selected according to the geographical coverage of their satellites. These sites are in São Paulo (Brazil) for South America, Hauppauge, New York (USA) for North America, Makarios (Cyprus) for the Eastern Mediterranean and Middle East regions, Dubna (Russia), Hartebeesthoek (South Africa) for sub-Saharan Africa, Singapore for the Far East, Yaoundé (Cameroon) for Western Africa and Dubai (United Arab Emirates) for beams covering North Africa and the Arabian peninsula. At each site, the Group has installed the equipment needed to monitor the quality of services provided to its customers. Service contracts cover the hosting of this equipment and first-level work performed by the site operators.

All the equipment is managed centrally by the Communications Control Centre, which has been based at the Rambouillet teleport since December 2007, with a back-up centre in Paris. The two centres are connected to each other and to each monitoring site by a network of protected and redundant voice/data communication lines.

Breakdowns and losses of equipment

The theoretical length of operation in stable orbit of the Group's satellites is generally between 12 and 15 years. However, because of the launch configuration and the remaining estimated propellant on-board after positioning the satellite, the operational lives of the Group's most-recently-launched satellites (EUTELSAT 7A, EUTELSAT 9A, EUTELSAT HOT BIRD 13B and 13C, EUTELSAT 3C, EUTELSAT 10A, EUTELSAT 36B, EUTELSAT KA-SAT 9A, EUTELSAT 7 West A, and EUTELSAT 16A) were estimated at approximately 14-18 years once they became operational. A number of factors can reduce the operating life of a satellite and/or affect its transmission capability, including:

- defects in the quality of the satellite's on-board components or equipment;
- defects concerning construction or operability;
- excessive fuel consumption in reaching the desired orbital position and maintaining the satellite on station or relocating it to a new orbital position; and,
- damage caused by acts of war, electrostatic or solar storms, or by collision with micro-meteorites or space debris.

The Group believes that its fleet of satellites is, overall, in good operating condition. Some of the Group's satellites, however, have experienced equipment failure and are currently operating with their back-up equipment.

Breakdowns and losses of equipment in orbit for satellites owned by the Group

In 1999 the Group experienced operational faults on its EUTELSAT 16B (ex-EUROBIRD™ 16) and EUTELSAT 25A (ex-EUROBIRD™ 2) satellites due to a faster-than-expected deterioration in some solar panels (the energy source for the satellites). To date, these faults have had only a limited impact on these satellites (shutdown of four transponders on each of the satellites).

The EUTELSAT 12 West A (ex-ATLANTIC BIRD™ 1) satellite has suffered from a number of failures since it began operational service in October 2002. All necessary measures have been taken to address and rectify the problems encountered so far.

Additionally, the EUTELSAT 5 West A (ex-ATLANTIC BIRD™ 3) and EUTELSAT HOT BIRD 13A (ex-HOT BIRD™ 6) satellites have suffered from a small reduction in battery power. The reduction in battery power of EUTELSAT 5 West A was caused by the loss of six cells of a total of 108 during the eclipse period in March-April 2004. These batteries are the energy source of the satellites during eclipse periods. A loss of cells leads to a reduction in the electrical power of the satellites and may lead to reduced transmission capability during such periods. To date, these faults have only had a very limited impact on the overall performance of the satellites during eclipses. However, the implementation of the constructor's recommendations and corrective measures are reflected in very limited consequences for the future transmission capability of the EUTELSAT 5 West A and EUTELSAT HOT BIRD 13A satellites relative to the level originally planned and with no real effect on the satellites' operating capacity.

The EUTELSAT 4A (ex-EUROBIRD 4A) satellite experienced a service interruption lasting for several hours on 10 August 2005. Although the flexibility of the Group's fleet and the technical expertise of the Group's teams made it possible to restore services to all clients at conditions considered acceptable by 11 August 2005, this incident precipitated a significant slow-down in the growth of the Group's Value-Added D-STAR™ Services in the Middle East and affected the provision of Data Services. The failure resulted in the loss of half of the satellite's available power and an estimated 50% reduction in its residual operational life.

On 16 June 2008, EUTELSAT 70A (ex-W5) suffered a fault in one of its power generation subsystems. The satellite's power subsystem was stabilised after a technical investigation carried out together with the manufacturer, Thales Alenia Space. However, the fault reduced the satellite's capacity from 24 to 20 transponders in current operating conditions, and reduced its estimated remaining life by twelve months.

The performance of the EUTELSAT 28B (ex EUTELSAT 48B / W2M) satellite, which was launched on 20 December 2008, do not comply with the specifications established with its constructor EADS Astrium/ISRO Antrix, because of a major fault affecting its electrical power sub-system. This fault came to light on 22 January 2009 while the satellite was being transferred from its test position to its planned operational position. A claim for total loss was filed with the insurance company, which refunded the total claim during the financial year 2008-2009.

In-orbit testing of the S-band of EUTELSAT 10A (ex-W2A) payload belonging to Solaris Mobile Ltd. (joint venture with SES Astra) revealed a fault with this payload's coverage and power. This requires further testing, to be carried out with Thales Alenia Space. Since the satellite's S-band payload does not comply with its contractual specifications, Solaris Mobile Ltd. filed a claim for constructive total loss with its insurers, who refunded the full claim. This incident does not affect the non-S-band operations and performance of the EUTELSAT 10A satellite.

On 18 April 2012, the EUTELSAT 33A satellite lost one of two telemetry transmitters that also play the role of beacons transmitted by this satellite. The loss of this equipment has no impact on the quality of service provided by the satellite. Were the remaining transponder to be lost, EUTELSAT 33A's mission is likely to be terminated.

Launch failures

Since it started its activities (including during the period prior to the Transformation), the Group has lost three satellites as a result of launch failures, i.e. Eutelsat I-F3 in September 1985, Eutelsat II-F5 in January 1994 and HOT BIRD™ 7 in December 2002.

In October 2010, the Group reported the loss of W3B satellite following an operating malfunction observed on the satellite's propulsion sub-system after its launch by an Ariane 5 rocket.

Technical faults and loss of equipment affecting satellites leased by the Group

The Group has no knowledge of technical faults or loss of equipment affecting satellites that it leases from third parties.

Under its capacity lease agreements, the Group can request compensation if there is any interruption in the capacity's availability or if there is any deterioration in the transponders. The amount of such compensation, which is limited to a certain amount per year, is calculated on the basis of the frequency and duration of the interruptions affecting the transponders leased. Moreover, certain agreements stipulate that the Group may, in the event of specific malfunctions and if no other capacity is provided, terminate the entire allotment agreement or the lease covering the affected transponder without penalties being incurred. In such cases, the Group can request reimbursement of that part of the lease cost corresponding to the period in which it was unable to make use of the capacity.

Back-up capacity and redundancy

As part of the Group's risk management strategy, it has developed a back-up and redundancy policy designed to reduce the risk of service interruptions, outages or failure to meet its contractual commitments.

The Group's satellites are designed with adequate redundancy to contend with potential equipment failures and to meet or exceed their theoretical operational life in-orbit. Significant on-board redundancy of equipment allows the Group to quickly replace any equipment damaged during the operational life of the satellite with minimal or no interruption of service, depending on the nature of the incident concerned. Some of the satellites in the fleet are currently using this redundancy equipment.

Furthermore, the Group offers significant back-up capacity in certain key orbital locations. Back-up capacity is used to replace leased capacity in the event of an on-board fault or equipment failure on a satellite. It is often obtained by pooling capacity on several satellites located at nearby orbital positions and offering similar coverage and technical specifications. This enables the Group to provide continuity of service to customers, depending on the fill factors of the satellites concerned.

The Group has also signed leases guaranteeing continuity of service to some of its customers, by offering them capacity with guaranteed restoration of service using pre-defined capacity (generally on a neighbouring satellite). These leases generally attract a higher price. In the absence of an emergency or malfunction that requires back-up capacity, the Group is able to market that capacity subject to a clawback clause.

Satellite end-of-life

After their remaining fuel has been used up, satellites at the end of their operational lives are de-orbited and placed in a graveyard orbit situated above the geostationary satellite orbit.

The Group complies with the principles discussed at international level by the Inter-Institution Coordination Committee on Space Debris and the United Nations Committee on the Peaceful Uses of Outer Space as well as the new French Space Operations Act which came into force in December 2010.

In the financial year ended 30 June 2012, the W75 satellite reached the end of its useful life and underwent de-orbiting in July 2011, while the EUTELSAT 4A satellite (ex EUROIRD™ 4A) reached the end of its life and was de-orbited in February 2012.

Commercial and distribution policy

As a consequence of the Group's past dealings, a large portion of its revenues comes from capacity allotment agreements with telecom operators such as France Telecom/Globecast, Telespazio, British Telecom/Arqiva and Deutsche Telekom/Media Broadcast.

Furthermore, 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 2011 and 2012, the Group's top four client-distributors (France Telecom/Globecast, British Telecom/Arqiva, Telespazio and Deutsche Telekom/Media-Broadcast) accounted, respectively, for 24.0% and 22.2% of the Group's consolidated revenue.

This reduction in the contribution made by client-distributors to the Group's consolidated revenue reflects the willingness of certain end-users of the Group's 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 require additional capacity.

Moreover, through its teleports at Rambouillet and Turin, the Group is now able to offer services to its clients and end-users regarding satellite-capacity provision, such as the uplinking of multiplexing services on the ground and the encryption/decryption of signals for 300 television channels broadcast by the satellite fleet.

Direct commercial activities and marketing

Over the years, the Group has strengthened its commercial and marketing teams in order to develop a better response to the needs of end-users of satellite capacity. The Group has launched direct marketing programmes to expand its base of potential customers. With this purpose in mind, the Group has teams of engineers able to provide technical assistance, consulting and after-sales support.

Tariff structure

Prior to the Transformation, the IGO could not take any decisions on its tariff policy without the prior approval of the Signatories.

Since the Transformation, the Group has been free to determine its own tariff policy, enabling it to more effectively adapt to market conditions. However, most of the capacity lease contracts currently in force were signed prior to the Transformation. The contracts signed prior to the Transformation were transferred to the Group and are still governed by the original terms as regards pricing and payment.

Since the Transformation, the tariffs applied by the Group for new leases depend on a number of factors, including (i) the orbital position of the satellite, (ii) the installed user base of antennae pointed at the satellite, (iii) the geographical region covered by the satellite, (iv) the type of applications and the amount of bandwidth requested by the customer, (v) the type and duration of the lease, (vi) the type and number of transponders leased, (vii) the existence of a pre-emption right for capacity allotted (i.e. the customer's right to guaranteed back-up capacity in the event of a satellite failure or malfunction), (viii) the existence of a price adjustment clause in the event of a customer requesting an existing customer's capacity and (ix) the tariffs charged by the competition for a similar service or capacity type.

Although the Group faces fierce competition, including competition in terms of pricing, it considers that it is generally able to maintain existing tariffs when leases are renewed, including charges for Video Applications (particularly at the premium HOT BIRD™ and EURO BIRD™ positions). However, the Group cannot be certain that it will be able to maintain the same tariffs in the future.

Almost all the Group's allotment agreements stipulate a fixed price valid for the entire duration of the lease. Some, however, are inflation-linked.

Recent developments towards greater fragmentation in capacity demand have also impinged upon the Group's tariff policy. This means that the average price of a transponder is generally higher when capacity is requested over a shorter period and/or involves fractional transponder use.

Customers

The Group's customer base includes client-distributors, who sell satellite capacity to end-users, and customers who use of the Group's satellite capacity for their own requirements. 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 revenue as of 30 June 2012.

At 30 June 2012, the Group's top 10 customers accounted for 53.3% of the Group's revenues. These customers were as follows:

Customers	Revenues per customer (in millions of Euros)	Revenues per customer (as a percentage)
Public sector entities	154.7	12.6
France Télécom/Globecast	111.5	9.1
Skylitalia Srl	88.4	7.2
Telecom Italia/Telespazio	67.3	5.5
Deutsche Telekom/Media Broadcast	51.2	4.2
Nilesat	48.5	4.0
British Telecom/Arqiva	41.7	3.4
Noorsat WLL	33.2	2.7
Intersputnik International Organization of Space Communication	31.8	2.6
Digital Platform Teknoloji Hizmetleri	24.3	2.0
Top 10 customers	652.6	53.3
Other	572.2	46.7
TOTAL	1,224.8	100.0

As of 30 June 2011, the Group's top 10 customers accounted for 52.2% of the Group's revenues with the breakdown as follows:

TOP 10 Clients	Revenues for customer (in millions of Euros)	Revenues for customer (as a percentage)
Public sector entities	133.0	11.4
France Telecom/Globecast	109.6	9.4
Sky Italia Srl	83.2	7.1
Telecom Italia/Telespazio	71.0	6.1
Deutsche Telekom/Media Broadcast	54.1	4.6
British Telecom Plc./Arqiva	46.0	3.9
Nilesat	39.1	3.4
Noorsat WLL	29.4	2.5
Intersputnik Int. Org. of Space Communication	23.0	2.0
Multichoice Africa	21.7	1.9
Total top 10	610.2	52.2
Others	559.8	47.8
Total consolidated turnover	1,170.0	100.0

Technical qualifications of the Group's customers and technical assistance

Before being authorised to access the Group's satellite capacity, customers' terrestrial stations must meet a number of specific performance and operational criteria in order to minimise interference with other customers on the same satellite or with users of neighbouring satellites.

Customer allotment agreements

Since the Transformation, the Group has modified certain conditions of its standard satellite capacity allotment agreements. The Group's standard terms and conditions (the "Standard Terms and Conditions") provide various options for reservations and firm orders of capacity on its satellites and the possibility of including pre-emption/back-up provisions.

The Group sells its capacity and services under three main types of contract:

- Full-time leases of capacity. These cover the lease of an entire transponder or part thereof on a full-time basis (i.e. 24 hours a day, seven days a week) for periods longer than one year. They can be extended over the whole of the satellite's operational life. These agreements are primarily used for broadcasting. They are also used for Professional Data Services and for Value-Added Services.
- Part-time and/or short-term leases of capacity. These cover either the (i) full-time (i.e. 24 hours a day, seven days a week) lease of an entire transponder or part thereof for periods of less than one year, (ii) occasional use, where transponder capacity is provided in increments of 10 minutes on a "first-come, first-served" basis, (iii) customised use, where capacity is provided only at predetermined times (for a minimum of five hours a week for one year), or (iv) subscriptions for 15 hours of use per month or for 180 hours of use over six months. Part-

time leases of capacity are mainly used for broadcasting, for professional video links and, to a lesser extent, for Professional Data Networks and Value-Added Services.

- Mobile applications. These cover the lease of capacity for EutelTRACS services. For these services, customers do not lease capacity on the basis of pre-determined volume but on actual use.

Under the standard capacity allotment agreement, customers are required to obtain operating licences from the relevant regulatory authorities, comply with regulations governing the content of audiovisual programmes, obtain the rights to operate their earth stations, and comply with the Group's technical specifications. The Group may also require a customer to provide a bank guarantee or another form of appropriate guarantee as security for payment with regard to allotted capacity and respect of the customer's contractual obligations.

Order backlog

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

The order backlog varies over time, based on the progressive recognition of revenues from these contracts, the increase in the age of the fleet and the conclusion of new contracts.

Backlog main indicators

	30 June 2010	30 June 2011	30 June 2012
Value of contracts (<i>in billions of Euros</i>)	4.9	5.0	5.2
Weighted average residual life of contracts (in years)	8.0	7.5	6.9
Share of Video Applications	92%	91%	92%

As of 30 June 2012, the Group's order backlog amounted to more than €5 billion, slightly higher than the level as of 30 June 2011. Most of the order backlog is made up of contracts for the duration of the satellites.

The proportion of the order backlog represented by Video Applications as of 30 June 2012 was 92%, almost unchanged compared to the previous year, affording the Group strong visibility on future revenues. Broadcasting platform operators have a recurring requirement for long-term capacity. The average remaining duration of the contracts in the backlog as of 30 June 2012 (weighted by value) was 6.9 years, compared with 7.5 years as of 30 June 2011.

Regulation

The provision of satellite capacity and services is highly regulated. As a satellite operator providing satellite capacity and services to a number of countries, the Group must comply with national regulations in countries in which it provides or seeks to provide capacity and services, and its operations are also governed, indirectly, by international regulations with which these countries themselves must comply. The various regulations fall into six categories:

- national regulations governing access to the radio frequency spectrum and related authorisations ("frequency assignments"), and international regulations governing the coordination of these authorisations at the international level;

- national regulations governing the deployment and operation of telecommunications networks, the supply of telecommunications services and the operation of RF facilities on the ground (“earth stations”);
- regulations governing content;
- French regulations governing space operations for which France could potentially bear international liability;
- control requirements relating to exports (regulations governing the activities of the Group’s suppliers); and
- other requirements applicable to the Group, such as relations with Eutelsat IGO.

RECENT DEVELOPMENTS

GE-23 Acquisition

Eutelsat Communications announced on 25 September 2012 the closing of the transaction to acquire the GE-23 satellite, associated customer contracts and orbital rights from GE Capital, having obtained all required regulatory approvals.

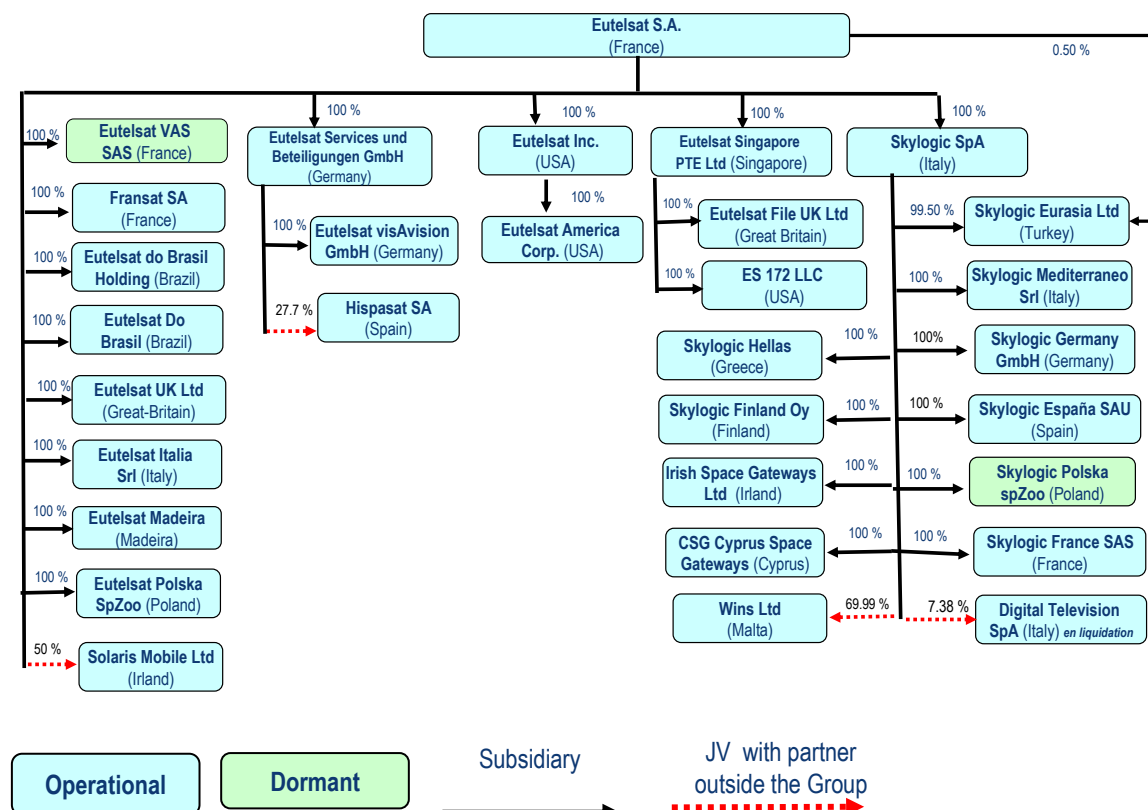
The satellite, renamed EUTELSAT 172A, is now part of the Eutelsat fleet with technical and commercial teams ensuring a smooth transition for existing customers.

Built by Thales Alenia Space, EUTELSAT 172A was launched in December 2005 with expected performance for 15 years. From its location in geostationary orbit at 172°E, the satellite offers unique coverage over the Asia-Pacific region via a payload of 20 Ku-band transponders accessing five interconnecting beams and 18 C-band transponders connected to a trans-Pacific beam. Leveraging its comprehensive coverage and high-bandwidth capability, EUTELSAT 172A already offers a broad range of telecom services to a diverse base of blue chip customers.

Creation of two new subsidiaries

Subsequent to the closing date the 2011-2012 financial year, Eutelsat Singapore Pte Ltd. set up two subsidiaries: Eutelsat File UK Ltd., incorporated in July 2012 in the United Kingdom, and ES 172 LLC, incorporated in August 2012 in the state of Delaware.

Organisation chart as of the date of this Prospectus



Additional Indebtedness of the Issuer incurred after 30 June 2012

As of 31 August 2012, non-current financial debt of the Issuer amounted to €1.7 billion. In September 2012, the Issuer drew US\$100,000,000 from its €450,000,000 revolving credit facility. This amount is outstanding at the date of this Prospectus.

TAXATION

The following is a general summary of the main French and Luxembourg tax considerations pertaining to the Bonds. Comments which are included therein are reported only for information purposes and do not aim at giving a complete description of the tax rules that may affect the Issuer, or the Bonds or the Investors. These comments contain general information on taxes withheld at source on income paid on the Bonds, some of which may be not relevant to certain Investors. This summary of the tax rules is based on the laws and regulation currently in force in France and in the Grand Duchy of Luxembourg as of the date of the Bond issue, all of which are subject to change, possibly with retrospective effect, or to different interpretations. Accordingly, no opinion is expressed herein with regard to any system of law other than the laws of France as currently applied by the French courts or Luxembourg as currently applied by the Luxembourg courts. Any Investor contemplating to acquire the Bonds should therefore consult its own tax adviser about the tax consequences that may arise for it as a result of the acquisition, the ownership or the disposal of the Bonds.

For the purpose of this section it has been assumed that the holder of a Bond is not related to, nor a shareholder of, the Issuer.

Furthermore, prospective Investors should know that under the EU Savings Directive n°2003/48/EC (the **Directive**) on the taxation of savings income, each EU Member State is required, since 1 July 2005, to provide to the tax authorities of another EU Member State details of payments of interest or other similar income paid by a person within its jurisdiction to, or collected by such person for, an individual resident in that other EU Member State (or to certain entities generally referred to as "residual entities" established in that other Member State). However, for a transitional period, Austria and Luxembourg are permitted to apply a withholding system in relation to such payments, deducting tax at a rate of 35% unless the beneficiary elects for the exchange of information regime. The transitional period is to terminate at the end of the first full fiscal year following agreement by certain non-EU countries to the exchange of information relating to such payments under certain conditions.

Also, with effect from 1 July 2005, a number of non-EU countries, and certain dependent or associated territories of certain EU Member States, have agreed to adopt similar measures (i.e., either the provision of information or the transitional withholding) in relation to payments made by a person within its jurisdiction to, or collected by such a person for, an individual resident in an EU member State. In addition, the EU Member States have entered into reciprocal provision of information or transitional withholding arrangements with certain of those dependent or associated territories in relation to payments made by a person in an EU Member State to, or collected by such a person for, an individual resident in one of those territories.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

1. Taxation in France of interest on the Bonds

EU Savings Directive

The Directive was implemented into French law under Article 242 ter of the French *Code général des impôts*, which imposes on paying agents based in France an obligation to report to the French tax authorities certain information with respect to interest payments made to beneficial owners domiciled in another EU Member State, including among other things, the identity and address of

the beneficial owner and a detailed list of the different categories of interest paid to that beneficial owner.

Withholding tax

According to Article 125 A III of the French *Code général des impôts*, payments of interest made by a debtor with respect to a particular debt (including debt in the form of bonds) are not subject to withholding tax unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the French *Code général des impôts* (a **Non-Cooperative State**). If such payments are made in a Non-Cooperative State, a 50% withholding tax is applicable (subject to certain exceptions certain of which are set forth below and to the more favourable provisions of any applicable double tax treaty) by virtue of Article 125 A III of the French *Code général des impôts*.

Furthermore, according to Article 238 A of the French *Code général des impôts*, interest on debt will not be deductible from the debtor's taxable income if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid in such a Non-Cooperative State (the **Deductibility Exclusion**). Under certain conditions, any such non-deductible interest may be re-characterised as constructive dividends pursuant to Article 109 of the French *Code général des impôts*, in which case it may be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts*, at a rate of 30% or 55% (subject to the more favourable provisions of any applicable double tax treaty).

Notwithstanding the foregoing, Articles 125 A III and 238 A of the French *Code général des impôts* provide that neither the 50% withholding tax set out under Article 125 A III of the French *Code général des impôts* nor the Deductibility Exclusion will apply in respect of a particular debt if the debtor can prove that the main purpose and effect of such transactions was not that of locating the interest in a Non-Cooperative State (the **Exception**). Pursuant to French tax administrative guidelines (*Bulletin Officiel des Finances Publiques-Impôts* BOI-RPPM-RCM-30-10-20-50-20120912 and its annexes BOI-ANNX-000364-20120912 and BOI-ANNX-000366-20120912) (the **BOFIP**), an issue of bonds will benefit from the Exception without the issuer having to provide any evidence supporting the main purpose and effect of such issue of bonds, if such bonds are:

- (i) offered by means of a public offer within the meaning of Article L.411-1 of the French *Code monétaire et financier* or pursuant to an equivalent offer in a State other than a Non-Cooperative State. For this purpose, an “equivalent offer” means any offer requiring the registration or submission of an offer document by or with a foreign securities market authority; or
- (ii) admitted to trading on a regulated market or on a French or foreign multilateral securities trading system provided that such market or system is not located in a Non-Cooperative State, and the operation of such market is carried out by a market operator or an investment services provider, or by such other similar foreign entity, provided further that such market operator, investment services provider or entity is not located in a Non-Cooperative State; or
- (iii) admitted, at the time of their issue, to the clearing operations of a central depository or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French *Code monétaire et financier*, or of one or more similar foreign depositories or operators provided that such depository or operator is not located in a Non-Cooperative State.

Therefore, payments of interest made by or on behalf of the Issuer with respect to the Bonds will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts*, as construed by the French tax authorities under the BOFIP. Moreover, pursuant to the BOFIP, interest paid by the Issuer on the Bonds will not be subject to the Deductibility Exclusion and as a result such interest will not be subject to the withholding tax set out under Article 119 bis 2 of the French *Code général des impôts* solely on account of their being paid in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

2. Other French taxation issue pertaining to the Bonds

Non-residents holders of the Bonds which do not have a permanent establishment or a fixed place of business in France will generally not be subject to tax in France upon the sale, disposal or redemption of the Bonds. The issue, the sale, disposal or the redemption of the Bonds shall not place on the Issuer a liability for French stamp duty.

3. Luxembourg Taxation

Luxembourg does not provide for a withholding tax on interest payments under the Bonds unless the below exceptions apply.

Luxembourg resident individuals

Interest on holding, redemption and sale of the Bonds falling into the scope of the Luxembourg law dated 23 December 2005, as modified, is subject to a 10% withholding tax, which is final if the individual acts within the scope of his own private wealth management, without further formalities. This law applies when the beneficial owner is an individual resident in Luxembourg who receives interest income from a paying agent in the meaning of the Directive located in Luxembourg. Interest that is accrued once a year on savings accounts (short and long term) and which does not exceed €250 per person and per paying agent is exempted from the withholding tax.

In the event that the interest is paid to such individuals or to a residual entity securing the payment for the benefit of such individuals by a paying agent established in a EU Member State (other than Luxembourg) or one of the dependent and associated territories, the beneficiary may opt for the application of a 10% flat taxation in accordance with the law dated 23 December 2005 as subsequently amended, which is final if the Luxembourg resident individual is acting in the context of the management of his private wealth.

The paying agent in the meaning of the Directive, and not the Issuer, is responsible for the withholding tax levied in accordance with the above mentioned provisions.

Luxembourg non-residents

The Directive has been implemented into Luxembourg domestic law by the laws dated 21 June 2005 which entered into force on 1 July 2005 which also ratified agreements concluded with several dependent or associated territories providing for an exchange of information in this respect.

Based on the implementation of the Directive and of the above mentioned agreements into Luxembourg domestic law, the Luxembourg paying agent in the meaning of the Directive withholds, throughout the transitional period, an amount on interest in the meaning of the Directive paid to the immediate benefit of an individual or residual entity resident or established in another EU Member State or certain territories instead of using the disclosure of information methods, except if the beneficiaries of the interest payments opt for the disclosure of information

methods. In this respect, Luxembourg law foresees two different disclosure of information methods by which the EU Member States (other than Luxembourg) resident individuals or individuals resident in certain dependent or associated territories, can opt either (i) to allow the Luxembourg paying agent in the meaning of the Directive to disclose information to the requesting tax authorities or (ii) to directly provide the Luxembourg paying agent in the meaning of the Directive with a certificate duly validated by his local tax authorities.

The rate of such withholding tax equals 35%.

Such transitional period will end if and when the European Community enters into agreements on exchange of information upon request with several jurisdictions (Switzerland, Liechtenstein, San Marino, Monaco and Andorra) and when the Council of the European Union unanimously agrees that the United States is committed to use the Disclosure of Information Method with all EU Member States in relation to interest payments.

The paying agent in the meaning of the Directive, and not the Issuer, is responsible for the taxes levied in accordance with the above mentioned provisions.

4. Supply of information

Each Bondholder shall be responsible for supplying to the relevant Paying Agent, in a reasonable and timely manner, any information as may be requested in writing by the Paying Agent in order to comply with the identification and reporting obligations imposed on it by the European Council Directive 2003/48/EC or any European Directive implementing the conclusions of the ECOFIN Council Meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to such Directive.

SUBSCRIPTION AND SALE

Crédit Agricole Corporate and Investment Bank and Société Générale (the **Joint Bookrunners**) have, pursuant to a Subscription Agreement dated on or about 5 October 2012 (the **Subscription Agreement**), jointly and severally agreed with the Issuer, subject to satisfaction of certain conditions, to subscribe or procure subscribers for the Bonds at the issue price of 99.148 per cent. of the principal amount of the Bonds, less any applicable commissions. The Issuer will also reimburse the Joint Bookrunners in respect of certain of their expenses, and has agreed to indemnify the Joint Bookrunners against certain liabilities incurred in connection with the issue of the Bonds. The Subscription Agreement may be terminated in certain circumstances prior to payment made to the Issuer.

General

No action has been taken by the Issuer or any of the Joint Bookrunners that would, or is intended to, permit a public offer of the Bonds or possession or distribution of this Prospectus (in preliminary, proof or final form) or of any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations) in any country or jurisdiction where any such action for that purpose is required. Accordingly, each Joint Bookrunner has undertaken that it will not, directly or indirectly, offer or sell any Bonds or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Bonds by it will be made on the same terms.

United States of America

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933 (the **Securities Act**) and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S under the Securities Act (**Regulation S**) or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Joint Bookrunner hereby agrees that, except as permitted herein, it has not offered or sold the Bonds, and agrees that it will not offer or sell the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the Bonds and the Closing Date, except in accordance with Regulation S. Accordingly, neither it, its affiliates nor any person acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Bonds, and it and they have complied and will comply with the offering restrictions requirement of Regulation S. Each Joint Bookrunner agrees that, at or prior to confirmation of sale of Bonds, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Bonds from it during the distribution compliance period a confirmation or notice to substantially the following effect:

"The securities covered hereby have not been and will not be registered under the U.S. Securities Act of 1933 as amended (the **Securities Act**). The securities may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering of the securities and the closing date of the offering, except in either case in accordance with Regulation S under the Securities Act. Terms used above have the meanings given to them by Regulation S under the Securities Act".

Terms used in this paragraph have the meanings given to them by Regulation S.

European Economic Area

Please note that, in relation to EEA Member States, additional selling restrictions may apply in respect of any specific EEA Member State, including those set out in relation to France and United Kingdom in this section.

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Joint Bookrunner has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Bonds which are the subject of the offering contemplated by this Prospectus to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Bonds to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (ii) at any time to fewer than 100 natural or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant Joint Bookrunner nominated by the Issuer for any such offer; or
- (iii) at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Bonds referred to in (i) to (iii) above shall require the Issuer or any Joint Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an **offer of Bonds to the public** in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Bonds to be offered so as to enable an investor to decide to purchase or subscribe the Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

France

Each Joint Bookrunner has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any Bonds to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, this Prospectus or any other offering material relating to the Bonds and such offers, sales and distributions have been and will be made in France only to (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (ii) qualified investors (*investisseurs qualifiés*) acting for their own account as defined in, and in accordance with Articles L.411-1, L.411-2, and D.411-1 to D.411-3 of the French *Code monétaire et financier*.

United Kingdom

Each Joint Bookrunner has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the **FSMA**)) received by it in connection with the issue or sale of any Bonds in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Bonds has not been registered pursuant to Italian securities legislation and, accordingly, each Joint Bookrunner has represented and agreed that no bonds may be offered, sold, delivered or distributed, nor may any copy of this Prospectus or of any other document relating to the Bonds and/or the offering be distributed in the Republic of Italy (Italy) except:

- (a) to qualified investors (*investitori qualificati*), pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 (the **Consolidated Financial Services Act**) and Article 34-ter, paragraph 1, letter (b) of CONSOB regulation No. 11971 of 14 May 1999 (the **CONSOB Regulation**), all as amended and restated from time to time; or
- (b) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Consolidated Financial Services Act and Article 34-ter of the CONSOB Regulation No. 11971.

Moreover, and subject to the foregoing, any offer, sale or delivery of the Bonds or distribution of copies of this Prospectus or any other document relating to the offering and/or the Bonds in Italy under (a) or (b) above must in any case be:

- (i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Consolidated Financial Services Act, Legislative Decree No. 385 of 1 September 1993 (the **Banking Act**) and CONSOB Regulation No. 16190 of 29 October 2007, all as amended;
- (ii) in compliance with Article 129 of the Banking Act as amended and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the offering or issue of securities in the Republic of Italy; and
- (iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or any other Italian authority.

Any investor purchasing the Bonds is solely responsible for ensuring that any offer or resale of the Bonds it purchased in this offering occurs in compliance with applicable laws and regulations.

GENERAL INFORMATION

Authorisation

The Issuer has obtained all necessary consents, authorisations and approvals in France to issue and deliver the Bonds and perform its obligations under the Bonds.

The issue of the Bonds by the Issuer has been authorised in accordance with Article L.228-40 of the French *Code de Commerce* by a resolution of its *Conseil d'administration* (Board of Directors) made on 28 September 2012 and a decision of Mr. Michel de Rosen, *Directeur Général* of the Issuer, made on 1 October 2012.

Listing and admission to trading

Application has been made to the CSSF to approve this document as a prospectus for the purposes of the Prospectus Directive. Application has been made for the Bonds to be admitted to the Official List and traded on the Luxembourg Stock Exchange's regulated market on or about the Issue Date. The Luxembourg Stock Exchange regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive 2004/39/EC.

The total expenses relating to the admission to trading of the Bonds are, in the aggregate, estimated to be equal to €5,550.

Clearing Systems

The Bonds have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear with the Common Code number 084052825. The International Securities Identification Number (ISIN) for the Bonds is FR0011339746.

Euroclear France
115, rue Réaumur
75081 Paris Cedex 02, France

Euroclear
1, boulevard du Roi Albert II
1210 Bruxelles, Belgium

Clearstream Luxembourg
Clearstream Banking
42 Avenue JF Kennedy
L 1855 Luxembourg

No significant change

Except as disclosed in the section *Recent Developments – Additional Indebtedness of the Issuer incurred after 30 June 2012*, there has been no significant change in the financial or trading position of the Issuer or the Group since 30 June 2012.

No material adverse change

There has been no material adverse change in the prospects of the Issuer or the Group since 30 June 2012.

Litigation

The Issuer is not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer and/or the Group.

Material Contracts

There are, at the date of this Prospectus, no material contracts entered into, other than in the ordinary course of the Issuer's business, which could result in any member of the Group being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds.

No conflicts

As at the date of this Prospectus, there are no conflicts of interest which are material to the issue of the Bonds between the duties of the members of the Board of Directors of the Issuer and their private interests and/or other duties and, in respect of the Issuer, no person involved in the issue of the Bonds has an interest material to the issue.

Auditors

Ernst & Young Audit (Tour Ernst & Young, Faubourg de l'Arche, 11 allée de l'Arche, 92037 Paris-La Défense Cedex, France) and Mazars (Tour Exaltis, 61, rue Henri Regnault, 92400 Courbevoie, France) have audited, without qualification, in accordance with French professional standards the Issuer's accounts prepared in accordance with IFRS as adopted by the European Union for each of the two financial years ended on 30 June 2011 and 30 June 2012 as stated in their reports dated 29 July 2011 and 30 July 2012 respectively. An uncertified English translation of such reports is incorporated by reference in this Prospectus. Ernst & Young Audit and Mazars are the independent statutory auditors of the Issuer. Ernst & Young Audit and Mazars belong to the Compagnie Régionale des Commissaires aux Comptes de Versailles.

Yield

The yield of the Bonds is 3.226 per cent. per year as calculated as at the Issue Date on the basis of the issue price of the Bonds. It is not an indication of future yield.

Joint Bookrunners transacting with the Issuer

The Joint Bookrunners and their respective affiliates, including parent companies, engage and may in the future engage, in investment banking, commercial banking (including the provision of loan facilities) and other related transactions with the Issuer and may perform services for it, in each case in the ordinary course of business.

Documents available

Copies of consolidated accounts of the Issuer prepared in accordance with IFRS for the two financial years ended 30 June 2011 and 30 June 2012 and the latest annual reports of the Issuer relating to the annual accounts of the Issuer prepared in French GAAP and approved by the general meeting of the shareholders of the Issuer may be obtained without charge from the specified offices for the time being of the Fiscal Agent or any of the Paying Agents during normal business hours, so long as any of the Bonds is outstanding.

For as long as any of the Bonds are outstanding the following documents may be inspected during usual business hours on any weekday (other than Saturdays, Sundays and public holidays), at the office of the Issuer, the Fiscal Agent or any of the Paying Agents:

- (i) this Prospectus;
- (ii) the Agency Agreement;
- (iii) the constitutional documents of the Issuer (with a translation thereof into English); and
- (iv) the audited consolidated annual accounts of the Issuer for the two latest financial years (which at the Issue Date comprise the Issuer's audited consolidated accounts for the financial years ended 30 June 2011 and 30 June 2012).

In addition, this Prospectus and each document incorporated by reference is available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

GLOSSARY OF TERMS

Analogue

Format of a broadcast signal where a continuously varying physical quantity precisely describes the variation of the information it represents.

Bandwidth

Band of frequencies used for an RF transmission (e.g. 36 MHz).

Beam

Term used to describe the radiation pattern of a satellite antenna. The intersection of a satellite beam with the surface of the Earth is called the footprint (of the beam).

C-band

Frequency range assigned to satellite communications systems, approximately 4 GHz for the downlink and 6 GHz for the uplink. The associated transmit power is relatively low in comparison with Ku-band, for example. Large antennas are therefore required for C-band operation.

Capacity

Quantity of information transmitted. By analogy, there is often reference to spectrum width and to the associated power needed to transmit this quantity of information.

Digital

Format for recording, processing, transmitting and broadcasting data via a binary signal (and not by a continuously varying signal).

Direct broadcasting

Direct reception of satellite signals by the user, via DTH or community reception facilities (satellite dish) (synonym: direct broadcasting).

DSL

Digital Subscriber Line. Technologies that make it possible to use the copper lines connecting the customers of the switched telephone network for purposes of broadband transmission in packet mode (digital).

DVB

Digital Video Broadcasting. A set of European standards for the broadcasting and reception of digital TV signals by satellite (DVB-S), cable (DVB-C) or terrestrial means (DVB-T), developed within the framework of the Digital Video Broadcasting project and formalised by the European Telecommunications Standards Institute (ETSI). These European standards have been adopted by many countries worldwide.

Earth station

Installation required in order to receive a signal from a satellite and (or) transmit a signal to a satellite. The facility consists essentially of an antenna and communications equipment on the ground. (synonym: Ground station).

Extended Europe

Western Europe, Central Europe, the Community of Independent States (Russia), North Africa and the Middle East.

Fixed Satellite Service (FSS)

Communications service between earth stations located at fixed points, such points being determined when one or more satellites are used. However, this expression often designates the “unplanned” frequency bands that are not subject to the international regulations governing the use of BSS frequencies. In Europe, the downlink FSS frequencies are 10.7-11.7 GHz and 12.5-12.75 GHz.

Frequency

Number of vibrations produced by unit of time during a given period. Frequency relates to the rate of variation per second of the carrier wave or modulating signal. Satellite transmissions are generally in GHz (see C-band, Ka-band and Ku-band).

Internet backbone

The communications networks on which the Internet is based.

IP

Internet Protocol.

Ka-band

Frequency range assigned to satellite communications systems, approximately 20 GHz for the downlink and 30 GHz for the uplink. These frequencies have the shortest wavelength of the 3 principal frequency bands used by geostationary satellites. Small antennas can be used, but Ka-band requires the use of beams that are tightly concentrated over fairly small geographical areas.

Ku-band

Frequency range assigned to satellite communications systems, approximately 14 GHz for the uplink and 11 GHz for the downlink. Used for radio and TV, this is the most widespread band in Europe as a result of the small size of the antennas needed for reception.

MPEG

Moving Pictures Experts Group - Working Group charged by the ISO with the task of developing international standards for the compression, decompression, processing and encoding of video, audio and any combination thereof, such as to ensure a wide range of applications. Name also given to the compression and digital broadcasting standard for TV, resulting from the deliberations of this group of experts.

MPEG-2 is the second-generation standard designed for TV broadcasting and MPEG-4 provides a smaller compression format compared with MPEG-2 that can carry all the new Video Applications.

Payload

Set of satellite equipment used for reception, frequency conversion, processing, and retransmission of the communications signals after they have been amplified, but excluding add-on equipment such as the platform (physical structure and subsystems such as electrical and thermal control, attitude control, etc.).

Radio frequency

Electromagnetic frequency generally higher than 20 kHz, used to transmit information.

Redundancy

Architecture based on the use of several identical components, each capable of replacing any of the other components in the event of failure.

S-band

Frequency range assigned to satellite communications systems, approximately 2 GHz for the uplink. Frequency adjacent to the UMTS frequencies.

Signal

Variation of a physical value of any kind carrying information.

Space segment

Satellites in a satellite communications system belonging to an operator.

Steerable beam

Beam of a satellite antenna that can be directed onto a particular geographical region using ground-based controls.

Telemetry

Encoded communication sent by the satellite to the earth station to transmit the results of measurements related to the satellite's operation and configuration.

Transponder

Name given to the retransmitter on-board the satellites, whose function is to retransmit the signals received from the earth uplink station to a specific part of the globe.

Uplink

Path travelled by the signal in the direction Earth-Space.

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L-2520 Luxembourg

PAYING AGENT

CACEIS Corporate Trust.

14, rue Rouget de Lisle
92862 Issy les Moulineaux cedex 9
France

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9 quai du Président Paul Doumer
92920 Paris La Défense Cedex
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Société Générale

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To the Issuer as to French law

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75007 Paris, France

To the Joint Bookrunners as to French law

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75008 Paris, France

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92400 Courbevoie
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