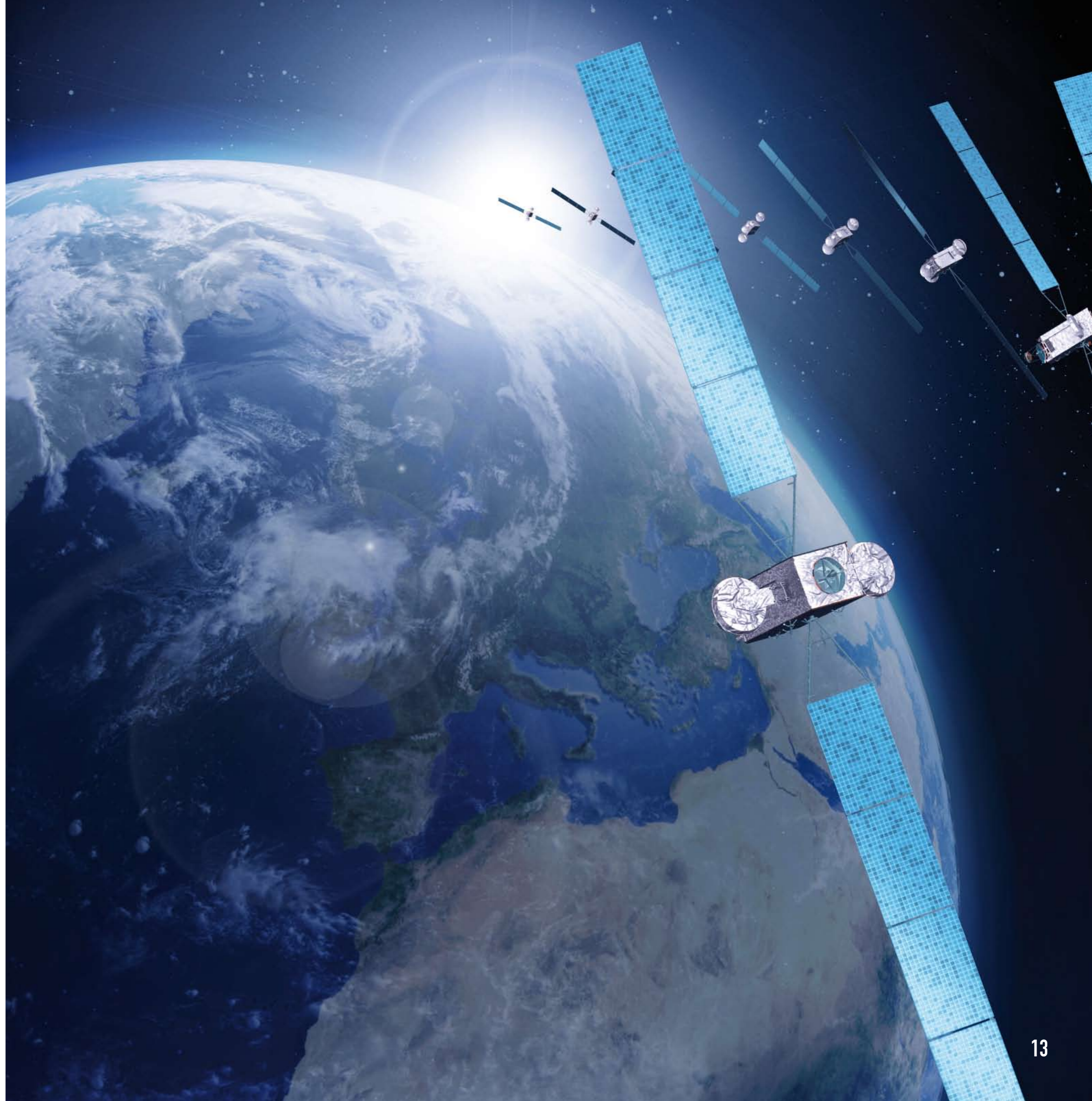


**GEOSTATIONARY ORBIT:
A FINITE RESOURCE
HOSTING OUR
PRIME TECHNOLOGY**



DEVELOPING NEW RESOURCES IN 2006/2007

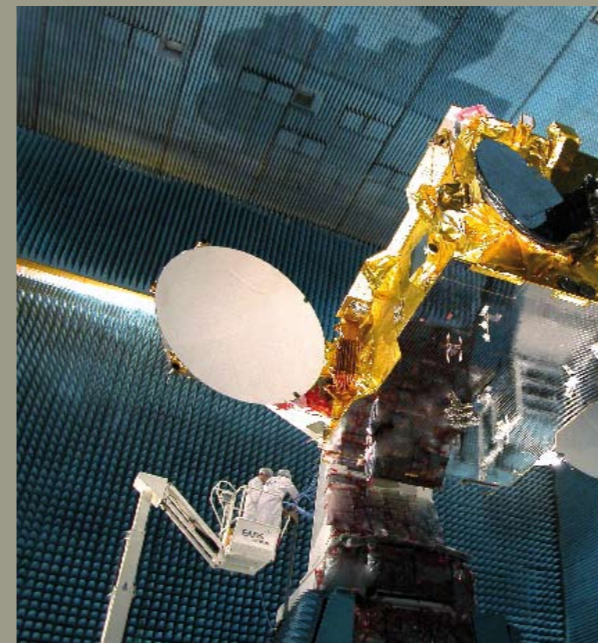
HOT BIRD™ 8's entry into commercial service in October 2006, following HOT BIRD™ 7A in April 2006, made it possible to renew a significant amount of broadcast capacity at the Group's key video neighbourhood. Three newly-released satellites opened three new orbital positions in the same year, enabling the Group to increase the number of operational transponders in stable orbit from 462 to 505.

JULY 06

Opening of a new orbital position at 7° West with the entry into service of ATLANTIC BIRD™ 4. Released from its initial assignment at 13° East, ATLANTIC BIRD™ 4 significantly boosts the Group's broadcasting resources for Middle East and North African markets.

AUGUST 06

Launch on 5 August of HOT BIRD™ 8 by a Proton M Breeze M rocket from the Baikonour Cosmodrome, Kazakhstan. Weighing 4.9 tonnes at lift-off, HOT BIRD™ 8 is the largest and most powerful European Ku-band broadcasting satellite ever launched. With 64 transponders, it is also the first in the programme initiated by the Group to colocate three identical high-power satellites at the HOT BIRD™ neighbourhood. In 2009, they will provide full redundancy at the Group's leading video neighbourhood.



MARCH/APRIL 07

Opening of a new position at 4° East with the redeployment of HOT BIRD™ 3. Renamed EUROBIRD™ 4 for its new commercial mission, this satellite benefits from strong coverage of the Middle East, enhancing the Group's resources to serve demands from government administrations.

The Group also acquired the Ku-band capacity on France Télécom's TELECOM 2C satellite that operates in inclined orbit at 3° East.

MAY 07

Opening of a new neighbourhood at 9° East with the entry into service of EUROBIRD™ 9, formerly HOT BIRD™ 2. This position, whose proximity with the HOT BIRD™ satellites enables reception with a single domestic antenna opens substantial new potential for expansion of broadcasting services in Europe and the Mediterranean Basin.

JANUARY 07

Deployment at SkyPark's Turin teleport of a hub providing in-flight Internet connectivity for business aviation in Europe. This new service, based on D-STAR technology is jointly operated for the European market by ViaSat and Skylogix. It uses capacity on Eutelsat's ATLANTIC BIRD™ 2 satellite to ensure seamless connectivity during flights over European airspace and the Mediterranean Basin.





INVESTMENT TO RENEW EXPAND INNOVATE

At 30 June 2007 the Group was operating a fleet of 24 satellites, 19 of which are fully-owned. Located at 20 orbital positions between 15° West and 70.5° East, the Group's satellites offer coverage across Europe, Africa, the Middle East, Russia, Central Asia and large parts of the Asian and American continents. The Group also owns two of the largest teleports in Europe, located in Rambouillet (France) and in Turin (Italy).

Two years on average elapse from the order of a satellite to its launch. In order to accommodate the constraints of this schedule and to ensure a high degree of commercial reactivity, since 2001 Eutelsat has pursued a policy of anticipating replacement of satellites at mature orbital positions. Satellites released in advance from their initial mission represent an additional in-orbit resource that can consolidate an emerging position or open the door to a new market opportunity.

This dynamic of cascading satellites enables the Group to constantly optimise its infrastructure and manage in-orbit security and capacity expansion. This approach preserves strategic priorities, increases reliability, reduces risk in orbit and equips Eutelsat with full flexibility and resources to fuel new growth.

Ensuring full optimisation of our in-orbit resources through security and expansion

In-orbit security, a key asset of the HOT BIRD™ neighbourhood

With 102 operational transponders, the three satellites forming the HOT BIRD™ constellation at 13° East constitute one of the world's most powerful broadcasting systems. To consolidate in-orbit security at this strategic position Eutelsat Communications has initiated a programme comprising three large and identical satellites to ensure full in-orbit redundancy. HOT BIRD™ 8, the first satellite in this new generation was launched in August 2006. It will be joined in mid-2008 by HOT BIRD™ 9 which was ordered by the Group during the last financial year. This unique inter-satellite redundancy will be completed with HOT BIRD™ 10, which was ordered in October 2006 and scheduled for launch in 2009. Following their launches, HOT BIRD™ 9 and 10 will release the HOT BIRD™ 6 and 7A satellites for new commercial missions.

New orbital positions to fuel growth

With the launches of HOT BIRD™ 7A and 8, the Group's HOT BIRD™ 2, 3 and 4 satellites were each redeployed during the financial year to new orbital positions and rebranded respectively EUROBIRD™ 9, EUROBIRD™ 4 and ATLANTIC BIRD™ 4. Two of the new positions, 7° West and 4° East, address strong demand for capacity for the Middle East and North Africa from existing clients.

ATLANTIC BIRD™ 4 was relocated to 7° West to support expansion of digital broadcasting by the Egyptian satellite operator Nilesat whose satellites also serve the Middle East and North Africa from the same orbital location. At its entry into service at 4° East new contracts from government administrations were activated on EUROBIRD™ 4.

Multi-satellite reception to capitalise on strong audience penetration

The relocation of EUROBIRD™ 9 at 9° East underscored Eutelsat's objective to promote multi-satellite reception in Europe. This new neighbourhood opens broadcasting markets by enabling channels to access the established audience of homes equipped for DTH reception from the HOT BIRD™ satellites. Channels broadcasting from the HOT BIRD™ neighbourhood at 13 degrees East and 9° East can be received by a single antenna fitted with a dual-feed LNB. EUROBIRD™ 9 consequently opens a new neighbourhood in Europe offering the potential to access 48 million homes already equipped for DTH reception from the HOT BIRD™ position. Once released from its current mission by the arrival of HOT BIRD™ 9, the HOT BIRD™ 7A satellite will move to consolidate this 9° East, increasing capacity from 20 to 38 transponders.



EUTELSAT COMMUNICATIONS' WHOLLY-OWNED SATELLITES

SATELLITE	ORBITAL POSITION	COVERAGE
HOT BIRD™ 6	13° E	Europe, North Africa, Middle East
HOT BIRD™ 7A	13° E	Europe, North Africa, Middle East
HOT BIRD™ 8	13° E	Europe, North Africa, Middle East
EUROBIRD™ 1	28.5° E	Europe
EUROBIRD™ 2	25.5° E	Europe, North Africa, Middle East
EUROBIRD™ 3	33° E	Europe
EUROBIRD™ 4	4° E	Europe, North Africa, Middle East
EUROBIRD™ 9	9° E	Europe, North Africa, Middle East
W1	10° E	Europe, Africa, Middle East
W2	16° E	Europe, Africa, Middle East
W3A	7° E	Europe, Africa, Middle East
W4	36° E	Africa, Russia, Eastern Europe
W5	70.5° E	Europe, Middle East, Asia
W6	21.5° E	Europe, Africa, Middle East
SESAT 1	36° E	Europe, North Africa, Middle East, Asia
ATLANTIC BIRD™ 1	12.5° W	Europe, North Africa, Middle East, Americas
ATLANTIC BIRD™ 2	8° W	Europe, North Africa, Middle East, Americas
ATLANTIC BIRD™ 3	5° W	Europe, Africa, Middle East, Americas
ATLANTIC BIRD™ 4	7° W	Central Europe, North Africa, Middle East

CAPACITY ON THIRD-PARTY SATELLITES

SATELLITE	ORBITAL POSITION	COVERAGE
TELSTAR 12	15° W	Europe, Americas
EXPRESS A3	11° W	Europe, North Africa, Middle East
SESAT 2	53° E	Europe, North Africa, Middle East, Asia
TELECOM 2D	8° W	Europe
TELECOM 2C	3° E	Europe

FUTURE LAUNCHES

SATELLITE	ORBITAL POSITION	COVERAGE
HOT BIRD™ 9	13° E	Europe, North Africa, Middle East
HOT BIRD™ 10	13° E	Europe, North Africa, Middle East
W2M	16° E	Europe, North Africa, Middle East
W2A	10° E	Europe, North Africa, Middle East
W7	36° E	Europe, Russia, Africa, Middle East, Asia



NEW PROGRAMMES

Five satellites are currently being built, for launches between 2008 and 2009. Ordered during the previous financial year, construction is progressing to plan of HOT BIRD™ 9, to be delivered by EADS Astrium, and W2M, to be delivered by a consortium assembling EADS Astrium and ISRO. In the 2006-2007 financial year, the Group placed orders for three further satellites: W2A and W7 from Thales Alenia Space and HOT BIRD™ 10 from EADS Astrium.

Ordered in September 2006, W2A will replace the W1 satellite and boost resources available at 10° East with 46 Ku-band transponders and 10 C-band transponders covering Europe, the Middle East and Africa. W2A will also carry Europe's first S-band payload. Operated by a joint venture assembling Eutelsat SA and SES Astra, the S-band payload will open a new frequency spectrum in Europe bringing together satellite and terrestrial retransmitters in a single ubiquitous network for new-generation mobile services. Three main markets present major potential uses for this payload: digital television and radio services to mobile handsets and interactive services onboard vehicles. W2A is scheduled for launch in early 2009.

Ordered in October 2006, HOT BIRD™ 10 forms part of the programme to renew and secure the 13° East video neighbourhood. Identical to the HOT BIRD™ 8 and HOT BIRD™ 9, satellites, it will carry 64 Ku-band transponders. Its launch is scheduled for first quarter of 2009.

Ordered in December 2006, for launch in the third quarter of 2009, W7's 70 Ku-band transponders will replace SESAT 1, and increase capacity threefold at 36° East where it will be colocated with W4. W7 will provide six footprints covering Europe, Russia, Africa, the Middle East and Central Asia. A key mission will be to support the expansion of pay-TV services in Russia and sub-Saharan Africa, two rapidly expanding markets where the Group is one of the leading suppliers of satellite capacity since 2000.