



PR/38/06

EUTELSAT SELECTS ALCATEL ALENIA SPACE FOR THE DELIVERY OF W2A SATELLITE

Paris, September 1, 2006 - Eutelsat Communications (Euronext Paris : ETL), one of the world's leading satellite operators, and Alcatel (Paris: CGEP.PA and NYSE: ALA) today announced that Eutelsat has retained Alcatel Alenia Space, the European leader in satellite systems, for the design, manufacturing, assembling, tests and on-ground delivery of the W2A satellite.

Due to be launched in first quarter 2009, the main mission of this powerful new satellite will be to extend Ku-band capacity for video, broadband and telecommunications services in Europe, Africa and the Middle East, and boost the C-band capacity available through Eutelsat's fleet for services across Africa.

Eutelsat has also asked Alcatel to proceed with head start activities for a state-of-the-art S-band payload at 2.2 GHz on W2A. A final decision on flying the S-band payload will be taken by Eutelsat in October following completion of a full assessment of market demand, the regulatory framework and financing.

Based on the Alcatel Alenia Space Spacebus 4000C4 platform, W2A's baseline mission comprises up to 46 transponders in Ku-band and a C-band payload of 10 transponders. The Ku-band payload will provide up to 37 transponders connected to a fixed Widebeam serving Europe, North Africa and the Middle East, which will enable Eutelsat to provide capacity for business networks and broadcasting services and additional capacity for expansion of services. Additionally, up to 12 Ku-band transponders will be connected to a second fixed beam serving southern Africa and Indian Ocean islands. The C-band mission of 10 transponders will provide pan-African coverage for broadband and telecommunications services.

The state-of-the-art S-band payload at 2.2 GHz on W2A would allow the delivery, for the first time, of mobile multimedia broadcast services (Mobile TV, digital radio, ...) directly onto user terminals over key markets in western Europe. It will therefore initiate the building of hybrid infrastructure over Europe, combining satellite and terrestrial networks, providing both universal coverage and indoor penetration for Mobile TV services. W2A will also enable direct satellite communications, for example for security communications or crisis management.

Designed with a lifetime of more than 15 years, W2A has a maximum launch mass of 5.7 tonnes and will deliver 11 kW of payload power.

About Eutelsat Communications

Eutelsat Communications (Euronext Paris: ETL, ISIN code: FR0010221234) is the holding company of Eutelsat S.A. The Group is a leading satellite operator with capacity commercialised on 23 satellites providing coverage over the entire European continent, as well as the Middle East, Africa, India and significant parts of Asia and the Americas. The Group is one of the world's three leading satellite operators in terms of revenues. Its satellites are used for broadcasting more than 2,100 TV and 970 radio stations to more than 120 million cable and satellite homes. The Group also provides TV contribution services, corporate networks, mobile positioning and communications, Internet backbone connectivity and broadband access for terrestrial, maritime and inflight applications. Eutelsat Communications is headquartered in Paris, and the Group's workforce comprises over 480 from 27 countries.

www.eutelsat.com

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About Alcatel Alenia Space

Alcatel Alenia Space is the European leader in satellite systems, at the forefront of orbit infrastructures. Created in July 2005, the company brings together the vast experience and know-how of Alcatel Space and Alenia Spazio to form a new leading force in European space technology. Alcatel Alenia Space represents a worldwide standard for space development that impacts everybody's future: from navigation to telecommunications, from meteorology to environmental monitoring, from defense to science and observation. Alcatel Alenia Space is an affiliate of Alcatel (Paris: CGEP.PA and NYSE: ALA) (67%) and Finmeccanica (Milan:SIFI.MI, FNC.IM) (33%).

About Alcatel

Alcatel provides communications solutions to telecommunication carriers, Internet service providers and enterprises for delivery of voice, data and video applications to their customers or employees. Alcatel brings its leading position in fixed and mobile broadband networks, applications and services, to help its partners and customers build a user-centric broadband world. With sales of EURO 13.1 billion and 58,000 employees in 2005, Alcatel operates in more than 130 countries. For more information, visit Alcatel on the Internet:

<http://www.alcatel.com>

About Alcatel's "Unlimited Mobile TV" solution

The goal of Alcatel's "Unlimited Mobile TV" solution is to make television available on mobile phones throughout rural and urban areas, including indoors, with a wide range of programming options and excellent image quality, regardless of the number of viewers simultaneously watching the same program. This universal coverage is possible thanks to the unique combination of country-wide satellite coverage and terrestrial mobile networks for dense city coverage and interactivity. This innovative solution uses an evolution of the DVB-H standard in the S band, a telecom frequency band around 2.2 GHz associated with satellite usage, which is adjacent to the 3G/UMTS band and widely available across continents.

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