

Eutelsat Communications



Full Year 2008-2009 Presentation

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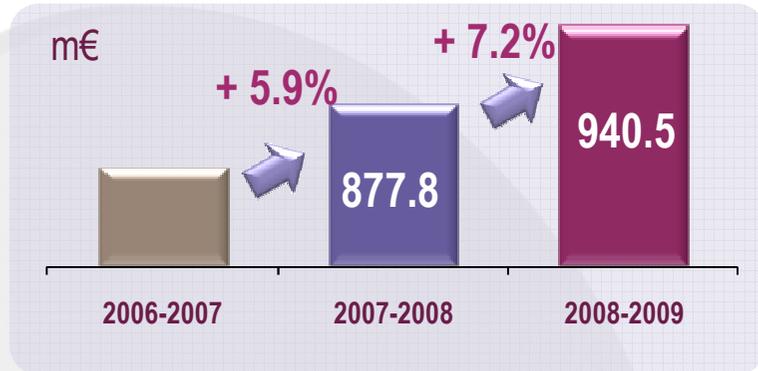
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Agenda

- 1. FY 08-09 overview**
- 2. Long-term strategy leveraging key assets of the Group**
- 3. Growth across all activities**
- 4. Another year of strong financial performance**
- 5. Fully equipped to ensure long-term profitable growth**

FY 08-09: Excellent Key Numbers



- ▶ **Strong commercial performance**
 - > All activities showing growth
 - > 3 191 TV channels and interactive services, of which 86 HDTV channels



- ▶ **EBITDA*: +46.4m€ increase**
 - > EBITDA margin of 78.9%
 - > N°1 among leading satellite operators



- ▶ **Net Income Group share representing**
 - > 26.3% of revenue



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A long-term vision combining growth and profitability

Maximising Revenue by Transponder

Ensuring Long-term Growth

Video Applications
Through
Hot Neighbourhoods

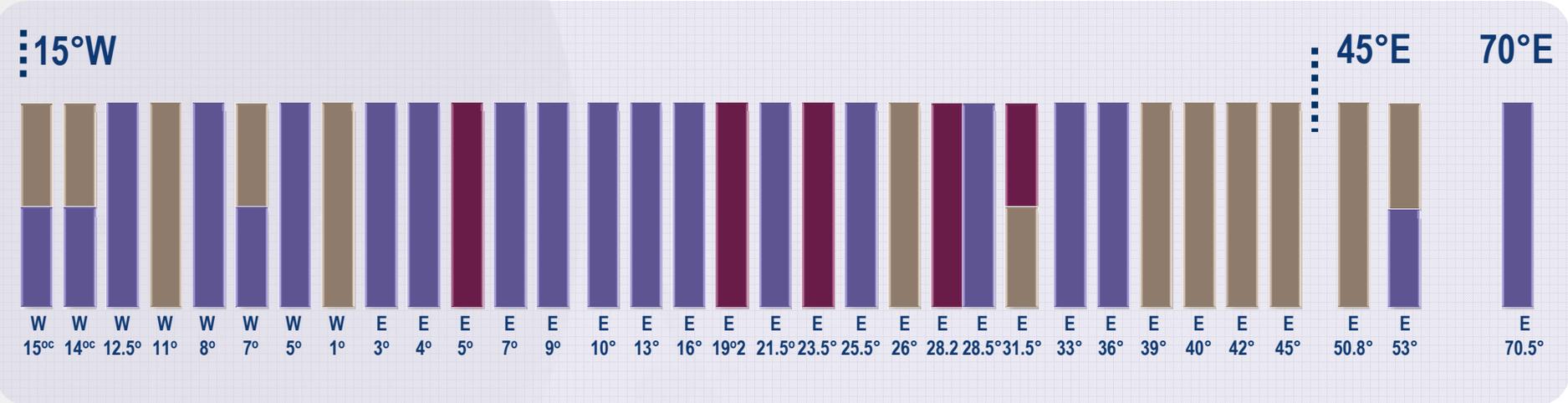
**Value Added
Services**

Innovation
(consumer broadband,
info mobility, 3D)

**New frequency
resources,**
(Ka & S band)

Access to unique portfolio of orbital slots

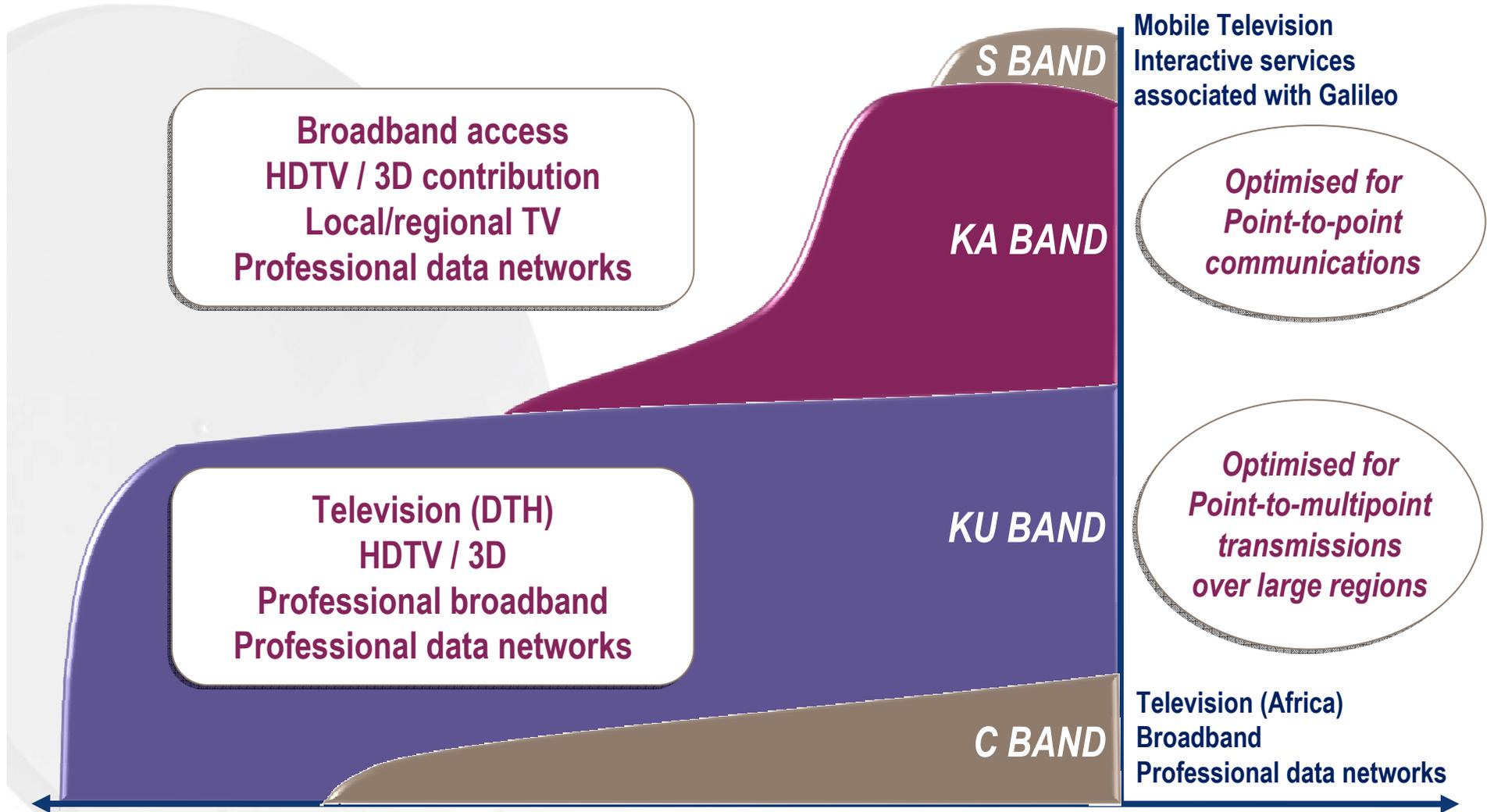
20 slots in operation to sustain solid growth opportunities
 Successful development of 9°East and 7°West



- Eutelsat slots in operations
- SES slots operations in Ku
- Other operators in Ku (Intelsat/Arabsat/Hellasat/Turksat/RSCC, etc..)



Accessing additional resources to capture new growth opportunities



Video strategy addressing growth drivers

*Digital TV & Managed
Video Services*

HDTV

3D

HOT BIRD™

**Cascading satellites and
migrating TV channels to
develop new video
neighbourhoods**

**Transforming video
positions
Into “Hot Spots”
over target regions**

Consolidating our leading video neighbourhoods over EMEA

HOT BIRD™

13°E
N°1 for TV in Europe with over 1,000 channels

Serving 123 million homes

Cascading satellites and channels to strengthen video neighbourhoods

- ▶ EUROBIRD™ 9A (ex HB7A)
@ 9°E: + 18 Tpx
- ▶ EUROBIRD™ 16 (ex AB4)
@ 16°E: +15 Tpx
- ▶ ATLANTIC BIRD™ 4A (ex HB10)
@ 7°W: +11 Tpx

Developing regional hot spots

- ▶ 9° E 245 TV ↗ 96%
Europe
- ▶ 16° E 376 TV ↗ 7.4%
Central Europe, Indian Ocean islands
- ▶ 36° E 451 TV ↗ 15.3%
Russia, Africa
- ▶ 7° W 235 TV ↗ 34.1%
Middle East, North Africa

N°1 in EMEA region: 3,191 channels of which 86 HDTV

Value Added Services to enter into new applications

2003
D-STAR
*Professional
Broadband*

2008
TOOWAY™
Consumer Broadband

Beyond 2009
Triple Play Services
Info Mobility (S-Band)

**Using existing
Ku satellites**

Multibeam satellites
in Ku (EUROBIRD™ 3)
& Ka (HOT BIRD™ 6)

ViaSat technology

KA-SAT
**Ground network &
multibeam coverage**

Solaris Mobile

Expanding from professional to consumer value added services

D-STAR *Professional broadband*

- ▶ For professionals in regions with low terrestrial network
- ▶ D-STAR terminals up by 11% to 9,914
- ▶ Driven by Africa and Middle East

Tooway™ *Consumer broadband*

- ▶ Partnerships with 46 distributors in 22 countries
 - ▶ Selected by Swisscom, Fastweb (Italy), Hellas On Line (Greece), El Cortes Ingles (Spain), SBI/3 (Ireland), Telecom Italia (Italy)
- ▶ Response to government programmes for universal broadband access

New frequency band

- ### **KA- BAND**
- ▶ Consumer broadband
 - ▶ Local and regional TV
 - ▶ Corporate networks
 - ▶ Over 100 m€ revenues by 2013-14

- ### **S-BAND**
- ▶ Info Mobility
 - ▶ Exclusive access to 50% of S- band over EU
 - ▶ Complement GPS / Galileo

Unique infrastructure for the digital economy

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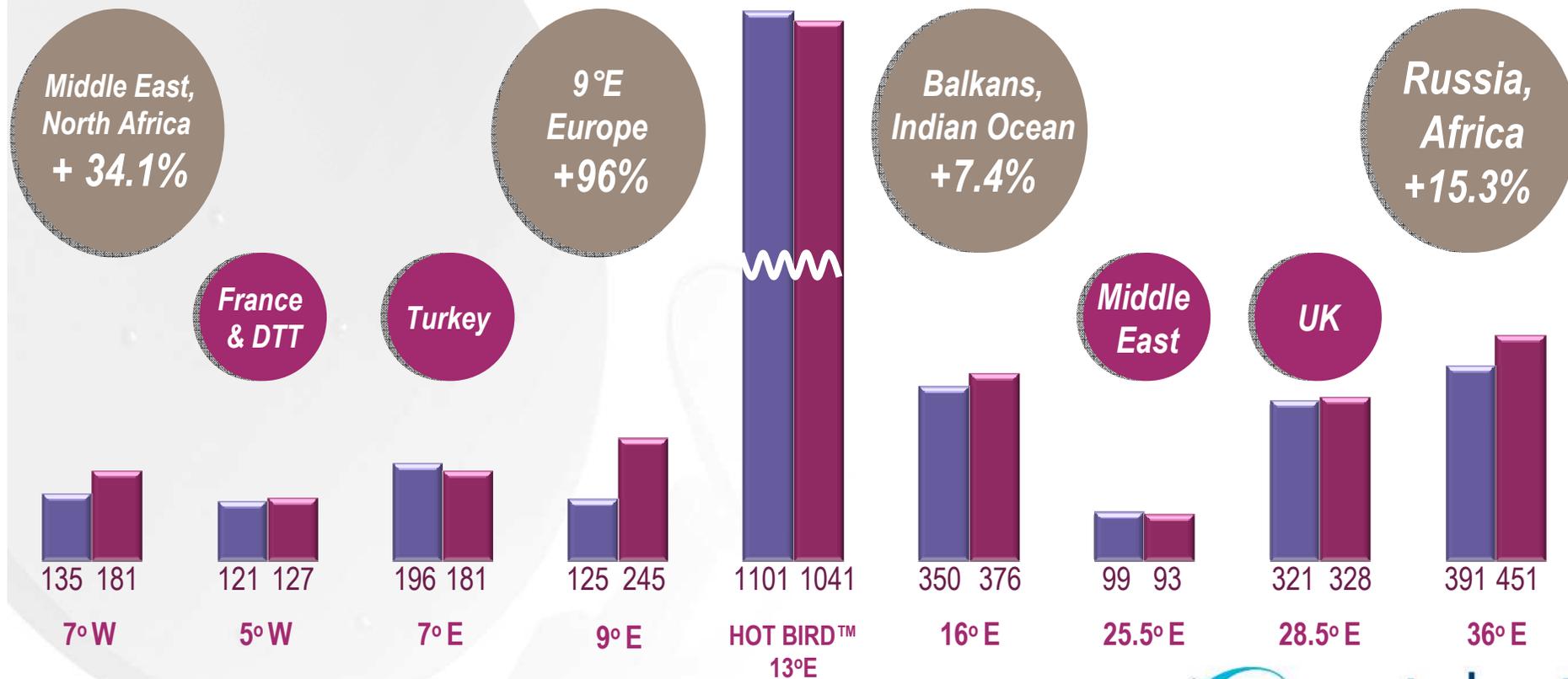
Steady growth of Video Applications +4.7%

- ▶ New capacities in service during H2 FY08-09
- ▶ Solid demand from Second Continent
- ▶ Price increase effect at the HOT BIRD™ position
- ▶ Sharp increase of HDTV to 86 channels (+75%)
- ▶ Strengthening the attractiveness of video neighbourhoods with a total audience of 190 million homes (+10% over 2 years)



N°1 in EMEA with 9 video neighbourhoods

- ➔ Ongoing take-up of DTH over Second Continent
- ➔ Significant take-up of HDTV across all regions : + 75% with 86 HDTV
- ➔ Success of HOT BIRD™ Twin position @9°East



As of June 30, 2009 vs June 30, 2008

TV channels by orbital position

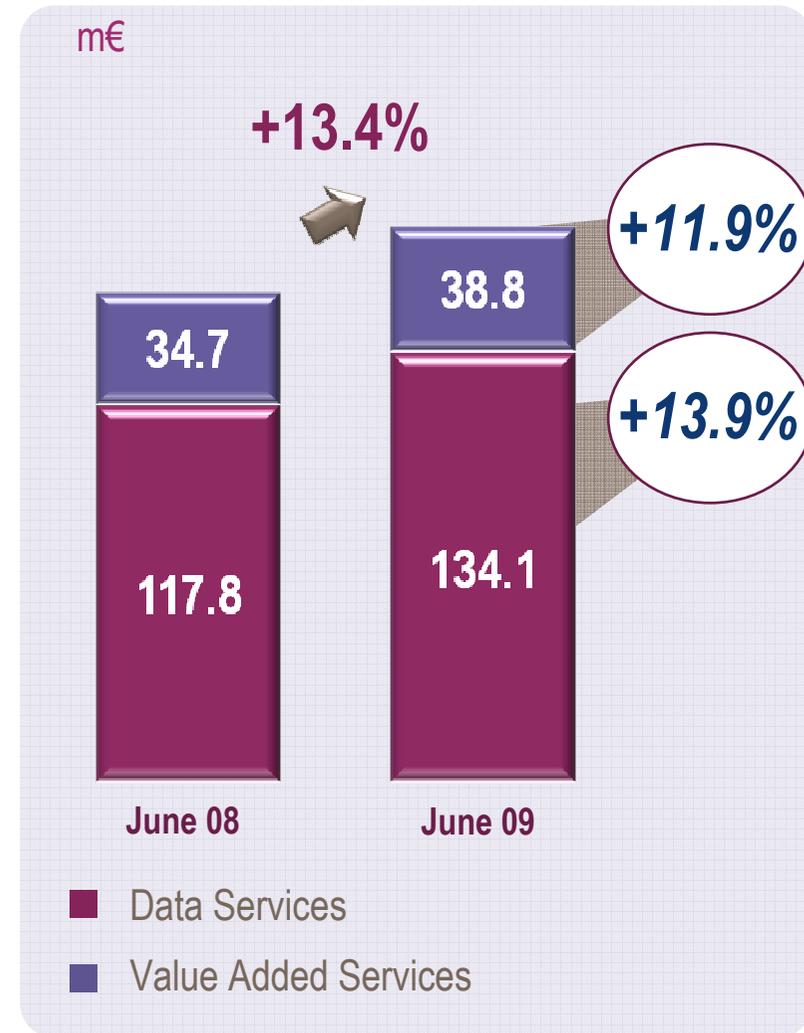
Robust expansion of Data and Value-Added Services

► Data Services

- > Strong demand to interconnect Europe, Africa, Middle East, Central Asia
- > Corporate networks, IP backbone, GSM backhaul

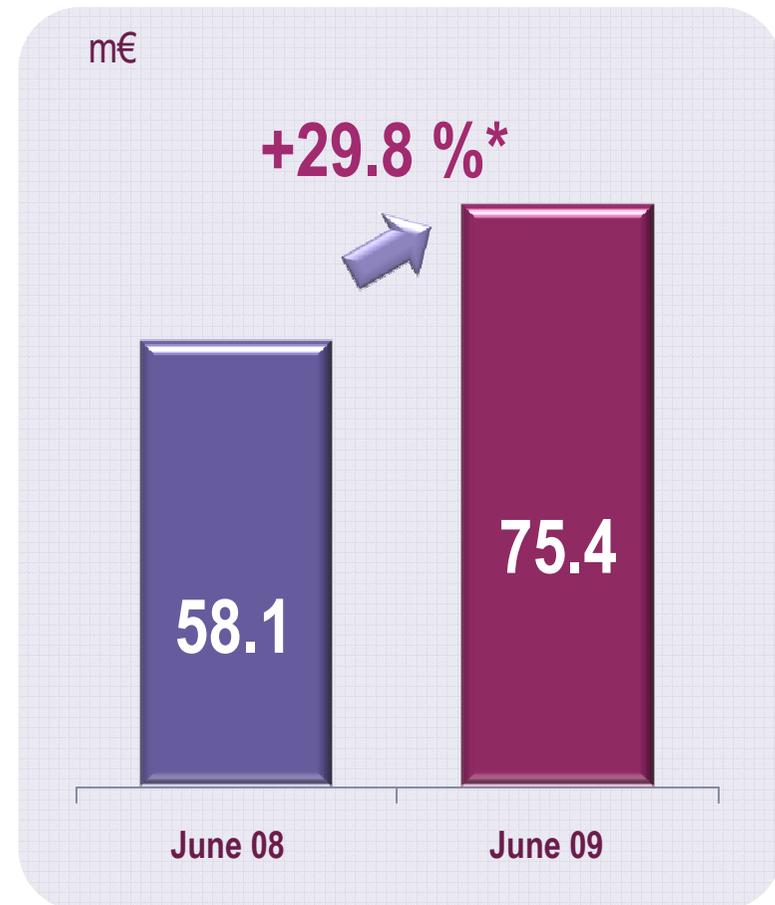
► Value-Added Services

- > Driven by enterprises in emerging markets
- > Progressive roll out of TOOWAY™ consumer broadband service now distributed by over 40 partners in Europe
- > Mobility: SNCF's satellite-based Internet access service to be deployed on its fleet of 52 TGV East high-speed trains



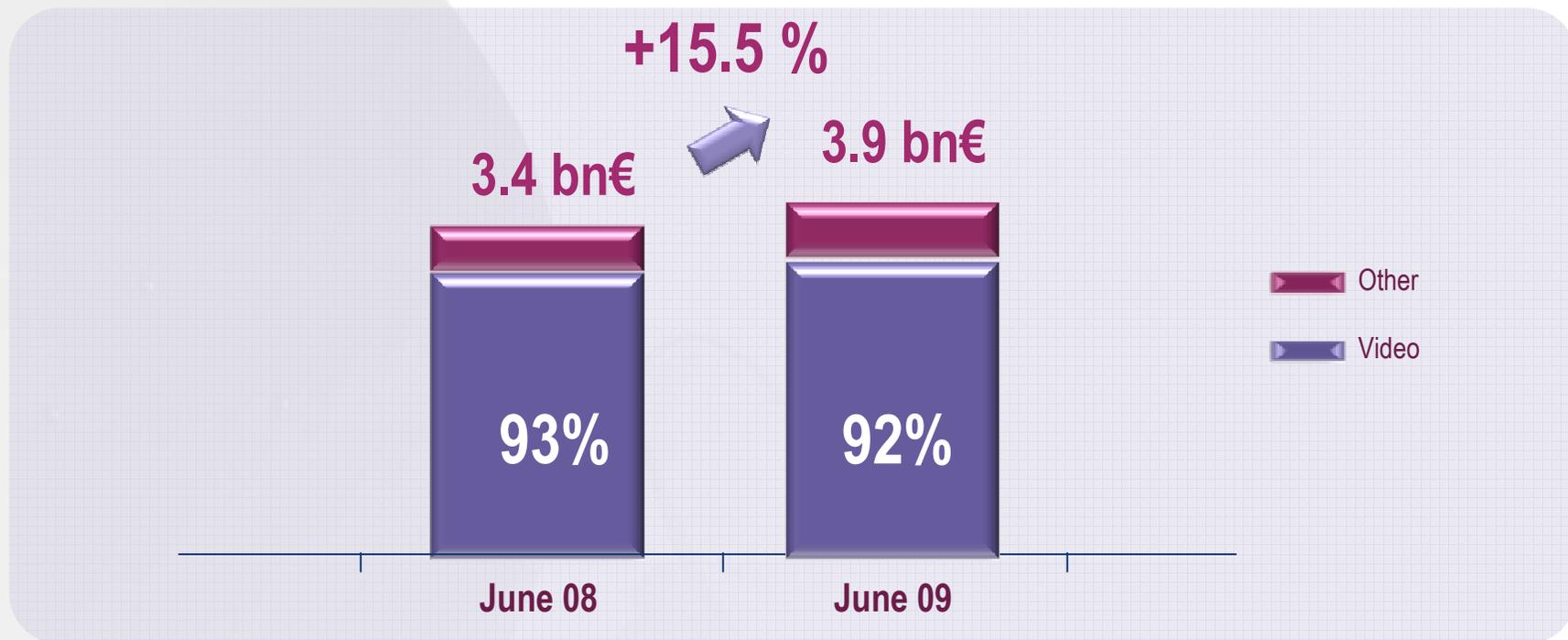
Multiusage: significant growth

- ▶ Conclusion of new contracts and renewal at higher prices
- ▶ Appreciation of the US dollar against the euro



Backlog up by 15.5% to more than 3.9 Bn€

Increased visibility provided by backlog:
Weighted average residual life of contracts: 7.8 years



- ▶ New and renewed contracts
- ▶ Exceptional long-term visibility on revenues and cash flows

Improved operational flexibility

Fill rate down to 88.8%

Fill rate

+55 transponders leased

■ Operating transponders
■ Leased transponders



► In-orbit resources substantially increased in H2

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All financial metrics up

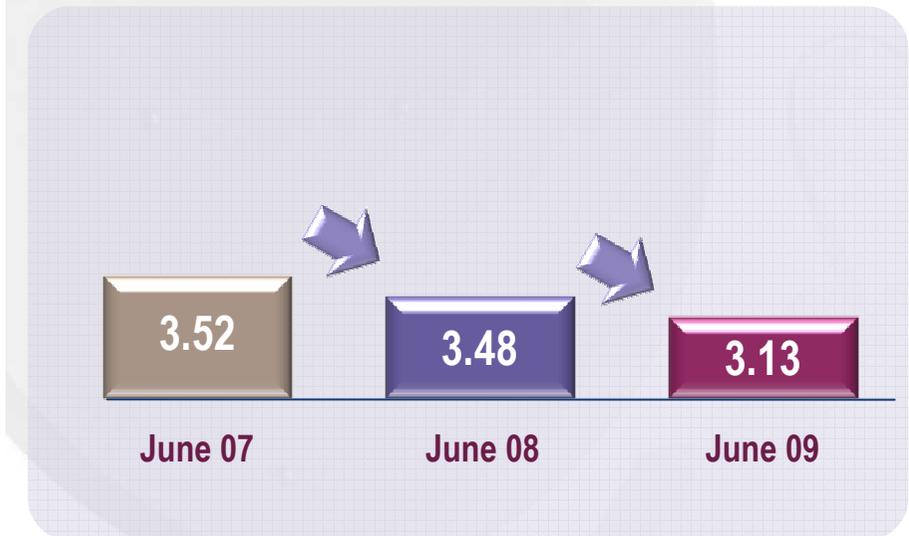
Condensed income statement, in m€	FY 2007-2008	FY 2008-2009	Change%	
Revenues	877.8	940.5	+7.2%	
EBITDA*	695.7	742.1	+6.7%	▶ Cost evolution: ▶ Increase of commercial activity ▶ Increase of professional tax
Operating income	378.8	471.6	+24.5%	▶ Include 25m€ income for the sale of some rights in Hispasat ▶ End of depreciation of a satellite
Financial income	(109.1)	(99.6)	-8.7%	▶ Increase of capitalised cost linked to investment
Income from equity investments	11.2	15.9	+42.5%	▶ Improved operating performance of Hispasat
Income tax	(97.5)	(128)	+31.3%	▶ At French normalised tax rate: 34.4%
Minority interests	(11.1)	(12.6)	+13.1%	▶ Reflects the operating performance of Eutelsat SA
Group share of net income	172.3	247.3	+43.6%	▶ Dramatic increase



Financial structure strengthened

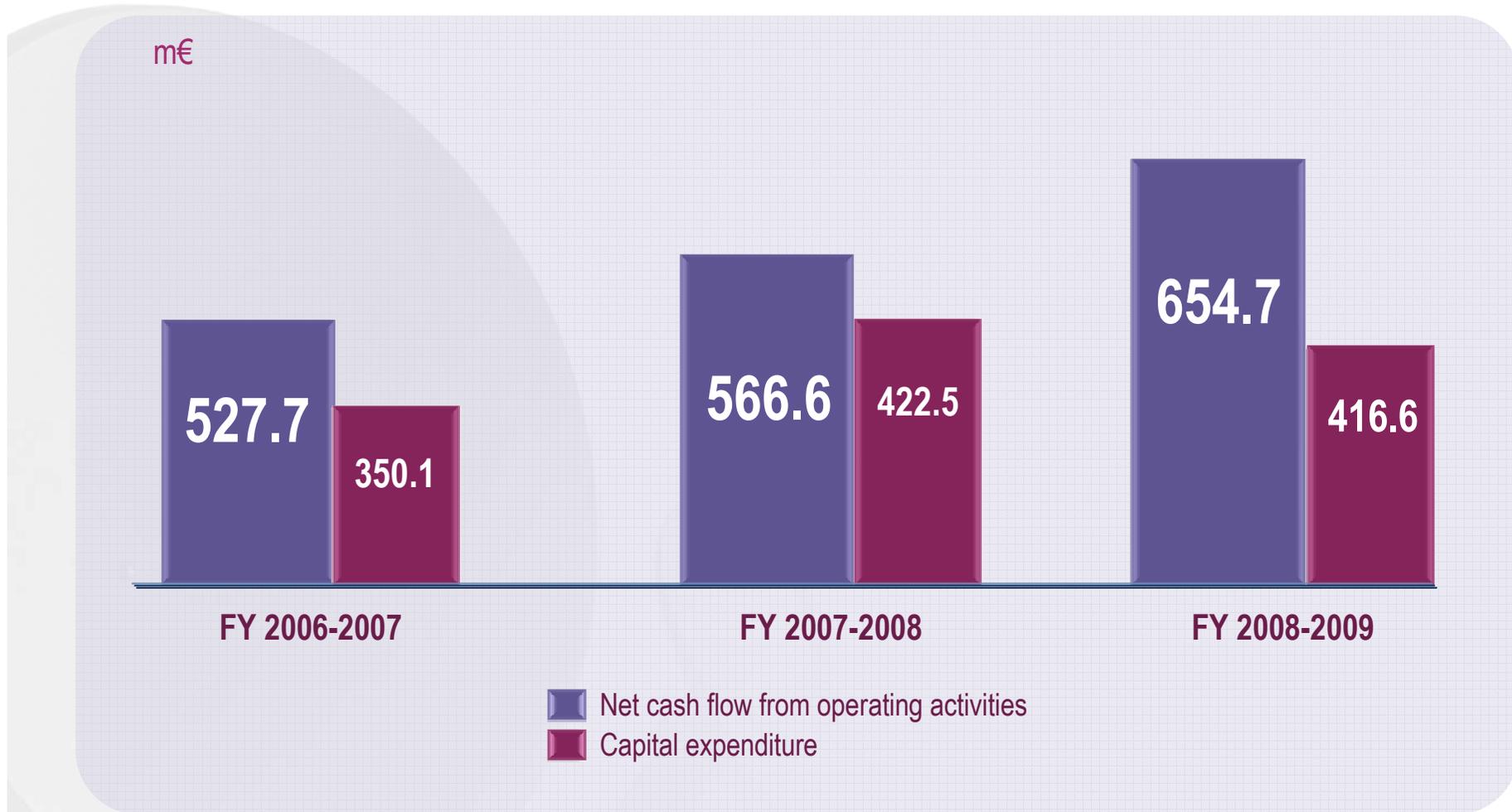


- ▶ Continued strong net operating cash flow generation
 - ▶ Includes 25m€ income for the sale of some rights in Hispasat
 - ▶ Includes 21.6m€ of tax reimbursement



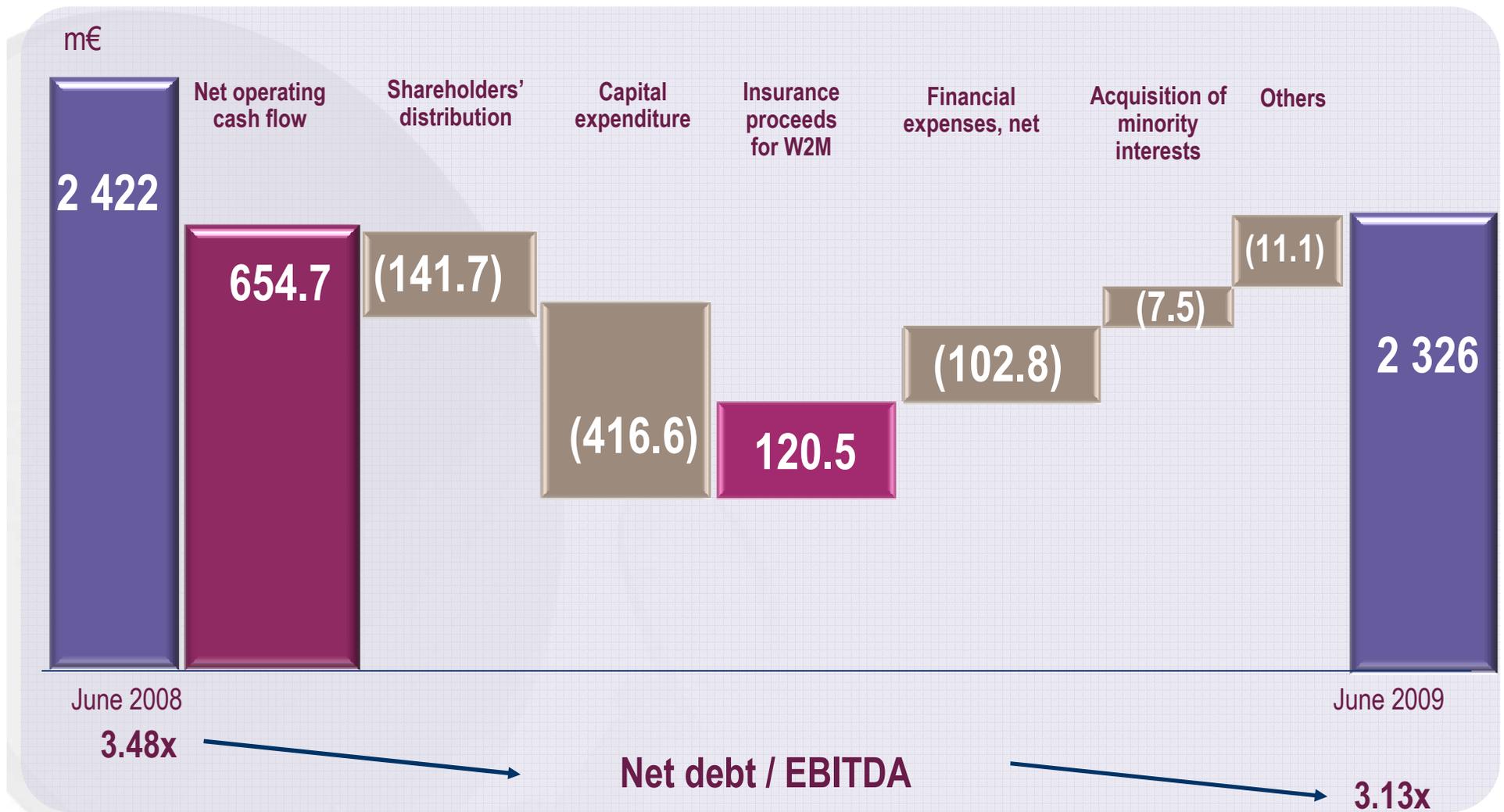
- ▶ Net debt to EBITDA down to 3.13x.

Substantial generation of net cash flow from operating activities exceeding capex requirements

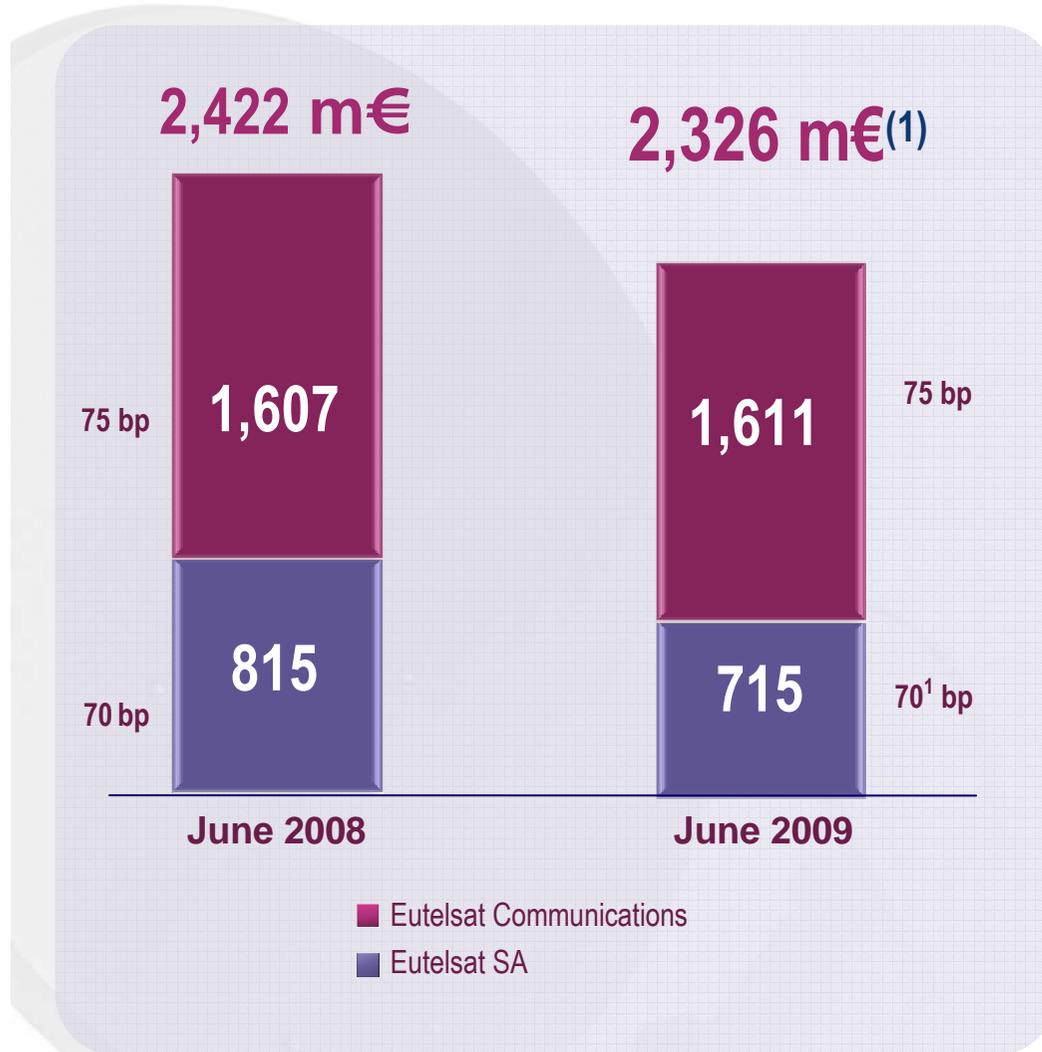


Net cash flow from operating activities consistently above 60% of revenues.
Capex entirely self-financed

Solid financial structure



Efficient debt structure



- ▶ Average cost of debt⁽²⁾: 4.15 %
- ▶ Interest rate hedging:
 - Eutelsat SA debt largely hedged until maturity in November 2011
 - Eutelsat Communications' drawn debt fully hedged until maturity in June 2013
- ▶ Undrawn credit facility: 750m€
- ▶ Average maturity: 3.2 years

1 Bank debt including liabilities from long-term lease agreements, net of cash

2 Net average cost of debt after hedging

Attractive distribution policy



Regular dividend growth

Pay out ratio of 58,6%

Proposed dividend of 0.66€ per share

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Significant achievements of the deployment plan



Eurobird 4 and Eurobird 9 are currently drifting . W2M is deployed at 3°E but not in commercial service

3 new satellites into operations and 5 satellites relocated
5 satellites to launch up to Dec. 2011 to expand and renew the fleet

Upward revision of objectives

Revenue

2009 - 2010: above 1Bn€
2009 - 2012: CAGR of 7%

EBITDA margin

2009 - 2010: >780m€
2009 - 2012: constantly in the range of 77%

CAPEX

2009 - 2012: 450 m€/year on average

Distribution

Between 50% and 75% of Group share of net result

In summary, Eutelsat is ...

- ▶ A key infrastructure in the digital economy (telecommunications, broadcasting and broadband)
- ▶ 30 years of uninterrupted growth
- ▶ The 3rd largest operator of Fixed Satellite Services worldwide
- ▶ The world N°1 in terms of profitability
- ▶ Structurally high operating cash flows



Eutelsat Communications



Annexes

Shareholder base

