EUTELSAT S.A.

€ 500,000,000 1.125 PER CENT BONDS DUE 23 June 2021

ISSUE PRICE: 99.894 PER CENT

The €500,000,000 aggregate principal amount 1.125 per cent. bonds due 23 June 2021 (the ***Bonds****, and each a* ***Bond****) of Eutelsat S.A. (the* ***Issuer****) will be issued outside the Republic of France on 23 June 2016 (the* ***Bond Issue****).*

Each Bond will bear interest on its principal amount at a fixed rate of 1.125 per cent. per annum from (and including) 23 June 2016 (the ***Issue Date****) to (but excluding) 23 June 2021, payable in Euro annually in arrears on 23 June of each year and commencing on 23 June 2017, as further described in "Terms and Conditions of the Bonds – Interest".*

Unless previously redeemed or purchased and cancelled in accordance with their terms and conditions, the Bonds will be redeemed at their principal amount on 23 June 2021 (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 "Terms and Conditions of the Bonds – Redemption and Purchase – Redemption for tax reasons".

The Bonds may also be redeemed (i) at the option of the Issuer, in whole or in part, at any time, prior to the Maturity Date, as further described in "Terms and Conditions of the Bonds — Redemption and Purchase — Make Whole Redemption by the Issuer", (ii) at any time prior to the Maturity Date, in whole (but not in part), at par plus accrued interest, if 80 per cent. of the initial aggregate principal amount of the Bonds have been redeemed or purchased and cancelled, as further described in "Terms and Conditions — Redemption and Purchase — Clean-Up Call Option" of the Terms and Conditions of the Bonds, and (iii) at the option of the Issuer at any time or from time to time, during a period of three months preceding the Maturity Date, in whole or in part, at par plus any accrued and unpaid interest accrued to, but excluding, the date fixed for redemption as further described in "Terms and Conditions of the Bonds – Redemption and Purchase – Residual Maturity Call Option".

The Bondholders may, under certain conditions, request the Issuer to redeem all or part of the Bonds following the occurrence of certain change of control events triggering a downgrading of the Bonds as further described in "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 "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 prospectuses 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, as amended. 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 depositary) 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 depositary 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 Baa3 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 (https://www.esma.europa.eu/supervision/credit-rating-agencies/risk) 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 ***U.S. Securities Act****), or an applicable exemption from registration. The Bonds have not been and will not be registered under the U.S. 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 U.S. 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.

Global Coordinator
Société Générale Corporate & Investment Banking

Joint Bookrunners

Société Générale Corporate & Investment Banking	**HSBC**
Banca IMI	**SMBC Nikko**

Co-Lead Manager
Helaba

Date: 21 June 2016

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RESPONSIBILITY STATEMENT

As of the date of this Prospectus, the Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained or incorporated by reference in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains 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 purpose 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 Managers (as defined under the section entitled "Subscription and Sale") have not verified the information contained in this Prospectus. The Managers do not make any representation, warranty or undertaking, express or implied, and no responsibility or liability is accepted by the Managers or any of their respective affiliates, as to the accuracy or completeness of the information contained, 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 Managers 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 Managers 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 any applicable law or regulations. The Managers 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 Managers 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 Managers 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 Managers 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 Managers 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 Managers 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 U.S. 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 U.S. 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, while references to "U.S. Dollar", "USD" and "$" are to the single currency of the United States of America.

In connection with the issue of the Bonds, Société Générale (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, internal surveys reviewed by the Issuer, 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 ensure 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 Managers 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 Managers nor the Issuer have independently verified this information and the Managers 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 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 four new satellites (EUTELSAT 172B, EUTELSAT 7C, EUTELSAT QUANTUM and African Broadband Satellite) before the end of calendar year 2019. These satellites are aimed at ensuring continuity of service provided by some existing satellites, increasing resources in certain orbital positions, consolidating the Group’s service offering and stepping up the level of security at certain orbital positions.

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

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 therefore have a significant negative impact on the Group’s business, financial situation, results and objectives.

The Group relies on a small number of launch service providers to launch its satellites. Access to space for satellite deployment according to the Group’s timetable is a crucial part of its satellite deployment plan and growth strategy.

The Group considers that the small number of launch service providers with the technical ability to launch satellites already ordered, as well as future satellites that have not yet been ordered, constitutes a constraint on its operating flexibility and could increase the cost of its launch programme within the projected timeframe.

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 relevant satellite 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.

In order to meet, as much as possible, the original timetable for its deployment plan and thereby reduce costs, the Group has diversified its launch service providers. The Group currently intends to use different launch service providers such as Arianespace, International Launch Services, and SpaceX.

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. 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 31 December 2015, future payments on satellite construction, launch and financing contracts amounted to €1,365 million. These future payments are spread over 16 years. The Group has also made commitments with other suppliers for the provision of services and acquisitions of fixed assets relating to the monitoring and control of satellites.

The satellites under procurement at the date of this Prospectus were procured from the following manufacturers: Airbus Defence and Space, Thales Alenia Space, Space Systems Loral Inc. and Boeing.

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

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

The Group is exposed to the risk that its suppliers may experience operational or financial difficulties.

In the event of a Group supplier being unable to fulfil its contractual commitments towards the Group within the agreed timeframe, the Group would be forced to reallocate the satellites concerned to other service providers and, in some cases, enter into new launch service contracts which might prove more costly. Such events could have a significant negative impact on the Group's business, financial situation and results.

The actual lives of the Group's satellites may be shorter than their estimated design lives.

Satellites are depreciated on a straight-line basis over their period of operation in stable orbit, which is between 7 to 22 years. In the event of changes in the expected fuel life of the satellite, in-orbit anomalites or other technical factors, its actual life may be shorter than its design life. Depreciation may be accelerated and the lifetime revenue generated reduced, leading to a reduction in the return on investment for the asset.

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

Satellites 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 (See "*Business Overview – Breakdowns and losses of equipment*" below), which could have a considerable 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.

Until 30 June 2015, the Group had an In-Orbit Life Insurance programme covering its satellites on the basis of their net book value. From 1 July 2015, the Group adapted its policy to take into account not only the net book value of the satellites but also the revenues generated by those with the highest contribution. 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, image losses or, to a certain extent, losses 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 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.

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

The Group might not be able to renew its In-Orbit Life Insurance plan on comparable terms. A deterioration in the In-Orbit Life Insurance market or an increase in insurance premiums could prompt the Group to reduce its coverage of partial losses or deemed total losses of the insured satellites, 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 covers the launch of its satellites through a "Launch-plus-one-year" insurance.

The Group might not be able to obtain this additional cover or launch insurance for the other satellites currently under construction, or for future satellites, on satisfactory terms. This situation could result 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 industry. This could have a significant negative impact on the Group's business, financial situation and results.

A substantial portion of the Group's revenues is generated by Government 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 (14% of the Group's revenues for the financial year ended 30 June 2015) in the Government Services market segment. This segment includes the direct or 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 great 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 Government Services segment. Any failure to obtain new contracts or any termination, non-renewal or renewal under less favourable terms of such 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 now, end-users have made up a growing percentage of the Group's customers. Furthermore, some distributors could ask the Group to take over end-user contracts. These customers could have less extensive financial resources than traditional distributor-customers, which could increase the risk of outstanding debts and thereby have a significant adverse impact on the Group's business, financial situation and results.

Moreover, the satellite capacity needs of end-user customers may be lower than the capacity 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 their 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.

Furthermore, distributors which resell resources to end-users might overestimate market demand and be unable to resell capacity they committed to. In this case they could either return capacity to the Group or resell this unused capacity to Group direct customers at lower prices. This could have a significant negative impact on the Group's business, financial situation and results.

In addition, the Group's 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. This business model, which is relatively new for the Group compared to heritage activities, does not rely on a backlog as other applications do and the success of the distribution model, especially in certain areas, still has to be validated. As of 31 March 2016, around 185,000 terminals were activated on the KA-SAT satellite, including terminals for small and medium-size companies.

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 more than 100 countries and could develop its activities in other countries. Consequently, the Group is exposed to geopolitical, economic or other risks inherent in the international nature of its commercial activities. In particular the Group has been impacted in recent months by a more difficult economic environment currently affecting certain Latin American countries, as three expansion satellites covering these regions (EUTELSAT 115 WEST B, EUTELSAT 117 West B and EUTELSAT 65 West A) have entered or are expected to enter into service between October 2015 and the end of the first half of Calendar year 2017.

Pricing, tax, regulatory and customs policies pertaining to the services provided by the Group, business practices in certain countries and 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 difficulties in recovering payment for clients' use of satellite capacity. In this respect, the standard contracts entered into with customers provide for the suspension or the interruption of services in the event of payment default.

The in-house credit management team of the financial department has exclusive responsibility for monitoring payments. In the event of a dispute, it contacts the legal department which handles any litigation with the support of specialised law firms.

The Group continued to be impacted by the economic environment in certain areas for certain applications. As a consequence, customers located in geographical areas deemed to be potentially the most exposed to the impact of the economic downturn are monitored closely.

As of 30 June 2015, the net book value of provisions for bad debt was €60.1 million (compared to €46.1 million as of 30 June 2014). Unrecoverable losses stood respectively at €4.7 million and €0.3 million as of 30 June 2015 and 30 June 2014.

Moreover, the Group considers that healthy receivables are not a material risk, customers located in geographical areas deemed to be potentially the most exposed to the impact of the economic crisis.

The Group might not be in a position to meet demand for satellite capacity at certain orbital positions.

Available satellite capacity is currently lower than demand in some frequency bands at certain orbital positions. 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 then lease additional satellite capacity from other operators and/or decide to terminate their allotment agreements with the Group and to transfer a part of or all the capacity they lease from the Group to other satellite operators that have capacity available, which could have a significant negative impact on the Group's business, financial position and results.

Furthermore, due to occasionally high satellite capacity utilisation rates, 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 last, 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.

As of the date of this Prospectus, the Group leases capacity on five satellites in stable orbit (Express-AM6, Express-AT1, Express-AT2, EUTELSAT 36C and ASTRA 2G) belonging to third parties, and which are or will be recognised as assets in its consolidated balance sheet (Express-AT2 started operations in July 2014). EUTELSAT 36C, Express-AM6, Express-AT1 and Express-AT2 by RSCC and ASTRA 2G by SES.

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 settled 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 Fixed Satellite Services (FSS) sector

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

The Group is faced with considerable competition from international, national and regional satellite operators. The Group's main competitors are other major international satellite operators, such as SES and Intelsat. These competitors offer 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. Increased 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.

In addition competition from High-Throughput Satellites or constellations targeting mostly data applications (16% of Group revenues for the financial year ended 30 June 2015) is expected to bring a significant amount of new capacity at a lower cost per Gigabit. This could lead to an oversupply situation and higher than expected pricing pressure for data applications and could have a significant negative impact on the Group's business, financial position and results.

The Group is also in competition with terrestrial network operators (cable, fibre optic, DSL, radio multiplex transmission and VHF/UHF transmission, especially digital) for many transmission services and Value-Added Services, particularly for broadband IP access but also for TV broadcasting services (ADSL TV, DTT). 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 prompt the Group's customers to opt for the telecommunications solutions offered by these operators, thereby making it more difficult for the Group to keep or develop its customer portfolio. Stiffer competition with terrestrial network operators could thus 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 and backlog from a limited number of customers including distributors, most of which are telecommunications operators. As of 30 June 2015, the Group's 10 largest customers represented 42.7% 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. This 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 used and revenues generated, particularly those located in emerging markets, could encounter or are encountering financial difficulties that are likely to result in late payments, unpaid debts, or bankruptcy, which could lead to termination of the relevant capacity agreements without the Group being able to replace the defaulting customers with new customers, which could have a significant negative impact on the Group's business, financial position and results.

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

For management and operational purposes, the Group relies on a number of key employees who have very specialised skills and extensive experience in their respective fields. If these employees were to leave, particularly those occupying commercial, technical and regulatory positions, the Group might have difficulty in replacing them. Moreover, the Group's business, characterised by continuously-evolving technology, requires the ability to constantly attract new, highly qualified employees. 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 change. 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 were to become 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 for 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.

The Group is subject to risks from legal proceedings.

The Group is involved in litigation in the ordinary course of business and could become involved in additional legal and arbitration disputes in the future which may involve substantial claims for damages or other payments. The outcome of currently pending or potential future proceedings is difficult to predict with any certainty. In the event of a negative outcome of any material legal or arbitration proceeding, whether based on a judgment, award or a settlement, the Group could be obliged to make substantial payments or lose the right to exploit certain key orbital positions or bandwidths. In addition, the cost related to litigation and arbitration proceedings may be significant. If any of these risks materializes, the Group's business, financial condition and results of operations could be materially adversely affected.

Changes in fiscal regulations and any tax audits of the Group could lead to additional tax liabilities.

Changes in tax laws could adversely affect the Group's tax position, including its effective tax rate or tax payments. In addition, European, French and other international tax laws and regulations are extremely complex and are subject to varying interpretations. The Group often relies on generally available interpretations of tax laws and regulations in the jurisdictions in which it operates. The Group cannot be certain that the relevant tax authorities are in agreement with its interpretation of these laws. If the Group's tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require it to pay taxes that it currently does not collect or pay or increase the costs of its services to track and collect such taxes, which could increase the Group's costs of operations and have a negative effect on its business, financial condition, results of operations and cash flow.

The Group is subject to routine tax audits by various local tax authorities. Such tax audits may result in additional tax and interest payments which would negatively affect the Group's financial condition and results of operations. See "*Recent Developments – Update on tax audit*" below.

Risks relating to the Group's strategic development

The Group's development is closely tied to the prospects for growth in future demand for satellite services, which might not materialise or which the Group might not be able to meet.

The Group's development depends among others on future demand for video applications, which is partly linked to the expected development of DTH (Direct-to-Home) broadcasting in emerging countries, high-definition television (HDTV) and satellite-based Internet access. Such 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 such 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.

The audio-visual industry is sensitive to variations in advertising budgets and consumer spending, which are in turn 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 global economic slowdown. The Group cannot guarantee that the audio-visual industry, which is an important part of its end-user base, will not be similarly affected by a sluggish world economy, resulting in weaker demand or additional pressure on prices. Such a downturn could have a significant negative impact on the Group's business, financial position and results.

A 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 causing increased pressure on prices. Such consolidation could have a significant negative impact on the Group's business, financial position and results.

The adoption of new technical broadcasting standards, which has resulted in and could continue to result in a higher signal compression rate, has reduced and could further reduce the demand for transponders for a given number of television channels. If the decline 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.

Another key component of the Group's strategy consists of developing Value-Added Services (especially IP access solutions). The success of this strategy will depend, in part, on continued growth in demand for broadband internet services which is not guaranteed and is not easily predictable. Demand for broadband internet services could decrease or experience slower growth than in the past 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 or offer competitive prices, especially in the event of any failure involving its KA-SAT programme.

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 its available capacity in the various frequency bands requested by customers. Availability is currently 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 price pressure could be high.

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 often lower than those seen in Europe. This competitive context could limit the Group's ability to penetrate these markets or be competitive within them. In particular, in recent years, the Group has significantly increased its exposure to the Latin American market, first with the acquisition of Satmex in January 2014 and, secondly with the launch of three expansion satellites covering these region (EUTELSAT 115 WEST B, EUTELSAT 117 West B and EUTELSAT 65 West A) which have entered or are expected to enter into service between October 2015 and the end of the first half of calendar year 2017.

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 involve a number of 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 (particularly those regarding 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 into these markets on 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 the KA-SAT satellite, launched in December 2010 and a complex network of terrestrial stations used for marketing different types of services and, particularly, satellite broadband internet access solutions to consumers across Europe.

In the financial year ended 30 June 2015, the Group developed the innovative software-defined "Eutelsat Quantum" class of satellites and ordered the first satellite in July 2015.

The development of these new activities depends greatly on the prospects 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 KA-SAT project and its new "Eutelsat Quantum" class of satellites, 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.

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

The Group has made and could make in the future, acquisitions. These acquisitions could be paid for in cash or in shares. Acquisitions may strain the Group's management and financial resources and involve a certain number of risks, which could have a significant negative impact on the Group's business, financial situation and results. Risks associated with acquisitions include the following:

- the Group may not find suitable acquisition candidates;
- the Group may not plan or manage an acquisition efficiently;
- the Group may face competition for acquisitions;
- the Group may incur substantial costs, delays or other operational or financial problems in integrating acquired businesses, in adapting the Group's services to the requirements of the local market of the acquired business and local business practices, and the ability to predict the Group's performance may be reduced if the Group has less experience in the market of the acquired business than in the markets in which it previously operated;
- increased investments may be needed in order to further grow by acquisition and in order to gradually enter new markets or strengthen the Group's position in existing markets;

- the Group may incur impairment charges or unforeseen liabilities, or encounter other difficulties with completed acquisitions;
- the Group may not be able to retain key personnel or the customer contracts of acquired businesses; and
- the Group may encounter unanticipated events, circumstances or legal liabilities related to the acquired businesses or the acquired customer base.

In addition, there can be no assurance that, following its integration into the Group, an acquired business will be able to maintain its customer base consistent with expectations or generate the expected margins or cash flows or achieve anticipated synergies or other expected benefits. Although the Group analyses each acquisition based on reasonable assessments, these assessments are subject to a number of assumptions and estimates concerning markets, profitability, growth, interest rates and valuations. There can be no assurance that the Group's assessments of and assumptions regarding acquisition candidates will prove to be correct, and actual developments may differ significantly from the Group's expectations.

Furthermore, acquisitions of companies expose the Group to the risk of unforeseen obligations to public authorities or to other parties with respect to employees, customers, suppliers and subcontractors of acquired businesses and real estate owned or leased by acquired businesses. Such obligations may have a material adverse effect on the Group's business, results of operations or financial condition.

The Group may also face risks in relation to any divestments it may undertake. Among the risks associated with such divestments, which could materially adversely affect the Group's business, results of operations and financial condition, are the following:

- divestments could result in losses or lower margins;
- divestments could result in impairments on goodwill and other intangible assets;
- divestments may result in the loss of qualified personnel; and
- the Group may encounter unanticipated events or delays and retain or incur legal liabilities related to the divested business with respect to employees, customers, suppliers, subcontractors, public authorities or other parties.

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 fixed, and management of the fund and the corresponding assets were assigned to a Trust, which was also charged with managing the associated pension liabilities.

As of 30 June 2015, the discounted value of the Trust's pension liabilities amounted to €231.8 million in Eutelsat Communications' consolidated financial statements, and the fair value of its assets was €153.6 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 involve the Group in new obligations as regards the financial guarantee, which could have a significant negative impact on the Group's business, financial position and results. 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 2014, the amount of guarantee being called upon was €2.5 million. This amount was measured on the basis of the Trust's projections, taking into account future market developments and will be paid in three settlements during the financial years ending 30 June 2014, 2015 and 2016.

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 managed effectively. 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 compared to its liabilities, and the Group would be compelled to pay the difference, which could be substantial.

The Group cannot predict with great certainty the amount it might have to pay if the guarantee were enforced. Any financing shortfall in the Closed Pension Fund could generate new obligations for the Group 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 manages liquidity risk.

As of 31 December 2015, available cash assets amounted to €550 million, in addition to €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 31 December 2015, the Group complied with all of the covenants on its various credit facilities. In particular, the net debt to EBITDA ratio stood at 2.67 as of 31 December 2015 (2.74 as of 31 December 2014). Net debt as defined in the credit facilities agreement is excluding intragroup loans, thus resulting in €3,009.1 million as of 31 December 2014 and €3,136.6 million as 31 December 2015.

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, bond issues, revolving credit lines and satellite lease contracts.

The Group's main maturities are March 2017 (€850 million), January 2019 (€800 million), January 2020 (€930 million) and October 2022 (€300 million) (see "*Information about the Issuer – Financial indebtedness of the Issuer prior to the issue of the Bonds*").

The Group has a high level of debt which may adversely affect the Issuer cash flow and its ability to operate its business, remain in compliance with debt covenants and make payments on its indebtedness.

The Group has a high level of debt (€3,324 million as at 30 June 2015, representing a ratio net debt to EBITDA of 2.9), which could make it difficult for the Group to meet commitments regarding its debt, limit the Group's ability to obtain loans or raise additional equity capital, increase the Group's vulnerability in an unfavourable economic or industry environment, limit flexibility in planning for and reacting to changes in its business and in the industry in which the Group operates and limit the Group's ability to make certain types of investments. If the Group does not have sufficient cash flow to service its debt, it may be required to refinance all or part of its existing debt, sell assets, borrow more money or sell securities, none of which it can guarantee it will be able to do.

All of the consequences relating to the Group's high debt level, including those mentioned above, could affect the Group's ability to meet its debt-related commitments, which could result in a significant negative impact on the Group's business, financial situation and results.

In order to service its debt, the Group will require substantial capital resources which it might not be in a position to raise.

The Group's ability to access the capital required depends on many factors, some of which are beyond its control. If the Group were not able to meet its debt-related obligations, it could be forced to refinance or restructure its debt. The Group's ability to restructure or refinance its debt would depend on different factors, some of which are beyond its control. Any refinancing of its debt could be done under less favourable terms, which could restrict the Group's operational and financial flexibility. If the Group is unable to service its debt or refinance under financially-acceptable terms, this could have a significant adverse impact on its business, financial situation and results.

Moreover, the Group's ability to implement its strategy and generate cash flow depends on economic, financial, competitive, legal, regulatory, commercial and other factors, which are outside its control and which will determine its future performance. If the Group's operating cash flow is not sufficient to cover its investment expenditure and debt servicing, it could be forced to postpone or reduce investments, sell assets, relinquish commercial opportunities or opportunities for external growth (including acquisitions), obtain loans or additional equity, or restructure or refinance all or part of its debt. The Group might not be in a position to perform any of these transactions or succeed in performing them in the time required or on satisfactory economic terms, which could have a significant negative impact on its business, financial situation and results.

A change in the Group's debt rating could affect the cost and terms of its debt as well as its ability to raise financing.

The Group's debt instruments are rated by independent rating agencies, namely (i) Moody's Investor Service (with the Eutelsat Communications S.A.'s debt rated Ba1/Stable Outlook and Eutelsat S.A.'s debt rated Baa3/Stable Outlook) and (ii) Standard & Poor's (with Eutelsat Communications S.A.'s debt rated BBB-/ Stable Outlook and Eutelsat S.A.'s debt rated BBB/Stable Outlook). These ratings affect the cost and terms of certain of the Group's credit facilities. Any future rating downgrades, should they occur, could affect the Group's ability to obtain financing and the terms associated with that financing.

The Group cannot guarantee that it will be able to take measures enabling it to improve or maintain its ratings, nor that agencies will regard such measures as sufficient. Additionally, factors beyond the Group's control, such as those related to its industry segment or the geographical areas in which it operates, may affect its credit ratings.

Consequently, the Group cannot guarantee that its debt rating will not be downgraded in the future, which could have a significant negative impact on its business, financial situation and results.

Regulatory risks

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

Eutelsat S.A. by-laws 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 of Eutelsat IGO under the Arrangement 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 audio-visual services in compliance 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.

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.

Moreover, to facilitate reporting to Eutelsat IGO on Eutelsat Communications' operations, the Executive Secretary of Eutelsat IGO attends meetings of the Eutelsat S.A. Board of Directors and, since the IPO of Eutelsat Communications, has attended meetings of the latter's 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. As a result, 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) "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, priorities for these assignments and for third parties involved in the coordination could mean that coordination restricts the Group's ability 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 timeframes 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 one of two special regulations. If any State decides to exercise their rights under these systems, or if these special regimes are 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 the 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 governed by 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 maintain its existing frequency assignments at the orbital positions at which it operates its satellites 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. Being strictly applied, 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 the cost 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. 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 be used at present 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 those relating to broadcasting (content broadcast) and earth stations. Compliance with these new regulatory requirements could involve considerable investment 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.

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 French Space Operations Act (the Act) governing space operations was published in France's Journal officiel on 4 June 2008. This legislation is the direct result of France's international obligations, imposed by various UN treaties including:

– the 1967 Treaty on principles governing the activities of States in the exploration and use of outer space, including the moon and other celestial bodies; and

– the 1972 Convention on international liability for damage caused by space objects.

Two application decrees were published on 10 June 2009. Of the two, the Group is mainly affected by Decree No. 2009-643 relating to authorisations. This decree stipulates that the system will come into force one year after the publication of the relevant technical regulations and, at the latest, 18 months after publication of the decrees. The technical regulations were published by decree on 31 May 2011 and the system has thus been in force since 10 December 2010.

The Act creates an authorisation regime for space operations that may trigger France's international liability, namely the launch of a space object from France and, for a French operator, the launch of a space object from France or abroad, the control of a space object in outer space or the transfer of control of a space object that has already been authorised. These authorisations are granted by the Minister for Space within a period of four months, which may be extended by two months if there is a valid reason.

The Act also creates a licensing regime for operators involving certain guarantees. There are three levels of licence: licences attesting only the respect of moral, financial and professional guarantees; licences that, in addition, require that systems and procedures comply with the technical regulations, and licences that grant authorisation for certain operations, in which case there is only a case-by-case reporting requirement. In the first and second levels, case-by-case authorisation remains necessary for each operation, but will take less time to obtain than with the old procedure. The third level of licences only exists for in-orbit control operations, and will not cover launch operations, which remain subject to a system of case-by-case authorisations.

The Act also requires insurance (or equivalent financial guarantee) throughout the space operation. Nevertheless, the decree relating to authorisations states that the Minister for Space may waive this obligation for an operator during the station-keeping phase of a geostationary satellite if it can produce a document confirming its solvency.

If, as a result of an operation authorised under this Act, any operator is required to compensate a third party for damage caused by a space object during and/or after launch, the operator may benefit from a State guarantee for amounts exceeding the ceiling set out in the authorisation and enshrined by the applicable finance law. As things currently stand, the ceiling is between €50 million and €70 million as laid down by Article 119 of Law No. 2008-1443 of 30 December 2008 rectifying finances for 2008. However, the operator will not be able to claim in the event of intentional fault, and will only be able to claim if the operation is conducted from France or any EU or EEA (European economic area) country or using resources or facilities under the jurisdiction of any such country. Furthermore, during the orbital control phase, the guarantee will only apply if the damage is caused on the ground or in the airspace.

Therefore, the application of the Space Operations Act could therefore have a significant negative impact on the Group's business, financial situations 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 provide 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 the protection of minors and the avoidance of incitement to hatred or violence on grounds of race, sex, religion, habits or nationality.

As a French satellite operator, the Group could be given formal notice to cease broadcasting of a television channel from outside the European Union if the channel's content does not comply with French laws and regulations or if it is likely to damage public order. However, the Group might not be technically able to cease the broadcast 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 apply for compensation, which could have a significant negative impact on the Group's business, financial situation and results.

Any competent regulatory authority in Europe could issue an order to interrupt broadcasting of new non-European channels. As a result, if at any time, governmental or judicial decisions prevent the Group from delivering its transmission services, it could find it more and more difficult to pursue its policy of long-term contracts for the transmission of television channels with non-French customers, thereby encouraging some of its customers to use the services of competing operators, which would have a negative impact on the Group's business, financial situation and results.

This risk can vary from one member state to another, with certain legislations adopting more flexible policies within the limits authorised by the community framework, and each regulator adopting its own interpretation of adherence to the principles.

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 the designated national regulator within the European Union. The position of one or another of the appropriate European regulators may, moreover, change and become entrenched over time, and this can neither be predicted nor prevented.

Finally the "Audiovisual Media Services" directive is due to be revised in 2016. Any changes, subsequently implemented within national legislations, could relate to the subsidiary criteria of determination of competence for non-European channels broadcast via satellite, as well as revisiting the principle of the country of origin. Should these revisions lead to the adoption of non-operational criteria to determine the competent regulator, or to a more fragmented regulatory environment, they could have an adverse effect on the financial condition and the results of the Group. Nevertheless, Eutelsat is consulted on such matters by the group of European regulators (ERGA), and has already had the opportunity to formulate propositions aimed at clarifying and simplifying the application of subsidiary principles, while at the same time protecting its activities from a for adverse future regulatory environment.

The Group is subject to other regulations applying to the channels it broadcasts

Some channels broadcast by the Group could be explicitly addressed by United Nations resolutions transposed via European Union regulations, introducing restrictive measures against some entities, or citing them directly in European regulations. These European regulations are directly applicable to the Group, which must ensure that none of the listed channels are broadcast using its satellites.

Considering the number of channels broadcast by the Group, and the absence of direct contractual links with television channels, the risk of transmitting channels covered by such regulations is real, representing a potentially significant negative impact on the Group's business, financial situation, and results.

The Group is exposed to market risks, principally in terms of currency and interest rates

The Group is exposed to market risks, principally in terms of currency and interest rates, and the Executive Board actively manages this risk exposure using various derivative instruments. The goal is, where appropriate, to reduce revenue and cash flow fluctuations arising from interest-rate and foreign exchange rate variations.

The Group's policy is to use financial derivative instruments to manage such exposure. These instruments are traded over-the-counter with first-rate banking counterparts. The Group does not engage in financial transactions whose associated risk cannot be quantified at their outset, i.e. the Group never sells assets it does not possess or does not know it will subsequently possess.

Foreign exchange risk

The euro is the currency used by the Group to draw up its financial statements. However, since a portion of the Group's activities is carried out outside the eurozone and as some of its principal suppliers are located outside the eurozone, the Group must contend with the risk of fluctuations in foreign exchange rates when conducting its business.

Some of the Group's revenue, costs and investments are denominated in other currencies, mainly the U.S. dollar, which represented 31% of revenues in the financial year ended 30 June 2015. As a result, fluctuations in exchange rates may have an impact on the Group's results.

Moreover, considering that the development of the Group's business outside the eurozone is a key component of its business strategy, its exposure to exchange rate fluctuations could increase in the future. This geographical expansion could notably result in an increase in EUR/USD exchange rate risks.

The Group is also exposed to EUR/USD exchange rate risks because some purchases of satellites and launch services are denominated in U.S. dollars. These contracts involve significant amounts, generally in excess of $50 million, whose payment may be phased over time. As of 30 June 2015, the Group owed phased payments totalling $132 million during the financial year 2015-2016, mainly regarding five contracts in U.S. dollars.

Fluctuating exchange rates could lead to an increase in the price of the Group's capacity and services when paid in currencies other than the euro. These fluctuations could then reduce demand from customers paying in currencies other than the euro. Even if there is no change in demand, fluctuations in the exchange rate could have an impact on the Group's revenues because a portion of its revenues is in currencies other than the euro.

In order to hedge the risks of fluctuating foreign exchange rates, the Group carries out synthetic forward sales of U.S. dollars and euros with knock-in options which are exercised or not, depending on the exchange rates on their expiry date. The Group does not automatically hedge all of its contracts denominated in U.S. dollars.

Moreover, the Group's clients located in emerging countries may encounter difficulties in obtaining euros or U.S. dollars, especially because of currency controls or may face a strong decrease of the euro-equivalent of revenues generated in local currency. This could significantly affect their ability to pay in euros or in U.S. dollars, thereby exposing the Group to additional exchange rate risks.

In fiscal year ended 30 June 2015, the general economic environment in Russia, and in particular the sharp fall in the value of the rouble has put pressure on Eutelsat's Russian customers with euro-denominated contracts. For these reasons Eutelsat accepted to renegociate with its Russian clients with the aim of alleviating some contract term. For fiscal year ended 30 June 2015, the impact on revenues was around €2 million.

Finally, during the financial year ended 30 June 2014 the Group acquired Satélites Mexicanos, whose accounts are expressed in U.S. dollars. EUR/USD exchange-rate variations could therefore generate a translation risk when the Group consolidates the accounts of this subsidiary.

In order to hedge the translation risk, the hedging policy of the Group consists in creating liabilities denominated in the currency of the cash-flows generated by these assets. Among the hedging instruments used, The Group also uses currency derivatives (cross-currency swaps), documented as hedges of net investments in foreign operations.

The Group put in place foreign exchange rate swaps for a notional amount of €500 million in order to hedge its net investment in Satmex.

Considering its exposure to foreign-currency risk, the Group believes that a 15-cent increase in the euro/U.S. dollar exchange rate would have no significant impact on Group income and would result in a negative change in Group OCI (operating companies income) amounting to €(265.3) million and a change of €100.0 million in Group translation reserve related to cross-currency swap.

Interest rate risk

The Group manages its exposure to interest rate volatility by maintaining a portion of its debt at fixed rates (Eutelsat S.A. bond issues) and by hedging most of its floating-rate credit lines.

Although the Group has a pro-active interest-rate risk management policy, a substantial increase in interest rates could have a negative impact on its business, financial situation and results.

Counterparty risk

Counterparty risk includes issuer risk, execution risk in connection with derivatives or monetary instruments, and credit risk regarding liquidity and forward investments. The Group minimises its exposure to issuer risk and its exposure to execution and credit risk by acquiring financial products from first-rate financial institutions or banks. Exposure to these risks is closely monitored and maintained within predetermined limits. As of 30 June 2015, the Eutelsat Communications banking syndicate comprised eight lenders with Eutelsat S.A.'s banking syndicate comprising six banks.

If any of the lenders default on the term loan portion of the credit facilities, the Group retains the amounts initially allocated in full. If any counterparty defaults on the revolving part of a credit facility, the amount obtained may be less than the total amount requested. In this case, the Group has the possibility of drawing one or more additional amounts from the other counterparties in order to obtain the extra sums needed to make up the total amount required.

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:

- 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;

- 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;

- 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 the Euro;

- understand thoroughly the terms of the Bonds and be familiar with the behaviour of the financial markets and any relevant indices;

- 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

- consult its own advisers as to legal, tax and related aspects of an investment in the Bonds.

Potential Conflicts of Interest

Certain of the Managers, the Calculation Agent and their respective affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may have performed (or may in the future perform) services for, or may have provided (or may in the future provide) financing to, the Issuer and its subsidiaries in the ordinary course of business.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or the Issuer's affiliates or any entity related to the Bonds. Certain of the Managers and their affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to the Issuer consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the Issuer's securities, including potentially the Bonds offered hereby. Any such short positions could adversely affect future trading prices of the Bonds offered hereby. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. For the avoidance of doubt, the term "affiliates" includes also parent companies.

The Managers and the Calculation Agent will receive fees, commissions and expenses reimbursement for their services in the issue of 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) of the "*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.

The Bonds may be redeemed prior to maturity

The Issuer may, at its option, (i) at any time or from time to time, during a period of three months preceding the Maturity Date, redeem the Bonds, in whole or in part, in accordance with Condition 5(f) of the "*Terms and Conditions of the Bonds – Redemption and Purchase – Residual Maturity Call Option*". Such redemption options would be exercised at the principal amount of the Bonds together with interest accrued to, but excluding, the date of redemption; (ii) redeem, in whole only but not in part, the then outstanding Bonds at any time prior to the Maturity Date, at the Optional Redemption Amount, in accordance with Condition 5(d) of the "*Terms and Conditions of the Bonds – Redemption and Purchase – Make Whole Redemption by the Issuer*"; or (iii) redeem, at any time, prior to the Maturity Date, in whole only but not in part, at par plus accrued interest, if 80 per cent. Of the initial aggregate principal amount of the Bonds have been redeemed or purchased and cancelled, in accordance with Condition 5(e) of the "*Terms and Conditions of the Bonds – Redemption and Purchase – Clean-up Call Option*".

Moreover, the yields received upon redemption may be lower than expected, and the redeemed face amount of the Bonds may be lower than the purchase price for the Bonds paid by the Bondholder. As a consequence, part of the capital invested by the Bondholder may be lost, so that the Bondholder in such case would not receive the total amount of the capital invested.

The Issuer may choose to redeem the Bonds at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Bonds and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at the time.

Interest rate risk on the Bonds

The Bonds bearing interest at a fixed rate, 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.

Market value of the Bonds

The market value of the Bonds will be affected by the creditworthiness of the Issuer and a number of additional factors, including, but not limited to, the volatility of market interest and yield rates.

The value of the Bonds depends on a number of interrelated factors, including economic, financial and political events in France or elsewhere, including factors affecting capital markets generally and the stock exchange on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds may be at a discount, which could be substantial, from the issue price or the purchase price paid by such Bondholder.

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.

An investment in the Bonds involves taking credit risk on the Issuer. If the financial situation of the Issuer deteriorates it may not be able to fulfil all or part of its payment obligations under the Bonds, and investors may lose all or part of their investment.

The price of the Bonds will also depend on the creditworthiness, or perceived creditworthiness of the Issuer. If the creditworthiness, or the perceived creditworthiness of the Issuer deteriorates, the value of the Notes may decrease and investors may lose all or part of their investment.

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 or administrative decision or change to the laws of France or official application or interpretation of 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 documentary charges or duties in accordance with the laws and practices of the jurisdiction 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, ownership, disposal 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. A Bondholder's effective yield on the Bonds may be diminished by the tax impact on that Bondholder of its investment in the Bonds.

European financial transaction tax (FTT)

The European Commission has published a proposal (the Commission's Proposal) for a Directive for a common financial transactions tax in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **Participating Member States**).

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal, the FTT could apply to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, "established" in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

The FTT proposal remains subject to discussions between the participating Member States. It may therefore be altered prior to any implementation. Additional Member States may decide to participate. Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

In a joint statement released on 8 December 2015, ten of the Participating Member States (excluding Estonia) indicated their intention to settle the remaining open issues regarding the FTT by the end of June 2016.

French Insolvency law

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

The Assembly deliberates on the proposed safeguard, accelerated 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.

Neither the Issuer, the Managers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the subscription or acquisition of the Bonds by a prospective investor in the Bonds, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it.

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 IFRS for the last two financial years ended 30 June 2014 and 30 June 2015 and the half-year ended 31 December 2015. The Issuer's 2014 Financial Statements and 2015 Financial Statements have been audited by Ernst & Young Audit and Mazars. The Issuer's Half-Year Financial Statements for the half-year ended 31 December 2015 were subject to a limited review 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 2014 Financial Statements and 2015 Financial Statements.

Selected financial information from the Consolidated Balance Sheets of the Issuer

(in millions of Euros)	**Eutelsat S.A.**					
	For the year ended (Audited)			For half-year ended (Non-audited)		
	30 June 2014	**30 June 2015**	**Change**	**31 December 2014**	**31 December 2015**	**Change**
Total of non-current assets	4,969	5,567	+12%	5,258	5,640	+7%
Total current assets	703	796	+13%	860	971	+13%
Total assets	5,672	6,363	+12%	6,118	6,611	+8%
Total shareholders' equity	1,554	1,940	+25%	1,585	1,879	+19%
Total non-current liabilities	3,697	3,984	+8%	4,034	4,187	+4%
Total current liabilities	421	439	+4%	499	546	+9%
Total liabilities and shareholders' equity	**5,672**	**6,363**	**+12%**	**6,118**	**6,611**	**+8%**
NET DEBT[(1)]	3,124	3,324	+6%	3,302	3,389	+3%

(1) Net debt includes all bank and bond debt, Intra-group loans, debt associated with long-term leases and export credit agencies, as well as the foreign exchange portion of cross-currency swap instruments, less 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 (Audited)			For half-year ended (Non-audited)		
	30 June 2014	**30 June 2015**	**Change**	**31 December 2014**	**31 December 2015**	**Change**
REVENUES	1,351	1,479	+9%	725	776	+7%
Operating costs	(96)	(105)	+9%	(50)	(53)	+6%
Selling, general and administrative expenses	(215)	(238)	+11%	(114)	(122)	+7%
Depreciation and amortisation	(357)	(422)	+18%	(210)	(216)	+3%
Other operating income and expenses	(8)	(4)	-50%	(2)	(1.5)	-25%
OPERATING INCOME	675	711	+5%	349	383	+10%
Net financial items	(102)	(83)	-19%	(41)	(59)	+44%
CONSOLIDATED NET INCOME	376	426	+13%	192	212	+10%
NET INCOME ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT	375	425	+13%	191	212	+11%

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

(in millions of Euros)	Eutelsat S.A.					
	For the year ended (Audited)			For half-year ended (Non-Audited)		
	30 June 2014	**30 June 2015**	**Change**	**31 December 2014**	**31 December 2015**	**Change**
Net cash flows from operating	860	974	+13%	661	617	-7%

(in millions of Euros)	Eutelsat S.A.					
	For the year ended (Audited)			For half-year ended (Non-Audited)		
	30 June 2014	**30 June 2015**	**Change**	**31 December 2014**	**31 December 2015**	**Change**
activities						
Net cash flows used in investing activities	(986)	(452)	-54%	(203)	(158)	-22%
Net cash flows used in financing activities	196	(412)	N/A	(283)	(318)	+12%
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	70	130	+86%	181	134	-26%

Other Selected Financial Information: EBITDA

(in millions of Euros)	Eutelsat S.A.					
	For the year ended (Audited)			For half-year ended (Non-audited)		
	30 June 2014	**30 June 2015**	**Change**	**31 December 2014**	**31 December 2015**	**Change**
Revenues	1,351	1,479	+9%	725	776	+7%
Operating expenses(1)	(311)	(342)	+10%	(164)	(175)	+7%
EBITDA(2)	1,039	1,137	+9%	561	601	+7%
EBITDA margin (*as a percentage of revenues*)	76.9%	76.9%	-	77.4%	77.4%	-

(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 2014	**31 December 2014**	**30 June 2015**	**31 December 2015**
Value of contracts (*in billions of Euros*)	6.4	6.1	6.2	5.8
Portion relating to Video Applications	84%	84%	83%	83%

As of 30 June 2015, the Group's order backlog totalled €6.2 billion or around 4.2 times annual revenues, compared with € 6.4 billion at 30 June 2014. As of 31 December 2015, the Group's order backlog totalled €5.8 billion or around 3.9 times 2014-15 annual revenues. For further description on how the backlog is calculated please refer to "*Business Overview – Customers – Order backlog*" below.

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 2014 in the English language (the **2014 Financial Statements**) which include a free translation of the statutory auditors' audit report for the financial year ended 30 June 2014[1];

(b) the Issuer's consolidated financial statements for the financial year ended 30 June 2015 in the English language (the **2015 Financial Statements**) which include a free translation of the statutory auditors' audit report for the financial year ended 30 June 2015[2];

(c) the Issuer's half-year consolidated financial statements for the half-year ended 31 December 2015 in the English language (the **2015-2016 Half-Year Financial Statements**) which include a free translation of the statutory auditors' limited review report for the half-year ended 31 December 2015[3]; and

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. Bondholders (http://www.eutelsat.com/en/investors/eutelsat-sa-bond-holders.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 incorporated by reference that is not listed in the cross reference table below but included in the documents incorporated by reference above is considered as additional information and is not required by the relevant schedules of the Commission Regulation No 809/2004, as amended.

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

[1] For the avoidance of doubt, the free translation of the statutory auditors' audit report for the financial year ended 30 June 2014 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 2015 is subject to the Responsibility Statement on page 3 of this Prospectus.

[3] For the avoidance of doubt, the free translation of the statutory auditors' limited review report for the for the half-year ended 31 December 2015 is subject to the Responsibility Statement on page 3 of this Prospectus.

	2014 Financial Statements (English Translation)	2015 Financial Statements (English Translation)	2015-2016 Half-Year Financial Statements (English Translation)
Historical Financial Information			
Free Translation of Audit Reports[1]	Pages 53 to 55	Pages 43 to 46	Pages 20-21
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[1] The page references for the Free Translation of Audit Reports refer the electronic document of the Financial Statements filed with the CSSF as documents incorporated by reference, and not to the physical document issued by the statutory auditors.

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 instead 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 24 May 2016 and a decision of Mr. Rodolphe Belmer, *Directeur Général* of the Issuer dated 16 June 2016. The Issuer will enter into an agency agreement dated on or about 21 June 2016 (as amended or supplemented from time to time, the **Agency Agreement**) with Société Générale, as fiscal agent and paying agent (the **Fiscal Agent**, and with any additional or substitute paying agents, the **Paying Agents**) and as calculation agent (the **Calculation Agent**). 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 *et seq* and R. 211-1 *et seq* 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* (Monetary and Financial Code)) 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 remain Outstanding (as defined below), the Issuer shall not, and shall procure that none of its Material Subsidiaries (as defined below), create or permit to subsist any Security (as defined below) 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 Condition 5, 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 1.125 per cent. per annum (the **Rate of Interest**) from, and including, 23 June 2016 (the **Issue Date**) to, but excluding, 23 June 2021 (the **Maturity Date**) payable annually in arrears on 23 June of each year (an **Interest Payment Date**) commencing on 23 June 2017.

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 at their principal amount 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 or deduction 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 or deduction 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 remain 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 the Bonds held by such Bondholder 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 (as defined below) 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 of the Bonds in respect of which the Put Option has been validly exercised as provided above on the twentieth (20^{th}) 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 (as defined below) or a Permitted Change of Control (as defined below), (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 of the Rating Agencies (as defined below) have officially placed the Bonds under consideration for rating review.

Existing Major Shareholder means the Bpifrance Participations (formerly 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 of these agencies cease to exist or publish ratings generally or if the Issuer so decides, 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) Make Whole Redemption by the Issuer

The Issuer will, subject to compliance by the Issuer with all relevant laws, regulations and directives and having given not less than 30 nor more than 60 calendar days' notice in accordance with Condition 10 to the Bondholders (which notice shall be irrevocable and shall specify the date fixed for redemption), have the option to redeem the Bonds, in whole or in part, at any time prior to their Maturity Date (the **Optional Make Whole Redemption Date**) at their Optional Redemption Amount (as defined below) together with any accrued and unpaid interest up to, but excluding, the Optional Make Whole Redemption Date.

The **Optional Redemption Amount** will be calculated by the Calculation Agent and will be an amount in Euro rounded to the nearest cent (half a cent being rounded upwards) being the greater of (x) one hundred (100) per cent. of the Principal Amount (as defined below) of the Bonds so redeemed and (y) the sum of the then present values on the Optional Make Whole Redemption Date of (i) the Principal Amount (as defined below) of the Bonds and (ii) of the remaining scheduled payments of interest of the Bonds for the remaining term of the Bonds (determined on the basis of the interest rate applicable to such Bond from but excluding the Optional Make Whole Redemption Date (therefore excluding any interest accruing on such Bond to, but excluding, such Optional Make Whole Redemption Date)), discounted to the relevant Optional Make Whole Redemption Date on an annual basis (Actual / Actual ICMA) at the Early Redemption Rate plus the Early Redemption Margin.

Early Redemption Margin means + 0.25 per cent. *per annum*.

Early Redemption Rate means the average of the four (4) quotations given by the Reference Dealers of the mid-market annual yield to maturity of the Reference Benchmark Security on the fourth (4^{th}) business day in Paris preceding the Optional Make Whole Redemption Date at 11.00 a.m. (Central European time (CET)).

If the Reference Benchmark Security is no longer outstanding, a Similar Security will be chosen by the Calculation Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (Central European time (CET)) on the third (3^{rd}) business day in Paris preceding the Optional Make Whole Redemption Date, quoted in writing by the Calculation Agent to the Issuer.

Principal Amount means €100,000.

Reference Benchmark Security means the German government bond (bearing interest at a rate of 0 per cent. *per annum* and maturing on 9 April 2021 with ISIN DE0001141737.

Reference Dealers means each of the four (4) banks (which for the avoidance of doubt may include the Global Coordinator or the Managers) selected by the Calculation Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues.

Similar Security means a reference bond or reference bonds issued by the German Government having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

(e) Clean-up Call Option

In the event that 80 per cent. or more of the initial aggregate nominal amount of the Bonds have been redeemed or purchased and cancelled, the Issuer may, at its option, at any time, subject to having given no more than 30 not less than 15 calendar days' prior irrevocable notice to the Bondholders in accordance with Condition 10, redeem the outstanding Bonds, in whole (but not in part), at their principal amount plus accrued interest up to (but excluding) the date fixed for redemption.

(f) Residual Maturity Call Option

The Issuer may, on giving not less than 15 nor more than 30 calendar days' irrevocable notice in accordance with Condition 10 to the Bondholders redeem, at any time or from time to time during a period of three months preceding the Maturity Date, the Bonds, in whole or in part, at par together with interest accrued to, but excluding, the date fixed for redemption.

All Bonds in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

(g) Partial Redemption

In the case of a partial redemption of the Bonds under Condition 5(d) or 5(f), the redemption shall be effected by reducing the nominal amount of the Bonds in proportion to the aggregate nominal amount redeemed.

(h) 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* (Monetary and Financial Code) for the purpose of enhancing the liquidity of the Bonds.

(i) 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, Calculation 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

SOCIÉTÉ GÉNÉRALE SECURITIES SERVICES
32, rue du Champ de Tir
44312 Nantes cedex 3
France

The Issuer reserves the right at any time to vary or terminate the appointment of the Fiscal Agent, Calculation 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, (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) and (iii) so long as any Bond is outstanding, a Calculation Agent.

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) 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 (ii) 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 withholding or deduction 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 withholding or deduction, will receive the full amount then due and payable thereon in the absence of such withholding or deduction; 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 pay 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; or

(ii) if such withholding or deduction is imposed under FATCA, which refers to (1) sections 1471 to 1474 of the United States Internal Revenue Code or any associated regulations or other official guidance; (2) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the United States and any other jurisdiction, which (in either case) facilitates the implementation of (1) above; or (3) any agreement pursuant to the implementation of (1) or (2) above with the United States Internal Revenue Service, the United States government or any governmental or taxation authority in any other jurisdiction; or

(iii) 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 withholding or deduction; or

(iv) any combination of sub-paragraphs (i) through (iii) 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, the members of its 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:

Association de représentation des masses de titulaires de valeurs mobilières (ARM)
Centre Jacques Ferronnière
32 rue du Champ de Tir
CS 30812
44308 Nantes cedex 3

The Representative shall be entitled to remuneration as agreed with the Issuer in a separate fee letter.

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 not 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 second 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 in 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 issue of the Bonds (equal to the gross proceeds from the issue of the Bonds less the Managers' fees and commissions) are intended to be used by the Issuer, along with other sources of cash on balance sheet, to redeem at maturity the outstanding bonds issued on 26 March 2010 for a total principal amount of €850,000,000 bearing interest on its principal amount at a fixed rate of 4.125 percent per annum and due 27 March 2017.

The Issuer will temporarily invest the net proceeds of the Bonds in short-term, low-risk, liquid investments until they are used for their stated purpose.

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 (European Middle East and Africa region (**EMEA**), a large part of the Asian continent and a portion of the American continent). 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 has operational capacity on 39 satellites in geostationary orbit to provide capacity to major international telecommunications operators or broadcasting companies, for TV and radio broadcasting services, both analogue and digital, for business telecommunications services, for multimedia applications and for messaging and positioning services.

Eutelsat will add capacity on five further satellites (EUTELSAT 117 WEST B, EUTELSAT 172B, EUTELSAT 7C, EUTELSAT QUANTUM and AFRICAN BROADBAND SATELLITE), which are currently either in orbit-rising phase or under construction with a launch expected before the end of calendar year 2019.

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 in order to develop and operate a satellite telecommunications system for trans-European telecommunications purposes. On 2 July 2001, all of 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 limited liability company (*société anonyme*) 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

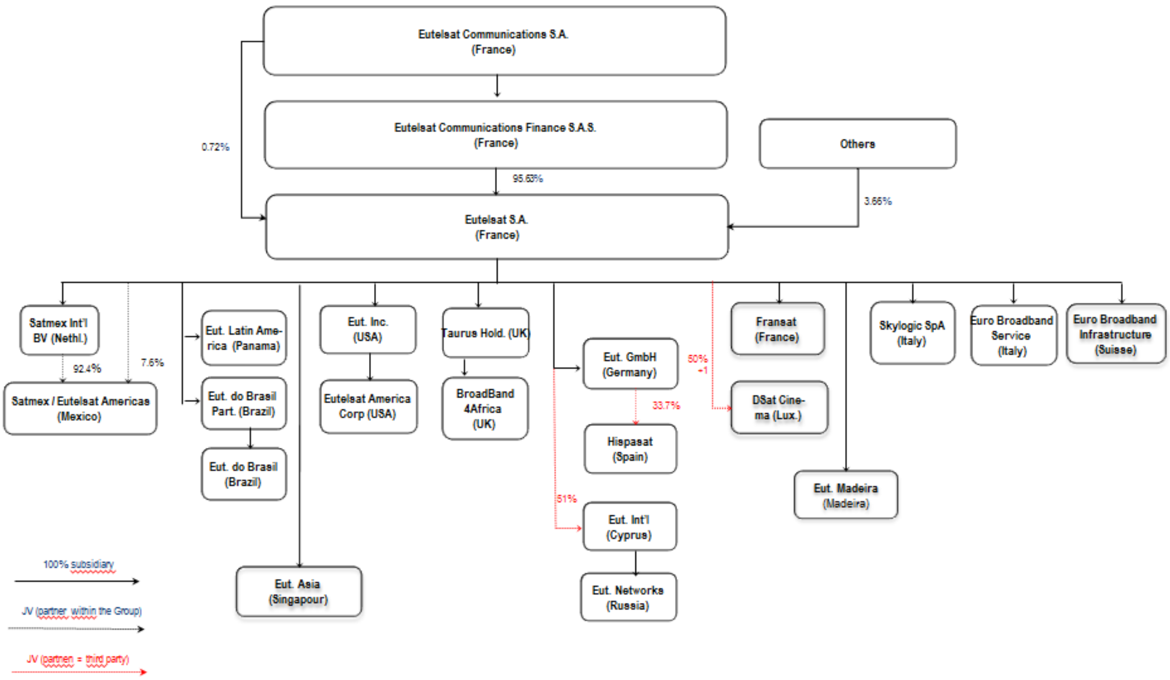
Legal form and applicable legislation

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

Structure

Corporate structure

The simplified corporate structure below depicts the Group's operating organisation as of the date of this Prospectus.



Note : Taurus Hold. (UK) holds 78.95% of the share capital of BroadBand 4Africa (UK)

Eutelsat Communications S.A. (France)

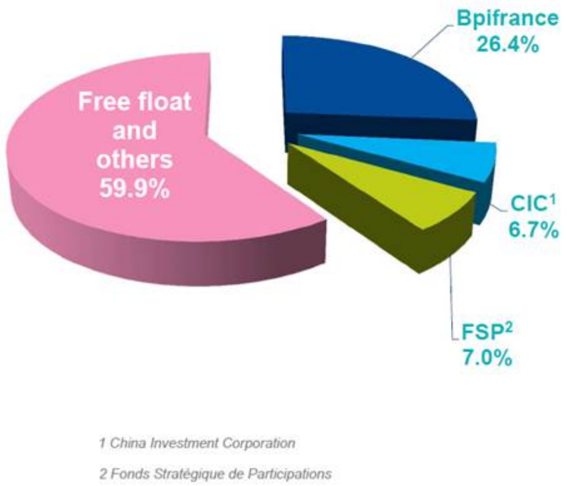
Eutelsat Communications S.A., the indirect holding company of the Issuer, is a limited company (*société anonyme*) operating under the laws of France whose shares are listed on NYSE Euronext Paris. Its registered offices are at 70, rue Balard, 75015 Paris.

At the date of this prospectus, Eutelsat Communications' share capital stood at 232,774,635 ordinary shares.

In March 2016, The Fonds Stratégique de Participations (FSP) announced a long-term equity investment in Eutelsat Communications with a stake representing more than 7% of capital.

As a result, as of 8 March 2016, the three largest strategic shareholders of Eutelsat Communications were Bpifrance Participations with 26.4% of the share capital, Fonds Stratégique de Participations (FSP) with 7.0% and China Investment Corporation (CIC) with 6.7%.

Shareholder Structure of Eutelsat Communications as of 8 March 2016



At 30 June 2015, Eutelsat Communications directly and indirectly held 96.34% of the share capital of the Issuer.

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

Eutelsat Communications Finance S.A.S. is a simplified joint-stock company (société par actions simplifiée) operating under the laws of France and is wholly-owned by Eutelsat Communications.

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

At 30 June 2015, Eutelsat Communications Finance S.A.S. directly held a 95.63% 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 in respect of 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 2015, 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.

Shareholders of the Issuer

The share capital of the Issuer comprises only ordinary shares. The table below sets out shareholder information for Eutelsat S.A. as of 30 April 2016:

Shareholders	Number of shares	Percentage
EUTELSAT COMMUNICATIONS (Eutelsat Communications SA and Eutelsat Communications Finance SAS)	976 159 911	96.3%
RSCC (Russia)	34 284 270	3.4%
Ministry of Telecom (Azerbaijan)	500 000	0.0%
Beltelcom (Byelorussia)	500 000	0.0%
Broadcasting Radiocommunications (Ukraine)	500 000	0.0%
Ministry of Transport, information and communication (Kazakhstan)	500 000	0.0%
Others	717 931	0.1%
Total number of shares	1 013 162 112	100.0%

Group employees

As of 30 June 2015 the Group had 1,016 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		
	2013	**2014**	**2015**
Operations	359	399	438
Commercial and administrative activities	431	511	562
TOTAL	**790**	**910**	**1 000**

The overall number of employees of the Group has risen over the last three financial years. The increase in the number of employees has been driven mainly by the acquisition of Satmex (Latin America) in January 2014.

Each year, Eutelsat S.A. prepares a labour audit report setting out key data in a single document, thereby making it possible to carry out an assessment of the company's labour profile. This report is prepared with reference to a calendar year. Each year, the Group's Work Council issues an opinion on this report. The 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*.

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

Eutelsat S.A.'s financing structure is the following:

- The €850 million aggregate principal amount 4.125 per cent bonds issued on 26 March 2010 and due 27 March 2017;

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

- The €930 million aggregate principal amount 2.625 per cent. bonds issued on 9 December 2013 and due 13 January 2020;

- The €300 million aggregate principal amount 3.125 per cent. bonds issued on 1 October 2012 and due 10 October 2022;

- A $66 million US Ex-Im export credit facility, of which $51 million were drawn as at 30 June 2015. This credit facility will mature on 15 November 2021. It is repayable in 17 semi-annual instalments from November 2013 and bears interest at a fixed rate of 1.71 per cent. per annum.

- Two export credit facilities covered by Office National du Ducroire (ONDD) for a total amount of €209 million, of which €187 million were drawn at 30 June 2015. These credit facilities have an 11.5 year maturity and will mature on 30 June 2024 and 31 August 2024. They are repayable in 17 semi-annual instalments to be paid starting from June 2016 and August 2016. The first one, for an amount of €121 million (of which €106 million drawn), bears interest at 2.07 per cent. (rate based on 6-month EURIBOR and calculated on the signing date of the facility) will be used to finance the construction of a satellite. The second one, for an amount of €87 million (of which €81 million were drawn), bears interest at 2.23 per cent. (rate based on 6-month EURIBOR and calculated on the signing date of the facility) and will be used to finance a launcher;

- Finance leases for the following satellites: EXPRESS AT1, EXPRESS AT2, EXPRESS AM6, ASTRA 2G and EUTELSAT 36C. Please refer to the note 19 of the 2015 Financial Statements for more details;

- A €450 million revolving credit facility signed on 13 September 2013 with a five-year term. Amounts drawn for a maximum period of six months bear interest at EURIBOR (or LIBOR for amounts drawn in U.S. dollars) plus a 0.40% to 1.70% margin depending on Eutelsat S.A.'s long term rating assigned by Standard & Poor's. The initial margin stands at 0.70%. A commitment fee is payable on undrawn amounts from time to time representing 35% of the applicable margin mentioned above. The agreement also provides for a 0.10% utilisation fee if less than 33.33% of the revolving credit facility is drawn, 0.20% for the portion equal to or exceeding 33.33% but less than 66.67% and a 0.35% fee for any portion exceeding 66.67%. Further, under this agreement, Eutelsat Communications is required to maintain a total net debt to annualised EBITDA ratio (as contractually defined and based on the consolidated financial statements of the Eutelsat S.A. sub-group prepared in accordance with IFRSs) which is equal to or less than 3.75 to 1 (this ratio is tested on 30 June and 31 December each year).

The credit agreements and the bond issues include neither a guarantee by the Group, nor the pledging of assets to the lenders, but they include restrictive clauses, subject to the usual exceptions contained in loan agreements, limiting the capacity of Eutelsat S.A. and its subsidiaries, in particular to:

- grant security interests or guarantees;
- enter into agreements resulting in additional liabilities;
- grant loans and carry out certain types of investments;
- enter into merger, acquisition, asset disposal, or lease transactions (with the exception of those carried out within the Group and expressly provided for in the loan agreement);
- modify the nature of the business of the Issuer or its subsidiaries.

The bond issues and the credit facilities allow each lender to request early repayment of all sums due in case of unregulated downgrading of the Issuer or bonds issued by the Issuer respectively as a result of a change of control of the Issuer or a change of control of Eutelsat Communications (other than control acquisition by the Group’s reference shareholders). This provision does not apply in case of Group restructuring.

The credit agreement entails an obligation to maintain Launch-plus-one-year insurance policies for any satellite located at 13° East and, for any satellite located at another orbital position, a commitment not to have more than one satellite not covered by a launch insurance policy.

Issue costs incurred on issuing the bonds are amortised over the duration of the loans. As of 30 June 2015, unamortised issue costs and premiums represented a balance of €28.6 million.

Please refer to the section "Recent Developments" for all significant changes since 30 June 2015.

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

As at the date of the Prospectus, the Board of Directors of the Issuer was composed of 5 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 Work 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**
Michel de Rosen **Eutelsat Communications** 70, rue Balard 75015 Paris	Chairman of the Board	*Office in progress:* In France: - Chairman *of Eutelsat Communications* Outside France: - None	*Office in progress:* In France: - Board Member and Chairman of Pharnext Outside France: - Board Member of ABB Ltd (Switzerland)
		Office and positions that have	*Office and positions that have expired:*

		expired: In France: - Chief Executive Officer of Eutelsat Communications - Chief Executive Officer of Eutelsat S.A. - Representative of Eutelsat S.A., Chairman of Eutelsat VAS - Deputy CEO of Eutelsat Communications and Eutelsat SA Outside France: - Board Member and Chairman of Eutelsat Inc. (USA) - Board Member of Eutelsat International Ltd (Cyprus) - Board Member of Skylogic S.p.A. (Italy)	Outside France: - Board Member of Solaris Mobile Ltd (Ireland) - Board Member of Hispasat S.A. (Spain)
Jean d'Arthuis **Eutelsat Communications** 70, rue Balard 75015 Paris	Board Member	*Office in progress:* - Board Member of Eutelsat Communications	*Office in progress:* - None
		Office and positions that have expired: - None	*Office and positions that have expired:* Outside France: - President d'HEC Alumni - Board Member of Indefilms (Sofica)
Bpifrance Participations 27-31 avenue du Général Leclerc 94710 Maisons Alfort Cedex represented by **Stephanie Frachet**	Board Member	*Office in progress of the permanent representative, Stephanie Frachet* - Representative of Bpifrance Participations, as Board Member of Eutelsat Communications	*Office in progress of the permanent representative, Stephanie Frachet:* In France: - Representative of Bpifrance Participations, as Board Member of Sarenza and Cylande - Board Member of Eurosic - Oberver on the board of Paprec and Carso
		Office and positions that have expired of the permanent representative, Stephanie Frachet: - None	*Office and positions of the permanent representative that have expired:* In France: - None
Bertrand Mabille **Eutelsat Communications** 70, rue Balard 75015 Paris	Board Member	*Office in progress:* - Board Member of Eutelsat Communications	*Office in progress:* In France: - CEO of CWT France - Executive Vice President of CWT France-Mediterranean - Representative of Carlson Wagonlit Travel France, Chairman of Carlson Wagonlit Distribution - Chairman of Carlson Wagonlit Meetings & Events

			- Chairman of SETA (Forum Voyages) - Board Member of Videodesk Outside France: - President of the Board of Carlson Wagonlit Italia Srl (Italy) - Chairman of the Board of Acentro Turismo S.p.A. (Italy) - Managing Director of Carlson Wagonlit España S.L.U (Spain) - Managing partner of Viajes Lepanto, S.L.U. (Spain) - Permanent representative of Carlson Wagonlit Spain Holdings II BV (Spain) - Director of Carlson Wagonlit Maroc S.A. (Morocco) - Permanent representative of CWT Beheermaatschappij B.V. of the Board of Carlson Wagonlit Maroc S.A. (Morocco)
		Office and positions that have expired: - None	*Office and positions that have expired:* In France: - Member of the Supervisory Board of Cofitel - Chairman of the Supervisory Board of Adeuza - Board Member of So Ouat
Denis Pivnyuk Russian Satellite Communications Company 8, bld.6, 1st Goncharny pereulok, Moscow, 115172, Russia	Board Member	*Office in progress:* - None	*Office in progress:* - Chief Financial Officer of Russian Satellite Communications Company (RSCC)
		Office and positions that have expired: - None	*Office and positions that have expired:* - *None*

BUSINESS OVERVIEW

Presentation

The Group operates a fleet of 39 satellites (as at the date of the present Prospectus), located between 117° West and 172° East, providing coverage of the European Middle East and Africa region (**EMEA**), a large part of the Asian continent and a portion of the American continent. The Group delivers its services to broadcasters and network operators either directly or via distributors.

At 30 June 2015, the Group's revenues were €1,479.1 million, of which 63% came from video applications (excluding "other revenues" and non-recurring revenues). Order backlog at 30 June 2015 was €6.2 billion, of which 83% from video applications.

Group strategy

Main objectives

Leveraging on its business portfolio at the crossroads between media and the internet, and committed to developing the digital economy, the Group's ambition is to strengthen its positions, technologies and markets that are key to tomorrow's growth.

To confirm its position as one of the world's leading satellite operators, the Group conducts a policy of targeted investments with a view to delivering profitable growth. Its strategy is primarily focused on organic growth and partnerships, without relinquishing opportunities for external growth, especially in emerging markets. The Group has set the following main objectives:

– consolidating its flagship positions in video applications and developing new ones;

– strengthening its presence in fast-growing markets while maintaining a strong base in Europe;

– developing its leadership in the growing internet broadband market;

– capturing opportunities for long-term growth in the area of mobility services and services to governments;

– confirming its role as a complement to terrestrial networks, both technologically and geographically;

– maintaining a high level of flexibility and innovation in order to serve clients in the long term.

Consolidating its flagship position in video applications and developing new ones

Eutelsat will leverage on its current positions and its past investments. The primary target is organic growth based on a long-term investment policy. For Video Applications in particular, the active strategy applied by the Group to manage its privileged portfolio of orbital positions provides it with high quality resources in coverage of a number of strategic geographical areas:

– At 13° East, the three HOT BIRD satellites make up the world's largest satellite broadcasting system covering Europe, the Middle-East and parts of Africa and Asia, with 1,086 channels broadcast as at 30 June 2015 (of which 181 in HD). HOT BIRD served over 137 million homes in 2014 versus 122 million in 2010.

- The partnership developed with Nilesat boosts resources at the 7°/8° West orbital position to address the fast-growing digital television market covering territories from North Africa to the Middle-East. The growth of this market benefits from improved HD penetration and an increase in the number of Free-To-Air channels. This orbital position offers unequalled potential for growth for video applications, with a growing audience that has now reached over 52 million viewers compared to 27 million in 2010. This buoyant market was further anchored by the signature of commercial contracts with the Group's key customers, related to the launch of the EUTELSAT 8 West B satellite, which significantly boosts Eutelsat's resources at this position.

- The 36° East position which covered 18.2 million TV households in Russia in 2012 (25.6 million for the overall coverage at this position) is another flagship position for the Group. Under partnership agreements with the Russian operator, RCSS, satellites deployed by Eutelsat at this position address a rapidly expanding market: Russia and Africa.

- The Group is further developing the other orbital positions occupied by its fleet, in particular the 7° East, 16° East, 5° West and 117° West positions and opened a new one at 65° West.

Strengthening the Group's presence in fast-growing markets while maintaining a strong base in Europe

The Group's strategy consists in leveraging on its existing positions in Europe, while developing its business in dynamic emerging markets.

To this end, the Group is pursuing its policy of organic growth and the development of partnerships with foreign operators at flagship positions including 7°/8° West and 36° East.

The acquisition of the GE-23 satellite (renamed EUTELSAT 172A) in September 2012 opened up new business opportunities for Eutelsat, in the Asia-Pacific region, where demand is rapidly expanding. A new high-capacity multi mission satellite (EUTELSAT 172B) at the same orbital position at 172° East, expected for launch in 2017, will accelerate development in the Asia-Pacific region.

The acquisition of the Mexican satellite operator Satmex, (now operating under the commercial name Eutelsat Americas), closed in January 2014, and the procurement of the EUTELSAT 65 West A enabled Eutelsat to scale up in Latin America.

These initiatives are consistent with the Group's strategy to strengthen its presence in regions with the highest growth.

Investments in new satellite capacity, which the Group plans to launch will therefore be primarily focused on the fastest growing markets in order to benefit from new growth drivers that are both sustainable and create value. Subsidiaries or offices notably in Europe, the United States, Mexico, Brazil, Dubai in United Arab Emirates, Singapore and South Africa demonstrate the Group's commitment to be located as close as possible to its clients.

Developing its leadership in the growing internet broadband market

Satellite internet broadband access is a new market with a strong growth potential which the Group has anticipated with the entry into service of the KA-SAT satellite in May 2011 and the payloads in Ka-band on EUTELSAT 3B, launched in 2014, EUTELSAT 36C, launched in 2015, and EUTELSAT 65 West A, launched in 2016.

KA-SAT is Europe's most powerful satellite to date. The Group intends to draw on the breakthrough and technological strengths of this High Throughput Satellite (HTS) to the benefit of other markets.

Operating in the Ka-band, the satellite's footprint is equipped with 82 spot beams of limited size, offering the possibility to reuse frequencies between non-adjacent spots, which results in the cost of access to satellite capacity being reduced by six to eight times. The comparatively modest cost of the equipment 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. The satellite also enables the Group to develop professional services and mobile applications designed for the maritime and aeronautical sectors, in particular the "Eutelsat Air Access" service for in-flight broadband access.

Capturing opportunities for long-term growth in mobility services and services to governments

The development of mobile broadband communications solutions is a new market with significant growth potential in maritime, and above all, aeronautical mobility. The in-flight connectivity market is set to undergo strong growth due to the combination of the following factors: significant progress in satellite technology in terms of performance, quality and costs with High Throughput Satellites (HTS), growing passenger demand for in-flight connectivity, airlines' desire to invest in this new service and the continued growth of air traffic (average annual growth of 4.6% by 2034 for commercial aviation – source: Airbus Global Market Forecast 2015-2034).

The Group has signed several contracts which will allow airlines (notably Vueling) to provide in-flight connectivity services on their European flights, using the KA-SAT satellite. In 2014, the Group also ordered the EUTELSAT 172 East B satellite, which will be equipped in particular with the first multi-beam payload for the Pacific Ocean region in Ku-band. This payload, which is expected to enter into service in 2017, has already been selected by Panasonic Avionics Corporation as a key platform for in-flight broadband and live TV services for airlines serving the Asia-Pacific region.

Elsewhere, government services in the defence and security areas are expected to represent a source of growth in the medium term, due to the development of IT systems and the increasing use of commercial resources by governments whose long-term policies include a more efficient use of public resources.

Confirming its role as a complement to terrestrial networks, both technologically and geographically

The Group aims to draw on the opportunities offered by the geographical location of its facilities, which represent a complement to terrestrial networks in both developed and emerging countries.

– In developed countries, the Group's strategy is to complete existing networks in areas where the cost and time required to set up new terrestrial infrastructures for providing broadcasting services and internet access increase dramatically as the population density diminishes. Satellites serve rural areas immediately and with the same quality of service as urban zones. They are thereby particularly well adapted to provide universal digital coverage of all territories.

– In emerging countries, the Group offers an alternative solution in areas unserved or which are underserved by, terrestrial infrastructures. Satellites play a key role across different links in the supply chain for connecting terrestrial infrastructures (interconnecting mobile networks, professional broadcasting services), or for serving directly a large number of areas out of reach of terrestrial networks (DTH, broadband access, VSAT networks).

The other avenue of growth focuses on the satellite's role as a technological complement to terrestrial systems. A hybrid system combining both satellite and terrestrial networks enables optimal use of each system, with satellites dedicated to video and particularly TV streams, and terrestrial networks covering internet access and interactive solutions, with a view to lasting and consistent delivery of connected television services across all territories.

Finally, the Group’s telecom services also make it possible to ensure service continuity and restoration. Terrestrial networks are increasingly prone to physical deterioration; satellites are therefore an effective solution to maintain connectivity between remote sites.

Maintaining a high level of flexibility and innovation in order to serve clients in the long term

In order to respond to changing market conditions and customers’ needs over time, the Group is focused on two major drivers: flexibility and innovation.

Flexibility of the Group consists of the following:

– the fleet uses several frequency bands and covers different areas. It has developed in such a way that a satellite is capable of replacing another one in a cascaded manner thanks to similarity in design for all satellites; and

– satellites as such are designed to adjust to market conditions: broad coverage, adjustable spot beams, in-orbit reconfiguration.

In December 2014, the Group announced a ground-breaking innovation: the development of the software defined "Eutelsat Quantum" class of satellites which is supported by the European Space Agency (ESA). It will give customers operating in the government, mobility and data markets access to premium capacity through footprint shaping, steering, power and frequency band pairing that they will be able to actively define. The first satellite was ordered in July 2015.

Innovation has been a key driver for the Group for over 30 years. In this area, the Group’s objective is three-fold: (i) ensuring that the largest number of territories enjoys the benefits of digital revolution; (ii) ensuring that end-users are provided with high quality services; and (iii) improving long-term competitiveness. Eutelsat teams are known for their expertise throughout the world, providing innovative solutions for both the space and the ground segments. Recent and current initiatives include:

– improvements in image quality: the Group launched the first UHD TV channels broadcast via satellite and continues to be a first-mover in the development of UHD;

– connected television: with for example the "Smart LNB", designed mainly for emerging markets: Eutelsat’s "Smart LNB" for Direct-to-Home antenna will allow broadcasters to operate linear television and connected TV services directly by satellite. The first phase of development was carried out and "Smart LNB" is now entering into the industrialization phase;

– mobility, in particular with the development of solutions such as internet air access which offer passengers top-quality Internet access on tablets, smartphones and laptop computers throughout European air space;

– Internet broadband access and in particular since 2011, KA-SAT, the first European Ka-band multibeam satellite, offering improved speed;

– the use of electric propulsion reducing the mass of satellites compared to chemical propulsion, with the launch of EUTELSAT 115 West B in March 2015;

– solutions against jamming and interference.

Flexibility and innovation involve working in close collaboration with the Group's customers to support their development, and where appropriate, to assist them in dealing with the evolutions they may face.

Main markets - The Fixed Satellite Services (FSS) industry

The Fixed Satellite Services (FSS) operators operate geostationary satellites, positioned in orbit in space approximately 36,000 kilometres from the Earth in the equatorial plane. These satellites are one of the most effective and economical means of communication to ensure transmission from one fixed point to an unlimited number of fixed points, as required for television broadcasting, for example. GEO satellites are also suitable for linking together a group of sites spread out over vast geographical areas (for example, for private business networks or in order to provide communications support at retail outlets), as well as rolling out the coverage of mobile telephone networks and internet access to geographical areas where terrestrial networks provide little or no coverage, and establishing or restoring communications networks in emergency situations.

The growing global broadcast market, expanding volumes of communication, particularly on the internet, and the role of the satellites as a complement to terrestrial networks enabling access to digital services in all territories, are three major engines for growth in the FSS industry.

According to Euroconsult, the FSS sector generated global revenues of $12.3 billion as of 31 December 2014, including $10.6 billion in infrastructure revenues. Infrastructure revenues in the Europe Middle East and Africa region and Latin America amounted to $6.6 billion.

A business with strong visibility

Eutelsat is a core player with high resilience. Visibility in the FSS sector is driven by several factors:

- Satellites represent the most efficient and cost-effective broadcasting technology providing coverage of large geographical areas;
- Barriers to entry are high due to an intricate regulatory framework and high requirements in terms of capital expenditure and technical expertise;
- Availability of satellite capacity must be secured on a long-term basis for customers, especially those in the broadcasting business;
- Long-term partnerships are encouraged due to heavy costs incurred by the transfer of services in the event of a change in the satellite operator, particularly in the case of video applications;
- Video applications, Eutelsat's prime business, enjoy a high resilience, thereby providing strong visibility on future revenues as reflected in the significant order backlog.

A business set for steady growth

The Group is a pioneer in geographical areas with the highest potential for growth which include Latin America, Sub-Saharan Africa, the Middle-East and North Africa, Russia and Central Asia.

The market is driven by the development of TV-based offers, the expansion of the digital economy and significant demand for these services in the emerging markets. Satellites represent the best solution for universal access to images and data covering areas beyond the reach of terrestrial networks.

Demand is supported by the digital revolution

The Group plays a key role in the media and internet convergence.

The use of TV services changes over time. Larger TV screens call for improvements in image quality, as well as the development of the High Definition format, and soon Ultra High Definition (UHD). While linear television remains the main technology for operating video content, there is an increasing trend towards the combined use of traditional television and internet, paving the way for the take-off of connected television and multi-screen TV services. The rising number of television channels requires increased bandwidth capacity at reduced costs.

New-generation solutions are being developed in order to meet the large spectrum of end-user needs. With the launch of the KA-SAT satellite in 2010, the Group has taken a pioneering role, providing the general public with a combination of TV-based solutions and broadband internet access at speeds comparable to ADSL offers and at affordable prices.

In addition, for homes unserved by fibre optic networks, hybrid solutions combining satellite and broadband terrestrial networks enable end-users to receive television and video signal with the best image quality via satellite and use the bandwidth available on the broadband infrastructure for an enhanced service and content offer. These hybrid solutions, which are already available, will become preferred alternatives, especially in some parts of developed countries where fibre optic will not be available.

With top-ranking clients in both the media and the telecommunications industries, and its pioneering role as a provider of satellite internet access and connectivity solutions, especially for users on the move, the Group sits at the heart of this transformation, leveraging opportunities that may arise in developed countries as well as in emerging markets.

A sustained capacity offer

The Group supports the development of regional operators. Satellite capacity offer is on the rise. Regional operators have launched large-scale investment programmes in order to expand in their own markets and compete with global operators and new regional operators are entering the market.

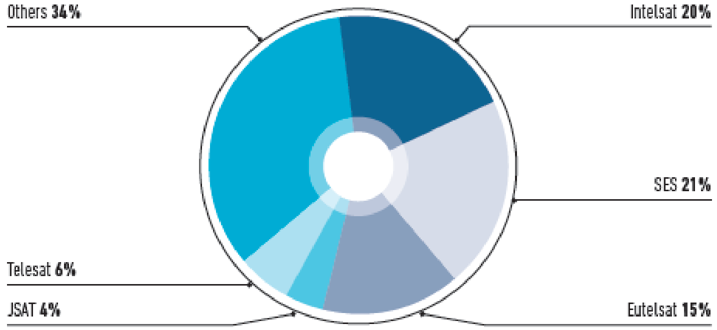
However, their development can face various obstacles, such as the heavy cost of capital expenditure, the level of expertise and commercial effort required, and an intricate regulatory environment.

The Group has entered into several long-term partnerships with regional operators. Examples include the Group’s long-standing relationship with Nilesat, which contributed to the consolidation of its 7°/8° West flagship video neighbourhood. This is the most established orbital position in coverage of the Middle-East and North Africa, with more than 1,000 TV channels broadcast by satellite and an audience of more than 52 million homes. In Russia, the Group operates capacity on the fleet of RSCC, the country’s leading operator, through long-term agreements for capacity leased on the Express-AT1 (56° East) and Express-AT2 (140° East) and EUTELSAT 36C (36° East). Last but not least, the partnership between the Group and Eshail’Sat, the Qatari operator, materialized with the launch of the EUTELSAT 25B satellite at 25.5° East, to further develop satellite services in the Middle-East and North Africa.

Competitive environment

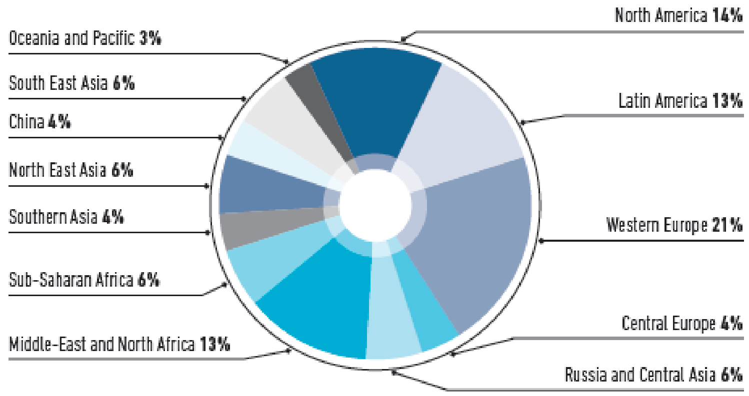
Eutelsat is one of the world's leading satellite operators with strong positions in the European Middle East and Africa region. The acquisition of the GE-23 satellite in September 2012 improved coverage in Asia-Pacific. With the acquisition of Satmex, closed on 1 January 2014, the Group now has a strong footprint in the Americas, particularly in Latin America.

Operators global market share (based on infrastructure revenues)



Source: Euroconsult, 2015 edition.

Breakdown by region of infrastructure revenue for the FSS sector



Source: Euroconsult, 2015 edition.

Diverse range of services

Video Applications

Accounting for 63% [4] of Eutelsat's revenues, the revenues for video applications were €913.0 million in the financial year ended 30 June 2015 (up 3.5% compared to the financial year ended 30 June 2014 on a like-for-like basis [5]).

The Group occupies a key position in the audio-visual chain which extends from the reporting site to the viewer's screen.

(4) The share of each application as a percentage of total revenues is calculated excluding other revenues and one-off revenues.
(5) At constant currency and perimeter.

Video Applications – Prospects

Video applications are experiencing growth:

- The number of homes equipped with a satellite terminal is likely to increase;
- The number of channels broadcast by satellite throughout the world has increased from 29,000 in 2010 to 39,000 in 2014 and is likely to be over 48,000 in 2024 (source: Euroconsult 2015);
- The development of High Definition (HD) and Ultra High Definition (UHD) broadcasting will contribute to the sector's future growth. According to Euroconsult, 46% of channels should be broadcast in High Definition by 2024 (against 20% in 2014) and 2% should be broadcast in Ultra High Definition (0% in 2014).

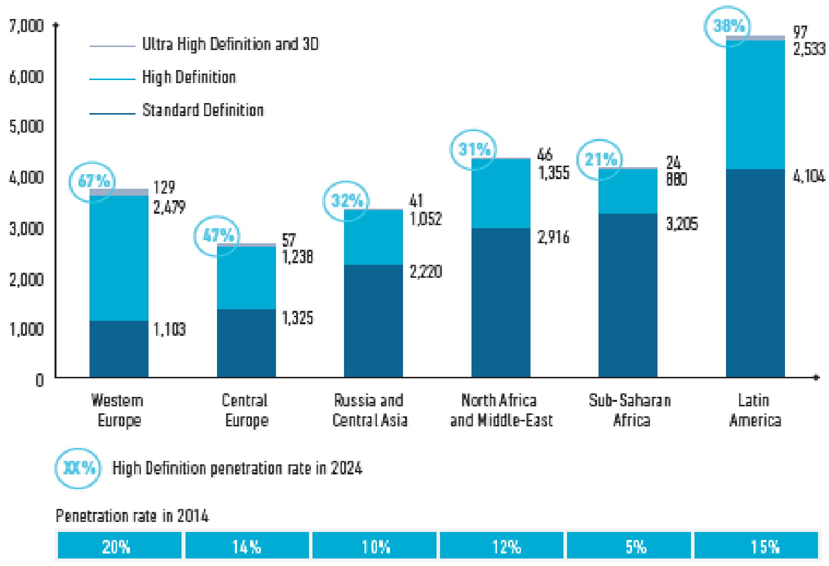
The Group is a major player in emerging markets such as Sub-Saharan Africa, North Africa, the Middle-East, Russia and Central Asia and Latin America which are expected to experience the highest level of growth, its customers including dynamic TV platforms such as Multichoice in Sub-Saharan Africa, NTV+ and Tricolor TV in Russia, Cyfrowy Polsat and nc+ in Poland and Millicom in Latin America.

Global demand for capacity for the transmission of video applications should be impacted by the following trends:

- the increase in **the number of television channels**, driven mainly by emerging markets. The number of channels is expected to rise from more than 19,000 in 2014 to 25,000 in 2024 in EMEA and in Latin America;
- **the widespread adoption of High Definition**. Requiring almost twice as much satellite capacity than standard television (a 36 Mhz transponder allows to broadcast circa 12 Standard Definition channels with MPEG-2 compression format, versus six to eight HD channels with MPEG-4 compression format), penetration rate on the Group satellites has risen in one year from 10.2% to 11.9%. According to Euroconsult, the number of HD channels should progress at a weighted average annual rate of 14% in EMEA and in Latin America for the 2014-2024 period to around 9.500 channels;
- **Ultra High Definition technology** is undergoing development and the appropriate equipment is appearing on the market. The technology is currently four times more resource-heavy than HD, but should benefit from the new DVB-S3 and HEVC compression standards, which will halve the bandwidth size required for video streaming;
- the **rise in popularity of Digital Terrestrial Television (DTT)**, mainly in emerging markets and particularly in Africa, offers satellite operators an opportunity to supply the capacity to feed terrestrial re-transmitters and provide additional coverage for homes located in shadow areas;
- the **optimisation of compression rates for TV signals**. Deployment of the DVB-S2 standard and the adoption of compression standard MPEG-4 will make it possible to transmit up to twice as many channels per transponder, thus optimising the use of bandwidth between TV channels, which reduces the cost of access to satellite capacity for new entrants;
- the development of interactive platforms on the back of the **emergence of new, non-linear, TV consumption modes**, is prompting operators to invent a new generation of "hybrid"

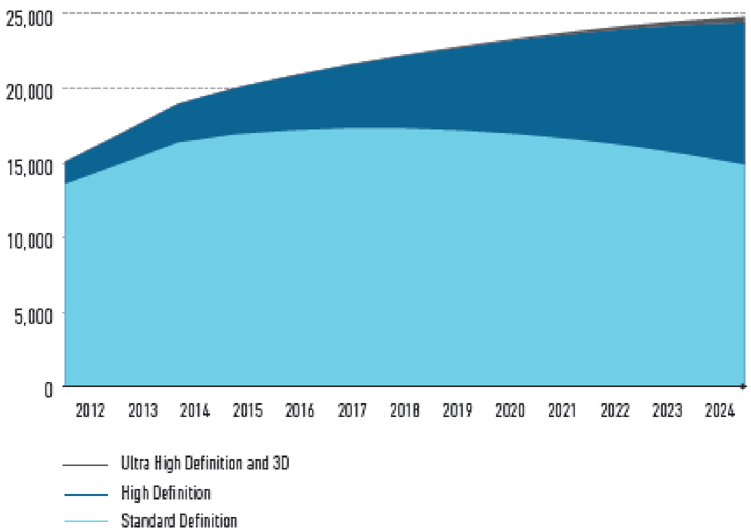
terminals, combining access to TV and the Internet. It creates a dynamic for the Eutelsat teams who are constantly working to enrich the pay TV offerings and the supply of connected TV services.

HD penetration by subregion in 2024



Source: Euroconsult, 2015 edition.

Evolution of the number of SD, HD and UHD channels in Extended Europe and Latin America



Source: Euroconsult, 2015 edition.

Video distribution ("Direct To Home")

The Group provides its customers with a broadcasting capacity and associated services to enable them to transmit television programmes to households that are either equipped to receive them direct via satellite, or connected to cable or IP networks. The Group occupies a key position in the audio-visual chain, which extends from the reporting site to the television viewer's screen.

With a direct and indirect audience of almost 274 million households in Europe, the Middle-East and North Africa, the Group provides satellite capacity to major broadcasters. 5,793 TV channels (including 687 in High Definition) and 1,255 radio stations were broadcast via the Group's in-orbit resources as of 30 June 2015.

The Group holds a solid market position not only in Europe, but also in strong growth markets such as Russia, the Middle-East, North Africa and Sub-Saharan Africa via leading broadcasting orbital positions, all of which are benefiting from the launch of new television channels and the surge in popularity of the new broadcasting formats. In addition, the Group is developing its video distribution activities in Latin America, particularly at the 117° West orbital position.

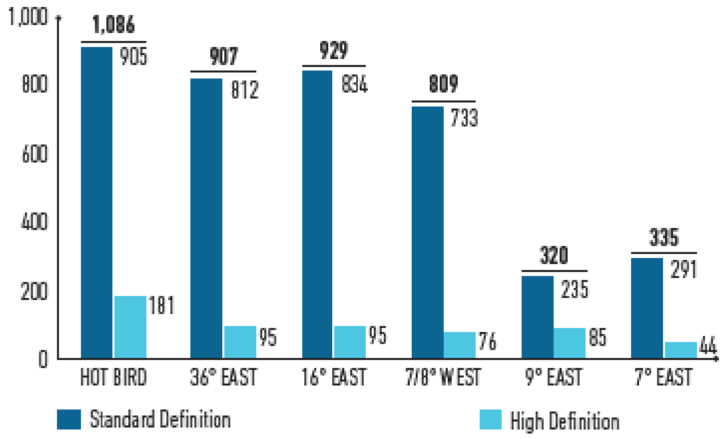
The Group is developing in the Ultra High Definition broadcasting sector: in June 2015, the Group launched the HOT BIRD 4K1 demo channel, encoded in HEVC and broadcast at 50 frames per second with 10-bit colour depth. It is Europe's first Ultra HD channel in this new standard.

The Group's business model rests on the establishment of long-term relationships between the Group and its broadcasting customers based on the opening of new in-orbit resources, an increase in programme offerings and numbers of antennae directed at the Group's satellites.

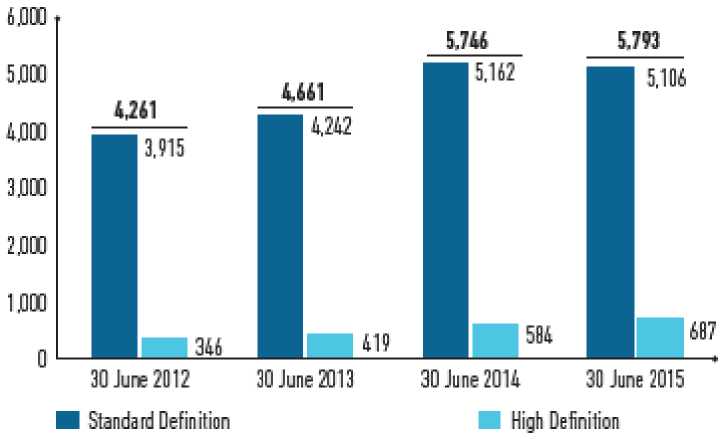
The Group's customers buying satellite capacity for video distribution include for example: Sky Italia in Italy, M7 in Germany, nc+ in Poland, TricolorTV and NTV+ in Russia, United Group (Total TV) in the Balkans, Al Jazeera Sport in the Middle-East, Multichoice in Africa, DigiTurk in Turkey, and Millicom in Latin America.

The Group is also developing innovative commercial solutions to serve certain markets where it is not a leader. For example in France with the Fransat service, which transmits TNT channels free via the EUTELSAT 5 West A satellite. This package is received by more than 2 million households.

TV channels broadcast on the Group's satellites at Eutelsat's main Video neighbourhoods (as of 30 June 2015)



Number of channels on Eutelsat's fleet (as of 30 June 2015)



Source: Eutelsat Communications.

Research published in January 2015 by the Eutelsat TV Observatory showed that the number of homes receiving channels broadcast by eight of the Group's flagship television neighbourhoods serving Europe, Russia, North Africa and the Middle-East now stands at 274 million, up by 32% since 2010, of which 138 million receive channels from the HOT BIRD neighbourhood, up from 122 million in 2010. All eight neighbourhoods continue to experience audience growth.

Direct-to-Home remains the leading reception mode across the combined Europe, Russia, North Africa and Middle-East footprint. The number of Direct-to-Home households is growing, up by 44% to 160 million homes between 2010 and 2014.

Regarding general trends in DTH, cable, IPTV and DTT reception in more mature Western European markets, 15 countries were surveyed, accounting for 179 million TV homes. DTH is confirmed as the main mode for TV reception in Western Europe, up 7% to 58 million homes from 54 million in 2010, accounting for one in three homes.

Professional video services

The Group provides television channels or broadcasting platforms with point-to-point links, enabling them to route their programmes to dedicated teleports so they can be picked up on satellites offering broadcasting services for television channels. These professional video links also enable the establishment of meshed networks, which are used for the exchange of TV station programmes.

Furthermore, the Group provides links for the transmission by broadcasters of current affairs programmes ("Satellite News Gathering" or "SNG") in standard digital or in High Definition. In particular, the NewSpotter service, available on the KA-SAT satellite, extends the perimeter of the Group's offers with a low-cost solution based on cheap and easy-to-use terminals. The Group's customers for this type of service include, in particular, the European Broadcasting Union, France Television Group, television channels (BBC, CBS, Mediaset, NBC, NHK, RAI, TF1), and video reporting professionals, such as APTN and Enex.

Data and Telecoms Services

Data and Telecom services together form the Group's second main business, recording revenues of €525.5 million over the financial year ended 30 June 2015, contributing around 37% of the Group's total revenues, driven notably by the development of high-speed internet access solutions.

The Group develops applications aimed at making high-speed connectivity available to everyone: businesses, public governments and private customers.

Data and Telecom services cover capacity leased by private sector customers, administrations and Value-Added Services that bundle capacity with the supply of terminals and ground services.

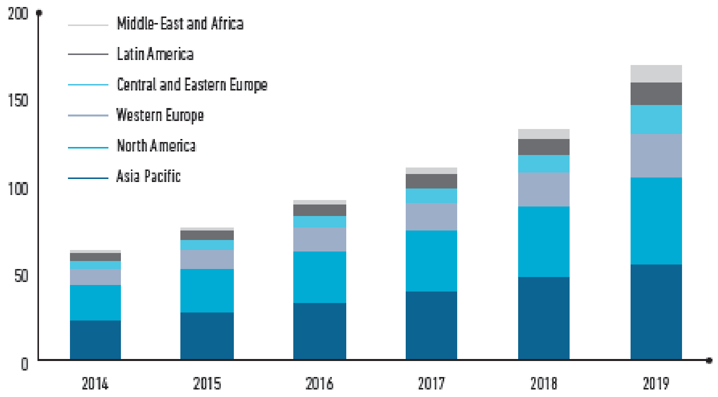
Overview of the Group's data and telecoms services

Applications	Customers
DATA SERVICES	**16% OF REVENUES AT 30 JUNE 2015**
Professional VSAT data communication networks	System integrators and communication network operators, mass distribution, oil industry
Telecom Services: mobile network connection (Backhaul) in the most remote areas and Internet backbone connection (Trunking)	Telecom operators and Internet service providers (ISPs)
VALUE-ADDED SERVICES	**7% OF REVENUES AT 30 JUNE 2015**
Broadband Internet for corporates	Companies or local authorities served rarely or not at all by high-speed terrestrial networks
High-speed Internet access for the general public	Internet access providers, terrestrial broadcast network operators, local authorities
Mobility Services	Air, marine, rail transport companies
GOVERNMENT SERVICES	**14% OF REVENUES AT 30 JUNE 2015**
Provision of capacity services to government agencies	Local government, civil security services, Departments of National Defence

Data and Telecoms services – Prospects

The development of the digital economy is another growth driver for emerging markets as it requires implementation of infrastructures capable of supporting the significant surge in Data and Video Services. According to the VNI Index published by CISCO in May 2015, the volume of data exchanges worldwide should increase by 23% on average per year between 2014 and 2019.

Global Internet traffic evolution ***(in PB per month)***



Source: Cisco, VNI 2015.

According to Euroconsult, demand for regular capacity for data and telecoms services should remain well oriented in the Europe Middle East and Africa region and Latin America with higher than average growth in emerging markets. In particular, demand for capacity for corporate networks should grow at a high single-digit CAGR from 2014 to 2019 in the Europe Middle East and Africa region and Latin America. These applications, however, have or will have an abundance of capacity, including high throughput capacity and experience competition from the terrestrial networks.

Eutelsat has a strong presence in emerging markets for data and telecoms services. Customers for these services notably include:

- operators such as America Movil or Telefonica in Latin America or Orange in Sub-Saharan Africa;
- service providers such as Harris Caprock or Schlumberger in Latin America, Skyvision, Astrium Services or Liquid Telecom in Sub-Saharan Africa.

The trends impacting the market are as follows:

- In a digital economy that requires to be increasingly connected, the need for capacity is constantly growing. This growth is mainly driven by the increase in video use.
- While fibre optic networks have penetrated the heart of large conurbations, many rural areas are overlooked, due to their failure to offer terrestrial operators a return on their investments. The alternative offered by the satellite is an optimum solution in many areas of developed countries and even more in emerging countries. Between 2014 and 2019, the global number of VSAT terminals for corporate networks should increase by more than 5% per year on average, and should reach more than 2.5 million sites by 2019 (source: Euroconsult, 2015 edition).
- The increase in High Throughput Satellites (HTS) exploiting new frequency bands makes it possible to significantly improve the cost of access to the satellite resource for Data Services. Today's growing recourse to HTS technology-based solutions will intensify in future years to account for a major share of capacity dedicated to Data Services. The number of homes equipped with a satellite terminal connected to the internet should rise from over 2.4 million in 2014 to 4.2 million in 2019 (source: Euroconsult, 2015 edition).

VSAT professional business networks

Three key verticals represent most of the demand from these customers: the oil and gas industry to connect drilling platforms on land and at sea; the banking sector; and mass distribution for the secure transmission of financial and logistical data between remote sites.

Telecom Services

The Group serves the needs of telecoms operators and Internet Service Providers (ISPs) seeking to connect their local platforms, via its satellites, to international networks (internet, voice) or extend their mobile networks in areas which are difficult to reach. The emerging markets of Africa, the Middle-East, Latin America and Asia-Pacific, where the Group has an historical presence, are driving growth.

Despite strong demand, competition is robust in the VSAT and telecom services markets, with point-to-point services remaining under pressure from the roll-out of terrestrial networks and from the supply of satellite capacity.

Broadband internet and mobility

The Group offers high-speed connectivity solutions for corporates, notably IP connectivity services. Demand for these services is particularly strong in emerging markets, notably in Africa.

In addition, KA-SAT made it possible to obtain increased resources in the Ka-band, thus permitting an increase in throughput and service quality at lower cost for all customer segments in Europe.

The range of services for private individuals (Tooway) offers download speeds of 22 Mbps and upload speeds of 6 Mbps, as well as the benefit of highly significant download volumes.

These offers are marketed by retailers who supplement the Internet access offer with additional services, such as voice on IP or access to a television package via satellite.

The KA-SAT range of services available to professionals offers download speeds of up to 40 Mbps and upload speeds of 10 Mbps. The main targeted markets are internet access for businesses and local authorities, interconnection of private virtual networks, the security of terrestrial networks by means of back-up satellite links, and the deployment of remote surveillance solutions (SCADA).

The Group has built three offers specifically for businesses on KA-SAT: "Access", providing top-quality high-speed internet access; "Connect", a guaranteed dedicated throughput enabling interconnectivity to any type or size of network configured around a central hub and remote stations; and "M-BEAT" ("Multi-beam Best Effort Aggregated Throughput"), enabling flexible bandwidth allocation on several beams on the KA-SAT satellite.

In addition, the Group provides capacity in Ka-band for Broadband Internet access in Latin America on the EUTELSAT 65 West A satellite. Furthermore, Eutelsat will also provide broadband internet access services in Russia on the EUTELSAT 36C satellite.

Finally, there have been many developments built around high-speed internet access services, especially for mobility, with growing demand in the maritime, rail and air transport industries.

The Group’s on-board solution for aircraft, "Internet Air Access", offers passengers top-quality Internet access, a video streaming service, and mobile telephony services accessible on tablets, smartphones and laptop computers throughout the European air space. The Group was selected by

Telefonica to provide capacity enabling the Spanish carrier, Vueling, to equip its fleet with an in-flight Internet connection.

The EUTELSAT 172B satellite to be launched in 2017 will be used by Panasonic Avionics Corporation as a platform for in-flight connectivity and entertainment for airlines serving the Asia-Pacific area.

Government services

Government missions require reliable global communications that can be rapidly deployed throughout the world. The Group's satellites provide direct links between Europe, the Middle-East, Africa, Western Asia and America.

The Group provides directly or through partners services to governments in the framework of programmes to reduce the digital divide in the field of education or health (e-Education, e-Health...). The Group also addresses the needs in terms of satellite capacity required by intelligence, surveillance and reconnaissance systems, particularly for the U.S. administration. In order to better respond to the satellite needs of government and institutional markets in the EMEA region, Eutelsat has created Eutelsat Government EMEA, in early 2015.

Satellites and coverage areas

As of the date of this Prospectus the Group has operational capacity on 39 satellites.

The tables below show the capacity (fully-owned and leased from third parties) operated as of 30 June 2015. Relevant events which took place between end-June 2015 and date of the present Prospectus are listed below.

Satellite capacity as of 30 June 2015

As of 30 June 2015, the Group had operational capacity on 37 satellites (including capacity on EUTELSAT 28A satellite which was at the time being relocated to 33° East); of which five were leased from third parties and four were in inclined orbit.

Fully owned capacity as of 30 June 2015

Name of satellite	Orbital position	Geographic coverage	Nominal capacity *(number of physical transponders)*	Nominal [(2)] capacity *(36 MHz-equivalent transponders / Spotbeams)*	Launch date	Estimated end of operational use in stable orbit as of 30 June 2015 [(3)] *(calendar year)*
EUTELSAT HOT BIRD 13B	13° East	Europe, North Africa, Middle-East	64 Ku	60 Ku	August 2006	Q1 2025
EUTELSAT HOT BIRD 13C	13° East	Europe, North Africa, Middle-East	64 Ku	60 Ku	December 2008	Q3 2024
EUTELSAT HOT BIRD 13D	13° East	Europe, North Africa, Middle-East	64 Ku	60 Ku	February 2009	Q1 2024
EUTELSAT 12	12.5° West	Europe, Middle-	19 Ku	29 Ku	August 2002	Q4 2018

Name of satellite	Orbital position	Geographic coverage	Nominal capacity *(number of physical transponders)*	Nominal [(2)] capacity *(36 MHz-equivalent transponders / Spotbeams)*	Launch date	Estimated end of operational use in stable orbit as of 30 June 2015 [(3)] *(calendar year)*
West A		East, Americas				
EUTELSAT 117 West A	116.8° West	Americas	40 Ku / 24 C	42 Ku / 24 C	March 2013	Q4 2035
EUTELSAT 113 West A	113° West	Americas	24 Ku / 36 C	24 Ku / 36 C	May 2006	Q2 2023
EUTELSAT 8 West A	8° West	Europe, Middle-East, Americas	26 Ku	31 Ku	September 2001	Q2 2019
EUTELSAT 8 West C [(4)]	8° West	Middle-East, North Africa	10 Ku / 1 Ka	10 Ku / 2 C	August 2002	Q4 2017
EUTELSAT 7 West A	7° West	Middle-East, North Africa	50 Ku	52 Ku	September 2011	Q1 2033
EUTELSAT 5 West A	5° West	Europe, Americas, Africa	35 Ku / 10 C	35 Ku / 14 C	July 2002	Q3 2019
EUTELSAT 3B	3° East	Europe, Middle-East, Africa	30 Ku / 12 C / 5 Ka	54 Ku / 23 C / 5 Ka	May 2014	Q1 2033
EUTELSAT 7A	7° East	Europe, Middle-East, Africa	42 Ku / 2 Ka	57 Ku / 6 Ka	March 2004	Q2 2021
EUTELSAT 7B	7° East	Europe, Middle-East, Africa	53 Ku / 3 Ka	70 Ku / 3 Ka	May 2013	Q3 2038
EUTELSAT 9A	9° East	Europe, North Africa, Middle-East	38 Ku	35 Ku	March 2006	Q4 2024
EUTELSAT KA-SAT 9A	9° East	Europe, Mediterranean Basin	82 Ka	82 spots Ka	December 2010	Q2 2028
EUTELSAT 10A	10° East	Europe, Middle-East, Africa	42 Ku / 10 C	59 Ku / 20 C	April 2009	Q1 2023
EUTELSAT 16A	16° East	Europe, Middle-East, Africa, Indian Ocean	53 Ku / 3 Ka	70 Ku / 8 C	October 2011	Q2 2027
EUTELSAT 21B	21.5° East	Europe, Middle-East, Africa	40 Ku	59 Ku	November 2012	Q2 2033
EUTELSAT 25B	25.5° East	Europe, North	8 Ku / 7 Ka	8 Ku / 7 Ka	August 2013	Q1 2034

Name of satellite	Orbital position	Geographic coverage	Nominal capacity (number of physical transponders)	Nominal [(2)] capacity (36 MHz-equivalent transponders / Spotbeams)	Launch date	Estimated end of operational use in stable orbit as of 30 June 2015 [(3)] (calendar year)
		Africa, Middle-East				
EUTELSAT 28E [(5)]	28.2/28.5° East	Europe	4 Ku	4 Ku	September 2013	Q1 2029
EUTELSAT 28F [(5)]	28.2/28.5° East	Europe	4 Ku	4 Ku	September 2012	Lifetime in excess of 15 years
EUTELSAT 28G [(5)]	28.2/28.5° East	Europe	4 Ku	4 Ku	December 2014	Lifetime in excess of 15 years
EUTELSAT 33B [(6)]	33° East	Europe, North Africa, Middle-East, Central Asia	20 Ku	40 Ku	November 2002	Q4 2015
EUTELSAT 36A	36° East	Africa, Russia	31 Ku	28 Ku	May 2000	Q3 2017
EUTELSAT 36B	36° East	Europe, Middle-East, Africa	70 Ku	87 Ku	November 2009	Q4 2026
EUTELSAT 48D	48° East	Afghanistan, Central Asia	8 Ku	12 Ku	December 2008	Q4 2020
EUTELSAT 70B	70.5° East	Europe, Middle-East, Asia	48 Ku	92 Ku	December 2012	Q2 2032
EUTELSAT 172A	172° East	Asia-Pacific, Australia, New Zealand	20 Ku / 18 C	23 Ku / 24 C	December 2005	Q2 2022
EUTELSAT 115 West A	114.9° West	Americas	24 Ku / 24 C	-	December 1998	Inclined orbit
EUTELSAT 16C	16° East	Europe, Middle-East, Africa, Asia	5 Ku	-	April 2000	Inclined orbit
EUTELSAT 31A	31° East	Europe	20 Ku	-	September 2003	Inclined orbit
EUTELSAT 48A	48° East	Central Europe, Middle-East, Central Asia	20 Ku	-	November 1996	Inclined orbit

(1) Including capacity on EUTELSAT 28A satellite which was at the time being relocated to 33° East.
(2) The number of transponders can vary from one year to the next as a result of relocations or reconfigurations. The

Name of satellite	Orbital position	Geographic coverage	Nominal capacity (number of physical transponders)	Nominal [2] capacity (36 MHz-equivalent transponders / Spotbeams)	Launch date	Estimated end of operational use in stable orbit as of 30 June 2015 [3] (calendar year)

figures are rounded to the nearest whole number.

(3) Every year, the Group reviews the estimated operational life of the satellites in-orbit (for further information, see Notes 4.7 and 6 to the consolidated financial statements for the financial year ended 30 June 2015).

(4) In January 2014, the satellite experienced an anomaly to an onboard power transmission assembly. As the electrical power produced by the other onboard assembly remains well above the level required by the overall satellite platform for its current mission, it is fully expected that the satellite will continue to deliver nominal service to clients.

(5) In January 2014, in the framework of the settlement of a dispute with SES concerning the 28.5° East orbital position the Group contracted long-term satellite capacity on the SES satellite fleet at this orbital position. The number of transponders indicated is the number of transponders fully owned by Eutelsat on SES fleet.

(6) Following an incident on 16 June 2008, the power of this satellite and its estimated remaining life has been reduced. See Note 6 of the consolidated accounts for the year ending 30 June 2011.

Capacity leased from third parties as of 30 June 2015

Name of satellite	Orbital position	Geographic coverage	Nominal capacity (number of physical transponders)	Nominal capacity (36 MHz-equivalent transponders / Spotbeams)	Launch date	Estimated end of operational use in stable orbit as of 30 June 2015 (calendar year)
Telstar 12 [1]	15° West	Europe, Americas	4 Ku	6 Ku	October 1999	Q2 2016
EUTELSAT 53A [2]	53° East	Europe, North Africa, Middle-East, Asia	5 Ku	8 Ku	October 2014	Q1 2030
Express-AT1 [3]	56° East	Siberia	18 Ku	17 Ku	March 2014	Q2 2029
Express-AT2 [3]	140° East	Far East Russia	8 Ku	7 Ku	March 2014	Q2 2029
EUTELSAT 28G [4]	28.2/28.5° East	Europe	8 Ku	6 Ku	September 2014	Lifetime in excess of 15 years

(1) Owned by Loral Skynet. This capacity corresponds to that operated by Eutelsat.

(2) Owned by Russian Satellite Communications Company (RSCC). This capacity corresponds to that operated by Eutelsat.

(3) Owned by Russian Satellite Communications Company (RSCC). This capacity corresponds to that operated by Eutelsat.

(4) In January 2014, in the framework of a settlement of the dispute with SES concerning the 28.5° East orbital position the Group contracted long-term satellite capacity on the SES satellite fleet at this orbital position. The number of transponders indicated is the number of transponders leased by Eutelsat on SES fleet.

Evolution of the fleet since 30 June 2015

Since 30 June 2015 the following events occurred

- In July 2015, EUTELSAT 28A was relocated to 33° East where it now operates as EUTELSAT 33C.
- In August 2015, EUTELSAT 8 West B was launched and entered full commercial service at 7/8° West in early October.
  - Subsequent to this, EUTELSAT 8 West C was relocated to 33° East and operated as EUTELSAT 33D. It is now in inclined orbit and under redeployment.
  - EUTELSAT 8 West A was relocated to 12.5° West where it operates as EUTELSAT 12 West B.
  - EUTELSAT 12 West A has been relocated to 36° West.
- In October 2015, the all-electric EUTELSAT 115 West B satellite started operations. At the time of this report, EUTELSAT 115 West A had terminated its operational life.
- In October 2015, the operational life of EUTELSAT 33B was terminated.
- In December 2015, EUTELSAT 36C was launched and entered into service in mid-February. EUTELSAT 36A is now in inclined orbit and has been redeployed.
- In January 2016, EUTELSAT 9B was launched. It started operations in March 2016.
  - EUTELSAT 9A has been relocated to 13° East where it operates as EUTELSAT HOT BIRD 13E;
  - EUTELSAT HOT BIRD 13D has been relocated to 33° East where it operates as EUTELSAT 33E.
- In March 2016, EUTELSAT 65 West A was launched. It started operations on 1 May 2016.
- In May 2016, the Telstar 12 satellite was de-orbited.
- On 15 June 2016, EUTELSAT 117 West B was launched. It is expected to start operations in the first quarter of calendar year 2017.

As of the date of this Prospectus the Group therefore operates capacity on 39 satellites (of which 5 are in inclined orbit and 5 are in the framework of finance leases).

Capacity evolution

The table hereunder reflects the capacity evolution of the Group over the financial year ended 30 June 2015.

	30 June 2014	**30 June 2015**
Number of operational 36 MHz-equivalent transponders [6]	1,122	**1,168**
Number of leased 36 MHz-equivalent transponders[7]	911	**919**
Fill rate	81.2%	**78.7%**

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity (KA-SAT 82 spotbeams and EUTELSAT 3B 5 Ka-band spotbeams).

6 Number of transponders on satellites in stable orbit, back-up capacity excluded.

7 Number of 36 MHz-equivalent transponders leased on satellites in stable orbit.

Satellites ordered and under construction

Recent satellite orders

In July 2015, the first EUTELSAT QUANTUM satellite was ordered from Airbus Defence and Space, to be launched in 2019.

In October 2015, the Group signed a contract with Spacecom to lease the Ka-band capacity on the AMOS-6 satellite for broadband services in Sub-Saharan Africa in collaboration with Facebook.

In October 2015, the Group ordered a new-generation all-electric high throughput satellite from Thales Alenia Space to be launched in 2019. The satellite will bring additional broadband resources to Sub-Saharan Africa.

In March 2016, the Group procured an all-electric satellite from Space Systems Loral to expand broadcasting in Africa, the Middle East and Turkey. To be launched in third quarter 2018, the new satellite will operate at the 7° East orbital position under the name EUTELSAT 7C.

Nominal launch program

The upcoming launch schedule is indicated in the table below, which also lists the manufacturers and launchers party to contracts relating to the procurement and launch of satellites.

Satellite[1]	Orbital position	Estimated launch (calendar year)	Manufacturer	Launcher	Main applications	Main geographic coverage	Physical Transponders	36 MHz-equivalent transponders / Spotbeams	Of which expansion 36 MHz-equivalent transponders
EUTELSAT 172B	172° East	H1 2017	Airbus Defence and Space	Arianespace	Data, Government Services, Mobility	Asia-Pacific	36 Ku (regular), 14 C, 11 Ku-band HTS spotbeams	42 Ku (regular), 24 C, 11 Ku-band HTS spotbeams[2]	19 Ku (regular); 11 Ku-band HTS spotbeams[2]
EUTELSAT 7C	7°East	Q3 2018	Space Systems Loral	To be decided	Video	Turkey, Middle-East, Africa	44 Ku	49 Ku	19 Ku
EUTELSAT QUANTUM	To be confirmed	2019	Airbus Defence and Space	To be decided	Data, Government Services, Mobility	Flexible	12 "Quantum channels"	Not applicable	Not applicable
African Broadband satellite	To be confirmed	2019	Thales Alenia Space	To be decided	Broadband	Africa	65 spotbeams	75 Gbps[3]	75 Gbps[3]

[1] Chemical propulsion satellites generally enter into service 1 to 2 months after launch. Of the electric propulsion satellites, EUTELSAT 172B, EUTELSAT 7C and African Broadband satellite between 4 and 6 months
[2] Total capacity of the high throughput payload: 1.8 Gbps.
[3] Total capacity for the baseline mission. Option to double the capacity.

TCR – Telemetry, command and ranging

The majority of 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 acquired 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 is responsible for managing traffic on the space segment ("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, 365 days a year and, as at 30 June 2015, employed more than 100 specialist technicians and engineers in this capacity.

Eutelsat S.A.'s satellite and communications control activities are certified ISO 9001 (quality management system) and ISO 27001 (management of information security system).

Satellites under the responsibility of Eutelsat Americas (EUTELSAT 113 West A, 115 West B and 117 West A) are operated from the Group's control centres located in Iztapalapa, Mexico City (Mexico) and in Hermosillo (Mexico). These centres are redundant and they have the same functions as the centres located in France. Their activities are also certified ISO 9001.

Activities of the Satellite Control Centre

The Group managed the in-orbit satellites it owned at 30 June 2015 (including the three Eutelsat Americas Satellites controlled from Mexico), with support from a contractor for EUTELSAT 12 West A. Express-AT1, Express-AT2 and EXPRESS-AM6 (on which the Group operates certain transponders under the name EUTELSAT 53A) are controlled by the RSCC. ASTRA 2E, ASTRA 2F and ASTRA 2G (on which certain transponders are operated by the Group respectively under the names EUTELSAT 28E, EUTELSAT 28F and EUTELSAT 28G) are controlled by SES.

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 the configuration of payloads 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 centre is connected to a telemetry, command and ranging (TCR) station network to communicate with the satellites. The Rambouillet teleport contains the largest number of TCR stations. 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. For satellites controlled from Mexico, TCR stations are located on the same sites as the main control centres in Iztapalapa and Hermosillo.

The Rambouillet teleport is also used for in-orbit positioning of new satellites joining 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 satellite in March and April 2004. Since then, LEOP operations have been carried out from the Rambouillet site for all satellites except for EUTELSAT 16A and EUTELSAT 25B, for which LEOP operations were conducted by the manufacturers Thales Alenia Space and Space Systems Loral respectively, following their launch in October 2011 and August 2013. For satellites controlled from Mexico, positioning operations were performed by the satellite manufacturer (Boeing and Loral).

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. For this purpose, the Group has a set of facilities at its Paris and Rambouillet sites and at Iztapalapa and Hermosillo. In addition to these facilities, the Group has service contracts with operators of 16 sites worldwide, selected according to the geographical coverage of its 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), Khabarosk (Far East Russia), Hartebeesthoek (South Africa) for Sub-Saharan Africa, Singapore for the Far East, Yaoundé (Cameroon) for Western Africa, Dubai (United Arab Emirates) for beams covering North Africa and the Arabian peninsula, Mauritius for the Indian Ocean, Cagliari (Sardinia) – owned and operated by the Group's subsidiary Skylogic Mediterraneo S.r.l – for the Western Mediterranean and North Africa, Yamaguchi in Japan for the North of the Pacific Ocean and the West of Asia, Noumea in New Caledonia for the South of the Pacific Ocean and Madagascar, Mayotte and La Réunion in order to provide multi-site redundant monitoring. The last three sites are heavily impacted by violent weather conditions. 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 site operators.

In addition to this infrastructure, the Group also operates nine other sites dedicated to the control of KA-SAT.

All equipment is managed automatically and centrally by the Communications Control Centre (CSC), which has been based at the Rambouillet teleport since December 2007, with a back-up centre in Paris (except for the satellites managed from Mexico). The two centres are connected to each other and to each monitoring site via 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 were estimated between approximately 14 years and more than 20 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 electrostatic or solar storms, or by collision with micro-meteorites or space debris.

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

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

In 1999, the Group experienced operational anomalies on its EUTELSAT 16B and EUTELSAT 25A satellites due to a faster-than-expected deterioration in some solar panels (the power source for satellites). To date, these defects have only had a limited impact on these satellites (four transponders were shut down on each satellite).

The EUTELSAT 12 West A satellite has suffered a number of failures since it began operational service in October 2002. All necessary measures have been taken to solve the problems encountered.

Additionally, the EUTELSAT 5 West A and EUTELSAT HOT BIRD 13A satellites experienced a minor reduction in battery power (the reduction in battery power of EUTELSAT 5 West A was caused by the loss of six cells out of 108 during the eclipse period in March-April 2004). These batteries provide satellites with energy during the two annual eclipse periods. A loss of cells leads to a reduction in the electrical power of the satellites and may result in reduced transmission capabilities during such periods. To date, these failures have only had a very limited impact on the overall performance of the satellites during eclipses.

On 16 June 2008, EUTELSAT 70A suffered an anomaly in one of its power generation sub-systems. The satellite's power sub-system was stabilised following a technical investigation carried out jointly with the manufacturer, Thales Alenia Space. However, the default reduced the satellite's capacity from 24 to 20 transponders in current operating conditions, and reduced its estimated remaining in-orbit life by 12 months.

The performance of the EUTELSAT 48D satellite, which was launched on 20 December 2008, does not comply with the specifications established with its manufacturer EADS Astrium/ISRO Antrix because of a major anomaly affecting its electrical power sub-system. This default 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 ended 30 June 2009.

On 18 April 2012, the EUTELSAT 33A satellite (which has since been relocated and renamed EUTELSAT 31A) lost one of two telemetry transmitters that also function as beacons transmitted by this satellite. The loss of this equipment has no impact on the quality of service provided by the satellite. Should the remaining transmitter be lost, EUTELSAT 33A's mission would be terminated.

On 4 September 2012, a 42-minute transmission cut occurred on EUTELSAT 16A. The cut was due to the excessively sensitive on-board system used for detecting pointing loss. The on-board software has been modified to avoid such excessive sensitivity on the satellite as well as on other satellites of the fleet equipped with the same on-board software.

On 28 November 2012, EUTELSAT 3C suffered an anomaly on one of the sensors used to detect Earth. The on-board software automatically replaced the sensor with the redundant equipment. Eutelsat is developing methods for stabilising the satellite in order to be protected in case of possible problems with the active sensor. EUTELSAT 70B experienced the same anomaly on 1 March 2014.

In January 2014, EUTELSAT 8 West C experienced an anomaly to an on-board power transmission assembly. Subsequently, the Group evaluated the damage incurred and reassessed the value of future cash flows generated by this satellite. As a result, the Group recognised an impairment charge amounting to €6.4 million.

In October 2015, the operational life of EUTELSAT 33B was terminated, a month ahead of its planned de-orbiting following the loss of its second solar array. Continuity for customers was assured by other capacity on Eutelsat's fleet.

Launch failures

Since it began its activities (including during the period prior to the Transformation), the Group has lost three satellites as a result of launch failures (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 the W3B satellite following an operating malfunction on the satellite's propulsion sub-system after its launch.

Technical faults and loss of equipment affecting satellites leased from third parties

Under its capacity lease agreements, the Group can request compensation if there is any interruption in the availability of capacity or 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 provide 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.

Satellite end-of-life

After any 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 an 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.

During the financial year ended 30 June 2015, EUTELSAT 48C and EUTELSAT 16B were de-orbited respectively in November 2014 and February 2015, after reaching the end of their operational lives, in accordance with the principles mentioned above.

Since 30 June 2015 EUTELSAT 115 West A and EUTELSAT 33B have reached the end of their operational lives.

Customers

As of 30 June 2015, the Group's top 10 customers accounted for 42.7% of the Group's revenues with the breakdown as follows:

Customers	Revenue per customer	
	(in millions of euros)	*(as a percentage)*
Public sector entities (United States)	131.7	8.9%
Orange/Globecast	117.8	8.0%
Sky Italia S.r.l.	89.2	6.0%

Customers	Revenue per customer	
	(in millions of euros)	*(as a percentage)*
Telespazio/Telecom Italia	65.7	4.4%
Nilesat	52.8	3.6%
Noorsat WLL	49.5	3.4%
British Telecom/Arqiva	45.2	3.1%
Multichoice Africa	30.4	2.1%
Digital Platform Teknoloji Hizmetleri	26.1	1.8%
Intersputnik International Organization of Space Communication	23.4	1.6%
TOTAL OF TOP 10 CUSTOMERS	**631.8**	**42.7%**
Others	847.3	57.3%
TOTAL	**1,479.1**	**100.0%**

As of 30 June 2014, the Group's top 10 customers accounted for 47.2% of the Group's revenues with the breakdown as follows:

Customers	Revenue per customer	
	(in millions of euros)	*(as a percentage)*
Public sector entities (United States of America)	127.0	9.4%
Orange/Globecast	124.5	9.2%
Sky Italia Srl	89.1	6.6%
Telespazio/Telecom Italia	69.6	5.2%
Nilesat	54.1	4.0%
British Telecom/Arqiva	45.0	3.3%
Noorsat WLL	43.6	3.2%
Intersputnik International Organization of Space Communication	32.4	2.4%
Multichoice Africa	26.2	1.9%
Deutsche Telekom/Media Broadcast	26.1	1.9%
TOTAL OF TOP 10 CUSTOMERS	**637.6**	**47.2%**

Customers	Revenue per customer	
	(in millions of euros)	*(as a percentage)*
Others	713.1	52.8%
TOTAL	**1,350.7**	**100.0%**

Order backlog

The order backlog represents future revenues from capacity lease agreements and can include contracts for satellites under procurement.

The order backlog is the expected future revenue under existing customer contracts, and includes both non-cancellable contracts and contracts that can be terminated, generally against the payment of termination fees.

The amount included in backlog represents the full service charge for the duration of the contract and does not include termination fees. In certain cases of breach for non-payment or customer financial distress or bankruptcy, we may not be able to recover the full value of certain contracts or termination fees. The contracted backlog includes 100% of the backlog the Group's consolidated ownership interests, which is consistent with the accounting for the Group's ownership interest in these entities.

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

At 30 June 2015, the backlog stood at €6.2 billion, down 3.5% compared to 30 June 2014.

As of 30 June	2013	2014	**2015**
Value of contracts (in billions of euros)	5.4	6.4	**6.2**
In years of annual revenues based on last fiscal year	*4.2*	*4.6**	***4.2***
Share of Video Applications	92%	84%	**83%**

** Including USD 69.0 million revenues for Satmex from July to December 2013*

Regulation

The provision of satellite capacity and services is highly regulated. As a satellite operator providing satellite capacity and services in 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. These various regulations fall into six categories:

– national regulations governing access to the radio frequency spectrum and their coordination at 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

First half-year ended 31 December 2015 of the Group

Group half year revenues stood at €775.8 million, up 1.5% at constant currency and excluding non-recurring revenues and by 7.1% on a reported basis. The appreciation of the dollar added 5.6 points to top-line growth, particularly represented in government services and to a lesser extent data.

Analysis of Revenues [8]

Business applications	**Half year ended 31 December**			
In millions of euros	2014	**2015**	**Reported Change**	**At Constant Currency**
Video Applications	452.4	**468.9**	**+3.7%**	**+1.5%**
Data Services	107.4	**118.0**	**+9.9%**	**-3.1%**
Value Added Services	51.4	**55.1**	**+7.3%**	**+6.7%**
Government services	92.2	**106.2**	**+15.2%**	**-1.5%**
Other revenues	21.1	**27.5**	**+30.4%**	**+28.3%**
Total excluding non-recurring revenues	724.5	**775.8**	**+7.1%**	**+1.5%**
Non-recurring revenues	-	**-**	**-**	**-**
Total revenues	724.5	**775.8**	**+7.1%**	**1.5%**
Eur/USD exchange rate	*1.31*	*1.11*		

Video applications (63% of revenues)

Video applications revenues in the first half were up 1.5% at constant currency to €468.9 million. This rise reflected the entry into service of EUTELSAT 8 West B at the beginning of the second quarter, bringing incremental capacity to the MENA region. Growth was also driven by positive trends at Fransat, Eutelsat's Direct-to-Home platform serving TV homes in France, and at the 7° East (Turkey, East Africa) and 16° East (Central Europe, Sub-Saharan Africa) orbital positions. This performance offset the negative impact of contract renegotiations with Russian customers as well as lower revenues at the HOT BIRD position following the non-renewal of contracts with some service providers last year.

At 31 December 2015, the total number of channels broadcast by Eutelsat satellites had crossed the threshold of 6,000, up 4.6% (or 263 channels) year-on-year. High definition penetration continued to increase, standing at 757 channels versus 657 a year earlier, and representing a penetration rate of 12.6% compared to 11.4% a year earlier. Three ultra high definition channels are now broadcasting on the fleet, one at the HOT BIRD position (FunBox 4K) and two at 36° East (Insight UHD and Tricolor UHD).

8 i) all growth rates are expressed in comparison with figures for the corresponding period of the previous fiscal year, and ii) the share of each application as a percentage of total revenues is calculated excluding "other revenues" and non-recurring revenues.

Data Services (16% of revenues)

Data services revenues stood at €118.0 million for the first half year, down 3.1% year-on-year at constant currency, reflecting the reclassification of some revenues to government services. Excluding this, revenues were broadly flat.

This performance reflects on one hand the entry into service of EUTELSAT 115 West B in mid-October, bringing incremental capacity in the Americas, and on the other, continued unfavourable trends in the EMEA region as well as the decline in revenues at 53° East following the rationalisation of capacity at this position in May 2015.

At the beginning of December, Eutelsat terminated a contract for Ka-band capacity on EUTELSAT 3B following non-payment, with a revenue impact of circa $7 million in the current fiscal year. Options to re-sell this steerable capacity are under consideration.

Value Added Services (7% of revenues).

First Half revenues for value-added services amounted to €55.1 million, up 6.7% at constant currency. The number of terminals activated on KA-SAT stood at 190,000 (175,000 a year earlier and 190,000 at end-September). This continues to reflect high loading of some beams in markets previously contributing strongly to growth, notably France and the UK, as well as a higher level of churn.

On 9 February 2016, the Group and ViaSat entered into a joint-venture that leverages their respective resources and strengths to operate and expand the commercial reach of the KA-SAT satellite. The two companies are jointly considering longer-term plans for additional satellite broadband capacity in Europe. The joint venture with ViaSat will support the distribution of broadband services in countries where sales have been less dynamic.

As part of the agreement, ViaSat will pay a consideration of €132.5 million in exchange for 49% of the existing European broadband business. These funds are earmarked for future broadband projects.

Government services (14% of revenues)

First half revenues from government services stood at €106.2 million, down 1.5% at constant currency including the reclassifications from data services mentioned above. Excluding this, revenues declined by circa 5%.

On a reported basis they rose 15.2%.

This reflects the early termination of a contract with a distributor in the first quarter as well as the ongoing impact of lower renewals with the US Department of Defence in the last 12 months. These factors were partially offset by increased volumes at the 3° East, 21° East, 36° East and 172° East positions.

Other and non-recurring revenues

Other revenues (which include mainly compensation paid on the settlement of business-related litigation, the financing of certain research programmes by the European Union and other organisations, the impact of EUR/USD currency hedging, the provision of various services or consulting/engineering fees as well as termination fees) amounted to €27.5 million compared with €21.1 million at 31 December 2014. They include revenues generated by the agreements with SES at the 28.5° East position. In the first quarter, they also included a fee related to the early termination mentioned above.

There were no non-recurring revenues at 31 December 2015.

Backlog

The order backlog (representing future revenues from capacity lease agreements and including contracts for satellites under procurement) stood at €5.8 billion at 31 December 2015, down by 5% year-on-year. It was equivalent to 3.9 times 2014-15 revenues. Video applications represented 83% of the backlog.

Compared to 30 September 2015 the backlog was down by 3%. This slight decline reflects on one hand backlog consumption as well as the termination of the contract for the Ka-band capacity on EUTELSAT 3B, and on the other, new contracts signed notably at 7/8° West and by Eutelsat Americas.

As of 31 December	2014	**2015**
Value of contracts (in billions of euros)	6.1	**5.8**
In years of annual revenues based on last fiscal year	*4.4*	***3.9***
Share of Video Applications	84%	**83%**

Operational and leased transponders

The number of operational transponders at 31 December 2015 increased by 91 to 1,268 year-on-year, mainly due to the entry into service of EUTELSAT 8 West B and EUTELSAT 115 West B.

The fill rate stood at 73.9% compared to 77.3% a year earlier, reflecting the impact of this new capacity. The rise in the number of leased transponders (from 912 at 30 September to 938 at 31 December 2015) resulted mainly from the sale of incremental capacity on these recently launched satellites.

At 31 December	2014	**2015**
Number of operational transponders[9]	1,177	**1,268**
Number of leased transponders[10]	910	**938**
Fill rate	77.3%	**73.9%**

Note: Based on 36 MHz-equivalent transponders excluding high throughput capacity (KA-SAT 82 spotbeams and EUTELSAT 3B 5 Ka-band spotbeams).

Profitability

EBITDA amounted to €601 million compared to €561 million at 31 December 2014, up 7%. The EBITDA margin stood at 77.4%, almost unchanged compared to last year. As in previous years, the phasing of operating costs was marginally favourable to the First Half.

Group share of net income stood at €212 million versus €191 million a year earlier, an 11% increase, and represented a margin of 27.3%. This reflected a higher EBITDA, an increase in depreciation and

9 Number of transponders on satellites in stable orbit, back-up capacity excluded

10 Number of transponders leased on satellites in stable orbit

amortisation, up €6 million year-on-year, principally due to the entry into service of EUTELSAT 8 West B and EUTELSAT 115 West B in October 2015; and a net financial result of -€59 million versus -€41 million a year earlier, reflecting an increase in capitalised interest and the variation in foreign exchange gains and losses.

Dividend of Eutelsat Communications

The Annual General Meeting of Shareholders of Eutelsat Communications, held on 5 November 2015, approved the payment of a dividend of €1.09 per share in respect of the financial year ended 30 June 2015, with the option for shareholders to receive the entire dividend in cash or shares (scrip dividend). 61% of the rights were exercised in favour of the scrip dividend, leading to the issuance of 5,802,297 new shares. Eutelsat Communications' share capital subsequently stood at 232,774,635 ordinary shares. The cash dividend totalling €96 million was paid on 10 December 2015.

Third quarter and nine months ended 31 March 2016 of the Group

Revenue growth in the Third Quarter was below expectations, reflecting a worse than expected environment in several emerging markets, in particular in Latin America, where much of the Group's new capacity is targeted and the spread of tough competitive conditions in Data Services to all markets.

Operating highlights

The Third Quarter saw further progress on the deployment plan with:

- The entry into service of EUTELSAT 36C, bringing incremental resources over Russia and Sub-Saharan Africa, including a significant lease to Multichoice;
- The launch and entry into service of EUTELSAT 9B, mainly bringing replacement capacity over Europe;
- The launch of EUTELSAT 65 West A, bringing incremental capacity over Latin America. EUTELSAT 65 West A started operations on 1 May 2016; the HTS payload is fully leased to Echostar and Stargroup.

Elsewhere,

- Eutelsat procured an all-electric satellite from Space Systems Loral in March to expand broadcasting in Africa, the Middle East and Turkey. To be launched in third quarter 2018, it will operate at the 7° East orbital position as EUTELSAT 7C;
- Eutelsat procured ground network infrastructure for Russian and African broadband projects respectively from Gilat Technology and Hughes Network Systems.

Third Quarter Revenue Analysis by Application[11]

Total revenues for the third quarter ending 31 March 2016 stood at €383.6 million, up 1.1% at constant currency and by 4.2% in actual terms, the appreciation of the dollar relative to the euro adding some three points to top-line growth.

11 The share of each application as a percentage of total revenues is calculated excluding "other revenues" and "non-recurring revenues". Unless otherwise stated, all growth indicators are made in comparison with Third Quarter ended 31 March 2015.

Three months to 31 March 2016

Business applications	**Third quarter ended 31 March**			
In millions of euros	2015	**2016**	**Actual Change**	**Change at Constant Currency**
Video Applications	225.3	**239.1**	**+6.1%**	**+4.9%**
Data Services	58.1	**54.4**	**-6.3%**	**-12.6%**
Value Added Services	23.4	**25.3**	**+8.0%**	**+7.7%**
Government Services	49.5	**49.7**	**+0.5%**	**-7.4%**
Other revenues	11.9	**15.0**	**+25.9%**	**Ns**
Total excluding non-recurring revenues	368.2	**383.6**	**+4.2%**	**+1.1%**
Non-recurring revenues	-	**-**	**-**	**-**
Total revenues	368.2	**383.6**	**+4.2%**	**+1.1%**
EUR/USD exchange rate	*1.197*	*1.095*		

Video applications (65% of revenues)

Video applications revenues for the third quarter amounted to €239.1 million, up 4.9% at constant currency. This rise mainly reflected the entry into service of EUTELSAT 8 West B in October 2015 and EUTELSAT 36C mid-February 2016, as well as higher revenues at Fransat on the back of the transition to high definition in France, which is now nearing completion. These elements more than offset lower revenues at the HOT BIRD position following the non-renewal of several contracts with service providers in recent months, as well as a decline in revenues from professional video.

At 31 March 2016, the total number of channels broadcast by Eutelsat satellites stood at 6,156, up 7.1% year-on-year. High definition penetration continued to rise, representing 13.1% of channels compared to 11.7% a year earlier, or 807 channels, up from 672 a year earlier.

Data services (15% of revenues)

Data services revenues for the third quarter stood at €54.4 million, down 12.6% year-on-year at constant currency and by circa 8% excluding the impact of reclassifications to government services. This reflected on one hand the ramp-up of capacity on EUTELSAT 115 West B (serving the Americas) which started operations in October 2015, and on the other, headwinds including the termination of the contract for Ka-band capacity on EUTELSAT 3B in December, and a decline in revenues at 53° East following the rationalisation of capacity at this position in May 2015.

Trends until now impacting the EMEA region, notably pricing pressure, have begun to manifest themselves in other geographies.

Value-added services (7% of revenues)

Value-added services revenues for the third quarter amounted to €25.3 million, up 7.7% year-on-year at constant currency.

185,000 terminals were activated on KA-SAT at 31 March 2016, compared with 190,000 at end December 2015 and 180,000 a year earlier, reflecting high loading of beams in markets such as France and the UK which were previously strong contributors to growth.

The quarter-on-quarter decrease in subscribers reflected notably a rationalization of their customer base by certain distributors. However ARPU trends are well-oriented notably thanks to proactive yield management underpinning revenues.

As in the second quarter, maritime services continued to reflect low seasonality, but year-on-year benefited from the non-recurrence of a negative one-off in third quarter 2014-15.

Government services (13% of revenues)

Government services revenues for the third quarter stood at €49.7 million. At constant currency this represented a decline of 7.4%, and circa 13% excluding the reclassifications from data services mentioned above. This reflected the early termination of a contract with a distributor in the first quarter as well as the ongoing impact of lower renewals with the US Department of Defence in the last 12 months, which were not offset by new business.

The latest round of contract renewals with the US administration resulted in an estimated renewal rate around 65%, reflecting a tougher procurement process and strong competition. The re-compete of the majority of the task orders placed five years ago has now been largely completed, with an attendant downward pricing reset.

Other and non-recurring revenues

Other revenues (including mainly compensation paid on the settlement of business-related litigation, the financing of certain research programmes by the European Union and other organisations, the impact of EUR/USD currency hedging, the provision of various services or consulting/engineering fees as well as termination fees) amounted to €15.0million in the third quarter compared with €11.9 million a year earlier. They notably included revenues generated by the agreements with SES at the 28.5° East position.

As in the first two quarters, there were no non-recurring revenues in the third quarter.

Backlog

The backlog (representing future revenues from capacity lease agreements and including contracts for satellites under procurement) stood at €5.9 billion at 31 March 2016, versus €5.8 billion at 31 December 2015, and €6.4 billion a year earlier. The increase in the backlog in the third quarter, mainly reflected the renewal of capacity with Russian customers at 36° East.

The backlog was equivalent to 4.0 times 2015-2016 revenues. Video applications represented 83% of the backlog.

As of 31 March	2015	**2016**
Value of contracts (in billions of euros)	6.4	**5.9**
In years of annual revenues based on last fiscal year	*4.6*[12]	***4.0***
Share of Video Applications	84%	**83%**

[12] Based on proforma revenues for Fiscal Year 2013-14.

Operational and leased transponders

The number of operational 36 MHz-equivalent transponders stood at 1,285 at 31 March 2016, up by 17 units compared with end-December 2015, reflecting on one hand the entry into service of EUTELSAT 36C and EUTELSAT 9B during the quarter, and on the other, the reduction of capacity on the Telstar 12 satellite.

The number of leased 36 MHz-equivalent transponders stood at 929 versus 938 at end-December 2015. This reflected on one hand the incremental transponders leased to Multichoice at 36° East, and on the other, the reduction of capacity on Telstar 12, further capacity rationalization at 53° East and the non-renewal of a contract in Professional Video at 10° East.

As a result, the fill rate stood at 72.3% at end-March 2016 versus 73.9% at end-December 2015, mostly reflecting the entry into service of new capacity.

At 31 March	2015	**2016**
Number of operational transponders[13]	1,181	**1,285**
Number of leased transponders[14]	916	**929**
Fill rate	77.6%	**72.3%**

Note: *Based on 36 MHz-equivalent transponders excluding high throughput capacity (KA-SAT 82 spotbeams and EUTELSAT 3B 5 Ka-band spotbeams).*

Nine Month Revenues

Total revenues for the nine-month period ending 31 March 2016 stood at €1,159.4 million, up 1.3% at constant currency and 6.1% on a reported basis. The appreciation of the dollar relative to the euro added 4.8 points to top-line growth, particularly represented in Government Services and to a lesser extent in Data Services.

Nine months to 31 March 2016

In € millions	9m 2014-15	**9m 2015-16**	Actual change	**Change at constant currency**
Video Applications	677.7	**708.0**	+4.5%	**+2.6%**
Data Services	165.5	**172.5**	+4.2%	**-6.4%**
Value-Added Services	74.8	**80.4**	+7.5%	**+7.0%**
Government Services	141.7	**156.0**	+10.0%	**-3.6%**
Other revenues	33.0	**42.5**	+28.9%	**+26.0%%**
Sub-Total	1,092.7	**1,159.4**	+6.1%	**+1.3%**
Non-recurring revenues	-	**-**	-	**-**
Total	1,092.7	**1,159.4**	+6.1%	**+1.3%**
EUR/USD exchange rate	*1.272*	*1.102*	-	**-**

13 Number of transponders on satellites in stable orbit, back-up capacity excluded

14 Number of transponders leased on satellites in stable orbit

Outlook for Eutelsat Communications

Recent months have seen the development of several headwinds coming on top of the loss of the HTS contract on EUTELSAT 3B and the slowdown of growth on KA-SAT in the first half. These include a deteriorated economic context in several emerging markets, notably Latin America where much of the recently launched capacity has been targeted, and intensifying competitive pressure for Data Applications in all geographies. Taking these factors into account we now estimate revenues (at constant currency and perimeter and excluding non-recurring revenues) for Full Year 2015-16 to be broadly flat (versus "*at the bottom end of the 2-3% range*" previously).

These headwinds will continue to weigh on Full Year 2016-17 revenues, which will also be impacted by the carry forward effect of lower renewals in Government Services. Elsewhere, revenues at the HOT BIRD position will reflect the return of some capacity, partly due to further portfolio re-grooming by distributors, as well as the acceleration by the Eutelsat Communications Group of the rationalization of contractual arrangements with distributors in order to strengthen the commercial model in the longer term. As a consequence, revenues for next year are now expected in the region of -3% to -1% (versus "+4% to 6%" previously).

With regard to other elements of the outlook: EBITDA margin is now expected to be around 76% for current fiscal year and around 75% in fiscal year 2016-17 (versus "*above 76.5%*" previously for the two fiscal years). Average investments including capital expenditures and payments under existing export credit facilities and under long-term lease agreements on third party capacity, (currently of €500 million a year over the three fiscal years to 30 June 2018) are under review. The Eutelsat Communications Group remains committed to the other targets published on 30 July 2015, notably the maintenance of its investment grade rating, the reduction of its leverage below 3.3x net debt/EBITDA, and a dividend in the range of 65-75% of net income.

The Group is adapting to slowing industry-wide momentum, undertaking a wide-ranging review of its organization and strategic priorities with an emphasis on cash-flow generation and margin support.

A detailed strategic update will be provided in July.

Corporate Governance

Rodolphe Belmer succeeded Michel de Rosen as Chief Executive Officer of Eutelsat Communications on 1 March 2016. Michel de Rosen remains Chairman of the Board of Directors.

The Fonds Stratégique de Participations (FSP) announced a long-term equity investment in Eutelsat Communications with a stake representing more than 7% of capital. A resolution will propose FSP's appointment as a Board member at the next Annual General Meeting of Eutelsat Communications. FSP is a long term equity investor in French companies, backed by six major French insurance companies (BNP Paribas Cardif, CNP Assurances, Crédit Agricole Assurances, SOGECAP (Société Générale group), Groupama and Natixis Assurances).

Recent Events

On 7 April 2016, Eutelsat Americas announced the sale of Alterna'TV, a Miami-based content distribution company to THEMA a subsidiary, of the CANAL+ Group. Alterna generates circa €10 million in revenues on a full-year basis and was deconsolidated from beginning of April.

On 15 June 2016, EUTELSAT 117 West B satellite was launched. It is expected to start operations in the first quarter of calendar year 2017.

On-going litigations

The following legal actions and business disputes are underway:

Viasat Brasil

Following a significant violation by ViaSat Brasil of its legal obligations, the Group cancelled the agreement signed with this company for the use of the Ka-band payload on the EUTELSAT 3B satellite. Capacity on this satellite was taken over by another client.

ViaSat Brasil claimed compensation from Eutelsat before the Rio de Janeiro commercial court. Eutelsat has strongly challenged the claim. As of the date of this Prospectus, the court had not issued any judgement.

Horizonsat

During the financial year ended 30 June 2015, Eutelsat S.A. was summoned by Horizonsat before the Commercial Court of Paris for unilateral termination without compensation of a commercial bid. As of the date of this Prospectus, the court has not issued any judgement.

Frequency right

Discussions are underway between Eutelsat and the Italian Ministry of Telecommunications on the use of landing rights.

Update on tax audit

As disclosed in the Eutelsat S.A. consolidated accounts for the financial year ended 30 June 2015, Eutelsat S.A., which is included in the tax consolidation group headed by Eutelsat Communications, is subject to a tax audit procedure for financial years ended 30 June 2012, 2013 and 2014. In December 2015, Eutelsat S.A. received a tax adjustment notification in respect of the financial year ended 30 June 2012, for an amount of €3.4 million. A provision was recognised for this amount in the half-year accounts as at 31 December 2015 and Eutelsat S.A. is now awaiting a formal payment order in order to settle this amount. The tax audit procedure is still underway for the financial years ended 30 June 2013 and 2014. No provision has been made so far in the absence of an adjustment notification and/or specific indications as to possible outcomes.

Indebtedness of the Issuer since 30 April 2016

As of 30 April 2016, non-current financial debt of the Issuer amounted to €3,315.7 million.

Credit rating

On 13 October 2015, Moody's Investors Service announced that it had changed to positive from stable the outlook on the Eutelsat SA's Baa3 long-term issuer and senior unsecured ratings and

Eutelsat Communications SA's Ba1 senior unsecured bank credit facility rating. On 6 June 2016, Moody's Investors Service announced that it had changed to stable from positive the outlook on the Eutelsat SA's Baa3 long-term issuer and senior unsecured ratings and Eutelsat Communications SA's Ba1 senior unsecured bank credit facility rating. On 16 May 2016, S&P Global Ratings confirmed that its ratings on Eutelsat Communications S.A. (BBB/Stable/A-2) remain unchanged, with a BBB long-term and A-2 short-term issuer rating with a stable outlook.

TAXATION

The following is a general summary of the main European, French and Luxembourg withholding 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. This summary of the tax rules is based on the laws and regulation currently in force in the European Union, in France and in the Grand Duchy of Luxembourg as of the date of this Prospectus, 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 or redemption of the Bonds.

1 Repeal of the EU Savings Directive

The Council of the European Union has adopted on 10 November 2015 a Council Directive 2015/2060/EU repealing the Council Directive 2003/48/EC on the taxation of savings income (the **Savings Directive**) from 1 January 2017 in the case of Austria and from 1 January 2016 in the case of all other EU Member States.

Therefore, unless a payment is made or collected through a paying agent in Austria before 1 January 2017, no withholding tax should apply on the amount of interest paid in relation with the Savings Directive.

For these purposes, the term "paying agent" is defined widely and includes in particular any economic operator who is responsible for making interest payments, within the meaning of the EU Savings Directive, for the immediate benefit of individuals.

2 Taxation in France of interest and other assimilated revenues on the Bonds

Withholding tax

Holders of the Bonds who concurrently hold shares of the Issuer may also be impacted by other rules not described in this section.

According to Article 125 A III of the French *Code général des impôts*, payments of interest and other assimilated revenues 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 75% withholding tax is applicable (subject to certain exceptions 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 and other assimilated revenues 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 and other assimilated revenues may be re-characterised as constructive dividends pursuant to Articles 109 *et seq.* 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 75% (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 respectively that neither the 75% 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 and other assimilated revenues in a Non-Cooperative State (the **Exception**). Pursuant to French tax administrative guidelines (*Bulletin Officiel des Finances Publiques-Impôts* BOI-INT-DG-20-50-20140211, BOI-RPPM-RCM-30-10-20-40-20140211, and BOI-IR-DOMIC-10-20-20-60-20150320) (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 depositary 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 depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

Therefore, payments of interest and other assimilated revenues 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 and other assimilated revenues paid by the Issuer on the Bonds will not be subject to the Deductibility Exclusion and as a result such interest and other assimilated revenues 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.

According to Article 125 A I of the French *Code général des impôts*, subject to certain exceptions, interest and similar revenues received by individuals fiscally domiciled in France within the meaning of Article 4 B of the French *Code général des impôts* are subject to a 24% withholding tax (*prélèvement forfaitaire non libératoire*), which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5% on such interest and similar revenues received by individuals fiscally domiciled in France within the meaning of Article 4 B of the French *Code général des impôts*.

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 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 an 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, and not the Issuer, is responsible for the withholding tax levied in accordance with the above mentioned provisions. However, if the interest is paid by a paying agent established in an EU Member State (other than Luxembourg) or one of the dependent and associated territories, and the beneficiary opts for the application of a 10% flat taxation in accordance with the law dated 23 December 2005 as subsequently amended, such individual is responsible for the withholding tax levied.

Luxembourg non-residents

The EU Savings Directive has been repealed with effects as from 1 January 2016. Hence payments of interest by Luxembourg paying agents to non-resident individual and to certain residual entities are not subject to any Luxembourg withholding tax.

SUBSCRIPTION AND SALE

Société Générale, HSBC Bank plc, Banca IMI S.p.A., SMBC Nikko Capital Markets Limited (the **Joint Bookrunners**) and Landesbank Hessen-Thüringen Girozentrale (the **Co-Lead Manager**, and together with the Joint Bookrunners, the **Managers**) have, pursuant to a Subscription Agreement dated on or about 21 June 2016 (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 99.894 per cent. of the principal amount of the Bonds, less any applicable commissions. The Issuer will also reimburse the Managers in respect of certain of their expenses, and has agreed to indemnify the Managers 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 Managers 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. It will also ensure that no obligations are imposed on the Issuer or any other Joint Lead Manager in any such jurisdiction as a result of any of the foregoing actions.

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 U.S. Securities Act (**Regulation S**) or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. 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 completion of the distribution of the Bonds as determined, and certified to the Issuer by the Managers, in the United States or to, or for the account or benefit of, U.S. persons, and 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 other notice setting out the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. 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.

In addition, until 40 calendar days after the commencement of the offering, an offer or sale of the Notes within the United States by a dealer, whether or not it is participating in the offering, may violate the registration requirements of 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 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, as amended.

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*), other than individuals, acting for their own account as defined in, and in accordance with Articles L.411-1, L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 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, no Bonds may be offered, sold or delivered, nor may copies of the Prospectus or of any other document relating to the Bonds be distributed in the Republic of Italy except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the **Financial Services Act**) and Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time (Regulation No. 11971); or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-*ter* of Regulation No. 11971.

Any offer, sale or delivery of the Bonds or distribution of copies of the Prospectus or any other document relating to the Bonds in the Republic of Italy under (a) or (b) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993 as amended (the **Banking Act**); and;

(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 securities in the Republic of Italy; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by CONSOB or other Italian authority.

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 24 May 2016 and a decision of Mr. Rodolphe Belmer, *Directeur Général* of the Issuer, made on 16 June 2016.

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, as amended.

The total expenses relating to the admission to trading of the Bonds are, in the aggregate, estimated to be approximately €5,000.

Clearing Systems

The Bonds have been accepted for clearance through Euroclear France, Clearstream, Luxembourg and Euroclear with the Common Code number 143701336. The International Securities Identification Number (ISIN) for Bonds is FR0013184702.

Euroclear France
66, rue de la Victoire
75009 Paris, 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", there has been no significant change in the financial or trading position of the Issuer or the Group since 31 December 2015.

No material adverse change

Except as disclosed in the section "Recent Developments", there has been no material adverse change in the prospects of the Issuer or the Group since the financial year ended 30 June 2015.

Litigation

Other than as disclosed in the section "Recent Developments" above, 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 administrative, management or supervisory bodies 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 (1/2, place des Saisons, 92400 Courbevoie – Paris – La Défense 1, 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 2015 and 30 June 2014 as stated in their reports dated 29 July 2015 and 30 July 2014 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 are regulated by the *Haut Conseil du Commissariat aux Comptes* and duly authorised as *Commissaires aux comptes* and belong to the *Compagnie Régionale des Commissaires aux Comptes de Versailles*.

Yield

The yield of the Bonds is 1.147 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.

Managers transacting with the Issuer

The Managers 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 2015 and 30 June 2014 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 and are also available on the date of this Prospectus on the website of Eutelsat Communications in the section Investors/ Eutelsat S.A. Bond Holders (http://www.eutelsat.com/en/investors/eutelsat-sa-bond-holders.html).

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);

(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 2015 and 30 June 2014); and

(v) The half-year financial statements of the Issuer, including the auditors' review report on the first half-year financial information, included in the half-year financial report of the Issuer as at 31 December 2015.

In addition, this Prospectus and each document incorporated by reference are 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).

Broadcast Satellite Service (BSS)

Communications service in which signals transmitted or retransmitted by satellite are intended for direct reception by the general public. Use of the corresponding frequencies is governed by international regulations, with the aim of allowing all countries to offer services of this kind. In Europe, the downlink frequency range for the BSS is 11.7 to 12.5 GHz.

C-band

Frequency range assigned to satellite communication 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 operations.

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).

Downlink

Path travelled by the signal in the direction space-earth.

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 throughout the world.

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 frequently refers to "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").

High throughput satellite or payload (HTS)

Satellite or payload that provides more throughput than a classic satellite for the same amount of spectrum thanks to frequency reuse, thus with a lower cost per megabit.

Internet backbone

The communications networks on which the Internet is based.

IP

Internet Protocol.

Ka-band

Frequency range assigned to satellite communication systems, approximately 20 GHz for the downlink and 30 GHz for the uplink. These frequencies have the shortest wavelength of the three principal frequency bands used by geostationary satellites. Although small antennas can be used, 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 band is the most widespread band in Europe as a result of the small size of the antennae 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 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.

Regular capacity

Capacity which is not HTS capacity (see above).

RF relay

Professional terrestrial RF link generally used between the studios of a radio or TV station and the antennae transmitting the programmes to customers' homes.

S-band

Frequency range assigned to satellite communication systems, approximately 2 GHz for the uplink. Frequency adjacent to 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.

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 a satellite, 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.

VSAT Terminal

Microterminal connected to a fixed antenna and making satellite reception or transmission possible.

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L-2420 Luxembourg
Grand-Duchy of Luxembourg

PAYING AGENT

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44312 Nantes cedex 3
France

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20121 Milan
Italy

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To the Joint Bookrunners and the Co-Lead Manager as to French law

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