Intelsat Reports Third Quarter 2007 Results

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Intelsat, Ltd., the world's leading provider of fixed satellite services, has reported results for the three and nine month periods ended September 30, 2007.

Intelsat, Ltd. reported revenue of $546.1 million and a net loss of $42.6 million for the three months ended September 30, 2007. The company also reported Intelsat, Ltd. EBITDA, or earnings before interest, taxes and depreciation and amortization, of $404.5 million, and Adjusted EBITDA for Intelsat Bermuda of $427.0 million, or 78 percent of revenue, for the three months ended September 30, 2007.

Results for the nine months ended September 30, 2007 reflect the impact of the July 3, 2006 acquisition (the "PanAmSat Acquisition") of PanAmSat Holding Corporation ("PanAmSat"), which was subsequently renamed Intelsat Holding Corporation.

Results for the nine months ended September 30, 2006 are not pro forma for the PanAmSat Acquisition.

For the nine months ended September 30, 2007, Intelsat, Ltd. reported revenue of $1,607.6 million and a net loss of $189.3 million. The company also reported Intelsat, Ltd. EBITDA of $1,180.9 million, and Adjusted EBITDA for Intelsat Bermuda of $1,238.9 million, or 77 percent of revenue, for the nine months ended September 30, 2007.

Intelsat CEO Dave McGlade commented, "Our solid business performance in the third quarter reflects the fact that the integration has been successful and that our team is effectively executing our strategy for revenue growth. Third quarter 2007 revenue grew in excess of seven percent over the prior year quarter, excluding the legacy channel service offering and termination fees recognized in the third quarter of 2006. This growth demonstrates Intelsat's attractive competitive position in many of the sector's fastest-growth markets.

"We successfully launched the Intelsat 11 satellite last month, and the satellite has completed in-orbit testing," McGlade continued. "Intelsat's satellite operations team has now shifted its focus to our final launch of 2007, the Horizons 2 satellite. Our remaining satellite programme, which includes four replacement satellites to be launched over the next two years and one ground spare, will deliver fresh, high-power capacity to current orbital locations. Intelsat's satellite programme is based on our goal of increasing the return on our asset base by driving higher satellite utilization rates and through enhancing the proportion of high value capacity in our network." ■

Powerful player

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On October 31, 2007, Loral and its Canadian partner, PSP Investments, completed the acquisition of Telesat Canada. As part of this transaction, Loral contributed its Skynet fixed satellite services business to the new Telesat. Results for the periods ending September 30, 2007 reflect the consolidated financial results of Loral and its operating units, Loral Skynet and Space Systems/Loral.

"The completion of our Telesat transaction was a critical step in transforming Loral back into a powerful player in the satellite services industry," said Michael Targoff, Chief Executive officer of Loral. "Loral's new satellite services structure, together with continued good results from our manufacturing business, positions Loral well for future growth."

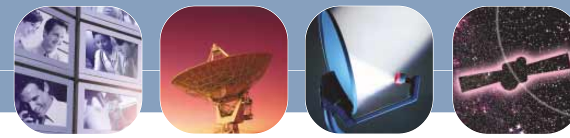
For the fourth quarter of 2007, Loral will report consolidated results for Skynet reflecting the October 31st transaction closing date. Beginning November 1st, Loral's 64 percent economic interest in Telesat Canada will be reflected under the equity method of accounting.

Financial results for the periods ending September 30, 2007

Total consolidated revenue for the third quarter of 2007 rose four percent to $236 million, compared to revenue of $227 million in the third quarter of 2006. For the first nine months of 2007, revenue was $682 million, an increase of 15 percent over the $592 million reported in the same period in 2006.

Adjusted EBITDA for the third quarter of 2007 was $25 million, compared to $36 million last year, which benefited from $24 million of unusual items. For the first nine months of 2007, Adjusted EBITDA was $50 million versus $64 million in the same period in 2006. The 2007 results also reflect increased marketing and research and development costs of $7 million and $14 million for the third quarter and first nine months of 2007, respectively, at Space Systems/Loral, as well as increased litigation expenses of $6 million for the

Artist's rendering of ProtoStar 1. Photo courtesy of SS/L.



first nine months due to shareholder lawsuits. Loral reported operating income of $0.1 million and an operating loss of $27 million for the third quarter and first nine months of 2007, respectively. In 2006, benefitting from the unusual items identified above, Loral reported operating income of $18 million and $11 million for the same periods.

As of September 30, 2007, Loral had $519 million in cash, short-term investments and restricted cash. After the close of the Telesat Canada transaction and Skynet transaction on October 31, 2007, Loral had approximately $315 million in cash, short-term investments and restricted cash.

For the third quarter and first nine months of 2007, Loral recorded mark-to-market non-cash, pre-tax gains on foreign currency contracts related to the Telesat Canada transaction of $57 million and $122 million, respectively.

Reflecting these hedging transaction gains, Loral reported net income of $26 million in the third quarter and $30 million in the nine months ending September 30, 2007. Loral reported net income of $1.2 million and a net loss of $26 million for the third quarter and first nine months of 2006, respectively.

Loral reported basic and diluted earnings per share for the third quarter of $0.99 and $0.96, respectively. For the first nine months of 2007, Loral reported a loss per share, both basic and diluted, of $0.47. Earnings per share in 2007 reflect the benefit of the hedging gains described above. Basic and diluted earnings (loss) per share was $0.06 and $(1.30) for the three and nine months ended September 30, 2006, respectively.

Business unit review - Satellite Manufacturing

In the third quarter of 2007, Space Systems/Loral commemorated its 50th anniversary as a pioneer in satellite manufacturing. Reflecting the benefit of contract awards throughout 2006 and 2007, SS/L's third quarter 2007 revenues before eliminations rose to $207 million, a nine percent improvement over the $191 million reported in the third quarter of 2006. For the first nine months of 2007, SS/L revenue totalled $618 million, up 25 percent over $494 million reported in the same period in 2006.

SS/L's third quarter Adjusted EBITDA was $13 million, down from Adjusted EBITDA of $16 million in the same period last year, which benefited from a $9 million gain on a litigation settlement. For the first nine months of 2007, Adjusted EBITDA was $33 million, even with the first nine months of 2006. Adjusted EBITDA results in 2007 include increased spending on marketing and research and development of $14 million, which we elected to incur in order to position SS/L for future growth.

During the third quarter, SS/L announced its fourth award of 2007: Sirius FM-6, a new, high power satellite for Sirius Satellite Radio. Earlier awards in 2007 include NSS-12 for SES New Skies, EchoStar XIV for EchoStar Communications Corporation and Intelsat 14 for Intelsat Corporation.

Recently, SS/L commenced a revised expansion programme that will increase its manufacturing capacity to handle up to nine satellite awards per year and permit greater in-house manufacturing of RF components and subassemblies. This new plan, which benefits from the optimization of existing facilities and the utilization of third party capacity, will cost approximately $40 million over the next two years, significantly less than SS/L's previous capital expenditure estimate of $150 million.

SS/L backlog at September 30, 2007 was $1.2 billion and included intercompany backlog of $73 million. At December 31, 2006, SS/L's backlog totalled $1.1 billion, with intercompany backlog of $116 million. Intercompany backlog for the periods include costs related to the Telstar 11N satellite being built for Loral Skynet (now Telesat).

Satellite Services

For the third quarter of 2007, Loral Skynet reported revenues before intercompany eliminations of $41 million, compared to $52 million a year earlier.

For the first nine months of 2007, revenues before intercompany eliminations totalled $110 million, compared to $126 million last year. Third quarter 2006 results were driven by a $15 million termination fee from Boeing as a result of the discontinuation of its Connexion by Boeing service.

In the third quarter, Adjusted EBITDA before intercompany eliminations was $21 million compared to $28 million in the third quarter of 2006. The decrease reflects Boeing's $15 million termination payment in 2006. Adjusted EBITDA for the nine months ended September 30, 2007 was $46 million, compared to $55 million in the same period last year.

Skynet's results have improved steadily during the year, reflecting continued demand from its customers for satellite services, including services on capacity that was freed up by Boeing's contract cancellation in 2006. Third quarter 2007 revenue improved $6 million and Adjusted EBITDA was up $7 million over the second quarter of 2007.

Loral Skynet's backlog at September 30, 2007 was $358 million, which included $7 million of intercompany backlog. Loral Skynet's backlog at December 31, 2006 was $355 million, including intercompany backlog of $10 million. ■

Shin Satellite results positive

Shin Satellite Public Company Limited ("SATTEL") has announced its third quarter results ended September 30th, 2007. The Company's total revenues was Baht 6,879 million, an increase of 280 percent compared to the same period of last year, due to a gain of Baht 5,127 million on the sale of 49 percent shares in Shenington. In this quarter, revenue from transponder leasing on Thaicom 4 (IPSTAR) was higher than that in 3Q06 and 2Q07. As the Company sold 6,850 IPSTAR User Terminals, the accumulative number of User Terminals sold at the end of 3Q07 is 93,153 units.

In September 2007, the Company has signed a Cooperation Agreement with TIME dotcom Berhad ("TIME"), a Malaysia's leading Telecommunications solutions provider, to deploy IPSTAR broadband satellite services in Malaysia within 4Q07. Moreover, the Company has forged an alliance with TNR Telecoms Incorporation to operate the IPSTAR gateway and to provide IPSTAR services in the Philippines.

The continued growth of telephone subscribers in both Cambodia and Lao PDR led to an increase in revenues generated from CamShin and LTC. At the end of 3Q07, CamShin and LTC had the total of 1,177,036 subscribers.

With regards to the selling of 49 percent in Shenington, the Company has recognized revenue and expense in proportion of 51 percent since July 26, 2007.

In the Internet access and media business, the revenue was Baht 62 million, an increase of Baht 43 million or 266.3 percent compared to the same period of last year. This was due to an increase in revenue from a steady growth in DTV sales, a low cost Ku-band satellite dish and set top box. In addition, the Company has launched the HDTV push video-on-demand service in this quarter called HD Cinema via the THAICOM-4 (IPSTAR) platform. HDTV provides much clearer picture quality and higher resolution than traditional format.

Shin Satellite's consolidated financial statement reported a net profit of Baht 3,143 million. In this quarter, the interest expense decreased Baht 81 million. Also a continuation of the Baht appreciation resulted in a gain on exchange of Baht 287 million, an increase of 99 percent over Baht 144 million in 3Q06.