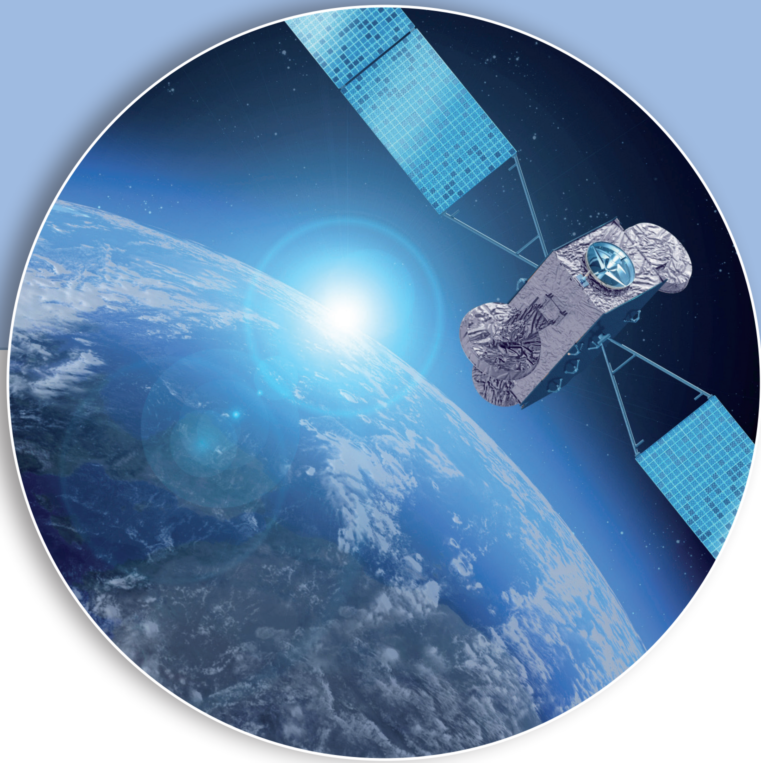
eutelsat COMMUNICATIONS

Expanding space to communicate

2012-2013 HALF-YEAR FINANCIAL REPORT

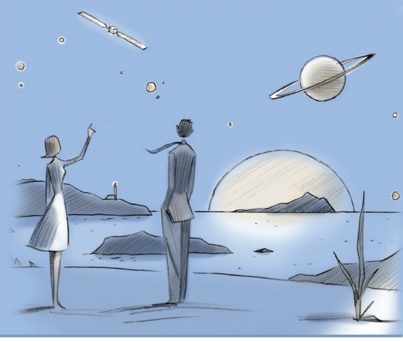
(July-December 2012)

SUMMARY



THIS INTERIM FINANCIAL REPORT INCLUDES A STATEMENT OF INDIVIDUALS RESPONSIBLE FOR THIS DOCUMENT, AN INTERIM MANAGEMENT REPORT, INTERIM CONSOLIDATED ACCOUNTS AND THEIR APPENDIX FOR THE PAST SIX MONTHS AND THE REPORT OF THE AUDITORS ON THE REVIEW OF THE ABOVE.

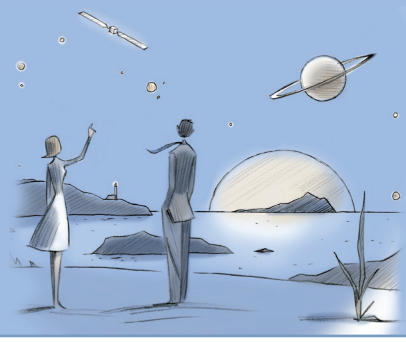
PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT



I certify, to my knowledge, the consolidated financial statements for the half year are prepared in accordance with applicable accounting standards and present fairly the assets, financial condition and results of the company and the entities included in consolidation, and that the interim management report includes a fair review of significant events occurring during the first six months of the year, their impact on the accounts, the main transactions between related parties and a description of major risks and uncertainties for the remaining six months of the year.

Mr. Michel de Rosen
Chief Executive Officer

1 KEY EVENTS AND BUSINESS OVERVIEW



Six months ended 31 December		2011	2012	Change
KEY ELEMENTS OF CONSOLIDATED INCOME STATEMENT				
Revenues	€M	602.4	633.6	+5.2%
EBITDA	€M	478.5	501.9	+4.9%
EBITDA margin	%	79.4%	79.2%	-0.2pt
GROUP SHARE OF NET INCOME	**€M**	**156.8**	**178.5**	**+13.9%**
Diluted earnings per share	**€**	**0.713**	**0.813**	**+13.9%**
KEY ELEMENTS OF CONSOLIDATED STATEMENT OF CASH FLOWS				
Net cash flows from operating activities	€M	333.2	406.8	+22.1%
Capital expenditure	€M	241.8	388.7 (1)	+60.7%
Operating free cash flows	€M	91.4	18.1	-80.2%
KEY ELEMENTS OF FINANCIAL STRUCTURE				
Net debt	€M	2,379.6	2,612.9	+9.8%
Net debt/EBITDA	X	2.53	2.66	
BACKLOG				
Backlog	€Bn	5.3	5.4	+0.5%

(1) Includes 228 million U.S. dollars for the acquisition of EUTELSAT 172A and related assets.

1.1. Continued Revenue Growth

Note: *Unless otherwise stated, all growth indicators or comparisons are made against the previous half year ended 31 December 2011. The share of each application as a percentage of total revenues is calculated excluding "other revenues" and "non-recurring revenues".*

REVENUES BY BUSINESS APPLICATION

Six months ended 31 December *(in millions of euros)*	2011	2012	Change *(in millions of euros)*	Change *(in %)*
Video Applications	403.3	430.7	+27.4	+6.8%
Data & Value-Added Services	117.8	124.9	+7.1	+6.0%
Data Services	*95.2*	*93.7*	*-1.5*	*-1.5%*
Value-Added Services	*22.7*	*31.2*	*+8.5*	*+37.6%*
Multi-usage	74.4	72.7	-1.8	-2.4%
Other revenues	3.3	5.4	+2.1	+62.5%
Sub-total	**598.9**	**633.6**	**+34.7**	**+5.8%**
Non-recurring revenues	3.5	-	-3.5	nm
TOTAL	**602.4**	**633.6**	**+31.2**	**+5.2%**

Group revenues rose 5.2% in the first half 2012-2013 to 633.6 million euros (+3.3% at a constant euro-U.S. dollar exchange rate). Excluding non-recurring revenues, growth was 5.8%.

Second quarter revenues (excluding non-recurring revenues) stood at 319.2 million euros, up 3.9% (+2.9% on a constant currency basis).

VIDEO APPLICATIONS (68.6% OF REVENUES)

Video Applications recorded revenue growth of 6.8% to 430.7 million euros, reflecting the ongoing strong performance of the Group's leading video neighbourhoods.

Growth at 7°/8° West and 16° East was fuelled by the take-up of new capacity added in the previous year:

- The 7°/8° West video neighbourhood serving broadcast clients in the Middle East and North Africa remains highly dynamic, with the number of TV channels up 25% year-on-year to 618 (+125). This position benefited from new and expansion capacity on EUTELSAT 7 West A, operational since 24 October 2011. This key video neighbourhood will once again be reinforced in 2013 with the redeployment of a satellite to 8° West, in keeping with the Group's optimisation of its in-orbit resources.
- At the 16° East neighbourhood, serving broadcasters in Central Europe and Indian Ocean Islands, contracts were signed to support new TV channels, which rose 12% to 588, (+61) at 31 December 2012. The expansion capacity on EUTELSAT 16A, which entered into service on 9 November 2011, continues to ramp up despite some competitive pressure in the Balkans.

Sustained channel growth and HDTV adoption across the fleet:

At 31 December 2012, the total number of TV channels broadcast by Eutelsat's satellites was 4,485, up 7.5% (+312) year-on-year. The channel count includes 398 HDTV channels, up 40.6%, implying an overall HD penetration rate of 8.9% compared to 6.8% a year earlier. The strongest channel growth was recorded at the 7°/8° West video neighbourhood (+25%). 36° East, with coverage of Russia and sub-Saharan Africa, showed the largest increase in HDTV channels (+97%). The HOT BIRD position at 13° East (covering Europe), 7°/8° West, 16° East and 7° East (covering Turkey) all reported growth in HD channels at rates higher than 30%.

Professional video and newsgathering services benefited during the period from a number of special events, including the 2012 London Olympic Games.

DATA AND VALUE-ADDED SERVICES (19.9% OF REVENUES)

Data Services revenues declined by 1.5% to 93.7 million euros reflecting the full year impact of factors identified in 2011-2012, notably competitive pressure in the African market which remains, however, one of the strongest in terms of potential growth for fixed satellite service operators, as well as the end of a contract with a late-paying customers whose capacity has since been resold. EUTELSAT 172A, acquired on 25 September 2012, contributed a full quarter to data revenues in the first half.

Eutelsat's two most recently launched satellites, EUTELSAT 21B and EUTELSAT 70B, became operational on 18 December 2012 and 16 January 2013 at 21.5° East and 70.5° East respectively and did not contribute to first half revenues. Existing traffic at both positions was successfully transferred and expansion capacity is expected to progressively ramp-up over the coming quarters.

Revenues **for Value-Added Services** stood at 31.2 million euros, up 37.6%.

TOOWAY™ consumer broadband services on KA-SAT contributed strongly to growth in Value-Added Services, with 72,000 active TOOWAY™ consumer terminals at 31 December 2012 (from 52,450 at 30 June 2012). An enhanced consumer offer featuring higher bandwidths, increased volume and more competitive pricing was made available to service providers from 1 February 2013. The professional business on KA-SAT is also developing; in October 12,600 professional terminals were deployed in the Ukraine during national parliamentary elections.

New initiatives continued to ramp-up, including the IP Easy service, launched in May 2012 and dedicated to broadband for SOHOs (Small Office Home Office) in Africa. This growth was insufficient to offset the decline of the other D-Star offers which are transitioning to new-generation equipment.

Eutelsat continues to develop mobile connectivity services to maritime and aeronautical markets. The cruise ship sector contributed to first half revenue growth *via* the WINS subsidiary which provides capacity and services for on-board GSM and Internet connectivity. In the market for in-flight Internet connectivity, Eutelsat announced in February 2013 the launch of the Eutelsat Air Access service in Europe in the Ka-band. The service will be commercially available from mid-2013 and operate through KA-SAT using ViaSat technology.

MULTI-USAGE (11.6% OF REVENUES)

Multi-usage revenues include short-term contracts for government administrations who lease transponder capacity from service providers to meet regional coverage needs. Revenues declined by 2.4% to 72.7 million euros, reflecting a weaker renewal campaign in February/March 2012. Nevertheless, the outcome of the September/October 2012 renewal campaign was in-line with expectations, and EUTELSAT 172A contributed to revenues of this activity in the second quarter.

The two newest satellites, EUTELSAT 21B and EUTELSAT 70B, are well-positioned to meet certain geographic needs for Multi-usage customers in the future.

OTHER AND NON-RECURRING REVENUES

Other revenues and non-recurring revenues stood at 5.4 million euros at 31 December 2012. They comprise contributions from activity related to service contracts with partners, equipment sales and the result of the Group's foreign exchange hedging programme.

1.2. Backlog supports long term visibility

Backlog reaches a record high of 5.4 billion euros.

The order backlog at 31 December 2012 stood at the record level of 5.4 billion euros, reinforcing the Group's long-term visibility on revenues and operating cash flows. It was driven by strong commercial dynamic at some of the fastest growing video neighbourhoods, particularly satellites addressing the Middle East and North Africa.

The backlog represents a weighted average residual life of contracts of 7.3 years and is equivalent to approximately 4.4 times annual revenues for FY 2011-2012.

The order backlog includes EUTELSAT 172A, integrated in the fleet since September 2012.

BACKLOG KEY INDICATORS

31 December	2010	2011	2012
Value of contracts *(in billions of euros)*	4.9	5.3	5.4
Weighted average residual life of contracts *(in years)*	7.9	7.3	7.3
Share of Video Applications	92.3%	93.0%	91.9%

The backlog represents future revenues from capacity lease agreements (including contracts for satellites not yet delivered). These capacity lease agreements can be for the entire operational life of the satellites.

1.3. Operational and leased transponders

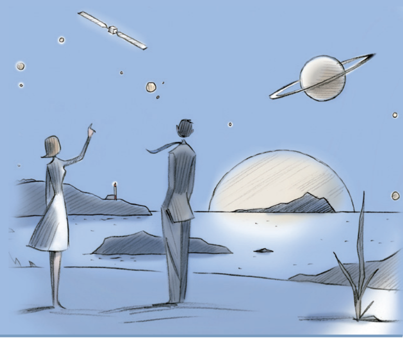
At 31 December 2012, the number of operational transponders on Eutelsat's fleet of 30 satellites stood at 850, up 6.1% on 31 December 2011. The increase reflects the integration of EUTELSAT 172A in September 2012 and EUTELSAT 21B in December 2012. As EUTELSAT 70B became operational in January 2013 it is not reflected in the transponder count at 31 December 2012.

FLEET EVOLUTION

	31 December 2011	31 December 2012
Operational transponders	801[(1)]	850[(1)]
Leased transponders	610	635
Fill rate	76.1%	74.7%

(1) Includes 82 KA-SAT spots as transponder equivalents. Fill rate considered at 100% when 70% of capacity is taken up.

2 IMPROVEMENT OF RESULTS CONTINUES



2.1. High level of profitability maintained

EBITDA REMAINED HIGH, REPRESENTING A MARGIN OF 79.2%

Group EBITDA amounted to 501.9 million euros, up 4.9%. The 79.2% margin remains industry-leading among FSS (Fixed Satellite Services) operators.

Operating expenses amounted to 131.8 million euros, up 6.4%, mainly reflecting the increase in resources dedicated to reinforcing the Group's commercial activity, including the development of consumer and professional services on KA-SAT. This trend is expected to continue in the second half of the fiscal year.

GROUP SHARE OF NET INCOME UP 13.9%, NET MARGIN AT 28.2%

Group share of net income stood at 178.5 million euros, an increase of 21.8 million euros (+13.9%), reflecting:

- Higher level of EBITDA (+4.9%);
- Higher depreciation (+10.3 million euros) mainly due to the full year effect of the two satellites launched in H1 2011-2012 (EUTELSAT 7 West A and EUTELSAT 16A);
- Higher financial result (+12.5 million euros) due to the non-recurrence of a one-off item in the previous year, not entirely offset by the increased financial interest on the Group's indebtedness, linked partially to a new 300 million euros bond;
- Higher income from associates (+1.0 million euros) with the strong performance of Hispasat;
- Income tax increase limited to 4.7 million euros despite the tougher French tax environment, resulting in a decrease in the effective tax rate from 38.4% in H1 2011-2012 to 36.6% in H1 2012-2013.

EXTRACT FROM THE CONSOLIDATED INCOME STATEMENT(1)

Six months ended 31 December *(in millions of euros)*	2011	2012	Change
Revenues	602.4	633.6	+5.2%
Operating expenses(2)	(123.9)	(131.8)	+6.4%
EBITDA	**478.5**	**501.9**	**+4.9%**
Depreciation and amortisation(3)	(153.0)	(163.3)	+6.8%
Other operating income (expenses)	-	-	-
OPERATING INCOME	**325.5**	**338.6**	**+4.0%**
Financial result	(66.9)	(54.4)	-18.7%
Income tax expense	(99.3)	(104.0)	+4.7%
Income from associates	5.2	6.2	+19.9%
Portion of net income attributable to non-controlling interests	(7.7)	(7.9)	+2.4%
GROUP SHARE OF NET INCOME	**156.8**	**178.5**	**+13.9%**

(1) For more details, please refer to Group condensed consolidated half-year accounts at www.eutelsat.com.
(2) "Operating expenses" is defined as the sum of operating costs plus selling, general & administrative expenses.
(3) Comprises amortisation expense of 22.2 million euros corresponding to the intangible asset "Customer Contracts and Relationships" identified during the acquisition of Eutelsat S.A. by Eutelsat Communications.

2.2. Net cash flows from operating activities

NET CASH FLOWS FROM OPERATING ACTIVITIES AMOUNTED TO 406.8 MILLION EUROS (64% OF REVENUES)

The Group recorded an increase of 73.6 million euros (+22.1%) in net cash flows from operating activities to 406.8 million euros, representing 64.2% of revenues. This reflected the increase in revenues combined with the improvement of receivables collection, and lower taxes paid (-27.8 million euros).

Capital expenditures amounted to 388.7 million euros including 228 million U.S. dollars for the acquisition of EUTELSAT 172A and related assets.

2.3. Diversification of financing supports strong financial structure

The Group further diversified its funding sources:

- In October 2012, the Group successfully raised 300 million euros through the issuance of a new 10-year bond at the Eutelsat S.A. level. The coupon is 3.125%.
- At 31 December 2012, the Group had drawn a total of 46.3 million U.S. dollars on a 66.2 million U.S. dollars export credit facility signed in May 2012 with the U.S. Ex-Im Bank (Export-Import Bank of the United States) for the partial financing of a satellite programme. The facility will be repaid through 17 semi-annual instalments from November 2013 to November 2021. The facility bears interest at a fixed rate of 1.71%.

With the new financings in place, the average maturity of the Group's indebtedness now reaches 5.3 years.

The average cost of debt drawn by the Group was 5.00% (after hedging) in the first six months of the 2012-2013 fiscal year.

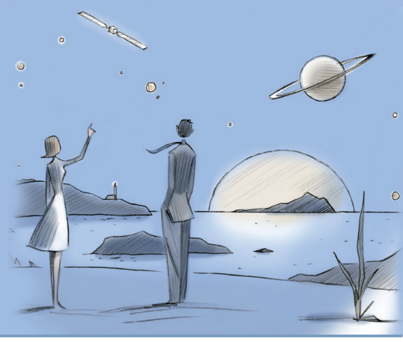
The net debt to EBITDA ratio for the first half was 2.66 times, compared to 2.53 times at 31 December 2011 and 2.48 times at 30 June 2012.

NET DEBT TO EBITDA RATIO

At 31 December		2011	2012
Net debt at the beginning of the period	€M	2,198	2,374
Net debt at the end of the period	€M	2,380	2,613
NET DEBT / EBITDA (LAST TWELVE MONTHS)	**X**	**2.53**	**2.66**

Net debt includes all bank debt, bonds and all liabilities from long-term lease agreements, less cash and cash equivalents (net of bank overdraft).

3 RISK FACTORS



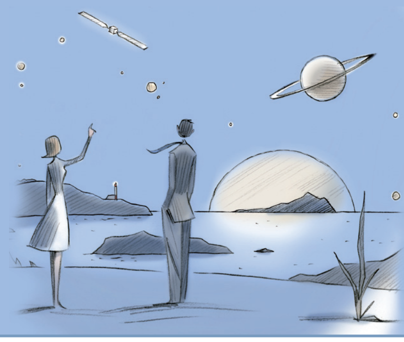
Information contained in this report expresses the objectives set on the basis of the Group's current estimates or assessments. However, said information is subject to risks and uncertainties as laid down below.

The main risks which the Group is likely to face during the second half of the financial year are similar by nature to those explained under Chapter 4 – Risk Factors – of the Company's Reference Document as registered with the *"Autorité des marchés financiers"* (French securities regulator) and filed on 24 September 2012 under number D.12-0861.

The nature of these risks has not changed substantially during the first half of the financial year.

However, it is worth noting that the Group's activity, in particular its development and ability to meet the objectives described in this half-year report, is likely to be impacted by a number of identified or unknown risks. A significant example of the risks pertaining to the Group's activity is the technical risk associated with the total or partial loss of all or part of an operational satellite or with a launch or launch-related operations.

Furthermore, it is important to point out that the global economic environment might fuel additional uncertainties regarding the Group's business activities and development, in spite of its limited impact on the Group's half-year consolidated accounts ended 31 December 2012 or on its activities during the first half of the financial year ending 30 June 2013.



4.1. Approval of the accounts for the financial year ended 30 June 2012 and allocation of result

The Ordinary and Extraordinary Annual General Meeting of Shareholders of Eutelsat Communications was held on 8 November 2012 in Paris under the chairmanship of Jean Martin Folz, Chairman of the Board. The accounts for fiscal year 2011-2012 were approved, as well as all resolutions put to the vote.

The Annual General Meeting of Shareholders also approved the proposal to distribute 1.00 euro per share, an increase of 11.1% over the previous year. This distribution, which represents a pay-out ratio of 67% of Group share of net income, was paid on 21 November 2012.

4.2. Renewals and appointments of board members

The Annual General Meeting of Shareholders renewed the terms of office of the eight members of the Board of Directors: (i) Lord Birt, whose term of office had expired, (ii) Jean-Martin-Folz, Bertrand Mabille, Olivier Rozenfeld, Jean-Paul Brillaud, Michel de Rosen, the Fonds Stratégique d'Investissement and Carole Piwnica, to take into account the change in by-laws which was decided to reduce the terms of the directors' office to four years and to introduce staggered terms of office, in compliance with the AFEP-MEDEF code of corporate governance for listed companies issued in April 2010.

The Annual General Meeting of Shareholders also voted the appointment as new independent directors of Miriem Bensalah Chaqroun, a Moroccan national, and Elisabetta Oliveri, an Italian national, for a four-year term expiring at the close of the Ordinary General Meeting of Shareholders held to approve the financial statements for the financial year ended 30 June 2016.

Following its meeting of 7 February 2013, the Board of Directors of Eutelsat Communications announced that Ross McInnes has been co-opted to the Board as an independent director and will assume the chairmanship of the audit committee. He replaces Olivier Rozenfeld who has resigned his seat after almost three years as an independent director.

The Eutelsat Communications Board of Directors comprises ten directors, of which six are independent and three are women.

4.3. New free share plan approved by the Board in November 2012

On 8 November 2012, the Company's Board of Directors approved a new plan for the allocation of free shares to all employees of the Eutelsat Communications Group, including the non-executive directors and corporate officers *("mandataires sociaux")*, (*i.e.* 712 beneficiaries including 710 employees) representing a maximum of 347,530 shares and decided that the allocation plan should be implemented through the distribution of previously repurchased shares. Granting of shares to employees of French companies will occur after a three-year vesting period (starting on 8 November 2012), followed by a two-year holding period. The vesting period of shares for employees of foreign companies is four-years with no mandatory holding period. The plan breaks down in two parts:

- on the one part, the grant of 200 shares per employed beneficiary, conditional upon the attainment of performance objectives over three financial years ending 30 June 2015, including one objective linked to cumulative EBITDA[1] (50% of the relevant portion) and another objective linked to average ROCE[2] (the remaining 50%); and
- on the other part, the grant of 205,530 shares to non-executive directors and corporate officers *("mandataires sociaux")* and managers, conditional upon the achievement, over the same three financial periods, of one objective based on cumulative EBITDA, one objective based on average ROCE, one objective linked to cumulative EPS[3] and one TSR[4] -linked objective, all four objectives being equally weighted.

Under this Plan and subject to the achievement of the performance objectives set by the Board of Directors Mr. de Rosen could be entitled to a total of 20,900 shares and Mr. Azibert to 12,900 shares.

(1) EBITDA is defined as the operating result before depreciation and amortisation, excluding impairment of assets, other operating income and charges.

(2) ROCE is Return on Capital Employed = operating result / (shareholders' equity + net debt – goodwill).

(3) EPS is defined as the Group's net earnings per share.

(4) TSR is Total Shareholder Return. Rate of return on a share over a given period, including the dividends received and the capital gain earned (i.e. variation in the share price).

4.4. Change in the scope of Group consolidation

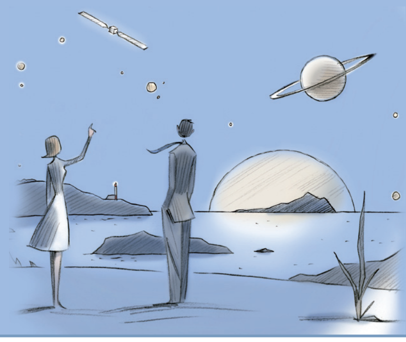
Since 1 July 2012, the Group set up three new subsidiaries.

Eutelsat Asia Pte Ltd. (formerly Eutelsat Singapore Pte Ltd.) set up two subsidiaries:

- EA 172 UK Ltd (initially Eutelsat File UK Ltd) (United Kingdom) was incorporated in June 2012. Its purpose is to own the OFCOM (Independent regulator and competition authority for the UK communications industries) filings for the EUTELSAT 172A satellite;
- ES 172 LLC (Delaware, U.S.A.) was incorporated in August 2012. Its purpose is to own the regulatory FCC rights for the EUTELSAT 172 A satellite.

In November 2012, Eutelsat S.A., together with the Belgian company DCinex, incorporated a joint venture in Luxembourg named DSat Cinema S.A. Its purpose it to develop, set up, market and sell services related to the broadcasting of live or quasi live HD or 3D events and to digital cinema.

5 RECENT EVENTS AND SATELLITE FLEET EVOLUTION



5.1. Successful launches of EUTELSAT 21B and EUTELSAT 70B: now both in full commercial service

EUTELSAT 21B

EUTELSAT 21B was successfully launched by Arianespace on 10 November 2012 and entered into commercial service at 21.5° East on 18 December 2012.

The satellite addresses users ranging from enterprises and government administrations to broadcasters, news agencies and telcos. It offers increased bandwidth (40 Ku-band transponders *versus* 29 on EUTELSAT 21A), higher power and improved flexibility. In addition to an enhanced widebeam spanning Europe, North Africa, the Sahel and Central Asia, it features two dedicated high-energy beams covering North-West Africa and the Middle East/Central Asia optimised for data, broadband and professional video services.

EUTELSAT 70B

EUTELSAT 70B was successfully launched by Sea Launch on 3 December 2012 and entered into commercial service at 70.5° East on 16 January 2013.

This satellite has been custom-designed to optimise resources at 70.5° East which is a point of reference for data services, broadband access, mobile backhauling and professional video exchanges. With high frequency reuse, four powerful beams with coverage of Europe, Africa, Asia and Australia are connected to 48 Ku-band transponders, more than doubling capacity at 70.5° East.

5.2. Satellite redeployments

EUTELSAT 21A

With the entry into service of EUTELSAT 21B, the EUTELSAT 21A satellite was redeployed to 48° East (renamed EUTELSAT 48C).

EUTELSAT 70A

With the entry into service of EUTELSAT 70B, EUTELSAT 70A is currently being redeployed to 25.5° East (renamed EUTELSAT 25C) and will remain at this position until the entry into service of EUTELSAT 25B, planned for in mid-2013. EUTELSAT 25A will be redeployed from 25.5° East to an alternative location.

EUTELSAT 48B

In July 2012, EUTELSAT 48B was redeployed at 28.5° East (renamed EUTELSAT 28B) to address commercial opportunities outside Europe.

During H1 2012-2013, the Telecom 2D satellite was de-orbited.

5.3. Agreement with RSCC on 36°East and other orbital positions

On 1 November 2012, Eutelsat and RSCC (the Russian Satellite Communications Company), the state-owned Russian satellite operator, announced an agreement whereby Eutelsat will lease capacity for broadcasting and IP services on two RSCC satellites to be launched in 2013 and 2015. Express-AT2 will be launched to 140° East in 2013, and Express-AMU1 (EUTELSAT 36C) will be launched in 2015 to provide follow-on and expansion capacity for EUTELSAT 36A at the 36° East position for Russia and sub-Saharan Africa.

5.4. Acquisition of EUTELSAT 172A

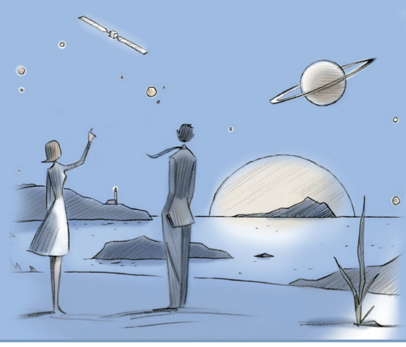
On 25 September 2012, the transaction to acquire the GE-23 satellite, associated customer contracts and orbital rights from GE Capital, was finalised. The satellite, renamed EUTELSAT 172A, is now part of Eutelsat's fleet, with technical and commercial teams ensuring a smooth transition for existing customers.

The addition of this satellite to the fleet complements Eutelsat's organic growth initiatives, notably the EUTELSAT 70B satellite, equipped with a dedicated Asian beam, which became operational in January 2013.

5.5. EUTELSAT 8 West B procurement

On 11 October 2012, Eutelsat announced the procurement of the EUTELSAT 8 West B satellite. It will be equipped with 40 operational Ku-band transponders designed primarily to serve DTH markets in North Africa and the Middle East. It will also introduce a C-band mission to 8° West, with 10 operational transponders in a footprint covering the African continent and reaching west to South America.

6 CONSOLIDATED HALF-YEAR ACCOUNTS



Consolidated balance sheet

ASSETS

(in millions of euros)	Note	30 June 2012	31 December 2012
Non-current assets			
Goodwill	4	807.8	807.8
Intangible assets	4	638.2	658.0
Satellites and other property and equipment. net	5	2,169.2	2,425.2
Construction in progress	5	718.6	701.8
Investments in associates	6	193.8	197.9
Non-current financial assets		3.2	4.1
Deferred tax assets		23.9	22.6
Total non-current assets		**4,554.7**	**4,817.4**
Current assets			
Inventories		0.9	1.5
Accounts receivable		270.9	257.2
Other current assets		18.0	25.7
Current tax receivable		1.2	1.8
Current financial assets		19.6	4.6
Cash and cash equivalents	7	105.1	181.5
Total current assets		**415.7**	**472.3**
TOTAL ASSETS		**4,970.4**	**5,289.7**

LIABILITIES AND SHAREHOLDERS' EQUITY

(in millions of euros)	Note	30 June 2012	31 December 2012
Shareholders' equity			
Share capital		220.1	220.1
Additional Paid-in capital		453.2	453.2
Reserves and retained earnings		1,111.4	1,071.9
Non-controlling interests		63.2	62.2
Total shareholders' equity	**8**	**1,847.9**	**1,807.4**
Non-current liabilities			
Non-current financial debt	9	2,421.1	2,752.7
Other non-current financial liabilities	10	45.9	43.0
Non-current provisions		25.6	27.8
Deferred tax liabilities		324.2	325.9
Total non-current liabilities		**2,816.8**	**3,149.4**
Current liabilities			
Current financial debt	9	53.0	75.0
Other current financial liabilities	10	78.5	66.2
Accounts payable		47.2	44.9
Fixed assets payable		16.5	28.2
Taxes payable		6.5	15.0
Other current payables		97.5	98.3
Current provisions		6.5	5.2
Total current liabilities		**305.7**	**332.9**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**4,970.4**	**5,289.7**

Consolidated income statement

(in millions of euros, except per share data)	Note	Six-month period ended 31 December 2011	Twelve-month period ended 30 June 2012	Six-month period ended 31 December 2012
Revenues	12	602.4	1,222.2	633.6
Revenues from operations		**602.4**	**1,222.2**	**633.6**
Operating costs		(48.7)	(107.1)	(55.2)
Selling. general and administrative expenses		(75.2)	(157.8)	(76.6)
Depreciation and amortisation		(153.0)	(308.9)	(163.3)
Other operating income		0.1	-	-
Other operating expenses		(0.1)	(7.1)	-
Operating income		**325.5**	**641.3**	**338.6**
Financial income		16.0	18.0	8.5
Financial expenses		(82.9)	(147.5)	(62.9)
Financial result	**13**	**(66.9)**	**(129.5)**	**(54.4)**
Income from associates		5.2	11.4	6.2
Net income before tax		**263.8**	**523.2**	**290.4**
Income tax expense	11	(99.3)	(182.1)	(104.0)
NET INCOME		**164.5**	**341.1**	**186.4**
Group share of net income		156.8	326.1	178.5
Portion attributable to non-controlling interests		7.7	15.0	7.9
Earnings per share attributable to Eutelsat Communications' shareholders	**14**	**0.713**	**1.483**	**0.813**

Comprehensive income statement

(in millions of euros)	Note	Six-month period ended 31 December 2011	Twelve-month period ended 30 June 2012	Six-month period ended 31 December 2012
Net income		**164.5**	**341.1**	**186.4**
Other recyclable items of gain or loss on comprehensive income				
Translation adjustment		1.9	(0.6)	(4.7)
Tax effect		-	-	-
Changes in fair value of cash-flow hedging instruments	8.3, 15	5.3	14.0	3.8
Tax effect		(0.9)	(4.3)	(1.4)
Total of other items of gain or loss on comprehensive income		**6.2**	**9.1**	**(2.3)**
TOTAL COMPREHENSIVE INCOME STATEMENT		**170.7**	**350.3**	**184.1**
Group share of net income		163.3	335.4	176.4
Portion attributable to non-controlling interests		7.4	14.9	7.7

Consolidated statement of cash flows

(in millions of euros)	Note	Six-month period ended 31 December 2011	Twelve-month period ended 30 June 2012	Six-month period ended 31 December 2012
Cash flow from operating activities				
Net income		164.5	341.1	186.4
Income from equity investments		(5.2)	(11.4)	(6.3)
Other non-operating items		177.4	307.4	149.8
Depreciation. amortisation and provisions		154.1	301.7	165.2
Deferred taxes		(5.3)	6.8	1.5
Changes in accounts receivable		(42.8)	(27.9)	11.0
Changes in other assets		(24.5)	(7.1)	(0.9)
Changes in accounts payable		16.8	(6.2)	(2.2)
Changes in other debt		20.5	3.9	(3.3)
Taxes paid		(122.3)	(211.1)	(94.5)
Net cash flows from operating activities		**333.2**	**697.2**	**406.8**
Cash flows from investing activities				
Acquisitions of satellites, other property and equipment and intangible assets		(241.8)	(487.5)	(388.7)
Changes in other non-current financial assets		0.1	5.0	(0.9)
Dividends received from associates		3.4	3.4	2.6
Net cash flows from investing activities		**(238.3)**	**(479.0)**	**(386.9)**
Cash flows from financing activities				
Distributions		(223.8)	(227.2)	(228.1)
Movements on treasury shares	8.1	(3.1)	(9.9)	0.6
Increase in debt		870.0	1,600.0	411.7
Repayment of debt		(665.0)	(1,465.0)	(76.6)
Repayment in respect of performance incentives and long-term leases		(5.6)	(11.1)	(4.7)
Other loan-related expenses		(9.7)	(28.5)	(6.5)
Interest and other fees paid	13	(37.5)	(92.3)	(26.1)
Interest received		2.9	3.6	1.2
Termination indemnities on derivatives settled		-	(29.0)	-
Acquisition of non-controlling interests		(0.8)	(2.5)	-
Other changes		-	-	2.7
Net cash flows from financing activities		**(72.6)**	**(261.9)**	**74.3**
Impact of exchange rate fluctuations on cash and cash equivalents		(1.0)	(1.0)	(0.4)
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**21.3**	**(44.7)**	**93.7**
Cash and cash equivalents, beginning of period		**132.4**	**132.4**	**87.8**
Cash and cash equivalents, end of period		**153.7**	**87.8**	**181.5**
Cash reconciliation				
Cash		155.8	105.1	181.5
Overdraft included under debt[1]	9	(2.1)	(17.3)	-
Cash and cash equivalents per cash flow statement		**153.7**	**87.8**	**181.5**

(1) Overdrafts are included in determining "Cash and cash equivalents" in the cash-flow statement as they are repayable on demand and form an integral part of the Group's cash-flow management. They are shown as part of "Current financial debt" within "Current liabilities" on the balance sheet.

Consolidated statement of changes in shareholders' equity

(in millions of euros, except per share data)	Common stock						
	Number	Amount	Additional paid-in capital	Reserves and retained earnings	Shareholders' equity Group share	Non-controlling interests	Total
30 June 2011	**220,113,982**	**220.1**	**453.2**	**978.3**	**1,651.6**	**77.1**	**1,728.7**
Net income for the period				**156.8**	**156.8**	**7.7**	**164.5**
Other items of gain or loss on comprehensive income				6.5	6.5	(0.3)	6.2
Total comprehensive income statement				**163.3**	**163.3**	**7.4**	**170.7**
Treasury stock				(3.1)	(3.1)	-	(3.1)
Transactions with non-controlling interests				(0.6)	(0.6)	(0.2)	(0.8)
Distributions				(197.6)	(197.6)	(26.2)	(223.8)
Benefits for employees upon exercising options and free shares granted				3.4	3.4	0.1	3.5
Liquidity offer				(0.5)	(0.5)	0.4	(0.9)
31 December 2011	**220,113,982**	**220.1**	**453.2**	**944.2**	**1,617.5**	**58.6**	**1,676.2**
30 June 2012	**220,113,982**	**220.1**	**453.2**	**1,111.4**	**1,784.7**	**63.2**	**1,847.9**
Net income for the period				**178.5**	**178.5**	**7.9**	**186.4**
Other items of gain or loss on comprehensive income				(2.1)	(2.1)	(0.2)	(2.3)
Total comprehensive income statement				**176.4**	**176.4**	**7.7**	**184.1**
Treasury stock				0.6	0.6	-	0.6
Transactions with non-controlling interests				-	-	-	-
Distributions				(219.2)	(219.2)	(8.9)	(228.1)
Benefits for employees upon free shares granted				2.7	2.7	0.2	2.9
Liquidity offer				-	-	-	-
31 DECEMBER 2012	**220,113,982**	**220.1**	**453.2**	**1,071.9**	**1,745.2**	**62.2**	**1,807.4**

Notes

NOTE 1: KEY EVENTS DURING THE PERIOD

- On 25 September 2012, the Group closed the acquisition of the GE-23 satellite (see Note 1 to the financial statements at 30 June 2012), renamed EUTELSAT 172A. The transaction included three different assets (see Note 4 "Goodwill and other intangibles" and Note 5 "Satellites and other property and equipment"):
  - the satellite;
  - the associated customer contracts; and
  - the frequency rights at orbital position 172°East.
- Following its successful launch on 10 November 2012, the EUTELSAT 21B went into operational service on 18 December 2012.
- The EUTELSAT 70B was successfully launched on 3 December 2012.
- On 1 October 2012, the Group issued a 300 million euros bond maturing in 10 years (see Note 9 "Financial debt").

NOTE 2: APPROVAL OF THE ACCOUNTS

The condensed consolidated half-year accounts of Eutelsat Communications at 31 December 2012 have been prepared under the responsibility of the Board of Directors, which approved them at its meeting held on 7 February 2013.

NOTE 3: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 – COMPLIANCE WITH IFRSS

The consolidated half-year accounts at 31 December 2012 have been prepared in accordance with IFRSs as adopted by the European Union and effective at that date. The relevant texts are available for consultation at the following Web site:

http://ec.europa.eu/internal_market/accounting/ias/index_fr.htm

They have been prepared on a going concern basis and under the historical cost convention, except for those items for which the standards require fair value valuations. The financial information disclosed in these financial statements is prepared in accordance with the option contained in IAS 34 "Interim Financial Reporting" in a condensed format. The accounts as presented do not therefore contain all the information and Notes required under IFRSs for the preparation of consolidated full-year financial statements and must be read in conjunction with the consolidated full-year financial statements for the financial year ended 30 June 2012.

3.2 – PUBLISHED STANDARDS AND INTERPRETATIONS

The accounting methods and rules used in preparing these condensed interim accounts are identical to those used for the consolidated full-year financial statements for the year ended 30 June 2012, with the exception of the new standards and interpretations as described below, which are adopted by the European Union and are to be applied after 1 July 2012.

- IAS 1 "Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income", this amendment requires that when presenting items of comprehensive income, an entity makes a distinction between items that may be reclassified to income and those that would never be reclassified;
- IAS 12 "Income Taxes": amendment on the recoverability of underlying assets.

None of these texts has had an impact on previous financial periods nor on the consolidated half-year accounts at 31 December 2012.

Furthermore, the following standards or interpretations or amendments have not been applied in advance. The Group is currently analysing the practical impact of these new texts and the effects of applying them in the financial statements. This concerns:

- IFRS 10 "Consolidated Financial Statements", IFRS 11 "Joint Arrangements" and IFRS 12 "Disclosure of Interests in Other Entities", including the amendment related to transition guidance;
- Amendments to IAS 19 "Employee Benefits" released in December 2011 on the removal of the "corridor" approach and the spreading of actuarial gains and losses. The amendment is applicable for financial years beginning on or after 1 January 2013;
- Revised IAS 27 "Separate Financial Statements" and revised IAS 28 "Investments in Associates and Joint-Ventures" issued in May 2010 and applicable for financial years beginning on or after 1 January 2013;
- Amendment to IAS 32 "Financial Instruments – Presentation: Offsetting Financial Assets and Financial Liabilities", applicable for financial periods beginning on or after 1 January 2014.

The Group is not impacted by the amendment to IFRS 1 "First Time Application" and IFRIC 20 Stripping costs".

Besides, in compliance with Note 4.8 "Impairment tests" and Note 5 "Goodwill and other intangibles" of the financial statements at 30 June 2012, the Group implemented the impairment test at 31 December 2012. The methodology applied to the mandatory annual test for impairments to goodwill and assets with an indefinite useful life has remained unchanged. In determining these CGUs at 31 December 2012, the Group took into account fleet utilization considerations, particularly the ability of individual satellites to provide back-up services to other satellites.

3.3 – PERIODS PRESENTED AND COMPARATIVES

The six-month period extends from 1 July to 31 December 2012.

The functional currency and the currency used in the presentation of the accounts is the euro.

3.4 – USE OF ESTIMATES

Preparation of the Group's consolidated accounts requires Management to make estimates and judgements that are likely to affect the amounts of certain assets, liabilities, income and expenses appearing in these financial statements and their accompanying Notes. Eutelsat Communications constantly updates its estimates and assessments using past experience in addition to other relevant factors in relation to the economic environment. The eventual outcome of the operations underpinning these estimates and assumptions could, due to the uncertainty that surrounds them, result in the need for significant adjustment in a subsequent financial period to amounts recognised.

At 31 December 2012, the Group has not identified any major source of uncertainty relating to estimates realised at the balance sheet date and which would be most likely to change within the coming twelve months, thereby requiring significant adjustments in the amounts recognised.

JUDGEMENTS

When preparing the half-year consolidated accounts for the period ended 31 December 2012, Management reassessed all risks to which the Group is exposed, particularly those related to the arbitration with Deutsche Telekom (see Note 27.4 "Litigation", in the consolidated accounts at 30 June 2012). Management has not identified any new point that would challenge its initial judgement or the assessment made during the previous year.

During the period closed 31 December 2012, the Group filed a request for arbitration against SES with the International Chamber of Commerce in Paris. This request is grounded on a breach by SES of the Intersystem Coordination Agreement signed with Eutelsat in 1999, whose object is to coordinate Eutelsat's and SES's respective operations at several orbital positions, including 28.2 degrees East and 28.5 degrees East.

3.5 – TAXES

The interim income tax expense is calculated by applying the average effective rate estimated for the financial year to earnings before taxes for the period (see Note 11 "Income Tax Expense").

NOTE 4: GOODWILL AND OTHER INTANGIBLES

Goodwill and Other Intangibles breaks down as follows:

(in millions of euros)	Goodwill	Customer contracts and relation-ships	Eutelsat brand	Other intangibles	Total
Net value at 30 June 2012	807.8	566.7	40.8	30.7	1,446.0
NET VALUE AT 31 DECEMBER 2012	**807.8**	**575.4**	**40.8**	**41.8**	**1,465.8**

The change over the period ended 31 December 2012 mainly relates to:

- the depreciation of customer contracts and relationships, and
- the acquisition of customer contracts and orbital rights following the acquisition of EUTELSAT 172A.

At 31 December 2012, goodwill was tested annually for impairment, which did not challenge the amount shown on the balance sheet. The recoverable amount was approximated using the fair value, derived from the market value of Eutelsat S.A. This market value was measured by analysing the implicit value of Eutelsat S.A. based on the stock-exchange value of Eutelsat Communications S.A. (and taking into account this Company's debt) compared with/corroborated by the latest private transactions involving Eutelsat S.A. shares.

This method is not challenged by the present economic environment, as market capitalisation has remained fairly unchanged as compared to the figure used for the latest impairment test. In terms of sensitivity, there would have to be a negative change in the stock-exchange price of at least 61% for the fair value representing the recoverable value in this particular instance to fall below the carrying amount.

NOTE 5: SATELLITES AND OTHER PROPERTY AND EQUIPMENT

CHANGES IN GROSS VALUES, DEPRECIATIONS AND NET VALUES OF ASSETS

(in millions of euros)	Satellites	Other tangible assets	Construction in progress	Total
Gross value at 30 June 2012	**3,489.5**	**257.2**	**718.6**	**4,465.3**
Acquisitions	131.9	10.2	233.7	375.8
Disposals and scrapping of assets	(1.5)	(0.2)	-	(1.7)
Transfers	249.7	-	(250.5)	(0.8)
Reclassification	-	41.8	-	41.8
Gross value at 31 December 2012	**3 869.6**	**309.0**	**701.8**	**4,880.4**
ACCUMULATED DEPRECIATION AT 30 JUNE 2012	**(1,441.0)**	**(136.5)**	**-**	**(1,557.5)**
Half year allowance	(120.2)	(15.6)	-	(135.8)
Reversals	1.5	0.2	-	1.7
Impairment	-	(41.8)	-	(41.8)
ACCUMULATED DEPRECIATION AT 31 DECEMBER 2012	**(1,559.7)**	**(193.7)**	**-**	**(1,753.4)**
Net value at 30 June 2012	**2,048.5**	**120.7**	**718.6**	**2,887.8**
Net value at 31 December 2012	**2,309.9**	**115.3**	**701.8**	**3,127.0**

During the half-year ended 31 December 2012, the Group brought into service the EUTELSAT 21B satellite on 18 December 2012 following its successful launch on 10 November 2012.

The EUTELSAT 70B satellite was successfully launched on 3 December and will be brought into service during January 2013. Furthermore, it is worth noting that the fully amortised Telecom 2D satellite was de-orbited.

The only satellite acquisition over the period concerns EUTELSAT 172A (see Note 1 "Key events during the period").

At 31 December 2012, the "Construction in progress" item mainly included the EUTELSAT 7B, EUTELSAT 8WB, EUTELSAT 70B, EUTELSAT 25B, EUTELSAT 3B and EUTELSAT 9B satellites.

NOTE 6: INVESTMENTS IN ASSOCIATES

Investments in associates consist primarily in equity investments in Hispasat for 193.0 million euros and Solaris for 4.8 million euros.

NOTE 7: CASH AND CASH EQUIVALENTS

Cash and cash equivalents are detailed as follows:

(in millions of euros)	30 June 2012	31 December 2012
Cash	38.3	52.2
Cash equivalents	66.8	129.3
TOTAL	**105.1**	**181.5**

Cash equivalents are mainly composed of deposit certificates, the great majority of which mature less than one month on the date of their acquisition and mutual fund investments (UCITS) qualifying as "cash equivalents".

NOTE 8: SHAREHOLDERS' EQUITY

8.1 – SHAREHOLDERS' EQUITY

At 31 December 2012, the share capital of Eutelsat Communications S.A. comprised 220,113,982 ordinary shares with a par value of 1 euro per share. In terms of treasury stock, Eutelsat Communications S.A. holds 929,883 shares including 129,883 shares for an aggregate amount of 3.2 million euros under the liquidity agreement and 800,000 shares for an aggregate amount of 21.1million euros under the free share allocation plan (see below). These shares have been deducted from shareholders' equity.

The share capital and additional paid-in capital of the Company have not changed since 30 June 2012.

On 8 November 2012, the Ordinary and Extraordinary General Meeting of Shareholders decided to distribute a gross amount of 1 euro per share, *i.e.* a total of 219.2 million euros, taken from net income for the financial year 2011-2012. In 2011, the amount distributed as a dividend was 197.6 million euros, *i.e.* 0.90 euro per share.

8.2 – SHARE-BASED PAYMENT

FREE SHARE ALLOCATION

There are currently three such plans implemented by the Group in February 2010, July 2011 and November 2012.

Under the three plans, the expense recognised for the period ended 31 December 2012, to shareholders' equity, was 2.9 million euros.

The plan implemented in November 2012 has the following conditions:

Vesting Period	November 2012-November 2015(1)
Settlement	Shares
Lock-up period	November 2015-November 2017(2)
Maximum number of shares	347,530
Period expense *(in millions of euros)*	0.2
Total valuation *(in millions of euros)*	4.5

(1) The vesting period goes from November 2012 until November 2016 for foreign entities.
(2) There is no lock-up period for foreign entities.

8.3 – REVALUATION RESERVE OF FINANCIAL INSTRUMENTS (OTHER COMPREHENSIVE INCOME OR OCI)

All financial instruments that have an impact upon the OCI are the effective portion of cash-flow hedges.

(in millions of euros)	Total
Balance at 30 June 2012	**(35.1)**
Changes in fair value within recyclable equity	13.5
Changes in fair value within non recyclable equity	-
Transfer to the income statement(1)	(9.4)
BALANCE AT 31 DECEMBER 2012	**(31.0)**

(1) Including -12.5 million euros relating to coupons due and matured on the swap.

The change over the period does not include the change in OCI of Hispasat, which amounts to (0.2) million euros.

8.4 – CHANGE IN THE CURRENCY TRANSLATION RESERVE

(in millions of euros)	Total
Balance at 30 June 2012	1.3
BALANCE AT 31 DECEMBER 2012	**(1.5)**

The -2.8 million euros change does not include the -2.0 million euros change in the translation reserve for Hispasat.

NOTE 9: FINANCIAL DEBT

At 30 June and 31 December 2012, the aggregate amount of bank debt is denominated in euros and U.S. dollars.

FINANCIAL INFORMATION AT 30 JUNE 2012 AND 31 DECEMBER 2012

(in millions of euros)	Rate	30 June 2012	31 December 2012	Maturity
Term loan 2016	Variable	800.0	800.0	6 December 2016
Bond 2017(1)	4.145%	800.0	850.0	27 March 2017
Bond 2019(1)	5.000%	800.0	800.0	14 January 2019
Bond 2022(1)	3.125%	-	300.0	10 October 2022
Export financing debt	1.710%	-	35.1	15 November 2021
Sub-total of debt (non-current portion)		**2,450.0**	**2,785.1**	
Loan set-up fees and premiums		(28.9)	(32.4)	
TOTAL OF DEBT (NON-CURRENT PORTION)		**2,421.1**	**2,752.7**	
Bank overdrafts		17.3	-	
Accrued interest not yet due		35.6	75.0	
TOTAL OF DEBT (CURRENT PORTION)		**53.0**	**75.0**	

(1) Fair values are presented below:

(in millions of euros)	30 June 2012	31 December 2012
Bond 2017	939.8	971.3
Bond 2019	886.5	976.1
Bond 2022	-	309.5

The weighted average interest rate on amounts drawn under the revolving credit facility for the period ended 31 December 2012 is 1.47% and 3.49% after hedging impacts.

Furthermore, the Group has 650.0 million euros available under its various lines of undrawn revolving credit.

CHANGE IN STRUCTURE SINCE 30 JUNE 2012

The Group has issued a 10-year 300 million euros bond issued on 1 October 2012 on the Luxembourg Stock Exchange regulated market, with maturity date of 10 October 2022. This bond was issued by the Eutelsat S.A. subsidiary. The bond carries a coupon of 3.125% *per annum,* issued at 99.148% percent, and redeemable at maturity at 100% of its nominal amount.

In May 2012, the Group signed a financing agreement with the U.S. Ex-Im bank (Export-Import Bank of the United States) over 66.2 million U.S. dollars for the investment in one geostationary satellite. At 31 December 2012, the Group has drawn 46.3 million U.S. dollars. The loan will be repaid in 17 equal semi-annual instalments starting on 15 November 2013. The final maturity will be eight years after the initial repayment date. The facility bears interest at a fixed rate of 1.71%.

DEBT MATURITY ANALYSIS

At 31 December 2012, the debt maturity analysis is as follows:

(in millions of euros)	Amount	Maturity within one year	Maturity between 1 and 5 years	Maturity exceeding 5 years
Term loan	800.0	-	800.0	-
Export financing debt	35.1	-	-	35.1
Bond 2017	850.0	-	850.0	-
Bond 2019	800.0	-	-	800.0
Bond 2022	300.0	-	-	300.0
TOTAL	**2,785.1**	**-**	**1,650.0**	**1,135.1**

COMPLIANCE WITH BANKING COVENANTS

At 31 December 2012, the Group was in compliance with all banking covenants under its credit facilities.

NOTE 10: OTHER FINANCIAL LIABILITIES

(in millions of euros)	30 June 2012	31 December 2012
Financial instruments(1)	38.5	32.0
Performance incentives(2)	12.5	10.0
Finance leases(3)	11.2	9.3
Other liabilities	62.2	57.9
TOTAL	**124.4**	**109.2**
incl. current portion	*78.5*	*66.2*
incl. non-current portion	*45.9*	*43.0*

(1) See Note 15 – Financial instruments.
(2) Including interest related to “Performance incentives” of 4.1 million euros at 30 June 2012 and 3.1 million euros at 31 December 2012.
(3) At 30 June 2012 and 31 December 2012, amounts of interest on finance leases are not material.

“Other liabilities” comprise advance payments and deposits from clients.

NOTE 11: INCOME TAX EXPENSE

“Income tax expense” shows current and deferred tax expenses for consolidated entities.

At 31 December 2012, the Group's effective tax rate was 36.6%. This rate is mainly explained by the Amended Finance Act for 2012 *(loi de finances rectificative 2012)* which introduced an additional contribution of 3% on dividends, and by the 2013 Finance Act *(loi de finances 2013)* which caps the deductibility of financial expenses at 85%.

NOTE 12: SEGMENT INFORMATION

Over the period ended 31 December 2012, there was no change in the Group's organisation which could affect the nature of and method used for reporting financial information and business performance data to the Group's chief operating decision maker.

Therefore, as with the period ended 30 June 2012, the Group considers that it only operates in a single industry segment, basing that view on an assessment of services rendered and the nature of the associated risks, rather than on their purpose. This is the provision of satellite-based video, business and broadband networks, and mobile services mainly to international telecommunications operators and broadcasters, corporate network integrators and companies for their own needs.

Revenues of the Group by geographical zone, based on invoice addresses, for the periods ended 31 December 2011 and 31 December 2012 are as follows:

Regions *(in millions of euros and as a percentage)*	Six-month period ended 31 December 2011[(2)]		Six-month period ended 31 December 2012	
	Amount	%	Amount	%
France	72.4	12.0	73.7	11.6
Italy	95.2	15.8	100.8	15.9
United Kingdom	45.7	7.6	47.8	7.5
Europe (other)	195.5	32.4	206.9	32.7
Americas	87.8	14.6	85.5	13.5
Middle-East	66.1	11.0	73.5	11.6
Africa	32.5	5.4	33.2	5.2
Asia	4.6	0.8	12.0	1.9
Other[(1)]	2.7	0.4	0.2	0.1
TOTAL	**602.4**	**100.0**	**633.6**	**100.0**

(1) Including indemnity payments for late delivery of satellites for the periods ended 31 December 2011.
(2) The revenue of the Madeira entity at 31 December 2011, which was presented under the "Europe (other)" line, was restated to be spread over all geographical zones.

NOTE 13: FINANCIAL RESULT

The financial result is made up as follows:

(in millions of euros)	Six-month period ended 31 December 2011	Twelve-month period ended 30 June 2012	Six-month period ended 31 December 2012
Interest expense (banks)[(1)]	(54.9)	(119.6)	(66.4)
Capitalized interests and other interest expense[(2)]	10.8	22.7	15.1
Loan set-up fees	(6.2)	(12.1)	(2.1)
Commitment fees and other similar charges	(1.4)	(3.8)	(1.9)
Changes in financial instruments[(3)]	(24.8)	(24.3)	-
Provisions for risks and charges and other financial expenses	(0.2)	(0.3)	(1.6)
Foreign-exchange losses[(4)]	(6.2)	(10.1)	(6.0)
Financial expenses	**(82.9)**	**(147.5)**	**(62.9)**
Changes in financial instruments[(3)]	-	-	3.1
Interest income	3.0	3.9	1.1
Foreign-exchange gains[(4)]	13.0	-	4.3
Financial income	**16.0**	**18.0**	**8.5**
FINANCIAL RESULT	**(66.9)**	**(129.5)**	**(54.4)**

(1) Interest expense (banks) includes the effects of the interest-rate risk hedging instruments employed. Coupons due and matured on the Swaps and Caps that are qualified as interest-rate risk hedges have affected the interest expense for the years ended 31 December 2011, 30 June 2012 and 31 December 2012 respectively by 16.1 million euros, 28.3 million euros and 12.5 million euros in expense.
(2) The amount shown is the interest expense net of loan costs charged to the value of the eligible assets. During the period, the capitalized costs amounted to 11.8 million euros at 31 December 2011 and 23.0 million euros at 30 June 2012 and 16.4 million euros at 31 December 2012. They strongly depend on the progress and number of satellite construction programmes recognised during the financial year.
The paid portion of the capitalized interest expense is included within financing expenses in the consolidated cash-flow statement under the heading "Interest and other fees paid".
The capitalisation rates used to determine the amount of interest expense eligible for capitalisation were 4.5% for the periods ended 31 December 2011 4.8% at 30 June 2012 and 4.9% at 31 December 2012.
(3) Gains or losses in the fair value of financial instruments mainly include changes in the fair value of non-qualifying derivatives in a hedging relationship and the ineffective portion of qualifying derivatives in a hedging relationship. Furthermore, these items include disqualifications/disposal of hedging instruments.
(4) Foreign-exchange options' contracts are put in place to hedge future sales in U.S. dollars. Changes in the time value of these instruments (excluded from the hedging relationship) have a direct impact on income. The intrinsic value of options exercised during the year, taking into account that the hedged item has also affected the result for the year, has similarly been recognised directly under income or expense (no net change in equity due to these options). Changes in the intrinsic value of options where the hedged item has not yet affected the result have been recognised within equity and have not affected the result for the year.

RESULTS ON FINANCIAL INSTRUMENTS PER ACCOUNTING CATEGORY

(in millions of euros)	Six-month period ended 31 December 2011	Twelve-month period ended 30 June 2012	Six-month period ended 31 December 2012
Net result on instruments measured at fair value per result on the option (cash equivalents)	-	-	-
Net result on instruments valued at fair value per result (non-qualifying derivatives for hedges and components excluded from hedging relationships)	(24.8)	(2.8)	3.1
Financial income on assets valued at amortised cost (loans and long-term advance payments and other receivables)	-	-	-
Interest expense on loans (excluding hedging effect)	(38.8)	(91.2)	(53.9)
Reversals and (depreciation) of financial assets (accounts receivable)	(4.1)	(5.4)	(2.0)

NOTE 14: EARNINGS PER SHARE

The following two tables show the reconciliation between net income and net earnings attributable to shareholders (basic and diluted) used to compute earnings per share (basic and diluted):

	31 December 2011	31 December 2012
Net income	164.5	186.4
Income from subsidiaries attributable to non-controlling interests before taking into account the dilutive instruments in the subsidiaries	(7.5)	(7.5)
NET EARNINGS USED TO COMPUTE BASIC EARNINGS PER SHARE	**157.0**	**178.9**

There are no dilutive instruments at 31 December 2011 and 2012.

NOTE 15: FINANCIAL INSTRUMENTS

15.1 – FOREIGN-EXCHANGE RISK

During the financial year ended 30 June 2012 and the first half year ended 31 December 2012, the Group only sold synthetic forwards with a knock-in option.

The net exposure to foreign-exchange risk at 31 December 2012 is as follows:

(in millions of euros)	
Assets	57.5
Liabilities	(47.0)
Net position before risk management	**10.5**
Off-balance-sheet position (foreign exchange hedging)	(7.6)
NET POSITION AFTER RISK MANAGEMENT	**2.9**

Considering its exposure to foreign-currency risk, the Group believes that a 10-cent decrease in the U.S. dollar/euro exchange rate would have a 6.1 million euros impact on Group income and would result in a negative change amounting to 25.8 million euros in Group translation reserves.

15.2 – SENSITIVITY TO INTEREST-RATE RISK

Considering the full range of financial instruments available to the Group at 31 December 2012, a ten base-point increase (+0.10%) over the EURIBOR interest rate would have a minor impact on the interest expense in the income statement. It would result in a positive change amounting to 1.9 million euros in equity related to the effective portion of the change in the fair value of hedging instruments qualified as cash flow hedges.

15.3 – KEY FIGURES AT 31 DECEMBER 2012

The following tables analyse the contractual or notional amounts and fair value of the Group's derivatives at 31 December 2012 by contract type. The instruments are valued by the Group's banking counterparts, and this valuation is validated by an independent expert.

	Notional		Fair value				
(in millions of euros)	30 June 2012	31 December 2012	30 June 2012	31 December 2012	Change in fair value over the period	Impact on income (excl. coupons)(1)	Impact on equity
Synthetic forward transaction with knock-in option (Eutelsat S.A.)	103.3	56.9	(4.8)	(0.1)	4.7	3.1	1.6
Total forex derivatives	**103.3**	**56.9**	**(4.8)**	**(0.1)**	**4.7**	**3.1**	**1.6**
Swap	800.0	800.0	(27.1)	(17.4)	9.7	(1.0)	10.7
Future Swap	350.0	350.0	(3.9)	(8.3)	(4.4)	-	(4.4)
Collar	350.0	350.0	(2.2)	(5.8)	(3.6)	0.2	(3.8)
Caps	100.0	100.0	0.3	0.1	(0.2)	(0.2)	-
Tunnel(2)	100.0	100.0	(0.4)	(0.4)	-	-	-
Total interest rate derivatives	**1 700.0**	**1 700.0**	**(33.3)**	**(31.8)**	**1.5**	**(1.0)**	**2.5**
TOTAL DERIVATIVES			**(38.1)**	**(31.9)**	**6.2**	**2.1**	**4.1**
Equity interests							(0.2)
TOTAL							**3.9**

(1) The ineffective portion of the hedges was not significant and has not been isolated.
(2) Instrument not qualifying for hedge accounting.

At 31 December 2012, the cumulative fair value of financial instruments is negative at 31.9 million euros (see Note 10 "Other financial liabilities").

NOTE 16: OTHER OFF-BALANCE SHEET COMMITMENTS

16.1 – PURCHASE COMMITMENTS

At 31 December 2012, future payments under satellite construction and financing contracts amount to 600.2 million euros, and future payments under launch agreements amount to 310.2 million euros. These future payments are spread over sixteen years.

The Group has also made commitments with other suppliers for service provisions and acquisitions of fixed assets relating to the monitoring and control of satellites.

Future minimum payments in respect of such acquisitions of assets and provision of services at 31 December 2012 are scheduled as follows:

(in millions of euros)	At 31 December 2012
2013	56.4
2014	25.6
2015	19.0
2016	15.7
2017 and beyond	63.5
TOTAL	**180.2**

On 27 December 2012, Eutelsat exercised its pre-emption right over the sale by Telefonica of its stake in the Spanish satellites operator Hispasat. Exercising of this right will result in the Group acquiring 19,359 new shares in Hispasat, for approximately 56 million euros.

Subject to the required regulatory approvals, the closing of this transaction will enable Eutelsat to increase its stake in the Spanish operator's capital from 27.69% to 33.69%.

16.2 – FLEET INSURANCE

At 31 December 2012, the Group's existing "L+1 insurance" ("Launch +1 year") and in-orbit insurance policies have been taken out with insurance syndicates generally with ratings of between AA- and A+. Counterpart risk is therefore limited and, if any of the insurers should default, that entity's share of the insurance cover could be taken on by a new player.

The in-orbit insurance plan taken out by the Group was renewed for a 12-month period starting on 1 July 2012. The programme has been designed with a view to minimising, at an acceptable cost, the impact of one or several satellite losses on the balance sheet and the income statement.

The seventeen satellites covered under this policy are insured for their net book value.

16.3 – CONTINGENT LIABILITY

The entities Eutelsat Communications S.A. and Eutelsat S.A., which belong to the tax Group headed by Eutelsat Communications, were subject to a tax inspection procedure for the periods ended 30 June 2009, 2010 and 2011.

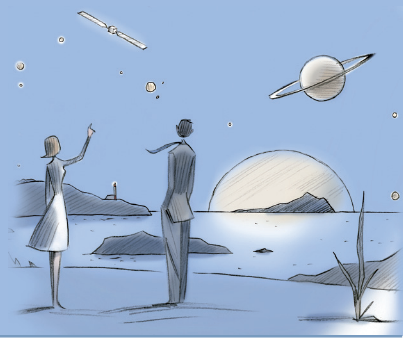
Subsequent to the inspection, the tax administration notified Eutelsat Communications and Eutelsat S.A., on 20 December 2012, of their respective tax adjustments' amounts of 1.5 million euros and 26.1 million euros, including late interests and penalties.

The entities Eutelsat Communications S.A. and Eutelsat S.A. intend to protest over the validity of these proposed adjustments and, given the elements in their possession at the closing date, did not book any provision accordingly, as it meets the definition of a contingent liability.

NOTE 17: SUBSEQUENT EVENTS

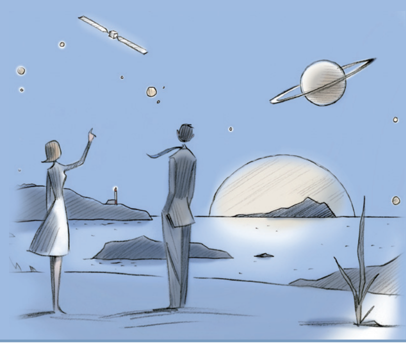
None.

7 OUTLOOK



Eutelsat confirms the outlook published on 25 October 2012 for the current year and three years to June 2015.

- revenue targets at +5-6% for 2012-2013, and CAGR of 6-7% to June 2015, including the impact of the acquisition of EUTELSAT 172A;
- EBITDA margin at around 77% for each fiscal year until June 2015;
- average capital expenditure of 500 million euros *per annum* over the three fiscal years to June 2015 (excluding EUTELSAT 172A);
- net debt to EBITDA ratio of below 3.3x, for a solid investment grade credit rating;
- dividend pay-out ratio of 65% to 75% of Group share of net income.



Quarterly revenues by business application

(in millions of euros)	3 months ended 31 December 2011	31 March 2012	30 June 2012	30 September 2012	31 December 2012
Video Applications	205.1	211.0	217.8	216.3	214.4
Data & Value-Added Services	58.2	57.9	59.3	61.1	63.8
of which Data Services	*46.8*	*45.0*	*44.9*	*44.9*	*48.8*
of which Value-Added Services	*11.4*	*12.9*	*14.3*	*16.2*	*15.0*
Multi-usage	38.2	37.0	35.0	34.1	38.6
Other revenues	2.0	2.8	(1.1)	3.0	2.4
Sub-total	**303.6**	**308.7**	**311.1**	**314.4**	**319.2**
Non-recurring revenues	3.5	-	-	-	-
TOTAL	**307.1**	**308.7**	**311.1**	**314.4**	**319.2**

Change in net debt

(in millions of euros)	Half-year ending 31 December 2011	Full-year ending 30 June 2012	Half-year ending 31 December 2012
Net cash flows from operating activities	**333.2**	**697.2**	**406.8**
Capital expenditure	(241.8)	(487.5)	(388.7)
Insurance indemnity on property and equipment	-	-	-
OPERATING FREE CASH FLOWS	**91.4**	**209.7**	**18.1**
Interest and other fees paid. net	(34.6)	(146.0)	(24.8)
Acquisition of non-controlling interests	(0.8)	(2.5)	-
Distributions to shareholders (including non-controlling interests)	(223.8)	(227.2)	(228.1)
Acquisition of treasury shares	(3.1)	(9.9)	0.6
Other	(10.9)	0.2	(5.2)
DECREASE (INCREASE) IN NET DEBT	**(181.8)**	**(175.7)**	**(239.4)**

Estimated satellite launch schedule

Satellite	Estimated launch *(calendar year)*	Transponders
EUTELSAT 3D[1]	Q2 2013	37 Ku
EUTELSAT 25B[2]	Q3 2013	16 Ku / 7 Ka
AT2[3]	H2 2013	8 Ku
EUTELSAT 3B	H1 2014	51 (Ku, Ka, C)
EUTELSAT 9B	H2 2014	60 Ku
EUTELSAT 8 West B	H1 2015	40 Ku / 10 C
EUTELSAT 36C[3]	H2 2015	Up to 70 (Ku & Ka)

Note: Satellites generally enter into service one to two months after launch.
(1) Ex-EUTELSAT 7B.
(2) Partnership satellite with Qatar Satellite Company, transponders indicated for Eutelsat portion only.
(3) Partnership satellites with RSCC.

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Member of the *Compagnie régionale de Versailles*

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S.A.S à capital variable
Statutory auditor
Member of the *Compagnie régionale de Versailles*

Eutelsat Communications
Period from 1 July to 31 December 2012

Report of the statutory Auditors on the interim financial statement

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meetings, and in accordance with the requirements of article L. 451-1-2-III of the French monetary and financial code *(Code monétaire et financier),* we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Eutelsat Communications S.A., for the period from 1 July to 31 December 2012; and
- the verification of the information contained in the interim management report.

These condensed half-yearly consolidated financial statements are the responsibility of the board of directors. Our role is to express a conclusion on these financial statements based on our review.

1. CONCLUSION ON THE FINANCIAL STATEMENTS

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 – standard of the IFRSs as adopted by the European Union applicable to interim financial information.

2. SPECIFIC VERIFICATION

We have also verified the information presented in the interim management report in respect of the condensed half-yearly consolidated financial statements subject to our review.

We have no matters to report as to its fair presentation and its consistency with the condensed half-yearly consolidated financial statements.

Courbevoie and Paris-La Défense, 7 February 2013
The statutory auditors
French original signed by

Mazars
Isabelle Sapet

Ernst & Young et Autres
Jeremy Thurbin

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