

INTELSAT, LTD.  
 UNAUDITED RECONCILIATION OF NET LOSS TO EBITDA  
 (\$ in thousands)

	<u>Predecessor Entity</u>	<u>Successor Entity</u>	<u>Predecessor Entity</u>	<u>Combined</u>
	Three Months Ended June 30, 2007	Three Months Ended June 30, 2008	Six Months Ended June 30, 2007	Six Months Ended June 30, 2008
Net loss	\$ (31,674)	\$ (81,961)	\$ (146,746)	\$ (494,648)
Add:				
Interest expense, net	238,603	336,934	519,275	641,623
Provision for income taxes	9,142	17,861	13,505	9,192
Depreciation and amortization	194,789	217,559	390,392	425,395
EBITDA	<u>\$ 410,860</u>	<u>\$ 490,393</u>	<u>\$ 776,426</u>	<u>\$ 581,562</u>
EBITDA margin	76%	84%	73%	50%

**Note:**

Intelsat, Ltd. EBITDA consists of earnings before interest, taxes and depreciation and amortization. EBITDA is a measure commonly used in the fixed satellite services sector, and Intelsat presents Intelsat, Ltd. EBITDA to provide further information with respect to its operating performance. Intelsat, Ltd. EBITDA margin is defined as Intelsat, Ltd. EBITDA divided by total revenues. Intelsat uses Intelsat, Ltd. EBITDA as one criterion for evaluating its performance relative to that of its peers. Intelsat believes that Intelsat, Ltd. EBITDA is an operating performance measure, and not a liquidity measure, that provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and ages of related assets among otherwise comparable companies. However, Intelsat, Ltd. EBITDA and Intelsat, Ltd. EBITDA margin are not measures of financial performance under GAAP, and may not be comparable to similarly titled measures of other companies. You should not consider Intelsat, Ltd. EBITDA or Intelsat, Ltd. EBITDA margin as an alternative to operating income or net loss or operating or net income (loss) margin, determined in accordance with GAAP, as an indicator of Intelsat's operating performance, or as an alternative to cash flows from operating activities, determined in accordance with GAAP, as an indicator of cash flows or as a measure of liquidity.

INTELSAT, LTD.  
 UNAUDITED RECONCILIATION OF CASH FLOW FROM OPERATIONS TO  
 NEW BERMUDA ADJUSTED EBITDA AND SUB HOLDCO ADJUSTED EBITDA  
 (\$ in thousands)

	Predecessor Entity Three Months Ended June 30, 2007	Successor Entity Three Months Ended June 30, 2008	Predecessor Entity Six Months Ended June 30, 2007	Combined Six Months Ended June 30, 2008
Reconciliation of net cash provided by operating activities to net loss:				
Net cash provided by operating activities	\$ 101,016	\$ 74,373	\$ 213,215	\$ 300,570
Depreciation and amortization	(194,788)	(217,559)	(390,392)	(425,395)
Impairment of asset value	-	(63,644)	-	(63,644)
Provision for doubtful accounts	(1,536)	2,552	(6,277)	3,012
Foreign currency transaction gain	332	879	296	1,876
(Gain) loss on disposal of assets	(335)	(46)	25	(46)
Share-based compensation expense	(1,262)	(912)	(2,524)	(199,517)
Compensation cost paid by parent	-	-	(288)	-
Deferred income taxes	1,827	(7,342)	1,827	12,014
Amortization of bond discount and issuance costs	(19,592)	(29,590)	(65,615)	(53,704)
Interest paid-in-kind	-	(78,256)	-	(78,256)
Share in (gain) loss of affiliates	447	225	(6,931)	225
Gain on undesignated interest rate swaps	6,336	107,938	2,163	64,373
Loss on prepayment of debt and other non-cash items	(836)	(6,035)	(11,378)	(6,169)
Changes in operating assets and liabilities, net of effect of acquisition	76,717	135,457	119,133	(49,987)
Intelsat, Ltd. net loss	(31,674)	(81,960)	(146,746)	(494,648)
Add (Subtract):				
Interest expense, net	238,603	336,938	519,275	641,623
Provision for income taxes	9,142	17,860	13,505	9,192
Depreciation and amortization	194,789	217,559	390,392	425,395
Intelsat, Ltd. EBITDA	410,860	490,397	776,426	581,562
Add (Subtract):				
Parent and intercompany expenses, net	3,312	2,800	7,006	6,271
Compensation and benefits	1,702	1,639	3,571	4,338
Restructuring and transaction costs	2,317	-	7,143	313,102
Acquisition related expenses	6,862	2,312	12,987	5,617
Equity investment (gains) losses	(47)	(135)	7,331	(240)
Satellite impairment charge	-	63,644	-	63,644
Gain on undesignated interest rate swaps	(8,560)	(99,380)	(6,727)	(56,429)
Non-recurring and other non-cash items	8,746	6,419	11,674	9,530
Satellite performance incentives	(3,463)	(2,927)	(7,550)	(5,898)
New Bermuda Adjusted EBITDA	421,729	464,769	811,861	921,497
New Bermuda Adjusted EBITDA Margin	78%	79%	76%	80%
Add (Subtract):				
Intelsat Corp Adjusted EBITDA	(181,523)	(184,611)	(347,076)	(401,052)
Parent and intercompany expenses	(23)	101	320	201
Non-recurring intercompany expenses	-	-	-	34,991
Satellite performance incentives	3,463	2,927	7,550	5,898
Sub Holdco Adjusted EBITDA	\$ 243,646	\$ 283,186	\$ 472,655	\$ 561,535

**Note:**

Intelsat calculates a measure called New Bermuda Adjusted EBITDA, based on the term Adjusted EBITDA, as defined in the indenture governing the 11 1/4% Senior Notes due 2017 and 11 1/2%/12 1/2% Senior PIK Election Notes due 2017. New Bermuda Adjusted EBITDA consists of Intelsat, Ltd. EBITDA as adjusted to exclude or include certain unusual items, certain other operating expense items and other adjustments permitted in calculating covenant compliance under this indenture as described in the table above. New Bermuda Adjusted EBITDA as presented above is calculated only with respect to Intelsat Bermuda and its subsidiaries. New Bermuda Adjusted EBITDA is a material component of certain ratios used in this indenture, such as the unsecured indebtedness leverage ratio and the secured indebtedness leverage ratio. New Bermuda Adjusted EBITDA Margin is defined as New Bermuda Adjusted EBITDA divided by Intelsat Bermuda total revenues.

Intelsat also calculates a measure called Sub Holdco Adjusted EBITDA, based on the term Consolidated EBITDA, as defined in the Credit Agreement of Intelsat Subsidiary Holding Company, Ltd. ("Intelsat Sub Holdco") dated as of July 3, 2006, as amended. Sub Holdco Adjusted EBITDA consists of EBITDA as adjusted to exclude certain unusual items, certain other operating expense items and other adjustments permitted in calculating covenant compliance under the Credit Agreement as described in the table above. Sub Holdco Adjusted EBITDA as presented above is calculated only with respect to Intelsat Sub Holdco and its subsidiaries. Sub Holdco Adjusted EBITDA is a material component of certain covenant ratios used in the Credit Agreement that apply to Intelsat Sub Holdco and its subsidiaries, such as the secured debt leverage ratio and total leverage ratio.

New Bermuda Adjusted EBITDA, Sub Holdco Adjusted EBITDA and New Bermuda Adjusted EBITDA Margin are not measures of financial performance under GAAP, and may not be comparable to similarly titled measures of other companies. You should not consider Sub Holdco Adjusted EBITDA, New Bermuda Adjusted EBITDA or New Bermuda Adjusted EBITDA Margin as alternatives to operating income or net loss or operating or net income (loss) margin, determined in accordance with GAAP, as indicators of Intelsat's operating performance, or as alternatives to cash flows from operating activities, determined in accordance with GAAP, as indicators of cash flows or as measures of liquidity.

INTELSAT, LTD.  
 UNAUDITED RECONCILIATION OF NET CASH PROVIDED BY OPERATING  
 ACTIVITIES  
 TO FREE CASH FLOW FROM OPERATIONS  
 (\$ in thousands)

	Predecessor Entity	Successor Entity		Combined
	Three Months Ended June 30,	Three Months Ended June 30,	Six Months Ended June 30,	Six Months Ended June 30,
	2007	2008	2007	2008
Net cash provided by operating activities	\$ 101,016	\$ 74,373	\$ 213,215	\$ 300,569
Payments for satellites and other property and equipment (including capitalized interest)	(110,160)	(98,337)	(241,543)	(204,863)
Free cash flow from operations	<u>\$ (9,144)</u>	<u>\$ (23,964)</u>	<u>\$ (28,328)</u>	<u>\$ 95,707</u>

**Note:**

Free cash flow from operations consists of net cash provided by operating activities, less payments for satellites and other property and equipment and associated capitalized interest. Free cash flow from operations is not a measurement of cash flow under GAAP. Intelsat believes free cash flow from operations is a useful measure of financial performance that shows a company's ability to fund its operations. Free cash flow from operations is used by Intelsat in comparing its performance to that of its peers and is commonly used by analysts and investors in assessing performance. Free cash flow from operations does not give effect to cash used for debt service requirements, and thus does not reflect funds available for investment or other discretionary uses. Free cash flow from operations is not a measure of financial performance under GAAP, and may not be comparable to similarly titled measures of other companies. You should not consider free cash flow from operations as an alternative to operating or net income, determined in accordance with GAAP, as an indicator of Intelsat's operating performance, or as an alternative to cash flows from operating activities, determined in accordance with GAAP, as an indicator of cash flows or as a measure of liquidity.