

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

	Three Months Ended June 30, 2008	Three Months Ended June 30, 2009	Combined Six Months Ended June 30, 2008	Six Months Ended June 30, 2009
	Net loss attributable to Intelsat, Ltd.	\$ (81,961)	\$ (32,740)	\$ (494,648)
Add:				
Interest expense, net	336,934	339,612	641,623	690,333
Loss on early extinguishment of debt	-	-	-	14,876
Provision for (benefit from) income taxes	17,861	15,395	9,192	(27,851)
Depreciation and amortization	217,559	200,159	425,395	411,088
EBITDA	<u>\$ 490,393</u>	<u>\$ 522,426</u>	<u>\$ 581,562</u>	<u>\$ 498,060</u>
EBITDA margin	84%	81%	50%	39%

**Note:**

Intelsat, Ltd. EBITDA consists of earnings before interest, loss on early extinguishment of debt, 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 revenue. 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)

	Three Months Ended June 30, 2008	Three Months Ended June 30, 2009	Combined Six Months Ended June 30, 2008	Six Months Ended June 30, 2009
Reconciliation of net cash provided by operating activities to net loss:				
Net cash provided by operating activities	\$ 74,372	\$ 314,226	\$ 300,569	\$ 396,178
Depreciation and amortization	(217,559)	(200,159)	(425,395)	(411,088)
Impairment of asset value	(63,644)	-	(63,644)	(499,100)
Provision for doubtful accounts	2,552	(1,049)	3,012	118
Foreign currency transaction gain	879	3,665	1,876	2,819
Loss on disposal of assets	(46)	(615)	(46)	(2,558)
Share-based compensation expense	(912)	(20,570)	(199,517)	(21,036)
Deferred income taxes	(7,342)	(5,352)	12,014	44,560
Amortization of discount, premium and issuance costs	(93,379)	(30,599)	(117,493)	(61,875)
Interest paid-in-kind	(51,431)	(75,832)	(78,256)	(148,675)
Loss on early extinguishment of debt	-	-	-	(14,496)
Share in gain of unconsolidated affiliates	225	127	225	259
Unrealized gains on derivative financial instruments	107,938	71,807	64,373	78,312
Other non-cash items	(922)	(199)	(1,056)	(242)
Changes in operating assets and liabilities, net of effect of acquisition	167,308	(88,190)	8,690	46,438
Net loss attributable to Intelsat, Ltd.	(81,961)	(32,740)	(494,648)	(590,386)
Add (Subtract):				
Interest expense, net	336,934	339,612	641,623	690,333
Loss on early extinguishment of debt	-	-	-	14,876
Provision for (benefit from) income taxes	17,861	15,395	9,192	(27,851)
Depreciation and amortization	217,559	200,159	425,395	411,088
Intelsat, Ltd. EBITDA	490,393	522,426	581,562	498,060
Add (Subtract):				
Parent and intercompany expenses, net	2,800	2,882	6,271	5,804
EBITDA from unrestricted subsidiaries	-	25	-	(487)
Compensation and benefits	1,639	16,439	4,338	18,074
Transaction costs	-	-	313,102	-
Acquisition related expenses	2,312	5,797	5,617	11,594
Share in gain of unconsolidated affiliates	(135)	(127)	(240)	(259)
Impairment of asset value	63,644	-	63,644	499,100
Unrealized gains on derivative financial instruments	(99,380)	(52,079)	(56,429)	(44,123)
Non-recurring and other non-cash items	6,419	9,606	9,530	13,870
Satellite performance incentives	(2,927)	(2,251)	(5,898)	(4,482)
New Bermuda Adjusted EBITDA	464,765	502,718	921,497	997,151
New Bermuda Adjusted EBITDA Margin	79%	78%	80%	78%
Add (Subtract):				
Intelsat Corp Adjusted EBITDA	(184,611)	(200,320)	(401,052)	(385,912)
Parent and intercompany expenses	101	144	201	388
Non-recurring intercompany expenses	-	-	34,991	-
Satellite performance incentives	2,927	2,251	5,898	4,482
Sub Holdco Adjusted EBITDA	\$ 283,182	\$ 304,793	\$ 561,535	\$ 616,109

**Note:**

Intelsat calculates a measure called New Bermuda Adjusted EBITDA, based on the term Adjusted EBITDA, as defined in the indenture governing the 2017 Bermuda PIK Notes. 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), Ltd. total revenue.

Intelsat also calculates a measure called Sub Holdco Adjusted EBITDA, based on the term Consolidated EBITDA, as defined in the Credit Agreement of 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.

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

	Three Months Ended June 30, 2008	Three Months Ended June 30, 2009	<u>Combined</u> Six Months Ended June 30, 2008	Six Months Ended June 30, 2009
Net cash provided by operating activities	\$ 74,372	\$ 314,226	\$ 300,569	\$ 396,178
Payments for satellites and other property and equipment (including capitalized interest)	(98,337)	(150,853)	(204,863)	(283,403)
Free cash flow from (for) operations	<u>\$ (23,965)</u>	<u>\$ 163,373</u>	<u>\$ 95,706</u>	<u>\$ 112,775</u>

**Note:**

Free cash flow from operations consists of net cash provided by operating activities, less payments for satellites and other property and equipment (including 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.