LORAL SPACE & COMMUNICATIONS INC.
Form 10-K
March 15, 2011

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-K

þ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2010

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number 1-14180
LORAL SPACE & COMMUNICATIONS INC.
(Exact name of registrant specified in the charter)
Jurisdiction of incorporation: Delaware
IRS identification number: 87-0748324
600 Third Avenue
New York, New York 10016
(Address of principal executive offices)
Telephone: (212) 697-1105
(Registrant s telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common stock, $.01 par value	**NASDAQ**

Securities registered pursuant to Section 12(g) of the Act:

Indicate by check mark if the registrant is well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes o **No** þ

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes o **No** þ

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes þ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes o No o

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes þ No o

Indicate by check mark whether the registrant is a large accelerated filer, and accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Ruler 12b-2 of the Exchange Act. (Check one):

Large accelerated filer o Accelerated filer þ Non-accelerated filer o

Smaller reporting company o

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2 of the Act). Yes o No þ

At March 1, 2011, 21,149,598 shares of the registrant s voting common stock and 9,505,673 shares of the registrant s non-voting common stock were outstanding.

As of June 30, 2010, the aggregate market value of the common stock, the only common equity of the registrant currently issued and outstanding, held by non-affiliates of the registrant, was approximately $520,752,485

Indicate by a check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes þ No o

Documents incorporated by reference are as follows:

Document	Part and Item Number of Form 10-K into which incorporated
Loral Notice of Annual Meeting of Stockholders and Proxy Statement for the Annual Meeting of Stockholders to be held May 24, 2011	Part II, Item 5(d) Part III, Items 11 through 14

LORAL SPACE AND COMMUNICATIONS INC.
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For the Year Ended December 31, 2010

PART I

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PART I

Item 1. ***Business***

THE COMPANY

Overview

Loral Space & Communications Inc., together with its subsidiaries (Loral , the Company , we , our and us), is a l satellite communications company engaged in satellite manufacturing with ownership interests in satellite-based communications services. The term Parent Company is a reference to Loral Space & Communications Inc., excluding its subsidiaries.

Loral has two segments:

Satellite Manufacturing:

Our subsidiary, Space Systems/Loral, Inc. (SS/L), designs and manufactures satellites, space systems and space system components for commercial and government customers whose applications include fixed satellite services (FSS), direct-to-home (DTH) broadcasting, mobile satellite services (MSS), broadband data distribution, wireles telephony, digital radio, digital mobile broadcasting, military communications, weather monitoring and air traffic management.

Satellite Services:

Loral participates in satellite services operations principally through its 64% economic interest in Telesat Holdings Inc. (Telesat Holdco), which owns Telesat Canada (Telesat), a leading global FSS provider, with industry leading backlog, and one of only three FSS providers operating on a global basis. Telesat owns and leases a satellite fleet that operates in geosynchronous earth orbit approximately 22,000 miles above the equator. In this orbit, satellites remain in a fixed position relative to points on the earth s surface and provide reliable, high-bandwidth services anywhere in their coverage areas, serving as the backbone for many forms of telecommunications.

Segment Overview

Satellite Manufacturing

SS/L is a designer, manufacturer and integrator of powerful satellites and satellite systems for commercial and government customers worldwide. SS/L s design, engineering and manufacturing capabilities have allowed it to develop a large portfolio of highly engineered, mission-critical satellites and secure a strong industry presence. This position provides SS/L with the ability to produce satellites that meet a broad range of customer requirements for broadband internet service to the home, mobile video and internet service, broadcast feeds for television and radio distribution, phone service, civil and defense communications, direct-to-home television broadcast, satellite radio, telecommunications backhaul and trunking, weather and environment monitoring and air traffic control. In addition, SS/L has applied its design and manufacturing expertise to produce spacecraft subsystems, such as batteries for the International Space Station, and to integrate government and other add-on missions on commercial satellites, which are referred to as hosted payloads.

As of December 31, 2010, SS/L had $1.6 billion in backlog for 20 satellites for customers including Intelsat Global S.A., SES S.A., Telesat Holdings Inc., Hispasat, S.A., EchoStar Corporation, Sirius-XM Satellite Radio, TerreStar Corporation, Asia Satellite Telecommunications Co. Ltd., Hughes Network Systems, LLC, ViaSat, Inc., Eutelsat/ictQatar, DIRECTV, Satélites Mexicanos, S.A. de C.V. and Asia Broadcast Satellite.

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Since SS/L s inception, it has delivered more than 240 satellites, which have achieved more than 1,700 years of cumulative on-orbit service. SS/L s satellite platform accommodates some of the world s highest-power payloads for television, radio and multimedia broadcast. SS/L is the only manufacturer to have produced to date high-power commercial satellites greater than 18-kW at end-of-life, or EOL. In addition, SS/L is the first manufacturer to utilize a commercial ground-based beam forming, or GBBF, system, which allows ground system upgrades to adjust for changes in service usage. For the period from 2005 through December 31, 2010, SS/L-built satellites have had no satellite hardware operational failures resulting in insurance claim payments.

Satellite demand is driven by fleet replacement cycles, increased video, internet and data bandwidth demand and new satellite applications. SS/L expects its future success to derive from maintaining and expanding its share of the satellite construction contracts based on engineering, technical and manufacturing leadership; its value proposition and record of reliability; the increased demand for new applications requiring high power and capacity satellites such as HDTV, 3-D TV and broadband; and SS/L s expansion of governmental contracts based on its record of reliability and experience with fixed-price contract manufacturing. We also expect SS/L to benefit from the increased revenues from larger and more complex satellites. As such, increased revenues as well as system and supply chain management improvements should enable SS/L to continue to improve its profitability.

SS/L products span the entire commercial market segment and SS/L s customers include satellite service operators across all satellite-based applications. SS/L s highly flexible satellite platform accommodates a broad range of applications such as regional and spot-beam technology and hybrid systems that maximize the value of orbital slot locations. As a result, SS/L is well-positioned for the next stage of growth, including (i) additional satellites for existing customers, (ii) satellites for new customers, both established and those developing new services and (iii) government satellites, both U.S. government, or USG, and non-USG, as well as government hosted payloads and space subsystems.

Market and Competition

SS/L participates in the highly competitive commercial satellite manufacturing industry principally on the basis of superior customer relationships, technical excellence, reliability and pricing. Other competitors for satellite manufacturing contracts include Boeing, Lockheed Martin and Orbital Sciences in the U.S., Thales Alenia Space and EADS Astrium in Europe and Mitsubishi Electric Corporation in Japan. SS/L s continued success depends on its ability to provide highly reliable satellites on a cost-effective and timely basis. SS/L may also face competition in the future from emerging low-cost competitors in India, Russia and China. The number of satellite manufacturing contracts awarded varies annually and is difficult to predict. For example, based on readily available industry information, we believe that, while only two contracts for mid- and high-power (8 kW or higher) commercial satellites were awarded worldwide in 2002, there were 17 and 21 contracts awarded in 2010 and 2009, respectively. The current economic environment may adversely affect the satellite market in the near-term. While we expect the replacement market to be reliable over the next year, given the current credit crisis, potential customers that are highly leveraged or in the development stage may not be able to obtain the financing necessary to purchase satellites.

Satellite Manufacturing Performance[(1)]

	Year ended December 31,		
	2010	2009	2008
	(In millions)		
Total segment revenues	$ 1,165	$ 1,008	$ 881
Eliminations	(6)	(15)	(12)
Revenues from satellite manufacturing as reported	$ 1,159	$ 993	$ 869
Segment Adjusted EBITDA before eliminations	$ 143	$ 91	$ 45

(1)

See Consolidated Operating Results in Management s Discussion and Analysis of Financial Condition and Results of Operations for significant items that affect comparability between the periods presented (see Note 15 to the Loral consolidated financial statements for the definition of Adjusted EBITDA).

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Total SS/L assets, located primarily in California, were $921 million and $864 million as of December 31, 2010 and 2009, respectively. The increase is primarily due to growth in gross orbital receivables of $71 million in 2010. Total SS/L assets were $799 million as of December 31, 2008. Backlog at December 31, 2010 was $1.6 billion. This included $219 million of backlog for the construction of Telstar 14R, Nimiq 6 and Anik G1 for Telesat and the intercompany portion of ViaSat-1. Backlog at December 31, 2009 was $1.6 billion. This included $225 million of backlog for the construction of Telstar 14R and Nimiq 6 for Telesat and the intercompany portion of ViaSat-1. It is expected that approximately 64% of the backlog as of December 31, 2010, will be recognized as revenues during 2011. During 2010, revenues from EchoStar Corporation, Hughes Network Systems, LLC, Intelsat Global S.A., SES S.A. and Telesat Holdings Inc. were each individually greater than 10% of our total revenues.

Satellite Services

As of December 31, 2010, Telesat had 12 in-orbit satellites and three satellites under construction, one of which is 100% leased for at least the design life of the satellite. Telesat provides video distribution and DTH video, as well as end-to-end communications services using both satellite and hybrid satellite-ground networks.

Telesat categorizes its satellite services operations into broadcast, enterprise services and consulting and other, as follows:

Broadcast:

DTH. Both Canadian DTH service providers (Bell TV and Shaw Direct) use Telesat s satellites as a distribution platform for their services, delivering television programming, audio and information channels directly to customers homes. In addition, Telesat s Anik F3 and Nimiq 5 satellites are used by EchoStar (Dish Network) for DTH services in the United States.

Video Distribution. Major broadcasters, cable networks and DTH service providers use Telesat satellites for the full-time transmission of television programming. Additionally, certain broadcasters and DTH service providers bundle value-added services that include satellite capacity, digital encoding of video channels and uplinking and downlinking services to and from Telesat satellites and teleport facilities. Telstar 18 delivers video distribution and contribution throughout Asia and offers connectivity to the U.S. mainland via Hawaiian teleport facilities; Telstar 12 is also used to transmit television services. In both Brazil and Chile, Telesat provides video distribution services on Telstar 14/Estrela do Sul.

Occasional Use Services. Occasional use services consist of satellite transmission services for the timely broadcast of video news, sports and live event coverage on a short-term basis enabling broadcasters to conduct on-the-scene transmissions using small, portable antennae.

Enterprise Services:

Data networks in North America and the related ground segment and maintenance services supporting these networks. Telesat operates very small aperture terminal, or VSAT, networks in North America, managing thousands of VSAT terminals at customer sites. For some of these customers Telesat offers end-to-end services including installation and maintenance of the end user terminal, maintenance of the VSAT hub, and provision of satellite capacity. Other customers may be provided a subset of these services. Examples of North American data network services include point of sale services for customers in Canada and communications services to remote locations for the oil and gas industry.

International Enterprise Networks. Telesat provides Internet Protocol-based terrestrial extension services that allow enterprises to reach multiple locations worldwide many of which cannot be connected via terrestrial means. In addition, these managed services also enable multi-cast and broadcast functionality, as with traditional video broadcast distribution, which takes full advantage of satellite s one to many attributes. These services are delivered to enterprises whose headquarters are typically in the United States or Europe through both terrestrial partners and directly.

Ka-band Internet Services. Telesat provides Ka-band, two-way broadband Internet services in Canada through Barrett Xplore Inc. and other resellers, and Ka-band satellite capacity to WildBlue which uses it to provide services in the United States.

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Telecommunication Carrier Services. Telesat provides satellite capacity and end-to-end services for data and voice transmission to telecommunications carriers located throughout the world. These services include (i) connectivity and voice circuits to remote locations in Canada for customers such as Bell Canada and NorthwesTel and (ii) space segment capacity and terrestrial facilities for Internet backhaul and access, GSM backhaul, and services such as rural telephony to carriers around the world.

Government Services. The United States Government is the largest single consumer of fixed satellite services in the world and a significant user of Telesat s international satellites. Over the course of several years, Telesat has implemented a successful strategy to sell through government service integrators, rather than directly to United States Government agencies. Satellite services are also provided to the Canadian Government, including a variety of services from a maritime network for a Canadian Government entity to protected satellite capacity to the Department of National Defense for the North Warning System.

Consulting & Other:

Consulting operations allow for increased operating efficiencies by leveraging Telesat s existing employees and facility base. With over 40 years of engineering and technical experience, Telesat is a leading consultant in establishing, operating and upgrading satellite systems worldwide, having provided services to businesses and governments in over 35 countries across six continents. In 2010, the international consulting business provided satellite-related services in approximately 20 countries.

Telesat is the fourth largest FSS operator in the world and the largest in Canada, with a strong and growing business. It has a leading position as a provider of satellite services in the North American video distribution market. Telesat provides services to both of the major DTH providers in Canada, Bell TV and Shaw Direct, which together have approximately 2.9 million subscribers, as well as to EchoStar (Dish Network) in the United States, which has over 14 million subscribers. Its international satellites are well positioned in emerging, high growth markets and serve high value customers in those markets. Telstar 11N provides service to American, European and African regions and aeronautical and maritime markets of the Atlantic Ocean Region. Telstar 12 provides intercontinental connectivity from the Americas to the Middle East. Telstar 14/Estrela do Sul offers high powered coverage of the Americas, the Gulf of Mexico, the Caribbean and the North Atlantic Ocean Region (NAOR). Telstar 18 delivers video distribution and contribution throughout Asia and offers connectivity to the US mainland via Hawaiian teleport facilities. Telesat s current enterprise services customers include leading telecommunications service providers as well as a range of network service providers and integrators, which provide services to enterprises, governments and international agencies and multiple ISPs.

Telesat offers its broad suite of satellite services to more than 400 customers worldwide, which include some of the world s leading television broadcasters, cable programmers, DTH service providers, ISPs, telecommunications carriers, corporations and government agencies. Over 40 years of operation, Telesat has established long-term, collaborative relationships with its customers and has developed a reputation for creating innovative solutions and providing services essential for its customers to reach their end users. Telesat s customers represent some of the strongest and most financially stable companies in their respective industries. These customers frequently commit to long-term contracts for its services, which enhances the predictability of its future revenues and cash flows and supports its future growth.

Telesat s North American Broadcast and Enterprise Services customer service contracts are typically multi-year in duration and, in the past, Telesat has successfully contracted all or a significant portion of a satellite s capacity prior to commencing construction.

Market and Competition

Telesat is one of three global FSS operators. Telesat competes against other global, regional and national FSS operators and, for certain services and in certain regions with providers of terrestrial-based communications services.

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Fixed Satellite Operators

The other two global FSS operators are Intelsat Global S.A. (Intelsat) and SES S.A. (SES). Telesat also competes with a number of nationally or regionally focused FSS operators around the world, including Eutelsat S.A. (Eutelsat), the third largest FSS operator in the world.

Intelsat, SES and Eutelsat are each substantially larger than Telesat in terms of both the number of satellites they have in-orbit as well as their revenues. Telesat believes that Intelsat and its subsidiaries together have a global fleet of over fifty satellites, that SES and its subsidiaries have a fleet of over forty satellites, and that Eutelsat and its subsidiaries have a fleet of over twenty satellites and additional capacity on another three satellites. Due to their larger sizes, these operators are able to take advantage of greater economies of scale, may be more attractive to customers, and may (depending on the specific satellite and orbital location in question) have greater flexibility to restore service to their customers in the event of a partial or total satellite failure. In addition, their larger sizes may enable them to devote more resources, both human and financial, to sales, operations, product development and strategic alliances and acquisitions.

Regional and domestic providers: Telesat also competes against regional FSS operators, including:

in North America: Ciel, ViaSat/WildBlue, HNS, EchoStar, Satmex and Hispamar;

in Europe, Middle East, Africa: Eutelsat, Arabsat, Nilesat, HellasSat, Turksat and Spacecom;

in Asia: AsiaSat, Measat, Thaicom, APT, PT Telkom, Optus and Asia Broadcast Satellite; and

in Latin America: Satmex, Star One, Arsat, HispaSat and Hispamar.

A number of other countries have domestic satellite systems against which Telesat competes in those markets. In Canada, Telesat s largest market, Ciel, whose majority equity shareholder is SES, has begun operations in the DBS band, successfully launched Ciel 2 in 2008, and in February 2009 announced that it had begun providing commercial service on Ciel 2 at the 129° WL orbital location. In June 2008, Industry Canada granted Ciel six approvals in principle to develop and operate satellite services in other frequency bands and orbital positions.

The Canadian Government opened Canadian satellite markets to foreign satellite operators as part of its 1998 World Trade Organization commitments to liberalize trade in basic telecommunications services. As of February 2011, approximately 74 non-Canadian FSS satellites are listed as having been approved by Industry Canada for use in Canada. Three of these are Telesat satellites licensed by other administrations. The growth in satellite service providers using or planning to use Ka-band, including ViaSat/WildBlue, Eutelsat, HNS, Yahsat and others, will result in increased competition.

Terrestrial Service Providers

Providers of terrestrial-based communications services compete with satellite operators. Increasingly, in developed and developing countries alike, governments are providing funding and other incentives to encourage the expansion of terrestrial networks resulting in increased competition for FSS operators.

Consulting Services

The market for satellite consulting services is generally comprised of a few companies qualified to provide services in specific areas of expertise. Telesat s competitors are primarily United States- and European-based companies.

Satellite Fleet & Ground Resources

As of December 31, 2010, Telesat had 12 in-orbit satellites and three satellites under construction, one of which is 100% leased for at least the design life of the satellite.

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Telesat also has ground facilities located around the world, providing both control services to its satellite fleet, as well as to the satellites of other operators as part of its consulting services offerings. It has two control centers located in Ottawa, Ontario and Allan Park, Ontario. A third control center, in Rio de Janeiro, Brazil is used to operate Telstar 14/Estrela do Sul. In addition, Telesat leases other technical facilities that provide customers with a host of teleport and hub services.

Telesat s North American focused fleet is comprised of three owned FSS satellites, Anik F1-R, Anik F2 and Anik F3, and four owned direct broadcast services, or DBS, satellites, Nimiq 1, Nimiq 2, Nimiq 4 and Nimiq 5. Telesat s international fleet is comprised of five owned FSS satellites, Anik F1, Telstar 11N, Telstar 12, Telstar 14/Estrela do Sul and Telstar 18.

The table below summarizes selected data relating to Telesat s owned and leased in-orbit satellites as of December 31, 2010**:**

	Orbital Location Regions Covered	Launch Date	Manufacturer s End-of-Service Life	Expected End-of-Orbital Maneuver Life	Transponders[1] C-band[1]	Ku-band[2]	Ka-band[2]	L-band[3]	Model
Nimiq 1	91.1° WL Canada, Continental United States	May 1999	2011	2024	32@24MHz				A2100 AX (Lockheed Martin)
Nimiq 2[4]	91.1° WL Canada, Continental United States	December 2002	2015	2021	11@24MHz				A2100 AX (Lockheed Martin)
Nimiq 4	82° WL Canada	September 2008	2023	2027	32@24MHz	8@54MHz			E3000 (EADS Astrium)
Nimiq 5	72.7° WL Canada, Continental United States	September 2009	2024	2035	32@24MHz				SS/L 1300
Anik F1[5]	107.3° WL South America	November 2000	2016	2018	18@36MHz				BSS702 (Boeing)
Anik F2	111.1° WL Canada, Continental United States	July 2004	2019	2024	24@36MHz	6@500MHz	1@56/112MHz		BSS702 (Boeing)
Anik F1R[3]	107.3° WL North America	September 2005	2020	2024	24@36MHz			2@20MHz	E3000 (EADS Astrium)
Anik F3	118.7° WL Canada, Continental United States	April 2007	2022	2026	24@36MHz	2@72MHz (500MHz)			E3000 (EADS Astrium)
Telstar 11N	37.55° WL North and Central America,	February 2009	2024	2026	39@27/54MHz				SS/L 1300

	Europe, Africa and the maritime Atlantic Ocean region					
Telstar 12[6]	15° WL Eastern United States, SE Canada, Europe, Russia, Middle East, South Africa, portions of South and Central America	October 1999	2012	2016	37@54MHz	SS/L 1300
Telstar 14/Estrela do Sul	63° WL Brazil And portions of Latin America, North America, Atlantic Ocean	January 2004	2019	2011	9@72MHz 9@36MHz 2@28MHz 1@56MHz	SS/L 1300
Telstar 18[7]	138° EL India, South East Asia, China, Australia And Hawaii	June 2004	2017	2018	18@36MHz 1@54MHz	SS/L 1300

(1) Telesat s current estimate of when each satellite will be decommissioned, taking account of anomalies and malfunctions the satellites have experienced to date and other factors such as remaining fuel levels, consumption rates and other available engineering data. These estimates are subject to change and it is possible that the actual orbital maneuver life of any of these satellites will be shorter than Telesat currently anticipates. Further, it is anticipated that the payload capacity of each satellite may be reduced prior to the estimated end of commercial service life. For example, Telesat currently anticipates that it will need to commence the turndown of transponders on Anik F1, as a result of further degradation in available power.

(2) Includes the DBS Ku-Band, extended C-band and extended Ku-band in certain cases.

(3) Telesat does not provide service in the L-band. The L-band payload is licensed to Telesat s customer by the FCC.

(4) It is expected that the available capacity in Nimiq 2 will be reduced over time as a result of power system limitations due to malfunctions affecting available power. The number of Ku-band transponders stated above refers to the number of active saturated Ku-band transponders as of December 31, 2010.

(5) Anik F1 s orbital maneuver life is constrained by power availability.

(6) Telstar 12 has 38 54 MHz transponders. Four of these transponders are leased to Eutelsat to settle coordination issues and Telesat leases back three of these transponders.

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(7) Includes 16.6 MHz of C-band capacity provided to the Government of Tonga in lieu of a cash payment for the use of the orbital location. The satellite carries additional transponders (the APT transponders), not shown on the table, as to which APT has a prepaid lease through the end of life of the satellite in consideration for APT s funding a portion of the satellite s cost. This transaction was accounted for as a sales-type lease, because substantially all of the benefits and risks incident to the ownership of the leased transponders were transferred to APT. Telesat has agreed with APT among other things that if Telesat is able to obtain the necessary approvals and licenses from the U.S. government under U.S. export laws, it would transfer title to the APT transponders on Telstar 18 to APT, as well as a corresponding interest in the elements on the satellite that are common to or shared by the APT transponders and the Telesat transponders. As required under its agreement with APT, Telesat acquired two transponders from APT for an additional payment in August 2009.

In addition, Telesat has the rights to the following satellite capacity to end of life of these satellites:

Satmex 5: Three-36MHz Ku-band transponders;

Satmex 6: Two-36MHz C-band transponders; Two-36MHz Ku-band transponders; and

Agila 2 (Mabuhay): Two-36MHz C-band transponders and five and one half 36 MHz Ku-band transponders

The table below summarizes selected data relating to Telesat s satellites under construction as of December 31, 2010:

	Telstar 14R/Estrela do Sul 2	**Nimiq 6**	**Anik G1**
Orbital Location	63º WL	TBD	107.3° WL
Regions Covered	South America, Continental US, Andean Region, North and Mid-Atlantic Ocean Region	Canada, Continental US	Canada, Continental US, South America, Pacific Ocean
Planned In-Service Date	Second half of 2011	Mid-2012	Second half of 2012
Manufacturer s End-of-Service-Life	2026	2027	2027
Customer Committed Capacity	N/A	100%	35%
Transponders:			
Ku-band	58 @36 MHz	32 @ 24 MHz	16 @ 27 MHz 12 @ 36 MHz
C-band			24 @ 36 MHz
X-band			3 @ 36 MHz
Model	SS/L 1300	SS/L 1300	SS/L 1300

Satellite Services Performance[(1)]

Until October 31, 2007, the operations of our satellite services segment were conducted through Loral Skynet Corporation (Loral Skynet), which leased transponder capacity to commercial and government customers for video distribution and broadcasting, high-speed data distribution, Internet access and communications, and provided managed network services to customers using a hybrid satellite and ground-based system. It also provided professional services such as fleet operating services to other satellite operators. At October 31, 2007, Loral Skynet had four in-orbit satellites and had one satellite under construction at SS/L.

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On October 31, 2007, Loral and its Canadian partner, Public Sector Pension Investment Board (PSP), through Telesat Holdco, a newly-formed joint venture, completed the acquisition of Telesat from BCE Inc. (BCE). In connection with this acquisition, Loral transferred on that same date substantially all of the assets and related liabilities of Loral Skynet to Telesat. We refer to this acquisition and transfer of assets and liabilities of Loral Skynet as the Telesat transaction. Loral holds a 64% economic interest and a $33^{1}/_{3}$% voting interest in Telesat Holdco (see Note 6 to the Loral consolidated financial statements). We use the equity method of accounting for our investment in Telesat Holdco.

	Year ended December 31,		
	2010	2009	2008
	(In millions)		
Revenue:			
Total segment revenues	$ 797	$ 692	$ 685
Affiliate eliminations[2]	(797)	(692)	(685)
Revenues from satellite services as reported	$	$	$
Adjusted EBITDA:			
Total segment Adjusted EBITDA	$ 607	$ 488	$ 436
Affiliate eliminations[2]	(607)	(488)	(427)
Adjusted EBITDA from satellite services after eliminations	$	$	$ 9

(1) See Consolidated Operating Results in Management s Discussion and Analysis of Financial Condition and Results of Operations for significant items that affect comparability between the periods presented (see Note 15 to the consolidated financial statements for the definition of Adjusted EBITDA).