



Media Release

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NBN Co selects Space Systems/Loral for communications satellites

High-capacity satellites to provide broadband to rural and remote Australians

The delivery of high-speed internet to some of the most remote communities in Australia has taken a leap forward following NBN Co's selection of Space Systems/Loral (SS/L), a leading manufacturer of commercial broadband satellites, to build two next-generation Ka-band satellites.

The satellites, which are planned to launch in 2015, are designed to provide high-speed broadband coverage to around three percent of premises outside the reach of the NBN's fibre optic and fixed-wireless services, including outback areas and Australia's external territories such as Norfolk Island, Christmas Island, Macquarie Island and the Cocos Islands.

The contract, valued at approximately \$620 million, follows a comprehensive, two-year procurement process undertaken by NBN Co. The contract is part of a total investment of approximately \$2 billion that is required to deliver the NBN Long Term Satellite Service. Other agreements will cover the ground systems, end-user equipment and the space launch.

As part of the contract, SS/L will also supply associated telemetry, tracking and command systems for NBN Co's Long Term Satellite Service.

The satellites and ground-based control systems are expected to be delivered over the next 41 months, with the first satellite launch planned for early 2015 and the second planned for the second half of 2015.

NBN Co Chief Executive Officer Mike Quigley said: "NBN Co's satellites have been designed to deliver initial peak speeds of 12/1 Mbps* at the wholesale level for the same wholesale access price as similar fibre services. It will be possible for retail service providers to offer services to homes and businesses in the satellite footprint that are as good or better than the services many city people currently experience.

"NBN Co is providing an open access network which is expected to deliver competition amongst retail service providers because it is provided on a non-discriminatory basis. This in turn has the potential to lead to lower prices and innovation for consumers – including those in geographically isolated areas"

John Celli, President of Space Systems/Loral, said: "NBN Co and Space Systems/Loral share a commitment to excellent performance and the highest quality service. We're delighted to play a part in helping to deliver much-needed high-speed broadband services to communities in regional and remote areas."

Two further tenders for the delivery of other components of the Long Term Satellite Service will be awarded in due course; NBN Co is evaluating supplier submissions for the construction of satellite ground systems, and in coming months will release a tender for the launch of the satellites into orbit.

Until the two satellites are operational, NBN Co is operating an Interim Satellite Service which was set up to assist the transition from the Commonwealth's Australian Broadband Guarantee program to the Long Term Satellite Service. The Interim Satellite Service provides download speeds of up to 6Mbps* to retail service providers, and more than 2500 premises have already connected.

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* NBN Co is designing the NBN to be capable of delivering these speeds to NBN Co's wholesale customers (ISPs). Speeds actually achieved by retail customers (end users) will depend on a number of factors including the quality of their equipment and in-premises connection, the broadband plans offered by their ISP and how their ISP designs its network to cater for multiple end users.

Notes to Editors

- The LTSS is designed to provide a download speed of up to 12Mbps* at the wholesale level. This is the same basic speed and AVC access price (\$24 per month) across fibre, wireless and satellite.
- SS/L has manufactured the largest number of commercial Ka-band satellites in the world. SS/L has 67 satellites in orbit and 23 satellites under construction – these figures represent a mix of broadband and other types of satellites.
- The long term satellite service forms part of NBN Co's plan to develop an integrated national network that will utilise fibre, wireless and satellite technologies.
- The wholesale high-speed broadband network will be available to internet service providers on non-discriminatory terms, allowing them to offer a range of plans and packages to consumers and businesses.
- Rather than splitting capacity between a number of other tasks such as satellite phones and broadcast television, or focused on providing services in other countries, the new Ka-band broadband satellites will have multiple high-capacity beams designed to maximise the efficiency of the broadband service specifically for Australia.
- The full eligibility criteria for NBN Co's Interim Satellite Service can be found on the NBN Co website www.nbnco.com.au/satellite or by calling 1800 881 816.

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About NBN Co

NBN Co is a government business enterprise formed in 2009 to design, build and operate the national broadband network (NBN). The NBN will enable high-speed broadband to be delivered to all Australian households, businesses and enterprises through a combination of fibre to the premise, wireless and satellite. To facilitate the further development of a competitive telecommunication market, NBN Co is operating a wholesale-only, open-access network, and making its wholesale services available to retail service providers on non-discriminatory terms.

About Space Systems/Loral

Space Systems/Loral, a subsidiary of Loral Space & Communications (NASDAQ: LORL), has a long history of delivering reliable satellites and spacecraft systems for commercial and government customers around the world. As the world's leading provider of commercial satellites, the company works closely with satellite operators to provide spacecraft for a broad range of services including television and radio distribution, digital audio radio, broadband Internet, and mobile communications. Billions of people around the world depend on SS/L satellites every day. For more information, visit www.ssloral.com.

About Loral Space & Communications

Loral Space & Communications is a satellite communications company. Through its Space Systems/Loral subsidiary, the company is a world-class leader in the design and manufacture of satellites and satellite systems for commercial and government applications including direct-to-home television, broadband communications, wireless telephony, weather monitoring, and air traffic management. Loral also owns 64 percent of Telesat, one of the world's largest providers of satellite services. Telesat operates a fleet of telecommunications satellites used to broadcast video entertainment programming, distribute direct-to-home video and broadband data services, and other value-added communications services. For more information, visit Loral's Web site at www.loral.com.