Agenda

• Channels/Carriers Product Overview
• Retirement Overview
• Channels Customers Categories
• Options for Continuity of Service
• Opportunity for Improved Efficiency
• Next Steps
What Are Channels & Carrier Services?

• Legacy products developed for international traffic between the former Intelsat Signatories
  • IBS: Intelsat Business Services
  • IDR: Intermediate Data Rate
  • TCM/IDR: Treillis Coded Modulation IDR
• Pre-engineered service quality, and sold in Mbps for specified periods of time (Long Term Commitments - LTC)
• Rates are under tariff and determined by throughput, commitment term, and antenna size
  • Rates have been constant since 1998
  • Many customers purchased LTCs in 2000, with the majority of those due to expire in 2015
• Carrier Services are concentrated primarily on nine satellites within the legacy Intelsat fleet
  • IS-18, 901, 902, 903, 904, 905, 906, 1002, NSS-9
Why is Intelsat Retiring Channels?

- Bilateral traffic marketplace disrupted by proliferation of MPLS/fiber and IP services
  - Correspondent business model of traffic exchange no longer applies
  - Customers now have option to use fiber for services once carried by satellite
  - Some customers closing earth stations – exiting satellite business
- LTCs purchased during last sales push in 2000 due to expire in 2015
- Advances in modem efficiency improves economics of Transponder Lease services
## Channels Customer Categories

### Committed & Expire by Dec. 2015
- Majority of remaining contracts
- Customers may renew expiring LTCs under Channels Terms & Conditions with end dates no later than December 31, 2015
- Any continuity requirements beyond 2015 will require new Transponder contract

### Committed & Expire after Dec. 2015
- Small number of customers
- Intelsat to work with customers to convert remaining LTCs to Transponder contract
- Opportunity for customers to improve economics through improved link efficiency

### Fully Uncommitted
- Customers whose LTCs have expired & are month to month
- Any remaining services will need to renew under Transponder Lease contract to continue beyond December 31, 2015
# Product Comparison

<table>
<thead>
<tr>
<th>Channel Services</th>
<th>Transponder Services</th>
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<tbody>
<tr>
<td>Services sold as Mbps guaranteed throughput</td>
<td>Services sold as MHz – customer manages throughput &amp; performance</td>
</tr>
<tr>
<td>Pricing fixed and independent of role</td>
<td>Pricing dependent upon role &amp; beam selected</td>
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<tr>
<td>Portability of capacity between roles</td>
<td>Capacity fixed on specific role</td>
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<tr>
<td>Intelsat coordinates between correspondents</td>
<td>Customer coordinates with its correspondent partners</td>
</tr>
<tr>
<td>LTCs can be combined or separated to meet requirements</td>
<td>MHz allocations are fixed for contract term</td>
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Service Efficiency Comparison

• Channels services based upon QPSK modulation
  • For example: 2 Mbps IDR consumes 2 MHz of capacity
  • Using 8PSK TPC .875, required bandwidth is reduced by 40%, or throughput can be increased

<table>
<thead>
<tr>
<th>Current Solution</th>
<th>Proposed Solution Based on the New Technologies (CnC, Coding &amp; Modulation, Roll Off)</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Current Mod/Cod</td>
</tr>
<tr>
<td>IS-904 EH/EH</td>
<td>IBS QPSK 3/4</td>
</tr>
<tr>
<td>IS-902 NW-SW</td>
<td>TCM/IDR 8PSK</td>
</tr>
<tr>
<td>IS-905 EH-NE</td>
<td>IDR QPSK 3/4</td>
</tr>
</tbody>
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Source: Comtech EF Data

• Equipment of both customer & correspondent must operate using higher order modulation & coding
• Comtech EF Data developed a special offer for customers looking to upgrade equipment & improve efficiency
  • Contact Comtech directly at intelsatchannelsupgrade@comtechefdata.com
What Do Customers Need To Do?

• Review portfolio and determine need for services in 2016 & beyond
• Contact Intelsat to discuss alternatives:
  • Speak with your Intelsat Account Director or Carrier Order Management at carrier-mgmt@intelsat.com
• IS-904 replaced by IS33e in 2016
  • Planning underway now for transition. If you need continuity and have not been in contact with Carrier Order Management, please do so now
• Key contacts:
  • Lare Atcha-Oubou: Regional Director West and Central Africa
  • Colleen Parent: Manager, Carrier and Trunking Product Management
  • Ababacar Gaye: Principal Customer Solutions Engineer
Thank you! Questions?