

## Space Systems/Loral Awarded Contract to Build AsiaSat 5 Satellite

**Palo Alto, CA – May 3, 2006** - Space Systems/Loral (SS/L), a subsidiary of Loral Space & Communications (NASDAQ: LORL), today announced that it has been chosen by Asia Satellite Telecommunications Company Limited (AsiaSat), Hong Kong, to build AsiaSat 5, a new generation communications satellite designed to offer improved power and coverage to AsiaSat's customers across the Asia Pacific region.

"Space Systems/Loral has a well-established history of providing satellites for many of the premier operators in the Asia Pacific region," said Pat DeWitt, president, Space Systems/Loral. "We look forward to continuing that heritage by building this new addition to the AsiaSat fleet."

AsiaSat 5, a fixed satellite services (FSS) spacecraft expected to launch in 2008, will replace and expand upon the services provided by AsiaSat 2 at 100.5 degrees East longitude. The satellite will be based on SS/L's 1300 platform, which features qualified, flight proven subsystems and a long record of reliable operation.

"We selected SS/L to build the AsiaSat 5 satellite after a long evaluation and are very happy with the technology and value they provide to AsiaSat," said Peter Jackson, CEO, AsiaSat. "We are especially pleased with SS/L's record of building reliable and flexible satellites and its commitment to stand behind each product. We look forward to bringing to our customers in Asia the improved services this satellite will offer."

The satellite's payload will carry both C- and Ku-band transponders and has a 15-year mission life. AsiaSat 5 will be compatible with a range of commercial launch vehicles.

AsiaSat, the leading regional satellite operator in Asia, serves over two-thirds of the world's population with its three satellites, AsiaSat 2, AsiaSat 3S and AsiaSat 4. The AsiaSat satellite system provides services to both the broadcast and telecommunications industries. Over 240 digital television channels and 130 radio channels are now delivered by the company's satellites, reaching over 96 million households, with more than 360 million viewers across the Asia Pacific region. Many telecommunications customers use AsiaSat for services such as public telephone networks, private VSAT networks and high speed Internet and multimedia services. AsiaSat is a wholly owned subsidiary of Asia Satellite Telecommunications Holdings Limited, listed on both the Hong Kong (SEHK: 1135HK) and New York (NYSE: SAT) stock exchanges. For more information, please visit [www.asiasat.com](http://www.asiasat.com).

Space Systems/Loral is a premier designer, manufacturer, and integrator of powerful satellites and satellite systems. SS/L also provides a range of related services that include mission control operations and procurement of launch services. Based in Palo Alto, Calif., the company has an international base of commercial and governmental customers whose applications include broadband digital communications, direct-to-home broadcast, defense communications, environmental monitoring, and air traffic control. SS/L satellites have amassed more than 1,200 years of reliable on-orbit service. SS/L is ISO 9001:2000 certified. For more information, visit [www.ssloral.com](http://www.ssloral.com).

Loral Space & Communications is a high technology company that concentrates primarily on satellite manufacturing and satellite-based services. For more information, visit Loral's web site at [www.loral.com](http://www.loral.com).

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This document contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. In addition, Loral Space & Communications Inc. or its representatives have made or may make forward-looking statements, orally or in writing, which may be included in, but are not limited to, various filings made from time to time with the Securities and Exchange Commission, press releases or oral statements made with the approval of an authorized executive officer of the company. Actual results could differ materially from those projected or suggested in any forward-looking statements as a result of a wide variety of factors and conditions. Many of these factors and conditions are described in the section of the annual report on Form 10-K for the fiscal year ended December 31, 2005 of Loral Space & Communications Inc., entitled "Risk Factors," and the company's other filings with the Securities and Exchange Commission. The reader is specifically referred to these documents.