

SPACE SYSTEMS/LORAL, NORTHROP GRUMMAN AGREE TO PURSUE SATELLITE OPPORTUNITIES

PALO ALTO and REDONDO BEACH, Calif. – Feb. 27, 2008 - Northrop Grumman Corporation (NYSE: NOC) and Space Systems/Loral, a subsidiary of Loral Space & Communications (NASDAQ: LORL), today announced that they are pursuing a group of initiatives that stands to broaden each company's opportunities to provide the U.S. government with cost competitive satellite systems. The resulting agreement also will enable Space Systems/Loral (SS/L) to expand its manufacturing capacity as needed, in order to address near-term increased satellite demand, through use of the satellite test facilities and services at Northrop Grumman facilities in Redondo Beach, California.

Both companies will pursue efforts involving strategic collaborations in these major areas:

- SS/L access to integration and test facilities in order to expand its commercial satellite production capacity
- Collaboration on future projects enabling Northrop Grumman's Space Technology sector to use the flexible, space-proven SS/L 1300 satellite platform and other SS/L built components for future space system procurements
- The joint pursuit of hosted payload opportunities for government applications. Payloads designed and built by Northrop Grumman's Space Technology sector to be hosted on commercial satellites produced by SS/L
- A collaboration between Northrop Grumman's Astro Aerospace business unit in Carpinteria, California, producer of AstroMesh reflectors, with SS/L for future commercial satellite applications

"The agreement with Northrop Grumman will allow SS/L to cost-effectively add capacity to address increased near-term commercial satellite opportunities," said Pat DeWitt, chief executive officer, Space Systems/Loral. "The agreement will also streamline the process for our companies to collaborate on providing the world's best satellites for both civil and defense applications."

"The resulting strategic agreement will be important to increasing our competitiveness. These initiatives will present win-win opportunities for both companies and our U.S. government customers," said Alexis Livanos, corporate vice president and president of the company's Space Technology sector. "For some of our mission areas, we believe that assured access to SS/L's 1300 bus and bus subsystems would improve our cost and delivery schedule competitiveness. In addition, hosted payloads hold the promise of providing us greater ability and flexibility to rapidly respond to our government customers' evolving needs."

About Northrop Grumman Corporation

Northrop Grumman Corporation is a \$32 billion global defense and technology company whose 120,000 employees provide innovative systems, products, and solutions in information and services, electronics, aerospace and shipbuilding to government and commercial customers worldwide.

About Space Systems/Loral

SS/L is a subsidiary of Loral Space & Communications (NASDAQ:LORL). Based in Palo Alto, California, the company designs and builds satellites and spacecraft systems for commercial and government customers around the world. As the leading provider of high-power commercial satellites, SS/L works closely with satellite operators to deliver spacecraft for a broad range of services including direct-to-home television, digital audio radio, broadband Internet, and digital multimedia broadcasting. With a 50-year history and more than 1,400 on-orbit years logged, SS/L helps customers meet business objectives with advanced solutions based on space-proven heritage designs. 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 Canada, one of the world's largest providers of satellite services. Telesat Canada 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.

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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 under the caption "Risk Factors" in each of the company's annual report on Form 10-K for the fiscal year ended December 31, 2006 and its quarterly reports on Form 10-Q for subsequent periods. The reader is specifically referred to these documents, as well as the company's other filings with the Securities and Exchange Commission.

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