



3825 Fabian Way
Palo Alto, CA 94303

SPACE SYSTEMS/LORAL SELECTED TO PROVIDE POWERFUL COMMUNICATIONS SATELLITE TO HISPASAT GROUP

PALO ALTO, Calif. - July 9, 2008 — Space Systems/Loral (SS/L), a subsidiary of Loral Space & Communications (NASDAQ: LORL) and the world's leading provider of high-power commercial satellites, today announced that it has been awarded a contract to manufacture a new spacecraft for HISPASAT Group, the eighth largest operator in the world and the leading operator in the broadcasting and distribution of contents in Spanish and Portuguese. HISPASAT broadcasts and distributes more than 1,000 TV and radio channels, including the contents of the most important Direct-To-Home (DTH) services, in Europe and America, including its high definition offer.

HISPASAT 1E is designed to provide Fixed Satellite Services (FSS) and Broadcast Satellite Services (BSS) for 15 years or more. Scheduled to be available for launch in 2010, the spacecraft is a powerful, state-of-the-art Ku-band satellite, which will be located at 30 degrees West, further expanding HISPASAT's coverage in Europe, the Americas, and North Africa.

The new satellite will be capable of operating up to 53 simultaneous Ku-band transponders and is based on Space Systems/Loral's space proven 1300 satellite platform, which provides the flexibility for a broad range of applications. It will have a launch mass of approximately five tons and will produce nearly 14-kW of prime power at end of life.

"HISPASAT and Space Systems/Loral share a commitment to expanding communications access throughout the world," said John Celli, president and chief operating officer of Space Systems/Loral. "We look forward to working together, and to the flawless delivery of one of the world's best satellites."

With more than 50 years history and more than 1,400 cumulative on-orbit service years logged, Space Systems/Loral uses its space-proven, heritage design as the reliable foundation for incremental technology advances that help customers meet their business objectives. SS/L has manufactured more than 220 satellites, with 54 satellites currently operating in space.

About HISPASAT Group

The HISPASAT Group is the Spanish satellite systems operator for advanced communication systems. It also provides solutions for engineering and new advanced projects. As a pioneer in innovation, the company is internationally acknowledged for the high quality and excellent technological value of its commercial and government services. HISPASAT offers a wide range of quality satellite communications services, including audiovisual, business and government services, broadband solutions, and advanced communications systems. The group also provides the technological resources to intensify communications with Latin America, strengthening the cultural and information links.

HISPASAT has proven experience in satellite engineering, launch design, operation, and commercialization, with satellite control and management facilities in Spain, Brazil, and Argentina, and has an advanced system of satellites aimed at filling the needs of the market and the attainment of objectives of strategic consolidation, continued growth, and diversification. HISPASAT's satellite fleet is located in the orbital positions 30 degrees West and 61 degrees West and provides a variety of communication services on both sides of the Atlantic. Its coverage extends throughout Europe, North Africa, and America. More information on HISPASAT is available www.hispasat.com.

About Space Systems/Loral

Based in Palo Alto, California, SS/L designs and builds satellites and spacecraft systems for commercial and government customers around the world. As the leading provider of high-power commercial satellites, the company 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 the company's annual report on Form 10-K for the fiscal year ended December 31, 2007 and its quarterly report on Form 10-Q for the subsequent period. The reader is specifically referred to these documents, as well as the company's other filings with the Securities and Exchange Commission.

Contact:

Wendy Lewis
Space Systems/Loral
650-852-5188
lewisw@ssd.loral.com