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SPACE SYSTEMS/LORAL ENTERS INTO \$100 MILLION REVOLVING CREDIT AGREEMENT

PALO ALTO, Calif. - October 22, 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 entered into a three-year, fully secured \$100 million revolving credit agreement led by J.P. Morgan Securities Inc. and syndicated among six of the world's largest banks.

“We are pleased to close this financing despite the current market challenges,” said Michael Targoff, CEO of Loral. “This facility not only provides SS/L with additional resources to meet both its working capital and capital expenditure requirements but also provides cushion for contingencies.”

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 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 more power on orbit than any other satellite manufacturer, 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 most recent annual report on Form 10-K and in its quarterly reports on Form 10-Q. 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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