Letter to Our
SHAREHOLDERS

In 2015, Intelsat built a strong foundation for future growth. Our next generation satellite platform, Intelsat Epic[NG] [SM], moved through the factory as 2015 progressed. We successfully launched the first Intelsat Epic[NG] satellite, Intelsat 29e, in late January of 2016, and we now embark upon our *NEXT GENERATION* of corporate development -- or **Intelsat[NG]**.

Against a backdrop of a global community demanding connectivity anywhere and to everything, satellite solutions are poised for use in a greater number of applications than ever before and on an unprecedented scale. This dynamic resurgence in satellite communications technologies provides Intelsat with the opportunity to command a much bigger seat at the global telecommunications table.

Intelsat delivered on plan for the year with $2.35 billion in revenue and $1.85 billion in Adjusted EBITDA[1] in 2015. As of 31 December 2015, backlog of $9.4 billion was four times 2015 annual revenue. Our backlog continues to provide the visibility into future revenue and cash flows that allows us to invest in our fleet and pursue our long-term business strategy. While ongoing headwinds will continue to impact our business in 2016, the launches of Intelsat 29e, Intelsat 31, Intelsat 36, and Intelsat 33e during this period will position us for a return to growth.

$2.35B
2015 Revenue

$1.85B
2015 AEBITDA[1]

We seek to maximize our opportunity in this environment, even as we transition through the challenges that are pressuring our near-term revenue performance. Our plan is designed to execute on our **operational priorities**, while continuing to support our **customer sets** as we transition through certain headwinds, and continue to build our **globalized network**.

Operational Priorities

As I began my tenure on 1 April 2015 as CEO, I set our company's focus on five operational priorities that are essential to prepare Intelsat for the opportunities ahead. We made notable progress on each of these priorities in 2015.

- Our first priority is to maintain our design and manufacturing schedule for the next generation Intelsat Epic^{NG} fleet, and other satellites in our plan, to ensure availability of new inventory to drive revenue growth.

> **Intelsat Epic^{NG} goes global with H-3e**

  In service to this priority, we continued the development of our high throughput satellite ("HTS") Intelsat Epic^{NG} fleet, with no delays to our schedules, and announced the seventh satellite in the series, Horizons 3e ("H-3e"), which will complete the global HTS overlay of our traditional fleet. Additionally, we launched and placed into service Intelsat 34, reinforcing our third video neighborhood in Latin America, where we deliver many of the top 100 channels to the continent.

- A second priority is to drive innovation to create next generation solutions, including collaborating with ground technology manufacturers and other partners to ensure optimized performance, better economics and simplified access to Intelsat Epic^{NG} for applications including broadband infrastructure, mobility, government, media and enterprise solutions. Our investments in OneWeb, Kymeta and Phasor are key components of progress in this area.

> **Intelsat invests in OneWeb's low earth orbit ("LEO") platform**
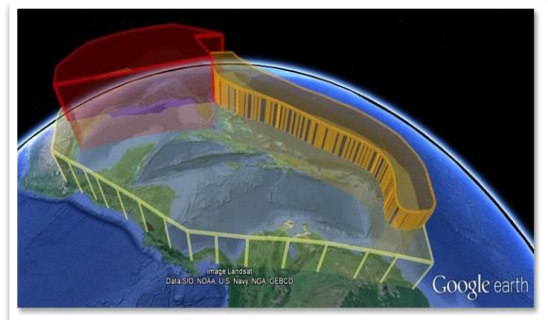
  OneWeb, the low earth orbit ("LEO") satellite venture whose mission is to provide affordable internet access for everyone, will deploy in Ku-band, which comprises a significant portion of Intelsat's in-orbit spectrum. This creates a natural alliance where there is unequaled opportunity to create value through the interoperability of the two orbits and access to consumer-scaled ground networking technology.

  We continued our ground innovation support through Kymeta Corporation and Phasor, two technology companies harnessing metamaterials and phased array technologies, to drive smaller and more capable antennas, which over time will expand the universe of satellite applications.

- Our third priority is to develop application-specific capacity and new service offerings that support the growth objectives of our customers across our business in the media, network services and government sectors. To this end, we have increased our focus on service development, introducing IntelsatOne® Flex and IntelsatOne Prism in 2015.

  We introduced IntelsatOne Flex, a customizable, managed infrastructure service that allows Intelsat's distribution partners to easily and cost effectively provide services incorporating high throughput technologies. By leveraging our global footprint and layers of beams over strategic regions, we are able to differentiate our capacity while also accelerating our customers' ability to grow in new applications and new regions. In 2016, we will expand IntelsatOne Flex from the maritime and aeronautical verticals to include the government and enterprise sectors.

IntelsatOne Flex Mbps services provides access to pre-defined zones to meet the distribution partner's requirements

Also in 2015, we launched IntelsatOne Prism, an IP content distribution platform and managed service for our media customer set. The fully automated, converged IP-based platform allows media customers to conduct multiple content transmissions, such as linear video, file transfer, Voice over Internet Protocol ("VoIP"), internet access and data exchange, on a single platform, increasing their flexibility and operational efficiency.

- Our fourth priority is to maintain our leadership in government services, focusing on government projects that require end-to-end network responsibilities and complex network support, improving our value proposition to government customers seeking affordable solutions from a trusted commercial provider.

Maintain leadership in government services

We continue to position ourselves for long-term growth opportunities serving the U.S. military with commercial capacity and services. Our subsidiary, Intelsat General Corporation ("Intelsat General"), embedded a staff member in a recently created Commercial Integration Cell at the United States Strategic Command's Joint Space Operations Center. We are also marketing new service offerings under the IntelsatOne Flex umbrella to accelerate adoption of mobility and fixed networks for government applications.

- Our fifth priority is to optimize use of our spectrum rights and global presence to maximize market access and continuity, particularly in attractive regions, while maintaining investment discipline.

  In this regard, we began two new satellite programs, Intelsat 38 and Horizons 3e, which allow us to achieve our coverage and customer growth objectives by using alternative business models and structures, reducing our capital expenditure requirements.
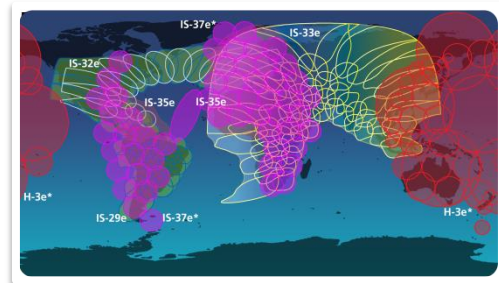
Intelsat Epic^{NG} Coverage Map
Illustrative only (specific beams not yet determined)

Managing our Customer Sets in a Transitional Year

The same five priorities outlined above underpin our efforts to better position our customer sets as we await the arrival of our new capacity into orbit.

Network Services

Network services generated $1.1 billion of revenue in 2015, an 8% decline over 2014. Over the course of the year, older point-to-point services (some of which originated more than a decade ago) cycled off of our network and transitioned to fiber services that are more efficient for those applications.

$1.1B
Network Services 2015 Revenue

Price competition on our traditional fleet accelerated through the year with oversupply of traditional satellite capacity. This environment continues to be highly competitive, given the introduction of high throughput services, such as Intelsat Epic^{NG} which are now beginning to enter service.

We see further price erosion of traditional services pressuring revenue from new and renewing services in 2016. Our strategy during this period of oversupply is to:

- Lock in the largest 'power users' across the fleet, contracting portfolios with market-based prices that maintain and grow volume;

- Leverage our footprint to introduce regional flexibility and service capabilities that smaller operators cannot match; and

- Use our managed service offerings to facilitate access to our fleet, making it easier for customers to consolidate and expand operations.

Intelsat 29e launched on 27 January 2016

As we move through 2016, we will place into service the first two of our Intelsat Epic^{NG} satellites, Intelsat 29e and Intelsat 33e. These satellites have the type of high throughput capacity that is designed for the faster growing applications in our sector, such as broadband for the aeronautical and maritime mobility sectors, rural access for the wireless sector, high performance enterprise and, with new antenna technologies, the Internet of Things and the connected car. Combined, these represent approximately $2.6 billion in future industry-wide revenue growth potential by 2021 for the industry ($3.1 billion including government), for which our network services business will be a leading competitor.

Approximately
$2.6B
incremental growth through 2021

Media

Our media business delivered a solid year, with $882 million in revenue, slightly up over the previous year. This business benefited from new capacity on Intelsat 30 and Intelsat 34, which enhanced our Direct-to-Home ("DTH") leadership in Latin America.

$882M
Media
2015 Revenue

Our media business, of which 73% is delivered outside the United States, is a dynamic one. In the developed world, we promoted new innovations, enabling new, cutting edge viewer experiences such as "television anywhere" and Ultra High Definition ("UHD" or also known as, 4K) distribution. In other regions, we support the growth of customers who are only beginning to introduce high definition services. In 2016, we are scheduled to launch two satellites, Intelsat 31 and Intelsat 36, which will support the further penetration of high definition television on DTH platforms serving Latin America and Africa.

We continue to work closely with the world's largest content producers to provide the right distribution networks and technology platforms. Our services allow our customers to maximize the potential audience for their content, and simplify the task of distributing in the multiple formats required by today's content-centric population.

Government

Our government business stabilized over the course of 2015, after two years of downward trends related to the U.S. government budget sequestration and troop withdrawals from the Middle East. At $385 million in 2015 revenue, the size of the business reflects the current tempo of operations of the U.S. Department of Defense, our primary customer.

$385M
Government
2015 Revenue

Although the budgetary constraints are not likely to dissipate any time soon, we continue to believe in the growth potential of this business. The customer's interest in commercializing and outsourcing its requirements, from drone missions to flight operations for the government's in-orbit fleet, will introduce new business models and requirements that may create sizeable opportunities over the long run.

Our Intelsat Epic^{NG} satellites are well-suited to our government customer, given that our differentiating technology, our digital payload, shares common technology heritage with one of the most powerful government-owned fleets. When Intelsat 33e, our second Intelsat Epic^{NG} satellite covering Europe, Africa, Middle East and Asia, is scheduled to enter service in late 2016, we expect to expand the service alternatives we have for this customer base.

Our Globalized Network

Our network covers 99 percent of the earth's populated regions. Beyond just our unique satellite-based network, we are constantly enhancing our network to include fiber, teleports and data and video platforms that allow our customers to grow where they desire and in whatever manner that creates the greatest efficiency for their operations.

Increasingly, we are realizing that, given the size of the opportunities ahead, we need to stimulate the development of technologies across the satellite ecosystem that expand our set of solutions. To accomplish this, we are:

- Collaborating with new orbital constellations, such as low earth orbit, which we believe creates an unmatchable flexibility in terms of space-based communications;

- Supporting access device innovation. This includes the development of networking gear using consumer technologies, such as the work that Qualcomm is contributing as our partner in the

- OneWeb constellation. Also including metamaterial antennas and other ancillary network technologies, such as chip-based modems, which will expand the way satellite solutions are used and accelerate our entry into new sectors; and

- Fostering new satellite design evolutions, such as software-definable payloads, that will increase our in-orbit flexibility and agility, expanding the revenue opportunity for each satellite.
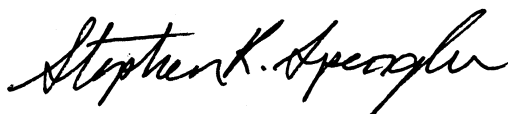
In 2015, we launched one satellite and advanced the Intelsat Epic^{NG} program that truly represents the next generation of our development as a company. Two of our Intelsat Epic^{NG} satellites are scheduled to launch in 2016, two in 2017 and one each in 2018 and 2019, completing the deployment of seven high throughput satellites. As these satellites enter service across the regions, they will bring high performance, efficiency and simplified access, unlocking increased potential for our customers, as well as our own services.

The Energized Workforce at Intelsat^{NG}

As Intelsat embarks on our next generation of corporate development, we are passionate about our mission. Our team is committed to creating value for our stakeholders by staying true to our business plan, enhancing our financial stability and returning to top-line growth.

Early in 2016, we were joined by our new Chief Financial Officer, Jacques Kerrest, who will lead Intelsat's financial team and capital markets activities. He joins a team filled with optimism for the opportunities ahead. With our organization focused on services and initiatives to expand our leadership in large and fast-growing applications, Intelsat's next generation of corporate development is well underway, providing a foundation as we position the company for future growth.

Thank you for your support of Intelsat.

Stephen R. Spengler

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Chief Executive Officer
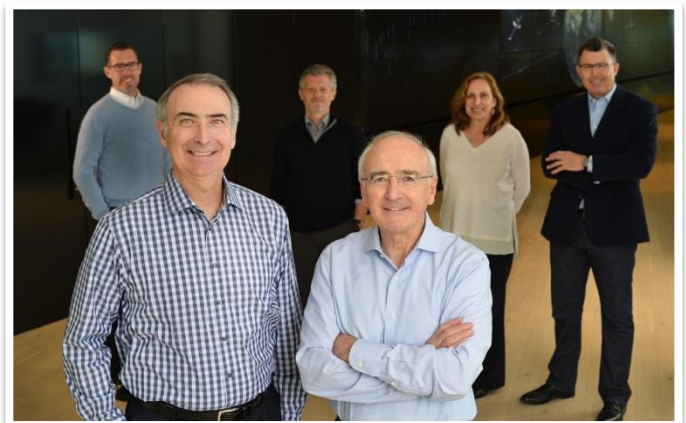
Left To right - In front:
*Stephen Spengler | CEO; **Jacques Kerrest** | EVP, CFO*
In back:
*Michael DeMarco | SVP, Operations; **Thierry Guillemin** | EVP, CTO;*
***Michelle Bryan** | EVP, CAO;*
***Kurt Riegelman** | SVP, Sales and Marketing*