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NEWS
FOR IMMEDIATE RELEASE

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XTAR AWARDED A GSA SCHEDULE CONTRACT FOR INFORMATION TECHNOLOGY SERVICES

ROCKVILLE, MD - October 31, 2007 - XTAR, LLC, a joint venture between Loral Space & Communications (NASDAQ: LORL) and HISDESAT, today announced that it has received a contract from the U.S. General Services Administration, Federal Acquisition Service for Information Technology Equipment, Software, and Services (FSC Group 70). The contract has an unlimited spending ceiling and may be used by any federal, state or local agency to acquire XTAR's high-powered X-band bandwidth and services.

Denis Curtin, chief operating officer of XTAR, hailed the GSA award as a significant milestone for XTAR. "This award will make it easier for military branches and government agencies to procure much needed bandwidth to meet warfighter communications needs, as well as for homeland and border security. We are very pleased that our proven high-performance X-band system has been awarded this important GSA schedule contract."

XTAR owns and operates XTAR-EUR, located at 29 degrees East longitude, and offers additional X-band capacity through XTAR-LANT, a payload on HISDESAT's SPAINSAT satellite located at 30 degrees West. These unique X-band satellites represent the emergence of a new commercial offering dedicated to government communications services.

The high-powered global, fixed and steerable beams on XTAR's two payloads provide essential, flexible, real-time X-band capacity with coverage anywhere from Denver east to Singapore. XTAR's satellites support the full range of military, diplomatic and security communications requirements, offering "on-the-move" capability for mobile command posts, security and disaster response and small ships and airborne relay sensor data.

XTAR, LLC is a private satellite communications company committed to serving the needs of government customers. The company is a joint venture between Loral Space & Communications, which owns 56 percent, and HISDESAT, which owns 44 percent. Headquartered in Rockville, Md., XTAR has offices in Madrid, Spain and Palo Alto, California.

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, 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.