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NEWS
FOR IMMEDIATE RELEASE

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BERNARD L. SCHWARTZ TO RETIRE AS CHAIRMAN AND CHIEF EXECUTIVE OF LORAL

NEW YORK – February 1, 2006 – Bernard L. Schwartz, chairman and chief executive officer of Loral Space & Communications Inc. (NASDAQ: LORL) announced today that he plans to retire from the company on March 1, 2006, and will relinquish all of his positions and directorships held at Loral and any of its subsidiaries and affiliates at that time. Mr. Schwartz has been the company's chairman and chief executive officer since it was created in 1996 and, prior to that, served as chairman and chief executive officer of its predecessor company, Loral Corporation, since 1972.

In his letter to the Board of Directors, Mr. Schwartz said: "For some time, I have been considering at what point it would appropriate for me to step down as chairman and chief executive officer of Loral. With the start of the New Year and the intersection of several significant achievements – Loral successful emergence from chapter 11, our re-listing on a major stock exchange and my attainment of a milestone birthday – I have concluded that now is the right time to activate our succession plans and pass the reins of the company on to our extremely talented team of executives. Thanks to their efforts, both of our businesses are on very solid footing and our employees are enthused about our future."

For the last 34 years, under Mr. Schwartz's leadership, the company has played a central role in shaping and defining its industries. Since 1996, Mr. Schwartz has guided Loral Space & Communications to a leadership position in the satellite industry. It is in the unique position of being both a major commercial satellite manufacturer and a satellite services provider and has benefited substantially from Loral Corporation's strong heritage of technological innovation. Mr. Schwartz led Loral, a Fortune 200 designer and manufacturer of advanced, state-of-the-art defense systems and hardware, from 1972 to 1996. Under his guidance, that company posted 96 consecutive quarters of increased earnings through its successful strategy of acquisition and internal development. Loral's market value rose from \$7.5 million to \$15 billion between 1972 and 1996, when the defense businesses were divested.

Mr. Schwartz also has been recognized for his views and counsel on matters ranging from economic policy and the effects of globalization, to technology and national security. He works with private research institutions, educators and congressional committees to support the development of public policy that promotes the maintenance of the United States' economic and technological preeminence. Mr. Schwartz has established programs and chairs in support of these initiatives at numerous universities and private institutions, among them:

the New School University, Baruch University, the Johns Hopkins School for Advanced International Studies (SAIS), the Council on Foreign Relations, the Brookings Institution and the New America Foundation.

A native and resident of New York City, Mr. Schwartz is a major benefactor to a number of New York City-based organizations, in addition to the New School and Baruch, including, the New York University Medical Center, the New York Historical Society, Thirteen/WNET and City Year-New York. He is a graduate of City College of New York with a B.S. degree in finance and holds an honorary Doctorate of Science degree from the university.

Loral Space & Communications (NASDAQ: LORL) is a satellite communications company. It owns and operates a fleet of telecommunications satellites used to broadcast video entertainment programming, distribute broadband data, and provide access to Internet services and other value-added communications services. Loral also 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. 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, 2005, 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.