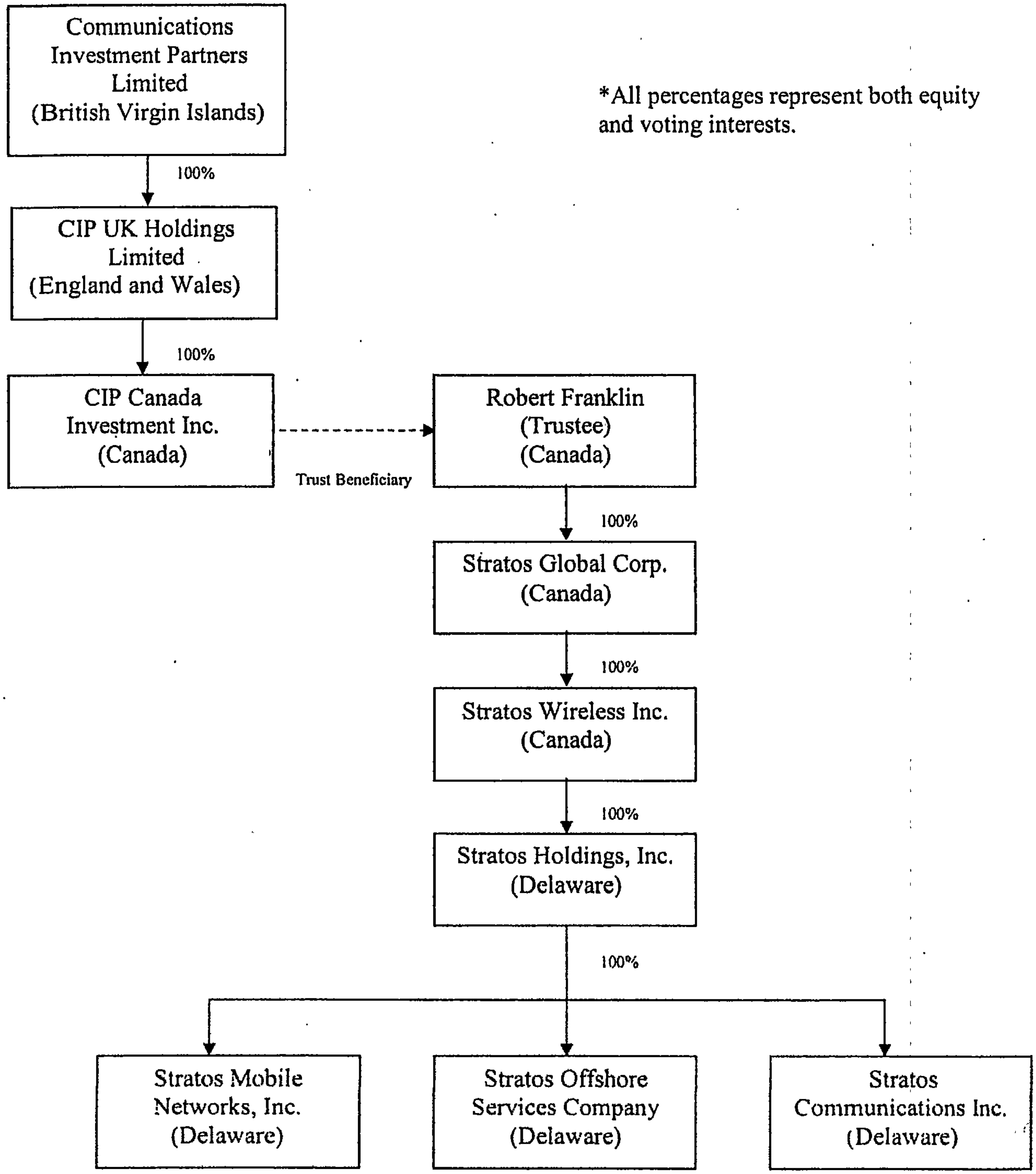
US09 Inventory
All Vessels Active as of May 28, 2008

Vessel	Call Sign
TRISTRAM	WDB4021
TRITON	WDC9955
TROJAN TIDE	WDB3675
TUG ALLIE B	WDD3857
TUG CAPTAIN DANN	WBH6425
TUXEDNI	WDC8084
TWO CAPTAINS	WDD2938
TYEE	WDA7302
U.S. INTREPID	WCX5858
U.S. LIBERATOR	WDB4152
UNIMAK	WCY8622
UNIMAK	WUW7910
URRACA	WDB4439
URSULA TIDE	WDB4654
US INTREPID	WCX5858
US LIBERATOR	WDB4152
USAV GENERAL FRANK S. BESSON	AAEC
USNS FLINT	NFPW
VAERDAL	WTR3534
VANGO	WDB4479
VEDA L	KUS1062857
VELLAMO	WCB5539
VIGILANT	WYB6987
VIRAGO	WDD2822
VITA	WDA7054
VOYAGEUR	WDA8150
WAIRNIWA	VK3610
WANDERBIRD	WDB4006
WAR ADMIRAL	WDB7881
WAVE PAVER	WAL8112
WECOMA	WSD7079
WEN	WDA6368
WENDY PAQUIN	WAR2171
WESTERN MARINER	WDB5173
WESTERN PACIFIC	WBA4693
WESTERN QUEEN	WCZ6758
WESTERN QUEEN	WDC5555
WESTERN RANGER	WBN3008
WESTWARD	WDB 4655
WET N WILD	WDC5933
WHALESONG	WCA7674
WHITE CAPS	WCZ8869
WHITE PONY	WAFV
WHO CARES	WCY 8987
WHY KNOT	WDC4505
WILY KING	WDC4605
WINDCREST	WDD3567
WITCH OF PUNGO	NAUTOR
WIZARD	WCD6082
Y2K	WDB3053
YAZNAK	WCW7225
ZIGGY	KUSZIGGY
ZORA BELLE	WTA2020

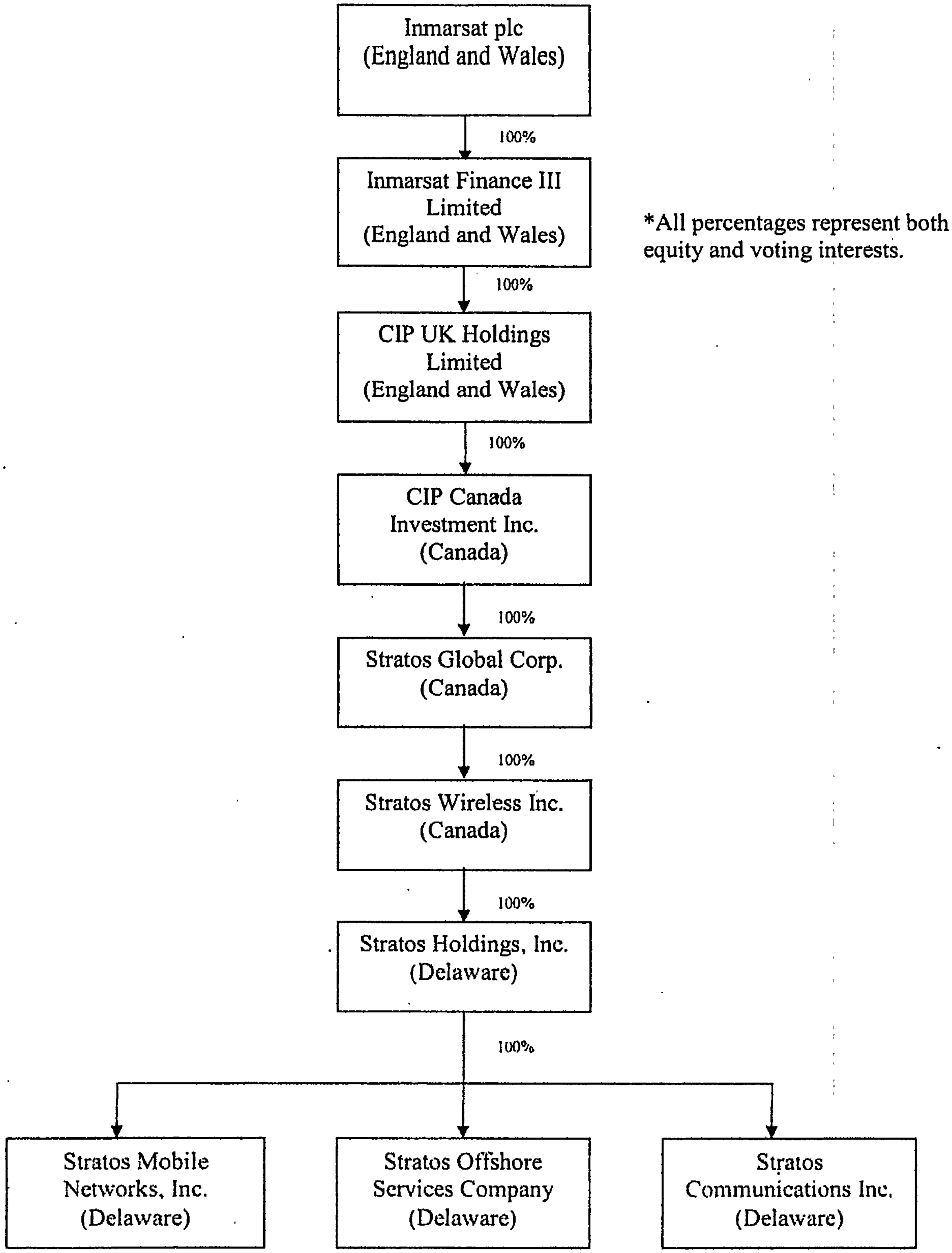
ATTACHMENT B

ATTACHMENT B

CURRENT OWNERSHIP AND CONTROL OF THE STRATOS LICENSEES



POST-TRANSACTION OWNERSHIP AND CONTROL OF THE STRATOS LICENSEES



ATTACHMENT C

ATTACHMENT C

Stratos Mobile Networks, Inc.
FCC Form 44

Evidence of Financial Responsibility

As evidence of Stratos Mobile Networks, Inc.'s financial responsibility to continue its operations as an accounting authority, attached are the Consolidated Financial Statements (as at March 31, 2008 and December 31, 2007 and for the three months ended March 31, 2008 and 2007) of Stratos Global Corporation, the parent corporation of Stratos Mobile Networks, Inc.

For Immediate Release:

Stratos Announces First-Quarter 2008 Results

BETHESDA, MD. (April 30, 2008) – Stratos Global Corporation, the world's trusted leader in delivering vital voice, data and IP communication services today announced financial results for the first quarter ended March 31, 2008.

Financial Highlights
(In millions of U.S. dollars, except per share amounts)

	First quarter ended March 31	
	2008	2007
Revenue	**$ 147.5**	$ 144.6
EBITDA	**$ 23.9**	$ 19.3
Net earnings (loss)	**$ 0.7**	$ (4.2)
Basic and diluted earnings (loss) per share	**$ 0.02**	$ (0.10)

EBITDA (a non-GAAP measure) is defined by the Corporation as earnings before interest expense, income taxes, other costs (income), management long-term incentive expense, depreciation and amortization, non-controlling interest and equity in earnings of investee.

The unaudited interim consolidated financial statements and management's discussion and analysis of financial condition and results of operation are available on SEDAR, www.sedar.com and the Corporation's website, www.stratosglobal.com.

For the first quarter ended March 31, 2008, the Corporation achieved revenue of US$147.5 million, a 2 percent increase compared with US$144.6 million in the same period in 2007. EBITDA for the first quarter of 2008 increased by 24 percent to US$23.9 million compared with $19.3 million for the first quarter of 2007. The significant improvement in EBITDA was driven by the increased revenue and cost reductions resulting from the integration of Xantic and other initiatives to improve operating efficiencies.

Net earnings for the first quarter of 2008 were US$0.7 million, or US$0.02 per share, compared with a net loss of US$4.2 million, or US$0.10 per share during the same period in 2007.

Cash flow from operations (including working capital changes) in the first quarter of 2008 totaled US$5.0 million, compared with US$5.5 million generated during the first quarter in 2007. The decrease primarily reflects an increased investment in working capital partially offset by higher EBITDA.

- more -

About Stratos

Stratos is the world's trusted leader for vital communications. Stratos offers the most powerful and extensive portfolio of remote communications solutions including mobile and fixed satellite and microwave services. More than 20,000 customers use Stratos products and industry-leading value added services to optimize communication performance. Stratos serves U.S. and international government, military, first responder, NGO, oil and gas, industrial, maritime, aeronautical, enterprise, and media users on seven continents and across the world's oceans. For more information visit www.stratosglobal.com

Caution Concerning Forward-Looking Statements

This document contains statements and information about potential future circumstances and developments. Such statements and information are qualified by the inherent risks and uncertainties surrounding future expectations generally and may differ materially from Stratos Global Corporation's actual future results. For additional information with respect to these risks and uncertainties, reference should be made to the Corporation's continuous disclosure materials filed with the Canadian Securities Administrators. Stratos Global Corporation disclaims any intention or obligation to update or revise any forward-looking statements or information, whether as a result of new information, future events, or otherwise.

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STRATOS

STRATOS

Consolidated Financial Statements of

STRATOS GLOBAL CORPORATION

As at March 31, 2008 and December 31, 2007 and
For the three months ended March 31, 2008 and 2007

STRATOS

Consolidated Balance Sheets

(Unaudited)
As at March 31, 2008 and December 31, 2007 (U.S. dollars; in thousands)
Incorporated under the laws of Canada

	2008	2007
Assets		
Current		
Cash and cash equivalents	**$ 54,808**	$ 63,878
Accounts receivable (Notes 12 and 14)	**95,966**	89,233
Unbilled revenue	**36,174**	34,263
Inventory	**10,131**	10,930
Prepaids and other	**19,059**	19,689
Future income taxes (Note 8)	**3,460**	3,553
	219,598	221,546
Investments	**6,755**	6,755
Assets held for sale (Note 2)	**1,881**	-
Capital assets	**120,192**	126,117
Goodwill and other intangible assets	**394,078**	396,783
Other assets	**1,247**	1,314
	$ 743,751	$ 752,515
Liabilities		
Current		
Payables and accruals (Note 14)	**$ 135,092**	$ 136,486
Deferred revenue	**11,426**	11,017
Current portion of long-term debt (Note 3)	**2,397**	11,649
	148,915	159,152
Long-term debt (Note 3)	**349,198**	350,781
Other liabilities (Note 4)	**16,630**	14,037
Future income taxes (Note 8)	**28,205**	27,478
Total liabilities	**542,948**	551,448
Non-controlling interest	**530**	448
Shareholders' equity	**200,273**	200,619
	$ 743,751	$ 752,515

Commitments and contingencies (Note 13)

See accompanying notes

STRATOS

Consolidated Statements of Operations

(Unaudited)

Three months ended March 31 (U.S. dollars; in thousands, except per share amounts)

	2008	2007
Revenue	**$ 147,502**	$ 144,589
Cost of goods and services	**109,102**	109,841
Gross margin	**38,400**	34,748
Operating expenses	**16,671**	16,262
Interest expense	**8,515**	8,215
Depreciation and amortization	**10,046**	10,194
Other costs (income) (Note 7)	**743**	4,479
Non-controlling interest	**82**	(96)
Equity in earnings of investee	**(234)**	(294)
	35,823	38,760
Earnings (loss) before income taxes	**2,577**	(4,012)
Income tax expense (Note 8)	**1,907**	214
Net earnings (loss)	**$ 670**	$ (4,226)
Basic and diluted earnings (loss) per share (Note 9)	**$ 0.02**	$ (0.10)

See accompanying notes

Consolidated Statements of Shareholders' Equity

(Unaudited)

Three months ended March 31 (U.S. dollars; in thousands)

	2008	2007
Deficit, beginning of period	**$ (18,881)**	$ (21,175)
Financial instruments – recognition and measurement	**-**	280
Net earnings (loss)	**670**	(4,226)
Deficit, end of period	**(18,211)**	(25,121)
Capital stock (Note 5(a))	**216,153**	216,153
Contributed surplus (Note 5(b))	**4,563**	3,323
Accumulated other comprehensive (loss) income (Note 6)	**(2,232)**	158
Total shareholders' equity	**$ 200,273**	$ 194,513

See accompanying notes

STRATOS

Consolidated Statements of Comprehensive Loss

(Unaudited)

Three months ended March 31 (U.S. dollars; in thousands)

	2008	2007
Net earnings (loss)	**$ 670**	$ (4,226)
Other comprehensive loss:		
Unrealized loss on derivatives designated as cash flow hedges, net of income taxes of $602 (2007 - $218)	**(1,192)**	(432)
Comprehensive loss	**$ (522)**	$ (4,658)

See accompanying notes

STRATOS

Consolidated Statements of Cash Flow

(Unaudited)

Three months ended March 31 (U.S. dollars; in thousands)

	2008	2007
Operating activities		
Net earnings (loss)	$ 670	$ (4,226)
Items not requiring (generating) cash		
Depreciation and amortization	10,046	10,194
Asset impairment charge (Note 7)	98	-
Foreign exchange (gain) loss	(172)	130
Future income tax expense (recovery)	1,330	(495)
Amortization of deferred financing costs	468	399
Equity in earnings of investee – net of dividends	(2)	(88)
Stock-based compensation expense	-	389
Management incentive plan expense (Note 4)	2,199	-
Other	319	137
	14,956	6,440
Change in non-cash working capital items related to operating activities	(10,005)	(908)
	4,951	5,532
Investing activities		
Business acquisition	-	(20,000)
Capital asset expenditures	(3,386)	(5,101)
Proceeds from disposal of capital assets	760	-
Deferred costs	6	(54)
	(2,620)	(25,155)
Financing activities		
Long-term debt repayments	(11,286)	(2,282)
Deferred financing costs	-	(319)
Other liabilities	(115)	(12)
	(11,401)	(2,613)
Change in cash and cash equivalents during the period	(9,070)	(22,236)
Cash and cash equivalents, beginning of period	63,878	48,115
Cash and cash equivalents, end of period	$ 54,808	$ 25,879
Supplementary cash flow information		
Interest paid	$ 11,514	$ 11,643
Income taxes paid	$ 1,284	$ 254

See accompanying notes

1. Summary of significant accounting policies and accounting changes

a) Significant accounting policies

Basis of presentation

These unaudited consolidated interim financial statements ("financial statements") include the accounts of Stratos Global Corporation and its subsidiaries (collectively, "Stratos" or the "Corporation"). The financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP") with respect to the preparation of interim financial statements and are in accordance with generally accepted accounting principles in the United States ("U.S. GAAP") except as described in Note 17. These financial statements are prepared using the same basis of presentation and accounting policies as the audited consolidated financial statements for the year ended December 31, 2007, with the exception of the adoption of the accounting policies discussed in Note 1(b). The financial statements should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2007.

Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.

b) Accounting changes

Capital disclosures

On January 1, 2008, the Corporation adopted the Canadian Institute of Chartered Accountants' ("CICA") Handbook Section 1535, "Capital Disclosures". The new standard requires disclosure of qualitative and quantitative information that enables users of financial statements to evaluate the Corporation's objectives, policies and processes for managing capital. As a result of implementing this standard, the Corporation has included the additional disclosure in Note 10 to the financial statements.

Financial instruments – disclosure and presentation

On January 1, 2008, the Corporation adopted the CICA Handbook Sections 3862, "Financial Instruments – Disclosure" and 3863, "Financial Instruments – Presentation". These sections replace existing Handbook Section 3861, "Financial Instruments – Disclosure and Presentation". Section 3862 requires disclosure by class of financial instruments that enables users to evaluate the significance of financial instruments for the Corporation's financial position and performance. Disclosures are also required of qualitative and quantitative information that enable users of financial statements to evaluate the nature and extent of the Corporation's exposure to the risks arising from financial instruments, specifically credit risks, liquidity risks and market risks and how the Corporation manages those risks. As a result of implementing this standard, the Corporation has included additional disclosure in Note 12 to the financial statements.

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

1. Summary of significant accounting policies and accounting changes (cont'd.)

Section 3863 carries forward the presentation requirements of Section 3861 already adopted by the Corporation. As a result, the adoption of this Section had no impact on the financial statements.

Inventories

On January 1, 2008, the Corporation adopted CICA Handbook Section 3031, "Inventories", which has replaced Section 3030 with the same title. The new section establishes that inventory should be measured at the lower of cost and net realizable value, with guidance on the determination of cost. The adoption of this Section had no impact on the financial statements.

2. Assets held for sale

During the three months ended March 31, 2008 the Corporation entered into an agreement to sell certain of its Broadband Services division's ("Broadband") telecommunications equipment located in Hameln, Germany. In exchange for the sale of the telecommunications assets the Corporation will receive certain services for a two year period from the sale closing date. The fair value of the transaction was determined on the basis of the fair value of services the Corporation will receive. The sale meets the definition of a non-monetary transaction under Canadian GAAP. The sale is subject to several closing conditions and is scheduled to close during the second quarter of 2008.

As a result of entering into the agreement the Corporation has recorded the net realizable value of these assets as held for sale. In the course of determining the net realizable value of the assets held for sale, the Corporation recognized an impairment charge of $0.1 million (Note 7).

3. Long-term debt

	Interest Rate at March 31, 2008	**March 31, 2008**	December 31, 2007
Senior credit facilities	LIBOR + 2.75%	**$ 211,500**	$ 222,750
Senior unsecured notes	9.875%	**150,000**	150,000
Mortgage obligation	7.03%	**488**	541
		361,988	373,291
Less: long-term debt due within one year		**2,397**	11,649
Less: unamortized financing costs		**10,393**	10,861
		$ 349,198	$ 350,781

Senior credit facilities

The indebtedness under the amended and restated Term B facility bears interest at LIBOR plus an applicable margin, which currently is 275 basis points per annum based on the Corporation's leverage ratio at December 31, 2007. As at March 31, 2008 the Corporation's total leverage ratio improved beyond the 3.5:1 threshold indicated in the credit agreement

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

3. Long-term debt (cont'd.)

(Note 10). The Corporation's margin rate will be reduced to 250 basis points per annum, beginning in the second quarter of 2008. This rate can fluctuate based on the leverage ratios maintained.

In addition to scheduled repayments, if leverage ratios exceed certain thresholds, specified proceeds from new debt and equity issuances as well as a stated percentage of excess cash flows, as defined in the credit agreement, are to be applied to indebtedness outstanding under the facilities. Based on the calculation of excess cash flows for the year ended December 31, 2007, the Corporation repaid $9.0 million of the senior credit facility on March 31, 2008.

4. Other liabilities

	March 31, 2008	December 31, 2007
Asset retirement obligation	**$ 3,576**	$ 3,515
Government assistance, net of accumulated amortization of $1,381 (2007 - $1,371)	**457**	467
Defined benefit pension obligation – Plenexis	**222**	247
Defined benefit pension obligation – Xantic early retirement plan	**6,767**	6,657
Other employment benefits	**763**	360
Restructuring provision	**459**	335
Management incentive plan	**2,521**	322
Other	**1,865**	2,134
	$ 16,630	$ 14,037

Management incentive plan

As a result of the Arrangement Transaction (Note 15), the Corporation introduced a long-term Management Incentive Plan ("MIP") for certain senior employees. The MIP, in conjunction with a separate agreement executed between the Corporation and the employee, gives the employee the right to receive cash compensation, subject to the achievement of performance targets and the conditions specified in the MIP, which will be measured and achieved annually in each of 2007, 2008 and 2009. Amounts payable under the MIP are generally expected to vest by April 30, 2010, however, awards are subject to earlier settlement under certain conditions. The deferred compensation arrangement will be recognized over the vesting period. The amount of compensation expense recorded in income during the three months ended March 31, 2008 was $2.2 million (2007 – Nil) and included in long term liabilities as at March 31, 2008 was $2.5 million (December 31, 2007 - $0.3 million). The maximum amount expected to be paid at the end of the vesting period related to achievement of 2007 performance targets is $10.9 million. The expense for the three months ended March 31, 2008 also includes an estimate of the amount to be paid for the achievement of 2008 performance targets.

Notes to the Consolidated Financial Statements
(Unaudited)
March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

5. Capital stock

a) Capital stock

The Corporation is authorized to issue an unlimited number of preferred shares, issuable in series, and an unlimited number of common shares with no par value. No preferred shares have been issued, while the issued common shares were as follows:

	March 31, 2008		December 31, 2007	
	Number	**Stated Value**	Number	Stated Value
Beginning of period	**41,998,207**	**$ 216,153**	41,998,207	$ 216,153
End of period	**41,998,207**	**$ 216,153**	41,998,207	$ 216,153

b) Contributed surplus

The following is a summary of changes in contributed surplus which consist entirely of stock-based compensation transactions:

	March 31, 2008	December 31, 2007
Balance, beginning of period	**$ 4,563**	$ 2,935
Stock-based compensation	**-**	1,628
Balance, end of period	**$ 4,563**	$ 4,563

6. Accumulated other comprehensive (loss) income

Accumulated other comprehensive (loss) income for the three months ended March 31 is comprised of the following:

	March 31, 2008	December 31, 2007
Balance, beginning of period	**$ (1,216)**	$ -
Financial instruments – recognition and measurement, net of income taxes of nil (2007 - $320)	**-**	634
Reclassification adjustment for losses (gains) included in net earnings (loss) net of income taxes (recovery) of $(92) (2007 - $13)	**176**	(6)
Other comprehensive loss	**(1,192)**	(1,844)
Balance, end of period	**$ (2,232)**	$ (1,216)

7. Other costs (income)

Other costs for the three months ended March 31 are comprised of the following:

	2008	2007
Costs related to the arrangement transaction	**$ 531**	$ 3,722
Severance and other costs	**67**	757
Assets held for sale – impairment charge and related costs	**145**	-
	$ 743	$ 4,479

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

7. Other costs (income) (cont'd.)

Costs related to the arrangement transaction with CIP Canada

During the three months ended March 31, 2008 and 2007, the Corporation incurred financial advisory, legal, and other costs associated with the sale of the Corporation by way of a plan of arrangement (Note 15).

Severance and other costs

Severance and other costs during the three months ended March 31, 2008 included severance and other costs related to restructuring measures as a result of a reorganization.

Severance and other costs during the three months ended March 31, 2007 included severance, consultant and other costs related to corporate wide restructuring measures designed to reduce costs.

Assets held for sale - impairment charge and related costs

During the three months ended March 31, 2008 the Corporation incurred legal and other costs associated with the sale of certain of Broadband's telecommunications equipment. The Corporation has recorded the net realizable value of these assets as held for sale as at March 31, 2008. In the course of determining the net realizable value of the assets held for sale the Corporation recognized an impairment charge of $0.1 million (Note 2).

8. Income taxes

Reconciliation to statutory rates

The following is a reconciliation of income taxes, calculated at the Canadian combined federal and provincial statutory income tax rate, to the income tax provision recorded in the consolidated statements of operations for the three months ended March 31:

	2008	2007
Earnings (loss) before income taxes	**$ 2,577**	$ (4,012)
Income tax expense (recovery) based upon statutory rate	**863**	(1,444)
Increase (decrease) in income taxes resulting from:		
Benefit of current year's non-capital losses not recognized	**1,661**	1,345
Non-deductible CIP arrangement costs	**178**	1,339
Difference in foreign tax rates	**(394)**	(346)
Other non-deductible (non-taxable) items	**(422)**	(704)
Capital tax	**21**	24
Income tax expense	**$ 1,907**	$ 214

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

8. Income taxes (cont'd.)

Provision for income taxes

The components of the provision for (recovery of) income taxes for the three months ended March 31 are as follows:

	2008	2007
Canadian		
Current taxes	$ (131)	$ (196)
Future income taxes	242	(376)
	$ 111	$ (572)
Foreign		
Current taxes	$ 708	$ 905
Future income taxes	1,088	(119)
	$ 1,796	$ 786
Income tax expense	$ 1,907	$ 214

Future income taxes

The tax effects of temporary differences which give rise to future tax assets and liabilities are as follows:

	March 31, 2008	December 31, 2007
Loss carry-forwards	$ 48,814	$ 47,571
Capital assets	1,143	(261)
Goodwill and other intangible assets	(40,267)	(40,758)
Current assets	2,125	2,116
Asset retirement obligation	1,200	1,181
Other	1,512	1,480
Current liabilities	331	348
Valuation allowance	(39,603)	(35,602)
Total future income taxes	$ (24,745)	$ (23,925)

Future income taxes comprise:

	March 31, 2008	December 31, 2007
Future income tax asset – current portion	$ 3,460	$ 3,553
Future income tax liability – long-term portion	(28,205)	(27,478)
Net future income tax liability	$ (24,745)	$ (23,925)

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

8. Income taxes (cont'd.)

Tax losses

The Corporation has estimated non-capital tax losses carried forward at March 31, 2008 amounting to approximately $142.8 million, of which $66.2 million arises in subsidiaries outside Canada, the U.S. and the Netherlands and can be carried forward indefinitely. The balance of $76.6 million arises in subsidiaries in Canada, the U.S. and the Netherlands, and expires at various dates from 2011 to 2028. The use of approximately $14.6 million of these losses is limited to an annual amount on a straight line basis over twenty years as prescribed by tax legislation. The Corporation has a net capital loss of $6.2 million which can only be utilized against capital gains.

The valuation allowance at March 31, 2008 primarily relates to the potential future benefits in respect of net loss carryforwards of $97.8 million or $28.9 million of the valuation allowance (December 31, 2007 - $83.4 million or $24.7 million of the valuation allowance) and in respect of other deductible differences of $35.6 million or $10.7 million of the valuation allowance (December 31, 2007 - $36.3 million or $10.9 million of the valuation allowance).. These tax assets will be recognized in future periods when it becomes more likely than not that the benefits will be realized.

9. Per share information

	March 31, 2008	March 31, 2007
Net earnings (loss)	**$ 670**	$ (4,226)
Weighted average common shares used in the calculation of basic earnings (loss) per share and diluted earnings (loss) per share	**41,998**	41,998
Basic and diluted earnings (loss) per share	**$ 0.02**	$ (0.10)

There were no share purchase options outstanding at March 31, 2008 (2007 – 1,812,495). Options to purchase 1,812,495 common shares were not included in the computation of diluted earnings per share for the three months ended March 31, 2007 because the exercise prices of such options were greater than or equal to the average market price of the common shares during the period.

10. Capital management

The Corporation defines capital that it manages as the aggregate of its shareholders equity and interest bearing debt. The primary objectives of the Corporation's capital management are to ensure it maintains strong credit ratings and exceeds its borrowing covenants in order to support its business and to provide returns to shareholders and benefits to other stakeholders.

10. Capital management (cont'd.)

The Corporation manages its capital structure in a manner to ensure that certain covenants comply with the requirements within the Senior Credit Facility agreement and Note Indenture agreement. In particular, the Corporation monitors the consolidated debt to earnings before interest, taxes, depreciation and amortization ("EBITDA") ratio as well as the consolidated EBITDA to cash interest ratio and fixed charge ratio. EBITDA is calculated as the gross margin less operating expenses plus management incentive plan expense plus equity in earnings of investee less non-controlling interest.

The consolidated debt to EBITDA ratio, also defined as the total leverage ratio, is calculated as long-term debt, including the current portion of long-term debt, divided by EBITDA. This ratio must be less than 5.00:1. The consolidated debt to EBITDA ratio at March 31, 2008 was 3.36:1 (December 31, 2007 - 3.64:1). The consolidated EBITDA to cash interest ratio is calculated as EBITDA divided by cash interest paid. This ratio must exceed 2.50:1. The consolidated EBITDA to cash interest ratio at March 31, 2008 was 3.40:1 (December 31, 2007 – 3.23:1). The fixed charge ratio is calculated as EBITDA less cash capital expenditures and cash income taxes divided by cash interest expense plus the current portion of long-term debt. This ratio must exceed 1.10:1. The fixed charge ratio at March 31, 2008 was 2.48:1 (December 31, 2007 – 1.91:1).

11. Business segments

The Corporation's reportable segments are Mobile Satellite Services ("MSS") and Broadband.

The MSS segment includes the sale of airtime and equipment for Stratos' Inmarsat, Iridium, aeronautical and other mobile satellite operations. The Broadband segment includes the sale of airtime, equipment and services for Stratos' microwave and VSAT operations.

The Corporation evaluates performance and allocates resources based on segment earnings before interest expense, depreciation and amortization, other costs (income), non-controlling interest, equity in earnings of investee, and income taxes ("Segment earnings"). Intersegment transactions are not significant and are eliminated upon consolidation.

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

11. Business segments (cont'd.)

	March 31, 2008	March 31, 2007
Revenue		
MSS	$ 118,760	$ 113,191
Broadband	28,742	31,398
	$ 147,502	$ 144,589
Segment earnings		
MSS	$ 19,240	$ 16,268
Broadband	2,489	2,218
	$ 21,729	$ 18,486
Interest expense	$ 8,515	$ 8,215
Depreciation and amortization	10,046	10,194
Other costs (income)	743	4,479
Non-controlling interest	82	(96)
Equity in earnings of investee	(234)	(294)
	$ 19,152	$ 22,498
Earnings (loss) before income taxes	$ 2,577	$ (4,012)

Total identifiable assets	March 31, 2008	December 31, 2007
MSS	$ 317,455	$ 325,892
Broadband	100,427	100,754
	$ 417,882	$ 426,646
Goodwill		
MSS	$ 278,131	$ 278,131
Broadband	47,738	47,738
	$ 325,869	$ 325,869
	$ 743,751	$ 752,515

Geographic Information – Revenue

	March 31, 2008	March 31, 2007
United States	$ 47,729	$ 54,419
United Kingdom	16,800	18,025
Canada	7,844	6,757
Australia	13,251	12,161
Other	61,878	53,227
	$ 147,502	$ 144,589

Revenues are attributed to different countries based on the billing address of the customer for whom the service was provided.

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

11. Business segments (cont'd.)

Geographic Information – Capital Assets and Goodwill

	March 31, 2008	December 31, 2007
United States	**$ 90,369**	$ 92,547
United Kingdom	**122,606**	122,594
Canada	**47,436**	49,924
Netherlands	**142,940**	139,132
Other	**42,710**	47,789
	$ 446,061	$ 451,986

12. Financial instruments

Risk management

The Corporation's earnings and cash flow may be negatively impacted by fluctuations in interest and foreign currency exchange rates. In special investing and financing situations, the Corporation enters into foreign currency forward contracts in order to mitigate earnings volatility associated with foreign currency fluctuations and match the timing of cash flow requirements.

Derivative financial instruments entered into by the Corporation are subject to standard credit terms and conditions, financial controls, and risk monitoring procedures. The Corporation does not hold or issue derivative financial instruments for speculative or trading purposes.

a) Market risk

Interest rate exposures

The Term B facility is issued at floating rates of interest and is therefore subject to risks associated with fluctuating interest rates. The Corporation has entered into, for hedging purposes, three interest rate swap transactions. The fair values of these instruments are recorded on the consolidated balance sheet and the change in value is reflected in other comprehensive loss, net of income taxes.

One of the swap transactions was entered into with a U.S. bank and expires on January 14, 2009. This swap transaction involves the exchange of the underlying three month U.S. dollar LIBOR rate for a fixed rate of 3.95%. The notional amount of this swap transaction is $75.0 million, which remains fixed throughout its term. The fair value of this swap transaction, which at March 31, 2008 was $(1.0) million, is recorded on the balance sheet in payables and accruals. The fair value of this swap transaction at December 31, 2007 was $0.1 million and was recorded on the balance sheet in other assets.

12. Financial instruments (cont'd.)

The Corporation entered into the remaining two swap transactions with a Canadian chartered bank. One swap transaction involved the exchange of the underlying three month U.S. dollar LIBOR rate for a fixed rate of 4.28% and expired on March 31, 2008. The notional amount of this swap transaction was $50.0 million, which remained fixed throughout its term.

The third swap transaction involves the exchange of the underlying three month U.S. dollar LIBOR rate for a fixed rate of 5.15% and expires December 31, 2008. The notional amount of this swap transaction is $75.0 million, which remains fixed throughout its term. The fair value of this swap transaction, which at March 31, 2008 was $(1.5) million (December 31, 2007 – $(0.8) million), is recorded on the balance sheet in payables and accruals.

The amount of remaining variable rate debt was $20.5 million during the three months ended March 31, 2008. If the LIBOR rate was to increase by 1%, the Corporation's earnings before income tax for the three months ended March 31, 2008 would be reduced by approximately $0.1 million. As a result of the expiration of a swap transaction with a notional amount of $50.0 million and the repayment of $9.0 million of the senior credit facility, both occurring on March 31, 2008, the unhedged amount of variable rate debt at March 31, 2008 was $61.5 million.

Foreign currency exposures

The Corporation has long-term debt that is denominated primarily in U.S. dollars, as disclosed in Note 3, which is therefore not subject to risks associated with fluctuating foreign currency rates of exchange since the Corporation's functional currency is U.S. dollars.

The Corporation operates internationally and is therefore exposed to market risks related to foreign currency exchange rate fluctuations. Such exposure arises from revenues and expenditures in currencies other than U.S. dollars. Approximately 10% to 15% of the Corporation's revenues and expenditures are denominated in currencies other than U.S. dollars. To mitigate potential risk with respect to foreign currency exchange rate fluctuations, the Corporation matches cash inflows and outflows by currency, thereby minimizing net currency exposures.

To perform a sensitivity analysis, the Corporation assessed the risk of loss in fair values due to the impact of hypothetical changes in foreign currency exchange rates on monetary assets and liabilities denominated in currencies other than U.S. dollars. The Corporation's primary exposures to foreign currency exchange fluctuations are Euros/U.S. dollar, Canadian dollar/U.S. dollar and Pound Sterling/U.S. dollar. For the three months ended March 31, 2008, the potential reduction in earnings from a hypothetical instantaneous 10% adverse change in the March 31, 2008 quoted foreign currency spot rates applied to Euro, Canadian dollar and Pound Sterling denominated monetary assets and liabilities included in the March 31, 2008 balance sheet would have been approximately $0.3 million, $0.2 million and $0.1 million, respectively.

March 31, 2008 (U.S. dollars; tabular amounts in thousands except share and per share amounts)

12. Financial instruments (cont'd.)

b) Credit risk

The Corporation is exposed to credit risk in the event of non-performance by counterparties to its derivative financial instruments. Non-performance is not anticipated since these counterparties are highly rated financial institutions.

The Corporation is also exposed to credit risk with respect to accounts receivable from customers. The Corporation provides services to many customers across different geographic areas. No customer accounted for 10% or more of the Corporation's accounts receivable at March 31, 2008 or December 31, 2007.

The Corporation has credit evaluation, approval and monitoring processes intended to mitigate potential credit risks, and maintains provisions for potential credit losses that are assessed on an ongoing basis. The allowance for uncollectability of accounts receivable and revenue adjustments at March 31, 2008 was $13.8 million (December 31, 2007 - $14.6 million).

c) Liquidity risk

The Corporation is exposed to liquidity risk with respect to its contractual obligations and financial liabilities. The Corporation manages liquidity risk by maintaining adequate cash and cash equivalents, and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching maturity profiles of financial assets and liabilities.

The Corporation believes that future cash flows generated by operations and availability under its revolving operating facility will be adequate to meet its financial obligations.

The Corporation has financial liabilities with varying contractual maturity dates. Total financial liabilities at March 31, 2008 based on contractual undiscounted payments are as follows:

	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Long-term debt	$ 2,397	$ 4,825	$ 354,766	$ -	$ 361,988
Derivative financial instruments	2,504	-	-	-	2,504
Payables and accruals	132,588	-	-	-	132,588
Other liabilities	185	2,949	690	998	4,822
	$ 137,674	$ 7,774	$ 355,456	$ 998	$ 501,902