

Pegasus Satellite Television, Inc., et al.
Pegasus Broadcast Television, Inc.
Hypothetical Liquidation Analysis
as of March 31, 2005
unaudited
(In thousands)

| | Estimated Gross Book Value as of | | Estimated Recovery % | | Estimated Recovery \$ | |
|---|-------------------------------------|----------|----------------------|------------|-----------------------|------------------|
| | as of 3/31/05 | | Low | High | Low | High |
| | Cash | \$ 4,998 | | 100% | 100% | \$ 4,998 |
| Accounts Receivable, Gross | 5,325 | | 70% | 80% | 3,727 | 4,260 |
| Due from Affiliates | | | | | | |
| PST | 100 | | 100% | 100% | 100 | 100 |
| Prepaid Expenses | 474 | | 24% | 33% | 113 | 158 |
| Other Current Assets | 47 | | 90% | 100% | 42 | 47 |
| Film Rights and Program Rights | 4,824 | | 0% | 0% | - | - |
| Network Programming | 2,781 | | 0% | 0% | - | - |
| Property and Equipment, Gross | 37,896 | | 25% | 27% | 9,509 | 10,130 |
| Intangible Assets, Gross | 18,578 | | 86% | 172% | 16,000 | 32,000 |
| Goodwill, Gross | 19,523 | | 0% | 0% | - | - |
| Investment in Subsidiaries | 1 | | 0% | 0% | - | - |
| Total Assets | \$ 94,545 | | 36% | 55% | \$ 34,489 | \$ 51,692 |
| Less: Administrative/Priority Expenses | | | | | | |
| Wind Down Costs | | | | | 2,393 | 2,393 |
| Trustee Fees | | | | | 1,032 | 1,548 |
| Severance | | | | | 1,065 | 1,065 |
| Professional Fees | | | | | 4,167 | 4,167 |
| Due to PMC | | | | | 3,647 | 3,647 |
| Post Petition Accounts Payable | | | | | 276 | 276 |
| Post Petition Accrued Expenses | | | | | 1,410 | 1,410 |
| Priority Non-Tax | | | | | - | - |
| Priority Tax | | | | | - | - |
| Total Administrative and Priority Expenses | | | | | <u>13,990</u> | <u>14,506</u> |
| Total Proceeds Available to General Unsecured Creditors | | | | | <u>\$20,499</u> | <u>\$37,186</u> |
| General Unsecured Claims | | | | | 17,005 | 17,005 |
| Estimated Recovery for General Unsecured Claims Assuming a Liquidation | | | | | | |
| Total Proceeds Available for Interests | | | | | <u>\$ 3,493</u> | <u>\$ 20,181</u> |

Estimated Recovery for General Unsecured Claims Under the Plan:

| | Estimated Allowed Claims (\$) | Recovery % Liquidation Value | |
|---|-------------------------------|---------------------------------|------|
| | | Low | High |
| Class 1D Claims - Secured | \$ - | n/a | n/a |
| Class 2D Claims - Priority Non-Tax | - | n/a | n/a |
| Class 3D Claims - General Unsecured | 17,005 | 100% | 100% |
| Class 5D-2 Claims - Interests (Shown at Book Value) | 90,627 | 4% | 22% |

NOTE: Slight differences may occur due to rounding.

Pegasus Satellite Television, Inc., et al.
PST Holdings, Inc.
Hypothetical Liquidation Analysis
as of March 31, 2005
unaudited
(In thousands)

| | Estimated Gross Book Value as of as of 3/31/05 | Estimated Recovery % | | Estimated Recovery \$ | |
|---|--|----------------------|-------------|-----------------------|-------------------|
| | | Low | High | Low | High |
| | | Cash | \$ 420,301 | 100% | 100% |
| Due from Affiliates | | | | | |
| PMC | 423,389 | 100% | 100% | 423,389 | 423,389 |
| PSC | 113,901 | 100% | 100% | 113,901 | 113,901 |
| Total Assets | \$ 957,591 | 100% | 100% | \$ 957,591 | \$ 957,591 |
| Less: Administrative/Priority Expenses | | | | | |
| Trustee Fees | | | | 12,609 | 12,609 |
| Professional Fees | | | | 7,696 | 7,696 |
| Due to PBT | | | | 100 | 100 |
| Post Petition Tax | | | | 4,773 | 4,773 |
| Post Petition Accounts Payable | | | | 5,826 | 5,826 |
| Post Petition Commissions and Subsidies | | | | 1,694 | 1,694 |
| Post Petition Accrued Expenses | | | | 2,608 | 2,608 |
| Priority Non-Tax | | | | - | - |
| Priority Tax | | | | - | - |
| Total Administrative and Priority Expenses | | | | 35,306 | 35,306 |
| Total Proceeds Available to General Unsecured Creditors | | | | \$ 922,285 | \$ 922,285 |
| General Unsecured Claims | | | | 6,517 | 6,517 |
| Estimated Recovery for General Unsecured Claims Assuming a Liquidation | | | | | |
| Total Proceeds Available for Interests | | | | \$ 915,768 | \$ 915,768 |

Estimated Recovery for General Unsecured Claims Under the Plan:

| | Estimated Allowed Claims (\$) | Recovery % Liquidation Value | |
|---|-------------------------------|---------------------------------|------|
| | | Low | High |
| Class 1C Claims- Secured | \$ - | n/a | n/a |
| Class 2C Claims - Priority Non-Tax | - | n/a | n/a |
| Class 3C Claims - General Unsecured | 6,517 | 100% | 100% |
| Class 5C-2 Claims - Interests (Shown at Book Value) | 2,251,416 | 41% | 41% |

NOTE: Slight differences may occur due to rounding.

Pegasus Satellite Television, Inc., et al.
Pegasus Media & Communications
Hypothetical Liquidation Analysis
as of March 31, 2005
unaudited
(in thousands)

| | Estimated Gross Book Value as of as of 3/31/05 | Estimated Recovery % | | Estimated Recovery \$ | |
|---|--|----------------------|------------|-----------------------|-------------------|
| | | Low | High | Low | High |
| Due from Affiliates | | | | | |
| PBT | \$ 3,647 | 100% | 100% | \$ 3,647 | \$ 3,647 |
| Security Deposits | 692 | 100% | 100% | 692 | 692 |
| Investment in Subsidiaries | 1,096,492 | 84% | 85% | 919,261 | 935,949 |
| | | | | - | - |
| Total Assets | \$ 1,100,830 | 84% | 85% | \$ 923,599 | \$ 940,287 |
| Less: Secured Claims | | | | 9,040 | 9,040(1) |
| Less: Administrative/Priority Expenses | | | | | |
| Trustee Fees | | | | 21 | 21 |
| Professional Fees | | | | 1,389 | 1,389 |
| Due to PST | | | | 423,389 | 423,389 |
| Due to PSC | | | | 2,361 | 2,361 |
| Priority Non-Tax | | | | - | - |
| Priority Tax | | | | - | - |
| Total Administrative and Priority Expenses | | | | 427,160 | 427,160 |
| Total Proceeds Available to General Unsecured Creditors | | | | \$ 487,399 | \$ 504,087 |
| General Unsecured Claims | | | | 103 | 103 |
| Estimated Recovery for General Unsecured Claims Assuming a Liquidation | | | | 100% | 100% |
| Total Proceeds Available for Interests | | | | \$ 487,297 | \$ 503,985 |

Estimated Recovery for General Unsecured Claims Under the Plan:

| | Estimated Allowed Claims (\$) | Recovery % Liquidation Value | |
|---|-------------------------------|---------------------------------|--------|
| | | Low | High |
| Class 1B Claims- Secured | (2) \$418,807 | 100.0% | 100.0% |
| Class 2B Claims - Priority Non-Tax | - | n/a | n/a |
| Class 3B Claims - General Unsecured | 103 | 100% | 100% |
| Class 5B-2 Claims - Interests (Shown at Book Value) | 1,360,177 | 36% | 37% |

Notes:

- (1) Approximately \$409M was paid to Secured Lenders prior to the Liquidation Date
(2) Represents total estimated allowed secured claims (inclusive of prior amounts paid to Secured Lenders)

Notes: Slight differences may occur due to rounding.

Pegasus Satellite Television, Inc., et al.
Pegasus Satellite Communications, Inc. (f/k/a Pegasus Communications Corporation)
Hypothetical Liquidation Analysis
as of March 31, 2005
unaudited
(in thousands)

| | Estimated Gross Book Value as of as of 3/31/05 | Estimated Recovery % | | Estimated Recovery \$ | |
|---|--|----------------------|------------|-----------------------|-------------------|
| | | Low | High | Low | High |
| Due from Affiliates | | | | | |
| PMC | \$ 2,361 | 100% | 100% | \$ 2,361 | \$ 2,361 |
| Deferred Stock Costs | 1,240 | 0% | 0% | - | - |
| Security Deposits | 75 | 100% | 100% | 75 | 75 |
| Note Receivable | 284 | 100% | 100% | 284 | 284 |
| Other Non-Current Assets | 322 | 100% | 100% | 322 | 322 |
| Investment in Subsidiaries | 709,471 | 69% | 71% | 487,297 | 503,985 |
| Investment in PGTV Class A Common | 9,885 | 123% | 123% | 12,166 | 12,166 |
| Total Assets | \$ 723,637 | 69% | 72% | \$ 502,504 | \$ 519,192 |
| Less: Secured Claims | | | | 2,300 | 2,300(1) |
| Less: Administrative/Priority Expenses | | | | | |
| Trustee Fees | | | | 385 | 385 |
| Professional Fees | | | | 1,389 | 1,389 |
| Due to PST | | | | 113,901 | 113,901 |
| Priority Non-Tax | | | | - | - |
| Priority Tax | | | | - | - |
| Total Administrative and Priority Expenses | | | | 115,675 | 115,675 |
| Total Proceeds Available to General Unsecured Creditors | | | | \$384,529 | \$401,217 |
| General Unsecured Claims | | | | 825,443 | 825,443 |
| Estimated Recovery for General Unsecured Claims Assuming a Liquidation | | | | 47% | 49% |
| Total Proceeds Available for Interests | | | | \$ - | \$ - |

Estimated Recovery for General Unsecured Claims Under the Plan:

| | Estimated Allowed Claims (\$) | Recovery % Liquidation Value | |
|---|-------------------------------|---------------------------------|--------|
| | | Low | High |
| Class 1A Claims- Secured | (2) \$106,703 | 100.0% | 100.0% |
| Class 2A Claims - Priority Non-Tax | - | n/a | n/a |
| Class 3A Claims - General Unsecured | 825,443 | 47% | 49% |
| Class 4A Claims - Subordinated | 137,633 | 0.0% | 0.0% |
| Class 5A Claims - Interests (Shown at Book Value) | 1,063,770 | 0.0% | 0.0% |

Notes:

- (1) Approximately \$104M was paid to Secured Lenders prior to the Liquidation Date
(2) Represents total estimated allowed secured claims (inclusive of prior amounts paid to Secured Lenders)