A. Purpose and Objectives

The TSN Debtors[1] prepared the Reorganized TerreStar Networks Pro Forma Balance Sheet, Projected Balance Sheet, Projected Income Statement, and Projected Cash Flow Statement (collectively, the "Financial Projections") for the years 2011 through 2015 (the "Projection Period"). The Financial Projections are based on a number of assumptions made by management with respect to the future performance of the TSN Debtors' operations. The Financial Projections and related assumptions in this Exhibit E are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although management has prepared the Financial Projections in good faith and believes the assumptions to be reasonable, it is important to note that the TSN Debtors can provide no assurance that such Financial Projections and assumptions will be realized. As described in detail in the Disclosure Statement, a variety of risk factors could affect the TSN Debtors' actual financial results and must be considered. You are encouraged to read these risk factors in their entirety. See Article XI of the Disclosure Statement. The Financial Projections should be reviewed in conjunction with a review of these assumptions, including the accompanying qualifications and footnotes. Should actual results or conditions differ from such assumptions, the actual results and financial condition of the TSN Debtors may differ materially from those presented in the Financial Projections. The TSN Debtors did not prepare the Financial Projections with a view toward compliance with published guidelines of the Securities and Exchange Commission or guidelines established by the FASB, particularly for reorganization accounting. The TSN Debtors' independent accountants have neither examined nor compiled the Financial Projections and accordingly do not express an opinion or any other form of assurance with respect to the Financial Projections, assume no responsibility for the Financial Projections and disclaim any association with the Financial Projections. In addition, for comparative presentation purposes, the operations and cash flow for 2011 combine the predecessor company (January 1, 2011 through the Effective Date) and successor company (assumed Effective Date through December 31, 2011) to allow for a full year presentation.

All dollar amounts in the Financial Projections are US dollars unless otherwise indicated and any reference to "GAAP" refers to the generally accepted accounting principles in the United States of America.

B. General Assumptions

1. Methodology

The Financial Projections have been prepared by management and are based on the TSN Debtors' detailed operating forecast for 2011-2015. The Financial Projections reflect the strategic initiatives of the TSN Debtors including the launch of the Roam-in business with AT&T as the exclusive provider.

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[1] Capitalized terms used and not defined herein shall have the meanings ascribed to them in the Disclosure Statement or the Plan, as applicable.

2. Plan Consummation

The operating assumptions assume that the Plan will be confirmed and consummated by March 31, 2011.

3. Roam-in Business

In September 2009, the TSN Debtors entered into a Mobile Satellite Services and Support Agreement with AT&T Mobility under which AT&T will offer certain of TerreStar's satellite communications services initially to its government and enterprise customers. In November 2010, the roam-in product was launched to consumers. The Financial Projections assume AT&T is the sole seller of Roam-in services.

4. Restructured Contracts

The Financial Projections assume the TSN Debtors continue to receive the benefit of several of their existing contract vendor relationships. Currently, not all of these required vendors have entered into settlements with the TSN Debtors regarding pre-petition amounts owed. For purposes of the Plan, the TSN Debtors have assumed restructuring these contracts with notes and cash payments, along with contract modifications, where applicable. The Financial Projections do not include these potential settlements. To the extent new notes are used for settlement purposes such notes shall require consent of the Plan Sponsor. Recoveries stated herein do not include the impact of additional cash or notes used for settlements with these contract vendors.

5. S-Band Spectrum

The TSN Debtors have the right to use two 10 MHz blocks of contiguous and unshared MSS S-band spectrum covering a population of over 330 million throughout the United States and Canada. On January 13, 2010, the TSN Debtors were granted authority by the FCC to operate dual-mode mobile terminals that can be used to communicate either via TerreStar's geosynchronous-orbit MSS satellite or ancillary terrestrial component ("ATC") base stations. The Financial Projections assume no revenues associated with S-Band Spectrum, other than revenues derived from the Roam-in Business.

6. Handset Inventory

The Financial Projections assume that the TSN Debtors will procure approximately 10,000 Genus handsets in 2010 from Elektrobit, which are projected to be sold by June 2011. Thereafter, the handsets will be directly sold to consumers by third parties. The TSN Debtors have no formal agreement with a third party to sell handsets, but are in discussions with one or more parties with regard thereto.

7. Rights Offering

The projections assume the TSN Debtors receive total proceeds from the rights offering of $125 million and an additional $25 million from the exercise by the Plan Sponsor of the Overallotment (i.e. $150 million in total equity proceeds raised). To the extent the TSN Debtors do not receive such proceeds, the TSN debtors may be required to obtain additional capital prior to 2012.

C. Projected March 31, 2011 Balance Sheet and Reorganized TerreStar Networks Pro Forma Balance Sheet

The Projected March 31, 2011 Balance Sheet was developed using the TSN Debtors' actual September 30, 2010 audited balance sheet adjusted to reflect management's projected operating results for the quarter ended December 31, 2010 through March 31, 2011. On the Effective Date, actual results may differ due to a variety of risk factors as discussed in Article XI of the Disclosure Statement. Adjustments were made to the Reorganized TerreStar Networks Pro Forma Balance Sheet to give effect to assumed consummation of the Plan. The estimated pro forma adjustments regarding the reorganized equity value of the TSN Debtors, their assets, or their liabilities will be based upon the fair value of the assets and liabilities as of the Effective Date.

As described more fully below, the Reorganized TerreStar Networks' Balance Sheet reflects Reorganized TerreStar Networks pro forma capital structure resulting from the consummation of the Plan. Specifically, and consistent with the assumptions set forth above, the Reorganized TerreStar Networks Balance Sheet assumes (a) that the TSN Debtors will have pro forma funded indebtedness of $91.5 million consisting of amounts under the existing Purchase Money Credit Agreement and (b) a $125 million Rights Offering pursuant to the terms as described more fully in Article VIII of the Disclosure Statement, as well as the exercise of the Plan Sponsor's $25 million Overallotment. The Overallotment is only exercisable at the option and sole discretion of the Plan Sponsor. The TSN Debtors' pro forma capital structure may change depending upon market conditions with respect to the TSN Debtors' capital raise efforts, operating performance and other sources of cash that might be available to the TSN Debtors.

Condensed Consolidated Balance Sheet
Unaudited, $ in millions

	March 31, 2011		
	Projected	Pro Forma Adjustments	Pro Forma
ASSETS			
Cash and Cash Equivalents	$2.2	$74.4 (1)	$76.7
Other Current Assets	10.1	(2.0) (2)	8.1
Total Current Assets	12.3	72.4	84.7
Property, Plant, & Equipment, net	1,021.9	0.0 (3)	1,021.9
Reorg. Value in Excess of Book Value of Assets	0.8	48.9 (4)	49.7
Deferred Issuance Costs	4.8	(4.8) (5)	0.0
Handset Inventory	5.0	0.0	5.0
Deferred Tax Assets	0.0	0.0	0.0
Total Assets	$1,044.9	$116.5	$1,161.3
LIABILITIES			
DIP	$63.6	($63.6) (6)	$0.0
Post-Petition Accounts Payable	0.0	0.0	0.0
Deferred Rent and Other Liabilities	21.6	0.0	21.6
Accrued Professional Fees	12.0	(12.0) (7)	0.0
Purchase Money Credit Agreement	91.5	0.0	91.5
Total Liabilities Not Subject-to-Compromise	188.7	(75.6)	113.1
Total Liabilities Subject-to-Compromise	1,602.5	(1,602.5) (8)	0.0
Total Liabilities	1,791.2	(1,678.1)	113.1
SHAREHOLDERS' EQUITY			
Retained Earnings	(746.4)	1,794.6 (9)	1,048.2
Total Liabilities & Shareholder's Equity	$1,044.9	$116.5	$1,161.3

Notes to the Pro Forma Condensed Consolidated Balance Sheet

(1) Cash and Cash Equivalents

The adjustment of $74.4 million reflects proceeds of the $125.0 million of Rights Offering and the exercise of the $25.0 million Overallotment at the Plan Sponsor's sole discretion, less $63.6 million of DIP Financing repayment and $12.0 million of accrued professional fees paid at emergence.

(2) Other Current Assets

The adjustment of $2.0 million is due to the write-down of deferred issuance costs at emergence.

(3) Property, Plant, & Equipment, net

All Property, Plant, & Equipment values will be subject to appraisals pursuant to fresh start accounting and are therefore subject to change.

(4) Reorg. Value in Excess of Book Value of Assets

The adjustment of $48.9 million is due to the surplus of the fair market value of assets over tangible book value implied by the equity value of the Reorganized TSN Debtors of $1,048.2 million. This adjustment is subject to change upon application of fresh start accounting and related appraisals.

(5) Deferred Issuance Costs

The adjustment of $4.8 million is due to the write-down of deferred issuance costs at emergence.

(6) DIP

The projected DIP Financing balance of $63.3 million will be repaid in cash at emergence.

(7) Accrued Professional Fees

Accrued professional fees of $12.0 million will be paid in cash at emergence. These professional fees are funded by drawing on the DIP Financing Facility.

(8) Liabilities Subject-to-Compromise

Upon emergence, the TSN Debtors' Liabilities Subject-to-Compromise will be written down in full.

(9) Shareholders' Equity

Adjustments to shareholders' equity were based on the estimated equity value of the Reorganized TSN Debtors of $1,048.2 million in accordance with "fresh start" accounting provisions of SOP 90-7.

D. Reorganized TerreStar Networks Projected Income Statement

Condensed Consolidated Projected Statement of Operations
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,				
	2Q-4Q 2011	**2012**	**2013**	**2014**	**2015**
Revenue					
Roam-In	$9.7	$41.6	$63.2	$74.9	$79.3
Total Revenue	9.7	41.6	63.2	74.9	79.3
Operating Expenses					
Corporate Overhead	(8.6)	(11.3)	(11.9)	(12.3)	(12.5)
Satellite Operations	(16.5)	(21.1)	(20.9)	(21.3)	(21.7)
Roam-in and Genus Maintenance	(18.8)	(17.8)	(17.5)	(17.6)	(16.5)
Canada	(1.4)	(2.0)	(2.1)	(2.1)	(2.1)
Total Operating Expenses	(45.3)	(52.1)	(52.4)	(53.3)	(52.8)
Depreciation & Amortization	(26.7)	(35.6)	(35.7)	(35.9)	(36.0)
Operating Income (Loss)	(62.3)	(46.1)	(24.8)	(14.2)	(9.5)
Non-Cash Interest Expense	(10.1)	(1.5)	0.0	0.0	0.0
Cash Interest Expense	0.0	(12.8)	(14.4)	(14.4)	(14.4)
Reorganization Expenses	0.0	0.0	0.0	0.0	0.0
Income Before Taxes	(72.4)	(60.4)	(39.3)	(28.7)	(24.0)
Income Tax Provision (Benefit)	25.3	21.1	13.7	10.0	8.4
Net Income (Loss)	**($47.0)**	**($39.2)**	**($25.5)**	**($18.6)**	**($15.6)**

1. Revenue

The TSN Debtors are expected to generate revenue from monthly recurring charges ("MRC") and the sale of voice minutes and data to roam-in subscribers. Subscribers are billed monthly and pay a fixed MRC plus per-minute usage fees for voice and per-megabyte usage fees for data. The TSN Debtors capture a portion of each of these fees. When building the projections, the TSN Debtors used assumptions about usage to develop an average revenue per user ("ARPU"). The major assumptions underlying roam-in revenue projections are described below:

i. Subscriber growth: subscribers are projected to grow from approximately 40,714 in 2011 to 155,753 in 2015 as the TSN Debtors capture a greater proportion of the addressable market for the roam-in plan.

ii. ARPU: ARPU declines from $50.00 per month in 2011 to $42.68 in 2015 as per minute charges decline due to forecasted increased competition in the market.

2. Operating Expenses

The TSN Debtors' expenses predominantly relate to maintaining the satellite infrastructure and costs associated with launching the Roam-In business including maintenance of the Genus handset hardware and software. These costs are described more fully below:

i. *Corporate Overhead*. Includes executive compensation, corporate utilities, audit fees, board costs, counsel, software licenses and upgrades and other IT costs. These costs represent approximately 20% of total costs in 2011 and 24% of total costs by 2015.

ii. *Satellite Operations*. Represents all costs necessary to operate TerreStar-1, store TerreStar-2 and operate the ground network. These costs represent approximately 35% of total costs in 2011 and 41% of total costs by 2015.

iii. *Roam-In and Genus Maintenance*. Includes costs associated with the roam-in product including contractual commitments for operating and billing systems, costs associated with the core network, E911 and other regulatory costs and costs associated with ongoing hardware and software development of the Genus phone. These costs represent approximately 42% of total costs in 2011 and 31% of total costs by 2015.

iv. *Canada*. Includes costs associated with employees and maintenance of the satellite gateway in Allen Park, Ontario.

3. Depreciation & Amortization

Depreciation & Amortization expense projections are based on the TSN Debtors' assumption that the average useful life of all Property, Plant, & Equipment remains consistent with pre-reorganization practices. All Depreciation & Amortization expense projections are subject to change upon application of fresh start accounting and related appraisals.

4. Interest Expense

Interest expense projections are based on the TSN Debtors' estimated post-emergence capital structure assumed to be effective on March 31, 2011. The post-emergence debt is comprised of the PMCA which is assumed to accrue interest in-kind at a rate of 14.0% until February 2012, at which point interest will be paid in cash.

5. **Reorganization Items.**

The 2011 Reorganization Items consist of actual and estimated post petition fees for legal and professional advisors. These amounts exclude any gains or losses associated with the extinguishment of debt and revaluation of assets and liabilities under fresh-start reporting.

6. **Income Taxes**.

The Financial Projections assume the Reorganized TSN Debtors will not pay any taxes based on negative earnings before tax generated during the projection period.

E. Reorganized TerreStar Networks Balance Sheets

The Reorganized TerreStar Networks Balance Sheets below set forth the projected financial position of the TSN Debtors, after giving effect to the projected March 31, 2011 Balance Sheet, the proposed reorganization and related pro forma adjustments described in Section C. The Reorganized TerreStar Networks Balance Sheets were developed based upon the projected results of operations and cash flows over the Projection Period.

Condensed Consolidated Projected Balance Sheet
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,					
	1Q 2011 (PF)	**2011**	**2012**	**2013**	**2014**	**2015**
ASSETS						
Cash and Cash Equivalents	$76.7	$43.7	$14.3	$4.0	$4.1	$8.6
Other Current Assets	8.1	8.1	8.1	8.1	8.1	8.1
Total Current Assets	$84.7	$51.8	$22.3	$12.0	$12.1	$16.6
Property, Plant, & Equipment, net	1,021.9	999.5	968.5	937.8	907.3	876.8
Reorg. Value in Excess of Book Value of Ass	49.7	49.7	49.7	49.7	49.7	49.7
Handset Inventory	5.0	0.0	0.0	0.0	0.0	0.0
Deferred Tax Assets	0.0	25.3	46.5	60.2	70.2	78.6
Total Assets	**$1,161.3**	**$1,126.3**	**$1,087.0**	**$1,059.8**	**$1,039.4**	**$1,021.8**
LIABILITIES						
Accounts Payable	$0.0	$3.1	$3.1	$3.0	$3.1	$3.0
Deferred Rent and Other Liabilities	21.6	20.5	18.9	17.3	15.4	13.5
Purchase Money Credit Agreement	91.5	101.6	103.1	103.1	103.1	103.1
Total Liabilities	113.1	125.2	125.1	123.4	121.6	119.6
SHAREHOLDER'S EQUITY						
Retained Profits (Deficit)	1,048.2	1,001.2	961.9	936.4	917.8	902.2
Total Equity	1,048.2	1,001.2	961.9	936.4	917.8	902.2
Total Liabilities & Shareholder's Equity	**$1,161.3**	**$1,126.3**	**$1,087.0**	**$1,059.8**	**$1,039.4**	**$1,021.8**

F. Reorganized TerreStar Networks Statement of Cash Flow

The Reorganized TerreStar Networks Statement of Cash Flow sets forth the TSN Debtors' forecasted change in cash, after giving effect to the proposed reorganization.

Condensed Consolidated Projected Statement of Cash Flows
Unaudited, $ in millions

	Projected Financials for the Year Ended December 31,				
	2Q-4Q 2011	**2012**	**2013**	**2014**	**2015**
Operating Activities:					
Net Income (Loss)	($47.0)	($39.2)	($25.5)	($18.6)	($15.6)
Depreciation & Amortization	26.7	35.6	35.7	35.9	36.0
Change in Accounts Payable	3.1	(0.0)	(0.0)	0.0	(0.1)
Non-Cash Interest Expenses	10.1	1.5	0.0	0.0	0.0
Handset Sales / (Purchases)	5.0	0.0	0.0	0.0	0.0
Non-Cash Taxes	(25.3)	(21.1)	(13.7)	(10.0)	(8.4)
Net Cash Used in Operating Activities	(27.6)	(23.3)	(3.6)	7.3	11.9
Investing Activities:					
TerreStar-1 Orbital Performance Incentives	(1.1)	(1.6)	(1.7)	(1.8)	(1.9)
Capital Expenditures	(4.3)	(4.6)	(5.1)	(5.4)	(5.5)
Net Cash Used in Investing Activities	(5.4)	(6.2)	(6.7)	(7.2)	(7.4)
Financing Activities:					
Purchase Money Credit Agreement	0.0	0.0	0.0	0.0	0.0
Net Cash Used in Financing Activities	0.0	0.0	0.0	0.0	0.0
Net Change in Cash & Cash Equivalents	**($32.9)**	**($29.5)**	**($10.3)**	**$0.1**	**$4.5**
Beginning Cash and Cash Equivalents	$76.7	$43.7	$14.3	$4.0	$4.1
Change in Cash and Cash Equivalents	(32.9)	(29.5)	(10.3)	0.1	4.5
Ending Cash and Cash Equivalents	$43.7	$14.3	$4.0	$4.1	$8.6

1. Working Capital

Working capital does not represent a material use or source of cash during the projection period. No Genus handsets are projected to be purchased after 2010.

2. Capital Expenditures

Capital expenditures are expected to range from approximately $5.0 million to $7.5 million for the years 2011 through 2015. The majority of these expenses are related to TerreStar-1's orbital performance incentive and maintenance of the core network.