

A monthly round-up of space industry developments for the information of our clients and friends.

BC Partners Completes Intelsat Purchase

Intelsat, Ltd. announced on February 4 the successful closing of the acquisition of all of the primary equity ownership of its parent, **Intelsat Holdings, Ltd.** by **Serafina Holdings, Ltd.**, an entity formed by funds advised by **BC Partners Holdings Limited, Silver Lake** and other equity investors. The US\$16.4bn deal, which sees the company renamed **Intelsat Global Ltd.**, was first agreed upon in June 2007, valuing Intelsat's equity at approximately \$5bn plus debt.

FCC Approves Liberty - DirecTV Deal

The **Federal Communications Commission (FCC)** on February 26 approved **Liberty Media Corp.**'s acquisition of **News Corp.**'s stake in **DirectTV Group Inc.** The \$11 billion transaction, announced in December 2006, provides for News Corp. to transfer its 38.4% controlling stake in DirecTV, \$550 million and three regional sports networks located in Denver, Pittsburgh and Seattle in exchange for Liberty Media's 16.3% equity interest in News Corp. The FCC's approval was conditioned on Liberty continuing to abide by pro-competitive program access requirements previously imposed on News Corp. and the disposition of attributable common ownership interests in cable TV and DirecTV operations in Puerto Rico.

February Satellite Orders

On February 26, **Thales Alenia Space** announced a contract to build the **W3B** satellite for **Eutelsat**. Scheduled for launch in the second quarter of 2010, the model **Spacebus 4000** spacecraft will be positioned at the 7°E.L. orbital location and equipped with 56 transponders (Ku-band and Ka-band) designed to deliver direct-to-home satellite television programming and broadband Internet services to customers in Europe, North Africa and the Middle East. W3B will have a launch mass of approximately 5,400 kg and a design life of 15 years. On February 27, **SES New Skies** announced that it has contracted SS/L to build its **NSS-14** satellite. Scheduled for launch in the fourth quarter of 2010, NSS-14 will be positioned at the 338°E.L. orbital location and will be fitted with 52 C-band and 72 Ku-band transponders designed to serve Europe, the Middle East, West Africa, North America and South America. Extensive cross-strapping between C- and Ku-band transponders is expected to provide enhanced connectivity. NSS-14 will have a launch mass of approximately 5,800 kg and a design life of 15 years.

EchoStar and Harbinger Invest in TerreStar

On February 9, **TerreStar Corporation** and its subsidiary **TerreStar Networks Inc.** (TerreStar) announced that **EchoStar Corporation, Harbinger Capital Partners Master Fund I, Ltd.** and **Harbinger Capital Partners Special Situations Fund LP** and other investors have committed a total of \$300m in investments in TerreStar, with \$200m made available at closing and the balance dedicated to funding the **TerreStar-2** satellite. The investment by EchoStar includes the purchase of \$50m of Exchangeable Notes issued by TerreStar and \$50m of additional secured PIK notes under TerreStar Corporation's existing indenture.

February Launches and Launch Orders

On February 11, **International Launch Services (ILS)** successfully launched the **Thor 5** satellite for **Telenor Satellite Broadcasting**. The launch was performed from the **Baikonur Cosmodrome** in Kazakhstan by a **Proton Breeze M** rocket. Built by **Orbital Sciences Corp.** using its **Star 2** model, Thor 5 weighed approximately 1,940 kg at launch and will be positioned at the 1°W.L. orbital location to provide a range of broadcasting and interactive services over the Nordic region, Europe and the Middle East. Thor 5 is equipped with 24 Ku-band transponders (15 for FSS and 9 for BSS) and has a design life of 15 years. On February 26, **ILS** and **S2M** announced an agreement for the launch using the Proton Breeze M rocket of the first dedicated mobile television satellite for the Middle East and North Africa (MENA) region. The satellite is being built by **Space Systems/Loral (SS/L)** based on its 1300 platform and will be equipped with an S-band payload to provide high-quality video and audio broadcasts via mobile phones and other personal mobile devices throughout the MENA region. On February 29, **ILS** announced that it will launch the **FM-6** satellite for **SIRIUS Satellite Radio** in late 2010 on a Proton Breeze M rocket as part of a multi-launch contract providing for the launch of a second SIRIUS satellite in the future. The FM-6 spacecraft, also being built by **SS/L** based on its 1300 platform, is designed to operate in a highly inclined elliptical orbit and will be equipped with an X-band uplink and an S-band downlink payload. With almost 20 kilowatts of end-of-life power, FM-6 will nearly double the power of the satellites in SIRIUS' in-orbit constellation.