



- SPECIAL EDITION: THE TOP-10 SPACE BUSINESS STORIES OF 2006 -

#1-M&A and JVs Redefine FSS Industry

Blockbuster merger and acquisition activity in 2006 transforms the Fixed Satellite Services landscape. **SES Global** acquires **New Skies Satellites** (March). **Thales Group** announces purchase of **Alcatel's** interests in **Alcatel Alenia Space** and **Telespazio** (April). **SES Astra** picks up **ND Satcom** (May). **Intelsat** completes its acquisition of **PanAmSat** (June). **SES Global** and **Eutelsat** collaborate to provide S-band multimedia broadcasting services (October). **Abertis** and **Caisse des Dépôts et consignations** purchase 32% and 25.5% stakes, respectively, in **Eutelsat Communications** for €1.07 billion and €862.7 million, marking the exit of Eutelsat's private equity owners. **Loral Space & Communications Inc.** and **Canadian Public Sector Pension Investment Board** ink a \$2.8 billion deal to purchase **Telesat Canada** (December). **Liberty Media Corp.** picks up **News Corp.'s** 38.5% stake in **DirectTV Group, Inc.** (December).

#2-Satellite Manufacturers Flush

23 commercial satellite orders announced in 2006. **Alcatel Alenia Space:** Turksat 3A, Ciel-2, W2A and W7. **Boeing Satellite Development Center:** MSV-1, -2 and -3. **EADS Astrium:** Nimiq 4, W2M (in cooperation with **ISRO**), HOTBIRD 9, HYLAS (in cooperation with **ISRO**), BADR-6, HOTBIRD 10 and ASTRA 3B. **Lockheed Martin Commercial Space Systems:** VINASAT-1. **Mitsubishi Electric Corporation:** Superbird-7. **Orbital Sciences Corporation:** AMC -21 (in cooperation with Alcatel Alenia Space) and NSS-9. **Space Systems/Loral:** Telstar 11N, AsiaSat 5, SIRIUS FM-5 and ProtoStar-1. **Surrey Technology Ltd.:** NIGERIASAT-2.

#3-MSS Sector Shows Resilience

The Mobile Satellite Services industry continued to demonstrate traction and growth as **Orbcomm Inc.** and **Globalstar Inc.** secured debt and equity financing facilities and completed IPOs. **TerreStar**, **MSV** and **ICO** moved forward with their planned hybrid space segment/ATC enabled systems while **Inmarsat** launched its broadband **BGAN** service world-wide and inked a comprehensive collaboration deal with **ACeS**. **Apax Partners France** acquired **Telenor Satellite Services**.

#4-Launch Services Sector Developments

In 2006 **Lockheed Martin** sells its interest in **ILS** and price inflation in Russia impacts the industry. However 22 commercial satellites are launched. **Ariane:** HOTBIRD 7A, Satmex 6, Thaicom 5, JCSAT-10, DIRECTV 9S, OPTUS D1, WildBlue-1 and AMC -18. **Atlas:** ASTRA 1KR. **Long March:** Sinosat-2. **Proton:** Arabsat-4A, KazSat-1, HOTBIRD 8, BADR-4 and MEASAT-3. **Rocket:** Kompsat-2 (Arirang-2). **Sea Launch:** EchoStar X, JCSAT-9, Galaxy 16, Koreasat 5 and XM-4. **Start-1:** EROS B.

#5- Satellite Radio Interest Continues

XM Satellite Radio and **SIRIUS Satellite Radio** respectively approached 8 million and 6 million subscriber marks and together attracted approximately 5 million net additions in 2006. **WorldSpace** faces growth challenges and **ONDAS Media** signs up development partners for service in Europe.

#6-Remote Sensing Industry Matures

Orbimage Holdings Inc. completes its acquisition of **Space Imaging LLC's** assets, re-brands as **GeoEye** and lists on **NASDAQ**. **DigitalGlobe** orders the **WorldView II** high resolution satellite capable of sub ½ meter resolution panchromatic images, and **ImageSat International N.V.** completes \$85 million recapitalization and launches its **EROS B** satellite with standard 0.7 meter panchromatic resolution. **Google Earth** and **Google Maps** become household names and **Microsoft** joins the fray with launch of its **Virtual Earth** mapping application.

#7-Galileo Marches On, Slowly

Galileo Industries GmbH executes €950 million contract for development and construction of the first four satellites (in-orbit validation phase) of the Galileo navigation system, however the **GIOVE-B** satellite is delayed and debate continues in Europe as to where the governmental body overseeing Galileo will be located.

#8-Satellite Broadband

WildBlue Communications Inc. launched its dedicated Ka-band **WildBlue-1** satellite in December and signed over 100,000 customers in the US. **iPStar** is quickly ramping up subscribers and in December launched nationwide service in China. **Hughes Network Systems, LLC** and **Avanti Communications Group plc** are developing systems in North America and Europe. Will satellite broadband finally take off?

#9-Space Tourism Closer to Reality

X-Prize sponsor **Anousheh Ansari** completes an eight-day **International Space Station** visit as part of the **Expedition 14** crew (fourth paying and first female customer to visit space). **Virgin Galactic's** five **SpaceShipTwo** spaceliners, under construction by **Scaled Composites**, are scheduled to begin customer flights in 2009. For \$200,000 or 2 million **Virgin Atlantic** frequent flier miles, you can sign-up for a 2.5 hour flight reaching an altitude of approximately 68 miles.

#10-Satmex Emerges, ProtoStar Rises

Satmex completes its restructuring process, successfully launches **Satmex 6**, emerges from Chapter 11 bankruptcy and is considering strategic and financing options. **ProtoStar Ltd.** raises \$250 million to finance the purchase and launch of the former **ChinaSat 8** satellite as it implements plans to serve DTH markets in Asia.

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