



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

EchoStar \$1.5 Billion Notes Offering

EchoStar Communications Corporation announced on January 20 that its subsidiary, **EchoStar DBS Corporation**, has priced an offering of \$1.5 billion aggregate principal amount of senior debt securities. The debt securities will be issued in a private placement transaction as 7-1/8% Senior Notes due 2016 and the proceeds of the offering will be applied to redeem EchoStar DBS Corporation's outstanding 9-1/8% Senior Notes due 2009 and for general corporate purposes. The sale of the Notes is expected to close in early February, subject to customary conditions. In an unrelated development, EchoStar announced that its DISH™ Network satellite service will launch high-definition local channels in up to 50 U.S. markets (50% of U.S. television households) in 2006.

January Satellite Orders

On January 11, **Mobile Satellite Ventures** (MSV) and **Boeing's Satellite Development Center** announced that they had entered into a contract worth between \$500 million and \$1 billion (depending on options) for the construction and delivery of 3 next generation L-band satellites and certain related ground elements. The spacecraft, based on Boeing's **702** platform, will include a primary mesh antenna almost 75 feet across (twice as large as previous satellites), generate 11,000 Watts of power at end-of-life and include a qualified digital channelizer that will enable up to 10,000 simultaneous voice links. The satellites will form the backbone of MSV's planned hybrid space segment/**Ancillary Terrestrial Component** communications network designed to enable small, low-cost handsets to support both satellite and cellular operations. MSV expects the first two spacecraft, **MSV-1** and **MSV-2**, with coverage of Canada, the U.S. (including Alaska, Hawaii and Puerto Rico), the Caribbean Basin and Mexico, to be delivered and launched in 2009 and 2010. On January 17, **Telesat Canada** announced its selection of **EADS Astrium** for construction of **Nimiq 4**, a new direct broadcast satellite. Based on the powerful **E3000** version of the **Eurostar** platform, Nimiq 4 will be equipped with 32 Ku-band and 8 Ka-band transponders, have a launch mass of 4,800 kilograms and 12 kW of spacecraft power at end-of-life. The satellite, scheduled for launch and deployment to the of 82°W orbital position in 2008 by an **International Launch Services Proton/Breeze M** rocket, will enable Telesat's customer, **Bell ExpressVu**, to expand its offering of advanced digital broadcast services, including high-definition and specialty channels.

WildBlue Closes \$200 Million Financing

WildBlue Communications Inc. announced on January 10 that it closed a secured credit facility of over \$200 million to fund the continued growth of its high speed Internet access business. The lending group was led by **Liberty Media Corporation**, the largest WildBlue shareholder. The **National Rural Telecommunications Cooperative**, also a major shareholder, and **TimesArrow LLC**, affiliated with one of WildBlue's founders, also participated in the facility. WildBlue introduced its satellite-based Internet service in June of 2005 and currently serves 25,000 customers via its payload on board **Telesat's Anik F2** satellite. It is expected that the financing will facilitate the completion and launch of WildBlue's dedicated **WildBlue-1** Ka-band satellite, manufactured by **Space Systems/Loral**, before the end of 2006.

Galileo In-Orbit Validation Proceeds

On January 19, the **European Space Agency** and **Galileo Industries GmbH** signed a €950 million contract for the development and construction of the first four satellites of the Galileo navigation system and their associated ground systems in a ceremony attended by several of the top companies involved in the program (**EADS Astrium**, **Alcatel Alenia Space**, **Thales**, **Galileo Sistemas y Servicios** and **Galileo Industries**). Following in-orbit validation, the full deployment phase will cover the construction and launch of the remaining 26 satellites and completion of the ground segment.

ORBCOMM \$110 Million Equity Round

On January 4, **ORBCOMM**, the operator of a low earth orbit global satellite-based asset tracking, telematics and short messaging network, concluded a \$110 million equity financing round led by **Pacific Corporate Group** and including **MH Equity Investors**, **Torch Hill Capital** and as well existing investors **Ridgewood Capital**, **OHB Technology AG**, **Northwood Ventures** and senior company management. Proceeds of the financing will be used primarily to fund ORBCOMM's satellite fleet replenishment program.

Globalstar Granted ATC License

On the heels of a January 20 approval by the U.S. **Federal Communications Commission** to install an **Ancillary Terrestrial Component** network, **Globalstar** announced a 46% increase in subscribers (to 195,000) during 2005. This year, Globalstar intends to proceed with a second-generation satellite system to be financed by the public equity markets.

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