

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

### Intelsat Finalizes \$10b Debt Refinancing

On July 15, **Intelsat, Ltd.** announced the finalization of its debt restructuring process following the offering by its subsidiary, **Intelsat Corporation**, of \$658.119m of 9¼% senior notes due August 15, 2014 and \$580.719m of 9¼% senior notes due June 15, 2016. The net proceeds of these notes, together with cash on hand, will be used to repay in full Intelsat Corporation's outstanding senior unsecured backstop loan credit agreements. These loans were incurred in connection with the funding of the change of control offers required by Intelsat Corporation as a result of the acquisition of **Intelsat Holdings, Ltd.** by **Serafina Holdings**, an entity formed by funds advised by **BC Partners Holdings Ltd.**, **Silver Lake Partners** and certain other equity investors. Prior to the offering of these notes, Intelsat previously completed debt issuances of approximately \$8.8b, bringing the total amount of refinanced debt to over \$10b.

### July Satellite Orders

On July 10, **RascomStar-QAF**, the Pan-African satellite operator, authorized **Thales Alenia Space** to start work on a replacement satellite identical to the **Rascom-QAF1** satellite, currently in orbit at the 2.85°EL orbital location. Most of the costs associated with manufacturing the replacement satellite will be covered by the insurance proceeds received by RascomStar-QAF for the partial loss of Rascom-QAF1, which experienced a leak in its helium-pressurization system following its December 2007 launch reducing its operational life from 15 to 2.5 years.

**Arianespace** is expected to launch the satellite in mid 2010. **SES Astra** announced on July 15 that it has selected **EADS Astrium** to build the **ASTRA 1N** spacecraft. Based on the **Eurostar 3000** platform, the satellite will be equipped with 55 Ku-band transponders with pan-European coverage and is designed to provide direct-to-home (DTH) television and radio services in Germany, France and Spain from the 19.2°EL orbital location. Scheduled for launch in 2011, Astra 1N expected to operate in orbit for 15 years.

### World Summit for Satellite Financing

As part of the **Euroconsult World Satellite Business Week**, the 2008 **World Summit for Satellite Financing** will be held at the Westin Hotel in Paris on Sept. 9-11. **Milbank** is proud to once again be an official partner for this highly-regarded industry event.

### FCC Approves Sirius-XM Merger

On July 25, the U.S. **Federal Communications Commission** (FCC) approved in a 3-2 vote the \$3.5b merger of **Sirius Satellite Radio Inc.** and **XM Satellite Radio Holdings Inc.** The approval is subject to the voluntary commitments of Sirius and XM, including a freeze on subscription pricing for 36 months after consummation of the transaction, new offerings of select programming on an a la carte basis, the introduction of radios that receive signals from both broadcasters and a set-aside of channels for community based and minority programming. The approval brings to a close a 17-month long merger process and will create a company with 18 million subscribers.

### Harbinger Finances SkyTerra and MSV

On July 25, **SkyTerra Communications, Inc.** and **Mobile Satellite Ventures LP** (MSV) announced that **Harbinger Capital Partners Fund** (Harbinger) will provide \$500m of debt financing to fund SkyTerra's business plan through the third quarter of 2010. In addition, SkyTerra and MSV have entered into a Master Contribution and Support Agreement with affiliates of Harbinger regarding the possible combination of SkyTerra and **Inmarsat plc.**

### July Launches

On July 7, **Arianespace** placed into orbit two satellites, **ProtoStar I** for Bermuda-based **ProtoStar Ltd.**, and **BADR-6** for **Arabsat**, on an **Ariane 5 ECA** vehicle. ProtoStar I was built by **Space Systems/Loral** based on its **1300** platform and is equipped with 16 Ku-band and 36 C-band transponders to provide DTH television and broadband Internet services to South and South-East Asia from the 98.5°EL orbital location. BADR-6 was manufactured by a joint team consisting of **EADS Astrium** and **Thales Alenia Space** based on the **Eurostar 2000+** platform and is equipped with 24 C-band and 20 Ku-band transponders to provide DTH services to the Persian Gulf region from its 26°EL orbital location. On July 15, **Sea Launch Company, LLC** successfully orbited the **EchoStar XI** direct broadcast satellite for **DISH Network Corporation**. The launch was performed on a **Zenit-3SL** rocket with a **Block DM** upper stage. The 5,511 kg (launch mass) spacecraft was built by **Space Systems/Loral** based on its **1300** series platform, is equipped with 29 high power Ku-band transponders and will be positioned at the 110°WL orbital location to serve customers throughout the United States.

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