

Space Business Review

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

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AVANTI \$370M NOTES OFFERING

On September 27, satellite data communications company **Avanti Communications Group PLC** (Avanti) completed its inaugural bond issuance by successfully placing \$370m in Senior Secured Notes due 2019 with a coupon of 10%. Avanti plans to use the net proceeds of the offering primarily to refinance existing debt facilities, affording the company a more flexible financing structure in addition to extending its debt maturity profile to 2019. **Jefferies LLC** and **UBS Investment Bank** served as Joint Global Coordinators for the offering. Avanti was advised on the offering by **Rothschild**.

SIRIUS XM \$650M NOTES OFFERING

On September 19, **Sirius XM Radio Inc.** (Sirius XM) priced an offering of \$650m of Senior Notes due 2020 bearing interest at an annual rate of 5.875%. Sirius XM announced on September 25 that it intends to use the net proceeds of the offering, together with cash on hand, to redeem all of its outstanding 7.625% Senior Notes due 2018, of which roughly \$540m remain outstanding.

IRIDIUM UNVEILS PRIME

On September 9, **Iridium Communications Inc.** (Iridium) announced **PRIME**, a revolutionary, turnkey hosted payload solution that leverages Iridium's **NEXT** system to offer hosting of payloads on stand-alone satellites together with launch, ground infrastructure, two-way payload control, high-speed inter-satellite links and global coverage, thereby reducing the complexity, delays and costs of satellite mission development and operation. **PRIME** customers may take all of a satellite's payload capacity or share capacity with other customers. Possible missions include earth observation, weather monitoring and communications. **Thales Alenia Space**, prime contractor for the Iridium **NEXT** satellites, will produce a new platform for **PRIME** satellites, which may be launched beginning in late 2017.

ISS TO MANUFACTURE AONESAT-1

On August 28, **JSC ISS - Reshetnev Company** announced that it was selected by **AOneSat Communications AG** to manufacture the **AOneSat-1** satellite based on the **Express-1000H** platform. Expected to be launched in 2016, **AOneSat-1** will provide communications and TV broadcast services to users in Latin America.

ILS LAUNCHES ASTRA 2E FOR SES

On September 30, **International Launch Services Inc.** successfully launched the **ASTRA 2E** satellite for **SES S.A.** on an **ILS Proton** launch vehicle. Manufactured by **EADS Astrium** based on its **EuroStar E3000** platform, **ASTRA 2E** is equipped with 60 Ku- and 4 Ka-band transponders and will deliver broadband and DTH services across Europe, the Middle East and Africa from the 28.2°E orbital location.

SEPTEMBER LAUNCH SERVICES ORDERS

September 9 – **Lockheed Martin Commercial Launch Services** announced that it was selected by the **Secretaria de Comunicaciones y Transportes** of Mexico to launch the **Morelos-3** satellite, also known as **MEXSAT-2**, on an **Atlas V** launch vehicle as soon as 2015. Manufactured by **The Boeing Company** based on its **702HP** platform, **Morelos-3** is the third and final satellite of the **MEXSAT** system, which will provide telecommunications services to the Mexican government and for rural areas in Mexico.

September 9 – **Arianespace S.A.** announced several **Ariane 5** launch services awards: for **DIRECTV, LLC**, in 2015, a small DTH satellite, being manufactured by **Orbital Sciences Corporation**, and, in 2016, the **IS-32** satellite, which hosts the **SKY Brasil-1** payload, being manufactured by **EADS Astrium**, with both satellites to provide HD, 3-D TV and cinema programming; for **Star One S.A.**, in 2016, the **Star One D1** satellite, being manufactured by **Space Systems/Loral, LLC**, to provide DTH, broadband and telecommunications services; for **Intelsat S.A.**, in 2015, the **Intelsat 34** satellite, being manufactured by **Space Systems/Loral, LLC**, to deliver media distribution and broadband services; for **Visiona Tecnologia Espacial S.A.**, in 2016, the **Geostationary Defense and Strategic Communications (SGDC)** satellite, being manufactured by **Thales Alenia Space**, to provide civil and military telecommunications services; and for **SKY Perfect JSAT Corporation**, in 2015, a new, currently undisclosed satellite.

September 26 – **Mitsubishi Heavy Industries, Ltd.** announced that it was awarded its first commercial launch services contract, having been selected by **Telesat Canada** to launch the **Telstar 12VANTAGE** satellite on an **H-IIA** launch vehicle in 2015. To be manufactured by **EADS Astrium**, **Telstar 12 VANTAGE** will replace the **Telstar 12** satellite at the 15°W orbital location to expand Ku-band coverage of South America, Europe, the Middle East and Africa.