

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

### MDA to Acquire Space Systems/Loral

On June 26, Canada's **MacDonald, Dettwiler and Associates Ltd.** (MDA) and **Loral Space and Communications Inc.** (Loral) announced the acquisition by MDA of wholly-owned Loral subsidiary **Space Systems/Loral** (SS/L) for \$875m in cash. The addition of a U.S.-based prime satellite manufacturing business to MDA's existing surveillance, intelligence, communications and advanced technology divisions will help achieve MDA's stated desire to increase its U.S. market presence and diversify its business. Following consummation of the transaction, which remains subject to regulatory approvals and closing conditions, MDA will have combined annual revenues of \$1.9b (2011) and a combined backlog of \$2.8b (as of March 31, 2012).

### June Satellite Orders

June 24 – **Space-Communication Ltd.** (Spacecom) announced the selection of **Israel Aerospace Industries Ltd.** (IAI) to manufacture the **AMOS-6** satellite. IAI has in turn selected MDA to provide the satellite's communications payload. AMOS-6 will replace the **AMOS-2** satellite at 4°W following its launch in 2014 or 2015.

June 25 – **Hispasat S.A.** announced its procurement of the **Amazonas 4A** and **Amazonas 4B** satellites from **Orbital Sciences Corporation** (Orbital). Both satellites will be based on Orbital's **GEOSTAR** platform and will be used to provide enhanced coverage of South America, from 61°W. Amazonas 4A, scheduled for launch in early 2014, will carry 24 Ku-band transponders. The design details of Amazonas 4B, which will be based on a new, higher-power version of the GEOSTAR platform and launched in 2015, have yet to be determined.

### CIC Purchases Eutelsat Stake from Abertis

On June 22, **China Investment Corp.** (CIC) agreed to purchase a 7% stake in **Eutelsat Communications S.A.** (Eutelsat) from **Abertis Infraestructuras S.A.** (Abertis) for \$438m. The sale leaves Abertis with a 8.35% stake in the company, having earlier this year sold a 16% stake in Eutelsat in a private placement. CIC has agreed not to dispose of its newly acquired shares until the end of the 6 month lock-up period to which Abertis agreed in its previous sale.

### Ex-Im Bank Loans for NewSat and Vietnam

On June 18, **NewSat Ltd.** (NewSat) announced that it received preliminary approval from the **U.S. Export-Import Bank** (Ex-Im) for a \$280m direct loan to finance the **Jabiru-1** satellite. According to NewSat, this loan, together with an expected \$100m loan to be supported by French export credit agency **Compagnie Française d'Assurance pour le Commerce Extérieur**, will fully fund the manufacture and launch of Jabiru-1. As a condition for its export credit agency loans, NewSat must raise \$200m in new equity. Jabiru-1, which is being built by **Lockheed Martin Space Systems Company**, will be launched in 2014 by **Arianespace S.A.** On June 26, U.S. President Barack Obama issued a Presidential Determination to permit a \$125.8m direct loan by Ex-Im to **Vietnam Post and Telecommunications Group** to finance the procurement of the **Vinasat-2** satellite from **Lockheed Martin**. Ex-Im's charter requires a waiver from the President in cases involving a loan of more than \$50m to a Marxist-Leninist country. Both the NewSat and Vietnam loans will be subject to a mandatory 35-day Congressional review period before final approval.

### Eutelsat to Acquire GE-23

Eutelsat announced on June 19 that it will establish a presence in the Asia-Pacific region with the acquisition of the **GE-23** satellite, associated customer contracts and orbital rights from **GE Capital** for \$228m. Based on the **Thales Alenia Spacebus 4100** platform and equipped with 20 Ku-band and 18 C-band transponders, GE-23 was launched in 2005 and operates at 172°E.

### June Launch Services Orders

June 20 – **Arianespace S.A.** and **EADS Astrium** (Astrium) of France announced a contract for the launch of the **DZZ-HR** optical Earth observation satellite, currently being manufactured by Astrium for the government of the **Republic of Kazakhstan**, on the **Vega** launch vehicle in the second quarter of 2014.

June 22 – **International Launch Services** (ILS) announced a contract with **Asia Satellite Telecommunications Co. Ltd.** for a single launch service on the **ILS Proton** launch vehicle as early as 2014. The launch service may be used for either **AsiaSat 6** or **AsiaSat 8** (both currently being built by SS/L) or its planned **AsiaSat 9** satellite.