Space Business Review

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

Intelsat Senior Notes Offering

On September 19, ***Intelsat S.A.*** announced the sale, through subsidiary ***Intelsat Jackson Holdings S.A.*** (Intelsat Jackson), of $640m aggregate principal amount of $6^5/_8$% senior notes due 2022 at an offering price of 100%. Intelsat Jackson is expected to use the net proceeds from the sale primarily for the purpose of purchasing all of its outstanding approximately $603m aggregate principal amount of $11^1/_4$% Senior Notes due 2016 tendered in connection with Intelsat Jackson's tender offer and consent solicitation announced on September 19.

Iridium $100m Private Offering

On September 28, ***Iridium Communications Inc.*** (Iridium) announced a private offering of 1m shares of 7% Series A Cumulative Perpetual Convertible Preferred Stock, with a liquidation preference of $100 per share. Holders of the preferred stock will have the option of converting each of their shares into 10.6022 shares of common stock. On or after October 3, 2017, however, Iridium may direct the conversion of any shares of the preferred stock into common stock at the then prevailing conversion rate. Iridium intends to use the net proceeds from the offering to fund the development of ***Iridium NEXT*** and for general corporate purposes.

ViaSat $300m Senior Notes Add-On

On September 27, ***ViaSat, Inc.*** (ViaSat) announced that it will issue an additional $300m in aggregate principal amount of its $6^7/_8$% Senior Notes due 2020, with $275m in aggregate principal amount already outstanding, at a price equal to 103.5% of face value. ViaSat intends to use the net proceeds from the offering to repurchase all of its outstanding $8^7/_8$% Senior Notes due 2016 and for general corporate purposes.

Japan Privatizes H-2B Launch Operations

On September 27, ***JAXA***, Japan's space agency, announced that ***Mitsubishi Heavy Industries, Ltd.*** has assumed responsibility for future launches of Japan's ***H-2B*** launch vehicle from the Japanese government. Industry analysts believe that the privatization of H-2B operations may substantially reduce production and operating costs, thereby making H-2B a more attractive alternative – and Japan a more prominent player – in the global commercial launch services market.

September Launch Services

On September 28, ***Arianespace S.A.*** successfully launched the ***ASTRA 2F*** and ***GSAT-10*** satellites for ***SES S.A.*** and the ***Indian Space Research Organisation*** (ISRO), respectively, on an ***Ariane 5 ECA*** launch vehicle. ASTRA 2F, manufactured by ***EADS Astrium*** based on its ***Eurostar E3000*** platform, carries Ku- and Ka-band payloads and will serve markets in Europe, the Middle East and Africa from 28.2°E. GSAT-10, manufactured by ISRO based on its ***I-3K*** platform, carries 12 C-band, 6 extended C-band and 12 Ku-band transponders, and a navigation payload, and will operate at 83°E.

September Satellite Orders

On September 4, ***Intelsat S.A.*** (Intelsat) announced that it has selected ***Boeing Satellite Systems International, Inc.*** (Boeing) to manufacture the ***Intelsat 29e*** satellite, the first of the ***Intelsat Epic^{NG}*** system of high-throughput communications satellites, based on Boeing's ***702MP*** platform. Scheduled for launch in 2015, Intelsat 29e will provide bandwidth for fixed and mobile services throughout North and South America and the North Atlantic maritime and aeronautical routes.

September Launch Services Orders

September 10 – ***Arianespace S.A.*** and ***Hispasat S.A.*** announced agreements for the launches of the ***Amazonas 4A*** satellite, on an ***Ariane 5*** or ***Soyuz*** launcher in early 2014, and the ***Hispasat AG1*** satellite, on an ***Ariane 5*** launcher in late 2014. Amazonas 4A, which is being manufactured by ***Orbital Sciences Corporation*** based on its ***GEOStar 2.4*** platform, will carry 24 Ku-band transponders and operate at 61°W. Hispasat AG1, which is being developed by ***OHB System AG***, the ***European Space Agency*** and Hispasat S.A., will carry up to 20 Ku-band and 3 Ka-band transponders and a number of reconfigurable beams.

September 11 – ***Arianespace S.A.*** and ***SKY Perfect JSAT Corporation*** (SJC) signed a multi-launch services agreement, intended to provide SJC future launch availability and flexibility for multiple satellites.

September 12 – ***Space Exploration Technologies Corp.*** and ***SES S.A.*** announced an agreement for the launch of three satellites on the ***Falcon 9*** or ***Falcon Heavy*** launch vehicles beginning in 2015.

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