

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

### Arabsat Acquires Majority Stake in Hellas-Sat

On February 7, the **Arab Satellite Communications Organization** (Arabsat), and the **Hellenic Telecommunications Organization SA** (OTE) signed an agreement for the acquisition by Arabsat, through wholly-owned subsidiary **Arabsat Cyprus Ltd.**, of OTE's 99.05% equity stake in **Hellas-Sat Consortium Ltd.** (Hellas-Sat) for a purchase price of approximately \$281m. The transaction, which remains subject to regulatory approvals, is expected to close during Q2 2013. Hellas-Sat currently operates the **Hellas-Sat 2** satellite, which provides coverage to Europe, the Middle East and South Africa, and maintains the exclusive right to use the 39°E orbital slot and all of its associated frequencies from Greece and Cyprus. Arabsat has already announced plans for a new satellite, **Hellas-Sat 3**, to replace Hellas-Sat 2 and provide additional capacity at 39°E for existing and future customers. Arabsat's acquisition of Hellas-Sat falls in line with Arabsat's broader stated plans to grow from a regional to a major global satellite operator.

### DigitalGlobe and GeoEye Complete Merger

On January 31, **DigitalGlobe, Inc.** (DigitalGlobe) and **GeoEye, Inc.** (GeoEye) announced the consummation of the merger of the two companies. The combined company, which will operate under the DigitalGlobe name, has a market capitalization of \$2.1b and boasts improved qualities, such as a more diverse revenue base, a larger satellite constellation, more efficient imagery collection, processing and analytics capabilities and a stronger financial profile. In connection with the merger, GeoEye discharged, and called for redemption of, all of its 75 outstanding 9.625% Senior Secured Notes due 2015 and 8.625% Senior Secured Notes due 2016 while DigitalGlobe entered into new senior secured credit facilities in the aggregate amount of \$700m. DigitalGlobe's new senior secured credit facilities consist of a term loan facility in the amount of \$550m and a revolving credit facility in the amount of \$150m. DigitalGlobe used the full amount of the term loan facility to fund its combination with GeoEye but had not drawn under the revolving credit facility at the time of completion of the merger.

### Arabsat's Badr-7 to Host EMC Payload

On February 18, **Emerging Markets Communications, LLC** (EMC) and Arabsat announced an agreement for Arabsat to host a Ka-band payload for EMC aboard Arabsat's planned **Badr-7** satellite. EMC will use the Ka-band payload, designed and acquired exclusively by EMC based on its own patented technologies, to provide broadband services to 34 countries across Europe, the Middle East, Africa and Central Asia. **EADS Astrium** is currently manufacturing Badr-7 based on its **Eurostar E3000** platform, while **Thales Alenia Space** (Thales) is supplying the satellite's payload. Badr-7 is scheduled for launch in Q4 2015 by **Arianespace S.A.** (Arianespace) to Arabsat's 26°E orbital slot.

### February Launch Services

**February 6** – Arianespace affiliate **Starsem S.A.** successfully launched six satellites for **Globalstar, Inc.** (Globalstar) on a **Soyuz** launch vehicle, marking the fourth and final Soyuz launch for the deployment of Globalstar's second generation constellation of 24 LEO satellites. The satellites, each manufactured by Thales and equipped with 16 transponders from C- to S-band and 16 receivers from L- to C-band, will be used to provide mobile voice and data services.

**February 7** – Arianespace successfully launched the **Amazonas 3** and **Azerspace/Africasat-1** satellites for the **HISPASAT Group** and **Azercosmos OJSC** respectively on an **Ariane 5** launch vehicle. Amazonas 3, manufactured by **Space Systems/Loral, Inc.**, is equipped with 33 Ku-band and 19 C-band transponders and 9 Ka-band spot beams and will provide DTH, telephony and broadband services to the Americas, North Africa and Europe from the 61°W orbital slot. Azerspace/Africasat-1, manufactured by **Orbital Sciences Corporation**, carries 24 C-band and 12 Ku-band transponders and will provide communications services to Azerbaijan, Central Asia, Europe and Africa from the 46°E orbital slot.

### February Launch Services Orders

On February 8, **Eutelsat Communications S.A.** (Eutelsat) and Arianespace announced an agreement for up to four launches over the course of 2016 and 2017, with launch vehicles to be assigned per satellite at a later date, affording Eutelsat assurance and flexibility for its ongoing in-orbit expansion.

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