

Space Business Review

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

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GOOGLE TO ACQUIRE SKYBOX

On June 10, **Google Inc.** (Google) and **Skybox Imaging, Inc.** (Skybox) announced that they entered into an agreement whereby Google will acquire Skybox for \$500m in cash, subject to adjustments. According to industry analysts, the acquisition falls in line with Google's broader efforts to further develop its satellite imagery, navigation and geo-location capabilities. Skybox has already launched one satellite in its planned 24-satellite commercial earth observation constellation that will provide customers access to cost-effective high resolution imagery, video and related analytics/data. The transaction remains subject to customary approvals and closing conditions.

AVANTI SENIOR NOTES ADD-ON

On June 12, satellite data communications company **Avanti Communications Group plc.** (Avanti) announced that it successfully placed \$150m in Senior Secured Notes due 2019 as an addition and amendment to its inaugural bond offering in September 2013. The Senior Secured Notes were issued at a premium of 105% to the September 2013 issue price, resulting in a Yield to Maturity of 8.575% and proceeds of \$157.5m. Avanti plans to use the proceeds from the offering to commence work on its **HYLAS 4** satellite project. **HYLAS 4** is scheduled for launch in 2017 to serve customers in Europe and Africa.

ABERTIS DIVESTS EUTELSAT SHARES

On June 3, Spanish telecommunications infrastructure and toll-road company **Abertis Infraestructuras, S.A.** (Abertis) announced that it sold its remaining stake in **Eutelsat S.A.** (Eutelsat), consisting of 11.027m shares, or 5.01% of Eutelsat's equity, to qualified investors for roughly \$375m. Abertis began to sell its holdings in Eutelsat in 2012. Industry observers expected this latest and final sale in light of Abertis' efforts to shift focus to its ownership of **Hispasat, S.A.**

ISC KOSMOTRAS 33-SATELLITE LAUNCH

On June 19, **ISC Kosmotras JSC** successfully launched 33 small satellites, ranging in size from several hundred kg to less than 5 kg, on a Russian-Ukrainian **Dnepr** silo-based launcher from the **Yasny** spaceport. The launch included satellites for **Planet Labs, Inc.** of the United States and the **Government of Kazakhstan.**

EUTELSAT PLANS ASIA-PACIFIC HTS

On June 19, **Eutelsat Communications S.A.** (Eutelsat) announced plans for a new high-capacity satellite, **EUTELSAT 172B**, to serve the Pacific-Asia region from the 172°E orbital position. Expected to be launched in 2017, **EUTELSAT 172B** will be equipped with C- and Ku-band payloads, as well as the Pacific Ocean region's first ever High Throughput payload, and will provide data, video and fixed and mobile broadband services. **Panasonic Avionics Corporation** (Panasonic) has already signed a long-term agreement with Eutelsat subsidiary **Eutelsat America Corp.** to be the satellite's anchor tenant. Panasonic intends to use much of the new satellite's capacity to provide in-flight broadband and live TV services to commercial airlines operating across the Asia-Pacific region.

INTELSAT, MULTI-CHOICE CAPACITY DEAL

On June 11, **Intelsat S.A.** (Intelsat) announced that it signed a 15-year service agreement with Africa's leading pay-TV provider, **MultiChoice Africa (Pty) Ltd** (MultiChoice), for the lease of capacity on a new hybrid C- and Ku-band satellite, to be designated **Intelsat 36**. Pursuant to the service agreement, MultiChoice will lease all of the satellite's Ku-band capacity, consisting of roughly 30 transponders, and will make between \$75m and \$100m of its lease payments in advance of the satellite's launch. Intelsat plans to use such payments to defray part of the satellite's manufacturing costs. Intelsat 36 is expected to be launched in late 2016 and co-located with the **Intelsat 20** satellite at the 68.5°E orbital position.

ARABSAT, INMARSAT CO-PROCUREMENT

On June 5, **Thales Alenia Space** announced that it was selected by **Inmarsat plc** (Inmarsat) and **Arab Satellite Communications Organization** (ARABSAT) to manufacture a "condominium" satellite based on its **Spacebus 4000 C4** platform. Designated **Inmarsat-S EuropaSat** by Inmarsat and **Hellas-Sat 3** by ARABSAT, the satellite will be equipped with S-, Ka- and Ku-band payloads to be used for mobile communications by Inmarsat and satellite TV by ARABSAT subsidiary **Hellas-Sat Consortium Limited** (Hellas-Sat). The satellite is expected to be launched in late 2016 and located at the 39°E orbital position assigned to Hellas-Sat.