

Space Business Review

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

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EXPORT CREDIT DEVELOPMENTS

Satellite financing is now the fastest-growing sector at the **U.S. Export-Import Bank (Ex-Im)**, having risen from \$50m to \$1b in loans per year since 2010. According to Ex-Im, more than 60% of all U.S.-manufactured commercial satellites are now supported by Ex-Im financing. In a separate development, the **Export Insurance Agency of Russia (EXIAR)** announced plans to actively support **ILS International Launch Services Inc.** by providing export credit insurance for projects involving the launch services provider. Unlike certain export credit agencies, EXIAR is not constrained by specific Russian content thresholds and has the flexibility to support the other, non-Russian elements of a given satellite project.

SES \$1B U.S. BOND OFFERING

On March 18, **SES S.A. (SES)** priced its second ever U.S. bond offering, raising \$1b through two tranches. Issued by **SES Global Americas Holdings GP**, the offering consists of \$500m in 2.5% notes due 2019 and \$500m in 5.3% notes due 2044, in both cases at a price equal to 99.436% of the principal amount. SES plans to use the offering's net proceeds to refinance existing debt and for general corporate purposes.

ARABSAT-TELESAT HOSTED PAYLOAD

On March 7, **Arab Satellite Communications Organization** announced its plans to procure 4 next generation satellites, to include the **Hellas-sat-4** satellite, which will carry a Ku-band hosted payload for lifetime use by **Telesat Canada**. Expected to be launched in 2017 and operated at the 39°E orbital position, Hellas-sat-4 will be equipped with both Ka- and Ku-band transponders and will provide coverage of Europe and the Mediterranean.

ORBCOMM STRATEGIC ACQUISITION

On March 12, **ORBCOMM Inc. (ORBCOMM)** announced that it acquired **Euroscan Holdings, B.V.**, a leading global supplier of refrigerated transportation temperature monitoring systems, for \$29m, approximately 90% of which was paid in cash, with the remaining 10% provided in equity. Analysts have noted that the acquisition supports ORBCOMM's strategy to add vertical expertise, technologies and geographic markets to strengthen its M2M solutions portfolio.

MARCH LAUNCHES

March 17 – A **Proton** launch vehicle successfully launched the **Express-AT1** and **Express-AT2** satellites, both for the **Russian Satellite Communications Co. (RSCC)**, under the Russian Federal launch program. The satellites were manufactured jointly by **JSC ISS – Reshetnev Company**, which supplied the satellite platforms, and **Thales Alenia Space**, which supplied the payloads. Express -AT1 is equipped with 32 Ku-band transponders and will be operated at the 42°E orbital position. Express-AT2 is equipped with 16 Ku-band transponders and will be operated at the 140°E orbital position. RSCC has leased most of the capacity on the satellites to **Eutelsat S.A.** for 15 years. **March 22** – **Arianespace S.A.** successfully launched the **ASTRA 5B** satellite for **SES S.A. (SES)** and the **Amazonas 4A** satellite for **Hispasat S.A.** on an **Ariane 5** launch vehicle. ASTRA 5B, manufactured by **Airbus Defence and Space** based on its **Eurostar E3000** platform, is equipped with 40 Ku- and 6 Ka-band transponders. To be located at the 31.5°E orbital position, ASTRA 5B will expand SES capacity and coverage over Central and Eastern Europe, Russia and the Commonwealth of Independent States for DTH, direct-to-cable and contribution feeds to digital terrestrial television networks. ASTRA 5B also carries the second SES hosted L-band payload for the **European Commission's European Geostationary Navigation Overlay Service (EGNOS)**, which will provide GPS signal-verification services across Europe and parts of Africa. **Amazonas 4A**, manufactured by **Orbital Sciences Corporation** based on its **Geostar 2.4e** platform, is equipped with 24 Ku-band transponders and will provide audiovisual services to users in Latin America from a currently unannounced orbital position.

MHI TO DEVELOP JAPANESE LAUNCHER

On March 25, the **Japanese Aerospace Exploration Agency (JAXA)** announced, following an international tender, that it selected **Mitsubishi Heavy Industries, Ltd. (MHI)** to serve as prime contractor for the development of its new flagship launch vehicle. MHI will begin work on upgrading JAXA's existing launch vehicles, the **H-IIA** and **H-IIB**, in April of this year, with the maiden launch of the new launch vehicle targeted for 2020.