

Space Business Review

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

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BEIJING XINWEI TO ACQUIRE SPACECOM

On August 24, **Beijing Xinwei Technology Group** (Xinwei) and **Space-Communication Ltd.** (Spacecom) announced the sale of Spacecom to Xinwei subsidiary **Luxembourg Space Telecommunication S.A.** for \$285m, representing a 44% premium on Spacecom's average trading price over the last three months. Following closing of the transaction, Xinwei plans to privatize Spacecom; however, based on the terms of the transaction and due to Spacecom's regulatory licenses, Spacecom will remain an Israeli company and will continue to operate its satellites from Israel.

EUTELSAT AGREES TO SELL WINS STAKE

On August 8, **Eutelsat Communications S.A.** (Eutelsat) announced that it entered into an agreement with **SpeedCast International Limited** (SpeedCast) whereby SpeedCast will acquire Eutelsat's 70% ownership interest in maritime connectivity services provider **WINS Limited** for a purchase price based on a total enterprise value of approximately €60m.

DISH CLOSSES \$3B BOND OFFERING

On August 8, **DISH Network Corporation** (DISH) announced that it priced, on August 3, and closed a \$3b offering of 3.375% convertible notes due 2026. The notes are convertible at an initial price of \$65.18 per share of class A common stock or may be settled by DISH in cash. DISH simultaneously entered into convertible note hedge and warrant transactions to raise the notes' conversion premium, to reduce the potential dilutive impact on shareholders and to offset cash payments that may be required of DISH. DISH plans to use the approximately \$2.72b in net proceeds from the offering for strategic transactions, some of which may relate to wireless and spectrum assets, and for other general corporate purposes. Earlier, on August 2, DISH announced that it is planning a separate offering of convertible notes in an aggregate principal amount of \$2b, with an option to purchase an additional \$400m.

YUZHNOYE COMING TO NORTH AMERICA

On September 1, **Yuzhnoye State Design Office** announced that it received authorization from the **State Space Agency of Ukraine** to establish operations, including a launch facility, in North America for performing launches using the **Cyclone 4** launch vehicle. The company is targeting an all-inclusive price of \$45m for 3700kg payloads to sun synchronous orbit.

AUGUST LAUNCH SERVICES

August 14 – **Space Exploration Technologies Corp.** (SpaceX) successfully launched the **JCSAT-16** satellite for **SKY Perfect JSAT Corporation** on a **Falcon 9** launch vehicle and, following stage separation, successfully landed the first stage of the Falcon 9 on its **Of Course I Still Love You** droneship. Manufactured by **Space Systems Loral** based on its **SSL 1300** satellite platform, JCSAT-16 will serve as an in-orbit backup for video distribution and data transfer communications services to Japan from the 124°E and 162°E orbital locations.

August 24 – **Arianespace S.A.** successfully launched the **Intelsat 33e** and **Intelsat 36** satellites for **Intelsat S.A.** in the heaviest ever launch using the **Ariane 5** launch vehicle. **Intelsat 33e**, the second satellite of the **Epic^{NG}** HTS fleet, will provide enterprise networking, telecommunications, aeronautical connectivity and media services to Africa, Europe, Asia and the Middle East from 60°E; **Intelsat 36** will provide DTH TV and media services in southern Africa and the Indian Ocean from 68.5°E.

SSL CHOSEN FOR TWO-SATELLITE ORDER

On July 28, **Space Systems Loral** announced that it was selected by **Sirius XM Radio Inc.** to manufacture the **SXM-7** and **SXM-8** satellites based on the **SSL 1300** satellite platform. Each satellite will operate in S-band and carry a large unfurlable antenna reflector enabling broadcast to radios without large ground-based dish antennas. **SXM-7** and **SXM-8** will replace the **XM-3** and **XM-4** satellites in 2019 and 2020 respectively and provide audio entertainment and data services in North America.

ILS LAUNCHES KOMPSAT-6 ON ANGARA 1.2

On August 1, **ILS International Launch Services, Inc.** announced that it was selected by the **Korea Aerospace Research Institute** to launch the **Korea Multi-Purpose Satellite (Arirang) 6**, also known as **KOMPSAT-6**, on an **Angara 1.2** launch vehicle in 2020, marking the first commercial procurement for Angara 1.2.

2016 SUMMIT FOR SATELLITE FINANCING

As part of the Euroconsult World Satellite Business Week, the **2016 Summit for Satellite Financing** will be held from September 12-15 at the Westin Hotel in Paris and will feature top-level private and public sector speakers in round-table discussions and presentations. **Milbank** is proud to be once again an official partner for this highly regarded industry event.