

# Intelsat plans scaled-back IPO in New York (Update)

April 2 2013

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Satellite operator Intelsat Global Holdings revived Tuesday its plan for an initial public offering on the New York Stock Exchange, aiming to raise up to \$710 million, less than half of what it envisioned last year.

Intelsat, the privately held satellite-services giant, plans to use the IPO proceeds to pay down debt, according to a filing with the US Securities and Exchange Commission.

The Luxembourg group, which will rename itself Intelsat SA and trade under the ticker "I," is offering to sell 21.7 million common shares, priced between \$21 and \$25 per share, to raise as much as \$710 million.

The share price would put the company's valuation at about \$2.4 billion.

Intelsat did not announce the date of the market launch.

Intelsat had filed for an IPO with US regulators on May 18, 2012, the same day as the chaotic market debut of social network company Facebook, to raise as much as \$1.75 billion.

"In the end, they suspended the IPO due to weak market conditions," said Gregori Volokhine, a portfolio manager at Meeschaert in New York.

"This time, they have really shrunk the size of their IPO, apparently concluding they wouldn't have much success. That's not a great sign for

investors."

The company, whose primary investor is private-equity firm BC Partners, has granted underwriters an additional 3.46 million ordinary shares and 450,000 preferred shares in case of strong demand for the offering.

A pioneer in satellite communications, Intelsat says it is the global leader in fixed satellite services, with a fleet of more than 50 satellites covering virtually all of the world's populated regions.

The group, whose operations are based in Washington, recorded \$2.6 billion in revenues in 2012, according to its website.

Intelsat is headquartered in Luxembourg. Its major rivals—Luxembourg-based SES and Paris-based Eutelsat—have long been listed on the Paris stock exchange.

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