

Intelsat S.A.  
Form 6-K  
May 09, 2013  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 6-K**

**REPORT OF FOREIGN PRIVATE ISSUER**  
**PURSUANT TO RULE 13a-16 or 15d-16**  
**UNDER THE SECURITIES EXCHANGE ACT OF 1934**

For the month of May, 2013

001-35878

(Commission

File Number)

**Intelsat S.A.**

(Translation of registrant's name into English)

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**4 rue Albert Borschette**

**Luxembourg**

**Grand-Duchy of Luxembourg**

**L-1246**

**(Address of principal executive offices)**

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

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**INTELSAT S.A.**

**Quarterly Report for the three months ended March 31, 2013**

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**INTRODUCTION**

In this Quarterly Report, unless otherwise indicated or the context otherwise requires, (1) the terms *we*, *us*, *our*, *the Company* and *Intelsat S.A.* refer to Intelsat S.A. (formerly Intelsat Global Holdings S.A.) and its subsidiaries on a consolidated basis, (2) the term *Intelsat Investments* refers to Intelsat Investments S.A. (formerly Intelsat S.A.), Intelsat S.A.'s indirect wholly-owned subsidiary, (3) the term *Intelsat Holdings* refers to Intelsat Holdings S.A., Intelsat S.A.'s indirect wholly-owned subsidiary, (4) the term *Intelsat Luxembourg* refers to Intelsat (Luxembourg) S.A., Intelsat Investments S.A.'s direct wholly-owned subsidiary, (5) the term *Intelsat Jackson* refers to Intelsat Jackson Holdings S.A., Intelsat Luxembourg's direct wholly-owned subsidiary, (6) the term *Intelsat Corp* refers to Intelsat Corporation, Intelsat Jackson's indirect wholly-owned subsidiary, and (7) the term *Intelsat General* refers to Intelsat General Corporation, our government business subsidiary.

In this Quarterly Report, unless the context otherwise requires, all references to transponder capacity or demand refer to transponder capacity or demand in the C-band and Ku-band frequencies only.

**FINANCIAL AND OTHER INFORMATION**

Unless otherwise indicated, all references to *dollars* and *\$* in this Quarterly Report are to, and all monetary amounts in this Quarterly Report are presented in, U.S. dollars. Unless otherwise indicated, the financial information contained in this Quarterly Report has been prepared in accordance with United States generally accepted accounting principles ( *U.S. GAAP* ).

Certain monetary amounts, percentages and other figures included in this Quarterly Report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

In this Quarterly Report, we refer to and rely on publicly available information regarding our industry and our competitors. Although we believe the information is reliable, we cannot guarantee the accuracy and completeness of the information and have not independently verified it.

**FORWARD-LOOKING STATEMENTS**

Some of the statements in this Quarterly Report constitute forward-looking statements that do not directly or exclusively relate to historical facts.

When used in this Quarterly Report, the words *may*, *will*, *might*, *should*, *expect*, *plan*, *anticipate*, *project*, *believe*, *estimate*, *potential*, *outlook* and *continue*, and the negative of these terms, and other similar expressions are intended to identify forward-looking statements and information.

The forward-looking statements made in this Quarterly Report reflect our intentions, plans, expectations, assumptions and beliefs about future events. These forward-looking statements speak only as of the date of this Quarterly Report and are not guarantees of future performance or results and are subject to risks, uncertainties and other factors, many of which are outside of our control. These factors could cause actual results or developments to differ materially from the expectations expressed or implied in the forward-looking statements and include known and unknown risks. Known risks include, among others, the risks discussed in *Risk Factors* in our prospectus dated April 17, 2013, filed with the Securities and Exchange Commission in accordance with Rule 424(b) of the Securities Act of 1933, the political, economic and legal conditions in the markets we are targeting for communications services or in which we operate, and other risks and uncertainties inherent in the telecommunications business in general and the satellite communications business in particular.

The following list represents some, but not necessarily all, of the factors that could cause actual results to differ from historical results or those anticipated or predicted by these forward-looking statements:

risks associated with operating our in-orbit satellites;

satellite launch failures, satellite launch and construction delays and in-orbit failures or reduced performance;

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potential changes in the number of companies offering commercial satellite launch services and the number of commercial satellite launch opportunities available in any given time period that could impact our ability to timely schedule future launches and the prices we pay for such launches;

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our ability to obtain new satellite insurance policies with financially viable insurance carriers on commercially reasonable terms or at all, as well as the ability of our insurance carriers to fulfill their obligations;

possible future losses on satellites that are not adequately covered by insurance;

U.S. and other government regulation;

changes in our contracted backlog or expected contracted backlog for future services;

pricing pressure and overcapacity in the markets in which we compete;

the competitive environment in which we operate;

customer defaults on their obligations to us;

our international operations and other uncertainties associated with doing business internationally;

litigation;

risks associated with investing in a company existing under the laws of the Grand Duchy of Luxembourg; and

inadequate access to capital markets.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee our future results, level of activity, performance or achievements. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, you are urged not to rely on forward-looking statements in this Quarterly Report and to view all forward-looking statements made in this Quarterly Report with caution. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

**Table of Contents****PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****INTELSAT S.A.****CONDENSED CONSOLIDATED BALANCE SHEETS****(in thousands, except share amounts)**

	As of December 31, 2012	As of March 31, 2013 (unaudited)
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 187,485	\$ 328,778
Receivables, net of allowance of \$23,583 in 2012 and \$30,305 in 2013	282,214	505,093
Deferred income taxes	94,779	94,662
Prepaid expenses and other current assets	38,708	64,943
Total current assets	603,186	993,476
Satellites and other property and equipment, net	6,355,192	5,839,334
Goodwill	6,780,827	6,780,827
Non-amortizable intangible assets	2,458,100	2,458,100
Amortizable intangible assets, net	651,087	630,509
Other assets	417,454	410,190
Total assets	\$ 17,265,846	\$ 17,112,436
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 178,961	\$ 129,300
Taxes payable	9,366	
Employee related liabilities	46,590	26,250
Accrued interest payable	367,686	330,205
Current portion of long-term debt	57,466	925,078
Deferred satellite performance incentives	21,479	21,849
Deferred revenue	84,066	76,655
Other current liabilities	72,715	70,972
Total current liabilities	838,329	1,580,309
Long-term debt, net of current portion	15,846,728	14,966,035
Deferred satellite performance incentives, net of current portion	172,663	168,070
Deferred revenue, net of current portion	834,161	844,591
Deferred income taxes	286,673	287,946
Accrued retirement benefits	299,187	291,602
Other long-term liabilities	300,195	290,516
Commitments and contingencies (Note 13)		
Shareholders' deficit:		
Common shares, \$0.01 par value, 1,000,000,000 shares authorized; 83,189,991 and 83,189,258 shares issued and outstanding at December 31, 2012 and March 31, 2013, respectively <sup>(1)</sup>	832	832



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Paid-in capital <sup>(1)</sup>	1,519,429	1,520,274
Accumulated deficit	(2,759,593)	(2,767,397)
Accumulated other comprehensive loss	(118,428)	(115,177)
<b>Total shareholders' deficit</b>	<b>(1,357,760)</b>	<b>(1,361,468)</b>
Noncontrolling interest	45,670	44,835
<b>Total liabilities and shareholders' deficit</b>	<b>\$ 17,265,846</b>	<b>\$ 17,112,436</b>

<sup>(1)</sup> Common shares and paid-in capital amounts reflect the retroactive impact of the Class A and Class B share reclassification into common shares and the share split related to our Initial Public Offering on April 23, 2013. See Note 1 – General – Initial Public Offering for further discussion.

See accompanying notes to unaudited condensed consolidated financial statements.

**Table of Contents****INTELSAT S.A.****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(in thousands, except per share amounts)**

	<b>Three Months Ended March 31, 2012</b>	<b>Three Months Ended March 31, 2013</b>
Revenue	\$ 644,169	\$ 655,127
Operating expenses:		
Direct costs of revenue (excluding depreciation and amortization)	105,010	97,646
Selling, general and administrative	51,155	58,156
Depreciation and amortization	186,871	187,411
Losses on derivative financial instruments	9,858	1,865
Total operating expenses	352,894	345,078
Income from operations	291,275	310,049
Interest expense, net	312,041	318,353
Other income (expense), net	2,903	(650)
Loss before income taxes	(17,863)	(8,954)
Provision for (benefit from) income taxes	7,204	(2,038)
Net loss	(25,067)	(6,916)
Net income attributable to noncontrolling interest	(181)	(888)
Net loss attributable to Intelsat S.A.	\$ (25,248)	\$ (7,804)
Basic and diluted net loss per share attributable to Intelsat S.A.	\$ (0.30)	\$ (0.09)

See accompanying notes to unaudited condensed consolidated financial statements.

**Table of Contents****INTELSAT S.A.****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS****(in thousands)**

	<b>Three Months Ended March 31, 2012</b>	<b>Three Months Ended March 31, 2013</b>
Net loss	\$ (25,067)	\$ (6,916)
Other Comprehensive income (loss), net of tax:		
Defined benefit retirement plans:		
Reclassification adjustment for amortization of unrecognized prior service credits included in net periodic pension costs, net of a tax provision of \$0.02 million in 2012 and \$0.02 million in 2013	(28)	(27)
Reclassification adjustment for amortization of unrecognized actuarial loss included in net periodic pension costs, net of a tax benefit of \$1.4 million in 2012 and \$1.9 million in 2013	2,279	3,079
Marketable securities:		
Unrealized gains on investments, net of a tax benefit of \$0.2 million in 2012 and \$0.1 million in 2013	304	222
Reclassification adjustment for realized gains on investments, net of a tax provision of \$0.01 million in 2013		(23)
Other comprehensive income	2,555	3,251
Comprehensive loss	(22,512)	(3,665)
Comprehensive income attributable to noncontrolling interest	(181)	(888)
Comprehensive loss attributable to Intelsat S.A.	\$ (22,693)	\$ (4,553)

See accompanying notes to unaudited condensed consolidated financial statements.

**Table of Contents****INTELSAT S.A.****UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS****(in thousands)**

	<b>Three Months Ended March 31, 2012</b>	<b>Three Months Ended March 31, 2013</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (25,067)	\$ (6,916)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	186,871	187,411
Provision for doubtful accounts	1,721	7,792
Foreign currency transaction (gain) loss	(1,044)	1,211
Loss on disposal of assets	46	32
Deferred income taxes	2,504	(4,428)
Amortization of discount, premium, issuance costs and other non-cash items	14,445	14,942
Interest paid-in-kind	970	
Unrealized gains on derivative financial instruments	(1,935)	(4,907)
Other non-cash items	28	5,799
Changes in operating assets and liabilities:		
Receivables	3,957	(5,269)
Prepaid expenses and other assets	(15,364)	(20,268)
Accounts payable and accrued liabilities	(63,654)	(73,787)
Deferred revenue	24,307	1,914
Accrued retirement benefits	(4,925)	(7,585)
Other long-term liabilities	(650)	1,351
Net cash provided by operating activities	122,210	97,292
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