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April 8, 2002

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

**BY HAND DELIVERY**

William F. Caton  
Acting Secretary  
Federal Communications Commission  
The Portals, Room TW-A325  
455 12th Street, S.W.  
Washington, D.C. 20554

**REDACTED – FOR PUBLIC INSPECTION**

**Re: Consolidated Application of EchoStar Communications Corporation,  
General Motors Corporation and Hughes Electronics Corporation for  
Authority to Transfer Control, CS Docket No. 01-348 /**

Dear Mr. Caton:

On behalf of EchoStar Communications Corporation ("EchoStar"), enclosed for submission please find certain documents that are responsive to the Commission's February 4, 2002 Initial Information and Document Request (the "Request") in the above-referenced docket. These documents were among those that were previously made available for review by the Commission in the materials that have been produced to the Department of Justice pursuant to the Hart-Scott-Rodino Act, as reflected in Attachment B to EchoStar's submission of March 6, 2002. A confidential version of these materials is being provided to the Commission separately pursuant to the Protective Order issued on January 9, 2002. *See EchoStar Communications Corporation, General Motors Corporation, and Hughes Electronics Corporation, DA 02-27 (rel. Jan. 9, 2002).*

Pursuant to paragraph 3 of the Commission's decision accompanying the Protective Order, EchoStar is providing two copies of both this cover letter and the attachments for public inspection. Specifically, upon further review of the documents produced on March 6, 2002, EchoStar determined that a very limited number of documents can be reclassified as public. Accordingly, Attachment A sets forth the Bates numbers of documents that are suitable for public inspection and provides copies of those documents. Attachment B sets forth the Bates

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April 8, 2002  
Page 2

numbers of documents being provided under the Protective Order. The actual copies of these documents have been redacted from Attachment B and are being filed under separate cover consistent with the Protective Order.

Enclosed please find an additional copy of this letter and the attachments to be date-stamped and returned with our messenger. If you have any questions concerning this submission, please do not hesitate to contact me.

Respectfully submitted,

*Pantelis Michalopoulos* (TBL)

Pantelis Michalopoulos

*Counsel to EchoStar Communications Corporation*

Enclosures



A

## **Attachment A**

Below are the Bates numbers of those materials suitable for public inspection and attached are copies of those materials:

ES-FCC008795 – ES-FCC008800

ES-FCC012964 – ES-FCC013024

ES-FCC017486 – ES-FCC017505



## Pegasus Digital One Plan<sup>SM</sup>

Pegasus has always worked with dealers to acquire customers who become long-term, high-quality subscribers.

### Subscriber Benefits

Pegasus has made several changes to the EZ Value Plan, which is now called the Pegasus Digital One Plan<sup>SM</sup>, to make it the most appealing plan for our customers. The benefits of this plan include:

- \$0 setup fee for one or two receivers
- One free month of Total Choice<sup>®</sup> STARZ!<sup>®</sup>
- In-Home Service Plan
- No more auto-pay requirement (credit/debit card required to guarantee commitment only)

### Dealer Benefits

Pegasus has also made the Pegasus Digital One Plan<sup>SM</sup> the most desirable plan for our dealers to sell. Effective August 20, 2001, the benefits of selling this plan include:

- \$200 commission for one-receiver system / \$250 commission for two-receiver system
- \$25 additional commission each for 3<sup>rd</sup> and 4<sup>th</sup> receivers
- Installation subsidy of \$150 for one-receiver system/ Installation subsidy of \$200 for two-receiver system
- \$25 additional installation subsidy each for 3<sup>rd</sup> and 4<sup>th</sup> receivers
- No chargeback risk for either commissions or installation subsidies
- Higher Prepaid Commission (PPC), resulting in lower equipment costs when purchasing from Pegasus directly or from authorized distributors

Pegasus will continue to work with our dealers to offer the most attractive plans available in the market!

PST01038-LTR (7/01)

ES-FCC008795

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**Effective August 20, 2001.**

Changes effective August 20, 2001, are noted in **BOLD ITALICS, ALL CAPITAL LETTERS.**

Changes effective June 22, 2001, are noted in *bold italics.*

**Pegasus Digital One Plan<sup>SM</sup>, EZ Plan, Two For One and Standard Sale Comparison**

	<b>Pegasus Digital One Plan<sup>SM</sup></b>	<b>EZ Plan</b>	<b>Two For One</b>	<b>Standard Sale</b>
Setup fee and/or retail price (primary receiver)	<i>Free</i> setup (includes installation)	<b>\$49</b> setup (includes installation)	\$99 (May vary)	\$99 (May vary)
Setup fee and/or retail price (additional receiver)	<i>Free</i> for secondary \$49 for each additional	<b>\$49</b> for secondary \$49 for each additional	Free for secondary receiver	\$50 (May vary)
In-Home Service Fee / SPA fee (In-Home Service Fee is for usage of receiver and SPA)	\$2.99/primary \$5.00/add'l (includes mirroring)	\$2.99/primary \$5.00/add'l (includes mirroring)	\$2.99/single receiver \$4.99/additional receiver (excludes mirroring)	\$2.99/single receiver \$4.99/additional receiver (excludes mirroring)
Mirroring fee	See above	See above	\$4.99/receiver	\$4.99/receiver
\$10 activation fee	No	<b>YES</b>	Yes	Yes
12-month commitment required?	Yes	Yes	Yes	No
Free programming?	Yes, one free month of Total Choice <sup>®</sup> STARZ! <sup>®</sup>	No	No	No
Minimum package?	Select Choice <sup>®</sup> or higher	Select Choice <sup>®</sup> or higher	Total Choice <sup>®</sup> PLUS any premium movie package or SPORTS Pack (\$41.99 min.)	Any Core Package
Credit/Debit card required?	Yes	No	Yes	No
Auto-pay required?	<b>No</b>	No	<b>NO</b>	No
Does sub own the equipment?	No	No	Yes	Yes
Termination fee if sub <u>cancels service</u> or <u>downgrades programming within first 12 months</u>	30-day money back; \$250 (2-9 months); \$150 (10-12 months)	30-day money back; \$250 (2-9 months); \$150 (10-12 months)	\$250 (1-9 months); \$150 (10-12 months)	No
Equipment non-return fee if sub does <b>NOT return equipment after termination</b>	<b>\$150 per receiver</b>	<b>\$150 per receiver</b>	No	No



	<u>Pegasus Digital One Plan<sup>SM</sup></u>	<u>EZ Plan</u>	<u>Two For One</u>	<u>Standard Sale</u>
Dealer commission for one-receiver system	\$200	\$100	N/A	\$100
Dealer commission for two-receiver system	\$250	\$125	\$130 Commission \$100 Equipment Subsidy	\$125
Dealer commission for 3 <sup>rd</sup> and 4 <sup>th</sup> receivers	\$25 each	N/A	N/A	N/A
Dealer subject to commission chargebacks? (within 120 days)	No	Yes	Yes - Commission No - Equipment Subsidy	Yes
Dealer installation subsidy for one-receiver system	\$150	\$150	N/A	\$100
Dealer installation subsidy for two-receiver system	\$200	\$200	\$125	\$100
Dealer installation subsidy for 3 <sup>rd</sup> and 4 <sup>th</sup> receivers	\$25 each	N/A	N/A	N/A
Dealer subject to installation subsidy chargebacks? (within 120 days)	No	YES - 50% of subsidy amount	No	YES - 100% of subsidy amount
Dealer eligible for QSB?	No	NO	No	No
When is dealer paid commission and installation subsidy?	Upon activation & receipt of paperwork	After sub pays first bill & receipt of paperwork	Upon activation & receipt of paperwork	<b>AFTER SUB PAYS FIRST BILL</b> & receipt of paperwork

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Pegasus Digital One Plan is a service mark of Pegasus Communications Corporation<sup>SM</sup>.  
Total Choice and Select Choice are registered trademarks of DIRECTV, Inc., a unit of Hughes Electronics Corporation. STARZ! is a registered trademark of Starz Encore Group LLC.



**Pegasus Digital One Plan<sup>SM</sup> / DISH Network<sup>TM</sup> Digital Home Plan  
Three-Receiver Comparison**

	<b>Pegasus Digital One Plan<sup>SM</sup></b>	<b>DISH Digital Home Plan<sup>1</sup></b>
<b>Equipment Cost (1<sup>st</sup> Receiver)</b>	\$ 25	\$199*
<b>2<sup>nd</sup> Receiver Cost</b>	\$ 35	\$149
<b>3<sup>rd</sup> Receiver Cost</b>	\$ 25	\$149
<b>Installation Cost (1<sup>st</sup> Receiver)</b>	\$ 75	\$ 75
<b>2<sup>nd</sup> Receiver Installation Cost</b>	\$ 25	\$ 25
<b>3<sup>rd</sup> Receiver Installation Cost</b>	\$ 25	\$ 25
<b>Multi-switch Cost</b>	N/A (Dealer charges Customer)	\$119
<b>Total Costs:</b>	\$210	\$741
<b>Commission</b>	\$150	\$180
<b>Credit Spiff/FLEX</b>	\$125 (paid as part of \$275 total commission)	\$100
<b>Installation Subsidy</b>	\$225	\$150
<b>Customer Upfront Payment</b>	\$ 49	\$ 99.98
<b>Equipment Subsidy</b>	N/A	\$497
<b>Total Revenue:</b>	\$549	\$1026.98
<b>Net Profit:</b>	\$339	\$285.98

<sup>1</sup>Based on DISH Network<sup>TM</sup> printed materials.  
\*Based on DishPro 301 receiver.

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**Pegasus Digital One Plan<sup>SM</sup> / DISH Network<sup>TM</sup> Digital Home Plan**

**Two-Receiver Comparison**

	<b>Pegasus Digital One Plan<sup>SM</sup></b>	<b>DISH Digital Home Plan<sup>†</sup></b>
<b>Equipment Cost (1<sup>st</sup> Receiver)</b>	\$ 25	\$199*
<b>2<sup>nd</sup> Receiver Cost</b>	\$ 35	\$149
<b>Installation Cost (1<sup>st</sup> Receiver)</b>	\$ 75	\$ 75
<b>2<sup>nd</sup> Receiver Installation Cost</b>	\$ 25	\$ 25
<b>Total Costs:</b>	<b>\$160</b>	<b>\$448</b>
<b>Commission</b>	\$125	\$140
<b>Credit Card Spiff/Flex</b>	\$125 (paid as part of \$250 total commission)	\$100
<b>Installation Subsidy</b>	\$200	\$125
<b>Customer Up-front Payment</b>	N/A	\$ 49.99
<b>Equipment Subsidy</b>	N/A	\$298
<b>Total Revenue:</b>	<b>\$450</b>	<b>\$712.99</b>
<b>Net Profit:</b>	<b>\$290</b>	<b>\$264.99</b>

<sup>†</sup>Based on DISH Network<sup>TM</sup> printed materials.

\*Based on DishPro 301 receiver.

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**Pegasus Digital One Plan<sup>SM</sup> / DISH Network<sup>TM</sup> Digital Home Plan**

**One-Receiver Comparison**

	<b>Pegasus Digital One Plan<sup>SM</sup></b>	<b>DISH Digital Home Plan<sup>†</sup></b>
<b>Equipment Cost</b>	\$ 25	\$199*
<b>Installation Cost</b>	\$ 75	\$ 75
<b>Total Costs:</b>	<b>\$100</b>	<b>\$274</b>
<b>Commission</b>	\$100	\$100
<b>Credit Card Splif/Flex</b>	\$100 (paid as part of \$200 total commission)	\$100
<b>Installation Subsidy</b>	\$150	\$100
<b>Customer Up-front Payment</b>	N/A	\$ 49.99
<b>Equipment Subsidy</b>	N/A	\$149
<b>Total Revenue:</b>	<b>\$350</b>	<b>\$498.99</b>
<b>Net Profit:</b>	<b>\$250</b>	<b>\$224.99</b>

<sup>†</sup>Based on DISH Network<sup>TM</sup> printed materials.

\*Based on DishPro 301 receiver.

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*Quantitative Satellite Industry Models*

## The Satellite Book

# THE SATELLITE BOOK

**SECOND QUARTER 1999**

*Quarterly Update*

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# THE SATELLITE BOOK

## Introduction

### Purpose

The relative immaturity of the satellite industry has allowed company analysis to proceed well ahead of an industry framework. The "Satellite Book" is our attempt to address this deficiency. Our goal is to provide a quantitative model that will not only promote better understanding of industry drivers, but also provide a good quantitative foundation for our forecasts. Where possible, we will share the key underlying assumptions that drive the "models."

### Quantitative Orientation

The "Satellite Book" is not meant to be merely an industry primer. Its value is as an analytical model and reference tool, which we believe was sorely lacking in the marketplace.

### Continuous Work In Progress

A model is something that is always being refined and honed. Each model's continued accuracy is reliant upon its continued upkeep and development. For that reason, we publish this report quarterly, so that the estimates always maintain their "freshness," accuracy and usefulness and that the publication may also serve as an up-to-date reference tool. Based on that theory, we hope that each successive printing is better than the last.

### Collaborative Effort

We view our "Satellite Book" as a collaboration between C.E. Unterberg, Towbin, the investment community and the satellite industry. It is our goal to continue developing the models while, at the same time, providing the benefits of that development to all. We appreciate your feedback.

---

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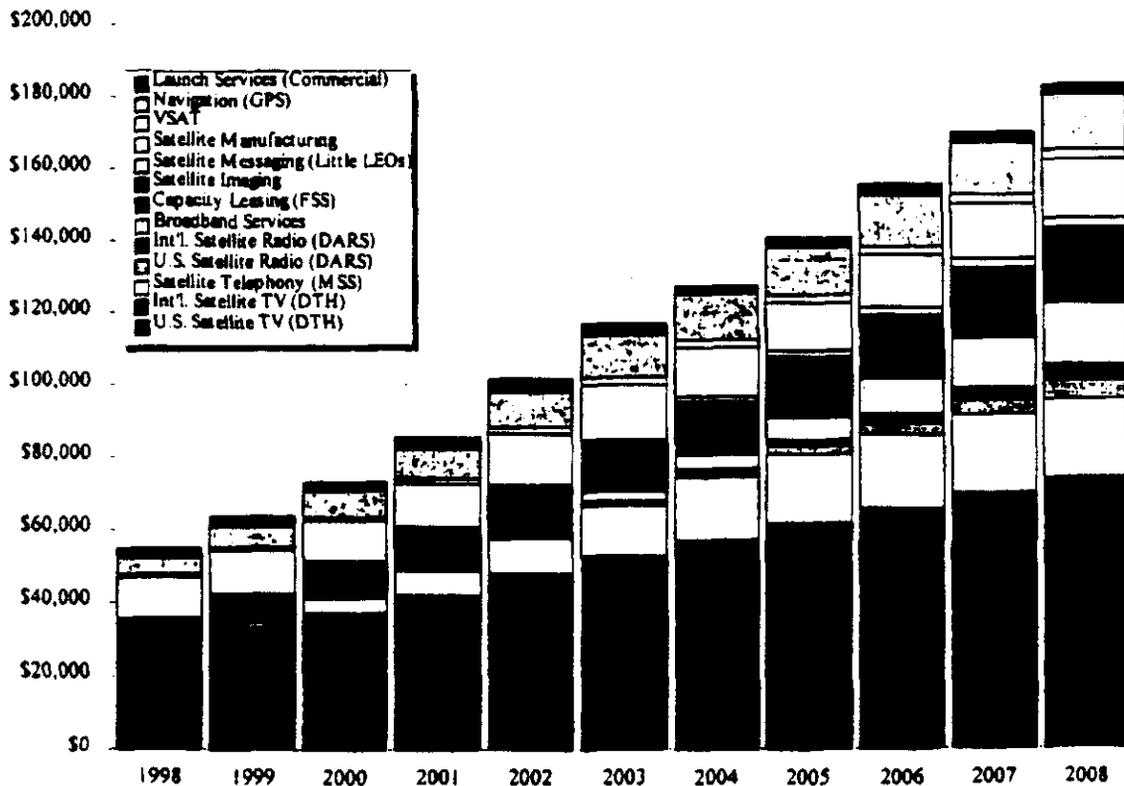
*In the preparation of this report, we gratefully acknowledge the assistance of Kamnil S. Gajrawala and Alden Mahabir*

**THE  
SATELLITE  
BOOK**

**Overview**

**Executive Summary & Consolidated Analysis**

Worldwide Satellite Industry: Revenue Forecast (millions)



Source: C.E. Unterberg, Towbin

**Worldwide Satellite Industry: Industry Forecast**

(millions)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	CAGR 98/03	CAGR 98/08
<b>Mass Market Services</b>													
U.S. Satellite TV (DTH)	\$5,362	\$6,703	\$7,933	\$9,071	\$10,162	\$11,214	\$12,288	\$13,360	\$14,364	\$15,289	\$16,193	15.6%	11.1%
Int'l. Satellite TV (DTH)	\$23,344	\$26,125	\$29,166	\$32,819	\$37,370	\$41,311	\$44,756	\$47,829	\$50,972	\$54,261	\$57,307	12.3%	9.5%
Satellite Telephony (MSS)	\$101	\$1,287	\$3,896	\$6,383	\$9,748	\$13,533	\$16,972	\$19,468	\$20,613	\$21,378	\$21,700	142.0%	51.7%
Satellite Broadband	\$140	\$178	\$252	\$358	\$502	\$663	\$863	\$1,151	\$9,447	\$13,819	\$17,230	76.8%	70.4%
	\$28,947	\$34,294	\$41,249	\$48,830	\$58,162	\$68,821	\$77,879	\$86,805	\$95,396	\$104,746	\$112,431	18.9%	14.8%
<b>Niche Market Services</b>													
U.S. Satellite Radio (DARS)	\$0	\$0	\$7	\$131	\$343	\$701	\$1,233	\$1,975	\$2,973	\$4,043	\$5,275	NA	NA
Int'l. Satellite Radio (DARS)	\$0	\$10	\$97	\$213	\$479	\$801	\$1,258	\$2,017	\$2,755	\$3,408	\$4,070	NA	NA
Satellite Messaging (Little LEOs)	\$1	\$25	\$83	\$277	\$624	\$962	\$1,300	\$1,677	\$2,119	\$2,531	\$2,911	264.1%	93.1%
Satellite Imaging	\$165	\$323	\$719	\$1,110	\$1,378	\$1,611	\$1,860	\$2,147	\$2,408	\$2,699	\$2,905	58.8%	29.1%
	\$166	\$357	\$908	\$1,731	\$2,824	\$4,075	\$5,652	\$7,816	\$10,253	\$12,682	\$15,161	92.1%	54.5%
<b>Infrastructure Services</b>													
Capacity Leasing (FSS)	\$6,363	\$7,463	\$8,832	\$9,860	\$10,850	\$11,833	\$12,981	\$14,107	\$15,334	\$16,589	\$17,821	12.4%	10.1%
Satellite Manufacturing	\$11,050	\$11,496	\$11,107	\$12,037	\$14,263	\$14,830	\$13,300	\$13,409	\$14,671	\$15,404	\$16,175	6.3%	3.7%
Launch Services (Commercial)	\$2,920	\$2,369	\$2,398	\$2,731	\$3,644	\$3,051	\$2,391	\$2,675	\$2,969	\$2,537	\$2,674	4.8%	0.0%
VSAT	\$825	\$1,005	\$1,203	\$1,370	\$1,756	\$2,311	\$2,222	\$2,232	\$2,274	\$2,465	\$2,660	22.0%	12.1%
Navigation (GPS)	\$4,355	\$6,065	\$7,278	\$8,588	\$10,005	\$11,626	\$12,788	\$13,428	\$14,099	\$14,804	\$15,544	20.7%	12.6%
	\$25,713	\$28,797	\$30,818	\$34,586	\$40,517	\$43,651	\$43,682	\$45,850	\$49,344	\$51,800	\$54,873	11.4%	7.7%
<b>Satellite Industry Total</b>	<b>\$54,826</b>	<b>\$63,447</b>	<b>\$72,976</b>	<b>\$85,147</b>	<b>\$101,503</b>	<b>\$116,347</b>	<b>\$127,213</b>	<b>\$140,471</b>	<b>\$154,993</b>	<b>\$169,228</b>	<b>\$182,463</b>	<b>16.4%</b>	<b>13.0%</b>

Source: C.E. Unterberg, Towbin

- We believe the **commercial satellite industry** will grow at a 16.4% CAGR to \$116.3 billion in 2003 from \$54.8 billion in 1998. The SatCom Sector is growing rapidly. New technologies and lower costs have allowed satellite products to infiltrate consumer markets.
- **Mass market services** to contribute 65% of industry growth between 1998 and 2008. This segment not only offers the industry's largest growth opportunities but also its greatest risks.
- **Niche market services**, such as satellite radio, messaging, imaging and navigation, should also experience strong growth, albeit from a small base. Given the potential for wide consumer acceptance, satellite radio is the standout in the niche market services segment. The smaller relative size of niche market services prevent them from driving overall industry growth.
- Traditional **infrastructure businesses** will generally grow more slowly than service-oriented satellite industries. Infrastructure businesses lack the operating leverage that a satellite affords more service-oriented businesses. On the positive side, these companies operate in proven markets and have positive earnings, offering investors a relatively safe way to play the satellite communications industry.

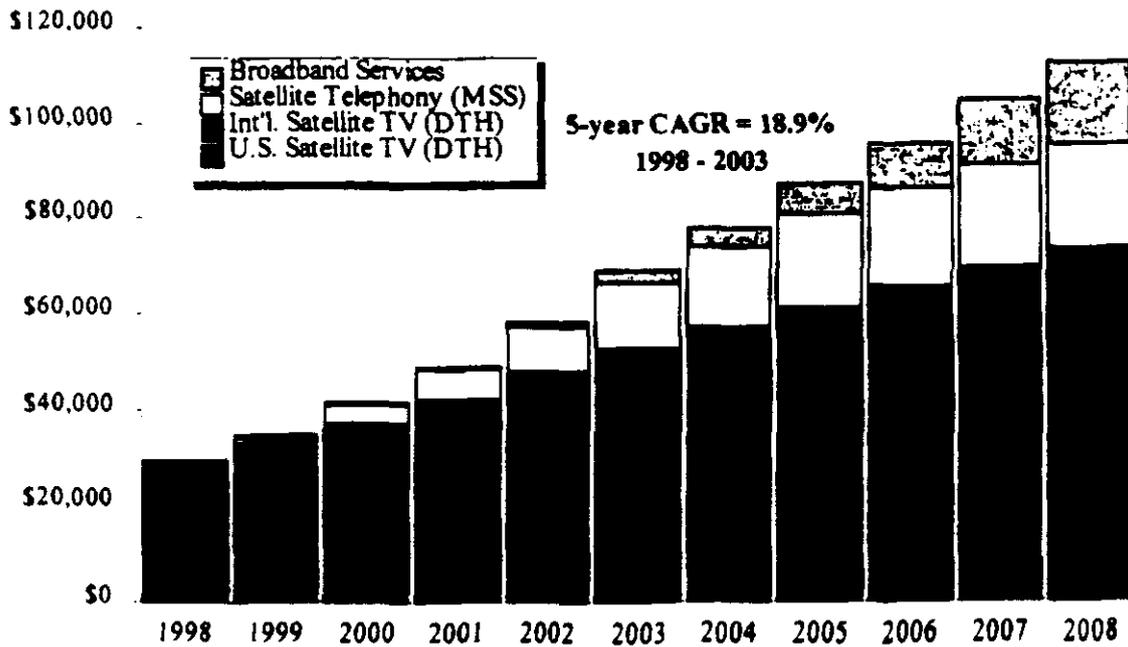
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# THE SATELLITE BOOK

## Mass Market Services

Television (DTH)  
Telephony (MSS)  
Broadband

Mass Market Services Sector: Revenue Forecast (millions)



Source: C.E. Unterberg, Towbin

**THE  
SATELLITE  
BOOK****Satellite Television (DTH)****U.S.**

- DBS will continue on its tear. We expect DIRECTV and EchoStar to reap a windfall of new subscribers from PrimeStar's demise.
- Satellite television industry growth is actually understated by C-band subscribers, which are slowly disappearing. Our subscriber forecast clearly shows that DBS subscriber growth will outpace DTH growth.
- Local-into-local legislation seems only a month or so away from reality. Given that satellite television's lack of local channels is a reason often cited for consumers not purchasing satellite television, the industry should benefit greatly by such legislation.
- We no longer believe Hughes will be able to quickly close the PrimeStar deal and convert the PrimeStar subscriber base by year-end 2000. We now expect Hughes to complete its integration of PrimeStar in 2001.

**International**

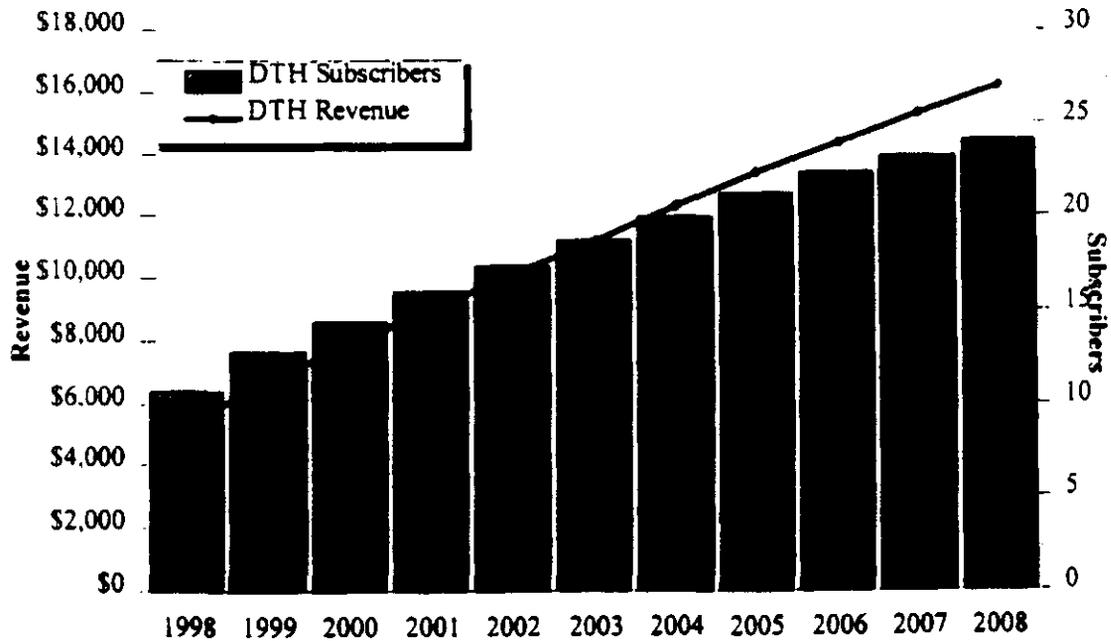
- Europe's a digitalization story. Since satellite television already serves nearly thirty-five million Europeans, mostly via SMATV in MDUs (multiple dwelling units), DTH growth in Europe will not appear as strong as other regions on a relative basis. However, if digital satellite television is looked at separately, Europe would have the highest rate of subscriber growth in the world. This is understandable since Europe's subscriber base is already in place; they're just in need of an analog-to-digital upgrade.
- Asia and Latin America are satellite television's growth markets. We expect emerging markets to produce the strongest DTH subscriber growth through 2008.
- Japan will give valuable insight into how HDTV will impact U.S. DBS and cable, given that Japan will be the first market to adopt HDTV. Japan already broadcasts some television shows in HDTV, but is planning mass conversion in 2000. At the consumer level, Japan often sets the pace for adoption of new technologies.

**U.S. Pay Television: Industry Forecast**

(millions)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
DTH Industry Revenue	\$5,362	\$6,703	\$7,935	\$9,071	\$10,162	\$11,214	\$12,288	\$13,360	\$14,364	\$15,289	\$16,193
Cable Industry Revenue	\$33,983	\$36,025	\$38,280	\$39,515	\$40,722	\$41,841	\$42,724	\$43,625	\$44,523	\$45,431	\$46,256
Total Pay TV Revenue	\$39,345	\$42,729	\$46,215	\$48,585	\$50,884	\$53,055	\$55,012	\$56,985	\$58,887	\$60,720	\$62,449
DTH Revenue Growth	30.7%	25.0%	18.4%	14.3%	12.0%	10.3%	9.6%	8.7%	7.5%	6.4%	5.9%
DTH Rev as % of Total Pay	13.6%	15.7%	17.2%	18.7%	20.0%	21.1%	22.3%	23.4%	24.4%	25.2%	25.9%
DTH Subscriber Share	13.1%	15.1%	16.6%	18.0%	19.1%	20.2%	21.4%	22.3%	23.2%	23.8%	24.6%

Source: C.E. Unterberg, Towbin

**U.S. Satellite Television (DTH): Industry Forecast (millions)**



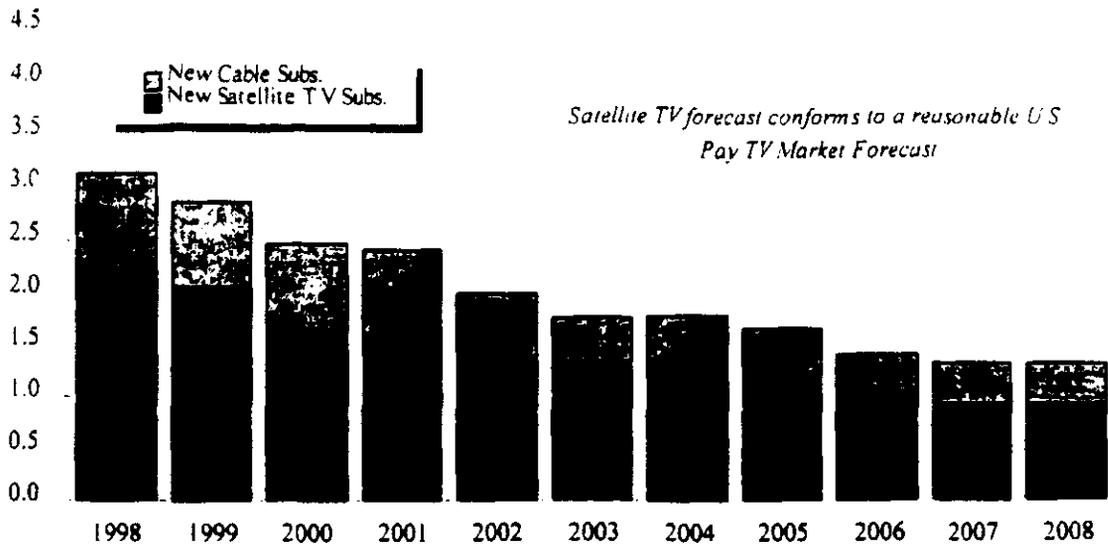
Source: C.E. Unterberg, Towbin; Company Reports

<b>U.S. Pay Television: Subscriber Forecast</b>											
(millions)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
U.S. Households (a)	101.0	102.1	103.3	104.3	105.4	106.0	106.6	107.1	107.5	108.0	108.5
U.S. TV Households (a)	99.1	100.3	101.4	102.4	103.5	104.1	104.6	105.2	105.6	106.0	106.5
<b>Subscribers</b>											
Cable	66.3	67.1	67.9	68.7	69.3	69.7	70.2	70.6	70.9	71.3	71.7
Wireless Pay TV (a)	4.2	4.0	4.0	3.9	3.9	3.6	3.4	3.1	2.9	2.6	2.4
DTH	10.6	12.7	14.3	15.9	17.3	18.6	20.0	21.2	22.2	23.2	24.1
Multichannel Subscriptions	81.1	83.8	86.2	88.5	90.5	92.0	93.5	94.9	96.0	97.1	98.2
Dual DTH/Cable Subs (b)	(2.2)	(2.2)	(2.0)	(1.8)	(1.6)	(1.4)	(1.3)	(1.2)	(1.1)	(0.9)	(0.8)
Multichannel Households	78.9	81.6	84.2	86.7	88.8	90.5	92.2	93.7	95.0	96.1	97.3
<b>Sub. Growth</b>											
Cable	1.4%	1.2%	1.2%	1.2%	0.9%	0.6%	0.6%	0.6%	0.5%	0.6%	0.6%
Wireless Pay TV	(1.2%)	(3.6%)	(1.3%)	(1.3%)	(1.3%)	(6.5%)	(6.9%)	(7.5%)	(8.1%)	(8.8%)	(9.6%)
DTH	26.3%	19.3%	13.0%	11.1%	8.7%	7.8%	7.2%	6.2%	4.9%	4.1%	4.0%
Multichannel Subscriptions	3.9%	3.3%	2.9%	2.7%	2.2%	1.7%	1.6%	1.5%	1.2%	1.1%	1.1%
<b>Subscriber Market Share</b>											
Cable	81.8%	80.1%	78.8%	77.6%	76.6%	75.8%	75.1%	74.4%	73.9%	73.5%	73.1%
Wireless Pay TV	5.1%	4.8%	4.6%	4.4%	4.3%	3.9%	3.6%	3.3%	3.0%	2.7%	2.4%
DTH	13.1%	15.1%	16.6%	18.0%	19.1%	20.2%	21.4%	22.3%	23.2%	23.8%	24.5%
Multichannel Subscriptions	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>New Subscriber Share: Cable vs. DTH</b>											
Cable	29.3%	28.0%	32.8%	33.9%	30.3%	23.7%	23.7%	25.5%	25.2%	30.5%	30.4%
DTH	70.7%	72.0%	67.2%	66.1%	69.7%	76.3%	76.3%	74.5%	74.8%	69.5%	69.6%
New Cable/DTH subs.	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>TV Household Penetration</b>											
Cable	66.9%	66.9%	67.0%	67.1%	67.0%	67.0%	67.1%	67.1%	67.2%	67.3%	67.3%
Wireless Pay TV	4.2%	4.0%	3.9%	3.8%	3.7%	3.5%	3.2%	2.9%	2.7%	2.5%	2.2%
DTH	10.7%	12.6%	14.1%	15.5%	16.7%	17.9%	19.1%	20.2%	21.1%	21.8%	22.6%
Multichannel Households	79.6%	81.4%	83.1%	84.7%	85.8%	86.9%	88.1%	89.1%	89.9%	90.7%	91.3%

Source: C.E. Unterberg, Towbin

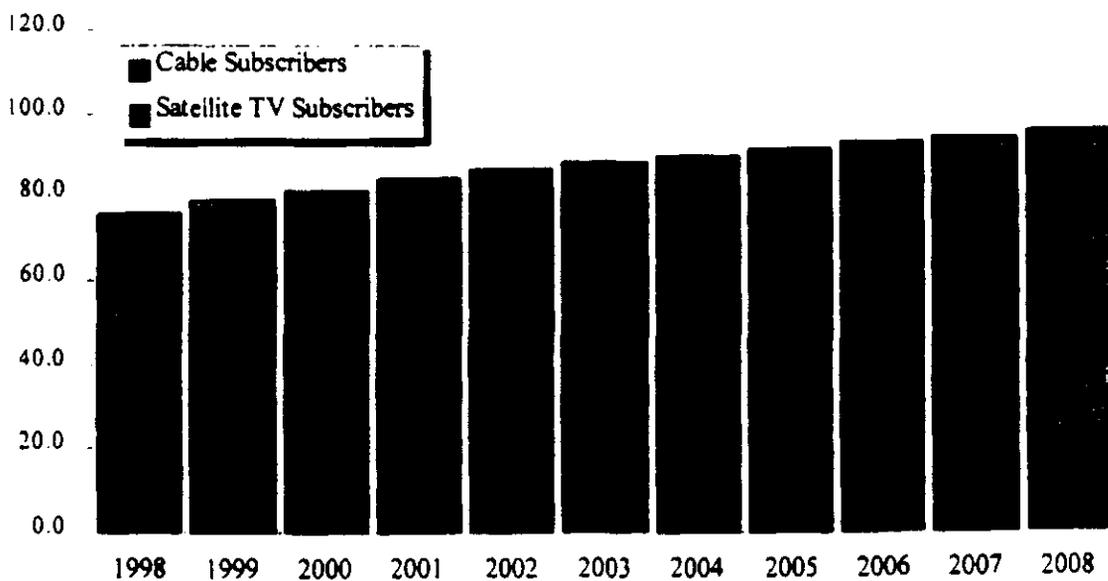
Other Sources: (a) IDC 1997-2002; (b) DTH subs also subscribing to cable

U.S. Pay Television: New Subscribers (millions)



Source: C.E. Unterberg, Towbin

U.S. Pay Television: Cable and Satellite Subscribers (millions)



Source: C.E. Unterberg, Towbin

**U.S. Satellite Television (DTH): Subscriber Forecast**

(millions)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Subscribers</b>											
EchoStar	1.94	3.24	4.65	5.81	6.51	7.37	8.11	8.78	9.55	9.84	10.35
DirecTv	4.46	5.93	7.50	9.00	9.80	10.55	11.30	11.97	12.54	13.03	13.51
PrimeStar	2.30	1.84	0.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total DBS	8.69	11.01	12.95	14.81	16.40	17.92	19.40	20.75	21.88	22.87	23.84
C-Band	1.92	1.65	1.36	1.09	0.87	0.69	0.56	0.44	0.36	0.28	0.23
Total DTH	10.61	12.66	14.31	15.90	17.27	18.61	19.96	21.19	22.24	23.15	24.07
<b>% Change</b>											
EchoStar	86.5%	66.9%	43.6%	25.0%	13.7%	11.5%	10.1%	8.3%	6.5%	5.3%	4.9%
DirecTv	35.0%	33.1%	26.4%	20.0%	8.9%	7.7%	7.0%	5.9%	4.7%	3.9%	3.7%
PrimeStar	17.9%	(19.8%)	(56.3%)	(100%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total DBS	38.5%	26.7%	17.6%	14.3%	10.8%	9.2%	8.3%	6.9%	5.5%	4.5%	4.3%
C-Band	(9.1%)	(14.0%)	(17.9%)	(20.0%)	(20.0%)	(20.0%)	(20.0%)	(20.0%)	(20.0%)	(20.0%)	(20.0%)
Total DTH	26.3%	19.3%	13.0%	11.1%	8.7%	7.8%	7.2%	6.2%	4.9%	4.1%	4.0%
<b>Market Share</b>											
EchoStar	18.3%	25.6%	32.5%	36.6%	38.3%	39.6%	40.6%	41.4%	42.0%	42.5%	42.9%
DirecTv	42.0%	46.9%	52.4%	56.6%	56.7%	56.7%	56.6%	56.5%	56.4%	56.3%	56.2%
PrimeStar	21.6%	14.5%	5.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total DBS	81.9%	87.0%	90.5%	93.2%	95.0%	96.3%	97.2%	97.9%	98.4%	98.8%	99.1%
C-Band	18.1%	13.0%	9.5%	6.8%	5.0%	3.7%	2.8%	2.1%	1.6%	1.2%	0.9%
Total DTH	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<b>New Subscriber Market Share</b>											
EchoStar	40.7%	63.3%	85.7%	73.3%	57.9%	56.5%	55.1%	54.5%	54.2%	53.9%	53.1%
DirecTv	52.3%	72.0%	95.0%	94.6%	57.9%	56.5%	55.2%	54.5%	54.3%	53.9%	53.1%
PrimeStar	15.8%	(22.2%)	(62.8%)	(50.8%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total DBS	108.7%	113.1%	117.9%	117.1%	115.8%	113.0%	110.3%	109.0%	108.5%	107.8%	106.2%
C-Band	(8.7%)	(13.1%)	(17.9%)	(17.1%)	(15.8%)	(13.0%)	(10.3%)	(9.0%)	(8.5%)	(7.8%)	(6.2%)
Total DTH	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Net Subscriber Additions	2.21	2.05	1.65	1.59	1.38	1.34	1.35	1.23	1.05	0.91	0.92

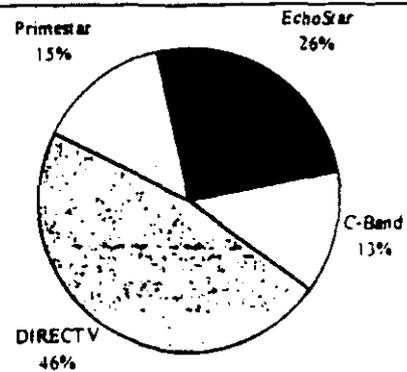
Source: C.E. Unterberg, Towbin; Company Reports

**New Subscribers: EchoStar vs. DIRECTV (millions)**



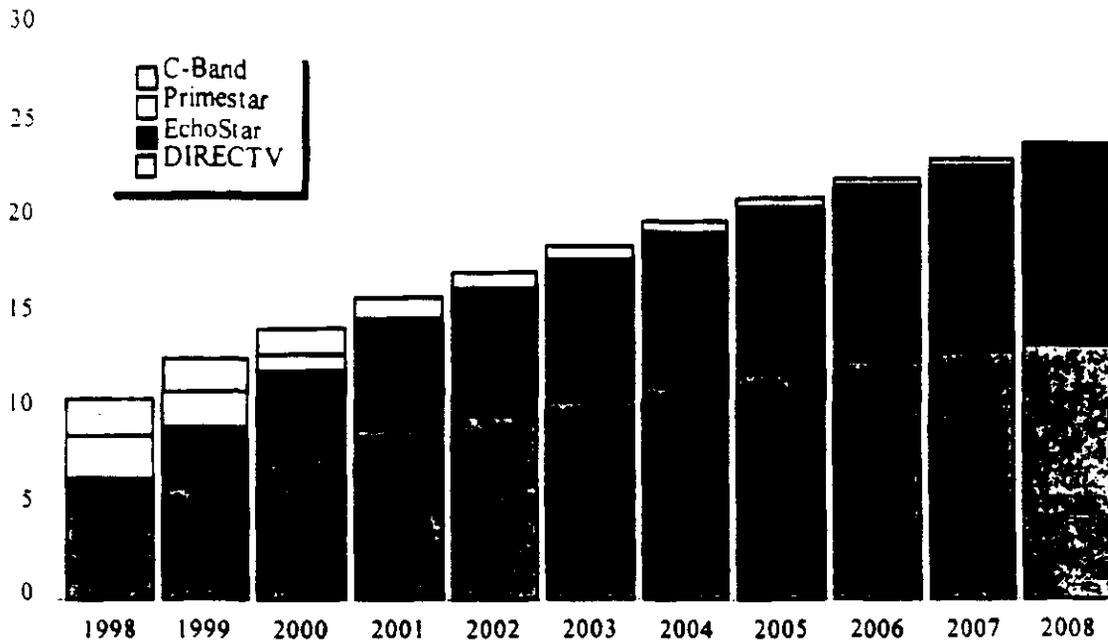
Source: C.E. Unterberg, Towbin

**Market Share (Year-end 1999)**



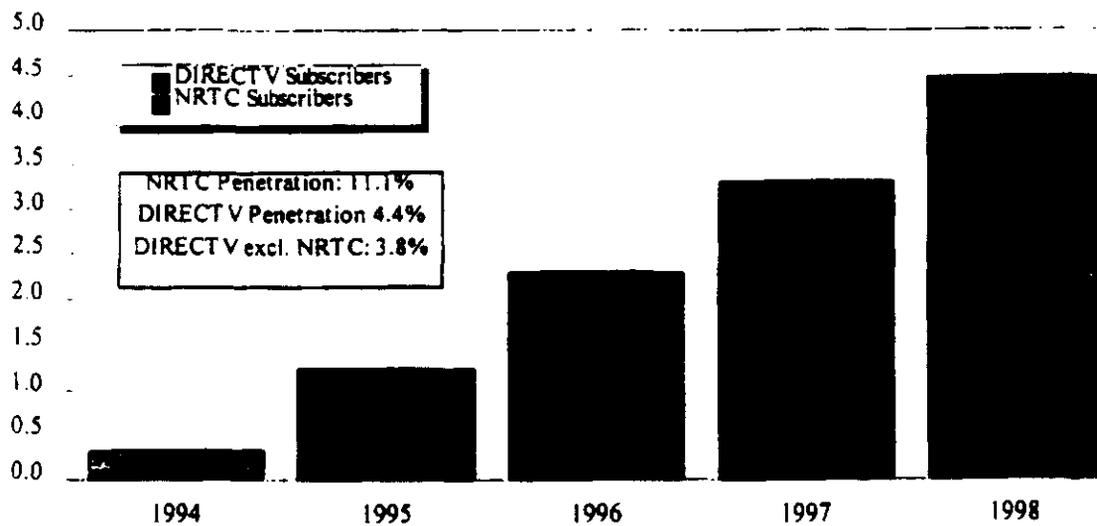
Source: C.E. Unterberg, Towbin

U.S. Satellite Television (DTH): Subscriber Forecast (millions)



Source: C.E. Unterberg, Towbin; Company Reports

U.S. Satellite Television (DTH): NRTC and DIRECTV Subscribers (millions)



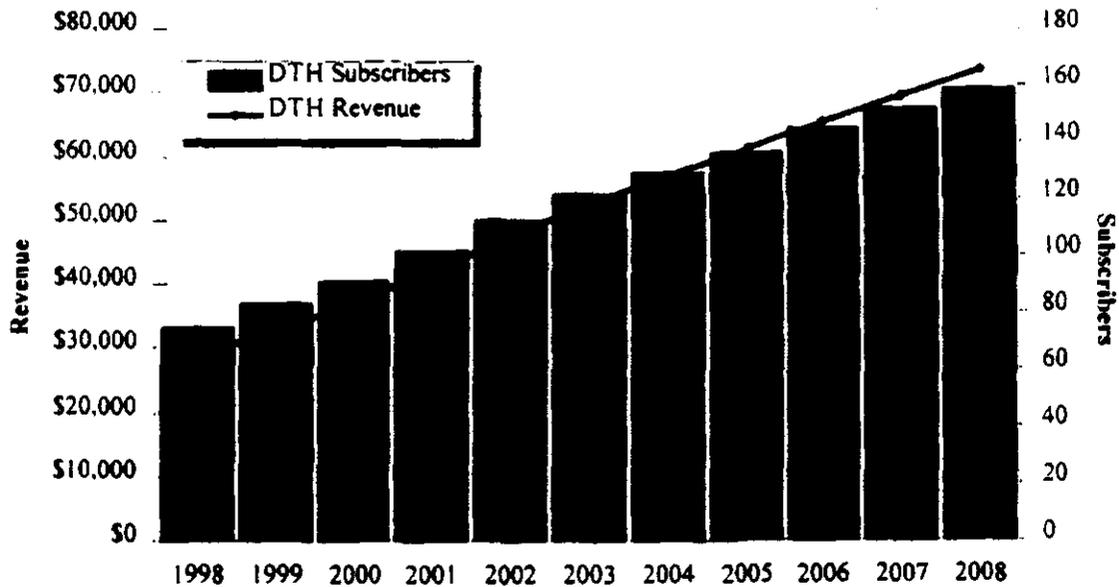
Source: National Rural Telecommunications Cooperative; Company Reports

**Worldwide Satellite Television (DTH): Industry Forecast\*\***

(millions)	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>Industry Revenue</b>											
U.S. DTH	\$5,362	\$6,703	\$7,935	\$9,071	\$10,162	\$11,214	\$12,288	\$13,360	\$14,364	\$15,289	\$16,193
Int'l. DTH, excl. U.S.	\$23,344	\$26,125	\$29,166	\$32,819	\$37,370	\$41,411	\$44,756	\$47,825	\$50,972	\$54,261	\$57,307
Worldwide DTH Industry	\$28,706	\$32,829	\$37,101	\$41,890	\$47,532	\$52,625	\$57,044	\$61,186	\$65,336	\$69,549	\$73,500
<b>% change</b>											
U.S. DTH	30.7%	25.0%	18.4%	14.3%	12.0%	10.3%	9.6%	8.7%	7.5%	6.4%	5.9%
Int'l. DTH, excl. U.S.	11.0%	11.9%	11.6%	12.5%	13.9%	10.8%	8.1%	6.9%	6.6%	6.5%	5.6%
Worldwide DTH Industry	14.3%	14.4%	13.0%	12.9%	13.3%	10.7%	8.4%	7.3%	6.8%	6.4%	5.7%

Source: C.E. Unterberg, Towbin \*\*Int'l DTH includes SMATV

**Worldwide Satellite Television (DTH): Industry Forecast (millions)**

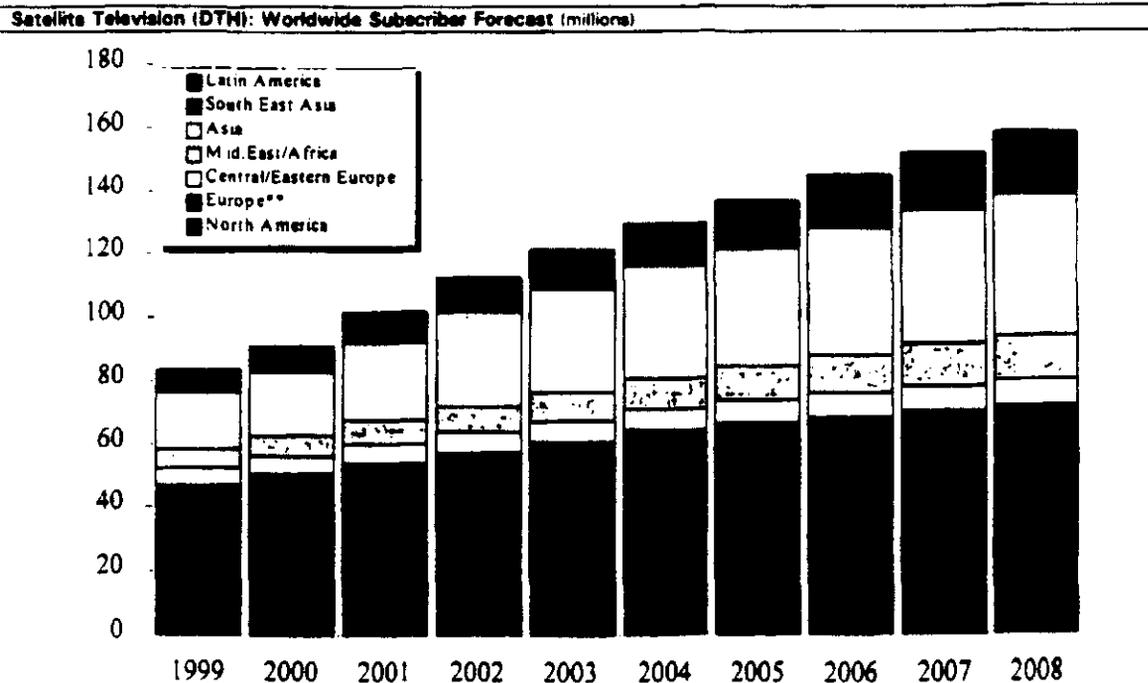


Source: C.E. Unterberg, Towbin \*\*Int'l DTH includes SMATV

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Satellite Television (DTH): Worldwide Subscriber Forecast											
(millions)	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	99/08 CAGR
<b>DTH Subscribers</b>											
North America	12.7	14.3	15.9	17.3	18.6	20.0	21.2	22.2	23.2	24.1	7.4%
Europe**	34.0	36.0	38.0	40.0	42.0	44.0	45.0	46.0	47.0	47.0	3.7%
Central/Eastern Europe	5.3	5.6	5.9	6.2	6.5	6.8	7.1	7.5	7.9	8.3	3.0%
Mid East/Africa	6.1	6.7	7.4	8.1	9.0	9.9	10.8	11.9	13.1	14.4	10.0%
Asia	17.8	20.0	25.0	30.0	32.7	35.0	37.1	40.0	42.0	44.1	10.6%
South East Asia	1.8	1.9	2.2	2.5	2.8	3.2	3.6	4.1	4.7	5.4	12.9%
Latin America	5.5	6.3	7.3	8.4	9.6	10.6	11.6	12.8	14.0	15.2	12.0%
<b>Total</b>	<b>83.2</b>	<b>90.9</b>	<b>101.6</b>	<b>112.4</b>	<b>121.2</b>	<b>129.4</b>	<b>136.5</b>	<b>144.6</b>	<b>151.8</b>	<b>158.4</b>	<b>7.4%</b>
<b>DBS Subscribers</b>											
North America	11.0	13.0	14.8	16.4	17.9	19.4	20.7	21.9	22.9	23.8	9.0%
Europe**	7.0	10.0	13.0	16.0	19.7	23.3	27.0	30.7	34.3	38.0	20.7%
Latin America***	1.8	2.3	2.8	3.4	3.7	4.1	4.5	4.9	5.2	5.5	13.3%
Asia***	3.2	4.3	5.5	6.6	7.6	8.7	9.7	10.6	11.5	12.4	16.4%
South Africa***	0.5	0.5	0.6	0.7	0.7	0.7	0.8	0.8	0.8	0.9	6.8%
<b>Total</b>	<b>23.5</b>	<b>30.1</b>	<b>36.7</b>	<b>43.0</b>	<b>49.7</b>	<b>56.3</b>	<b>62.8</b>	<b>68.8</b>	<b>74.7</b>	<b>80.6</b>	<b>14.7%</b>
<b>Digitalization (DBS/DTH)</b>											
North America	87%	91%	93%	95%	96%	97%	98%	98%	99%	99%	1.5%
Europe	18%	28%	34%	35%	41%	46%	52%	57%	63%	69%	16.2%
Latin America	33%	37%	39%	40%	39%	39%	39%	38%	37%	36%	1.2%
Asia	18%	22%	22%	22%	23%	25%	26%	27%	27%	28%	5.2%
<b>Total</b>	<b>28%</b>	<b>33%</b>	<b>36%</b>	<b>38%</b>	<b>41%</b>	<b>44%</b>	<b>46%</b>	<b>48%</b>	<b>49%</b>	<b>51%</b>	<b>6.8%</b>

Source: C.E. Unterberg, Towbin \*\*SES Astra \*\*\*Baskerville Communications Note: DBS subs/digitalization shown for illustrative purposes



Source: C.E. Unterberg, Towbin \*\* SES Astra

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