



All photos courtesy of Gazprom Space Systems.

Increasing capacity, extending reach

It is an exciting time for Russian satellite operator Gazprom Space Systems. Not only does the company have three satellites under construction, but it has also been successful in its search for additional capacity to meet the demands for their burgeoning market. Helen Jameson spoke to Igor Kot, Deputy Director General of Gazprom Space Systems, to talk about the highlights of 2011 and what we can expect from the company in the future.

Question: Can you tell us about the highlights of 2011 for Gazprom Space Systems and what the company has achieved?

Igor Kot: Taking into account that our current satellites are fully loaded, and new satellites are currently under construction, this year we focused on three principal directions.

Firstly, this was an extremely busy year where we had to carry out extensive and diligent work on the construction of our new satellites. In order to provide the high quality of the satellites, our team is highly involved in the construction process and aware of all problems that may arise. Our team has had very active involvement in whole process – the design, manufacturing, assembly, inte-

gration and testing of satellites and their parts. This minimizes any occurrence of problems and enables the entire team to work together with, and find solutions with the manufacturers to solve them.

Taking into consideration the specific features we have selected for the satellites, it has been extremely important for us to oversee the quality of the work not only of the general contractor but of the sub-contractors too. The sub-contractors are just as important, as they supply much of the satellite's components from the selection of electronic equipment to finishing and testing devices.

In addition, we also must take into account that now we have three satellites under construction at the same time, and also

that besides project management, our company performs a significant scope of work by itself (for the Yamal-300E and Yamal-401 satellites, for example, the company is responsible for payload and TT&C equipment design). You can imagine that this added up to a lot of hard work in 2011!

Secondly, this year our search for additional capacity was successful. It will allow us to make up for the lack of our own available capacity.

We have come to an agreement with the global operator SES. We will be using their ASTRA 1F satellite that has been temporarily moved into our position of 55 degrees East. This deal has enabled us to start our business in this position prior to the launch



Igor Kot, Deputy Director General of Gazprom Space Systems.

of Yamal-402 satellite. It is a great opportunity for us.

Commercial attractiveness of this project for satellite services providers lies in the fact that our customers can start to do business with the foundation of ASTRA 1F capacity and without technical problems. Then, at the launch of Yamal-402, and with some additional cost, their services may be continued over a wider service zone with the same power parameters.

Finally, in order to use current and future satellites more effectively, we have made great efforts to develop our ground infrastructure. Our company has built, and continues to develop, an up-to-date telecommunication centre in Schelkovo (Moscow region). We are now aggressively implementing modern telecommunication technologies here. For example, we are bringing new hubs into operation, upgrading current ones and setting up modems for networks that incorporate carrier-in-carrier technology. All of this allows us to increase the reliability and effectiveness of the satellite communication network for the benefit of Gazprom and its customers.

Question: What about the expected financial results of 2011?

Igor Kot: Additional capacity and also efforts to update our ground infrastructure, that I have just mentioned, will allow our company, albeit slightly, to increase the revenue in comparison with the previous year. We will announce more exact figures at the end of the year. We are looking forward to next year, with the launch of our new satellites and we expect to return to our previous high revenue growth rates that we were accustomed to between 2005-2009.

Question: Recently, GSS participated in the 40th ITU Telecom World 2011 show, held in Geneva in October. What was the reason for the company's participation as main commercial players of the satellite

telecommunications market were not presented at the forum?

Igor Kot: This forum stands apart from specialised exhibitions and conferences, where the emphasis is on the commercial side of the industry. First of all, ITU Telecom World's objective is to demonstrate that telecommunications are an important and integral part of the global community, life and development. At the forum, questions are raised that address many types of business, including the satellite business. Issues such as spectrum management, satellite, cable and wireless networks convergence are brought up and one of the key issues is the role of satellite communications for provision of global broadband access. This is an attractive proposition for investors in many different countries and it is vitally important that private business is involved in the creation of these networks. In addition, international and government-led educational and social programmes offering wide usage of telecommunication technologies are planned.

As a satellite operator, we felt that it was important to be involved in the ITU Telecom World Forum and we attended as part of the Russian Federation's national pavilion.

GSS was able to highlight the governmental and social initiatives that the company is involved with. These include: TV/radio programme distribution over the whole Russian territory, broadcasting of international versions of the Russian TV channels in foreign countries, and participation in national educational projects. Moreover, GSS demonstrated its export potential as approximately 30 percent of the total volume of the services the company provides are on the international market. We presented the Yamal satellite constellation development, which has been implemented to meet the needs of the Russian gas industry, the country as a whole, and also as a benefit of the international cooperation. And finally at the exhibition once again we drew attention to our recent partnership with SES.

Question: You mentioned the agreement with SES as one of the main events for GSS in the year expiring. This deal focused the global telecommunication community's attention. What else will this deal bring to your company besides the additional capacity?

Igor Kot: The project with the ASTRA 1F satellite is only the first step in the strategic cooperation of Gazprom Space Systems with SES, which promises mutual assistance for capacity and marketing services via new satellites of the both operators and also those in the pipeline. We are exploring new endeavours including the possible creation of joint space and ground assets by co-investing in new projects. This cooperation should help GSS in its development and will draw upon SES' authority and experience in the global





satellite community, in DTH and broadband services deployment, and its presence almost in all regions of the world.

Question: In 2012, what will Gazprom Space System's main objectives be for the future? Can you give us an update on the progress of the new Yamal satellites?

Igor Kot: 2012 will be the twentieth anniversary year of our company. In 2012, two huge events will take place - two of our new satellites will be launched into orbit.

First, the Yamal-300K satellite launch that

was postponed from November of this year should take place. This satellite will be placed at the 90 degrees East orbital position near the current Yamal-201 satellite and it will significantly increase the volume of satellite capacity to serve Russia.

One more satellite - Yamal-402 - will be launched at the end of the next year and will be placed at the 55 degrees East orbital position. This satellite is dedicated not only to the Russian market but also for Europe, Middle East and Africa.

Looking a little further ahead to 2013 the

Yamal-401 satellite, which is now under construction, will be launched. Then, in 2014, the Yamal-601 satellite should be ready in time to replace currently the Yamal-202 satellite. Gazprom has put out the tender on the manufacture of the satellite, and we expect its construction will be started at the beginning of next year.

Implementation of these plans will increase the capacity of our fleet by four times. The sale of this capacity is a real challenge for any satellite operator and this will be our principal area of focus in future years. ✨

