

Measat set to expand international business

MEASAT Satellite Systems Sdn Bhd is looking at options to replace its satellites in Africa to expand its international business as a future growth strategy in a market thirsting for satellite communications.

As for the timeline, Measat's senior vice-president for space systems development Dr Ali R. Ebadi said: "Any new satellite would take around 30 months to launch and bring into operational service."

Dr Ali, who saw four previous highly-successful Measat programmes, also said the company was exploring options to work with partners for future satellite programmes in view that new satellite programmes were costing between US\$200 million and US\$300 million (US\$1 = RM3.23) each.

"Therefore, it makes sense to work together. Besides being cost effective, joining hands with a strategic partner will enable each party to leverage their customer bases to support the investment," he said in Cyberjaya, Selangor, yesterday.

"Such an approach would assist the company in growing the fleet more rapidly, while spreading the risk," he said.



Dr Ali says the outlook for the satellite industry looks positive with growth from Direct-to-Home PayTV operators

satellite network into Africa in early 2008 with the commissioning of Africasat-1 satellite, formerly known as Measat-1. This was supplemented with the commissioning of Africasat-2 earlier this year.

"We are now looking at options to replace these satellites with new satellites," Dr Ali said.

He said the focus is on Africa

the Measat-3 and Measat-3a satellites.

The company is currently looking at opportunities to grow the fleet further to support demand in Malaysia, as well as opportunities to expand the company's international business and one focus is on Africa, he said.

Touching on Measat-3a, which was launched from the Baikonur space centre in Kazakhstan on June 22 last year, he said it was a key event for Measat.

Besides an additional 12 C-Band and 12 Ku-Band transponders to the 48 transponders launched on Measat-3 in 2007, Measat-3a provided the company with a key growth platform for the business.

Transponders or short for transponder-responder are electronic devices used to wirelessly receive and transmit electrical signals on communications satellites. More transponders mean increased satellite capacity.

Dr Ali said the launch of Measat-3 and Measat-3a was the key events supporting the growth of the business which has increased its annual revenue from RM137 million in 2006 to RM241 million in 2009.

Annual revenue is expected to

reach RM323 million within the next few years.

Measat expects that the Measat-3 and Measat-3a satellites to last for at least 17 years.

As of yesterday, two-thirds of Measat-3a's capacity has been leased with the company on track to reach 85 per cent utilisation by end-2010.

With the Measat-3a satellite able to reach 110 countries, the Measat-3a satellite is supporting customers both inside Malaysia and outside.

"When fully utilised, we would expect about 50 per cent of the capacity to be leased to customers inside Malaysia and 50 per cent to international customers located across countries such as India, Hong Kong and Singapore."

Dr Ali said the outlook for the region's satellite industry looks positive with growth from Direct-to-Home PayTV operators, broadcast distribution and general telecommunication services.

"Demand for satellite capacity is also being driven by the growth of high definition television (HDTV) around the region which, with superior picture quality and Dolby surround sound, requires more bandwidth than the traditional SD (Standard Definition)