Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
NEW SKIES SATELLITES, N.V.	)	
	)	
Continuing Access to U.S. Market	)	

EMERGENCY REQUEST FOR INQUIRY INTO THE CONTINUING QUALIFICATIONS OF NEW SKIES TO ACCESS THE U.S. MARKET

PanAmSat Corporation ("PanAmSat"), by its attorneys, hereby requests that the Commission take immediate action to determine whether the just-announced plans of New Skies Satellites N.V. ("New Skies") to buy back up to 13 million of its shares,[1] almost half its original public offering, would violate the conditions under which it has been authorized by the Commission to access the U.S. market. Time is short with respect to this request, because New Skies states that such buy backs may commence as early as mid-November of this year.[2]

I. The Commission Permitted New Skies Access To The United States Only After Finding Compliance With ORBIT's Requirement Of Substantial Dilution Of Its Signatory Ownership.

Under the ORBIT Act,[3] as a condition for access to the U.S. market, New Skies is required to "have a pro-competitive structure."[4] One of the conditions specified by Congress for such a structure is that New Skies, through a public offering, "substantially dilute the aggregate ownership ... of [Intelsat] signatories or former signatories."[5]

In March 2001, the Commission concluded that New Skies had met this requirement through the completion of a public offering of 28,500,000 shares, 23% of its

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[1] This proposed buy back was announced by New Skies on October 29, 2002 (the "Announcement"). A copy of the Announcement is attached hereto as Appendix A.
[2] *Id*.
[3] *Open-Market Reorganization for the Betterment of International Telecommunications Act* (the "*Orbit Act*"), Pub. L. 106-180, 114 Stat. 48 (2002), 47 U.S.C. 621 *et seq.*
[4] 47 U.S.C. § 621(2).
[5] *Id*. Signatories and former signatories are collectively referred to herein as "Signatory Interests."

stock.[6] Such 23% did not meet the Commission's usual standard of a transfer of 50% or more of the stock of a corporation as constituting a substantial change in ownership.[7] Nevertheless, the Commission concluded that, "in view of the depressed market conditions," the 23% sale coupled with other non-Signatory Interests in "less than optimum market conditions" was sufficient to meet the statutory requirements.[8]

Although the Commission never expressly defined the minimum level of public ownership required to meet ORBIT's substantial dilution test, a fair reading of the Commission's decision demonstrates that New Skies' showing was at the minimum threshold for substantial dilution. Not "optimum," less than desired, but just good enough under the circumstances. Further, the initial public offering was fairly contemplated by all concerned as a first step toward continued diminution of the Signatory Interests' ownership position in New Skies.

II. If the Commission Finds That New Skies Has Reneged On Its Commitment To Substantial Dilution Of Its Signatory Interests, It Must Find New Skies In Violation Of ORBIT And Must Rescind New Skies' Operating Authority In The United States.

Now, less than two years after its initial public offering, New Skies has decided, without even requesting Commission review or authorization, to repurchase nearly half the amount of stock that it made available at the public offering. New Skies has not stated whether these shares will come from its general public shareholders or Signatory Interest shareholders, or whether any controls will be put into place to ensure that the percentage of stock held in New Skies by non-Signatory Interests is not diluted. If, however, such shares come entirely, or disproportionately, from the holdings of the general public or non-Signatory Interests, the minimum non-Signatory Interest

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[6] *New Skies Satellites, N.V. Request for Unconditional Authority to access the U.S. Market*, 16 FCC Rcd 7482, 7488 (2001)("*New Skies Access Decision*").

[7] See, e.g., *Reading Broadcasting, Inc.* 2002 FCC Lexis 3369, *46-47 (July 3, 2002) ("The test for substantiality is generally… whether 50% or more of the stock is transferred…."); *Barnes Enterprises, Inc.*, 55 FCC 2d 721, 725 (1975) (describing 50% standard for substantiality as one of "long administrative interpretation").

[8] *New Skies Access Decision*, 16 FCC Rcd at 7487-88.

ownership of New Skies approved as a condition for New Skies' access to the U.S. market will be lost.

Neither New Skies' statutory obligation to maintain a "pro-competitive structure" nor the public interest in maintaining competitive access conditions evaporated with New Skies' initial public offering. The Commission has recognized "that non-Signatory ownership in New Skies remains essential to achieve an independent New Skies, and is necessary to avoid the potential for New Skies to secure market access advantages over its competitors."[9] Any increased percentage holding in New Skies by Signatory Interests would again raise the specter that these Signatory Interests would use their market access power to thwart competition.

The timing of New Skies' proposed buy back plan makes immediate inquiry and corrective action by the Commission a practical necessity before the Commission is confronted with a *fait accompli* and New Skies' customers must be denied service in the United States if ORBIT is not to be deemed a dead letter. Accordingly, PanAmSat respectfully urges the Commission to open a proceeding and to make immediate inquiry of New Skies as to the effect of its proposed buy back plan on its obligations to dilute the level of Signatory Interests in the company. Based upon such inquiry, the

[9] *New Skies Satellite, N.V.*, 14 FCC Rcd 13003, 13022 (1999).

Commission should give New Skies the clear choice between compliance with ORBIT or losing access to the U.S. market.

Respectfully submitted,

PANAMSAT CORPORATION

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November 1, 2002

APPENDIX A

New Skies Reports Third Quarter 2002 Earnings and Announces Share Buyback

THE HAGUE, Netherlands, October 29, 2002 – New Skies Satellites N.V. (AEX, NYSE: **NSK**), the global satellite communications company, today reported financial results for the three- and nine-month periods ended September 30, 2002. Revenues for the quarter were $48.7 million, EBITDA was $27.0 million, and net income was $3.5 million.

New Skies, in recognition of the strength of its business, its continued optimism regarding its commercial prospects going forward, and its longstanding focus on promoting shareholder value, also announced that it will be conducting a share buyback over the coming months. Under the share buyback, New Skies may repurchase up to13 million, or 10 percent, of currently outstanding shares in the market at prevailing market prices as and when trades are executed. Share repurchases are expected to begin no sooner than mid-November and will continue from time to time. New Skies plans to hold the repurchased shares as treasury stock. The company will continue to be able to satisfy the cash requirements of its current capital expenditure program from internally-generated cash flows and existing bank facilities.

Commenting on the quarter, CEO Dan Goldberg said:

> "New Skies has delivered another quarter of solid results in spite of the challenging business environment. Our revenues remain well diversified from a geographic and services perspective, our pricing has remained stable, and our backlog is up.
>
> "Importantly, we signed a significant pre-launch contract on the NSS-6 satellite, which is due for launch later this year. The long-term, multi-transponder agreement with Data Access, a longstanding customer and the first Indian private international voice carrier to begin transiting traffic, achieves our pre-launch sales target and validates the commercial desirability of NSS-6's flexible and state-of-the-art design.
>
> "Lastly, we are announcing today our decision to conduct a share buyback. This decision reflects our strong confidence in the company and in the fundamentals of the underlying business, as well as our commitment to enhance shareholder value. In light of the company's strong financial position, we will continue to have adequate funding for our present satellite expansion program and will maintain our strategic flexibility going forward."

For the three- and nine- month periods ended September 30, 2002, New Skies achieved the following financial results:

- Revenues for the three-month period ended September 30, 2002 were $48.7 million, a decrease of $3.5 million as compared to $52.2 million for the same period in 2001. Revenues for the nine-month period ended September 30, 2002 were $149.7 million, compared to $156.6 million in 2001. The decrease in revenues of $3.5 million for the quarter is principally the result of the prevailing difficult market conditions, as well as the transition of traffic from the NSS-803 and NSS-K satellites to NSS-7, a transition that was completed in the quarter.

- Operating expenses, excluding depreciation and amortization, were flat in the quarter compared with the third quarter 2001. However, such operating expenses decreased $1.4 million in the nine-month period ended September 30, 2002 compared to the same period in 2001. This decrease is due to savings in the cost of monitoring and flying our satellites as we now perform these activities in house and also reflects our success in managing our costs in response to the difficult business climate.

- Net income for the third quarter 2002 was $3.5 million compared to $9.2 million in the same period in the prior year. The decrease primarily relates to a decrease in revenues for the quarter, increase in depreciation of $1.9 million stemming principally from the launch of the NSS-7 satellite, and a $3.6 million reduction in interest income. Income before cumulative effect of change in accounting principle for nine-month period ended September 30, 2002 was $14.3 million, or $0.11 diluted earnings per share, compared to $25.3 million and $0.19 diluted earnings per share for the same period in 2001. Net income for the three- and nine- months ended September 30, 2001 included goodwill amortization of $0.6 million and $1.8 million, respectively. With the required adoption of SFAS 142 effective January 1, 2002, amortization of goodwill is no longer permitted.

- In the third quarter 2002, EBITDA (earnings before interest, taxes, depreciation and amortization) was $27.0 million compared to $30.4 million for the same period in the prior year. EBITDA for the nine-month period ended September 30, 2002 was $82.5 million, as compared to $87.9 million for the same period in 2001.

- Backlog increased to $701 million from $635 million at the end of the second quarter 2002, an increase of $66 million, or 10 percent.

Third quarter operating highlights

- During the quarter, New Skies signed:

  - a multi-transponder, ten-year agreement with Data Access, the first private international voice carrier licensed to operate in India, for capacity on both NSS-703 and NSS-6, due for launch later this year;

  - a long-term agreement with the European Broadcasting Union (EBU) for value-added video transmission services over NSS-7, including local loop fiber connectivity, co-location services and uplink via New Skies' Washington D.C. Mediaport;

  - contracts with Comsat and Spacelink International for government services originating from North America;

- a short term agreement to support China Central Television's (CCTV) coverage of the 2002 Asian Games with high-power capacity on the NSS-703 satellite; and

- a contract with E-Life of Paraguay for capacity on NSS-806 for IPsys® satellite-delivered Internet access.

- The company's satellite deployment plans are on schedule with NSS-6 due to be shipped to Arianespace's launch facility in Kourou, French Guiana within the next few days. The satellite will then be readied for an early December launch. NSS-803, to be renamed NSS-5, is en-route to its new orbital location at 183 degrees East longitude and is expected to begin commercial service in the Pacific Ocean region in the mid-December timeframe. NSS-5 will replace the NSS-513 satellite.

- In late August, New Skies completed the smooth transition of traffic from its NSS-K and NSS-803 satellites to the newly launched NSS-7.

- New Skies added Kingston inmedia of Britain to its growing list of partner-teleports around the world with an agreement to cooperate closely in offering a highly competitive range of communications services.

In other news during the quarter, Scott Sprague, a telecommunications sales executive with more than 20 years of experience, joined the company as its new Senior Vice President of Global Sales to lead the company's global sales team located throughout eight regional offices around the world.

About New Skies Satellites (AEX, NYSE: NSK)
New Skies Satellites (AEX, NYSE: NSK) is one of only four fixed satellite communications companies with truly global satellite coverage, offering video, voice, data and Internet communications services to a range of telecommunications carriers, broadcasters, large corporations and Internet service providers around the world. New Skies has five satellites in geosynchronous orbit and ground facilities around the world. The company also has two spacecraft under construction, which are planned to serve the Americas and Asia from two new orbital locations and the company has secured certain rights to make use of additional orbital positions, including four serving the Americas. New Skies is headquartered in The Hague, The Netherlands, and has offices in London, Johannesburg, New Delhi, São Paulo, Singapore, Sydney and Washington, D.C. Additional information is available at: www.newskies.com.

Conference call:
CEO Dan Goldberg and CFO Andrew Browne will host a conference call today at 5 pm (CET). To listen in please dial +44 (0) 20 8240 8244, passcode "New Skies Satellites, Dan Goldberg." The conference call will also be available for replay, 24 hours a day for the subsequent five working days. The international dial-in number is + 44 (0) 20 8288 4459; Freephone number 0500 637 880 (UK Only); Passcode: 299192.

If for any reason the connection is lost during the call, please dial the alternative number +44 20 8515 2327 and give the reference 'New Skies.'

Should the back-up call be used, the replay recording of that call will be available for five working days by dialing + +44 20 8797 2499, PIN 114406#.

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Safe Harbor

Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934 provide a "safe harbor" for forward-looking statements made by an issuer of publicly traded securities and persons acting on its behalf. New Skies Satellites N.V. has made certain forward-looking statements in this document in reliance on those safe harbors. A forward-looking statement concerns the company's or management's intentions or expectations, or are predictions of future performance. These statements are identified by words such as "intends", "expects", "anticipates", "believes", "estimates", "may", "will", "should" and similar expressions. By their nature, forward-looking statements are not a matter of historical fact and involve risks and uncertainties that could cause New Skies' actual results to differ materially from those expressed or implied by the forward-looking statements for a number of reasons. Factors which may affect the future performance of New Skies include: delays or problems in the construction or launch of future satellites; technical performance of in-orbit satellites and earth-based infrastructure; increased competition and changes in technology; growth of and access to the company's target markets; legal and regulatory developments affecting the company's business; and worldwide business and economic conditions, among other things. These risks and other risks affecting New Skies' business are described in the company's periodic filings with the U.S. Securities and Exchange Commission, including but not limited to New Skies' Annual Report on Form 20-F for the year ended December 31, 2001. Copies of these filings may be obtained by contacting the SEC. New Skies disclaims any obligation to update the forward-looking statements contained in this document.

New Skies Satellites N.V. and Subsidiaries
Consolidated Balance Sheets

September 30, 2002 and December 31, 2001
(In thousands of U.S. Dollars, except share data)

	September 30, 2002 (unaudited)	December 31, 2001
Assets		
Current Assets		
Cash and cash equivalents	$ 41,960	$ 138,268
Trade receivables	41,807	41,981
Prepaid expenses and other	4,626	9,139
Total Current Assets	88,393	189,388
Communications, plant and other property, net	1,028,856	886,244
Deferred tax asset	10,457	11,441
Goodwill, net and other assets	2,127	22,730
TOTAL	$ 1,129,833	$ 1,109,803
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	$ 16,967	$ 20,350
Income taxes	27,686	22,357
Deferred revenues	9,132	8,848
Satellite performance incentives	5,411	4,610
Total Current Liabilities	59,196	56,165
Deferred revenues and other liabilities	8,578	3,925
Satellite performance incentives	28,751	12,529
Total Liabilities	96,525	72,619
Shareholders' Equity		
Governance preference shares (227,530,000 shares authorized, par value €0.05; none issued)	-	-
Cumulative preferred financing shares (22,753,000 shares authorized, par value €0.05; none issued)	-	-
Ordinary Shares (204,777,000 shares authorized, par value €0.05; 130,570,241 issued and outstanding)	6,026	6,026
Additional paid-in capital	977,506	976,168
Retained earnings	51,598	60,664
Unearned compensation	(975)	(352)
Accumulated other comprehensive loss	(847)	(5,322)
Total Shareholders' Equity	1,033,308	1,037,184
TOTAL	$ 1,129,833	$ 1,109,803

New Skies Satellites N.V. and Subsidiaries
Consolidated Statements of Income

Three-month period ended September 30, 2002 and 2001 (Unaudited)
(In thousands of U.S. Dollars, except share data)

	Three-month period ended September 30, 2002	2001
Revenues	$ 48,722	$ 52,215
Operating expenses:		
Cost of operations	12,504	12,951
Selling, general and administrative	9,243	8,836
Depreciation and amortization	21,142	19,282
Total Operating Expenses	42,889	41,069
Operating Income	5,833	11,146
Interest expense (income) and other, net	314	(3,244)
Income Before Income Tax Expense	5,519	14,390
Income tax expense	1,987	5,209
Net Income	$ 3,532	$ 9,181
Basic and Diluted Earnings Per Share	$ 0.03	$ 0.07

Nine-month period ended September 30, 2002 and 2001 (Unaudited)
(In thousands of U.S. Dollars, except share data)

	Nine-month period ended September 30, 2002	2001
Revenues	$ 149,682	$ 156,582
Operating expenses:		
Cost of operations	38,014	39,554
Selling, general and administrative	29,194	29,088
Depreciation and amortization	59,774	56,033
Total Operating Expenses	126,982	124,675
Operating Income	22,700	31,907
Interest expense (income) and other, net	341	(8,219)
Income Before Income Tax Expense	22,359	40,126
Income tax expense	8,050	14,836
Income Before Cumulative Effect of Change in Accounting Principle	14,309	25,290
Cumulative effect of change in accounting principle, relating to goodwill, net of taxes [A]	(23,375)	-
Net (Loss) Income	$ (9,066)	$ 25,290
Basic and Diluted Earnings Per Share Before Cumulative Effect of Change in Accounting Principle	$ 0.11	$ 0.19
Cumulative effect of change in accounting principle	(0.18)	-
Basic and Diluted Earnings Per Share	$ (0.07)	$ 0.19

[A] The Company adopted the new accounting standard, SFAS 142, "Goodwill and Other Intangible Assets" as of January 1, 2002, which has resulted in a one-time non-cash write-down of $23.4 million of goodwill relating to the acquisition of NSN Pty Ltd in Australia in March 2000. Amortization of goodwill recorded for the three- and nine- month periods ended September 30, 2001 amounted to $0.6 million and $1.8 million, respectively.

New Skies Satellites N.V. and Subsidiaries
Consolidated Statements of Cash Flows

Nine-month period ended September 30, 2002 and 2001 (Unaudited)
(In thousands of U.S. Dollars)

	Nine-month period ended September 30, 2002	Nine-month period ended September 30, 2001
Cash flows from operating activities:		
Net (loss) income	$ (9,066)	$ 25,290
Adjustments for non-cash items:		
Depreciation and amortization	59,774	56,033
Cumulative effect of change in accounting principle	23,375	-
Deferred taxes	984	1,165
Amortization of unearned stock compensation	715	762
Changes in operating assets and liabilities:		
Trade receivables	198	600
Prepaid expenses and other	4,536	3,366
Accounts payable and accrued liabilities	(3,471)	1,368
Deferred revenues	4,895	1,551
Income taxes payable	5,455	13,440
Net Cash Provided By Operating Activities	87,395	103,575
Cash flows from investing activities:		
Payments for communications, plant and other property	(181,013)	(177,641)
Reimbursement of KTV construction costs	-	51,452
Net Cash Used In Investing Activities	(181,013)	(126,189)
Cash flows from financing activities:		
Satellite performance incentives and other	(2,616)	(1,922)
Net Cash Used In Financing Activities	(2,616)	(1,922)
Effect of exchange rate differences	(74)	(167)
Net change in cash and cash equivalents	(96,308)	(24,703)
Cash and cash equivalents, beginning of period	138,268	232,898
Cash and cash equivalents, end of period	$ 41,960	$ 208,195

Cash payments for interest (net of amounts capitalized) were nil for the nine months ended September 30, 2002 and 2001. Income tax as paid amounted to $2.1 million and $0.5 million for the nine months ended September 30, 2002 and 2001, respectively.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Emergency Request for Inquiry into the Continuing Qualifications of New Skies to Access the U.S. Market was sent by hand delivery, this 1st day of November, 2002, to each of the following:

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