



February 21, 2014

EchoStar Announces 4th Quarter and Fiscal Year 2013 Earnings and Strategic Business Transaction

ENGLEWOOD, Colo., Feb. 21, 2014 /PRNewswire/ -- EchoStar Corporation (NASDAQ: SATS) today reported total revenue of \$808 million for the quarter ended December 31, 2013 compared to \$786 million for the corresponding period in 2012. Total revenue for the fiscal year ending December 31, 2013 was \$3,282 million compared to \$3,122 million for the corresponding period in 2012.

EchoStar reported net income attributable to EchoStar shareholders of \$4.5 million and diluted earnings per share of \$0.05 for the quarter ended December 31, 2013, compared with net income attributable to EchoStar shareholders of \$26.2 million and diluted earnings per share of \$0.28 during the corresponding period in 2012. For the fiscal year ending December 31, 2013, net income attributable to EchoStar shareholders was \$2.5 million and diluted earnings per share was \$0.03 compared to net income attributable to EchoStar shareholders of \$211 million and diluted earnings per share of \$2.40 for the corresponding period in 2012.

EchoStar also announced today that it has reached agreement with DISH Network Corporation (NASDAQ: DISH) for a strategic transaction, effective March 1, 2014. EchoStar and its subsidiaries will receive five satellites along with related liabilities for in-orbit incentive payments to the manufacturers of certain of those satellites, and approximately \$11 million in cash from DISH in exchange for two issues of preferred tracking stock (the "Preferred Tracking Stock"). The Preferred Tracking Stock will track the residential retail satellite business of Hughes Network Systems, LLC, ("Hughes"), a wholly owned subsidiary of EchoStar, including certain operations, assets, and liabilities related to such business (collectively, the "Hughes Retail Group" or "HRG"). As of December 31, 2013 the HRG had approximately 635,000 U.S. retail satellite broadband subscribers. EchoStar and DISH have entered into a long-term operating lease agreement for transponder services to DISH on the satellites to be received by EchoStar and its subsidiaries

Key highlights of the strategic transaction include:

- The DISH owned satellites being transferred to EchoStar are EchoStar I, EchoStar VII, EchoStar X, EchoStar XI and EchoStar XIV. The satellites together have an estimated weighted average remaining useful life of approximately nine years. As a result, EchoStar's owned and leased fleet will expand to a total of 17 satellites.
- EchoStar is expecting to generate approximately \$145 million of incremental revenue from the new satellites in 2014.
- DISH will receive Preferred Tracking Stock that represents 80% of the economic value of HRG, while EchoStar will retain the remaining 20% of the aggregate economics of HRG.
- EchoStar will continue to own all assets associated with the delivery of its satellite broadband service including Spaceway 3 and EchoStar XVII, its high capacity, next-generation broadband satellite and will retain all of the economics associated with the provisioning and management of the satellite broadband service offering, including wholesale services.
- Hughes will continue to manage and conduct the day-to-day business of the HRG.
- The exchange of the satellites from DISH for the Preferred Tracking Stock is expected to be a tax free transaction for EchoStar.

Deutsche Bank acted as the sole financial advisor to EchoStar in the strategic business transaction, and White & Case LLP acted as EchoStar's legal advisor.

Detailed financial data and other information are available in EchoStar's Form 10-K for the year ended December 31, 2013 filed today with the Securities and Exchange Commission.

EchoStar will host its fourth quarter 2013 financial results conference call today at 11:00 a.m. ET. The dial-in numbers are 1-877-815-1625 (US) and 716-247-5178 (International), Conference ID # 59461644.

This press release may contain statements that are forward looking, as that term is defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's beliefs, as well as assumptions made by, and information currently available to, management. When used in this release, the words "believe," "anticipate," "estimate," "expect," "intend," "project," "plans," and similar expressions and the use of future dates are intended to identify forward-looking statements. Although management believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurance that these expectations will prove to have been correct. You are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date made. These statements are subject to certain risks, uncertainties, and assumptions. See "Risk Factors" in EchoStar's Annual Report on Form 10-K for the year ended

December 31, 2013, filed today with the Securities and Exchange Commission and in the other documents EchoStar files with the Securities and Exchange Commission from time to time.

About EchoStar

EchoStar Corporation (NASDAQ: SATS) is a premier global provider of satellite operations and video delivery solutions. EchoStar's wholly-owned subsidiary, Hughes, is the world's leading provider of satellite broadband services, delivering network technologies and managed services for enterprise and government customers in more than 100 countries.

Headquartered in Englewood, CO, with additional business units world-wide, EchoStar is a multiple Emmy award-winning company that has pioneered advancements in the set-top box and satellite industries for nearly 30 years, consistently delivering value for customers, partners and investors through innovation and outstanding quality. EchoStar's contribution to video technology continues to have a major influence on the way consumers view, receive and manage TV programming. EchoStar's consumer solutions include HughesNet®, North America's #1 high-speed satellite Internet service, Sling Media's Slingbox® products, and EchoStar's line of set-top box products for the free-to-air satellite and terrestrial markets.

For more information, visit www.echostar.com

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