

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **February 28, 2017**

ECHOSTAR CORPORATION

(Exact name of registrant as specified in its charter)

NEVADA
(State or other jurisdiction of
incorporation)

001-33807
(Commission File Number)

26-1232727
(IRS Employer
Identification No.)

100 INVERNESS TERRACE E.

ENGLEWOOD, COLORADO
(Address of principal executive offices)

80112
(Zip Code)

(303) 706-4000
(Registrant's telephone number, including area code)

HUGHES SATELLITE SYSTEMS CORPORATION

(Exact name of registrant as specified in its charter)

COLORADO
(State or other jurisdiction
of incorporation)

333-179121
(Commission
File
Number)

45-0897865
(IRS Employer
Identification No.)

100 INVERNESS TERRACE E.
ENGLEWOOD, COLORADO
(Address of principal executive offices)

80112
(Zip Code)

(303) 706-4000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.01. Completion of Acquisition or Disposition of Assets.

On February 28, 2017, EchoStar Corporation (“EchoStar”) completed the previously announced share exchange (the “Share Exchange”) whereby (i) EchoStar has received all of the shares of EchoStar Tracking Stock (defined below) owned by DISH Network L.L.C. (“DNLLC”), a wholly-owned subsidiary of DISH Network Corporation (“DISH”), in exchange for 100% of the equity interests of EchoStar Technologies Holding Corporation (“ET Corp”), formerly a direct wholly-owned subsidiary of EchoStar, which held that portion of the EchoStar Technologies business segment of EchoStar that (a) designed, developed and distributed secure end-to-end video technology solutions including digital set-top boxes and related products and technology, primarily for satellite TV service providers and telecommunications companies, (b) provided TV Anywhere technology through Slingbox® units directly to consumers via retail outlets and online, as well as to the pay-TV operator market, and (c) included EchoStar’s over-the-top, Streaming Video on Demand platform business, which includes assets acquired from Sling TV Holding L.L.C. (formerly DISH Digital Holding L.L.C.) and primarily provided support services to DISH’s Sling TV™ operations, and (ii) EchoStar Broadcasting Holding Parent L.L.C. (“EB LLC”), formerly an indirect subsidiary of EchoStar and a direct wholly owned subsidiary of Hughes Satellite Systems Corporation (“HSS”), received all of the shares of HSS Tracking Stock (defined below) owned by DISH Operating L.L.C. (“DOLLC”), a wholly-owned subsidiary of DISH, in exchange for 100% of the equity interests of EchoStar Broadcasting Holding Corporation (“EB Corp”), formerly a direct wholly owned subsidiary of EB LLC, which held EchoStar’s business of providing online video delivery and satellite video delivery for broadcasters and pay-TV operators, including satellite uplinking/downlinking, transmission services, signal processing, conditional access management and other services. The Share Exchange was structured in a manner to be a tax-free exchange for each of EchoStar and DISH and their respective subsidiaries. Subsequent to the Share Exchange, EB LLC merged with and into HSS.

Prior to consummation of the Share Exchange, EchoStar completed steps necessary for the transferring assets and liabilities to be owned by ET Corp and EB Corp and their respective subsidiaries. As part of these steps, HSS issued additional shares of common stock to a subsidiary of EchoStar and such shares were then distributed as a dividend to EchoStar. Certain data center assets were not included in the Share Exchange and remained owned by EB LLC and will be pledged as collateral to support HSS’s obligations under its indentures.

In March 2014, EchoStar and its subsidiary HSS each issued shares of preferred stock (the “EchoStar Tracking Stock” and “HSS Tracking Stock,” respectively, and together, the “Tracking Stock”) to DNLLC and DOLLC, respectively. The Tracking Stock tracked the economic performance of the residential retail satellite broadband business of our Hughes segment, including certain operations, assets and liabilities attributed to such business (collectively, the “Hughes Retail Group” or “HRG”), and represented in the aggregate an 80.0% economic interest in the Hughes Retail Group (the EchoStar Tracking Stock represented a 51.89% economic interest in the Hughes Retail Group and the HSS Tracking Stock represented a 28.11% economic interest in the Hughes Retail Group). As a result of the Share Exchange, the Tracking Stock has been retired and all agreements, arrangements and policy statements with respect to the Tracking Stock have been terminated and are of no further effect.

In connection with the Share Exchange, EchoStar and DISH and certain of their subsidiaries (i) have entered into certain customary agreements covering, among other things, matters relating to taxes, employees, intellectual property and the provision of transitional services, (ii) terminated certain previously existing agreements, and (iii) entered into agreements for new transactions pursuant to which EchoStar and DISH will obtain certain products, services and rights from each other.

A substantial majority of the voting power of EchoStar and DISH is owned beneficially by Charles W. Ergen, EchoStar’s Chairman, and by certain trusts established by Mr. Ergen for the benefit of his family. In addition, EchoStar and DISH and their subsidiaries are parties to certain agreements pursuant to which they obtain certain products, services and rights from each other. For more information, see Note 19 to the consolidated financial statements in EchoStar’s Annual Report on Form 10-K for the year ended December 31, 2016.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On March 1, 2017, EchoStar filed with the Secretary of State of the State of Nevada, a Certificate of Withdrawal of Certificate of Designation with respect to the EchoStar Tracking Stock. The Certificate of Withdrawal, which was effective upon filing, eliminated from the Articles of Incorporation of EchoStar all matters set forth in EchoStar’s

Certificate of Designation with respect to the EchoStar Tracking Stock. The information set forth under “Item 2.01 Completion of Acquisition or Disposition of Assets” is incorporated herein by reference. A copy of the Certificate of Withdrawal of Certificate of Designation is attached hereto as Exhibit 3.1 and incorporated herein by reference.

On March 1, 2017, HSS filed with the Secretary of State of the State of Colorado, Articles of Amendment to its Articles of Incorporation, effective upon filing, cancelling the designation of the HSS Tracking Stock and all matters set forth in HSS’s Articles of Incorporation with respect to the HSS Tracking Stock. The information set forth under “Item 2.01 Completion of Acquisition or Disposition of Assets” is incorporated herein by reference. A copy of the Articles of Amendment is attached hereto as Exhibit 3.2 and incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(b) Pro Forma Financial Information.

The following unaudited pro forma condensed consolidated financial information of EchoStar prepared in accordance with Article 11 of Regulation S-X is filed as Exhibit 99.1 hereto and is incorporated herein by reference:

- The unaudited pro forma condensed consolidated statements of operations of EchoStar for the years ended December 31, 2016, 2015 and 2014;
- The unaudited pro forma condensed consolidated balance sheet of EchoStar as of December 31, 2016; and
- Notes to the unaudited pro forma condensed consolidated financial statements.

(d) Exhibits

Exhibit No.	Description
Exhibit 3.1	Certificate of Withdrawal of Certificate of Designation of EchoStar Corporation
Exhibit 3.2	Articles of Amendment to Articles of Incorporation of Hughes Satellite Systems Corporation
Exhibit 99.1	Unaudited pro forma condensed consolidated financial statements of EchoStar Corporation

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This document and the exhibits thereto 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 report, 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, 2016 filed with the Securities and Exchange Commission (the “SEC”) and in the other documents EchoStar files with the SEC from time to time. The forward-looking statements speak only as of the date made, and EchoStar expressly disclaims any obligation to update these forward-looking statements.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, each of the registrants has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ECHOSTAR CORPORATION

HUGHES SATELLITE SYSTEMS CORPORATION

Date: March 6, 2017

By: /s/ Dean A. Manson
Executive Vice President, General Counsel and
Secretary

Exhibit Index

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150403



BARBARA K. CEGAVSKE
Secretary of State
202 North Carson Street
Carson City, Nevada 89701-4201
(775) 684-5708
Website: www.nvsos.gov

Filed in the office of <i>Barbara K. Cegavske</i>	Document Number 20170092957-62
Barbara K. Cegavske Secretary of State State of Nevada	Filing Date and Time 03/01/2017 11:34 AM
	Entity Number E0714502007-4

**Certificate of Withdrawal of
Certificate of Designation**
(PURSUANT TO NRS 78.1955(6))

USE BLACK INK ONLY - DO NOT HIGHLIGHT

ABOVE SPACE IS FOR OFFICE USE ONLY

**Certificate of Withdrawal of
Certificate of Designation
for Nevada Profit Corporations**
(Pursuant to NRS 78.1955(6))

1. Name of corporation:

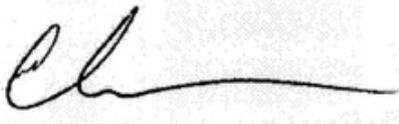
EchoStar Corporation

2. Following is the resolution by the board of directors authorizing the withdrawal of Certificate of Designation establishing the classes or series of stock:

NOW, THEREFORE, BE IT RESOLVED, that, pursuant to NRS 78.1955(6), the Board of Directors hereby authorizes, approves and adopts the filing of a Certificate of Withdrawal of Certificate of Designation of Hughes Retail Preferred Tracking Stock with the Nevada Secretary of State.

3. No shares of the class or series of stock being withdrawn are outstanding.

4. Signature: (required)

X 

Signature of Officer

Filing Fee: \$175.00

IMPORTANT: Failure to include any of the above information and submit with the proper fees may cause this filing to be rejected.

This form must be accompanied by appropriate fees.

Nevada Secretary of State Withdrawal of Designation
Revised: 1-5-15



Colorado Secretary of State
 Date and Time: 03/01/2017 03:39 PM
 ID Number: 20111159069
 Document number: 20171176386
 Amount Paid: \$25.00

Document must be filed electronically.
 Paper documents are not accepted.
 Fees & forms are subject to change.
 For more information or to print copies
 of filed documents, visit www.sos.state.co.us.

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Articles of Amendment

filed pursuant to §7-90-301, et seq. and §7-110-106 of the Colorado Revised Statutes (C.R.S.)

1. For the entity, its ID number and entity name are

ID number 20111159069
(Colorado Secretary of State ID number)
 Entity name Hughes Satellite Systems Corporation

2. The new entity name (if applicable) is _____

3. (If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains additional amendments or other information.

4. If the amendment provides for an exchange, reclassification or cancellation of issued shares, the attachment states the provisions for implementing the amendment.

5. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are _____
(mm/dd/yyyy hour:minute am/pm)

Notice:

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that such document is such individual's act and deed, or that such individual in good faith believes such document is the act and deed of the person on whose behalf such individual is causing such document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S. and, if applicable, the constituent documents and the organic statutes, and that such individual in good faith believes the facts stated in such document are true and such document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is identified in this document as one who has caused it to be delivered.

6. The true name and mailing address of the individual causing the document to be delivered for filing are

Yost Jeanne _____
(Last) (First) (Middle) (Suffix)
11717 Exploration Lane
(Street name and number or Post Office Box information)
Hughes Satellite Systems Corp
Germantown MD 20876
(City) (State) (Postal/Zip Code)

(Province - if applicable) (Country - if not US)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

Disclaimer:

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

**CANCELLATION OF DESIGNATION
OF
HUGHES RETAIL PREFERRED TRACKING STOCK**

By resolution of the Board of Directors of Hughes Satellite Systems Corporation (the "Corporation"), duly adopted pursuant to the provisions of these Articles of Incorporation and pursuant to § 7-106-102 and § 7-106-302 of the Colorado Revised Statutes, the Corporation hereby rescinds, cancels and terminates the designation of rights, preferences and privileges with respect to all three hundred (300) shares of the Corporation's Hughes Retail Preferred Tracking Stock, established by Articles of Amendment filed on February 28, 2014. This Cancellation of Designation eliminates from the Articles of Incorporation of the Corporation all matters set forth in the Certificate of Designation with respect to the Corporation's Hughes Retail Preferred Tracking Stock that had been previously filed with the Colorado Secretary of State on February 28, 2014.

ECHOSTAR CORPORATION
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On February 28, 2017, EchoStar Corporation and certain subsidiaries of EchoStar (the “Company” or “EchoStar”) completed the previously announced Share Exchange with DISH Network Corporation and certain of its subsidiaries (“DISH Network”).

Pursuant to the Share Exchange Agreement, among other things EchoStar received all of the shares of EchoStar Tracking Stock and HSS Tracking Stock in exchange for 100% of the equity interests of certain subsidiaries which held substantially all of the EchoStar Technologies business segment and certain other assets (the “Share Exchange”). The Share Exchange was structured in a manner to be a tax-free exchange for each of EchoStar and DISH Network.

The following unaudited pro forma condensed consolidated statements of operations for the years ended December 31, 2016, 2015 and 2014 assume that the transaction occurred on January 1, 2014. The following unaudited pro forma condensed consolidated balance sheet as of December 31, 2016 assumes that the transaction occurred on that date. Beginning in the first quarter of 2017, the historical financial results of the exchanged subsidiaries will be presented as discontinued operations in EchoStar’s condensed consolidated financial statements.

The unaudited pro forma condensed consolidated financial statements are presented based on information currently available, are intended for information purposes only, and are not intended to represent what EchoStar’s financial condition and results of operations would have been had the transaction referenced above occurred on the dates indicated above. In addition, the unaudited pro forma condensed consolidated financial statements are not necessarily indicative of EchoStar’s future financial condition or results of operations.

The unaudited pro forma condensed consolidated financial statements and the accompanying notes should be read in conjunction with the audited consolidated financial statements and accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in EchoStar’s Annual Report on Form 10-K for the year ended December 31, 2016.

The pro forma adjustments are based on available information and assumptions that EchoStar’s management believes are reasonable, factually supportable, reflect the impacts of events directly attributable to the transaction referenced above and for purposes of the statements of operations, are expected to have a continuing impact on the Company. The pro forma adjustments do not reflect future events that may occur after the Share Exchange, including expected selling, general and administrative dis-synergies and potential cost synergies. Refer to the *Notes to the Unaudited Pro Forma Condensed Financial Statements* for more information.

ECHOSTAR CORPORATION
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

For the Year Ended December 31, 2016

	Historical Condensed Consolidated	Entities Exchanged (1)	Pro Forma Adjustments	Pro Forma Condensed Consolidated
Revenue:				
Services and other revenue - DISH Network	\$ 888,603	\$ (425,523)	\$ 4,039 (2)	\$ 467,119
Services and other revenue - other	1,109,597	(8,770)	—	1,100,827
Equipment revenue - DISH Network	711,289	(702,449)	—	8,840
Equipment revenue - other	347,241	(109,885)	—	237,356
Total revenue	3,056,730	(1,246,627)	4,039	1,814,142
Costs and Expenses:				
Cost of sales - services and other (exclusive of depreciation and amortization)	844,498	(327,043)	6,340 (3)	523,795
Cost of sales - equipment (exclusive of depreciation and amortization)	891,108	(687,142)	—	203,966
Selling, general and administrative expenses	385,634	(47,844)	(1,566) (4)	336,224
Research and development expenses	76,024	(44,854)	—	31,170
Depreciation and amortization	495,068	(62,165)	—	432,903
Total costs and expenses	2,692,332	(1,169,048)	4,774	1,528,058
Operating income (loss)	364,398	(77,579)	(735)	286,084
Other Income (Expense):				
Interest income	21,249	(5)	—	21,244
Interest expense, net of amounts capitalized	(123,630)	911	—	(122,719)
Gains (losses) on marketable investment securities, net	9,767	—	—	9,767
Equity in earnings (losses) of unconsolidated affiliates, net	13,310	(2,508)	—	10,802
Other, net	1,750	381	—	2,131
Total other expense, net	(77,554)	(1,221)	—	(78,775)
Income (loss) before income taxes	286,844	(78,800)	(735)	207,309
Income tax (provision) benefit, net	(106,152)	5,654	25,456 (5)	(75,042)
Net income	180,692	(73,146)	24,721	132,267
Less: Net loss attributable to noncontrolling interest in HSS Tracking Stock	(944)	—	944 (6)	—
Less: Net income attributable to other noncontrolling interests	1,706	—	—	1,706
Net income (loss) attributable to EchoStar	179,930	(73,146)	23,777	130,561
Less: Net loss attributable to Hughes Retail Preferred Tracking Stock	(1,743)	—	1,743 (7)	—
Net income (loss) attributable to EchoStar common stock	\$ 181,673	\$ (73,146)	\$ 22,034	\$ 130,561
Weighted-average common shares outstanding - Class A and B common stock:				
Basic	93,795			93,795
Diluted	94,410			94,410
Earnings per share - Class A and B common stock:				
Basic	\$ 1.94			\$ 1.39
Diluted	\$ 1.92			\$ 1.38

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

ECHOSTAR CORPORATION
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

For the Year Ended December 31, 2015

	Historical Condensed Consolidated	Entities Exchanged (1)	Pro Forma Adjustments	Pro Forma Condensed Consolidated
Revenue:				
Services and other revenue - DISH Network	\$ 918,301	\$ (386,149)	\$ 3,879 (2)	\$ 536,031
Services and other revenue - other	1,103,928	(10,254)	—	1,093,674
Equipment revenue - DISH Network	763,184	(752,432)	—	10,752
Equipment revenue - other	358,301	(146,346)	—	211,955
Total revenue	3,143,714	(1,295,181)	3,879	1,852,412
Costs and Expenses:				
Cost of sales - services and other (exclusive of depreciation and amortization)	856,065	(282,725)	6,311 (3)	579,651
Cost of sales - equipment (exclusive of depreciation and amortization)	948,655	(752,872)	—	195,783
Selling, general and administrative expenses	374,116	(50,751)	(999) (4)	322,366
Research and development expenses	78,287	(51,910)	—	26,377
Depreciation and amortization	528,158	(67,223)	—	460,935
Impairment of long-lived assets	2,400	(2,400)	—	—
Total costs and expenses	2,787,681	(1,207,881)	5,312	1,585,112
Operating income (loss)	356,033	(87,300)	(1,433)	267,300
Other Income (Expense):				
Interest income	10,429	(3)	—	10,426
Interest expense, net of amounts capitalized	(122,066)	831	—	(121,235)
Loss from partial redemption of debt	(5,044)	—	—	(5,044)
Gains (losses) on marketable investment securities, net	(6,443)	—	—	(6,443)
Other-than-temporary impairment loss on available-for-sale securities	(11,226)	—	—	(11,226)
Equity in earnings (losses) of unconsolidated affiliates, net	1,895	(4,372)	—	(2,477)
Other, net	(2,006)	1,038	—	(968)
Total other expense, net	(134,461)	(2,506)	—	(136,967)
Income (loss) before income taxes	221,572	(89,806)	(1,433)	130,333
Income tax (provision) benefit, net	(72,201)	(3,735)	24,439 (5)	(51,497)
Net income	149,371	(93,541)	23,006	78,836
Less: Net loss attributable to noncontrolling interest in HSS Tracking Stock	(5,603)	—	5,603 (6)	—
Less: Net income attributable to other noncontrolling interests	1,617	—	—	1,617
Net income (loss) attributable to EchoStar	153,357	(93,541)	17,403	77,219
Less: Net loss attributable to Hughes Retail Preferred Tracking Stock	(10,343)	—	10,343 (7)	—
Net income (loss) attributable to EchoStar common stock	\$ 163,700	\$ (93,541)	\$ 7,060	\$ 77,219
Weighted-average common shares outstanding - Class A and B common stock:				
Basic	92,397			92,397
Diluted	93,466			93,466
Earnings per share - Class A and B common stock:				
Basic	\$ 1.77			\$ 0.84
Diluted	\$ 1.75			\$ 0.83

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

ECHOSTAR CORPORATION
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

For the Year Ended December 31, 2014

	Historical Condensed Consolidated	Entities Exchanged (1)	Pro Forma Adjustments	Pro Forma Condensed Consolidated
Revenue:				
Services and other revenue - DISH Network	\$ 828,612	\$ (326,642)	\$ 3,767 (2)	\$ 505,737
Services and other revenue - other	1,096,938	(23,259)	—	1,073,679
Equipment revenue - DISH Network	1,145,979	(1,114,036)	—	31,943
Equipment revenue - other	374,049	(161,824)	—	212,225
Total revenue	3,445,578	(1,625,761)	3,767	1,823,584
Costs and Expenses:				
Cost of sales - services and other (exclusive of depreciation and amortization)	838,918	(246,437)	6,129 (3)	598,610
Cost of sales - equipment (exclusive of depreciation and amortization)	1,288,998	(1,080,486)	—	208,512
Selling, general and administrative expenses	372,010	(57,232)	(1,176) (4)	313,602
Research and development expenses	60,886	(40,695)	—	20,191
Depreciation and amortization	556,676	(70,781)	—	485,895
Total costs and expenses	3,117,488	(1,495,631)	4,953	1,626,810
Operating income (loss)	328,090	(130,130)	(1,186)	196,774
Other Income (Expense):				
Interest income	9,102	(18)	—	9,084
Interest expense, net of amounts capitalized	(171,349)	3,002	—	(168,347)
Gains (losses) on marketable investment securities, net	41	—	—	41
Equity in earnings (losses) of unconsolidated affiliates, net	8,198	4,389	—	12,587
Other, net	4,251	(1,089)	—	3,162
Total other expense, net	(149,757)	6,284	—	(143,473)
Income (loss) before income taxes	178,333	(123,846)	(1,186)	53,301
Income tax (provision) benefit, net	(30,784)	11,805	16,484 (5)	(2,495)
Net income	147,549	(112,041)	15,298	50,806
Less: Net loss attributable to noncontrolling interest in HSS Tracking Stock	(6,714)	—	6,714 (6)	—
Less: Net income attributable to other noncontrolling interests	1,389	—	—	1,389
Net income (loss) attributable to EchoStar	152,874	(112,041)	8,584	49,417
Less: Net loss attributable to Hughes Retail Preferred Tracking Stock	(12,394)	—	12,394 (7)	—
Net income (loss) attributable to EchoStar common stock	\$ 165,268	\$ (112,041)	\$ (3,810)	\$ 49,417
Weighted-average common shares outstanding - Class A and B common stock:				
Basic	91,190			91,190
Diluted	92,616			92,616
Earnings per share - Class A and B common stock:				
Basic	\$ 1.81			\$ 0.54
Diluted	\$ 1.78			\$ 0.53

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

ECHOSTAR CORPORATION
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share amounts)

Assets	As of December 31, 2016			
	Historical Condensed Consolidated	Entities Exchanged (1)	Pro Forma Adjustments	Pro Forma Condensed Consolidated
Current Assets:				
Cash and cash equivalents	\$ 2,571,143	\$ (778)	\$ —	\$ 2,570,365
Marketable investment securities, at fair value	522,516	—	—	522,516
Trade accounts receivable, net of allowance for doubtful accounts	209,788	(27,261)	—	182,527
Trade accounts receivable - DISH Network, net of allowance for doubtful accounts of zero	278,615	(259,198)	—	19,417
Inventory	72,444	(9,824)	—	62,620
Prepays and deposits	57,919	(14,463)	—	43,456
Other current assets	10,862	—	—	10,862
Total current assets	3,723,287	(311,524)	—	3,411,763
Noncurrent Assets:				
Restricted cash and marketable investment securities	12,926	—	—	12,926
Property and equipment, net of accumulated depreciation	3,669,303	(271,107)	—	3,398,196
Regulatory authorizations, net	544,633	—	—	544,633
Goodwill	510,630	(6,457)	—	504,173
Other intangible assets, net	88,454	(7,720)	—	80,734
Investments in unconsolidated entities	197,219	(26,203)	—	171,016
Other receivable - DISH Network	90,586	(2,334)	—	88,252
Other noncurrent assets, net	171,821	(5,436)	—	166,385
Total noncurrent assets	5,285,572	(319,257)	—	4,966,315
Total assets	\$ 9,008,859	\$ (630,781)	\$ —	\$ 8,378,078
Liabilities and Stockholders' Equity				
Current Liabilities:				
Trade accounts payable	\$ 189,815	\$ (61,318)	\$ —	\$ 128,497
Trade accounts payable - DISH Network	5,032	(3,960)	—	1,072
Current portion of long-term debt and capital lease obligations	37,307	(4,323)	—	32,984
Deferred revenue and prepayments	62,956	(2,967)	—	59,989
Accrued compensation	58,106	(4,652)	—	53,454
Accrued royalties	23,199	(23,199)	—	—
Accrued interest	46,504	—	—	46,504
Accrued expenses and other	108,519	(80,703)	—	27,816
Total current liabilities	531,438	(181,122)	—	350,316
Noncurrent Liabilities:				
Long-term debt and capital lease obligations, net of unamortized debt issuance costs	3,622,879	(416)	—	3,622,463
Deferred tax liabilities, net	754,020	(13,465)	(9,584) (8)	730,971
Other noncurrent liabilities	93,717	(18,127)	—	75,590
Total noncurrent liabilities	4,470,616	(32,008)	(9,584)	4,429,024
Total liabilities	5,002,054	(213,130)	(9,584)	4,779,340
Commitments and Contingencies				
Stockholders' Equity:				
Preferred Stock:				
Hughes Retail Preferred Tracking Stock	6	—	(6) (9)	—
Common stock:				
Class A common stock	52	—	—	52
Class B common stock	48	—	—	48
Class C common stock	—	—	—	—
Class D common stock	—	—	—	—
Additional paid-in capital	3,828,677	(406,708)	34,203 (9)	3,456,172
Accumulated other comprehensive loss	(124,803)	3,594	—	(121,209)
Accumulated earnings (deficit)	314,247	(14,537)	49,297 (9)	349,007

Treasury stock, at cost	(98,162)	—	—	(98,162)
Total EchoStar stockholders' equity	3,920,065	(417,651)	83,494	3,585,908
Noncontrolling interest in HSS Tracking Stock	73,910	—	(73,910) (9)	—
Other noncontrolling interests	12,830	—	—	12,830
Total stockholders' equity	4,006,805	(417,651)	9,584	3,598,738
Total liabilities and stockholders' equity	\$ 9,008,859	\$ (630,781)	\$ —	\$ 8,378,078

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Adjustments to the pro forma condensed consolidated statements of operations:

- (1) The adjustments set forth in the “Entities Exchanged” column represent the actual results of the subsidiaries of EchoStar that were exchanged in the Share Exchange with no further pro forma adjustments.
- (2) Adjustments related to a new leasing arrangements with DISH Network related to certain Data Center services and certain office space. These are primarily real estate leases ranging from three to fifteen years and are subject to renewal terms.
- (3) Adjustments for expenses related to new leasing arrangements with DISH Network related to certain Data Center services, satellite related services and certain office space. These leases range in term from three to fifteen years and are subject to renewal terms.
- (4) Adjustments for expenses related to new leasing arrangements with DISH Network related to Data Center services, the elimination of nonrecurring transaction costs incurred during the year ended December 31, 2016 that are directly related to the Share Exchange and employee compensation for those terminated as result of the Share Exchange.
- (5) Represents the tax impact associated with the pro forma adjustments at the applicable statutory income tax rates in effect in the respective tax jurisdictions during the periods presented.
- (6) Reflects the removal of the noncontrolling interests portion of the HSSC Tracking Stock to EchoStar as a result of the retirement of the HSSC Tracking Stock.
- (7) Represents the reversal of the 80% economic interest of the operating results of the Hughes Retail Group as a result of the retirement of the EchoStar Tracking Stock and HSSC Tracking Stock.

Adjustments to the pro forma condensed consolidated balance sheet:

- (8) The adjustments to our deferred tax liabilities are to reflect the new value of these liabilities subsequent to the Share Exchange.
- (9) Stockholders’ equity was adjusted for the retirement of the EchoStar Tracking Stock and HSSC Tracking Stock on March 1, 2017.