

Financing the Mozal Project

Case 5: Iridium LLC

Group members:

Yuliya Khilko
Duygu Üncü
Rashid Junaid
Kamal Marasini
Elis Niyazieva
Nirmal Sigdel
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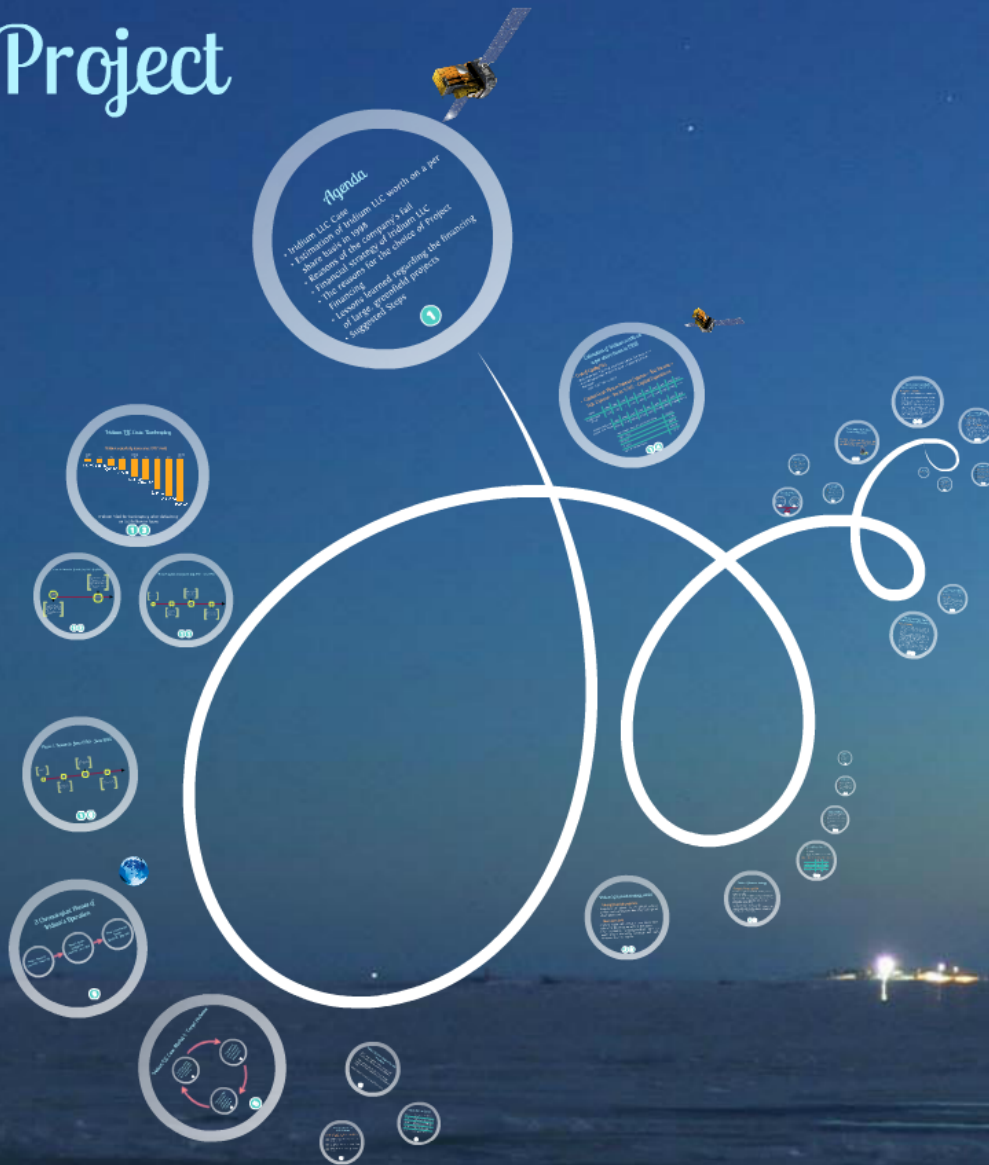
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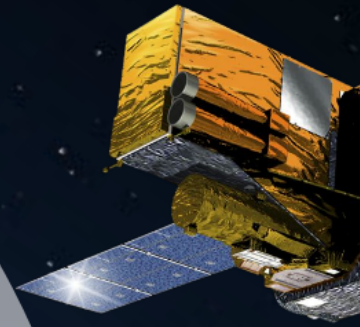
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Agenda

- Iridium LLC Case
- Estimation of Iridium LLC worth on a per share basis in 1998
- Reasons of the company's fail
- Financial strategy of Iridium LLC
- The reasons for the choice of Project Financing
- Lessons learned regarding the financing of large, greenfield projects
- Suggested Steps

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Iridium LLC Case. Concept

Iridium: Communication system launched by Motorola

Services: Global phone, fax, and paging services via satellite system designed by Motorola

Objective: To allow access to the worldwide phone network from anywhere in the globe

Expected cost: \$ 3.4 billion, including 66 communication satellites and 12 ground stations

Forecast: 5 million subscribers by 2004