



EchoStar Communications Corp. Completes Reorganization of Its Capital Structure

LITTLETON, Colo.--(BUSINESS WIRE)--Feb. 8, 1999--EchoStar Communications Corp. (the "company") (Nasdaq:DISH, DISHP) announced today the completion of the final step in its previously disclosed plan to reorganize the company's capital structure with the closing of the repurchase of all of the company's outstanding Series A Cumulative Preferred Stock (the "Series A Preferred Stock").

The reorganization began on Dec. 23, 1998, with the commencement of tender offers for all of the 12 1/2 percent Senior Secured Notes of EchoStar DBS Corp., all of the 12 7/8 percent Senior Secured Discount Notes of Dish, Ltd. and all of the 13 1/8 percent Senior Secured Discount Notes of EchoStar Satellite Broadcasting Corp.

The reorganization continued with the exchange of all of the 12 1/8 percent Series B Senior Redeemable Exchangeable Preferred Stock of the company for 12 1/8 percent Senior Exchange Notes of the company, and the subsequent tender for all of the 12 1/8 percent Senior Exchange Notes.

On Jan. 25, 1999, EchoStar DBS Corp. completed the issuance of \$2.0 billion of Senior Notes including \$375.0 million of 9 1/4 percent Senior Notes due 2006 and \$1.625 billion of 9 3/8 percent Senior Notes due 2009. Proceeds of approximately \$1.926 billion were utilized to fund all four tender offers.

The first three tender offers were completed on Jan. 25, 1999, and the fourth tender offer was completed on Feb. 2, 1999.

Repurchase of the Series A Preferred Stock was completed on Feb. 8, 1999, at \$52.611 per share, which was the average closing price for the company's Class A Common Stock for the previous 20 trading days. The total repurchase price was approximately \$90.9 million for all of the 1,616,681 Series A preferred shares outstanding, which included accumulated but unpaid dividends of approximately \$5.9 million through Feb. 7, 1999.

All of the Series A Preferred Stock, which was originally issued in connection with EchoStar's first public offering in 1994, was owned by company co-founders Charles Ergen and James DeFranco at the time of repurchase.

Following the repurchase, Ergen continues to beneficially hold 30,052,731 shares of common stock of the company, and DeFranco continues to hold 1,156,345 shares of common stock of the company.

After giving effect to the repurchase, and prior to giving effect to the proposed issuance of stock to The News Corporation Limited and MCI WorldCom, Inc. in connection with the pending acquisition of assets relating to the 110 degree W.L. orbital location, Ergen continues to hold approximately 62 percent of the total equity of EchoStar, representing approximately 94 percent of the total voting power of the company.

EchoStar Communications Corp. includes three interrelated business units:

- DISH Network™ is EchoStar's state-of-the-art DBS system that offers customers over 300 channels of digital video and CD-quality audio programming, fully MPEG-2/DVB compliant hardware, installation, financing and leasing.
- EchoStar Technologies Corp. (ETC, formerly HTS™ -- Houston Tracker Systems, Inc.) designs, manufactures and distributes DBS set-top boxes, antennas and other digital equipment for DISH Network and various international customers that include ExpressVu Canada and Telefonica's Via Digital system in Spain. ETC also provides uplink-center design, construction oversight and project-integration services for customers internationally.
- Satellite Services provides the delivery of video, audio and data services to business television customers and other satellite users. These services include satellite uplink, satellite transponder space-usage and other services. Satellite Services also administers SKY VISTA, a direct broadcast satellite service

offering up to 27 channels of popular digital satellite television programming to viewers in Alaska, Hawaii, Puerto Rico and the U.S. territories in the Caribbean.

DISH Network currently serves over 2 million customers. DISH Network is a trademark of EchoStar Communications Corp. HTS is a trademark of Houston Tracker Systems, Inc. DISH Network is located on the Internet at: www.dishnetwork.com

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