

CAUTIONARY NOTE:

Please note that the June 30, 2005 financial information in this Confidential Information Memorandum was based upon preliminary financial information. The June 30, 2005 financial information is in the process of being revised and updated financial information will be posted on this website when available (currently anticipated to occur in mid-November 2005).



Confidential Information Memorandum

July 2005



Joint Placement Agents



Disclaimer

This Information Memorandum (the "Memorandum") has been prepared solely for informational purposes. This Memorandum is being furnished to assist prospective investors in purchasing securities of ICO North America ("ICO" or the "Company"), which is a wholly-owned subsidiary of ICO Global Communications (Holdings) Ltd. (the "Parent").

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the transactions contemplated hereby or determined if this Memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

The information contained herein has been prepared to assist interested parties in making their own evaluation of the Company and does not purport to contain all the information that an interested party may desire. In all cases, interested parties should conduct their own investigation, analysis and evaluation of the Company and the data set forth in this Memorandum. The information in this Memorandum is valid as of the date hereof and is subject to change. The information in this Memorandum has not been independently verified and was provided by the Company and other sources believed to be reliable. The Company is not subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, and does not file reports, proxy statements or other information with the Securities and Exchange Commission. The Company, its representatives, Jefferies & Company, Inc. ("Jefferies") and UBS Securities LLC ("UBS") do not make any representation or warranty as to the accuracy or completeness of this Memorandum, and shall have no liability for any representations (expressed or implied) contained in, or for any omissions from, this Memorandum or any other written or oral communications transmitted to the recipient in the course of their evaluation of the Company. The only information that will have any legal effect and upon which an interested party may rely will be that in such representations and warranties as may be contained in a definitive agreement relating to an investment in or acquisition of the Company's equity interests and/or assets utilized in the business of ICO. Unless explicitly stated otherwise, the financial information included in this Memorandum is unaudited and has not been examined, reviewed or compiled by independent public accountants.

By accepting this Memorandum, the recipient acknowledges and agrees that all of the information contained herein is confidential and that the recipient will keep this information confidential and will not use this information for any purpose other than considering their interest in purchasing securities of ICO. The recipient further agrees that it will not copy, reproduce or distribute this Memorandum in whole or in part, and if the recipient does not wish to pursue this matter, it will return this Memorandum to Jefferies or UBS as soon as practicable, together with any other materials relating to the Company which the recipient may have received from Jefferies or UBS, the Company or its affiliates. Any proposed actions by the recipient, which are inconsistent in any manner with the foregoing agreements, will require the prior written consent of the Company.

The Company reserves the right, at any time, to negotiate with one or more interested parties or to enter into a definitive agreement with respect to, or to determine not to proceed with, any transaction, without prior notice to any other interested parties. The Company reserves the right to terminate, at any time, and for any or no reason, further participation by any party and to modify any other procedures. The Company shall have no legal commitment or obligation to any interested party reviewing this Memorandum unless and until a written agreement for the investment has been fully negotiated, executed, delivered and approved by the Company and any conditions to the Company's obligations thereunder have been satisfied or waived.

This Memorandum shall not constitute an offer, nor a solicitation of an offer, nor shall any securities of the Company be offered or sold, in any jurisdiction in which such an offer, solicitation or sale would be unlawful.

This Memorandum has been assembled by ICO for the purpose of providing information to interested parties. You will be contacted shortly with a description of the procedures to be followed so that Jefferies, UBS and the Company can establish your level of interest. The Company, with the advice of Jefferies and UBS, will determine which, if any, of the interested parties will be invited to continue their investigation of the Company.

Because of the confidential nature of this transaction, all communication or inquiries relating to the Company should be directed to Jefferies or UBS. You should not directly contact the Company or any of its directors, officers, employees, shareholders, customers, vendors, related parties, or affiliates at any time, or state regulators who license or oversee the Company or its operations.

By accepting this Memorandum, the recipient agrees that neither he nor his agents will contact the Company or any person known to be an employee or member of the Company's management, or a customer or supplier, with respect to the information contained herein.

Forward Looking Statements

This Memorandum contains forward-looking statements within the meaning of the federal securities laws. Statements that are not historical facts, including statements about ICO's beliefs and expectations, are forward-looking statements. Forward-looking statements include statements preceded by, followed by or that include the words "may," "could," "would," "should," "believe," "expect," "anticipate," "plan," "estimate," "target," "project," "intend," or similar expressions.

Forward-looking statements are only predictions and are not guarantees of performance. These statements are based on management's beliefs and assumptions, which in turn are based on currently available information. These assumptions could prove inaccurate, which could cause actual results that differ materially from those contained in any forward-looking statement. Forward-looking statements also involve risks and uncertainties. Many of these factors are beyond ICO's ability to control or predict and such incurrence could be material. Such factors include, but are not limited to, the following:

- ICO's 2 GHz MSS authorization is subject to significant implementation milestones
- ICO is subject to significant U.S. and international governmental regulation
- ICO's expectation of increased spectrum assignment may not materialize
- ICO has not yet applied for ATC authorization
- ICO's use of the 2 GHz band is subject to successful relocation of incumbent users
- ICO intends to seek authorization to change its satellite orbital slot
- Success of ICO's business plan depends on its ability to form strategic partnerships to develop its system under the constraints of various regulatory requirements
- ICO is a development stage company with no operating revenues
- Risks associated with ICO's business plan
- There are significant risks associated with launching and operating the satellite contemplated under ICO's business plan
- Technological risks
- ICO has no operating cash flow and will need additional liquidity to fund its operations and fully fund all necessary capital expenditures
- ICO is expected to incur significant losses in the near term
- Spectrum values historically have been volatile
- ATC spectrum access is limited by technological factors
- Any changes in control of ICO are subject to prior FCC approval
- ICO may face significant competition from companies that are larger or have greater resources
- ICO may not be able to develop, acquire and maintain proprietary information and intellectual property rights necessary to maintain its operations and future growth
- ICO faces burdens relating to the recent trend toward stricter corporate governance and financial reporting standards
- ICO is dependent on key personnel
- Deferred tax liability
- Lack of revenue generating operations
- Potential tax liability
- Legal proceedings and expenses
- The Company does not generate sufficient cash to repay the Notes or to fund its interest obligations
- The Company's substantial indebtedness could adversely affect its ability to execute its business plan and to obtain additional financing
- The Company may not have the ability to finance the change of control repurchase offer required by the indenture governing the Notes
- There is no public market for the Notes or for the ICO common stock issuable upon conversion, and there cannot be any assurance that a market for the Notes or for the ICO common stock will develop
- Resale of the Notes and the common stock issuable upon conversion of the Notes is restricted
- Interests of holders of the Notes may conflict with the interests of the Parent's controlling stockholder
- The ability to foreclose on the collateral may be limited by applicable bankruptcy laws and on the rules and regulations of the FCC

ICO believes the forward-looking statements in this Memorandum are reasonable; however, you should not place undue reliance on any forward-looking statements, which are based on current expectations. Further, forward-looking statements speak only as of the date of this Memorandum, and the Company undertakes no obligation to update publicly any of them in light of new information or future events.

All communications or inquiries relating to this Memorandum or to a possible transaction involving the Company must be directed to Jefferies or UBS. Each recipient of this Memorandum agrees not to directly contact any personnel of the Company under any circumstances.

Please direct all initial inquires to the following professionals:

Joint Placement Agents

JEFFERIES & COMPANY, INC.

520 Madison Ave., 12th Fl.
New York, NY 10022
Phone: (212) 284-2300
Fax: (212) 284-2114

**Media & Communications
Group**

Kent Warner
Managing Director
(804) 423-8210
kwarner@jefferies.com

Michael Henkin
Senior Vice President
(415) 229-1418
mhenkin@jefferies.com

Leo Chang
Senior Vice President
(212) 284-2122
lchang@jefferies.com

Dyson Dryden
Vice President
(804) 423-8240
ddryden@jefferies.com

Charles Schilling
Associate
(212) 284-2044
cschilling@jefferies.com

Peter Mavrovitis
Analyst
(212) 284-8116
pmavrovitis@jefferies.com

51 JFK Parkway, 3rd Fl.
Short Hills, NJ 07078
Phone: (973) 912-2888
Fax: (973) 912-2760

**Capital Markets
Group**

Eric Macy
Executive Vice President
(973) 912-2644
emacy@jefferies.com

David Pritchard
Managing Director
(203) 708-5869
dpritchard@jefferies.com

Robert Jaworski
Senior Vice President
(212) 284-2068
rjaworski@jefferies.com

Travis Black
Vice President
(973) 912-2762
tblack@jefferies.com

Tim Lepore
Associate
(973) 912-2776
tlepore@jefferies.com

UBS INVESTMENT BANK

299 Park Ave.
New York, NY 10171
Phone: (212) 821-3000
Fax: (212) 821-3285

**Telecom, Media and
Technology Group**

Davis Terry
Managing Director
(212) 821-2840
davis.terry@ubs.com

Omar Jaffrey
Managing Director
(212) 821-5297
omar.jaffrey@ubs.com

Jonathan Herbst
Executive Director
(312) 525-4878
jonathan.herbst@ubs.com

Rezwana Mirza
Director
(212) 821-3093
rezwan.mirza@ubs.com

Ashish Dafria
Associate Director
(312) 525-4841
ashish.dafria@ubs.com

Bret Oettmeier
Analyst
(212) 821-3801
bret.oettmeier@ubs.com

John Holland
Analyst
(312) 525-4894
john-a.holland@ubs.com

1 N. Wacker Dr.
Chicago, IL 60606
Phone: (312) 525-5000
Fax: (312) 554-5040

**Private Placements
Group**

Leonard Brooks III
Managing Director
(212) 821-3065
leonard.brooks@ubs.com

John Kent
Director
(212) 821-3171
john.kent@ubs.com

Anthony Martino
Director
(212) 821-3318
anthony.martino@ubs.com

Margaret Ware
Analyst
(212) 821-4695
margaret.ware@ubs.com

[This Page Intentionally Left Blank]

Table of Contents

I. Executive Summary	1
Overview	1
Transaction Summary	4
II. Investment Highlights	6
III. Offering Summary [PROVIDED SEPARATELY]	9
IV. Demand and Market Opportunity	10
Attractive Spectrum Enhances System Capabilities	10
Demand Drivers for ICO's Capabilities	12
Potential Strategic Partners	16
V. Potential Wireless Capacity Expansion	22
Potential MSS/ATC Providers	23
Key Potential Auctions	27
VI. Regulatory	28
Background	28
ATC Overview	29
2 GHz MSS Band Overview	31
VII. System Overview	33
System Architecture	33
VIII. Company	40
ICO North America	40
ICO Global Communications (Holdings) Limited	46
Investors	48
IX. Description of Notes [PROVIDED SEPARATELY]	49
X. Risk Factors	50
Regulatory Risks	50
Business Risks	53
Risks Related to the Parent	57
Risks Related to the Notes	58
XI. Financial Overview	61
Selected Projected Financial Data	61
Operating and Capital Expenditures Assumptions	62
Historical Financial Results	64
XII. Glossary	66

[This Page Intentionally Left Blank]

I. Executive Summary

Overview

ICO North America, Inc. ("ICO" or the "Company") is a next-generation mobile satellite service ("MSS") operator with a unique and valuable opportunity to offer ubiquitous satellite and terrestrial wireless services throughout the United States. The Federal Communications Commission ("FCC") has recently authorized MSS operators to use MSS spectrum terrestrially to provide integrated mobile satellite-terrestrial service offerings. ICO is building an advanced hybrid satellite-terrestrial system designed to provide voice, data and Internet services with handsets similar to existing cellular phones. This system is expected to enable ICO to offer integrated satellite and terrestrial mobile services and is expected to be operational in July 2007. ICO's business model includes the ability to offer its services to strategic service providers who can incorporate ICO's capabilities to offer integrated satellite and terrestrial services to their customers. ICO is actively engaged in pursuing numerous strategic partner alliances.

The Company's system will be supported by nationwide spectrum granted to it by the FCC. ICO has already been granted 8 MHz of spectrum and could potentially be granted up to 20 MHz.

ICO is a wholly-owned subsidiary of ICO Global Communications (Holdings) Limited (the "Parent") (OTC: ICOHA), which is authorized to operate a global Medium Earth Orbit ("MEO") satellite system. Wireless industry pioneer Craig McCaw, together with other key shareholders, have invested over \$1.2 billion in the Parent since May 2000. This investment continues Craig McCaw's vision of extending wireless communications with satellite capabilities.

Market Opportunity

The wireless sector has been among the strongest growth sectors in the communications industry. With continued subscriber growth and the rapid roll-out of bandwidth-intensive applications, such growth is expected to continue in the U.S. Forecasts for the next five years anticipate:

- 75% increase in total wireless voice minutes of use ("MOUs");
- 50 million new wireless subscribers; and
- A four-fold increase in data revenues driven by bandwidth-intensive wireless applications such as pictures, video, MP3s, email and games.

As a result of this dramatic growth of wireless traffic, to maintain even the current capacity levels, wireless service providers will likely need to vastly increase their network capacity.

ATC Authorization

Despite MSS operators' broad geographic coverage and emergency service capabilities, they have struggled to gain mass-market penetration and profitability. This is due to the limited urban service coverage and large handset size of legacy systems. In order to create a more efficient use for satellite spectrum, encourage the broad deployment of advanced satellite services and improve industry economics, in February 2003, the FCC adopted an order giving MSS operators authority to integrate an ancillary terrestrial component ("ATC") into their networks, and thus use their assigned MSS spectrum for terrestrial and satellite use. On February 25, 2005, the FCC reaffirmed its earlier decision in support of MSS operators. In addition, in June 2005, the last wireless carriers withdrew legal challenges to the FCC's ATC decisions. These events essentially eliminated any regulatory uncertainty with ATC policy and ensured that consumers would benefit from a combined satellite and terrestrial service offering.

The ICO MSS/ATC System

ICO intends to capitalize on the rapid growth of the wireless sector and the recent FCC reaffirmation of ATC by building a hybrid satellite-terrestrial system (the "ICO MSS/ATC System") to offer ubiquitous satellite and terrestrial wireless service throughout the U.S. The ICO MSS/ATC System is being designed to support a full set of mass-market service offerings including voice, video, Internet, public safety and telematics. The system is expected to support any existing and future wireless protocols including GSM, CDMA, OFDM and TCP/IP. In addition, the system is being designed to utilize handsets that are similar in size and function to existing cellular phones.

ICO's integrated satellite-terrestrial service is expected to facilitate the delivery of sophisticated voice and data services to urban and rural customers, and to address growing national security and public safety service needs by providing a redundant service offering to existing terrestrial networks.

The Company's geostationary satellite application for U.S. coverage was approved in May 2005. In anticipation of this approval, on January 10, 2005, the Company entered into a contract with Space Systems/Loral, Inc. ("SS/L") for construction of the GEO satellite and is currently in discussions with vendors regarding the build-out of the other components of the system. SS/L completed the satellite critical design review in May 2005 and is currently on schedule to meet future FCC milestones. In addition, SS/L has begun the physical construction of the GEO satellite with the entire system expected to be operational by the FCC's July 17, 2007 deadline. The Company may form strategic partnerships with terrestrial carriers who will leverage their existing customer bases and assets to roll-out mass-market wireless services.

ICO's system is being designed to utilize at least the 8 MHz of nationwide spectrum already granted to it by the FCC in the 2 GHz band, representing 2.4 billion MHz POPs. In addition, on June 29, 2005, the FCC issued a public notice of its intent to grant an additional 5.33 MHz of 2 GHz spectrum to ICO, which the Company believes it is likely to receive in the next several months. The FCC also issued a separate notice to distribute an additional 6.67 MHz of 2 GHz

spectrum to ICO. As a result, the Company's aggregate spectrum holding is expected to be 13.33 MHz and could be 20 MHz.

Competitive Advantages

The Company believes that its system should be able to leverage the following competitive advantages to capitalize on the growing demand for wireless services:

- ICO MSS/ATC System designed to support full portfolio of mass-market wireless services
- Nationwide integrated satellite-terrestrial service enabling ubiquitous coverage
- Handsets similar to current cellular phones
- Proximity to PCS spectrum and flexible architecture facilitates integration with terrestrial partner
- Management and equity sponsors have significant satellite and cellular/PCS experience

Equity Sponsors

The Parent's significant equity sponsors include wireless pioneer Craig McCaw (through Eagle River Investments) and Clayton, Dubilier & Rice. In 2000, Eagle River led a \$1.2 billion investment to acquire the Parent and develop a global MEO system. This investment continues Craig McCaw's vision of extending wireless communications with satellite capabilities. Craig McCaw is an active investor in wireless communications with current investments in Nextel Communications and Clearwire Corporation (a leading U.S. based provider of wireless broadband services). Clayton, Dubilier & Rice has made investments totaling over \$5 billion to date and is one of the oldest and most respected private equity investment firms in the world.

Transaction Summary

ICO is seeking to raise \$400 million in Convertible Senior Secured Notes to fund a portion of the costs to develop the ICO MSS/ATC System. These costs include the construction and launch of a GEO satellite and a related ground system. The Company expects the notes to be secured on a first-priority basis by substantially all of the Company's assets with the exception of a carve-out for a working capital facility. The notes will be convertible at the holder's option into shares of common stock of the Company and under certain circumstances will be convertible at the holder's option into shares of common stock of the Parent.

Sources and Uses of Funds

The Company expects that the total funding needed to complete the MSS portion of the ICO MSS/ATC System will be approximately \$600 million, excluding interest expense. The system is expected to be completed in July 2007. In addition, construction of a ground spare satellite will be initiated upon execution of a strategic partnership for the terrestrial component. This spare satellite is estimated to cost \$175 to \$225 million and is required to be available one year after the launch of ATC services. The \$400 million (less fees and escrowed interest) of capital raised through this offering is expected to fund the Company's cash requirements through the third quarter of 2006.

To date, the Parent's contributions to the Company have been in the form of equity. As of July 1, 2005 any further contributions from the Parent will be in the form of inter-company loans which will be repaid in full with the proceeds from this offering.

Sources		Uses	
New Convertible Senior Secured Notes ..	\$ 400.0	Investment into MSS/ATC System	\$ 325.0
		Escrowed Interest	57.5
		Fees and Expenses	17.5
Total Sources	<u>\$ 400.0</u>	Total Uses	<u>\$ 400.0</u>

