

GILAT SATELLITE NETWORKS LTD
Form 6-K
April 08, 2004

FORM 6 K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report on Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16
of the Securities Exchange Act of 1934

For the Month of April 2004

Gilat Satellite Networks Ltd.

(Translation of Registrant's Name into English)

Gilat House, Yegia Kapayim Street
Daniv Park, Kiryat Arye, Petah Tikva, Israel
(Address of Principal Corporate Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F Form 40-F

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes No

If is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Attached hereto and incorporated by reference herein is Registrant's announcement dated April 5, 2004 that Registrant has signed an agreement with Bank Hapoalim modifying the loan terms, and also announcing the Annual General Meeting of Shareholders scheduled for April 29, 2004.

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

Gilat Satellite Networks Ltd.
(Registrant)

BY: /S/ Yaron Suher

Yaron Suher
V.P. Financial Planning

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and Treasury

Dated: April 8, 2004

Apr 05, 2004

Gilat and Bank Hapoalim sign agreement modifying loan terms and providing the bank with warrants to purchase Gilat shares Annual General Meeting Scheduled for April 29

Petach Tikvah Israel, April 5, 2004 Bank Hapoalim and Gilat Satellite Networks Ltd. (NASDAQ: GILTF) today announced that an agreement for the modification of the terms of the outstanding loan by the Bank to Gilat has been signed by the parties, and for the Bank to have a right to receive warrants to purchase Gilat's ordinary shares up to the outstanding balance of the loan, which currently stands at approximately \$71 million. The agreement is subject to the approval by Gilat's shareholders at the annual general meeting that is scheduled for April 29, 2004.

The parties have agreed to a reduction of the rate of interest applicable to the outstanding loan balance going forward, a deferral of part of the principal payments that are due in 2005 and 2006 to the end of the loan period in 2012, and relaxation of the financial covenants contained in the loan agreement. The Bank will have a right to receive warrants to purchase Gilat ordinary shares for a period of three years commencing July 1, 2004 at the then prevailing market rates subject to a minimum and maximum price per share as provided in the agreement.

About Gilat Satellite Networks Ltd.

Gilat Satellite Networks Ltd., with its global subsidiaries Spacenet Inc., Gilat Latin America and rStar Corporation (RSTRC), is a leading provider of telecommunications solutions based on Very Small Aperture Terminal (VSAT) satellite network technology with more than 450,000 VSATs shipped worldwide. Gilat, headquartered in Petah Tikva, Israel, markets the SkyEdge Product Family which includes the SkyEdge Pro, SkyEdge IP, SkyEdge Call, SkyEdge DVB-RCS and SkyEdge Gateway. In addition the Company markets the Skystar Advantage®, DialAw@y® IP, FaraWay®, Skystar 360E and SkyBlaster* 360 VSAT products in more than 80 countries around the world. Gilat provides satellite-based, end-to-end enterprise networking and rural telephony solutions to customers across six continents, and markets interactive broadband data services. Skystar Advantage, Skystar 360E, DialAw@y IP and FaraWay are trademarks or registered trademarks of Gilat Satellite Networks Ltd. or its subsidiaries. (*SkyBlaster is marketed in the United States by StarBand Communications Inc. under its own brand name.) Visit Gilat at www.gilat.com.

Certain statements made herein that are not historical are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. The words estimate, project, intend, expect, believe and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties. Many factors could cause the actual results, performance or achievements of Gilat to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic and business conditions, inability to maintain market acceptance to Gilat's products, inability to timely develop and introduce new technologies, products and applications, rapid changes in the market for Gilat's products, loss of market share and pressure on prices resulting from competition, introduction of competing products by other companies, inability to manage growth and expansion, loss of key OEM partners, inability to attract and retain qualified personnel, inability to protect the Company's proprietary technology and risks associated with Gilat's international operations and its location in Israel. For additional information regarding these and other risks and uncertainties associated with Gilat's business, reference is made to Gilat's reports filed from time to time with the Securities and Exchange Commission.

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