

ViaSat, Inc.

FY15 Q1 Results

August 12, 2014

Safe Harbor Disclosure

Forward-Looking Statements

This presentation contains forward-looking statements regarding future events and our future results that are subject to the safe harbors created under the Securities Act of 1933 and the Securities Exchange Act of 1934. These statements are based on current expectations, estimates, forecasts and projections about the industries in which we operate and the beliefs and assumptions of our management. We use words such as “anticipate,” “believe,” “continue,” “could,” “estimate,” “expect,” “goal,” “intend,” “may,” “plan,” “project,” “seek,” “should,” “target,” “will,” “would,” variations of such words and similar expressions to identify forward-looking statements. In addition, statements that refer to projections of earnings, revenue, costs or other financial items; anticipated growth and trends in our business or key markets; future economic conditions and performance; anticipated performance of products or services; anticipated satellite construction activities; the performance and anticipated benefits of the ViaSat-2 satellite; the expected capacity, service, coverage, service speeds and other features of ViaSat-2, and the timing, cost, economics and other benefits associated therewith; anticipated subscriber growth; plans, objectives and strategies for future operations; and other characterizations of future events or circumstances, are forward-looking statements. Readers are cautioned that these forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results may differ materially from those expressed in any forward-looking statements. Factors that could cause actual results to differ include: our ability to realize the anticipated benefits of the ViaSat-2 satellite; unexpected expenses related to the satellite project; our ability to successfully implement our business plan for our broadband satellite services on our anticipated timeline or at all, including with respect to the ViaSat-2 satellite system; risks associated with the construction, launch and operation of ViaSat-2 and our other satellites, including the effect of any anomaly, operational failure or degradation in satellite performance; negative audits by the U.S. government; continued turmoil in the global business environment and economic conditions; delays in approving U.S. government budgets and cuts in government defense expenditures; our reliance on U.S. government contracts, and on a small number of contracts which account for a significant percentage of our revenues; our ability to successfully develop, introduce and sell new technologies, products and services; reduced demand for products and services as a result of continued constraints on capital spending by customers; changes in relationships with, or the financial condition of, key customers or suppliers; our reliance on a limited number of third parties to manufacture and supply our products; increased competition and other factors affecting the communications and defense industries generally; the effect of adverse regulatory changes on our ability to sell products and services; our level of indebtedness and ability to comply with applicable debt covenants; our involvement in litigation, including intellectual property claims and litigation to protect our proprietary technology; and our dependence on a limited number of key employees. In addition, please refer to the risk factors contained in our SEC filings available at www.sec.gov, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Readers are cautioned not to place undue reliance on any forward-looking statements, which speak only as of the date on which they are made. We undertake no obligation to revise or update any forward-looking statements for any reason.

GAAP Reconciliation

This presentation includes non-GAAP financial measures to supplement ViaSat’s condensed consolidated financial statements presented on a GAAP basis. We believe these measures are appropriate to enhance an overall understanding of ViaSat’s past financial performance and prospects for the future. However, the presentation of this additional information is not meant to be considered in isolation or as a substitute for measures of financial performance prepared in accordance with GAAP. A reconciliation between the non-GAAP financial information and the most comparable GAAP financial information is provided in our earnings release, which is available on the Investor Relations section of our website at www.viasat.com.

Topics

- FY15 Q1 Highlights
- Financial Summary
- Segment Results
- Outlook & Summary
- Q & A

FY15 Q1 Highlights

- ***Record Adjusted EBITDA***

- ***Very strong satellite service economics***

- ***Positioning for growth***

Good financial performance

- Adjusted EBITDA of \$60.2m, up 14% YoY
- Service margins continue to expand

Exede services

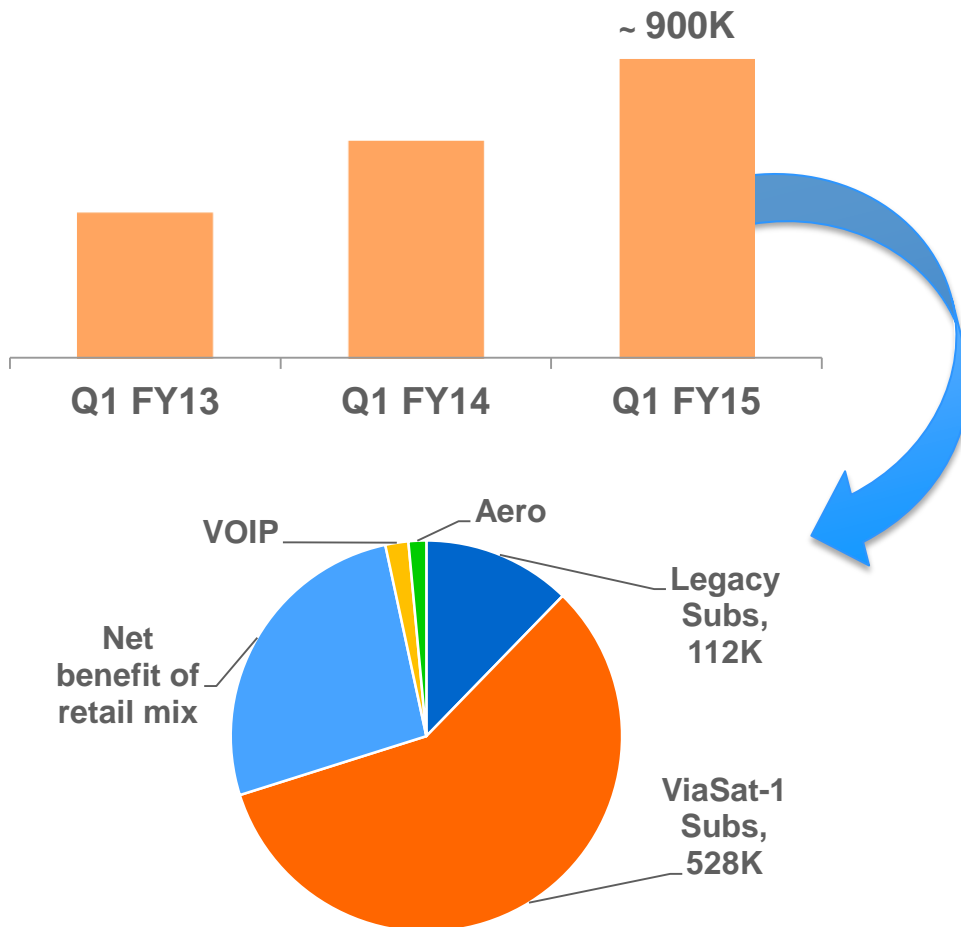
- Best again at delivering advertised speed – according to FCC “Measuring Broadband America”
- Higher retail proportion yielding growth
- 140 in-flight WiFi in service, 120 more delivered
- Industry leading passenger engagement

Business highlights

- Aero mobile roaming with Eutelsat
- Ku/Ka terminal for commercial and government
- \$310m Q1 orders, up 22% YoY

Measuring Consumer Progress

Equivalent Subscriber Unit Trends



Q1 FY15 Equivalent Subscriber Unit components

- We have a mix of services and associated economics
- Use a common metric to normalize contribution margin

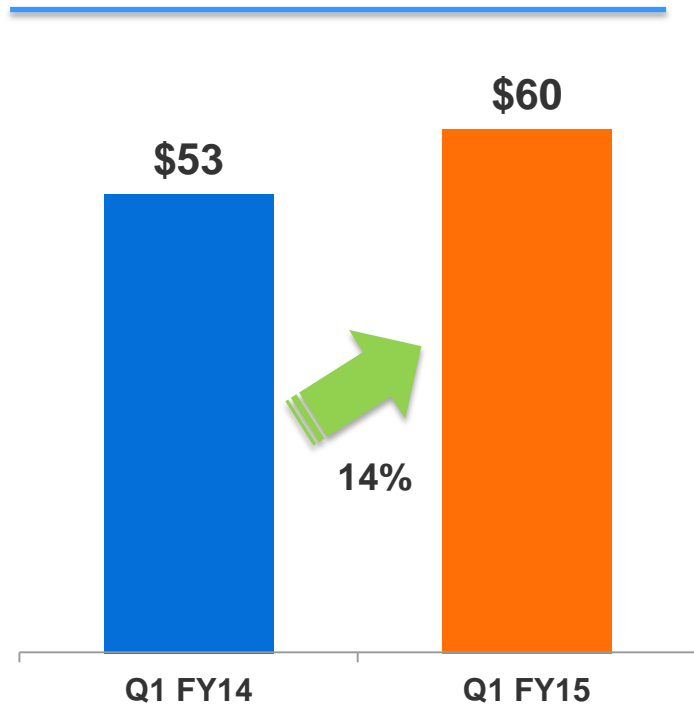
- Wholesale Subscriber Unit = basic wholesale residential service margin, excluding G&A
- Equivalent Subscriber Unit = evaluated service margin (net of amortized SAC, if applicable), divided by Wholesale Subscriber Unit
- Neutralizes actual cash and expense timing

Financial Summary – Q1 FY15

Revenues



Adjusted EBITDA



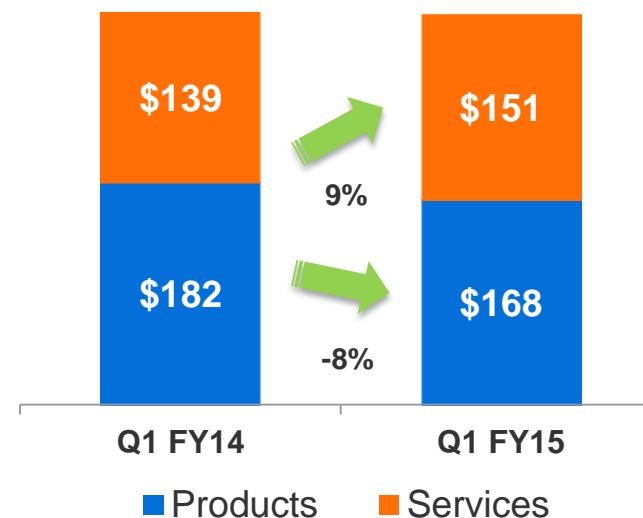
Another record for Adjusted EBITDA

Income Statement

Income Statement

	<u>Q1 FY14</u>	<u>Q1 FY15</u>
Revenues	\$ 321.1	\$ 319.5
Cost of revenues	235.3	237.7
SG&A	64.8	69.1
R&D	14.1	9.8
Amortization	3.5	4.0
Income from operations	\$ 3.4	\$ (1.2)
Interest expense, net	(10.1)	(8.6)
Income tax benefit	5.2	3.5
Minority interest, net	(0.3)	0.4
Net Income (Loss)	\$ (1.8)	\$ (5.9)
Diluted EPS	\$ (0.04)	\$ (0.13)
Non-GAAP Net Income	\$ 4.9	\$ 2.4
Non-GAAP Diluted EPS	\$ 0.11	\$ 0.05

Revenue Mix



- Strong growth in service revenues offsets decline in product revenues
- Interest expense down due to higher capitalization
- Income tax benefit lower due to expiration of R&D credit in 2013

Cashflow and Balance Sheet

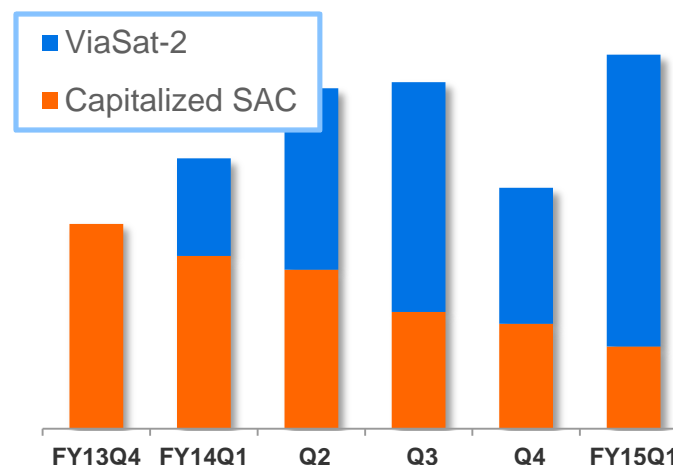
Cashflow

	YTD	
	Q1 FY14	Q1 FY15
Net income	\$ (1.5)	\$ (6.3)
Depreciation / amortization / other, net	51.0	67.8
Change in operating assets / liabilities, net	4.4	(14.6)
Cashflow from operations	\$ 53.8	\$ 46.9
Capital expenditures & investments	(87.2)	(154.3)
Financing activities	7.3	107.2
Net change in cash	\$ (26.1)	\$ (0.2)

Balance Sheet

	Q4 FY14	Q1 FY15
Cash and cash equivalents	\$ 58.3	\$ 58.1
Other current assets	473.3	482.9
PP&E / other	1,428.5	1,515.3
Total assets	\$ 1,960.1	\$ 2,056.3
Current liabilities	274.8	253.0
Debt and other liabilities	738.7	835.6
Stockholders equity	946.6	967.7
Total liabilities and stockholder equity	\$ 1,960.1	\$ 2,056.3

SAC & ViaSat-2 Investment

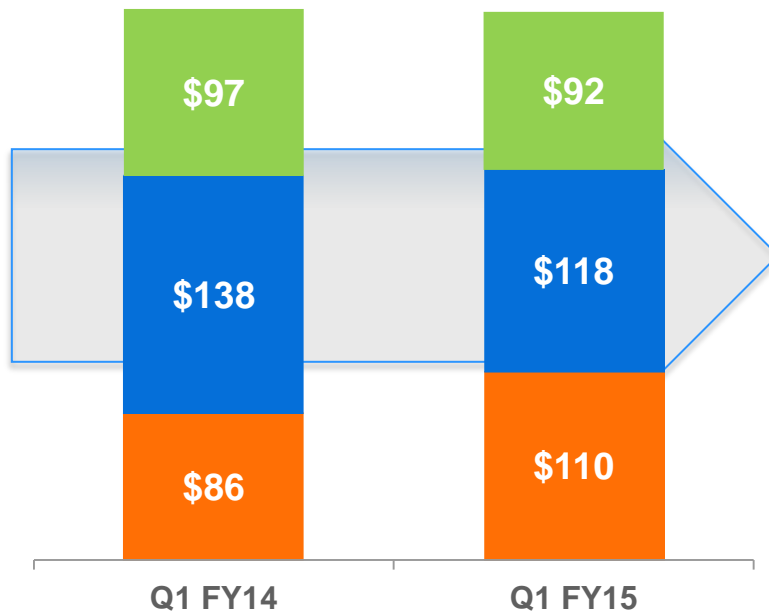


Capitalized SAC figures include equipment cost and capitalized installation.

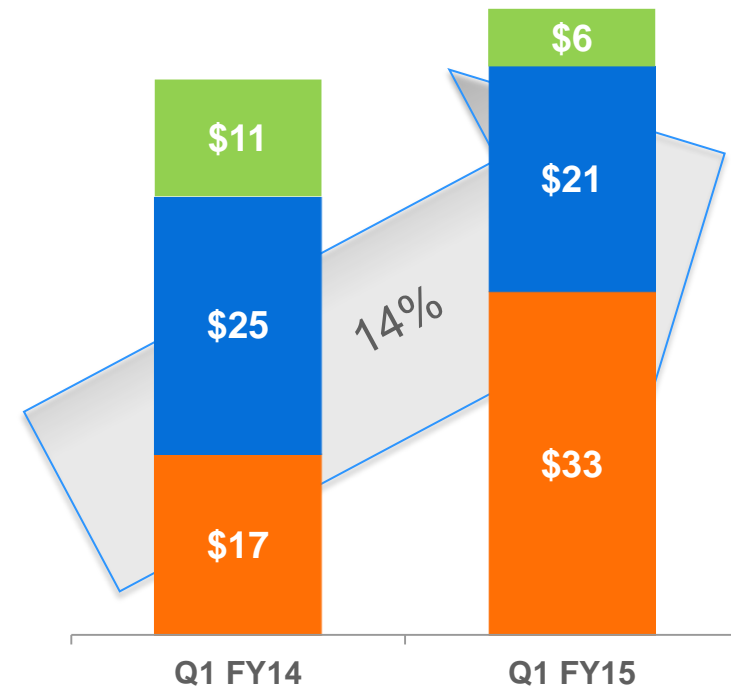
- Operating cashflow impacted by working capital changes
- ViaSat-2 construction payments of \$54m YTD
- NNU acquisition funded with revolver

Segment Results

Revenues



Adjusted EBITDA



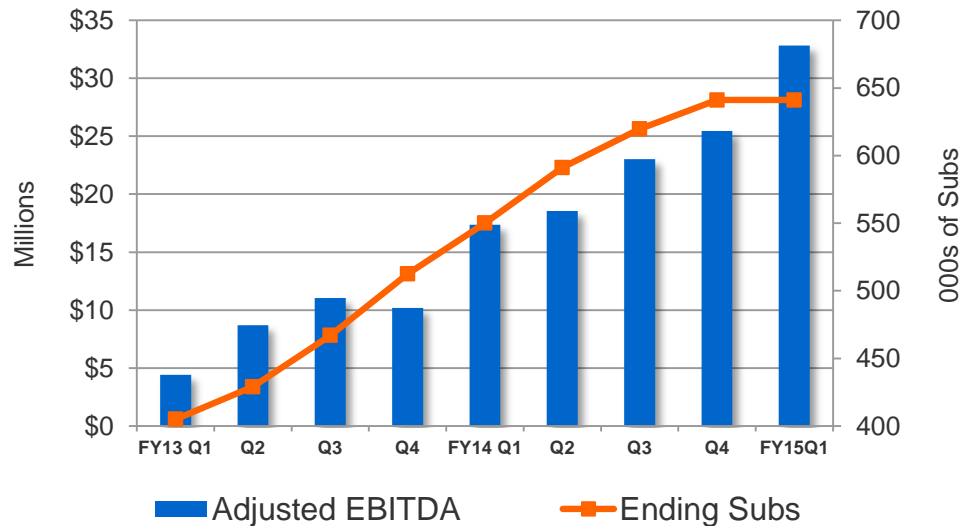
■ Satellite Services ■ Government Systems ■ Commercial Networks

Satellite Services driving growth

Satellite Services



<i>Dollars in Thousands</i>	<u>Q1 FY14</u>	<u>Q1 FY15</u>
Product Revenues	\$ 16	\$ 30
Service Revenues	85,831	109,685
Total Revenues	\$ 85,847	\$ 109,715
Operating Earnings (Losses)	\$ (12,978)	\$ (1,949)
Adjusted EBITDA	\$ 17,362	\$ 32,823

- Revenue and Adjusted EBITDA up 28% and 89% YoY, respectively
- Includes legal expenses of ~\$5m in the current period
- Retail and service mix yielding results
- Sub growth: new plans & distribution



Highest rated ISP by FCC for 2nd consecutive time in terms of delivering advertised speeds.

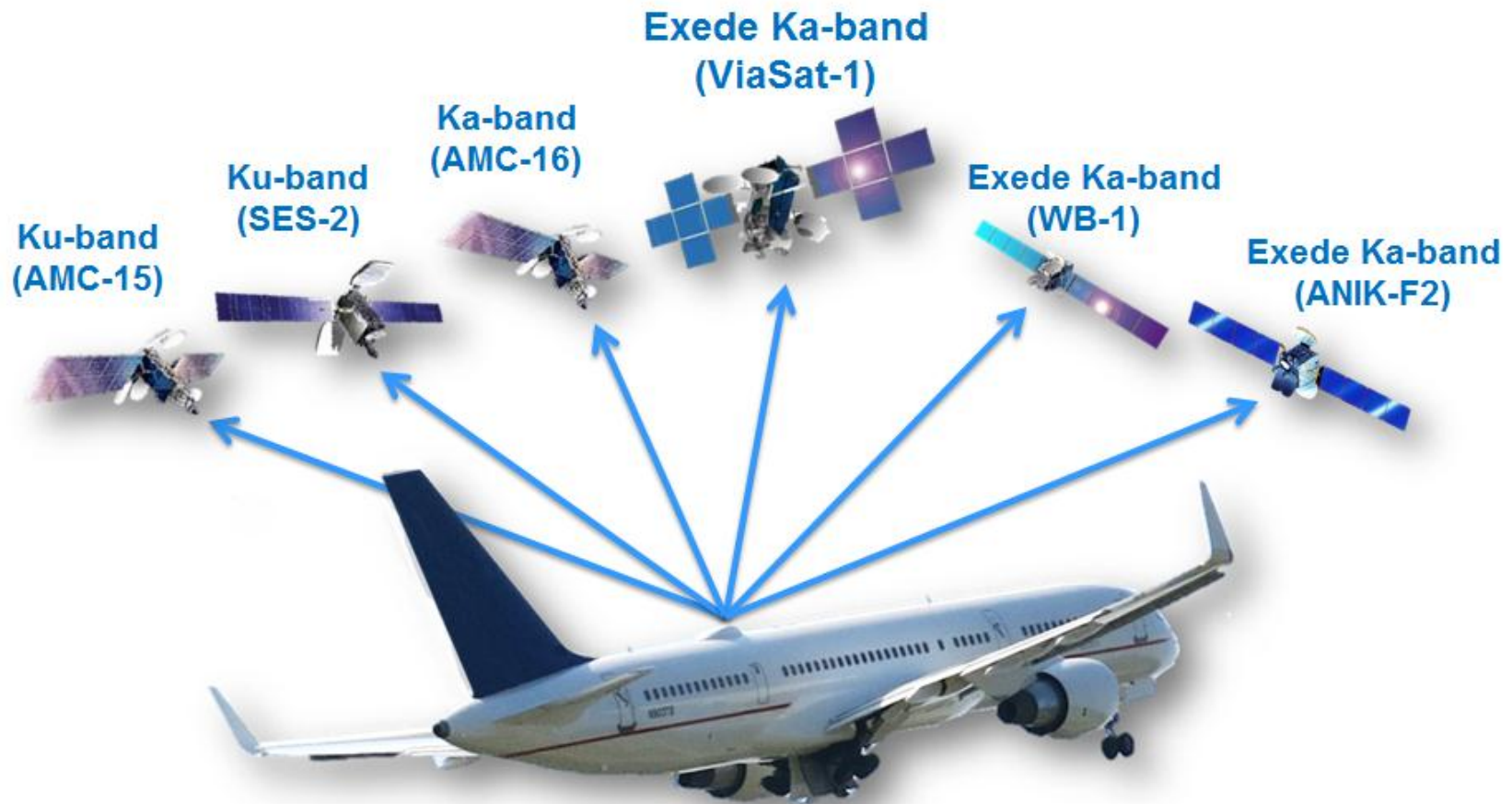
New Plans, New Technology

12 Mbps DOWNLOAD 			+	3 Mbps UPLOAD 		
CLASSIC EXEDE 12			EVOLUTION			
20 GB MONTH 10 GB MONTH for everything	30 GB MONTH 15 GB MONTH for everything	50 GB MONTH 25 GB MONTH for everything	UNLIMITED* ACCESS TO EMAIL & WEB PAGES			
PLUS	PLUS	PLUS	PLUS			
LATE NIGHT FREE ZONE Unmetered access to everything 12 midnight - 5 a.m.	LATE NIGHT FREE ZONE Unmetered access to everything 12 midnight - 5 a.m.	LATE NIGHT FREE ZONE Unmetered access to everything 12 midnight - 5 a.m.	EARLY BIRD FREE ZONE Unmetered access to everything 3 a.m. - 8 a.m.			
			PLUS			
			EVEN MORE DATA 15 GB			
\$49.99 MO						

- “Media friendly” plans
- Address customer and distributor feedback
- Select target markets
- ViaSat-2 type service plans
- New plans launch soon

Evolution	Freedom NEW! (6 mo promo)	Freedom NEW!
\$49.99 month	\$69.99 month	\$99.99 month
LIMITED TIME OFFER	OUR BEST OFFER EVER!	Virtually UNLIMITED*
Unlimited Access* Email & Web Pages +15 GB/mo for 6 mo for everything else	Virtually UNLIMITED* access to everything for first 6 months	access to everything all the time
12/3 Mbps download/upload speeds	12/3 Mbps download/upload speeds	12/3 Mbps download/upload speeds
Show Plan Details	Show Plan Details	Show Plan Details

Demonstrated Global Roaming Capability



**Successful Ku and Ka operations and transitions between
(6) satellites utilizing (3) networks**

Commercial Networks

Dollars in Thousands

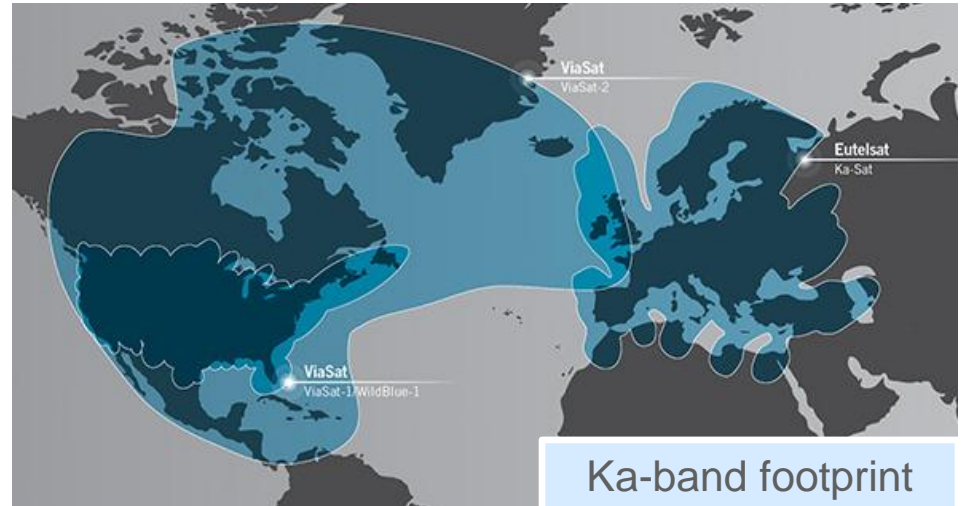
	<u>Q1 FY14</u>	<u>Q1 FY15</u>
Product Revenues	\$ 91,824	\$ 88,592
Service Revenues	5,575	3,636
Total Revenues	\$ 97,399	\$ 92,228
Operating Earnings (Losses)	\$ 3,336	\$ (5,990)
Adjusted EBITDA	\$ 11,138	\$ 5,501

- NBNCo network infrastructure
- New network opportunities
- Dynamic Ku/Ka aero demonstration
- Commercial and government aero opportunities
- NetNearU WiFi a key ingredient
- 1st Iridium Next engineering model

NBNCo



Wolumla site



Ka-band footprint

Government Systems

<i>Dollars in Thousands</i>	Q1 FY14	Q1 FY15
Product Revenues	\$ 90,321	\$ 79,507
Service Revenues	47,535	38,021
Total Revenues	\$ 137,856	\$ 117,528
Operating Earnings (Losses)	\$ 16,567	\$ 10,799
Adjusted EBITDA	\$ 24,533	\$ 21,458

- Link 16 / TDL development contracts
- Information assurance growth
- Mobile aero opportunities
- Acquired leading WiFi platform and service provider to government facilities



THE EXPERTS IN WIFI HOTSPOT MANAGEMENT

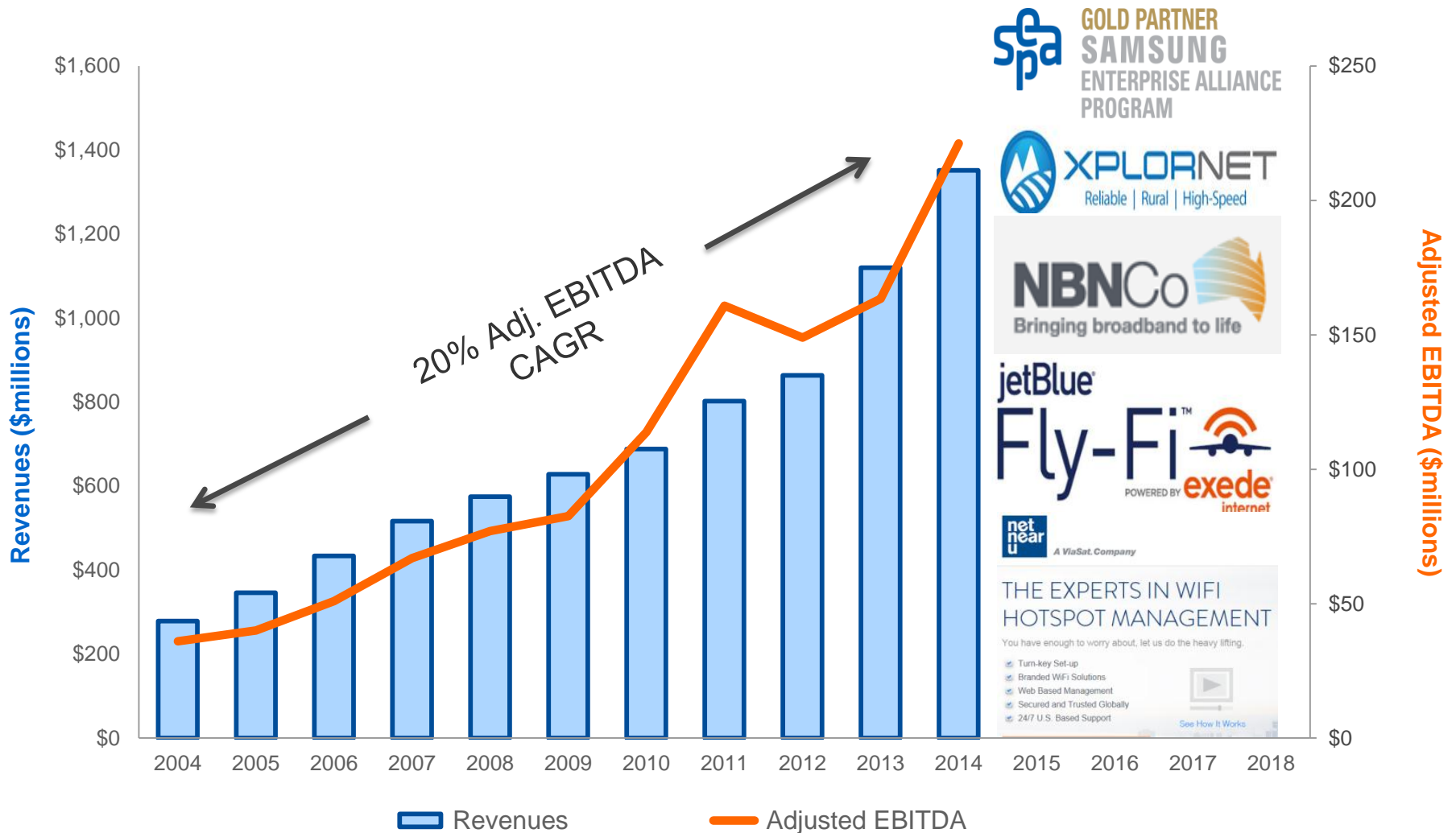
You have enough to worry about, let us do the heavy lifting.

- ✓ Turn-key Set-up
- ✓ Branded WiFi Solutions
- ✓ Web Based Management
- ✓ Secured and Trusted Globally
- ✓ 24/7 U.S. Based Support



[See How It Works](#)

Outlook & Summary



Q & A