



Viasat to Accelerate European Broadband Strategy Ahead of ViaSat-3 Satellite Launch; Will Acquire Remaining Stake in its European Broadband Joint Venture, including the KA-SAT Satellite

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-- Viasat Will Purchase Remaining 51% Share of Wholesale Broadband Business from the Viasat-Eutelsat Joint Venture

-- Deal Will Give Viasat Ownership of the European KA-SAT Satellite and its existing wholesale business

CARLSBAD, Calif., Nov. 18, 2020 /PRNewswire/ -- [Viasat Inc.](#) (NASDAQ: VSAT), a global communications company, today announced it will strengthen its European presence by purchasing the remaining 51% share of Euro Broadband Infrastructure (EBI), the wholesale broadband services business created as part of Viasat's former partnering arrangement with Eutelsat Communications.

EBI provides fixed and mobile broadband services on a wholesale basis in the European and Mediterranean markets. In the initial partnering arrangement, Eutelsat contributed its existing European broadband operations to the wholesale business, including ownership of the KA-SAT satellite and related ground infrastructure. Eutelsat initially owned 51% of EBI, and Viasat the remaining 49% interest. The 51% controlling interest in EBI was acquired for €140M subject to customary net working capital and net debt adjustments. The purchase price will be funded with available cash, resulting in a cash outlay of €50M, net of approximately €90M of EBI's cash on hand.

The wholesale business adds to Viasat's established retail broadband services business in Europe where Viasat is offering enhanced home internet service in select European countries, including Spain, Norway and Poland. The Company also maintains a strong mobility presence, providing high-speed, high-quality in-flight connectivity (IFC) to seven European airlines as well as international airlines that fly into Europe. These initiatives provide a foundation for growth in the retail and mobility services sectors ahead of the launch of the ViaSat-3 global constellation. The second ViaSat-3 class satellite in that constellation will cover Europe, Middle East and Africa (EMEA), and is targeted for launch in 2022.

"Today's transaction accelerates Viasat's European broadband objectives by strengthening our services footprint and facilitating further market penetration," said Keven Lippert, chief commercial officer, Viasat. "By gaining full control of KA-SAT, Viasat can further expand its growing mobility business as well as establish operations and market presence ahead of our ViaSat-3 service launch, including the introduction of new capabilities enabling high-speed, high-bandwidth 'ViaSat-3-like' home internet service plans in select European markets. This earlier market roll-out will enable Viasat to build awareness and market knowledge ahead of the European service launch of the ViaSat-3 satellite platform. Additionally, through 100% ownership of EBI, Viasat will be better equipped to execute its distribution strategy ahead of the ViaSat-3 services launch by onboarding new local partners."

Under the agreement, Eutelsat and its subsidiaries will continue to provide transitional services for a limited period of time to Viasat's EBI business, including the operation of the ground network for KA-SAT, while Viasat/EBI will provide service continuity to the KA-SAT subscriber base of Eutelsat's Bigblu Broadband Europe division.

Two years following closing, the €140M in consideration may be adjusted up or down by up to €20M depending on the performance of certain EBI financial metrics achieved over this period. The transaction is expected to be accretive to the Company's earnings and EBITDA performance, and deleveraging with respect to the Company's debt to trailing twelve months EBITDA ratios. Closing of this transaction is expected to occur in the first quarter of 2021, subject to customary conditions precedent.

About Viasat, Inc.

Viasat is a global communications company that believes everyone and everything in the world can be connected. For more than 30 years, Viasat has helped shape how consumers, businesses, governments and militaries around the world communicate. Today, the Company is developing the ultimate global communications network to power high-quality, secure, affordable, fast connections to impact people's lives anywhere they are—on the ground, in the air or at sea. To learn more about Viasat, visit: www.viasat.com, go to [Viasat's Corporate Blog](#), or follow the Company on social media at: [Facebook](#), [Instagram](#), [LinkedIn](#), [Twitter](#) or [YouTube](#).

Forward-Looking Statement

This press release contains forward-looking statements that are subject to the safe harbors created under the Securities Act of 1933 and the Securities Exchange Act of 1934. Forward-looking statements include statements about the inclusion of accelerated growth and expansion; operation and transition activities; the anticipated value of KA-SAT, EBI or the value to customers and partners; the expected performance of the KA-SAT service; anticipated growth and trends in the business or key European markets; plans, objectives and strategies for future operations; and the timing and certainty of completion of the transaction. Readers are cautioned that actual results could differ materially and adversely from those expressed in any forward-looking statements. Factors that could cause actual results to differ include: the satisfaction of closing conditions for the transaction, including receipt of regulatory approvals; Viasat's ability to achieve expected synergies and other benefits resulting from the transaction; the impact of competition; the impact of changes in global economic conditions; risks associated with the operation of KA-SAT, including the effect of any anomaly, operational failure or degradation in satellite performance; contractual problems, product defects, manufacturing issues or delays, regulatory issues, technologies that do not perform according to expectations; and other factors affecting the communications market generally. In addition, please refer to the risk factors contained in Viasat's SEC filings available at www.sec.gov, including Viasat's 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. Viasat undertakes no obligation to update or revise any forward-looking statements for any reason.

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