

ViaSat, Inc.

FY14 Q2 Results

November 11, 2013

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

- FY14 Q2 Highlights
- Financial Summary
- Segment Results
- Outlook & Summary
- Q & A

FY14 Q2 Highlights

- ***Record revenues and Adjusted EBITDA***

- ***Strong subscriber results***

- ***Continued strength across business units***

Strong financial performance

- Good revenue growth in all segments
- Q2 and YTD revenue up 25% & 29%
- Q2 and YTD Adjusted EBITDA up 22% & 44%
- \$391m Q2 orders, solid book-to-bill

Strong Exede subscriber growth

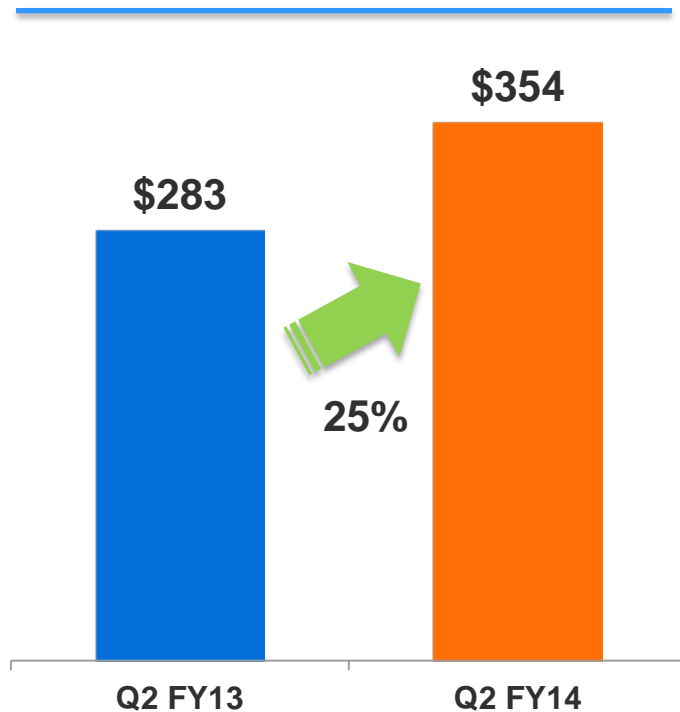
- 100,000+ installs, 90,000+ gross adds
- Strong net adds: 40,000+
- 590,000+ subs at quarter end
- Continued growth in ARPU
- New products and service packages

Business highlights

- Government revenue still growing
- Broad based commercial products growth
- Still investing in protecting & extending technology

Financial Summary – Q2

Revenues



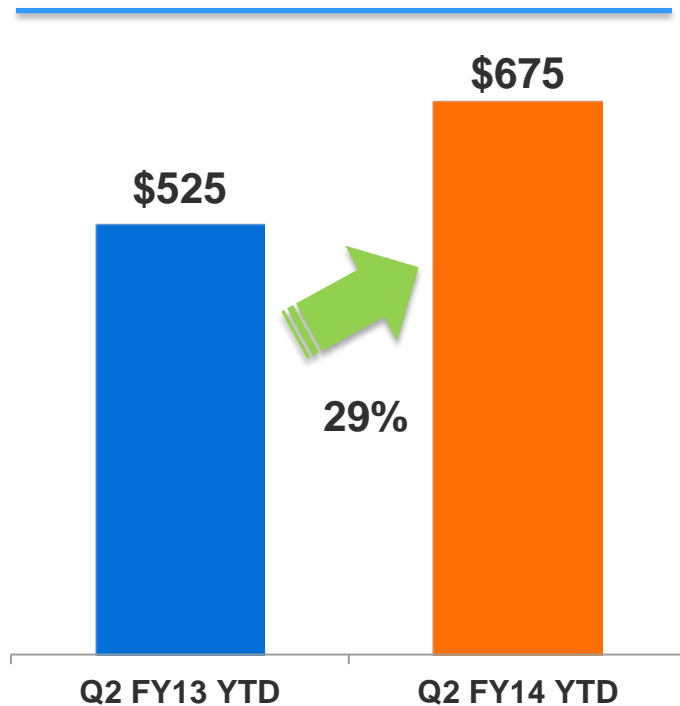
Adjusted EBITDA



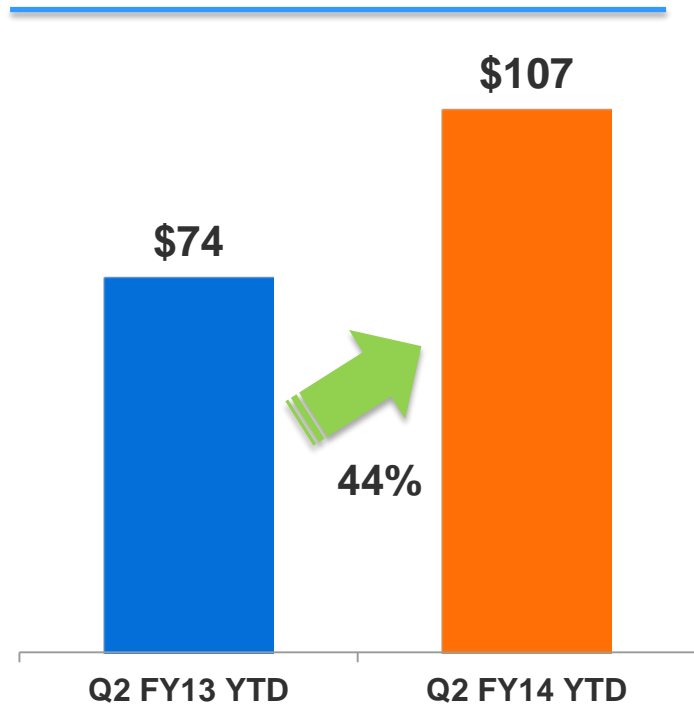
Record Revenues & Adjusted EBITDA

Financial Summary – YTD

Revenues



Adjusted EBITDA



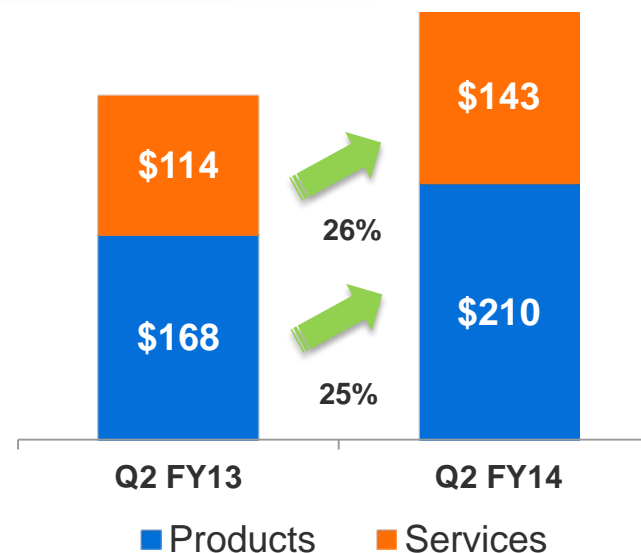
Improving Margin on YTD Basis

Income Statement

Income Statement

	<u>Q2 FY13</u>	<u>Q2 FY14</u>
Revenues	\$ 282.8	\$ 353.9
Cost of revenues	216.8	262.1
SG&A	54.1	73.6
R&D	8.8	14.9
Amortization	4.0	3.8
Income from operations	\$ (0.9)	\$ (0.5)
Interest expense, net	(11.5)	(9.9)
Income tax benefit	4.5	12.7
Minority interest, net	0.0	(0.4)
Net Income (Loss)	\$ (7.9)	\$ 1.9
Diluted EPS	\$ (0.18)	\$ 0.04
Non-GAAP Net Income	\$ (1.9)	\$ 9.3
Non-GAAP Diluted EPS	\$ (0.04)	\$ 0.20

Revenue Mix



- Strong growth in both product and service revenues
- Interest expense down with FY13 refi and higher capitalized interest
- Tax benefit reflects R&D tax credits and Q2 discrete state tax benefit

Cashflow and Balance Sheet

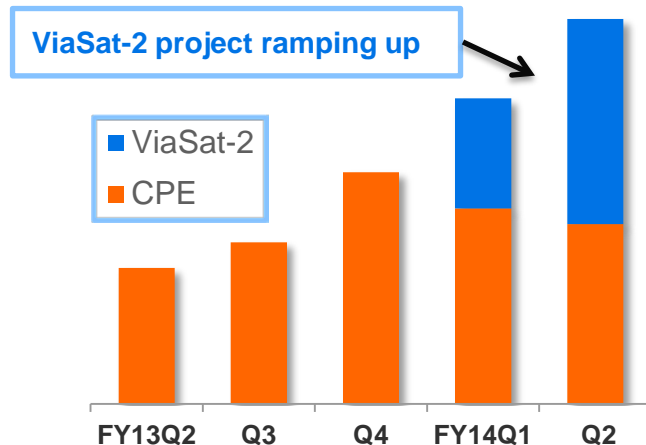
Cashflow

	<u>YTD Q2'13</u>	<u>YTD Q2'14</u>
Net income	\$ (22.3)	\$ 0.8
Depreciation / amortization / other, net	80.3	103.7
Change in operating assets / liabilities, net	<u>(15.9)</u>	<u>(1.8)</u>
Cashflow from operations	\$ 42.1	\$ 102.8
Capital expenditures	(87.0)	(184.7)
Financing activities	<u>8.4</u>	<u>43.4</u>
Net change in cash	<u>\$ (36.5)</u>	<u>\$ (38.6)</u>

Balance Sheet

	<u>Q4 FY13</u>	<u>Q2 FY14</u>
Cash and cash equivalents	\$ 105.7	\$ 67.1
Other current assets	439.1	463.5
PP&E / other	<u>1,249.2</u>	<u>1,369.0</u>
Total assets	<u>\$ 1,794.1</u>	<u>\$ 1,899.6</u>
Current liabilities	247.1	283.4
Debt and other liabilities	639.1	672.0
Stockholders equity	<u>907.8</u>	<u>944.2</u>
Total liabilities and stockholder equity	<u>\$ 1,794.1</u>	<u>\$ 1,899.6</u>

CPE & ViaSat-2 Investment

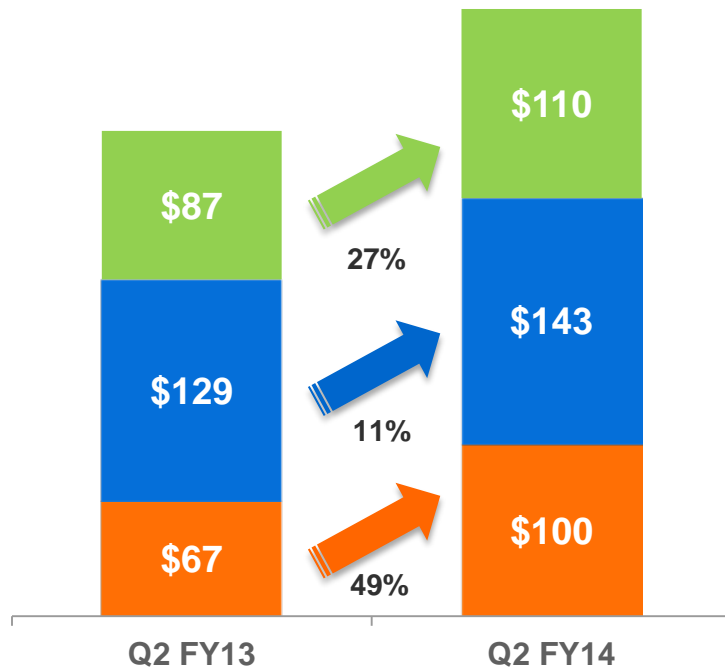


CPE figures include equipment cost and capitalized installation.

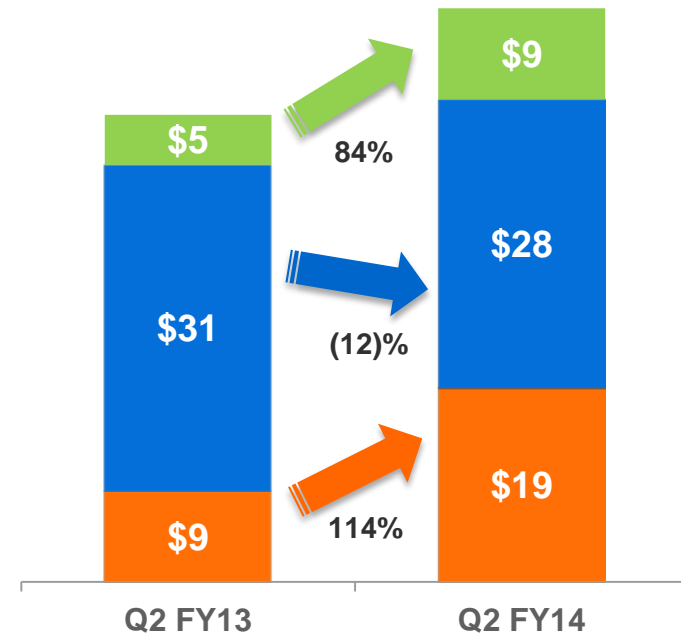
- Operating cashflow up 244% for YTD period
- ViaSat-2 construction gaining pace – \$52m paid YTD
- Strong liquidity position – only \$35m drawn on \$325m credit facility

Segment Results

Revenues



Adjusted EBITDA



■ Satellite Services

■ Government Systems

■ Commercial Networks

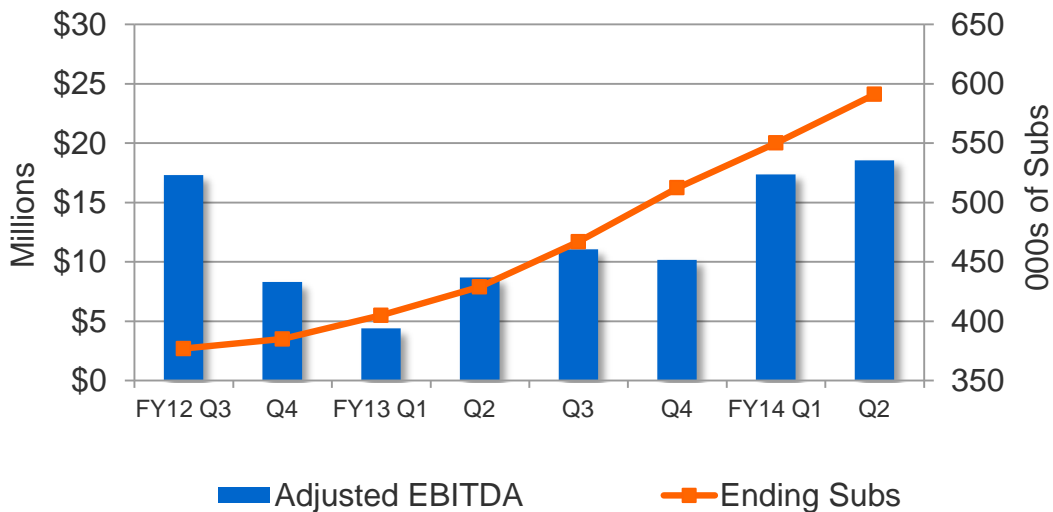
Revenue growth across all segments

Satellite Services

Dollars in Thousands

	<u>Q2 FY13</u>	<u>Q2 FY14</u>
Product Revenues	\$ 2,975	\$ 4
Service Revenues	64,332	100,347
Total Revenues	\$ 67,307	\$ 100,351
Operating Earnings (Losses)	\$ (19,373)	\$ (14,638)
Adjusted EBITDA	\$ 8,680	\$ 18,546

- Revenue up 49% YoY
- Adjusted EBITDA up 114% YoY
- ARPU still increasing
- 102,000 installs – 92,000 gross adds
- 41,000 net adds
- Testing new services & packages



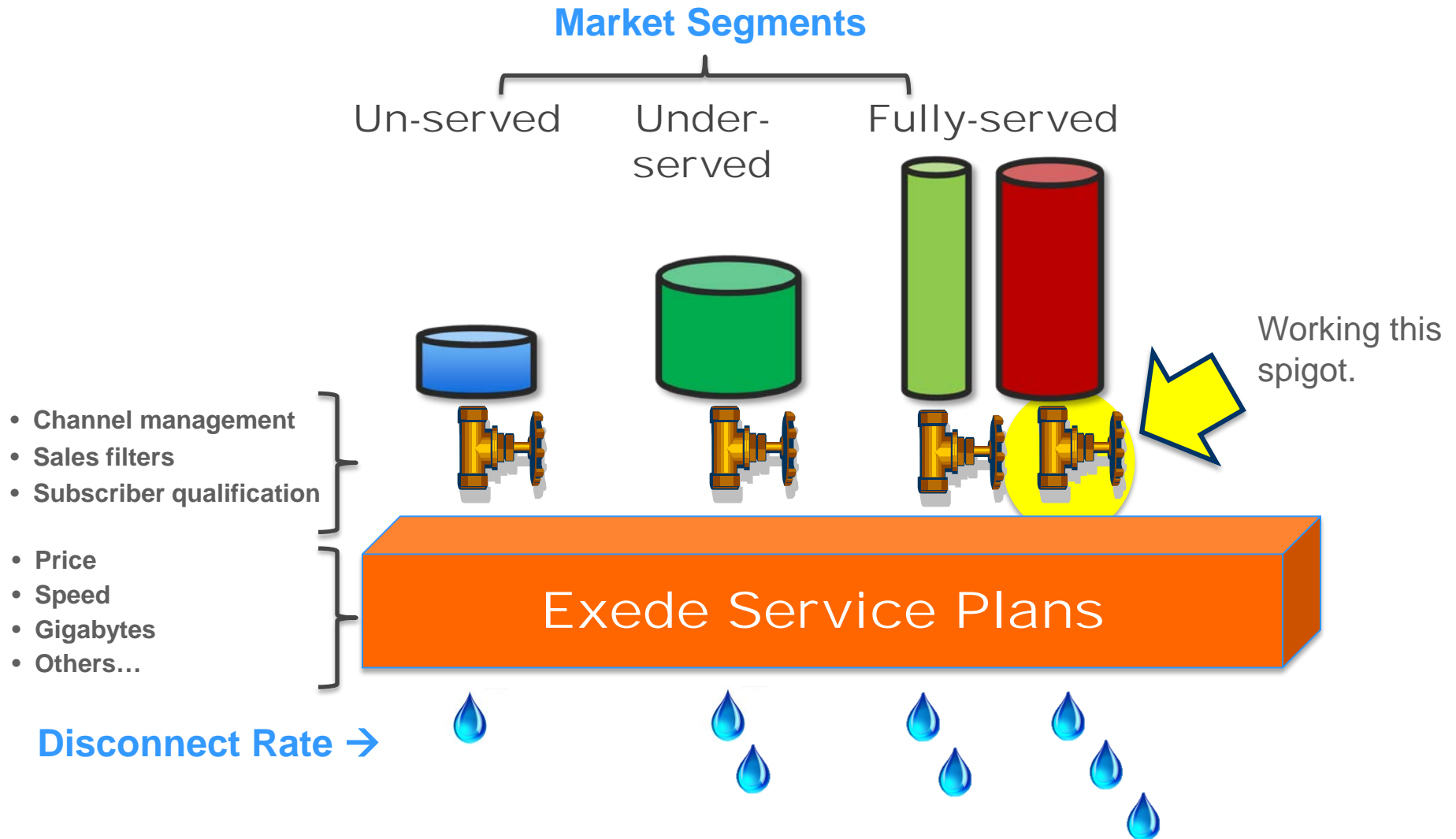
exede
VOICE

EVOLUTION

- ★ **UNLIMITED ACCESS**
Email & Web Pages
EVEN MORE DATA:
5 GB for everything else
- ✈ **Early Bird Free Zone**
Unmetered access
to everything
3 a.m. - 8 a.m.
- ⬇ **12 Mbps Download Speed**
- ⬆ **3 Mbps Upload Speed**

\$64.⁹⁹/mo

Exede Retail Subscriber Dynamics



Commercial Networks

<i>Dollars in Thousands</i>	<u>Q2 FY13</u>	<u>Q2 FY14</u>
Product Revenues	\$ 81,113	\$ 105,146
Service Revenues	5,424	5,041
Total Revenues	\$ 86,537	\$ 110,187
Operating Earnings (Losses)	\$ (1,836)	\$ (366)
Adjusted EBITDA	\$ 4,746	\$ 8,716

- Broad based product growth
- Includes large network projects
- Increasing R&D for ViaSat-2 network
- Investments benefit services & government segments, too
- Attractive, though lumpy, opportunity space



**FASTEST IN-FLIGHT WI-FI
UNLEASH THE INTERNET**

Government Systems

Dollars in Thousands

	Q2 FY13	Q2 FY14
Product Revenues	\$ 84,387	\$ 105,241
Service Revenues	44,591	38,102
Total Revenues	\$ 128,978	\$ 143,343
Operating Earnings (Losses)	\$ 24,391	\$ 18,290
Adjusted EBITDA	\$ 31,174	\$ 27,528

- Broad based growth
- Revenues up 11% YoY
- R&D, network expansions affect current earnings as expected
- Difficult procurement environment
- But, underscores our value propositions



Outlook



Satellite Services

- “Steady” market landscape
- Quarterly competitive dynamics
- Strategic investments – ViaSat-2, network, payloads, adjacent markets, IP



Commercial Networks

- Executing on solid backlog
- Attractive, though lumpy, opportunities
- R&D investments continuing



Government Systems

- Budget pressures underscore our value propositions & create opportunities
- Multiple sources of uncertainty
- Network and R&D investments

Q & A