

ViaSat, Inc.

FY 13 Q4 Results

May 16, 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

- Q4 and FY13 Highlights
- Financial Results
- Business Overview
- ViaSat-2
- Outlook & Summary
- Q & A

Q4 and FY13 Highlights

- **Broadband services drive growth**
- **5th consecutive quarter of record revenues**
- **Investing in our successes**

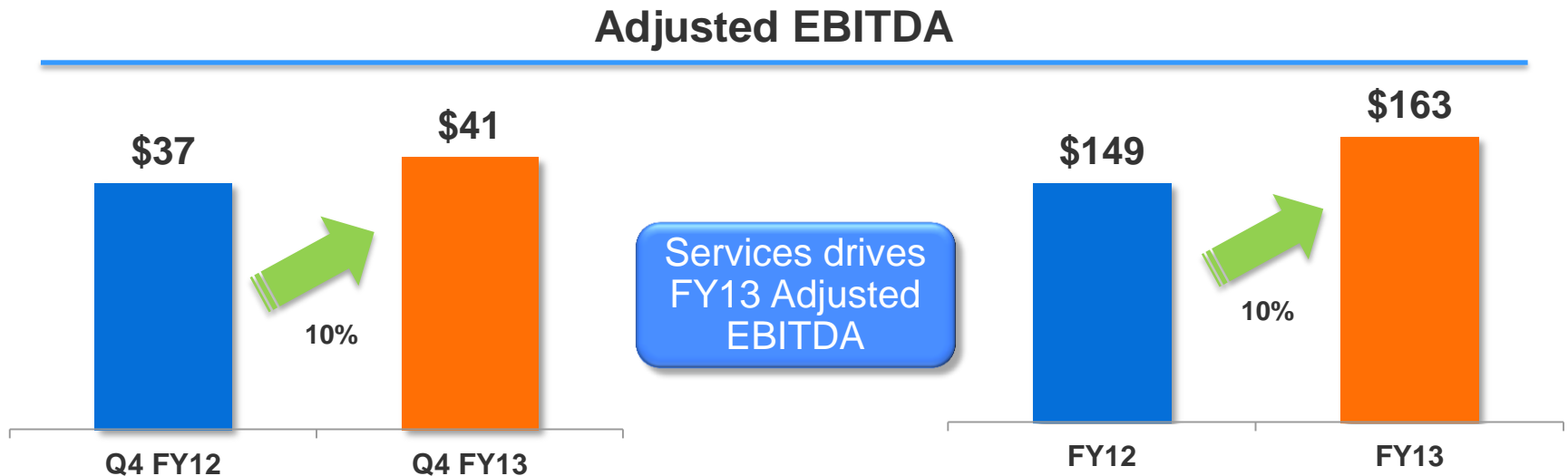
Record FY13 orders of \$1.4 billion
36% increase over last fiscal year's record

And, record subscriber additions
Over 98,000 installations
Gross adds of 88,000 and net adds of 46,000
Ending subs of 512,000

Drive strong revenue growth
Q4 and FY13 revenues up 28% and 30%, respectively

Steadily improving earnings
Adjusted EBITDA up 10% YoY
Investing in subscribers and R&D

Financial Summary

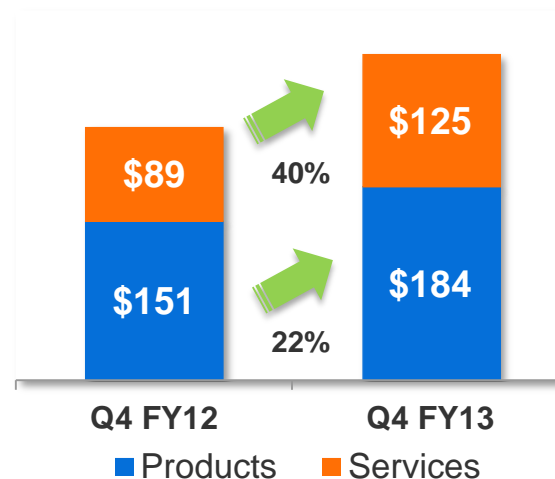


Income Statement

Income Statement

	<u>Q4 FY12</u>	<u>Q4 FY13</u>	<u>FY12</u>	<u>FY13</u>
Revenues	\$ 240.5	\$ 308.7	\$ 863.6	\$ 1,119.7
Cost of revenues	185.5	232.3	636.0	848.2
SG&A	50.0	68.1	181.7	240.9
R&D	6.5	11.7	25.0	35.4
Amortization	4.4	3.5	18.7	15.6
Income from operations	\$ (5.9)	\$ (7.0)	\$ 2.2	\$ (20.4)
Interest expense, net	(7.8)	(10.2)	(8.2)	(43.8)
Debt extinguishment	-	-	-	(26.5)
Income tax benefit	6.3	19.4	13.7	50.1
Minority interest, net	(0.1)	(0.3)	(0.1)	(0.5)
Net Income (Loss)	\$ (7.4)	\$ 1.9	\$ 7.5	\$ (41.2)
Diluted EPS	\$ (0.17)	\$ 0.04	\$ 0.17	\$ (0.94)
Non-GAAP Net Income	\$ (0.6)	\$ 8.8	\$ 32.1	\$ 0.9
Non-GAAP Diluted EPS	\$ (0.01)	\$ 0.19	\$ 0.73	\$ 0.02

Revenue Mix



- Strong growth in both product and service revenues
- Operating margins impacted by new sub SAC and R&D investments
- No capitalized interest from ViaSat-1 in FY13

Cashflow and Balance Sheet

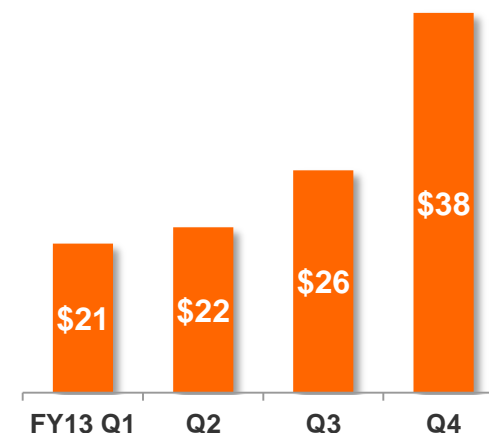
Cashflow

	<u>FY12</u>	<u>FY13</u>
Net income	\$ 7.6	\$ (40.6)
Depreciation / amortization / other, net	141.2	163.7
Change in operating assets / liabilities, net	<u>(7.3)</u>	<u>(31.3)</u>
Cashflow from operations	\$ 141.4	\$ 91.8
Capital expenditures	(229.0)	(201.6)
Financing activities	<u>219.8</u>	<u>42.9</u>
Net change in cash	<u>\$ 132.1</u>	<u>\$ (66.8)</u>

Balance Sheet

	<u>FY12</u>	<u>FY13</u>
Cash and cash equivalents	\$ 172.6	\$ 105.7
Other current assets	390.6	439.1
PP&E / other	<u>1,164.0</u>	<u>1,249.2</u>
Total Assets	<u>\$ 1,727.2</u>	<u>\$ 1,794.1</u>
Current liabilities	236.1	247.1
Debt and other liabilities	598.9	639.1
Stockholders equity	<u>892.2</u>	<u>907.8</u>
Total liabilities and stockholder equity	<u>\$ 1,727.2</u>	<u>\$ 1,794.1</u>

CPE investments grow



CPE figures include equipment cost and capitalized installation.

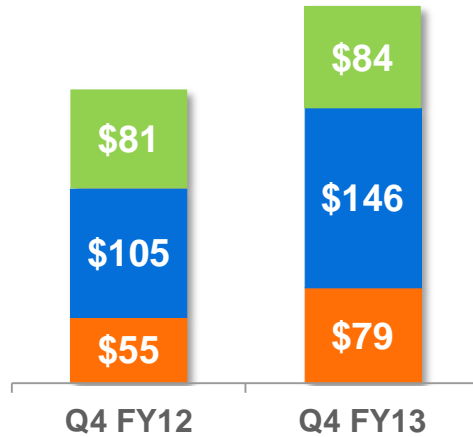
- Operating cash generation despite upfront SAC and \$20m debt refi funding
- Over 50% of YTD Cap Ex represents CPE investments
- Liquidity of nearly \$400M
- R&D credit legislation enactment in FY13 Q4

Segment Results

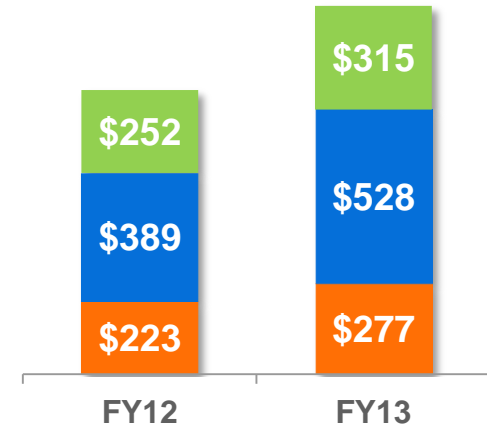
Q4

Revenues

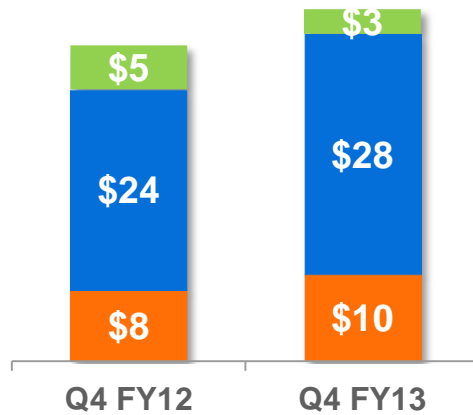
FY



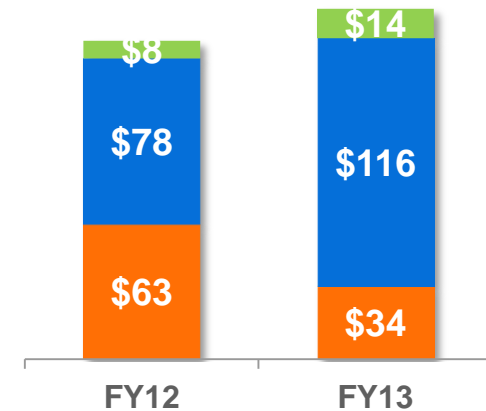
Q4 and FY13 revenues up 28% and 30% YoY, respectively



Adjusted EBITDA



Q4 and FY13 Adj. EBITDA both up 10%



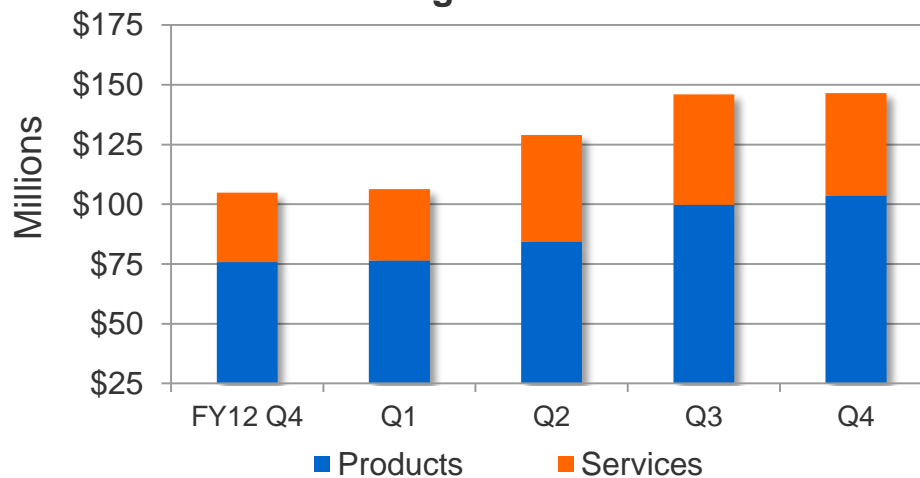
- Commercial Networks
- Government Systems
- Satellite Services

Government Systems

<i>Dollars in Thousands</i>	<u>Q4 FY12</u>	<u>Q4 FY13</u>
Product Revenues	\$ 75,869	\$ 103,610
Service Revenues	28,965	42,826
Total Revenues	\$ 104,834	\$ 146,436
Operating Earnings (Losses)	\$ 15,915	\$ 19,241
Adjusted EBITDA	\$ 23,509	\$ 28,108

- End FY13 with higher backlog YoY
- Strong product revenues – up 37% YoY
- Service revenue up 48% YoY for bandwidth and networking services
- Expanding investment in mobility services and next-gen military satcom products

Increasing Service Revenues

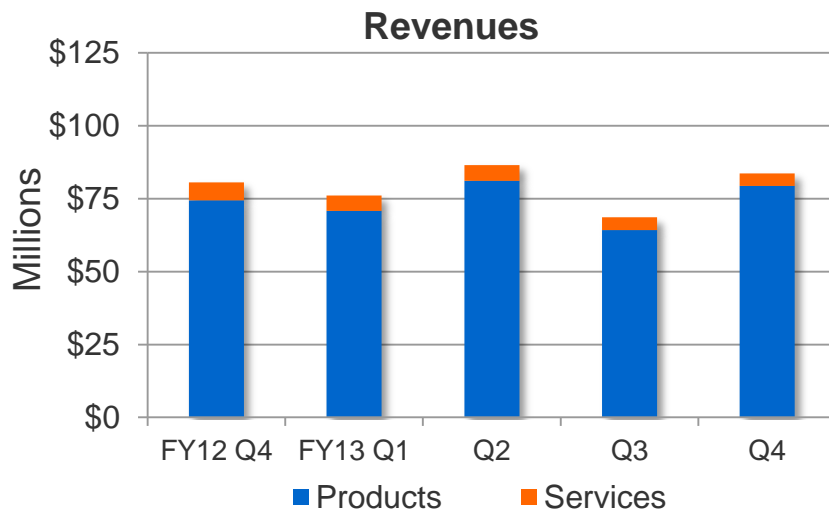


“We are enabling new operational concepts for military and civil helicopter missions...”

Commercial Networks

<i>Dollars in Thousands</i>	<u>Q4 FY12</u>	<u>Q4 FY13</u>
Product Revenues	\$ 74,490	\$ 79,353
Service Revenues	6,470	4,263
Total Revenues	\$ 80,960	\$ 83,616
Operating Earnings (Losses)	\$ (1,704)	\$ (3,775)
Adjusted EBITDA	\$ 5,116	\$ 2,862

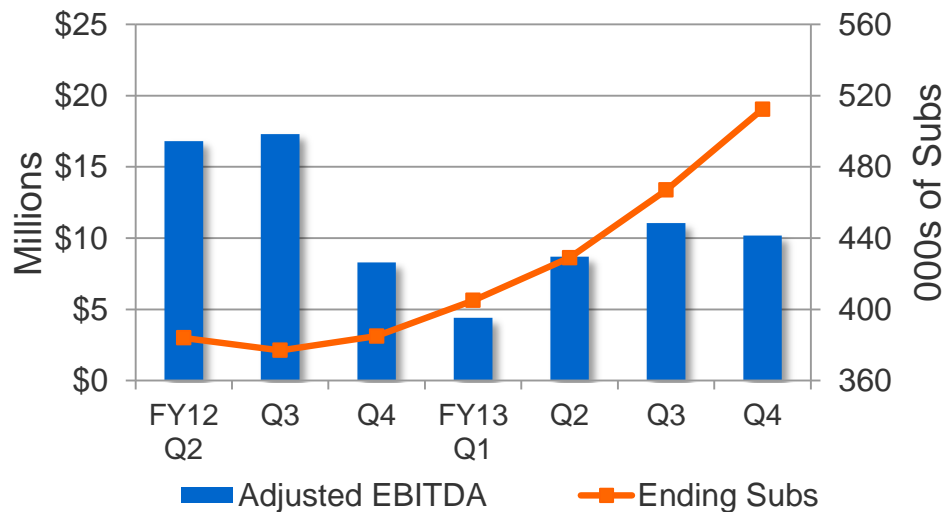
- Backlog remains at 1.5x FY13 revenues
- Good YoY growth in consumer broadband products
- Operating earnings reflect higher ongoing R&D investment



Satellite Services

<i>Dollars in Thousands</i>	<u>Q4 FY12</u>	<u>Q4 FY13</u>
Product Revenues	\$ 686	\$ 556
Service Revenues	54,058	78,055
Total Revenues	\$ 54,744	\$ 78,611
Operating Earnings (Losses)	\$ (15,625)	\$ (18,927)
Adjusted EBITDA	\$ 8,290	\$ 10,181

- Steady sequential growth in gross and net subscriber additions
- Migrations tapering off
- ARPU continues upward trend
- Higher sub growth impacts earnings



“Subscriber Growth Continues Upward...”

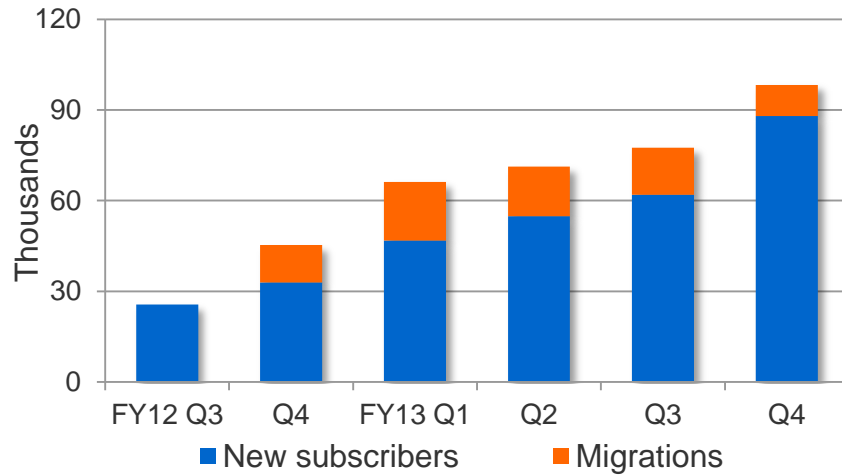


Subscriber Metrics

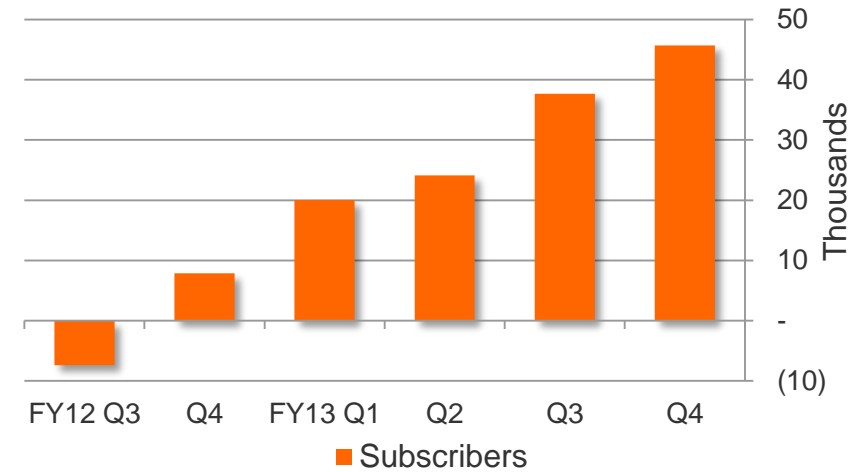
wildblue®

exede®

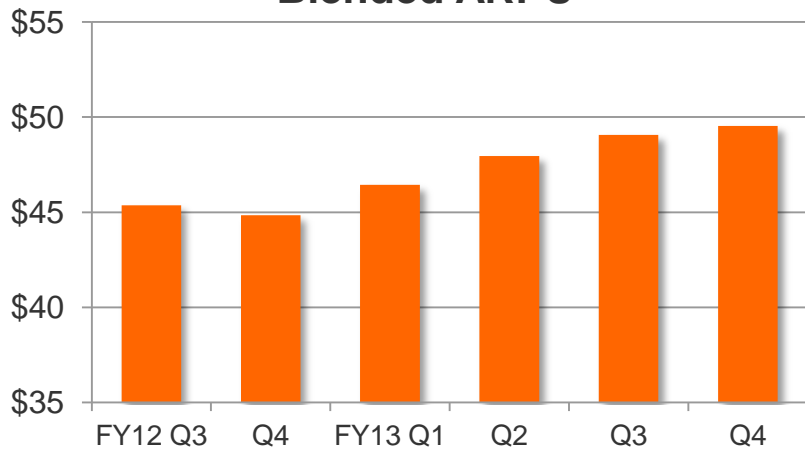
Installations



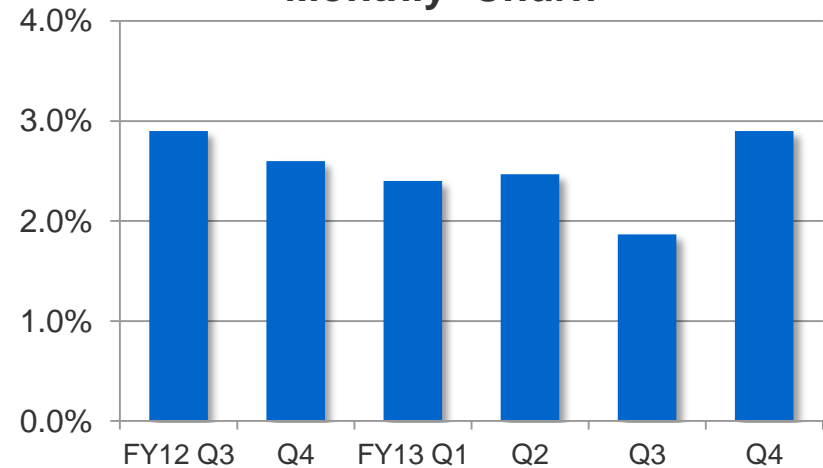
Net Additions



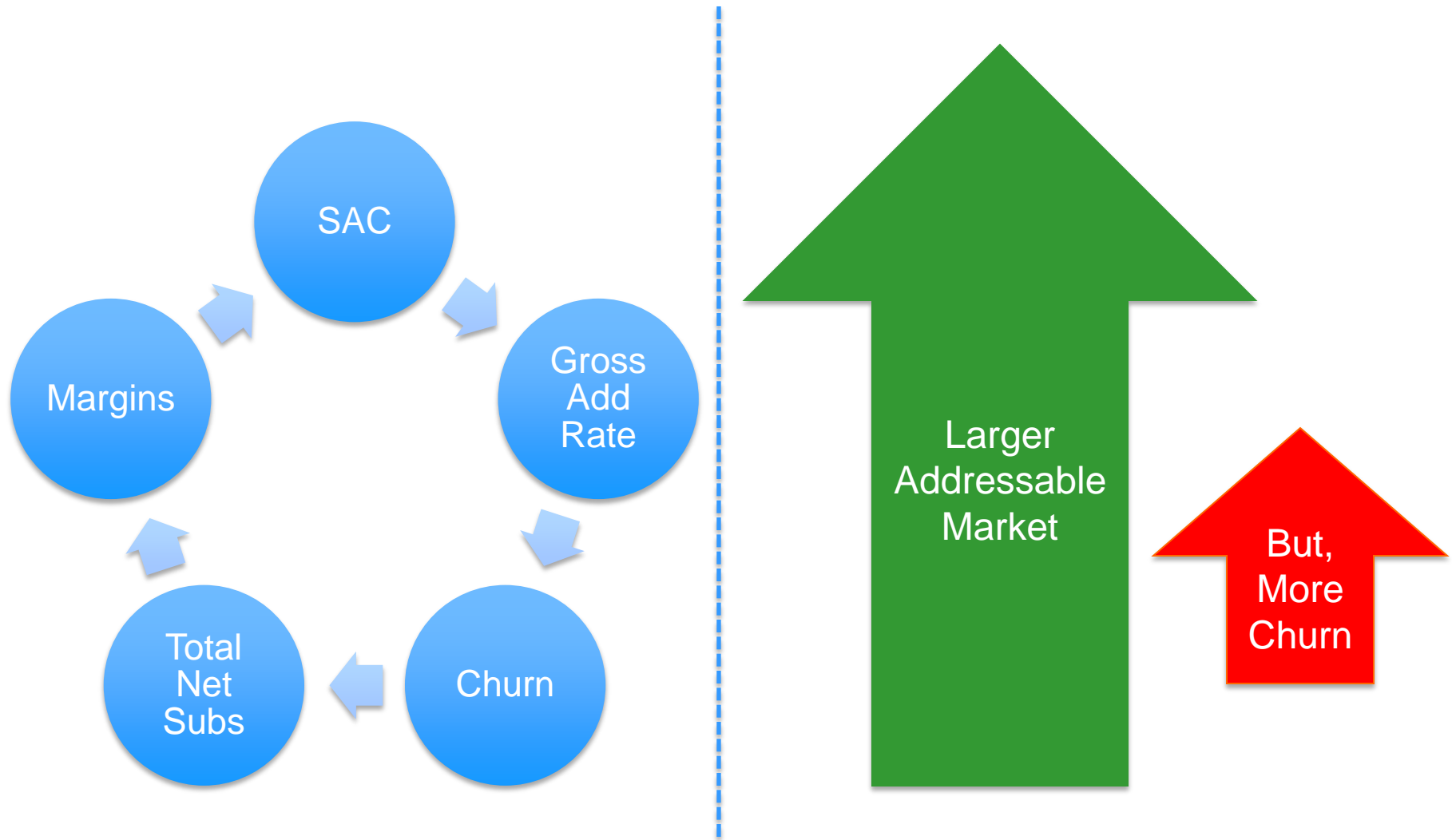
Blended ARPU



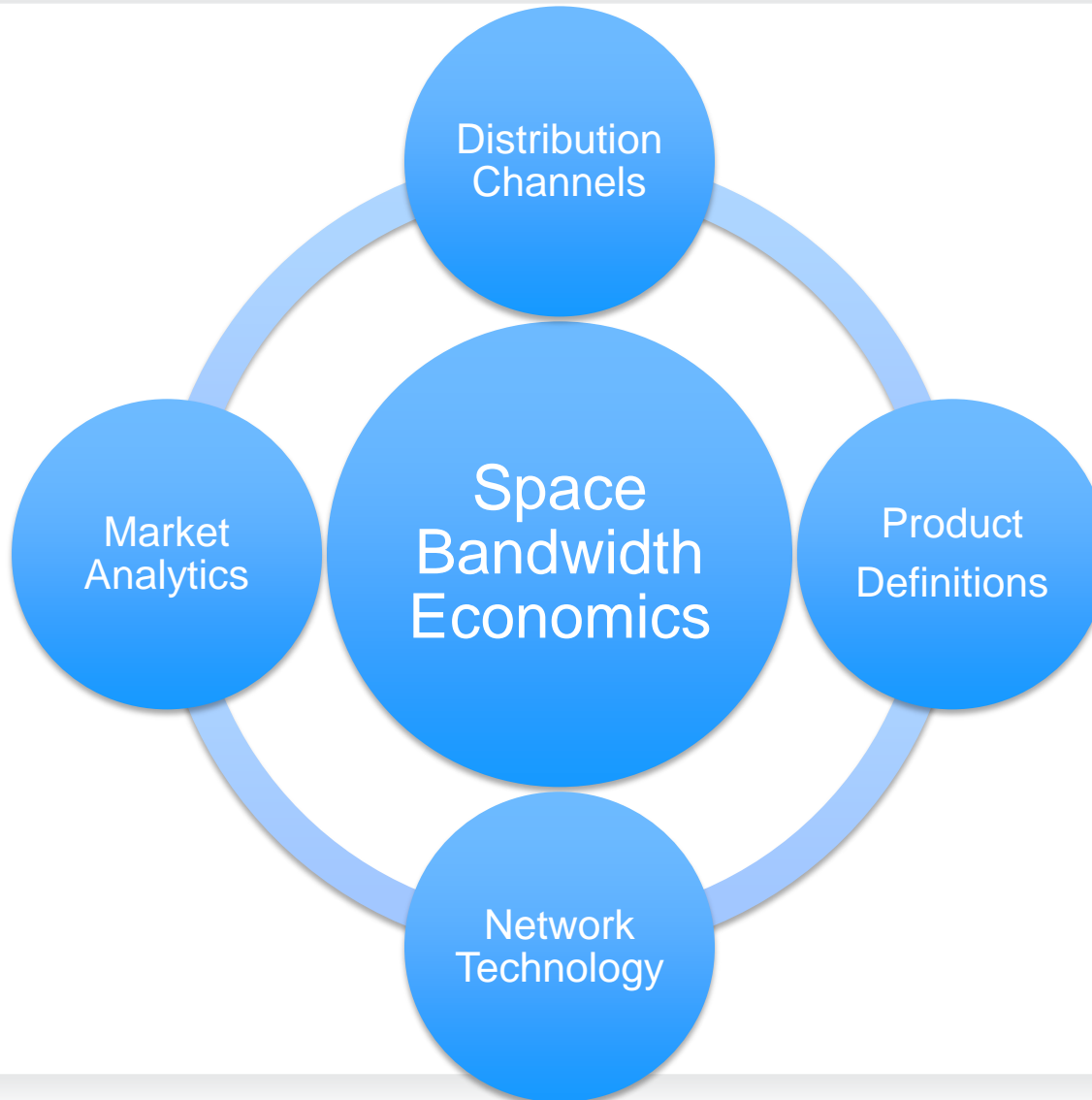
Monthly Churn



Analytics driven trade-offs



Services Growth Strategy



Exede – An Award Winning Technology



Recent Recognition

- Exede tops FCC's benchmark study of broadband services that exceed advertised speeds
- ViaSat-1 earns Guinness World Record for highest capacity satellite in the world
- Exede earns Bronze Edison Award for innovation



ViaSat-2 Is Under Contract

- Advances broadband satellite state-of-the-art
- Builds on Boeing 702HP platform
- Integrating ViaSat payload & system designs
- ~2x gain in bandwidth economics
- ~7x increase in geographic coverage
- Enhances all our satellite broadband markets
- Substantial operational flexibility & benefits
- Mid 2016 launch
- Strategic agreement with Boeing



Representative Boeing 702HP Satellite
Courtesy Boeing Co.

"The 702HP is our most powerful satellite platform," said Craig Cooning, chief executive officer of Boeing Satellite Systems International and vice president and general manager of Boeing Space & Intelligence Systems. "This proven capability, integrated with ViaSat's own satellite technology, will result in what we expect to be the world's highest-capacity satellite, and will prove to be a major contributor to the expansion of ViaSat's complete portfolio of broadband services. We are committed to delivering this satellite on-schedule and with the highest level of mission assurance."

Expanding Broadband Markets & Services

- Unprecedented combination of:
 - › Throughput capacity
 - › Geographic coverage
 - › Operational flexibility
- Enables
 - › FTTN-class consumer broadband speeds
 - › Total CONUS service
 - › Aero & maritime global mobile expansion
 - › International expansion
 - › Key operational efficiencies



ViaSat-2 Geographic Coverage

Outlook



Satellite Services

- Continued growth in consumer business
- Unit economics expected to remain in-line
- Focus on market segments, channels, & product enhancements



Commercial Networks

- Execute existing signature programs
- Existing programs offer growth opportunities
- Higher R&D investments in successes



Government Systems

- Revenue growth – but likely more modest
- Mobile broadband leads the way
- Invest to consolidate/expand gains
- Adjustments for sequestration, but still “unknowable”

Q & A