

December 4, 2025

Team Number: 1

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Investment summary

Investment recommendation:

Investment: Buy Viasat Inc. VSAT 7.50% 2031 Senior Unsecured Notes (CCC+ / Caa1) trading at \$94.01 – 8.88

YTW and 511bps OAS

Target spread: 420 bps, and base case total return of 11.2%

Rationale:

- Thesis 1

 Existing satellite constellation with partnership potential
- Viasat's 23 operational satellites provide existing global coverage, with the opportunity to supplant reach through partnership model
- Deployment of ViaSat-3 F2 & F3 will triple bandwidth, accelerating revenue growth

Thesis 2

Aviation segment normalization & growth

- Aircraft delivery delays have slowed aviation segment growth; delivery normalization across aircraft OEMs should unlock and accelerate segment growth
- Inflight Wi-Fi becoming expected, driving incremental unaccounted for adoption

- Thesis 3

 Deleveraging focus & strong free cash flow generation
- Viasat's strong free cash flow generation and management focus on leverage ratios enables them to quickly deleverage, improving credit metrics and capital structure
- Potential for ratings upgrade to B- assuming success of ViaSat-3 F2 & F3



1. Company Overview



Viasat Inc. is a leading satellite communications / connectivity provider for governments, transportation providers, and consumers

Company overview



- Founded in 1986, Viasat began selling signal-processing products to the U.S. military; the company branched into satellite connectivity in the early 2000s
- Viasat entered the commercial connectivity market in 2010 with the launch of ViaSat-1; the subsequent ViaSat-2 program enabled global coverage and higher bandwidth for reliabilitycritical commercial applications
- The firm acquired competing satellite connectivity provider Inmarsat in 2023 to broaden coverage across services, speeds, and connectivity types while gaining access to new markets
- Currently building out the 3 satellite ViaSat 3 network for further bolster bandwidth

Communication services



Aircraft connectivity



Marine connectivity



Gov., commercial, & consumer broadband

Satellite-based connectivity for transportation, defense, commercial, and consumer needs; focus on highly-technical, reliability critical, or remote use cases

FY2025 revenue: \$3.3B (+5% over FY2024)

Defense & advanced technologies



Cybersecurity & Infosec



urity Space sec tech.



Tactical networks



Advanced technology

Engineering, hardware, and technology design focused on space systems, secure communication, and networking - primarily for defense applications

FY2025 revenue: \$1.2B (+7% over FY2024)



Viasat's high leverage stems from its focus on building an industry-leading satellite constellation; its 2031 bonds trade at a discount and have a long duration

Notable points:

- The 2031 notes offer a strong yield and spread compression opportunity as company transitions to FCF positive in FY2026; further out maturity date reduces refinancing risk and full realization of ViaSat-3 revenue opportunity
- Net Debt / Equity = 128%, Total Debt / EBITDA = 5.48x, Net Debt / EBITDA = 4.52x, EBITDA / Interest Expense = 3.87x

Capital structure

Facility	Out (\$MM)	Coupon	Maturity	Price	YTW	OAS	Rating
Total Secured Debt							
Inmarsat Term Loan	\$300.0		12/11/2026				BB- / Baa3
22 Term Loan	\$677.3		3/4/2029				BB- / Baa3
Inmarsat Term Loan	\$1,280.5		9/28/2029				BB- / Baa3
23 Term Loan	\$604.4		5/30/2030				BB- / Baa3
2027 Notes	\$600.0	5.63%	04/15/2027	\$99.79	5.78%	212	B+/Ba3
2029 Notes	\$1,975.0	9.00%	9/15/2029	\$105.62	6.78%	288	B / B1
Total Unsecured Debt							
2028 Notes	\$400.0	6.50%	7/15/2028	\$97.27	7.65%	401	CCC+ / CaaC1
2031 Notes	\$733.4	7.50%	5/30/2031	\$94.01	8.88%	511	CCC+ / CaaC1
Operating Leases	\$507.7						
Total debt	\$7,078.3						
Less Cash	1,230.7						
Net Debt	\$5,848.3						
Minority Interest	\$49.3						
Equity Market Cap	\$4,933.1						
Total Enterprise Value	\$10,830.7						



2. Investment Thesis



Thesis 1 - Flat growth post-ViaSat-3 F1 anomaly masks upside potential; F2 & F3 launches & partnership-led model poised to unlock underappreciated expansion

Prior one-off launch hiccups leave full potential upside unaccounted for

- ViaSat-3 F1 experienced an antenna reflector anomaly constraining capacity to ~10% of design throughput
- Upcoming satellite launches are expected to unlock substantial incremental growth currently underpriced by the market due to past technical issues

F2 & F3 Launches & Viasat-led Partnership Model Upside Potential

The ViaSat-3 program provides ViaSat with sizable near-term expansion upside across customer types



ViaSat-3 F2 Launch: Oct 2025 Entry to service: Early 2026 Service region: Americas



ViaSat-3 F3 Launch: Late 2025 Entry to service: Mid 2026 Service region: Asia Pacific

Once in service, the ViaSat-3 constellation will triple Viasat's bandwidth

Each satellite adds over 1 Tbps bandwidth, more than doubling current total network capacity, and supporting growing high-speed broadband demand Partnership model drives scalable growth with minimal additional CapEx

TELESAT

Multi-year agreement integrating
Telesat's Low Earth Orbit capacity into
Viasat's multi-orbit network

OneWeb

Agreement providing Viasat access to OneWeb's Low Earth Orbit capacity for maritime applications

SPACE 42

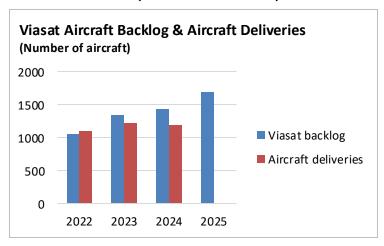
Leverages Space42's Direct to Direct solution to enable mobile connectivity without terrestrial infrastructure

Source: Mgmt. data, Bloomberg



<u>Thesis 2</u> – Normalization of aircraft deliveries and increasing ubiquity of Wi-Fi across commercial aircraft creates incremental upside

Entry into service of currently committed & parked aircraft has a ~\$400M p.a. revenue upside for Viasat; new aircraft entry into service delayed due to certification & delivery delays



- Aircraft deliveries 20-30% below pre-pandemic levels due to certification issues and supply constraints
- Net new demand combined with delivery delays have caused Viasat's committed backlog to increase ~17% p.a. since 2022
- Aircraft production rates expected to return to pre-pandemic levels within 1-2 years, accelerating Viasat's growth

Inflight Wi-Fi is increasingly a core expectation for consumers that drives purchase decisions; airlines are rapidly adopting satellite-based Wi-Fi, but ~45% of aircraft currently lack connectivity

"I think [free Wi-Fi] is table stakes, at this point, or it will be. It's important."

- Greg Anderson, CEO Allegiant

"Satellite-based Internet is becoming the new norm ...
airlines are racing to retrofit their fleets. The fledgling
market for in-flight Wi-Fi is expected to reach \$10 billion"
- Wired Magazine, 2025

Accelerated adoption by in-service fleets not currently baked into mgmt. forecasts

Source: Cirrium, Mgmt. data, Wired



<u>Thesis 3</u> – Viasat generates strong free cash flows, which combined with reduced long-term CapEx, creates a considerable deleveraging opportunity

Ligado settlement payments

- Viasat reached a settlement agreement with Ligado Networks in September 2025 as part of Ligado's restructuring process; Ligado will pay \$568M to Viasat through March 2026
- Settlement payments from Ligado were not accounted for in management forecasts; management plans to use payments to manage near-term maturities

Tail-end of satellite upgrade cycle

- Viasat is reaching the tail-end of its multi-year ViaSat 3 satellite constellation development, launch, and deployment process
- Full deployment of the ViaSat 3 constellation lessens ongoing R&D and CapEx expenditures, easing capital requirements and driving free cash flow

Forecast principal reduction

- Management indicated a focus on reducing leverage ratios through FY26, with a long-term 3.0 debt / EBITDA leverage ratio target
- Current priority is the paydown of the \$300M Inmarsat 2026 Term Loan B, which will reduce interest expenses and further increase free cash flow

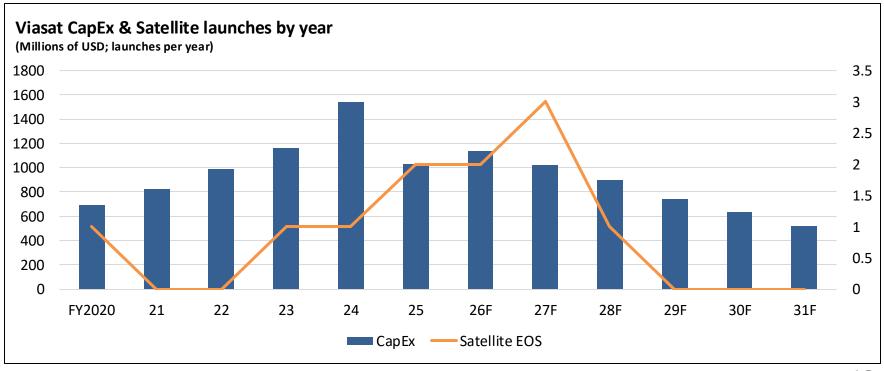
Source: Mgmt. data, Bloomberg



<u>Thesis 3</u> – Viasat generates strong free cash flows, which combined with reduced long-term CapEx, creates a considerable deleveraging opportunity

Tail-end of satellite upgrade cycle

Viasat is at the tail-end of developing and launching its ViaSat-3 satellite constellation, representing a massive upgrade to Viasat's capacity; CapEx is forecast to fall through 2030, creating opportunities to focus on deleveraging



Source: Mgmt. data, Bloomberg



<u>Thesis 3</u> – Viasat generates strong free cash flows, which combined with reduced long-term CapEx, creates a considerable deleveraging opportunity

Key assumptions

Base
 Successful deployment of ViaSat-3 F2 & F3
 Services revenue growth at ~4% CAGR
 Product revenue growth at ~1% CAGR
 EBITDA margin grows to ~37% in 2028
 Bear
 Impaired deployment of ViaSat-3 F2 & F3
 Services revenue growth at ~1% CAGR
 Product revenue growth at ~1% CAGR
 EBITDA margin grows to ~39% in 2028

Financial projections							
\$M / Fiscal year	2024	2025	2026E	2027E	2028E	2028E Bear	2028E Bull
Revenues	4,284	4,520	4,662	4,823	4,990	4,508	5,314
EBITDA	373	1,362	1,474	1,696	1,837	1,351	2,083
Net Income (Loss)	(1,069)	(575)	(155)	20	92	(428)	330
Cash from Ops.	688	908	1,075	1,340	1,503	961	1,792
СарЕх	(1,539)	(1,030)	(1,208)	(811)	(851)	(851)	(851)
Free Cash Flow	(851)	(122)	(133)	529	652	110	941
Cash & Cash Equivalents	1,901	1,612	964	1,093	1,545	691	1,989
Total Assets	16,329	15,449	14,936	14,608	14,582	13,656	15,068
Long-term Debt	7,174	6,909	6,400	6,000	5,800	6,400	5,800
EBITDA Margin	9%	30%	32%	35%	37%	30%	39%
Total Debt / EBITDA	19.2x	5.1x	4.3x	3.5x	3.2x	4.7x	2.1x
FCF / Debt	(12%)	(2%)	(2%)	9%	11%	2%	16%
EBITDA / Interest Expense	1.2x	4.0x	4.6x	5.7x	6.3x	4.2x	7.2x



3. Valuation & Risk



Viasat's bonds trade similarly to cable / telecom peers, despite 82% of revenue being from defense, aviation, and maritime applications

Scenario analysis

• **Bear:** 9.2% 1Y return; target spread 490

 Base: 11.2% 1Y return; target spread 420

• Bull: 15.3% 1Y return; target

spread 220

	Moody's	S&P	Base	Bear	Bull
Upgrade triggers	 ViaSat-3 F2 & F3 enter service Debt / EBITDA below 5x Interest coverage towards 2x FCF / Debt towards 5% 	 ViaSat-3 F2 & F3 enter service FCF / Debt comfortably above 5% 	Met	Not met	Met
Downgrade triggers	 Sizable business deterioration Debt / EBITDA above 6.5x Interest coverage below 1x FCF / Debt below 0% 	 Another satellite anomaly FCF / Debt comfortably below 5% Reductions in operating margins due to competitive pressures 	Not met	Met	Not met

Viasat relative value analysis

High-yield Aerospace & Defense Index

Issuer	Security	OAS	YTW	Coupon	Price	Maturity	Amt. out	D/E	Ratings	
Viasat	VSAT 7 ½ 05/31	511.5	8.88%	7.5%	\$94.01	5/2031	\$700	154.8	CCC+/CaaC1	
Viasat	VSAT 6 ½ 07/28	400.5	7.65%	6.5%	\$97.27	7/2028	\$400	154.8	CCC+/CaaC1	
Comparable Comm	unications / Defense Firms									٦
SES	SESGFP 4 1/2 06/24/30	172.8	4.13%	4.13%	\$99.98	6/2030	\$600	131.0	BBB/Baa3	Satellite
Eutelsat	ETLFP 9 ¾ 04/13/29	223.5	4.10%	9.75%	\$107.02	4/2029	\$700	119.0	BB/B1	connectivit
Charter Comms.	CHTR 4 ¼ 02/01/31	292.5	6.38%	4.25%	\$90.69	2/2031	\$3,000	483.8	BB-/B1	Cable /
EchoStar	DISH 7 % 07/01/28	643.9	10.09%	7.38%	\$93.85	7/2028	\$1,000	147.2	CCC-/Caa3	Cable / Telecomm
Cable One	CABO 4 11/15/30	641.5	9.86%	4.00%	\$77.31	9/2030	\$650	200.6	B/B2	
L3 Harris	LHX 5 ¼ 06/01/31 Corp	99.4	4.46%	5.25%	\$103.75	9/2030	\$750	66.6	BBB/Baa2	Defense /
RTX	RTX 2.15 05/18/30	59.8	2.98%	2.15%	\$96.54	5/2030	\$500	69.8	BBB+/Baa1	Aerospace
Fixed-income Indice	es									
High-yield Cable / S	atellite Index	417.8	7.84%	6.26%	\$89.11					

6.65%

\$102.87

125.9

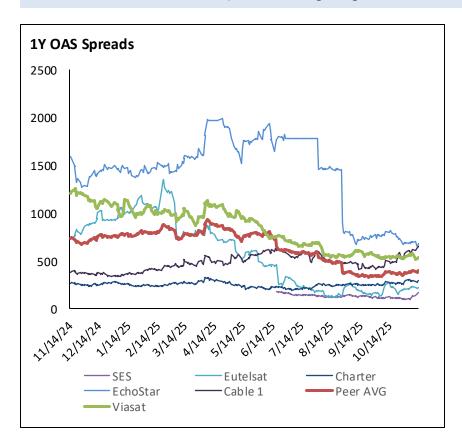
5.35%

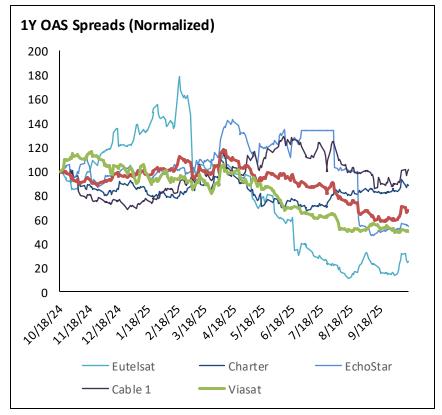


Viasat's current spread offers a compression opportunity; Viasat is trading at a significant discount relative to satellite connectivity & defense peers

OAS Spread Opportunity

- VSAT current spread appears undervalued compared to its peers and projected future financial performance
- Spread should be trading closer to 420, reflecting strong positioning relative to peers across stable, high-growth segments (e.g., aviation, defense, maritime) but reflecting a slight execution risk premium given the uncertainty around Viasat-3 F2 & F3





Source: Bloomberg – data as of 11/14/25



Risks & mitigants

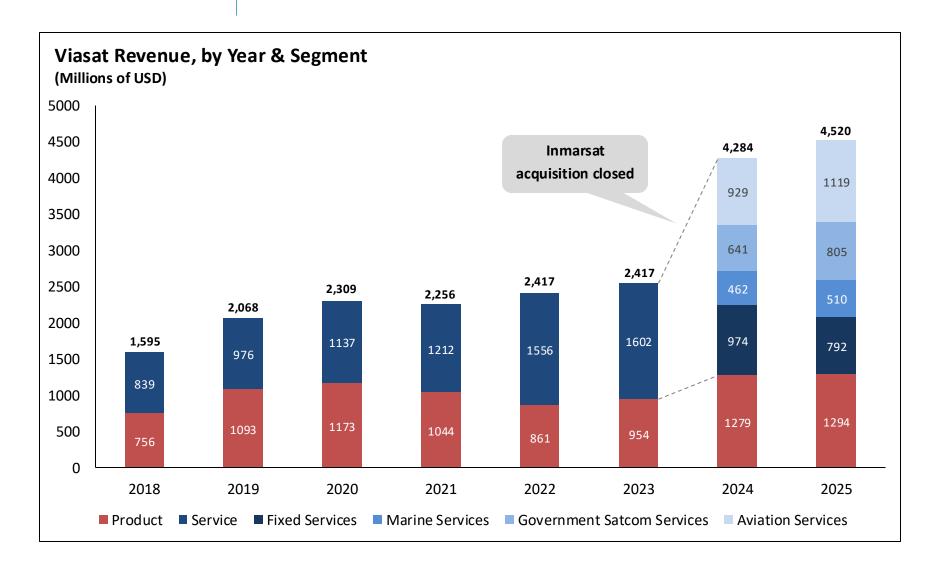
Risks	Mitigants
ViaSat-3 F2 or F3 suffers a technical failure	 Management indicated they closely scrutinized the ViaSat-3 F1 deployment failure to prevent comparable loss of functionality with the F2 or F3 satellites Viasat has a space insurance policy for F2 & F3; comparable insurance paid \$770M following the F1 deployment
LEO-based satellite providers may compete aggressively	 Viasat and Telesat announced an agreement where Viasat will integrate Telesat's LEO ka-band capacity into Viasat's network to provide LEO broadband speeds at greater coverage Full deployment of many currently announced LEO satellite constellations (e.g., Amazon Kupier) is not expected until the late 2020s
Fixed broadband subscriber losses endure	 Bandwidth constraints due to the impairment of ViaSat-3 F1 and stronger than anticipated pricing competition from Starlink drove fixed broadband subscriber losses in FY24 & FY 25 Management guidance indicates expected loss in fixed broadband more than offset by increased aviation demand & ViaSat-3 F2's launch in early 2026 will alleviate bandwidth limitations, unlocking competitive opportunities
Inability to refinance	 Free cash flow projections suggest Viasat may need to refinance some of its debt due in 2029; an inability to refinance that debt or particularly unattractive refinancing terms could impact Viasat's ability to make payments on later duration debt Forecasts suggest Viasat could receive a credit ratings upgrade before 2029, which combined with decreases in the federal funds rate, will likely result in more favorable financing terms



4. Appendix

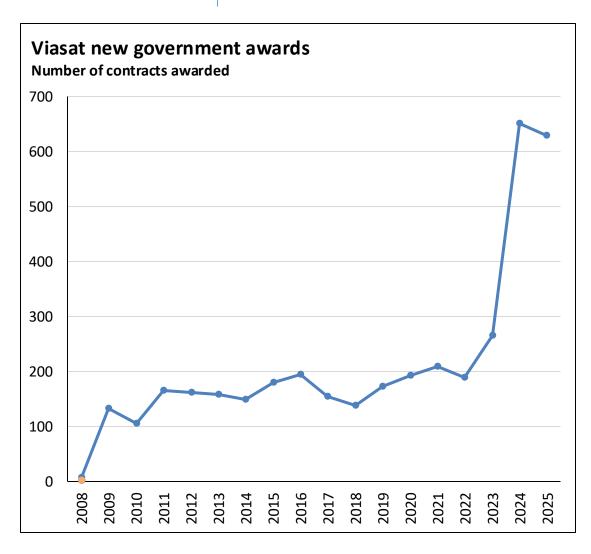


Viasat revenue breakdown





Viasat government contract wins



- Viasat has successfully scaled its number of government contract wins since 2008
- Successful deployment of new satellite systems improves the number of potential gov. contracts Viasat is competitive for
- Data does not include wins where Viasat is not the prime contractor



Income statement

INCOME STATEMENT	FY '21 A	FY '22 A	FY '23 A	FY '24 A	FY '25 A	FY '26 E	FY '27 E	FY '28 E	FY '29 E	FY '30 E	FY '31 E
INCOME STATEMENT	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031
Revenue	2,256	2,417	2,556	4,284	4,520	4,662	4,823	4,990	5,164	5,346	5,535
Products	1,044	861	954	1,279	1,294	1,307	1,320	1,333	1,347	1,360	1,374
Services	1,212	1,556	1,602	3,006	3,226	3,355	3,503	3,657	3,818	3,986	4,161
Cost of Revenue	(1,564)	(1,711)	(1,835)	(2,902)	(3,030)	(3,077)	(3,135)	(3,194)	(3,372)	(3,421)	(3,487)
Gross Profit	692	706	721	1,382	1,490	1,585	1,688	1,796	1,792	1,924	2,048
Operating Expenses	(633)	(819)	(877)	(2,272)	(1,587)	(1,399)	(1,350)	(1,397)	(1,446)	(1,497)	(1,550)
Selling, General & Admin	(512)	(641)	(719)	(1,894)	(1,181)						
Research & Development	(116)	(149)	(129)	(151)	(142)						
Other Operating Expenses	(5)	(29)	(30)	(227)	(264)						
Operating Income	59	(113)	(156)	(890)	(97)	186	338	399	346	428	498
Interest Expense, Net	(32)	(29)	(7)	(304)	(338)	(320)	(300)	(290)	(250)	(200)	(175)
Other Non-Op Income (Loss)	_	4	1	_	(110)	-	_	-	_	-	-
Pretax Income	26	(138)	(162)	(1,194)	(545)	(134)	38	109	96	228	323
Income Taxes	(9)	37	(49)	140	1	-	-	-	-	-	-
Income (Loss) from Affiliates (After Tax)	1	(0)	(0)	7	13	-	-	-	-	-	-
Income (Loss) from Cont Ops	18	(102)	(212)	(1,048)	(531)	(134)	38	109	96	228	323
Net Extraordinary Losses	-	99	1,302	(10)	-	-	-	-	-	-	-
Minority Interest	(13)	(13)	(6)	(11)	(44)	(22)	(17)	(17)	(17)	(17)	(17)
Net Income	4	(16)	1,084	(1,069)	(575)	(155)	20	92	79	210	306
Depreciation & Amortization	397	495	500	1,158	1,361	1,218	1,291	1,368	1,435	1,492	1,540
Depreciation	331	407	410	868	1,036	1,176	1,249	1,325	1,392	1,449	1,496
Amortization	66	29	30	227	324	42	42	43	43	43	43
Capitalized lease expense	66	69	88	105	99	70	68	70	72	75	77
EBITDA	522	451	432	373	1,362	1,474	1,696	1,837	1,853	1,995	2,115
P&L Ratios											
Gross Margin	31%	29%	28%	32%	33%	34%	35%	36%	35%	36%	37%
EBIT Margin	3%	-5%	-6%	-21%	-2%	4%	7%	8%	7%	8%	9%
EBITDA Margin	23%	19%	17%	9%	30%	32%	35%	37%	36%	37%	38%
Net Income Margin	0%	-1%	42%	-25%	-13%	-3%	0%	2%	2%	4%	6%
SG&A	23%	27%	28%	44%	26%						
Segment share											
Services	46%	36%	37%	30%	29%	28%	27%	27%	26%	25%	25%
Products	54%	64%	63%	70%	71%	72%	73%	73%	74%	75%	75%
Revenue growth		7%	6%	68%	6%	3%	3%	3%	3%	4%	4%



Balance Sheet

BALANCE SHEET	FY '21 A	FY '22 A	FY '23 A	FY '24 A	FY '25 A	FY '26 E	FY '27 E	FY '28 E	FY '29 E	FY '30 E	FY '31 E
	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031
Cash, Cash Equivalents & STI	296	310	1,349	1,901	1,612	927	1,026	1,447	1,416	1,502	2,341
Accounts & Notes Receivable	239	312	420	678	700	680	687	709	736	762	789
Inventories	337	198	269	318	294	308	313	319	337	342	349
Other ST Assets	120	339	207	582	282	433	436	440	440	442	445
Total Current Assets	991	1,159	2,245	3,479	2,888	2,347	2,463	2,916	2,929	3,049	3,923
Property, Plant & Equip, Net	3,051	4,048	4,660	7,950	7,822	7,854	7,417	6,942	6,293	5,478	4,504
PP&E Gross	5,175	6,063	6,992	11,045	11,857	13,065	13,876	14,727	15,470	16,104	16,627
Accumulated Depreciation	(1,784)	(2,014)	(2,332)	(3,095)	(4,035)	(5,210)	(6,459)	(7,785)	(9,177)	(10,626)	(12,123)
Goodwill & Intangibles	132	405	360	4,166	3,893	3,851	3,808	3,766	3,723	3,680	3,637
Other LT Assets	835	777	466	734	846	847	853	861	861	866	870
Total Long-Term Assets	4,358	5,230	5,486	12,850	12,561	12,552	12,078	11,569	10,877	10,024	9,012
Total Assets	5,349	6,389	7,730	16,329	15,449	14,899	14,541	14,485	13,806	13,073	12,935
Payables & Accruals	399	489	723	892	782	800	815	830	877	890	907
Total Debt	1,790	2,453	2,436	7,174	6,909	6,400	6,000	5,800	5,000	4,000	3,500
Op. Lease Liabilities	419	412	360	478	638	559	540	559	578	599	620
Other Liabilities	354	353	351	2,712	2,475	2,747	2,773	2,791	2,768	2,791	2,810
Total Liabilities	2,962	3,707	3,870	11,257	10,804	10,507	10,128	9,980	9,223	8,279	7,836
Common Shareholders Equity	2,351	2,634	3,824	5,025	4,554	4,393	4,413	4,505	4,583	4,793	5,099
Minority / Non Cont. Interest	36	49	36	47	91						
Total Equity	2,387	2,683	3,861	5,073	4,645	4,393	4,413	4,505	4,583	4,793	5,099
Total Liabilities & Equity	5,349	6,389	7,730	16,329	15,449	14,899	14,541	14,485	13,806	13,073	12,935



Cash flow statement

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CASH FLOW STATEMENT	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031
Net Income	4	(16)	1,084	(1,069)	(575)	(155)	20	92	79	210	306
Dep & Amort	397	495	500	1,158	1,361	1,218	1,291	1,368	1,435	1,492	1,540
Non Cash Items	154	112	(1,236)	865	101	-	-	-	-	-	-
Change in Working Capital	172	(86)	18	(266)	21	(24)	(2)	12	(2)	18	16
Change in Accts Receiv	84	(60)	(128)	(69)	(60)	(20)	8	22	27	26	27
Change in Inventories	(42)	(2)	(73)	(13)	33	14	6	6	18	5	7
Change in Accts Payable	(24)	25	36	(41)	40	(18)	(15)	(15)	(46)	(13)	(17)
Change in Other	155	(49)	184	(142)	7						
Cash from Operations	728	506	368	688	908	1,038	1,310	1,472	1,512	1,721	1,862
Change in Fixed & Intang	(885)	(990)	(1,164)	(1,539)	(1,030)	(1,208)	(811)	(851)	(744)	(634)	(523)
Capex	(827)	(938)	(1,077)	(1,539)	(1,030)	(1,208)	(811)	(851)	(744)	(634)	(523)
Acq of Intangible Assets	(58)	(52)	(87)	_	-						
Net Cash From Acq & Div	_	_	-	(343)	-						
Other Investing Activities	_	(140)	1,932	591	272						
Cash from Investing Activities	(885)	(1,130)	768	(1,291)	(758)	(1,208)	(811)	(851)	(744)	(634)	(523)
Cash From (Repayment) Debt	(21)	656	(36)	1,170	(416)	(509)	(400)	(200)	(800)	(1,000)	(500)
Cash From (Repay) ST Debt	_	_	-	_	-						
Cash From LT Debt	400	1,266	540	1,737	1,975						
Repayments of LT Debt	(421)	(610)	(576)	(567)	(2,391)						
Cash (Repurchase) of Equity	180	(2)	(25)	8	13	(6)					
Increase in Capital Stock	194	21	22	19	18	_					
Decrease in Capital Stock	(14)	(23)	(46)	(12)	(6)	(6)					
Other Financing Activities	(10)	(10)	(5)	(53)	(39)						
Net Cash From Disc Ops (fin)	_	-	-	-	-						
Cash from Financing Activities	150	644	(66)	1,124	(443)	(515)	(400)	(200)	(800)	(1,000)	(500)
Effect of Foreign Exchanges	0	(5)	(1)	0	4						
Net Changes in Cash	(8)	15	1,069	522	(289)	(685)	99	421	(32)	87	839
Free Cash Flow	(100)	(433)	(709)	(851)	(122)	(170)	499	621	768	1,087	1,339



Key Ratios

Key Ratios	FY '21 A	FY '22 A	FY '23 A	FY '24 A	FY '25 A	FY '26 E	FY '27 E	FY '28 E	FY '29 E	FY '30 E	FY '31 E
Key Ratios	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027	3/31/2028	3/31/2029	3/31/2030	3/31/2031
Long Term Solvency											
Total Debt / Equity	75%	91%	63%	141%	149%	146%	136%	129%	109%	83%	69%
Total Debt / Capital	43%	48%	39%	59%	60%	59%	58%	56%	52%	45%	41%
Net Debt / Equity	63%	80%	28%	104%	114%	124%	111%	94%	74%	48%	18%
Total Liabilities / Total Assets	55%	58%	50%	69%	70%	71%	70%	69%	67%	64%	61%
Credit Ratios											
EBIT / Interest Expense	1.8	-3.9	-21.4	-2.9	-0.3	0.6	1.1	1.4	1.4	2.1	2.8
EBITDA / Interest Expense	16.2	15.6	59.2	1.2	4.0	4.6	5.7	6.3	7.4	10.0	12.1
(EBITDA - CAPEX) / Interest Expense	-9.5	-16.9	-88.4	-3.8	1.0	0.8	3.0	3.4	4.4	6.8	9.1
Total Debt / EBITDA	3.4	5.4	5.6	19.2	5.1	4.3	3.5	3.2	2.7	2.0	1.7
Net Debt / EBITDA	2.9	4.7	2.5	14.1	3.9	3.7	2.9	2.3	1.8	1.1	0.4
Total Debt / (EBITDA-CAPEX)	5.9	5.0	3.8	6.2	-20.8	-24.0	-6.8	-5.9	-4.5	-2.9	-2.2
Net Debt / (EBITDA-CAPEX)	4.9	4.4	1.7	4.5	-15.9	-20.4	-5.5	-4.3	-3.1	-1.7	-0.6



We estimate that Viasat's 2031 Notes currently have a recovery of 0%; recovery value will improve as FCF trends positive late FY26

The majority (~72%) of Viasat's debt is secured as of March 2025, leaving the 2031 Notes effectively junior in right of payment to the company's existing secured debt

Liquidation Value			
\$m	2025A	Recovery - %	Recovery - (\$)
ASSETS			
Cash, Cash Equivalents & STI	1,612	100%	1,612
Accounts & Notes Receivable	700	95%	665
Inventories	294	60%	176
Other ST Assets	282	65%	183
Total Current Assets	2,888		2,637
Property, Plant & Equip, Net	7,822	45%	3,520
Goodwill & Intangibles	3,893	10%	389
Other LT Assets	846	65%	550
Total Assets	12,561		4,459

Waterfall Analysis	Estimated & Bassassas
\$M	Estimated \$ Recovery
Total Liquidation Value	4,459
Less: Secured Debt	5,391
Distributable Value to Unsecured Claims	
Notes without subsidiary guaranteed	1,555
Total Senior Claims	1,555
Recovery to Unsecured Claims	0%

- Ligado settlement payments and positive FCF towards late FY26 should improve recovery to unsecured claimants
- PPE recovery % reflects a conservative estimate of resale potential for Viasat's satellites and other assets

Key covenants & callability:

- The 2031 Notes include covenants limiting Viasat's ability to issue secured debt senior to the 2031 Notes, go beyond a 4.1x debt to EBITDA ratio, pay dividends, and repurchase shares; additionally, should Viasat be acquired, the 2031 Notes would be paid out at 101%
- Prior to May 30, 2026, the Company may redeem up to 40% of the 2031 Notes at a redemption price of 107.500% of the
 principal amount thereof, plus accrued and unpaid interest, if any, thereon to the redemption date, from the net cash proceeds
 of specified equity offerings

Source: Mgmt. data; own financial projections



Management team



Mark Dankberg, CEO

- Co-founded Viasat in 1986
- Widely recognized as an expert in communications technology
- Serves as an advisor to numerous space governance organizations



Gary Chase, CFO

- Joined Viasat in 2024 after 12 years in finance at Delta, including as co-CFO
- Helped lead Delta's focus on achieving an investment grade rating



Girish Chandran, CTO

- Joined Viasat in 2007 as a principal engineer
- Responsible for much of the technology that underpins Viasat's communications segment