



# Investor Presentation

November 10, 2015



# SAFE HARBOR STATEMENT



This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are based on management’s beliefs and assumptions and on information currently available to management. Most forward-looking statements contain words that identify them as forward-looking, such as “anticipates,” “believes,” “continues,” “could,” “seeks,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms that relate to future events. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Gogo’s actual results, performance or achievements to be materially different from any projected results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent the beliefs and assumptions of Gogo only as of the date of this presentation and Gogo undertakes no obligation to update or revise publicly any such forward-looking statements, whether as a result of new information, future events or otherwise. As such, Gogo’s future results may vary from any expectations or goals expressed in, or implied by, the forward-looking statements included in this presentation, possibly to a material degree.

Gogo cannot assure you that the assumptions made in preparing any of the forward-looking statements will prove accurate or that any long-term financial or operational goals and targets will be realized. In particular, the availability and performance of certain technology solutions yet to be implemented by the Company set forth in this presentation represent aspirational long-term goals based on current expectations. For a discussion of some of the important factors that could cause Gogo’s results to differ materially from those expressed in, or implied by, the forward-looking statements included in this presentation, investors should refer to the disclosure contained under the headings “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements” in the Company’s Annual Report on Form 10-K filed with the SEC on February 27, 2015.

## Note to Certain Operating and Financial Data

In addition to disclosing financial results that are determined in accordance with U.S. generally accepted accounting principles (“GAAP”), Gogo also discloses in this presentation certain non-GAAP financial information, including Adjusted EBITDA. This financial measure is not a recognized measure under GAAP, and when analyzing our performance, investors should use Adjusted EBITDA in addition to, and not as an alternative to, net loss attributable to common stock as a measure of operating results.

In addition, this presentation contains various customer metrics and operating data, including numbers of aircraft or units online, that are based on internal company data, as well as information relating to the commercial and business aviation market, and our position within those markets. While management believes such information and data are reliable, they have not been verified by an independent source and there are inherent challenges and limitations involved in compiling data across various geographies and from various sources.



## On the Move

## Key Differentiators

## Strategy Going Forward

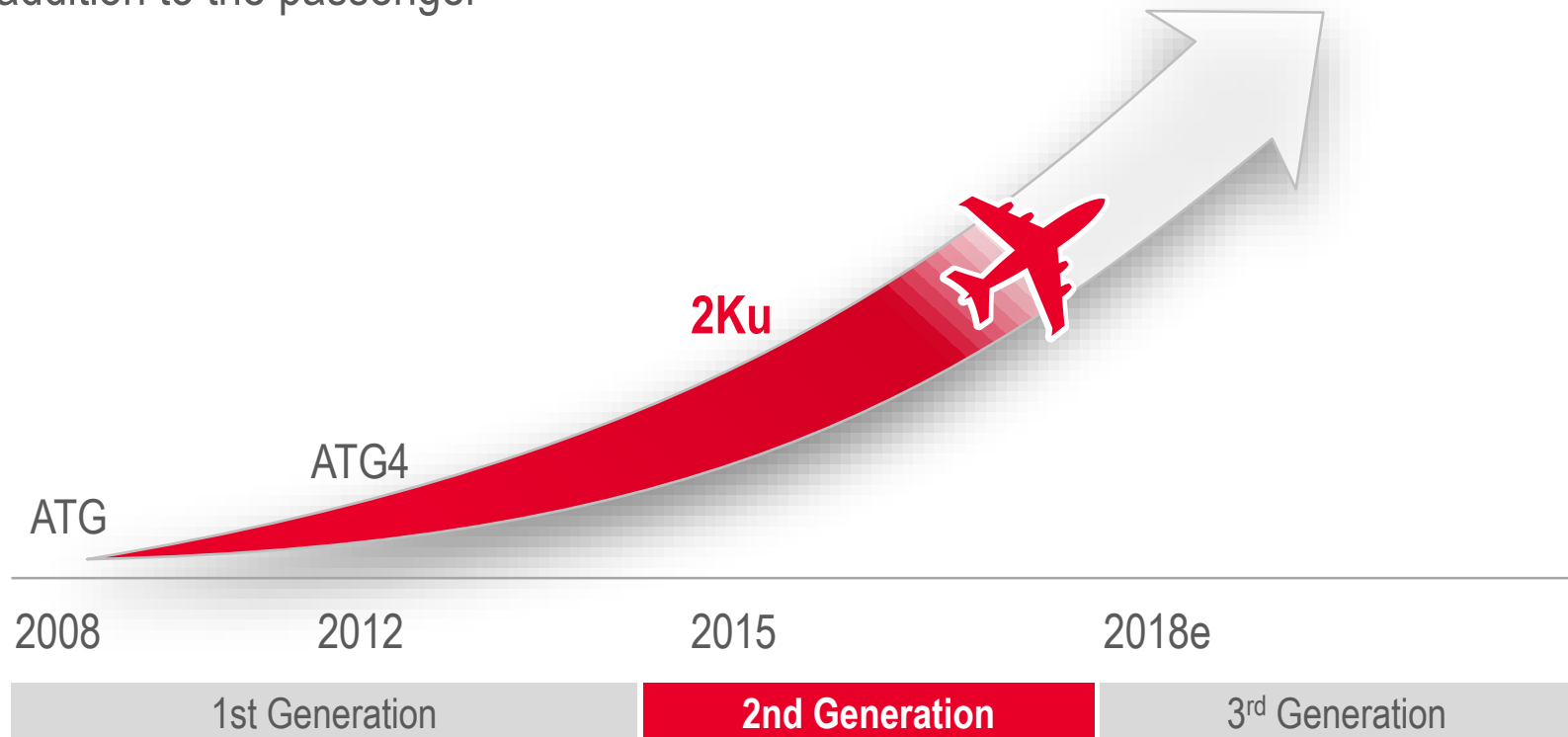
- Gogo
- Commercial Aviation
- Business Aviation



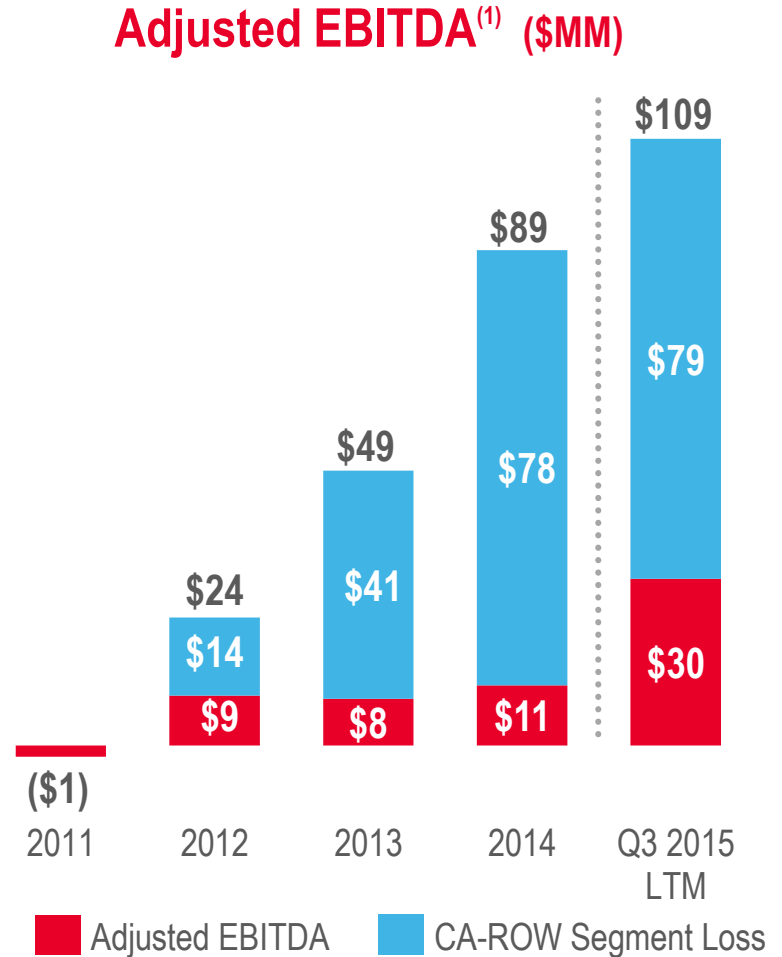
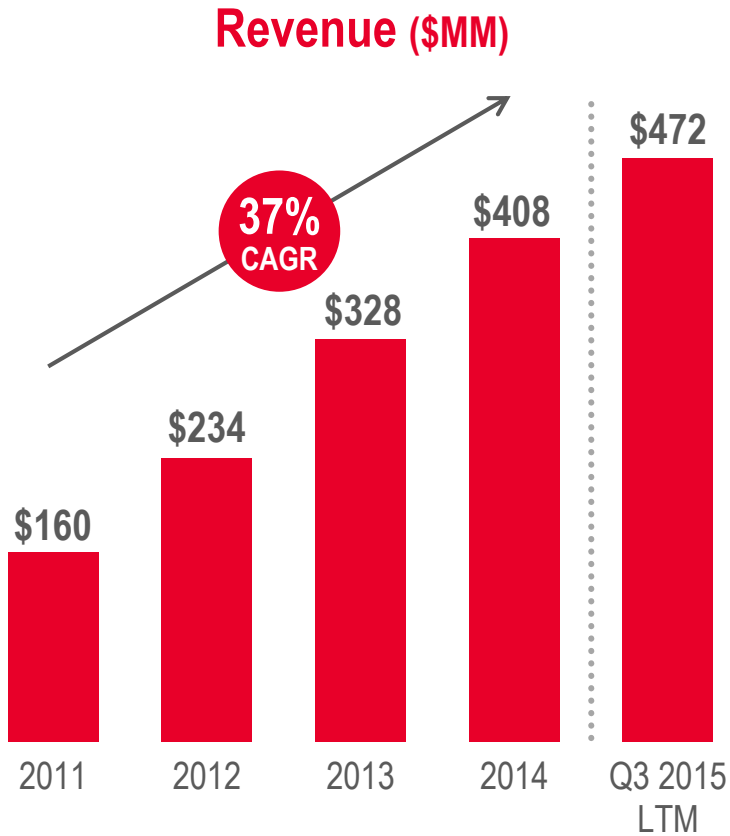
# DELIVERING NEXT GENERATION CONNECTIVITY



- **ATG / ATG4** launched IFC in North America in 2008
- **2Ku** - the catalyst for changing global aviation in 2015
- It's now **global** and about the **crew and the aircraft** in addition to the passenger



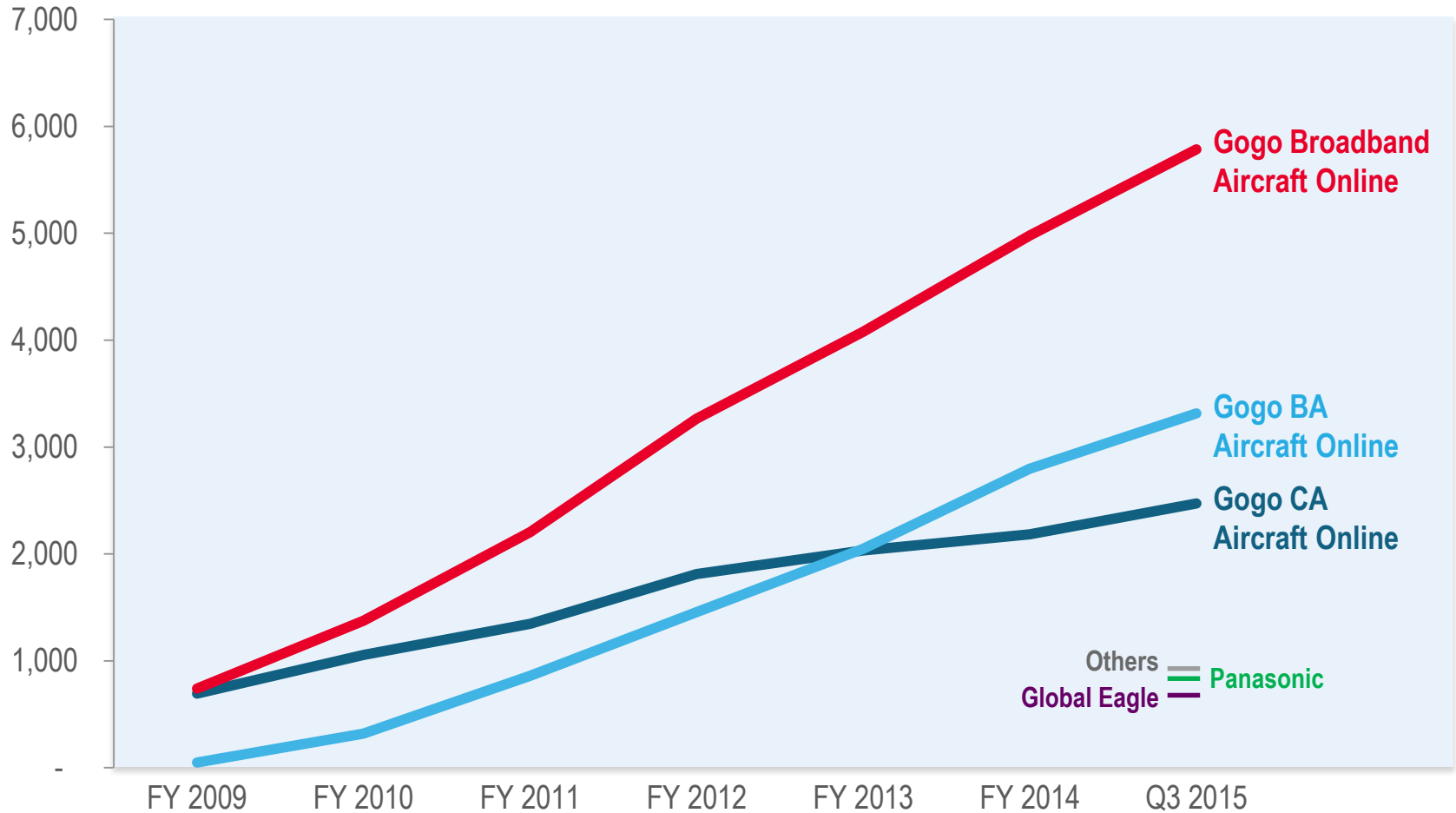
# GROWTH AND PROFITABILITY TRENDS ARE STRONG



Note: Minor differences exist due to rounding

(1) Please see reconciliation of Adjusted EBITDA in appendix







# GOGO HAS THE MOST BROADBAND AIRCRAFT ONLINE



\* Data based on management estimates, trade publications and other public sources as of 9/30/2015 and include both commercial and business broadband connected aircraft

# GLOBAL LEADER WITH PREMIER PARTNERS



Business Segment	Market Position Worldwide <sup>(1)</sup>	% of Q3'15 LTM Revenue	Customers Include
<p data-bbox="92 396 426 472">Commercial Aviation – North America</p> 	<p data-bbox="610 444 668 494">#1</p> <p data-bbox="513 522 768 615">2,312 installed aircraft</p>	<p data-bbox="967 508 1064 551">62%</p>	
<p data-bbox="189 721 330 796">Business Aviation</p> 	<p data-bbox="610 768 668 818">#1</p> <p data-bbox="513 846 768 939">3,314 installed ATG aircraft</p>	<p data-bbox="967 832 1064 875">36%</p>	
<p data-bbox="92 1045 426 1120">Commercial Aviation – Rest of World</p> 	<p data-bbox="610 1085 668 1135">#2</p> <p data-bbox="513 1156 768 1256">160 installed aircraft</p>	<p data-bbox="967 1149 1064 1192">2%</p>	

(1) Global broadband connected aircraft based on management estimates, trade publications and other public sources as of 9/30/2015

(2) Letter of intent

## On the Move



## Key Differentiators

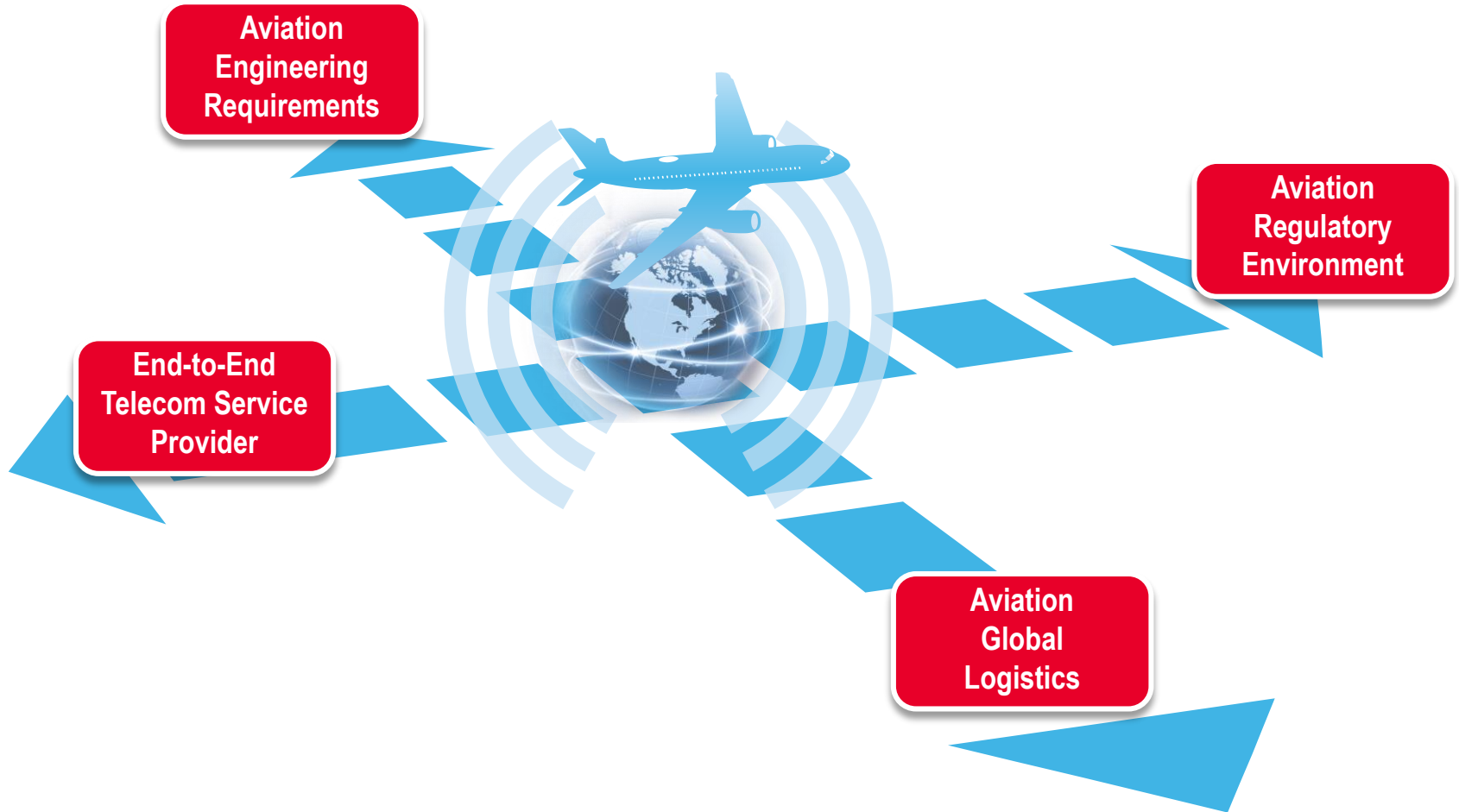
## Strategy Going Forward

- Gogo
- Commercial Aviation
- Business Aviation





# WE UNIQUELY MASTER THE COMPLEX INTERSECTION OF AVIATION & TELECOM



Only Gogo masters all four requirements

# 2Ku IS A TRULY GLOBAL BROADBAND HIGHWAY IN THE SKY



Cost: **Most** cost efficient globally



Coverage: Near **global** coverage



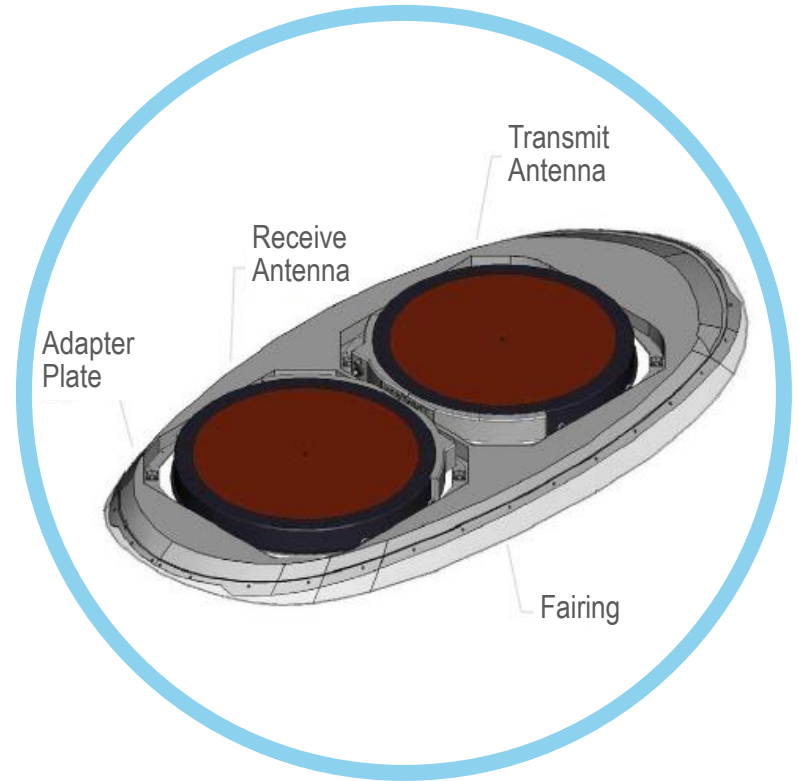
Capacity: ~**180** Ku satellites;  
HTS satellites coming



Reliability: **Fewer** moving parts,  
satellite redundancy



Aero performance: **Low** profile,  
**low** fuel burn



More **bandwidth**

More **coverage**

More **personal devices**

More **tailored passenger experience**

More **efficient crew and aircraft operations**

Across **every plane**

**around the world**



## Tailored passenger experience

More levers to deliver connectivity and full range of live and stored content based on customer preferences



## Digitized front line employees

More efficient crew and improved passenger experience through online ordering/payments, CRM/re-routing, etc.



## Improved operations

Better decision making with Electronic flight bag, real-time weather/flight routing, aircraft health monitoring, predictive maintenance, etc.

**More bandwidth unlocks connected aircraft**

On the Move

Key Differentiators

Strategy Going Forward

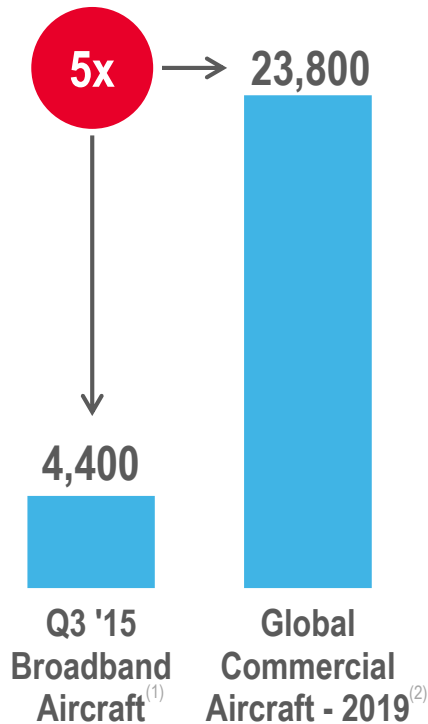
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- Commercial Aviation
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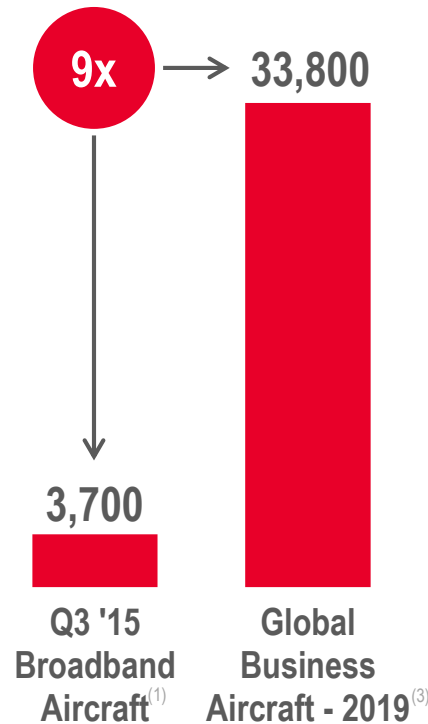
# CAPITALIZING ON LARGE GROWTH OPPORTUNITY IN AIRCRAFT AND DATA DEMAND



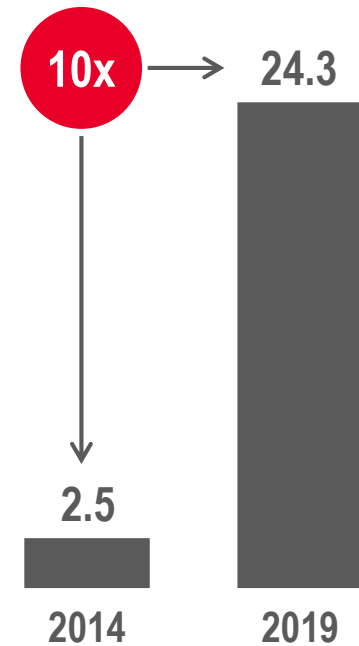
## Commercial Aircraft



## Business Aviation



## Global Mobile Data<sup>(4)</sup> Exabytes per Month



More aircraft. More data. Massive opportunity.

(1) Global broadband aircraft online as of 9/30/2015 based on management estimates, public filings and trade publications.

(2) Derived from Boeing Current Market Outlook 2015 – 2034, excludes: cargo aircraft; 3) JetNet IQ Report Q3 2015; General Aviation Manufacturers Association 2014 Statistical Databook, excludes Rest of World turbo props;

(4) Cisco VNI Mobile, 2015

## 1. Increase Aircraft Online

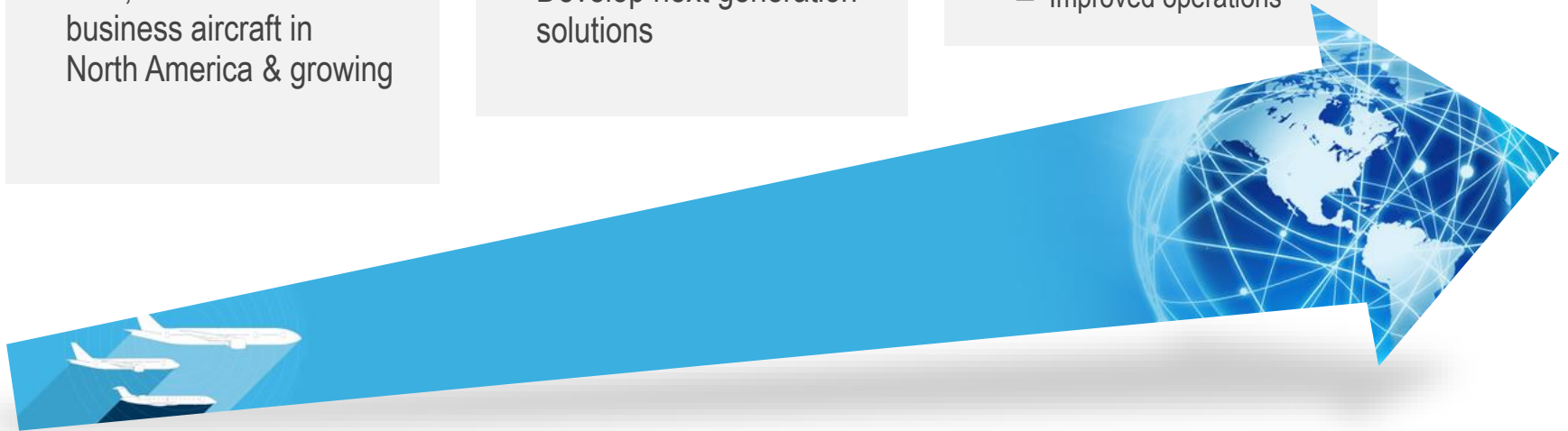
- ~11,000 uncommitted commercial aircraft globally & growing
- ~ 16,000 uncommitted business aircraft in North America & growing

## 2. Bring More Bandwidth to Aviation

- Aggressive roll out of 2Ku
- Continue ATG-4 upgrades in North America
- Bring 4G to BA by 2017
- Develop next generation solutions

## 3. Enable Connected Aircraft

- Develop aircraft communications platforms to enable:
  - Tailored passenger experience
  - Digitized front line employees
  - Improved operations



On the Move

Key Differentiators

Strategy Going Forward

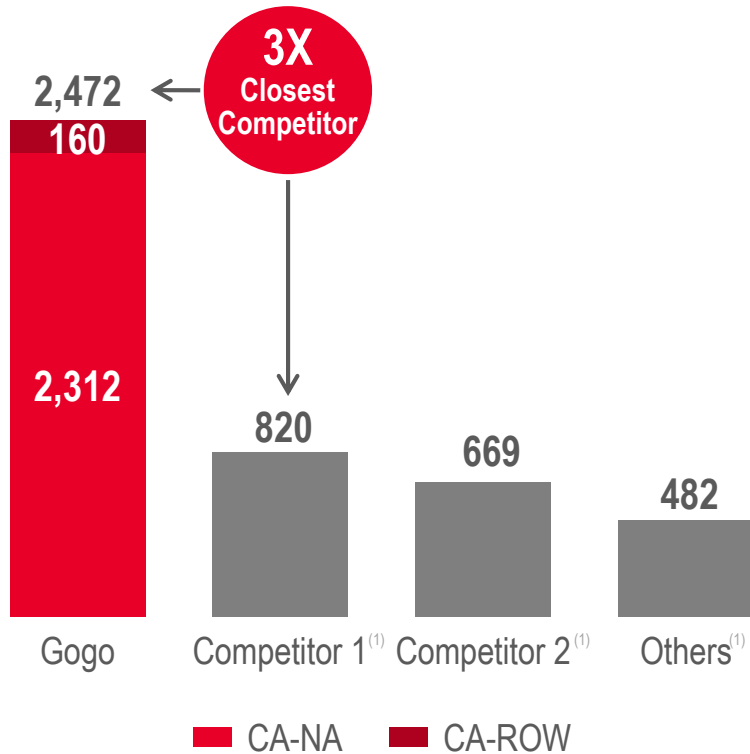
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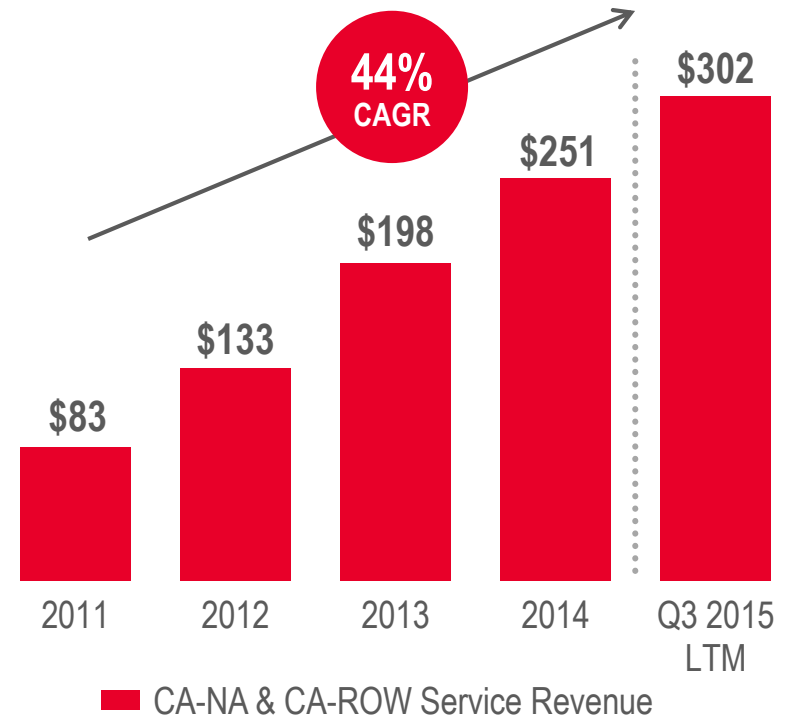
# GOGO - LEADING GLOBAL POSITION AND SCALE IN COMMERCIAL AVIATION



## Most Broadband Connected Commercial Aircraft



## Most Connectivity Revenue (\$MM)

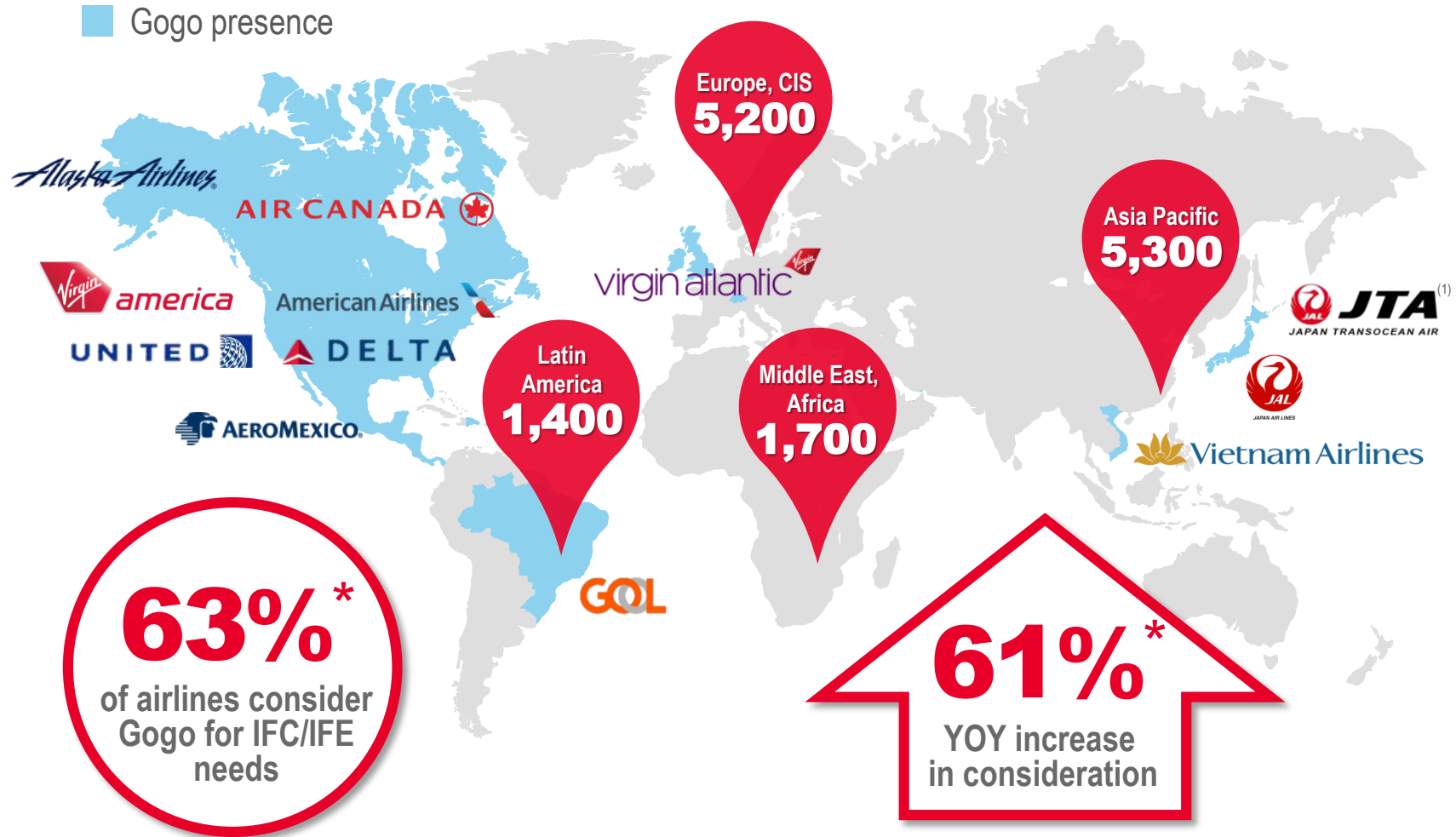


2Ku will unlock the connected plane and drive revenue growth

(1) Data based on management estimates, trade publications and other public sources as of 9/30/2015 and include commercial broadband connected aircraft



# ON A MISSION TO CONNECT GLOBAL AVIATION



**63%\***  
of airlines consider  
Gogo for IFC/IFE  
needs

**61%\***  
YOY increase  
in consideration

Gogo is recognized as a leader globally

\*Source: Gogo Global Airline Survey November 2014  
Note: All aircraft count above is derived from Boeing Current Market Outlook 2015 – 2034, excludes: cargo aircraft  
(1) Letter of Intent  
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# 2Ku: SUPERIOR DESIGN, SUPERIOR PERFORMANCE



## Performance results:

- Speed tests exceeded 12 Mbps to a device
- Streamed videos simultaneously to 40 devices
- IPTV demonstrates great performance, uses same antenna

## Market deployment and adoption:

- 550+ aircraft awarded across 8 airlines in 19 months
- Gogo 737 aircraft is flying with 2Ku
- Aeromexico and Virgin Atlantic first aircraft are installed
- Multiple STCs are in process
- Strong linefit progress across all major airframes

**2Ku**



**Traditional  
Gimbaled  
Aperture**



Photo to scale

**2Ku is exclusive to Gogo**

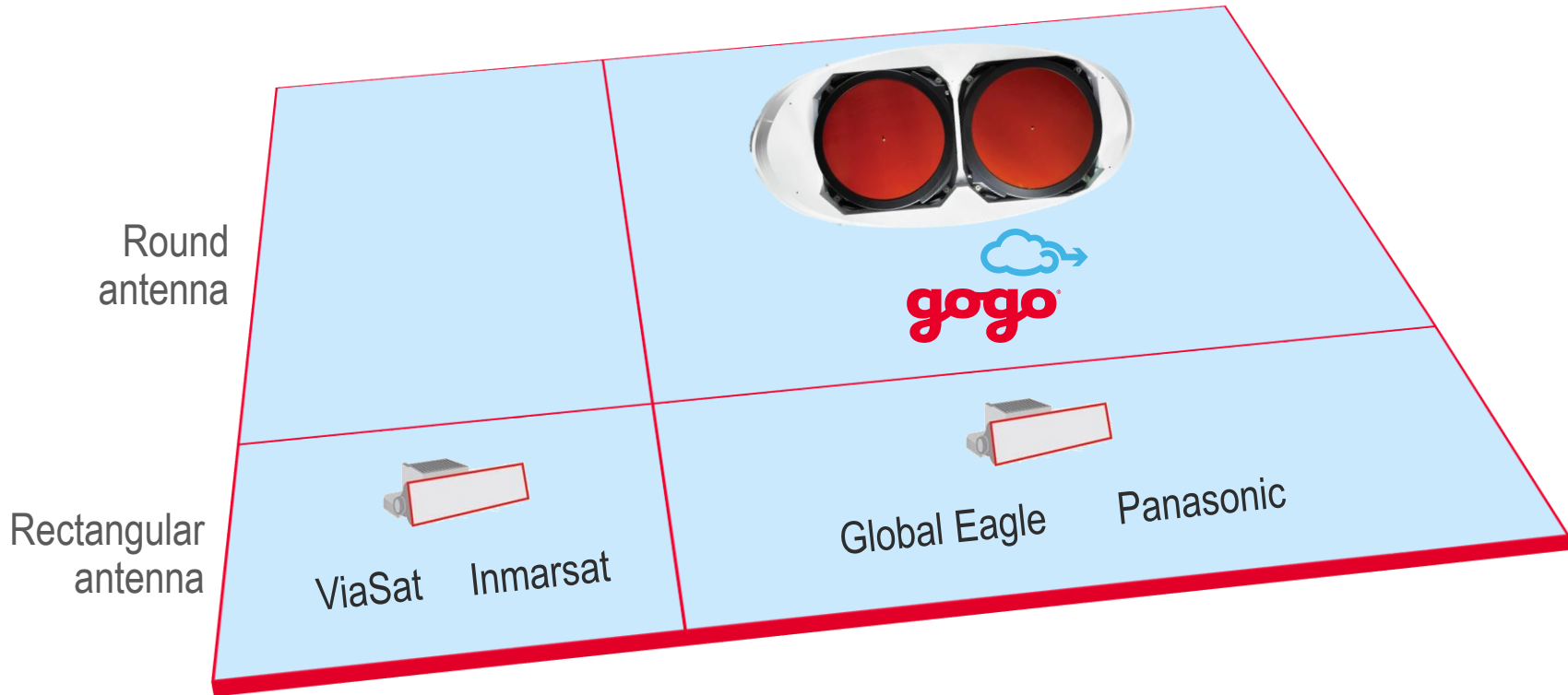
**Proprietary electro-mechanical, phased-array antenna**

# 2Ku CHOICE IS CLEARLY SUPERIOR



**Ka satellites**  
2 to 5<sup>(1)</sup>

**Ku satellites**  
~180 in orbit today<sup>(2)</sup>



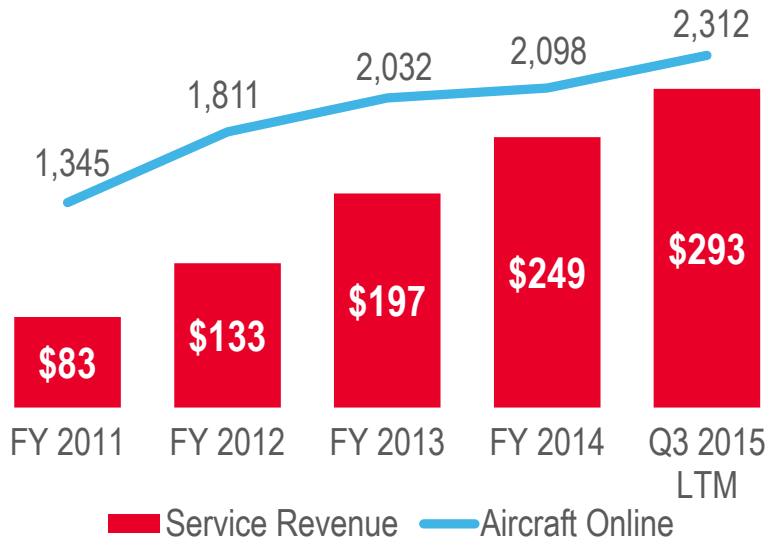
2Ku – round is better, bigger is better

(1) Based on management estimates and include satellites operated by Inmarsat, Viasat, Eutelsat, and Yahsat as of 9/30/2015. We estimate that there are approximately 10 Ka satellites in the world, but due to lack of interoperability between Ka satellite providers, only 2 to 5 can be used for a given Ka antenna.  
(2) Based on management estimates and include satellites operated by SES, Intelsat, Eutelsat, EchoStar, and Telesat as of 9/30/2015

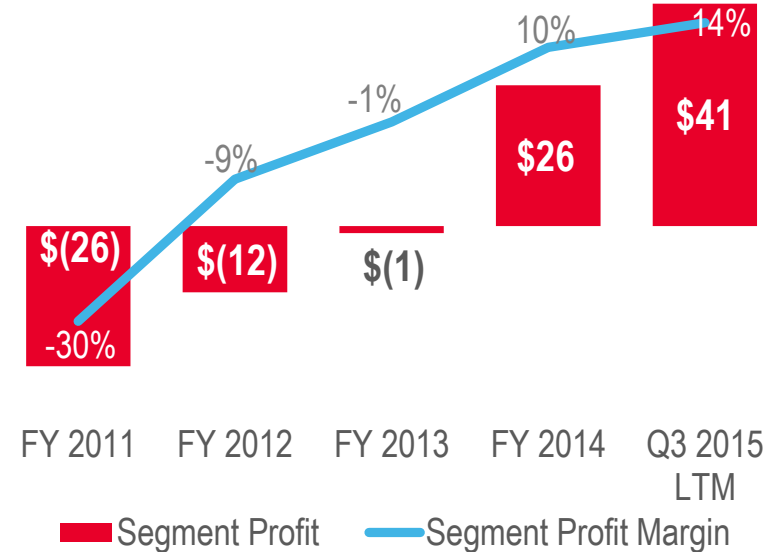
# CA-NORTH AMERICA: SCALE DRIVES PROFITABILITY



## CA-NA Service Revenue (\$MM) & Aircraft Online



## CA-NA Segment Profit (\$MM)



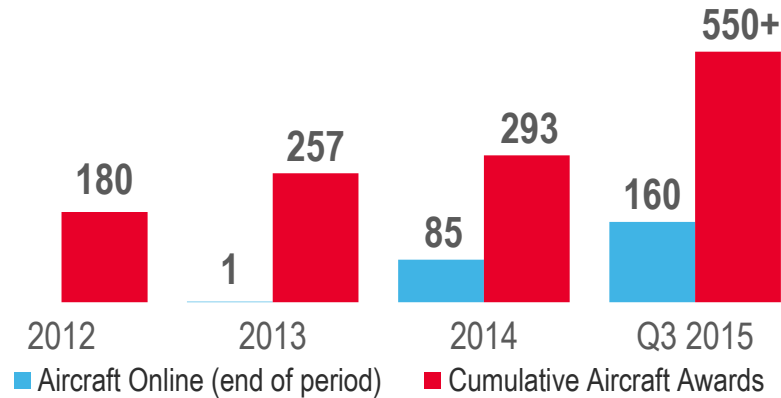
- Strong revenue growth fueled by increase in aircraft online and ARPA growth
- Strong operating leverage
- Expanding segment profit margins
- ~350 aircraft awarded, but not yet installed as of 9/30/2015<sup>(1)</sup>

(1) Net of de-installs

# CA-REST OF WORLD: FOCUS ON INTERNATIONAL EXPANSION



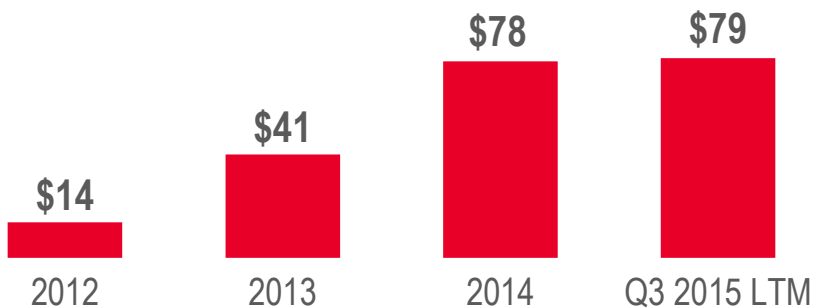
## International Aircraft Awards and Aircraft Online



## Executing On Our International Expansion

- 160 aircraft online as of 9/30/2015
- ~ 400 aircraft awarded, but not yet installed as of 9/30/15<sup>(1)</sup>
- Near global Ku-band satellite network
- 2Ku technology selected by 8 airlines

## CA-ROW Segment Loss (\$MM)



## International Partners



(1) Net of de-installs

(2) Letter of Intent

# INTEGRATED PRODUCTS AND SERVICES TO SUIT AIRLINES' NEEDS



**Connectivity,  
Text & Talk**



**GGV,  
IPTV**



**Crew connect,  
Electronic Flight Bag**

**Letting the airlines be themselves.  
Business models to suit airlines' needs.**

# KEY PRIORITIES FOR COMMERCIAL AVIATION



## 1. Increase Aircraft Online

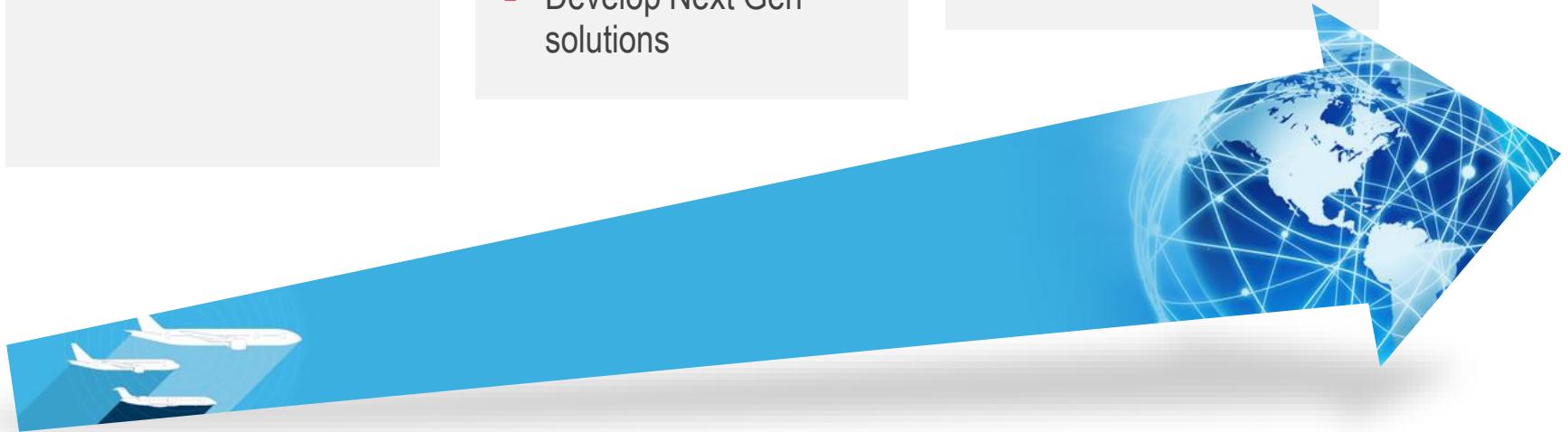
- Win more aircraft
- Install backlog

## 2. Bring More Bandwidth to Aviation

- Launch 2Ku commercially
- Continue ATG-4 upgrades
- Develop Next Gen solutions

## 3. Enable Connected Aircraft

- Develop operations-oriented communications platforms



On the Move

Key Differentiators

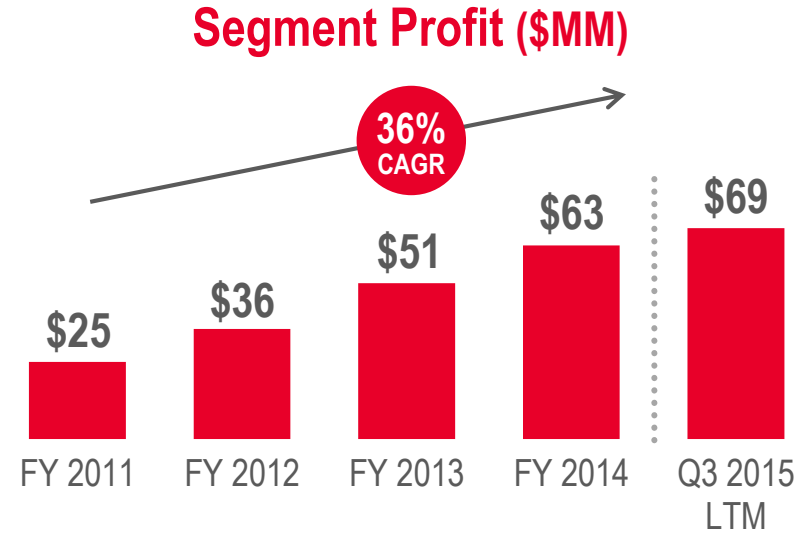
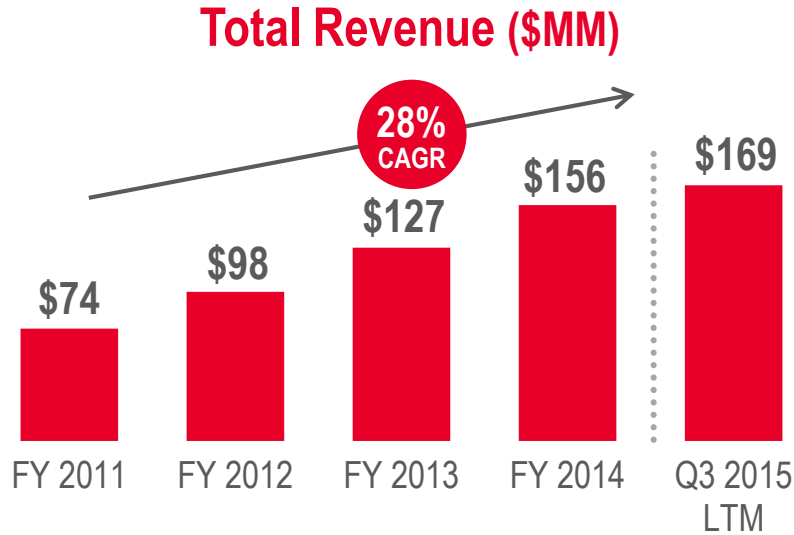
Strategy Going Forward

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# ESTABLISHED & PROFITABLE LEADER IN BUSINESS AVIATION



- Market leader:
  - Total of 8,700+ units online
  - 89% market share in broadband connected aircraft<sup>(1)</sup>
  - 63% market share in Iridium connected aircraft<sup>(1)</sup>
- Long-lasting relationships with all leading OEM and aftermarket dealers
- Winner of best global customer support by AIN 4 years in a row
- Leading R&D capabilities:
  - Developed and launched 10 products and services over 5 years

(1) Data based on management estimates, trade publications and other public sources as of 9/30/2015



## In-flight Connectivity

- Gogo Biz:
  - ATG 1000, 2000, 4000, 5000 & 8000
  - 4G expected in 2017
- Gogo OnePhone
- Gogo Text & Talk



## In-flight Entertainment

- Gogo Vision
  - wireless IFE
- Gogo Cloud – content delivery network
- Streaming video expected on Gogo Biz 4G



## Connected Communications Platforms

- Universal Cabin System
  - Data and voice router for every aviation network
  - Server capable of hosting Gogo and third party applications

**The only provider of all three primary networks to business aviation:  
ATG broadband, Iridium and Swiftbroadband**

## LARGE JETS

2,900 aircraft\*



**ATG8000/  
ATG5000**

ATG 8000  
for higher  
capacity aircraft

## MEDIUM JETS

4,300 aircraft\*



**ATG5000/  
ATG4000**

87%<sup>(1)</sup> of installs  
are on  
medium or large aircraft

## LIGHT JETS

5,500 aircraft\*



**ATG2000**

62%<sup>(1)</sup> of units are  
being installed on  
light jets or turboprops

## TURBOPROPS

8,300 aircraft\*



**ATG1000**

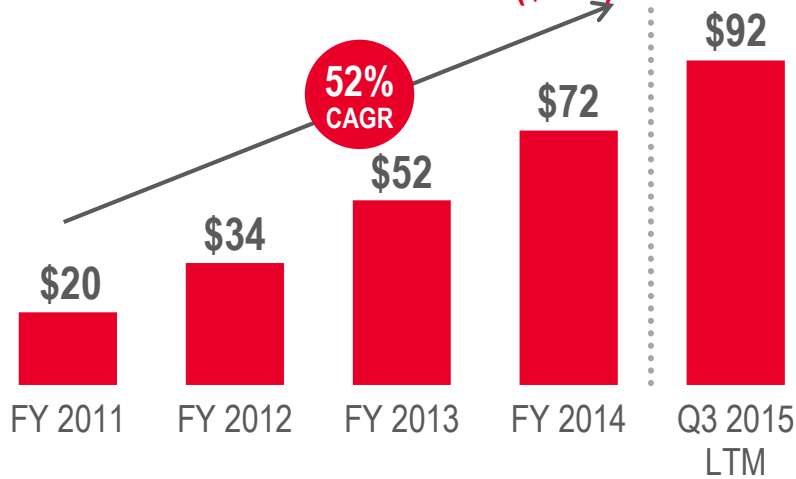
Addresses jets  
even further  
**down market**

Gogo Biz platform offers optimum value and pricing for all aircraft sizes

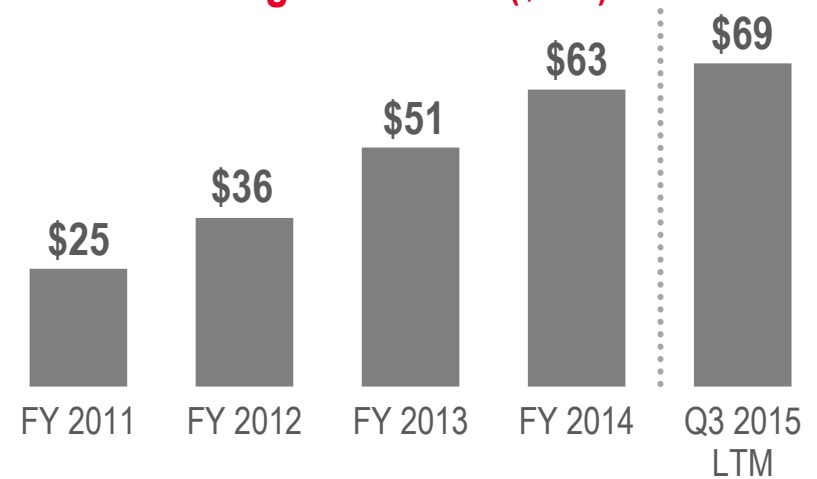
# BA: HIGH-MARGIN SERVICE REVENUE DRIVES PROFITABILITY AND CASH FLOW



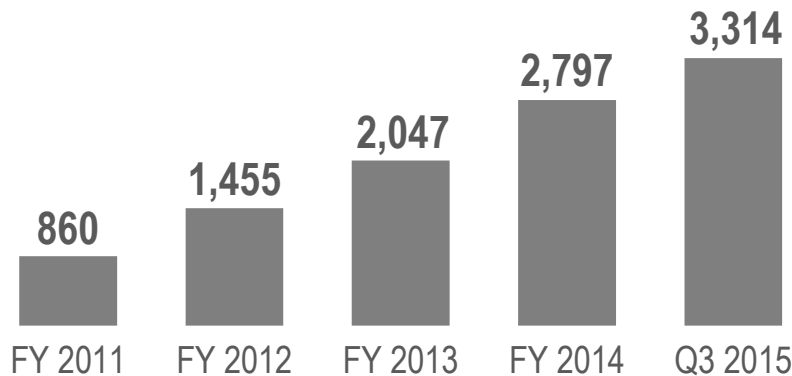
**Service Revenue (\$MM)**



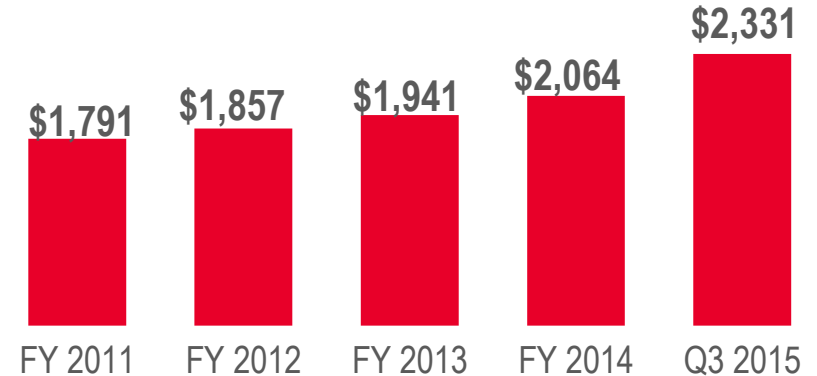
**Segment Profit (\$MM)**



**ATG Aircraft Online**



**Average Monthly Service Revenue per Unit (\$)**



# KEY PRIORITIES FOR BUSINESS AVIATION



## 1. Increase Aircraft Online

- Increase North American market penetration
- Expand global service offerings

## 2. Bring More Bandwidth to Aviation

- Deliver 4G in 2017
- Develop Next Gen solutions

## 3. Enable Connected Aircraft

- Universal cabin system
- Pilot applications
- Gogo Cloud – content delivery network



## Game Changer

- 2Ku – is the catalyst for global aviation



## Cash Flow Positive

- Combined CA-NA and BA free cash flow positive YTD 2015



## Growth

- Aircraft Online
- ARPA
- Profitability



# WHY INVEST IN GOGO



## Leading Position, Experience & Scale

**7X** more  
connected aircraft  
than closest  
competitor

## Large Growth Opportunity

**\$30B**  
market<sup>(1)</sup>

## High Barriers to Entry

**Global** scale  
**Specialize** in  
Connected Aircraft  
**Leading** technology

## Attractive Model

**High** revenue growth  
**High** operating  
leverage

(1) Industry estimates were derived by taking the amount spent to provide connectivity to a home or automobile as a percentage of the average value of the asset. This analogue in conjunction with an assumed \$100M asset value for a commercial aircraft was used to arrive at ARPA.



# APPENDIX





# ADJUSTED EBITDA RECONCILIATION (\$MM)



	2009	2010	2011	2012	2013	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2	2015 Q3
Net Income	(142)	(140)	(18)	(96)	(146)	(17)	(19)	(25)	(24)	(20)	(25)	(29)
Interest Income	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Interest Expense	30	–	1	9	29	7	7	9	9	10	16	17
Income Tax Provision	–	3	1	1	1	–	–	–	–	–	–	–
Depreciation & Amortization	22	31	33	37	56	16	15	17	17	19	21	22
EBITDA	(91)	(106)	16	(49)	(60)	6	4	2	2	9	12	10
Fair Value Derivative Adjustments	–	33	(59)	(10)	36	–	–	–	–	–	–	–
Class A and Class B Senior Convertible Preferred Stock Return	–	18	31	52	29	–	–	–	–	–	–	–
Accretion of Preferred Stock	–	9	10	10	5	–	–	–	–	–	–	–
Stock-based Compensation Expense	1	2	2	4	6	2	2	3	3	3	3	5
Loss on Extinguishment of Debt	2	–	–	–	–	–	–	–	–	–	–	–
Write Off of Deferred Equity Financing Costs	–	–	–	5	–	–	–	–	–	–	–	–
Amortization of Deferred Airborne Lease Incentives	–	(1)	(1)	(4)	(8)	(3)	(3)	(4)	(4)	(4)	(5)	(5)
Adjusted EBITDA	(89)	(45)	(1)	9	8	5	3	1	1	8	11	10