

Gogo to Finish 2020 with Growth in ATG Subscriber Base Despite Pandemic

BROOMFIELD, Colo., Dec. 21, 2020 /PRNewswire/ -- Despite one of the most difficult business environments in aviation history, Gogo (NASDAQ: GOGO) expects to end 2020 with more business aviation air-to-ground (ATG) subscribers than it had when the year began.

Gogo entered 2020 with 5,669 ATG subscribers online and expects to end the year with more than 5,700 subscribers online.

"We have an incredibly strong and resilient business," said Sergio Aguirre, Gogo's business aviation president. "This year has been such a difficult challenge, but our rapid recovery proves that inflight connectivity and entertainment are must-haves for today's private aviation passengers."

A combination of factors enabled Gogo to have the year-over-year increase in subscribers including new installations – primarily the AVANCE L5 and L3 – which continued to occur throughout the pandemic, and customers who unsuspended their service as travel became less restricted. Gogo has had a significant increase in new system installations in the third and fourth quarters compared to the second quarter, including a notable increase in AVANCE sales in December versus previous months. Gogo now has more than 1,150 AVANCE L5 and more than 500 AVANCE L3 systems installed and flying.

Gogo saw the deepest impact of COVID-19 on its customers' operations in mid-April when flight activity was down 91% from the high in mid-February. It has bounced back significantly since then to approximately 80% of the pre-COVID highs, while charter operations are back at nearly 100%. On charter flights specifically, activity online and megabytes consumed has increased dramatically.

At its lowest point in early-May, 22% of Gogo's subscribers suspended service, while another 22% downgraded their service plans. Today, 78% of those who suspended their service have unsuspended and 92% of those who downgraded plans have either returned to their original plan or upgraded to a higher plan. Combined, 75% of those who had suspended or downgraded their plan have moved back to their original plan or upgraded.

"From an operational standpoint, like everyone else, we had to make some significant modifications to adjust to the pandemic, and we did that fairly quickly," Aguirre continued. "We have not missed a single delivery on new equipment or on any repairs during the pandemic. Our people really rose to that challenge, and we continued to innovate."

During 2020, Gogo also developed and introduced several significant product and service enhancements. Those include:

- Lowered service level from 10,000 feet above ground level (AGL) to 3,000 feet AGL, providing an additional 15-20 minutes of connectivity time on most flights, and enabling connectivity for shorter flights that don't typically reach 10,000 feet AGL, or spend little time at that altitude.
- Introduced Cloudport – a small, simple device that enables automatic over-the-air updates to Gogo Vision content, which is completed while an aircraft is parked in the hangar. Cloudport eliminates the need for operators to physically update their system each month saving time and expense for both the operators and for Gogo.
- Launched Gogo MIX which allows operators to customize their inflight Wi-Fi networks and connectivity preferences and deploy changes remotely.
- Launched Gogo Vision 360 which offers unlimited streaming of on-demand movies, TV programming and news clips, along with digital magazines and a state-of-the-art 3D moving map, all at a fixed monthly price, eliminating the unpredictability and often high costs associated with inflight streaming video and audio. Gogo Vision 360 is integrated into every AVANCE system and offers a viewing experience that is instantly and easily available on passengers' personal devices.
- Released AVANCE 4.2 software upgrade which includes the new 3D moving map and other elements embedded within Gogo Vision 360.

About Gogo

Gogo is the leading global provider of broadband connectivity products and services for the business aviation market. We offer a customizable suite of smart cabin systems for highly integrated connectivity, inflight entertainment and voice solutions. Gogo's products and services are installed on thousands of business aircraft of all sizes and mission types from turboprops to the largest global jets, and are utilized by the largest fractional ownership operators, charter operators, corporate flight departments and individuals.

There are more than 1,500 business aircraft currently flying with Gogo's AVANCE L5 or L3 installed. As of Sept. 30, 2020, Gogo reported 5,577 aircraft flying with its ATG systems onboard, and 4,737 aircraft with satellite connectivity installed. Connect with us at business.gogoair.com.

Cautionary Note Regarding Forward-Looking Statements

Certain disclosures in this press release include "forward-looking statements" 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, trends and uncertainties, many of which may be beyond our control, 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. Such risks, trends and uncertainties include those described under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended Dec. 31, 2019, as filed with the Securities and Exchange Commission ("SEC") on March 13, 2020, our quarterly report on Form 10-Q for the quarter ended June 30, 2020, as filed with the SEC on August 10, 2020, and our quarterly report on Form 10-Q for the quarter ended Sept. 30, 2020, as filed with the SEC on Nov. 9, 2020.

Any one of these factors or a combination of these factors could materially affect our financial condition or future results of operations and could influence whether any forward-looking statements contained in this report ultimately prove to be accurate. Our forward-looking statements are not guarantees of future performance, and you should not place undue reliance on them. All forward-looking statements speak only as of the date made and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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