



# Investor Presentation

**September 2017**

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 filings with the SEC, including its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

## 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.

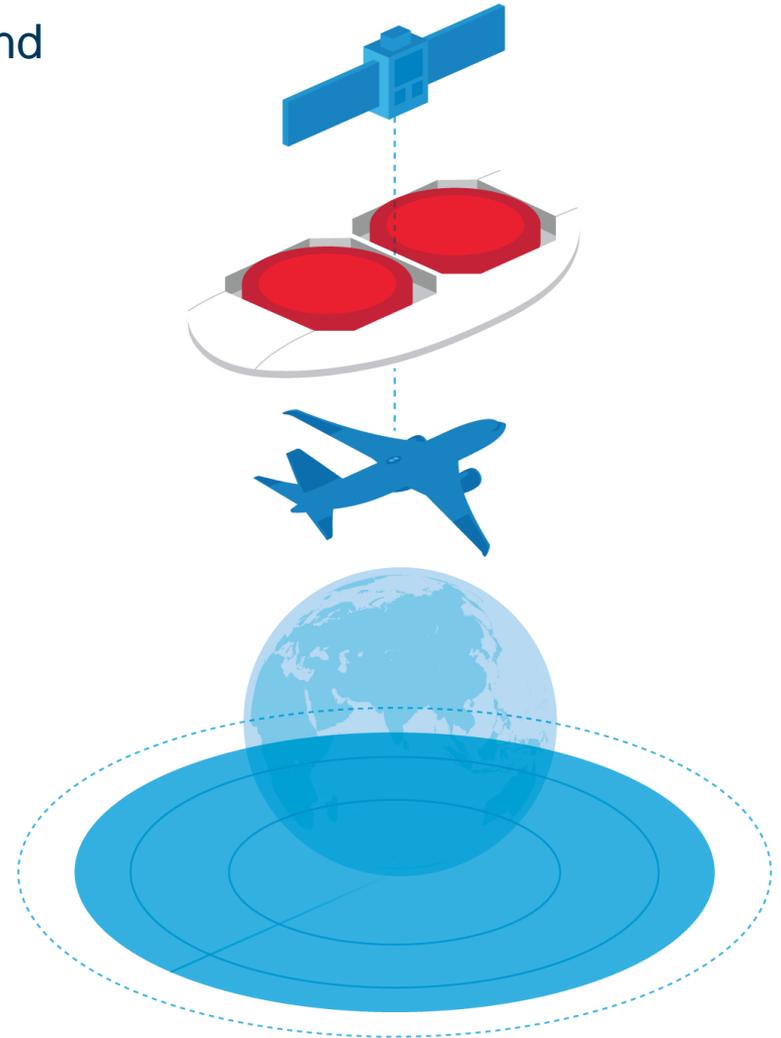
In addition, this presentation contains various customer metrics and operating data, including numbers of aircraft or units online, that are based on internal company data, as well as information relating to the commercial and business aviation market, and our position within those markets. While management 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.

Gogo is the leading global provider of broadband connectivity products and services for aviation

**7,500+** Broadband aircraft online<sup>1</sup>

**50%** Global market share in Commercial aviation<sup>2</sup>

**92%** North America market share in Business aviation<sup>2</sup>



1) As of 6/30/2017

2) Based on management estimates, public filings and trade publications of broadband IFC installations as of 6/30/2017

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## Network Solutions

Deliver industry-leading connectivity performance to global aviation

**2Ku**

**Ku**

**Next-Gen ATG**

**ATG & ATG4**

## Software & Platform

Enable customizable experiences for passengers and support aviation operations

**Passenger experience**

**-Internet, GGV**

**Operational Apps**

**Open architecture**

## Support Services

Install, monitor, manage and maintain connectivity solutions

**Installation**

**Certification**

**Operations**

**Maintenance**

**Inflight live customer care**

**24-hr network monitoring**

**Business intelligence/analytics**

# Most planes and expanding opportunities



## Market opportunity

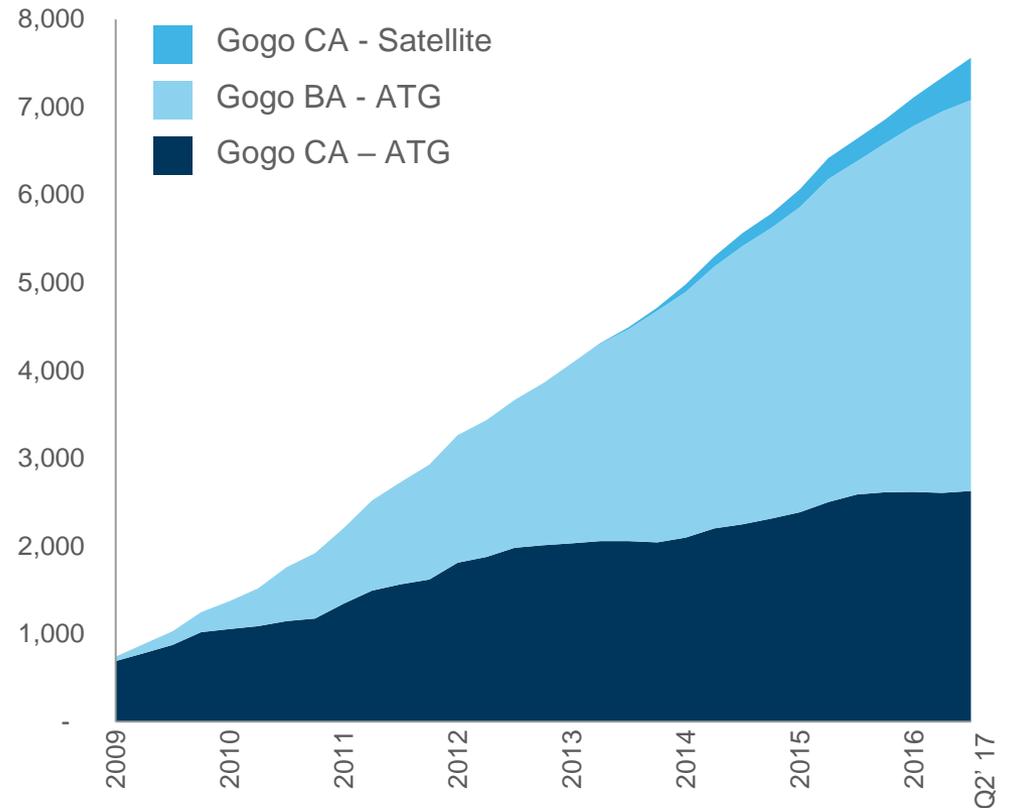
### Commercial aviation

~10,000 uncommitted aircraft today  
~2,000 new aircraft delivered per year

### Business aviation

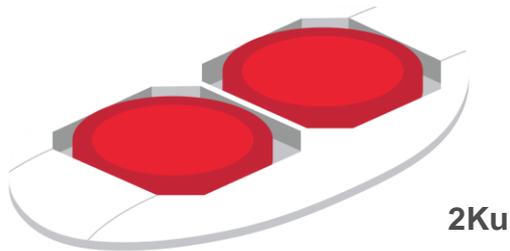
~25,000 aircraft without broadband today  
~1,000 new aircraft delivered per year

## Number of aircraft online



Note: Data based on management estimates, trade publications, Boeing Current Market Outlook 2016-2035, JetNet iQ Report Q1 2017, and other public sources as of 6/30/2017 and includes both commercial and business broadband connected aircraft where specified

## Global – Satellite



- 100+ Mbps and global coverage
- High availability
- Network Redundancy
- Live TV
- Flying on 250+ aircraft globally

## Addressable Aircraft

~18,000<sup>(2)</sup>

## North America – Air-To-Ground



ATG, ATG-4

Next Gen ATG<sup>(1)</sup>

- North American coverage
- Overnight installs
- High speed & low latency
- Light weight
- Next Gen ATG availability expected in 2018

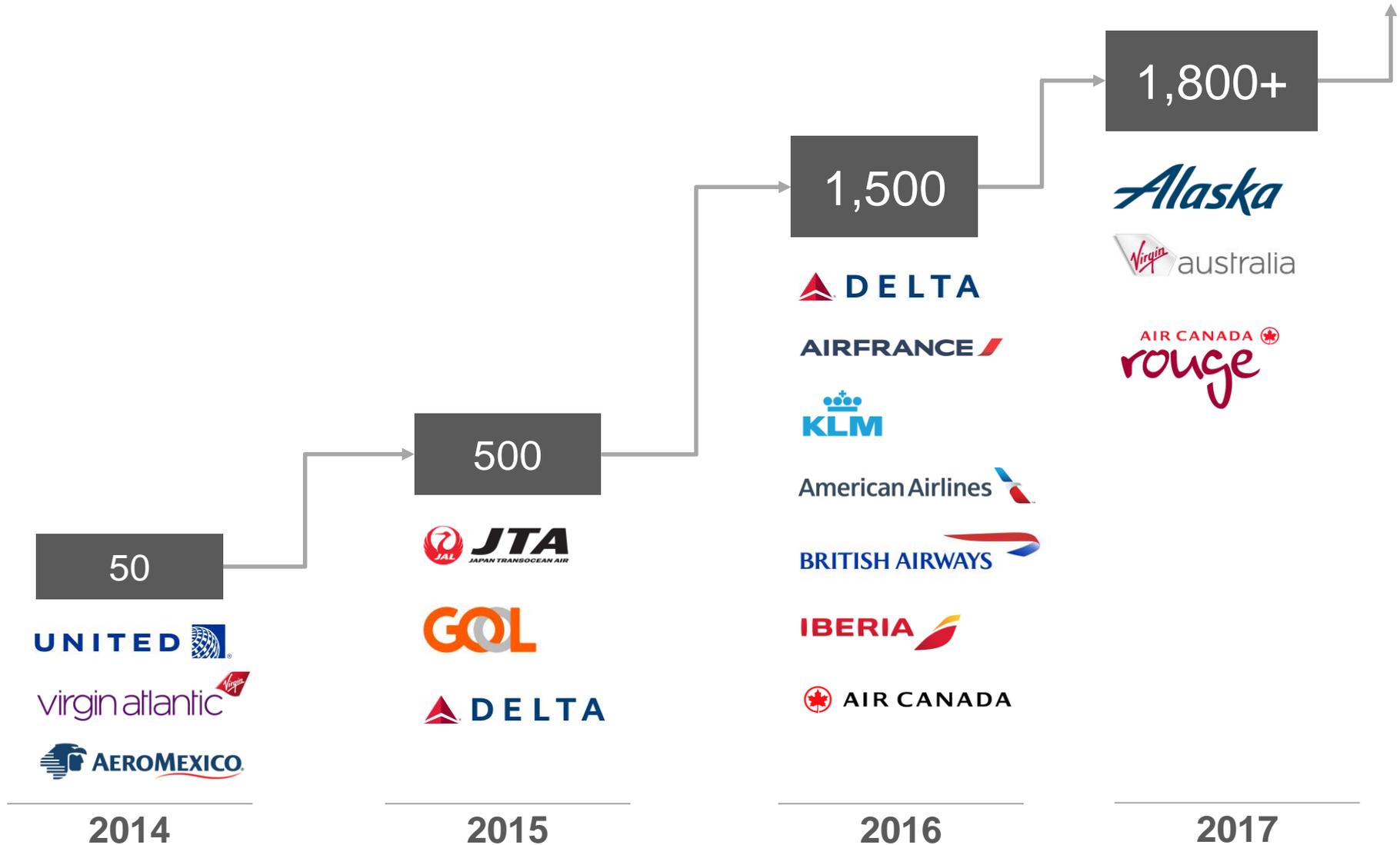
~22,000<sup>(3)</sup>

<sup>1</sup> Next Gen ATG expected to be available in 2018 and expected to deliver 100 Mbps

<sup>2</sup> Global commercial aircraft estimate from Boeing Market Outlook 2016-2035, excluding regional jets

<sup>3</sup> Includes North American business jets and turboprops estimate from JetNet iQ Report Q1 2017 and commercial regional jets from Boeing Market Outlook 2016-2035 and management estimates

# Growing satellite aircraft connectivity awards



Note: 2Ku awards include both signed contracts and letters of intent  
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# 2Ku is changing the customer experience

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High speed, everywhere, all the time

**15<sup>+</sup>**

**Mbps per passenger**

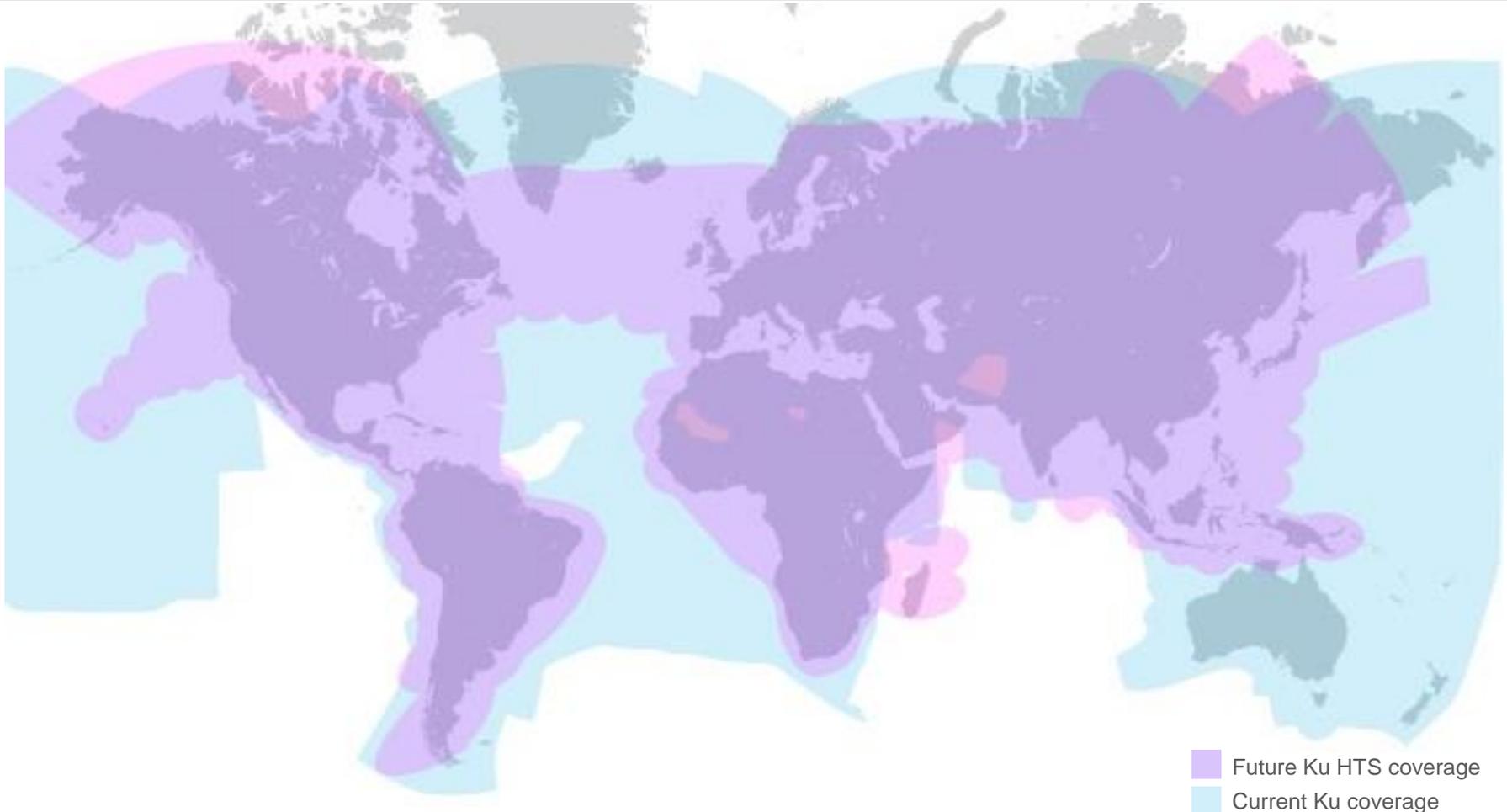
**98<sup>0</sup>%**

**coverage of  
global flight hours**

**98<sup>0</sup>%**

**service availability**

# Superior global satellite network



- **Access to most global satellite capacity including HTS**
- **Ability to integrate next generation satellite constellations seamlessly**
- **Providing capacity when and where airline partners need it**

# Next Gen ATG brings 100+ Mbps to North America in 2018



ATG

ATG-4

Next Gen ATG

134 Mbps demonstrated in lab in May 2017



Hardware



Tower Upgrades



Existing + unlicensed spectrum



Hardware



3 Mbps

10 Mbps

100+<sup>1</sup> Mbps

2008

2012

2018

- **Uniquely integrates** licensed and unlicensed spectrum
- **Leverages** existing ground and airborne infrastructure
- **Overnight** installation
- **Targeted** for smaller aircraft

<sup>1</sup> Expected results and availability based on management estimates

# Portfolio of business aviation solutions



## Large Jets

~3,000 Aircraft\*



## Medium Jets

~4,000 Aircraft\*



## Light Jets

~5,000 Aircraft†



## Turboprops

~8,500 Aircraft\*



REGIONAL:

ATG/4G/  
Next Gen ATG

ATG/4G/  
Next Gen ATG

ATG/4G

ATG/4G/  
Next Gen ATG

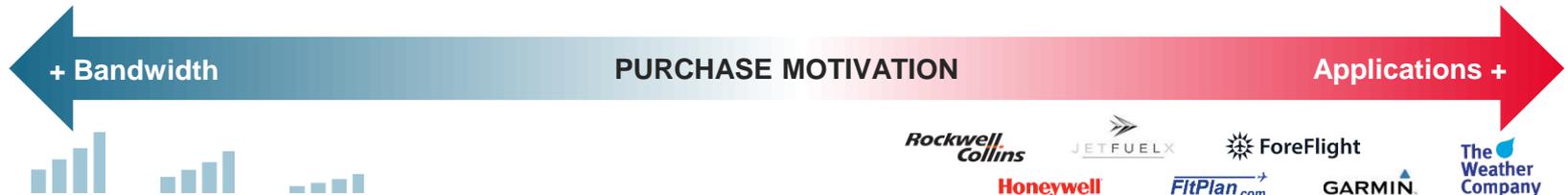
GLOBAL:

JX/SBB

SBB

SBB

SBB

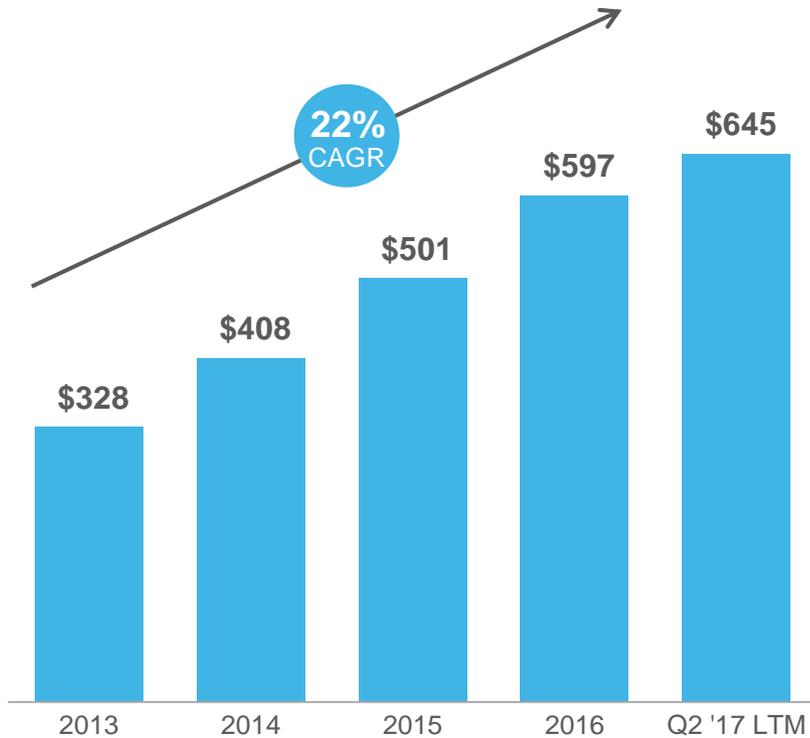


\* Source: JetNet iQ Report Q1 2017 and Gogo estimates as of June 2016  
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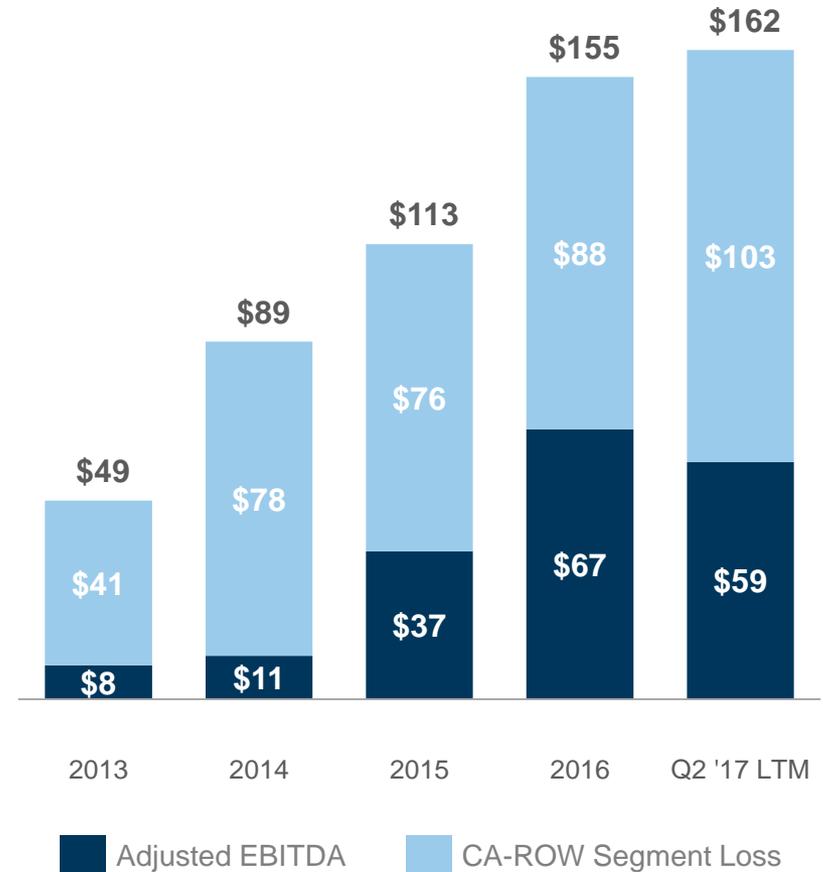
# Strong revenue and profitability growth



## Revenue (\$M)



## Adjusted EBITDA (\$M)<sup>(1)</sup>



Note: Minor differences exist due to rounding  
 (1) Please see reconciliation of Adjusted EBITDA in appendix  
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# Profitability path for all segments

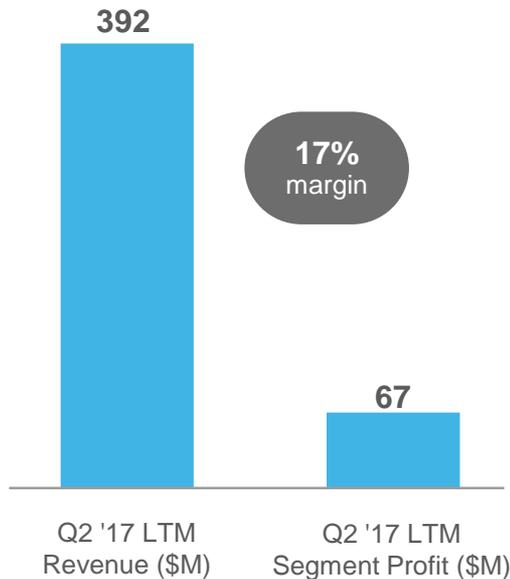


## PROFITABILITY DRIVERS

### MORE BANDWIDTH

#### CA-NA

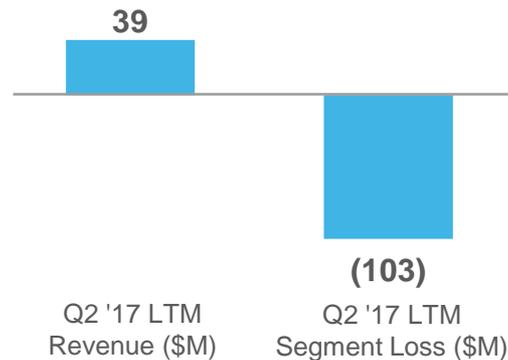
**2,791** Aircraft Online  
**66%** Market Share



### MORE AIRCRAFT

#### CA-ROW

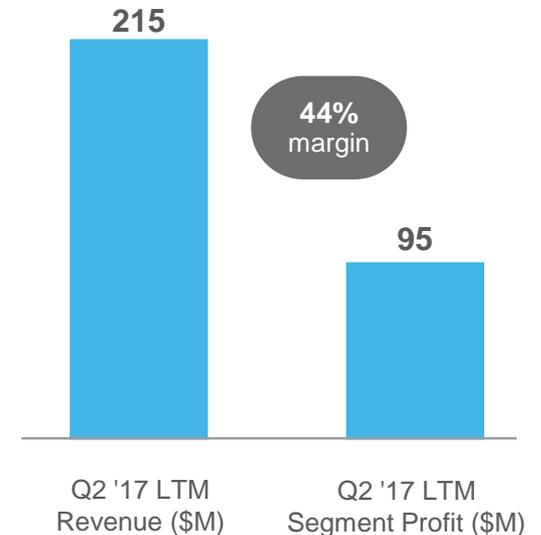
**318** Aircraft Online  
**13%** Market Share  
**~620** Awarded but not yet installed aircraft



### MORE AIRCRAFT

#### BA

**4,453** ATG Aircraft Online  
**92%** Market Share



# 1

## Expand technology leadership

- Extend global 2Ku roadmap
- Deploy next gen ATG solution
- Invest in our industry-leading IFC and IFE platforms

# 2

## Scale globally

- Install 2Ku aircraft awards efficiently and aggressively
- Achieve 2Ku OEM offerability starting in 2017
- Increase penetration of ATG and 2Ku in BA market

# 3

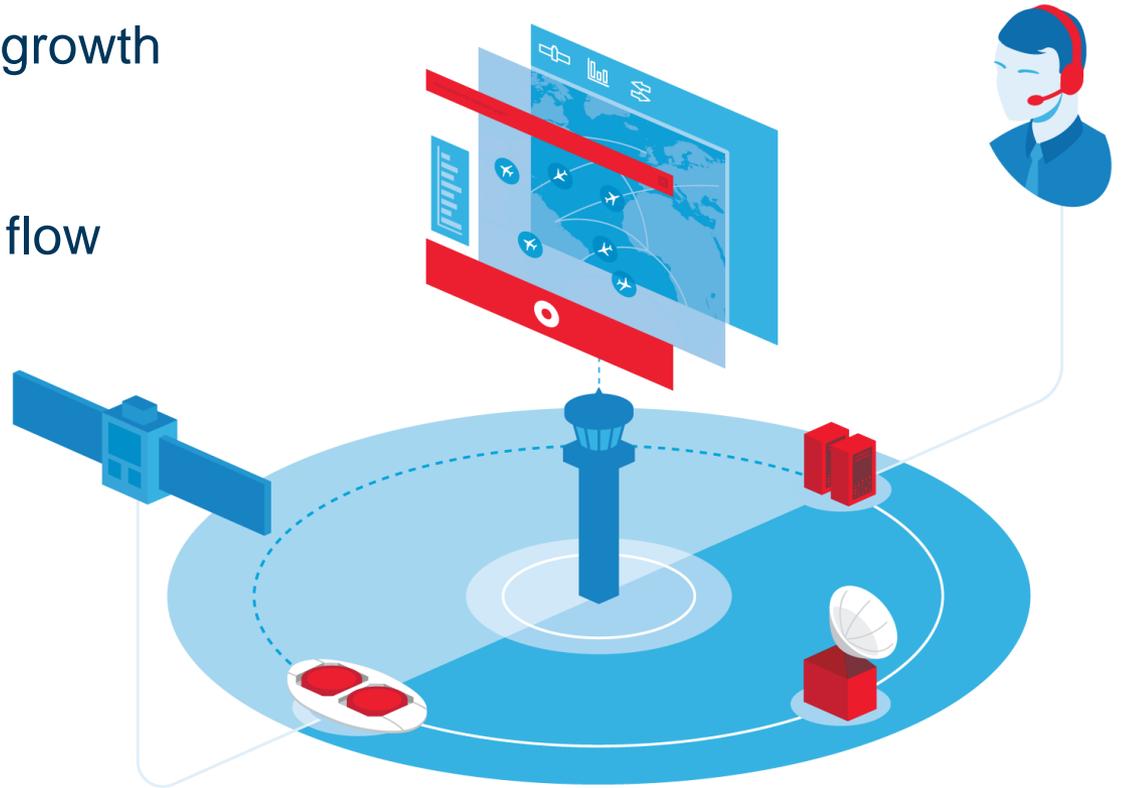
## Achieve profitability

- Scale CA-ROW segment to profitability
- Further reduce 2Ku installation costs
- Double ARPA by 2021 from Q3 2016 level
- Achieve free cash flow in 2019<sup>(1)</sup>

# Why invest in Gogo?



- Leading position, experience & scale
- Large opportunities for growth
- Technology leadership
- Clear path to free cash flow



# Appendix

## MORE AIRCRAFT

- Significant backlog
- Growing market
- Leading market share

## DECLINING INVESTMENT PER AIRCRAFT

- Decreasing installation time
- Lower airborne equipment costs
- Higher airborne equipment proceeds
- Leverage STC portfolio

## ARPA GROWTH

- Increase network capacity
- Expand payers and services
- Increase passenger adoption
- Enable connected aircraft services

## MARGIN IMPROVEMENT

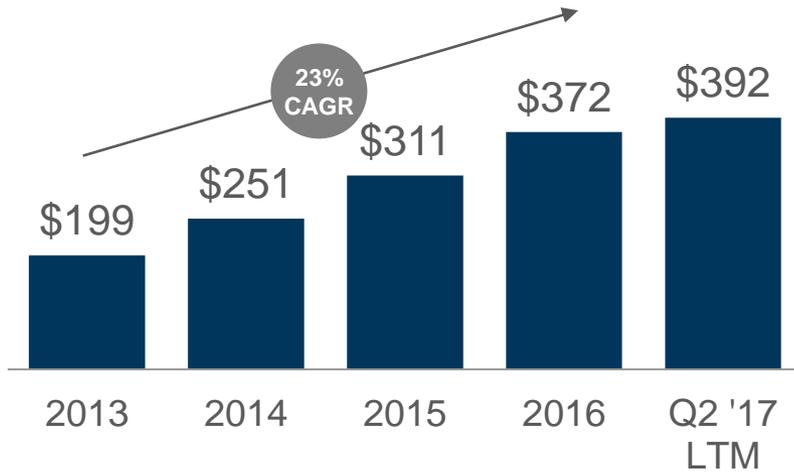
- Drive bandwidth costs down
- Leverage investments in global network & operations

Growing Shareholder Value

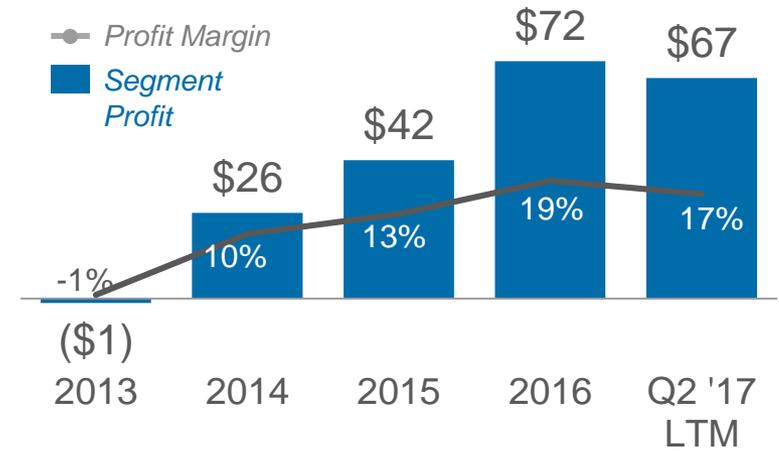
# CA-NA: Strong revenue and segment profit growth



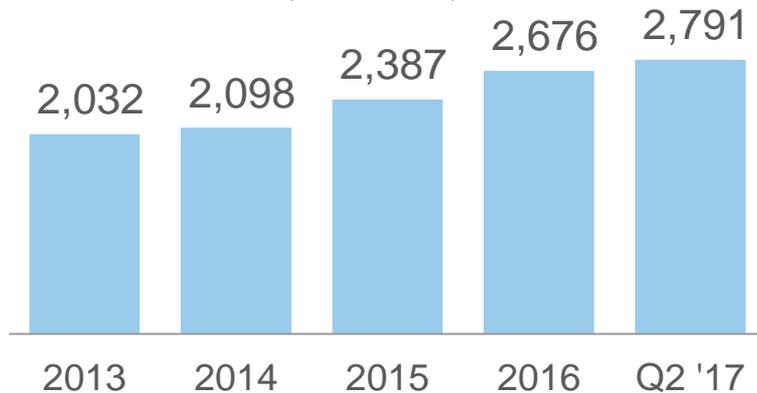
## Revenue (\$M)



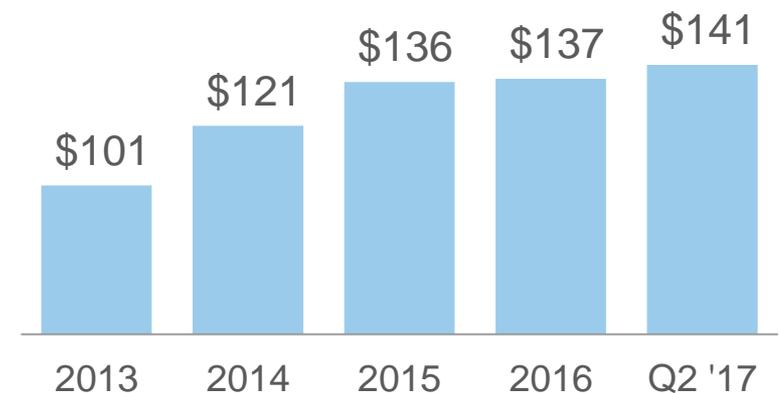
## Segment Profit (\$M)



## Aircraft Online (End of Period)



## Annualized ARPA<sup>(1)</sup> (\$k)



Note: Minor differences may exist due to rounding.

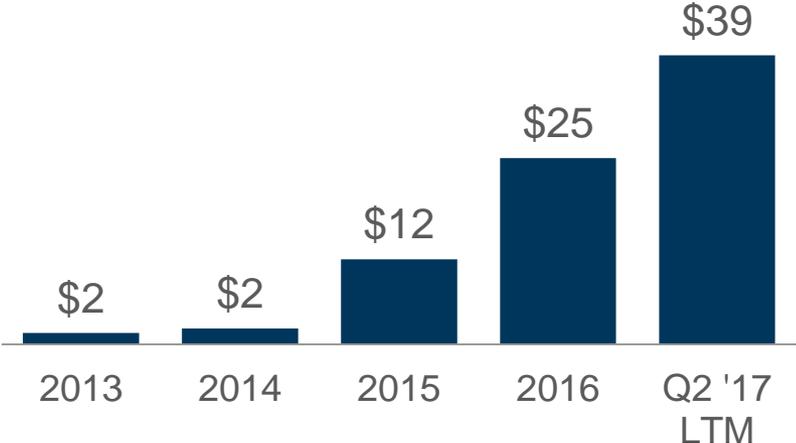
(1) For 2011 and 2013 ARPA is based on aircraft online and for 2015 and 2016 ARPA is based on aircraft online equivalent.

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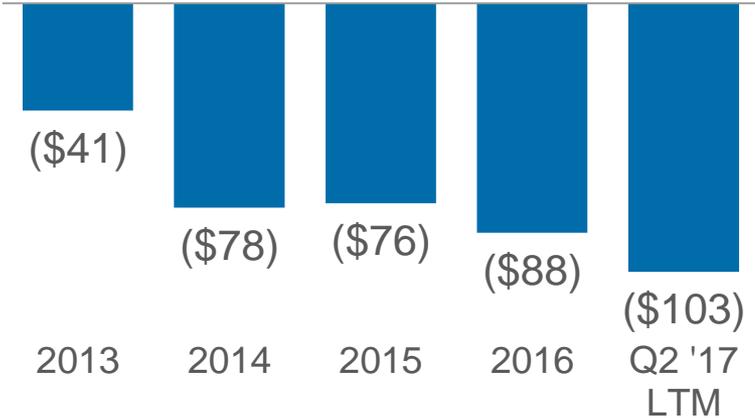
# CA-ROW: Strong ARPA growth and increased aircraft online



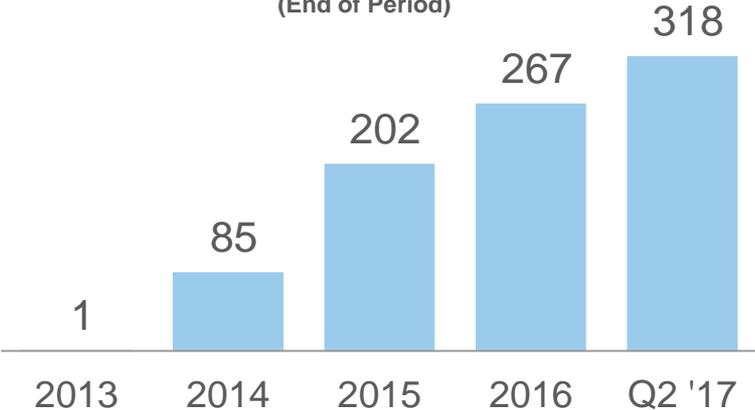
**Revenue (\$M)**



**Segment Loss (\$M)**



**Aircraft Online**  
(End of Period)

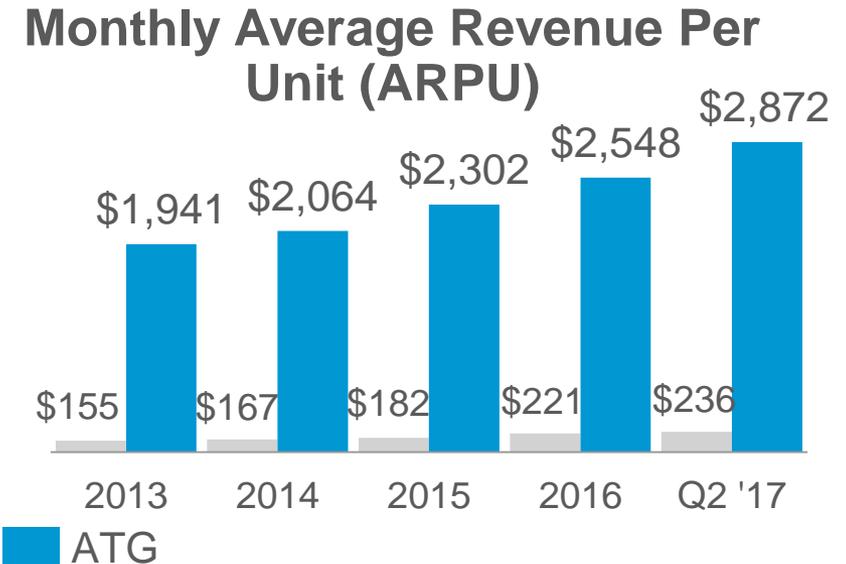
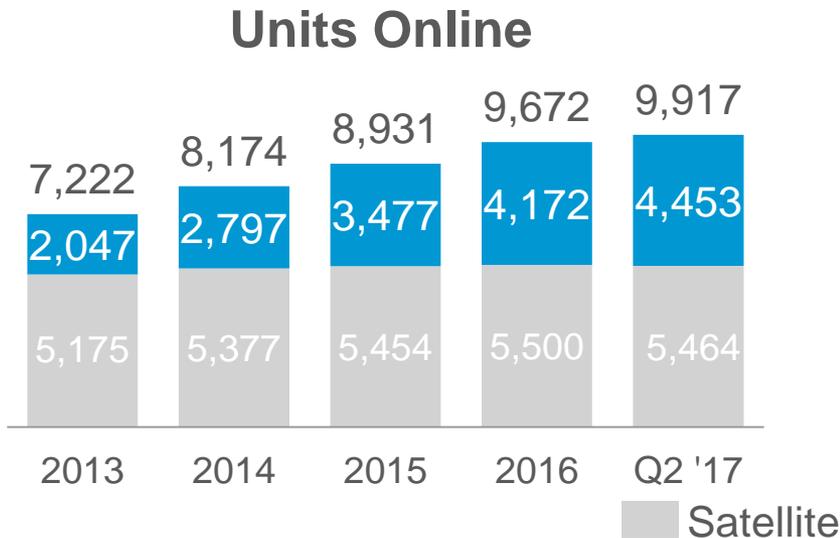
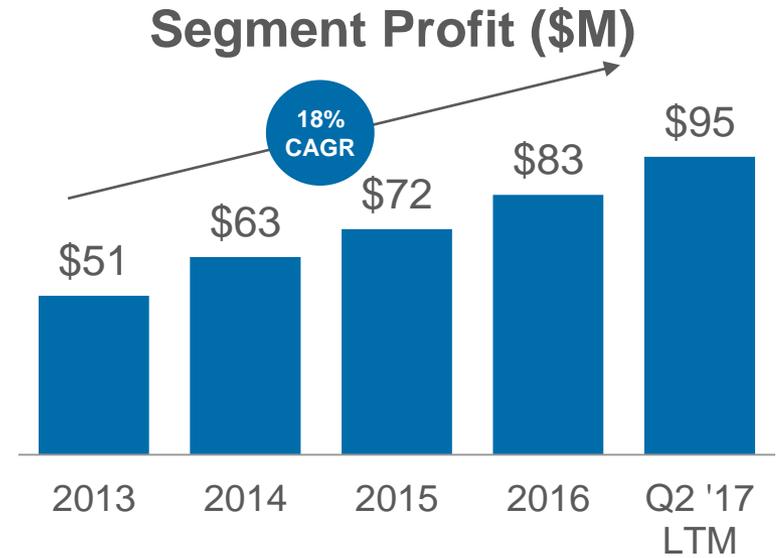
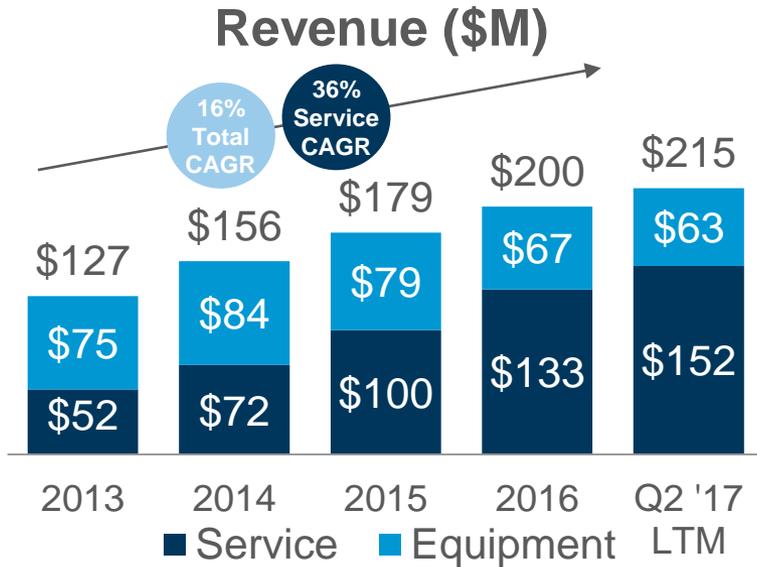


**Annualized ARPA<sup>(1)</sup>(\$k)**



Note: Minor differences may exist due to rounding.  
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# BA: High margin service revenue drives profitability



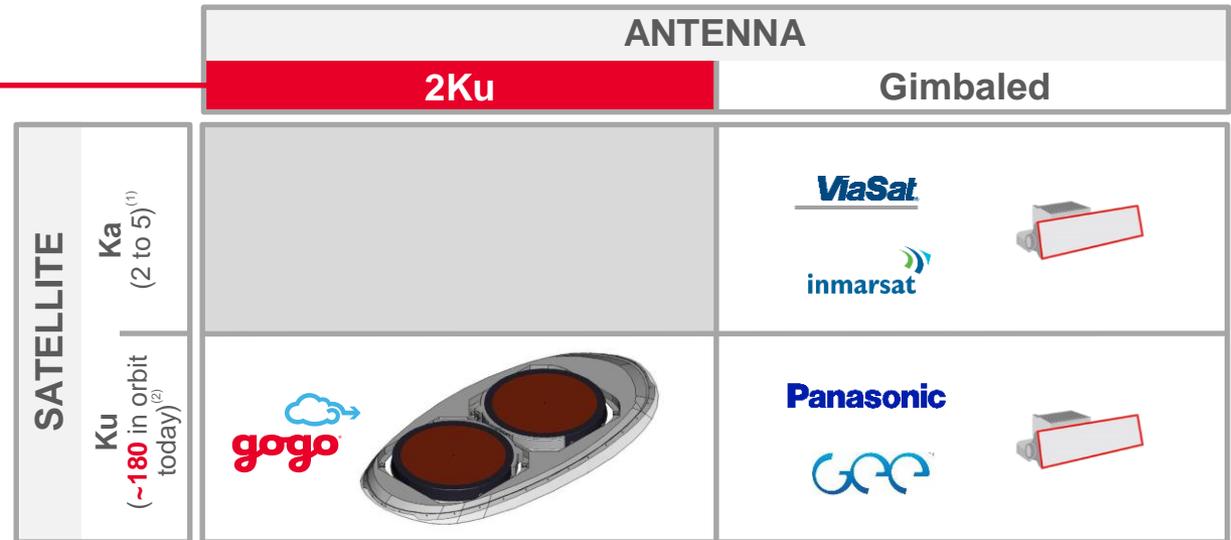
Note: Minor differences may exist due to rounding.  
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# 2Ku: Proprietary solution that stands apart from the competition



## 2Ku Differentiators

-  Open Architecture
-  Reliability
-  Speed
-  Capacity
-  Cost
-  Coverage
-  Aero Performance



**Record market acceptance, 1,800+ awarded aircraft, brings reliable connectivity to aircraft around the world**

(1) Based on management estimates and include satellites operated by Inmarsat, Viasat, Eutelsat, and Yahsat as of 6/30/2017. 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 currently 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 6/30/2017

# Gogo installed and awarded aircraft

## Gogo Aircraft Online & Awarded Aircraft

<b>Aircraft Online</b>	<b>CA-NA</b>	<b>CA-ROW</b>	<b>Total</b>
ATG Aircraft Online <sup>1</sup>	845	-	845
ATG-4 Aircraft Online	1,783	-	1,783
Ku Aircraft Online	-	261	261
2Ku Aircraft Online	163	57	220
<b>Total Aircraft Online</b>	<b>2,791</b>	<b>318</b>	<b>3,109</b>

## 2Ku Aircraft Installed & Awarded But Not Yet Installed<sup>1</sup>

2Ku aircraft installed	164	62	226
2Ku awarded but not yet installed, aircraft conversions	880	-	880
2Ku awarded but not yet installed, new aircraft	110	620	730
<b>Total 2Ku Aircraft Installed and Awarded But Not Yet Installed</b>	<b>1,154</b>	<b>682</b>	<b>1,800+</b>

<sup>1</sup> Aircraft online and 2Ku aircraft installed figures are as of 6/30/2017. 2Ku aircraft awards are current as of 8/22/2017. Awarded but not yet installed figures are approximate.

# Adjusted EBITDA reconciliation (\$M)



	2011	2012	2013	2014	2015	2016	2016 Q2	2016 Q3	2016 Q4	2017 Q1	2017 Q2
Net Income	(18)	(96)	(146)	(85)	(108)	(125)	(40)	(33)	(27)	(41)	(44)
Interest Income	(0)	(0)	(0)	(0)	(0)	(2)	(0)	(1)	(1)	(1)	(1)
Interest Expense	1	9	29	33	59	84	18	25	25	27	27
Income Tax Provision	1	1	1	1	1	1					
Depreciation & Amortization	33	37	56	64	87	106	25	27	30	30	31
EBITDA	16	(49)	(60)	14	39	64	2	18	27	16	13
Fair Value Derivative Adjustments	(59)	(10)	36	–	–	–	–	–	–	–	
Class A and Class B Senior Convertible Preferred Stock Return	31	52	29	–	–	–	–	–	–	–	
Accretion of Preferred Stock	10	10	5	–	–	–	–	–	–	–	
Stock-based Compensation Expense	2	4	6	10	15	18	4	5	5	4	5
Amortization of Deferred Airborne Lease Incentives	(1)	(4)	(8)	(13)	(20)	(30)	(7)	(8)	(9)	(9)	(9)
Loss on Extinguishment of Debt	–	–	–	–	–	15	15	–	–	–	–
Adjustment of deferred financing costs	–	5	–	–	2	(1)	–	–	–	–	–
Adjusted EBITDA	(1)	9	8	11	37	67	14	15	23	11	10