



# Investor Presentation

**February 2017**

# SAFE HARBOR STATEMENT



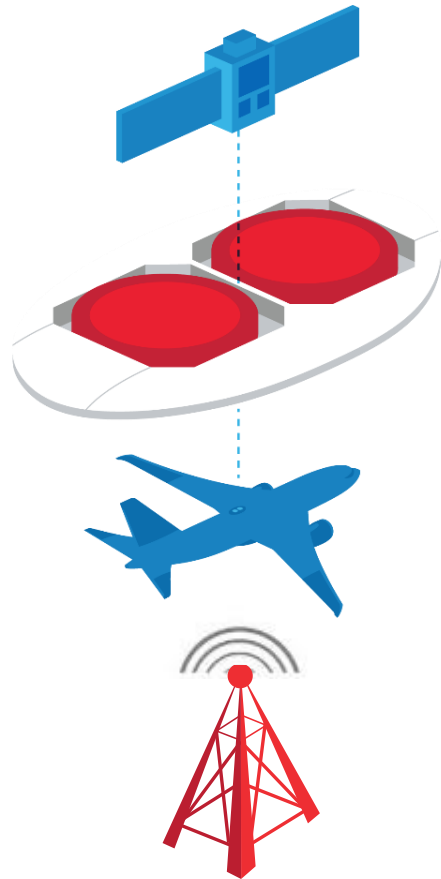
This presentation contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are based on management’s beliefs and assumptions and on information currently available to management. Most forward-looking 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.

## 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 global leader in providing broadband connectivity solutions and wireless entertainment to the aviation industry**

**>7,000**

Broadband aircraft online<sup>1</sup>

**53%**

Global market share in Commercial aviation<sup>2</sup>

**91%**

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

1) As of 12/31/2016

2) Based on management estimates, public filings and trade publications of broadband IFC installations as of 12/31/2016

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# WHILE DELIVERING ENORMOUS VALUE



## Passenger Connectivity & Entertainment

- Internet
- Streaming Movies
- IPTV



## Passenger Experience

- Rebooking Travel
- Baggage Tracker
- Digitized Attendants
- Turbulence Avoidance



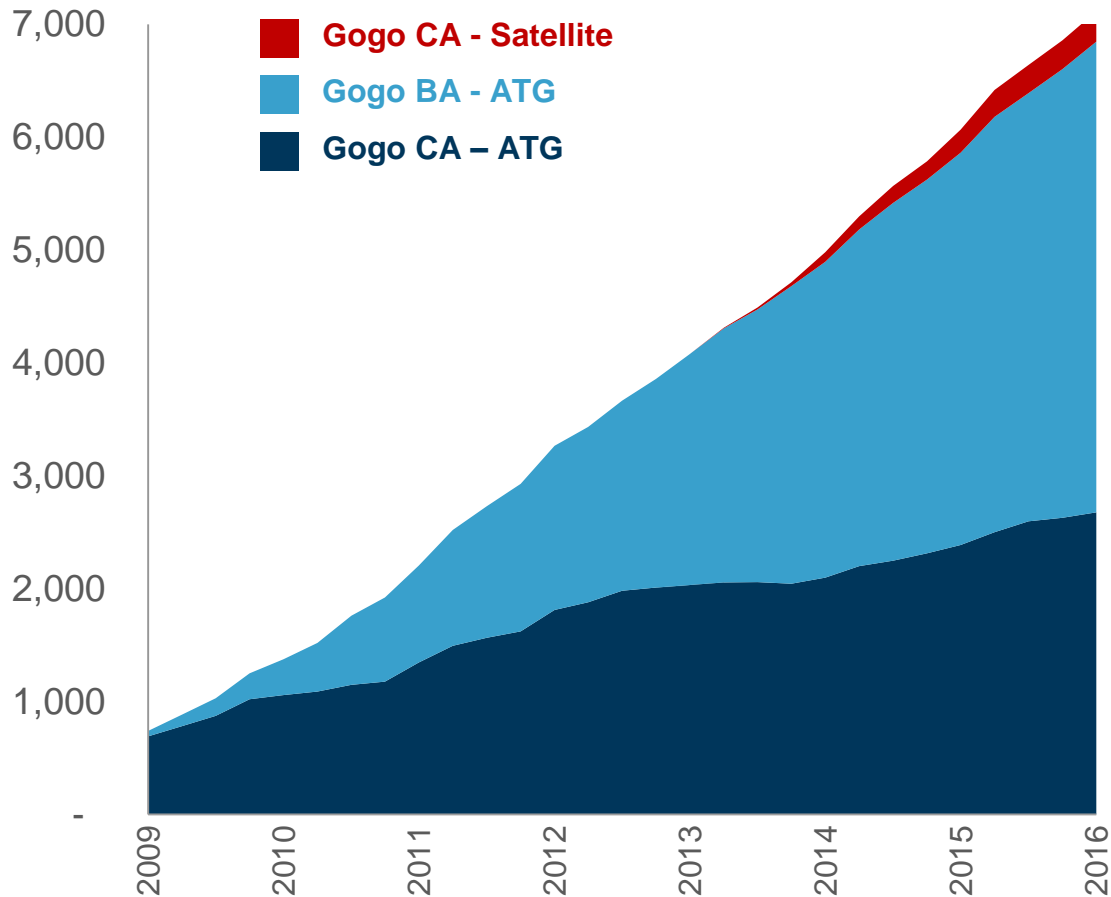
## Aircraft Operational Efficiencies

- Lower Fuel Costs
- Maintenance Savings
- Turbulence Avoidance

# MOST PLANES AND LARGE OPPORTUNITY



## Number of Aircraft Online



## Market Opportunity

### Commercial Aviation

**~10,000**

Uncommitted aircraft today

**~9,000**

Additional passenger aircraft by 2025

### Business Aviation

**~26,000**

Aircraft without broadband today

**~6,000**

Additional business aircraft by 2025

# PROFITABILITY PATH FOR ALL SEGMENTS



## PROFITABILITY DRIVERS

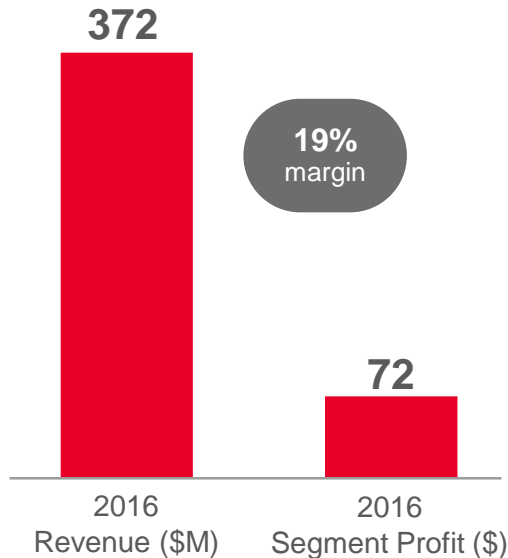
More  
Bandwidth

More  
Aircraft

More  
Aircraft

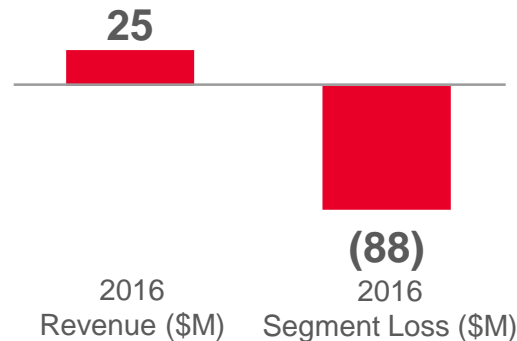
### CA-NA

2,676 Aircraft Online  
67% Market Share



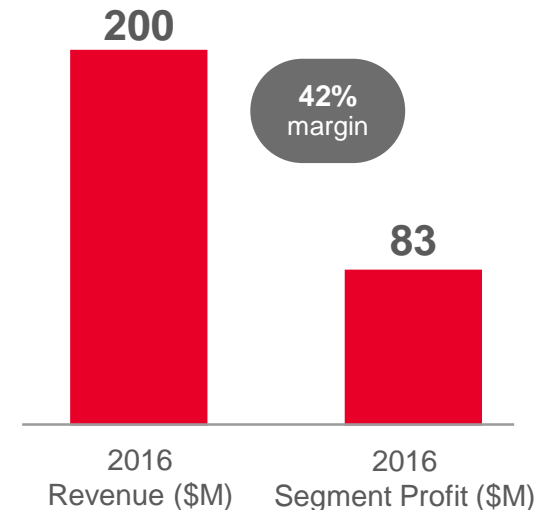
### CA-ROW

267 Aircraft Online  
13% Market Share  
~560 Aircraft Backlog



### BA

4,172 ATG Aircraft Online  
91% Market Share

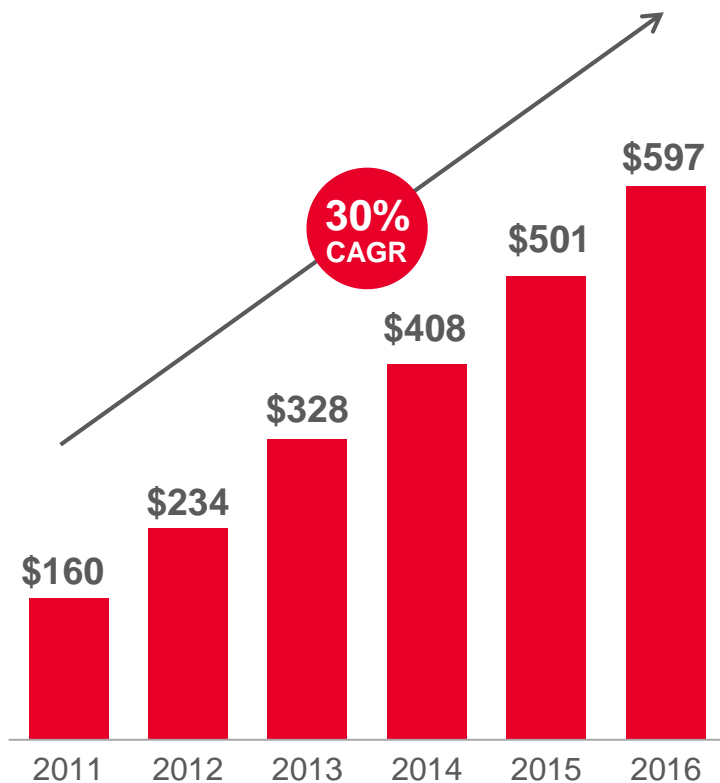


Note: Aircraft online and aircraft backlog, which refers to aircraft awarded, but not yet installed, are as of 12/31/2016  
 Note: Note market share is based on installed aircraft from public sources, trade publications, management estimates and other public sources as of 12/31/2016  
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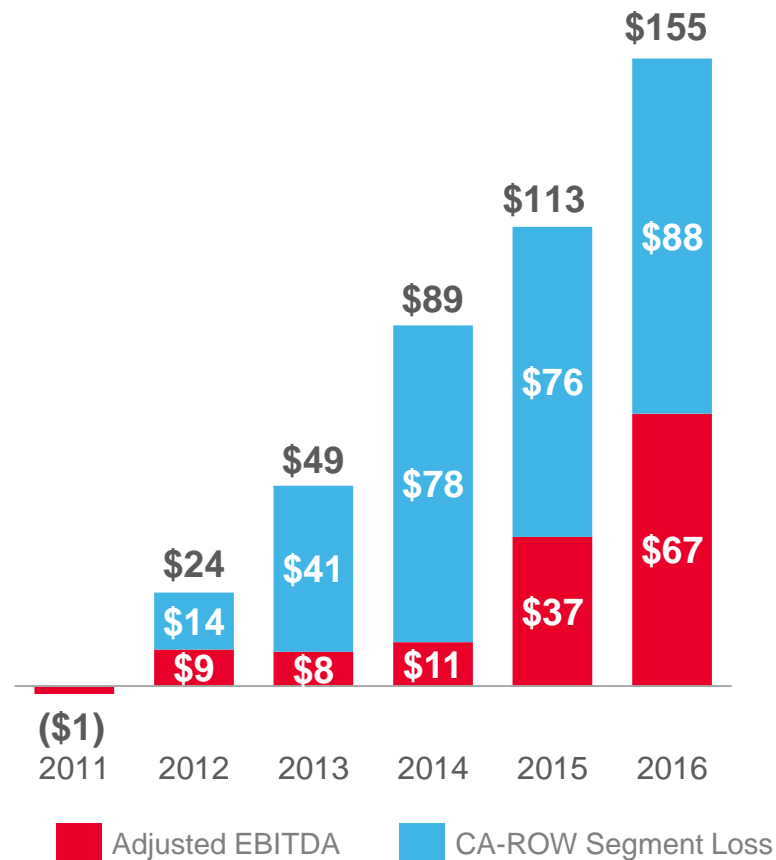
# STRONG REVENUE AND PROFITABILITY GROWTH



## Revenue (\$M)



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



Note: Minor differences exist due to rounding  
 (1) Please see reconciliation of Adjusted EBITDA in appendix  
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## INNOVATIVE NETWORK TECHNOLOGY

- Leading ATG & 2Ku platforms
- Superior reliability and redundancy
- Open architecture to adapt to future innovations

## GLOBAL AIRCRAFT OPERATIONS

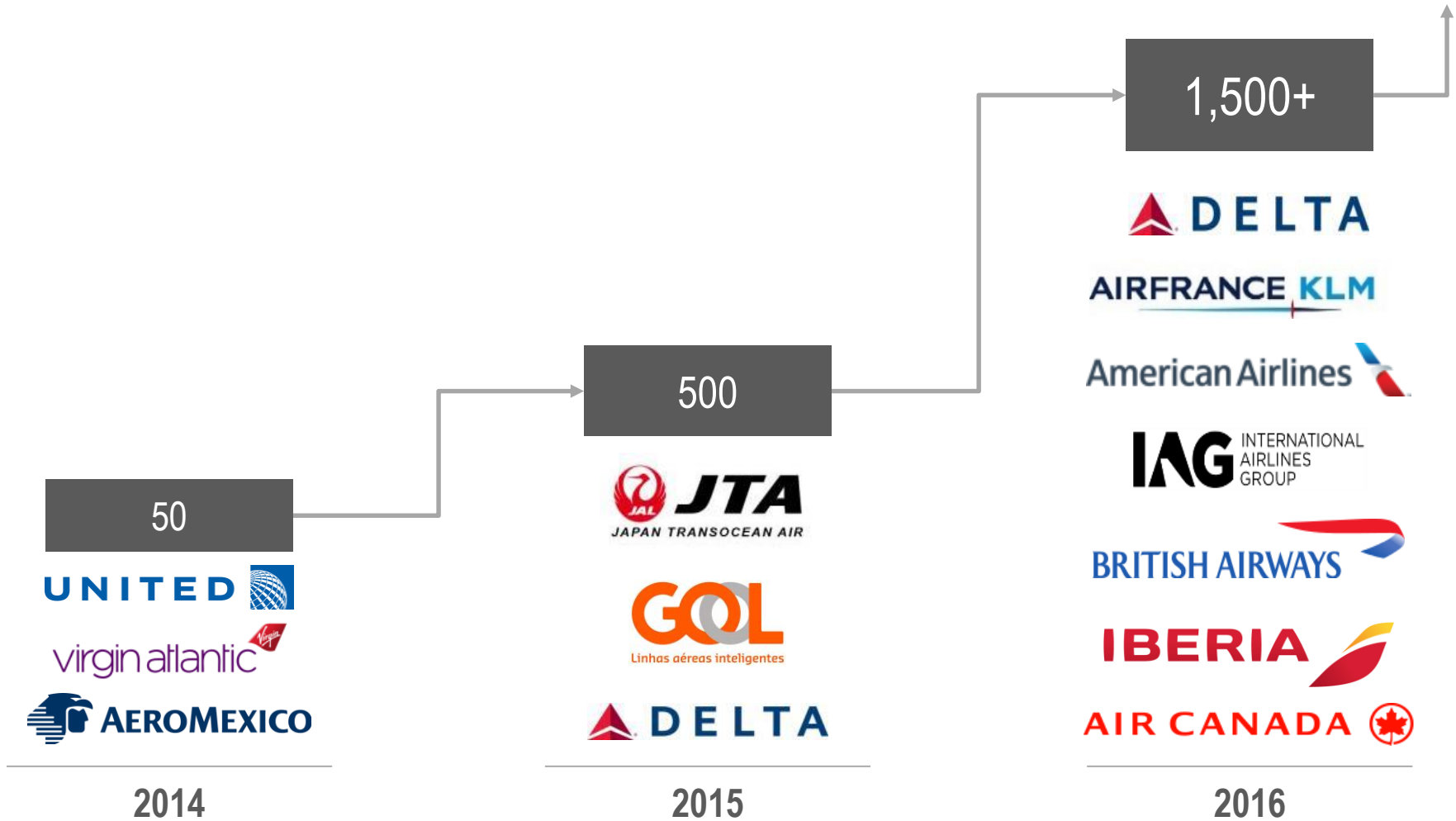
- Airline support on four continents
- 1,000+ annual installations<sup>(1)</sup>
- Large and growing STC portfolio
- Remote deployment of software updates

## CUSTOMIZABLE PLATFORMS

- In-flight connectivity
- Wireless video entertainment
- Connected aircraft platforms



# 2Ku MOMENTUM CONTINUES



\* 2Ku awards include both signed contracts and letters of intent  
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# LEADING TECHNOLOGY PLATFORMS FOR ALL AIRCRAFT



## Global – Satellite



2Ku

- Global Coverage
- Network Redundancy
- High Speed & Capacity
- Live TV

## 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

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

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

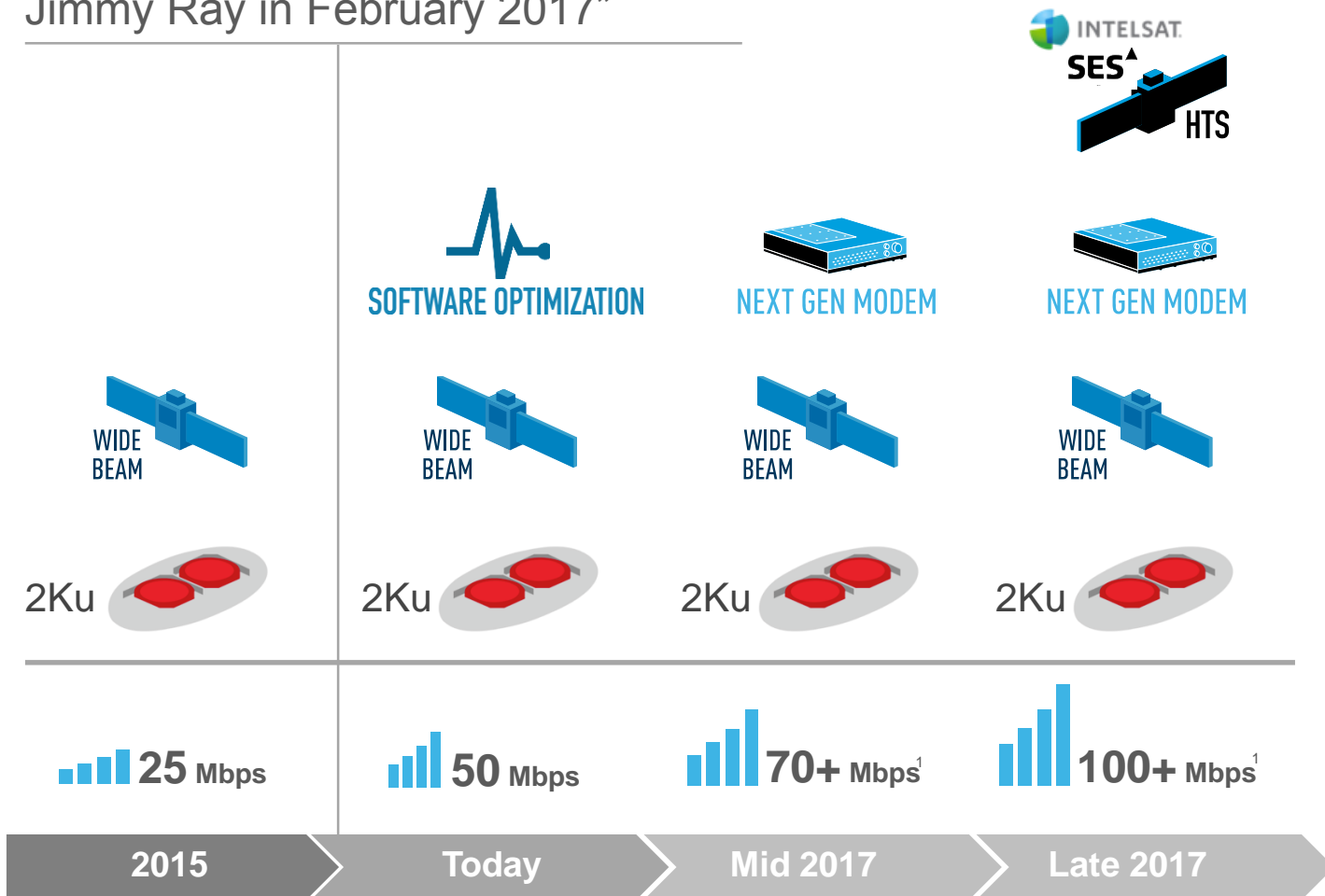
<sup>2</sup> Global commercial aircraft estimate from Boeing Market Outlook 2016-2035, excluding regional jets

<sup>3</sup> Includes North American business jets and turboprops estimate from JetNet IQ Report Q4 2015 and commercial regional jets from Boeing Market Outlook 2016-2035 and management estimates

# 2Ku BRINGS 100+ Mbps GLOBALLY IN 2017



“100 Mbps demonstrated on Gogo’s Jimmy Ray in February 2017”



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

# NEXT GEN ATG BRINGS 100+ Mbps TO NORTH AMERICA IN 2018



ATG

ATG-4

Next Gen ATG



Hardware



Hardware



Tower Upgrades



Existing + unlicensed spectrum

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

# LEADING GLOBAL OPERATIONAL CAPABILITIES



	9/30/16	12/31/16	2017E
2Ku Aircraft Installed	14	94	500+
Global Addressable Fleets Covered by 2Ku STCs	35%	35%	80%
2Ku Installation Lines	12	24	40+
Days To Install 2Ku	8	3	<3
Annual 2Ku Install Capacity	50	360	750+
Global Maint. Locations	33	33	45
First 2Ku OEM Installation	-	-	✓

# 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 Q4 2015 and Gogo estimates as of June 2016  
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# PATH TO PROFITABILITY



## 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

# STRATEGIC PRIORITIES



1

## Expand Technology Leadership

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

2

## Scale Globally

- **Install** 1,500 2Ku aircraft awards
- **Achieve** 2Ku OEM offerability starting in 2017
- **Increase** penetration of ATG systems in BA market

3

## Achieve Profitability

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

(1) Free cash flow is defined as cash flow from operating activities less consolidated capital expenditures.  
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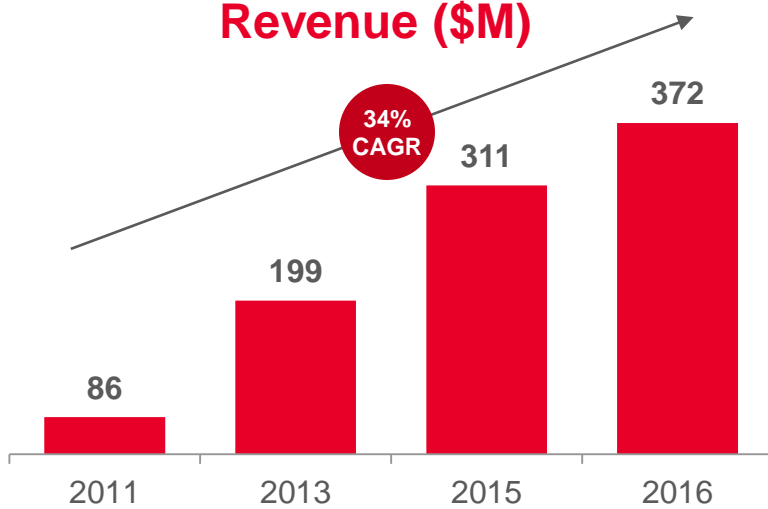


# Appendix

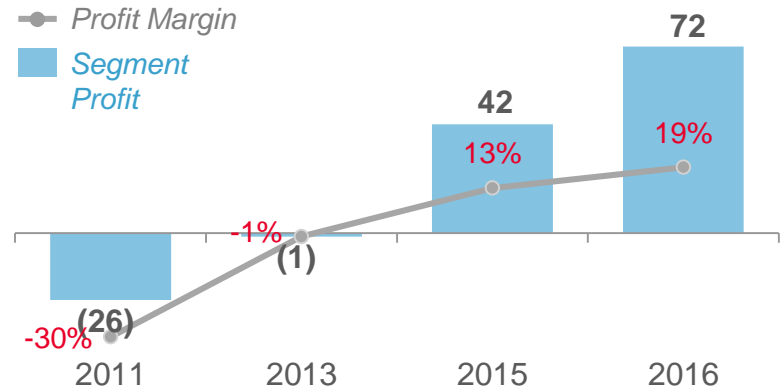
# CA-NA: STRONG REVENUE AND SEGMENT PROFIT GROWTH



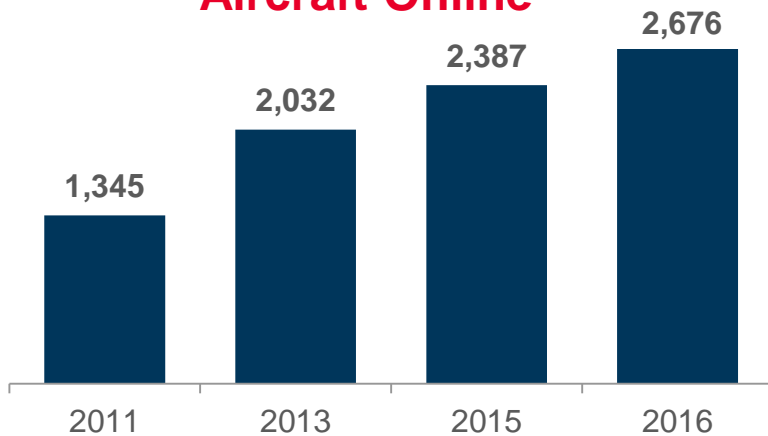
## Revenue (\$M)



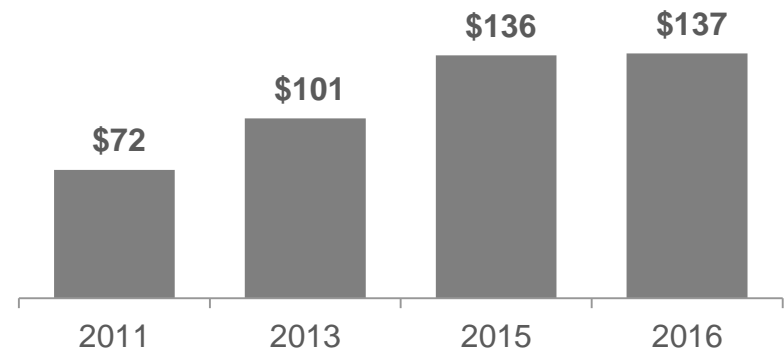
## Segment Profit (\$M)



## Aircraft Online



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



Note: Minor differences may exist due to rounding.

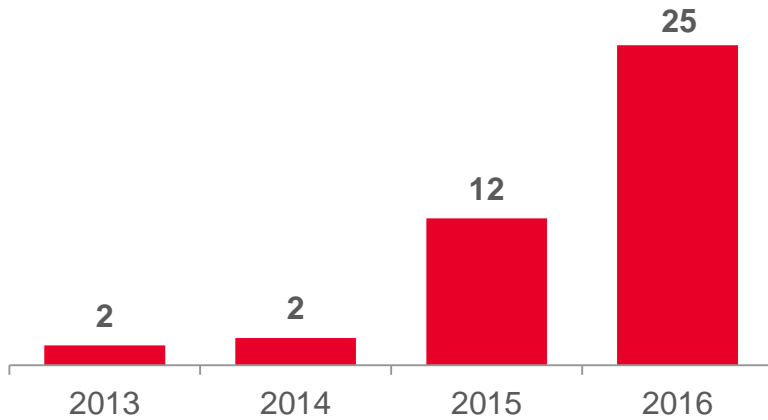
(1) For 2011 and 2013 ARPA is based on aircraft online and for 2015 and 2016 ARPA is based on aircraft online equivalent.

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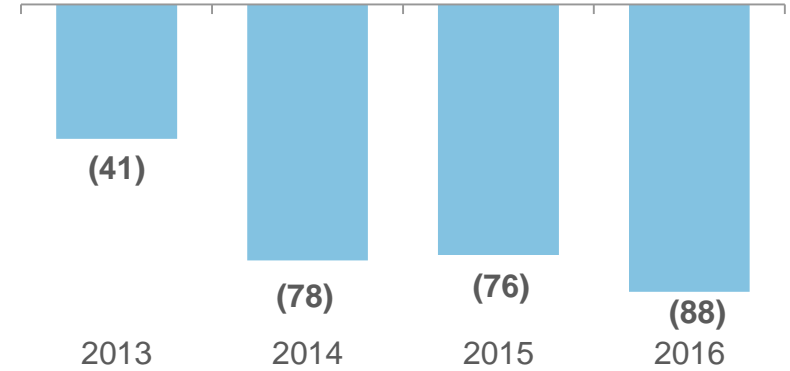
# CA-ROW: STRONG REVENUE AND SEGMENT PROFIT GROWTH



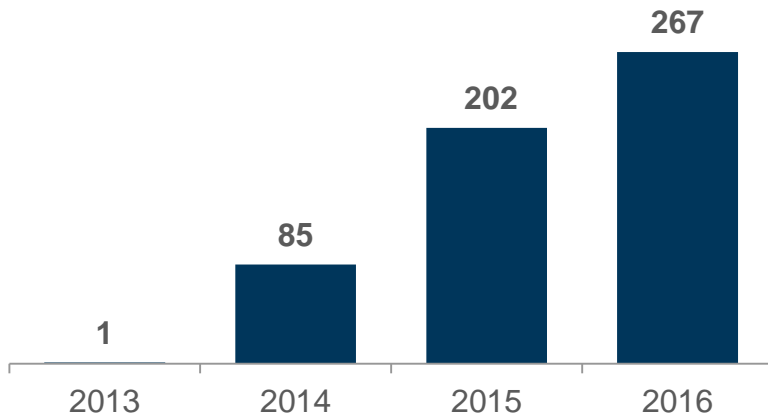
## Revenue (\$M)



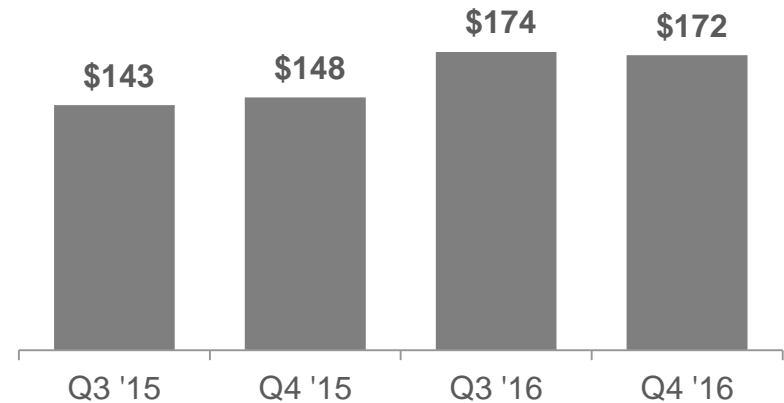
## Segment Profit (\$M)



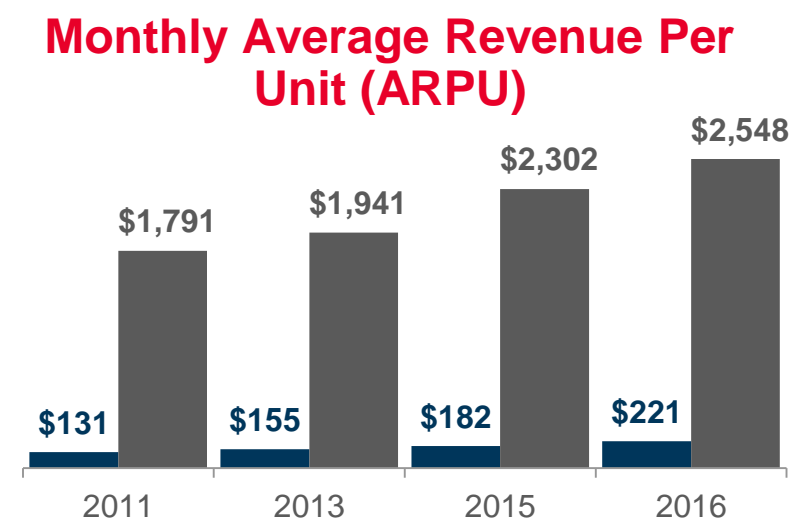
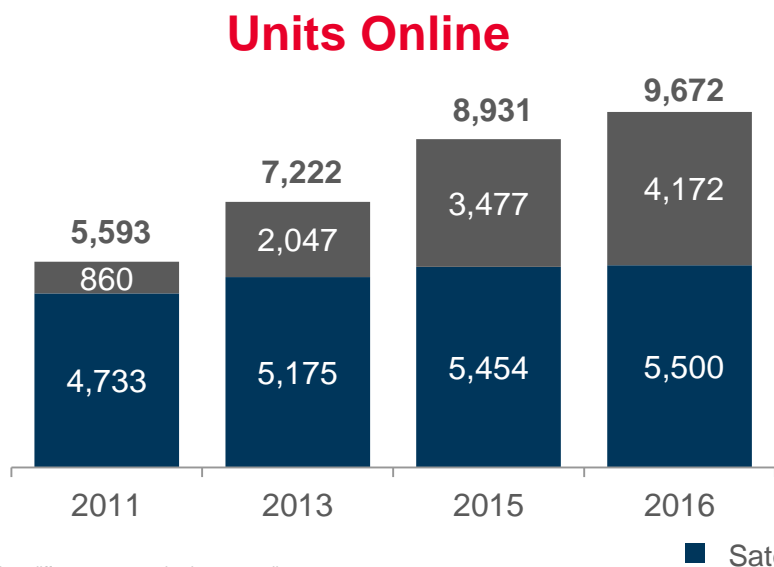
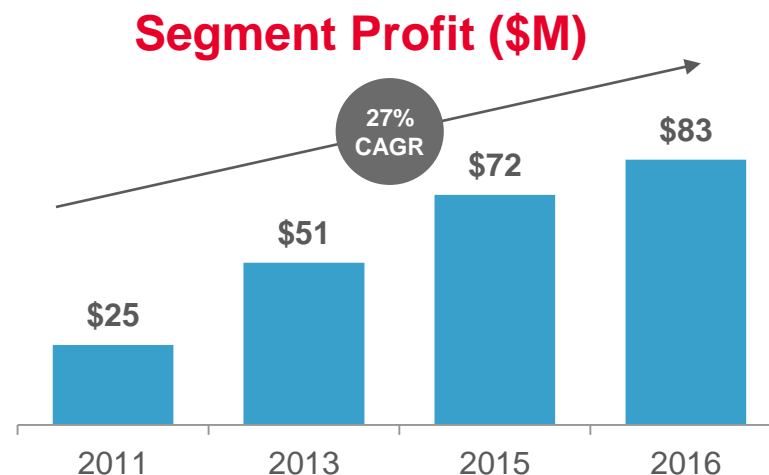
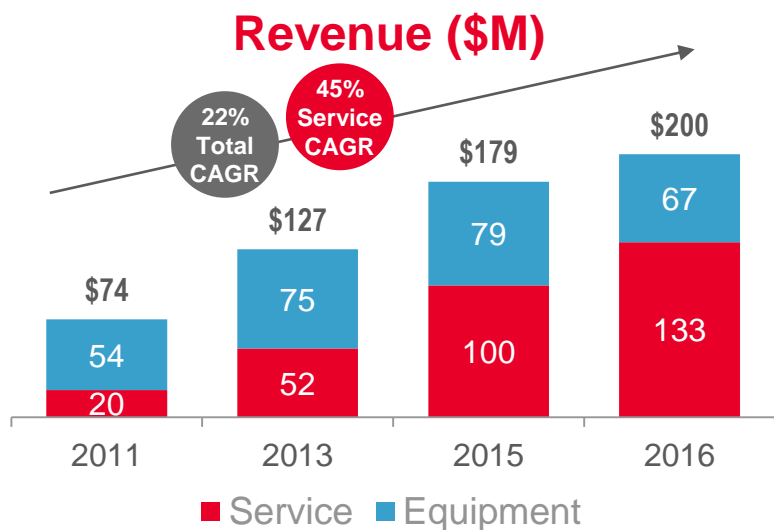
## Aircraft Online



## Annualized ARPA (\$k)



# BA: HIGH MARGIN SERVICE REVENUE DRIVES PROFITABILITY

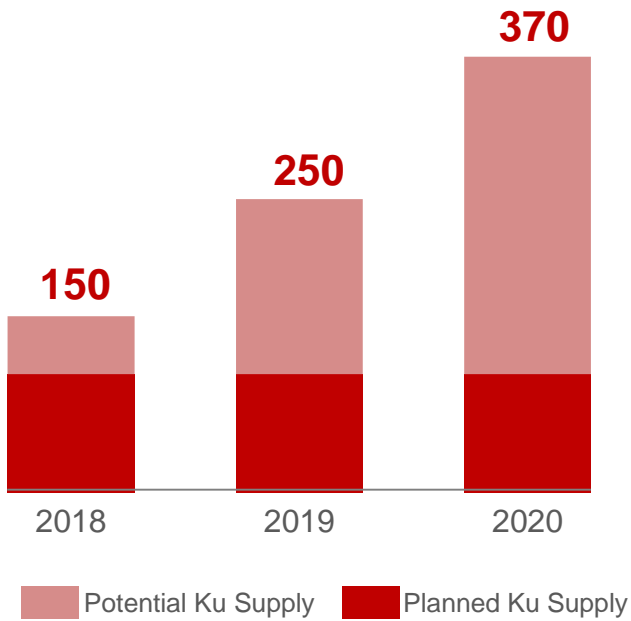


Note: Minor differences may exist due to rounding  
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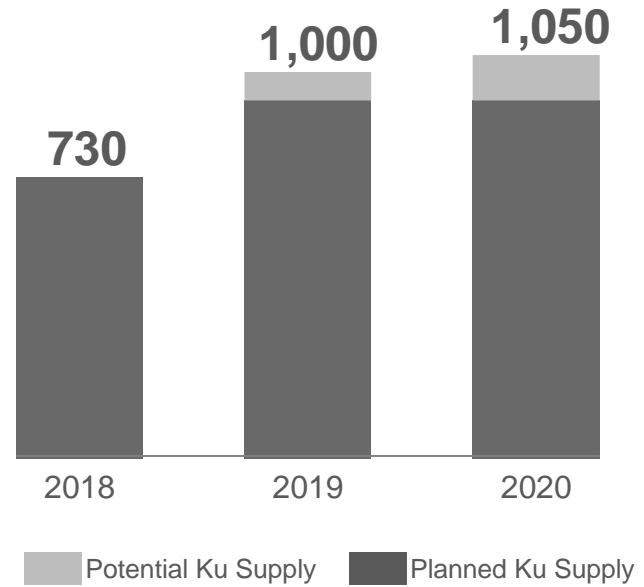
# KU ECOSYSTEM PROVIDES LARGE AND GROWING GLOBAL CAPACITY



## North American Ku Bandwidth Supply (Gbps)<sup>(1)</sup>



## Global Ku Bandwidth Supply (Gbps)<sup>(1)</sup>










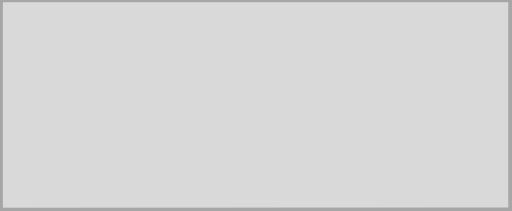

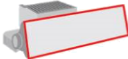



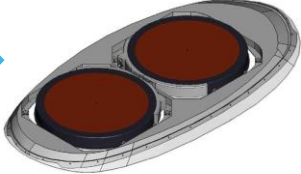

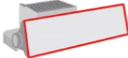

<sup>(1)</sup> Based on estimates by satellite capacity providers  
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# 2Ku: PROPRIETARY SOLUTION THAT STANDS APART FROM THE COMPETITION



## 2Ku Differentiators

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

		ANTENNA	
		2Ku	Gimbaled
SATELLITE	Ka (2 to 5) <sup>(1)</sup>		   
	Ku (~180 in orbit today) <sup>(2)</sup>	 	  

**Record market acceptance, 1,500 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 12/31/2016. 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 12/31/2016

# GOGO INSTALLED & AWARDED AIRCRAFT

AS OF 12/31/2016



Aircraft Online	CA-NA	CA-ROW	Total
ATG Aircraft Online	898	-	898
ATG-4 Aircraft Online	1,719	-	1,719
Ku Aircraft Online	-	259	259
2Ku Aircraft Online	59	8	67
<b>Total Aircraft Online</b>	<b>2,676</b>	<b>267</b>	<b>2,943</b>

2Ku Aircraft Installed & Awarded But Not Yet Installed <sup>1</sup>	CA-NA	CA-ROW	Total
2Ku Aircraft Installed	81	13	94
2Ku Awarded but not yet installed, aircraft conversions	790	-	790
2Ku Awarded but not yet installed, new aircraft	60	560	620
<b>Total 2Ku Aircraft Installed and Awarded But Not Yet Installed</b>	<b>931</b>	<b>573</b>	<b>1,500+</b>

(1) All figures are as of 12/31/2016. Awarded but not yet installed figures are approximate and differences may exist due to rounding.

Note: Pursuant to the Letter Agreement dated May 27, 2016, approximately 550 Gogo-installed mainline aircraft that are currently under contract with Gogo pursuant to the Existing Agreements are subject to deinstallation at any time at American's option. While we cannot predict with any certainty when and with respect to which aircraft American will exercise such option, we currently expect that the option will be exercised by American with respect to a significant portion, or potentially all, of such approximately 550 aircraft from time to time over the next several years.

# ADJUSTED EBITDA RECONCILIATION (\$MM)



	2011	2012	2013	2014	2015	2016
Net Income	(18)	(96)	(146)	(85)	(108)	(125)
Interest Income	(0)	(0)	(0)	(0)	(0)	(2)
Interest Expense	1	9	29	33	59	84
Income Tax Provision	1	1	1	1	1	1
Depreciation & Amortization	33	37	56	64	87	106
EBITDA	16	(49)	(60)	14	39	64
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
Amortization of Deferred Airborne Lease Incentives	(1)	(4)	(8)	(13)	(20)	(30)
Loss on Extinguishment of Debt	–	–	–	–	–	15
Adjustment of deferred financing costs	–	5	–	–	2	(1)
Adjusted EBITDA	(1)	9	8	11	37	67