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(Address of principal executive offices and telephone number)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares outstanding of the registrant’s common stock, \$0.0001 par value, as of October 26, 2018 was 59,650,229.

VIASAT, INC.

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## PART I — FINANCIAL INFORMATION

## Item 1. Financial Statements (Unaudited)

VIASAT, INC.

## CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

	As of	As of
	September 30,	March 31,
	2018	2018
	(In thousands)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$44,458	\$71,446
Restricted cash	7,169	—
Accounts receivable, net	268,803	267,665
Inventories	232,078	196,307
Prepaid expenses and other current assets	233,258	77,135
Total current assets	785,766	612,553
Satellites, net	1,124,074	1,239,987
Property and equipment, net	826,299	722,488
Other acquired intangible assets, net	26,072	31,862
Goodwill	122,676	121,085
Other assets	744,740	686,134
Total assets	\$3,629,627	\$3,414,109
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$165,317	\$157,481
Accrued liabilities	250,407	263,676
Current portion of long-term debt	47,702	45,300
Total current liabilities	463,426	466,457
Senior notes	691,497	690,886
Other long-term debt	460,101	287,519
Other liabilities	130,266	121,240
Total liabilities	1,745,290	1,566,102
Commitments and contingencies (Note 8)		
Equity:		
Viasat, Inc. stockholders' equity		
Common stock	6	6
Paid-in capital	1,614,224	1,535,635
Retained earnings	252,107	285,960

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Accumulated other comprehensive income	8,376	15,565
Total Viasat, Inc. stockholders' equity	1,874,713	1,837,166
Noncontrolling interest in subsidiaries	9,624	10,841
Total equity	1,884,337	1,848,007
Total liabilities and equity	\$3,629,627	\$3,414,109

See accompanying notes to the condensed consolidated financial statements.

VIASAT, INC.

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

## AND COMPREHENSIVE INCOME (LOSS)

(UNAUDITED)

	Three Months Ended		Six Months Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
	(In thousands, except per share data)			
<b>Revenues:</b>				
Product revenues	\$280,435	\$ 181,783	\$498,564	\$ 347,901
Service revenues	237,039	211,291	457,779	425,217
Total revenues	517,474	393,074	956,343	773,118
<b>Operating expenses:</b>				
Cost of product revenues	216,900	133,850	390,348	256,495
Cost of service revenues	175,230	135,412	346,662	273,263
Selling, general and administrative	113,120	90,084	225,762	179,257
Independent research and development	31,360	46,268	64,733	91,333
Amortization of acquired intangible assets	2,435	3,320	4,888	6,580
Loss from operations	(21,571 )	(15,860 )	(76,050 )	(33,810 )
<b>Other income (expense):</b>				
Interest income	29	177	65	270
Interest expense	(14,074 )	(197 )	(25,398 )	(253 )
Loss on extinguishment of debt	—	(10,217 )	—	(10,217 )
Loss before income taxes	(35,616 )	(26,097 )	(101,383 )	(44,010 )
Benefit from income taxes	9,704	11,464	38,909	20,644
Equity in income of unconsolidated affiliate, net	314	741	1,379	228
Net loss	(25,598 )	(13,892 )	(61,095 )	(23,138 )
Less: net income (loss) attributable to noncontrolling interests, net of tax	126	(203 )	(1,361 )	(410 )
Net loss attributable to Viasat, Inc.	\$(25,724 )	\$(13,689 )	\$(59,734 )	\$(22,728 )
Basic net loss per share attributable to Viasat, Inc. common stockholders	\$(0.43 )	\$(0.24 )	\$(1.00 )	\$(0.39 )
Diluted net loss per share attributable to Viasat, Inc. common stockholders	\$(0.43 )	\$(0.24 )	\$(1.00 )	\$(0.39 )
Shares used in computing basic net loss per share	59,734	58,229	59,470	58,039
Shares used in computing diluted net loss per share	59,734	58,229	59,470	58,039
<b>Comprehensive income (loss):</b>				
Net loss	\$(25,598 )	\$(13,892 )	\$(61,095 )	\$(23,138 )
<b>Other comprehensive income (loss), net of tax:</b>				
Unrealized gain (loss) on hedging, net of tax	38	17	(288 )	109
Foreign currency translation adjustments, net of tax	(7,104 )	6,321	(6,901 )	9,846
Other comprehensive (loss) income, net of tax	(7,066 )	6,338	(7,189 )	9,955
Comprehensive loss	(32,664 )	(7,554 )	(68,284 )	(13,183 )

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Less: comprehensive income (loss) attributable to noncontrolling interests, net of tax	126	(203	)	(1,361	)	(410	)	
Comprehensive loss attributable to Viasat, Inc.	\$(32,790	)	\$(7,351	)	\$(66,923	)	\$(12,773	)

See accompanying notes to the condensed consolidated financial statements.

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VIASAT, INC.

## CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

	Six Months Ended	
	September 30,	September 30,
	2018	2017
	(In thousands)	
<b>Cash flows from operating activities:</b>		
Net loss	\$(61,095 )	\$ (23,138 )
<b>Adjustments to reconcile net loss to net cash provided by operating activities:</b>		
Depreciation	128,990	101,659
Amortization of intangible assets	28,281	23,150
Deferred income taxes	(40,528 )	(21,313 )
Stock-based compensation expense	38,503	31,490
Loss on disposition of fixed assets	26,025	17,853
Loss on extinguishment of debt	—	10,217
Other non-cash adjustments	7,775	4,253
<b>Increase (decrease) in cash resulting from changes in operating assets and liabilities:</b>		
Accounts receivable	(10,595 )	7,657
Inventories	(34,173 )	(12,455 )
Other assets	(9,771 )	(18,277 )
Accounts payable	19,908	(7,744 )
Accrued liabilities	10,396	5,984
Other liabilities	7,576	66,490
Net cash provided by operating activities	111,292	185,826
<b>Cash flows from investing activities:</b>		
Purchase of property, equipment and satellites	(333,466)	(206,627 )
Cash paid for patents, licenses and other assets	(21,692 )	(36,969 )
Proceeds from insurance claims on ViaSat-2 satellite	44,394	—
Proceeds from sale of real property	14,034	—
Other investing activities	(2,339 )	—
Net cash used in investing activities	(299,069)	(243,596 )
<b>Cash flows from financing activities:</b>		
Proceeds from revolving credit facility borrowings	355,000	—
Payments of revolving credit facility borrowings	(130,000)	—
Payments of Ex-Im credit facility borrowings	(56,386 )	—
Proceeds from Ex-Im credit facility borrowings, net of discount	—	52,503
Proceeds from issuance of 2025 Notes	—	700,000
Repayment of 2020 Notes	—	(575,000 )
Payment of debt extinguishment costs	—	(10,602 )
Payment of debt issuance costs	—	(8,735 )
Proceeds from issuance of common stock under equity plans	11,087	14,871
Purchase of common stock in treasury (immediately retired) related to tax	(6,551 )	(2,483 )



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withholdings for share-based awards		
Other financing activities	(3,886 )	(757 )
Net cash provided by financing activities	169,264	169,797
Effect of exchange rate changes on cash	(1,306 )	583
Net (decrease) increase in cash and cash equivalents and restricted cash	(19,819 )	112,610
Cash and cash equivalents and restricted cash at beginning of period	71,446	130,098
Cash and cash equivalents and restricted cash at end of period	\$51,627	\$ 242,708
Non-cash investing and financing activities:		
Issuance of common stock in satisfaction of certain accrued employee		
compensation liabilities	\$32,129	\$ 16,409
Capital expenditures not paid for	\$6,724	\$ 13,003
Exposure fees on Ex-Im credit facility financed through Ex-Im credit facility	\$—	\$ 5,764

See accompanying notes to the condensed consolidated financial statements.

VIASAT, INC.

## CONDENSED CONSOLIDATED STATEMENT OF EQUITY

(UNAUDITED)

	Viasat, Inc. Stockholders Common Stock			Accumulated			
	Number of Shares Issued (In thousands, except share data)	Paid-in Amount Capital	Retained Earnings	Other	Noncontrolling		Total
				Comprehensive Income (Loss)	Interest in		
						Subsidiaries	
Balance at March 31, 2018	58,905,274	\$ 6	\$1,535,635	\$285,960	\$ 15,565	\$ 10,841	\$1,848,007
Exercise of stock options	101,000	—	3,703	—	—	—	3,703
Issuance of stock under Employee Stock Purchase Plan	132,180	—	7,384	—	—	—	7,384
Stock-based compensation	—	—	43,945	—	—	—	43,945
Shares and fully-vested RSUs issued in settlement of  certain accrued employee compensation liabilities, net  of shares withheld for taxes which have been retired	438,433	—	27,701				