Company Overview
Gilat facts at a Glance…

Company: Leading global provider of satellite communications equipment and Sat-Com solutions on the move (SOTM):
  • Commercial and civilian government SATCOM
  • Defense and Homeland Security SATCOM

Growth Strategy: Strengthening the positions and solutions in Ka-band
  Ka-band broadband services
  SOTM for civilian and military markets

Employees: ~1400 employees worldwide

Financials:
  2011 Revenue: $339.2M (45% growth YoY)
  2011 EBITDA: $33.5M (236% growth YoY)

Management Objectives:
  2012 Revenue: $340 - $350 million
  2012 EBITDA: 10%
Business Lines

Commercial VSAT Technology

Defense and Homeland Security Satellite Technology

Satellite services – USA, Peru & Columbia
5 R&D centers;
22 offices (including Russia & Kazakhstan)
90 countries
430 networks
More than 1,000,000 VSAT have been shipped
Leader on SATCOM market

- Leading positions in the world:
  - #1 in Rural Telephony
  - #1 in Low Profile Antennas SOTM
  - #1 in high power Ka SSPAs

International Markets VSAT Shipments

Source: Comsys 2009 VSAT report and company estimates
Evolution of VSAT Technology
Accessibility of Satellite Capacity

Source: Comsys 2011
Evolution in SATCOM

- Satellite operators
  - Lack of the existing capacity
  - Investments in the future
- Interference in Ku-band (Ext Ku extended)
  - High density on orbit
- National Interests
  - In order to keep the orbital position
- The driving force of growth in the satellite industry
  - Next stage of evolution– Ka-band

Ka-band capacity will be more than the entire capacity of the existing C and Ku
«Food» Chain of Satellite Business
Before Ka-band

- Owns and operates SC
- Sells capacity in MHz
- Sells equipment

- Buys capacity in MHz
- Buys equipment
- Sells services – MBit/s
«Food» Chain of Satellite Business
Ka-band (Producer)

- Owns and operates SC
- Sells equipment

- Sells services – MBit/s
- Sells services to people
«Food» Chain of Satellite Business

Ka-band (Service Provider)

- Owns and operates SC
- Sells equipment

- Sells services – MBit/s
- Sells services to people
«Food» Chain of Satellite Business
Ka-band

- Owns and operates SC
- Sells equipment
- Sells services – MBit/s
- Sells services to people
Astra2Connect - Example

- HUB delivery – this is only the first phase!

- Need to sell a complete solution to internet service providers – next phase.

- Adaptation and integration with existing solutions
Projects in Ka-band (examples)

- **Europe – SES / Astra2Connect**
  - The largest service in Europe
  - 3 satellites, up to 120,000 users
  - VSAT self-installation kit
  - High-performance NMS
  - Integration with OSS\BSS systems
  - *Systems integration and adaptation*

- **Australia - Optus / NBN Co – Government program by construction of National broadband satellite network**
  - 11 beams, Ka/Ku up to 48,000 users
  - 11 HUBs, 20,000 VSATs within 3 years
  - Integration and operation by network
Projects in Ka-band (examples)

- **O3B – Middle orbital satellites/ Ka-band**
  - Gilat provides HUB and satellite terminals Tier-2 with support up to 25 Mbit/s
  - “Turn-key” solution and system integration

- **Russia- RTComm.RU**
  - Government project by providing of the high-speed access to information networks
  - 4 Satellites, up to 2 million users
  - First stage on RSCC satellites
    - 20 Ka beams
    - 2 satellites
  - Second stage on own satellites
    - 64 Ka beams
    - 2 satellites
• Capacity emergence in Ka-band will certainly have a huge impact on the entire industry:

  ● **More available capacity**
    Ka-band capacity will be more than the entire capacity of the C- and Ku- bands

  ● **More satellite terminals**
    - Number of issued terminals will be more than ever

  ● **Price reduction**
    - Ka-band capacity cost will be much lower than in C- or Ku- bands
    - Terminal equipment cost will reduce significantly
Practical Application

- Ka-band
- Ku-band
- C-band

International communication

Corporate and state projects

Internet access
Ka – it’s not just another frequency band...

- Flexibility in providing services

**Subscriber access**
- Access speed; 5-20Mbit/s (10-40kbit/s)
- A large excess of resource utilization
- Technology: DVB-S2/TDMA

**Internet provider**
- Access speed; 10-100Mbit/s (about 1-50Mbit/s)
- Guaranteed quality – low utilization rates
- Technology: DBV-S2/SCPC

**Flexibility of service providing system**
Gilat Advantages

● Focus on Technology and System Integration
  → Will not be a satellite operator or service provider

● Solutions for Consumer, Enterprise, ISP and Governments
  → More than just consumer

● Leading Ka-Band Solutions
  ● Advanced Ka-band technology
  ● Local presence and partnerships
  ● Flexibility and customization
Summary

25 years experience in the support of 500 customers – telecommunications providers

A leading supplier of antenna solutions for the SOTM and Ka BUC for military solutions

Ka-band VSAT satellite system of Custom, Corporate, Government sectors

More than 1M VSAT terminals have been shipped for more than 400 networks

Best Performance – high throughput OB, high-speed IB

• Reliability
• Technological leadership
• Flexibility

More than 20 support offices and sales worldwide for more than 400 networks in 90 countries
Thank You