WILDBLUE COMMUNICATIONS

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David M. Brown

WildBlue Communications

WildBlue is a *"Broadband Internet via Satellite"* service provider with more than 275,000 customers in the 48 contiguous United States.

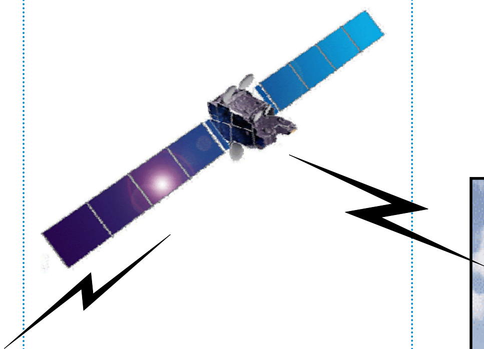
- **Headquartered in Denver, Colorado**
  - Privately held corporation
  - Entered commercial service June 2005
  - Growing rapidly – more than 20,000 new customers a month
- **U.S. national infrastructure with**
  - 2 Ka-band spot beam satellites
  - 11 Gateway Earth Stations
  - Network Operations Center
  - Business Systems Data Center
  - Customer Call Center

WildBlue Network Architecture

Subscriber Terminal

Small low cost subscriber terminal

Satellite Connectivity

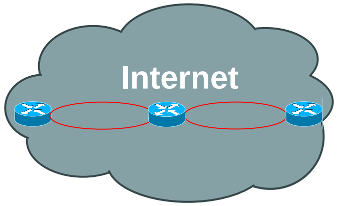


High power, bent-pipe spot beam satellites

Gateway Earth Stations

Unmanned remotely operated Gateway Earth Stations

Fiber Connectivity



Leased connectivity
3rd party email,
web hosting, portal

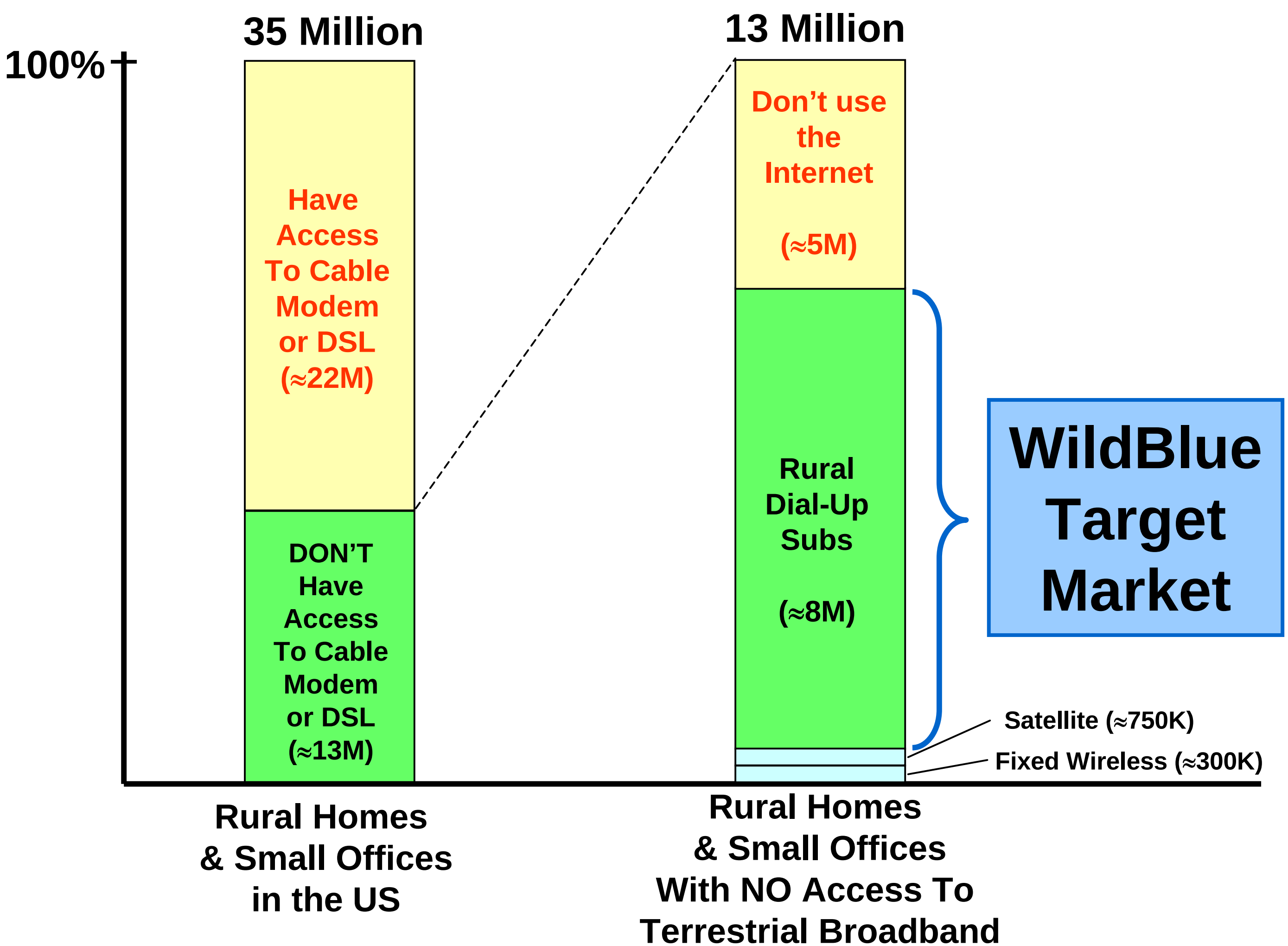
Operations & Business

Network operations
Business systems
Denver, Colorado

Residential Service Offerings

Service Offering	***Value Pak***	***Select Pak***	***Pro Pak***
Speeds ("up to")			
Downstream	**512 kbps**	**1.0 Mbps**	**1.5 Mbps**
Upstream	**128 kbps**	**200 kbps**	**256 kbps**
Consumption Limits			
Downstream / 30 days	**7.5 GB**	**12 GB**	**17 GB**
Upstream / 30 days	**2.3 GB**	**3 GB**	**5 GB**
ISP Services			
Email Accounts	**5 × 100 MB**	**5 × 100 MB**	**10 × 100 MB**
Web Hosting	**10 MB**	**10 MB**	**20 MB**
Free Dial-up	–	–	**10 hrs/month**
Upfront Price			
Equipment	**$199 - 299**	**$199 - 299**	**$199 - 299**
Installation	**$ 0 - 179**	**$ 0 - 179**	**$ 0 - 179**
Total	**$199 - 478**	**$199 - 478**	**$199 - 478**
Monthly Service	**$49.95 – 54.95**	**$69.95**	**$79.95**

WildBlue's Target Market



Source: WildBlue Market Research, 2006

Key Drivers of Satellite Broadband Market

Social Trends

- Urban & second home movement to rural areas for "lifestyle"
- Long-term reduction in rural jobs
- Telecommuting

Product Trends

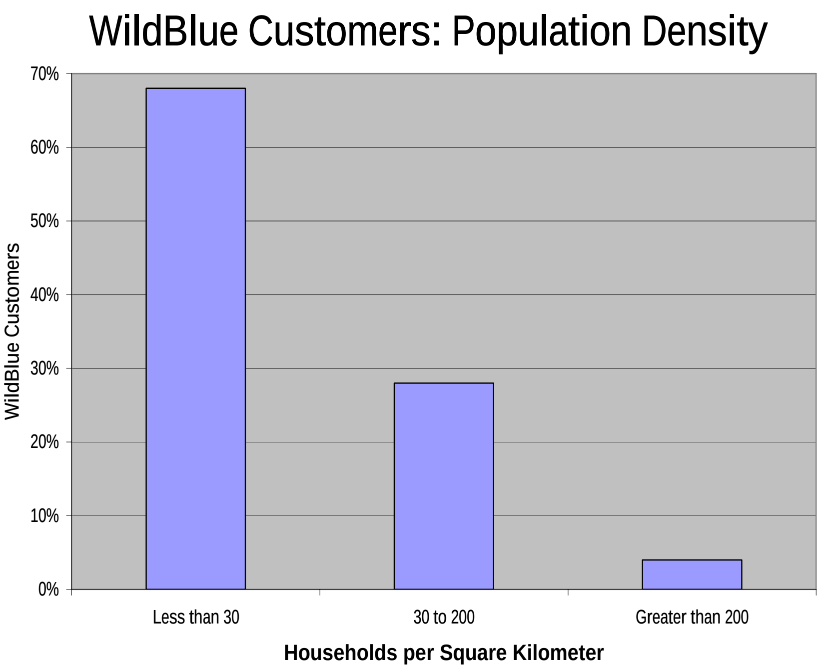
- Decline in upfront price
- Demand for speed & capacity (usage)

Competitive Trends

- Growth of DSL/CM (assumed very low)
  - **LECs: "we will not serve 20% of our customers with DSL"**
- Growth of fixed wireless
- Expansion of nascent technologies (BPL, 3 or 4G, etc.)

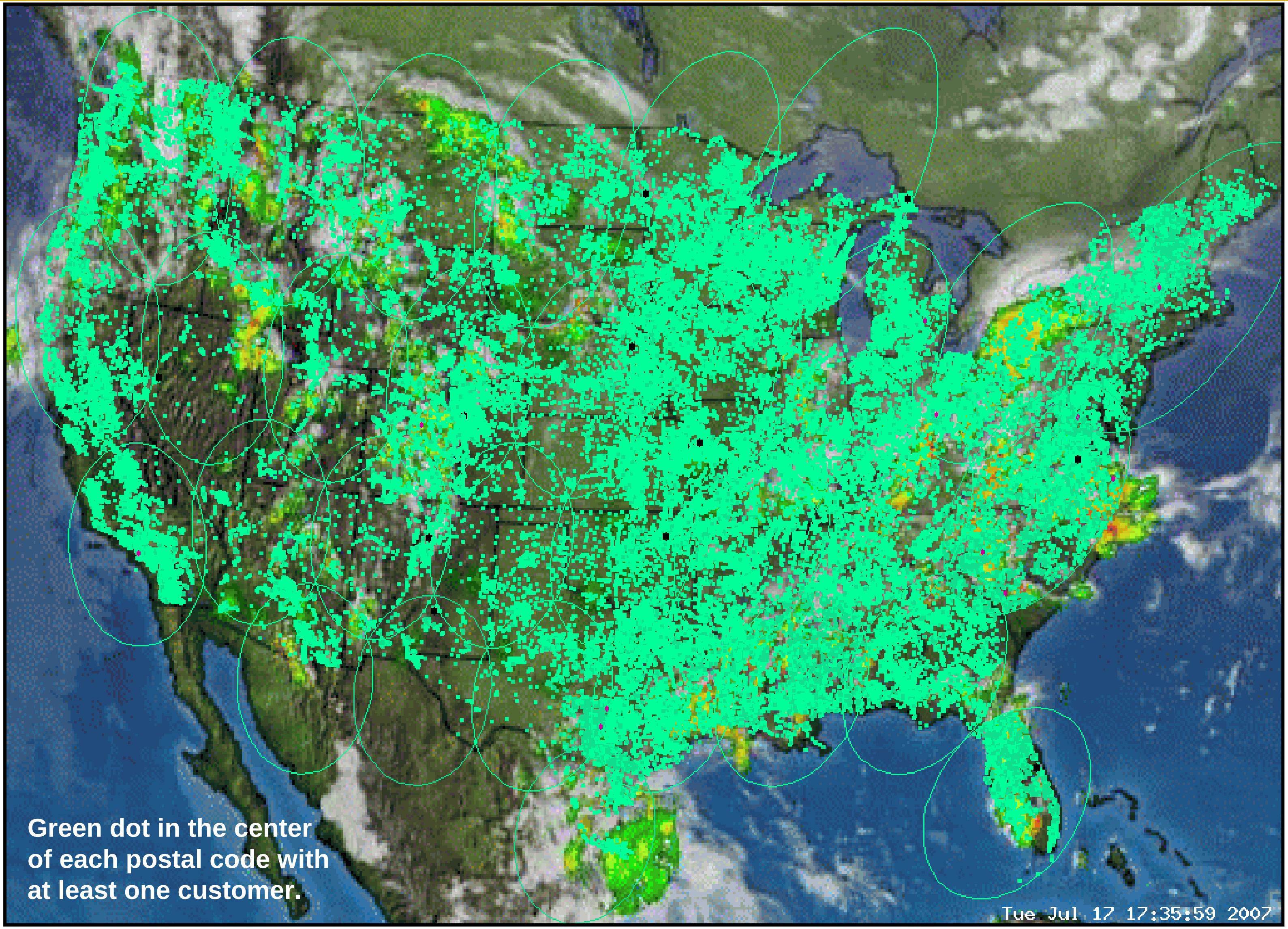
Customer Demographics

WildBlue Targets the Most Rural Markets



Nearly 70% of WildBlue customers are in areas with <30 homes/Km^2.

Relative Customer Density



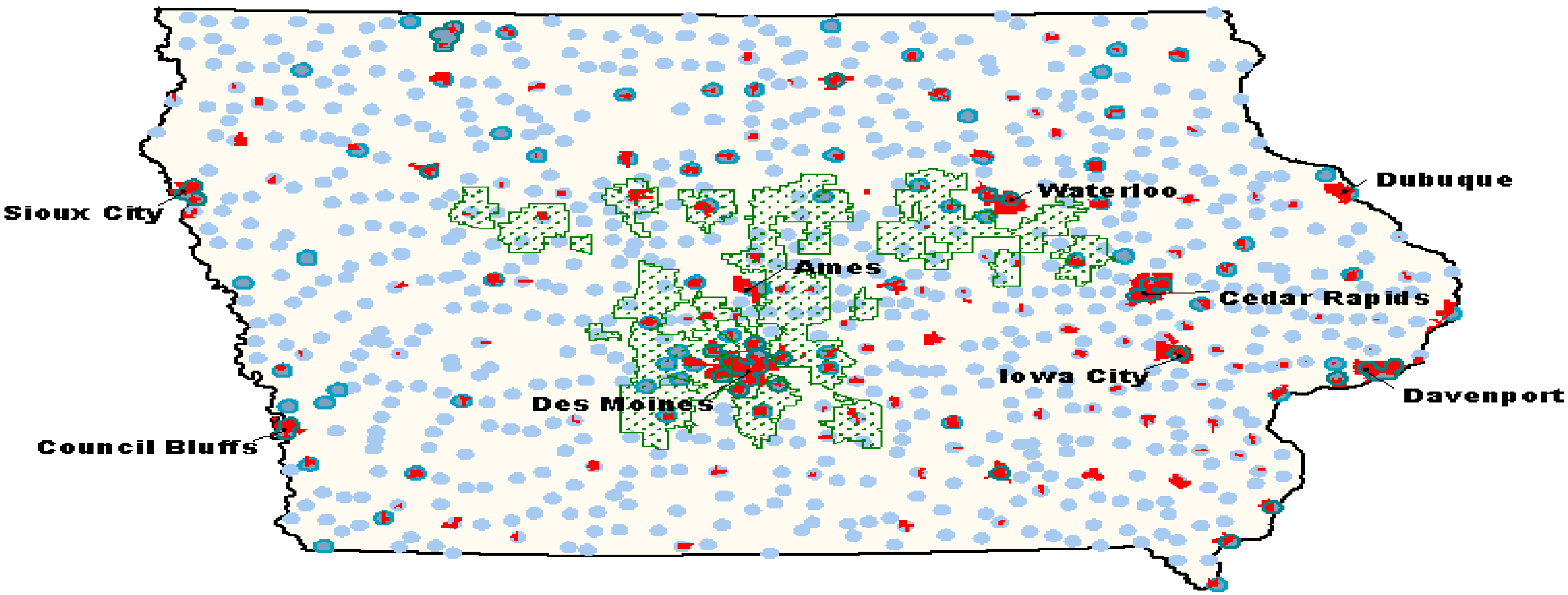
Example 1: Broadband In Iowa

= DSL available from RBOC

= DSL available from Indpendent Telco

= Cable Modem service available

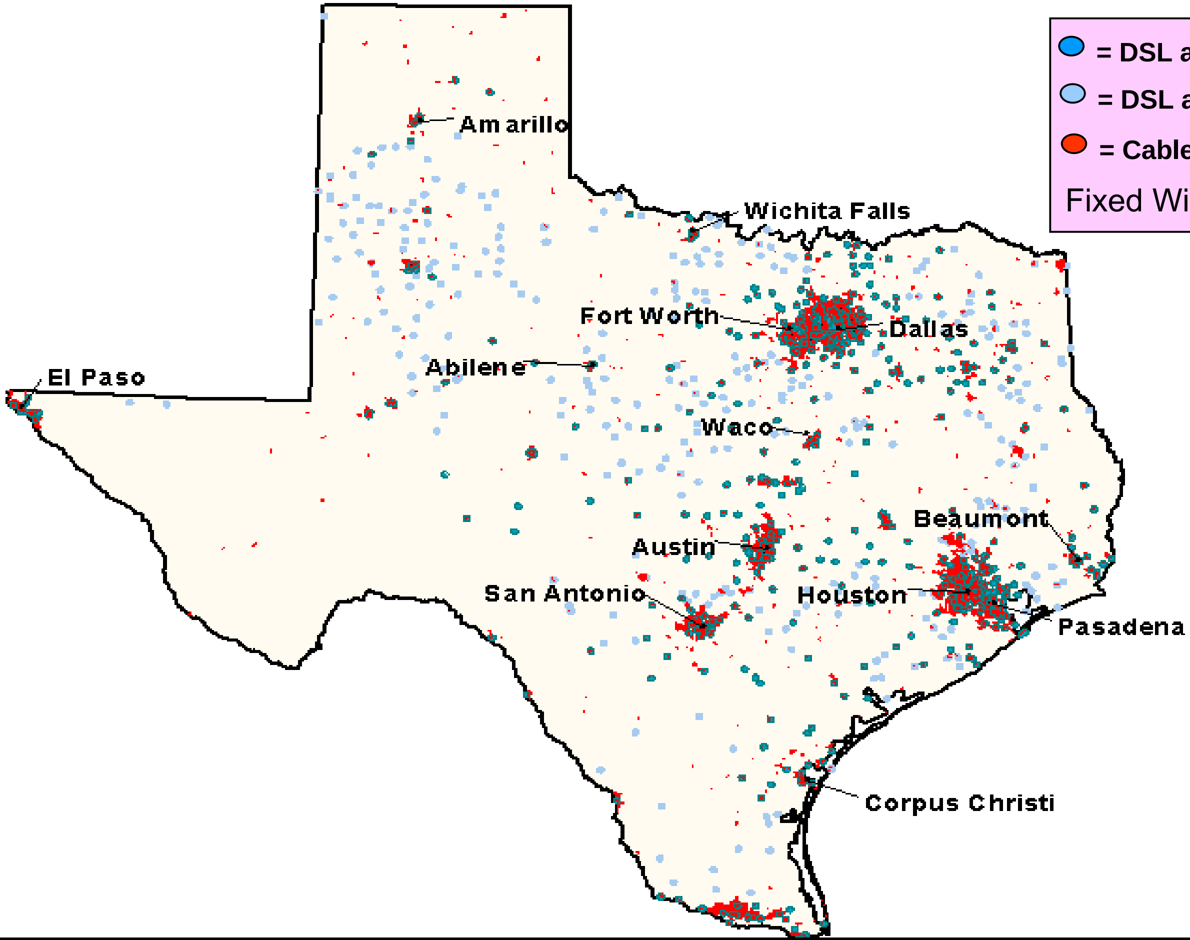
= Fixed Wireless service available (Prairie-Inet)



	Homes by Block Group Household Density (homes per sq.mi.)					% of total				
	<50	50 to 99	100 to 250	Over 250	total	<50	50 to 99	100 to 250	Over 250	total
No Terr. Broadband	211,856	24,078	1,797	2,463	240,194	59%	28%	1%	0%	20%
Terr. Broadband	144,410	63,299	173,469	585,280	966,458	41%	72%	99%	100%	80%
Total	356,266	87,377	175,266	587,743	1,206,652	100%	100%	100%	100%	100%

Source: Pinkham Group (4/06); WildBlue extrapolation; Prairie I-net

Example 2: Broadband In Texas



= DSL available from RBOC

= DSL available from Indpendent Telco

= Cable Modem service available

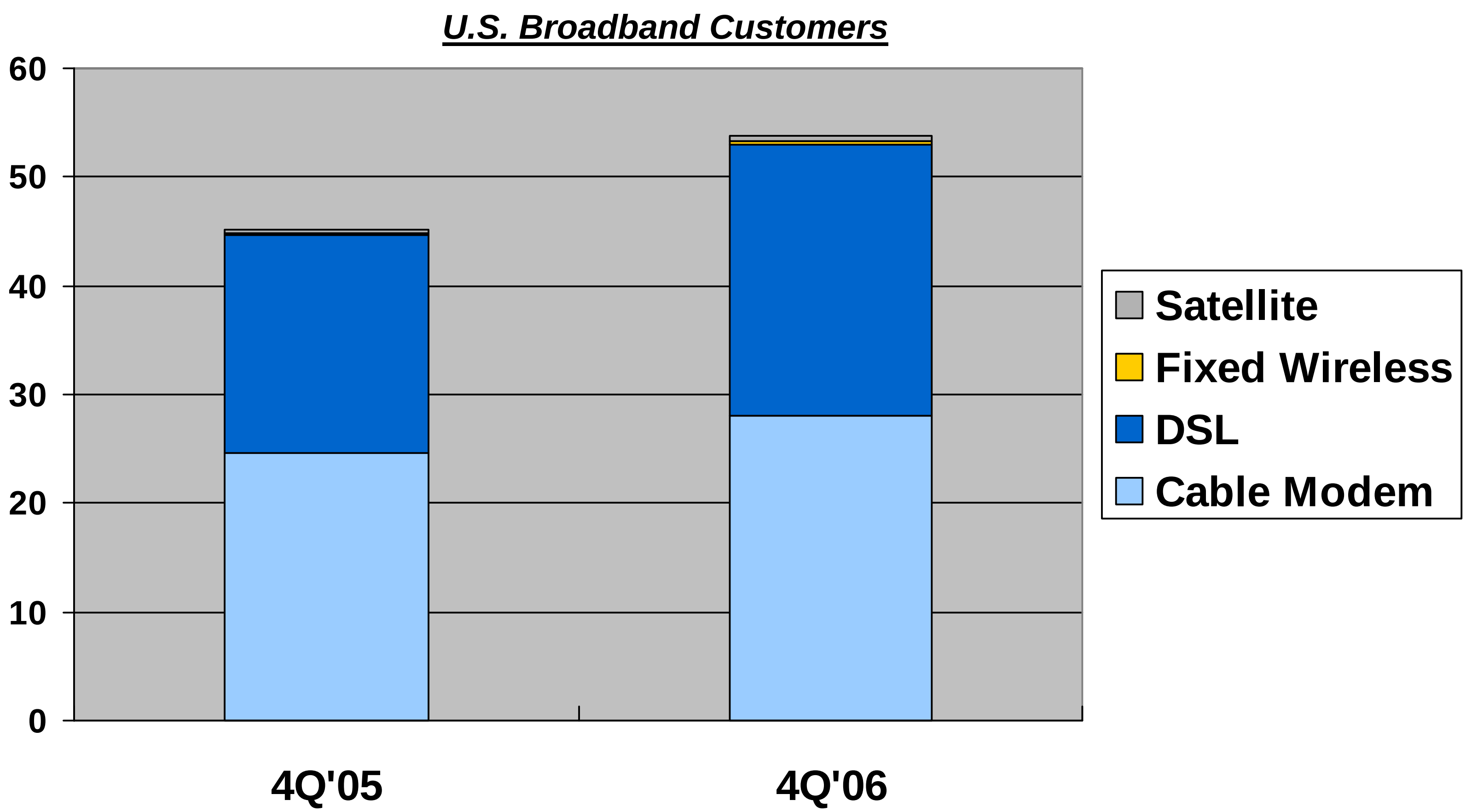
Fixed Wireless data not available

	Homes by Block Group Household Density (homes per sq.mi.)					% of total				
	<50	50 to 99	100 to 250	Over 250	total	<50	50 to 99	100 to 250	Over 250	total
No Terr. Broadband	1,062,050	191,222	1,361	-	1,254,633	91%	52%	0%	0%	15%
Terr. Broadband	103,707	175,331	657,868	5,944,732	6,881,638	9%	48%	100%	100%	85%
Total	1,165,757	366,553	659,229	5,944,732	8,136,271	100%	100%	100%	100%	100%

Distribution Partners

- **Retail Distribution**
  - Approximately 1500 dealers
- **Wholesale Distribution**
  - AT&T
  - DIRECTV
  - EchoStar/DISH
  - National Rural Telecommunications Cooperative (NRTC)
- **Enterprise Distribution**
  - Approximately 50 Value-Added Resellers

Broadband Market (by Technology)



Source: Jupiter; ignores BPL subs

Technology Comparison

	2005 EOY Subscribers	Growth 2005-09 (CAGR)	Pro	Con
Cable Modem/DSL	44.6 million	10%	• Speed • Price • Local Presence • Bundled offering	• Not ubiquitous
Fixed Wireless	0.2 million	32%	• Price • Local Presence	• Not ubiquitous • Mostly unlicensed spectrum (except Sprint/Clearwire) • Must choose where to build
Satellite	0.3 million	42%	• Ubiquity	• CPE Cost • Unproven VoIP offering • Time to market for new capacity
Broadband Over Power Line (BPL)	<0.1 million	n/a	• Price • Local Presence • Some existing infrastructure	• Cost • Not ubiquitous • Must choose where to build

Keys to Success

- ► Internet access architecture
- ► Affordable bandwidth, bent-pipe spot beam satellites
- ► DOCSIS standards
- ► Low-cost CPE
- ► Small outdoor unit, easy to install and attractive in a residential environment
- ► Strong distribution relationships
- ► Excellent technology and manufacturing partners

ANDREW arianespace BOEING SPACE SYSTEMS LORAL

Telesat RAVEN ViaSat

WildBlue Vision for Future Technology

- ► **Higher capacity satellites**
  - Incredibly high capacities are possible, allowing millions of customers per satellite
- ► **Improved latency mitigation**
  - Better proxy, protocol translation and compression
- ► **Decreased cost of providing the service**
  - Smaller spot beams, advanced network design allowing lower power terminals at higher data rates
- ► **Higher customer expectations for satellite Internet service will be the challenge**
  - Snappy web surfing
  - Faster speeds
  - “Unlimited” consumption
  - No outages
- ► **Next generation WildBlue technology and business processes incorporating lessons learned**

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