

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 31, 2011

GLOBALSTAR, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or Other Jurisdiction of Incorporation)

001-33117  
(Commission  
File Number)

41-2116508  
(IRS Employer  
Identification No.)

300 Holiday Square Blvd. Covington, LA  
(Address of Principal Executive Offices)

70433  
(Zip Code)

Registrant's telephone number, including area code: (985) 335-1500

N/A

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.02 Results of Operations and Financial Condition.**

On March 31, 2011, Globalstar, Inc. issued a press release to report 2010 fourth quarter and full year financial results. The text of the press release and the presentation materials are furnished as Exhibit 99.1 to this Form 8-K.

**Item 7.01 Regulation FD Disclosure.**

During Globalstar's previously announced conference call at 4:30 p.m. Eastern time on March 31, 2011, written presentation materials will be used and will be available on the company's website. The text of the presentation materials is furnished as Exhibit 99.2 to this Form 8-K.

The information in this Current Report on Form 8-K and the Exhibits attached hereto is furnished pursuant to the rules and regulations of the Securities and Exchange Commission and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

**Item 9.01 Financial Statements and Exhibits.**

*(d) Exhibits.*

99.1	Press release dated March 31, 2011
99.2	Presentation materials dated March 31, 2011

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GLOBALSTAR, INC.

/s/ Dirk J. Wild  
Dirk J. Wild  
Senior Vice President and  
Chief Financial Officer

Date: March 31, 2011

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## NEWS

For immediate Release

### GLOBALSTAR ANNOUNCES FULL YEAR RESULTS FOR 2010

#### **Key Annual Highlights;**

- *Globalstar began deployment of its new second-generation constellation by launching six new satellites in October*
- *SPOT consumer product revenue increased by 47 percent and Simplex data commercial revenue increased by 129 percent, driving total revenue to approximately \$68 million*
- *Globalstar further established its innovative retail consumer market leadership position by introducing new and enhanced SPOT consumer products and services*
- *Globalstar reduced cost of services and marketing, general and administrative expenses with cost saving initiatives and relocation of its corporate office to Louisiana*

**Covington, LA. -- (March 31, 2011)** – Globalstar, Inc. (NASDAQ:GSAT), a leading provider of mobile satellite voice and data services to businesses, governments and consumers, today announced its operational and financial results for the three-month and twelve-month periods ended December 31, 2010.

#### **Major Company Highlights;**

- On October 19, 2010 Globalstar successfully launched the first six new second-generation satellites from the Baikonur Cosmodrome in Kazakhstan using the Soyuz launch vehicle. The launch initiates deployment of the Company's second-generation constellation. A total of 24 new second-generation satellites will be launched and integrated with the eight first-generation satellites that were launched in 2007 to form a 32-satellite constellation.
  - The launch of the second-generation constellation paves the way for the Company's return to offering high quality, high revenue generating mobile satellite voice and duplex data services. The six new satellites will provide service availability and reliability improvements benefiting those customers who use the Company's voice and duplex data services. With each subsequent launch, these customers can expect a progressive improvement in reliability and performance.
  - Due to the continued success of Globalstar's SPOT Satellite GPS Messenger™, revenues generated by SPOT and related consumer products and services for the year ended December 31, 2010 were \$23.7 million compared with \$16.1 million for 2009, an increase of over 47 percent. Revenues generated by Globalstar's Simplex data commercial products and services for the year ended December 31, 2010 were \$10.2 million compared with \$4.4 million for 2009, an increase of more than 129 percent.
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- Globalstar reduced its general and administrative expenses to \$41.8 million for the year ended December 31, 2010 compared with \$49.2 million for 2009. This decrease of over 15 percent was due primarily to initiation of a number of cost saving initiatives within the Company including a decrease in employee stock-based compensation, plus the relocation of its corporate headquarters to Covington, LA. Globalstar also accepted a package of economic incentives from the State of Louisiana.
- Globalstar completed 2010 with a total of 439,253 mobile satellite voice and data subscribers. This increase was due primarily to the continued success of the SPOT consumer products noted above. Since the introduction of the SPOT Satellite GPS Messenger product in November 2007, Globalstar has received orders to ship approximately 280,000 SPOT retail devices to over 10,000 SPOT Satellite GPS Messenger points of distribution in North America, Europe, Latin America, Australia, and Southeast Asia.
- In July the Federal Communications Commission (FCC) announced it was taking steps, “to make additional spectrum available for new investment in mobile broadband networks by promoting flexible use and removing barriers, while ensuring robust mobile satellite capabilities.” In its Notice of Proposed Rulemaking and Notice of Inquiry the FCC also stated, “three frequency bands that are allocated to the MSS are capable of supporting broadband service,” including the “Big LEO Band from 1610-1626.5 MHz and 2483.5-2500 MHz.” Globalstar provides services using Big LEO Band global MSS spectrum and expects to take advantage of any such additional flexibility.

Total Revenue, Adjusted EBITDA Loss and Net Loss for the year 2010 were \$67.9 million, \$8.5 million and \$97.5 million compared to \$64.3 million, \$12.6 million and \$74.9 million for 2009, respectively. The increase in revenue was principally driven by increased year over year SPOT and Simplex revenue. The improvement in Adjusted EBITDA was due to the increased revenue and a reduction in cost of services and marketing, general and administrative expenses. The increased net loss was primarily due to non-cash charges in 2010 for the reduction in the value of equipment (\$10.9 million) a reduction in the value of assets (\$3.2 million) and derivative losses (\$30.0 million). Globalstar’s consolidated statements of operations and other financial and operating information, for the year ended December 31, 2010, appear later in this press release.

**Post 2010 Highlights:**

- In January 2011, Globalstar’s SPOT LLC earned the Innovations Design and Engineering Award from the Consumer Electronics Association after unveiling the all-new SPOT Connect™ satellite communicator for smartphones at this year’s Consumer Electronics Show in Las Vegas. SPOT Connect provides one-way messaging connectivity using the Globalstar satellite network for sending GPS location-based messages from cities or areas far beyond the range of cellular phone coverage. By simply downloading the SPOT Connect app, SPOT Connect wirelessly synchs via Bluetooth with smartphone operating systems like Android and Apple’s iPhone. SPOT Satellite GPS Messenger features are then initiated using the SPOT Connect app on the smartphone device.
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- In February of 2011, Globalstar announced it expects to conduct the next launch of six new second-generation satellites in May 2011 plus two additional launches of six satellites per launch within 60-90 days following the previous launch.
- In March of 2011 Globalstar announced that the International Bureau of the Federal Communications Commission (FCC) had granted Globalstar conditional authority to operate its second-generation satellites within the United States. This authority will become effective once Globalstar completes registering the first six new second-generation constellation with France.

“After nearly five years of intense effort, it was with great enthusiasm and excitement that we began initiating the deployment of our new constellation,” said Jay Monroe, Executive Chairman. “We expect to build momentum throughout the year by launching our satellites and rolling out our new SPOT Connect and other additional products, with the ultimate goal of becoming the world’s premier provider of high quality, reliable mobile satellite voice and data services to commercial, government and retail consumers.”

Chief Executive Officer Peter Dalton added, “Throughout the year, we continued to grow our revenue and our retail customer base while decreasing our operating costs through a number of cost containment initiatives. All of this was done while we continued to solidify our enviable and unique position as the only provider of high value affordable mobile satellite retail consumer devices. As we continue to launch our second-generation satellites it is our on-going strategy to further develop Globalstar’s lineup of innovative solutions that will further expand the global marketplace for mobile satellite products and services.”

#### **Conference Call Note**

The earnings conference call scheduled for today, March 31, 2011 at 4:30 p.m. Eastern Time, will discuss the full year results for 2010.

Details are as follows:

<i>Earnings Call:</i>	Dial: <b>888.396.2298</b> (US and Canada), <b>617.847.8708</b> (International) and participant pass code <b>#41577879</b>
<i>Audio Replay:</i>	A replay of the earnings call will be available for a limited time and can be heard after 8:00 p.m. ET on March 31, 2011. Dial: <b>888.286.8010</b> (US and Canada), <b>617.801.6888</b> (International) and pass code <b>#27714946</b>

**About Globalstar, Inc.**

With over 425,000 subscribers, Globalstar is a leading provider of mobile satellite voice and data services. Globalstar offers these services to commercial customers and recreational consumers in more than 120 countries around the world. The Company's products include mobile and fixed satellite telephones, simplex and duplex satellite data modems, the SPOT Satellite GPS Messenger and flexible service packages. Many land based and maritime industries benefit from Globalstar with increased productivity from remote areas beyond cellular and landline service. Global customer segments include: oil and gas, government, mining, forestry, commercial fishing, utilities, military, transportation, heavy construction, emergency preparedness, and business continuity as well as individual recreational users. Globalstar data solutions are ideal for various asset and personal tracking, data monitoring and SCADA applications. Note that all SPOT products described in this press release are the products of Spot LLC, which is not affiliated in any manner with Spot Image of Toulouse, France or Spot Image Corporation of Chantilly, Virginia.

For more information regarding Globalstar, please visit Globalstar's web site at [www.globalstar.com](http://www.globalstar.com)

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For further **media** information:

**Globalstar, Inc.**

Dean Hirasawa

(408) 933-4006

[Dean.hirasawa@globalstar.com](mailto:Dean.hirasawa@globalstar.com)

**Safe Harbor Language for Globalstar Releases**

This press release contains certain statements such as, "We expect to build momentum throughout the year by launching our satellites and rolling out our new SPOT Connect product, with the ultimate goal of becoming the world's premier provider of high quality, reliable mobile satellite voice and data services to commercial, government and retail consumers," that are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Forward-looking statements, such as the statements regarding our ability to develop and expand our business, our anticipated capital spending (including for future satellite procurements and launches), our ability to manage costs, our ability to exploit and respond to technological innovation, the effects of laws and regulations (including tax laws and regulations) and legal and regulatory changes, the opportunities for strategic business combinations and the effects of consolidation in our industry on us and our competitors, our anticipated future revenues, our anticipated financial resources, our expectations about the future operational performance of our satellites (including their projected operational lives), the expected strength of and growth prospects for our existing customers and the markets that we serve, commercial acceptance of our new Simplex products, including our SPOT satellite GPS messenger™ products, problems relating to the ground-based facilities operated by us or by independent gateway operators, worldwide economic, geopolitical and business conditions and risks associated with doing business on a global basis and other statements contained in this release regarding matters that are not historical facts, involve predictions.

Any forward-looking statements made in this press release speak as of the date made and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and we undertake no obligation to update any such statements. Additional information on factors that could influence our financial results is included in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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GLOBALSTAR, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share data)

	Year Ended December 31,		
	2010	2009	2008
<b>Revenue:</b>			
Service revenue	\$ 50,937	\$ 50,228	\$ 61,794
Subscriber equipment sales	17,004	14,051	24,261
Total revenue	<u>67,941</u>	<u>64,279</u>	<u>86,055</u>
<b>Operating expenses:</b>			
Cost of services (exclusive of depreciation, amortization and accretion shown separately below)	31,172	36,204	37,132
<b>Cost of subscriber equipment sales:</b>			
Cost of subscriber equipment sales	13,182	9,881	17,921
Reduction in the value of equipment	10,862	913	405
Total cost of subscriber equipment sales	<u>24,044</u>	<u>10,794</u>	<u>18,326</u>
Marketing, general, and administrative	41,827	49,210	61,351
Reduction in the value of assets	3,249	—	—
Depreciation, amortization and accretion	27,418	21,862	26,956
Total operating expenses	<u>127,710</u>	<u>118,070</u>	<u>143,765</u>
Operating loss	<u>(59,769)</u>	<u>(53,791)</u>	<u>(57,710)</u>
<b>Other income (expense):</b>			
Gain on extinguishment of debt	—	—	41,411
Interest income	424	502	4,713
Interest expense	(5,021)	(6,730)	(5,733)
Derivative loss	(29,975)	(15,585)	(3,259)
Other	(2,730)	665	(4,497)
Total other income (expense)	<u>(37,302)</u>	<u>(21,148)</u>	<u>32,635</u>
Loss before income taxes	(97,071)	(74,939)	(25,075)
Income tax expense (benefit)	396	(16)	(2,283)
Net loss	<u>\$ (97,467)</u>	<u>\$ (74,923)</u>	<u>\$ (22,792)</u>
<b>Loss per common share:</b>			
Basic	\$ (0.34)	\$ (0.58)	\$ (0.27)
Diluted	(0.34)	(0.58)	(0.27)
<b>Weighted-average shares outstanding:</b>			
Basic	285,316	128,130	85,478
Diluted	285,316	128,130	85,478



## Definition of Terms and Reconciliation of Non-GAAP Financial Measures

We utilize certain financial measures that are widely used in the telecommunications industry and are not calculated based on GAAP. A reconciliation of these measures to GAAP and a discussion of certain other operating metrics used in the industry are presented below.

**GLOBALSTAR, INC.**  
**RECONCILIATION OF GAAP TO ADJUSTED**  
(Dollars in thousands, except ARPU)  
(Unaudited)

	Three months ended		Year ended	
	December 31, 2010	December 31, 2009	December 31, 2010	December 31, 2009
Net Loss	\$ (18,083)	\$ (33,884)	\$ (97,467)	\$ (74,923)
Interest and Derivative Income/(Expense)	\$ 11,006	\$ (22,230)	\$ (34,572)	\$ (21,813)
Income Tax Expense (Benefit)	289	54	396	(16)
Depreciation, Amortization and Accretion	8,254	5,497	27,418	21,862
<b>EBITDA</b>	<b>\$ (20,546)</b>	<b>\$ (6,103)</b>	<b>\$ (35,081)</b>	<b>\$ (31,264)</b>
Reduction in value of equipment	\$ 10,801	\$ 259	\$ 10,862	\$ 913
Reduction in value of assets	3,249	-	3,249	-
Impairment of equity method investment	-	-	1,903	-
Non-Cash Compensation	882	2,231	1,046	10,576
Research and Development	1,450	15	3,681	4,328
Severance	(96)	177	2,148	1,551
Foreign Exchange and Other Loss/(Income)	(11)	(272)	827	(665)
Other One Time Non Recurring Charges	-	1,720	2,890	1,929
<b>Adjusted EBITDA</b>	<b>\$ (4,271)</b>	<b>\$ (1,973)</b>	<b>\$ (8,475)</b>	<b>\$ (12,632)</b>

- (1) EBITDA represents earnings before interest, income taxes, depreciation, amortization and derivative gains/(losses). EBITDA does not represent and should not be considered as an alternative to GAAP measurements, such as net income, and the Company's calculations thereof may not be comparable to similarly entitled measures reported by other companies.

The Company uses EBITDA as a supplemental measurement of its operating performance because, by eliminating interest, taxes and the non-cash items of depreciation and amortization, the Company believes it best reflects changes across time in the company's performance, including the effects of pricing, cost control and other operational decisions. The Company's management uses EBITDA for planning purposes, including the preparation of its annual operating budget. The Company believes that EBITDA also is useful to investors because it is frequently used by securities analysts, investors and other interested parties in their evaluation of companies in similar industries. As indicated, EBITDA does not include interest expense on borrowed money or depreciation expense on our capital assets or the payment of income taxes, which are necessary elements of the Company's operations. Because EBITDA does not account for these expenses, its utility as a measure of the Company's operating performance has material limitations. Because of these limitations, the Company's management does not view EBITDA in isolation and also uses other measurements, such as net income, revenues and operating profit, to measure operating performance.

- (2) Adjusted EBITDA is further adjusted to exclude non-cash compensation expense, asset impairment charges, foreign exchange gains/(losses), R&D costs associated with the development of new consumer products, and certain other one-time charges. Management uses Adjusted EBITDA in order to manage the Company's business and to compare its results more closely to the results of its peers.

**GLOBALSTAR, INC.**  
**SCHEDULE OF SELECTED OPERATING METRICS**  
(Dollars in thousands, except ARPU)  
(Unaudited)

	Year Ended December 31, 2010			Year Ended December 31, 2009		
	Service	Equipment	% of Total	Service	Equipment	% of Total
<b>Revenue</b>						
Duplex	\$ 23,294	\$ 2,174	37%	\$ 29,517	\$ 3,086	51%
SPOT	14,756	8,934	35%	9,557	6,561	25%
Simplex	4,583	5,582	15%	3,873	557	7%
IGO	1,140	-	2%	1,191	-	2%
Other	7,164	314	11%	6,090	3,847	15%
	<u>\$ 50,937</u>	<u>\$ 17,004</u>	<u>100%</u>	<u>\$ 50,228</u>	<u>\$ 14,051</u>	<u>100%</u>
<b>Average Subscribers</b>						
Duplex	97,708			103,429		
SPOT	125,576			80,190		
Simplex	120,253			109,044		
IGO	60,443			69,940		
<b>ARPU</b>						
Duplex	\$ 19.87			\$ 23.78		
SPOT	\$ 9.79			\$ 9.93		
Simplex	\$ 3.18			\$ 2.96		
IGO	\$ 1.57			\$ 1.42		

Notes:

1. Average monthly revenue per unit (ARPU) measures service revenues per month divided by the average number of retail subscribers during that month. Average monthly revenue per unit as so defined may not be similar to average monthly revenue per unit as defined by other companies in the Company's industry, is not a measurement under GAAP and should be considered in addition to, but not as a substitute for, the information contained in the Company's statement of income. The Company believes that average monthly revenue per unit provides useful information concerning the appeal of its rate plans and service offerings and its performance in attracting and retaining high value customers



Launching  
the **future.**



## Full Year 2010 Earnings Call Presentation

March 31, 2011

# Globalstar Introduction

## Safe Harbor Language

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This presentation contains certain statements that are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties which may cause actual results to differ materially from the forward-looking statements. Forward-looking statements, such as the statements regarding our ability to develop and expand our business, our anticipated capital spending (including for future satellite procurements and launches), our ability to manage costs, our ability to exploit and respond to technological innovation, the effects of laws and regulations (including tax laws and regulations) and legal and regulatory changes, the opportunities for strategic business combinations and the effects of consolidation in our industry on us and our competitors, our anticipated future revenues, our anticipated financial resources, our expectations about the future operational performance of our satellites (including their projected operational lives), the expected strength of and growth prospects for our existing customers and the markets that we serve, commercial acceptance of our new Simplex products, including our SPOT satellite GPS messenger TM products, problems relating to the ground-based facilities operated by us or by independent gateway operators, worldwide economic, geopolitical and business conditions and risks associated with doing business on a global basis and other statements contained in this Report regarding matters that are not historical facts, involve predictions.

Any forward-looking statements made in this presentation speak as of the date made and are not guarantees of future performance. Actual results or developments may differ materially from the expectations expressed or implied in the forward-looking statements, and we undertake no obligation to update any such statements. Additional information on factors that could influence our financial results is included in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K which is being filed later today, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

## 2010 Company Strategic Initiatives

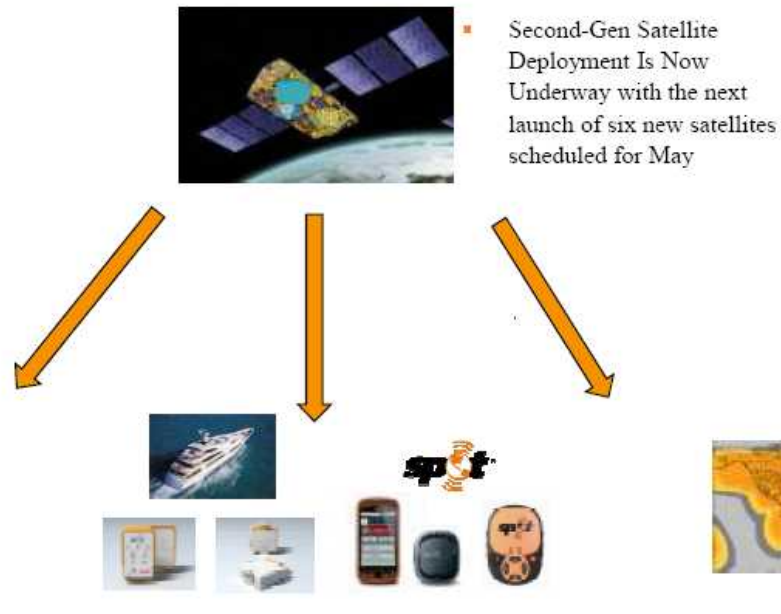
Innovation helped drive market development, revenue generation and led to decreased operating costs

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- **Innovation**
  - Company continued to develop innovative and award-winning mobile satellite SPOT products for retail and commercial customers
- **New Market Development**
  - SPOT Satellite GPS Messenger™ innovation lead to new market development for retail consumer products
- **Increased Revenues**
  - New MSS retail consumer market and retention of legacy customers helped drive increased revenue
- **Decreased Operating Costs**
  - Acquisition of Axonn paved the way for our move to LA, and implementation of cost saving initiatives leading to reduced costs

# Globalstar Key Value Drivers

Substantial progress was made in launch of the new constellation and development of retail customer segment



▪ Second-Gen Satellite Deployment Is Now Underway with the next launch of six new satellites scheduled for May

▪ Core Voice and Data Products and Services with historically proven industry leading high value CDMA voice quality and a direct and indirect chain of distribution

▪ The leading MSS innovator of affordable award-winning consumer retail mobile satellite products and services with a distribution chain of over 10,000 points of global retail distribution

▪ Potentially Valuable Domestic and International authorization of S and L-band "Big LEO" spectrum

## 2010 Highlights

### Second-generation constellation deployment begins

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- First launch was successfully conducted on October 19, 2010
- Funded by \$738m financing which featured a low cost COFACE-backed credit facility
- Globalstar orbited six new second-generation constellation satellites using Arianespace's highly reliable Soyuz launch vehicle
- Once the new satellite constellation is fully deployed this will enable a return to high quality and reliable services for Globalstar voice and duplex data customers



# 2010 Highlights

## Continued transition into the only mass market MSS consumer retail products company

- SPOT Satellite GPS Messenger™
  - New enhanced device shipped in late first quarter of 2010
  - Can send pre-assigned messages to friends, family, co-workers or in case of an emergency, an emergency response call center
  - SPOT consumer devices have helped initiate more than 1100 rescues since first being introduced in late 2007
- SPOT HUG
  - security, theft-recovery and messaging product designed to protect and track mobile assets such as maritime craft (yachts, jet-skis), motorcycles, etc.
  - Began shipping in late 2010
- DeLorme PN60-W with SPOT Communicator
  - Began shipping in summer of 2010
  - Wirelessly synchs to the DeLorme PN60-W GPS device allowing users to send customized text messages using the device touch screen keyboard and the Globalstar network



**TIME**  
"100 Greatest and Influential Gadgets"



**CES** **INNOVATION AWARDS**  
2011 Innovations Award  
Honoree

**Globalstar**



## Post 2010 Highlight – SPOT Connect™

### Continued commitment to innovation and new consumer market development

- Globalstar further solidified its unique role as the leading innovator of award-winning MSS retail consumer products by releasing SPOT Connect
  - Introduced at the 2011 CES tradeshow in Las Vegas
  - Wirelessly synchs via Bluetooth with smartphone operating systems like Android and iPhone
  - Provides one-way messaging connectivity using the Globalstar satellite network for sending GPS location-based text messages to friends, family and co-workers
  - SPOT Satellite GPS Messenger features are initiated using the SPOT Connect app on the smartphone device



2011 Innovations Award  
Honoree



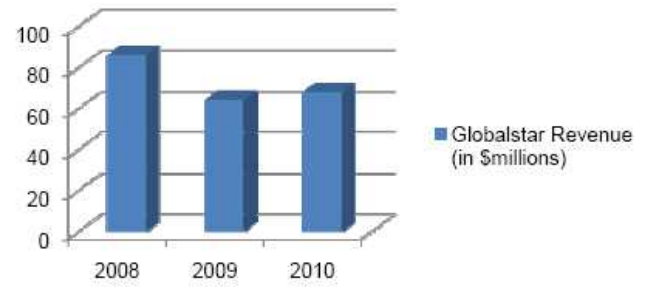
## 2010 Highlights

### Revenue and subscriber growth with SPOT consumer products

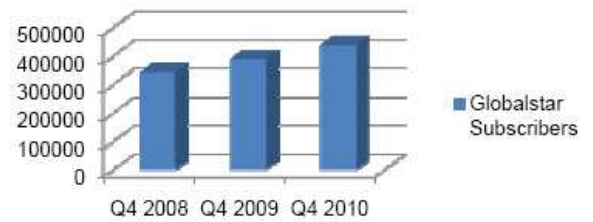
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Thanks to the success of the enhanced SPOT Satellite GPS Messenger consumer product, Globalstar increased both revenue and total subscribers during 2010

Globalstar Revenue (in \$millions)



Globalstar Subscribers



## 2010 Highlights

### Relocation to Covington, Louisiana

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- Move maximizes the benefits of our recent acquisition of Covington-based satellite asset tracking and consumer messaging products manufacturer Axonn
- Globalstar now incurring lower operating costs including an expected 20-25 percent decrease in 2011 payroll expenses for functions relocated to Covington
- Globalstar also accepted a package of economic incentives from the State of Louisiana associated with the relocation
- Globalstar believes it is the first integrated mobile satellite company featuring decreased pre-production costs and shorter time to market for the Company's integrated wireless and satellite based consumer and commercial products



## 2010 Highlights

### MSS spectrum and wireless broadband initiatives

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In July 2010 the Federal Communications Commission (FCC) initiated proceedings to make additional wireless spectrum in the United States available for mobile broadband networks using mobile satellite services (MSS) spectrum



- On July 15th the FCC announced it was taking steps, “to make additional spectrum available for new investment in mobile broadband networks by promoting flexible use and removing barriers, while ensuring robust mobile satellite capabilities.”
- In its recent Notice of Proposed Rulemaking and Notice of Inquiry the FCC also stated, “three frequency bands that are allocated to the MSS are capable of supporting broadband service,” including the, “Big LEO Band from 1610-1626.5 MHz and 2483.5-2500 MHz.”

Globalstar has filed extensive comments in this process and continues to engage in discussions with the FCC to further its recommendations in these proceedings.

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# Spectrum and Regulatory Update

## MSS spectrum and wireless broadband initiatives

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- Globalstar continues to participate in the ongoing proceedings regarding its ancillary terrestrial component (ATC) authority and ATC gating requirements
- The International Bureau of the Federal Communications Commission (FCC) has granted Globalstar conditional authority to operate its second-generation satellites within the United States
- This authority will become effective once Globalstar completes registering the constellation with France, which is expected to occur in the near future
- Globalstar has received an amendment from the COFACE bank syndicate allowing the Company to complete registration of the new satellites with the French regulatory authorities

## Space Segment - Constellation Deployment Begins

### Globalstar launches satellites

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- First launch was successfully conducted on October 19, 2010
- Globalstar orbited six new second-generation constellation satellites using Arianespace's highly reliable Soyuz launch vehicle
- Globalstar commenced extensive in-orbit testing and orbit raising operations via its Satellite Operations Control Center
- All six new satellites have been raised to an operational altitude of 1414 km or approximately 870 miles and are operational
- Once the French registration of the new constellation is completed, the second-generation satellites launched in 2010 will begin to provide services for North American customers



## Space Segment - Second-Generation Constellation

### Globalstar 2 Satellites

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- The new second-generation satellites have a design life of 15 years
- They are fully compatible with Globalstar's current mobile satellite voice and data products including the lineup of SPOT consumer products
- Once the satellites are operational, service availability and reliability improvements will benefit the Company's voice and duplex data customers
- With each subsequent launch, these customers can expect a progressive return to high quality system access and reliability



## Space Segment - Second Launch

Scheduled for mid May 2011

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- Second batch of six new satellites was delivered by Thales Alenia Space earlier this month
- All six have been transported to the Baikonur Cosmodrome for final pre-launch preparation and testing
- The satellites will be attached to the dispenser, then mated to the upper stage of the Soyuz for final integration with the launch vehicle
- Launch is scheduled for mid-May
- Barring any unforeseen issues we expect the third launch to take place approximately 60-90 days following the second launch

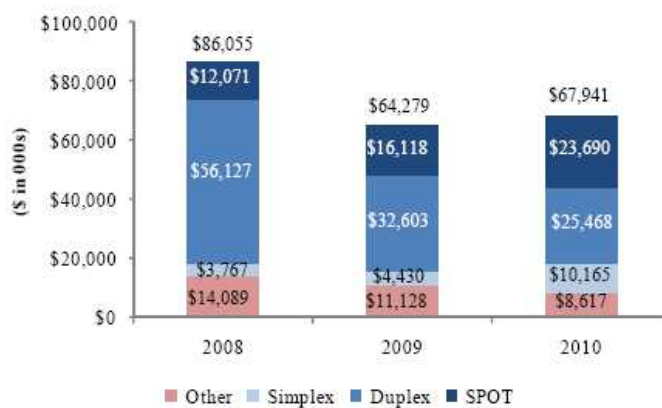




## Finance Review

### 2008 - 2010 Annual Revenue Summary

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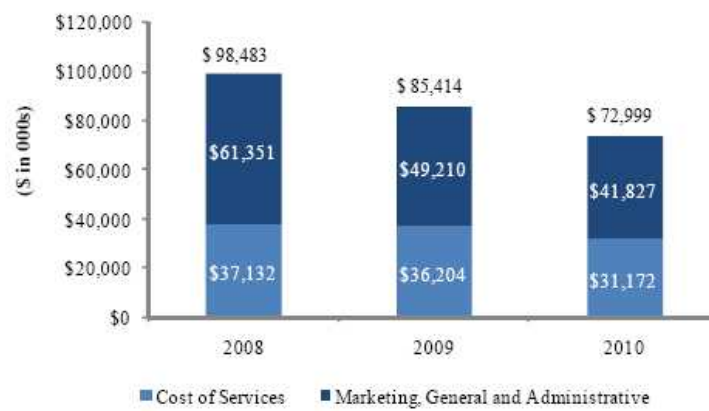


- ❖ Globalstar believes 2010 represented a strategic, operating and financial inflection point for the Company
- ❖ First annual revenue growth since 2006
- ❖ Company is well positioned to experience continued growth in all our key markets with the return to healthy duplex service in 2011 and beyond, the commercialization of new products, and the continued growth of SPOT and Simplex

## Finance Review

### 2008 - 2010 Annual Operating Expenses Summary

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- ❖ Globalstar continues to improve its cost structure even in a revenue growth environment
- ❖ The transition of our company headquarters to Louisiana in 2010 positions the company to continue to reduce operating costs and to further capture the significant incremental operating leverage of Globalstar's business model

## Income Statement Review

### 2008 - 2010 Annual Financial Summary

(\$ in 000s)	Year Ended		
	December 31, 2008	December 31, 2009	December 31, 2010
<b>Revenue</b>			
Service Revenue	\$ 61,794	\$ 50,228	\$ 50,937
Equipment Revenue	24,261	14,051	17,004
<b>Total Revenue</b>	<b>\$ 86,055</b>	<b>\$ 64,279</b>	<b>\$ 67,941</b>
<b>Operating Expenses</b>			
Cost of Services	\$ 37,132	\$ 36,204	\$ 31,172
Cost of Subscriber Equipment	17,921	9,881	13,182
Reduction in the Value of Equipment	405	913	10,862
Marketing, General & Administrative	61,351	49,210	41,827
Reduction in the Value of Assets	-	-	3,249
Depreciation, Amortization & Accretion	26,956	21,862	27,418
<b>Total Operating Expenses</b>	<b>\$ 143,765</b>	<b>\$ 118,070</b>	<b>\$ 127,710</b>
<b>Operating Loss</b>	<b>\$ (57,710)</b>	<b>\$ (53,791)</b>	<b>\$ (59,769)</b>
Other Income (Expense)	\$ 34,918	\$ (21,132)	\$ (37,698)
<b>Net Loss</b>	<b>\$ (22,792)</b>	<b>\$ (74,923)</b>	<b>\$ (97,467)</b>
<b>Adjusted EBITDA <sup>(1)</sup></b>	<b>\$ (14,187)</b>	<b>\$ (12,632)</b>	<b>\$ (8,475)</b>

- (1) Adjusted EBITDA is adjusted to exclude non-cash compensation expense, asset impairment charges, foreign exchange gains/(losses), R&D costs associated with the development of new consumer products, and certain other one-time charges. Management uses Adjusted EBITDA in order to manage the Company's business and to compare its results more closely to the results of its peers.

# Finance Review

## Liquidity

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*(\$ in millions)*

### **Liquidity**

2010 Ending Cash Balance	\$	33
COFACE Availability		27
Contingent Equity		60
<b>Total</b>	<b>\$</b>	<b>120</b>

### **1st 24 Satellites Capital Expenditures**

Thales Alenia - Second Generation Satellites	\$	28
Thales Alenia - Satellite Operations Control Center		1
Arianespace Launch Services		24
Launch Insurance		28
Other Capital Expenditures and Capitalized Labor		5
<b>Total</b>	<b>\$</b>	<b>86</b>

- ❖ Globalstar maintains liquidity to fund the remaining capital expenditures to complete the construction and launch of the 1<sup>st</sup> 24 second generation satellites

*Note: Excludes ground upgrades and any expenditures associated with additional satellite construction and launch services.*

# Finance Review

## Principal Opportunities and Initiatives

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- ❖ 2010 represented a milestone year for Globalstar financially and operationally including the first year over year revenue growth since 2006, continued reduction of operating expenses, the relocation of the Company's headquarters to Covington, LA and the beginning of the successful deployment of our second generation constellation
- ❖ Going forward, Globalstar's management team is committed to the following initiatives:
  - 1) *Duplex Service Quality Improvement* – Re-launching high quality duplex service concurrent with completion of the remaining second generation launches – improved voice quality will drive usage and new subscriber acquisition
  - 2) *New Product Development* – Continued development and market introductions of innovative new products including SPOT Connect – current 10,000 consumer points of distribution will enhance our ability to benefit from the market demand for our innovative product set
  - 3) *Re-Engaging Current Subscriber Base* – Our ability to revive and re-engage our current duplex subscriber base will be a significant initiative throughout 2011
  - 4) *SPOT / Simplex* – Continued success of SPOT and Simplex initiatives by focusing on new sales channels and applications
  - 5) *Rationalizing Operating Expenses* – Management is focused on right-sizing our personnel and operating expenses and leveraging the low cost benefits of the Company's relocation to Louisiana
  - 6) *Disciplined Capital Expenditure Strategy* – Company remains focused on allocating capital toward initiatives that provide the highest return on capital

# Summary

## 2010-11 strategic Initiatives

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- **Innovation**
  - New MSS products and services
- **New Market Development**
  - MSS consumer retail marketplace
- **Increased Revenues**
  - SPOT Satellite GPS Messenger
- **Decreased Costs**
  - Lower operating costs with relocation to Louisiana



**Globalstar**

Launching the Future

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Globalstar 

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