

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

**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): August 3, 2017

**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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

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.

**Item 2.02 Results of Operations and Financial Condition.**

On August 3, 2017, Globalstar, Inc. (the "Company") issued a press release to report second quarter 2017 financial results. The text of the press release is furnished as Exhibit 99.1 to this Form 8-K. In addition, on August 3, 2017, the Company will hold a teleconference for investors to discuss results for the second quarter 2017. The teleconference is webcast on the Company's website at [www.globalstar.com](http://www.globalstar.com). The documents available on, and the contents of, the Company's website are not incorporated by reference into this Report.

The information in this Current Report on Form 8-K and the Exhibit 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 August 3, 2017

**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/ James Monroe III

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James Monroe III

Chairman and

Chief Executive Officer

Date: August 3, 2017



## GLOBALSTAR ANNOUNCES SECOND QUARTER 2017 RESULTS

**Covington, LA - (August 3, 2017)** - Globalstar, Inc. (NYSE American: GSAT) today announced its financial results for the quarter ended June 30, 2017.

Jay Monroe, Chairman and Chief Executive Officer of Globalstar, commented, "In June, our core business achieved a significant milestone, reaching over 700,000 total subscribers on our satellite network. These subscribers contributed to meaningful growth during the quarter with a 12% increase in total revenue. ARPU continues to improve, including a 23% increase in Duplex ARPU from the prior year quarter. Net loss increased due to non-cash derivative losses resulting primarily from the recent increase in the Company's stock price. Importantly, Adjusted EBITDA increased 61%, reaching its highest level in more than ten years as performance continues to reflect the operating leverage inherent in this business. In addition to the revenue increase, I am particularly pleased with the team's continued cost discipline during a period when we are all diligently working to secure the long-term value of our assets. At the end of the quarter, we also completed an amendment of our senior debt facility that provides additional flexibility by modifying certain longer-term provisions within the agreement. We appreciate the strong relationship we have with our French lenders and look forward to their continued partnership. In connection with this amendment, Thermo continued its financial support with a \$33 million common equity financing to satisfy the capital requirements at the end of the quarter. Finally, on the regulatory front, we continue to make progress on our international plans to globally harmonize our 16.5 MHz of licensed 2.4 GHz spectrum for terrestrial services. We have filed applications in several international jurisdictions and plan to file additional applications before the end of the year. We are pleased with the positive reception to date and look forward to continuing to work with international regulatory agencies to obtain in-country authorities."

### SECOND QUARTER FINANCIAL REVIEW

#### *Revenue*

Total revenue for the second quarter of 2017 increased by \$3.0 million, or 12%, from the second quarter of 2016. This increase resulted primarily from higher service revenue resulting from growth in ARPU and total subscribers. The increase in service revenue was offset partially by a decrease in revenue from subscriber equipment sales.

Service revenue increased \$3.3 million, or 16%, in the second quarter of 2017 compared to the second quarter of 2016. Nearly 90% of this increase resulted from higher Duplex and SPOT service revenue, which increased \$1.2 million and \$1.7 million, respectively. Higher ARPU propelled this growth with Duplex and SPOT up 23% and 14%, respectively, from the prior year quarter. Changes to legacy rate plans, particularly in our core markets, continue to be the primary reason for a higher ARPU across the base. The increase from higher ARPU was offset partially by the decrease in average Duplex subscribers, which were down 7% on lower phone sales and activations and an increased focus on promptly deactivating non-paying subscribers. Conversely, the 4% increase in average SPOT subscribers resulted in an additional \$0.4 million increase to service revenue. Also contributing to the increase in service revenue was a \$0.4 million increase in revenue generated from engineering services performed under certain government contracts.

Subscriber equipment sales revenue decreased \$0.3 million, or 7%, due primarily to lower revenue generated from Duplex hardware sales as we manage our remaining phone inventory in our global markets and across our dealer network. This strategy focuses the sales effort on our core markets to ensure that we are maximizing future service revenue after activation. This decrease was offset partially by a higher volume of SPOT units sold during the quarter, which resulted in a \$0.2 million increase in SPOT equipment sales revenue.

#### *Loss from Operations*

Loss from operations decreased \$3.9 million, or 24%, from \$16.4 million in the second quarter of 2016 to \$12.5 million in the second quarter of 2017 due primarily to a \$3.0 million increase in total revenue (for the reasons discussed above), coupled with a \$0.9 million decrease in operating expenses. The decrease in operating expenses was due in part to lower management, general and administrative (MG&A) costs. These costs were down 17% due primarily to lower professional fees and legal

expenses, including a \$1.1 million accrual recorded in the second quarter of 2016 for the non-cash settlement of litigation related to one of our international operations. This decrease was offset partially by a higher cost of services, which increased 14% compared to the prior year quarter due to the additional cost to support new product development and our second-generation ground network.

#### *Net Income (Loss)*

Net income (loss) fluctuated from income of \$14.1 million in the second quarter of 2016 to a loss of \$98.7 million in the second quarter of 2017. The primary reason for this change was non-cash derivative gains (losses) recorded during the respective periods, which fluctuated from a gain of \$40.5 million to a loss of \$77.1 million. The loss recorded during the second quarter of 2017 resulted from variations in several valuation inputs, including particularly the appreciation of the Company's stock price from March 31, 2017 to June 30, 2017. The higher derivative loss was offset partially by other items, such as the lower loss from operations.

#### *Adjusted EBITDA*

Adjusted EBITDA increased 61% during the second quarter of 2017 driven primarily by a \$3.0 million, or 12%, increase in total revenue, coupled by a \$0.1 million decrease in total operating expenses (excluding EBITDA adjustments). The decrease in operating expenses during the second quarter of 2017 resulted from lower MG&A expenses and costs from subscriber equipment sales, offset partially by higher cost of services. The largest driver of the \$1.1 million decrease in MG&A expenses (excluding EBITDA adjustments) was a reduction in subscriber acquisition costs due to changes in sales strategies, including lower advertising costs, rebates and co-op marketing credits given to our resellers during the second quarter of 2017. Offsetting this decrease was a \$1.1 million increase in cost of services due primarily to higher support costs of \$0.5 million related to our recently upgraded second-generation ground network. Additionally, research and development costs increased by \$0.2 million driven by new products and technology being developed internally and through external partners.

## CONFERENCE CALL

The Company will conduct an investor conference call on August 3, 2017 at 5:00 p.m. ET to discuss its second quarter 2017 financial results.

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Details are as follows:

<i>Conference Call:</i>	5:00 p.m. ET Investors and the media are encouraged to listen to the call through the Investor Relations section of the Company's website at <a href="http://www.globalstar.com/investors">www.globalstar.com/investors</a> . If you would like to participate in the live question and answer session following the Company's conference call, please dial 1 (888) 771-4371 (US and Canada), 1 (847) 585-4405 (International) and use the participant pass code 45260680.
<i>Audio Replay:</i>	A replay of the earnings call will be available for a limited time and can be heard after 7:30 p.m. ET on August 3, 2017. Dial: 1 (888) 843-7419 (US and Canada), 1 (630) 652-3042 (International) and pass code 4526 0680#.

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### **About Globalstar, Inc.**

Globalstar is a leading provider of mobile satellite voice and data services. Customers around the world in industries such as government, emergency management, marine, logging, oil & gas and outdoor recreation rely on Globalstar to conduct business smarter and faster, maintain peace of mind and access emergency personnel. Globalstar data solutions are ideal for various asset and personal tracking, data monitoring, SCADA and IoT applications. The Company's products include mobile and fixed satellite telephones, the innovative Sat-Fi satellite hotspot, Simplex and Duplex satellite data modems, tracking devices and flexible service packages.

Note that all SPOT products described in this press release are the products of SPOT LLC, a subsidiary of Globalstar, which is not affiliated in any manner with Spot Image of Toulouse, France or Spot Image Corporation of Chantilly, Virginia.

For more information, visit [www.globalstar.com](http://www.globalstar.com).

Investor contact information:

Kyle Pickens

[kyle.pickens@globalstar.com](mailto:kyle.pickens@globalstar.com)

### *Safe Harbor Language for Globalstar Releases*

This press release 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 expectations with respect to actions by the FCC, future increases in our revenue and profitability 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 are believed to be accurate 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.

**GLOBALSTAR, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)  
(Unaudited)

	<b>Three Months Ended June 30,</b>	
	<b>2017</b>	<b>2016</b>
<b>Revenue:</b>		
Service revenues	\$ 24,301	\$ 20,970
Subscriber equipment sales	3,822	4,116
Total revenue	<u>28,123</u>	<u>25,086</u>
<b>Operating expenses:</b>		
Cost of services (exclusive of depreciation, amortization, and accretion shown separately below)	9,036	7,937
Cost of subscriber equipment sales	2,778	2,886
Marketing, general and administrative	9,544	11,450
Depreciation, amortization, and accretion	19,275	19,224
Total operating expenses	<u>40,633</u>	<u>41,497</u>
Loss from operations	<u>(12,510)</u>	<u>(16,411)</u>
<b>Other income (expense):</b>		
Gain (loss) on equity issuance	1,964	(2,075)
Interest income and expense, net of amounts capitalized	(8,850)	(9,049)
Derivative gain (loss)	(77,130)	40,499
Other	(2,102)	685
Total other income (expense)	<u>(86,118)</u>	<u>30,060</u>
Income (loss) before income taxes	(98,628)	13,649
Income tax expense (benefit)	106	(450)
Net income (loss)	<u>\$ (98,734)</u>	<u>\$ 14,099</u>
<b>Net income (loss) per common share:</b>		
Basic	\$ (0.09)	\$ 0.01
Diluted	(0.09)	0.01
<b>Weighted-average shares outstanding:</b>		
Basic	1,128,985	1,049,381
Diluted	1,128,985	1,249,672

**GLOBALSTAR, INC.**  
**RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP ADJUSTED EBITDA**

(In thousands)

(Unaudited)

	<b>Three Months Ended</b>	
	<b>June 30,</b>	
	<b>2017</b>	<b>2016</b>
Net income (loss)	\$ (98,734)	\$ 14,099
Interest income and expense, net	8,850	9,049
Derivative (gain) loss	77,130	(40,499)
Income tax expense (benefit)	106	(450)
Depreciation, amortization, and accretion	19,275	19,224
EBITDA	6,627	1,423
Non-cash compensation	1,426	1,193
Foreign exchange and other	1,864	(685)
Legal settlement to be paid in stock	—	1,094
Debt modification third party fees	238	—
(Gain) loss on equity issuance	(1,964)	2,075
Adjusted EBITDA <sup>(1)</sup>	\$ 8,191	\$ 5,100

- (1) EBITDA represents earnings before interest, income taxes, depreciation, amortization, accretion and derivative (gains)/losses. Adjusted EBITDA excludes non-cash compensation expense, reduction in the value of assets, foreign exchange (gains)/losses and certain other significant non-recurring charges as applicable. 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. EBITDA and Adjusted EBITDA do not represent and should not be considered as alternatives to GAAP measurements, such as net income/(loss). These terms, as defined by us, may not be comparable to similarly titled measures used by other companies.

The Company uses Adjusted EBITDA as a supplemental measurement of its operating performance. 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 Adjusted EBITDA for planning purposes, including the preparation of its annual operating budget. The Company believes that Adjusted 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, Adjusted 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 Adjusted 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 Adjusted EBITDA in isolation and also uses other measurements, such as revenues and operating profit, to measure operating performance.



**GLOBALSTAR, INC.**  
**SCHEDULE OF SELECTED OPERATING METRICS**

(In thousands, except subscriber and ARPU data)

(Unaudited)

	<b>Three Months Ended</b>			
	<b>June 30,</b>			
	<b>2017</b>		<b>2016</b>	
	<b>Service</b>	<b>Equipment</b>	<b>Service</b>	<b>Equipment</b>
<b>Revenue</b>				
Duplex	\$ 9,322	\$ 612	\$ 8,093	\$ 1,171
SPOT	11,193	1,815	9,489	1,654
Simplex	2,526	1,072	2,644	1,072
IGO	376	330	172	229
Other	884	(7)	572	(10)
	<u>\$ 24,301</u>	<u>\$ 3,822</u>	<u>\$ 20,970</u>	<u>\$ 4,116</u>
<b>Average Subscribers</b>				
Duplex	72,290		77,479	
SPOT	282,826		272,698	
Simplex	300,459		297,945	
IGO	37,162		39,091	
<b>ARPU<sup>(1)</sup></b>				
Duplex	\$ 42.98		\$ 34.82	
SPOT	13.19		11.60	
Simplex	2.80		2.96	
IGO	3.37		1.46	

(1) Average monthly revenue per user (ARPU) measures service revenues per month divided by the average number of subscribers during that month. Average monthly revenue per user 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 operations. The Company believes that average monthly revenue per user provides useful information concerning the appeal of its rate plans and service offerings and its performance in attracting and retaining high value customers.