

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): August 13, 2013

**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 August 13, 2013, Globalstar, Inc. issued a press release to report 2013 second quarter financial results. The text of the press release is furnished as Exhibit 99.1 to this Form 8-K.

**Item 7.01 Regulation FD Disclosure.**

During Globalstar's previously announced conference call at 5 p.m. Eastern Time on August 13, 2013, 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 August 13, 2013

99.2 Presentation materials dated August 13, 2013

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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/ James Monroe III  
James Monroe III  
Chairman and  
Chief Executive Officer

Date: August 13, 2013

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## NEWS

### GLOBALSTAR ANNOUNCES SECOND QUARTER 2013 RESULTS

- Total second quarter 2013 revenue of \$19.8 million compared to \$20.0 million in 2012; service revenue increased 9%
- Duplex ARPU increased 27% to \$21.29 during second quarter of 2013
- 5.75% Notes refinancing completed; amended and restated COFACE Facility signed
- SPOT Global Phone and SPOT Gen3™ successfully released to retail distribution
- Duplex service coverage improved significantly; final second-generation satellite to be placed into service later this month

**Covington, LA. — (August 13, 2013)** – Globalstar, Inc. (OTCBB: GSAT) today announced its financial results for the three-month period ended June 30, 2013.

#### SECOND QUARTER FINANCIAL REVIEW

Jay Monroe, Chairman and CEO of Globalstar, commented, “Globalstar’s progress toward our 2013 operating objectives continued during the second quarter. The critical drivers of our business are beginning to come together as ARPU and network usage have surged while we continue to strategically invest in the development and roll-out of our innovative product set. As we begin to receive the financial benefits of our second-generation constellation, government and enterprise customers are returning in greater numbers, driving growth in our core Duplex performance metrics – minutes of use grew 41% from second quarter 2012, the largest percentage increase since 2006, gross subscriber additions more than doubled in the quarter and we experienced an increase in revenue-generating Duplex subscribers on a consecutive basis for the first time in three years – confirming our expectation of accelerating growth during the second half of the year. On the new product front, SPOT Global Phone, our new consumer focused voice and data product, was released in May to positive reviews, leveraging our retail distribution base. SPOT Gen3™, the next-generation personal tracking device that is the flagship of our SPOT family, was released in July and is off to a promising start.”

#### *Revenue*

Revenue was \$19.8 million for the second quarter of 2013 compared to \$20.0 million for the second quarter of 2012. Although service revenue increased in the quarter, equipment revenue was adversely affected by a delay in the release of SPOT Gen3™ associated with product testing and final certification.

Service revenue was \$15.4 million for the second quarter of 2013 compared to \$14.2 million for the second quarter of 2012, an increase of \$1.2 million, or 9%. The primary driver of this increase was growth in Duplex revenue, which increased \$0.9 million, or 19%. The growth in Duplex service revenue was due primarily to recent new subscriber additions and the migration of subscribers to higher rate plans that reflect improved network performance and usage. These factors drove an increase in Duplex ARPU of 27% to \$21.29. Average Duplex subscribers decreased 6% from the second quarter of 2012 reflecting churn associated with rate plan migration instituted this year, offset partly by accelerating net subscriber additions in the quarter. Second quarter 2013 service revenue growth was driven to a lesser extent by SPOT revenue, which increased \$0.4 million, or 6%, as ARPU and revenue-generating subscribers increased. SPOT ARPU increased 8% to \$10.69 due to the deactivation of non-revenue generating subscribers beginning in the first quarter of 2013. As previously announced, the Company initiated a process to deactivate certain suspended subscribers in its subscriber base beginning in 2013; 36,000 subscribers were deactivated during the first quarter. In comparison, if these suspended subscribers were excluded from the 2012 subscriber count, average subscribers for the second quarter of 2013 would have increased. Simplex service revenue also increased \$0.3 million, or 21%, due to a 29% increase in the average subscriber base.

Subscriber equipment sales of \$4.4 million decreased 24% in the second quarter of 2013 from the second quarter of 2012. Duplex equipment sales increased \$1.2 million, more than tripling from the second quarter of 2012. Duplex units sold increased during the quarter, which included the successful introduction of the SPOT Global Phone. Comparing the second quarter of 2013 to the same period in 2012, Simplex equipment sales decreased \$1.6 million, or 55%, and SPOT equipment sales decreased \$0.8 million, or 45%. Both decreases were due to high volume sales in the second quarter of 2012 that did not recur in 2013. Additionally, in anticipation of the release of SPOT Gen3™, sales of our SPOT2 product slowed in our consumer market channels during the first half of 2013; the Company expects this new product to increase equipment sales in future periods.

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## *Net Loss*

The Company reported a net loss of \$126.3 million for the second quarter of 2013 compared to \$27.5 million for the second quarter of 2012. Increased net loss was due primarily to the recognition of a non-cash loss on extinguishment of debt of \$47.2 million and a non-cash loss on future equity issuances of \$14.0 million, both resulting from transactions executed in connection with the refinancing of the Company's 5.75% Notes in May 2013. The increased net loss was also due to the impact of non-cash derivative gains and losses in the respective quarters, higher interest expense as the amount of interest being capitalized decreases and higher depreciation expense as the Company placed additional satellites into service.

## *Adjusted EBITDA*

Adjusted EBITDA was \$2.9 million for the second quarter of 2013 and 2012, respectively, due to a \$0.2 million decrease in total revenue offset by a \$0.2 million decrease in total operating expenses (excluding EBITDA adjustments).

## **FINANCING UPDATE**

During the second quarter, Globalstar successfully completed the refinancing of its 5.75% Convertible Senior Unsecured Notes.

In July 2013, Globalstar announced the signing of a Global Deed of Amendment and Restatement of its COFACE Facility Agreement. Closing of the COFACE Facility Agreement requires satisfaction of conditions precedent, which the Company expects will be met in the near future.

## **OPERATIONAL AND REGULATORY UPDATE**

### *Second-Generation Constellation*

- As previously announced, all satellites launched on February 6, 2013 have successfully completed in-orbit testing. The placing of these satellites into commercial service has proceeded on schedule; two additional satellites went into service in May and another in June. The final satellite is on track to be in service by the end of the month, marking the completion of the second-generation constellation.

### *Regulatory Reform for Terrestrial Spectrum Authority*

- As a reminder, in January 2013, Globalstar filed with the Federal Communications Commission (the "FCC") its responses to all comments received with regard to its November 13, 2012 Petition for Rulemaking asking the FCC for the regulatory flexibility necessary to use the Company's licensed MSS spectrum terrestrially to support mobile broadband applications throughout the United States.
- On June 20, Globalstar met in person with FCC Chairwoman Clyburn to present the case for its Petition.
- Globalstar expects the FCC to act on its Petition in the near future.

Mr. Monroe concluded, "In just two weeks, the final satellite of our second-generation constellation is scheduled to be placed into service, fully restoring the service capability of our Duplex growth engine. To support the return of our Duplex service and our slate of new products, we are putting more muscle behind our marketing efforts, balancing these investments with continued stringent operational discipline to maximize our revenue and EBITDA generation for the remainder of the year while building momentum heading into 2014. With superior service quality, feature-rich products and pricing that provides significant cost savings over our competitors' offerings, Globalstar is tapping a broader addressable market and offering a compelling value proposition to our customers. In addition, we believe we have made substantial progress at the FCC with our petition to obtain terrestrial authority to utilize our spectrum for terrestrial mobile broadband services and expect the FCC to release our requested notice of proposed rulemaking in the near future. Globalstar's Terrestrial Low Power Service is the only near-term solution to the increasing congestion being experienced in the public Wi-Fi bands and we are hopeful for a decision from the FCC before the end of the year."

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## CONFERENCE CALL

The Company will conduct an investor conference call today at 5:00pm EDT to discuss second quarter 2013 financial results.

Details are as follows:

*Conference Call:* 5:00pm EDT

Dial: 1 (877) 261-8990 (US and Canada), 1 (847) 619-6441 (International) and participant pass code 35393899

*Audio Replay:* A replay of the earnings call will be available for a limited time and can be heard after 7:30 p.m. EDT on August 20, 2013. Dial: 1 (888) 843-7419 (U.S. and Canada), 1 (630) 652-3042 (International) and pass code 3539 3899#

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**About Globalstar, Inc.** 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, flexible airtime service packages and the SPOT family of mobile satellite consumer products including the SPOT Satellite GPS Messenger. 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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Investor contact information:

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*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, the closing of the amendment and restatement of our senior credit facility, 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 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.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Dollars in thousands, except per share data)  
(unaudited)

	<b>Three Months Ended June 30,</b>	
	<b>2013</b>	<b>2012</b>
<b>Revenue:</b>		
Service revenues	\$ 15,409	\$ 14,150
Subscriber equipment sales	4,426	5,831
Total revenue	<u>19,835</u>	<u>19,981</u>
<b>Operating expenses:</b>		
Cost of services (exclusive of depreciation, amortization, and accretion shown separately below)	7,205	7,542
Cost of subscriber equipment sales	3,587	3,701
Cost of subscriber equipment sales - reduction in the value of inventory	-	49
Marketing, general, and administrative	6,577	7,018
Reduction in the value of long-lived assets	-	7,139
Contract termination charge	-	22,048
Depreciation, amortization, and accretion	22,067	15,888
Total operating expenses	<u>39,436</u>	<u>63,385</u>
Loss from operations	(19,601)	(43,404)
<b>Other income (expense):</b>		
Loss on extinguishment of debt	(47,240)	-
Loss on future equity issuance	(13,969)	-
Interest income and expense, net of amounts capitalized	(15,216)	(3,781)
Derivative gain (loss)	(29,903)	20,432
Other	(224)	(632)
Total other expense	<u>(106,552)</u>	<u>16,019</u>
Loss before income taxes	(126,153)	(27,385)
Income tax expense	119	148
Net loss	<u>\$ (126,272)</u>	<u>\$ (27,533)</u>
<b>Loss per common share:</b>		
Basic	\$ (0.25)	\$ (0.07)
Diluted	(0.25)	(0.07)
<b>Weighted-average shares outstanding</b>		
Basic	496,169	379,433
Diluted	496,169	379,433



**GLOBALSTAR, INC.**  
**RECONCILIATION OF GAAP NET LOSS TO ADJUSTED EBITDA**  
(Dollars in thousands)  
(unaudited)

	<b>Three Months Ended June 30,</b>	
	<b>2013</b>	<b>2012</b>
Net loss	\$ (126,272)	\$ (27,533)
Interest income and expense, net	15,216	3,781
Derivative (gain) loss	29,903	(20,432)
Income tax expense	119	148
Depreciation, amortization, and accretion	22,067	15,888
<b>EBITDA</b>	<b>(58,967)</b>	<b>(28,148)</b>
Reduction in the value of long-lived assets and inventory	-	7,188
Non-cash compensation	335	320
Research and development	125	55
Severance	-	21
Foreign exchange and other	224	632
Thales arbitration expenses	-	774
Contract termination charge	-	22,048
Loss on extinguishment of debt	47,240	-
Loss on future equity issuance	13,969	-
<b>Adjusted EBITDA (1)</b>	<b>\$ 2,926</b>	<b>\$ 2,890</b>

(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, R&D costs associated with the development of new consumer products, and certain other significant 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. EBITDA and Adjusted EBITDA do not represent and should not be considered as alternatives to GAAP measurements, such as net income. These terms, as defined by us, may not be comparable to a similarly titled measures used by other companies.

The Company uses Adjusted 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 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 net income, revenues and operating profit, to measure operating performance.

**GLOBALSTAR, INC.**  
**SCHEDULE OF SELECTED OPERATING METRICS**  
(Dollars in thousands, except subscriber and ARPU data)  
(unaudited)

	<b>Three Months Ended June 30,</b>			
	<b>2013</b>		<b>2012</b>	
	<b>Service</b>	<b>Equipment</b>	<b>Service</b>	<b>Equipment</b>
<b>Revenue</b>				
Duplex	\$ 5,363	\$ 1,923	\$ 4,490	\$ 682
SPOT	6,853	938	6,496	1,727
Simplex	1,634	1,346	1,354	2,992
IGO	256	179	195	285
Other	1,303	40	1,615	145
	<b>\$ 15,409</b>	<b>\$ 4,426</b>	<b>\$ 14,150</b>	<b>\$ 5,831</b>
<b>Average Subscribers</b>				
Duplex	83,974		89,433	
SPOT	213,788		218,522	
Simplex	201,834		156,519	
IGO	40,360		42,325	
<b>ARPU (1)</b>				
Duplex	\$ 21.29		\$ 16.74	
SPOT	10.69		9.91	
Simplex	2.70		2.88	
IGO	2.11		1.54	

- (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 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.



## **EARNINGS CALL PRESENTATION SECOND QUARTER 2013**

August 13, 2013

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## SAFE HARBOR LANGUAGE

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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 ability to finalize an amendment to our senior secured facility, to raise additional capital to pay or restructure our obligations as they come due, develop and expand our business, pay for 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, our ability to obtain regulatory authority to provide terrestrial mobile broadband services, 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 Global Phone and SPOT Gen3 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.



## Q2-2013 OPERATIONAL PROGRESS

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### SUCCESSFUL REFINANCING

#### Successful Debt Refinancing

- Successfully exchanged 5.75% Notes on May 20, 2013
- Amended and Restated COFACE Facility Agreement signed on July 31, 2013
- At closing, facility amendment provides material improvement in debt repayment schedule and financial covenants
- \$85 million Thermo equity commitment / backstop

### DUPLEX RESTORATION AND NEW PRODUCT ROLLOUT

#### Service Restoration & New Product Development Drive Growth

- Duplex service coverage has continued to improve materially with the final satellite from launch 4 to be placed into service shortly – in Q2, Duplex minutes of use increased 41% over the prior year period
- In May, SPOT Global Phone, the world's first consumer focused satellite handset, was released through retail distribution channel – post-quarter, Globalstar released SPOT Gen3, offering a smaller, feature-rich SPOT family device
- Three additional products to be launched over the coming quarters – designed to expand addressable market through lower cost and enhanced functionality

### FCC PROCEEDING

#### Spectrum Proceeding

- Completed presentations to the FCC during the quarter
- Looking forward to the FCC initiating a formal rulemaking proceeding in the near future.

## Q2-2013 RESULTS SUMMARY

- Revenue for Q2-2013 was \$19.8 million vs. \$20.0 million in Q2-2012 and \$19.3 million in Q1-2013
- Duplex service revenue was \$5.4 million, representing a growth of 19% over Q2-2012 and 11% over Q1-2013
- Duplex ARPU at \$21.29, highest since Q4-2009, grew by 27% over Q2-2012 and 11% over Q1-2013
- Adjusted EBITDA of \$2.9 million in Q2-2013

(\$ in millions except ARPU data)

INCOME STATEMENT SUMMARY												
	Q1 2011	Q2 2011	Q3 2011	Q4 2011	2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	2012	Q1 2013	Q2 2013
<b>Revenue:</b>												
Service revenue					\$19.8	\$4.2	\$4.5	\$5.0	\$4.1	\$18.4	\$4.8	\$5.4
Duplex	\$5.1	\$5.4	\$5.2	\$4.2	\$19.8	\$4.2	\$4.5	\$5.0	\$4.1	\$18.4	\$4.8	\$5.4
SPOT	4.2	4.9	4.9	5.7	15.8	5.3	6.6	6.6	6.9	25.2	7.1	5.9
Simplex	1.2	1.2	1.8	1.5	5.8	3.3	1.4	1.7	1.8	8.1	1.8	1.8
Other	3.7	1.9	2.5	2.2	10.4	1.6	1.8	2.1	1.9	7.7	1.8	1.6
<b>Total Service Revenue</b>	<b>\$14.2</b>	<b>\$13.4</b>	<b>\$14.2</b>	<b>\$13.6</b>	<b>\$55.4</b>	<b>\$13.6</b>	<b>\$14.2</b>	<b>\$15.4</b>	<b>\$15.7</b>	<b>\$57.5</b>	<b>\$15.4</b>	<b>\$15.4</b>
Equipment revenue	\$4.1	\$5.0	\$4.0	\$3.8	\$17.4	\$4.1	\$5.0	\$5.2	\$3.7	\$18.9	\$3.9	\$4.4
<b>Total revenue</b>	<b>\$18.3</b>	<b>\$19.0</b>	<b>\$18.2</b>	<b>\$17.4</b>	<b>\$72.8</b>	<b>\$16.7</b>	<b>\$20.0</b>	<b>\$20.6</b>	<b>\$19.1</b>	<b>\$76.3</b>	<b>\$19.3</b>	<b>\$19.8</b>
Cost of services	\$9.1	\$9.4	\$10.8	\$8.5	\$37.9	\$7.3	\$7.5	\$7.4	\$7.9	\$30.1	\$7.5	\$7.2
Cost of subscriber equipment sales plus value reduction	2.9	4.0	3.0	10.0	20.0	3.0	3.0	4.7	3.3	14.7	2.9	3.6
Marketing, general, and administrative	8.1	9.4	9.8	6.5	33.8	6.6	7.0	7.4	6.4	27.5	6.5	6.6
Contract termination charge	0.0	0.0	0.0	0.0	0.0	0.0	22.0	0.0	0.0	22.0	0.0	0.0
Depreciation, amortization, and accretion	10.5	12.8	12.1	14.5	50.0	14.7	15.9	18.7	20.5	69.8	20.2	22.1
Other operating expenses	0.3	0.2	3.0	0.1	3.6	0.1	7.1	0.0	0.0	7.2	0.0	0.0
<b>Total operating expenses</b>	<b>\$31.0</b>	<b>\$35.8</b>	<b>\$33.6</b>	<b>\$39.7</b>	<b>\$148.1</b>	<b>\$31.7</b>	<b>\$63.4</b>	<b>\$38.2</b>	<b>\$38.1</b>	<b>\$171.3</b>	<b>\$37.7</b>	<b>\$39.4</b>
Loss from operations	(\$12.0)	(\$16.8)	(\$21.4)	(\$22.3)	(\$73.2)	(\$14.9)	(\$43.4)	(\$17.7)	(\$19.0)	(\$36.0)	(\$18.4)	(\$19.6)
Loss on extinguishment of debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(47.2)
Other income (expense)	6.4	2.8	20.7	(11.7)	18.2	(9.4)	16.0	(23.5)	0.1	(16.8)	(8.8)	(59.3)
Income tax benefit (expense)	(0.1)	(0.1)	0.0	0.3	0.1	(0.2)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)
<b>Net loss</b>	<b>(\$6.5)</b>	<b>(\$14.1)</b>	<b>(\$0.7)</b>	<b>(\$33.7)</b>	<b>(\$54.9)</b>	<b>(\$24.5)</b>	<b>(\$27.5)</b>	<b>(\$41.2)</b>	<b>(\$19.0)</b>	<b>(\$12.2)</b>	<b>(\$28.1)</b>	<b>(\$126.3)</b>
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>(\$2.8)</b>	<b>(\$2.8)</b>	<b>(\$3.8)</b>	<b>\$1.8</b>	<b>(\$6.4)</b>	<b>\$1.4</b>	<b>\$2.9</b>	<b>\$3.1</b>	<b>\$2.8</b>	<b>\$9.8</b>	<b>\$2.8</b>	<b>\$2.9</b>
<b>ARPU</b>												
Duplex	\$17.05	\$10.87	\$18.37	\$14.00	\$17.54	\$13.35	\$16.74	\$18.95	\$10.49	\$17.42	\$19.24	\$21.29
SPOT	8.65	9.57	8.86	9.67	9.29	8.67	9.91	9.44	9.90	9.47	10.45	10.09
Simplex	3.00	3.12	3.08	3.65	3.37	3.05	2.88	3.24	3.23	3.11	3.25	2.70
VOC / Wholesale	2.34	3.43	3.01	1.74	2.67	1.45	1.54	1.60	1.81	1.99	1.84	2.11

(1) Adjusted to exclude non-cash compensation expense, reduction in the value of assets, foreign exchange (gains)/losses, R&D costs associated with the development of new consumer products and certain other one-time charges. See reconciliation to GAAP Net loss on Annex A.

# DUPLEX ARPU & ADJUSTED EBITDA RESURGENCE

## DUPLEX ARPU



## ADJUSTED EBITDA <sup>(1)</sup>



3

(1) Adjusted to exclude non-cash compensation expense, reduction in the value of assets, foreign exchange (gains)/losses, R&D costs associated with the development of new consumer products and certain other one-time charges. See reconciliation to GAAP Net loss on Annex A.



# GLOBALSTAR OPERATIONAL UPDATE

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Last Second-Gen satellite to be placed into service within following weeks

- Material improvement in primary Duplex metrics including usage, gross adds and ARPU over the prior year period:
  - Usage: Increased 41%
  - Gross subscriber additions: 2x greater
  - ARPU increased by 27%
- New Duplex and M2M products set to drive distribution into previously unserved markets
- Government & Enterprise customers are returning across core markets driven by material improvement in coverage and competitive advantages

Returning customers include:





## COFACE FACILITY AMENDMENT UPDATE

Facility amendment, when effective, will reduce near term principal obligations and materially improve financial covenants

- Consent Agreement executed May 20, 2013 and Amended and Restated Facility Agreement signed on July 31, 2013
- First principal repayment date will be deferred to December 2014 and no principal payment above \$5 million until June 2016
- Total Thermo investment and backstop of \$85 million – \$25 million funded in connection with exchange transaction and an incremental \$20 million invested to date
- Final maturity date extended to 2022

### ANNUAL PRINCIPAL REPAYMENTS AND DEFERRED PRINCIPAL AMOUNTS



# TLPS ("TERRESTRIAL LOW POWER SERVICE")

TLPS provides immediate solution to acute "Wi-Fi Traffic Jam" — 2.4 GHz unlicensed spectrum is exhausted without an alternative solution



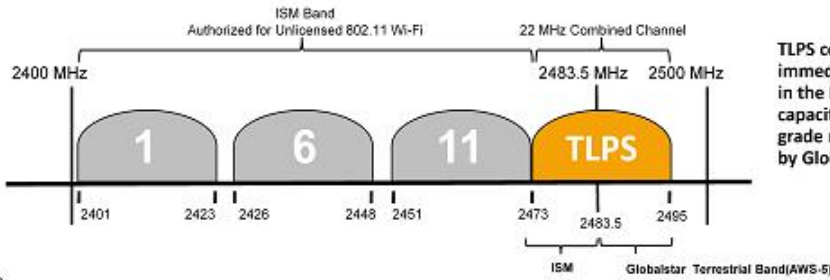
"The Nation's demand for unlicensed services has increased so dramatically that we need more spectrum to support these services. The 2.4 GHz band, while critical to the success of Wi-Fi and other unlicensed technologies, is increasingly congested particularly in major cities. Densely populated centers are the most expensive geographic areas to deploy licensed networks." —Chairwoman Mignon Clyburn



"Consumers are likely to experience reduced coverage and throughput," and "Wi-Fi will become less useful, particularly for high bandwidth services like video." Wi-Fi Spectrum: Exhaust Looms, Rob Alderfer, CableLabs, at 12 (May 28, 2013). The 2.4 GHz Wi-Fi band will reach exhaustion by 2014, with a spectrum deficit of approximately 10 megahertz.



2.4 GHz unlicensed spectrum "has become saturated during certain times of day in heavily trafficked areas such as city centers, apartment buildings, and public events. This congestion imposes a large cost on consumers because Wi-Fi is the most heavily used method of wireless broadband connectivity and the 2.4 GHz band is the core Wi-Fi band today." Comments of Google, Inc. and Microsoft Corporation, ET Docket No. 13-49, at 3 (May 28, 2013).



TLPS could provide an immediate 33% increase in the Nation's Wi-Fi capacity over a carrier-grade network controlled by Globalstar.

## AN IMMEDIATE SOLUTION & LONG-TERM PLAN

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### GLOBALSTAR'S IMMEDIATE SOLUTION WILL:

- Allow Globalstar to offer any permitted terrestrial wireless service within its 2.4 GHz spectrum, including mobile broadband services including TLPS and LTE
- Dramatically expand the Nation's spectral capacity to relieve existing Wi-Fi congestion
- Be managed over a carrier-grade network of access points; minimize impact on Globalstar's continued provision of MSS services
- Not displace any existing or future unlicensed use in the ISM band
- Be implemented quickly, leveraging existing network / handset investment and infrastructure
- Provide 20,000 TLPS-capable access points free of charge
- Provide MSS free of charge to Globalstar subscribers in federally declared disaster areas

### GLOBALSTAR'S LONG-TERM PLAN WILL:

- Add uplink spectrum to AWS-5 terrestrial license in order to provide low power uplink services between 1610 and 1617.775 MHz
- Utilize FDD-LTE protocol
- Provide a full rulemaking to address any potential interference issues from neighboring wireless interests
- Complement S-band terrestrial authority to provide LTE terrestrial service in all bands designated for terrestrial use – option to rollout LTE or TLPS in a given metropolitan area or territory
- Provide terrestrial capability while maintaining robust MSS operations

# NEW PRODUCTS: EXPANDING ADDRESSABLE MARKETS

## NEW PRODUCTS LAUNCHED THIS YEAR



### SPOT GLOBAL PHONE

- Small, lightweight, consumer-oriented satellite phone
- Leverages the brand equity of SPOT in the recreational and consumer marketplace
- Portable device with a long battery life
- Airtime pricing will match current Duplex price plans



### SPOT GEN3

- Battery life 2x SPOT 2
- Enhanced customization features
- Smaller form factor
- USB connection for line power eliminates the need for battery replacement
- New movement messaging, theft alerting capabilities
- Extreme Tracking at 2.5 minute intervals



New Asset Tracking device shown in relative size next to a quarter

### STX3

- Smallest and most efficient simplex M2M transmitter ever
- Will result in greater M2M market penetration and broadened customer appeal
- Used in ASIC-based devices which enable equipment to be smaller, lighter, more cost effective and power efficient



### UNIVERSAL KIT

- Feature-rich two-way communication device designed to penetrate the maritime industry
- Rugged form factor built around the GIK-1700 cradle
- Improved usability: water protection, amplified speaker phone & data connectivity via USB



Device shown in relative size next to a credit card

### CONSUMER ASSET TRACKER

- Extremely small and inexpensive consumer asset tracking device
- Traces the path of anything, anywhere, anytime for consumer assets such as cars, ATVs, motorcycles, jet skis etc.
- Broadens addressable market and leverages retail distribution network

# GLOBALSTAR VALUE DRIVERS

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## Operational Improvements & Second-Gen benefits



- Debt refinancing provides financial flexibility and eliminates near-term financial uncertainty
- Second-Gen provides significant cost benefits and network performance enhancements years before our competitors
- With the final Second-Gen satellite being placed into service in August, Globalstar achieves full Duplex service restoration
- Poised for continued growth in profitability

## Breakthrough Mass Market Products



- Successfully launched two products in 2013; three additional products to be launched over the coming quarters – designed to expand addressable market through lower costs and enhanced functionality
- 10,000 retail points of distribution – only satellite company to have successfully penetrated mass consumer market – now selling the new SPOT Global Phone and SPOT Gen3 through this existing distribution network
- Further expansion into new distribution networks and vertical markets

## Valuable Spectrum Assets



- Non-replicable 25 MHz of globally-harmonized spectrum with 19.275 MHz targeted for licensed terrestrial broadband use in the U.S.
- Unique spectrum position allows for rapid deployment of 22 MHz of 2.4 GHz spectrum for consumer broadband service to relieve existing Wi-Fi congestion
- Awaiting issuance of Notice of Proposed Rulemaking

# ANNEX A — ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

	Q4 2009	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011	Q2 2011	Q3 2011	Q4 2011	Q1 2012	Q2 2012	Q3 2012	Q4 2012	Q1 2013	Q2 2013
<b>Net loss</b>	(\$33.9)	(\$35.0)	(\$19.2)	(\$24.5)	(\$18.1)	(\$6.5)	(\$14.1)	(\$0.7)	(\$33.7)	(\$24.5)	(\$37.5)	(\$41.2)	(\$19.0)	(\$25.1)	(\$106.3)
Interest income and expense, net	1.4	1.2	1.0	1.1	1.2	1.2	1.2	1.2	3.1	3.8	8.8	8.1	7.8	15.2	
Derivative (gain) loss	20.8	25.0	8.1	8.2	(12.3)	(6.4)	(3.8)	(25.0)	10.3	8.5	(20.4)	10.5	(8.5)	(0.6)	20.9
Income tax expense (benefit)	0.1	0.1	0.0	0.0	0.3	0.1	0.1	(0.0)	(3.3)	2.2	0.1	0.1	0.1	0.1	0.1
Depreciation, amortization, and accretion	5.5	5.9	6.0	7.3	9.3	16.6	12.9	12.1	14.5	14.7	15.9	18.7	20.6	20.3	22.1
<b>EBITDA</b>	(\$6.1)	(\$3.5)	(\$4.1)	(\$6.9)	(\$22.2)	(\$1.0)	(\$3.8)	(\$11.2)	(\$8.8)	(\$0.1)	(\$28.1)	\$2.8	\$0.2	\$2.8	(\$59.3)
Provision in the value of assets, inventory & impairments	\$0.3	\$0.0	\$0.1	\$1.0	\$14.1	\$0.4	\$0.5	\$4.0	\$7.5	\$8.3	\$7.2	\$3.7	\$0.4	\$0.8	\$0.0
Stock compensation	2.2	(1.7)	1.0	0.8	0.9	0.7	0.8	0.8	0.2	0.3	0.3	0.3	0.3	0.4	0.8
Research and development	0.0	0.5	0.6	1.1	1.4	2.5	0.5	2.6	0.2	0.1	0.1	0.8	0.1	0.2	0.1
Goodwill	0.0	1.1	0.2	0.9	(2.1)	0.1	0.2	0.7	0.3	0.0	0.0	(0.0)	0.0	0.0	0.0
Foreign exchange and other loss	(5.3)	1.9	2.0	(0.1)	(3.4)	(1.2)	(3.1)	1.9	0.3	(0.1)	0.6	0.4	1.3	(0.6)	0.2
Loss on extinguishment of debt	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	47.2
Revenue recognized from Open Range lease terms	0.0	0.0	0.0	0.0	0.0	(2.0)	0.0	1.6	0.0	0.8	0.0	0.8	0.0	0.8	0.0
Thales aquisition expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	0.7	0.8	0.2	0.1	0.0	0.0
Contract termination charges	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	22.0	0.8	0.0	0.0	0.0
Other one time non-recurring charges	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Loss on future equity issuance	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	14.0
Write off of deferred financing costs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Adjusted EBITDA</b>	(\$2.8)	(\$1.8)	(\$3.3)	(\$2.1)	(\$4.3)	(\$2.6)	(\$2.8)	(\$2.5)	\$1.6	\$1.4	\$2.9	\$3.1	\$2.5	\$2.5	\$2.9