VIASAT INC

FORM 10-K/A
(Amended Annual Report)

Filed 6/28/2004 For Period Ending 3/31/2003

Address	6155 EL CAMINO REAL
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Industry	Communications Equipment
Sector	Technology
Fiscal Year	04/02

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

FORM 10-K/A
Amendment No. 2

(Mark One)

[X] **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the fiscal year ended March 31, 2003

or

[ ] **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934.**

For the transition period from to .

Commission File Number (0-21767)

VIASAT, INC.
(Exact name of registrant as specified in its charter)

Delaware	**33-0174996**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

6155 El Camino Real, Carlsbad, California 92009

(760) 476-2200

(Address, including zip code, and telephone number, including area code, of principal executive offices)

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:

Common Stock, $.0001 Par Value

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. Yes [X] No [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act). Yes [X] No [ ]

The aggregate market value of the voting stock held by non-affiliates of the registrant, as of September 30, 2002 was approximately $105,964,230 (based on the closing price on that date for shares of the registrant's Common Stock as reported by the Nasdaq National Market). Shares of Common Stock held by each officer, director and holder of 5% or more of the outstanding Common Stock have been excluded in that such persons may be deemed affiliates. This determination of affiliate status is not necessarily a conclusive determination for other purposes.

The number of shares outstanding of the registrant's Common Stock, $.0001 par value, as of June 23, 2003 was 26,154,745.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement to be filed with the Securities and Exchange Commission pursuant to Regulation 14A in connection with its 2003 Annual Meeting of Stockholders are incorporated by reference into Part III of this Report. Such Proxy Statement will be filed with the Securities and Exchange Commission not later than 120 days after the registrant's fiscal year ended March 31, 2003.

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Explanatory Note

This Amendment No. 2 to the Annual Report of ViaSat, Inc. ("ViaSat" or the "Company") on Form 10-K/A for the fiscal year ended March 31, 2003, is filed to modify exhibit 99.1 and to now include Exhibit 99.2. The effect of the modification of Exhibit 99.1 is to exclude the 2002 unaudited Immeon financial statements now included as a separate Exhibit 99.2.

This report is being filed to amend only the following item contained in our Annual Report on Form 10-K for the fiscal year ended March 31, 2003 originally filed with the Securities and Exchange Commission on June 30, 2003:

- Item 15 (Exhibits, Financial Statement Schedules, and Reports on Form 8-K).

This Amendment No. 2 does not reflect events occurring after the June 30, 2003 original filing date of the Company's Annual Report on Form 10-K. All information contained in this Amendment No. 2 is subject to updating and supplementing as provided in ViaSat's reports filed with the Securities and Exchange Commission, as amended, for periods subsequent to the date of the original filing of the Annual Report on Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules, and Reports On Form 8-K

(a) Documents filed as part of the report:

	Page Number
(1) Report of Independent Registered Public Accounting Firm	F-1
Consolidated Balance Sheets as of March 31, 2002 and 2003	F-2
Consolidated Statements of Operations for the years ended March 31, 2001, 2002 and 2003 (restated)	F-3
Consolidated Statements of Cash Flows for the years ended March 31, 2001, 2002 and 2003 (restated)	F-4
Consolidated Statements of Stockholders' Equity for the years ended March 31, 2001, 2002 and 2003	F-5
Notes to the Consolidated Financial Statements (restated)	F-6

(2) Schedule II — Valuation and Qualifying Accounts

All other schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

(3) Exhibits

Exhibit Numbers	Description of Exhibit
2.1	Asset Purchase Agreement, dated January 18, 2000, by and between ViaSat, Inc. and Scientific-Atlanta, Inc.(1)
3.1	Bylaws.(2)
3.2	Second Amended and Restated Certificate of Incorporation of ViaSat, Inc.(12)
4.1	Form of Common Stock Certificate.(2)
10.1	Warrants to purchase shares of common stock of ViaSat, Inc. issued to Scientific-Atlanta, Inc.(3)
10.2	Warrants to purchase shares of common stock of ViaSat, Inc. issued to COMSAT Corporation.(16)
10.3	Form of Invention and Confidential Disclosure Agreement by and between ViaSat, Inc. and each employee of ViaSat, Inc.(2)
10.4	ViaSat, Inc. 1993 Stock Option Plan (the "1993 Stock Option Plan").(2)

Exhibit Numbers	Description of Exhibit
10.5	First Amendment to the 1993 Stock Option Plan.(3)
10.6	Form of Incentive Stock Option Agreement under the 1993 Stock Option Plan.(2)
10.7	Form of Nonqualified Stock Option Agreement under the 1993 Stock Option Plan.(2)
10.8	The Amended and Restated 1996 Equity Participation Plan of ViaSat, Inc. (the “1996 Equity Participation Plan”)(12)
10.9	Form of Incentive Stock Option Agreement under the 1996 Equity Participation Plan.(2)
10.10	Form of Nonqualified Stock Option Agreement under the 1996 Equity Participation Plan.(2)
10.11	The ViaSat, Inc. Employee Stock Purchase Plan, as amended.(8)
10.12	ViaSat, Inc. 401(k) Profit Sharing Plan.(2)
10.13	Loan Agreement, dated as of September 15, 1995, by and between ViaSat, Inc. and Union Bank.(2)
10.14	Waiver and First Amendment to Loan Agreement, dated as of March 31, 1997, by and between ViaSat, Inc. and Union Bank.(2)
10.15	Revolving/Term Loan Agreement dated June 21, 2001 among ViaSat, Inc., the Lenders and Union Bank of California, N.A., as Administrative Agent.(15)(24)
10.16	Amendment No. 1 to Revolving/Term Loan Agreement, dated March 29, 2002 by and among Union Bank of California, US Bank National Association and ViaSat, Inc.(19)
10.17	Waiver and Amendment No. 2 to Revolving/Term Loan Agreement executed July 10, 2002 by and among Union Bank of California, US Bank National Association and ViaSat, Inc.(19)(24)
10.18	Amendment No. 3 to Revolving/Term Loan Agreement executed October 29, 2002 by and among Union Bank of California, US Bank National Association and ViaSat, Inc.(20)(24)
10.19	Amendment No. 4 to Revolving/Term Loan Agreement executed November 14, 2002 by and among Union Bank of California, Comerica Bank — California and ViaSat, Inc.(21)(24)
10.20	Amended and Restated Revolving Loan Agreement executed February 10, 2003 by and among Union Bank of California, Comerica Bank — California and ViaSat, Inc.(22)(24)
10.21	Lease, dated March 24, 1998, by and between W9/LNP Real Estate Limited Partnership and ViaSat, Inc. (6155 El Camino Real, Carlsbad, California).(5)
10.22	Amendment to Lease, dated January 4, 1999, by and between Prentiss Properties Acquisition Partners, L.P. and ViaSat, Inc. (The Campus, Carlsbad, California).(6)
10.23	Amendment to Lease, dated January 4, 1999, by and between Prentiss Properties Acquisition Partners, L.P. and ViaSat, Inc. (5962 La Place Court, Carlsbad, California).(6)
10.24	Lease, dated June 18, 1999, by and between Nagog Development Company and ViaSat, Inc. (125 Nagog Park, Acton, Massachusetts, 01720).(10)
10.25	Supply & Services Contract, dated June 2, 1996, by and between HCL Comnet Systems and Services Limited and ViaSat, Inc.(2)
10.26	Award/Contract, effective March 29, 1996, as amended, issued by Electronic Systems Center/MCK Air Force Materiel Command, USAF to ViaSat, Inc.(2)

Exhibit Numbers	Description of Exhibit
10.27	Amendment of Award/Contract, effective February 24, 1997, issued by Electronic Systems Center/MCK Air Force Materiel Command, USAF to ViaSat, Inc.(3)
10.28	Award/Contract, effective October 2, 1995, issued by Electronic Systems Center/MCK Air Force Materiel Command, USAF to ViaSat, Inc.(2)
10.29	Award/Contract, effective September 29, 1993, as amended, issued by Information Technology Acquisition Center to ViaSat, Inc.(2)
10.30	Award Contract, effective September 21, 1994, as amended, issued by Technical Contract Management Office to ViaSat, Inc.(2)
10.31	Satellite Network and Ordering Agreement by and between ViaSat, Inc. and Science Applications International Corporation, dated October 12, 1999.(7)
10.32	Award/Contract, effective January 20, 2000, issued by Space and Naval Warfare Systems to ViaSat, Inc.(8)
10.33	Terminal Development, Production and Purchase Agreement by and between Astrolink International LLC and ViaSat, Inc., dated October 20, 2000.(12)(24)
10.34	Memorandum of Agreement between Astrolink International LLC and ViaSat, Inc., dated October 20, 2000.(12)(24)
10.35	Gateway Terminal Development, Production and Purchase Agreement by and between Astrolink International LLC and ViaSat, Inc., dated December 28, 2000.(13)(24)
10.36	Satellite Modem Development, Production and Purchase Agreement by and between WildBlue Communications, Inc. and ViaSat, Inc., effective as of March 5, 2001.(14)(24)
10.37	Gateway Terminal Development, Production and Purchase Agreement, by and between Astrolink International, LLC and ViaSat, Inc. dated December 28, 2000.(18)(24)
10.38	Agreement for Satellite Modem, Wildblue Satellite Terminal and Satellite Modem Termination System Development, Production and Purchase, by and between Wildblue Communications, Inc. and ViaSat, Inc. dated December 12, 2001.(18)(24)
10.39	Unit Purchase Agreement dated as of December 12, 2001 by and between ViaSat, Inc. and Wildblue Communications, Inc.(17)
10.40	Secured Note dated December 12, 2001 by ViaSat, Inc. in favor of Wildblue Communications, Inc.(17)(24)
10.41	Unsecured Note dated December 12, 2001 by ViaSat, Inc. in favor of Wildblue Communications, Inc.(17)
10.42	Pledge and Security Agreement dated as of December 12, 2001 by and between ViaSat, Inc. and Wildblue Communications, Inc.(17)
10.43	Unit Purchase Agreement dated as of December 14, 2001 by and among ViaSat, Inc. and the parties identified under the heading Sellers on the signature pages thereto.(17)
21.1	Subsidiaries.(10)
23.1	Consent of PricewaterhouseCoopers LLP, Independent Registered Public Accounting Firm (25)
23.2	Consent of Bennett Thrasher PC, Independent Registered Public Accounting Firm (23)
31.1	Certifications Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. (23)

Exhibit Numbers	Description of Exhibit	
32.1	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	(23)
99.1	Financial Statements of Immeon Networks, LLC, December 31, 2001 (23)	
99.2	Unaudited Financial Statements of Immeon Networks, LLC, December 31, 2002 (23)	

(1) Incorporated by reference to ViaSat's Registration Statement on Form S-3 filed with the Securities and Exchange Commission (the "Commission") on March 6, 2000 (File No. 333-31758), as amended by Amendment No. 1 filed with the Commission on March 31, 2000 and Amendment No. 2 filed with the Commission on April 18, 2000.

(2) Incorporated by reference to ViaSat's Registration Statement on Form S-1 filed with the Commission on October 1, 1996 (File No. 333-13183), as amended by Amendment No. 1 filed with the Commission on November 5, 1996, Amendment No. 2 filed with the Commission on November 20, 1996, and Amendment No. 3 filed with the Commission on November 22, 1996.

(3) Incorporated by reference to ViaSat's Annual Report on Form 10-K for the fiscal year ended March 31, 1997.

(4) Incorporated by reference to Exhibit A to ViaSat's Proxy Statement relating to its 1998 Annual Meeting of Stockholders.

(5) Incorporated by reference to ViaSat's Annual Report on Form 10-K for the fiscal year ended March 31, 1998.

(6) Incorporated by reference to ViaSat's Annual Report on Form 10-K for the fiscal year ended March 31, 1999.

(7) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 1999.

(8) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 1999.

(9) Incorporated by reference to ViaSat's Current Report on Form 8-K filed with the Commission on May 8, 2000.

(10) Incorporated by reference to ViaSat's Annual Report on Form 10-K for the fiscal year ended March 31, 2000.

(11) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2000.

(12) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2000.

(13) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2000.

(14) Incorporated by reference to ViaSat's Annual Report on Form 10-K for the fiscal year ended March 31, 2001.

(15) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2001.

(16) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2001.

(17) Incorporated by reference to ViaSat's Current Report on Form 8-K filed with the Commission on December 19, 2001.

(18) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2001.

(19) Incorporated by reference to ViaSat's Current Report on Form 8-K filed with the Commission on July 11, 2002.

(20) Incorporated by reference to ViaSat's Current Report on Form 8-K filed with the Commission on October 31, 2002.

(21) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended September 31, 2002.

(22) Incorporated by reference to ViaSat's Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2002.

(23) Filed herewith.

(24) Certain portions of this exhibit have been redacted pursuant to a request for confidential treatment filed by ViaSat, Inc.

(25) Incorporated by reference to ViaSat's Amendment No. 1 to the Annual Report on Form 10-K/A for the fiscal year ended March 31, 2003.

(b) Reports On Form 8-K

We filed no reports on Form 8-K during the quarter ended March 31, 2003.

(c) Exhibits

The exhibits required by this Item are listed under Item 15(a)(3).

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VIASAT, INC.

By: /s/ MARK D. DANKBERG

Mark D. Dankberg
Chairman and Chief Executive Officer

Date: June 28, 2004

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ MARK D. DANKBERG Mark D. Dankberg	Chairman of the Board and Chief Executive Officer (Principal Executive Officer)	June 28, 2004
/s/ RONALD G. WANGERIN Ronald G. Wangerin	Vice President, Chief Financial Officer (Principal Financial and Accounting Officer)	June 28, 2004
/s/ ROBERT W. JOHNSON Robert W. Johnson	Director	June 28, 2004
/s/ JEFFREY M. NASH Jeffrey M. Nash	Director	June 28, 2004
/s/ B. ALLEN LAY B. Allen Lay	Director	June 28, 2004
/s/ MICHAEL B. TARGOFF Michael B. Targoff	Director	June 28, 2004

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (File Nos. 333-85522,333-74276,333-69664 and 333-31758) and Form S-8 (File Nos. 333-21113,333-68757, 333-40396 and 333-82340) of ViaSat, Inc. of our independent auditors' report dated March 26, 2004 on the audited financial statements of Immeon Networks, LLC as of and for the period from inception (January 8, 2001) through December 3 1,2001, which appears in this form 10-K/A.

Bennett Thrasher PC

/s/ Bennett Thrasher PC

Atlanta, Georgia
June 25,2004

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Mark D. Dankberg, certify that:

1. I have reviewed this annual report on Form 10-K/A of ViaSat, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 28, 2004

/s/ Mark D. Dankberg

Mark D. Dankberg
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Ronald G. Wangerin, certify that:

1. I have reviewed this annual report on Form 10-K/A of ViaSat, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 28, 2004

/s/ Ronald G. Wangerin

Ronald G. Wangerin
Chief Financial Officer

Exhibit 32.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of ViaSat, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(a) the accompanying Annual Report on Form 10-K/A of the Company for the fiscal year ended March 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 28, 2004

/S/ Mark D. Dankberg

Mark D. Dankberg
Chief Executive Officer

CERTIFICATION OF CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of ViaSat, Inc. (the "Company") hereby certifies, to such officer's knowledge, that:

(a) the accompanying Annual Report on Form 10-K/A of the Company for the fiscal year ended March 31, 2003 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(b) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: June 28, 2004

/S/ Ronald G. Wangerin

Ronald G. Wangerin
Chief Financial Officer

The foregoing certifications are being furnished solely to accompany the Report pursuant to 18 U.S.C. Section 1350, and are not being filed for purposes of
Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

IMMEON NETWORKS, LLC
(A DEVELOPMENT STAGE COMPANY)

FINANCIAL STATEMENTS

DECEMBER 31,2001

(BENNETT THRASHER LOGO)

(BENNETT THRASHER LETTERHEAD)

INDEPENDENT AUDITORS' REPORT

To the Management Committee and Members of Immeon Networks, LLC

We have audited the accompanying balance sheet of Immeon Networks, LLC (a company in the development stage) as of December 31, 2001 and the related statements of operations, members' deficit and cash flows for the period from inception (January 8, 2001) to December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Immeon Networks, LLC as of December 31, 2001 and the results of its operations and its cash flows for the period from inception (January 8, 2001) to December 31, 2001 in conformity with accounting principles generally accepted in the United States of America.

/s/ Bennett Thrasher PC

March 26,2004

IMMEON NETWORKS, LLC
(A DEVELOPMENT STAGE COMPANY)

BALANCE SHEET
DECEMBER 31,2001

ASSETS	
Current assets:	
Cash	$ 72,700
Accounts receivable	54,169
Total current assets	$ 126,869
LIABILITIES AND MEMBERS' DEFICIT	
Current liabilities:	
Accounts payable and accrued expenses	$ 3,109,410
Deferred revenue	4.936
Total current liabilities	3,114,346
Commitments	
Members' deficit:	
Initial capital contribution	2,000
Deficit accumulated during the development stage	(2,989,477)
Total members' deficit	(2,987,477)
	$ 126,869

See accompanying notes to financial statements.

IMMEON NETWORKS, LLC
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF OPERATIONS
FOR THE PERIOD FROM INCEPTION (JANUARY 8,2001) TO DECEMBER 31,2001

Revenue	$ 99,977
Costs and expenses:	
Cost of services rendered	1,661,868
Selling and other operating expenses	648,534
Administrative expenses	779.052
	3,089,454
Net loss	$(2,989,477)

See accompanying notes to financial statements.

IMMEON NETWORKS, LLC
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF MEMBERS' DEFICIT
FOR THE PERIOD FROM INCEPTION (JANUARY 8,2001) TO DECEMBER 31,2001

	INITIAL CAPITAL CONTRIBUTION	DEFICIT ACCUMULATED DURING THE DEVELOPMENT STAGE	TOTAL
Balance at January 8, 2001	$ --	$ --	$ --
Initial capital contribution	2,000	--	2,000
Net loss	--	(2,989,477)	(2,989,477)
Balance at December 31, 2001	$ 2,000	$ (2,989,477)	$ (2,987,477)

See accompanying note to financial statements.

IMMEON NETWORKS, LLC
(A DEVELOPMENT STAGE COMPANY)

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCEPTION (JANUARY 8,2001) TO DECEMBER 31,2001

Cash flows from operating activities:	
Net loss	$(2,989,477)
Adjustments to reconcile net loss to net cash provided by operating activities:	
Changes in assets and liabilities:	
Accounts receivable	(54,169)
Accounts payable and accrued expenses	3,109,410
Deferred revenue	4,936
Net cash provided by operating activities	70,700
Cash flows from financing activities:	
Initial capital contribution from members	2,000
Net cash provided by financing activities	2,000
Net increase in cash	72,700
Cash at beginning of period	--
Cash at end of period	$ 72,700

See accompanying notes to financial statements.

NOTE 1: NATURE OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF THE BUSINESS

Immeon Networks, LLC (the Company) was formed on January 8,2001 as a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act (the Act) to engage in the business of marketing, selling and providing shared bandwidth-on-demand satellite services and satellite ground network services. The Company's services are available throughout the United States and also in portions of Canada and the Caribbean. The Company's corporate facilities are located in Norcross, Georgia and its network operations and customer service center are located in Carlsbad, California.

The period from inception (January 8,2001) to December 31,2001 is referred to herein as 2001

FORMATION OF THE COMPANY

The terms of formation of the Company were specified by an operating agreement. The Company has two members consisting of ViaSat, Inc. (ViaSat) and Loral SpaceCom Corporation (Loral). The management committee is comprised of four representatives, two representatives of ViaSat and two representatives of Loral (individually, the managers; collectively, the management committee). The general manager, who is responsible for the day-to-day operations of the Company, is selected by ViaSat, subject to the approval of Loral.

The operating agreement provides for an initial capital contribution and additional capital contributions at the discretion of the management committee. The initial capitalization of the Company consisted of cash totaling $2,000 ($1,000 from ViaSat and $1,000 from Loral). As of December 31, 2001, no additional capital contributions have been made by the members. Operating losses of the Company are allocated to the members in accordance with each member's ownership interest in the Company. Once the Company obtains profitability, contributions previously provided by the members will be reimbursed based on the allocation of profits. After all contributions have been fully reimbursed to the members, each member is entitled to 50% of the net income of the Company, subject to certain adjustments. Pursuant to the terms of a service agreement between the members (see Note 3), services provided to the Company are considered additional capital contributions for the purposes of determining the allocation of net losses. Except as otherwise specifically provided for in the Act, the liability of the members is generally limited to their initial capital contributions, additional capital contributions (including contributions in the form of services) and advances to and financial guarantees that form additional basis in the Company.

The Company will continue indefinitely unless dissolved by the Act; unanimous consent of the members; withdrawal, expulsion or bankruptcy of the last remaining member; sale of substantially all assets of the Company; or bankruptcy of the Company.

USE OF ESTIMATES IN FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and highly liquid investments that are readily convertible into cash and have a maturity of ninety days or less when purchased. At times, cash and cash equivalent balances may exceed federally insured amounts. The Company believes it mitigates any risk by depositing cash and investing in cash equivalents with major financial institutions.

ACCOUNTS RECEIVABLE

In the normal course of business, the Company extends unsecured credit to its customers. The Company performs ongoing credit evaluations of its customers. Accounts receivable are generally due under normal trade terms requiring payment within 30 days from the invoice date. Accounts receivable are stated at the amount billed to the customer. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and, based on an assessment of current creditworthiness, past payment history and historical loss experience, estimates the portion, if any, of the balance that will not be collected. Management believes that all outstanding accounts receivable are collectible and therefore has not established a valuation allowance.

There may be changes in future economic conditions that might give rise to results that differ from past experience. Management will continue to assess creditworthiness of customers and monitor whether a valuation allowance is necessary.

REVENUE RECOGNITION

Revenue from services is recognized in the period in which the services are provided.

Commissions are recognized as earned based on the terms of a distributor agreement with ViaSat (see Note 3).

Deferred revenue represents customer deposits for services to be provided or commissions to be earned and will be recognized as revenue in the period in which the services are provided or the commissions are earned,

INCOME TAXES

As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. Accordingly, no provision or benefit for federal and state income taxes has been recorded in the accompanying financial statements since all income, losses and tax credits from the Company's operations are reported on the members' income tax returns.

NOTE 2: FACTORS AFFECTING OPERATIONS

The Company is in the development stage as it is in the process of researching, developing and marketing its services. The Company has incurred accumulated losses since inception of approximately $3 million as a development stage company and continued losses are expected until the Company completes the research, development and marketing stage of its initial services and is able to market and sell such services.

The continuation of the Company's business as a going concern is contingent upon, among other things, the ability to achieve and maintain satisfactory levels of future profitable operations; obtain and maintain satisfactory levels of debt and/or equity financing; and provide sufficient cash from operations to meet current and future obligations. Although there are no assurances, management believes the Company will be able to achieve the objectives and continue as a going concern. The accompanying financial statements do not include any adjustments that may result from the outcome of these uncertainties.

NOTE 3: RELATED PARTY TRANSACTIONS

Due to the relationships between the parties involved, these transactions may not have been consummated on terms which would have been achieved with unrelated third parties.

The amount due to ViaSat at December 31, 2001 totaled approximately $2.8 million and the amount due to Loral at December 31, 2001 totaled approximately $320,000. These amounts are included in accounts payable and accrued expenses in the accompanying balance sheet.

SERVICE AGREEMENT

The Company entered into a service agreement with Loral and ViaSat. Under the terms of the agreement, Loral provides satellite capacity, and related services, to the Company and ViaSat provides communications equipment and hardware (ground equipment) to be used with the satellites provided by Loral. ViaSat has also agreed to operate a network operations center, manage sales and marketing and provide other services, such as general and administrative, engineering and technical assistance and research and development.

The Company's total cost for these services from ViaSat in 2001 was approximately $2.8 million. The total cost for satellite capacity from Loral in 2001 was approximately $320,000. These charges from ViaSat and Loral are referred to in the service agreement as eligible expenses.

In the event the Company has not generated sufficient cash to pay ViaSat and Loral for their respective eligible expenses, the Company will prorate any payment to ViaSat and Loral as a ratio of their respective cumulative unpaid eligible expenses to total cumulative unpaid eligible expenses. During 2001, the Company did not have sufficient cash to pay any eligible expenses.

DISTRIBUTOR AGREEMENT

The Company has entered into a distributor agreement with ViaSat pursuant to which the Company is entitled to receive a commission from ViaSat for equipment ViaSat sells to the Company's customers. During 200 1,such commissions totaled $27,472 and are included in revenue in the accompanying statement of operations.

REFERRAL INCENTIVE PROGRAM

The Company has entered into a referral incentive program with ViaSat and Loral pursuant to which ViaSat and Loral are entitled to receive a commission from the Company for customer referrals. During 2001, such commissions were not significant.

SATELLITE SERVICES AGREEMENT

In November 2001, the Company and ViaSat entered into a five year agreement with PanAmSat Corporation (PanAmSat) for the Company to offer bandwidth-on-demand services to customers utilizing PanAmSat's satellite network.

NOTE 4: SUBSEQUENT EVENT

In July 2003, Loral filed for bankruptcy; therefore, its interest in the Company became a nonvoting interest. In January 2004, in Loral's bankruptcy proceedings, the bankruptcy court rejected the operating agreement (see Note 1) and the service agreement (see Note 3).

* * * * *

Exhibit 99.2

IMMEON NETWORKS, LLC
(A Development Stage Company)

BALANCE SHEET
DECEMBER 31, 2002
(UNAUDITED)

ASSETS	
Current assets:	
Cash	$ 271,790
Accounts receivable	160,439
Total current assets	$ 432,229
LIABILITIES AND MEMBERS' DEFICIT	
Current liabilities:	
Accounts payable and accrued expenses	$ 5,922,228
Customer deposits	100,108
Total current liabilities	6,022,336
Members' deficit:	
Initial capital contribution	2,000
Deficit accumulated during the development stage	(5,592,107)
Total members' deficit	(5,590,107)
	$ 432,229

See accompanying notes to unaudited financial statements.

IMMEON NETWORKS, LLC
(A Development Stage Company)

STATEMENTS OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2002 AND
FOR THE PERIOD FROM INCEPTION (JANUARY 8, 2001) TO DECEMBER 31, 2002
(UNAUDITED)

	2002	From Inception
Revenue	$ 430,762	$ 530,739
Costs and expenses:		
Cost of services rendered	1,504,197	3,166,065
Selling and other operating expenses	605,785	1,254,319
Administrative expenses	923,410	1,702,462
	3,033,392	6,122,846
Net loss	$(2,602,630)	$(5,592,107)

See accompanying notes to unaudited financial statements.

IMMEON NETWORKS, LLC
(A Development Stage Company)

STATEMENT OF MEMBERS' DEFICIT
FOR THE YEAR ENDED DECEMBER 31, 2002 AND
FOR THE PERIOD FROM INCEPTION (JANUARY 8, 2001) TO DECEMBER 31, 2002
(UNAUDITED)

	Initial Capital Contribution	Deficit Accumulated During the Development Stage	Total
Balance at January 8, 2001	$ --	$ --	$ --
Initial capital contribution	2,000	--	2,000
Net loss	--	(2,989,477)	(2,989,477)
Balance at December 31, 2001	2,000	(2,989,477)	(2,989,477)
Net loss	--	(2,602,630)	(2,602,630)
Balance at December 31, 2002	$ 2,000	$ (5,592,107)	$ (5,590,107)

See accompanying notes to unaudited financial statements.

IMMEON NETWORKS, LLC
(A Development Stage Company)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2002 AND
FOR THE PERIOD FROM INCEPTION (JANUARY 8, 2001) TO DECEMBER 31, 2002
(UNAUDITED)

	2002	From Inception
Cash flows from operating activities:		
Net loss	$ (2,602,630)	$ (5,592,107)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Changes in assets and liabilities:		
Accounts receivable	(106,270)	(160,439)
Accounts payable and accrued expenses	2,812,818	5,922,228
Customer deposits	95,172	100,108
Net cash provided by operating activities	199,090	269,790
Cash flows from financing activities:		
Initial capital contribution from members	--	2,000
Net cash provided by financing activities	--	2,000
Net increase in cash	199,090	271,790
Cash at beginning of year	72,700	--
Cash at end of year	$ 271,790	$ 271,790

See accompanying notes to unaudited financial statements.

IMMEON NETWORKS, LLC
(A Development Stage Company)

NOTES TO UNAUDTIED FINANCIAL STATEMENTS
DECEMBER 31, 2002

NOTE 1: NATURE OF THE BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF THE BUSINESS

Immeon Networks, LLC (the "Company") was formed on January 8, 2001 as a limited liability company pursuant to the provisions of the Delaware Limited Liability Company Act (the "Act") to engage in the business of marketing, selling and providing bandwidth-on-demand satellite communication services. The Company's services are available throughout the United States and also in portions of Canada and the Caribbean. The Company's corporate facilities, network operations center and customer service center are located in Carlsbad, California.

FORMATION OF THE COMPANY

The terms of formation of the Company were specified by an operating agreement. The Company has two members consisting of ViaSat, Inc. (ViaSat) and Loral SpaceCom Corporation (Loral). The management committee is comprised of four representatives, two representatives of ViaSat and two representatives of Loral (individually, the managers; collectively, the management committee). The general manager, who is responsible for managing the day-to-day operations of the Company, is selected by ViaSat, subject to the approval of Loral.

The operating agreement provides for an initial capital contribution and additional capital contributions at the discretion of the management committee. The initial capitalization of the Company consisted of cash totaling $2,000 ($1,000 from ViaSat and $1,000 from Loral). Operating losses of the Company are allocated to the members in accordance with each member's ownership interest in the Company. Once the Company obtains profitability, contributions previously provided by the members will be reimbursed based on the allocation of profits. After all contributions have been fully reimbursed to the members, each member is entitled to 50% of the net income of the Company, subject to certain adjustments. Pursuant to the terms of a service agreement between the members (see Note 3), services provided to the Company are considered additional capital contributions for the purposes of determining the allocation of net losses. Except as otherwise specifically provided for in the Act, the liability of the members is generally limited to their initial capital contributions, additional capital contributions (including contributions in the form of services) and advances to and financial guarantees that form additional basis in the Company.

The Company will continue indefinitely unless dissolved by the Act; unanimous consent of the members; withdrawal, expulsion or bankruptcy of the last remaining member; sale of substantially all assets of the Company; or bankruptcy of the Company.

USE OF ESTIMATES IN FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and highly liquid investments that are readily convertible into cash and have a maturity of ninety days or less when purchased. At times, cash and cash equivalent balances may exceed federally insured amounts. The Company believes it mitigates any risk by depositing cash and investing in cash equivalents with major financial institutions.

ACCOUNTS RECEIVABLE

In the normal course of business, the Company extends unsecured credit to its customers. The Company performs ongoing credit evaluations of its customers. Accounts receivable are generally due under normal trade terms requiring payment within 30 days from the invoice date. Accounts receivable are stated at the amount billed to the customer. Management individually reviews all accounts receivable balances that exceed 90 days from invoice date and, based on an assessment of current creditworthiness, past payment history and historical loss experience, estimates the portion, if any, of the balance that will not be collected. Management believes that all outstanding accounts receivable are collectible and therefore has not established a valuation allowance.

There may be changes in future economic conditions that might give rise to results that differ from past experience. Management will continue to assess creditworthiness of customers and monitor whether a valuation allowance is necessary.

REVENUE RECOGNITION

Revenue from services is recognized in the period in which the services are provided.

Commissions are recognized as earned (see Note 3).

Deferred revenue represents customer deposits for services to be provided or commissions to be earned and will be recognized as revenue in the period in which the services are provided or the commissions are earned.

INCOME TAXES

As a limited liability company, the Company is treated as a partnership for federal and state income tax purposes. Accordingly, no provision or benefit for federal and state income taxes has been recorded in the accompanying financial statements since all income, losses and tax credits from the Company's operations are reported on the members' income tax returns.

NOTE 2: FACTORS AFFECTING OPERATIONS

The Company is in the development stage as it is in the process of marketing its services. The Company has incurred accumulated losses since inception of approximately $5.6 million as a development stage company. Continued losses are expected until the Company completes the marketing stage of its initial services and is able to obtain and maintain a customer base generating sufficient revenue to generate a profit.

The continuation of the Company's business as a going concern is contingent upon, among other things, the ability to achieve and maintain satisfactory levels of future profitable operations; obtain and maintain satisfactory levels of debt and/or equity financing; and provide sufficient cash from operations to meet current and future obligations. Although there are no assurances, management believes the Company will be able to achieve the objectives and continue as a going concern at least through the end of the service agreement. The accompanying financial statements do not include any adjustments that may result from the outcome of these uncertainties.

NOTE 3: RELATED PARTY TRANSACTIONS

Due to the relationships between the parties involved, these transactions may not have been consummated on terms which would have been achieved with unrelated third parties.

The amount due to ViaSat at December 31, 2002 totaled approximately $5.3 million and the amount due to Loral at December 31, 2002 totaled approximately $625,000. These amounts are included in accounts payable and accrued expenses in the accompanying balance sheet.

SERVICE AGREEMENT

The Company entered into a service agreement with Loral and ViaSat. Under the terms of the agreement, Loral provides satellite capacity, and related services, to the Company and ViaSat provides communications equipment and hardware (ground equipment) to be used with the satellites provided by Loral. ViaSat has also agreed to operate a network operations center, manage sales and marketing and provide other services, such as general and administrative, engineering and technical assistance and research and development.

The Company's total cost for these services from ViaSat was approximately $2.6 million in 2002 and approximately $5.4 million from inception. The total cost for satellite capacity from Loral in 2002 was approximately $443,743 and approximately $780,000 from inception. These charges from ViaSat and Loral are referred to in the service agreement as eligible expenses.

In the event the Company has not generated sufficient cash to pay ViaSat and Loral for their respective eligible expenses, the Company will prorate any payment to ViaSat and Loral as a ratio of their respective cumulative unpaid eligible expenses to total cumulative unpaid eligible expenses. During 2002 and since inception, the Company did not have sufficient cash to pay any eligible expenses.

DISTRIBUTOR AGREEMENT

The Company has entered into a distributor agreement with ViaSat pursuant to which the Company is entitled to receive a commission from ViaSat for equipment ViaSat sells to the Company's customers. Such commissions totaled $26,612 during 2002 and $54,084 since inception and are included in revenue in the accompanying statements of operations.

REFERRAL INCENTIVE PROGRAM

The Company has entered into a referral incentive program with ViaSat and Loral pursuant to which ViaSat and Loral are entitled to receive a commission from the Company for customer referrals. During 2002 and since inception, such commissions were not significant.

SATELLITE SERVICES AGREEMENT

In November 2001, the Company and ViaSat entered into a five year agreement with PanAmSat Corporation (PanAmSat) for the Company to offer bandwidth-on-demand services to customers utilizing PanAmSat's satellite network.

NOTE 4: SUBSEQUENT EVENT

In July 2003, Loral filed for bankruptcy; therefore, its interest in the Company became a nonvoting interest. In January 2004, pursuant to the bankruptcy proceedings for Loral, the bankruptcy court rejected the operating agreement (see Note 1) and the service agreement (see Note 3). Accordingly, subsequent to January 2004, Loral is no longer a member of the Company. ViaSat continues to operate as the sole member and ViaSat and Loral have executed a new agreement for Loral to provide bandwidth to the Company at market rates.

End of Filing

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