
FORM 6 – K
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report on Foreign Issuer

Pursuant to Rule 13a – 16 or 15d – 16
of the Securities Exchange Act of 1934
For the Month of February, 2014

Gilat Satellite Networks Ltd.
(Translation of Registrant's Name into English)

Gilat House, Yegia Kapayim Street
Daniv Park, Kiryat Arye, Petah Tikva, Israel
(Address of Principal Corporate Offices)

Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F.

Form 20-F ☒

Form 40-F ☐

Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes ☐

No ☒

If “Yes” is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): N/A

Attached hereto is Registrant's press release dated February 18, 2014, announcing Gilat's Fourth Quarter and Full Year 2013 Results.

We consent to the incorporation by reference of the GAAP financial information included herein, in the Registration Statements on Form F-3 (registration nos. 333-160683 and no. 333-174142) and registration statements on form s-8 (registration nos. 333-96630, 333-113932, 333-123410, 333-132649, 333-158476, 333-180552 and 333-187021).

Signature

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, thereunto duly authorized.

Gilat Satellite Networks Ltd.
(Registrant)

Dated February 18, 2014

By: /s/ Alon Levy
Alon Levy
VP General Counsel

Gilat Announces Fourth Quarter and Full Year 2013 Results

- Improved profitability objective for 2014 based on strong backlog and strong cash position –

Petah Tikva, Israel – February 18, 2014 – Gilat Satellite Networks Ltd. (NASDAQ, TASE: GILT), a worldwide leader in satellite networking technology, solutions and services, today reported its results for the fourth quarter and year ended December 31, 2013.

Key Financial Updates:

- Revenue for 2013 was \$234.9 million with EBITDA of \$16.3 million
- Cash increased to \$86.8 million as compared to \$67.4 million at the end of 2012
- Net cash increased to \$50.9 million as compared to \$18.7 million at the end of 2012
- Strong backlog of \$228 million at the end of 2013 more than doubled as compared to \$98.9 million at the end of 2012
- Management objectives for 2014 are in the range of \$240 to \$245 million in revenue with EBITDA of approximately 9%
- Spacenet operational results are classified as discontinued operations and not included in results presented

Revenues for the fourth quarter of 2013 were **\$55.7** million, compared to **\$76.5** million for the same period in 2012. Revenues for the year ended December 31, 2013 were **\$234.9** million, compared to **\$271.6** million in the year ended December 31, 2012.

On a non-GAAP basis, operating loss was **\$0.1** million in the fourth quarter of 2013 as compared to an operating income of **\$5.6** million in the comparable quarter of 2012. Operating income for 2013 on a non-GAAP basis was **\$4.4** million compared to operating income of **\$19.1** million 2012.

On a non-GAAP basis, net loss for the quarter was **\$1.0** million or **\$0.02** per diluted share compared to net income of **\$6.6** million or **\$0.15** per diluted share in the same quarter of 2012. Net loss for 2013 on a non-GAAP basis was **\$1.1** million compared to net income of **\$17.6** million in **2012**.

EBITDA for the fourth quarter of 2013 reached **\$2.5** million compared with **\$8.9** million in the comparable period in 2012. EBITDA for the twelve months of 2013 reached **\$16.3** million compared with **\$30.7** million in the comparable period in 2012.

“2013 was a challenging year for Gilat,” said Erez Antebi, CEO of Gilat. “Looking forward, we have worked to streamline the Company and its cost structure. We begin 2014 with a healthy balance sheet, strong cash position and a backlog which has more than doubled from 2013. And, we have successfully positioned ourselves in growing markets with many opportunities.”

Resources:**Fourth Quarter 2013 Financial Statements****Key Recent Announcements:**

- Gilat Introduces CellEdge, a Breakthrough Small Cell over Satellite Solution Specifically Designed for Unserved Rural Areas;
- THAICOM Launches Fast Internet Connectivity Service, Powered by Gilat Satellite Equipment;
- Gilat and Gilat Satcom to Supply Fixed and On-the-Move Satellite Services to Israeli Government;
- Gilat Awarded \$30 Million Project by Peru's Fitel in Support of the Integracion Amazonica Loreto Initiative;
- Gilat Awarded \$99-Million Project from Colombia's MINTIC;
- Gilat Announces the Closing of the Sale of Spacenet Subsidiary.

Conference Call and Webcast Details:

Gilat management will host a conference call today at 14:30 GMT / 09:30 EST / 16:30 IST

(Israel Standard Time) to discuss the results. International participants are invited to access the call at (972) 3-918-0609, and US-based participants are invited to access the call by dialing (888) 668-9141. A replay of the conference call will be available beginning at approximately 17:00 GMT/ 12:00 EST/ 19:00 IST today, until 17:00 GMT/ 12:00 EST/ 19:00 IST February 20, 2014. International participants are invited to access the replay at (972) 3-925-5904, and US-based participants are invited to access the replay by dialing (888) 326-9310. A replay of the call may also be accessed as a webcast via Gilat's website at www.gilat.com and will be archived for 30 days.

Notes:

(1) The attached summary financial statements were prepared in accordance with U.S. Generally Accepted Accounting Principles (GAAP). The attached summary financial statements are unaudited. To supplement the consolidated financial statements presented in accordance with GAAP, the Company presents Gilat's EBITDA before the impact of non-cash share-based payment charges, depreciation and amortization, other income and other costs related to acquisition transactions. Non-GAAP presentations of net income, EBITDA and earnings per share are provided to enhance the understanding of the Company's historical financial performance and comparability between periods.

(2) Operating income before depreciation, amortization, non-cash stock option expenses as per ASC 718 (formerly SFAS 123(R)) and other costs related to acquisition transactions ('EBITDA') is presented because it is a measure commonly used and is presented solely in order to improve the understanding of the Company's operating results and to provide further perspective on these results. EBITDA, however, should not be considered as an alternative to operating income or net income for the period as an indicator of the operating performance of the Company.

Similarly, EBITDA should not be considered as an alternative to cash flows from operating activities as a measure of liquidity. EBITDA is not a measure of financial performance under generally accepted accounting principles and may not be comparable to other similarly titled measures for other companies. EBITDA may not be indicative of the historic operating results of the Company; nor is it meant to be predictive of potential future results. Reconciliation between the Company's Operating income and EBITDA is presented in the attached summary financial statements.

About Gilat Satellite Networks Ltd.

Gilat Satellite Networks Ltd (NASDAQ, TASE: GILT) is a leading provider of products and services for satellite-based broadband communications. Gilat develops and markets a wide range of high-performance satellite ground segment equipment and VSATs, with an increasing focus on the consumer and Ka-band market. In addition, Gilat enables mobile SOTM (Satellite-on-the-Move) solutions providing low-profile antennas, next generation solid-state power amplifiers and modems. Gilat also provides managed network and satellite-based services for rural telephony and Internet access via its subsidiaries in Peru and Colombia.

With over 25 years of experience, and over a million products shipped to more than 85 countries, Gilat has provided enterprises, service providers and operators with efficient and reliable satellite-based connectivity solutions, including cellular backhaul, banking, retail, e-government and rural communication networks. Gilat also enables leading defense, public security and news organizations to implement advanced, on-the-move tactical communications on board their land, air and sea fleets using Gilat's high-performance SOTM solutions. For more information, please visit us at www.gilat.com

Certain statements made herein that are not historical are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995. The words "estimate", "project", "intend", "expect", "believe" and similar expressions are intended to identify forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties. Many factors could cause the actual results, performance or achievements of Gilat to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic and business conditions, inability to maintain market acceptance to Gilat's products, inability to timely develop and introduce new technologies, products and applications, rapid changes in the market for Gilat's products, loss of market share and pressure on prices resulting from competition, introduction of competing products by other companies, inability to manage growth and expansion, loss of key OEM partners, inability to attract and retain qualified personnel, inability to protect the Company's proprietary technology and risks associated with Gilat's international operations and its location in Israel. For additional information regarding these and other risks and uncertainties associated with Gilat's business, reference is made to Gilat's reports filed from time to time with the Securities and Exchange Commission.

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GILAT SATELLITE NETWORKS LTD.
CONDENSED CONSOLIDATED BALANCE SHEET
US dollars in thousands

| | December 31, 2013 Unaudited | December 31, 2012 |
|--|-----------------------------------|----------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | 58,424 | 66,968 |
| Restricted cash | 18,891 | 1,880 |
| Restricted cash held by trustees | 3,221 | 1,664 |
| Trade receivables, net | 56,466 | 52,737 |
| Inventories | 27,141 | 23,128 |
| Other current assets | 10,143 | 23,058 |
| Current assets of discontinued operations | - | 49,057 |
| Total current assets | 174,286 | 218,492 |
| LONG-TERM INVESTMENTS AND RECEIVABLES: | | |
| Long-term restricted cash | 6,279 | 401 |
| Severance pay fund | 9,856 | 9,703 |
| Long-term trade and other receivables | 278 | 213 |
| Total long-term investments and receivables | 16,413 | 10,317 |
| PROPERTY AND EQUIPMENT, NET | 85,369 | 87,191 |
| INTANGIBLE ASSETS, NET | 28,830 | 34,773 |
| GOODWILL | 63,870 | 63,870 |
| TOTAL ASSETS | 368,768 | 414,643 |

GILAT SATELLITE NETWORKS LTD.
CONDENSED CONSOLIDATED BALANCE SHEET
US dollars in thousands

| | December 31, 2013 Unaudited | December 31, 2012 |
|--|-----------------------------------|----------------------|
| LIABILITIES AND EQUITY | | |
| CURRENT LIABILITIES: | | |
| Short-term bank credit | - | 3,517 |
| Current maturities of long-term loans | 4,665 | 7,963 |
| Trade payables | 20,900 | 22,160 |
| Accrued expenses | 16,748 | 21,451 |
| Short-term advances from customer, held by trustees | - | 4,448 |
| Other current liabilities | 54,666 | 32,340 |
| Liabilities of discontinued operations | - | 19,369 |
| Total current liabilities | 96,979 | 111,248 |
| LONG-TERM LIABILITIES: | | |
| Accrued severance pay | 9,628 | 9,513 |
| Long-term loans, net of current maturities | 31,251 | 40,747 |
| Other long-term liabilities | 4,877 | 11,178 |
| Total long-term liabilities | 45,756 | 61,438 |
| COMMITMENTS AND CONTINGENCIES | | |
| EQUITY: | | |
| Share capital - ordinary shares of NIS 0.2 par value | 1,932 | 1,909 |
| Additional paid in capital | 873,045 | 869,822 |
| Accumulated other comprehensive income | 1,591 | 2,864 |
| Accumulated deficit | (650,535) | (632,638) |
| Total equity | 226,033 | 241,957 |
| TOTAL LIABILITIES AND EQUITY | 368,768 | 414,643 |

GILAT SATELLITE NETWORKS LTD.
RECONCILIATION BETWEEN GAAP AND NON-GAAP STATEMENTS OF OPERATIONS
FOR COMPARATIVE PURPOSES
U.S. dollars in thousands (except per share data)

| | Three months ended 31 December 2013 | | | Three months ended 31 December 2012 | | |
|--|--|-----------------|----------------|--|-----------------|---------------|
| | GAAP | Adjustments (1) | Non-GAAP | GAAP | Adjustments (1) | Non-GAAP |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| Revenues | 55,728 | - | 55,728 | 76,463 | - | 76,463 |
| Cost of revenues | 35,519 | (1,256) | 34,263 | 48,703 | (1,614) | 47,089 |
| Gross profit | 20,209 | 1,256 | 21,465 | 27,760 | 1,614 | 29,374 |
| | 36% | | 39% | 36% | | 38% |
| Research and development expenses: | | | | | | |
| Expenses incurred | 7,627 | (129) | 7,498 | 8,022 | (111) | 7,911 |
| Less - grants | 142 | - | 142 | 710 | - | 710 |
| | 7,485 | (129) | 7,356 | 7,312 | (111) | 7,201 |
| Selling and marketing expenses | 8,535 | (344) | 8,191 | 10,523 | (339) | 10,184 |
| General and administrative expenses | 6,341 | (312) | 6,029 | 6,628 | (263) | 6,365 |
| Restructuring Costs | 564 | (564) | - | 315 | (315) | - |
| Impairment of goodwill and Intangible assets | - | - | - | 31,879 | (31,879) | - |
| Operating income (loss) | (2,716) | 2,605 | (111) | (28,897) | 34,521 | 5,624 |
| Financial expenses, net | (1,602) | - | (1,602) | (378) | - | (378) |
| Other income | - | - | - | 2,729 | (2,729) | - |
| Income (loss) before taxes on income | (4,318) | 2,605 | (1,713) | (26,546) | 31,792 | 5,246 |
| Tax benefit | (708) | - | (708) | (1,312) | - | (1,312) |
| Net income (loss) from continuing operations | (3,610) | 2,605 | (1,005) | (25,234) | 31,792 | 6,558 |
| Net income (loss) from discontinued operations | (3,911) | 3,911 | - | 932 | (932) | - |
| Net income (loss) | (7,521) | 6,516 | (1,005) | (24,302) | 30,860 | 6,558 |
| Basic net loss per share from continuing operations | (0.09) | | | (0.61) | | |
| Basic net earnings (loss) per share from discontinued operations | (0.09) | | | 0.02 | | |
| Basic net earnings (loss) per share | (0.18) | | (0.02) | (0.59) | | 0.16 |
| Diluted net loss per share from continuing operations | (0.09) | | | (0.61) | | |
| Diluted net earnings (loss) per share from discontinued operations | (0.09) | | | 0.02 | | |
| Diluted net earnings (loss) per share | (0.18) | | (0.02) | (0.59) | | 0.15 |
| Weighted average number of shares used in computing net earnings (loss) per share | | | | | | |
| Basic | 42,098 | | 42,098 | 41,603 | | 41,603 |
| Diluted | 42,098 | | 42,098 | 41,603 | | 43,556 |

(1) Adjustments reflect the effect of non-cash stock based compensation as per ASC 718, amortization of intangible assets related to acquisition transactions, impairments of goodwill and intangible assets, restructuring costs and net income (loss) from discontinued operations.

| | Three months ended 31 December 2013 | | Three months ended 31 December 2012 | |
|---|--|--|--|--|
| | Unaudited | | Unaudited | |
| | | | | |
| Non-cash stock-based compensation expenses: | | | | |
| Cost of revenues | 58 | | 55 | |
| Research and development | 129 | | 111 | |
| Selling and marketing | 131 | | 127 | |
| General and administrative | 312 | | 263 | |
| | 630 | | 556 | |
| Amortization of intangible assets related to acquisition transactions: | | | | |
| Cost of revenues | 1,198 | | 1,559 | |
| Selling and marketing | 213 | | 212 | |
| | 1,411 | | 1,771 | |

GILAT SATELLITE NETWORKS LTD.
RECONCILIATION BETWEEN GAAP AND NON-GAAP STATEMENTS OF OPERATIONS
FOR COMPARATIVE PURPOSES
U.S. dollars in thousands (except per share data)

| | Year ended 31 December 2013 | | | Year ended 31 December 2012 | | |
|--|--------------------------------|-----------------|----------------|--------------------------------|-----------------|----------------|
| | GAAP | Adjustments (1) | Non-GAAP | GAAP | Adjustments (1) | Non-GAAP |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited |
| Revenues | 234,866 | - | 234,866 | 271,566 | - | 271,566 |
| Cost of revenues | 155,210 | (4,993) | 150,217 | 173,637 | (6,443) | 167,194 |
| Gross profit | 79,656 | 4,993 | 84,649 | 97,929 | 6,443 | 104,372 |
| | 34% | | 36% | 36% | | 38% |
| Research and development expenses: | | | | | | |
| Expenses incurred | 29,491 | (468) | 29,023 | 32,296 | (354) | 31,942 |
| Less - grants | 1,591 | - | 1,591 | 3,055 | - | 3,055 |
| | 27,900 | (468) | 27,432 | 29,241 | (354) | 28,887 |
| Selling and marketing expenses | 32,214 | (1,297) | 30,917 | 34,988 | (1,247) | 33,741 |
| General and administrative expenses | 23,071 | (1,151) | 21,920 | 23,618 | (972) | 22,646 |
| Restructuring Costs | 564 | (564) | - | 315 | (315) | - |
| Impairment of goodwill and Intangible assets | - | - | - | 31,879 | (31,879) | - |
| Operating income (loss) | (4,093) | 8,473 | 4,380 | (22,112) | 41,210 | 19,098 |
| Financial expenses, net | (6,239) | - | (6,239) | (3,432) | - | (3,432) |
| Other income | - | - | - | 2,729 | (2,729) | - |
| Income (loss) before taxes on income | (10,332) | 8,473 | (1,859) | (22,815) | 38,481 | 15,666 |
| Tax benefit | (755) | - | (755) | (1,893) | - | (1,893) |
| Net income (loss) from continuing operations | (9,577) | 8,473 | (1,104) | (20,922) | 38,481 | 17,559 |
| Net loss from discontinued operations | (8,320) | 8,320 | - | (2,270) | 2,270 | - |
| Net income (loss) | (17,897) | 16,793 | (1,104) | (23,192) | 40,751 | 17,559 |
| Basic net loss per share from continuing operations | (0.23) | | | (0.51) | | |
| Basic net loss per share from discontinued operations | (0.20) | | | (0.05) | | |
| Basic net earnings (loss) per share | (0.43) | | (0.03) | (0.56) | | 0.42 |
| Diluted net loss per share from continuing operations | (0.23) | | | (0.51) | | |
| Diluted net loss per share from discontinued operations | (0.20) | | | (0.05) | | |
| Diluted net earnings (loss) per share | (0.43) | | (0.03) | (0.56) | | 0.40 |
| Weighted average number of shares used in computing net earnings (loss) per share | | | | | | |
| Basic | 41,961 | | 41,961 | 41,410 | | 41,410 |
| Diluted | 41,961 | | 41,961 | 41,410 | | 43,406 |

(1) Adjustments reflect the effect of non-cash stock based compensation as per ASC 718, amortization of intangible assets related to acquisition transactions, impairments of goodwill and intangible assets, restructuring costs and net income (loss) from discontinued operations.

| | Year ended 31 December 2013 | Year ended 31 December 2012 |
|---|-----------------------------------|-----------------------------------|
| | Unaudited | Unaudited |
| Non-cash stock-based compensation expenses: | | |
| Cost of revenues | 201 | 207 |
| Research and development | 468 | 354 |
| Selling and marketing | 448 | 401 |
| General and administrative | 1,151 | 972 |
| | 2,268 | 1,934 |
| Amortization of intangible assets related to acquisition transactions: | | |
| Cost of revenues | 4,792 | 6,236 |
| Selling and marketing | 849 | 846 |
| | 5,641 | 7,082 |

GILAT SATELLITE NETWORKS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
U.S. dollars in thousands (except per share data)

| | Year ended December 31, | | Three months ended December 31, | |
|---|----------------------------|-----------------|------------------------------------|-----------------|
| | 2013 | 2012 | 2013 | 2012 |
| | Unaudited | | Unaudited | Unaudited |
| Revenues | 234,866 | 271,566 | 55,728 | 76,463 |
| Cost of revenues | 155,210 | 173,637 | 35,519 | 48,703 |
| Gross profit | 79,656 | 97,929 | 20,209 | 27,760 |
| Research and development expenses: | | | | |
| Expenses incurred | 29,491 | 32,296 | 7,627 | 8,022 |
| Less - grants | 1,591 | 3,055 | 142 | 710 |
| | 27,900 | 29,241 | 7,485 | 7,312 |
| Selling and marketing expenses | 32,214 | 34,988 | 8,535 | 10,523 |
| General and administrative expenses | 23,071 | 23,618 | 6,341 | 6,628 |
| Restructuring Costs | 564 | 315 | 564 | 315 |
| Impairment of goodwill and Intangible assets | - | 31,879 | - | 31,879 |
| Operating loss | (4,093) | (22,112) | (2,716) | (28,897) |
| Financial expenses, net | (6,239) | (3,432) | (1,602) | (378) |
| Other income | - | 2,729 | - | 2,729 |
| Loss before taxes on income | (10,332) | (22,815) | (4,318) | (26,546) |
| Tax benefit | (755) | (1,893) | (708) | (1,312) |
| Net loss from continuing operations | (9,577) | (20,922) | (3,610) | (25,234) |
| Net income (loss) from discontinued operations | (8,320) | (2,270) | (3,911) | 932 |
| Net loss | (17,897) | (23,192) | (7,521) | (24,302) |
| Basic net loss per share from continuing operations | (0.23) | (0.51) | (0.09) | (0.61) |
| Basic net earnings (loss) per share from discontinued operations | (0.20) | (0.05) | (0.09) | 0.02 |
| Basic net loss per share | (0.43) | (0.56) | (0.18) | (0.59) |
| Diluted net loss per share from continuing operations | (0.23) | (0.51) | (0.09) | (0.61) |
| Diluted net earnings (loss) per share from discontinued operations | (0.20) | (0.05) | (0.09) | 0.02 |
| Diluted net loss per share | (0.43) | (0.56) | (0.18) | (0.59) |
| Weighted average number of shares used in computing net loss per share | | | | |
| Basic | 41,961 | 41,410 | 42,098 | 41,603 |
| Diluted | 41,961 | 41,410 | 42,098 | 41,603 |

GILAT SATELLITE NETWORKS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
US dollars in thousands

| | Year ended | | Three months ended | |
|--|---------------|---------------|--------------------|---------------|
| | December 31, | | December 31, | |
| | 2013 | 2012 | 2013 | 2012 |
| | Unaudited | Unaudited | Unaudited | Unaudited |
| Cash flows from continuing operations | | | | |
| Cash flows from operating activities: | | | | |
| Net loss from continuing operations | (9,577) | (20,922) | (3,610) | (25,234) |
| Adjustments required to reconcile net loss to net cash generated from operating activities: | | | | |
| Depreciation and amortization | 17,559 | 18,672 | 4,049 | 5,088 |
| Impairment of goodwill and other intangible assets | - | 31,879 | - | 31,879 |
| Stock-based compensation | 2,268 | 1,934 | 630 | 556 |
| Accrued severance pay, net | (38) | 88 | (37) | (150) |
| Accrued interest and exchange rate differences on short and long-term restricted cash, net | 2,359 | (209) | 977 | (114) |
| Exchange rate differences on long-term loans | 157 | 90 | 65 | 81 |
| Capital loss from disposal of property and equipment | 48 | 43 | 35 | 6 |
| Deferred income taxes | (1,571) | (3,614) | (1,862) | (2,571) |
| Increase in trade receivables, net | (4,228) | (11,735) | (4,894) | (51) |
| Decrease (increase) in other assets (including short-term, long-term and deferred charges) | 8,688 | (3,293) | 7,544 | (1,519) |
| Decrease (increase) in inventories | (6,502) | 2,025 | 1,289 | 912 |
| Decrease in trade payables | (1,225) | (727) | (4,854) | (1,941) |
| Increase (decrease) in accrued expenses | (4,703) | 250 | (464) | 1,763 |
| Increase (decrease) in advances from customer, held by trustees, net | (4,448) | 2,897 | - | (39) |
| Increase in other accounts payable and other long term liabilities | 18,772 | 2,621 | 24,360 | 5,987 |
| Net cash generated from operating activities | 17,559 | 19,999 | 23,228 | 14,653 |

GILAT SATELLITE NETWORKS LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
US dollars in thousands

| | Year ended December 31, | | Three months ended December 31, | |
|---|----------------------------|----------------|------------------------------------|-----------------|
| | 2013 | 2012 | 2013 | 2012 |
| | Unaudited | Unaudited | Unaudited | Unaudited |
| Cash flows from investing activities: | | | | |
| Purchase of property and equipment | (4,063) | (3,965) | (1,246) | (1,090) |
| Investment in restricted cash held by trustees | (17,587) | (35,442) | (3,132) | (6,741) |
| Proceeds from restricted cash held by trustees | 13,744 | 35,447 | 3,461 | 12,931 |
| Investment in restricted cash (including long-term) | (25,961) | (903) | (23,480) | (2) |
| Proceeds from restricted cash (including long-term) | 2,975 | 3,355 | 418 | 28 |
| Purchase of intangible assets | (16) | (89) | - | (7) |
| Net cash generated from (used in) investing activities | (30,908) | (1,597) | (23,979) | 5,119 |
| Cash flows from financing activities: | | | | |
| Repayment of convertible notes | - | (14,322) | - | (14,322) |
| Issuance of restricted stock units and exercise of stock options | 581 | 254 | 2 | 236 |
| Payment of obligation related to the purchase of intangible assets | (500) | - | - | - |
| Short-term bank credit, net | (3,518) | 546 | (3,426) | (644) |
| Proceeds from long-term loans | - | 10,000 | - | - |
| Repayment of long-term loans | (12,950) | (6,452) | (146) | (1,017) |
| Net cash used in financing activities | (16,387) | (9,974) | (3,570) | (15,747) |
| Cash flows from discontinued operations | | | | |
| Net cash generated from (used in) operating activities | (7,158) | 1,572 | (5,850) | 3,428 |
| Net cash generated from (used in) investing activities | 15,791 | 999 | 15,086 | (1,482) |
| Net cash generated from (used in) financing activities | 12,884 | - | (300) | - |
| | 21,517 | 2,571 | 8,936 | 1,946 |
| Effect of exchange rate changes on cash and cash equivalents | (325) | (262) | (105) | (29) |
| Increase (decrease) in cash and cash equivalents | (8,544) | 10,737 | 4,510 | 5,942 |
| Cash and cash equivalents at the beginning of the period | 66,968 | 56,231 | 53,914 | 61,026 |
| Cash and cash equivalents at the end of the period | 58,424 | 66,968 | 58,424 | 66,968 |

GILAT SATELLITE NETWORKS LTD.
CONDENSED EBITDA
US dollars in thousands

| | Year ended December 31, | | Three months ended December 31, | |
|--|----------------------------|-----------|------------------------------------|-----------|
| | 2013 | 2012 | 2013 | 2012 |
| | Unaudited | Unaudited | Unaudited | Unaudited |
| Operating loss | (4,093) | (22,112) | (2,716) | (28,897) |
| Add: | | | | |
| Non-cash stock-based compensation expenses | 2,268 | 1,934 | 630 | 556 |
| Restructuring costs | 564 | 315 | 564 | 315 |
| Impairment of goodwill and Intangible assets | - | 31,879 | - | 31,879 |
| Depreciation and amortization | 17,559 | 18,672 | 4,049 | 5,088 |
| EBITDA | 16,298 | 30,688 | 2,527 | 8,941 |