Global Eagle Acquisition Corp.
Form 10-Q
May 14, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

þ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2012

or

¨ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File Number: 001-35176

GLOBAL EAGLE ACQUISITION CORP.

(Exact name of registrant as specified in its charter)

Delaware	27-4757800
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

10900 Wilshire Blvd. Suite 1500, Los Angeles, California 90024

(310) 209-7280

(Address, including zip code, and telephone number, including area code,

of registrant's principal executive offices)

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 þ No ¨

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes þ No ¨

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ¨ Accelerated filer ¨ Non-accelerated filer þ Smaller reporting company ¨
(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes þ No ¨

As of May 14, 2012, the registrant had 23,161,585 shares of its common stock, par value $0.0001 per share, outstanding.

GLOBAL EAGLE ACQUISITION CORP.

TABLE OF CONTENTS

PART I. FINANCIAL INFORMATION	3
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)	3
Condensed Interim Balance Sheets	3
Condensed Interim Statements of Operations	4
Condensed Interim Statement of Stockholders' Equity	5
Condensed Interim Statement of Cash Flows	6
Notes to Condensed Interim Financial Statements	7
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	14
Special Note Regarding Forward-Looking Statements	15
Overview	15
Results of Operations	15
Liquidity and Capital Resources	15
Critical Accounting Policies and Estimates	16
ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	17
ITEM 4. CONTROLS AND PROCEDURES	17
PART II. OTHER INFORMATION	18
ITEM 1. LEGAL PROCEEDINGS	18
ITEM 1A. RISK FACTORS	18
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	18
ITEM 3. DEFAULTS UPON SENIOR SECURITIES	18
ITEM 4. MINE SAFETY DISCLOSURES	18
ITEM 5. OTHER INFORMATION	18
ITEM 6. EXHIBITS	18

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

GLOBAL EAGLE ACQUISITION CORP.

(A Corporation in the Development Stage)

Condensed Interim Balance Sheets

	March 31, 2012 (unaudited)	December 31, 2011
Assets:		
Current assets:		
Cash	$ 279,903	$ 446,281
Prepaid insurance	10,969	31,712
Total current assets	290,872	477,993
Non-current assets:		
Investments held in trust	189,637,163	189,634,541
Total assets	$ 189,928,035	$ 190,112,534
Liabilities and Stockholders' Equity:		
Current liabilities:		
Franchise tax payable	$ 158,222	$ 113,222
Accrued operating expenses and accounts payable	141,395	73,567
Total current liabilities	299,617	186,789
Deferred underwriter compensation	6,647,375	6,647,375
Commitment and contingencies:		
Common stock subject to possible redemption: 17,826,627 and 17,856,407 shares (at redemption value) as of March 31, 2012 and December 31, 2011 respectively	177,981,042	178,278,367
Stockholders' equity:		
Preferred stock, $0.0001 par value; 1,000,000 shares authorized; none issued and outstanding	-	-
Common stock, $0.0001 par value; 400,000,000 shares authorized; 23,161,585 shares issued and outstanding at March 31, 2012 and December 31, 2011 (including 17,826,627 and 17,856,407 shares at redemption value, respectively)	2,316	2,316

Additional paid-in capital	6,076,329	5,779,006
Deficit accumulated during the development stage	(1,078,644)	(781,319)
Total stockholders' equity, net	5,000,001	5,000,003
Total liabilities and stockholders' equity	$ 189,928,035	$ 190,112,534

The accompanying notes are an integral part of these condensed interim financial statements.

GLOBAL EAGLE ACQUISITION CORP.
(A Corporation in the Development Stage)

Condensed Interim Statements of Operations

(Unaudited)

	Three Months Ended March 31, 2012	Period from February 2, 2011 (inception) through March 31, 2011	Period from February 2, 2011 (inception) through March 31, 2012
Revenue	$ —	$ —	$ —
General and administrative expenses	299,947	10,117	1,089,307
Loss from operations	(299,947)	(10,117)	(1,089,307)
Other income			
Interest income	2,622	—	10,663
Net loss attributable to common shares outstanding	$ (297,325)	$ (10,117)	$ (1,078,644)
Weighted average number of common shares outstanding, basic and diluted	23,161,585	4,417,683	18,519,817
Net loss per common share outstanding, basic and diluted	$ (0.01)	$ (0.00)	$ (0.06)

The accompanying notes are an integral part of these condensed interim financial statements.

GLOBAL EAGLE ACQUISITION CORP.

(A Corporation in the Development Stage)

Condensed Interim Statement of Stockholders' Equity

For the period from February 2, 2011 (inception) to March 31, 2012

	Common Stock		Additional Paid-in	Deficit Accumulated During the Development	Total Stockholders'
	Shares	Amount	Capital	Stage	Equity
Sale on February 2, 2011 of common stock to Sponsor at $0.01 per share	4,417,683	$ 442	$ 24,558	—	$ 25,000
Sale on May 18, 2011 of 18,992,500 units, net of offering expenses	18,992,500	1,899	189,923,101	—	189,925,000
Forfeiture of common stock issued to Sponsor	(248,598)	(25)	25	—	—
Proceeds subject to possible redemption of 17,856,407 shares	—	—	(178,278,367)	—	(178,278,367)
Underwriters' discount and offering expenses	—	—	(11,140,311)	—	(11,140,311)
Proceeds from private placement of 7,000,000 warrants on May 18, 2011	—	—	5,250,000	—	5,250,000
Net loss attributable to stockholders for the period ended December 31, 2011				(781,319)	(781,319)
Balances as of December 31, 2011	23,161,585	$ 2,316	$ 5,779,006	$ (781,319)	$ 5,000,003
Net loss attributable to stockholders for the three month period ended March 31, 2012 (unaudited)	—	—	—	(297,325)	(297,325)
Change in shares subject to possible redemption to 17,826,627 shares (unaudited)	—	—	297,323	—	297,323
Balances as of March 31, 2012 (unaudited)	23,161,585	$ 2,316	$ 6,076,329	$ (1,078,644)	$ 5,000,001

The accompanying notes are an integral part of these condensed interim financial statements.

GLOBAL EAGLE ACQUISITION CORP.

(A Corporation in the Development Stage)

Condensed Interim Statement of Cash Flows

(Unaudited)

	Three Months Ended March 31, 2012	Period from February 2, 2011 (inception) through March 31, 2011	Period from February 2, 2011 (inception) through March 31, 2012
Cash Flows From Operating Activities:			
Net loss	$ (297,325)	$ (10,117)	$ (1,078,644)
Adjustments to reconcile net loss to net cash used in operating activities:			
Prepaid insurance	20,744	-	(10,969)
Franchise tax payable	45,000	-	158,222
Accrued expenses and accounts payable	67,825	10,000	141,393
Net cash used in operating activities	(163,756)	(117)	(789,998)
Cash Flows from Investing Activities:			
Principal deposited in Trust Account	-	-	(189,626,500)
Interest reinvested into Trust Account	(2,622)	-	(10,663)
Net cash used in investing activities	(2,622)	-	(189,637,163)
Cash Flows from Financing Activities:			
Proceeds from sale of common stock to Sponsor	-	25,000	25,000
Proceeds from note payable to Sponsor	-	75,000	140,000
Net proceeds from Public Offering, after payment of upfront underwriting fee	-	-	186,126,500
Net proceeds from private placement	-	-	5,250,000
Repayment of Sponsor note	-	-	(140,000)
Payment of offering expenses	-	(87,650)	(694,436)
Net cash provided by financing activities		12,350	190,707,064
Increase in cash during period	(166,378)	12,233	279,903
Cash at beginning of period	446,281	-	-
Cash at end of period	$ 279,903	$ 12,233	$ 279,903
Supplemental Disclosure of Non-Cash Financing Activities:			
Deferred underwriting compensation	$ 6,647,375	$ -	$ 6,647,375
Accrued offering costs	$ -	$ 106,672	$ -

The accompanying notes are an integral part of these condensed interim financial statements.

6

GLOBAL EAGLE ACQUISITION CORP.

(A Corporation in the Development Stage)

NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS

(Unaudited)

Note 1. Interim Financial Information

The accompanying unaudited interim financial statements of Global Eagle Acquisition Corp. (the "Company") should be read in conjunction with the audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on March 28, 2012. The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and in accordance with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, since they are interim statements, the accompanying financial statements do not include all of the information, notes and disclosures required by GAAP for a complete financial statement presentation. In the opinion of management, the interim financial statements reflect all adjustments consisting of normal, recurring adjustments that are necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented. Interim results are not necessarily indicative of results for a full year.

Note 2. Organization and Business Operations

Incorporation

The Company was incorporated in Delaware on February 2, 2011.

Sponsor

The Company's sponsor is Global Eagle Acquisition, LLC, a Delaware limited liability company (the "Sponsor"). Members of the Sponsor include Harry E. Sloan, the Company's Chairman and Chief Executive Officer, Jeff Sagansky, the Company's President, and James A. Graf, the Company's Vice President, Chief Financial Officer, Treasurer and Secretary.

Fiscal Year End

The Company has selected December 31 as its fiscal year end.

Business Purpose

The Company was formed to effect a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses (a "Business Combination").

Financing

On May 18, 2011, the Company consummated a public offering (the "Public Offering" - Note 4) and a private placement (Note 5) and placed $189,626,500 of the proceeds thereof in the Trust Account (discussed below). The Company intends to finance a Business Combination in part with proceeds from the Public Offering and the private placement.

Trust Account

The amounts held in the trust account (the "Trust Account") are required to be invested in United States "government securities" within the meaning of Section 2(a)(16) of the Investment Company Act of 1940, as amended (the "Investment Company Act"), having a maturity of 180 days or less, or in money market funds meeting certain conditions under Rule 2a-7 promulgated under the Investment Company Act which invest only in direct U.S. government treasury obligations.

Except for a portion of interest income earned on the Trust Account balance that may be released to the Company to pay any taxes on such interest and to fund working capital requirements, and any amounts necessary for the Company to purchase up to 50% of the Company's public shares if the Company seeks stockholder approval of the Business Combination, none of the funds held in the Trust Account will be released until the earlier of: (i) the consummation of the Business Combination; or (ii) the redemption of 100% of the shares of common stock, par value $0.0001 per share, included in the units sold in the Public Offering ("Public Shares") if the Company is unable to consummate a Business Combination within 21 months from the closing of the Public Offering (subject to the requirements of law).

Business Combination

A Business Combination is subject to the following size, focus and stockholder approval provisions:

Size and Nature of Transaction — The Company's Business Combination must occur with one or more target businesses that together have a fair market value of at least 80% of the assets held in the Trust Account (excluding the deferred underwriting commissions and taxes payable on the income earned on the Trust Account) at the time of the agreement to enter into the Business Combination. The Company will not complete a Business Combination unless it acquires 50% or more of the outstanding voting securities of a target company or is otherwise not required to register as an investment company under the Investment Company Act.

Focus — The Company's efforts in identifying prospective target businesses initially will be focused on businesses in the media or entertainment sectors, but the Company may pursue opportunities in other business sectors.

Tender Offer/Stockholder Approval — The Company, after signing a definitive agreement for a Business Combination, will either (i) seek stockholder approval of the Business Combination at a meeting called for such purpose in connection with which holders of Public Shares ("Public Stockholders") may seek to redeem their shares, regardless of whether they vote for or against the Business Combination, for cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable, or (ii) provide Public Stockholders with the opportunity to sell their shares to the Company by means of a tender offer (and thereby avoid the need for a stockholder vote) for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable. The decision as to whether the Company will seek stockholder approval of the Business Combination or will allow Public Stockholders to sell their shares in a tender offer will be made by the Company, solely in its discretion, and will be based on a variety of factors such as the timing of the transaction and whether the terms of the transaction would otherwise require the Company to seek stockholder approval. If the Company seeks stockholder approval, it will consummate the Business Combination only if a majority of the outstanding shares of common stock voted are voted in favor of the Business Combination. However, in no event will the Company redeem its Public Shares in an amount that would cause its net tangible assets to be less than $5,000,001. In such case, the Company would not proceed with the redemption of its Public Shares and the related Business Combination, and instead may search for an alternate

Business Combination.

Regardless of whether the Company holds a stockholder vote or a tender offer in connection with a Business Combination, Public Stockholders will have the right to redeem their shares for an amount in cash equal to their pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less franchise and income taxes payable upon the closing of the Business Combination. As a result, such shares of common stock were recorded at conversion/tender value and classified as temporary equity in accordance with Financial Accounting Standards Board, or FASB, ASC Topic 480, "Distinguishing Liabilities from Equity."

Permitted Purchase of Public Shares — If the Company seeks stockholder approval prior to the Business Combination and does not conduct redemptions pursuant to the tender offer rules, prior to the Business Combination, the Company's Amended and Restated Certificate of Incorporation permits the release to the Company from the Trust Account amounts necessary to purchase up to 50% of the Public Shares. All shares so purchased by the Company will be immediately cancelled.

Liquidation

If the Company does not consummate a Business Combination within 21 months from the closing of the Public Offering (February 18, 2013), the Company will (i) cease all operations except for the purpose of winding up, (ii) as promptly as reasonably possible but not more than ten business days thereafter, redeem 100% of the Public Shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Trust Account, including interest but net of franchise and income taxes payable (less up to $100,000 of such net interest to pay dissolution expenses), divided by the number of then outstanding Public Shares, which redemption will completely extinguish Public Stockholders' rights as stockholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and subject to the requirement that any refund of income taxes that were paid from the Trust Account which is received after such redemption shall be distributed to the former Public Stockholders, and (iii) as promptly as reasonably possible following such redemption, subject to the approval of the Company's remaining stockholders and the Company's board of directors, dissolve and liquidate, subject in each case to the Company's obligations under Delaware law to provide for claims of creditors and the requirements of other applicable law.

In the event of liquidation, it is possible that the per share value of the residual assets remaining available for distribution (including Trust Account assets) will be less than the price per unit sold in the Public Offering (assuming no value is attributed to the warrants contained in the units offered in the Public Offering discussed in Note 4).

Going Concern

In the event that the Company does not consummate a Business Combination by February 18, 2013, the proceeds held in the Trust Account will be distributed to the Company's public stockholders. The potential mandatory liquidation raises substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that may be necessary if the Company is unable to continue as a going concern.

Note 3. Significant Accounting Policies

Development Stage Company

The Company is considered to be in the development stage as defined by FASB ASC 915, "Development Stage Entities," and is subject to the risks associated with activities of development stage companies. The Company has neither engaged in any operations nor generated any operating revenues to date. All activity through the date the financial statements were issued relates to the Company's formation and the Public Offering. The Company will not generate any operating revenues until after completion of a Business Combination, at the earliest. The Company will generate non-operating income in the form of interest income on the Trust Account.

Net Loss Per Share

Basic net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding during the period in accordance with FASB ASC 260, "Earnings Per Share". Diluted net loss per share is computed by dividing net loss by the weighted average number of shares of common stock outstanding, plus to the extent dilutive, the incremental number of shares of common stock to settle warrants issued in the Public Offering and private placement, as calculated using the treasury stock method. As the Company reported a net loss for all periods presented, the effect of the 18,992,500 warrants issued in the Public Offering and 7,000,000 warrants issued in the private placement have not been considered in the diluted loss per ordinary share because their effect would be anti-dilutive. As a result, dilutive loss per common share is equal to basic loss per common share.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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.

Income Taxes

Deferred income taxes are provided for the differences between the bases of assets and liabilities for financial reporting and income tax purposes. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

The Company is required to determine whether its tax positions are more likely than not to be sustained upon examination by the applicable taxing authority, including resolution of any related appeals or litigation processes, based on the technical merits of the position. The tax benefit recognized is measured as the largest amount of benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement with the relevant taxing authority. De-recognition of a tax benefit previously recognized results in the Company recording a tax liability that reduces ending retained earnings. Based on its analysis, the Company has determined that it has not incurred any liability for unrecognized tax benefits as of March 31, 2012 and December 31, 2011. The Company's conclusions may be subject to review and adjustment at a later date based on factors including, but not limited to, on-going analyses of and changes to tax laws, regulations and interpretations thereof. The Company has been subject to income tax examinations by major taxing authorities since inception.

The Company recognizes interest and penalties related to unrecognized tax benefits in interest expense and other expenses, respectively. No interest expense or penalties have been recognized as of and for the quarterly period ended March 31, 2012 and 2011 or the period from February 2, 2011 (inception) to March 31, 2012.

The Company may be subject to potential examination by U.S. federal, U.S. states or foreign jurisdiction authorities in the areas of income taxes. These potential examinations may include questioning the timing and amount of deductions, the nexus of income among various tax jurisdictions and compliance with U.S. federal, U.S. state and foreign tax laws. The Company's management does not expect that the total amount of unrecognized tax benefits will materially change over the next twelve months.

Redeemable Shares of Common Stock

All of the 18,992,500 Public Shares contain a redemption feature which allows for the redemption of such shares of common stock under provisions of the Company's Amended and Restated Certificate of Incorporation. In accordance with ASC 480, redemption provisions not solely within the control of the Company require the security to be classified outside of permanent equity. Ordinary liquidation events, which involve the redemption and liquidation of all of the entity's equity instruments, are excluded from the provisions of ASC 480. Although the Company does not specify a maximum redemption threshold, its Amended and Restated Certificate of Incorporation provides that in no event will the Company redeem its Public Shares in an amount that would cause its net tangible assets (shareholders'

equity) to be less than $5,000,001.

The Company recognizes changes in redemption value immediately as they occur and will adjust the carrying value of the security to equal the redemption value at the end of each reporting period. Increases or decreases in the carrying amount of redeemable shares of common stock are affected by charges against paid-in capital.

At March 31, 2012 and December 31, 2011, 17,826,627 and 17,856,407, respectively, of the 18,992,500 Public Shares were classified outside of permanent equity at their redemption value. The redemption value is equal to the pro rata share of the aggregate amount then on deposit in the Trust Account, including interest but less taxes payable.

Fair Value of Financial Instruments

Unless otherwise disclosed, the fair value of the Company's assets and liabilities that qualify as financial instruments under FASB ASC 820, "Fair Value Measurements and Disclosures", approximates the carrying amounts due primarily to their short term nature.

Recent Accounting Pronouncements

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company's condensed financial statements.

Note 4. Public Offering

Public Units

On May 18, 2011, the Company sold 18,992,500 units at a price of $10.00 per unit in the Public Offering (which included 1,497,500 units to cover the partial exercise of the over allotment option of the underwriters). Each unit consists of one Public Share and one warrant (the "Public Warrants").

Public Warrant Terms and Conditions

Exercise conditions — Each Public Warrant entitles the holder to purchase from the Company one share of common stock at an exercise price of $11.50 per share commencing on the later of: (i) 30 days after the consummation of a Business Combination, or (ii) 12 months from the date of the prospectus for the Public Offering, provided that the Company has an effective registration statement covering the shares of common stock issuable upon exercise of the Public Warrants (or the Public Warrants are exercisable on a cashless basis) and such shares are registered or qualified under the securities laws of the state of the exercising holder. The Public Warrants expire five years from the date of the prospectus for the Public Offering, unless earlier redeemed. The Public Warrants are redeemable in whole and not in part at a price of $0.01 per warrant upon a minimum of 30 days' notice after the warrants become exercisable, only in the event that the last sale price of the common stock exceeds $17.50 per share for any 20 trading days within a 30-trading day period. If the Public Warrants are redeemed by the Company, management will have the option to require all holders that wish to exercise warrants to do so on a cashless basis.

Registration Risk — In accordance with the warrant agreement relating to the Public Warrants, the Company will be required to use its best efforts to maintain the effectiveness of a registration statement relating to common stock which would be issued upon exercise of the Public Warrants. The Company will not be obligated to deliver securities, and there are no contractual penalties for failure to deliver securities, if a registration statement is not effective at the time of exercise. Additionally, in the event that a registration is not effective at the time of exercise, the holders of such Public Warrants shall not be entitled to exercise such Public Warrants (except on a cashless basis under certain circumstances) and in no event (whether in the case of a registration statement not being effective or otherwise) will the Company be required to net cash settle or cash settle the Public Warrants. Consequently, the Public Warrants may expire unexercised, unredeemed and worthless.

Accounting — Because the Company is not required to net cash settle the Public Warrants, the Public Warrants were recorded at fair value and classified within stockholders' equity as "Additional paid-in capital" upon their issuance in accordance with FASB ASC Topic 815-40.

Underwriting Discount

The Company paid an underwriting discount of 2.0% of the public unit offering price to the underwriters at the closing of the Public Offering and is committed to pay to the underwriters an additional fee of 3.5% of the gross offering proceeds payable upon the Company's consummation of a Business Combination. Such amount is reflected as deferred offering compensation of $6,647,375 on the consolidated balance sheets. The underwriters will not be entitled to any interest accrued on the deferred discount.

Note 5. Related Party Transactions

Founder Shares — In February 2011, the Sponsor purchased 4,417,683 shares of common stock (the "Founder Shares") for an aggregate purchase price of $25,000, or approximately $0.01 per share. Subsequently, in March 2011, the Sponsor transferred an aggregate of 44,176 Founder Shares to Dennis A. Miller and James M. McNamara and in May 2012, the Sponsor transferred an aggregate of 10,000 Founder Shares to Cole A. Sirucek (together with the Sponsor, the "Initial Stockholders"), in the case of Dennis A. Miller and James M. McNamara each of whom agreed to serve on the Company's board of directors upon the closing of the Public Offering and in the case of Cole A. Sirucek who agreed to serve on the Company's board of directors as of May 2012.

The securities described in the preceding paragraph were issued by the Company in connection with the Company's organization pursuant to the exemption from registration contained in Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"), and were sold to accredited investors.

Forfeiture — As a result of the underwriters' partial exercise of their over-allotment option for the Public Offering, the Sponsor forfeited an aggregate of 248,598 Founder Shares on May 18, 2011, reflected on the audited balance sheet as of May 19, 2011, which the Company has cancelled. After giving effect to the forfeitures, the Initial Stockholders owned 18% of the Company's issued and outstanding shares.

In addition, a portion of the Founder Shares in an amount equal to 4.0% of the Company's issued and outstanding shares after the Public Offering ("Earnout Shares"), will be subject to forfeiture on the third anniversary of the closing of the Company's Business Combination unless following the Business Combination (i) the last sales price of the Company's stock equals or exceeds $13.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period or (ii) the Company completes a liquidation, merger, stock exchange or other similar transaction that results in all of the Company's stockholders having the right to exchange their shares of common stock for consideration in cash, securities or other property which equals or exceeds $13.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like).

Rights — The Founder Shares are identical to the shares of common stock included in the units sold in the Public Offering except that (i) the Founder Shares are subject to certain transfer restrictions, as described in more detail below, and (ii) the Initial Stockholders have agreed to waive their redemption rights with respect to the Founder Shares (and any Public Shares they may purchase) in connection with the Business Combination and also waived their redemption rights with respect to the Founder Shares if the Company fails to consummate a Business Combination within 21 months from the closing of the Public Offering.

Voting — If the Company seeks stockholder approval of the Business Combination, the Initial Stockholders have agreed to vote the Founder Shares in accordance with the majority of the votes cast by the public stockholders and to vote any public shares purchased during or after the Public Offering in favor of the Business Combination.

Liquidation — Although the Initial Stockholders waived their redemption rights with respect to the Founder Shares if the Company fails to consummate a Business Combination within 21 months from the closing of the Public Offering, they will be entitled to redemption rights with respect to any Public Shares they may own.

Disposition Restrictions —The Initial Stockholders have agreed not to transfer, assign or sell any of their Founder Shares, except to certain permitted transferees, until one year after the completion of the Business Combination or earlier if the last sales price of the Company's common stock exceeds $13.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days from the date of consummation of a Business Combination.

Sponsor Warrants — The Sponsor purchased an aggregate of 7,000,000 Sponsor Warrants at a price of $0.75 per warrant (for an aggregate purchase price of $5,250,000) from the Company on a private placement basis simultaneously with the closing of the Public Offering. Subsequently, in July 2011, the Sponsor transferred 333,333 Sponsor Warrants to Dennis A. Miller for an aggregate purchase price of $250,000, or $0.75 per Sponsor Warrant.

Exercise conditions — Each Sponsor Warrant is exercisable into one share of common stock at $11.50 per share. The proceeds from the sale of the Sponsor Warrants were added to the portion of the proceeds from the Public Offering placed in the Trust Account. The Sponsor Warrants are identical to the warrants included in the units sold in the Public Offering except that the Sponsor Warrants (i) are not be redeemable by the Company as long as they are held by the Sponsor or any of its permitted transferees, (ii) are subject to certain transfer restrictions described in more detail below and (iii) may be exercised for cash or on a cashless basis.

Accounting — Because the Company is not required to net-cash settle the Sponsor Warrants, the Sponsor Warrants were recorded at fair value and classified within stockholders' equity as "Additional paid-in capital" upon their issuance in accordance with FASB ASC Topic 815-40.

Disposition Restrictions — The holders of the Sponsor Warrants may not transfer, assign or sell any of the Sponsor Warrants, including the common stock issuable upon exercise of the Sponsor Warrants, except to certain permitted transferees, until 30 days after the completion of a Business Combination.

Registration Rights — The holders of the Founder Shares, Sponsor Warrants and warrants that may be issued upon conversion of working capital loans which may be made to the Company as described in the prospectus for the Public Offering have registration rights, pursuant to a registration rights agreement, to require the Company to register for sale any of the securities held by them. These security holders will be entitled to make up to three demands, excluding short form demands, that the Company register such securities for sale under the Securities Act of 1933, as amended (the "Securities Act"). In addition, these security holders have "piggy-back" registration rights to include their securities in other registration statements filed by the Company. However, the registration rights agreement provides that the Company will not permit any registration statement filed under the Securities Act to become effective until termination of the applicable lock-up period, which occurs (i) in the case of the Founder Shares, (A) one year after the completion of the Business Combination or earlier if, subsequent to the Business Combination, the last sales price of the Company's common stock equals or exceeds $13.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period commencing at least 150 days after the Business Combination or (B) when the Company consummates a liquidation, merger, stock exchange or other similar transaction after the Company's Business Combination which results in all of the Company's stockholders having the right to exchange their shares of common stock for cash, securities or other property, and (ii) in the case of the Sponsor Warrants and the respective common stock underlying such warrants, 30 days after the completion of the Company's Business Combination. The Company will bear the costs and expenses of filing any such registration statements.

Note 6. Other Related Party Transactions

Administrative Services

The Company has agreed to pay $10,000 a month in total for office space and general and administrative services to Roscomare Ltd., an entity owned and controlled by Harry E. Sloan, the Company's Chairman and Chief Executive Officer, commencing promptly after the date the Company's securities were first listed on Nasdaq (May 13, 2011) and terminating upon the earlier of (i) the completion of a Business Combination or (ii) the liquidation of the Company. The Company has incurred or accrued approximately $30,000 under this agreement for the three-month period ended March 31, 2012 and approximately $106,000 for the period from February 2, 2011 (inception) to March 31, 2012, prior to approximately $44,000 in offsets paid to the Company by Roscomare Ltd. for sharing of certain expenses. The Company has also agreed to pay $15,000 a month to James A. Graf, the Company's Chief Financial Officer, commencing promptly after the date the Company's securities were first listed on Nasdaq (May 13, 2011) and terminating upon the earlier of (i) the completion of a Business Combination or (ii) the liquidation of the Company. The Company has incurred or accrued approximately $45,000 under this agreement for the three-month period ended March 31, 2012 and $159,000 for the period from February 2, 2011 (inception) to March 31, 2012.

Note Payable

The Company issued an unsecured promissory note (the "Note") to the Sponsor on February 2, 2011 that provided for the Sponsor to advance to the Company, from time to time, up to $200,000 for expenses related to the Public Offering. The Note was non-interest bearing and was payable on the earlier of August 1, 2011 or the completion of the Public Offering. In the period from February 2, 2011 (inception) to March 31, 2012, the Sponsor advanced $140,000 to the Company under the Note in a series of transactions prior to the Public Offering, leaving a total $60,000 as yet undrawn on such date. The Note was paid in full on May 18, 2011 and no balance remained outstanding as of March 31, 2012 and December 31, 2011.

Note 7. Trust Account

A total of $189,626,500 of the net proceeds from the Public Offering and the private placement was placed in the Trust Account.

As of March 31, 2012 and December 31, 2011, investment securities in the Company's Trust Account consist of $189,637,163 and $189,634,541, respectively, in money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations.

Note 8. Fair Value Measurements

The Company complies with ASC 820, "Fair Value Measurement", for its financial assets and liabilities that are re-measured and reported at fair value at each reporting period, and non-financial assets and liabilities that are re-measured and reported at fair value at least annually. The adoption of ASC 820 did not have an impact on the Company's financial position or results of operations.

The following tables present information about the Company's assets and liabilities that are measured at fair value on a recurring basis as of March 31, 2012 and December 31, 2011, and indicate the fair value hierarchy of the valuation techniques the Company utilized to determine such fair value. In general, fair values determined by Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities. Fair values determined by Level 2 inputs utilize data points that are observable such as quoted prices, interest rates and yield curves. Fair values determined by Level 3 inputs are unobservable data points for the asset or liability, and includes situations where there is little, if any, market activity for the asset or liability:

Description	March 31, 2012 (unaudited)	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets:				
Restricted cash equivalents held in Trust Account	$189,637,163	$189,637,163	$ -	$ -

Description	December 31, 2011	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Other Unobservable Inputs (Level 3)
Assets:				
Restricted cash equivalents held in Trust Account	$189,634,541	$189,634,541	$ -	$ -

Note 9. Stockholders' Equity

Common Stock — At March 31, 2012, the authorized common stock of the Company included up to 400,000,000 shares. Holders of the Company's common stock are entitled to one vote for each share of common stock. At March 31, 2012 and December 31, 2011, there were 23,161,585 shares of common stock outstanding.

Preferred Shares — The Company is authorized to issue 1,000,000 preferred shares with such designations, voting and other rights and preferences as may be determined from time to time by the Company's board of directors. At March 31, 2012 and December 31, 2011, there were no shares of preferred stock outstanding.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References to the "Company," "us" or "we" refer to Global Eagle Acquisition Corp. The following discussion and analysis of the Company's financial condition and results of operations should be read in conjunction with the condensed financial statements and the notes thereto contained elsewhere in this report. Certain information contained in the discussion and analysis set forth below includes forward-looking statements that involve risks and uncertainties.

Special Note Regarding Forward-Looking Statements

All statements other than statements of historical fact included in this Form 10-Q including, without limitation, statements under "Management's Discussion and Analysis of Financial Condition and Results of Operations" regarding the Company's financial position, business strategy and the plans and objectives of management for future operations, are forward-looking statements. When used in this Form 10-Q, words such as "anticipate," "believe," "estimate," "expect," "intend" and similar expressions, as they relate to us or the Company's management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to, the Company's management. Actual results could differ materially from those contemplated by the forward-looking statements, including as a result of certain factors detailed in our filings with the SEC. All subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are qualified in their entirety by this paragraph.

Overview

We are a newly organized blank check company formed on February 2, 2011 for the purpose of effecting a merger, capital stock exchange, asset acquisition, stock purchase, reorganization or similar business combination with one or more businesses. We are not limited to a particular industry, geographic region or minimum transaction value for purposes of consummating a business combination. We will seek to capitalize on the substantial deal sourcing, investing and operating expertise of our management team to identify, acquire and operate a business in the media or entertainment sectors, although we may pursue acquisition opportunities in other sectors. In addition, we will not effect a business combination with another blank check company or a similar company with nominal operations.

Results of Operations

Through March 31, 2012, our efforts have been limited to organizational activities, activities relating to our initial public offering, activities relating to identifying and evaluating prospective acquisition candidates and activities relating to general corporate matters. We have not generated any revenues, other than interest income earned on the proceeds held in the Trust Account.

For the three-month period ended March 31, 2012, we had a net loss of $297,325. For the period from February 2, 2011 (inception) through March 31, 2011, we had a net loss of $10,117. For the period from February 2, 2011 (inception) through March 31, 2012, we had a net loss of $1,078,644 and incurred total costs of approximately $11,140,000 in connection with the Company's Public Offering of which $6,647,375 of the underwriter fees have been deferred and are contingent upon the closing of a Business Combination.

Liquidity and Capital Resources

On May 18, 2011, we consummated the Public Offering of 18,992,500 units at a price of $10.00 per unit. Simultaneously with the consummation of the Public Offering, we consummated the private sale of 7,000,000 warrants to the Sponsor for $5,250,000. We received net proceeds from the Public Offering and the sale of the Sponsor Warrants of approximately $190,626,500, net of the non-deferred portion of the underwriting commissions of $3,798,500 and offering costs and other expenses of approximately $750,000. For a description of the proceeds generated in the Public Offering and a discussion of the use of such proceeds, we refer you to Note 2 of the unaudited condensed financial statements included in Part I, Item 1 of this report.

As of March 31, 2012, $189,637,163 was held in the Trust Account (including $6,647,375 of deferred underwriting discounts and commissions, $5,250,000 from the sale of the Sponsor Warrants and $0 in accrued interest) and we had cash outside of trust of $279,903 and $299,617 in accounts payable and accrued expenses, including franchise tax payable. Up to $1,750,000 in interest income on the balance of the Trust Account (net of franchise and income taxes payable) may be available to us to fund our working capital requirements. Through March 31, 2012, the Company had not withdrawn any funds from interest earned on the trust proceeds. Other than the deferred underwriting discounts and commissions, no amounts are payable to the underwriters of the Public Offering in the event of a Business Combination.

We will depend on sufficient interest being earned on the proceeds held in the Trust Account to provide us with additional working capital that we may need to identify one or more target businesses, conduct due diligence and complete a Business Combination, as well as to pay any franchise and income taxes that we may owe. As described elsewhere in this report, the amounts in the Trust Account may be invested only in U.S. government treasury bills with a maturity of 180 days or less or money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations. The current low interest rate environment may make it more difficult for such investments to generate sufficient funds, together with the amounts available outside the Trust Account, to locate, conduct due diligence, structure, negotiate and close a Business Combination. If we are required to seek additional capital, we would need to borrow funds from the Sponsor or the Company's management team to operate or may be forced to liquidate. Neither the Sponsor nor the Company's management team is under any obligation to advance funds to us in such circumstances. Any such loans would be repaid only from funds held outside the Trust Account or from funds released to us upon completion of a Business Combination. If we are unable to complete a Business Combination because we do not have sufficient funds available to us, we will be forced to cease operations and liquidate the Trust Account.

Off-balance sheet financing arrangements

We have no obligations, assets or liabilities which would be considered off-balance sheet arrangements. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements.

We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or entered into any non-financial assets.

Contractual obligations

We do not have any long-term debt, capital lease obligations, operating lease obligations or long-term liabilities other than a monthly fee of $10,000 for office space secretarial and administrative services payable to Roscomare Ltd., an entity owned and controlled by Mr. Sloan, the Company's Chairman and Chief Executive Officer, and consulting fees of $15,000 a month to Mr. Graf, the Company's Chief Financial Officer. We began incurring these fees on May 18, 2011 and will continue to incur these fees monthly until the earlier of the completion of the Business Combination and the Company's liquidation.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and income and expenses during the periods reported. Actual results could materially differ from those estimates. The Company has identified the following as its critical accounting policies:

Cash and cash equivalents

The Company considers all highly liquid investments with original maturities of three months or less to be cash equivalents.

Trust Account

A total of $189,626,500, including approximately $184,376,500 of the net proceeds from the Public Offering, $5,250,000 from the sale of the Sponsor Warrants and $6,647,375 of deferred underwriting discounts and commissions, was placed in the Trust Account with American Stock Transfer & Trust Company, LLC serving as trustee. The trust proceeds are invested in U.S. government treasury bills with a maturity of 180 days or less or money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations. As of March 31, 2012, the balance in the Trust Account was $189,637,163, which includes $10,663 of interest earned since the inception of the Trust Account.

Net Loss per common share

Basic net loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the period in accordance with FASB ASC 260, “Earnings Per Share”. Diluted net loss per share is computed by dividing the weighted average number of common shares outstanding, plus to the extent dilutive, the incremental number of shares of common stock to settle warrants issued in the Public Offering and private placement, as calculated using the treasury stock method. As the Company reported a net loss for the three months ended March 31, 2012 and for the period from February 2, 2011 (date of inception) to March 31, 2012, the effect of the 18,992,500 warrants issued in the Public Offering and 7,000,000 warrants issued in the private placement have not been considered in the diluted loss per ordinary share because their effect would be anti-dilutive. As a result, dilutive loss per common share is equal to basic loss per common share.

Use of Estimates

The preparation of financial statements in conformity with GAAP 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.

Income taxes

Deferred income taxes are provided for the differences between the bases of assets and liabilities for financial reporting and income tax purposes. A valuation allowance is established when necessary to reduce deferred tax assets to the amount expected to be realized.

Deferred Offering Costs

Deferred offering costs consist principally of deferred underwriting discounts incurred through the balance sheet date that are related to the Public Offering and that will be charged to capital upon consummation of a Business Combination.

Recent accounting pronouncements

Management does not believe that any recently issued, but not effective, accounting standards, if currently adopted, would have a material effect on the Company’s financial statements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market risk is the sensitivity of income to changes in interest rates, foreign exchanges, commodity prices, equity prices and other market driven rates or prices. We are not presently engaged in and, if we do not consummate a Business Combination prior to the prescribed liquidation date of the Trust Account, we may not engage in, any substantive commercial business. Accordingly, we are not and, until such time as we consummate a Business

Combination, we will not be, exposed to risks associated with foreign exchange rates, commodity prices, equity prices or other market driven rates or prices. The net proceeds of our Public Offering held in the Trust Account may be invested by the trustee only in U.S. governmental treasury bills with a maturity of 180 days or less or in money market funds meeting certain conditions under Rule 2a-7 under the Investment Company Act which invest only in direct U.S. government treasury obligations. Given our limited risk in our exposure to government securities and money market funds, we do not view the interest rate risk to be significant.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted under the Securities Exchange Act of 1934, as amended (the "Exchange Act") is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in company reports filed or submitted under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

As required by Rules 13a-15 and 15d-15 under the Exchange Act, our Chief Executive Officer and Chief Financial Officer carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of March 31, 2012. Based upon their evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures (as defined in Rules 13a-15 (e) and 15d-15 (e) under the Exchange Act) were effective.

During the most recently completed fiscal quarter, there has been no change in our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

None.

ITEM 1A. RISK FACTORS

Factors that could cause our actual results to differ materially from the results in this report include any of the factors described in our Annual Report on Form 10-K filed with the SEC on March 28, 2012. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations. As of the date of this report, there have been no material changes to the risk factors disclosed in our Annual Report on Form 10-K filed with the SEC on March 28, 2012, except we may disclose changes to such factors or disclose additional factors from time to time in our future filings with the SEC.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

Exhibit Number	Description
31.1*	Certification of the Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a).
31.2*	Certification of the Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a).
32.1*	Certification of the Chief Executive Officer required by Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. 1350.
32.2*	Certification of the Chief Financial Officer required by Rule 13a-14(b) or Rule 15d-14(b) and 18 U.S.C. 1350.
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith

** XBRL (Extensible Business Reporting Language) information is furnished and not filed or a part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, is deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise is not subject to liability under these sections.

SIGNATURES

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

GLOBAL EAGLE ACQUISITION CORP.
Date: May 14, 2012

/s/ Harry E. Sloan
Name: Harry E. Sloan
Title: Chief Executive Officer (principal executive officer)

/s/ James A. Graf
Name: James A. Graf
Title: Chief Financial Officer (principal financial officer)