



## Fourth Quarter 2016 Results

February 23, 2017

### **Eddie Edwards**

President and  
Chief Executive Officer

### **Mark Olson**

Executive Vice President and  
Chief Financial Officer

## Caution Regarding Forward Looking Statements

During this presentation or any other oral or written statements made by us or on our behalf may include forward-looking statements which reflect our current views with respect to future events and financial performance. These forward-looking statements are generally identified by their use of such terms and phrases as "intend," "goal," "estimate," "expect," "project," "projections," "plans," "anticipate," "should," "could," "designed to," "foreseeable future," "believe," "think," "scheduled," "outlook," "target," "guidance" and similar expressions although not all forward-looking statements contain such terms. This list of indicative terms and phrases is not intended to be all-inclusive.

These statements are subject to various risks and uncertainties, many of which are outside our control, including, without limitation, our ability to integrate the BNS business on a timely and cost-effective manner; our reliance on TE Connectivity for transition services for the BNS business; our ability to realize expected growth opportunities and cost savings from the BNS business; our dependence on customers' capital spending on data and communication systems; concentration of sales among a limited number of customers and channel partners; changes in technology; industry competition and the ability to retain customers through product innovation, introduction and marketing; risks associated with our sales through channel partners; product quality or performance issues and associated warranty claims; our ability to maintain effective information management systems and to successfully implement major systems initiatives; cyber-security incidents, including data security breaches or computer viruses; the risk our global manufacturing operations suffer production or shipping delays causing difficulty in meeting customer demands; the risk that internal production capacity and that of contract manufacturers may be insufficient to meet customer demand or quality standards for our products; changes in cost and availability of key raw materials, components and commodities and the potential effect on customer pricing; risks associated with our dependence on a limited number of key suppliers; changes in the laws and policies of the U.S. affecting trade; the risk that contract manufacturers we rely on encounter production, quality, financial or other difficulties; our ability to fully realize anticipated benefits from prior or future acquisitions or equity investments; potential difficulties in realigning global manufacturing capacity and capabilities among our global manufacturing facilities, including delays or challenges related to removing, transporting or reinstalling equipment, that may affect our ability to meet customer demands for products; possible future restructuring actions; substantial indebtedness and maintaining compliance with debt covenants; our ability to incur additional indebtedness; our exposure to interest rate risk to the extent of our variable rate debt; our ability to generate cash to service our indebtedness; possible future impairment charges for fixed or intangible assets, including goodwill; income tax rate variability and ability to recover amounts recorded as value-added tax receivables; our ability to attract and retain qualified key employees; labor unrest; obligations under our defined benefit employee benefit plans may require plan contributions in excess of current estimates; significant international operations expose us to economic, political and other risks, including the impact of variability in foreign exchange rates; our ability to comply with governmental anti-corruption laws and regulations and export and import controls worldwide; our ability to compete in international markets due to export and import controls to which we may be subject; cost of protecting or defending intellectual property; costs and challenges of compliance with domestic and foreign environmental laws; and other factors beyond our control. These and other factors are discussed in greater detail in our 2016 Annual Report on Form 10-K. Although the information contained in this presentation represents our best judgment as of the date of this presentation based on information currently available and reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. Given these uncertainties, we caution you not to place undue reliance on these forward-looking statements, which speak only as of the date made. We are not undertaking any duty or obligation to update this information to reflect developments or information obtained after the date of this presentation, except as otherwise may be required by law.

## Non-GAAP Financial Measures

CommScope management believes that presenting certain non-GAAP financial measures provides meaningful information to investors in understanding operating results and may enhance investors' ability to analyze financial and business trends. Non-GAAP measures are not a substitute for GAAP measures and should be considered together with the GAAP financial measures. As calculated, our non-GAAP measures may not be comparable to other similarly titled measures of other companies. In addition, CommScope management believes that these non-GAAP financial measures allow investors to compare period to period more easily by excluding items that could have a disproportionately negative or positive impact on results in any particular period. GAAP to non-GAAP reconciliations are included in this presentation.

- Fourth quarter and full year 2016 highlights
- Fourth quarter 2016 results
- Segment review
- Cash flow, liquidity and capital structure
- First quarter and full year 2017 outlook

## Q4 2016 Highlights

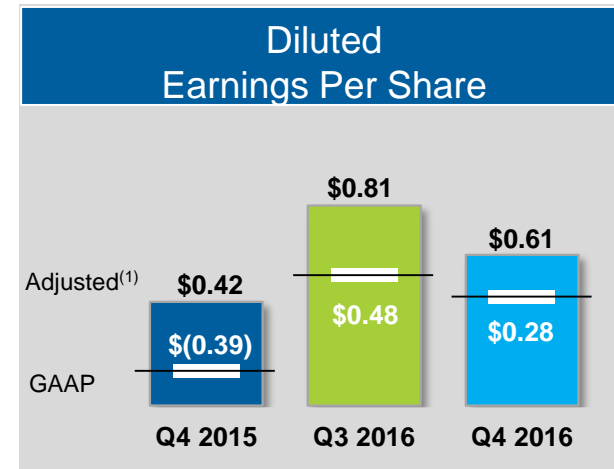
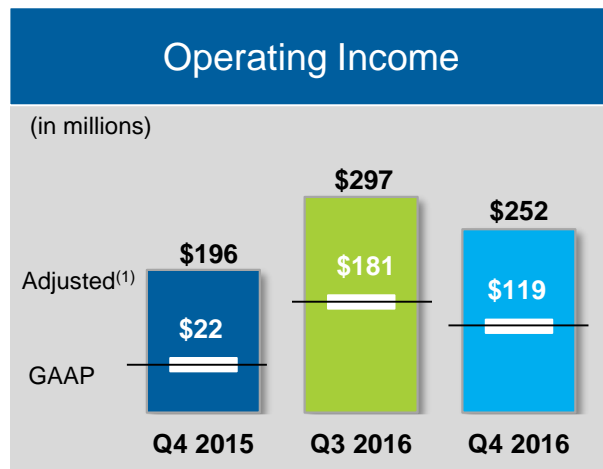
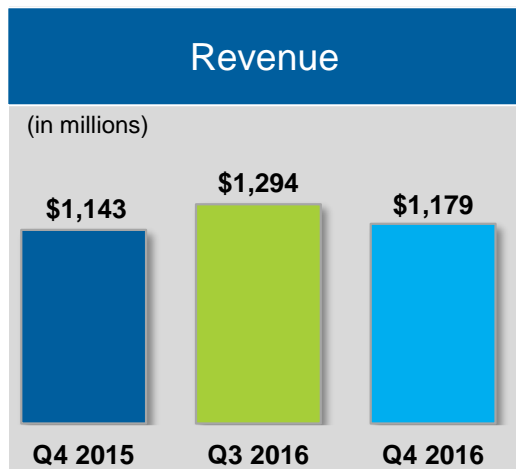
- Revenue rose 3% YOY driven by NAR strength (Mobility & FTTX)
- Gross Margin of 42%
- Adjusted Operating Margin<sup>(1)</sup> of 21%, up ~420 bps YOY
- GAAP EPS of \$0.28, up from (\$0.39) YOY
- Adjusted EPS<sup>(1)</sup> of \$0.61, up 45% YOY
- Cash Flow from Operations of \$81 million
- Significant IT system conversion

## FY 2016 Highlights

- Revenue rose 29% YOY to \$4.92 billion due to the BNS acquisition
- Gross Margin of 41%
- Adjusted Operating Margin<sup>(1)</sup> of 21%, up ~220 bps YOY
- Delivered >\$100 million of BNS synergies
- GAAP EPS of \$1.13, up from (\$0.37) YOY
- Adjusted EPS<sup>(1)</sup> of \$2.64, up 42% YOY
- Cash Flow from Operations more than doubled to \$606 million
- Net Leverage Ratio of ~3.7x; Repaid ~\$700 million in debt

(1) See appendix for reconciliation of Non-GAAP measures.

# Q4 2016 Results



## Sales & Orders:

- Sales of \$1.18 billion, up 3% YOY and consistent with guidance
- Orders of \$1.07 billion
  - Book-to-bill ratio of 0.91
- Strong double-digit NAR growth driven by Mobility and FTTX

## Operating Results:

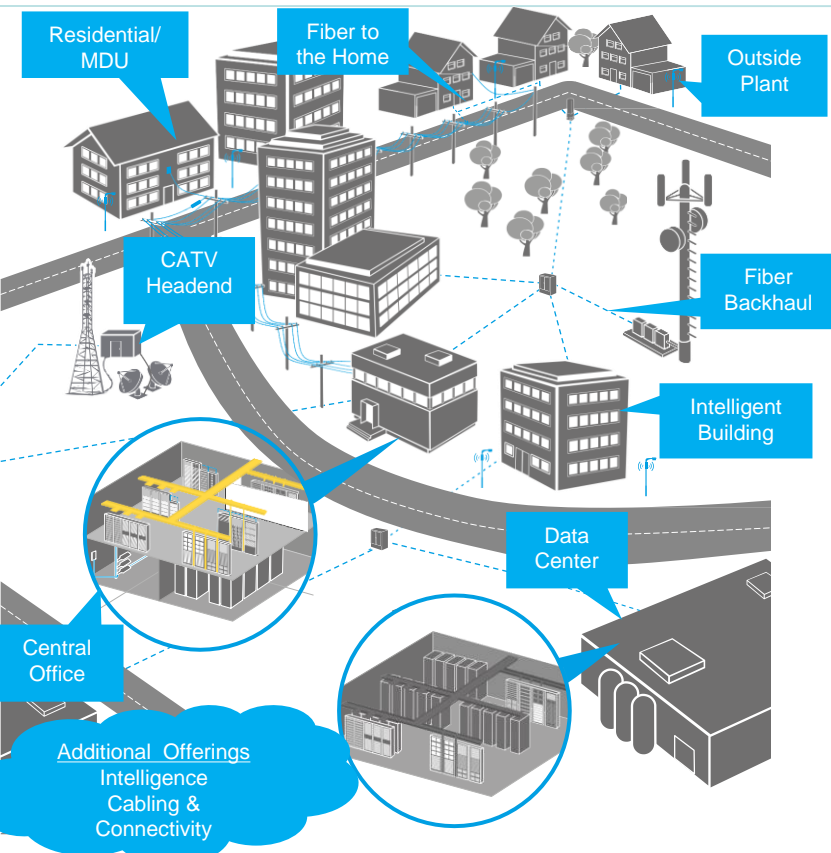
- Gross Margin of 42%
- GAAP Operating Income of \$119 million
- ~\$25 million incremental BNS synergies
- Adjusted Operating Income<sup>(1)</sup> increased 28% YOY to \$252 million, or 21% of sales

## Net Income & EPS:

- GAAP Net Income of \$54 million, or \$0.28 per diluted share
- Adjusted Net Income<sup>(1)</sup> of \$121 million, or \$0.61 per diluted share, up 45% YOY

(1) See appendix for reconciliation of non-GAAP adjusted measures.

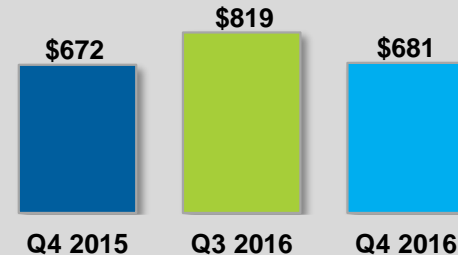
# CommScope Connectivity Solutions (CCS)



## Revenue

(in millions)

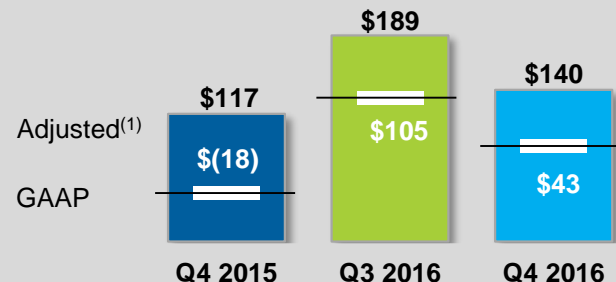
Actual  
**Up 1% YOY**



## Operating Income

(in millions)

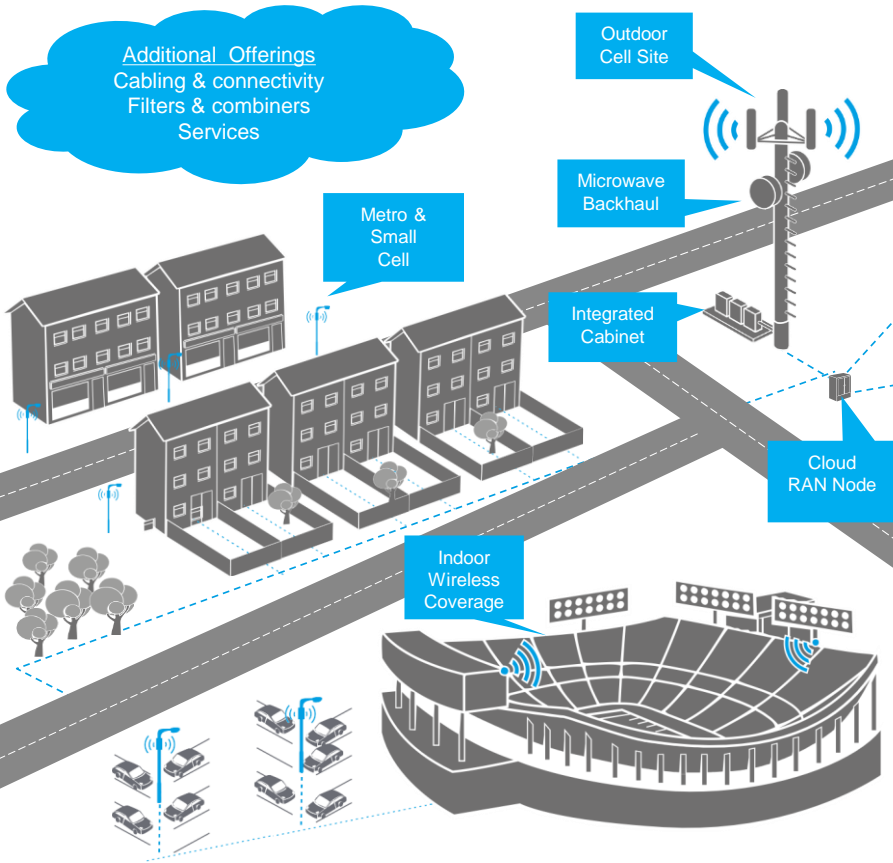
Q4 2016 Adjusted Operating Margin<sup>(1)</sup> of 21%, up ~300 bps YOY



(1) See appendix for reconciliation of non-GAAP adjusted measures.

**Strong, double-digit NAR FTTX growth offset by other regions**

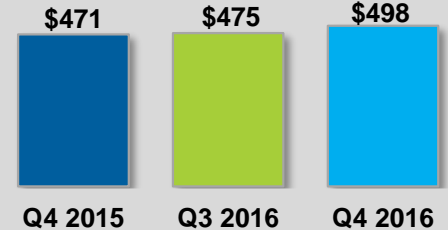
# CommScope Mobility Solutions (CMS)



## Revenue

(in millions)

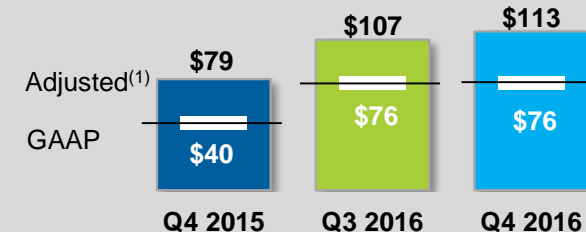
Actual  
**Up 6% YOY**



## Operating Income

(in millions)

Q4 2016 Adjusted Operating Margin<sup>(1)</sup> of 23%, up ~590 bps YOY



(1) See appendix for reconciliation of non-GAAP adjusted measures.

**Strong double-digit NAR growth offset by other regions**

## Cash Flow Highlights

(in millions)	Q4 2015	Q4 2016	CY 2015	CY 2016
<b>Cash flow from operations</b>	<b>\$ 116</b>	<b>\$ 81</b>	<b>\$ 302</b>	<b>\$ 606</b>
Capital expenditures, net of capital expenditures related to BNS integration <sup>(1)</sup>	(15)	(17)	(44)	(62)
Cash paid for transaction & integration costs	25	17	96	65
Debt redemption premium	---	---	---	18
<b>Adjusted free cash flow</b>	<b>\$ 125</b>	<b>\$ 81</b>	<b>\$ 354</b>	<b>\$ 627</b>
Cash taxes paid	\$ 27	\$ 75	\$ 123	\$ 149
Cash interest paid	\$ 125	\$ 104	\$ 207	\$ 261

## Liquidity of \$869 million at December 31, 2016

Cash and Cash Equivalents: \$428 million

Availability Under Revolver: \$441 million

(1) Capital expenditures related to BNS integration for Q4 2015, Q4 2016, CY 2015 and CY 2016 were \$2 million, \$1 million, \$13 million and \$6 million, respectively. Components may not sum to total due to rounding



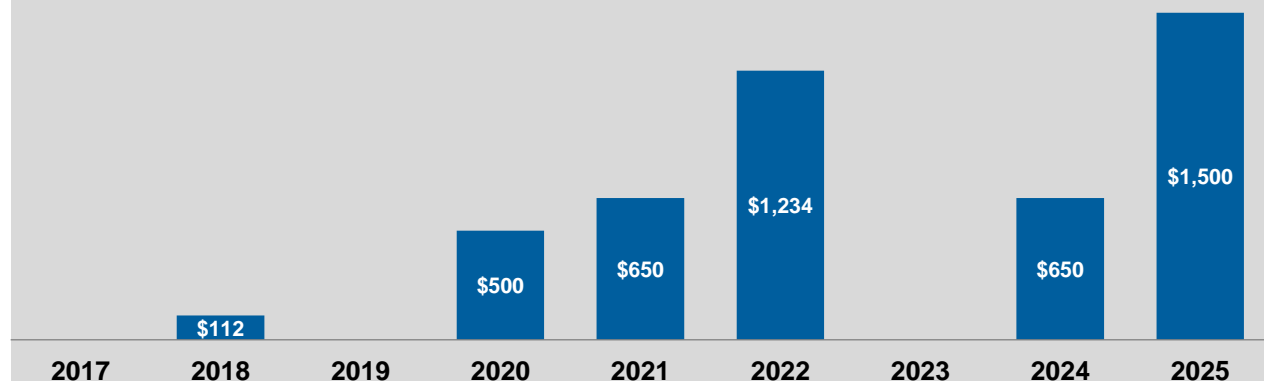
## Capital Summary & Net Leverage Ratio

(dollars in millions)	12/31/2016
5.00% and 5.50% Notes	\$ 1,300.0
Term Loans	1,346.3
6.00% Notes	1,500.0
Secured Notes	500.0
Less: OID & DFF	(84.2)
<b>Total Debt</b>	<b>\$ 4,562.0</b>
Cash & Cash Equivalents	428.2
<b>Net Debt (excluding OID &amp; DFF)</b>	<b>\$ 4,218.0</b>
Stockholders' Equity	1,394.1
<b>Total Capitalization</b>	<b>\$ 5,956.0</b>
<b>Adjusted EBITDA</b>	<b>\$ 1,131.8</b>
<b>Net Leverage Ratio</b>	<b>3.7x</b>

Components may not sum to total due to rounding

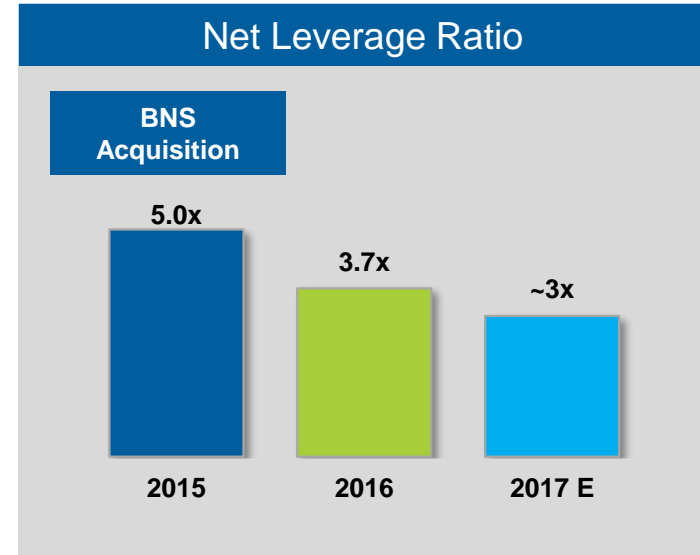
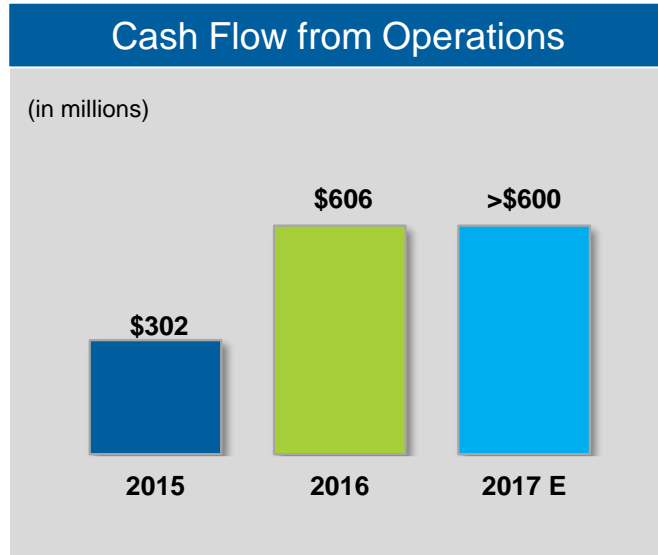
## Major Debt Maturities as of December 31, 2016<sup>(1)</sup>

(in millions)

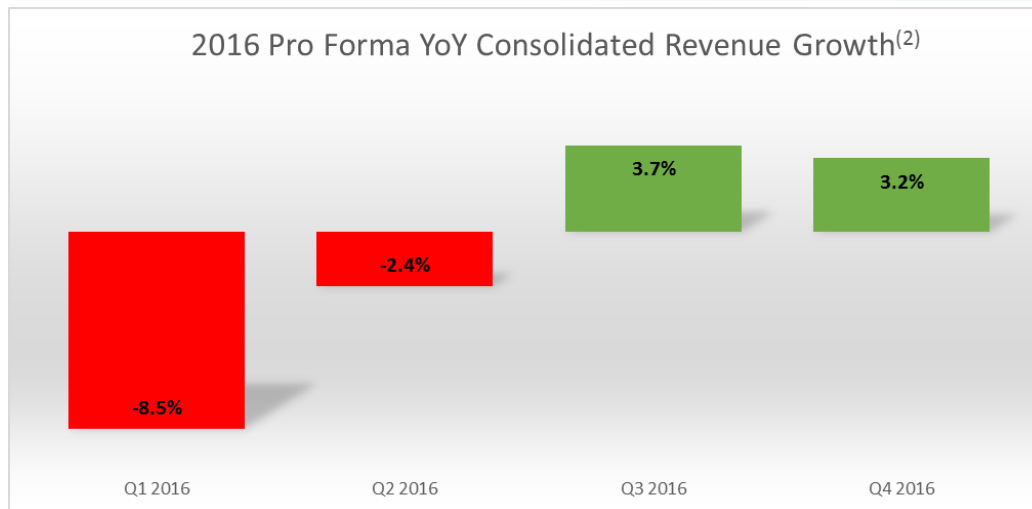


Net leverage at 3.7x, down from 5.0x in Dec 2015

(1) Excludes mandatory payments of \$12.5 million annually for term loan due 2022



**Strong cash flow from operations**  
Net leverage ratio expected to be near 3x by end of 2017, assuming no M&A  
Reflects \$100 million stock repurchase to mitigate dilutive impact of stock awards

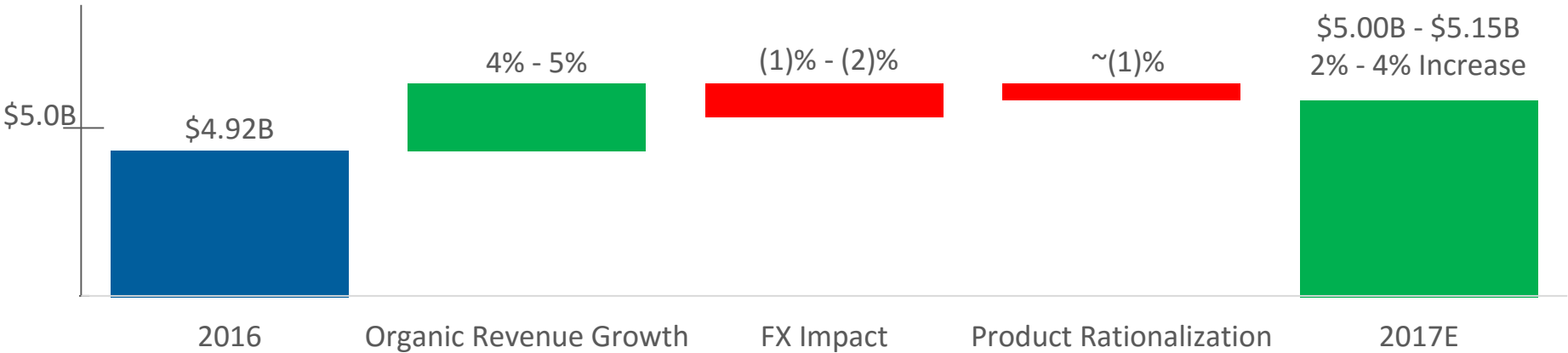


## Q1 2017 Guidance

- Sales of \$1.10 billion - \$1.15 billion
- Operating income of \$105 million - \$120 million
- Adjusted operating income of \$205 million - \$225 million
- Earnings per diluted share of \$0.18 - \$0.22, based on 199 million weighted average diluted shares
- Adjusted effective tax rate of approximately 35%
- Adjusted earnings per diluted share of \$0.49 - \$0.54, up 7% YOY at the midpoint

(1) Assumes relatively stable business conditions and no material changes in tax or trade policies. See appendix for reconciliation of non-GAAP adjusted measures.

(2) The unaudited pro forma amounts are presented as though the BNS acquisition had been completed as of January 1, 2015. This pro forma information has not been prepared in accordance with U.S. generally accepted accounting principles. Accordingly, the pro forma financial information should not be relied upon as being indicative of the results that would have been realized.



## Full Year 2017 Outlook

- Sales of \$5.00 billion – \$5.15 billion
- Operating income of \$730 million - \$770 million
- Adjusted operating income of \$1.11 billion - \$1.16 billion
- Earnings per diluted share of \$1.66 – \$1.73, based on 199 million weighted average diluted shares
- Adjusted earnings per diluted share of \$2.90 - \$3.00, up 12% YOY at the midpoint
- Adjusted effective tax rate of approximately 35%
- Cash flow from operations of more than \$600 million

## Non-GAAP Financial Measures

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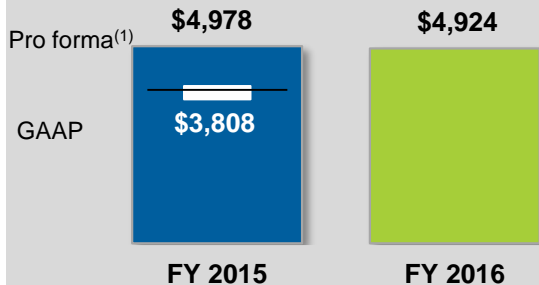
## Pro Forma Results

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# Full Year 2016 Results

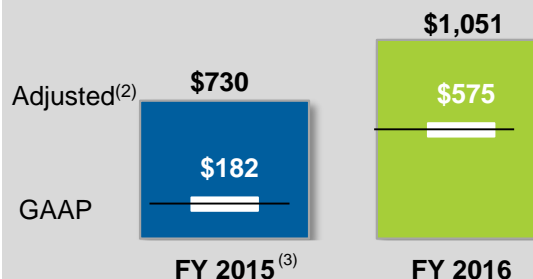
## Revenue

(in millions)



## Operating Income

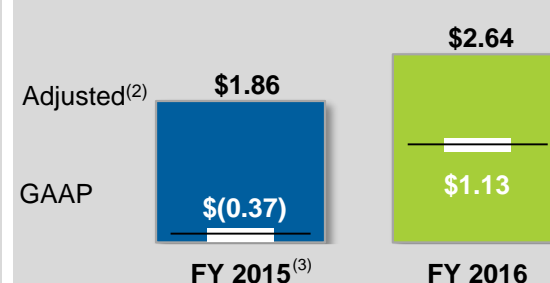
(in millions)



## Diluted Earnings Per Share

Adjusted<sup>(2)</sup>

GAAP



### Sales & Orders:

- Sales of \$4.92 billion, consistent with guidance
- Double-digit NAR growth offset by declines in EMEA, CALA & APAC

### Operating Results:

- Gross Margin of 41%
- GAAP Operating Income of \$575 million
- >\$100 million of BNS synergies
- Adjusted Operating Income<sup>(2)</sup> increased 44% YOY to \$1,051 million, or 21% of sales

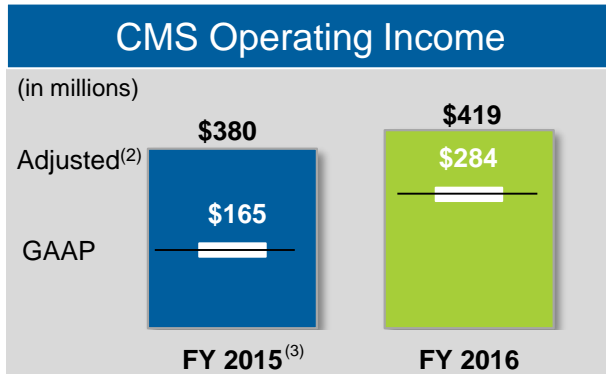
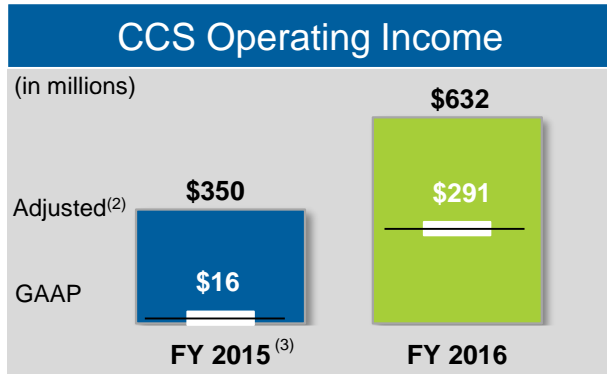
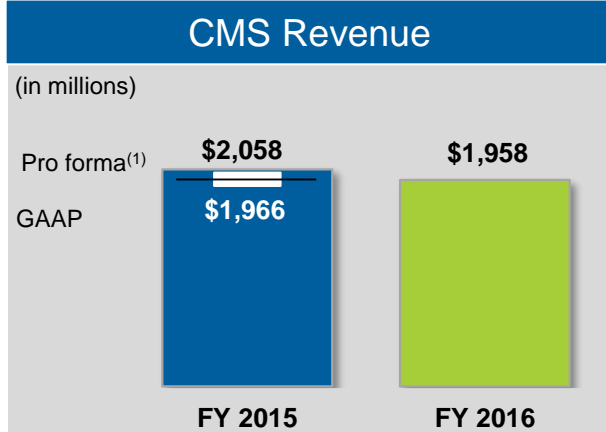
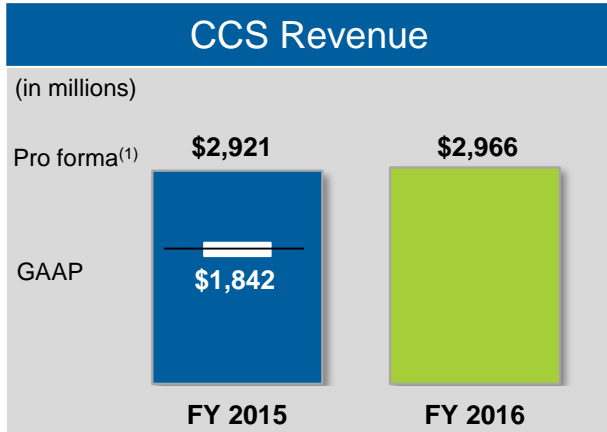
### Net Income & EPS:

- GAAP Net Income of \$223 million, or \$1.13 per diluted share
- Adjusted Net Income<sup>(2)</sup> of \$519 million, or \$2.64 per diluted share, up 42% YOY

(1) The unaudited pro forma amounts are presented as though the BNS acquisition had been completed as of January 1, 2015. This pro forma information has not been prepared in accordance with U.S. generally accepted accounting principles. Accordingly, the pro forma financial information should not be relied upon as being indicative of the results that would have been realized.

(2) See appendix for reconciliation of non-GAAP adjusted measures.

(3) FY 2015 amounts reflect results of the BNS business for the four-month period following the acquisition in August 2015.



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(2) See appendix for reconciliation of non-GAAP adjusted measures.

(3) FY 2015 amounts reflect results of the BNS business for the four-month period following the acquisition in August 2015.

# Income Statements



(Unaudited -- In thousands,  
except per share amounts)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
Net sales	\$ 1,178,906	\$ 1,142,541	\$ 4,923,621	\$ 3,807,828
Operating costs and expenses:				
Cost of sales	689,018	743,511	2,890,032	2,462,008
Selling, general and administrative	215,130	227,101	879,495	687,389
Research and development	48,161	49,146	200,715	135,964
Amortization of purchased intangible assets	72,932	76,905	297,202	220,602
Restructuring costs, net	18,372	18,855	42,875	29,488
Asset impairments	15,884	5,450	38,552	90,784
Total operating costs and expenses	<u>1,059,497</u>	<u>1,120,968</u>	<u>4,348,871</u>	<u>3,626,235</u>
Operating income	119,409	21,573	574,750	181,593
Other expense, net	(8,273)	(7,505)	(30,171)	(13,061)
Interest expense	(62,510)	(75,909)	(277,534)	(234,661)
Interest income	774	792	5,524	4,128
Income (loss) before income taxes	49,400	(61,049)	272,569	(62,001)
Income tax (expense) benefit	5,066	(14,098)	(49,731)	(8,874)
Net income (loss)	<u>\$ 54,466</u>	<u>\$ (75,147)</u>	<u>\$ 222,838</u>	<u>\$ (70,875)</u>
Earnings (loss) per share:				
Basic	\$ 0.28	\$ (0.39)	\$ 1.16	\$ (0.37)
Diluted (a)	\$ 0.28	\$ (0.39)	\$ 1.13	\$ (0.37)
Weighted average shares outstanding:				
Basic	193,305	191,040	192,470	189,876
Diluted (a)	197,401	191,040	196,459	189,876
(a) Calculation of diluted earnings per share:				
Net income (loss) (basic and diluted)	\$ 54,466	\$ (75,147)	\$ 222,838	\$ (70,875)
Weighted average shares (basic)	193,305	191,040	192,470	189,876
Dilutive effect of stock awards	4,096	—	3,989	—
Denominator (diluted)	<u>197,401</u>	<u>191,040</u>	<u>196,459</u>	<u>189,876</u>



# Balance Sheets

(In thousands)

	December 31,	
	2016	2015
<b>Assets</b>		
Cash and cash equivalents	\$ 428,228	\$ 562,884
Accounts receivable, less allowance for doubtful accounts of \$17,211 and \$19,392, respectively	952,367	833,041
Inventories, net	473,267	441,815
Prepaid expenses and other current assets	139,902	166,900
Total current assets	1,993,764	2,004,640
Property, plant and equipment, net of accumulated depreciation of \$303,734 and \$243,806, respectively	474,990	528,706
Goodwill	2,768,304	2,690,636
Other intangible assets, net	1,799,065	2,147,483
Other noncurrent assets	105,863	131,166
Total assets	<u>\$ 7,141,986</u>	<u>\$ 7,502,631</u>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 415,921	\$ 300,829
Other accrued liabilities	429,397	371,743
Current portion of long-term debt	12,500	12,520
Total current liabilities	857,818	685,092
Long-term debt	4,549,510	5,231,131
Deferred income taxes	199,121	202,487
Pension and other postretirement benefit liabilities	31,671	37,102
Other noncurrent liabilities	109,782	124,099
Total liabilities	5,747,902	6,279,911
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: None	—	—
Common stock, \$.01 par value: Authorized shares: 1,300,000,000; Issued and outstanding shares: 193,837,437 and 191,368,727, respectively	1,950	1,923
Additional paid-in capital	2,282,014	2,216,202
Retained earnings (accumulated deficit)	(589,556)	(812,394)
Accumulated other comprehensive loss	(285,113)	(171,678)
Treasury stock, at cost: 1,129,222 shares and 986,222 shares, respectively	(15,211)	(11,333)
Total stockholders' equity	1,394,084	1,222,720
Total liabilities and stockholders' equity	<u>\$ 7,141,986</u>	<u>\$ 7,502,631</u>

See notes to consolidated financial statements included in our Form 10-K.

# Statements of Cash Flows



(Unaudited -- In thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
<b>Operating Activities:</b>				
Net income (loss)	\$ 54,466	\$ (75,147)	\$ 222,838	\$ (70,875)
Adjustments to reconcile net income (loss) to net cash generated by operating activities:				
Depreciation and amortization	97,603	104,015	399,053	303,500
Equity-based compensation	8,385	7,610	35,006	28,665
Deferred income taxes	(6,639)	(9,288)	(100,878)	(101,826)
Asset impairments	15,884	5,450	38,552	90,784
Excess tax benefits from equity-based compensation	(6,910)	(5,560)	(14,993)	(24,754)
Changes in assets and liabilities:				
Accounts receivable	(4,530)	109,147	(100,867)	(6,984)
Inventories	(8,516)	94,646	(31,996)	162,164
Prepaid expenses and other current assets	(12,332)	(31,693)	14,273	(65,271)
Accounts payable and other accrued liabilities	(46,263)	(79,954)	191,405	6,921
Other noncurrent liabilities	(16,872)	(969)	(35,950)	(13,320)
Other noncurrent assets	12,231	(2,258)	(1,834)	(11,966)
Other	(5,534)	325	(8,384)	5,022
Net cash generated by operating activities	80,973	116,324	606,225	302,060
<b>Investing Activities:</b>				
Additions to property, plant and equipment	(18,654)	(17,079)	(68,314)	(56,501)
Proceeds from sale of property, plant and equipment	149	3,198	4,084	3,417
Cash paid for acquisitions including purchase price adjustments, net of cash acquired	3,384	(43,515)	6,098	(3,000,991)
Proceeds from sale of businesses and long-term investments	1	—	1,292	2,817
Other	57	195	2,253	646
Net cash used in investing activities	(15,063)	(57,201)	(54,587)	(3,050,612)
<b>Financing Activities:</b>				
Long-term debt repaid	(172,889)	(116,490)	(718,914)	(619,056)
Long-term debt proceeds	19,764	—	19,764	3,246,875
Long-term debt financing costs	—	(429)	—	(74,319)
Proceeds from the issuance of common shares under equity-based compensation plans	8,119	4,297	16,756	25,570
Excess tax benefits from equity-based compensation	6,910	5,560	14,993	24,754
Tax withholding payments for vested equity-based compensation awards	(932)	(698)	(3,878)	(698)
Other	(3,094)	—	(3,094)	—
Net cash generated by (used in) financing activities	(142,122)	(107,760)	(674,373)	2,603,126
Effect of exchange rate changes on cash and cash equivalents	(12,835)	(6,441)	(11,921)	(21,011)
Change in cash and cash equivalents	(89,047)	(55,078)	(134,656)	(166,437)
Cash and cash equivalents, beginning of period	517,275	617,962	562,884	729,321
Cash and cash equivalents, end of period	<u>\$ 428,228</u>	<u>\$ 562,884</u>	<u>\$ 428,228</u>	<u>\$ 562,884</u>

See notes to consolidated financial statements included in our Form 10-K.

# Sales by Region

(Unaudited -- In millions)

## Sales by Region

	<u>Q4 2016</u>	<u>Q4 2015</u>	<u>% Change</u> <u>YOY</u>
North America	\$ 646.1	\$ 571.0	13.2 %
Europe, Middle East and Africa	240.1	248.6	(3.4)
Asia Pacific	224.8	244.5	(8.1)
Central and Latin America	67.9	78.4	(13.4)
<b>Total Net Sales</b>	<u>\$ 1,178.9</u>	<u>\$ 1,142.5</u>	3.2 %

## Sales by Region

	<u>Full Year</u> <u>2016</u>	<u>Full Year</u> <u>2015</u>	<u>% Change</u> <u>YOY</u>
North America	\$ 2,748.8	\$ 1,968.5	39.6 %
Europe, Middle East and Africa	933.5	781.7	19.4
Asia Pacific	961.0	781.9	22.9
Central and Latin America	280.3	275.7	1.7
<b>Total Net Sales</b>	<u>\$ 4,923.6</u>	<u>\$ 3,807.8</u>	29.3 %

# Quarter and Full Year Segment Information



(Unaudited -- In millions)

## Sales by Segment <sup>(1)</sup>

	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q4 2015</u>	<u>% Change</u>	
				<u>Sequential</u>	<u>YOY</u>
Connectivity Solutions	\$ 681.3	\$ 819.2	\$ 671.5	(16.8) %	1.5 %
Mobility Solutions	497.6	474.7	471.0	4.8 %	5.6 %
<b>Total Net Sales</b>	<b><u>\$ 1,178.9</u></b>	<b><u>\$ 1,293.9</u></b>	<b><u>\$ 1,142.5</u></b>	(8.9) %	3.2 %

## Non-GAAP Adjusted Operating Income by Segment <sup>(1)</sup>

	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q4 2015</u>	<u>% Change</u>	
				<u>Sequential</u>	<u>YOY</u>
Connectivity Solutions	\$ 139.5	\$ 189.5	\$ 117.4	(26.4) %	18.8 %
Mobility Solutions	112.7	107.2	78.9	5.1 %	42.8 %
<b>Total Non-GAAP Adjusted Operating Income</b>	<b><u>\$ 252.2</u></b>	<b><u>\$ 296.7</u></b>	<b><u>\$ 196.4</u></b>	(15.0) %	28.4 %

## Sales by Segment <sup>(1)</sup>

	<u>2016</u>	<u>2015</u>	<u>% Change</u>
			<u>YOY</u>
Connectivity Solutions	\$2,965.5	\$1,841.7	61.0 %
Mobility Solutions	1,958.1	1,966.1	(0.4) %
<b>Total Net Sales</b>	<b><u>\$4,923.6</u></b>	<b><u>\$3,807.8</u></b>	29.3 %

## Non-GAAP Adjusted Operating Income by Segment <sup>(1)</sup>

	<u>2016</u>	<u>2015</u>	<u>% Change</u>
			<u>YOY</u>
Connectivity Solutions	\$ 632.3	\$ 349.9	80.7 %
Mobility Solutions	419.1	379.9	10.3 %
<b>Total Non-GAAP Adjusted Operating Income</b>	<b><u>\$1,051.4</u></b>	<b><u>\$ 729.8</u></b>	44.1 %

(1) As of January 1, 2016, the Company began reporting in two operating segments: Connectivity Solutions and Mobility Solutions. All prior period amounts have been restated to reflect these operating segment changes.

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

(Unaudited -- In millions)

## Pro Forma Sales<sup>(1)</sup>

	<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>	<u>Q4 2015<sup>(2)</sup></u>	<u>Full Year 2015</u>
Legacy CommScope	\$ 825.4	\$ 867.3	\$ 831.5	\$ 754.0	\$ 3,278.2
Legacy BNS	424.9	471.0	415.8	388.5	1,700.2
<b>Total Pro Forma Net Sales</b>	<b>\$ 1,250.3</b>	<b>\$ 1,338.3</b>	<b>\$ 1,247.3</b>	<b>\$ 1,142.5</b>	<b>\$ 4,978.4</b>

## Pro Forma Sales by Segment<sup>(1)</sup>

	<u>Q1 2015</u>	<u>Q2 2015</u>	<u>Q3 2015</u>	<u>Q4 2015</u>	<u>Full Year 2015</u>
Connectivity Solutions	\$ 717.6	\$ 781.2	\$ 750.4	\$ 671.5	\$ 2,920.7
Mobility Solutions	532.7	557.0	496.9	471.0	2,057.6
<b>Total Pro Forma Net Sales</b>	<b>\$ 1,250.3</b>	<b>\$ 1,338.3</b>	<b>\$ 1,247.3</b>	<b>\$ 1,142.5</b>	<b>\$ 4,978.4</b>

(1) See Description of Pro Forma Results

(2) As reported

Components may not sum to total due to rounding

# Adjusted Operating Income Reconciliation by Quarter



(Unaudited -- In millions)

	<u>Q4 2016</u>	<u>Q3 2016</u>	<u>Q2 2016</u>	<u>Q1 2016</u>	<u>Q4 2015</u>
<b>Operating income, as reported</b>	<b>\$ 119.4</b>	<b>\$ 180.7</b>	<b>\$ 183.9</b>	<b>\$ 90.7</b>	<b>\$ 21.6</b>
Amortization of purchased intangible assets	72.9	74.6	76.0	73.6	76.9
Restructuring costs, net	18.4	10.8	7.6	6.1	18.9
Equity-based compensation	8.4	8.4	9.4	8.8	7.6
Asset impairments	15.9	7.4	—	15.3	5.5
Integration and transaction costs	17.2	14.7	14.5	15.9	14.8
Purchase accounting adjustments	—	—	(0.4)	1.0	51.2
<b>Non-GAAP adjusted operating income</b>	<b>\$ 252.2</b>	<b>\$ 296.7</b>	<b>\$ 291.0</b>	<b>\$ 211.4</b>	<b>\$ 196.4</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>21.4%</b>	<b>22.9%</b>	<b>22.3%</b>	<b>18.5%</b>	<b>17.2%</b>
Depreciation	20.2	20.2	20.4	19.6	21.9
<b>Non-GAAP adjusted EBITDA</b>	<b>\$ 272.5</b>	<b>\$ 316.9</b>	<b>\$ 311.4</b>	<b>\$ 231.1</b>	<b>\$ 218.2</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

# Quarterly Adjusted Operating Income Reconciliation by Segment

(Unaudited -- In millions)

## Fourth Quarter 2016 Non-GAAP Adjusted Operating Income Reconciliation by Segment <sup>(1)</sup>

	<u>Connectivity Solutions</u>	<u>Mobility Solutions</u>	<u>Total</u>
<b>Operating income, as reported</b>	<b>\$ 43.3</b>	<b>\$ 76.1</b>	<b>\$ 119.4</b>
Amortization of purchased intangible assets	47.7	25.3	72.9
Restructuring costs, net	11.0	7.3	18.4
Equity-based compensation	4.7	3.7	8.4
Asset impairments	15.9	—	15.9
Integration and transaction costs	16.9	0.3	17.2
<b>Non-GAAP adjusted operating income</b>	<b>\$ 139.5</b>	<b>\$ 112.7</b>	<b>\$ 252.2</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>20.5%</b>	<b>22.7%</b>	<b>21.4%</b>

## Third Quarter 2016 Non-GAAP Adjusted Operating Income Reconciliation by Segment <sup>(1)</sup>

	<u>Connectivity Solutions</u>	<u>Mobility Solutions</u>	<u>Total</u>
<b>Operating income, as reported</b>	<b>\$ 104.8</b>	<b>\$ 75.9</b>	<b>\$ 180.7</b>
Amortization of purchased intangible assets	49.4	25.2	74.6
Restructuring costs, net	8.4	2.5	10.8
Equity-based compensation	4.9	3.5	8.4
Asset impairments	7.4	—	7.4
Integration and transaction costs	14.6	0.2	14.7
<b>Non-GAAP adjusted operating income</b>	<b>\$ 189.5</b>	<b>\$ 107.2</b>	<b>\$ 296.7</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>23.1%</b>	<b>22.6%</b>	<b>22.9%</b>

## Fourth Quarter 2015 Non-GAAP Adjusted Operating Income Reconciliation by Segment <sup>(1)</sup>

	<u>Connectivity Solutions</u>	<u>Mobility Solutions</u>	<u>Total</u>
<b>Operating income (loss), as reported</b>	<b>\$ (17.9)</b>	<b>\$ 39.5</b>	<b>\$ 21.6</b>
Amortization of purchased intangible assets	49.9	27.0	76.9
Restructuring costs, net	11.8	7.1	18.9
Equity-based compensation	5.7	1.9	7.6
Asset impairments	5.5	—	5.5
Integration and transaction costs	13.7	1.1	14.8
Purchase accounting adjustments	48.9	2.2	51.2
<b>Non-GAAP adjusted operating income</b>	<b>\$ 117.4</b>	<b>\$ 78.9</b>	<b>\$ 196.4</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>17.5%</b>	<b>16.8%</b>	<b>17.2%</b>

(1) As of January 1, 2016, the Company began reporting in two operating segments: Connectivity Solutions and Mobility Solutions. All prior period amounts have been restated to reflect these operating segment changes.

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

# Adjusted Net Income Reconciliation

(Unaudited – In millions)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2016	2015	2016	2015
<b>Operating income, as reported</b>	<b>\$ 119.4</b>	<b>\$ 21.6</b>	<b>\$ 574.8</b>	<b>\$ 181.6</b>
Adjustments:				
Amortization of purchased intangible assets	72.9	76.9	297.2	220.6
Restructuring costs, net	18.4	18.9	42.9	29.5
Equity-based compensation	8.4	7.6	35.0	28.7
Asset impairments	15.9	5.5	38.6	90.8
Integration and transaction costs	17.2	14.8	62.3	96.9
Purchase accounting adjustments	—	51.2	0.6	81.7
Total adjustments to operating income	132.8	174.9	476.6	548.2
<b>Non-GAAP adjusted operating income</b>	<b>\$ 252.2</b>	<b>\$ 196.4</b>	<b>\$ 1,051.4</b>	<b>\$ 729.8</b>
Income (loss) before income taxes, as reported	\$ 49.4	\$ (61.0)	\$ 272.6	\$ (62.0)
Income tax (expense) benefit, as reported	5.1	(14.1)	(49.7)	(8.9)
<b>Net income (loss), as reported</b>	<b>\$ 54.5</b>	<b>\$ (75.1)</b>	<b>\$ 222.8</b>	<b>\$ (70.9)</b>
Adjustments:				
Total pretax adjustments to operating income	132.8	174.9	476.6	548.2
Pretax amortization of deferred financing costs & OID <sup>(1)</sup>	4.4	5.2	21.4	22.3
Pretax acquisition related interest <sup>(1)</sup>	—	—	—	29.2
Pretax loss on debt transactions <sup>(2)</sup>	—	—	17.8	—
Pretax net investment gains <sup>(2)</sup>	—	—	(0.5)	(2.7)
Tax effects of adjustments and other tax items <sup>(3)</sup>	(71.1)	(22.2)	(218.9)	(164.4)
<b>Non-GAAP adjusted net income</b>	<b>\$ 120.6</b>	<b>\$ 82.8</b>	<b>\$ 519.2</b>	<b>\$ 361.7</b>
<b>Diluted EPS, as reported</b>	<b>\$ 0.28</b>	<b>\$ (0.39)</b>	<b>\$ 1.13</b>	<b>\$ (0.37)</b>
<b>Non-GAAP adjusted diluted EPS <sup>(4)</sup></b>	<b>\$ 0.61</b>	<b>\$ 0.42</b>	<b>\$ 2.64</b>	<b>\$ 1.86</b>

(1) Included in interest expense.

(2) Included in other expense, net.

(3) The tax rates applied to adjustments reflect the tax expense or benefit based on the tax jurisdiction of the entity generating the adjustment. There are certain items for which we expect little or no tax effect. Adjustments for 2016 reflect the exclusion of a decrease in a valuation allowance while 2015 adjustments reflect the exclusion of an increase in a valuation allowance.

(4) Diluted shares used in the calculation of non-GAAP adjusted diluted EPS for the three months ended December 31, 2016 and 2015 are 197.4 million and 195.1 million, respectively. Diluted shares used in the calculation of non-GAAP adjusted diluted EPS for the years ended December 31, 2016 and 2015 are 196.5 million and 194.2 million, respectively.

Note: Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures



# Outlook GAAP to Non-GAAP Reconciliation



(Unaudited -- In millions)

	Outlook	
	Three Months Ending March 31, 2017	Full Year 2017
<b>Operating income</b>	<b>\$105 - \$120</b>	<b>\$730 - \$770</b>
Adjustments:		
Amortization of purchased intangible assets	\$70	\$270
Equity-based compensation	\$10	\$45
Restructuring costs, integration costs and other <sup>(1)</sup>	\$20 - \$25	\$65 - \$75
Total adjustments to operating income	\$100 - \$105	\$380 - \$390
<b>Non-GAAP adjusted operating income</b>	<b>\$205 - \$225</b>	<b>\$1,110 - \$1,160</b>
<b>Diluted earnings per share</b>	<b>\$0.18 - \$0.22</b>	<b>\$1.66 - \$1.73</b>
Adjustments <sup>(2)</sup> :		
Total adjustments to operating income	\$0.30 - \$0.31	\$1.23 - \$1.25
Debt-related costs and other special items <sup>(3)</sup>	\$0.01	\$0.01 - \$0.02
<b>Non-GAAP adjusted diluted earnings per share</b>	<b>\$0.49 - \$0.54</b>	<b>\$2.90 - \$3.00</b>

(1) Reflects projections for restructuring costs, integration costs and other special items. Actual adjustments may vary from projections.

(2) The tax rates applied to projected adjustments reflect the tax expense or benefit based on the expected tax jurisdiction of the entity generating the projected adjustments. There are certain items for which we expect little or no tax effect.

(3) Reflects projections for amortization of debt issuance costs, loss on debt extinguishment, net investment gains or losses and other tax items. Actual adjustments may vary from projections.

Our actual results may be impacted by additional events for which information is not currently available, such as additional restructuring activities, asset impairments, debt extinguishments, additional transaction and integration costs, foreign exchange rate fluctuations and other gains or losses related to events that are not currently known or measurable.

See Caution Regarding Forward-Looking Statements and Description of Non-GAAP Financial Measures.