

May 6, 2021

First Quarter 2021 Results



Important information

Caution Regarding Forward Looking Statements

This presentation or any other oral or written statements made by us or on our behalf may include forward-looking statements that reflect our current views with respect to future events and financial performance. These statements may discuss goals, intentions or expectations as to future plans, trends, events, results of operations or financial condition or otherwise, in each case, based on current beliefs and expectations of management, as well as assumptions made by, and information currently available to, such management and include, without limitation: statements related to the completion and timing of the proposed spin-off, the future performance of the Home Networks and remaining CommScope businesses on a stand-alone basis if the spin-off is completed; the outlook for Home Networks as a separate business if the spin-off is completed; the expected strategic, operational and competitive benefits of the proposed spin-off and the effect of the separation on CommScope and its stakeholders; and estimates of future sales, operating margin, cash flow, effective tax rate or other future operating performance or financial results. These forward-looking statements are generally identified by their use of such terms and phrases as “intend,” “goal,” “estimate,” “expect,” “project,” “projections,” “plans,” “potential,” “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 forward-looking statements are subject to various risks and uncertainties, many of which are outside our control, including, without limitation, risks related to the planned spin-off of the Home Networks business, including uncertainty regarding whether such transaction will be commenced or completed and the timing and value of such transaction; risks related to the potential separation of the Home Networks business; risks related to our ability to integrate and fully realize anticipated benefits from prior or future divestitures, acquisitions or equity investments (including the ARRIS acquisition); selling or discontinuing one or more of our product lines; potential difficulties in realigning global manufacturing capacity and capabilities among our global manufacturing facilities or those of our contract manufacturers that may affect our ability to meet customer demands for products; possible future restructuring actions; 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; changes to the regulatory environment in which we and our customers operate; product quality or performance issues and associated warranty claims; our ability to maintain effective management information technology systems and to successfully implement major systems initiatives; cyber-security incidents, including data security breaches, ransomware 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 or that of contract manufacturers may be insufficient to meet customer demand or quality standards; the use of open standards; the long-term impact of climate change; 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 for certain raw materials and components; the risk that contract manufacturers we rely on encounter production, quality, financial or other difficulties; substantial indebtedness and restrictive debt covenants; our ability to incur additional indebtedness; 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 deferred tax assets; our ability to attract and retain qualified key employees; labor unrest; obligations under our defined benefit employee benefit plans requiring plan contributions in excess of current estimates; significant international operations exposing 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; changes in the laws and policies in the United States affecting trade, including the risk and uncertainty related to tariffs or a potential global trade war and potential changes to laws and policies as a result of a new administration in the United States, that may impact our products; cost of protecting or defending intellectual property; costs and challenges of compliance with domestic and foreign environmental laws; the impact of litigation and similar regulatory proceedings that we are involved in or may become involved in, including the costs of such litigation; the scope, duration and impact of disease outbreaks and pandemics, such as COVID-19, on our business including employees, sites, operations, customers and supply chain; risks associated with stockholder activism, which could cause us to incur significant expense, hinder execution of our business strategy and impact the trading value of our securities; and other factors beyond our control. These and other factors are discussed in greater detail in our 2020 Annual Report on Form 10-K and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, and may be updated from time to time in our annual reports, quarterly reports, current reports and other filings we make with the Securities and Exchange Commission.

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.

Use of Non-GAAP Financial Measures

CommScope management believes that presenting certain non-GAAP financial measures enhances an investor’s understanding of our financial performance. In addition, CommScope management believes that these non-GAAP financial measures are useful in assessing CommScope’s operating performance from period to period by excluding certain items that we believe are not representative of our core business. 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.

“We continue to take action to position CommScope for success as we execute on our CommScope NEXT strategy to optimize the business portfolio, drive above-market growth, and control costs.”



Chuck Treadway
President and Chief Executive Officer

First quarter highlights

Core CommScope

Broadband Networks, Outdoor Wireless Networks, Venue and Campus Networks

- Momentum in Broadband Networks continues – strength in node splitting, fiber cabling and connectivity; investing for future growth
- Outdoor Wireless – in-line with expectations; North American carriers expected to increase C-Band spend in 2H'21, growing international opportunities
- Venue and Campus – flat year-over-year net sales, led by growth in RUCKUS; enterprise spend beginning to stabilize, government stimulus positively impacting key verticals in education and healthcare

Home Networks

- Transitory supply challenges in semiconductors impact ability to serve robust demand; optimized cost structure enabling profitability for ensuing demand

CommScope NEXT

Driving growth that outpaces the market and optimizing business processes

Executing our Strategy to Unlock Shareholder Value

Profitable Growth

Double down on growth by allocating resources to key accounts and target vertical markets, clearing capacity constraints, exploring international expansion investments, enhancing channel relationships and adding critical technologies

Cost Efficiency

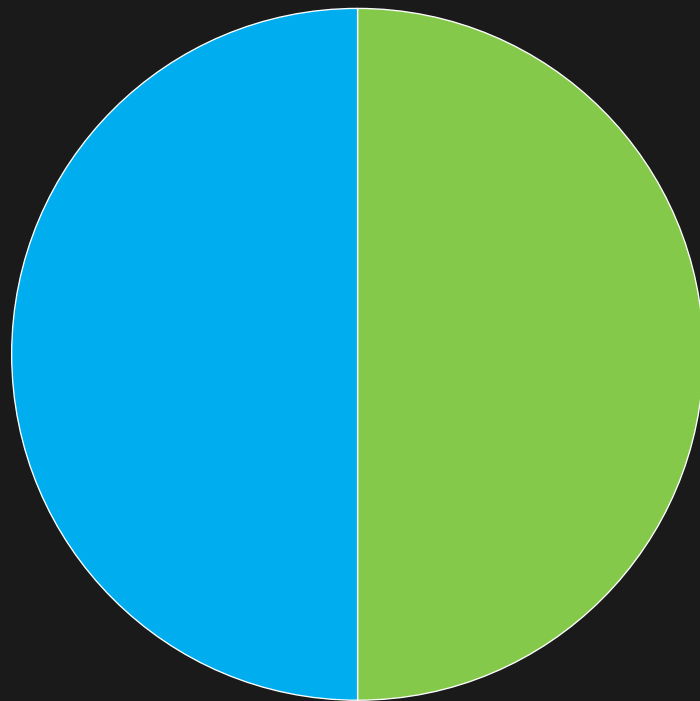
Laser focus on efficiency; eliminate non-value-added complexity and cost across business by streamlining duplicative systems and redundant processes

Portfolio Optimization

Evaluate health of full portfolio and dynamically reallocate capital where we have a winning value proposition, industry-leading technology and a clear path to growth and value creation

CommScope NEXT

Expect to generate at least \$500 million in non-GAAP adjusted EBITDA



■ Growth ■ Cost Optimization

50% generated from growth

- Investing in capacity constraints where demand exists - fiber & connectivity
- Enhancing our focus on strategic verticals & key accounts
- Leveraging and investing in innovative technology solutions

50% generated from cost optimization

- Direct and indirect procurement – implementing cost control towers
- Organizational rationalization
- Efficiency streamlining – removing duplicative systems & real estate footprints

“With our optimized business portfolio, we expect to continue to build on the momentum we have seen so far this year.”



Alex Pease
EVP and Chief Financial Officer

First quarter results

Consolidated CommScope (In \$millions, except per share amounts)				Core CommScope ⁽¹⁾ (In \$millions)			
	1Q'20 Results	1Q'21 Results	Y/Y Change		1Q'20 Results	1Q'21 Results	Y/Y Change
Net Sales ⁽²⁾	\$2,033	\$2,072	+2%	Net Sales ⁽²⁾	\$1,432	\$1,583	+11%
Adj. EBITDA ⁽³⁾	\$231	\$290	+25%	Adj. EBITDA ⁽³⁾	\$219	\$273	+25%
Adj. EBITDA Margin ⁽³⁾	11.4%	14.0%	+260 bps.	Adj. EBITDA Margin ⁽³⁾	15.3%	17.3%	+200 bps.
Adj. EPS ⁽³⁾	\$0.12	\$0.36	+200%				

Year-over-year growth in sales and profitability

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of the Broadband Networks, Outdoor Wireless Networks and Venue and Campus Networks segments, in the aggregate. Core financial measures exclude the results of the Home Networks segment.

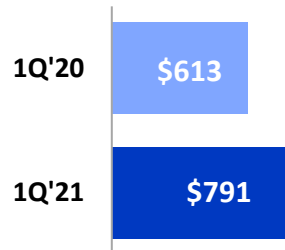
(2) Net sales as presented for 1Q'21 and 1Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$3.3 million and \$5.5 million, respectively.

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

Broadband Networks

Financial Highlights

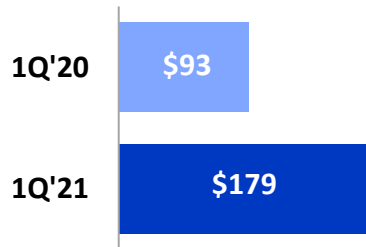
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: +29%

- Net sales growth in all regions except Europe
- Growth within both Network Cable & Connectivity and Network & Cloud

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: +93%

- Adjusted EBITDA growth primarily driven by volume

Business Highlights

- Cabling and hardened connectivity strength as operators drive “fiber deeper”; continuing to invest in additional capacity to meet growing demand
- Access layer growth driven by node-splitting to address pressure on the uplink and amplifier upgrades
- Gaining success in PON solution delivery
- Progress in remote MAC/PHY architecture solutions
- Video systems strength driven by C-Band reclamation and international opportunities to distribute content to new geographies
- Capacity and supply chain remain a focus with growing orders and backlog

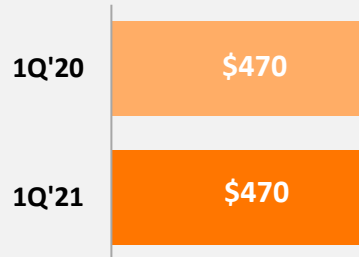
(1) Net sales as presented for 1Q'21 and 1Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$1.2 million and \$2.8 million, respectively.

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

Venue and Campus Networks

Financial Highlights

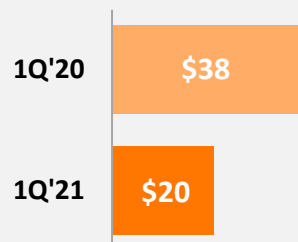
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: flat

- Net sales declines across North America, offset by growth in China, Caribbean and Latin America and Europe
- Strong growth in RUCKUS offset by moderate declines in indoor copper, fiber and DAS and Small Cell

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: -47%

- Adjusted EBITDA decline primarily due to unfavorable mix and higher input costs, partially offset by operating expense control

Business Highlights

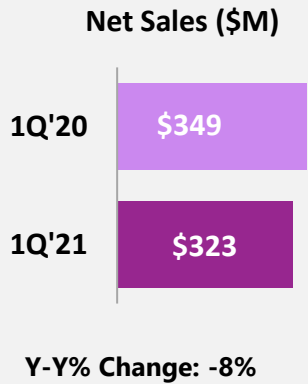
- Strong RUCKUS growth – strength in cloud software, Wi-Fi and switching
- Strong execution in education vertical
- Structured cabling market firming; rising copper prices remain a headwind as pricing is leveraged to offset
- Hyperscale and multi-tenant datacenter orders trending upwards after a slower first quarter due to project timing
- Strong pipeline for DAS and ONECELL; opportunities within casinos, airports and hospitals

(1) Net sales as presented for 1Q'21 and 1Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$1.5 million and \$2.2 million, respectively.

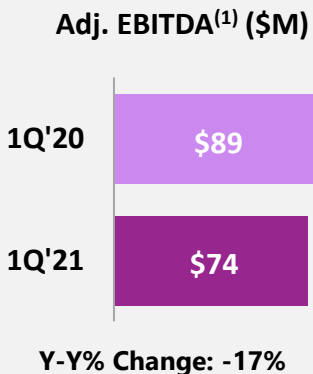
(2) See appendix for reconciliation of non-GAAP adjusted measures.

Outdoor Wireless Networks

Financial Highlights



- Net sales declines primarily driven by North America and Middle East and Africa. Partial offset by growth in Asia Pacific and Europe
- Declines in both macro towers and metro layer



- Adjusted EBITDA decline primarily driven by volume and mix, partially offset by operating expense control

Business Highlights

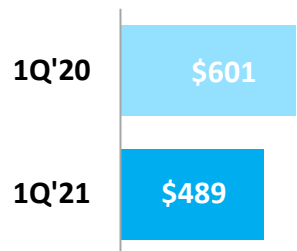
- T-Mobile growth continues with deployment of 600MHz and 2.5GHz spectrum
- Remaining US carriers completing design work for C-Band deployment with investment ramping in 2H'21
- Everything but the radio - growing opportunities based on site build outs in preparation for C-Band and carrier adds
- Opportunities in Europe, Latin America and US for hybrid active/passive antenna radio solutions in collaboration with Nokia
- Growth in Asia Pacific markets – net sales increase 108% year-over-year led by Japan
- Metro cell deployment delays starting to abate

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

Home Networks

Financial Highlights

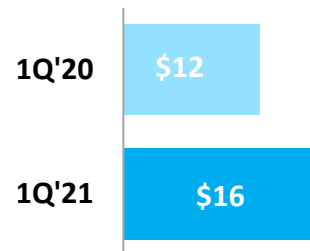
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: -19%

- Net sales declines across all regions except Caribbean and Latin America and Middle East and Africa
- Declines in both video and broadband gateways

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: +38%

- Adjusted EBITDA growth primarily driven by operating expense control, partially offset by lower volumes

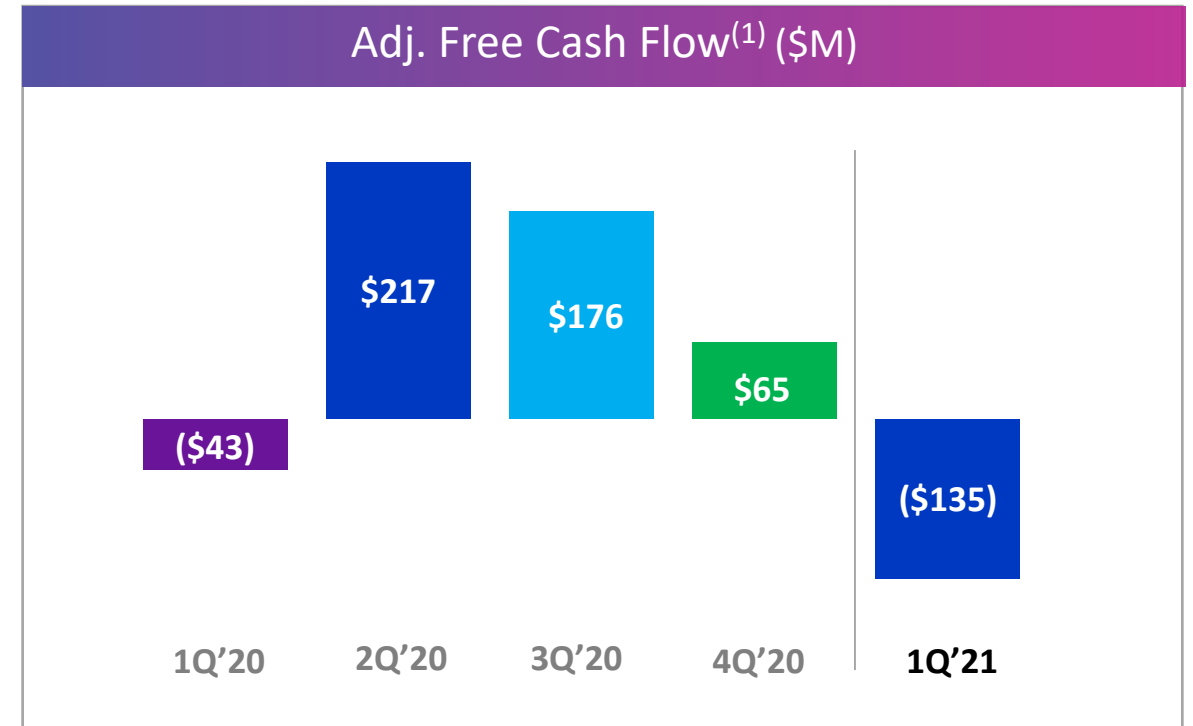
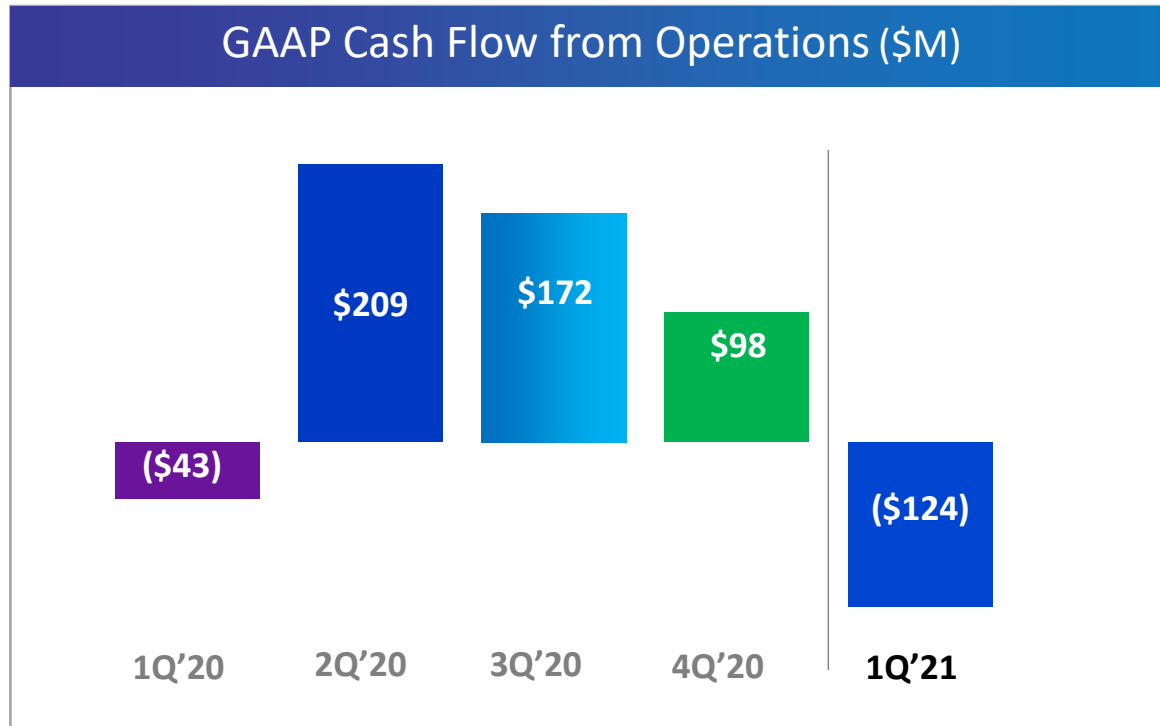
Business Highlights

- Planned spin-off progressing; running on schedule
- Over 2x historical backlog; global silicon shortage remains a likely headwind into early FY'22
- Gaining strength in XB7 syndication
- Video wins in IP streamers, zappers and STB in Europe

(1) Net sales as presented for 1Q'21 and 1Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$0.5 million and \$0.5 million, respectively.

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

Cash flow update

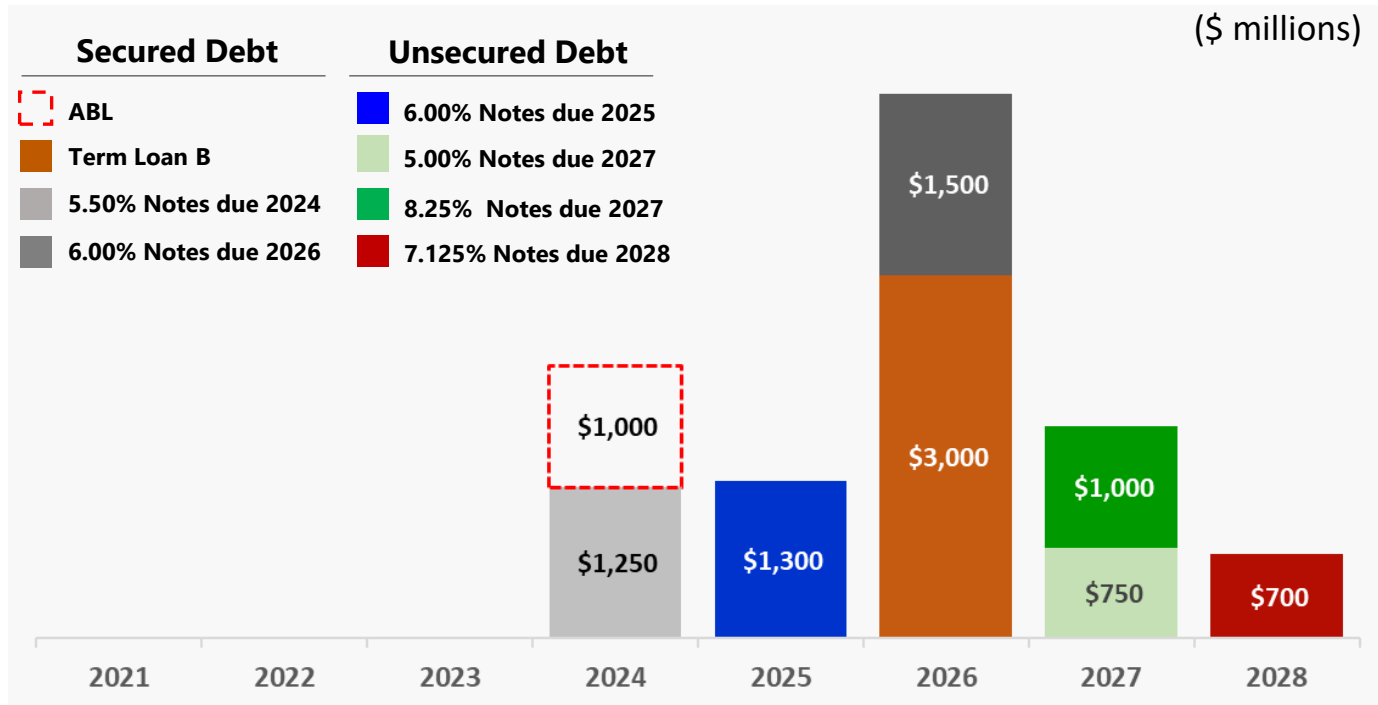


- Seasonally weak first quarter, as expected
- First quarter working capital was net usage of cash, primarily driven by accounts receivable and inventory

(1) See appendix for reconciliation of non-GAAP adjusted measures. Adjusted free cash flow is defined as free cash flow excluding cash paid for transaction, transformation and integration costs and other special items.

Strong liquidity & de-risked capital structure

Debt Maturities (as of 03/31/2021)



Required TLB amortization payments (\$24mm for 2021 and \$32mm annually for 2022-2025) are not shown.

Debt balances do not reflect unamortized OID or deferred financing fees.

(1) Net leverage based on Adj. EBITDA of approximately \$1.4 billion after giving pro forma effect to certain events, (including \$114 million of run-rate synergies and other cost savings initiatives). The Carlyle investment is characterized as equity. The ratio of net debt plus preferred equity to pro forma Adj. EBITDA is ~7.5x.

Proactive balance sheet management provides runway before next significant debt maturities

- Since close of ARRIS acquisition, CommScope has repaid over \$800 million of debt with focus on near-term opportunities.

Cash & liquidity remain strong





















- Ended the quarter with available liquidity of ~\$1 billion

Continued focus on debt repayment & de-leveraging

- 6.7x net leverage as of 03/31/2021⁽¹⁾
- Continued commitment to prioritizing debt repayment as the business generates excess cash

Demand outlook for end markets of Core CommScope & Home Networks

Evolving technology trends are expected to provide mostly favorable tailwinds

Market	Demand Outlook	Key 2021 Business Drivers		
 Broadband Networks		 <p>Continued operator network investment; demand for uplink capacity & downlink throughput</p>	 <p>Footprint expansion, driving "fiber deeper"</p>	 <p>RDOF expected to fund fiber deployments passing millions of underserved homes</p>
 Outdoor Wireless Networks		 <p>C-BAND auction sets the stage for 2H 2021 macro tower spend</p>	 <p>Growing stages of opportunity for international business</p>	 <p>Metro layer build out delays starting to improve</p>
 Venue & Campus Networks		 <p>Cloud migration drives MTDC and hyperscale</p> <p>Growing ONECELL funnel; DAS opportunities in casinos, airports, hospitals</p>	 <p>Enterprise market will vary by vertical</p>	 <p>Uncertain environment for LT new commercial real estate; near-term market starting to firm</p>
 Home Networks		 <p>Demand for Broadband CPE continues; strengthening syndication opportunities</p>	 <p>OTT trends continue to place pressure on video</p>	 <p>Larger component lead times stretch realization of sales backlog</p>



now meets next



Q&A

First Quarter 2021 Results

COMMSCOPE®

Appendix

Statements of Operations

CommScope Holding Company, Inc.
Condensed Consolidated Statements of Operations
(Unaudited -- In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2021	2020
Net sales	\$ 2,072.0	\$ 2,033.2
Cost of sales	1,399.8	1,392.0
Gross profit	672.2	641.2
Operating expenses:		
Selling, general and administrative	292.7	311.1
Research and development	171.5	180.4
Amortization of purchased intangible assets	154.7	157.8
Restructuring costs, net	44.4	23.7
Total operating expenses	663.3	673.0
Operating income (loss)	8.9	(31.8)
Other income (expense), net	1.0	(12.5)
Interest expense	(137.5)	(149.1)
Interest income	0.5	2.1
Loss before income taxes	(127.1)	(191.3)
Income tax benefit	29.5	31.4
Net loss	(97.6)	(159.9)
Series A convertible preferred stock dividend	(14.3)	(13.8)
Net loss attributable to common stockholders	\$ (111.9)	\$ (173.7)
Loss per share:		
Basic	\$ (0.55)	\$ (0.89)
Diluted (a)	\$ (0.55)	\$ (0.89)
Weighted average shares outstanding:		
Basic	201.7	194.9
Diluted (a)	201.7	194.9
(a) Calculation of diluted loss per share:		
Net loss (basic and diluted)	\$ (111.9)	\$ (173.7)
Weighted average shares (basic)	201.7	194.9
Dilutive effect of equity-based awards	—	—
Denominator (diluted)	201.7	194.9

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

Balance Sheets

CommScope Holding Company, Inc.
Condensed Consolidated Balance Sheets
(In millions, except share amounts)

	Unaudited March 31, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 325.9	\$ 521.9
Accounts receivable, less allowance for doubtful accounts of \$32.1 and \$40.3, respectively	1,639.2	1,487.4
Inventories, net	1,093.5	1,088.9
Prepaid expenses and other current assets	265.9	256.3
Total current assets	3,324.5	3,354.5
Property, plant and equipment, net of accumulated depreciation of \$730.1 and \$705.7, respectively	668.4	684.5
Goodwill	5,262.3	5,286.5
Other intangible assets, net	3,489.7	3,650.4
Other noncurrent assets	616.3	600.9
Total assets	\$ 13,361.2	\$ 13,576.8
Liabilities and Stockholders' Equity		
Accounts payable	\$ 1,059.4	\$ 1,010.8
Accrued and other liabilities	835.5	910.6
Current portion of long-term debt	32.0	32.0
Total current liabilities	1,926.9	1,953.4
Long-term debt	9,486.7	9,488.6
Deferred income taxes	189.6	206.2
Other noncurrent liabilities	508.4	531.8
Total liabilities	12,111.6	12,180.0
Commitments and contingencies		
Series A convertible preferred stock, \$0.01 par value	1,041.8	1,041.8
Stockholders' equity:		
Preferred stock, \$0.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: 1,041,819 Series A convertible preferred stock	—	—
Common stock, \$0.01 par value: Authorized shares: 1,300,000,000; issued and outstanding shares: 203,996,914 and 200,095,232, respectively	2.1	2.1
Additional paid-in capital	2,526.0	2,512.9
Retained earnings (accumulated deficit)	(1,850.3)	(1,752.7)
Accumulated other comprehensive loss	(194.3)	(155.9)
Treasury stock, at cost: 10,818,615 shares and 9,223,081 shares, respectively	(275.7)	(251.4)
Total stockholders' equity	207.8	355.0
Total liabilities and stockholders' equity	\$ 13,361.2	\$ 13,576.8

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

Statements of Cash Flows

CommScope Holding Company, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited -- In millions)

	Three Months Ended	
	March 31,	
	2021	2020
Operating Activities:		
Net loss	\$ (97.6)	\$ (159.9)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	199.2	205.4
Equity-based compensation	23.5	23.5
Deferred income taxes	(53.4)	(38.3)
Changes in assets and liabilities:		
Accounts receivable	(164.2)	69.0
Inventories	(10.7)	50.6
Prepaid expenses and other assets	4.1	15.2
Accounts payable and other liabilities	(23.9)	(217.2)
Other	(1.0)	9.0
Net cash used in operating activities	(124.0)	(42.7)
Investing Activities:		
Additions to property, plant and equipment	(26.4)	(23.9)
Proceeds from sale of property, plant and equipment	1.0	0.1
Net cash used in investing activities	(25.4)	(23.8)
Financing Activities:		
Long-term debt repaid	(8.0)	(108.0)
Dividends paid on Series A convertible preferred stock	(14.3)	—
Proceeds from the issuance of common shares under equity-based compensation plans	3.9	0.9
Tax withholding payments for vested equity-based compensation awards	(24.3)	(5.9)
Net cash used in financing activities	(42.7)	(113.0)
Effect of exchange rate changes on cash and cash equivalents	(3.9)	(24.4)
Change in cash and cash equivalents	(196.0)	(203.9)
Cash and cash equivalents at beginning of period	521.9	598.2
Cash and cash equivalents at end of period	\$ 325.9	\$ 394.3

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

Adjusted EBITDA and Adjusted Net Income Reconciliation

CommScope Holding Company, Inc.
Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures
(Unaudited -- In millions, except per share amounts)

	Three Months Ended	
	March 31,	
	2021	2020
Net income (loss), as reported	\$ (97.6)	\$ (159.9)
Income tax benefit, as reported	(29.5)	(31.4)
Interest income, as reported	(0.5)	(2.1)
Interest expense, as reported	137.5	149.1
Other (income) expense, net, as reported	(1.0)	12.5
Operating income (loss), as reported	<u>\$ 8.9</u>	<u>\$ (31.8)</u>
Adjustments:		
Amortization of purchased intangible assets	154.7	157.8
Restructuring costs, net	44.4	23.7
Equity-based compensation	23.5	23.5
Transaction, transformation and integration costs	15.7	5.4
Acquisition accounting adjustments	3.3	5.5
Patent claims and litigation settlements	1.5	5.3
Depreciation	37.7	41.8
Total adjustments to operating income (loss)	<u>280.8</u>	<u>263.0</u>
Non-GAAP adjusted EBITDA	<u>\$ 289.7</u>	<u>\$ 231.2</u>
Net income (loss), as reported	\$ (97.6)	\$ (159.9)
Adjustments:		
Total pretax adjustments to adjusted EBITDA	243.1	221.2
Pretax amortization of debt issuance costs and OID ⁽¹⁾	6.8	6.9
Pretax loss on debt transactions ⁽²⁾	—	—
Tax effects of adjustments and other tax items ⁽³⁾	(64.0)	(41.0)
Non-GAAP adjusted net income	<u>\$ 88.3</u>	<u>\$ 27.2</u>
GAAP EPS, as reported ⁽⁴⁾	\$ (0.55)	\$ (0.89)
Non-GAAP adjusted diluted EPS ⁽⁵⁾	\$ 0.36	\$ 0.12

(1) Included in interest expense.

(2) Included in other income (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.

(4) For all periods presented, GAAP EPS was calculated using net income (loss) attributable to common stockholders in the numerator, which includes the impact of the Series A convertible preferred stock dividend.

(5) The Company's definition of non-GAAP adjusted diluted EPS is non-GAAP adjusted net income, excluding the Series A convertible preferred stock dividend, divided by weighted average shares outstanding assuming the if-converted method, which reflects the conversion of the Series A convertible preferred stock.

Note: Components may not sum to total due to rounding

See Description of Non-GAAP Financial Measures

Sales by Region

CommScope Holding Company, Inc.
Sales by Region
 (Unaudited -- In millions)

Sales by Region

	Q1 2021	Q1 2020	<u>% Change</u> YOY
United States	\$ 1,191.9	\$ 1,220.5	(2.3) %
Europe, Middle East and Africa	385.7	395.1	(2.4)
Asia Pacific	225.4	177.5	27.0
Caribbean and Latin America	192.1	158.4	21.3
Canada	76.9	81.7	(5.9)
Total net sales	<u>\$ 2,072.0</u>	<u>\$ 2,033.2</u>	1.9 %

Sales and Adjusted EBITDA by Segment

CommScope Holding Company, Inc.
Segment Information
(Unaudited -- In millions)

Segment Net Sales

	Q1 2021	Q1 2020	% Change
			YOY
Broadband	\$ 790.7	\$ 613.4	28.9 %
Outdoor Wireless	322.5	348.9	(7.6)
Venue and Campus	469.6	469.5	—
Core net sales ⁽¹⁾	1,582.8	1,431.8	10.5
Home	489.2	601.4	(18.7)
Total net sales	\$ 2,072.0	\$ 2,033.2	1.9 %

Segment Adjusted EBITDA ⁽²⁾

	Q1 2021	Q1 2020	% Change
			YOY
Broadband	\$ 179.3	\$ 92.7	93.4 %
Outdoor Wireless	74.0	88.9	(16.8)
Venue and Campus	20.0	37.7	(46.9)
Core adjusted EBITDA ⁽¹⁾	273.3	219.3	24.6
Home	16.4	11.9	37.8
Total segment adjusted EBITDA	\$ 289.7	\$ 231.2	25.3 %

(1) “Core” financial measures reflect the results or otherwise pertain to the performance of the Broadband Networks, Outdoor Wireless Networks and Venue and Campus Networks segments, in the aggregate. Core financial measures exclude the results of our Home Networks segment.

(2) See Description of Non-GAAP Financial Measures

Adjusted EBITDA Reconciliation by Segment

CommScope Holding Company, Inc.
Reconciliation of GAAP to Segment Adjusted EBITDA
(Unaudited -- In millions)

First Quarter 2021 Segment Adjusted EBITDA Reconciliation

	Broadband	Outdoor Wireless	Venue and Campus	Home	Total
Operating income (loss), as reported	\$ 57.3	\$ 51.3	\$ (65.2)	\$ (34.5)	\$ 8.9
Amortization of purchased intangible assets	80.7	8.8	39.3	26.0	154.7
Restructuring costs, net	10.4	5.7	22.3	5.9	44.4
Equity-based compensation	9.6	2.4	7.5	3.9	23.5
Transaction, transformation and integration costs	4.7	1.9	3.1	6.0	15.7
Acquisition accounting adjustments	1.2	—	1.5	0.5	3.3
Patent claims and litigation settlements	—	—	0.3	1.2	1.5
Depreciation	15.4	3.8	11.1	7.4	37.7
Segment adjusted EBITDA	\$ 179.3	\$ 74.0	\$ 20.0	\$ 16.4	\$ 289.7
Segment adjusted EBITDA % of sales	22.7%	22.9%	4.3%	3.4%	14.0%

First Quarter 2020 Segment Adjusted EBITDA Reconciliation

	Broadband	Outdoor Wireless	Venue and Campus	Home	Total
Operating income (loss), as reported	\$ (23.0)	\$ 65.7	\$ (35.7)	\$ (38.8)	\$ (31.8)
Amortization of purchased intangible assets	81.2	11.6	39.1	26.0	157.8
Restructuring costs, net	5.4	3.4	11.3	3.6	23.7
Equity-based compensation	9.0	2.8	7.1	4.5	23.5
Transaction, transformation and integration costs	1.7	0.9	1.9	0.9	5.4
Acquisition accounting adjustments	2.8	—	2.2	0.5	5.5
Patent claims and litigation settlements	—	—	—	5.3	5.3
Depreciation	15.6	4.5	11.7	10.0	41.8
Segment adjusted EBITDA	\$ 92.7	\$ 88.9	\$ 37.7	\$ 11.9	\$ 231.2
Segment adjusted EBITDA % of sales	15.1%	25.5%	8.0%	2.0%	11.4%

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

Adjusted Free Cash Flow Reconciliation

CommScope Holding Company, Inc.

Adjusted Free Cash Flow

(Unaudited -- In millions)

Adjusted Free Cash Flow

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Cash flow from operations	\$ (42.7)	\$ 209.1	\$ 172.2	\$ 97.7	\$ (124.0)
Capital expenditures	(23.9)	(23.8)	(25.8)	(47.7)	(26.4)
Free cash flow	(66.6)	185.3	146.4	50.0	(150.4)
Transaction, transformation and integration costs	3.4	9.1	4.8	4.3	8.2
Restructuring	20.1	23.0	24.8	10.8	7.2
Adjusted free cash flow	\$ (43.1)	\$ 217.4	\$ 176.0	\$ 65.1	\$ (135.0)

See Description of Non-GAAP Financial Measures

Adjusted Gross Profit and Adjusted Operating Expense Reconciliations

CommScope Holding Company, Inc.
Quarterly Adjusted Gross Profit and Adjusted Operating Expense
(Unaudited -- In millions)

GAAP to Non-GAAP Adjusted Gross Profit

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Gross profit, as reported	\$ 641.2	\$ 656.1	\$ 735.5	\$ 715.0	\$ 672.2
Equity-based compensation	3.8	5.2	5.5	4.0	3.9
Acquisition accounting adjustments	5.5	5.2	5.1	4.8	3.3
Patent claims and litigation settlements	5.3	7.5	(1.4)	5.0	1.5
Adjusted gross profit	\$ 655.8	\$ 674.0	\$ 744.7	\$ 728.8	\$ 680.9
Adjusted gross profit as % of sales	32.3%	32.1%	34.3%	34.2%	32.9%

GAAP to Non-GAAP Adjusted Operating Expense

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021
Selling, general and administrative, as reported	\$ 311.1	\$ 290.9	\$ 296.7	\$ 272.0	\$ 292.7
Research and development, as reported	180.4	176.1	184.6	162.2	171.5
Operating expenses	\$ 491.5	\$ 467.0	\$ 481.3	\$ 434.2	\$ 464.2
Equity-based compensation	19.7	27.3	28.5	21.0	19.6
Transaction, transformation and integration costs	5.4	7.6	4.8	7.1	15.7
Executive severance	—	—	6.3	—	—
Adjusted operating expense	\$ 466.4	\$ 432.1	\$ 441.7	\$ 406.1	\$ 428.9
Adjusted operating expense as % of sales	22.9%	20.5%	20.4%	19.0%	20.7%

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