SAFE HARBOR
FORWARD-LOOKING STATEMENTS

Statements made in this presentation, including those related to projected financial results for the first quarter 2018 and beyond, the impact of the Ruckus Networks acquisition, market share growth, our expected tax rate, increased profitability, shareholder returns, the timing of introduction and acceptance of new products, and the general market outlook and industry trends are forward-looking statements. These and other forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those indicated in the forward-looking statements. Such risks and uncertainties include, but are not limited to: projected results for the first quarter and full year 2018 are based on preliminary estimates, assumptions and projections that management believes to be reasonable at this time, but are beyond management’s control; the anticipated benefits from the Ruckus Networks acquisition may not be realized and we may encounter significant integration costs and unknown liabilities in connection with the acquisition; volatility in component pricing and supply could impact revenues and gross margins more than currently anticipated and we may not be able to pass increased costs on to our customers; recently announced U.S. tariffs and expected tariffs imposed in foreign jurisdictions as a result could materially impact the costs associated with our products which we may not be able to pass on to our customers; volatility in the currency fluctuation may adversely impact our international customers’ ability or willingness to purchase products and the pricing of our products; regulatory changes, including those related to recently completed changes to the U.S. tax code, could have an adverse impact on our operations and results of operations; the impact of litigation and similar regulatory proceedings that we are currently involved in, or may become involved in, including the costs of such litigation, could have an adverse effect on our operations and results; our customers operate in a capital intensive consumer-based industry, and volatility in the capital markets or changes in customer spending may adversely impact their ability or willingness to purchase the products that we offer.

These factors are not intended to be an all-encompassing list of risks and uncertainties that may affect our business. Additional information regarding these and other factors can be found in our reports filed with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2017. In providing forward-looking statements, we expressly disclaim any obligation to update publicly or otherwise these statements, whether as a result of new information, future events or otherwise, except as required by law.
Agenda
2018 ARRIS INVESTOR DAY

8:00 - 8:05  Welcome  Bob Puccini
8:05 - 8:25  ARRIS Strategy and Industry Trends  Bruce McClelland
8:25 - 8:45  Customer and Market Overview  Steve McCaffery and Tim O’Loughlin
8:45 – 9:10  Network & Cloud Business Update  Dan Whalen
9:10 – 9:35  Customer Premises Business Update  Larry Robinson
9:35 – 9:50  Break
9:50 – 10:20  Enterprise Networks Business Update  Dan Rabinovitsj
10:20 – 10:50  Technology Talk - CBRS  Steve Martin
10:50 – 11:15  Financial Update  David Potts
11:15 – 11:50  Leadership Panel Q&A  Executive Team
11:50 – 12:00  Wrap-up  Bruce McClelland
WE ARE ARRIS
Bringing networks to life and connecting 100s of millions of people around the globe

$6.6B FY2017A Revenue
1,700 Service Provider Customers Served
~10,000 Enterprise Channel Partners
73 Countries with direct & indirect presence
~8,700 Employees
5,000+ Patents approved or pending

REDEFINING CONNECTIVITY
Leading the Internet Transformation

2005 - 2012
Cable Broadband

2013 - 2017
Video Everywhere

2018 - Future
Gigabit Economy

<$1.0B
2012 Enterprise Value

~$6.5B
2017 Enterprise Value

Growth Potential

PROVEN TRACK RECORD OF CREATING VALUE
ARRIS Vision

• ARRIS is a global innovator enabling the Gigabit Generation with a new era of compelling connectivity experiences where we live, learn, work, and play.

• We partner with the world’s leading network operators and enterprises providing them with:
  – Innovation in the network – from core to edge
  – Seamless connectivity that just works – meeting and exceeding ever increasing consumer and business demands
  – Cost-effective scalable solutions enabling customers and partners to succeed
Why ARRIS?

**TECHNOLOGY**
- Wireless System Design
- Embedded Real-time Software
- Digital Signal Processing

**SYSTEMS KNOWLEDGE**
- Video Delivery Networks
- Complex Data Networks

**GO-TO-MARKET**
- Distribution and Channel Management
- Customer Intimacy
- Operations
Investing for Today and Tomorrow

**Core**
- Cable Edge
- Residential CPE
- Video Infrastructure
- Optical Access
- Enterprise Wi-Fi
- Device Management

**Growth**
- Gigabit Internet
- Cloud Wi-Fi
- Campus Switching
- Smart Cities
- Federal IT
- Managed Services
- Professional Services
- Direct to Consumer

**Emerging**
- Connecting the Next Billion Users
- CBRS 3.5GHz LTE Small Cell
- Dell OEM
- Nextgen FTTx (10Gb EPON / NGPON-2)
- Access Network SDN/NFV
- IoT (Residential and Industrial)
- Full Duplex DOCSIS
Value Creation Drivers

- Addressable Market Growth
- International Expansion
- Margin and Earnings Growth
- Portfolio Expansion
- Strategic M&A and Capital Return
Organic Value Creation Strategy

1. Gigabit Networks
2. Video Everywhere
3. Enterprise Networking
4. Mobile Network Convergence
5. Margin Expansion
Global investment to deploy mass market Gigabit Internet

- Continued exponential growth in data consumption and devices
- Constant technology upgrades and investments are needed to meet demand
  - Core Network and Transport
  - Edge Processing
  - Access Network
  - Local Network
  - Wi-Fi and Home Network
- Increasing dependency on automation and software defined networking

Source 1: Cisco VNI 2017
Source 2: IHS | includes connected smartphones, tablets, personal computers, TVs, TV-attached devices and audio devices

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PayTV and OTT bundle strengthening business model

- Traditional PayTV subscriber base growing internationally with modest decline in North America
  - OTT content aggregation as part of bundle improves sustainability
  - Technology upgrades (i.e., 4K) underpin continued investment

- OTT Video consumption continues significant growth
  - Augmenting, not replacing traditional TV viewing
  - More prevalent in North America
  - Underpins value proposition and investment in Broadband
  - Increases the importance of local wireless network importance

Source: IHS Research 2018
Expanding share of fast growth market

- Well-positioned to increase share in fast growing Wireless LAN market and complementary campus switching product line
- Immediately accretive with significant margin lift and higher industry valuation multiples
- Highly targeted vertical market strategy
  - Education, Hospitality, Smart City, Federal, Public Venues, Service Provider
- Technology and channel synergies with ARRIS
- Targeting 20%+ growth in 2018

Source: IDC and De’Oro
Everything going wireless...

- Increasing prevalence of unlimited mobile plans driving demand for mobile-offload solutions
- Unprecedented opportunity to expand mobile capacity cost effectively utilizing CBRS Shared Spectrum
- Broad array of applications and use cases
  - Fixed Wireless Access
  - Mobile Capacity Augmentation
  - Alternate Mobile Carriers
  - Private LTE Networks
  - Multi-Carrier Neutral Host
- Secure LTE technology and performance with Wi-Fi economics
Intense focus on margin expansion

Product mix
- New Enterprise segment
- Network and Cloud growth
- Increasing Software and Services

Pricing
- Adjustments to reflect continued component cost pressure
- Increased discipline on new opportunities

Cost improvements
- Factory divestiture
- Component costs
- Operational efficiencies
## Investing for Sustainable Shareholder Value

### Effective Cash Utilization

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Flow (M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic R&amp;D Investment</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>$585M</td>
</tr>
<tr>
<td>2017</td>
<td>$539M</td>
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<tr>
<td>2018(E)</td>
<td>~$700M</td>
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<tr>
<td>Share Repurchases</td>
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</tr>
<tr>
<td>2016</td>
<td>$178M</td>
</tr>
<tr>
<td>2017</td>
<td>$197M</td>
</tr>
<tr>
<td>2018(YTD)</td>
<td>$25M</td>
</tr>
<tr>
<td>Strategic M&amp;A</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>Motorola</td>
</tr>
<tr>
<td>2016</td>
<td>Pace</td>
</tr>
<tr>
<td>2017</td>
<td>Ruckus</td>
</tr>
</tbody>
</table>

### M&A Strategy

Objective: Integrated Provider of converged connectivity and infrastructure solutions to Service Provider and Enterprise

- **Near Adjacency**
  - Enterprise
    - Networking
    - Security
  - Infrastructure
    - Wireless
    - Optical

- **Accretive**
- **Market Expansion**
- **Intl Expansion**

---

*STRONG CAPITAL STRUCTURE, STRONG CASH GENERATION, DEPLOYING CASH TO ENHANCE SHAREHOLDER VALUE*
Today’s Key Messages

• Well-positioned to benefit from mass-market Gigabit Internet spend
• Deeply entrenched leadership in evolving video market
• Expanded addressable market with increasingly diversified customer base
• Leadership in emerging mobile CBRS LTE small cell market
• Three year outlook and earnings growth target
• Capital allocation strategy
Customer Overview

Steve McCaffery and Tim O’Loughlin
Global Customer Trends

**Broadband and Mobile Connectivity Key**
7.6B mobile subscriptions by 2021, 1.1B broadband subscribers by 2021\(^1\)

**Massive Bandwidth Demand**
Unrelenting traffic from video, mobile offload, broadband subscriber growth, and IoT.
Data traffic growing 20-30% year over year \(^2\)

**Evolution of Video**
4K consumer adoption underway, OTT application integration, rich media user interface, and voice control driving CPE refresh and subscriber trends

**Wi-Fi as Core Service**
Residential and business customers demanding Wi-Fi connectivity and throughput resulting in ongoing device refresh

**Service and Control**
Driving cloud control, virtualization, and telemetry across residential, mobile, and enterprise customers

---

\(^1\) Source: Dataxis 3Q17
\(^2\) Source: IHS Markit
Global Addressable Market

CAGR = 4.7%

2017 Addressable Market $42.9B
- APAC $7.8B 18%
- EMEA $11.7B 27%
- Canada $2.8B 7%
- CALA $3.3B 8%
- US $17.3B 40%

2021 Addressable Market $51.5B
- APAC $9.5B 18%
- EMEA $14.1B 27%
- Canada $3.4B 7%
- CALA $4.1B 8%
- US $20.4B 40%

International Revenue Trend
- 2015: $1.4B
- 2016: $1.9B
- 2017: $2.3B

ARRIS International Revenue
% of ARRIS Total Revenue

Source: WRG, SNL Kagan, FBR, ABI, ARC, Ovum, TBR, Dell'Oro and ARRIS Estimates

CPE - Cable, Telco IPTV and Satellite STB, Cable Modems, Broadband Gateways, EMTAs; ADSL, ADSL2, G.fast, VDSL, CPE, ONT Residential Gateway; WiFi Routers, WiFi Extenders, Retail Video and Smart Home Devices
N&C - CableEdge (CMTS/CCAP/HG/CMC); Access HFC (HEC, Nodes, AMP, PS, Passives, Accessories) & RFG; Video Systems (Encoder, Transcoder, IRDs, Advance and Linear Ad Systems); Security Solutions (Traditional STB CAS, DRM, CAS Infrastructure, PKI); Assurance (On-Premise, SaaS, Home Network Assurance); Global Services (Network Build, Infrastructure Integration, Planning Design & Optimization, OSS Integration, Managed Services, and Wireless Consulting)

Wireless - WLAN AP and controllers, carrier WiFi APs and Controllers, Service provider and Enterprise Small Cells | Campus/IWC - 1,10,40 Gbps Wired LAN switches

~$14.4B ADDRESSABLE MARKET EXPANSION DUE TO RUCKUS ACQUISITION
Expanded Diversified Opportunity

ARRIS All Products Global Addressable Market

- CAGR = 4.7%
- $51.5B
- $45.3B
- $42.9B

Network & Cloud
- $8.4B
- $7.9B
- $21.4B
- $22.9B
- $20.5B
- $14.4B
- $15.4B
- $18.4B

2017 2018 2021

Network & Cloud

- Growth in bandwidth demand driving Access Networks business (CMTS, PON, and Node)
- Shift towards distributed architecture enables more bandwidth, digital optics and virtualization
- Stable and profitable video business
- Professional Services opportunities

Network & Cloud

- Market leading portfolio of broadband, voice, and video CPE
- Technology upgrade cycles drive cyclical demand (ie. D3.1, 4K, 802.11AX)
- Demand for video devices evolving to 4K, wireless, and IP client
- Broadband and home networking segments growing

CPE

- WLAN market projected to grow 9% CAGR
- All segments showing demand strength
- Exposure to large campus switching market
- Service providers investing in business services
- CBRS LTE opportunities germinating with mobile operators, mobile disruptors, private enterprise, etc.
Global Relationships

100,000+ customers in 150 countries

CABLE PROVIDERS
- Liberty Global
- Vodafone
- MECABE
- MediaCom
- Charter
- Comcast
- StarHub
- Televia

HOSPITALITY
- Hilton
- Carlson
- Accor
- Wyndham
- Starwood

EDUCATION
- Fairfax County Public Schools
- Texas A&M University
- University of Pennsylvania
- Texas State University

PROGRAMMERS
- Discovery
- Viacom
- BET
- Starz

SATELLITE PROVIDERS
- DIRECTV
- Foxtel
- Canal+
- Tata Sky

TELCO PROVIDERS
- NBN
- CenturyLink
- Verizon
- AT&T
- BT
- Telenor
- Telia

RETAIL
- Amazon
- Target
- Walmart
- Best Buy
- Office Max
- McDonald's

ARRIS INVESTOR DAY 2018
### Diversified and Deep Customer Engagement

<table>
<thead>
<tr>
<th>Large Cable Operator</th>
<th>Global Hospitality Brand</th>
<th>Mobile/Telco Network Operator</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CMTS</td>
<td>• Wi-Fi Access Points</td>
<td>• OTT CPE</td>
</tr>
<tr>
<td>• Optical Access</td>
<td>• Wi-Fi Controllers</td>
<td>• Device Management</td>
</tr>
<tr>
<td>• CPE</td>
<td>• Campus Switching</td>
<td>• Legacy CPE</td>
</tr>
<tr>
<td>• Wi-Fi for Enterprise</td>
<td>• Pro-services</td>
<td>• Wi-Fi for Enterprise</td>
</tr>
<tr>
<td>• Bulk Wi-Fi for MDU</td>
<td></td>
<td>• Bulk Wi-Fi for MDU</td>
</tr>
<tr>
<td>• Pro-services</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
U.S. Cable and Direct to Consumer (Retail)

CUSTOMERS
- Comcast
- Cox
- MediaCom
- ~250+ Other
- Best Buy
- Amazon
- Walmart
- Target

CUSTOMER TRENDS
- Bandwidth expansion
- DOCSIS 3.1 Technology upgrade cycle
- Evolving video product
- Integrating OTT into video product
- Continued focus on business services
- Focused on high end Wi-Fi gateway
- Consumers demanding more speed
- Share of consumer spend increasing on home networking

ARRIS STRATEGY
- CMTS upgrade licensing and nodes
- Leverage CPE and CMTS position
- Focus on 4K, wireless, and IP CPE
- Offering software and services
- Expanding Ruckus footprint
- AX router in development
- Upgraded DOCSIS in modems
- Portfolio expansion (mesh, tri-band, whole home)
U.S. Telco, Satellite, and Programmers

CUSTOMERS

- DIRECTV
- AT&T
- verizon
- Frontier Communications
- windstream
- CenturyLink
- HARGRAY
- TDS
- HBO
- ISC

CUSTOMER TRENDS

- Operators successful in broadband with mixed results in video
- Bandwidth expansion through FTTx
- Wi-Fi refresh cycle
- Traditional wireline IPTV and satellite flat to declining
- Residential broadband and mobility service blending

ARRIS STRATEGY

- Maintain majority share on Tier 1 broadband gateway
- Win new FTTx opportunities
- Developing advanced Wi-Fi products
- Focus on wireless, 4K and IP clients
- Enable services with node upgrade modules, service provider Wi-Fi and CBRS offerings
Canada Market Macro View

• Cable and Telco competition driving innovation, ARRIS supporting multiple 4K launches across both industries.

• Addressing Cable offering services for HSD and mobile data as they represent the highest margin business for operators.

• Rogers and Shaw execution against announced Comcast syndication.

• Supporting Bell in all aspects of business through video partnership.

• Maintain dominant share in Telco space.
EMEA Market Macro View

- Consolidation to continue in Cable market with expanded focus on Altice, LGI and Vodafone.
- Network transformation models creating a services growth business for ARRIS.
- In-home networking, higher broadband speed and integrated OTT leading the technology transition with ARRIS as partner.
- High Broadband penetrations allow for ARRIS to provide service differentiation.
- Increase engagement with SKY and Multi-Choice.
- Plan for New Business expansion in markets like Middle East and eastern Europe.
CALA Market Macro View

- Growth in 2018 as environment stabilizes.
- Business models to support diverse economic conditions across the markets.
- Focus on global players that operate inside and outside region ie Telefonica, Altice, LGI, AMX.
- Significant technology transition underway led by DVB and deep fiber, creating a focus new customer opportunities.
- Increased D3.1 transformation creating services offerings.
- Target the ongoing significant HFC investment expected to continue through 2019.
APAC Market Macro View

• Consolidation of cable providers and increased telco competition driving investment with focus on high RPU markets.
• Driving increased selection on key operators in China.
• Increased focus on adoption of Gigabit and 4K services in Japan, Korea and Hong Kong.
• Supporting market through extensive wide-reaching Channel program, increased market and segment reach.
• Build on incumbent position at NBN for rolling out D3.1 with full service offering.
• Develop the growing DVB market in specific countries.
• Build on established business in Japan and new growth through key events. (ie: Tokyo 2020)
Enterprise Market Opportunity

Strong Go-to-Market Architecture

- Diversified verticals
  - Hospitality
  - Education
  - Enterprise
  - Retail
  - Venue
  - Smart Cities
- +8,000 Channel Partners (VARs, Distributors, partners)
- Close cooperation with traditional Service Providers as a channel to Enterprise
ARRIS Strategy for Customers

Broadband and Mobile Connectivity Key
Grow with service providers in broadband and mobile space

Wi-Fi as Core Service
Leverage Ruckus portfolio to win traditional enterprise verticals and service provider driven initiatives in business services space

Evolution of Video
Enable next generation of video services: operator OTT, 4K, wireless and IP client

Service and Control
Win more cloud, pro-services, managed services, and device management
Network and Cloud Overview

Dan Whalen
Network and Cloud Segment Summary

- $8B market growing 5%+ annually \(^{(1)}\)
  - Strong portfolio addressing Cable Internet Service Providers and broader video systems networks
  - Growing Professional Services capability
- Growth in Over-the-top video streaming creating strong fundamentals
- State-of-the-art internet access is a key global social imperative
- Highly competitive industry dynamics compelling Service Providers to invest

Note 1 – Sources: ARRIS View based on IHS Markit, Frost, TBR, ARC and IDC

WELL POSITIONED FOR CONTINUED PROFITABLE GROWTH
Network and Cloud Segment Overview

- **2017 Segment results**
  - $2.1B revenue / $673M adjusted direct contribution
- **Industry leading product portfolio**
  - E6000® CCAP
  - Optical Nodes and Headend Optics
- **Strong market positions**
  - #1 CCAP
  - #1 Optical nodes
  - #1 Cable video networks
- **Deep customer engagement**

Note 1 – Source: IHS 4Q2017 report

MARKET LEADER FOR SERVICE PROVIDER BROADBAND SOLUTIONS
Key Drivers Behind Continued Exponential Bandwidth Growth

- Broadband Subscriber growth and device proliferation
- Exponential growth in Internet usage
- Cable Networks adopting OTT Technology
- Mobile device explosion driving offload demand
- Cable gaining share of Business Services market
Broadband Subscriber Growth and Device Proliferation

Continued growth in global broadband subscriber base
- Highly competitive battle for premium consumers

Exponential growth in connected devices spurring faster adoption of WiFi internet usage in homes and business

Global Fixed Broadband Subscribers (in millions)

Source: Dataxis 3Q17

Global Connected / IoT Devices (Billions)

Source: IHS | Includes connected smartphones, tablets, personal computers, TVs, TV-attached devices and audio devices
Source Frost and Sullivan | Includes Connected CE Devices, Sensors, Actuators

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Exponential Growth in Internet Usage

Internet Speeds Increasing

- Majority of internet traffic
- Increasing variety of content sources
- Higher quality = Higher speeds
- 37% of subscribers 30Mbps+

Global IP traffic (PB per month)

- Reliability and performance are key factors in consumer choice

Source: ABI Research

Source: Ovum and Cisco VNI 2017
Cable Networks adopting OTT Technology

Migration from Broadcast to IP Video requires significantly more bandwidth

"Busy-Hour" Network Traffic per Subscriber

10 Mbps

B’cast and VOD Delivered over IP

1.6 Mbps

OTT Video

Non-Video

OTT Video

Non-Video

Today

Future

Source: ARRIS forecast based on network data

Broad migration to IP Video starting in 2018

2017 2018 2019 2020 2021

IP Video Subs B’cast Subs

ARRIS INVESTOR DAY 2018
Mobile Device Explosion Driving Offload Demand

• Mobile Networks 7.5% of Global IP traffic in 2016\(^2\)
• Mobile Networks forecast to be 17% of Global IP traffic in 2021\(^2\)

• Public Wi-Fi hotspots forecast to grow from 180M in 2016 to 540M in 2021\(^1\)
• Mobile and Wi-Fi traffic forecast to be 63% of internet traffic by 2019\(^2\)
• Cable operators deep fiber networks well positioned to handle offload

Source: ABI Research

Note 1 – Source: Statista.com
Note 2 – Sources: Cisco VNI 2017
Cable Gaining Share of Business Services Market

- $200B+ global market
- Cable gaining share and growing 20% annually
- Key services:
  - Gigabit services
  - Dedicated Ethernet
  - Double and triple play bundles
  - Mobility
  - Cloud services

Sources: Fierceable and FierceTelecom

CABLE IS INVESTING TO GROW METRO-ETHERNET AND DATA SERVICES TO BUSINESSES
Access Network Technology Upgrades crucial to addressing Market Demands
Network and Cloud Market Opportunity

Global Network and Cloud Serviceable Market ($B)

<table>
<thead>
<tr>
<th>Year</th>
<th>Network Infrastructure</th>
<th>Video Infrastructure</th>
<th>Cloud</th>
<th>Global Services</th>
<th>Total</th>
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<tbody>
<tr>
<td>2017</td>
<td>$4.1</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$0.8</td>
<td>$7.9B</td>
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<tr>
<td>2018</td>
<td>$4.5</td>
<td>$0.8</td>
<td>$0.8</td>
<td>$2.3</td>
<td>$8.4B</td>
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<tr>
<td>2019</td>
<td>$4.8</td>
<td>$0.9</td>
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<td>$2.3</td>
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<td>2020</td>
<td>$5.4</td>
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<td>$2.4</td>
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<td>2021</td>
<td>$5.7</td>
<td>$0.9</td>
<td>$0.9</td>
<td>$2.6</td>
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</table>

CAGR = 5.1%

Network Infrastructure: CableEdge, Access HFC, PON, Video Infrastructure - Encoder, Transcoder, IDs, Advance and Linear AD Systems, Security Solutions, Cloud - Assurance (On-Premise, SaaS), Home Network Assurance; Global Services - Network Build, Infrastructure Integration, Planning Design & Optimization, OSS Integration, Managed Services, and Wireless Consulting.

Sources: ARRIS View based on IHS market, Frost, TBR, ARC and IDC

STRONG GLOBAL MARKET OPPORTUNITY
Network and Cloud Portfolio Strategy

Build on CMTS and Optical Access Leadership
- Gen 2 Expansion
- DOCSIS 3.1
- Optical nodes
- Headend Optics

Expand Portfolio in Sync with Bandwidth Demand
- Distributed Networks
- Virtualized Solutions
- Full Duplex DOCSIS
- Extended Spectrum DOCSIS
- 10G EPON
- Ultra HD Encoding

Invest in Complementary Product Lines and Services
- Orchestration
- Content Management and Distribution
- Device Management
- Managed Services
- MDU Solutions
Multi-year E6000 Gen 2 Upgrade Cycle

- Gen 2 upgrade process accelerating across customer base
- Doubles density inside the same chassis footprint
- E6000 support of digital Remote Phy node (eCORE) unlocks additional capacity and increases density
DOCSIS 3.1 Technology Enabling Cost-effective Gigabit Cable Networks

- Up to 50% improved spectrum efficiency over current DOCSIS 3.0 networks
- ARRIS E6000 platform provides simultaneous support of DOCSIS 3.0 / 3.1 with flexible capacity license model
Cable Networks Evolving to Leverage Virtualization and Distributed Computing

- Distributed Access (DAA) potential:
  - Digital optics to extend reach and capacity with less real estate
  - Provide more intelligence and programmability reducing Opex
  - FDX providing Symmetrical Gigabit Services

- ARRIS positioned to grow with DAA:
  - Existing E6000 CCAP platform supports DAA via SW upgrade – lower cost leveraging current investments
  - Incremental DAA devices, shelves, and SFPs
  - New Node deployments and existing Nodes upgradeable to support DAA, PON, or LTE
Leading the CCAP Evolution to Distributed Access

- Industry-leading E6000 CCAP installed base is the foundation for CCAP and Distributed Access evolution
  - Continued expansion of installed base with bandwidth licensing is economically attractive for operators
  - Evolution to more complex DAA solutions using the same E6000 chassis via software upgrade is a low risk alternative for MSOs
  - Virtualization using ARRIS expertise and Software will provide a more consistent implementation across the entire eco-system
  - Support for other DAA solutions, like EPON in the same chassis
- Distributed Access supplements I-CCAP for long reach fiber nodes and greenfield deployments initially
- Distributed Access growth as technology matures and network automation and intelligence help simplify the solution and improve operational efficiency
Well Positioned in Growing Cable HFC Segment

- Industry leading positions in both Analog and Digital Optics
- Global investment to extend fiber networks deeper and gain capacity
  - Extensive construction work
  - Smaller Service Groups allow for increased subscriber Internet capacity, and is creating strong Fiber Node split demand
- Transition to digital fiber optics to support Distributed Access Architecture
- Optical Nodes platform potential:
  - Upgradeable to FTTH, PON, 5G backhaul, Metro-Ethernet, Wireless and other network technologies
Network Orchestration and Automation

- Distributed Access Architecture needs network automation for efficient operation and reliable service
- Big Data analytics provides insights to manage traffic and predict network growth
- Virtualized implementation builds on open source software
  - Software Defined Networks
  - Network Function Virtualization
FTTH 10G EPON Options Available

- **RFOG**
  - Currently the largest FTTH technology being deployed by our customers
  - ARRIS is the performance leader in this technology

- **10 EPON Options**
  - ARRIS has the widest selection of EPON technologies available to the MSO Industry
    - DPOE 2.0 Compatibility
    - Headend and Node Based Variants
    - 300k EPON-ready ARRIS Nodes deployed
    - EPON Extenders designed to better utilize EPON architectures

- **EPON is a fast growing market with a 17% CAGR (1)**
  - Provides 10G symmetrical services
  - Suitable for Business Service Customers

---

1 - Source IHS Markt
Software and Services Business Poised for Continued Growth

- Expanding into higher value and higher margin
- Improved customer diversification
- Growing managed service business to support DAA, Virtualization, and Business Services
- Custom software development programs to provide service providers with differentiated services
Network & Cloud Outlook

- Projecting 4 -7% long term annual growth with margin stability
- Building on leading share in CCAP and Optical Access
- Near-term growth driven by:
  - E6000 capacity licensing and Gen 2 upgrades
  - Optical Access bandwidth expansions and upgrades
  - Roll-out of initial Distributed Access Architecture
- Longer-term growth driven by convergence of services on one network
  - Platform extensibility of the E6000 CCAP and OM6000 Node
  - Business services and Metro-Ethernet, Mobile traffic, Wi-Fi, CBRS
  - Intelligent software to manage complexity of virtualization and DAA
- Growing software & services business

LEADING INDUSTRY POSITION IN A GROWING MARKET!
Customer Premises Equipment

Larry Robinson
CPE Segment Summary

- $20B+ market driven by technology upgrade cycles
  - Demand for gigabit-capable broadband services accelerating
  - UltraHD shift underway incorporating greater OTT options
  - International investment increasing in video & broadband

- Worldwide market leader in Service Provider CPE

- Managing business for profitability
  - Grow international position with solid margin contributions
  - Maintain U.S. market leadership
  - Drive product cost reductions, improved mix & market pricing

FOCUSED ON PROFITABILITY AND CASH GENERATION
Segment Overview

• 2017 Segment results
  – $4.48B revenue / $437M adjusted direct contribution

• Industry leading product portfolio
  – ~50M devices shipped annually
  – Evolving product mix – 60% video & 40% broadband

• Strong market positions
  – #1 Set top supplier Worldwide\(^1\)
  – #1 Broadband CPE supplier in Americas\(^2\)
  – #2 Broadband CPE supplier Worldwide\(^2\)

• Service Provider & Direct to Consumer channels

CUSTOMER PREMISES EQUIPMENT

• VIDEO PRODUCTS – STB & SERVER IP, QAM, OTA, SATELLITE
• BROADBAND & NETWORKING SOLUTIONS FIBER, DSL, DOCSIS, LTE/CBRS

MARKET LEADER FOR SERVICE PROVIDER CUSTOMER PREMISES EQUIPMENT SOLUTIONS

Note 1 – Source: IHS Markit, IHS STB Intelligence Databases, Global Set-top Box Market, Q3 2017 Publication. Data represents Q2 2017 IHS estimates
Note 2 – Source: IHS Markit, IHS Technology, Broadband CPE Market Tracker, Q4 2017. Data represents Q3 2017 IHS estimates
Market Trends Enabled By Technology Advances

**Gigabit Broadband Access**
- DOCSIS Evolution (DOCSIS 3.1 / FDX)
- G.Fast
- Next Generation FTTx / PON
- Fixed Wireless Broadband (LTE, CBRS)

**Video Device Evolution**
- Enhanced Resolution & Dynamic Range
- OTT Integration
- Smart Home Interface
- Non-graphical UI; Ambient voice

**Wi-Fi Momentum**
- Intelligent Mesh Networking (Multi-AP)
- 802.11ax / ad
- IoT Ecosystem Interoperability
- Self Install / Management

**Smart Home Solutions**
- Always Connected Sensors
- Security
- Data Storage Solutions
- Cloud-centric Control & Management
Market Trends Driving Home Evolution

Home Transformed

Multi-Access Point architecture
Converged video / broadband services
Ambient voice
Secure Perimeter

SEAMLESS INTEGRATION OF IP SERVICES ENABLES NEW CONSUMER EXPERIENCES & DRIVES INVESTMENT
### Global Market Forecast (B$)

<table>
<thead>
<tr>
<th>Year</th>
<th>Video</th>
<th>Broadband</th>
<th>Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$10.3</td>
<td>$7.2</td>
<td>$3.0</td>
</tr>
<tr>
<td>2018</td>
<td>$9.9</td>
<td>$7.8</td>
<td>$3.7</td>
</tr>
<tr>
<td>2019</td>
<td>$9.9</td>
<td>$8.2</td>
<td>$4.1</td>
</tr>
<tr>
<td>2020</td>
<td>$10.0</td>
<td>$8.4</td>
<td>$4.4</td>
</tr>
<tr>
<td>2021</td>
<td>$10.0</td>
<td>$8.4</td>
<td>$4.5</td>
</tr>
</tbody>
</table>

**CAGR '17-'21**
- **DOCSIS**: 4.9%
- **Satellite**: 0.2%
- **Telco**: 3.2%
- **Cable**: -3.9%
- **Consumer**: -0.8%

### United States (B$)

<table>
<thead>
<tr>
<th>Year</th>
<th>Video</th>
<th>Broadband</th>
<th>Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$2.6</td>
<td>$3.2</td>
<td>$6.6</td>
</tr>
<tr>
<td>2021</td>
<td>$3.4</td>
<td>$3.4</td>
<td>$6.6</td>
</tr>
</tbody>
</table>

**2017 Share**
- **ARRIS**: 34%
- **Other**: 66%

**2017 Share**
- **ARRIS**: 14%
- **Other**: 86%

### Rest of World (B$)

<table>
<thead>
<tr>
<th>Year</th>
<th>Video</th>
<th>Broadband</th>
<th>Consumer</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$4.6</td>
<td>$5.2</td>
<td>$11.5</td>
</tr>
<tr>
<td>2021</td>
<td>$5.2</td>
<td>$5.2</td>
<td>$12.9</td>
</tr>
</tbody>
</table>

### Significant Addressable Market

**DECLINE IN TRADITIONAL U.S. CABLE SET TOPS OFFSET BY GROWING BROADBAND & INTERNATIONAL**


Video includes Cable, Telco IPTV and Satellite STB (SD/HD/UHD, non-DVR/DVR, Multimedia Gateway, SD/HD DTA); Broadband includes Cable Modems, Broadband Gateways, EMTAs; ADSL, ADSL+, G.Fast, VDSL CPE, ONU Residential Gateway (Active Ethernet, EPON, GPON); Consumer includes retail WiFi Routers, WiFi Extenders - MoCA, HomePlug, HIPHA and WiFi Only, Retail Video and select Smart Home devices.

ARRIS INVESTOR DAY 2018
Key Technologies Driving Upgrade Cycle

DOCSIS 3.1 Market Forecast

- Revenue ($B)
  - $4.0
  - $3.0
  - $2.0
  - $1.0
  - $0.0

- % of Total DOCSIS Shipments
  - 0%
  - 20%
  - 40%
  - 60%
  - 80%

- Year
  - 2017
  - 2021

- DOCSIS Market Growth:
  - 13%
  - 76%

PayTV UltraHD Market Forecast

- Revenue ($B)
  - $7.5
  - $6.0
  - $4.5
  - $3.0
  - $1.5
  - $0.0

- % of Total STB Shipments
  - 0%
  - 20%
  - 40%
  - 60%
  - 80%

- Year
  - 2017
  - 2021

- PayTV UltraHD Market Growth:
  - 23%
  - 65%

Source: ARRIS estimates (IHS, SNL Kagan, FBS, ABI, ARC, Ovum, and TBR)

TECHNOLOGY UPGRADES CONTINUE TO DRIVE THE CUSTOMER PREMISES EQUIPMENT MARKET
Product Portfolio Evolution

- Gigabit services expansion
- Residential gateway feature & capability growth
- Cable networks migration to IP-delivered video services
- Cloud-based services
  - Network Storage

INCREASING EMPHASIS ON BROADBAND OPPORTUNITY
Key Business Objectives

1. Build upon product leadership position
   - Disciplined portfolio evolution / management

2. Expand customer connections
   - Grow international service provider business
   - Increase direct-to-consumer solution investment

3. Streamline business operations
   - Increase operational efficiency
   - Drive product cost improvements
   - Enhance OPEX leverage

FOCUSED ON CASH GENERATION & PROFITABILITY
Targeted investments to address growing broadband and international opportunities

Maintain Set-Top Market Leadership
- Technology upgrades cycles
- HDR, HFR & higher-resolution technologies
- Video over Wi-Fi
- Video application ecosystem development

Continue to Build Broadband Momentum
- Gigabit home capabilities
- High-bandwidth technologies
- Converged Services platform extensibility
- Advanced Wi-Fi management solutions
- Home network portfolio expansion

Increase Investments in Emerging Applications
- Connected home evolution
- Security Solutions
- Fiber portfolio expansion
- Fixed Wireless Access
- Retail channel growth
Comprehensive Video Portfolio

**Video Devices**
- Digital Cable (ATSC, DVB-C)
- Satellite
- IPTV

**Video Processing & Distribution**
- Connectivity
  - MoCA 2.0
  - Wi-Fi
  - 802.11ac
  - Bluetooth
- Video Processing
  - VP9 HEVC
  - 4K UltraHD
  - HDR 10
  - Dolby Vision

**Software**
- Middleware Solutions
  - RDK
  - Android TV
  - ARRIS KREATV
  - Cisco
- Key Software Providers
  - Netflix
  - Xfinity
  - YouTube
  - MediaFirst

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# Gigabit Broadband Portfolio

## Broadband Devices

<table>
<thead>
<tr>
<th>DOCSIS 3.0 → 3.1</th>
<th>Cable Modems</th>
<th>Cable Gateways</th>
<th>Telco xDSL Solutions</th>
<th>Fiber / LTE Gateways</th>
<th>Extenders / Adapters</th>
</tr>
</thead>
<tbody>
<tr>
<td>EuroDOCSIS</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Access Network Technology

<table>
<thead>
<tr>
<th>FDX</th>
<th>ADSL</th>
<th>G.Fast</th>
<th>10G PON</th>
<th>XGS-PON</th>
</tr>
</thead>
<tbody>
<tr>
<td>VDSL2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NG-PON2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Home Networking Solutions

<table>
<thead>
<tr>
<th>MoCA2.0 Channel Bonded</th>
<th>NBASE-T™</th>
<th>Multi-Gigabit Ethernet</th>
<th>WiFi 802.11ax</th>
<th>WiFi 802.11ac</th>
</tr>
</thead>
<tbody>
<tr>
<td>MoCA2.0</td>
<td>802.11ax</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Wired Networks

<table>
<thead>
<tr>
<th>MoCA2.0</th>
</tr>
</thead>
</table>

## Wireless Interfaces

<table>
<thead>
<tr>
<th>WiFi 802.11ax</th>
<th>WiFi 802.11ac</th>
</tr>
</thead>
<tbody>
<tr>
<td>8x8 WIFI</td>
<td>802.11ac DBC</td>
</tr>
</tbody>
</table>

## Software

<table>
<thead>
<tr>
<th>Cable Platform Code</th>
<th>Telco Platform Code</th>
<th>Wi-Fi Management Software</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARRIS TOUCHSTONE</td>
<td>ARRIS TELCO 9.x</td>
<td>ARRIS HOMEASSURE™</td>
</tr>
</tbody>
</table>

**ARRIS INVESTOR DAY 2018**
Market Differentiation

Video Devices
- Comprehensive product line-up
- Video systems & processing expertise
- Robust product design & security
- Middleware integration & optimization

Telco Broadband
- Modular / flexible architecture
- Proven software stack
- Wi-Fi mgmt with extender features
- Ruckus LTE CBRS pre-integration

Cable Broadband
- Broadband network expertise
- In-Home Wi-Fi management
- Network security
- Customized software solutions

Operational Excellence
- Industry scale
- Supply chain agility
- Global Services capabilities
- Customer intimacy

COMPELLING PRODUCTS COMPLEMENTED BY ARRIS NETWORK SOLUTIONS
CPE Segment Outlook

• Market leader with blue-chip customers and diverse product portfolio
  – Deeply embedded in customers’ core operations

• Growth in bandwidth demand driving increased broadband investment

• Managing for profitability and cash generation
  – Projecting long term sales trend of -5% to +1%
  – Targeted investments in broadband and international growth opportunities
  – Improved price / cost stability

• Further simplifying business operations to drive greater efficiency
Enterprise Networks

Dan Rabinovitsj
Enterprise Networks

Growing, profitable business in a growth market

Diversified customer base

Heritage of innovation with sustainable differentiation

Robust go-to-market approach leveraging a large partner community

Growth in new areas such as CBRS and IoT

Building on the integration with ARRIS through stronger Service Provider momentum
Fourteen Years As a Technology & Industry Leader

- **2004**: In-home IPTV Distribution
  - Beamflex™ IP

- **2009**: Joins Inc. 500 List

- **2011**: World's Largest Mobile Data Offload Network (Japan)

- **2012**: IPO
  - High-Scale Carrier-Class OS

- **2015**: Cloudpath Networks
  - Virtual WLAN Controller

- **2016**: Brocade Acquisition
  - Cloud Wi-Fi

- **2017**: Multi-Gig Access
  - Ruckus Networks, An ARRIS Company

- **2018**: IoT Suite
  - Private LTE Solution

Foundry Networks

Brocade
Enterprise Networks by the Numbers

- 100,000 End Customers
- 8,000+ Partners
- 150 Countries
- 200+ Service Providers
- 700+ Engineers
- 7 R&D Centers
- 13 Tech Support Locations
- 160 Parts Depots In 40+ Countries
- 1,700 Employees
- #1 Hospitality Wi-Fi
- #1 Service Provider Wi-Fi
These Organizations Trust Ruckus

- 1000s APs on the streets of New York
- 3700+ hotels in 30+ countries
- 100k+ People using Ruckus everyday
- $1B Wired TAM
- New Wi-Fi opportunity

4 Use Cases:
- Public WiFi, LPV, SMB, Business Class

ARRIS INVESTOR DAY 2018
Enterprise Networks Addressable Market

WLAN Market Forecast $M

CAGR 9.4%

<table>
<thead>
<tr>
<th>Year</th>
<th>Enterprise</th>
<th>Service Provider</th>
</tr>
</thead>
<tbody>
<tr>
<td>CY18</td>
<td>$5,985</td>
<td>$520</td>
</tr>
<tr>
<td>CY19</td>
<td>$6,695</td>
<td>$590</td>
</tr>
<tr>
<td>CY20</td>
<td>$7,287</td>
<td>$662</td>
</tr>
<tr>
<td>CY21</td>
<td>$7,789</td>
<td>$725</td>
</tr>
</tbody>
</table>

Source: Dell'Oro

ENTERPRISE WIRELESS AND WIRED NETWORKING OPPORTUNITY $15-17B PER YEAR
Building Momentum

WLAN Market Share

2Q17
- Ubiquiti: 5.0%
- Ruckus: 6.4%
- Huawei: 17.8%
- HPE Aruba: 23.0%
- Cisco: 42.5%
- Other: 5.3%

4Q17
- Ubiquiti: 5.8%
- Ruckus: 8.7%
- Huawei: 13.6%
- HPE Aruba: 22.8%
- Cisco: 43.1%
- Other: 6.0%

Source: Dell'Oro
Trends Shaping the Future of Enterprise Networking and Public Wi-Fi

Secular Upgrades to Higher Performance Networking

Broadband for the Next Billion People

Smart Cities and IoT

Managed Services
How the Sales Model Works

Ruckus Level of Sales Engagement

Direct Touch to End Customer
Mainly Indirect with VAR/MSP
Low/No Engagement Distributor Managed VARs

Route to Market

Service Providers, Tier 1 Vendors and Large SIs
Med-Lar VAR/SI/MP
Valued Added Disti and Regional Reseller

Large Enterprise/Public WiFi
$1BN+
1000s of organizations

Medium Enterprise
$500M+
Millions of companies

Small Medium Enterprise
$50M+
Tens of Millions of companies

SOHO/High End Residential
$5-50M
Hundreds of Millions of companies

Note: 90%+ of all Enterprise business is fulfilled through 2-tier distributors
Connecting THINGS to SERVICES and ANALYTICS

THINGS

Ruckus IoT Suite

SERVICES/ANALYTICS

1. IoT-ready APs

2. Ruckus IoT Modules (BLE ZIGBEE LORA)

3. WLAN Controller

4. Ruckus IoT Controller

API

IBM Watson

Predix

AWS Greengrass

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THE NEW MATH (2018)

11ax + 11ay + CBR = “5G”
Technology Talk - CBRS

Steve Martin
THE NEW MATH (2018)

$44ax + 44ay + CBR = "5G"$
U.S. CBRS – Innovative New Spectrum Sharing Model

- Citizens Broadband Radio Services (CBRS)
- 150MHz in 10MHz blocks @ 3.5 GHz
- Three tier dynamic spectrum sharing system
- FCC order released April 17, 2014 (updated 2016)
- FCC rule modifications under consideration (expect May 2018 ruling)
  - Proposed larger PAL license areas
  - Proposed longer PAL terms with renewability
  - Proposed relaxed emission masks to support wider channel operation
- Commercial service launch expected 2H 2018
CBRS Alliance Overview

Mission & Purpose
Support the development, commercialization, and adoption of LTE solutions for the US 3.5 GHz Citizens Broadband Radio Service (CBRS)

- Evangelize CBRS technology and applications
- Drive necessary technology requirements (Coexistence, Radio, E2E Services)
- Establish certifications to ensure vendor interoperability

... 85 MEMBERS AFTER JUST 18 MONTHS!
OpenG for CBRS – The Best of Both Worlds

**LTE**
- Licensed Spectrum
  - Exclusive to mobile operators
  - Small number of carriers each control 100-200MHz of spectrum
  - Dependable QoS, range, security, mobility of LTE
  - Expensive, large barrier to entry

**OpenG**
- Coordinated Shared Spectrum
  - Lightly licensed, cost efficient
  - Anyone can deploy, but central spectrum management required
  - Combines dependability, security, mobility of LTE with cost model and deployment flexibility of Wi-Fi

**Wi-Fi**
- Unlicensed Spectrum
  - Open for everyone to use
  - Anyone can deploy and use, unmanaged spectrum
  - Variable QoS, shorter range, and limited mobility of Wi-Fi
  - Very low cost, no barrier to entry

“We leave behind the tired notion that we face a choice between licensed and unlicensed airwaves”

- Jessica Rosenworcel, FCC Commissioner
Disrupting Mobile Infrastructure with OpenG™

Telco/WISP
- Fixed Wireless Access

MNO
- Mobile Capacity Augmentation

MSO
- Alternative Mobile Footprint

Enterprise/MSP
- Private LTE
- Enterprise Neutral Host

Broadband Access
- Rural Connectivity

Low cost capacity boost to mobile networks

No cost MVNO within wired footprint
- Residential, Enterprise and Outdoor Strand

Financial, Transportation, Government, Oil & Gas, Manufacturing, Shipping, Healthcare

Lower cost and complexity versus Distributed Antenna Systems (DAS) or MNO-specific small cells
Market Overview

- Potential to grow to $1B market over five years
- Disruptive to current indoor DAS market
- New opportunities in Industrial IoT and Federal
- Enterprise Neutral Host business drivers critical
  - Ruckus distribution channels are a key asset

Additional Ruckus/ARRIS opportunities in international and alternate spectrum bands
Customer Field Trial Momentum

Trial Activity/Sophistication Continues to Increase

- 15 complete, 6 in progress, 7 pipeline
- Largest trial 90 nodes indoor/outdoor
- Spanning multiple market segments
  - MSO/MNO
  - Managed Service Provider
  - Enterprise Private LTE
  - International
The CBRS Opportunity for Enterprise MSPs

Private LTE Communications  MNO Connectivity  Security Monitoring  IoT  Small Cell Management  Data & Analytics

Carpentered Enterprise  Healthcare  Retail  Education  Hospitality  Public Venues  Industrial
Wireless - The 4th Utility for In-Building Services

#1 Amenity for the Modern Building
- Enable the all wireless enterprise
- Securely connect building infrastructure
- Optimized wireless coverage throughout

Wireless as a Service Drives Efficiency
- DIY painful, often poor results for tenants
- Faster time to tenant occupancy
- Reduce churn, enable new revenue stream

Managed Platform for Services Delivery
- Broadband
- Safety & security
- IoT
- Wi-Fi + LTE
- Are Key Enablers
Ruckus/ARRIS OpenG Solution Overview

- Broad portfolio of LTE Access Points and related services focused on the U.S. CBRS band
  - Cloud Network Provisioning and Management
  - Indoor and Outdoor LTE Access Points
  - LTE Access Point plug-ins to Wi-Fi Access Points
  - Residential and enterprise gateway devices

- Standard 3GPP TD-LTE air and network interfaces

- Carrier-grade Quality of Service and Mobility, Enterprise-grade Cost and Simplicity

Simplified Deployment & Operations
- Move complexity into Cloud
- Zero touch installation & provisioning
- Out of the box managed services solution
Ruckus OpenG Network Topology

Network Service Options
- Delivered a la carte
- Full turnkey available

CBRS Clients
- ARRIS NVG 558
- Ruckus M510
- Modules
- Cameras
- Phones
Ruckus LTE Access Point Highlights

- Plug-and-play, deployed like Wi-Fi
  - Attractive design, internal antennas
  - Connect to existing Ethernet LAN
  - CBRS Category A, no professional install required
  - SON technology for automatic configuration
  - Cloud management system, unified with WiFi

- Advanced Technology
  - 3GPP TD-LTE Release 10 on Band 48 (CBRS)
  - PoE+ power (802.3at Type 2) or AC adapters
  - Built-in timing (GPS & IEEE1588 PTP)
  - Built-in BeamFlex™ Smart Antennas

Stand-alone LTE
- Q710 (Indoor)
- Q910 (Outdoor)

Wi-Fi Plug-in Modules
- Q210 (H510 plug-in)
- Q410 (R510 plug-in)
The ARRIS/Ruckus CBRS Advantage
Building the Future

• Products and Solutions
  – LTE with the deployment and cost model of Wi-Fi
  – Unified services platform for delivering LTE, Wi-Fi, Switching, & Analytics
  – Innovations include Zero Touch install, automatic timing, and LTE ChannelFly™

• Go To Market
  – Leveraging ARRIS strength with NA Service Providers
  – Leveraging Ruckus enterprise distribution channels for unprecedented reach

• Competitive
  – Traditional mobile equipment vendors locked into costly models
  – Other Wi-Fi market leaders not participating

• Strategic Leverage
  – Continues to build on cloud services delivery model
  – Opens expansion opportunity to worldwide LTE and 5G markets
  – Positions Ruckus as next gen, cost efficient, radio agnostic RAN vendor
Value Creation Drivers

- Addressable Market Growth
- International Expansion
- Margin and Earnings Growth
- Portfolio Expansion
- Strategic M&A and Capital Return
2017: Gained Momentum Through the Year

- Achieved Sales and Non-GAAP EPS targets
- International Sales growth > 15% YoY
- Meaningful improvement in customer diversification
- Generated ~$600M of cash from operating activities, excluding Ruckus
- $197M of share repurchases
- Refinanced all long-term debt
- Completed acquisition of Ruckus

* See GAAP to Non-GAAP reconciliation
## 2018 Outlook

<table>
<thead>
<tr>
<th><strong>2018</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales - $M</strong></td>
</tr>
<tr>
<td><strong>EPS - GAAP</strong></td>
</tr>
<tr>
<td><strong>Adjusted EPS – Non-GAAP(*)</strong></td>
</tr>
<tr>
<td><strong>Cash From Operating Activities</strong></td>
</tr>
<tr>
<td><strong>Capex</strong></td>
</tr>
<tr>
<td><strong>Non-GAAP Tax Rate</strong></td>
</tr>
</tbody>
</table>

* See GAAP to Non-GAAP reconciliation
Expanded Segment Disclosures: 2017

**Adjusted Direct Contribution**

<table>
<thead>
<tr>
<th></th>
<th>CPE</th>
<th>N&amp;C</th>
<th>ENT</th>
<th>CORP</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue $M</td>
<td>4,475</td>
<td>2,094</td>
<td>46</td>
<td>(1)</td>
<td>6,614</td>
</tr>
<tr>
<td>Adjusted Direct Contribution $M</td>
<td>437</td>
<td>673</td>
<td>2</td>
<td>(292)</td>
<td>820</td>
</tr>
<tr>
<td>Adjusted Direct Contribution %</td>
<td>9.8%</td>
<td>32.1%</td>
<td>NM</td>
<td>NM</td>
<td>12.4%</td>
</tr>
</tbody>
</table>

- New “Adjusted Direct Contribution” more closely aligned to EBITDA
- Moved certain Corporate costs to segments where appropriate
- Additional Details Attached
Financial Goals

Adjusted Direct Contribution (Excluding Corporate)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62%</td>
<td>55%</td>
</tr>
<tr>
<td>Organic Non-GAAP EPS</td>
<td>$2.71*</td>
<td>6% - 9% CAGR</td>
</tr>
</tbody>
</table>

Organic Outlook Drivers

- **Segment Revenue Assumptions**
  - CPE: -5% to +1%
  - N&C: 4% to 7%
  - Enterprise: 10% to 15%

- **Keys to Revenue**
  - CPE: Refresh cycles, international share, pricing
  - N&C: Bandwidth growth, share gains, migration to DAA
  - Enterprise: Growth in core markets, Service Providers, 802.11 upgrades, CBRS

- **Margins**
  - CPE: Improvement related to lower memory costs and pricing
  - N&C: Consistent with historical trends
  - Enterprise: Consistent with historical trends, 60% to 65% Gross Margin
  - Nominal growth in OPEX

- Growth in core business EPS with more diversified contribution mix
- Accretive M&A and Share Repurchases provide incremental upside
### Strong Capital Structure

<table>
<thead>
<tr>
<th>Debt</th>
<th>Leverage</th>
<th>Cash</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Debt $2.2B</td>
<td>Target Leverage 2.5x</td>
<td>Target Cash: $500M</td>
<td>Share Count ~190M</td>
</tr>
<tr>
<td>- Matures in 2022/2024</td>
<td>- Currently 2.4x</td>
<td>- Target Revolver: $500M</td>
<td>- $25M Repurchase, Q1 2018</td>
</tr>
<tr>
<td>- All-in Rate ~3.6%</td>
<td>- Provides flexibility</td>
<td>- On target</td>
<td>- ~$375M Repurchases over past two years</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Liquidity buffer</td>
<td>- $500M authorization</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Provides flexibility</td>
<td></td>
</tr>
</tbody>
</table>
Capital Allocation Priorities

1. Invest in Current Portfolio
   - Market leadership in Service Provider solutions
   - Expand Enterprise offerings and invest in Go to Market

2. Acquisitions are part of our Growth Strategy
   - Customer and portfolio diversification
   - Time to Market advantages
   - Leverage scale to drive earnings growth

3. Return of Capital
   - Continue approach of utilizing share repurchases
Summary

Growing profitability with strong cash generation

Significant growth opportunity with Enterprise and N&C

Flexibility provided by strong balance sheet & capital structure
Today’s Key Messages

- Well-positioned to benefit from mass-market Gigabit Internet spend
- Deeply entrenched leadership in evolving video market
- Expanded addressable market with increasingly diversified customer base
- Leadership in emerging mobile CBRS LTE small cell market
- Three year outlook and earnings growth target
- Capital allocation strategy
THANK YOU

ARRIS INVESTOR DAY 2018
## 2018 Estimated GAAP to Non-GAAP EPS Guidance Reconciliation

<table>
<thead>
<tr>
<th>Guidance</th>
<th>Full Year 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated GAAP EPS</td>
<td>$0.48 - $0.73</td>
</tr>
<tr>
<td><strong>Reconciling Items:</strong></td>
<td></td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>2.12</td>
</tr>
<tr>
<td>Stock Compensation Expense</td>
<td>0.50</td>
</tr>
<tr>
<td>Integration and Other Costs</td>
<td>0.15</td>
</tr>
<tr>
<td>Purchase Accounting Items</td>
<td>0.20</td>
</tr>
<tr>
<td>Impairment of Goodwill and Intangibles</td>
<td>0.04</td>
</tr>
<tr>
<td>Net tax items</td>
<td>(0.69)</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>2.32</td>
</tr>
<tr>
<td>Estimated Adjusted Non-GAAP EPS</td>
<td>$2.80 - $3.05</td>
</tr>
</tbody>
</table>
2017 GAAP to Non-GAAP
EPS Guidance Reconciliation

(in thousands, except per share data)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2017</th>
<th>Q2 2017</th>
<th>Q3 2017</th>
<th>Q4 2017</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Amount</td>
<td>Per Diluted</td>
<td>Amount</td>
<td>Per Diluted</td>
<td>Amount</td>
</tr>
<tr>
<td>Net (loss) income attributable to ARRIS International plc</td>
<td>$ (38,036)</td>
<td>$ (0.21)</td>
<td>$ 30,336</td>
<td>$ 0.16</td>
<td>$ 88,320</td>
</tr>
</tbody>
</table>

Highlighted items:

**Impacting gross margin**:

- Stock compensation expense: 3,252 0.02
- Reduction in net sales related to warrants: 2,423 0.01
- Acquisition accounting impacts of deferred revenue: -
- Acquisition accounting impacts of inventory valuation: 908 -

**Impacting operating expenses**:

- Integration, acquisition, restructuring and other costs: 10,095 0.05
- Amortization of intangible assets: 93,646 0.49
- Impairment of goodwill and intangibles: -
- Stock compensation expense: 16,183 0.08
- Noncontrolling interest share of non-GAAP adjustments: (804) -

**Impacting other (income)/expense**:

- Impairment (gain) on investments: 2,750 0.01
- Remains unremitted deferred taxes: 2,112 0.01
- Debt amendment fees: 2,782 0.01
- Net tax item: (13,333) (0.07)

**Total highlighted items**

- 117,212 0.61

**Net income excluding highlighted items**

- $ 78,114 $ 0.40

**Weighted average ordinary shares - basic**

- 189,798

**Weighted average ordinary shares - diluted**

- 188,879

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NOTES TO GAAP/ADJUSTED NON-GAAP FINANCIAL MEASURES

The Company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide management and other users with additional meaningful financial information that should be considered when evaluating our ongoing performance. Our management regularly uses our supplemental non-GAAP financial measures internally to understand, manage and evaluate our business and make operating decisions. These non-GAAP measures are among the factors management uses in planning for and forecasting future periods. Non-GAAP financial measures should be viewed in addition to, and not as an alternative to, the Company's reported results prepared in accordance with GAAP. Our non-GAAP financial measures reflect adjustments based on the following items, as well as the related income tax effects:

Adjustments to Revenue Related to Warrants: We entered into agreements with two customers for the issuance of warrants to purchase up to 14.0 million of ARRIS's ordinary shares. Vesting of the warrants is subject to certain purchase volume commitments, and therefore the accounting guidance requires that we record any change in the fair value of the warrants within revenue. Until final vesting, changes in the fair value of the warrants will be marked to market and any adjustment recorded in revenue. We have excluded the effect of the implied fair value in calculating our non-GAAP financial measures. We believe it is useful to understand the effects of these items on our total revenues and gross margin.

Stock-Based Compensation Expense: We have excluded the effect of stock-based compensation expenses in calculating our non-GAAP operating expenses and net income (loss) measures. Although stock-based compensation is a key incentive offered to our employees, we continue to evaluate our business performance excluding stock-based compensation expenses. We record non-cash compensation expense related to grants of restricted stock units. Depending upon the size, timing and the terms of the grants, the non-cash compensation expense may vary significantly but will recur in future periods.

Acquisition Accounting Impacts Related to Deferred Revenue: In connection with our acquisition of Ruckus Networks, business combination rules require us to account for the fair values of arrangements for which acceptance has not been obtained, and post contract support in our purchase accounting. The non-GAAP adjustment to our sales and cost of sales is intended to include the full amounts of such revenues. We believe the adjustment to these revenues is useful as a measure of the ongoing performance of our business. We have historically experienced high renewal rates related to our support agreements and our objective is to increase the renewal rates on acquired post contract support agreements; however, we cannot be certain that our customers will renew our contracts.

Acquisition Accounting Impacts Related to Inventory Valuation: In connection with the accounting related to our acquisitions, business combinations rules require the acquired inventory be recorded at fair value on the opening balance sheet. This is different from historical cost. Essentially we are required to write the inventory up to end customer price less a reasonable margin for the selling effort. We have excluded the resulting adjustments in inventory and cost of goods sold as the historic and forward gross margin trends will differ as a result of the adjustments. We believe it is useful to understand the effects of this on cost of goods sold and margin.

Integration, Acquisition, Restructuring Costs and Other Costs: We have excluded the effect of acquisition, integration, and other expenses and the effect of restructuring expenses in calculating our non-GAAP operating expenses and net income (loss) measures. We incurred expenses in connection with the ActiveVideo, Pace and Ruckus Networks acquisitions, which we generally would not otherwise incur in the periods presented as part of our continuing operations. Acquisition and integration expenses consist of transaction costs, costs for transitional employees, other acquired employee related costs, and integration related outside services. Restructuring expenses consist of employee severance and abandoned facilities. We believe it is useful to understand the effects of these items on our total operating expenses.

Amortization of Intangible Assets: We have excluded the effect of amortization of intangible assets in calculating our non-GAAP operating expenses and net income (loss) measures. Amortization of intangible assets is non-cash, and is inconsistent in amount and frequency and is significantly affected by the timing and size of our acquisitions. Investors should note that the use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well. Amortization of intangible assets will recur in future periods.

Impairment of Goodwill and Intangibles: We have excluded the effect of the estimated impairment of goodwill and intangible assets in calculation our non-GAAP operating expenses and net income measures. Although an impairment does not directly impact the Company's current cash position, such expense represents the declining value of the technology and other intangible assets that were acquired. We exclude these impairments when significant and they are not reflective of ongoing business and operating results.
NOTES TO GAAP/ADJUSTED NON-GAAP FINANCIAL MEASURES

Noncontrolling interest share of Non-GAAP Adjustments: The joint venture formed for the ActiveVideo acquisition is accounted for by ARRIS under the consolidation method. As a result, certain of the joint venture’s statements of operations include the revenues, expenses, and gains and losses of the noncontrolling interest. The amount of net income (loss) related to the noncontrolling interest are reported and presented separately in the consolidated statements of operations. We have excluded the noncontrolling interest share of any non-GAAP adjusted measures recorded by the venture, as we believe it is useful to understand the effect of excluding this item when evaluating our ongoing performance.

Impairment (gain) on Investments: We have excluded the effects of other-than-temporary impairments and certain gains on investments in calculating our non-GAAP financial measures. We believe it is useful to understand the effect of this non-cash item in our other expense (income).

Debt Amendment Fees: In 2017, the Company amended its debt agreement. This debt modification allowed us to improve the terms and conditions of the debt agreement and extend the maturities of the debt. We have excluded the effect of the associated fees in calculating our non-GAAP financial measures. We believe it is useful to understand the effect of this item in our interest expense.

Credit Facility - Ticking Fees: In connection with our acquisition of Pace, the cash portion of the consideration was funded through debt financing commitments. A ticking fee was paid to our banks to compensate for the time lapse between a commitment allocation on a loan and the actual funding. We have excluded the effect of the ticking fee in calculating our non-GAAP financial measures. We believe it is useful to understand the effect of this item in our interest expense.

Foreign Exchange Contract Losses Related to Cash Consideration of Pace Acquisition: In the second quarter of 2018, the Company announced its intent to acquire Pace plc in exchange for stock and cash. We subsequently entered into foreign exchange forward contracts in order to hedge the foreign currency risk associated with the cash consideration of the Pace acquisition. These foreign exchange forward contracts were not designated as hedges, and accordingly, all changes in the fair value of these forward contracts were reflected as a loss (gain) on foreign currency in our Consolidated Statements of Operations. We believe it is useful to understand the effect of this on our other expense (income).

Reassessment of Certain Deferred Tax Liabilities: The Company recorded a foreign currency revaluation (gain) loss related to a deferred income tax liability, in the United Kingdom, arising from the assignment of intangibles acquired in the Pace acquisition. This deferred income tax liability is denominated in GBP. The foreign currency reassessment (gain) loss derives from the revaluation of the GBP deferred income tax liability to the USD, since the date of the acquisition. We have excluded the impact of this (gain) loss in the calculation of our non-GAAP measures. We believe it is useful to understand the effect of this item on our total other expense (income).

France R&D Tax Credits: France R&D tax credits were recorded as an other asset on the date of our acquisition of Pace, as Pace France, a subsidiary of Pace, had a history of losses and did not expect to utilize their R&D Tax Credits against a future France income tax liability but rather expected to use the credits to offset non-income taxes. In the third quarter of 2018, our restructuring in France required a reclassification of the R&D tax credits from other assets to deferred tax assets prior to the utilization of the tax credits. This impact of the reclassification was a charge to other expense with an offsetting tax benefit. However, during the fourth quarter of 2018, the Company determined that the original classification within Income taxes was more appropriate and therefore the reclassification from the third quarter of 2018 reversed. We have excluded the effect of the other expense and tax benefit in the calculation of our non-GAAP financial measures. We believe it is useful to understand the effects of this event on our total other expense (income) and income tax.

Foreign Withholding Tax: In connection with our acquisition of Pace, ARRIS US Holdings, Inc. transferred shares of its subsidiary ARRIS Financing II Sarti to ARRIS International plc. Under U.S. tax law, based on the best available information, we believe the transfer constituted a deemed distribution from ARRIS US Holdings Inc. to ARRIS International plc that is treated as a dividend for U.S. tax purposes. A deemed dividend of this type is subject to U.S. withholding tax to the extent of the current and accumulated earnings and profits (as computed for tax purposes) (“E&P”) of ARRIS US Holdings Inc., which include the E&P of the former ARRIS Group Inc. and subsidiaries through December 31, 2016. Accordingly, ARRIS US Holdings Inc. remitted U.S. withholding tax in the amount of $5 million based upon its estimated E&P of $500 million and the U.S. dividend withholding tax rate of 15% (as provided in Article 30 (Dividends) of the United Kingdom-United States Tax Treaty). We have excluded the withholding tax in calculating our non-GAAP financial measures.

Income Tax Expense (Benefit): We have excluded the tax effect of the non-GAAP items mentioned above. Additionally, we have excluded the effects of certain tax adjustments related to tax and legal restructuring, state valuation allowances, research and development tax credits and provision to return differences.
Expanded Segment Disclosure

The Approach

**Direct Contribution – Prior Reporting Format**

Less: Direct Bonus, Equity Compensation and Other

= **Direct Contribution – New Reporting Format**

Less: Allocated Facility Costs, Service Provider Sales and Marketing Costs

Plus: Depreciation and Equity Compensation

= **Adjusted Direct Contribution**

What’s Left on Corporate

- Executive, Finance, HR, Legal, IT and Other Costs
- Unallocated Bonus and Equity Compensation
- Unallocated Facility Costs
- Purchase Accounting Items (Fair Market Value of Inventory Adjusted, Deferred Revenue Adjustments)
- Customer Warrant Costs, if Applicable
## Adjusted Direct Segment Contribution - 2017

### Direct Contribution

<table>
<thead>
<tr>
<th></th>
<th>Prior</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPE</td>
<td>498</td>
<td>457</td>
</tr>
<tr>
<td>N&amp;C</td>
<td>806</td>
<td>724</td>
</tr>
<tr>
<td>Enterprise</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>Corporate</td>
<td>(659)</td>
<td>(531)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>652</td>
<td>652</td>
</tr>
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</table>

### Expanded Disclosure

<table>
<thead>
<tr>
<th></th>
<th>CPE</th>
<th>N&amp;C</th>
<th>Ent</th>
<th>Corp</th>
<th><strong>Total</strong></th>
</tr>
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<tbody>
<tr>
<td>Revenue</td>
<td>4,475</td>
<td>2,094</td>
<td>46</td>
<td>(1)</td>
<td>6,614</td>
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<tr>
<td>Direct Contribution</td>
<td>457</td>
<td>724</td>
<td>1</td>
<td>(531)</td>
<td>652</td>
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<tr>
<td>Adjusted Direct Contribution</td>
<td>437</td>
<td>673</td>
<td>2</td>
<td>(292)</td>
<td>820</td>
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<tr>
<td>Adjusted Direct Contribution %</td>
<td>9.8%</td>
<td>32.1%</td>
<td>4.3%</td>
<td>NM</td>
<td>12.4%</td>
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<tr>
<td>Other Items</td>
<td></td>
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<td></td>
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<tr>
<td>Amortization of Intangibles</td>
<td>257</td>
<td>105</td>
<td>10</td>
<td>3</td>
<td>375</td>
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<tr>
<td>Impairment</td>
<td>0</td>
<td>55</td>
<td>0</td>
<td>0</td>
<td>55</td>
</tr>
<tr>
<td>Integration/Restructuring/Other</td>
<td>4</td>
<td>13</td>
<td>78</td>
<td>3</td>
<td>98</td>
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<tr>
<td>Depreciation</td>
<td>38</td>
<td>29</td>
<td>1</td>
<td>20</td>
<td>88</td>
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<tr>
<td>Equity Compensation</td>
<td>24</td>
<td>36</td>
<td>1</td>
<td>20</td>
<td>81</td>
</tr>
</tbody>
</table>

(1) Direct Contribution New = Prior Direct Contribution less direct bonus, equity compensation and other costs.
(2) Adjusted Direct Contribution = Direct Contribution New less allocated facility and service provider costs plus depreciation and equity compensation