

**ARRIS GROUP, INC.**  
**PRELIMINARY SUPPLEMENTAL SALES & NET INCOME RECONCILIATION**  
(in thousands, except per share data) (unaudited)

	Q1 2014		Q4 2014		Q1 2015	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Sales	\$ 1,225,017		\$ 1,263,387		\$ 1,215,158	
Highlighted items:						
Acquisition accounting impacts of deferred revenue	206		616		-	
Sales excluding highlighted items	<u>\$ 1,225,223</u>		<u>\$ 1,264,003</u>		<u>\$ 1,215,158</u>	
	Q1 2014		Q4 2014		Q1 2015	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Net income (loss)	\$ 40,800	\$ 0.28	\$ 192,761	\$ 1.29	\$ 19,126	\$ 0.13
Highlighted items:						
<i>Impacting gross margin:</i>						
Stock compensation expense	1,275	0.01	1,782	0.01	1,791	0.01
Acquisition accounting impacts of deferred revenue	199	-	400	-	-	-
<i>Impacting operating expenses:</i>						
Integration, acquisition, restructuring and integration costs	11,502	0.08	3,252	0.02	898	0.01
Amortization of intangible assets	64,001	0.43	56,685	0.38	57,147	0.38
Stock compensation expense	9,758	0.07	12,206	0.08	12,183	0.08
<i>Impacting other (income) / expense:</i>						
Impairment on Investments	-	-	50	-	-	-
Liability related to foreign tax credit benefits	-	-	20,492	0.14	-	-
Asset held for sale impairment	-	-	7	-	-	-
Loss on sale of building	-	-	-	-	5,142	0.03
<i>Impacting income tax expense:</i>						
Net tax items	(58,850)	(0.40)	(171,706)	(1.15)	(30,533)	(0.20)
Total highlighted items	<u>27,885</u>	<u>0.19</u>	<u>(76,832)</u>	<u>(0.52)</u>	<u>46,628</u>	<u>0.31</u>
Net income excluding highlighted items	<u>\$ 68,685</u>	<u>\$ 0.47</u>	<u>\$ 115,929</u>	<u>\$ 0.78</u>	<u>\$ 65,754</u>	<u>\$ 0.44</u>
Weighted average common shares - diluted		<u>147,152</u>		<u>149,124</u>		<u>148,986</u>

See Notes to GAAP and Adjusted Non-GAAP Financial Measures