

ARRIS INTERNATIONAL PLC
PRELIMINARY SUPPLEMENTAL SALES & NET INCOME RECONCILIATION
(in thousands, except per share data) (unaudited)

(in thousands, except per share data)

	Q1 2015		Q4 2015		Q1 2016	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Net income (loss) attributable to ARRIS International plc	\$ 19,127	\$ 0.13	\$ 30,041	0.20	\$ (202,573)	\$ (1.06)
Highlighted items:						
<i>Impacting gross margin:</i>						
Stock compensation expense	1,791	0.01	2,219	0.01	2,239	0.01
Acquisition accounting impacts related to inventory valuation	-	-	-	-	30,292	0.16
<i>Impacting operating expenses:</i>						
Integration, acquisition and restructuring costs	898	0.01	8,281	0.06	90,919	0.47
Amortization of intangible assets	57,147	0.38	56,377	0.38	98,493	0.51
Stock compensation expense	12,183	0.08	15,443	0.10	12,037	0.06
Noncontrolling interest share of Non-GAAP adjustments	-	-	(1,357)	(0.01)	(776)	-
<i>Impacting other (income) / expense:</i>						
Recovery on previously impaired investment	-	-	(159)	-	-	-
Debt amendment fees	-	-	291	-	-	-
Credit facility - ticking fees	-	-	1,022	0.01	-	-
Foreign exchange contract losses related to cash consideration of Pace acquisition	-	-	13,699	0.09	1,610	0.01
Loss on sale of building	5,142	0.03	-	-	-	-
<i>Impacting income tax expense:</i>						
Foreign withholding tax	-	-	-	-	54,741	0.28
Net tax items	(30,533)	(0.20)	(32,363)	(0.22)	3,417	0.02
Total highlighted items	46,628	0.31	63,453	0.42	292,972	1.51
Net income excluding highlighted items	\$ 65,755	\$ 0.44	\$ 93,494	\$ 0.62	\$ 90,399	\$ 0.47
Weighted average common shares - basic		145,350		147,109		191,743
Weighted average common shares - diluted		148,986		149,842		193,591