Second Quarter 2016 Earnings Conference Call

July 27, 2016

Safe Harbor

Forward-Looking Statements

Statements in this presentation, including those related to expected revenues and net income, gross margins, operating expenses, income taxes, the general outlook for 2016 and beyond, the impacts of the Pace integration, acceptance of certain ARRIS products, the impact of proposed regulatory changes, including by the FCC and IRS, and industry trends, are forward-looking statements. These statements involve risks and uncertainties that may cause actual results to differ materially from those set forth in these statements. Among other things, projected results are based on preliminary estimates, assumptions and projections that management believes to be reasonable at this time, but are largely beyond management's control; ARRIS may fail to realize the expected benefits of the Pace acquisition; the strengthening U.S. Dollar may adversely impact our international customer's ability or willingness to purchase products and the pricing of our products; regulatory changes, including changes in tax laws and proposed set-top box regulations by the FCC could negatively affect our business and/or results from operations; regulatory changes resulting from the U.K. referendum to leave the E.U. could impact our operations; the outstanding warrants held by a customer will result in fluctuations in our GAAP revenues as a result of the required accounting adjustments; and ARRIS is dependent upon customer decisions to purchase the Company's products - these decisions can be deferred and customers also may select competitor products. Other factors that could cause results to differ materially from current expectations include: the uncertain current global economic climate and financial markets, and their impact on our customers' plans and access to capital; the impact of rapidly changing technologies; rights to intellectual property and the current trend toward increasing patent litigation; and the adoption of industry standards; possible acquisitions and dispositions; the impact of consolidations within both the customer and supplier base. These factors are not intended to be an all-encompassing list of risks and uncertainties that may affect the Company's business. Additional information regarding these and other factors can be found in ARRIS' reports filed with the Securities and Exchange Commission, including the ARRIS International Quarterly Report on Form 10-Q for the period ended March 31, 2016. In providing forward-looking statements, the Company expressly disclaims 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.

Q2 2016 Earnings Call Agenda

Introduction – Bob Stanzione

Financial Highlights – David Potts

Customer Premises Equipment Review – Larry Robinson

Network & Cloud Review – Bruce McClelland

Business Outlook – Bob Stanzione

Second Quarter 2016 Highlights

BOB STANZIONE
Chairman & CEO

Q2 2016 Results

- GAAP Revenues of $1.730B up 37.3% year-over-year, up 7.1% sequentially. Non-GAAP revenue of $1.734B.
- GAAP EPS of $0.44. Non-GAAP earnings of $0.84* per share, up from the prior year of $0.31 and up from $0.47 in the prior quarter
- International sales of $484M a sequential increase of 24%
- Book to Bill ratio of 0.94, Backlog of $1.239B
- Strong Cash Flow from Operations - $261M
- Executed a strategic warrant agreement
- Streamlined portions of our Network and Cloud segment
- Substantially completed the Pace integration – synergies ahead of schedule

Executing on our strategy

See reconciliation of GAAP to Non-GAAP measures.

Second Quarter 2016 Financial Highlights

DAVE POTTS
Chief Financial Officer

Financial Highlights – Q2 and YTD 2016 (preliminary & unaudited)

	Q2 2015	Q1 2016	Q2 2016	Jun YTD 2015	Jun YTD 2016
Sales - GAAP - $M	1,260.1	1,614.7	1,730.0	2,475.2	3,344.7
Adjusted Sales - Non- GAAP (1) - $M	1,260.1	1,614.7	1,734.3	2,475.2	3,349.0
EPS - GAAP	0.11	(1.06)	0.44	0.24	(0.62)
Adjusted EPS - Non-GAAP (1)	0.53	0.47	0.84	0.97	1.30
Cash, ST & LT Marketable Securities - $M	622.8	676.2	902.9	622.8	902.9
Cash Provided by Operating Activities - $M	71.9	(222.5)	260.8	8.6	38.2
Debt Repayment - $M	15.0	252.6	22.4	28.8	275.0
Share Repurchases - $M	-	150.0	-	25.0	150.0
Short-term Bank Debt -$M	42.8	81.9	81.9	42.8	81.9
Long-term Bank Debt -$M	1,459.0	2,184.2	2,163.7	1,459.0	2,163.7
Weighted average common shares - basic - M	146.3	191.7	190.4	145.8	191.1
Weighted average common shares - diluted - M	149.3	193.6	191.3	149.1	192.4
Backlog - $M	651.3	1,335.1	1,239.0	651.3	1,239.0
Book-to-Bill	0.94	1.24	0.94	1.01	1.09

(1) See GAAP to Non GAAP Reconciliation and notes thereto

Other Significant Items Affecting Q2 2016 Earnings

- Restructuring costs - $33M
- Impact of “fair valuing” Pace inventory - $20M
- GAAP tax benefit of $69M in Q2 versus GAAP tax expense of $86M in Q1
- Foreign exchange gain of $10M in Q2

Financial Highlights – Q2 and YTD 2016 (preliminary & unaudited)

ARRIS

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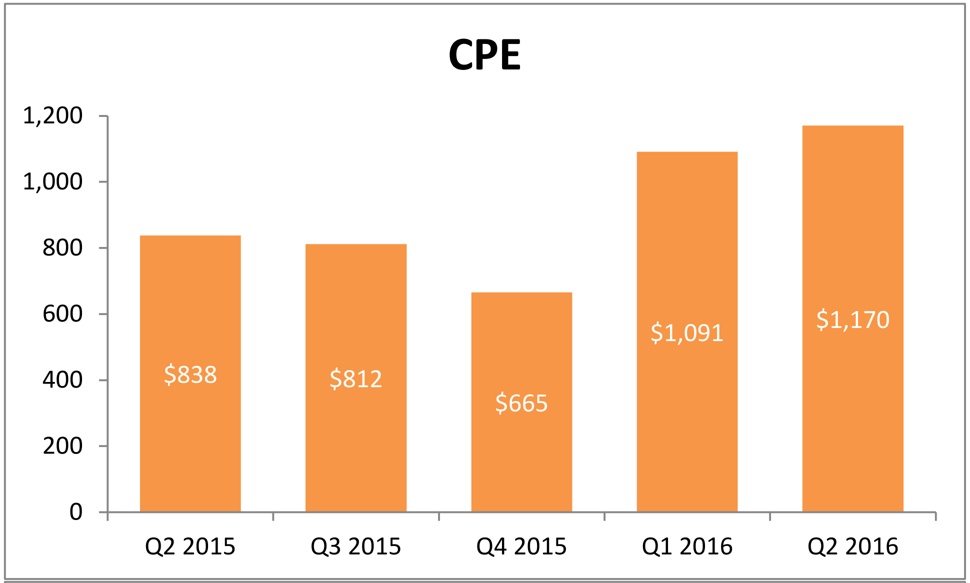
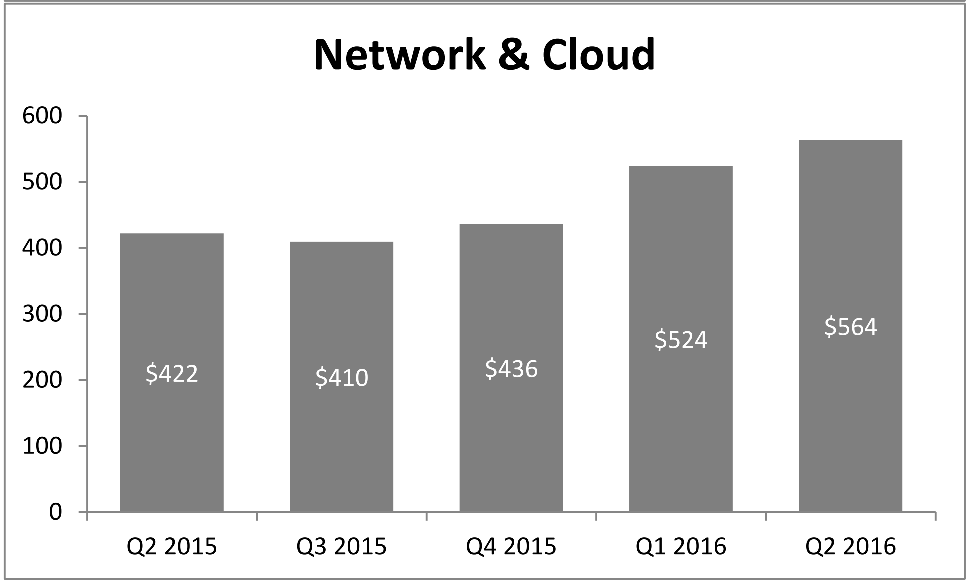
(1) See GAAP to Non GAAP Reconciliation and notes thereto

Sales $M – Q2 2016 (preliminary & unaudited)





	Q2 2016	% of Sales
Domestic Sales	1,250	72%
International Sales	484	28%
Other Sales*	(4)	

* Impact of Warrants

	Q2 2016	% of Sales
Total of three customers greater than 10%	884	51%

Sales and Gross Margin - $M (preliminary & unaudited)

	Q2 2015	Q1 2016	Q2 2016
Sales - GAAP	1,260.1	1,614.7	1,730.0
Fair Value of Warrants Adjustment	-	-	4.3
Adjusted Sales - Non- GAAP [(1)]	1,260.1	1,614.7	1,734.3
GAAP Gross Margin	364.4	384.0	444.7
Fair Value of Inventory Adjustment	-	30.3	20.0
Equity Compensation	2.2	2.2	2.0
Fair Value of Warrants Adjustment	-	-	4.3
Adjusted Gross Margin - Non-GAAP	366.6	416.6	471.1
GAAP Gross Margin - %	28.9%	23.8%	25.7%
Adjusted Gross Margin - Non-GAAP - %	29.1%	25.8%	27.2%

(1) See GAAP to Non GAAP Reconciliation and notes thereto

Sales and Direct Contribution by Segment- $M (preliminary & unaudited)

Q2 2016

	Network & Cloud	CPE	Corp/ Other	Total
Net Sales	563.5	1,170.3	(3.7)	1,730.0
Non GAAP Adjustments (1)	-	-	4.3	4.3
Adjusted Net Sales	563.5	1,170.3	0.6	1,734.3
Direct Contribution (2)	183.3	177.5	(174.4)	186.4
Non GAAP Adjustments (3)	-	-	36.2	36.2
Adjusted Direct Contribution	183.3	177.5	(138.2)	222.6

See GAAP to Non GAAP Reconciliation and notes thereto

(1) Impact of warrants adjustment.

(2) Defined as gross margin less direct operating expenses, excluding amortization of intangible assets, restructuring charges, acquisition, integration and other costs.

(3) Equity compensation expense, adjustments related to the acquisition accounting impacts and warrants adjustments.

Operating Expenses – Q2 and YTD 2016 - $M (preliminary & unaudited)

		Qtr 2 2015	Qtr 1 2016	Qtr 2 2016	Jun YTD 2015	Jun YTD 2016
R&D	$M	136.3	161.1	152.6	268.7	313.7
	% of Sales	10.8%	10.0%	8.8%	10.9%	9.4%
SG&A	$M	107.2	120.0	105.7	207.5	225.7
	% of Sales	8.5%	7.4%	6.1%	8.4%	6.7%
Operating Expenses	$M	243.5	281.1	258.3	476.3	539.4
	% of Sales	19.3%	17.4%	14.9%	19.2%	16.1%
Integration, Acquisition, Restructuring & Other Costs	$M	12.6	90.9	43.1	13.5	134.1
	% of Sales	1.0%	5.6%	2.5%	0.5%	4.0%
Amortization of Intangibles	$M	56.8	98.5	109.9	113.9	208.4
	% of Sales	4.5%	6.1%	6.4%	4.6%	6.2%
Total	$M	312.8	470.5	411.3	603.7	881.9
	% of Sales	24.8%	29.1%	23.8%	24.4%	26.4%
Equity Compensation Expense Included		14.1	12.0	9.9	26.3	21.9

Warrants Program (preliminary & unaudited)

- Warrants for up to 8 million shares depending upon sales and mix of sales in 2016 & 2017
  - Up to 3 million shares for sales in 2016
  - Up to 5 million shares for sales in 2017
- GAAP accounting implications
  - Fair value of warrants will be recorded as a reduction to revenue
    - Begin when probable
    - Spread across the periods; $4.3 million recorded in Q2
  - Fair value will be marked to market until vesting
    - Can lead to significant variability
    - Dilution using treasury method
- Non-GAAP
  - Will add back fair value reduction to revenue as it is not cash and is disregarded in management's view of operations
  - Dilution using treasury method

See GAAP to Non GAAP Reconciliation and notes thereto

Cash & Cash Flow Highlights Q2 2016 - $M (preliminary & unaudited)

ARRIS

Cash, short term and long term marketable securities	903
Key Operating Activities:	
Net income including adjustments	199
Changes in other operating assets and liabilities	62
	261
Key Investing Activities:	
Purchase of property, plant & equipment	(15)
Investments, net	(18)
Key Financing Activities:	
Payments of debt obligations	(22)
Share Repurchases	-

Q3 2016 Guidance (preliminary & unaudited)

	Q3 2016
Sales - GAAP - $M	1,698 - 1,748
Adjusted Sales - Non-GAAP(1) -$M	1,700 - 1,750
EPS - GAAP	$ 0.28 - $ 0.33
Adjusted EPS - Non-GAAP(1)	$ 0.72 - $ 0.77

(1) See GAAP to adjusted Non-GAAP Sales and EPS guidance reconciliation and notes thereto

Customer Premises Equipment Review

LARRY ROBINSON
President, Customer Premises Equipment

Q2 2016 Customer Premises Equipment Highlights

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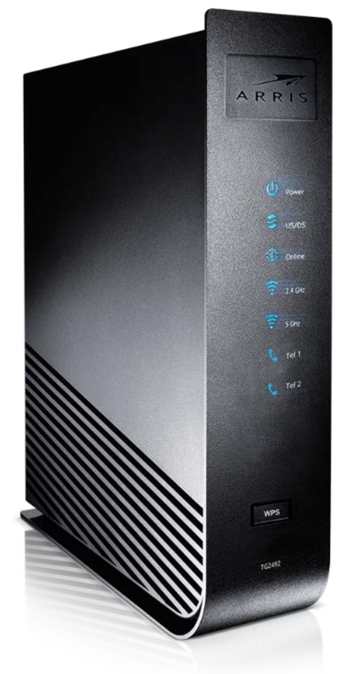
- **Q2 2016 Segment Results**
  - Sales increased 7% as compared to prior quarter results & 40% versus Q2 2015 driven by the acquisition of Pace
    - Improvements across all elements of the video CPE portfolio
  - Sequential DOI results reflect favorable product mix, cost improvements and synergy-related actions
  - Integration efforts continue to progress well – Product portfolio and cost benefits continue to be realized

Q2 2016 Customer Premises Equipment Highlights

- **Broadband CPE**
  - Broadband device & accessory sales (DOCSIS & DSL) declined 8% sequentially and 4% as compared to Q2 2015
  - Received DOCSIS 3.1 certification for SB8200 – Continued industry momentum towards Gigabit speeds
  - Selected by NetCologne to provide ARRIS Touchstone TG2492 Gateways
  - GET, based in Norway, awarded ARRIS their wireless extender business – ARRIS VAP4300 devices



TG2492

Touchstone Telephony Gateway

Q2 2016 Customer Premises Equipment Highlights

- **Video CPE**
  - Video revenues increased 18% sequentially & increased 85% as compared to Q2 2015
  - Strong demand for US cable video solutions; Continued technology refresh
  - Launched ZD4500 next gen set top solution as part of NOS 4K service
  - Commenced shipments of advanced 4K set top solutions to other international customers
  - ARRIS VIP2262v2 IPTV DVR set top selected for Omantel TV+ service

ZD4500

Ultra-HD (4K), DOCSIS®, Set Top for Cable Operators

Key Features:

- UHD, HEVC set top box solution
- Integrated full band capture DVB-C
- EuroDOCSIS® 2.0
- HDMI 2.0
- Range of middleware options available including RDK

Network & Cloud Review

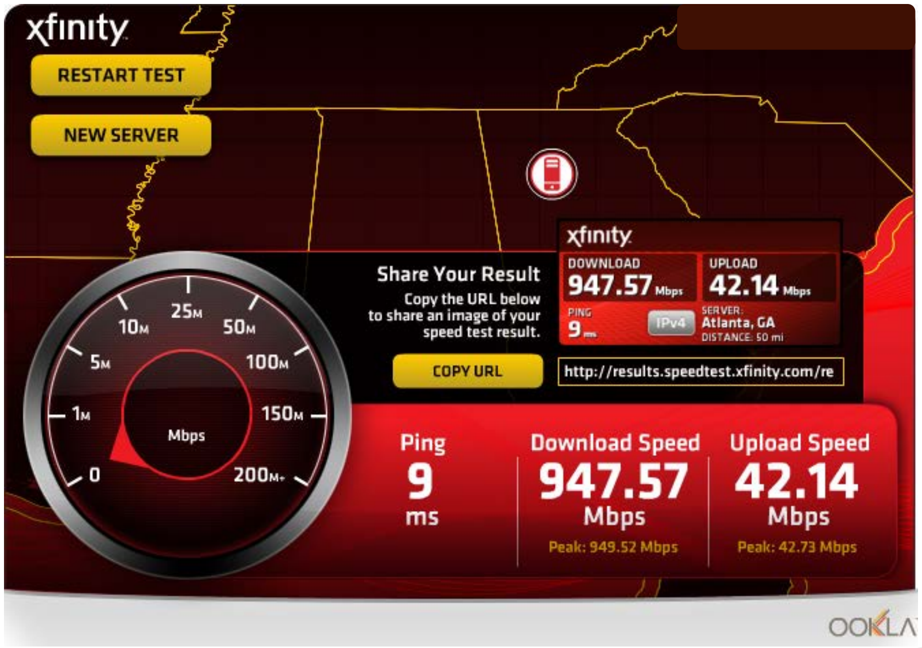
BRUCE McCLELLAND,
President, Network and Cloud

Network & Cloud Highlights

ARRIS

Q2 2016 Results:

- Consumer demand for increased broadband speeds provide catalyst for increased sales of Broadband Access equipment
  - Sales up 7.5% and DOI up 17% QoQ
  - Sales up 33% and DOI up 56% YoY
- Record level Access Technologies sales and shipments
  - Strong backlog
  - Continued growth expected in 3Q
  - Production capacity improvements continue



Network & Cloud Highlights

ARRIS

Access Technologies:

- Record quarter with worldwide demand continuing to grow; strong book-to-bill and Q3 order backlog
- Production capacity increases paying dividends, but more work to do

CHP Max5000®
1.2GHz Headend Optics

CMTS/CCAP/PON:

- Strong quarter up year-over-year but down from record level in previous quarter
- DOCSIS3.1 field deployments continue
- Initial lab trials of Gen2 upstream line cards underway; expect sales to moderate during transition period
- Development of Remote Phy and CCAP Core functionality on track

E6000™
ARRIS CCAP

Network & Cloud Highlights

Video Systems:

- Wide scale deployment of IP Video ad insertion solution
- Successful deployment of new satellite receiver platform with HBO, supporting future 4K Ultra HD and High Dynamic Range
- ME-7000 Video Processing platform chosen by leading NA video service provider

Cloud:

- Announced plans to divest Moxi WHS
- Significant telco expansion wins with ECO Device Management platform

Global Services:

- Australia's nbn launches commercial service
- Managed Wi-Fi service gaining momentum

Business Outlook

BOB STANZIONE
Chairman & CEO

Business Outlook

- U.S. Cable strong
  - Consolidation uncertainty diminishing
  - DOCSIS 3.1 deployments
- U.S. Telco and Satellite expected to improve
  - AT&T/DIRECTV
  - Verizon
  - Frontier Communications
- International
  - Strong dollar headwind continues
  - Improving trends in Canada, Europe, and Asia-Pacific
- Bandwidth consumption continues to grow
  - 4K TV
  - AR/VR

Positive Trends Beyond a Great Q2

Thank you

GAAP to Adjusted Non-GAAP Sales and EPS Guidance Reconciliation

	Q3 2016 Guidance
Estimated GAAP Sales - $M	1,698 - 1,748
Warrants - $M	2
Estimated Adjusted (Non-GAAP) Sales - $M	1,700 - 1,750
Estimated GAAP EPS	$ 0.28 - $ 0.33
Reconciling Items:	
Amortization of Intangibles	0.49
Stock Compensation Expense	0.10
Integration and Other Costs	0.06
Warrants	0.01
Net tax items	(0.22)
Subtotal	0.44
Estimated Adjusted (Non-GAAP) EPS	$ 0.72 - $ 0.77

Note: GAAP sales and EPS will be impacted by the fair value of warrants issued which can vary depending upon the ultimate volumes, product mix and fair value calculation.

See GAAP to Non GAAP Reconciliation and notes thereto

GAAP EPS/Adjusted EPS Reconciliation Q2 and YTD 2016 (preliminary & unaudited)

(in thousands, except per share data)

	Q2 2015		Q1 2016		Q2 2016		YTD Jun 2015		YTD Jun 2016	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Sales	$ 1,260,077		$ 1,614,706		$ 1,730,044		$ 1,225,017		$ 3,344,750	
Highlighted items:										
Reduction in revenue related to warrants	-		-		4,283		-		4,283	
Sales excluding highlighted items	$ 1,260,077		$ 1,614,706		$ 1,734,327		$ 1,225,017		$ 3,349,033	

	Q2 2015		Q1 2016		Q2 2016		YTD Jun 2015		YTD Jun 2016	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Net income (loss) attributable to ARRIS International plc	$ 16,758	$ 0.11	$ (202,573)	$ (1.06)	$ 84,228	$ 0.44	$ 35,883	$ 0.24	$ (118,347)	$ (0.62)
Highlighted items:										
Impacting gross margin:										
Stock compensation expense	2,214	0.01	2,239	0.01	1,997	0.01	4,005	0.03	4,236	0.02
Reduction in revenue related to warrants	-	-	-	-	4,283	0.02	-	-	4,283	0.02
Acquisition accounting impacts of fair valuing inventory	-	-	30,292	0.16	20,039	0.10	-	-	50,331	0.26
Impacting operating expenses:										
Integration, acquisition, restructuring and other costs	12,566	0.08	90,921	0.47	43,138	0.23	13,464	0.09	134,059	0.70
Amortization of intangible assets	56,783	0.38	98,493	0.51	109,883	0.57	113,930	0.76	208,376	1.08
Stock compensation expense	14,079	0.09	12,037	0.06	9,905	0.05	26,262	0.18	21,942	0.11
Noncontrolling interest share of Non-GAAP adjustments	(799)	(0.01)	(776)	-	(776)	-	(799)	(0.01)	(1,552)	(0.01)
Impacting other (income) / expense:										
Impairment of Investments	150	-	-	-	5,000	0.03	150	-	5,000	0.03
Debt amendment fees	14,382	0.10	-	-	-	-	14,382	0.10	-	-
Credit facility - ticking fees	-	-	(9)	-	-	-	-	-	(9)	-
Foreign exchange contract losses related to cash consideration of Pace acquisition	(6,845)	(0.05)	1,610	0.01	-	-	(6,845)	(0.05)	1,610	0.01
Loss on sale of building	-	-	-	-	-	-	5,142	0.03	-	-
Impacting income tax expense:										
Foreign withholding tax	-		54,741	0.28	-	-	-	-	54,741	0.28
Net tax items	(30,122)	(0.20)	3,417	0.02	(117,291)	(0.61)	(60,655)	(0.41)	(113,874)	(0.59)
Total highlighted items	62,408	0.42	292,965	1.51	76,178	0.40	109,036	0.73	369,143	1.92
Net income excluding highlighted items	$ 79,166	$ 0.53	$ 90,392	$ 0.47	$ 160,406	$ 0.84	$ 144,919	$ 0.97	$ 250,796	$ 1.30
Weighted average common shares - basic		146,293		191,743		190,409		145,823		191,076
Weighted average common shares - diluted		149,276		193,591		191,250		149,133		192,421

Notes to GAAP/Adjusted Non-GAAP Financial Measures (preliminary & unaudited)

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 assessing 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:

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.

Reduction in Revenue Related to Warrants: We entered into an agreement with a customer for the issuance of warrants to purchase up to 8.0 million of ARRIS' ordinary shares. Vesting of the warrants is subject to certain purchase volume commitments, and therefore the accounting guidance requires that we record the fair value of warrants as a reduction in 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.

Acquisition Accounting Impacts Related to Inventory Valuation: In connection with the accounting related to our acquisitions, business combinations rules require the 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 as a distributor. 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 revenue and margin.

Integration, Acquisition, Restructuring 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 and the Pace 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 consists 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.

Noncontrolling Interest share of Non-GAAP Adjustments: The joint venture formed with Charter for the acquisition of ActiveVideo is accounted for by ARRIS under the consolidation method. As a result, the consolidated statement 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 statement of operations. We have excluded the noncontrolling share of any non GAAP adjusted measures recorded by the joint venture, as we believe it is useful to understand the effect of excluding this item when evaluating our ongoing performance.

Impairment of Investments: We have excluded the effect of an other-than-temporary impairment of a cost method investment 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 2015, the Company amended its credit agreement. This debt modification allowed us to improve the terms and conditions of the credit agreement, extend the maturities of certain loan facilities, increase the amount of the revolving credit facility, and add a new term A-1 loan facility. 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 other expense (income).

Notes to GAAP/Adjusted Non-GAAP Financial Measures (preliminary & unaudited)

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 is a fee paid to our banks to compensate for the time lag between the 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 other expense (income).

Foreign Exchange Contract (Gains) Losses Related to Cash Consideration of Pace Acquisition: In the second quarter of 2015, 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 instruments are recognized as a loss (gain) on foreign currency in the Consolidated Statements of Operations. We believe it is useful to understand the effect of this on our other expense (income).

Loss on Sale of Building: In the first quarter of 2015, the Company sold land and a building that qualified for sale-leaseback accounting and was classified as an operating lease. A loss has been recorded on the sale. We have excluded the effect of the loss on sale of property in calculating our non-GAAP financial measures. We believe it is useful to understand the effect of excluding this item when evaluating our ongoing performance.

Foreign Withholding Tax: In connection with our acquisition of Pace, ARRIS US Holdings, Inc. transferred shares of its subsidiary ARRIS Financing II Sarl 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 U.S. 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 U.S. Holdings Inc., which include the E&P of the former ARRIS Group, Inc. and subsidiaries through December 31, 2016. Accordingly, ARRIS U.S. Holdings Inc. remitted U.S. withholding tax in the amount of $55 million based upon its estimated E&P of $1.1 billion and the U.S. dividend withholding tax rate of 5 percent (as provided in Article 10 (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.