ARRIS

Q1 2017 EARNINGS

5/3/2017 CONFERENCE CALL

FORWARD-LOOKING STATEMENTS
SAFE HARBOR

Statements made in this presentation, including those related to revenues and net income for the second quarter 2017 and beyond, the acquisition of the Ruckus Networks business, the timing of introduction and acceptance of new products, component pricing 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, the possibility that: projected results for the second quarter 2017 as well as the general outlook for 2017 are based on preliminary estimates, assumptions and projections that management believes to be reasonable at this time, but are beyond management's control; the proposed acquisition of the Ruckus Networks business may not be completed as a result of failure to obtain regulatory approvals or other reasons; the anticipated benefits from the acquisition may not be realized; we may encounter significant transaction costs and unknown liabilities in connection with the acquisition; volatility in the currency fluctuation may adversely impact our international customer's ability or willingness to purchase products and the pricing of our products; impacts of the U.K. invoking Article 50 of the Lisbon Treaty to leave the European Union, could have an adverse impact on our results of operations; regulatory changes, including those related to tax and the FCC, could have an adverse impact on our operations and results of operations; issues discovered while testing new products and product upgrades may delay the release of such products and such products may not be accepted by customers; the outstanding warrants held by customers will result in fluctuations in our GAAP revenues and GAAP net income per diluted share as a result of the required accounting adjustments; 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; and because the market in which we operate is volatile, actions taken and contemplated may not achieve the desired impact relative to changing market conditions and the success of these strategies will be dependent on the effective implementation of those plans while minimizing organizational disruption.

These factors are not intended to be an all-encompassing list of risks and uncertainties that may affect ARRIS' 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 Annual Report on Form 10-K for the year ended December 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.

Q1 2017

CALL AGENDA

BUSINESS HIGHLIGHTS	Bruce McClelland
FINANCIAL HIGHLIGHTS	David Potts
CUSTOMER PREMISES EQUIPMENT REVIEW	Larry Robinson
NETWORK & CLOUD REVIEW	Dan Whalen
BUSINESS OUTLOOK	Bruce McClelland

BRUCE MCCLELLAND, CEO

FIRST QUARTER 2017

HIGHLIGHTS

Q1 ACCOMPLISHMENTS

REVENUE

$1.483B
$1.485B*

- Q1 GAAP Revenues of $1.483B
- Q1 Non-GAAP revenue of $1.485B*
  - Down 8% YoY and 16% sequentially

EARNINGS

($0.21)
$0.40*

- Q1 GAAP EPS of ($0.21)
- Q1 Non-GAAP EPS of $0.40*
  - Down 15% YoY and 49% sequentially

CASH RESOURCES

$1.217B

- $250M cash from operating activities
- Improved DSO's
- $83 million shares repurchased

CUSTOMER

⇧International

- International Sales 35%
- Backlog $1.3B
- Book to Bill 1.13
- Strong AT and Broadband CPE shipments

SOLID CASH GENERATION AND INDUSTRY MOMENTUM BUILDING

*See reconciliation of GAAP to Non-GAAP measures.

LOOKING AHEAD

Outlook

- Performance improving through 2017 - on track with our expectations
- Memory costs impacting margins
- Technology upgrade cycles
  - Broadband capacity expansion and Fiber Deep programs
  - DOCSIS 3.1 deployments underway
  - WiFi refresh cycle
  - 4K video
  - E6000 Gen 2 and Distributed Access

Ruckus Update

- On track to achieve third quarter close
- Integration planning underway
- Positive customer feedback

BUSINESS IMPROVING AS YEAR PROGRESSES

DAVE POTTS, CHIEF FINANCIAL OFFICER
FIRST QUARTER 2017

FINANCIAL REVIEW

Q1 2017

FINANCIAL HIGHLIGHTS

(preliminary and unaudited)

	Q1 2016	Q4 2016	Q1 2017
Sales - GAAP - $M	1,615	1,759	1,483
Adjusted Sales - Non- GAAP [1] - $M	1,615	1,775	1,485
Gross Margin - GAAP - %	23.8%	24.8%	22.7%
Adjusted Gross Margin - Non- GAAP [1] - %	25.8%	25.6%	23.1%
Operating Expenses [2]	281	248	238
EPS - GAAP	(1.06)	0.46	(0.21)
Adjusted EPS - Non-GAAP [1]	0.47	0.79	0.40
Cash, ST & LT Marketable Securities - $M	676	1,107	1,217
Cash Provided by Operating Activities - $M	(223)	35	250
Debt Repayment - $M	253	22	22
Share Repurchases - $M	150	-	83
Bank Debt -$M	2,266	2,204	2,184
Weighted average ordinary shares - basic - M	192	190	190
Weighted average ordinary shares - diluted - M	194	192	193

[1] See GAAP to Non-GAAP reconciliation and notes thereto

[2] Excludes integration, acquisition, restructuring, amortization of intangibles, and other costs

Q2 AND FULL YEAR 2017 GUIDANCE
(preliminary and unaudited, excludes Ruckus Networks)

	Q2 2017	Full Year 2017
Sales - GAAP - $M	1,637 - 1,687	6,600 - 6,800
Adjusted Sales - Non-GAAP[1] -$M	1,640 - 1,690	6,615 - 6,830
EPS - GAAP	$ 0.02 - $ 0.07	$ 0.70 - $ 0.90
Adjusted EPS - Non-GAAP[1]	$ 0.55 - $ 0.60	$ 2.40 - $ 2.60

[1] See GAAP to adjusted Non-GAAP Sales and EPS guidance reconciliation and notes thereto

LARRY ROBINSON, PRESIDENT CUSTOMER PREMISES EQUIPMENT
FIRST QUARTER 2017

CUSTOMER PREMISES EQUIPMENT REVIEW

Q1 2017

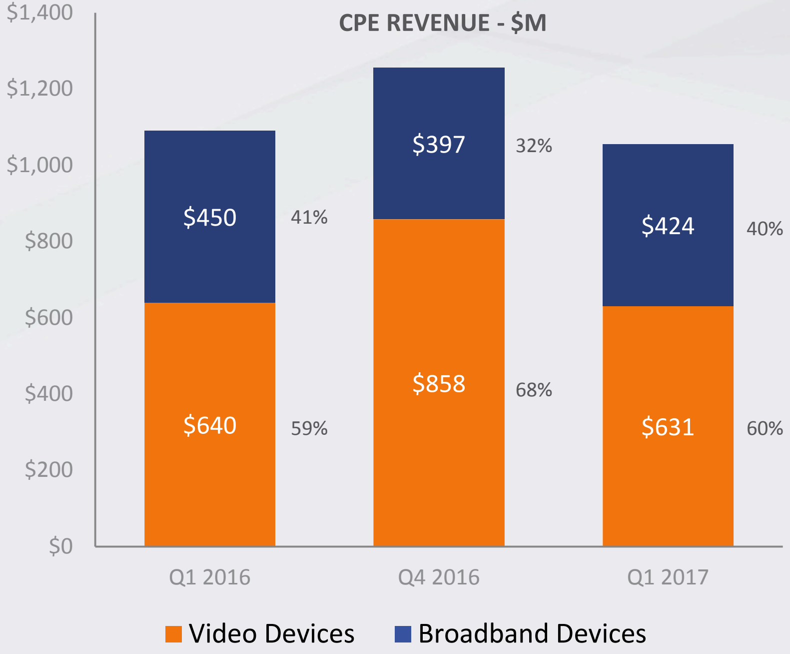
CUSTOMER PREMISES EQUIPMENT HIGHLIGHTS

Q1 2017 Results

- Sales finished stronger than expected; Solid demand for broadband & video products
  - Set top volumes were down sequentially resulting in 16% lower Segment sales
  - Sales were down 3% YoY
- DOI dollars decreased both sequentially & YoY

2017 Outlook

- Anticipate demand for advanced CPE to continue to build upon Q1 2017 results
- Ongoing focus on product / material costs
- Development pipeline targets next gen devices – DOCSIS 3.1, UltraHD, Advanced Wi-Fi



Q1 2017

CUSTOMER PREMISES EQUIPMENT HIGHLIGHTS

BROADBAND CPE

- Broadband device sales (DOCSIS & DSL) increased 7% sequentially; Sales were 6% lower YoY
  - Strong demand for broadband-related products; DSL volumes increased sequentially and YoY offset by lower YoY DOCSIS shipments
- Strong interest in DOCSIS 3.1 solutions
  - Commenced volume shipments of a new DOCSIS 3.1 gateway
  - Awarded new International DOCSIS 3.1 opportunity; Expanding International position with 4 major wins to date
- Announced the industry's first retail Comcast Xfinity gateway with embedded RDK-B technology
- Launched ARRIS DOCSIS 3.1 SURFboard® SB8200 cable modem to the retail channel

DOCSIS Telephony Gateway

SURFboard SVG2482AC (with RDK-B)

Q1 2017

CUSTOMER PREMISES EQUIPMENT HIGHLIGHTS

VIDEO CPE

- First quarter volumes lower due to timing of year-end 2016 shipments
  - Revenues were lower 27% sequentially and 2% YoY
  - Cable STB momentum continued YoY, while Satellite volumes increased versus Q1 2016
- Strong demand from Comcast Syndication partners
- Launch of next gen 4K DVR with TiVo-based user experience with North American service provider
- Announced Taiwanese-based operator, CNS, selected ARRIS all-digital set-tops to enable next-generation digital video experiences
- Secured multiple Android-based IP set-top wins with significant International operators

ARRIS IP Set Top

Next Generation Video Device incorporating Android support

DAN WHALEN, PRESIDENT NETWORK AND CLOUD
FIRST QUARTER 2017

NETWORK AND CLOUD REVIEW

Q1 2017

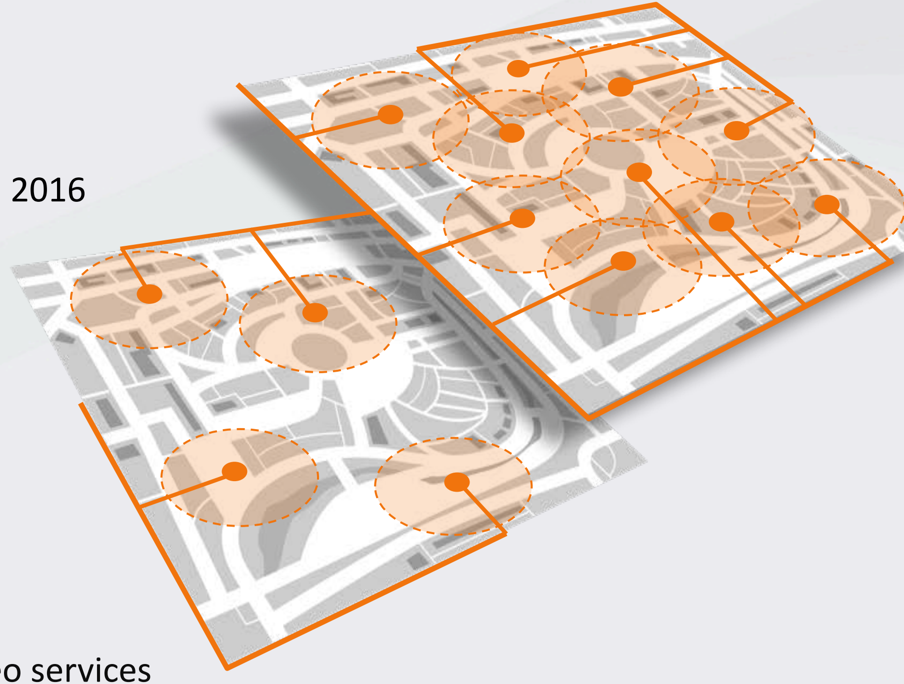
NETWORK AND CLOUD HIGHLIGHTS

Q1 2017 results

- Sales finished stronger than expected
- Great results from Access Technologies
  - Increases in Node and Optics sales
- CMTS sales below historical levels due to strong year end 2016 demand and E6000 Gen 2 timing
- Professional Services seasonality

2017 Outlook

- Expect improving trend throughout the year
- Network Edge expansion continues
  - E6000 Gen 2 deployments starting in third quarter
  - DOCSIS 3.1 deployments accelerating
  - Increasing investment in fiber rich architectures
- Solid video infrastructure sales supporting advanced video services



Q1 2017

PRODUCT HIGHLIGHTS

ACCESS & TRANSPORT

- Fiber capacity expansion
- More Node Splits
- 1.2GHz upgrades
- Distributed Access Architecture (DAA) trials

CMTS/CCAP/PON

- Future proofed platform
- Gen 2 upstream deployments continue
- Early trials for Gen 2 downstream cards
- DOCSIS 3.1 network upgrades ongoing
- E6000 10G EPON – Early trials
- Distributed Access Architecture (DAA) trials

VIDEO SYSTEMS

- STARZ network 4K upgrade with ARRIS transcoding receiver
- New Network Encryptor in lab evaluations with 2 leading MSOs

CLOUD & SERVICES

- Growing ISP Managed Services Business
- ECO Device Management with Tier 1 customers
- Network Management tools evolving to support D3.1

BRUCE MCCLELLAND, CEO

WRAP UP

2017 OUTLOOK

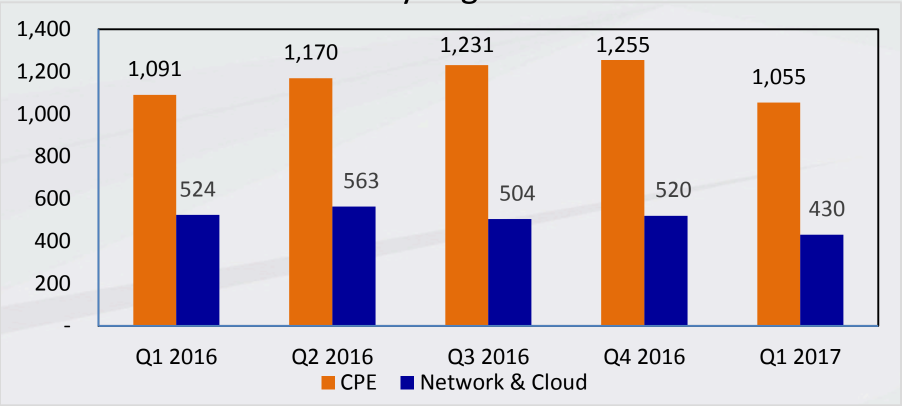
- Growing confidence in remainder of 2017
- Improving customer network investments
  - DOCSIS 3.1 deployments
  - Fiber deep projects
  - Advanced Home Networking
  - Ultra HD STB Refresh
- Balanced capital allocation strategy with $300M share buyback authorization
- Continued Memory cost mitigation
- Closing the Ruckus Networks acquisition

ON TRACK TO ACHIEVE FULL YEAR GUIDANCE

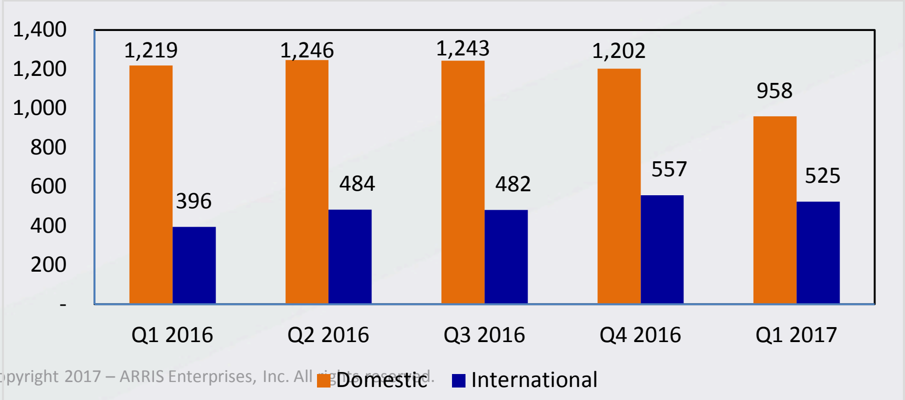
BACK UP

SALES - $M (preliminary and unaudited)

Sales by Segment [1]



Domestic and International Sales



10% Customers	Q1 2017	% of Sales
Total of three customers greater than 10%	712	48%

[1] Sales by Segment exclude fair value adjustments related to our warrant program, which are captured at Corporate.

Q1 2017

SALES AND GROSS MARGIN - $M
(preliminary and unaudited)

	Q1 2016	Q4 2016	Q1 2017
Sales - GAAP	1,615	1,759	1,483
Fair Value of Warrants Adjustment	-	16	2
Adjusted Sales - Non- GAAP [1]	1,615	1,775	1,485
Gross Margin - GAAP	384	436	337
Fair Value of Pace Inventory Adjustment	30	1	1
Equity Compensation	2	2	3
Fair Value of Warrants Adjustment	-	16	2
Adjusted Gross Margin - Non-GAAP [1]	417	455	344
GAAP Gross Margin - %	24%	25%	23%
Adjusted Gross Margin - Non-GAAP - %	26%	26%	23%

1 See GAAP to Non-GAAP reconciliation and notes thereto

Q1 2017

SALES AND DIRECT CONTRIBUTION BY SEGMENT - $M

(preliminary and unaudited)

	Network & Cloud	CPE	Corp/Other	Total
Net Sales	430	1,055	(2)	1,483
Non GAAP Adjustments [1]	-	-	2	2
Adjusted Net Sales	430	1,055	0	1,485
Direct Contribution [2]	132	118	(150)	100
Non GAAP Adjustments [3]	-	-	23	23
Adjusted Direct Contribution	132	118	(128)	122

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 tangible assets, restructuring charges, acquisition, integration and other costs.

[3] Equity compensation expense, adjustments related to the acquisition accounting impacts and warrants adjustments.

Q1 2017

OPERATING EXPENSES - $M

(preliminary and unaudited)

		Qtr 1 2016	Qtr 4 2016	Qtr 1 2017
R&D	$M	161	132	133
	% of Sales	10%	8%	9%
SG&A	$M	120	116	105
	% of Sales	7%	7%	7%
Operating Expenses	$M	281	248	238
	% of Sales	17%	14%	16%
Integration, Acquisition, Restructuring & Other Costs	$M	91	15	10
	% of Sales	6%	1%	1%
Amortization of Intangibles	$M	98	100	94
	% of Sales	6%	6%	6%
Total	$M	471	363	341
	% of Sales	29%	21%	23%
Equity Compensation Expense Included		12	14	16

Q1 2017

CASH AND CASH FLOW HIGHLIGHTS - $M

(preliminary and unaudited)

Cash, short term and long term marketable securities	1,217

Key Operating Activities	
Net income including adjustments	86
Changes in other operating assets and liabilities	164
Total	250

Key Investing Activities	
Purchase of property, plant & equipment	(22)

Key Financing Activities:	
Payments of debt obligations	(22)
Repurchase of ordinary shares	(83)
Cash to satisfy tax withholdings on employee share awards	(14)

GAAP TO ADJUSTED NON-GAAP SALES AND EPS GUIDANCE RECONCILIATION (2)

	Q2 2017 Guidance	Full Year 2017 Guidance
Estimated GAAP Sales - $M	1,637 - 1,687	6,600 - 6,800
Warrants - $M (1)	3	15 - 30
Estimated Adjusted (Non-GAAP) Sales - $M	1,640 - 1,690	6,615 - 6,830
Estimated GAAP EPS	$ 0.02 - $ 0.07	$ 0.70 - $ 0.90
Reconciling Items:		
Amortization of Intangibles	0.49	1.92
Stock Compensation Expense	0.12	0.43
Integration and Other Costs	0.06	0.14
Warrants (1)	0.02	0.07
Net tax items	(0.16)	(0.86)
Subtotal	0.53	1.70
Estimated Adjusted (Non-GAAP) EPS	$ 0.55 - $ 0.60	$ 2.40 - $ 2.60

Notes: (1) 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.
(2) Excludes pending Ruckus Acquisition.

GAAP EPS/ADJUSTED EPS RECONCILIATION Q1 2017
(preliminary and unaudited)

	Q1 2017		Q4 2016		Q1 2016	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Sales	$ 1,483,105		$ 1,759,223		$ 1,614,706	
Highlighted items:						
Reduction in revenue related to warrants	2,423		16,265		-	
Sales excluding highlighted items	$ 1,485,528		$ 1,775,488		$ 1,614,706	
Net income (loss) attributable to ARRIS International plc	$ (39,098)	$ (0.21)	$ 88,283	$ 0.46	$ (202,573)	$ (1.06)
Highlighted Items:						
Impacting gross margin:						
Stock compensation expense	3,252	0.02	2,388	0.01	2,239	0.01
Reduction in revenue related to warrants	2,423	0.01	16,265	0.08	–	–
Acquisition accounting impacts of fair valuing inventory	908	–	581	–	30,292	0.16
Impacting operating expenses:						
Integration, acquisition, restructuring and other	10,095	0.05	7,922	0.04	90,919	0.47
Amortization of intangible assets	93,646	0.49	100,047	0.52	98,493	0.51
Stock compensation expense	16,163	0.08	13,608	0.07	12,037	0.06
Noncontrolling interest share of Non-GAAP	(804)	–	(807)	–	(776)	–
Impacting other (income)/expense:						
Impairment of Investments	2,750	0.02	4,446	0.02	–	–
Credit facility - ticking fees	–	–	–	–	(9)	–
Foreign exchange contract losses related to cash consideration of Pace acquisition	–	–	–	–	1,610	0.01
Remeasurement of certain deferred tax liabilities	2,112	0.01	(16,356)	–	–	–
France R&D tax credit	–	–	(4,992)	(0.03)	–	–
Impacting income tax expense:						
Foreign withholding tax	–	–	–	–	54,741	0.28
France R&D tax credit	–	–	4,992	0.03	–	–
Net tax items	(13,333)	(0.07)	(63,505)	(0.33)	3,417	0.02
Total highlighted items	117,212	0.61	64,589	0.34	292,963	1.51
Net income excluding highlighted items	$ 78,114	$ 0.40	$ 152,872	$ 0.79	$ 90,390	$ 0.47
Weighted average ordinary shares - basic		189,796		190,145		191,743
Weighted average ordinary shares - diluted		192,879		192,400		193,591

NOTES TO GAAP/ADJUSTED NON-GAAP FINANCIAL MEASURES
(preliminary and unaudited)

ARRIS

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:

<u>Reduction in Revenue Related to Warrants</u>: We entered into agreements with two customers for the issuance of warrants to purchase up to 14.0 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 any change in 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.

<u>Stock-Based Compensation Expense</u>: 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.

<u>Acquisition Accounting Impacts Related to Inventory Valuation</u>: 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 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 cost of goods sold and margin.

<u>Integration, Acquisition, and Restructuring Costs</u>: 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 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.

<u>Amortization of Intangible Assets</u>: 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.

<u>Noncontrolling Interest share of Non-GAAP Adjustments</u>: The joint venture formed with Charter for the ActiveVideo acquisition is accounted for by ARRIS under the consolidation method. As a result, the consolidated 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 statement of operations. We have excluded the noncontrolling 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.

NOTES TO GAAP/ADJUSTED NON-GAAP FINANCIAL MEASURES
(preliminary and unaudited)

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).

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 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).

Remeasurement of Certain Deferred Tax Liabilities: The Company recorded a foreign currency remeasurement gain 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 remeasurement gain derives from the remeasurement of the GBP deferred income tax liability to the USD, since the date of the acquisition. We have excluded the impact of this gain in the calculation of our non-GAAP measures. We believe it is useful to understand the effects of this item on our total other expense (income).

Foreign Exchange Contract 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).

France R&D Tax Credit: 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. 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. 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 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.

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THANK YOU