

**ARRIS INTERNATIONAL PLC**  
**PRELIMINARY SUPPLEMENTAL DIRECT CONTRIBUTION TO ADJUSTED DIRECT CONTRIBUTION RECONCILIATION**  
(in thousands)  
(unaudited)

	<b>Q2 2018</b>				<b>Total</b>
	<b>Network &amp; Cloud</b>	<b>CPE</b>	<b>Enterprise</b>	<b>Corp/ Other</b>	
Direct Contribution <sup>(1)</sup>	201,282	85,723	17,774	(146,577)	158,202
Allocated costs <sup>(2)</sup>	(28,614)	(19,622)	(6,223)	54,499	40,446
Direct Contribution after allocation	172,668	66,101	11,551	(92,078)	158,242
Equity compensation expense	8,647	5,927	4,485	4,444	23,503
Depreciation expense	6,571	6,958	3,158	4,543	21,230
Adjusted Direct Contribution	<u>187,886</u>	<u>78,986</u>	<u>19,194</u>	<u>(83,091)</u>	<u>202,975</u>

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

(2) Allocated facility costs and service provider sales and marketing costs