

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

	Q1 2017		Q4 2017		Q1 2018	
	Amount	Per Diluted Share	Amount	Per Diluted Share	Amount	Per Diluted Share
Sales	\$1,483,105		\$1,738,593		\$1,577,710	
Highlighted items:						
Adjustment to revenue related to warrants	2,423		(8,145)		-	
Acquisition accounting impacts of deferred revenue	-		1,120		5,694	
Adjusted sales	\$1,485,528		\$1,731,568		\$1,583,404	
Net income (loss) attributable to ARRIS International plc	\$ (39,098)	\$ (0.21)	\$ 12,469	\$ 0.07	\$ (13,600)	\$ (0.07)
Highlighted Items:						
<i>Impacting gross margin:</i>						
Stock compensation expense	3,252	0.02	3,303	0.02	3,253	0.02
Adjustment to revenue related to warrants	2,423	0.01	(8,145)	(0.04)	-	-
Acquisition accounting impacts of deferred revenue	-	-	1,120	0.01	5,694	0.03
Acquisition accounting impacts of fair valuing inventory	908	0.00	7,560	0.04	16,971	0.09
<i>Impacting operating expenses:</i>						
Integration, acquisition, restructuring and other costs	10,095	0.05	67,736	0.36	13,655	0.07
Amortization of intangible assets	93,646	0.49	100,588	0.53	114,708	0.61
Impairment on goodwill and intangible assets	-	-	55,000	0.29	3,400	0.02
Stock compensation expense	16,163	0.08	15,403	0.08	16,003	0.09
Noncontrolling interest share of non-GAAP adj	(804)	-	(20,026)	(0.11)	(2,321)	(0.01)
<i>Impacting other (income)/expense:</i>						
Impairment (gain) on investments	2,750	0.01	-	-	-	-
Debt amendment fees	-	-	3,069	0.02	-	-
Remeasurement of certain deferred tax liabilities	2,112	0.01	852	-	3,697	0.02
<i>Impacting income tax expense:</i>						
Net tax items	(13,333)	(0.07)	(73,267)	(0.39)	(24,541)	(0.13)
Total highlighted items	117,212	0.61	153,193	0.81	150,519	0.80
Adjusted net income	\$ 78,114	\$ 0.40	\$ 165,662	\$ 0.88	\$ 136,919	\$ 0.73
Weighted average ordinary shares - basic		189,796		186,548		184,805
Weighted average ordinary shares - diluted		192,879		188,829		187,175