

ARRIS INTERNATIONAL PLC
PRELIMINARY ADJUSTED EBITDA RECONCILIATION

(in millions)

(unaudited)

	Q1 2018	Q2 2018	Q3 2018	Q4 2018	Year 2018
Net income (loss) as reported	\$ (17)	\$ 35	\$ 46	\$ 44	\$ 107
Income tax expense (benefit)	3	(10)	(16)	(2)	(24)
Interest income	(2)	(2)	(2)	(3)	(8)
Interest expense	23	24	24	25	95
Depreciation expense	23	21	22	18	84
Amortization of intangible assets	115	90	88	90	384
EBITDA	145	158	162	171	637
<i>Adjustments</i>					
Stock-based compensation expense	19	24	20	22	85
Integration, acquisition, restructuring and other costs	14	23	5	14	55
Pension settlement and curtailment	-	-	-	6	6
Gain on disposal of fixed assets	-	-	-	(13)	(13)
Impairment on goodwill and intangible assets	3	-	-	-	3
Acquisition accounting impacts of deferred revenue	6	3	2	2	13
Acquisition accounting impacts of fair valuing inventory	17	-	-	-	17
Remeasurement of deferred taxes	4	(4)	1	(1)	(0)
Adjusted EBITDA - Non-GAAP	\$ 208	\$ 204	\$ 191	\$ 200	\$ 803