

**CommScope Holding Company, Inc.**  
**Condensed Consolidated Statements of Operations**  
(Unaudited -- In thousands, except per share amounts)

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2018	2017	2018	2017
Net sales	\$ 1,057,729	\$ 1,120,432	\$ 4,568,507	\$ 4,560,582
Operating costs and expenses:				
Cost of sales	676,029	706,805	2,880,223	2,792,779
Selling, general and administrative	184,714	190,973	729,032	795,381
Research and development	43,260	45,044	185,696	185,612
Amortization of purchased intangible assets	65,110	68,099	264,563	270,989
Restructuring costs, net	24,287	19,261	44,025	43,782
Asset impairments	15,000	—	15,000	—
Total operating costs and expenses	<u>1,008,400</u>	<u>1,030,182</u>	<u>4,118,539</u>	<u>4,088,543</u>
Operating income	49,329	90,250	449,968	472,039
Other expense, net	(39,766)	(221)	(44,256)	(9,469)
Interest expense	(55,362)	(64,290)	(242,017)	(257,059)
Interest income	1,644	437	7,017	4,221
Income (loss) before income taxes	(44,155)	26,176	170,712	209,732
Income tax (expense) benefit	20,872	27,405	(30,495)	(15,968)
Net income (loss)	<u>\$ (23,283)</u>	<u>\$ 53,581</u>	<u>\$ 140,217</u>	<u>\$ 193,764</u>
Earnings (loss) per share:				
Basic	\$ (0.12)	\$ 0.28	\$ 0.73	\$ 1.01
Diluted (a)	\$ (0.12)	\$ 0.27	\$ 0.72	\$ 0.98
Weighted average shares outstanding:				
Basic	192,456	190,826	192,022	192,430
Diluted (a)	192,456	195,074	195,332	196,811
(a) Calculation of diluted earnings per share:				
Net income (loss) (basic and diluted)	\$ (23,283)	\$ 53,581	\$ 140,217	\$ 193,764
Weighted average shares (basic)	192,456	190,826	192,022	192,430
Dilutive effect of stock awards	—	4,248	3,310	4,381
Denominator (diluted)	<u>192,456</u>	<u>195,074</u>	<u>195,332</u>	<u>196,811</u>

See notes to consolidated financial statements included in our Form 10-K.

**CommScope Holding Company, Inc.**  
**Consolidated Balance Sheets**  
(In thousands, except share amounts)

	December 31,	
	2018	2017
<b>Assets</b>		
Cash and cash equivalents	\$ 458,195	\$ 453,977
Accounts receivable, less allowance for doubtful accounts of \$17,398 and \$13,976, respectively	810,359	898,829
Inventories, net	473,327	444,941
Prepaid expenses and other current assets	135,944	146,112
Total current assets	1,877,825	1,943,859
Property, plant and equipment, net of accumulated depreciation of \$437,713 and \$390,389, respectively	450,861	467,289
Goodwill	2,852,309	2,886,630
Other intangible assets, net	1,351,990	1,636,084
Other noncurrent assets	97,555	107,804
Total assets	<u>\$ 6,630,540</u>	<u>\$ 7,041,666</u>
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 399,237	\$ 436,737
Other accrued liabilities	291,385	286,980
Total current liabilities	690,622	723,717
Long-term debt	3,985,904	4,369,401
Deferred income taxes	83,341	134,241
Pension and other postretirement benefit liabilities	16,843	25,140
Other noncurrent liabilities	97,062	141,341
Total liabilities	4,873,772	5,393,840
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: None	—	—
Common stock, \$0.01 par value: Authorized shares: 1,300,000,000; Issued and outstanding shares: 192,376,255 and 190,906,110, respectively	1,991	1,972
Additional paid-in capital	2,385,082	2,334,071
Retained earnings (accumulated deficit)	(249,777)	(395,998)
Accumulated other comprehensive loss	(159,205)	(86,603)
Treasury stock, at cost: 6,744,082 shares and 6,336,144 shares, respectively	(221,323)	(205,616)
Total stockholders' equity	1,756,768	1,647,826
Total liabilities and stockholders' equity	<u>\$ 6,630,540</u>	<u>\$ 7,041,666</u>

See notes to consolidated financial statements included in our Form 10-K.

**CommScope Holding Company, Inc.**  
**Consolidated Statements of Cash Flows**  
(Unaudited -- In thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
<b>Operating Activities:</b>				
Net income (loss)	\$ (23,283)	\$ 53,581	\$ 140,217	\$ 193,764
Adjustments to reconcile net income to net cash generated by operating activities:				
Depreciation and amortization	84,829	95,469	357,458	378,012
Equity-based compensation	11,176	10,278	44,899	41,850
Deferred income taxes	(16,631)	(51,499)	(49,247)	(71,475)
Asset impairments	15,000	—	15,000	—
Changes in assets and liabilities:				
Accounts receivable	88,607	37,691	65,070	96,745
Inventories	17,342	41,868	(48,456)	53,658
Prepaid expenses and other current assets	(15,361)	21,188	998	(1,273)
Accounts payable and other accrued liabilities	(66,731)	9,785	(790)	(154,691)
Other noncurrent liabilities	(951)	28,673	(54,615)	14,644
Other noncurrent assets	12,204	(8,197)	(8,004)	(8,418)
Other	26,059	12,044	31,614	43,470
Net cash generated by operating activities	132,260	250,881	494,144	586,286
<b>Investing Activities:</b>				
Additions to property, plant and equipment	(26,899)	(17,569)	(82,347)	(68,721)
Proceeds from sale of property, plant and equipment	193	408	12,908	5,424
Cash paid for acquisitions, including purchase price adjustments, net of cash acquired	—	—	—	(105,249)
Proceeds from sale of businesses and long-term investments	—	—	—	9,898
Proceeds (payments) upon settlement of net investment hedge	3,803	(7,558)	5,134	(7,558)
Net cash used in investing activities	(22,903)	(24,719)	(64,305)	(166,206)
<b>Financing Activities:</b>				
Long-term debt repaid	—	(185,000)	(550,000)	(990,379)
Long-term debt proceeds	—	—	150,000	780,379
Debt issuance and modification costs	—	—	—	(8,363)
Debt extinguishment costs	—	—	—	(14,800)
Cash paid for repurchase of common stock	—	—	—	(175,000)
Proceeds from the issuance of common shares under equity-based compensation plans	1,142	1,146	6,130	9,949
Tax withholding payments for vested equity-based compensation awards	(115)	(449)	(15,707)	(15,405)
Net cash generated by (used in) financing activities	1,027	(184,303)	(409,577)	(413,619)
Effect of exchange rate changes on cash and cash equivalents	(4,586)	876	(16,044)	19,288
Change in cash and cash equivalents	105,798	42,735	4,218	25,749
Cash and cash equivalents at beginning of period	352,397	411,242	453,977	428,228
Cash and cash equivalents at end of period	<u>\$ 458,195</u>	<u>\$ 453,977</u>	<u>\$ 458,195</u>	<u>\$ 453,977</u>

See notes to consolidated financial statements included in our Form 10-K.

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures**  
(Unaudited -- In millions, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
<b>Operating income, as reported</b>	<b>\$ 49.3</b>	<b>\$ 90.3</b>	<b>\$ 450.0</b>	<b>\$ 472.0</b>
Adjustments:				
Amortization of purchased intangible assets	65.1	68.1	264.6	271.0
Restructuring costs, net	24.3	19.3	44.0	43.8
Equity-based compensation	11.2	10.3	44.9	41.9
Asset impairments	15.0	—	15.0	—
Integration and transaction costs	14.3	9.8	19.5	48.0
Total adjustments to operating income	129.9	107.5	388.0	404.7
<b>Non-GAAP adjusted operating income</b>	<b>\$ 179.2</b>	<b>\$ 197.7</b>	<b>\$ 838.0</b>	<b>\$ 876.7</b>
Income (loss) before income taxes, as reported	\$ (44.2)	\$ 26.2	\$ 170.7	\$ 209.7
Income tax (expense) benefit, as reported	20.9	27.4	(30.5)	(16.0)
<b>Net income (loss), as reported</b>	<b>\$ (23.3)</b>	<b>\$ 53.6</b>	<b>\$ 140.2</b>	<b>\$ 193.8</b>
Adjustments:				
Total pretax adjustments to operating income	129.9	107.5	388.0	404.7
Pretax amortization of deferred financing costs & OID <sup>(1)</sup>	2.3	6.6	17.3	25.4
Pretax pension and postretirement benefit plan terminations <sup>(2)</sup>	25.0	—	25.0	—
Pretax foreign currency loss on entity liquidation <sup>(2)</sup>	14.0	—	14.0	—
Pretax loss on debt transactions <sup>(2)</sup>	—	—	—	16.0
Pretax net investment gains <sup>(2)</sup>	—	—	—	(9.0)
Tax effects of adjustments and other tax items <sup>(3)</sup>	(48.1)	(76.6)	(142.0)	(210.5)
<b>Non-GAAP adjusted net income</b>	<b>\$ 99.8</b>	<b>\$ 91.1</b>	<b>\$ 442.5</b>	<b>\$ 420.4</b>
<b>Diluted EPS, as reported</b>	<b>\$ (0.12)</b>	<b>\$ 0.27</b>	<b>\$ 0.72</b>	<b>\$ 0.98</b>
<b>Non-GAAP adjusted diluted EPS</b>	<b>\$ 0.51</b>	<b>\$ 0.47</b>	<b>\$ 2.27</b>	<b>\$ 2.14</b>

(1) Included in interest expense.

(2) Included in other expense, net.

(3) The tax rates applied to adjustments reflect the tax expense or benefit based on the tax jurisdiction of the entity generating the adjustment. There are certain items for which we expect little or no tax effect. Given the complexities of the U.S. tax legislation enacted in late 2017, we applied a non-GAAP effective tax rate of 35% for the fourth quarter 2017, consistent with the adjusted rate in prior quarters in 2017.

Note: Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Sales by Region**  
(Unaudited -- In millions)

**Sales by Region**

	<u>Q4 2018</u>	<u>Q4 2017</u>	<u>% Change</u> <u>YOY</u>
United States	\$ 564.1	\$ 561.9	0.4 %
Europe, Middle East and Africa	224.3	243.9	(8.0)
Asia Pacific	184.5	224.0	(17.6)
Caribbean and Latin America	65.8	68.5	(3.9)
Canada	19.0	22.1	(14.0)
<b>Total Net Sales</b>	<u>\$ 1,057.7</u>	<u>\$ 1,120.4</u>	(5.6)%

**Sales by Region**

	<u>Full Year</u> <u>2018</u>	<u>Full Year</u> <u>2017</u>	<u>% Change</u> <u>YOY</u>
United States	\$ 2,539.2	\$ 2,449.4	3.7 %
Europe, Middle East and Africa	963.0	942.5	2.2
Asia Pacific	735.6	828.3	(11.2)
Caribbean and Latin America	242.9	245.6	(1.1)
Canada	87.8	94.8	(7.4)
<b>Total Net Sales</b>	<u>\$ 4,568.5</u>	<u>\$ 4,560.6</u>	0.2 %

**CommScope Holding Company, Inc.**  
**Segment Information**  
(Unaudited -- In millions)

**Sales by Segment**

	Q4 2018	Q3 2018	Q4 2017	% Change	
				Sequential	YOY
Connectivity Solutions	\$ 666.9	\$ 731.7	\$ 693.8	(8.9) %	(3.9) %
Mobility Solutions	390.8	418.7	426.6	(6.7) %	(8.4) %
<b>Total Net Sales</b>	<b>\$ 1,057.7</b>	<b>\$ 1,150.4</b>	<b>\$ 1,120.4</b>	<b>(8.1) %</b>	<b>(5.6) %</b>

**Non-GAAP Adjusted Operating Income by Segment**

	Q4 2018	Q3 2018	Q4 2017	% Change	
				Sequential	YOY
Connectivity Solutions	\$ 122.8	\$ 147.4	\$ 124.7	(16.7) %	(1.5) %
Mobility Solutions	56.4	71.6	73.0	(21.2) %	(22.7) %
<b>Total Non-GAAP Adjusted Operating Income</b>	<b>\$ 179.2</b>	<b>\$ 219.0</b>	<b>\$ 197.7</b>	<b>(18.2) %</b>	<b>(9.4) %</b>

**Sales by Segment**

	2018	2017	% Change
			YOY
Connectivity Solutions	\$ 2,812.7	\$ 2,809.8	0.1 %
Mobility Solutions	1,755.8	1,750.8	0.3 %
<b>Total Net Sales</b>	<b>\$ 4,568.5</b>	<b>\$ 4,560.6</b>	<b>0.2 %</b>

**Non-GAAP Adjusted Operating Income by Segment**

	2018	2017	% Change
			YOY
Connectivity Solutions	\$ 521.8	\$ 523.3	(0.3) %
Mobility Solutions	316.2	353.4	(10.5) %
<b>Total Non-GAAP Adjusted Operating Income</b>	<b>\$ 838.0</b>	<b>\$ 876.7</b>	<b>(4.4) %</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP to Non-GAAP Adjusted Operating Income by Segment**  
**(Unaudited -- In millions)**

**Year Ended December 31, 2018 Non-GAAP Adjusted Operating Income Reconciliation by Segment**

	<b>Connectivity Solutions</b>	<b>Mobility Solutions</b>	<b>Total</b>
<b>Operating income, as reported</b>	<b>\$ 271.9</b>	<b>\$ 178.1</b>	<b>\$ 450.0</b>
Amortization of purchased intangible assets	178.6	86.0	264.6
Restructuring costs, net	24.2	19.8	44.0
Equity-based compensation	27.3	17.6	44.9
Asset impairments	7.5	7.5	15.0
Integration and transaction costs	12.3	7.3	19.5
<b>Non-GAAP adjusted operating income</b>	<b>\$ 521.8</b>	<b>\$ 316.2</b>	<b>\$ 838.0</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>18.6%</b>	<b>18.0%</b>	<b>18.3%</b>

**Year Ended December 31, 2017 Non-GAAP Adjusted Operating Income Reconciliation by Segment**

	<b>Connectivity Solutions</b>	<b>Mobility Solutions</b>	<b>Total</b>
<b>Operating income, as reported</b>	<b>\$ 239.0</b>	<b>\$ 233.0</b>	<b>\$ 472.0</b>
Amortization of purchased intangible assets	175.5	95.5	271.0
Restructuring costs, net	36.6	7.2	43.8
Equity-based compensation	24.4	17.5	41.9
Integration and transaction costs	47.9	0.2	48.0
<b>Non-GAAP adjusted operating income</b>	<b>\$ 523.3</b>	<b>\$ 353.4</b>	<b>\$ 876.7</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>18.6%</b>	<b>20.2%</b>	<b>19.2%</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP to Non-GAAP Adjusted Operating Income by Segment**  
(Unaudited -- In millions)

**Fourth Quarter 2018 Non-GAAP Adjusted Operating Income Reconciliation by Segment**

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	<b>\$ 38.5</b>	<b>\$ 10.9</b>	<b>\$ 49.3</b>
Amortization of purchased intangible assets	43.7	21.4	65.1
Restructuring costs, net	17.6	6.7	24.3
Equity-based compensation	6.8	4.4	11.2
Asset impairments	7.5	7.5	15.0
Integration and transaction costs	8.7	5.6	14.3
<b>Non-GAAP adjusted operating income</b>	<b>\$ 122.8</b>	<b>\$ 56.4</b>	<b>\$ 179.2</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>18.4%</b>	<b>14.4%</b>	<b>16.9%</b>

**Third Quarter 2018 Non-GAAP Adjusted Operating Income Reconciliation by Segment**

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	<b>\$ 94.9</b>	<b>\$ 37.3</b>	<b>\$ 132.2</b>
Amortization of purchased intangible assets	44.4	21.4	65.8
Restructuring costs, net	(0.4)	7.5	7.1
Equity-based compensation	6.9	4.4	11.3
Integration and transaction costs	1.7	1.0	2.6
<b>Non-GAAP adjusted operating income</b>	<b>\$ 147.4</b>	<b>\$ 71.6</b>	<b>\$ 219.0</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>20.1%</b>	<b>17.1%</b>	<b>19.0%</b>

**Fourth Quarter 2017 Non-GAAP Adjusted Operating Income Reconciliation by Segment**

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	<b>\$ 47.5</b>	<b>\$ 42.8</b>	<b>\$ 90.3</b>
Amortization of purchased intangible assets	44.8	23.3	68.1
Restructuring costs, net	16.6	2.6	19.3
Equity-based compensation	6.0	4.3	10.3
Integration and transaction costs	9.8	—	9.8
<b>Non-GAAP adjusted operating income</b>	<b>\$ 124.7</b>	<b>\$ 73.0</b>	<b>\$ 197.7</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>18.0%</b>	<b>17.1%</b>	<b>17.6%</b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Adjusted Free Cash Flow**  
(Unaudited -- In millions)

**Adjusted Free Cash Flow**

	<u>Q4 2018</u>	<u>Q4 2017</u>	<u>Full Year 2018</u>	<u>Full Year 2017</u>
<b>Cash flow from operations</b>	<b>\$ 132.3</b>	<b>\$ 250.9</b>	<b>\$ 494.1</b>	<b>\$ 586.3</b>
Integration and transaction costs	—	8.4	—	50.6
Capital expenditures	(26.9)	(17.6)	(82.3)	(68.7)
<b>Adjusted Free Cash Flow</b>	<b><u>\$ 105.4</u></b>	<b><u>\$ 241.7</u></b>	<b><u>\$ 411.8</u></b>	<b><u>\$ 568.2</u></b>

See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Quarterly Adjusted Operating Income and Adjusted EBITDA**  
(Unaudited -- In millions)

**GAAP to Non-GAAP Adjusted Operating Income and Adjusted EBITDA Reconciliation**

	<u>Q4 2018</u>	<u>Q3 2018</u>	<u>Q2 2018</u>	<u>Q1 2018</u>	<u>Q4 2017</u>
<b>Operating income, as reported</b>	<b>\$ 49.3</b>	<b>\$ 132.2</b>	<b>\$ 164.7</b>	<b>\$ 103.7</b>	<b>\$ 90.3</b>
Amortization of purchased intangible assets	65.1	65.8	66.4	67.2	68.1
Restructuring costs, net	24.3	7.1	7.2	5.5	19.3
Equity-based compensation	11.2	11.3	11.8	10.5	10.3
Asset impairments	15.0	—	—	—	—
Integration and transaction costs	14.3	2.6	1.0	1.7	9.8
<b>Non-GAAP adjusted operating income</b>	<b><u>\$ 179.2</u></b>	<b><u>\$ 219.0</u></b>	<b><u>\$ 251.1</u></b>	<b><u>\$ 188.6</u></b>	<b><u>\$ 197.7</u></b>
<b>Non-GAAP adjusted operating margin %</b>	<b>16.9%</b>	<b>19.0%</b>	<b>20.3%</b>	<b>16.8%</b>	<b>17.6%</b>
Depreciation	17.4	18.7	19.9	19.6	20.8
<b>Non-GAAP adjusted EBITDA</b>	<b><u>\$ 196.6</u></b>	<b><u>\$ 237.8</u></b>	<b><u>\$ 271.1</u></b>	<b><u>\$ 208.1</u></b>	<b><u>\$ 218.5</u></b>

Components may not sum to total due to rounding  
See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures**  
**(Unaudited -- In millions, except per share amounts)**

	<b>Outlook</b>	
	<b>Three Months Ended March 31, 2019</b>	<b>Full Year 2019</b>
<b>Operating income</b>	<b>\$91 - \$113</b>	<b>\$516 - \$563</b>
Adjustments:		
Amortization of purchased intangible assets	\$59	\$235
Equity-based compensation	\$10	\$47
Restructuring costs, integration costs and other <sup>(1)</sup>	\$7 - \$10	\$7 - \$10
Total adjustments to operating income	\$76 - \$79	\$289 - \$292
<b>Non-GAAP adjusted operating income</b>	<b>\$167 - \$192</b>	<b>\$805 - \$855</b>
<b>Diluted earnings per share</b>	<b>\$0.10 - \$0.13</b>	<b>\$0.92 - \$1.03</b>
Adjustments <sup>(2)</sup> :		
Total adjustments to operating income	\$0.31 - \$0.33	\$1.15 - \$1.17
Debt-related costs and other special items <sup>(3)</sup>	\$0.00 - \$0.00	\$0.03 - \$0.05
<b>Non-GAAP adjusted diluted earnings per share</b>	<b>\$0.41 - \$0.46</b>	<b>\$2.10 - \$2.25</b>

(1) Reflects projections for restructuring costs, integration costs and other special items. Actual adjustments may vary from projections.

(2) The tax rates applied to projected adjustments reflect the tax expense or benefit based on the expected tax jurisdiction of the entity generating the projected adjustments. There are certain items for which we expect little or no tax effect.

(3) Reflects projections for amortization of debt issuance costs, loss on debt extinguishment, net investment gains or losses and other tax items. Actual adjustments may vary from projections.

Our actual results may be impacted by additional events for which information is not currently available, such as additional restructuring activities, asset impairments, debt extinguishments, additional transaction and integration costs, foreign exchange rate fluctuations and other gains or losses related to events that are not currently known or measurable.

See Caution Regarding Forward-Looking Statements and Description of Non-GAAP Financial Measures.