

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net sales	\$ 1,306,788	\$ 867,290	\$ 2,450,767	\$ 1,692,690
Operating costs and expenses:				
Cost of sales	753,029	552,595	1,449,917	1,084,791
Selling, general and administrative	234,333	130,797	443,530	256,468
Research and development	51,934	27,982	104,124	55,718
Amortization of purchased intangible assets	76,015	44,624	149,631	89,410
Restructuring costs, net	7,605	1,894	13,677	3,765
Asset impairments	—	—	15,293	—
Total operating costs and expenses	<u>1,122,916</u>	<u>757,892</u>	<u>2,176,172</u>	<u>1,490,152</u>
Operating income	183,872	109,398	274,595	202,538
Other income (expense), net	(14,653)	86	(14,352)	2,713
Interest expense	(74,113)	(49,036)	(146,675)	(85,365)
Interest income	<u>1,148</u>	<u>1,031</u>	<u>3,727</u>	<u>2,060</u>
Income before income taxes	96,254	61,479	117,295	121,946
Income tax expense	<u>(34,293)</u>	<u>(15,887)</u>	<u>(42,754)</u>	<u>(36,878)</u>
Net income	<u>\$ 61,961</u>	<u>\$ 45,592</u>	<u>\$ 74,541</u>	<u>\$ 85,068</u>
Earnings per share:				
Basic	\$ 0.32	\$ 0.24	\$ 0.39	\$ 0.45
Diluted (a)	\$ 0.32	\$ 0.24	\$ 0.38	\$ 0.44
Weighted average shares outstanding:				
Basic	192,241	189,682	191,996	189,084
Diluted (a)	196,073	194,004	195,815	193,570
(a) Calculation of diluted earnings per share:				
Net income (basic)	\$ 61,961	\$ 45,592	\$ 74,541	\$ 85,068
Weighted average shares (basic)	192,241	189,682	191,996	189,084
Dilutive effect of stock options	<u>3,832</u>	<u>4,322</u>	<u>3,819</u>	<u>4,486</u>
Denominator (diluted)	<u>196,073</u>	<u>194,004</u>	<u>195,815</u>	<u>193,570</u>

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

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

	<b>June 30, 2016</b>	<b>December 31, 2015</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 516,043	\$ 562,884
Accounts receivable, less allowance for doubtful accounts of \$16,365 and \$19,392, respectively	993,013	833,041
Inventories, net	465,685	441,815
Prepaid expenses and other current assets	128,756	166,900
Total current assets	2,103,497	2,004,640
Property, plant and equipment, net of accumulated depreciation of \$275,457 and \$243,806, respectively	505,432	528,706
Goodwill	2,797,234	2,690,636
Other intangible assets, net	1,982,792	2,147,483
Other noncurrent assets	125,593	131,166
Total assets	\$ 7,514,548	\$ 7,502,631
<b>Liabilities and Stockholders' Equity</b>		
Accounts payable	\$ 456,830	\$ 300,829
Other accrued liabilities	400,540	371,743
Current portion of long-term debt	12,500	12,520
Total current liabilities	869,870	685,092
Long-term debt	4,935,355	5,231,131
Deferred income taxes	227,060	202,487
Pension and other postretirement benefit liabilities	38,633	37,102
Other noncurrent liabilities	123,425	124,099
Total liabilities	6,194,343	6,279,911
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: 192,618,113 and 191,368,727, respectively	1,937	1,923
Additional paid-in capital	2,247,504	2,216,202
Retained earnings (accumulated deficit)	(737,853)	(812,394)
Accumulated other comprehensive loss	(177,254)	(171,678)
Treasury stock, at cost: 1,096,926 shares and 986,222 shares, respectively	(14,129)	(11,333)
Total stockholders' equity	1,320,205	1,222,720
Total liabilities and stockholders' equity	\$ 7,514,548	\$ 7,502,631

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
<b>Operating Activities:</b>				
Net income	\$ 61,961	\$ 45,592	\$ 74,541	\$ 85,068
Adjustments to reconcile net income to net cash generated by operating activities:				
Depreciation and amortization	103,559	66,269	200,497	125,723
Equity-based compensation	9,411	10,125	18,246	15,378
Deferred income taxes	(37,879)	(20,506)	(48,319)	(34,129)
Asset impairments	—	—	15,293	—
Excess tax benefits from equity-based compensation	(5,347)	(3,750)	(6,728)	(14,164)
Changes in assets and liabilities:				
Accounts receivable	(78,772)	(22,940)	(137,532)	(118,257)
Inventories	(8,523)	3,246	(18,386)	9,038
Prepaid expenses and other assets	16,517	7,011	10,139	5,877
Accounts payable and other liabilities	91,836	(14,951)	164,855	(2,269)
Other	(2,259)	1,930	(4,010)	1,001
Net cash generated by operating activities	150,504	72,026	268,596	73,266
<b>Investing Activities:</b>				
Additions to property, plant and equipment	(17,712)	(15,868)	(32,184)	(24,081)
Proceeds from sale of property, plant and equipment	56	48	3,740	173
Net purchase price adjustment	(9,092)	—	6,263	—
Acquisition funds held in escrow	—	(2,746,875)	—	(2,746,875)
Other	1,182	464	1,656	3,097
Net cash used in investing activities	(25,566)	(2,762,231)	(20,525)	(2,767,686)
<b>Financing Activities:</b>				
Long-term debt repaid	(303,124)	(500,318)	(306,270)	(502,517)
Long-term debt proceeds	—	3,246,875	—	3,246,875
Long-term debt financing costs	—	(9,025)	—	(9,025)
Proceeds from the issuance of common shares under equity-based compensation plans	5,501	4,952	6,991	16,951
Excess tax benefits from equity-based compensation	5,347	3,750	6,728	14,164
Tax withholding payments for vested equity-based compensation awards	(75)	—	(2,796)	—
Net cash generated by (used in) financing activities	(292,351)	2,746,234	(295,347)	2,766,448
Effect of exchange rate changes on cash and cash equivalents	(4,912)	1,788	435	(8,390)
Change in cash and cash equivalents	(172,325)	57,817	(46,841)	63,638
Cash and cash equivalents, beginning of period	688,368	735,142	562,884	729,321
Cash and cash equivalents, end of period	\$ 516,043	\$ 792,959	\$ 516,043	\$ 792,959

See notes to unaudited condensed consolidated financial statements included in our Form 10-Q.

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
<b>Operating income, as reported</b>	<b>\$ 183.9</b>	<b>\$ 109.4</b>	<b>\$ 274.6</b>	<b>\$ 202.5</b>
Adjustments:				
Amortization of purchased intangible assets	76.0	44.6	149.6	89.4
Restructuring costs, net	7.6	1.9	13.7	3.8
Equity-based compensation	9.4	10.1	18.2	15.4
Asset impairments	—	—	15.3	—
Integration and transaction costs	14.5	9.9	30.3	21.3
Purchase accounting adjustments	(0.4)	—	0.6	0.1
Total adjustments to operating income	<u>107.1</u>	<u>66.5</u>	<u>227.7</u>	<u>130.0</u>
<b>Non-GAAP adjusted operating income</b>	<b>\$ 291.0</b>	<b>\$ 175.9</b>	<b>\$ 502.4</b>	<b>\$ 332.4</b>
Income before income taxes, as reported	\$ 96.3	\$ 61.5	\$ 117.3	\$ 121.9
Income tax expense, as reported	(34.3)	(15.9)	(42.8)	(36.9)
<b>Net income, as reported</b>	<b>\$ 62.0</b>	<b>\$ 45.6</b>	<b>\$ 74.5</b>	<b>\$ 85.1</b>
Adjustments:				
Total pretax adjustments to operating income	107.1	66.5	227.7	130.0
Pretax amortization of deferred financing costs & OID <sup>(1)</sup>	7.2	10.1	10.9	13.2
Pretax acquisition related interest <sup>(1)</sup>	—	5.3	—	5.3
Pretax loss on debt transactions <sup>(2)</sup>	9.9	—	9.9	—
Pretax gains on sale of equity investment <sup>(2)</sup>	(0.1)	(0.3)	(0.5)	(2.7)
Tax effects of adjustments and other tax items <sup>(3)</sup>	(41.4)	(32.4)	(83.4)	(54.5)
<b>Non-GAAP adjusted net income</b>	<b>\$ 144.7</b>	<b>\$ 94.8</b>	<b>\$ 239.1</b>	<b>\$ 176.3</b>
<b>Diluted EPS, as reported</b>	<b>\$ 0.32</b>	<b>\$ 0.24</b>	<b>\$ 0.38</b>	<b>\$ 0.44</b>
<b>Non-GAAP adjusted diluted EPS</b>	<b>\$ 0.74</b>	<b>\$ 0.49</b>	<b>\$ 1.22</b>	<b>\$ 0.91</b>

(1) Included in interest expense.

(2) Included in other income (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.

Note: Components may not sum to total due to rounding

See Description of Non-GAAP Financial Measures

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

**Sales by Segment**<sup>(1)</sup>

	Q2 2016	Q1 2016	Q2 2015	% Change	
				Sequential	YOY
Connectivity Solutions	778.0	687.0	352.1	13.2 %	121.0 %
Mobility Solutions	528.8	457.0	515.2	15.7 %	2.6 %
<b>Total Net Sales</b>	<b>\$ 1,306.8</b>	<b>\$ 1,144.0</b>	<b>\$ 867.3</b>	<b>14.2 %</b>	<b>50.7 %</b>

**Non-GAAP Adjusted Operating Income by Segment**<sup>(1)</sup>

	Q2 2016	Q1 2016	Q2 2015	% Change	
				Sequential	YOY
Connectivity Solutions	168.5	134.8	72.5	25.0 %	132.4 %
Mobility Solutions	122.5	76.6	103.5	59.9 %	18.4 %
<b>Total Non-GAAP Adjusted Operating Income</b>	<b>\$ 291.0</b>	<b>\$ 211.4</b>	<b>\$ 175.9</b>	<b>37.7 %</b>	<b>65.4 %</b>

(1) As of January 1, 2016, the Company began reporting in two operating segments: Connectivity Solutions and Mobility Solutions. All prior period amounts have been restated to reflect these operating segment changes.

Components may not sum to total due to rounding

See Description of Non-GAAP Financial Measures

**CommScope Holding Company, Inc.**  
**Pro Forma Sales**  
(Unaudited -- In millions)

**Pro Forma Sales**<sup>(1)</sup>

	Q1 2015	Q2 2015	Q3 2015	Q4 2015 <sup>(2)</sup>	Full Year 2015
Legacy CommScope	\$ 825.4	\$ 867.3	\$ 831.5	\$ 754.0	\$ 3,278.2
Legacy BNS	424.9	471.0	415.8	388.5	1,700.2
<b>Total Pro Forma Net Sales</b>	<b>\$ 1,250.3</b>	<b>\$ 1,338.3</b>	<b>\$ 1,247.3</b>	<b>\$ 1,142.5</b>	<b>\$ 4,978.4</b>

**Pro Forma Sales by Segment**<sup>(1)</sup>

	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Full Year 2015
Connectivity Solutions	\$ 717.6	\$ 781.2	\$ 750.4	\$ 671.5	\$ 2,920.7
Mobility Solutions	532.7	557.0	496.9	471.0	2,057.6
<b>Total Pro Forma Net Sales</b>	<b>\$ 1,250.3</b>	<b>\$ 1,338.3</b>	<b>\$ 1,247.3</b>	<b>\$ 1,142.5</b>	<b>\$ 4,978.4</b>

(1) As of January 1, 2016, the Company began reporting in two operating segments: Connectivity Solutions and Mobility Solutions. All prior period amounts have been restated to reflect these operating segment changes.

(2) As reported

Components may not sum to total due to rounding

See Description of Non-GAAP Financial Measures

The unaudited pro forma amounts are presented as though the BNS acquisition had been completed as of January 1, 2015. This pro forma information has not been prepared in accordance with U.S. generally accepted accounting principles. Accordingly, the pro forma financial information should not be relied upon as being indicative of the results that would have been realized.

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

**Second Quarter 2016 Non-GAAP Adjusted Operating Income Reconciliation by Segment**<sup>(1)</sup>

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	\$ 92.9	\$ 91.0	\$ 183.9
Amortization of purchased intangible assets	50.6	25.4	76.0
Restructuring costs, net	6.6	1.0	7.6
Equity-based compensation	5.3	4.1	9.4
Integration and transaction costs	13.5	1.0	14.5
Purchase accounting adjustments	(0.4)	—	(0.4)
<b>Non-GAAP adjusted operating income</b>	<b>\$ 168.5</b>	<b>\$ 122.5</b>	<b>\$ 291.0</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>21.7%</b>	<b>23.2%</b>	<b>22.3%</b>

**First Quarter 2016 Non-GAAP Adjusted Operating Income Reconciliation by Segment**<sup>(1)</sup>

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	\$ 50.0	\$ 40.7	\$ 90.7
Amortization of purchased intangible assets	48.2	25.4	73.6
Restructuring costs, net	1.1	5.0	6.1
Equity-based compensation	5.0	3.8	8.8
Asset impairments	15.3	—	15.3
Integration and transaction costs	14.1	1.8	15.9
Purchase accounting adjustments	1.0	—	1.0
<b>Non-GAAP adjusted operating income</b>	<b>\$ 134.8</b>	<b>\$ 76.6</b>	<b>\$ 211.4</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>19.6%</b>	<b>16.8%</b>	<b>18.5%</b>

**Second Quarter 2015 Non-GAAP Adjusted Operating Income Reconciliation by Segment**<sup>(1)</sup>

	Connectivity Solutions	Mobility Solutions	Total
<b>Operating income, as reported</b>	\$ 39.2	\$ 70.2	\$ 109.4
Amortization of purchased intangible assets	21.5	23.1	44.6
Restructuring costs, net	1.0	0.9	1.9
Equity-based compensation	4.6	5.5	10.1
Integration and transaction costs	6.1	3.8	9.9
<b>Non-GAAP adjusted operating income</b>	<b>\$ 72.5</b>	<b>\$ 103.5</b>	<b>\$ 175.9</b>
<b>Non-GAAP adjusted operating margin %</b>	<b>20.6%</b>	<b>20.1%</b>	<b>20.3%</b>

(1) As of January 1, 2016, the Company began reporting in two operating segments: Connectivity Solutions and Mobility Solutions. All prior period amounts have been restated to reflect these operating segment changes.

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>Q2 2016</u>	<u>Q2 2015</u>
Cash flow from operations	\$ 150.5	\$ 72.0
Integration and transaction costs	15.4	12.3
Redemption premium	9.9	—
Capital expenditures	(17.7)	(15.9)
Capex related to BNS integration	1.9	7.3
<b>Adjusted Free Cash Flow</b>	<b><u>\$ 160.0</u></b>	<b><u>\$ 75.7</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>Q2 2016</u>	<u>Q1 2016</u>	<u>Q4 2015</u>	<u>Q3 2015</u>	<u>Q2 2015</u>
Operating income (loss), as reported	\$ 183.9	\$ 90.7	\$ 21.6	\$ (42.5)	\$ 109.4
Amortization of purchased intangible assets	76.0	73.6	76.9	54.3	44.6
Restructuring costs, net	7.6	6.1	18.9	6.9	1.9
Equity-based compensation	9.4	8.8	7.6	5.7	10.1
Asset impairments	—	15.3	5.5	85.3	—
Integration and transaction costs	14.5	15.9	14.8	60.8	9.9
Purchase accounting adjustments	(0.4)	1.0	51.2	30.5	—
<b>Non-GAAP adjusted operating income</b>	<b><u>\$ 291.0</u></b>	<b><u>\$ 211.4</u></b>	<b><u>\$ 196.4</u></b>	<b><u>\$ 201.0</u></b>	<b><u>\$ 175.9</u></b>
<b>Non-GAAP adjusted operating margin %</b>	<b>22.3%</b>	<b>18.5%</b>	<b>17.2%</b>	<b>20.7%</b>	<b>20.3%</b>
Depreciation	20.4	19.6	21.9	15.6	11.5
<b>Non-GAAP adjusted EBITDA</b>	<b><u>\$ 311.4</u></b>	<b><u>\$ 231.1</u></b>	<b><u>\$ 218.2</u></b>	<b><u>\$ 216.6</u></b>	<b><u>\$ 187.4</u></b>

Components may not sum to total due to rounding

See Description of Non-GAAP Financial Measures

Note: Pro forma LTM adjusted EBITDA for June 2016 was \$1,015.8 million, which included the impact of the BNS and Airvana acquisitions (\$38.6 million) so that the impact of the acquisitions is fully reflected in the twelve-month period. See our Form 10-Q for further information.

**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 September 30, 2016</b>	<b>Full Year 2016</b>
<b>Operating income</b>	<b>\$166 - \$183</b>	<b>\$562 - \$597</b>
Adjustments:		
Amortization of purchased intangible assets	\$74	\$297
Equity-based compensation	\$9	\$36
Restructuring costs, integration costs and other <sup>(1)</sup>	\$16 - \$19	\$95 - \$105
Total adjustments to operating income	<u>\$99 - \$102</u>	<u>\$428 - \$438</u>
<b>Non-GAAP adjusted operating income</b>	<b><u>\$265 - \$285</u></b>	<b><u>\$990 - \$1,035</u></b>
<b>Diluted earnings per share</b>	<b>\$0.37 - \$0.39</b>	<b>\$0.91 - \$0.96</b>
Adjustments <sup>(2)</sup> :		
Total adjustments to operating income	\$0.33 - \$0.35	\$1.47 - \$1.51
Debt-related costs and other special items <sup>(3)</sup>	<u>\$(0.01) - \$0.00</u>	<u>\$0.04 - \$0.05</u>
<b>Non-GAAP adjusted diluted earnings per share</b>	<b><u>\$0.69 - \$0.74</u></b>	<b><u>\$2.42 - \$2.52</u></b>

(1) Reflects projections for restructuring costs, integration and transaction 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.