

August 4, 2022

Second Quarter 2022 Results



Important information

Caution Regarding Forward Looking Statements

This presentation or any other oral or written statements made by us or on our behalf may include forward-looking statements that reflect our current views with respect to future events and financial performance. These statements may discuss goals, intentions or expectations as to future plans, trends, events, results of operations or financial condition or otherwise, in each case, based on current beliefs and expectations of management, as well as assumptions made by, and information currently available to, management. These forward-looking statements are generally identified by their use of such terms and phrases as “intend,” “goal,” “estimate,” “expect,” “project,” “projections,” “plans,” “potential,” “anticipate,” “should,” “could,” “designed to,” “foreseeable future,” “believe,” “think,” “scheduled,” “outlook,” “target,” “guidance” and similar expressions, although not all forward-looking statements contain such terms. This list of indicative terms and phrases is not intended to be all-inclusive.

These forward-looking statements are subject to various risks and uncertainties, many of which are outside our control, including, without limitation, risks related to the successful execution of CommScope NEXT; changes in cost and availability of key raw materials, components and commodities and the potential effect on customer pricing and timing of delivery of products to customers; risks related to our ability to implement price increases on our products and services; risks associated with our dependence on a limited number of key suppliers for certain raw materials and components; potential difficulties in realigning global manufacturing capacity and capabilities among our global manufacturing facilities or those of our contract manufacturers that may affect our ability to meet customer demands for products; possible future restructuring actions; the risk that our manufacturing operations, including our contract manufacturers that we rely on, encounter capacity, production, quality, financial or other difficulties causing difficulty in meeting customer demands; substantial indebtedness and restrictive debt covenants; our ability to incur additional indebtedness; our ability to generate cash to service our indebtedness; the potential separation of the Home Networks business or any other potential separation, divestiture or discontinuance of a business or product line, including uncertainty regarding the timing of the separation, achieving the expected benefits and the potential disruption to the business; our ability to integrate and fully realize anticipated benefits from prior or future divestitures, acquisitions or equity investments; our dependence on customers’ capital spending on data and communication systems, which could be negatively impacted by a regional or global economic downturn, among other factors; concentration of sales among a limited number of customers and channel partners; risks associated with our sales through channel partners; changes to the regulatory environment in which we and our customers operate; changes in technology; industry competition and the ability to retain customers through product innovation, introduction, and marketing; possible future impairment charges for fixed or intangible assets, including goodwill; our ability to attract and retain qualified key employees; labor unrest; product quality or performance issues, including those associated with our suppliers or contract manufacturers, and associated warranty claims; our ability to maintain effective management information technology systems and to successfully implement major systems initiatives; cyber-security incidents, including data security breaches, ransomware or computer viruses; the use of open standards; the long-term impact of climate change; significant international operations exposing us to economic risks like variability in foreign exchange rates and inflation, as well as political and other risks, including the impact of wars, regional conflicts and terrorism; the potential impact of higher than normal inflation; our ability to comply with governmental anti-corruption laws and regulations and export and import controls and sanctions worldwide; our ability to compete in international markets due to export and import controls to which we may be subject; changes in the laws and policies in the United States affecting trade, including the risk and uncertainty related to tariffs or potential trade wars and potential changes to laws and policies, that may impact our products; cost of protecting or defending intellectual property; costs and challenges of compliance with domestic and foreign environmental laws; the impact of litigation and similar regulatory proceedings that we are involved in or may become involved in, including the costs of such litigation; the scope, duration and impact of disease outbreaks and pandemics, such as COVID-19, on our business including employees, sites, operations, customers, supply chain logistics and the global economy; income tax rate variability and ability to recover amounts recorded as deferred tax assets; and other factors beyond our control. These and other factors are discussed in greater detail in our 2021 Annual Report on Form 10-K and may be updated from time to time in our annual reports, quarterly reports, current reports and other filings we make with the Securities and Exchange Commission.

Although the information contained in this presentation represents our best judgment as of the date of this presentation based on information currently available and reasonable assumptions, we can give no assurance that the expectations will be attained or that any deviation will not be material. Given these uncertainties, we caution you not to place undue reliance on these forward-looking statements, which speak only as of the date made. We are not undertaking any duty or obligation to update this information to reflect developments or information obtained after the date of this presentation, except as otherwise may be required by law.

Description of Non-GAAP Financial Measures

CommScope management believes that presenting certain non-GAAP financial measures enhances an investor’s understanding of our financial performance. In addition, CommScope management believes that these non-GAAP financial measures are useful in assessing CommScope’s operating performance from period to period by excluding certain items that we believe are not representative of our core business. Non-GAAP measures are not a substitute for GAAP measures and should be considered together with the GAAP financial measures. As calculated, our non-GAAP measures may not be comparable to other similarly titled measures of other companies.

Second quarter results

- **Strong top-line growth** – Core⁽¹⁾ net sales of \$1.88 billion, growing 9% from prior year; Consolidated CommScope net sales of \$2.30 billion, growing 5% from prior year
- **Adjusted EBITDA** – Core⁽¹⁾ adjusted EBITDA of \$287 million⁽²⁾ and Consolidated CommScope adjusted EBITDA of \$300 million⁽²⁾
- **Margin recovery through pricing** – Core⁽¹⁾ adjusted EBITDA margin of 15.3% sequentially improved 200 basis points; expect margin recovery to continue through balance of 2022
- **Demand remains strong** – Core⁽¹⁾ backlog grew ~5% sequentially to \$3.8 billion. Core⁽¹⁾ book to bill of 1.1

*Driven by strength in CCS and NICS, we maintain the expectation to deliver
FY'22 Core Adjusted EBITDA between \$1.15 – 1.25 billion⁽²⁾*

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of CCS, OWN, NICS and ANS, in the aggregate. Core financial measures exclude the results of the Home segment.

(2) See appendix for reconciliation of non-GAAP adjusted measures.

Second quarter highlights & priorities

Sequential Core⁽¹⁾ COMM Improvement

(In \$ millions)	1Q'22	2Q'22	QoQ
Net Sales	\$1,733	\$1,876	+8%
Adj. EBITDA⁽²⁾	\$230	\$287	+25%
Adj. EBITDA Margin⁽²⁾	13.3%	15.3%	+200 bps

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of CCS, OWN, NICS and ANS, in the aggregate. Core financial measures exclude the results of the Home segment.

(2) See appendix for reconciliation of non-GAAP adjusted measures.

Core⁽¹⁾ CommScope 1H'22 Adj. EBITDA Contributions

	% of Core COMM 1H'22 Adj. EBITDA
CCS	52%
NICS	-6%
OWN	28%
ANS	26%
Core COMM	100%

CommScope NEXT Priorities

- Focus on driving organic growth, including investing in innovation
- Drive capacity expansion to support strong market demand in CCS
- Continued price recovery to offset inflation
- General management model to drive greater accountability, flexibility and operational efficiency

CommScope is well positioned to deliver on our transformation targets and create significant incremental shareholder value

Second quarter results

Consolidated CommScope (In \$millions, except per share amounts)				Core CommScope ⁽¹⁾ (In \$millions)			
	2Q'21 Results	2Q'22 Results	Y/Y Change		2Q'21 Results	2Q'22 Results	Y/Y Change
Net Sales	\$2,185	\$2,300	+5%	Net Sales	\$1,729	\$1,876	+9%
Adj. EBITDA⁽²⁾	\$308	\$300	-3%	Adj. EBITDA⁽²⁾	\$293	\$287	-2%
Adj. EBITDA Margin	14.1%	13.0%	-110 bps.	Adj. EBITDA Margin	17.0%	15.3%	-170 bps.
Adj. EPS⁽²⁾	\$0.43	\$0.41	-5%				

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of CCS, OWN, NICS and ANS, in the aggregate. Core financial measures exclude the results of the Home segment.

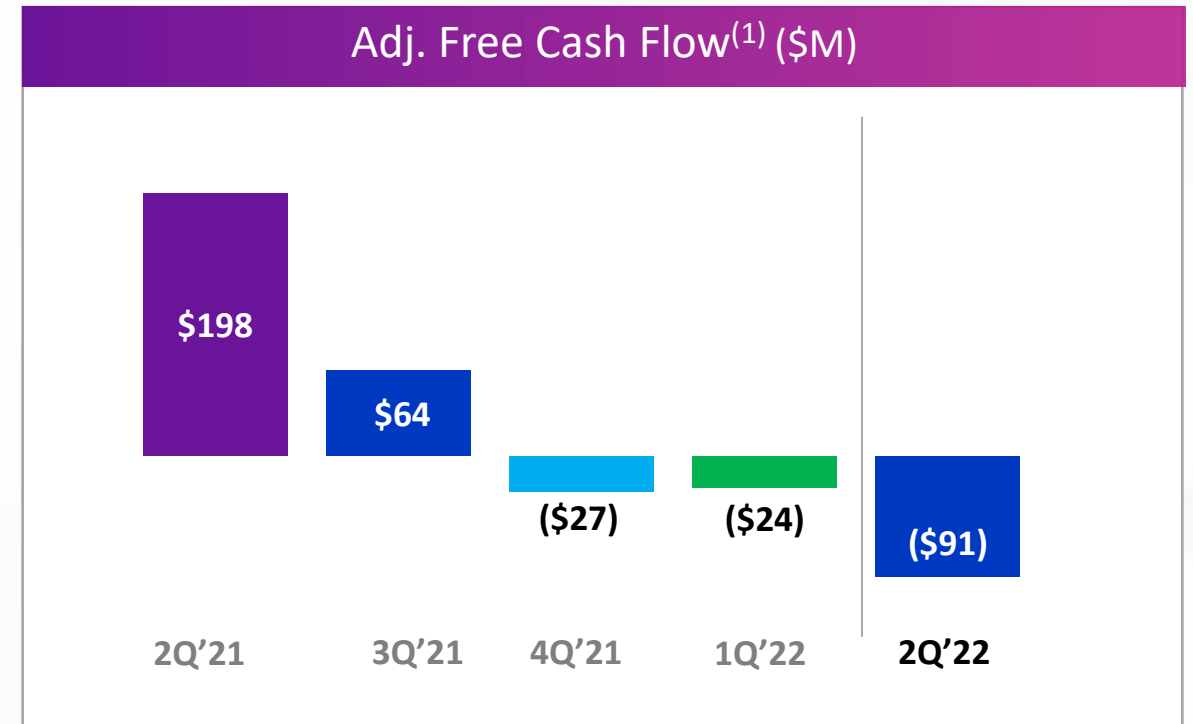
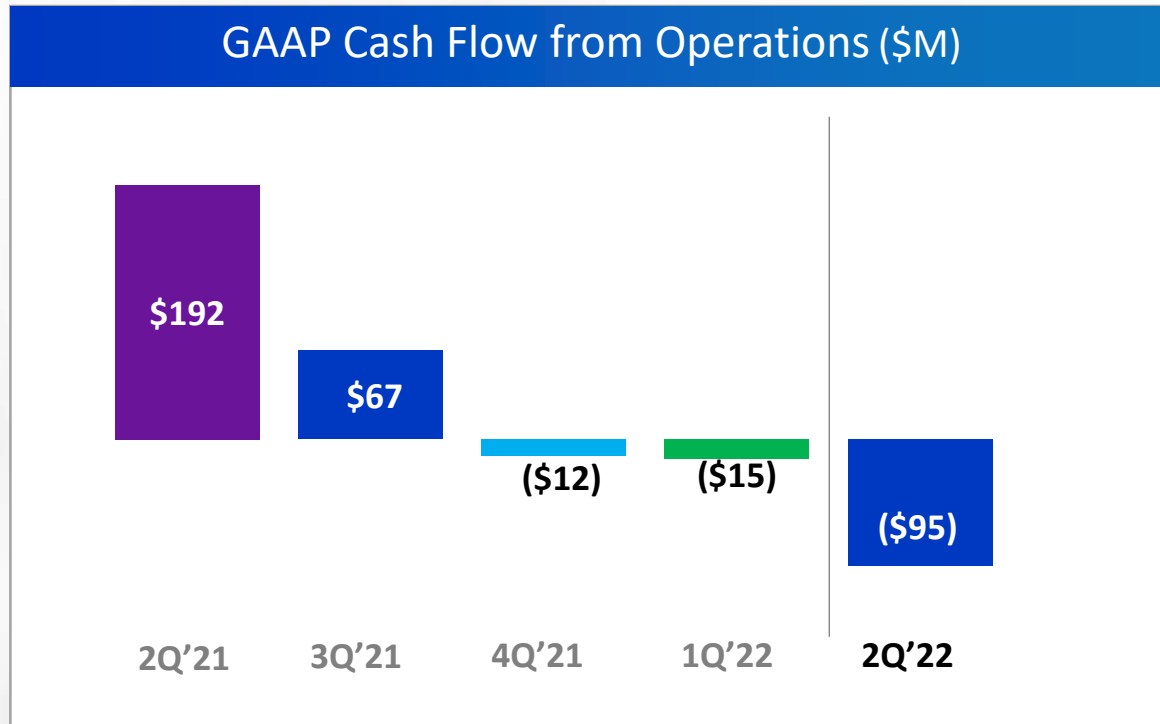
(2) See appendix for reconciliation of non-GAAP adjusted measures.

Second quarter segment highlights

Business Segment		Net Sales (\$M)		Y-Y%	Adj. EBITDA ⁽¹⁾ (\$M)		Y-Y%	Observations
		2Q'21	2Q'22		2Q'21	2Q'22		
CCS	Connectivity and Cable Solutions	\$783	\$987	+26%	\$125	\$169	+36%	<ul style="list-style-type: none"> Strong demand led by fiber Ramping capacity supporting top-line growth and operational leverage Price increases partially offset inflation impacts; expected to continue recovery throughout 2H'22
NICS	Networking, Intelligent Cellular and Security Solutions	\$224	\$205	-8%	\$5	\$(15)	-\$20 Million	<ul style="list-style-type: none"> Strong order growth with 2Q'22 book to bill of 1.9 Ruckus & ICN net sales significantly impacted by chip availability R&D intensive; investing heavily in RUCKUS and ONECELL to drive future growth Expect positive EBITDA through 2H'22
OWN	Outdoor Wireless Networks	\$360	\$391	+9%	\$80	\$75	-5%	<ul style="list-style-type: none"> Growth led by Integrated Solutions and price Margins decline given inflated costs and mix change towards site prep; expect 2H'22 margins to improve sequentially
ANS	Access Network Solutions	\$362	\$293	-19%	\$85	\$58	-32%	<ul style="list-style-type: none"> Declines across all businesses driven by post-pandemic normalization Constrained on supply due to chip and other components Margin shifting towards more edge-hardware centric products Project timing remains important – weighted towards 2H'22, particularly 4Q'22
HN	Home Networks	\$457	\$424	-7%	\$15	\$13	-12%	<ul style="list-style-type: none"> Growth in Broadband Gateway CPE offset by declines in Video CPE Remain constrained by chip supply Spin off remains on hold

(1) See appendix for reconciliation of non-GAAP adjusted measures.

Cash flow update

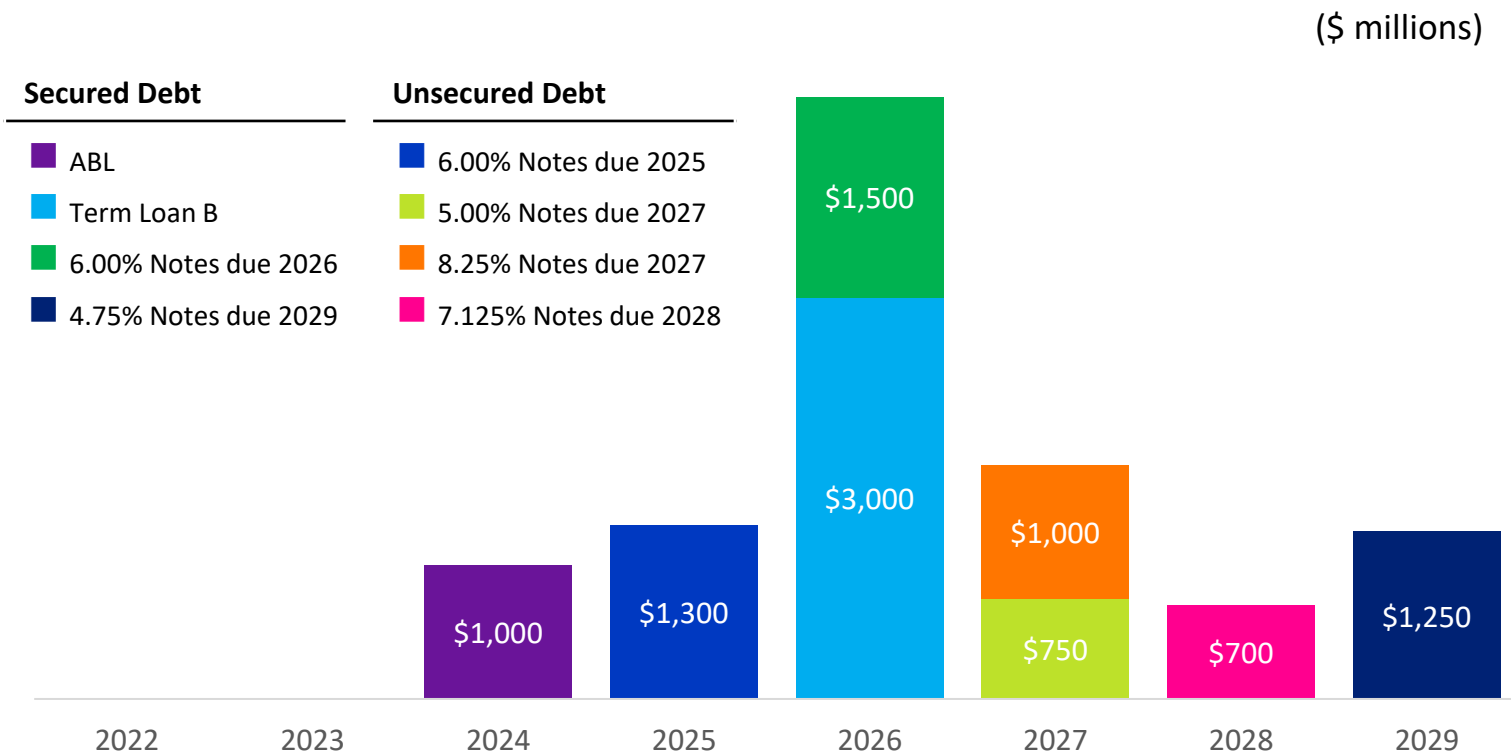


- Second quarter working capital impacted by top-line growth and higher inventory related to strong order flow and supply chain disruptions
- Expect cash flow generation to improve in 2H'22, weighted towards the end of the year, but working capital to continue to be a use of cash to fund growing business

(1) See appendix for reconciliation of non-GAAP adjusted measures. Adjusted free cash flow is defined as free cash flow excluding cash paid for restructuring costs, transaction, transformation and integration costs and capital expenditures.

Strong liquidity & balance sheet management

Debt Maturities (as of 6/30/22)



Required TLB amortization payments (\$16mm for 2022 and \$32mm annually for 2023-2025) are not shown.

Debt balances do not reflect unamortized OID or deferred financing fees.

(1) Net leverage based on pro forma Adj. EBITDA of approximately \$1.2 billion (including \$86 million of annualized savings expected from cost reduction initiatives). The Carlyle investment is characterized as equity. The ratio of net debt plus preferred equity to pro forma Adj. EBITDA is ~9.1x.

Cash & liquidity remain strong

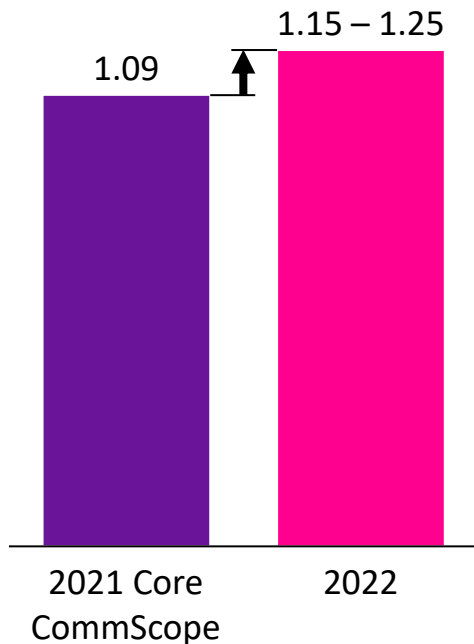
- Ended the quarter with available liquidity of ~\$900 million
- \$50 million outstanding in ABL revolver draws as of 6/30/22

Leverage ⁽¹⁾

- 8.1x net leverage as of 6/30/22
- Remain on track to reduce net leverage within the range of 6.8x – 7.2x by 12/31/22

Full year 2022 expectations

Core Adj. EBITDA⁽¹⁾ (\$ B)



Reiterate targets set during December's Strategic Transformation Update

- On track to deliver Core CommScope Adj. EBITDA in the range of \$1.15 - \$1.25 billion

Expect sequential improvement in 2H'22 Core Adj. EBITDA

- Capacity investments continue to ramp through the balance of the year
- GM model and re-segmentation to drive efficiencies and improved profitability
- Margins expected to continue improving through 2H'22 as pricing works through backlog to offset inflation

On track to deliver FY'22 target but quarter-to-quarter results will continue to be non-linear

(1) See appendix for reconciliation of non-GAAP adjusted measures.



Closing Remarks



Chuck Treadway
President and Chief Executive Officer

COMMSCOPE®

now meets next

Q&A

Second Quarter 2022 Results

COMMSCOPE®

Appendix

Statements of Operations

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Net sales	\$ 2,300.2	\$ 2,185.3	\$ 4,528.8	\$ 4,257.3
Cost of sales	1,617.0	1,512.0	3,209.3	2,911.8
Gross profit	683.2	673.3	1,319.5	1,345.5
Operating expenses:				
Selling, general and administrative	277.2	302.3	563.2	595.0
Research and development	165.4	176.3	336.1	347.8
Amortization of purchased intangible assets	139.0	154.2	279.7	308.9
Restructuring costs, net	38.5	58.9	50.6	103.3
Total operating expenses	620.1	691.7	1,229.6	1,355.0
Operating income (loss)	63.1	(18.4)	89.9	(9.5)
Other income, net	1.0	1.5	1.0	2.5
Interest expense	(140.1)	(138.0)	(276.6)	(275.5)
Interest income	0.5	0.5	1.2	1.0
Loss before income taxes	(75.5)	(154.4)	(184.5)	(281.5)
Income tax (expense) benefit	14.5	0.6	(16.4)	30.1
Net loss	(61.0)	(153.8)	(200.9)	(251.4)
Series A convertible preferred stock dividends	(14.7)	(14.3)	(29.2)	(28.7)
Net loss attributable to common stockholders	\$ (75.7)	\$ (168.1)	\$ (230.1)	\$ (280.1)
Loss per share:				
Basic	\$ (0.36)	\$ (0.82)	\$ (1.11)	\$ (1.38)
Diluted (a)	\$ (0.36)	\$ (0.82)	\$ (1.11)	\$ (1.38)
Weighted average shares outstanding:				
Basic	207.6	204.1	206.5	202.9
Diluted (a)	207.6	204.1	206.5	202.9
(a) Calculation of diluted loss per share:				
Net loss (basic and diluted)	\$ (75.7)	\$ (168.1)	\$ (230.1)	\$ (280.1)
Weighted average shares (basic)	207.6	204.1	206.5	202.9
Dilutive effect of equity-based awards	—	—	—	—
Denominator (diluted)	207.6	204.1	206.5	202.9

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

Balance Sheets

CommScope Holding Company, Inc.
Condensed Consolidated Balance Sheets
(In millions, except share amounts)

	Unaudited June 30, 2022	December 31, 2021
Assets		
Cash and cash equivalents	\$ 229.3	\$ 360.3
Accounts receivable, less allowance for doubtful accounts of \$61.6 and \$63.7, respectively	1,595.0	1,532.6
Inventories, net	1,563.4	1,435.8
Prepaid expenses and other current assets	245.3	251.0
Total current assets	3,633.0	3,579.7
Property, plant and equipment, net of accumulated depreciation of \$822.0 and \$787.4, respectively	630.8	656.3
Goodwill	5,186.3	5,231.7
Other intangible assets, net	2,737.0	3,027.3
Other noncurrent assets	752.3	764.5
Total assets	\$ 12,939.4	\$ 13,259.5
Liabilities and Stockholders' Deficit		
Accounts payable	\$ 1,183.6	\$ 1,160.7
Accrued and other liabilities	948.0	989.8
Current portion of long-term debt	32.0	32.0
Total current liabilities	2,163.6	2,182.5
Long-term debt	9,524.1	9,478.5
Deferred income taxes	191.1	208.2
Other noncurrent liabilities	446.8	490.8
Total liabilities	12,325.6	12,360.0
Commitments and contingencies		
Series A convertible preferred stock, \$0.01 par value	1,085.4	1,056.1
Stockholders' deficit:		
Preferred stock, \$0.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: 1,085,386 and 1,056,144, respectively, Series A convertible preferred stock	—	—
Common stock, \$0.01 par value: Authorized shares: 1,300,000,000; Issued and outstanding shares: 208,162,986 and 204,567,294, respectively	2.2	2.2
Additional paid-in capital	2,540.4	2,540.7
Accumulated deficit	(2,416.2)	(2,215.3)
Accumulated other comprehensive loss	(306.3)	(206.4)
Treasury stock, at cost: 12,634,352 shares and 10,970,585 shares, respectively	(291.7)	(277.8)
Total stockholders' deficit	(471.6)	(156.6)
Total liabilities and stockholders' deficit	\$ 12,939.4	\$ 13,259.5

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

Statements of Cash Flows

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2022	2021	2022	2021
Operating Activities:				
Net loss	\$ (61.0)	\$ (153.8)	\$ (200.9)	\$ (251.4)
Adjustments to reconcile net loss to net cash generated by (used in) operating activities:				
Depreciation and amortization	176.1	193.6	356.3	392.8
Equity-based compensation	12.3	16.4	28.9	40.0
Deferred income taxes	(28.5)	(27.7)	(26.2)	(81.1)
Changes in assets and liabilities:				
Accounts receivable	(25.9)	(9.7)	(86.4)	(173.9)
Inventories	(77.7)	(54.2)	(151.4)	(64.9)
Prepaid expenses and other assets	(27.5)	28.3	2.1	32.3
Accounts payable and other liabilities	(52.3)	192.9	(28.8)	169.0
Other	(10.1)	5.8	(2.7)	4.8
Net cash generated by (used in) operating activities	(94.6)	191.6	(109.1)	67.6
Investing Activities:				
Additions to property, plant and equipment	(27.7)	(33.8)	(55.1)	(60.2)
Proceeds from sale of property, plant and equipment	—	0.3	—	1.3
Payments upon settlement of net investment hedge	—	(18.0)	—	(18.0)
Other	4.5	—	15.9	—
Net cash used in investing activities	(23.2)	(51.5)	(39.2)	(76.9)
Financing Activities:				
Long-term debt repaid	(83.0)	(8.0)	(176.0)	(16.0)
Long-term debt proceeds	125.0	—	210.0	—
Dividends paid on Series A convertible preferred stock	—	(14.3)	—	(28.7)
Proceeds from the issuance of common shares under equity-based compensation plans	—	—	—	3.9
Tax withholding payments for vested equity-based compensation awards	(3.4)	(0.3)	(14.0)	(24.6)
Other	0.1	—	1.4	—
Net cash generated by (used in) financing activities	38.7	(22.6)	21.4	(65.4)
Effect of exchange rate changes on cash and cash equivalents	(6.3)	2.8	(4.1)	(1.0)
Change in cash and cash equivalents	(85.4)	120.3	(131.0)	(75.7)
Cash and cash equivalents at beginning of period	314.7	325.9	360.3	521.9
Cash and cash equivalents at end of period	\$ 229.3	\$ 446.2	\$ 229.3	\$ 446.2

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

Adjusted EBITDA and Adjusted Net Income Reconciliation

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

	Three Months Ended March 31, 2022	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2022	2021	2022	2021
Net loss, as reported	\$ (139.9)	\$ (61.0)	\$ (153.8)	\$ (200.9)	\$ (251.4)
Income tax expense (benefit)	30.9	(14.5)	(0.6)	16.4	(30.1)
Interest income, as reported	(0.7)	(0.5)	(0.5)	(1.2)	(1.0)
Interest expense, as reported	136.5	140.1	138.0	276.6	275.5
Other income, as reported	—	(1.0)	(1.5)	(1.0)	(2.5)
Operating income (loss), as reported	\$ 26.8	\$ 63.1	\$ (18.4)	\$ 89.9	\$ (9.5)
Adjustments:					
Amortization of purchased intangible assets	140.7	139.0	154.2	279.7	308.9
Restructuring costs, net	12.1	38.5	58.9	50.6	103.3
Equity-based compensation	16.5	12.3	16.4	28.9	40.0
Transaction, transformation and integration costs	15.6	14.9	21.0	30.5	36.7
Acquisition accounting adjustments	2.0	1.8	3.0	3.6	6.2
Patent claims and litigation settlements	1.2	1.0	40.0	2.2	41.5
Reserve for Russian accounts receivable	5.4	(1.7)	—	3.8	—
Depreciation	33.0	30.7	32.6	63.7	70.3
Total adjustments to operating income (loss)	226.5	236.5	326.1	463.0	606.9
Non-GAAP adjusted EBITDA	\$ 253.3	\$ 299.6	\$ 307.7	\$ 552.9	\$ 597.4
Net loss, as reported	\$ (139.9)	\$ (61.0)	\$ (153.8)	\$ (200.9)	\$ (251.4)
Adjustments:					
Total pretax adjustments to adjusted EBITDA	193.5	205.8	293.5	399.3	536.6
Pretax amortization of debt issuance costs and OID ⁽¹⁾	6.4	6.4	6.7	12.9	13.5
Tax effects of adjustments and other tax items ⁽²⁾	4.5	(50.8)	(40.7)	(46.4)	(104.5)
Non-GAAP adjusted net income	\$ 64.4	\$ 100.5	\$ 105.7	\$ 164.9	\$ 194.0
GAAP EPS, as reported ⁽³⁾	\$ (0.75)	\$ (0.36)	\$ (0.82)	\$ (1.11)	\$ (1.38)
Non-GAAP adjusted diluted EPS ⁽⁴⁾	\$ 0.26	\$ 0.41	\$ 0.43	\$ 0.67	\$ 0.79

(1) Included in interest expense.

(2) 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.

(3) For all periods presented, GAAP EPS was calculated using net loss attributable to common stockholders in the numerator, which includes the impact of the Series A convertible preferred stock dividend.

(4) Diluted shares used in the calculation of non-GAAP adjusted diluted EPS are 247.4 million for the three months ended March 31, 2022, 247.6 million and 246.3 million for the three months ended June 30, 2022 and 2021, respectively, and 247.5 million and 246.2 million for the six months ended June 30, 2022 and 2021, respectively.

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

Sales by Region

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

Sales by Region

	<u>Q2 2022</u>	<u>Q1 2022</u>	<u>Q2 2021</u>	<u>% Change Sequential</u>	<u>% Change YOY</u>
United States	\$ 1,424.3	\$ 1,347.1	\$ 1,254.2	5.7 %	13.6 %
Europe, Middle East and Africa	378.4	406.4	408.8	(6.9)	(7.4)
Asia Pacific	223.1	203.4	244.1	9.7	(8.6)
Caribbean and Latin America	150.4	162.3	190.3	(7.3)	(21.0)
Canada	124.0	109.4	87.9	13.3	41.1
Total net sales	<u>\$ 2,300.2</u>	<u>\$ 2,228.6</u>	<u>\$ 2,185.3</u>	3.2 %	5.3 %

Sales and Adjusted EBITDA by Segment

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

Segment Net Sales

	Q2 2022	Q1 2022	Q2 2021	% Change Sequential	% Change YOY
Connectivity and Cable Solutions	\$ 986.7	\$ 838.0	\$ 783.4	17.7 %	26.0 %
Outdoor Wireless Networks	390.9	390.1	360.1	0.2	8.6
Networking, Intelligent Cellular and Security Solutions	205.4	188.0	223.7	9.3	(8.2)
Access Network Solutions	293.3	316.8	361.6	(7.4)	(18.9)
Core net sales ⁽¹⁾	1,876.3	1,732.9	1,728.8	8.3	8.5
Home Networks	423.9	495.7	456.5	(14.5)	(7.1)
Total net sales	\$ 2,300.2	\$ 2,228.6	\$ 2,185.3	3.2 %	5.3 %

Segment Adjusted EBITDA ⁽²⁾

	Q2 2022	Q1 2022	Q2 2021	% Change Sequential	% Change YOY
Connectivity and Cable Solutions	\$ 169.0	\$ 98.6	\$ 124.5	71.4 %	35.7 %
Outdoor Wireless Networks	75.3	71.0	79.6	6.1	(5.4)
Networking, Intelligent Cellular and Security Solutions	(15.3)	(13.8)	4.5	10.9	(440.0)
Access Network Solutions	57.8	74.2	84.5	(22.1)	(31.6)
Core adjusted EBITDA ⁽¹⁾	286.8	230.0	293.1	24.7	(2.1)
Home Networks	12.8	23.3	14.6	(45.1)	(12.3)
Total segment adjusted EBITDA	\$ 299.6	\$ 253.3	\$ 307.7	18.3 %	(2.6) %

(1) "Core" financial measures reflect the results of the Connectivity and Cable Solutions, Outdoor Wireless Networks, Networking, Intelligent Cellular and Security Solutions and Access Network Solutions segments, in the aggregate. Core financial measures exclude the results of our Home Networks segment.

(2) See Description of Non-GAAP Financial Measures

Adjusted EBITDA Reconciliation by Segment

CommScope Holding Company, Inc.
Reconciliation of GAAP to Segment Adjusted EBITDA
(Unaudited -- In millions)

Second Quarter 2022 Segment Adjusted EBITDA Reconciliation

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
Operating income (loss), as reported	\$ 111.7	\$ 43.5	\$ (43.7)	\$ (25.7)	\$ (22.7)	\$ 63.1
Amortization of purchased intangible assets	27.4	8.2	15.2	62.0	26.2	139.0
Restructuring costs, net	10.3	17.3	5.8	4.8	0.3	38.5
Equity-based compensation	3.0	1.4	2.7	3.2	2.0	12.3
Transaction, transformation and integration costs	3.5	1.5	1.0	7.4	1.6	14.9
Acquisition accounting adjustments	—	—	0.5	0.8	0.4	1.8
Patent claims and litigation settlements	—	—	—	—	1.0	1.0
Reserve for Russian accounts receivable	(1.2)	(0.1)	(0.3)	—	—	(1.7)
Depreciation	14.3	3.6	3.5	5.4	3.9	30.7
Segment adjusted EBITDA	\$ 169.0	\$ 75.3	\$ (15.3)	\$ 57.8	\$ 12.8	\$ 299.6
Segment adjusted EBITDA % of sales	17.1%	19.3%	(7.4%)	19.7%	3.0%	13.0%

First Quarter 2022 Segment Adjusted EBITDA Reconciliation

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
Operating income (loss), as reported	\$ 37.3	\$ 52.9	\$ (43.0)	\$ (6.6)	\$ (13.8)	\$ 26.8
Amortization of purchased intangible assets	29.4	8.1	15.5	61.7	26.0	140.7
Restructuring costs, net	2.9	2.2	3.6	2.6	0.8	12.1
Equity-based compensation	4.0	1.9	3.6	4.2	2.9	16.5
Transaction, transformation and integration costs	4.4	1.8	1.2	5.5	2.6	15.6
Acquisition accounting adjustments	—	—	0.6	0.8	0.4	2.0
Patent claims and litigation settlements	1.6	—	—	—	(0.4)	1.2
Reserve for Russian accounts receivable	4.9	0.1	0.4	—	—	5.4
Depreciation	14.0	3.8	4.4	6.0	4.8	33.0
Segment adjusted EBITDA	\$ 98.6	\$ 71.0	\$ (13.8)	\$ 74.2	\$ 23.3	\$ 253.3
Segment adjusted EBITDA % of sales	11.8%	18.2%	(7.3%)	23.4%	4.7%	11.4%

Second Quarter 2021 Segment Adjusted EBITDA Reconciliation

	Connectivity and Cable Solutions	Outdoor Wireless Networks	Networking, Intelligent Cellular and Security Solutions	Access Network Solutions	Home Networks	Total
Operating income (loss), as reported	\$ 5.6	\$ 63.4	\$ (21.7)	\$ (12.3)	\$ (53.4)	\$ (18.4)
Amortization of purchased intangible assets	40.2	8.3	18.0	61.7	26.0	154.2
Restructuring costs (credits), net	57.3	0.5	(2.6)	1.8	1.9	58.9
Equity-based compensation	4.1	1.8	3.6	4.3	2.8	16.4
Transaction, transformation and integration costs	3.9	1.8	1.3	2.0	11.8	21.0
Acquisition accounting adjustments	—	—	1.3	1.2	0.5	3.0
Patent claims and litigation settlements	—	—	—	20.0	20.0	40.0
Depreciation	13.3	3.8	4.5	5.9	5.1	32.6
Segment adjusted EBITDA	\$ 124.5	\$ 79.6	\$ 4.5	\$ 84.5	\$ 14.6	\$ 307.7
Segment adjusted EBITDA % of sales	15.9%	22.1%	2.0%	23.4%	3.2%	14.1%

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

Adjusted Free Cash Flow Reconciliation

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

Adjusted Free Cash Flow

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Cash flow from operations	\$ 191.6	\$ 67.1	\$ (12.4)	\$ (14.6)	\$ (94.6)
Capital expenditures	(33.8)	(36.0)	(35.1)	(27.4)	(27.7)
Free cash flow	157.8	31.1	(47.5)	(42.0)	(122.3)
Transaction, transformation and integration costs	15.2	26.3	16.9	10.0	13.0
Restructuring costs, net	24.8	6.9	3.7	7.9	18.7
Adjusted free cash flow	\$ 197.8	\$ 64.3	\$ (26.9)	\$ (24.1)	\$ (90.6)

See Description of Non-GAAP Financial Measures

Adjusted Gross Profit and Adjusted Operating Expense Reconciliations

CommScope Holding Company, Inc.
Quarterly Adjusted Gross Profit and Adjusted Operating Expense
(Unaudited -- In millions)

GAAP to Non-GAAP Adjusted Gross Profit

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Gross profit, as reported	\$ 673.3	\$ 653.0	\$ 685.8	\$ 636.3	\$ 683.2
Equity-based compensation	2.7	3.5	3.0	2.2	1.6
Acquisition accounting adjustments	3.0	2.8	2.4	2.0	1.8
Patent claims and litigation settlements	40.0	5.0	(14.8)	1.2	1.0
Adjusted gross profit	\$ 719.0	\$ 664.3	\$ 676.4	\$ 641.7	\$ 687.6
Adjusted gross profit as % of sales	32.9%	31.6%	30.4%	28.8%	29.9%

GAAP to Non-GAAP Adjusted Operating Expense

	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Selling, general and administrative, as reported	\$ 302.3	\$ 314.3	\$ 324.6	\$ 286.0	\$ 277.2
Research and development, as reported	176.3	167.8	167.6	170.7	165.4
Operating expenses	\$ 478.6	\$ 482.1	\$ 492.2	\$ 456.7	\$ 442.6
Equity-based compensation	13.7	17.5	15.6	14.3	10.7
Transaction, transformation and integration costs	21.0	26.2	27.6	11.8	14.9
Reserve (recovery) of Russian accounts receivable	—	—	—	5.4	(1.7)
Adjusted operating expense	\$ 443.9	\$ 438.4	\$ 449.0	\$ 425.2	\$ 418.7
Adjusted operating expense as % of sales	20.3%	20.8%	20.2%	18.9%	18.2%

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

Outlook Core Segment Adjusted EBITDA Reconciliation

CommScope Holding Company, Inc.
Reconciliation of GAAP Measures to Non-GAAP Adjusted Measures
(Unaudited -- In millions)

	Outlook Range	
	2022	
Core segment operating income ⁽¹⁾	\$ 457	\$ 525
Adjustments:		
Amortization of purchased intangible assets	442	442
Equity-based compensation	50	55
Restructuring costs, net and transaction, transformation and integration costs	85	110
Acquisition accounting adjustments	5	6
Depreciation	111	112
Total adjustments to core operating income ⁽¹⁾	693	725
Core segment adjusted EBITDA	\$ 1,150	\$ 1,250

(1) "Core" financial measures reflect the results of the Connectivity and Cable Solutions, Outdoor Wireless Networks, Networking, Intelligent Cellular and Security Solutions and Access Network Solutions segments, in the aggregate. Core financial measures exclude the results and performance of the Home Networks segment.

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, transformation 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.