

November 4, 2021

Third Quarter 2021 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 planned spin-off of the Home Networks business, including uncertainty regarding whether such transaction will be commenced or completed and the timing and value of such transaction; risks related to the potential separation of the Home Networks business; our ability to integrate and fully realize anticipated benefits from prior or future divestitures, acquisitions or equity investments; selling or discontinuing one or more of our product lines; 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; our dependence on customers’ capital spending on data and communication systems; concentration of sales among a limited number of customers and channel partners; changes in technology; industry competition and the ability to retain customers through product innovation, introduction, and marketing; risks associated with our sales through channel partners; changes to the regulatory environment in which we and our customers operate; product quality or performance issues 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 risk our global manufacturing operations suffer production or shipping delays, causing difficulty in meeting customer demands; the risk that internal production capacity or that of contract manufacturers may be insufficient to meet customer demand or quality standards; the use of open standards; the long-term impact of climate change; changes in cost and availability of key raw materials, components and commodities and the potential effect on customer pricing; risks associated with our dependence on a limited number of key suppliers for certain raw materials and components; the risk that contract manufacturers we rely on encounter production, quality, financial or other difficulties; substantial indebtedness and restrictive debt covenants; our ability to incur additional indebtedness; our ability to generate cash to service our indebtedness; possible future impairment charges for fixed or intangible assets, including goodwill; income tax rate variability and ability to recover amounts recorded as deferred tax assets; our ability to attract and retain qualified key employees; labor unrest; obligations under our defined benefit employee benefit plans requiring plan contributions in excess of current estimates; significant international operations exposing us to economic, political and other risks, including the impact of variability in foreign exchange rates; our ability to comply with governmental anti-corruption laws and regulations and export and import controls 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 a potential global trade war and potential changes to laws and policies as a result of a new administration in the United States, 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 and the global economy; risks associated with stockholder activism, which could cause us to incur significant expense, hinder execution of our business strategy and impact the trading value of our securities; and other factors beyond our control. These and other factors are discussed in greater detail in our 2020 Annual Report on Form 10-K and in Part II, Item 1A, “Risk Factors” of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021, 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.

Use 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.

Third quarter highlights

Core CommScope

Broadband Networks, Venue and Campus Networks, Outdoor Wireless Networks

- **Broadband Networks**
Continued cabling and connectivity growth; cable network wins on next-gen architectures, spending in network edge and headend through licenses to support new spectrum & bandwidth
- **Venue and Campus Networks**
Continued strength in copper and fiber cabling infrastructure and data center spending
- **Outdoor Wireless Networks**
North American carrier demand ramping; focus continues on site preparation

Home Networks

- Semiconductor shortage continues to impact ability to serve demand
- Large and growing backlog positions business well for supply chain recovery; optimized cost structure enables profitability for ensuing demand
- Progress toward creating standalone organization structures ahead of planned spin-off

Demand remains strong across entire portfolio, but significant impacts from supply chain headwinds

Third quarter results

Consolidated CommScope

(In \$millions, except per share amounts)

	3Q'20 Results	3Q'21 Results	Y/Y Change
Net Sales ⁽²⁾	\$2,168	\$2,105	-3%
Adj. EBITDA ⁽³⁾	\$342	\$259	-24%
Adj. EBITDA Margin ⁽³⁾	15.8%	12.3%	-350 bps.
Adj. EPS ⁽³⁾	\$0.51	\$0.29	-43%

Core CommScope⁽¹⁾

(In \$millions)

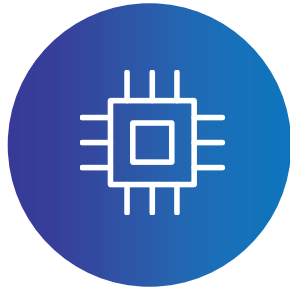
	3Q'20 Results	3Q'21 Results	Y/Y Change
Net Sales ⁽²⁾	\$1,595	\$1,690	+6%
Adj. EBITDA ⁽³⁾	\$312	\$275	-12%
Adj. EBITDA Margin ⁽³⁾	19.5%	16.2%	-330 bps.

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of the Broadband Networks, Outdoor Wireless Networks and Venue and Campus Networks segments, in the aggregate. Core financial measures exclude the results of the Home Networks segment.

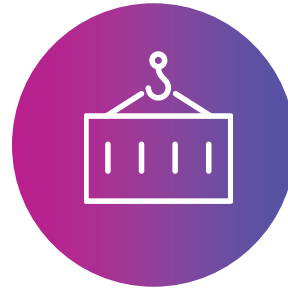
(2) Net sales as presented for 3Q'21 and 3Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$2.8 million and \$5.1 million, respectively.

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

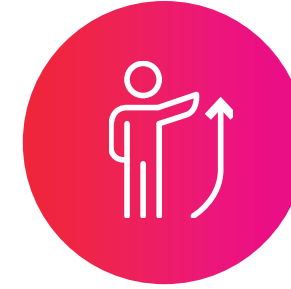
Supply chain Impacts



Global semiconductor chip shortage



Rise in freight rates & lane congestion



Commodity inflation (copper, resins, steel, etc.)

Net Sales Impact

- Semiconductor and other component shortages estimated to impact full year net sales by ~\$600 million
 - ~\$340 million net sales impact attributed to Home Networks
 - ~\$260 million net sales impact attributed to Core CommScope

Inflation and Freight Impact

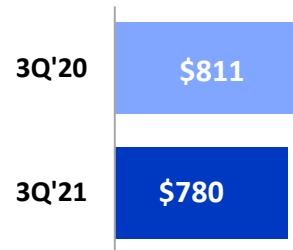
- Higher input costs (copper, resins, steel, etc.) and increased freight costs reduced third quarter consolidated adjusted EBITDA by ~\$80 million and Core CommScope by ~\$70 million

Pricing and cost optimization actions are underway to mitigate inflationary effects

Broadband Networks

Financial Highlights

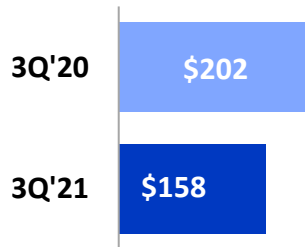
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: -4%

- Net sales declines primarily driven by North America and Asia Pacific regions
- Growth within Network Cable & Connectivity offset by declines in Access Technologies and Converged Network Solutions

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: -22%

- Adjusted EBITDA declines driven by higher input and freight costs and lower sales volume

Business Highlights

- Continued strength in order entry and growing backlog
- Growing operator interest and deployment of next-gen architectures for DAA
 - GCI deploys Remote MACPHY Device
 - Liberty Global selects High-Density Remote PHY Shelf
 - Remote MACPHY Device win in Central America
- Capacity investments in fiber and connectivity to continue coming online for the coming quarters
- Working with Cable Operators to improve internet customer experience with Low Latency DOCSIS solutions in 2022
- Expect to be in market with XGS-PON solution by 1H'22

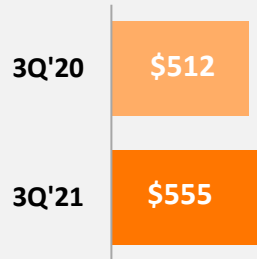
(1) Net sales as presented for 3Q'21 and 3Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$1.2 million and \$2.8 million, respectively.

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

Venue and Campus Networks

Financial Highlights

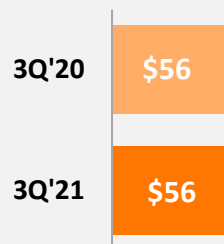
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: +8%

- Net sales growth across all regions
- Growth driven by indoor copper and fiber

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: +1%

- Adjusted EBITDA growth primarily due to higher sales volume and pricing, partially offset by higher input and freight costs

Business Highlights

- Copper and Fiber growth fueled by normalizing infrastructure spend, government stimulus projects, and price increases
- Growth in multi-tenant, enterprise, and hyperscale data centers
- DAS continued engagement for 5G mid-band venue upgrades through ERA
- ONECELL growing momentum for LTE deployments and 5G developments. Rising engagement for private wireless and public networks
- RUCKUS mix shift to Wi-Fi 6, hospitality recovery and strong growth from multiple dwelling unit and education verticals

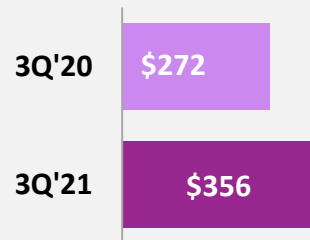
(1) Net sales as presented for 3Q'21 and 3Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$1.0 million and \$1.7 million, respectively.

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

Outdoor Wireless Networks

Financial Highlights

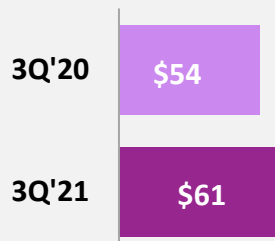
Net Sales (\$M)



Y-Y% Change: +31%

- Net sales growth across all regions except Caribbean and Latin America
- Growth driven by Macro Tower Solutions

Adj. EBITDA⁽¹⁾ (\$M)



Y-Y% Change: +13%

- Adjusted EBITDA growth primarily driven by higher sales volume, partially offset higher input and freight costs

Business Highlights

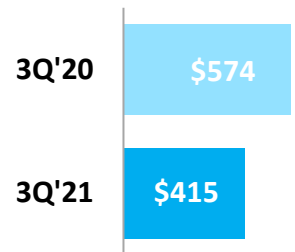
- North America 5G activity beginning to ramp; focus remains on site preparation
- Strong backlog and visibility into 2022
- Base station antenna win at major European operator and continued traction in Japanese market
- Growing interest in active/passive hybrid antenna solutions

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

Home Networks

Financial Highlights

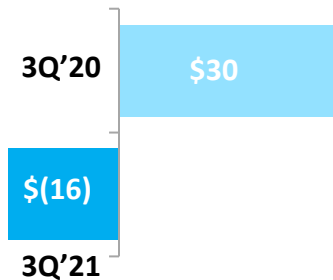
Net Sales⁽¹⁾ (\$M)



Y-Y% Change: -28%

- Net sales declines across all regions except Asia Pacific
- Declines in both video and broadband gateways

Adj. EBITDA⁽²⁾ (\$M)



Y-Y% Change: Not Meaningful

- Adjusted EBITDA declines driven by lower sales volumes, higher input costs and bad debt expense

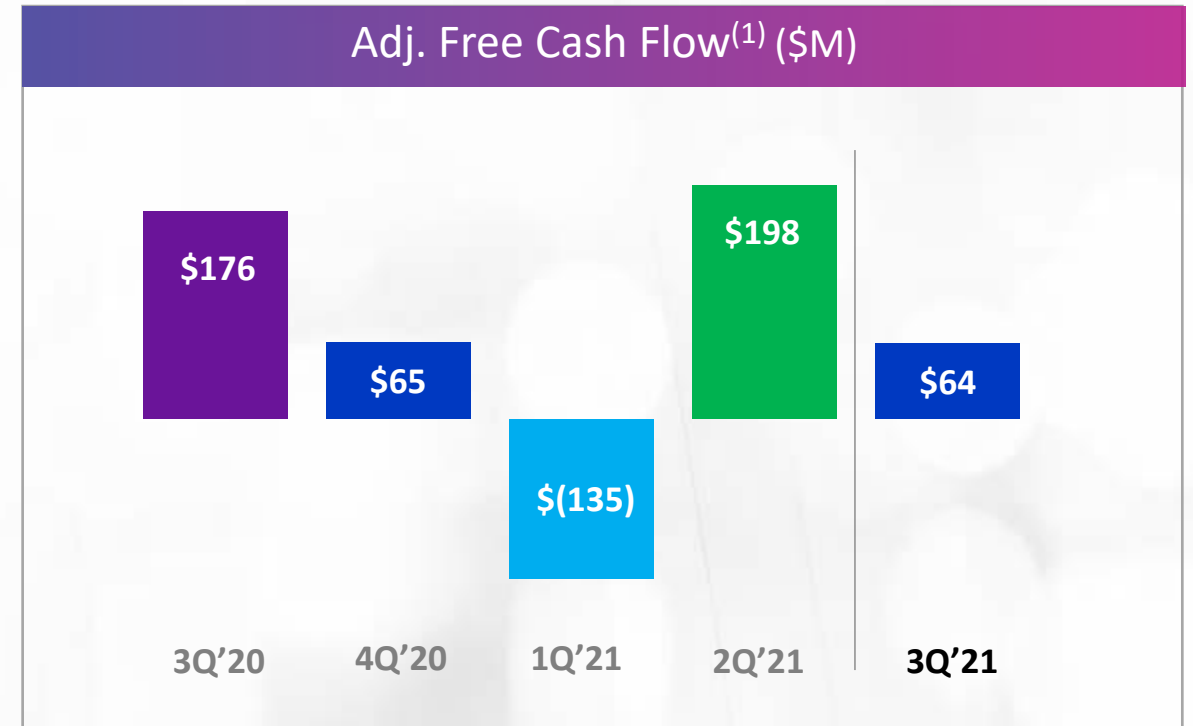
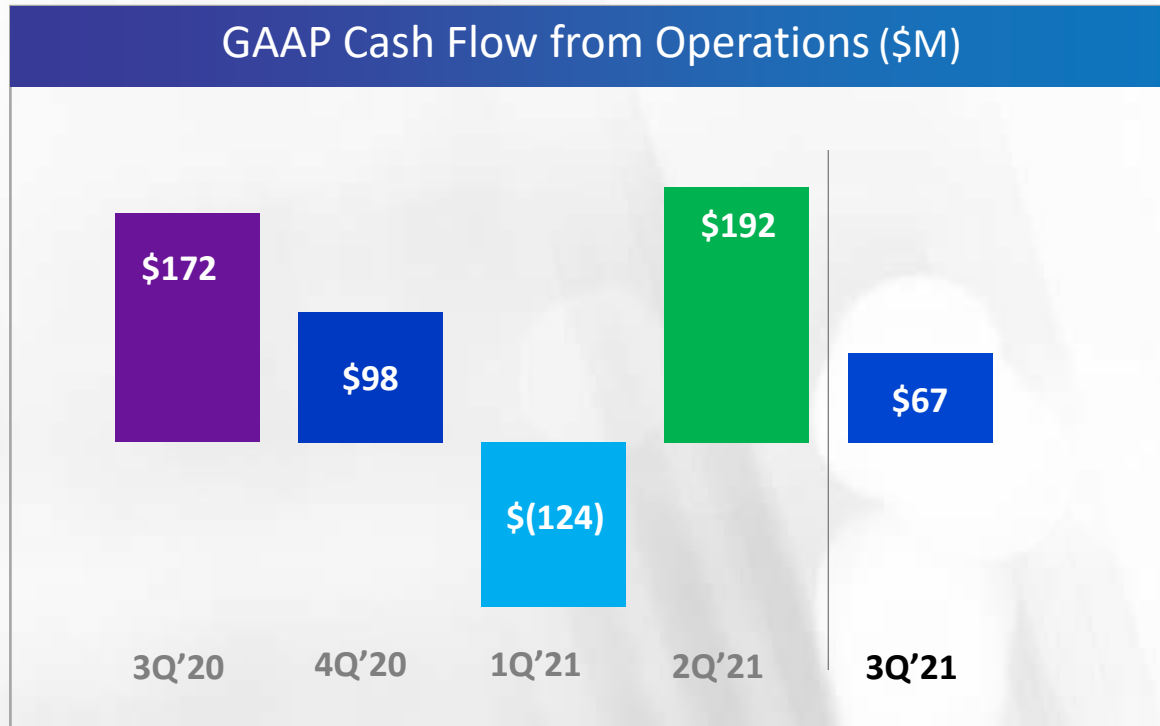
Business Highlights

- Planned spin-off progressing; on track to complete spin-off during second quarter 2022
- Growing backlog and demand continues; global silicon shortage remains a headwind into FY'22
- Launch of new DOCSIS 3.1 gateway which enables Low Latency DOCSIS

(1) Net sales as presented for 3Q'21 and 3Q'20 include reductions of revenue related to deferred revenue acquisition accounting adjustments of \$0.5 million and \$0.5 million, respectively.

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

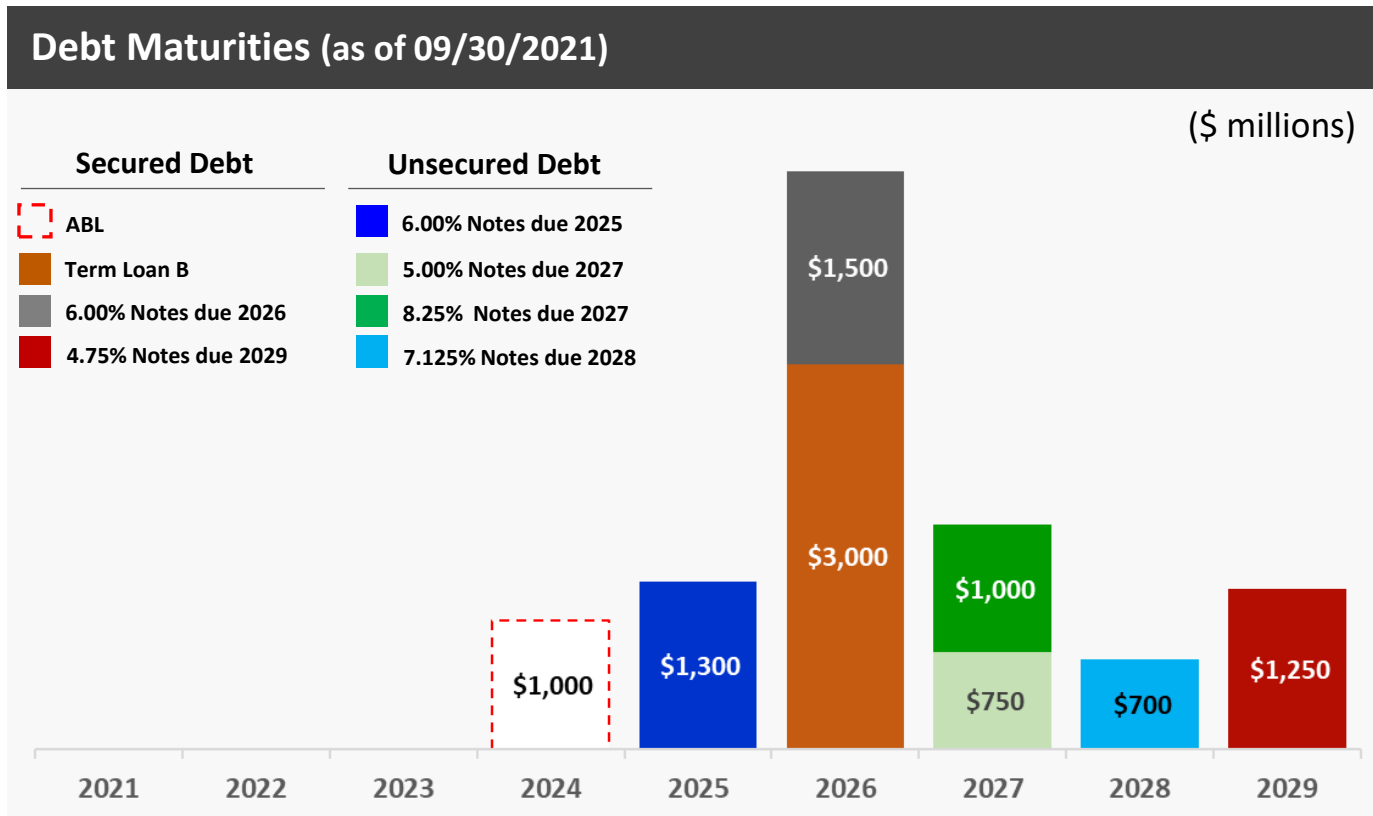
Cash flow update



- Third quarter working capital impacted by higher inventory related to strong order flow and supply chain disruptions
- Full year cash flow now softer than expected due to supply chain impacts

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

Strong liquidity & balance sheet management



Required TLB amortization payments (\$8mm for 2021 and \$32mm annually for 2022-2025) 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 \$1.3 billion (including \$85 million of run-rate synergies and other cost savings initiatives). The Carlyle investment is characterized as equity. The ratio of net debt plus preferred equity to pro forma Adj. EBITDA is ~7.9x.

Cash & liquidity remain strong

- Ended the quarter with available liquidity of ~\$1.1 billion

Pro-active balance sheet management

- Refinanced 2024 Secured Notes with \$1.25 billion of 2029 Secured Notes
- Extended runway to nearest maturity and reduced annual interest expense by ~\$9 million

Leverage

- 7.1x net leverage as of 09/30/2021

Announcing Virtual Strategic Transformation Update

CommScope NEXT Update

Announcing Virtual Strategic Transformation update on December 14, 2021 at 8:30 AM ET



now meets next

Q&A

Third Quarter 2021 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		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Net sales	\$ 2,105.3	\$ 2,168.1	\$ 6,362.6	\$ 6,304.1
Cost of sales	1,452.3	1,432.6	4,364.1	4,271.3
Gross profit	653.0	735.5	1,998.5	2,032.8
Operating expenses:				
Selling, general and administrative	314.3	296.7	909.3	898.7
Research and development	167.8	184.6	515.6	541.1
Amortization of purchased intangible assets	153.0	158.1	461.9	473.5
Restructuring costs (credits), net	(3.1)	40.3	100.2	83.6
Asset impairments	—	—	—	206.7
Total operating expenses	632.0	679.7	1,987.0	2,203.6
Operating income (loss)	21.0	55.8	11.5	(170.8)
Other expense, net	(32.3)	(16.9)	(29.8)	(30.2)
Interest expense	(148.6)	(147.2)	(424.1)	(437.7)
Interest income	0.5	1.3	1.5	4.2
Loss before income taxes	(159.4)	(107.0)	(440.9)	(634.5)
Income tax (expense) benefit	35.2	(9.3)	65.3	37.2
Net loss	(124.2)	(116.3)	(375.6)	(597.3)
Series A convertible preferred stock dividend	(14.3)	(14.1)	(43.0)	(41.8)
Net loss attributable to common stockholders	\$ (138.5)	\$ (130.4)	\$ (418.6)	\$ (639.1)
Loss per share:				
Basic	\$ (0.68)	\$ (0.66)	\$ (2.06)	\$ (3.26)
Diluted (a)	\$ (0.68)	\$ (0.66)	\$ (2.06)	\$ (3.26)
Weighted average shares outstanding:				
Basic	204.2	196.9	203.3	195.9
Diluted (a)	204.2	196.9	203.3	195.9
(a) Calculation of diluted loss per share:				
Net loss (basic and diluted)	\$ (138.5)	\$ (130.4)	\$ (418.6)	\$ (639.1)
Weighted average shares (basic)	204.2	196.9	203.3	195.9
Dilutive effect of equity-based awards	—	—	—	—
Denominator (diluted)	204.2	196.9	203.3	195.9

Balance Sheets

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

	Unaudited September 30, 2021	December 31, 2020
Assets		
Cash and cash equivalents	\$ 411.5	\$ 521.9
Accounts receivable, less allowance for doubtful accounts of \$45.6 and \$40.3, respectively	1,506.2	1,487.4
Inventories, net	1,252.2	1,088.9
Prepaid expenses and other current assets	268.6	256.3
Total current assets	3,438.5	3,354.5
Property, plant and equipment, net of accumulated depreciation of \$775.1 and \$705.7, respectively	664.6	684.5
Goodwill	5,253.7	5,286.5
Other intangible assets, net	3,179.9	3,650.4
Other noncurrent assets	715.3	600.9
Total assets	\$ 13,252.0	\$ 13,576.8
Liabilities and Stockholders' Equity (Deficit)		
Accounts payable	\$ 1,170.1	\$ 1,010.8
Accrued and other liabilities	884.6	910.6
Current portion of long-term debt	32.0	32.0
Total current liabilities	2,086.7	1,953.4
Long-term debt	9,481.0	9,488.6
Deferred income taxes	199.1	206.2
Other noncurrent liabilities	526.8	531.8
Total liabilities	12,293.6	12,180.0
Commitments and contingencies		
Series A convertible preferred stock, \$0.01 par value	1,041.8	1,041.8
Stockholders' equity (deficit):		
Preferred stock, \$0.01 par value: Authorized shares: 200,000,000; Issued and outstanding shares: 1,041,819 Series A convertible preferred stock	—	—
Common stock, \$0.01 par value: Authorized shares: 1,300,000,000; issued and outstanding shares: 204,247,592 and 200,095,232, respectively	2.2	2.1
Additional paid-in capital	2,536.3	2,512.9
Accumulated deficit	(2,128.3)	(1,752.7)
Accumulated other comprehensive loss	(217.5)	(155.9)
Treasury stock, at cost: 10,838,972 shares and 9,223,081 shares, respectively	(276.1)	(251.4)
Total stockholders' equity (deficit)	(83.4)	355.0
Total liabilities and stockholders' equity (deficit)	\$ 13,252.0	\$ 13,576.8

Statements of Cash Flows

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

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2021	2020	2021	2020
Operating Activities:				
Net loss	\$ (124.2)	\$ (116.3)	\$ (375.6)	\$ (597.3)
Adjustments to reconcile net loss to net cash generated by operating activities:				
Depreciation and amortization	203.0	209.9	595.8	618.8
Equity-based compensation	21.0	34.0	61.0	90.0
Deferred income taxes	(77.0)	(27.2)	(158.1)	(96.6)
Asset impairments	—	—	—	206.7
Changes in assets and liabilities:				
Accounts receivable	137.7	167.4	(36.2)	200.9
Inventories	(108.6)	(56.8)	(173.5)	(130.3)
Prepaid expenses and other assets	(21.3)	20.5	11.0	32.2
Accounts payable and other liabilities	1.5	(87.7)	170.5	(25.0)
Other	35.0	28.4	39.8	39.1
Net cash generated by operating activities	67.1	172.2	134.7	338.5
Investing Activities:				
Additions to property, plant and equipment	(36.0)	(25.8)	(96.2)	(73.5)
Proceeds from sale of property, plant and equipment	1.3	0.1	2.6	0.2
Cash paid for Cable Exchange acquisition	—	(3.5)	—	(3.5)
Payments upon settlement of net investment hedge	—	—	(18.0)	—
Net cash used in investing activities	(34.7)	(29.2)	(111.6)	(76.8)
Financing Activities:				
Long-term debt repaid	(1,258.0)	(1,058.0)	(1,274.0)	(1,174.0)
Long-term debt proceeds	1,250.0	700.0	1,250.0	950.0
Debt issuance costs	(9.6)	(11.6)	(9.6)	(11.6)
Debt extinguishment costs	(34.4)	(14.9)	(34.4)	(14.9)
Dividends paid on Series A convertible preferred stock	(14.3)	—	(43.0)	—
Proceeds from the issuance of common shares under equity-based compensation plans	1.6	0.1	5.5	1.0
Tax withholding payments for vested equity-based compensation awards	(0.1)	(4.0)	(24.7)	(10.3)
Other	2.6	—	2.5	—
Net cash used in financing activities	(62.2)	(388.4)	(127.7)	(259.8)
Effect of exchange rate changes on cash and cash equivalents	(4.9)	4.8	(5.8)	(17.3)
Change in cash and cash equivalents	(34.7)	(240.6)	(110.4)	(15.4)
Cash and cash equivalents at beginning of period	446.2	823.4	521.9	598.2
Cash and cash equivalents at end of period	\$ 411.5	\$ 582.8	\$ 411.5	\$ 582.8

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 September 30,		Nine Months Ended September 30,	
	2021	2020	2021	2020
Net loss, as reported	\$ (124.2)	\$ (116.3)	\$ (375.6)	\$ (597.3)
Income tax expense (benefit), as reported	(35.2)	9.3	(65.3)	(37.2)
Interest income, as reported	(0.5)	(1.3)	(1.5)	(4.2)
Interest expense, as reported	148.6	147.2	424.1	437.7
Other expense, net, as reported	32.3	16.9	29.8	30.2
Operating income (loss), as reported	\$ 21.0	\$ 55.8	\$ 11.5	\$ (170.8)
Adjustments:				
Amortization of purchased intangible assets	153.0	158.1	461.9	473.5
Restructuring costs (credits), net	(3.1)	40.3	100.2	83.6
Equity-based compensation	21.0	34.0	61.0	90.0
Asset impairments	—	—	—	206.7
Transaction, transformation and integration costs	26.2	4.8	62.7	17.8
Acquisition accounting adjustments	2.8	5.1	9.0	15.8
Patent claims and litigation settlements	5.0	(1.4)	46.5	11.4
Executive severance	—	6.3	—	6.3
Depreciation	33.2	38.9	103.6	118.7
Total adjustments to operating income (loss)	238.1	286.1	844.9	1,023.8
Non-GAAP adjusted EBITDA	\$ 259.1	\$ 341.9	\$ 856.4	\$ 853.0
Net loss, as reported	\$ (124.2)	\$ (116.3)	\$ (375.6)	\$ (597.3)
Adjustments:				
Total pretax adjustments to adjusted EBITDA	204.9	247.2	741.3	905.1
Pretax amortization of debt issuance costs and OID ⁽¹⁾	16.7	12.8	30.2	26.5
Pretax loss on debt transactions ⁽²⁾	34.4	14.9	34.4	14.9
Tax effects of adjustments and other tax items ⁽³⁾	(59.5)	(35.5)	(164.1)	(122.1)
Non-GAAP adjusted net income	\$ 72.3	\$ 123.1	\$ 266.2	\$ 227.1
GAAP EPS, as reported ⁽⁴⁾	\$ (0.68)	\$ (0.66)	\$ (2.06)	\$ (3.26)
Non-GAAP adjusted diluted EPS ⁽⁵⁾	\$ 0.29	\$ 0.51	\$ 1.08	\$ 0.96

(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.

(4) 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.

(5) The Company's definition of non-GAAP adjusted diluted EPS is non-GAAP adjusted net income, excluding the Series A convertible preferred stock dividend, divided by weighted average shares outstanding assuming the if-converted method, which reflects the conversion of the Series A convertible preferred stock.

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>Q3 2021</u>	<u>Q3 2020</u>	<u>% Change</u> <u>YOY</u>
United States	\$ 1,201.8	\$ 1,318.2	(8.8) %
Europe, Middle East and Africa	418.8	407.3	2.8
Asia Pacific	228.4	219.1	4.2
Caribbean and Latin America	156.2	149.9	4.2
Canada	100.1	73.6	36.0
Total net sales	<u>\$ 2,105.3</u>	<u>\$ 2,168.1</u>	(2.9) %

Sales and Adjusted EBITDA by Segment

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

Segment Net Sales

	Q3 2021	Q3 2020	% Change YOY
Broadband	\$ 779.7	\$ 811.0	(3.9) %
Outdoor Wireless	355.6	271.8	30.8
Venue and Campus	554.9	511.8	8.4
Core net sales ⁽¹⁾	1,690.2	1,594.6	6.0
Home	415.1	573.5	(27.6)
Total net sales	\$ 2,105.3	\$ 2,168.1	(2.9) %

Segment Adjusted EBITDA ⁽²⁾

	Q3 2021	Q3 2020	% Change YOY
Broadband	\$ 158.1	\$ 202.3	(21.8) %
Outdoor Wireless	60.5	53.6	12.9
Venue and Campus	56.0	55.6	0.7
Core adjusted EBITDA ⁽¹⁾	274.6	311.5	(11.8)
Home	(15.5)	30.4	NM
Total segment adjusted EBITDA	\$ 259.1	\$ 341.9	(24.2) %

(1) "Core" financial measures reflect the results or otherwise pertain to the performance of the Broadband Networks, Outdoor Wireless Networks and Venue and Campus Networks 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)

Third Quarter 2021 Segment Adjusted EBITDA Reconciliation

	Broadband	Outdoor Wireless	Venue and Campus	Home	Total
Operating income (loss), as reported	\$ 50.8	\$ 43.2	\$ (4.6)	\$ (68.4)	\$ 21.0
Amortization of purchased intangible assets	80.5	8.2	38.3	26.0	153.0
Restructuring costs (credits), net	(3.6)	0.4	(0.1)	0.2	(3.1)
Equity-based compensation	8.6	2.2	6.7	3.5	21.0
Transaction, transformation and integration costs	6.4	2.7	4.3	12.8	26.2
Acquisition accounting adjustments	1.2	—	1.0	0.5	2.8
Patent claims and litigation settlements	—	—	—	5.0	5.0
Depreciation	14.1	3.8	10.3	5.0	33.2
Segment adjusted EBITDA	\$ 158.1	\$ 60.5	\$ 56.0	\$ (15.5)	\$ 259.1
Segment adjusted EBITDA % of sales	20.3%	17.0%	10.1%	(3.7%)	12.3%

Third Quarter 2020 Segment Adjusted EBITDA Reconciliation

	Broadband	Outdoor Wireless	Venue and Campus	Home	Total
Operating income (loss), as reported	\$ 75.0	\$ 26.0	\$ (43.2)	\$ (2.0)	\$ 55.8
Amortization of purchased intangible assets	81.2	11.4	39.6	26.0	158.1
Restructuring costs, net	11.7	5.9	18.9	3.8	40.3
Equity-based compensation	13.1	4.0	10.3	6.5	34.0
Transaction, transformation and integration costs	1.7	0.9	1.3	0.9	4.8
Acquisition accounting adjustments	2.8	—	1.7	0.5	5.1
Patent claims and litigation settlements	—	—	13.7	(15.1)	(1.4)
Executive severance	2.2	1.2	1.7	1.2	6.3
Depreciation	14.6	4.1	11.7	8.5	38.9
Segment adjusted EBITDA	\$ 202.3	\$ 53.6	\$ 55.6	\$ 30.4	\$ 341.9
Segment adjusted EBITDA % of sales	24.9%	19.7%	10.9%	5.3%	15.8%

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

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Cash flow from operations	\$ 172.2	\$ 97.7	\$ (124.0)	\$ 191.6	\$ 67.1
Capital expenditures	(25.8)	(47.7)	(26.4)	(33.8)	(36.0)
Free cash flow	146.4	50.0	(150.4)	157.8	31.1
Transaction, transformation and integration costs	4.8	4.3	8.2	15.2	26.3
Restructuring costs, net	24.8	10.8	7.2	24.8	6.9
Adjusted free cash flow	<u>\$ 176.0</u>	<u>\$ 65.1</u>	<u>\$ (135.0)</u>	<u>\$ 197.8</u>	<u>\$ 64.3</u>

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

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Gross profit, as reported	\$ 735.5	\$ 715.0	\$ 672.2	\$ 673.3	\$ 653.0
Equity-based compensation	5.5	4.0	3.9	2.7	3.5
Acquisition accounting adjustments	5.1	4.8	3.3	3.0	2.8
Patent claims and litigation settlements	(1.4)	5.0	1.5	40.0	5.0
Adjusted gross profit	\$ 744.7	\$ 728.8	\$ 680.9	\$ 719.0	\$ 664.3
Adjusted gross profit as % of sales	34.3%	34.2%	32.9%	32.9%	31.6%

GAAP to Non-GAAP Adjusted Operating Expense

	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
Selling, general and administrative, as reported	\$ 296.7	\$ 272.0	\$ 292.7	\$ 302.3	\$ 314.3
Research and development, as reported	184.6	162.2	171.5	176.3	167.8
Operating expenses	\$ 481.3	\$ 434.2	\$ 464.2	\$ 478.6	\$ 482.1
Equity-based compensation	28.5	21.0	19.6	13.7	17.5
Transaction, transformation and integration costs	4.8	7.1	15.7	21.0	26.2
Executive severance	6.3	—	—	—	—
Adjusted operating expense	\$ 441.7	\$ 406.1	\$ 428.9	\$ 443.9	\$ 438.4
Adjusted operating expense as % of sales	20.4%	19.0%	20.7%	20.3%	20.8%

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

New Segment 2020 and 2019 Financial Information

New Segment Information (Unaudited -- In millions)

Segment Net Sales ⁽¹⁾

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Full Year 2019
Broadband	\$ 598.1	\$ 660.6	\$ 811.0	\$ 778.2	\$ 2,848.2	\$ 2,324.0
Outdoor Wireless	348.9	328.4	271.8	294.8	1,243.7	1,475.0
Venue and Campus	469.5	478.5	511.8	476.8	1,936.5	1,967.3
Home	616.7	635.3	573.5	582.0	2,407.5	2,578.8
Total net sales	\$ 2,033.2	\$ 2,102.8	\$ 2,168.1	\$ 2,131.8	\$ 8,435.9	\$ 8,345.1

Segment Adjusted EBITDA ⁽¹⁾

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Full Year 2020	Full Year 2019
Broadband	\$ 85.3	\$ 127.2	\$ 202.3	\$ 210.5	\$ 625.4	\$ 456.5
Outdoor Wireless	88.9	76.0	53.6	60.1	278.5	361.2
Venue and Campus	37.7	38.2	55.6	48.4	180.0	269.3
Home	19.3	38.4	30.4	43.2	131.3	210.5
Total segment adjusted EBITDA	\$ 231.2	\$ 279.8	\$ 341.9	\$ 362.2	\$ 1,215.2	\$ 1,297.5

(1) In the second quarter of 2021, management shifted certain product lines from the Company's Broadband segment to its Home segment to better align with how the business is being managed in light of the planned spin-off of the Home Networks business. All prior period amounts have been recast to reflect these operating segment changes.

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