

Q4 2015 Financial Results Webcast

Supplementary Information
October 7, 2015

Forward-Looking Statements

Certain statements in this presentation, or given in response to your questions, may constitute forward-looking statements within the meaning of the Securities Act of 1934. The Private Securities Litigation Reform Act of 1995 provides “safe-harbors” for such forward-looking statements and we intend that any forward-looking statements made today be subject to the safe harbors. We caution you that any forward-looking statements are just predictions. They are not guarantees of future performance and involve risks and uncertainties. Actual results may differ materially from those projected in forward-looking statements and we invite you to review the company’s most recent filings with the Securities and Exchange Commission or Canadian securities commissions for a discussion of the factors at risk. These forward-looking statements speak only as of the date of this presentation and, unless required by law or applicable regulations, we will not be reviewing or updating the material that is contained herein.

For a reconciliation of adjusted EBITDA to net earnings, refer to the Q4 2015 press release or the “Non-IFRS Measures” section on EXFO’s website.

All amounts in millions of US dollars, except otherwise noted.

Financial Highlights

Q4 2015

- Sales totaled \$56.6 M
- Bookings attained \$54.9 M (book-to-bill ratio of 0.97)
- Gross margin¹ amounted to 61.2%
- IFRS net earnings totaled \$2.3 M
- Adjusted EBITDA² reached \$5.0 M
- Restructuring to deliver annual cost savings of \$3.5 M

FY 2015

- Sales totaled \$222.1 M, stable on a constant currency basis³
- Bookings attained \$223.1 M (book-to-bill ratio of 1.00)
- Gross margin¹ amounted to 61.7%
- OPEX decreased by \$6.7 M YoY
- IFRS net earnings totaled \$5.3 M
- Adjusted EBITDA² reached \$13.8 M

¹ Gross margin before depreciation and amortization is a non-IFRS measure and represents sales less cost of sales, excluding depreciation and amortization.

² Adjusted EBITDA represents net earnings before interest, income taxes, depreciation and amortization, restructuring charges, stock-based compensation costs and foreign exchange gain or loss.

³ Constant currency data is a non-IFRS measure.

Business Highlights — FY 2015



- › Secured multi-million dollar order for fiber monitoring system in late FY 2015. Order will be recognized into revenue in FY 2016.
- › Launched FTB-1 Pro, a compact and powerful multi-technology test platform for field technicians
- › Released new features for iOLM software on EXFO's OTDRs and fiber inspection probes to automate and accelerate fiber deployments
- › Sales of Physical-layer solutions increased 9.1%



- › Launched EXFO Xtract, a real-time analytics platform that provides network operators with network performance and service experience visibility
- › Introduced NetBlazer 800 v2 series, a performance validation test solution designed to turn up 1G & 10G Ethernet
- › Released CPRI test capabilities on NetBlazer series that are critical for FTTA and DAS deployments
- › Sales of Protocol-layer solutions decreased 19.1%

Revenue Breakdown — FY 2015



Geography

- › Americas: 54%
- › EMEA: 26%
- › Asia-Pacific: 20%

Customers

- › Top customer: 7.1%
- › Top-3 customers: 14.4%

Products

- › Products launched: 13

Selected Financial Information — FY 2015

- › Cash and short-term investments: \$27.4 M
- › Cash flows from operating activities: \$6.5 M
- › Capital expenditures: \$5.9 M
- › Days sales outstanding (Q4 2015): 78 days
- › Inventory turns (Q4 2015): 3.1 times

EXFO