

Q3 2018 Financial Results Webcast

Supplementary Slides

July 10, 2018



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 loss attributable to the parent interest, refer to the Q3 2018 news release on EXFO’s website.

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

Q3 2018 results

Revenue

\$72.2M

+23.4% YoY

Bookings

\$73.1M

IFRS net loss
attributable to
parent interest

-\$6.0M

Adjusted
EBITDA*

\$2.5M

**Astellia contributed \$8.6M in revenue
and \$7.6M in bookings**

** Adjusted EBITDA represents net loss attributable to the parent interest before interest, income taxes, depreciation and amortization, stock-based compensation costs, change in fair value of cash contingent consideration, acquisition-related deferred revenue fair value adjustment, share in net loss of an associate, gain on the deemed disposal of the investment in an associate and foreign exchange gain.*

Business highlights—Q3 2018



- Introduced CTP10 Component Test Platform with related modules, fastest test system for measuring insertion loss and return loss on a wide range of passive optical components
- Physical-layer solutions: 61% of sales



- Launched automated network troubleshooting solution that links performance measurements to network topology in order to deliver service degradation diagnosis in record time
- Protocol-layer solutions: 39% of sales

Segmented sales—Q3 2018

PHYSICAL vs. PROTOCOL*



BY REGION



BY CUSTOMER

Top customer: 5.7% of sales
Top-3 customers: 15.2% of sales

*Excludes gains on FX contracts.

Selected financials—Q3 2018



Cash flows from
operations

\$4.7M



Capital expenditures

\$3.4M



Long-term debt

\$9.5M

Cash position of \$19.5M and available revolving credit facilities of \$51.5M

EXFO