

Q1 2018 Financial Results Webcast

Supplementary Slides

January 9, 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 earnings, refer to the Q1 2018 press release on EXFO’s website.

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

Q1 2018 results

Revenue

\$63.4M

Bookings

\$65.9M

IFRS net
earnings

\$2.7M

Adjusted
EBITDA*

\$6.1M

Adjusted EBITDA margin of 9.6%

** Adjusted EBITDA represents net earnings before interest, income taxes, depreciation and amortization, stock-based compensation costs, change in fair value of cash contingent consideration and foreign exchange gain.*

Business highlights—Q1 2018



- Closed acquisition of Yenista Optics
- Launched OSA for in-service OSNR measurements on networks up to 400G
- Released PON-aware power meter
- Physical-layer solutions: 67% of sales



- Acquired 33.1% stake in Astellia with intention to buy remaining equity via public tender offer
- Following quarter-end, purchased additional 7.2% of Astellia's shares for a total of 40.3%
- Introduced EX1 multipurpose solution for validating bandwidth speed up to full line rate GE
- Protocol-layer solutions: 33% of sales

Segmented sales—Q1 2018

PHYSICAL vs. PROTOCOL*



*Excludes gains on FX contracts.

BY REGION



BY CUSTOMER

Top customer: 13.8% of sales
Top-3 customers: 21.6% of sales

Selected financials—Q1 2018



Cash flows from
operations

\$2.4M



Capital expenditures

\$2.0M



Cash position

\$19.5M

Astellia update

AMF approved EXFO's public tender offer

(Dec. 12, 2017)

- Final hurdle passed before launch of public tender offer

EXFO announced opening of public tender offer

(Dec. 15, 2017)

- Offer extends 25 trading days until January 23, 2018

AMF will disclose results of public tender offer

(Jan. 29, 2018)

- EXFO seeking to acquire remaining equity of Astellia

EXFO increased its credit facilities to \$63.3 M

EXFO