

# Q2 2019 Financial Results Webcast

Supplementary Slides

April 2, 2019



# 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 IFRS net earnings, refer to the Q2 2019 news release on EXFO’s website.

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

## Q2 2019 results

Revenue

**\$73.9M**

**+14.2% YoY**

Bookings

**\$76.1M**

IFRS  
net earnings

**\$5.2M**

Adjusted  
EBITDA\*

**\$8.8M**

Adjusted EBITDA margin of 11.9%

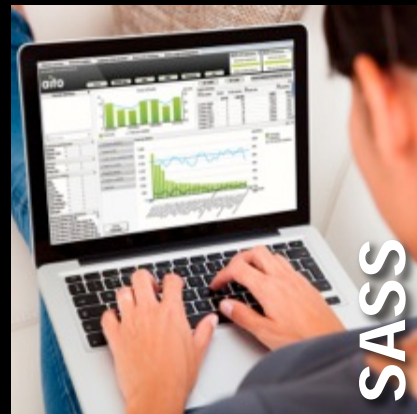
\*Adjusted EBITDA is a non-IFRS measure and represents net earnings before interest and other income/expense, income taxes, depreciation and amortization, stock-based compensation costs, restructuring charges, acquisition-related fair value adjustment of deferred revenue and foreign exchange loss.

# Business highlights—Q2 2019



T&M

- Test and Measurement sales increased 1.0% YoY
- Increased revenue from high-speed optical solutions and high-end equipment for NEMs and lab markets; less copper access deals
- Test and Measurement: 68% of total sales

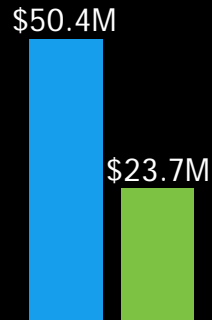


SASS

- SASS sales surged 63.9% YoY, or 28.0% excluding Astellia's contribution (\$7.5M)
- Recognized into revenue \$4.9M order for network topology software (related multi-million-dollar customer support plan over 3 years)
- SASS: 32% of total sales

# Sales breakdown—Q2 2019

## T&M vs. SASS\*



## BY REGION



## BY CUSTOMER

Top customer: 14.9% of sales  
Top-3 customers: 24.7% of sales

\*Excludes losses on FX contracts.

# Selected financials—Q2 2019



Cash flows from  
operations

**\$18.7M**



Capital expenditures

**\$1.8M**



Total debt

**\$16.3M**

**Cash position of \$27.0M and available revolving credit facilities of \$53.0M**

EXFO