

# Q1 2020 Financial Results Webcast

Supplementary Slides

January 7, 2020



# 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 loss, refer to the Q1 2020 news release on EXFO’s website.

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

## Q1 2020 results

Revenue

**\$73.6M**

+6.3% YoY

Bookings

**\$69.9M**

IFRS  
net loss

**\$0.1M**

Adjusted  
EBITDA\*

**\$7.5M**

Adjusted EBITDA margin of 10.3%

\*Adjusted EBITDA is a non-IFRS measure and represents net loss before interest and other expense, income taxes, depreciation and amortization, stock-based compensation costs and foreign exchange loss.

# Business highlights—Q1 2020



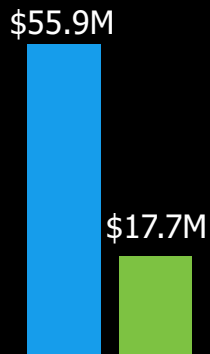
- Introduced Optical Wave Expert, first test solution to integrate DWDM channel power validation and OTDR fault-locating capabilities on a single port
- T&M sales increased 12.4% YoY
- Test & Measurement: 76% of total sales



- SASS business affected by timing of orders with >\$2.5M bookings arriving in first week of Q2 2020
- SASS sales decreased 8.6% YoY
- SASS: 24% of total sales

# Sales breakdown—Q1 2020

## T&M vs. SASS\*



\*Excludes losses on FX contracts.

## BY REGION



## BY CUSTOMER

Top customer: 11.9% of sales  
Top-3 customers: 19.7% of sales

# Selected Financials—Q1 2020



Cash flows used  
from operations

**\$6.5M**



Capital expenditures

**\$2.0M**



Net debt<sup>1</sup>

**\$0.8M**

**Cash position of \$17.5M and available revolving credit facilities of \$47.7M**

<sup>1</sup>Net debt is a non-IFRS measure and represents bank loan and long-term debt less cash and short-term investments.

EXFO