

Q4 2018 Financial Results Webcast

Supplementary Slides

October 11, 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 Q4 2018 news release on EXFO’s website.

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

Financial Highlights

Q4 2018

- Sales reached \$69.2M
- Bookings attained \$63.1M
- IFRS net loss attributable to parent interest totaled \$4.0M
- Adj. EBITDA* amounted to \$6.1M (8.8% of sales)

FY 2018

- Sales reached \$269.5M (Increase of 10.8% YoY)
- Bookings attained \$267.7M (Increase of 6.3% YoY)
- IFRS net loss attributable to parent interest totaled \$11.9M
- Adj. EBITDA* amounted to \$17.2M (6.4% of sales)

** Adjusted EBITDA represents loss attributable to the parent interest before interest, income taxes, depreciation and amortization, stock-based compensation costs, restructuring charges, acquisition-related deferred revenue fair value adjustment, change in fair value of cash contingent consideration and foreign exchange gain or loss.*

Business Highlights—FY 2018



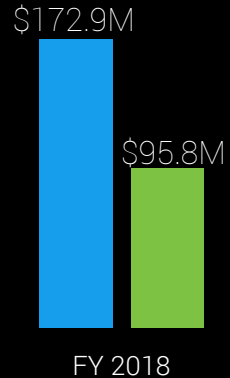
- Acquired Yenista Optics, a supplier of advanced optical test gear for labs and manufacturing floors
- Introduced an OSA delivering in-service optical signal-to-noise ratio (OSNR) measurements for high-speed networks up to 400G
- Physical solutions: 64.4% of total sales



- Acquired Astellia, a leading provider of mobile network and subscriber intelligence
- Launched 400G compact test solution for NEMs, carriers labs and data centers
- Released SkyRan, a remote access monitoring solution for fiber-based fronthaul networks
- Protocol solutions: 35.6% of total sales

Segmented Sales—FY 2018

PHYSICAL vs. PROTOCOL*



BY REGION



BY CUSTOMER

Top customer: 9.1% of sales
Top-3 customers: 15.9%

*Excludes gains on FX contracts.

Selected Financials—FY 2018



Cash flows from
operations

\$14.4M



Capital expenditures

\$10.5M



Total debt

\$19.5M

Cash position of \$15.0M and available revolving credit facilities of \$52.5M

EXFO