

Q4 2019 Financial Results Webcast

Supplementary Slides

October 9, 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 loss attributable to the parent interest, refer to the Q4 2019 news release on EXFO’s website.

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

Financial Highlights

Q4 2019

- Sales reached \$70.2M
- Bookings attained \$70.9M
- IFRS net loss totaled \$0.2M
- Adj. EBITDA* amounted to \$6.2M (8.9% of sales)

FY 2019

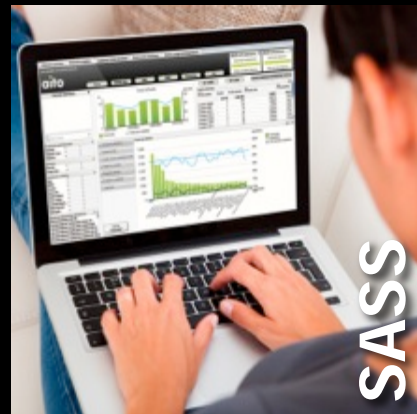
- Sales reached \$286.9M (+6.4% YoY)
- Bookings attained \$297.8M (+11.2% YoY)
- IFRS net loss totaled \$2.5M (+79.8% YoY)
- Adj. EBITDA* amounted to \$25.6M (+48.8% YoY)

** Adjusted EBITDA represents net loss before interest and other expenses, 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 2019



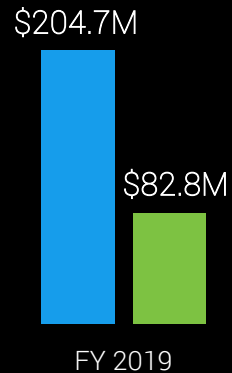
- Test and Measurement sales improved 3.7% YoY
- Introduced industry's first optical fiber multimeter, Optical Xplorer™
- Expanded 400G test portfolio with launch of module featuring Open Transceiver System
- Test and Measurement: 71% of total sales



- SASS sales increased 16.2% YoY
- Benefited from full-year revenue contribution of Astellia in 2019 versus seven months in 2018
- Recognized multi-million-dollar deal for network topology software with tier-1 US service provider
- SASS: 29% of total sales

Sales breakdown—FY 2019

T&M vs. SASS*



BY REGION



BY CUSTOMER

Top customer: 6.9% of sales
Top-3 customers: 18.1%

*Excludes losses on FX contracts.

Selected Financials—FY 2019



Cash flows from
operations

\$17.2M



Capital expenditures

\$7.5M



Total debt

\$10.7M

Cash position of \$19.4M and available revolving credit facilities of \$56.5M

EXFO