



EARNINGS CONFERENCE CALL

FOURTH QUARTER 2025

Nimrod Ben-Natan, President & CEO

Walter Jankovic, CFO

February 19, 2026

FORWARD-LOOKING STATEMENTS



During the course of this presentation, we will focus only on continued operations unless otherwise stated. Our Video business is now classified as discontinued operations. We will provide projections and other forward-looking statements regarding future events or the future financial performance of Harmonic, including expectations concerning our business and business growth for 2026, our stock repurchase program, and our Q1 and full year 2026 guidance. Such statements are only current expectations and actual events or results may differ materially. We refer you to Harmonic's filings with the SEC, particularly our most recent Reports on Form 10-K, Form 10-Q and Form 8-K. These documents identify important risk factors that could cause actual results to differ materially from our projections or other forward-looking statements. We will also present financial metrics determined on a "non-GAAP" basis. These items, together with the corresponding GAAP numbers and a reconciliation to GAAP, are contained in this presentation and the related earnings press release on our website at www.harmonicinc.com.

AT-A-GLANCE – CONTINUING OPERATIONS



BROADBAND

Pure-Play Innovator



FY 2025 REVENUE

\$361M



MARKET CAPITALIZATION¹

\$1.2B



SILICON VALLEY

Headquarters



CLOUD NATIVE INNOVATION LEADER



MARKET-LEADING CUSTOMERS

Worldwide



Revolutionizing Broadband Networks

¹ Market Capitalization as of February 17, 2026

Customer

- Fiber deployments with iZZi, Tier-1 LATAM
- Strong overall Fiber growth in Q4 and FY25
- Growing footprint of wins across both Telco and Cable
- 33% YoY Rest-of-World revenue growth representing 41% of total revenue

Technology

- Unified D4.0 Nodes shipments ramping in Q1'26
- Successful completion of D4.0 field trial with Vodafone Germany
- Expanding Fiber portfolio with new Combo pluggable OLT
- Introduced new subscriber experience detection, mitigating support calls before they happen

Financial

- \$347M in bookings (3.5 book-to-bill)
- Record backlog and deferred revenue, with current portion increasing 110% over prior year
- 9% sequential revenue growth, above high end of guidance

DELIGHT OUR CUSTOMERS



SUBSCRIBER IMPACT

Improved uptime drives higher satisfaction and lower churn

Better Networks. Happier Customers.
Loyal Subscribers.

NETWORK INVESTMENT

The foundation for reliability, efficiency and growth

Investing in network reliability doesn't just
lower costs, it drives subscriber loyalty.

HARMONIC NPS

NPS of 82 reflects our deep commitment to customer success



TECHNOLOGY LEADERSHIP

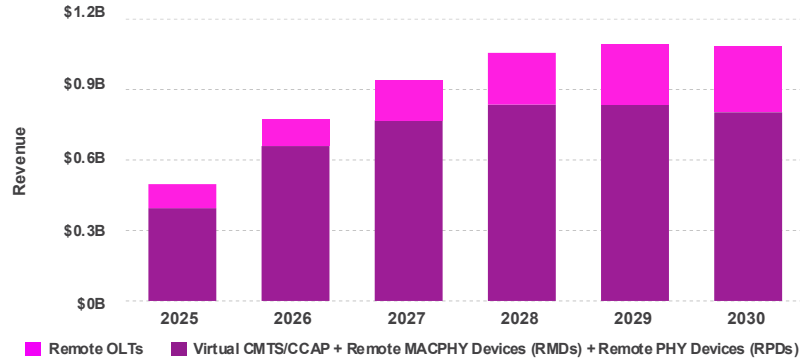
SPEED & EXECUTION

IMPROVING CUSTOMERS' NETWORK RELIABILITY

SOLUTIONS DRIVING LOWER COSTS

Helping operators scale
bandwidth faster, at lower cost,
with higher subscriber
satisfaction

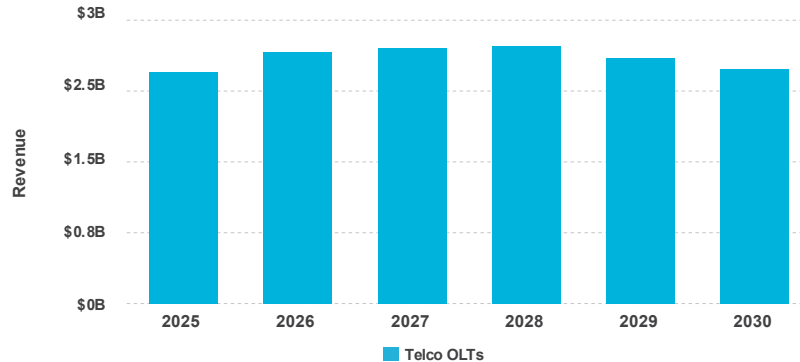
BROADBAND MARKET OPPORTUNITY



Cable SAM⁽¹⁾

Harmonic market share Q4'24 to Q3'25:

- Virtual CMTS 98%
- RPDs 71%
- Remote OLTs 34%



Fiber SAM⁽²⁾

Harmonic market share limited but growing as a new entrant

Long-term investment cycle in both Cable/DOCSIS and FTTH/PON networks

SAM excludes the AI Operations & Tools market that we are also targeting

Source: Dell'Oro Group, January 2026

(1) Cable SAM excludes CCAP/CMTS market which is the prior generation technology that Harmonic does not participate in

(2) Fiber SAM includes all tiers of customers and excludes customer premises equipment (CPE) and China market which Harmonic does not participate in

LONG-TERM STRATEGY

KEY STRATEGIC INITIATIVES



Expand Market Leadership

- Increase market leading position in DOCSIS with cOS, Nodes, and recurring services
- Leverage our innovation and speed to the FTTH market

Drive Software and Cloud Differentiation

- Enhance software differentiation for cOS which today represents >95% market share
- Expand value-added software solutions to drive recurring revenue growth

Increase Customer Diversification

- Continue growing Rest-of-World at 30%+ per year
- Expand customer base in the FTTH market with both MSOs and Telcos

Maintain Operational Discipline

- Simplify cost structure as pure-play Broadband business
- Generate significant operating leverage as we grow

Pure-Play Broadband Innovator

- Providing market leading DOCSIS and Fiber-to-the-Home (FTTH) solutions
- Transition to focus exclusively on the faster growing Broadband business

Simplified Business Model

- Systems, processes and people to support one business
- Improved long term operating margin

Stronger Capital Allocation

- Divestiture will provide substantial cash infusion to accelerate Broadband growth
- Targeted investment priorities to diversify the business

Positioned for Accelerated Growth

- Realize untapped opportunities in both DOCSIS and FTTH through organic and inorganic investments
- Capitalize on leading market share position and Broadband industry's rapid growth trajectory



FOURTH QUARTER 2025

FINANCIAL RESULTS AND OUTLOOK

Walter Jankovic, CFO

Q4 2025 INCOME STATEMENT HIGHLIGHTS*



Financial Metric (in millions except shares and EPS)	Q4 Guidance Total Company **	Q4 Actual Results Total Company**	Q4 Actual Results*** Continuing Operations
Net Revenue (\$M)	\$133 - \$147	\$157.3	\$98.2
Gross Margin (%)	54.5% - 56.0%	55.6%	47.2%
Operating expense (\$M)	\$62 - \$63	\$65.9	\$36.8
Adjusted EBITDA (\$M)	\$13 - \$22	\$23.8	\$12.1
Shares	113.1	113.0	113.0
EPS	\$0.06 - \$0.12	\$0.14	\$0.06

* Non-GAAP. Components may not sum to total due to rounding

** Pre-Video disposition

*** Includes approximately \$3.0 million of stranded costs associated with the Video divestiture for Q4 2025

FY 2025 INCOME STATEMENT HIGHLIGHTS*



Financial Metric (in millions except shares and EPS)	FY 25 Actual Results Total Company	FY 25 Actual Results*** Continuing Operations
Net Revenue	\$570.8	\$360.5
Gross Margin (%)**	55.8%	48.7%
Operating expense	\$245.6	\$137.0
Adjusted EBITDA	\$83.8	\$47.3
Shares***	114.2	114.2
EPS	\$0.47	\$0.23

* Non-GAAP. Components may not sum to total due to rounding

** Includes tariff impact of \$2.3 million in Continuing Operations

*** Includes approximately \$9.0 million of stranded costs associated with the Video divestiture for FY 2025

Q4 2025 BALANCE SHEET & CASH FLOW HIGHLIGHTS *



Financial Metric (\$ Millions)	Q4 2025	Q3 2025	Q4 2024
Cash	\$124.1	\$127.4	\$101.5
Cash Provided by Operations**	\$12.3	23.8	48.5
Free Cash Flow**	\$9.6	\$21.0	\$46.2
Accounts Receivable	\$85.9	\$61.3	\$143.7
DSO	79	61	76
Inventory	\$47.8	\$48.8	\$43.1
Inventory Days	83	91	48
Backlog and Deferred Revenue	\$573.8	\$338.0	\$332.3

* Non-GAAP continuing operations

** Cash flows from Continuing and Discontinued Operations

CAPITAL ALLOCATION PRIORITIES

Organic Growth

- ROW growth investments to diversify the business
- Additional service offerings

\$200M Stock Repurchase Authorization

- \$101M stock purchases to date including \$13.3M during Q4 2025 and \$21.8M subsequent to Q4 2025
- Expect strong free cash flow over next 3 years

Inorganic Expansion Opportunities

- Utilize Video sale proceeds to drive Broadband growth and diversification

Strong Liquidity Position with \$124M in Cash and \$82M in Undrawn Credit Facility

STRANDED COSTS

- *Stranded costs are shared corporate and infrastructure expenses previously allocated across Broadband and Video that now reside in Continuing Operations. Approximately 30% of these stranded costs are temporary in nature and are expected to be removed one-year post Video sale closing.*

Stranded Costs*	FY 2026
Information Technology	~\$2M
Facilities	~\$3M
Corporate Functions**	~\$5M
Total	~\$10M

* Non-GAAP

** Inclusive of approximately \$3 million in public company costs

Q1 and FY 2026 FINANCIAL GUIDANCE*

CONTINUING OPERATIONS - BROADBAND



Financial Metric	Q1 2026	FY 2026
Net Revenue (\$M)	\$100 - \$105	\$440 - \$480
Gross Margin (%)**	54.0% - 55.0%	51.0% - 53.0%
Operating Profit (\$M)***	\$18 - \$20	\$74 - \$99
Tax Rate	24.5%	24.5%
Shares****	111.4	111.7
EPS	\$0.11 - \$0.12	\$0.46 - \$0.63

FY 2026 EPS Bridge

- Video now classified to discontinued operations, which in 2025 contributed \$0.24 EPS
- Continuing operations includes \$10 million of stranded costs in FY26 (\$0.07 EPS impact)

* Non-GAAP

** Includes estimated tariff impacts of approximately \$1 million and \$4 million for Q1 and FY 2026, respectively

*** Includes estimated stranded costs of \$2 million and \$10 million associated with the Video divestiture for Q1 2026 and FY 2026, respectively

**** Diluted shares assumes stock price at \$10.07 (Q4 2025 average price)

HISTORICAL RESULTS*

CONTINUING OPERATIONS - BROADBAND



Financial Metric	FY 2023	FY 2024	FY 2025	FY 2026 Guidance
Net Revenue (\$M)	\$388.5	\$488.2	\$360.5	\$440 - \$480
Gross Margin (%)**	46.1%	49.3%	48.7%	51.0% - 53.0%
Operating Expense	\$132.5	\$132.9	\$137.0	\$150 - \$155
Operating Profit (\$M)***	\$46.6	\$107.7	\$38.7	\$74 - \$99
Shares	117.4	117.5	114.2	111.7
EPS	\$0.31	0.71	0.23	\$0.46 - \$0.63
Backlog and deferred revenue	\$458.2	\$332.3	\$573.8	n/a

* Non-GAAP

** Includes tariff costs of \$2.3 million in FY 2025 and estimated tariff impacts of approximately \$4 million for FY 2026

*** Includes Stranded costs of approximately \$17 million, \$10 million, and \$9 million for FY 2023, FY 2024 and FY 2025, respectively. We estimate approximately \$10 million of stranded costs in FY 2026

CONCLUSION

MARKET LEADER POSITIONED FOR GROWTH

**Strong Finish to 2025
with Record Backlog**

**2026 revenue growth
expected to be between
22% and 33%**

**Expanding customer base
and strong ROW growth**

KEY LONG-TERM CATALYSTS

- Technology leadership positions
- Long term TAM growth
- Strong operating model
- Proven execution



WRAP-UP & Q&A

USE OF NON-GAAP FINANCIAL MEASURES



In establishing operating budgets, managing its business performance, and setting internal measurement targets, the Company excludes a number of items required by GAAP. Management believes that these accounting charges and credits, most of which are non-cash or non-recurring in nature, are not useful in managing its operations and business. Historically, the Company has also publicly presented these supplemental non-GAAP measures in order to assist the investment community to see the Company “through the eyes of management,” and thereby enhance understanding of its operating performance. The non-GAAP measures presented here are gross profit, operating expenses, income (loss) from operations, non-operating expense, net, Adjusted EBITDA, net income (loss) and net income (loss) per diluted share. The presentation of non-GAAP information is not intended to be considered in isolation or as a substitute for results prepared in accordance with GAAP, and is not necessarily comparable to non-GAAP results published by other companies. A reconciliation of the historical and forward-looking non-GAAP financial measures discussed in this presentation to the most directly comparable historical and forward-looking GAAP financial measures is included with the financial information contained in this presentation. The non-GAAP adjustments described below have historically been excluded from our GAAP financial measures. These adjustments are restructuring and related charges, stock-based compensation expense, lease-related asset impairment and other charges, non-cash interest expenses on convertible notes, non-recurring advisory fees, adjustments that normalize the tax rate and depreciation.

Q4 2025 GAAP TO NON-GAAP RECONCILIATIONS CONTINUING OPERATIONS

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



	Three Months Ended December 31, 2025					
	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Income from Continuing Operations
GAAP	\$ 98,235	\$ 46,180	\$ 42,412	\$ 3,768	\$ (444)	\$ 219
Stock-based compensation	—	218	(5,594)	5,812	—	5,812
Discrete tax items and tax effect of Non-GAAP adjustments	—	—	—	—	—	1,186
Total adjustments	—	218	(5,594)	5,812	—	6,998
Non-GAAP	<u>\$ 98,235</u>	<u>46,398</u>	<u>36,818</u>	<u>9,580</u>	<u>(444)</u>	<u>7,217</u>
<i>As a % of revenue (GAAP)</i>		47.0%	43.2%	3.8%	(0.5)%	0.2%
<i>As a % of revenue (Non-GAAP)</i>		47.2%	37.5%	9.8%	(0.5)%	7.3%
Diluted earnings per share:						
GAAP						\$ 0.00
Non-GAAP						\$ 0.06
Shares used in per share calculation:						
GAAP and Non-GAAP						<u>112,995</u>

Q4 2025 GAAP TO NON-GAAP RECONCILIATIONS TOTAL COMPANY

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



Three Months Ended December 31, 2025

	Revenue	Gross Profit	Total Operating Expense	Income (Loss) from Operations	Total Non-operating Expense, net	Net Income (Loss)
GAAP	\$ 157,296	\$ 86,952	\$ 133,852	\$ (46,900)	\$ (1,191)	\$ (54,815)
Stock-based compensation	—	439	(7,955)	8,394	—	8,394
Non-recurring advisory fees	—	—	(2,488)	2,488	—	2,488
Impairment of goodwill	—	—	(57,521)	57,521	—	57,521
Discrete tax items and tax effect of Non-GAAP adjustments	—	—	—	—	—	2,458
Total adjustments	—	439	(67,964)	68,403	—	70,861
Non-GAAP	<u>\$ 157,296</u>	<u>\$ 87,391</u>	<u>\$ 65,888</u>	<u>\$ 21,503</u>	<u>\$ (1,191)</u>	<u>\$ 16,046</u>
<i>As a % of revenue (GAAP)</i>		55.3%	85.1%	(29.8)%	(0.8)%	(34.8)%
<i>As a % of revenue (Non-GAAP)</i>		55.6%	41.9%	13.7%	(0.8)%	10.2%
Diluted net earnings (loss) per share:						
GAAP						\$ (0.49)
Non-GAAP						\$ 0.14
Shares used in per share calculation:						
GAAP and Non-GAAP						<u>112,995</u>

Q4 AND FY 2025 ADJ. EBITDA RECONCILIATIONS

CONTINUING OPERATIONS

(UNAUDITED, IN THOUSANDS)



	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
Income from continuing operations (GAAP)	\$ 219	\$ 1,216
Provision for income taxes	3,105	7,645
Interest expense, net	397	3,799
Depreciation	2,597	10,035
EBITDA	6,318	22,695
<i>Adjustments</i>		
Stock-based compensation	5,812	21,641
Restructuring and related charges	—	1,315
Non-recurring advisory fees	—	1,637
Adjusted EBITDA (Non-GAAP)	\$ 12,130	\$ 47,288
Revenue	\$ 98,235	\$ 360,523
<i>Income from continuing operations margin % (GAAP)</i>	<i>0.2%</i>	<i>0.3%</i>
<i>Adjusted EBITDA margin % (Non-GAAP)</i>	<i>12.3%</i>	<i>13.1%</i>

Q4 AND FY 2025 ADJ. EBITDA RECONCILIATIONS

TOTAL COMPANY

(UNAUDITED, IN THOUSANDS)



	Three Months Ended December 31, 2025	Twelve Months Ended December 31, 2025
Net loss (GAAP)	\$ (54,815)	\$ (43,310)
Provision for income taxes	6,724	15,424
Interest expense, net	587	4,498
Depreciation	2,867	11,082
EBITDA	(44,637)	(12,306)
<i>Adjustments</i>		
Stock-based compensation	8,394	31,880
Restructuring and related charges	—	1,737
Non-recurring advisory fees	2,488	3,315
Lease-related asset impairment and other charges	—	1,637
Impairment of goodwill	57,521	57,521
Consolidated adjusted EBITDA (Non-GAAP)	\$ 23,766	\$ 83,784
Revenue	\$ 157,296	\$ 570,840
<i>Net loss margin (GAAP)</i>	<i>(34.8)%</i>	<i>(7.6)%</i>
<i>Consolidated adjusted EBITDA margin (Non-GAAP)</i>	<i>15.1%</i>	<i>14.7%</i>

FY 2025 GAAP TO NON-GAAP RECONCILIATIONS CONTINUING OPERATIONS

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



Twelve Months Ended December 31, 2025

	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Income from Continuing Operations
GAAP	\$ 360,523	\$ 174,745	\$ 160,665	\$ 14,080	\$ (5,219)	\$ 1,216
Stock-based compensation	—	961	(20,680)	21,641	—	21,641
Restructuring and related charges	—	—	(1,315)	1,315	—	1,315
Asset impairment and related charges ⁽¹⁾	—	—	(1,637)	1,637	—	1,637
Discrete tax items and tax effect of Non-GAAP adjustments	—	—	—	—	—	620
Total adjustments	—	961	(23,632)	24,593	—	25,213
Non-GAAP	<u>\$ 360,523</u>	<u>\$ 175,706</u>	<u>\$ 137,033</u>	<u>\$ 38,673</u>	<u>\$ (5,219)</u>	<u>\$ 26,429</u>
<i>As a % of revenue (GAAP)</i>		48.5%	44.6%	3.9%	(1.4)%	0.3%
<i>As a % of revenue (Non-GAAP)</i>		48.7%	38.0%	10.7%	(1.4)%	7.3%
Diluted earnings per share:						
GAAP						<u>\$ 0.01</u>
Non-GAAP						<u>\$ 0.23</u>
Shares used in per share calculation:						
GAAP and Non-GAAP						<u>114,182</u>

(1) Includes impairment charges of \$0.4 million for right-of-use assets, \$0.3 million for leasehold improvements and \$0.9 million related to the fair value of other unrecoverable facility costs.

FY 2025 GAAP TO NON-GAAP RECONCILIATIONS

TOTAL COMPANY

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



Twelve Months Ended December 31, 2025

	Revenue	Gross Profit	Total Operating Expense	Income (Loss) from Operations	Total Non-operating Expense, net	Net Income (Loss)
GAAP	\$ 570,840	\$ 316,448	\$ 339,532	\$ (23,084)	\$ (4,802)	\$ (43,310)
Stock-based compensation	—	2,128	(29,752)	31,880	—	31,880
Restructuring and related charges	—	—	(1,737)	1,737	—	1,737
Non-recurring advisory fees	—	—	(3,315)	3,315	—	3,315
Asset impairment and related charges	—	—	(1,637)	1,637	—	1,637
Impairment of goodwill	—	—	(57,521)	57,521	—	57,521
Discrete tax items and tax effect of Non-GAAP adjustments	—	—	—	—	—	1,101
Total adjustments	—	2,128	(93,962)	96,090	—	97,191
Non-GAAP	\$ 570,840	\$ 318,576	\$ 245,570	\$ 73,006	\$ (4,802)	\$ 53,881
<i>As a % of revenue (GAAP)</i>		55.4%	59.5%	(4.0)%	(0.8)%	(7.6)%
<i>As a % of revenue (Non-GAAP)</i>		55.8%	43.0%	12.8%	(0.8)%	9.4%
Diluted net earnings (loss) per share:						
GAAP						\$ (0.38)
Non-GAAP						\$ 0.47
Shares used in per share calculation:						
GAAP and Non-GAAP						114,182

FY 2024 GAAP TO NON-GAAP RECONCILIATIONS CONTINUING OPERATIONS

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



Twelve Months Ended December 31, 2024

	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Income from Continuing Operations
GAAP	\$ 488,200	\$ 240,107	\$ 165,373	\$ 74,734	\$ (3,198)	\$ 50,718
Stock-based compensation	—	505	(18,820)	19,325	—	19,325
Restructuring and related charges	—	—	(2,741)	2,741	—	2,741
Asset impairment and related charges ⁽¹⁾	—	—	(10,889)	10,889	—	10,889
Non-cash interest expense related to convertible notes	—	—	—	—	567	567
Discrete tax items and tax effect of non-GAAP adjustments	—	—	—	—	—	(1,244)
Total adjustments	—	505	(32,450)	32,955	567	32,278
Non-GAAP	\$ 488,200	\$ 240,612	\$ 132,923	\$ 107,689	\$ (2,631)	\$ 82,996
<i>As a % of revenue (GAAP)</i>		49.2%	33.9%	15.3%	(0.7)%	10.4%
<i>As a % of revenue (Non-GAAP)</i>		49.3%	27.2%	22.1%	(0.5)%	17.0%
Diluted earnings per share:						
GAAP						\$ 0.43
Non-GAAP						\$ 0.71
Shares used in per share calculation:						
GAAP and Non-GAAP						117,482

FY 2023 GAAP TO NON-GAAP RECONCILIATIONS CONTINUING OPERATIONS

(UNAUDITED, IN THOUSANDS, EXCEPT EPS AND PERCENTAGES)



Twelve Months Ended December 31, 2023

	Revenue	Gross Profit	Total Operating Expense	Income from Operations	Total Non-operating Expense, net	Income from Continuing Operations
GAAP	\$ 388,482	\$ 178,121	\$ 148,092	\$ 30,029	\$ (2,184)	\$ 88,338
Stock-based compensation	—	964	(15,455)	16,419	—	16,419
Restructuring and related charges	—	13	(110)	123	—	123
Non-cash interest expense related to convertible notes	—	—	—	—	905	905
Discrete tax items and tax effect of non-GAAP adjustments	—	—	—	—	—	(69,551)
Total adjustments	—	977	(15,565)	16,542	905	(52,104)
Non-GAAP	\$ 388,482	\$ 179,098	\$ 132,527	\$ 46,571	\$ (1,279)	\$ 36,234
<i>As a % of revenue (GAAP)</i>		45.9%	38.1%	7.7%	(0.6)%	22.7%
<i>As a % of revenue (Non-GAAP)</i>		46.1%	34.1%	12.0%	(0.3)%	9.3%
Diluted earnings per share:						
GAAP						\$ 0.75
Non-GAAP						\$ 0.31
Shares used in per share calculation:						
GAAP and Non-GAAP						117,359

Q1 2026 GUIDANCE GAAP TO NON-GAAP RECONCILIATIONS

(UNAUDITED, IN MILLIONS, EXCEPT EPS AND PERCENTAGES)



Q1 2026 Financial Guidance																
	Revenue		Gross Profit		Total Operating Expense		Income from Operations		Income from Continuing Operations							
GAAP	\$	100 to \$	105	\$	53 to \$	57	\$	46 to \$	48	\$	7 to \$	9	\$	4 to \$	5	
Stock-based compensation		—			1			(10)			11			11		
Tax effect of Non-GAAP adjustments		—			—			—			—			(3) to	(2)	
Total adjustments		—			1			(10)			11			8 to	9	
Non-GAAP	\$	100 to \$	105	\$	54 to \$	58	\$	36 to \$	38	\$	18 to \$	20	\$	12 to \$	14	
<i>As a % of revenue (GAAP)</i>					53.0% to	54.3%		46.0% to	45.7%		7.0% to	8.6%		4.0% to	4.8%	
<i>As a % of revenue (Non-GAAP)</i>					54.0% to	55.0%		36.0% to	36.2%		18.0% to	19.3%		12.0% to	13.0%	
Diluted earnings per share:																
GAAP														\$	0.04 to \$	0.04
Non-GAAP														\$	0.11 to \$	0.12
Shares used in per share calculation:																
GAAP and Non-GAAP																111.4

FY 2026 GUIDANCE GAAP TO NON-GAAP RECONCILIATIONS

(UNAUDITED, IN MILLIONS, EXCEPT EPS AND PERCENTAGES)



	FY26 Financial Guidance									
	Revenue		Gross Profit		Total Operating Expense		Income from Operations		Income from Continuing Operations	
GAAP	\$ 440 to \$ 480	\$ 222 to \$ 252	\$ 176 to \$ 181	\$ 46 to \$ 71	\$ 30 to \$ 48					
Stock-based compensation	—	2	(26)	28	28					
Tax effect of Non-GAAP adjustments	—	—	—	—	(6) to (5)					
Total adjustments	—	2	(26)	28	22 to 23					
Non-GAAP	<u>\$ 440 to \$ 480</u>	<u>\$ 224 to \$ 254</u>	<u>\$ 150 to \$ 155</u>	<u>\$ 74 to \$ 99</u>	<u>\$ 52 to \$ 71</u>					
<i>As a % of revenue (GAAP)</i>		<i>50.5% to 52.5%</i>	<i>40.0% to 37.7%</i>	<i>10.5% to 14.8%</i>	<i>6.8% to 10.0%</i>					
<i>As a % of revenue (Non-GAAP)</i>		<i>51.0% to 53.0%</i>	<i>34.1% to 32.3%</i>	<i>16.8% to 20.6%</i>	<i>11.7% to 14.7%</i>					
Diluted earnings per share:										
GAAP					\$ 0.27 to \$ 0.43					
Non-GAAP					\$ 0.46 to \$ 0.63					
Shares used in per share calculation:										
GAAP and non-GAAP					111.7					



harmonic

THANK YOU.