



NEWS RELEASE

L3Harris Reports Strong Fourth Quarter and Second Half Results; Well-Positioned on EPS and FCF in 2020

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MELBOURNE, Fla.

- 4Q19 revenue \$4.8 billion; up 190% GAAP and 10% versus prior-year combined¹
- 4Q19 GAAP EPS from continuing operations down 6% to \$1.77; non-GAAP² up 28% versus prior-year combined to \$2.85
- 4Q19 operating cash flow of \$858 million and adjusted free cash flow³ of \$831 million
- 2H19 revenue \$9.2 billion, GAAP EPS from continuing operations \$3.68, non-GAAP² EPS \$5.43, operating cash flow \$939 million and adjusted free cash flow³ \$1.45 billion
- CY19 combined revenue \$18.1 billion, GAAP EPS from continuing operations \$7.90, non-GAAP² EPS \$10.08, operating cash flow \$1.7 billion and adjusted free cash flow³ \$2.46 billion
- Initiated CY20 guidance: revenue up 5% - 7%, GAAP EPS \$8.35 - \$8.75, non-GAAP² EPS \$11.35 - \$11.75, operating cash flow \$2.8 - \$2.9 billion and adjusted free cash flow³ \$2.6 - \$2.7 billion

L3Harris Technologies, Inc. (NYSE:LHX) reported fourth quarter 2019 revenue of \$4.8 billion, up 10% compared with prior-year combined revenue. GAAP earnings per diluted share (EPS) from continuing operations decreased 6% to \$1.77, and non-GAAP EPS² increased 28% versus prior-year combined EPS to \$2.85. Net income increased 77% to \$399 million, and adjusted earnings before interest and taxes (EBIT)² increased 28% versus prior-year combined EBIT² to \$835 million, with margin expansion of 240 basis points (bps) to 17.3%.

"We ended the year on a high note, capping a strong second half with double-digit revenue growth, margin

expansion in every segment and robust free cash flow while returning \$1.8 billion to shareholders," said William M. Brown, Chairman and Chief Executive Officer. "With a well-funded defense budget, integration progressing ahead of schedule and momentum building on operational excellence, we are well positioned to generate strong earnings and free cash flow growth in 2020 and beyond."

Summary Financial Results

(\$ millions, except per share data)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
(GAAP comparison)									
Revenue	\$ 4,832	\$ 1,666	190%	\$ 9,263	\$ 3,208	189%	\$ 12,856	\$ 6,431	100%
Net income	\$ 399	\$ 225	77%	\$ 834	\$ 438	90%	\$ 1,345	\$ 847	59%
Net income margin	8.3	% 13.5	% (520)bps	9.0	% 13.7	% (470)bps	10.5	% 13.2	% (270)bps
Earnings per share	\$ 1.77	\$ 1.88	(6%)	\$ 3.68	\$ 3.66	1%	\$ 7.90	\$ 7.01	13%
(Combined non-GAAP comparison) ⁴									
Revenue	\$ 4,832	\$ 4,382	10%	\$ 9,240	\$ 8,392	10%	\$ 18,074	\$ 16,404	10%
Adjusted EBIT	\$ 835	\$ 654	28%	\$ 1,601	\$ 1,266	26%	\$ 2,995	\$ 2,456	22%
Adjusted EBIT margin	17.3	% 14.9	% 240bps	17.3	% 15.1	% 220bps	16.6	% 15.0	% 160bps
Earnings per share	\$ 2.85	\$ 2.22	28%	\$ 5.43	\$ 4.26	27%	\$ 10.08	\$ 7.92	27%

Revenue increased 10% for the quarter, second half and full-year versus prior-year combined revenue, with strong growth across Integrated Mission Systems, Space and Airborne Systems and Communication Systems. GAAP EPS increased 1% for the second half and increased 13% for the year driven by higher volume from the L3Harris merger, strong operational performance, the gain on the sale of the Harris Night Vision business in the third quarter, integration savings and higher pension income, partially offset by integration costs, including facility consolidation, and a step-up in deal-related amortization. Non-GAAP EPS⁴ was up 28% for the quarter and 27% for the second half and full-year versus prior-year non-GAAP EPS⁴ from higher volume, strong operational performance and integration savings, partially offset by a higher tax rate net of lower interest expense. Full-year combined adjusted EBIT⁴ margin expanded 160 bps to 16.6% and funded book-to-bill was 1.04.

Segment Results⁵

Integrated Mission Systems

(\$ millions)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
Revenue	\$ 1,471	\$ 1,331	11%	\$ 2,774	\$ 2,517	10%	\$ 5,387	\$ 4,851	11%
Operating income	\$ 197	\$ 148	33%	\$ 377	\$ 293	29%	\$ 694	\$ 564	23%
Operating margin	13.4	% 11.1	% 230bps	13.6	% 11.6	% 200bps	12.9	% 11.6	% 130bps

4Q19 Results:

Revenue increased 11% primarily driven by the ISR and Electro Optical businesses. Operating income grew 33% to \$197 million, and margin expanded 230 bps to 13.4%, driven by volume, merger-related accretion and operational excellence, partially offset by program mix.

Order momentum continued in ISR aircraft missionization with \$398 million in orders for advanced capabilities across the Big Safari fleet, bringing total funding for the year to more than \$1.7 billion on this long standing U.S. Air Force program.

The company also leveraged investments in maritime systems and received an award for up to \$500 million under a new competitive classified maritime program, alongside \$30 million in awards from the Indonesian Navy for integrated platform management systems and mast raising equipment, strengthening its position as a leading global supplier of maritime solutions.

Domestic and international demand for L3Harris electro-optical systems remained strong. L3Harris received more than \$200 million in domestic awards, including a production order for F-35 sensor systems under LRIP 14, \$25 million for high-altitude sensors for a U.S. government customer and \$23 million from the U.S. Navy supporting maritime platforms. The company also reinforced its international foothold with a \$30 million award for airborne turret systems from an existing customer in the Middle East.

2H19 and CY19 Results:

Second half segment revenue increased 10%, operating income increased 29% and operating margin expanded 200 bps to 13.6%. Full-year segment revenue increased 11% with a funded book-to-bill of 1.06, and operating margin expanded 130 bps to 12.9%.

Space and Airborne Systems

(\$ millions)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
Revenue	\$ 1,198	\$ 1,068	12%	\$ 2,360	\$ 2,039	16%	\$ 4,661	\$ 4,015	16%
Operating income	\$ 216	\$ 199	9%	\$ 442	\$ 363	22%	\$ 860	\$ 711	21%
Operating margin	18.0	% 18.6	% (60)bps	18.7	% 17.8	% 90bps	18.5	% 17.7	% 80bps

4Q19 Results:

Revenue increased 12% from a ramp in modernization on the F-35 platform in Avionics, increased production on B-52 aircraft in Electronic Warfare and growth in ground-based adjacencies and exquisite systems in classified areas. Operating income increased 9% to \$216 million and margin was 18.0%, as higher volume, strong program execution, integration savings and pension income were more than offset by higher investments and program mix.

Momentum in space sensing, payload expertise and small satellite technology led to wins with significant follow-on opportunities in Space:

- Multi-vendor award to design and develop space sensors under the initial phase of the Hypersonic and Ballistic Tracking Space Sensor program
- Sole-source IDIQ to provide secure protection for satellite command, telemetry, crosslink and payload communications links
- Multi-million-dollar award for small satellites from a legacy customer, reinforcing the company's credibility as a responsive mission prime

L3Harris continued to strengthen its position in Electronic Warfare and Avionics with more than \$200 million in orders on long-term platforms (F-35, F/A-18 and F-16), increasing total orders for the year to more than \$1 billion on

these platforms.

2H19 and CY19 Results:

Second half segment revenue increased 16%, operating income increased 22% and operating margin expanded 90 bps to 18.7%. Full-year segment revenue increased 16% with a funded book-to-bill of 1.01. Operating income increased 21% and operating margin expanded 80 bps to 18.5%.

Communication Systems

(\$ millions)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
Revenue	\$ 1,119	\$ 1,016	10%	\$ 2,151	\$ 1,949	10%	\$ 4,277	\$ 3,853	11%
Operating income	\$ 259	\$ 227	14%	\$ 493	\$ 426	16%	\$ 952	\$ 820	16%
Operating margin	23.1	% 22.3	% 80bps	22.9	% 21.9	% 100bps	22.3	% 21.3	% 100bps

4Q19 Results:

Revenue increased 10% from a ramp in U.S. DoD modernization programs in Tactical Communications and Integrated Vision Solutions as well as increased demand with state and federal customers in Public Safety. Operating income increased 14% to \$259 million, and margin expanded 80 bps to 23.1%, from strong operational performance and integration savings, partially offset by mix.

Tactical Communications received several significant awards to support U.S. DoD modernization and combat evolving international threats:

- \$96 million from the U.S. Special Operations Command (SOCOM) for the first full-rate production order under the \$390 million Next Generation Tactical Communications multi-channel handheld IDIQ program - a key milestone in SOCOM's multi-year modernization strategy
- \$50 million sole-source order from the U.S. Marine Corps for next-generation manpacks as part of its High Frequency Radio II modernization program
- \$38 million from the U.S. Army for next-generation radios and related equipment, the second low rate

production order under the U.S. Army's \$3.9 billion 2-Channel Leader Radio IDIQ program

- \$170 million contract with \$58 million in initial funding from a country in the Middle East to provide Falcon III® and Single-Channel Ground and Airborne Radio Systems (SINCGARS) radios for an armored vehicle platform

In addition, the company received a \$100 million IDIQ contract from SOCOM to upgrade its existing fleet of Very Small Aperture Terminals, extending their service life.

The company also strengthened its position in unmanned aerial communication systems with a follow-on production order to supply airborne datalink hardware for the MQ-9 Reaper, increasing the total awarded IDIQ contract value to \$44 million.

In Integrated Vision Solutions, the company received a follow-on contract to deliver additional specialized night vision equipment to the Australian Army under the LAND 53 Phase 1 program. This award follows the successful initial deliveries of the company's modernized night vision technology and increases the value of the program to \$242 million.

2H19 and CY19 Results:

Second half segment revenue increased 10%, operating income increased 16% and operating margin expanded 100 bps to 22.9%. Full-year segment revenue increased 11% with a funded book-to-bill of 1.06. Segment operating margin expanded 100 bps to 22.3%.

Aviation Systems

(\$ millions)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
Revenue	\$ 1,090	\$ 1,017	7%	\$ 2,038	\$ 1,970	3%	\$ 3,917	\$ 3,835	2%
Operating income	\$ 162	\$ 76	113%	\$ 289	\$ 172	68%	\$ 486	\$ 352	38%
Operating margin	14.9	% 7.5	% 740bps	14.2	% 8.7	% 550bps	12.4	% 9.2	% 320bps

4Q19 Results:

Revenue increased 7% from growth in Defense and Commercial Aviation Products, partially offset by the previously announced competitive loss of the U.S. Air Force C-17 training contract. Operating income increased 113% to \$162 million, and margin expanded 740 bps to 14.9%, driven by improved performance, including for Electron Devices and merger-related accretion.

Order momentum remained strong in Defense Aviation Products and included a \$61 million order under a multi-year procurement contract for antenna and rotary products supporting the E-2D Advanced Hawkeye aircraft.

In Commercial Aviation Products, full-flight simulator demand increased in the quarter with orders from customers in Europe, Asia Pacific and the Middle East for 6 units, bringing the total to 10 simulators for the year.

In addition, the company furthered its strong position in pilot training solutions with \$68 million in orders for International F-16 training systems with customers across three different countries.

2H19 and CY19 Results:

Second half segment revenue increased 3%, operating income increased 68% and operating margin expanded 550 bps to 14.2% driven by improved performance and integration savings. Full-year segment revenue increased 2% with a funded book-to-bill of 1.05. Operating income increased 38%, and operating margin expanded 320 bps to 12.4%.

Cash and Capital Deployment

(\$ millions)	Fourth Quarter			Second Half			Full Year		
	4Q19	4Q18	Change	2H19	2H18	Change	CY19	CY18	Change
Operating cash flow	\$ 858	\$ 352	\$ 506	\$ 939	\$ 469	\$ 470	\$ 1,655	\$ 847	\$ 808
Adjusted free cash flow ⁶	\$ 831	\$ 987	\$ (156)	\$ 1,449	\$ 1,264	\$ 185	\$ 2,460	\$ 1,929	\$ 531

In the fourth quarter of calendar 2019, L3Harris generated \$831 million in adjusted free cash flow⁶ and returned \$915 million to shareholders through \$750 million in share repurchases and \$165 million in dividends. For the year, the company generated \$2.46 billion in combined adjusted free cash flow⁶, up 28% versus prior-year combined adjusted free cash flow⁶.

Guidance

As a result of strong momentum and performance in 2019, L3Harris initiated the following guidance for 2020:

- Organic revenue up 5% - 7% from combined full-year calendar 2019 revenue
- GAAP EPS in a range of \$8.35 - \$8.75 and non-GAAP EPS⁷ in a range of \$11.35 - \$11.75
- Operating cash flow in a range of \$2.8 - \$2.9 billion; adjusted free cash flow⁸ in a range of \$2.6 - \$2.7 billion

Conference Call and Webcast

L3Harris will host a conference call today, February 4th, at 8:30 a.m. Eastern Time (ET) to discuss fourth quarter, second half and full-year calendar 2019 financial results. The dial-in numbers for the teleconference are (U.S.) (877) 407-6184 and (International) (201) 389-0877, and participants will be directed to an operator. Please allow at least 10 minutes before the scheduled start time to connect to the teleconference. Participants are encouraged to listen via live webcast and view management's supporting slide presentation at <https://www.l3harris.com/investors>. A recording of the call will be available on the L3Harris website beginning at approximately 12 p.m. ET on February 4th.

About L3Harris Technologies

L3Harris Technologies is an agile global aerospace and defense technology innovator, delivering end-to-end solutions that meet customers' mission-critical needs. The company provides advanced defense and commercial technologies across air, land, sea, space and cyber domains. L3Harris has approximately \$18 billion in annual revenue and 50,000 employees, with customers in 130 countries. **L3Harris.com**.

Non-GAAP Financial Measures

This press release contains non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission ("SEC"), including earnings per diluted share from continuing operations for the fourth quarter, second half and full year of calendar 2019 and fourth quarter, second half and full year of calendar 2018; adjusted earnings before interest and taxes ("EBIT") and adjusted EBIT margin for the fourth quarter, second half and full year of calendar 2019 and fourth quarter, second half and full year of calendar 2018; free cash flow for the fourth quarter, second half and full year of calendar 2019 and fourth quarter, second half and full year of calendar 2018; adjusted free cash flow for the fourth quarter, second half and full year of calendar 2019 and fourth quarter, second half and full year of calendar 2018; expected earnings per diluted share from continuing operations for calendar 2020; and expected adjusted free cash flow for calendar 2020; in each case, adjusted for certain costs, charges, expenses, losses or other amounts as set forth in the reconciliations of non-GAAP financial measures included in the financial statement tables accompanying this press release. A "non-GAAP financial measure" is generally defined as a numerical measure of a company's historical or future performance that excludes or includes amounts, or is subject to adjustments, so as to be different from the most directly comparable

measure calculated and presented in accordance with generally accepted accounting principles (“GAAP”). L3Harris management believes that these non-GAAP financial measures, when considered together with the GAAP financial measures, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionately positive or negative impact on results in any particular period. L3Harris management also believes that these non-GAAP financial measures enhance the ability of investors to analyze L3Harris business trends and to understand L3Harris performance. In addition, L3Harris may utilize non-GAAP financial measures as guides in forecasting, budgeting and long-term planning processes and to measure operating performance for some management compensation purposes. Non-GAAP financial measures should be considered in addition to, and not as a substitute for, or superior to, financial measures presented in accordance with GAAP.

Basis of Preparation of Unaudited Combined L3 and Harris Historical Financial Information

As supplemental information to aid with year-over-year comparability following the L3Harris merger, this press release includes combined financial results in certain cases, with “combined” meaning, in the case of prior-year results, L3 and Harris combined results for the applicable prior-year period on the basis described in the paragraphs below, including regarding adjustments for certain items; and in the case of full year and first half 2019 results, including L3 results for the first half of 2019 on the same basis.

Specifically, this press release includes certain unaudited combined L3 and Harris historical financial information, which combines L3 and Harris historical operating results as if the businesses had been operated together during prior periods on the basis of the combined company’s four segment structure effective following the merger, but excluding the operating results of Harris’ Night Vision business (also excluded for the third quarter of 2019 for comparability) and L3’s divested businesses, allocating Harris’ corporate department expense to the new segment structure and excluding Harris historical deal amortization (primarily related to Exelis) (the “Supplemental Unaudited Combined Financial Information”). L3Harris current-period adjusted results exclude, and L3Harris intends to continue to exclude in future-period adjusted results, all deal amortization (including L3 historical deal amortization). The Supplemental Unaudited Combined Financial Information has no impact on L3’s or Harris’ previously reported consolidated balance sheets or statements of income, comprehensive income, cash flows or equity.

For avoidance of doubt, the Supplemental Unaudited Combined Financial Information also is not intended to be, and is not, prepared consistent with the unaudited pro forma condensed combined financial information in Exhibit 99.7 to L3Harris’ Current Report on Form 8-K filed July 1, 2019 with the U.S. Securities and Exchange Commission (the “Pro Forma 8-K Filing”), which provides the pro forma financial information required by Item 9.01(b) of Form 8-K, or other pro forma financial information prepared in accordance with Article 11 of Regulation S-X that may be included in L3Harris periodic reports filed with the SEC (collectively with the pro forma

information in Exhibit 99.7 to the Pro Forma 8-K Filing, the “Pro Forma Financial Information”). For instance, the Supplemental Unaudited Combined Financial Information does not give effect to the L3Harris merger under the acquisition method of accounting in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standard Codification Topic 805, Business Combinations (“ASC Topic 805”), with Harris treated as the legal and accounting acquirer, and was not prepared to reflect the merger as if it occurred on the first day of any of the fiscal periods presented. The Supplemental Unaudited Combined Financial Information has not been adjusted to give effect to pro forma events that are (1) directly attributable to the merger, (2) factually supportable, or (3) expected to have a continuing impact on the combined results of L3 and Harris. More specifically, other than excluding the operating results of Harris’ Night Vision business and L3’s divested businesses, allocating Harris’ corporate department expense to the combined company’s four segment structure and excluding Harris historical deal amortization (primarily related to Exelis), the Supplemental Unaudited Combined Financial Information does not reflect the types of pro forma adjustments in the Pro Forma Financial Information. Consequently, the Supplemental Unaudited Combined Financial Information is intentionally different from, but does not supersede, the Pro Forma Financial Information.

In addition, the Supplemental Unaudited Combined Financial Information does not purport to indicate the results that actually would have been obtained had the L3 and Harris businesses been operated together on the basis of the combined company’s four segment structure during the periods presented, or which may be realized in the future.

Amounts Adjusted for Certain Items - The Supplemental Unaudited Combined Financial Information includes amounts adjusted for certain items, including revenue, net income, net income margin, income from continuing operations per diluted common share and cash flow, in each case as adjusted to exclude merger-related deal and integration costs and certain other items previously reported by L3 or Harris, as applicable, for the prior periods as set forth in Tables 5 to 8 and the related notes. Such amounts should be viewed in addition to, and not in lieu of, revenue, net income, net income margin, income from continuing operations per diluted common share and cash flow and other financial measures on an unadjusted basis. Tables 5 to 8 and the related notes provide a reconciliation of adjusted amounts with the most directly comparable unadjusted amount. L3Harris management believes that these adjusted amounts, when considered together with the unadjusted amounts, provide information that is useful to investors in understanding period-over-period operating results separate and apart from items that may, or could, have a disproportionate positive or negative impact on results in any particular period. L3Harris management also believes that these adjusted amounts enhance the ability of investors to analyze trends in L3Harris’ business and to understand L3Harris’ performance. In addition, L3Harris may utilize adjusted amounts as guides in forecasting, budgeting and long-term planning processes and to measure operating performance for some management compensation purposes. Adjusted amounts should be considered in addition to, and not as a substitute for, or superior to, unadjusted amounts.

Attachments: **Financial statements (8 tables)**

Forward-Looking Statements

Statements in this press release that are not historical facts are forward-looking statements that reflect management's current expectations, assumptions and estimates of future performance and economic conditions. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements in this press release include but are not limited to: revenue, earnings per share and operating cash flow and adjusted free cash flow guidance for calendar 2020; statements regarding being well positioned to generate strong earnings and free cash flow growth in 2020 and beyond, and related reasons; potential program and contract opportunities and awards and the potential value and timing thereof; and other statements regarding outlook or that are not historical facts. The company cautions investors that any forward-looking statements are subject to risks and uncertainties that may cause actual results and future trends to differ materially from those matters expressed in or implied by such forward-looking statements. The company's consolidated results, future trends and forward-looking statements could be affected by many factors, risks and uncertainties, including but not limited to: risks related to disruption of management time from ongoing business operations due to the combination of L3 and Harris; risks related to the inability to realize benefits or to implement integration plans and other consequences associated with the combination; the risk that any announcements relating to the combination could have adverse effects on the market price of the company's stock; the risk that the combination could have an adverse effect on the company's ability to retain customers and retain and hire key personnel and maintain relationships with suppliers and customers, including the U.S. Government and other governments, and on its operating results and businesses generally; the loss of the company's relationship with the U.S. Government or a change or reduction in U.S. Government funding; potential changes in U.S. Government or customer priorities and requirements (including potential deferrals of awards, terminations, reductions of expenditures, changes to respond to the priorities of Congress and the Administration, budgetary constraints, debt ceiling implications, sequestration, and cost-cutting initiatives); a security breach, through cyber attack or otherwise, or other significant disruptions of the company's IT networks and systems or those the company operates for customers; the level of returns on defined benefit plan assets and changes in interest rates; risks inherent with large long-term fixed-price contracts, particularly the ability to contain cost overruns; changes in estimates used in accounting for the company's programs; financial and government and regulatory risks relating to international sales and operations; effects of any non-compliance with laws; the company's ability to continue to develop new products that achieve market acceptance; the consequences of uncertain economic conditions and future geo-political events; strategic transactions, including mergers, acquisitions, divestitures, spin-offs and the risks and uncertainties related thereto, including the company's ability to manage and integrate acquired businesses and realize expected benefits, the potential disruption to relationships with employees, suppliers and customers, including the U.S. Government, and to the company's

business generally, and potential tax, indemnification and other liabilities and exposures; performance of the company's subcontractors and suppliers; potential claims related to infringement of intellectual property rights or environmental remediation or other contingencies, litigation and legal matters and the ultimate outcome thereof; downturns in global demand for air travel and other economic factors impacting our commercial aviation products, systems and services business; risks inherent in developing new and complex technologies and/or that may not be covered adequately by insurance or indemnity; changes in the company's effective tax rate; significant indebtedness and unfunded pension liability and potential downgrades in the company's credit ratings; unforeseen environmental matters; natural disasters or other disruptions affecting the company's operations; changes in future business or other market conditions that could cause business investments and/or recorded goodwill or other long-term assets to become impaired and the company's ability to attract and retain key employees, maintain reasonable relationships with unionized employees and manage escalating costs of providing employee health care. Further information relating to these and other factors that may impact the company's results, future trends and forward-looking statements are disclosed in the company's filings with the SEC. The forward-looking statements contained in this press release are made as of the date of this press release, and the company disclaims any intention or obligation, other than imposed by law, to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Persons reading this press release are cautioned not to place undue reliance on forward-looking statements.

¹In this release, "combined" means, in the case of prior-year results, L3 and Harris combined results for the applicable prior-year period on the basis described in the Basis of Preparation paragraphs below, including regarding adjustments for certain items; and in the case of full-year calendar 2019 results, including L3 results for the first half of 2019 on the same basis.

²Excludes discontinued operations, as applicable, and merger deal and integration costs and amortization of acquisition-related intangibles and other prior-period items; refer to Basis of Preparation paragraphs below and non-GAAP financial measure reconciliations in the tables.

³Adjusted to add back cash flow for merger deal and integration costs and pension pre-funding; refer to non-GAAP financial measure reconciliations in the tables.

⁴Non-GAAP adjustments exclude discontinued operations and merger deal and integration costs and amortization of acquisition-related intangibles and other prior-period items; combined non-GAAP prior-year results reflect L3 and Harris combined results for the applicable prior-year period on the basis described in the Basis of Preparation paragraphs below, including regarding adjustments for certain items; combined non-GAAP full-year calendar 2019 results include L3 results for the first half of 2019 on the same basis; refer to Basis of Preparation paragraphs below and non-GAAP financial measure reconciliations in the tables.

⁵To aid with year-over-year comparability due to the new segment structure following the L3Harris merger, all prior-year segment results reflect L3 and Harris combined results for the applicable prior-year period, on the basis described in the Basis of Preparation paragraphs below, and all full-year calendar 2019 segment results include L3 results for the first half of calendar 2019 on the same basis. Refer to the tables for actual prior-year and full-year calendar 2019 segment results and related reconciliations.

⁶Adjusted to add back cash flow for merger deal and integration costs and pension pre-funding; refer to non-GAAP financial measure reconciliations in the tables.

⁷Excludes merger integration costs, amortization of acquisition-related intangibles and other items; refer to non-GAAP financial measure reconciliations in the tables.

⁸Adjusted to add back cash flow for merger deal and integration costs; refer to non-GAAP financial measure reconciliations in the tables.

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