ADTRAN, Inc.
Supplemental Financial Schedule

ADTRAN, Inc. (“ADTRAN” or the “Company”) has posted this supplemental unaudited financial schedule on its Investor Relations web page in order to provide investors with (i) supplemental information regarding revenue by segment and category and (ii) reconciliations of certain financial measures (“non-GAAP financial measures”) prepared other than in accordance with generally accepted accounting principles in the United States (“U.S. GAAP”) to the most directly comparable financial measures prepared in accordance with U.S. GAAP, as such non-GAAP financial measures may be discussed on the Company’s first quarter 2022 earnings webcast conference call on May 5, 2022.

The Company is providing this data for informational purposes only. The information contained herein does not purport to project the Company’s results of operations or financial condition for any future period or as of any future date, and operating results for any completed period are not necessarily indicative of the results that may be expected for any other future period. This supplemental financial information should be read in conjunction with the financial and related information contained in our filings with the Securities and Exchange Commission. This document is dated May 5, 2022.

ADTRAN Inc.
Revenue by Segment and Category Classification
For the Three Months Ended March 31, 2022, December 31, 2021 and March 31, 2021

	Three Months Ended		
	March 31, 2022	**December 31 2021**	**March 31, 2021**
Segment Revenue:			
Network Solutions	$ 138,374	$ 138,809	$ 113,809
Services & Support	16,144	15,349	13,724
Total Revenue	**$ 154,518**	**$ 154,158**	**$ 127,533**
Category Revenue:			
Access & Aggregation	$ 95,460	$ 94,985	$ 69,074
Subscriber Solutions & Experience	54,606	52,330	54,569
Traditional & Other Products	4,452	6,843	3,890
Total Revenue	**$ 154,518**	**$ 154,158**	**$ 127,533**
Revenue by Geographic Region:			
United States	$ 99,048	$ 101,590	$ 86,485
International	55,470	52,568	41,048
Total Revenue	**$ 154,518**	**$ 154,158**	**$ 127,533**

Reconciliation of Certain Non-GAAP Financial Measures

The tables below present a reconciliation of Non-GAAP Gross Profit, Non-GAAP Gross Margin, Non-GAAP Operating Expenses and Non-GAAP Other (Expense) Income, each of which is a non-GAAP financial measure, to the most directly comparable financial measure prepared in accordance with U.S. GAAP. ADTRAN's management believes that these non-GAAP financial measures are useful and meaningful to management and investors, and management may discuss these non-GAAP financial measures during presentations to investors. Non-GAAP financial measures do not have any standardized meaning and, therefore, may not be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, financial measures reported in accordance with U.S. GAAP.

ADTRAN Inc.
Reconciliation of Gross Profit and Gross Margin to Non-GAAP Gross Profit and Non-GAAP Gross Margin
For the Three Months Ended March 31, 2022, December 31, 2021 and March 31, 2021

	Three Months Ended		
	March 31, 2022	**December 31 2021**	**March 31, 2021**
Total Revenue	**$ 154,518**	**$ 154,158**	**$ 127,533**
Cost of Revenue	**$ 100,202**	**$ 99,723**	**$ 73,932**
Stock-based compensation expense	(159)	(154)	(131)
Restructuring expenses	-	-	(15)
Non-GAAP Cost of Revenue	**$ 100,043**	**$ 99,569**	**$ 73,786**
Gross Profit	**54,316**	**54,435**	**53,601**
Non-GAAP Gross Profit	**54,475**	**54,589**	**53,747**
Gross Margin	**35.2%**	**35.3%**	**42.0%**
Non-GAAP Gross Margin	**35.3%**	**35.4%**	**42.1%**

ADTRAN Inc.
Reconciliation of Operating Expenses to Non-GAAP Operating Expenses
For the Three Months Ended March 31, 2022, December 31, 2021 and March 31, 2021

	Three Months Ended		
	March 31, 2022	December 31 2021	March 31, 2021
Operating Expenses	**$ 54,384**	**$ 61,673**	**$ 54,936**
Acquisition-related expenses, amortizations and adjustments	(2,330)	(6,529)	(1,045)
Stock-based compensation expense	(1,734)	(1,869)	(1,676)
Restructuring expenses	(2)	(102)	(286)
Deferred compensation adjustments [1]	2,696	2	(556)
Non-GAAP Operating Expenses	**$ 53,014**	**$ 53,175**	**$ 51,373**

(1) Includes non-cash change in fair value of equity investments held in the ADTRAN, Inc. Deferred Compensation Program for Employees, all of which is included in selling, general and administrative expenses on the condensed consolidated statements of (loss) income.

ADTRAN Inc.
Reconciliation of Other (Expense) Income to Non-GAAP Other (Expense) Income
For the Three Months Ended March 31, 2022, December 31, 2021 and March 31, 2021

	Three Months Ended		
	March 31, 2022	**December 31 2021**	**March 31, 2021**
Interest and dividend income	204	1,957	290
Interest expense	(30)	(16)	(6)
Net investment (loss) gain	(3,415)	(1,181)	996
Other income (expense), net	(226)	1,151	1,999
Total Other (Expense) Income	**$ (3,467)**	**$ 1,911**	**$ 3,279**
Deferred compensation adjustments (1)	1,841	673	(288)
Pension expense (2)	89	263	278
Non-GAAP Other (Expense) Income	**$ (1,537)**	**$ 2,847**	**$ 3,269**

(1) Includes non-cash change in fair value of equity investments held in the ADTRAN, Inc. Deferred Compensation Program for Employees.
(2) Includes amortization of actuarial losses related to the Company's pension plan for employees in certain foreign countries.