



NEWS RELEASE

## ADTRAN to Revise Financial Reporting Structure

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HUNTSVILLE, Ala.--(BUSINESS WIRE)--Apr. 8, 2016-- **ADTRAN®**, Inc., (NASDAQ:ADTN), a leading provider of next-generation open networking solutions, today announced a change in the reporting of its financial results to better match its market opportunities and technology development initiatives. Beginning with the publication of its earnings report for the quarter ending March 31, 2016, ADTRAN, Inc. (the "Company") will report its financial performance based on two new reportable segments – Network Solutions and Services & Support. In addition to the new reporting segments, the Company will also report revenue for the three categories - Access & Aggregation, Customer Devices, and Traditional & Other Products.

### Operating Segments

ADTRAN's new operating segments are **Network Solutions** and **Services & Support**.

### Revenue Categories

ADTRAN will report revenue for the following three categories – Access & Aggregation, Customer Devices, and Traditional & Other Products.

- Access & Aggregation solutions in general are used by communications service providers to connect their network infrastructure to their subscribers. This category includes software and hardware based products and services that aggregate and/or originate access technologies. The portfolio of ADTRAN solutions within this category includes a wide array of modular or fixed physical form factors designed to deliver the best technology and economic fit based on the target subscriber density and environmental conditions.

- Customer Devices in general includes the products and services that provide end users access to the communication service provider networks. The Customer Devices portfolio includes a comprehensive array of hardware and software products and services.
- Traditional & Other Products in general include a mix of prior generation technologies' products and services as well as other products and services that do not fit within the Access & Aggregation or Customer Devices categories.

#### Recast Segment and Category Financial Reporting

The Company will announce its financial results for the first quarter after market close on April 12, 2016, and will report financial performance based on these two new operating segments. To aid investors with the transition, for the first quarter results only, revenue and gross margin will also be provided for the operating segments that ADTRAN reported during fiscal year 2015.

Financial segment information for the four quarters and the full year for fiscal years 2014 and 2015, as if reported under the new operating segment structure, will be available in an 8-K filing and concurrently on the Company Web site at <http://www.adtran.com>, prior to our first quarter earnings call on April 13, 2016.

Please refer to the form 8-K filed on April 8, 2016 with the SEC which provides the new format of the Company's quarterly segment revenue, segment gross profit, and product category revenue for the years ended December 31, 2015 and 2014 that will be recast during the first quarter of 2016.

#### About ADTRAN

ADTRAN, Inc. is a leading global provider of networking and communications equipment. ADTRAN's products enable voice, data, video and Internet communications across a variety of network infrastructures. ADTRAN solutions are currently in use by service providers, private enterprises, government organizations, and millions of individual users worldwide. For more information, please visit [www.adtran.com](http://www.adtran.com).

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ADTRAN, Inc.

Roger Shannon, 256-963-8775

Senior Vice President & CFO

or

Gayle Ellis, 256-963-8220

Investor Services

