UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of report (Date of earliest event reported): September 13, 2022

VIAVI SOLUTIONS INC.

(Exact name of Registrant as specified in its charter)

Delaware	**000-22874**	**94-2579683**
(State or other jurisdiction of incorporation or organization)	(Commission file number)	(I.R.S. Employer Identification Number)

1445 South Spectrum Blvd, Suite 102 Chandler, Arizona 85286

(Address of principal executive offices and Zip Code)

(408) 404-3600

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of the exchange on which registered**
Common Stock, par value of $0.001 per share	VIAV	The Nasdaq Stock Market LLC

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b)

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).
Emerging growth company. ☐
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 7.01. Regulation FD Disclosure.

On September 13, 2022, Viavi Solutions Inc. (the "Company") issued a press release announcing a new common stock repurchase program (as described in greater detail in Item 8.01 of this Current Report on Form 8-K) and confirming the Company's guidance for the first quarter of fiscal 2023. Additionally, the Company posted slides and historical financial tables on its website in connection with its analyst day presentations. A copy of these slides is furnished as Exhibit 99.2 and incorporated by reference in its entirety.

The information in this Item 7.01 of this Form 8-K, including Exhibits 99.1 and 99.2, are intended to be furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall they be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 8.01. Other Events.

On September 11, 2022, the Company's Board of Directors authorized a new common stock repurchase program that will allow the Company to repurchase up to $300 million shares of the Company's common stock. This new program commences October 1, 2022 and replaces the $200 million stock repurchase program that the Board previously authorized in September 2019 and which expires September 30, 2022. Under the new repurchase program, the Company may purchase shares of common stock from time to time through a variety of methods, which may include but are not limited to open market purchases, the implementation of a 10b5-1 plan, privately negotiated transactions and/or any other available methods in accordance with Securities and Exchange Commission and other applicable legal requirements. The repurchase program will remain in effect until the amount authorized has been fully repurchased or until the Company suspends or terminates the program.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release entitled "VIAVI Announces $300 million Common Stock Repurchase Program, confirms Business Outlook and Announces Analyst Day Webcast" dated September 13, 2022
99.2	Slide presentation entitled "Viavi Solutions Analyst Day" dated September 13, 2022
104	Cover Page Interactive Data File - the cover page iXBRL tags are embedded within the Inline XBRL document

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VIAVI SOLUTIONS INC.

By: /s/ KEVIN SIEBERT
Name: Kevin Siebert
Title: Senior Vice President, General Counsel and Secretary

September 13, 2022

VIAVI Announces $300 Million Common Stock Repurchase Program, Reconfirms Business Outlook and Announces Analyst Day Webcast

09/13/2022

CHANDLER, Ariz., Sept. 13, 2022 /PRNewswire/ -- (NASDAQ: VIAV) Viavi Solutions Inc. ("VIAVI") announced today that its Board of Directors has authorized a stock repurchase program of up to $300 million of VIAVI's common stock effective October 1, 2022 and will remain in effect until the amount authorized has been fully repurchased or until VIAVI suspends or terminates the program. This new program replaces the $200 million stock repurchase program that the Board previously authorized in September 2019 and which expires September 30, 2022. Under the new share repurchase program, the Company is authorized to repurchase shares through a variety of methods, including open market purchases, privately-negotiated transactions or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans. The timing of repurchases under the new program will depend upon business and financial market conditions.

Business Outlook

For the first quarter of fiscal 2023 ending October 01, 2022, VIAVI is reconfirming its guidance revenue of $317 million to $331 million, non-GAAP operating margin between 20.7%-22.1%, and non-GAAP earnings per share to be in the range of $0.22 to $0.24.

Analyst Day/Webcast

VIAVI is hosting its Analyst Day event today at 9:00am EDT (6:00am PDT) in Boston, Massachusetts. The Analyst Day presentation will be made available on VIAVI's website after the event and the live webcast and its archived replay can be viewed at www.viavisolutions.com/investors. This press release and the Analyst Day presentation are also being furnished in a Current Report on Form 8-K with the Securities and Exchange Commission, and will be available at www.sec.gov.

About VIAVI Solutions

VIAVI (NASDAQ: VIAV) is a global provider of network test, monitoring and assurance solutions for communications service providers, enterprises, network equipment manufacturers, original equipment manufacturers, government and avionics. We help these customers harness the power of instruments, automation, intelligence and virtualization. VIAVI is also a leader in light management solutions for the anti-counterfeiting, consumer electronics, industrial, government and automotive markets. Learn more about VIAVI at www.viavisolutions.com. Follow us on VIAVI Perspectives, LinkedIn, Twitter, YouTube and Facebook.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements including statements about the amount and timing of repurchases under the Company's share purchase program and the methods to execute such repurchases are based on management's current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or results, including, but not limited to, VIAVI's ESG-related commitments, strategies, and initiatives; business plans and strategy; technology, products, and services; opportunities for growth; and stakeholder engagement efforts. These forward-looking statements involve risks and uncertainties that could cause actual results, levels of activity, performance, achievements, and events to differ materially from those stated, anticipated, or implied by such forward-looking statements. For more information on the risks and uncertainties associated with VIAVI please refer to the "Risk Factors" sections of VIAVI's filings with the Securities and Exchange Commission, including, but not limited to, its annual report on Form 10-K and quarterly reports on Form

10-Q. The forward-looking statements contained in this press release are made as of the date thereof and VIAVI assumes no obligation to update such statements.

Contact Information

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408-404-4507

sagar.hebbar@viavisolutions.com

Press:

Amit Malhotra

202-341-8624

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Analyst Day 2022

VIAVI Solutions

September 13, 2022

Agenda

9:00 – 9:05 am	Welcome/Agenda	Sagar Hebbar
9:05 – 9:55 am	VIAVI Strategy Presentation	Oleg Khaykin
9:55 – 10:15 am	Q & A	VIAVI Team
10:15 – 10:25 am	Break	
10:25 – 11:00 am	VIAVI Financial Update	Henk Derksen
11:00 – 11:30 am	Q & A and Close	VIAVI Team
11:30 – 12:00 pm	Solutions Showcase and Networking	
12:00 – 1:30 pm	Lunch with VIAVI Executives	

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Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. A forward-looking statement may contain words such as “anticipate,” “believe,” “can,” “can impact,” “could,” “continue,” “estimate,” “expect,” “intend,” “may,” “ongoing,” “plan,” “potential,” “projects,” “should,” “will,” “will continue to be,” “would,” or the negative thereof or other comparable terminology. These statements are based on management’s current opinions, expectations, beliefs, plans, objectives, assumptions, or projections regarding future events or results, including, but not limited to VIAVI’s business plans and strategy; technologies, products, and services; opportunities for growth; ESG and human capital initiatives; and future financial performance, including future revenue, gross margin, operating expense, operating margin, profitability targets, cash flow and other financial metrics, as well as the impact and duration of certain trends and market position and conditions. These forward-looking statements involve risks and uncertainties that could cause actual results, levels of activity, performance, achievements, and events to differ materially from those stated, anticipated, or implied by such forward-looking statements. For more information on the risks and uncertainties associated with VIAVI please refer to the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and "Risk Factors" sections of VIAVI's filings with the Securities and Exchange Commission, including, but not limited to, its annual report on Form 10-K and quarterly reports on Form 10-Q. The forward-looking statements contained in this presentation are made as of the date thereof and VIAVI assumes no obligation to update such statements.

This presentation and the Q&A that follows include non-GAAP financial measures which complement the Company’s preliminary consolidated GAAP financial statements. These non-GAAP financial measures are not intended to supersede or replace the Company’s preliminary GAAP financials. We provide a detailed reconciliation of preliminary GAAP results to the non-GAAP results in the Appendix to this presentation.

Note: Amounts presented in all slides are on a continuing operations basis unless otherwise noted.

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Assumptions and Notes to Financials

- Financials presented are non-GAAP, unless noted otherwise
- A GAAP to non-GAAP reconciliation of historical financials is provided in the Appendix
- Numbers might not equal to totals due to the rounding convention used
- Data on revenue segmentation is based on certain assumptions regarding product groupings, technology drivers, expense classifications, and internal business groupings and as such is directional
- Financial Guidance provided in this presentation is valid only as of today's date as mentioned earlier in the Safe Harbor statement

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VIAVI Strategy Presentation

Oleg Khaykin
President and Chief Executive Officer

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Recap: VIAVI Strategy FY2019 – FY2022

Vision	**#1 or a strong #2 in all market segments where we compete**

Strategy

1. **Defend and expand the base business**
   - NSE: Continue with “Big NE, focused SE” strategy
   - OSP: Anti-counterfeiting pigments and high-value Optical Coatings
2. **“Ride the Waves” – leverage secular trends to drive growth and expand TAM**
   - “Fiber Everywhere” – wireless, cable and FTTx networks
   - 5G – RF Field Instrumentation, Service Assurance
   - 3D Sensing technology adoption in consumer, automotive, and industrial
3. **Disciplined corporate development / M&A**
   - “Go Deep” to increase and leverage operating scale in growth areas
   - Select diversification into adjacent markets segments to monetize NOLs
4. **Drive operational effectiveness**
   - Continuous productivity improvement in Operations, R&D, and SG&A

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VIAVI Solutions by the Numbers

1.6M+
INSTRUMENTS IN USE

10K+
ASSURANCE SYSTEMS DEPLOYED

2B+
3DS FILTERS SHIPPED



$1.3B
ANNUAL REVENUE (FY22)

100,000+
DATA CENTERS RELY ON VIAVI

3,600+
EMPLOYEES

200+
SERVICE PROVIDER NETWORKS

400+
CHANNEL PARTNERS

2,511
PATENTS ISSUED

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Aggressively Investing in Technology Leadership

Emerging Technologies

5G



In the 5G technology space, VIAVI has more than 100 issued patents and 40 applications in 15 different countries

3D Sensing



In 3D Sensing technology, VIAVI has more than 150 issued patents and 175 applications in more than 50 different countries

VIAVI owns approximately 881 U.S. patents and 1,630 foreign patents, with 320 U.S. patent applications and 813 foreign patent applications pending.

PATENTED
1,120
NSE WW Patents

PATENTED
1,391
OSP WW Patents

PATENT PENDING
251
NSE WW Applications

PATENT PENDING
882
OSP WW Applications

NOTE: Data as of September 9, 2022

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Leadership Position in All Target Market Segments …

… and Building Leadership in New High Growth Segments

Test and Measurement Leadership

NSE

#1	in Fiber	#1	in Cable and Access
#1	in Metro and Transport	#1	in Land-Mobile and Military Radio
#1	in 5G Network Infrastructure	#1	in Nav / Comm and Transponder
#1	in 5G Field	#2	in PCIe Protocol

Security Authentication/Sensing Leadership

OSP

#1	in Anti-Counterfeiting Pigment Materials	#1	in 3D Sensing Optical Filters

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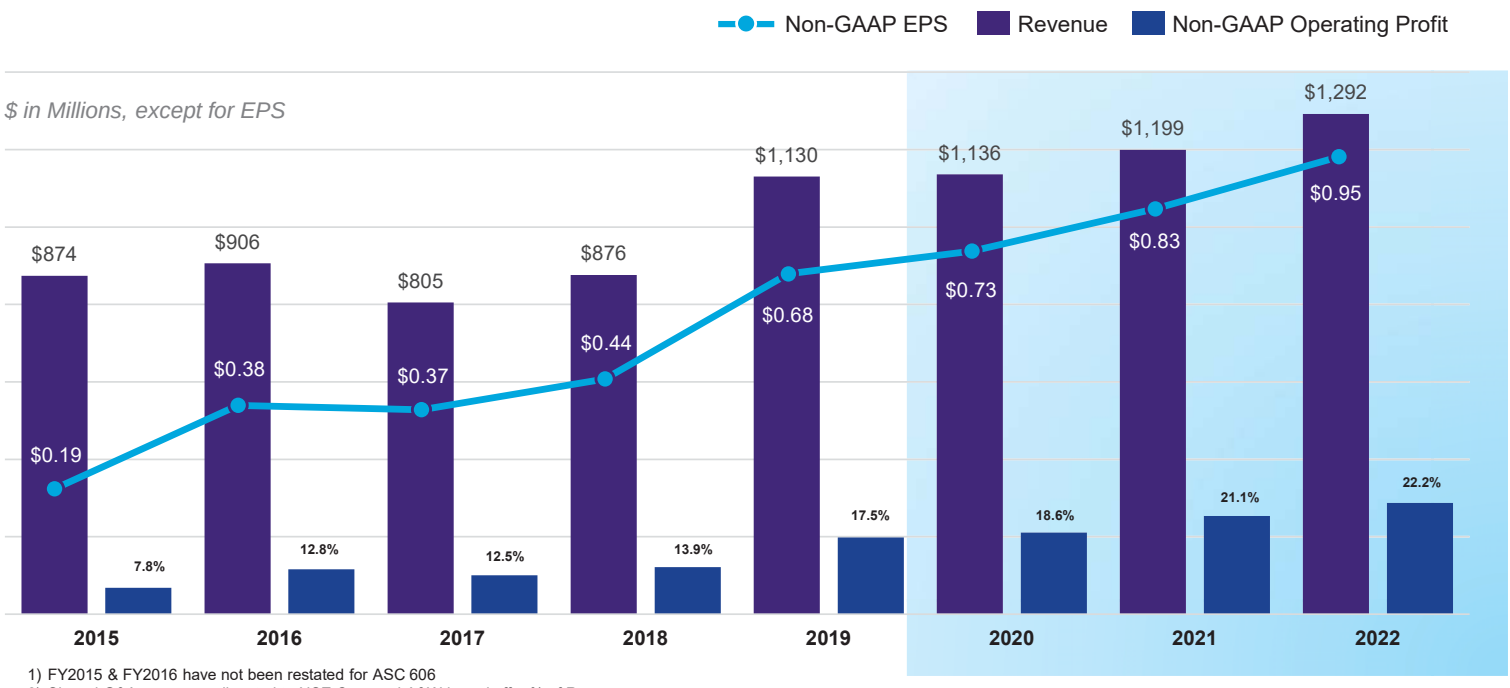
Strong Growth and Significant Operating Leverage



1) FY2015 & FY2016 have not been restated for ASC 606
2) Shared G&A expenses allocated to NSE Core and A&W based off a % of Revenue
3) Years shown correspond to fiscal years for VIAVI

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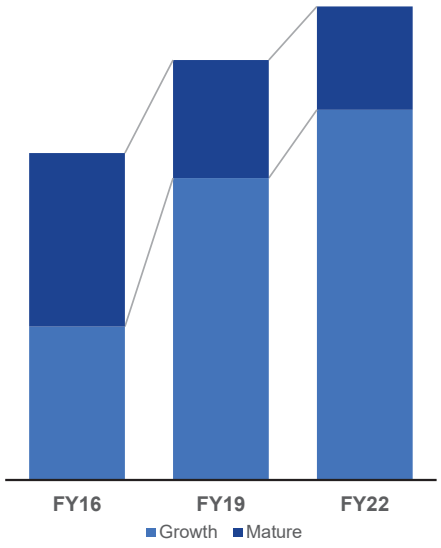
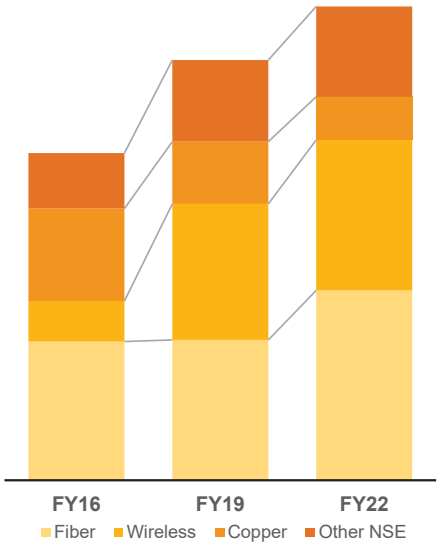
Completely Transformed the NSE Business

Significantly Better Revenue Quality

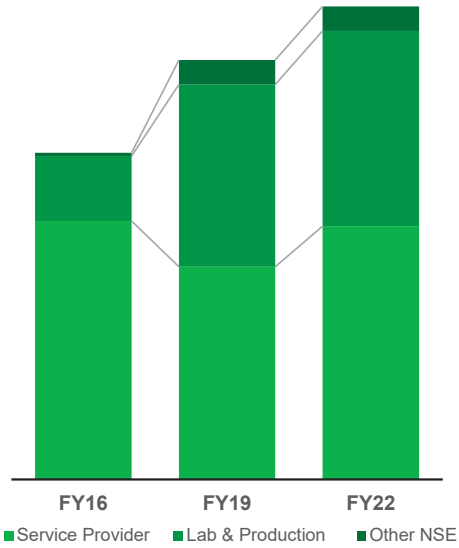
~80% of Revenue in Growing Markets



Riding the Fiber and 5G "Supercycle" Wave



Improved and Diversified Customer Mix



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Next Phase: VIAVI Strategy FY2023 – FY2025

Vision	**#1 or strong #2 position in all market segments where we compete**

Strategy

1. **Defend and consolidate leadership in core business segments**
   - NSE: L2F integration across NE platforms, Integration between NE and SE platforms
   - OSP: Continued innovation in Anti-counterfeiting pigments and high-value Optical Coatings
   - Continue to increase operating leverage: expand CM%, increase cash flow generation
2. **"Ride the Supercycle Waves" – invest in secular trends to drive growth and expand TAM**
   - Fiber Densification – FTTx, Cable, Wireless Networks, Data Centers
   - 5G – ORAN, RAN Optimization, Private 5G Networks, Intelligent xEdge
   - Optical 3D Sensing (Mobile Consumer, Automotive, Medical)
3. **Extend VIAVI technologies and platforms into lucrative adjacent markets and applications**
   - Monetization of collected test data through value added Analytics/Automation/AI&ML
   - Mission Critical & Resilient Network applications – Mil/Aero Communications, Network Security
4. **Continuous productivity improvement in Operations, R&D, and SG&A**

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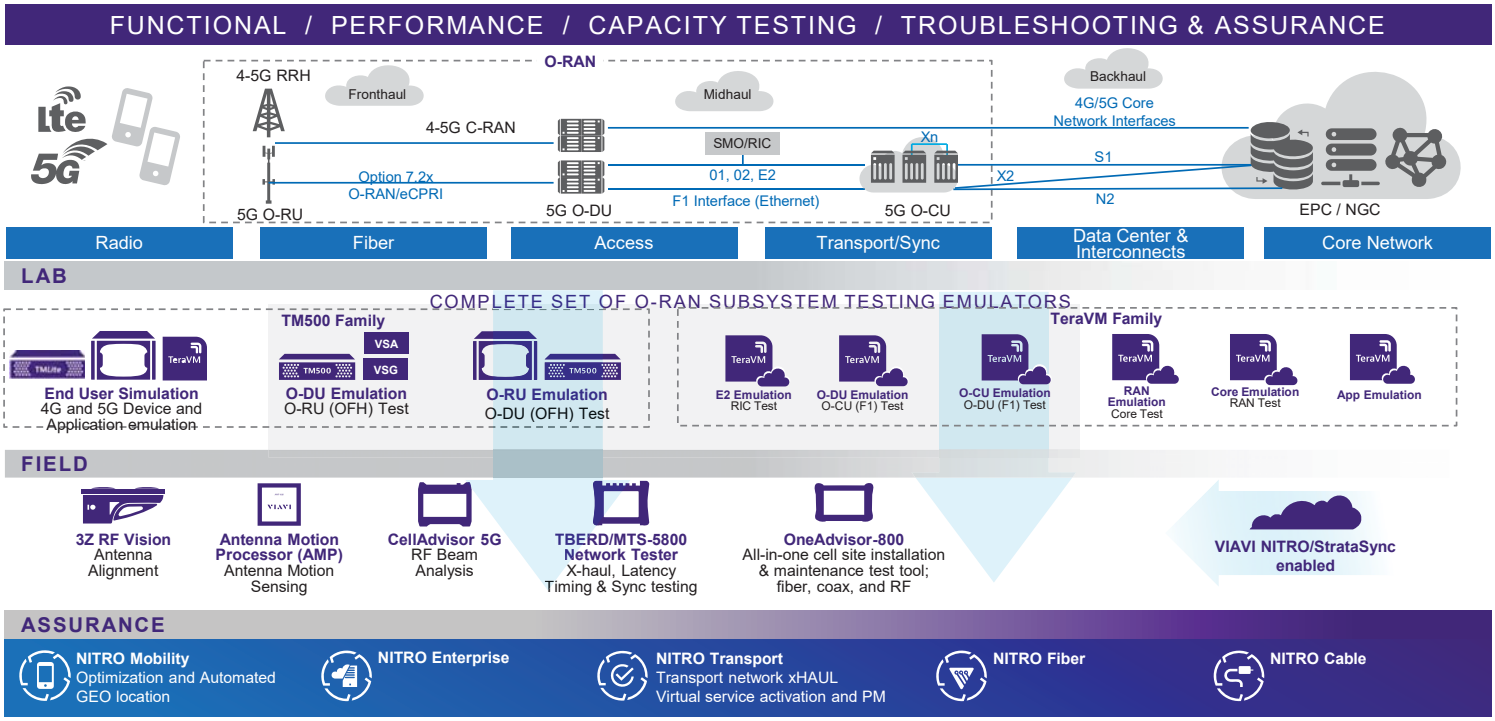
VIAVI Force Multiplier – Integrated L2F2A Test Solution



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Traditional OSP End Markets Continue to be Attractive

Traditional OSP Markets

Consumer & Industrial





Optical components for human-to-machine interface for consumer devices and other depth sensing applications

Anti-Counterfeiting





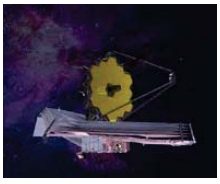


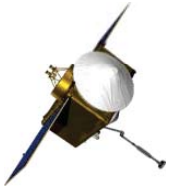
Automotive



Optical components for automotive sensing including ADAS and in-cabin monitoring

Government & Aerospace







Optics for guidance and solider safety systems; satellite imaging and communication systems

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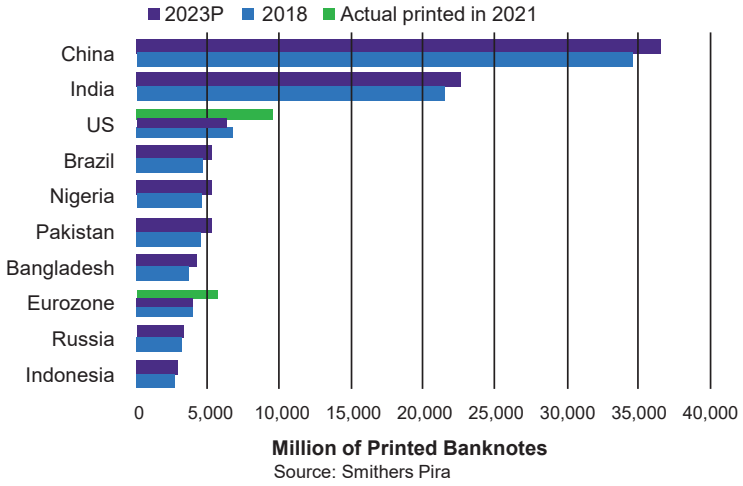
Anti-Counterfeiting Remains an Attractive Market for VIAVI

Advanced A/C Features and Macroeconomic Volatility Driving OSP Demand

Top 10 National Banknote Markets (2018 – 2023)
(in Millions of Printed Banknotes)



Source: Smithers Pira

Cash as a Store of Value

COVID pandemic demonstrated that consumers turn to cash in the face of uncertainty

Growth of Overt Anti-Counterfeiting Features

Overt features see highest growth in banknote segment due to counterfeiting threat and visual appeal

Transition to VIAVI Next Generation Technology

Strong progress transitioning from legacy technology to higher value next gen; even for low denominations

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Next Phase: VIAVI Strategy FY2023 – FY2025

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- Monetization of collected test data through value added Analytics/Automation/AI&ML
- Mission Critical & Resilient Network applications – Mil/Aero Communications, Network Security

4 **Continuous productivity improvement in Operations, R&D, and SG&A**

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Multiple Major Trends Driving Fiber Growth “Supercycle”

Global Industrial IoT market to be $1T by 2030, as manufacturers look to streamline and digitize operations

FTTH/B/P estimated to grow from US$14.1B in 2020 to US$29.7B by 2026 (13.1% CAGR)

Global Hyperscale Data Center market size to grow from $26.8B to $42.3B by 2025



High Speed Internet demand further amplifying demand for fiber with Metro and Core going from 100G to 400G

$100+B Government & Private Investment to build fiber networks

Mobile Data Traffic estimated to grow 55%/yr in 2020-2030 to reach 5,016 EB in 2030

Sources : VIAVI Analysis and Industry Research

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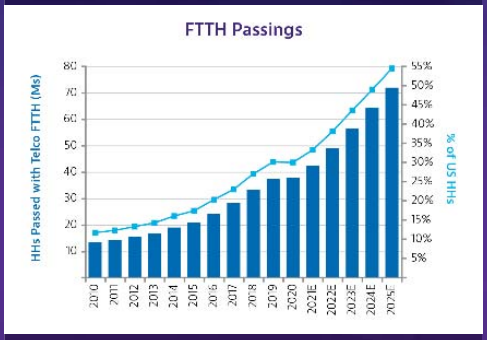
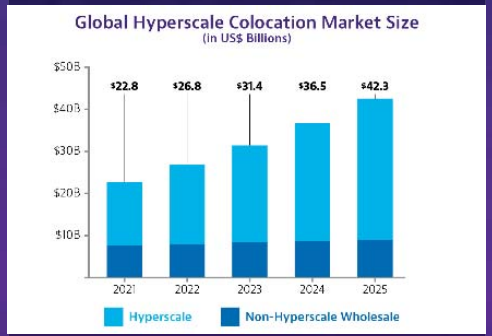
New Fiber Connections and the Need for Greater Bandwidth Driving VIAVI Growth

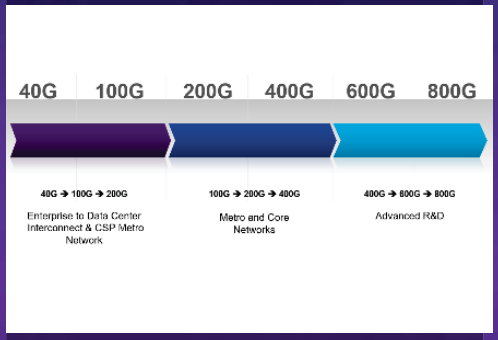
Homes passed
39M to 71M
by 2025



Disaggregation and cloudification driving growth in Hyperscale
$26.8B to $42.3B by 2025



New connections and higher performance technologies (e.g., Hyperscale, 5G, WiFi6) driving network
bandwidth upgrades



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VIAVI Wins by Providing the Most Comprehensive, High-Performance Fiber Test and Monitoring Solutions

PHASE	LAB	PRODUCTION	DEPLOYMENT	OPERATIONS	OPTIMIZATION
TEST REQUIREMENTS	Network element and system test; Photonics test; Interfaces and transponders test; Line cards and hardware subsystems test; Fiber inspection	Network element and production test; Network interoperability and QoS sustainability test; Fiber inspection	Fiber characterization; Loss measurements; Physical layer test and troubleshooting; Class of Service/QoS/ SLA testing; Fiber inspection	Root cause troubleshooting; Service layer test and troubleshooting; Remote test and fault detection/location; Fiber inspection	Proactive monitoring and fault isolation; Automated monitoring; Remote test and fault detection/location; Temperature and strain sensing
VIAVI PRODUCTS	**MAP Platform** Optical Manufacturing Test **OCETS** Environmental Test System **ONT-800** Optical Network Testers **mOLM-C1** MAP Platform Module **FVAm Series** Benchtop Microscopes **Optical Switches** **LIGHTDIRECT** Optical Test Modules	**ONT-800** Optical Network Testers **T-BERD/MTS-5800** Fiber Inspection & Certification **FVAm Series** Benchtop Microscopes **FiberChek** Handheld Inspection Tool **Optical Switches** **mSWS** DWDM & ROADM	**T-BERD/MTS-2000** Fiber Inspection & Certification **T-BERD/MTS-4000 v2** Fiber Inspection & Certification **T-BERD/MTS-5800** Fiber Inspection & Certification **FiberChek and SmartClass Fiber** **OCETS** Environmental Test System	**FTH-9000** Centralized build certification **FiberComplete PRO** Bidirectional fiber certification **OneAdvisor 800** 5G, FTTx, 400G Field Testing **FiberChek/SmartClass Fiber** Light sources, power meters **NSC-200** Installation, activation	**ONMSi** Optical Network Monitoring System **SmartOTU** Remote Fiber Test **OTU-5000** Optical Test Unit **OTU-8000** Optical Test Unit **DTSS B-OTDR** Distributed Fiber Optic Sensing **Fusion** Virtual Test & Activation Performance Monitoring

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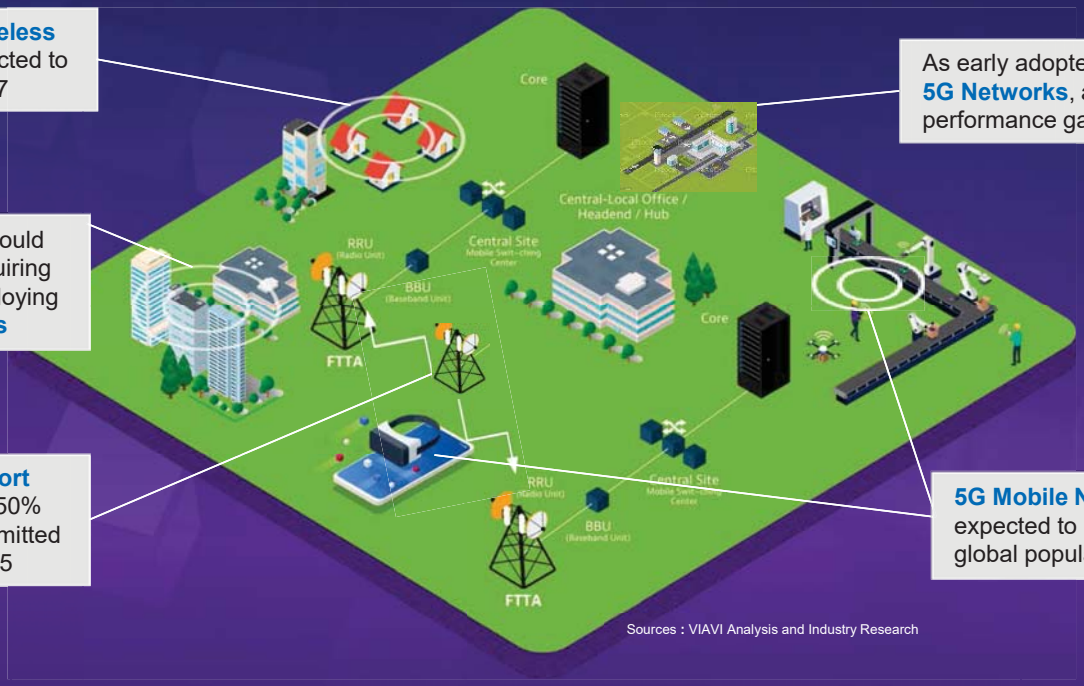
5G "Supercycle" Driven by Transformation of Wireless Networks and New Use Cases

Global **5G Fixed Wireless Access** Market expected to reach $88.5B by 2027

64% of businesses would consider directly acquiring 5G Spectrum for deploying **Private 5G Networks**

5G Wireless Transport market growing with 50% backhaul being transmitted by microwave by 2025



As early adopters of **Private 5G Networks**, airports seeing performance gains of 20-40%

5G Mobile Networks expected to reach 80% of global population by 2030

Sources : VIAVI Analysis and Industry Research

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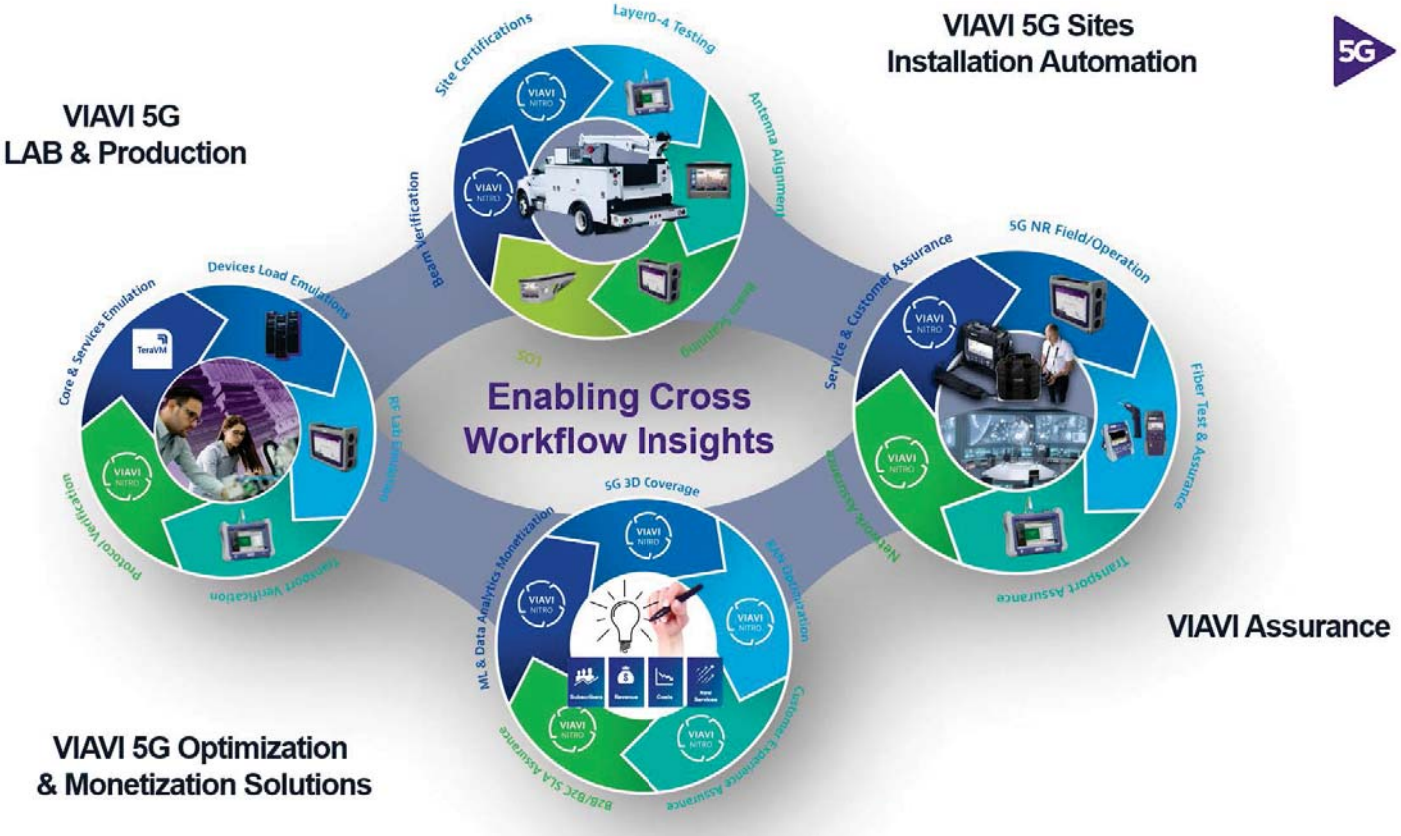
VIAVI 5G LIFE CYCLE Solutions



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OSP Growth Segments – 3D Sensing and Machine Vision

Growth Markets for OSP

Consumer & Industrial





Optical components for human-to-machine interface for consumer devices and other depth sensing applications

Anti-Counterfeiting







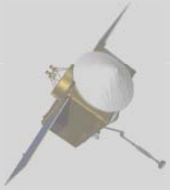
Automotive



Optical components for automotive sensing including ADAS and in-cabin monitoring

Government & Aerospace







Optics for guidance and solider safety systems; satellite imaging and communication systems

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3D Sensing for Consumer and Industrial Applications

Established and Growing Market Today

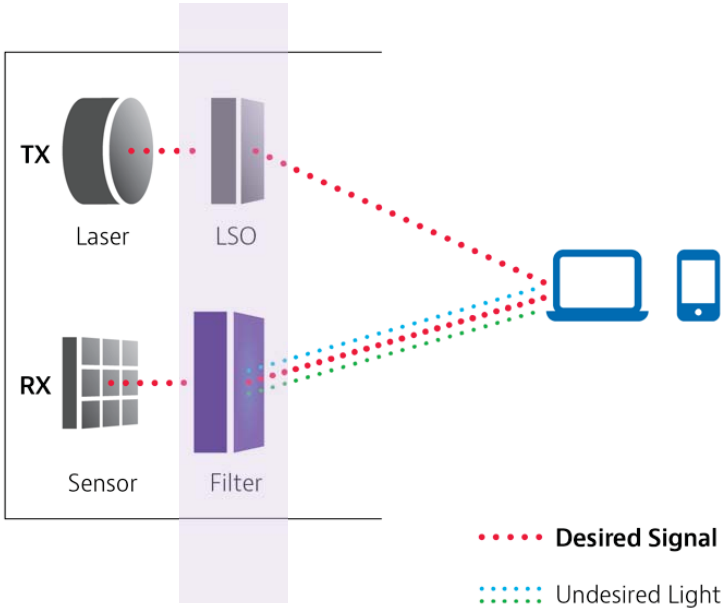
Key Optical Components For 3D Sensing and Other Optical Sensing Systems:

- Light Source (Laser/LED) and Sensor
- Light Shaping Optics (LSO) – **VIAVI component**
- Filter – **VIAVI component**

Each component must be matched to each other in an optimized design for a high Signal-to-Noise ratio

Patented Low Angle Shift (LAS) technology is a VIAVI competitive differentiator:

- Design of narrower bandwidth filter
- Improved signal to noise ratio
- Increased system light acceptance angle



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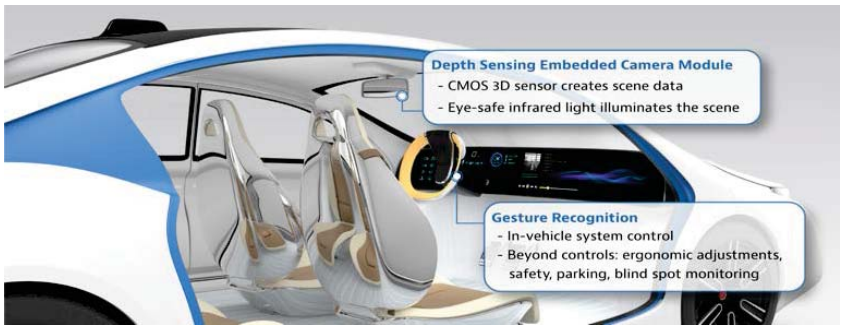
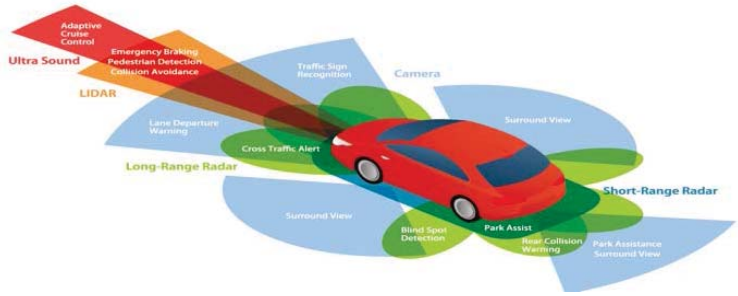
3D Sensing: Automotive Application

Nascent Market Today With Major Growth Potential Longer Term

High-performance Filters and Light Shaping Optics for Automotive Applications

- 3D external environment monitoring for Advanced Driving Assisted Systems (ADAS) such as LiDAR for autonomous driving
- Engagement across ecosystem, including Tier 1 suppliers and major LiDAR developers
- Recently earned IATF 16949 automotive quality certification





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Next Phase: VIAVI Strategy FY2023 – FY2025

Vision	**#1 or strong #2 position in all market segments where we compete**

Strategy

1 **Defend and consolidate leadership in core business segments**
- NSE: L2F integration across NE platforms, Integration between NE and SE platforms
- OSP: Continued innovation in Anti-counterfeiting pigments and high-value Optical Coatings
- Continue to increase operating leverage: expand CM%, increase cash flow generation

2 **"Ride the Supercycle Waves" – invest in secular trends to drive growth and expand TAM**
- Fiber Densification – FTTx, Cable, Wireless Networks, Data Centers
- 5G – ORAN, RAN Optimization, Private 5G Networks, Intelligent xEdge
- Optical 3D Sensing (Mobile Consumer, Automotive, Medical)

3 **Extend VIAVI technologies and platforms into lucrative adjacent markets and applications**
- Monetization of collected test data through value added Analytics/Automation/AI&ML
- Mission Critical & Resilient Network applications – Mil/Aero Communications, Network Security

4 **Continuous productivity improvement in Operations, R&D, and SG&A**

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5G Networks Expected to Enable New Services and Applications

Smart Automation
- AIOps
- AI Predictive Maintenance
- AI / ML Root Cause Analysis
- Zero Touch Operations

Enterprise Networks
- Private 5G
- Edge / IoT
- CyberSecurity

MetaVerse & Digital Twin



V2X and SmartTransportation
- LiDARs
- SmartRailways
- SmartAirports / SmartPorts
- SmartAviation

Industrie 4.0
- SmartFactories
- SmartRetail
- Connected HealthCare
- SmartAgriculture
- Spectroscopy

5G /5GA /6G
- O-RAN
- Network Slicing
- uRLLC, eMBB, mMTC
- FWA

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VIAVI Well Positioned to Enable and Benefit From These New Services and Applications



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Mission Critical Communications and Avionics

Broadband Satellite Providers plan over 15,000 LEO satellites, or 3x the total number of satellites orbiting the Earth in 2019

Investment in **Public Safety LTE/5G-ready infrastructure** will grow from $2B in 2020 to $3B in 2023, or 10% CAGR



1,010 airlines worldwide have been affected by **5G Interference** mitigation orders issued by aviation authorities

610,000 avionics technicians will be needed in the next 15 years

Global 5G in defense market is projected to grow from USD $665M in 2022 to USD **$2,487M by 2027**, at a CAGR of 30.2%

Sources : VIAVI Analysis and Industry Research

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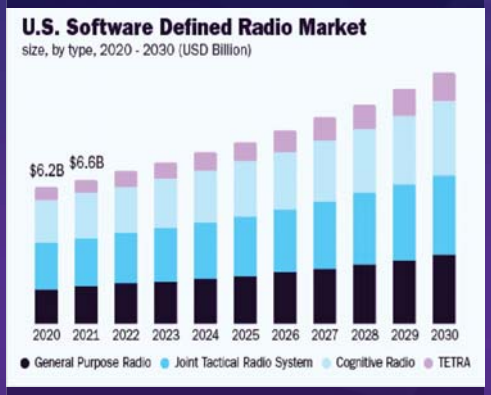
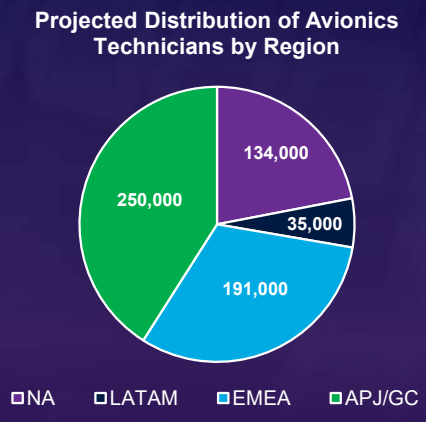
Mil/Aero: Slow-Moving Industry Expected to Speed Up

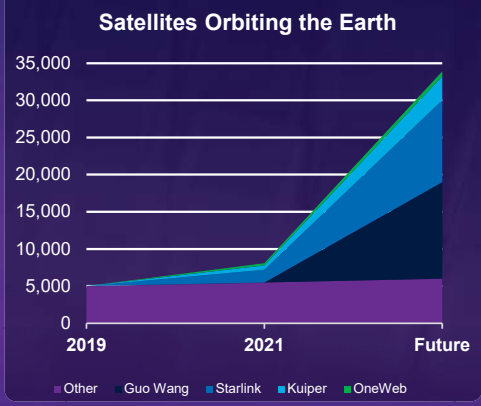
Global SDR market was $23.7B in 2021 and will grow at 8.2% CAGR by 2030



600,000+ avionics technicians will be needed worldwide in the next 15 years



Number of satellites expected to grow 7x from 2019 level; 5,000 to 35,000



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Leveraging VIAVI COTS Technologies to Serve Mil/Aero Customer Needs

SEGMENT	RADIO	AVIONICS	GOVERNMENT & DEFENSE	SYNTHETIC	OPTICAL SECURITY & PERFORMANCE
VIAVI PRODUCTS	 CX100 Handheld  8800SX Portable  CX300 ComXpert	 AVX-10K  IFF-45TS  RGS-2000NG ATC-5000NG  IFF-7300S	 HHRTS  CX700	 Ranger / Raptor  T/Rx  NordiaSoft	 Meter-Scale Optics  Multi-Spectral Arrays  Laser Optics  Light Shaping Optics

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Next Phase: VIAVI Strategy FY2023 – FY2025

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Strategy

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   - Optical 3D Sensing (Mobile Consumer, Automotive, Medical)
3. **Extend VIAVI technologies and platforms into lucrative adjacent markets and applications**
   - Monetization of collected test data through value added Analytics/Automation/AI&ML
   - Mission Critical & Resilient Network applications – Mil/Aero Communications, Network Security
4. **Continuous productivity improvement in Operations, R&D, and SG&A**

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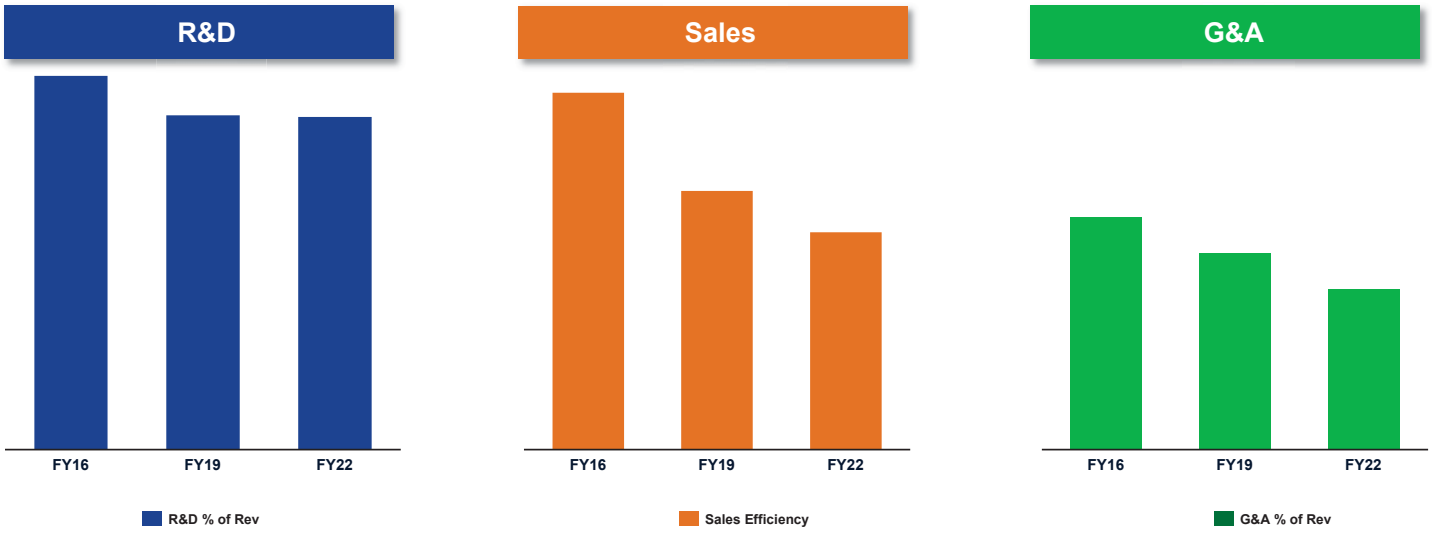
Relentless Productivity Improvement is an Integral Part of VIAVI Culture



1) Sales efficiency corresponds to cost per order dollar

Productivity Gains Used to Fund Growth, Expand OM%, and Reward Stakeholders

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Our Culture and Values Drive Our Business…



Exhibit Business Acumen
Use domain knowledge to make good business decisions and understand the impact they have on the overall business.



Manage Complexity & Ambiguity
Make sense of complex, often ambiguous business situations to define effective business strategy.



Take Informed Risks
Identify high potential opportunities and take informed risks (i.e., decisions with well-defined upsides and manageable downsides) to capture opportunities.



Cultivate Innovation
Create new and better ways for the organization to be successful through aggressive engineering and business environment.



Drive Vision & Purpose
Define a compelling vision and strategy that motivates others to action.



Foster a Winning Culture
Create and institutionalize a “great place to work” and “performance” work environment.

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… In Sustainable and Socially Responsible Ways

Environment, Social, and Governance (ESG)

Now available…

The new VIAVI 2022 ESG Report



See more highlights in the report: viavisolutions.com/esg



FY22 Highlights

- Scope 1, 2 & 3 carbon dioxide emissions **lower** than in 2015
- Use **reclaimed water** for evaporative cooling in our new production facility in Chandler, AZ
- Transitioning the VIAVI Suzhou, China site to **renewable electricity** in the next two years



FY22 Highlights

- Signatory to **the US IP Alliance Diversity pledge**
- **28%** of US suppliers certified as diverse
- Total Recordable Injury Rate **(TRIR) of only 0.23 per 100 full-time workers**, significantly less than OSHA cases across similar industries



FY22 Highlights

- **ESG Priority Assessment** to identify areas having greatest strategy impact + ability to generate long-term value
- Board Composition - 8 of 9 are **independent (89%),** and 4 are **women or diverse (44%)**
- **Compliance program** with 100% employee participation in Code of Business Conduct training

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Summary

Vision	**#1 or strong #2 position in all market segments where we compete**

Strategy

1. **Defend and consolidate leadership in core business segments**
   - NSE: L2F integration across NE platforms, Integration between NE and SE platforms
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Q & A

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10-minute Break

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VIAVI Financial Update

Henk Derksen
Executive Vice President and
Chief Financial Officer

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Successfully Executed on Our 3-Year Strategy

	Commitment in 2019		Actual Performance	
VIAVI	**FY22 Outlook**	**CAGR (FY19-FY22)**	**FY22**	**CAGR (FY19-FY22)**
Revenue	$1,200M - $1,300M	2% - 5%	$1,292M	5%
Operating Profit	$230M - $270M	5% - 11%	$287M	13%
Operating Margin %	19% - 21%		22%	
EPS	$0.80 - $0.90	6% - 10%	$0.95	12%

Reported Segments	Revenue 3 Year CAGR	Operating Margin %	Revenue 3 Year CAGR	Operating Margin %
NSE	2% - 5%	13.5% - 14.5%	4.1%	15.6%
OSP	2% - 5%	35.0% - 37.0%	5.9%	40.5%

1) Revenue is a GAAP Metric. Operating Profit, Operating Profit Margins and EPS are Non-GAAP numbers.

Key Accomplishments

- Exceeded our commitment in almost every area
- OSP exceeded revenue growth expectations while also delivering significantly higher operating margins
- NSE achieved the top side of our revenue growth while it exceeded operating margin performance

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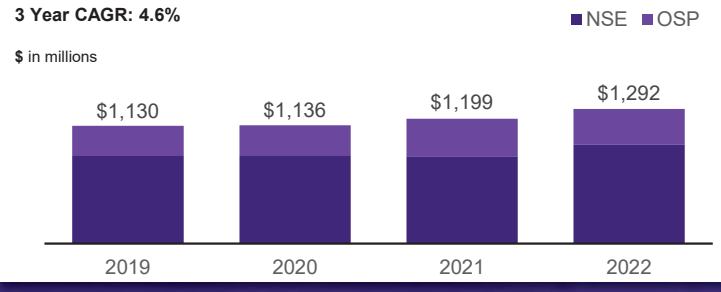
Growth and Operational Execution Driving Operating Leverage

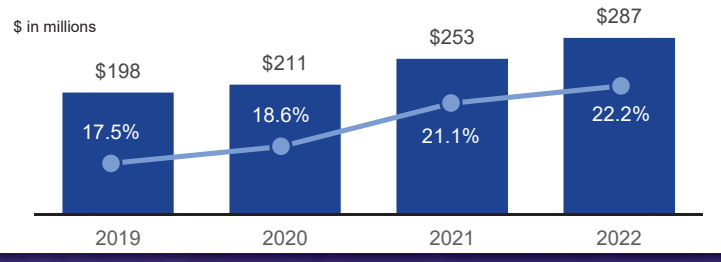
Revenue

3 Year CAGR: 4.6%



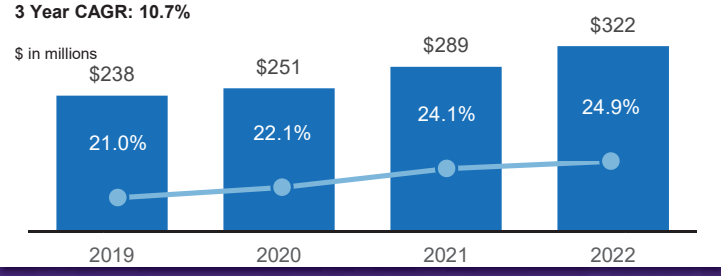
Non-GAAP Operating Profit

3 Year CAGR: 13.3%



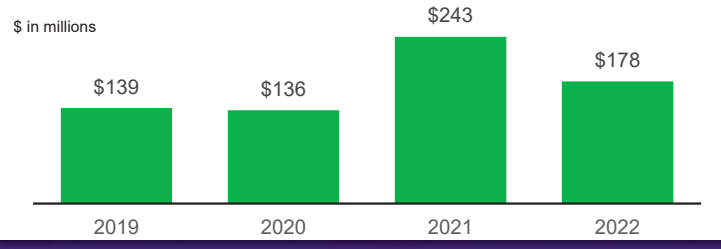
Non-GAAP EBITDA

3 Year CAGR: 10.7%



Operating Cash Flow

3 Year CAGR: 8.6%



1) Operating Profit and EBITDA are Non-GAAP numbers. Please refer to the reconciliation of our GAAP to non-GAAP.

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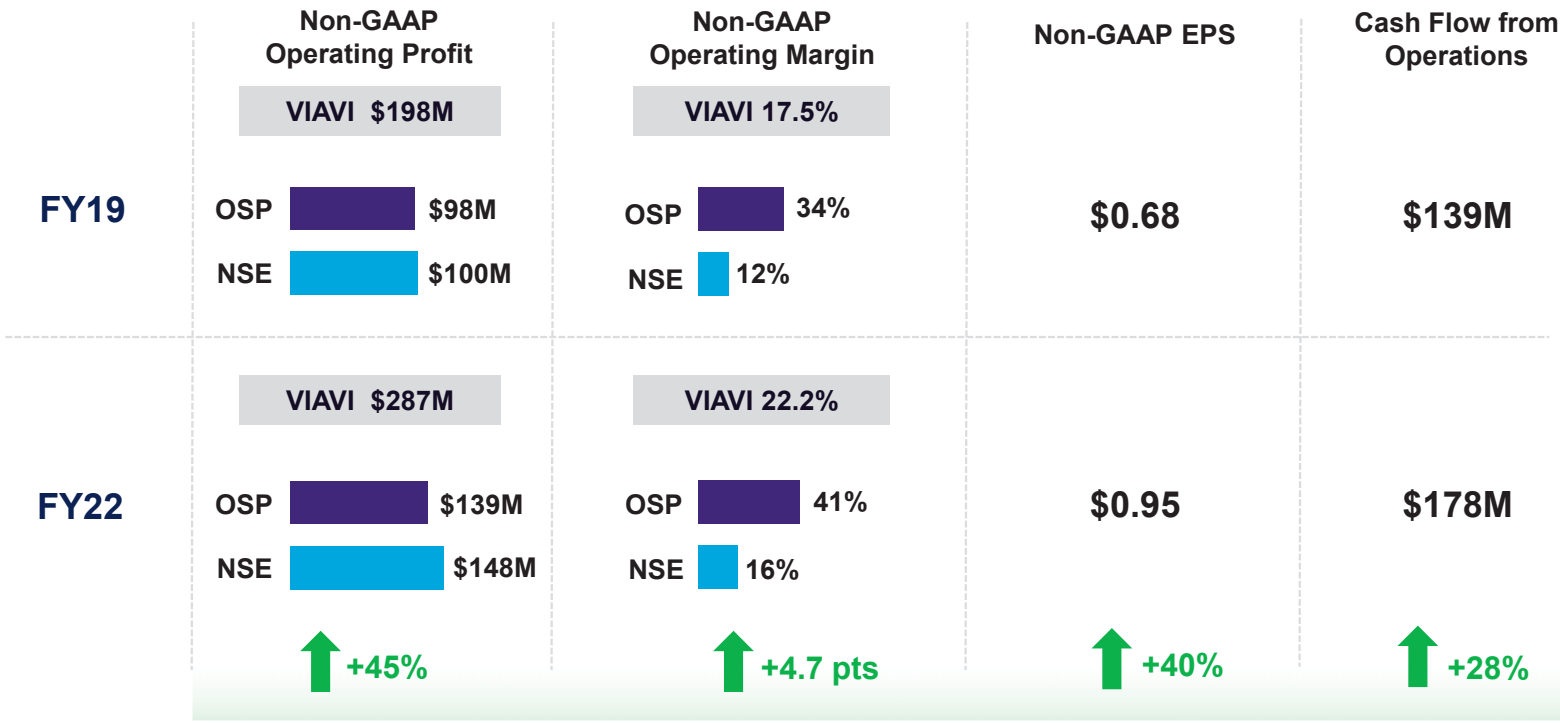
Significant Margin Expansion in Both Business Segments



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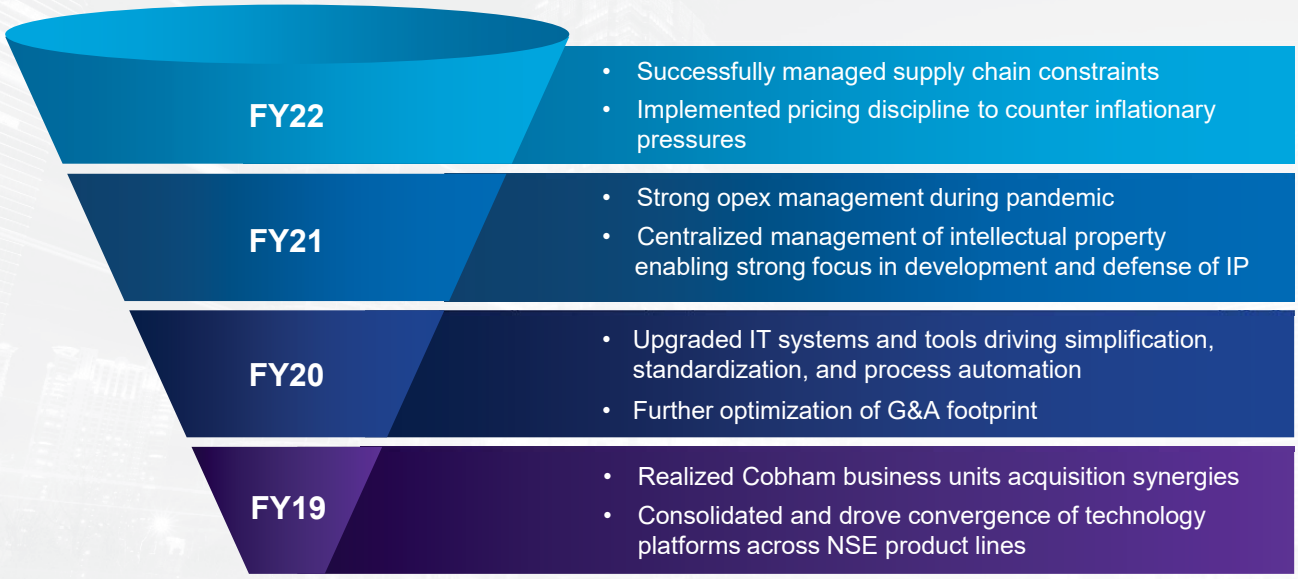
Relentless Execution of Cost and Operational Initiatives



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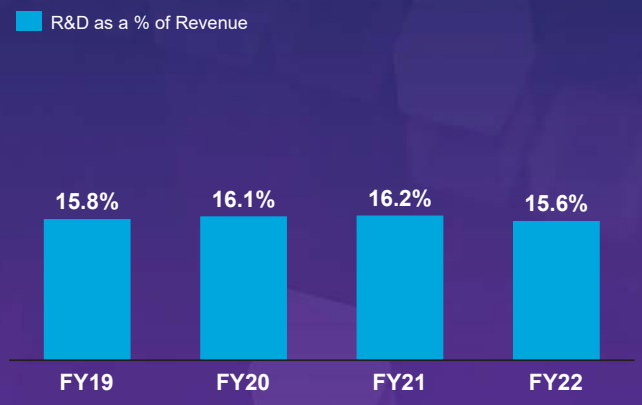
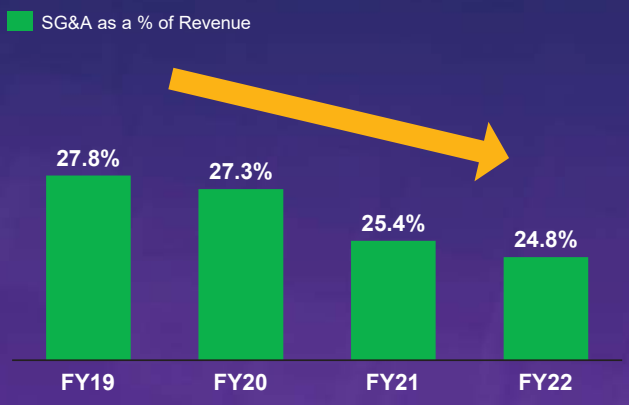
Continuous Improvement is an Integral Part of VIAVI Culture

R&D



Continued to invest in R&D …

SG&A



…while optimizing SG&A costs to improve productivity and increase operating leverage

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Improved Capital Structure, Liquidity, and NOLs/Tax Strategy

		FY19	FY22	
Improved Capital Structure	**Cash Flow from Operations**	$139M	$178M	↑
	Liquidity * Liquidity includes Revolving Credit Facility of $206M	$532M	$780M	↑
Conservative Financial Policy	**Debt Maturity (5 Years)**	100%	42%	↓
	Gross Leverage	2.9x	2.2x	↓
Lowered Tax Rate and Improved NOL Utilization	**NOL Utilization (3 Year Total)**	$0.16B	$2.80B	↑
	Effective Tax Rate (Non-GAAP)	18%	16%	↓

1) NOL is US Federal Net Operating Loss. Utilization aligns to internal definition.

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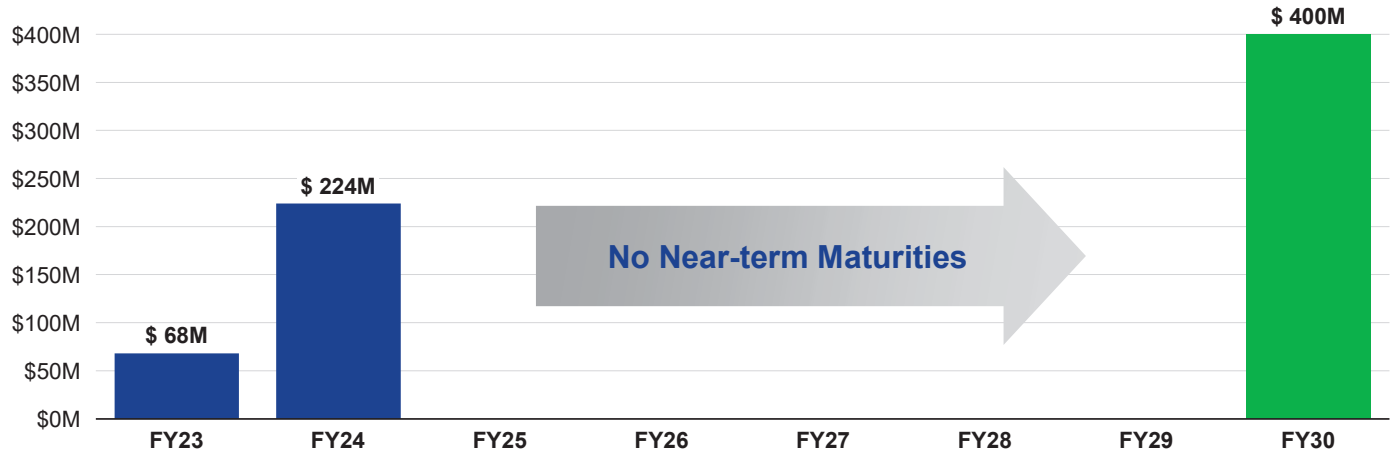
Strong Balance Sheet with Limited Short-term Maturities Provides Financial Flexibility

Opportunistically Reduce Convertible Debt

Fixed cost of debt at attractive rates = 3.75%

Access to broader set of sources of capital



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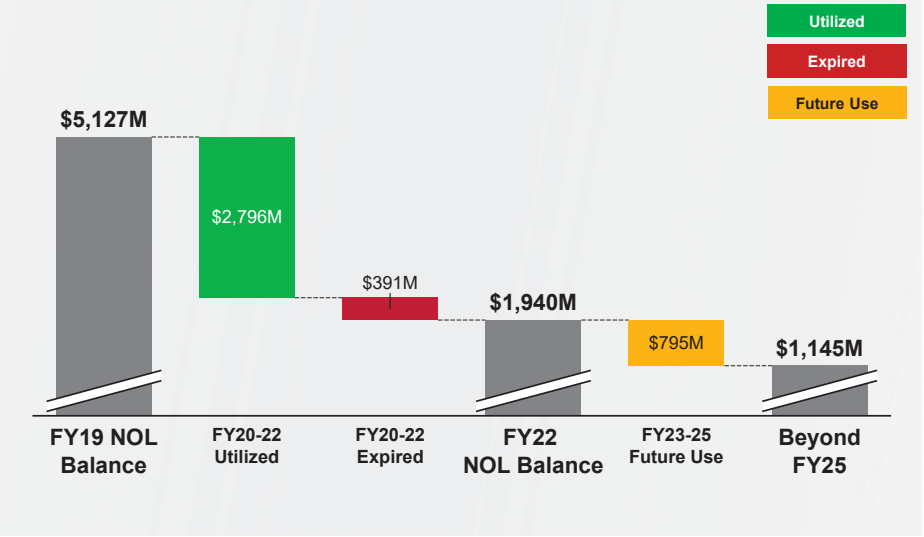
Net Operating Losses Remain a Key Asset

Successfully Preserved NOLs for Future Use



Key Highlights

- In FY21, VIAVI completed centralization of IP to better focus on development and defense of IP
  - This will help reduce IP management costs
  - Resulted in NOL transformation to preserve $2.4B
- $1.9B of NOLs remain with $795M expiring in next three years
- Key synergy in accretive/profitable M&A's

1) US Federal NOLs.
2) Utilization aligns to internal definition.

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Confirming FY23 Q1 Guidance

VIAVI	Q1 FY23 Outlook (Non-GAAP)	FY23 Outlook (Non-GAAP)
Revenue	$317M - $331M	$1,265M - $1,335M
Operating Margin	20.7% - 22.1%	21.5% - 22.5%
EPS	$0.22 - $0.24	$0.90 - $1.00

Other Assumptions : Share count : 230M – 232M shares, Effective Tax rate : 16% –17%, OI&E : $23M to $25M per year

1) Revenue is a GAAP financial metric.

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FY23-25 Plan Financial Objectives



1) Revenue and cash flow from operations are GAAP metrics. Profitability is a non-GAAP metric.

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FY25 Target Financials

VIAVI	FY25 Outlook (Non-GAAP)	CAGR (FY22 – FY25)
Revenue	$1,450M - $1,550M	4% - 6%
Operating Profit	$350M - $390M	7% - 11%
Operation Margin %	23.5% - 25.5%	
EPS	$1.20 - $1.30	8% - 12%
Operating Cashflow	$260M - $280M	14% - 16%

Reported Segments	FY25 Outlook (Operating Margin%)	Revenue CAGR (FY22 – FY25)
NSE	20% - 22%	5% - 7%
OSP	36% - 38%	1% - 4%

Other Assumptions : Share count : 230M – 234M shares, Effective Tax rate : 16% –17%, OI&E : $23M to $25M per year

1) Revenue and Operating Cash Flow are GAAP financial metrics.

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FY23-25 Plan Financial Objectives



1) Revenue and cash flow from operations are GAAP metrics. Profitability is a non-GAAP metric.

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Growth Initiatives to Increase Share and Drive Market Growth



Defend the Base



Attractive End Markets



New Opportunities

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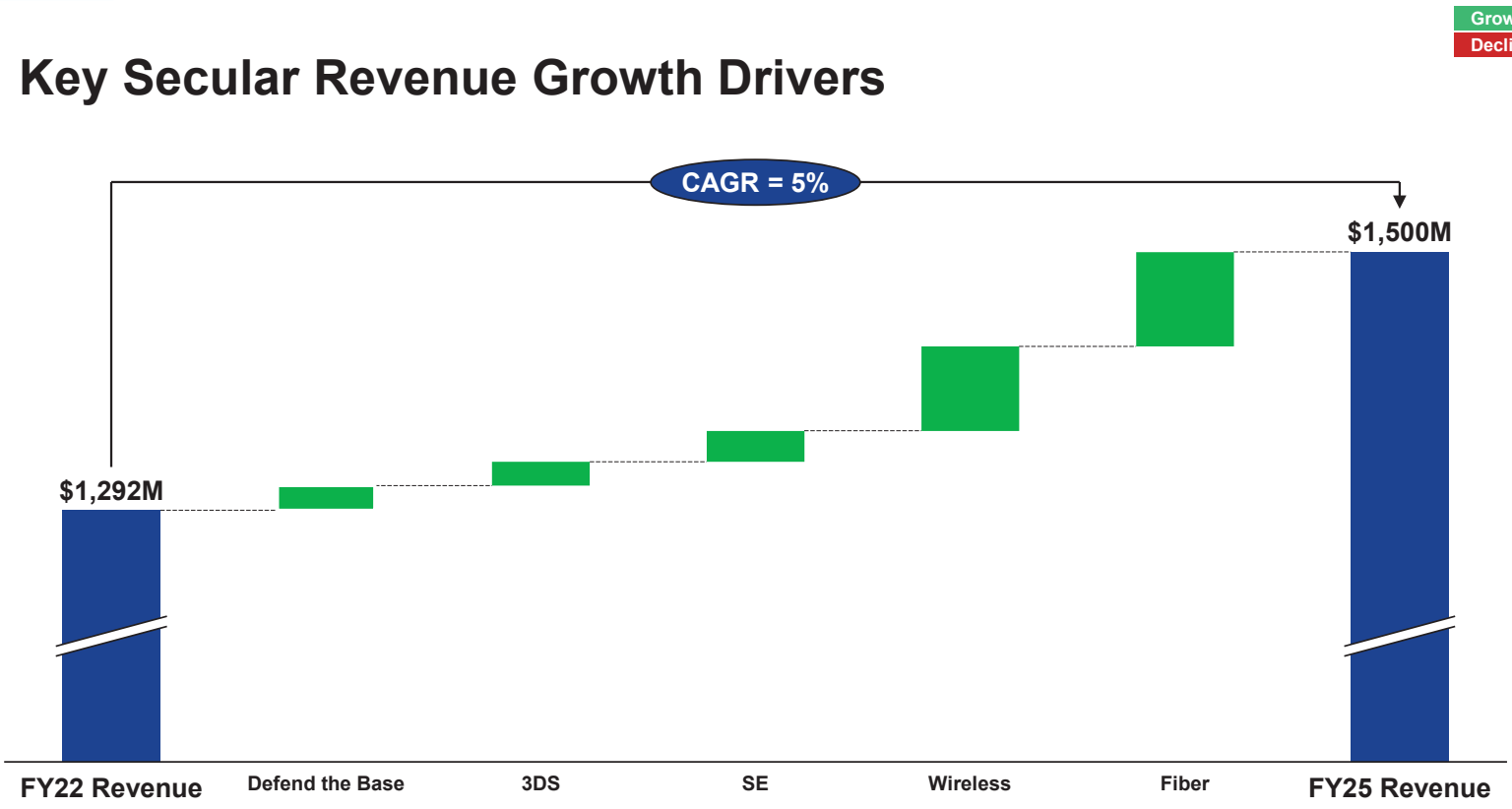
Key Secular Revenue Growth Drivers



NOTES : Businesses grouped per internal mgmt. hierarchies

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FY23-25 Plan Financial Objectives



1) Revenue and cash flow from operations are GAAP metrics. Profitability is a non-GAAP metric.

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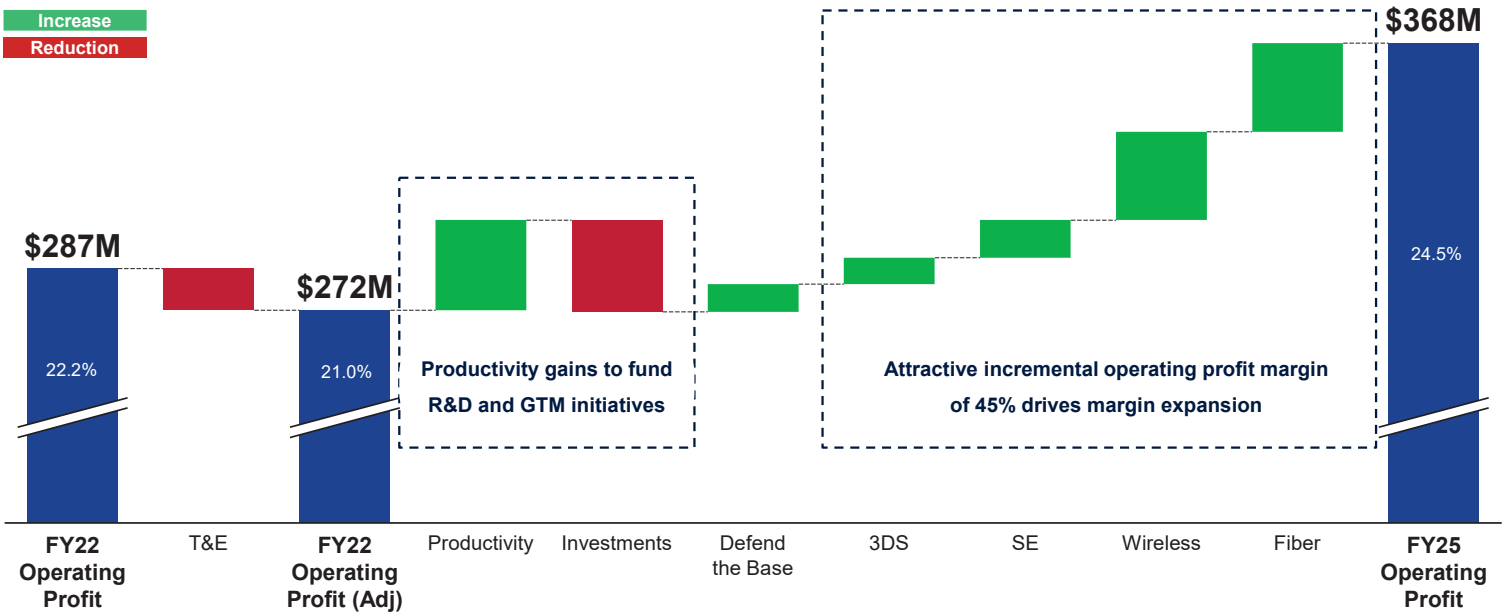
Operational Effectiveness to Drive ~10% Operating Profit CAGR



1) Financials presented are for non-GAAP Operating Profit.
2) OP walk includes assumptions to help bridge the changes; walk is directional.
3) Certain assumptions made for computing sales commissions, investments, travel, etc.

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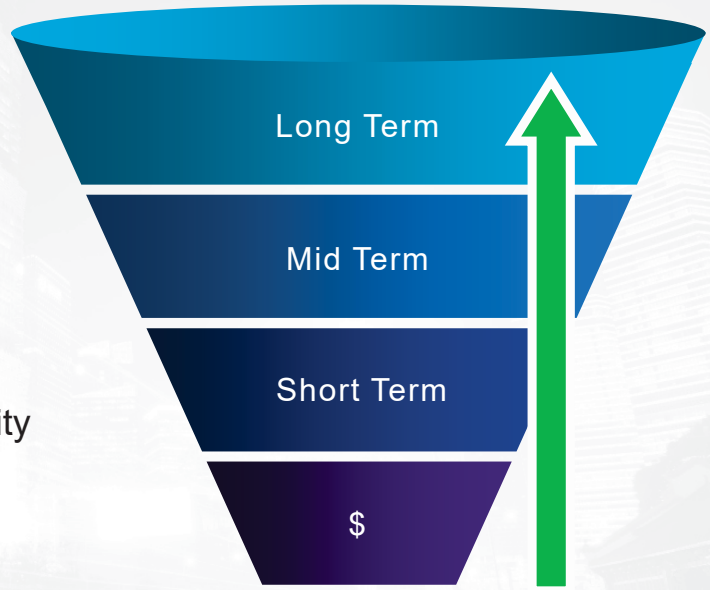
FY23 – FY25 Operational Efficiency & Effectiveness Initiatives

- Improve asset efficiency and working capital
- Continue to invest in technology and cybersecurity
- Focus on further leveraging sales and marketing teams
- Streamline G&A processes to drive productivity
- Optimize tax footprint



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FY23-25 Plan Financial Objectives



1) Revenue and cash flow from operations are GAAP metrics. Profitability is a non-GAAP metric.

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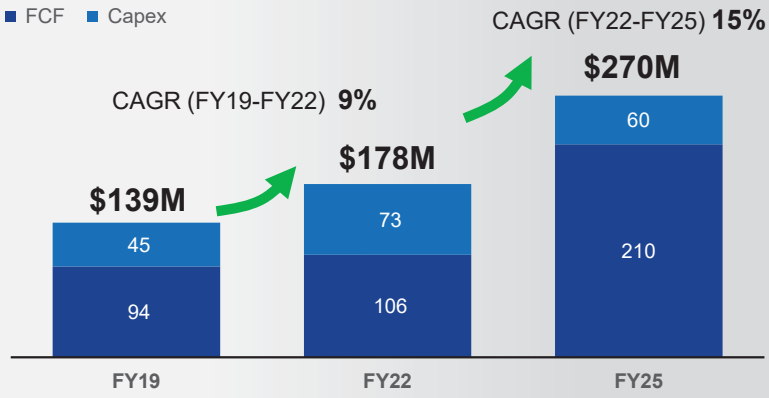
Targeting Operating Cash Flow CAGR of 15% Over Next 3 Years

Cash Flow from Operations



Executing the plan would result into Free Cash Flow generation of **~$0.5B over next 3 years**

Continued strong operating performance in combination with improved working capital management

1) Numbers might not add to total due to rounding.
2) Cash Flow from Operations is a GAAP metric. Free Cash Flow is a Non-GAAP metric.

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FY23-25 Capital Allocation Strategy

Reinvest in Core Business

- Targeted investments in R&D to incubate new initiatives to drive organic growth
- Continue to invest in go-to-market and indirect channels to increase sales capacity
- Capital expenditures of $40M-$60M per year

Disciplined M&A

- Continue to focus on targets that align with our long-term strategic priorities
- Focus on bolt-ons and tuck-ins to strengthen current technology portfolio
- ROIC above cost of capital

Return of Capital

- Opportunistically repurchase shares
- Initiate new share repurchase program of up to $300M
- Retire and refinance convertible notes due 2023 and 2024 - $292M principal value

Balanced capital allocation enables upside potential

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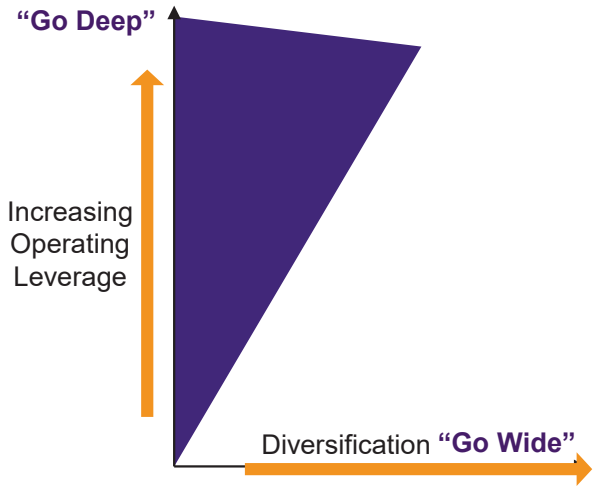
Disciplined Corporate Development / M&A Framework

Drive Scale and Operating Leverage

M&A Framework



Strategic Objectives

- Accelerate long-term strategic objectives.
- Bolt-on acquisitions to consolidate or diversify revenue into attractive adjacent markets.
- Tuck-in acquisitions to enhance or complement existing technical capabilities.

Financial Objectives

- ROIC above cost of capital.
- Accretive to growth and providing cost synergies.
- Leverage the VIAVI capital structure and NOLs.

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Summary – VIAVI Investment Thesis

Aligned with Secular Tailwinds

- Targeting **5%** revenue CAGR
- Defend the Base and Ride the Supercycle Waves
- Develop lucrative adjacent markets and applications

Profit Margin Upside

- Targeting **10%** operating profit CAGR
- FY25 Goal of 24%+ Operating Margin
- Continuous productivity improvement in R&D, Operations, and SG&A

Attractive Capital Deployment

- Targeting **15%** operating cash flow CAGR
- Opportunistic share buybacks and convert retirement
- Disciplined M&A strategy

Notes : Revenue is a GAAP measure. Operating Profit and Operating Margin % are non-GAAP measures.

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Q & A

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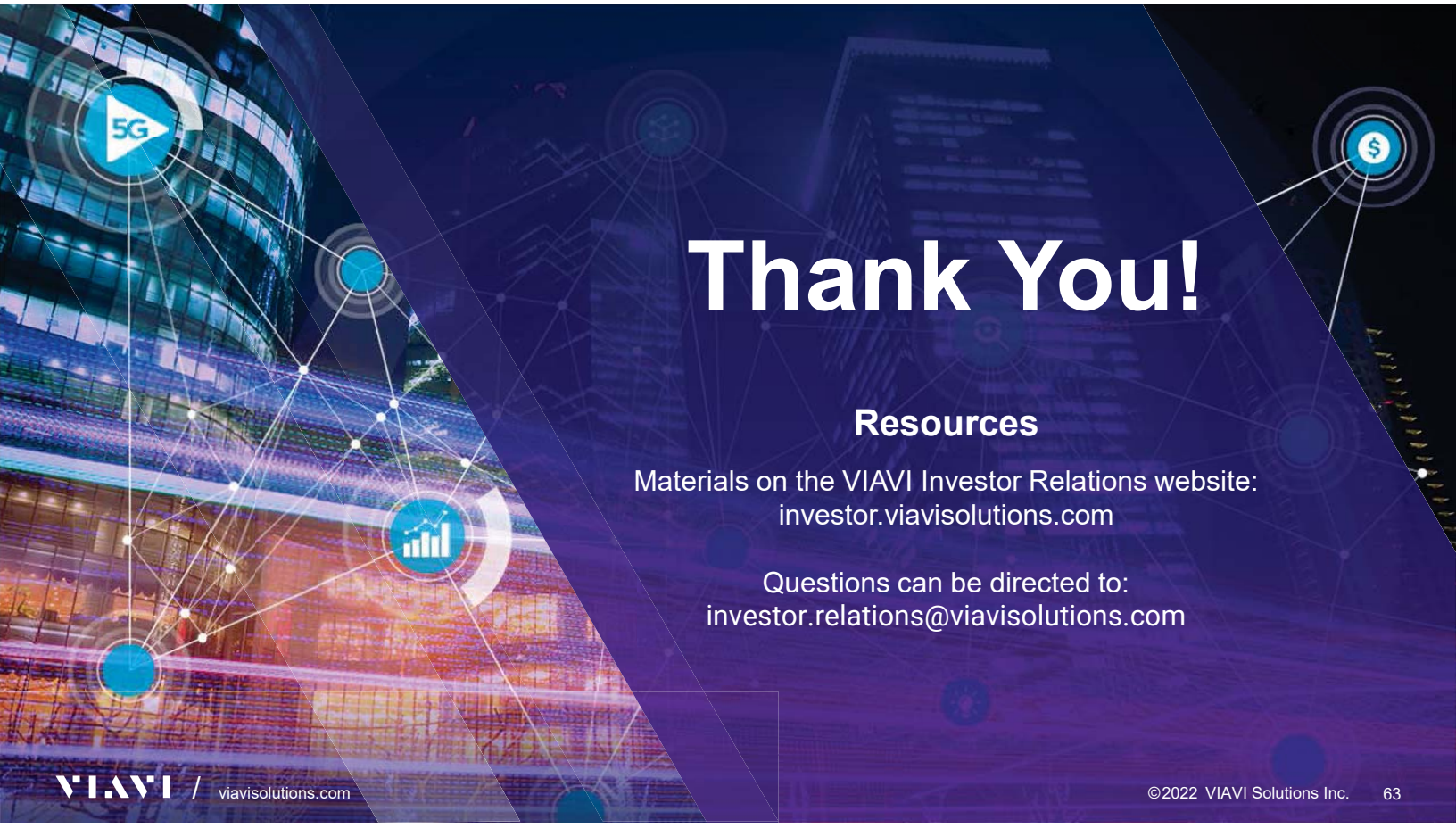

Thank You!

Resources

Materials on the VIAVI Investor Relations website:
investor.viavisolutions.com

Questions can be directed to:
investor.relations@viavisolutions.com

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Appendix

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Non-GAAP Reconciliations ($ millions)

Non-GAAP Gross Profit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Non-GAAP gross profit	557.4	572.2	499.3	532.1	690.1	704.2	752.2	808.7
Stock-based compensation	(4.2)	(4.8)	(3.6)	(3.3)	(3.8)	(4.3)	(4.8)	(5.2)
Amortization of intangibles	(31.9)	(17.3)	(14.3)	(26.7)	(34.4)	(32.7)	(33.2)	(30.0)
Other (charges) benefits unrelated to core operations	(1.2)	(0.4)	(2.4)	(13.7)	(0.5)	(1.9)	0.2	-
GAAP gross profit as reported	**520.1**	**549.7**	**479.0**	**488.4**	**651.4**	**665.3**	**714.4**	**773.5**

Non-GAAP Operating Income	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
NSE segment operating income (loss)	(0.1)	12.7	0.5	43.6	99.6	108.8	92.2	147.8
OSP segment operating income	68.1	102.9	100.5	78.2	98.0	102.1	161.3	139.0
Total segment operating income	68.0	115.6	101.0	121.8	197.6	210.9	253.5	286.8
Stock-based compensation	(47.5)	(42.4)	(33.2)	(30.5)	(38.2)	(44.6)	(48.3)	(52.3)
Amortization of intangibles	(51.4)	(31.9)	(28.3)	(47.7)	(72.5)	(67.8)	(66.5)	(39.7)
Impairment of goodwill	-	(91.4)	-	-	-	-	-	-
Change in fair value of contingent liability	-	-	-	-	-	31.5	5.3	(0.3)
Other charges unrelated to core operations	(18.1)	(23.7)	(10.9)	(33.4)	(4.1)	(8.4)	(3.4)	(9.6)
Restructuring and related (charges) benefits	(26.8)	(10.5)	(21.6)	(8.3)	(15.4)	(3.5)	1.6	0.1
GAAP operating income (loss) as reported	**(75.8)**	**(84.3)**	**7.0**	**1.9**	**67.4**	**118.1**	**142.2**	**185.0**

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Non-GAAP Reconciliations ($ millions, except per share numbers)

Non-GAAP Income from Continuing Operations	FY2015		FY2016		FY2017		FY2018		FY2019		FY2020		FY2021		FY2022	
	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS	Net Income	Diluted EPS
Non-GAAP income from continuing operations	44.0	0.19	90.0	0.38	87.5	0.37	101.4	0.44	156.2	0.68	170.9	0.73	195.2	0.83	225.3	0.95
Stock-based compensation	(47.5)	(0.20)	(42.4)	(0.18)	(33.2)	(0.14)	(30.5)	(0.13)	(38.2)	(0.17)	(44.6)	(0.19)	(48.3)	(0.21)	(52.3)	(0.22)
Amortization of intangibles	(51.4)	(0.22)	(31.9)	(0.13)	(28.3)	(0.12)	(47.7)	(0.21)	(72.5)	(0.31)	(67.8)	(0.29)	(66.5)	(0.28)	(39.7)	(0.17)
Restructuring and related charges	(26.8)	(0.11)	(10.5)	(0.04)	(21.6)	(0.09)	(8.3)	(0.04)	(15.4)	(0.07)	(3.5)	(0.01)	1.6	0.01	0.1	-
Change in fair value of contingent liability	-	-	-	-	-	-	-	-	-	-	31.5	0.13	5.3	0.02	(0.3)	-
Gain (loss) on sale of investments	-	-	71.6	0.30	203.1	0.87	(0.1)	-	(0.5)	-	0.1	-	-	-	-	-
Other charges unrelated to core operations	(18.1)	(0.08)	(115.1)	(0.49)	(10.9)	(0.05)	(33.4)	(0.15)	(4.1)	(0.02)	(8.4)	(0.04)	(3.4)	(0.01)	(9.6)	(0.04)
Non-cash interest expense and other expense	(23.0)	(0.10)	(26.6)	(0.11)	(33.3)	(0.14)	(38.1)	(0.17)	(21.0)	(0.09)	(0.1)	(0.00)	(0.2)	-	(102.2)	(0.43)
Benefit (expense) from income taxes	(8.6)	(0.04)	14.5	0.06	(4.7)	(0.02)	8.1	0.04	3.3	0.01	(29.1)	(0.12)	(16.2)	(0.07)	(5.8)	(0.02)
Total related to net income from continuing operations and EPS	(175.4)	(0.75)	(140.4)	(0.59)	71.1	0.31	(150.0)	(0.66)	(148.4)	(0.65)	(121.9)	(0.52)	(127.7)	(0.54)	(209.8)	(0.88)
GAAP measures from continuing operations as reported	**(131.4)**	**(0.55)**	**(50.4)**	**(0.21)**	**158.6**	**0.68**	**(48.6)**	**(0.21)**	**7.8**	**0.03**	**49.0**	**0.21**	**67.5**	**0.29**	**15.5**	**0.07**
Shares used in per share calculation for Non-GAAP EPS		236.8		237.3		234.5		230.2		231.2		234.8		236.3		238.2

Note:
1. Certain totals may not sum due to rounding
2. FY2015-2019 does not reflect the adoption of ASU 2020-06
3. Company does not reconcile forward-looking non-GAAP net income per share to GAAP net income per share, operating profit, operating margin % and free cash flow because it is unable to provide a meaningful or accurate estimate of certain reconciling items with sufficient precision without unreasonable effort due to the inherent difficulty of forecasting the timing and/or amounts of certain items, including certain charges related to restructuring, acquisition, integration and related charges. For the same reasons, the Company is unable to address the probable significance of the unavailable information. In addition, the Company believes such reconciliations would imply a degree of precision that may be confusing or misleading to investors.

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