



Fiscal 2017 Fourth Quarter Investor Presentation

AVNW (NASDAQ)

FORWARD-LOOKING STATEMENTS

The information contained in this presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act and Section 27A of the Securities Act, including expectations regarding the results for the fiscal fourth quarter 2017 and cash flow in fiscal 2017, and our anticipated results for fiscal 2018. All statements, trend analyses and other information contained herein about the markets for the services and products of Aviat Networks, Inc. and trends in revenue, as well as other statements identified by the use of forward-looking terminology, including "anticipate," "believe," "plan," "estimate," "expect," "goal," "will," "see," "continue," "delivering," "view," and "intend," or the negative of these terms or other similar expressions, constitute forward-looking statements. These forward-looking statements are based on estimates reflecting the current beliefs of the senior management of Aviat Networks, Inc. These forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements.

For more information regarding the risks and uncertainties for our business, see "Risk Factors" in our Form 10-K filed with the U.S. Securities and Exchange Commission ("SEC") on September 6, 2017 as well as other reports filed by Aviat Networks, Inc. with the SEC from time to time. Aviat Networks, Inc. undertakes no obligation to update publicly any forward-looking statement for any reason, except as required by law, even as new information becomes available or other events occur in the future.

ABOUT US

Aviat is the trusted expert in microwave networking

Best in class TCO and proven mission-critical microwave networking solutions

HIGH PERFORMANCE PRODUCTS

Global Microwave Portfolio
Highest Performance
Integrated IP/MPLS
Proven Reliability

SIMPLER OPERATIONS

Planning Automation
Software Delivered Functions
Ease of Network Migration

CUSTOMER SERVICE

Cloud-Enabled Services
Professional Services for Planning,
Deployment, Network Operations
and Customer Care

Leading Player in
Delivering Mission-
Critical Networks for
Public Safety, Utility and
Government Agencies

Sustained Presence
in Global Tier 1
Service Provider
Customer Base

History of Innovating
Solutions for Wireless
Networks

Headquartered in Silicon
Valley; Global Footprint
Aligned with our Key
Customers' Networks

SIGNIFICANT YEAR-OVER-YEAR IMPROVEMENTS IN FY17

Income Statement Summary (Non-GAAP)

(\$'s in millions)	FY17 Actual	FY16 Actual	Variance
Revenue	\$241.9	\$268.7	(\$26.8)
Gross Margin	\$75.9	\$66.9	\$8.9
Gross Margin %	31.4%	24.9%	650 bps
Operating Expenses	\$74.0	\$85.0	\$11.1
Operating Income (Loss)	\$1.9	(\$18.1)	\$20.0
Net Income (Loss) From Continuing Operations Attributable to Aviat Networks	\$0.7	(\$19.4)	\$20.2
Adjusted EBITDA	\$7.6	(\$11.7)	\$19.3

KEY TAKE-AWAY'S:

- Goal was to be profitable in FY17
 - \$20M improvement in non-GAAP Net Income
- Revenue
 - Grew by 6% in North America
 - 10% overall decline due to international market
- Higher Gross Margin
 - North America strength
 - Improved services execution
 - Process excellence focus
 - Improved supply chain operations
- Non-GAAP Operating Expenses down 13%
 - Realignment of organization and processes
 - Tight variable expense management

Company achieves profitability on all Non-GAAP metrics in FY17

FY17 ACHIEVEMENTS: CUSTOMER MOMENTUM

Aviat Networks Awarded Microwave and Router Business with Broward County, Florida

Aviat is Teaming with Motorola Solutions to Connect Local First Responders with Agencies Across Florida for Fast, Efficient Mission-Critical Communications

Aviat Wins \$28M Project With State of Colorado

3 Year Project Includes Microwave, Routers, Management Software and Turnkey Services

Aviat Awarded Microwave and IP/MPLS Business by State of Nevada

\$10 Million Project to Include Hardware, Software and Services

Aviat Announces \$4 Million in Follow-On Orders from Southeast USA Utilities

Offering Includes Upgrades to Network Infrastructure for Security, High Definition Video, Grid Monitoring, and Protection Applications

Aviat Selected By US Federal Agencies for Microwave Solutions

Two New Five-Year Contracts Worth up to \$11M for Microwave Products and Services

Aviat Signs New Agreement with NASPO ValuePoint

Purchasing Cooperative Enables Government Agencies to Purchase at Pre-Negotiated Terms through 2021

Aviat Receives \$5 Million Multi-Year Deal from a Texas Electrical Utility

Aviat Chosen for Extra High Power and Hybrid Radio Capabilities

Aviat Partners with Airtel Nigeria for Enterprise Access

Business Includes Microwave Routers, Radios and Managed Services

Digicel Selects Aviat Networks' Transmission Solution

Aviat CTR Microwave Networking Solution and Turnkey Services Enable High-Speed Backbone across Digicel Pacific Region

Aviat Networks Awarded Public Safety Project in the Middle East

Security Modernization for Country-Wide Defense Network Includes Hardware, Software and Services

Aviat Networks Awarded Supplier Partner of the Year from Airtel Ghana

Award Recognizes Aviat's Commitment and Professionalism for 2016

Aviat Awarded IP/MPLS Microwave Business for a Government Network in Latin America

Business Includes Microwave Routers, Radios and Full Turnkey Services

Aviat Selected for High-speed Mobile Transport Network in East Africa

Enables Advanced Mobile Services and Applications

We continued to expand our global customer base and drive value for our existing customers

FY17 ACHIEVEMENT: PRODUCT INNOVATION

Aviat Networks Introduces Industry's Highest Capacity Microwave
WTM 4000 Provides up to 2.5Gbps Uncompressed Throughput per Radio Transceiver, Purpose-Built for SDN

Aviat Networks to Showcase Advanced Microwave Capabilities at IWCE
New High Capacity, SDN Solutions Further Enhance Industry-Leading Mission-Critical Portfolio

Aviat Networks More Than Doubles Capacity of IRU 600 Microwave Platform
Supports Future Growth in HD Video, Security and Surveillance and Other Applications

Aviat Networks Achieves ISO 27001 Security Certification
Certification of Managed NOC Services Ensures Customer Data Security and Business Continuity

Aviat Networks Releases New Low Latency Microwave Radio
ODU LLR Delivers Industry-Leading, End-to-End Latency

Aviat Networks to Showcase IP/MPLS, SDN Capabilities at AfricaCom
Chief Product Officer to Discuss SDN Vision for 5G Backhaul

Aviat Selects Software Component Ecosystem for SDN Future
Software Partnerships for Next-Generation Products Enable Network Automation and Advanced Control

Aviat Networks Completes IP/MPLS Interoperability Testing
Participates in Multi-Vendor EANTC Showcase at MPLS + SDN + NFV World Congress in Paris

We invested in next-generation solutions, expanding both our product and services capabilities



Fiscal 2017 Fourth Quarter Financial Update

Please see our earnings press release dated September 6, 2017 for our GAAP to Non-GAAP reconciliation

FY17 FOURTH QUARTER FINANCIAL HIGHLIGHTS

(NON-GAAP COMPARISONS)

Income Statement Summary (Non-GAAP)

(\$'s in millions)	Q4 FY17 Actual	Q4 FY16 Actual	Variance
Revenue	\$56.4	\$58.3	(\$1.8)
Gross Margin	\$19.3	\$15.0	\$4.3
Gross Margin %	34.1%	25.7%	840 bps
Operating Expenses	\$19.1	\$21.1	\$2.0
Operating Income (Loss)	\$0.2	(\$6.1)	\$6.3
Net Income (Loss) From Continuing Operations Attributable to Aviat Networks	(\$0.1)	(\$6.4)	\$6.5
Adjusted EBITDA	\$1.4	(\$4.6)	\$6.0

- **Revenue of \$56.4 million, a decrease of \$1.8 million or 3.1%**
 - YOY decline primarily related to lower international revenue, offset by a \$3.7 million increase in North America
- **Gross margin of 34.1%, up 840 basis points (“bps”)**
 - YOY increase driven by lower supply chain costs and better efficiencies within the services business; higher concentration of services and North America business as a % of revenue also contributed to YOY increase
- **Operating expenses of \$19.1 million, an improvement of \$2.0 million**
 - YOY improvements driven by lowering fixed expenses and generating efficiencies through process reforms
 - Higher engineering costs in FY17 Q4 related to new products
- **Operating income of \$0.2 million, an improvement of \$6.3 million**
- **Net loss attributable to Aviat Networks of \$0.1 million, an improvement of \$6.5 million**
- **Adjusted EBITDA of \$1.4 million, an improvement of \$6.0 million**

Company continues to drive significant bottom-line improvements

FY17 Q4 BALANCE SHEET KEY INDICATORS

(BALANCE SHEET STRENGTHENED – CASH POSITION INCREASED YEAR-OVER-YEAR)

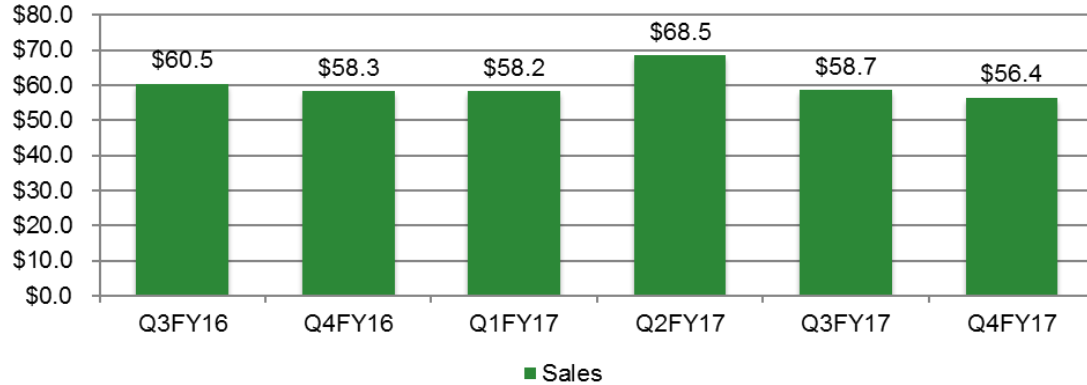
<i>(\$'s in millions)</i>	Q4 FY16 (FY end)	Q4 FY17
Cash and Cash Equivalents (and restricted cash)	\$31.1	\$36.2
Accounts Receivable	\$63.4	\$45.9
DSO's	99 Days	74 Days
Inventory	\$30.4	\$23.7
Turns	6.4	6.3
Third-Party Debt	\$9.0	\$9.0
Accounts Payable	\$33.2	\$33.6
DPO's	63 Days	82 Days

- Net gain in cash since FY16 year-end of \$5.2 million. Decline in cash position sequentially due to collections related to change in foreign currency policies in Africa (majority has been collected since FY17 year-end).
- YOY DSO improvement of 25 days due to better controls and higher revenue concentration in North America; sequential decline related to international collections (per above).
- Trade inventory declined by \$6.7 million YOY; up slightly sequentially due to higher bookings and anticipated business; turn rate remains > 1 turn per quarter.
- Accounts Payable roughly in line with FY16 Q4; up by \$3.8 million sequentially; DPO's increased due to product receipts for large North America projects, but anticipated to revert to normal patterns in FY18 Q1.

TRENDING 6 QUARTER FINANCIALS

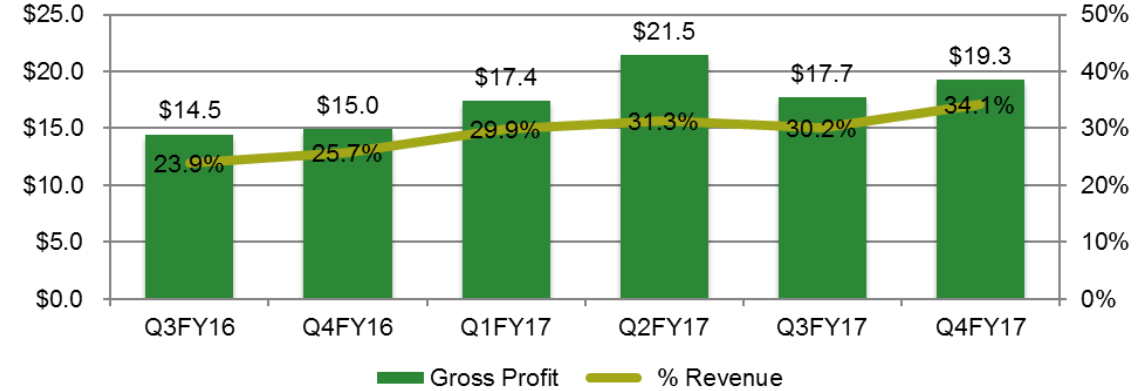
Sales

(\$ in millions)



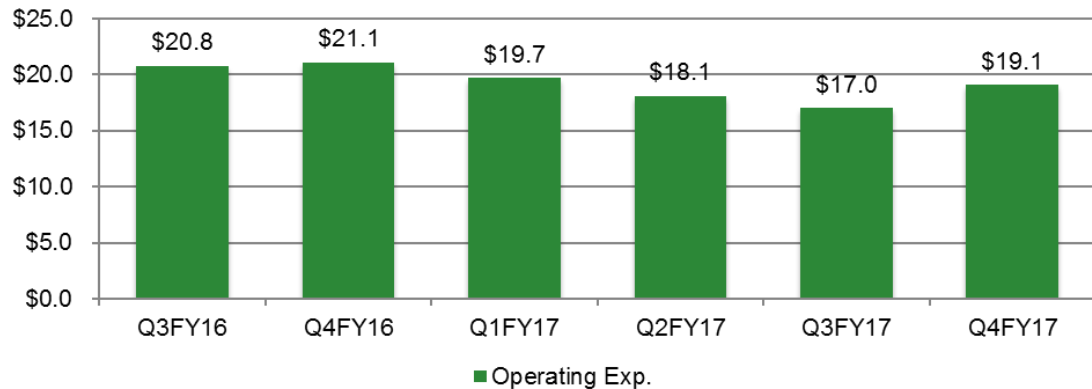
Gross Profit

(\$ in millions)



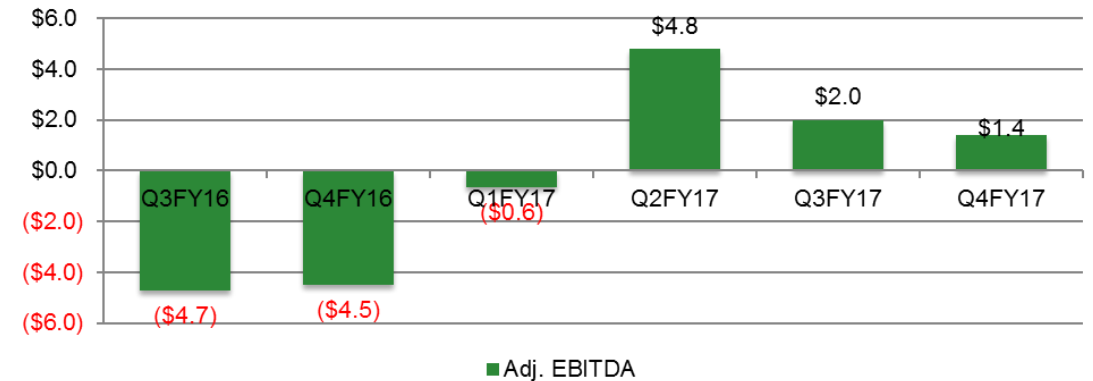
Operating Expenses

(\$ in millions)



Adjusted EBITDA

(\$ in millions)

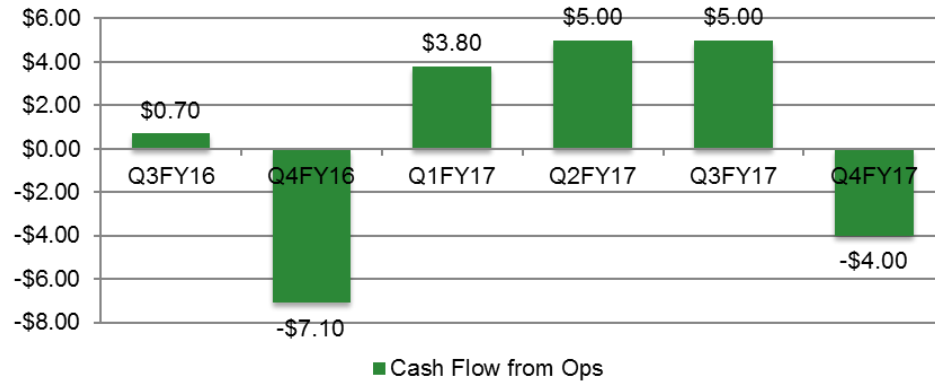


Note: Aviat has a June 30th fiscal year end.

TRENDING 6 QTR BALANCE SHEET KEY INDICATORS

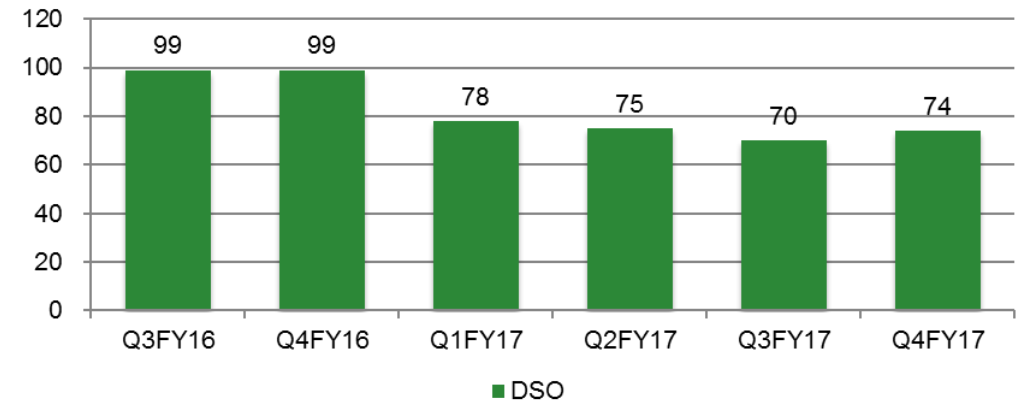
Cashflow from Operations

(\$ in millions)

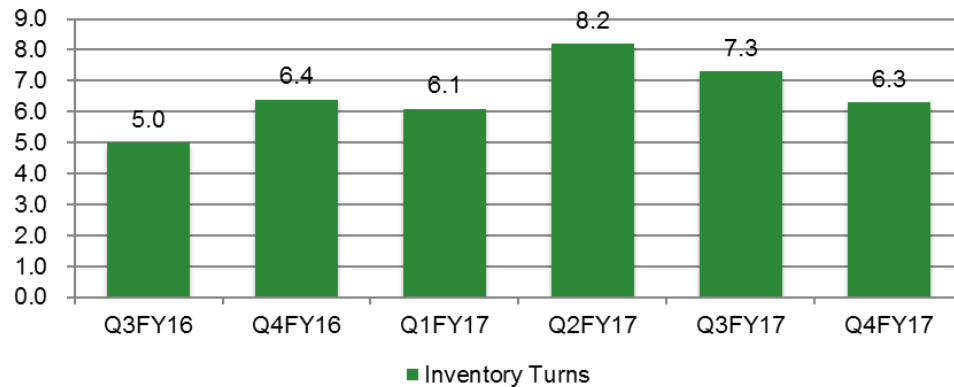


Days Sales Outstanding (DSO)

(in Days)



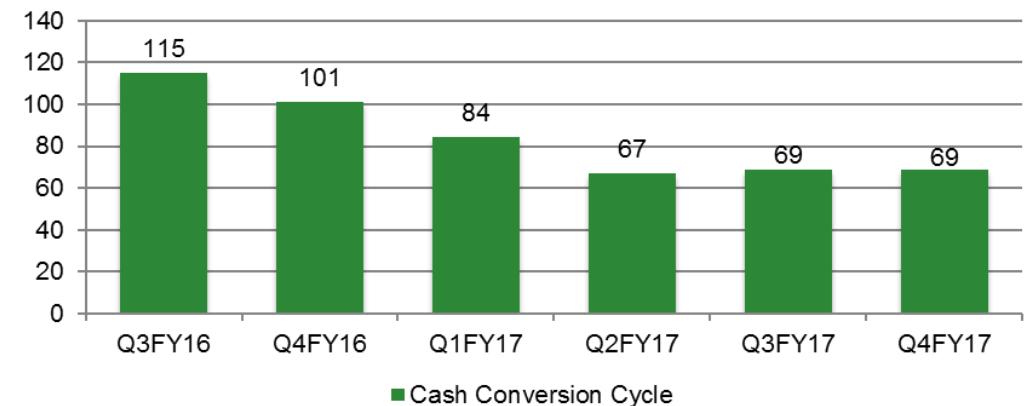
Inventory Turns



Cash Conversion Cycle* (CCC)

(in Days)

*Includes unbilled receivables





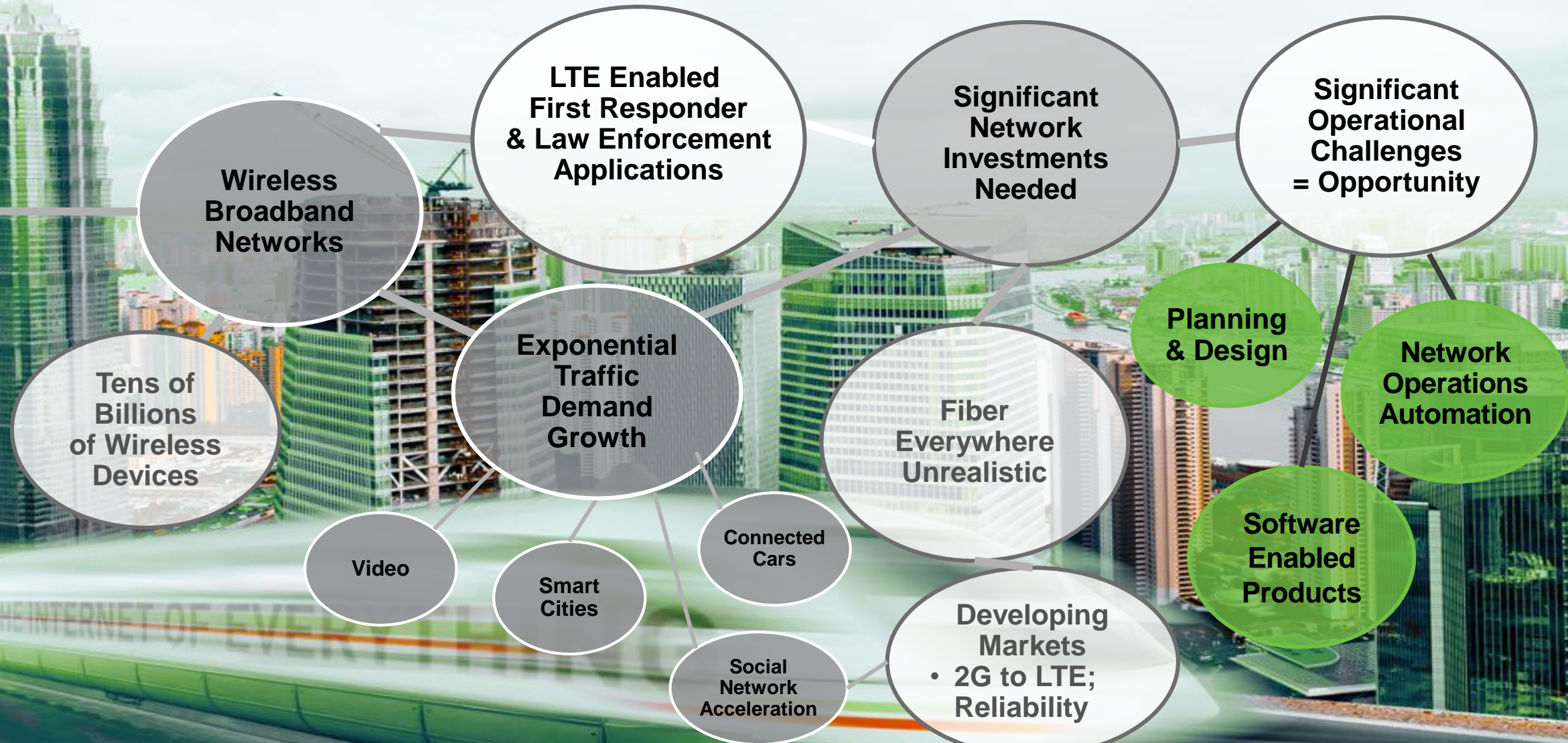
Aviat

NETWORKS

Key Trends/Factors Driving our Optimism

Market Dynamics
Customer Momentum
Product Innovation
Process Excellence
Competitive Positioning

COMPELLING MARKET DEMAND DRIVERS



Multiple paths to drive growth globally and across all verticals

DRIVING OUR OPTIMISM: MARQUEE CUSTOMERS

Leading Provider in Key Markets Served – Global Service Providers



Opportunity to leverage significant installed base

DRIVING OUR OPTIMISM: SPECIALIZATION AND REACH TO DRIVE GROWTH WITHIN PRIVATE NETWORKS VERTICAL

Segment Leader
The Clear Choice

Public Safety

Presence in all 50 States,
With 25 U.S. Statewide
Networks

Energy

More than 50% of Largest
U.S. Utilities

USA Federal Departments

Multiple Agencies

**Global Partners in
Security & Defense**



MOTOROLA
#1 Supplier



AIRBUS
DEFENCE & SPACE

A Leading Supplier

National Security Networks

France, Middle East, North
Africa, Asia Pacific

Oil & Gas

West Africa, Asia, Europe

Regional Governments

Latin America

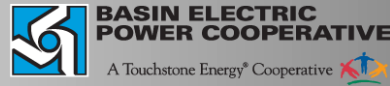
Financial

18,000 Low Latency Microwave
Miles Worldwide for Trading
Networks

Market Leader

Strengthening position in a diverse private networks environment

DRIVING OUR OPTIMISM: GROWING PRIVATE NETWORKS CUSTOMER BASE



DRIVING OUR OPTIMISM: INDUSTRY LEADING PRODUCTS

**MOST SECURE, HYBRID
MISSION CRITICAL PLATFORM**



UPGRADED (RAC70)

ECLIPSE

**SPLIT-MOUNT
OUTDOOR RADIO UNIT**



UPGRADED (Latency)

ODU 600

MICROWAVE ROUTERS



UPGRADED (IP/MPLS)

CTR 8000

**HIGHEST POWER
MICROWAVE RADIO**



UPGRADED (RF Power)

IRU 600

**INDUSTRY'S
HIGHEST
CAPACITY
MICROWAVE**



**ALL NEW
PLATFORM**

WTM 4000

**NETWORK
MANAGEMENT**



PROVISION



AVIATCLOUD

DRIVING OUR OPTIMISM: INNOVATION

Aviat WTM 4000



2.5 Gbit/s

- Highest capacity radio ever made
- Purpose-built for software-defined networking (SDN)
- Pay for use (PFU) software, WiFi access and other innovations to simplify operations
- Industry-leading RFIC core
- Significant TCO benefits
- First customer installation completed in Q1 FY18

Increased Addressable Market – Catalyst for new Customer Pursuits

DRIVING OUR OPTIMISM: INDUSTRY-LEADING SERVICES CAPABILITIES



**INDUSTRY'S
LEADING
AUTOMATION
PLATFORM FOR
MICROWAVE
NETWORK
SERVICES**



Strong recurring revenue streams and prospects for growth



Aviat
NETWORKS

FY18 Outlook

*Positioned for Top-Line Growth and
Significant Bottom-Line Improvements*

FY18 FINANCIAL OUTLOOK

Income Statement Summary (Non-GAAP)

<i>(\$'s in millions)</i>	FY16 Results Actual	FY17 Results Actual	FY18 Full-Year Outlook
Revenue	\$268.7	\$241.9	\$245.0 - \$260.0
Gross Margin (as a %)	24.9%	31.4%	31.5% – 32.5%
Operating Expenses	\$85.0	\$74.0	\$72.0 - \$75.0
Operating Income (Loss)	(\$18.1)	\$1.9	\$5.0 - \$7.0
Adjusted EBITDA	(\$11.7)	\$7.6	\$11.0 - \$13.0

FY18 Take-Aways

- Anticipating year-over-year growth
- Gross margins continue to trend upward
- Operating expenses should remain relatively flat with FY17; continue to focus on lowering fixed costs
- Company anticipates profitability on all non-GAAP metrics

Positioned for growth and significant bottom-line improvements

KEY TAKEAWAYS

- Stronger foundation driven by operational excellence and improved performance
- Top-line stabilization with growth anticipated:
 - Strong installed customer base with near- and long-term growth opportunities
 - Enhanced products and service offerings
 - Multiple prospects for growth with new customers in all verticals
- Sustainable gross margin and operating expense improvements
- Strong balance sheet; working capital metrics are among the best in the Company's history
- Potential for value appreciation based on improved profitability and increased operating leverage
- Strategic process designed to enhance customer value proposition and drive shareholder returns



Aviat
NETWORKS

WWW.AVIATNETWORKS.COM