



Reconciliation of Non-GAAP Financial Measures and Regulation G Disclosures



Regulation G Disclosures



To supplement our condensed consolidated financial statements presented in accordance with U.S. generally accepted accounting principles (GAAP), we provide additional measures of segments' operating income (loss), non-operating income (loss); cost of product sales and services; engineering, selling and administrative expenses; income before income taxes and minority interest; income taxes; minority interest; net income (loss); and net income (loss) per diluted share adjusted to exclude certain costs, charges, expenses, gains and losses. Harris 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. Harris management also believes that these non-GAAP financial measures enhance the ability of investors to analyze Harris' business trends and to understand Harris' performance. In addition, Harris may utilize non-GAAP financial measures as a guide in its forecasting, budgeting, and long-term planning process and to measure operating performance for some management compensation purposes. Any analysis of non-GAAP financial measures should be used only in conjunction with results presented in accordance with GAAP. A reconciliation of these non-GAAP financial measures with the most directly comparable financial measures calculated in accordance with GAAP follows:

Reconciliation of Non-GAAP Financial Measures – Earnings Release Information



Cash, cash equivalents and marketable equity securities - excluding Harris Stratex Networks

(\$ in millions)

	April 3, 2009
Cash, cash equivalents and marketable equity securities	\$ 455.4
Less Harris Stratex Networks	115.6
Cash, cash equivalents and marketable equity securities - excluding Harris Stratex Networks	\$ 339.8

Reconciliation of Non-GAAP Financial Measures – Earnings Release Information



Return on Invested Capital

(\$ in millions)

	For 12 Months Ended	
	March 28, 2008	April 3, 2009
GAAP operating Income (1)	\$ 644.3	\$ 465.9
Harris Stratex Networks GAAP operating loss	2.7	353.6
GAAP operating income - excluding Harris Stratex Networks	647.0	819.5
Non-GAAP adjustments (4)	6.5 (2)	0.5 (3)
Non-GAAP operating income (4)	653.5	820.0
Taxes (32.8% for LTM 3/28/08; 31.4% for LTM 4/3/09)	(214.6)	(257.1)
Non-GAAP operating income after-tax (4) (A)	\$ 438.9	\$ 562.9
Shareholders' equity	\$ 2,182.4	\$ 2,179.3
Debt (4)	874.5	828.4
Cash, cash equivalents and short-term investments (4)	(194.9)	(336.4)
Ending invested capital	2,862.0	2,671.3
Beginning invested capital	2,267.6	2,862.0
Average Invested Capital (B)	\$ 2,564.8	\$ 2,766.7
Return on invested capital (A)/(B)	17.1%	20.3%

(1) Revenue less Cost of product sales and services and less Engineering, sales and administrative expenses.

(2) For 12 months ended 3/28/08, adjustments relate to costs associated with our acquisitions of Multimax and Zandar, and charges for cost-reduction actions in our Broadcast Communications segment.

(3) For 12 months ended 4/3/09, adjustments relate to costs associated with our acquisitions of Multimax and Zandar.

(4) Excluding Harris Stratex Networks.

Reconciliation of Non-GAAP Financial Measures – Earnings Release Information



Return on Equity

(\$ in millions)

	For 12 Months Ended	
	March 28, 2008	April 3, 2009
GAAP net income	\$ 410.1	\$ 316.0
Harris Stratex Networks GAAP net loss	1.2	214.4
GAAP net income - excluding Harris Stratex Networks (1)	411.3	530.4
Non-GAAP adjustments after taxes (1)	5.4 (2)	0.3 (3)
Non-GAAP net income (1) (A)	\$ 416.7	\$ 530.7
Beginning shareholders' equity	\$ 1,995.4	\$ 2,182.4
Ending shareholders' equity	2,182.4	2,179.3
Average shareholders' equity (B)	\$ 2,088.9	\$ 2,180.9
Return on equity (A)/(B)	19.9%	24.3%

(1) Excluding Harris Stratex Networks.

(2) For 12 months ended 3/28/08, adjustments relate to costs associated with our acquisitions of Multimax and Zandar, and charges for cost-reduction actions in our Broadcast Communications segment.

(3) For 12 months ended 3/28/08, adjustments relate to costs associated with our acquisitions of Multimax and Zandar.

Reconciliation of Non-GAAP Financial Measures – Earnings Release Information



Effective Tax Rate for the Fiscal Quarter Ending April 3, 2009

(\$ in millions)

	Harris	Harris Stratex Networks	Harris, excluding Harris Stratex Networks
GAAP income before taxes (B)	\$163.3	(\$34.8)	\$198.1
Taxes expense (A)	(65.8)	(3.6)	(62.2)
Effective tax rate (A) / (B)	40.3%		31.4% (1)

(1) Effective tax rate was lower than the U.S. statutory income tax rate due to a \$6.5 million favorable impact from the settlement of the U.S. Federal income tax audit for fiscal year 2007.