

HARMAN

SYMPHONY TELECA & RED BEND ACQUISITIONS

DINESH PALIWAL

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

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CHIEF FINANCIAL OFFICER

JANUARY 22, 2015



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mark
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FORWARD LOOKING INFORMATION

Except for historical information contained herein, the matters discussed in this earnings release are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act, as amended. One should not place undue reliance on these statements. The Company bases these statements on particular assumptions that it has made in light of its industry experience, as well as its perception of historical trends, current market conditions, current economic data, expected future developments and other factors that the Company believes are appropriate under the circumstances. These statements involve risks, uncertainties and assumptions that could cause actual results to differ materially from those suggested in the forward-looking statements, including but not limited to: (1) the Company's ability to maintain profitability in its infotainment division if there are delays in its product launches which may give rise to significant penalties and increased engineering expense; (2) the loss of one or more significant customers, or the loss of a significant platform with an automotive customer; (3) fluctuations in currency exchange rates, particularly with respect to the value of the U.S. Dollar and the Euro; (4) the Company's ability to successfully implement its global footprint initiative, including achieving cost reductions and other benefits in connection with the restructuring of its manufacturing, engineering, procurement and administrative organizations; (5) fluctuations in the price and supply of raw materials including, without limitation, petroleum, copper, steel, aluminum, synthetic resins, rare metals and rare-earth minerals, or shortages of materials, parts and components; (6) the inability of the Company's suppliers to deliver products at the scheduled rate and disruptions arising in connection therewith; (7) the Company's ability to maintain a competitive technological advantage through innovation and leading product designs; (8) the Company's failure to maintain the value of its brands and implementing a sufficient brand protection program; and (9) other risks detailed in the Harman International Industries, Incorporated Annual Report on Form 10-K for the fiscal year ended June 30, 2014 and other filings made by the Company with the Securities and Exchange Commission. The Company undertakes no obligation to publicly update or revise any forward-looking statement except as required by law.

This earnings release also makes reference to the Company's awarded business, which represents the estimated future lifetime net sales for all customers. The Company's future awarded business does not represent firm customer orders. The Company reports its awarded business primarily based on written award letters. To validate these awards, the Company uses various assumptions including global vehicle production forecasts, customer take rates for the Company's products, revisions to product life cycle estimates and the impact of annual price reductions and exchange rates, among other factors. These assumptions are updated and reported externally on an annual basis. The Company updates the estimated awarded business quarterly by adding the value of new awards received and subtracting sales recorded during the quarter. These quarterly updates do not include any assumptions for increased take rates, revisions to product life cycle, or any other factors.

TWO TRANSFORMATIVE TRANSACTIONS



OVERVIEW

SYMPHONY TELECA (STC)



- Outsourced Product Development and Software Services company
- Focused at the intersection of cloud, mobility, and analytics
- Headquartered in Silicon Valley
- ~8,000 employees, primarily software engineers and designers

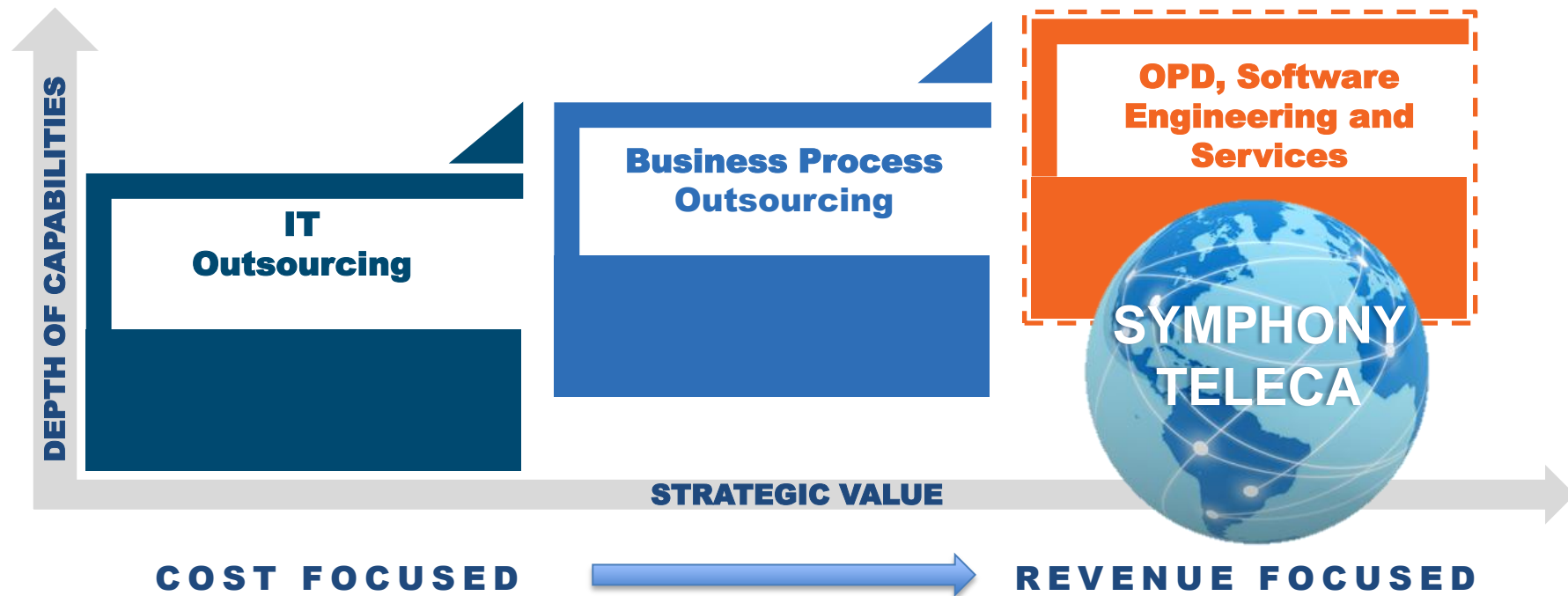
DIVERSE CUSTOMER BASE



- Impressive roster of over 300 technology leaders



GLOBAL SOFTWARE SERVICES MARKET

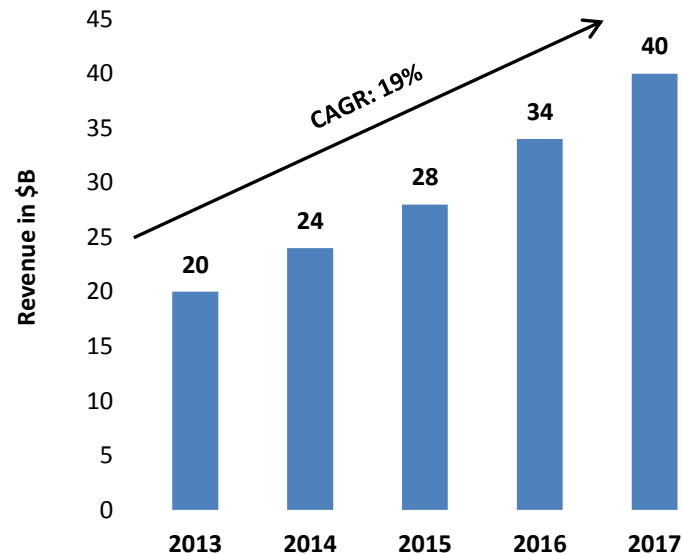


OVERVIEW

ADDRESSABLE MARKET

- Fast-growing, high margin addressable market estimated at \$40 billion in 2017
- Aligned with most high opportunity verticals: IoT, Telecom, Consumer Electronics, ISV, Healthcare, Auto
- Well-positioned within the mobile and automotive value chain

Addressable Market Growth Forecast (aligned to STC Business Units)



Source: Ernst & Young

STRATEGIC RATIONALE



- Platform for integrated services serving converged markets
- S/W engineering & integration services for connected experiences
- Accelerated innovation for market expansion
- Deep technical partnerships
- Diversified revenue mix and enhanced growth profile

OVERVIEW

RED BEND SOFTWARE



- ~230 employees
 - Israel, France, US, UK, Japan, China, Korea, Germany
- Impressive customer roster
- Smart-connectivity technology for:
 - Internet of Things (IoT)
 - Cutting-edge OTA updating and virtualization technology for cyber security



NEXT GENERATION INFOTAINMENT



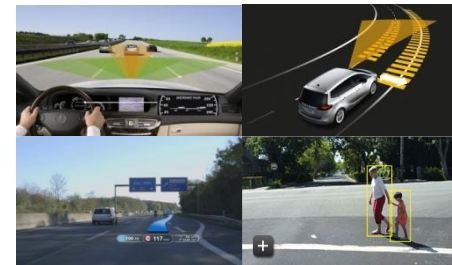
UPGRADEABILITY HTML



CYBER SECURITY



ADVANCED SAFETY



*iOnRoad*TM

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STRATEGIC RATIONALE



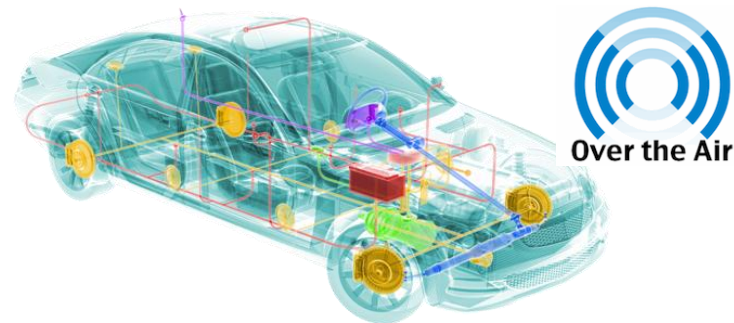
“RED BEND BY HARMAN” : THE DE FACTO OTA INDUSTRY STANDARD

TODAY



Handsets, Mobile

TOMORROW



Infotainment, ECUs in Automobile

FINANCIAL TERMS

SYMPHONY TELECA



- 100% of equity at closing on a cash-free, debt free basis in two steps:

ESTIMATES IN MILLIONS OF DOLLARS	CASH*	STOCK*	TOTAL CONSIDERATION
PAYMENT 1 (AT CLOSING)	\$382	\$166	\$548
PAYMENT 2 (Q3 FY 2017)	\$232	0	\$232
	\$614	\$166	\$780

*Shares subject to 1 year lock-up; 1.6 million shares. Subject to customary closing adjustments

- Earn-Out Opportunity based on Calendar Year 2015 Revenue

FINANCIAL TERMS

RED BEND SOFTWARE



- **\$170M at Closing**
 - **42% cash - \$71M***
 - **58% stock - \$99M* (6-month lockup)**
 - **950,000 shares***
- **\$30M Performance Based Earn-Out Opportunity**
 - **Payable in January 2017**

*Subject to customary closing adjustments

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