



# INVESTOR PRESENTATION

**November 2017**



# DISCLAIMER

## *Forward-Looking Statements*

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include, among others, statements concerning our future financial performance; trends and growth opportunities in our product markets; anticipated benefits and synergies arising from our recent acquisition of Exar Corporation; and opportunities for MaxLinear and Exar as a combined company. These forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to be materially different from any future results expressed or implied by the forward-looking statements. Forward-looking statements are based on management's current, preliminary expectations and are subject to various risks and uncertainties. Risks and uncertainties affecting our business, operating results, financial condition, and stock price, include, among others, integration risks arising from Exar; intense competition in our industry; our dependence on a limited number of customers for a substantial portion of our revenues; uncertainties concerning how end user markets for our products will develop; potential uncertainties arising from continued consolidation among cable television and satellite operators; our ability to develop and introduce new and enhanced products on a timely basis and achieve market acceptance of those products, particularly as we seek to expand outside of our historic markets; potential decreases in average selling prices for our products; limited trading volumes; risks relating to intellectual property protection and the prevalence of intellectual property litigation in our industry, including pending litigation against us by a third party with the United States International Trade Commission and in United States District Court in Delaware; our reliance on a limited number of third party manufacturers; and our lack of long-term supply contracts and dependence on limited sources of supply. Risks relating to our recently completed acquisition of Exar Corporation include the challenges and costs of closing, integrating, restructuring, and achieving currently anticipated synergies; the ability to retain key employees, customers, and suppliers of newly acquired Exar Corporation or MaxLinear; and other factors generally affecting the business, operating results, and financial condition of either MaxLinear, newly acquired Exar Corporation or the combined company. In addition to these risks and uncertainties, investors should review the risks and uncertainties contained in our filings with the Securities and Exchange Commission (SEC), including our most recent Annual Report on Form 10-K on February 9, 2017 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2017. Unless otherwise indicated herein, all forward looking statements are based on estimates, projections and assumptions of MaxLinear as of the date of this presentation. These slides do not constitute confirmation or an update of previously provided guidance. MaxLinear is under no obligation (and expressly disclaims any such obligation) to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise.

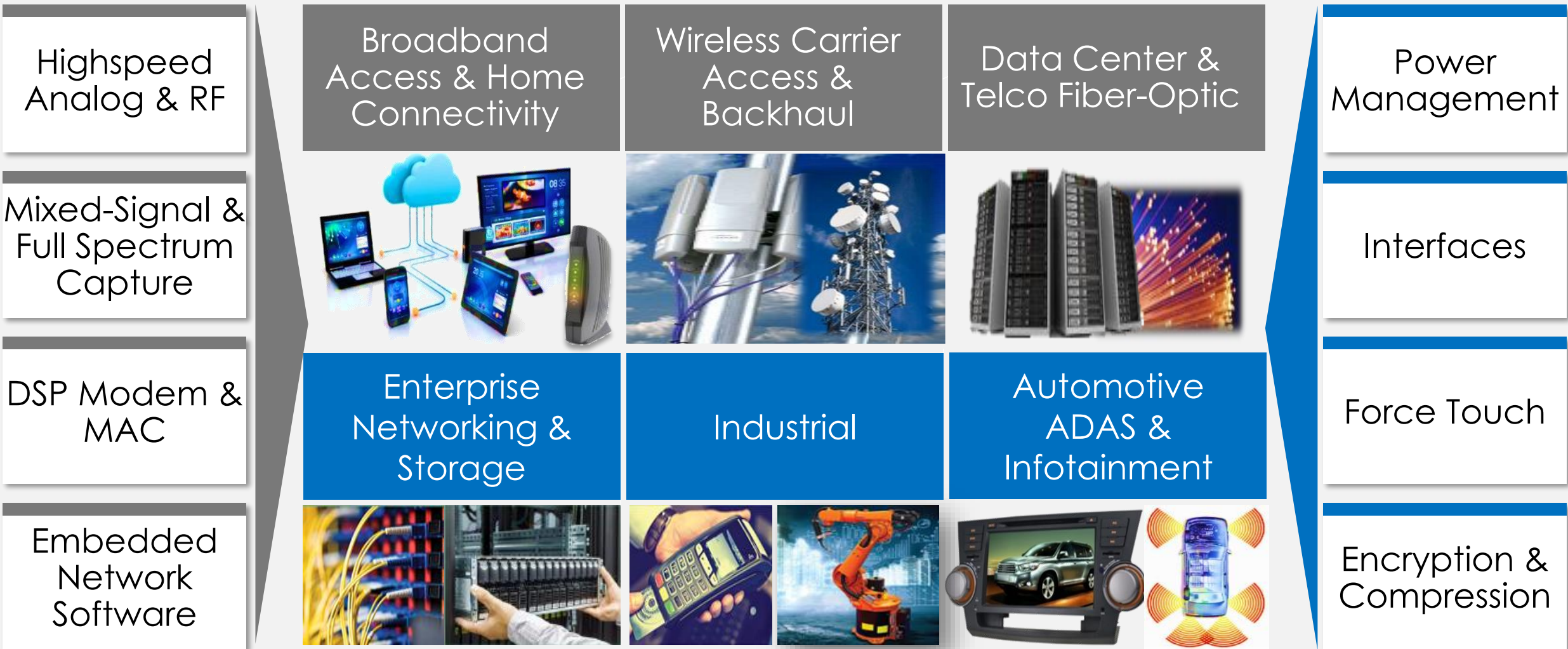
## *Non-GAAP Financial Measures*

This communication may contain certain non-GAAP financial measures, which MaxLinear management believes are useful to investors and others in evaluating business combinations. Further detail and reconciliations between the non-GAAP financial measures and the GAAP financial measures are available in MaxLinear's published financial results press release and in our filings with the SEC, including our Annual Report on Form 10-K on February 9, 2017 and our Quarterly Report on Form 10-Q for the quarter ended September 30, 2017.

# LEADER IN CMOS ANALOG & DIGITAL MIXED-SIGNAL SoCs

- **Pioneer of Low Power, CMOS RF & Broadband Mixed-Signal ICs with More than 1500 Issued/Pending Patents**
- **Core CMOS Analog and Digital Mixed-Signal Co-Processing Platform Expands and Scales Across very Large, High-Value End Markets**
- **Addressing Large, Diverse, Rapidly Transforming Broadband, Wireless Carrier, Datacenter & Telco Fiber-Optic, & Industrial Markets – \$9 Billion SAM in 2022**
- **Track Record of Strong Growth & Profitability, Driven by Organic Initiatives and Disciplined M&A Execution – 2016 Revenue \$388M; 5-Yr CAGR ~ 40%**
- **World Class Team & R&D Intensity – 772 Employees with 2/3rd in R&D**

# CORE PLATFORM – HIGHLY SCALABLE CMOS RF & MIXED-SIGNAL COMMUNICATIONS TECHNOLOGY



Highspeed Analog & RF

Mixed-Signal & Full Spectrum Capture

DSP Modem & MAC

Embedded Network Software

Broadband Access & Home Connectivity



Enterprise Networking & Storage



Wireless Carrier Access & Backhaul



Industrial



Data Center & Telco Fiber-Optic



Automotive ADAS & Infotainment



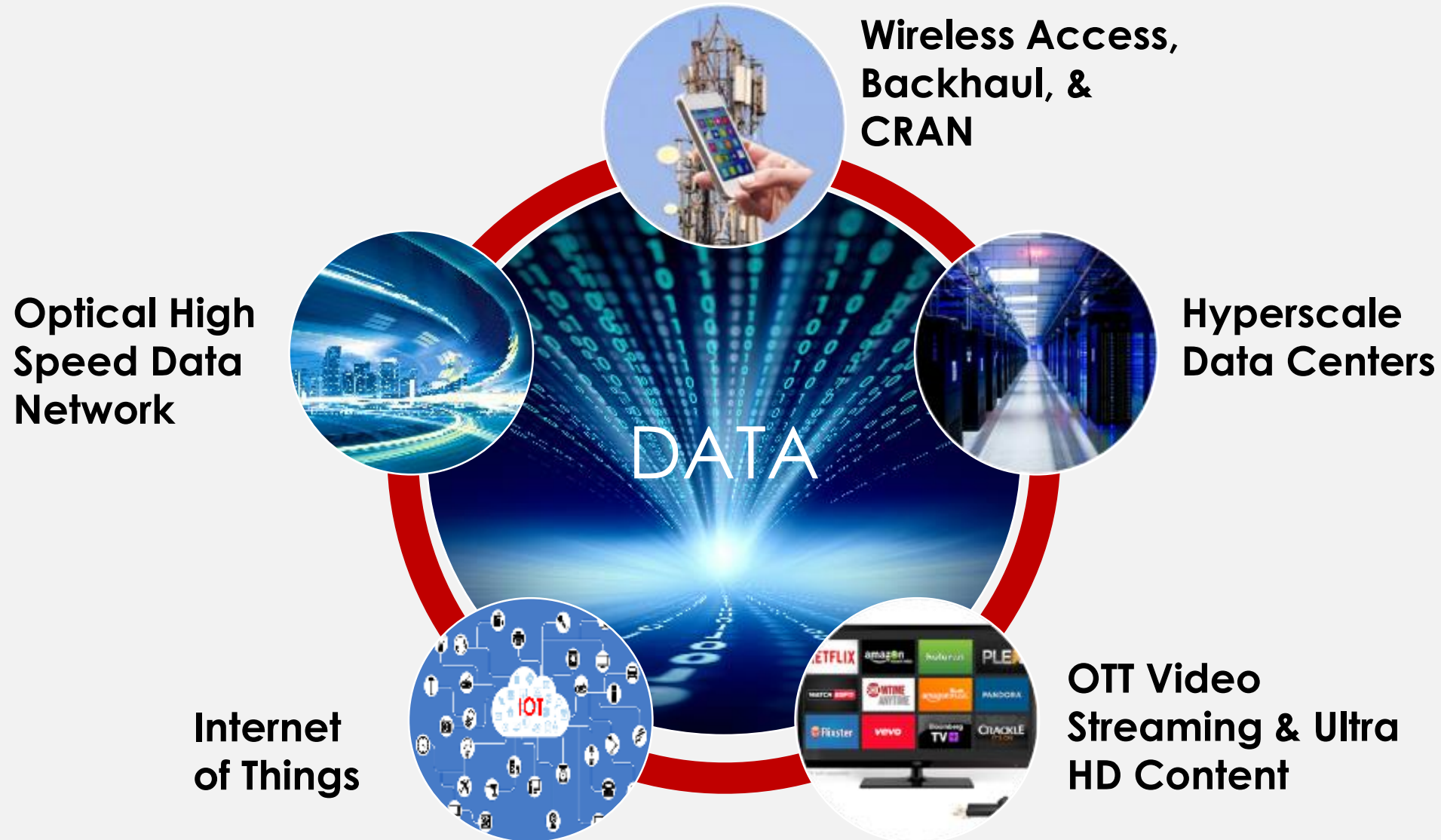
Power Management

Interfaces

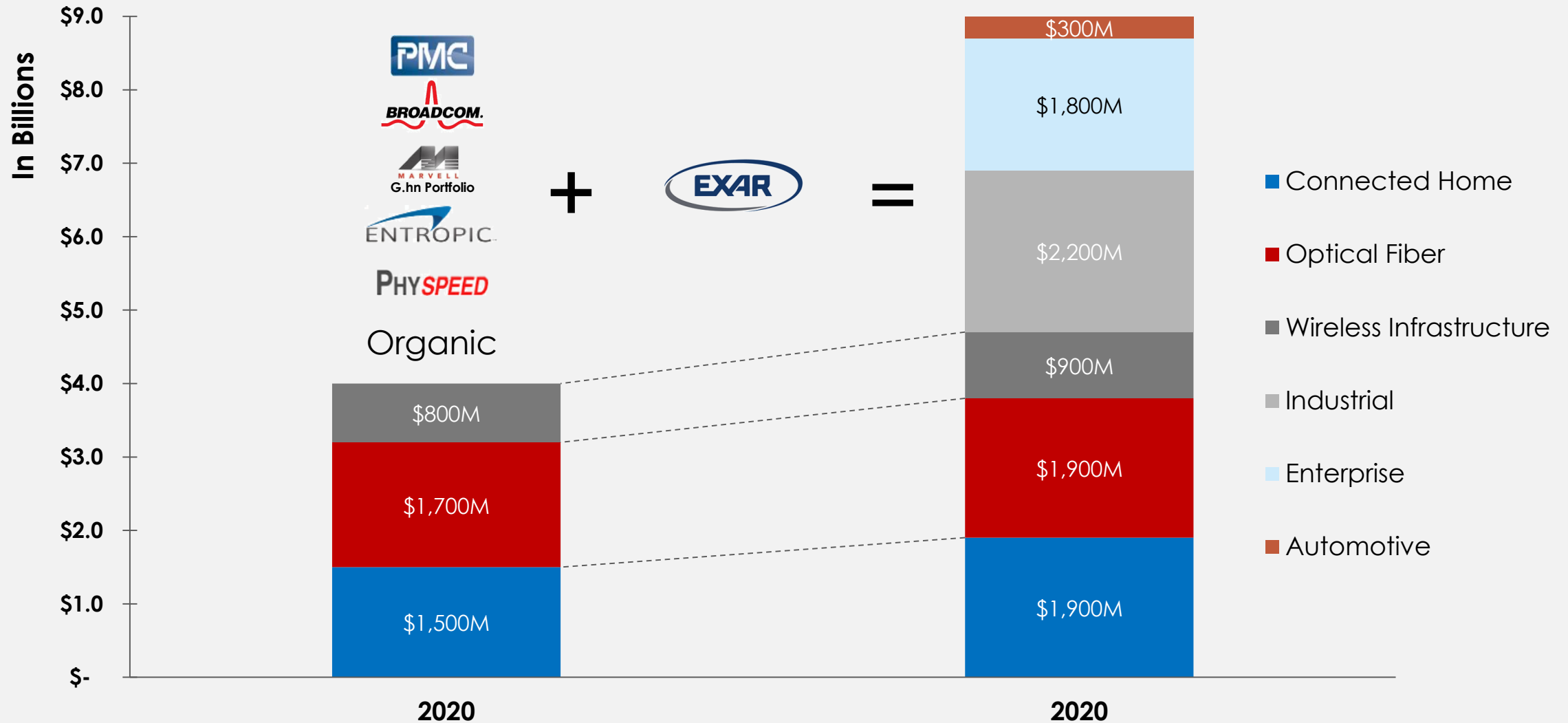
Force Touch

Encryption & Compression

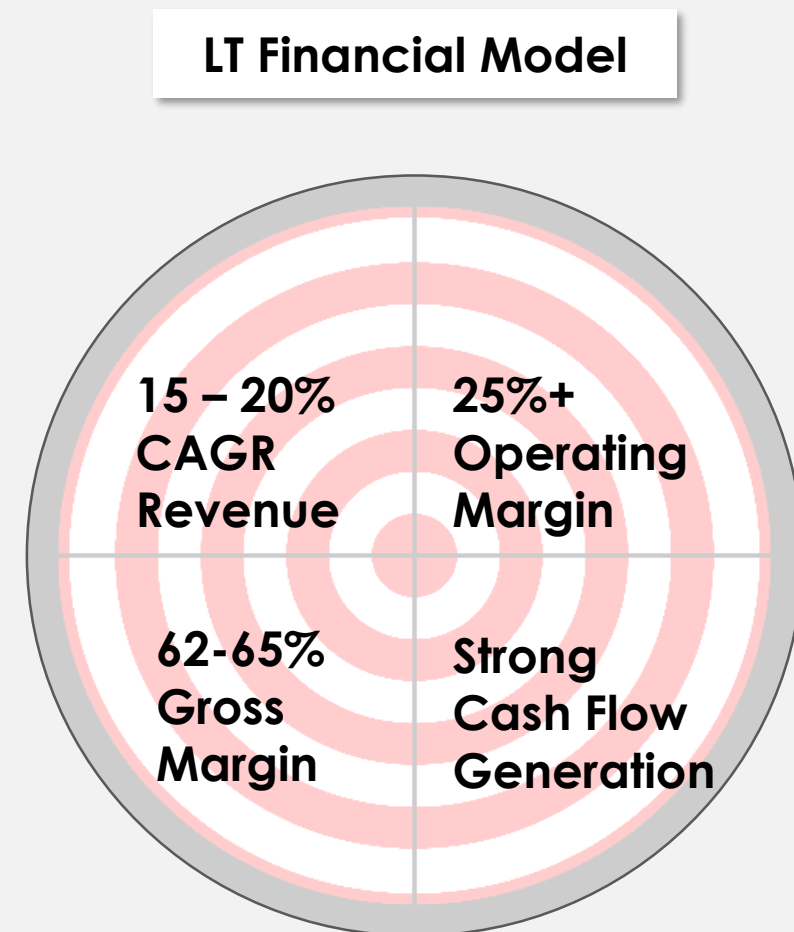
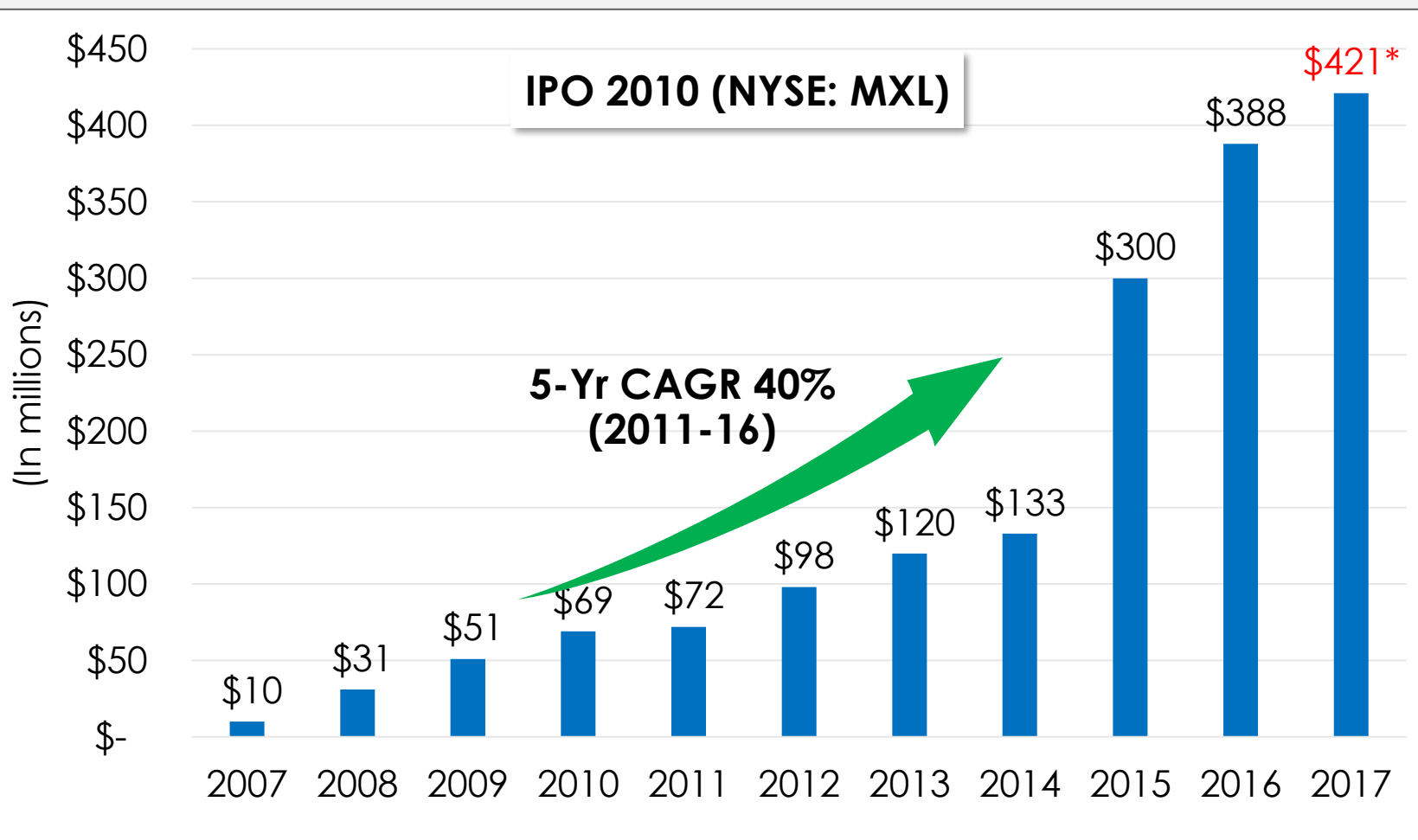
# KEY GROWTH DRIVERS – EXPLODING DATA & TRAFFIC DEMAND FATTER & FASTER DATA PIPES EVERYWHERE



# EXPANDING ADDRESSABLE MARKET THROUGH ACQUISITIONS AND ORGANIC GROWTH



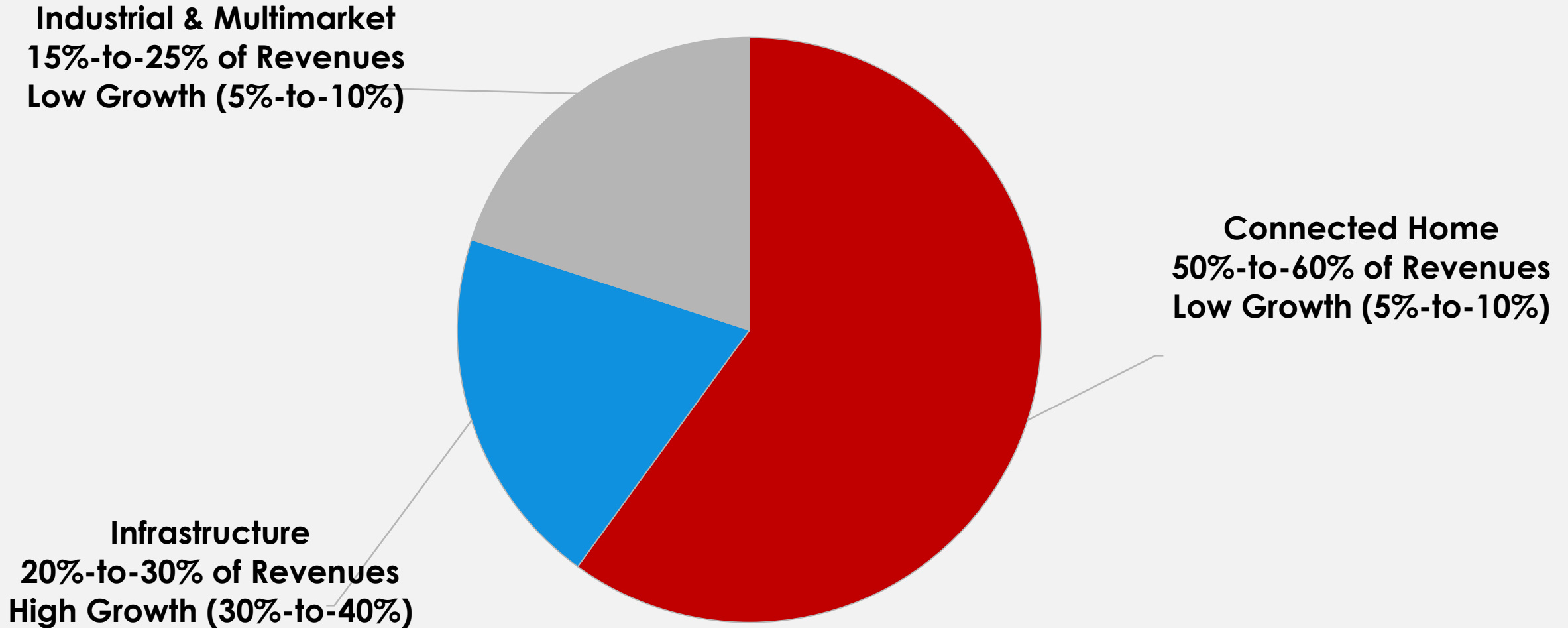
# RAPID REVENUE GROWTH, PROFITABILITY & END MARKET DIVERSIFICATION



\*Note: 2017 revenue reflects mid-point of Q4'17 revenue guidance

\*Excludes \$6M of deferred revenue elimination from purchase price accounting

# INCREASING REVENUE DIVERSIFICATION WITH INFRASTRUCTURE FOCUS – BY SERVED MARKETS





# BUSINESS OVERVIEW – BY SERVED MARKETS

## CONNECTED HOME

(50% - 60% OF REVENUE)

GROWTH RATE/INVESTMENT LEVEL:

5%-10% / Low

- Cable data and video analog front-end solutions for home broadband applications
- Satellite gateway and outdoor unit receivers
- Terrestrial hybrid TV tuner and receivers
- MoCA and G.hn broadband whole-home connectivity solutions for cable, satellite, and telecom operators
- **Competition** – AVGO, NXPI, SIGM, SLAB, Hisilicon

## INFRASTRUCTURE

(20% - 30% OF REVENUE)

GROWTH RATE/INVESTMENT LEVEL:

30%-40% / High

- Laser drivers and TIAs for data center, metro, and long haul optical networks
- RF and baseband for wireless backhaul and access equipment
- C.Link and G.Now/Gigawire for last mile data access in multi-dwelling units
- Data and video compression, server power management for enterprise and data center
- **Competition** – IPHI, SMTc, MTSI, MSCC, AVGO, ADI, TXN, MPWR, IDTI

## INDUSTRIAL & MULTI-MARKET

(15% - 25% OF REVENUE)

GROWTH RATE/INVESTMENT LEVEL:

5%-10% / Low

- Interface products: UARTs, USB ethernet bridges, GPIO expanders, Serial transceivers and USB hubs
- Force Touch Sensors for smartphone, industrial, medical and auto applications
- Amplifiers, comparators and converters for multiple end markets
- **Competition** – ADI, TXN, MXIM, MPWR, NXPI, Renesas (Intersil), Infineon

# CONNECTED HOME – EXPANDING RF & MIXED-SIGNAL CONTENT IN BROADBAND ACCESS & CONNECTIVITY

- **Cable Broadband Data Access**

- DOCSIS gateway full spectrum capture receivers & PGA

- **MoCA/G.hn Connectivity**

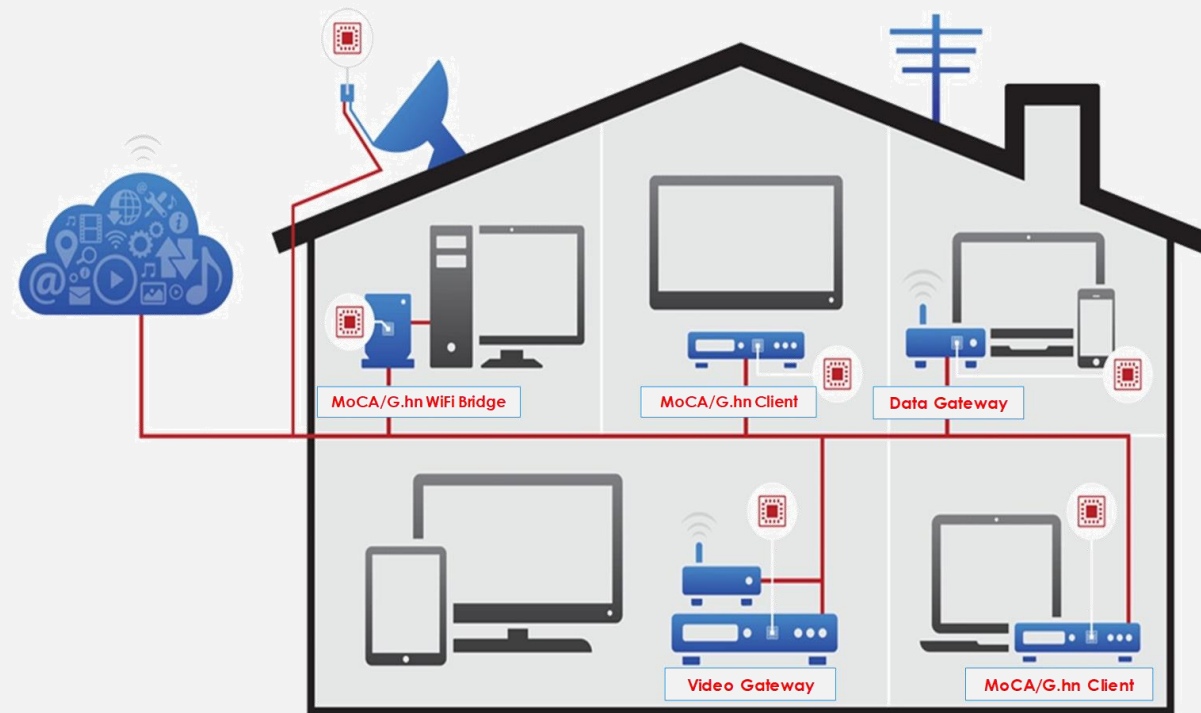
- Whole-home DVR gateway & client, MoCA/G.hn-to-WiFi bridges & extenders

- **Satellite Video Gateways**

- Full spectrum capture video receivers

- **Satellite Outdoor Units**

- Digital channel stacking switch & Ku/Ka band RF receiver



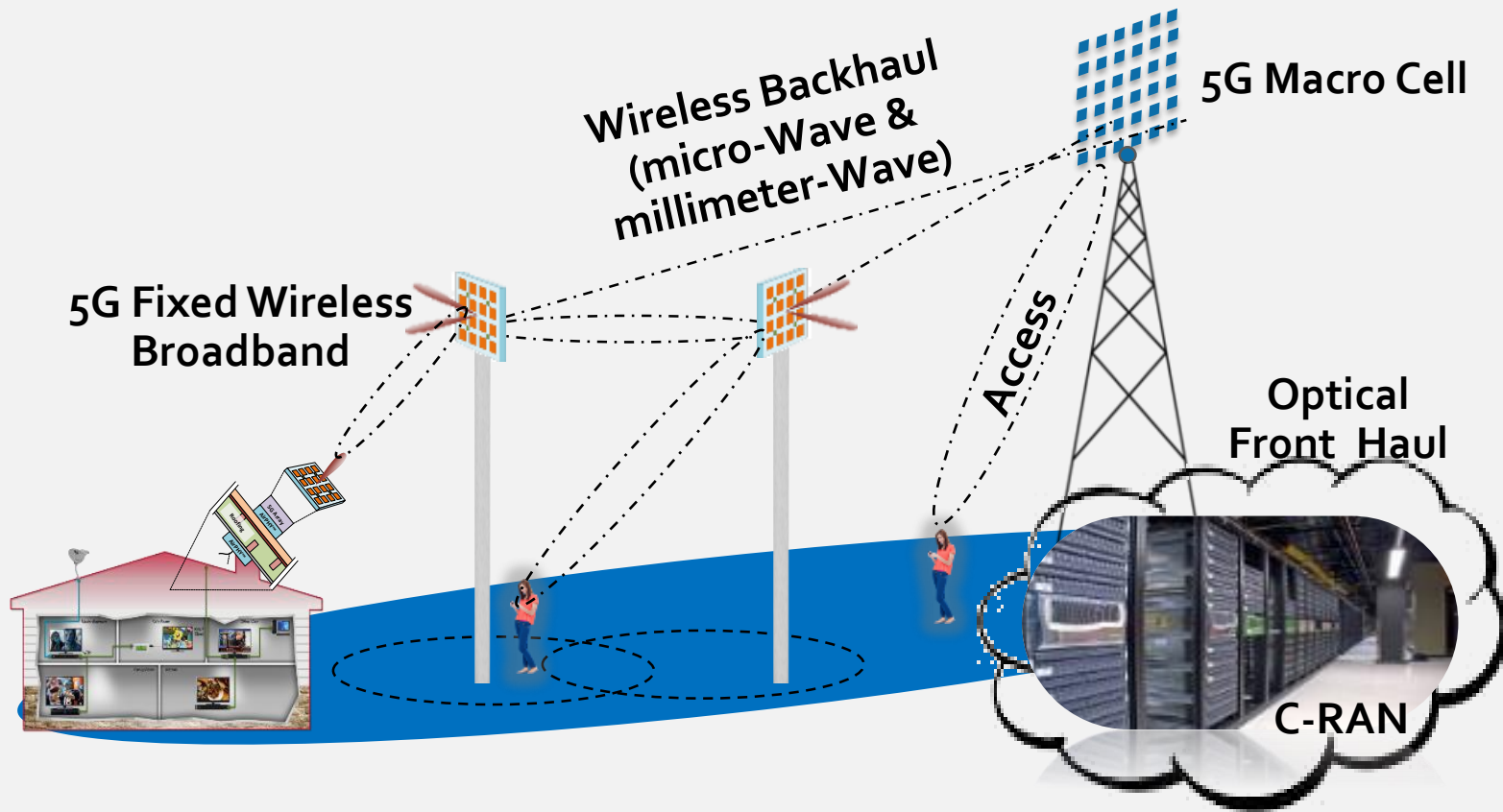
# 5G WIRELESS ACCESS & BACKHAUL INFRASTRUCTURE – GIGABIT CAPACITY & COVERAGE

- **Microwave & Millimeter Wave Backhaul Full Platform Solution**

- RF transceiver + modem

- **4G & 5G Wireless Access Solutions**

- Massive MIMO RF transceivers for active antennas
- Macro BTS radio systems
- Fixed wireless broadband solutions



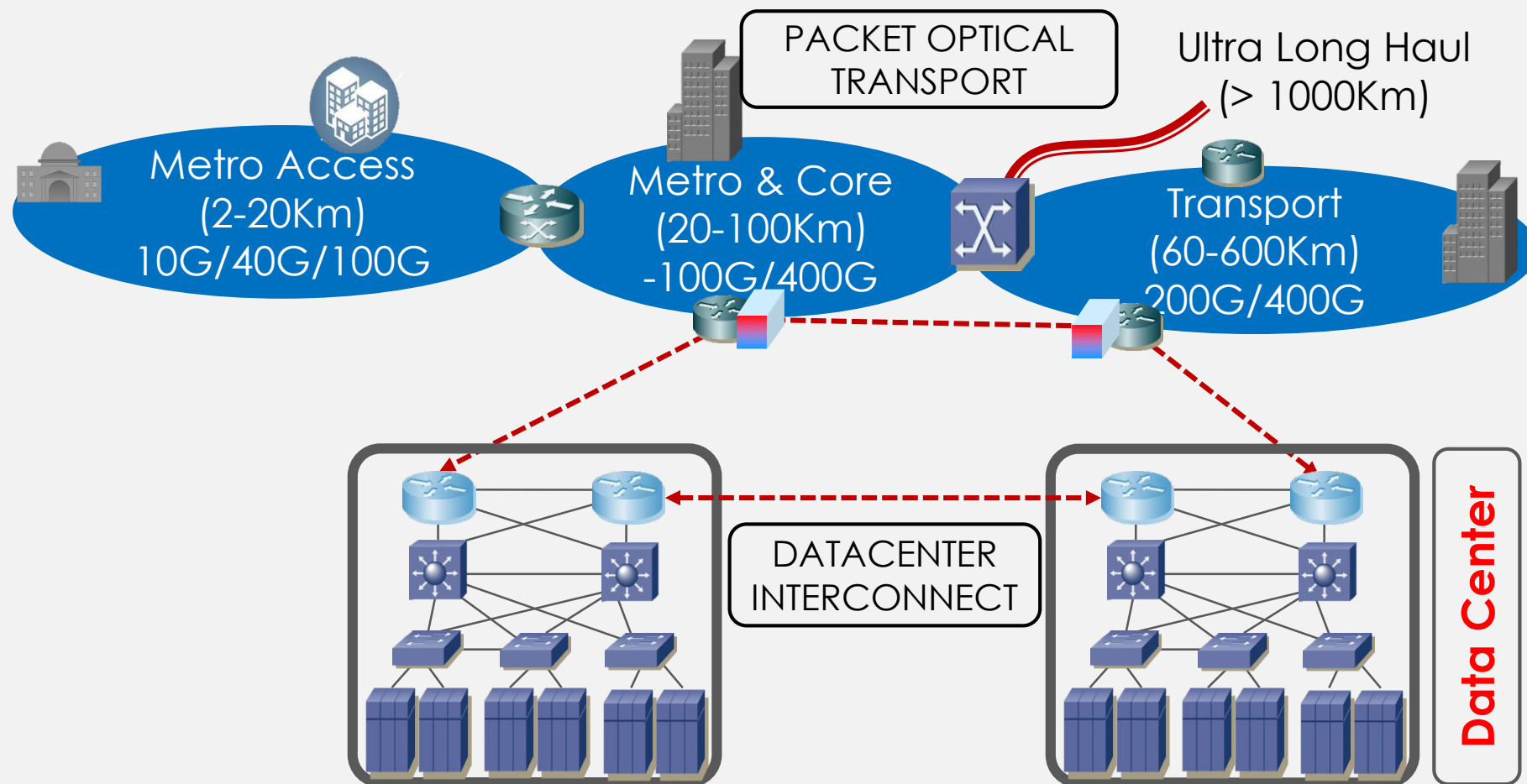
# WIRED INFRASTRUCTURE – HIGH SPEED OPTICAL FIBER INTERCONNECT FOR DATACENTER & TELECOM

- **Metro & Long Haul Fiber Optic Solutions**

- Limiting & linear TIAs & drivers
- 32G, 45G, & 64Gbaud solutions

- **Data Center Interconnects**

- Single-Chip 400G PAM4 DSP + driver + TIA

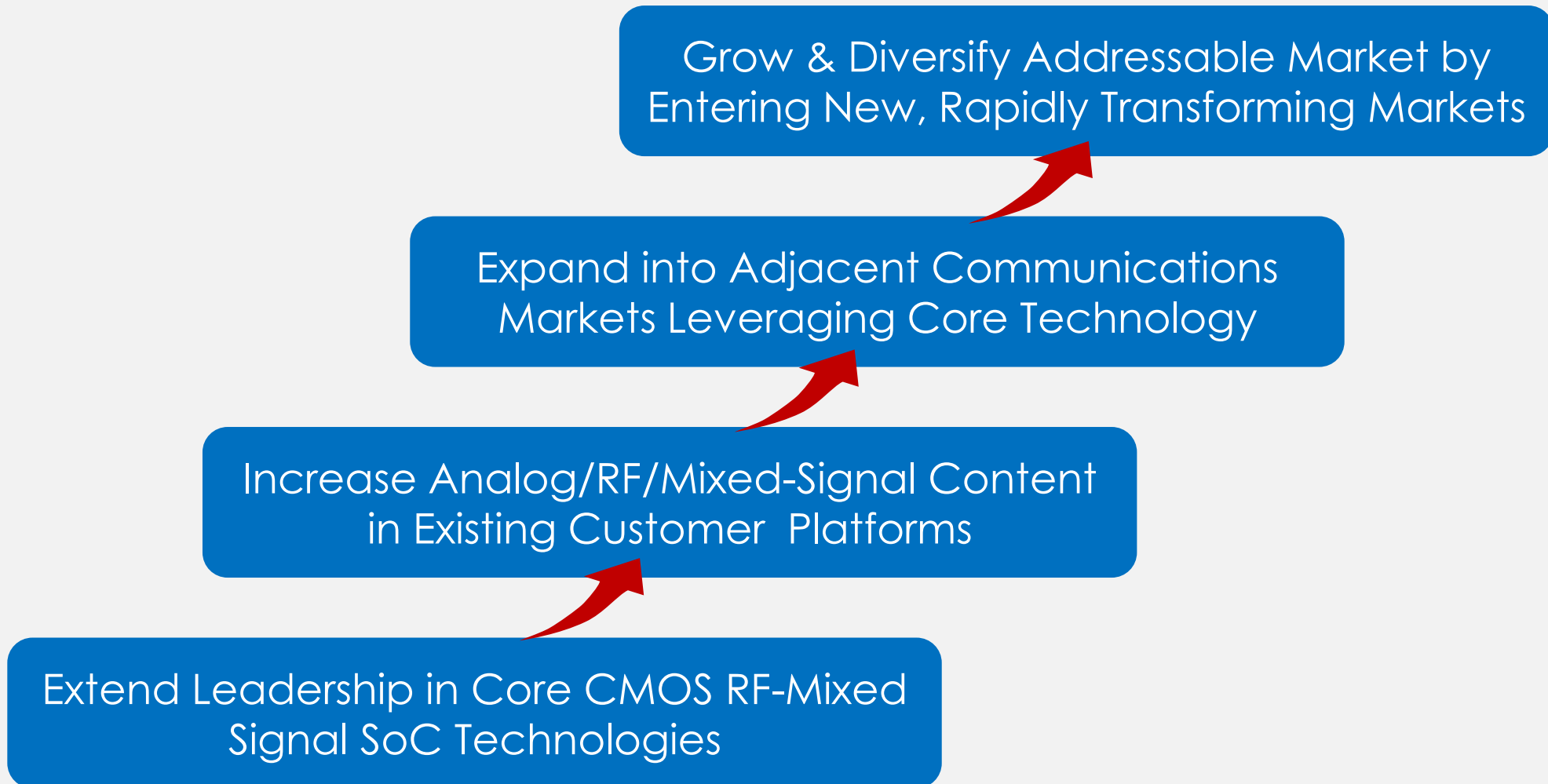


# INDUSTRIAL & MULTI-MARKETS

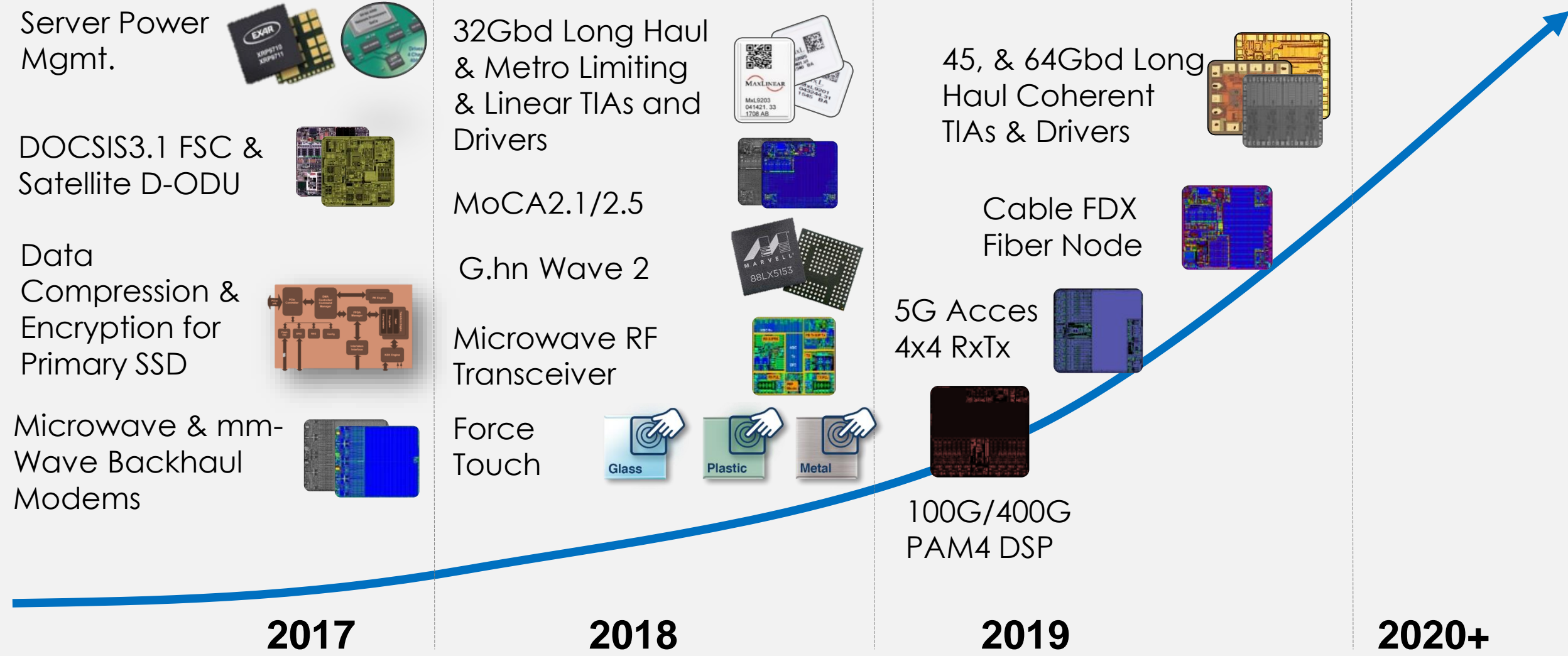
- **Interface Products**
  - UARTs, USB ethernet bridges, GPIO expanders, Serial & bridge transceivers and USB hubs
- **Power Management**
  - POL regulators, LDOs, and power switches
  - Voltage references
  - Supervisors, controllers
- **Force Touch Sensors**
  - Smartphone, industrial, medical and auto applications
- **Analog Discrete Components**
  - Amplifiers, comparators and converters for multiple end markets



# MAXLINEAR GROWTH STRATEGY – GROW & DIVERSIFY INTO LARGE, RAPIDLY TRANSFORMING MARKETS



# NEW PRODUCT CYCLES DRIVING GROWTH THROUGH 2020 & BEYOND



# SUMMING UP – KEY TAKEAWAYS

- **Technology Pioneer in CMOS Broadband RF & Mixed-Signal**
- **Rapid Growth – Revenue of \$388M in 2016; Long Term CAGR Target 15%–20%**
- **Growth strategy – Expand Connected Home footprint, Disruptive Technology Innovator in Wireline and Wireless Infrastructure, Leverage Industrial and Multimarket Presence**
- **High Gross Margins and Increased Operating Leverage Enables Strong Free Cash Flow Generation**
- **Unique R&D Intensity and Strong Intellectual Property Portfolio of Approx. 1,500 Granted/Pending patents**



# FINANCIAL OVERVIEW

**November 2017**



# EVOLVING CAPITAL STRUCTURE WITH ABILITY TO INVEST

- **Exited Q3 2017 with \$74.1M Cash and investments**
  - Paid \$50M in Q317 in pre-payment towards 7yr \$425M Term Loan B
- **Exar Acquisition Accretive to Operating Cash Flow, Enabling Aggressive Deleveraging**
- **Strong Cash Flow Generation Enables Continued Expansion of our Total Addressable Market Opportunities**
- **Roadmap to Deliver Meaningful Operating Leverage on Stepped up Investment Levels**

# QUARTERLY GAAP FINANCIAL MODEL

GAAP	Q1 2016 Results	Q2 2016 Results	Q3 2016 Results	Q4 2016 Results	Q1 2017 Results	Q2 2017 Results	Q3 2017 Results	Q4 2017 Guidance	Target Model
Revenue	\$102.7M	\$101.7M	\$96.3M	\$87.1M	\$88.8M	\$104.2M	\$113.6M	\$112M-\$116M	15%-20% CAGR
Gross Margin	59.6%	61.9%	57.6%	57.8%	59.6%	61.3%	45.6%	47%	60+%
Operating Expenses	\$39M	\$41M	\$45M	\$42M	\$42M	\$67M	\$62M	\$58M	
OpEx % of Revenue	38.4%	39.9%	46.6%	48.3%	47.8%	75.3%	55.0%	50%-52%	~40%
Operating Income	\$22M	\$22M	\$11M	\$8M	\$10M	-\$16M	-\$11M	-\$3M to -\$5M	
Operating Margin	21.1%	22.0%	11.1%	9.6%	11.7%	-17.8%	-9.4%	-3% to -5%	20%

# ANNUAL GAAP FINANCIAL MODEL

GAAP	2008	2009	2010	2011	2012	2013	2014	2015	2016	LT Model
Revenue (M)	\$31	\$51	\$69	\$72	\$98	\$120	\$133	\$300	\$388	15%-20% CAGR
Gross Margin	60%	67%	69%	63%	62%	61%	62%	52%	59%	60+%
R&D	46%	39%	40%	56%	47%	44%	43%	28%	25%	24%–26%
SG&A	20%	19%	23%	28%	28%	27%	26%	26%	17%	14%–16%
Impairment & Restructuring Charges	0%	0%	0%	0%	0%	0%	0%	12%	1%	0%
Operating Margin	-6%	9%	6%	-21%	-13%	-10%	-7%	-15%	16%	20%

*Note:* Fiscal year-end is December 31.

# QUARTERLY NON-GAAP FINANCIAL MODEL

NON-GAAP	Q1 2016 Results	Q2 2016 Results	Q3 2016 Results	Q4 2016 Results	Q1 2017 Results	Q2 2017 Results	Q3 2017 Results	Q4 2017 Guidance	Target Model
Revenue	\$102.7M	\$101.7M	\$96.3M	\$87.1M	\$88.8M	\$104.2M	\$113.6M	\$112M-\$116M	15%-20% CAGR
Gross Margin	61.3%	63.8%	63.1%	63.9%	62.7%	64.4%	62.5%	62%	62%-65%
Operating Expenses	\$29M	\$31M	\$32M	\$30M	\$30M	\$37M	\$38M	\$38.5M	
OpEx % of Revenue	28.7%	30.1%	32.7%	34.5%	33.8%	35.4%	33.4%	33%-34%	35%-40%
Operating Income	\$33M	\$34M	\$29M	\$26M	\$26M	\$27M	\$33M	\$31M-\$33M	
Operating Margin	32.6%	33.8%	30.4%	29.4%	28.9%	29.0%	29.1%	28%-29%	25+%

## Notes:

- Interest expense related to 7 year \$425M Term Loan B is expected to be \$3.5M in Q4 2017

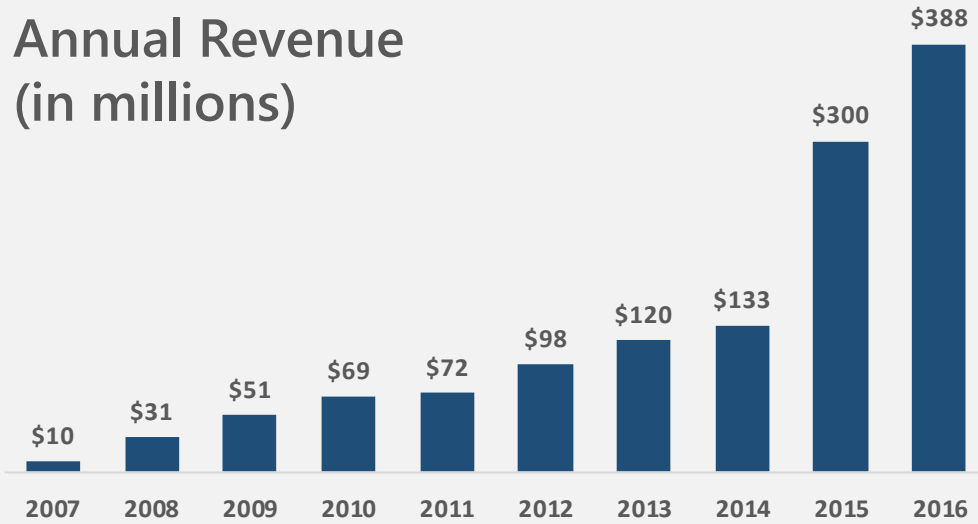
# ANNUAL NON-GAAP FINANCIAL MODEL

NON - GAAP	2008	2009	2010	2011	2012	2013	2014	2015	2016	LT Model
Revenue (M)	\$31	\$51	\$69	\$72	\$98	\$120	\$133	\$300	\$388	15%-20% CAGR
Gross Margin	60%	67%	69%	63%	62%	62%	62%	58%	63%	62%-65%
R&D	45%	37%	37%	45%	37%	35%	34%	22%	20%	22%-24%
SG&A	20%	19%	21%	23%	19%	17%	18%	13%	11%	12%-14%
Impairment & Restructuring Charges	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Operating Margin	-5%	11%	11%	-5%	5%	10%	10%	24%	32%	25+%

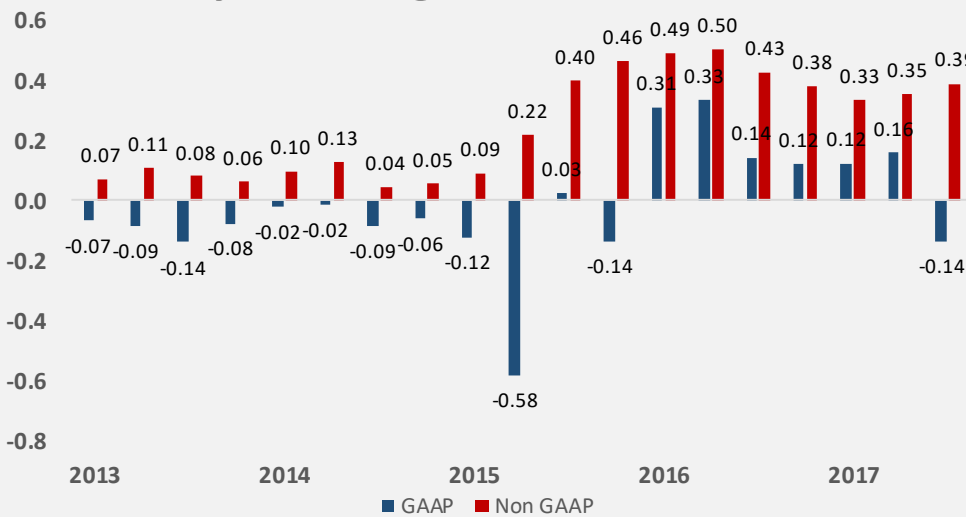
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# FINANCIAL METRIC TRENDS

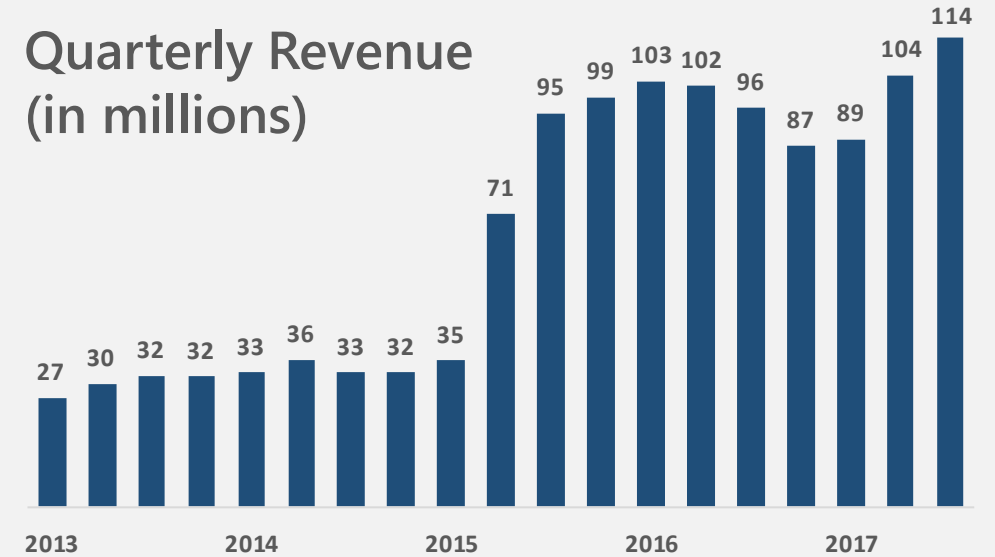
## Annual Revenue (in millions)



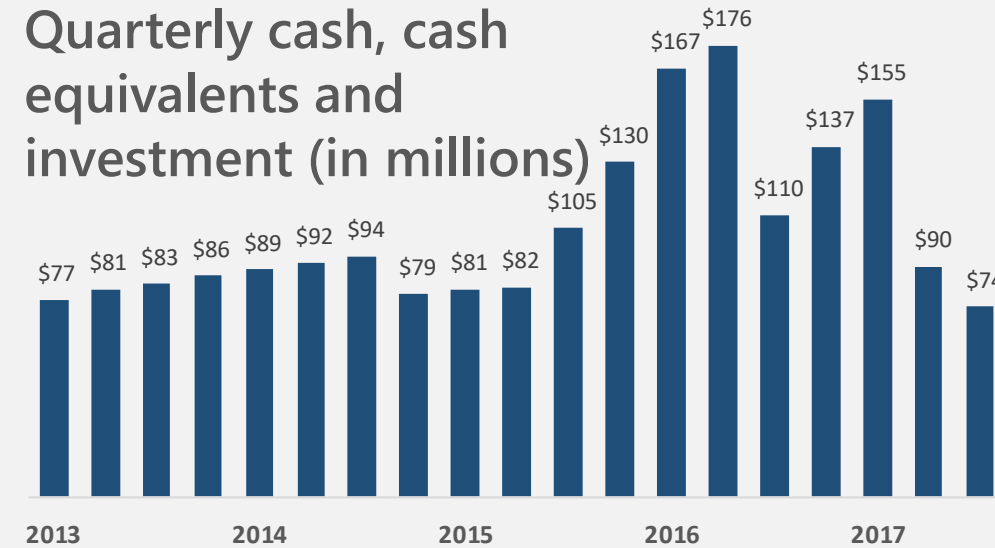
## Quarterly Earnings Per Share



## Quarterly Revenue (in millions)



## Quarterly cash, cash equivalents and investment (in millions)



BACKUP



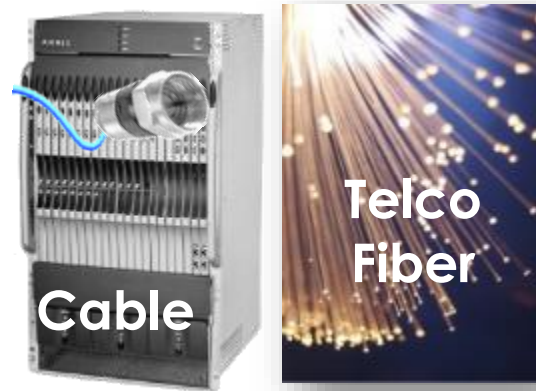


# LEVERAGING CORE CMOS RF/MIXED-SIGNAL PLATFORM TO ADDRESS LARGE, HIGH VALUE END MARKETS

**GROW BROADBAND  
ACCESS & CONNECTIVITY  
PLATFORM CONTENT**



**DATA CENTER & TELCO  
FIBER/WIRED  
INFRASTRUCTURE**



**WIRELESS CARRIER  
ACCESS & BACKHAUL  
INFRASTRUCTURE**



**HIGH-PERFORMANCE ANALOG  
(POWER MANAGEMENT &  
INTERFACES)**

