



Extreme Networks Investor Presentation

December 2017



Cautionary Statement on Financial Measures

Non GAAP Measures:

In preparing the accompanying information, the Company has excluded, where applicable, the impact of certain Non GAAP costs. The Company believes these Non GAAP measures provide both management and investors with additional insight into its current operations, the trends affecting the Company and the Company's marketplace performance. Management believes presenting non GAAP items allow readers to better correlate the Company's operating activities with the Company's ability to generate cash from operations. Accordingly, management uses Non GAAP measures along with comparable GAAP information when evaluating the Company's historical performance and future business activities. The Company's Non GAAP measures may be different than those used by other companies and should be considered in conjunction with, and not as a substitute for, the Company's financial information presented in accordance with GAAP. Please refer to our most recent earnings press release, which is posted on the "Investor Relations" section of our website for the required reconciliation to the most comparable GAAP financial measures. Reconciliation of non-GAAP to corresponding GAAP measures with respect to our business outlook is not possible at this time due to the fact that amortization, stock compensation expense and the impact of the mark-up of inventory to fair value for purchase accounting can only be determined in connection with the post-closing valuation of the assets we acquired in connection with the closing of our transactions with Zebra Technologies Corporation, Avaya Inc. and other post-closing activities of the Company.

Forward Looking Statements:

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding the Company's financial performance including its revenue and margin targets, acceptance of the Company's newer products in the market and its expectations regarding its general business prospects. Actual results could differ materially from those projected in the forward-looking statements as a result of certain risk factors. The Company undertakes no obligation to update the forward-looking information in this presentation. More information about potential factors that could affect the Company's business and financial results is included in its filings with the Securities and Exchange Commission, including, without limitation, under the captions: "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Risk Factors".



Overview

Software-driven, end-to-end networking solutions for enterprise customers worldwide

- **Revenue Run Rate:** Approx. \$1.1 billion
- **Market capitalization:** ~\$1.2 billion
- **Fiscal year-end:** June 30
- **Shares outstanding:** 113.4 million
- **Average daily volume:** 1,601,000 shares
- **Nasdaq:** EXTR


ExtremeWireless™




ExtremeManagement™




ExtremeAnalytics™



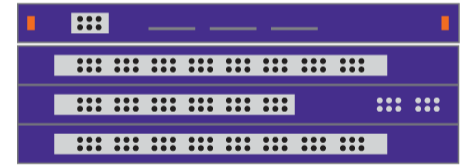

ExtremeControl™




ExtremeCloud™




ExtremeSwitching™



Investment Highlights

- Taking share in \$16bn enterprise networking industry
- End-to-end software-driven solutions...access edge to private cloud
- Executing on accretive acquisition strategy
- Over 30,000 enterprise customers globally
- Significant cross-selling opportunities
- Growth, increased profitability and stronger balance sheet
- Recognized by Gartner as “Visionary”



Enterprise IP Networking – Strong Technology Heritage

CABLETRON
systems

enterasys
Secure Networks™

symbol AirDefense

MOTOROLA

ZEBRA

Bay Networks

NORTEL

AVAYA

FOUNDRY
NETWORKS

BROCADE

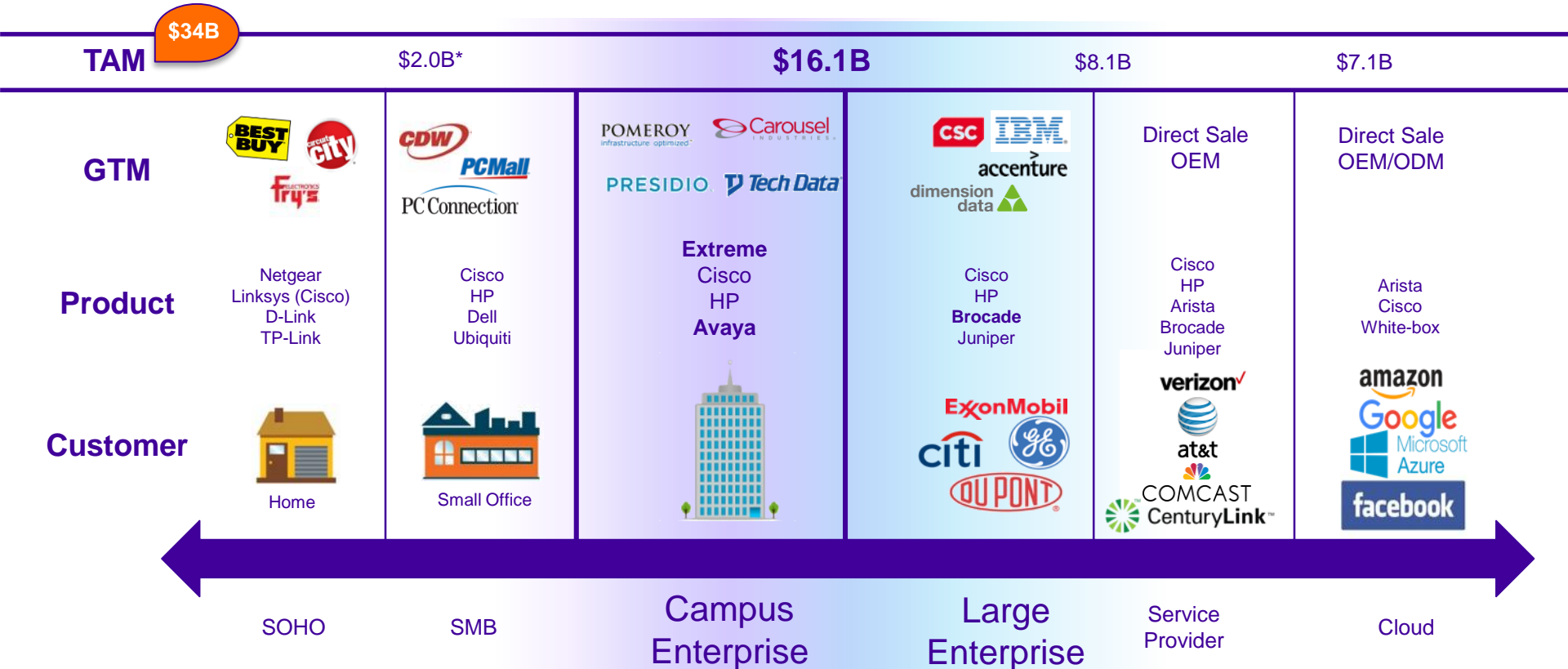
Extreme
Connect Beyond the Network

- “Market Consolidation” execution of company strategy
- Builds upon #3 position in Enterprise Networking
- Further entrenchment and expansion in target vertical markets
- Strengthens Team with experienced pool of talented networking professionals
- Addition of 4000+ Avaya Networking & 6600 Brocade Networking Customers & Partners



Evolution of Enterprise Strategy

Strategy: End-to-End Wired/Wireless software driven networking solutions



*Only includes wireless – do not report consumer wired



Large Target Market

Market	Total Market	Extreme TAM 2017	Extreme Only	Brocade & Avaya & Zebra add	CAGR (2017-2021)
Software (Management, Controls, Fabric & Cloud)	\$2.1B	\$1.9B	\$1.0B	\$0.9B	20.1%
Wireless LAN	\$5.8B	\$3.2B	\$2.1B	\$1.1B	5.9%
Data Center	\$11.8B	\$5.7B	\$2.7B	\$3.0B	(5.9%)
Ethernet Switching & Campus LAN	\$14.3B	\$5.3B	\$2.3B	\$3.0B	(3.9%)
Total	\$34.0B	\$16.1B	\$8.1B	\$8.0B	2.0%

Notes:

- Based on Extreme estimates utilizing Gartner, IDC, Dell'Oro Group and publicly available information
- Zebra brings incremental verticals: Retail, Logistics and Transportation
- Avaya adds to Campus addressable market and SW market with Fabric
- Brocade adds to Data Center addressable market, Government vertical market and Service Providers



Play to Strength

Enterprise Networking

Management Software Analytics Fabric Cloud Management Controls

High-End Data Center/Multi-Cloud

Edge

- Wired + Wireless
- 1G centric
- Wave 2 - 2.5G/5G

Core/Data Center

- 10G/25G/40G/100G
- Fixed Form Factor
- VMware – to OpenStack
- L3 Scalable
- VxLAN options

Switching, Routing & Analytics

- VDX/MLX Switching & Routing
- SLX Next Gen Platform
- Network Visibility
- Automation & Orchestration

Vertical Markets



Healthcare



Government



Education



Hospitality/
Public Venues



Manufacturing



Transportation
& Logistics



Retail



Cloud Service
Provider

New Target Operating Model

	FY16 Actual	FY17 Actual	FY18 Target	12-18 Month Target
Revenue	\$530	\$598	>\$1,000	5% Organic Growth
Gross Profit % of Revenue	\$288 54.3%	\$341 57.0%	>59%	>60%
Total Opex	\$252	\$282		
Operating Income % of Revenue	\$36 6.7%	\$59 9.8%	>12%	>15%
Non-GAAP Net Income of Revenue	\$29 5.5%	\$51 8.5%		
Non-GAAP EPS	\$0.28	\$0.46		

\$ in thousands, except per share amounts



FQ2'18 Guidance

Non-GAAP (\$ in millions except EPS)	FQ1'18 Actual	FQ2'18 Guidance
Revenue	\$211.7	\$236.0 - \$246.0
Gross Margin %	56.7%	56.9% - 58.4%
Operating Expenses	\$97.5	\$117.5 - \$121.5
Operating Income %	10.6%	7.2% - 9.0%
EPS	\$0.16	\$0.10 - \$0.14
Average Shares Outstanding	118.4M	119.7M





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Connect Beyond the Network

Thank You

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