



Extreme Networks Board Authorizes \$100M Share Repurchase

February 6, 2020

SAN JOSE, Calif., Feb. 6, 2020 /PRNewswire/ -- Extreme Networks, Inc (Nasdaq: EXTR) ("Extreme" or "Company"), a cloud-driven networking company, today announced that the Board of Directors authorized an increase to Extreme's share repurchase authorization to \$100 million over a three-year period. In October 2018, the Board authorized a share repurchase of \$60 million over a two-year period. To date, the Company has repurchased \$45 million and is now replacing the remaining \$15 million authorization with the increased amount.



John Shoemaker, Extreme's Chairman stated, "The action we are taking today reflects the confidence the Board has in management's ability to execute on the long-term strategy in place. Disciplined capital allocation remains fundamental to that strategy. After completing a number of M&A transactions over the past several years aimed at enhancing our market leadership, we now believe that the best use of free cash flow is to deleverage our balance sheet, offset dilution from our equity programs, and to opportunistically return capital to shareholders. We believe this approach will enable us to maximize shareholder returns."

Extreme CEO Ed Meyercord, added, "We have transformed Extreme over the past five years, establishing a market-leading end-to-end networking portfolio, doubling the size of our business and significantly expanding our reach. In turn, we have created meaningful franchise value in the enterprise networking market, while improving both our gross and operating margins. Looking ahead, we are capitalizing on a unique opportunity to lead the enterprise migration to cloud networking with our best-in-class ExtremeCloud IQ application and cloud platform. As we advance this strategy, we will change the mix of revenue to a more recurring basis that will drive steadier topline performance and drive additional growth in free cash flow. Ultimately, we believe today's adoption of this repurchase program will further strengthen our ability to return value to our shareholders without diminishing our ability to grow and scale our business."

The manner, timing and amount of any future purchases will be determined by the Company's management based on their evaluation of market conditions, stock price, Extreme's ongoing determination that it is the best use of available cash and other factors. The repurchase program does not obligate Extreme to acquire any common stock, may be suspended or terminated at any time without prior notice and will be subject to regulatory considerations.

Forward-Looking Statements

Statements in this press release, including statements regarding the company's cash flow and its intention to repurchase shares of its common stock from time to time under the stock repurchase program, are forward-looking statements within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements speak only as of the date of this release. There are several important factors that could cause actual events to differ materially from those suggested or indicated by such forward-looking statements. These include, among others, the market price of the company's stock prevailing from time to time, the nature of other investment opportunities presented to the company from time to time, the company's cash flows from operations, general economic conditions, and other factors discussed under Item 1A. "Risk Factors," in the company's Annual Report on Form 10-K, Quarterly Report on Form 10-Q and other reports filed with the SEC. The company undertakes no obligation to update any forward-looking statements, whether as a result of new information, the occurrence of certain events or otherwise. As a result of these risks and others, actual results could vary significantly from those anticipated in this press release, and the company's financial condition and results of operations could be materially adversely affected.

About Extreme Networks:

Extreme Networks, Inc. ([EXTR](#)) is the industry's first cloud-driven, end-to-end enterprise networking company. Our best-of-breed technology solutions, from the wireless and IoT edge to the data center, are flexible, agile, and secure to accelerate the digital transformation of our customers and provide them with the fastest path to the autonomous enterprise. Our 100% in-sourced services and support are number one in the industry. Even with 50,000 customers globally, including half of the Fortune 50 and some of the world's leading names in business, hospitality, retail, transportation and logistics, education, government, healthcare, and manufacturing, we remain nimble and responsive to ensure customer and partner success. We call this Customer-Driven Networking™. Founded in 1996, Extreme is headquartered in San Jose, California. For more information, visit Extreme's [website](#) or call 1-888-257-3000.

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