



MACOM Announces Definitive Agreement to Acquire Mindspeed Technologies

November 5, 2013

Forward-Looking Statement Safe Harbor and Use of Non-GAAP Financial Measures

This presentation contains forward-looking statements based on management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, among others, statements concerning the Mindspeed transaction, including those regarding the potential date of closing of the acquisition, and any potential benefits and synergies, strategic plans, divestitures, restructuring, cost savings, accretion, and financial and business expectations associated with the acquisition, as well as any other statements regarding our plans, beliefs or expectations regarding the transaction or its future business or financial results. Forward-looking statements include all statements that are not historical facts and generally may be identified by terms such as "anticipates," "believes," "could," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "seeks," "should," "will," "would" or similar expressions and the negatives of those terms.

Our forward-looking statements are subject to assumptions, risks and uncertainties, and are not guarantees of future results. Actual results may differ materially from the outcomes stated or implied by our forward-looking statements based on any assumptions and risk factors we may mention today or otherwise, including the factors set forth in the press release we issued today related to the Mindspeed acquisition, our Quarterly Report on Form 10-Q filed with the SEC on August 5, 2013, and other information we file with the SEC, which are publicly-available on the SEC's EDGAR database located at www.sec.gov. We undertake no obligation to update these statements at a later date. All projections in this presentation are made as of November 5, 2013 only, and MACOM undertakes no obligation to update them at any future date.

We make references in this presentation to certain financial information calculated on a basis other than in accordance with accounting principles generally accepted in the United States (GAAP). These non-GAAP measures are provided to enhance the user's overall understanding of the potential impact of the Mindspeed acquisition. We are unable to provide a quantitative reconciliation of these non-GAAP measures to the most directly comparable GAAP measure because we cannot reliably forecast acquisition, integration and other costs related to the Mindspeed acquisition, which are difficult to predict and estimate.

Our fiscal year end is the Friday closest to September 30th. Fiscal year 2014 will be a 53-week year and the first quarter of fiscal year 2014 will have 14 weeks.

Tender Offer Information

The tender offer for the outstanding shares of common stock of Mindspeed described in this communication has not yet commenced. This presentation is for informational purposes only and is not an offer to purchase any shares of Mindspeed or a solicitation of an offer to sell securities. At the time the tender offer is commenced, we will file a tender offer statement on Schedule TO, including an offer to purchase, a letter of transmittal and related documents, with the SEC and Mindspeed will file a solicitation/recommendation statement on Schedule 14D-9 with the SEC. The tender offer statement (including an offer to purchase, a related letter of transmittal and other offer documents) and the solicitation/recommendation statement will contain important information that should be read carefully before any decision is made with respect to the tender offer. Such materials will be made available to Mindspeed stockholders at no expense to them. In addition, such materials (and all other offer documents filed with the SEC) will be available at no charge on the SEC's website at www.sec.gov.

Transaction Summary – MACOM to Acquire Mindspeed

Transaction

- MACOM to acquire Mindspeed
 - Wireless business currently in active sale process and expected to be divested prior to closing

Price / Consideration

- Cash tender offer of \$5.05 per share of Mindspeed common stock
- Assumption of equity awards

Financing

- Combination of available cash and draw from revolving credit facility

Timing

- Targeted close in December 2013

Accretion⁽¹⁾

- Expected to be accretive to gross margin in first full quarter
- Substantial synergies in corp. overhead, SG&A and portfolio rationalization
- Accretion to non-GAAP EPS (fully diluted) expected to be between \$0.15 and \$0.20 per share in FY 2014 and \$0.25 to \$0.30 per share in FY 2015

1. Assumes transaction closes in December 2013, excludes Wireless business and assumes targeted synergies achieved.

MACOM and Mindspeed Overview

MACOM

- NASDAQ: MTSI
- \$319 million of LTM revenue and 45% gross margin ⁽¹⁾
- 6-decade heritage in high performance RF, microwave and millimeter wave semiconductors
- Catalog business with 2,700+ products serving large and diverse end markets
- Sticky, value-added technologies, industry-leading engineering competencies and long product lifecycles
- R&D focused on high growth, high margin products using compound semiconductor technologies
- Deep relationships with blue chip aerospace, defense and communications customers
- 59%⁽²⁾ of revenue in Americas

MINDSPEED

- NASDAQ: MSPD
- LTM of \$132 million of revenue and 63% gross margin ⁽¹⁾
- 3-decade heritage in high performance analog, digital and mixed signal semiconductors
- High speed transport, switching and signal conditioning for next generation network gear
- Sticky, value-added technologies, industry-leading engineering competencies and long product lifecycles
- R&D focused on high growth, high margin products using high performance silicon based technologies
- Deep relationships with blue chip communications customers
- 70%⁽²⁾ of revenue in APAC

1. Historical FY13 non-GAAP margins for MACOM. Historical FY13 non-GAAP revenue and margins for Mindspeed, excludes Wireless business and non-recurring revenue related to sales of intellectual property.

2. For the fiscal quarter ended June 28, 2013.

Acquisition Highlights / Strategic Rationale

MACOM

+

MINDSPEED

- 1 Aligns with core growth strategy in networking and 100G optical markets
- 2 Consistent with MACOM's high performance analog business model – high margins, long lifecycles and sticky customer relationships
- 3 Complements MACOM's strong US presence by adding a broad customer footprint and sales channel in Asia Pacific
- 4 Expands addressable market with high-growth, high-margin SiGe products and technology
- 5 Expected to be immediately accretive to gross margin and EPS with strong operational synergies

Mindspeed Business Overview

High-Performance Analog – Strong Growth and High Margins

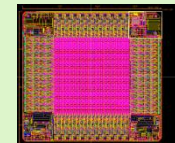
44%⁽¹⁾ of Revenue – Gross Margins: 65-70% ⁽²⁾

- **Market-leading product portfolio**

- #1 share in optical physical media devices (PMDs)
- #1 share in crosspoint switches for enterprise applications

- **Adds key building blocks and core IP**

- Complementary to MACOM's existing IP
- Expands addressable market and ability to capture greater share of wallet



VoIP

Solid Cash Flow Business

18%⁽¹⁾ of Revenue – Gross Margins: 70-75% ⁽²⁾

- Leadership in infrastructure VoIP
- Sticky, high-margin products
- Minimal operating expenses



Communications Processors

Evaluating Strategic Options,
Committed to Supporting Customers

27%⁽¹⁾ of Revenue – Gross Margins: 30-35% ⁽²⁾

- Leading ARM-9 processor technology
- Lower gross margin business that required higher investment



Wireless

In Active Sale Process to Divest

11%⁽¹⁾ of Revenue

- Wireless small cell infrastructure products
- Significant R&D investment; negative cash flow business

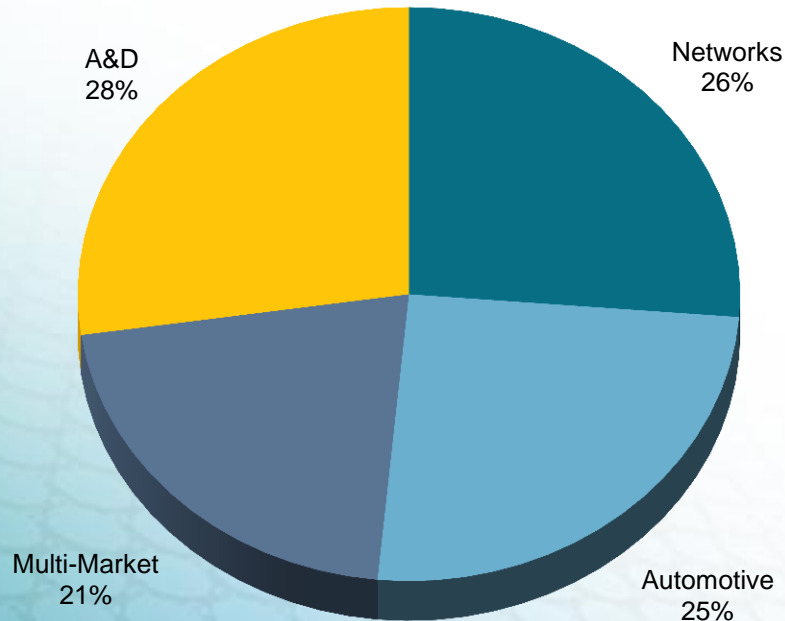


1. Represents % of total revenue for Mindspeed's fiscal quarter ended September 27, 2013, excluding non-recurring revenue related to sales of intellectual property.
2. Non-GAAP. Excludes non-recurring revenue related to sales of intellectual property.

Acquisition Diversifies End Market Exposure

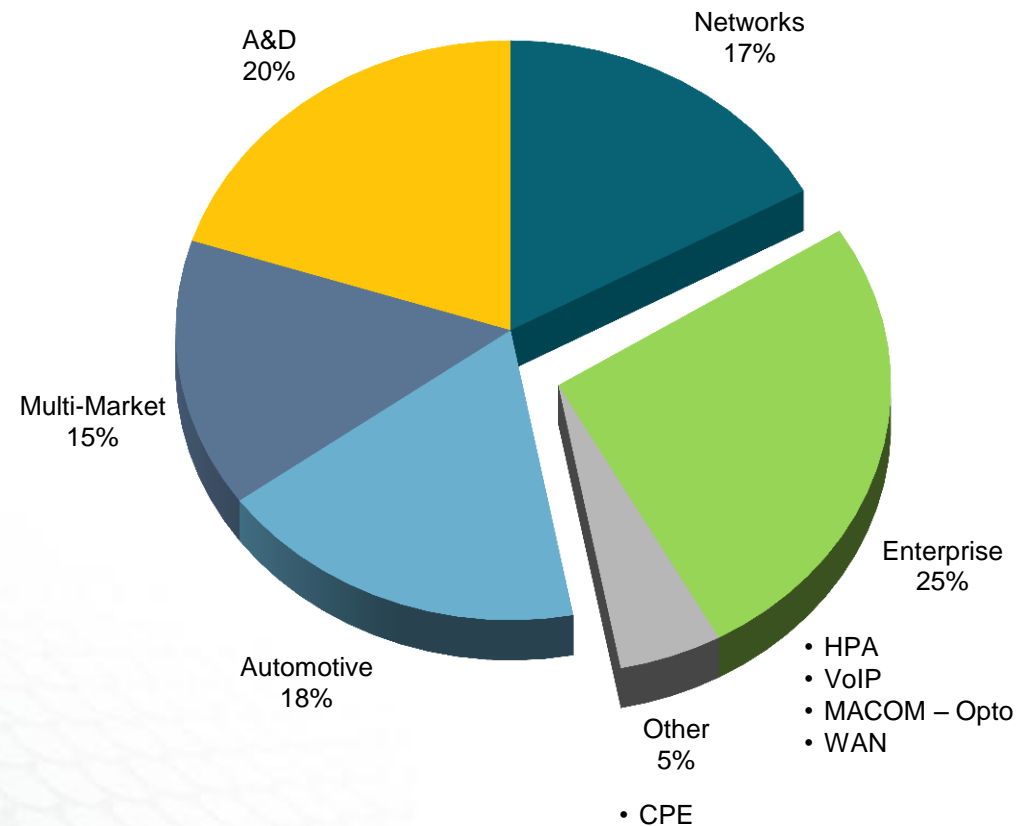
MACOM

\$83.7 million
(Quarter ended 9/27/13)



MACOM + MINDSPEED

\$115.7 million ⁽¹⁾
(Quarter ended 9/27/13)



1. Non-GAAP. Excludes Wireless business and non-recurring revenue related to sales of intellectual property.

Enterprise – Mindspeed's Core Strength

Market Segments

- 100G networks in enterprise equipment
- Low-latency mega data centers
- 3G and 4K video broadcast
- Enterprise IP PBX



Applications

Optical Module



Line Card



Switch Card



Backplane

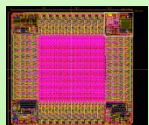


System Chassis



Product

Lowest Latency Crosspoint Switches



Integrated Optical PMDs



Low Power Equalizers & Signal Conditioners



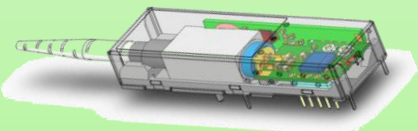
Customers



Mindspeed Acquisition will Position MACOM as a Clear Leader in 100G Physical Media Devices

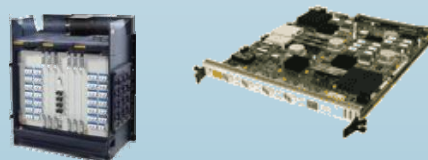
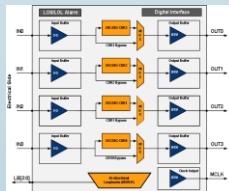
1 Increases Addressable Market

- Mindspeed increases SAM in 100G from ~\$100M to ~\$150M in 2015
- Adds SiGe product portfolio, moving MACOM from long haul to <10km networks
- Portfolio includes Modulator Drivers, TIAs and CDR for 100G Ethernet
 - fastest growing segment within 100G
 - estimated 80% CAGR from 2013-2018¹



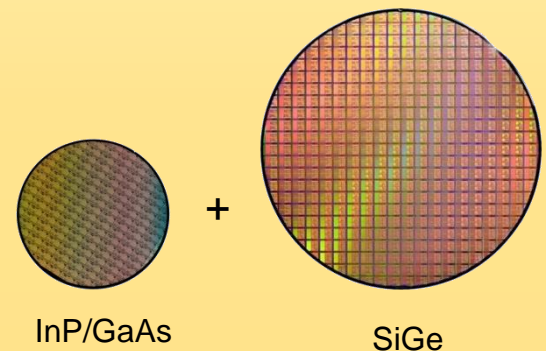
2 Complete Front-End Portfolio

- Enhances MACOM's ability to capture more content per BOM
 - Integrated quad modulator Driver + CDR
 - Lowest power Quad CDR
 - Quad channel 100G TIA



3 Multi Technology Capability

- Adds SiGe to MACOM's InP/GaAs capability

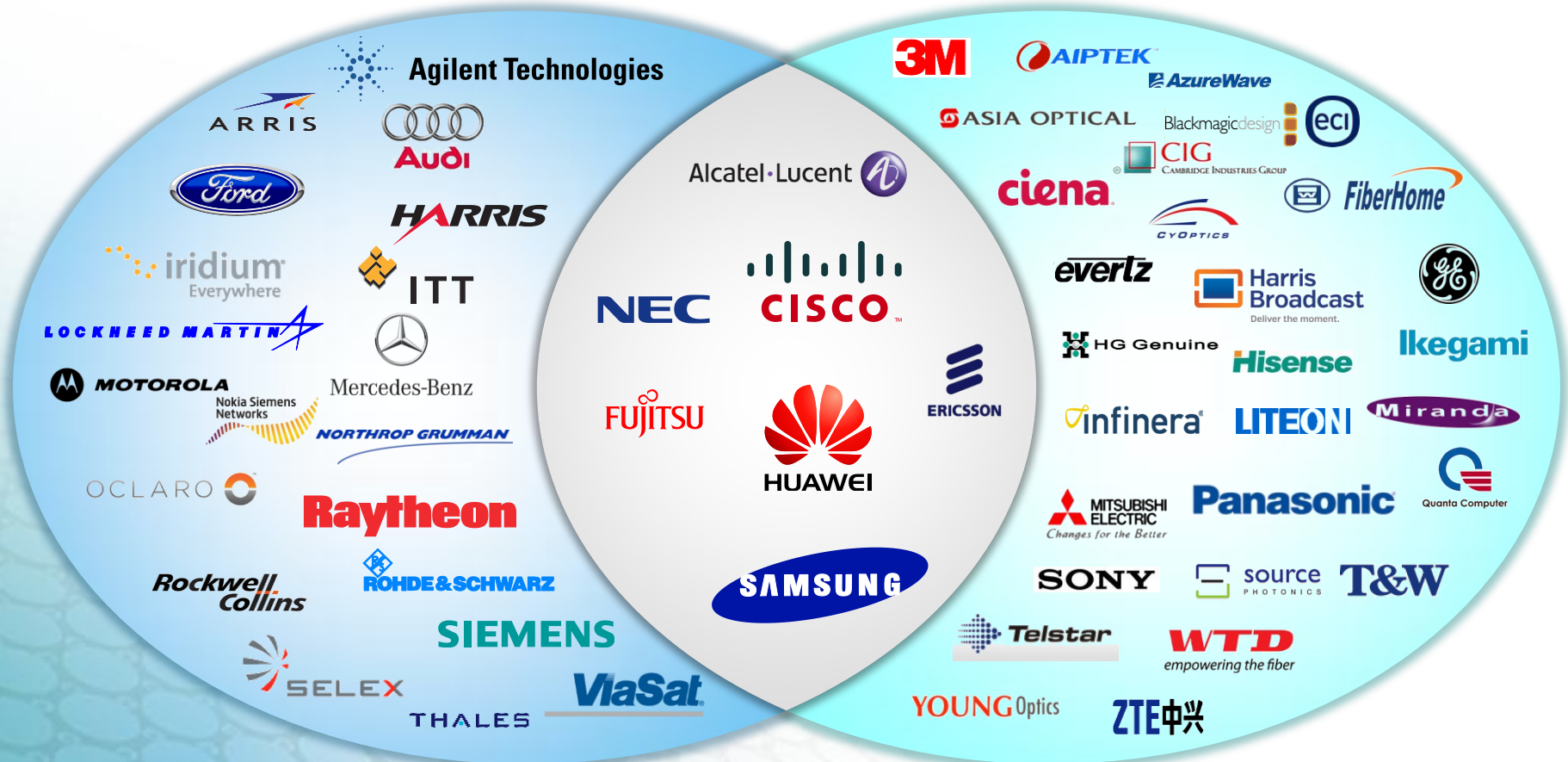


1. Source: Ovum, August, 2013

Combination Strengthens Relationships with Market Leaders and Expands Customer Base

MACOM

MINDSPEED

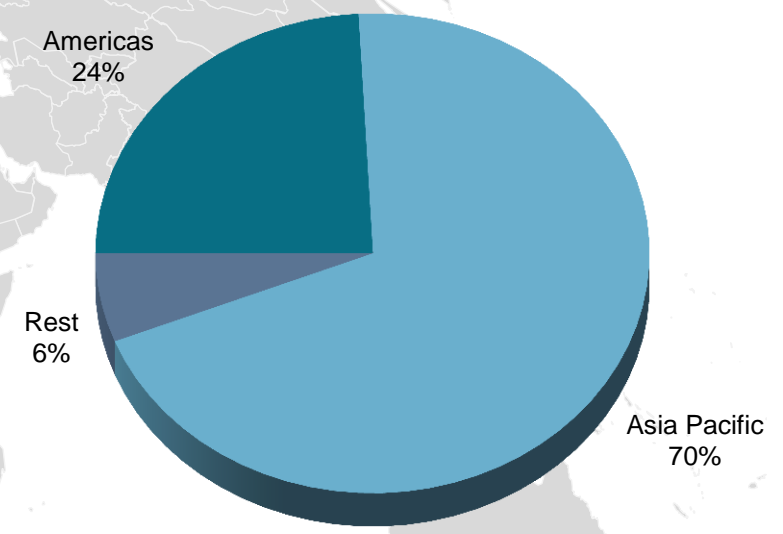
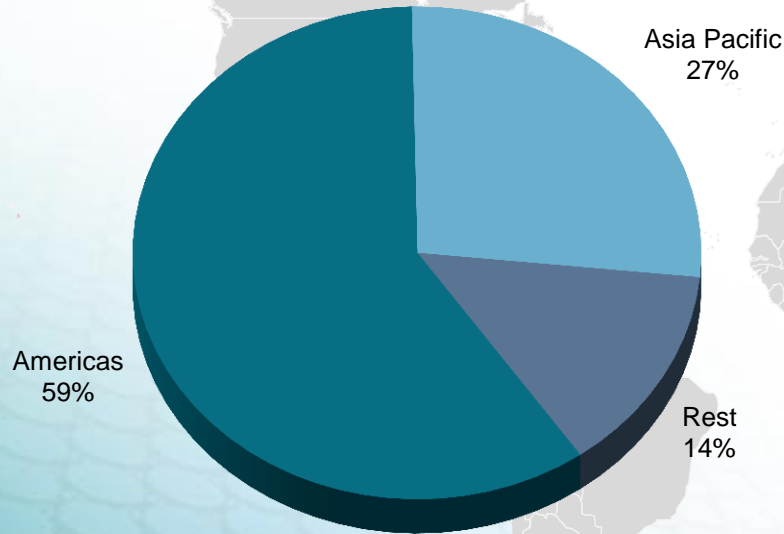


MACOM

Mindspeed Opens Asia Pacific Opportunities for MACOM Share Expansion

MACOM

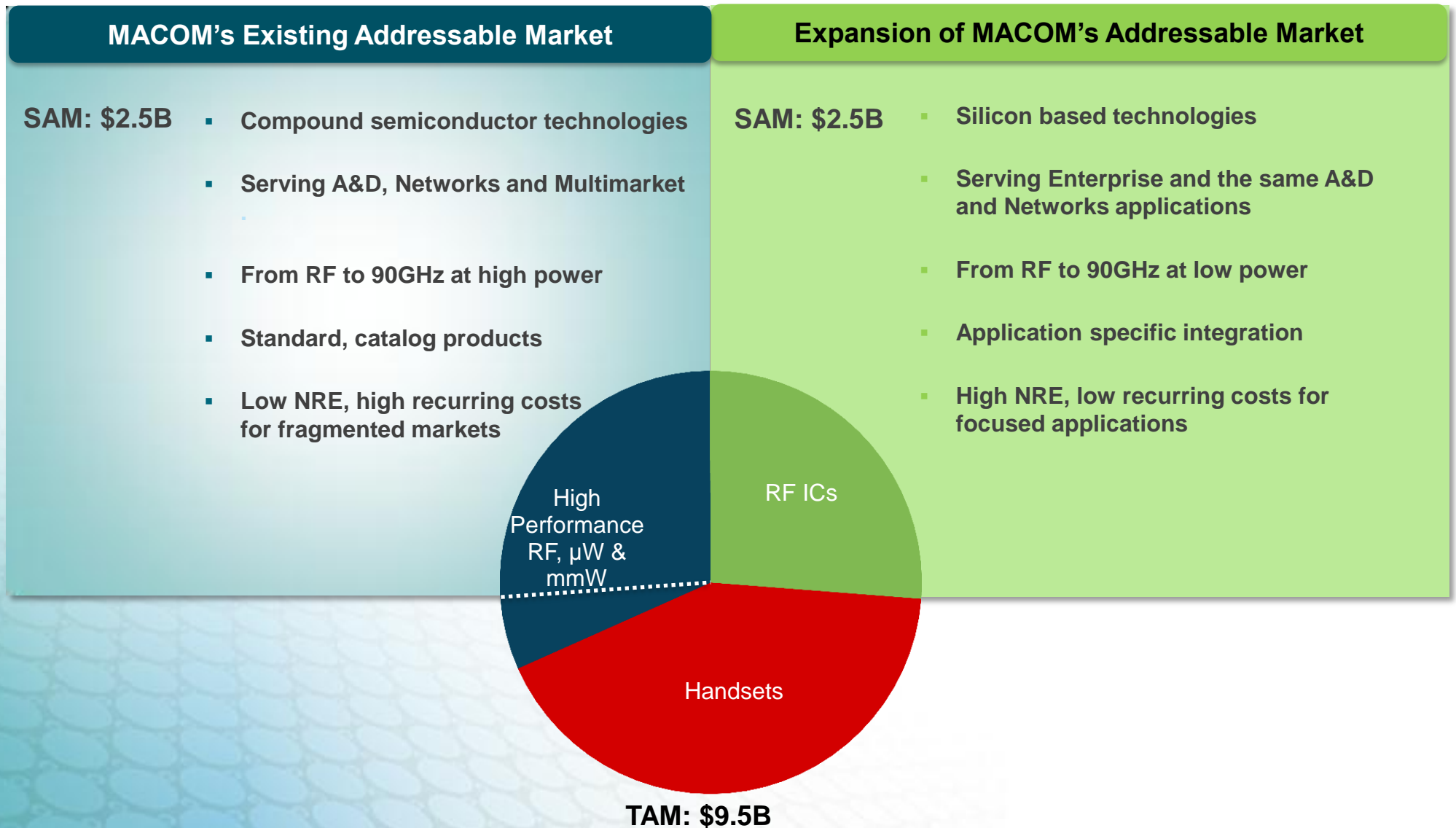
MINDSPEED



Note: Geographic revenue based on the quarter ended June 28, 2013 for MACOM and Mindspeed. Mindspeed revenue excludes non-recurring revenue related to sales of intellectual property.

MACOM

SiGe Expands MACOM's RF & Microwave SAM



Source (2012): WSTS, ABI Research, Strategy Analytics, Engalco, Ovum, Infonetics, ETL and company estimates.

Financial Model ⁽¹⁾

(\$ in millions / % of sales)

MACOM

MINDSPEED

**Post Closing
Model ⁽²⁾**

LTM Revenue (As of 9/27/13)	\$319	\$132	N/A
Gross Margin⁽³⁾	45%	~63%	50% – 52%
Operating Margin⁽³⁾	19%	~18%	23% – 25%

***EPS accretion expected to be between \$0.15-\$0.20 per share in FY 2014
and \$0.25-\$0.30 per share in FY 2015⁽⁴⁾***

1. Mindspeed FY13 amounts, excluding Wireless business and non-recurring revenue from sales of intellectual property.
2. Post closing model is based on MACOM's projections and assumes restructuring and achievement of targeted synergies.
3. Historical non-GAAP margins for MACOM and Mindspeed, respectively, are shown for the LTM period ended 9/27/13.
4. Non-GAAP EPS (fully diluted).

Key Takeaways

MACOM + **MINDSPEED**

Expands addressable market
with **high-growth, high-margin**
portfolio

Aligns with **core growth strategy**
in **networking** and **100G optical**
markets

Enhances MACOM's **analog**
business model – **high**
margins, long lifecycles and
sticky customer relationships

Expected to be
immediately accretive to
gross margin and **EPS**

MACOMTM



Thank you.