

M/A-COM Technology Solutions (MTSI) January, 2016

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 our acquisition, divestment and debt and equity financing transactions, including those regarding any potential benefits and synergies, strategic plans, divestitures, restructuring, cost savings, accretion, and financial and business expectations associated with such transactions, as well as any other statements regarding our plans, beliefs or expectations or our 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, or in our Annual Report on Form 10-K filed with the SEC on November 24, 2015 or other filings we have made with the SEC, which are publicly-available on the SEC's EDGAR database located at www.sec.gov. All financial guidance projections referenced in this presentation were made as of November 17, 2015 or another historical date noted herein, and any references to such projections herein are not intended to reaffirm them as of any later date. MACOM undertakes no obligation to update any forward-looking statement or projection at any future date. This presentation includes information and projections derived from third-party sources concerning addressable market size and growth rates and similar general economic or industry data. MACOM has not independently verified any information and projections from third party sources incorporated herein.

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 as additional insight into on-going financial performance. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP. See our reconciliation of MACOM non-GAAP results to the nearest GAAP measure in the appendix provided at the end of this presentation. We are unable to provide a quantitative reconciliation for certain non-GAAP measures presented herein to the most directly comparable GAAP measure because we cannot reliably forecast acquisition, integration and other costs related to our acquisitions, which are difficult to predict and estimate. Our fiscal year end is the Friday closest to September 30th. Fiscal year 2015 will include 52 weeks.

This presentation also contains market statistics and industry data that are subject to uncertainty and are not necessarily reflective of market conditions. Although MACOM believes that these statistics and data are reasonable, they have been derived from third party sources and have not been independently verified by MACOM.





Company Highlights

- **Pure play leader** in high performance analog RF, microwave, millimeterwave and photonic semiconductors
- Growth and richer product mix driving gross and operating margin expansion
- Focused R&D investments in high-growth, high-margin applications
- Broad catalog business of long lifecycle products serving large and diverse end markets
- Disciplined consolidator and proven integrator
- Scalable "fab-lite" manufacturing model with differentiated domestic manufacturing
- Increasing profitability supported by strong balance sheet
- Experienced management team supported by best in class operating professionals



Serving Large and Diverse End Markets





Growth driven by the Cloud Connected Apps Economy and the Modern Networked Battlefield



Broad Catalog of Highly Specialized Products

Diverse Array of Products and Form Factors



Serving a Broad Frequency Spectrum





- Sticky, value-added technologies
- High speed analog RF, µW, mmW and photonic engineering competencies
- Long product lifecycles





Focused R&D Investments



Building on 60 years of engineering expertise, MACOM is a trusted partner to industry leaders worldwide



Growth and Richer Product Mix

Quarterly Revenue by Adjusted GM¹



Significant gross margin expansion due to product mix shift

Organic investment in high margin, high performance products

Focused acquisition efforts on high margin, high value-add businesses

¹ Adjusted Gross Margin is a Non-GAAP measure and has been adjusted for the automotive business now reflected as discontinued operations and other items. Please see the appendix for reconciliation to GAAP.



Disciplined Consolidator and Proven Integrator

Our M&A strategy is designed to:

- Acquire companies that expand MACOM's footprint in adjacent markets (>\$50 million purchase price)
- Acquire smaller product companies that accelerate MACOM's growth strategies with products, people and intellectual property (<\$30 million purchase price)
- Investments in exchange for licensed Patents and Intellectual Property to design new products that MACOM will bring to market in a specific field of use
- Target neutral to accretive in year 1



Partners from RF to Light

Scalable, Fab-lite Manufacturing Strategy



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Flexible manufacturing model provides competitive advantage



Experienced and Proven Management Team





Recipe for Growth & Profitability

Secular Growth Drivers





Secular Growth Drivers



Partners from RF to Light





Optical Networking Drives MACOM Growth

100G Metro

OPTICAL



Well positioned to take advantage of the 100G metro build out

APPLICATIONS



PRODUCTS & TECHNOLOGY



KEY CUSTOMERS



Long-haul and Metro 100G Optical Market



Partners from RF to Light

Preeminent Supplier of 100G Optical Components

- Leader in long haul line drivers for 100G
- **Only company** providing both laser + PMD ICs
- We deliver all high speed photonic and optoelectronic semiconductor content in 100G/400G transceivers
- We have **filled a gap in the merchant supply** of photonic chips, especially lasers
- Serves system companies that are integrating optical modules at the component/chip level
- **Optimized chips** provide highly differentiated performance, power, size and cost solutions for next generation Data Center links
- We are the **#1 supplier for FTTH**

Broad line supplier for 100G transceiver components

100G TRANSCEIVER











GaN Technology Drives MACOM Growth

GaN LANDSCAPE



Source 2014: WSTS, ABI Research, Strategy Analytics, MTSI

APPLICATIONS





KEY CUSTOMERS



MACOM Innovation is Leading Commercial GaN Adoption

FUNDAMENTAL IP POSITION





Source: Internal MTSI





MACOM Innovation is Leading Commercial GaN Adoption



MACOM is poised to enable GaN performance at silicon cost structures



ACTIVE ANTENNAS



Active Antennas for Radar and Communications **Drives MACOM Growth**

Radar



Source: Strategy Analytics



Well positioned to take advantage of the shift from Mechanically Scanned Arrays to Active Antenna Arrays.

APPLICATIONS



PRODUCTS & TECHNOLOGY







Radiator

Beamformer

HUAWE

TARGET CUSTOMERS



MACOM Innovation Drives Active Antennas in Civil and Military Radar Applications





MACOM has demonstrated the commercial and functional viability that can support large scale civil and military deployments in the field

MACOM Innovation Drives Active Antennas in Defense Radar Applications

Air Traffic Control



Shipborne



1,000 – 10,000X More RF Content











Expected order of magnitude increase in RF content due to the transition from Mechanically Scanned Arrays to Active Electronically Scanned Arrays





Ground Based



MACOM Innovation Drives Active Antennas in Communications Applications





MACOM's broad array of process technologies and proven track record in phased array radar will enable next generation microwave and millimeterwave wireless solutions.



FINANCIAL OVERVIEW



Revenue Performance

Revenue¹



1Non-GAAP financial measure and excludes revenue from our automotive business discontinued operations and other items. Please see the appendix for a reconciliation to GAAP. Guidance is as of November 17, 2015 and is not updated or reaffirmed hereby



Adjusted Gross Margin Performance

Adjusted Gross Margin¹



Improving product mix

Continued focus manufacturing cost reductions

¹ Non-GAAP financial measure. Please see the appendix for reconciliation to GAAP. Guidance is as of November 17, 2015 and is not updated or reaffirmed hereby. For the three months ended January2, 2015, reflects a Non-GAAP gross margin increase of 2.1% relating to a change in revenue recognition estimates made during the quarter.



Operating Performance

Increased Profitability and Adjusted EPS Growth

Adjusted Operating Margin⁽¹⁾





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Delivering profits while continuin

while continuing to invest

1 Adjusted Operating Margin and Adjusted EPS Revenue are Non-GAAP measures, and have been adjusted for the automotive business now reflected as discontinued operations and other items. Please see the appendix for reconciliation to GAAP. Guidance is as of November, 17 2015 and is not updated or reaffirmed hereby.



Balance Sheet

Oct 2, 2015 Oct 3, 2014

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<u>Oct 2, 2015</u> <u>Oct 3, 2014</u>

ASSETS

Current assets:						
Cash and cash equivalents	\$ 122,312	\$	173,895	LIABILITIES AND STOCKHOLDERS' EQUITY		
Short term investments	39,557		_	Current liabilities:		
Accounts receivable, net	83,950		62,258	Current portion of debt obligations	\$ 4,058	\$ 3,478
Inventories	79,943		71,481	Accounts payable, accrued liabilities and other	67,418	74,247
Prepaids and other current assets	58,457		50,726	Other current liabilities, discontinued operations	_	7,921
Current assets, discontinued operations	 _		14,989	Total current liabilities	 71,476	 85,646
Total current assets	384,219		373,349	Long-term debt obligations, less current portion	340,504	343,178
Property and equipment, net	83,759		50,052			
Goodwill and intangible assets, net	337,012		153,417	Common stock warrant liability	21,822	15,801
Deferred income taxes	48,239		84,629	Deferred income taxes and other	 7,916	 9,042
Other long-term assets	13,022		20,232	Total liabilities	441,718	453,667
Other assets, discontinued operations	_		555	Stockholders' equity	 424,533	 228,567
TOTAL ASSETS	\$ 866,251	s	682,234	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 866,251	\$ 682,234





Our Strategy

- Drive revenue growth through market share gains and leadership in high growth segments of our markets
- Accelerate growth through targeted acquisitions and investments in high growth, defensible markets
- **Expand margins** to drive strong EPS growth and increase shareholder value



Appendix

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Non-GAAP Financial Measures

Non-GAAP information excludes items such as the operations of acquired businesses prior to the date of acquisition, discontinued operations, the impact of fair value accounting in merger and acquisitions (M&A), M&A costs, including acquisition and related integration costs, certain cost savings from synergies expected from M&A activities, income and expenses from transition services related to M&A activities, expected amortization of acquisition-related intangibles, sharebased and other non-cash compensation expense, certain cash compensation, restructuring charges, litigation settlement and costs, changes in the carrying values of assets and liabilities measured at fair value, contingent consideration, amortization of debt discounts and issuance costs, other non-cash expenses, earnout costs, exited leased facility costs and certain income tax items. Management does not believe that the excluded items are reflective of MACOM's underlying performance. The exclusion of these and other similar items from MACOM's non-GAAP presentation should not be interpreted as implying that these items are nonrecurring, infrequent or unusual. These non-GAAP measures are provided in addition to, and not as a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.



Reconciliation of GAAP to Non-GAAP Results

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	1.10215	30010	410113				44114	0304	90248	688-0	3.28-15	ULBAND	968913	2018	20114	3413
Revenue - GALP Volcence article in neuronalise Revenue - mon-GAUP	3113,384 3 112,384	2104,008	1102,421 1 102,421	884,534 F 96,550	\$83,838 8 \$3,858	1 10.00	887,734 (367) 3 87,372	884,276 (856) 8 87,587	104,475 (1.530) 3 85,885	183,471 1.2921 1.2921	170,042 (1,010) 1 77,894	376,078 (1,082) 3 75,084	\$73,886 \\7336 \$ \$4,987	1 420,000	6329,188 (1.048) 1.398,589	8223,67 3.36 3.36
Shock Frofs - GAAP No reve you to suggestime Automotive standard Proc.cash & source saved concentration sectors froguestime PERF stores Requestion PERF stores	888,881 7,647 500 (827) 6	828,784 (7,306) 6,932 530 2,084 386 467	\$54,907 17,3 180 7,580 776 3,639 356 356	854,501 (8,704) 8,259 415 835 855 855	306.188 (T.A17) 6.405 405 186 405 100	300.214 (6.600) 6.275 889 188 480 246	826.063 16 (8.75h) 9.282 -456 16.013 870 870	810,732 943 (7,33% 5,347 20) 838	\$36,596 490 470 216	835,504 709 435 241	822.835 1,020 474 290	\$21,486 279 474 474 285	120.843 987 999 841 330	8203.580 27.285 2.254 9.315 1.625 660	8766,009 508 58,098 65,274 1,607 16,875 1,495 1,495	\$138.47 3,28 7,00 1,03
Integration costs and synergy savings Brows Profit - cost CLAP	314,854	863,287	\$29,016	894,833	\$84,437	\$21,848	846,354	\$31,847	\$37,875	\$37,698	\$34,827	\$23,627	\$32,710	\$241,840	8183,704	\$143.63
Gross Megle-non-GAAP	\$7.4%	Mitte	17.0%	.01.05	19.255	86.0%	52.0%	49.0%	41.45	45.0%	44.0%	44.05	43.0%	#1.8%	94,95	44.7
Research and Deverspect - IAAM Norman with is dependent Advanced in the dependent Carnot or could Samo could be supply search or constraints independent (M2) classes Independent works and symmetry searchs Independent search and symmetry searchs Independent search and symmetry searchs Independent search and symmetry searchs Independent search and search and search Independent search and search and search Independent search and search and search Independent search I	\$12,812 (2,36) (2,36) (2,26) (1,16)	101,011 (1006) (1,011) (2006) (250) (250) (250)	821,841 .mi5i (2,299) (304) (137) 300	\$18,474 (555) (1,257) (204) (177) 504	\$22,246 (527) (204) (204) (46)	\$25241 (1.121) (2204) (1.120) (1.1200) (1.1200) (100)	\$20,347 (518) (542) (182) (182) (2,674) \$70	812.438 (888) (803) (134) (12) (38)	\$10,408 (11,112) (10,	812,138 (1.218) ora (1.021) (821)	911,204 (1.204) (10 (10)	910,590 (773) (99 (321)	\$8,900 (800) (967)	(7,870) (7,870) (918) (937) (,625)	\$75,645 (1,423) (2,296) (3,296) (4,596) (4,596) 1,463	944,58 0,88 11,68
Research and Development - non-DAAP	\$19,296	818.222	\$18,171	817,807	\$18,138	\$16,253	\$16,479	\$10,255	810,087	80,678	20,005	\$8,003	47,903	\$74,886	263,117	\$28,64
N of Revenue - nen-GAAP	11.1%	17.7%	11.9%	18.4%	18.2%	18.8%	18,2%	16.7%	0.05	11.8%	12.4%	12.7%	19,2%	17.7%	11.7%	12.2
Setting, General and Advisionative - GAAP Sharman year to mountain Automation diventing Automation sectors frameworks franzy saved configuration expense frameworks franzy saved Amountain FMV comment Transaction external Information and Advisionative report (AAAP	429,844 (5,815) (5,816) (2,20) (220) (230)	127.428 (196) (3.287) (5.009) (3.481) (1251) (1251) (138) (138)	828,327 (196) (5.296) (5.278) (547) (56) (26) (26) (26) (26) (26) (26) (26) (2	224.000 (1.053) (1.752) (717)	\$20,221 (340) (402) (1,720) (1,720) (1,720) (1,720) (34) (34) (34) (34) (34) (34) (34) (34	122,998 (2016) (1,966) (1,966) (1,966) (2,967) (2,967) (2,967) (1,966) (2,967)	124.504 (147) (1490) (476) (1.350) (340) (340) (140) (119.383 (358) (356) (356) (1.078) (866) (1.078) (866) (1.078) (866) (1.078) (866) (1.078) (866) (1.078) (866) (1.078) (866) (86) (8	814,138 (4684) (015) (1.365) (1.365) 386	113,448 (300) (112) (212) (250) (250) (250) (250) (250)	913,289 (94.0) (115) (115) (130) (130) (130)	311.008 (017) (017) (017) (017) (017) (017) (017) (017)	872,313 (542) (54)	1118,530 (11,636) (21,-36) (535) (535) (116) (14	986,179 98071 (1555) (7,555) (7,555) (8,2716) (8,472) (8,472) (8,472) (8,472)	822,39 (2,02 (1,16 (1,16 (2,16) (1,26) (1,26) (1,26)
N of Revenue - non-DAAP	17.0%	16.7%	VETN	16.8%	17.2%	16.0%	16.75	18.2%	11.05	12.0%	72.8%	12.8%	12.0%	76.7%	17.0%	12.0
Teni Operating Expanses - GAAP Netrons pure to socialize Autoritation to socialize Autoritation to socialize Autoritation socialize Non-social and solutions of comparatile expenses Configure on adversaria context Configure on adversaria context Configure on adversaria Configure on adversaria C	642,274 (4.545) (7.710) (2302 (2302) (2302) (2302) (2304) (2445) (2445)	\$40,007 (706) (5,207) (6,055) (222) (232) (232) (232) (232) (233) (233) (233) (233) (233) (233) (233)	850,704 (1900) (3.2940) (10.3480) (10.3480) (3232) (2322) (413) 308 530 (414) 308 516,377	\$48,673 (1.023) (1.023) (1.023) (1.17) (232) (23	836.479 (7.002) (7.004) (7.004) (2002) (200)	442,879 (748) (805) (2,11%) (7,838) (232) (23) (23	\$47,484 (155) (150) (2,27,00) (2,476) (2,476) (2,940)	444,903 15,4703 (2006) 15,9001 (15,900)	831,704 (1.300) (0.01) (1.4.40) (1.245) 1.60 820,894	\$25,648 11,5961 0130 11,5777 (250) 11,5777 (250) 11,5776	824,044 (1,054) (315) (1,397) (1,297) 400 898,728	421,791 (1,273) (1,213) (1,113	816.433 11.303 (343) (343) (343) (343) 2.845 (27%) 817,423	1193,496 (11,698) (296,000) (502) (502) (1,290) (1,628) (1,628) (1,628) (1,629) (1,629) (1,629)	8774,667 (2,100) (3,247) (1,776) (14,452) (14,472) (14,472) (14,473) (14,473) (14,473) (14,473) (14,473) (14,473) (14,474) (14,474) (14,474)	1104.32 5.52 (1.16 5.03 (1.16 5.03 (1.16 (1.16 (1.16) (1.1
N of Revenue - new-GAAP	HID	36.4%	H.M	25.0%	36.7%	Mars?	36.057	34.4%	25.75	21.75	25.25	45.6%	23-05	84.85	81.7%	25.0
Immune Tennis Trove Operations - GAAP Microsoft provide a comparison Amountation watering Summark & regulary interest compares and Linguistic and self-meter dis Summark & regulary interest Summark & regulary and Summark & regulary and Summark & regulary and Theorematicus dampers Theorematicus dampers Theorematicus dampers	\$4,887 11,882 8,334 188 (300) 333 333 335 182 505 182 505 187	816,347 (5.500) (0.123 7,336 485 2,696 885 128,785	83,398 (6,555) 15,446 17,566 971 8,770 473 (6,370) 93300 972 823,738	88,128 (5,201) 6,412 6,897 717 1,007 	8196,7986 (5.552) 4.527 2.4602 5.000 400 (902) (902) 1.400 800 (902)	87,538 (5,571) 6,775 3,788 7,578 400 - - - - - - - - - - - - - - - - - -	(838.423) 945 (8.500) 8.736 3.627 940 18.807 9.435 2.635 2.635 2.635 2.635 2.635	44.1411 2.422 9.5201 1.613 1.445 919 919 919 10.000 4.220 10.000 4.220 10.000 4.220 10.000 10.000	84,790 2,915 min 7944 1,730 8,245 11,5900	88.888 2.367 758 758 1.500 290 1.500 900 200	84,745 2,966 793 788 1,865 198 5,207 (405)	49,085 4,645 755 1,560 1,560 (172) (172)	112,400 3,500 1,300 1,300 4,000 4,000 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,740 2,50	810,043 31,043 81,023 830 7,134 300 1,020 4,020 2,038 800,047	(81,448) 5,067 21,053 12,267 4,276 15,028 9,023 4,275 9,023 4,275 9,023 4,275 9,023 4,275 9,023 15,201 8,201 18,201 18,201 18,201 18,201 19,201 10,201 10,201 10,201 10,201 10,201 10,201 10,20	833.89 8.11 9 3.10 0.09 0.09 0.09 1.20 157 169
Operating Season Margin - man-DAAP	22.2%	2145	33.2%	21.01	21.05	18.2%	17.6N	16.2%	26.2%	18.0%	18.1%	18-65	20.8%	33.8%	14.7%	18.4
Het Enserve (Bess) - GAAP Ministrate (Inter In Interaction Anatomical Common National Common Statistics (Interaction Statistics) - A spacing lander (Lander) Statistics Common (Interaction) Common (Interaction) Statistics Sta	\$94,405 (40,554) 11,859 8,559 780 780 330 (8,81)	88,627 (4.997) 8,506 (2.622) (2.622) (2.622)	(47,537) 0,506 8,416 797 (*1,54()) 239 3,809	(88.396) (4.357) 5.256 3.3848 888 15.698	814,607 (4,2~5) 3,188 2,392 782 782 (690) (1,600)	15,983 (3,67%) 8,183 2,087 1,498 1,498	(823,123) 545 15,000 8,155 2,008 207 207 2,016 4,068	(\$4,821) 3,822 (3,427) 1,234 1,411 7,27 15,014 (1,382)	\$1,748 2,010 -100 450 802 8,794 (802) 2,277	84,880 2.307 1% 465 972 157 157 995 686 (1,000)	88,425 3,695 1,397 80 788 (347) 1,088	44,398 2,092 255 815 815 815 117 (120) 2,026	2,074 709 4,024 1,788 388 62,2590 210 31,886 210 210 31,886	144.599 5 54.1315 30.905 37.254 805 - 1,205 8.020	(615.323) 3.007 (30,173) 10,341 45,346 3.271 71,340 3.928	\$16,154 8,11 1,87 3,60 8,17 76 3,60 4,25
Accession of Casula & conversion listifity Accession (Hearts supports) Research and the sense accession Research and accession and develop terminal Research accession and develop terminal Research accession and develop terminate Research and a research terminate Research accession and accession Research accession and accession Research accession accession accession Research accession accession Research accession accession Research accession accession Research accession accession Research accession accession Research accession	426 (299) 992 805 (120) (7.517)	010 2.240 404 Nei	3,090 (425) (425) (100) 2,730	900 875 3.422 300 (300)	201 300 1,126 (2,844)	4,838 308 4,876 (1,828)	91 16,064 184 9,001 (741)	97 474 5345 491		4			94 (1362)	1.842 7,134 4.422 3.440 (21.877)	2,311 14,147 3,837 16,696 (2,370) (2,844)	20
Describered operators Ref Incourse - net-GAAP	-	* \$18,413	-	814,364	812,001	\$12,152	\$11,483	87,695	813,822	811,838		83.878	810,433	880,950	8,609 \$44,191	844.87
Net Income Margin - non-GAAP				74,8%	-	12.0%	12.96	12.0%	14.05	16.0%	15.0%	18,9%	14.0%			
Bluted shares - GARP Convertide professed anon terrowershal stack options, wartantity, restructed stack and avris	54,001	88,170	56.583 1,301	47,000 1,000	47,880 1,500	67,200	46,300 1,400	48,217 2,004	47.383 140	47,223 1,000	47,548 823	48,870 776	46.013 113	\$1,148 2,096	47.009 K.408	47.1 3
Diluted situres - nex-GAAP	54,891	86,175	52,581	48.285	48,873	47,288	48,214	48.581	44.581	48,224	47,861	47,848	47,428	\$3,262	68,417	48.1
Earnings per dilated share : GAAP	4.01	0.18	45.1%	45.131	8.50	0.02	45.471	00.101		8.10	8.91	8.00	8.32	r 18.510	(0.59)	43



