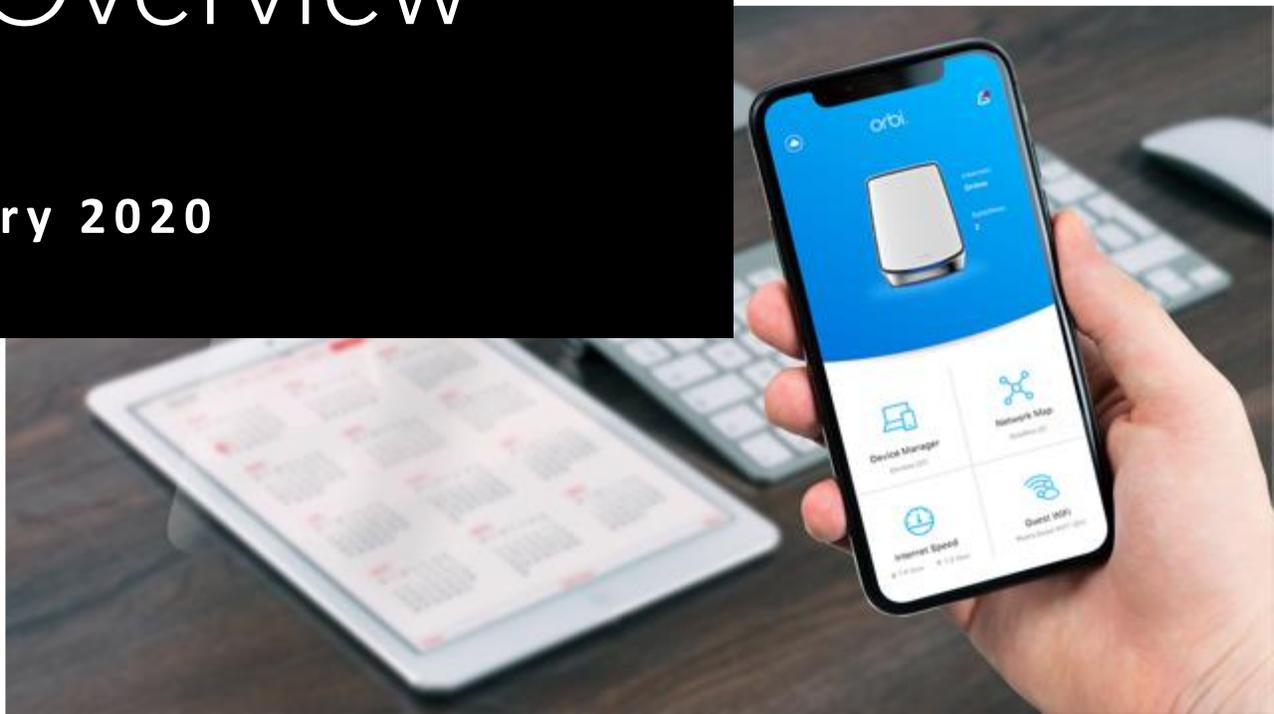




# NETGEAR®

## Investor Overview

February 2020



# Safe Harbor Disclosure

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This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The words “anticipate,” “expect,” “believe,” “will,” “may,” “should,” “estimate,” “project,” “outlook,” “forecast” or other similar words are used to identify such forward-looking statements. However, the absence of these words does not mean that the statements are not forward-looking. The forward-looking statements represent NETGEAR, Inc.’s expectations or beliefs concerning future events based on information available at the time such statements were made and include statements regarding: NETGEAR’s ability to pursue its long-term strategies; NETGEAR’s future operating performance and financial condition, expected net revenue, GAAP and non-GAAP operating margins, and GAAP and non-GAAP tax rates; expectations regarding the timing, distribution, sales momentum and market acceptance of recent and anticipated new product introductions that position the Company for growth; expectations regarding NETGEAR’s paid subscriber base, registered users and registered app users and their effect on NETGEAR’s paid subscriber base; and expectations regarding future market size for certain areas of potential growth. These statements are based on management’s current expectations and are subject to certain risks and uncertainties, including the following: future demand for the Company’s products and services may be lower than anticipated; consumers may choose not to adopt the Company’s new product or service offerings or adopt competing products or services; product performance may be adversely affected by real world operating conditions; the Company may be unsuccessful or experience delays in manufacturing and distributing its new and existing products; telecommunications service providers may choose to slow their deployment of the Company’s products or utilize competing products; the Company may be unable to collect receivables as they become due; the Company may fail to manage costs, including the cost of developing new products and manufacturing and distribution of its existing offerings; the Company may fail to successfully continue to effect operating expense savings; changes in the level of NETGEAR’s cash resources and the Company’s planned usage of such resources, including potential repurchases of the Company’s common stock; changes in the Company’s stock price and developments in the business that could increase the Company’s cash needs; fluctuations in foreign exchange rates; and the actions and financial health of the Company’s customers. Further, certain forward-looking statements are based on assumptions as to future events that may not prove to be accurate. Therefore, actual outcomes and results may differ materially from what is expressed or forecast in such forward-looking statements. Further information on potential risk factors that could affect NETGEAR and its business are detailed in the Company’s periodic filings with the Securities and Exchange Commission, including, but not limited to, those risks and uncertainties listed in the section entitled “Part II - Item 1A. Risk Factors,” in the Company’s quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2019, filed with the Securities and Exchange Commission on November 1, 2019. Given these circumstances, you should not place undue reliance on these forward-looking statements. NETGEAR undertakes no obligation to release publicly any revisions to any forward-looking statements contained herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, except as required by law.

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OUR MISSION

Be the innovative leader in  
connecting the world to the internet.

**NETGEAR<sup>®</sup>**

## 4Q19 HIGHLIGHTS

# NETGEAR®

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Quarterly Revenue of \$253.0 million

52% Share in U.S. Retail WiFi Market<sup>1</sup>

53% Share in U.S. Retail Switch Market<sup>2</sup>

12.8 million Registered Users Worldwide

4.4 million Registered App Users Worldwide

177,000 Service Subscribers



<sup>1</sup>The NPD Group, Inc., U.S. Retail Tracking Service, Networking Devices: Gateways, Range Extenders, and Routers; Cellular ready technology: exclude 3G, 4G, Dual Band 3G/4G, LTE; Network Connectivity: exclude powerline; Wireless; based on dollar sales, Oct. – Dec. 2019.

<sup>2</sup>The NPD Group, Inc., U.S. Retail Tracking Service, Networking Devices, Switches, based on dollar sales, Oct. – Dec. 2019.

# STRATEGY FOR GROWTH



Technology Inflections



Create New Categories



Recurring Service Revenue



Orbi Mesh



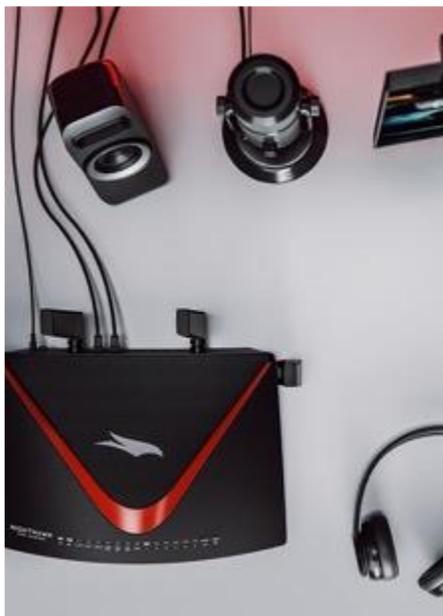
Content Streaming



5G



WiFi 6



Gaming

# Key Technology Inflections

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# New Categories



PoE+



10 Gig



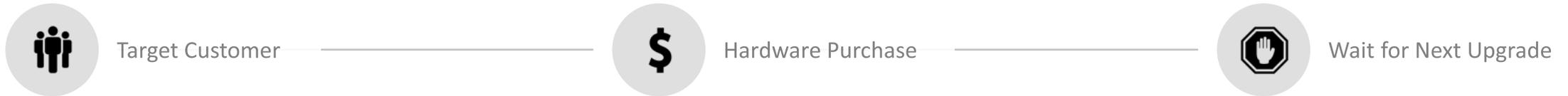
Pro AV



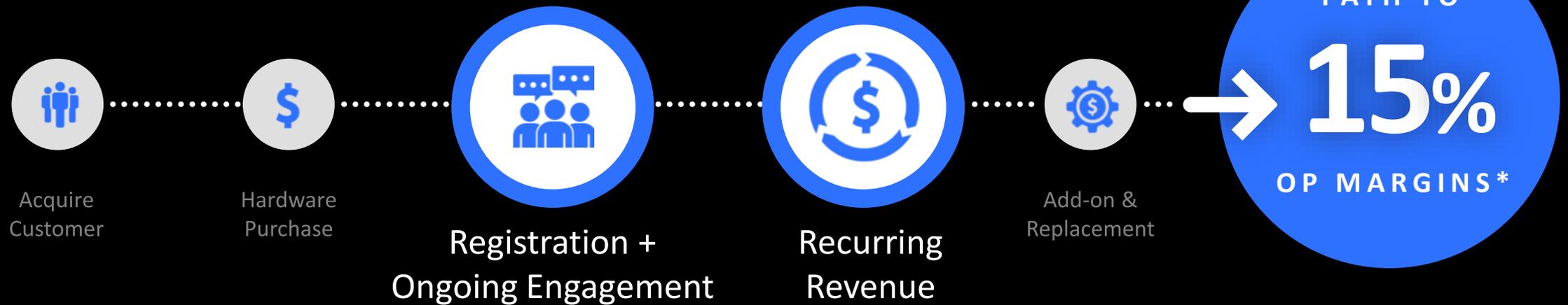
Mesh

# The NETGEAR Evolution

FROM A LARGE INSTALLED BASE WITH LIMITED ENGAGEMENT...



...TO A LARGE AND ENGAGED CUSTOMER COMMUNITY



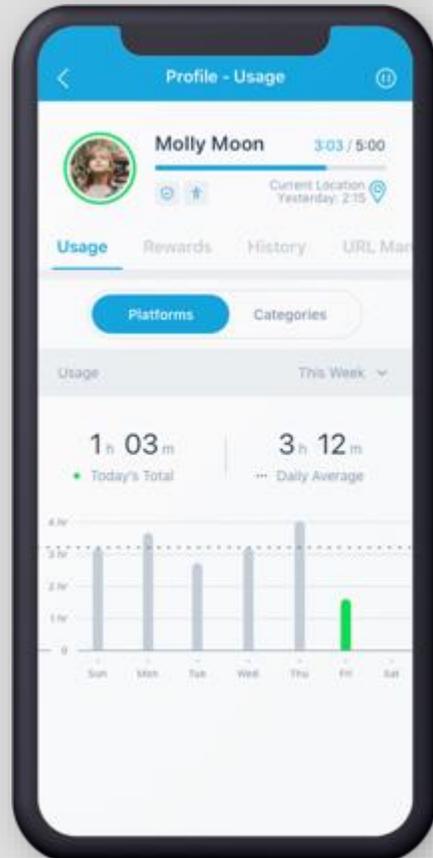
\*Non-GAAP

# NETGEAR VALUE ADDED SERVICES

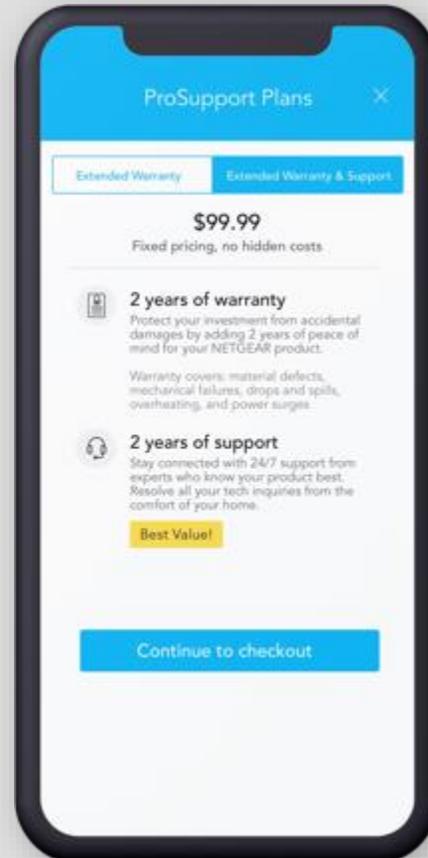
**NETGEAR**  
ARMOR



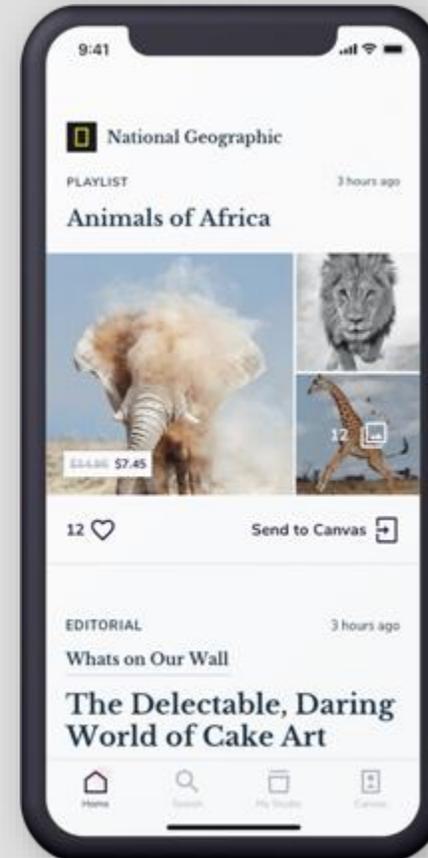
circle on  
**NETGEAR**



**NETGEAR**  
PROSUPPORT



Meural 



**NETGEAR**  
INSIGHT





# Connected Home

PRODUCTS AND TECHNOLOGY

**BIGGEST REVOLUTION IN WIFI, EVER**

# WiFi 6

**4X Better Performance than WiFi 5**

---

- Capacity: More WiFi for more devices
- Speed: Fastest WiFi for the gigabit home
- Efficiency: Longer battery life for mobile
- Backward compatible with 11AC

# NIGHTHAWK PRO GAMING

## Cloud gaming needs low latency WiFi

Greenfield opportunity to create a category



### NETGEAR Differentiation

DumaOS gaming software

Best in class WiFi, transition to WiFi 6

**\$4.5B**

Cloud Gaming  
Spending by 2024\*



\*"5G and New Services Will Push Cloud Gaming Market to US\$4.5 Billion and 42 Million Active Cloud Gaming Users By 2024," ABI Research, 11/13/2019

ORBI MESH

Forbes

*"There's no denying that NETGEAR's hardware is top of the line. If you need a strong, reliable, fast signal Orbi is worth the money."*

**NETGEAR®**  
**ARMOR™**

circle on  
**NETGEAR®**



Unparalleled performance & enhanced security with NETGEAR Armor

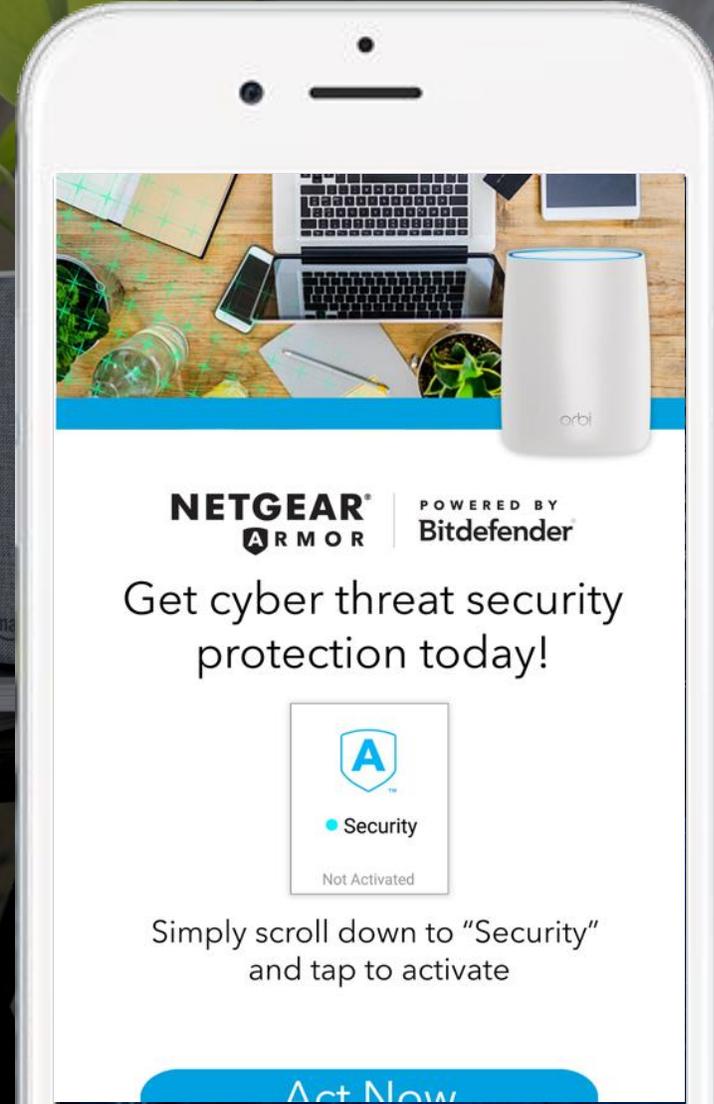
# ARMOR ON ORBI PLATFORM

**NETGEAR**<sup>®</sup>  
**ARMOR**

POWERED BY  
**Bitdefender**<sup>®</sup>



**COSTCO**  
**WHOLESALE**



# MEURAL

Meural 

**BBC** **75M**

**TODAY** Impressions



“Netgear’s Meural Canvas II is a 27-inch screen to turn your home into a gallery”

**techradar**

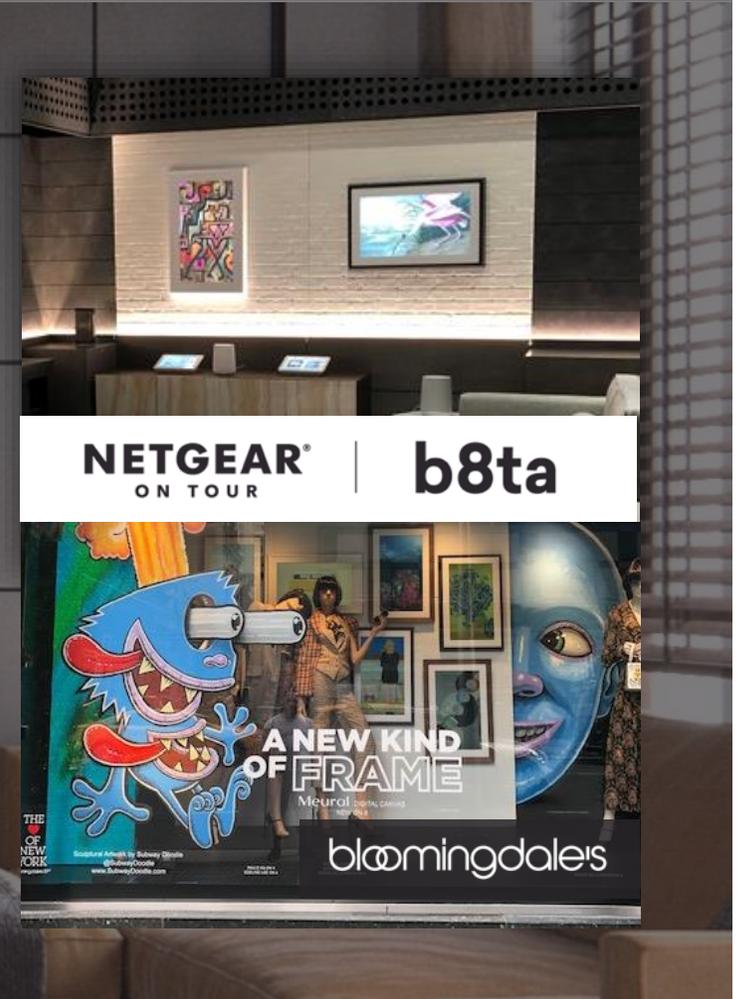
“Meural’s revamped Canvas II wireless photo frame lets you decorate your wall with priceless works of art”

**TechHive**

Imagine your best photos, at their best.

Reframe the way you display your photography.

Upload, crop, and filter your own images with the Meural app or website. And with the Canvas II’s side door, access to ports for SD card upload is quick and easy.



Launched Meural Canvas II (21.5” and 27”) at IFA

Awarded “Best of IFA”

Expanding Retail Placements

POWERED BY  
**NETGEAR**

# Meural Membership

- Subscription \$69.95/year
- Dynamic access to 30,000+ digital content
- Exclusive artwork & photography
- Strong membership attach
- Marketplace for purchasing and owning content



# CHP Strategy



Up ASP with New Technology



Drive New Lifestyle Categories

**NETGEAR**<sup>®</sup>  
**ARMOR**<sup>™</sup>

circle<sup>®</sup>

Meural 

Sell Services



# SMB Segment

**PRODUCTS AND TECHNOLOGY**

# History of Innovation in SMB



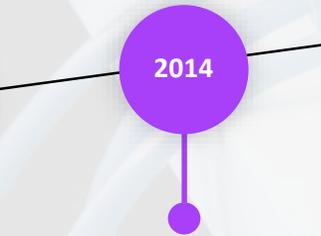
First Smart Switch



First Lightly Managed Plus Switch



First 10G Smart Switch



Flexible Mounting Click Switch



First App Managed Access Point



First Fully Autonomous Cloud Management Switch



First DIY WiFi Mesh Solution for Business



Pro AV 48/96 10G Switch

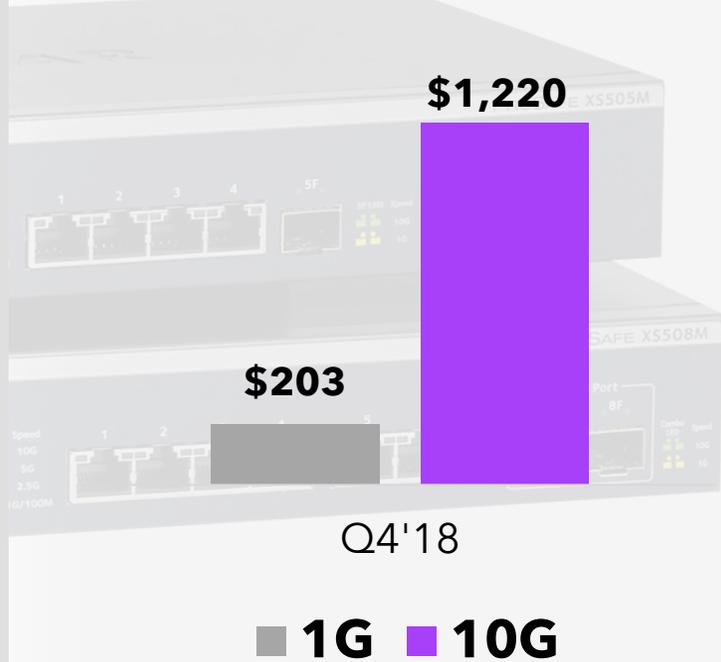


Half Width 16-port PoE+ ProAV Switch

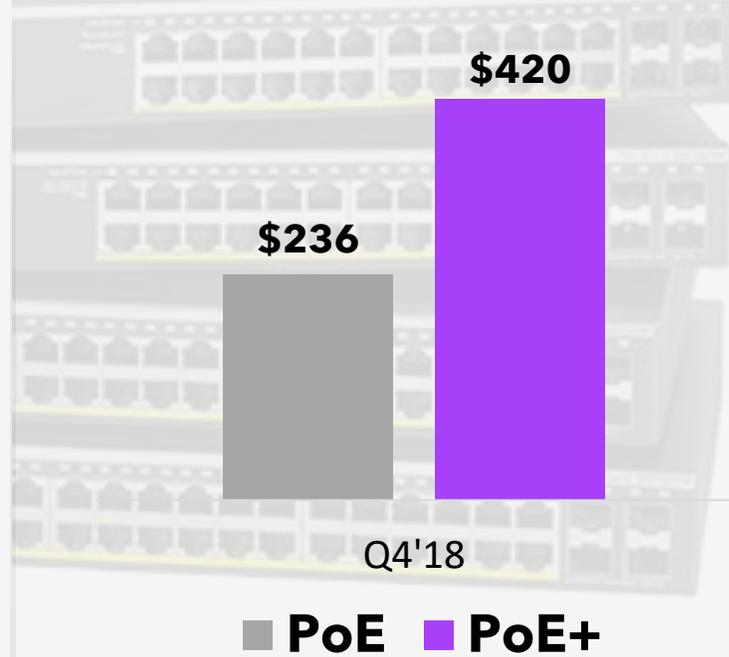


# Upgraded Technology > 2x ASP...

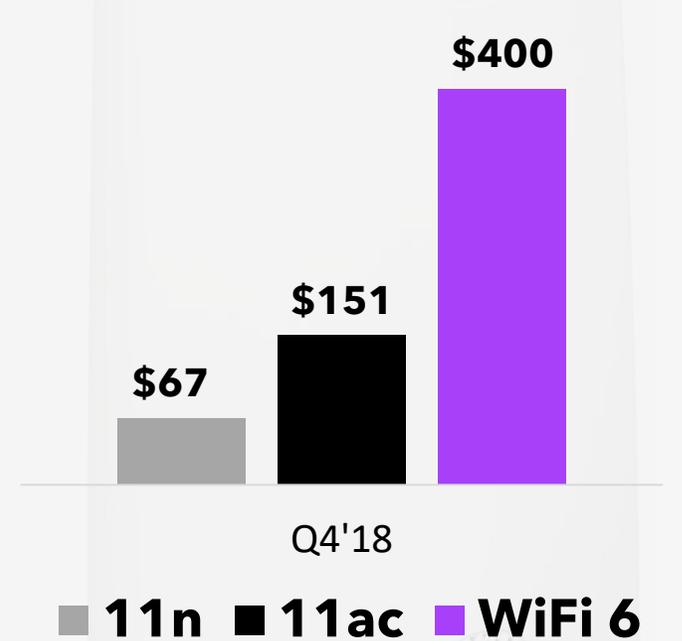
### Smart Switch Port Speed ASPs



### Smart Switch PoE ASPs



### NETGEAR SMB Access Point ASPs



1Gbps → 10Gbps

PoE → PoE+

11ac → WiFi 6

# PRO AV APPLICATIONS



**SPORTS**



**LARGE EVENT VENUES**



**EDUCATION**



**MEDICAL SURGERIES**



**HIGH-END HOMES**



**RETAIL SIGNAGE**



**SMALL & MOBILE EVENT VENUES**

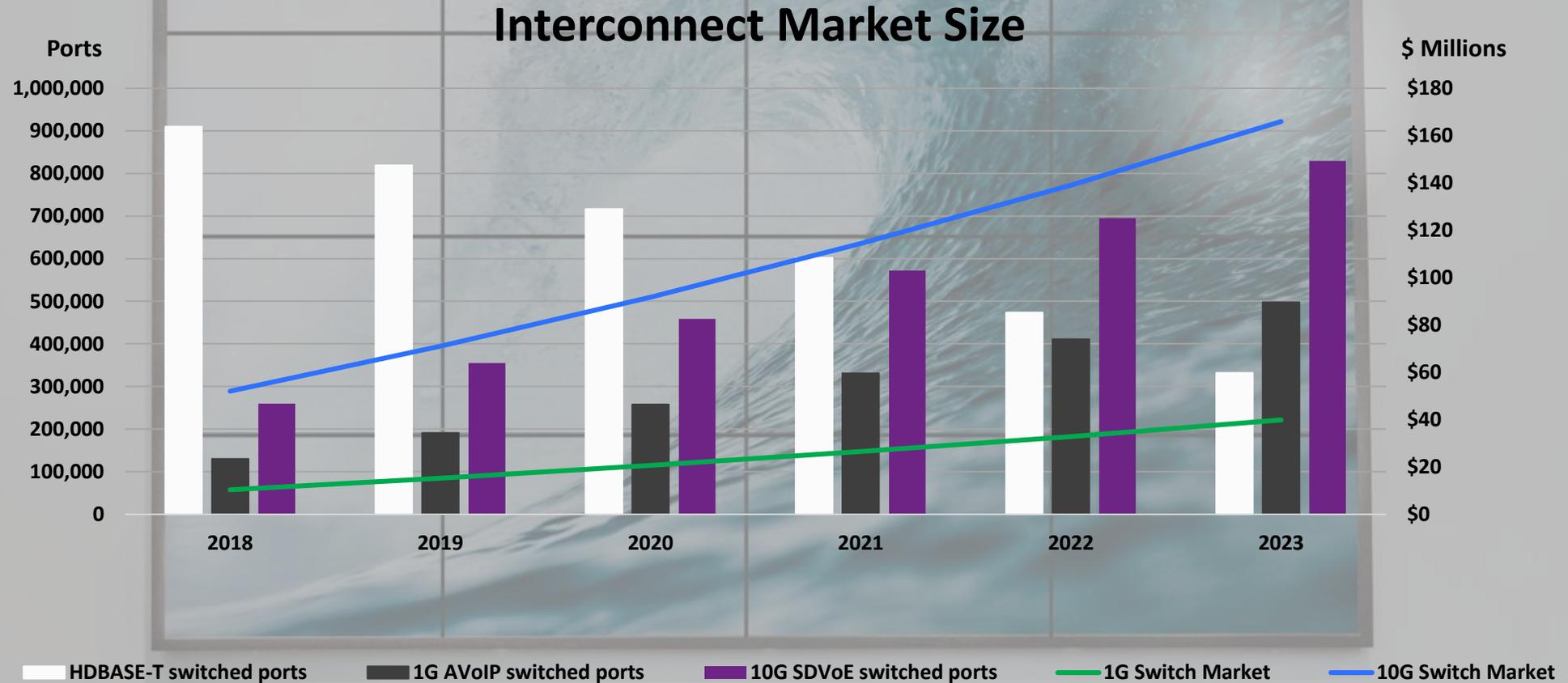


**CORPORATE OFFICES**



**COMMAND & CONTROL CENTERS**

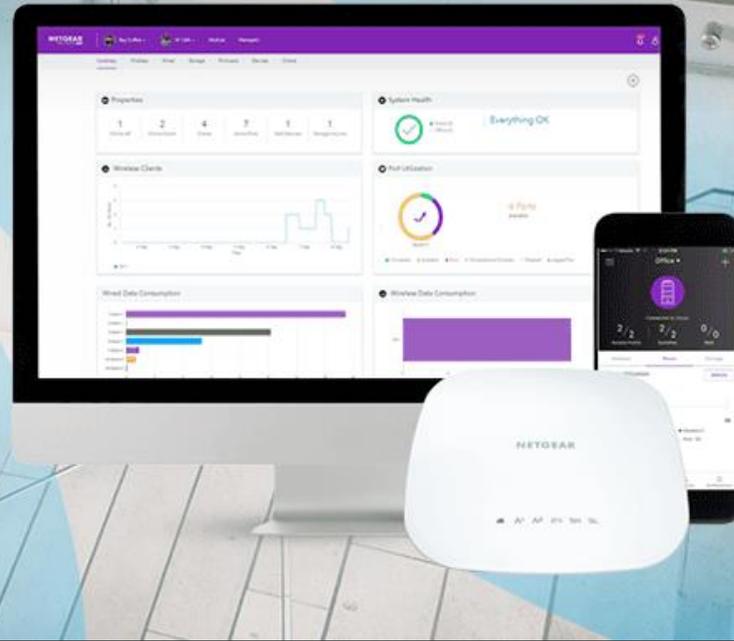
# VAST MARKET OPPORTUNITY



Source: SDVoE Alliance market sizing based on FutureSource Consulting's "HDBase-T in AV signal distribution" and AVIXA's IOTA reports.

# Do-It-Yourself SMB Networks

orbi™ PRO

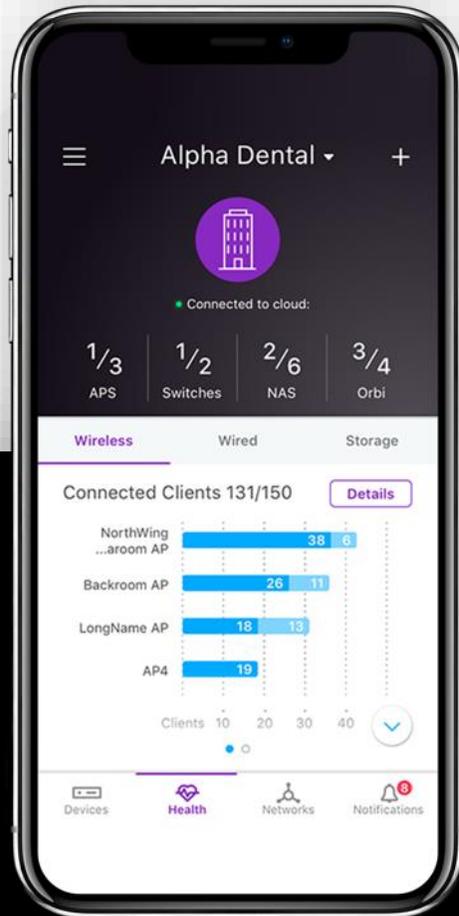


Instant Mesh

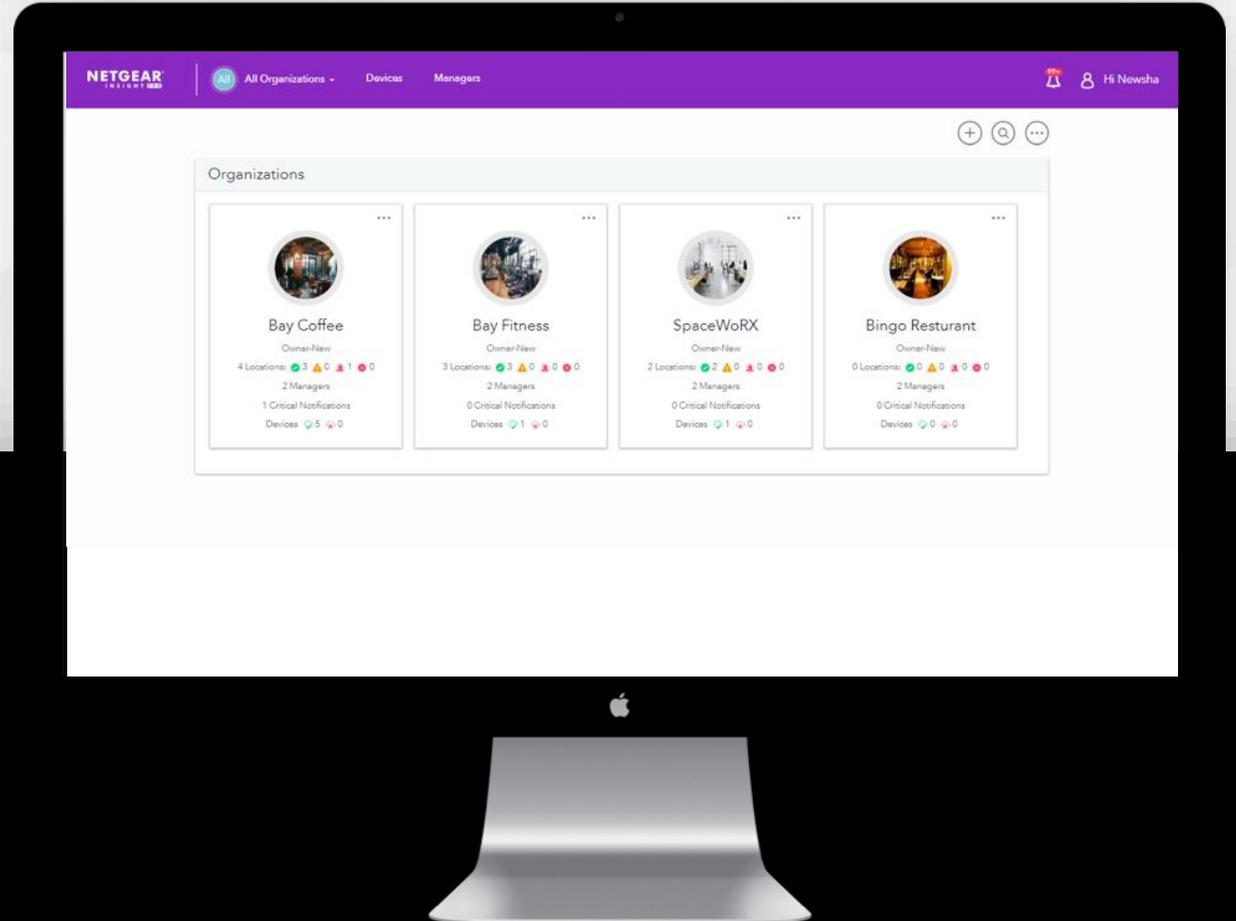
Instant WiFi

Instant Captive Portal

DIY  
\$5 per year per device



Managed Service Providers  
\$15 per year per device



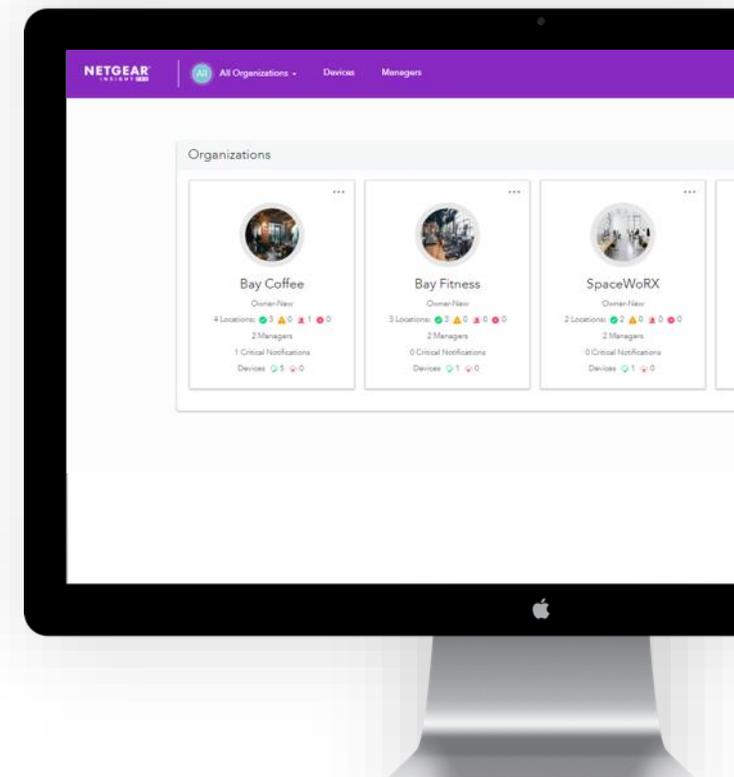
# SMB Summary



Up ASP with New Technology



ProAV, Insight Mesh

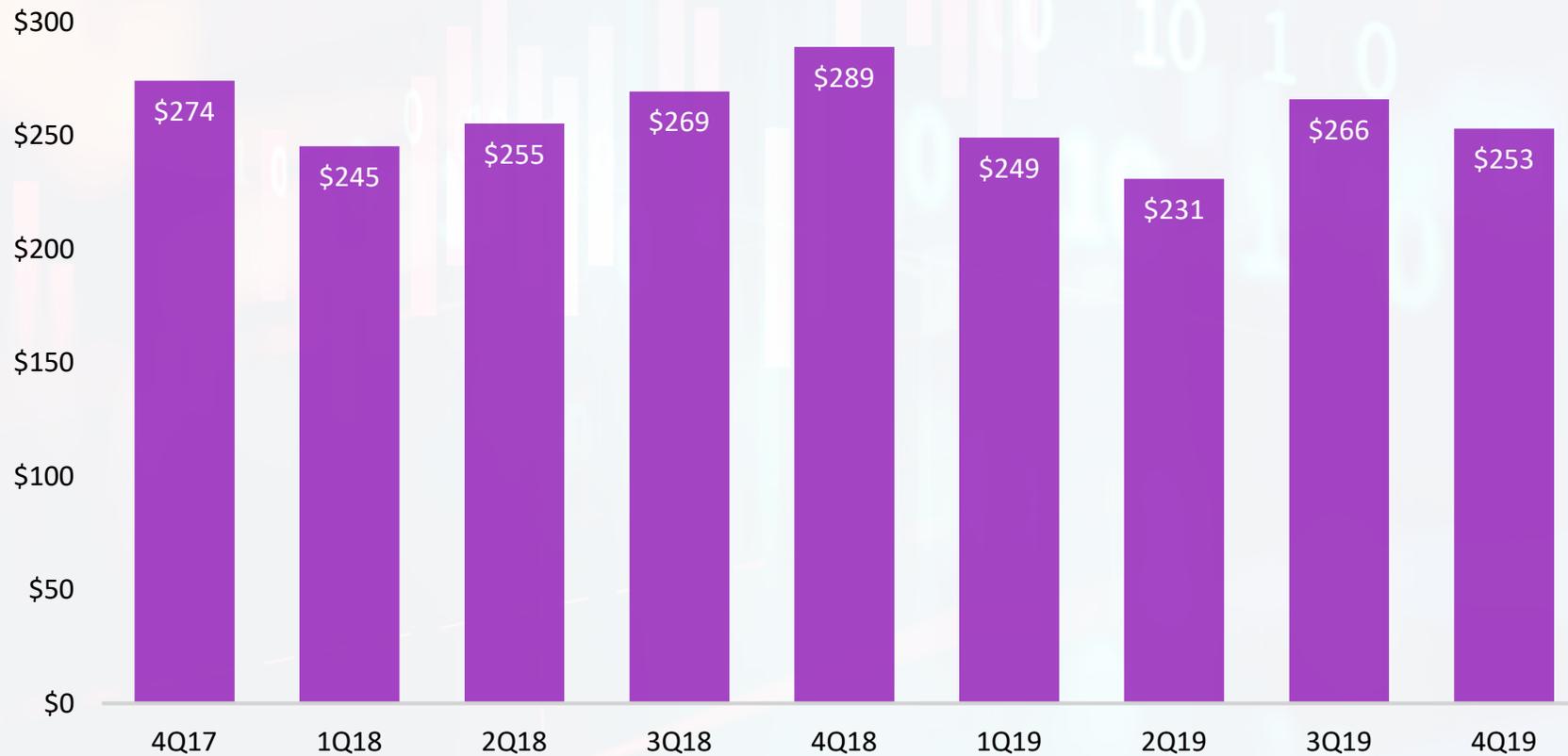


Insight Services

# Financials

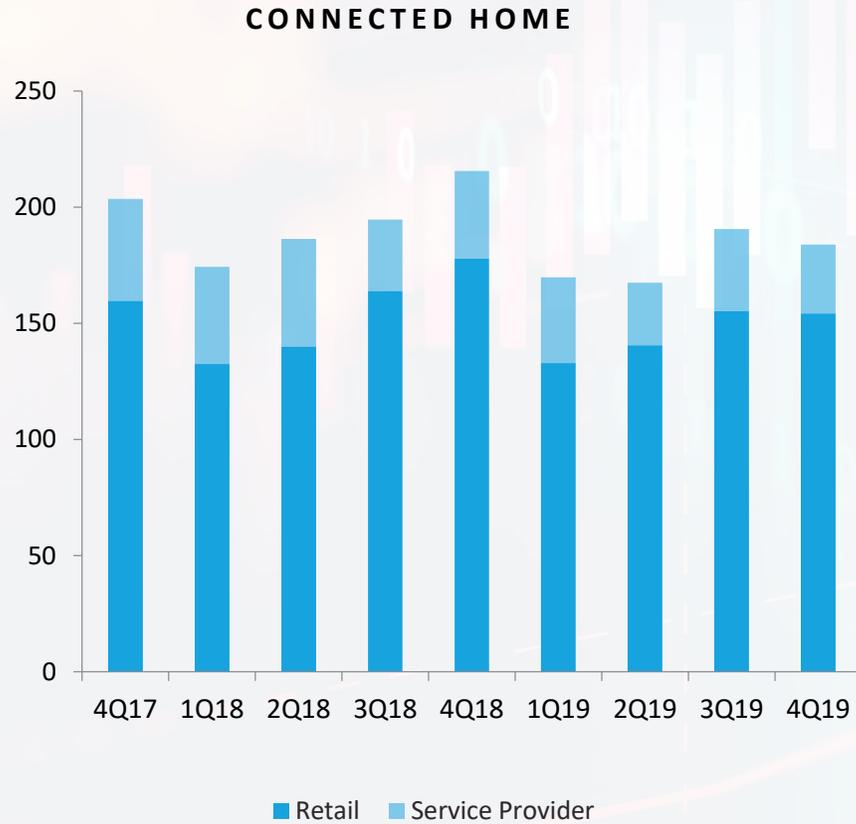
# Quarterly Net Revenue

(Net Revenue, \$ Millions)



# Segment Performance

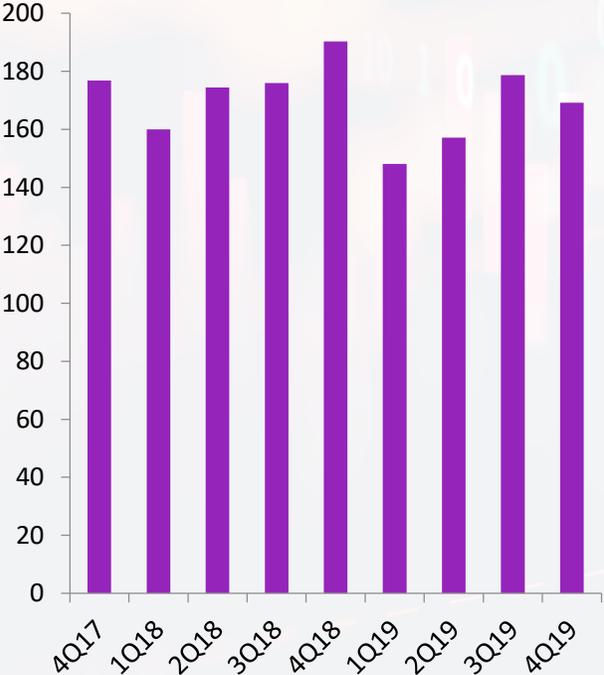
(Net Revenue, \$ Millions)



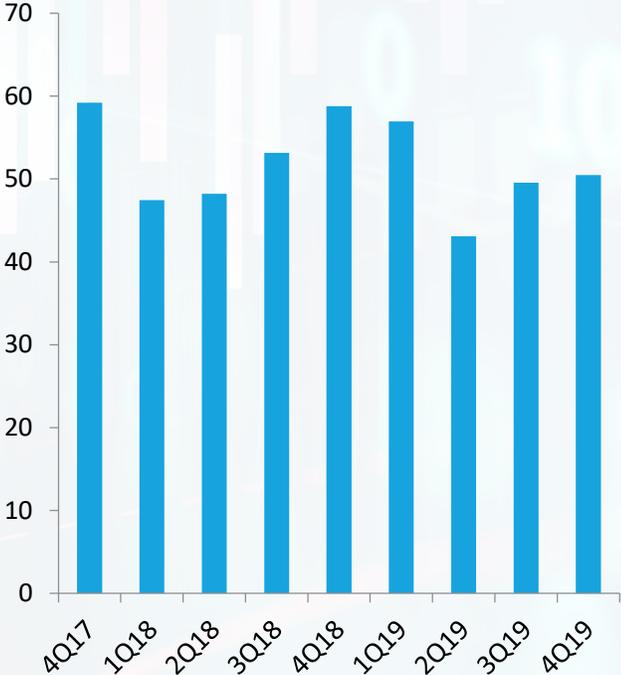
# Regional Performance

(Net Revenue, \$ Millions)

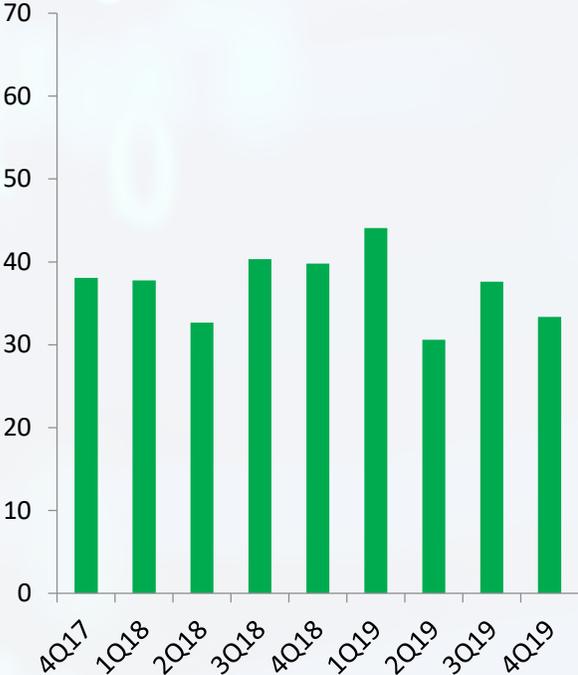
### AMERICAS



### EMEA

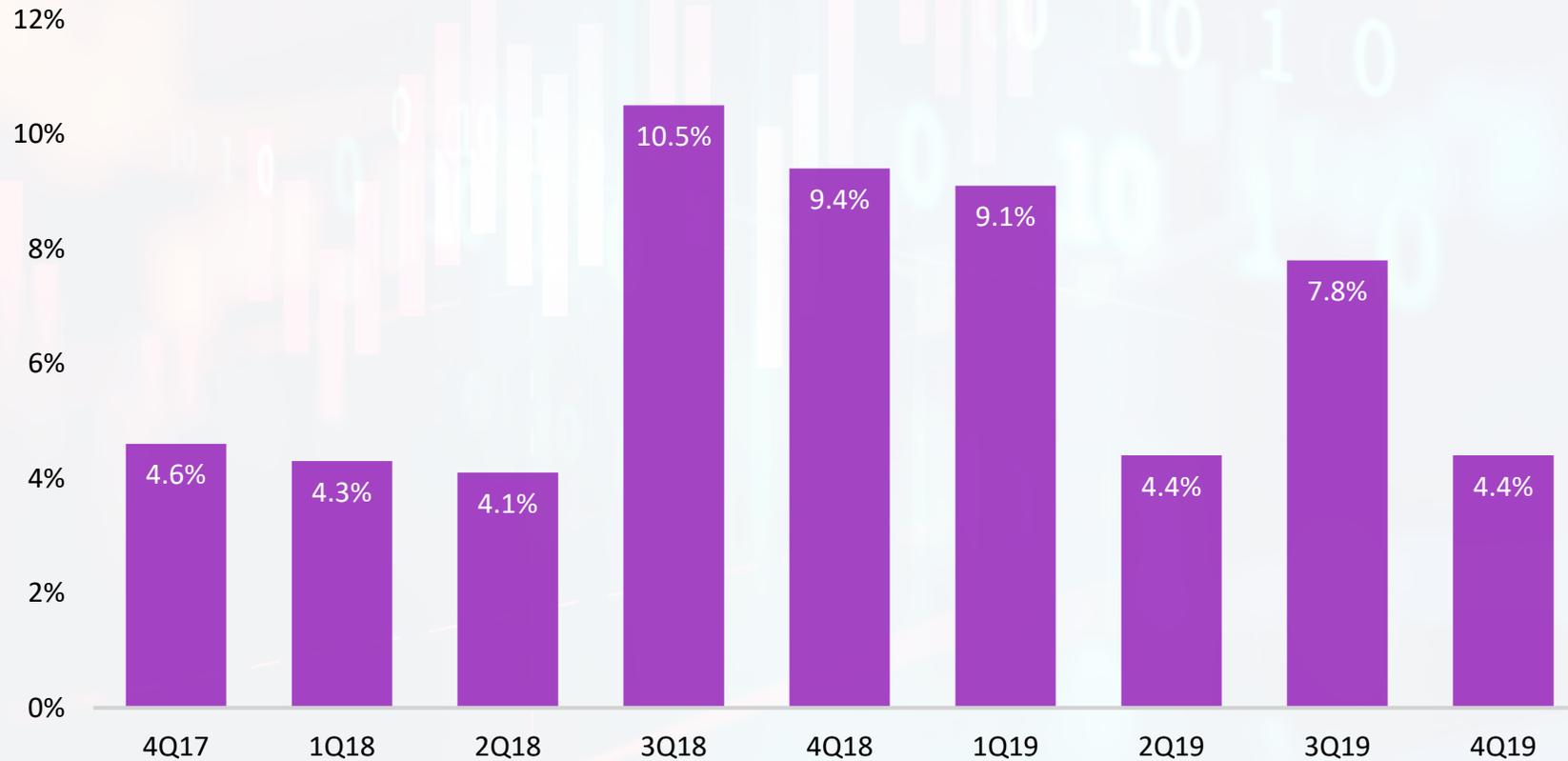


### APAC



# Operating Margin

(Non-GAAP, % of Revenue)



# Earnings Per Share

(Non-GAAP, \$ per Share)



# Cash Balance

(Cash, Cash Equivalents and Short-Term Investments, \$ Millions)

