


orbi™
+
WiFi 6



Meural 



NETGEAR



NETGEAR®

3Q19 INVESTOR PRESENTATION
OCTOBER 23, 2019

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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 June 30, 2019, filed with the Securities and Exchange Commission on August 2, 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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Mission

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

3Q19 HIGHLIGHTS

NETGEAR®

Quarterly Revenue of \$265.9 million

51% Share in U.S. Retail WiFi Market¹

53% Share in U.S. Retail Switch Market²

12 million Registered Users Worldwide

3.6 million Registered App Users Worldwide

Continued Roll Out of WiFi 6 Products



¹The 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; based on dollar sales, July - August 2019.

²The NPD Group, Inc., U.S. Retail Tracking Service, Networking Devices, Switches, based on dollar sales, July - August 2019.

STRATEGY FOR GROWTH



TECHNOLOGY INFLECTIONS



CREATE NEW CATEGORIES



RECURRING SERVICE REVENUE



Mesh



Content Streaming



5G



Gaming



WiFi 6

Key Technology Inflections

New Categories



PoE+



10 Gig



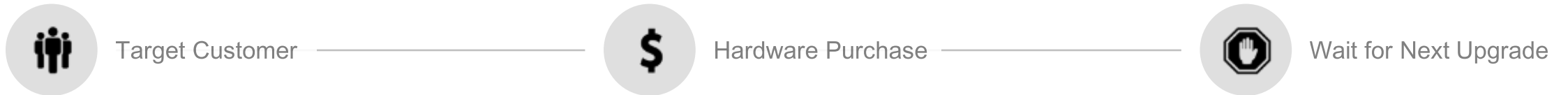
Pro AV



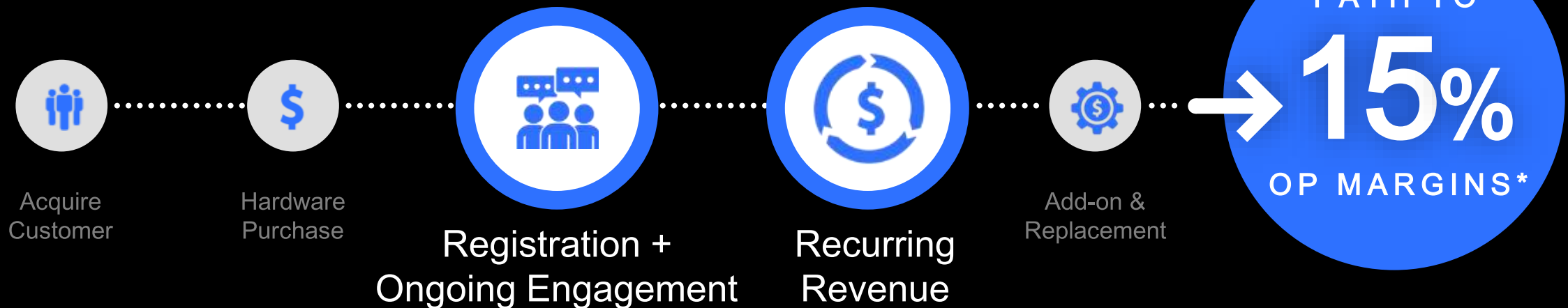
Mesh

The NETGEAR Evolution

FROM A LARGE INSTALLED BASE WITH LIMITED ENGAGEMENT...



...TO A LARGE AND ENGAGED CUSTOMER COMMUNITY



*Non-GAAP

Connected Home Services

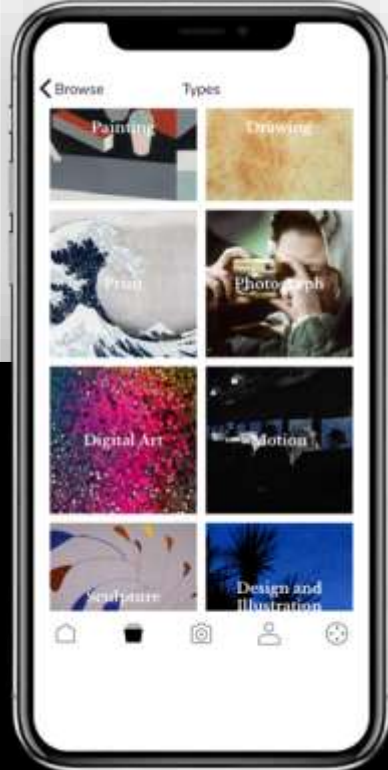
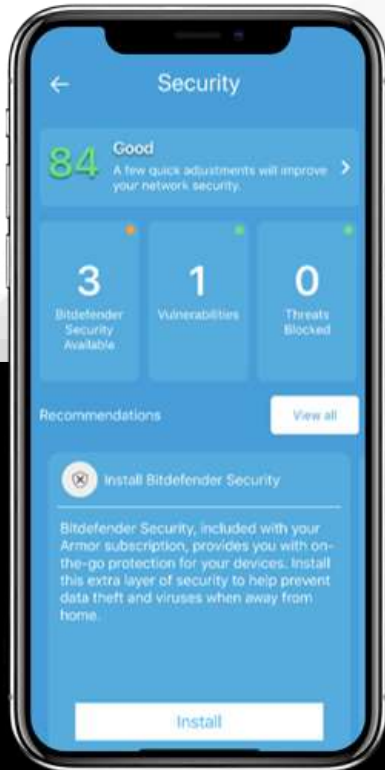
NETGEAR
ARMOR

Meural

NIGHTHAWK
PRO GAMING

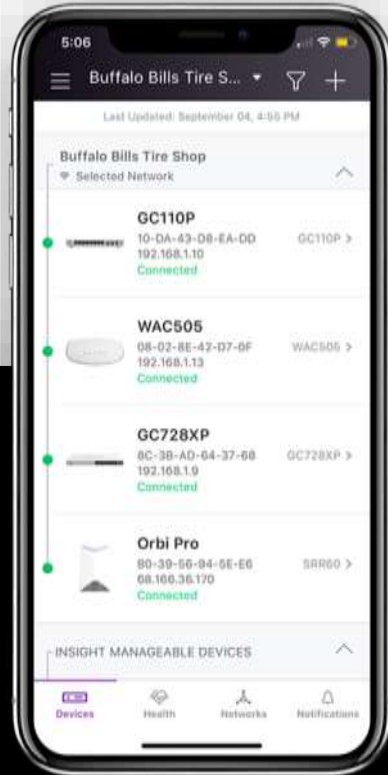
circle on
NETGEAR

NETGEAR
PROSUPPORT

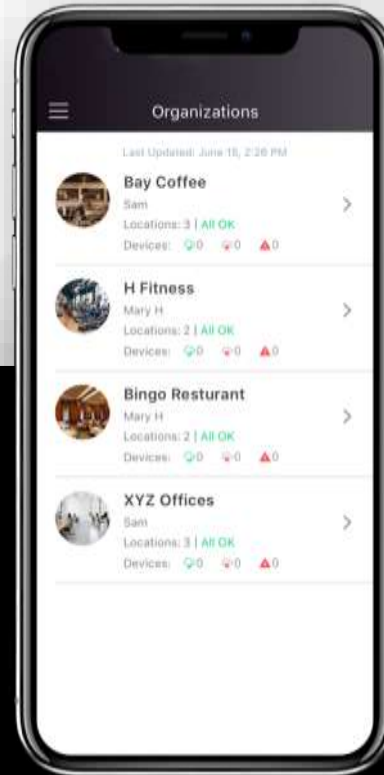


SMB Services

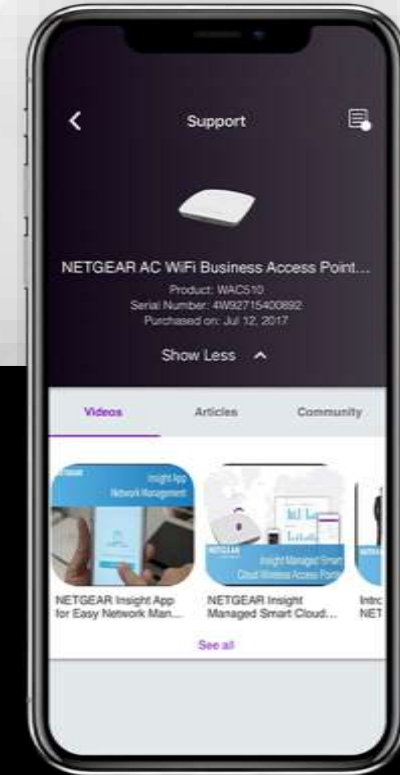
NETGEAR
INSIGHT



NETGEAR
INSIGHT PRO



NETGEAR
PROSUPPORT



The image is a composite of three vertical panels. The left panel shows a minimalist home interior with a light-colored wall, a framed reproduction of 'The Starry Night' by J.M.W. Turner, and a small wooden table with a vase of pink flowers. The middle panel features a grey fabric smart speaker with a white base, sitting on a dark surface against a wood-paneled wall. The right panel shows a black Netgear smart router with three antennas, illuminated by a red light against a dark background. The text 'Connected Home Segment' is overlaid in white across the top of all three panels.

Connected Home Segment

NETGEAR®

PRODUCTS AND TECHNOLOGY

INTRODUCING WIFI 6

WiFi 6



SPEED

Up to 40% higher throughput



PERFORMANCE

Improves client battery life



RANGE

Up to 50% longer range



CAPACITY

Handles up to 4X the devices



Note: Maximum wireless signal rate derived from IEEE 802.11 specifications. Actual data throughput and wireless coverage will vary and be lowered by network and environmental conditions, including network traffic volume, device limitations, and building construction. NETGEAR makes no representations or warranties about this product's compatibility with future standards.

NIGHTHAWK PRO GAMING

Designed for the Needs of Gamers



NIGHTHAWK PRO GAMING

Driven by the Growth of eSports & Online Gaming

2.35B

Gamers worldwide growing to 2.75B by 2021

68%

Of gamers purchase hardware to improve their gaming



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

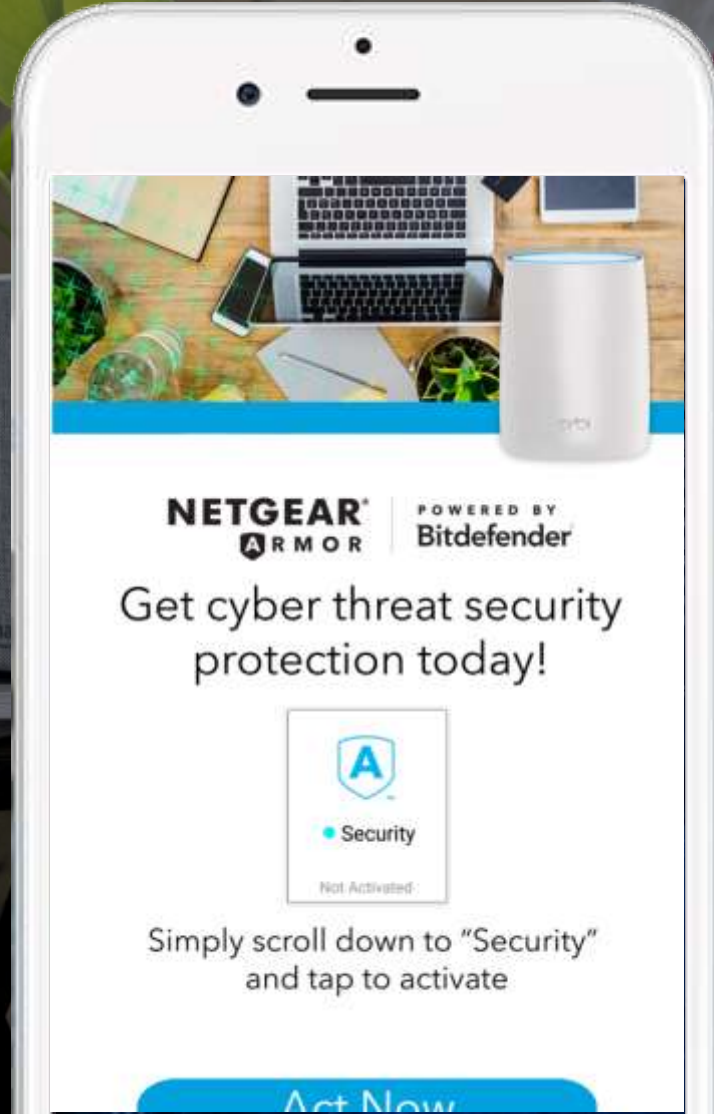
ARMOR ON ORBI PLATFORM

NETGEAR[®]
ARMOR

POWERED BY
Bitdefender[®]



COSTCO
WHOLESALE



MEURAL

Meural 

BBC **75M**

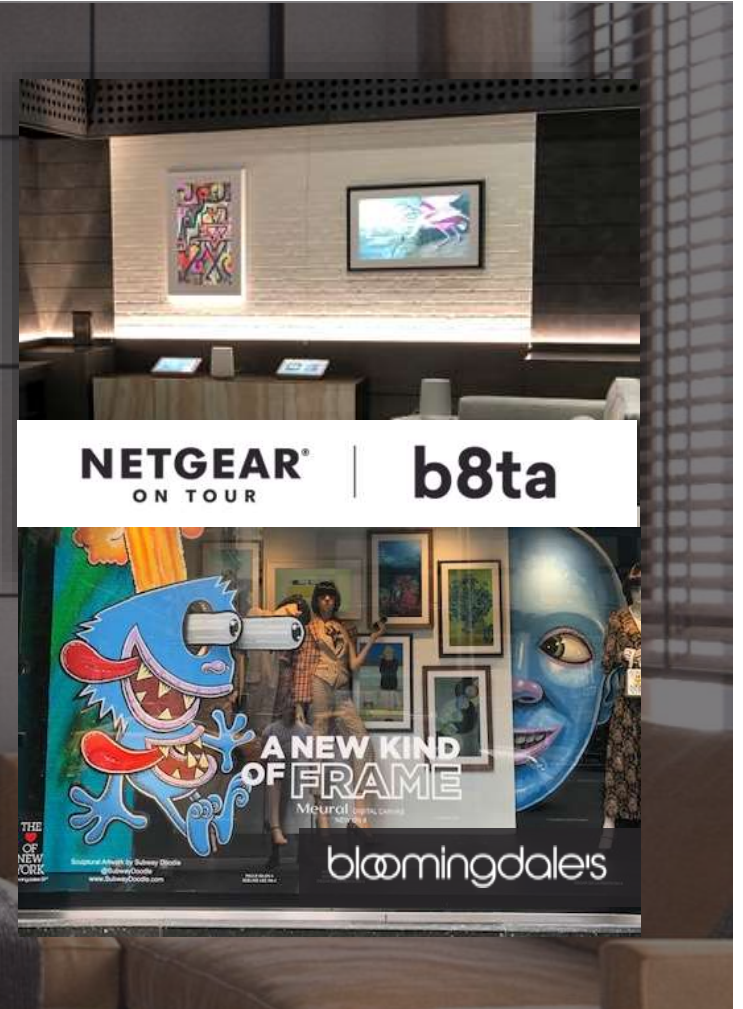
TODAY Impressions

"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.

Beframe 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



NETGEAR[®]
ARMOR[™]

circle[®]

Meural 

Up ASP with New Technology

Drive New Lifestyle Categories

Sell Services

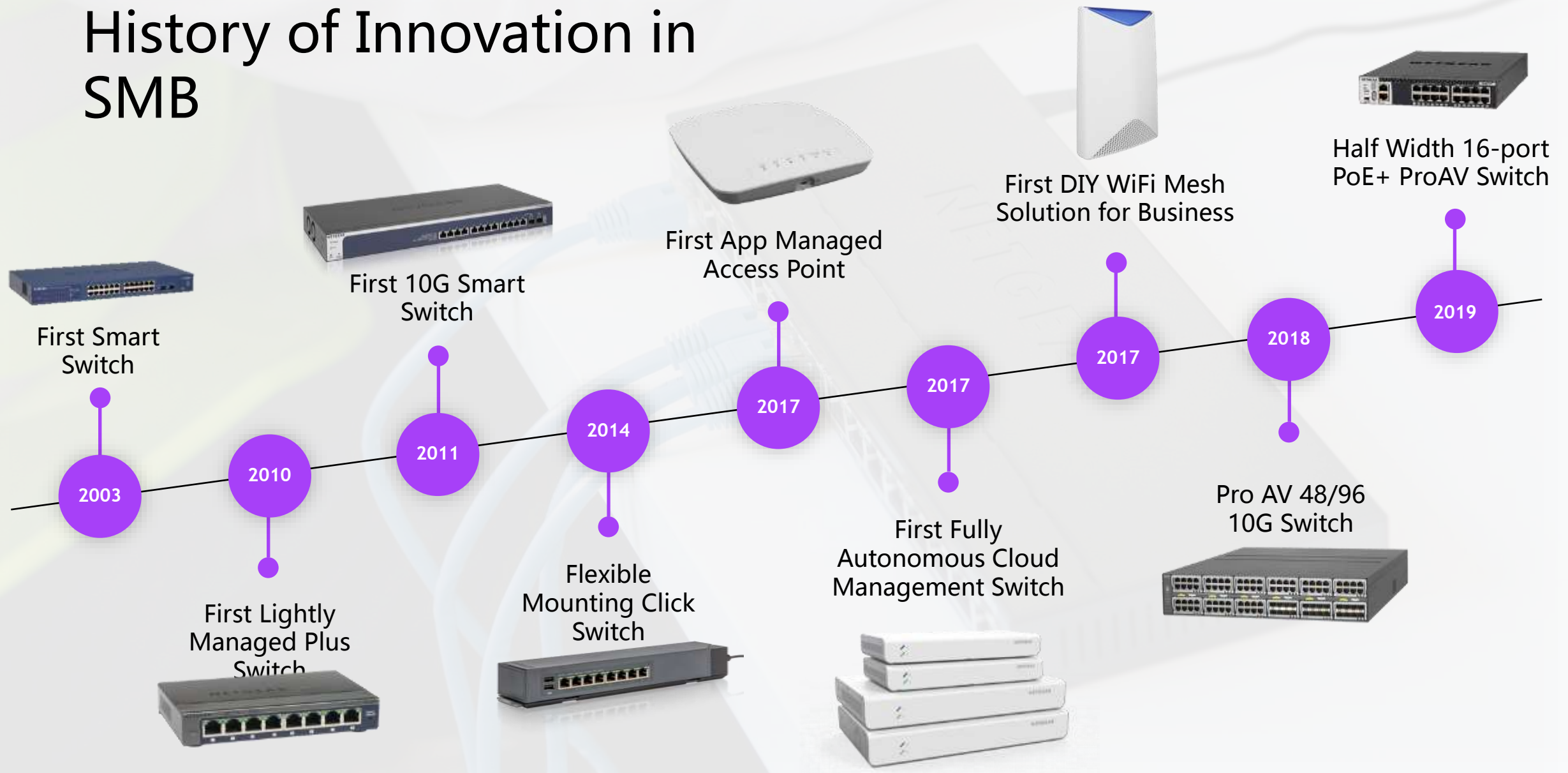
A photograph of a retail transaction in a clothing store. A person in a light blue button-down shirt and white cargo pants is handing a card to a cashier. The cashier is holding a brown paper shopping bag. On the counter, there is a white, modern-looking device with a blue top and a mesh bottom, likely a NETGEAR product. The background shows clothing racks and store fixtures.

SMB Segment

NETGEAR®

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

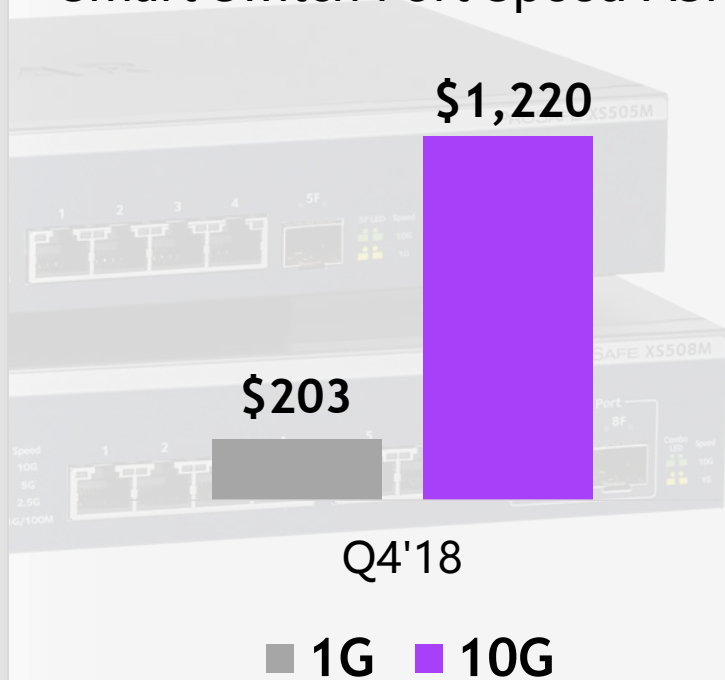
First DIY WiFi Mesh Solution for Business

Pro AV 48/96 10G Switch

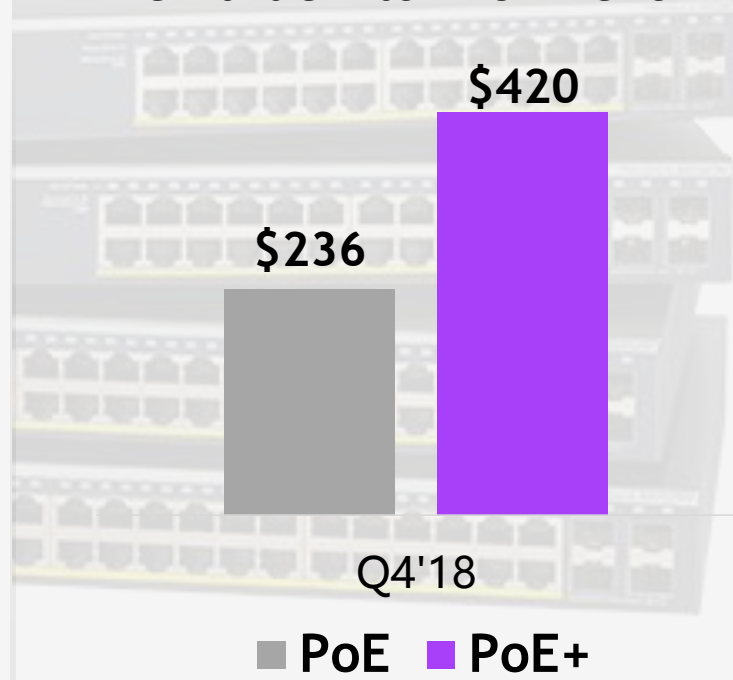
Half Width 16-port PoE+ ProAV Switch

Upgraded Technology > 2x ASP..

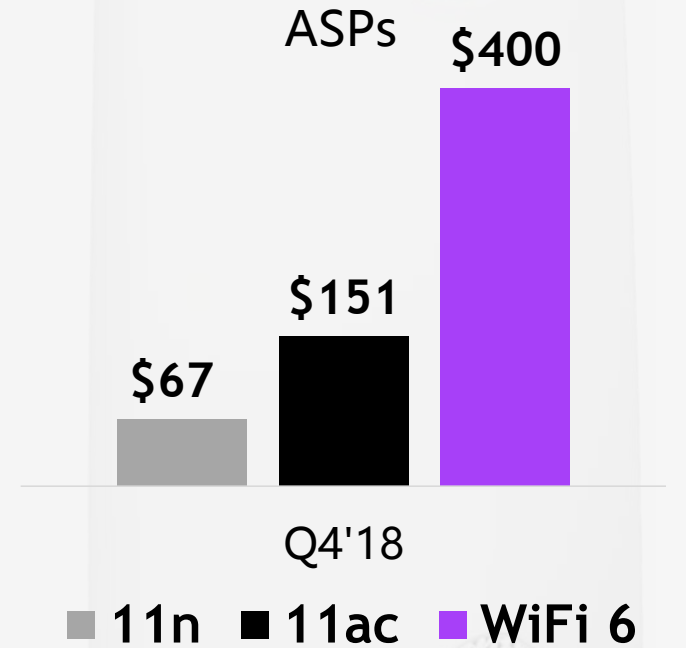
Smart Switch Port Speed ASPs



Smart Switch PoE ASPs



NETGEAR SMB Access Point ASPs



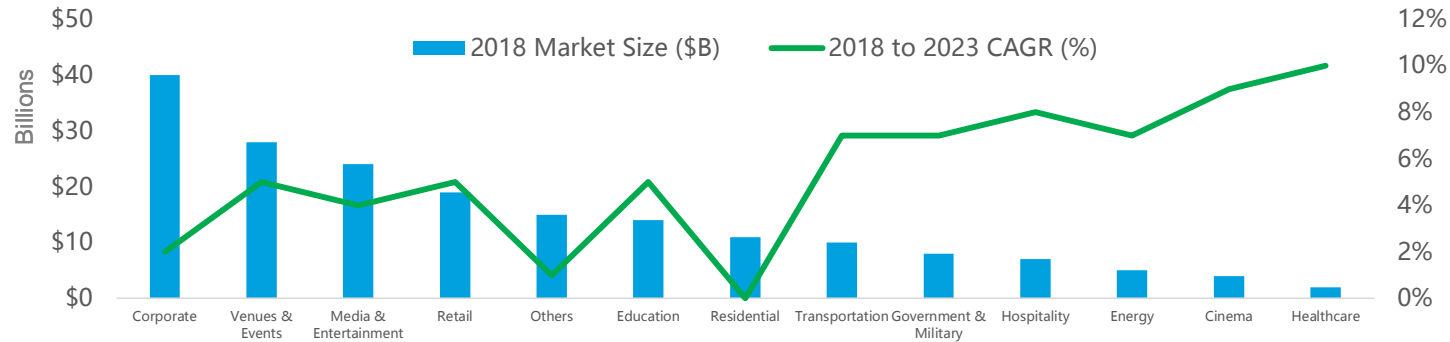
1Gbps → 10Gbps

PoE → PoE+

11ac → WiFi 6

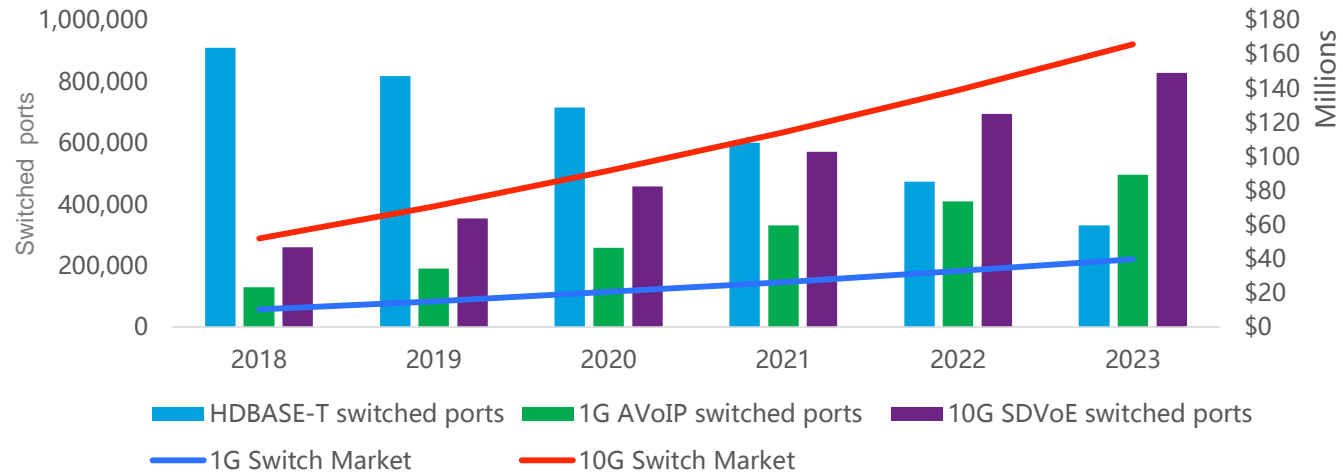
AV transitioning HDBase-T to Ethernet

2018 Pro-AV Market by Application Vertical



Source: AVIXA's Global Industry Outlook and Trends Analysis (IOTA) 2018 report & AV Magazine "All the growth in the world" 2/11/2019 article

Interconnect Market Size



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

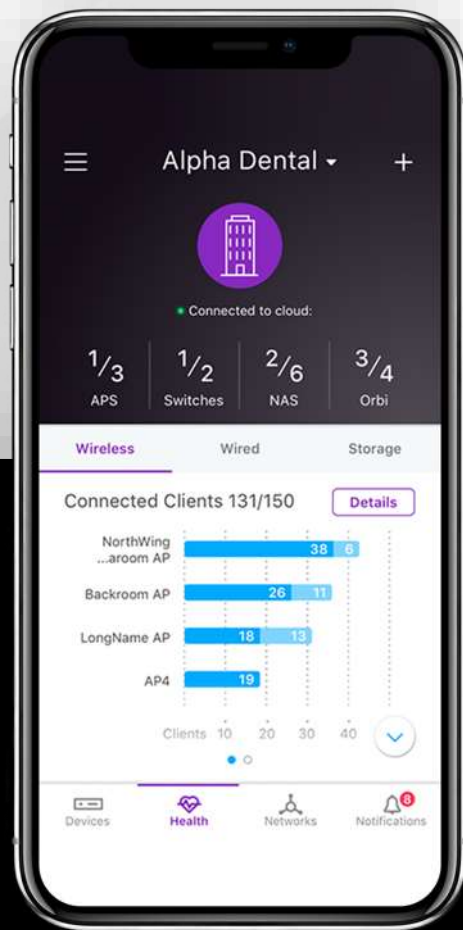


Instant Mesh

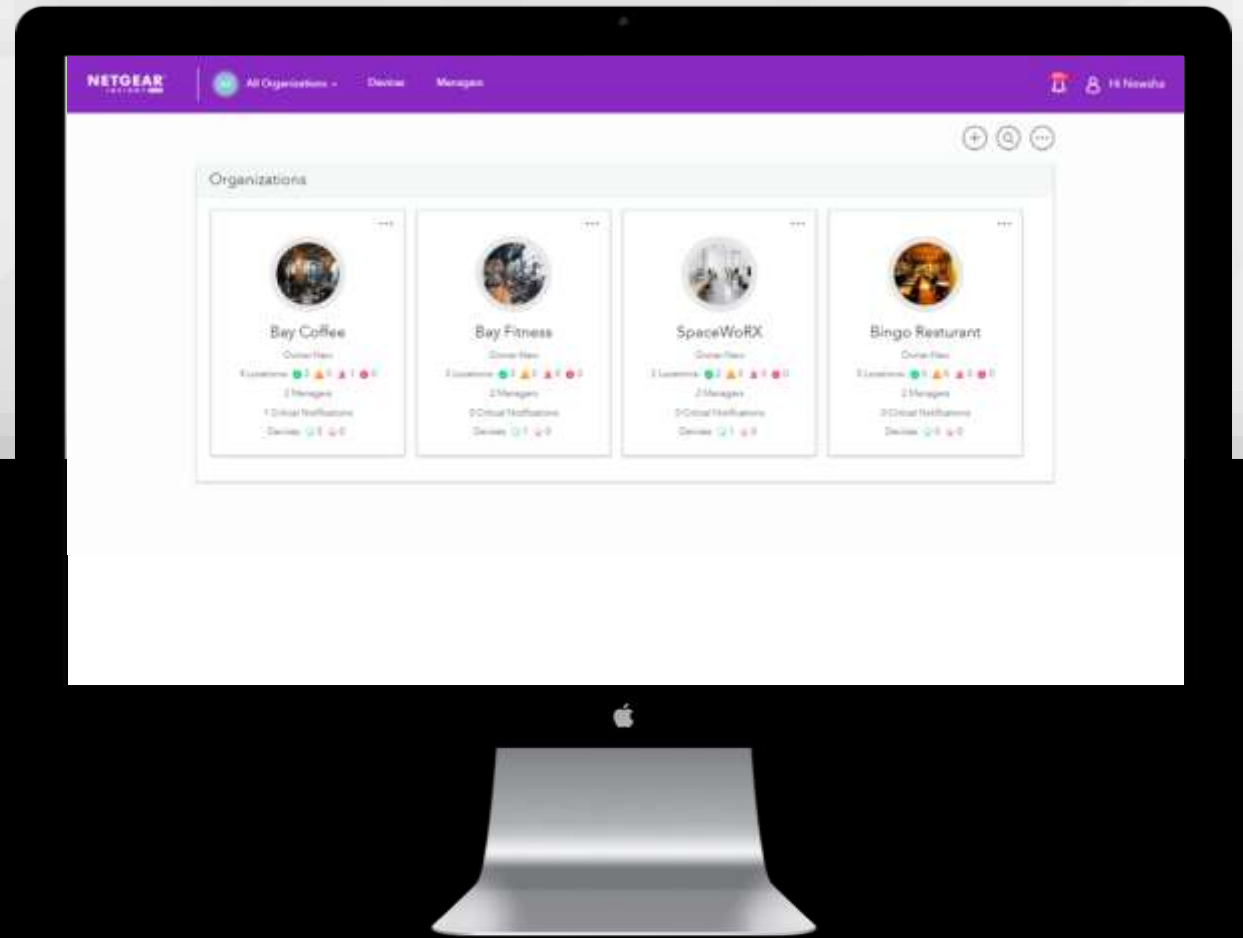
Instant WiFi

Instant Captive Portal

DIY
\$5 per year per device



Managed Service Providers
\$15 per year per device



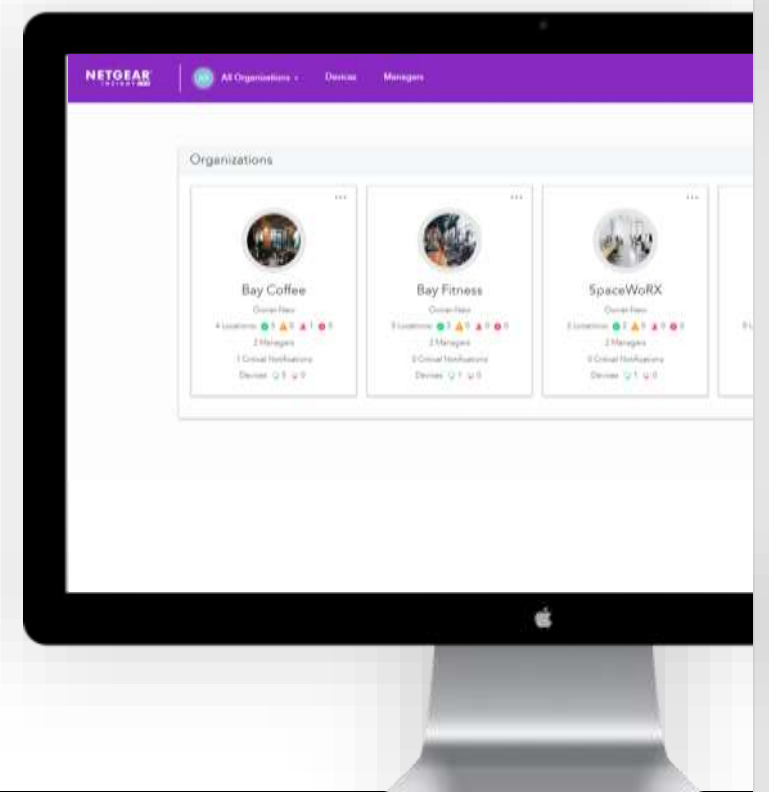
SMB Summary



Up ASP with New Technology



ProAV, Insight Mesh

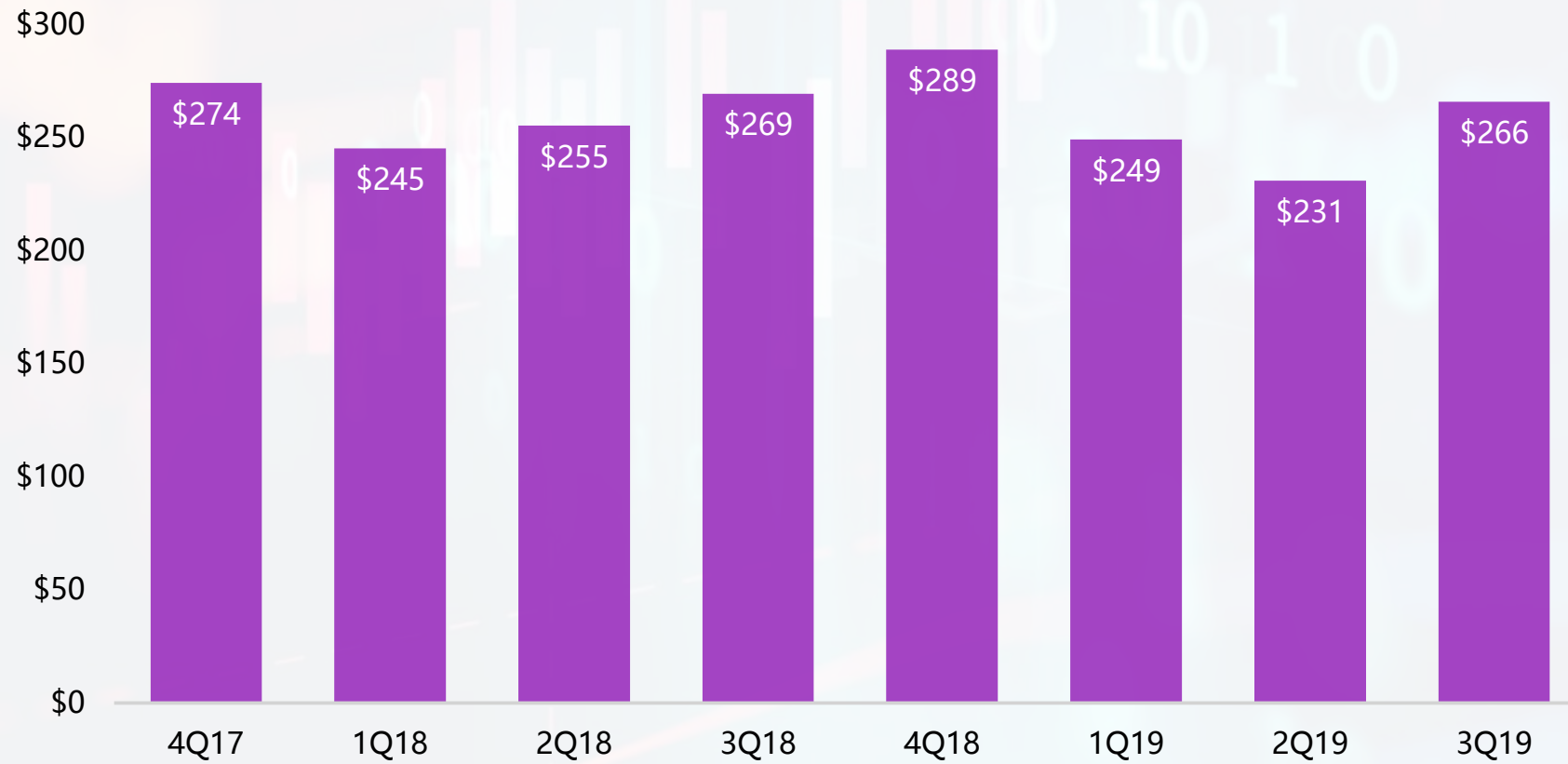


Insight Services

Financials

Quarterly Net Revenue

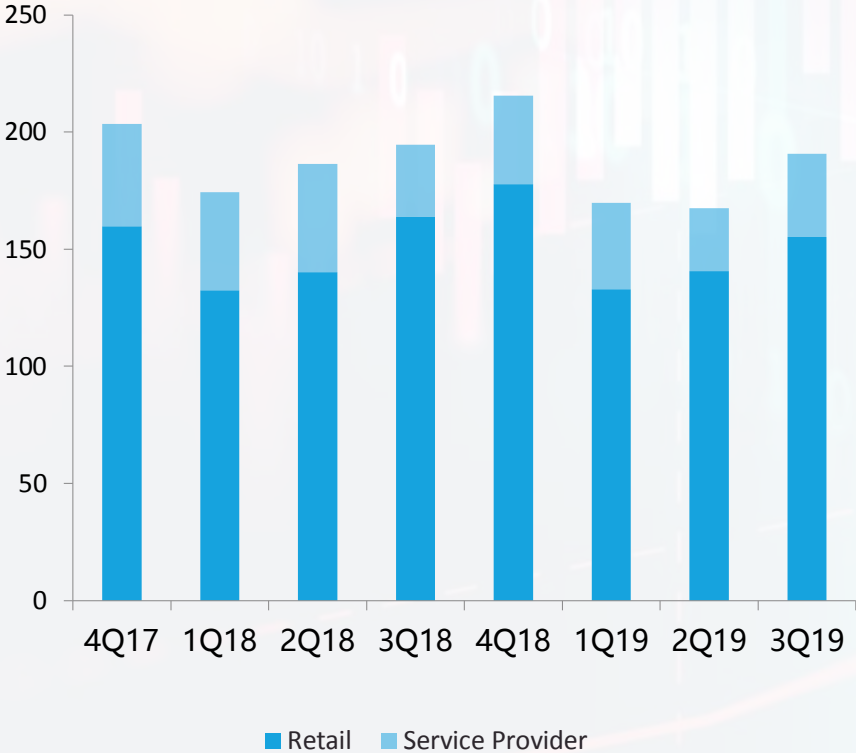
(Net Revenue, \$ Millions)



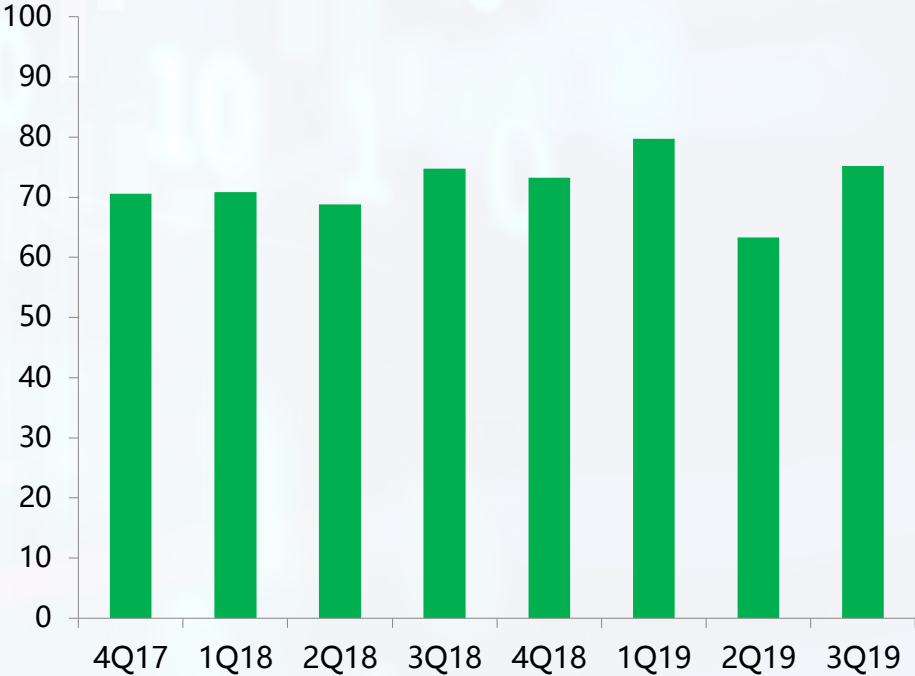
Segment Performance

(Net Revenue, \$ Millions)

CONNECTED HOME



SMB



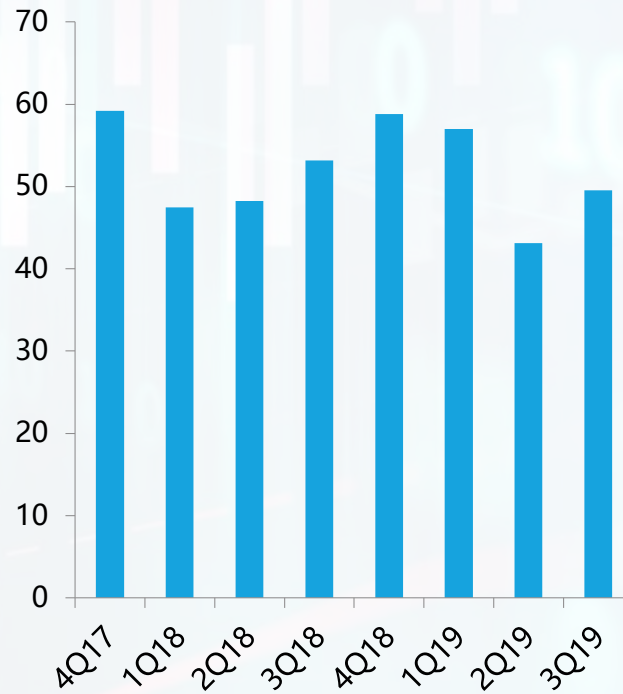
Regional Performance

(Net Revenue, \$ Millions)

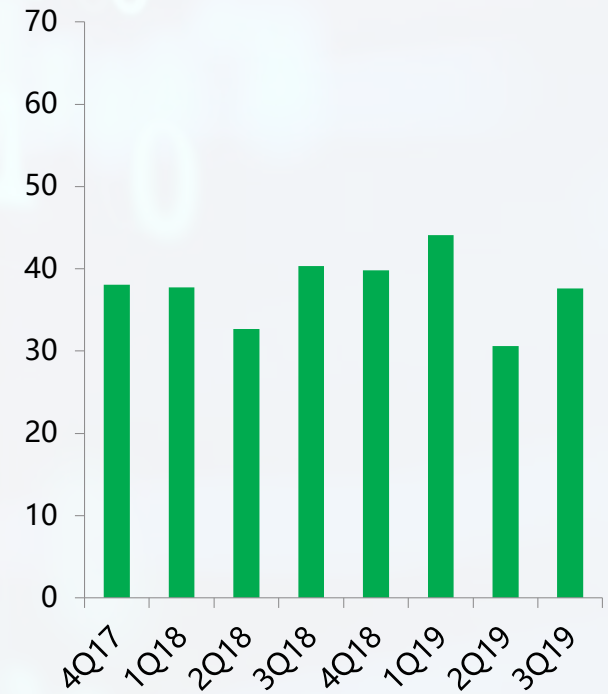
AMERICAS



EMEA

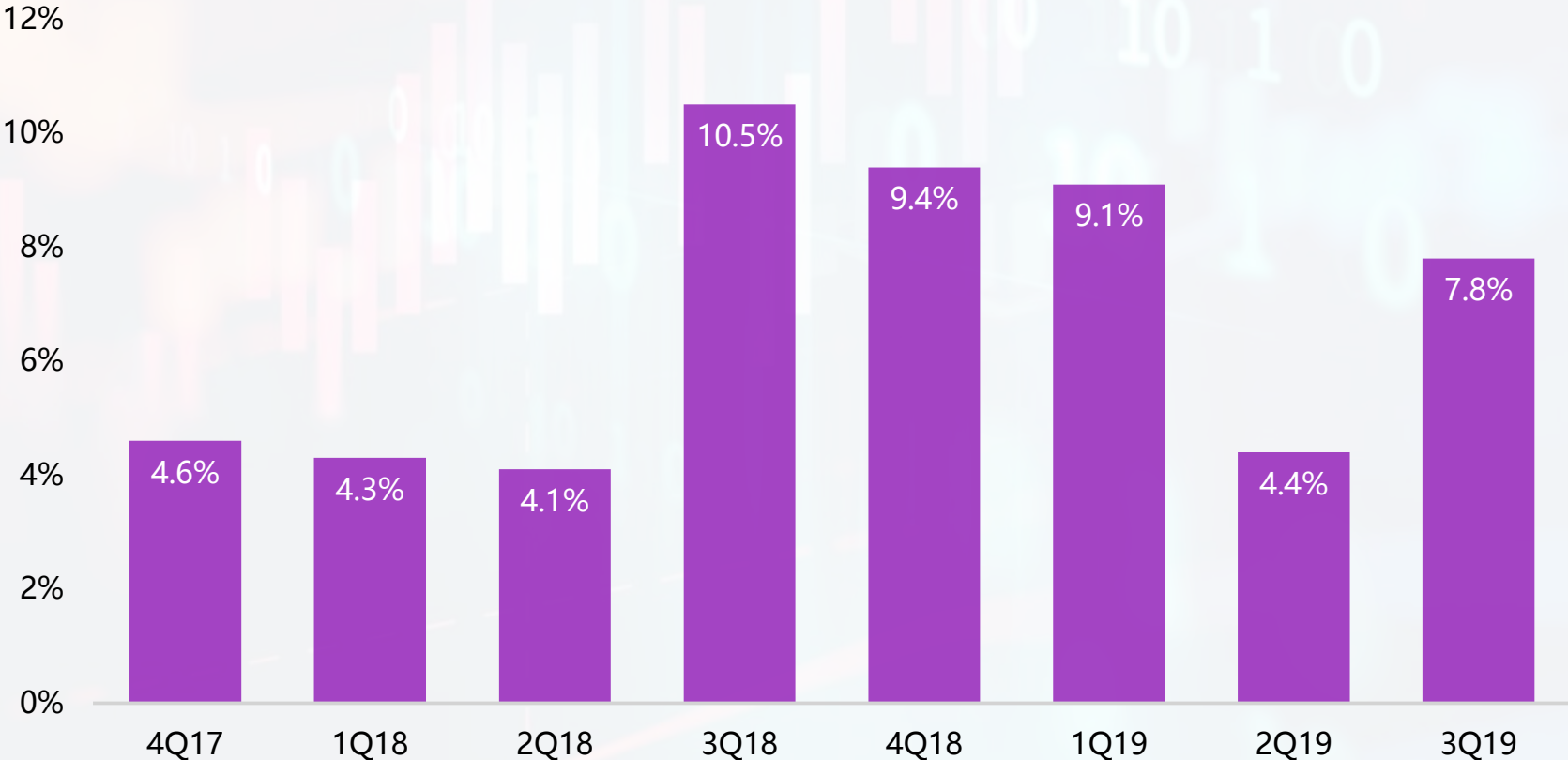


APAC



Operating Margin

(Non-GAAP, % of Revenue)



Earnings Per Share

(Non-GAAP, \$ per Share)



Cash Balance

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

