Winning Through Disruption in the Transport Market

Investor Overview
March 2016
This presentation contains "forward-looking" statements that involve risks, uncertainties and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, any statements about future market performance and similar statements; any statements about historical results that may suggest trends for our business; any statements of the plans, strategies, and objectives of management for future operations; any statements of expectation or belief regarding future events, potential markets or market size, technology and product developments, or enforceability of our intellectual property rights; and any statements of assumptions underlying any of the items mentioned.

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Infinera: A Differentiated Technology Company

- Redefining what the network will be
  - Unique technology innovation with PIC
  - Best-in-class systems with Automation, Convergence and Scalability
- Industry leading global service & support
- Unmatched reliability
- Right tools for right job
- Focused on customer success

Enabling An Infinite Pool of Intelligent Bandwidth
Infinera – A Global Business

- Leader in Intelligent Transport Network™ solutions
- Growth over last 3 years: Revenue up greater than 20% YoY, more than double DWDM market growth*
- Diversified customer base across multiple verticals
  - Several Tier 1s globally
  - Several major global Cable/MSOs
  - 3 of top 4 Internet Content Providers
  - Multiple top Wholesale and Enterprise Carriers

*IHS overall DWDM growth: 2013 = 11%; 2014 = 6%; 2015 = 7%
Infinera Differentiators

PIC-enabled Technology
- PIC enables scalable, intelligent functions: SDN, integrated switching, sliceable bandwidth
- High capacity applications: Long-Haul, Metro Cloud, Metro Core

New Purpose-Built Products
- Cloud Xpress for DC Interconnect
- Transmode Metro portfolio
- Infinera Metro Aggregation
- ~3x TAM expansion to >$15B in 2019*

Vertical Integration
- Lower cost structure than competition
- Supply chain control

* Based on average of latest forecasts from Ovum, IHS, Dell’Oro and ACG
Outpacing Other SP Networking Players

Revenue Growth:
Trailing 12-month revenue

DTN-X for 100G Long-Haul
Cloud Xpress for 100G DCI

3x Revenue Growth

114%
37%

INFN
CIEN
JNPR
CSCO
ADV
ALU

* Based on latest financials available; Adva and ALU assumed flat for Dec 15 as results not yet available
Disruptive Technology Innovation: The Infinera Way
Uniquely Delivers Massive Optical Bandwidth with PICs

Competition

3rd Party Discrete Optics

Moore’s Law-like for Optical

500G "WDM on a chip"
Integrates over 600 optical functions

Industry’s only 500G large scale Photonic Integrated Circuit
PIC Leveraged for Disruptive Systems

Own Key Technologies & Processes
500+ patents filed/granted
Photonic Integrated Circuits
500G Super-Channels

Intelligent Transport Network
Scalability, Convergence, Automation

Purpose-Built Systems

Intelligent Software
Vertically Integrated
Switching ASICs

Vertical Integration

Cloud Xpress
XTC-10/4
XTC-2/2E
XT
DTN-X
DTN
Market Expansion Strategy
Transport becoming is Strategic

- **Networks Simplifying** to New Model of Cloud Services and Intelligent Transport

- **Scalable Optics** and **Integrated Packet-Optical** Key for Simplification

Vision: Enable An Infinite Pool of Intelligent Bandwidth
Data Center Interconnect
Capturing emerging cloud infrastructures
Cloud Architecture Drives New Traffic Patterns

Source: Facebook

Server-to-Server traffic growing faster than Server-to-User traffic
Cloud Xpress – Optimized for DCI

Cloud Xpress Platform
- 500Gb/s input and output in 2 RU
- 500G PIC based super-channel line side
- 500G client w/mix of 10/40/100 GbE
- Instant Bandwidth™

Hyper-Scale Density
- 2RU, smaller than most servers
- 3X to 10X density improvement

Minimal Power
- ~100W per 100G: ALL INCLUSIVE
- 50% better than industry leaders

Simple Operation
- Simple 1-2-3 step provisioning
- Server-like operational experience
The Metro Market
A new market for Infinera as technology upgrades
TM Portfolio Ready for 100G Coherent Metro Ramp

Source: 2015 IHS 100G Coherent Optical Equip Ports Mkt Fcst
Transmode’s Leadership in Metro

Lowest Power & Space
50,000+ Systems
650+ Customers
#1 Packet Optical EMEA

TM-Series
10G/100G Packet-Optical Ethernet, Wireless backhaul / fronthaul

TG-Series
Biz. Service Wireless backhaul

CPE / PON
Biz. Service Wireless backhaul WDM access

MEF member

Rich Eth. Biz Service
Mobile Back/Fronthaul

Storage Networks

FTTx/PON Triple Play

xDSL Triple Play

CATV/MSO Triple Play

Metro Access

Metro Edge & Core Network
Metro Networks Are Application-Oriented

- **Cable MSO Evolution**
- **Business Ethernet**
- **Mobile Evolution**

**100G and Packet-Optical in Metro**

**Metro Core/Regional**

**Long-Haul**

**Metro Access/Aggregation**

**Metro/Micro DC**

**DTN-X Family**

**TM-Series**
XTC-2 Extends DTN-X to Lower Capacity Sites

E.g. Right-sized DTN-X XTC for Smaller Cities

Seattle → Spokane → Boise → Salt Lake City → Las Vegas

100G channels

XTC-10 → XTC-2 → XTC-4

500G Super-channels

Common Hardware, E2E Network Management & Automation
Long Haul

Adding new tools to solve customer needs
Introducing the DTN-X XT Series

Scalable
Super-channel; ILS integration

Efficient
~1W/Gig, 1Tb/s IO 2RU

Programmable
Instant Bandwidth, SDN enabled

Long-Haul Interconnect
Optically Switched (ROADM)
End-to-End Solutions
Value of End-to-End

Packet-Optical Switching Access & Aggregation

Converged Packet Aggregation & OTN Switched Metro Core

Frankfurt Metro Area, Germany

500G Super-channels

Large LH Core

Point-to-Point Interconnect

Pan-European Network

Infinera DNA

TM-Series

XTC-2

100G

XTC-10

XTC-4

XTC-10

XT-500

Infinera DNA

100G Converged Packet Aggregation & OTN Switched Metro Core
Optical Market exceeds $15 billion by 2019

* Long Haul and Metro forecasts based on average of latest forecasts from Ovum, IHS, Dell’Oro and ACG
** We estimate 50% of DCI market to be incremental to Long Haul and Metro DWDM; underlying market estimate from ACG WW Optical Forecast, December 2015
Infinera’s Ascending Global Market Position

Cross-selling and revenue synergies create opportunity to go higher

Source: Dell’Oro Optical Report Jan 2015
Differentiated Financial Results
Infinera – A Growth Story

Revenue (in $m)

<table>
<thead>
<tr>
<th>Year</th>
<th>GM%</th>
<th>OM%</th>
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</thead>
<tbody>
<tr>
<td>FY12</td>
<td>37.9%</td>
<td>-9.4%</td>
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<tr>
<td>FY13</td>
<td>41.6%</td>
<td>1.4%</td>
</tr>
<tr>
<td>FY14</td>
<td>44.0%</td>
<td>8.3%</td>
</tr>
<tr>
<td>FY15</td>
<td>47.8%</td>
<td>13.1%</td>
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</tbody>
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3 years of >20% revenue growth

Industry leading revenue growth and profitability

Solid Balance Sheet

- $207M net cash (end FY15)
- FY15: Positive Cash Flow from Ops every quarter
  - Cash Flow from Ops = $133 million
  - Free Cash Flow/Revenue = 10.3%

Q4 ‘15 Performance

- $261 million revenue
- 48.3% gross margin
- $33 million operating income

Q1 ’16 Guidance

- $240 - $250 million revenue
- 47.5% - 49.5% gross margin
- 10% - 12% operating margin
- $0.15 - $0.19 EPS

All figures are Non-GAAP (reconciliation to GAAP numbers may be found at www.Infinera.com)
Purpose-Built Products: Good for Customers & Infinera

Innovating to address entire $15B* opportunity

New XT-Series: High Capacity LH Data Center Interconnect

New XTC-2/2E: Packet-OTN Switching for Regional / Metro Core

TM-Series: Packet-Optical for Metro Core, Aggregation, Access

* Based on average of latest forecasts from Ovum, IHS, Dell’Oro and ACG
Margin Growth Opportunity

Margin Drivers

- Vertical integration
- Footprint vs fill
- Instant bandwidth
- Purpose-Built Products

Expanding Markets Drive Margin Growth

Long-Haul

Cloud Xpress

Metro

Infinera PIC Fab

Expanding Markets Drive Margin Growth

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Great Time To Be In Optical For Infinera

- End-to-end packet-optical portfolio
- Consolidating market
- Vertical IP ownership
- TAM > $15B*

* Based on average of latest forecasts from Ovum, IHS, Dell’Oro and ACG
Thank You

www.infinera.com