

Fiscal 2018 Third Quarter Results

April 26, 2018

Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, without limitation, the Company's projections and statements regarding revenue, gross margin, earnings per share, capital expenditures and other financial and business metrics. These statements involve risks and uncertainties that could cause actual results to differ materially from expectations. Please refer to the Company's Annual Report on Form 10-K for the fiscal year ended June 24, 2017 for a description of some of the risk factors that could cause actual results to differ materially from such forward-looking statements.

All forward-looking statements included in this presentation are made as of the date hereof and based on the information available to the Company as of the date hereof. The Company assumes no obligation to update any forward-looking statement.

Fiscal 2018 Third Quarter Results Summary

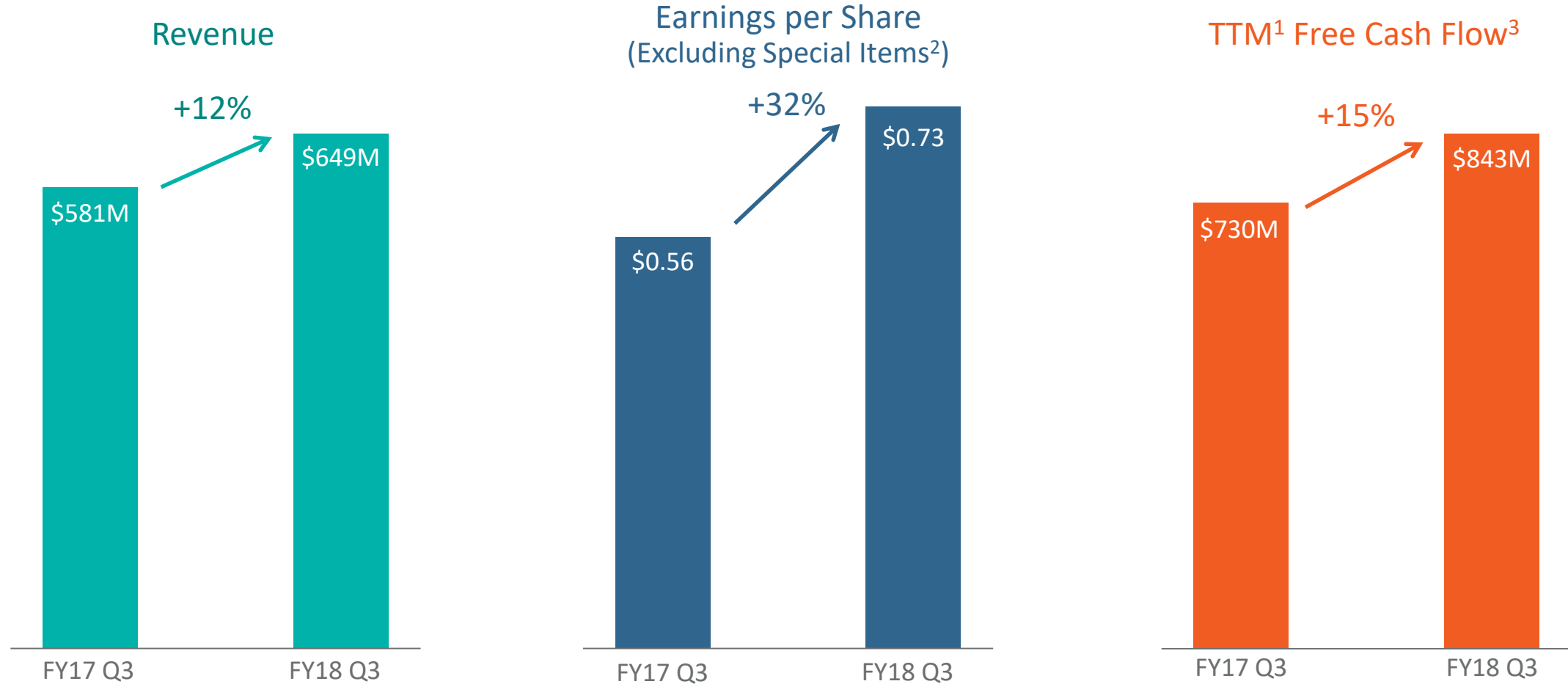
- Net Revenue of **\$649 million**
- Gross Margin of **67.2%** (excluding special items); **65.4%** (GAAP)
- Earnings Per Share of **\$0.73** (excluding special items); **\$0.68** (GAAP)
- Returned **\$246 million** to shareholders
 - Dividend payout: **\$118 million**
 - Stock repurchases: **\$128 million**
- TTM¹ Free Cash Flow of **\$843 million**, **34%** of TTM revenue

¹TTM: Trailing Twelve Months

Note: Free Cash Flow = Cash Flow from Operations – Capital Expenditures

Results and Guidance

Fiscal 2018 Third Quarter Results vs. Last Year

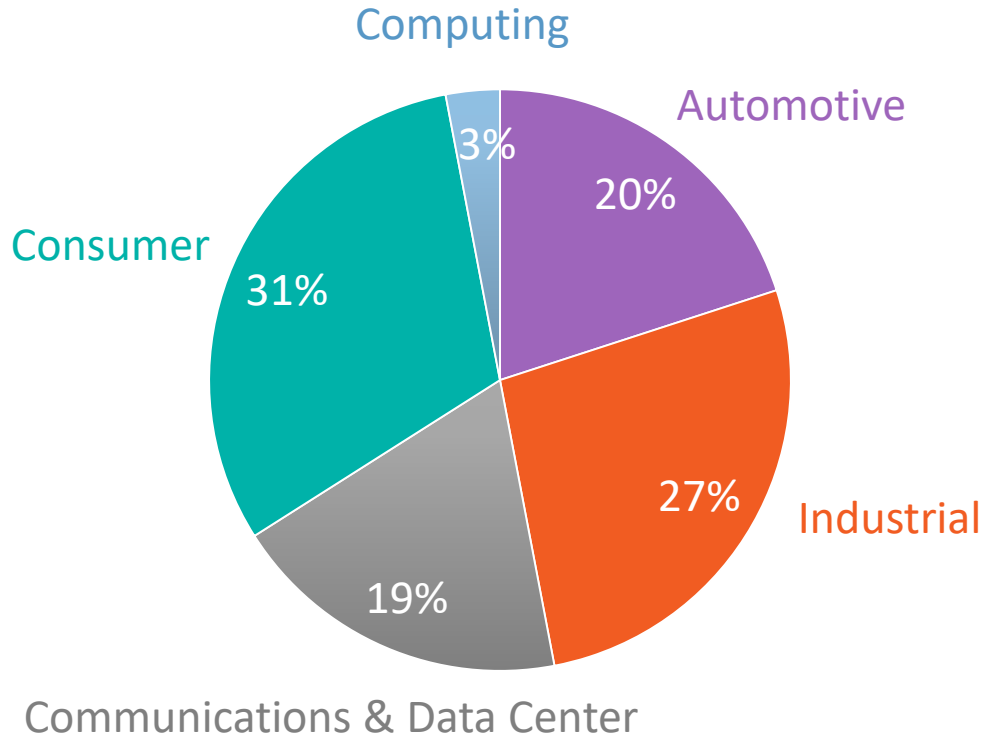


¹TTM: Trailing Twelve Months

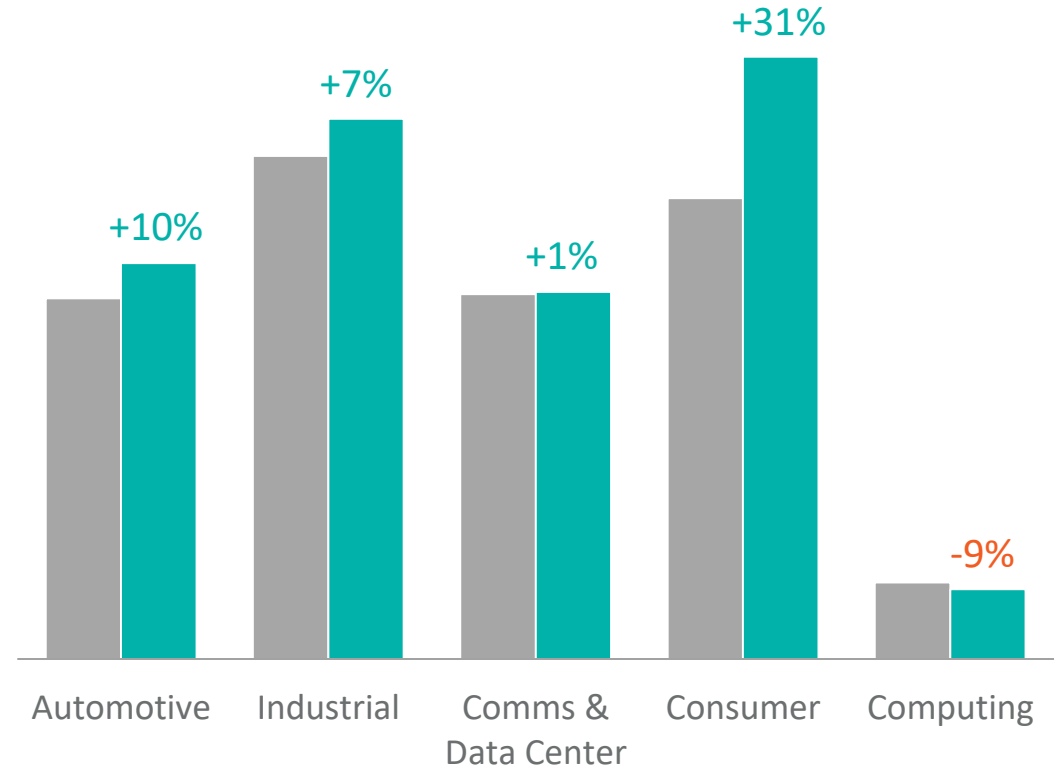
²Special Items definition in appendix

³Free Cash Flow: Cash Flow from Operations – Capital Expenditures

Fiscal 2018 Third Quarter Results by End Market



FY18 Q3 Revenue: **\$649M**



FY17 Q3 and FY18 Q3 Revenue

Note: Due to nature of our general purpose products, estimates by Major Markets are imprecise

Fiscal 2018 Fourth Quarter Guidance

	Guidance
Revenue	\$610M – \$650M
Gross Margin	66% – 68% GAAP excl. Special Items ² (64% – 66% GAAP)
Earnings Per Share	\$0.67 – \$0.73 GAAP excl. Special Items ² (\$0.62 – \$0.68 GAAP)
Gross Capital Expenditures	Target range of 1 – 3% of revenue

FY18 Q4 End Market Guidance vs. FY18 Q3

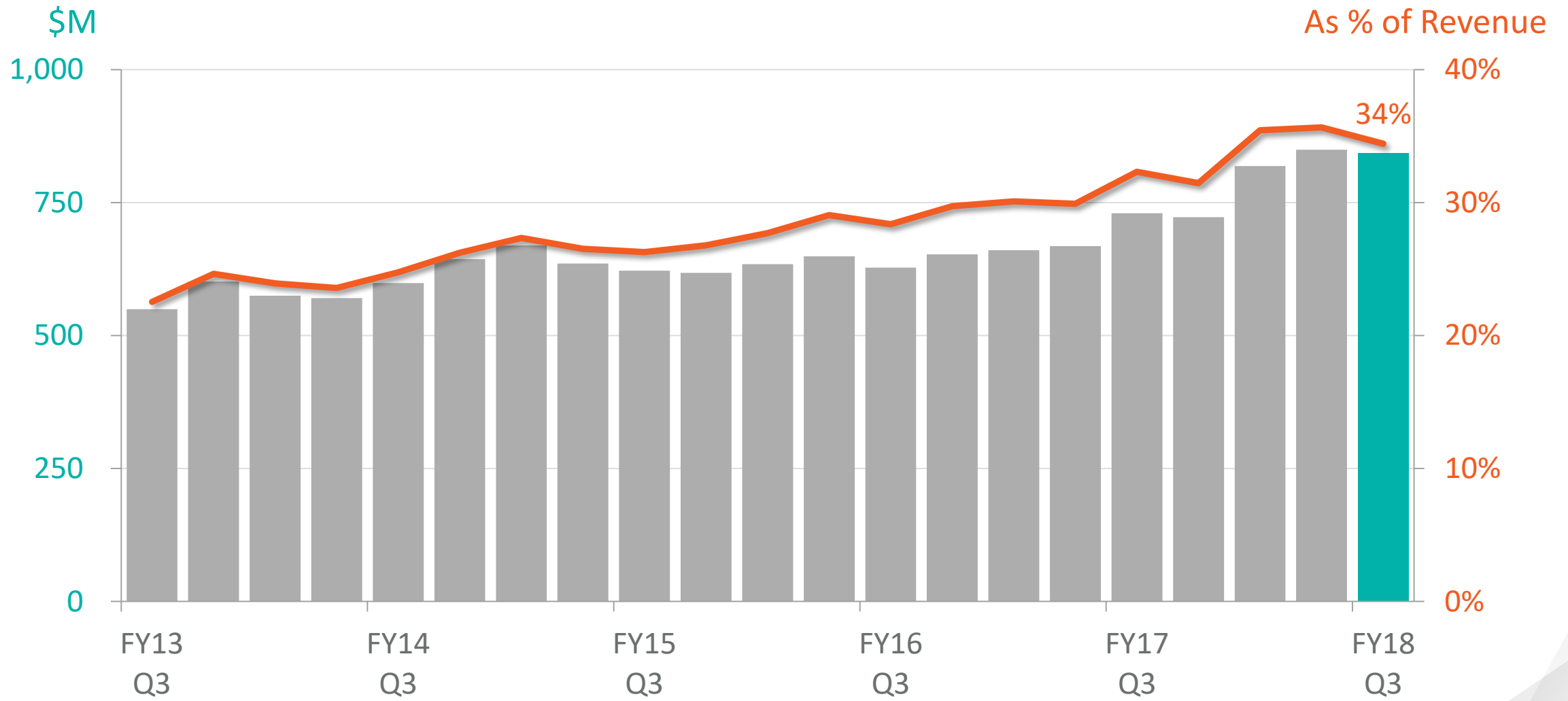
- Automotive: Strongly Up
- Industrial: Strongly Up
- Comms & Data Center: Up
- Consumer: Strongly Down
- Computing: Strongly Up

²Special Items definition in Appendix

Note: Maxim Integrated's business outlook does not include the potential impact of any restructuring activity, acquisitions, or other business combinations that may be completed during the quarter.

Key Metrics

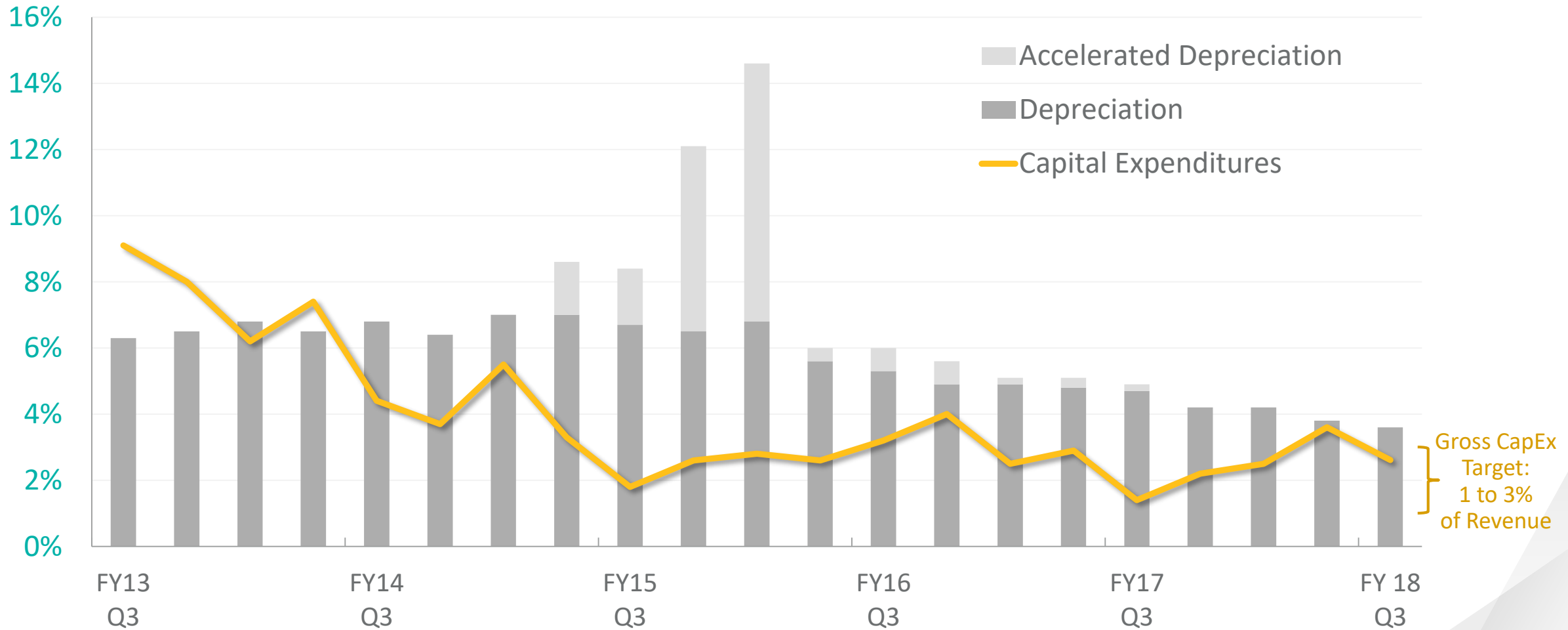
TTM¹ Free Cash Flow



¹TTM: Trailing Twelve Months
 Note: Free Cash Flow: Cash from Operations – Capital Expenditures

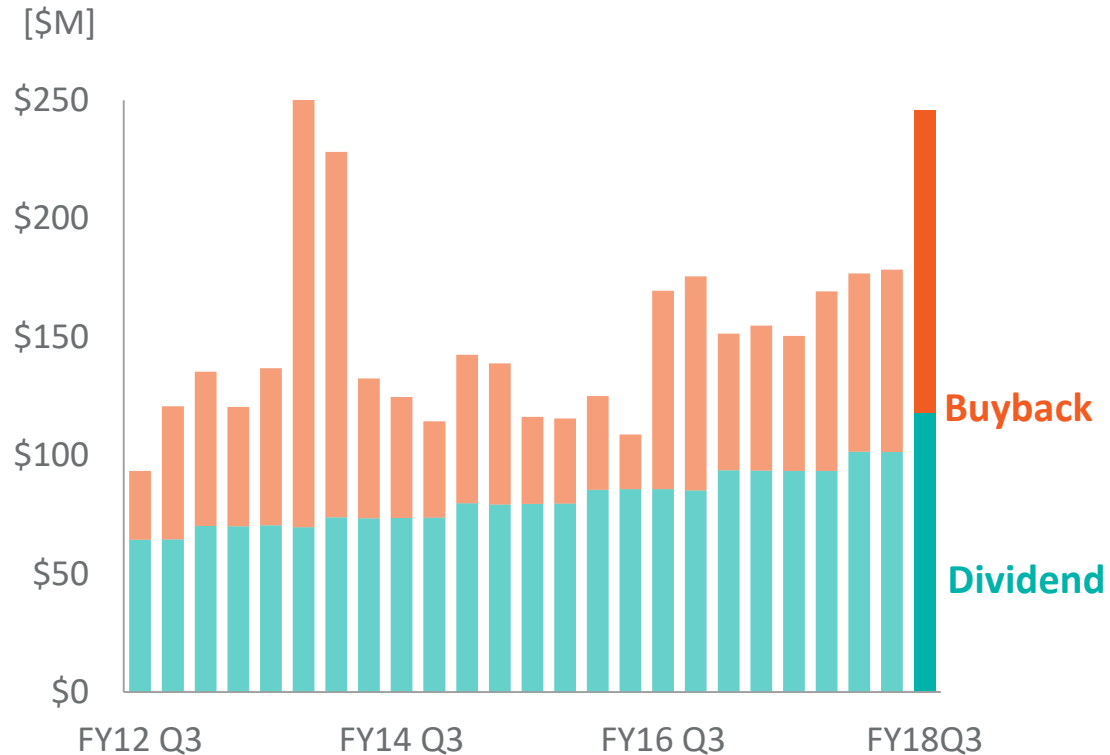
Capital Expenditures vs. Depreciation

% of Revenue



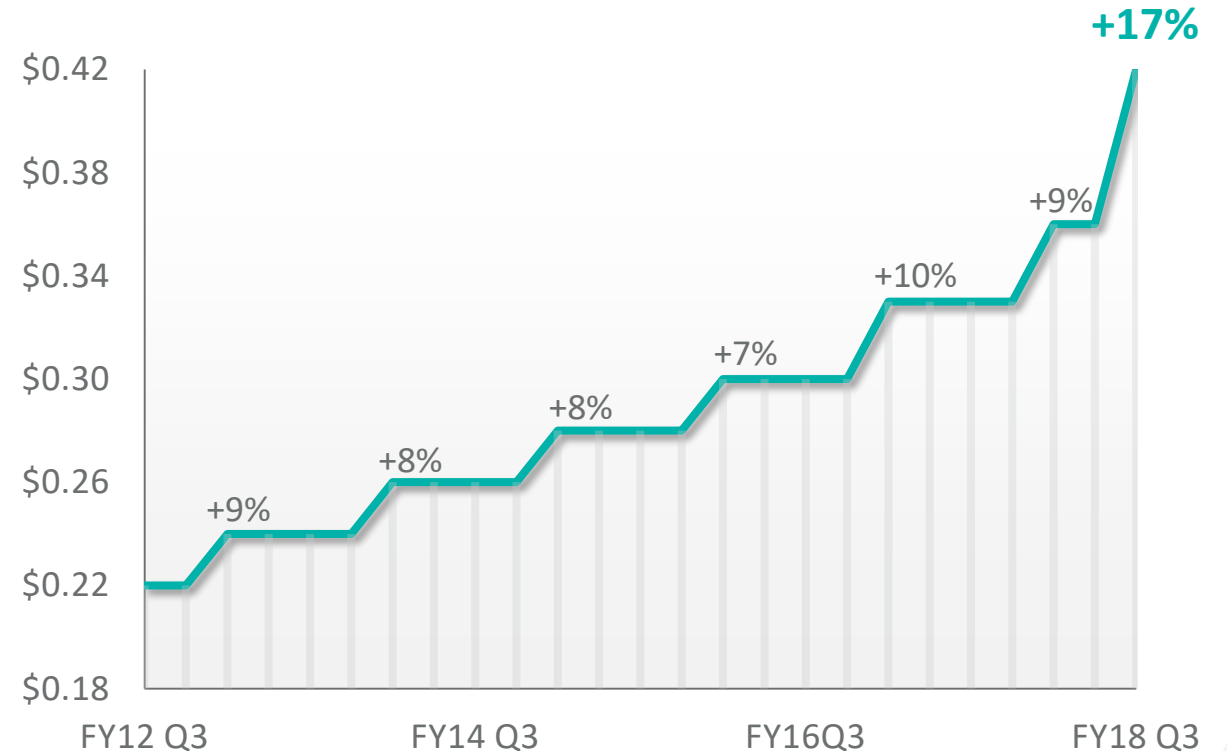
Return of Cash to Shareholders

Dividends & Share Repurchases



Share repurchase increased in FY18 Q3 to enable 100% FCF return to shareholders

Quarterly Cash Dividend Per Share



Quarterly dividend increased to \$0.42 per share in FY18 Q3



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Appendix

²Special Items: intangible asset amortization; accelerated depreciation; acquisition-related inventory write-up; impairment of long-lived assets; impairment of goodwill and intangible assets; severance and restructuring; acquisition-related costs; contingent consideration adjustments relating to certain acquisitions; expected loss on rent expense for vacated office space; loss related to sale of land and buildings; impairment of investments in privately-held companies; tax provision impacts due to fixed asset tax basis adjustment relating to prior year depreciation expense.

Reconciliation of GAAP vs. GAAP Excluding Special Items (Unaudited)

	Three Months Ended		
	March 31, 2018	December 30, 2017	March 25, 2017
	(in thousands, except per share data)		
Reconciliation of GAAP gross profit to GAAP gross profit excluding special items:			
GAAP gross profit	\$ 423,946	\$ 409,676	\$ 366,904
GAAP gross profit %	65.4%	65.8%	63.1%
Special items:			
Intangible asset amortization	12,101	11,139	11,064
Accelerated depreciation (1)	—	—	1,103
Total special items	12,101	11,139	12,167
GAAP gross profit excluding special items	\$ 436,047	\$ 420,815	\$ 379,071
GAAP gross profit % excluding special items	67.2%	67.6%	65.2%
Reconciliation of GAAP operating expenses to GAAP operating expenses excluding special items:			
GAAP operating expenses	\$ 199,108	\$ 208,628	\$ 192,652
Special items:			
Intangible asset amortization	876	995	2,348
Impairment of long-lived assets (2)	—	850	1,000
Severance and restructuring	2,272	6,523	450
Other operating expenses (income), net	266	(959)	1,704
Total special items	3,414	7,409	5,502
GAAP operating expenses excluding special items	\$ 195,694	\$ 201,219	\$ 187,150
Reconciliation of GAAP net income (loss) to GAAP net income excluding special items:			
GAAP net income (loss)	\$ 193,627	\$ (75,015)	\$ 140,213
Special items:			
Intangible asset amortization	12,977	12,134	13,412
Accelerated depreciation (1)	—	—	1,103
Impairment of long-lived assets (2)	—	850	1,000
Severance and restructuring	2,272	6,523	450
Other operating expenses (income), net	266	(959)	1,704
Interest and other expense (income), net	(97)	(119)	(48)
Pre-tax total special items	15,418	18,429	17,621
Other income tax effects and adjustments (3)	151	(897)	1,957
Impact of U.S. tax legislation (4)	—	243,550	—
GAAP net income excluding special items	\$ 209,196	\$ 186,067	\$ 159,791
GAAP net income per share excluding special items:			
Basic	\$ 0.74	\$ 0.66	\$ 0.56
Diluted	\$ 0.73	\$ 0.65	\$ 0.56
Shares used in the calculation of earnings per share excluding special items:			
Basic	280,850	281,560	282,903
Diluted (5)	285,881	286,356	287,882

(1) Includes building and equipment accelerated depreciation related to the Dallas manufacturing facility during the third quarter of fiscal year 2017.

(2) Includes impairment of investments in privately-held companies.

(3) Includes tax effect of pre-tax special items and miscellaneous tax adjustments.

(4) Includes effect of U.S. tax legislation enacted on December 22, 2017.

(5) Shares used in diluted earnings per share excluding special items differs from GAAP loss per share due to net income on a non-GAAP basis during second quarter of fiscal year 2018.