

Fiscal 2018 Fourth Quarter Results

July 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 Fourth Quarter Results Summary

- Net Revenue of **\$633 million**
- Gross Margin of **68.0%** (excluding special items¹); **66.1%** (GAAP)
- Earnings Per Share of **\$0.73** (excluding special items¹); **\$0.68** (GAAP)
- Returned **\$245 million** to shareholders
 - Dividend payout: **\$117 million**
 - Stock repurchases: **\$128 million**
- TTM² Free Cash Flow (adjusted)³ of **\$932 million**, **38%** of TTM Revenue

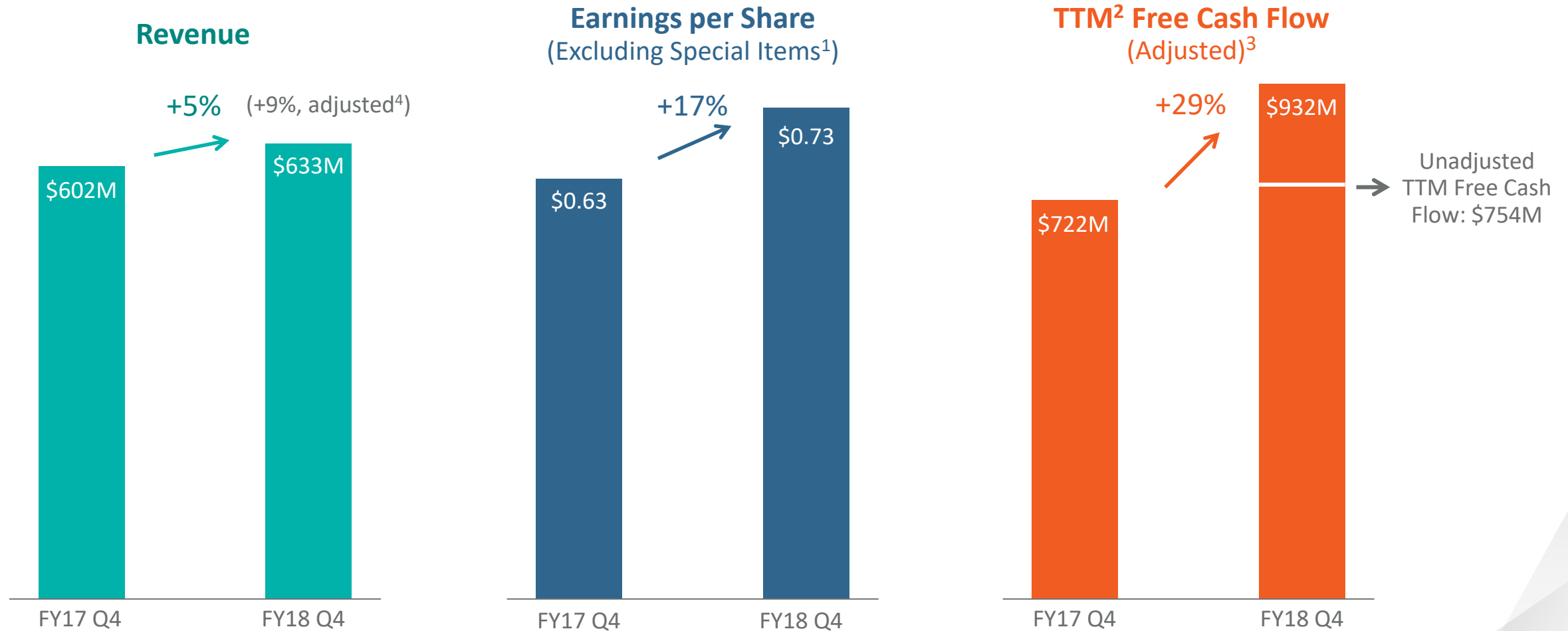
¹Special Items definition in appendix

²TTM: Trailing Twelve Months

³Free Cash Flow = Cash Flow from Operations – Capital Expenditures; TTM Cash Flow (adjusted) excludes one-time tax payment of \$178M in FY18 Q4

Results and Guidance

Fiscal 2018 Fourth Quarter Results vs. Last Year



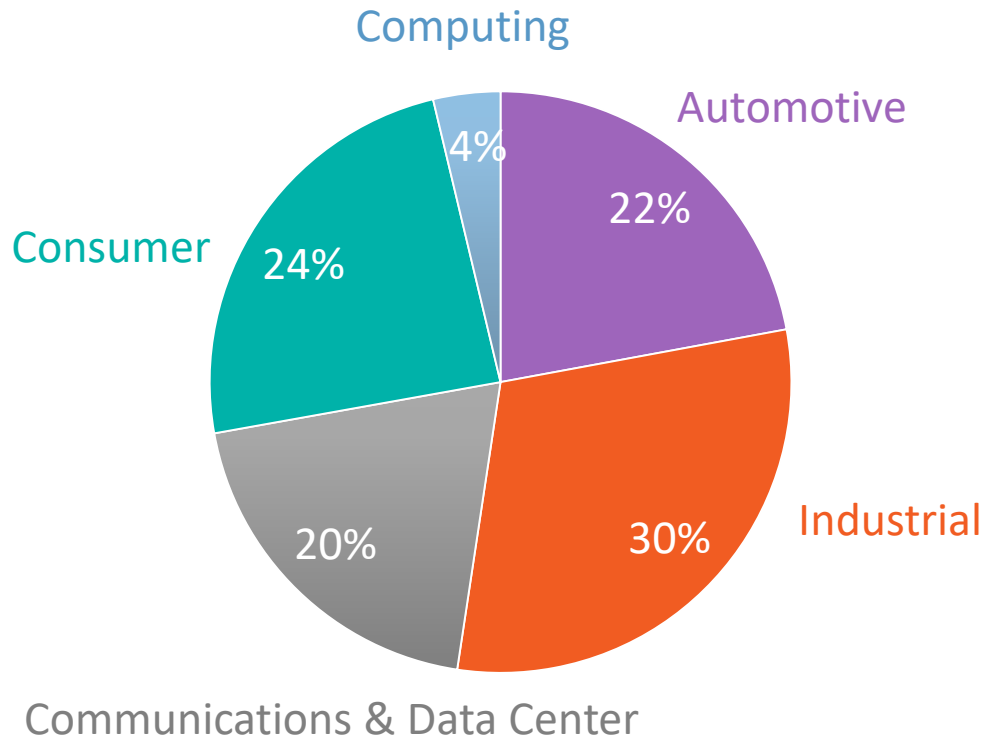
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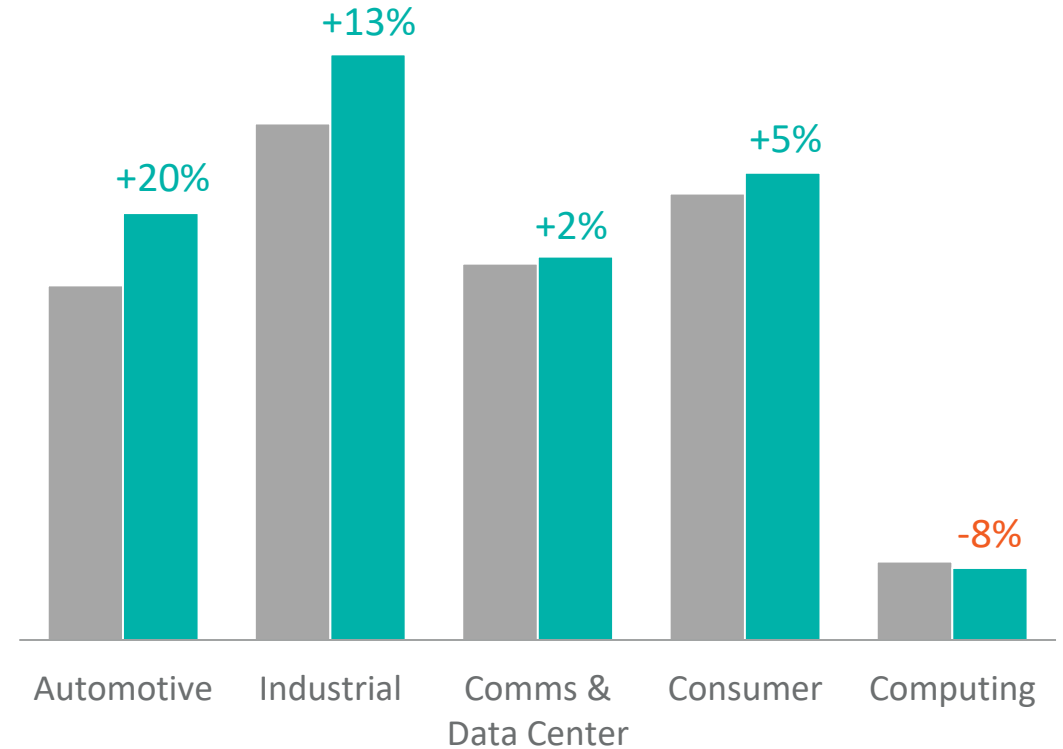
⁴Revenue grew 9% YoY if normalized for sell-in accounting in FY17Q4

Fiscal 2018 Fourth Quarter Results by End Market



FY18 Q4 Revenue: **\$633M**

Chart Normalized for FY17 Q4 Accounting Transition



FY17 Q4 and FY18 Q4 Revenue*

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

*FY18 Q4 YoY Revenue Growth including FY17 Q4 accounting transition: Automotive +19%, Industrial +7%, Comms & Data Center -3%, Consumer +3%, Computing -12%

Fiscal 2019 First Quarter Guidance

	Guidance
Revenue	\$615M – \$655M
Gross Margin	66.5% – 68.5% GAAP excl. Special Items ¹ (65% – 67% GAAP)
Earnings Per Share	\$0.72 – \$0.78 GAAP excl. Special Items ¹ (\$0.67 – \$0.73 GAAP)
Gross Capital Expenditures	Target range of 1 – 3% of revenue

FY19 Q1 End Market Guidance vs. FY18 Q4

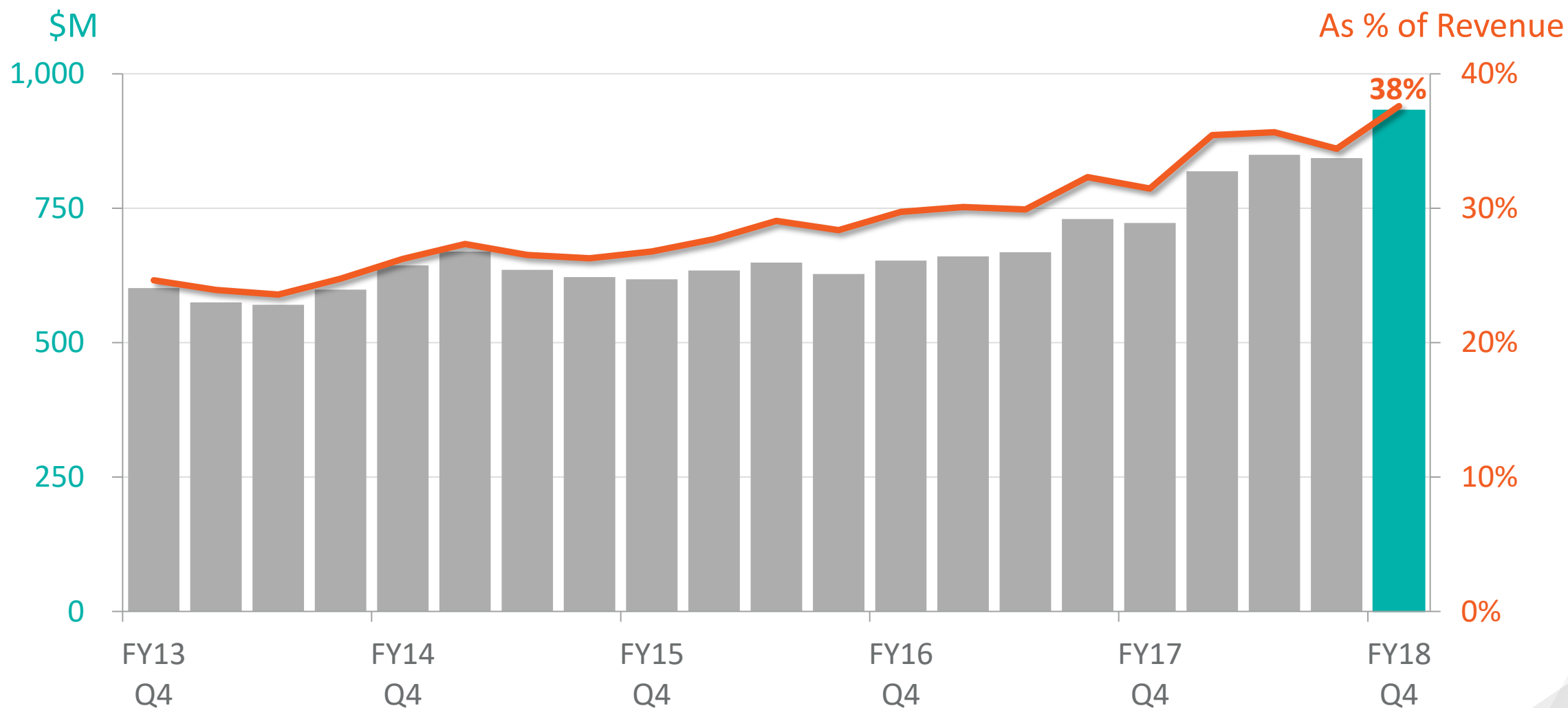
- Automotive: Flat
- Industrial: Down
- Comms & Data Center: Flat
- Consumer: Strongly Up
- Computing: Strongly Down

¹Special 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

TTM² Free Cash Flow (adjusted)³

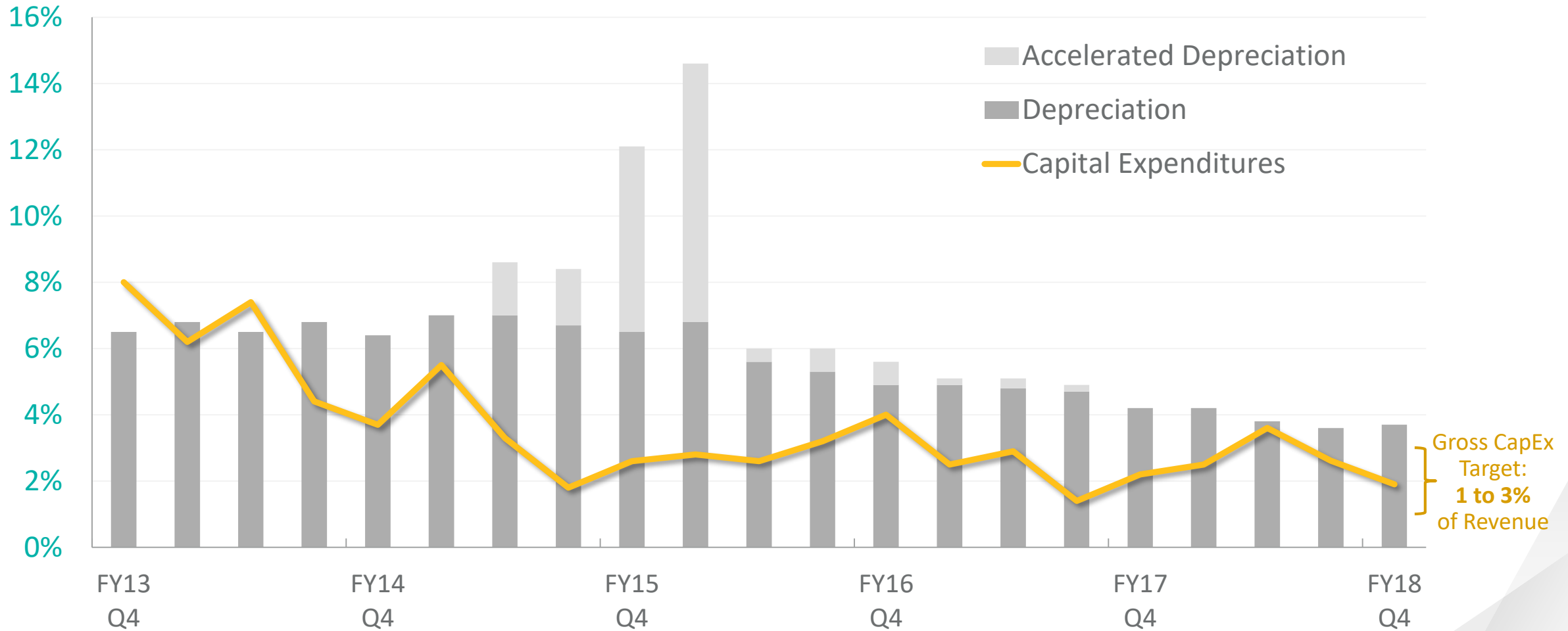


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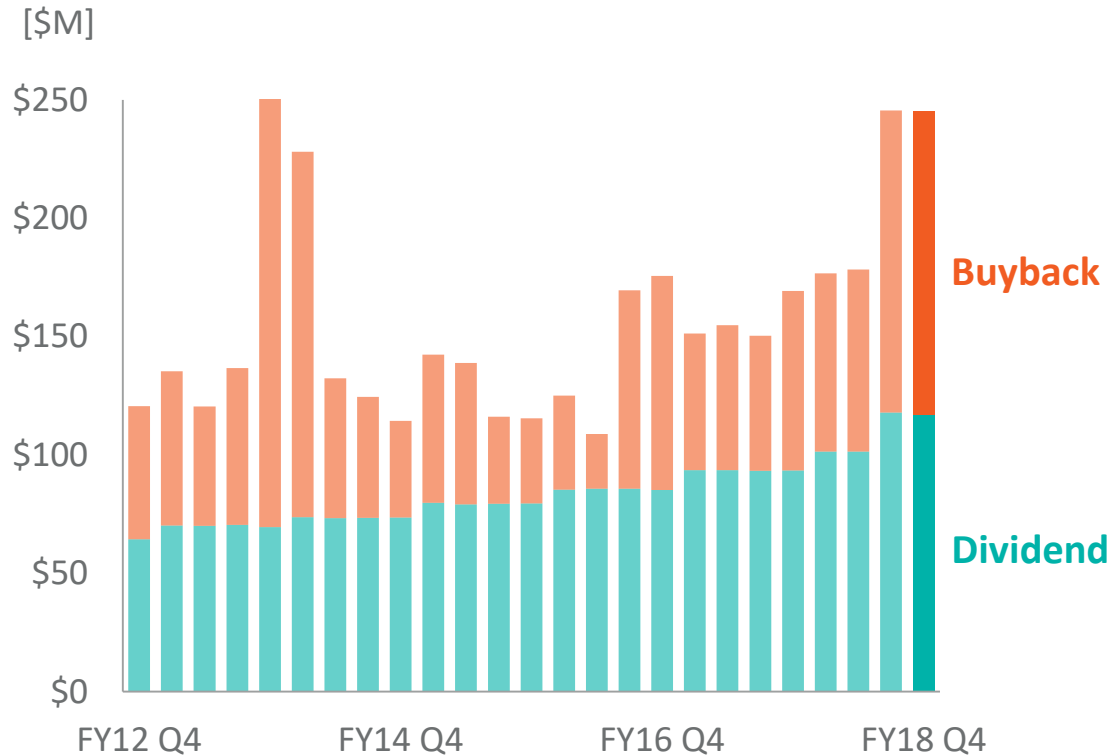
Capital Expenditures vs. Depreciation

% of Revenue

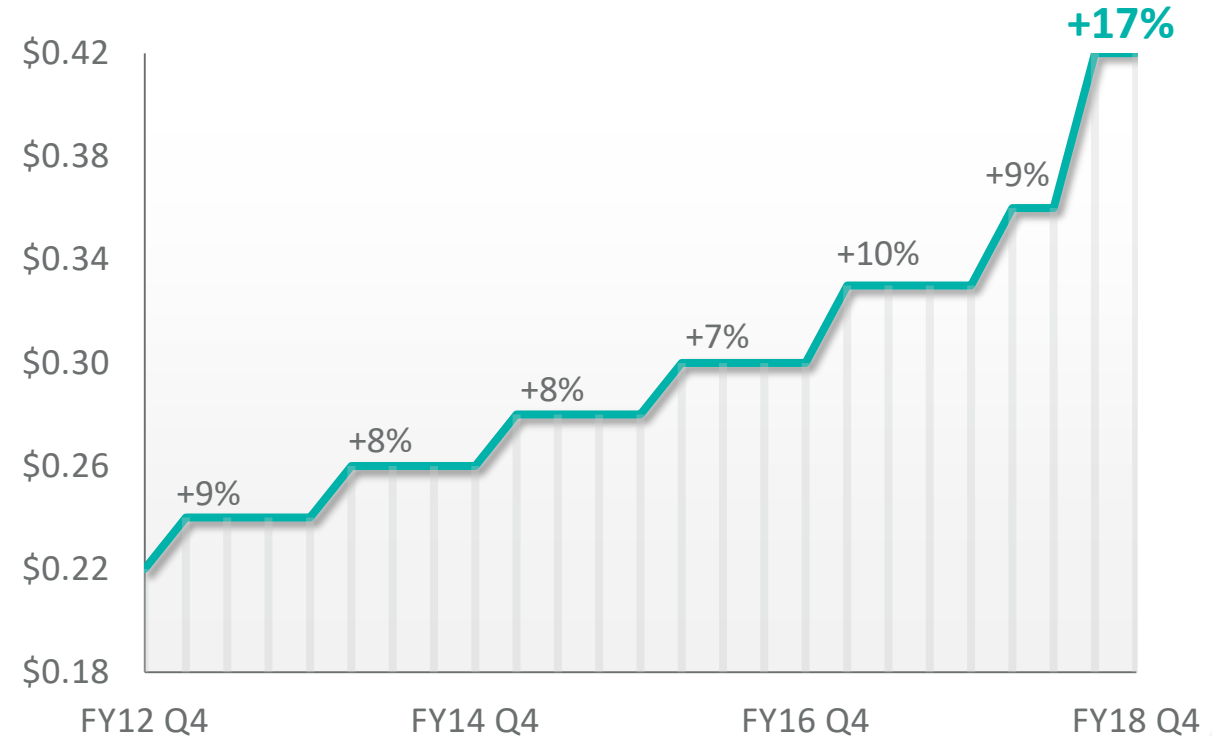


Return of Cash to Shareholders

Dividends & Share Repurchases



Quarterly Cash Dividend Per Share



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

Quarterly dividend increasing **10%** to **\$0.46** per share in FY19 Q1



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Appendix

¹Special 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			Year Ended	
	June 30, 2018	March 31, 2018	June 24, 2017	June 30, 2018	June 24, 2017
(in thousands, except per share data)					
Reconciliation of GAAP gross profit to GAAP gross profit excluding special items:					
GAAP gross profit	\$ 418,668	\$ 423,946	\$ 393,666	\$ 1,626,121	\$ 1,446,480
GAAP gross profit %	66.1%	65.4%	65.4%	65.6%	63.0%
Special items:					
Intangible asset amortization	11,759	12,101	11,064	46,064	46,485
Accelerated depreciation (1)	—	—	—	—	3,459
Total special items	11,759	12,101	11,064	46,064	49,944
GAAP gross profit excluding special items	\$ 430,427	\$ 436,047	\$ 404,730	\$ 1,672,185	\$ 1,496,424
GAAP gross profit % excluding special items	68.0%	67.2%	67.2%	67.4%	65.2%
Reconciliation of GAAP operating expenses to GAAP operating expenses excluding special items:					
GAAP operating expenses	\$ 196,273	\$ 199,108	\$ 194,288	\$ 792,674	\$ 751,703
Special items:					
Intangible asset amortization	844	876	2,050	4,467	9,189
Impairment of long-lived assets (2)	—	—	—	892	7,517
Severance and restructuring	833	2,272	1,175	15,060	12,453
Other operating expenses (income), net (3)	(71)	266	1,923	(1,607)	(22,944)
Total special items	1,606	3,414	5,148	18,812	6,215
GAAP operating expenses excluding special items	\$ 194,667	\$ 195,694	\$ 189,140	\$ 773,862	\$ 745,488
Reconciliation of GAAP net income (loss) to GAAP net income excluding special items:					
GAAP net income (loss)	\$ 194,172	\$ 193,627	\$ 163,309	\$ 467,318	\$ 571,613
Special items:					
Intangible asset amortization	12,603	12,977	13,114	50,531	55,674
Accelerated depreciation (1)	—	—	—	—	3,459
Impairment of long-lived assets (2)	—	—	—	892	7,517
Severance and restructuring	833	2,272	1,175	15,060	12,453
Other operating expenses (income), net (3)	(71)	266	1,923	(1,607)	(22,944)
Interest and other expense (income), net (4)	(941)	(97)	(90)	(1,243)	(5,661)
Pre-tax total special items	12,424	15,418	16,122	63,633	50,498
Other income tax effects and adjustments (5)	1,194	151	499	(898)	(11,465)
Impact of U.S. tax legislation (6)	—	—	—	243,550	—
GAAP net income excluding special items	\$ 207,790	\$ 209,196	\$ 179,930	\$ 773,603	\$ 610,646
GAAP net income per share excluding special items:					
Basic	\$0.74	\$0.74	\$0.64	\$2.75	\$2.16
Diluted	\$0.73	\$0.73	\$0.63	\$2.71	\$2.12
Shares used in the calculation of earnings per share excluding special items:					
Basic	279,304	280,850	282,747	280,979	283,147
Diluted	283,934	285,881	287,494	285,674	287,974

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

(2) Includes impairment of investments in privately-held companies and other equipment impairment charges.

(3) Includes gain on sale of the micro-electromechanical systems (MEMS) business line during fiscal year 2017.

(4) Includes gain on sale of shares received for the sale of the wafer manufacturing facility in San Antonio, Texas during fiscal year 2017.

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

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