Q4 FY18 Conference Call

August 8, 2018

Forward Looking Statements and Financial Presentation

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. These statements include any anticipation or guidance as to future financial performance, including future revenue, earnings per share, gross margin, operating expense, operating margin, profitability, cash flow and other financial metrics, anticipated trends for our products as well as our strategies and position in our markets. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected. In particular, the Company's ability to predict future financial performance continues to be difficult due to, among other things: (a) quarter-over-quarter product mix fluctuations, which can materially impact profitability measures due to the broad gross margin ranges across our portfolio; (b) continued decline of average selling prices across our businesses; (c) effects of seasonality; (d) the ability of our suppliers and contract manufacturers to meet production, quality and delivery requirements for our forecasted demand; (e) inherent uncertainty related to global markets and the effect of such markets on demand for our products; (f) changes in customer demand; (g) our ability to attract and retain new customers, particularly in the 3D sensing market; (h) the risk that the Oclaro transaction does not close, due to the failure of one or more conditions to closing or the failure of the businesses (including personnel) to be integrated successfully after closing; (i) the risk that synergies and non-GAAP earnings accretion will not be realized or realized to the extent anticipated; (j) uncertainty as to the market value of the Lumentum merger consideration to be paid in the merger; (k) the risk that required governmental approvals of the merger (including China antitrust approvals) will not be obtained or that such approvals will be delayed beyond current expectations; (l) the risk that following this transaction, Lumentum's financing or operating strategies will not be successful; (m) litigation in respect of either company or the merger; and (n) disruption from the merger making it more difficult to maintain customer, supplier, key personnel and other strategic relationships. All forward-looking statements involve risks and uncertainties that could cause actual events and terms to differ materially from those set forth herein, including those related to our business and growth opportunities. For more information on these risks, please refer to the "Risk Factors" section included in the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018 as filed with the Securities and Exchange Commission, in the S-4 filed by Lumentum with the Securities and Exchange Commission on May 17, 2018, as amended on May 31, 2018, in connection with the Oclaro transaction and in the documents which are incorporated by reference therein, and in our other filings with the Securities and Exchange Commission. In addition, the results contained in this presentation are valid only as of today's date except where otherwise noted. The forward-looking statements contained in this presentation are made as of the date hereof and the Company assumes no obligation to update such statements, except as required by applicable law.

Unless otherwise stated, all financial results and projections are on a non-GAAP basis. Our GAAP results, details about our non-GAAP financial measures, and a reconciliation between GAAP and non-GAAP results can be found in our fiscal fourth quarter and full year 2018 earnings press release which is available on our web site, www.lumentum.com, under the investors section. We have not provided reconciliations from GAAP to non-GAAP measures for our outlook. A large portion of non-GAAP adjustments, such as derivative liability adjustments, restructuring charges, stock-based compensation, litigation, non-cash income tax expense and credits, and other costs and contingencies unrelated to current and future operations are by their nature highly volatile and we have low visibility as to the range that may be incurred in the future.

No Offer or Solicitation and Additional Information and Where to Find It

No Offer or Solicitation

This communication is for informational purposes only and not intended to and does not constitute an offer to subscribe for, buy or sell, the solicitation of an offer to subscribe for, buy or sell or an invitation to subscribe for, buy or sell any securities or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the proposed transaction or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended, and otherwise in accordance with applicable law.

Additional Information and Where to Find It

In connection with the proposed transaction between Lumentum Holdings, Inc. ("Lumentum") and Oclaro, Inc. ("Oclaro"), Lumentum filed a registration statement on Form S-4 with the Securities and Exchange Commission (the "SEC"), which includes a proxy statement of Oclaro that also constitutes a prospectus of Lumentum. The registration statement was declared effective by the SEC on May 31, 2018, and Oclaro commenced mailing the definitive joint proxy statement/prospectus to stockholders of Oclaro on or about June 4, 2018, and the special meeting of the stockholders of Oclaro was held on July 10, 2018.

LUMENTUM AND OCLARO URGE INVESTORS AND SECURITY HOLDERS TO READ THE DEFINITIVE PROXY STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION CAREFULLY AND IN THEIR ENTIRETY BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.

Investors and security holders may obtain these materials and other documents filed with the Securities and Exchange Commission free of charge at the Securities and Exchange Commission's website, www.sec.gov. Copies of documents filed with the Securities and Exchange Commission by Lumentum (when they become available) may be obtained free of charge on Lumentum's website at www.lumentum.com or by directing a written request to Lumentum Holdings Inc., Investor Relations, 400 North McCarthy Boulevard, Milpitas, CA 95035. Copies of documents filed with the Securities and Exchange Commission by Oclaro (when they become available) may be obtained free of charge on Oclaro's website at www.oclaro.com or by directing a written request to Oclaro, Inc. Investor Relations, 225 Charcot Avenue, San Jose, CA 95131.

Q4 and Full Year FY18 Key Points

- **Full year performance**
  - Record revenue of $1.25B up 25% over prior year
  - Industrial & Consumer up 848% over prior year with launch of 3D sensing into mobile devices
  - Commercial Lasers up 31% over prior year driven by micro and macro materials processing
  - Non-GAAP Gross Margin expanded 420 bps to 38.9%
  - Non-GAAP Operating Margin expanded 730 bps to 19.7%
  - Non-GAAP Earnings up more than 100% to $247.8M
  - Cash and Short-term investments grew by $156.2M to $711.5M

- **Q4 performance**
  - Commercial Lasers revenue, up 7% Q/Q to record levels driven by record fiber laser sales
  - Telecom revenue up 9% Q/Q driven by record TrueFlex® ROADM sales
  - Industrial & Consumer revenue down 12% Q/Q, record pump sales offset by 3D sensing seasonality
  - Datacom revenue down 5% Q/Q
  - Non-GAAP Gross Margin expanded 90 bps to 37.2%
  - Non-GAAP Operating Margin expanded 130 bps to 17.8%

- **Progress on key strategic objectives in 2018**
  - Launched 3D sensing in mobile devices
  - Expanded next gen ROADM sales globally, including China, and achieved record sales levels
  - Launched new fiber laser platform and ramped sales to record levels
  - Engaged in pending Oclaro acquisition to accelerate innovation

Q4 FY18 Results (GAAP)

$ in millions except for EPS, % of revenue	Q4 FY18		Q3 FY18		Q4 FY17	
Revenue	**$301.1**		**$298.8**		**$222.7**	
Gross Margin	**95.5**	*31.7%*	**97.0**	*32.5%*	**67.3**	*30.2%*
Operating Expenses	**74.6**	*24.8%*	**71.5**	*23.9%*	**63.4**	*28.5%*
Operating Income	**20.9**	*6.9%*	**25.5**	*8.5%*	**3.9**	*1.8%*
Diluted EPS	**$0.40**		**$0.04**		**$(0.90)**	
Diluted Shares-M	**65.0**		**63.3**		**61.3**	

FY18 Results (GAAP)

$ in millions except for EPS, % of revenue	FY18		FY17	
Revenue	**$1,247.7**		**$1,001.6**	
Gross Margin	**432.1**	*34.6%*	**318.1**	*31.8%*
Operating Expenses	**292.2**	*23.4%*	**270.5**	*27.0%*
Operating Income	**139.9**	*11.2%*	**47.6**	*4.8%*
Diluted EPS	**$3.82**		**$(1.71)**	
Diluted Shares-M	**63.3**		**60.6**	

Q4 FY18 Results (Non-GAAP)

$ in millions *except for EPS, % of revenue*	Q4 FY18		Q3 FY18		Q4 FY17	
Revenue	**$301.1**		**$298.8**		**$222.7**	
Gross Margin	**112.1**	*37.2%*	**108.5**	*36.3%*	**73.2**	*32.9%*
Operating Expenses	**58.5**	*19.4%*	**59.1**	*19.8%*	**52.8**	*23.7%*
Operating Income	**53.6**	*17.8%*	**49.4**	*16.5%*	**20.4**	*9.2%*
Diluted EPS	**$0.95**		**$0.78**		**$0.39**	
Diluted Shares-M	**65.0**		**64.8**		**63.8**	

FY18 Results (Non-GAAP)

$ in millions *except for EPS, % of revenue*	FY18		FY17	
Revenue	**$1,247.7**		**$1,001.6**	
Gross Margin	**485.1**	*38.9%*	**347.2**	*34.7%*
Operating Expenses	**238.9**	*19.1%*	**222.9**	*22.3%*
Operating Income	**246.2**	*19.7%*	**124.3**	*12.4%*
Diluted EPS	**$3.82**		**$1.94**	
Diluted Shares-M	**64.8**		**63.1**	

Q4 FY18 Segment Results (Non-GAAP)

$ in millions	Q4 FY18	Q3 FY18	Q4 FY17
Revenue	**$301.1**	**$298.8**	**$222.7**
Optical Communications	244.9	246.3	186.8
Telecom	133.1	122.6	120.2
Datacom	34.5	36.3	50.1
Industrial & Consumer(1)	77.3	87.4	16.5
Commercial Lasers	56.2	52.5	35.9
Gross Margin	**37.2%**	**36.3%**	**32.9%**
Optical Communications	34.8%	33.7%	31.1%
Commercial Lasers	47.9%	48.4%	42.1%

(1) Industrial & Consumer contains 3D sensing revenues as well as diode lasers sold into industrial applications.

Balance Sheet

Selected Items *$ in millions*	Q4 FY18	Q3 FY18
Cash and Short-term Investments	$711.5	$692.8
Working Capital(1)	201.7	180.4
Property, Plant & Equipment, net	306.9	301.8
Total Assets	1,581.5	1518.2
Total Liabilities	619.6	605.8
Shareholder's Equity(2)	961.9	912.4

(1) Working capital excluding cash and short-term investments.
(2) Includes convertible preferred stock of $35.8M.

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Q1 FY19 Guidance (Non-GAAP)

Guidance provided is based on our expectations as of today and will not be updated or confirmed as of any other date.

$ in millions except for EPS, % of revenue	**Q4 FY18** *Actual*	**Q1 FY19** *Estimate*
Revenue	$301.1	$340 - $360
Operating Margin	17.8%	19% - 21%
Diluted EPS	$0.95	$0.90 - $1.10

Our guidance does not include results from Oclaro or shares issued in connection with the closing of our acquisition of Oclaro as we are unable to predict the timing of the closing.

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