LUMENTUM

Q2 FY21 Conference Call

February 2, 2021

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 or operating performance, trends in our business, including our market position and trends in demand for our products and technology, supply and manufacturing trends and longer term trends and dynamics in our markets and industry, our planned acquisition of Coherent and the expected benefits of such acquisition, our strategies and ability to compete, performance, including our guidance and expectations regarding future net revenue, earnings per share, gross margin, operating expense, operating margin, profitability, cash flow and other financial metrics, including our assumptions and trends that are informing such guidance, and the impact of the COVID-19 pandemic and related responses of businesses and governments to the pandemic on our markets, operations, and future financial performance. 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, including the impact of the COVID-19 pandemic, 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 Lumentum's financing or operating strategies will not be successful; (i) changes in the political or economic environment, including trade and export restrictions; and (j) the COVID-19 pandemic and related impacts, which may continue to adversely impact our business, financial performance and results of operations. 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 December 26, 2020 as filed with the Securities and Exchange Commission, and in our other filings with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K for the fiscal year ended June 27, 2020. 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 second quarter 2021 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 restructuring charges, stock-based compensation, acquisition-related costs, non-cash income tax expense and credits, transferring product lines to new production facilities, amortization of fair value adjustments, impairment charges, inventory write down due to plans to exit certain product lines, and other costs and contingencies unrelated to current and future cash flows, are by their nature highly volatile and we have low visibility as to the range that may be incurred in the future.

Additional Information and Where to Find It and Participants in the Merger Solicitation

Additional Information and Where to Find It

In connection with the proposed transaction between Lumentum Holdings, Inc. (“Lumentum”) and Coherent, Inc. (“Coherent”), Lumentum will file with the Securities and Exchange Commission a Registration Statement on Form S-4 that includes the joint proxy statement of Lumentum and Coherent that will also constitute a prospectus of Lumentum. The information in the preliminary proxy statement/prospectus is not complete and may be changed. When the joint proxy statement/prospectus is finalized, it will be sent to the respective stockholders of Coherent and Lumentum seeking their approval of their respective transaction-related proposals.

Lumentum may not sell the common stock referenced in the proxy statement/prospectus until the Registration Statement on Form S-4 filed with the SEC becomes effective. The preliminary proxy statement/prospectus and this communication are not offers to sell Lumentum securities, are not soliciting an offer to buy Lumentum securities in any state where the offer and sale is not permitted and are not a solicitation of any vote or approval.

LUMENTUM AND COHERENT URGE INVESTORS AND SECURITY HOLDERS TO READ THE REGISTRATION STATEMENT ON FORM S-4, THE RELATED JOINT PROXY STATEMENT/PROSPECTUS INCLUDED THEREIN AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.

Investors and security holders will be able to obtain these materials (when they are available and filed) free of charge at the SEC’s website, www.sec.gov. Copies of documents filed with the SEC by Lumentum (when they become available) may be obtained free of charge on Lumentum’s website at www.lumentum.com or by contacting Lumentum’s Investor Relations Department at investor.relations@lumentum.com. Copies of documents filed with the SEC by Coherent (when they become available) may be obtained free of charge on Coherent’s website at https://investors.coherent.com/ by contacting Coherent’s Investor Relations at investor.relations@coherent.com.

Participants in the Merger Solicitation

Each of Lumentum, Coherent and directors, executive officers and certain other members of management and employees may be deemed to be participants in the solicitation of proxies in respect of the transaction. Information regarding these persons who may, under the rules of the SEC, be considered participants in the solicitation of the respective stockholders of Coherent and Lumentum in connection with the proposed transaction is set forth in the proxy statement/prospectus to be filed with the SEC. Additional information regarding Lumentum’s executive officers and directors is included in Lumentum’s definitive proxy statement, which was filed with the SEC on September 25, 2020. Additional information regarding Coherent’s executive officers and directors is included in Coherent’s definitive proxy statement, which was filed with the SEC on April 6, 2020. You can obtain free copies of these documents using the information in the paragraph immediately above.

Q2FY21 Key Points

- Achieved record revenue and non-GAAP gross margin, operating margin, and EPS
  - Non-GAAP gross margin at 53.4% expanded 140 bps Q/Q and 600 bps Y/Y
  - Non-GAAP operating margin at 35.5% expanded 180 bps Q/Q and 670 bps Y/Y
  - Non-GAAP EPS at $1.99 expanded 12% Q/Q and 30% Y/Y

- Telecom and Datacom:
  - Revenue up 10% Q/Q and 7% Y/Y as reported
  - Excluding discontinued and divested products revenue was up 17% Y/Y[(1)]
  - Ramping integrated InP 400G+ solutions including 600G/800G components and DCO modules
  - Strong growth in ROADM revenue Q/Q
  - Datacom chip revenue growth impacted by 5G slowdown in China

- Industrial & Consumer:
  - Revenue declined 3% Q/Q but up 14% Y/Y
  - Closed a number of design wins in automotive and delivery vehicle LiDAR applications

- Lasers:
  - Revenue grew 24% Q/Q with strength in micromaterials processing applications
  - Served market recovering from COVID-19 and expect to grow into Q3
  - Strong gross margin due to design and manufacturing capabilities

(1) adjusting for $22M, $1M, and $0.4M of discontinued or divested products in Q2FY20, Q1FY21, and Q2FY21 respectively.

Q2 FY21 Results (GAAP)

$ in millions except for EPS, % of revenue	Q2 FY21		Q1 FY21		Q2 FY20	
Revenue	**$478.8**		**$452.4**		**$457.8**	
Gross Margin	**229.6**	*48.0%*	**205.7**	*45.5%*	**189.1**	*41.3%*
Operating Expenses	**114.3**	*23.9%*	**106.7**	*23.6%*	**114.3**	*25.0%*
Operating Income	**115.3**	*24.1%*	**99.0**	*21.9%*	**74.8**	*16.3%*
Diluted EPS	**$1.06**		**$0.86**		**$0.63**	
Diluted Shares-M	**78.4**		**78.2**		**78.0**	

Q2 FY21 Results (Non-GAAP)

$ in millions *except for EPS, % of revenue*	Q2 FY21		Q1 FY21		Q2 FY20	
Revenue	**$478.8**		**$452.4**		**$457.8**	
Gross Margin	**255.9**	*53.4%*	**235.2**	*52.0%*	**216.8**	*47.4%*
Operating Expenses	**86.0**	*18.0%*	**82.7**	*18.3%*	**84.8**	*18.5%*
Operating Income	**169.9**	*35.5%*	**152.5**	*33.7%*	**132.0**	*28.8%*
Diluted EPS	**$1.99**		**$1.78**		**$1.53**	
Diluted Shares-M	**78.4**		**78.2**		**78.0**	

Q2 FY21 Segment Results

$ in millions	Q2 FY21	Q1 FY21	Q2 FY20
Revenue	**$478.8**	**$452.4**	**$457.8**
Optical Communications	449.1	428.5	409.4
Telecom & Datacom	286.2	261.3	266.3
Industrial & Consumer[1]	162.9	167.2	143.1
Commercial Lasers	29.7	23.9	48.4
Gross Margin (Non-GAAP)	**53.4 %**	**52.0%**	**47.4%**
Optical Communications	53.8 %	52.5%	48.0%
Commercial Lasers	47.5 %	43.5%	42.1%

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

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Balance Sheet

Selected Items *$ in millions*	Q2 FY21	Q1 FY21
Cash and Short-term Investments	$1,700.3	$1,610.7
Working Capital[(1)]	298.9	262.6
Property, Plant & Equipment, net	385.8	393.4
Total Assets	3,468.2	3,387.4
Total Liabilities	1,546.3	1,571.3
Shareholder’s Equity	1,921.9	1,816.1

(1) Working capital excluding cash, short-term investments and short-term debt.

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Q3 FY21 Guidance (Non-GAAP)

Guidance 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*	**Q2 FY21** *Actual*	**Q3 FY21** Guidance
Revenue	$478.8	$425 - $440
Operating Margin	35.5%	27.5% – 29.5%
Diluted EPS	$1.99	$1.31 - $1.46

- Revenue projection at mid-point assumes:
  - Telecom & Datacom down Q/Q
  - Industrial & Consumer down Q/Q
  - Commercial Lasers up Q/Q
- Other assumptions
  - Q/Q opex increase of ~$6M[(1)]
  - Other expense of ~$0.8M
  - Tax expense of ~$12M
  - Diluted share count of ~80M

(1) Primarily due to new calendar year reset of payroll tax and benefits rates, new hiring, and an extra week of payroll for the 14-week quarter.

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