Corporate Update

Enabling The Use of Data

October 2016
These slides and the accompanying oral presentation contain forward-looking statements and information.

The use of words such as “may”, “might”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “project”, “intend”, “future”, “potential” or “continued”, and other similar expressions are intended to identify forward-looking statements.

All of these forward-looking statements are based on estimates and assumptions by our management that, although we believe to be reasonable, are inherently uncertain. Forward-looking statements involve risks and uncertainties, including, but not limited to, economic, competitive, governmental and technological factors outside of our control, that may cause our business, industry, strategy or actual results to differ materially from the forward-looking statement.

These risks and uncertainties may include those discussed under the heading “Risk Factors” in the Company’s most recent 10K and 10Qs on file with the Securities and Exchange Commission, and other factors which may not be known to us. Any forward-looking statement speaks only as of its date. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.
Exponential Data Growth – The Best Platforms Are Needed

We Live in a World of Data

More Devices

More Applications

More Data

Data Needs to be Accessible Always and in Real-Time
In the World of Data

Businesses Turn to Mellanox to Enable the Use of Data
Enables Most Efficient Compute and Storage Solutions

Analyze

Enabling the Use of Data

Store

CloudX™

PlatformX™

StoreX™
Enabling Tomorrow’s Platforms Today

Enabling the Use of Data

Business Intelligence  Internet of Things  Healthcare

Data-Intensive Simulations  Smart Cars  National Security

CloudX™  PlatformX™  StoreX™
Moving Data is Key for Using Data

Moving More Data - Quickly, Securely, Efficiently

Reducing Data Center CAPEX and OPEX

Increasing Application Productivity

At 10, 25, 40, 50, 56 and 100Gb/s Speeds

HPC
Cloud
Web 2.0 Big Data
Database Enterprise
Storage
Making the Cloud Easy

The World is Moving to the Cloud
But Building a Cloud is a Challenge

Private Cloud <-> CloudX™ <-> Public Cloud

Mellanox Makes it Easy: Deploy, Use and Maintain
Lower Your IT Cost by 50%!

The Platform for Creating the Applications of Tomorrow
CloudX Delivers Unlimited Cloud Performance

4X Faster Runtime!
Benchmark: TestDFSIO (1TeraByte, 100 files)

2X Higher Performance!
Benchmark: 1M Records Workload (4M Operations)
2X Faster Runtime and 2X Higher Throughput

2X Faster Runtime!
Benchmark: Memcached Operations

3X Faster Runtime!
Benchmark: Redis Operations
Continue to Enable the Most Efficient Azure / Azure Stack

“Compute intensive VMs – more memory, more virtual machines, InfiniBand access with RDMA within region and across regions at Azure, enable you to build high performance high scale applications”

Brad Anderson, Corporate Vice President, Microsoft

“To make storage cheaper we use lots more network! How do we make Azure Storage scale? RoCE (RDMA over Converged Ethernet) enabled at 40GbE for Windows Azure Storage, achieving massive COGS savings”

Albert Greenberg, Microsoft, SDN Azure Infrastructure
Businesses’ Success Depends on Mellanox

14 Million Financial Transactions per Day, 4 Billion Database Inserts
Real Time Fraud Detection

Accuracy, Details, Fast Response
10X Higher Performance, 50% CAPEX Reduction

Reacting to Customers’ Needs in Real Time!
Reducing Data Queries from 20 minutes to 20 seconds

97% Reduction in Database Recovery Time
From 7 Days to 4 Hours!

Tier-1 Fortune100 Company
Web 2.0 Application

235 Supermarkets, 8 States, USA
4X Higher Performance for Image Recognition
Enabling Artificial Intelligence Solutions to Perform Critical and Timely Decision Making

Yosemite Platform with the Multi-Host Technology
Higher Throughput, Lower Total Cost of Ownership

Do More with Less for Military Systems
4X Higher Performance While Reducing System Footprint by 50%

Reduced Latency by 10X
Gain Competitive Advantage for Financial Applications

Businesses’ Success Depends on Data Speed
Mellanox InfiniBand Proven and Most Scalable HPC Interconnect

“Summit” System

“Sierra” System

Paving the Road to Exascale
Mellanox Connects the World’s Fastest Supercomputer

National Supercomputing Center in Wuxi, China
#1 on the TOP500 Supercomputing List

- 93 Petaflop performance, 3X higher versus #2 on the TOP500
- 40K nodes, 10 million cores, 256 cores per CPU
- Mellanox adapter and switch solutions

- The TOP500 list has evolved, includes HPC & Cloud / Web2.0 Hyperscale systems
- Mellanox connects 41.2% of overall TOP500 systems
- Mellanox connects 70.4% of the TOP500 HPC platforms
- Mellanox connects 46 Petascale systems, Nearly 50% of the total Petascale systems

InfiniBand is the Interconnect of Choice for HPC Compute and Storage Infrastructures
Dominant in Storage Platforms

Market-Leading Performance with RDMA Interconnects
Mellanox Enables You to Unleash Your Potential

To Create The Applications of Tomorrow

- Fastest Data Speed
- Scalable
- Highest Performance
- Real-Time
- Power of Data
- CloudX™
- StoreX™
- PlatformX™
- Cost-Effective
- Efficient Compute and Storage
- Unlimited

On the Most Efficient X86, ARM and Power-based Compute and Storage Platforms
Leadership Across Industries

- 5 of Top 6 US Commercial Banks Use Mellanox
- 10 of Top 10 Automotive Manufacturers Use Mellanox
- 3 of Top 5 Pharmaceutical Companies Use Mellanox
- 9 of Top 10 Oil and Gas Companies Use Mellanox
- 9 of Top 10 Hyperscale Companies Use Mellanox

Mellanox Interconnect Solutions Deliver Highest Data Center Return on Investment
Company headquarters:
- Yokneam, Israel; Sunnyvale, California
- ~2,650 employees worldwide

Solid financial position
- YTD revenue of $635.8M
- YTD non-GAAP GM of 71.5%
- YTD non-GAAP EBIT margin of 21.4%
- YTD non-GAAP EPS of $2.61
- Cash and investments of $292.4M as of 3Q’16
- Q4’16 revenue guidance = $222-228M

Technology and Product Leadership
- Leader in end-to-end InfiniBand and Ethernet technologies
- Introducing new products to accelerate future growth (Switch systems/silicon, Acq. EZchip Technology)
- Well positioned to benefit from market transition - 10Gb 25/50/100Gb
### Multi-Billion Dollar Total Available Market (TAM)

<table>
<thead>
<tr>
<th>Component</th>
<th>2016</th>
<th>2018</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switch</td>
<td>$6.5B</td>
<td>$8.7B</td>
<td>15%</td>
</tr>
<tr>
<td>Adapter</td>
<td>$1.5B</td>
<td>$1.9B</td>
<td>13%</td>
</tr>
<tr>
<td>NPU &amp; Multicore</td>
<td>$1.9B</td>
<td>$2.6B</td>
<td>17%</td>
</tr>
<tr>
<td>Optical Cable</td>
<td>$1.9B</td>
<td>$2.7B</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$11.8B</strong></td>
<td><strong>$15.9B</strong></td>
<td><strong>16%</strong></td>
</tr>
</tbody>
</table>

Sources:
- Crehan Research (Jan’16), LightCounting (Aug’14), The Linley Group (Sep’14, Nov’15)
- Ethernet (excluding modular chassis) and InfiniBand 10Gb/s per link and above
- Excludes copper cables and 10G transceivers (~$1.4B in 2016)
Top Tier OEMs, ISVs and Distribution Channels

Hardware OEMs

Server
- Hewlett Packard Enterprise
- Lenovo
- Dell
- Oracle
- ASUS
- Bull
- Quanta
- SGI
- Sugon

Storage
- EMC
- Hitachi
- NetApp
- Oracle
- PureStorage
- Teradata
- Seagate
- SGI
- LSI
- X10

Embedded
- Fanuc
- Fujitsu
- mercury
- SeaChange

Software Partners
- Microsoft
- Red Hat
- Novell
- Solaris
- AIX
- HP-UX
- VMware
- Oracle
- IBM DB2
- TIBCO
- Informatica
- Synopsys
- Autodesk

Selected Channel Partners
- Altima
- Atlantik Systeme
- ASBIS
- Avnet
- ASCon
- Boston
- Ingram Micro
- hammer
- MicroSemi
- Servants International
- Synnex
- Tech Data
Leading Supplier of End-to-End Interconnect Solutions

Virtual Protocol Interconnect
56/100G InfiniBand
10/40/56/100GbE

Virtual Protocol Interconnect
56/100G InfiniBand
10/40/56/100GbE

Comprehensive End-to-End InfiniBand and Ethernet Portfolio (VPI)

ICs | Adapter Cards | NPU & Multicore | Switches/Gateways | Software | Metro / WAN | Cables/Modules
---|---|---|---|---|---|---

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25Gb/s is the new 10, 50 is the new 40, and 100 is the Present

Flexibility, Opportunities, Speed
Open Ethernet, Zero Packet Loss

One Switch. A World of Options.

Most Cost-Effective Ethernet Adapter
Same Infrastructure, Same Connectors

25, 50, 100Gb/s at Your Fingertips
Mellanox & EZchip Combine To Deliver Advanced Networking

Programmable Adapters & Controllers
RDMA, Acceleration Engines, Multicore-Based

Next Generation Intelligent Switch
SDN/OpenFlow, Manageability, Programmable NPU

Market-Leading ConnectX Adapters
Mellanox

Multicore-based Adapter Cards
EZchip

Highest-Performance Ethernet / IB Switches
Mellanox

Advanced Network Processors
EZchip
Combining Mellanox best-in-class ConnectX-5 technology together with ARM v8 Multicore Processor Array

BlueField: Software-Defined Network Intelligence

Scale-out storage controller
NFV / SDN Adapter
GPU controller
Highest-Performance 100Gb/s Interconnect Solutions

**Adapters**
- **ConnectX-5**: 100Gb/s Adapter, 0.6us latency
- 200 million messages per second (10 / 25 / 40 / 50 / 56 / 100Gb/s)

**Switch**
- **SwitchIB**: 36 EDR (100Gb/s) Ports, <90ns Latency
- Throughput of 7.2Tb/s
- 7.02 Billion msg/sec (195M msg/sec/port)

**Switch**
- **Spectrum**: 32 100GbE Ports, 64 25/50GbE Ports
- (10 / 25 / 40 / 50 / 100GbE)
- Throughput of 6.4Tb/s

**Interconnect**
- **LinkX**: Transceivers
- Active Optical and Copper Cables (10 / 25 / 40 / 50 / 56 / 100Gb/s)
- VCSELs, Silicon Photonics and Copper
The Flexibility of Virtual Protocol Interconnect (VPI) Technology

VPI Adapter

- ConnectX-5
- Mezzanine Card
- VPI Adapter
- VPI Switch
- Ethernet: 10/25/40/50/100Gb/s
- InfiniBand: 10/20/40/56/100Gb/s

Applications
- Networking
- Storage
- Clustering
- Management

Acceleration Engines
- Adapter Card
- LOM
- Mezzanine Card

VPI Switch

- SwitchX-2
- Unified Fabric Manager
- Switch OS Layer
- 64 ports 10GbE
- 36 ports 40/56GbE
- 48 10GbE + 12 40/56GbE
- 36 ports IB up to 56Gb/s
- 8 VPI subnets

From data center to campus and metro connectivity
The Future Depends on the Fastest Interconnects

CloudX™ 1Gb/s  10Gb/s

PlatformX™ 25/40/50/56/100Gb/s

StoreX™

The Future Depends on Mellanox
End-to-End Interconnect Solutions for All Platforms

Highest Performance and Scalability for
X86, Power, GPU, ARM and FPGA-based Compute and Storage Platforms
10, 20, 25, 40, 50 and 100Gb/s Speeds

Smart Interconnect to Unleash The Power of All Compute Architectures
Faster Data Movement Enables Better Data Utilization

Keeping You One Generation Ahead

Mellanox Roadmap of Data Speed

- 10G
- 20G
- 40G
- 56G
- 100G
- 200/400G


Enabling the Use of Data

Gbs – Gigabit per second
Financial Overview
Historical Annual Revenue Growth

### Annual Revenue ($M)

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue ($M)</th>
<th>YoY%</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>390.4</td>
<td>(22.0%)</td>
</tr>
<tr>
<td>2014</td>
<td>463.6</td>
<td>18.8%</td>
</tr>
<tr>
<td>2015</td>
<td>658.1</td>
<td>42.0%</td>
</tr>
<tr>
<td>2016E</td>
<td>860.8</td>
<td>31.0%</td>
</tr>
</tbody>
</table>

Source: Company financial statements

CAGR (2013 – 2016E) ~ 30%
Historical Quarterly Revenue Growth ($ in millions)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>1Q13</th>
<th>2Q13</th>
<th>3Q13</th>
<th>4Q13</th>
<th>1Q14</th>
<th>2Q14</th>
<th>3Q14</th>
<th>4Q14</th>
<th>1Q15</th>
<th>2Q15</th>
<th>3Q15</th>
<th>4Q15</th>
<th>1Q16</th>
<th>2Q16</th>
<th>3Q16</th>
<th>4Q16E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$82.9</td>
<td>$98.3</td>
<td>$103.6</td>
<td>$105.6</td>
<td>$99.0</td>
<td>$102.8</td>
<td>$120.7</td>
<td>$141.1</td>
<td>$146.7</td>
<td>$163.1</td>
<td>$171.4</td>
<td>$176.9</td>
<td>$196.8</td>
<td>$214.8</td>
<td>$224.2</td>
<td>$225.0E</td>
</tr>
</tbody>
</table>
Positive Cash Flow from Operations

Cash Flow from Ops ($M)

- 2010: 41.2
- 2011: 63.1
- 2012: 182.5
- 2013: 51.9
- 2014: 80.1
- 2015: 150.5
- YTD’16: 142.1

Cash and Investments @ September 30, 2016 = $292.4M
Investment Highlights Summary

- Interconnect technology is critical for business performance
  - Increases application productivity and ROI

- End markets have shown consistent growth
  - Mellanox’s TAM forecasted to reach $15.9B by 2018, a 16% CAGR

- Mellanox uniquely positioned to continue market leadership
  - Providing compelling technology benefits to multiple, high growth markets

- Well positioned as industry transitions to 25Gb+ technology
  - Shipping 25/40/50/100Gb technology today (end-to-end solution)

- Demonstrated revenue growth, strong cash flow and increasing profitability with attractive gross margins
  - Solid revenue growth (~30% CAGR) over the last 3 years