

Extreme Networks

Non GAAP and Pro Forma Measures:

As Reported results reflect the financial results of Extreme Networks, Inc. as previously reported prior to the acquisition of Enterasys Networks Inc.

In preparing the accompanying information, the Company has excluded, where applicable, the impact of certain Non GAAP costs as listed at the end of this presentation. In addition the accompanying information includes certain Pro Forma measures for which the company has consolidated the unaudited financial position and results of operations of the former entity Enterasys Networks Inc. The Pro Forma consolidations exclude, where applicable, cash and debt of the former entity but include the impacts of the cash consideration paid and debt assumed for the acquisition.

The company believes these Non GAAP and Pro Forma measures provide both management and investors with additional insight into its current operations, the trends affecting the company and the Company's marketplace performance. Management believes these items allow readers to better correlate the company's operating activities with the company's ability to generate cash from operations. Accordingly, management uses these Non GAAP and Pro Forma measures along with comparable GAAP information when evaluating the company's historical performance and future business activities. The company's Non GAAP and Pro Forma measures may be different than those used by other companies and should be considered in conjunction with, and not as a substitute for, the company's financial information presented in accordance with GAAP.

Forward Looking Statements:

Actual results, including with respect to the company's financial targets and general business prospects, could differ materially due to a number of factors. More information about potential factors that could affect the company's business and financial results is included in its filings with the Securities and Exchange Commission, including, without limitation, under the captions: "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Risk Factors," which are on file with the Securities and Exchange Commission. Except as required under the U.S. federal securities laws and the rules and regulations of the SEC, Extreme Networks disclaims any obligation to update any forward-looking statements after the date of this release, whether as a result of new information, future events, developments, changes in assumptions or otherwise.

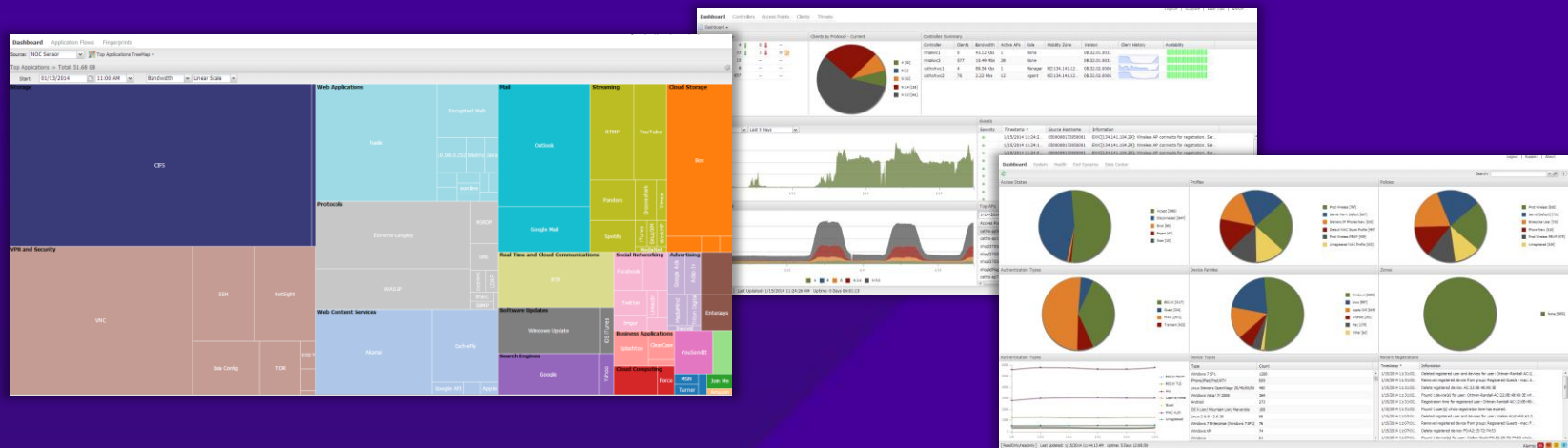
- Build the best products
 - One of the world's largest enterprise networking providers
 - Industry-recognized manufacturing and quality standards
 - Design principals governed by unified architecture
- Take the best care of our customers
 - 100% insourced, highly tenured customer service
 - Award-winning service, innovation and leadership
 - Industry-leading loyalty (81 Net Promoter Score)
- Focus on ease of doing business
 - Nothing is more important than our customers
 - Highly collaborative and transparent business
 - State-of-the-art digital infrastructure

Building Networks That Deliver Better Experiences



Extreme Networks announces a software-defined architecture delivering simple, fast, and smart data center and mobility solutions.

Software-Defined Architecture



- Centralized Management - NetSight
 - One tool with one database
- Software-Defined Networking – SDN
 - Network and application provisioning under one platform
- Analytics - Purview
 - Gather intelligence from the source: the network



- Gigabit Wi-Fi – IdentiFi Wireless
 - One tool with one database
- Switching / routing (1/10/40/100G) products
 - Standalone, stackable and chassis options

- Wi-Fi Mobility
- Switching and Routing
- Data Center
- High Performance Computing
- Software Defined Networking
- Service Provider
- Management and Security
- Application analytics and Big Data
- Services and award winning customer support

- **Unified Management – NetSight 6.0**
 - Spanning the entire product portfolio from Wi-Fi to the Data Center
 - Third party product management
- **Advanced Application Analytics – Purview**
 - Network powered analytics
 - Faster, informed decisions
- **Switching and Routing – BDX8 100G, X770 Top of Rack**
 - Data Center / High Performance Computing
 - Service Providers
- **Software Defined Networking – third party integrations**
 - Community driven innovation
 - vSphere, McAfee, LightSpeed and Fibrelink added to over 25 existing out-of-the-box third party integrations

During the fiscal third quarter of 2014, Extreme announced key new products and partnerships:

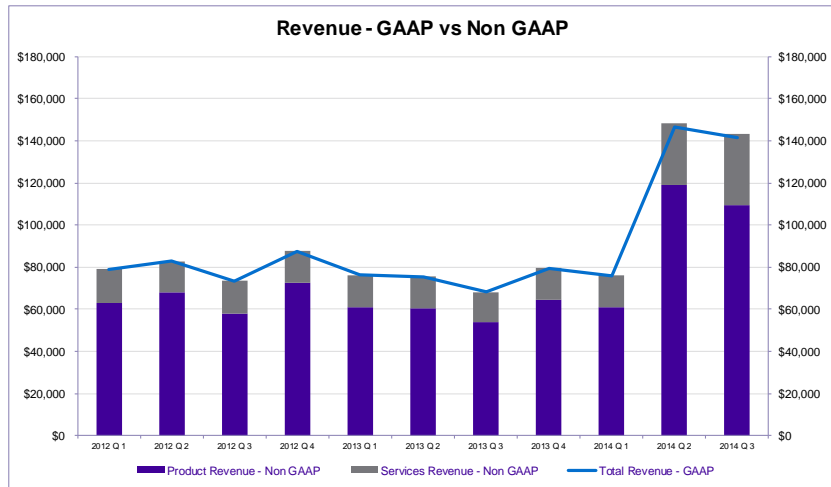
- **National Football League** – Extreme Networks is the Official Wi-Fi Analytics Provider for the League starting with Super Bowl XLVIII. As the Official Wi-Fi Analytics Provider of the NFL, Extreme Networks Wi-Fi analytics technology can be available to all NFL teams to help manage and leverage big data to continue to improve the game-day experience.
- **Pro Football Hall of Fame** – Extreme will be donating its IdentiFi wireless and high performance switch technology to be distributed across multiple school districts to stimulate online and mobile learning efforts and to aid in the management and control of wireless devices resulting from BYOD and 1-on-1 initiatives.

FQ3'14 Financial Results

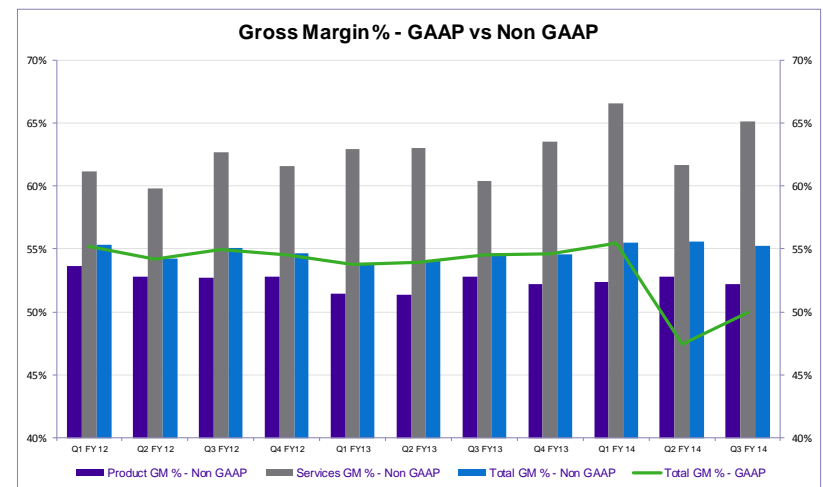
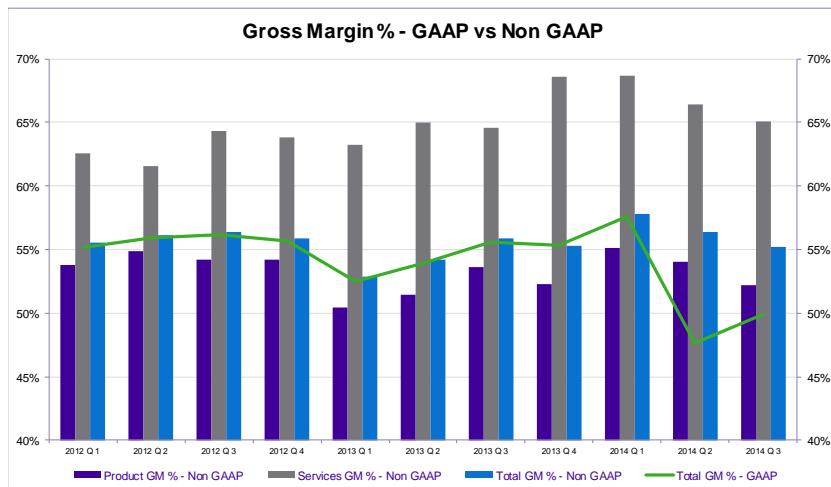
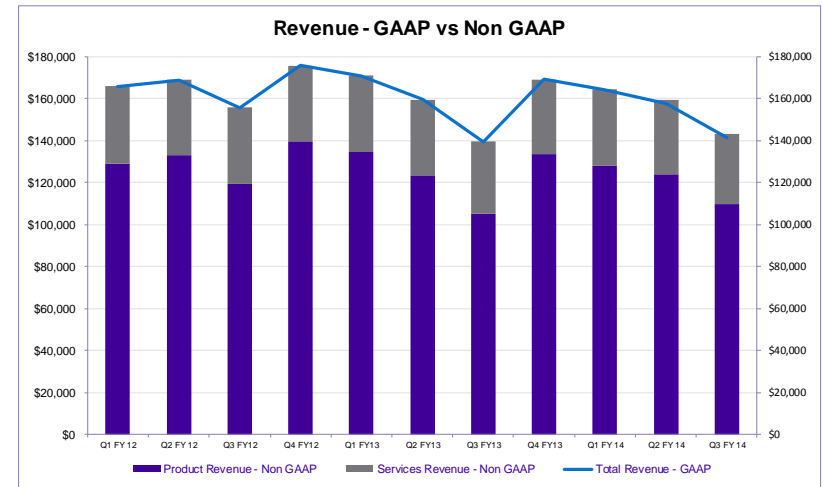
Quarterly Results of Operations



As Reported



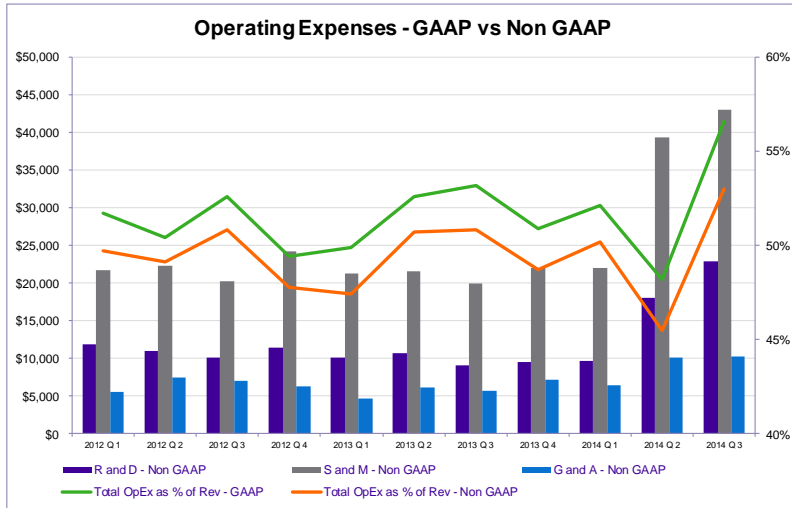
Pro Forma



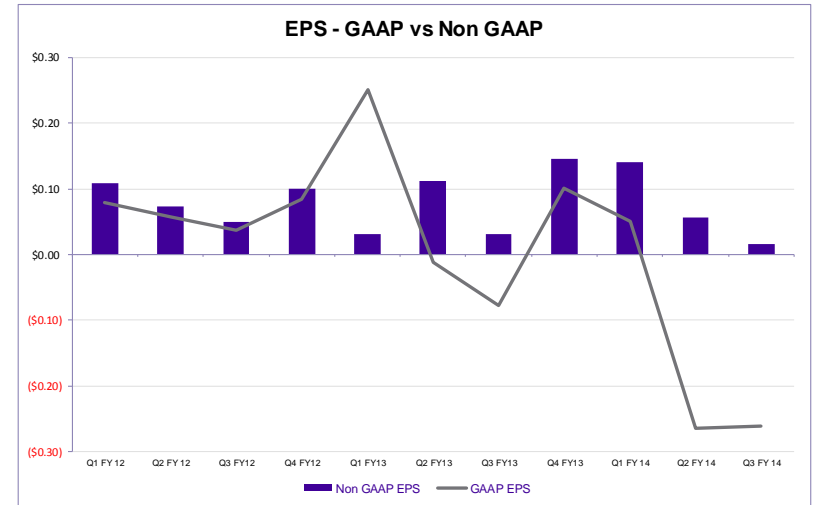
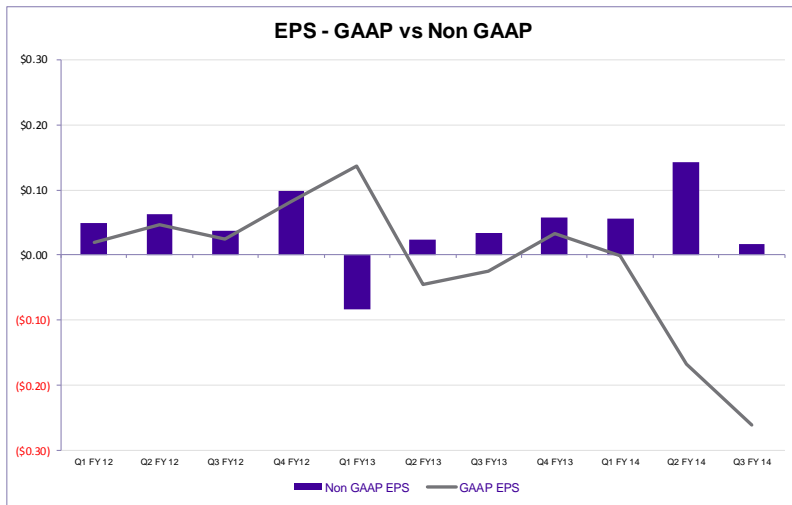
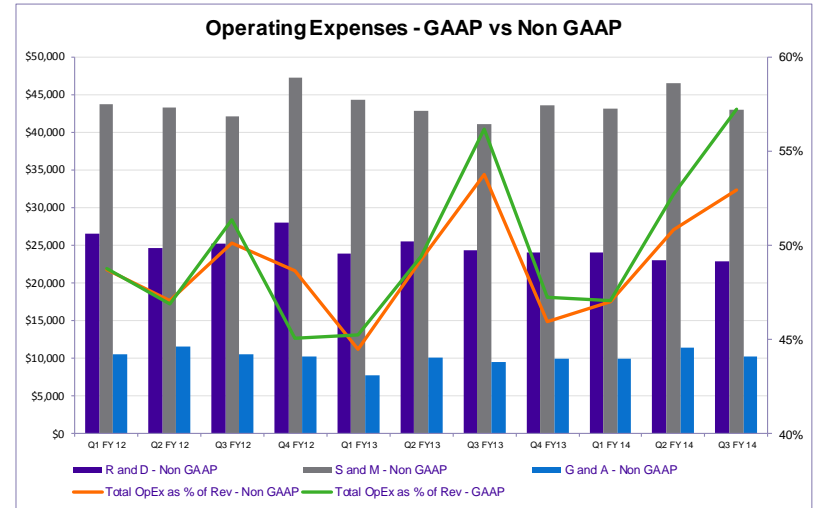
Quarterly Results of Operations (cont'd)



As Reported



Pro Forma



Financial Highlights



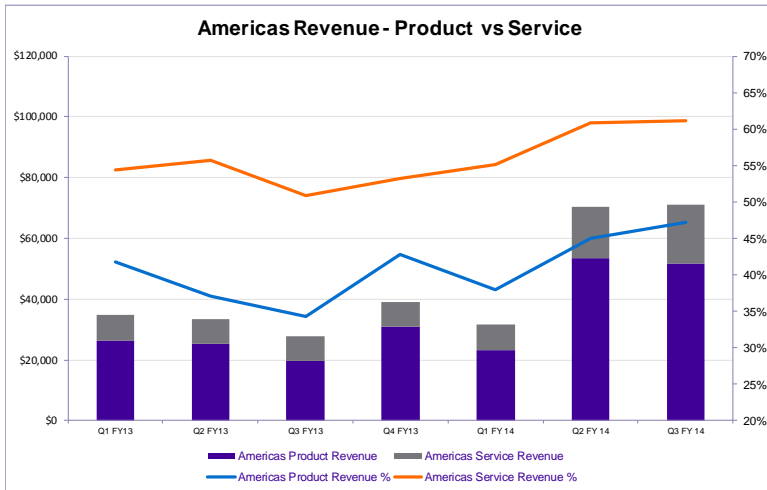
| | 2013 Q 3 | 2013 Q 4 | 2014 Q 1 | 2014 Q 2 | 2014 Q 3 | FQ3'14 v FQ2'14 | FQ3'14 v FQ3'13 |
|-----------------------------|----------|----------|----------|-----------|-----------|--------------------|--------------------|
| Product Revenue - Non GAAP | \$54,072 | \$64,505 | \$61,045 | \$119,065 | \$109,891 | \$(9,174) | \$55,819 |
| Services Revenue - Non GAAP | \$14,131 | \$14,957 | \$14,871 | \$29,282 | \$33,783 | \$4,502 | \$19,653 |
| Total Revenue - Non GAAP | \$68,203 | \$79,462 | \$75,916 | \$148,347 | \$143,674 | \$(4,672) | \$75,472 |
| Total GM % - Non GAAP | 55.9% | 55.3% | 57.8% | 56.5% | 55.3% | (1.2)% | (0.6)% |
| Operating Margin % Non GAAP | 5.3% | 8.2% | 7.5% | 11.0% | 2.3% | (8.6)% | (2.9)% |
| Net Income (Loss) Non GAAP | \$3,315 | \$6,749 | \$5,310 | \$14,062 | \$1,631 | \$(12,426) | \$(1,510) |
| EPS GAAP | \$(.02) | \$.03 | \$.00 | \$(.17) | \$(.26) | \$(.09) | \$(.24) |
| EPS Non GAAP | \$.04 | \$.07 | \$.06 | \$.14 | \$.02 | \$(.12) | \$(.02) |
| EBITDA Non GAAP | \$5.1 | \$8.0 | \$7.4 | \$18.5 | \$7.2 | \$(12.2) | \$2.1 |

Historical Revenue by Geography: Pro Forma Non GAAP

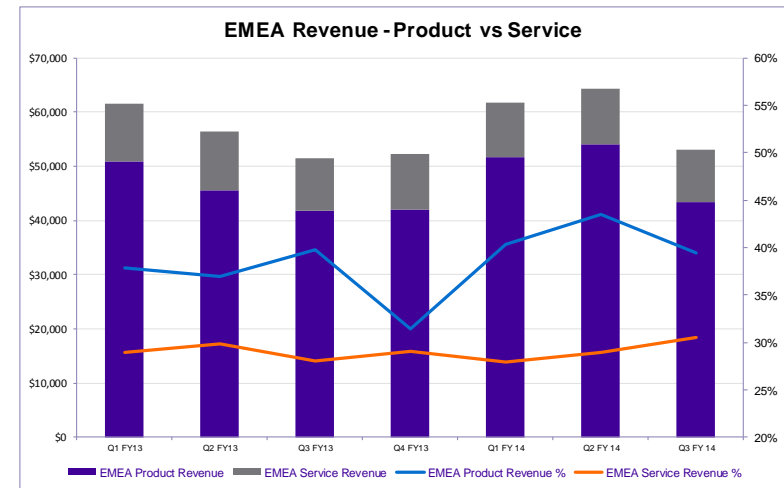
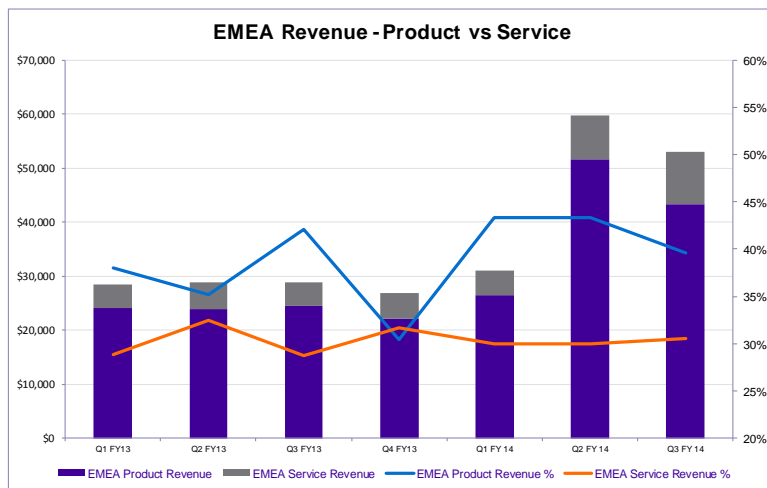
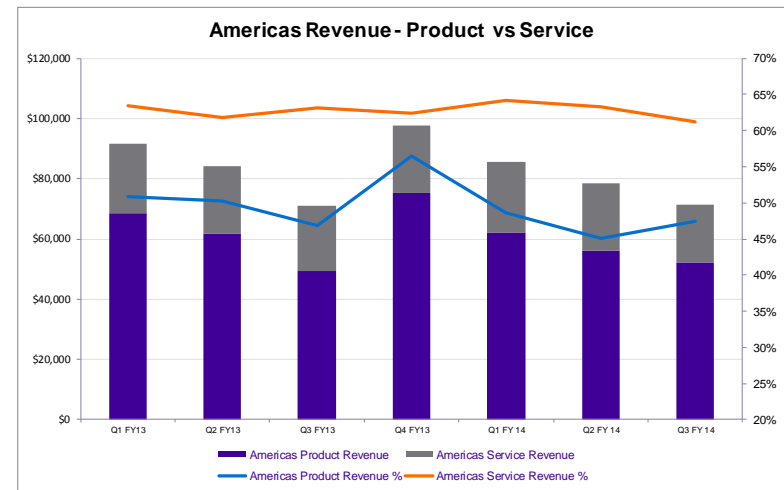
| | 2013 Q3 | 2013 Q4 | 2014 Q1 | 2014 Q2 | 2014 Q3 | FQ3'14 v FQ2'14 | FQ3'14 v FQ3'13 |
|----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|
| Product | | | | | | | |
| Americas | \$ 49,221 | \$ 75,400 | \$ 62,309 | \$ 56,094 | \$ 51,890 | \$ (4,204) | \$ 2,669 |
| EMEA | 44,322 | 43,442 | 52,801 | 55,250 | 44,790 | (10,460) | 468 |
| APAC | 11,647 | 14,563 | 12,939 | 12,958 | 13,211 | 253 | 1,564 |
| Total Product | 105,190 | 133,405 | 128,049 | 124,302 | 109,891 | (14,411) | 4,701 |
| Service | | | | | | | |
| Americas | 21,675 | 22,176 | 23,183 | 22,382 | 21,403 | (979) | (272) |
| EMEA | 10,028 | 10,632 | 10,222 | 10,408 | 9,870 | (538) | (158) |
| APAC | 2,598 | 2,753 | 2,686 | 2,561 | 2,510 | (51) | (88) |
| Total Service | 34,301 | 35,561 | 36,091 | 35,351 | 33,783 | (1,568) | (518) |
| Total Revenue | | | | | | | |
| Americas | 70,896 | 97,576 | 85,492 | 78,476 | 73,293 | (5,183) | 2,397 |
| EMEA | 54,350 | 54,074 | 63,023 | 65,658 | 54,660 | (10,998) | 310 |
| APAC | 14,245 | 17,316 | 15,625 | 15,519 | 15,721 | 202 | 1,476 |
| Total Revenue | \$ 139,491 | \$ 168,966 | \$ 164,140 | \$ 159,653 | \$ 143,674 | \$ (15,979) | \$ 4,183 |

Revenue by Geography (Non GAAP)

As Reported

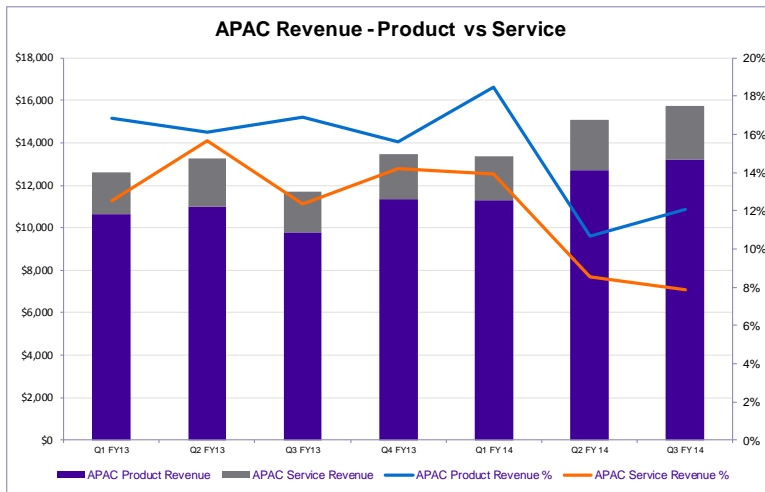


Pro Forma

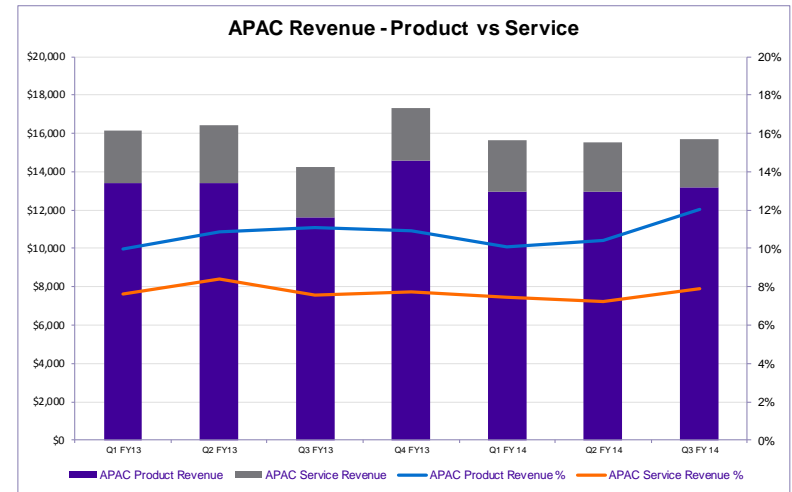


Revenue by Geography (Non GAAP, cont'd)

As Reported



Pro Forma



Financial Highlights



| | 2013 Q 3 | 2013 Q 4 | 2014 Q 1 | 2014 Q 2 | 2014 Q 3 |
|--------------------|-----------|-----------|-----------|-----------|------------|
| Cash & Securities | \$189,099 | \$205,613 | \$199,435 | \$112,017 | \$106,055 |
| AR | \$43,612 | \$47,642 | \$39,297 | \$94,337 | \$94,187 |
| DSO | 58 | 54 | 47 | 58 | 59 |
| Inventories | \$15,658 | \$16,167 | \$30,389 | \$61,043 | \$63,142 |
| DOI | 56 | 47 | 99 | 88 | 104 |
| Debt Payable - Net | \$0 | \$0 | \$0 | \$99,188 | \$122,375 |
| Free Cash Flow | \$(2,471) | \$16,920 | \$(7,883) | \$(9,548) | \$(30,569) |
| Cap Ex | \$1,396 | \$8,315 | \$9,808 | \$2,754 | \$4,822 |

Non-GAAP Adjustment Trends



| | 2013 Q 1 | 2013 Q 2 | 2013 Q 3 | 2013 Q 4 | 2014 Q 1 | 2014 Q 2 | 2014 Q 3 |
|---|------------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
| Deferred Revenue Adjustment | \$0 | \$0 | \$0 | \$0 | \$0 | \$1,764 | \$1,912 |
| Adjustment to Acquired Inventory | \$0 | \$0 | \$0 | \$0 | \$0 | \$9,236 | \$1,891 |
| Amortization of Product Intangibles | \$0 | \$0 | \$0 | \$0 | \$0 | \$2,694 | \$4,042 |
| Stock Comp in Product COGS | \$174 | \$121 | \$118 | \$15 | \$102 | \$198 | \$268 |
| Stock Comp in Service COGS | \$159 | \$85 | \$61 | \$(12) | \$40 | \$1 | \$420 |
| Stock Comp in R&D | \$432 | \$288 | \$268 | \$44 | \$243 | \$898 | \$1,419 |
| Stock Comp in S&M | \$727 | \$567 | \$756 | \$410 | \$570 | \$1,279 | \$1,765 |
| Stock Comp in G&A | \$676 | \$555 | \$638 | \$430 | \$620 | \$1,084 | \$970 |
| Total Stock Comp | \$2,168 | \$1,616 | \$1,841 | \$887 | \$1,575 | \$3,460 | \$4,842 |
| Gain on Sale of Facilities | \$(11,537) | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Restructuring Charges, net | \$(10) | \$5,176 | \$1,075 | \$593 | \$75 | \$430 | \$(6) |
| CEO Transition | \$0 | \$0 | \$0 | \$2,086 | \$0 | \$0 | \$0 |
| Litigation Settlement | \$0 | \$0 | \$2,618 | \$0 | \$0 | \$0 | \$(100) |
| Amortization of Non Product Intangibles | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,778 | \$7,666 |
| Acquisition Costs | \$0 | \$0 | \$0 | \$0 | \$3,695 | \$8,688 | \$6,443 |
| Net Non GAAP Adjustments | \$(9,379) | \$6,792 | \$5,535 | \$3,566 | \$5,345 | \$30,050 | \$26,690 |

FQ4'14 Financial Guidance

FQ4'14 Guidance – Non GAAP

| | FQ3'14 | FQ4'14 Guidance |
|----------------|---------|-----------------|
| Revenue (\$M) | \$143.7 | \$145M-150M |
| Gross Margin % | 55.3% | 55.0% |
| EPS: non-GAAP | \$0.02 | \$0.02 - \$0.04 |



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