

# MELLANOX TECHNOLOGIES, LTD.

## **FORM 8-K** (Current report filing)

Filed 01/09/18 for the Period Ending 01/09/18

|             |  |
|-------------|--|
| Address     | 350 OAKMEAD PARKWAY, SUITE 100<br>SUNNYVALE, CA, 94085 |
| Telephone   | 408-970-3400   |
| CIK         | 0001356104   |
| Symbol      | MLNX   |
| SIC Code    | 3674 - Semiconductors and Related Devices              |
| Industry    | Semiconductors   |
| Sector      | Technology   |
| Fiscal Year | 12/31  |

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

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**FORM 8-K**

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**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

**Date of report (Date of earliest event reported): January 9, 2018**

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**Mellanox Technologies, Ltd.**

(Exact name of Registrant as Specified in its Charter)

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**Israel**  
(State or other jurisdiction  
of incorporation)

**001-33299**  
(Commission  
File Number)

**98-0233400**  
(I.R.S. Employer  
Identification No.)

**Beit Mellanox**  
**Yokneam, Israel 2069200**  
(Address of Principal Executive Offices, including Zip Code)

**+972-4-909-7200**  
(Registrant's telephone number, including area code)

**Not Applicable**  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 7.01 Regulation FD Disclosure.**

On January 9, 2018, Mellanox Technologies, Ltd. publicly disseminated a press release announcing that it will discontinue its 1550nm silicon photonics development activities, effective January 9, 2018. The foregoing description is qualified in its entirety by reference to the press release dated January 9, 2018, a copy of which is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The information in this Item 7.01 of this Current Report on Form 8-K and Exhibit 99.1 attached hereto shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 7.01 and in the Press Release dated January 9, 2018 attached as Exhibit 99.1 to this Current Report shall not be incorporated by reference into any filing with the SEC made by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

| <u>Exhibit<br/>No.</u> | <u>Description</u>                                   |
|------------------------|--|
| 99.1                   | <a href="#">Press Release dated January 9, 2018.</a> |

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: January 9, 2018

MELLANOX TECHNOLOGIES, LTD.

By: /s/ Alinka Flaminia

Name: Alinka Flaminia

Title: Senior Vice President, General Counsel

## PRESS RELEASE

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**Mellanox Discontinuing 1550nm Silicon Photonics Development Activities**

**SUNNYVALE, CA. and YOKNEAM, ISRAEL – Jan. 9, 2018** – Mellanox Technologies, Ltd. (NASDAQ: MLNX), a leading supplier of high-performance, end-to-end smart interconnect solutions for data center servers and storage systems, today announced that it will discontinue its 1550nm silicon photonics development activities, effective immediately.

The company expects that there will be no impact for the Variable Optical Attenuators (VOA) product and Mellanox will continue to sell to and support its VOA customers. This action is expected to have only a minor impact on the LinkX cables and transceivers product line. The company plans to execute on its roadmap to deliver 200 gigabit, 400 gigabit and beyond cables and transceivers solutions on schedule, utilizing other technologies, including Mellanox own IC designs. The company intends to retain the silicon photonics intellectual property.

“The Mellanox Board of Directors and management team continually review our strategic priorities and investments to ensure they meet our future goals. We began our review of the silicon photonics business in May of 2017, but as the business did not become accretive as we had hoped, we decided to discontinue our 1550nm Silicon Photonics development activities,” said Eyal Waldman, president and CEO of Mellanox Technologies. “We appreciate all of the efforts of the silicon photonics team over the years and wish them success in their future endeavors.”

The discontinuation of Mellanox’s 1550nm silicon photonics development activities is not expected to have an impact on fiscal 2018 revenues and is projected to result in expected fiscal 2018 non-GAAP operating expense savings of \$26 million to \$28 million. Also, this action will result in an estimated aggregate charge of \$21 million to \$24 million, including approximately \$4 million to \$5 million of cash expenditures – mostly related to the severance costs of a reduction in force of about 100 people – as well as approximately \$17 million to \$19 million of other charges, consisting primarily of non-cash items. Mellanox expects to recognize most of the restructuring charges in the first quarter of 2018. Mellanox will provide more detail on its 2017 results and 2018 outlook in its fourth quarter earnings report which will take place on January 18, 2018.

**Supporting Resources:**

- Follow Mellanox on [Twitter](#), [Facebook](#), [Google+](#), [LinkedIn](#), and [YouTube](#)
- [Join the Mellanox Community](#)

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## **About Mellanox**

Mellanox Technologies (NASDAQ: MLNX) is a leading supplier of end-to-end InfiniBand and Ethernet smart interconnect solutions and services for servers and storage. Mellanox interconnect solutions increase data center efficiency by providing the highest throughput and lowest latency, delivering data faster to applications and unlocking system performance capability. Mellanox offers a choice of fast interconnect products: adapters, switches, software and silicon that accelerate application runtime and maximize business results for a wide range of markets including high performance computing, enterprise data centers, Web 2.0, cloud, storage and financial services. More information is available at: [www.mellanox.com](http://www.mellanox.com).

## **Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995**

All statements included or incorporated by reference in this release are forward looking statements including the anticipated financial impact of the discontinued operations. 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.

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