Private Securities Litigation Reform Act of 1995

This presentation contains forward-looking statements based on Silicon Labs’ current expectations. These forward-looking statements involve risks and uncertainties. A number of important factors could cause actual results to differ materially from those in the forward-looking statements. Silicon Labs believes that it is important to communicate the company’s future expectations to investors. However, there may be events in the future that Silicon Labs is not able to accurately predict or control. For a discussion of these and other factors which could impact Silicon Labs’ financial results and cause actual results to differ materially from those in the forward-looking statements, please refer to Silicon Labs’ recent filings with the SEC. Unless otherwise required by law, Silicon Labs expressly disclaims any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any result or change in expectations.
A leading provider of silicon, software and solutions for a smarter, more connected world

- Core competencies in mixed-signal and RF integration
- A track record of multiple industry firsts, transforming and disrupting large markets
- Focus on high-quality, diversified markets positioning us well for sustainable growth
- Scalable, fabless manufacturing model

Silicon Labs

REVENUE

- Founded in 1996
- Nasdaq listed
- ~35,000 customers
- >1,700 patents

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$645M</td>
</tr>
<tr>
<td>2016</td>
<td>$698M</td>
</tr>
<tr>
<td>2017</td>
<td>$769M</td>
</tr>
<tr>
<td>2018</td>
<td>$868M</td>
</tr>
</tbody>
</table>
A Global Company

~1500 Employees Worldwide

Headquartered in Austin

International HQ Singapore

R&D Centers • Sales Offices
Awards & Recognition

- Top Work Places 2018
- Executive of the Year
- AspenCore
- Fortune 100 Best
- Best Companies to Work for
- Best of Show Award
- CFO Awards
- Great Place to Work Certified
- USA
- GSA 2018 Awards Winner
- Austin Business Journal's Best Places to Work 2018
- Glassdoor
- 4.5 rating
- Recommend to a friend: 99%
- Approve of CEO: 99%
- Tyson Tuttle: 80 Ratings
- Ethics in Business & Community Award
- Be Respectful, Be Fair, Be Honest, Strive for Justice, Embrace Sustainability
- HOT 100 EDN
- Austin Business Journal's Best Place to Work 2019
- Generous Business Awards Finalist
- HOT 100 EDN
- Best CEO Awards 2017
Diversified Product Portfolio

INTERNET OF THINGS
- MCU | Wireless | Sensors
  ~60% REVENUE

INFRASTRUCTURE
- Timing | Isolation
  ~20% REVENUE

BROADCAST
- Automotive Radio | TV Tuners
  <15% REVENUE

ACCESS
- Modems | SLICs | PoE
  >5% REVENUE
Driving High-Quality Growth

- IoT
  - Execute on platform strategy and simplicity to drive growth

- Infrastructure
  - Extend leadership in high-performance timing, grow isolation

- Broadcast
  - Maintain TV tuner share (~80%), grow automotive

- Access
  - Maintain share in legacy markets

REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>IoT</td>
<td>$645M</td>
<td>$868M</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>15%</td>
<td>16%</td>
</tr>
<tr>
<td>Broadcast</td>
<td>25%</td>
<td>23%</td>
</tr>
<tr>
<td>Access</td>
<td>41%</td>
<td>54%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$645M</strong></td>
<td><strong>$868M</strong></td>
</tr>
</tbody>
</table>
Driving High-Quality Growth

### Revenue by End Market

- **2015:** [Charts showing revenue distribution across different end markets]
- **2016:**
- **2017:**
- **2018:**

### Growing Channel & Diversification

- **% Distribution**
- **% Top 10 Customers**

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Distribution</td>
<td>50%</td>
<td>55%</td>
<td>60%</td>
<td>65%</td>
</tr>
<tr>
<td>% Top 10 Customers</td>
<td>20%</td>
<td>22%</td>
<td>24%</td>
<td>26%</td>
</tr>
</tbody>
</table>
IoT Driving $11.7B Opportunity Pipeline

- Total SLAB
  - Design-win lifetime revenue up ~25% y-y

- Record IoT design win lifetime revenue
  - Up >30% y-y
  - Wireless solutions driving growth

- IoT growth drivers
  - Smart metering
  - Smart home & security customer ramps
  - High volume lighting customers
  - Broad industrial market
Two-thirds of 149 industry leaders worldwide ranked IoT as the leading revenue-driving application over the next year, with 60% ranking wireless communications at the top.*.

* 4/2/19 EE Times, “Chip Firms Expect IoT to Be Key Revenue Driver”
IoT: Market Opportunity

31B
INSTALLED BASE
2018

13%
CAGR

80B
INSTALLED BASE
2025e

Source: IHSMarkit IoT Tracker 2018 Q3, WSTS Autumn 2018 and Silicon Labs’ estimates.
IoT: Leadership in Wireless Silicon, Software and Solutions

- Achieve #1 position in target markets
- Scalable hardware and software platform
- Provide complete solution from silicon to cloud
- Enable market-leading integrated security
- Simplicity to drive support leverage
- 1000’s of applications & 10,000’s of customers
- Win strategic tier 1s, support long tail

STRATEGIC GROWTH TARGET 20%

Wireless MCUs
Sensors

Secure wireless stacks
Embedded OS
Device Management

Modules
Reference designs
Simplicity Studio
IoT: Diverse Market & Technology Portfolio

IoT MARKET SAM

2018: $8.7B
2022e: $11.2B

IoT TECHNOLOGY SAM

2018: $8.7B
2022e: $11.2B

Source: IHS Markit IoT Tracker 2018 Q3, WSTS Spring 2019 and Silicon Labs’ estimates.
IoT: Executing a Platform Strategy

**CUSTOMER REQUIREMENTS**

High performance, reliable, maintainable

Easy to develop and deploy

Long life solution

**WHY WE WIN**

Best connectivity—RF SoCs and modules

Robust SW framework simplifies development

Upgradeable, cloud connected
# Platform-based Edge Node Architecture

## Developer Tools

<table>
<thead>
<tr>
<th>Developer Tools</th>
<th>Home Automation &amp; Control</th>
<th>Lighting</th>
<th>Industrial Automation</th>
<th>Smart Metering</th>
<th>Retail &amp; Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Host Environment</td>
<td>Energy Profiler</td>
<td>Hardware Config</td>
<td>App Builder</td>
<td>Toolchains</td>
<td>Toolchains</td>
</tr>
<tr>
<td></td>
<td>Network Analyzer</td>
<td>Radio Config</td>
<td>Secure Programming</td>
<td>Sample Applications</td>
<td>IAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Precertification</td>
<td>GCC</td>
</tr>
</tbody>
</table>

## Connectivity Software

<table>
<thead>
<tr>
<th>Connectivity Software</th>
<th>SEI CONDUCTOR PROVIDED</th>
<th>CUSTOMER IMPLEMENTED</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEMI CONDUCTOR PROVIDED</td>
<td>zigbee</td>
<td>Bluetooth</td>
<td>Coexistence</td>
</tr>
<tr>
<td></td>
<td>TH READ</td>
<td>proprietary wireless</td>
<td>BR / Gateway</td>
</tr>
<tr>
<td></td>
<td>Z WAVE</td>
<td>Wave</td>
<td>Multiprotocol</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Test Harness</td>
</tr>
</tbody>
</table>

## Platform Software

<table>
<thead>
<tr>
<th>Platform Software</th>
<th>RTOS</th>
<th>Core Platform</th>
<th>Drivers</th>
<th>Security</th>
<th>Utilities</th>
<th>Middleware</th>
</tr>
</thead>
<tbody>
<tr>
<td>KAL</td>
<td>Sleep</td>
<td>IPC</td>
<td>Micrium POSIX</td>
<td>Security Libraries</td>
<td>C-Lib, Diag, Stats, Error Codes, Assert</td>
<td>FS, IO</td>
</tr>
<tr>
<td>Micrium Kernel</td>
<td>1PC</td>
<td>Memory</td>
<td>EmLib</td>
<td>Secure Element</td>
<td>NCP, CLI</td>
<td>NCP, CLI</td>
</tr>
</tbody>
</table>

## Hardware

<table>
<thead>
<tr>
<th>Hardware</th>
<th>Chips</th>
<th>Modules</th>
<th>Development Boards</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Secure MCU</td>
<td>Antenna Match</td>
<td>Chips</td>
</tr>
<tr>
<td></td>
<td>Multi-protocol radio</td>
<td>Certifications</td>
<td>Modules</td>
</tr>
<tr>
<td></td>
<td>Secure Element</td>
<td>PCB, SIP</td>
<td>Development Boards</td>
</tr>
<tr>
<td></td>
<td>I/O, Interfaces</td>
<td>Shield</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Power/Energy Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>eFlash/RAM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Other

<table>
<thead>
<tr>
<th>Other</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>MISRA, Static Analysis</td>
<td>MISRA, Static Analysis</td>
</tr>
<tr>
<td>Mobile Apps</td>
<td>Large Network Testing</td>
</tr>
<tr>
<td>Documentation Application Notes</td>
<td>Documentation Application Notes</td>
</tr>
<tr>
<td>Coexistence</td>
<td>BR / Gateway</td>
</tr>
<tr>
<td>Multiprotocol</td>
<td>Test Harness</td>
</tr>
<tr>
<td>Bootloader</td>
<td>NVM</td>
</tr>
<tr>
<td>NCP, CLI</td>
<td>Graphics Lib</td>
</tr>
<tr>
<td>Cap Sense</td>
<td></td>
</tr>
</tbody>
</table>

**SEMICO CONDUCTOR PROVIDED**

**CUSTOMER IMPLEMENTED**

**RADIO ABSTRACTION LAYER**

**PLATFORM SOFTWARE**

**TOOLCHAINS**

**APPLICATION NOTES**

**DEVELOPMENT BOARDS**
Infrastructure: Leadership in Performance and Integration

- Achieve #1 position in target markets
- Breakthrough architectures leading industry
- Timing: leading in core/metro and expanding into data center, wireless and industrial applications
- Isolation: replacing traditional optocouplers in power supplies, motor controls and green energy applications
- Long life, highly profitable revenue

STRATEGIC GROWTH TARGET 10%

Timing: Clocks & Oscillators
Digital Isolation
Low Touch Easy to Design-in
Infrastructure: Diverse Markets & Technology Portfolio

**Infrastructure Market SAM**
- 2018: $1.5B
- 2022e: $2.2B

**Infrastructure Technology SAM**
- 2018: $1.5B
- 2022e: $2.2B

Source: June 2017 & 2018 IHS Markit.
Timing: Global Trends Driving Growth

BANDWIDTH REQUIREMENTS EXPLODING

Global IP Traffic Exabytes/Mo

2018 156EB
2019
2020
2021
2022 396EB

CAGR: 26%


NETWORKS UPGRADING FOR HIGHER BANDWIDTH

Wireless
4G → LTE-ADVANCED, 5G

Metro/Core
10G → 100G → 200/400G

Data Center
40G → 100/200/400G

Bandwidth Requirements Exploding

Data Center
Wireless
4G → LTE-ADVANCED, 5G

Metro/Core
10G → 100G → 200/400G

Data Center
40G → 100/200/400G
Timing: Leading Performance

CUSTOMER REQUIREMENTS

Faster data rates require higher performance
More features in a smaller form factor

WHY WE WIN

Industry leading performance and flexibility
Provide complete clock solutions with highest level of integration
Isolation: Global Trends Driving Growth

<table>
<thead>
<tr>
<th>GREEN ENERGY</th>
<th>EFFICIENCY</th>
<th>REGULATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electric &amp; hybrid-electric vehicles</td>
<td>Server, storage, networking power supplies</td>
<td>Governments issuing efficiency standards</td>
</tr>
<tr>
<td>Solar inverters &amp; wind turbines</td>
<td>300M industrial electric motors installed</td>
<td>Reduction in greenhouse emissions</td>
</tr>
</tbody>
</table>
Isolation: Leading in Performance and Integration

CUSTOMER REQUIREMENTS

- Improve efficiency
- Robust operation in noisy environments
- Smaller PCB footprints

WHY WE WIN

- Delivers faster switching times
- Best-in-class noise immunity
- Higher density and more integrated features
### Target Financial Model

<table>
<thead>
<tr>
<th></th>
<th>Q219</th>
<th>Q218</th>
<th>Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$207</td>
<td>$217</td>
<td>10-15% growth</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>61.6%</td>
<td>61.6%</td>
<td>58-60%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>24.0%</td>
<td>21.6%</td>
<td>20-22%</td>
</tr>
<tr>
<td>SG&amp;A</td>
<td>18.4%</td>
<td>18.8%</td>
<td>17-18%</td>
</tr>
<tr>
<td>Total Operating Expenses</td>
<td>42.4%</td>
<td>40.4%</td>
<td>37-40%</td>
</tr>
<tr>
<td>Non-GAAP Operating Income</td>
<td>19.2%</td>
<td>21.2%</td>
<td>20-25%</td>
</tr>
</tbody>
</table>

- Record revenue in IoT wireless products despite ongoing macro uncertainty
- Product mix and supply chain efficiencies drive strong margin
- Increasing momentum in the sales funnel, now $11.7B, up >20% y-y
- Record Q2 design-win life-time-revenue up ~25% y-y

Gross margin, R&D, SG&A, total operating expenses and operating income are non-GAAP and exclude stock compensation expense, amortization of intangible assets, non-cash interest expense on convertible notes, and certain other adjustments.
Healthy Cash Generation

- ~$1.5B in cumulative operating cash flow since 2007
- $1.8B of capital deployed since 2007
  - ~$1.1B share repurchases
  - ~$0.7B strategic M&A
- ~$134M outstanding BoD authorized share repurchase program through the end of fiscal year 2019
- Opportunistic buyer as we return cash to shareholders

Operating Cash Flow:

<table>
<thead>
<tr>
<th>Year</th>
<th>Cash Flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$105M</td>
</tr>
<tr>
<td>2016</td>
<td>$129M</td>
</tr>
<tr>
<td>2017</td>
<td>$190M</td>
</tr>
<tr>
<td>2018</td>
<td>$174M</td>
</tr>
</tbody>
</table>

Products:

- 2012: Software ZigBee SoC
- 2013: Low-power 32-bit MCUs
- 2014: Low-power Analog
- 2015: BT Smart Modules
- 2015: ZigBee/Thread Modules
- 2016: Software RTOS
- 2017: Cloud Connected Wi-Fi
- 2018: Smart Home Protocol
Key Take Aways

- Well positioned for leadership in IoT
  - Large, growing and diverse market
  - Leading hardware and software platform
  - Advanced capabilities in connectivity and security

- High quality Infrastructure opportunity
  - Addressing trends in data and green energy
  - Focus on communications, industrial & auto markets
  - Expanding SAM and portfolio

- Addressing an $11.7B opportunity pipeline
  - >$8B IoT opportunity
  - Record growth in 2018, up 40% y/y
  - Q2 design wins up 25% y/y
Thank you!