

LUMENTUM AND COHERENT TO COMBINE, UNITING GLOBAL INDUSTRY LEADERS TO ACCELERATE THE FUTURE OF PHOTONICS



Bringing together key leadership positions, including photonics for:

- Telecom networks
- Cloud and 5G networks
- 3D sensing and LiDAR
- Advanced microelectronics fabrication
- Precision manufacturing
- Research and bioinstrumentation

COMPELLING STRATEGIC AND FINANCIAL BENEFITS

- Diversified Industry Leader Across Key Photonics Segments
- Stronger Partner for Customers
- Increased Intersection of Value Chains Driven by Long-Term Trends
- Well-Positioned to Pursue Attractive Growth Opportunities
- Substantial Run-Rate Synergies¹ and Solid Accretion²

ADDITION OF COHERENT ACCELERATES LUMENTUM'S EXPOSURE AND RELEVANCE TO THE LARGE OPPORTUNITY FOR LASERS AND PHOTONICS OUTSIDE OF TELECOM, DATACOM AND 3D SENSING



Telecom & Datacom

3D Sensing & LiDAR

Lasers³

\$7.9bn

\$0.9bn

\$10.6bn

CY'20 Estimated Addressable Market

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CY'20 Estimated Addressable Market

TRANSACTION DETAILS

TRANSACTION VALUE

\$5.7B

in cash and stock

CONSIDERATION

Stockholders will receive for each Coherent share they own

\$100.00

in cash



1.1851

shares of Lumentum common stock

BOARD REPRESENTATION

2 Coherent Board members appointed to Lumentum Board, expanding to 9 directors

EXPECTED CLOSE

Subject to both companies' stockholders, regulatory approvals and other customary closing conditions



Alan Lowe

President and CEO

LUMENTUM

"As we look ahead, we are thrilled to join forces with Coherent to create one of the world's largest and most diverse photonics technology companies with leading positions in the growing market for photonics. Coherent brings one of the most recognizable and respected brands in the photonics industry and a very talented and innovative team. By increasing our scale, expanding our portfolio, and bolstering our R&D capabilities at a time when global markets are increasingly relying on photonics products and technologies, we are confident in our combined ability to pursue exciting new growth opportunities."

¹ Expected to generate more than \$150M in annual run-rate synergies within 24 months of the close of the transaction

² Expected to be accretive to combined company's non-GAAP EPS during the first full year after the close of the transaction

³ Lasers and photonics outside of the Telecom & Datacom and 3D sensing markets. Market data sourced from LightCounting and Strategies Unlimited

ADDITIONAL INFORMATION AND WHERE TO FIND IT

This communication is being made in respect of a proposed business combination involving Lumentum Holdings Inc. ("Lumentum") and Coherent, Inc. ("Coherent"). In connection with the proposed transaction, Lumentum will file with the Securities and Exchange Commission (the "SEC") 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 Department 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.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This communication contains "forward-looking statements" within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on Coherent's and Lumentum's current expectations, estimates and projections about the expected date of closing of the proposed transaction and the potential benefits thereof, its business and industry, management's beliefs and certain assumptions made by Coherent and Lumentum, all of which are subject to change. In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "could," "seek," "see," "will," "may," "would," "might," "potentially," "estimate," "continue," "expect," "target," similar expressions or the negatives of these words or other comparable terminology that convey uncertainty of future events or outcomes. All forward-looking statements by their nature address matters that involve risks and uncertainties, many of which are beyond our control, and are not guarantees of future results, such as statements about the consummation of the proposed transaction and the anticipated benefits thereof. These and other forward-looking statements are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statements. Accordingly, there are or will be important factors that could cause actual results to differ materially from those indicated in such statements and, therefore, you should not place undue reliance on any such statements and caution must be exercised in relying on forward-looking statements. Important risk factors that may cause such a difference include, but are not limited to: (i) the completion of the proposed transaction on anticipated terms and timing, including obtaining stockholder and regulatory approvals, anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion and growth of Coherent's and Lumentum's businesses and other conditions to the completion of the transaction; (ii) failure to realize the anticipated benefits of the proposed transaction, including as a result of delay in completing the transaction or integrating the businesses of Coherent and Lumentum; (iii) the impact of the COVID-19 pandemic and related private and public sector measures on Coherent's business and general economic conditions; (iv) risks associated with the recovery of global and regional economies from the negative effects of the COVID-19 pandemic and related private and public sector measures; (v) Coherent's and Lumentum's ability to implement its business strategy; (vi) pricing trends, including Coherent's and Lumentum's ability to achieve economies of scale; (vii) potential litigation relating to the proposed transaction that could be instituted against Coherent, Lumentum or their respective directors; (viii) the risk that disruptions from the proposed transaction will harm Coherent's or Lumentum's business, including current plans and operations; (ix) the ability of Coherent or Lumentum to retain and hire key personnel; (x) potential adverse reactions or changes to business relationships resulting from the announcement or completion of the proposed transaction; (xi) uncertainty as to the long-term value of Lumentum common stock; (xii) legislative, regulatory and economic developments affecting Coherent's and Lumentum's businesses; (xiii) general economic and market developments and conditions; (xiv) the evolving legal, regulatory and tax regimes under which Coherent and Lumentum operate; (xv) potential business uncertainty, including changes to existing business relationships, during the pendency of the merger that could affect Coherent's and/or Lumentum's financial performance; (xvi) restrictions during the pendency of the proposed transaction that may impact Coherent's or Lumentum's ability to pursue certain business opportunities or strategic transactions; (xvii) unpredictability and severity of catastrophic events, including, but not limited to, acts of terrorism or outbreak of war or hostilities, as well as Coherent's and Lumentum's response to any of the aforementioned factors; (xviii) geopolitical conditions, including trade and national security policies and export controls and executive orders relating thereto, and worldwide government economic policies, including trade relations between the United States and China; (xix) Coherent's ability to provide a safe working environment for members during the COVID-19 pandemic or any other public health crises, including pandemics or epidemics; and (xx) failure to receive the approval of the stockholders of Lumentum and/or Coherent. These risks, as well as other risks associated with the proposed transaction, are more fully discussed in the joint proxy statement/prospectus to be filed with the SEC in connection with the proposed transaction. While the list of factors presented here is, and the list of factors presented in the joint proxy statement/prospectus will be, considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on Coherent's or Lumentum's consolidated financial condition, results of operations, or liquidity. Neither Coherent nor Lumentum assumes any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.