



# Needham Networking, Communications & Security Conference

# Safe Harbor

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# Company Overview

# Pioneering Agile Broadband Networks

## Who we are

The *only pure-play enabler of broadband solutions* for fixed and wireless communications service providers

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## What we enable

*Network capacity expansion* to meet rapidly increasing bandwidth

*Increased revenue* with *lower OPEX* for service providers

Broadband network *convergence and virtualization*

*Service agility & operational efficiency* in all broadband service provider networks

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## Our technology

Cable core and access (CCAP/vCCAP, DAA)

Wireless core and access (4G/5G Axyom Core, 4G/5G RAN)

Fixed edge & access (vBNG, Next Gen PON)

# History of Creating Growth and Value

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## CASA 1.0

- Changed status quo in cable infrastructure
- Accomplished the impossible

2003

2010

Casa Founded

## CASA 2.0

- Growth stage
- Invested in new product lines
- IPO

2011

2017

Casa IPO

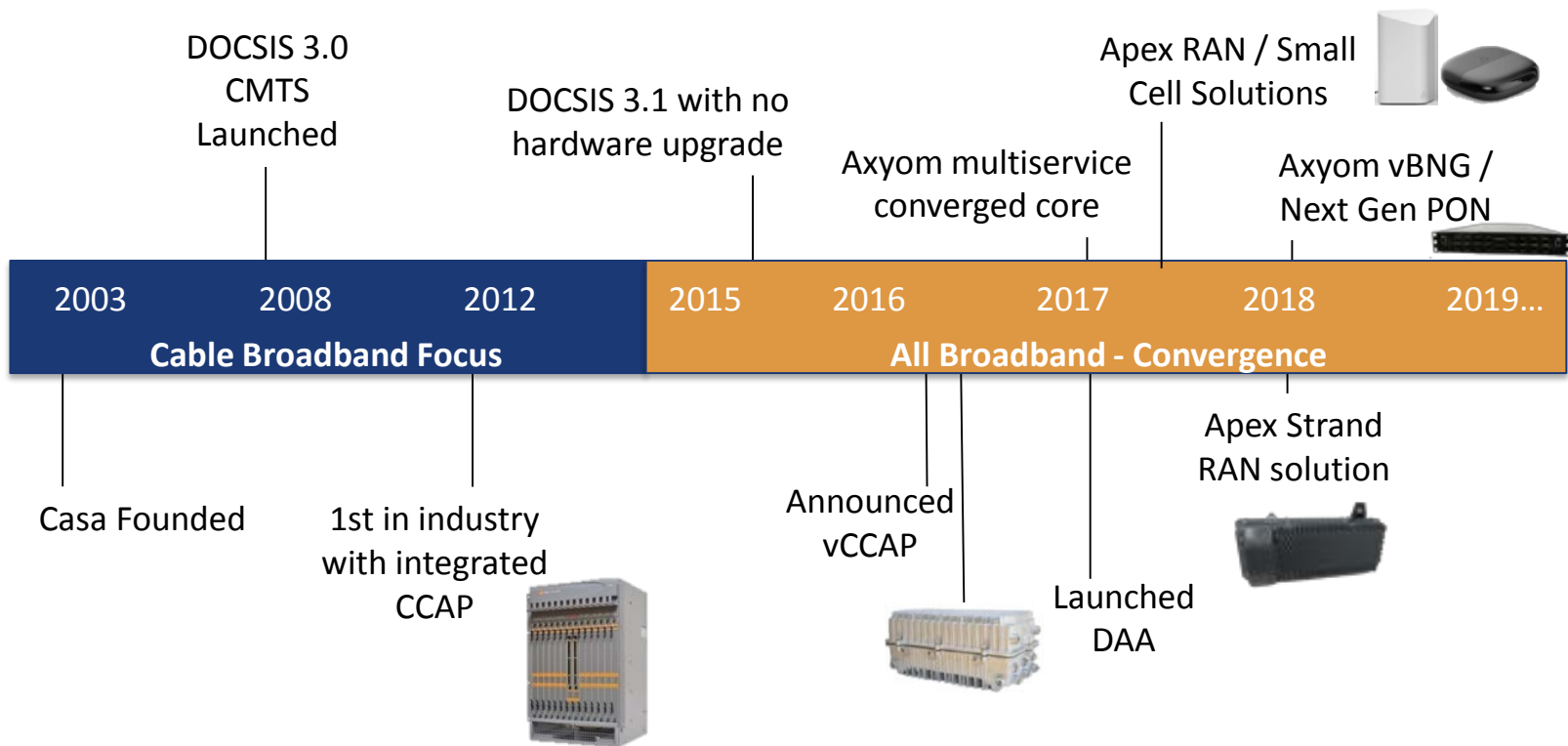
## CASA 3.0

- Major player in broadband communications infrastructure
- Continue to build scale

2018

2022

# Leading the Market with Innovation



# Proven Success with 450+ Broadband Customers



3 of Top 5  
North American Providers



Top 3  
LATAM Providers



Top 3  
European Providers



Top APAC Providers



### North America



Altice Charter Spectrum  
Mediacom ROGERS  
VIDÉOTRON Sprint

### Europe



LIBERTY GLOBAL  
Ono telenor  
Altice Kabel Deutschland  
Telefonica vodafone

### Latin America



américa móvil  
Cablevisión Telefonica  
tigô Televisa

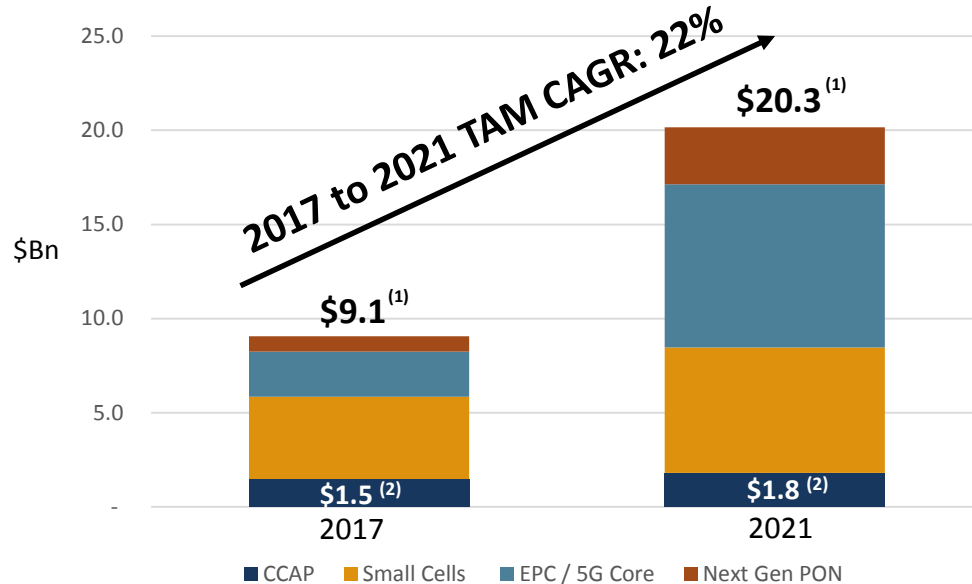
### Asia-Pacific



中国移动 China Mobile Taiwan Mobile  
中華電信 Chungwa Telecom  
J:COM SK telecom BGCTV  
true StarHub SKY cable

# Our Markets are Large and Growing

Core and access solutions for *cable, wireless and fixed* broadband



TAM Includes:

- CCAP
- EPC and 5G Core
- Small cells
- Next Gen Passive Optical Network (PON)

## Notes

1. Aggregates market data reported in Gartner, Communications Service Provider Operational Technology; ABI Research, Mobile Packet Core VNFs and PNFs Market Data; and S&P Global Market Intelligence, Global PON Forecasts 2017 & 2018
2. S&P Global Market Intelligence Centralized CCAP / CCAP Core, Remote PHY / MACPHY and Virtual CMTS Worldwide Revenue Forecast 2018
3. S&P Global – Kagan Quarterly Quickview CCAP Equipment Q1 2018

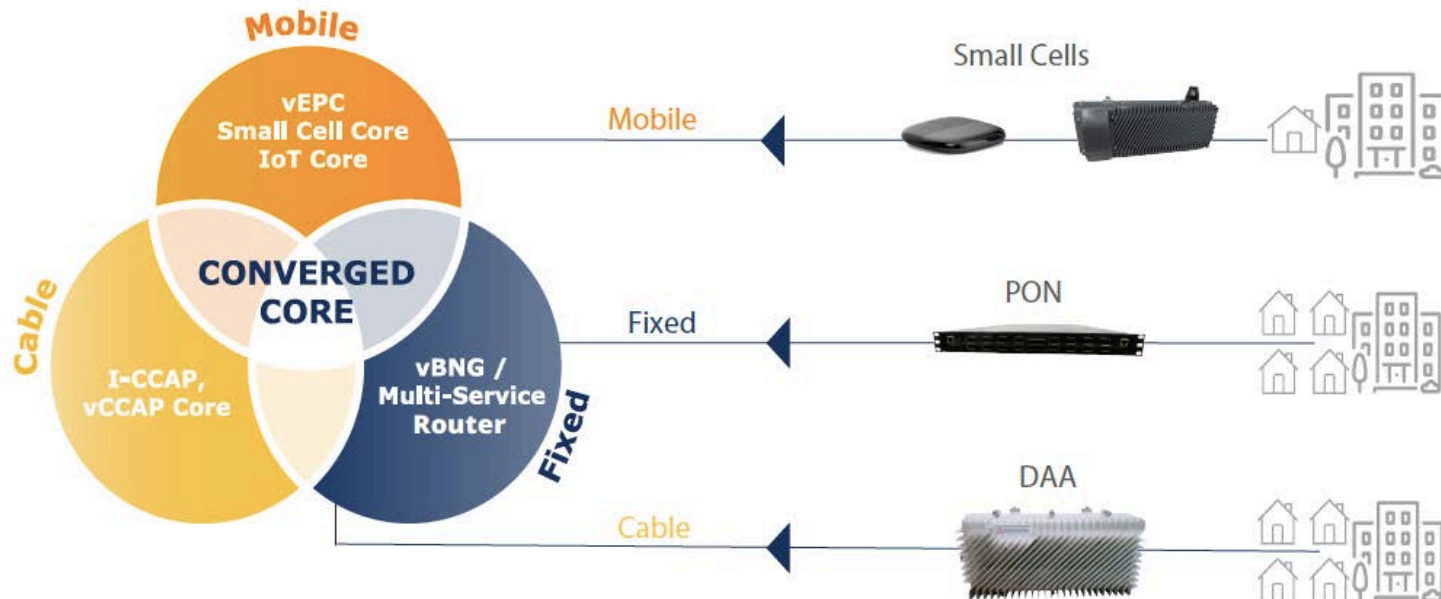


# Delivering End-to-End Ultra-Broadband Solutions

## Products for Network Core and Edge

### Multi-Service Core and Edge

### Multi-Access



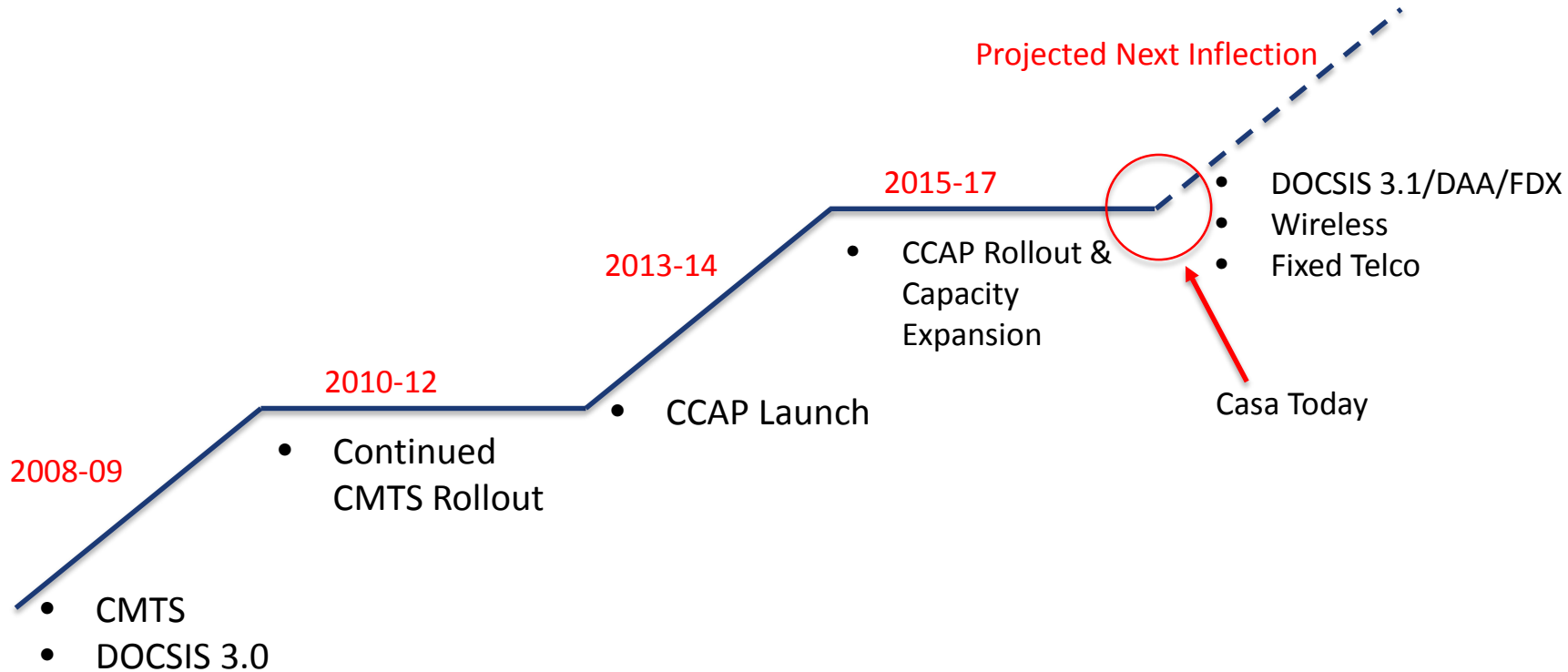
### Axyom™ Software Platform



# Casa's Growth

# Casa's Growth

Innovate/Install → Digest → Innovate/Install → Digest...



# Large Installed Base with Annuity-Like Revenue

- ✓ Land and Expand business model
- ✓ Chassis shipped < 20% loaded
- ✓ Software & line card capacity expansion purchases
- ✓ Node splitting & service group additions

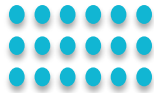
# Near-Term Growth Drivers



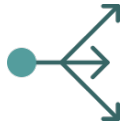
**Broadband growth** – Projected 38% 5-year CAGR (2013-2018E)<sup>1</sup>



**Convergence** – of networks and services



**Densification** – for access traffic growth in all broadband networks



**Virtualization & Functional Disaggregation** – for network flexibility

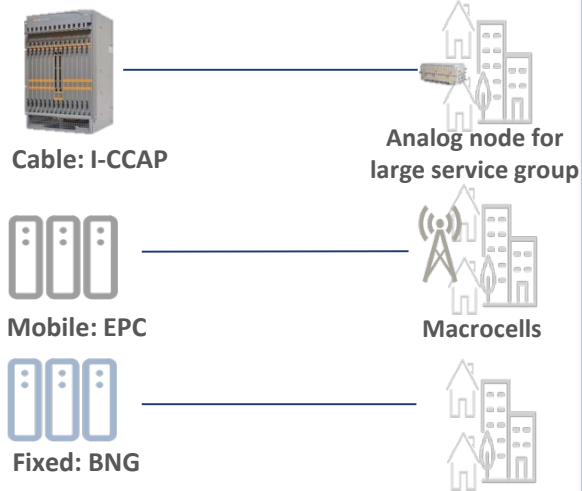


**Service Based Software Architectures** – for service provisioning agility

# Our Opportunity: Massive Network Upgrade

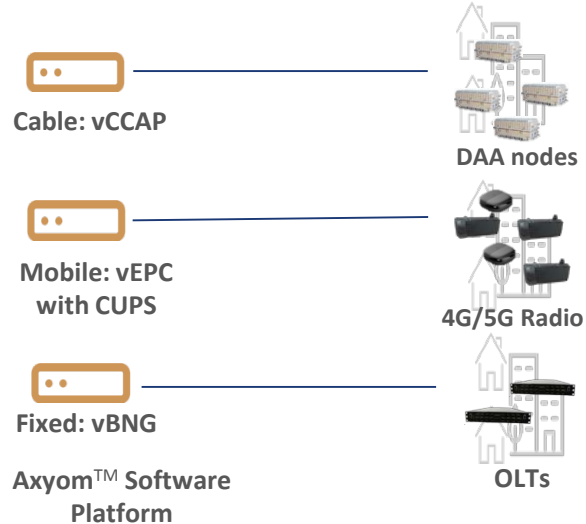
## Current Network

- Core - Appliance Based
- Access - not densified



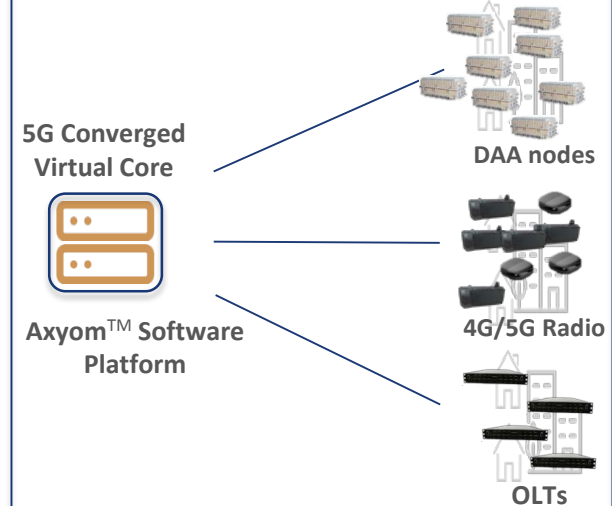
## Virtualization & Densification

- Core – Virtualized but separate
- Access - densification underway



## Convergence

- Core – 5G service based architecture
- Access - highly densified



# Casa Systems: Investment Highlights

- Only pure-play with exposure to growth in broadband infrastructure spend for all access technologies
- Large installed base with annuity-like revenue stream from ongoing capacity upgrades
- Growth opportunity today from massive network transformation
- Track record of rapid growth at technology inflection points with high margins



## Financial Review



# Q3 Highlights & FY 18 Outlook Commentary

## Q3 Highlights

- Revenue \$71.5 MM
  - 4% sequential increase from Q2
- Gross Margin of 79.6%
  - Hardware with higher initial software capacity
  - Higher software as a % of product revenue
- EBITDA Margin 38%
- Capacity expansions up by 49% from Q2
  - 60.4% of product revenue
- Non-GAAP diluted EPS of \$0.22

## FY 18 Outlook

- \$330 - \$350 MM FY 2018 Revenue
- Gross Margin in a range of high 60s to low 70s
- Non-GAAP diluted net income per share between \$0.80 and \$0.88
- Wireless: > \$20 MM+ in POs to date
- Cable: Initial DAA deployments underway
- Fixed Telco: First vBNG PO

# Land and Expand Model

Top 20<sup>(1)</sup>

Customers	Q1'13	Q2'13	Q3'13	Q4'13	Q1'14	Q2'14	Q3'14	Q4'14	Q1'15	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18
Customer 1	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 2	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	No Billings
Customer 3	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 4	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 5	Not a Customer	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 6	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 7	Not a Customer	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	No Billings	Billings	No Billings	Billings
Customer 8	Not a Customer	Not a Customer	Billings	Billings	No Billings	No Billings	Billings	Billings	Billings	No Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 9	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 10	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 11	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	No Billings	Billings	No Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	No Billings
Customer 12	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 13	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 14	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 15	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	No Billings
Customer 16	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings	Billings
Customer 17	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Billings	Billings	Billings	Billings	No Billings	Billings	Billings	Billings	Billings	No Billings	Billings	No Billings
Customer 18	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer
Customer 19	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer
Customer 20	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer	Not a Customer

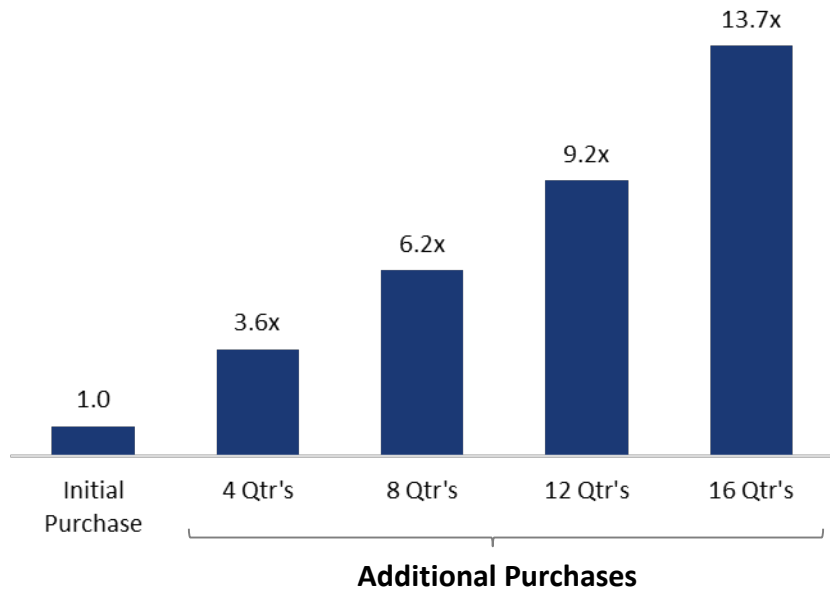
**Note**

Billings in Quarter <sup>(2)</sup>
 No Billings in Quarter
  Not a Customer

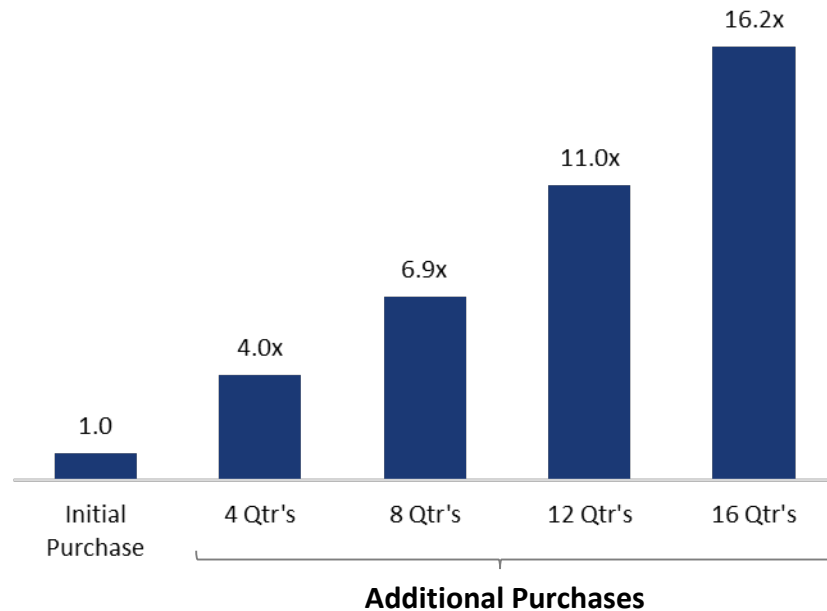
1. Casa's top 20 customers by billings between Q1 2013 and Q3 2018 – sorted by date of first order
2. Customer billings may fluctuate in value from quarter to quarter depending on whether purchases consist of products, such as systems, line cards, or software-based capacity expansions, or services, such as maintenance and support services

# Sustainable Revenue Base

All Customers <sup>(1)(2)(3)</sup>



Top 20 Customers <sup>(1)(2)(3)</sup>

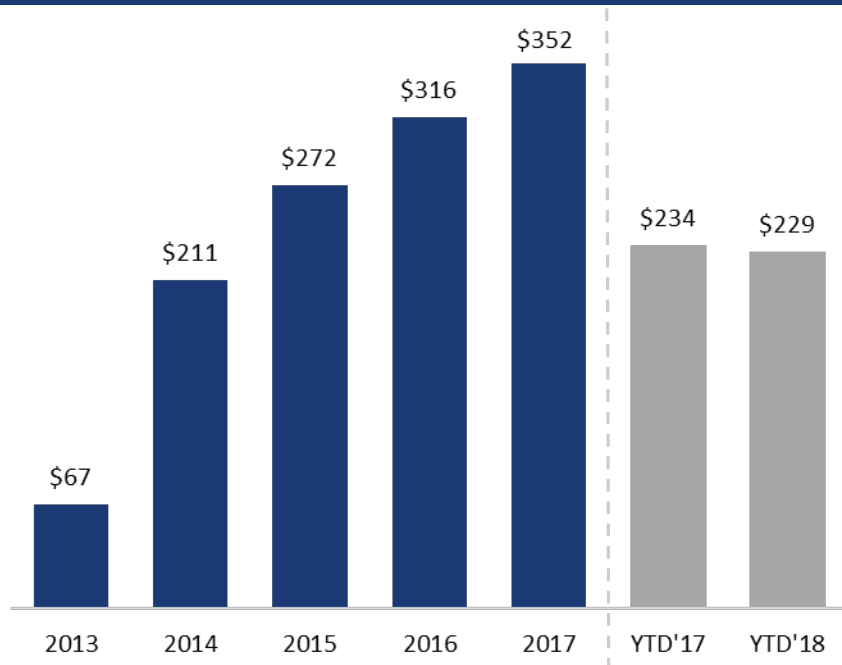


**Note**

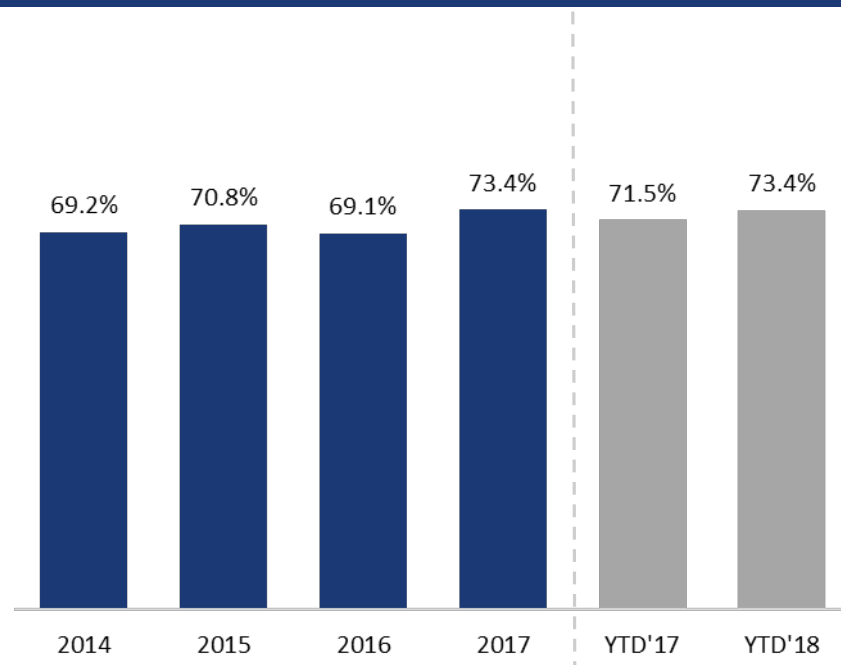
1. Includes customers who made their initial purchase on or after Jan. 1, 2013 and had purchases in at least 2 quarters.
2. Multiple is based off initial sale which is the first quarter in which a customer made a purchase
3. A customer is only included in the 4, 8, 12 or 16 quarter multiples if they were a customer for the entirety of such period

# Revenue and Gross Margin

Revenue (\$MM)



Gross Margin (%)



# Revenue by Type

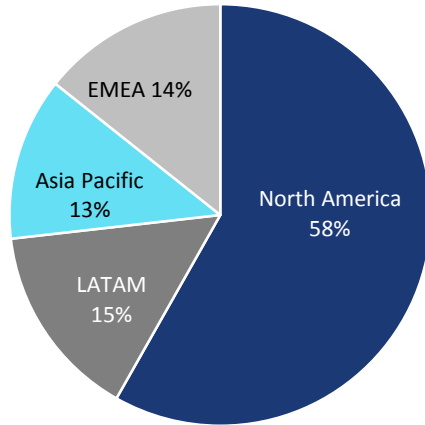
% of Revenue	2014	2015	2016	2017	YTD'17	YTD'18
Sales of Broadband Products	88.6%	83.2%	66.4%	56.3%	60.7%	47.4%
Capacity Expansions <sup>(1)</sup>	3.4%	7.7%	22.0%	32.4%	27.1%	39.6%
Service	8.0%	9.1%	11.7%	11.3%	12.2%	13.0%
<b>Total Revenue</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Note**

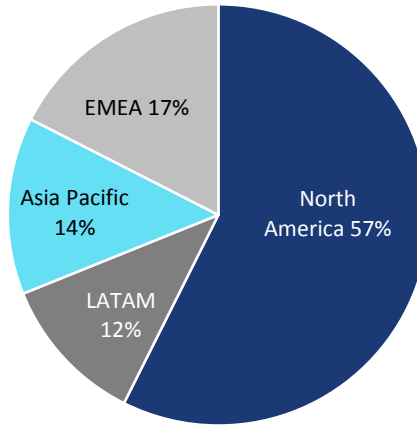
1. Includes software-enabled capacity expansions.

# Diversified Revenue Base

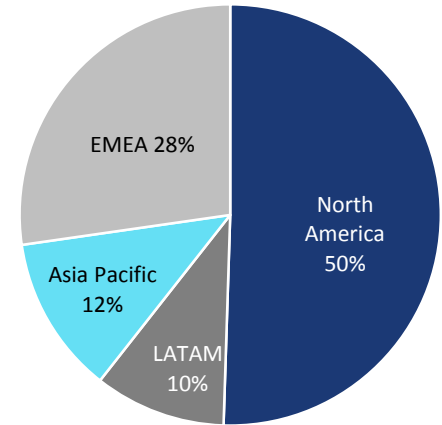
2016



2017



YTD'18





Thank you