

Gigamon Inc. - Visibility, the new business imperative.

Cybercriminals.

Now there's nowhere to hide.

Discover the power of network visibility.



Seeking Alpha – Summer Collegiate Stock Pitch Contest



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Queen's Smith School of Business

July 14, 2016

Long: [NYSE: GIMO]

Price Target: \$47

Return: 18.1%

Company Overview I



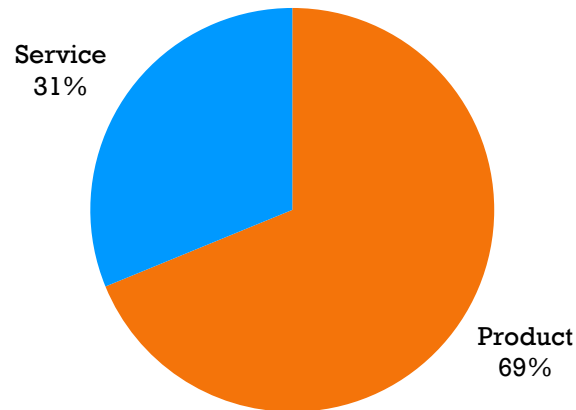
Company Description

- Gigamon Inc. designs, develops, and sells products and services that together, provide customers with visibility and control of network traffic.
- GigaSECURE Security Delivery Platform enables the delivery of network, data as a service, for multiple security tools
- GigaSMART platform provides a range of software applications to modify, manipulate, transform, filter, correlate and sample network traffic
- Founded in 2004, Gigamon's mission has always been about addressing the need for Network Traffic Visibility

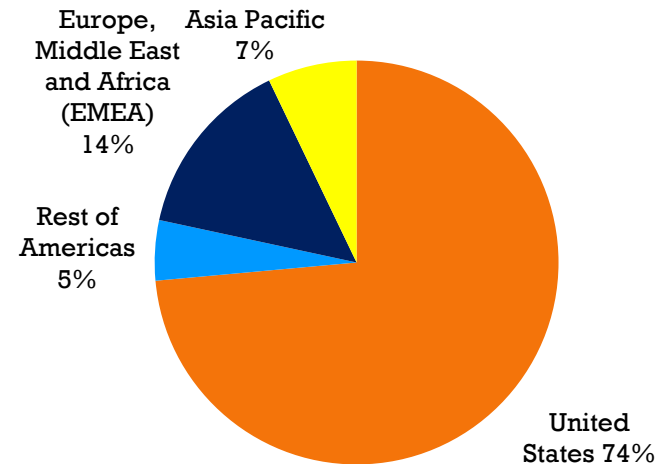
Market Data (in USD millions)

Share Price (07/14)	\$39.78
Shares Outstanding	34.9
52-Week Range	\$18.93-\$41.54
Market Capitalization	1,387.5
Cash	208.1
Debt	0
Enterprise Value	1179.4
2015 Revenue	\$222.0
Float %	85.4%

Revenue Distribution by Segment (2015)



Revenue Distribution by Geography (2015)



Gigamon maintains a clear leadership position with one of the best visibility solutions on the market

Paul A. Hooper – CEO (2012 – Present)



- Joined in 2011 (6 years with Gigamon)
- Promoted to CEO on Dec 2012 with previous CEO remaining on the Board of Directors
- Networking and high tech industry veteran
- Active in management calls for shareholders

Mike Burns – CFO (2014 – Present)

- Over 20 years of experience in finance, strategic planning, M&A and growth investing in public technology companies

Shehzad Merchant – CTO (2014 – Present)

- Over 20 years of experience in the high-tech industry

Sachi Sambandan – Sr. VP of Engineering (2014 – Present)

- Over 25 years of experience in Cloud, Virtualization and Infrastructure domains

Helmut Wilke – Sr. VP of Worldwide Sales (2014 – Present)

- Veteran in the information technology market with over 20 years of experience in global sales

Gigamon's Roadmap Execution

- Gigamon endured a tough year in 2014 due to revenue shortfalls, cancellation of an EMEA contract
- In 2014, Gigamon went through a massive change in executive leadership, recruiting new talent
- Revamped leadership has allowed Gigamon to propel into success with a team of industry veterans
 - Revenue grew by 41% from 2014 to 2015 with revenue in each geographic segment increasing
 - Gross margins grew from 76% to 79% from 2014 to 2015
- Growing capacity and driving efficiency within Gigamon
 - 50% increase of engineering capacity, Q1'15 to Q1'16
 - 14% decrease of cost/employee, Q1'15 to Q1'16
 - 8% increase of R&D productivity, Q1'15 to Q1'16
- Expanded customer base by over 300 from 2014 to 2015
- Strong growth in security, representing 60% of revenue in Q1'16

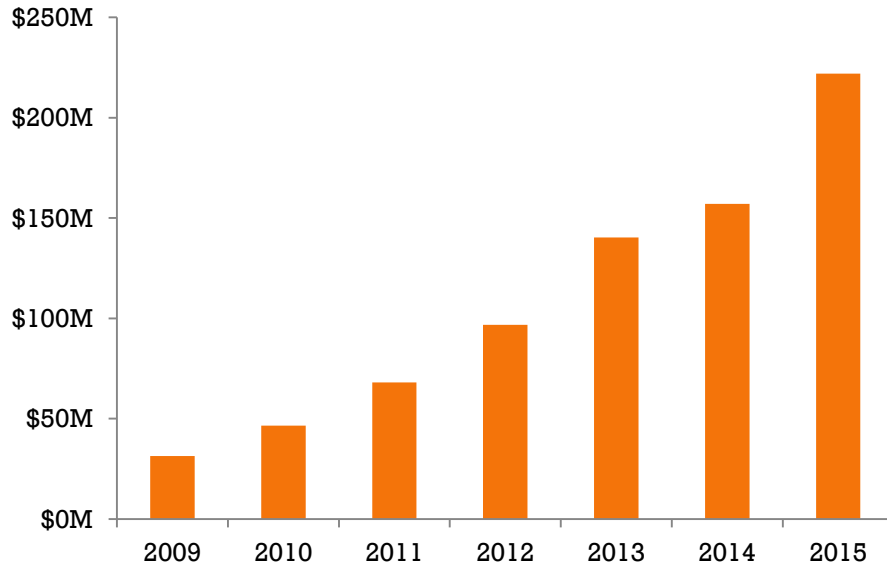
“Accelerating profitable growth, consistent execution and market leadership – these are the hallmarks of our organization” – Paul Hooper, CEO of Gigamon

Management comprised of technology veterans have provided a solid past and a promising future

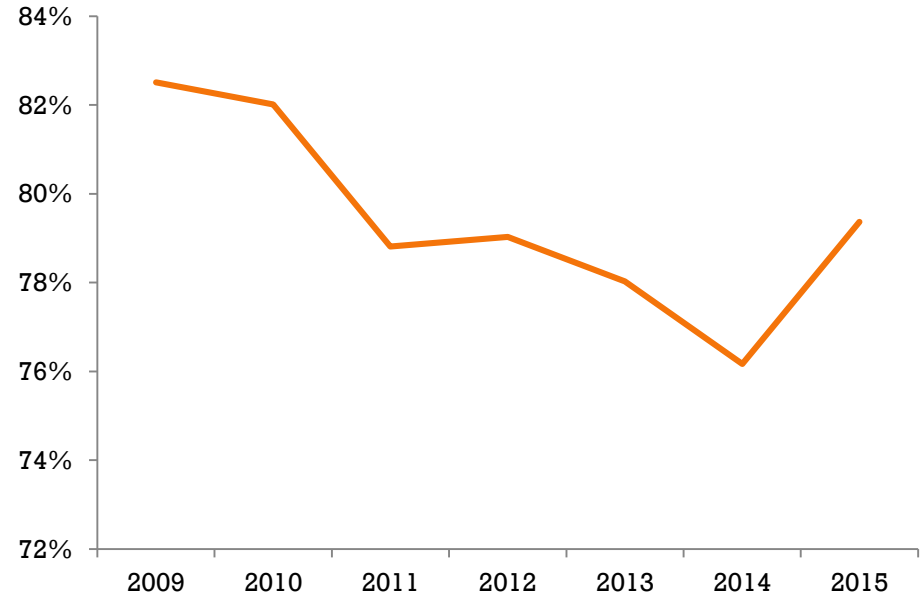
Financial Overview



Historical Revenue (USD)



Gross Margin



Price vs. Volume

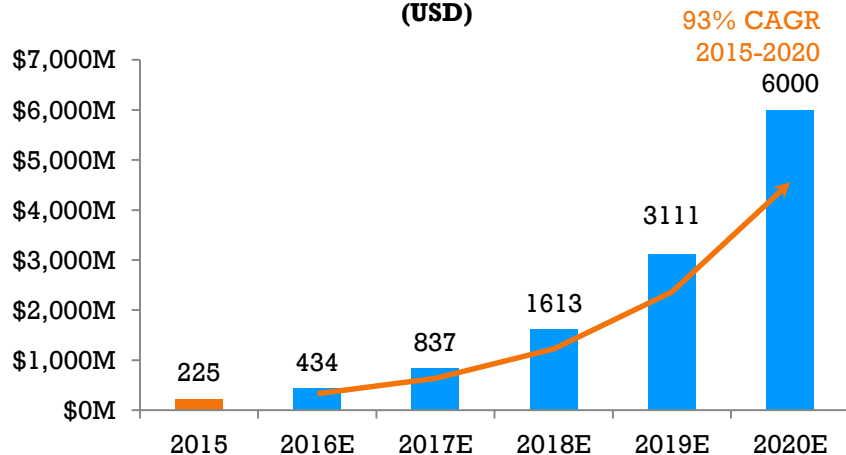


Strong growth in Software-Defined WAN

- Emergence of SD-WAN is a relatively recent market development becoming more critical with cloud growth and critical workloads
- IT Infrastructure of today cannot keep up with traffic growth and the complexity of networks, creating blind spots in security
- Increase of security breaches and continuing threats facing enterprises significantly increases the need for security to obtain intelligent visibility to traffic flowing through networks
- Security breaches are inevitable and there is a shift from prevention to detection, a more proactive approach
- The future of security investment dollars will be spent on detection, prediction, and containment

Software-Defined Wide Area Network

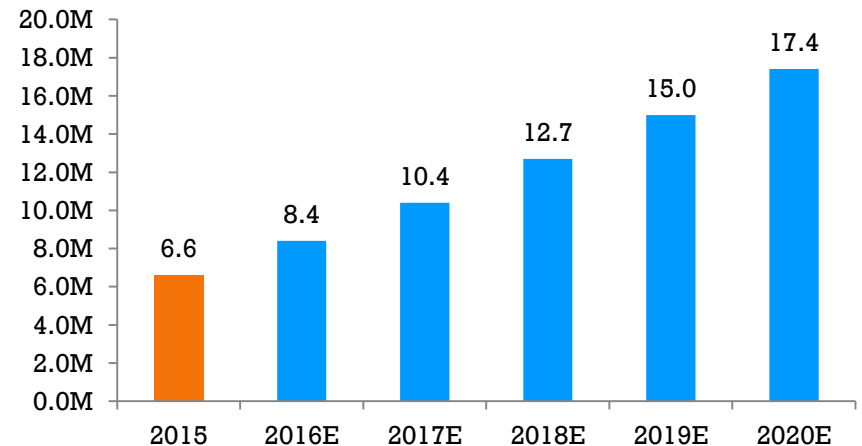
(USD)



Data Breaches scream for better security

- LinkedIn (2016) – 167 million account credentials
- Anthem (2015) – 80 million records compromised
- Sony Pictures (2014) – Employees tricked to download malicious email attachments or visit websites, over 100 TB of data stolen and damages estimated over \$100 million
- Apple (2014) – iCloud over 500 celebrity photos leaked
- JP Morgan (2014) – 83 million household and business accounts
- Home Depot (2014) – 56 million credit and debit cards
- Target (2013) – 70 million identifies of customers and 40 million credit and debit cards compromised
- DDoS attacks are increasing and security is vital for companies

Global DDoS Attacks

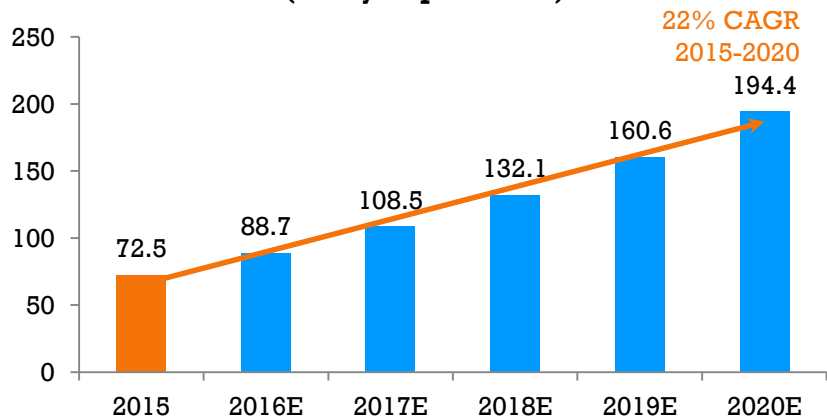


Growth in the Network Visibility Market is evidently strong as the need for detection increases

Global IP Traffic will grow exponentially

- Global IP Traffic is forecasted to nearly triple from 2015 to 2020
- This is due to key factors such as broadband speed, increasing internet users, and the increase of devices
 - Global Networked Devices are expected to grow to 26.3 billion devices in 2020, up from 16.3 billion in 2015
 - Global average broadband speeds are continued to grow, nearly doubling from 2015 to 2020, from 24.7 Mbps to 47.7 Mbps
 - By 2020, there will be nearly 4.1 billion global Internet users, up from 3.0 billion in 2015
- IP Video will represent 82% of all traffic in 2020

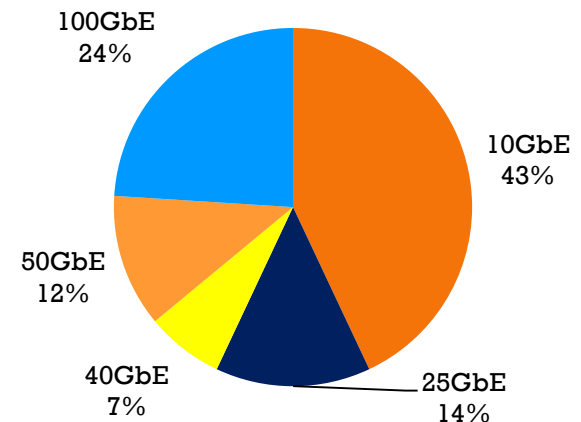
Global IP Traffic Forecast
(Exabytes per month)



Ethernet – Need for Speed

- Today's datacenter networks face a need to better adapt and accommodate business-critical application workloads
- This leads to adaption of virtualized workloads and enterprise transitions to private and hybrid clouds
 - Cloud and legacy applications drive a need for increased bandwidth and connectivity requirements to support growth in cloud and data analytics
- Big Data, Virtualization, and the Internet-of-Things, add to the data deluge
- Infrastructure has shifted from 1GbE to 10GbE but demand for 25GbE and 40GbE is increasing along with 50GbE and 100GbE

2020 Ethernet Adapter Market



Exponential traffic growth along with adoption of faster networks, drive demand for visibility solutions

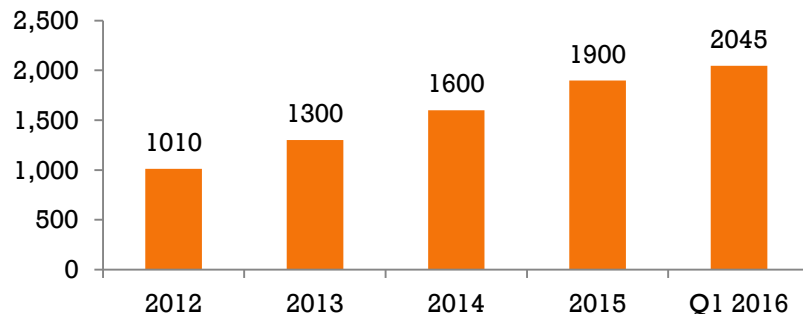
Investment Thesis I - Management driving strong fundamentals



Enormous growth expected to stay strong

- Gigamon's Q1'16 revenue represents a 43.5% y/y growth and a 6-Year CAGR of 38.5% from 2009
- Gigamon has amassed over 2,000 end-user customers in Q1'16 (from 1,010 in 2012) which includes 78 of the Fortune 100 and 50 of the Top 100 Global Service Providers
- Strong repeat buying demonstrates the strength of Gigamon's solutions with their Top 25 customers spending 92x the amount of their first purchase
- The Federal Market is experiencing enormous growth with the U.S. Government being the most attacked enterprise in the world
 - Federal revenue experienced a 75% y/y growth rate
 - Federal bookings have also increased 160% y/y
- Revenue broken down by geography has experienced increases in all areas, indicating a growing global presence

Number of Customers



Disrupting the Markets

- Renewed leadership has allowed Gigamon to stimulate success with increased efficiencies, effectiveness, and innovation, posting a 7th consecutive beat-and-raise quarters
- The demand for security has been one of Gigamon's key segment that will continue to disrupt markets with product innovation
 - Security represented 35%, 45% and 60% of revenue in FY'14, FY'15, and Q1'16
 - Inline bypass module for security shows a 50% attach rate to all HC2 appliances sold in Q1'16
 - Network and Metadata Generation, best seller of Q1'16
 - Strength in mobility markets: FlowVUE and GTP Correlation experiencing 100% y/y growth
- Continuous innovation to the Visibility Fabric, enhancing functionality and scalability



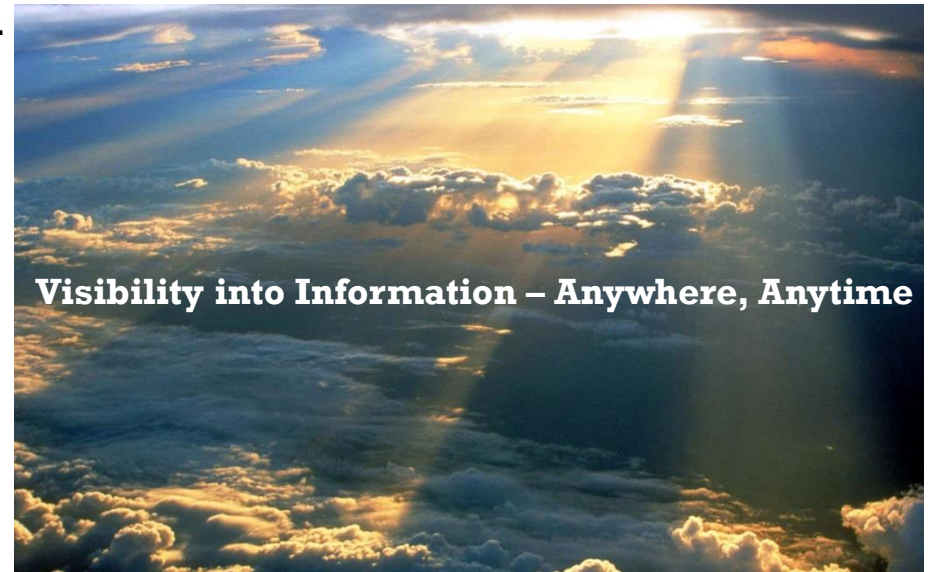
Gigamon has displayed impeccable success with robust evidence for strong growth

Investment Thesis II - Visibility into the Cloud



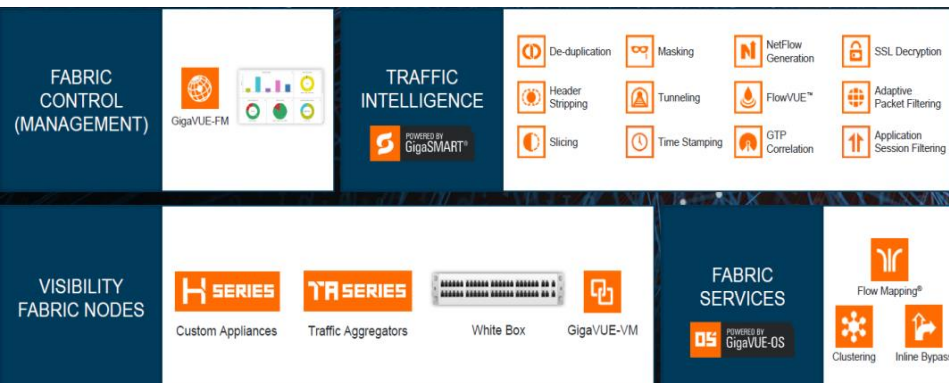
Visibility into Information Traversing the Cloud

- Gigamon is offering the industry's first visibility solution to monitor information that traverses the public cloud
 - Developed with Fortune 100 customers and field trials will be carried out on Amazon's Web Services
 - Enables customers to gain visibility to AWS workloads, guaranteeing performance and security that AWS does not provide today
- Solution is platform agnostic, will be extended to Microsoft Azure and Google Cloud
- Enterprises have been held back from the public cloud due to constraints such as inability to access traffic, security concerns, lack of sufficient tools and backhaul costs
- Visibility to information traversing the public cloud is critical for continuous monitoring and security of application workloads



Market Mispricing

- On Sept 9, 2013 , Gigamon traded at \$40.30 and as of July 14, 2016 Gigamon trades at \$39.78
- The market has only reverted back to similar levels but fail to realize its full potential
- The market has not realized the importance and impact that Network Visibility will play in the future of cybersecurity, relatively new market development
- The market does not realize the potential of growth with related industry trends - increase of data, devices, and attacks

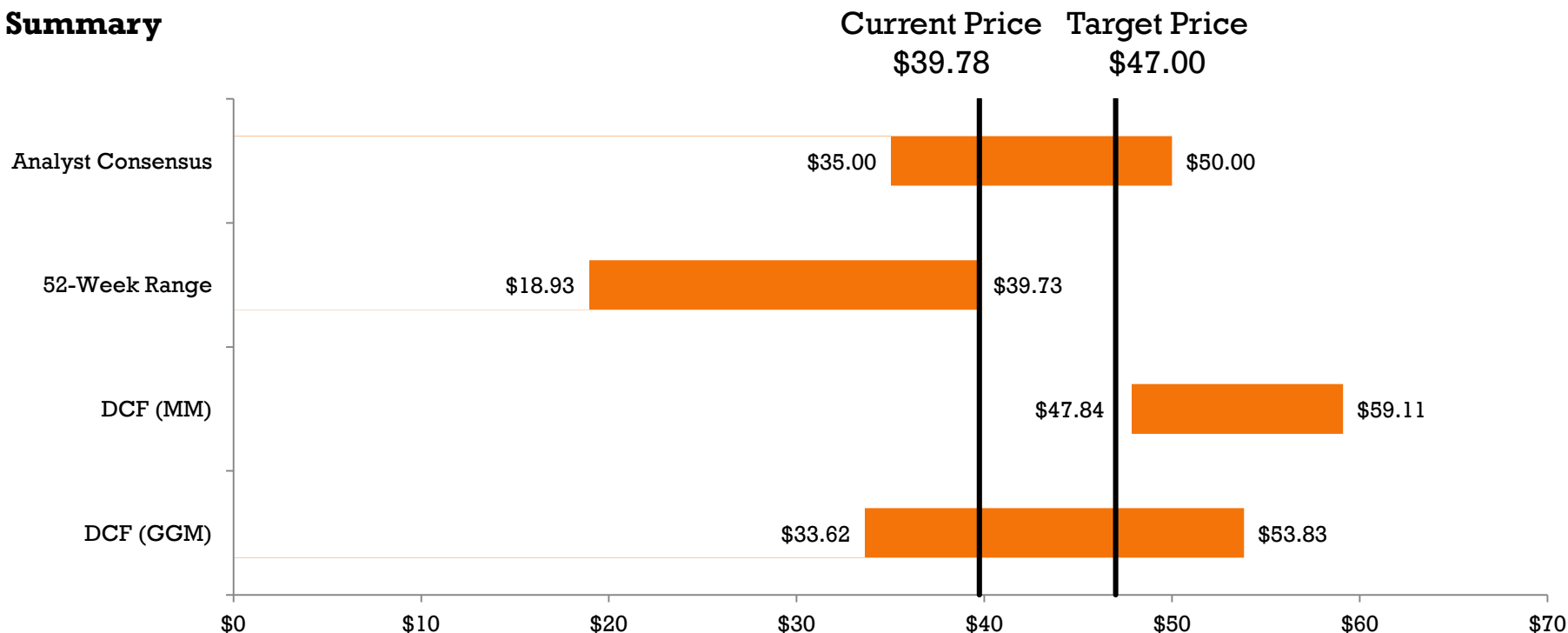


Gigamon's caliber of talent has allowed them to lead the industry's innovation, positioned for strong success

Valuation - Summary



Summary



Gigamon's current price of \$39.78 indicates a significant discount to a target price of \$47.00, implying a 17.6% return. A target price of \$47.00 was achieved through a blended DCF analysis using the Gordon Growth Method and Multiples Method. Gigamon is valued at a premium when compared with its competitors based on trading multiples, P/E and EV/EBITDA. This is justified given the size of the comparables, measured by market capitalization (\$10B and under) and Gigamon's growth potential. Viewed on a NTM P/E and EV/EBITDA multiple, Gigamon starts to become more attractive in comparison with competitors as it grows revenues and earnings. With a six-year revenue CAGR of 39% and a sustained gross margin over 80%, this presents an attractive opportunity to capture Gigamon at a discount. Gigamon commands the second highest LTM revenue growth rate and gross margins among competitors with medians of 11.72% and 72.7% respectively. Gigamon is the market leader in Network Visibility Solutions and is expanding in an industry yearning for innovative solutions to combat the growing number of cyberattacks.

Valuation – Financial Statements



Balance Sheet

(in millions)	FY2014	FY2015
Assets		
Current Assets:		
Cash and cash equivalents	38.9	120.2
Short-term investments	110.5	90.0
Accounts receivable, net	28.7	47.9
Inventories	6.6	3.8
Deferred tax assets	0.2	0.0
Prepaid expenses and other current assets	5.3	7.6
Total Current Assets	190.1	269.6
Long-Term Assets:		
Property and equipment, net	7.4	9.4
Deferred Tax Assets, non-current	0.1	0.1
Other assets, non-current	0.4	0.8
Total Assets	198.0	279.9
Liabilities and Shareholder's Equity		
Current Liabilities:		
Accounts payable	2.4	3.7
Accrued liabilities	22.8	37.3
Deferred revenue	42.2	62.2
Total Current Liabilities	67.4	103.3
Deferred revenue, non-current	13.3	19.9
Deferred and other tax liabilities, non-current	0.2	0.3
Other liabilities, non-current	1.7	1.1
Total Liabilities	82.6	124.6
Shareholder's Equity	115.4	155.4
Total Liabilities and Shareholder's Equity	198.0	279.9
Metrics		
Return on Equity (Non-GAAP)	3.4%	18.7%
Return on Assets (Non-GAAP)	2.0%	10.4%
Quick Ratio	2.6x	2.5x
Current Ratio	2.8x	2.6x

- Quick ratio of 2.5x provides confidence towards Gigamon's ability to meet its short-term obligations
- Grew cash, cash equivalents and short-term investments to \$210 million, up \$61 million from a year ago

Cash Flow Statement

(in millions)	FY2014	FY2015
Cash Flows from Operating Activities:		
Net Income (loss)	-40.8	6.2
Adjusts. to reconcile net income (loss) to net cash:		
Depreciation and amortization	5.3	5.6
Stock-based compensation expense	24.7	29.8
Deferred and other income taxes	20.8	0.2
Inventory write-down	3.8	1.9
Other non-cash adjustments	0.0	-4.4
Changes in Operating Assets and Liabilities:		
Accounts Receivable	-4.2	-19.6
Inventory	-8.2	1.0
Prepaid Expenses and Other Current Assets	-1.0	-3.0
Accounts Payable	1.0	1.3
Accrued Liabilities and Other Liabilities	1.7	18.0
Deferred Revenue	8.0	26.6
Net Cash from Operations	11.1	63.4
Cash Flows from Investing Activities:		
Purchase of short-term investments	-87.7	-61.7
Proceeds from sales of short-term investments	3.0	2.0
Proceeds from maturities of short-term investments	32.6	79.8
Purchase of property and equipment (CAPEX)	-7.6	-6.3
Net Cash from Investing	-59.7	13.8
Cash Flows from Financing Activities:		
Proceeds from Issuance of Common Stock	11.2	9.5
Repurchase of Common Stock	-3.1	-10.2
Other Financing Activities	-0.5	4.7
Net Cash from Financing	7.6	4.0
Net Increase (decrease) in cash and cash equivalents	-41.0	81.3
Cash and Cash equivalents - beginning of period	79.9	38.9
Cash and Cash equivalents - end of period	38.9	120.2

- No debt - ability to take on debt if needed and is not subject to repayments during market downturns
- Net Cash from Operations increase by over \$50 million from 2014 to 2015

Valuation – Public Company Comparables



	Stock Price (07/01/16)	Market Capitalization	Enterprise Value	P/E	NTM P/E	EV / EBITDA	NTM EV / EBITDA	EV/Revenue	NTM EV/Revenue
Arista Networks, Inc. (NYSE:ANET)	63.66	4,368.9	3,647.5	35.1x	21.80x	20.4x	11.37x	4.0x	3.20x
Barracuda Networks, Inc. (NYSE:CUDA)	15.18	793.6	642.9	NM	32.02x	76.6x	11.80x	2.0x	1.89x
Brocade Communications Systems, Inc. (NasdaqGS:BRCD)	9.25	4,322.6	3,697.4	12.5x	10.42x	6.8x	6.68x	1.7x	1.57x
F5 Networks, Inc. (NasdaqGS:FFIV)	113.52	7,603.6	6,828.6	22.4x	15.27x	11.7x	8.51x	3.5x	3.34x
Infoblox Inc. (NYSE:BLOX)	18.75	1,066.9	789.7	NM	43.22x	NM	17.17x	2.2x	2.22x
Ixia (NasdaqGS:XXIA)	9.8	801.2	756.5	63.2x	18.67x	9.6x	9.11x	1.5x	1.50x
Juniper Networks, Inc. (NYSE:JNPR)	22.35	8,581.2	8,467.6	13.6x	10.69x	7.7x	6.39x	1.7x	1.71x
NetScout Systems, Inc. (NasdaqGS:NTCT)	22.16	2,077.7	2,039.0	NM	11.64x	29.1x	5.66x	2.1x	1.68x
Gigamon Inc. (NYSE:GIMO)	37.38	1,305.4	1,097.3	141.9x	33.63x	52.1x	16.60x	4.5x	3.59x
High	113.52	8,581.2	8,467.6	63.2x	43.22x	76.6x	17.17x	4.0x	3.34x
Low	9.25	793.6	642.9	12.5x	10.42x	6.8x	5.66x	1.5x	1.50x
Mean	34.33	3,701.9	3,358.6	29.4x	20.47x	23.1x	9.59x	2.3x	2.14x
Median	20.46	3,200.1	2,843.2	22.4x	16.97x	11.7x	8.81x	2.1x	1.80x

	LTM Total Revenue	NTM Revenue	LTM Revenue Growth Rate	NTM Revenue Growth Rate	LTM Gross Margin %	LTM EBITDA Margin %	LTM EBIT Margin %	LTM Net Income Margin %	NTM LT EPS Growth Rate
Arista Networks, Inc. (NYSE:ANET)	900.7	1,140.55	39.45%	26.6%	64.5%	19.9%	18.1%	14.64%	20.25%
Barracuda Networks, Inc. (NYSE:CUDA)	320.2	340.14	15.39%	6.2%	78.1%	2.6%	(1.2%)	(1.38%)	22.43%
Brocade Communications Systems, Inc. (NasdaqGS:BRCD)	2,238.2	2,348.62	0.25%	4.9%	67.3%	24.1%	20.1%	13.97%	6.76%
F5 Networks, Inc. (NasdaqGS:FFIV)	1,958.1	2,044.37	6.39%	4.4%	82.7%	29.9%	27.7%	18.15%	12.22%
Infoblox Inc. (NYSE:BLOX)	359.0	356.4	26.38%	-0.7%	78.9%	0.2%	(2.8%)	(2.27%)	19.00%
Ixia (NasdaqGS:XXIA)	508.6	502.84	7.84%	-1.1%	78.3%	15.5%	4.0%	2.53%	12.50%
Juniper Networks, Inc. (NYSE:JNPR)	4,888.3	4,944.49	8.04%	1.1%	63.6%	22.4%	18.9%	13.19%	11.30%
NetScout Systems, Inc. (NasdaqGS:NTCT)	955.4	1,211.58	110.60%	26.8%	65.6%	7.3%	(2.6%)	(2.97%)	14.00%
Gigamon Inc. (NYSE:GIMO)	242.3	305.89	40.71%	26.2%	80.5%	8.7%	6.5%	4.07%	26.29%
High	4,888.3	4,944.49	110.60%	26.8%	82.7%	29.9%	27.7%	18.15%	22.43%
Low	320.2	340.14	0.25%	-1.1%	63.6%	0.2%	(2.8%)	(2.97%)	6.76%
Mean	1,516.1	1,611.12	26.79%	8.5%	72.4%	15.2%	10.3%	6.98%	14.81%
Median	928.1	1,176.06	11.72%	4.7%	72.7%	17.7%	11.1%	7.86%	13.25%

- Gigamon's P/E of 141.9x stands out and may concern investors but given the size of the company, this is expected given the growth potential
- Considering NTM P/E of 33.63x remains above the comparable mean, this is reasonable given the leadership position it holds and robust future

- As a small cap company, revenue growth is the most important factor as it demonstrates attraction and its ability to grow
- Gigamon commanded 40.71% revenue growth in its LTM and projects a 26.2% growth rate for its NTM
- Gigamon displayed an impressive 80.5% gross margin in its LTM that remains strong as they increase efficiencies

Valuation – Discounted Cash Flow Analysis I



(Non-GAAP)	Gigamon Inc.													
	Historic			Forecasted Period										
USD (in millions)	2013	2014	2015	2016E	2017E	2018E	2019E	2020E	2021E	2022E	2023E	2024E	2025E	Historic 3-Year Avg
Product Revenue	101.7	105.6	152.7	201.6	246.8	296.9	350.6	404.9	453.5	505.7	561.3	620.2	682.3	31.6%
Growth Rate	46.3%	3.8%	44.6%	32.0%	22.4%	20.3%	18.1%	15.5%	12.0%	11.5%	11.0%	10.5%	10.0%	
Service Revenue	38.6	51.5	69.2	93.8	124.0	162.2	208.0	261.9	314.2	370.8	430.1	490.3	549.2	36.6%
Growth Rate	41.8%	33.6%	34.4%	35.5%	32.2%	30.8%	28.2%	25.9%	20.0%	18.0%	16.0%	14.0%	12.0%	
Total Revenue	140.3	157.1	222.0	295.4	370.8	459.1	558.6	666.8	767.8	876.5	991.4	1,110.6	1,231.4	32.8%
Year/Year Growth	45.1%	12.0%	41.3%	33.1%	25.5%	23.8%	21.7%	19.4%	15.1%	14.2%	13.1%	12.0%	10.9%	
COGS	27.0	35.7	43.9	55.5	70.5	85.9	102.8	120.0	138.2	157.8	178.5	199.9	221.7	79.4%
Gross Profit	113.3	121.4	178.1	239.9	300.3	373.2	455.8	546.8	629.6	718.7	813.0	910.7	1,009.8	
Gross Margin	80.8%	77.3%	80.2%	81.2%	81.0%	81.3%	81.6%	82.0%	82.0%	82.0%	82.0%	82.0%	82.0%	12.9%
R&D	25.4	34.3	40.0	53.2	66.0	80.8	97.2	114.7	130.5	149.0	168.5	188.8	209.3	
Sales and Marketing	53.0	67.6	77.7	103.4	129.0	158.8	192.2	228.0	261.0	298.0	337.1	377.6	418.7	
General and Administrative	12.2	13.9	18.0	23.6	29.7	36.7	44.7	53.3	61.4	70.1	79.3	88.8	98.5	
Total Operating Expenses	90.6	115.8	135.7	180.2	224.7	276.4	334.0	396.1	453.0	517.1	584.9	655.2	726.5	
Operating Income	22.7	5.6	42.4	59.7	75.6	96.9	121.8	150.7	176.6	201.6	228.0	255.4	283.2	
Operating Margin	16.2%	3.6%	19.1%	20.2%	20.4%	21.1%	21.8%	22.6%	23.0%	23.0%	23.0%	23.0%	23.0%	
Other Income (Expense)	0.0	0.2	0.3	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	
Pretax Income	22.7	5.8	42.6	60.2	76.1	97.4	122.3	151.2	177.1	202.1	228.5	255.9	283.7	
Taxes	6.8	1.9	13.6	19.3	24.4	31.2	39.1	48.4	56.7	64.7	73.1	81.9	90.8	
Net Income	15.9	3.9	29.0	40.9	51.8	66.2	83.1	102.8	120.4	137.4	155.4	174.0	192.9	
Shares	30	33.6	36.4	38.2	40.5	42.6	43.8	45.2	47.0	48.9	50.8	52.9	55.0	
Non-GAAP EPS	\$ 0.53	\$ 0.12	\$ 0.80	\$ 1.07	\$ 1.28	\$ 1.55	\$ 1.90	\$ 2.27	\$ 2.56	\$ 2.81	\$ 3.06	\$ 3.29	\$ 3.51	
EBIT	22.7	5.6	42.4	59.7	75.6	96.9	121.8	150.7	176.6	201.6	228.0	255.4	283.2	
Less: Taxes	6.8	1.8	13.6	19.1	24.2	31.0	39.0	48.2	56.5	64.5	73.0	81.7	90.6	
Plus: Depreciation & Amortization	2.9	5.3	5.6	5.9	6.1	6.5	6.7	7.0	7.2	7.5	7.8	8.2	8.5	
Less: Capex	4.0	7.6	6.3	7.4	8.1	8.6	9.2	10.3	10.6	10.9	11.3	11.6	11.9	
Less: Increase in NWC	17.5	-2.6	24.2	26.4	27.1	28.2	29.6	30.8	31.7	32.7	33.7	34.7	35.7	
UFCF	-2.7	4.1	3.9	12.7	22.3	35.6	50.7	68.3	85.0	101.0	118.0	135.6	153.4	
PV of UFCF			3.6	11.5	18.4	26.7	34.5	42.3	47.7	51.6	54.7	57.1	58.7	

- Non-GAAP excludes stock-based compensation expense or expenses related to our performance units and related taxes in managing our operations, provides a more accurate assessment of their operating results

Valuation – Discounted Cash Flow Analysis II



Terminal Value - Gordon Growth Method	
PV Sum of Cash Flows	403
2025E UFCF	153
WACC	10.09%
Perpetuity Growth Rate	3.00%
Terminal Value (GGM)	2,230
PV of TV (GGM)	853
Terminal Value % of EV	67.90%
Implied Enterprise Value	1,256
Plus: Cash	208
Less: Debt	0
Less: Minority Interest	0
Equity Value	1,464
Shares Outstanding	36.4
Implied Share Price	\$40.23

Terminal Value - Multiples Method	
PV Sum of Cash Flows	403
2025E EBITDA	292
WACC	10.09%
Terminal EBITDA Exit Multiple	11.7x
Terminal Value (MM)	3,413
PV of TV (MM)	1,306
Terminal Value % of EV	76.40%
Implied Enterprise Value	1,709
Plus: Cash	208
Less: Debt	0
Less: Minority Interest	0
Equity Value	1,917
Shares Outstanding	36.4
Implied Share Price	\$52.66

WACC	
Risk-free rate	1.40%
ERP	5.08%
Beta	1.71
Cost of Equity	10.09%
Weight of Equity	100.00%
WACC	10.09%

Summary	
DCF Gordon Growth Price Target	\$40.23
DCF Multiples Method Price Target	\$52.66
Blended average	\$46.44
Current Price	\$39.78
Target Price	\$47.00
Capital Gains	18.15%
Total Return	18.15%

Risks & Catalysts



Risks

- Highly competitive industry, existing competitors will bundle new and more competitive offerings
 - New market entrants are expected
 - Other market competitors will emerge that may have greater name recognition, longer operating histories, well-established relationships with end-user customers or channel partners
- High importance for R&D - New technology could render Gigamon's existing products obsolete or less attractive to end-user customers
 - Ability to introduce new products/innovate

Catalysts

- Growing relationships with VAR resellers
 - ePlus is the largest reseller of Cisco security in North America and is a significant channel for Gigamon
- Focused on expanding internationally – hiring 2x sales people internationally vs US
 - Increase of global employees (375 in Q1 15 to 534 in Q1 16)
- Automated network topology visualization for data centers
 - Enhances the ease of use and administration and network visibility by providing end-to-end visualization of the Visibility Fabric components
- Three long-term growth drivers:
 - Virtualization
 - 3G and LTE/VoLTE rollouts
 - Network upgrade cycle from 1GbE to 10/40/100 GbE



Gigamon's Security Ecosystem Partners



Thank you!

Gigamon Inc. – Visibility, the new business imperative.

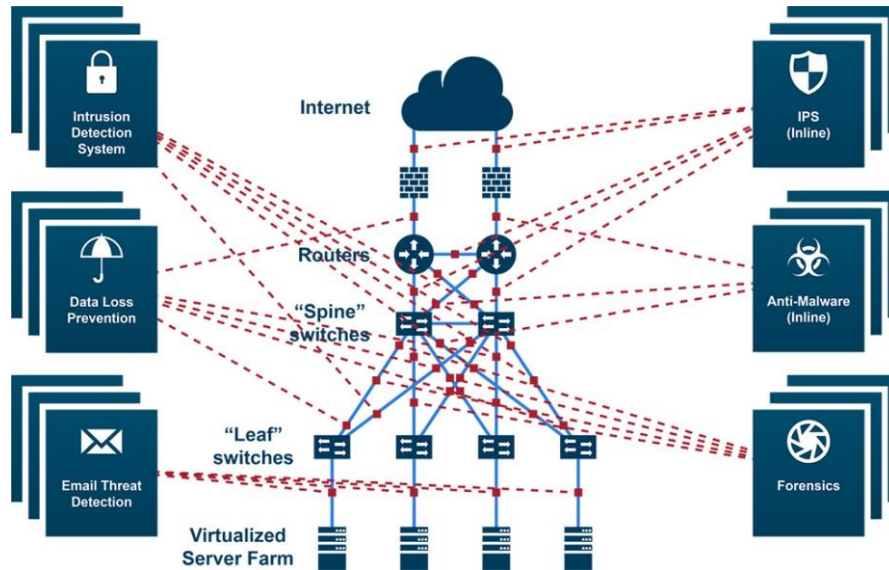
Seeking Alpha - Summer Collegiate Stock Pitch Contest



Seeking Alpha

Michael Wong
Queen's Smith School of Business
July 14, 2016

Long [NYSE: GIMO]
Price Target: \$47
Return: 18.1%

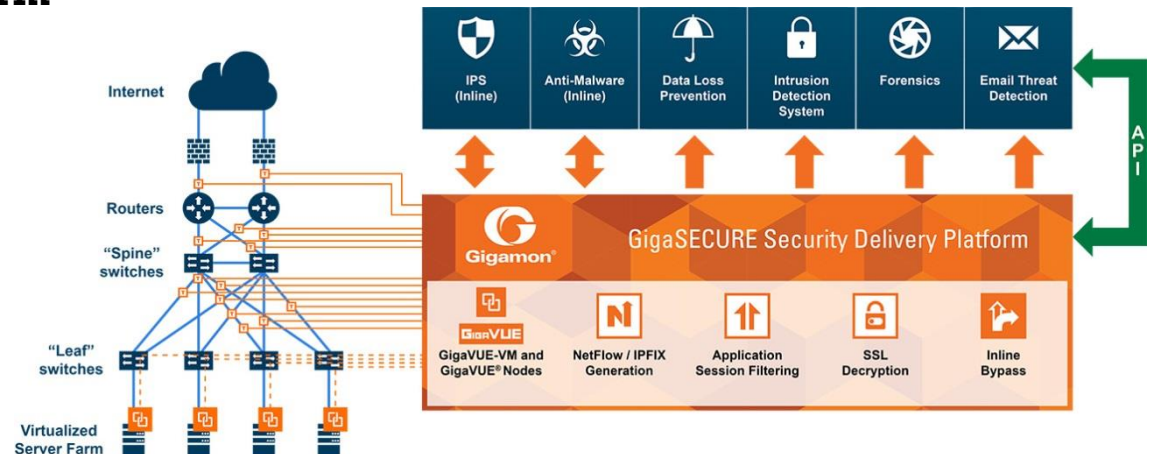


Challenges With Today's Security Architectures

- **Perimeter-based prevention** -> multi-layered exploits use multiple ways to intrude
 - Significant blind spots, blind to encrypted traffic
- **Simple trust model** -> network perimeters have dissolved, as have trust zones
 - Contention for access to traffic
- **Static security policies** -> devices are highly mobile and now so are servers
 - Inconsistent view of traffic
- **Complexity** -> the number of security applications is enormous and growing
 - Extraordinary costs, too many false positives

Gigamon's Security Delivery Platform

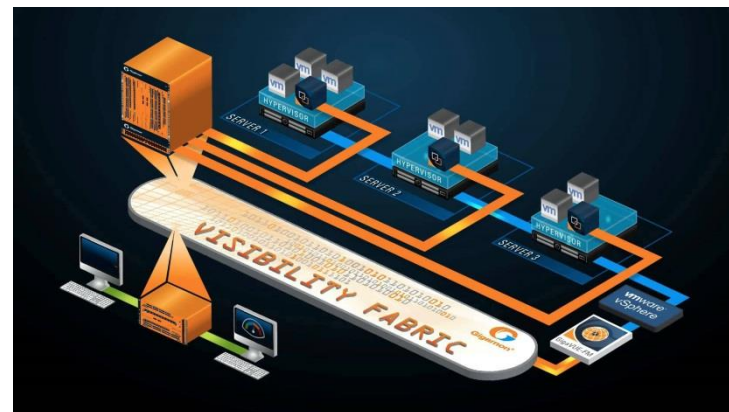
- Delivers visibility into lateral movement of malware
- Accelerates detection of exfiltration activity
- Significantly reduces overhead, complexity and costs associated with security deployments
- Fewer network touch points and enhanced tool efficiency
- Provides consistent access to relevant data



Gigamon's Platform enables deployment of a wide range of security solutions and scalability

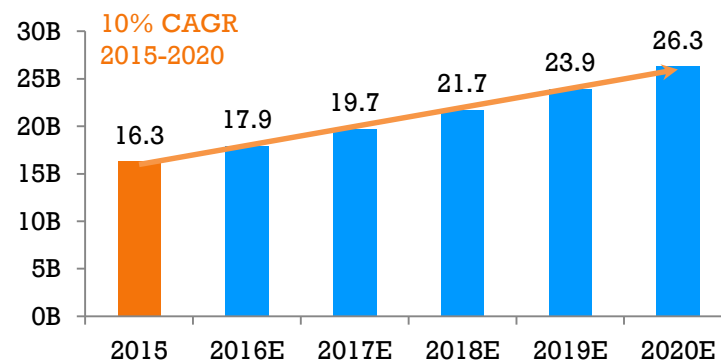
Appendix II

Equity Value Per Share					
WACC	Perpetual Growth Rates				
	2.0%	2.5%	3.0%	3.5%	4.0%
9%	\$42.74	\$44.87	\$47.36	\$50.30	\$53.83
9.50%	\$39.92	\$41.70	\$43.75	\$46.13	\$48.95
10.09%	\$37.13	\$38.58	\$40.23	\$42.13	\$44.34
10.50%	\$35.43	\$36.69	\$38.12	\$39.76	\$41.64
11%	\$33.62	\$34.69	\$35.91	\$37.28	\$38.85



Equity Value Per Share					
WACC	EBITDA Exit Multiples				
	11.0x	11.5x	11.7x	12.0x	12.5x
9%	\$54.03	\$55.72	\$56.40	\$57.42	\$59.11
9.50%	\$52.36	\$53.98	\$54.63	\$55.60	\$57.22
10.09%	\$50.51	\$52.05	\$52.66	\$53.58	\$55.11
10.50%	\$49.27	\$50.75	\$51.34	\$52.23	\$53.70
11%	\$47.84	\$49.25	\$49.82	\$50.66	\$52.07

Global Networked Devices Forecast



All will be revealed.