

NVIDIA Completes Acquisition of Mellanox, Creating Major Force Driving Next-Gen Data Centers

Combined Company Provides Leading Expertise in Compute and Networking Technologies for High Performance Computing

NVIDIA today announced the completion of its acquisition of Mellanox Technologies, Ltd., for a transaction value of \$7 billion.

The acquisition, initially announced on March 11, 2019, unites two of the world's leading companies in high performance and data center computing. Combining NVIDIA's leading computing expertise with Mellanox's high-performance networking technology, the move will enable customers to achieve higher performance, greater utilization of computing resources and lower operating costs.

"The expanding use of AI and data science is reshaping computing and data center architectures," said Jensen Huang, founder and CEO of NVIDIA. "With Mellanox, the new NVIDIA has end-to-end technologies from AI computing to networking, full-stack offerings from processors to software, and significant scale to advance next-generation data centers. Our combined expertise, supported by a rich ecosystem of partners, will meet the challenge of surging global demand for consumer internet services, and the application of AI and accelerated data science from cloud to edge to robotics."

Eyal Waldman, founder and CEO of Mellanox, said: "This is a powerful, complementary combination of cultures, technology and ambitions. Our people are enormously enthusiastic about the many opportunities ahead. As Mellanox steps into the next exciting phase of its journey, we will continue to offer cutting-edge solutions and innovative products to our customers and partners. We look forward to bringing NVIDIA products and solutions into our markets, and to bringing Mellanox products and solutions into NVIDIA's markets. Together, our technologies will provide leading solutions into compute and storage platforms wherever they are required."

The acquisition is expected to be immediately accretive to NVIDIA's non-GAAP gross margin, non-GAAP EPS and free cash flow, inclusive of incremental interest expense related to NVIDIA's recent issuance of \$5 billion of notes.

For Mellanox Shareholders

For more information on how to obtain payment and important tax considerations, Mellanox shareholders should refer to the FAQ on [NVIDIA's investor relations website](#).

About NVIDIA

[NVIDIA's](#) (NASDAQ: NVDA) invention of the GPU in 1999 sparked the growth of the PC gaming market, redefined modern computer graphics and revolutionized parallel computing. More recently, GPU deep learning ignited modern AI — the next era of computing — with the GPU acting as the brain of computers, robots and self-driving cars that can perceive and understand the world. More information at <http://nvidianews.nvidia.com/>.

Certain statements in this press release including, but not limited to, statements as to: expectations for the combined NVIDIA■Mellanox company, including the complementary nature and compatibility of technology and workforces, bringing products and solutions to markets, providing leading solutions, and expected synergies; the expanding use of AI and data science and its impact; the benefits and impact of the acquisition; expectations about demand for our products; expectations about customer behavior; Mellanox continuing to offer its solutions and products; and the expected accretiveness to our non-GAAP gross margin, non-GAAP EPS and free cash flow are forward■looking statements that are subject to risks and uncertainties that could cause results to be materially different than expectations. Important factors that could cause actual results to differ materially include: our ability to successfully integrate Mellanox's business, operate the combined company and achieve the anticipated benefits of the transaction; global economic conditions; our reliance on third parties to manufacture, assemble, package and test our products; the impact of technological development and competition; development of new products and technologies or enhancements to our existing product and technologies; market acceptance of our products or our partners' products; design, manufacturing or software defects; changes in consumer preferences or demands; changes in industry standards and interfaces; unexpected loss of performance of our products or technologies when integrated into systems; as well as other factors detailed from time to time in the most recent reports NVIDIA files with the Securities and Exchange Commission, or SEC, including, but not limited to, its annual report on Form 10■K and quarterly reports on Form 10■Q. Copies of reports filed with the SEC are posted on the company's website and are available from NVIDIA without charge. These forward■looking statements are not guarantees of future performance and speak only as of the date hereof, and, except as required by law, NVIDIA disclaims any obligation to update these forward■looking statements to reflect future events or circumstances. Investors are cautioned that the company's non-GAAP measures may be different from non-GAAP measures used by other companies and that non-GAAP financial measures are not meant to be considered in isolation or as a substitute for NVIDIA's financial results prepared in accordance with GAAP. NVIDIA is not readily able to provide a reconciliation of the projected non-GAAP financial information presented herein to the relevant projected GAAP measures thereof without unreasonable effort. The forecasted information related to the Mellanox acquisition including purchase accounting, acquisition-related intangibles subject to amortization, share-based compensation and the associated tax impact of these items is not currently available.

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