WELCOME
Simona Jankowski, March 19, 2019
SAFE HARBOR

Forward-Looking Statements
Except for the historical information contained herein, certain matters in this presentation including, but not limited to, statements as to: our growth and growth drivers; our market opportunities, drivers and TAM; customer opportunities, projections and growth; channel inventory; our investments; the benefits, impact, performance and availability of our products, technologies, services and programs, including autonomous vehicles, datacenter and gaming laptops; accelerated computing being the path forward; expanding our go-to-market partnerships; every vehicle being autonomous; the world of autonomous vehicles being bigger than ever; our production roadmap and schedules; our intended capital return; projected revenues; our strategies; market trends; benefits and impact of the proposed Mellanox acquisition and its expected closing and approval process; future financial results, estimates and forecasts; and other predictions and estimates are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements and any other forward-looking statements that go beyond historical facts that are made in this presentation are subject to risks and uncertainties that may cause actual results to differ materially. Important factors that could cause actual results to differ materially include: 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 products and technologies; market acceptance of our products or our partners’ products; design, manufacturing or software defects; changes in consumer preferences and 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.

Financial Measures
This presentation contains historical revenue amounts for certain of our market platforms and businesses which provides investors with additional information to supplement the segment reporting information contained in our Form 10-K for the fiscal year ended January 27, 2019. In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. See our website for a reconciliation between each non-GAAP measure and the most comparable GAAP measure. Where we present non-GAAP financial measures, including non-GAAP gross margin, non-GAAP operating expense, non-GAAP operating income, non-GAAP operating margin, non-GAAP EPS, and free cash flow. We generally exclude stock-based compensation, legal settlement costs, acquisition-related and other costs, restructuring and other charges, product warranty charge, gains from non-affiliated investment, the associated tax impact, tax benefit from tax reform, and other expense, where applicable.
AGENDA

Strategy
Jensen Huang

Gaming
Jeff Fisher

Datacenter
Jay Puri

Automotive
Rob Csongor

Financials
Colette Kress

Q&A
Jensen & Colette

Questions? Please email NVIDIAInvestorRelations@nvidia.com
STRATEGY

Jensen Huang, March 19, 2019
ACCELERATED COMPUTING — THE PATH FORWARD
DATA SCIENCE — THE NEW HPC CHALLENGE

NVIDIA DGX-2
AI Supercomputer Appliance
16x V100 | 2 PF | 512GB HBM2
8x MLNX IB

Data Science Server
4x T4 | 260 TF FP16 | 64GB GDDR6
MLNX or BRCM EN
DATA SCIENCE —
THE NEW HPC | CUDA-X ECOSYSTEM
RECORD YEAR IN GAMING

- RTX Launched — Biggest Leap in 15 Years
- MAX-Q Laptops — Thinner, more powerful
- Turing from $219 — Millions more Gamers
- Crypto Hangover — Channel inventory on track to clear in Q1
GAMING FUNDAMENTALS STRONG

ESPORTS MOMENTUM

MORE PC GAMERS

AAA GAME PRODUCTION VALUE 5X in 5 YEARS

Source: Newzoo: Esports Audience

Source: Newzoo: Core Gamers

Source: NVIDIA
GEFORCE GAMING GPU

<table>
<thead>
<tr>
<th>Year</th>
<th>ASP %</th>
<th>UNITS %</th>
<th>REV %</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY16</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>FY17</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY18</td>
<td>18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

5-YEAR CAGR
- ASP: 14%
- UNITS: 14%
- REV: 29%

GAMING GPU REVENUE ~3X in 4 YEARS

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY15</td>
<td>$0B</td>
</tr>
<tr>
<td>FY16</td>
<td>$1B</td>
</tr>
<tr>
<td>FY17</td>
<td>$2B</td>
</tr>
<tr>
<td>FY18</td>
<td>$3B</td>
</tr>
<tr>
<td>FY19</td>
<td>$6B</td>
</tr>
</tbody>
</table>

GAMING LAPTOP YoY
- ASP: +21%
- UNITS: +32%
- REV: +59%
RTX ‘ON’ TO A GREAT START

$299+ LAUNCH SELL THRU

INSTALLED BASE READY

Source NVIDIA, DT Turing (est)

MAJORITY BUYING UP

Source NVIDIA, DT Turing (est)
ESPORTS GAMERS WANT FAST RESPONSE

**ESPORTS REQUIRES FPS**

- Image Quality
- Frames Per Second vs. Response Time
  - 120-240+ FPS
  - ESPORTS

**MORE FPS = MORE WINS**

- Win/Loss Ratio Increase
  - 0X
  - 1X
  - 2X
  - 3X
- Frames per Second
  - 60
  - 120
  - 180
  - 240

**ESPORTS PROS LEVEL UP**

- GeForce
  - 98%
- Other
  - 12%
  - 9%
- Source: NVIDIA

Source: Prosettings.net | RTX or Equivalent Perf

Prosettings.net | RTX or Equivalent Perf

*INVESTOR DAY 2019*
ESPORTS GAMERS WANT FAST RESPONSE

ESPORTS REQUIRES FPS

TURING DELIVERS 120FPS+ IN ESPORTS

Source NVIDIA: 1080p, High Settings
AAA GAMERS WANT HIGH IMAGE QUALITY

CINEMATIC GAMES REQUIRE IQ

APA GAMES

45-90 FPS

ESPORTS

120-240+ FPS

Frames Per Second

Response Time

TURING DELIVERS 45 FPS + IN AAA

Frames per Second

Source NVIDIA: RT/DLSS 1440p, ULTRA Settings
RAY TRACING — THE NEXT ERA BEGINS
GAMING LAPTOPS:
THE FASTEST-GROWING GAME CONSOLE

GAMING LAPTOP — 10X IN 5 YEARS

RTX — THE FASTEST LAPTOPS EVER

“Behold: I carry a laptop more powerful than any of your gaming computers, and it weighs less than five pounds! Grovel before me.”

PC Mag

MAX-Q — THINNER, LIGHTER 2X MODELS

Source: NVIDIA, Gaming Laptop Market Rev (est)

Source: NVIDIA, X60 Class & Higher
GEFORCE NOW: A BILLION-GAMER OPPORTUNITY

- A GeForce Gaming PC in the Cloud
- Fully Interactive Gaming and VR
- Simple Game Launch from Desktop
- Publisher/Store Direct to Gamer

1M USERS ON WAITLIST
300K MONTHLY ACTIVE USERS

1B Gamer Opportunity
200M GeForce

INVESTOR DAY 2019
GFN ALLIANCE: SCALING OUT THROUGH PARTNERSHIPS

- SoftBank
  - 6M Fixed Broadband
  - 30M Mobile

- LG U+
  - 4M Fixed Broadband
  - 4M Cable Broadband
  - 13M Mobile
SUMMARY

- GeForce RTX Off to a Great Start: +45% over Pascal
- GeForce Laptops Fastest Growing Console: Turing + MAX-Q
- GeForce Now Reaches Next 1B PC Gamers
A RECORD YEAR
Fiscal 2019 Recap

<table>
<thead>
<tr>
<th>DATACENTER REVENUE</th>
<th>HIGHLIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17  $830M</td>
<td>▶ Developers up 50%</td>
</tr>
<tr>
<td>FY18  $1,932M</td>
<td>▶ #1 in Deep Learning</td>
</tr>
<tr>
<td>FY19  $2,932M</td>
<td>▶ Significant traction in inference</td>
</tr>
</tbody>
</table>

Sources: NVIDIA, MLPerf, Top500.org
THE NEW HPC MARKET

2018 $37B HPC SERVER MARKET

COMMON WORKLOADS

- Scientific Computing
- Data Analytics
- Artificial Intelligence

Sources: IDC, Hyperion, NVIDIA
Hyperscale server TAM includes workloads that can benefit from GPU acceleration, such as inference or graphics.
Enterprise server TAM includes data analytics, data management, security and systems management workloads.
Data Science Will Increase the Opportunity

**2018**
$37B HPC SERVER MARKET

**2023**
$50B HPC SERVER MARKET

Sources: IDC, Hyperion, NVIDIA

Hyperscale server TAM includes workloads that can benefit from GPU acceleration, such as inference or graphics. Enterprise server TAM includes data analytics, data management, security and systems management workloads.

DL + ML + DA
HPC + AI

DL
HPC
NVIDIA TAM

ENTERPRISE
SCIENTIFIC COMPUTING
HYPERSCALE

DL
HPC
NVIDIA TAM

ENTERPRISE
SCIENTIFIC COMPUTING
HYPERSCALE
#1 PLATFORM FOR ACCELERATING AI & HPC

**THRIVING DEVELOPMENT COMMUNITY**

1.2M Developers

13M CUDA Downloads

**BROAD APPLICATION COVERAGE**

ALL MAJOR AI FRAMEWORKS

- mxnet
- ONNX
- PyTorch
- TensorFlow

600+ HPC APPLICATIONS

- Amber
- GROMACS

**AWARD-WINNING PERFORMANCE**

Six AI Performance Records

Gordon Bell Prize 2018
Sustained Performance
Scalability & Time-to-Solution

Sources: NVIDIA, MLPerf
## NVIDIA VALUE

<table>
<thead>
<tr>
<th>WORKLOAD</th>
<th>BASELINE (CPU-Only)</th>
<th>HPC (Amber, LAMMPS, NAMD, VASP)</th>
<th>AI TRAINING (Caffe2, MXNet, TensorFlow)</th>
<th>AI INFEERENCE (Image, Speech, Translation)</th>
<th>MACHINE LEARNING</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPEED UP</td>
<td>1X</td>
<td>25X</td>
<td>&gt;100X</td>
<td>50X</td>
<td>10X</td>
</tr>
<tr>
<td>SERVERS</td>
<td>5,000</td>
<td>200</td>
<td>&lt;50</td>
<td>100</td>
<td>500</td>
</tr>
<tr>
<td>CAPEX</td>
<td>$45M</td>
<td>$9M</td>
<td>$6M</td>
<td>$2M</td>
<td>$10M</td>
</tr>
<tr>
<td>3 YEAR OPEX (POWER + COOLING)</td>
<td>$19.5M</td>
<td>$2M</td>
<td>$1M</td>
<td>$0.5M</td>
<td>$2.5M</td>
</tr>
<tr>
<td>TCO SAVINGS</td>
<td>N/A</td>
<td>83%</td>
<td>89%</td>
<td>96%</td>
<td>81%</td>
</tr>
</tbody>
</table>

**Note(s):**
- CPU Baselined to 5000 Servers for each workload
- Capex Costs: CPU node with 2x Skylake CPU's ~$9K; GPU node with 4x V100 GPU's ~$45K; DGX-1 ~ $120K; T4 Node with 4x T4 ~ $20K
- Opex Costs: Power & cooling is $180/kW/month
- Power: CPU server + n/w = 0.6 kW; GPU server + n/w = 1.6 kW; DGX-1/V100 Server = 3.2 kW; 4xT4 Server = 0.98 kW
- GPU node with 4x V100 compared to 2x CPU Server
- AI Training: DGX-1V compared to a 2xCPU server
- AI Inference: T4 Server (4xT4) Compared to 2x CPU Server
- Numbers rounded to nearest $0.5M
- Machine Learning: T4 Server (4xT4) Compared to 2x CPU Server
BUSINESS MODEL AND PRODUCTS

NGC SOFTWARE HUB

OEM PARTNERS

CSP PARTNERS

DIRECT & CHANNEL

REFERENCE ARCHITECTURE PARTNERS

T4  V100  HGX-2  QUADRO

DGX-2  DGX STATION  DGX-1
GO-TO-MARKET STRATEGY

MARKET CREATION
- Vertical Industry Expertise
- Targeted Domain Engagement
- Application Acceleration
- Deep Learning Institute

ADOPTION ACCELERATION
- Easy to deploy
- Reference Architecture
- Direct Sales, Partners
- Enablement

NVIDIA ACCELERATED COMPUTING PLATFORM
- NGC
  - Scientific Computing
  - Deep Learning
  - Machine Learning
  - Data Analytics

- CUDA-X
- GPU + CUDA
SCIENTIFIC COMPUTING
Growing the Addressable Market

MARKET LEADERSHIP
#1 WW SUMMIT ORNL
#1 EUROPE CSCS
#1 JAPAN ABCI

ACCELERATING APPS
MORE PERFORMANCE SAME GPU
MORE ACCELERATED APPS

TOP500 NVIDIA ACCELERATED SYSTEMS

INFUSING HPC WITH AI

Sources: NVIDIA, Top500.org
HYPERSCALE
Growth & Leadership in DL Training

NETWORK COMPLEXITY IS DRIVING THE MARKET

NVIDIA LEADS IN DL TRAINING

#1 in First Industry DL Training Benchmark

Sources: OpenAI and NVIDIA for image, speech, and NLP models
HYPERSCALE
Expanding Footprint in Inference & Machine Learning

NVIDIA INFRINGEMENT USE CASES

GROWING INFRINGEMENT ADOPTION

MACHINE LEARNING IN THE CLOUD

Sources: NVIDIA
ENTERPRISE
High Performance Workloads Moving to Accelerated Computing

DEEP LEARNING
100,000 Developers Trained
3.5x DGX Revenue Growth YoY
1,000+ DGX Customers

MACHINE LEARNING
~3M Data Scientists
PANDAS
SCIKIT
RAPIDS / CUDA-X
DASK
ARROW

SCALE UP & SCALE OUT
DGX-2
T4

Sources: KDnuggets, 451, IDC, NVIDIA
NGC: EASY TO ADOPT
GPU-Optimized Software Hub | Simplifying DL, ML & HPC Workflows

- 50+ Containers: DL, ML, HPC
- Pre-trained Models: LP, Classification, Object Detection & more
- Model Training Scripts: NLP, Image Classification, Object Detection & more
- Industry Workflows: Medical Imaging, Intelligent Video Analytics

Simplify Deployments | Innovate Faster | Deploy Anywhere
EASY TO BUY, EASY TO DEPLOY
Expanding Our Go-to-Market Partnerships

REFERENCE ARCHITECTURE & PARTNERS

DGX READY DATA CENTER

NEW!

T4 OEM VOLUME SERVER PARTNERS

CSPs AS A CHANNEL FOR HPC, DL & ML

+ NGC READY CERTIFICATION + SUPPORT
SUMMARY

- Accelerated Computing is the path forward.
- It’s all about the software acceleration stack.
- Data Science is the next big HPC opportunity.
AUTOMOTIVE
Rob Csongor, March 2019
AUTOMOTIVE GROWTH

REVENUE

FY15 FY16 FY17 FY18 FY19

$641M

15%

DRIVE PARTNERS

Over 80+ partners now developing on DRIVE AGX (Xavier) since launch last year

Cars Trucks Tier 1s Robo taxis Mapping Sensors Software

46 17 22 38 20 37

NEW XAVIER AVs

Toyota Volvo Daimler Robotaxi ZF Forklift Komatsu Earthmover JD.Com Last Mile Delivery

(Chart shows primary DRIVE partner categories, does not include higher education, research, HVs, and other such categories of partners)
WORLD OF AUTONOMOUS VEHICLES IS BIGGER

Every Vehicle Will Be Autonomous – Not Just Cars & Trucks

1.5B vehicles in world today
(1B Cars, 0.5B Commercial Vehicles)
2B vehicles by 2035 *

* Source: OICA, Statista 2018
** Source: ABI Research 2018

Projected Autonomous Vehicle Shipments by 2025**

- 30K Heavy Trucks
- 750K Agriculture Vehicles
- 2.4M Commercial Robots
- 1.1M UAVs
3 GROWTH OPPORTUNITIES

$30B by 2025

DRIVING

- DRIVE AP2X L2+ AutoPilot, L3/L4, Robotaxis
- 2 Computer Opportunities - AV & Cockpit

$25B TAM by 2025
- L2+ AutoPilot (35M cars, 2 systems, $17B)
- L3/L4 (5M cars = $5B)
- Robotaxis (1M cars =$3B)

TRAINING / DEV

- Millions of images per DNN
- 10+ DNNs per car

$3B TAM by 2025
- Collecting Data
- Training Models
- Mapping
- Analyzing Data

VALIDATION

- Alternative solution to 100s of billions of driving miles for 100s of years

$2B TAM by 2025
- Simulation/HIL
- Resimulation/SIL
MARKET DRIVERS

DRIVING

“Only the Model 3 AutoPilot stayed within the lane on all 18 trials.”
- IHS L2 Performance Test, 2018

Tesla Model 3 becomes best-selling premium car in U.S. ***

Tesla AutoPilot (L2+) attach rate for Model 3 over 70% **** generating an estimated $1.4B in incremental revenue

TRAINING / DEV

Data Collection

Labeling

Training

Data Analysis

VALIDATION

TheStreet, (October, 2018)

“How NVIDIA, Google and Others Will Make Autonomous Driving a Reality.”

“Simulation is the key to accelerating the safety and arrival of autonomous driving.”

Driving to Safety

How Many Miles of Driving Would It Take to Demonstrate Autonomous Vehicle Reliability?

Nalin Kaura, Susan M. Roddeick

$110B Automotive R&D Budget Shifting from HW to Computers & SW *

Today, 90% of the value of a car relates to HW - engine, chassis, powertrain, interior

Within a few years, the computing, software, & application layers will account for 60% of the value of a self-driving car.**

---

* Source: PWC Global Innovation 1000, ** Source: Morgan Stanley Automotive Report  *** Source: CNBC  **** Electrek
## PRODUCTS / STRATEGIES

### End-to-End, Open Platform for Carmakers to Make Autonomous Vehicles

### DRIVING

- **370+ Partner Ecosystem**
  - Carmakers, truck makers, auto suppliers, mapping, sensors, software, research

- **SDK / Tools / Hyperion Test Cars**

- **DRIVE AGX**
  - Open computing platform for the software defined AI car from L2+ to robotaxis

### TRAINING / DEV

<table>
<thead>
<tr>
<th>GROWTH IN AUTOMOTIVE COMPANIES USING DGX</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2017</td>
</tr>
<tr>
<td>0</td>
</tr>
</tbody>
</table>

### AUTOMOTIVE DGX CUSTOMERS

- 25 Carmakers,
- 15 Tier 1s,
- Truck makers,
- Mobility Service Providers
  - Mapping Companies
  - Startups

### VALIDATION

- **Component Level SIL**
  - Faster than Real Time

- **DRIVE Constellation**
  - HIL Sim for AV & IX
  - Open platform leveraging sim ecosystem for sensors, traffic, vehicle, environment, mapping, scenarios

- **On road testing**
  - Real world coverage

### GROWTH IN AUTOMOTIVE COMPANIES USING DGX

<table>
<thead>
<tr>
<th>FY2017</th>
<th>FY2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>70</td>
</tr>
</tbody>
</table>

### AUTOMOTIVE DGX CUSTOMERS

- 25 Carmakers,
- 15 Tier 1s,
- Truck makers,
- Mobility Service Providers
  - Mapping Companies
  - Startups
PROGRESS — KEY ANNOUNCEMENTS

End-to-End, Open Platform for Carmakers to Make Autonomous Vehicles

ANNOUNCING NVIDIA AND TRI-AD PARTNER TO CREATE FUTURE OF AUTONOMOUS VEHICLES
## Progress — Key Announcements

**End-to-End, Open Platform for Carmakers to Make Autonomous Vehicles**

### Innovation & Milestones

<table>
<thead>
<tr>
<th>Constellation</th>
<th>Safety Force Field</th>
<th>Drive AP2X</th>
<th>MyRoute</th>
<th>50-Mile Loop</th>
<th>Pegasus</th>
<th>Surround Viz</th>
<th>Hyperion</th>
<th>Drive Sim</th>
<th>Tuv Sud</th>
<th>China AV License</th>
<th>Global Mapping</th>
</tr>
</thead>
</table>

### Partners/Ecosystem

<table>
<thead>
<tr>
<th>Toyota</th>
<th>Mercedes-Benz</th>
<th>Volvo</th>
<th>ZF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daimler/Bosch</td>
<td>Yamaha</td>
<td>XPeng</td>
<td>Singulato</td>
</tr>
<tr>
<td>Faw / FTA</td>
<td>Tusimple</td>
<td>Isuzu</td>
<td>Nuro</td>
</tr>
<tr>
<td>Komatsu</td>
<td>Continental</td>
<td>Autox</td>
<td>Veoneer/Zenuity</td>
</tr>
</tbody>
</table>
NVIDIA is the only company that is delivering an end-to-end, open platform for building autonomous vehicles

**DRIVING**
- The world of AV is bigger than ever. Not just cars & trucks
- $25B opportunity by 2025
- NVIDIA’s Key Strategies — End to end system, open platform, AI, AP2X, Hyperion test cars, are game changers for car makers

**TRAINING / DEVELOPMENT**
- Collecting, training, & analyzing data are essential for AVs. Over 60 auto companies today using DGX, we’re just getting started

**VALIDATION**
- DRIVE Constellation simulation system now available
- Open sim platform with leading ecosystem partners
RECORDS

Gross Margin, Operating Income and EPS are Non-GAAP measures.
MARKET PLATFORMS

GAMING
3-YEAR CAGR 30%

PRO VISUALIZATION
3-YEAR CAGR 15%

DATA CENTER
3-YEAR CAGR 105%

AUTO
3-YEAR CAGR 26%
GROSS MARGIN EXPANSION

Value Added Platforms Expand Margins

Gross Margin is a Non-GAAP measure.
GROSS PROFIT BY PLATFORMS

Gross Profit is a Non-GAAP measure. Other primarily includes OEM, Switch and Shield. *Non GAAP Gross Profit includes the impact of ~$128M in charges for excess DRAM & other components we recorded in Q419 and a charge of ~$57M related to prior architecture components and chips we recorded in Q319.
OPERATING EXPENSES
YoY Investments Focused on Gaming, AI, and Auto. 3-Year CAGR 18%

Operating Expenses and Operating Expenses as a % of Revenue are Non-GAAP measures.
OUR LEVERAGED MODEL

ENGINES

<table>
<thead>
<tr>
<th>FY 2013</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software</td>
<td>Hardware</td>
</tr>
</tbody>
</table>

BY PLATFORM

<table>
<thead>
<tr>
<th>Platform</th>
<th>FY 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Graphics</td>
<td>AI</td>
</tr>
<tr>
<td>Software</td>
<td>~35%</td>
</tr>
<tr>
<td>GPU Architecture</td>
<td>~40%</td>
</tr>
</tbody>
</table>

FY 2019
### Operating Margin Expansion

<table>
<thead>
<tr>
<th>Year</th>
<th>Operating Income</th>
<th>Operating Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>$1.1</td>
<td>22%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$2.2</td>
<td>32%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$3.6</td>
<td>37%</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$4.4</td>
<td>38%</td>
</tr>
</tbody>
</table>

Operating Income and Operating Margin are Non-GAAP measures.
CASH FLOW AND CASH
Free Cash Flow Increased 185%+

Free Cash Flow is a Non-GAAP measure. Total Cash = Cash, Cash Equivalents + Marketable Securities.
CAPITAL RETURN
Since FY 2013: $7B+, 68% FCF

Free Cash Flow is a Non-GAAP measure.
USES OF CASH

OPEX is a Non-GAAP measure. FY20 outlook for OPEX & CAPEX does not account for Mellanox closing.
## OUTLOOK UNCHANGED

<table>
<thead>
<tr>
<th>IN $ MILLIONS</th>
<th>Q1FY20</th>
<th>QoQ</th>
<th>FY20 YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>REVENUE</td>
<td>$2,200</td>
<td>Flat</td>
<td>Flat to slightly down</td>
</tr>
<tr>
<td>GM %</td>
<td>59.0%</td>
<td>+300 bps</td>
<td></td>
</tr>
<tr>
<td>OPERATING EXPENSES</td>
<td>$755</td>
<td>Flat</td>
<td>High single digit percent</td>
</tr>
</tbody>
</table>

Gross Margin and Operating Expenses are Non-GAAP measures. FY20 Outlook does not account for Mellanox closing.
### NVIDIA | MELLANOX

Transaction Summary

| TRANSACTION CONSIDERATION | $125 per share in cash  
                           | $6.9B in enterprise value |
|---------------------------|-------------------------|
| FINANCIAL IMPACT          | Expected to be accretive to non-GAAP gross margin, non-GAAP EPS and free cash flow, immediately after close  
                           | Intend to fund the acquisition through balance sheet cash  
                           | No change to NVIDIA’s previously announced capital return program |
| APPROVAL PROCESS          | Approved by NVIDIA and Mellanox Boards of Directors  
                           | Subject to approval by Mellanox shareholders  
                           | Subject to regulatory approvals |
| EXPECTED CLOSING          | Expected to close by end of 2019  
                           | Customary closing conditions |
RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES
### RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES

<table>
<thead>
<tr>
<th></th>
<th>Non-GAAP</th>
<th>Stock-Based Compensation (A)</th>
<th>Product Warranty (B)</th>
<th>Other (C)</th>
<th>GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Gross Margin ($ in Millions &amp; Margin Percentage)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY 2016</td>
<td>$2,846</td>
<td>(15)</td>
<td>(20)</td>
<td>—</td>
<td>$2,811</td>
</tr>
<tr>
<td></td>
<td>56.8%</td>
<td>(0.3)</td>
<td>(0.4)</td>
<td>—</td>
<td>56.1%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$4,088</td>
<td>(15)</td>
<td>—</td>
<td>(10)</td>
<td>$4,063</td>
</tr>
<tr>
<td></td>
<td>59.2%</td>
<td>(0.2)</td>
<td>—</td>
<td>(0.2)</td>
<td>58.8%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$5,844</td>
<td>(21)</td>
<td>—</td>
<td>(1)</td>
<td>$5,822</td>
</tr>
<tr>
<td></td>
<td>60.2%</td>
<td>(0.3)</td>
<td>—</td>
<td>—</td>
<td>59.9%</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$7,233</td>
<td>(27)</td>
<td>—</td>
<td>(35)</td>
<td>$7,171</td>
</tr>
<tr>
<td></td>
<td>61.7%</td>
<td>(0.2)</td>
<td>—</td>
<td>(0.3)</td>
<td>61.2%</td>
</tr>
</tbody>
</table>

A. Stock-based compensation charge was allocated to cost of goods sold.
B. Consists of warranty charge associated with a product recall.
C. Consists of legal settlement costs.
### RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES (CONTD.)

<table>
<thead>
<tr>
<th>OPERATING EXPENSES ($ IN MILLIONS &amp; % OF REVENUE)</th>
<th>NON-GAAP</th>
<th>STOCK-BASED COMPENSATION (A)</th>
<th>ACQUISITION-RELATED AND OTHER COSTS (B)</th>
<th>OTHER (C)</th>
<th>GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>$1,721</td>
<td>190</td>
<td>22</td>
<td>131</td>
<td>$2,064</td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>4</td>
<td>—</td>
<td>3</td>
<td>41%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$1,867</td>
<td>233</td>
<td>16</td>
<td>13</td>
<td>$2,129</td>
</tr>
<tr>
<td></td>
<td>27%</td>
<td>4</td>
<td>—</td>
<td>—</td>
<td>31%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$2,227</td>
<td>370</td>
<td>13</td>
<td>2</td>
<td>$2,612</td>
</tr>
<tr>
<td></td>
<td>23%</td>
<td>4</td>
<td>—</td>
<td>—</td>
<td>27%</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$2,826</td>
<td>530</td>
<td>2</td>
<td>9</td>
<td>$3,367</td>
</tr>
<tr>
<td></td>
<td>24%</td>
<td>5</td>
<td>—</td>
<td>—</td>
<td>29%</td>
</tr>
</tbody>
</table>

A. Stock-based compensation charge was allocated to research and development expense, and sales, general and administrative expense.
B. Consists of amortization of acquisition-related intangible assets, transaction costs, compensation charges, other credits related to acquisitions, and other costs.
C. Comprises of legal settlement costs, contributions, and restructuring and other charges.
## RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES (CONTD.)

<table>
<thead>
<tr>
<th>OPERATING MARGIN ($ IN MILLIONS &amp; MARGIN PERCENTAGE)</th>
<th>NON-GAAP</th>
<th>STOCK-BASED COMPENSATION (A)</th>
<th>PRODUCT WARRANTY (B)</th>
<th>ACQUISITION-RELATED AND OTHER COSTS (C)</th>
<th>OTHER (C)</th>
<th>GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>$1,125</td>
<td>(205)</td>
<td>(20)</td>
<td>(22)</td>
<td>(131)</td>
<td>$747</td>
</tr>
<tr>
<td></td>
<td>22%</td>
<td>(4)</td>
<td>—</td>
<td>—</td>
<td>(3)</td>
<td>15%</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$2,221</td>
<td>(248)</td>
<td>—</td>
<td>(16)</td>
<td>(23)</td>
<td>$1,934</td>
</tr>
<tr>
<td></td>
<td>32%</td>
<td>(4)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>28%</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$3,617</td>
<td>(391)</td>
<td>—</td>
<td>(13)</td>
<td>(3)</td>
<td>$3,210</td>
</tr>
<tr>
<td></td>
<td>37%</td>
<td>(4)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>33%</td>
</tr>
<tr>
<td>FY 2019</td>
<td>$4,407</td>
<td>(557)</td>
<td>—</td>
<td>(2)</td>
<td>(44)</td>
<td>$3,804</td>
</tr>
<tr>
<td></td>
<td>38%</td>
<td>(6)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>32%</td>
</tr>
</tbody>
</table>

A. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.
B. Consists of warranty charge associated with a product recall.
C. Consists of amortization of acquisition-related intangible assets, transaction costs, compensation charges, other credits related to acquisitions, and other costs.
D. Comprises of legal settlement costs, contributions, and restructuring and other charges.
## RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES (CONTD.)

<table>
<thead>
<tr>
<th>($ IN MILLIONS, EXCEPT SHARES &amp; EPS)</th>
<th>NON-GAAP</th>
<th>STOCK-BASED COMPENSATION (A)</th>
<th>ACQUISITION-RELATED ITEMS AND OTHER COSTS (B)</th>
<th>OTHER (C)</th>
<th>TAX IMPACT OF ADJUSTMENTS</th>
<th>TAX BENEFIT FROM INCOME TAX REFORM</th>
<th>GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY 2018</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$3,085</td>
<td>(391)</td>
<td>(13)</td>
<td>(24)</td>
<td>257</td>
<td>133</td>
<td>$3,047</td>
</tr>
<tr>
<td>Shares used in diluted per share calculation</td>
<td>627</td>
<td>—</td>
<td>—</td>
<td>5</td>
<td>—</td>
<td>—</td>
<td>632</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$4.92</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>$4.82</td>
</tr>
<tr>
<td><strong>FY 2019</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>$4,143</td>
<td>(557)</td>
<td>(2)</td>
<td>(34)</td>
<td>223</td>
<td>368</td>
<td>$4,141</td>
</tr>
<tr>
<td>Shares used in diluted per share calculation</td>
<td>624</td>
<td>—</td>
<td>—</td>
<td>1</td>
<td>—</td>
<td>—</td>
<td>625</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$6.64</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>$6.63</td>
</tr>
</tbody>
</table>

A. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.

B. Consists of amortization of acquisition-related intangible assets, transaction costs, compensation charges, other credits related to acquisitions, and other costs.

C. Other comprises of legal settlements, contributions, gains from non-affiliated investments, interest expense related to amortization of debt discount and debt-related costs. Other also comprises anti-dilution impact from note hedge that is excluded from GAAP weighted average diluted share calculation.
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP net cash flow provided by operating activities</td>
<td>$824</td>
<td>$835</td>
<td>$905</td>
<td>$1,175</td>
<td>$1,672</td>
<td>$3,502</td>
<td>$3,743</td>
</tr>
<tr>
<td>Purchase of property and equipment and intangible assets</td>
<td>(183)</td>
<td>(255)</td>
<td>(122)</td>
<td>(86)</td>
<td>(176)</td>
<td>(593)</td>
<td>(600)</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>$641</td>
<td>$580</td>
<td>$783</td>
<td>$1,089</td>
<td>$1,496</td>
<td>$2,909</td>
<td>$3,143</td>
</tr>
</tbody>
</table>
## RECONCILIATION OF NON-GAAP TO GAAP FINANCIAL MEASURES

<table>
<thead>
<tr>
<th>($ IN MILLIONS)</th>
<th>Q1FY20 OUTLOOK</th>
<th>FY2020 OUTLOOK</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-GAAP Gross Margin</td>
<td>59.0%</td>
<td></td>
</tr>
<tr>
<td>Impact of stock-based compensation expense</td>
<td>(0.2%)</td>
<td></td>
</tr>
<tr>
<td>GAAP Gross Margin</td>
<td>58.8%</td>
<td></td>
</tr>
<tr>
<td>Non-GAAP Operating Expenses</td>
<td>$755</td>
<td>$3,090</td>
</tr>
<tr>
<td>Stock-based compensation expense, acquisition-related costs, and other costs</td>
<td>175</td>
<td>865</td>
</tr>
<tr>
<td>GAAP Operating Expenses</td>
<td>$930</td>
<td>$3,955</td>
</tr>
</tbody>
</table>