

INFINERA CORP
Form 425
May 27, 2015

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Introduction to Infinera
Press Briefing
May 2015
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Subject Company: Transmode AB
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Safe Harbor

This presentation contains "forward-looking" statements that involve risks, uncertainties and assumptions. If the risks or uncertainties materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking, including, but not limited to, projections of financial information, including statements about revenue growth; any statements about historical results that may indicate trends for our business; any statements of the plans, strategies, and objectives of management for future operations; any statements of expectation or belief regarding future events, potential markets or market size, technology developments, or enforceability of intellectual property rights; and any statements of assumptions underlying any of the items mentioned.

These statements are based on estimates and information available to us at the time of this presentation and are not guarantees of performance. These risks and uncertainties include, but are not limited to, the risk that Transmode shareholders fail to tender their Transmode's outstanding shares, that any other closing conditions are not satisfied, and that the transaction may not close; the risk that Transmode's and Infinera's businesses will not be integrated successfully; the risk that synergies will not be realized or realized differently than anticipated; the risk that the combined company will not realize on its financing or operating strategies; the risk that litigation involving either company or the transaction could arise; the risk that disruption caused by the combined company would make it difficult to maintain certain strategic relationships; the risks of competitive responses and shifts in the market; delays in the release of new products; changes in customer demand, changes in industry trends, and changes in the macro economic market. These risks and uncertainties also include

risks and uncertainties discussed in the offer document to be filed with the Swedish Financial Supervisory Authority and in the Statement on Form S-4 to be filed with the SEC, those risks and uncertainties identified under the heading "Risk Factors" in the Quarterly Report on Form 10-Q for the quarter ended March 28, 2015, filed with the SEC, and those risks and uncertainties identified in subsequent

reports

filed

with

the

SEC

by

Infinera.

Our

SEC

filings

are

available

on

our

website

at

www.infinera.com

and

the

SEC's

website

at

www.sec.gov.

We

assume

no

obligation

to,

and

do

not

currently

intend

to,

update

any

such

forward-looking

statements.

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Infinera At A Glance
Innovator & Long Haul WDM Leader

#1 Optical company (Infonetics 2014)

Unique Photonic Integrated Circuits (PICs)

Intelligent Transport Networks

400+ Patents Filed/Granted
Global

~1,500 employees

Global presence

Headquarters Sunnyvale, California, USA

PIC

Cloud Xpress

DTN-X

Infinera Engineering locations

Sunnyvale, CA

Worldwide HQ

Ottawa, Canada

Coherent

Allentown, PA

R&D, Packaging

Bangalore, India

S/W Development

H/W Development

Beijing, China

Optical Architecture

TAC Support / CDL

Annapolis Junction, MD

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Intro to WDM
Optical Fiber 3,000 km +

9 Terabits per second per fiber

Each fiber can carry 1.8 million HD streaming videos

Each color moving from 10G to 100G
Up to 80 colors

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A leader in Intelligent Transport Network solutions

24% of Q1 2015 reported from EMEA; 51 customers in EMEA

144 customers in 73 countries; 62 DTN-X customers; 7 CX customers

Diversified customer base across multiple verticals

Infinera

Global Business

Selective listing

of all EMEA customers

-

17 Tier 1s globally

-

3 of top 4 Internet Content Providers

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A Growth Story

Source: Infinera Financial Reporting

*Wall Street consensus as of May 19, 2015

**Dell Oro Group 2014 Optical Transport Report

A reconciliation of GAAP to non-GAAP numbers may be found at www.Infinera.com

Revenue

\$195

\$205 million revenue

\$22.1 million net income (Non-GAAP)

47.8% gross margin (Non-GAAP)

\$186.9 million revenue

2014 vs 2013

23% YoY Growth

~2x Market growth **

\$405

\$438

\$544

\$668

\$811e*

FY11

FY12

FY13

FY14

FY15

2 Years 20+% growth

Strong Balance Sheet

Q1 15 Performance

Q2 15 Guidance

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Infinera Long-Haul Solution

Facebook Example

Infinera Selected by Facebook

for World's Longest Terrestrial

Multi-Terabit Route

The Infinera Intelligent Transport Network makes it easy for us to rapidly grow network capacity while keeping operations simple. Once the equipment is in place we are able to turn up as many terabits as we need.

Niclas Comstedt

Director of Network Engineering, Facebook

Infinera DTN-X

Other than North Sweden these are not actual FB data

center locations, example network configuration only

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Infinera's DTN-X with Instant Bandwidth gives us a competitive edge enabling significantly shorter customer delivery times for 100G services and allows us

to

offer

one

of

the

most

advanced

and

scalable

networks

in

North

America.

Erik Hallberg, President, TeliaSonera International Carrier

Case Study: TeliaSonera International Carrier

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Building the End-to-End Portfolio
Metro
Edge
Metro
Access
Metro Aggregation
Metro
Core
Cloud
LH Core
Cloud Xpress
DTN-X
XTC4/10
XTC4
Opportunity to Accelerate into Metro Aggregation
2015

Sliceable Photonics

oPIC-100

ePIC-500

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Complementary Customer Base
#1 100G WDM WW ex-China*
Leader in ICP, NA Cable, Wholesale & Ent.
First mover in Metro Cloud for ICPs
#1 Packet-Optical EMEA*
Strength in cable, wireless back/front haul,
Ethernet services
*Source: Infonetics 2014, Dell Oro 2014
Revenue Growth
Opportunity
Common
Leverage Strengths, Cross-Sell

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Product
Mix
Geographic
Mix
Complementary Market Offerings
2014
Metro 2%
Long-Haul
98%
Metro 100%
Americas
76%
APAC 4%
EMEA
20%
Americas

14%
APAC 4%
EMEA
82%
Combined
Entity
Metro
~18%
Americas
68%
EMEA
28%
APAC 4%

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Benchmarking Financial Performance

Source: Public financial statements, Weighted average

for INFN+TRMO, ALU = Entire business

YoY Revenue Growth, %

2014

20

10

0

-10

50

40

30

Gross Margin, %

2014

INFN +

TRMO

Ciena
ALU
Cyan
MRV
Adva

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Infinera + Transmode

End-to-End portfolio

Complementary customers and
geographies

Common philosophy

Strong financial results

Shared culture and talent

Technology leadership
Culture
Technology

Customers
Financials

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Backup

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Infinera Uniquely Delivers Massive Scale
Moore's Law-like
for Optical
Competitors
Industry's only
500G large scale
Photonic Integrated Circuit

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PICs Leveraged for Disruptive Systems
Intelligent Transport Network
Converge Layers, Network Automation
Own Key Technologies & Processes
400+ patents filed/granted
Purpose-Built Systems
Switching
ASICs
Intelligent
Software
Photonic Integrated Circuits
500G Super-Channels
Vertically
Integrated
DTN-X
DTN

Cloud Xpress

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Transport Becoming Strategic

Networks
Simplifying
to New
Model of Cloud Services and
Intelligent Transport
Vision: Enable An Infinite Pool of Intelligent Bandwidth
Poised to take off

Scalable
Optics
and
Integrated
Packet-Optical
Key

for
Simplification
Accelerated 100G
uptake & 40G decline
6-9 month
lead
100G
Metro Cloud
2014
100G Metro
Aggregation
2016
100G
Long Haul
2012
Market Inflections

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Infinera Metro Cloud Solution
Cloud Xpress
Metro Cloud
ICP Datacenter
ICP Datacenter
Cloud

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Outstanding Strategic Fit
#1 Packet
Optical
EMEA
#1 100G
WDM
ex-China
Strong
NA Base
Strong
EMEA
Base
PICs
SDN
Power
Efficient

Systems

Long

Haul

Wireless

Back &

Fronthaul

Subsea

46%

Gross

Margin

52%

Gross

Margin

Metro

Core

Metro

Cloud

Metro

Access,

Edge, Core

Source: Q4 2014 INFN: Non-GAAP, TRMO: IFRS; Infonetics 2014, Dell Oro 2014

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This communication is neither an offer to purchase nor a solicitation of an offer to sell any shares. This communication is for informational purpose only. The exchange offer for shares of Transmode AB will not be made to, nor will exchanges be accepted from, or on behalf of, holders of shares in any jurisdiction in which the making of the exchange offer or the acceptance thereof would not comply with the laws of that jurisdiction. The acceptance period for the exchange offer for shares of Transmode described in this communication has not commenced.

In connection with the proposed combination of Infinera and Transmode, Infinera will file an offer document with the Swedish Financial Supervisory Authority and a prospectus and a Registration Statement on Form S-4 with the SEC.

Shareholders of Transmode should read the above referenced documents and materials carefully when such documents and materials become available because they contain important information about the transaction.

Shareholders of Transmode may obtain free copies of these documents and materials, any amendments or supplements thereto and other documents containing important information about Infinera and the transaction, once such documents and materials are filed or furnished, as applicable, with the SEC, through the website maintained by the SEC at www.sec.gov. Copies of the documents and materials filed with the SEC by Infinera will also be available free of charge on Infinera's website at www.infinera.com

under the heading SEC Filings
in the Company Investor Relations
portion of Infinera's website. More
information about the exchange offer, including the formal announcement of the offer and the offer document to be filed with
and approved by the Swedish Financial Supervisory Authority, can
be found on www.infinera.se.

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