

Founded in 1989, Lantronix, Inc. is a global leader of secure communication technologies that simplify access and communication with and between virtually any electronic device. Lantronix smart M2M connectivity solutions enable sharing data between devices and applications to empower businesses to make better decisions based on real-time information, and gain a competitive advantage by improving productivity and increasing efficiency and profitability. Easy to integrate and deploy, Lantronix products remotely and securely connect electronic equipment via networks and the Internet.



Connecting Machines to Machines to Help People Do More

\* Future Products

Nearly two-thirds of the world's estimated 7.8 billion people today are connected wirelessly – through cell phones, the Internet, etc.

Yet of the 50 billion connectable machines worldwide, less than 1% are connected and can communicate intelligently with each other.

The market for M2M (machine-to-machine) communications and connectivity for these 50 billion devices is projected to far surpass the more than 5 billion people with mobile phones in the next 10 years.

## INVESTMENT HIGHLIGHTS

- **New leadership team** in place with a combined 150+ years of experience in technology and communications equipment solutions to drive turnaround growth strategy.
- **Aggressive execution on revamped product strategy** focused on capturing market share and expanding in current markets. The company has committed to release into production **one new product per quarter** (avg.).
- **Introduced four new products** since December 2011: EDS-MD, next generation medical device aggregator; xPrintServer-Network Edition, the first and only device that allows iPads and Apple iOS devices to print wirelessly to virtually any networked printer; PremierWave-XN, a high performance WiFi serial device server and xPico, the world's smallest complete embedded device server.
- **Implemented restructuring and cost reduction plan to improve gross margin and drive profitability.**
- **More than 20 years of M2M/network connectivity leadership and an impressive IP portfolio** consisting of 19 patents with 21 new applications in process. New product markets to be introduced in calendar year 2012 include analog sensor and cellular connectivity solutions.
- **Strong, established global network** of partnerships with distributors, OEM manufacturers, and VARs covering 50+ countries worldwide.

## LANTRONIX AT A GLANCE

**SHARE PRICE (as of 03/06/12): \$3.05**  
**MARKET CAP(as of 03/06/12): \$32.3 million**  
**SHARES OUTSTANDING: 10.58 million**  
**PRICE TO BOOK: \$2.56**  
 Global HQ in Irvine, California  
 100+ employees worldwide  
 Customer base of 10,000+ global companies  
**INVESTOR CONTACT: [investors@lantronix.com](mailto:investors@lantronix.com)**

### Key Financial Highlights

	<u>FY 2011</u>	<u>Q2 FY 2012</u>
<b>REVENUES:</b>	<b>\$49.3 MM</b>	<b>\$10.5 MM</b>
<b>GROSS MARGIN:</b>	<b>49.5%</b>	<b>48.2%</b>

June 30 Fiscal Year End

*This document contains forward-looking statements, including statements concerning our future business plans. These forward-looking statements are based on current management expectations and are subject to risks and uncertainties that could cause actual reported results and outcomes to differ materially from those expressed in the forward-looking statements. For a more detailed discussion of these and other risks and uncertainties, see our SEC filings. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and the Company undertakes no obligation to update these forward-looking statements to reflect subsequent events or circumstances.*

## EXPERIENCED, ENERGIZED MANAGEMENT TEAM

### **Kurt Busch, President & CEO\***

- 20+ years technology industry experience in marketing, sales, and general management roles
- Former SVP and GM of MindSpeed's High Performance Analog Business Unit

### **Jeremy Whitaker, Chief Financial Officer\***

- Former Lantronix Vice President of Finance, returned to join turnaround
- Broad perspective with both outside auditor (E&Y) and internal finance/ accounting experience

### **Daryl Miller, Vice President of Engineering**

- 30+ years experience in engineering, embedded systems, software, and networking
- Former experience at Tektronix and NCD

### **Michael Fink, Vice President of Operations\***

- 20+ years of global technology operations and new product development experience
- Former experience with Inphi, Sierra Monolithics, Mindspeed, and Peregrine Semiconductor

### **Mak Manesh, Vice President of Product Management\***

- 20+ years of direct M2M experience, including Lantronix and Newport Electronics
- Strong history with analog and digital device servers

### **Robert Robinson, Vice President of Worldwide Sales\***

- 20+ years of direct and channel sales experience, including GlobalTrack, D-Link, and Arrow Electronics
- Excellent background in wireless M2M applications and devices

### **Mark Tullio, Vice President of Worldwide Marketing**

- 20+ years of experience in B2B and B2C marketing, including Kaplan, Sage Software, and NBC Universal

### **Tom Morton, Vice President of Human Resources\***

- 30+ years human resource experience, expert in HR issues facing technology companies

*\*Indicates new leadership appointed from Aug 2011-Feb 2012*

## RECENT NEWS

- Lantronix Launches xPico, Chip-Sized Networking Module for Ethernet Connectivity (2/29/2012)
- Lantronix Launches PremierWave-XN, Delivering High Performance M2M WiFi Connectivity (2/28/2012)
- xPrintServer Racks Up Awards at MacWorld/iWorld 2012 (1/30/2012)
- New 'Plug and Print' xPrintServer-Network Edition Now Shipping (1/25/2012)
- Launches xPrintServer-Network Edition, Wireless Printing Solution for iPad and Apple iOS Devices (12/13/2011)
- Lantronix Expands eCommerce Store to Europe, Canada and Mexico (12/8/2011)
- Lantronix Launches EDS-MD, Next Generation Device Aggregator for Medical Market (12/7/2011)
- Lantronix and Quadlogic Revolutionizes Meter Reading at Mall of America (12/6/2011)

## New Product Spotlight: **xPrintServer-Network Edition**



Targeted at the business networked environment, Lantronix's patent-pending xPrintServer-Network Edition is the first external print server that allows iPads and other Apple iOS devices to print wirelessly to virtually any networked printer.

Since its introduction in December 2011, the xPrintServer has received industry accolades and positive reviews from TUAW, InfoWorld, Network World, MacWorld, MacObserver, Engadget, and CES.

- **CONNECT:** Designed specifically for anyone in a networked printer environment to print wirelessly from any iPad®, iPhone® or iPod® to virtually any networked printer

- **SMART:** Plug and print seamless integration using native Apple iOS® commands

- **DO MORE:** Increase usability of iOS devices

- **MSRP:** \$149.95

- **Distributed via:** Lantronix eCommerce site, Amazon.com, MacMall, PC Mall, Provantage and Lantronix global network of distributors