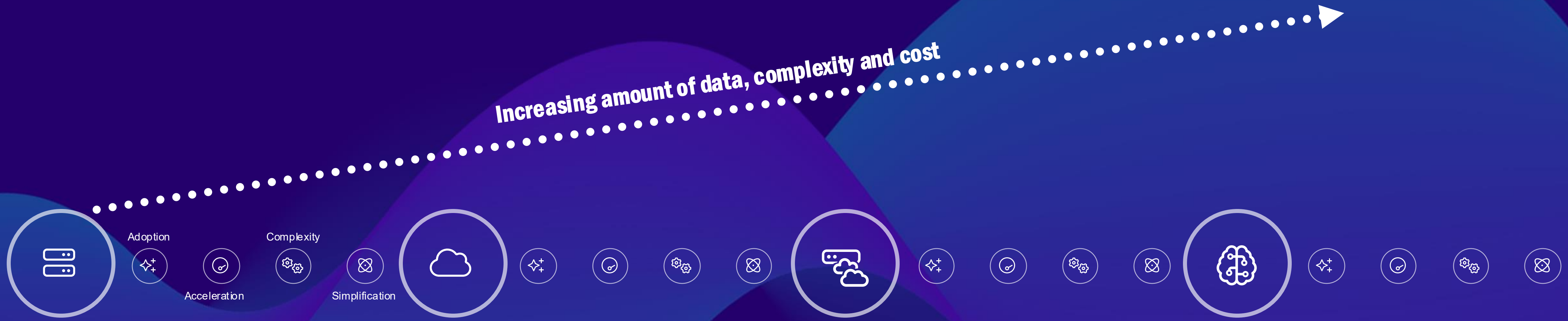
NetApp

Q2 FY26 EARNINGS RESULTS

Safe harbor

- This presentation contains forward-looking statements and projections about our strategy, products and services, including our AI capabilities and initiatives, shareholder returns, and our future results, performance or achievements, financial and otherwise. These statements and projections reflect management's current expectations, estimates and assumptions based on the information currently available to us and are not guarantees of future performance.
- Actual results may differ materially from these statements for a variety of reasons, including, without limitation, our ability to keep pace with the rapid industry, technological and market trends and changes in the markets in which we operate, including for AI; our ability to execute our evolved cloud strategy and introduce and gain market acceptance for our products and services; our ability to maintain our customer, partner, supplier and contract manufacturer relationships on favorable terms and conditions; our development and use of AI; global political, macroeconomic and market conditions, including inflation, fluctuating interest rates, tariffs, changes in trade policy, regulations, monetary policy shifts, recession risks, and foreign exchange volatility and the resulting impact on demand for our products; the impact of new or ongoing geopolitical conflicts and sanctions; adoption or changes to laws, regulations standards or policies affecting our operations, products, services, the storage industry, or AI usage; material cybersecurity and other security breaches; the impact of supply chain disruptions on our business operations, financial performance and results of operations; changes and related uncertainty in U.S. government spending or policy; changes in overall technology spending by our customers; revenue seasonality; changes in laws or regulations, including those relating to privacy, data protection and information security; the timing of orders and their fulfilment; and our ability to manage our gross profit margins, including managing component costs. These and other equally important factors that may affect our future results are described in reports and documents we file from time to time with the SEC, including the factors described under the section titled "Risk Factors" in our most recent annual report on Form 10-K and quarterly report on Form 10-Q, each available at www.sec.gov. The forward-looking statements made in these presentations are being made as of the time and date of the live presentation. If these presentations are reviewed after the time and date of the live presentation, even if subsequently made available by us, on our website or otherwise, these presentations may not contain current or accurate information. Except as required by law, we disclaim any obligation to update or revise any forward-looking statement based on new information, future events or otherwise.
- This presentation includes non-GAAP financial measures. Reconciliations of these measures to the comparable GAAP measures are available in the appendix to this presentation.
- NetApp's Investor Relations website at https://investors.netapp.com contains a significant amount of information about NetApp, including financial and other information for investors. NetApp encourages investors to visit that website from time to time as information is updated and new information is posted. The content of NetApp's website is not incorporated by reference into this presentation, and any references to NetApp's website are intended to be inactive textual references only.

Across several eras in the age of data, NetApp has led in data infrastructure innovation



Data Silos & Unification

NetApp becomes the first vendor to **unify file & block workloads, and structured & unstructured data**

Hybrid Cloud

NetApp creates the first **data fabric strategy** that eliminates silos & provides unified control across any environment

Hybrid Multiclouds

NetApp becomes the ONLY vendor to introduce **cloud ops and data services** as key data infrastructure pillars in addition to being the **only vendor natively embedded in all major clouds**

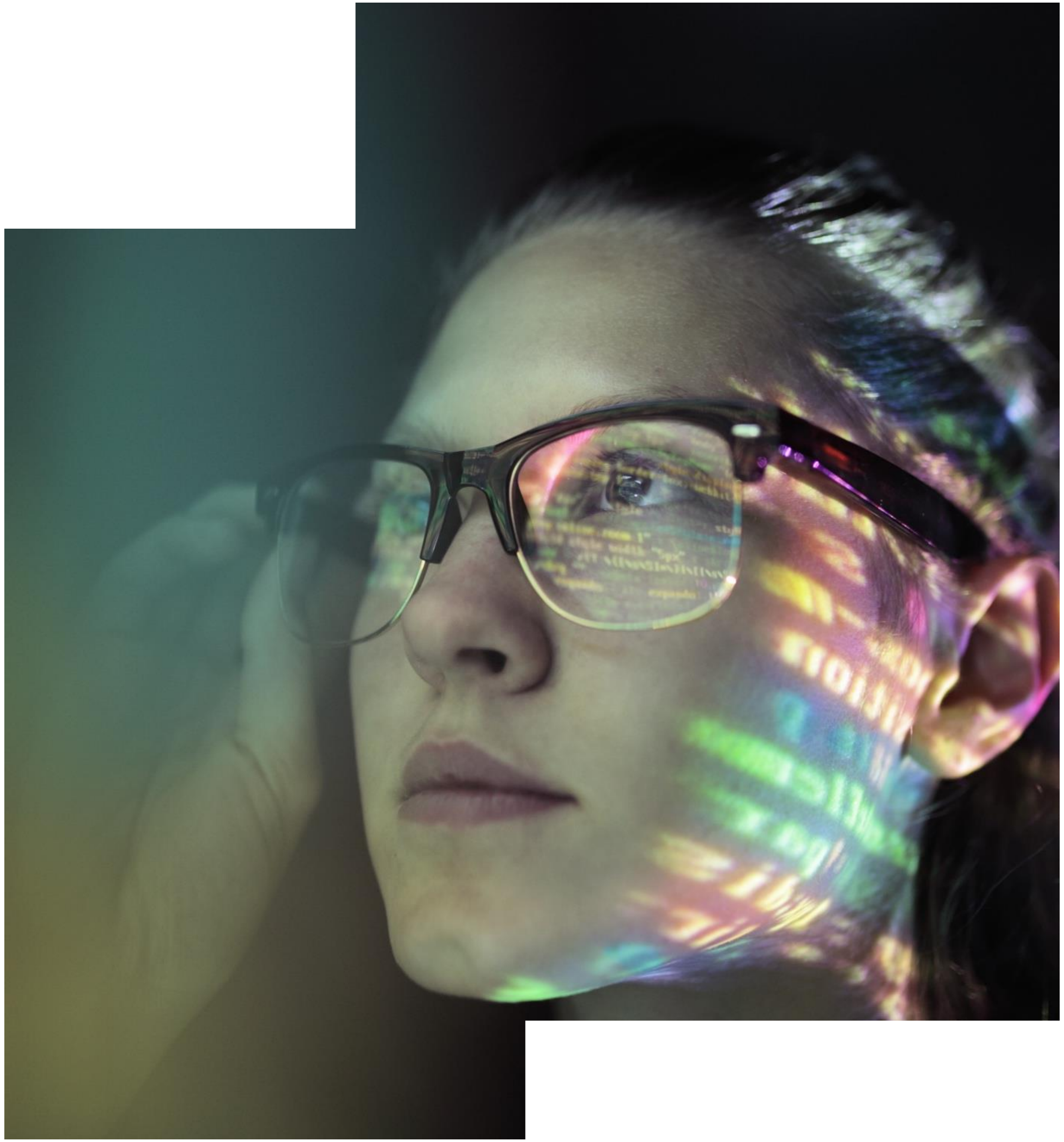
Intelligence

NetApp delivers **silo-free infrastructure**, then harnesses **observability and AI** to enable best data management everywhere

For over 30 years ...

NetApp has been at the forefront of data innovation - helping the world's leading organizations turn their data into a true driver of transformation.

Innovation isn't just part of our story – it is our story.



Today ...

data is **everywhere**, and security threats, fragmented architecture, shortage of expertise, and operational complexity slow down progress. We help enterprises solve their most pressing data challenges by rethinking the very foundation they run on –

delivering data infrastructure that’s optimized, secured, and ready for AI.

Our customers rely on NetApp...

to **modernize data infrastructure**, **transform cloud strategies**, **drive AI innovation**, and **strengthen cyber resilience**.

We unify data services ...

without tearing down what already works and connect fragmented environments without forcing replacement.

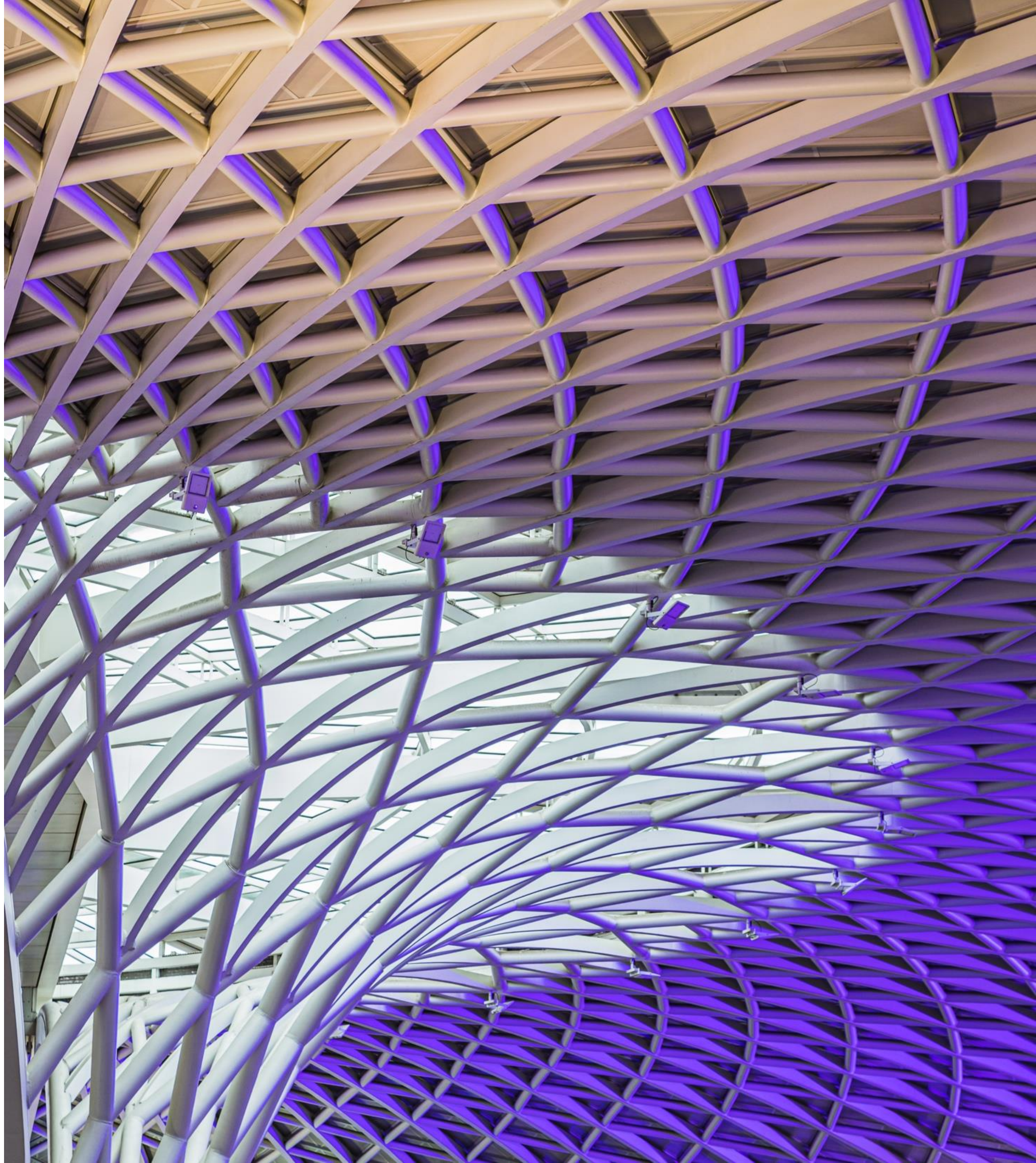
We bring these priorities to life ...

through the full strength of our portfolio, expert services, and deep partnerships - guided by a belief that for a future shaped by AI, **intelligence must be built in, not bolted on.**

The reality is ...

…most companies already have data infrastructure - but very few have one that can evolve, scale, and protect.

Only NetApp brings together a **legacy of innovation**, **deep customer focus**, and **unmatched technical depth** to help organizations build **Intelligent Data Infrastructure.**



That’s what enables NetApp to solve what others can’t. This is why NetApp is THE Intelligent Infrastructure company.

Q2 FY26 highlights

- Announced significant innovation, advancing the NetApp Data Platform with enhanced AI workload capabilities, stronger cyber resilience, and deeper collaborations with our hyperscaler partners
- Closed approximately 200 AI infrastructure and data lake modernization deals
- Grew first party and marketplace cloud storage services revenue approximately 32% year over year
- Recognized as a Leader in the 2025 Gartner Magic Quadrant for Enterprise Storage Platforms[1]
- Recognized as a Leader and Fast Mover in GigaOM Object Storage and Globally Distributed File Systems Radars 2025[2]
- Achieved all time highs for quarterly Operating Margin and EPS[3]

[1] Gartner, Magic Quadrant for Enterprise Storage Platforms, 2 September 2025
[2] GigaOM Object Storage Radar 2020 and GigaOM Globally Distributed File Systems Radar 2025
[3] Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Q2 FY26 summary

	Q2 guidance (as of Aug 27, 2025)	Q2 actual
Revenue	$1.615B – $1.765B	$1.71B +2.8% y/y
Billings[1]		$1.65B +3.8% y/y
Gross margin[1]	70.5% – 71.5%	72.6% +60 bps y/y
Operating margin[1]	28% – 29%	31.1% +250 bps y/y
Earnings per share[1]	$1.84 – $1.94	$2.05 +10.0% y/y
FCF margin[1]		4.6%
Remaining performance obligations		$4.90B +10.7% y/y
Capital returns[2]		$353M

[1]Billings, gross margin, operating margin, EPS, and FCF margin are Non-GAAP measures. Refer to appendix for additional details on the Non-GAAP measures presented in the table above and a reconciliation between GAAP and Non-GAAP numbers.
[2]Capital returns are the sum of cash dividends and share repurchases.

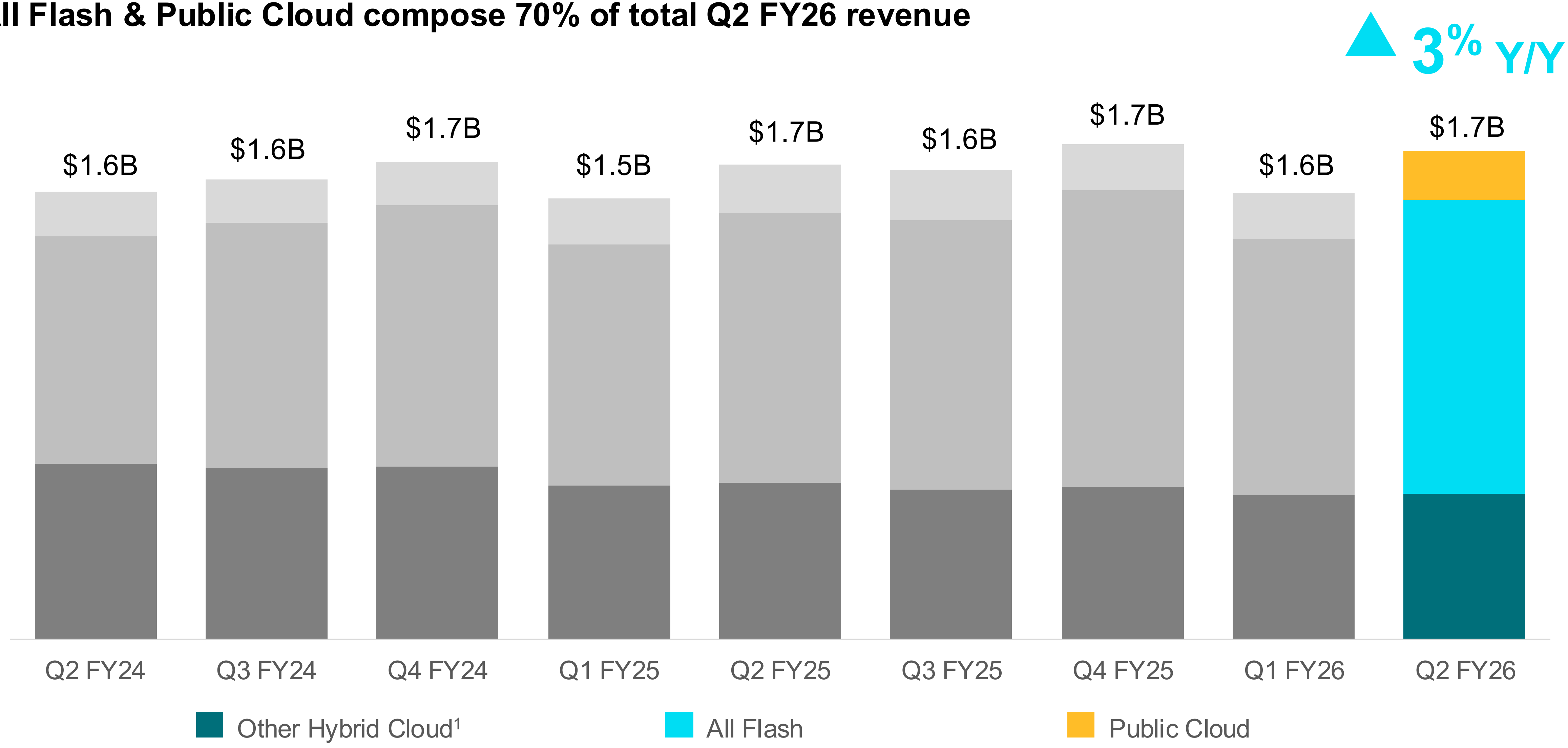
FY26 YTD summary

	Q1	Q2	1H
Revenue	$1.56B +1.2% y/y	$1.71B +2.8% y/y	$3.26B +2.0% y/y
Billings[1]	$1.51B +4.3% y/y	$1.65B +3.8% y/y	$3.16B +4.0% y/y
Gross margin[1]	71.1% -110 bps y/y	72.6% +60 bps y/y	71.8% -30 bps y/y
Operating margin[1]	25.7% -20 bps y/y	31.1% +250 bps y/y	28.5% +120 bps y/y
Earnings per share[1]	$1.55 -0.6% y/y	$2.05 +10.0% y/y	$3.61 +5.6% y/y
FCF margin[1]	39.8%	4.6%	21.4%
Remaining performance obligations	$4.94B +10.7% y/y	$4.90B +10.7% y/y	$4.90B +10.7% y/y
Capital returns[2]	$404M	$353M	$757M

[1]Billings, gross margin, operating margin, EPS, and FCF margin are Non-GAAP measures. Refer to appendix for additional details on the Non-GAAP measures presented in the table above and a reconciliation between GAAP and Non-GAAP numbers.
[2]Capital returns are the sum of cash dividends and share repurchases.

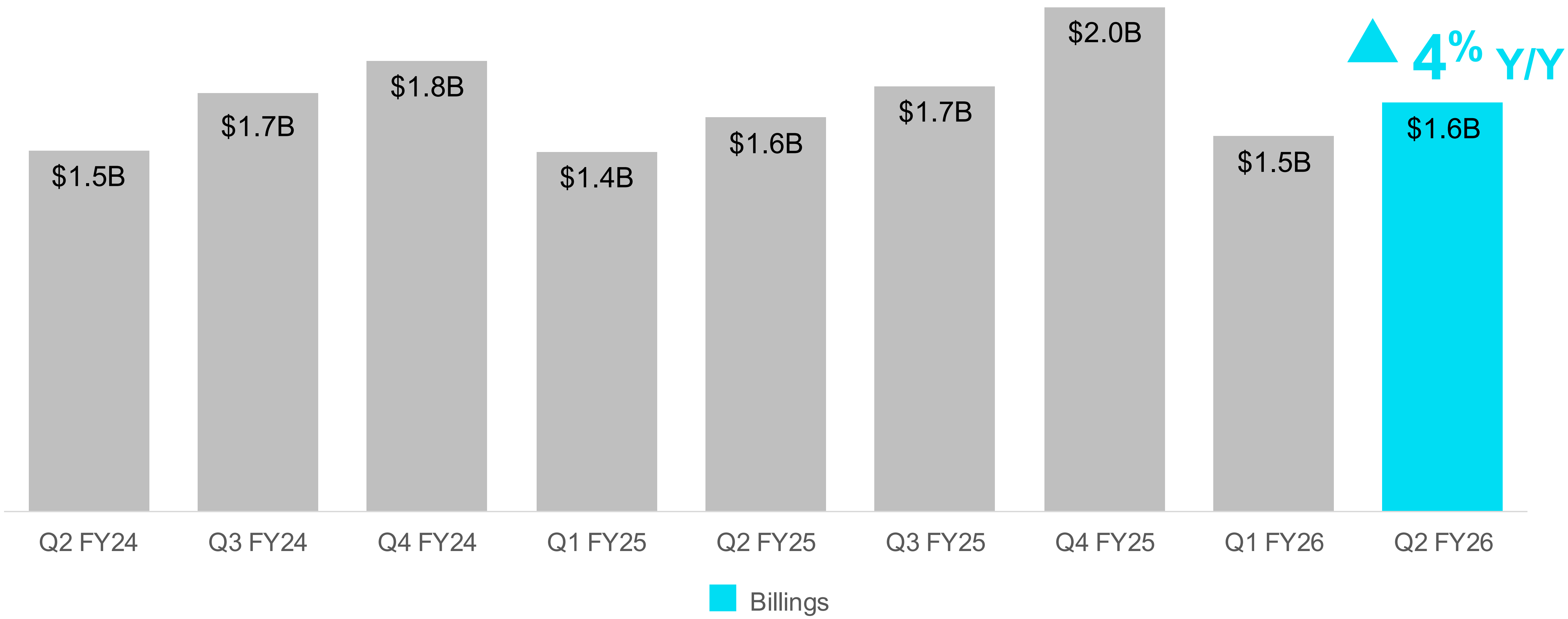
Revenues

All Flash & Public Cloud compose 70% of total Q2 FY26 revenue



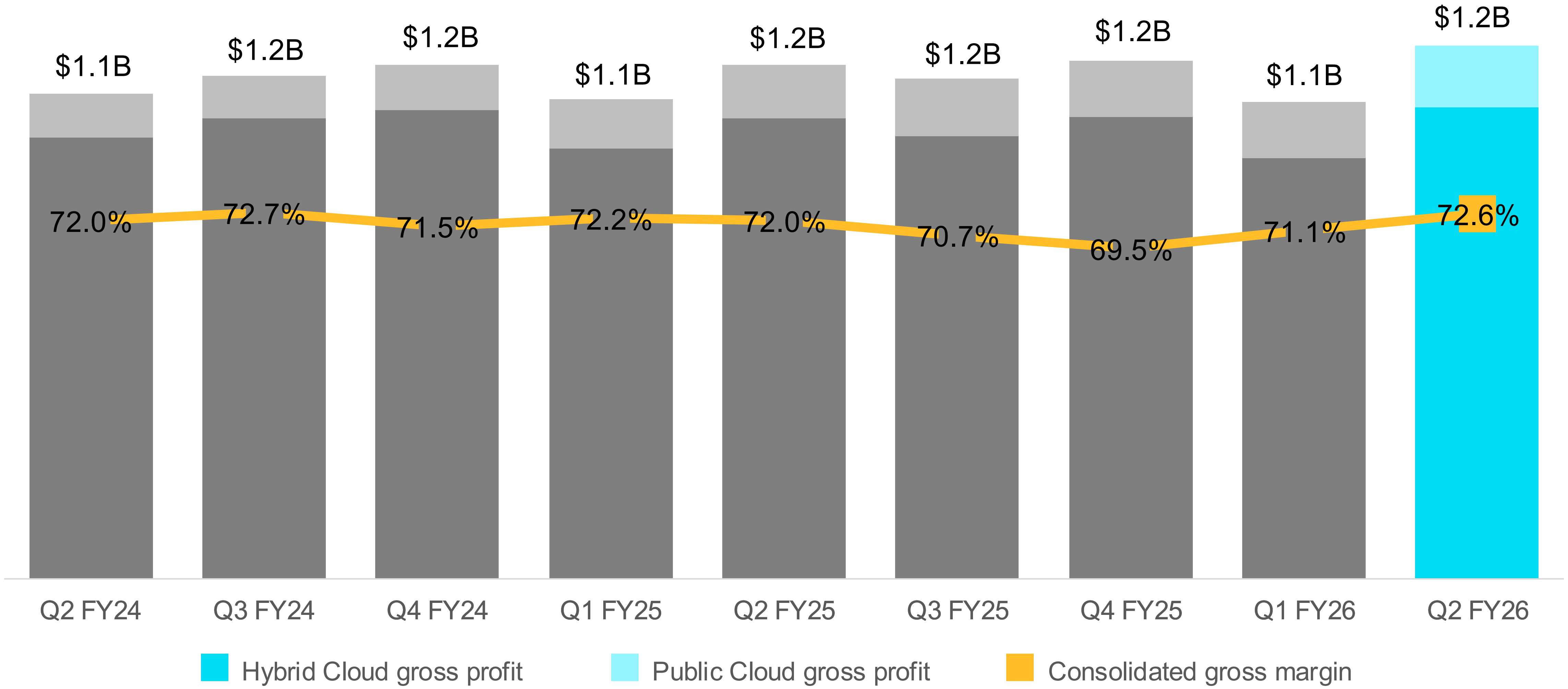
[1] Other Hybrid Cloud includes Hybrid Flash and HDD Arrays, and Professional and Other Services (excluding Keystone services delivered with All Flash)

Billings



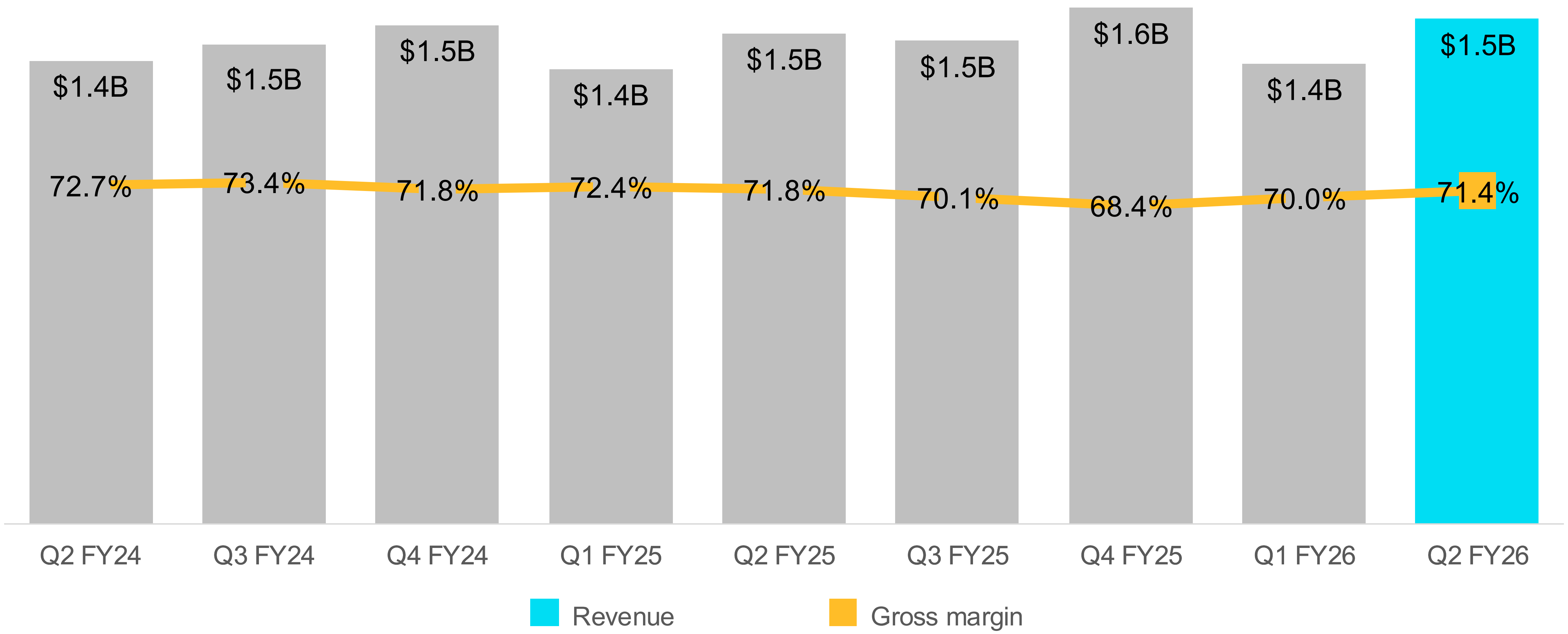
Billings is a Non-GAAP measure. Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Non-GAAP gross margin



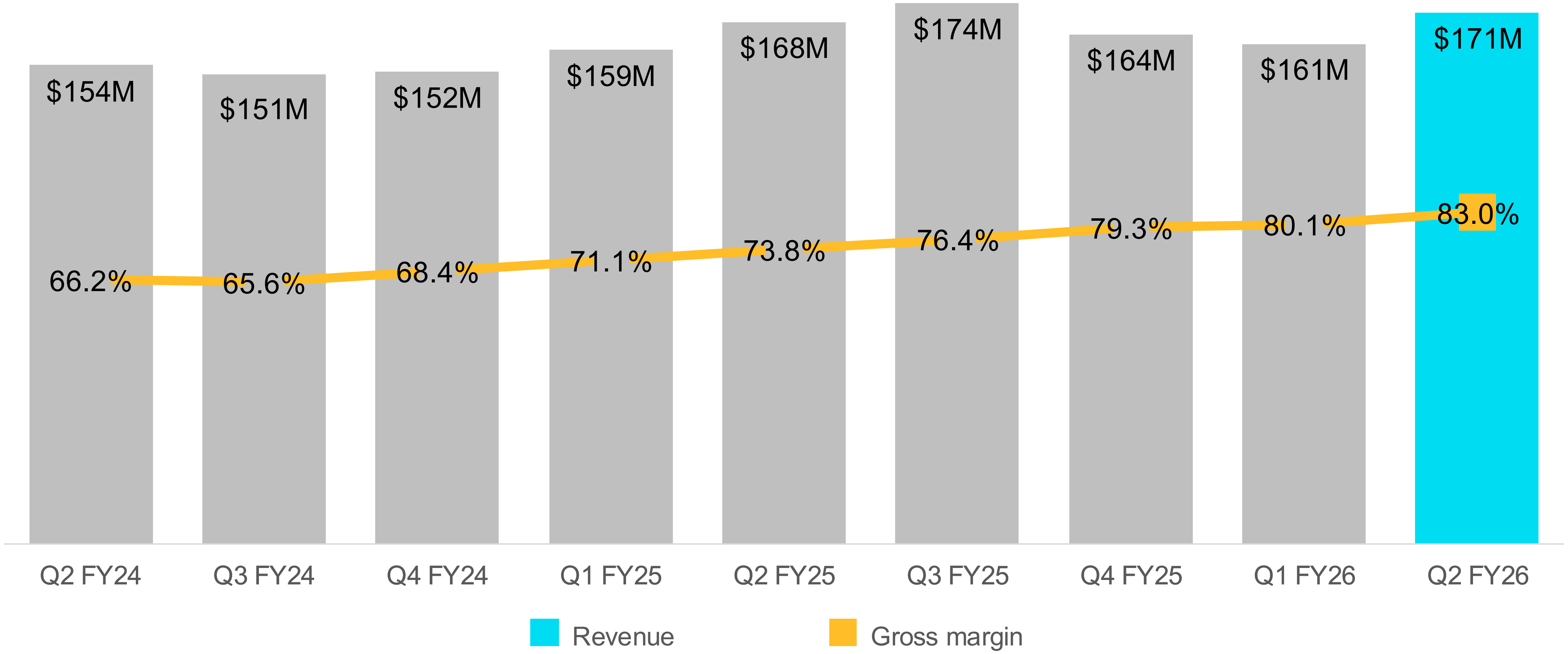
Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Hybrid Cloud revenue and gross margin



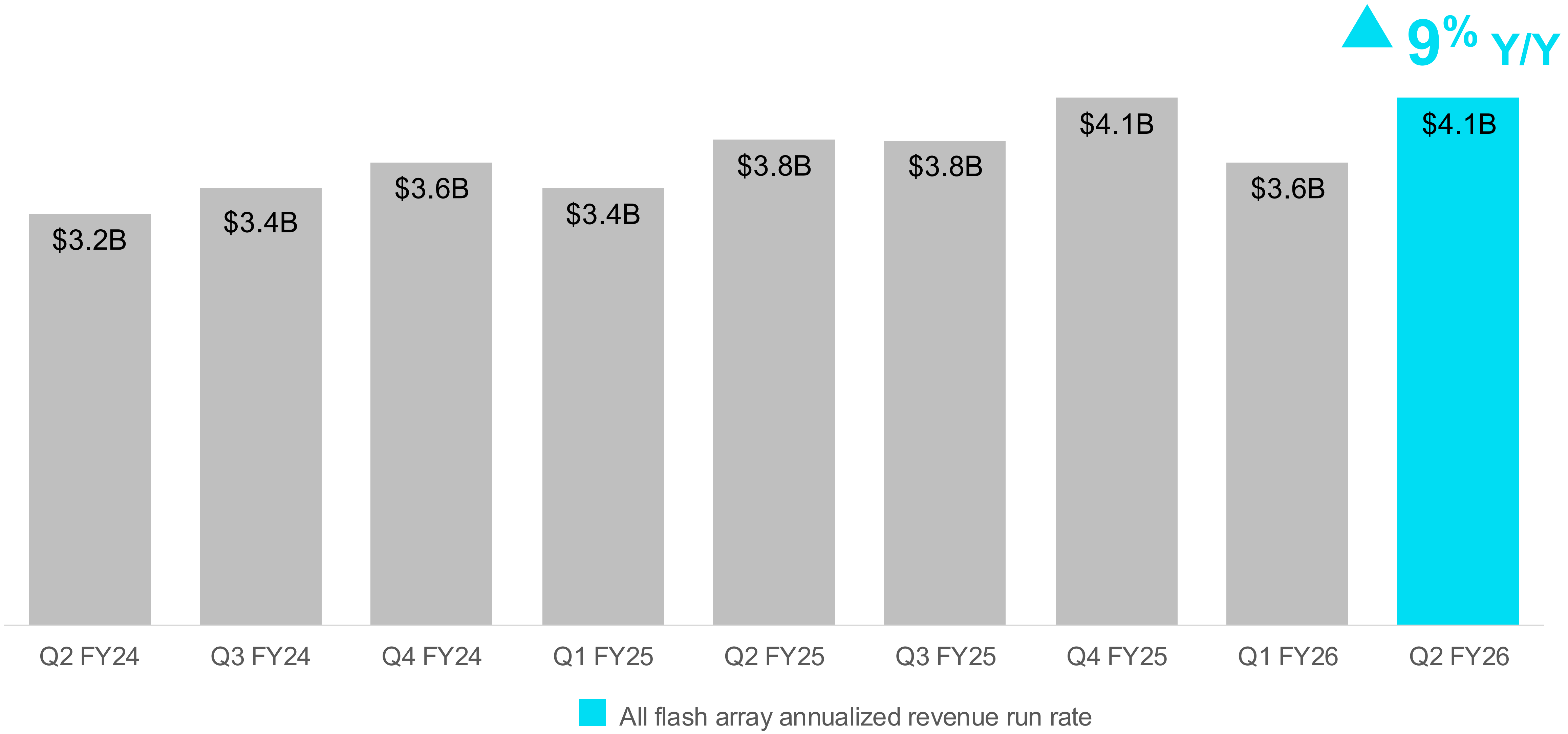
The company has two segments for financial reporting purposes: Hybrid Cloud and Public Cloud. A reconciliation of segment gross profit, which does not include stock-based compensation or amortization of intangibles, to consolidated gross profit is included in the appendix.

Public Cloud revenue and gross margin



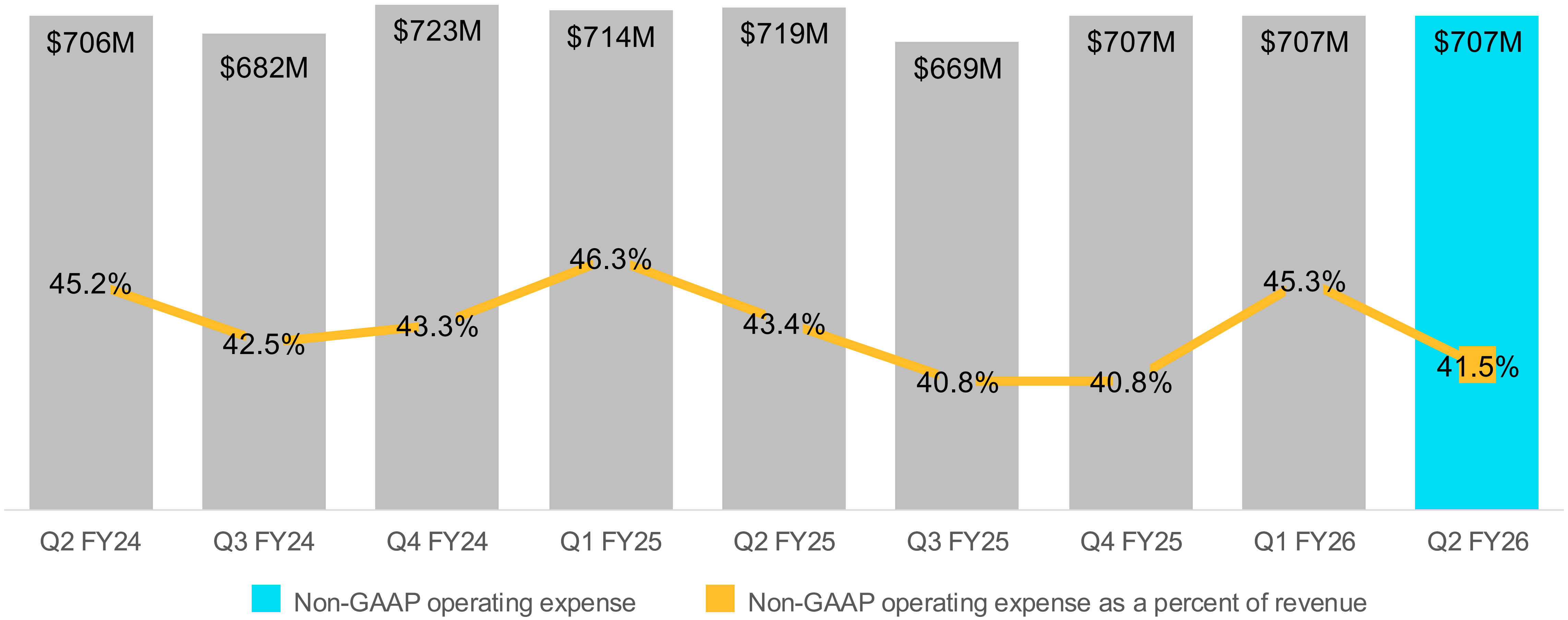
The company has two segments for financial reporting purposes: Hybrid Cloud and Public Cloud. A reconciliation of segment gross profit, which does not include stock-based compensation or amortization of intangibles, to consolidated gross profit is included in the appendix.
Public Cloud revenue includes the impact from the divestiture of Spot by NetApp, effective March 3, 2025

All flash array annualized revenue run rate



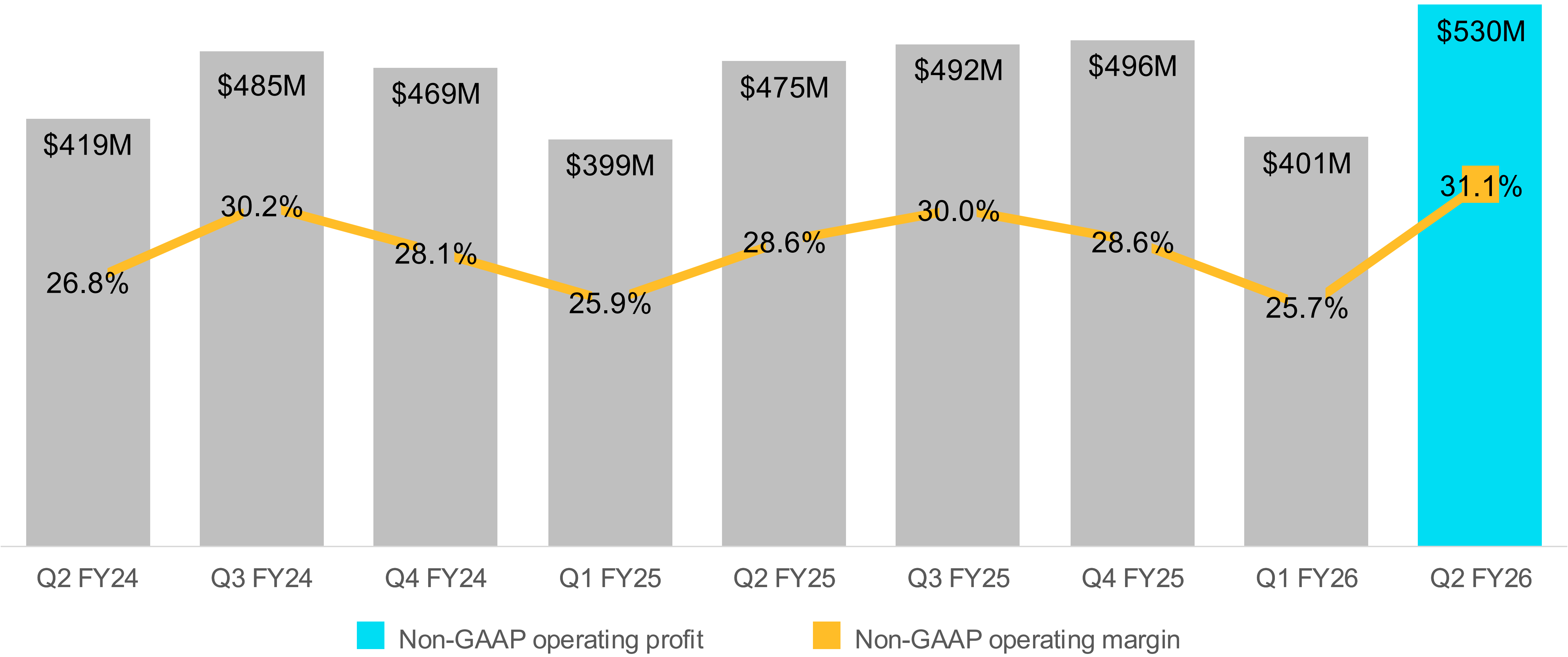
AFA annualized revenue run rate is determined by products and services revenue for the current period, multiplied by 4

Non-GAAP operating expense



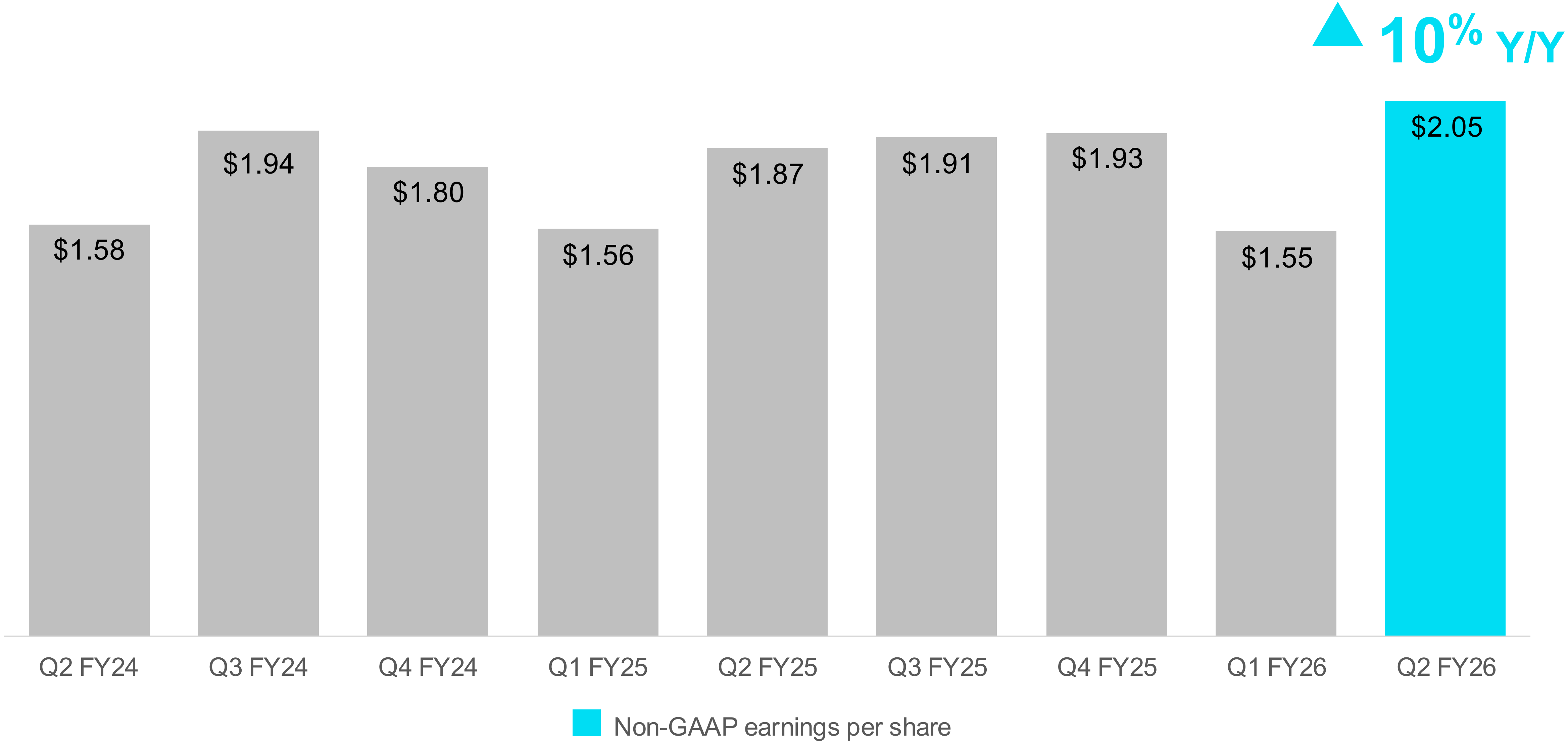
Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Non-GAAP operating profit



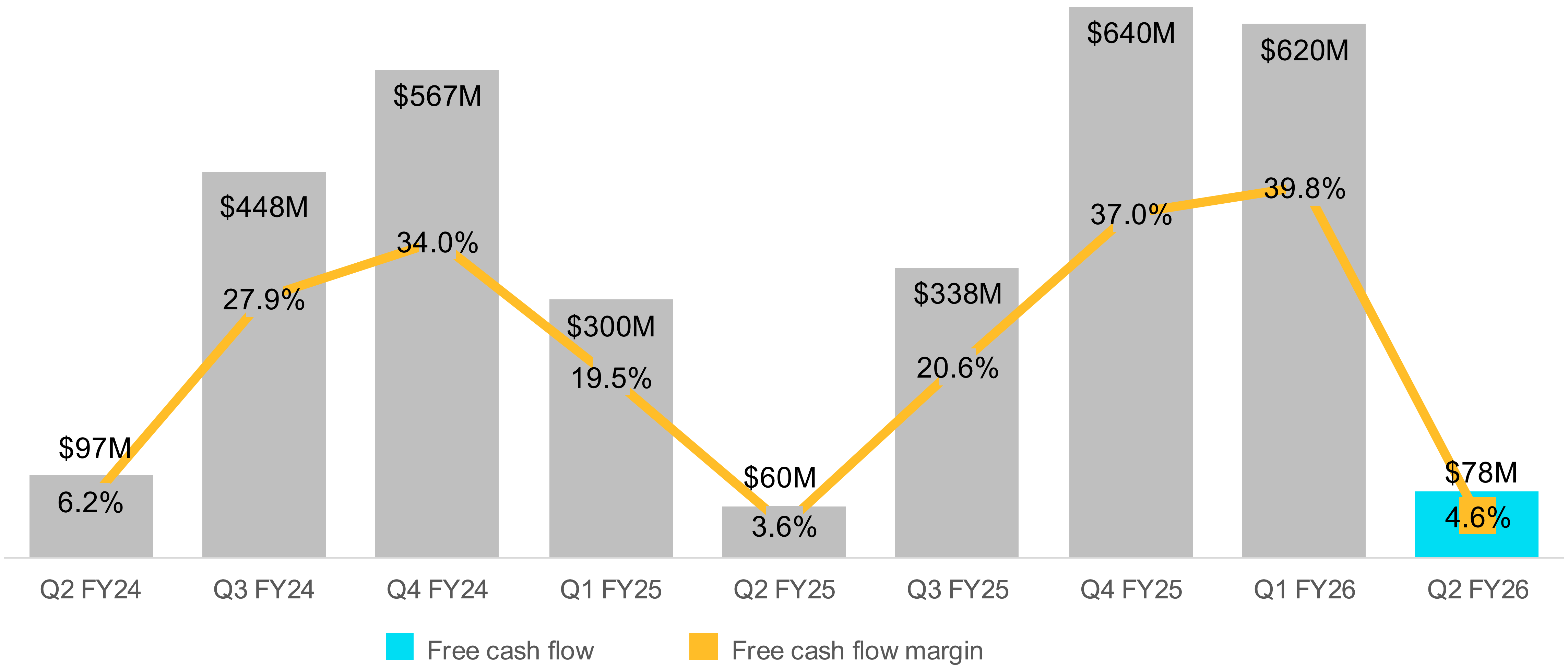
Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Non-GAAP earnings per share



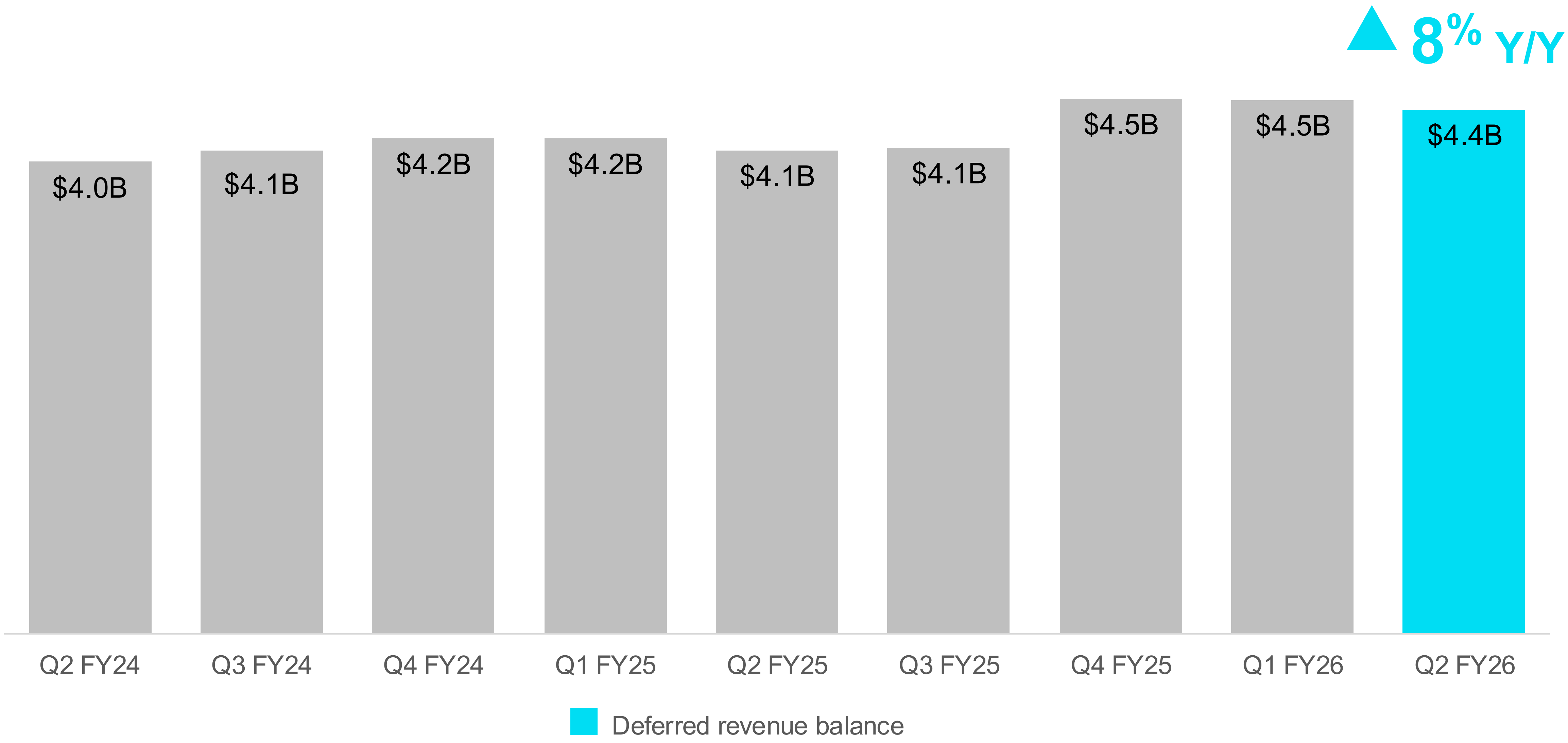
Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Free cash flow



Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers

Deferred revenue



Q3 FY26 GUIDANCE

AS OF NOV 25, 2025

	Q3 Guide
Revenue	$1.615B – $1.765B
Gross margin*	72.3% – 73.3%
Operating margin*	30.5% – 31.5%
Earnings per share*	$2.01 – $2.11

*Gross margin, operating margin and EPS are Non-GAAP numbers. Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers.

UPDATED FY26 GUIDANCE

AS OF NOV 25, 2025

	FY26 Guide
Revenue	$6.625B – $6.875B
Gross margin*	71.7% – 72.7%
Operating margin*	29.5% – 30.5%
Earnings per share*	$7.75 – $8.05

Additional modeling points

Other income and expenses**	Approx -$15M
Tax rate*	20.2% – 21.2%

*Gross margin, operating margin, EPS, and tax rate are Non-GAAP numbers. Refer to appendix for additional details and a reconciliation between GAAP and Non-GAAP numbers.
**Other income and expense equals interest income less interest expense

Appendix: Supplementary Tables and GAAP to Non-GAAP Reconciliations & Explanations

NetApp

Supplemental revenue and gross margin data

RECONCILIATION OF SEGMENTS GROSS PROFIT TO TOTAL GROSS PROFIT
($ in millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
Revenues by Segment											
Product	$ 706	$ 747	$ 806	$ 669	$ 768	$ 758	$ 845	$ 654	$ 788	$ 1,437	$ 1,442
Support	623	631	623	631	635	621	625	647	647	1,266	1,294
Professional and Other Services	79	77	87	82	87	88	98	97	99	169	196
Hybrid Cloud Segment Net Revenues	**1,408**	**1,455**	**1,516**	**1,382**	**1,490**	**1,467**	**1,568**	**1,398**	**1,534**	**2,872**	**2,932**
Public Cloud Segment Net Revenues	**154**	**151**	**152**	**159**	**168**	**174**	**164**	**161**	**171**	**327**	**332**
Net Revenues	**1,562**	**1,606**	**1,668**	**1,541**	**1,658**	**1,641**	**1,732**	**1,559**	**1,705**	**3,199**	**3,264**
Gross Profit by Segment											
Product	431	467	494	401	463	430	468	353	469	864	822
Support	573	582	574	581	584	573	577	597	596	1,165	1,193
Professional and Other Services	19	19	20	18	23	25	28	29	30	41	59
Hybrid Cloud Segment Gross Profit	**1,023**	**1,068**	**1,088**	**1,000**	**1,070**	**1,028**	**1,073**	**979**	**1,095**	**2,070**	**2,074**
Public Cloud Segment Gross Profit	**102**	**99**	**104**	**113**	**124**	**133**	**130**	**129**	**142**	**237**	**271**
Total Segments Gross Profit	**1,125**	**1,167**	**1,192**	**1,113**	**1,194**	**1,161**	**1,203**	**1,108**	**1,237**	**2,307**	**2,345**
Amortization of Intangible Assets	(8)	(9)	(8)	(8)	(9)	(8)	(3)	(3)	(3)	(17)	(6)
Stock-based Compensation	(7)	(7)	(8)	(7)	(8)	(8)	(7)	(7)	(7)	(15)	(14)
Unallocated Cost of Revenues	**(15)**	**(16)**	**(16)**	**(15)**	**(17)**	**(16)**	**(10)**	**(10)**	**(10)**	**(32)**	**(20)**
Gross Profit	**$ 1,110**	**$ 1,151**	**$ 1,176**	**$ 1,098**	**$ 1,177**	**$ 1,145**	**$ 1,193**	**$ 1,098**	**$ 1,227**	**$ 2,275**	**$ 2,325**
Hybrid Cloud Segment Gross Margin	**72.7%**	**73.4%**	**71.8%**	**72.4%**	**71.8%**	**70.1%**	**68.4%**	**70.0%**	**71.4%**	**72.1%**	**70.7%**
Public Cloud Segment Gross Margin	**66.2%**	**65.6%**	**68.4%**	**71.1%**	**73.8%**	**76.4%**	**79.3%**	**80.1%**	**83.0%**	**72.5%**	**81.6%**

Reconciliation of net revenues to billings (Non-GAAP)

RECONCILIATION OF NET REVENUES
TO BILLINGS (NON-GAAP)
(In millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
Net revenues	**$ 1,562**	**$ 1,606**	**$ 1,668**	**$ 1,541**	**$ 1,658**	**$ 1,641**	**$ 1,732**	**$ 1,559**	**$ 1,705**	**$ 3,199**	**$ 3,264**
Change in deferred revenue and financed unearned services revenue*	(108)	81	146	(92)	(72)	72	300	(48)	(59)	(164)	(107)
Billings	**$ 1,454**	**$ 1,687**	**$ 1,814**	**$ 1,449**	**$ 1,586**	**$ 1,713**	**$ 2,032**	**$ 1,511**	**$ 1,646**	**$ 3,035**	**$ 3,157**

* As reported on our Condensed Consolidated Statements of Cash Flows

Some items may not add or recalculate due to rounding

Billings - NetApp approximates billings by adding net revenues as reported on our consolidated statements of operations for the period to the change in total deferred revenue and financed unearned services revenue as reported on our consolidated statements of cash flows.

Reconciliation of GAAP to Non-GAAP gross profit and gross margin

RECONCILIATION OF GAAP TO NON-GAAP
GROSS PROFIT AND GROSS MARGIN
($ in millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
NET REVENUES	$ 1,562	$ 1,606	$ 1,668	$ 1,541	$ 1,658	$ 1,641	$ 1,732	$ 1,559	$ 1,705	$ 3,199	$ 3,264
GROSS PROFIT	**$ 1,110**	**$ 1,151**	**$ 1,176**	**$ 1,098**	**$ 1,177**	**$ 1,145**	**$ 1,193**	**$ 1,098**	**$ 1,227**	**$ 2,275**	**$ 2,325**
Adjustments:											
Amortization of intangible assets	8	9	8	8	9	8	3	3	3	17	6
Stock-based compensation	7	7	8	7	8	8	7	7	7	15	14
NON-GAAP GROSS PROFIT	**$ 1,125**	**$ 1,167**	**$ 1,192**	**$ 1,113**	**$ 1,194**	**$ 1,161**	**$ 1,203**	**$ 1,108**	**$ 1,237**	**$ 2,307**	**$ 2,345**
Gross margin-GAAP	**71.1%**	**71.7%**	**70.5%**	**71.3%**	**71.0%**	**69.8%**	**68.9%**	**70.4%**	**72.0%**	**71.1%**	**71.2%**
Adjustments	1.0%	1.0%	1.0%	0.9%	1.0%	0.9%	0.6%	0.7%	0.6%	1.0%	0.6%
Gross margin-Non-GAAP	**72.0%**	**72.7%**	**71.5%**	**72.2%**	**72.0%**	**70.7%**	**69.5%**	**71.1%**	**72.6%**	**72.1%**	**71.8%**

Reconciliation of GAAP to Non-GAAP operating expenses

RECONCILIATION OF GAAP TO NON-GAAP
OPERATING EXPENSES
($ in millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
OPERATING EXPENSES	**$ 806**	**$ 785**	**$ 810**	**$ 816**	**$ 832**	**$ 783**	**$ 845**	**$ 789**	**$ 828**	**$ 1,648**	**$ 1,617**
Adjustments:											
Amortization of intangible assets	(6)	(5)	(6)	(6)	(5)	(5)	(3)	(3)	(3)	(11)	(6)
Stock-based compensation	(86)	(82)	(80)	(78)	(95)	(95)	(88)	(76)	(95)	(173)	(171)
Restructuring charges	(5)	(13)	—	(17)	(12)	(9)	(45)	(2)	(23)	(29)	(25)
Acquisition-related expense	(3)	(3)	(1)	(1)	(1)	(2)	(1)	—	—	(2)	—
Gains/losses on the sale or derecognition of assets	—	—	—	—	—	(3)	(1)	(1)	—	—	(1)
NON-GAAP OPERATING EXPENSES	**$ 706**	**$ 682**	**$ 723**	**$ 714**	**$ 719**	**$ 669**	**$ 707**	**$ 707**	**$ 707**	**$ 1,433**	**$ 1,414**
NET REVENUES	$ 1,562	$ 1,606	$ 1,668	$ 1,541	$ 1,658	$ 1,641	$ 1,732	$ 1,559	$ 1,705	$ 3,199	$ 3,264
PERCENTAGE OF NET REVENUES	**51.6%**	**48.9%**	**48.6%**	**53.0%**	**50.2%**	**47.7%**	**48.8%**	**50.6%**	**48.6%**	**51.5%**	**49.5%**
Adjustments	(6.4)%	(6.4)%	(5.2)%	(6.7)%	(6.8)%	(6.9)%	(8.0)%	(5.3)%	(7.1)%	(6.7)%	(6.2)%
PERCENTAGE OF NET REVENUES	**45.2%**	**42.5%**	**43.3%**	**46.3%**	**43.4%**	**40.8%**	**40.8%**	**45.3%**	**41.5%**	**44.8%**	**43.3%**

Reconciliation of GAAP to Non-GAAP operating margin

RECONCILIATION OF GAAP TO NON-GAAP
OPERATING MARGIN
($ in millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
INCOME FROM OPERATIONS	**$ 304**	**$ 366**	**$ 366**	**$ 282**	**$ 345**	**$ 362**	**$ 348**	**$ 309**	**$ 399**	**$ 627**	**$ 708**
Adjustments:											
Amortization of intangible assets	14	14	14	14	14	13	6	6	6	28	12
Stock-based compensation	93	89	88	85	103	103	95	83	102	188	185
Restructuring charges	5	13	—	17	12	9	45	2	23	29	25
Acquisition-related expense	3	3	1	1	1	2	1	—	—	2	—
Gains/losses on the sale or derecognition of assets	—	—	—	—	—	3	1	1	—	—	1
NON-GAAP INCOME FROM OPERATIONS	**$ 419**	**$ 485**	**$ 469**	**$ 399**	**$ 475**	**$ 492**	**$ 496**	**$ 401**	**$ 530**	**$ 874**	**$ 931**
NET REVENUES	$ 1,562	$ 1,606	$ 1,668	$ 1,541	$ 1,658	$ 1,641	$ 1,732	$ 1,559	$ 1,705	$ 3,199	$ 3,264
OPERATING MARGIN - GAAP	**19.5%**	**22.8%**	**21.9%**	**18.3%**	**20.8%**	**22.1%**	**20.1%**	**19.8%**	**23.4%**	**19.6%**	**21.7%**
Adjustments	7.3%	7.4%	6.2%	7.6%	7.8%	7.9%	8.5%	5.9%	7.7%	7.7%	6.8%
OPERATING MARGIN - NON GAAP	**26.8%**	**30.2%**	**28.1%**	**25.9%**	**28.6%**	**30.0%**	**28.6%**	**25.7%**	**31.1%**	**27.3%**	**28.5%**

Reconciliation of GAAP to Non-GAAP net income per share

**RECONCILIATION OF GAAP TO NON-GAAP
NET INCOME PER SHARE**

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
NET INCOME PER SHARE	**$ 1.10**	**$ 1.48**	**$ 1.37**	**$ 1.17**	**$ 1.42**	**$ 1.44**	**$ 1.65**	**$ 1.15**	**$ 1.51**	**$ 2.59**	**$ 2.66**
Adjustments:											
Amortization of intangible assets	0.07	0.07	0.07	0.07	0.07	0.06	0.03	0.03	0.03	0.13	0.06
Stock-based compensation	0.44	0.42	0.42	0.40	0.49	0.50	0.46	0.41	0.50	0.89	0.92
Litigation settlements	(0.02)	—	—	—	—	—	—	—	—	—	—
Restructuring charges	0.02	0.06	—	0.08	0.06	0.04	0.22	0.01	0.11	0.14	0.12
Acquisition-related expense	0.01	0.01	—	—	—	0.01	0.01	—	—	0.01	—
Gains/losses on the sale or derecognition of assets	—	—	—	—	0.01	0.01	—	—	—	0.01	—
Gain on sale of equity investment	—	—	—	—	—	—	(0.05)	—	—	—	—
Income tax effects	(0.04)	(0.10)	(0.06)	(0.17)	(0.19)	(0.15)	(0.20)	(0.05)	(0.10)	(0.35)	(0.15)
Resolution of income tax matters	—	—	—	—	—	—	(0.19)	—	—	—	—
NON-GAAP NET INCOME PER SHARE	**$ 1.58**	**$ 1.94**	**$ 1.80**	**$ 1.56**	**$ 1.87**	**$ 1.91**	**$ 1.93**	**$ 1.55**	**$ 2.05**	**$ 3.42**	**$ 3.61**
Diluted Shares	211	211	212	212	210	208	206	203	202	211	202

Note: GAAP and Non-GAAP Net Income Per Share were computed using the Diluted number of shares
Some items may not add or recalculate due to rounding

Reconciliation of net cash provided by (used in) operating activities to free cash flow (Non-GAAP)

RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES
TO FREE CASH FLOW (NON-GAAP)
(In millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26	First Six Months of FY2025	First Six Months of FY2026
Net cash provided by (used in) operating activities	**$ 135**	**$ 484**	**$ 613**	**$ 341**	**$ 105**	**$ 385**	**$ 675**	**$ 673**	**$ 127**	**$ 446**	**$ 800**
Purchases of property and equipment	(38)	(36)	(46)	(41)	(45)	(47)	(35)	(53)	(49)	(86)	(102)
Free cash flow	**$ 97**	**$ 448**	**$ 567**	**$ 300**	**$ 60**	**$ 338**	**$ 640**	**$ 620**	**$ 78**	**$ 360**	**$ 698**
NET REVENUES	$ 1,562	$ 1,606	$ 1,668	$ 1,541	$ 1,658	$ 1,641	$ 1,732	$ 1,559	$ 1,705	$ 3,199	$ 3,264
REVENUES	**6.2%**	**27.9%**	**34.0%**	**19.5%**	**3.6%**	**20.6%**	**37.0%**	**39.8%**	**4.6%**	**11.3%**	**21.4%**

Free cash flow is calculated as net cash provided by operating activities less purchases of property and equipment.

Reconciliation of cash, cash equivalents and short-term investments to net cash (Non-GAAP)

RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS
TO NET CASH (NON-GAAP)
(In millions)

	Q2'FY24	Q3'FY24	Q4'FY24	Q1'FY25	Q2'FY25	Q3'FY25	Q4'FY25	Q1'FY26	Q2'FY26
Cash, cash equivalents and investments	$ 2,620	$ 2,917	$ 3,252	$ 3,017	$ 2,222	$ 2,261	$ 3,846	$ 3,324	$ 3,014
Current portion of long-term debt	(400)	(400)	(400)	(1,149)	(749)	(750)	(750)	—	—
Long-term debt	(1,991)	(1,991)	(1,992)	(1,244)	(1,244)	(1,244)	(2,485)	(2,485)	(2,486)
Net Cash	**$ 229**	**$ 526**	**$ 860**	**$ 624**	**$ 229**	**$ 267**	**$ 611**	**$ 839**	**$ 528**

Net cash is a non-GAAP measure and is defined as cash, cash equivalents and investments less current and non-current portion of long-term debt.

Reconciliation of GAAP guidance to Non-GAAP - third quarter fiscal 2026

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
THIRD QUARTER FISCAL 2026

	Third Quarter Fiscal 2026
Gross Margin - GAAP Guidance	71.3% - 72.3%
Adjustments:	
Cost of revenues adjustments	1%
Gross Margin - Non-GAAP Guidance	72.3% - 73.3%

	Third Quarter Fiscal 2026
Operating Margin - GAAP Guidance	24.5% - 25.5%
Adjustments:	
Stock-based compensation expense	6%
Operating Margin - Non-GAAP Guidance	30.5% - 31.5%

Reconciliation of GAAP guidance to Non-GAAP - third quarter fiscal 2026, continued

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
THIRD QUARTER FISCAL 2026

	Third Quarter Fiscal 2026
GAAP Guidance - Net Income Per Share	$1.52 - $1.62
Adjustments of Specific Items to Net Income	
Per Share for the Third Quarter Fiscal 2026:	
Amortization of intangible assets	$0.02
Stock-based compensation expense	$0.51
Income tax effects	($0.04)
Total Adjustments	$0.49
Non-GAAP Guidance - Net Income Per Share	$2.01 - $2.11

Some items may not add or recalculate due to rounding

Reconciliation of GAAP guidance to Non-GAAP – fiscal 2026

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
FISCAL 2026

	Fiscal 2026
Gross Margin - GAAP Guidance	70.7% - 71.7%
Adjustments:	
Cost of revenues adjustments	1%
Gross Margin - Non-GAAP Guidance	71.7% - 72.7%

	Fiscal 2026
Operating Margin - GAAP Guidance	23.5% - 24.5%
Adjustments:	
Stock-based compensation expense	6%
Operating Margin - Non-GAAP Guidance	29.5% - 30.5%

Reconciliation of GAAP guidance to Non-GAAP – fiscal 2026, continued

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
FISCAL 2026

	Fiscal 2026
GAAP Guidance - Net Income Per Share	$5.82 - $6.12
Adjustments of Specific Items to Net Income	
Per Share for Fiscal 2026:	
Amortization of intangible assets	$0.11
Stock-based compensation expense	$1.92
Restructuring charges	$0.12
Income tax effects	($0.22)
Total Adjustments	$1.93
Non-GAAP Guidance - Net Income Per Share	$7.75 - $8.05

	Fiscal 2026
GAAP Guidance - Effective Tax Rate	23.2% - 24.2%
Adjustments:	
Income Tax Adjustments	(3)%
Non-GAAP Guidance - Effective Tax Rate	20.2% - 21.2%

Some items may not add or recalculate due to rounding

Reconciliation of GAAP guidance to Non-GAAP - second quarter fiscal 2026

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
SECOND QUARTER FISCAL 2026

	Second Quarter Fiscal 2026
Gross Margin - GAAP Guidance	69.5% - 70.5%
Adjustments:	
Cost of revenues adjustments	1%
Gross Margin - Non-GAAP Guidance	70.5% - 71.5%

	Second Quarter Fiscal 2026
Operating Margin - GAAP Guidance	22% - 23%
Adjustments:	
Stock-based compensation expense	6%
Operating Margin - Non-GAAP Guidance	28% - 29%

Reconciliation of GAAP guidance to Non-GAAP - second quarter fiscal 2026, continued

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
SECOND QUARTER FISCAL 2026

	Second Quarter Fiscal 2026
GAAP Guidance - Net Income Per Share	\$1.35 - \$1.45
Adjustments of Specific Items to Net Income	
Per Share for the Second Quarter Fiscal 2026:	
Amortization of intangible assets	\$0.03
Stock-based compensation expense	\$0.49
Income tax effects	(\$0.03)
Total Adjustments	\$0.49
Non-GAAP Guidance - Net Income Per Share	\$1.84 - \$1.94

Some items may not add or recalculate due to rounding

THE INTELLIGENT DATA INFRASTRUCTURE COMPANY