

NETAPP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(\$ in millions)
(Unaudited)

	April 24, 2026	April 25, 2025
ASSETS		
Current assets:		
Cash, cash equivalents and investments	\$ 3,584	\$ 3,846
Accounts receivable	1,286	1,246
Inventories	198	186
Other current assets	708	573
Total current assets	5,776	5,851
Property and equipment, net	592	563
Goodwill and purchased intangible assets, net	2,794	2,766
Other non-current assets	1,582	1,643
Total assets	<u>\$ 10,744</u>	<u>\$ 10,823</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 550	\$ 511
Accrued expenses	1,151	1,122
Current portion of long-term debt	—	750
Short-term deferred revenue	2,320	2,279
Total current liabilities	4,021	4,662
Long-term debt	2,487	2,485
Other long-term liabilities	360	379
Long-term deferred revenue	2,525	2,257
Total liabilities	9,393	9,783
Stockholders' equity	1,351	1,040
Total liabilities and stockholders' equity	<u>\$ 10,744</u>	<u>\$ 10,823</u>

NETAPP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(\$ in millions, except net income per share amounts)
(Unaudited)

	Three Months Ended		Year Ended	
	April 24, 2026	April 25, 2025	April 24, 2026	April 25, 2025
Revenues:				
Product	\$ 966	\$ 845	\$ 3,194	\$ 3,040
Services	982	887	3,731	3,532
Net revenues	<u>1,948</u>	<u>1,732</u>	<u>6,925</u>	<u>6,572</u>
Cost of revenues:				
Cost of product	425	378	1,401	1,284
Cost of services	158	161	625	675
Total cost of revenues	<u>583</u>	<u>539</u>	<u>2,026</u>	<u>1,959</u>
Gross profit	<u>1,365</u>	<u>1,193</u>	<u>4,899</u>	<u>4,613</u>
Operating expenses:				
Sales and marketing	488	458	1,869	1,865
Research and development	261	256	991	1,012
General and administrative	85	85	344	311
Restructuring charges	(1)	45	21	83
Acquisition-related expense	—	1	—	5
Total operating expenses	<u>833</u>	<u>845</u>	<u>3,225</u>	<u>3,276</u>
Income from operations	532	348	1,674	1,337
Other (expense) income, net	<u>(14)</u>	<u>6</u>	<u>(26)</u>	<u>46</u>
Income before income taxes	518	354	1,648	1,383
Provision for income taxes	<u>114</u>	<u>14</u>	<u>372</u>	<u>197</u>
Net income	<u>\$ 404</u>	<u>\$ 340</u>	<u>\$ 1,276</u>	<u>\$ 1,186</u>
Net income per share:				
Basic	<u>\$ 2.05</u>	<u>\$ 1.67</u>	<u>\$ 6.41</u>	<u>\$ 5.81</u>
Diluted	<u>\$ 2.03</u>	<u>\$ 1.65</u>	<u>\$ 6.35</u>	<u>\$ 5.67</u>
Shares used in net income per share calculations:				
Basic	<u>197</u>	<u>203</u>	<u>199</u>	<u>204</u>
Diluted	<u>199</u>	<u>206</u>	<u>201</u>	<u>209</u>

NETAPP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(\$ in millions)
(Unaudited)

	Three Months Ended		Year Ended	
	April 24, 2026	April 25, 2025	April 24, 2026	April 25, 2025
Cash flows from operating activities:				
Net income	\$ 404	\$ 340	\$ 1,276	\$ 1,186
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	49	53	200	243
Non-cash operating lease cost	10	10	42	41
Stock-based compensation	100	95	382	386
Deferred income taxes	87	10	135	(100)
Other items, net	(3)	25	55	—
Changes in assets and liabilities, net of acquisitions of businesses:				
Accounts receivable	27	(323)	(36)	(219)
Inventories	(89)	81	(12)	(1)
Accounts payable	129	69	31	(8)
Accrued expenses	225	156	(23)	62
Deferred revenue	215	300	281	208
Long-term taxes payable	(10)	(123)	(7)	(207)
Changes in other operating assets and liabilities, net	(194)	(18)	(257)	(85)
Net cash provided by operating activities	<u>950</u>	<u>675</u>	<u>2,067</u>	<u>1,506</u>
Cash flows from investing activities:				
(Purchases) redemptions of investments, net	(130)	(345)	(412)	245
Purchases of property and equipment	(50)	(35)	(198)	(168)
Other investing activities, net	—	67	15	70
Net cash (used in) provided by investing activities	<u>(180)</u>	<u>(313)</u>	<u>(595)</u>	<u>147</u>
Cash flows from financing activities:				
Proceeds from issuance of common stock under employee stock award plans	—	—	103	108
Payments for taxes related to net share settlement of stock awards	(25)	(31)	(137)	(199)
Repurchase of common stock	(200)	(250)	(950)	(1,150)
Issuances of debt, net of issuance costs	—	1,240	—	1,240
Repayments and extinguishment of debt	—	—	(750)	(400)
Dividends paid	(103)	(105)	(413)	(424)
Other financing activities, net	—	(3)	—	(3)
Net cash (used in) provided by financing activities	<u>(328)</u>	<u>851</u>	<u>(2,147)</u>	<u>(828)</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash				
	(2)	18	1	15
Net change in cash, cash equivalents and restricted cash	440	1,231	(674)	840
Cash, cash equivalents and restricted cash:				
Beginning of period	1,635	1,518	2,749	1,909
End of period	<u>\$ 2,075</u>	<u>\$ 2,749</u>	<u>\$ 2,075</u>	<u>\$ 2,749</u>

NETAPP, INC.
RECONCILIATION OF GAAP TO NON-GAAP
INCOME STATEMENT INFORMATION
(\$ in millions)

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
NET INCOME	\$ 404	\$ 340	\$ 1,276	\$ 1,186
Adjustments:				
Amortization of intangible assets	4	6	21	47
Stock-based compensation	100	95	382	386
Restructuring charges	(1)	45	21	83
Acquisition-related expense	—	1	—	5
Gains/losses on the sale or derecognition of assets	(11)	1	(10)	7
Gain on sale of equity investment	—	(10)	—	(10)
Income tax effects	(8)	(42)	(50)	(149)
Resolution of income tax matters	(5)	(39)	(5)	(39)
NON-GAAP NET INCOME	<u>\$ 483</u>	<u>\$ 397</u>	<u>\$ 1,635</u>	<u>\$ 1,516</u>
COST OF REVENUES	\$ 583	\$ 539	\$ 2,026	\$ 1,959
Adjustments:				
Amortization of intangible assets	(3)	(3)	(11)	(28)
Stock-based compensation	(6)	(7)	(28)	(30)
NON-GAAP COST OF REVENUES	<u>\$ 574</u>	<u>\$ 529</u>	<u>\$ 1,987</u>	<u>\$ 1,901</u>
COST OF PRODUCT REVENUES	\$ 425	\$ 378	\$ 1,401	\$ 1,284
Adjustments:				
Stock-based compensation	(1)	(1)	(6)	(6)
NON-GAAP COST OF PRODUCT REVENUES	<u>\$ 424</u>	<u>\$ 377</u>	<u>\$ 1,395</u>	<u>\$ 1,278</u>
COST OF SERVICES REVENUES	\$ 158	\$ 161	\$ 625	\$ 675
Adjustments:				
Amortization of intangible assets	(3)	(3)	(11)	(28)
Stock-based compensation	(5)	(6)	(22)	(24)
NON-GAAP COST OF SERVICES REVENUES	<u>\$ 150</u>	<u>\$ 152</u>	<u>\$ 592</u>	<u>\$ 623</u>
GROSS PROFIT	\$ 1,365	\$ 1,193	\$ 4,899	\$ 4,613
Adjustments:				
Amortization of intangible assets	3	3	11	28
Stock-based compensation	6	7	28	30
NON-GAAP GROSS PROFIT	<u>\$ 1,374</u>	<u>\$ 1,203</u>	<u>\$ 4,938</u>	<u>\$ 4,671</u>

NETAPP, INC.
RECONCILIATION OF GAAP TO NON-GAAP
INCOME STATEMENT INFORMATION
(\$ in millions)

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
SALES AND MARKETING EXPENSES	\$ 488	\$ 458	\$ 1,869	\$ 1,865
Adjustments:				
Amortization of intangible assets	(1)	(3)	(10)	(19)
Stock-based compensation	(41)	(40)	(155)	(162)
NON-GAAP SALES AND MARKETING EXPENSES	<u>\$ 446</u>	<u>\$ 415</u>	<u>\$ 1,704</u>	<u>\$ 1,684</u>
RESEARCH AND DEVELOPMENT EXPENSES	\$ 261	\$ 256	\$ 991	\$ 1,012
Adjustments:				
Stock-based compensation	(34)	(31)	(126)	(135)
NON-GAAP RESEARCH AND DEVELOPMENT EXPENSES	<u>\$ 227</u>	<u>\$ 225</u>	<u>\$ 865</u>	<u>\$ 877</u>
GENERAL AND ADMINISTRATIVE EXPENSES	\$ 85	\$ 85	\$ 344	\$ 311
Adjustments:				
Stock-based compensation	(19)	(17)	(73)	(59)
Gains/losses on the sale or derecognition of assets	11	(1)	10	(4)
NON-GAAP GENERAL AND ADMINISTRATIVE EXPENSES	<u>\$ 77</u>	<u>\$ 67</u>	<u>\$ 281</u>	<u>\$ 248</u>
RESTRUCTURING CHARGES	\$ (1)	\$ 45	\$ 21	\$ 83
Adjustments:				
Restructuring charges	1	(45)	(21)	(83)
NON-GAAP RESTRUCTURING CHARGES	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
ACQUISITION-RELATED EXPENSE	\$ —	\$ 1	\$ —	\$ 5
Adjustments:				
Acquisition-related expense	—	(1)	—	(5)
NON-GAAP ACQUISITION-RELATED EXPENSE	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
OPERATING EXPENSES	\$ 833	\$ 845	\$ 3,225	\$ 3,276
Adjustments:				
Amortization of intangible assets	(1)	(3)	(10)	(19)
Stock-based compensation	(94)	(88)	(354)	(356)
Restructuring charges	1	(45)	(21)	(83)
Acquisition-related expense	—	(1)	—	(5)
Gains/losses on the sale or derecognition of assets	11	(1)	10	(4)
NON-GAAP OPERATING EXPENSES	<u>\$ 750</u>	<u>\$ 707</u>	<u>\$ 2,850</u>	<u>\$ 2,809</u>

NETAPP, INC.
RECONCILIATION OF GAAP TO NON-GAAP
INCOME STATEMENT INFORMATION
(\$ in millions, except net income per share)

	Q4 FY26	Q4 FY25	FY2026	FY2025
INCOME FROM OPERATIONS	\$ 532	\$ 348	\$ 1,674	\$ 1,337
Adjustments:				
Amortization of intangible assets	4	6	21	47
Stock-based compensation	100	95	382	386
Restructuring charges	(1)	45	21	83
Acquisition-related expense	—	1	—	5
Gains/losses on the sale or derecognition of assets	(11)	1	(10)	4
NON-GAAP INCOME FROM OPERATIONS	<u>\$ 624</u>	<u>\$ 496</u>	<u>\$ 2,088</u>	<u>\$ 1,862</u>
OTHER (EXPENSE) INCOME, NET	\$ (14)	\$ 6	\$ (26)	\$ 46
Adjustments:				
Gains/losses on the sale or derecognition of assets	—	—	—	3
Gain on sale of equity investment	—	(10)	—	(10)
NON-GAAP OTHER (EXPENSE) INCOME, NET	<u>\$ (14)</u>	<u>\$ (4)</u>	<u>\$ (26)</u>	<u>\$ 39</u>
INCOME BEFORE INCOME TAXES	\$ 518	\$ 354	\$ 1,648	\$ 1,383
Adjustments:				
Amortization of intangible assets	4	6	21	47
Stock-based compensation	100	95	382	386
Restructuring charges	(1)	45	21	83
Acquisition-related expense	—	1	—	5
Gains/losses on the sale or derecognition of assets	(11)	1	(10)	7
Gain on sale of equity investment	—	(10)	—	(10)
NON-GAAP INCOME BEFORE INCOME TAXES	<u>\$ 610</u>	<u>\$ 492</u>	<u>\$ 2,062</u>	<u>\$ 1,901</u>
PROVISION FOR INCOME TAXES	\$ 114	\$ 14	\$ 372	\$ 197
Adjustments:				
Income tax effects	8	42	50	149
Resolution of income tax matters	5	39	5	39
NON-GAAP PROVISION FOR INCOME TAXES	<u>\$ 127</u>	<u>\$ 95</u>	<u>\$ 427</u>	<u>\$ 385</u>
NET INCOME PER SHARE	\$ 2.03	\$ 1.65	\$ 6.35	\$ 5.67
Adjustments:				
Amortization of intangible assets	0.02	0.03	0.10	0.22
Stock-based compensation	0.50	0.46	1.90	1.85
Restructuring charges	(0.01)	0.22	0.10	0.40
Acquisition-related expense	—	0.01	—	0.03
Gains/losses on the sale or derecognition of assets	(0.05)	—	(0.05)	0.03
Gain on sale of equity investment	—	(0.05)	—	(0.05)
Income tax effects	(0.04)	(0.20)	(0.25)	(0.71)
Resolution of income tax matters	(0.02)	(0.19)	(0.02)	(0.19)
NON-GAAP NET INCOME PER SHARE	<u>\$ 2.43</u>	<u>\$ 1.93</u>	<u>\$ 8.13</u>	<u>\$ 7.25</u>

**RECONCILIATION OF GAAP TO NON-GAAP
GROSS MARGIN
(\$ in millions)**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Gross margin	70.1%	68.9%	70.7%	70.2%
Cost of revenues adjustments	0.4%	0.6%	0.6%	0.9%
Non-GAAP Gross margin	70.5%	69.5%	71.3%	71.1%
Cost of revenues	\$ 583	\$ 539	\$ 2,026	\$ 1,959
Cost of revenues adjustments:				
Amortization of intangible assets	(3)	(3)	(11)	(28)
Stock-based compensation	(6)	(7)	(28)	(30)
Non-GAAP Cost of revenues	\$ 574	\$ 529	\$ 1,987	\$ 1,901
Net revenues	\$ 1,948	\$ 1,732	\$ 6,925	\$ 6,572

**RECONCILIATION OF GAAP TO NON-GAAP
PRODUCT GROSS MARGIN
(\$ in millions)**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Product gross margin	56.0%	55.3%	56.1%	57.8%
Cost of product revenues adjustments	0.1%	0.1%	0.2%	0.2%
Non-GAAP Product gross margin	56.1%	55.4%	56.3%	58.0%
Cost of product revenues	\$ 425	\$ 378	\$ 1,401	\$ 1,284
Cost of product revenues adjustments:				
Stock-based compensation	(1)	(1)	(6)	(6)
Non-GAAP Cost of product revenues	\$ 424	\$ 377	\$ 1,395	\$ 1,278
Product revenues	\$ 966	\$ 845	\$ 3,194	\$ 3,040

**RECONCILIATION OF GAAP TO NON-GAAP
SERVICES GROSS MARGIN
(\$ in millions)**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Services gross margin	83.9%	81.8%	83.2%	80.9%
Cost of services revenues adjustments	0.8%	1.1%	0.9%	1.5%
Non-GAAP Services gross margin	84.7%	82.9%	84.1%	82.4%
Cost of services revenues	\$ 158	\$ 161	\$ 625	\$ 675
Cost of services revenues adjustments:				
Amortization of intangible assets	(3)	(3)	(11)	(28)
Stock-based compensation	(5)	(6)	(22)	(24)
Non-GAAP Cost of services revenues	\$ 150	\$ 152	\$ 592	\$ 623
Services revenues	\$ 982	\$ 887	\$ 3,731	\$ 3,532

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

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Operating margin	27.3%	20.1%	24.2%	20.3%
Adjustments	4.7%	8.5%	6.0%	8.0%
Non-GAAP Operating margin	32.0%	28.6%	30.2%	28.3%
Income from operations	\$ 532	\$ 348	\$ 1,674	\$ 1,337
Income from operations adjustments:				
Amortization of intangible assets	4	6	21	47
Stock-based compensation	100	95	382	386
Restructuring charges	(1)	45	21	83
Acquisition-related expense	—	1	—	5
Gains/losses on the sale or derecognition of assets	(11)	1	(10)	4
Non-GAAP Income from operations	\$ 624	\$ 496	\$ 2,088	\$ 1,862
Net revenues	\$ 1,948	\$ 1,732	\$ 6,925	\$ 6,572

**RECONCILIATION OF GAAP TO NON-GAAP
EFFECTIVE TAX RATE**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Effective tax rate	22.0%	4.0%	22.6%	14.2%
Adjustments:				
Income tax effects	(2.2)%	4.3%	(2.2)%	3.2%
Resolution of income tax matters	1.0%	11.0%	0.3%	2.8%
Non-GAAP Effective tax rate	20.8%	19.3%	20.7%	20.2%

**RECONCILIATION OF NET CASH PROVIDED BY OPERATING ACTIVITIES
TO FREE CASH FLOW (NON-GAAP)
(\$ in millions)**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Net cash provided by operating activities	\$ 950	\$ 675	\$ 2,067	\$ 1,506
Purchases of property and equipment	(50)	(35)	(198)	(168)
Free cash flow	\$ 900	\$ 640	\$ 1,869	\$ 1,338

**RECONCILIATION OF NET REVENUES
TO BILLINGS (NON-GAAP)
(\$ in millions)**

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Net revenues	\$ 1,948	\$ 1,732	\$ 6,925	\$ 6,572
Change in deferred revenue*	215	300	281	208
Billings	\$ 2,163	\$ 2,032	\$ 7,206	\$ 6,780

* As reported on our Condensed Consolidated Statements of Cash Flows

NETAPP, INC.
SUPPLEMENTAL DATA
(\$ in millions, except net income per share, DSO, DPO, and Inventory Turns)
(Unaudited)

Revenues by Segment

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Product	\$ 966	\$ 845	\$ 3,194	\$ 3,040
Support	688	625	2,636	2,512
Professional and Other Services	112	98	407	355
Hybrid Cloud Segment Net Revenues	1,766	1,568	6,237	5,907
Public Cloud Segment Net Revenues	182	164	688	665
Net Revenues	\$ 1,948	\$ 1,732	\$ 6,925	\$ 6,572

Hybrid Cloud Segment Net Revenues by Storage Category

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
All-flash revenues	\$ 1,216	\$ 1,034	\$ 4,178	\$ 3,763
Hybrid-flash and other revenues	550	534	2,059	2,144
Hybrid Cloud Segment Net Revenues	\$ 1,766	\$ 1,568	\$ 6,237	\$ 5,907

Gross Profit by Segment

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Product	\$ 542	\$ 468	\$ 1,799	\$ 1,762
Support	640	577	2,438	2,315
Professional and Other Services	36	28	126	94
Hybrid Cloud Segment Gross Profit	1,218	1,073	4,363	4,171
Public Cloud Segment Gross Profit	156	130	575	500
Total Segments Gross Profit	1,374	1,203	4,938	4,671
Amortization of Intangible Assets	(3)	(3)	(11)	(28)
Stock-based Compensation	(6)	(7)	(28)	(30)
Unallocated Cost of Revenues	(9)	(10)	(39)	(58)
Gross Profit	\$ 1,365	\$ 1,193	\$ 4,899	\$ 4,613

Gross Margin by Segment

	<u>Q4 FY26</u>	<u>Q4 FY25</u>	<u>FY2026</u>	<u>FY2025</u>
Product	56.1%	55.4%	56.3%	58.0%
Support	93.0%	92.3%	92.5%	92.2%
Professional and Other Services	32.1%	28.6%	31.0%	26.5%
Hybrid Cloud Segment Gross Margin	69.0%	68.4%	70.0%	70.6%
Public Cloud Segment Gross Margin	85.7%	79.3%	83.6%	75.2%

NETAPP, INC.
SUPPLEMENTAL DATA
(\$ in millions, except net income per share, DSO, DPO, and Inventory Turns)
(Unaudited)

Geographic Mix

	% of Q4 FY26 Revenue	% of Q4 FY25 Revenue	% of FY 2026 Revenue	% of FY 2025 Revenue
Americas	50%	51%	51%	51%
<i>Americas Commercial</i>	40%	42%	41%	40%
<i>U.S. Public Sector*</i>	10%	9%	10%	11%
EMEA	36%	34%	34%	34%
Asia Pacific	14%	15%	15%	15%

* U.S. Public Sector includes revenue from both 1) the U.S. federal government (“U.S. Fed”) and 2) U.S. state governments, local municipalities and education institutions (“U.S. SLED”).

Pathways Mix

	% of Q4 FY26 Revenue	% of Q4 FY25 Revenue	% of FY 2026 Revenue	% of FY 2025 Revenue
Direct	25%	22%	24%	22%
Indirect	75%	78%	76%	78%

Non-GAAP Income from Operations, Income before Income Taxes & Effective Tax Rate

	Q4 FY26	Q4 FY25	FY2026	FY2025
Non-GAAP Income from Operations	\$ 624	\$ 496	\$ 2,088	\$ 1,862
Operating Margin	32.0%	28.6%	30.2%	28.3%
Non-GAAP Income before Income Taxes	\$ 610	\$ 492	\$ 2,062	\$ 1,901
Non-GAAP Effective Tax Rate	20.8%	19.3%	20.7%	20.2%

Non-GAAP Net Income

	Q4 FY26	Q4 FY25	FY2026	FY2025
Non-GAAP Net Income	\$ 483	\$ 397	\$ 1,635	\$ 1,516
Non-GAAP Weighted Average Common Shares Outstanding, Diluted	199	206	201	209
Non-GAAP Net Income per Share, Diluted	\$ 2.43	\$ 1.93	\$ 8.13	\$ 7.25

Select Balance Sheet Items

	Q4 FY26	Q4 FY25
Deferred Revenue	\$ 4,845	\$ 4,536
DSO (days)	60	65
DPO (days)	86	86
Inventory Turns	12	12

Days sales outstanding (DSO) is defined as accounts receivable divided by net revenues, multiplied by the number of days in the quarter.

Days payables outstanding (DPO) is defined as accounts payable divided by cost of revenues, multiplied by the number of days in the quarter.

Inventory turns is defined as annualized cost of revenues divided by net inventories.

Select Cash Flow Statement Items

	Q4 FY26	Q4 FY25	FY2026	FY2025
Net Cash Provided by Operating Activities	\$ 950	\$ 675	\$ 2,067	\$ 1,506
Purchases of Property and Equipment	\$ 50	\$ 35	\$ 198	\$ 168
Free Cash Flow	\$ 900	\$ 640	\$ 1,869	\$ 1,338
Free Cash Flow Margin	46.2%	37.0%	27.0%	20.4%

Free cash flow is a non-GAAP measure and is defined as net cash provided by operating activities less purchases of property and equipment.

Free cash flow margin is defined as free cash flow as a percentage of net revenues.

Some items may not add or recalculate due to rounding.

NETAPP, INC. RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP FIRST QUARTER FISCAL 2027

	First Quarter Fiscal 2027
GAAP Guidance - Gross Margin	68.1% - 69.1%
Adjustments:	
Cost of revenues adjustments	1%
Non-GAAP Guidance - Gross Margin	69.1% - 70.1%
	First Quarter Fiscal 2027
GAAP Guidance - Operating Margin	19.4% - 20.4%
Adjustments:	
Stock-based compensation expense	6%
Restructuring charges	3%
Non-GAAP Guidance - Operating Margin	28.4% - 29.4%

Some items may not add or recalculate due to rounding.

NETAPP, INC. RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP EXPRESSED AS NET INCOME PER SHARE FIRST QUARTER FISCAL 2027

	First Quarter Fiscal 2027
GAAP Guidance - Net Income Per Share	\$1.35 - \$1.45
Adjustments of Specific Items to Net Income Per Share:	
Amortization of intangible assets	\$0.02
Stock-based compensation expense	\$0.52
Restructuring charges	\$0.30
Income tax effects	(\$0.14)
Total Adjustments	\$0.70
Non-GAAP Guidance - Net Income Per Share	\$2.05 - \$2.15

Some items may not add or recalculate due to rounding.

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
FISCAL 2027

	Fiscal 2027
GAAP Guidance - Gross Margin	67.5% - 68.5%
Adjustments:	
Cost of revenues adjustments	1%
Non-GAAP Guidance - Gross Margin	68.5% - 69.5%
	Fiscal 2027
GAAP Guidance - Operating Margin	22.1% - 23.1%
Adjustments:	
Stock-based compensation expense	6%
Restructuring charges	1%
Non-GAAP Guidance - Operating Margin	29.1% - 30.1%

Some items may not add or recalculate due to rounding.

NETAPP, INC.
RECONCILIATION OF GAAP GUIDANCE TO NON-GAAP
EXPRESSED AS NET INCOME PER SHARE
FISCAL 2027

	Fiscal 2027
GAAP Guidance - Net Income Per Share	\$6.51 - \$6.81
Adjustments of Specific Items to Net Income	
Per Share:	
Amortization of intangible assets	\$0.11
Stock-based compensation expense	\$2.19
Restructuring charges	\$0.30
Income tax effects	(\$0.41)
Total Adjustments	\$2.19
Non-GAAP Guidance - Net Income Per Share	\$8.70 - \$9.00

Some items may not add or recalculate due to rounding.

Contacts:

(Press)
Kenya Hayes
1 703 589 7595
kenya.hayes@netapp.com

(Investors)
Kris Newton
1 408 822 3312
kris.newton@netapp.com