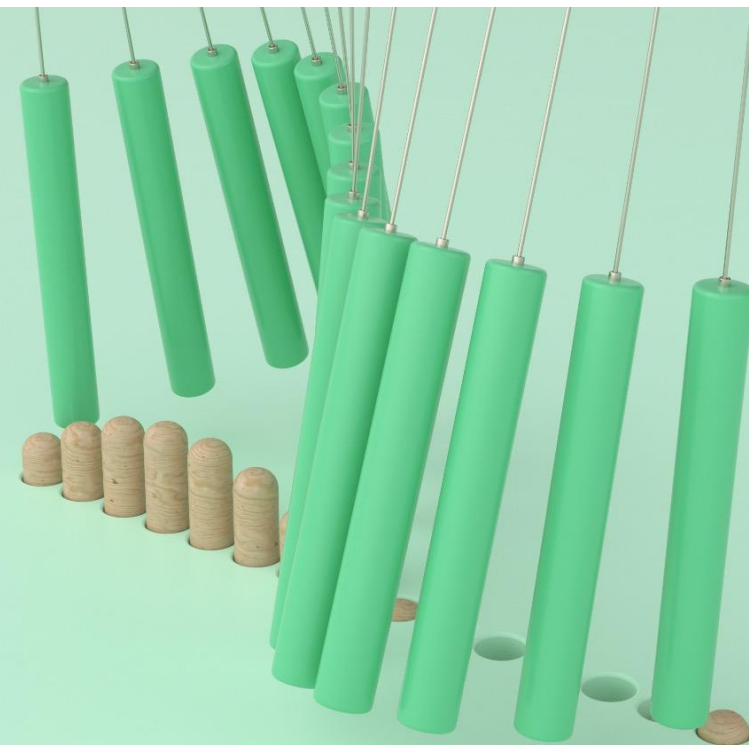


Q1 FY24 Earnings Results

August 23, 2023



Safe harbor

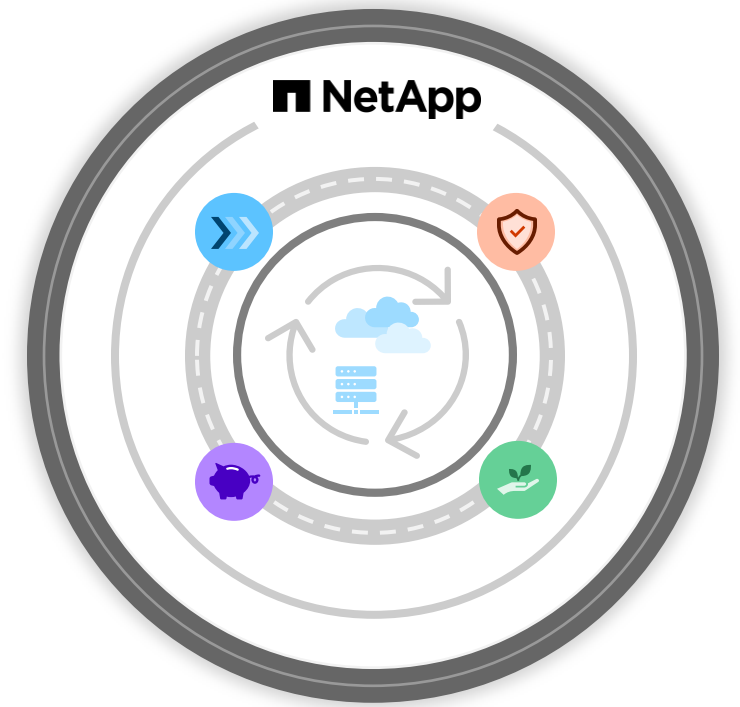
This presentation contains forward-looking statements and projections about our strategy, products and services, shareholder returns, and our future results, performance or achievements, financial and otherwise. These statements and projections reflect management's current expectations, estimates and assumptions based on the information currently available to us and are not guarantees of future performance.

Actual results may differ materially from our statements or projections for a variety of reasons, including, without limitation, our ability to keep pace with rapid industry, technological and market trends and changes in the markets in which we operate, 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, general global political, macroeconomic and market conditions, including inflation, rising interest rates and foreign exchange volatility and the resulting impact on demand for our products, material cybersecurity and other security breaches, the impact of supply chain disruptions on our business operations, financial performance and results of operations, material cybersecurity and other security breaches, changes in U.S. government spending, revenue seasonality, changes in laws or regulations, including those relating to privacy, data protection and information security, and our ability to manage our gross profit margins. 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, 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/investor-relations> 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.

**NetApp is a global, cloud-led,
data-centric software company
that empowers customers with
hybrid multicloud solutions
built for a better future**



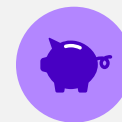
Only NetApp delivers value in these four areas with automation and optimization for IT teams to thrive—on premises, in the clouds, and everywhere in between



Simplicity



Security



Savings



Sustainability

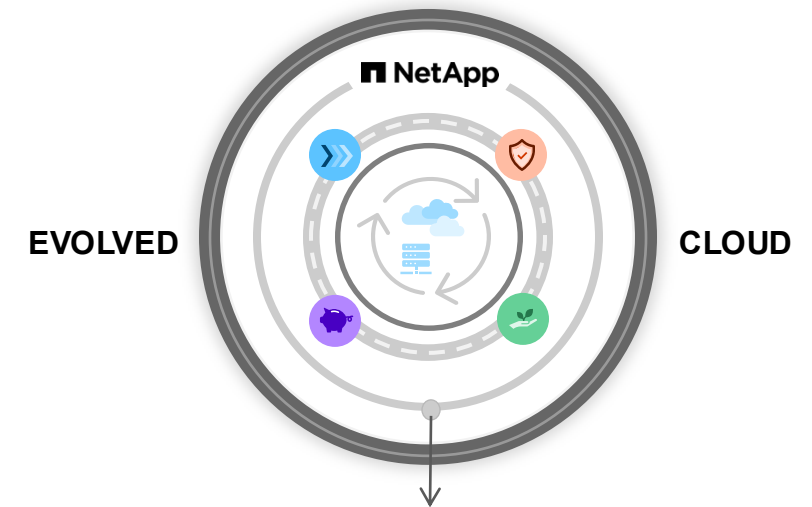
30 years of innovation and counting— no wonder we're still leading the pack



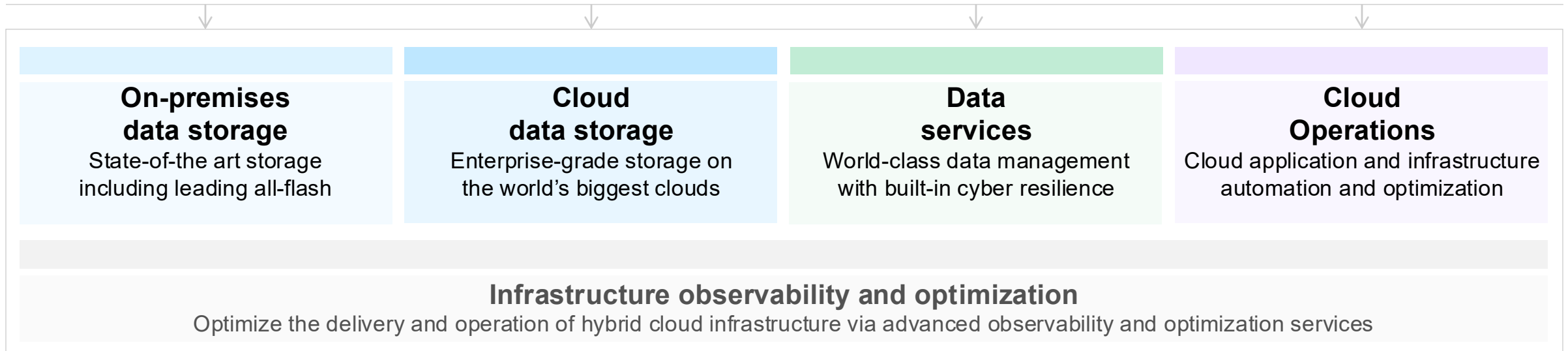
NetApp helps companies take disruption in stride and turn it into powerful innovation,
just like we've done ourselves for three decades

All-in on cloud. Grounded in our on-prem roots.

A portfolio built with the freedom to do what's needed today
and the flexibility to adapt to tomorrow



Unified hybrid multicloud experience



NetApp
technology
helps our
customers
change the
world



NetApp ESG Highlights



Environment

Sustainable Innovations

- NetApp GHG emissions reduction targets: **science-aligned reduction in scopes 1 and 2** by 2030 (42%); **50% intensity reduction in scope 3** by 2030
- **99%** of e-waste recycled, resold or returned to service
- **100%** of new Wichita site electricity is **renewable wind energy** and **85%** of Bangalore site energy is **renewable**
- **Carbon footprint reports** published for customers
- **Blue XP sustainability dashboard** gives customers insights and decision points on **energy efficiency across all hardware** (not just NetApp)



Social

Investing in People

- **MBO goals** create expanded accountability for **Diversity, Inclusion & Belonging** (DIB) goals
- **6 Employee Business Resource Groups** (EBRGs)
- **80%** of employees feel it is important to work for a socially responsible company
- **30 thousand hours of volunteer work** logged by employees
- In FY22, NetApp donated over **\$2.5M to global charities**
- **31%** employee participation in **social impact programs**



Governance

Creating Trust

- Established **ESG office** in FY20 and governance structure
- Completed comprehensive **ESG materiality assessment**
- **Screened and cleared 100% of strategic suppliers** (Partner Risk Assessment and Due Diligence process)
- **NetApp Trust Center** shares data governance, compliance and transparency information
- Adopted **Binding Corporate Rules** for the transfer of personal information both for the EU and the UK

Results highlights

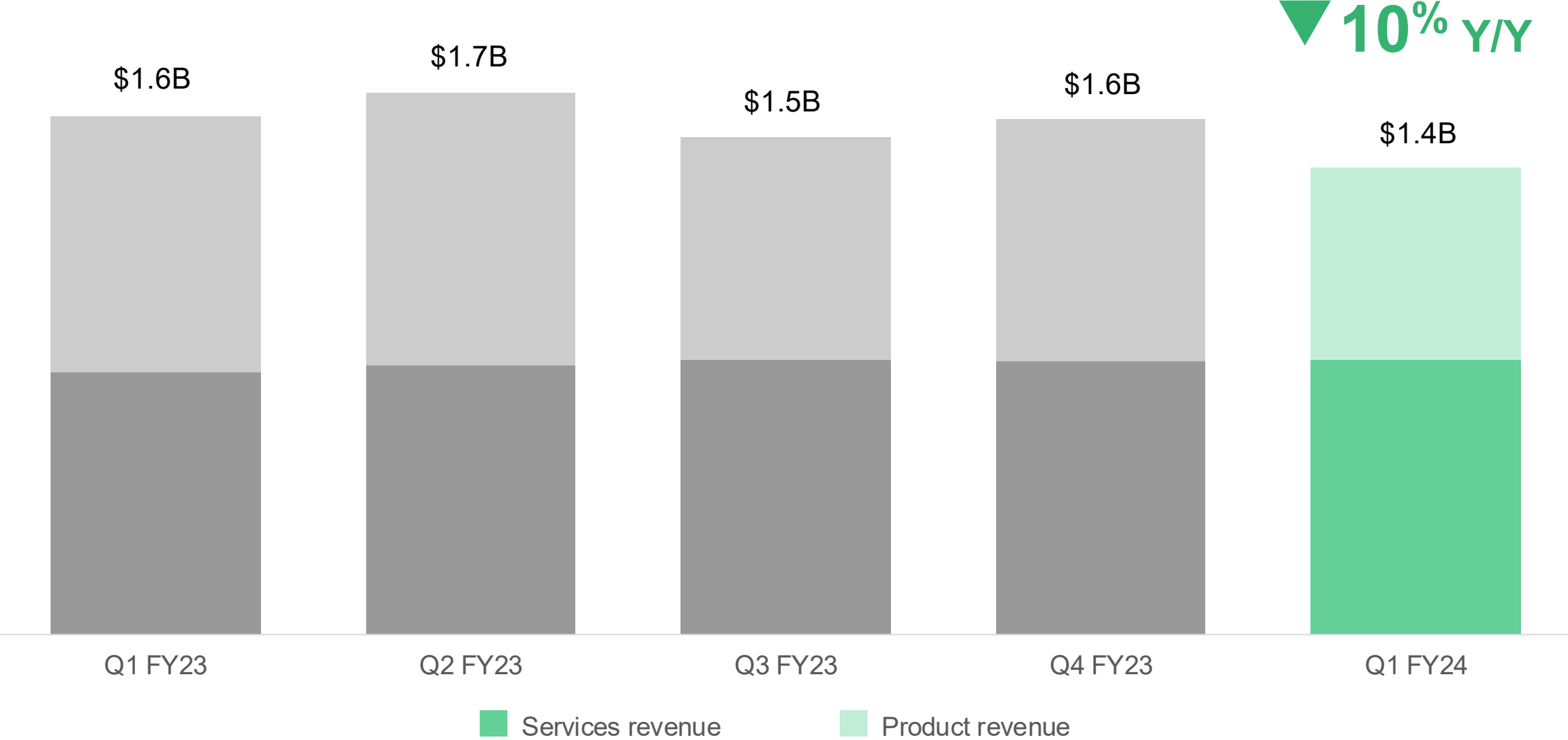
- Solid start to FY24 with strong customer acceptance of new products
- Announced the ASA A-series family of SAN-specific flash storage systems
- Made ONTAP One available on all AFF A-series, AFF C-series, ASA A-series, and FAS systems
- Introduced Ransomware Recovery Guarantee, a cost-effective approach to cyber resilience
- Amazon FSx for NetApp ONTAP achieved FedRAMP Moderate authorization
- Claimed the top spot in the SPECstorage™ Solution 2020 EDA Blended benchmark
- George Kurian named as one of the 25 Most Influential Executives of 2023 by CRN

Q1 FY24 summary

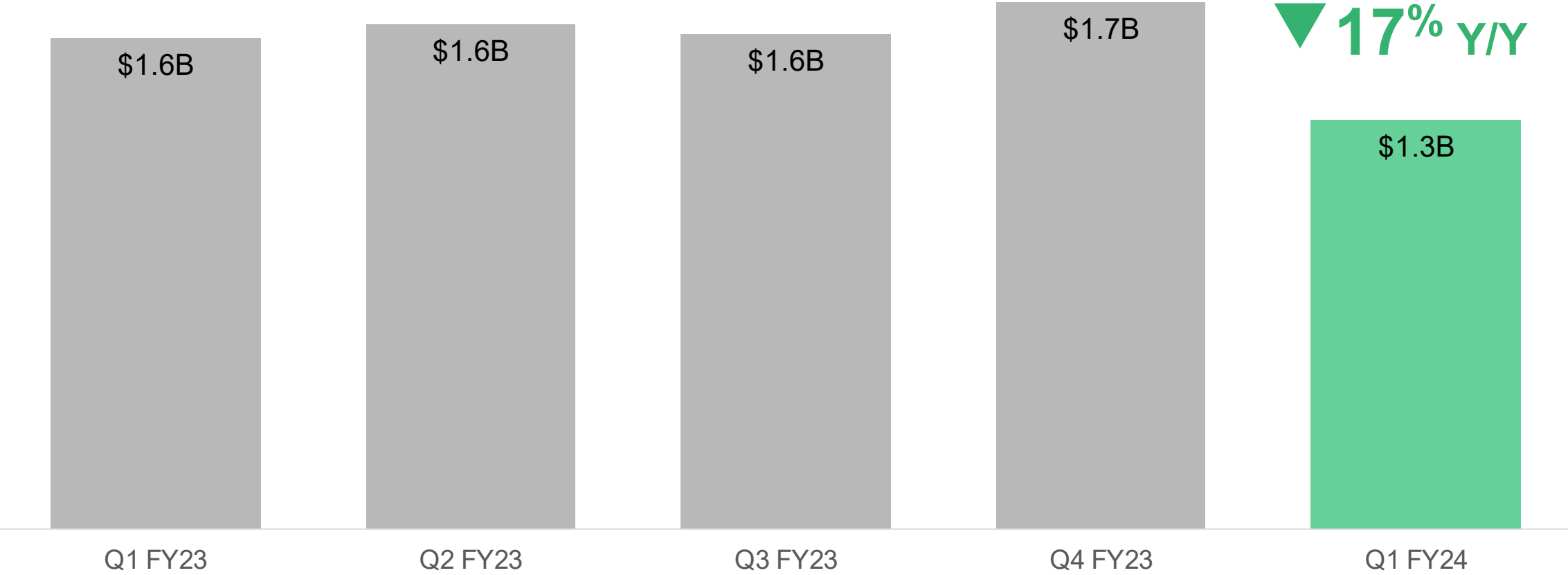
	Q1 guidance (as of May 31, 2023)	Q1 actual	
Revenue	\$1.325B – \$1.475B	\$1.43B -10.1% y/y	✓
Billings*		\$1.30B -16.7% y/y	
Non-GAAP gross margin	~ 70%	70.7% + 400 bps y/y	✓
Non-GAAP operating margin	~ 20%	21.6% -100 bps y/y	✓
Non-GAAP EPS	\$1.00 – \$1.10	\$1.15 -4.2% y/y	✓
Non-GAAP FCF margin		29.2%	
Capital returns*		\$506M	

*Billings is a Non-GAAP measure. Refer to appendix for details on these Non-GAAP measures and a reconciliation between Non-GAAP and GAAP numbers.
Capital returns are the sum of cash dividends and share repurchases.

Revenues



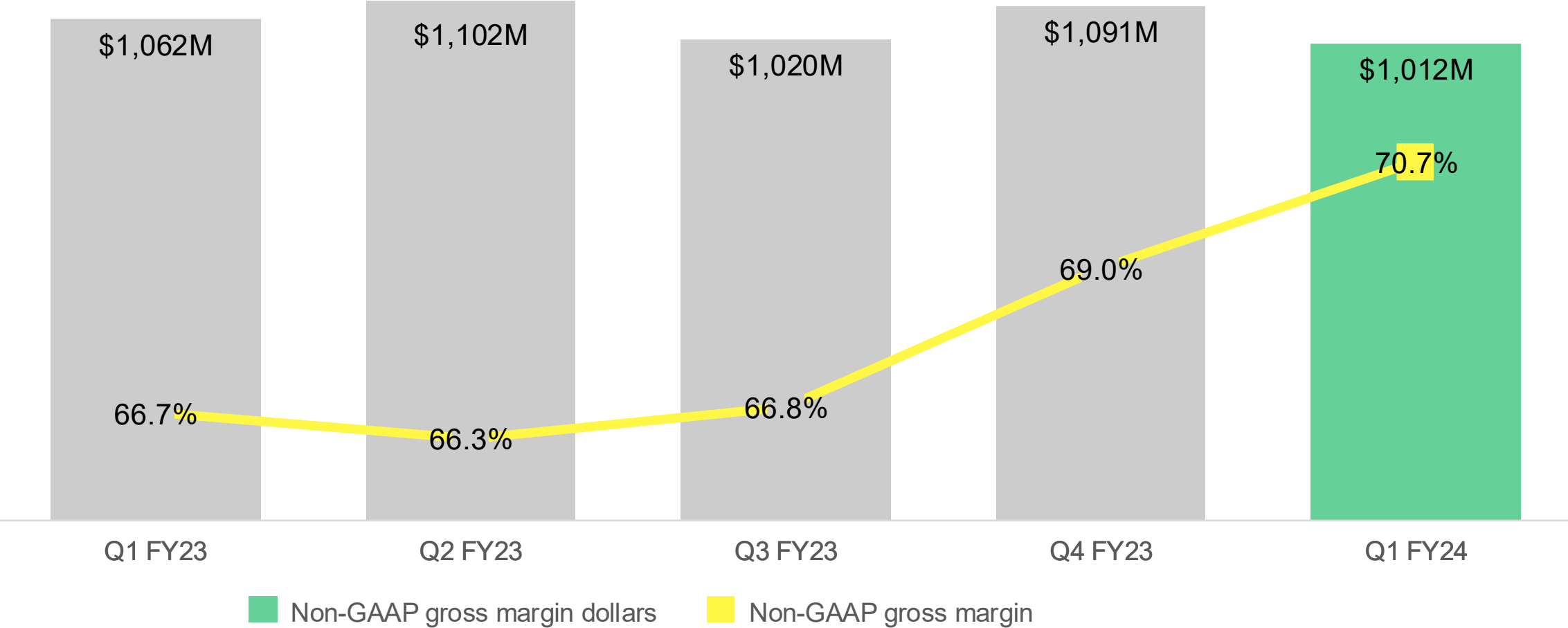
Billings



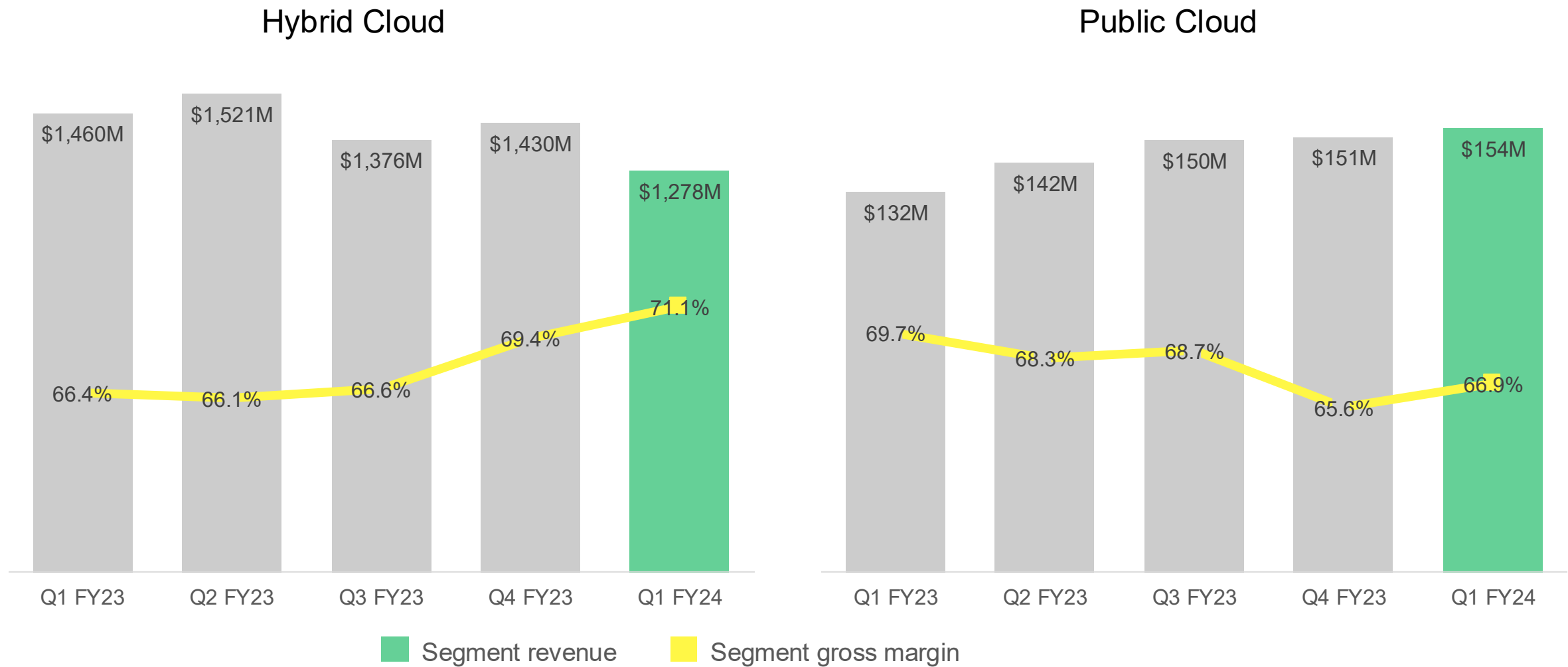
■ Billings

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

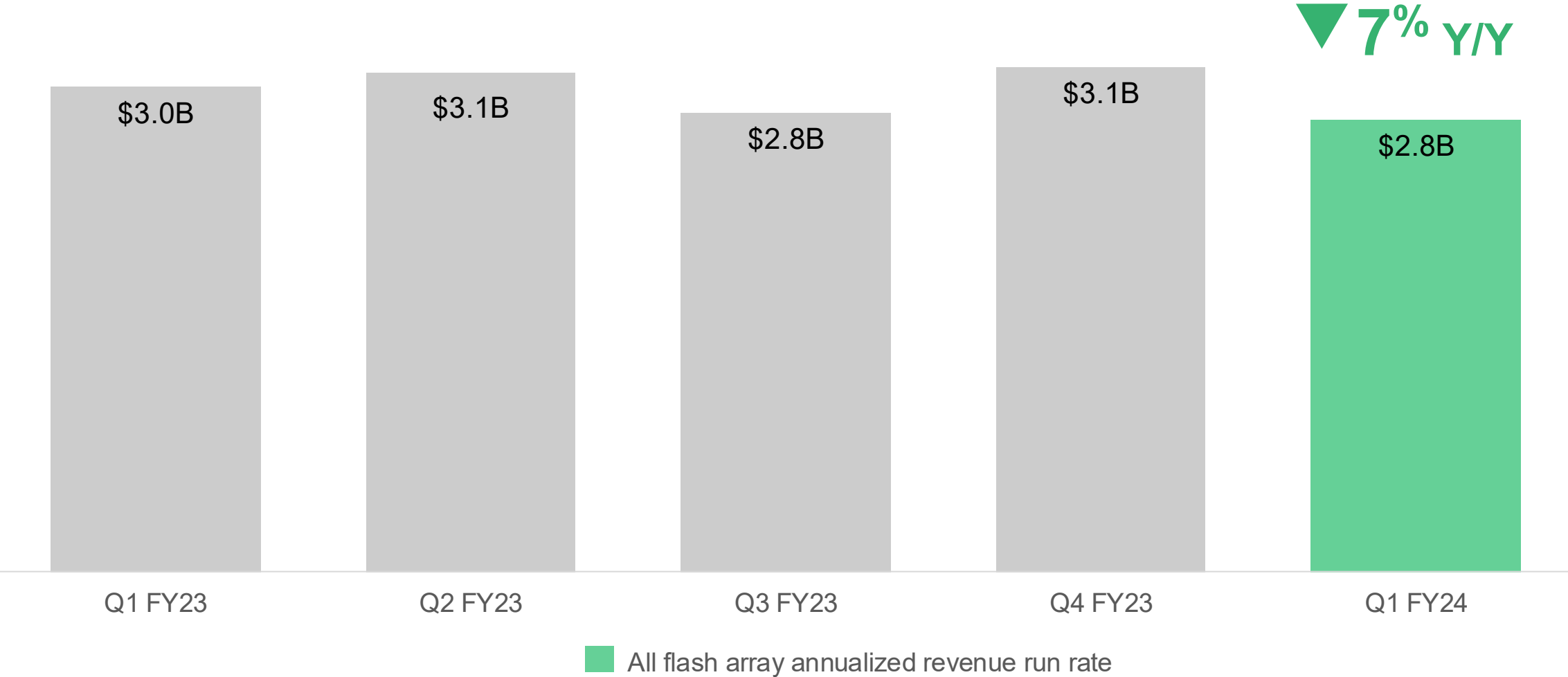
Non-GAAP gross margin



Segment revenue and gross margin

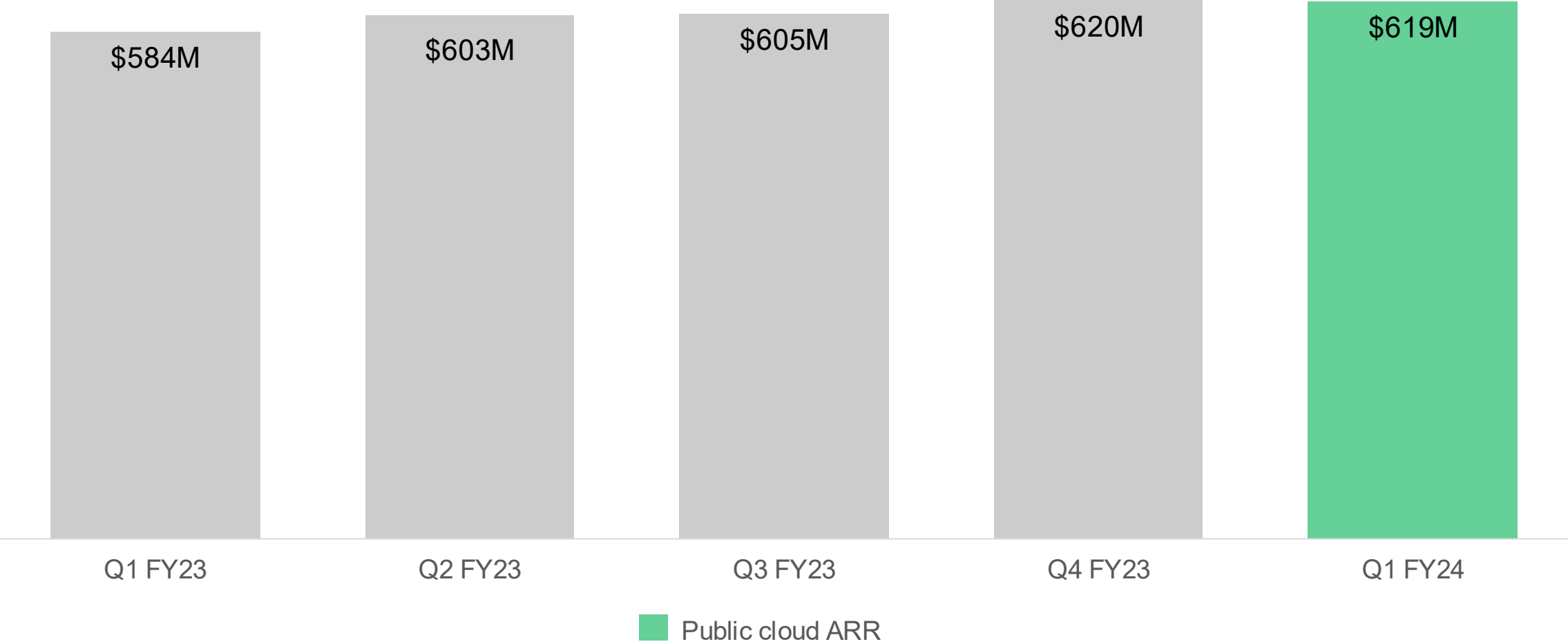


All flash array annualized revenue run rate

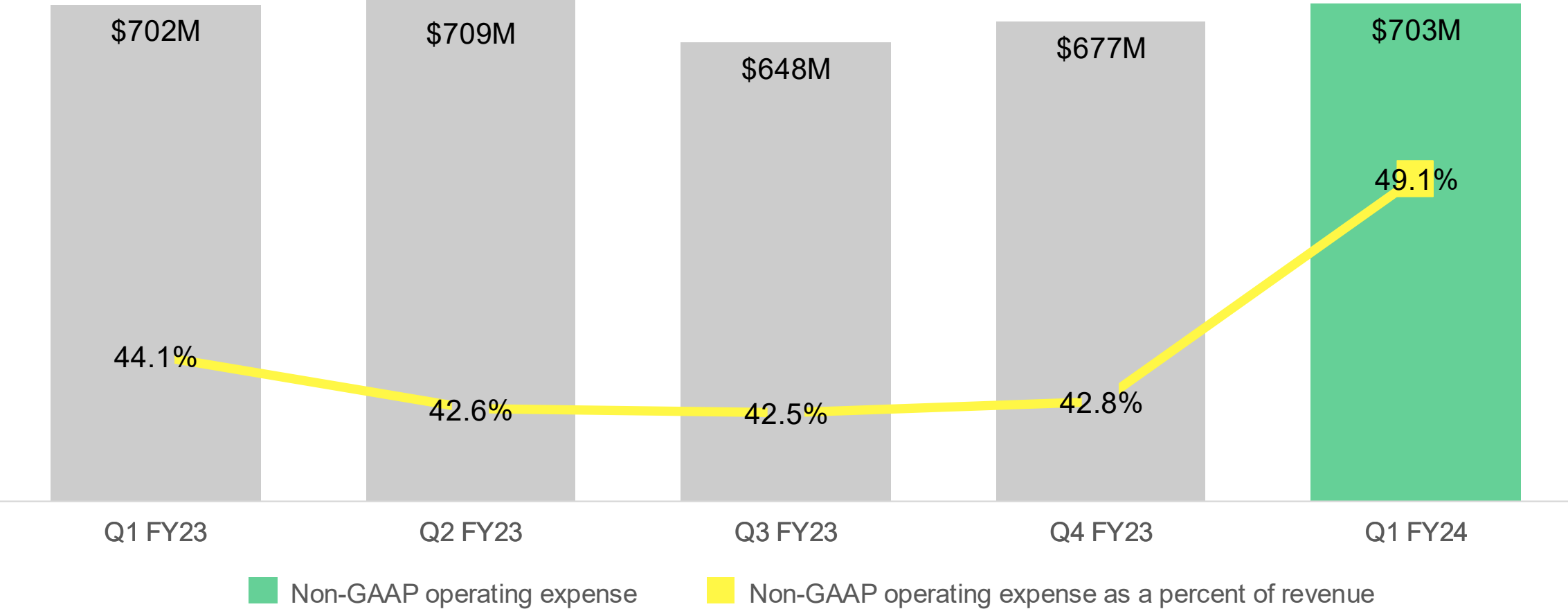


Public cloud ARR

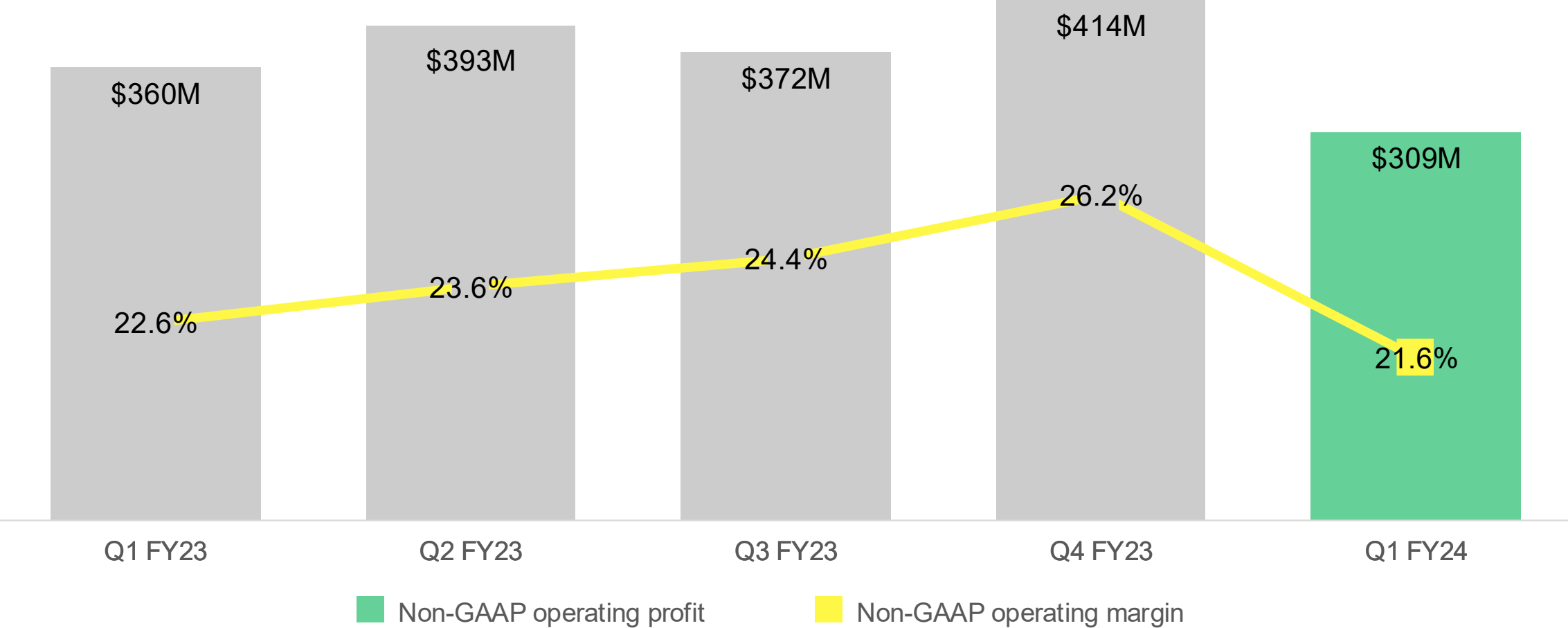
▲ 6% Y/Y



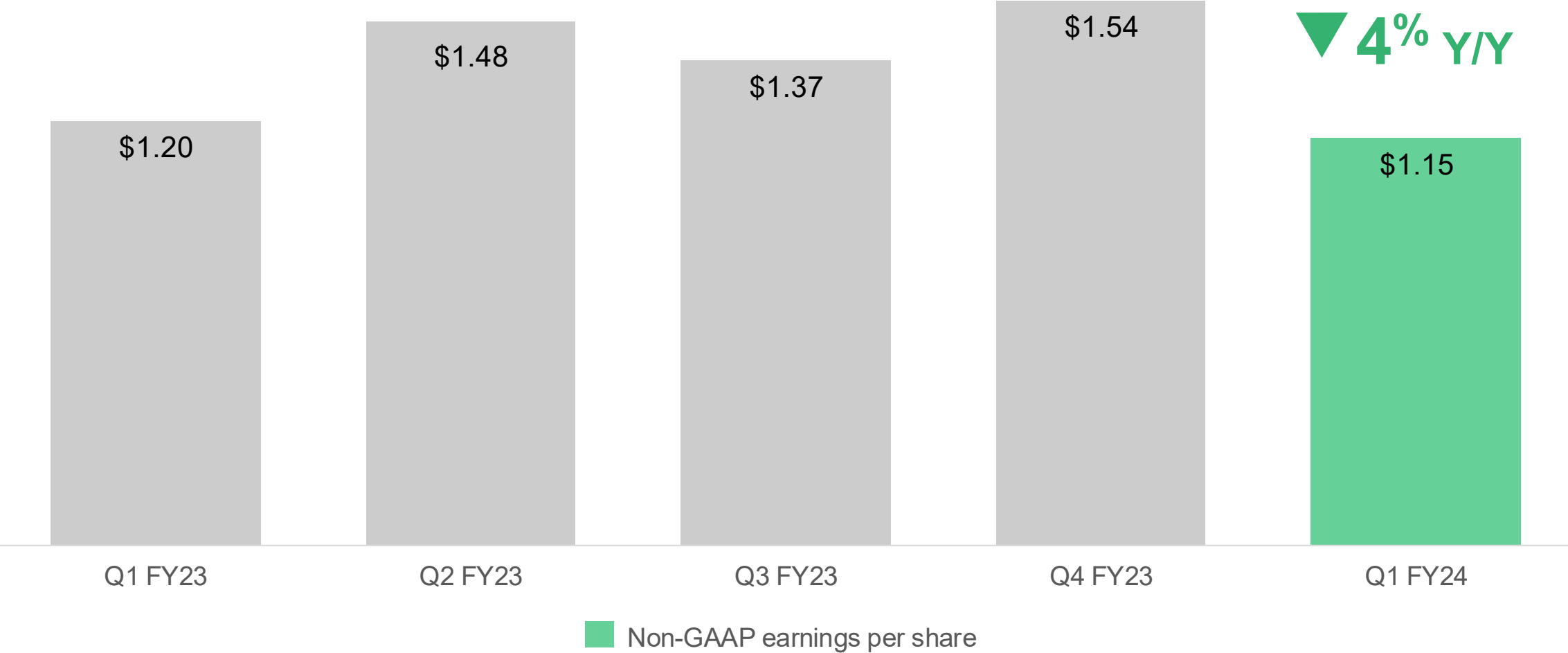
Non-GAAP operating expense



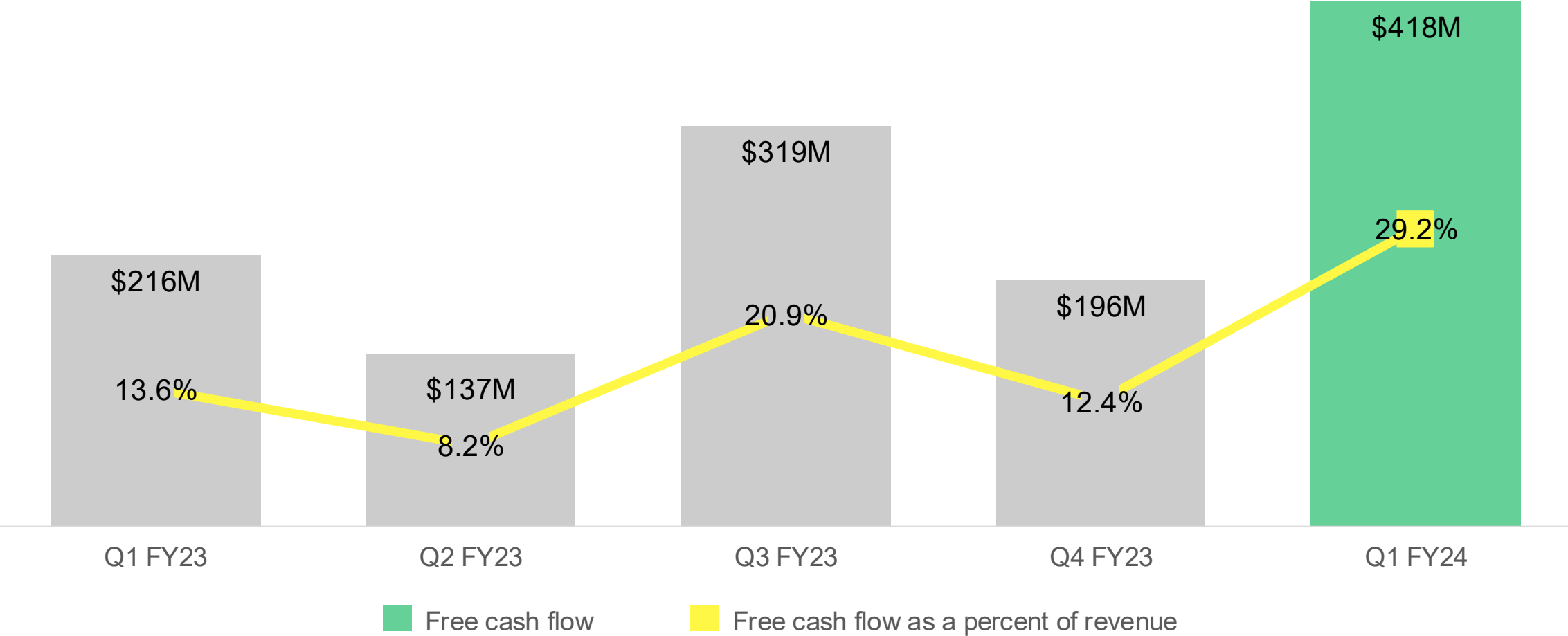
Non-GAAP operating profit



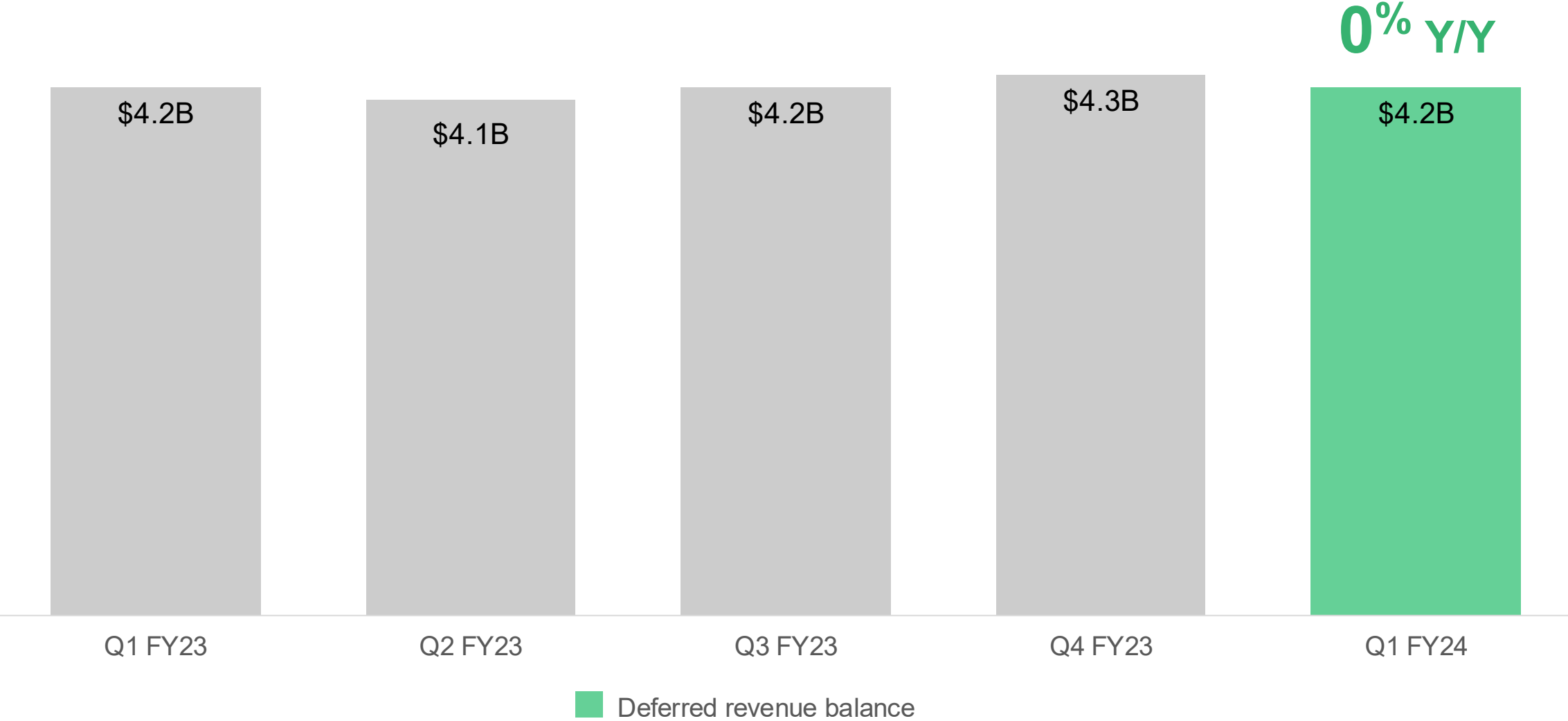
Non-GAAP earnings per share



Non-GAAP free cash flow



Deferred revenue



Q2 FY24 guidance

as of Aug 23, 2023

	Q2 Guide
Revenue	\$1.455B – \$1.605B
Non-GAAP gross margin	~ 70%
Non-GAAP operating margin	~ 24%
Earnings per share*	\$1.35 – \$1.45

*Earnings per share is presented on a Non-GAAP basis. Refer to appendix for a reconciliation between Non-GAAP and GAAP numbers.

Reaffirmed FY24 guidance

as of Aug 23, 2023

	FY24 Guide
Revenue	Down mid to low single digits % y/y
Non-GAAP gross margin	~ 70%
Non-GAAP operating margin	~ 25%
Earnings per share*	\$5.65 – \$5.85

Additional modeling points

Tax rate

21% – 22%

Share count

Down at least 2% y/y

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



Supplemental revenue and gross margin data

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

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
Revenues by Segment					
Product	\$ 786	\$ 837	\$ 682	\$ 744	\$ 590
Support	598	607	616	598	611
Professional and Other Services	76	77	78	88	77
Hybrid Cloud Segment Net Revenues	1,460	1,521	1,376	1,430	1,278
Public Cloud Segment Net Revenues	132	142	150	151	154
Net Revenues	1,592	1,663	1,526	1,581	1,432
Gross Profit by Segment					
Product	391	420	317	410	326
Support	555	562	572	549	564
Professional and Other Services	24	23	28	33	19
Hybrid Cloud Segment Gross Profit	970	1,005	917	992	909
Public Cloud Segment Gross Profit	92	97	103	99	103
Total Segments Gross Profit	1,062	1,102	1,020	1,091	1,012
Amortization of Intangible Assets	(11)	(10)	(11)	(10)	(9)
Stock-based Compensation	(5)	(5)	(8)	(6)	(7)
Unallocated Cost of Revenues	(16)	(15)	(19)	(16)	(16)
Gross Profit	\$ 1,046	\$ 1,087	\$ 1,001	\$ 1,075	\$ 996
Hybrid Cloud Segment Gross Margin	66.4%	66.1%	66.6%	69.4%	71.1%
Public Cloud Segment Gross Margin	69.7%	68.3%	68.7%	65.6%	66.9%

Dollar-based net revenue retention rate for public cloud services (Non-GAAP)

Dollar-based net revenue retention rate (DBNRR) for public cloud services is a Non-GAAP metric calculated by dividing the approximate total revenue from our public cloud customer base at the end of a period (“Cloud Current Period revenue”) by the approximate revenue of the same group of customers at the beginning of that 12-month period. Cloud Current Period revenue includes existing customer renewals and expansion, is net of existing customer contraction and churn, and excludes new customers. Amounts used in the calculation of DBNRR differ from revenues recognized in accordance with US GAAP as they are derived from contract values prior to the reallocation of total contract value across all performance obligations based on relative standalone selling price, as required by ASC 606.

Reconciliation of net revenues to billings (Non-GAAP)

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

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
Net revenues	\$ 1,592	\$ 1,663	\$ 1,526	\$ 1,581	\$ 1,432
Change in deferred revenue and financed unearned services revenue*	(32)	(61)	46	93	(133)
Billings	\$ 1,560	\$ 1,602	\$ 1,572	\$ 1,674	\$ 1,299

* 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 Non-GAAP to GAAP gross profit and gross margin

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

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
NET REVENUES	\$ 1,592	\$ 1,663	\$ 1,526	\$ 1,581	\$ 1,432
GROSS PROFIT	\$ 1,046	\$ 1,087	\$ 1,001	\$ 1,075	\$ 996
Adjustments:					
Amortization of intangible assets	11	10	11	10	9
Stock-based compensation	5	5	8	6	7
NON-GAAP GROSS PROFIT	\$ 1,062	\$ 1,102	\$ 1,020	\$ 1,091	\$ 1,012
Gross margin-GAAP	65.7%	65.4%	65.6%	68.0%	69.6%
Adjustments	1.0%	0.9%	1.2%	1.0%	1.1%
Gross margin-Non-GAAP	66.7%	66.3%	66.8%	69.0%	70.7%

Reconciliation of Non-GAAP to GAAP operating expenses

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

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
OPERATING EXPENSES	\$ 791	\$ 805	\$ 829	\$ 766	\$ 818
Adjustments:					
Amortization of intangible assets	(6)	(7)	(6)	(7)	(6)
Stock-based compensation	(62)	(73)	(85)	(68)	(80)
Restructuring charges	(11)	(11)	(87)	(11)	(26)
Acquisition-related expense	(10)	(5)	(3)	(3)	(3)
NON-GAAP OPERATING EXPENSES	\$ 702	\$ 709	\$ 648	\$ 677	\$ 703
 NET REVENUES	 \$ 1,592	 \$ 1,663	 \$ 1,526	 \$ 1,581	 \$ 1,432
 GAAP OPERATING EXPENSES AS A PERCENTAGE OF NET REVENUES	 49.7%	 48.4%	 54.3%	 48.5%	 57.1%
Adjustments	(5.6%)	(5.8%)	(11.9%)	(5.6%)	(8.0%)
NON-GAAP OPERATING EXPENSES AS A PERCENTAGE OF NET REVENUES	44.1%	42.6%	42.5%	42.8%	49.1%

Reconciliation of Non-GAAP to GAAP income from operations

RECONCILIATION OF NON-GAAP TO GAAP INCOME FROM OPERATIONS (\$ in millions)

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
INCOME FROM OPERATIONS	\$ 255	\$ 282	\$ 172	\$ 309	\$ 178
Adjustments:					
Amortization of intangible assets	17	17	17	17	15
Stock-based compensation	67	78	93	74	87
Restructuring charges	11	11	87	11	26
Acquisition-related expense	10	5	3	3	3
NON-GAAP INCOME FROM OPERATIONS	\$ 360	\$ 393	\$ 372	\$ 414	\$ 309
 NET REVENUES	 \$ 1,592	 \$ 1,663	 \$ 1,526	 \$ 1,581	 \$ 1,432
 GAAP INCOME FROM OPERATIONS AS A PERCENTAGE OF NET REVENUES	 16.0%	 17.0%	 11.3%	 19.5%	 12.4%
Adjustments	6.6%	6.7%	13.1%	6.6%	9.1%
NON-GAAP INCOME FROM OPERATIONS AS A PERCENTAGE OF NET REVENUES	22.6%	23.6%	24.4%	26.2%	21.6%

Reconciliation of Non-GAAP to GAAP net income per share

RECONCILIATION OF NON-GAAP TO GAAP NET INCOME PER SHARE

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
NET INCOME PER SHARE	\$ 0.96	\$ 3.41	\$ 0.30	\$ 1.13	\$ 0.69
Adjustments:					
Amortization of intangible assets	0.08	0.08	0.08	0.08	0.07
Stock-based compensation	0.30	0.35	0.42	0.34	0.40
Restructuring charges	0.05	0.05	0.40	0.05	0.12
Acquisition-related expense	0.04	0.02	0.01	0.01	0.01
Gain on sale of equity investment	(0.14)	-	-	-	-
Income tax effects	(0.08)	(0.05)	(0.15)	0.05	(0.14)
Income tax expenses from integration of acquired companies	-	-	-	(0.12)	-
Resolution of income tax matters	-	-	0.32	-	-
Income tax benefit from intra-entity intellectual property transfer	-	(2.38)	-	-	-
NON-GAAP NET INCOME PER SHARE	\$ 1.20	\$ 1.48	\$ 1.37	\$ 1.54	\$ 1.15
	224	220	219	217	216

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)

	Q1 FY'23	Q2 FY'23	Q3 FY'23	Q4 FY'23	Q1 FY'24
Net cash provided by (used in) operating activities	\$ 281	\$ 214	\$ 377	\$ 235	\$ 453
Purchases of property and equipment	(65)	(77)	(58)	(39)	(35)
Free cash flow	\$ 216	\$ 137	\$ 319	\$ 196	\$ 418
 NET REVENUES	 \$ 1,592	 \$ 1,663	 \$ 1,526	 \$ 1,581	 \$ 1,432
 FREE CASH FLOWS AS A PERCENTAGE OF NET REVENUES	 13.6%	 8.2%	 20.9%	 12.4%	 29.2%

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

Reconciliation of Non-GAAP guidance to GAAP – second quarter fiscal 2024

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
SECOND QUARTER FISCAL 2024
(Unaudited)

	Second Quarter Fiscal 2024
Gross Margin - Non-GAAP Guidance	~70%
Adjustment:	
Cost of revenues adjustments	(1)%
Gross Margin - GAAP Guidance	~69%

	Second Quarter Fiscal 2024
Operating Margin - Non-GAAP Guidance	~24%
Adjustments:	
Amortization of intangible assets	(1)%
Stock-based compensation expense	(6)%
Operating Margin - GAAP Guidance	~17%

Reconciliation of Non-GAAP guidance to GAAP - second quarter fiscal 2024, continued

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
SECOND QUARTER FISCAL 2024
(Unaudited)

	Second Quarter Fiscal 2024
Net Income Per Share - Non-GAAP Guidance	\$1.35 - \$1.45
Adjustments:	
Amortization of intangible assets	(\$0.07)
Stock-based compensation expense	(\$0.44)
Income tax effects	\$0.06
Net Income Per Share - GAAP Guidance	\$0.90 - \$1.00

Reconciliation of Non-GAAP guidance to GAAP – fiscal 2024

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
FISCAL 2024
(Unaudited)

	Fiscal 2024
Gross Margin - Non-GAAP Guidance	~70%
Adjustment:	
Cost of revenues adjustments	(1)%
Gross Margin - GAAP Guidance	~69%

	Fiscal 2024
Product Margin - Non-GAAP Guidance	~55%
Adjustments:	-
Product Margin - GAAP Guidance	~55%

	Fiscal 2024
Operating Margin - Non-GAAP Guidance	~25%
Adjustments:	
Amortization of intangible assets	(1)%
Stock-based compensation expense	(6)%
Operating Margin - GAAP Guidance	~18%

Reconciliation of Non-GAAP guidance to GAAP – fiscal 2024, continued

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
FISCAL 2024
(Unaudited)

	Fiscal 2024
Net Income Per Share - Non-GAAP Guidance	\$5.65 - \$5.85
Adjustments:	
Amortization of intangible assets	(\$0.27)
Stock-based compensation expense	(\$1.78)
Restructuring charges	(\$0.12)
Acquisition-related expenses	(\$0.01)
Income tax effects	\$0.28
Net Income Per Share - GAAP Guidance	\$3.75 - \$3.95

Reconciliation of Non-GAAP guidance to GAAP - first quarter fiscal 2024

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
FIRST QUARTER FISCAL 2024
(Unaudited)

	First Quarter Fiscal 2024
Gross Margin - Non-GAAP Guidance	~70%
Adjustment:	
Cost of revenues adjustments	(1)%
Gross Margin - GAAP Guidance	~69%
	First Quarter Fiscal 2024
Operating Margin - Non-GAAP Guidance	~20%
Adjustments:	
Amortization of intangible assets	(1)%
Stock-based compensation expense	(6)%
Operating Margin - GAAP Guidance	~13%

Reconciliation of Non-GAAP guidance to GAAP - first quarter fiscal 2024, continued

NETAPP, INC.
RECONCILIATION OF NON-GAAP GUIDANCE TO GAAP
FIRST QUARTER FISCAL 2024
(Unaudited)

	First Quarter Fiscal 2024
Net Income Per Share - Non-GAAP Guidance	\$1.00 - \$1.10
Adjustments:	
Amortization of intangible assets	(\$0.07)
Stock-based compensation expense	(\$0.39)
Income tax effects	\$0.08
Net Income Per Share - GAAP Guidance	\$0.62 - \$0.72

Some items may not add or recalculate due to rounding

**NetApp unlocks
the best of cloud**

