

Q4 FY 2025 Earnings

February 12, 2026

Safe Harbor

Forward-Looking Statements - This presentation contains “forward-looking statements” regarding our future performance, including but not limited to estimates regarding revenue, non-GAAP gross margin, non-GAAP operating margin, diluted shares, and non-GAAP tax rate for the first quarter of fiscal year 2026, goals regarding revenue, AI center revenue, campus revenue, non-GAAP gross margin and non-GAAP operating margin for fiscal year 2026, and statements regarding Arista’s potential growth. Forward-looking statements are subject to known and unknown risks, uncertainties, assumptions and other factors that could cause actual results, performance or achievements to differ materially from those anticipated in or implied by the forward-looking statements including but not limited to risks associated with: escalated or escalating U.S. tariffs and countermeasures and retaliatory actions taken by other countries; enhanced import/export restrictions, such as enhanced export controls the U.S. has adopted targeting trade with China, as well as countermeasures taken by affected countries; large purchases by a limited number of customers who represent a substantial portion of our revenue; adverse economic conditions, continuing uncertain economic conditions or reduced information technology and network infrastructure spending; the impact of sole or limited sources of supply, supply shortages and extended lead times or supply changes; volatility in our revenue and revenue growth rates; variability in our gross margins; variations in our results of operations; the rapid evolution of the networking market; failure to successfully carry out new product and service offerings and expand into adjacent markets; intense competition and industry consolidation; expansion of our international sales and operations; investments in or acquisitions of other businesses, products or technologies; industry cyclicality; fluctuations in currency exchange rates; failure to raise additional capital on favorable terms; our inability to attract new large customers or sell additional products and services to our existing customers; inability to grow sales of switching and routing platforms which generate most of our product revenue; inability to increase market awareness or acceptance of our new products and services; decreases in the sales prices of our products and services; long and unpredictable sales cycles; inability to offer high quality support and services; declines in maintenance renewals and support contracts by customers; product quality problems, defects, errors or vulnerabilities in our products; failure to anticipate technological shifts; insufficient component supply and inventory management; our reliance upon a predominant merchant silicon vendor; our dependence on third-party manufacturers to build our products; assertions by third parties of intellectual property rights infringement, misappropriation or other violations; failure or inability to protect or assert our intellectual property rights; cybersecurity incidents and breaches of our cybersecurity systems, or other security or privacy breaches or incidents; failure to detect cybersecurity incidents; failure to comply with government law and regulations; issues in the development and use of artificial intelligence, combined with an uncertain regulatory environment; future decisions to reduce or discontinue repurchasing our common stock pursuant to our stock repurchase programs; and other future events. Additional risks and uncertainties that could affect us can be found in our most recent filings with the Securities and Exchange Commission, including, but not limited to, our annual report on Form 10-K and quarterly reports on Form 10-Q. You can locate these reports through our website at <https://investors.arista.com/> and on the SEC’s website at <https://www.sec.gov/>. All forward-looking statements in this presentation are based on information available to the company as of the date hereof, and we disclaim any obligation to publicly update or revise any forward-looking statement to reflect events that occur or circumstances that exist after the date on which they were made.

Non-GAAP Financial Measures - This presentation contains certain non-GAAP financial measures, including non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, non-GAAP operating expense, non-GAAP operating margin, non-GAAP operating expense; non-GAAP net income, non-GAAP diluted net income per share and non-GAAP tax rate. These non-GAAP financial measures exclude stock-based compensation expense, intangible asset amortization, gains/losses on strategic investments, and the income tax effect of these non-GAAP exclusions, including the recognition of direct excess tax benefits associated with stock-based awards, as well as non-recurring adjustments to our tax provision resulting from the enactment of the One Big Beautiful Bill Act (“OBBA Act”). Effective the fourth quarter and fiscal year 2025, the Company updated its methodology for calculating the income tax effect of Non-GAAP adjustments. Previously, the Company’s calculation excluded all tax benefits associated with stock-based awards, consisting of both direct excess tax benefits and other discrete indirect effects. Under the updated methodology, the Company continues to exclude direct excess tax benefits but no longer excludes the discrete indirect effects of such awards. Management believes this change better aligns with industry practice and provides a more meaningful view of the Company’s effective tax rate. All prior period Non-GAAP results presented in this release have been recast to conform to the current period presentation. The Company uses these non-GAAP financial measures internally in analyzing its financial results and believes that these non-GAAP financial measures are useful to investors as an additional tool to evaluate ongoing operating results and trends. In addition, these measures are the primary indicators management uses as a basis for its planning and forecasting for future periods.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for the comparable GAAP financial measures. Non-GAAP financial measures are subject to limitations and should be read only in conjunction with the company’s consolidated financial statements prepared in accordance with GAAP. Non-GAAP financial measures do not have any standardized meaning and are, therefore, unlikely to be comparable to similarly titled measures presented by other companies. A description of these non-GAAP financial measures and a reconciliation of the company’s non-GAAP financial measures to their most directly comparable GAAP measures have been provided in the financial statement tables included in this presentation, and investors are encouraged to review the reconciliation.

Top-Line Momentum: Achieved ~**\$2.5B** in quarterly revenue, up **+28.9% Y/Y**, contributing to a milestone **\$9.0B** fiscal year.

Diversified Demand: Growth driven by all three product sectors, with the continued ramp of next-generation networking platforms.

Revenue in billions

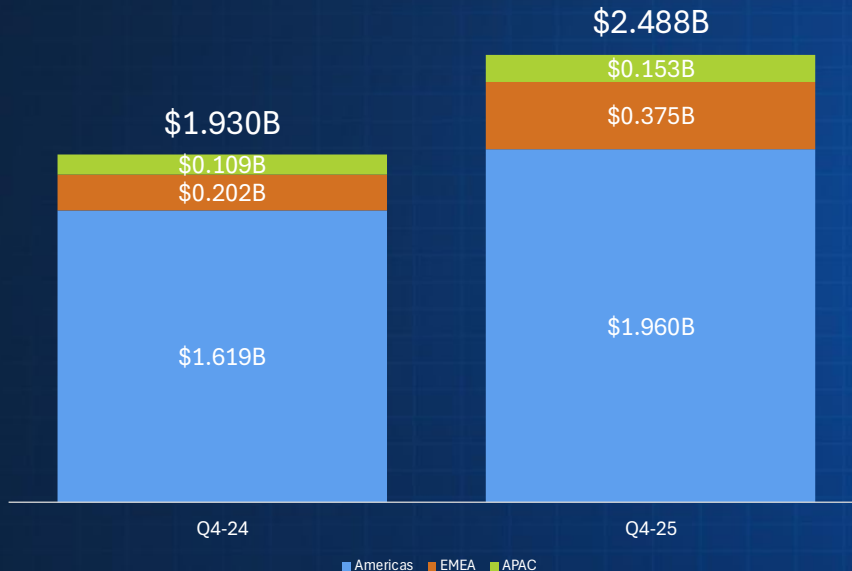


Global Operational Reach: International revenue mix increased to **21%** in Q4, with year-over-year growth in EMEA at ~80% and APAC at ~37%.

Core Market Stability: The Americas, at ~21% year-over-year growth, remains the foundational revenue base, accounting for **79%** of the total quarterly mix.

Geographic Revenue Splits

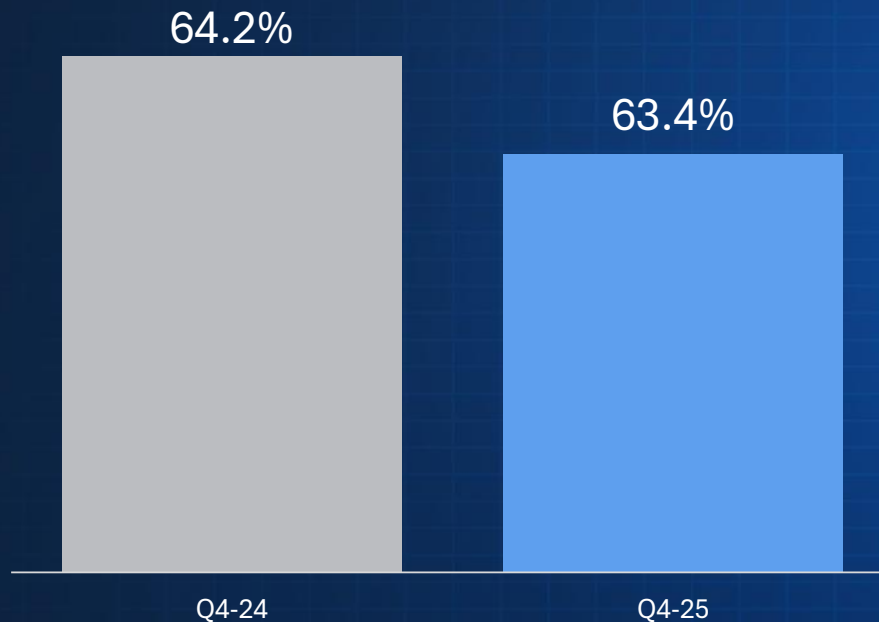
in billions



Structural Profitability: Maintained a strong gross margin of **63.4%**, within Arista's historical range.

Mix Dynamics: Quarterly margin reflects a higher concentration of Cloud & AI Titan sales.

Gross Margin¹



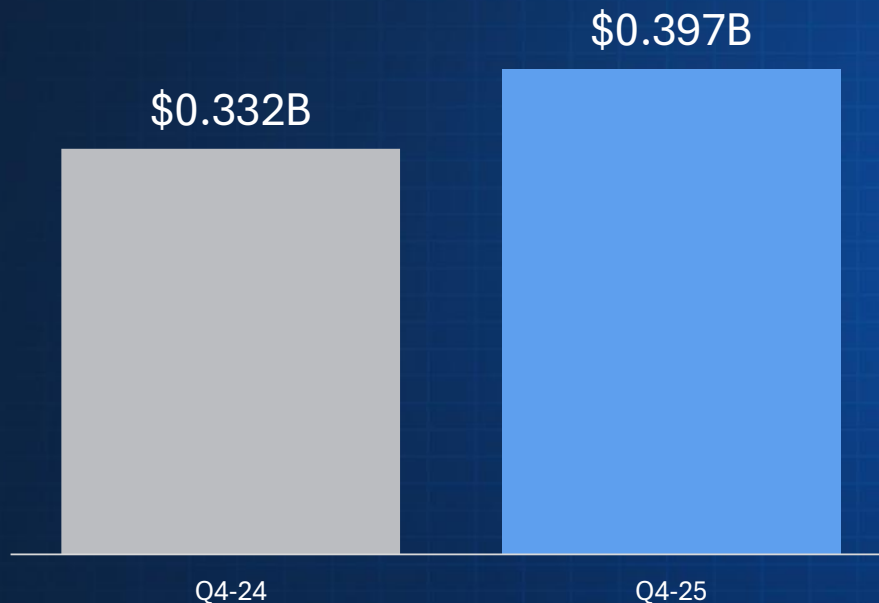
¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix.

Operating Leverage: Operating expenses as a percentage of revenue improved to **16.0%**, down from **17.2%** a year ago.

Strategic Investment: Operating expenses increased to **\$397M** to support critical innovation in liquid cooling, high-radix switching, AI-optimized software, and expansion of go-to-market spend for the Enterprise market segment.

Operating Expense¹

in billions



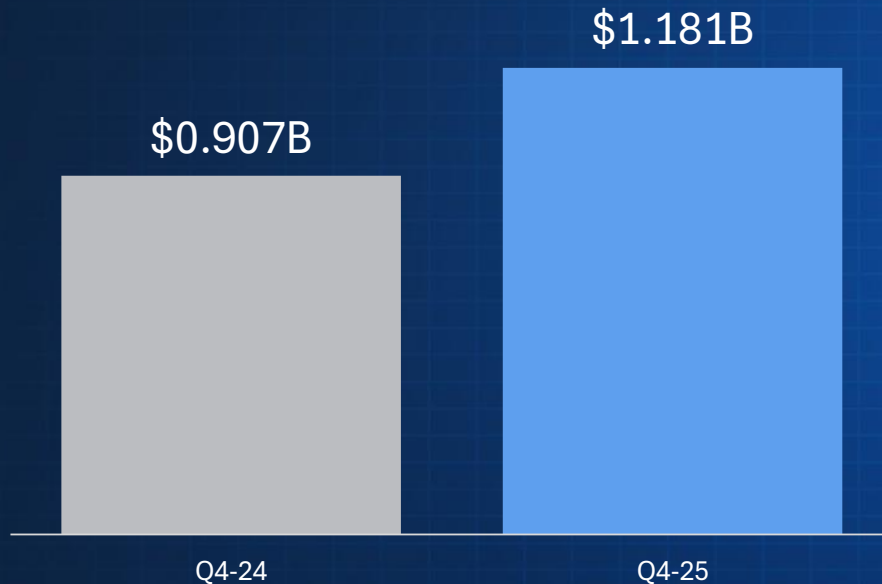
¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix.

Best-in-Class Leverage: Operating income expanded to **\$1.18B**, a **+30.2% Y/Y increase** that outpaced revenue growth.

Execution Discipline: Profitability remains bolstered by highly leveraged R&D and go-to-market models, combined with continued disciplined cost management.

Operating Income¹

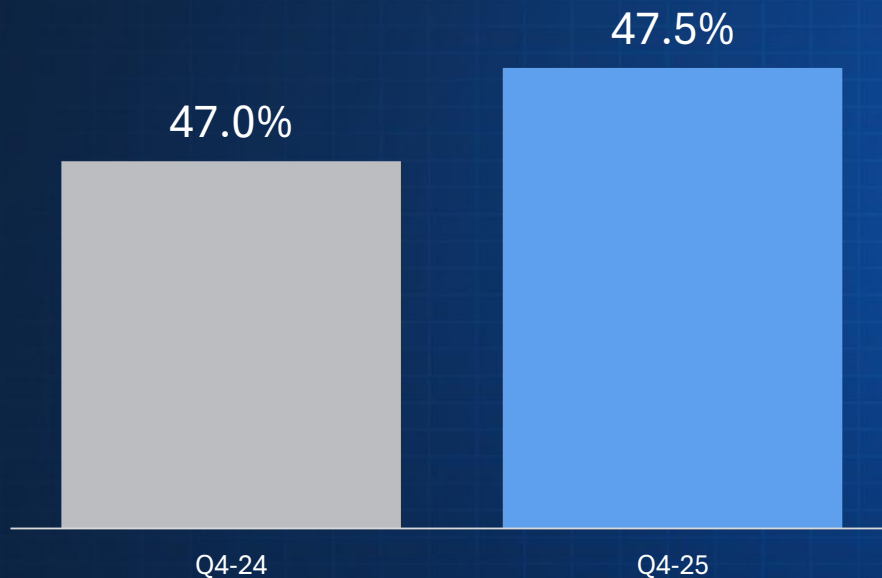
in billions



¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix.

Operational Excellence: Continued to deliver to shareholders with an operating margin of **47.5%**, reflecting efficient operational scale and the value of our software-driven architecture.

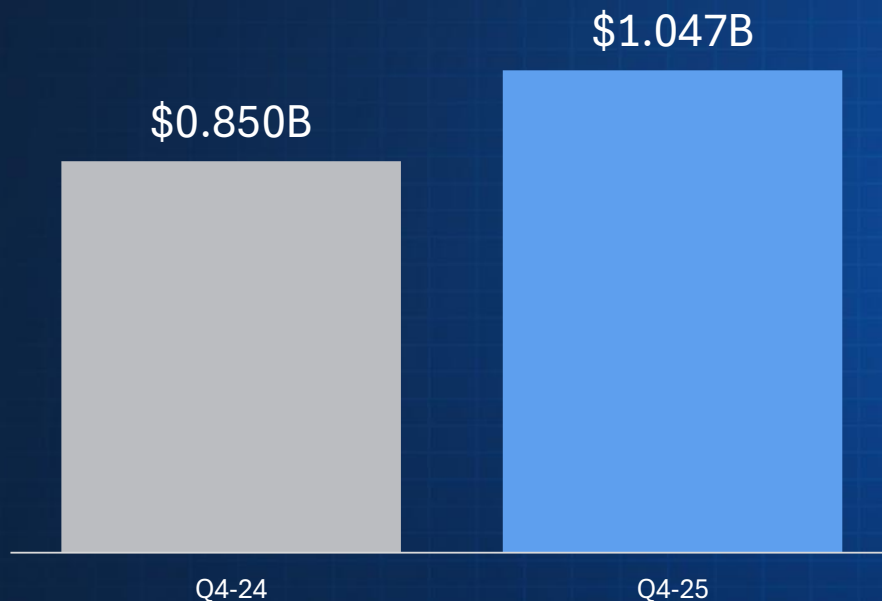
Operating Margin¹



¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix.

Strong Profitability: Quarterly net income reached **\$1.05B for the first time in Arista's history**, representing a **+23.2% Y/Y increase**, driven by strong top-line growth and continued operational discipline.

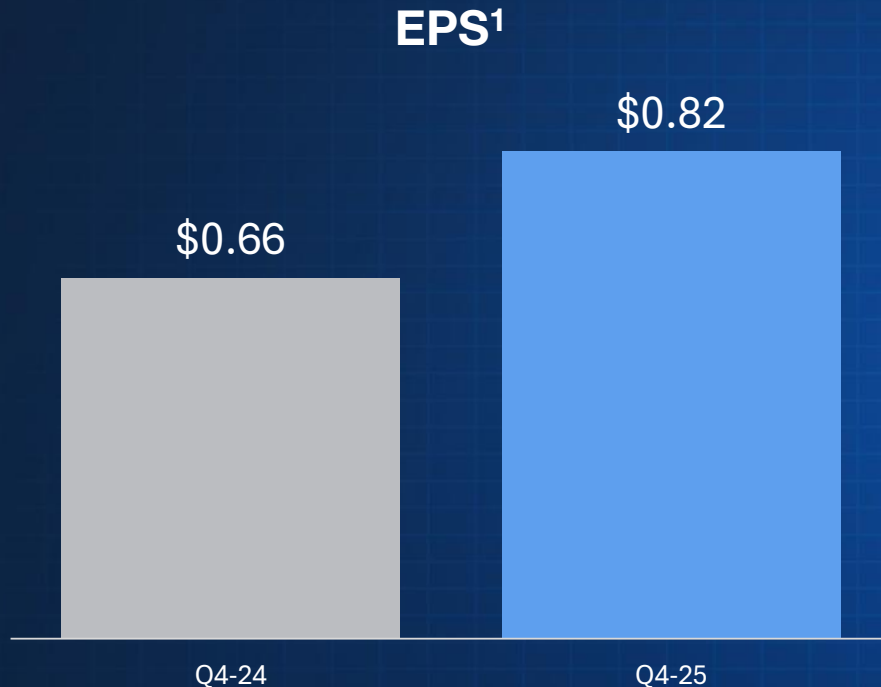
Net Income¹ in billions



¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix. Prior period amounts have been updated to conform to the current period presentation to reflect the change in methodology for calculating non-GAAP income taxes associated with stock-based awards. The retrospective application of this change resulted in an increase to non-GAAP net income of \$19.5 million for the three months ended December 31, 2024.

Shareholder Value Creation: Delivered diluted EPS of **\$0.82**, a **+24.2% Y/Y increase** supported by strong operating results and the ongoing impact of strategic share repurchases.

Repurchased \$620M of stock in the quarter. The **total value** of shares repurchased in **2025** was **\$1.6B**.



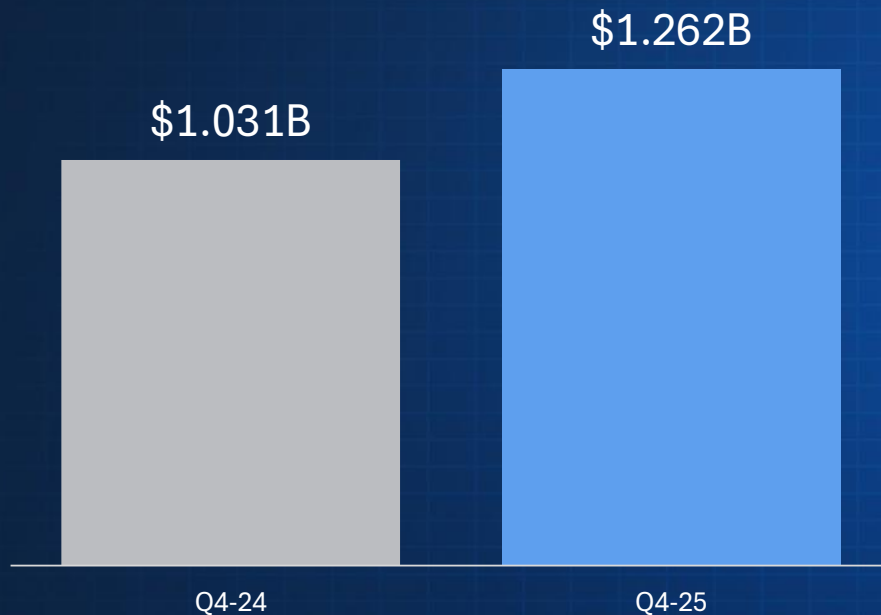
¹Amounts are non-GAAP; refer to the reconciliation between non-GAAP and GAAP in the appendix. Prior period amount has been updated to conform to the current period presentation to reflect the change in methodology for calculating non-GAAP income taxes associated with stock-based awards. The impact of this change on non-GAAP diluted EPS was an increase of \$0.01 for the three months ended December 31, 2024.

Robust Liquidity: Generated **\$1.26B** in operating cash flow, a **22% increase** year-over-year, driven by strong net income and growth in deferred revenue balances.

Healthy Conversion: Consistent cash generation provides the flexibility to fund R&D and strategic capital allocation.

Operating Cash Flow

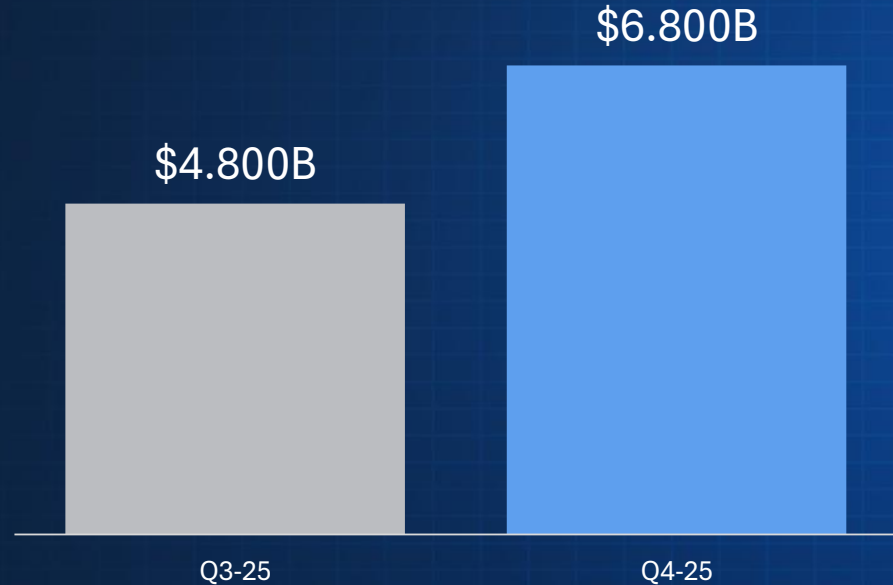
in billions



Supply Chain Visibility: Commitments reached **\$6.8B**, reflecting long-term capacity planning for critical components in a dynamic, constrained supply chain environment.

Growth Readiness: Commitments ensure alignment with multi-year customer demand across their Centers of Data.

Purchase Commitments in billions

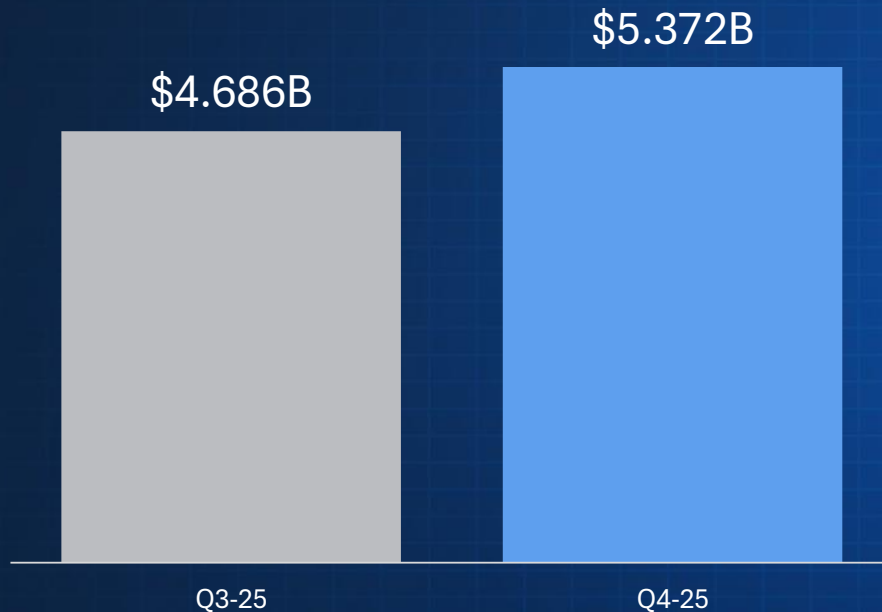


Future Revenue Visibility: Growth in product shipments and service renewals provides a strong foundation for future revenue recognition.

Deferred revenue is comprised of new customers, new products, and new use cases, such as AI, with increased customer acceptance clauses.

Deferred Revenue

in billions



ARISTA

FY 2025 Summary

Gaining Arista 2.0 Momentum

Achieved **\$9B** in annual revenue, representing **+28.6% year-over-year growth** as a foundational building block for global AI and cloud infrastructure.

Continued Margin Expansion

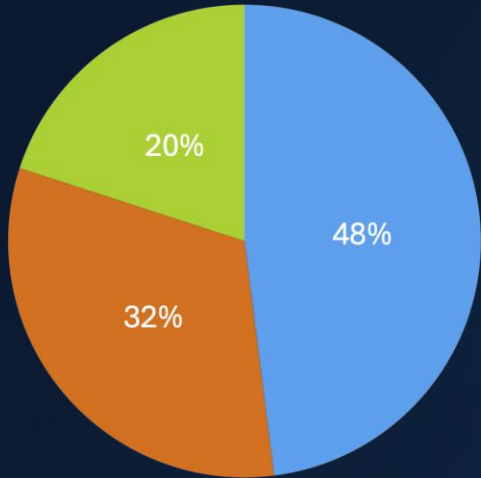
Strong Structural Profitability



¹Amounts are non-GAAP, except for revenue; refer to the reconciliation between non-GAAP and GAAP in the appendix. Prior period amounts have been updated to conform to the current period presentation to reflect the change in methodology for calculating non-GAAP income taxes associated with stock-based awards. The retrospective application of this change resulted in an increase to non-GAAP income of \$61.3 million for the fiscal year ended December 31, 2024. The impact of this change on non-GAAP diluted EPS was an increase of \$0.05 for the fiscal year ended December 31, 2024.

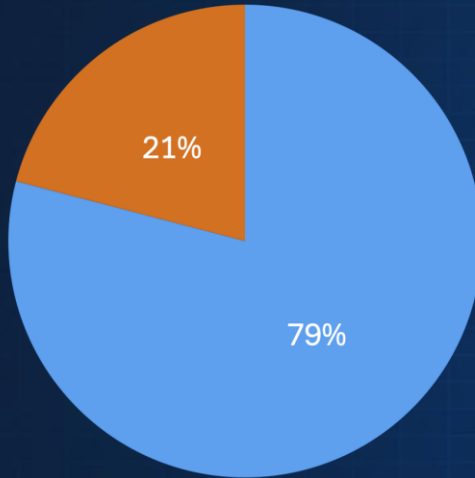
2025 Sectors at a Glance

Customers



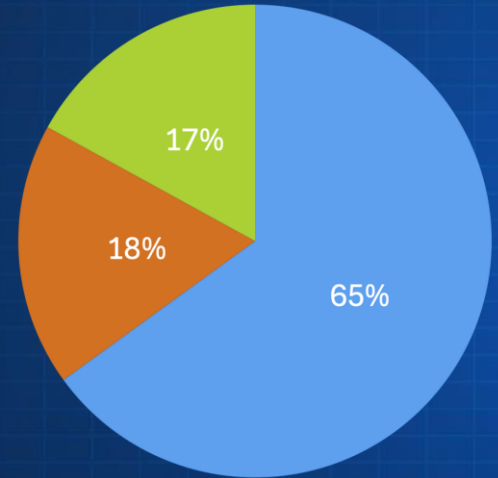
■ Cloud and AI Titans ■ Enterprise ■ AI and Specialty Providers

Geographies



■ Americas ■ International

Products



■ Core ■ Cognitive Adjacencies ■ Software & Services

Note: Percentage allocations are approximations based on total revenue for fiscal year 2025.

Guidance

First Quarter 2026

Revenue	~\$2.6B
----------------	----------------

Gross Margin (Non-GAAP)¹	~62-63%
--	----------------

Operating Margin (Non-GAAP)¹	~46%
--	-------------

Diluted Shares	~1.275B
-----------------------	----------------

Non-GAAP Tax Rate¹	~21.5%
--------------------------------------	---------------

¹Guidance for non-GAAP financial measures excludes stock-based compensation, amortization of acquisition-related intangible assets, and other non-recurring items. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis because these measures are difficult to predict and subject to change. The actual amount of stock-based compensation expense will have a significant impact on the company's GAAP gross margin and GAAP operating margin.

2026 Outlook

Building momentum of Arista 2.0

Positioned to deliver what our customers need across their Centers of Data – in true Arista fashion.

	<u>Prior</u>		<u>Revised</u>
Revenue Growth	~20% Y/Y	➔	~25% Y/Y
Gross Margin (Non-GAAP) ¹	~62%-64%		~62%-64%
Operating Margin (Non-GAAP) ¹	~43-45%	➔	~46%
<hr/>			
AI Center Revenue Goal	~\$2.75B	➔	~\$3.25B
Campus Revenue Goal	~\$1.25B		~\$1.25B

¹Guidance for non-GAAP financial measures excludes stock-based compensation, amortization of acquisition-related intangible assets, and other non-recurring items. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis because these measures are difficult to predict and subject to change. The actual amount of stock-based compensation expense will have a significant impact on the company's GAAP gross margin and GAAP operating margin.

Appendix: GAAP to Non-GAAP Reconciliation

In millions except per share data	Q4'24	Q4'25	2024	2025
GAAP gross profit	\$ 1,231.0	\$ 1,563.8	\$ 4,491.3	\$ 5,768.7
GAAP gross margin	63.8%	62.9%	64.1%	64.1%
Stock-based compensation expense	4.3	7.6	15.8	26.9
Intangible asset amortization	4.2	7.0	16.8	19.8
Non-GAAP gross profit	\$ 1,239.4	\$ 1,578.4	\$ 4,523.9	\$ 5,815.4
Non-GAAP gross margin	64.2%	63.4%	64.6%	64.6%
GAAP Operating Expenses	431.3	530.9	1,546.7	1,912.6
Stock-based compensation expense	(96.5)	(125.5)	(339.6)	(412.3)
Intangible asset amortization	(2.5)	(8.3)	(10.0)	(21.9)
Non-GAAP Operating Expenses	332.4	397.1	1,197.1	1,478.4
GAAP income (loss) from operations	\$ 799.7	\$ 1,032.9	\$ 2,944.6	\$ 3,856.1
GAAP operating margin	41.4%	41.5%	42.0%	42.8%
Stock-based compensation expense	100.7	133.1	355.4	439.2
Intangible asset amortization	6.7	15.3	26.8	41.7
Non-GAAP income from operations	\$ 907.1	\$ 1,181.3	\$ 3,326.7	\$ 4,337.0
Non-GAAP operating margin	47.0%	47.5%	47.5%	48.2%
GAAP net income	\$ 801.0	\$ 955.8	\$ 2,852.1	\$ 3,511.4
Stock-based compensation expense	100.7	133.1	355.4	439.2
(Gain)/loss on strategic investments	-	(2.5)	(12.4)	(13.4)
Intangible asset amortization	6.7	15.3	26.8	41.7
Tax impact of OBBB	-	(12.0)	-	22.6
Tax benefits on stock-based awards ¹	(44.0)	(29.8)	(191.7)	(146.9)
Tax effect of non-GAAP exclusions ¹	(14.8)	(13.3)	(59.4)	(48.6)
Non-GAAP net income ¹	\$ 849.6	\$ 1,046.6	\$ 2,970.7	\$ 3,806.0
GAAP diluted net income	\$ 0.62	\$ 0.75	\$ 2.23	\$ 2.75
Non-GAAP adjustments ¹	0.04	0.07	0.09	0.23
Non-GAAP diluted EPS ¹	\$ 0.66	\$ 0.82	\$ 2.32	\$ 2.98
GAAP and non-GAAP diluted shares	1,283.4	1,275.8	1,281.1	1,275.7

¹Prior period amounts have been updated to conform to the current period presentation to reflect the change in methodology for calculating non-GAAP income taxes associated with stock-based awards. The retrospective application of this change resulted in an increase to non-GAAP income of \$19.5 million and \$61.3 million for the three months ended and fiscal year ended December 31, 2024, respectively. The impact of this change on non-GAAP diluted EPS was an increase of \$0.01 and \$0.05 for the three months ended and fiscal year ended December 31, 2024, respectively.