

NetApp Financial Analyst Day 2017



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Transforming to Lead in the Digital Era

George Kurian
Chief Executive Officer



Agenda Slide

- 1) Business Summary
- 2) Customer and Industry Context
- 3) Differentiated Data Fabric Approach
- 4) Transforming to Lead

Growing Momentum in the Business

Strategic Solutions

- 65% of product revenue
- 22% y/y growth

Clustered Data ONTAP

- Units shipped up 24% y/y
- 50%+ installed capacity managed by cDOT

All-Flash Array

- Almost \$1.4B annualized revenue run rate
- 160% y/y growth

Leadership across the Portfolio

Expanding our growth opportunities by delivering innovation in the fastest growing areas of the market

FY'16 revenue:

**\$5.5
billion**

- #1 Fastest growing All-Flash Array vendor in CY16
- #1 Fastest growing top 5 SAN vendor in CY16
- #1 ONTAP, the world's leading branded storage OS
- #1 Fastest growing Integrated Infrastructure and Certified Reference Architecture in CY16
- #1 in Storage & Device Management Software (OnCommand Insight)
- #1 in Storage for OpenStack
- Leader in 4 Gartner Magic Quadrants

IDC, Worldwide Quarterly Enterprise Storage Systems Tracker - 2016Q4, March 2, 2017

IDC, Worldwide Quarterly Storage Software Qview - 2016Q4, March 2, 2017

IDC, Worldwide Quarterly Converged Systems Tracker - 2016Q4, March 234, 2017

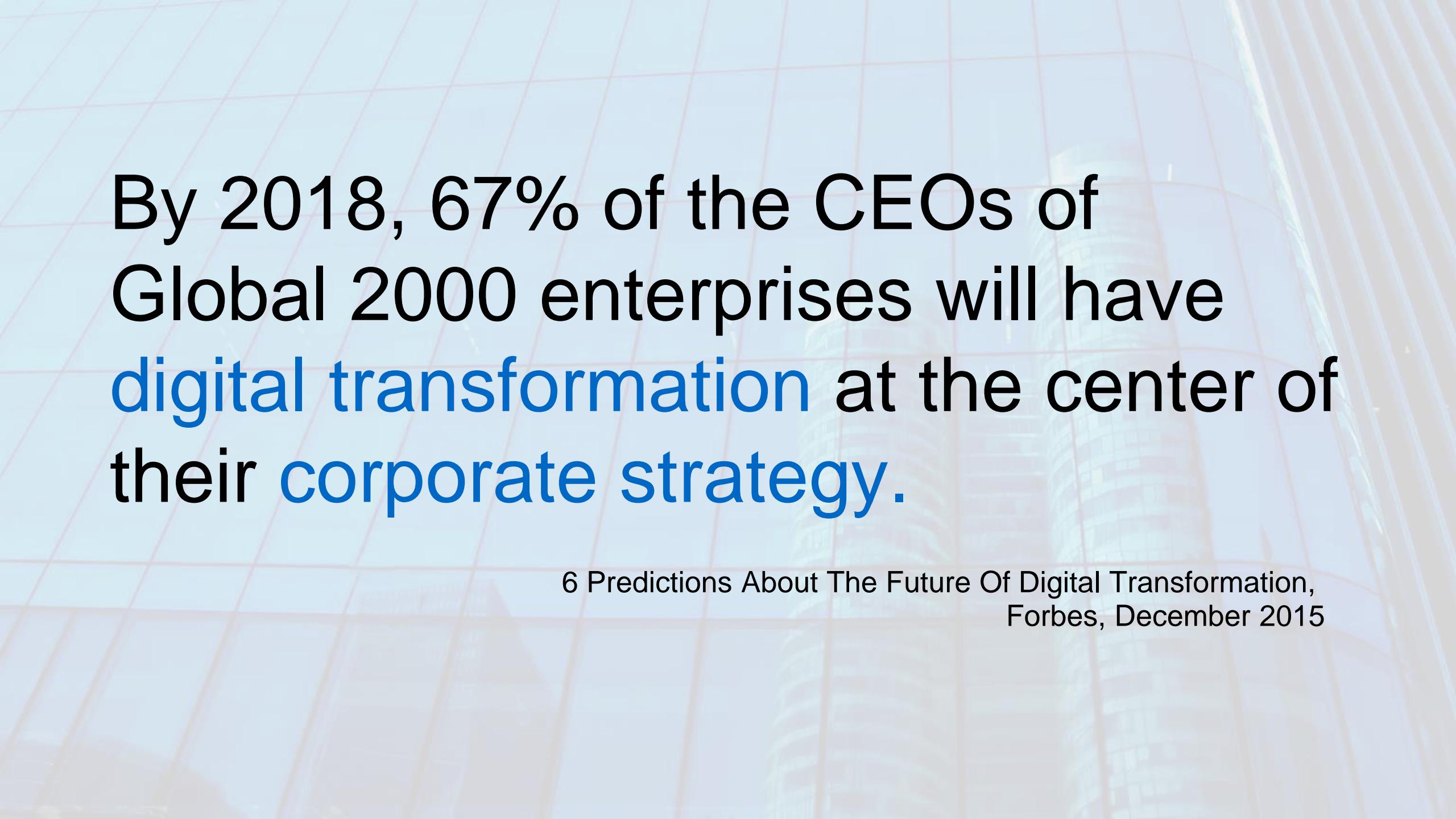
OpenStack User Survey: <https://www.openstack.org/assets/survey/April-2016-User-Survey-Report.pdf>

Magic Quadrant: General-Purpose Disk Arrays, Japan, March 22, 2017; General-Purpose Disk Arrays, October 31, 2016; Integrated Systems, October 10, 2016; Solid-State Arrays, August 22, 2016

Customer and Industry Context



The World Is Changing Fundamentally and Quickly

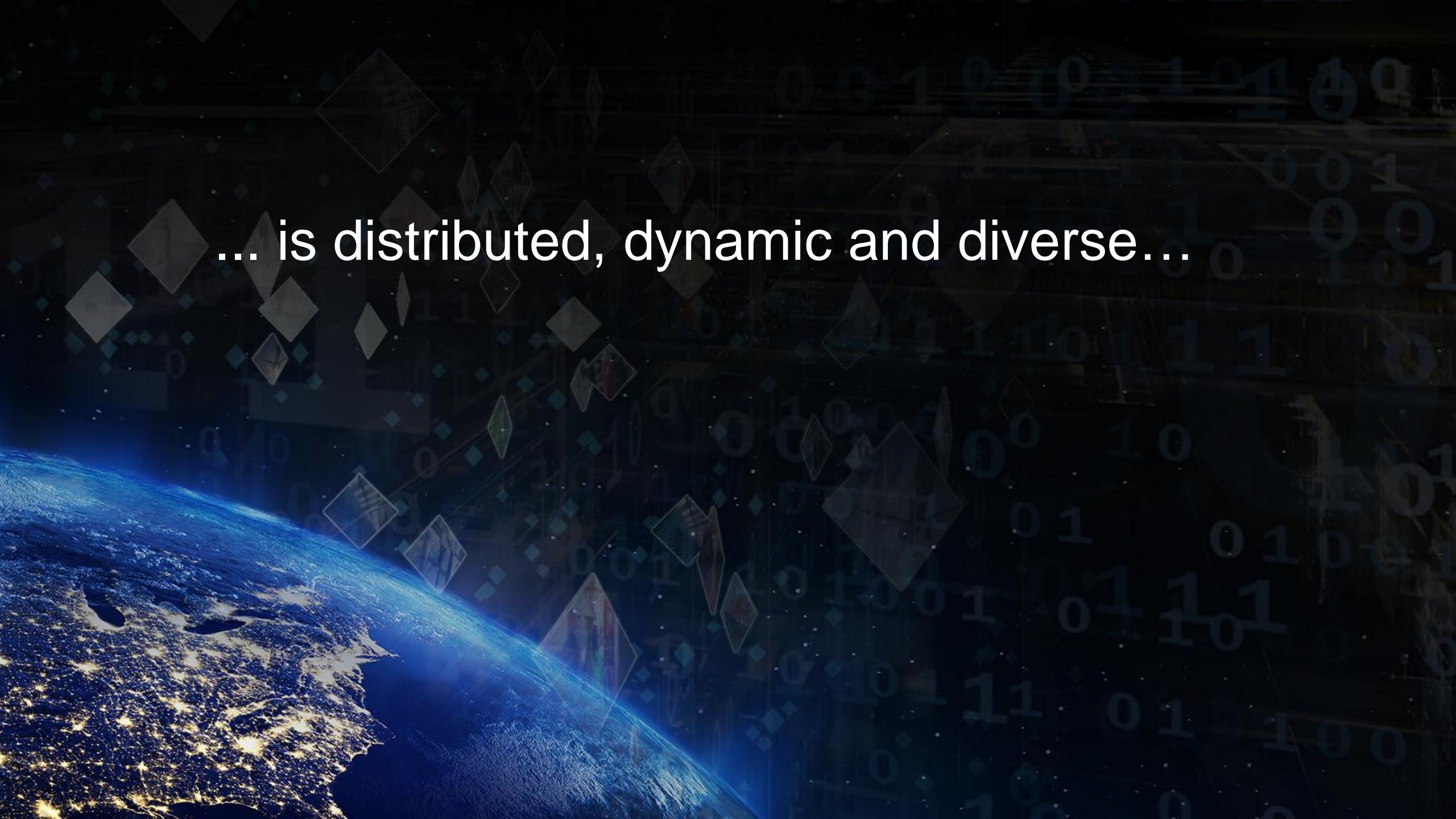


By 2018, 67% of the CEOs of Global 2000 enterprises will have **digital transformation** at the center of their **corporate strategy**.

6 Predictions About The Future Of Digital Transformation,
Forbes, December 2015



Data is the currency of the digital economy...



... is distributed, dynamic and diverse...



... and we help customers manage and
protect the world's most important data

Customers Are **Transforming Digitally** to Create Value

Optimize operations

Create innovative business opportunities

Enable new customer touchpoints

Differentiated Approach with Data Fabric



Empowering Customers to Address Their Business Imperatives

Helping customers leverage data to accelerate digital transformation

Optimize operations

Create innovative business opportunities

Enable new customer touchpoints

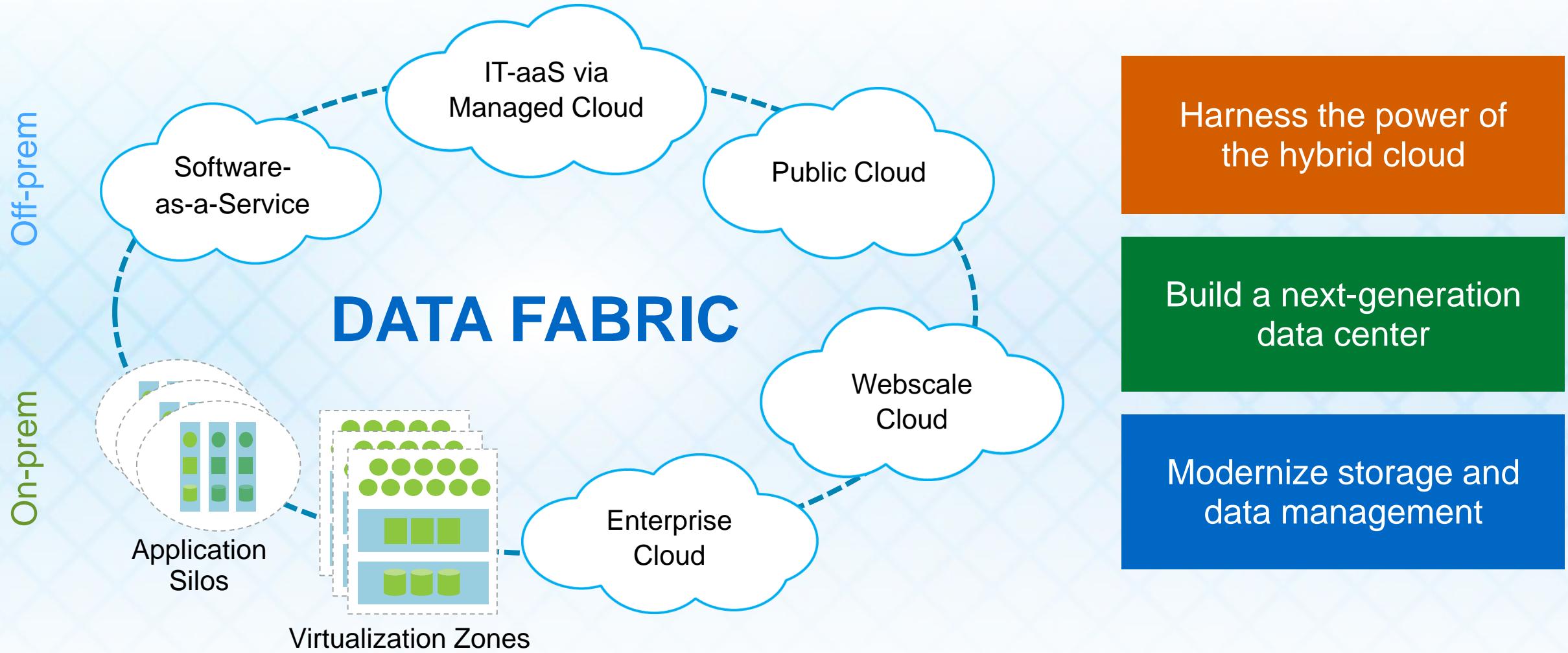
Modernize storage and data management

Build a next-generation data center

Harness the power of the hybrid cloud

Data Fabric Unleashes the Full Potential of Data...

...and eliminates data silos



Harness the power of the hybrid cloud

Build a next-generation data center

Modernize storage and data management

Transforming to Lead



Transforming NetApp to Lead

Changing the company along multiple dimensions

PRIORITIES

Pivot to
accelerate growth

Improve
productivity

EXECUTION

Work effectively to deliver results

Priorities

Integrated Execution

Follow Through

LEADERSHIP & CULTURE

Renew the organization

Leadership

High Performance Culture

Talent

Transformation 1.0

Build the right foundation

Transformation 2.0

Leverage the foundation to accelerate progress

Transformation 1.0

Build the right foundation

- Defined the transformation strategy
- Focused the innovation portfolio in products and services
- Radically improved cost structure to expand margins and invest for growth
- Evolved leadership team, organization structure, and drove disciplined execution
- Delivered on commitments: returned company to revenue growth with improved profitability, cash flow, and shareholder returns

Transformation 2.0

Leverage the foundation to accelerate progress

- Expand the customers we serve and address the new ways they learn about, buy, and consume IT
- Expand the innovation portfolio and the ways we deliver it
- Continue the focus on productivity to improve gross and operating margin
- Broaden the organizational transformation: leadership, disciplined execution, and high-performance team
- Drive topline growth with expanded margins and shareholder returns

Transforming NetApp to Lead

- Good progress on transformation with a clear roadmap
- Compelling strategy with disciplined execution and growing momentum
- Accelerating pace of innovation and expanding our market opportunity

