



FORTINET



Fortify Your Cybersecurity

September 2025

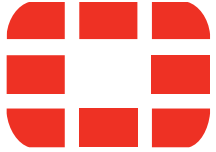


Safe Harbor Statement

Information, statements and projections contained in these presentation slides concerning Fortinet's business outlook, the third quarter and full year 2025 guidance, and future prospects and expectations are forward-looking statements that involve risks and uncertainties. These forward-looking statements include statements regarding any indications related to future growth and market share gains, our strategy going forward, and guidance and expectations around future financial results, including guidance and expectations for the third quarter and full year 2025, and any statements regarding our market opportunity and market size, and business momentum. Although we attempt to be accurate in making forward-looking statements, it is possible that future circumstances might differ from the assumptions on which such statements are based such that actual results are materially different from our forward-looking statements in these presentation slides. Important factors that could cause results to differ materially from the statements herein include the following: general economic risks, including those caused by economic challenges, a possible economic downturn or recession and the effects of inflation or stagflation, rising interest rates or reduced information technology spending; supply chain challenges; negative impacts from the ongoing war in Ukraine and its related macroeconomic effects and our decision to reduce operations in Russia; competitiveness in the security market; the dynamic nature of the security market and its products and services; specific economic risks worldwide and in different geographies, and among different customer segments; uncertainty regarding demand and increased business and renewals from existing customers; sales execution risks, including risks in connection with the timing and completion of large strategic deals; uncertainties around continued success in sales growth and market share gains; uncertainties in market opportunities and the market size; actual or perceived vulnerabilities in our supply chain, products or services, and any actual or perceived breach of our network or our customers' networks; longer sales cycles, particularly for larger enterprise, service providers, government and other large organization customers; the effectiveness of our salesforce and failure to convert sales pipeline into final sales; risks associated with successful implementation of multiple integrated software products and other product functionality risks; risks associated with integrating acquisitions and changes in circumstances and plans associated therewith, including, among other risks, changes in plans related to product and services integrations, product and services plans and sales strategies; sales and marketing execution risks; execution risks around new product development and introductions and innovation; litigation and disputes and the potential cost, distraction and damage to sales and reputation caused thereby or by other factors; cybersecurity threats, breaches and other disruptions; market acceptance of new products and services; the ability to attract and retain personnel; changes in strategy; risks associated with management of growth; lengthy sales and implementation cycles, particularly in larger organizations; technological changes that make our products and services less competitive, including advances in artificial intelligence; risks associated with the adoption of, and demand for, our products and services in general and by specific customer segments, including those caused by competition and pricing pressure; excess product inventory for any reason, including those caused by the effects of increased inflation and interest rates in certain geographies and the war in Ukraine; risks associated with business disruption caused by natural disasters and health emergencies such as earthquakes, fires, power outages, typhoons, floods, health epidemics and viruses, and by manmade events such as civil unrest, labor disruption, international trade disputes, international conflicts such as the war in Ukraine or tensions between China and Taiwan, terrorism, wars, and critical infrastructure attacks; tariffs, trade disputes and other trade barriers, and negative impact on sales based on geo-political dynamics and disputes and protectionist policies, including the impact of any future shutdowns of the U.S. government; and the other risk factors set forth from time to time in our most recent Annual Report on Form 10-K, our most recent Quarterly Report on Form 10-Q and our other filings with the Securities and Exchange Commission ("SEC"), copies of which are available free of charge at the SEC's website at www.sec.gov or upon request from our investor relations department. All forward-looking statements herein reflect our opinions only as of the date of these presentation slides, and we undertake no obligation, and expressly disclaim any obligation, to update forward-looking statements herein in light of new information or future events.



Fortinet Overview



20+ Years of Strong Growth

Fortinet Has Been GAAP Profitable And Free Cash Flow Positive Every Year Since Its IPO in 2009

\$60+ Billion Market Cap¹

Nasdaq: FTNT

Included in the S&P 500 and Nasdaq 100

12 Gartner Magic Quadrants

140+ Industry Analyst Report Inclusions

Leader in SD-WAN and Network Firewall

BBB+ & Baa1

Investment Grade Rating

Leading the Cybersecurity Industry

14,800+

Employees²

Worldwide Presence

\$6.0 Billion

2024 Revenue

\$6.5 Billion 2024 Billings

35%

2024 Non-GAAP Operating Margin

81% 2024 Non-GAAP Gross Margin

\$1.9 Billion

2024 Free Cash Flow

32% Free Cash Flow Margin

\$4.6 Billion

Cash & Investments²

Strong Balance Sheet



Data as of December 31, 2024, unless noted otherwise.

(1) As of September 15, 2025.

(2) As of June 30, 2025.

>35% Increase in Earnings Per Share Due to Share Repurchases

Returned over \$8 billion to shareholders via share repurchases

Robust Share Buyback Program



\$8.2B

cash returned to shareholders



289M

shares repurchased



>35%

increase in EPS due to repurchases

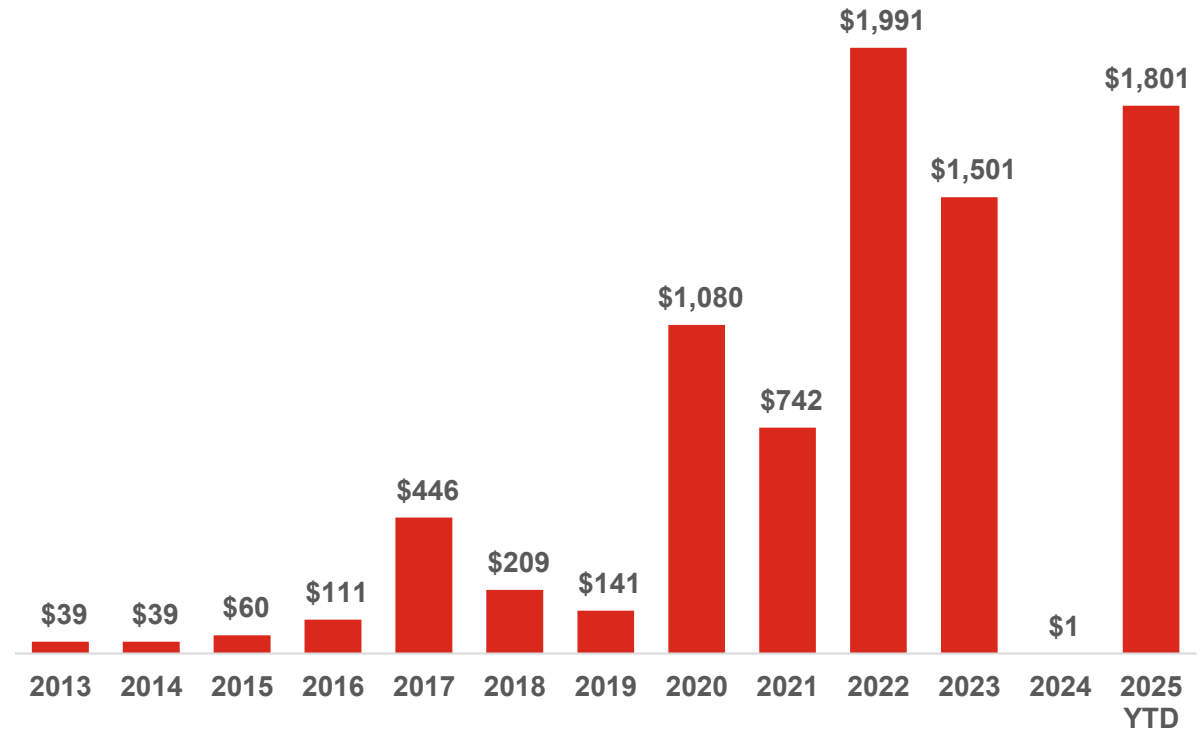


\$1.2B

buyback authorization remaining

Cash Paid for Stock Repurchases

\$ In millions





The **Most Trusted** U.S.-Based Cybersecurity Company

Fortinet is ranked #7 in the Forbes Most Trusted Companies



#1 in Enterprise Networking & Security

80% of Fortune 100 and **72%** of the Global 2000 depend on Fortinet to stay secure



Notes: Industry categories are based on 2024 billings from the G2000 list. G2000 - based off of the 2024 Forbes list; total number of accounts is 1,939 after factoring in M&A activity since publication. F100 - based off of the 2024 Fortune list; total number of accounts is 100 after factoring in M&A activity since publication.

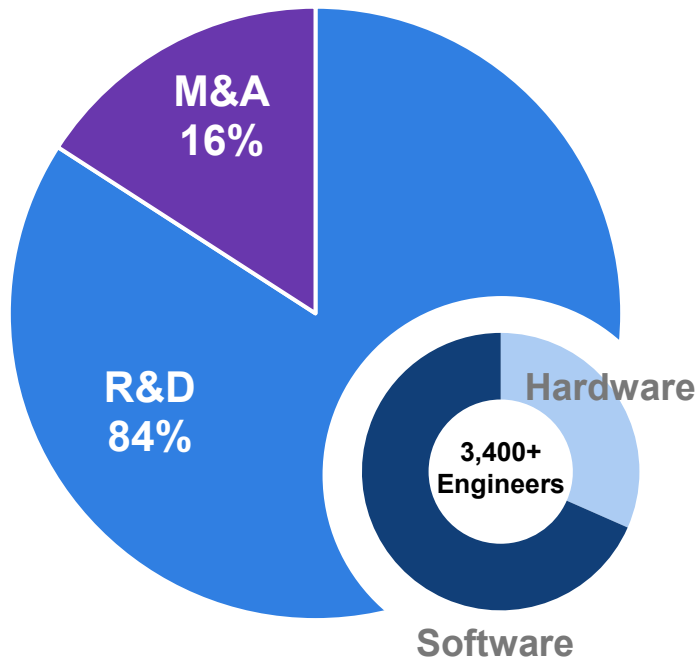
The Most Integrated Operating System

Single OS with leadership in five network security Gartner Magic Quadrants



Large Investment in Organic Innovation and AI

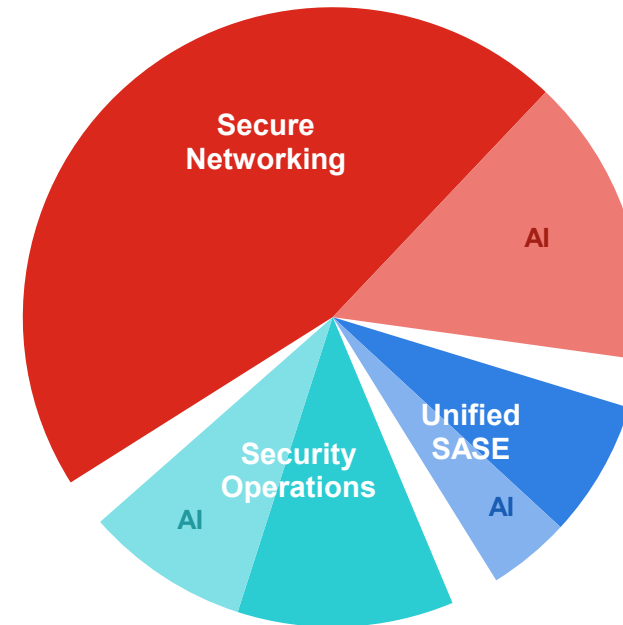
Innovation: \$3.1B Since 2020



Innovation Across Pillars

550+ issued and pending AI-related patents

1,401 Global Patents



Broadest, Most Integrated AI-Driven Cybersecurity Platform in the Industry

Protects the entire attack surface while integrating tightly into your current and future infrastructure

Secure Networking

- Network Firewall
- Wireless and Wired LAN
- 5G
- OT Security
- NAC



Unified SASE

- SD-WAN
- SSE
- Single-Vendor SASE
- ZTNA
- DEM
- Cloud Firewall
- WAF
- CNAPP



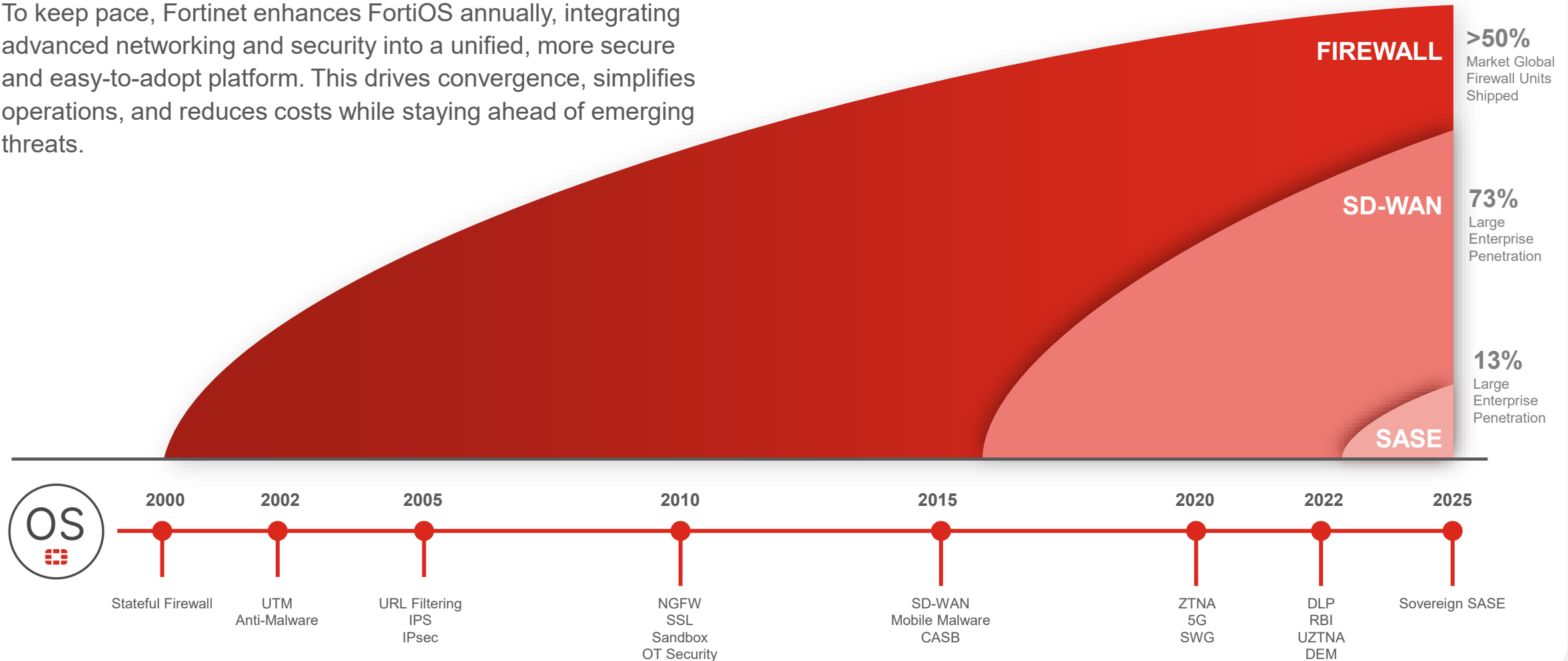
Security Operations

- SOC Platform
- Endpoint Protection
- Network Detection & Response
- Data Protection
- Identity
- Exposure Assessment



New-Gen SASE Firewall – NGFW, SD-WAN, and SASE

SD-WAN and SASE adoption is accelerating across enterprises. To keep pace, Fortinet enhances FortiOS annually, integrating advanced networking and security into a unified, more secure and easy-to-adopt platform. This drives convergence, simplifies operations, and reduces costs while staying ahead of emerging threats.



Note: Large enterprise is defined as companies and service providers with greater than \$10 billion in annual sales.

The Only Purpose-built Proprietary ASIC

FortiASIC accelerates 14 FortiOS functions – supports 2x more applications than the previous generation

Content Processor 9



Offload resource intensive processing and drive content inspection to accelerate security functions

Network Processor 7



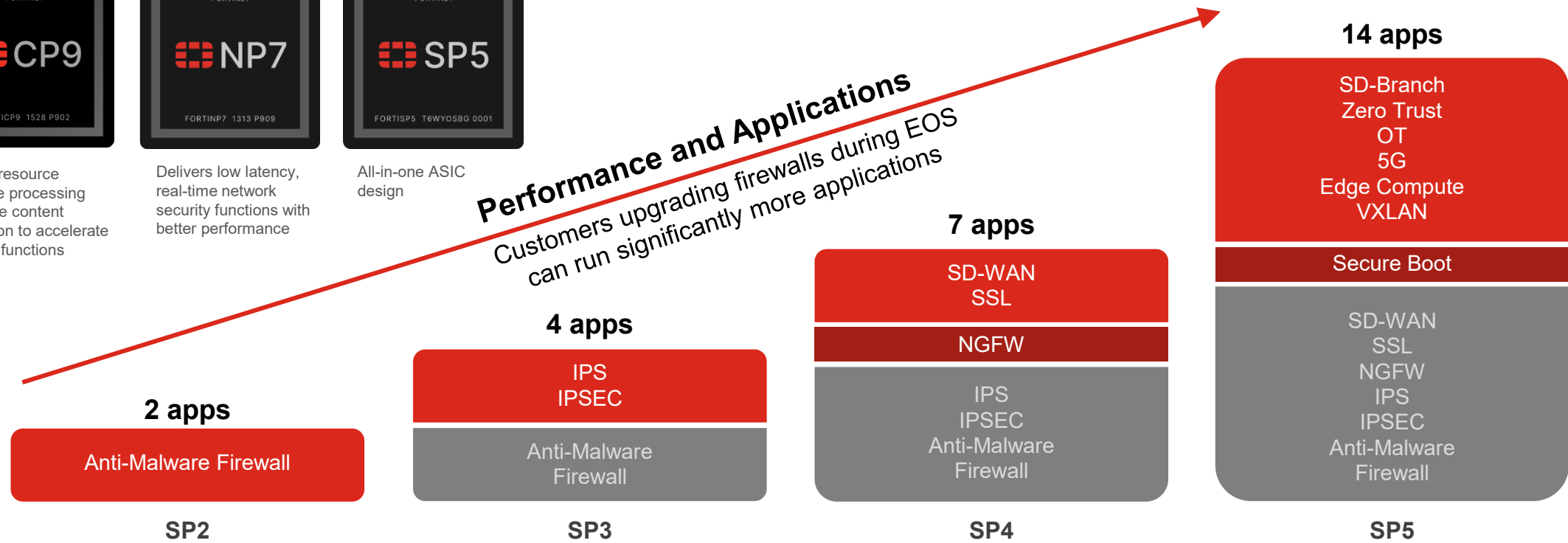
Delivers low latency, real-time network security functions with better performance

Security Processor 5



All-in-one ASIC design

Performance and Applications
Customers upgrading firewalls during EOS can run significantly more applications



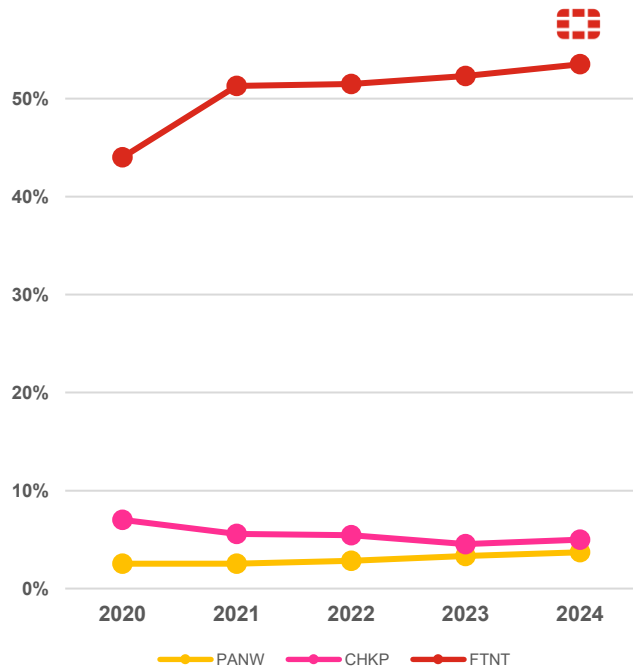
With more new applications added in each FortiOS release



Leader in Network Firewall Security

Firewall Units Shipped

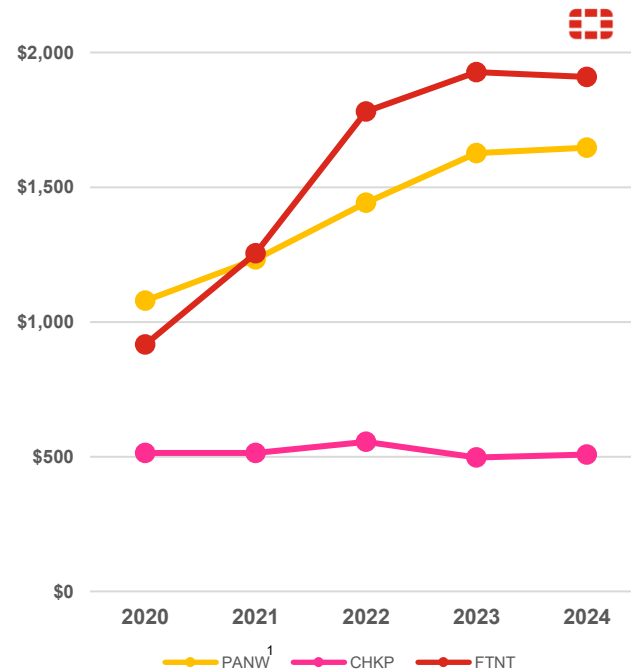
Market Share Leader



Source: 650 Group

Product Revenue

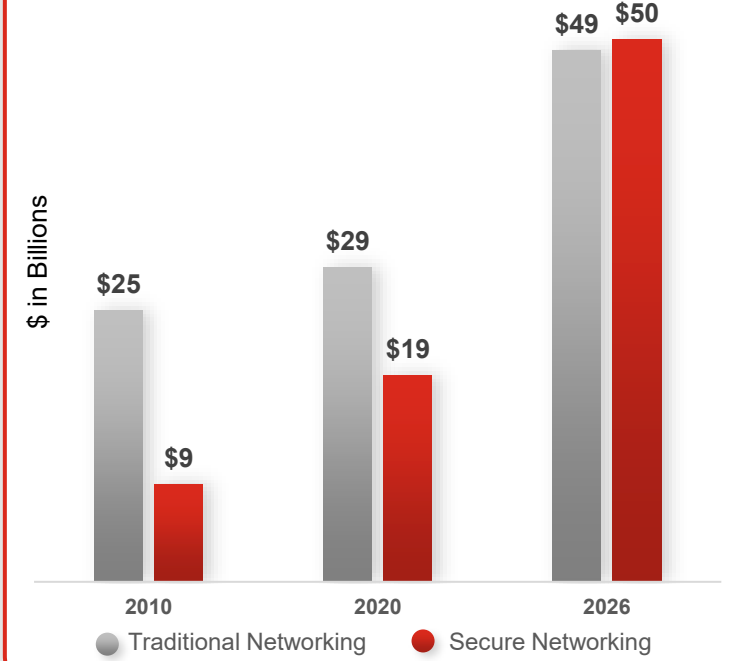
Leader



Source: PANW¹, CHKP, FTNT

Convergence of Networking & Security

Secure Networking > Traditional Networking Market by 2026



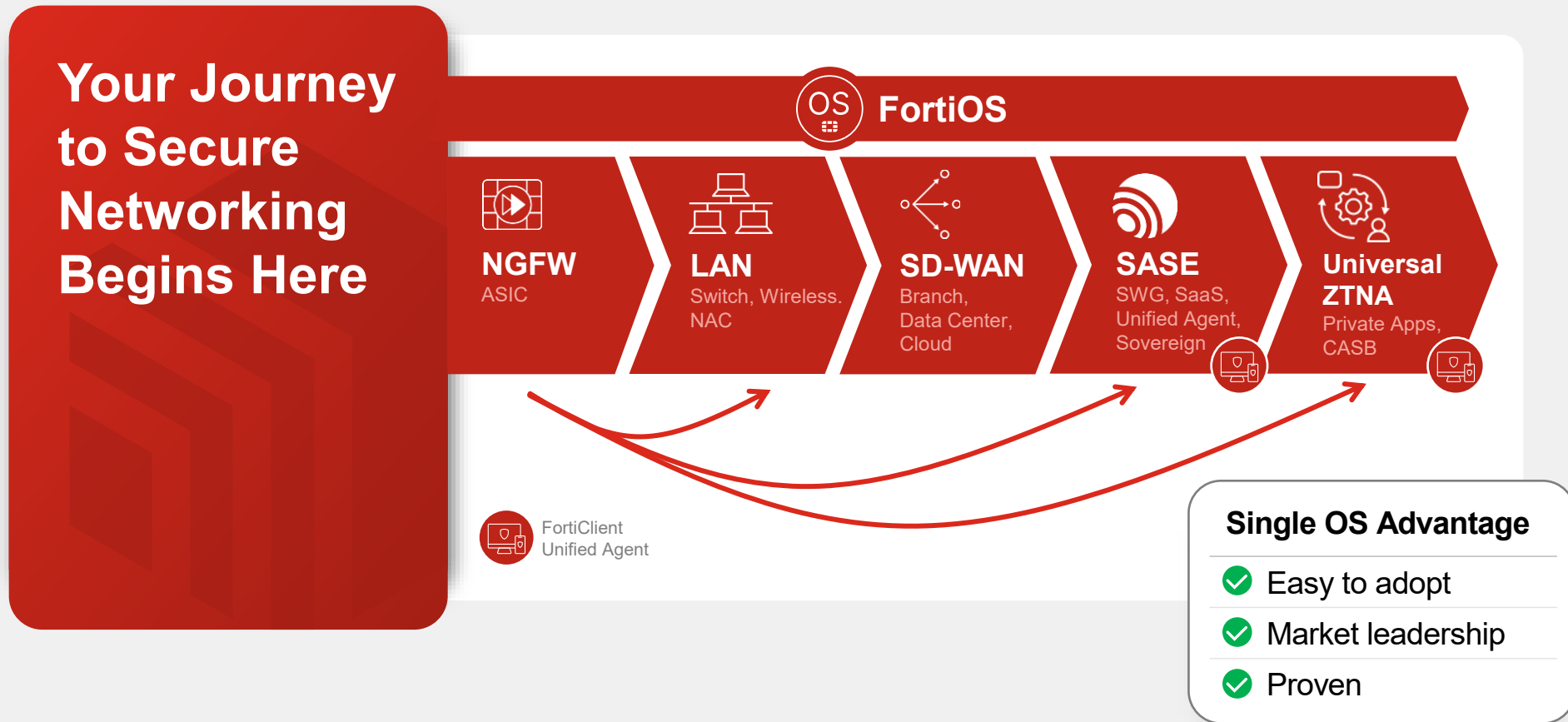
Source: Fortinet company estimates based on Gartner forecast data



(1) PANW's calendar year product revenue is calculated from February 1st of the year shown and ending on January 31st of the following year.

The Fortinet Journey: A Seamless Security Evolution

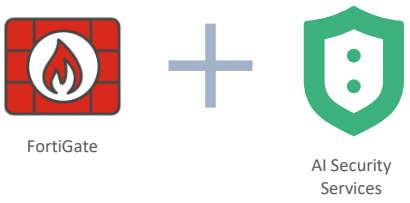
With FortiGate NGFW, customers gain industry-leading protection and can seamlessly activate SD-WAN for optimized performance and extend to SASE for secure remote access.



FortiAI Everywhere: 15+ Years of Innovation & 550+ AI Patents

FortiAI-Protect

FortiGuard Security Bundles (Enterprise, UTP)

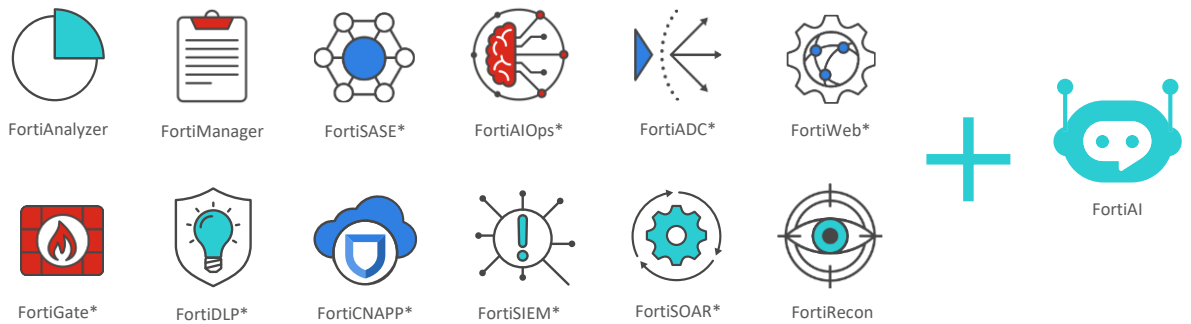


FortiGate + AI Security Services

Secure AI Usage

FortiAI-Assist

Add-on for FortiDLP, FortiSIEM, FortiNDR, FortiCNAPP, FortiManager, FortiAnalyzer, and SOC Tools



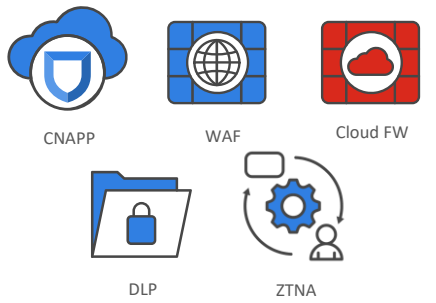
FortiAnalyzer FortiManager FortiSASE* FortiAIOps* FortiADC* FortiWeb* FortiGate* FortiDLP* FortiCNAPP* FortiSIEM* FortiSOAR* FortiRecon + FortiAI

AI-Assisted Operations

*Beta / Roadmap

FortiAI-SecureAI

Secure AI infrastructure at high scale



CNAPP WAF Cloud FW DLP ZTNA

Secure LLM, AI Systems



Fortinet's Addressable Markets

Secure
Networking

\$66B

2025–2029 CAGR: +8%



Converge security and networking to protect every edge and device

67% of 2024 Billings

Unified
SASE

\$78B

2025–2029 CAGR: +18%



Secure users anywhere and applications on any cloud

23% of 2024 Billings

AI-Driven Security
Operations

\$165B

2025–2029 CAGR: +10%



AI-driven security operations to detect, investigate, and respond to threats

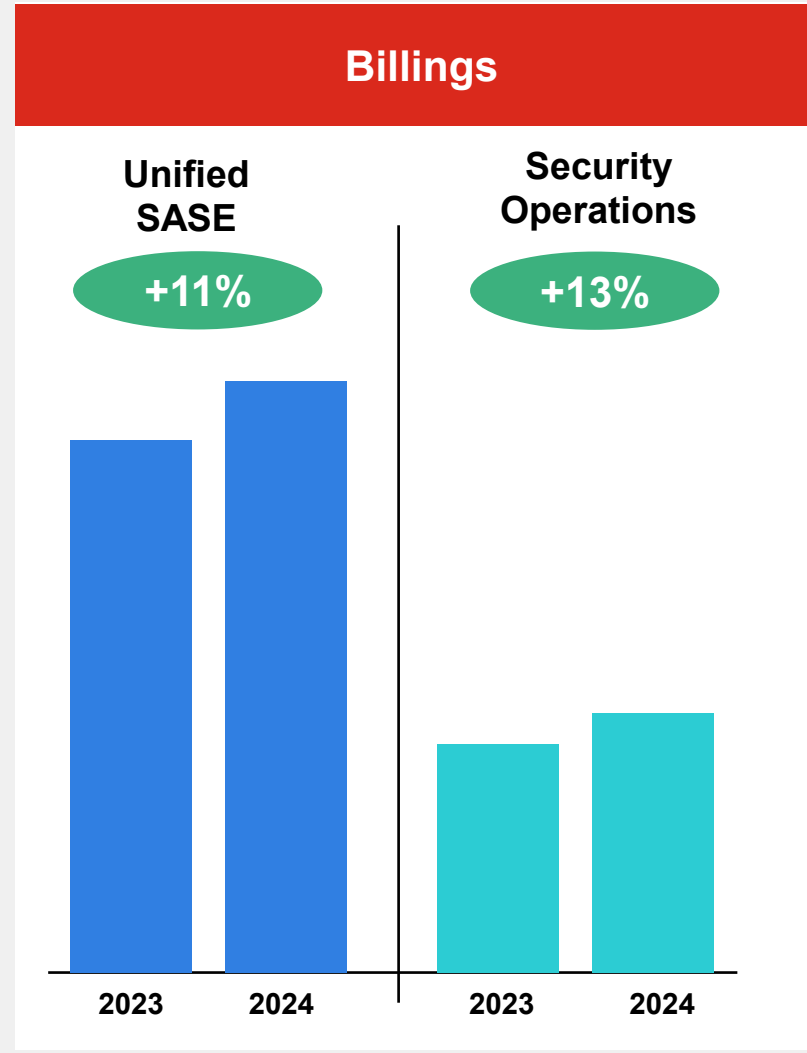
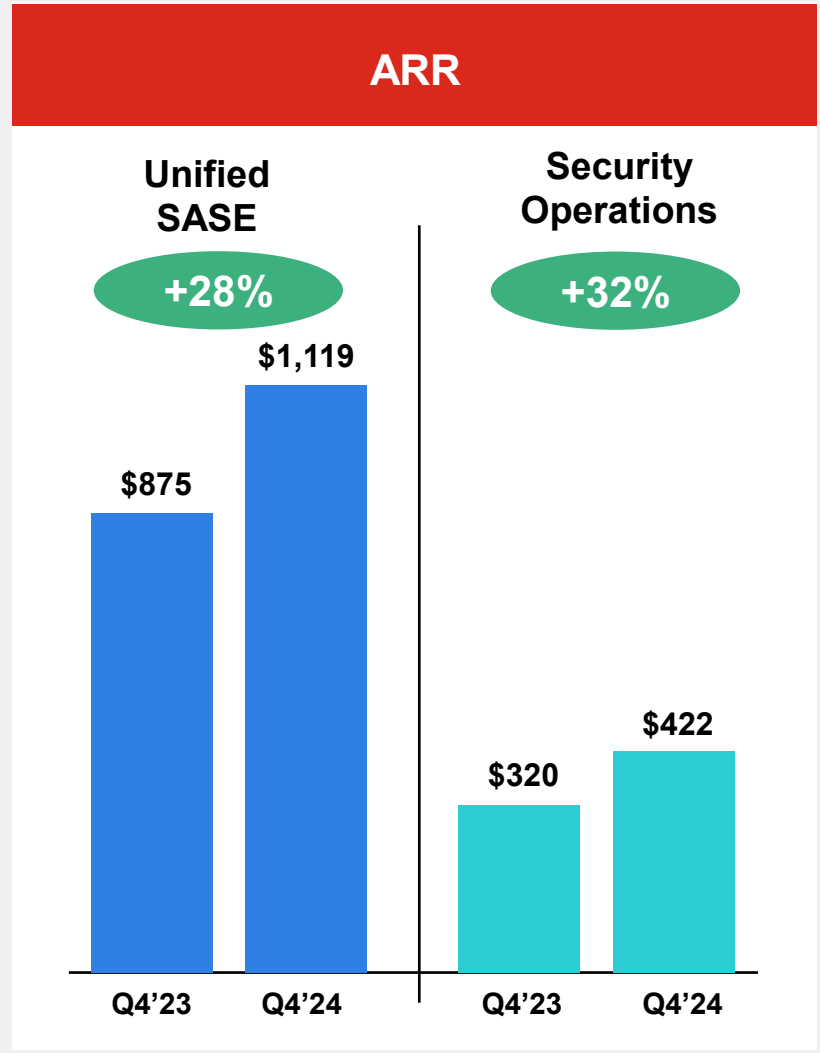
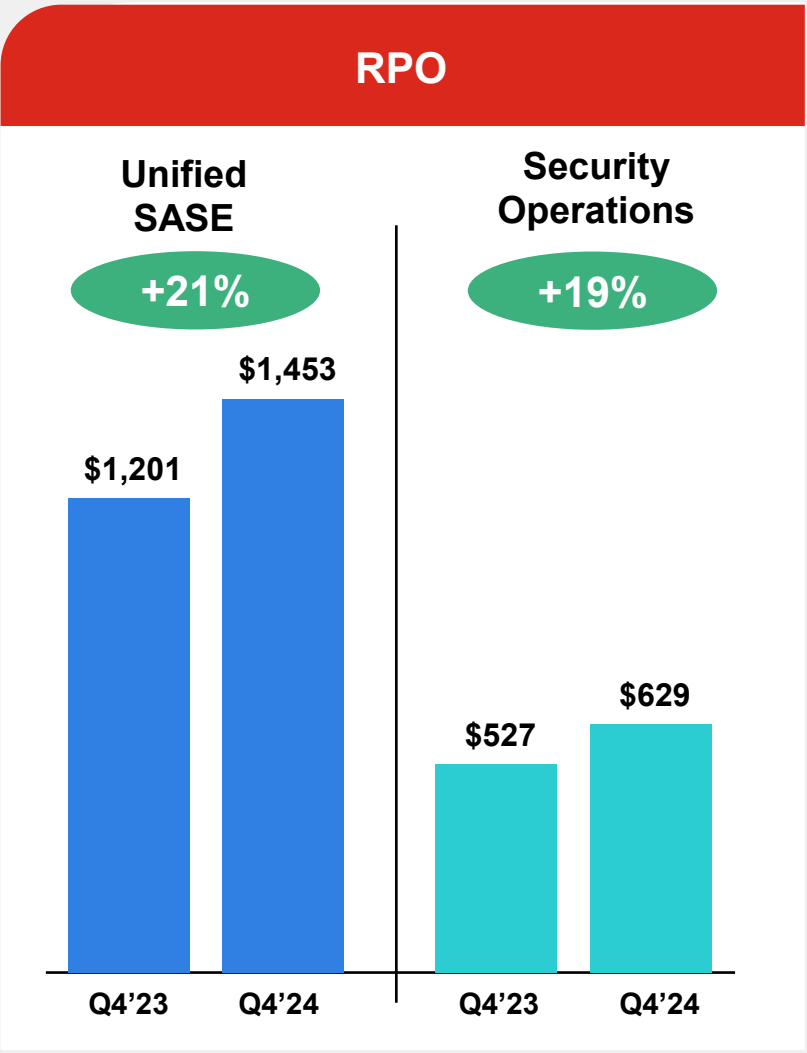
10% of 2024 Billings

2029 addressable markets shown



Strong Growth in Unified SASE and Security Operations in 2024

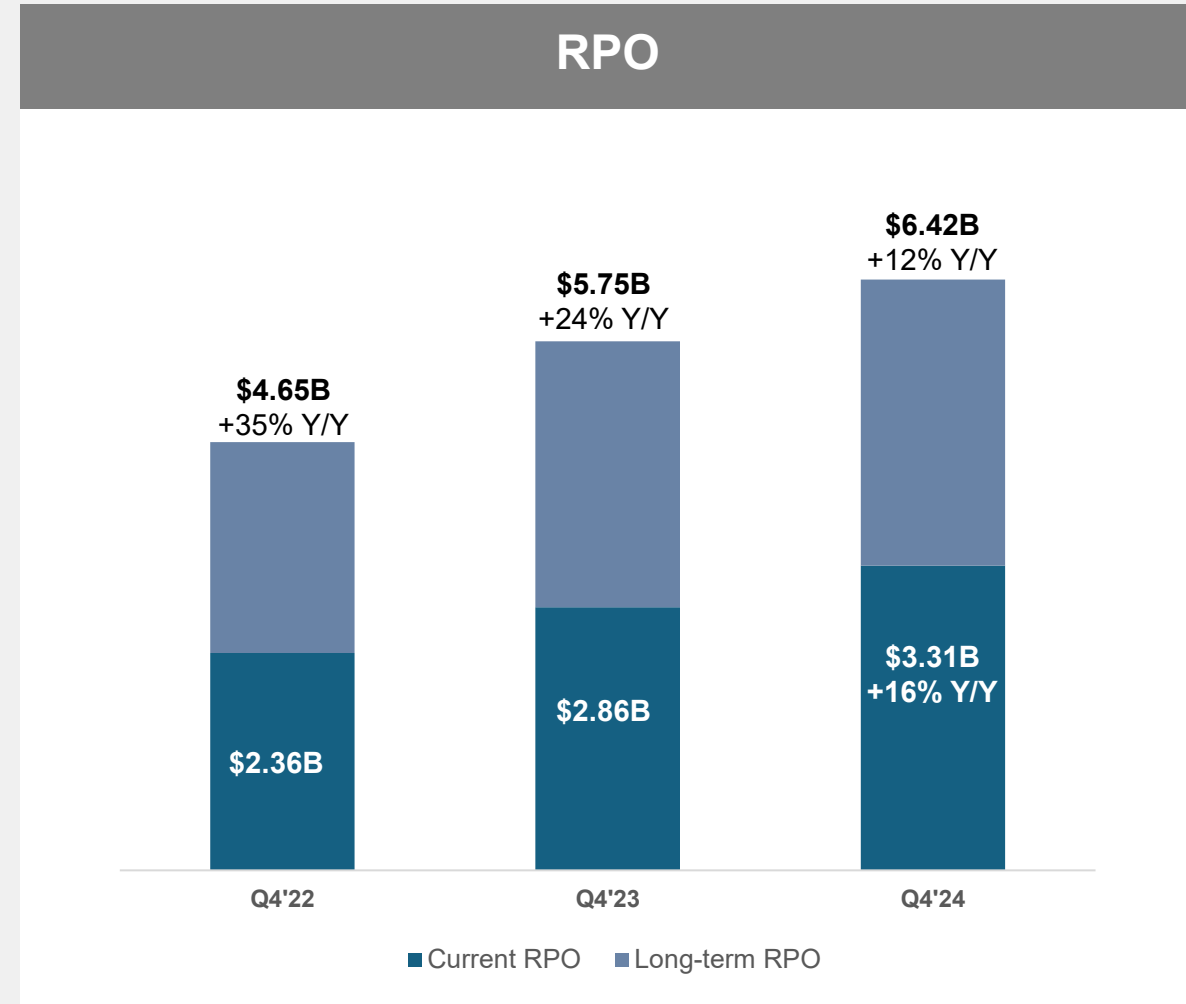
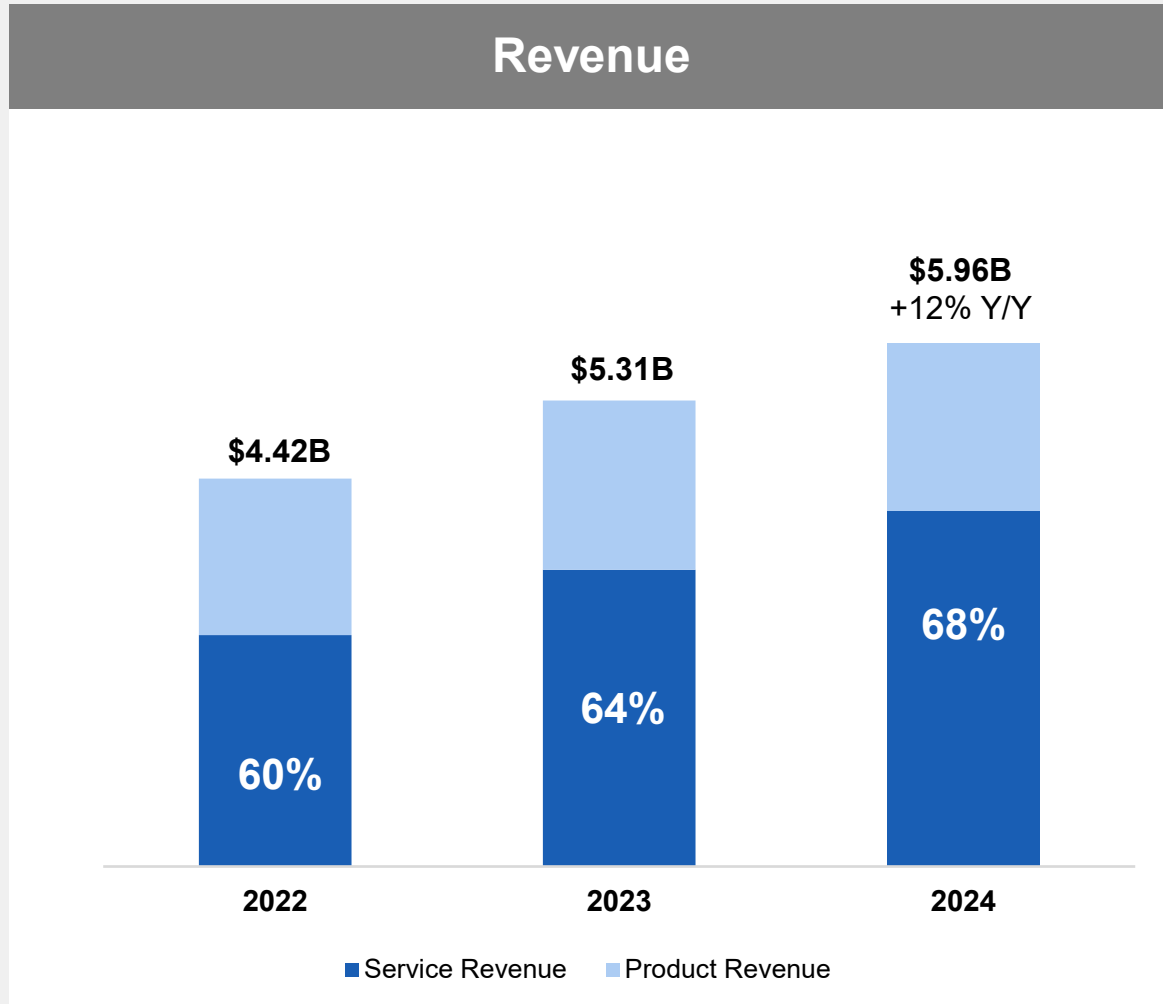
\$ in Millions



Note: Unified SASE includes SD-WAN (based on a percentage of FortiGate billings), SSE and related solutions. ARR is defined as the annualized value of renewable / recurring customer agreements as of the measurement date, assuming any contract that expires during the next 12 months is renewed at its existing value.

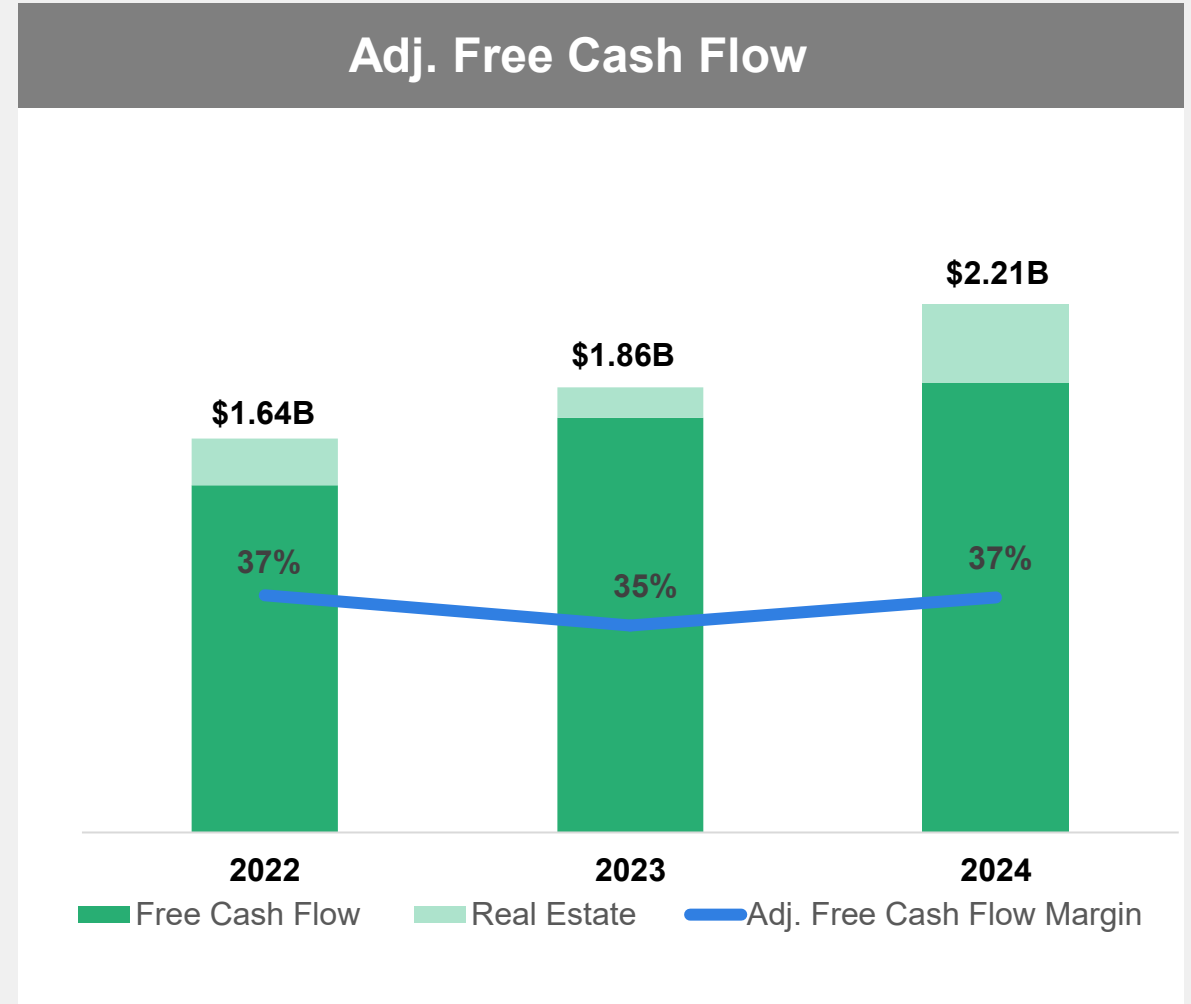
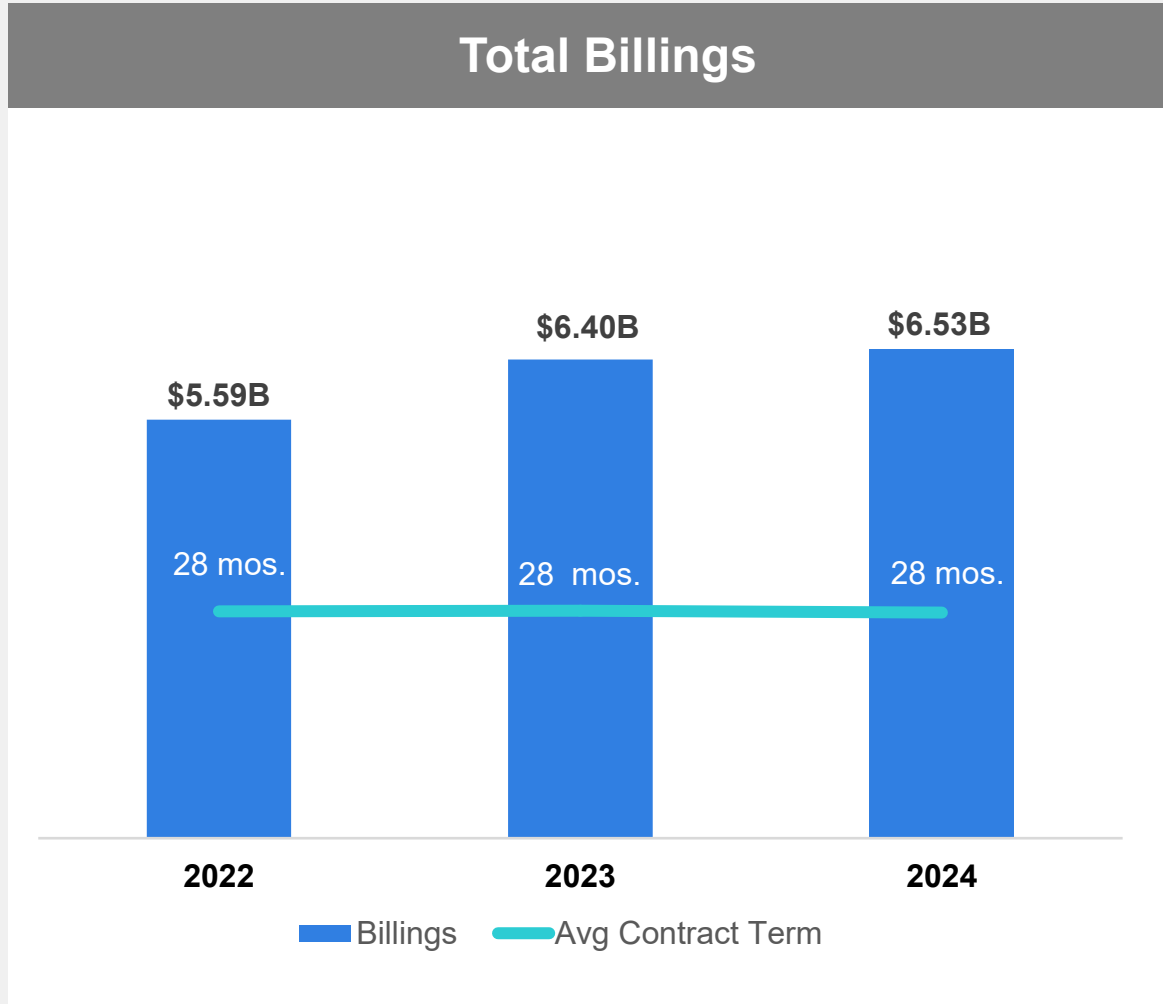
Revenue Mix Shifts to Higher Margin Service Revenue

cRPO Grew 16% YoY



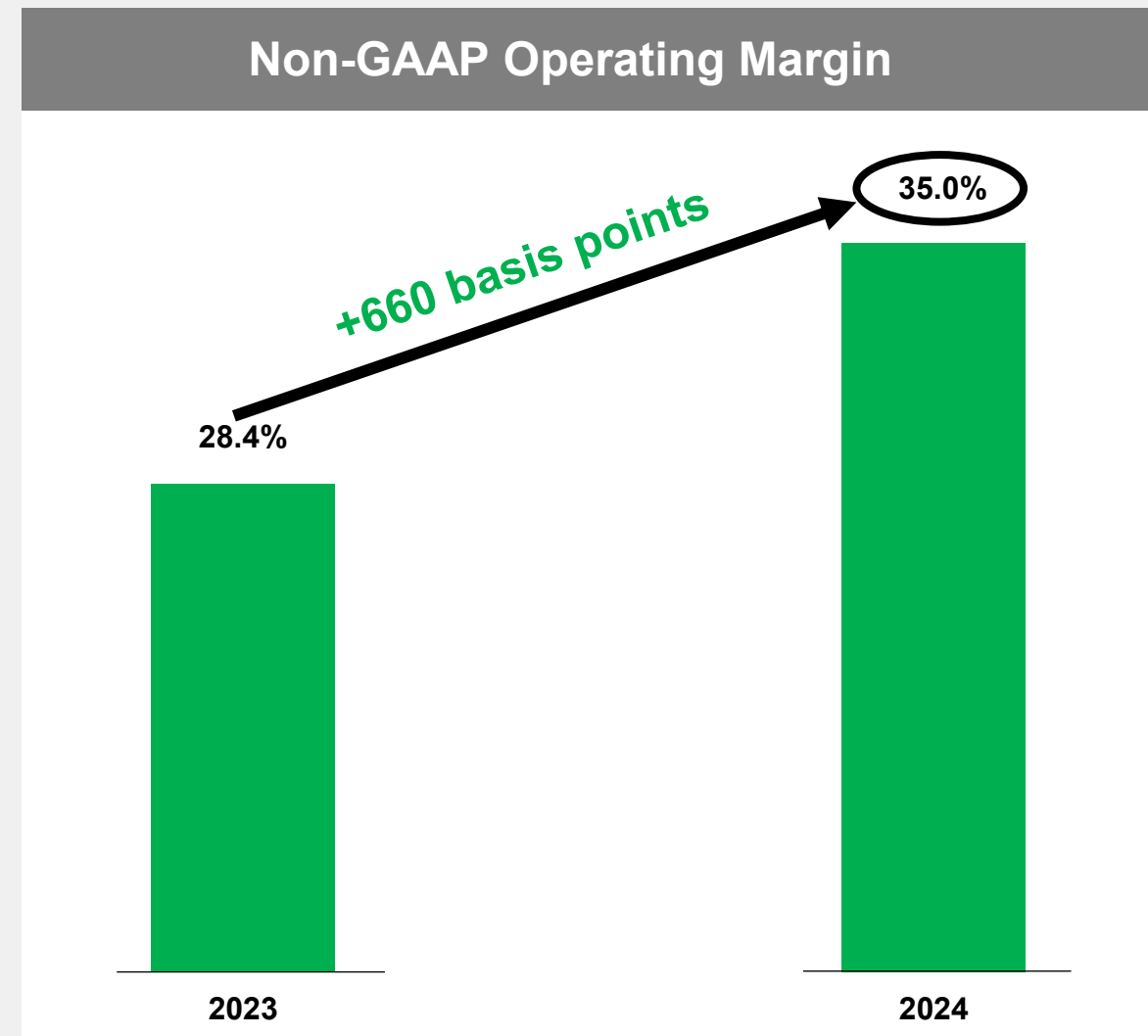
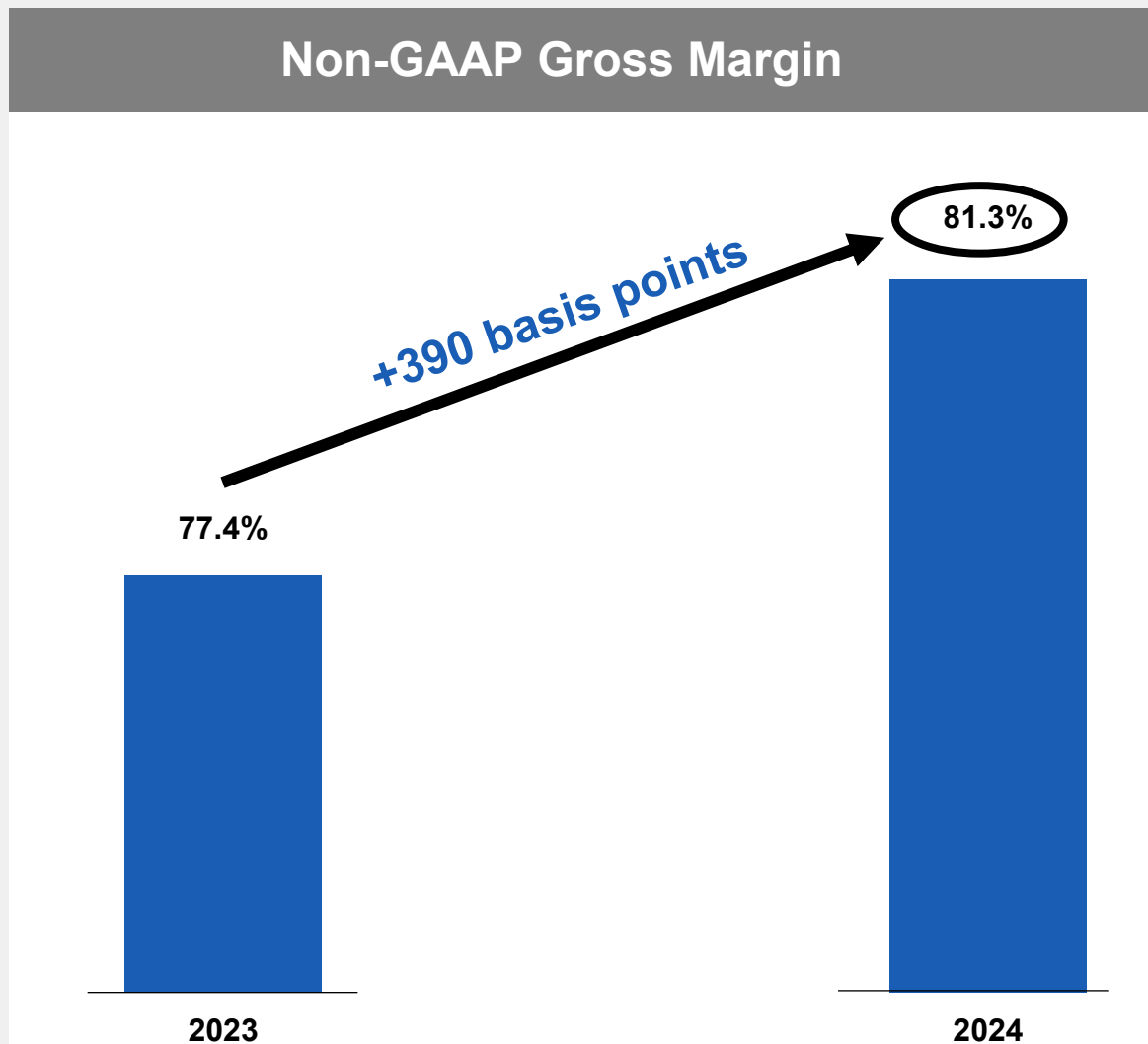
Rich Cash Flow Margins Powering Innovation & S/H Returns

Contract Duration Remains Stable



Note: Total Billings is a non-GAAP financial measure. Adjusted Free Cash Flow is a non-GAAP measure that we define as Free Cash Flow plus cash payments associated with real estate purchases and development. See Appendix for reconciliation of the non-GAAP financial measure to the most comparable GAAP financial measure.

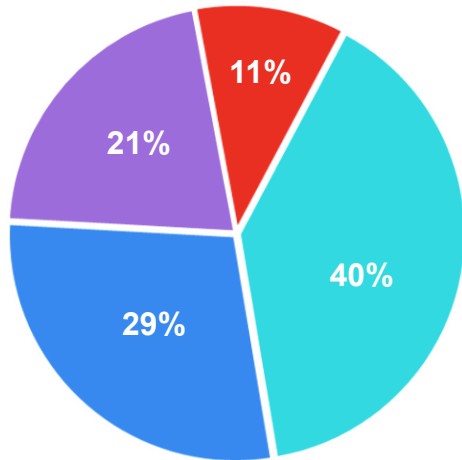
Significantly Expanded Gross & Operating Margins



Highly Diversified Business

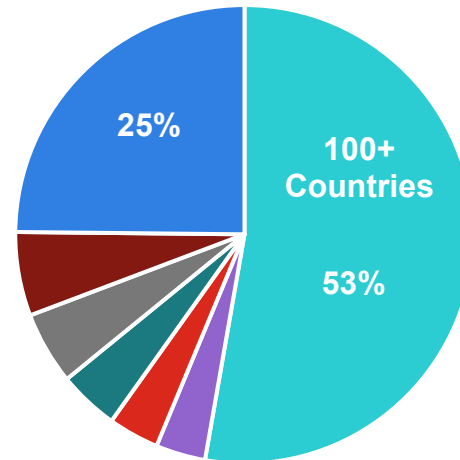
Across Customer Types, Geographies and Industries

Customer Types



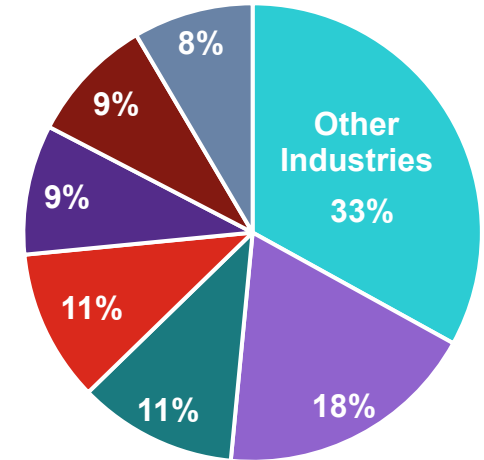
- Large Enterprise
- Mid Enterprise
- Small Enterprise
- SP/MSSP

Geographies



- 100+ Countries
- United States
- France
- Germany
- Canada
- United Kingdom
- Japan

Industries

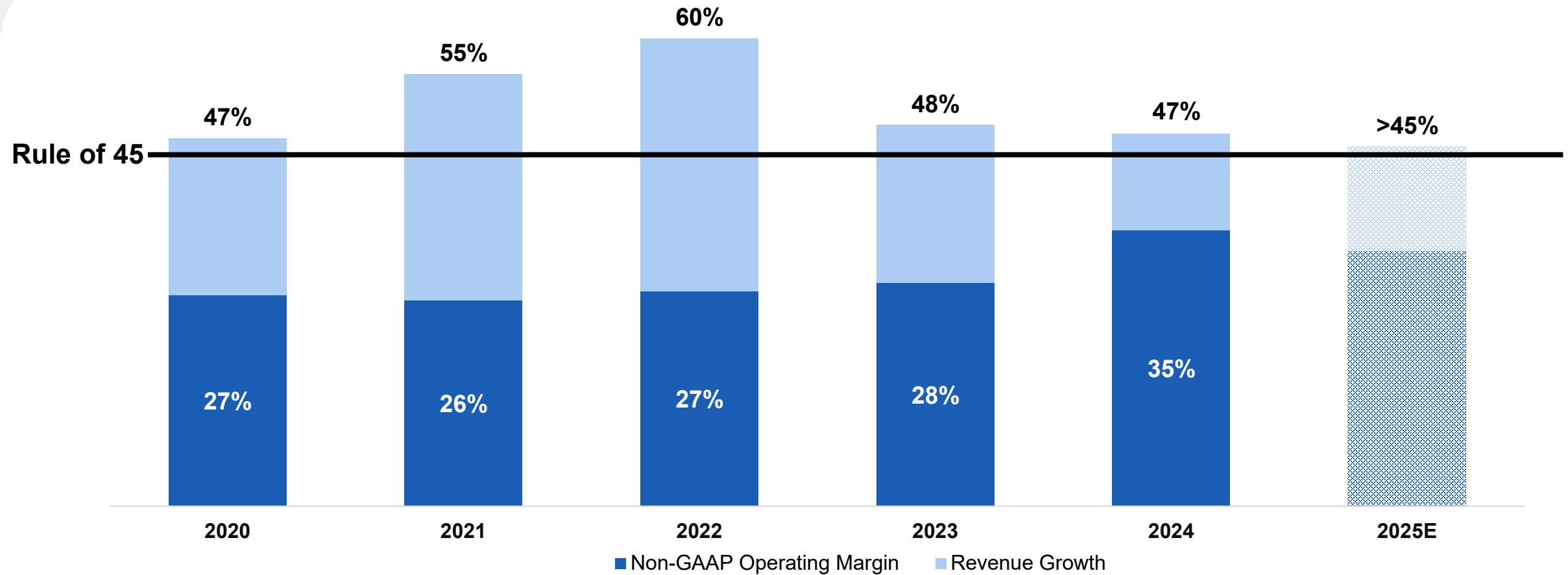


- Worldwide Gov't
- SP/MSSP
- Retail
- Fin Serv
- Manufacturing
- Technology



'Rule of 45' — Exceeded 5 Years in a Row

Expect to Achieve the 'Rule of 45' in 2025



Financial Targets

Long-term Target: Achieve the Rule of 45 ⁽¹⁾

	2023	2024	2025E ⁽²⁾	3 – 5 Year ⁽³⁾ Targets
	YoY Growth			
Billings	14%	2%	13%	>12% CAGR <i>Faster than market</i>
Revenue (GAAP)	20%	12%	13%	>12% CAGR <i>Faster than market</i>
Operating Margin	28%	35%	33%	>30%
Rule of 45	48	47	46	45+
Adjusted Free Cash Flow	35%	37%		mid-to-high 30%'s

(1) Fortinet defines the Rule of 45 as GAAP revenue Y/Y growth plus Non-GAAP Operating Margin.

(2) Based on the midpoint of 2025 guidance provided on August 6, 2025.

(3) As presented during our Analyst Day on November 18, 2024.

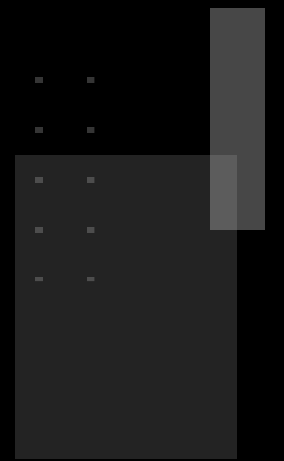
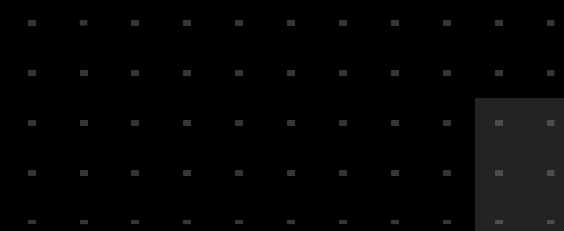
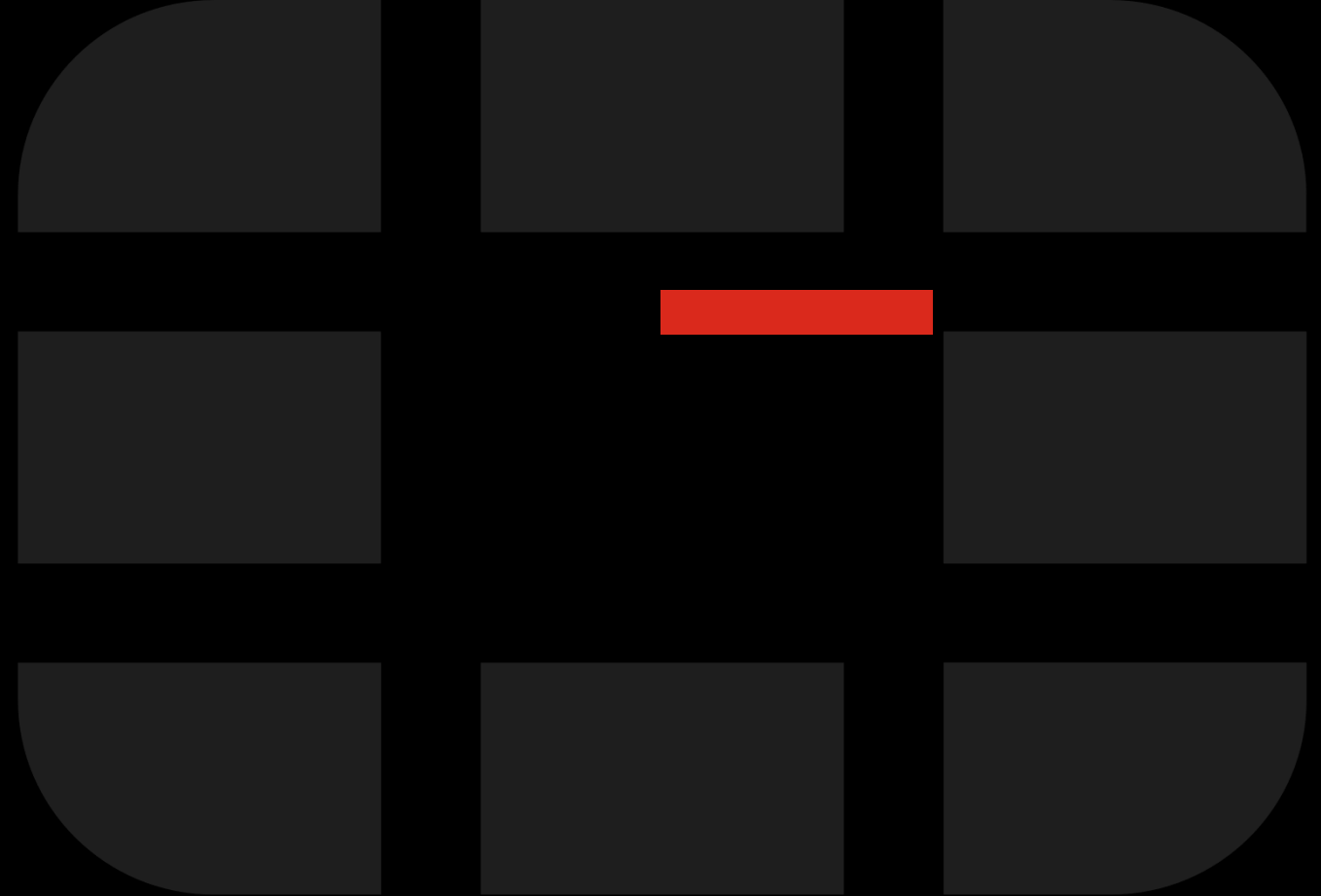
Amounts above are non-GAAP except where GAAP is noted. Our guidance with respect to non-GAAP financial measures excludes stock-based compensation and amortization of acquired intangible assets. We have not reconciled our guidance with respect to non-GAAP financial measures to the corresponding GAAP measures because certain items that impact these measures are uncertain or out of our control or cannot be reasonably predicted. Accordingly, a reconciliation of these non-GAAP financial measures to the corresponding GAAP measures is not available without unreasonable effort.





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Appendix



Reconciliation of Non-GAAP Results to GAAP Results

\$ in millions	2022	2023	2024
Total revenue	\$4,417.4	\$5,304.8	\$5,955.8
Add change in deferred revenue	1,187.4	\$1,094.7	625.9
Less deferred revenue balance acquired in business acquisition	(10.8)	-	(49.2)
Total billings	\$5,594.0	\$6,399.5	\$6,532.5

\$ in millions	2023	2024
GAAP gross profit	\$4,067.6	\$4,798.2
Stock-based compensation	25.1	27.3
Amortization of acquired intangible assets	14.9	15.6
Non-GAAP gross profit	\$4,107.6	\$4,841.1
Non-GAAP gross margin	77.4%	81.3%



Reconciliation of Non-GAAP Results to GAAP Results

\$ in millions	2020	2021	2022	2023	2024	Q2'25 YTD
GAAP research and development expense	\$341.4	\$424.2	\$512.4	\$613.8	\$716.8	\$408.1
Stock-based compensation	(47.6)	(56.7)	(64.2)	(76.8)	(85.9)	(48.1)
Non-GAAP research and development expense	\$293.8	\$367.5	\$448.2	\$537.0	\$630.9	\$360.0

\$ in millions	2020	2021	2022	2023	2024
GAAP operating income	\$531.8	\$650.4	\$969.6	\$1,241.1	\$1,803.4
GAAP operating margin	20%	19%	22%	23%	30%
Stock-based compensation	193.8	211.2	219.8	251.6	260.2
Amortization of acquired intangible assets	13.3	18.5	23.3	18.9	23.1
Litigation related matter	(0.7)	-	-	-	3.2
Gain on IP matter	(40.2)	(4.6)	(4.6)	(4.6)	(4.6)
Non-GAAP operating income	\$698.0	\$875.5	\$1,208.1	\$1,507.0	\$2,085.3
Non-GAAP operating margin	27%	26%	27%	28%	35%



Reconciliation of Non-GAAP Results to GAAP Results

\$ in millions	2022	2023	2024
GAAP Cash Flow from Operations	\$1,730.6	\$1,935.5	\$2,258.1
Less: Purchases of Property and Equipment	(281.2)	(204.1)	(378.9)
Free Cash Flow	\$1,449.4	\$1,731.4	\$1,879.2
Add: Real Estate Related Add Backs	195.1	126.9	328.7
Adjusted Free Cash Flow	\$1,644.5	\$1,858.3	\$2,207.9
Adjusted Free Cash Flow Margin	37%	35%	37%



The image features the Fortinet logo centered on a black background. The logo consists of the word "FORTINET" in a bold, white, sans-serif font. The letter "O" is stylized with a red and white grid pattern. Surrounding the logo are several abstract geometric shapes: a red horizontal bar in the top left, a red horizontal bar in the top right, a red horizontal bar in the bottom left, a red horizontal bar in the middle right, a dark gray square in the bottom right, a dark gray square with a white grid pattern in the bottom right, and a dark gray vertical bar in the bottom right. The background is filled with a grid of dark gray squares, some of which are semi-circular at the top or bottom edges.

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