



FORTINET®

Q1 2026 Earnings Presentation

May 6, 2026



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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, changing interest rates or reduced information technology spending; supply chain challenges; negative impacts from global conflicts and their related macroeconomic effects; 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 inflation and changing interest rates in certain geographies and the war in Ukraine, tensions between China and Taiwan or conflicts in the Middle East; 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, tensions between China and Taiwan or conflicts in the Middle East, 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.



Q1'26 Key Financial Highlights

31%

Y/Y Billings
Growth

20%

Y/Y Total Revenue
Growth

41%

Y/Y Product Revenue
Growth

63%

Y/Y Growth in Value
of Deals >\$1M

36%

Operating Margin
(Non-GAAP)

58%

Adjusted Free Cash
Flow Margin



Outperforming the Market Across All Three Pillars

Secure Networking



Firewall



LAN



WLAN



Converge security and networking to protect every edge and device

\$65B

'25-'29 CAGR: +7%

Q1'26 Billings Growth: +32%
(66% of total billings)

Unified SASE



SD-WAN



SSE



Cloud Security



Unified networking & security providing consistent security, flexible deployment, and lower TCO

\$79B

'25-'29 CAGR: +18%

Q1'26 Billings Growth: +31%
(25% of total billings)

AI-Driven Security Operations



SOC



Data Security



CTEM



The broadest and most integrated security operations platform

\$166B

'25-'29 CAGR: +10%

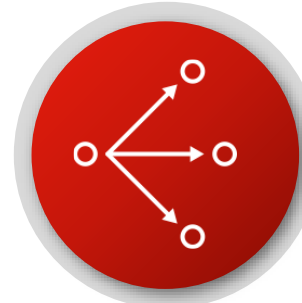
Q1'26 Billings Growth: +23%
(9% of total billings)



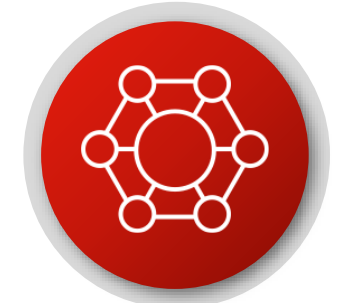
Market Leader Across Major Security and Networking Categories



Network Security



SD-WAN



SASE



Operational
Technology



SecOps

Security at Scale

\$8.0B+
LTM Billings

Built to Last

**GAAP
Profitable
Every Year
Since 2009 IPO**

Proven at Scale

900K+
Lifetime
Customers

#1 in Innovation

1,430
Patents

Worldwide Scale, Support

15,000+
Employees
110,000+
Partners

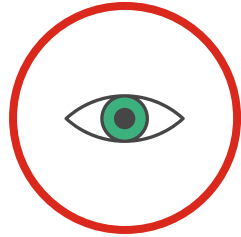
Top-Tier Public Company

**NASDAQ 100
S&P 500**



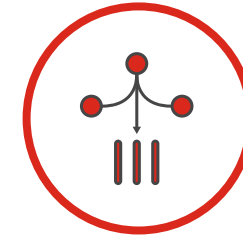
Strong Long-Term Secular Tailwinds and Fortinet Differentiation

Durable growth opportunities driven by a heightened threat environment, including increased cyberwarfare



Expanding Attack Surfaces

AI, OT, Edge



Consolidation / Integration / Convergence

Reducing Complexity

Secure Networking

- #1 leader in firewall units shipped
- FortiOS, our single operating system and management console that unifies networking and security
- FortiASIC, which delivers 5x to 10x better performance than our competitors, while lowering total cost of ownership and energy consumption

Unified SASE

- Only vendor to natively integrate Next-Gen Firewall SD-WAN and SASE on a single operating system
- FortiOS allows expansion from SD-WAN to SASE in minutes
- Owned infrastructure reduces total cost of ownership to roughly 1/3 of peers
- Larger TAM due to Sovereign SASE and hardware agents

AI-Driven Security Operations

- Broad portfolio of solutions
- Focused on organic innovation and tightly integrated and embedded throughout FortiOS
- 20+ AI-driven solutions with 500+ issued and pending AI patents



AI is Accelerating the Convergence of Networking and Security

NETWORKING

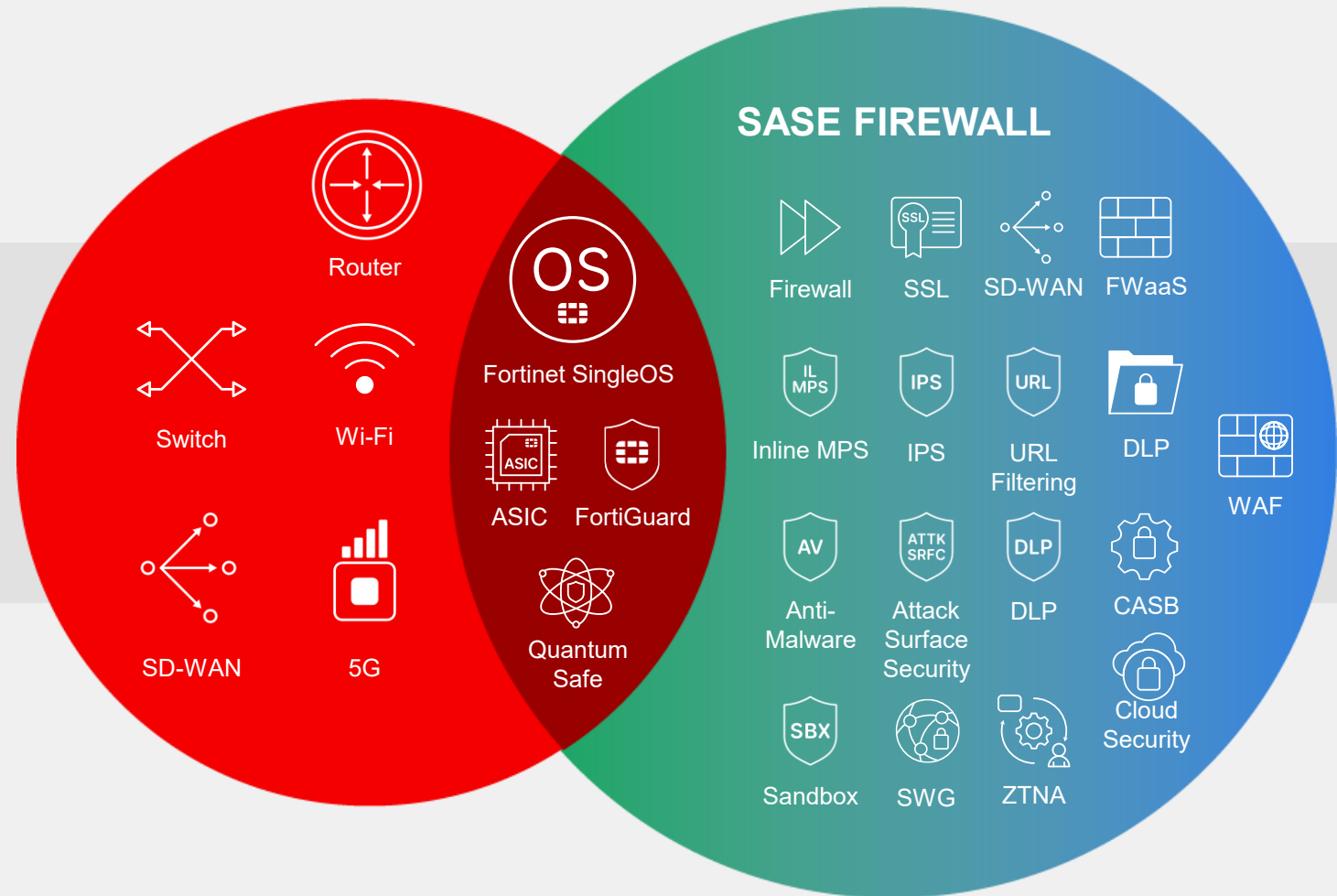
SECURITY

Vendor Consolidation
Better Integration

Better Security
Posture

Lower
TCO

Simplified
Operations



FortiGate 400G & 3500G Firewalls to Secure AI from the Data Center to the Edge

Deliver ASIC-accelerated performance, flexible connectivity, and hardware-enforced integrity protections to eliminate tradeoffs between scale and security

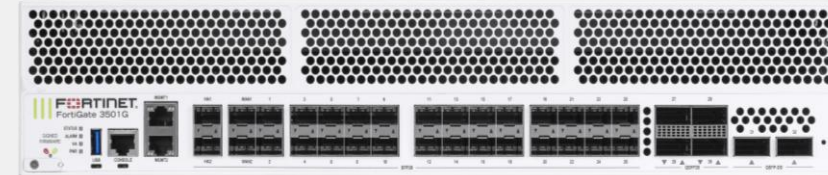
FortiGate-400G

Driving Growth and Platform Expansion for the Enterprise Campus Environment



FortiGate-3500G

Data Center Firewall Designed to Scale with AI-Driven Traffic



Secure Compute Rating (SCR)

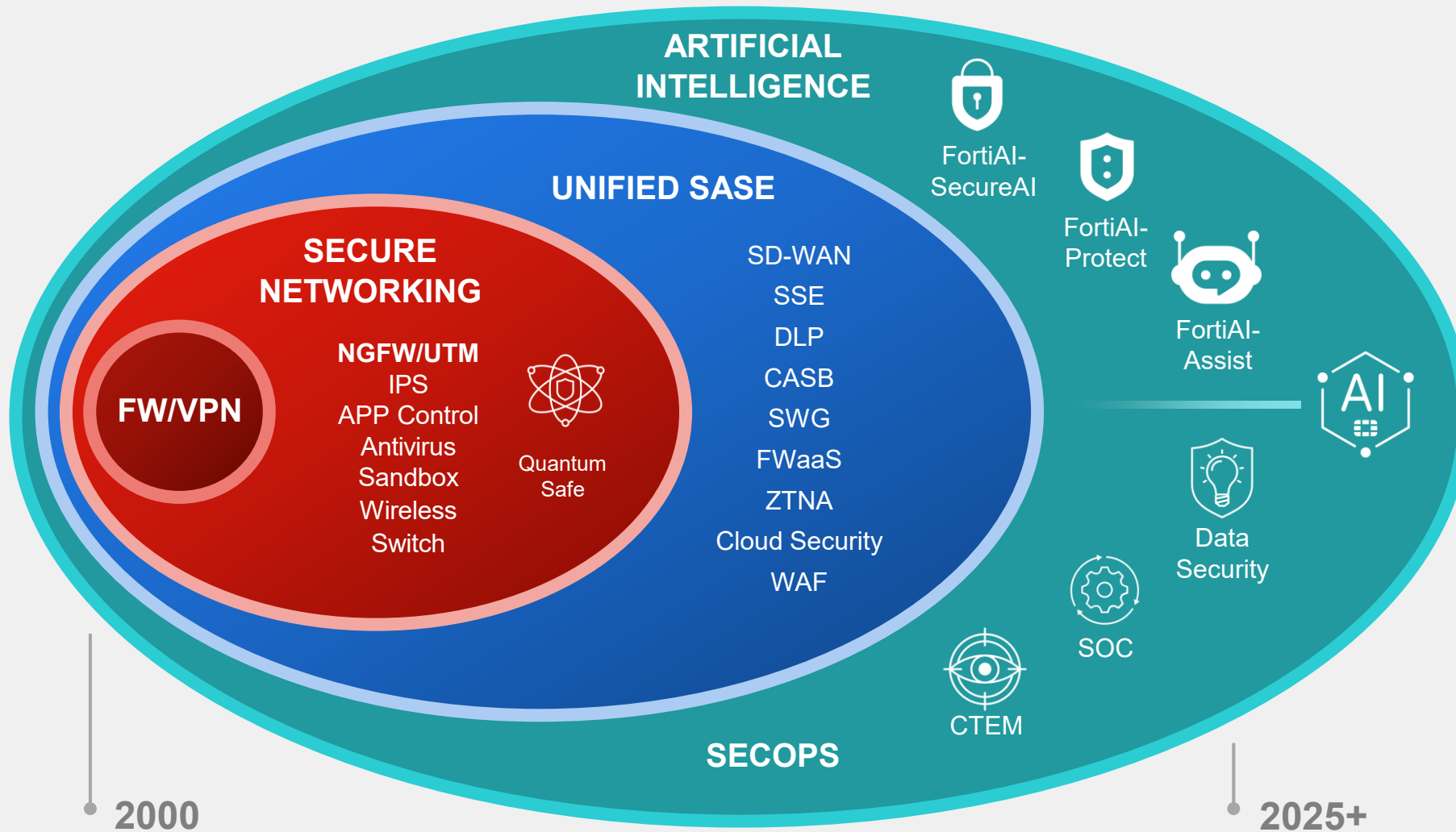
Specification	FortiGate 400G	Security Compute Rating	Competitors Average	PAN PA-3410	Cisco Firepower 3110	Check Point Quantum 9200	Juniper SRX 1600
Firewall Throughput (Gbps)	164.0	5.7x	29.0	14.0	18.0	60.0	24.0
IPSec VPN Throughput (Gbps)	55.0	3.4x	16.1	6.6	11.0	28.6	18.0
Threat Protection (Gbps)	13.0	1.7x	7.8	7.5		8.0	
Concurrent Sessions	28M	13.7x	2M	1.4M	2M	2.75M	2M
Power Consumption	FortiGate 400G	Energy Efficiency	Competitors Average	PAN PA-3410	Cisco Firepower 3110	Check Point Quantum 9200	Juniper SRX 1600
Watts/Gbps Firewall Throughput	1.7	6.3x	10.9	12.1	22.2	2.3	6.8
Watts/Gbps Ipsec VPN Throughput	5.1	4x	19.0	25.8	36.4	4.9	9.0

Specification	FortiGate 3500G	Security Compute Rating	Competitors Average	PAN PA-5540	Cisco Firepower 4125	Check Point 29100	Juniper SRX 4300
Firewall Throughput (Gbps)	595.0	3.4x	173.3	150.0	80.0	365.0	98.0
IPSec VPN Throughput (Gbps)	163.0	2.2x	74.0	80.0	19.0	103.0	94.0
Threat Protection (Gbps)	105.0	1.4x	75.0	90.0		60.0	
Concurrent Sessions	179M	6.9x	26M	39M	25M	30M	10M
Power Consumption	FortiGate 3500G	Security Compute Rating	Competitors Average	PAN PA-5540	Cisco Firepower 4125	Check Point 29100	Juniper SRX 4300
Watts/Gbps Firewall Throughput	1.6	6.1x	10.0	15.4	13.8	2.4	8.7
Watts/Gbps Ipsec VPN Throughput	6.0	4.4x	26.0	28.8	57.9	8.3	9.0



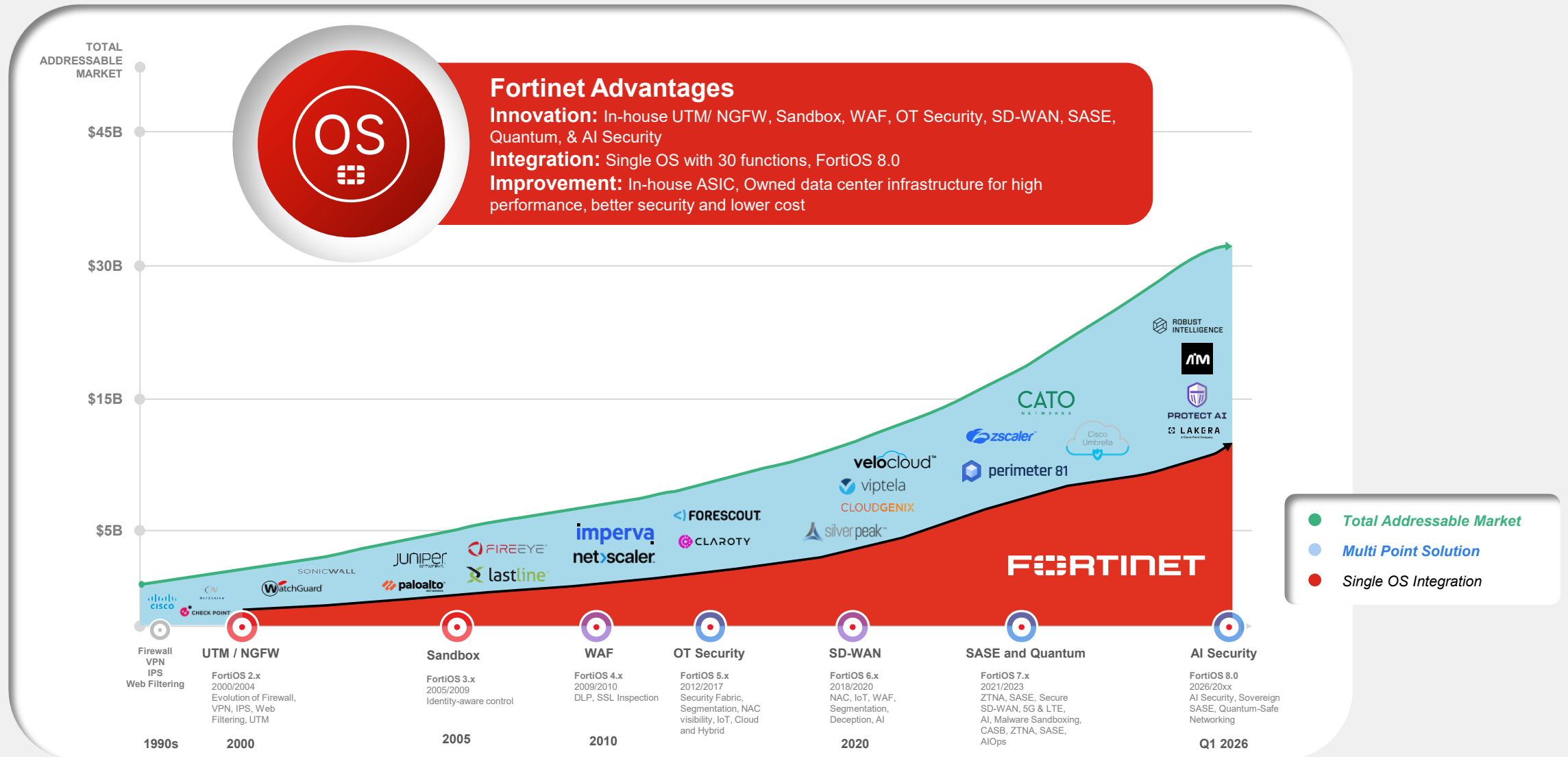
25 Years of Innovation Using ONE Security OS

FortiOS 8.0 innovations in AI, SD-WAN, SASE, and OT



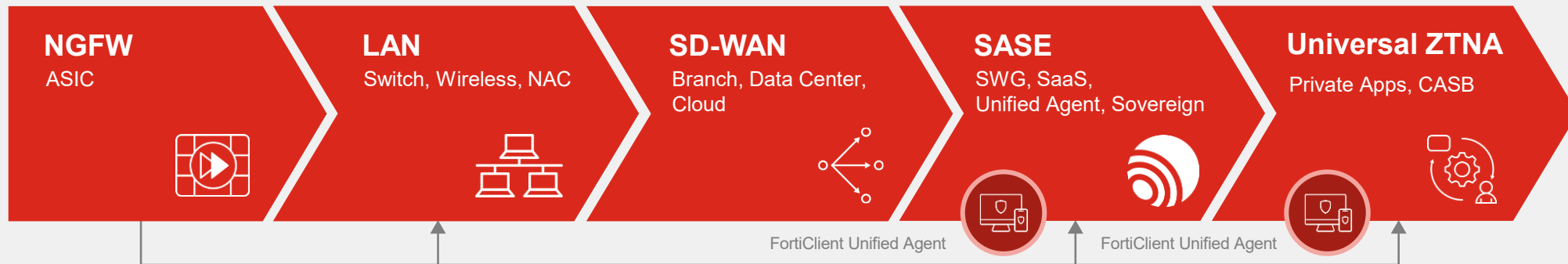
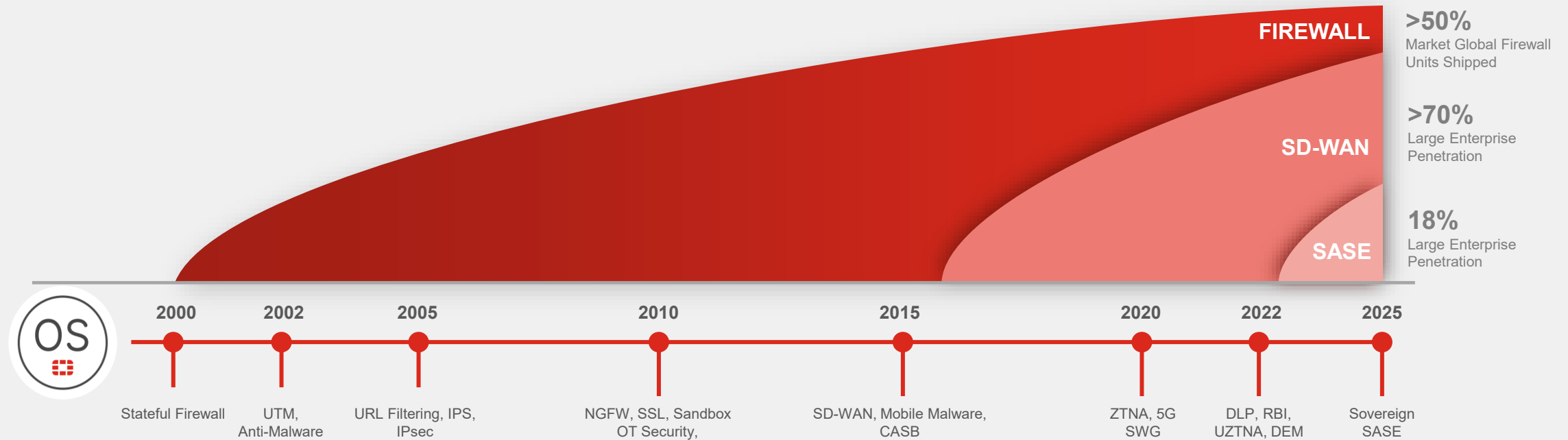
Fortinet Leading Network Security Market with Innovations in FortiOS

Growing faster than the network security market through Three I's-Innovation, Integration, and Improvement



Source: Gartner, IDC, Fortinet estimates

The Fortinet Journey: A Seamless Security Evolution



Fortinet Delivers

- Unified management
- Vendor consolidation
- Consistent security
- Lower costs and higher performance



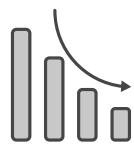
The Most Deployed and Most Validated Secure SD-WAN Solution

More Secure and Reliable



Only vendor to run NGFW & SD-WAN integrated natively on a single OS & one appliance

Network Stability
Vendor Consolidation



Reduction in network disruption
65%

Reduce Cost



Only vendor with ASIC to Accelerate Secure SD-WAN functions with no license

Better Performance
Lowest Power Consumption
Lower TCO



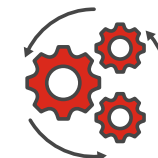
ROI
300%

Simplified Operations



Only vendor to provide centralized policy management and autonomous architecture

Single Pane Management
Day Zero Provisioning at Scale
High Availability



Increase productivity of security & network teams
50%

How Fortinet Delivers

Customer Benefit

Proven Results



Fastest Growing SASE Leader at Scale

Best Value & Security



~200 global cloud locations with 5M sqft facilities delivering the best security with the highest ROI

Lower TCO
Highest Availability

1/3

the Cost

Easy to Adopt



Single OS across (1) firewall, (2) SD-WAN, and (3) SASE

Expand from SD-WAN in minutes

3 to 1

Vendor Consolidation

Broadest Solution



3 Ways to Deploy
Cloud | On-prem | Sovereign

3 Choices of Cloud
Fortinet | Co-location | Public Cloud

3 Ways to Consume
SaaS | Hardware | EA

3 x 3

Broadest Most Flexible Offering

How Fortinet Delivers

Customer Benefit

Proven Results



New SD-WAN and SASE All-in-One Service Bundles at Less Than 1/3 of the Individual Service Pricing

Upsell bundle for existing FGT customers 35% of FGT pricing

Consolidates 4 individual services into one service bundle (**with % of FortiGate model price**)

1. SD-WAN Underlay and Application Monitoring Service (**20%**)
2. Secure Private Access (SPA) (**20%**)
3. FortiGate Cloud Management and Overlay-as-a-Service (**40%**)
4. SPA with up to 100 FortiSASE Standard licenses (**35%**)

New FGT customer bundle 50% of FGT pricing

Consolidates 5 individual services and FortiCare Premium into one service bundle (**with % of FortiGate model price**)

1. SD-WAN Underlay and Application Monitoring Service (**20%**)
2. Secure Private Access (SPA) (**20%**)
3. FortiGuard Attack Surface Security Service (**20%**)
4. FortiGate Cloud Management and Overlay-as-a-Service (**40%**)
5. SPA with up to 100 FortiSASE Standard licenses (**35%**)
6. FortiCare Premium included (**20%**)

Business Outcomes

- Simplified Operations
 - Extend to SASE in minutes
 - Accelerate troubleshooting
 - Improve security posture
 - Rapid interconnection
-
- Deliver Higher Value
 - **35% or 50% of the FortiGate price** for all these services with FortiSASE starter licenses (included with all 60F and above models)
 - **Less than 1/3 of the individual service price** through SKU consolidation and reduced licensing complexity.



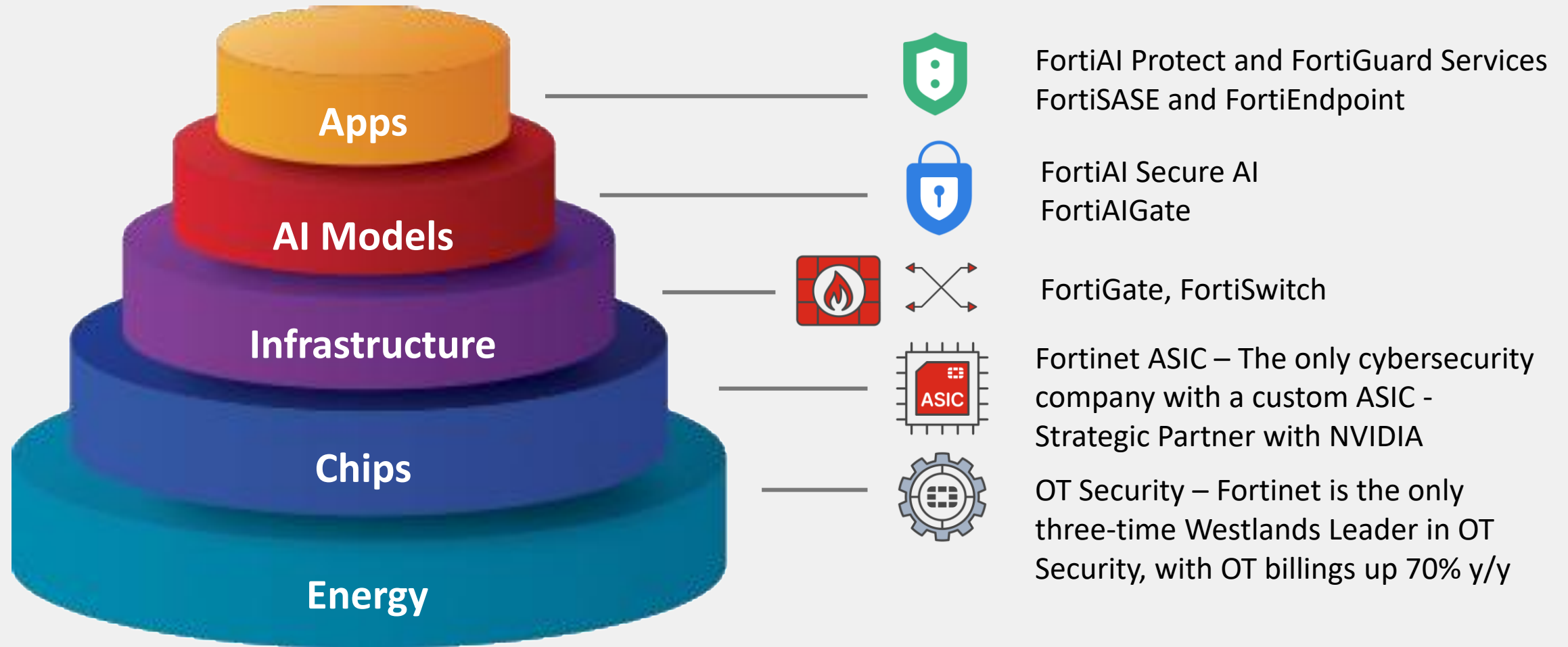
Owned Global Cloud Delivers Control, Performance, & Cost Benefits



- Total Infrastructure**
5M+ sq ft
- Lower TCO**
1/3
Cost savings for customers
- High Availability**
99.999%
FortiSASE SLA Target
- Scale**
~200 global cloud locations.
Flexibility to choose cloud provider.



Protecting AI Infrastructure, Applications, Data, and Users



The Most Integrated – AI Powering 20+ Solutions, with 500+ Patents*



FortiAnalyzer



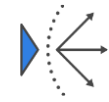
FortiManager



FortiSASE*



FortiAIOps*



FortiADC*



FortiWeb*



FortiNDR



FortiMonitor



FortiGate*



FortiDLP*



FortiCNAPP*



FortiSIEM*



FortiSOAR*



FortiSandbox



FortiCASB



FortiMail



LAN, SD-WAN
Optimization



Threat
Hunting



Automated
Alert Triage



Policy
Creation



Auto
Configuration



Incident Response
Optimization

FortiAI Is Embedded Across



the Security Fabric Platform



Broadest AI-Driven Security Operations

Shrink the
attacker window

86%

Reduction in cyber
incidents

Respond at
machine speed

99%

Faster Response

Maximize SOC
productivity

5x

Improvement in output

FortiAI is embedded across the security fabric with 20+ products powering faster, smarter operations

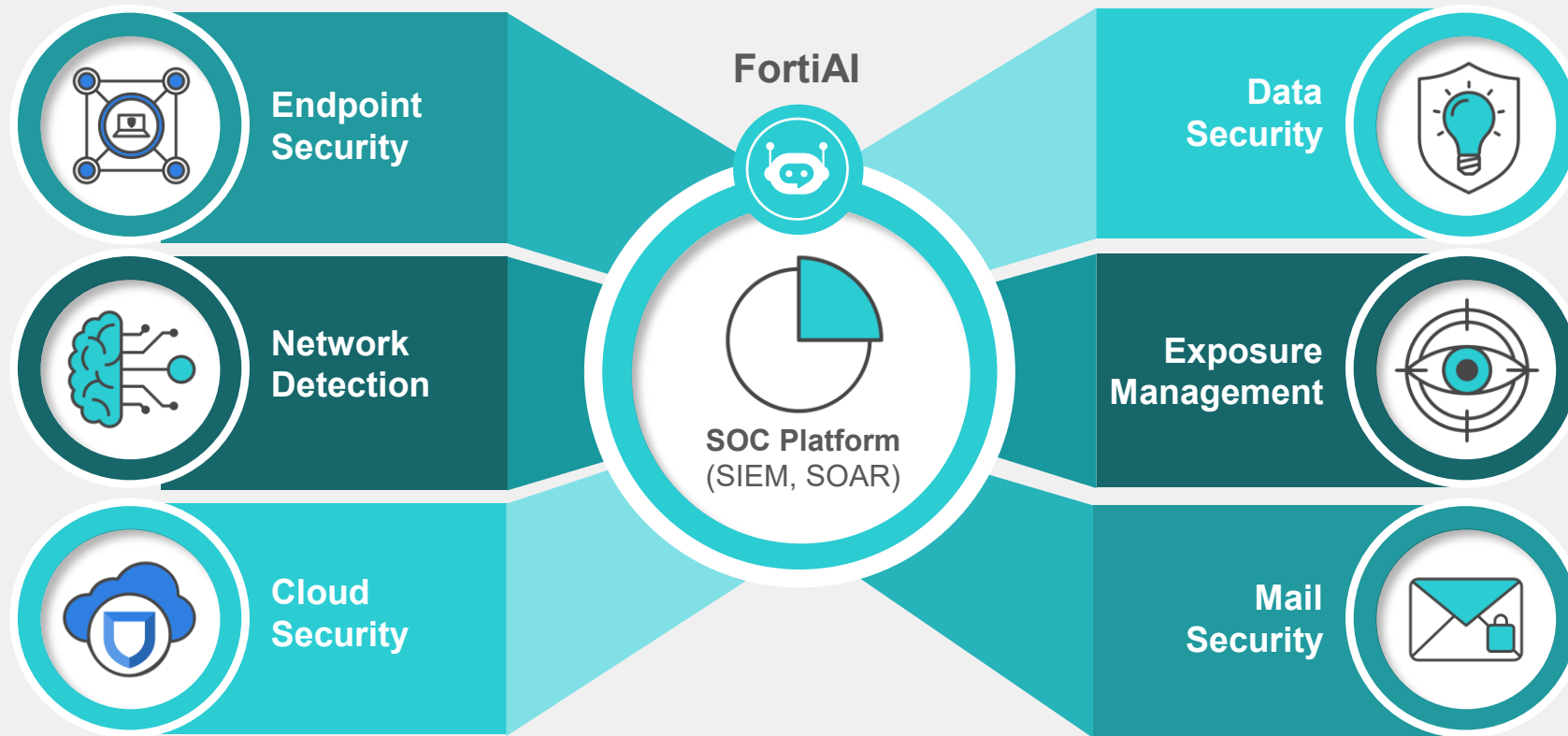


Broadest AI-Driven Security Operations

Delivers deep integrations for faster response

Built on owned infrastructure to deliver better value

Improve productivity with faster detection



Leading the Market with Quantum-Safe Solutions Since 2021



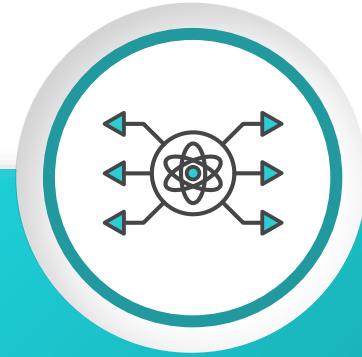
Protect Data Today

“Harvest now, decrypt later” means that quantum strategy is important today.



Interoperable

Standards are in transition, but Fortinet has NIST standardized solutions available already.



Transition Easily

Fortinet expertise and solutions to help you with your quantum migration gradually without complete overhaul.

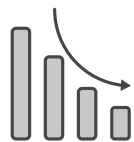
Q1'26 OT Security Billings Grew Over 70% Driven by AI-Infrastructure

Secure Industrial Modernization



Broadest OT Platform spanning secure networking, zero trust, SOC and 3rd party integrations, built for OT

Rapid OT security maturity, ease of deployment and scalability



Reduction in threats
93%

Deep OT Security



Most OT signatures to protect unpatched OT devices, unique automated virtual patching

Immediate protection for unpatched OT devices and risk mitigation with virtual patching



>2x

OT device signatures over the competition

True IT/OT Convergence



Common FortiOS across IT and OT enabling seamless, efficient and secure operations across networks

Simplified user experience, deployment and management across the entire Purdue model



Reduction in TCO

How Fortinet Delivers

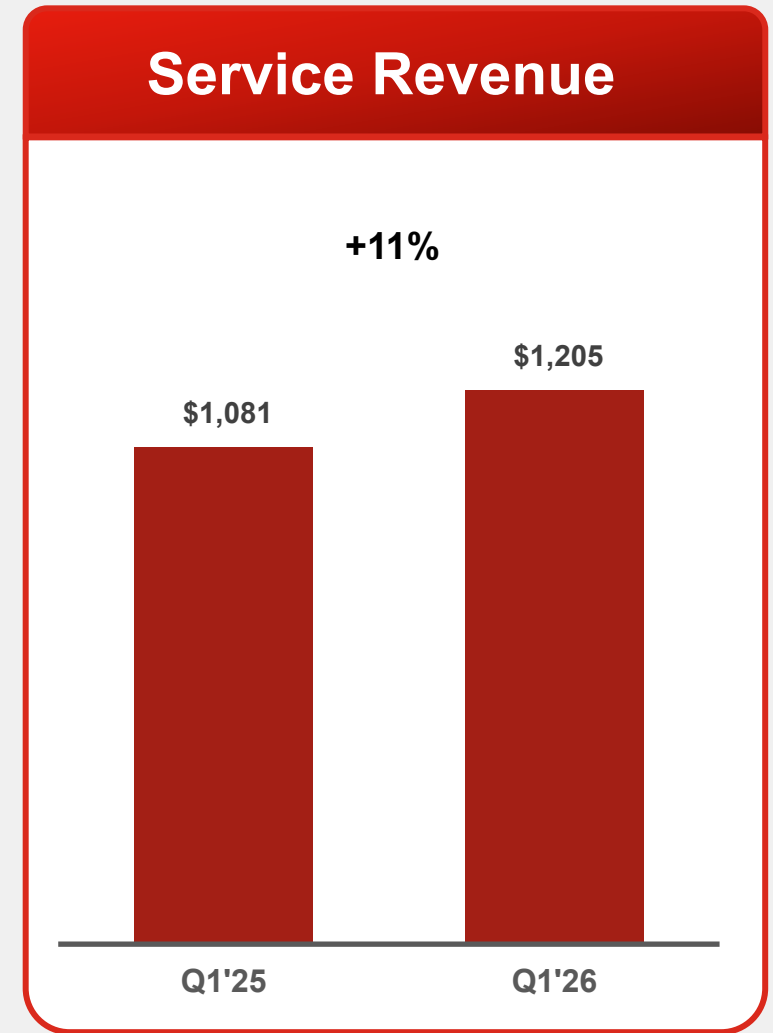
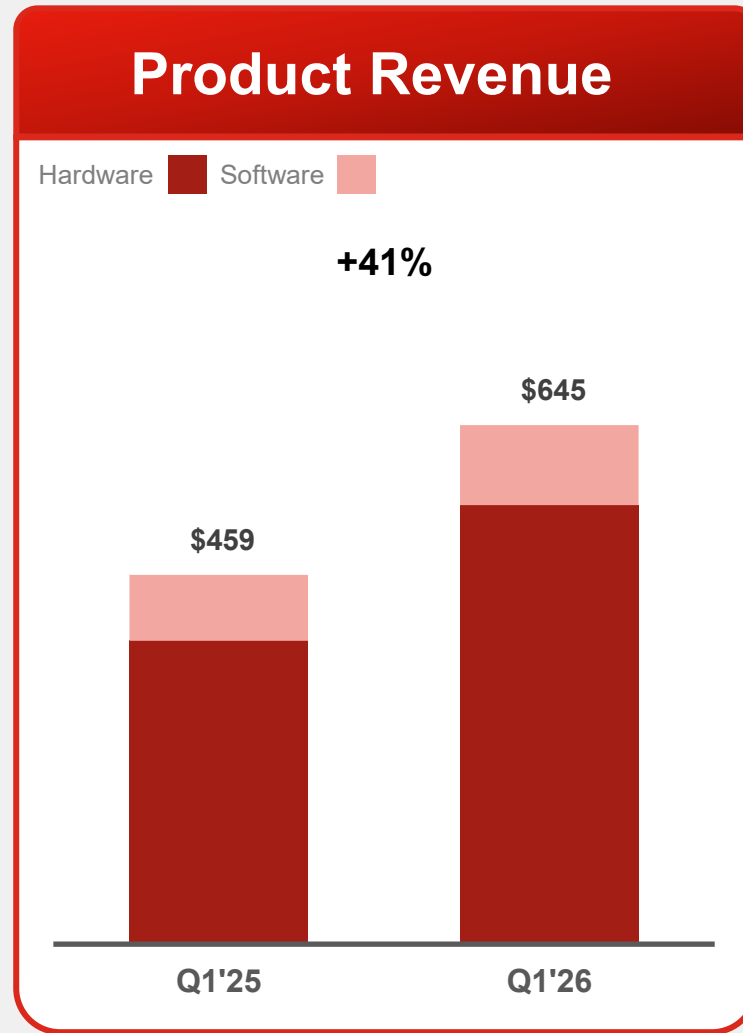
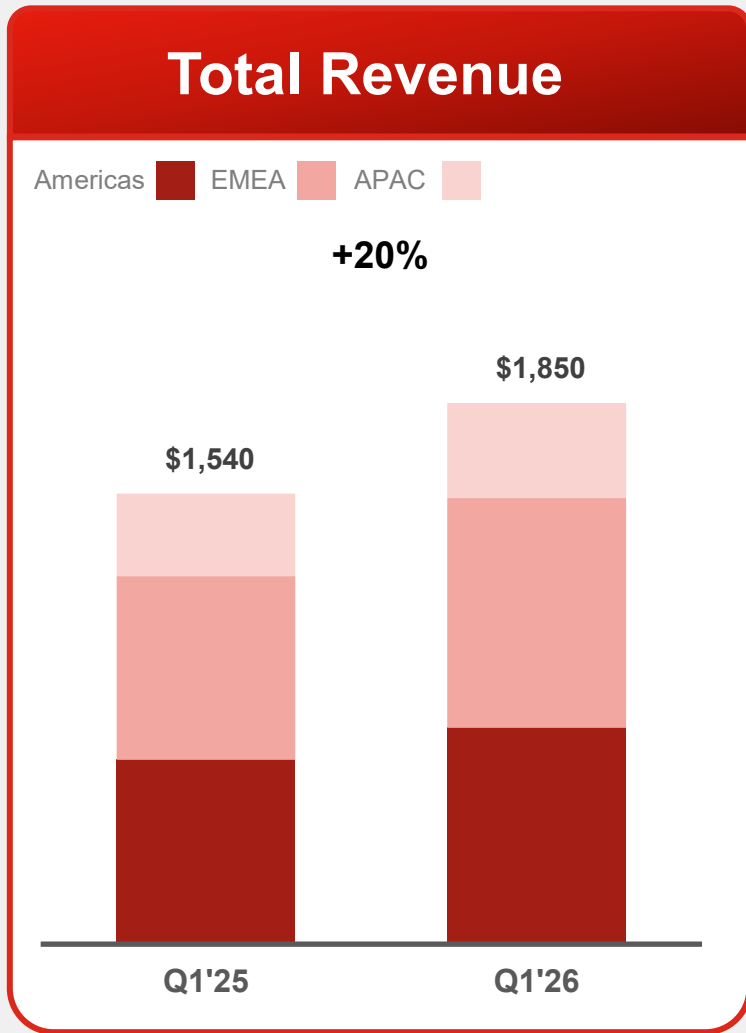
Customer Benefit

Proven Results

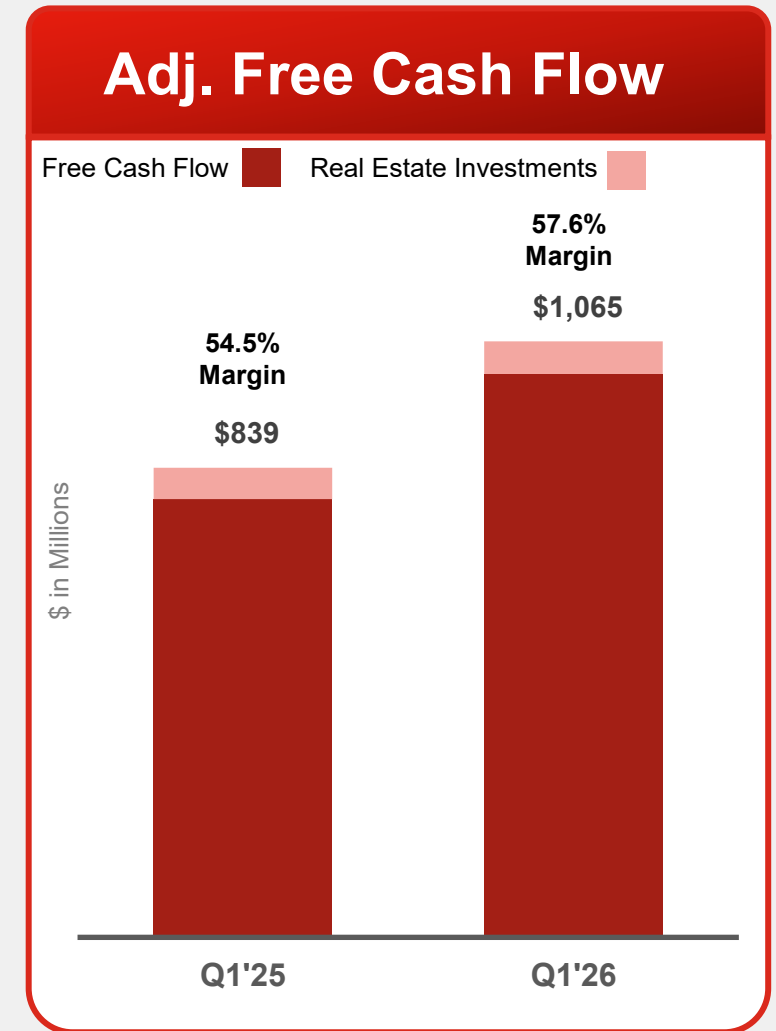
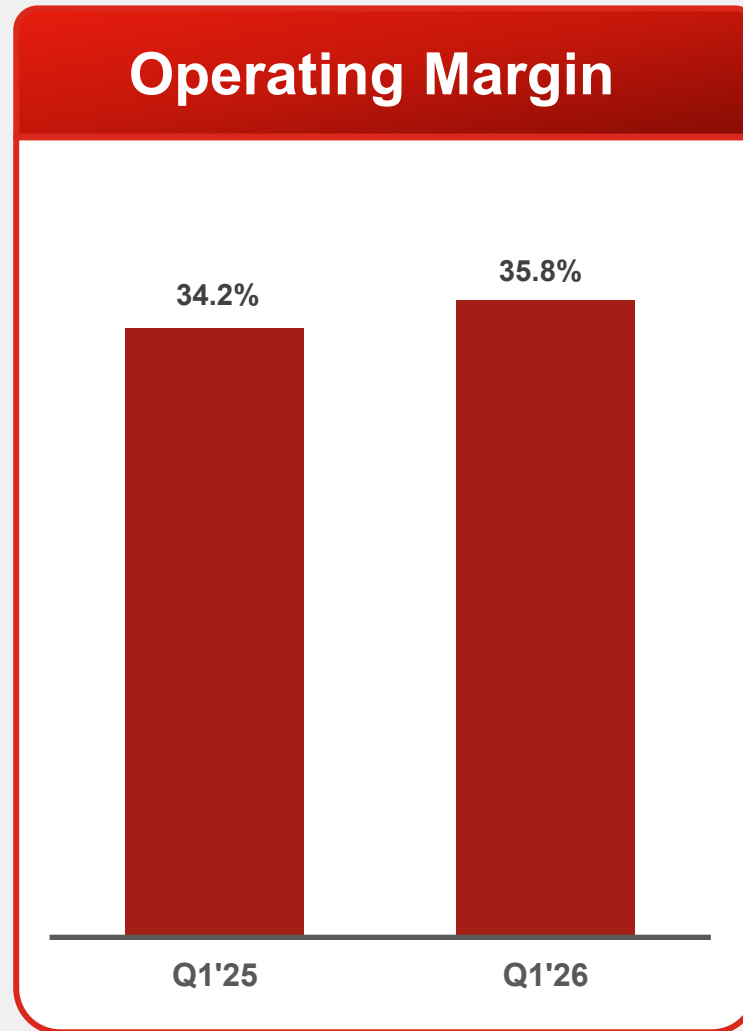
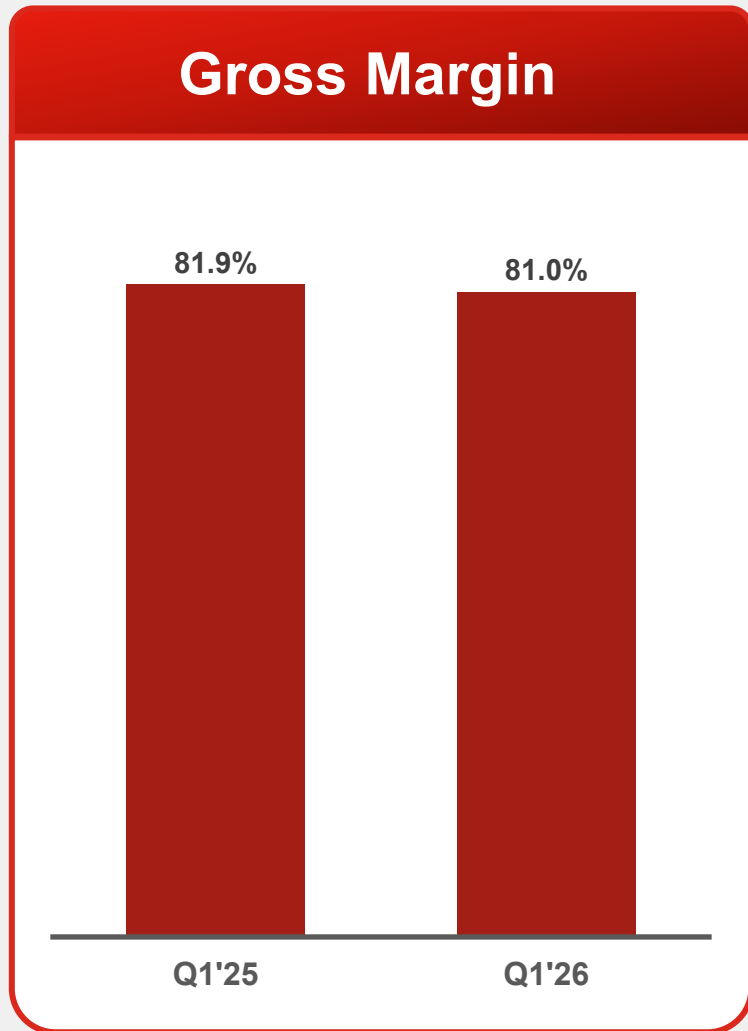


Strong Revenue Growth in the First Quarter

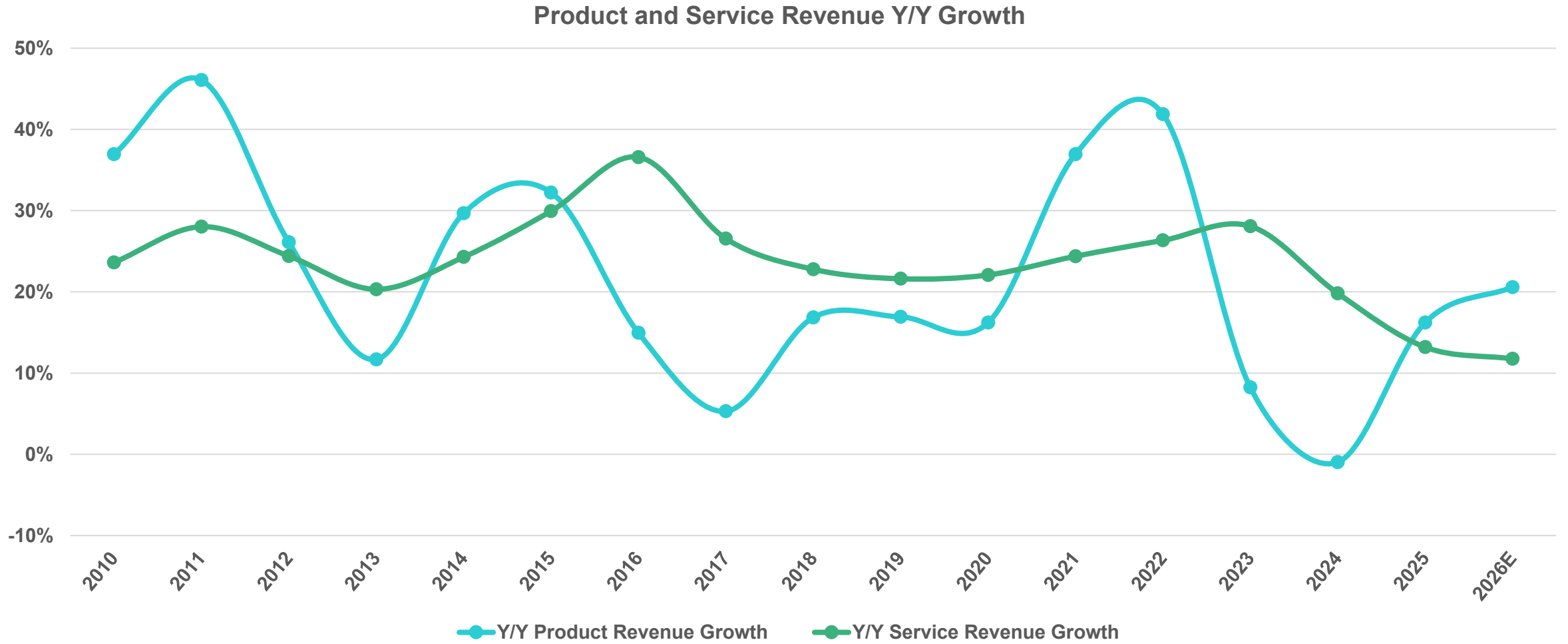
\$ in Millions



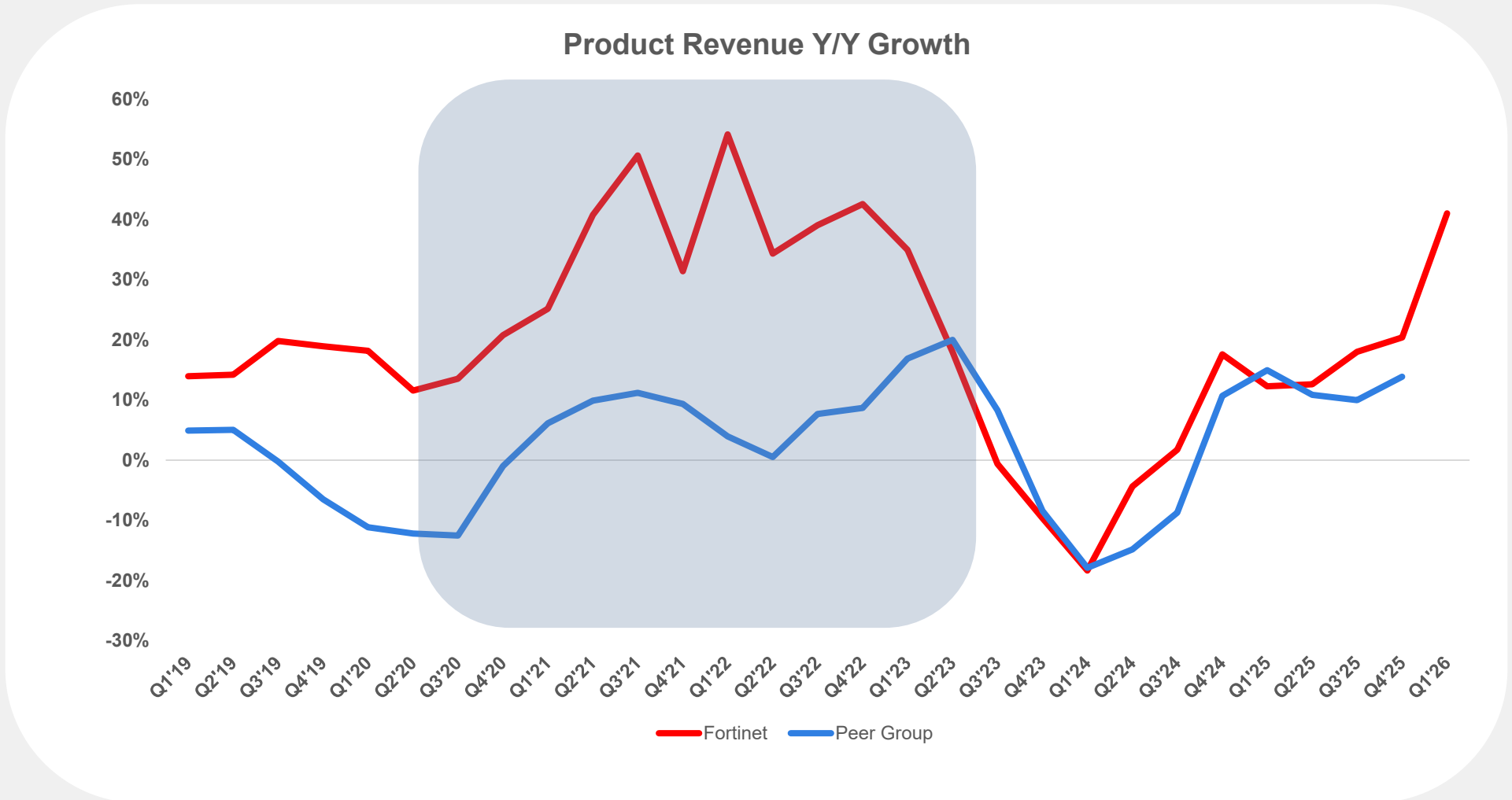
Strong Operating Margin & Record Adj. Free Cash Flow



Product Revenue is a Leading Indicator of Future Service Revenue Growth

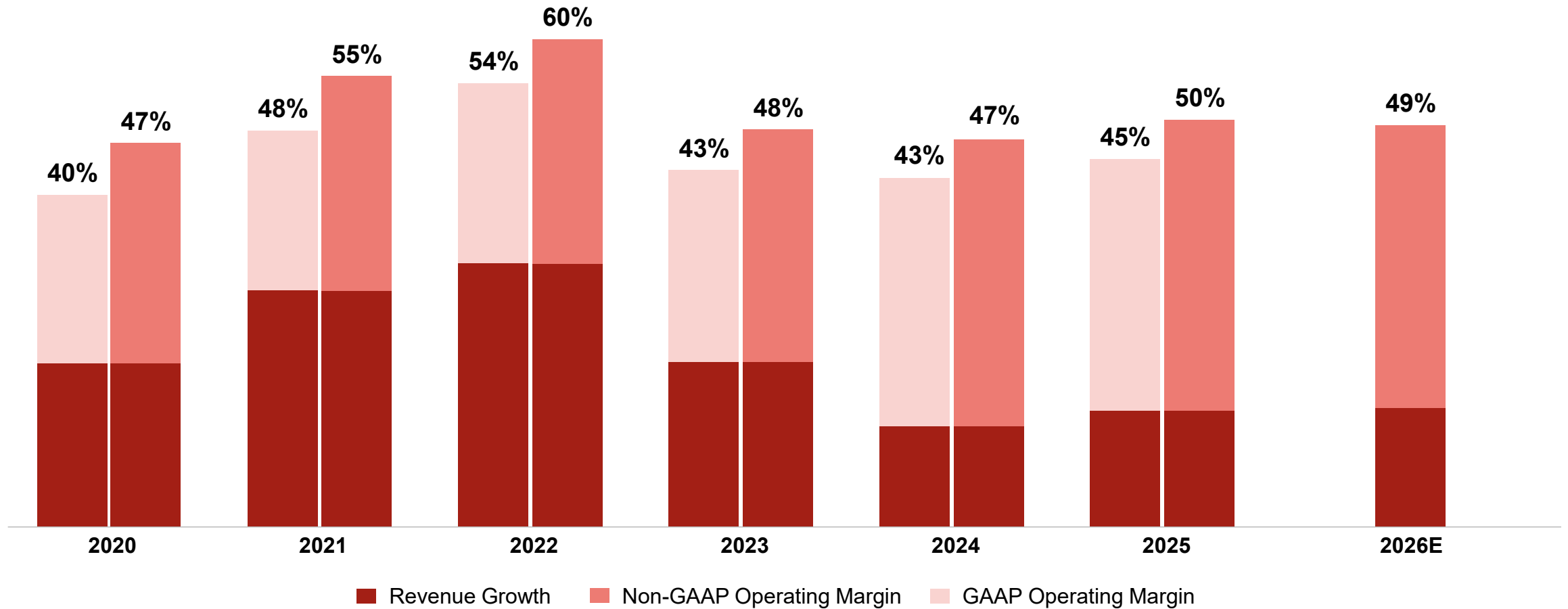


Fortinet Gained Market Share During COVID Supply Chain Disruption



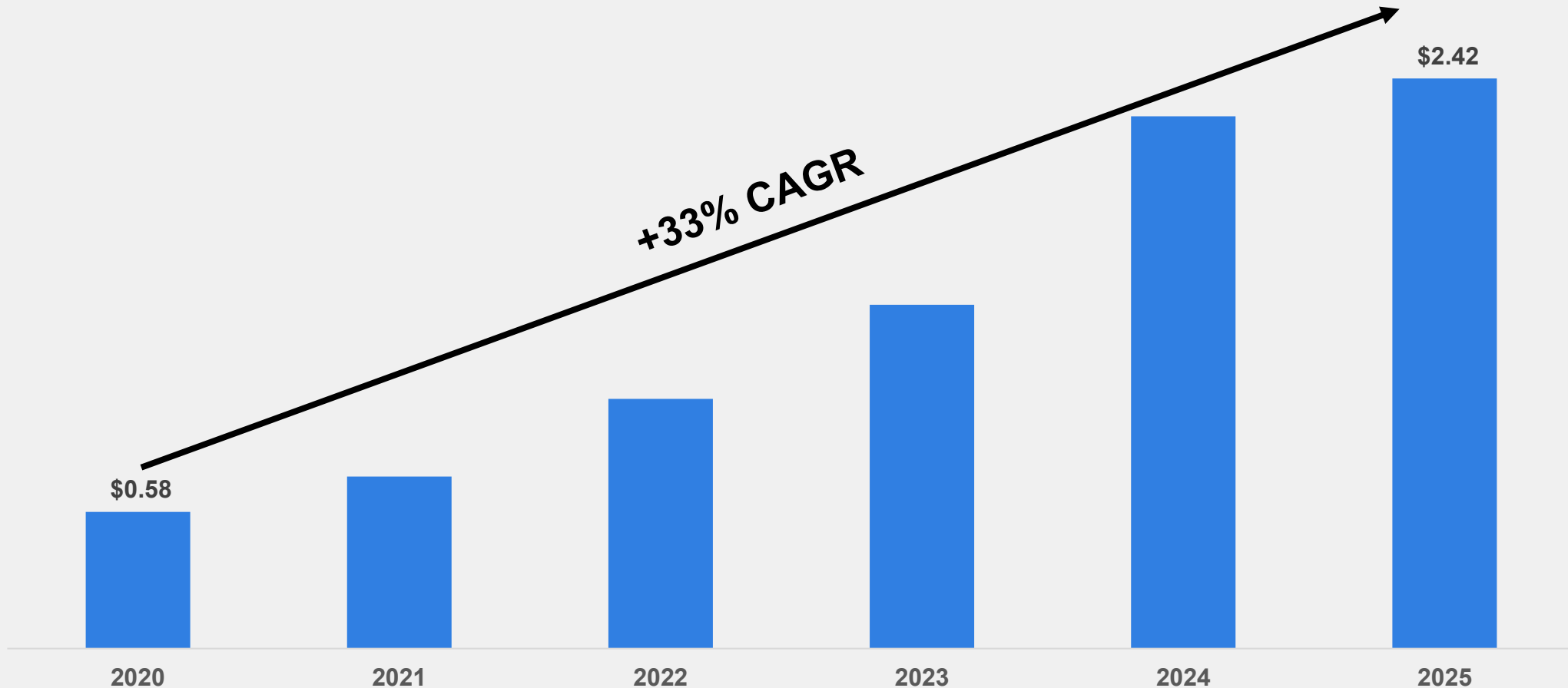
'Rule of 45' — Exceeded 6 Years in a Row

GAAP Profitable Every Year Since IPO



33% GAAP Earnings Per Share CAGR Over the Last 5 Years

GAAP Earnings Per Share



Returned ~\$10 Billion to Shareholders via Share Repurchases Since 2009 IPO

Robust Share Buyback Program



~\$10B

cash returned to shareholders since IPO



\$0.8B

buyback authorization remaining



300M+

shares repurchased since IPO

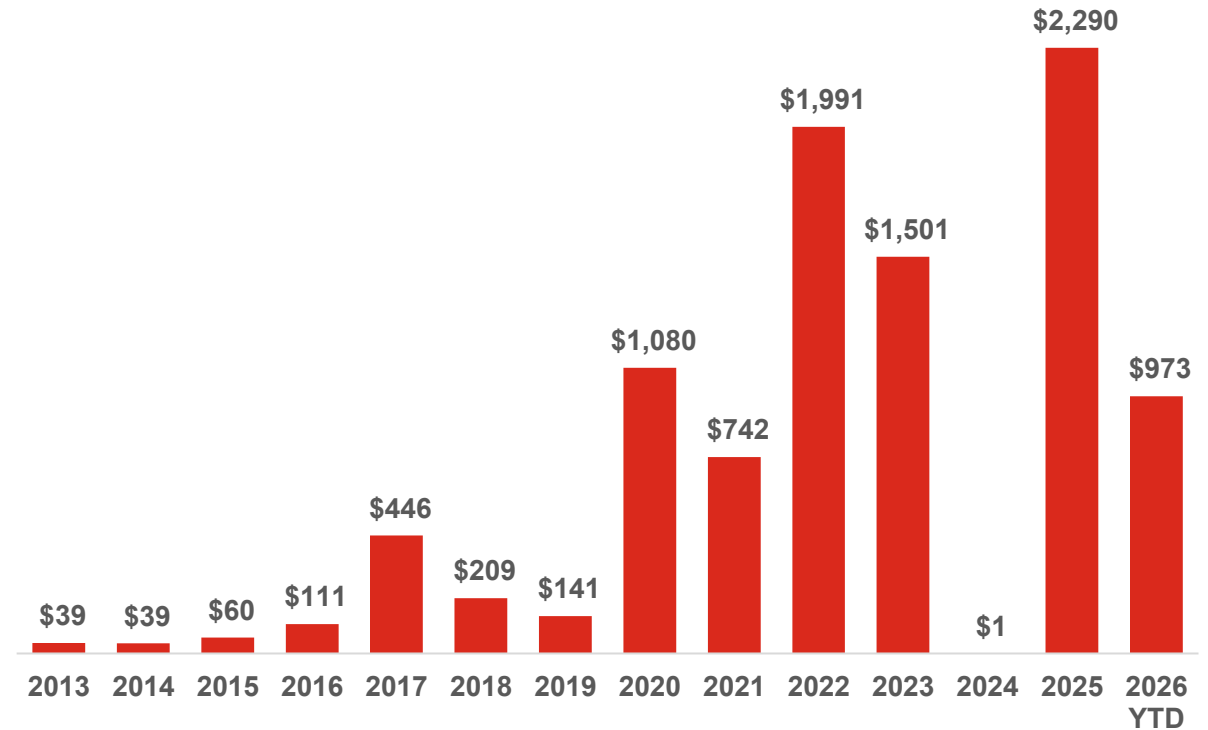


~40%

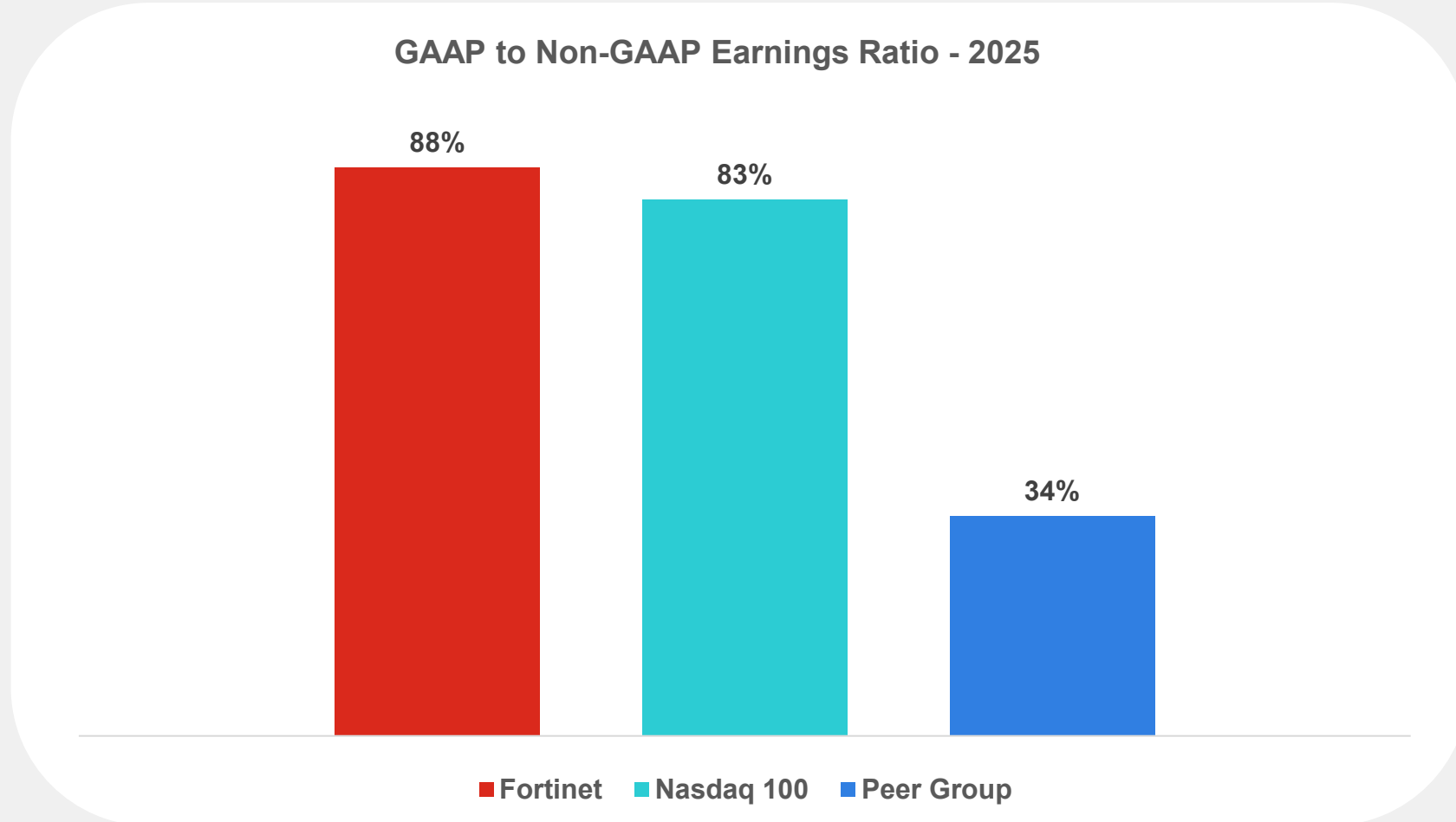
increase in EPS due to repurchases

Cash Paid for Stock Repurchases

\$ In millions



Strong Operational Focus, Disciplined Stock-Based Compensation and Margin Expansion Drives Higher Quality Earnings



Fortinet's higher GAAP to Non-GAAP earnings ratio versus Nasdaq 100 and peers reflects our ability to drive consistent scale and efficiency across OpEx



Q2'26 and Full Year 2026 Guidance (Non-GAAP) ⁽¹⁾

	Q2'26E	2026E
Billings ⁽²⁾	\$2.090B – \$2.190B	\$8.800B – \$9.100B
Y/Y Mid-Pt Growth	20%	18%
Revenue (GAAP)	\$1.830B – \$1.930B	\$7.710B – \$7.870B
Y/Y Mid-Pt Growth	15%	15%
Service Revenue (GAAP)		\$5.090B – \$5.150B
Y/Y Mid-Pt Growth		12%
Gross Margin (%) ⁽³⁾	79.5% – 80.5%	79.0% – 81.0%
Operating Margin (%) ⁽³⁾⁽⁴⁾	33.0% – 35.0%	33.0% – 36.0%
Net Income per Share ⁽³⁾⁽⁴⁾⁽⁵⁾	\$0.72 – \$0.76	\$3.10 – \$3.16
Weighted Diluted Shares Outstanding	736M – 740M	743M – 749M

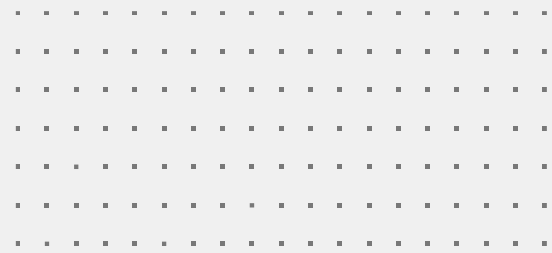
- (1) Guidance for non-GAAP financial measures excludes stock-based compensation, amortization of acquired intangible assets, settlements of litigation related matters, gain on IP matters, gain on bargain purchase, gain from an equity method investment and a tax adjustment required for an effective tax rate on a non-GAAP basis, which differs from the GAAP effective tax rate. 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.
- (2) Billings is a non-GAAP measure that we define as revenue recognized in accordance with GAAP plus the change in deferred revenue from the beginning to the end of the period less any deferred revenue balances acquired from business combination(s) during the period.
- (3) Excludes stock-based compensation and amortization of acquired intangible assets.
- (4) Excludes charges in connection with litigation settlements and gains on IP matters.
- (5) Assumes an effective tax rate of 18% for 2026. We expect cash paid for income taxes to be within the range of \$400 million to \$450 million for 2026.



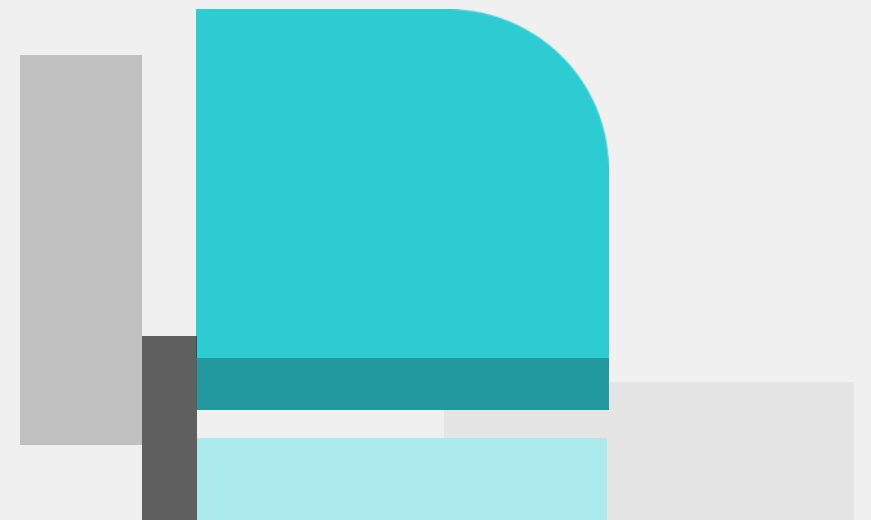
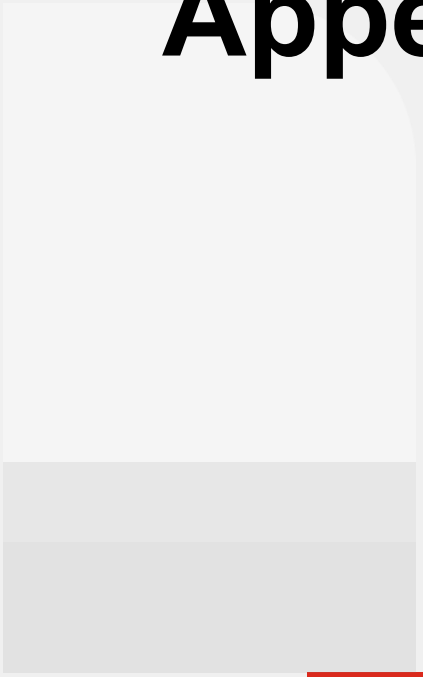
Additional Modeling Points

	Q2'26E	2026E
Cash Paid for Income Taxes	\$160M - \$180M	\$400M - \$450M
Infrastructure Investments	\$50M - \$100M	\$350M - \$550M
Non-GAAP Tax Rate	18%	18%





Appendix



Historical Billings and ARR for Unified SASE and Security Operations

(\$ in millions)	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	2023	2024	2025
Annual Recurring Revenue (ARR)												
Unified SASE	\$940	\$968	\$1,107	\$1,151	\$1,183	\$1,186	\$1,224	\$1,278	\$1,326			
Y/Y Growth	27%	22%	32%	28%	26%	23%	11%	11%	12%			
AI-Driven Security Operations	\$319	\$328	\$363	\$405	\$416	\$443	\$473	\$491	\$508			
Y/Y Growth	36%	32%	34%	32%	30%	35%	30%	21%	22%			
Billings												
Unified SASE												
% of Total Billings	23%	23%	25%	22%	25%	24%	26%	27%	25%	21%	24%	25%
Y/Y Growth	10%	14%	21%	16%	21%	17%	16%	40%	31%		15%	24%
Security Operations												
% of Total Billings	9%	9%	9%	12%	10%	11%	11%	11%	9%	9%	10%	11%
Y/Y Growth	22%	32%	30%	7%	19%	35%	39%	6%	23%		19%	22%



Reconciliation of Non-GAAP Results to GAAP Results

(\$ in millions)	Q1'25	Q1'26
Total revenue	\$1,539.7	1,849.6
Add: Change in deferred revenue	57.5	235.7
Total billings	\$1,597.2	\$ 2,085.3
GAAP Cash Flow from Operations	\$863.3	\$ 1,077.1
Less: Purchases of Property and Equipment	(66.5)	(70.6)
Less: Proceeds from intellectual property matter	(14.0)	—
Free Cash Flow ⁽¹⁾	\$782.8	\$ 1,006.5
Add: Real Estate Related Add Backs	56.2	58.5
Adjusted Free Cash Flow ⁽²⁾	\$839.0	\$ 1,065.0
Adjusted Free Cash Flow Margin	54.5%	57.6%
GAAP total gross profit	\$1,246.6	\$ 1,485.1
Stock-based compensation	7.0	7.7
Amortization of acquired intangible assets	6.7	5.8
Non-GAAP total gross profit	\$1,260.3	\$ 1,498.6
Non-GAAP gross margin	81.9%	81.0%
GAAP operating income	\$453.8	\$ 580.0
Stock-based compensation	66.9	73.2
Amortization of acquired intangible assets	11.8	10.3
Gain on IP matters	(6.3)	(1.4)
Non-GAAP operating income	\$526.2	\$ 662.1
Non-GAAP operating margin	34.2%	35.8%



Notes

(1) Free Cash Flow is a non-GAAP measure that we define as net cash provided by operating activities minus purchases of property.

(2) Adjusted Free Cash Flow is a non-GAAP measure that we define as Free Cash Flow plus cash payments associated with real estate related purchases.

Reconciliation of Non-GAAP Results to GAAP Results

(\$ in millions)	Q1'25	Q1'26
GAAP net income per share, diluted	\$0.56	\$0.72
Stock-based compensation	0.09	0.10
Amortization of acquired intangible assets	0.01	0.01
Gain on IP matters	(0.01)	—
Gain on bargain purchase	(0.05)	—
Tax adjustment	(0.01)	(0.01)
Gain from equity method investment	(0.01)	—
Non-GAAP net income per share, diluted	\$0.58	\$0.82

