

# Q2'16 RESULTS

AUGUST 4, 2016

# SAFE HARBOR STATEMENT

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on management's beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning: possible or assumed future results of operations, financial metrics and goals; our path to profitability; our restructuring plan and reduction in workforce, the size of the cost reduction and the amount and timing of the related restructuring charges; impacts of our restructuring and changes in sales leadership; our priorities, plans, initiatives and investments; threat landscape; industry environment; customer buying preferences; growth drivers; competitive position; market opportunities; future and enhanced offerings; and the effects of competition.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would" or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. You should read our filings with the SEC, including the Risk Factors set forth therein, completely and with the understanding that our actual future results may be materially different from what we expect. Except as required by law we assume no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Any future offering, feature, or related specification that may be referenced in this presentation is for information purposes only and is not a commitment to deliver any offering, technology or enhancement. We reserve the right to modify future product and service plans at any time.

This presentation includes certain non-GAAP financial measures as defined by the SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the appendix.

# Q2'16 FINANCIAL RESULTS

*Mike Berry*

*EVP, Chief Financial Officer and  
Chief Operating Officer*

## Q 2 ' 1 6 R E S U L T S

**\$196**

Million in Q2 Billings <sup>1</sup>

**+10%**

Growth Y/Y

**+21%**

Recurring  
Subscription &  
Support Billings

**\$175**

Million in Q2 Revenue

**+19%**

Growth Y/Y

**+52%**

Recurring  
Subscription &  
Support Revenue

**308**

New Customers

**>5,000**

Customers

**>940**

Forbes  
Global 2000

**40**

Transactions  
>\$1M

**>90%**

included  
multiple products

**>33%**

included  
3 or more products

1. Billings are a non-GAAP metric. See appendix for reconciliation to GAAP revenue.

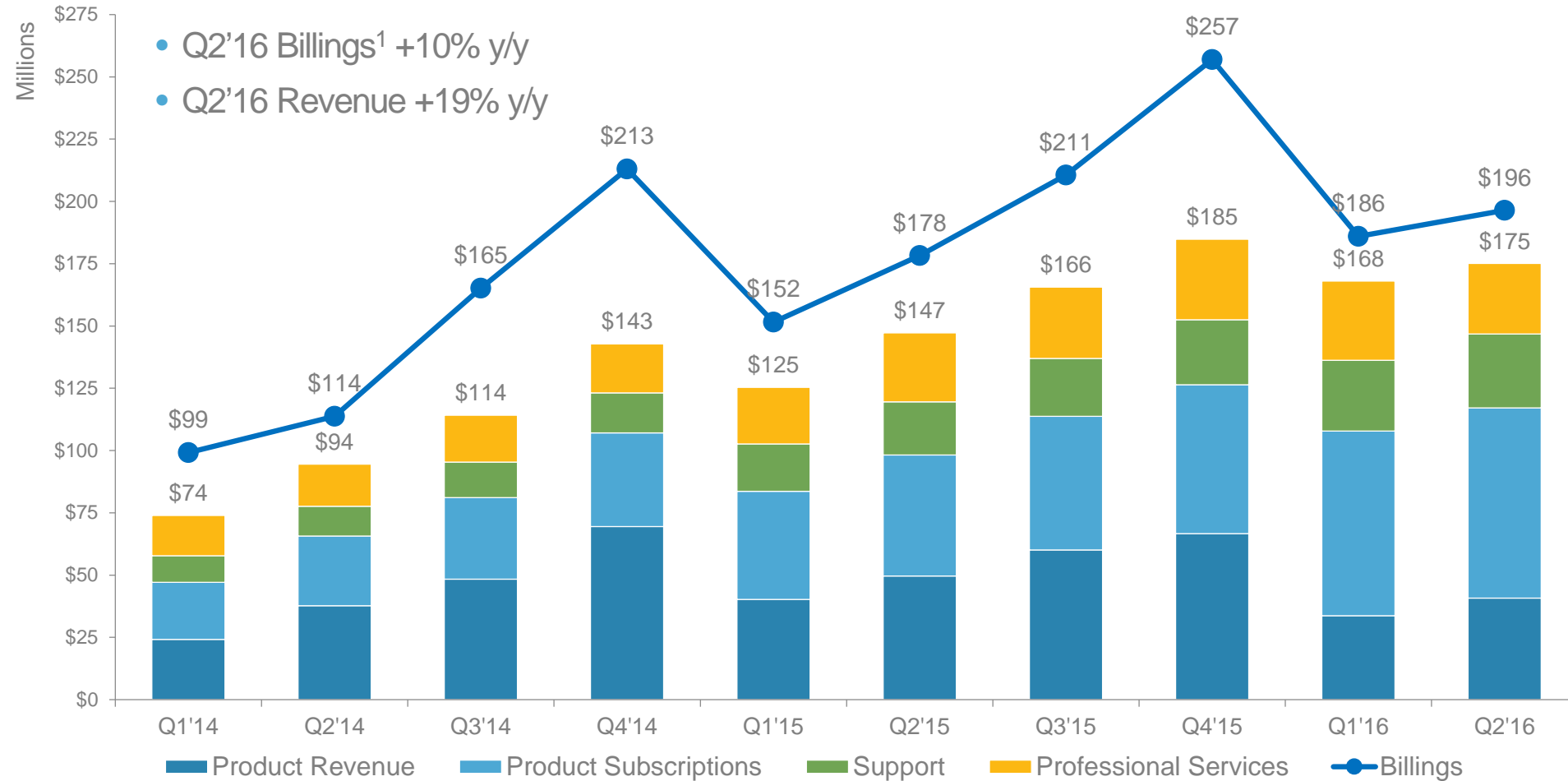
# Q2'16 Summary

|                                   | Q2'16            | Q2'15    | Y/Y Change |
|-----------------------------------|------------------|----------|------------|
| Billings <sup>1</sup>             | <b>\$196.4M</b>  | \$178.3M | +10%       |
| Revenue                           | <b>\$175.0M</b>  | \$147.2M | +19%       |
| Gross Margin <sup>1,2</sup>       | <b>73%</b>       | 73%      | --         |
| Operating Expenses <sup>1,2</sup> | <b>101%</b>      | 114%     | -13 pts    |
| Operating Margin <sup>1,2</sup>   | <b>-28%</b>      | -41%     | +13 pts    |
| Net Loss per Share <sup>1</sup>   | <b>\$0.33</b>    | \$0.41   | +\$0.08    |
| Total Deferred Revenue            | <b>\$587.5M</b>  | \$409.9M | +43%       |
| Cash Flow from Operations         | <b>\$(13.1M)</b> | \$39.1M  | -\$52.1M   |

1. Non-GAAP. See appendix for reconciliations to nearest GAAP metric.

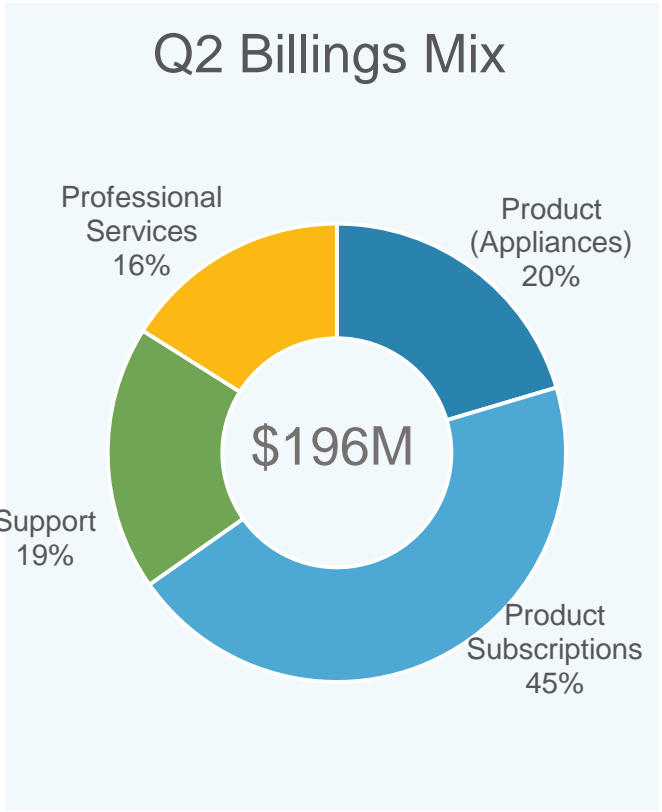
2. As a % of revenue..

# Quarterly Billings<sup>1</sup> and Revenue

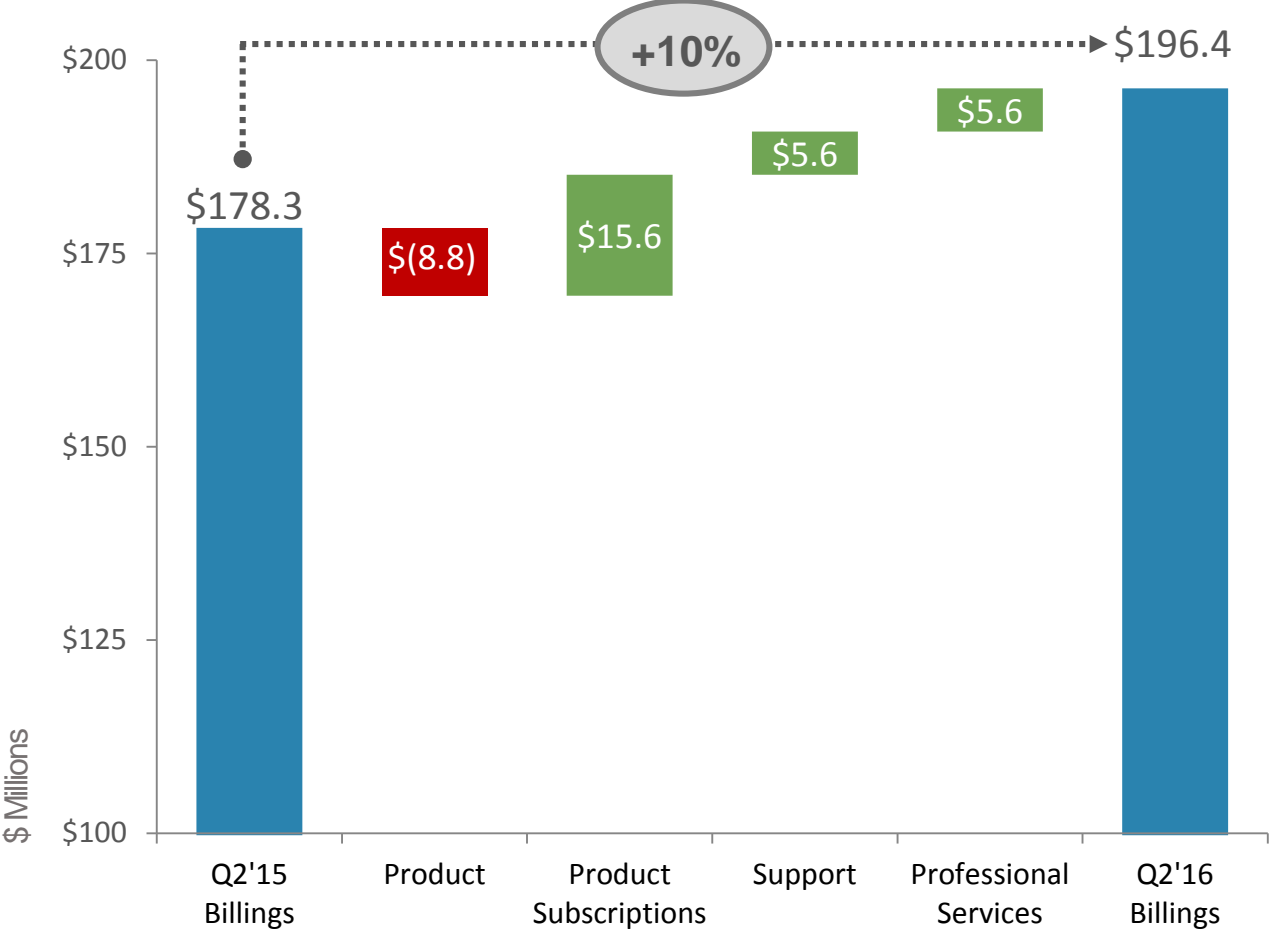


1. Billings are a non-GAAP metric. See appendix for reconciliation to GAAP revenue.

# Q2 Billings

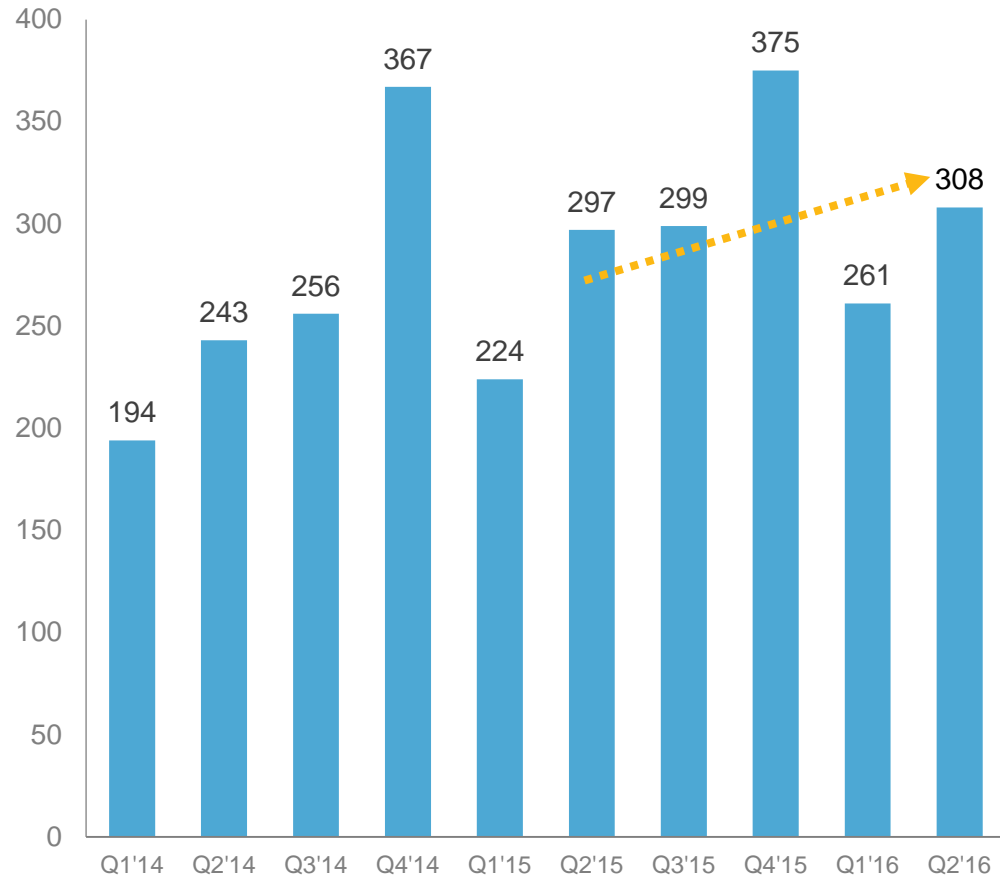


Q2 YoY Billings Growth Waterfall by Category

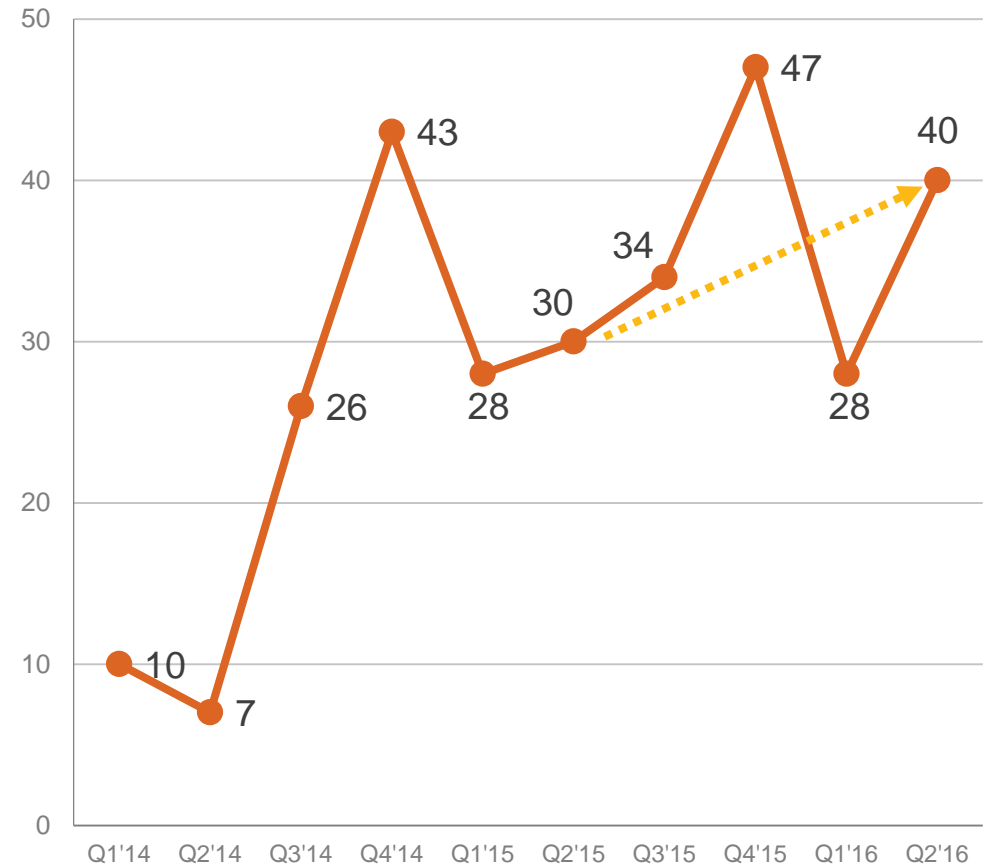


# Billings Growth Drivers

## NEW CUSTOMERS ADDED



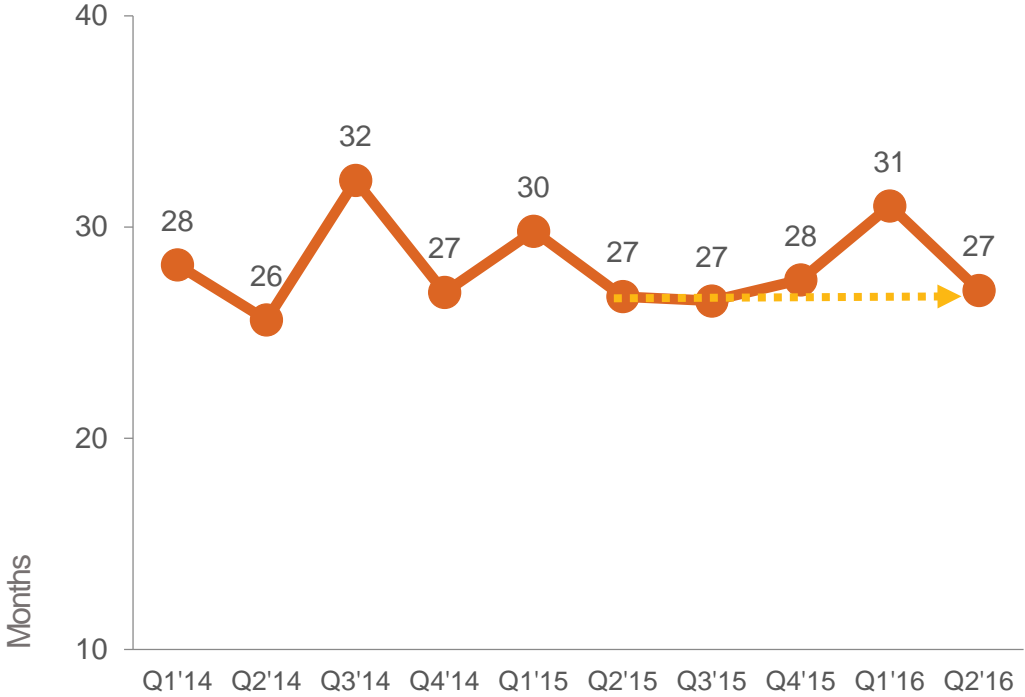
## TRANSACTIONS > \$1M



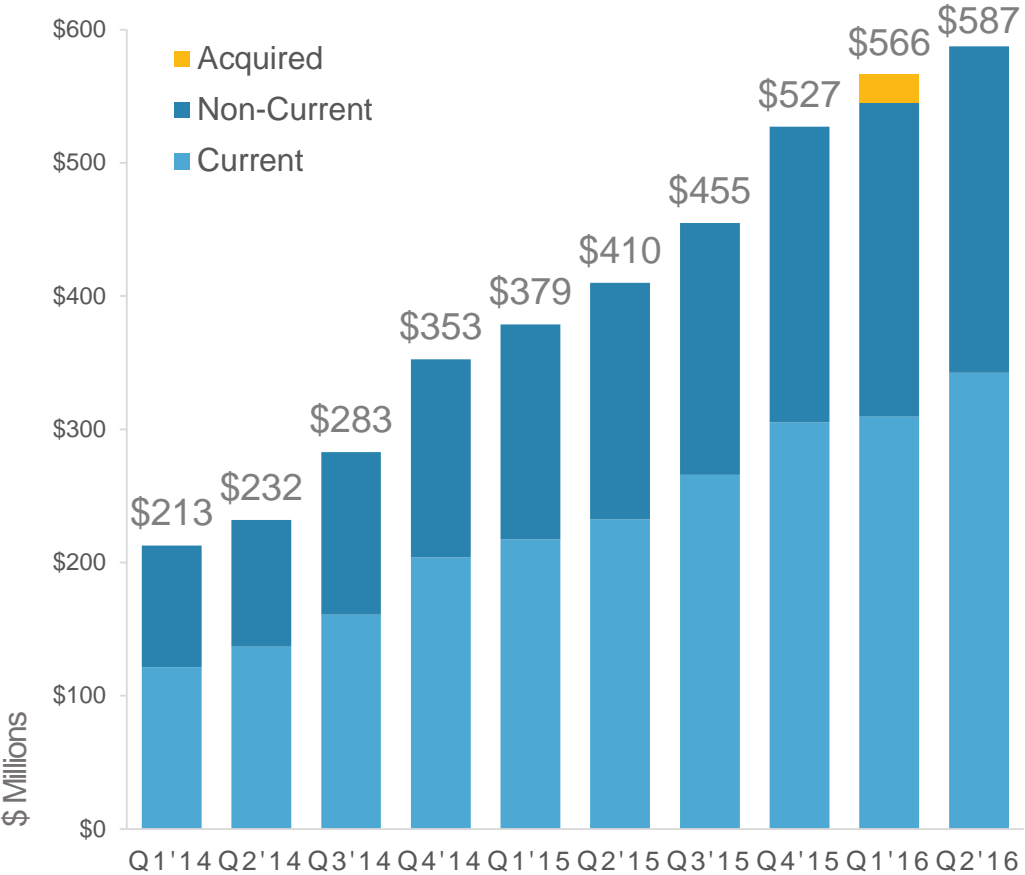


# Billings Growth Drivers

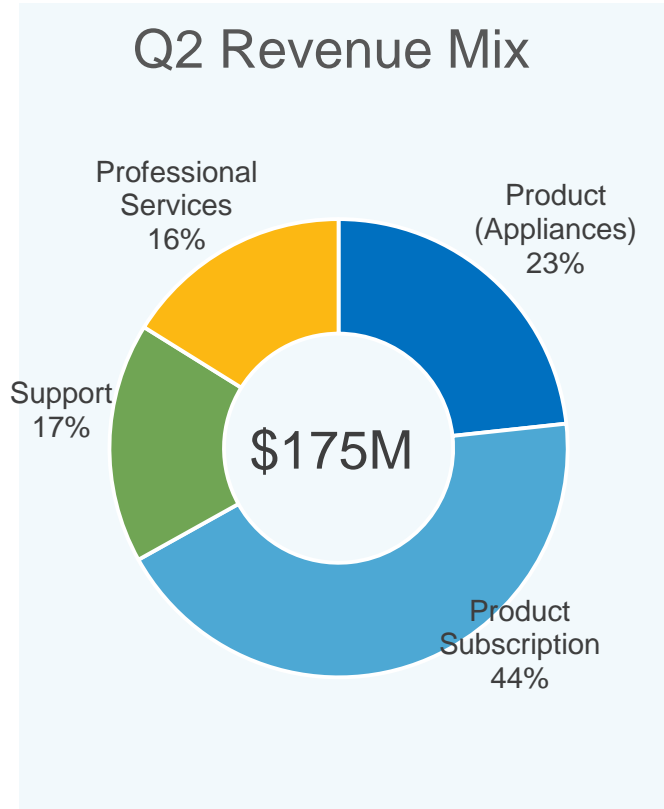
AVERAGE CONTRACT LENGTH  
(New and Renewal Subscriptions & Support)



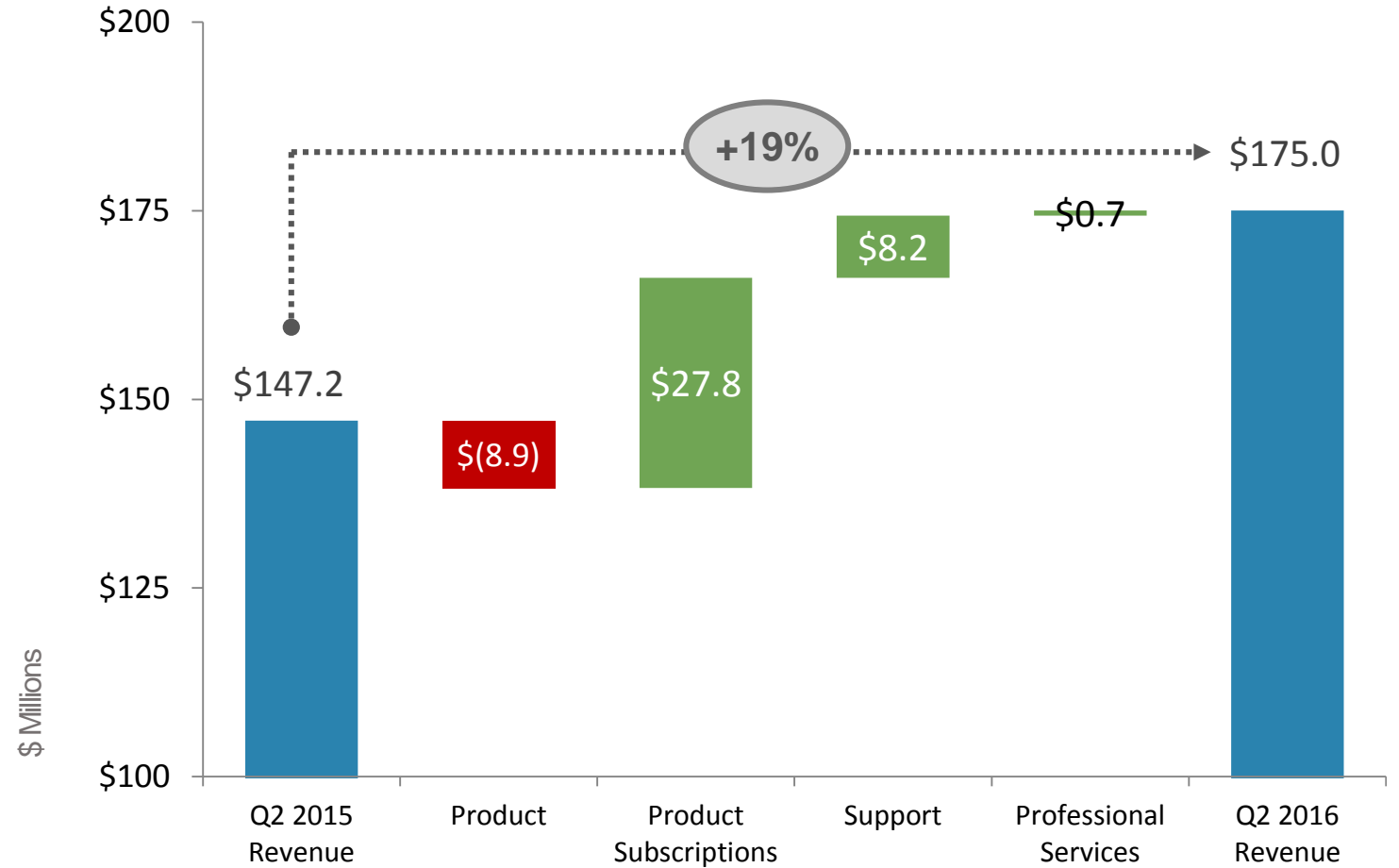
TOTAL DEFERRED REVENUE



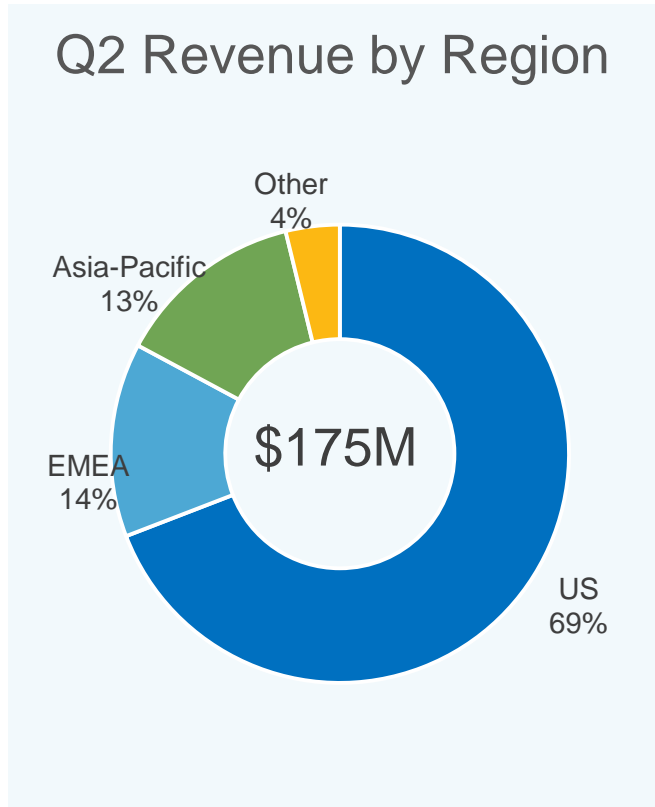
# Q2 Revenue



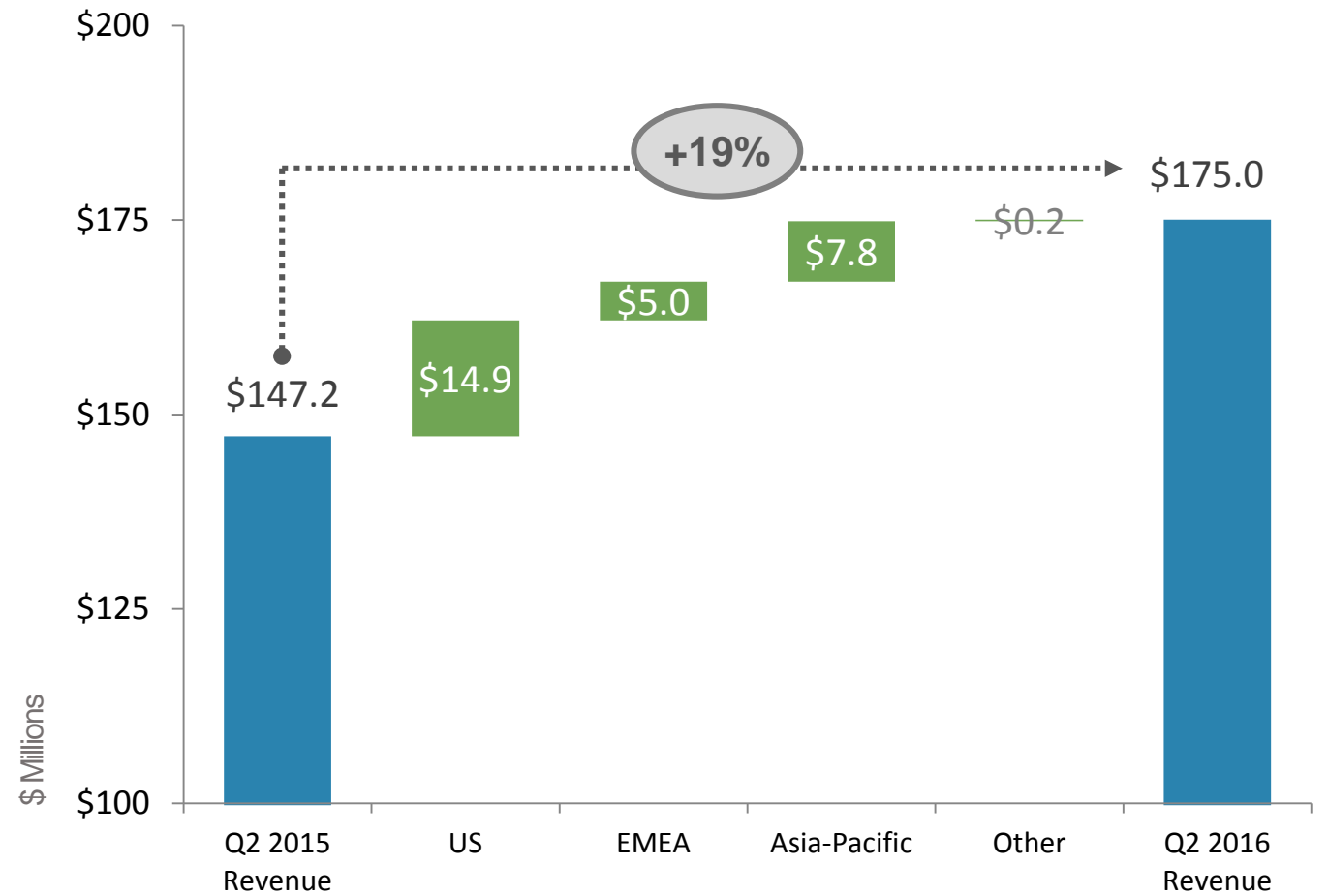
## Q2 YoY Revenue Growth Waterfall by Category



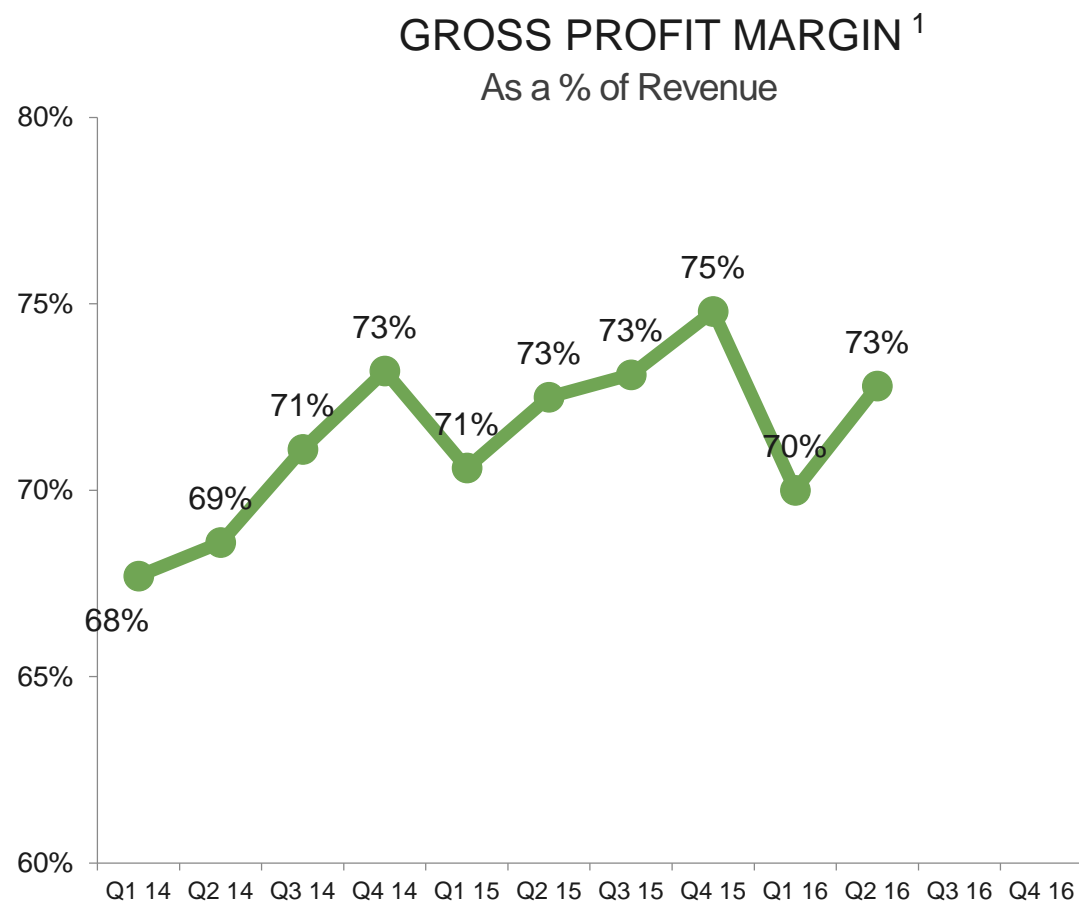
# Q2 Revenue by Region



## Q2 YoY Revenue Growth Waterfall by Region



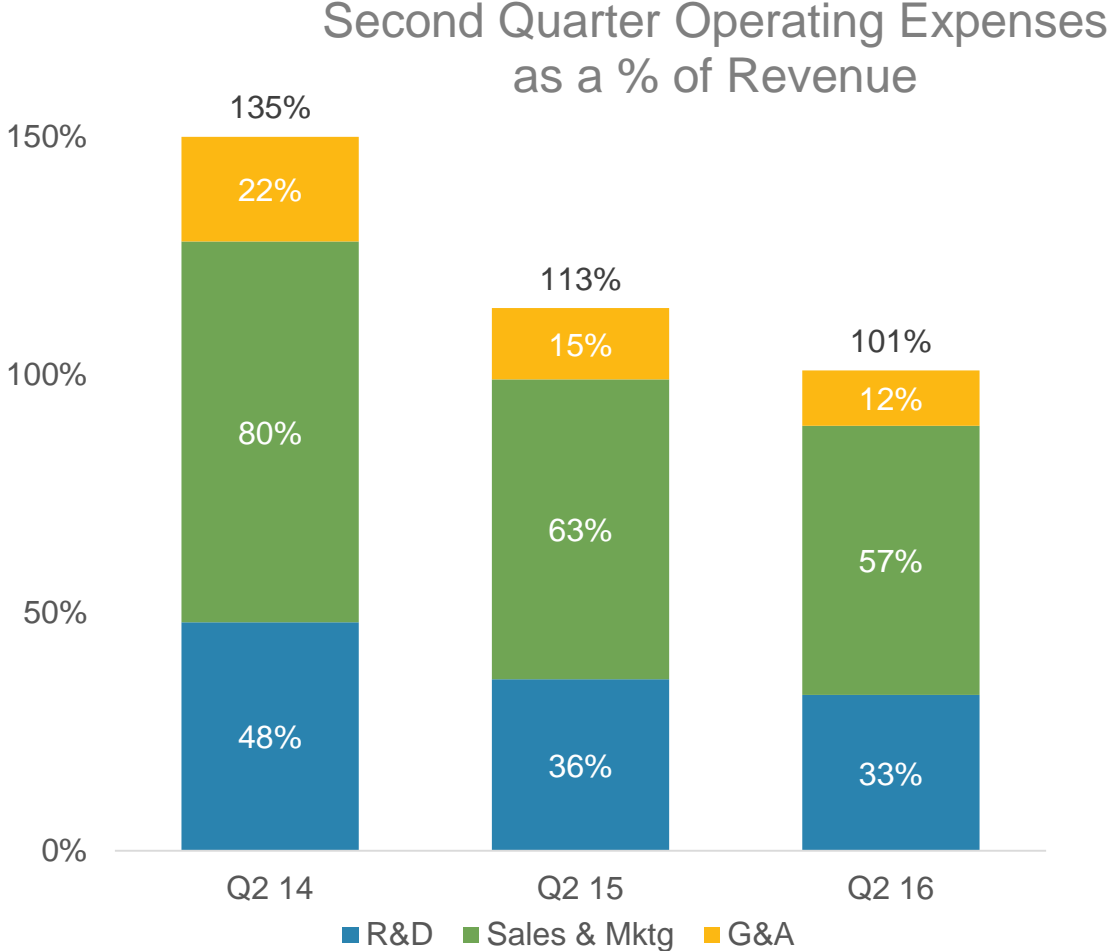
# Operating Metrics – Gross Profit Margin



1. Non-GAAP. See appendix for reconciliations to nearest GAAP metric.

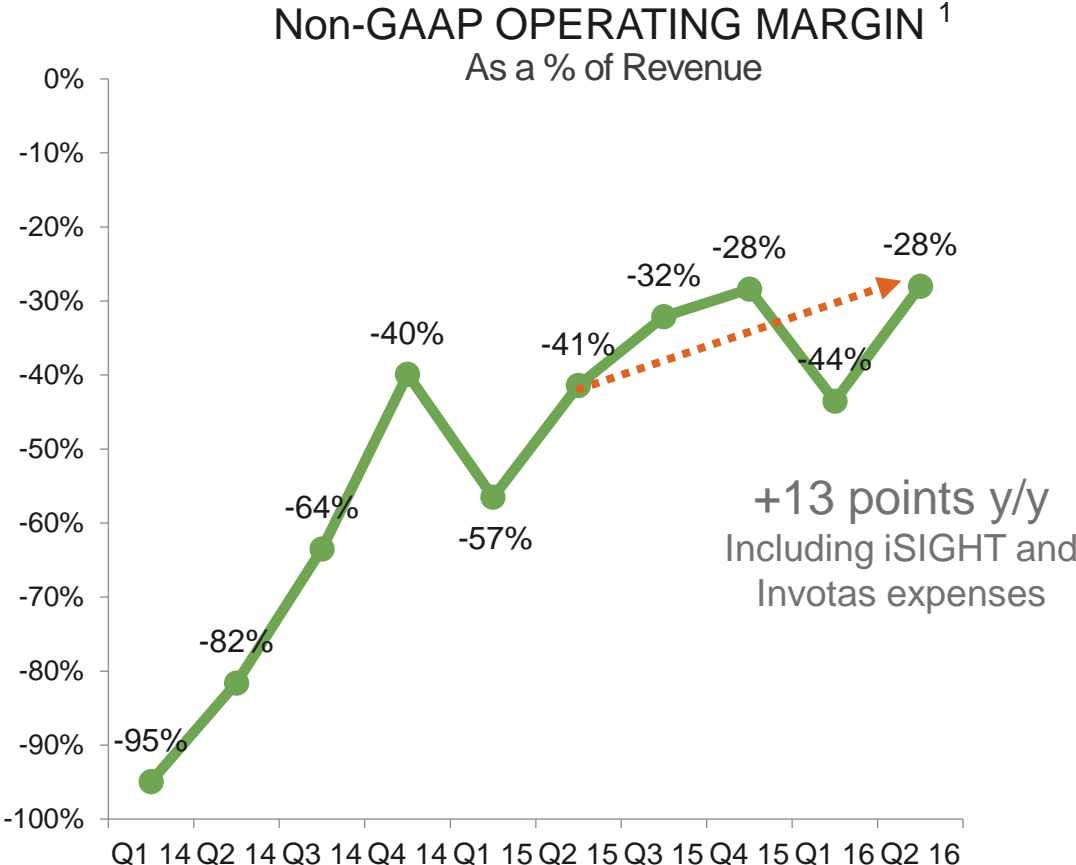
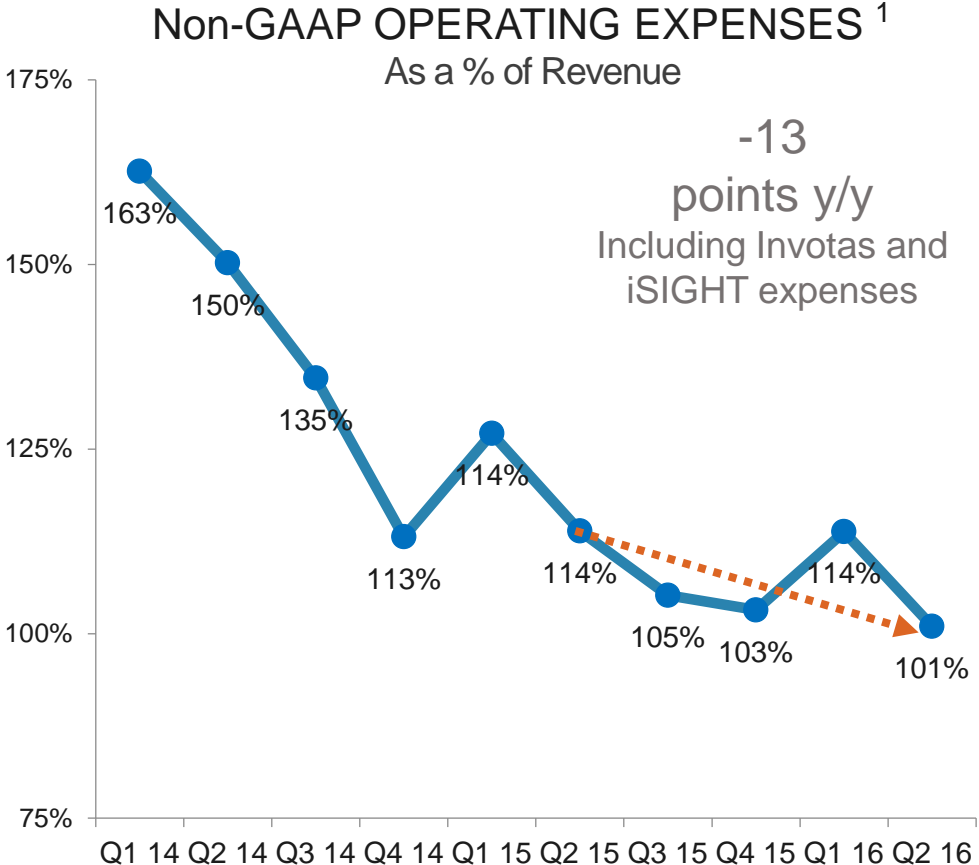
- Gross profit margin flat Y/Y at 73%, above guidance range of 70-71%
- Subscription and services gross margin up 1% point Y/Y to 74%
- Product gross margin improved from Q1 low.

# Non-GAAP Operating Expenses as a % of Revenue



- Operating expenses of \$176.5M decreased \$14 million from Q1'16, including \$2M non-recurring credit in G&A
- Increased 5% YoY from Q2'15, due primarily to added headcount from iSIGHT and Invotas acquisitions

# Operating Metrics – Non-GAAP Operating Expenses and Operating Margin



1. See appendix for reconciliations to nearest GAAP metric.

# Q3'16 AND UPDATED 2016 GUIDANCE

*As of 8/4/16*

# Q3'16 Guidance Ranges

| <i>AS OF 8/4/16</i>                                | <b>Q3'16 Guidance</b>  | <b>Q3'15 Actual</b> |
|--|------------------------|---------------------|
| Billings <sup>1</sup>                              | <b>\$200M-\$215M</b>   | \$210.6M            |
| Revenue  | <b>\$180M-\$186M</b>   | \$165.6M            |
| Gross Margin <sup>1, 2</sup>                       | <b>~72%</b>            | 73%                 |
| Operating Margin <sup>1, 2</sup>                   | <b>- 25% to - 27%</b>  | - 32%               |
| Interest Expense on Convertible Notes <sup>1</sup> | <b>\$3M</b>            | \$3M                |
| Loss per share <sup>1</sup>                        | <b>\$0.30 - \$0.32</b> | \$0.37              |
| Weighted Avg Shares O/S                            | <b>164M</b>            | 155M                |

1. Non-GAAP. Reconciliations are not available for forward looking metrics.

2. As a % of revenue.



# Updated 2016 Guidance Ranges

| <i>AS OF 8/4/16</i>                         | <b>2016 Guidance<br/>8/4/16</b> | Prior 2016 Guidance<br>5/5/16 | Prior 2016 Guidance<br>2/11/16 | 2015<br>Actual |
|---|---------------------------------|-------------------------------|--------------------------------|----------------|
| Billings <sup>1</sup>                       | <b>\$835M - \$855M</b>          | \$975M-\$1,055M               | \$975M-\$1,055M                | \$797M         |
| Revenue                                     | <b>\$716M - \$728M</b>          | \$780M - \$810M               | \$815M - \$845M                | \$623M         |
| Gross Margin <sup>1,2</sup>                 | <b>~72%</b>                     | ~73%                          | ~73%                           | 73%            |
| Operating Margin <sup>1, 2</sup>            | <b>-26% to -28%</b>             | -22% to -24%                  | -22% to -24%                   | <b>-38%</b>    |
| Net Loss per Share <sup>1</sup>             | <b>\$1.28 - \$1.32</b>          | \$1.20-\$1.27                 | \$1.25-\$1.32                  | \$1.61         |
| Convertible Interest Expense <sup>1,3</sup> | <b>~\$12M</b>                   | ~\$12M                        | ~\$12M                         | \$7M           |
| Wtd Avg Shares O/S                          | <b>163M</b>                     | 162M                          | 162M                           | 154M           |
| Operating Cash Flow <sup>4</sup>            | <b>\$(50M) - \$(55M)</b>        | \$70 – \$80M                  | \$70M - \$80M                  | \$37.0M        |

1. Non-GAAP. Reconciliation not available for forward looking metrics.

2. As a % of revenue.

3. Excludes non-cash portion

4. Includes restructuring charges.

# Annual Operating Cash Flow Detail

|  | Prior<br>2016 Midpoint<br>(5/5/16) | Δ        | Updated 2016<br>Midpoint<br>(8/4/16) |
|--|------------------------------------|----------|--------------------------------------|
| <b>Billings</b>                              | <b>\$1015M</b>                     | \$(170M) | <b>\$845M</b>                        |
| Cash collections                             | \$965M                             | \$(105M) | \$860M                               |
| Cash expenses and changes to WC <sup>1</sup> | \$895M                             | \$(17M)  | \$913M                               |
| <b>Reported CFFO</b>                         | <b>\$70M</b>                       | \$(123M) | <b>\$(53M)</b>                       |
| Adjustments to normalize CFFO <sup>2</sup>   | \$13M                              | \$35M    | \$48M                                |
| <b>Normalized CFFO</b>                       | <b>\$83M</b>                       | \$(88M)  | <b>\$(5M)</b>                        |
| Capital Expenditures                         | \$35M                              | --       | \$35M                                |

1. GAAP expenses less adjustments to reconcile net loss to changes in net cash and changes in expense-related working capital per the cash flow statement.
2. Includes \$23M in restructuring charges, \$12M in accrued PTO payments, \$5M in taxes returned to Mandiant shareholders, and \$8M payment of acquired iSIGHT transaction costs..

# APPENDIX: HISTORICAL FINANCIALS AND NON-GAAP RECONCILIATIONS

# FireEye Platform by Breakout Category and Availability

| SEC Reporting          |   | Supplemental Breakout         |                               | 2013<br>(at IPO)                            | 2014-2015   | 2016  |
|------------------------|---|-------------------------------|-------------------------------|---|---|---|
| Product                | Products<br>(appliance-based, in period revenue recognition)                                  |                               |                               | NX, EX, FX, AX                              | NX, EX, FX, AX<br>HX, PX  | NX, EX, FX, AX<br>HX, PX<br>Essentials/Power Editions |
|                        |   |                               |                               | Subscriptions and Services<br>(as reported) | Product Subscriptions<br>(recurring, ratable revenue recognition) | Stand-alone Subscriptions                             |
| Attached Subscriptions | DTI,<br>URL/Attach<br>(email only)  | DTI,<br>URL/Attach<br>AT/ATI+ | DTI,<br>URL/Attach<br>AT/ATI+ |   |   |   |
|                        | Support<br>(recurring, ratable revenue recognition)   |                               |                               | Standard                                    | Standard<br>Premium   | Standard<br>Premium                                   |
|                        | Technology-enabled Professional Services<br>(time & materials, in-period revenue recognition) |                               |                               |   | Mandiant Consulting<br>US and Global                              | Mandiant Consulting<br>Global (17 countries)          |



# Billings and Revenue Breakouts

**FireEye, Inc.**  
**BILLINGS BREAKOUT**  
(Unaudited, in thousands)

|  | <b>Three Months Ended<br/>June 30,</b> |             | <b>Six Months Ended<br/>June 30,</b> |             |
|--|--|-------------|--------------------------------------|-------------|
|  | <b>2016</b>                            | <b>2015</b> | <b>2016</b>                          | <b>2015</b> |
| Product billings                                   | \$ 40,073                              | \$ 48,824   | \$ 73,443                            | \$ 87,058   |
| Product subscription billings                      | 88,075                                 | 72,454      | 176,959                              | 136,190     |
| Product billings and product subscription billings | 128,148                                | 121,278     | 250,402                              | 223,248     |
| Support and maintenance billings                   | 36,724                                 | 31,107      | 68,070                               | 53,949      |
| Professional services billings                     | 31,538                                 | 25,949      | 63,901                               | 52,728      |
| Non-GAAP billings                                  | \$ 196,410                             | \$ 178,334  | \$ 382,373                           | \$ 329,925  |

**FireEye, Inc.**  
**REVENUE BREAKOUT**  
(Unaudited, in thousands)

|  | <b>Three Months Ended<br/>June 30,</b> |             | <b>Six Months Ended<br/>June 30,</b> |             |
|--|--|-------------|--------------------------------------|-------------|
|  | <b>2016</b>                            | <b>2015</b> | <b>2016</b>                          | <b>2015</b> |
| Product revenue                                  | \$ 40,776                              | \$ 49,696   | \$ 74,483                            | \$ 89,933   |
| Product subscription revenue                     | 76,348                                 | 48,510      | 150,511                              | 91,886      |
| Product revenue and product subscription revenue | 117,124                                | 98,206      | 224,994                              | 181,819     |
| Support and maintenance revenue                  | 29,667                                 | 21,429      | 58,080                               | 40,513      |
| Professional services revenue                    | 28,250                                 | 27,572      | 59,933                               | 50,245      |
| Total revenue                                    | \$ 175,041                             | \$ 147,207  | \$ 343,007                           | \$ 272,577  |

# Reconciliation of Billings to Revenue

FireEye, Inc.

## RECONCILIATION OF NON-GAAP BILLINGS TO REVENUE

(Unaudited, in thousands)

|  | Three Months Ended<br>June 30, |            | Six Months Ended<br>June 30, |            |
|--|--------------------------------|------------|------------------------------|------------|
|  | 2016                           | 2015       | 2016                         | 2015       |
| GAAP revenue                                   | \$ 175,041                     | \$ 147,207 | \$ 343,007                   | \$ 272,577 |
| Add change in deferred revenue                 | 21,369                         | 31,127     | 60,453                       | 57,348     |
| Subtotal                                       | 196,410                        | 178,334    | 403,460                      | 329,925    |
| Less iSIGHT & Invotas deferred revenue assumed | —                              | —          | (21,087)                     | —          |
| Non-GAAP billings                              | \$ 196,410                     | \$ 178,334 | \$ 382,373                   | \$ 329,925 |



|  | 2014                     |                          |                          |                          | 2015                     |                          |                          |                          | 2016                     |                          | Annual                     |                            | Q2 YTD                     |                            |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | 2014<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2016<br>Rounded<br>(\$000) |
| <b>Revenue:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 24,252                   | 37,683                   | 48,375                   | 67,936                   | 40,237                   | 49,696                   | 60,101                   | 66,598                   | 33,707                   | 40,776                   | 178,246                    | 216,632                    | 89,933                     | 74,483                     |
| Subscription and services  | 49,728                   | 56,806                   | 65,836                   | 75,046                   | 85,133                   | 97,511                   | 105,515                  | 118,176                  | 134,259                  | 134,265                  | 247,416                    | 406,335                    | 182,644                    | 268,524                    |
| <b>Total revenue</b>   | <b>73,980</b>            | <b>94,489</b>            | <b>114,211</b>           | <b>142,982</b>           | <b>125,370</b>           | <b>147,207</b>           | <b>165,616</b>           | <b>184,774</b>           | <b>167,966</b>           | <b>175,041</b>           | <b>425,662</b>             | <b>622,967</b>             | <b>272,577</b>             | <b>343,007</b>             |
| <b>Cost of revenue:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 10,326                   | 13,749                   | 15,440                   | 19,465                   | 15,200                   | 17,101                   | 21,265                   | 20,915                   | 17,133                   | 15,959                   | 58,980                     | 74,481                     | 32,301                     | 33,092                     |
| Subscription and services  | 24,967                   | 27,831                   | 29,488                   | 33,827                   | 36,851                   | 39,006                   | 40,606                   | 42,260                   | 54,297                   | 51,468                   | 116,113                    | 158,723                    | 75,857                     | 105,765                    |
| <b>Total cost of revenue</b>   | <b>35,293</b>            | <b>41,580</b>            | <b>44,928</b>            | <b>53,292</b>            | <b>52,051</b>            | <b>56,107</b>            | <b>61,871</b>            | <b>63,175</b>            | <b>71,430</b>            | <b>67,427</b>            | <b>175,093</b>             | <b>233,204</b>             | <b>108,158</b>             | <b>138,857</b>             |
| <b>Total gross profit</b>  | <b>38,687</b>            | <b>52,909</b>            | <b>69,283</b>            | <b>89,690</b>            | <b>73,319</b>            | <b>91,100</b>            | <b>103,745</b>           | <b>121,599</b>           | <b>96,536</b>            | <b>107,614</b>           | <b>250,569</b>             | <b>389,763</b>             | <b>164,419</b>             | <b>204,150</b>             |
| Product gross margin   | 57%                      | 64%                      | 68%                      | 71%                      | 62%                      | 66%                      | 65%                      | 69%                      | 49%                      | 61%                      | 67%                        | 66%                        | 64%                        | 56%                        |
| Subscription and services gross margin                                 | 50%                      | 51%                      | 55%                      | 55%                      | 57%                      | 60%                      | 62%                      | 64%                      | 60%                      | 62%                      | 53%                        | 61%                        | 58%                        | 61%                        |
| <b>Total gross margin</b>  | <b>52%</b>               | <b>56%</b>               | <b>61%</b>               | <b>63%</b>               | <b>58%</b>               | <b>62%</b>               | <b>63%</b>               | <b>66%</b>               | <b>57%</b>               | <b>61%</b>               | <b>59%</b>                 | <b>63%</b>                 | <b>60%</b>                 | <b>60%</b>                 |
| Research and development   | 41,970                   | 53,408                   | 54,707                   | 53,102                   | 65,605                   | 68,798                   | 73,374                   | 71,690                   | 85,983                   | 76,372                   | 203,187                    | 279,467                    | 134,403                    | 162,355                    |
| Sales and marketing  | 76,854                   | 94,591                   | 111,625                  | 118,081                  | 107,595                  | 116,008                  | 117,131                  | 135,432                  | 123,028                  | 121,405                  | 401,151                    | 476,166                    | 223,603                    | 244,433                    |
| General and administrative   | 27,100                   | 31,931                   | 30,119                   | 31,949                   | 32,607                   | 34,687                   | 36,518                   | 37,978                   | 42,256                   | 33,809                   | 121,099                    | 141,790                    | 67,294                     | 76,065                     |
| Restructuring charges  | -                        | -                        | 2,769                    | 1,558                    | -                        | -                        | -                        | -                        | 1,670                    | 3,537                    | 4,327                      | -                          | -                          | 5,207                      |
| <b>Total operating expenses</b>  | <b>145,924</b>           | <b>179,930</b>           | <b>199,220</b>           | <b>204,690</b>           | <b>205,807</b>           | <b>219,493</b>           | <b>227,023</b>           | <b>245,100</b>           | <b>252,937</b>           | <b>235,123</b>           | <b>729,764</b>             | <b>897,423</b>             | <b>425,300</b>             | <b>488,060</b>             |
| <b>Operating loss</b>  | <b>(107,237)</b>         | <b>(127,021)</b>         | <b>(129,937)</b>         | <b>(115,000)</b>         | <b>(132,488)</b>         | <b>(128,393)</b>         | <b>(123,278)</b>         | <b>(123,501)</b>         | <b>(156,401)</b>         | <b>(127,509)</b>         | <b>(479,195)</b>           | <b>(507,660)</b>           | <b>(260,881)</b>           | <b>(283,910)</b>           |
| <i>Operating margin</i>  | <i>(145)%</i>            | <i>(134)%</i>            | <i>(114)%</i>            | <i>(80)%</i>             | <i>(106)%</i>            | <i>(87)%</i>             | <i>(74)%</i>             | <i>(67)%</i>             | <i>(93)%</i>             | <i>(73)%</i>             | <i>(113)%</i>              | <i>(81)%</i>               | <i>(96)%</i>               | <i>(83)%</i>               |
| Other income (expense), net  | (16)                     | (150)                    | (413)                    | (670)                    | (499)                    | (4,253)                  | (11,616)                 | (11,097)                 | (9,529)                  | (11,473)                 | (1,249)                    | (27,465)                   | (4,752)                    | (21,002)                   |
| <b>Loss before income taxes</b>  | <b>(107,253)</b>         | <b>(127,171)</b>         | <b>(130,350)</b>         | <b>(115,670)</b>         | <b>(132,987)</b>         | <b>(132,646)</b>         | <b>(134,894)</b>         | <b>(134,598)</b>         | <b>(165,930)</b>         | <b>(138,982)</b>         | <b>(480,444)</b>           | <b>(535,125)</b>           | <b>(265,633)</b>           | <b>(304,912)</b>           |
| Provision (benefit) for income taxes                                   | (6,042)                  | (10,348)                 | (10,320)                 | (9,944)                  | 977                      | 927                      | 636                      | 1,550                    | (10,030)                 | 338                      | (36,654)                   | 4,090                      | 1,904                      | (9,692)                    |
| <b>Net loss attributable to common stockholders, basic and diluted</b> | <b>(101,211)</b>         | <b>(116,823)</b>         | <b>(120,030)</b>         | <b>(105,726)</b>         | <b>(133,964)</b>         | <b>(133,573)</b>         | <b>(135,530)</b>         | <b>(136,148)</b>         | <b>(155,900)</b>         | <b>(139,320)</b>         | <b>(443,790)</b>           | <b>(539,215)</b>           | <b>(267,537)</b>           | <b>(295,220)</b>           |
| Net loss per share, basic and diluted                                  | \$ (0.76)                | \$ (0.82)                | \$ (0.83)                | \$ (0.72)                | \$ (0.88)                | \$ (0.87)                | \$ (0.88)                | \$ (0.87)                | \$ (0.98)                | \$ (0.86)                | \$ (3.12)                  | \$ (3.50)                  | \$ (1.75)                  | \$ (1.84)                  |
| Weighted average shares, basic and diluted                             | 133,976                  | 141,895                  | 144,923                  | 147,746                  | 151,651                  | 154,121                  | 154,523                  | 156,137                  | 158,781                  | 162,045                  | 142,176                    | 154,120                    | 152,890                    | 160,413                    |
| <b>Non-GAAP Adjustments:</b>   |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| <b>Stock-based Compensation</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product cost of revenue  | 145                      | 236                      | 243                      | 263                      | 268                      | 386                      | 560                      | 374                      | 667                      | 614                      | 887                        | 1,588                      | 654                        | 1,281                      |
| Services cost of revenue   | 3,420                    | 3,605                    | 3,430                    | 6,583                    | 6,378                    | 7,163                    | 8,221                    | 7,673                    | 9,601                    | 7,653                    | 17,038                     | 29,435                     | 13,541                     | 17,254                     |
| Cost of revenue  | 3,565                    | 3,841                    | 3,673                    | 6,846                    | 6,646                    | 7,549                    | 8,781                    | 8,047                    | 10,268                   | 8,267                    | 17,925                     | 31,023                     | 14,195                     | 18,535                     |
| R&D  | 4,603                    | 7,803                    | 7,648                    | 8,914                    | 16,035                   | 16,525                   | 18,852                   | 16,917                   | 24,430                   | 19,025                   | 28,968                     | 68,329                     | 32,560                     | 43,455                     |
| S&M  | 8,688                    | 15,923                   | 22,543                   | 19,619                   | 16,454                   | 19,358                   | 18,612                   | 18,862                   | 16,154                   | 17,606                   | 66,773                     | 73,286                     | 35,812                     | 33,760                     |
| G&A  | 8,338                    | 10,686                   | 9,296                    | 9,866                    | 10,740                   | 12,979                   | 12,120                   | 13,954                   | 13,215                   | 12,410                   | 38,186                     | 49,793                     | 23,719                     | 25,625                     |
| Total  | 25,194                   | 38,253                   | 43,160                   | 45,245                   | 49,875                   | 56,411                   | 58,365                   | 57,780                   | 64,067                   | 57,308                   | 151,852                    | 222,431                    | 106,286                    | 121,375                    |
| <b>Amortization of Intangibles</b>                                     |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product cost of revenue  | 2,431                    | 2,672                    | 2,852                    | 2,987                    | 3,064                    | 3,064                    | 3,064                    | 3,064                    | 3,064                    | 3,064                    | 10,942                     | 12,256                     | 6,128                      | 6,128                      |
| Services cost of revenue   | 5,390                    | 5,394                    | 5,400                    | 5,475                    | 5,475                    | 5,475                    | 5,475                    | 5,475                    | 7,751                    | 8,530                    | 21,659                     | 21,900                     | 10,950                     | 16,281                     |
| Cost of revenue  | 7,821                    | 8,066                    | 8,252                    | 8,462                    | 8,539                    | 8,539                    | 8,539                    | 8,539                    | 10,815                   | 11,594                   | 32,601                     | 34,156                     | 17,078                     | 22,409                     |
| R&D  | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | 131                      | 163                      | -                          | -                          | -                          | 294                        |
| S&M  | 2,977                    | 3,121                    | 3,226                    | 3,227                    | 3,227                    | 3,227                    | 3,227                    | 3,227                    | 4,219                    | 4,759                    | 12,551                     | 12,908                     | 6,454                      | 8,978                      |
| Total  | 10,798                   | 11,187                   | 11,478                   | 11,689                   | 11,766                   | 11,766                   | 11,766                   | 11,766                   | 15,165                   | 16,516                   | 45,152                     | 47,064                     | 23,532                     | 31,681                     |
| <b>Other expenses</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Acquisition-related expenses   | 1,047                    | 512                      | -                        | -                        | -                        | -                        | -                        | 1,431                    | 2,413                    | -                        | 1,559                      | 1,431                      | -                          | 2,413                      |
| Change in fair value of contingent earn-out liability                  | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | -                        | 1,156                    | -                          | -                          | -                          | 1,156                      |
| Restructuring  | -                        | -                        | 2,769                    | 1,558                    | -                        | -                        | -                        | -                        | 1,670                    | 3,537                    | 4,327                      | -                          | -                          | 5,207                      |
| Non-cash interest expense  | -                        | -                        | -                        | -                        | -                        | 2,832                    | 8,565                    | 8,672                    | 8,780                    | 8,889                    | -                          | 20,069                     | 2,832                      | 17,669                     |
| Discrete benefit from income taxes                                     | (7,242)                  | (11,610)                 | (11,247)                 | (9,373)                  | -                        | -                        | -                        | -                        | (11,282)                 | (753)                    | (39,472)                   | -                          | -                          | (12,035)                   |
| <b>Total Non-GAAP Adjustments</b>                                      | <b>29,797</b>            | <b>38,342</b>            | <b>46,160</b>            | <b>49,119</b>            | <b>61,641</b>            | <b>71,009</b>            | <b>78,696</b>            | <b>79,649</b>            | <b>80,813</b>            | <b>86,653</b>            | <b>163,418</b>             | <b>290,995</b>             | <b>132,650</b>             | <b>167,466</b>             |

|  | 2014               |                      |                    |                    | 2015               |                    |                    |                    | 2016               |                    | Annual             |                    | Q2 YTD             |                    |
|--|--------------------|----------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|  | Q1                 | Q2                   | Q3                 | Q4                 | Q1                 | Q2                 | Q3                 | Q4                 | Q1                 | Q2                 | 2014               | 2015               | 2015               | 2016               |
|  | Rounded<br>(\$000) | Rounded<br>(\$000)   | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) | Rounded<br>(\$000) |
| <b>Total Revenue</b>   | <b>73,980</b>      | <b>94,489</b>        | <b>114,211</b>     | <b>142,982</b>     | <b>125,370</b>     | <b>147,207</b>     | <b>165,616</b>     | <b>184,774</b>     | <b>167,966</b>     | <b>175,041</b>     | <b>425,662</b>     | <b>622,967</b>     | <b>272,577</b>     | <b>343,007</b>     |
| Plus change in deferred revenue  | 25,208             | 19,286               | 50,914             | 69,622             | 26,221             | 31,127             | 44,976             | 72,131             | 39,084             | 21,369             | 165,030            | 174,455            | 57,348             | 60,453             |
| Less deferred revenue assumed  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | (21,087)           | -                  | -                  | -                  | -                  | (21,087)           |
| <b>Non-GAAP Billings</b>   | <b>99,188</b>      | <b>113,775</b>       | <b>165,125</b>     | <b>212,604</b>     | <b>151,591</b>     | <b>178,334</b>     | <b>210,592</b>     | <b>256,905</b>     | <b>185,963</b>     | <b>196,410</b>     | <b>590,692</b>     | <b>797,422</b>     | <b>329,925</b>     | <b>382,373</b>     |
| <b>Cost of Product Revenue</b>   | <b>10,326</b>      | <b>13,749</b>        | <b>15,440</b>      | <b>19,465</b>      | <b>15,200</b>      | <b>17,101</b>      | <b>21,265</b>      | <b>20,915</b>      | <b>17,133</b>      | <b>15,959</b>      | <b>58,980</b>      | <b>74,481</b>      | <b>32,301</b>      | <b>33,092</b>      |
| Stock based compensation   | (145)              | (236)                | (243)              | (263)              | (268)              | (386)              | (560)              | (374)              | (667)              | (614)              | (887)              | (1,588)            | (654)              | (1,281)            |
| Amortization of intangibles  | (2,431)            | (2,672)              | (2,852)            | (2,987)            | (3,064)            | (3,064)            | (3,064)            | (3,064)            | (3,064)            | (3,064)            | (10,942)           | (12,256)           | (6,128)            | (6,128)            |
| <b>Non-GAAP cost of product revenue</b>                                | <b>7,750</b>       | <b>10,841</b>        | <b>12,345</b>      | <b>16,215</b>      | <b>11,868</b>      | <b>13,651</b>      | <b>17,641</b>      | <b>17,477</b>      | <b>13,402</b>      | <b>12,281</b>      | <b>47,151</b>      | <b>60,637</b>      | <b>25,519</b>      | <b>25,683</b>      |
| <b>Cost of Subscription and Services Revenue</b>                       | <b>24,967</b>      | <b>27,831</b>        | <b>29,488</b>      | <b>33,827</b>      | <b>36,851</b>      | <b>39,006</b>      | <b>40,606</b>      | <b>42,260</b>      | <b>54,297</b>      | <b>51,468</b>      | <b>116,113</b>     | <b>158,723</b>     | <b>75,857</b>      | <b>105,765</b>     |
| Stock based compensation   | (3,420)            | (3,605)              | (3,430)            | (6,583)            | (6,378)            | (7,163)            | (8,221)            | (7,673)            | (9,601)            | (7,653)            | (17,038)           | (29,435)           | (13,541)           | (17,254)           |
| Amortization of intangibles  | (5,390)            | (5,394)              | (5,400)            | (6,475)            | (5,475)            | (5,475)            | (5,475)            | (5,475)            | (7,751)            | (8,530)            | (21,659)           | (21,900)           | (10,950)           | (16,281)           |
| <b>Non-GAAP cost of services revenue</b>                               | <b>16,157</b>      | <b>18,832</b>        | <b>20,658</b>      | <b>21,769</b>      | <b>24,998</b>      | <b>26,368</b>      | <b>26,910</b>      | <b>29,112</b>      | <b>36,945</b>      | <b>35,285</b>      | <b>77,416</b>      | <b>107,388</b>     | <b>51,366</b>      | <b>72,230</b>      |
| <b>Total Cost of Revenue</b>   | <b>35,293</b>      | <b>41,580</b>        | <b>44,928</b>      | <b>53,292</b>      | <b>52,051</b>      | <b>56,107</b>      | <b>61,871</b>      | <b>63,175</b>      | <b>71,430</b>      | <b>67,427</b>      | <b>175,093</b>     | <b>233,204</b>     | <b>108,158</b>     | <b>138,857</b>     |
| Stock based compensation   | (3,565)            | (3,841)              | (3,673)            | (6,846)            | (6,646)            | (7,549)            | (8,781)            | (8,047)            | (10,268)           | (8,267)            | (17,925)           | (31,023)           | (14,195)           | (18,535)           |
| Amortization of intangibles  | (7,821)            | (8,066)              | (8,252)            | (8,462)            | (8,539)            | (8,539)            | (8,539)            | (8,539)            | (10,815)           | (11,594)           | (32,601)           | (34,156)           | (17,078)           | (22,409)           |
| <b>Non-GAAP cost of revenue</b>  | <b>23,907</b>      | <b>29,673</b>        | <b>33,003</b>      | <b>37,984</b>      | <b>36,866</b>      | <b>40,019</b>      | <b>44,551</b>      | <b>46,589</b>      | <b>50,347</b>      | <b>47,566</b>      | <b>124,567</b>     | <b>168,025</b>     | <b>76,885</b>      | <b>97,913</b>      |
| <b>Gross profit</b>  | <b>38,687</b>      | <b>52,909</b>        | <b>69,283</b>      | <b>89,690</b>      | <b>73,319</b>      | <b>91,100</b>      | <b>103,745</b>     | <b>121,599</b>     | <b>96,536</b>      | <b>107,614</b>     | <b>250,569</b>     | <b>389,763</b>     | <b>164,419</b>     | <b>204,150</b>     |
| Stock based compensation   | 3,565              | 3,841                | 3,673              | 6,846              | 6,646              | 7,549              | 8,781              | 8,047              | 10,268             | 8,267              | 17,925             | 31,023             | 14,195             | 18,535             |
| Amortization of intangibles  | 7,821              | 8,066                | 8,252              | 8,462              | 8,539              | 8,539              | 8,539              | 8,539              | 10,815             | 11,594             | 32,601             | 34,156             | 17,078             | 22,409             |
| <b>Non-GAAP gross profit</b>   | <b>50,073</b>      | <b>64,816</b>        | <b>81,208</b>      | <b>104,998</b>     | <b>88,504</b>      | <b>107,188</b>     | <b>121,065</b>     | <b>138,185</b>     | <b>117,619</b>     | <b>127,475</b>     | <b>301,095</b>     | <b>454,942</b>     | <b>195,692</b>     | <b>245,094</b>     |
| <b>Research and development</b>  | <b>41,970</b>      | <b>53,408</b>        | <b>54,707</b>      | <b>53,102</b>      | <b>65,605</b>      | <b>68,798</b>      | <b>73,374</b>      | <b>71,690</b>      | <b>85,983</b>      | <b>76,372</b>      | <b>203,187</b>     | <b>279,467</b>     | <b>134,403</b>     | <b>162,355</b>     |
| Stock based compensation   | (4,603)            | (7,803)              | (7,648)            | (8,914)            | (16,035)           | (16,525)           | (18,852)           | (16,917)           | (24,430)           | (19,025)           | (28,968)           | (68,329)           | (32,560)           | (43,455)           |
| Amortization of intangibles  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | (131)              | (163)              | -                  | -                  | -                  | (294)              |
| <b>Non-GAAP research and development</b>                               | <b>37,367</b>      | <b>45,605</b>        | <b>47,059</b>      | <b>44,188</b>      | <b>49,570</b>      | <b>52,273</b>      | <b>54,522</b>      | <b>54,773</b>      | <b>61,422</b>      | <b>57,184</b>      | <b>174,219</b>     | <b>211,138</b>     | <b>101,843</b>     | <b>118,606</b>     |
| <b>Sales and marketing</b>   | <b>76,854</b>      | <b>94,591</b>        | <b>111,625</b>     | <b>118,881</b>     | <b>107,595</b>     | <b>116,008</b>     | <b>117,131</b>     | <b>135,432</b>     | <b>123,028</b>     | <b>121,405</b>     | <b>401,151</b>     | <b>476,166</b>     | <b>223,603</b>     | <b>244,433</b>     |
| Stock based compensation   | (8,688)            | (15,923)             | (22,543)           | (19,619)           | (16,454)           | (19,558)           | (18,612)           | (18,862)           | (16,154)           | (17,606)           | (66,773)           | (73,286)           | (35,812)           | (33,760)           |
| Amortization of intangibles  | (2,977)            | (3,121)              | (3,226)            | (3,227)            | (3,227)            | (3,227)            | (3,227)            | (3,227)            | (4,219)            | (4,759)            | (12,551)           | (12,908)           | (6,454)            | (8,978)            |
| <b>Non-GAAP sales and marketing</b>                                    | <b>65,189</b>      | <b>75,547</b>        | <b>85,856</b>      | <b>95,235</b>      | <b>87,914</b>      | <b>93,423</b>      | <b>95,292</b>      | <b>113,343</b>     | <b>102,655</b>     | <b>99,040</b>      | <b>321,827</b>     | <b>389,972</b>     | <b>181,337</b>     | <b>201,695</b>     |
| <b>General and administrative</b>                                      | <b>27,100</b>      | <b>31,931</b>        | <b>30,119</b>      | <b>31,949</b>      | <b>32,607</b>      | <b>34,687</b>      | <b>36,518</b>      | <b>37,978</b>      | <b>42,256</b>      | <b>33,809</b>      | <b>121,099</b>     | <b>141,790</b>     | <b>67,294</b>      | <b>76,065</b>      |
| Stock based compensation   | (8,338)            | (10,686)             | (9,296)            | (9,866)            | (10,740)           | (12,979)           | (12,120)           | (13,954)           | (13,215)           | (12,410)           | (38,186)           | (49,793)           | (23,719)           | (25,625)           |
| Acquisition related costs  | (1,047)            | (512)                | -                  | -                  | -                  | -                  | -                  | (1,431)            | (2,413)            | -                  | (1,559)            | (1,431)            | -                  | (2,413)            |
| Change in fair value of contingent earn-out liability                  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | -                  | (1,156)            | -                  | -                  | -                  | (1,156)            |
| <b>Non-GAAP general and administrative</b>                             | <b>17,715</b>      | <b>20,733</b>        | <b>20,823</b>      | <b>22,083</b>      | <b>21,867</b>      | <b>21,708</b>      | <b>24,398</b>      | <b>22,593</b>      | <b>26,628</b>      | <b>20,243</b>      | <b>81,354</b>      | <b>90,566</b>      | <b>43,575</b>      | <b>46,871</b>      |
| <b>Total operating expenses</b>  | <b>145,924</b>     | <b>179,930</b>       | <b>199,220</b>     | <b>204,690</b>     | <b>205,807</b>     | <b>219,493</b>     | <b>227,023</b>     | <b>245,100</b>     | <b>252,937</b>     | <b>235,123</b>     | <b>729,764</b>     | <b>897,423</b>     | <b>425,300</b>     | <b>488,060</b>     |
| Stock based compensation   | (21,629)           | (34,412)             | (39,487)           | (38,399)           | (43,229)           | (48,862)           | (49,584)           | (49,733)           | (53,799)           | (49,041)           | (133,927)          | (191,408)          | (92,091)           | (102,840)          |
| Amortization of intangibles  | (2,977)            | (3,121)              | (3,226)            | (3,227)            | (3,227)            | (3,227)            | (3,227)            | (3,227)            | (4,350)            | (4,922)            | (12,551)           | (12,908)           | (6,454)            | (9,272)            |
| Acquisition related costs  | (1,047)            | (512)                | -                  | -                  | -                  | -                  | -                  | (1,431)            | (2,413)            | -                  | (1,559)            | (1,431)            | -                  | (2,413)            |
| Change in fair value of contingent earn-out liability                  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | -                  | (1,156)            | -                  | -                  | -                  | (1,156)            |
| Restructuring charges  | -                  | -                    | (2,769)            | (1,558)            | -                  | -                  | -                  | -                  | (1,670)            | (3,537)            | (4,327)            | -                  | -                  | (5,207)            |
| <b>Non-GAAP total operating expenses</b>                               | <b>120,271</b>     | <b>141,885</b>       | <b>153,738</b>     | <b>161,506</b>     | <b>159,351</b>     | <b>167,404</b>     | <b>174,212</b>     | <b>190,709</b>     | <b>190,705</b>     | <b>176,467</b>     | <b>577,400</b>     | <b>691,676</b>     | <b>326,755</b>     | <b>367,172</b>     |
| <b>Operating loss</b>  | <b>(107,237)</b>   | <b>(127,021)</b>     | <b>(129,937)</b>   | <b>(115,000)</b>   | <b>(132,488)</b>   | <b>(128,393)</b>   | <b>(123,278)</b>   | <b>(123,501)</b>   | <b>(156,401)</b>   | <b>(127,509)</b>   | <b>(479,195)</b>   | <b>(507,660)</b>   | <b>(260,881)</b>   | <b>(283,910)</b>   |
| Stock based compensation   | 25,194             | 38,253               | 43,160             | 45,245             | 49,875             | 56,411             | 58,365             | 57,780             | 64,067             | 57,308             | 151,852            | 222,431            | 106,286            | 121,375            |
| Amortization of intangibles  | 10,798             | 11,187               | 11,478             | 11,689             | 11,766             | 11,766             | 11,766             | 11,766             | 15,165             | 16,516             | 45,152             | 47,064             | 23,532             | 31,681             |
| Acquisition related costs  | 1,047              | 512                  | -                  | -                  | -                  | -                  | -                  | 1,431              | 2,413              | -                  | 1,559              | 1,431              | -                  | 2,413              |
| Change in fair value of contingent earn-out liability                  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | -                  | 1,156              | -                  | -                  | -                  | 1,156              |
| Restructuring charges  | -                  | -                    | 2,769              | 1,558              | -                  | -                  | -                  | -                  | 1,670              | 3,537              | 4,327              | -                  | -                  | 5,207              |
| <b>Non-GAAP operating loss</b>   | <b>(70,198)</b>    | <b>(77,069)</b>      | <b>(72,530)</b>    | <b>(56,508)</b>    | <b>(70,847)</b>    | <b>(60,216)</b>    | <b>(53,147)</b>    | <b>(52,524)</b>    | <b>(73,086)</b>    | <b>(48,992)</b>    | <b>(276,305)</b>   | <b>(236,734)</b>   | <b>(131,063)</b>   | <b>(122,078)</b>   |
| <b>Other income (expense), net</b>                                     | <b>(16)</b>        | <b>(150)</b>         | <b>(413)</b>       | <b>(670)</b>       | <b>(499)</b>       | <b>(4,253)</b>     | <b>(11,616)</b>    | <b>(11,097)</b>    | <b>(9,529)</b>     | <b>(11,473)</b>    | <b>(1,249)</b>     | <b>(27,465)</b>    | <b>(4,752)</b>     | <b>(21,002)</b>    |
| Non-cash interest expense  | -                  | -                    | -                  | -                  | -                  | 2,832              | 8,565              | 8,672              | 8,780              | 8,889              | -                  | 20,069             | 2,832              | 17,669             |
| <b>Non-GAAP other income (expense), net</b>                            | <b>(16)</b>        | <b>(150)</b>         | <b>(413)</b>       | <b>(670)</b>       | <b>(499)</b>       | <b>(1,421)</b>     | <b>(3,051)</b>     | <b>(2,425)</b>     | <b>(749)</b>       | <b>(2,584)</b>     | <b>(1,249)</b>     | <b>(7,396)</b>     | <b>(1,920)</b>     | <b>(3,333)</b>     |
| <b>Tax provision (benefit)</b>   | <b>(6,042)</b>     | <b>(10,348)</b>      | <b>(10,320)</b>    | <b>(9,944)</b>     | <b>977</b>         | <b>927</b>         | <b>636</b>         | <b>1,550</b>       | <b>(10,030)</b>    | <b>338</b>         | <b>(36,654)</b>    | <b>4,090</b>       | <b>1,904</b>       | <b>(9,692)</b>     |
| Discrete benefit from income tax                                       | 7,242              | 11,610               | 11,247             | 9,373              | -                  | -                  | -                  | -                  | 11,282             | 753                | 39,472             | -                  | -                  | 12,035             |
| <b>Non-GAAP tax provision (benefit)</b>                                | <b>1,200</b>       | <b>1,262</b>         | <b>927</b>         | <b>(571)</b>       | <b>977</b>         | <b>927</b>         | <b>636</b>         | <b>1,550</b>       | <b>1,252</b>       | <b>1,091</b>       | <b>2,818</b>       | <b>4,090</b>       | <b>1,904</b>       | <b>2,343</b>       |
| <b>Net loss attributable to common stockholders, basic and diluted</b> | <b>(101,211)</b>   | <b>(116,823)</b>     | <b>(120,030)</b>   | <b>(105,726)</b>   | <b>(133,964)</b>   | <b>(133,573)</b>   | <b>(135,530)</b>   | <b>(136,148)</b>   | <b>(155,900)</b>   | <b>(139,320)</b>   | <b>(443,790)</b>   | <b>(539,215)</b>   | <b>(267,537)</b>   | <b>(295,220)</b>   |
| Stock based compensation   | 25,194             | 38,253               | 43,160             | 45,245             | 49,875             | 56,411             | 58,365             | 57,780             | 64,067             | 57,308             | 151,852            | 222,431            | 106,286            | 121,375            |
| Amortization of intangibles  | 10,798             | 11,187               | 11,478             | 11,689             | 11,766             | 11,766             | 11,766             | 11,766             | 15,165             | 16,516             | 45,152             | 47,064             | 23,532             | 31,681             |
| Acquisition related costs  | 1,047              | 512                  | -                  | -                  | -                  | -                  | -                  | 1,431              | 2,413              | -                  | 1,559              | 1,431              | -                  | 2,413              |
| Change in fair value of contingent earn-out liability                  | -                  | -                    | -                  | -                  | -                  | -                  | -                  | -                  | -                  | 1,156              | -                  | -                  | -                  | 1,156              |
| Restructuring charges  | -                  | -                    | 2,769              | 1,558              | -                  | -                  | -                  | -                  | 1,670              | 3,537              | 4,327              | -                  | -                  | 5,207              |
| Non-cash interest expense  | -                  | -                    | -                  | -                  | -                  | 2,832              | 8,565              | 8,672              | 8,780              | 8,889              | -                  | 20,069             | 2,832              | 17,669             |
| Discrete benefit from income taxes                                     | (7,242)            | (11,610)             | (11,247)           | (9,373)            | -                  | -                  | -                  | -                  | (11,282)           | (753)              | (39,472)           | -                  | -                  | (12,035)           |
| <b>Non-GAAP net loss</b>   | <b>(71,414)</b>    | <b>(78,481)&lt;/</b> |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |                    |



|  | 2014                     |                          |                          |                          | 2015                     |                          |                          |                          | 2016                     |                          | Annual                     |                            | Q2 YTD                     |                            |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | 2014<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2016<br>Rounded<br>(\$000) |
| <b>Billings</b>  | <b>99,188</b>            | <b>113,775</b>           | <b>165,125</b>           | <b>212,604</b>           | <b>151,591</b>           | <b>178,334</b>           | <b>210,592</b>           | <b>256,905</b>           | <b>185,963</b>           | <b>196,410</b>           | <b>590,692</b>             | <b>797,422</b>             | <b>329,925</b>             | <b>382,373</b>             |
| <b>Revenue:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 24,252                   | 37,683                   | 48,375                   | 67,936                   | 40,237                   | 49,696                   | 60,101                   | 66,598                   | 33,707                   | 40,776                   | 178,246                    | 216,632                    | 89,933                     | 74,483                     |
| Subscription and services  | 49,728                   | 56,806                   | 65,836                   | 75,046                   | 85,133                   | 97,511                   | 105,515                  | 118,176                  | 134,259                  | 134,265                  | 247,416                    | 406,335                    | 182,644                    | 268,524                    |
| <b>Total revenue</b>   | <b>73,980</b>            | <b>94,489</b>            | <b>114,211</b>           | <b>142,982</b>           | <b>125,370</b>           | <b>147,207</b>           | <b>165,616</b>           | <b>184,774</b>           | <b>167,966</b>           | <b>175,041</b>           | <b>425,662</b>             | <b>622,967</b>             | <b>272,577</b>             | <b>343,007</b>             |
| <b>Cost of revenue:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 7,750                    | 10,841                   | 12,345                   | 16,215                   | 11,868                   | 13,651                   | 17,641                   | 17,477                   | 13,402                   | 12,281                   | 47,151                     | 60,637                     | 25,519                     | 25,683                     |
| Subscription and services  | 16,157                   | 18,832                   | 20,658                   | 21,769                   | 24,998                   | 26,368                   | 26,910                   | 29,112                   | 36,945                   | 35,285                   | 77,416                     | 107,388                    | 51,366                     | 72,230                     |
| <b>Total cost of revenue</b>   | <b>23,907</b>            | <b>29,673</b>            | <b>33,003</b>            | <b>37,984</b>            | <b>36,866</b>            | <b>40,019</b>            | <b>44,551</b>            | <b>46,589</b>            | <b>50,347</b>            | <b>47,566</b>            | <b>124,567</b>             | <b>168,025</b>             | <b>76,885</b>              | <b>97,913</b>              |
| <b>Total gross profit</b>  | <b>50,073</b>            | <b>64,816</b>            | <b>81,208</b>            | <b>104,998</b>           | <b>88,504</b>            | <b>107,188</b>           | <b>121,065</b>           | <b>138,185</b>           | <b>117,619</b>           | <b>127,475</b>           | <b>301,095</b>             | <b>454,942</b>             | <b>195,692</b>             | <b>245,094</b>             |
| Product gross margin   | 68%                      | 71%                      | 74%                      | 76%                      | 71%                      | 73%                      | 71%                      | 74%                      | 60%                      | 70%                      | 74%                        | 72%                        | 72%                        | 66%                        |
| Subscription and services gross margin                                 | 68%                      | 67%                      | 69%                      | 71%                      | 71%                      | 73%                      | 74%                      | 75%                      | 72%                      | 74%                      | 69%                        | 74%                        | 72%                        | 73%                        |
| <b>Total gross margin</b>  | <b>68%</b>               | <b>69%</b>               | <b>71%</b>               | <b>73%</b>               | <b>71%</b>               | <b>73%</b>               | <b>73%</b>               | <b>75%</b>               | <b>70%</b>               | <b>73%</b>               | <b>71%</b>                 | <b>73%</b>                 | <b>72%</b>                 | <b>71%</b>                 |
| Research and development   | 37,367                   | 45,605                   | 47,059                   | 44,188                   | 49,570                   | 52,273                   | 54,522                   | 54,773                   | 61,422                   | 57,184                   | 174,219                    | 211,138                    | 101,843                    | 118,606                    |
| Sales and marketing  | 65,189                   | 75,547                   | 85,856                   | 95,235                   | 87,914                   | 93,423                   | 95,292                   | 113,343                  | 102,655                  | 99,040                   | 321,827                    | 389,972                    | 181,337                    | 201,695                    |
| General and administrative   | 17,715                   | 20,733                   | 20,823                   | 22,083                   | 21,867                   | 21,708                   | 24,398                   | 22,593                   | 26,628                   | 20,243                   | 81,354                     | 90,566                     | 43,575                     | 46,871                     |
| <b>Total operating expenses</b>  | <b>120,271</b>           | <b>141,885</b>           | <b>153,738</b>           | <b>161,506</b>           | <b>159,351</b>           | <b>167,404</b>           | <b>174,212</b>           | <b>190,709</b>           | <b>190,705</b>           | <b>176,467</b>           | <b>577,400</b>             | <b>691,676</b>             | <b>326,755</b>             | <b>367,172</b>             |
| <b>Operating loss</b>  | <b>(70,198)</b>          | <b>(77,069)</b>          | <b>(72,530)</b>          | <b>(56,508)</b>          | <b>(70,847)</b>          | <b>(60,216)</b>          | <b>(53,147)</b>          | <b>(52,524)</b>          | <b>(73,086)</b>          | <b>(48,992)</b>          | <b>(276,305)</b>           | <b>(236,734)</b>           | <b>(131,063)</b>           | <b>(122,078)</b>           |
| <i>Operating margin</i>  | <i>(95)%</i>             | <i>(82)%</i>             | <i>(64)%</i>             | <i>(40)%</i>             | <i>(57)%</i>             | <i>(41)%</i>             | <i>(32)%</i>             | <i>(28)%</i>             | <i>(44)%</i>             | <i>(28)%</i>             | <i>(65)%</i>               | <i>(38)%</i>               | <i>(48)%</i>               | <i>(36)%</i>               |
| Other income (expense), net  | (16)                     | (150)                    | (413)                    | (670)                    | (499)                    | (1,421)                  | (3,051)                  | (2,425)                  | (749)                    | (2,584)                  | (1,249)                    | (7,396)                    | (1,920)                    | (3,333)                    |
| <b>Loss before income taxes</b>  | <b>(70,214)</b>          | <b>(77,219)</b>          | <b>(72,943)</b>          | <b>(57,178)</b>          | <b>(71,346)</b>          | <b>(61,637)</b>          | <b>(56,198)</b>          | <b>(54,949)</b>          | <b>(73,835)</b>          | <b>(51,576)</b>          | <b>(277,554)</b>           | <b>(244,130)</b>           | <b>(132,983)</b>           | <b>(125,411)</b>           |
| Provision (benefit) for income taxes                                   | 1,200                    | 1,262                    | 927                      | (571)                    | 977                      | 927                      | 636                      | 1,550                    | 1,252                    | 1,091                    | 2,818                      | 4,090                      | 1,904                      | 2,343                      |
| <b>Net loss attributable to common stockholders, basic and diluted</b> | <b>(71,414)</b>          | <b>(78,481)</b>          | <b>(73,870)</b>          | <b>(56,607)</b>          | <b>(72,323)</b>          | <b>(62,564)</b>          | <b>(56,834)</b>          | <b>(56,499)</b>          | <b>(75,087)</b>          | <b>(52,667)</b>          | <b>(280,372)</b>           | <b>(248,220)</b>           | <b>(134,887)</b>           | <b>(127,754)</b>           |
| Net loss per share, basic and diluted                                  | \$ (0.53)                | \$ (0.55)                | \$ (0.51)                | \$ (0.38)                | \$ (0.48)                | \$ (0.41)                | \$ (0.37)                | \$ (0.36)                | \$ (0.47)                | \$ (0.33)                | \$ (1.97)                  | \$ (1.61)                  | \$ (0.88)                  | \$ (0.80)                  |
| Weighted average shares, basic and diluted                             | 133,976                  | 141,895                  | 144,923                  | 147,746                  | 151,651                  | 154,121                  | 154,523                  | 156,137                  | 158,781                  | 162,045                  | 142,176                    | 154,120                    | 152,890                    | 160,413                    |

**% of Revenue:**

|   |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|---|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Product cost of revenue                   | 32%  | 29%  | 26%  | 24%  | 29%  | 27%  | 29%  | 26%  | 40%  | 30%  | 26%  | 28%  | 28%  | 34%  |
| Subscription and services cost of revenue | 32%  | 33%  | 31%  | 29%  | 29%  | 27%  | 26%  | 25%  | 28%  | 26%  | 31%  | 26%  | 28%  | 27%  |
| Total cost of revenue                     | 32%  | 31%  | 29%  | 27%  | 29%  | 27%  | 27%  | 25%  | 30%  | 27%  | 29%  | 27%  | 28%  | 29%  |
| Research and development                  | 51%  | 48%  | 41%  | 31%  | 40%  | 36%  | 33%  | 30%  | 37%  | 33%  | 41%  | 34%  | 37%  | 35%  |
| Sales and marketing                       | 88%  | 80%  | 75%  | 67%  | 70%  | 63%  | 58%  | 61%  | 61%  | 57%  | 76%  | 63%  | 67%  | 59%  |
| General and administrative                | 24%  | 22%  | 18%  | 15%  | 17%  | 15%  | 15%  | 12%  | 16%  | 12%  | 19%  | 15%  | 16%  | 14%  |
| Total operating expenses                  | 163% | 150% | 135% | 113% | 127% | 114% | 105% | 103% | 114% | 101% | 136% | 111% | 120% | 107% |



Balance Sheet

|  | 2014             |                  |                  |                  | 2015             |                  |                  |                  | 2016             |                  |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
|  | 3/31/2014        | 6/30/2014        | 9/30/2014        | 12/31/2014       | 3/31/2015        | 6/30/2015        | 9/30/2015        | 12/31/2015       | 3/31/2016        | 6/30/2016        |
|  | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          | Rounded          |
|  | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          | (\$000)          |
| <b>Assets</b>  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Current assets:  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Cash and cash equivalents  | 441,270          | 171,620          | 98,843           | 146,363          | 136,776          | 726,480          | 436,901          | 402,102          | 175,113          | 183,993          |
| Short term investments   | 143,213          | 292,874          | 299,022          | 255,845          | 260,838          | 463,137          | 733,026          | 767,775          | 746,027          | 732,829          |
| Accounts receivable, net of allowance for doubtful accounts                              | 80,514           | 108,039          | 155,798          | 193,182          | 160,095          | 105,183          | 140,940          | 172,752          | 141,247          | 124,281          |
| Inventories, net   | 4,258            | 5,198            | 5,765            | 7,952            | 10,505           | 10,485           | 11,628           | 13,747           | 10,778           | 9,981            |
| Deferred tax assets, current portion   | 16,056           | 21,712           | 26,775           | 25,126           | 21,968           | 25,081           | 26,391           | -                | -                | -                |
| Prepaid expenses and other current assets  | 28,145           | 31,879           | 31,508           | 28,669           | 27,457           | 32,706           | 30,595           | 30,883           | 35,078           | 29,094           |
| <b>Total current assets</b>  | <b>713,456</b>   | <b>631,322</b>   | <b>617,711</b>   | <b>657,137</b>   | <b>617,639</b>   | <b>1,363,072</b> | <b>1,379,481</b> | <b>1,387,259</b> | <b>1,108,243</b> | <b>1,080,178</b> |
| Property and equipment, net  | 69,257           | 78,390           | 84,095           | 82,298           | 81,030           | 74,438           | 73,129           | 78,368           | 81,324           | 73,386           |
| Goodwill   | 708,594          | 750,132          | 750,275          | 750,288          | 750,288          | 750,288          | 750,288          | 750,288          | 974,184          | 977,964          |
| Intangible assets  | 271,279          | 284,793          | 273,314          | 261,625          | 249,858          | 238,092          | 226,326          | 214,560          | 290,595          | 276,380          |
| Deposits and other long-term assets  | 10,135           | 10,035           | 10,366           | 7,533            | 7,186            | 6,824            | 6,228            | 10,998           | 12,084           | 11,939           |
| <b>Total assets</b>  | <b>1,772,721</b> | <b>1,754,672</b> | <b>1,735,761</b> | <b>1,758,881</b> | <b>1,706,001</b> | <b>2,432,714</b> | <b>2,435,452</b> | <b>2,441,473</b> | <b>2,466,430</b> | <b>2,419,847</b> |
| <b>Liabilities, convertible preferred stock and stockholders' equity (deficit)</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>Current liabilities:</b>  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Accounts payable   | 24,916           | 36,343           | 30,198           | 34,057           | 28,505           | 25,344           | 33,611           | 43,650           | 37,716           | 32,444           |
| Accrued liabilities  | 21,187           | 23,273           | 66,308           | 24,596           | 26,060           | 27,286           | 30,407           | 29,820           | 36,082           | 27,973           |
| Accrued compensation   | 47,328           | 52,728           | 20,574           | 64,551           | 61,876           | 63,693           | 73,030           | 79,294           | 105,893          | 105,058          |
| Deferred revenue, current portion  | 121,420          | 136,808          | 160,768          | 203,877          | 217,211          | 232,522          | 265,906          | 305,169          | 329,095          | 342,527          |
| <b>Total current liabilities</b>   | <b>214,851</b>   | <b>249,152</b>   | <b>277,848</b>   | <b>327,081</b>   | <b>333,652</b>   | <b>348,845</b>   | <b>402,954</b>   | <b>457,933</b>   | <b>508,786</b>   | <b>508,002</b>   |
| Convertible senior notes, net  | -                | -                | -                | -                | -                | 688,961          | 697,526          | 706,198          | 714,978          | 723,868          |
| Deferred revenue, non-current portion  | 91,302           | 95,199           | 122,153          | 148,666          | 161,553          | 177,369          | 188,961          | 221,829          | 236,987          | 244,924          |
| Deferred tax liabilities, non-current portion  | 39,155           | 41,044           | 36,068           | 24,903           | 21,780           | 24,893           | 26,198           | -                | -                | -                |
| Other long-term liabilities  | 3,623            | 5,580            | 6,553            | 7,403            | 9,400            | 9,959            | 10,144           | 11,141           | 9,298            | 9,823            |
| <b>Total liabilities</b>   | <b>348,931</b>   | <b>390,975</b>   | <b>442,622</b>   | <b>508,053</b>   | <b>526,385</b>   | <b>1,250,027</b> | <b>1,325,783</b> | <b>1,397,101</b> | <b>1,470,049</b> | <b>1,486,617</b> |
| Stockholders' equity (deficit):  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| Common stock, par value \$0.0001 per share   | 14               | 15               | 15               | 15               | 16               | 16               | 16               | 16               | 17               | 17               |
| Additional paid in capital   | 1,748,627        | 1,805,328        | 1,855,015        | 1,918,546        | 1,980,894        | 2,267,972        | 2,330,436        | 2,403,088        | 2,512,269        | 2,587,963        |
| Treasury stock   | -                | -                | -                | -                | -                | (150,000)        | (150,000)        | (150,000)        | (150,000)        | (150,000)        |
| Accumulated other comprehensive income (loss)  | (138)            | (110)            | (325)            | (441)            | (38)             | (472)            | (424)            | (2,225)          | (62)             | 413              |
| Accumulated deficit  | (324,713)        | (441,536)        | (561,566)        | (667,292)        | (801,256)        | (934,829)        | (1,070,359)      | (1,206,507)      | (1,365,843)      | (1,505,163)      |
| <b>Total stockholders' equity (deficit)</b>  | <b>1,423,790</b> | <b>1,363,697</b> | <b>1,293,139</b> | <b>1,250,828</b> | <b>1,179,616</b> | <b>1,182,687</b> | <b>1,109,669</b> | <b>1,044,372</b> | <b>996,381</b>   | <b>933,230</b>   |
| <b>Total liabilities, convertible preferred stock and stockholders' equity (deficit)</b> | <b>1,772,721</b> | <b>1,754,672</b> | <b>1,735,761</b> | <b>1,758,881</b> | <b>1,706,001</b> | <b>2,432,714</b> | <b>2,435,452</b> | <b>2,441,473</b> | <b>2,466,430</b> | <b>2,419,847</b> |



**Cash Flows Statement**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

|   |                 |                 |                 |              |                |               |                |              |                 |                 |                  |               |               |                 |
|---|-----------------|-----------------|-----------------|--------------|----------------|---------------|----------------|--------------|-----------------|-----------------|------------------|---------------|---------------|-----------------|
| Net loss  | (101,211)       | (116,823)       | (120,030)       | (105,726)    | (133,964)      | (133,573)     | (135,530)      | (136,148)    | (155,900)       | (139,320)       | (443,790)        | (539,215)     | (267,537)     | (295,220)       |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: |                 |                 |                 |              |                |               |                |              |                 |                 |                  |               |               |                 |
| Depreciation and amortization   | 20,706          | 22,020          | 24,905          | 26,505       | 26,581         | 27,588        | 27,985         | 29,802       | 30,503          | 30,724          | 94,136           | 111,956       | 54,169        | 61,227          |
| Stock-based compensation  | 25,194          | 38,253          | 43,160          | 45,245       | 49,875         | 56,411        | 58,366         | 57,467       | 64,239          | 57,308          | 151,852          | 222,119       | 106,286       | 121,547         |
| Non-cash interest expense related to convertible senior notes                             | -               | -               | -               | -            | -              | 2,832         | 8,565          | 8,672        | 8,780           | 8,889           | -                | 20,069        | 2,832         | 17,669          |
| Change in FV of contingent earn-out liability   | -               | -               | -               | -            | -              | -             | -              | -            | -               | 1,156           | -                | -             | -             | 1,156           |
| Deferred income taxes   | (7,518)         | (11,442)        | (11,182)        | (9,727)      | 82             | (1)           | 39             | (1,473)      | (11,053)        | (871)           | (39,869)         | (1,353)       | 81            | (11,924)        |
| Other   | 89              | 94              | 1,519           | 559          | 509            | 1,576         | 1,059          | 1,528        | 938             | 1,603           | 2,261            | 4,672         | 2,085         | 2,541           |
| <i>Changes in operating assets and liabilities:</i>                                       |                 |                 |                 |              |                |               |                |              |                 |                 |                  |               |               |                 |
| Accounts receivable   | 15,221          | (26,881)        | (48,381)        | (37,124)     | 32,736         | 54,104        | (35,955)       | (31,759)     | 43,144          | 16,964          | (97,165)         | 19,126        | 86,840        | 60,108          |
| Inventories   | 1,405           | (676)           | (567)           | (2,186)      | (2,554)        | (755)         | (1,677)        | (2,834)      | 2,325           | (497)           | (2,024)          | (7,820)       | (3,309)       | 1,828           |
| Prepaid expenses and other assets   | (2,509)         | (575)           | 946             | 3,588        | 127            | (2,481)       | 3,413          | (1,734)      | (2,152)         | 5,560           | 1,450            | (675)         | (2,354)       | 3,408           |
| Accounts payable  | (12,396)        | 5,293           | (1,256)         | 5,166        | (4,219)        | (1,834)       | 7,342          | 6,416        | (3,391)         | (3,451)         | (3,193)          | 7,705         | (6,053)       | (6,842)         |
| Accrued liabilities   | 6,016           | 2,731           | (2,063)         | 4,719        | 2,068          | 1,823         | 3,663          | (59)         | 902             | (7,669)         | 11,403           | 7,495         | 3,891         | (6,767)         |
| Accrued transaction costs of acquiree   | -               | -               | -               | -            | -              | -             | -              | -            | (7,727)         | -               | -                | -             | -             | (7,727)         |
| Accrued compensation  | 5,703           | 5,131           | 14,581          | (1,757)      | (2,675)        | 1,683         | 9,297          | 6,437        | (8,989)         | (5,423)         | 23,658           | 14,742        | (992)         | (14,412)        |
| Deferred revenue  | 25,207          | 18,986          | 50,914          | 69,621       | 26,221         | 31,127        | 44,976         | 72,131       | 17,997          | 21,369          | 164,728          | 174,455       | 57,348        | 39,366          |
| Other long-term liabilities   | 1,505           | 1,955           | 974             | 849          | 1,997          | 560           | 184            | 998          | (2,132)         | 526             | 5,283            | 3,739         | 2,557         | (1,606)         |
| <b>Net cash provided by (used in) operating activities</b>                                | <b>(22,588)</b> | <b>(61,934)</b> | <b>(46,480)</b> | <b>(268)</b> | <b>(3,216)</b> | <b>39,060</b> | <b>(8,273)</b> | <b>9,444</b> | <b>(22,516)</b> | <b>(13,132)</b> | <b>(131,270)</b> | <b>37,015</b> | <b>35,844</b> | <b>(35,648)</b> |

**CASH FLOWS FROM INVESTING ACTIVITIES:**

|  |                  |                  |                 |               |                 |                  |                  |                 |                  |              |                  |                  |                  |                  |
|--|------------------|------------------|-----------------|---------------|-----------------|------------------|------------------|-----------------|------------------|--------------|------------------|------------------|------------------|------------------|
| Acquisition of business, net of cash acquired              | -                | (55,058)         | -               | -             | -               | -                | -                | -               | (204,926)        | -            | (55,058)         | -                | -                | (204,926)        |
| Purchase of property and equipment and demonstration units | (14,187)         | (17,282)         | (23,997)        | (12,249)      | (12,669)        | (11,869)         | (12,655)         | (17,356)        | (14,257)         | (6,821)      | (67,715)         | (54,549)         | (24,538)         | (21,078)         |
| Purchase of short-term investments                         | (143,522)        | (159,009)        | (49,870)        | (37,959)      | (39,857)        | (261,356)        | (338,949)        | (128,935)       | (88,805)         | (152,444)    | (390,360)        | (769,097)        | (301,213)        | (241,249)        |
| Maturity of short-term investments                         | -                | 8,000            | 42,780          | 48,761        | 34,655          | 57,483           | 67,011           | 85,967          | 111,319          | 160,280      | 99,541           | 245,116          | 92,138           | 271,599          |
| Sale of short-term investments                             | -                | -                | -               | 31,577        | -               | -                | -                | 4,807           | -                | 4,507        | 31,577           | 4,807            | -                | 4,507            |
| Purchase of investment in private company                  | -                | -                | -               | -             | -               | -                | -                | (1,800)         | -                | -            | -                | (1,800)          | -                | -                |
| Lease deposits   | (360)            | (43)             | (162)           | 69            | (370)           | (416)            | 159              | (599)           | (678)            | 312          | (496)            | (1,226)          | (786)            | (366)            |
| <b>Net cash provided by (used in) investing activities</b> | <b>(158,069)</b> | <b>(223,392)</b> | <b>(31,249)</b> | <b>30,199</b> | <b>(18,241)</b> | <b>(216,158)</b> | <b>(284,434)</b> | <b>(57,916)</b> | <b>(197,347)</b> | <b>5,834</b> | <b>(382,511)</b> | <b>(576,749)</b> | <b>(234,399)</b> | <b>(191,513)</b> |

**CASH FLOWS FROM FINANCING ACTIVITIES:**

|  |                |                  |                 |                |                |                |                  |                 |                  |                |                 |                |                |                  |
|--|----------------|------------------|-----------------|----------------|----------------|----------------|------------------|-----------------|------------------|----------------|-----------------|----------------|----------------|------------------|
| Net proceeds from stock offerings                          | 445,934        | (654)            | (942)           | -              | -              | -              | -                | -               | -                | -              | 444,338         | -              | -              | -                |
| Net proceeds from convertible debt offering                | -              | -                | -               | -              | -              | 897,000        | (470)            | -               | -                | -              | -               | 896,530        | 897,000        | -                |
| Prepaid forward stock purchase                             | -              | -                | -               | -              | -              | (150,000)      | -                | -               | -                | -              | -               | (150,000)      | (150,000)      | -                |
| Repayment of debt of acquired business                     | -              | -                | -               | -              | -              | -              | -                | -               | (8,842)          | -              | -               | -              | -              | (8,842)          |
| Payments for contingent earn-outs                          | -              | -                | -               | -              | -              | -              | -                | -               | -                | (67)           | -               | -              | -              | (67)             |
| Payment related to shares withheld for taxes               | -              | (2,058)          | -               | -              | -              | (2,027)        | -                | -               | (1,124)          | -              | (2,058)         | (2,027)        | (2,027)        | (1,124)          |
| Proceeds from employee stock purchase plan                 | -              | 10,945           | -               | 10,283         | -              | 10,835         | -                | 11,045          | -                | 12,684         | 21,228          | 21,880         | 10,835         | 12,684           |
| Proceeds from exercise of stock options                    | 2,075          | 7,443            | 5,894           | 7,306          | 11,870         | 10,994         | 3,598            | 2,628           | 2,840            | 3,561          | 22,718          | 29,090         | 22,864         | 6,401            |
| <b>Net cash provided by (used) in financing activities</b> | <b>448,009</b> | <b>15,676</b>    | <b>4,952</b>    | <b>17,589</b>  | <b>11,870</b>  | <b>766,802</b> | <b>3,128</b>     | <b>13,673</b>   | <b>(7,126)</b>   | <b>16,178</b>  | <b>486,226</b>  | <b>795,473</b> | <b>778,672</b> | <b>9,052</b>     |
| <b>Net change in cash and cash equivalents</b>             | <b>267,352</b> | <b>(269,650)</b> | <b>(72,777)</b> | <b>47,520</b>  | <b>(9,587)</b> | <b>589,704</b> | <b>(289,579)</b> | <b>(34,799)</b> | <b>(226,989)</b> | <b>8,880</b>   | <b>(27,555)</b> | <b>255,739</b> | <b>580,117</b> | <b>(218,109)</b> |
| Cash and cash equivalents, beginning of period             | 173,918        | 441,270          | 171,620         | 98,843         | 146,363        | 136,776        | 726,480          | 436,901         | 402,102          | 175,113        | 173,918         | 146,363        | 146,363        | 402,102          |
| <b>Cash and cash equivalents, end of period</b>            | <b>441,270</b> | <b>171,620</b>   | <b>98,843</b>   | <b>146,363</b> | <b>136,776</b> | <b>726,480</b> | <b>436,901</b>   | <b>402,102</b>  | <b>175,113</b>   | <b>183,993</b> | <b>146,363</b>  | <b>402,102</b> | <b>726,480</b> | <b>183,993</b>   |



Revenue Metrics

|  | 2014                     |                          |                          |                          | 2015                     |                          |                          |                          | 2016                     |                          | Annual                     |                            | Q2 YTD                     |                            |
|--|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|  | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | Q3<br>Rounded<br>(\$000) | Q4<br>Rounded<br>(\$000) | Q1<br>Rounded<br>(\$000) | Q2<br>Rounded<br>(\$000) | 2014<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2015<br>Rounded<br>(\$000) | 2016<br>Rounded<br>(\$000) |
| <b>Revenue:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 24,252                   | 37,683                   | 48,375                   | 67,936                   | 40,237                   | 49,696                   | 60,101                   | 66,598                   | 33,707                   | 40,776                   | 178,246                    | 216,632                    | 89,933                     | 74,483                     |
| Product subscriptions (including FireEye-aaS)                    | 22,803                   | 28,025                   | 32,759                   | 38,320                   | 43,376                   | 48,510                   | 53,592                   | 59,825                   | 74,163                   | 76,348                   | 121,907                    | 205,303                    | 91,886                     | 150,511                    |
| <b>Subtotal: Platform (product + product subscriptions)</b>      | <b>47,055</b>            | <b>65,708</b>            | <b>81,134</b>            | <b>106,256</b>           | <b>83,613</b>            | <b>98,206</b>            | <b>113,693</b>           | <b>126,423</b>           | <b>107,870</b>           | <b>117,124</b>           | <b>300,153</b>             | <b>421,935</b>             | <b>181,819</b>             | <b>224,994</b>             |
| Support and maintenance  | 10,751                   | 11,874                   | 14,198                   | 16,583                   | 19,084                   | 21,429                   | 23,245                   | 26,042                   | 28,413                   | 29,667                   | 53,406                     | 89,800                     | 40,513                     | 58,080                     |
| Professional services  | 16,174                   | 16,907                   | 18,879                   | 20,143                   | 22,673                   | 27,572                   | 28,678                   | 32,309                   | 31,683                   | 28,250                   | 72,103                     | 111,232                    | 50,245                     | 59,933                     |
| <b>Subtotal: Support, maintenance, and professional services</b> | <b>26,925</b>            | <b>28,781</b>            | <b>33,077</b>            | <b>36,726</b>            | <b>41,757</b>            | <b>49,001</b>            | <b>51,923</b>            | <b>58,351</b>            | <b>60,096</b>            | <b>57,917</b>            | <b>125,509</b>             | <b>201,032</b>             | <b>90,758</b>              | <b>118,013</b>             |
| <b>Subscription and services as reported</b>                     | <b>49,728</b>            | <b>56,806</b>            | <b>65,836</b>            | <b>75,046</b>            | <b>85,133</b>            | <b>97,511</b>            | <b>105,515</b>           | <b>118,176</b>           | <b>134,259</b>           | <b>134,265</b>           | <b>247,416</b>             | <b>406,335</b>             | <b>182,644</b>             | <b>268,524</b>             |
| <b>Total revenue</b>   | <b>73,980</b>            | <b>94,489</b>            | <b>114,211</b>           | <b>142,982</b>           | <b>125,370</b>           | <b>147,207</b>           | <b>165,616</b>           | <b>184,774</b>           | <b>167,966</b>           | <b>175,041</b>           | <b>425,662</b>             | <b>622,967</b>             | <b>272,577</b>             | <b>343,007</b>             |
| Product subscriptions and support                                | 33,554                   | 39,899                   | 46,957                   | 54,903                   | 62,460                   | 69,939                   | 76,837                   | 85,867                   | 102,576                  | 106,015                  | 175,313                    | 295,103                    | 132,399                    | 208,591                    |
| <i>% of revenue</i>  | 45%                      | 42%                      | 41%                      | 38%                      | 50%                      | 48%                      | 46%                      | 46%                      | 61%                      | 61%                      | 41%                        | 47%                        | 49%                        | 61%                        |
| <b>Revenue Mix:</b>  |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| Product  | 33%                      | 40%                      | 42%                      | 47%                      | 32%                      | 34%                      | 36%                      | 36%                      | 20%                      | 23%                      | 42%                        | 35%                        | 33%                        | 22%                        |
| Product subscriptions (including FireEye-aaS)                    | 31%                      | 30%                      | 29%                      | 27%                      | 35%                      | 33%                      | 33%                      | 32%                      | 44%                      | 45%                      | 29%                        | 33%                        | 34%                        | 44%                        |
| <b>Subtotal: Platform (product + product subscriptions)</b>      | <b>64%</b>               | <b>70%</b>               | <b>71%</b>               | <b>74%</b>               | <b>67%</b>               | <b>67%</b>               | <b>70%</b>               | <b>68%</b>               | <b>64%</b>               | <b>68%</b>               | <b>71%</b>                 | <b>68%</b>                 | <b>67%</b>                 | <b>66%</b>                 |
| Support and maintenance  | 14%                      | 12%                      | 12%                      | 12%                      | 15%                      | 14%                      | 14%                      | 14%                      | 17%                      | 17%                      | 12%                        | 14%                        | 15%                        | 17%                        |
| Professional services  | 22%                      | 18%                      | 17%                      | 14%                      | 18%                      | 19%                      | 17%                      | 18%                      | 19%                      | 16%                      | 17%                        | 18%                        | 18%                        | 17%                        |
| <b>Subtotal: Support, maintenance, and professional services</b> | <b>35%</b>               | <b>29%</b>               | <b>29%</b>               | <b>26%</b>               | <b>33%</b>               | <b>33%</b>               | <b>31%</b>               | <b>32%</b>               | <b>36%</b>               | <b>33%</b>               | <b>29%</b>                 | <b>32%</b>                 | <b>33%</b>                 | <b>34%</b>                 |
| <b>Revenue by Geography:</b>                                     |                          |                          |                          |                          |                          |                          |                          |                          |                          |                          |                            |                            |                            |                            |
| <b>US Revenue</b>  | <b>55,728</b>            | <b>69,636</b>            | <b>86,628</b>            | <b>107,152</b>           | <b>89,189</b>            | <b>106,131</b>           | <b>119,934</b>           | <b>123,951</b>           | <b>115,852</b>           | <b>121,031</b>           | <b>319,144</b>             | <b>439,205</b>             | <b>195,320</b>             | <b>236,883</b>             |
| EMEA   | 9,245                    | 14,678                   | 15,017                   | 18,782                   | 16,792                   | 18,971                   | 17,574                   | 27,623                   | 24,442                   | 23,965                   | 57,722                     | 80,960                     | 35,763                     | 48,407                     |
| APAC   | 6,327                    | 6,621                    | 9,502                    | 11,834                   | 13,720                   | 15,610                   | 19,878                   | 23,801                   | 21,823                   | 23,380                   | 34,284                     | 73,009                     | 29,330                     | 45,203                     |
| Other  | 2,680                    | 3,554                    | 3,064                    | 5,214                    | 5,669                    | 6,495                    | 8,230                    | 9,399                    | 5,849                    | 6,665                    | 14,512                     | 29,793                     | 12,164                     | 12,514                     |
| <b>International Revenue</b>                                     | <b>18,252</b>            | <b>24,853</b>            | <b>27,583</b>            | <b>35,830</b>            | <b>36,181</b>            | <b>41,076</b>            | <b>45,682</b>            | <b>60,823</b>            | <b>52,114</b>            | <b>54,010</b>            | <b>106,518</b>             | <b>183,762</b>             | <b>77,257</b>              | <b>106,124</b>             |
| US revenue %   | 75%                      | 74%                      | 76%                      | 75%                      | 71%                      | 72%                      | 72%                      | 67%                      | 69%                      | 69%                      | 75%                        | 71%                        | 72%                        | 69%                        |
| International revenue %  | 25%                      | 26%                      | 24%                      | 25%                      | 29%                      | 28%                      | 28%                      | 33%                      | 31%                      | 31%                      | 25%                        | 29%                        | 28%                        | 31%                        |



Billings Metrics

Billings:

Product  
Product subscriptions (including FireEye-aaS)

**Subtotal: Platform (product + product subscriptions)**

Support and maintenance  
Professional services

**Subtotal: Support, maintenance, and professional services**

**Subscription and services as reported**

**Total billings**

Product subscriptions and support

*% of billings*

Billings Mix:

Product  
Product subscriptions (including FireEye-aaS)

**Subtotal: Platform (product + product subscriptions)**

Support and maintenance  
Professional services

**Subtotal: Support, maintenance, and professional services**

| 2014            |                 |                 |                 | 2015            |                 |                 |                 | 2016            |                 | Annual          |                 | Q2 YTD          |                 |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Q1              | Q2              | Q3              | Q4              | Q1              | Q2              | Q3              | Q4              | Q1              | Q2              | 2014            | 2015            | 2015            | 2016            |
| Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) |
| 26,061          | 35,573          | 44,135          | 67,554          | 38,234          | 48,824          | 58,796          | 66,379          | 33,370          | 40,073          | 173,323         | 212,233         | 87,058          | 73,443          |
| 39,435          | 42,086          | 71,925          | 80,242          | 63,736          | 72,454          | 82,481          | 108,701         | 88,884          | 88,075          | 233,688         | 327,372         | 136,190         | 176,959         |
| <b>65,496</b>   | <b>77,659</b>   | <b>116,060</b>  | <b>147,796</b>  | <b>101,970</b>  | <b>121,278</b>  | <b>141,277</b>  | <b>175,080</b>  | <b>122,254</b>  | <b>128,148</b>  | <b>407,011</b>  | <b>539,605</b>  | <b>223,248</b>  | <b>250,402</b>  |
| 15,695          | 18,582          | 30,717          | 39,796          | 22,842          | 31,107          | 35,708          | 47,790          | 31,346          | 36,724          | 104,790         | 137,447         | 53,949          | 68,070          |
| 17,997          | 17,534          | 18,348          | 25,012          | 26,779          | 25,949          | 33,607          | 34,035          | 32,363          | 31,538          | 78,891          | 120,370         | 52,728          | 63,901          |
| <b>33,692</b>   | <b>36,116</b>   | <b>49,065</b>   | <b>64,808</b>   | <b>49,621</b>   | <b>57,056</b>   | <b>69,315</b>   | <b>81,825</b>   | <b>63,709</b>   | <b>68,262</b>   | <b>183,681</b>  | <b>257,817</b>  | <b>106,677</b>  | <b>131,971</b>  |
| <b>73,127</b>   | <b>78,202</b>   | <b>120,990</b>  | <b>145,050</b>  | <b>113,357</b>  | <b>129,510</b>  | <b>151,796</b>  | <b>190,526</b>  | <b>152,593</b>  | <b>156,337</b>  | <b>417,369</b>  | <b>585,189</b>  | <b>242,867</b>  | <b>308,930</b>  |
| <b>99,188</b>   | <b>113,775</b>  | <b>165,125</b>  | <b>212,604</b>  | <b>151,591</b>  | <b>178,334</b>  | <b>210,592</b>  | <b>256,905</b>  | <b>185,963</b>  | <b>196,410</b>  | <b>590,692</b>  | <b>797,422</b>  | <b>329,925</b>  | <b>382,373</b>  |
| 55,130          | 60,668          | 102,642         | 120,038         | 86,578          | 103,561         | 118,189         | 156,491         | 120,230         | 124,799         | 338,478         | 464,819         | 190,139         | 245,029         |
| 56%             | 53%             | 62%             | 56%             | 57%             | 58%             | 56%             | 61%             | 65%             | 64%             | 57%             | 58%             | 58%             | 64%             |
| 26%             | 31%             | 27%             | 32%             | 25%             | 27%             | 28%             | 26%             | 18%             | 20%             | 29%             | 27%             | 27%             | 19%             |
| 40%             | 37%             | 43%             | 38%             | 42%             | 41%             | 39%             | 42%             | 48%             | 45%             | 40%             | 41%             | 41%             | 46%             |
| <b>66%</b>      | <b>68%</b>      | <b>70%</b>      | <b>70%</b>      | <b>67%</b>      | <b>68%</b>      | <b>67%</b>      | <b>68%</b>      | <b>66%</b>      | <b>65%</b>      | <b>69%</b>      | <b>68%</b>      | <b>68%</b>      | <b>65%</b>      |
| 16%             | 16%             | 19%             | 18%             | 15%             | 17%             | 17%             | 19%             | 17%             | 19%             | 18%             | 17%             | 16%             | 18%             |
| 18%             | 16%             | 11%             | 12%             | 18%             | 15%             | 16%             | 13%             | 17%             | 16%             | 13%             | 15%             | 16%             | 17%             |
| <b>34%</b>      | <b>32%</b>      | <b>30%</b>      | <b>30%</b>      | <b>33%</b>      | <b>32%</b>      | <b>33%</b>      | <b>32%</b>      | <b>34%</b>      | <b>35%</b>      | <b>31%</b>      | <b>32%</b>      | <b>32%</b>      | <b>35%</b>      |



**Deferred Revenue Metrics**

|  | 2014            |                 |                 |                 | 2015            |                 |                 |                 | 2016            |                 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
|  | 3/31/2014       | 6/30/2014       | 9/30/2014       | 12/31/2014      | 3/31/2015       | 6/30/2015       | 9/30/2015       | 12/31/2015      | 3/31/2016       | 6/30/2016       |
|  | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) | Rounded (\$000) |
| <b>Deferred revenue:</b>                                   |                 |                 |                 |                 |                 |                 |                 |                 |                 |                 |
| Current Product  | 14,179          | 12,871          | 9,914           | 10,718          | 9,697           | 9,176           | 8,590           | 8,200           | 8,083           | 7,549           |
| Current Subscription & Services                            | 107,241         | 123,937         | 150,854         | 193,159         | 207,514         | 223,346         | 257,316         | 296,969         | 321,012         | 334,978         |
| <b>Current deferred revenue</b>                            | <b>121,420</b>  | <b>136,808</b>  | <b>160,768</b>  | <b>203,877</b>  | <b>217,211</b>  | <b>232,522</b>  | <b>265,906</b>  | <b>305,169</b>  | <b>329,095</b>  | <b>342,527</b>  |
| Less: acquired deferred revenue                            |                 |                 |                 |                 |                 |                 |                 |                 | (19,622)        | -               |
| Adjusted ending current deferred revenue                   | 121,420         | 136,808         | 160,768         | 203,877         | 217,211         | 232,522         | 265,906         | 305,169         | 309,473         | 342,527         |
| Non-current Product  | 8,179           | 7,361           | 6,077           | 4,891           | 3,950           | 3,599           | 2,879           | 3,051           | 3,231           | 3,062           |
| Non-current Subscription & Services                        | 83,123          | 87,838          | 116,076         | 143,775         | 157,603         | 173,770         | 186,082         | 218,778         | 233,756         | 241,862         |
| <b>Non-current deferred revenue</b>                        | <b>91,302</b>   | <b>95,199</b>   | <b>122,153</b>  | <b>148,666</b>  | <b>161,553</b>  | <b>177,369</b>  | <b>188,961</b>  | <b>221,829</b>  | <b>236,987</b>  | <b>244,924</b>  |
| Less: acquired deferred revenue                            |                 |                 |                 |                 |                 |                 |                 |                 | (1,465)         | -               |
| Adjusted ending non-current deferred revenue               | 91,302          | 95,199          | 122,153         | 148,666         | 161,553         | 177,369         | 188,961         | 221,829         | 235,522         | 244,924         |
| <b>Total deferred revenue</b>                              | <b>212,722</b>  | <b>232,007</b>  | <b>282,921</b>  | <b>352,543</b>  | <b>378,764</b>  | <b>409,891</b>  | <b>454,867</b>  | <b>526,998</b>  | <b>566,082</b>  | <b>587,451</b>  |
| Less: acquired deferred revenue                            | -               | -               | -               | -               | -               | -               | -               | -               | (21,087)        | -               |
| Adjusted ending deferred revenue                           | 212,722         | 232,007         | 282,921         | 352,543         | 378,764         | 409,891         | 454,867         | 526,998         | 544,995         | 587,451         |
| Current deferred revenue %                                 | 57%             | 59%             | 57%             | 58%             | 57%             | 57%             | 58%             | 58%             | 58%             | 58%             |
| Non-current deferred revenue %                             | 43%             | 41%             | 43%             | 42%             | 43%             | 43%             | 42%             | 42%             | 42%             | 42%             |
| <b>Ending Product Deferred Revenue</b>                     | <b>22,358</b>   | <b>20,232</b>   | <b>15,991</b>   | <b>15,609</b>   | <b>13,647</b>   | <b>12,775</b>   | <b>11,469</b>   | <b>11,251</b>   | <b>11,314</b>   | <b>10,611</b>   |
| <b>Ending Subscription &amp; Services Deferred Revenue</b> | <b>190,364</b>  | <b>211,775</b>  | <b>266,930</b>  | <b>336,934</b>  | <b>365,117</b>  | <b>397,116</b>  | <b>443,398</b>  | <b>515,747</b>  | <b>554,768</b>  | <b>576,840</b>  |