



Q3 2026 Earnings Presentation

October 28, 2026

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All forward-looking statements herein reflect our opinions only as of the date of these presentation slides, and we undertake no obligation, and expressly disclaim any obligation, to update forward-looking statements herein in light of new information or future events.



Q3'26 Key Financial Highlights

29%

Y/Y Billings
Growth

20%

Y/Y Total Revenue
Growth

37%

Y/Y Product Revenue
Growth

51%

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

38%

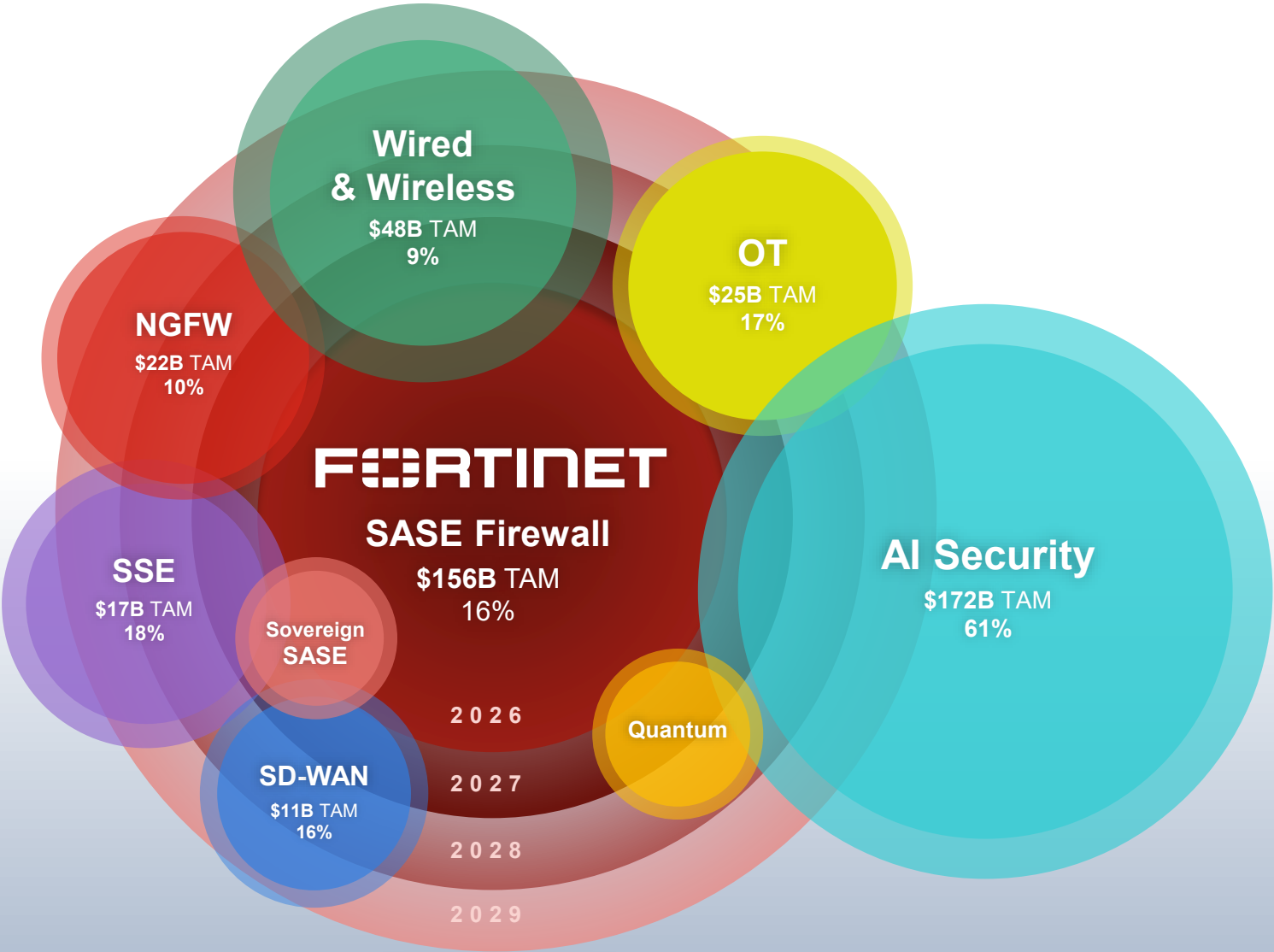
Operating Margin
(Non-GAAP)

44%

Adjusted Free Cash
Flow Margin



Fortinet is the Fastest-Growing SASE Firewall Vendor at Scale



Note: 2029 total addressable markets shown. Market growth rates reflect the 2025-2029 CAGR. Gartner, Forecast: Enterprise Network Equipment, Worldwide, 2024-2030, 3Q26, September 2026. Gartner, Forecast: Information Security, Worldwide, 2024-2030, 3Q26, September 2026. Gartner, Forecast: AI Spending, Worldwide, 2025-2030, 3Q26, October 2026. Westlands Advisory, OT Security Forecast.

Fortinet Product Pillars



SASE Firewall

Unified SASE providing consistent security, flexible deployment, and lower TCO to protect every edge and device.

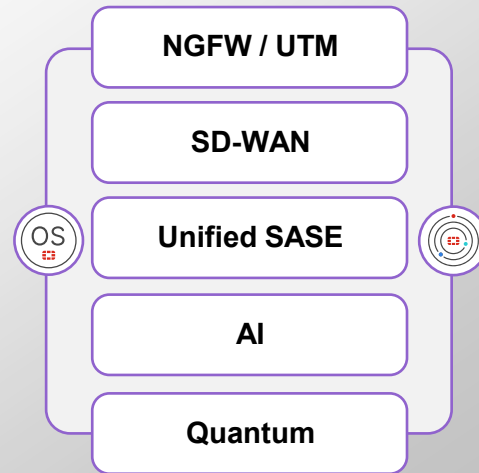
SASE Firewall Market

+31%
Fortinet Billings Growth

+16%
Market Growth

\$156B Market

90% OF TOTAL BILLINGS



AI-Driven SecOps

The broadest and most integrated security operations platform.

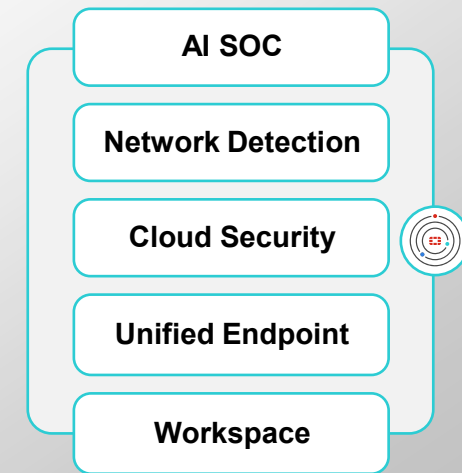
AI-Driven SecOps Market

+15%
Fortinet Billings Growth

+10%
Market Growth

\$192B Market

10% OF TOTAL BILLINGS



FortiGuard Inline AI Security Services | AI-intelligent Threat Intelligence at Scale



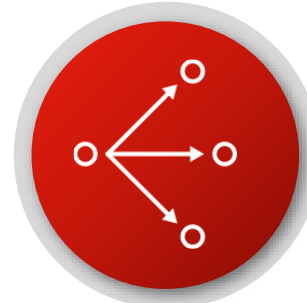
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Market Leader Across Major Security and Networking Categories



Network Security



SD-WAN



SASE



Operational
Technology



AI / Quantum

Security at Scale

\$9.2B

LTM Billings

Built to Last

**GAAP
Profitable
Every Year
Since 2009 IPO**

Proven at Scale

1M+

Lifetime
Customers

#1 in Innovation

1,474

Patents

Worldwide Scale, Support

15,000+

Employees

110,000+

Partners

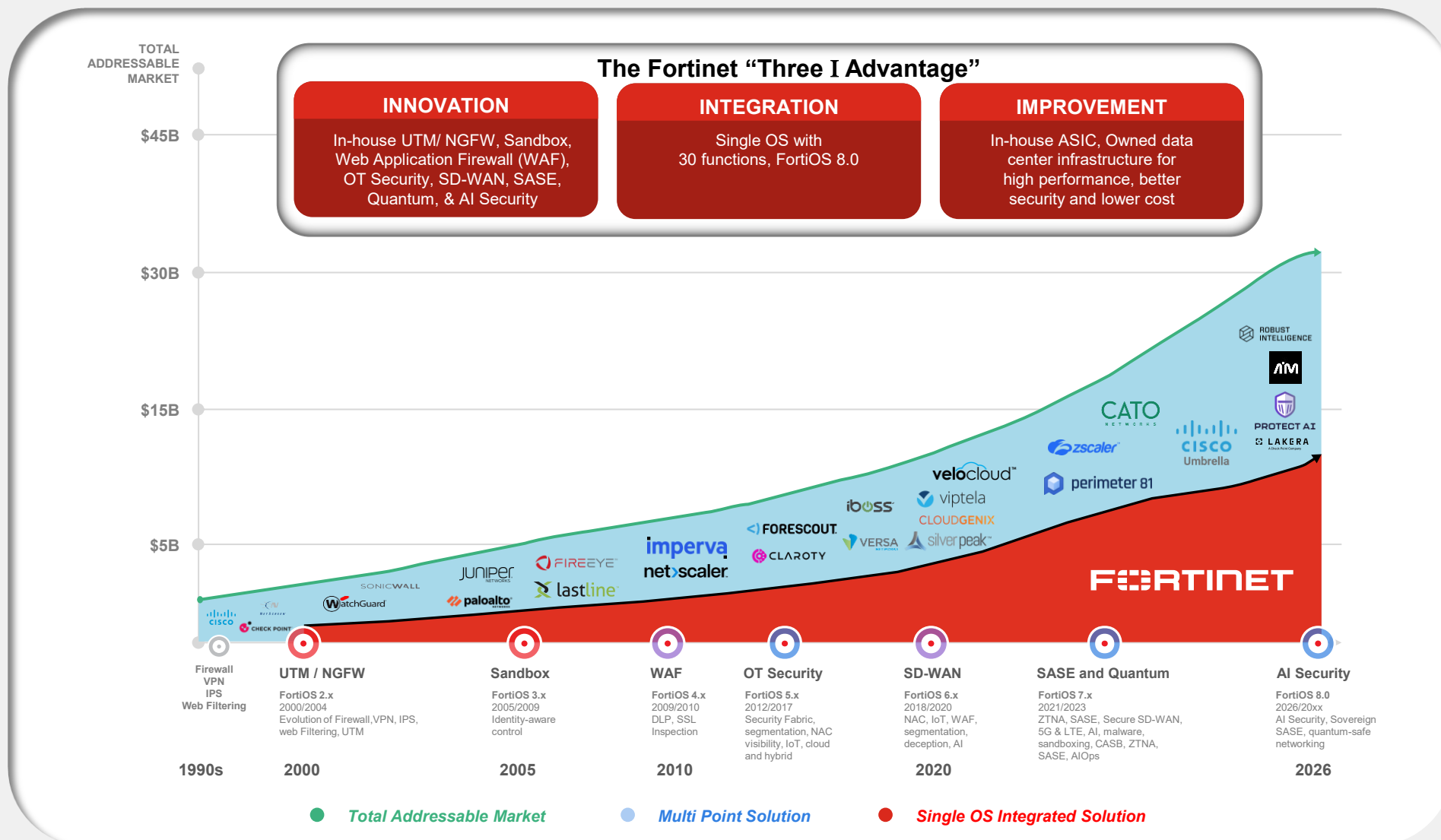
Top-Tier Public Company

**NASDAQ 100
S&P 500**

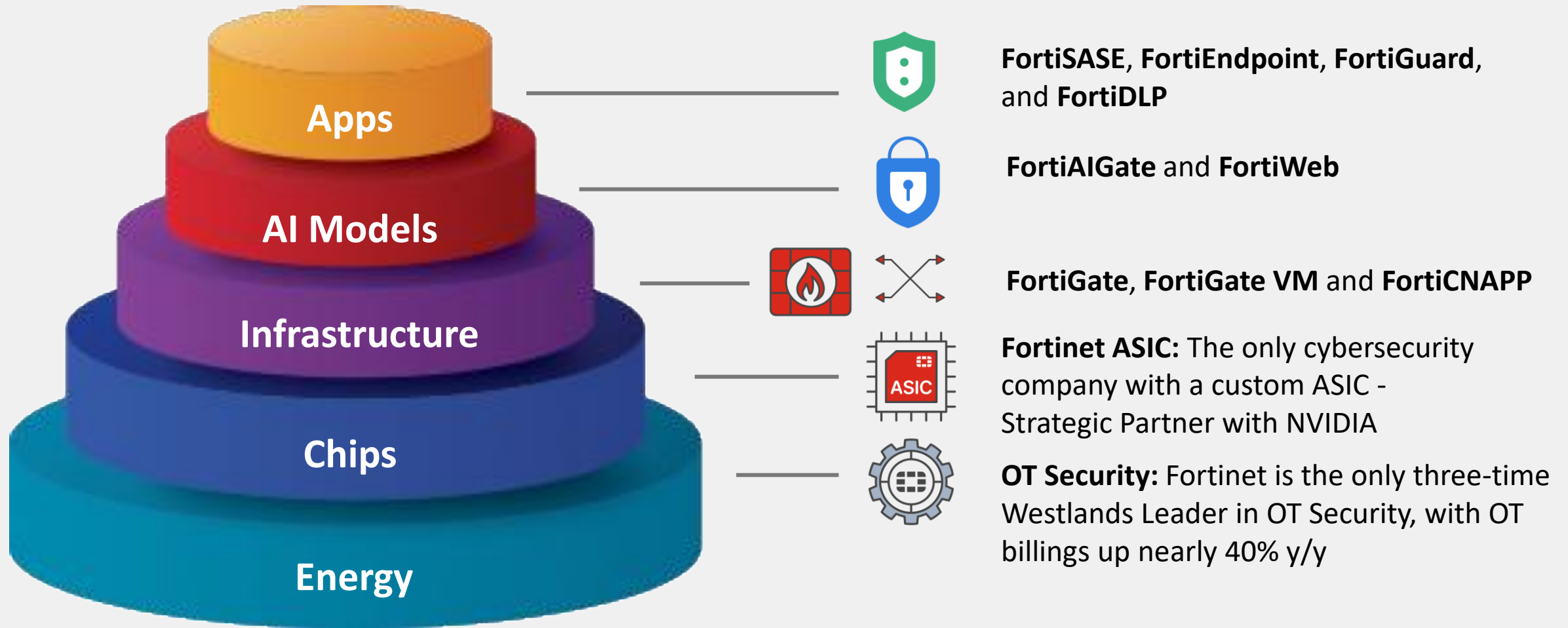


Fortinet: Leading the Network Security Market with Innovations in FortiOS

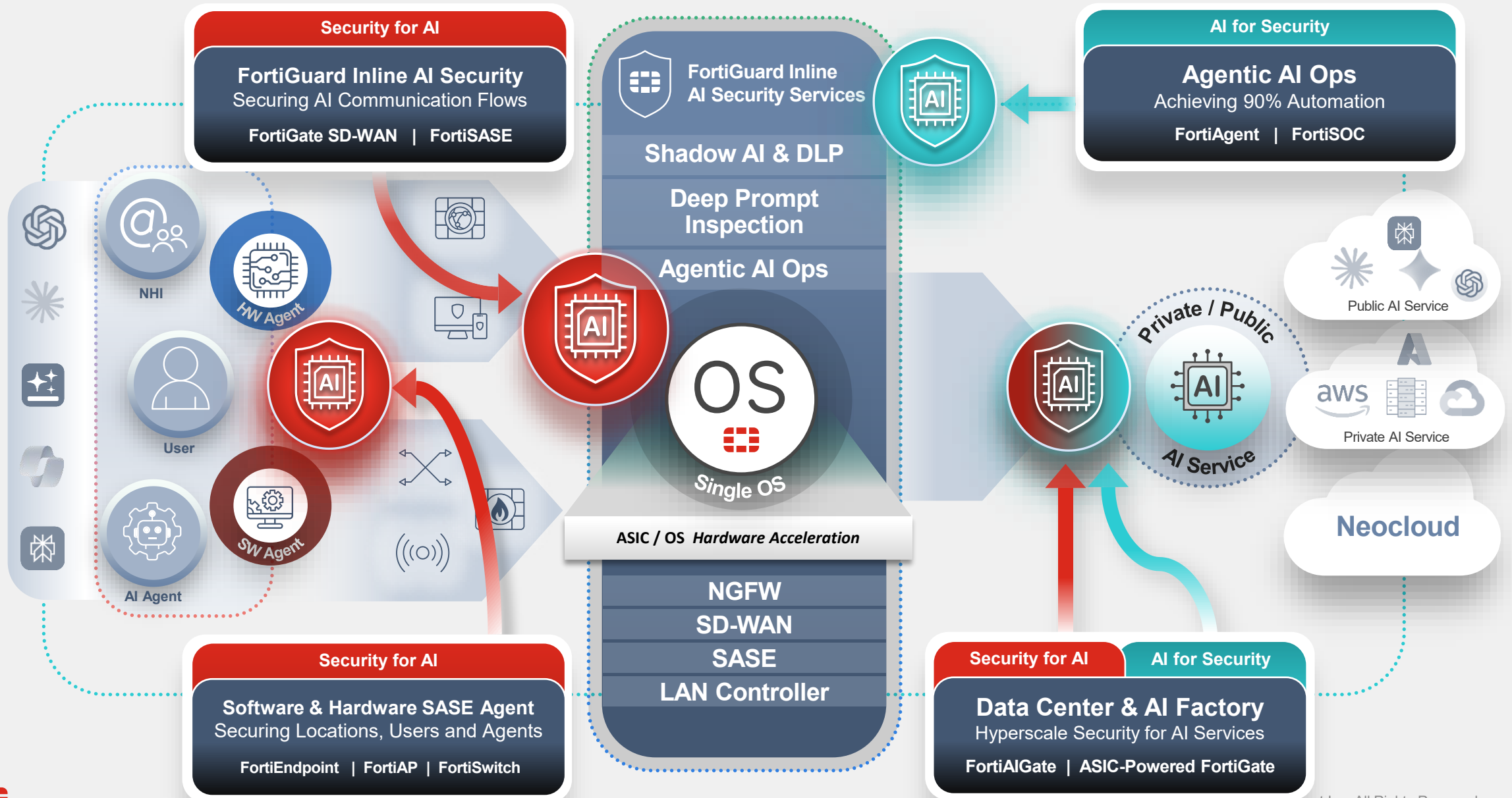
Growing faster than the network security market through The “Three I Advantage” – Innovation, Integration, and Improvement



Protecting AI Infrastructure, Applications, Data, and Users



Broadest and Most Integrated AI Security Solution



Broadest and Most Integrated AI Security Solution

Security for AI

FortiGuard Inline AI Security
Securing AI Communication Flows

Shadow AI
Full visibility & control of Shadow AI – built-in to existing FortiGuard Services available today as part of FortiGate and FortiSASE.

Prompt Inspection
A new inline FortiGuard service to secure against AI infrastructure threats (LLM attacks, data compromise, token monitoring).

Agentic AI Service
New service extension to plug-in to agentic NOC & SOC operational framework using MCP and secure FortiAgent tool.

Sovereign
On-premise options for all components (NGFW, SD-WAN Control, Sovereign SASE, Central Management, Logging, SOC, AI inspection, etc.)



New FortiGuard Inline AI Security Services



CUSTOMER

Secure AI usage without changing the network



FORTINET

New inline & Agentic FortiGuard Services

Deployment Coverage



CUSTOMER

Consolidates tools to simplify operations & procurement



FORTINET

Cover more project segments with single solution



New FortiGuard Services



FORTIGUARD

Shadow AI and DLP

Supported by existing FortiGuard NGFW services and part of Enterprise bundle.



FORTIGUARD

Inline AI Security Inspection Service

Inline inspection of LLM prompt traffic, handled by FortiAIGate-aaS, to enforce guardrails for security, compliance and risk controls.



FORTIGUARD

Agentic AI Operations Service

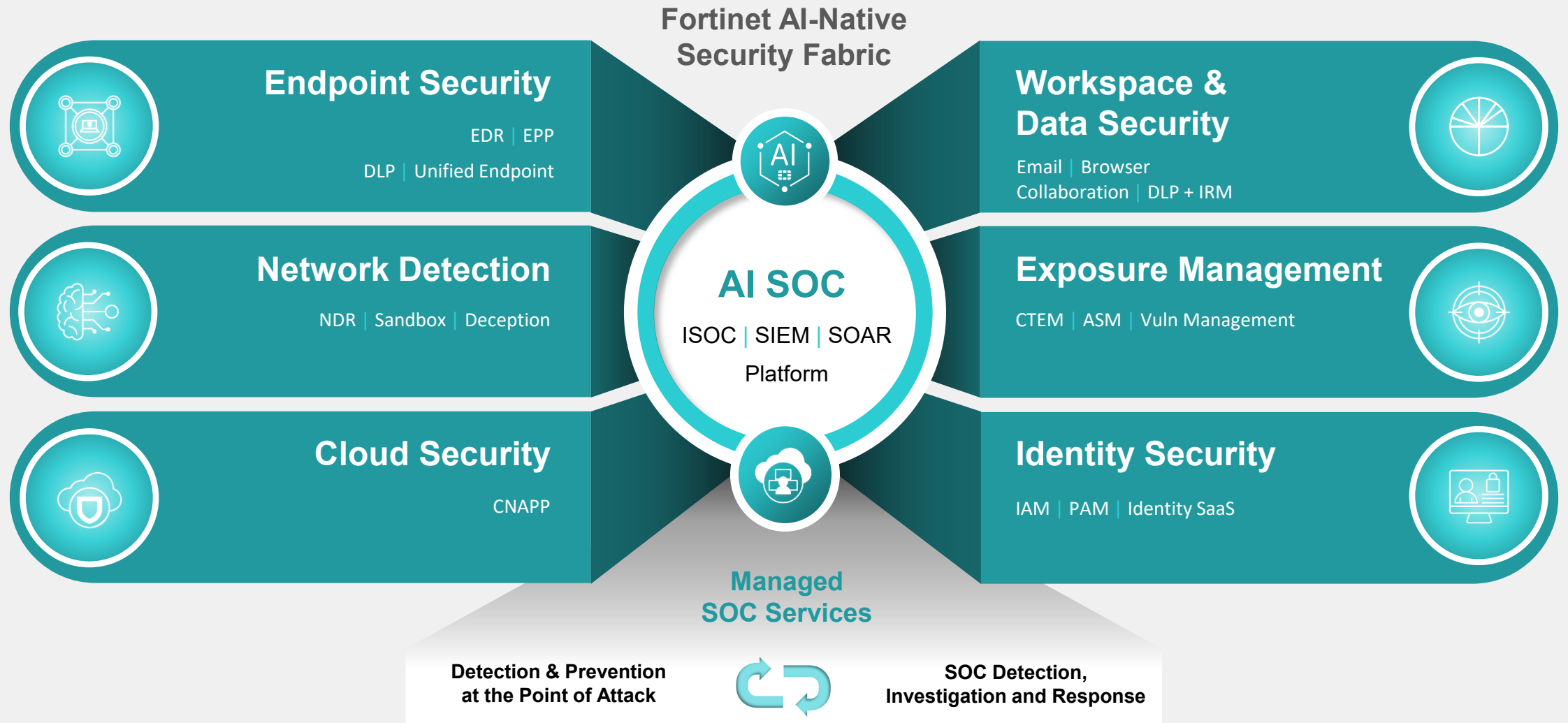
FortiAI Assist integration, FortiAI Inference support, FortiAgent integration, secure MCP access, and dynamic MCP Tools & Skills updates



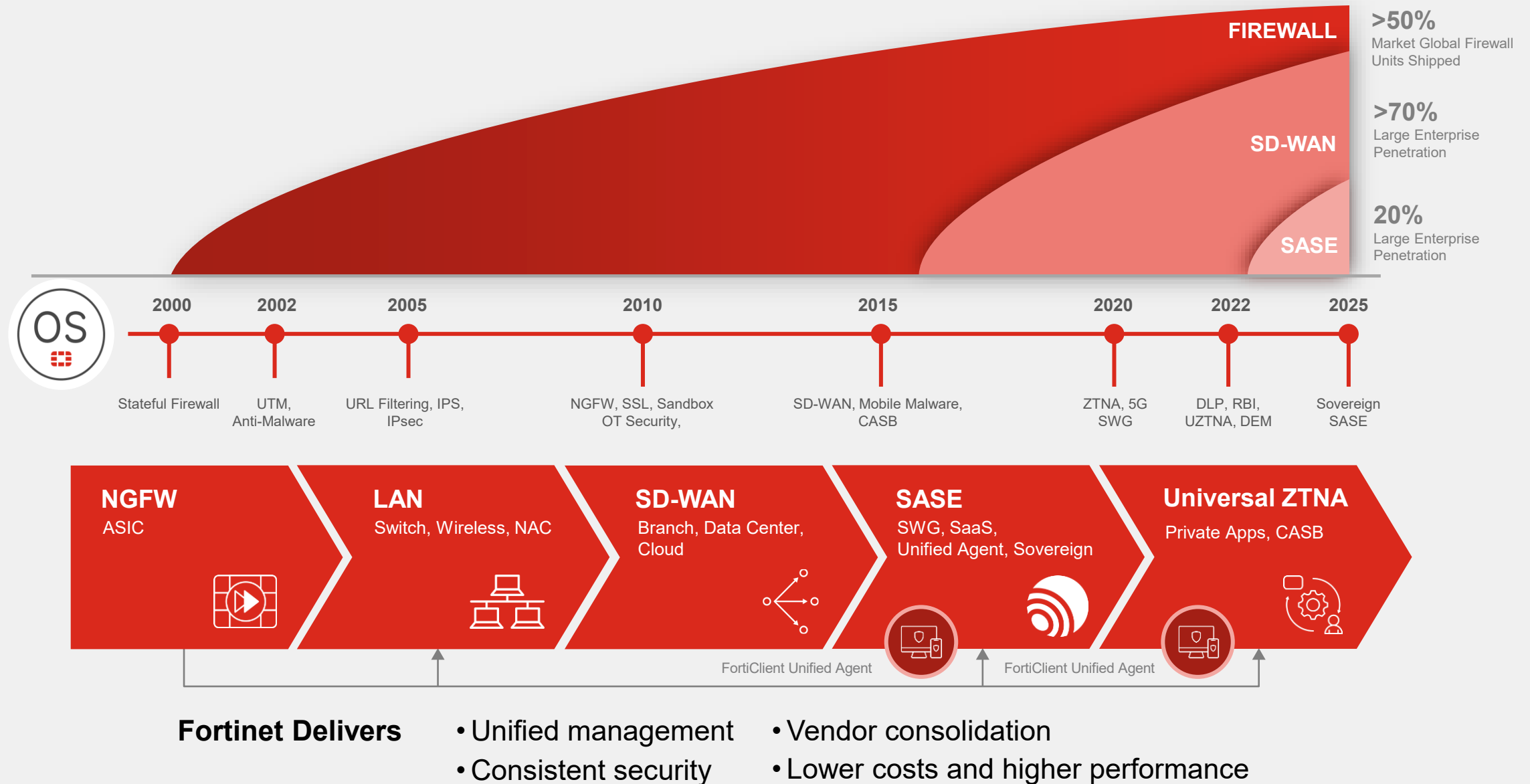
Sovereign Deployments

Sovereign deployment options available for each component

AI-driven Security Operations



The Fortinet Journey: A Seamless Security Evolution



Note: Market global firewall units shipped data is from 650 Group.

The Most Deployed and Most Validated Secure SASE and SD-WAN Solution

Best Value and Security

Cloud Locations
~200 Global locations

Lower TCO
~5M owned sq. ft. facilities and
FortiASIC acceleration

Highest Availability
Multi-cloud redundancy

1/3

The cost for
the Cloud

Easy to Adopt

Single OS
Firewall | SD-WAN | SASE

Turnkey Deployment
Expand from SD-WAN
in minutes

Unified Policy
Vendor consolidation

3 to 1

vendor
consolidation

Broadest Solution

3 Ways to Deploy
Cloud | On-prem | Sovereign

3 Choices of Cloud
Fortinet | Co-location | Public

3 Ways to Consume
SaaS | Hardware | EA

3 x 3

broadest, most
flexible offering



Leading the Market with Quantum-Safe Solutions Since 2021



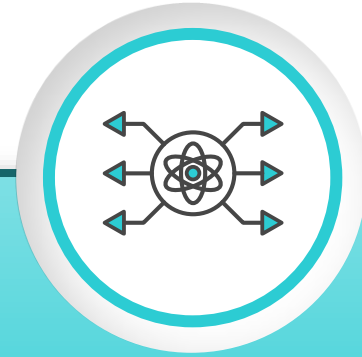
Protect Data Today

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



Interoperable

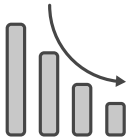
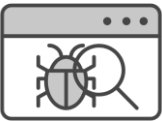
Standards are in transition, but Fortinet has NIST standardized solutions available already.



Transition Easily

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

Q3'26 OT Security Billings Grew Nearly 40% Y/Y Driven by AI-Infrastructure

	<div>Secure Industrial Modernization</div> <div></div> <div>Broadest OT Platform spanning secure networking, zero trust, SOC and 3rd party integrations, built for OT</div> <div>Rapid OT security maturity, ease of deployment and scalability</div> <div><div>Reduction in threats 93%</div></div>	<div>Deep OT Security</div> <div></div> <div>Most OT signatures to protect unpatched OT devices, unique automated virtual patching</div> <div>Immediate protection for unpatched OT devices and risk mitigation with virtual patching</div> <div><div>>2x OT device signatures over the competition</div></div>	<div>True IT/OT Convergence</div> <div></div> <div>Common FortiOS across IT and OT enabling seamless, efficient and secure operations across networks</div> <div>Simplified user experience, deployment and management across the entire Purdue model</div> <div><div>Reduction in TCO</div></div>
How Fortinet Delivers			
Customer Benefit			
Proven Results			



Strong Revenue Growth in the Third Quarter

Total Revenue

Americas EMEA APAC

+20%

\$1,725

\$2,078

Q3'25

Q3'26

Product Revenue

Hardware Software

+37%

\$559

\$765

Q3'25

Q3'26

Service Revenue

+13%

\$1,166

\$1,313

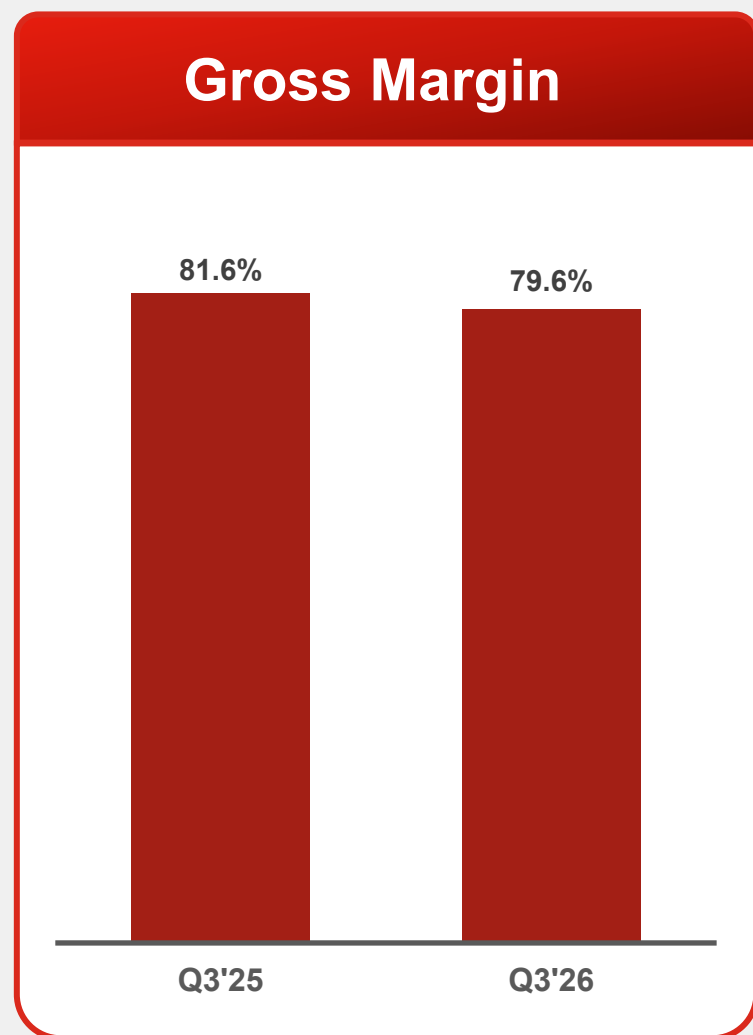
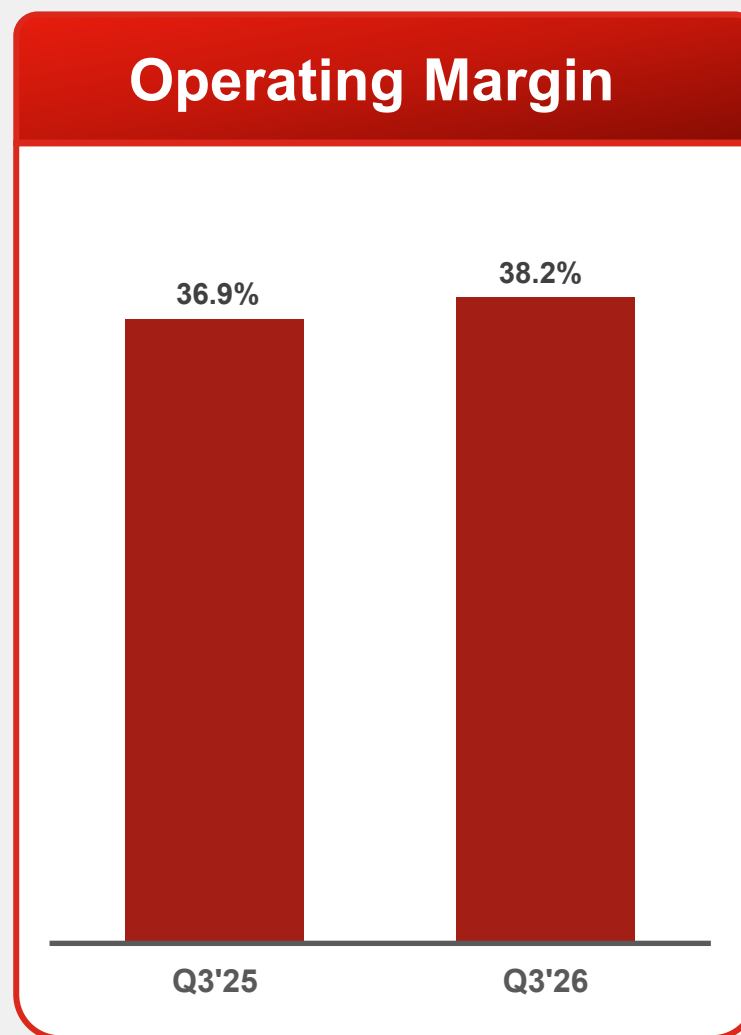
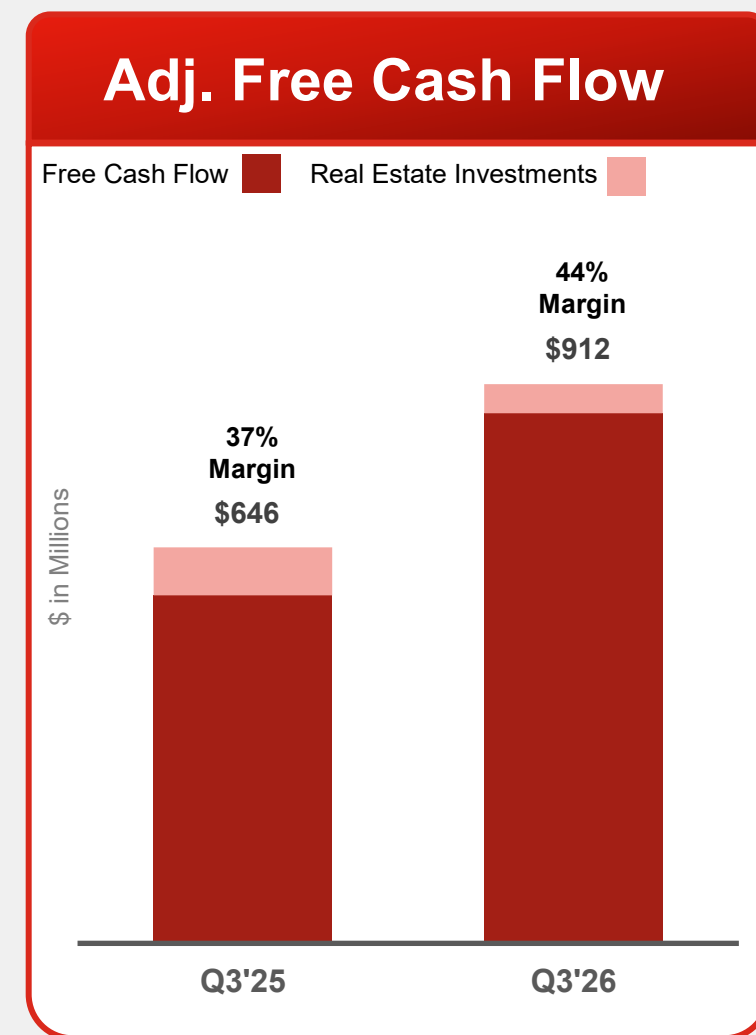
Q3'25

Q3'26

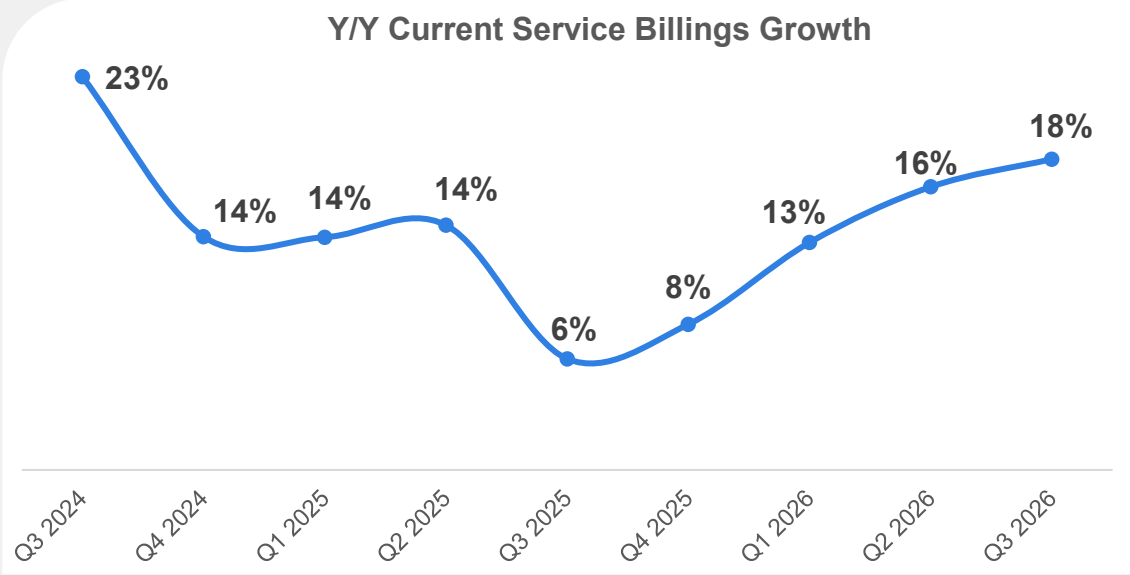
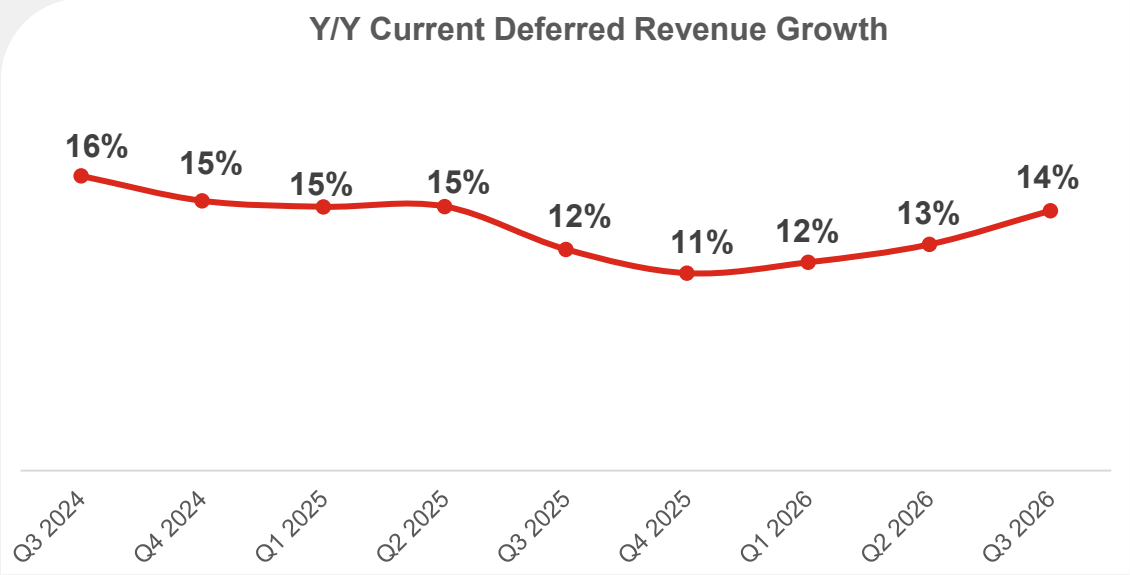
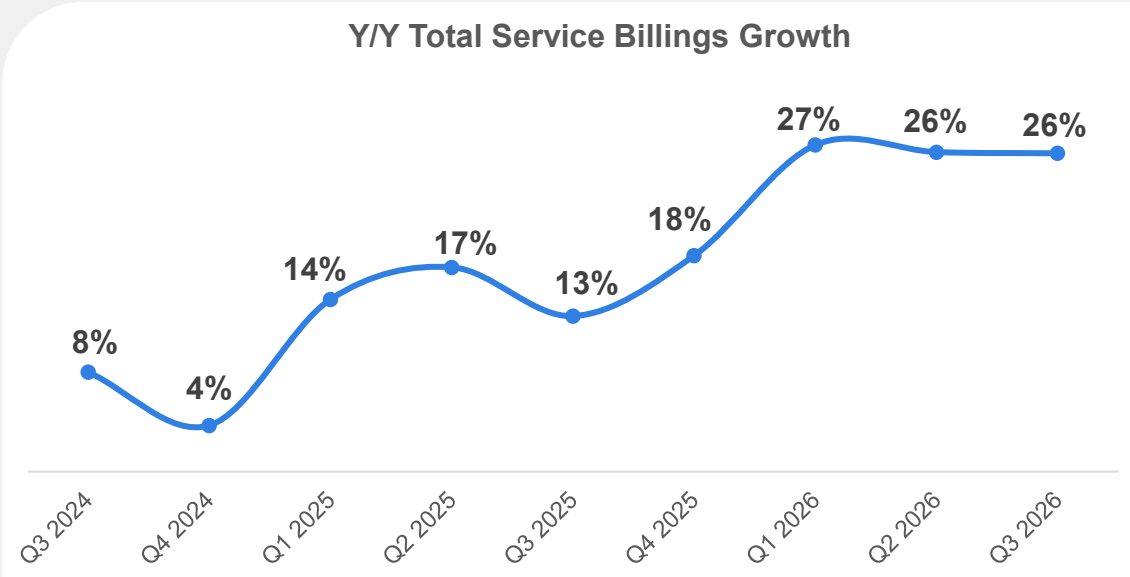
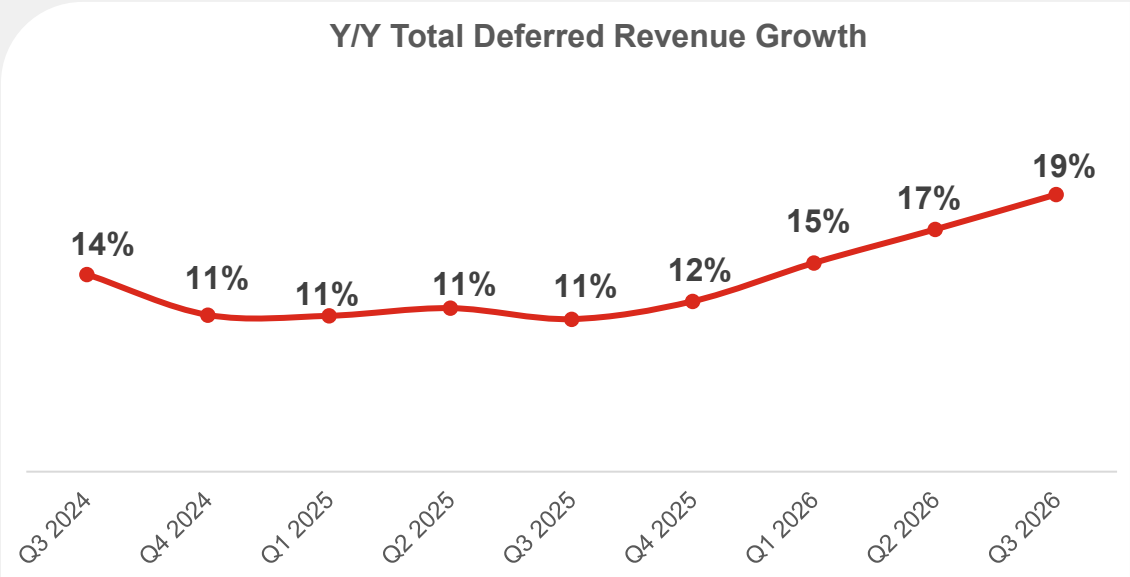
\$ in Millions



Strong Operating Margin & Free Cash Flow

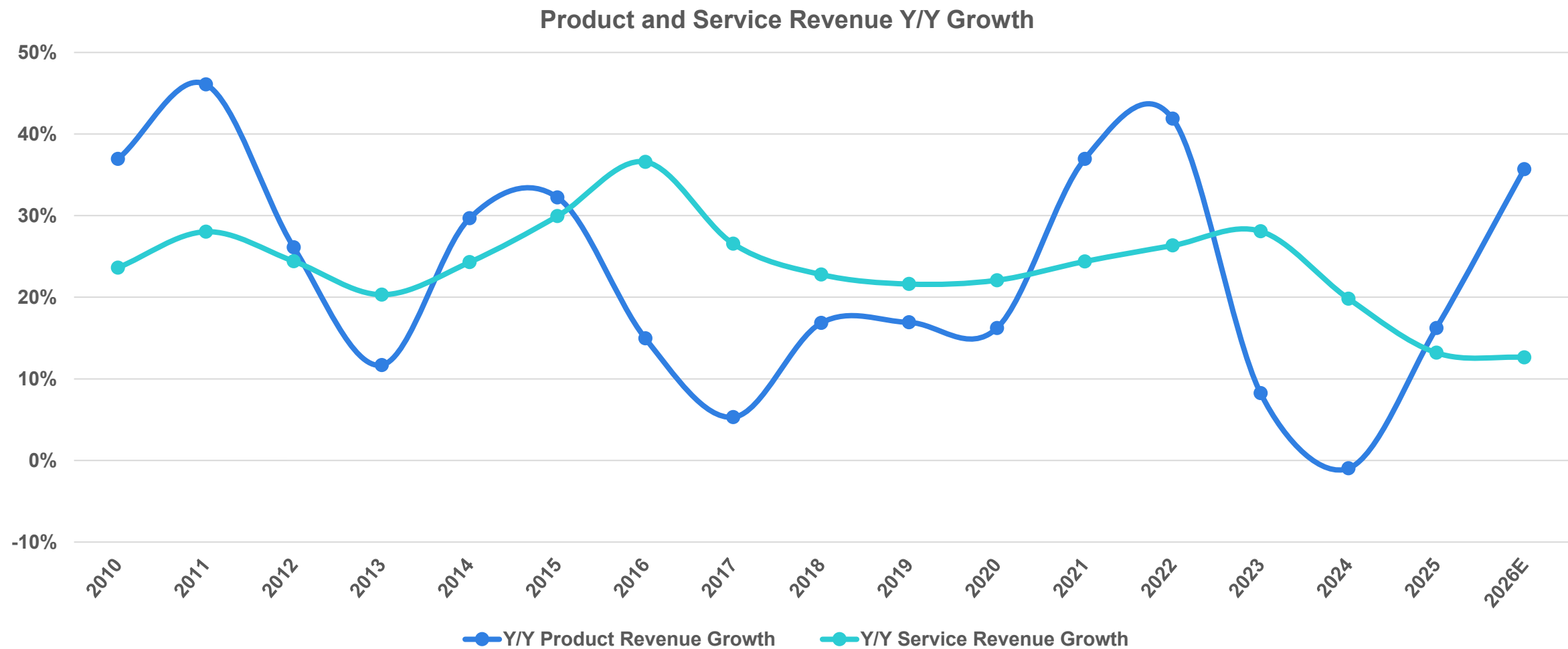


Leading Indicators of Future Service Revenue Growth are Accelerating



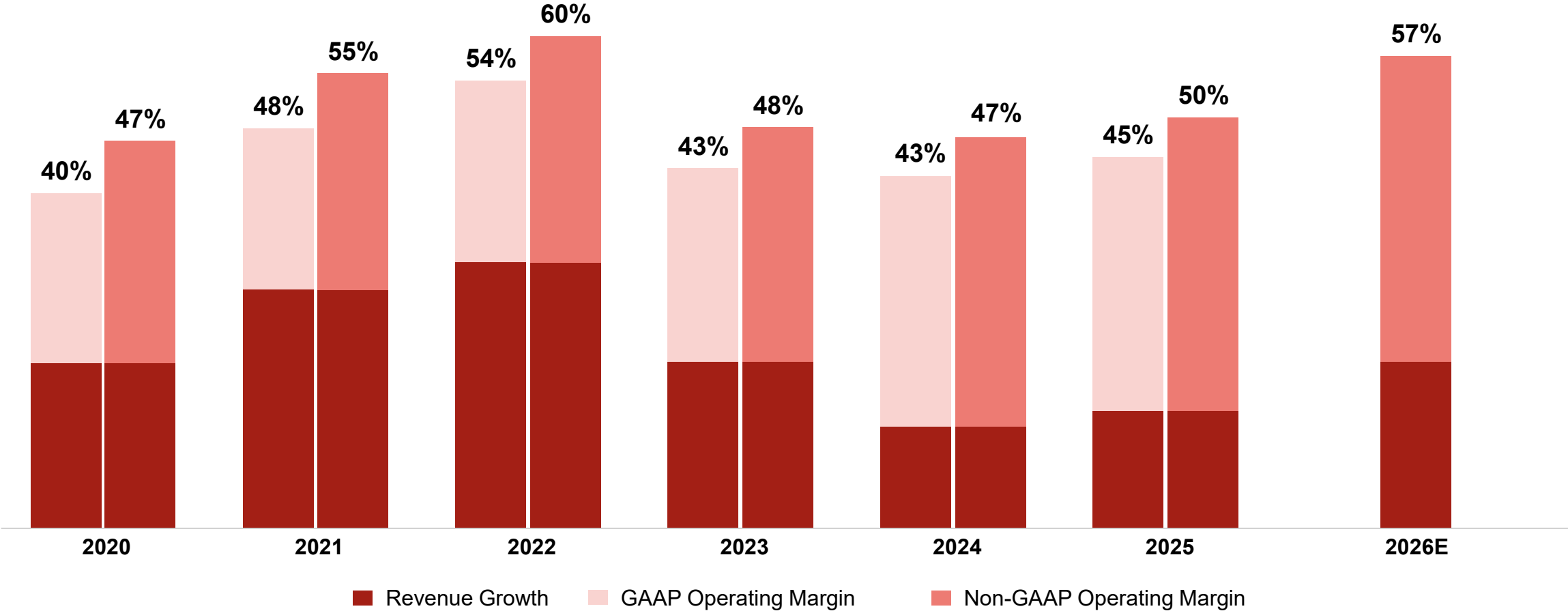
Note: Current service billings is calculated as total revenue plus the quarter over quarter change in short-term deferred revenue minus product revenue, and total service billings is calculated as total billings minus product revenue.

Product Revenue is a Leading Indicator of Future Service Revenue Growth



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

GAAP Profitable Every Year Since IPO



Fortinet defines the Rule of 45 as GAAP revenue Y/Y growth plus Non-GAAP Operating Margin. We have not reconciled our guidance with respect to non-GAAP financial measures to the corresponding GAAP measures because certain items that impact these measures are uncertain or out of our control or cannot be reasonably predicted. Accordingly, a reconciliation of these non-GAAP financial measures to the corresponding GAAP measures is not available without unreasonable effort.

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

Robust Share Buyback Program



~\$10B

cash returned to
shareholders since IPO



\$2.0B

buyback authorization
remaining



300M+

shares repurchased
since IPO

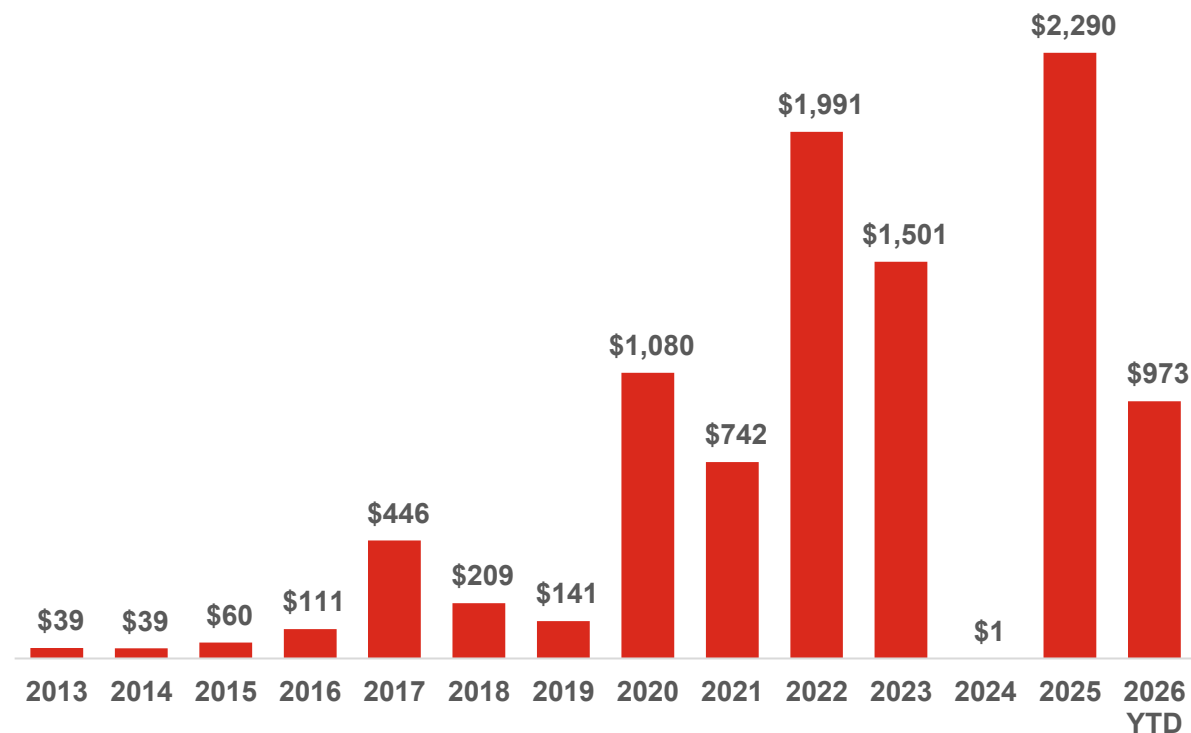


~40%

increase in EPS
due to repurchases

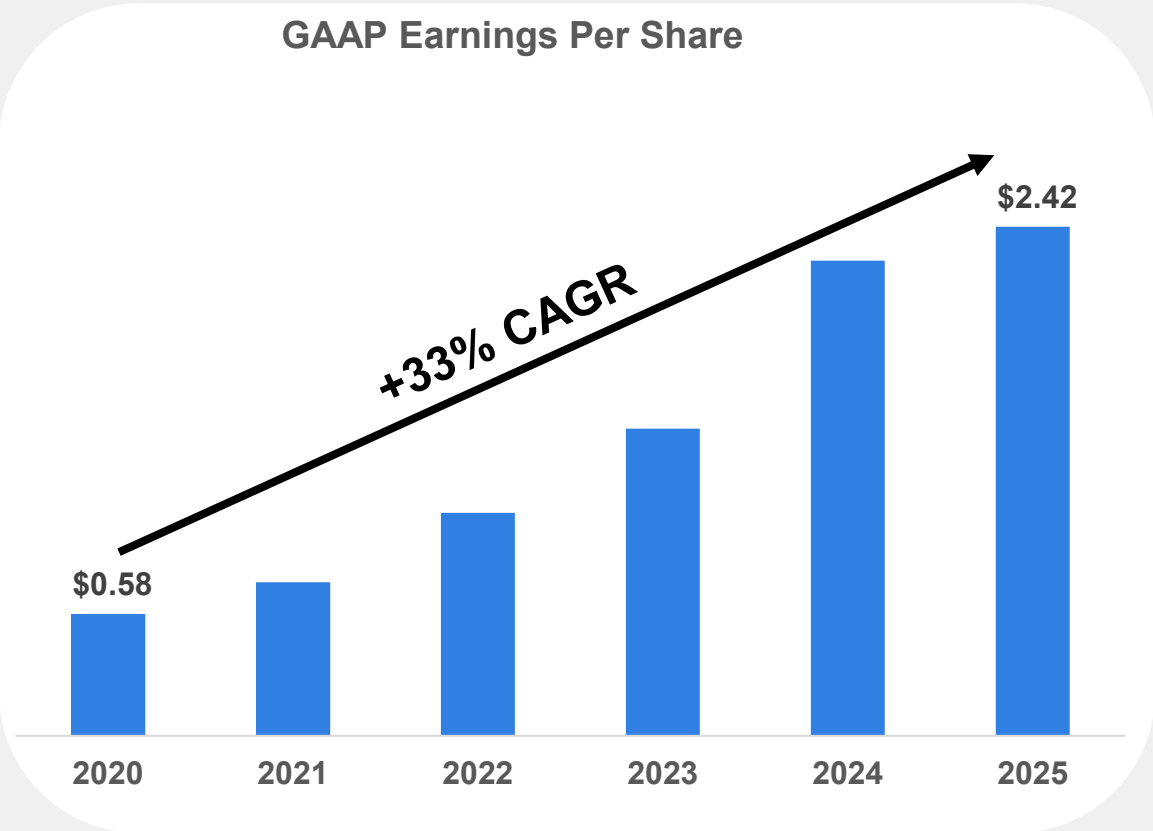
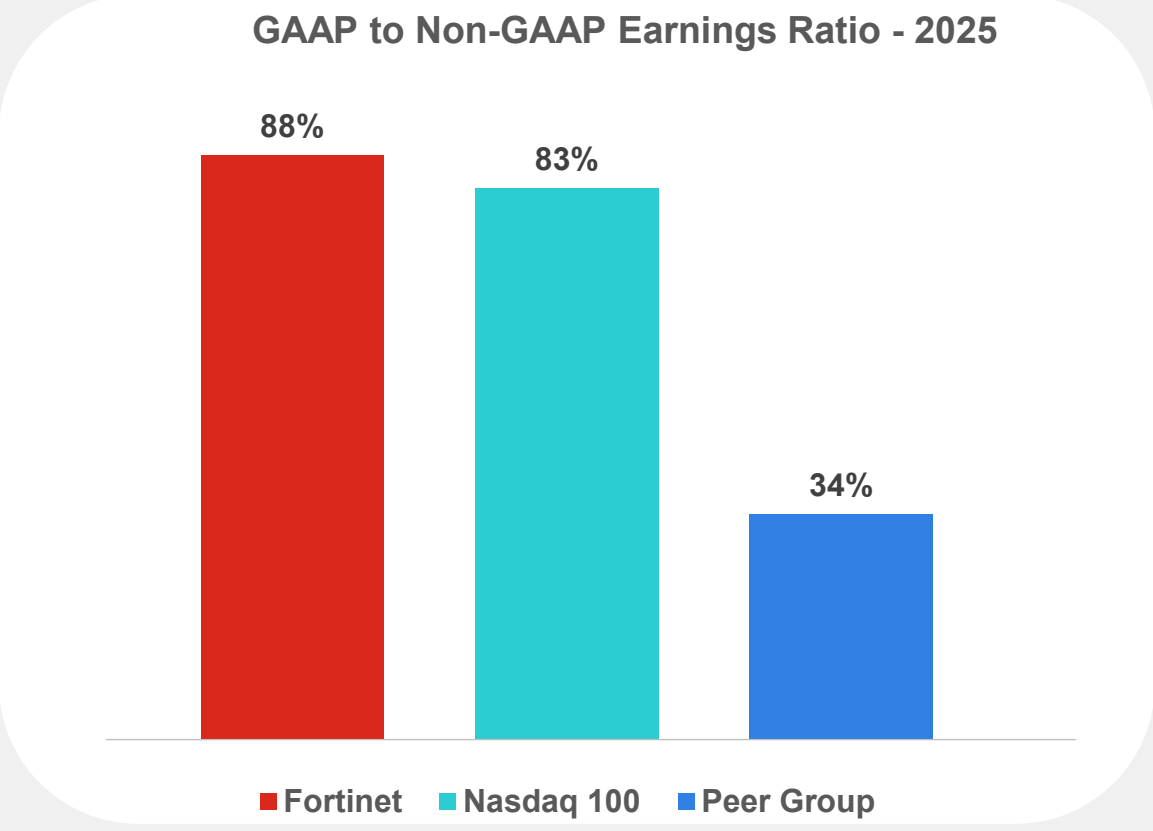
Cash Paid for Stock Repurchases

\$ In millions



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

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



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



Q4'26 and Full Year 2026 Guidance (Non-GAAP) ⁽¹⁾

	Q4'26E	2026E
Billings ⁽²⁾	\$2.775B – \$2.925B	\$9.568B – \$9.718B
Y/Y Mid-Pt Growth	20%	28%
Revenue (GAAP)	\$2.155B – \$2.245B	\$8.125B – \$8.215B
Y/Y Mid-Pt Growth	15%	20%
Service Revenue (GAAP)		\$5.150B – \$5.170B
Y/Y Mid-Pt Growth		13%
Gross Margin (%) ⁽³⁾	78.0% – 80.0%	79.7% – 80.3%
Operating Margin (%) ⁽³⁾⁽⁴⁾	35.5% – 37.5%	36.5% – 37.5%
Net Income per Share ⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾	\$0.93 – \$0.95	\$3.54 – \$3.58
Weighted Diluted Shares Outstanding	741M – 745M	741M – 743M

(1) Guidance for non-GAAP financial measures excludes stock-based compensation, amortization of acquired intangible assets, settlements of litigation related matters, gains on IP matters, a gain on bargain purchase, a gain from an escrow settlement, a gain from an equity method investment and a tax adjustment required for an effective tax rate on a non-GAAP basis, which differs from the GAAP effective tax rate. We have not reconciled our guidance with respect to non-GAAP financial measures to the corresponding GAAP measures because certain items that impact these measures are uncertain or out of our control or cannot be reasonably predicted. Accordingly, a reconciliation of these non-GAAP financial measures to the corresponding GAAP measures is not available without unreasonable effort.

(2) Billings is a non-GAAP measure that we define as revenue recognized in accordance with GAAP plus the change in deferred revenue from the beginning to the end of the period less any deferred revenue balances acquired from business combination(s) during the period.

(3) Excludes stock-based compensation and amortization of acquired intangible assets.

(4) Excludes charges in connection with litigation settlements and gains on IP matters.

(5) Excludes a gain from an escrow settlement.

(6) Assumes an effective tax rate of 18% for 2026. We expect cash paid for income taxes to be within the range of \$400 million to \$450 million for 2026.



Additional Modeling Points

	Q4'26E	2026E
Cash Paid for Income Taxes	\$80M - \$130M	\$400M - \$450M
Infrastructure Investments	\$180M - \$210M	\$390M - \$420M
Non-GAAP Tax Rate	18%	18%





Appendix

Historical Billings and ARR for Unified SASE and Security Operations

(\$ in millions)	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26	2024	2025
Billings											
SASE Firewall (Secure Networking + Unified SASE)											
% of Total Billings	91%	88%	90%	89%	89%	89%	91%	90%	90%	90%	89%
Y/Y Growth	4%	7%	13%	13%	12%	20%	31%	34%	31%	0%	15%
Security Operations											
% of Total Billings	9%	12%	10%	11%	11%	11%	9%	10%	10%	10%	11%
Y/Y Growth	30%	7%	19%	35%	39%	6%	23%	25%	15%	19%	22%
SASE Firewall Breakout:											
Secure Networking											
% of Total Billings	66%	65%	66%	65%	63%	63%	66%	66%	66%	66%	64%
Y/Y Growth	(1%)	5%	10%	12%	10%	13%	32%	34%	34%	(4%)	12%
Unified SASE											
% of Total Billings	25%	22%	25%	24%	26%	27%	25%	24%	24%	24%	25%
Y/Y Growth	21%	16%	21%	17%	16%	40%	31%	35%	22%	15%	24%
Annual Recurring Revenue (ARR)											
Unified SASE	\$1,107	\$1,151	\$1,183	\$1,186	\$1,224	\$1,278	\$1,326	\$1,405	\$1,444		
Y/Y Growth	32%	28%	26%	23%	11%	11%	12%	18%	18%		
AI-Driven Security Operations	\$363	\$405	\$416	\$443	\$473	\$491	\$508	\$531	\$551		
Y/Y Growth	34%	32%	30%	35%	30%	21%	22%	20%	16%		



Reconciliation of GAAP to Non-GAAP Results

(\$ in millions, except per share amounts)	Q3'25	Q3'26
Total revenue	\$1,724.9	\$2,078.4
Add: Change in deferred revenue	82.8	258.7
Less: Deferred revenue balance acquired in business acquisitions	—	(0.8)
Total billings	\$1,807.7	\$2,336.3
GAAP Cash Flow from Operations	\$655.2	\$946.0
Less: Purchases of Property and Equipment	(87.7)	(64.2)
Less: Proceeds from escrow settlement	—	(17.0)
Free Cash Flow ⁽¹⁾	\$567.5	\$864.8
Add: Real Estate Related Add Backs	78.4	47.4
Adjusted Free Cash Flow ⁽²⁾	\$645.9	\$912.2
Adjusted Free Cash Flow Margin	37.4%	43.9%
GAAP total gross profit	\$1,393.2	\$1,640.9
Stock-based compensation	7.5	8.6
Amortization of acquired intangible assets	7.2	5.9
Non-GAAP total gross profit	\$1,407.9	\$1,655.4
Non-GAAP gross margin	81.6%	79.6%
GAAP operating income	\$547.3	\$704.3
Stock-based compensation	72.2	82.0
Amortization of acquired intangible assets	13.1	8.9
Litigation related matters	5.6	—
Gain on IP matters	(1.4)	(1.4)
Non-GAAP operating income	\$636.8	\$793.8
Non-GAAP operating margin	36.9%	38.2%
GAAP net income per share, diluted	\$0.62	\$0.86
Stock-based compensation	0.09	0.10
Amortization of acquired intangible assets	0.02	0.01
Litigation related matters	0.01	—
Gain from escrow settlement	—	(0.02)
Tax adjustment	—	(0.04)
Non-GAAP net income per share, diluted	\$0.74	\$0.91



Reconciliation of GAAP to Non-GAAP Results (Continued)

(\$ in millions)	2020	2021	2022	2023	2024	2025
GAAP operating income	\$531.8	\$650.4	\$969.6	\$1,241.1	\$1,803.4	\$2,084.7
GAAP operating Margin	20.5%	19.5%	21.9%	23.4%	30.3%	30.7%
Stock-based compensation	193.8	211.2	219.8	251.6	260.2	282.1
Amortization of acquired intangible assets	13.3	18.5	23.3	18.9	23.1	50.7
Litigation-related matters	(0.7)	-	-	-	3.2	5.6
Gain on IP matters	(40.2)	(4.6)	(4.6)	(4.6)	(4.6)	(10.4)
Non-GAAP operating income	\$698.0	\$875.5	\$1,208.1	\$1,507.0	\$2,085.3	\$2,412.7
Non-GAAP operating margin	26.9%	26.2%	27.3%	28.4%	35.0%	35.5%

(\$ in millions)	2025
GAAP net income	\$1,853.4
Stock-based compensation	282.1
Amortization of acquired intangible assets	50.7
Litigation related matters	5.6
Gain on IP matters	(10.4)
Gain on bargain purchase	(39.9)
Tax adjustment	(23.6)
Gain from equity method investment	(10.8)
Non-GAAP net income	\$2,107.1

