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**NETAPP ANNOUNCES RESULTS FOR THIRD
QUARTER OF FISCAL YEAR 2010**

Record Revenues of \$1.01 Billion; Non-GAAP EPS of \$0.40

SUNNYVALE, Calif. – February 17, 2010 -- NetApp (NASDAQ: NTAP) today reported results for the third quarter of fiscal year 2010, which ended January 29, 2010. GAAP revenues for the third quarter of fiscal 2010 were \$1.01 billion, compared to GAAP and non-GAAP revenues¹ of \$746 million and \$874 million, respectively, for the same period one year ago.

For the third fiscal quarter of 2010, GAAP net income was \$108 million, or \$0.30 per share² compared to GAAP net loss of \$82 million, or (\$0.25) per share for the same period in the prior year. Non-GAAP³ net income for the third fiscal quarter of 2010 was \$144 million, or \$0.40 per share, compared to non-GAAP net income of \$93 million, or \$0.28 per share for the same period one year ago.

GAAP revenues for the first nine months of the current fiscal year totaled \$2.76 billion, compared to GAAP and non-GAAP revenues of \$2.5 billion and \$2.7 billion, respectively, for the first nine months of the prior fiscal year.

GAAP net income for the first nine months of the current fiscal year totaled \$255 million, or \$0.73 per share, compared to GAAP net loss of \$4 million, or \$0.01 per share for the first nine months of the prior fiscal year. Non-GAAP net income for the first nine months of the current fiscal year totaled \$350 million, or \$1.00 per share, compared to non-GAAP net income of \$262 million, or \$0.78 per share for the first nine months of the prior fiscal year.

“The NetApp team demonstrated remarkable execution this quarter. With record revenues, record profits and record EPS, the company produced double-digit year over year

revenue growth and our operations team shipped a record number of systems, despite persistent supply constraints,” said Tom Georgens, president and CEO. “I am very pleased with the breadth of our progress. Business levels grew in every major geography, we gained momentum in both our channel and our direct business, and clearly gained market share this quarter.”

Outlook

- NetApp estimates revenue for the fourth quarter of fiscal year 2010 to be in the range of \$1.07 billion to \$1.10 billion.
- NetApp estimates share count for the fourth quarter of fiscal year 2010 to increase by about 6 million shares.
- NetApp estimates that the fourth quarter of fiscal year 2010 GAAP earnings per share will be approximately \$0.31 to \$0.33 per share. NetApp estimates that the fourth quarter fiscal year 2010 non-GAAP earnings per share to be approximately \$0.42 to \$0.44 per share.

Business Highlights

In the third quarter of fiscal year 2010, NetApp made several key announcements regarding new and expanded alliances with top IT industry leaders, the delivery of new products and solutions designed to drive greater efficiency in customers’ shared data center infrastructures, and several industry awards and accolades. Key business highlights during the quarter included the following.

New and Expanded Strategic Alliances

- **Cisco, NetApp, and VMware Expand Longstanding Collaboration.** Cisco, NetApp, and VMware [collaborated to deliver new design architectures](#) that help customers make their virtualized data centers more efficient, dynamic, and secure. The companies introduced an end-to-end secure multi-tenancy design architecture that provides enhanced security when sharing data center resources across virtualized and enterprise cloud environments. Cisco, NetApp, and VMware will also offer a cooperative support model for these pretested and validated design architectures to help customers quickly build a unified, virtualized infrastructure.
- **Microsoft and NetApp Announce Strategic Alliance.** Microsoft and NetApp [announced a new three-year agreement](#) to collaborate on and deliver technology solutions that span virtualization, private cloud computing, and storage and data management. This will enable customers to increase data center management efficiencies, reduce costs, and

improve business agility. The strategic alliance will deepen product collaboration and technical integration and will extend joint sales and marketing activities to customers worldwide.

- **Fujitsu and NetApp Plan to Expand Their Global Partnership.** Fujitsu and NetApp announced their intention to [deepen their partnership globally](#) and to provide more tightly integrated and automated storage and data management solutions. The companies intend to jointly develop integrated products and services specifically in the areas of virtualization, storage and data management, and storage services and solutions. The expanded relationship will enable customers to derive greater value and efficiencies from their dynamic infrastructures.

New Products and Solutions

- **New Tools to Manage Virtual Desktops in VMware Environments.** NetApp [introduced new tools and support](#) to help customers deploy and manage virtual desktops through VMware® View™ 4. With the release of NetApp® Rapid Cloning Utility 3.0, customers can simplify the way they provision VMware virtual machines and streamline their business.
- **New Virtualization Solutions for Microsoft Environments.** NetApp [unveiled NetApp SnapManager® for Hyper-V™ and SnapManager 6.0 for Microsoft® Exchange Server](#) to minimize the complexity of physical and virtualized infrastructures.

Industry Awards and Accolades

- **NetApp Named a Great Place to Work.** [NetApp was ranked #7](#) in *FORTUNE* magazine's "100 Best Companies to Work For" list. This is the second consecutive year that NetApp ranked in the top 10 and the fourth consecutive year it ranked in the top 15.
- **Gartner Positions NetApp as Leader in Midrange Enterprise Disk Array Magic Quadrant.** NetApp was [positioned by Gartner, Inc. in the Leaders quadrant](#) in its recently released research note "Magic Quadrant for Midrange Enterprise Disk Arrays."⁴ Vendors in the Leaders quadrant have the highest scores for their ability to execute and their completeness of vision.
- **NetApp eBI Project Earns InfoWorld 100 Award.** NetApp's enterprise business intelligence (eBI) project was honored as part of IDG's [InfoWorld 100 Awards](#) for 2009, which recognize the 100 most innovative uses of IT initiatives that further business goals.
- **NetApp Receives WRAP Award for Waste Management Programs.** The California Integrated Waste Management Board honored NetApp with a [2009 Waste Reduction Awards Program \(WRAP\) award](#). The award recognizes NetApp's corporate waste and recycling program and its achievements in minimizing its environmental impact through the conscientious use of products, activities, and services.

Webcast and Conference Call Information

The NetApp quarterly results conference call will be broadcast live on the Internet at <http://investors.netapp.com> on Wednesday, February 17, 2010, at 2:30 p.m. Pacific Time. This press release and any other information related to the call will also be posted on the Web site at that location. An audio replay Webcast will also be available after 5:30 p.m. Pacific Time on our Web site at <http://investors.netapp.com>.

Starting this quarter, NetApp will use a new hybrid format for disclosing key financial information associated with our quarterly results. Concurrent with this press release, NetApp has posted and distributed a separate document with financial commentary and statistics that previously were disclosed during our earnings calls. These prepared remarks will now be available at <http://investors.netapp.com> prior to the conference call in order to provide the investment community with additional time to analyze our results. This commentary will not be read during the earnings call.

About NetApp

NetApp creates innovative storage and data management solutions that accelerate business breakthroughs and deliver outstanding cost efficiency. Discover NetApp's passion for helping companies around the world go further, faster at www.netapp.com.

“Safe Harbor” Statement Under U.S. Private Securities Litigation Reform Act of 1995

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include all of the statements under the Outlook section relating to our forecasted operating results, share count, and metrics for the fourth quarter of fiscal year 2010, our expectations regarding our new partnership and strategic alliances and the benefits that we expect our customers to realize from using our products and those from our strategic alliances and partnerships. These forward-looking statements involve risks and uncertainties, and actual results could vary. Important factors that could cause actual results to differ materially from those in the forward-looking statements include customer demand for our products and services; our ability to increase revenue and manage our operating

costs; increased competition risks associated with the anticipated growth in network storage market; our ability to deliver new product architectures and enterprise service offerings; our ability to design products and services that compete effectively from a price and performance perspective; our reliance on a limited number of suppliers; our ability to accurately forecast demand for our products; and other important factors as described in NetApp reports and documents filed from time to time with the Securities and Exchange Commission (SEC), including the factors described under the sections captioned "Risk Factors" in our most recently submitted 10-K and 10-Q. We disclaim any obligation to update information contained in these forward-looking statements whether as a result of new information, future events, or otherwise.

¹ Non-GAAP revenues for the third quarter and first nine months of fiscal year 2009 exclude the impact of the \$128 million GSA settlement.

² GAAP earnings per share is calculated using the diluted number of shares for all periods presented except for the third quarter of fiscal year 2009, which is calculated using the basic number of shares.

³ Non-GAAP results of operations exclude the GSA settlement, amortization of intangible assets, stock-based compensation expenses, merger termination proceeds (net of related expenses), restructuring and other charges, asset impairment, noncash interest expense associated with our convertible debt, net loss or gain on investments, and our GAAP tax provision, including discrete items, but includes a non-GAAP tax provision based upon our projected annual non-GAAP effective tax rate. Non-GAAP earnings per share is calculated using the diluted number of shares for all periods presented.

⁴ "Magic Quadrant for Midrange Enterprise Disk Arrays" by Roger Cox, Stan Zaffos, and Pushan Rinnen, November 2009.

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NetApp Usage of Non-GAAP Financials

The Company refers to the non-GAAP financial measures cited above in making operating decisions because they provide meaningful supplemental information regarding the Company's operational performance. Non-GAAP results of operations exclude the GSA settlement, amortization of intangible assets, stock-based compensation expenses, merger termination proceeds (net of related expenses), restructuring and other charges, asset impairment, noncash interest expense associated with our convertible debt, net loss or gain on investments, and our GAAP tax provision, including discrete items, but includes a non-GAAP tax provision based upon our projected annual non-GAAP effective tax rate. We have excluded these items in order to enhance investors' understanding of our ongoing operations. The use of these non-GAAP financial measures has material limitations because they should not be used to evaluate our

company without reference to their corresponding GAAP financial measures. As such, we compensate for these material limitations by using these non-GAAP financial measures in conjunction with GAAP financial measures.

These non-GAAP financial measures facilitate management's internal comparisons to the Company's historical operating results and comparisons to competitors' operating results. We include these non-GAAP financial measures in our earnings announcement because we believe they are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its financial and operational decision making, such as employee compensation planning. In addition, we have historically reported similar non-GAAP financial measures to our investors and believe that the inclusion of comparative numbers provides consistency in our financial reporting at this time.