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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

August 26, 2005

Network Appliance Inc.

(Exact name of registrant as specified in its charter)

Delaware

0-27130

77-0307520

(State or other jurisdiction  
of incorporation)

(Commission  
File Number)

(I.R.S. Employer  
Identification No.)

495 East Java Drive, Sunnyvale, California

94089

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

(408) 822-6000

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 2.01 Completion of Acquisition or Disposition of Assets.**

On August 26, 2005, Network Appliance, Inc., a Delaware corporation ("Registrant"), completed its acquisition of Decru, Inc. ("Decru"), a Delaware corporation that develops and sells encryption software and appliances to secure network data storage, pursuant to an Agreement and Plan of Merger and Reorganization, by and among Registrant, Decru, Dolphin Acquisition Corp., a wholly-owned subsidiary of the Registrant, and certain other parties, dated June 15, 2005 (the "Merger").

In connection with the closing of the Merger, the Registrant issued to the stockholders of Decru 8,251,203 shares of Common Stock, par value \$0.001 per share, and assumed all options to purchase Decru common stock granted under the Decru, Inc. 2001 Equity Incentive Plan that were outstanding at the closing of the Merger, which options shall be exercisable for an aggregate of 1,926,462 shares of Registrant's Common Stock. In addition, the Registrant paid to the Decru stockholders approximately \$54.5 million in cash, of which approximately \$34 million has been placed in escrow to secure the Decru stockholders' indemnification obligations to Registrant pursuant to the Agreement and Plan of Merger and Reorganization.

The foregoing description of the Merger Agreement does not purport to be complete and is qualified in its entirety by the terms and conditions of the Agreement and Plan of Merger and Reorganization, which will be filed as an exhibit to the Registrant's Quarterly Report on Form 10-Q for period ending July 29, 2005.

A copy of the press release announcing the closing of the above transaction, which is filed as Exhibit 99.1, attached hereto, and is incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(c) Exhibits.

99.1 Press Release issued by Network Appliance, Inc, dated August 29, 2005.

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

September 1, 2005

Network Appliance Inc.

By: /s/ Steven J. Gomo

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*Name: Steven J. Gomo  
Title: Chief Financial Officer and Executive Vice President of  
Finance*

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release issued by Network Appliance, Inc., dated August 29, 2005.

## **Network Appliance Offers Strongest Security Option in the Industry with Completion of Acquisition of Decru**

### **NetApp® Disk Systems and Decru Encryption a Powerful Combination**

**Sunnyvale, CA – August 29, 2005** – Network Appliance, Inc. (NASDAQ:NTAP), the leader in advanced networked storage solutions, today announced that it has completed the acquisition of Decru, a privately held company based in Redwood City, California. Under the terms of the definitive agreement announced June 16, 2005, Network Appliance acquired Decru for approximately \$260 million in cash and stock<sup>1</sup>. Decru is a clear market leader in storage security, helping enterprise and government customers address requirements including regulatory compliance, privacy, secure consolidation, and outsourcing. Decru DataFort™ appliances protect the core of the storage network by seamlessly inserting a layer of data encryption, authentication, key management, and compartmentalization. Decru products and solutions are immediately available from NetApp.

“Our enterprise customers, particularly those in government, financial services, and telecommunication markets, are extremely focused on data protection and security. Data theft and corruption have made a tremendous impact on businesses and consumers; as a result, information risk management has emerged as a top priority at the executive level,” said Dan Warmenhoven, CEO of Network Appliance. “With the acquisition of Decru, NetApp is in a unique position to help customers address these risks with leading products that deliver simplicity, flexibility, and performance. As partners, NetApp and Decru have already built a successful track record of solving tough customer problems – as a combined team, I’m confident we can help a much broader set of customers address these challenges head on.”

As Warmenhoven continued, “We want to reiterate to our customers and the industry that Decru will continue to work closely with the major storage and networking vendors. Our intent is to operate Decru as a separate business unit so it can collaborate with a broad range of partners on a business and technical level, while maintaining the confidentiality of their data and intellectual property. Our customers need security solutions to integrate seamlessly across heterogeneous environments, and Decru is the industry’s only unified storage security platform that can deliver on this requirement.”

Additional details on the NetApp acquisition of Decru can be found in the initial acquisition press release from June 16 available online at [http://www.netapp.com/news/press/news\\_rel\\_20050616](http://www.netapp.com/news/press/news_rel_20050616).

#### **About Network Appliance**

Network Appliance is a world leader in unified storage solutions for today’s data-intensive enterprise. Since its inception in 1992, Network Appliance has delivered technology, product, and partner firsts that simplify data management. Information about Network Appliance™ solutions and services is available at [www.netapp.com](http://www.netapp.com).

<sup>1</sup>Made up of \$54.5 million in cash and 8,765,848 NetApp shares.

#### ***“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 the anticipated benefits to be obtained from the Company’s acquisition of Decru and anticipated customer, market, and industry acceptance. These forward-looking statements involve risks and uncertainties, and actual results could vary. Factors that could impact our ability to achieve our goals include our ability to successfully integrate Decru’s operations and products with the future success of both companies’ product lines, general economic and industry conditions, including expenditure trends for storage-related products; our ability to deliver new product architectures and products that meet market acceptance; our ability to design products that compete effectively from a price and performance perspective; and other important factors as described in Network Appliance, Inc.’s reports and documents filed from time to time with the Securities and Exchange Commission, including our most recently submitted 10-K and 10-Q.*

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