



Network Appliance Announces Revenues Up 90%, Net Income Up 92% in Second Fiscal Quarter; Company Announces 2-For-1 Stock Split

SUNNYVALE, Calif.--(BUSINESS WIRE)--Nov. 16, 1999--Network Appliance, Inc. (NASDAQ: NTAP), the leading provider of network-attached data access and management solutions, today reported revenues of \$124.7 million for the second fiscal quarter ended October 29, 1999, an increase of 90% compared to revenues of \$65.6 million for the same period a year ago.

Net income for the quarter increased 92% to \$16.0 million or \$0.19 per share, compared to net income of \$8.4 million, or \$0.11 per share, for the same period a year ago.

Revenues for the first six months of the current fiscal year totaled \$228.0 million, an increase of 85% compared to revenue of \$123.0 million for the first six months of the prior fiscal year. For the first six months of the current fiscal year, net income increased 91% to \$29.5 million, or \$0.35 per share, compared to net income of \$15.5 million, or \$0.20 per share for the first six months of the prior fiscal year. Earnings per share for the first six months of the current fiscal year increased approximately 75% from the first six months of the prior fiscal year.

"The Internet is pacing the growth of the global economy and Network Appliance continues to benefit from our market leadership position in storage appliances and web caching," said Dan Warmenhoven, President and CEO of Network Appliance, Inc. "During the second quarter, demand for our filer and NetCache™ products accelerated across each of our geographic areas. We are especially pleased with the growing customer acceptance of our software products, which have become an increasing percentage of our business over the past year."

The Company also announced a two-for-one stock split of the Company's common stock to be distributed on or about December 20, 1999 to holders of record on December 10, 1999. After the split, the Company will have approximately 149,300,000 shares of its common stock outstanding based on shares outstanding at October 29, 1999.

About Network Appliance

Network Appliance, a veteran in network file serving and caching, has been providing data access solutions for over six years. Major corporations and ISPs, including Bear Stearns, Yahoo!, Siemens, Lockheed-Martin, Cisco, Motorola and Texas Instruments have deployed NetApp® solutions. NetApp file servers (called "filers") and Internet caching solutions (NetCache appliances) deliver fast, simple, reliable and cost-effective access to network-stored data and enable simultaneous shared file services for UNIX®, Windows® and the World Wide Web. The company pioneered the concept of the "network appliance," an extension of the industry trend toward dedicated, specialized products that perform a single function. Network Appliance™ filers and NetCache appliances are based on the company's patented data access solutions including Data ONTAP™ software and standards-compliant hardware.

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Safe Harbor/Forward-looking Statement

This press release may be deemed to contain forward-looking information. Any forward-looking statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements, including without limitation, any statements as to future events or future financial results of Network Appliance, Inc., may be significantly and materially impacted by risks and uncertainties. In evaluating such statements, readers should specifically consider various factors that could cause actual events or results to differ materially from those indicated, including without limitation, factors described in Network Appliance, Inc. reports and documents filed from time to time with the Securities and Exchange Commission, including its mostly recently submitted 10-K and 10-Q.

[Financial Tables](#)