

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE TO
(Rule 13e-4)
Tender Offer Statement Under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934

NetApp, Inc.

(Name of Subject Company (Issuer) and Filing Person (Offeror))

Options to Purchase Common Stock, \$0.001 par value
(Title of Class of Securities)

64110D104
(CUSIP Number of Class of Securities' Underlying Common Stock)

Daniel J. Warmenhoven
Chief Executive Officer and Director
NetApp, Inc.
495 East Java Drive,
Sunnyvale, California 94089
(408) 822-6000
(Name, address and telephone numbers of person authorized to receive notices and communications on behalf of filing persons)

Copies to:

Steven E. Bochner, Esq.
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650 Page Mill Road
Palo Alto, CA 94304-1050
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CALCULATION OF FILING FEE

Transaction Valuation*	Amount of Filing Fee
Not applicable*	Not Applicable*

* A filing fee is not required in connection with this filing as it relates solely to preliminary communications made before the commencement of a tender offer.

Check the box if any part of the fee is offset as provided by Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

Amount Previously Paid: Not applicable.

Form or Registration No.: Not applicable.

Filing party: Not applicable.

Date filed: Not applicable.

Check the box if the filing relates solely to preliminary communications made before the commencement of a tender offer.

Check the appropriate boxes below to designate any transactions to which the statement relates:

- third party tender offer subject to Rule 14d-1.
- issuer tender offer subject to Rule 13e-4.
- going-private transaction subject to Rule 13e-3.
- amendment to Schedule 13D under Rule 13d-2.

Check the following box if the filing is a final amendment reporting the results of the tender offer:



On April 21, 2009, the stockholders of NetApp, Inc. (the "Company") approved a one-time option exchange program (the "Option Exchange Program") pursuant to which employees of the Company (excluding executives and directors) who hold certain options to purchase shares of the Company's common stock (such options, "eligible options") will be given the opportunity to exchange such eligible options for restricted stock units.

The attached written communication (the "Presentation") was disseminated by the Company on May 5, 2009 in connection with the proposed Option Exchange Program.

The attached Presentation does not constitute an offer to holders of eligible options to exchange such options. The Option Exchange Program described in the Presentation has not yet commenced. Even though the Option Exchange Program has been approved by the stockholders of the Company, the Company may still decide not to implement the Option Exchange Program. Persons who are eligible to participate in the Option Exchange Program should read the Tender Offer Statement on Schedule TO and other related materials when those materials become available because they will contain important information about the Option Exchange Program. The Company will file the Tender Offer Statement on Schedule TO with the Securities and Exchange Commission (the "SEC") upon the commencement of the Option Exchange Program. The Company's stockholders and option holders will be able to obtain these written materials and other documents filed by the Company with the SEC free of charge from the SEC's website at www.sec.gov. Eligible holders of the Company's options may obtain a written copy of the tender offer documents free of charge, when available, by contacting the Compensation Group at NetApp, Inc., 495 East Java Dr., Sunnyvale, CA 94089.

Item 12. Exhibits.

**Exhibit
Number**

Description

99.1 Presentation disseminated by the Company on May 5, 2009 in connection with the Option Exchange Program.



Go further, faster™

NetApp Stock Option Exchange

May 2009





Table of Contents

- Overview of Exchange
 - What & Why?
 - Exchange Phases
 - Where Have We Been?
 - Where Are We Now?
 - Where Are We Going?
 - If Asked Questions, What Should I Say?
- Exchange Program
 - Option to RSU Exchange
 - Eligible Option Holders
 - Eligible Option Grants
 - Exchange Ratios
 - Vesting of New RSUs
 - Cash Out <40 RSUs
- How Does Exchange Work?
 - Election Process
 - Examples of Exchange
- Questions?



Overview of Exchange



What and Why?

- **What is the NetApp option exchange?**
 - A one-time opportunity for employees to voluntarily exchange “underwater” options for new restricted stock units

- **Why is NetApp offering the exchange?**
 - Value to Employees
 - Stock constitutes a key component of incentive and long-term retention
 - Want to create environment where employees receive equity value since most employees’ option grants are significantly underwater
 - Value to Company
 - Retention of employees who are key to our success
 - Reduces potential stockholder dilution
 - A portion of exchanged shares returned to the option pool as available for grant



Option Exchange Phases

- Phase 1 – Shareholder Phase
 - Determine option exchange parameters
 - Solicit stockholder approval of option exchange

- Phase 2 – Employee Phase
 - Preparation & communication

- Phase 3 – Exchange Phase
 - Launch & complete option exchange program



Where Have We Been?

- Phase 1 – Shareholder Phase
 - Determine option exchange parameters
 - Goal: balance stockholder interests while maximizing employee benefit
 - Option for option vs. option for RSU
 - Stockholder considerations
 - Shareholder vote
 - Roadshow with investors
 - Vote was close but stockholders approved!



Where Are We Now?

- Phase 1 – Shareholder Phase
 - Complete

- Phase 2 – Employee Phase
 - April 21, 2009 until beginning of launch (mid-to-late May target)
 - Finalize foreign tax & legal considerations
 - Prepare option exchange (tender offer) documents
 - Set up option exchange web site
 - Develop communication plan & materials about the exchange (intranet site, FAQs, etc)



Where Are We Going?

- Phase 3 – Exchange Phase
 - Exchange launch targeted for mid-to-late May
 - Employees receive offer information upon launch of exchange
 - Once exchange begins, held open for **20 U.S. business days only (unless extended)**
 - **Limited period only.** Cannot exchange options after exchange closes
 - SEC requirement, no flexibility permitted
 - Exchange targeted to close mid-to-late June
 - Upon close of exchange, surrendered options will be cancelled, new RSUs granted



If Asked Questions, What Should I Say?

- **DO** direct employees to internal web page and FAQs
- **DON'T** give any advice about whether to participate in offer
- **DON'T** answer questions via e-mail or voicemail
 - Emails directing employees to web page & FAQs okay
 - We are required under SEC rules to file all such communications, including emails or recordings such as voice mails
- **DON'T** create your own presentations or slides.
 - If you want a meeting with your group, contact dl-optexch-questions
- **IF** you forget and leave voicemail or send e-mail, please contact dl-optexch-questions **IMMEDIATELY** so appropriate actions may be taken
- Answer questions by referring to **option exchange documents or FAQs**
- When in doubt, refer employee to dl-optexch-questions



Exchange Program



Option to RSU Exchange

- Exchange stock options for a lesser number of restricted stock units (RSUs)
- What is an RSU?
 - Right to receive shares of NetApp stock without additional payment
 - Subject to vesting conditions & tax withholding at vest
- RSUs always provide value, even if stock depressed
- RSUs do not have voting rights or dividend rights until vested



Eligible Option Holders

- All employees in our U.S. and certain overseas locations
 - Employed by NetApp throughout the exchange period
 - May exclude employees in certain non-U.S. jurisdictions where local law or other considerations makes participation infeasible or impractical
 - NetApp will provide alternative program in countries which are not eligible
- Officers and directors excluded from exchange:
 - Dan Warmenhoven, Tom Georgens, Steve Gomo, Rob Salmon, Tom Mendoza
 - All members of the Board of Directors



Eligible Option Grants

- Options granted prior to June 20, 2008
- Exercise price greater than or equal to \$22.00 per share
- Grant-by-grant basis
- Options granted from all option plans, including plans from acquisitions



Exchange Ratios

- Five tiers eligible for the option exchange:

<u>If Option Exercise Price Is:</u>	<u>Then Exchange Ratio of Options to RSUs* Is:</u>
\$22.00-\$27.30	5 to 1
\$27.31-\$32.49	6 to 1
\$32.50-\$37.99	7 to 1
\$38.00-\$46.99	10 to 1
\$47 and up	25 to 1

- * Represents number of options surrendered to receive 1 RSU
- Fractional shares rounded down (e.g. if upon exchange, result would be 450.9 RSUs, you will receive 450 RSUs)
 - Exchange ratios applied on a grant-by-grant basis



Vesting of New RSUs

- Depends upon vesting status & exercise price of surrendered option grants
- For surrendered option grants where entire grant is either **unvested or partially vested**:
 - New RSU will have a 4-year vest (1/4 on each anniversary of grant date)
- For surrendered option grants where entire grant is **fully vested**, new RSU vesting is based upon the exercise price of the surrendered option as follows:

<u>Option Exercise Price:</u>	<u>Then Vesting of New RSU is:</u>
\$22.00-\$27.30	2 years (1/2 on each anniversary of grant date)
\$27.31-\$32.49	2 years (1/2 on each anniversary of grant date)
\$32.50-\$37.99	2 years (1/2 on each anniversary of grant date)
\$38.00-\$46.99	3 years (1/3 on each anniversary of grant date)
\$47 and up	3 years (1/3 on each anniversary of grant date)



Cash Out <40 RSUs

- If, upon exchange of option grant, surrendered options would have resulted in fewer than 40 RSUs, a cash payout is substituted for RSUs
- Cash payment value based upon market closing price on the day prior to expiration of option exchange
- Payment, less applicable withholding, made as soon as practicable



How Does Exchange Work?



Election process

- Employee must log into offer web site or make election via fax or email
 - Link to be provided when option exchange begins
- Elect options to exchange, on grant-by-grant basis
- Receive confirmation of election
 - Employee can elect to exchange or withdraw elections as often as desired during 20 day offer period
 - Once offer period expires, no further elections
- New RSUs granted immediately after close of exchange
- RSU confirmation will be issued within several weeks after close of exchange



Examples of Exchange

	Grant Date	Options Outstanding	Vested Options	Unvested Options	Exercise Price	Exchange Ratio	New RSUs*	New Vest Term
Unvested or Partially Vested Option	Jan 16, 2007	1,000	562	438	\$39.83	10-for-1	100	4 Years
Fully Vested Option	Jan 3, 2005	1,000	1,000	0	\$32.70	7-for-1	142	2 Years
Fully Vested Option	Dec 1, 2000	1,000	1,000	0	\$53.938	25-for-1	40	3 Years
Option Exchanged for <40 RSUs	Mar 1, 2000	750	750	0	\$95.032	25-for-1	\$540.00**	N/A

* New RSUs = Options Outstanding / Exchange Ratio (rounded down to nearest whole RSU)

** If exchange of options would have resulted in fewer than 40 RSUs, a cash payout is substituted for the grant of RSUs. Cash payout = calculated RSU shares x closing stock price on day preceding close of exchange offer. In this example, assuming stock price of \$18, cash payout = 30 x \$18 = \$540.00, less applicable withholdings



Questions?

See FAQs, web page or contact
[dl-optexch-questions](#)