PURE//ACCELERATE 2018

INVESTOR SESSION

© 2018 PURE STORAGE INC.

SAFE HARBOR

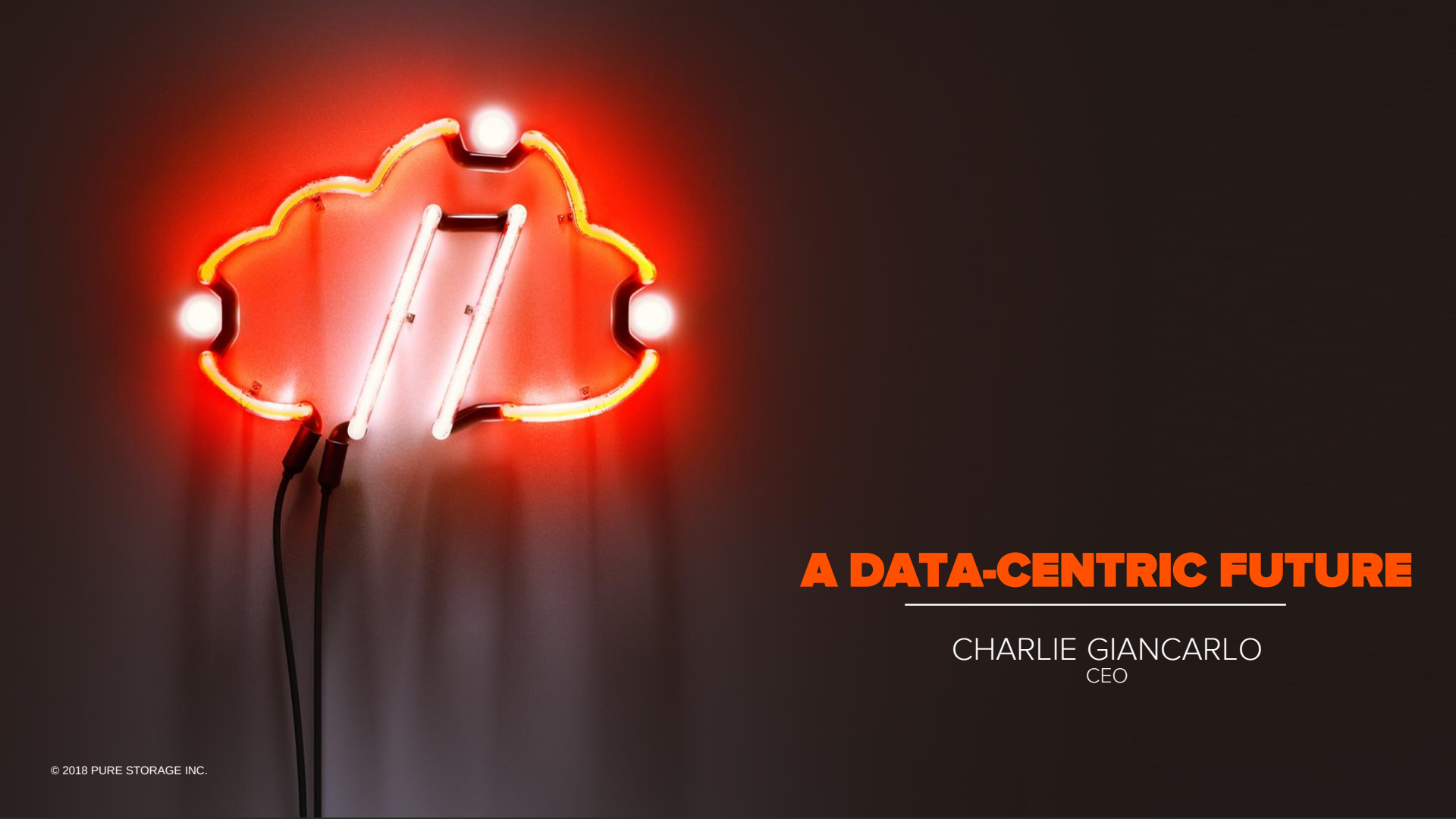
This presentation contains “forward-looking” statements that are based on our beliefs and assumptions and on information currently available to us. Such forward-looking statements include statements concerning our possible or expected future financial or operating results, business strategies, product development plans, technical and business advantages, competitive position, industry trends and potential growth opportunities. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipate,” “believe,” “could,” “seek,” “estimate,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “will,” “would” or similar expressions and the negatives of those terms.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by the forward-looking statements, including risks, uncertainties and other factors relating to our financial guidance, results and growth, our technological leadership and market opportunity, introduction of new functionality and products, product acceptance and our products and business model, customer spending priorities, our competitive position and industry dynamics, and relationships with third parties, including partners and customers. Additional risks, uncertainties and other factors are included under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our reports and registration statement previously filed with the SEC, which is available on our website at investor.purestorage.com and on the SEC's website at www.sec.gov.

Forward-looking statements represent our beliefs and assumptions only as of the date of this presentation. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided reconciliations of those measures to the most directly comparable GAAP measures, which are available in the Appendix. We have not reconciled guidance for non-GAAP gross margin and non-GAAP operating margin to their most directly comparable GAAP measures because items such as stock-based compensation expense and payroll tax expense related to stock-based activities that impact these measures are not within our control and/or cannot be reasonably predicted. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measures is not available without unreasonable effort

© 2018 PURE STORAGE INC.



A DATA-CENTRIC FUTURE

CHARLIE GIANCARLO
CEO

© 2018 PURE STORAGE INC.

Pure positioned for success

BIG OPPORTUNITY: DATA-CENTRIC FUTURE

DIFFERENTIATION AT OUR CORE

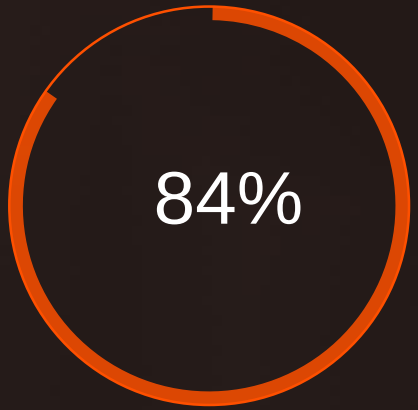
EXECUTING ON LONG-TERM GOALS

© 2018 PURE STORAGE INC.

Data is top of mind for the C-suite and IT departments

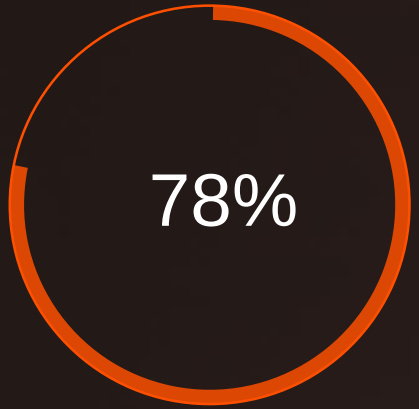
C-SUITE DESIRES

"Data is foundational to business decisions"

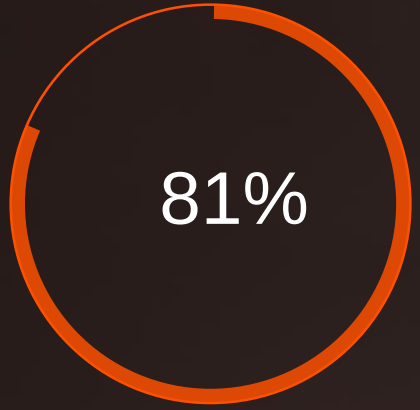


"The speed of data interpretation is key"

IT DEPT ANXIETIES



"The volume of data we have is a challenge"



"Concerned with analyzing more data and greater speeds"

© 2018 PURE STORAGE INC.

MIT Technology Review commissioned by Pure Storage

One Half of a Percent of Data is Analyzed Today

© 2018 PURE STORAGE INC.

https://www.technologyreview.com/s/514346/the-data-made-me-do-it/

Being able to mine your data is becoming a business imperative

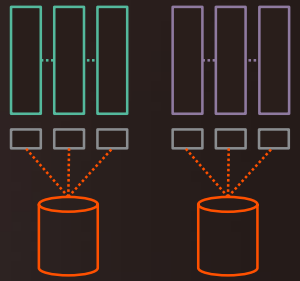
NO COLD DATA

© 2018 PURE STORAGE INC.

Data centers have evolved to accommodate compute, network & storage

1990s

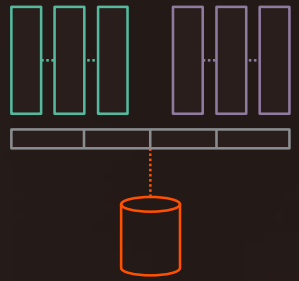
MONOLITHIC, SCALE-UP



LITTLE, RELIABLE STORAGE ISLANDS

2000s

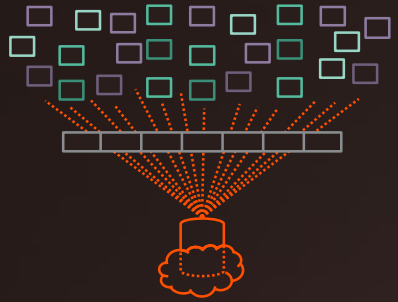
VIRTUALIZED



PBs of SHARED FLASH STORAGE

2010s

SCALE-OUT



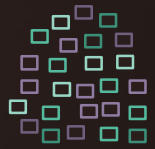
RELIABLE SHARED DATA SERVICES

© 2018 PURE STORAGE INC.

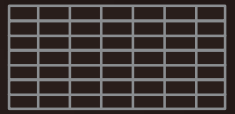
PURESTORAGE®

Technology is propelling this change

SCALE-OUT APPS

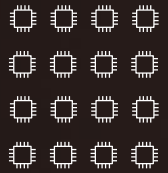


CONTAINERS



DENSE, DIVERSE COMPUTE

FAST(ER) NETWORKS



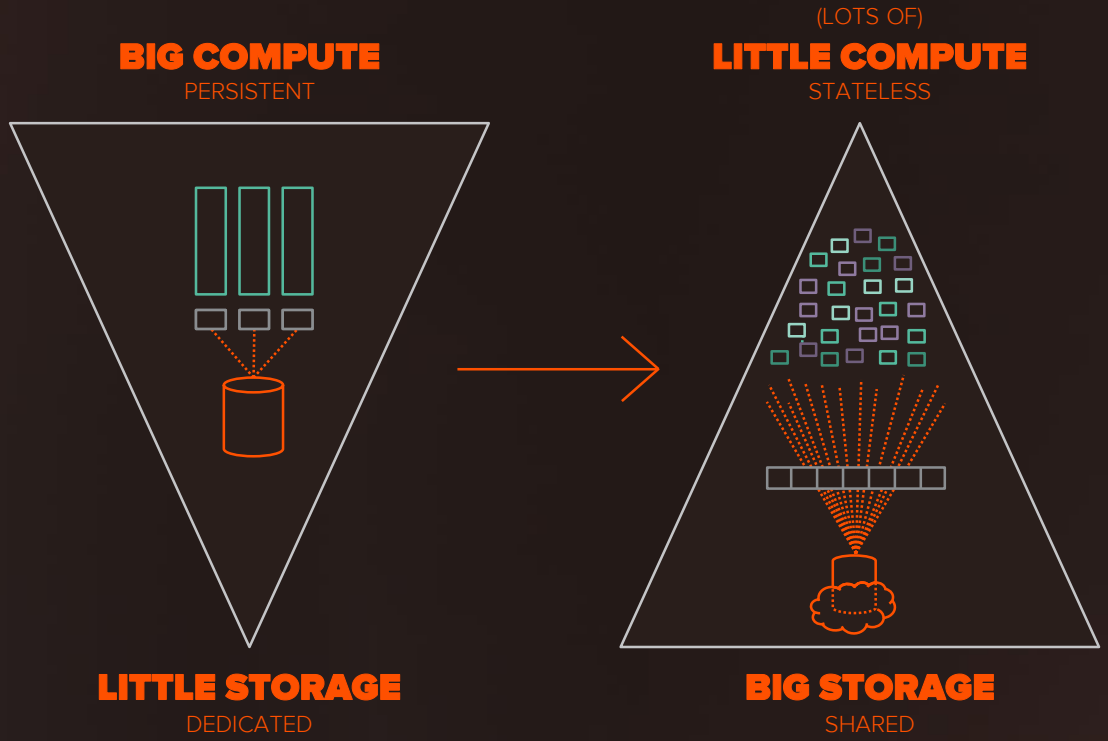
BIG(GER) FAST(ER) STORAGE

FULL-STACK ORCHESTRATION

© 2018 PURE STORAGE INC.

PURESTORAGE®

Relationship between application and data has inverted over time



© 2018 PURE STORAGE INC.
PURESTORAGE®

Pure innovation creating a significant opportunity in the modern data center

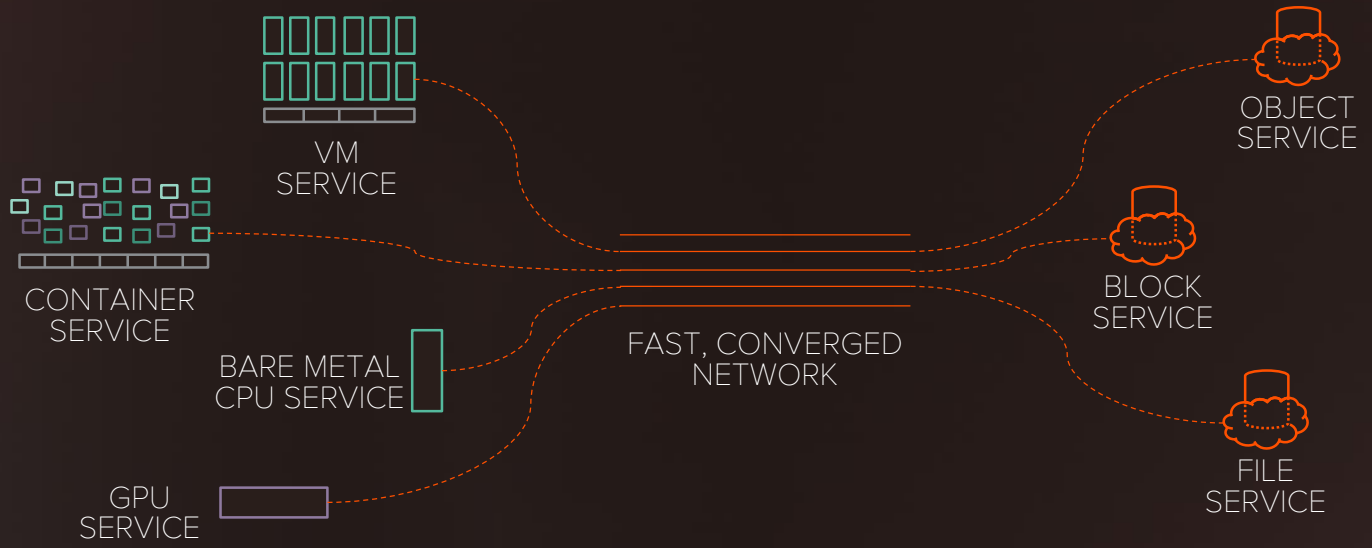
DATA-CENTRIC ARCHITECTURE

IS THE NEXT WAVE

1. **Complements** containers, services, lamdas
   KUBERNETES, VMWARE, OPENSHIFT
2. **Standardizes** and scales Infrastructure
3. Scale compute, data performance, & storage capacity independently
4. Share broadly: Snap instead of copy
5. Resilient & protected**:**
   storage does backup & DR, data services

© 2018 PURE STORAGE INC.

Follow the lessons of the public cloud



© 2018 PURE STORAGE INC.

Pure positioned for success

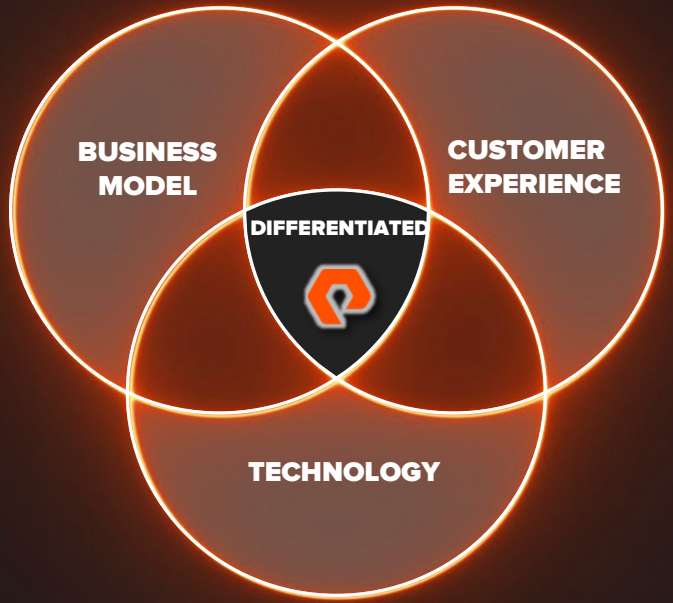
BIG OPPORTUNITY: DATA-CENTRIC FUTURE

DIFFERENTIATION AT OUR CORE

EXECUTING ON LONG-TERM GOALS

© 2018 PURE STORAGE INC.

Differentiation at our core with a unique business model

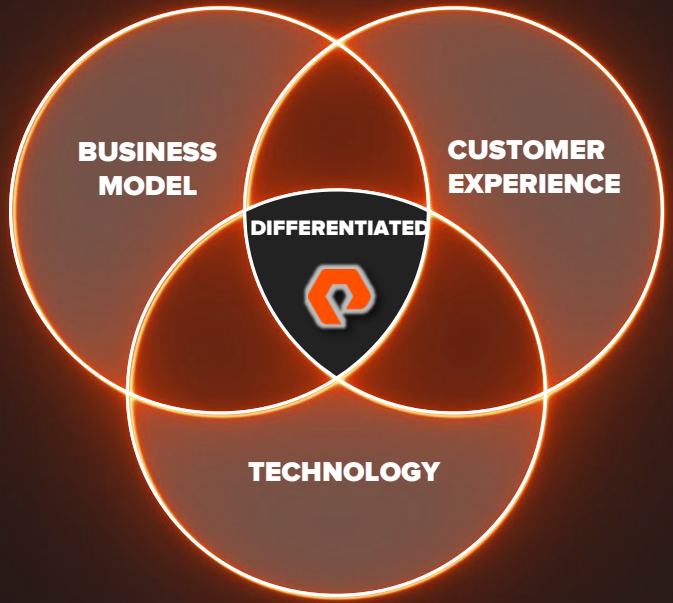


© 2018 PURE STORAGE INC.

Evergreen has pioneered a new ways to purchase storage

Evergreen™ Storage

ES2

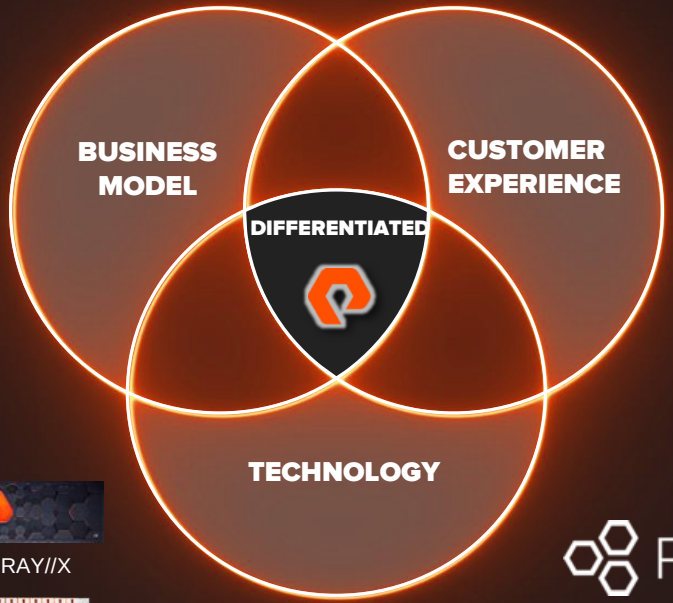


© 2018 PURE STORAGE INC.

Innovation gap widening across our portfolio of products

Evergreen™ Storage

ES2



FLASHARRAY//X

FLASHBLADE™

FLASHSTACK

AIRI

Purity

Pure1®

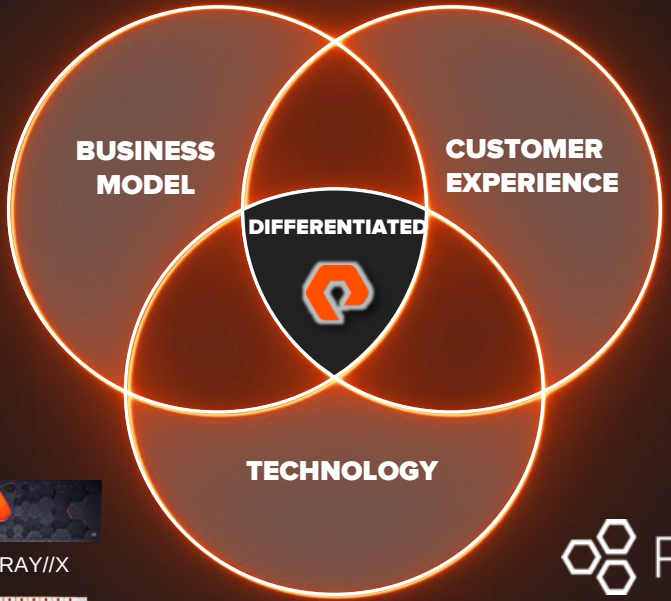
© 2018 PURE STORAGE INC.

PURESTORAGE®

Customers continue to love us and we see it in our NPS and results

Evergreen™ Storage

ES2



NPS

83.7

BEST IN B2B

Satmetrix Certified

FLASHARRAY//X

FLASHBLADE™

FLASHSTACK

AIRI

Purity

Pure1®

© 2018 PURE STORAGE INC.

PURESTORAGE®

Pure positioned for success

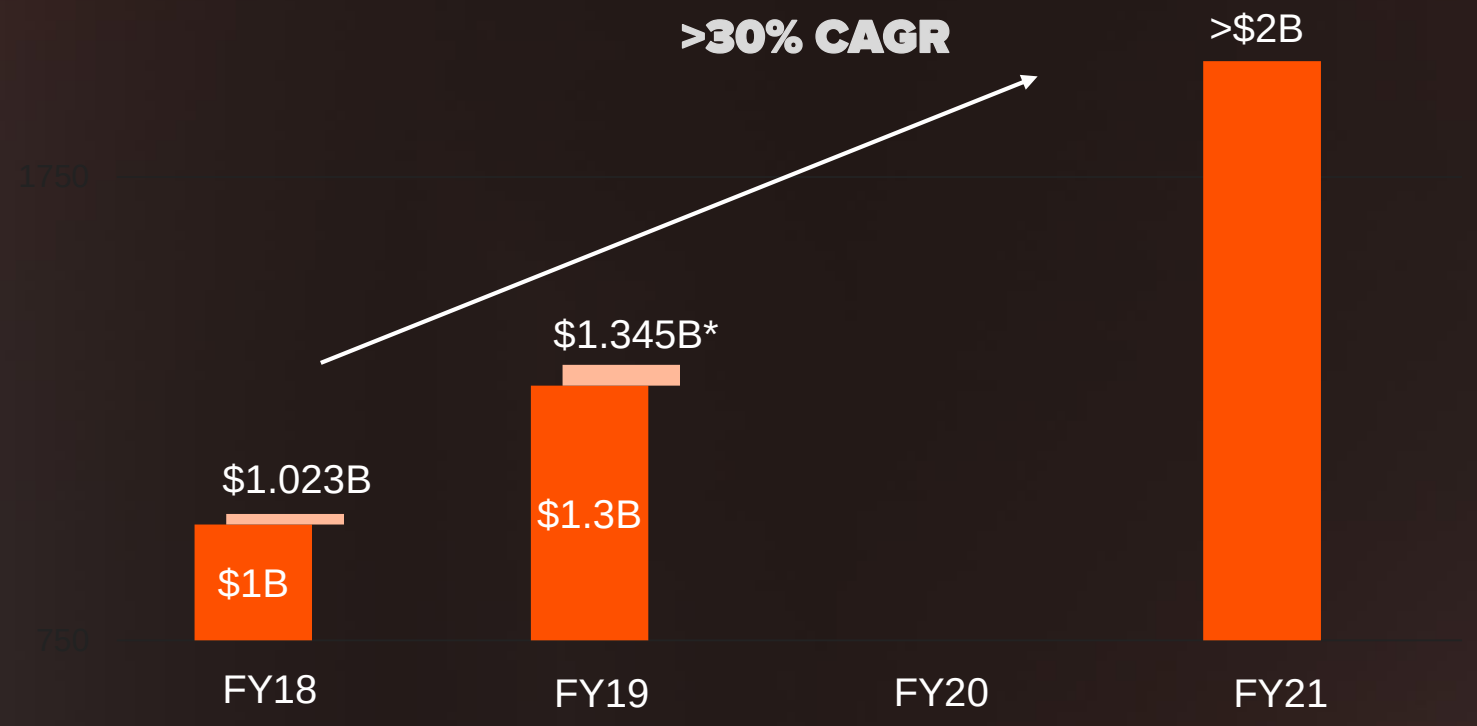
BIG OPPORTUNITY: DATA-CENTRIC FUTURE

DIFFERENTIATION AT OUR CORE

EXECUTING ON LONG-TERM GOALS

© 2018 PURE STORAGE INC.

On track for >30% CAGR towards >$2B



© 2018 PURE STORAGE INC.

* Based on mid-point of FY19 guidance

Excited about what we are going to share today

PRODUCT STRATEGY	MATT KIXMOELLER, VP Tech Strategy
ERA OF INTELLIGENCE	MATT BURR, GM FlashBlade
GTM UPDATE	DAVID HATFIELD, President
FINANCIAL OVERVIEW	TIM RIITTERS, Chief Financial Officer
CUSTOMER/PARTNER PANEL	KEVIN DELANE, VP Global Sales
EXECUTIVE Q&A	

© 2018 PURE STORAGE INC.

TOMORROW'S

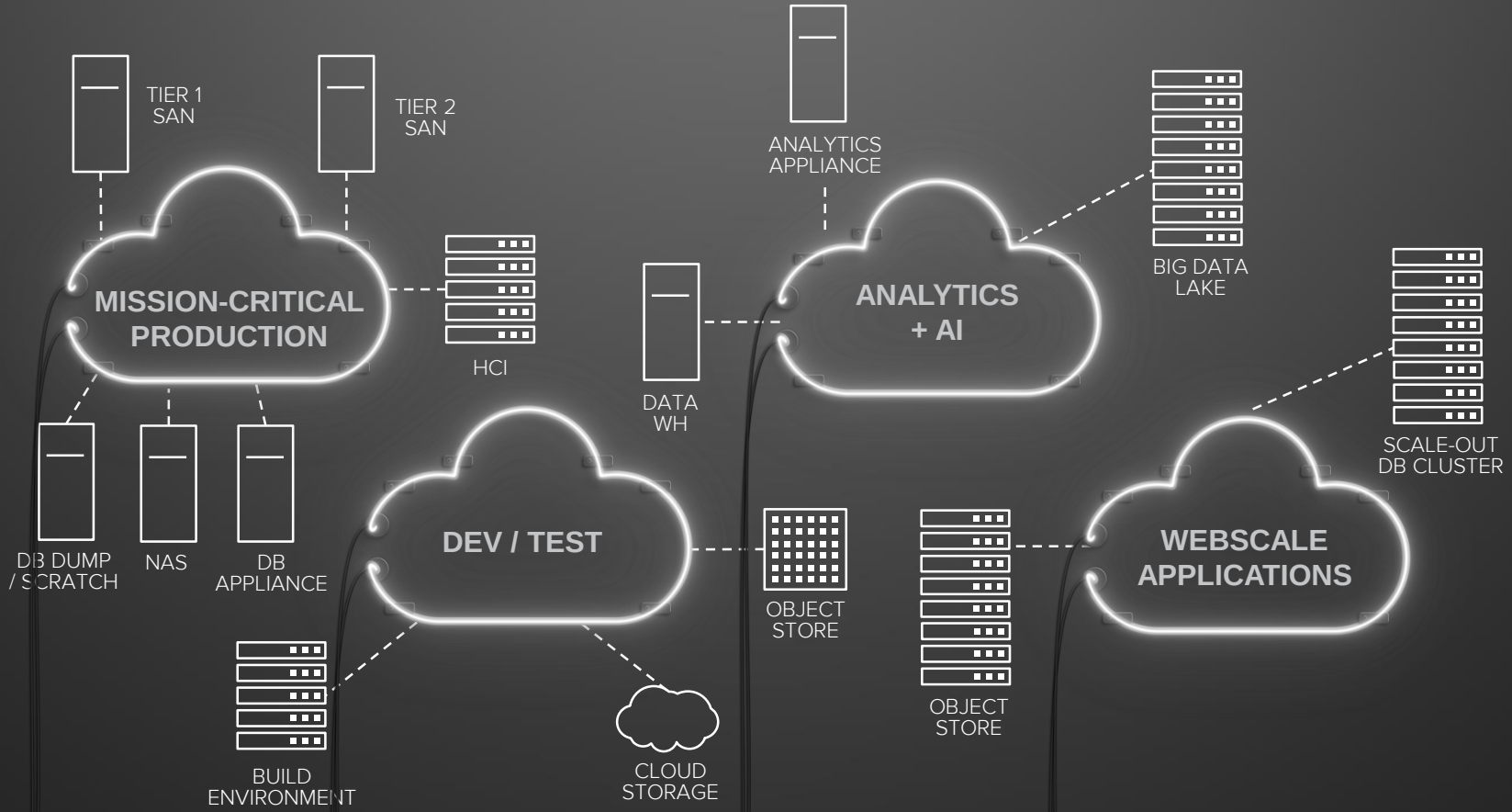
DATA-CENTRIC ARCHITECTURE

PRODUCT STRATEGY

MATT KIXMOELLER
VP, TECH STRATEGY

© 2018 PURE STORAGE INC.

THE
NEW WORLD
OF DATA
ZBs
CORE/EDGE
THINGS
REAL-TIME
INTELLIGENCE



© 2018 PURE STORAGE INC.

PURESTORAGE®

DATA STRATEGY?

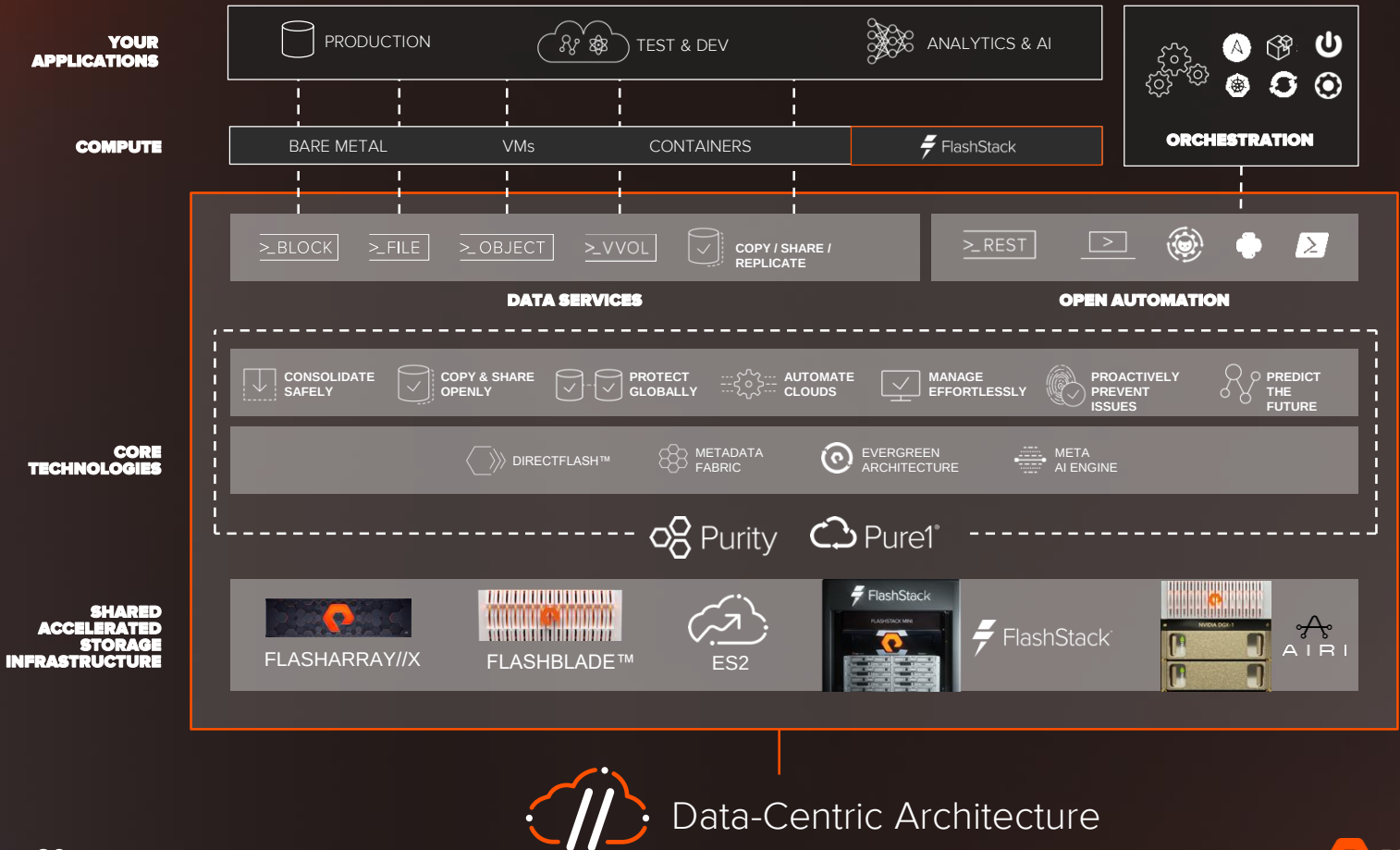
- ✖ 10s of Products
- ✖ Complex, bespoke design
- ✖ Silos – difficult to share
- ✖ 3-5 year forklift refresh cycle

- ✖ Legacy disk performance
- ✖ Compliance & security difficult
- ✖ Constant data migration
- ✖ Expensive!

Data-Centric Architecture

01 CONSOLIDATED + SIMPLIFIED
02 REAL-TIME
03 ON-DEMAND + SELF-DRIVING
04 MULTI-CLOUD
05 READY FOR TOMORROW

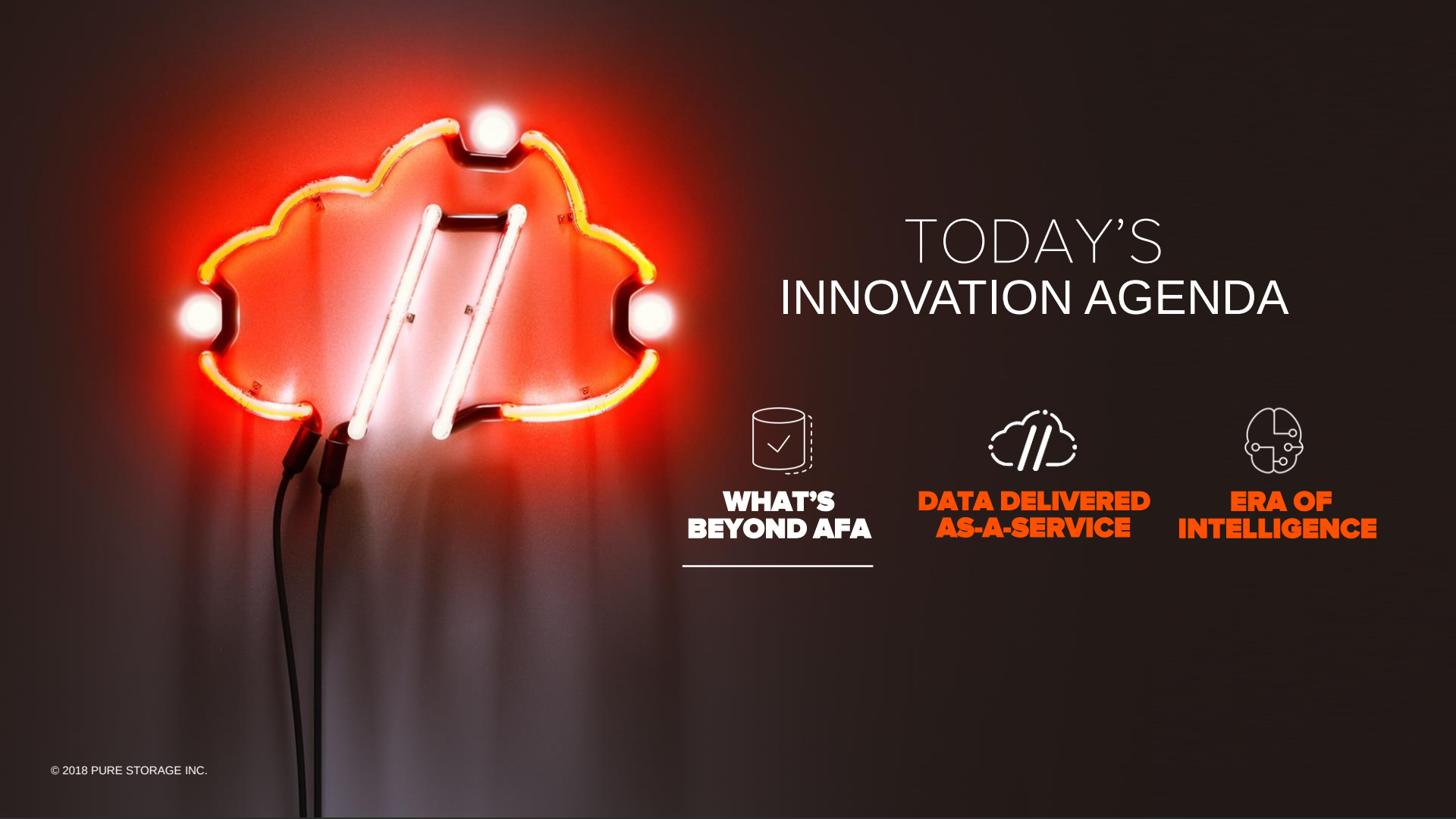
© 2018 PURE STORAGE INC. PURE PROPRIETARY
PURESTORAGE®



Data-Centric Architecture

© 2018 PURE STORAGE INC.

PURESTORAGE®



TODAY'S INNOVATION AGENDA

WHAT'S BEYOND AFA

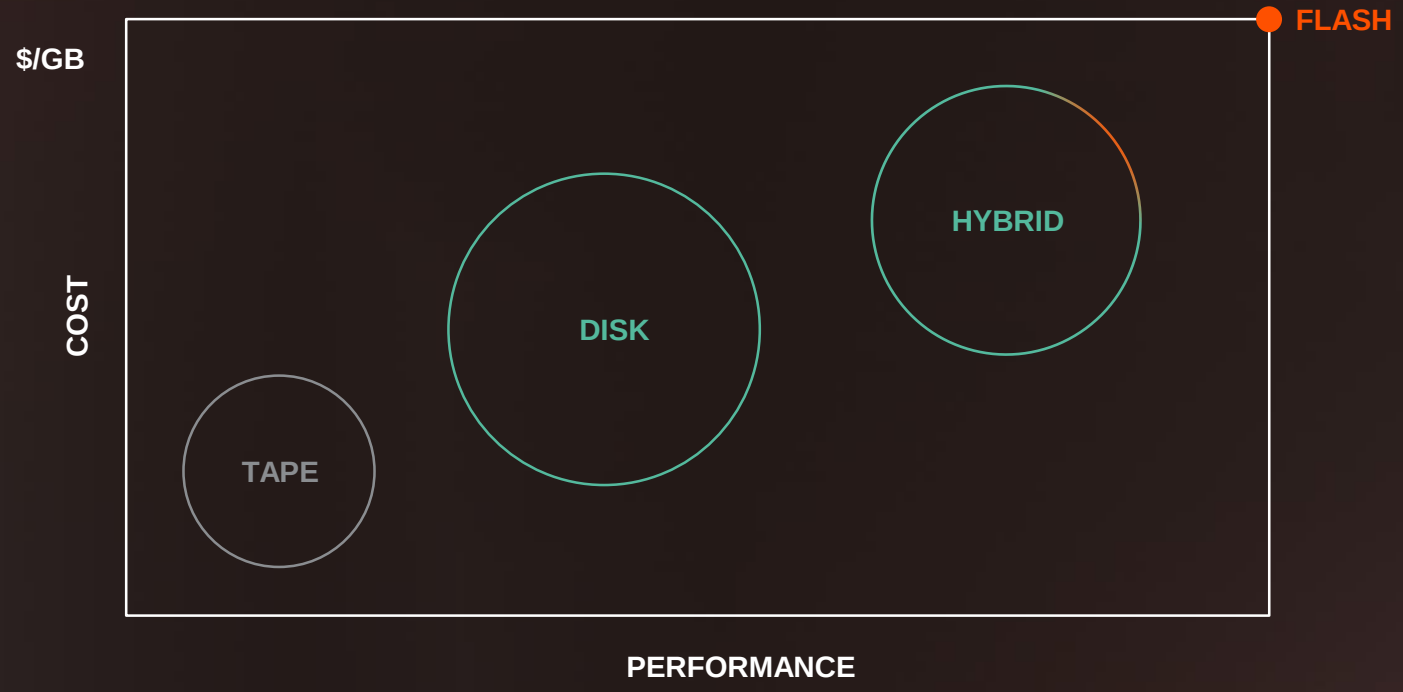
DATA DELIVERED AS-A-SERVICE

ERA OF INTELLIGENCE

© 2018 PURE STORAGE INC.

STORAGE HIERARCHY

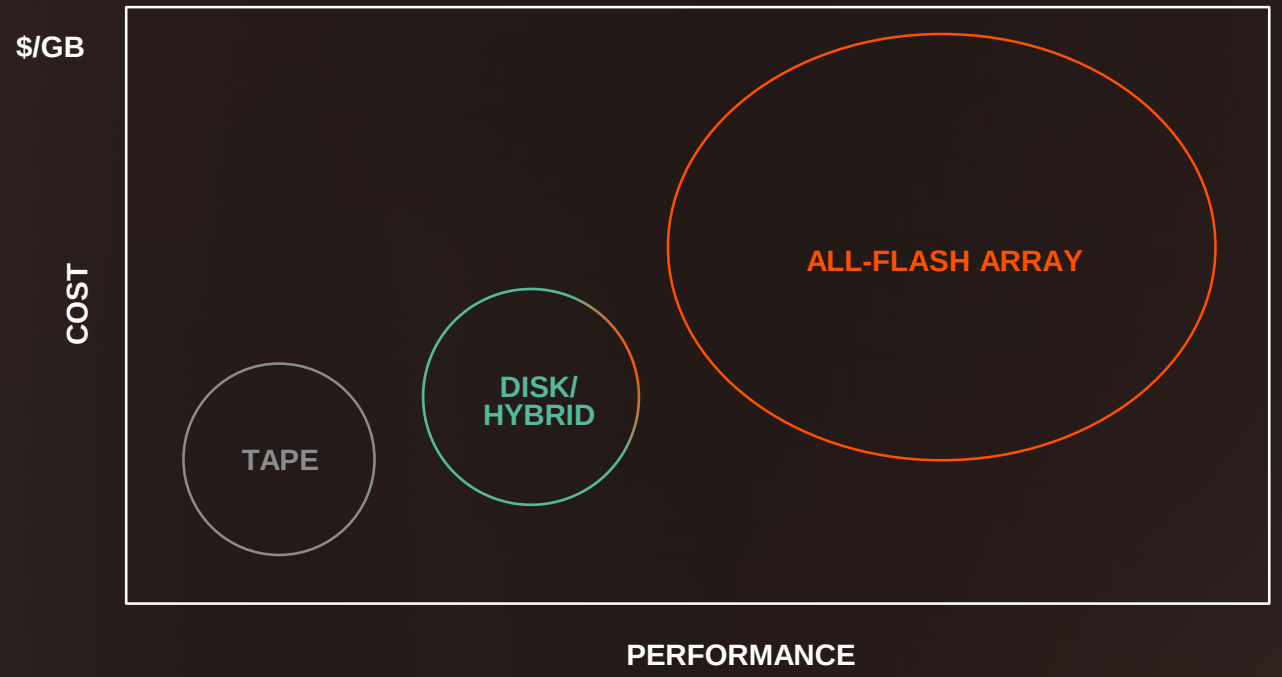
CIRCA 2009



© 2018 PURE STORAGE INC.

PURESTORAGE®

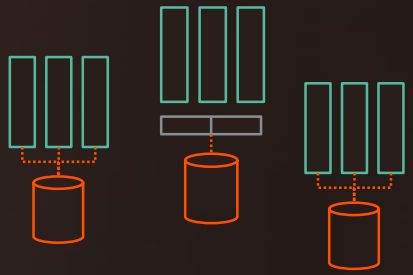
STORAGE GOT FASTER, CHEAPER, AND SIMPLER



© 2018 PURE STORAGE INC. PURE PROPRIETARY

TWO CLASSIC STORAGE ARCHITECTURES

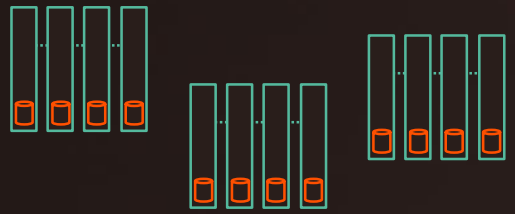
NETWORKED
(SAN / NAS)



VMs, DATABASES, SCALE-UP APPS

- ✓ SHARED
- ✓ RELIABLE
- ✓ RICH SOFTWARE
- ✗ MIXED PERFORMANCE
- ✗ COMPLEX
- ✗ EXPENSIVE

DIRECT-ATTACHED
(DAS)



SCALE-OUT APPS, ANALYTICS, CLOUD, HCI

- ✓ FAST
- ✓ SIMPLE
- ✓ CHEAP
- ✗ UNRELIABLE
- ✗ NO SOFTWARE
- ✗ COMPLEX AT SCALE

© 2018 PURE STORAGE INC.

NEW TECHNOLGIES WILL ENABLE US TO

RE-WIRE THE DATA CENTER

DIVERSE, FAST COMPUTE

CPU

GPU

FPGA

TPU

FAST, CONVERGED NETWORKS

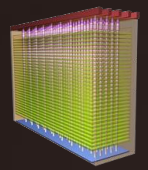
100+ Gb/s Ethernet

OPTIMIZED PROTOCOLS

NVMe-oF

RoCE

DIVERSE, UBIQUITOUS SOLID STATE



MLC

3D TLC

QLC

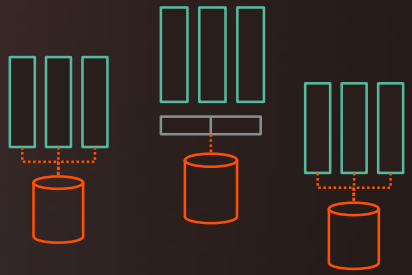
SCM

© 2018 PURE STORAGE INC.

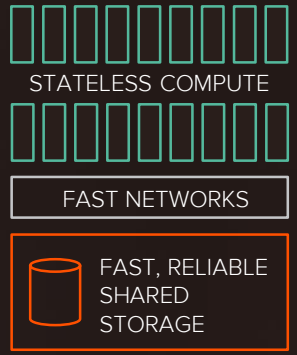
PURESTORAGE®

WHAT IF?

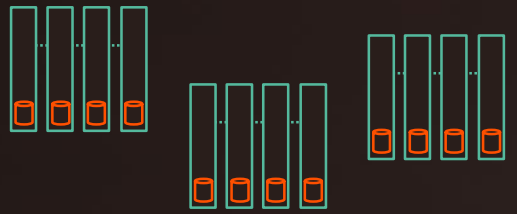
CLASSIC SAN APPS & VIRTUALIZATION



+ DRAMATICALLY FASTER
+ CONSOLIDATE
+ SHARE DATA



SCALE-OUT DAS APPLICATIONS

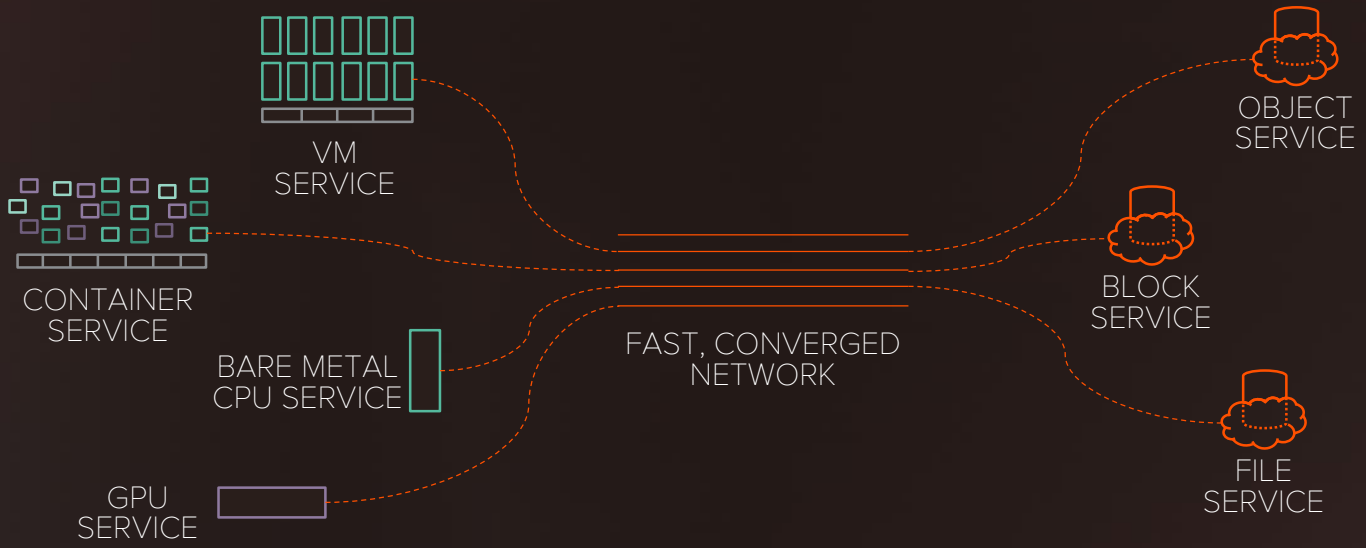


+ DECOUPLE STORAGE/COMPUTE
+ MAINTAIN PERFORMANCE
+ EFFICIENCY

< DATA-CENTRIC ARCHITECTURE >

© 2018 PURE STORAGE INC.
PURESTORAGE®

FOLLOW THE LESSONS OF THE PUBLIC CLOUD



© 2018 PURE STORAGE INC.

GARTNER IDENTIFIED THIS AS A NEW CATEGORY OF STORAGE

Gartner

SHARED ACCELERATED STORAGE

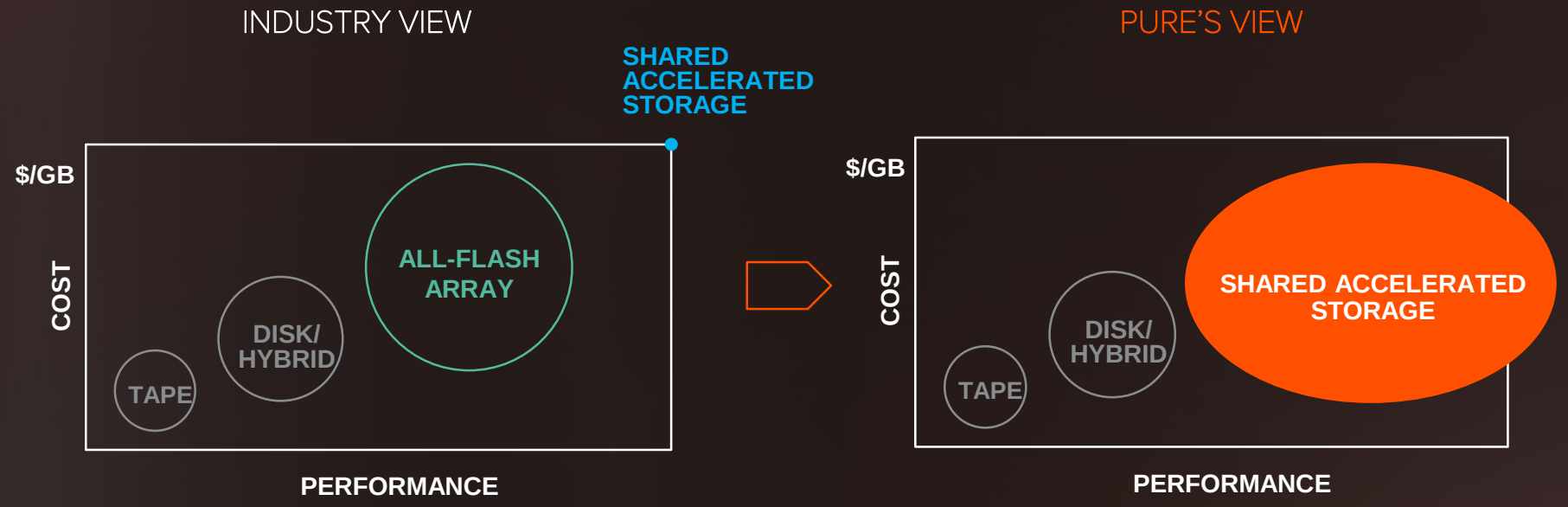
"The NVMe-oF protocol …will help balance the performance and simplicity of direct-attached storage (DAS) with the scalability and manageability of shared storage."

© 2018 PURE STORAGE INC.

NOTE: See Gartner Doc ID#G00323446, May 2017

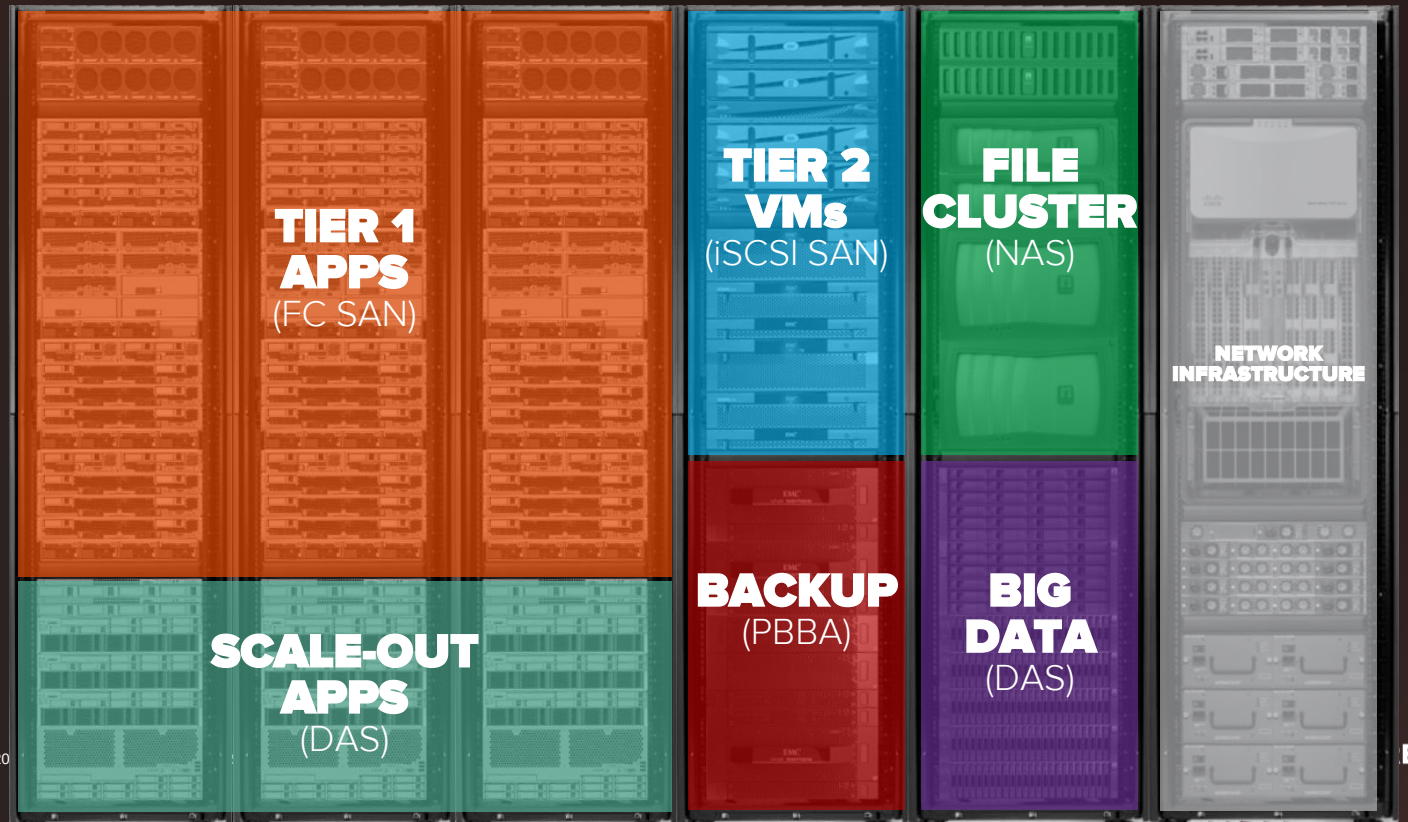
PURESTORAGE®

BUT WHAT IF SHARED ACCELERATED STORAGE COULD GO MAINSTREAM?



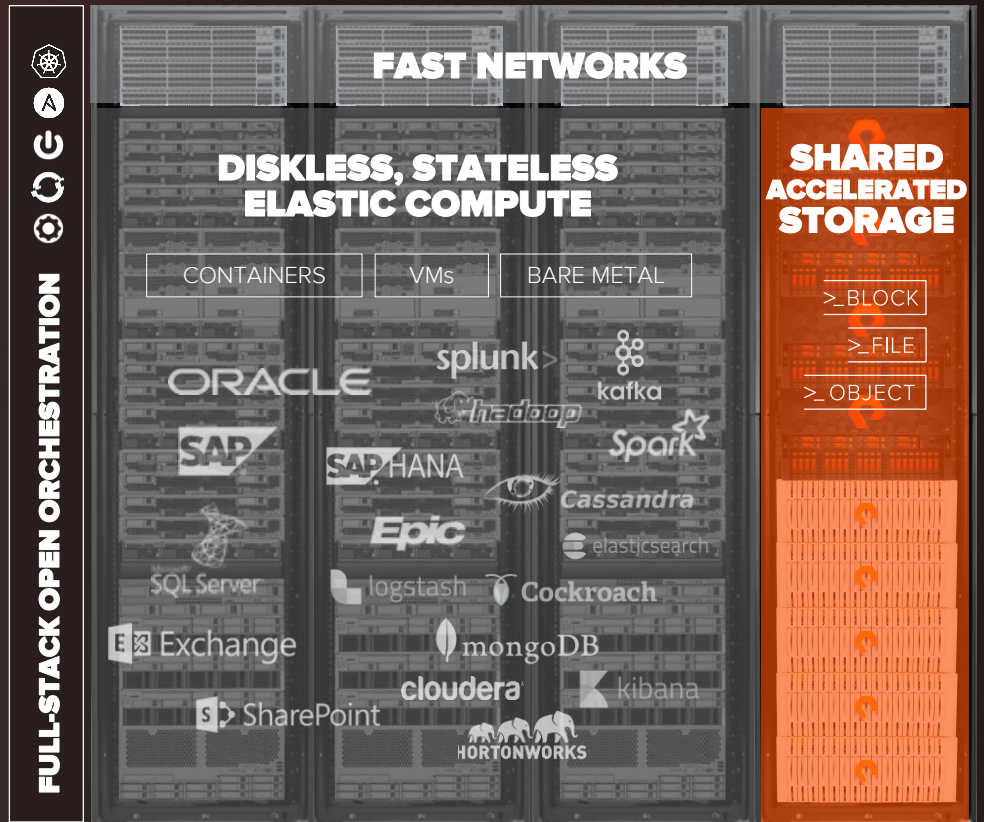
© 2018 PURE STORAGE INC.
PURESTORAGE®

TODAY YOUR INFRASTRUCTURE PROBABLY LOOKS SOMETHING LIKE THIS



© 20

SHARED ACCELERATED STORAGE TRULY UNIFIES INFRASTRUCTURE



- **STANDARDIZES** INFRASTRUCTURE
- **SCALE** COMPUTE, STORAGE PERFORMANCE, & STORAGE CAPACITY **INDEPENDENTLY**
- **SHARE FLEXIBLY**: SNAP INSTEAD OF COPY
- **RESILIENT & SELF-PROTECTED:** LET STORAGE DO THE HA, BACKUP & DR WORK FOR ALL APPLICATIONS
- **SIMPLE** TO DEPLOY … MANAGE … SCALE

PURESTORAGE®

© 2018 PURE STORAGE INC. PURE CONFIDENTIAL – SHARED UNDER NDA

AND WE'VE ALREADY LEAD THE WAY TO SHARED ACCELERATED STORAGE

FlashBlade™ FB

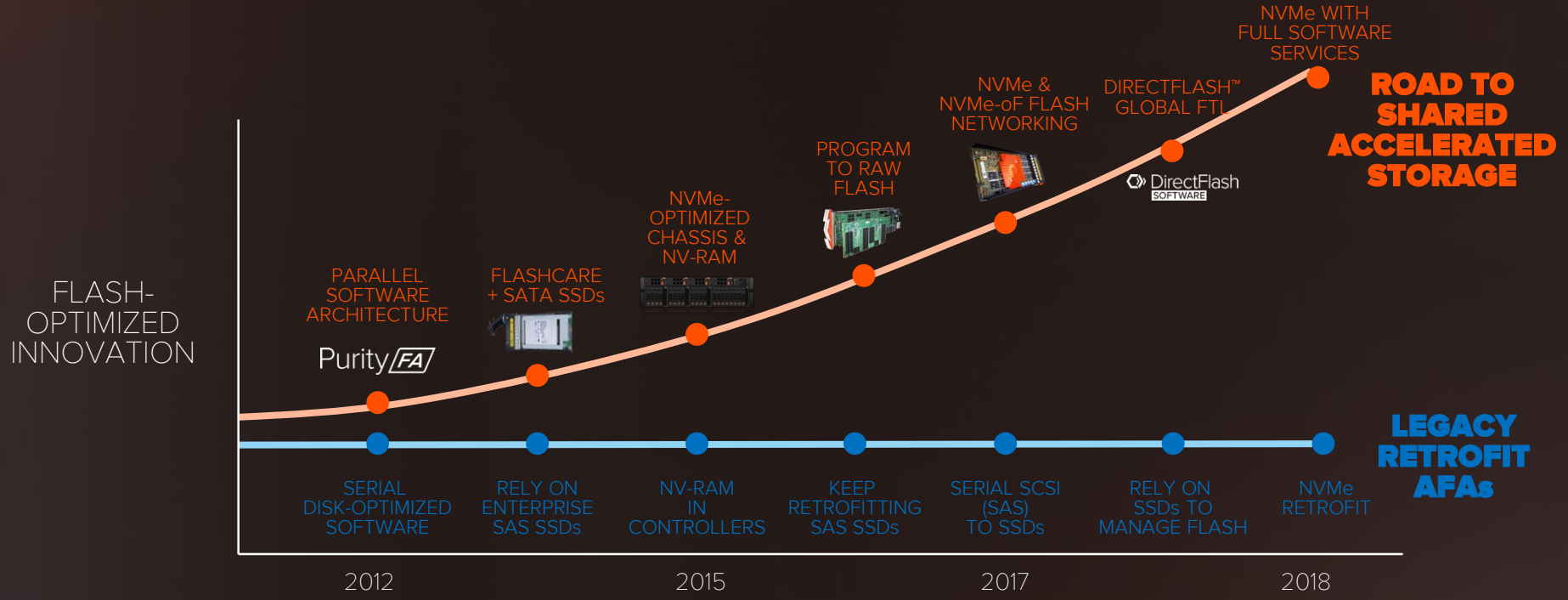
2016: The world's first AFA for File/Object Data, Analytics & AI

FlashArray //X

2017: The world's first enterprise all-NVMe AFA

© 2018 PURE STORAGE INC.

PURE'S BEEN INVESTING IN THIS TRANSFORMATION FROM DAY 1...



© 2018 PURE STORAGE INC.
PURESTORAGE®

INTRODUCING THE NEW

FlashArray //X FAMILY

SHARED ACCELERATED STORAGE FOR EVERY WORKLOAD

INTRODUCING THE NEW

FlashArray //X FAMILY

SHARED ACCELERATED STORAGE FOR EVERY WORKLOAD

RE-DEFINES FAST

- 100% NVMe DIRECTFLASH™ ARCHITECTURE
- UP TO 2X FASTER THAN PREVIOUS GENERATION AFAs
- AS LOW AS 250 µs LATENCY

…WITH FULL DATA SERVICES

RE-DEFINES DENSE CONSOLIDATION

- 3PB EFFECTIVE IN 6U
- INDUSTRY'S BEST 10:1 AVERAGE TOTAL EFFICIENCY (5:1 AVG. DATA REDUCTION)
- ALWAYS-ON QoS

RE-DEFINES SIMPLICITY AT SCALE

- 99.9999% AVAILABILITY
- FULL SOFTWARE SERVICES BUILT-IN
- API AUTOMATION & AI-DRIVEN CLOUD MANAGEMENT

ALWAYS EVERGREEN™

- MIX NVMe & SATA
- UPGRADE ONLINE FROM ANY FLASHARRAY
- NVMe-oF & FUTURE MEDIA READY

© 2018 PURE STORAGE INC.

NOTES: All performance comparisons "up to". //M70 running Purity version at GA used to represent "Previous Generation AFAs", 2X faster claim based upon write bandwidth. //X running pre-GA Purity version. "Typical workloads" latency claims based upon both in-house synthetic testing and customer trials. Performance subject to change pending GA release and future software updates. 3PB Effective based upon 5:1 average data reduction, and **does not** include thin provisioning.

PURESTORAGE®

2017:

FlashArray //X

//X 70

FlashArray //M

//M 70

//M 50

//M 20

//M 10

SATA Flash

2018:

FlashArray //X

//X 90

//X 70

//X 50

//X 20

//X 10

//X FAMILY:
DUAL-MODE
NVMe + SAS/SATA
CONTROLLERS

PERFORMANCE + SCALE CONFIGS:
50TB TO 3PB EFFECTIVE
100% NVMe DirectFlash

ENTRY CONFIGS:
15TB to 50TB EFFECTIVE
SAS/SATA Flash Modules,
NVMe-Upgradable in Place

© 2018 PURE STORAGE INC.

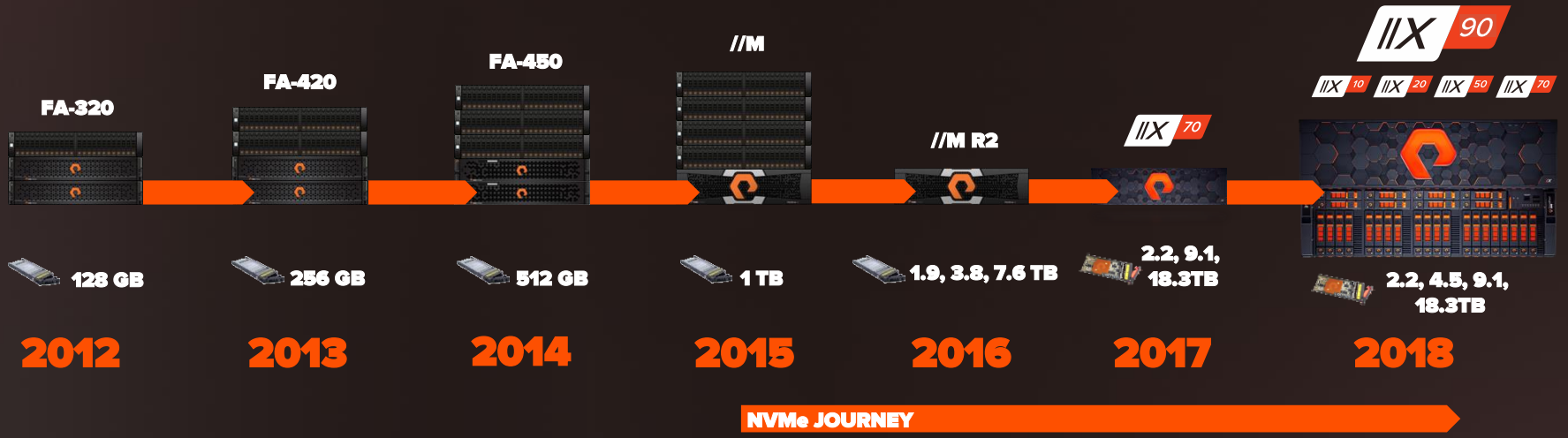
NOTE: //X50-90 configured with 100% NVMe DirectFlash™ Modules. //X10-20 have controllers capable of NVMe & SAS, and can use both SATA and NVMe drives but come configured with SATA flash by default. All //X controllers are NVMe-oF ready.

PURESTORAGE®

FlashArray //X

OUR SEVENTH GENERATION OF EVERGREEN, NON-DISRUPTIVE UPGRADES!

Evergreen™ Storage

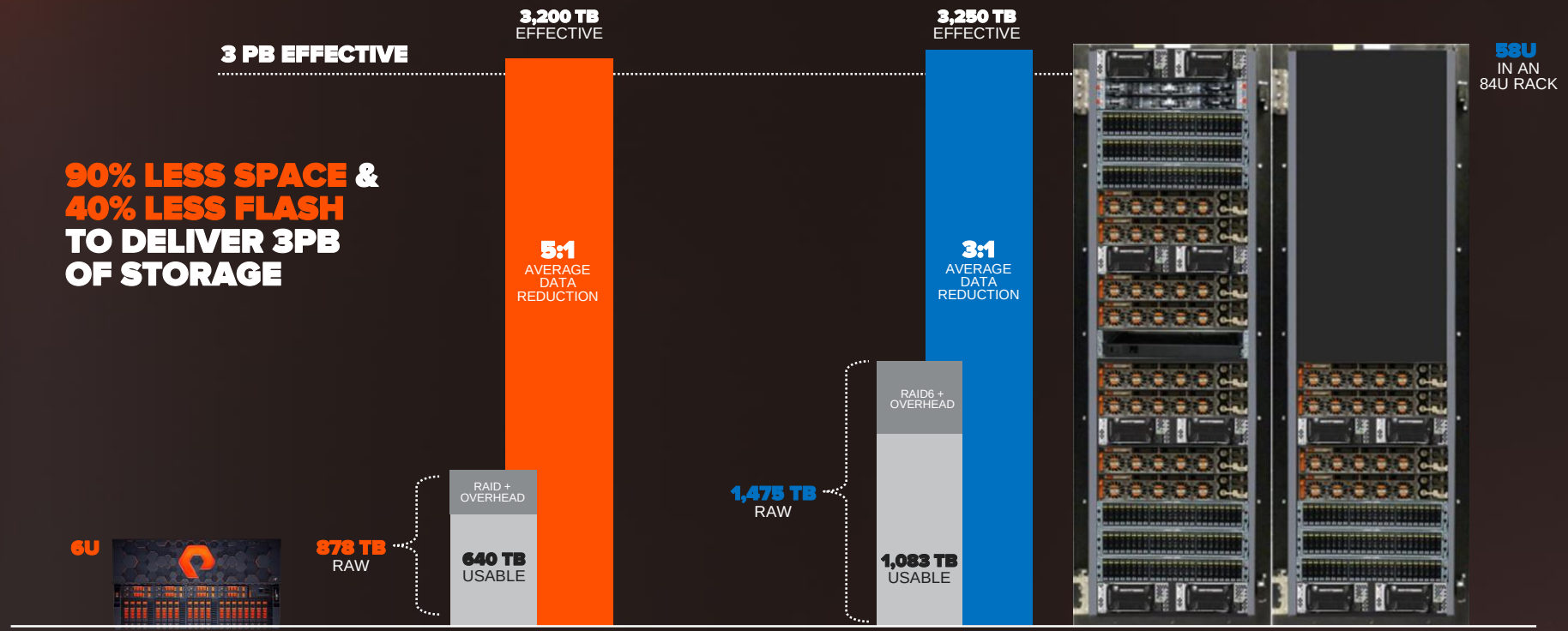


© 2018 PURE STORAGE INC.

PURESTORAGE®

//X VS Competitor Offering

90% LESS SPACE &
40% LESS FLASH
TO DELIVER 3PB OF STORAGE

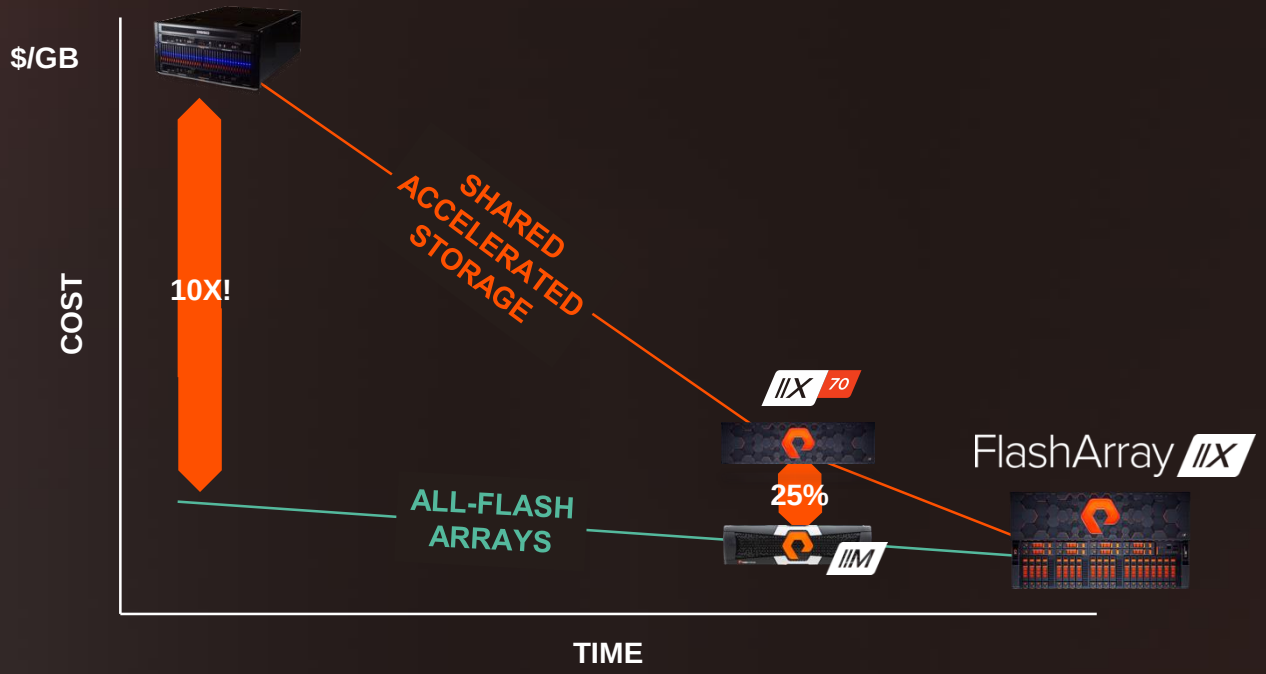


© 2018 PURE STORAGE INC.

NOTE: Based upon publicly-available data as of May, 2018. PowerMax configured as RAID6.
PowerMax data reduction based upon average 3-to-1 claim by Dell on Page 6: https://www.emc.com/collateral/technical-documentation/h17072-data-reduction-with-dell-emc-powermax.pdf

PURESTORAGE®

FlashArray //X
IS PRICED FOR MAINSTREAM ADOPTION



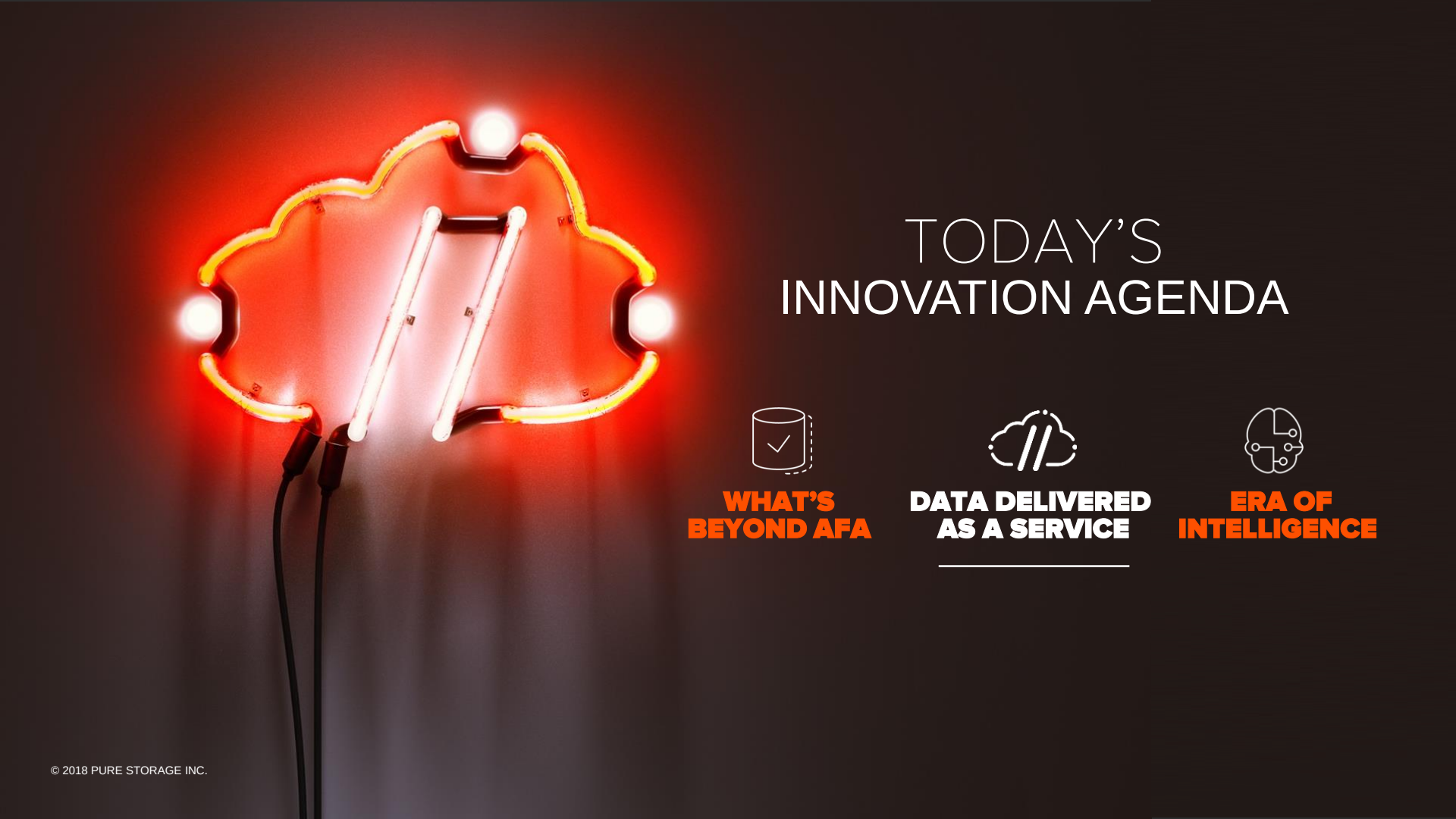
$0

PREMIUM

FOR //X OVER //M ON LIKE EFFECTIVE CAPACITY

NOTE: CALCULATED BASED UPON EFFECTIVE GBs

© 2018 PURE STORAGE INC.
PURESTORAGE®



© 2018 PURE STORAGE INC.

AUTOMATE
AND ORCHESTRATE

VIRTUALIZE
AND CONTAINERIZE

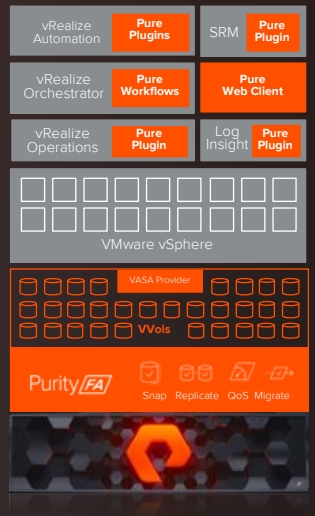
CONSUME
ON-DEMAND

© 2018 PURE STORAGE INC.

AUTOMATE AND ORCHESTRATE

...ON EVERY CLOUD PLATFORM

VMWARE SDDC



NEW

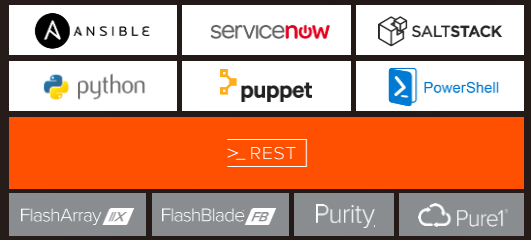
VMware SDDC VALIDATED DESIGN

A FULLY-AUTOMATED VMWARE CLOUD

PURE STORAGE + vmware

OPEN AUTOMATION

NEW PRE-BUILT OPEN FULL-STACK AUTOMATION TOOLKITS

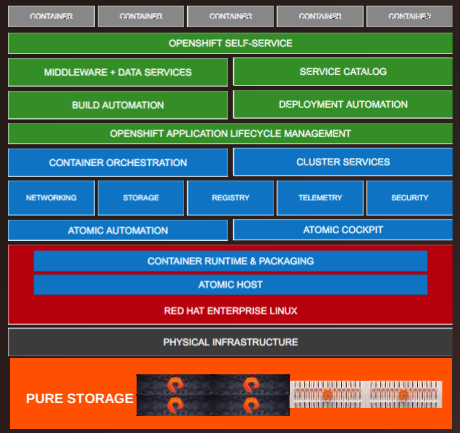


PURE CODE( )

OPENSHIFT PaaS

NEW CONTAINER-BASED PaaS REFERENCE ARCHITECTURE

PURESTORAGE® + RED HAT® OPENSHIFT Container Platform

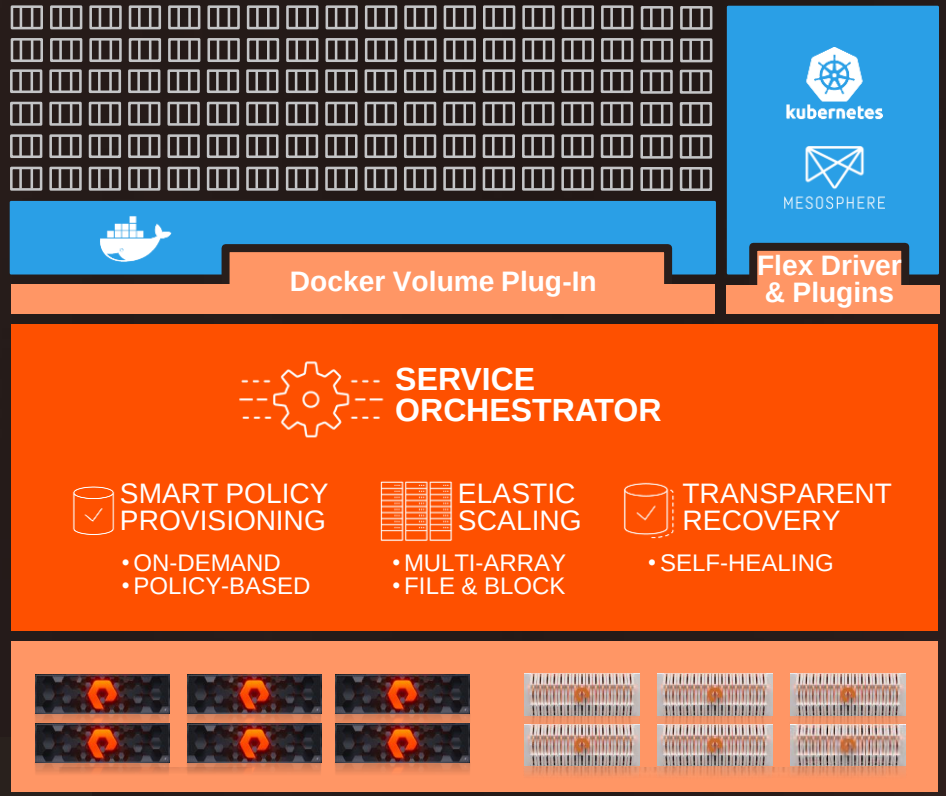


© 2018 PURE STORAGE INC.

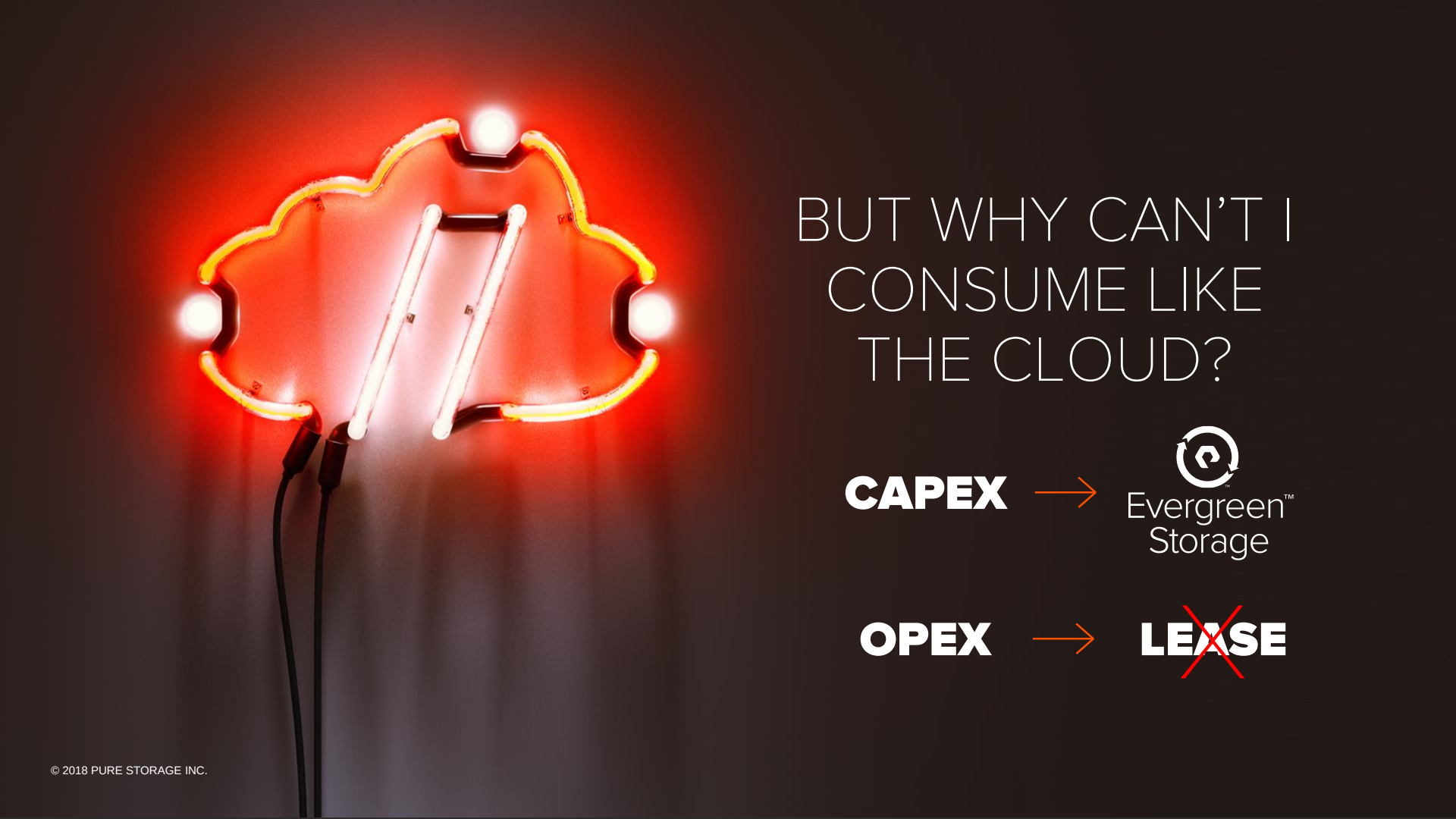
PURESTORAGE®

NEW INTRODUCING

PURE SERVICE ORCHESTRATOR



Note: Expected GA in Q3, 2018. Delivery dates and features subject to change.



© 2018 PURE STORAGE INC.

NEW

INTRODUCING

ES2 EVERGREEN STORAGE SERVICE

YOUR CLOUD STORAGE, ON DEMAND

PAY-PER-
USED GB

TERMS AS SHORT AS 12 MONTHS

ONBOARDED IN
DAYS[1]

TRUE
OPEX[2]

ALWAYS Evergreen™

BETTER-THAN-CLOUD ECONOMICS

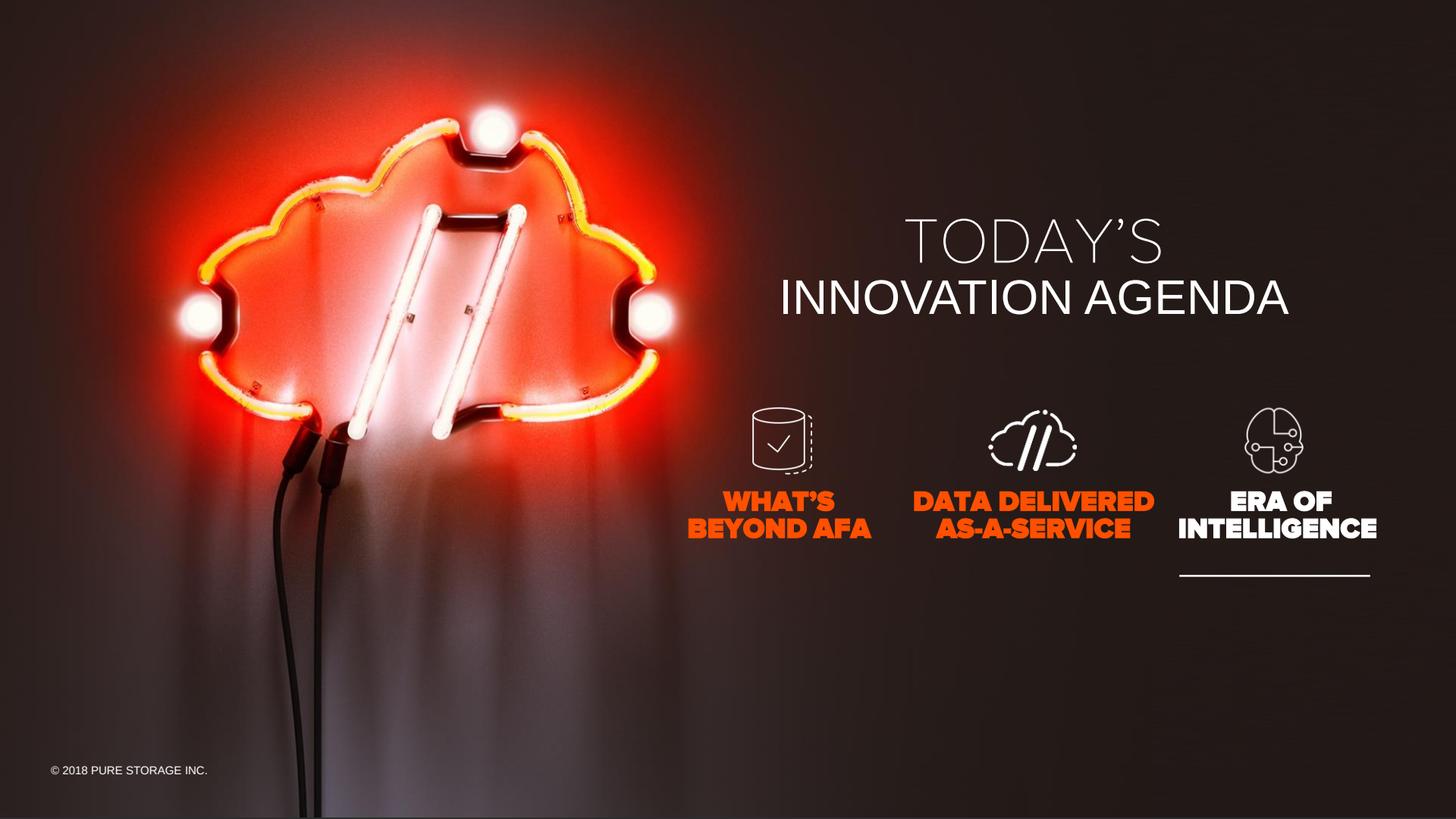
© 2018 PURE STORAGE INC.

1) Typical time from order to fully functional service.
2) OPEX treatment is subject to customer's auditor review.

ES2 **DELIVERS FLEXIBILITY**

- Place your data on **OPEX** or **CAPEX** storage resources – as needed
- Experiment on-prem with **OPEX** and convert to **CAPEX** when ready to commit
- Run **HYBRID** to own your own data while leveraging public cloud compute
- Enjoy **ENTERPRISE CLASS** storage services, with **CLOUD FLEXIBILITY**

© 2018 PURE STORAGE INC.



TODAY'S INNOVATION AGENDA

WHAT'S BEYOND AFA

DATA DELIVERED AS-A-SERVICE

ERA OF INTELLIGENCE

© 2018 PURE STORAGE INC.

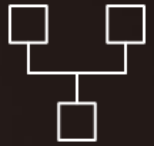
ERA OF INTELLIGENCE

MATT BURR
FLASHBLADE GM

© 2018 PURE STORAGE INC.

PURE ENABLING THE ERA OF INTELLIGENCE

DATA HUB FOR DATA-FIRST WORLD



WORLDS FIRST MODERN FILE & OBJECT

LEADERSHIP IN AI INDUSTRY

© 2018 PURE STORAGE INC.

NO COLD DATA

© 2018 PURE STORAGE INC. PURE PROPRIETARY

GREATEST ADVANCEMENTS ALWAYS NEED FUEL

TRAINS

STEAM

AUTOMOBILES

FOSSIL FUEL

COMPUTERS

ELEC-TRICITY

AI

100101
010101
100110

DATA

© 2018 PURE STORAGE INC.

PURESTORAGE®

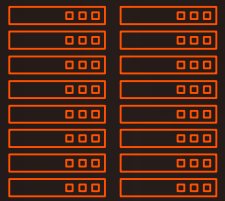
DATA IS THE MODERN FUEL, YET STUCK IN SILOS

DATA WAREHOUSE
IN APPLIANCES

ORACLE
MySQL
Microsoft SQL Server

DATA LAKE
IN DAS

hadoop



DATA PIPELINE
IN CLOUD

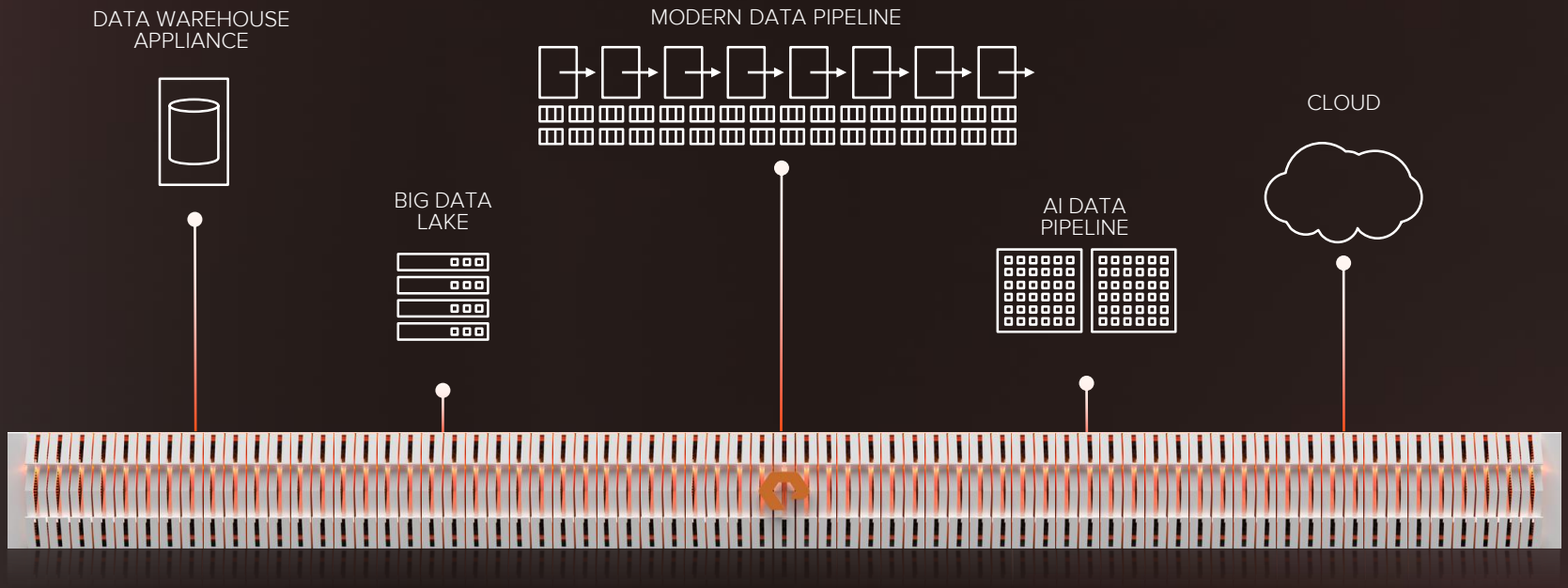
kafka
Spark

AI DATA PIPELINE
ON FLASH

NVIDIA
Caffe2
TensorFlow

© 2018 PURE STORAGE INC.

SET DATA FREE WITH DATA HUB

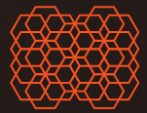


© 2018 PURE STORAGE INC.
PURESTORAGE®

FLASHBLADE KEY USE CASES

RAPID RESTORE

DATA WAREHOUSE



ORACLE

SAP

SQL Server

SEMICONDUCTOR DESIGN

MODERN ANALYTICS

AI

© 2019 PURE STORAGE, INC

PURESTORAGE®

FLASHBLADE KEY USE CASES

RAPID RESTORE

DATA WAREHOUSE

SEMICONDUCTOR DESIGN

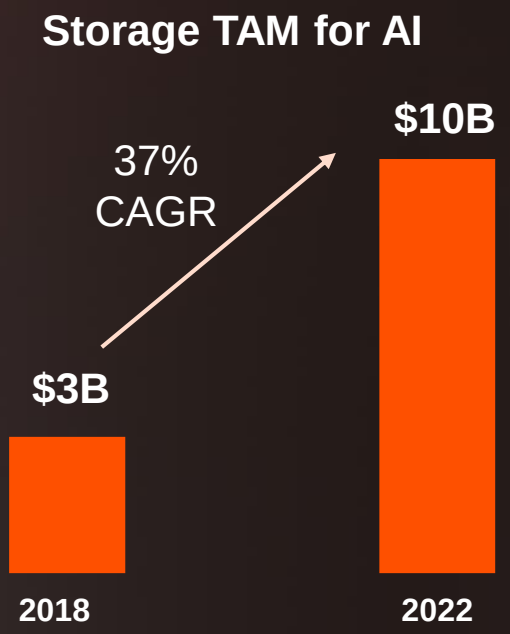
MODERN ANALYTICS

AI

© 2019 PURE STORAGE, INC.

PURESTORAGE®

ARTIFICIAL INTELLIGENCE: FLASHBLADE POSITIONED WELL



Source: IDC 2018

- Early Success in Burgeoning Market
- Industry Ecosystem Partners & Advocates
- File and Object in Same Platform Significant Advantage
- Pushes Performance Beyond Limits of Legacy Storage

© 2018 PURE STORAGE INC.

AIRI

AIRI

INDUSTRY'S FIRST AI-READY INFRASTRUCTURE

BRINGING WORLD-CLASS AI INFRASTRUCTURE IN REACH OF NEW DATA SCIENCE TEAMS

5X HIGHER PRODUCTIVITY
OUT OF THE BOX WITH FLASHBLADE

“Pure Storage FlashBlade is about 10 times faster out of the box, with no specific tuning or effort. It enabled us to boost our GPU from about 20% average utilization to close to 100% utilization.”

Jeremy Barnes
Chief Architect

ELEMENT AI

© 2018 PURE STORAGE INC.

FLASHBLADE KEY USE CASES

RAPID RESTORE

DATA WAREHOUSE

SEMICONDUCTOR DESIGN

MODERN ANALYTICS

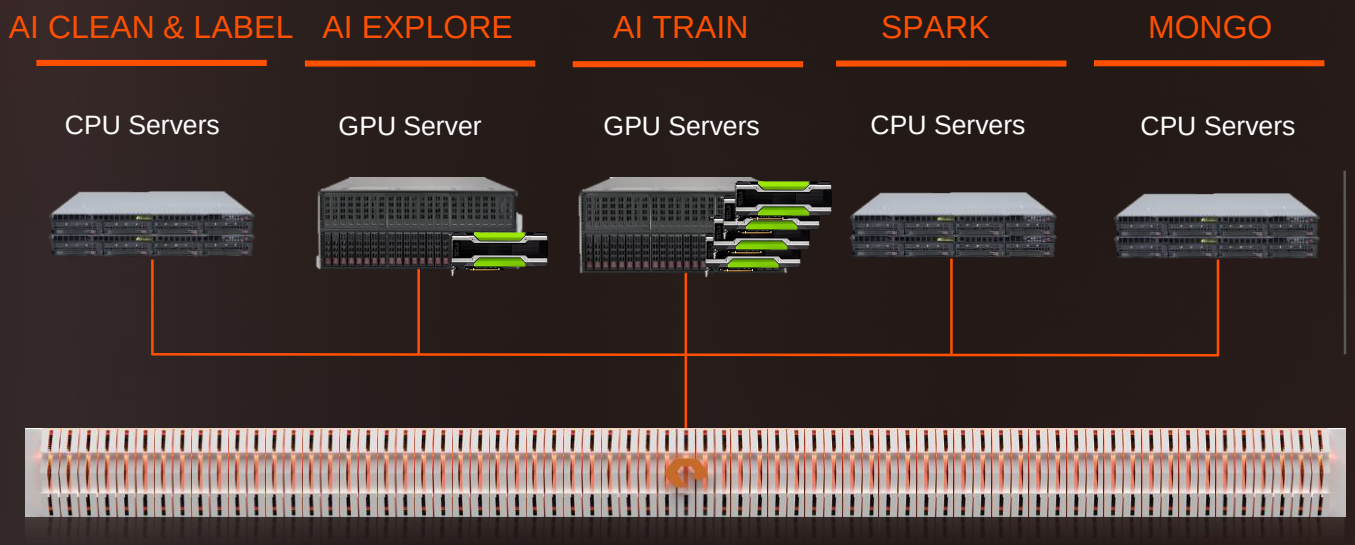
AI

© 2019 PURE STORAGE, INC.

PURESTORAGE®

10-20x FASTER FOR MODERN ANALYTICS

FOR INDUSTRY LEADING HEDGE FUND



"Our quants want to test a model, get the results, and then test another one- all day long. So a **10-20X improvement in performance is a game-changer** when it comes to creating a time-to-market advantage for us."

Gary Collier, co-CTO, Man AHL

© 2018 PURE STORAGE INC.

FLASHBLADE KEY USE CASES

RAPID RESTORE

DATA WAREHOUSE

SEMICONDUCTOR DESIGN

MODERN ANALYTICS

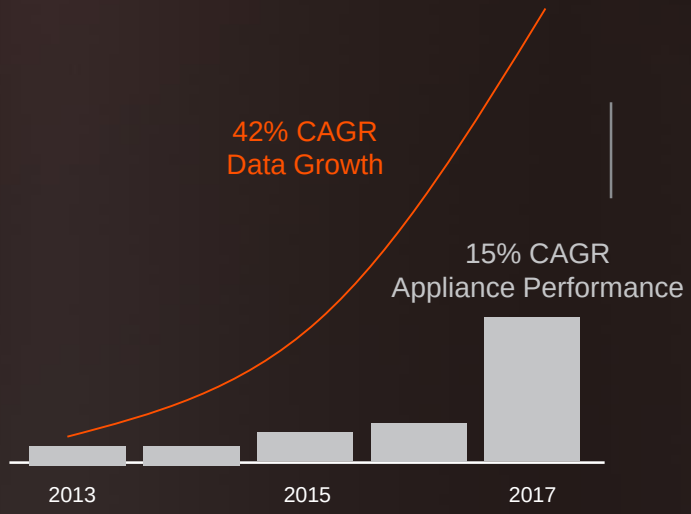
AI

© 2019 PURE STORAGE, INC.

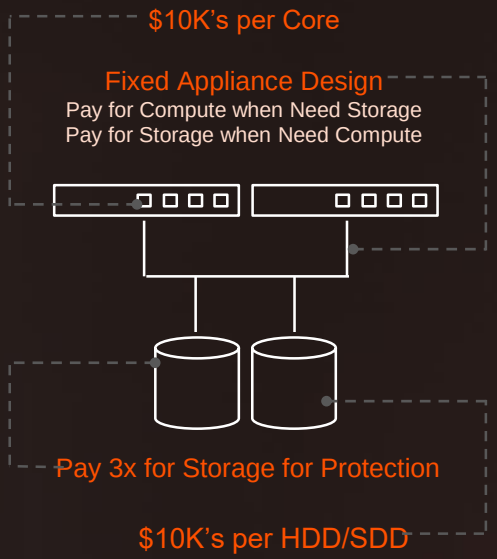
PURESTORAGE®

THREE FLAWS WITH TRADITIONAL DATA WAREHOUSE

PERFORMANCE NOT KEEPING UP WITH DATA



PRICING EXTORTIONS & OVER-PROVISIONING



INFLEXIBLE APPLIANCES BUILT FOR SINGLE WORKLOAD

© 2018 PURE STORAGE INC.

PURESTORAGE®

UP TO 8X FASTER FOR LEADING TELECOM IN ASIA

	LEGACY EXADATA	FLASHBLADE	BENEFIT
DB ANALYSIS	9.3 Hours	3 Hours	**3x Faster**
BACKUP	16 Hours	2 Hours	**8x Faster**
RESTORE	24 Hours	3 Hours	**8x Faster**
EFFECTIVE DATA SIZE	9.9 TB	3.7 TB	**2.7:1 Reduction** in Capacity

© 2018 PURE STORAGE INC.

INTRODUCING NEW FLASHSTACK

MODERNIZING ORACLE DATA WAREHOUSE

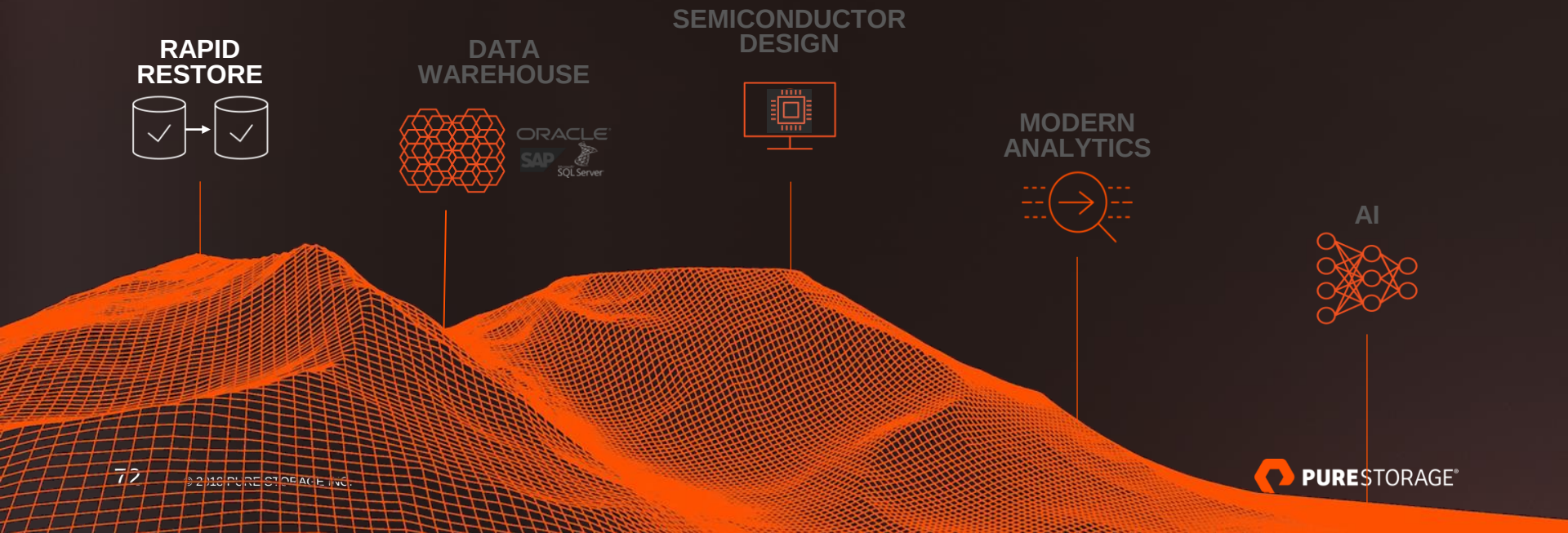
Industry-Leading Performance for Oracle Database

Fully Integrated, Validated by Cisco & Pure Storage

Extensible to Modern Analytics & AI

© 2018 PURE STORAGE INC.

FLASHBLADE KEY USE CASES

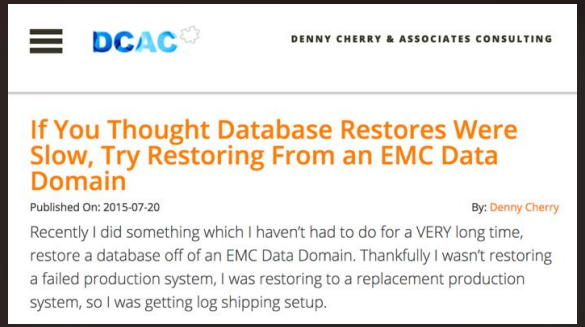


© 2019 PURE STORAGE, INC.
PURESTORAGE®

PITFALLS WITH EXISTING BACKUP SOLUTIONS

SLOW RESTORE EXPERIENCE

LACKS PERFORMANCE WHEN YOU MOST NEED IT



DCAC

DENNY CHERRY & ASSOCIATES CONSULTING

If You Thought Database Restores Were Slow, Try Restoring From an EMC Data Domain

Published On: 2015-07-20 By: Denny Cherry

Recently I did something which I haven't had to do for a VERY long time, restore a database off of an EMC Data Domain. Thankfully I wasn't restoring a failed production system, I was restoring to a replacement production system, so I was getting log shipping setup.

"The database in this case is ~6TB in size… I canceled it after about 24 hours. It was at ~2% complete."

© 2018 PURE STORAGE INC.

PURESTORAGE®

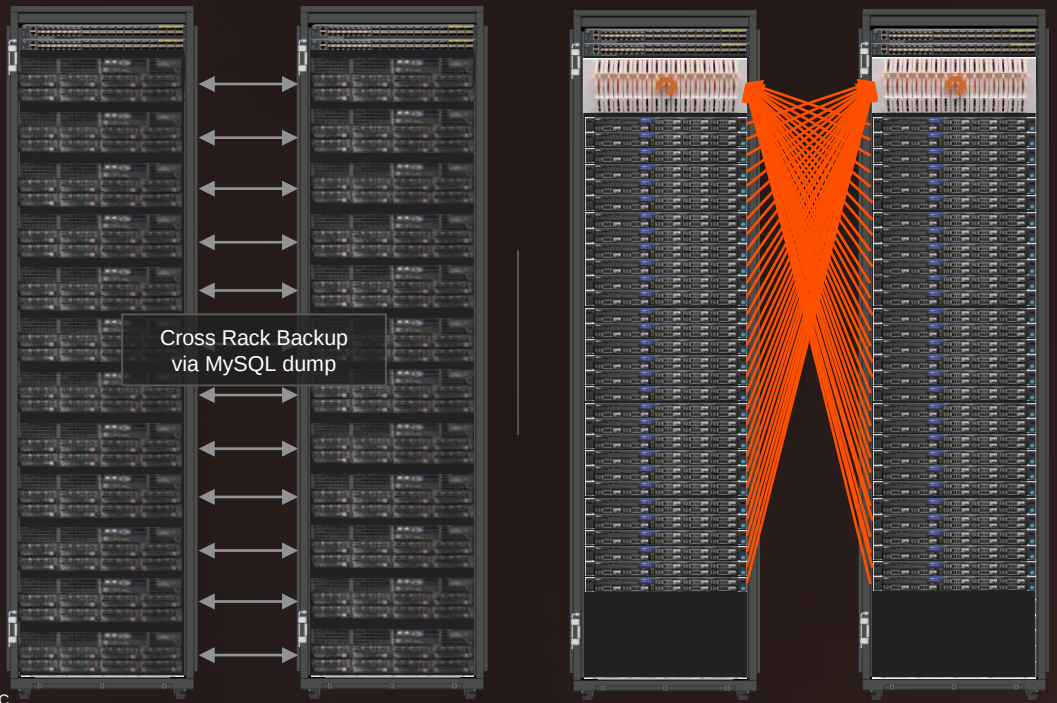
https://www.dcac.co/syndication/if-you-thought-database-restores-were-slow-try-restoring-from-an-emc-data-domain

FROM 30 HOURS TO 30 MINUTES

LEADING SaaS COMPANY STANDARDIZES BACKUP & RESTORE ON FLASHBLADE

38 Hours for Full Recovery

0.5 Hours for Full Recovery



OLD ARCHITECTURE

3RU Servers

$45k per Server

6 SSDs per Server (3 for DB storage, 3 for fast recovery)

ARCHITECTURE TODAY

1RU Servers

$10k per Server

2 SSDs per Server for DB

Backup to FlashBlade

3x More Customers per Rack

© 2018 PURE STORAGE INC.

PURESTORAGE®

WE'RE JUST GETTING STARTED

Leading Customers Across a Range of Industries

BROADCOM

Domino's

ELEMENT AI

jda.

Man AHL

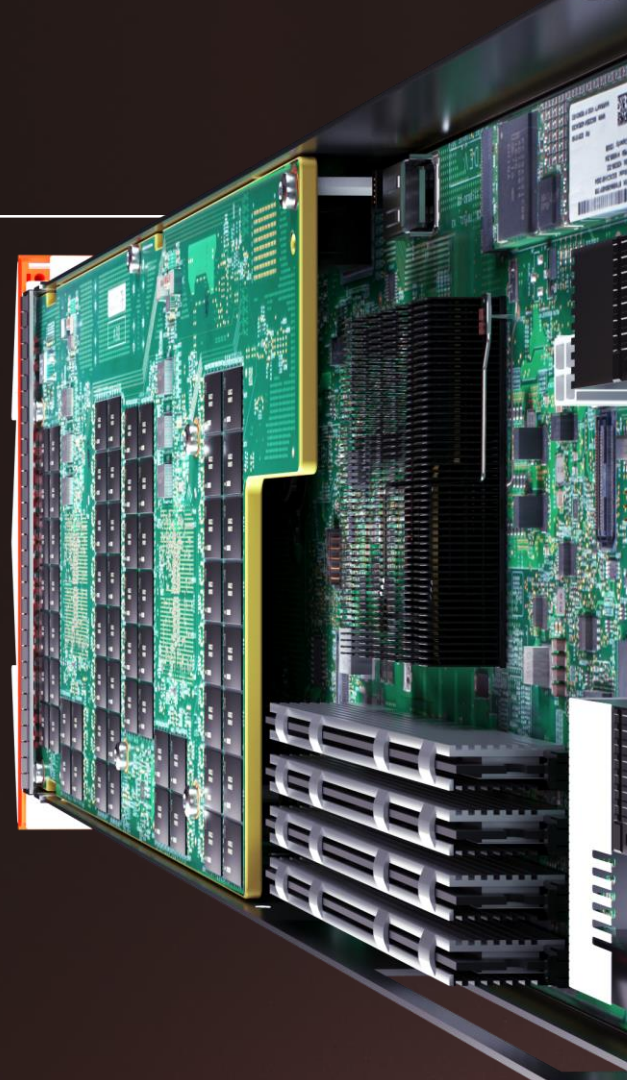
PAIGE

paylocity

riselab UC Berkeley

servicenow

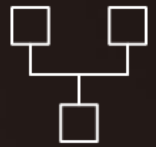
ZENUITY



© 2018 PURE STORAGE INC.

ERA OF INTELLIGENCE

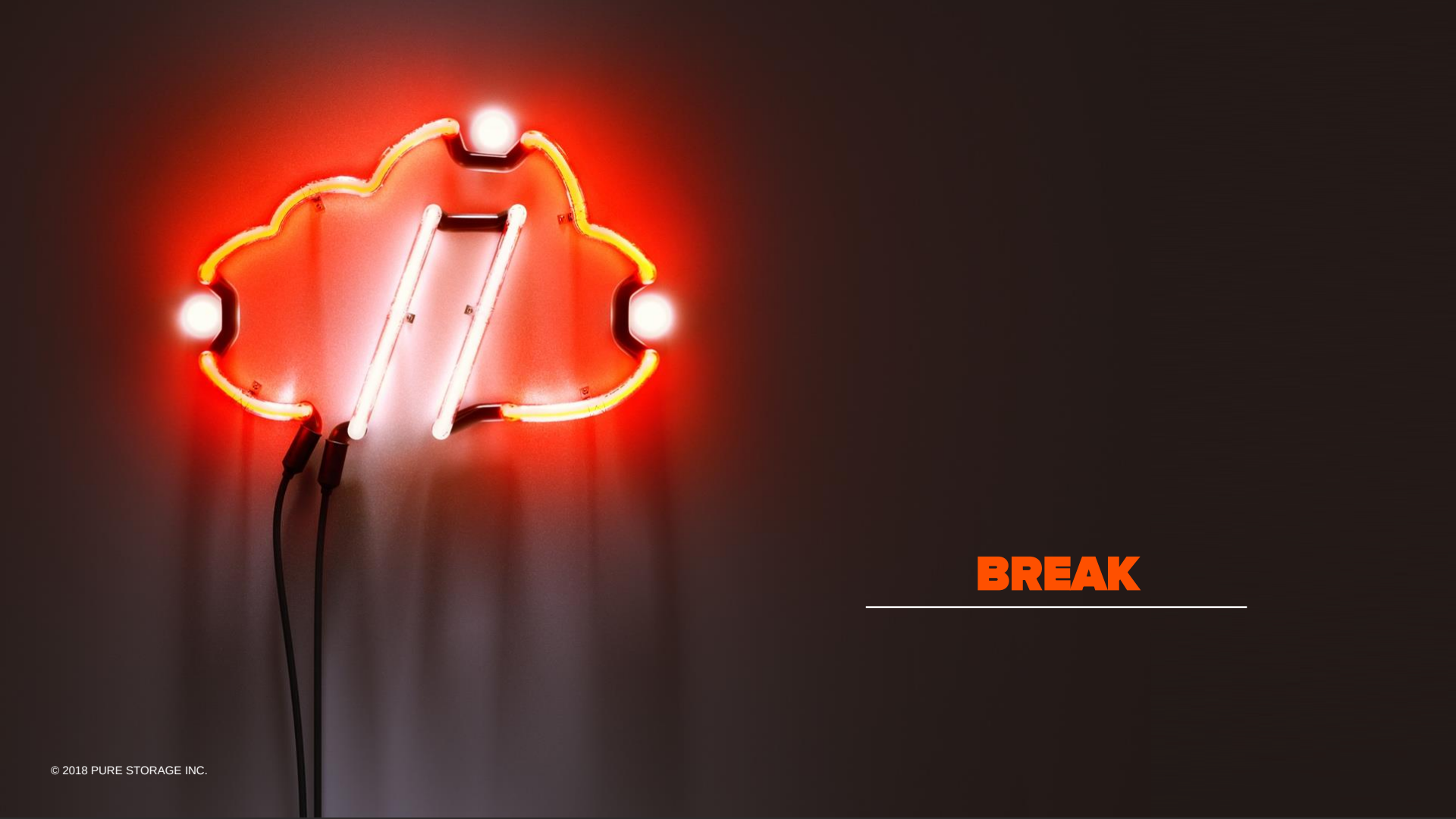
DATA HUB FOR DATA-FIRST WORLD



WORLDS FIRST MODERN FILE & OBJECT

LEADERSHIP IN AI INDUSTRY

© 2018 PURE STORAGE INC.



BREAK

© 2018 PURE STORAGE INC.

GTM UPDATE

DAVID “HAT” HATFIELD
PRESIDENT

© 2018 PURE STORAGE INC.

GO TO MARKET 2018 HEADLINES

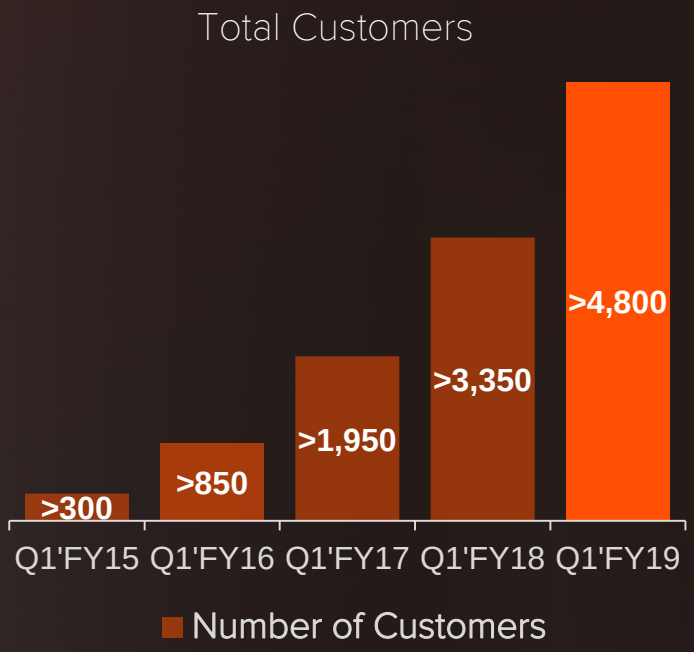
SALES EXECUTION
UPMARKET BIAS

PARTNER ECOSYSTEM
INDEPENDENCE & LEVERAGE

DIFFERENTIATED MODEL
PORTFOLIO SELLING MOTION

© 2018 PURE STORAGE INC.

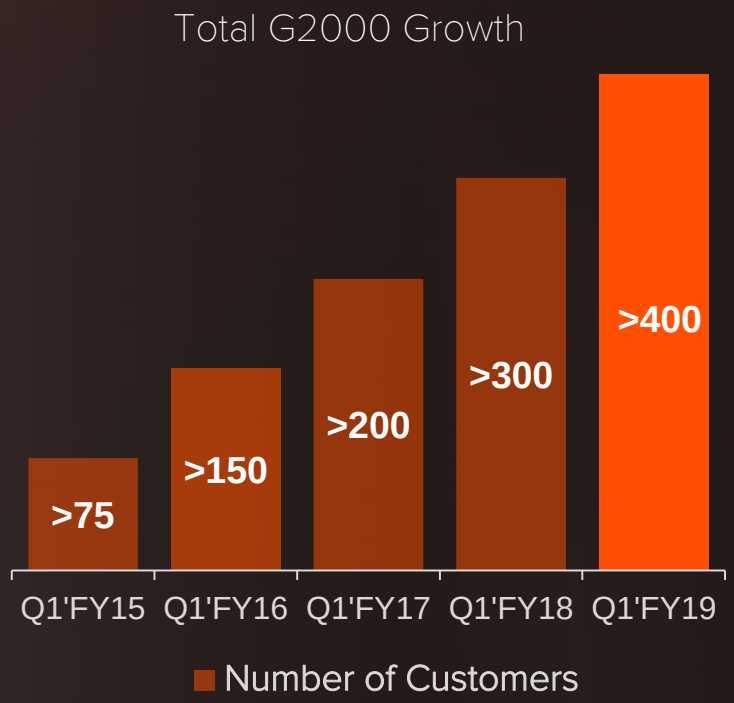
SOLID MOMENTUM IN MARKETS THAT MATTER

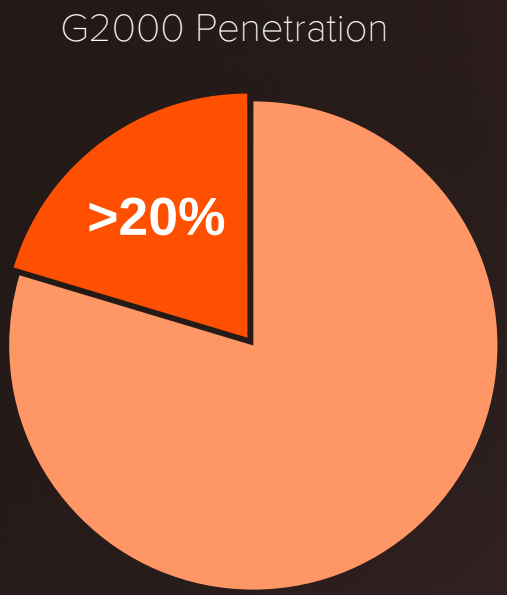


Fortune 500 >30%	**Top 20 SaaS** 35%
Customer Growth ~45% y/y	**Rev from Cloud** >30%

© 2018 PURE STORAGE INC.
PURESTORAGE®

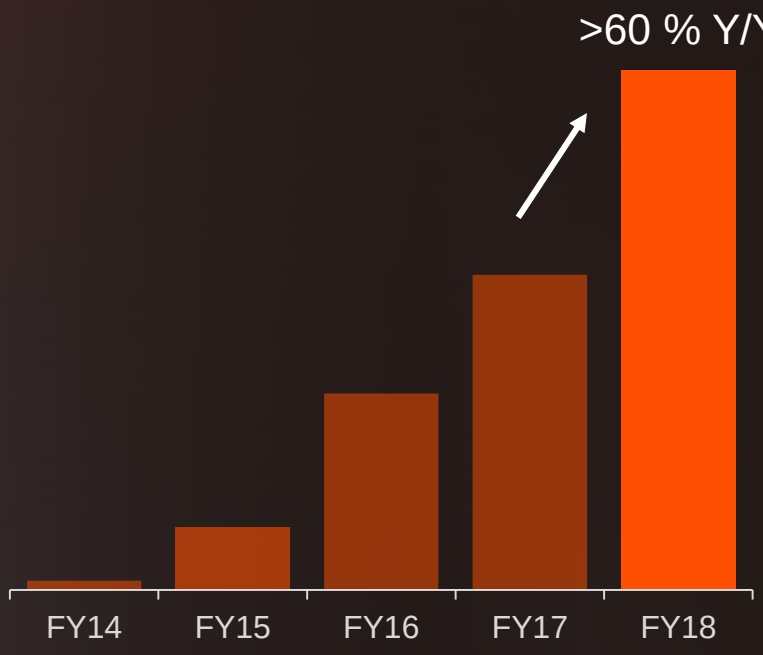
SOLID MOMENTUM IN GLOBAL COMPANIES WITH ROOM TO GROW

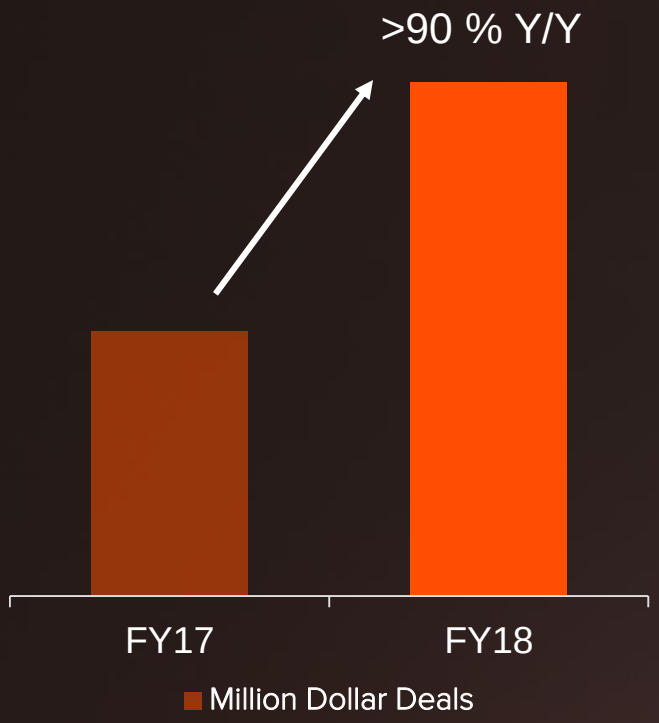




© 2018 PURE STORAGE INC.

CUSTOMERS MAKING LARGER INVESTMENTS WITH PURE

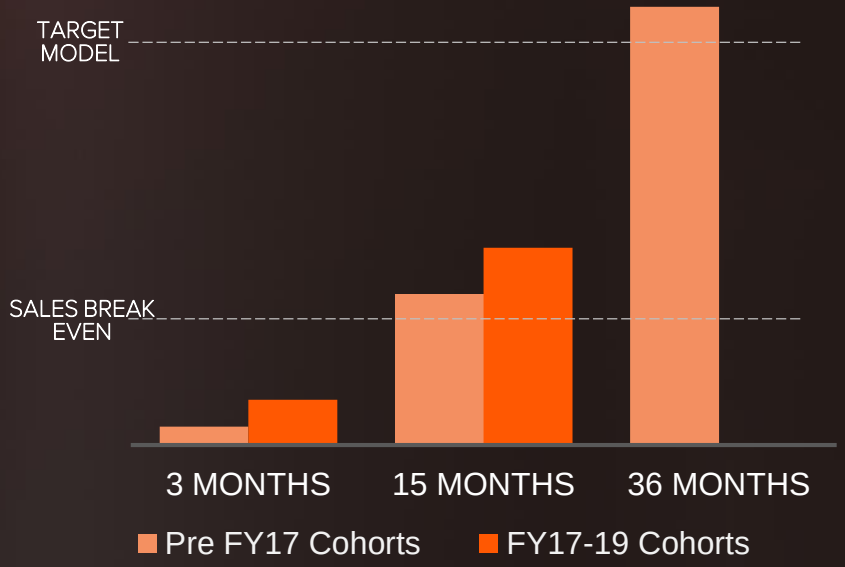




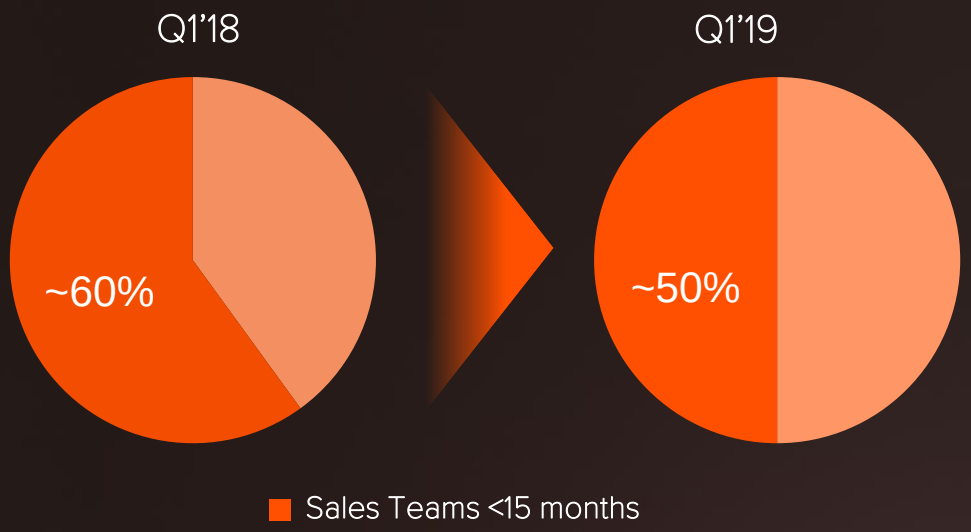
© 2018 PURE STORAGE INC.

PRODUCTIVITY CONTINUES POSITIVE TREND AND STILL IN EARLY INNINGS

New Cohorts Continue to Ramp Well



~50% of Sales Force has <15 Months Tenure



© 2018 PURE STORAGE INC.
PURESTORAGE®

GO TO MARKET 2018 HEADLINES

SALES EXECUTION
UPMARKET BIAS

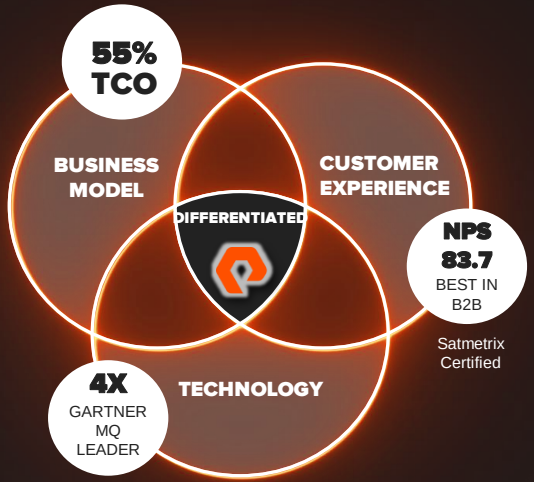
PARTNER ECOSYSTEM
INDEPENDENCE & LEVERAGE

DIFFERENTIATED MODEL
PORTFOLIO SELLING MOTION

© 2018 PURE STORAGE INC.

WHY PARTNERS CHOOSE TO LEAD WITH PURE

GREAT MARKET AND
PURE DIFFERENTIATED



INNOVATION ENGINE

100% PARTNER
CENTRIC

© 2018 PURE STORAGE INC.

PARTNER CENTRIC REACH AND GLOBAL EXPANSION IN KEY MARKETS

>4,200 Channel AE's & SE's

>1,100 Sales & Marketing

>30 Countries Globally

3 **Key Growth Markets**

1. Top 1000 Cloud & SaaS
2. Next-gen Use Cases
3. Global 2000

© 2018 PURE STORAGE INC.

PURE INTEGRATED INTO BROAD TECHNOLOGY ECOSYSTEM

STRATEGIC GTM

CLOUD INTEGRATION

AUTOMATION

INFRASTRUCTURE

APPLICATIONS

© 2018 PURE STORAGE INC.
PURESTORAGE®

GO TO MARKET 2018 HEADLINES

SALES EXECUTION
UPMARKET BIAS

PARTNER ECOSYSTEM
INDEPENDENCE & LEVERAGE

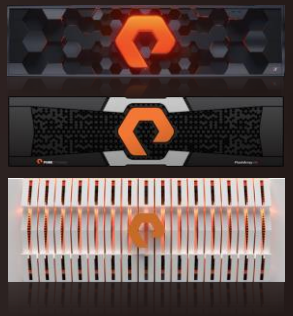
DIFFERENTIATED MODEL
PORTFOLIO SELLING MOTION

© 2018 PURE STORAGE INC.

EVERGREEN REVOLUTIONIZED HOW ENTERPRISES PURCHASE STORAGE

ACQUIRE → **RUN** → **UPGRADE**

DEPLOY ONCE & UPGRADE IN PLACE



EVERGREEN SUPPORT SUBSCRIPTION

Evergreen™ Storage

ES2

NO DOWNTIME, DATA-MIGRATION, OR FORKLIFT

UPGRADE CONTROLLERS

MODERNIZE FLASH MEDIA

INCREASE CAPACITY

INCREASE DENSITY

© 2018 PURE STORAGE INC.

PURESTORAGE®

ES2 ENABLING ANOTHER INDUSTRY FIRST - CLOUD STORAGE ON DEMAND

ES2 **EVERGREEN STORAGE SERVICE**

PAY-PER-
USED GB

TERMS AS SHORT AS 12 MONTHS

ONBOARDED IN
DAYS

TRUE
OPEX*
FASB'19

ALWAYS
Evergreen™ Storage

ALWAYS
BETTER-THAN-CLOUD
ECONOMICS

© 2018 PURE STORAGE INC.

* OPEX treatment is subject to customer's auditor review

PURESTORAGE®

EXCITED ABOUT THE PRODUCT CYCLE WE'RE ENTERING

- Democratization of NVMe - Another Product Cycle Pure has Led
- FB for AI, Next Gen analytics, HDFS and Rapid Restore
- FlashStack and AIRI converged growth: expansion with Cisco
- Pure1 and Evergreen = investment protection and consistent customer experience

© 2018 PURE STORAGE INC.

GO TO MARKET 2018 HEADLINES

SALES EXECUTION
UPMARKET BIAS

PARTNER ECOSYSTEM
INDEPENDENCE & LEVERAGE

DIFFERENTIATED MODEL
PORTFOLIO SELLING MOTION

© 2018 PURE STORAGE INC.

FINANCIAL UPDATE

TIM RIITTERS
CFO

© 2018 PURE STORAGE INC.

FINANCIAL UPDATE

BY THE NUMBERS

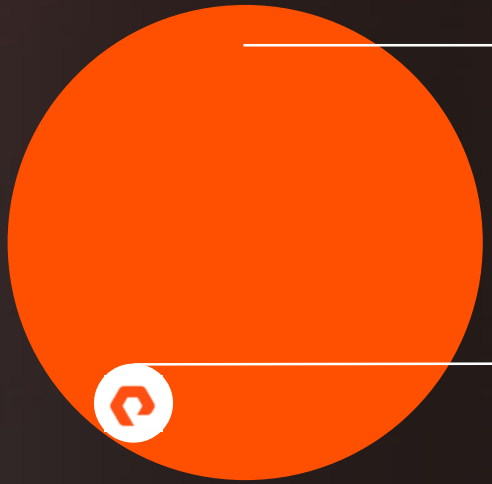
SAAS LIKE EXPANSION

LOOKING FORWARD

© 2018 PURE STORAGE INC.

QUARTERLY REVIEW: Q1 FY19

Large Opportunity Ahead



$35b
TAM Opportunity

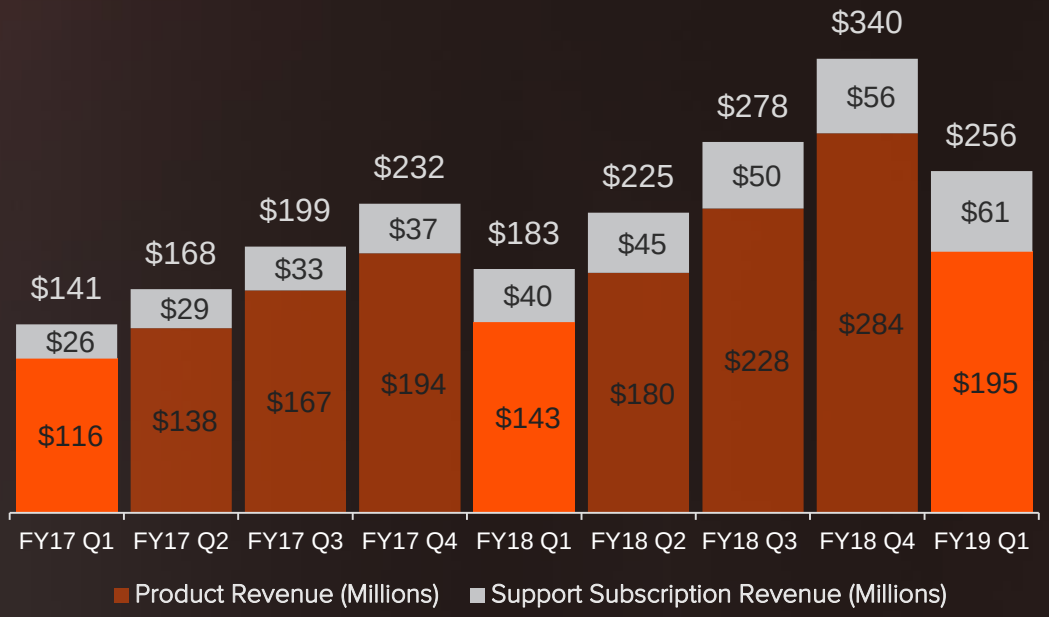
>$1b
Revenue in FY18

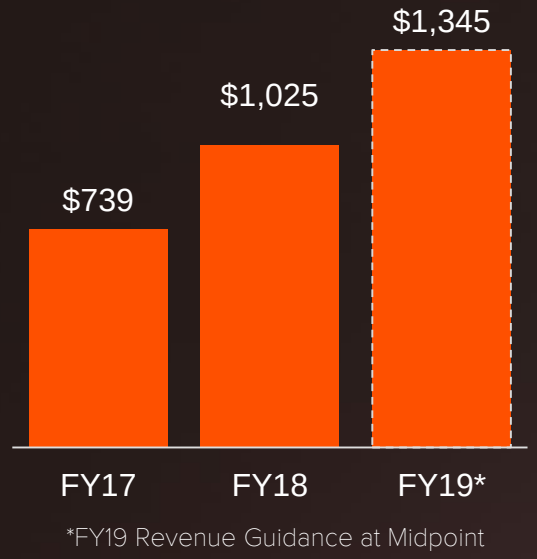
Q1'19 statistics

Q1'FY19 Revenue **$256m**	**Growth** **+40% y/y**
Gross Margin **66.3%**	**Operating Margin** **-6%**

© 2018 PURE STORAGE INC.
PURESTORAGE®

+40% Y/Y REVENUE GROWTH - STRONG START TO FY19

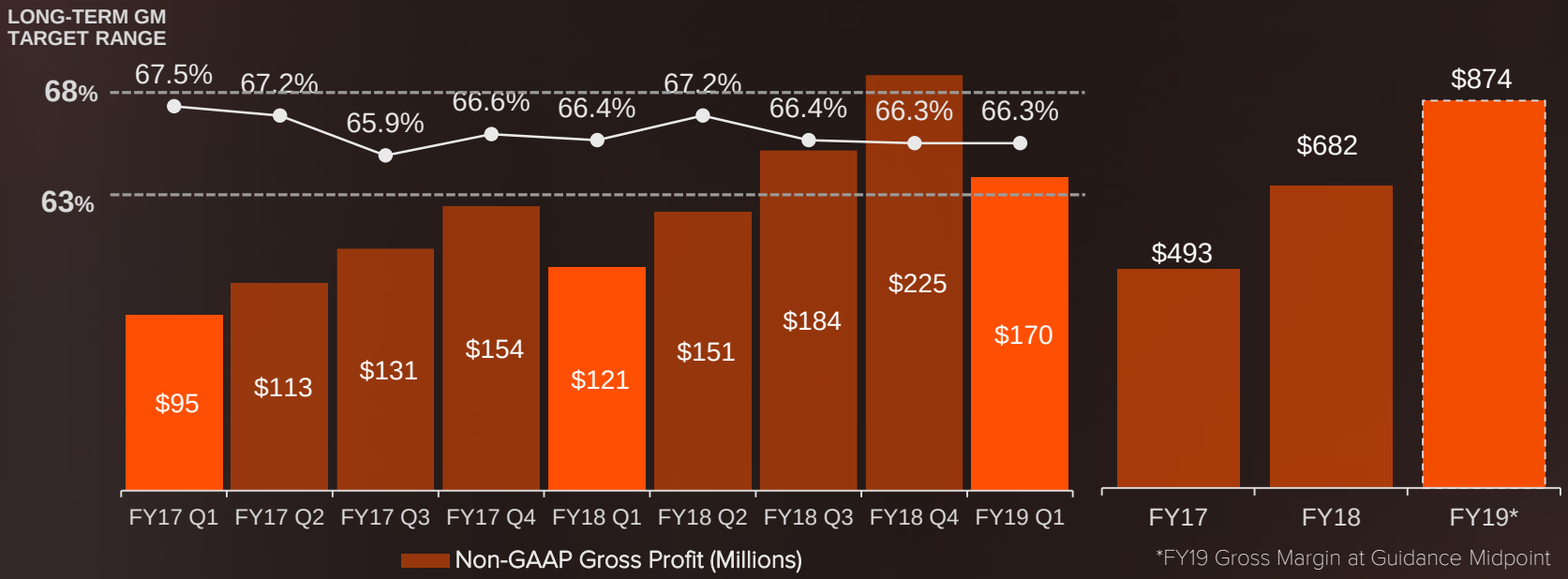




*FY19 Revenue Guidance at Midpoint

© 2018 PURE STORAGE INC.

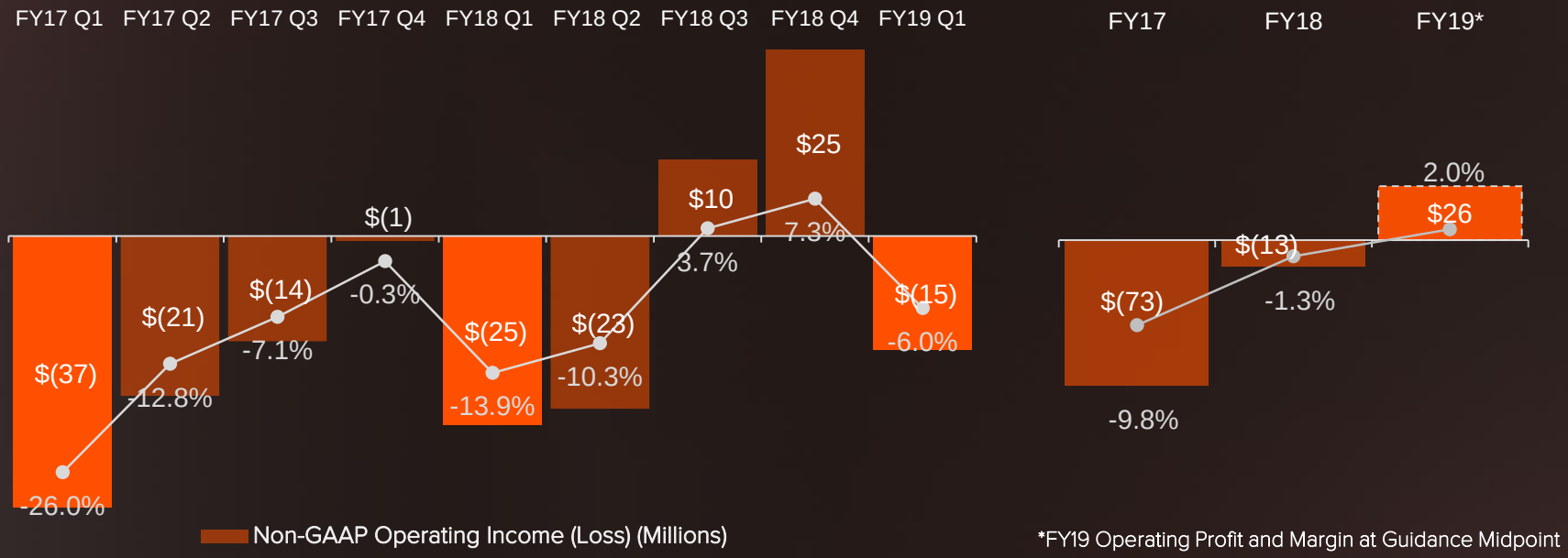
SOFTWARE DRIVING INDUSTRY LEADING GROSS MARGINS



Please see GAAP to Non-GAAP Reconciliation in Appendix.

© 2018 PURE STORAGE INC.

CONSISTENT LEVERAGE IMPROVEMENTS, WITH FY19 PROFITABILITY



*FY19 Operating Profit and Margin at Guidance Midpoint

© 2018 PURE STORAGE INC.

Please see GAAP to Non-GAAP Reconciliation in Appendix.

PURESTORAGE®

QUARTERLY AND ANNUAL GUIDANCE

As a % of Revenue (Numbers in Millions, Non-GAAP)	Q2FY19	FY19
Revenue	$296 to $304	$1,320 to $1,370
Gross margin (1)	63.5% to 66.5%	63.5% to 66.5%
Operating margin (1)	-7% to -3%	0% to 4%

(1) We have not reconciled guidance for non-GAAP gross margin and non-GAAP operating margin to their most directly comparable GAAP measures because items such as stock-based compensation expense and payroll tax expense related to stock-based activities that impact these measures are not within our control and/or cannot be reasonably predicted. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measures is not available without unreasonable effort.

© 2018 PURE STORAGE INC.

FINANCIAL UPDATE

BY THE NUMBERS

SAAS LIKE EXPANSION

LOOKING FORWARD

© 2018 PURE STORAGE INC.

ES2 – A NEW COMPELLING PURCHASE OPTION

Lifetime value – Benefits customer and Pure

Economics – Delivering higher margins

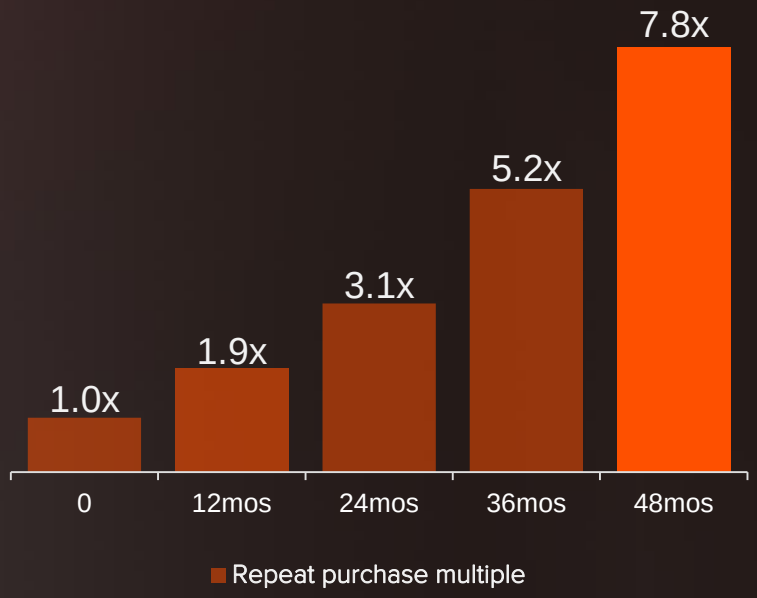
Visibility – More predictable and sticky business

Current Program Expectations Already Included in FY19 Guidance

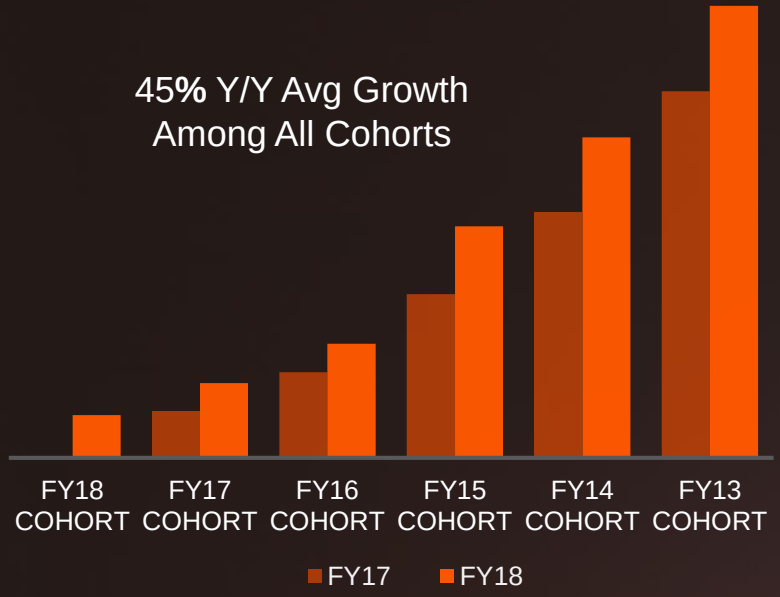
© 2018 PURE STORAGE INC.

STRONG & STRENGTHENING REPEAT MOMENTUM

Repeat Purchase Accelerating Overtime

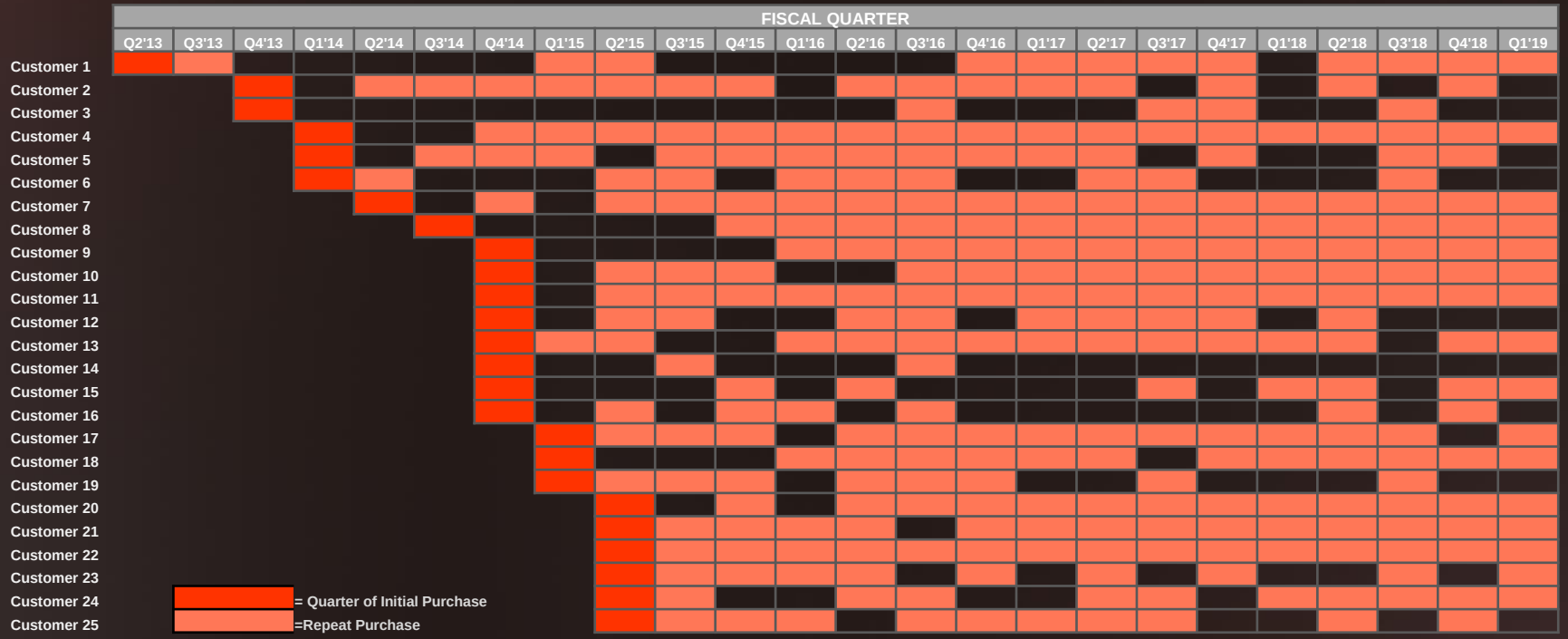


All Cohorts Contributing Well



© 2018 PURE STORAGE INC.

STRONG AND **FREQUENT** REPEATS



© 2018 PURE STORAGE INC.

FINANCIAL UPDATE

BY THE NUMBERS

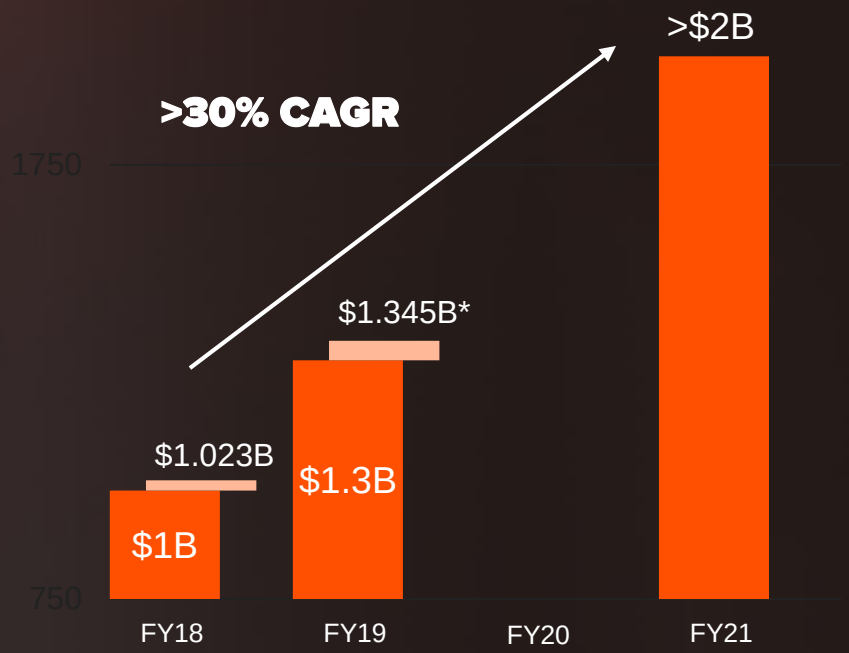
SAAS LIKE EXPANSION

LOOKING FORWARD

© 2018 PURE STORAGE INC.

PURESTORAGE®

ON TRACK FOR >$2B, AND INCREASING PROFITABILTIY



FY21 PROFIT RANGE 6% - 10% (unchanged)

* Based on mid-point of FY19 guidance

© 2018 PURE STORAGE INC.

LONG-TERM TARGET OPERATING MODEL

($ in Millions, Non-GAAP)	Q1FY19	TARGET MODEL
Gross Margin	66.3%	63-68%
R&D	22.0%	15-20%
S&M	42.0%	25-30%
G&A	8.3%	5-7%
Operating Margin	-6.0%	15-20%

© 2018 PURE STORAGE INC.

Please see GAAP to Non-GAAP Reconciliation in Appendix.

CUSTOMER/PARTNER PANEL

INVESTOR SESSION

KEITH MARTIN

SERVICENOW
DIRECTOR OF CLOUD ENGINEERING

LEO BODDEN

NEW YORK PRESBYTERIAN HOSPITAL
CTO

TONY PAIKEDAY

NVIDIA
DIRECTOR PRODUCT MARKETING FOR DEEP LEARNING

© 2018 PURE STORAGE INC.

© 2018 PURE STORAGE INC.

REVENUE – 606 TO 605 RECONCILIATIONS

	Fiscal Quarter																Full Year			
($ in Millions)	Q1 FY17	(%)	Q2 FY17	(%)	Q3 FY17	(%)	Q4 FY17	(%)	Q1 FY18	(%)	Q2 FY18	(%)	Q3 FY18	(%)	Q4 FY18	(%)	Q1 FY19	(%)	FY17	(%)	FY18	(%)
Product revenue - ASC 606	$115.5	81.9%	$138.3	82.6%	$166.5	83.6%	$194.2	83.9%	$142.8	78.3%	$179.7	80.0%	$227.8	82.1%	$284.2	83.6%	$195.4	76.4%	$614.5	83.1%	$834.5	81.4%
Less: ASC 606 adoption impact	-3.8	-2.1%	-7.4	-2.4%	-6.0	-2.1%	-7.4	-1.9%	-4.4	-2.5%	-4.7	-2.0%	-4.6	-1.7%	-6.8	-1.6%	n/a	n/a	-$24.5	-2.1%	-20.5	-1.8%
Product revenue - As previously reported under ASC 605	$111.7	79.8%	$130.9	80.2%	$160.5	81.5%	$186.8	82.0%	$138.4	75.8%	$175.0	78.0%	$223.2	80.4%	$277.4	82.0%	n/a	n/a	$590.0	81.0%	$814.0	79.6%
Support subscription revenue - ASC 606	$25.5	18.1%	$29.2	17.4%	$32.7	16.4%	$37.3	16.1%	$39.8	21.7%	$45.0	20.0%	$49.8	17.9%	$55.7	16.4%	$60.5	23.6%	$124.7	16.9%	$190.3	18.6%
Less: ASC 606 adoption impact	2.7	2.1%	3.1	2.4%	3.7	2.1%	3.7	1.9%	4.4	2.5%	4.4	2.0%	4.7	1.7%	5.2	1.6%	n/a	n/a	$13.3	2.1%	18.7	1.8%
Support subscription revenue - As previously reported under ASC 605	$28.2	20.2%	$32.3	19.8%	$36.4	18.5%	$41.0	18.0%	$44.2	24.2%	$49.4	22.0%	$54.5	19.6%	$60.9	18.0%	n/a	n/a	$138.0	19.0%	$209.0	20.4%
Total revenue - ASC 606	$141.0	100.0%	$167.5	100.0%	$199.2	100.0%	$231.5	100.0%	$182.6	100.0%	$224.7	100.0%	$277.6	100.0%	$339.9	100.0%	$255.9	100.0%	$739.2	100.0%	$1,024.8	100.0%
Less: ASC 606 adoption impact	-1.1	0.0%	-4.3	0.0%	-2.2	0.0%	-3.7	0.0%	-	0.0%	-0.2	0.0%	0.1	0.0%	-1.6	0.0%	n/a	n/a	-$11.2	-%	-1.8	0.0%
Total revenue - As previously reported under ASC 605	$139.9	100.0%	$163.2	100.0%	$197.0	100.0%	$227.8	100.0%	$182.6	100.0%	$224.5	100.0%	$277.7	100.0%	$338.3	100.0%	n/a	n/a	$728.0	100.0%	$1,023.0	100.0%

© 2018 PURE STORAGE INC.

REVENUE – 606 TO 605 RECONCILIATIONS

	Fiscal Quarter																	Full Year			
($ in Millions)	Q1 FY17	(%)	Q2 FY17	(%)	Q3 FY17	(%)	Q4 FY17	(%)	Q1 FY18	(%)	Q2 FY18	(%)	Q3 FY18	(%)	Q4 FY18	(%)	Q1 FY19	(%)	FY17	(%)	FY18	(%)
	Fiscal Quarter																	Full Year			
($ in Millions)	Q1 FY17	(%)	Q2 FY17	(%)	Q3 FY17	(%)	Q4 FY17	(%)	Q1 FY18	(%)	Q2 FY18	(%)	Q3 FY18	(%)	Q4 FY18	(%)	Q1 FY19	(%)	FY17	(%)	FY18	(%)
Product gross margin (GAAP) - ASC 606	$81.4	70.5%	$95.4	69.0%	$111.8	67.1%	$131.7	67.8%	$96.2	67.3%	$122.4	68.1%	$152.4	66.9%	$188.2	66.2%	$ 129.0	66.0%	$420.3	68.4%	$559.2	67.0%
Add: SBC	0.1	0.1%	0.2	0.2%	0.1	0.1%	0.2	0.1%	0.4	0.3%	0.4	0.2%	0.1	0.1%	0.7	0.3%	0.6	0.3%	0.6	0.1%	1.6	0.2%
Add: Payroll tax related to stock-based activities	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	0.1	-%	-	-%	0.1	-%
Product gross margin (non-GAAP) - ASC 606	**$81.5**	**70.6%**	**$95.6**	**69.2%**	**$111.9**	**67.2%**	**$131.9**	**67.9%**	**$96.6**	**67.6%**	**$122.8**	**68.3%**	**$152.5**	**67.0%**	**$188.9**	**66.5%**	**$129.7**	**66.3%**	**$420.9**	**68.5%**	**$560.9**	**67.2%**
Less: ASC 606 adoption impact	-3.7	-1.0%	-7.3	-1.8%	-6.0	-1.2%	-7.4	-1.3%	(4.4)	-1.0%	-4.7	-0.8%	-4.5	-0.7%	-6.8	-0.8%	n/a	n/a	-24.4	-1.3%	-20.5	-0.8%
Product gross margin (non-GAAP) - As previously reported under ASC 605	$77.8	69.6%	$88.3	67.4%	$105.9	66.0%	$124.5	66.6%	$92.2	66.6%	$118.1	67.5%	$148.0	66.3%	$182.1	65.7%	n/a	n/a	$396.5	67.2%	$540.4	66.4%
Support subscription gross margin (GAAP) - ASC 606	$12.6	49.4%	$15.2	52.1%	$18.1	55.4%	$20.8	55.6%	$22.9	57.5%	$25.8	57.4%	$29.4	59.0%	$33.7	60.5%	$ 37.3	61.7%	$66.6	53.4%	$111.8	58.7%
Add: SBC	1.1	4.2%	1.7	5.8%	1.2	3.6%	1.7	4.5%	1.8	4.6%	2.2	4.9%	2.4	4.9%	2.6	4.7%	2.7	4.4%	5.7	4.5%	9.1	4.8%
Add: Payroll tax related to stock-based activities	-	-%	-	-%	-	-%	-	-%	-	-%	0.1	0.2%	-	-%	0.1	0.2%	0.1	0.2%	-	-%	0.2	0.1%
Support subscription gross margin (non-GAAP) - ASC 606	**$13.7**	**53.6%**	**$16.9**	**57.9%**	**$19.3**	**59.0%**	**$22.5**	**60.1%**	**$24.7**	**62.1%**	**$28.1**	**62.5%**	**$31.8**	**63.9%**	**$36.4**	**65.4%**	**$40.1**	**66.3%**	**$72.3**	**57.9%**	**$121.1**	**63.6%**
Less: ASC 606 adoption impact	2.7	4.4%	3.1	4.1%	3.7	4.2%	3.6	3.5%	4.4	3.7%	4.5	3.4%	4.7	3.1%	5.2	2.9%	n/a	n/a	13.2	4.1%	18.7	3.3%
Support subscription gross margin (non-GAAP) - As previously reported under ASC 605	$16.4	58.0%	$20.0	62.0%	$23.0	63.2%	$26.1	63.6%	$29.1	65.8%	$32.6	65.9%	$36.5	67.0%	$41.6	68.3%	n/a	n/a	$85.5	62.0%	$139.8	66.9%
Total gross margin (GAAP) - ASC 606	$94.0	66.7%	$110.6	66.0%	$129.8	65.2%	$152.4	65.8%	$119.1	65.2%	$148.2	66.0%	$181.8	65.5%	$221.9	65.3%	$166.3	65.0%	486.9	65.9%	$671.0	65.5%
Add: SBC	1.2	0.8%	1.9	1.2%	1.3	0.7%	1.9	0.8%	2.2	1.2%	2.6	1.2%	2.6	0.9%	3.4	1.0%	3.3	1.3%	6.3	0.8%	10.7	1.0%
Add: Payroll tax related to stock-based activities	-	-%	-	-%	-	-%	-	-%	-	-%	0.1	-%	-	-%	0.1	-%	0.2	-%	-	-%	0.3	-%
Total gross margin (non-GAAP) - ASC 606	**$95.2**	**67.5%**	**$112.5**	**67.2%**	**$131.1**	**65.9%**	**$154.3**	**66.6%**	**$121.3**	**66.4%**	**$150.9**	**67.2%**	**$184.4**	**66.4%**	**$225.4**	**66.3%**	**$169.8**	**66.3%**	**$493.2**	**66.7%**	**$682.0**	**66.5%**
Less: ASC 606 adoption impact	-1.0	-0.2%	-4.2	-0.9%	-2.1	-0.4%	-3.7	-0.5%	-	0.0%	-0.2	-0.1%	0.1	-%	-1.6	-0.1%	n/a	n/a	-11.2	-0.5%	-1.8	-%
Total gross margin (non-GAAP) - As previously reported under ASC 605	$94.2	67.3%	$108.3	66.3%	$129.0	65.5%	$150.6	66.1%	$121.3	66.4%	$150.7	67.1%	$184.5	66.4%	$223.8	66.2%	n/a	n/a	$482.0	66.2%	$680.2	66.5%

© 2018 PURE STORAGE INC.
PURESTORAGE®

REVENUE – 606 TO 605 RECONCILIATIONS

	Fiscal Quarter																Full Year			
	Q1 FY17	Total Revenue	Q2 FY17	Total Revenue	Q3 FY17	Total Revenue	Q4 FY17	Total Revenue	Q1 FY18	Total Revenue	Q2 FY18	Total Revenue	Q3 FY18	Total Revenue	Q4 FY18	Total Revenue	Q1 FY19	Total Revenue				
($ in Millions)		$		$		$		$		$		$		$		$		$	FY17	$	FY18	$
R&D (GAAP)	$52.9	37.5%	$58.6	35.0%	$61.6	30.9%	$72.6	31.4%	$65.4	35.8%	$69.4	30.9%	$68.9	24.8%	$75.5	22.2%	$78.5	30.7%	$245.8	33.3%	$279.2	27.2%
Less: SBC	-11.7	-8.2%	-14.0	-8.4%	-15.2	-7.7%	-22.6	-9.8%	-15.6	-8.5%	-18.0	-8.0%	-18.1	-6.5%	-19.6	-5.8%	-21.1	-8.3%	-63.5	-8.6%	-71.2	-6.3%
Less: Payroll tax related to stock-based activities	-	-%	-	-%	-0.1	-%	-0.1	-%	-0.3	-0.2%	-0.4	-0.2%	-0.4	-0.1%	-0.5	-0.1%	-1.1	-0.4%	-$0.3	-0.1%	-1.6	-0.2%
R&D (non-GAAP)	$41.2	29.3%	$44.6	26.6%	$46.3	23.2%	$49.9	21.6%	$49.5	27.1%	$51.0	22.7%	$50.4	18.2%	$55.4	16.3%	$56.3	22.0%	$182.0	24.6%	$206.4	20.1%
S&M (GAAP) – ASC 606	$79.6	56.5%	$81.8	48.8%	$88.3	44.3%	$98.0	42.4%	$91.8	50.3%	$117.6	52.3%	$117.0	42.1%	$137.8	40.5%	$122.4	47.8%	$347.7	47.0%	$464.1	45.3%
Less: SBC	-7.5	-5.3%	-8.7	-5.2%	-8.5	-4.3%	-9.6	-4.1%	-10.6	-5.8%	-11.4	-5.1%	-12.1	-4.4%	-13.5	-3.9%	-13.9	-5.4%	-34.3	-4.6%	-47.7	-4.7%
Less: Payroll tax related to stock-based activities	-0.5	-0.4%	-0.1	-%	-0.4	-0.1%	-0.5	-0.3%	-0.2	-0.2%	-0.4	-0.1%	-0.4	-0.1%	-0.4	-0.1%	-1.1	-0.4%	-$1.4	-0.2%	-1.3	-0.1%
S&M (non-GAAP) – ASC 606	$71.6	50.8%	$73.0	43.6%	$79.4	39.9%	$87.9	38.0%	$81.0	44.3%	$105.8	47.1%	$104.5	37.6%	$123.9	36.5%	$107.4	42.0%	$312.0	42.2%	$415.1	40.5%
Less: ASC 606 adoption impact	3.5	2.3%	5.8	4.7%	3.1	2.0%	–	0.6%	5.1	2.9%	3.1	1.4%	12.3	4.5%	-4.5	-1.2%	n/a	n/a	$12.4	2.4%	16.0	1.6%
S&M (non-GAAP) – As previously reported under ASC 605	$75.1	53.7%	$78.8	48.3%	$82.5	41.9%	$87.9	38.6%	$86.1	47.2%	$108.9	48.5%	$116.8	42.1%	$119.4	35.3%	n/a	n/a	$324.4	44.6%	$431.1	42.1%
G&A (GAAP)	$21.6	15.3%	$19.6	11.7%	$22.8	11.4%	$20.6	8.3%	$20.1	11.0%	$22.1	9.3%	$25.4	9.1%	$27.5	8.1%	$27.3	10.7%	$84.7	11.5%	$95.2	9.3%
Less: SBC	-2.6	-1.9%	-3.3	-1.9%	-3.2	-1.6%	-3.5	-1.6%	-3.8	-2.1%	-4.8	-2.2%	-6.1	-2.2%	-6.3	-1.9%	-5.6	-2.2%	-12.6	-1.7%	-21.1	-2.1%
Less: Payroll tax related to stock-based activities	-	-%	-	-%	-	-%	-	-%	-0.1	-%	-0.1	-%	-0.1	-%	-0.1	-%	-0.3	-0.2%	-0.1	-0.1%	-0.3	-%
G&A (non-GAAP)	$19.0	13.4%	$16.3	9.6%	$19.6	9.6%	$17.1	7.3%	$16.2	8.9%	$17.2	7.7%	$19.2	6.9%	$21.1	6.2%	$21.4	8.3%	$72.0	9.7%	$73.8	7.2%
Charge related to a legal settlement (GAAP)	-	-%	-	-%	$30.0	15.1%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	$30.0	4.1%	-	-%
Less: charge related to a legal settlement	-	-%	-	-%	-$30.0	-15.1%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-30.0	-4.1%	-	-%
Charge related to a legal settlement (non-GAAP)	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%
Total operating expense (GAAP) – ASC 606	$154.1	109.3%	$160.0	95.5%	$202.7	101.8%	$191.3	82.6%	$177.3	97.1%	$209.1	93.1%	$211.3	76.1%	$240.8	70.8%	$228.2	89.2%	$708.2	95.8%	$838.4	81.8%
Less: SBC	-21.8	-15.4%	-26.0	-15.5%	-26.9	-13.5%	-35.7	-15.4%	-30.0	-16.4%	-34.2	-15.2%	-36.3	-13.1%	-39.4	-11.6%	-40.7	-15.9%	-110.4	-14.9%	-140.0	-13.7%
Less: Payroll tax related to stock-based activities	-0.5	-0.4%	-0.1	-%	-0.5	-0.3%	-0.6	-0.3%	-0.6	-0.4%	-0.9	-0.4%	-0.8	-0.3%	-0.9	-0.2%	-2.5	-1.0%	-1.8	-0.2%	-3.1	-0.3%
Less: charge related to a legal settlement	-	-%	-	-%	-30.0	-15.1%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	-30.0	-4.1%	-	-%
Total operating expense (non-GAAP) – ASC 606	**$131.8**	**93.5%**	**$133.9**	**80.0%**	**$145.3**	**72.9%**	**$155.0**	**66.9%**	**$146.7**	**80.3%**	**$174.0**	**77.5%**	**$174.2**	**62.7%**	**#####**	**59.0%**	**$185.0**	**72.3%**	**$566.0**	**76.6%**	**$695.3**	**67.8%**
Less: ASC 606 adoption impact	3.5	3.2%	5.7	5.6%	3.1	2.4%	0.0	1.1%	5.1	2.8%	3.1	1.4%	12.3	4.5%	-4.7	-1.1%	n/a	n/a	$12.3	2.8%	$16.0	1.7%
Total operating expense (non-GAAP) – As previously reported under ASC 605	$135.3	96.7%	$139.6	85.6%	$148.4	75.3%	$155.0	68.0%	$151.8	83.1%	$177.1	78.9%	$186.5	67.2%	$195.8	57.9%	n/a	n/a	578.3	79.4%	$711.3	69.5%
Operating loss (GAAP) – ASC 606	-$60.1	-42.6%	-$49.4	-29.5%	-$72.9	-36.6%	-$38.9	-16.6%	-$58.2	-31.3%	-$60.9	-27.1%	-$29.6	-10.7%	-$18.8	-5.5%	-$61.9	-24.2%	-$221.3	-29.3%	-$167.4	-16.3%
Add: SBC	23.0	16.3%	27.9	16.7%	28.2	14.2%	37.6	16.2%	32.2	17.7%	36.8	16.4%	39.0	14.0%	42.8	12.6%	43.9	17.2%	116.7	15.8%	150.7	14.7%
Add: Payroll tax related to stock-based activities	0.5	0.3%	0.1	0.0%	0.6	0.2%	0.6	0.3%	0.7	0.3%	1.0	0.4%	0.8	0.4%	0.9	0.2%	2.7	1.0%	1.8	0.2%	3.4	0.3%
Add: charge related to a legal settlement	-	-%	-	-%	30.0	15.1%	-	-%	-	-%	-	-%	-	-%	-	-%	-	-%	30.0	4.1%	-	-%
Operating income (loss) (non-GAAP) – ASC 606	**-$36.6**	**-26.0%**	**-$21.4**	**-12.8%**	**-$14.1**	**-7.1%**	**-$0.7**	**-0.3%**	**-$25.3**	**-13.9%**	**-$23.1**	**-10.3%**	**$10.2**	**3.7%**	**$24.9**	**7.3%**	**-$15.3**	**-6.0%**	**-$72.8**	**-9.8%**	**-$13.3**	**-1.3%**
Less: ASC 606 adoption impact	-4.5	-3.4%	-10.0	-6.5%	-5.3	-2.7%	-3.7	-1.6%	-5.2	-2.8%	-3.3	-1.5%	-12.3	-4.4%	3.0	1.0%	n/a	n/a	-23.5	-3.4%	-17.8	-1.7%
Operating income (loss) (non-GAAP) – As previously reported under ASC 605	-$41.1	-29.4%	-$31.4	-19.3%	-$19.4	-9.8%	-$4.4	-1.9%	-$30.5	-16.7%	-$26.4	-11.8%	-$2.1	-0.7%	$27.9	8.3%	n/a	n/a	-96.3	-13.2%	-$31.1	-3.0%

© 2018 PURE STORAGE INC.