Q1 FY’27 Financial Results Conference Call

Period ended June 30, 2026
Published August 6, 2026

Agenda

Introduction

Scott Dressel, Vice President Corporate Finance

CEO Perspective

Anil Singhal, President & Chief Executive Officer

CFO Financial Review

Tony Piazza, Executive Vice President & Chief Financial Officer

Question & Answer Session

Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. Examples of forward-looking statements include statements regarding our future financial performance or position, liquidity, results of operations, business strategy, plans and objectives of management for future operations, and other statements that are not historical fact. You can identify forward-looking statements by their use of forward-looking words such as “may,” “will,” “anticipate,” “expect,” “believe,” “estimate,” “intend,” “plan,” “should,” “seek,” or other comparable terms. Investors are cautioned that such forward-looking statements in this press release include, without limitation, statements regarding NETSCOUT continuing to execute on its strategy to drive revenue growth, margin expansion, and solid free cash flow, and believes it is well positioned to deliver the intelligence that strengthens network resilience, improves operational efficiency, and supports confident, data-driven decision making; NETSCOUT’s financial outlook and expectations; NETSCOUT’s strategic objectives, plans, commitments, aspirations and goals. Actual results could differ materially from those indicated in the forward-looking statements due to known and unknown risks, uncertainties, assumptions, and other factors, including macroeconomic factors and slowdowns or downturns in economic conditions generally and in the market for advanced networks, service assurance and cybersecurity solutions specifically; the volatile foreign exchange environment; the Company’s relationships with strategic partners and resellers; dependence upon broad-based acceptance of the Company’s network performance management solutions; the presence of competitors with greater financial resources than the Company has, and their strategic response to the Company’s products; the Company’s ability to retain key executives and employees; potential lower than expected demand for the Company’s products and services; and the Company’s ability to recognize the expected gain from its acquisition of the assets of DigiCert, Inc.’s DDoS protection business. The risks included above are not exhaustive. For a more detailed description of the risk factors associated with the Company, please refer to the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” sections of the Company’s filings with the Securities and Exchange Commission, including but not limited to, our annual report on Form 10-K and quarterly reports on Form 10-Q. Any forward-looking information in this press release is as of the date of this press release, and NETSCOUT undertakes no obligation to update such information unless required by law. We may not actually achieve the plans, intentions, or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. NETSCOUT’s financial guidance is based on estimates and assumptions that are subject to significant uncertainties.

Non-GAAP Financial Metrics

To supplement the financial measures presented in NETSCOUT's presentation in accordance with accounting principles generally accepted in the United States (GAAP), NETSCOUT also reports the following non-GAAP financial measures: non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, non-GAAP operating margin, non-GAAP net income, non-GAAP diluted net income per share, adjusted EBITDA, and free cash flow. Non-GAAP gross profit removes expenses related to the amortization of acquired intangible assets, share-based compensation expense, and acquisition-related depreciation expense from gross profit (GAAP). Non-GAAP gross margin is non-GAAP gross profit expressed as a percentage of revenue. Non-GAAP income from operations includes the aforementioned adjustments related to non-GAAP gross profit and also removes executive transition costs, and restructuring charges from income from operations (GAAP). Non-GAAP operating margin is non-GAAP income from operations expressed as a percentage of revenue. Non-GAAP net income includes the foregoing adjustments related to non-GAAP income from operations and also removes the income tax effects of such adjustments as well as any loss on extinguishment of debt from net income (GAAP). Non-GAAP diluted net income per share is non-GAAP net income divided by total outstanding shares on a diluted basis. Adjusted EBITDA includes the aforementioned adjustments to non-GAAP net income and also removes interest and other expense, income taxes expenses, and non-acquisition related depreciation from net income (GAAP). Free cash flow removes cash outlays for fixed and intangible assets, as well as capitalized software, from operating cash flow. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures included in the attached tables within this presentation.

These non-GAAP measures are not prepared in accordance with GAAP, should not be considered an alternative for measures prepared in accordance with GAAP (gross profit, income from operations, operating margin, net income, and diluted net income per share), and may have limitations because they do not reflect all of NETSCOUT's results of operations as determined in accordance with GAAP. These non-GAAP measures should only be used to evaluate NETSCOUT's results of operations in conjunction with the corresponding GAAP measures. The presentation of non-GAAP information is not meant to be considered superior to, in isolation from, or as a substitute for results prepared in accordance with GAAP. NETSCOUT believes these non-GAAP financial measures will enhance the reader's overall understanding of NETSCOUT's current financial performance and NETSCOUT's prospects for the future by providing a higher degree of transparency for certain financial measures and providing a level of disclosure that helps investors understand how the Company plans and measures its own business. NETSCOUT believes that providing these non-GAAP measures affords investors a view of NETSCOUT's operating results that may be more easily compared to peer companies and also enables investors to consider NETSCOUT's operating results on both a GAAP and non-GAAP basis during and following the integration period of NETSCOUT's acquisitions. Presenting the GAAP measures on their own, without the supplemental non-GAAP disclosures, might not be indicative of NETSCOUT's core operating results. Furthermore, NETSCOUT believes that the presentation of non-GAAP measures when shown in conjunction with the corresponding GAAP measures provides useful information to management and investors regarding present and future business trends relating to its financial condition and results of operations.

NETSCOUT management regularly uses supplemental non-GAAP financial measures internally to understand, manage and evaluate its business and to make operating decisions. These non-GAAP measures are among the primary factors that management uses in planning and forecasting.

CEO Perspective

Anil Singhal

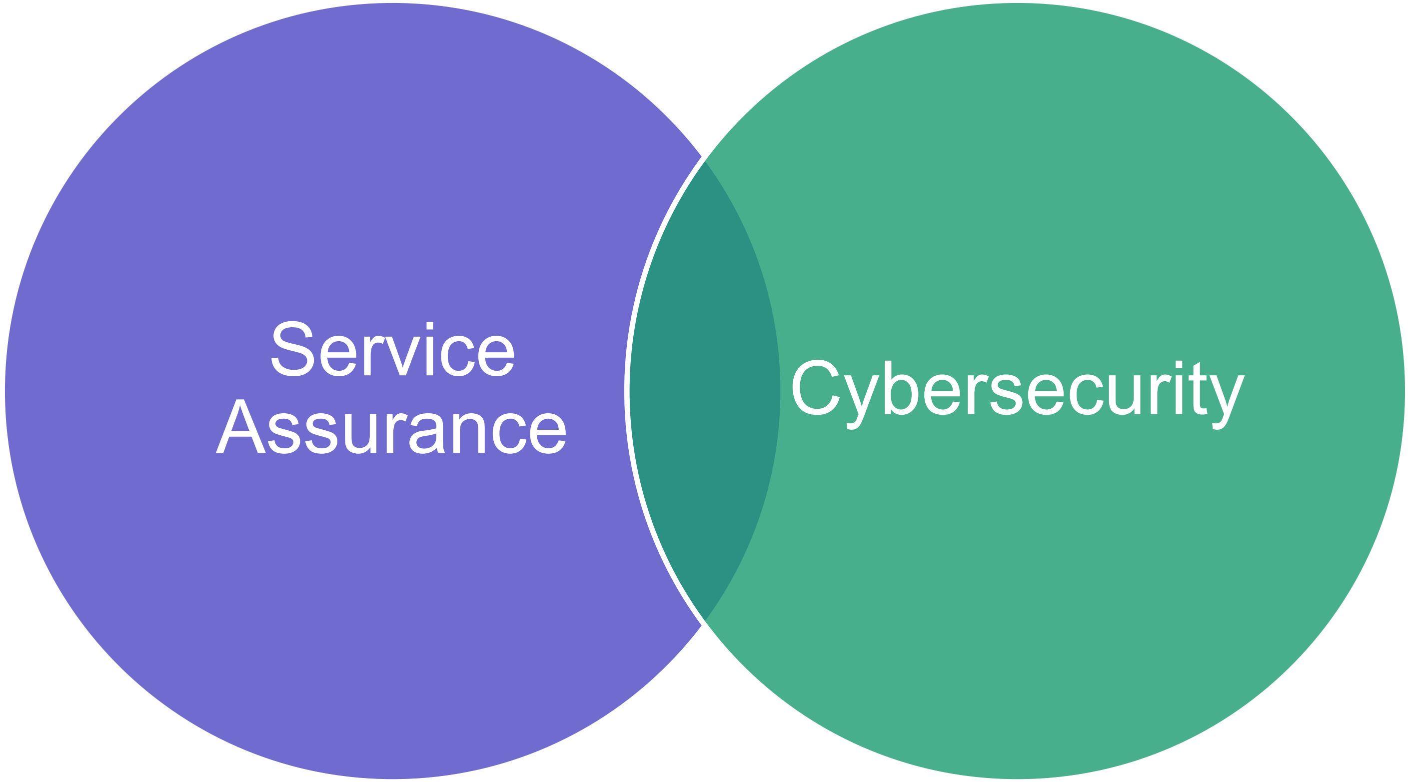
President & Chief Executive Officer

Q1 FY'27 Financial Highlights
(GAAP revenue, other metrics non-GAAP)

Total Revenue (GAAP)	Gross Margin (Non-GAAP)	Operating Margin (Non-GAAP)	Diluted EPS (Non-GAAP)
Q1	**Q1**	**Q1**	**Q1**
$210.4M	80.6%	20.8%	$0.52
+13% Y/Y	*+1.9pts Y/Y*	*+6.6pts Y/Y*	*+53% Y/Y*

Note: Revenue is a GAAP measure. All other amounts are non-GAAP measures. See the slide entitled "Non-GAAP Financial Metrics" near the beginning of this presentation for a description of the non-GAAP financial measures and the appendix for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

Business & Market Insights



Product Line Performance → Market Insights → Customer Wins

FY'27 Outlook & Summary

Focused on
Profitable Growth,
Healthy Free Cash Flow &
Shareholder Value

Pursuing Opportunities
Across AI, Observability,
and DDoS While
Navigating the Dynamic
Macro Environment

Reaffirming
FY'27
Outlook

CFO Financial Review
Q1 FY’27 Results

Tony Piazza

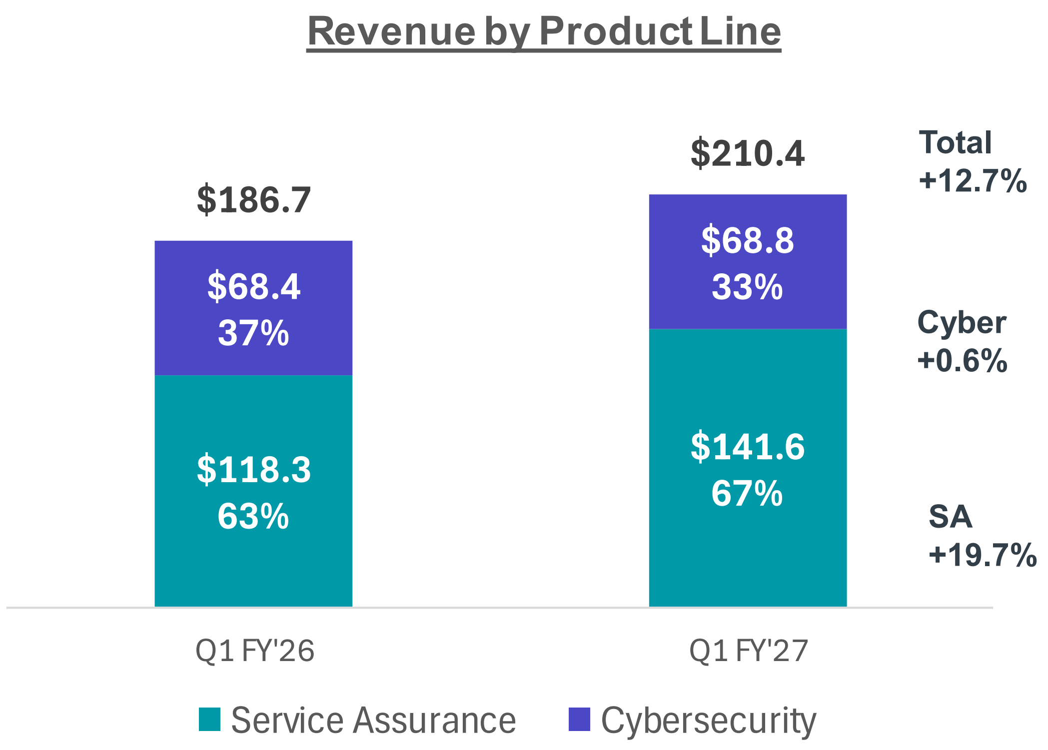
Executive Vice President
& Chief Financial Officer

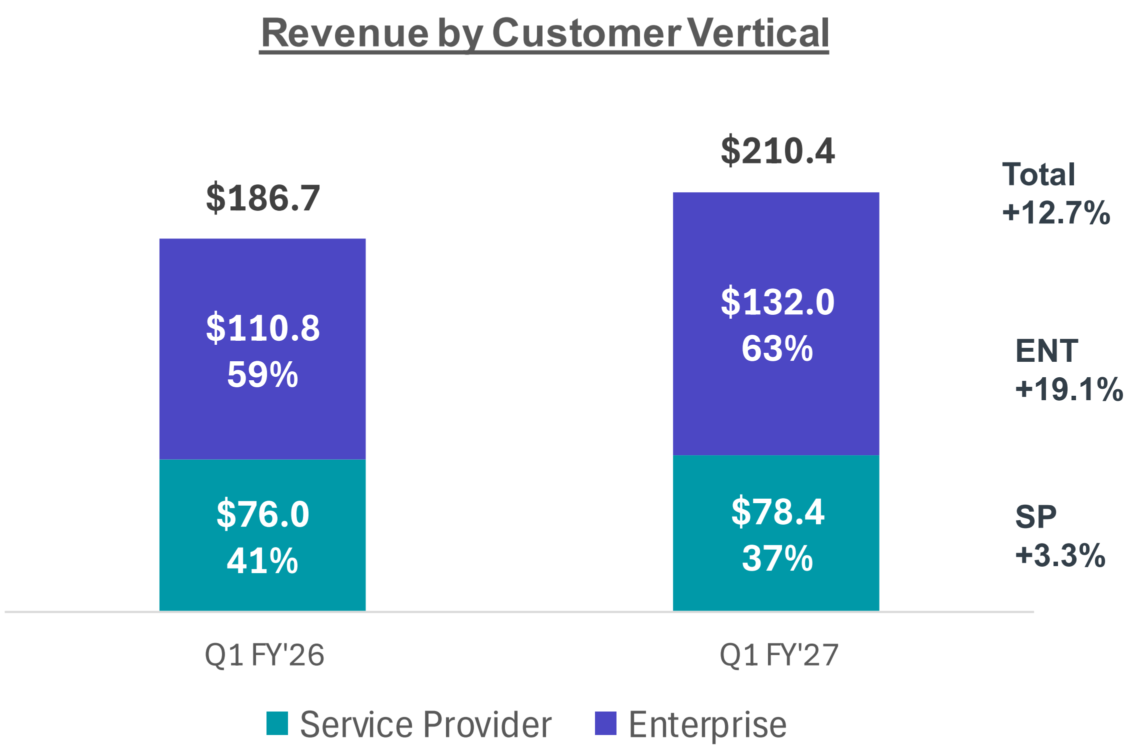
Q1 FY’27 Results
(GAAP revenue, other metrics non-GAAP)

$M (except EPS & % data)	Q1 FY'26	Q1 FY'27	Y/Y Change
Revenue	**$186.7**	**$210.4**	**12.7%**
Product Revenue	$73.0	$86.0	17.8%
Service Revenue	$113.8	$124.4	9.4%
Gross Profit Margin	78.7%	80.6%	
Operating Margin	14.2%	20.8%	
Net Income	$24.7	$38.6	55.9%
Diluted Net Income per Share	**$0.34**	**$0.52**	**52.9%**
Diluted Shares Outstanding	73.4	74.6	

Note: Revenue and Diluted Shares Outstanding are GAAP measures. All other amounts are non-GAAP measures. See the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP financial measures and to the appendix for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures. Figures in charts and tables may not total due to rounding.

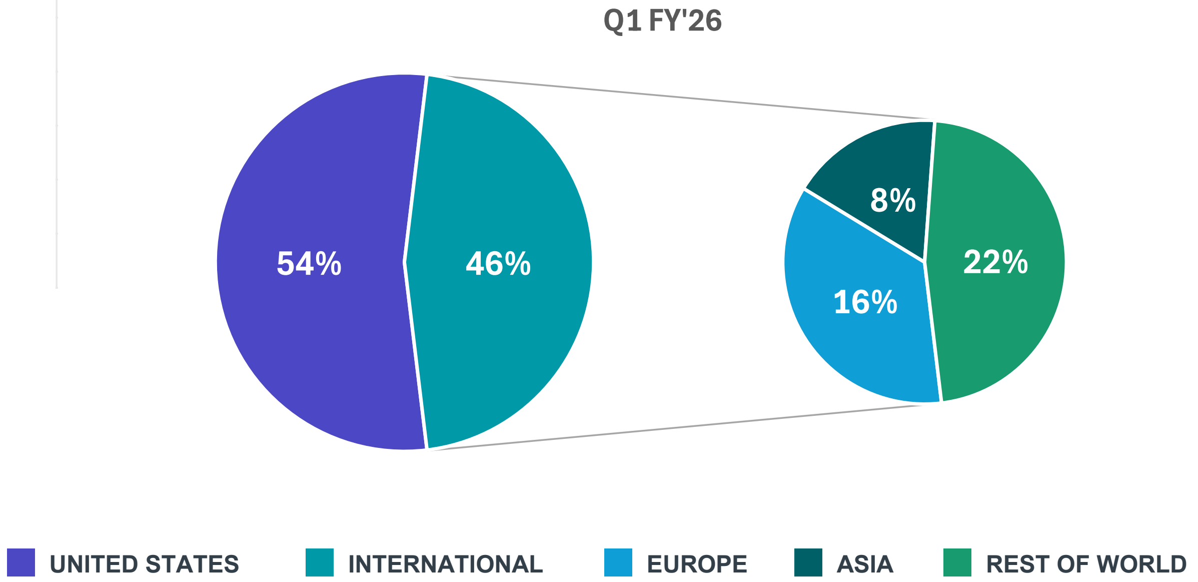
Q1 FY’27 Revenue Trends: Product Lines & Customer Verticals

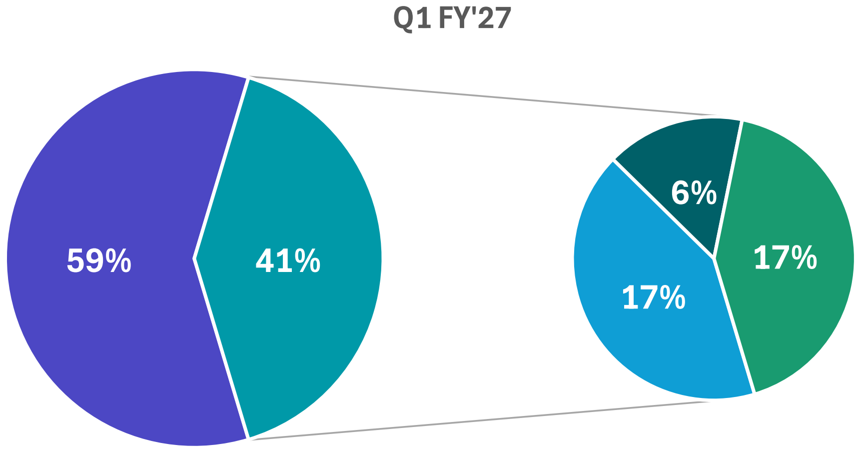




Note: In $M except % data. Revenue is a GAAP measure. Figures in charts and tables may not total due to rounding.

Q1 FY’27 Revenue Trends: Geographic Mix





$M	Q1 FY'26	Q1 FY'27	Y/Y Change
Revenue	**$186.7**	**$210.4**	**12.7%**
United States	$100.5	$124.8	24.1%
International	$86.2	$85.7	(0.7%)
Europe	$30.7	$36.0	17.1%
Asia	$15.1	$13.6	(9.8%)
Rest of World	$40.5	$36.1	(10.8%)

Note: In $M except % data. Revenue is a GAAP measure.
Figures in charts and tables may not total due to rounding.

Balance Sheet & Free Cash Flow Review

$M (GAAP, Unaudited)	6/30/2026	
Cash and Securities	$	668.5
Accounts Receivable, Net	$	80.0
Inventories	$	20.9
Total Long-Term Debt	$	-
Total Deferred Revenue	$	472.3
Total Stockholders' Equity	$	1,663.0

Financial Profile (Non-GAAP)	6/30/2026	
Total Liquidity ($M)	$	1,268.5
Liquidity to Adjusted EBITDA		4.8x

$M Non-GAAP Free Cash Flow Reconciliation to GAAP	Q1 FY'27	
Operating Cash Flow	$	50.8
Purchase of Fixed & Intangible Assets & Capitalized Software	$	(6.4)
Non-GAAP Free Cash Flow	**$**	**44.3**

Note: See the slide entitled "Non-GAAP Financial Metrics" near the beginning of this presentation for a description of the non-GAAP financial measures and to the appendix for information regarding the Financial Profile and Free Cash Flow calculations and for the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measures. Figures in charts and tables may not total due to rounding.

FY’27 Outlook

$M	FY'26	FY'27 Outlook
Revenue	$859.5	$885 - $915

EPS (Diluted)	FY'26	FY'27 Outlook
GAAP EPS	$1.30	$1.55 - $1.70
Adjustments	$1.18	$1.10
Non-GAAP EPS	$2.48	$2.65 - $2.80

FY’27 Outlook Assumptions

- Anticipate annual tax rate of approximately 20%
- Anticipate approximately 74 to 75 million weighted average diluted shares outstanding

See the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP finance measures and the appendix for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP measures.

Upcoming Investor Events

B. Riley Securities Consumer & TMT Conference

Date: Sept 10, 2026 | Location: Times Square, NY

Appendix

Q1 FY'27 Results GAAP

$M (except EPS & % data)	Q1 FY'26		Q1 FY'27		Y/Y Change
Revenue:	**$**	**186.7**	**$**	**210.4**	**12.7%**
Product Revenue	$	73.0	$	86.0	17.8%
Service Revenue	$	113.8	$	124.4	9.4%
Cost of Revenue	$	43.4	$	44.5	2.5%
Gross Profit	**$**	**143.3**	**$**	**165.9**	**15.8%**
Gross Profit Margin		76.7%		78.9%	
Operating Expenses	$	149.9	$	151.5	1.0%
Income (loss) from Operations	**$**	**(6.6)**	**$**	**14.5**	**320.6%**
Income (loss) from Operations Margin		(3.5%)		6.9%	
Net Income (loss)	$	(3.7)	$	21.8	693.5%
Diluted Net Income (loss) per Share	**$**	**(0.05)**	**$**	**0.29**	680.0%
Diluted Shares Outstanding		71.7		74.6	

* Figures in charts and tables may not total due to rounding.

Q1 FY'27 Results
(GAAP revenue, other metrics non-GAAP)

$M (except EPS & % data)		Q1 FY'26		Q1 FY'27	Y/Y Change
Revenue:	**$**	**186.7**	**$**	**210.4**	**12.7%**
Product Revenue	$	73.0	$	86.0	17.8%
Service Revenue	$	113.8	$	124.4	9.4%
Cost of Revenue	$	39.7	$	40.7	2.6%
Gross Profit	**$**	**147.0**	**$**	**169.7**	**15.4%**
Gross Profit Margin		78.7%		80.6%	
Operating Expenses	$	120.5	$	126.0	4.6%
Income from Operations	**$**	**26.6**	**$**	**43.7**	**64.6%**
Income from Operations Margin		14.2%		20.8%	
Net Income	$	24.7	$	38.6	55.9%
Diluted Net Income per Share	**$**	**0.34**	**$**	**0.52**	52.9%
Diluted Shares Outstanding		73.4		74.6	

Note: Revenue and Diluted Shares Outstanding are GAAP measures. All other amounts are non-GAAP financial measures. See the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP finance measures and the additional slides in the appendix for a reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures. Figures in charts and tables may not total due to rounding.

Q1 FY’27 GAAP to Non-GAAP Reconciliation

$Thousands (except EPS)	Q1 Ending 6/30 2026	Q1 Ending 6/30 2025	Q4 Ending 3/31 2026
Revenue (GAAP)	**$ 210,423**	**$ 186,747**	**$ 203,035**
Gross profit (GAAP)	**$ 165,933**	**$ 143,325**	**$ 159,108**
Share-based compensation expense (1)	3,117	3,160	2,176
Amortization of acquired intangible assets (2)	642	550	550
Acquisition related depreciation expense (3)	—	2	2
Non-GAAP gross profit	**169,692**	**147,037**	**161,836**
Non-GAAP Gross Margin	**80.6%**	**78.7%**	**79.7%**
Income (loss) from operations (GAAP)	**$ 14,478**	**$ (6,564)**	**$ 19,588**
GAAP operating margin	**6.9%**	**-3.5%**	**9.6%**
Share-based compensation expense (1)	17,965	19,959	12,599
Amortization of acquired intangible assets (2)	11,252	11,669	11,715
Restructuring charges	25	529	25
Acquisition related depreciation expense (3)	—	12	12
Executive transition costs (4)	—	959	—
Non-GAAP income from operations	**$ 43,720**	**$ 26,564**	**$ 43,939**
Non-GAAP operating margin	**20.8%**	**14.2%**	**21.6%**
Net income (loss) (GAAP)	**$ 21,836**	**$ (3,679)**	**$ 18,240**
Share-based compensation expense (1)	17,965	19,959	12,599
Amortization of acquired intangible assets (2)	11,252	11,669	11,715
Restructuring charges	25	529	25
Acquisition related depreciation expense (3)	—	12	12
Executive transition costs (4)	—	959	—
Income tax adjustments (5)	(12,517)	(4,712)	(4,116)
Non-GAAP net income	**$ 38,561**	**$ 24,737**	**$ 38,475**
Diluted net income (loss) per share (GAAP)	**$ 0.29**	**$ (0.05)**	**$ 0.25**
Share impact of non-GAAP adjustments identified above	$ 0.23	$ 0.39	$ 0.27
Non-GAAP diluted net income per share	**$ 0.52**	**$ 0.34**	**$ 0.52**
Shares used in computing non-GAAP diluted net income per share	74,597	73,376	74,171

Note: See the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP financial measures. Figures in charts and tables may not total due to rounding. See footnotes on the following slide.

Q1 FY’27 GAAP to Non-GAAP Reconciliation

	Q1 Ending 6/30 2026	Q1 Ending 6/30 2025	Q4 Ending 3/31 2026
(1) Share-based compensation expense included in these amounts is as follows:			
Cost of product revenue	$ 403	$ 413	$ 275
Cost of service revenue	2,714	2,747	1,901
Research and development	5,310	5,532	3,843
Sales and marketing	6,242	6,889	4,412
General and administrative	3,296	4,378	2,168
Total share-based compensation expense	**$ 17,965**	**$ 19,959**	**$ 12,599**
(2) Amortization expense related to acquired software and product technology, tradenames, customer relationships included in these amounts is as follows:			
Cost of product revenue	$ 372	$ 550	$ 550
Cost of service revenue	270	—	—
Operating expenses	10,610	11,119	11,165
Total amortization expense	**$ 11,252**	**$ 11,669**	**$ 11,715**
(3) Acquisition related depreciation expense included in these amounts is as follows:			
Cost of product revenue	—	$ 2	$ 2
Research and development	—	8	8
Sales and marketing	—	2	2
Total acquisition related depreciation expense	**—**	**$ 12**	**$ 12**
(4) Executive transition costs included in these amounts is as follows:			
General and administrative	—	959	—
Total executive transition costs	**—**	**$ 959**	**—**
(5) Total income tax adjustment included in this amount is as follows:			
Tax effect of non-GAAP adjustments above	(12,517)	(4,712)	(4,416)
Total income tax adjustments	**$ (12,517)**	**$ (4,712)**	**$ (4,416)**

Note: See the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP financial measures. Figures in charts and tables may not total due to rounding.

FY’27 Outlook: GAAP to Non-GAAP Reconciliation

$M (except EPS)	FY'26	FY'27
GAAP revenue	**$ 859.5**	**$885 to $915**

	FY'26	FY'27
GAAP net income (loss)	**$ 95.5**	**~$115 to ~$126**
Amortization of intangible assets	$ 46.8	~$46
Share-based compensation expenses	$ 59.9	~$55
Business development & integration expenses*	$ -	~Less than $1
Executive Transition Costs	$ 1.0	-
Restructuring charges	$ 0.9	-
Total adjustments	**$ 108.6**	**~$102**
Related impact of adjustments on income tax	$ (22.1)	(~$20)
Non-GAAP net income	**$ 182.0**	**~$197 to ~$208**
GAAP net income (loss) per share (diluted)	$ 1.30	$1.55 to $1.70
Non-GAAP net income per share (diluted)	**$ 2.48**	**$2.65 to $2.80**
Average weighted shares outstanding (diluted GAAP)	$ 73.4	~74 to ~75
Average weighted shares outstanding (diluted Non-GAAP)	$ 73.4	~74 to ~75

Business development & integration expenses include acquisition-related depreciation expense.
Net income per share (diluted) equates to earnings per share (EPS) described elsewhere in this presentation.
Note: please see the slide entitled “Non-GAAP Financial Metrics” near the beginning of this presentation for a description of the non-GAAP financial measures. Figures may not foot due to rounding.

Additional Information & Cash Flow

- Cash and securities defined as cash, cash equivalents, short- and long-term marketable securities, and investments.
- The Company's adjusted EBITDA as calculated in its press release may differ from the 12-month trailing consolidated EBITDA as defined within the Company's Third Amended and Restated Credit Agreement.
- Liquidity calculated as available credit under the Company's Third Amended and Restated Credit Agreement plus cash and securities.

$M Non-GAAP Free Cash Flow Reconciliation to GAAP	Q1 FY'27
Operating Cash Flow	$ 50.8
Purchase of Fixed & Intangible Assets & Capitalized Software	$ (6.4)
Non-GAAP Free Cash Flow	**$ 44.3**

	Q1 FY'27
Operating Cash Flow	$ 50.8
Cash from Investing Activities	$ (57.8)
Cash from from Financing Activities	$ (25.3)
Effects of Exchange Rate Changes on Cash and Cash Equivalents	$ (1.3)
Net Change in Cash and Cash Equivalents	**$ (33.6)**

Note: See the slide entitled "Non-GAAP Financial Metrics" near the beginning of this presentation for a description of the non-GAAP financial measures. Figures in charts and tables may not total due to rounding.

NETSCOUT®

Guardians of the Connected World

