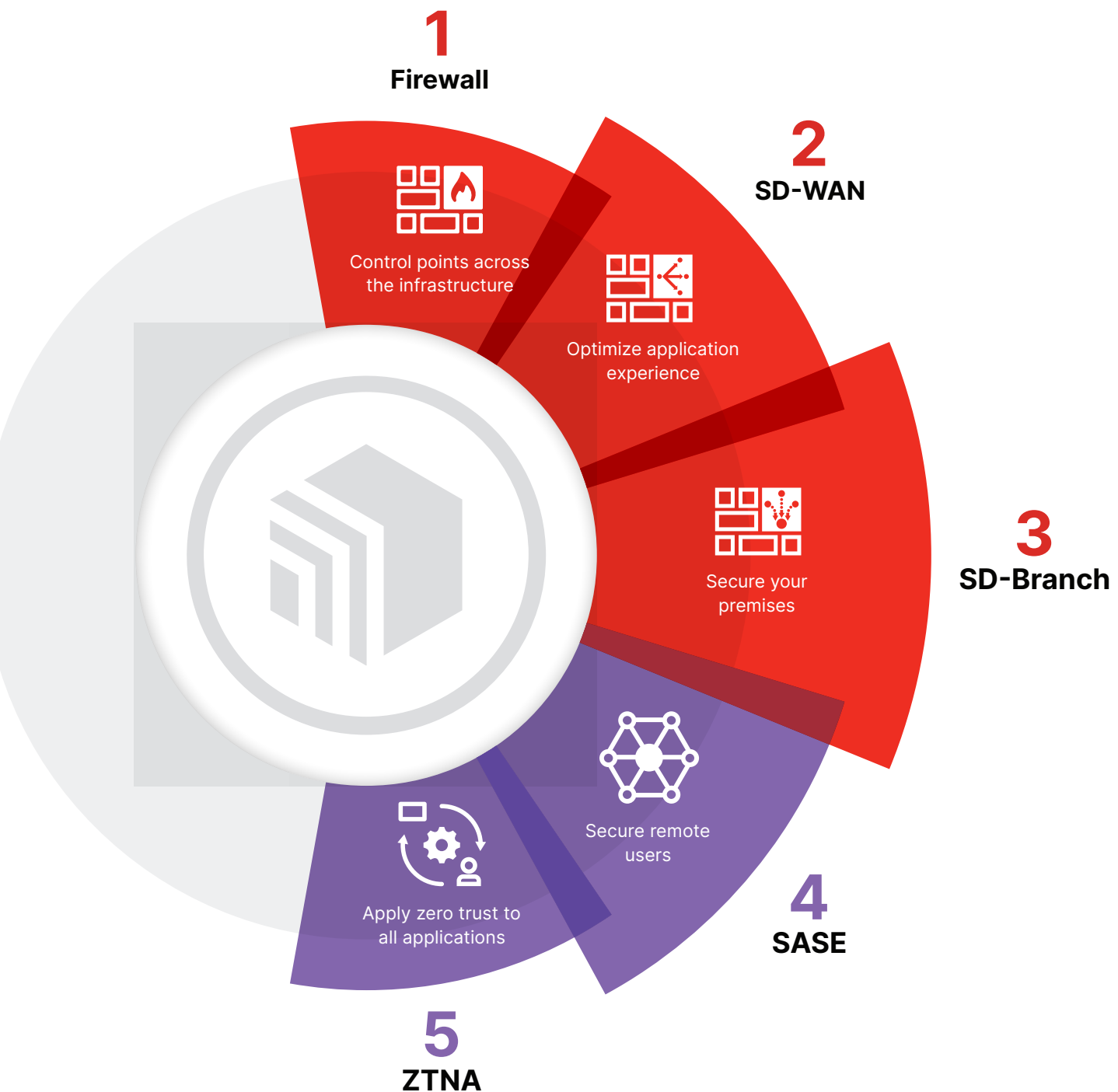# The Secure Network Journey

Network and security convergence enables location, user, device, and application-aware networking.

1
Firewall

Control points across the infrastructure

2
SD-WAN

Optimize application experience

3
SD-Branch

Secure your premises

4
SASE

Secure remote users

5
ZTNA

Apply zero trust to all applications

FORTINET

FY 2022 Results

Revenue	Billings
$4.417B	$5.594B

Q2 2023 Results

Revenue	Billings
$1.293B	$1.541B
Op. Margin (GAAP) 21.6%	**EPS (GAAP)** $0.33/share
Cash + Investments $3.318B	**Market Cap** $59.38B AS OF JUNE 30, 2023

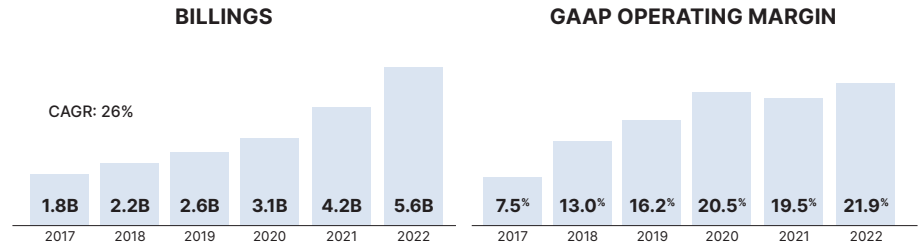## Customers

680,000+

Cumulative Units Shipped

10.9+ Million

Headcount by Region

AMERICAS	U.S.	**4,017**
	CANADA	**2,549**
	REST OF AMERICAS	**1,001**
EMEA	FRANCE	**516**
	U.K.	**456**
	REST OF EMEA	**2,371**
APAC	INDIA	**753**
	JAPAN	**624**
	REST OF APAC	**1,390**
TOTAL		**13,677**

ALL INFORMATION AS OF JUNE 30, 2023

Strong Growth in Annual Billings and Profitability

BILLINGS

CAGR: 26%

2017	2018	2019	2020	2021	2022
1.8B	2.2B	2.6B	3.1B	4.2B	5.6B

GAAP OPERATING MARGIN

2017	2018	2019	2020	2021	2022
7.5%	13.0%	16.2%	20.5%	19.5%	21.9%

Highly Diversified Across Regions and Segments

Q2 2023 REVENUE BY REGION

- 41.5% AMERICAS
- 39.2% EMEA
- 19.3% APAC
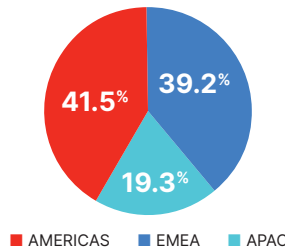
Q2 2023 BILLINGS BY SEGMENT

- 25.3% HIGH-END
- 49.8% MIDRANGE
- 24.9% ENTRY-LEVEL
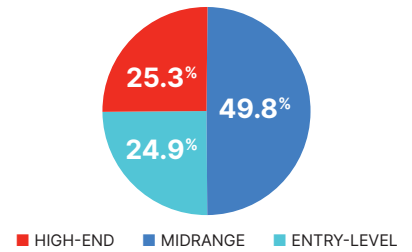
Technological Leadership

Nearly 3x more patents than comparable network security companies

1,285 Global Patents

948 U.S. Patents
337 International Patents
(254 Pending Patents)

U.S. Patents

FORTINET	**948**
Palo Alto Networks	**413**
Sophos	**215**
Zscaler	**179**
CrowdStrike	**66**
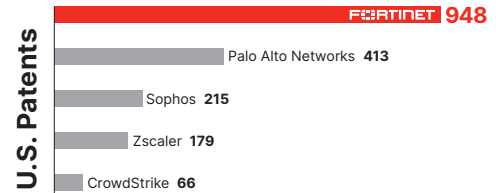
Source: U.S. Patent Office, as of June 30, 2023

A Large and Growing Total Available Market

Total addressable market of $122B growing to $194B by 2027

- Secure Networking 2023 $59.5B
- Cybersecurity 2023 $42B
- Cloud Security 2023 $12.1B
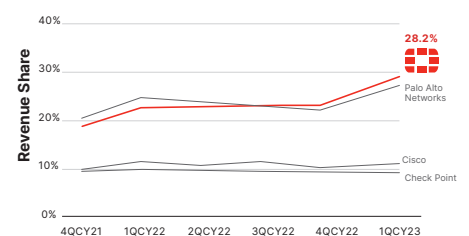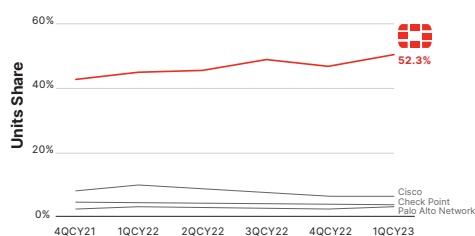- OT Security 2023 $9B
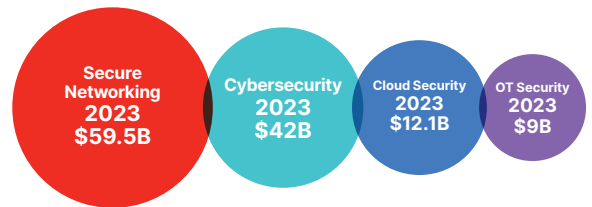
Source: Fortinet estimates based on recent analyst research.

The Most Deployed Networking Security Solution

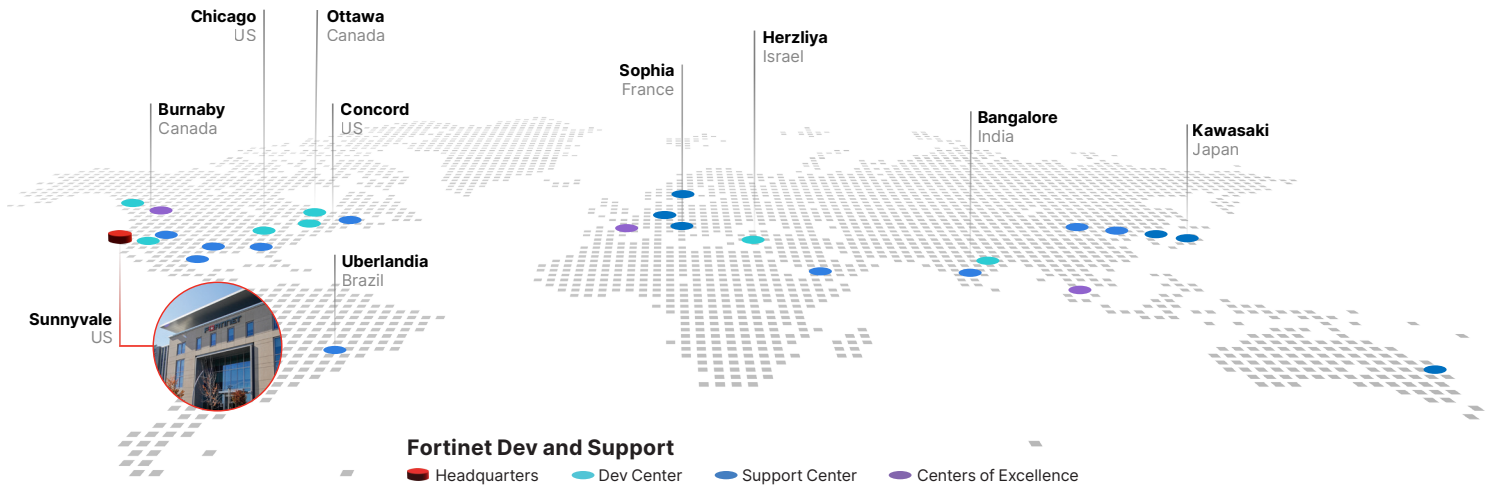~50% of all next-gen firewall shipments

IDC

Units Share

52.3%

Cisco
Check Point
Palo Alto Networks

4QCY21 1QCY22 2QCY22 3QCY22 4QCY22 1QCY23

#1 in revenue market share

Revenue Share

28.2%

Palo Alto Networks

Cisco
Check Point

4QCY21 1QCY22 2QCY22 3QCY22 4QCY22 1QCY23

Source: IDC Quarterly Security Appliance Tracker 2023 Q1 Historical, June 8, 2023, Firewall + UTM

Fortinet: Making Possible a Digital World You Can Always Trust

For over 20 years, Fortinet has been a driving force in the evolution of cybersecurity and networking and security convergence. Our network security solutions are the most deployed, most patented, and among the most validated in the industry. Our broad, complementary portfolio of cybersecurity solutions is built from the ground up with integration and automation in mind, enabling more efficient, self-healing operations and a rapid response to known and unknown threats.

Chicago US · Ottawa Canada · Burnaby Canada · Concord US · Sophia France · Herzliya Israel · Bangalore India · Kawasaki Japan · Uberlandia Brazil · Sunnyvale US

Fortinet Dev and Support
● Headquarters ● Dev Center ● Support Center ● Centers of Excellence

Mission: to secure people, devices, and data everywhere

Founded: October 2000

Headquarters: Sunnyvale, CA

Fortinet IPO (FTNT): November 2009

Member of: Dow Jones Sustainability Index

NASDAQ 100 and S&P 500: Only cybersecurity company in both

Corporate Social Responsibility

Learn more at **fortinet.com/CSR**

Sustainability is central to our company vision: making possible a digital world you can always trust, which is essential and fundamental to achieving just and sustainable societies. Our corporate social responsibility mission is to deliver on that vision by innovating sustainable security technologies, diversifying cybersecurity talent, and promoting responsible business across our value chain.

Our Commitments

Innovating for a Safe Internet
- Cybersecurity risks to society
- Information security and privacy

Respecting the Environment
- Product environmental impacts
- Climate change

Growing an Inclusive Cybersecurity Workforce
- Diversity, equity, and inclusion
- Cybersecurity skills gap

Promoting Responsible Business
- Business ethics
- Responsible product use

Pledge: Reach Net Zero

GHG emissions by 2030 across Fortinet's owned offices, facilities, and data centers.

FY22 Impact

88%
less power consumption over industry-standard CPU

66%
average reduction on product energy consumption[1]

33%
reduction in space occupation[2]

500,000+
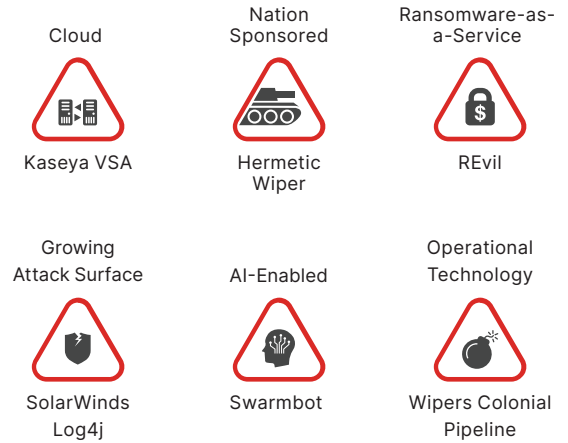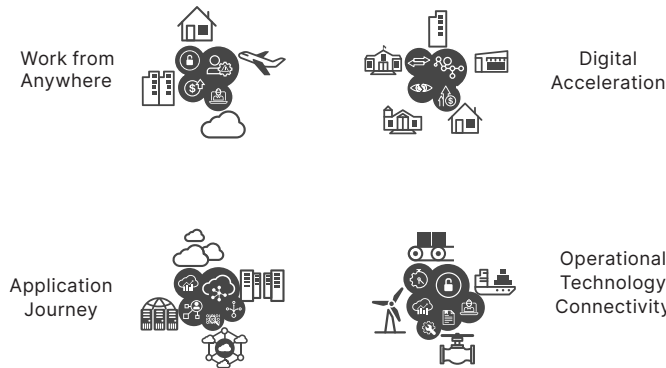boxes shipped with 100% biodegradable packaging

[1] Based on new models of 2022 FortiGate F series (compared to equivalent models from previous generation).
[2] FortiGate 4200/4400F series vs. E series.

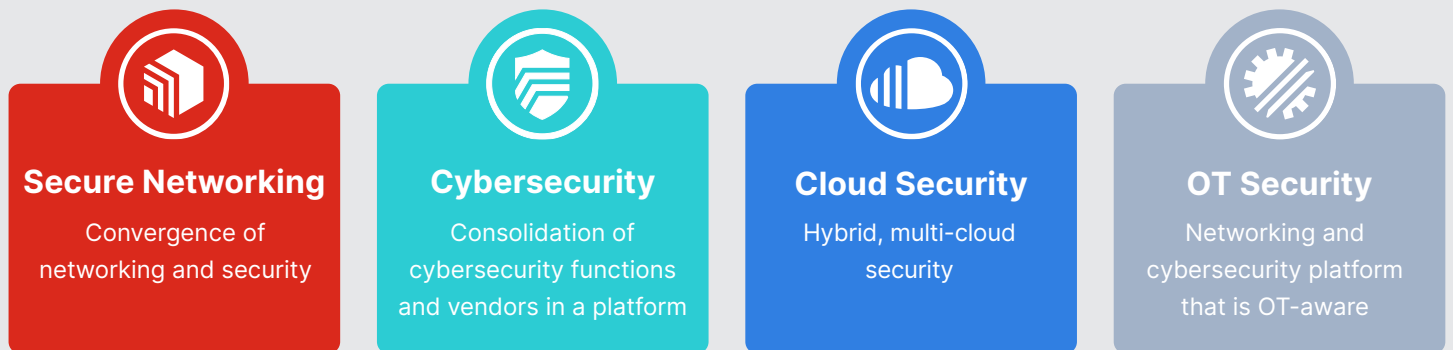# Infrastructure Evolution and the Evolving Threat Landscape

How we interact with customers, suppliers, infrastructure, and employees is changing.

Cybercriminals are adopting APT-like tactics to develop and scale attacks faster than ever.

Work from Anywhere

Digital Acceleration

Application Journey

Operational Technology Connectivity

Cloud
Kaseya VSA

Nation Sponsored
Hermetic Wiper

Ransomware-as-a-Service
REvil

Growing Attack Surface
SolarWinds Log4j

AI-Enabled
Swarmbot

Operational Technology
Wipers Colonial Pipeline

Consolidation Reduces Complexity and Accelerates Outcomes

By consolidating vendors and point products across both security and networking, organizations can reduce complexity to close security gaps, improve operational efficiency, optimize user experience, and accelerate outcomes.

Secure Networking
Convergence of networking and security

Cybersecurity
Consolidation of cybersecurity functions and vendors in a platform

Cloud Security
Hybrid, multi-cloud security

OT Security
Networking and cybersecurity platform that is OT-aware

The Fortinet Advantage

SPU

Security Processors
Superior NGFW and SD-WAN performance and efficiency

OS

FortiOS
Ties all the Security Fabric's security and networking components together

Security Fabric
Organically developed, highly integrated and automated cybersecurity platform

Ecosystem
300+ partners
500+ integrations

The Fortinet Security Fabric

The Fortinet Security Fabric is at the heart of the Fortinet security strategy. It is a platform organically built around a common operating system and management framework to enable broad visibility, seamless integration and interoperability between critical security elements, and granular control and automation.
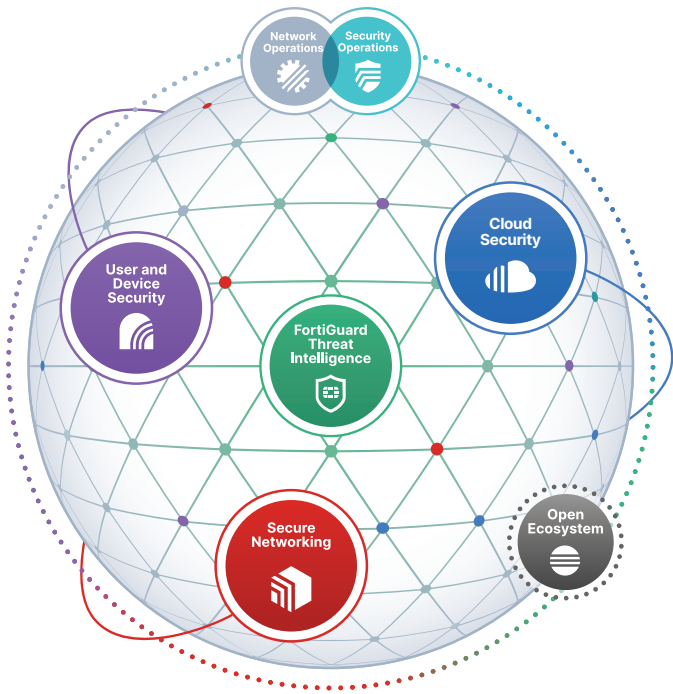
Broad

visibility and protection of the entire digital attack surface to better manage risk.

Integrated

solution that reduces management complexity and shares threat intelligence.

Automated

self-healing networks with AI-driven security for fast and efficient operations.

Learn more at **fortinet.com/securityfabric**

Broad Portfolio of Solutions to Protect Your Digital Attack Surface

User and Device Security

- Universal ZTNA
- CASB
- Identity and Authentication
- Network Acess Control
- Endpoint (EPP/EDR)

Secure Networking

- Next-Generation Firewall
- Secure SD-WAN
- Ethernet
- 5G/LTE WAN Gateway
- Network Access Control
- SASE
- Voice and Collaboration
- Video Surveillance
- Wi-Fi
- And more

Cloud Security

- Cloud-Native Protection
- DevSecOps
- Cloud Firewall
- SD-WAN for Multi-Cloud
- WAF
- ADC/GSLB
- Anti-DDOS

Network Operations

- Centralized Management
- Cloud-Based Management
- AIOps for Networking
- Digital Experience Monitoring

Security Operations

- Endpoint (EDR/XDR)
- Automation: SIEM/SOAR
- Managed SOC and MDR
- DRPS, EASM
- Deception
- Email Security

Open Ecosystem

- Fabric Connectors
- Fabric API
- Fabric DevOps
- Extended Ecosystem
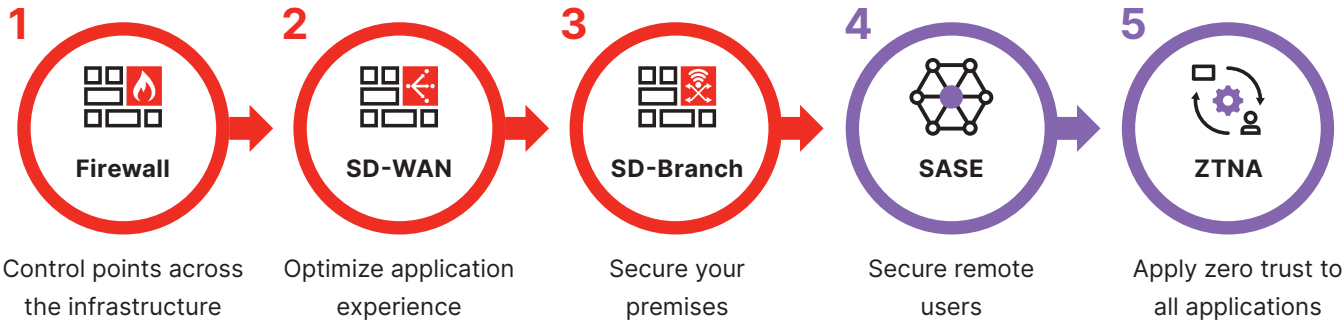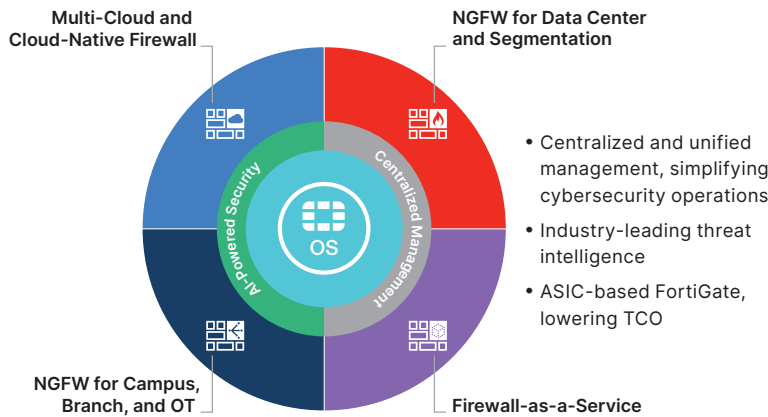- 500+ Open Ecosystem Integrations

The Secure Networking Journey

The convergence of networking and security across WLAN, LAN, SD-WAN, ZTNA, SASE, and network firewall enables networking that is location, user, device, content, and application-aware.
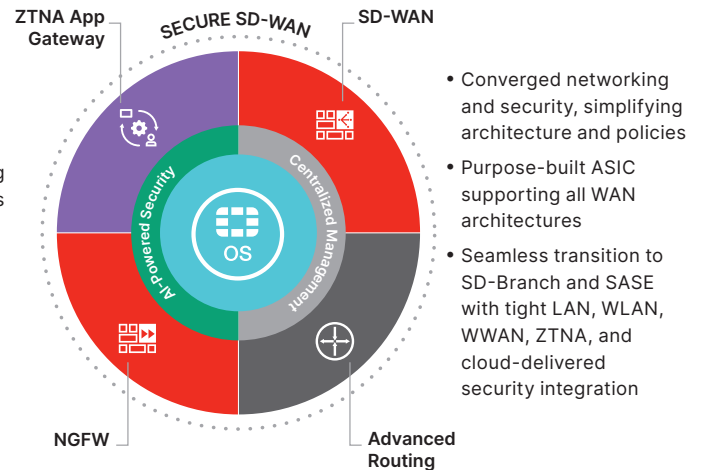
〜〜 DEM   📋 NOC   ⊕ AIOps

1 Firewall
Control points across the infrastructure

2 SD-WAN
Optimize application experience

3 SD-Branch
Secure your premises

4 SASE
Secure remote users

5 ZTNA
Apply zero trust to all applications

Hybrid Mesh Firewall

Multi-Cloud and Cloud-Native Firewall

NGFW for Data Center and Segmentation

NGFW for Campus, Branch, and OT

Firewall-as-a-Service

AI-powered Security · Centralized Management · OS

- Centralized and unified management, simplifying cybersecurity operations
- Industry-leading threat intelligence
- ASIC-based FortiGate, lowering TCO

Secure SD-WAN

ZTNA App Gateway

SECURE SD-WAN

SD-WAN

NGFW

Advanced Routing

AI-powered Security · Centralized Management · OS

- Converged networking and security, simplifying architecture and policies
- Purpose-built ASIC supporting all WAN architectures
- Seamless transition to SD-Branch and SASE with tight LAN, WLAN, WWAN, ZTNA, and cloud-delivered security integration

Forrester Total Economic Impact™ of Fortinet Secure SD-WAN

FORRESTER®

300%
ROI

8 Months
Payback

65%
Reduction in the number of network disruptions

50%
Increase in productivity of security and network teams

	RETAIL	MANUFACTURING	FINANCIAL SERVICES	HEALTHCARE
LOCATION	Asia HQ, global	North America HQ, global	Europe	North America
REVENUE	$13 billion	$17 billion	$18 billion	$1.7 billion
EMPLOYEES	16,000	133,000	86,000	3,500
SITES	8,500	1,000	2,500	750

SPU

The Purpose-Built ASIC Advantage

Fortinet's ASIC-based security processing units (SPUs) radically increase the speed, scale, efficiency, and value of Fortinet solutions while greatly improving user experience, reducing footprint and power requirements. From branch and campus to data center solutions, SPU-powered Fortinet appliances deliver superior Security Compute Ratings versus industry alternatives.

Network Processor 7
NP7

Network processors operate in-line to deliver unmatched performance for network functions and hyperscale for stateful firewall functions.

Content Processor 9
CP9

As a co-processor to the main CPU, content processors offload resource-intensive processing and drive content inspection to accelerate security functions.
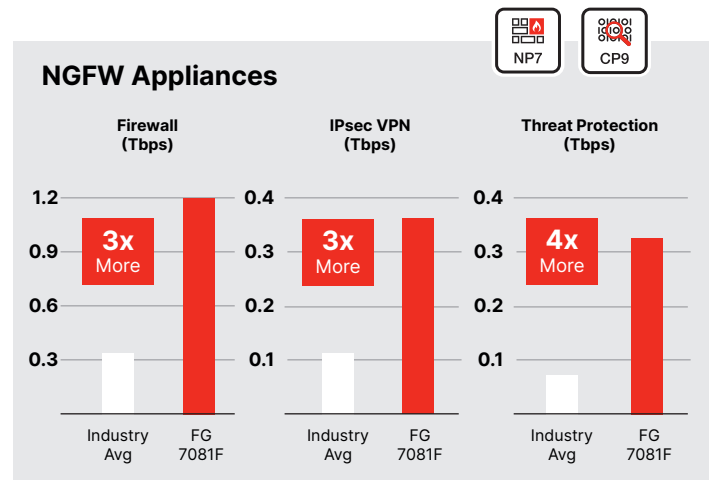
Security Processor 5
SP5

The security processor consolidates network and content processing, delivering fast application identification, steering, and overlay performance.

Security Compute Ratings are benchmarks that compare the performance metrics of Fortinet SPU-based next-generation firewalls to similarly priced solutions from vendors that utilize generic processors for networking and security.
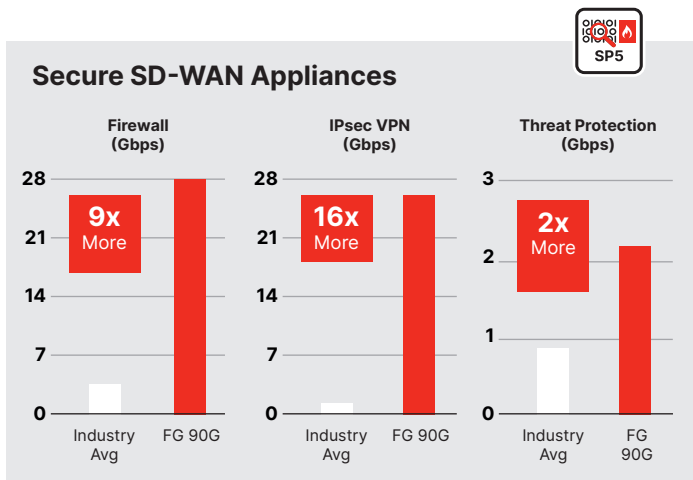
Secure SD-WAN Appliances

SP5

Firewall (Gbps)	IPsec VPN (Gbps)	Threat Protection (Gbps)
9x More	16x More	2x More

Industry average is calculated as the average of the similarly priced Check Point Quantum 3600, Cisco Meraki MX85, Juniper SRX340, and Palo Alto Networks PA-450.

NGFW Appliances

NP7 **CP9**

Firewall (Tbps)	IPsec VPN (Tbps)	Threat Protection (Tbps)
3x More	3x More	4x More

Industry average is calculated as the average of the similarly priced Check Point Quantum QLS800, Cisco Firepower 9300, Juniper SRX5800, and Palo Alto Networks PA-5450. All data from public data sheets.

New Product Spotlight: FortiGate 90G Series SCR
Higher performance, lower power consumption

SP5

Best price/performance with security and networking convergence

Defend mission-critical data with FortiGuard AI-Powered Security Services

Consumes over 90% less power than rivals'

Notes:
Performance numbers taken from external data sheets to match as close as possible and different testing methodologies may be applied by different vendors.
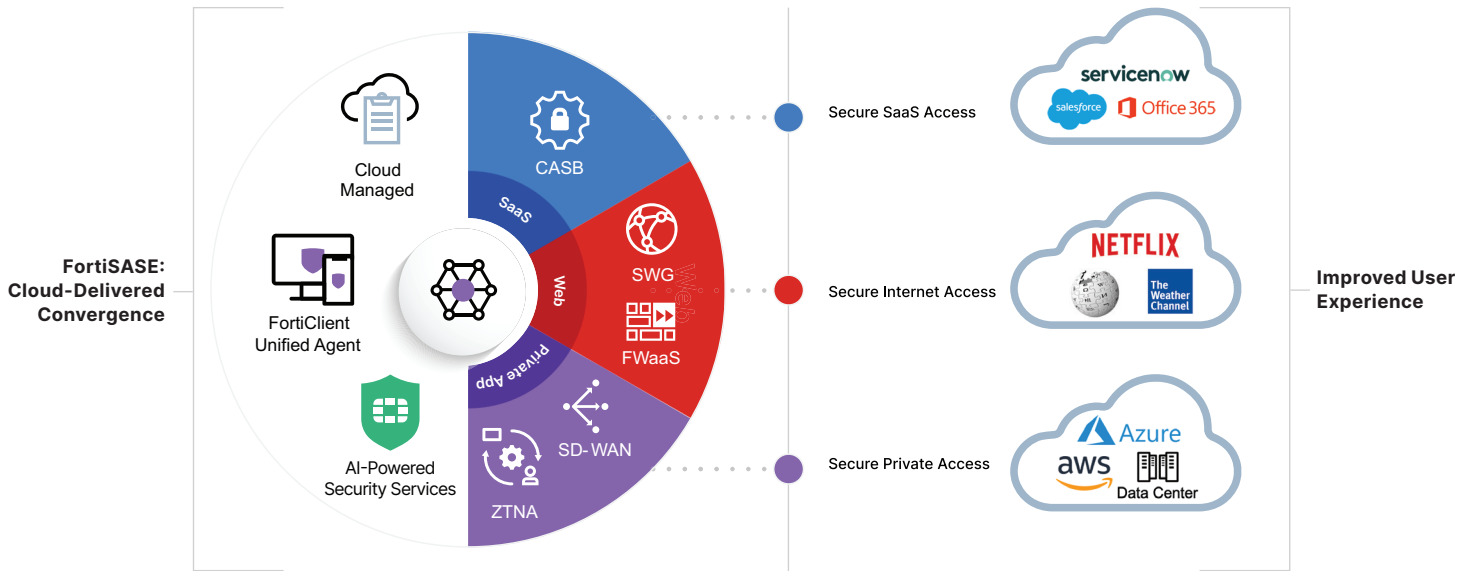
Specification	FortiGate 90G	Security Compute Rating	Industry Average	Palo Alto Networks PA-450	Check Point Quantum 3600	CISCO Meraki MX85	JUNIPER SRX340
Firewall (Gbps)	28	9X	3.13	3.50	3.30	1.00	4.70
IPsec VPN (Gbps)	25	16.3X	1.54	2.20	2.71	0.5	0.73
Threat Protection (Gbps)	2.2	2.3X	0.96	1.40	0.78	0.7	-
Concurrent Sessions	1,500,000	1.8X	852,000	300,000	2,000,000	-	256,000
Connections per Second	124,000	4.0X	31,000	51,000	32,000	-	10,000
Power Consumption	FortiGate 90G	Energy Efficiency	Industry Average	PA-450	Quantum 3600	MX 85	SRX340
Watts/Gbps Firewall Throughput	0.87	97%	25.06	11.71	7.58	55.00	25.96
Watts/Gbps IPsec VPN Throughput	0.94	99%	76.25	18.64	9.26	110.00	167.12
BTU/h per Gbps of Firewall Throughput	2.97	94%	51.8	40.29	25.76	-	89.36
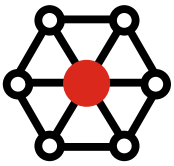
Fortinet Secure SD-WAN and FortiSASE

Seamless integrations with SD-WAN and cloud-delivered security with unified management

FortiSASE: Cloud-Delivered Convergence

Cloud Managed

FortiClient Unified Agent

AI-Powered Security Services

CASB · SaaS · SWG · FWaaS · Web · SD-WAN · Private App · ZTNA

Secure SaaS Access — servicenow · salesforce · Office 365

Secure Internet Access — NETFLIX · The Weather Channel

Secure Private Access — Azure · aws · Data Center

Improved User Experience

Cyber-Physical Security

Our OT-aware portfolio extends Security Fabric capabilities to OT networks in factories, plants, remote locations, and ships.

Secure Networking	Secure Remote Access	IT/OT Converged Operations	OT Threat Intelligence	OT Ecosystem
Data from Industrial Networks to Cloud	Privileged Access Management, Control, and Monitoring	OT-Aware Cybersecurity	Threats and Vulnerabilities	Integration Complexities

Westlands Advisory 2023 IT/OT Security Platforms Navigator™ Report

Westlands Advisory has identified Fortinet as the lone Leader in its Platforms Navigator (quadrant). We are the only vendor that achieved leader status in the report.

• OT network and security experience
• Commitment to OT cybersecurity
• Key strengths

IT/OT Network Protection Platforms

Fortinet — Verified leader

Highest — Innovator · TXOne Networks · OPSWAT · Fortinet · Leader · Expert · Palo Alto Networks · Cisco · Siemens · Belden · Check Point · Highest

2023 **Leader** IT/OT Network Protection Platforms **Fortinet**

navigator.westlandsadvisory.com
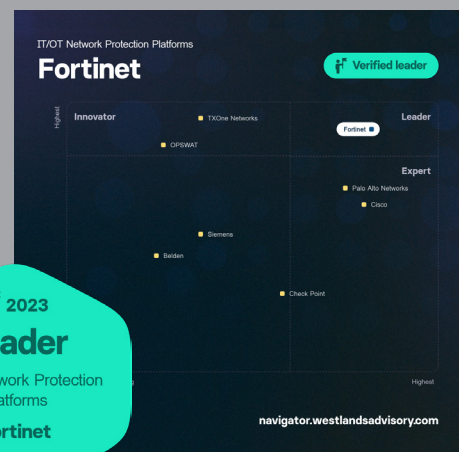
FortiGuard Labs: Industry-Leading Threat Intelligence

Founded in 2002, FortiGuard Labs is Fortinet's elite cybersecurity threat intelligence and research organization. Partnering with law enforcement agencies, government organizations, and security vendor alliances worldwide to fight emerging global security risks, FortiGuard Labs maintains real-time threat intelligence and innovative prevention tactics and tools across the Fortinet Security Fabric in three key categories:

Trusted ML and AI
Stop unknown threats faster with a powerful combination of actionable local learning and AI and ML models on large-scale, cloud-driven data lakes.

Real-Time Threat Intelligence
Achieve a proactive security posture through continuous security updates based on in-house research and collaboration.

Threat Hunting and Outbreak Alerts
Achieve faster remediation with alerts, analysis and detection, prevention and remediation tools, including outbreaks.

Global Leadership and Collaboration

CYBER THREAT ALLIANCE · WORLD ECONOMIC FORUM · INTERPOL · NCI AGENCY

FortiGuard AI-Powered Security Services

This rich set of industry-leading security capabilities has been unified into one security framework to deliver coordinated, context-aware policy for hybrid deployments across networks, endpoints, and clouds. These services continually assess risk and automatically adjust prevention to counter known and unknown threats in real time.

Market-Leading Security-as-a-Service
ML-enabled security, deployed close to the protected assets powered by FortiGuard Labs

Consistent Context-Aware Policy
Centralized detection and prevention delivered from the cloud built for hybrid environments

Coordinated Real-Time Prevention
Continuously assess the risks and automatically respond and counter known and unknown threats

FortiCare: Expertise at Your Service

Learn more at **fortinet.com/support**

FortiCare Services helps thousands of organizations every year to get the most out of their Fortinet Security Fabric solutions. We have over 1,800 experts providing accelerated implementation, reliable assistance, and proactive care through advanced support and professional services to maximize your security and performance.

1,800+ EXPERTS

24×7 TECHNICAL SUPPORT

23 GLOBAL SUPPORT CENTERS

Adopting new technologies is not a project with a start and a finish. Instead, it is a journey from design and implementation to optimization, operations, and ongoing management of the solution. Fortinet has you covered every step of the way, freeing up your resources to focus on your business needs.

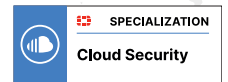| Design | Deploy | Operate | Optimize | Evolve |

Our Global Partner Commitment

Fortinet leverages a global network of trusted advisors our customers can rely on to secure digital acceleration and strategically drive business growth.

ENGAGE FORTINET PARTNER PROGRAM

97,000+
ACTIVE PARTNERS

The Engage Partner Program helps partners build a highly differentiated security practice by leveraging Fortinet solutions to drive customer success. Our global partner program is driven by three concepts:

Business Success with Proven Credibility

Our technology innovation and industry-leading threat intelligence, alongside customer ratings and independent analyst reports, validate and differentiate partner offerings.

Growth Through Technology Differentiation

Our broad portfolio is integrated into an automated, high-performance platform that spans endpoints, networks, remote workers, and clouds.

Long-Term, Sustained Growth

The Engage Partner Program provides sales, marketing, and executive support so partners can grow successful relationships. With growth drivers like specializations built into the program, we provide solutions that are driving market demand, ensuring partners are positioned for success.

SPECIALIZATION	SPECIALIZATION	SPECIALIZATION	SPECIALIZATION	SPECIALIZATION	SPECIALIZATION
SD-WAN	Zero Trust Access	Security Operations	Data Center	Operational Technology	Cloud Security

Training and Certifications

Fortinet Training Institute: Closing the Cybersecurity Skills Gap

Fortinet has pledged to train 1 million people by 2026 through our Training Advancement Agenda (TAA) and Training Institute programs. Our award-winning Training Institute has been recognized by various organizations for our excellence in cybersecurity training.

CYBER SECURITY EXCELLENCE AWARDS ★ WINNER ★ 2023

GLOBAL INFOSEC AWARDS WINNER CYBER DEFENSE MAGAZINE 2023

NSE Certification Program

The Network Security Expert (NSE) Certification Program consists of eight levels and is designed for customers, partners, and employees. Fortinet delivers expert-level training in local languages in 151 countries and territories worldwide through our ecosystem of Authorized Training Centers.

Training and Education Programs

The Training Institute's partnerships help increase access to our certifications. Our Academic Partner program works with institutions in 99 countries and territories, while our Education Outreach program reaches a diverse population, including women, minorities, veterans, and other underrepresented groups.

1,300,000+
CERTIFICATIONS
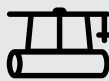
585
ACADEMIC PARTNERS

41
EDUCATION OUTREACH PARTNERS

Security Awareness and Training Service

The Security Awareness and Training service is a SaaS-based offering that delivers awareness and training on today's cybersecurity threats and helps IT, security, and compliance leaders build a cyber-aware culture.

Fortinet developed an education-focused version of this service which it makes available at no cost to all primary and secondary schools. It is currently available in the U.S. and U.K., with plans to expand to other countries.

41 Enterprise Analyst Reports Validate Fortinet Across Networking and Security

Fortinet is one of the most validated enterprise cybersecurity companies in the world. We continually rank in leadership positions across dozens of analyst reports, highlighting the broad application of the Fortinet Security Fabric.

Gartner MAGIC QUADRANTS	**FORRESTER** WAVES	**kuppingercole** COMPASSES	**FROST & SULLIVAN** RADARS	**WESTLANDS ADVISORY** PLATFORM NAVIGATOR	**IDC** MARKETSCAPE	**GIGAOM** GIGAOM RADAR
8	7	5	6	1	6	8

Gartner

Fortinet is recognized as a Leader in two Gartner® Magic Quadrant™ Reports:

- Network Firewalls
- SD-WAN Infrastructure

Fortinet is also recognized in four additional Gartner Magic Quadrant Reports, including a wide range of technologies:

- Wired and WLAN
- Web Application and API Protection
- SIEM
- Endpoint Protection Platforms

And Fortinet is an Honorable Mention in two additional Gartner 2020/2022 Magic Quadrant Reports:

- Secure Service Edge
- Access Management

Learn more at **fortinet.com/solutions/gartner-magic-quadrants**

Third-Party Testing and Certifications

Fortinet submits its products for impartial, third-party performance and effectiveness testing with the most prominent organizations in the industry, with consistent positive results.

AV comparatives	**MITRE**	**virus** BULLETIN	**SecureIQlab**
Antiphishing approved	100% protection, two years in a row	Highest "VBSpam+" rating	Near perfect score for WAF at 96%

CUSTOMER RECOGNITION

Gartner Peer Insights Customers' Choice distinctions are based on the ratings of vendors by verified end-user professionals across a variety of industries and from locations around the world. These distinctions take into account both the number of end-user reviews a vendor receives, along with the overall ratings score a vendor receives from those end-users.

Fortinet is proud to be named a Gartner Peer Insights Customers' Choice in several critical areas:

- **Network Firewalls**
- **Wired and Wireless LAN Access Infrastructure**
- **Email Security**
- **WAN Edge Infrastructure**

See our Gartner Peer Insights reviews and distinctions at *www.gartner.com/reviews*

Fortinet secures over half a million enterprises, service providers, and government organizations around the world.

Lexmark™

Global leader in imaging, output technology solutions, and managed print services.

HQ: United States

DP WORLD

Leading men's professional golf tour in Europe, featuring tournaments all over the European regions.

HQ: EMEA

pacific national

Australia's largest private rail freight company.

HQ: Australia

Syneos Health™

A leading global, fully integrated biopharmaceutical solutions organization.

HQ: United States

GRUPO COUTINHO

Largest top Brazilian supermarket chain, serving over 2 million customers a month.

HQ: Brazil

MARATÁ — CAFÉ MOÍDO — O MELHOR CAFÉ QUE HÁ

For more than 50 years, Maratá has been one of the largest food manufacturers in Brazil.

HQ: Brazil

smart fit

Largest Latin American network of fitness centers, with over 1,000 branches and over 3 million customers in 13 different countries.

HQ: Brazil

USI®

One of the largest industry-leading insurance brokerage and consulting firms in the world.

HQ: United States

ENOC

Leading global energy group operating in oil, gas, and coal industries.

HQ: UAE

Visit fortinet.com/customers to see how many of our customers benefit from Fortinet solutions and the Fortinet Security Fabric.

FTNT
Nasdaq Listed