SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): March 1, 2017

Pure Storage, Inc.
(Exact name of Registrant as Specified in Its Charter)

Delaware	001-37570	27-1069557
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

650 Castro Street, Suite 400
Mountain View, California 94041
(Address of Principal Executive Offices)

(800) 379-7873
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition.

On March 1, 2017, Pure Storage, Inc. ("Pure Storage") issued a press release regarding its financial results for the quarter and fiscal year ended January 31, 2017 . A copy of the press release is furnished as Exhibit 99.1 to this Form 8-K. Pure Storage issued a blog post in connection with the press release, the full text of which is furnished as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated under this Item 2.02 by reference.

This information, including the exhibits hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Pure Storage is making reference to non-GAAP financial information in the press release, the blog and the conference call. A reconciliation of these non-GAAP financial measures to the comparable GAAP financial measures is contained in the attached press release. These non-GAAP financial measures are reported in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

The following exhibits are furnished herewith:

Exhibit No.	Description
99.1	Press Release entitled "Pure Storage Announces Record Fourth Quarter and Fiscal Year 2017 Financial Results"
99.2	Blog Post entitled "Dietz on the Day: Delivering the Data Platform for the Cloud Era"

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Pure Storage, Inc.
(Registrant)

By: /s/ SCOTT DIETZEN

Scott Dietzen
Chief Executive Officer

March 1, 2017

Exhibit Index

Exhibit No.	Description
99.1	Press Release entitled “Pure Storage Announces Record Fourth Quarter and Fiscal Year 2017 Financial Results”
99.2	Blog Post entitled “Dietz on the Day: Delivering the Data Platform for the Cloud Era”

Exhibit 99.1

Pure Storage Announces Record Fourth Quarter and Fiscal Year 2017 Financial Results

MOUNTAIN VIEW, Calif., March 1, 2017 -- Pure Storage (NYSE: PSTG) today announced financial results for its fourth quarter and fiscal year ended January 31, 2017 .

Key quarterly business and financial highlights include:

- Record quarterly revenue of $227.9 million, up 52% Y/Y, 2.2% above midpoint of guidance
- Record full year revenue of $728.0 million, up 65% Y/Y, 3.3% above midpoint of guidance
- Record quarterly operating leverage, GAAP margin of -18.6%, 10.0 ppts improvement Y/Y and non-GAAP margin of -1.9%, 12.0 ppts improvement Y/Y
- Positive momentum in unstructured data market with FlashBlade now generally available

“Pure Storage is delivering the data platform for the cloud era, helping customers put data to work for their businesses,” said Pure Storage CEO Scott Dietzen. “This year, Pure expects to reach $1 billion in revenue - a remarkable achievement and evidence that we’re only just getting started. We could not be more excited about the opportunities ahead.”

“Q4 was a solid quarter and a strong end to our fiscal 2017 with consistent year-over-year revenue growth and a strong improvement in our operating leverage,” said Pure Storage CFO Tim Riitters. “We are confident in our outlook for fiscal 2018 and remain focused on executing steadily on our business model for continued growth and industry leadership.”

A record 450 new customers joined Pure Storage this quarter, increasing the total to more than 3,000 organizations, including more than 20% of the Fortune 500. New customer wins in the quarter include: Hulu, KONAMI, Optus Business, Royal Philips, Phreesia and Subway. New FlashBlade customer wins include: the National Hockey League, law firm Keker, Van Nest & Peters and geoscience solutions provider ION.

Fourth Quarter Fiscal 2017 Financial Highlights

The following tables summarize our consolidated financial results for the fiscal quarters ended January 31, 2016 and 2017 (in millions except per share amounts, unaudited):

GAAP Quarterly Financial Information			
	Three Months Ended January 31, 2016	**Three Months Ended January 31, 2017**	**Y/Y Change**
Revenue	$150.2	$227.9	52%
Gross Margin	65.3%	65.3%	0.0 ppts
Product Gross Margin	68.2%	66.5%	-1.7 ppts
Support Gross Margin	49.5%	59.6%	10.1 ppts
Operating Loss	-$42.9	-$42.5	$0.4
Operating Margin	-28.6%	-18.6%	10.0 ppts
Net Loss	-$44.3	-$42.9	$1.4
Net Loss per Share	-$0.24	-$0.21	$0.03
Weighted-Average Shares (Basic and Diluted)	187.4	201.0	13.6

Non-GAAP Quarterly Financial Information			
	Three Months Ended January 31, 2016	Three Months Ended January 31, 2017	Y/Y Change
Gross Margin	66.0%	66.1%	0.1 ppts
Product Gross Margin	68.3%	66.6%	-1.7 ppts
Support Gross Margin	53.4%	63.6%	10.2 ppts
Operating Loss	-$20.9	-$4.4	$16.5
Operating Margin	-13.9%	-1.9%	12.0 ppts
Net Loss	-$22.3	-$4.8	$17.5
Net Loss per Share	-$0.12	-$0.02	$0.10
Weighted-Average Shares (Basic and Diluted)	187.4	201.0	13.6
Free Cash Flow	$32.1	$25.3	-$6.8

A reconciliation between GAAP and non-GAAP information is provided at the end of this release.

Financial Outlook

Full Year Fiscal 2018 Guidance:

- Revenue in the range of $975 million to $1,025 million
- Non-GAAP gross margin in the range of 63.5% to 66.5%
- Non-GAAP operating margin in the range of -9% to -5%

First Quarter Fiscal 2018 Guidance:

- Revenue in the range of $171 million to $179 million
- Non-GAAP gross margin in the range of 63.5% to 66.5%
- Non-GAAP operating margin in the range of -27% to -23%

All forward-looking non-GAAP financial measures contained in this section titled "Financial Outlook" exclude stock-based compensation expense, payroll tax expense related to stock-based activities and, as applicable, other special items. We have not reconciled guidance for non-GAAP gross margin and non-GAAP operating margin to their most directly comparable GAAP measures because such items 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.

Conference Call Information

Pure Storage will host a teleconference to discuss the fourth quarter and fiscal year 2017 results at 2:00 p.m. (PT) on March 1, 2017. Pure Storage will post its supplemental earnings presentation to the investor relations website at investor.purestorage.com following the conference call. Teleconference details are as follows:

- To Listen via Telephone: 877-201-0168 or 647-788-4901 (for international callers).
- To Listen via the Internet: A live and replay audio broadcast of the conference call with corresponding slides will be available at investor.purestorage.com .
- Replay:A telephone playback of this conference call is scheduled to be available two hours after the call ends on March 1, 2017, through March 8, 2017. The replay will be accessible by calling 1-800-585-8367 or 1-416-621-4642 (for international callers), with conference ID 59578076. The call runs 24 hours per day, including weekends.

CEO Commentary

Pure Storage has posted a blog from its CEO discussing fourth quarter and fiscal year 2017 results at investor.purestorage.com and blog.purestorage.com .

About Pure Storage

Pure Storage (NYSE: PSTG) helps companies push the boundaries of what's possible. The company's all-flash based technology, combined with its customer-friendly business model, drives business and IT transformation with Smart Storage that is effortless, efficient and evergreen. Pure Storage offers two flagship products: FlashArray//M, optimized for structured workloads, and FlashBlade, ideal for unstructured data. With Pure's industry leading Satmetrix-certified NPS score of 83.5, Pure customers are some of the happiest in the world, and include organizations of all sizes, across an ever-expanding range of industries.

Connect with Pure Storage:
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Follow on LinkedIn

Analyst Recognition :
Gartner Magi c Quadrant for Solid-State Arrays
IDC MarketScape for All-Flash Arrays

Pure Storage, Evergreen, FlashBlade and the "P" Logo mark are trademarks of Pure Storage, Inc. All other trademarks or names referenced in this document are the property of their respective owners.

Forward Looking Statements

This press release contains forward-looking statements regarding our products, business and operations, including our expectations regarding technology differentiation,including momentum with FlashBlade, our opportunity and ability to execute for continued growth and industry leadership, and our outlook for the first quarter and full year fiscal 2018 and statements regarding our products, business, operations and results, including progress toward profitability. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from the results predicted include, among others, those risks and uncertainties included under the captions "Risk Factors" and elsewhere in our filings and reports with the U.S. Securities and Exchange Commission, including, but not limited to, our Quarterly Report on Form 10-Q for the quarter ended October 31, 2016, which are available on our investor relations website at investor.purestorage.com and on the SEC website at www.sec.gov. Additional information will also be set forth in our Annual Report on Form 10-K for the fiscal year ended January 31, 2017. All information provided in this release and in the attachments is as of March 1, 2017, and we undertake no duty to update this information unless required by law.

Non-GAAP Financial Measures

To supplement our condensed consolidated financial statements, which are prepared and presented in accordance with GAAP, we use the following non-GAAP financial measures: non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating loss, non-GAAP operating margin, non-GAAP net loss, non-GAAP net loss per share, free cash flow, and free cash flow as a percentage of revenue. In computing these non-GAAP financial measures, we exclude the effects of stock-based compensation expense and payroll tax expense related to stock-based activities. The presentation of this financial information is not intended to be considered in isolation or as a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We use these non-GAAP financial measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. Our management believes that these non-GAAP financial measures provide meaningful supplemental information regarding our performance and liquidity by excluding certain expenses and expenditures such as stock-based compensation expense that may not be indicative of our ongoing core business operating results. We believe that both management and investors benefit from referring to these non-GAAP financial measures in assessing our performance and when analyzing historical performance and liquidity and planning, forecasting, and analyzing future periods. The presentation of these non-GAAP financial measures is not meant to be considered in isolation or as a substitute for our financial results prepared in accordance with GAAP, and our non-GAAP measures may be different from non-GAAP measures used by other companies.

For a reconciliation of these non-GAAP financial measures to GAAP measures, please see the tables captioned "Reconciliations of non-GAAP results of operations to the nearest comparable GAAP measures" and "Reconciliation from net cash provided by operating activities to free cash flow," included at the end of this release.

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PURE STORAGE, INC.
Condensed Consolidated Balance Sheets
(in thousands)

	January 31, 2016	January 31, 2017
	(unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 604,742	$ 183,675
Marketable securities	—	362,986
Accounts receivable, net of allowance of $944 and $2,000	126,324	168,978
Inventory	20,649	23,498
Deferred commissions, current	15,703	15,787
Prepaid expenses and other current assets	20,652	25,157
Total current assets	788,070	780,081
Property and equipment, net	52,629	81,695
Intangible assets, net	6,980	6,560
Deferred income taxes, non-current	536	844
Other assets, non current	22,568	30,565
Total assets	$ 870,783	$ 899,745
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 38,187	$ 52,719
Accrued compensation and benefits	32,995	39,252
Accrued expenses and other liabilities	14,076	21,697
Deferred revenue, current	94,514	158,095
Liability related to early exercised stock options	4,760	1,362
Total current liabilities	184,532	273,125
Deferred revenue, non-current	121,690	145,031
Other liabilities, non-current	1,207	3,159
Total liabilities	307,429	421,315
Stockholders' equity:		
Common stock and additional paid-in capital	1,118,689	1,281,472
Accumulated other comprehensive loss	—	(562)
Accumulated deficit	(555,335)	(802,480)
Total stockholders' equity	563,354	478,430
Total liabilities and stockholders' equity	$ 870,783	$ 899,745

PURE STORAGE, INC.
Condensed Consolidated Statements of Operations
(in thousands, except per share data)

	Three Months Ended January 31, 2016	Three Months Ended January 31, 2017	Twelve Months Ended January 31, 2016	Twelve Months Ended January 31, 2017
	(unaudited)			
Revenue:				
Product	$ 127,350	$ 186,820	$ 375,733	$ 590,001
Support	22,881	41,040	64,600	137,976
Total revenue	150,231	227,860	440,333	727,977
Cost of revenue:				
Product (1)	40,522	62,532	132,870	194,150
Support (1)	11,544	16,598	35,023	58,129
Total cost of revenue	52,066	79,130	167,893	252,279
Gross profit	98,165	148,730	272,440	475,698
Operating expenses:				
Research and development (1)	53,710	72,632	166,645	245,817
Sales and marketing (1)	68,927	97,962	240,574	360,035
General and administrative (1) (2)	18,461	20,631	75,402	84,652
Legal settlement (3)	—	—	—	30,000
Total operating expenses	141,098	191,225	482,621	720,504
Loss from operations	(42,933)	(42,495)	(210,181)	(244,806)
Other income (expense), net	(757)	500	(2,002)	1,627
Loss before provision for income taxes	(43,690)	(41,995)	(212,183)	(243,179)
Provision for income taxes	604	920	1,569	1,887
Net loss	$ (44,294)	$ (42,915)	$ (213,752)	$ (245,066)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.24)	$ (0.21)	$ (2.59)	$ (1.26)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	187,365	201,024	82,460	194,714

(1) Includes stock-based compensation expense as follows:

Cost of revenue -- product	$ 137	$ 176	$ 276	$ 601
Cost of revenue -- support	877	1,657	2,388	5,639
Research and development	12,511	22,620	31,135	63,495
Sales and marketing	6,427	9,598	16,966	34,317
General and administrative	2,075	3,488	7,460	12,616
Total stock-based compensation expense	$ 22,027	$ 37,539	$ 58,225	$ 116,668

(2) Includes a one-time charge of $11.9 million for an equity grant to the Pure Good Foundation in the twelve months ended January 31, 2016.

(3) Represents a one-time charge for our legal settlement with Dell, Inc.

PURE STORAGE, INC.
Condensed Consolidated Statements of Cash Flows
(in thousands)

	Three Months Ended January 31,		Twelve Months Ended January 31,	
	2016	2017	2016	2017
	(unaudited)			
Cash flows from operating activities				
Net loss	$ (44,294)	$ (42,915)	$ (213,752)	$ (245,066)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:				
Depreciation and amortization	9,136	14,225	32,254	50,203
Stock-based compensation expense	22,027	37,539	58,225	116,668
Contribution of common stock to Pure Good Foundation	—	—	11,900	—
Other	(1,093)	533	(1,093)	1,584
Changes in operating assets and liabilities:				
Accounts receivable, net	(14,198)	(5,863)	(67,292)	(44,049)
Inventory	4,901	(3,587)	1,481	(3,776)
Deferred commissions	(4,549)	(2,584)	(13,021)	(740)
Prepaid expenses and other assets	(6,639)	(6,172)	(8,704)	(6,133)
Accounts payable	14,677	7,005	24,901	10,644
Accrued compensation and other liabilities	7,494	12,595	24,710	19,381
Deferred revenue	54,548	26,742	142,535	86,922
Net cash provided by (used in) operating activities	42,010	37,518	(7,856)	(14,362)
Cash flows from investing activities				
Purchases of property and equipment	(9,861)	(12,171)	(39,355)	(76,773)
Purchases of intangible assets	—	—	—	(1,000)
Purchases of marketable securities	—	(43,159)	—	(526,717)
Sales of marketable securities	—	34,539	—	114,354
Maturities of marketable securities	—	10,300	—	48,513
Net increase in restricted cash	—	—	(2,485)	(5,600)
Net cash used in investing activities	(9,861)	(10,491)	(41,840)	(447,223)
Cash flows from financing activities				
Proceeds from initial public offering, net	—	—	459,425	—
Net proceeds from exercise of stock options	1,298	4,187	6,008	14,912
Proceeds from issuance of common stock under employee stock purchase plan	—	—	—	25,606
Payments of deferred offering costs	(2,012)	—	(3,702)	—
Net cash provided by (used in) financing activities	(714)	4,187	461,731	40,518
Net increase (decrease) in cash and cash equivalents	31,435	31,214	412,035	(421,067)
Cash and cash equivalents, beginning of period	573,307	152,461	192,707	604,742
Cash and cash equivalents, end of period	$ 604,742	$ 183,675	$ 604,742	$ 183,675

Reconciliations of non-GAAP results of operations to the nearest comparable GAAP measures

The following table presents non-GAAP gross margins by revenue source before certain items (in thousands, unaudited):

	Three Months Ended January 31, 2016					Three Months Ended January 31, 2017				
	GAAP results	GAAP gross margin (a)	Adjustment	Non-GAAP results	Non-GAAP gross margin (b)	GAAP results	GAAP gross margin (a)	Adjustment	Non-GAAP results	Non-GAAP gross margin (b)
			$ 137 (c)					$ 176 (c)		
								1 (d)		
Gross profit -- product	$ 86,828	*68.2%*	$ 137	$ 86,965	*68.3%*	$124,288	*66.5%*	$ 177	$124,465	*66.6%*
			$ 877 (c)					$ 1,657 (c)		
								22 (d)		
Gross profit -- support	$ 11,337	*49.5%*	$ 877	$ 12,214	*53.4%*	$ 24,442	*59.6%*	$ 1,679	$ 26,121	*63.6%*
			$ 1,014 (c)					$ 1,833 (c)		
								23 (d)		
Total gross profit	$ 98,165	*65.3%*	$ 1,014	$ 99,179	*66.0%*	$148,730	*65.3%*	$ 1,856	$150,586	*66.1%*

(a) GAAP gross margin is defined as gross profit divided by revenue.
(b) Non-GAAP gross margin is defined as non-GAAP gross profit divided by revenue.
(c) To eliminate stock-based compensation expense.
(d) To eliminate payroll tax expense related to stock-based activities.

The following table presents certain non-GAAP consolidated results before certain items (in thousands, except per share amounts, unaudited):

	Three Months Ended January 31, 2016					Three Months Ended January 31, 2017				
	GAAP results	**GAAP operating margin (a)**	**Adjustment**	**Non-GAAP results**	**Non-GAAP operating margin (b)**	**GAAP results**	**GAAP operating margin (a)**	**Adjustment**	**Non-GAAP results**	**Non-GAAP operating margin (b)**
			$ 22,027 (c)					$ 37,539 (c)		
								601 (d)		
Loss from operations	$(42,933)	*-28.6 %*	$ 22,027	$(20,906)	*-13.9 %*	$(42,495)	*-18.6 %*	$ 38,140	$ (4,355)	*-1.9 %*
			$ 22,027 (c)					$ 37,539 (c)		
								601 (d)		
Net loss	$(44,294)		$ 22,027	$(22,267)		$(42,915)		$ 38,140	$ (4,775)	
Net loss per share -- basic and diluted	$ (0.24)			$ (0.12)		$ (0.21)			$ (0.02)	
Weighted-average shares used in per share calculation -- basic and diluted	187,365			187,365		201,024			201,024	

(a) GAAP operating margin is defined as loss from operations divided by revenue.
(b) Non-GAAP operating margin is defined as non-GAAP loss from operations divided by revenue.
(c) To eliminate stock-based compensation expense.
(d) To eliminate payroll tax expense related to stock-based activities.

Reconciliation from net cash provided by operating activities to free cash flow (in thousands, unaudited):

	Three Months Ended January 31,	
	2016	**2017**
Net cash provided by operating activities	$ 42,010	$ 37,518
Less: purchases of property and equipment	(9,861)	(12,171)
Free cash flow	$ 32,149	$ 25,347
Free cash flow as % of revenue	*21.4%*	*11.1%*

Exhibit 99.2

Dietz on the Day: Delivering the Data Platform for the Cloud Era

At Pure, we are building a uniquely fast and cloud-capable data storage platform. The 25-year-old mainframe and client/server era technology we compete against simply can't cope with the explosive growth in data and the need for real-time analysis. Cloud computing demands a new data platform, one that supports today's volume and velocity of data and the increasing performance required for predictive analytics and machine learning. Our customers use Pure to accelerate new data-driven applications, mining novel insights about their businesses, while substantially reducing costs and complexity - Pure helps them put data to work for their businesses.

LEGACY VS. CLOUD ERA STORAGE

	MAINFRAME & CLIENT / SERVER ERA STORAGE	CLOUD ERA STORAGE
PERFORMANCE	**Disk-optimized (ms)** MBs/sec of bandwidth per app	**Silicon-optimized (μs)** GBs/sec of bandwidth per app
APPLICATION ARCHITECTURE	**10s to 100s of monolithic applications** TBs of data siloed to each specific application	**1,000s to 10,000s of composite applications** sharing PBs of data
SCALING	**100s of TBs** Capacity purchased up front well before it is needed	**Elastic scale to PBs** Pay as you grow with perpetual forward compatibility
MANAGEMENT	**Manual,** dedicated admin per dozen arrays	**Fully automated,** no dedicated admins required
SOFTWARE & EXTENSIBILITY	**Complex** a la carte software, **closed** ecosystem	**Simple** all-inclusive software + **open** development platform
CONSUMPTION MODEL	**Re-buy new storage array every 3-5 years,** manually migrate data	**Subscribe to storage hardware and software innovation,** pay for what you use

4 PURESTORAGE

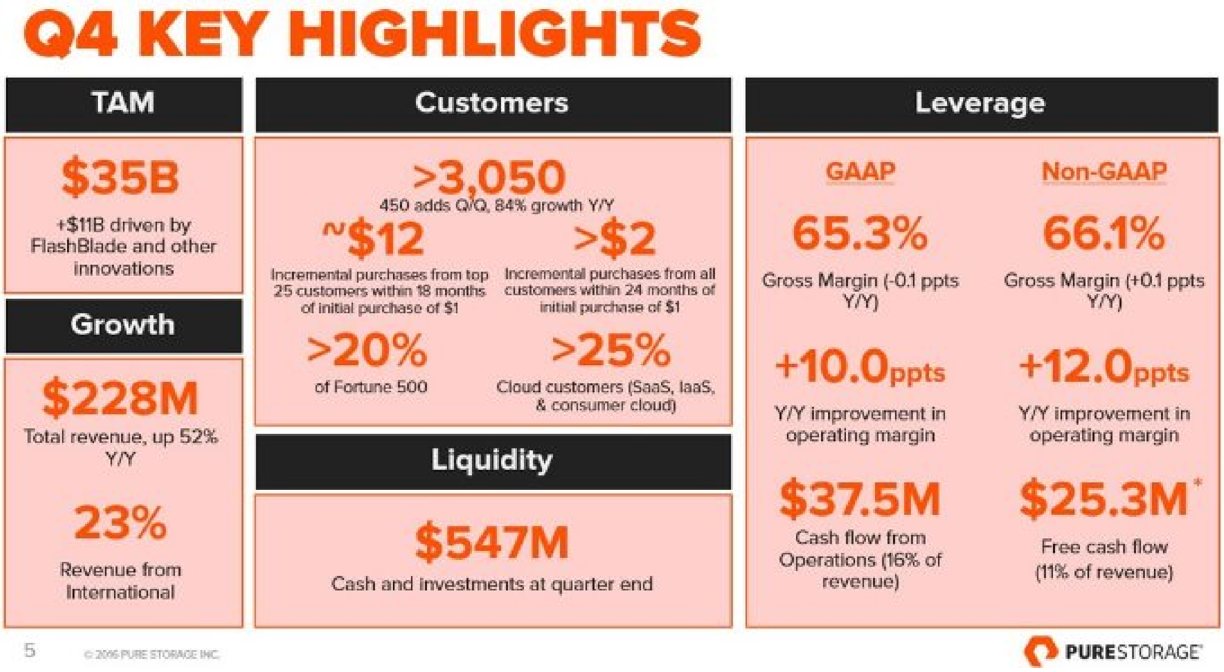
As a result of our innovations, Pure just wrapped up another outstanding year of growth. Q4 revenues were $228 million, up 52% from the year earlier quarter, and above the high end of our guidance range. For our fiscal year, Pure delivered $728 million in revenues, up 65% from the previous year. In fact, Pure's business has grown 2.7 times over the six quarters we have reported since our IPO in 2015. This year, the eighth since our founding and our sixth of selling, we expect to reach $1 billion in revenues.

At the same time, we continue to progress toward profitability with Q4 non-GAAP operating margin of -2%, a 12 point improvement year over year and more than 5 points ahead of the mid-point of our guidance range, while driving $25 million* in free cash flow. We are guiding that the business will crossover to sustained positive free cash flow in this year's second half. Meanwhile, our balance sheet remains strong, with $547 million in cash and zero debt - we have everything we need to continue to drive market share gains as the secular shifts to cloud computing and all-silicon storage gain momentum.

Pure added 450 customers in Q4, boosting the total to more than 3,000 customers worldwide. Among the notable Q4 additions:

- Hulu , a leading premium video streaming service, uses Pure to drive its business-critical analytics, and handle intense workloads and customer demands faster.
- Subway , the world's largest restaurant chain, chose Pure to support the growth of its new online platform for customer orders.
- Royal Philips , a leading technology company focused on innovation in healthcare, lighting and consumer products, is using Pure as the core of its mission critical production, providing effortless management, increased performance and the scalability to grow its business.

- Other new customers include the Australian enterprise services company Optus Business ; Japanese entertainment producer KONAMI ; and cloud based healthcare SaaS company Phreesia .
- Among new FlashBlade customers in the quarter were the National Hockey League , which uses Pure's technology to help produce original content including online videos and advanced player analytics; law firm Keker, Van Nest & Peters; and geoscience company ION. For ION, FlashBlade helped collapse its storage footprint by nearly 100:1.



* Includes $8.1 million of cash impact related to our employee stock purchase plan

We could not be more excited about the road ahead for Pure, for multiple reasons:

1. ***Data growth is exploding:*** By 2025, the world will have accumulated 180 Zettabytes (ZB) of data, up from 44 ZB in 2020 and 10 ZB in 2015, according to IDC . (To get a sense of scale, if a byte were an apple, 1 ZB would fill the Pacific Ocean.) Such ever larger data sets are needed for today's predictive analytics, including machine learning.

2. ***Data stays at the edge:*** Big data is becoming bigger than wide-area networks are becoming faster, and this represents an interesting opportunity for Pure. With data growing at a ~33% CAGR (see above) while Internet bandwidth is only increasing ~20% per year , most new data will necessarily be stored in edge data centers rather than in centralized public clouds. IDC estimates that at least 40% of Internet of Things (IoT) created data will be stored, processed, analyzed and acted upon close to, or at the edge of, the network by 2019. Cisco estimates that the majority of database, analytics, big data, BI, ERP and other enterprise workloads stay in private data centers in 2020. These workloads are ideal for our data platform. We see an enormous opportunity across our customer base as IoT (alone a $6 billion opportunity in edge data centers by 2020), factory automation, healthcare/biotech, and logistics, as well as other real-time control systems, do not fit in the public cloud.

3. ***Secular shift to flash memory:*** In the most recent quarter, we had more than one customer running large scale simulations and analytics to replace over 20 racks (think 20 refrigerators of equipment) with a single FlashBlade (at 4 rack units, about the size of a microwave oven). Such dramatic consolidation depends on storage software that has been designed for silicon rather than mechanical disk. And estimates are that 90% of the inevitable transition from hard drives to solid-state memory is still in front of us.

4. ***Secular shift to cloud computing:*** More than 25% of our business to date has been selling to cloud customers, call that selling into clouds #4 through #4000. We now have over 500 Software as a Service (SaaS), Consumer Internet, and Infrastructure as a Service/Platform as a Service (IaaS/PaaS) customers. Pure's architecture follows the model employed in the public cloud in that it is multi-tier (greater performance and efficiency), is fully automated, and is

software-driven but accelerated by commodity silicon. Yet, as our cloud customers tell us, Pure Storage offers higher performance and higher quality of service at a lower cost.

5. ***A $35 billion market opportunity:*** We have just started to disrupt our total addressable market of $35 billion . According to Pacific Crest Securities, the big three public cloud providers in AWS, Azure and Google Cloud will grow to about 15% of the overall IT market by 2020. While remarkable, that still leaves the lion's share of the market available to Pure, most all of which we are convinced will move toward all-flash and cloud-capable storage.

6. ***Analytics as a key growth market:*** Pure's business has long been focused on three key areas - databases/business applications (Oracle, Microsoft SQL Server, SAP); virtualization (VMware, HyperV, OpenStack); and VDI (VMware View and Citrix). In 2017, we see a massive growth opportunity in analytics, both classic and next-generation approaches. The combination of FlashBlade and FlashArray accelerate both traditional analytics such as Oracle OLAP, SAP Hana and SAS, as well as next-gen platforms like Splunk and Apache Spark. Analytics broadly is a $130 billion infrastructure market, and one that will be key to the Pure go-to-market engine in 2017.

7. ***Evergreen subscription business model:*** Unlike our competitors, Pure comes with an evergreen subscription to future innovation. We design our products with perpetual forward compatibility, so customers never find themselves at a dead end, forced to repurchase the same storage and disruptively migrate their data. Instead, Pure seamlessly evolves underneath customer data with no impact to the business other than improved performance and higher quality of service. This year's transition to NVMe will be eye-opening for customers - many of whom have become accustomed to the painful repurchase and forklift cycles of their incumbent vendors.

8. ***Breaking down the application silos with a data platform:*** To thrive, businesses must mine their data for predictive insights, yet often it is the slowness, expense, fragility, and complexity of storage that holds them back. In legacy storage, data is often mapped to a single application rather than enabling data sharing across many applications. In enabling our customers to derive far more value from their data across many more applications, we have become indispensable. You can especially see that within the hundreds of customers that have spent more than $1 million with us.

Let me close with thanks to all of the customers, partners, investors and employees that have joined Team Orange on our extraordinary journey. We look forward to Pure's best year yet with compelling product innovations (across FlashArray, FlashBlade, Pure1 and FlashStack converged infrastructure) that will further distance us from the field and help us cross over the $1 billion in revenues threshold.

Forward Looking Statements. This post contains forward-looking statements regarding industry and technology trends, our unique strategy, positioning and opportunity, our products and related roadmaps (including for FlashArray and FlashBlade), the impact of NVMe, the benefits of our approach and cost advantages, competition, traction with partners, and our business and operations, including our future margins, growth prospects and operating model. Forward-looking statements are subject to known and unknown risks and uncertainties and are based on potentially inaccurate assumptions that could cause actual results to differ materially from those expected or implied by the forward-looking statements. Actual results may differ materially from the results predicted, and reported results should not be considered as an indication of future performance. The potential risks and uncertainties that could cause actual results to differ from the results predicted include, among others, those risks and uncertainties included under the caption "Risk Factors" and elsewhere in our filings and reports with the U.S. Securities and Exchange Commission, including, but not limited to, our Quarterly Report on Form 10-Q for the quarter ended October 31, 2016, which are available on our investor relations website at investor.purestorage.com and on the SEC website at www.sec.gov. Additional information will also be set forth in our Annual Report on Form 10-K for the fiscal year ended January 31, 2017. All information provided in this release and in the attachments is as of March 1, 2017, and we undertake no duty to update this information unless required by law.

Non-GAAP Financial Measures . This post contains certain non-GAAP financial measures about the company's performance. For the most directly comparable GAAP financial measures and a reconciliation of these non-GAAP financial measures to GAAP measures, please see our earnings release issued on March 1, 2017, which includes tables captioned "Reconciliations of non-GAAP results of operations to the nearest comparable GAAP measures" and "Reconciliation from net cash provided by operating activities to free cash flow."