

## Commvault Systems, Inc.

 Consolidated Statements of Income  
 (In thousands, except per share data)  
 (Unaudited)

	Three Months Ended March 31,		Year Ended March 31,	
	2015	2014	2015	2014
<b>Revenues:</b>				
Software	\$ 70,052	\$ 79,041	\$283,254	\$294,411
Services	80,683	77,778	324,289	291,929
Total revenues	150,735	156,819	607,543	586,340
<b>Cost of revenues:</b>				
Software	608	620	2,442	2,588
Services	20,306	19,249	79,626	71,713
Total cost of revenues	20,914	19,869	82,068	74,301
Gross margin	129,821	136,950	525,475	512,039
<b>Operating expenses:</b>				
Sales and marketing	86,047	75,589	335,980	283,304
Research and development	16,800	15,342	64,143	55,134
General and administrative	19,713	19,559	78,063	67,106
Depreciation and amortization	2,492	1,580	8,505	6,075
Total operating expenses	125,052	112,070	486,691	411,619
Income from operations	4,769	24,880	38,784	100,420
Interest expense	(219)	—	(665)	—
Interest income	181	215	773	890
Income before income taxes	4,731	25,095	38,892	101,310
Income tax expense	1,379	9,438	13,242	37,246
Net income	\$ 3,352	\$ 15,657	\$ 25,650	\$ 64,064
<b>Net income per common share:</b>				
Basic	\$ 0.07	\$ 0.33	\$ 0.56	\$ 1.36
Diluted	\$ 0.07	\$ 0.32	\$ 0.54	\$ 1.29
<b>Weighted average common shares outstanding:</b>				
Basic	45,017	47,141	45,464	46,976
Diluted	46,626	49,416	47,222	49,642

Commvault Systems, Inc.  
 Condensed Consolidated Balance Sheets  
 (In thousands)  
 (Unaudited)

	March 31, 2015	March 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$337,673	\$ 457,733
Short-term investments	49,936	24,976
Trade accounts receivable, net	117,716	118,527
Prepaid expenses and other current assets	20,084	11,329
Deferred tax assets, net	16,142	17,966
Total current assets	541,551	630,531
Deferred tax assets, net	24,903	28,737
Property and equipment, net	140,208	88,901
Other assets	6,804	7,215
Total assets	<u>\$713,466</u>	<u>\$ 755,384</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current Liabilities:		
Accounts payable	\$ 860	\$ 1,218
Accrued liabilities	72,757	76,166
Deferred revenue	184,312	166,143
Total current liabilities	257,929	243,527
Deferred revenue, less current portion	45,423	43,432
Other liabilities	3,104	5,847
Total stockholders' equity	407,010	462,578
Total liabilities and stockholders' equity	<u>\$713,466</u>	<u>\$ 755,384</u>

## Commvault Systems, Inc.

 Consolidated Statements of Cash Flows  
 (In thousands)  
 (Unaudited)

	Three Months Ended March 31,		Year Ended March 31,	
	2015	2014	2015	2014
<b>Cash flows from operating activities</b>				
Net income	\$ 3,352	\$ 15,657	\$ 25,650	\$ 64,064
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	2,814	1,613	9,046	6,207
Noncash stock-based compensation	15,162	14,588	60,663	49,124
Excess tax benefits from stock-based compensation	(836)	(8,224)	(5,057)	(28,337)
Deferred income taxes	2,269	(5,995)	4,072	(6,430)
Changes in operating assets and liabilities:				
Trade accounts receivable	(6,626)	(12,779)	(6,581)	(33,482)
Prepaid expenses and other current assets	(1,224)	(2,850)	(11,907)	3,948
Other assets	651	(515)	1,229	(160)
Accounts payable	(313)	(1,763)	(267)	(2,695)
Accrued liabilities	7,128	25,130	13,221	43,187
Deferred revenue	14,376	16,317	35,818	25,156
Other liabilities	(771)	(1,260)	(2,040)	(1,445)
Net cash provided by operating activities	35,982	39,919	123,847	119,137
<b>Cash flows from investing activities</b>				
Purchase of short-term investments	(12,475)	(2,998)	(68,933)	(28,976)
Proceeds from maturity of short-term investments	12,495	3,000	43,973	5,948
Purchases for corporate campus headquarters	(8,989)	(18,735)	(59,297)	(62,214)
Purchase of property and equipment	(2,042)	(982)	(5,784)	(4,916)
Net cash used in investing activities	(11,011)	(19,715)	(90,041)	(90,158)
<b>Cash flows from financing activities</b>				
Repurchase of common stock	—	(50,030)	(155,125)	(50,030)
Debt issuance costs	—	—	(1,262)	—
Proceeds from the exercise of stock options	5,633	4,240	17,690	17,615
Excess tax benefits from stock-based compensation	836	8,224	5,057	28,337
Net cash provided by (used in) financing activities	6,469	(37,566)	(133,640)	(4,078)
Effects of exchange rate — changes in cash	(8,713)	(438)	(20,226)	(1,132)
Net increase (decrease) in cash and cash equivalents	22,727	(17,800)	(120,060)	23,769
Cash and cash equivalents at beginning of period	314,946	475,533	457,733	433,964
Cash and cash equivalents at end of period	<u>\$ 337,673</u>	<u>\$ 457,733</u>	<u>\$ 337,673</u>	<u>\$ 457,733</u>

Commvault Systems, Inc.  
 Reconciliation of GAAP to Non-GAAP Financial Measures  
 (In thousands, except per share data)  
 (Unaudited)

	Three Months Ended March 31,		Year Ended March 31,	
	2015	2014	2015	2014
<b>Non-GAAP financial measures and reconciliation:</b>				
GAAP income from operations	\$ 4,769	\$ 24,880	\$ 38,784	\$ 100,420
Noncash stock-based compensation (1)	15,162	14,588	60,663	49,124
FICA and related payroll tax expense on stock option exercises and vesting on restricted stock awards (2)	368	805	1,143	2,308
Adjustment to exclude expenses related to corporate campus headquarters relocation (3)	—	—	4,141	—
<b>Non-GAAP income from operations</b>	<b>\$ 20,299</b>	<b>\$ 40,273</b>	<b>\$ 104,731</b>	<b>\$ 151,852</b>
GAAP net income	\$ 3,352	\$ 15,657	\$ 25,650	\$ 64,064
Noncash stock-based compensation (1)	15,162	14,588	60,663	49,124
FICA and related payroll tax expense on stock option exercises and vesting on restricted stock awards (2)	368	805	1,143	2,308
Adjustment to exclude expenses related to corporate campus headquarters relocation (3)	—	—	4,141	—
Non-GAAP provision for income taxes adjustment (4)	(6,118)	(5,543)	(25,549)	(19,268)
<b>Non-GAAP net income</b>	<b>\$ 12,764</b>	<b>\$ 25,507</b>	<b>\$ 66,048</b>	<b>\$ 96,228</b>
Diluted weighted average shares outstanding	46,626	49,416	47,222	49,642
<b>Non-GAAP diluted net income per share</b>	<b>\$ 0.27</b>	<b>\$ 0.52</b>	<b>\$ 1.40</b>	<b>\$ 1.94</b>

	Three Months Ended March 31, 2015		Year Ended March 31, 2015
	Sequential	Year Over Year	Year Over Year
<b>Non-GAAP software revenue reconciliation</b>			
GAAP software revenue	\$ 70,052	\$ 70,052	\$ 283,254
Adjustment for currency impact	2,337	4,780	7,087
<b>Non-GAAP software revenue on a constant currency basis (5)</b>	<b>\$ 72,389</b>	<b>\$ 74,832</b>	<b>\$ 290,341</b>

	Three Months Ended March 31, 2015		Year Ended March 31, 2015
	Sequential	Year Over Year	Year Over Year
<b>Non-GAAP services revenue reconciliation</b>			
GAAP services revenue	\$ 80,683	\$ 80,683	\$ 324,289
Adjustment for currency impact	2,384	4,459	5,678
<b>Non-GAAP services revenue on a constant currency basis (5)</b>	<b>\$ 83,067</b>	<b>\$ 85,142</b>	<b>\$ 329,967</b>

	Three Months Ended March 31, 2015		Year Ended March 31, 2015
	Sequential	Year Over Year	Year Over Year
<b>Non-GAAP total revenue reconciliation</b>			
GAAP total revenues	\$ 150,735	\$ 150,735	\$ 607,543
Adjustment for currency impact	4,721	9,239	12,765
<b>Non-GAAP total revenues on a constant currency basis (5)</b>	<b>\$ 155,456</b>	<b>\$ 159,974</b>	<b>\$ 620,308</b>

Footnotes - Adjustments

- (1) Represents noncash stock-based compensation charges associated with stock options, restricted stock units granted and our Employee Stock Purchase Plan. Those amounts are represented as follows:

	Three Months Ended March 31,		Year Ended March 31,	
	2015	2014	2015	2014
Cost of services revenue	\$ 744	\$ 420	\$ 2,930	\$ 1,428
Sales and marketing	6,713	6,477	26,853	20,813
Research and development	1,624	1,395	5,908	4,512
General and administrative	6,081	6,296	24,972	22,371
Stock-based,compensation,expense	<u>\$ 15,162</u>	<u>\$ 14,588</u>	<u>\$ 60,663</u>	<u>\$ 49,124</u>

- (2) Represents additional FICA and related payroll tax expenses incurred by Commvault when employees exercise in the money stock options or vest in restricted stock awards.
- (3) CommVault completed the move of its Global Corporate Headquarters in fiscal 2015. In connection with this planned move, the Company incurred certain non-routine expenses that management has concluded are not representative of the ongoing business. As a result, these expenses have been excluded from non-GAAP results in order to understand, manage and evaluate the business and make operating decisions. These expenses include the lease termination charge related to the previous headquarters location, accelerated depreciation on assets associated with the previous location and moving related expenses.
- (4) The provision for income taxes is adjusted to reflect Commvault's estimated non-GAAP effective tax rate of approximately 37% in fiscal 2015 and fiscal 2014.
- (5) Revenues on a constant currency basis are calculated using the average foreign exchange rates from a previous period and applying these rates to foreign-denominated revenues in the corresponding period during fiscal 2015. The difference between revenue calculated based on these foreign exchange rates and revenues calculated in accordance with GAAP is listed as adjustment for currency impact in the table above.