Not for redistribution without written consent of Morgan Stanley

Morgan Stanley | RESEARCH

FOUNDATION

October 12, 2026 10:50 PM GMT

Telecom & Networking Equipment | North America

3Q26 CIO Survey: Refresh and Security Support Spend

3Q26 results point to firmer Networking growth and campus demand. FFIV improves most among networking vendors, while CSCO and ANET remain net positive. Security retains budget priority, with identity gaining importance. Pricing and longer refresh cycles influence the pace of investment.

AlphaWise α

Key Takeaways

- Networking growth expectations improve to 3.0% for 2026, up 39bps from 2Q26. CIOs expect 2.8% growth in 2027.
- Networking rises to 3rd in defensibility from 4th. Security ranks 2nd in both spending priority and defensibility.
- Campus upgrade net intentions improve to +36% from +33%, while data center switching intentions remain positive at +33%, versus +49%.
- FFIV posts the strongest improvement in three-year vendor intentions. CSCO and ANET remain net positive, though below their 1Q26 readings.
- Identity leads cyber priorities. PANW and CRWD lead platform purchasing or evaluation, while FTNT improves across platform interest and current usage.

Networking growth improves, with greater networking defensibility and a stronger F5 refresh outlook. Our 3Q26 CIO survey points to 3.0% Networking growth in 2026, up 39bps from 2.6% in 2Q26, with CIOs expecting 2.8% growth in 2027. Overall IT budget growth also improves to 4.0% from 3.8%, with a similar pace expected next year. Beyond the stronger growth outlook, networking equipment moves to 3rd in spending defensibility from 4th, reinforcing the resilience of underlying demand. Early signs of net-new AI networking budgets are encouraging, while limited purchasing acceleration in response to higher equipment prices suggests little demand pull-forward. **FFIV** stands out among our networking names, with three-year net spending intentions rising to +24% from +5%, supported by firmer hardware refresh plans and greater preference for traditional ADC vendors. We see continued support from campus refresh and security investment, although spending remains selective amid macro uncertainty.

MORGAN STANLEY & CO. LLC

Meta A Marshall
Equity Analyst
Meta.Marshall@morganstanley.com +1 212 761-0430

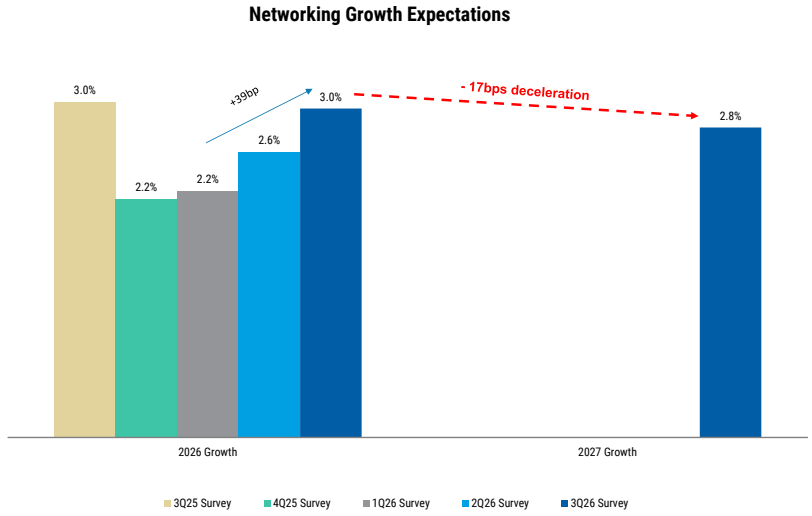
Antonio Jaramillo
Research Associate
Antonio.Jaramillo@morganstanley.com +1 212 761-4438

TELECOM & NETWORKING EQUIPMENT
North America
Industry View **In-Line**

Morgan Stanley does and seeks to do business with companies covered in Morgan Stanley Research. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of Morgan Stanley Research. Investors should consider Morgan Stanley Research as only a single factor in making their investment decision.

For analyst certification and other important disclosures, refer to the Disclosure Section, located at the end of this report.

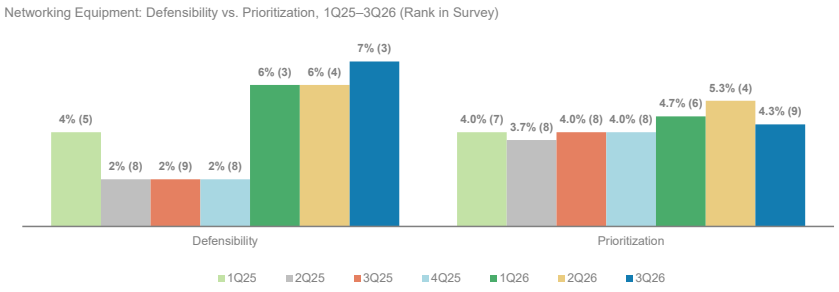
Exhibit 1: First read into 2027 Networking Growth Expectations Indicates +2.8% growth, a slight decline from +3.0% expected in 2026



Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data)

Networking's improved defensibility supports demand, with refresh and security remaining key spending drivers. Despite slipping to 9th in spending prioritization from 4th, networking equipment rises to 3rd in defensibility, suggesting CIOs are more inclined to protect existing infrastructure investments. Network security/SASE remains the leading current networking priority at 38% of respondents, up from 31%, while new connectivity projects increase to 17% from 10%. Campus switching net spending intentions improve to +50% from +41%, while data center switching remains positive at +33%, albeit below the +49% reading in 1Q26. Aging equipment is the primary upgrade driver for 45% of networking respondents, up from 37%, with security-related upgrades also rising to 28% from 21%. While 37% of respondents are adjusting project sizes or timelines amid macro uncertainty, cancellations remain limited at 3%. We see a durable enterprise networking spending backdrop supported by replacement needs rather than a broad acceleration across categories.

Exhibit 2: Networking improved to 3rd from 4th in spending defensibility, even as its spending-priority ranking fell to 9th from 4th

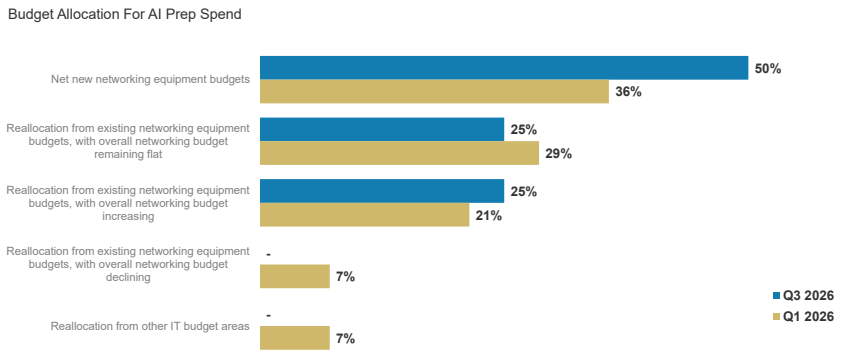


Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data)

AI infrastructure is beginning to create net-new networking budgets, although the opportunity remains early. Among the eight CIOs identifying AI preparation as their primary networking budget priority, four are funding those projects through net-new networking budgets, while five are focused on data center networking.

While the sample is small, the results offer an encouraging indication that AI investment can expand the networking budget rather than solely compete with existing infrastructure projects. AI infrastructure remains a meaningful upgrade driver for 23% of CIOs, although below 32% in 1Q26, suggesting the incremental opportunity is developing alongside more traditional spending priorities.

Exhibit 3: Of the Respondents Allocating Spend Towards AI, Half Cite Net-New Networking Equipment Budgets



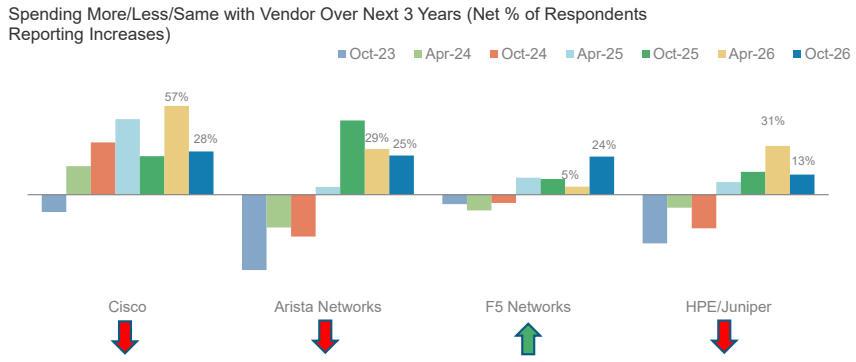
Source: AlphaWise, Morgan Stanley Research. n=8 (US and EU data). We note low sample size in this question.

Higher equipment prices appear unlikely to drive meaningful demand pull-forward. Despite ongoing pricing pressure, only 18% of CIOs would accelerate purchases into 2H26 if vendors raised prices further, compared with 40% who would maintain existing schedules and another 40% who would delay purchases. Responses suggest pricing is more likely to influence purchasing timelines than prompt widespread prebuying. Macro uncertainty continues to affect spending decisions, with 37% of networking respondents reducing project sizes, extending replacement cycles or delaying new projects, up from 26% in 1Q26. However, cancellations remain limited at 3%, and 45% report no changes to their order cadence. We read the results as evidence of continued investment discipline rather than a deterioration in underlying networking requirements, with limited evidence that price increases are pulling substantial demand forward from future periods.

- **F5 shows the strongest improvement in spending intentions, supported by an increasingly visible refresh opportunity.** F5's three-year net spending score rises to +24% from +5%, a 19-point improvement that stands out against moderating readings for Cisco and Arista. Among the 37 F5 customers responding to the refresh question, 49% plan a VIPRION and/or iSeries upgrade within the next 12 months, up from 35% previously. Customers most frequently target upgrades over the next 4–6 months, providing a more tangible near-term demand indicator. Traditional ADC usage also increases to 54% of F5 customers from 43%, while 55% of CIOs across the broader survey now prefer traditional vendors and their virtual products for ADC and application-security requirements during cloud transitions, up from 31%. Spending intentions for ADCs remain net positive at approximately +25% across both F5-specific questions, although sequential trends differ. We see a stronger F5-specific outlook supported by refresh demand and customer preference for established vendors, rather than evidence of an acceleration across every application-delivery category.

- **CSCO retains a solid enterprise position, although spending intentions moderate from earlier highs.** Cisco leads the named networking vendors in three-year net spending intentions at +28%, down from +57% in 1Q26. Campus remains a source of resilience, with 63% of respondents keeping or planning to keep Cisco as their switching vendor, compared with 68% previously. Cisco also retains the strongest data center expansion presence, with 58% of CIOs currently using its equipment and planning capacity additions, although its net expansion score moderates to +37% from +55%. Security-driven spending intentions remain positive at +34% from +48%, while 47% of respondents have evaluated new Cisco security products and intend to purchase, compared with 57%. Splunk provides a more encouraging retention signal, with 9% of existing customers planning to leave, down from 15%. Campus refresh and security priorities support the installed base, even as vendor-specific readings point to a more measured growth outlook.
- **ANET maintains positive enterprise spending intentions, with modest improvement in campus interest.** Arista's three-year net spending score remains positive at +25%, compared with +29% in 1Q26. Data center expansion intentions remain approximately +10%, with 17% of networking respondents currently using Arista and planning capacity additions, compared with 7% planning to migrate away. Evaluation interest moderates to 12% from 18%, limiting evidence of broader near-term expansion within the surveyed customer base. Campus interest improves modestly, with 5% of CIOs reporting a move or planned move to Arista, up from 3%. We continue to see supportive enterprise spending intentions, although the 20-customer sample warrants caution. Survey results should not be interpreted as a measure of Arista's hyperscaler demand or overall market share.

Exhibit 4: F5 Net Spend Intentions Rise to +24%, While Cisco and Arista Moderate to +28% and +25%



Source: AlphaWise, Morgan Stanley Research. n=58 (US and EU data)

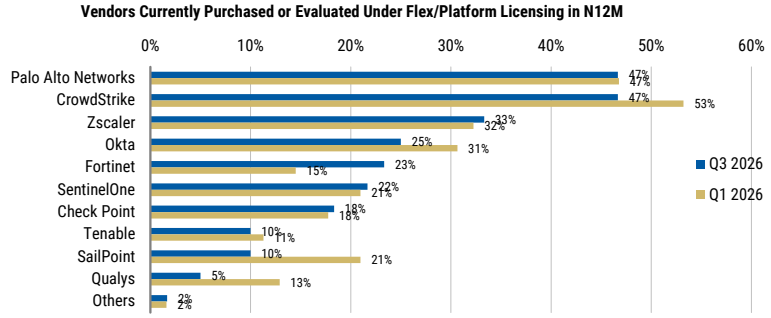
Cybersecurity

Security remains one of the most defensible spending categories, with identity gaining priority. Security software ranks 2nd in both spending prioritization and defensibility, with its net defensibility score improving to +16% from +15%. Network security remains the leading current networking priority and the first choice for incremental networking budgets should macro conditions improve. Within cybersecurity, identity and access management becomes the leading spending

priority at 35% of CIOs, up from 18%. Network security prevention also gains traction, while cloud and endpoint security receive fewer first-priority responses. We see continued support for security budgets, although investment priorities are evolving within the category rather than uniformly benefiting all vendors.

- **PANW and CRWD retain leading positions in platform purchasing and evaluation.** PANW remains at 47% of respondents using or evaluating its platform or Flex offerings, while CRWD reaches the same level from 53% in 1Q26. Both continue to lead the named vendors in this question. Current cybersecurity usage moderates to 50% of CIOs for PANW and 53% for CRWD, versus 58% each previously. Those lower usage readings warrant monitoring, but both vendors retain substantial representation within the sample. Strong security defensibility and continued interest in bundled platforms support their opportunities, while the sequential results suggest a steadier picture than a broad step-up in purchasing.
- **FTNT improves across key vendor measures, while ZS remains broadly stable.** FTNT platform purchasing or evaluation rises to 23% from 15%, with current usage increasing to 25% from 19%. Network security prevention also gains priority, with 18% of CIOs identifying it as their primary cybersecurity focus, up from 13%. ZS remains relatively stable, with platform purchasing or evaluation reaching 33% from 32% and current usage unchanged at 35%. Results support a constructive network-security backdrop, with FTNT showing stronger sequential momentum.
- **Identity gains strategic importance, although vendor-specific results remain mixed.** Identity and access management leads current cybersecurity priorities, while agent identity rises to 22% of AI security priorities from 11%. Greater interest in identity does not yet translate into stronger named-vendor readings. OKTA platform purchasing or evaluation reaches 25% from 31%, with current usage falling to 27% from 40%. SailPoint platform purchasing or evaluation moderates to 10% from 21%, while usage reaches 17% from 19%. We see a growing category opportunity but would look for stronger vendor-level adoption before drawing firmer conclusions.
- **AI security priorities broaden beyond data protection.** Data security remains the leading AI security priority at 25% of CIOs, although down from 34% in 1Q26. Agent identity narrows the gap at 22%, while automated security operations and managed detection and response remain broadly stable at 20%. Application security testing rises to 13% from 3%, whereas cloud security moderates to 15% from 23%. We view the results as evidence of a broader set of security requirements emerging as AI initiatives mature, rather than a single product category capturing all incremental spending.

Exhibit 5: PANW and CRWD Lead Platform Interest, While FTNT Improves



Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

Analysis

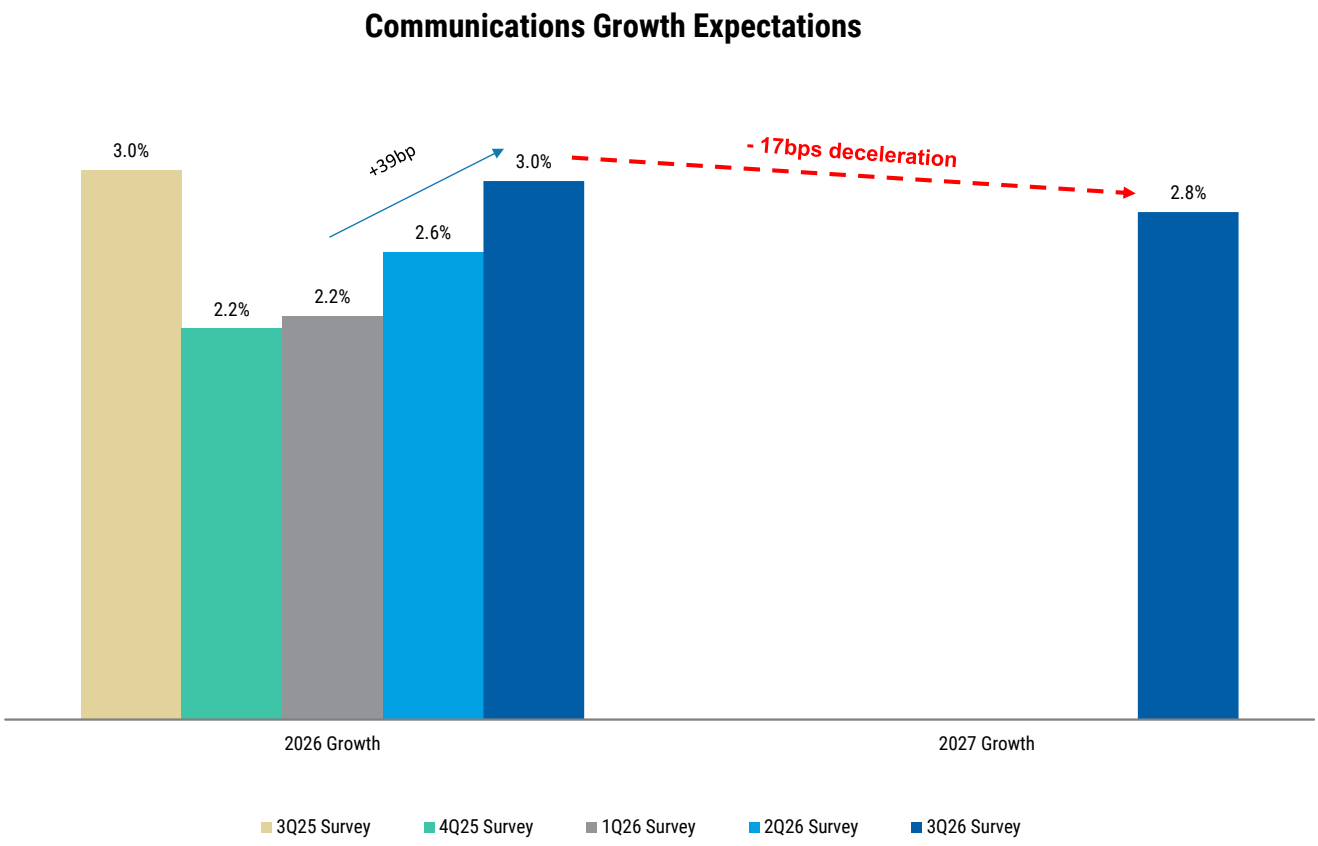
Since we last surveyed you earlier this year, what, if anything, has changed in your organization's networking investment priorities or planned spending? What is driving the change?

Respondents suggest that the decline in planned networking spend is not necessarily indicative of a broad pullback in networking investment. Respondents who got back to us indicated strong AI- and data-center-driven demand, acquisitions, and infrastructure modernization as continued investment drivers. ***However, spending seems to becoming more targeted, with some organizations accelerating purchases to mitigate vendor price increases and component shortages, while others are extending/ delaying refresh cycles and delaying procurement decisions because of macroeconomic uncertainties.*** *The combination of accelerated near term purchasing, shifting investment toward AI/ data-center infrastructure, and greater budget caution may be contributing to the softer forward-looking spending outlook observed in Q1.*

Broader Macro CIO Survey Results

By what percentages do you expect your External IT Spending to change for each of the following technology areas in 2026 vs. 2025? What was your percentage (%) growth for the External IT Spending portion of your IT Budget for the full year 2026 vs. 2025? What is your estimated spending for 2027 vs. 2026?

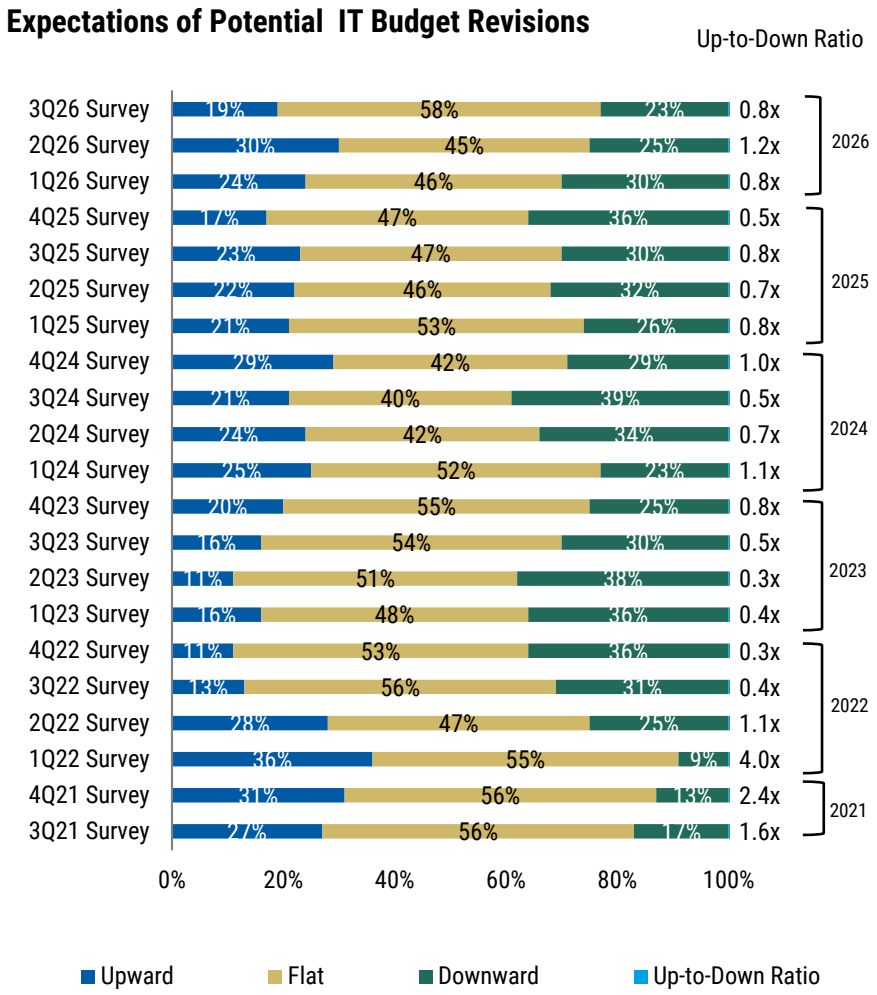
Exhibit 6: Initial Read Points to +2.8% Communications Growth in 2027, Slightly Below +3.0% Expected for 2026



Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data)

What are your expectations regarding potential future revisions to your current 2026 IT budget plans?

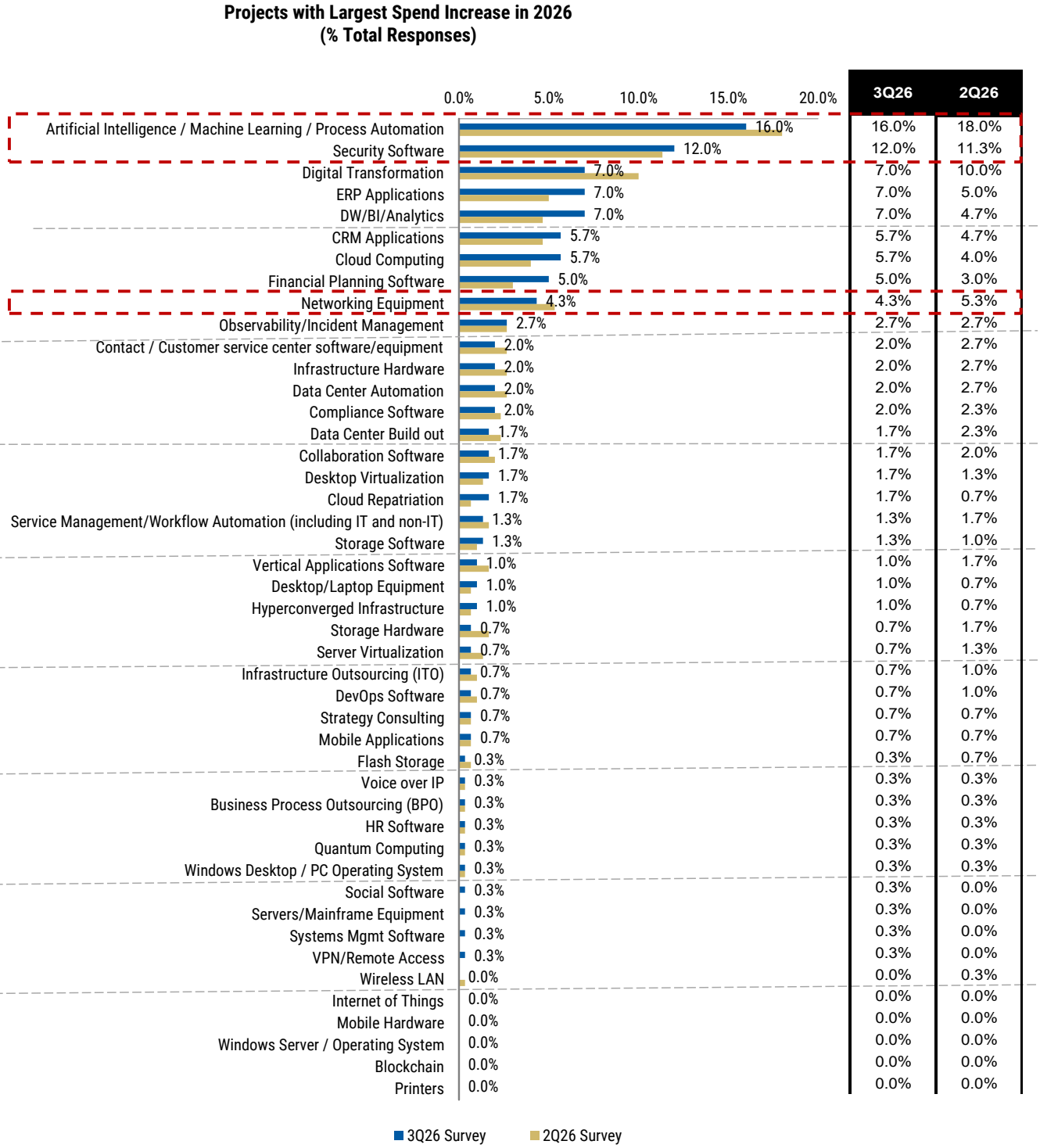
Exhibit 7: Budget Revision Up-to-Down Ratio Falls to 0.8x from 1.2x as Upside Expectations Ease



Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data)

Which three External IT Spending projects will see the largest percentage increase in spending in 2026?

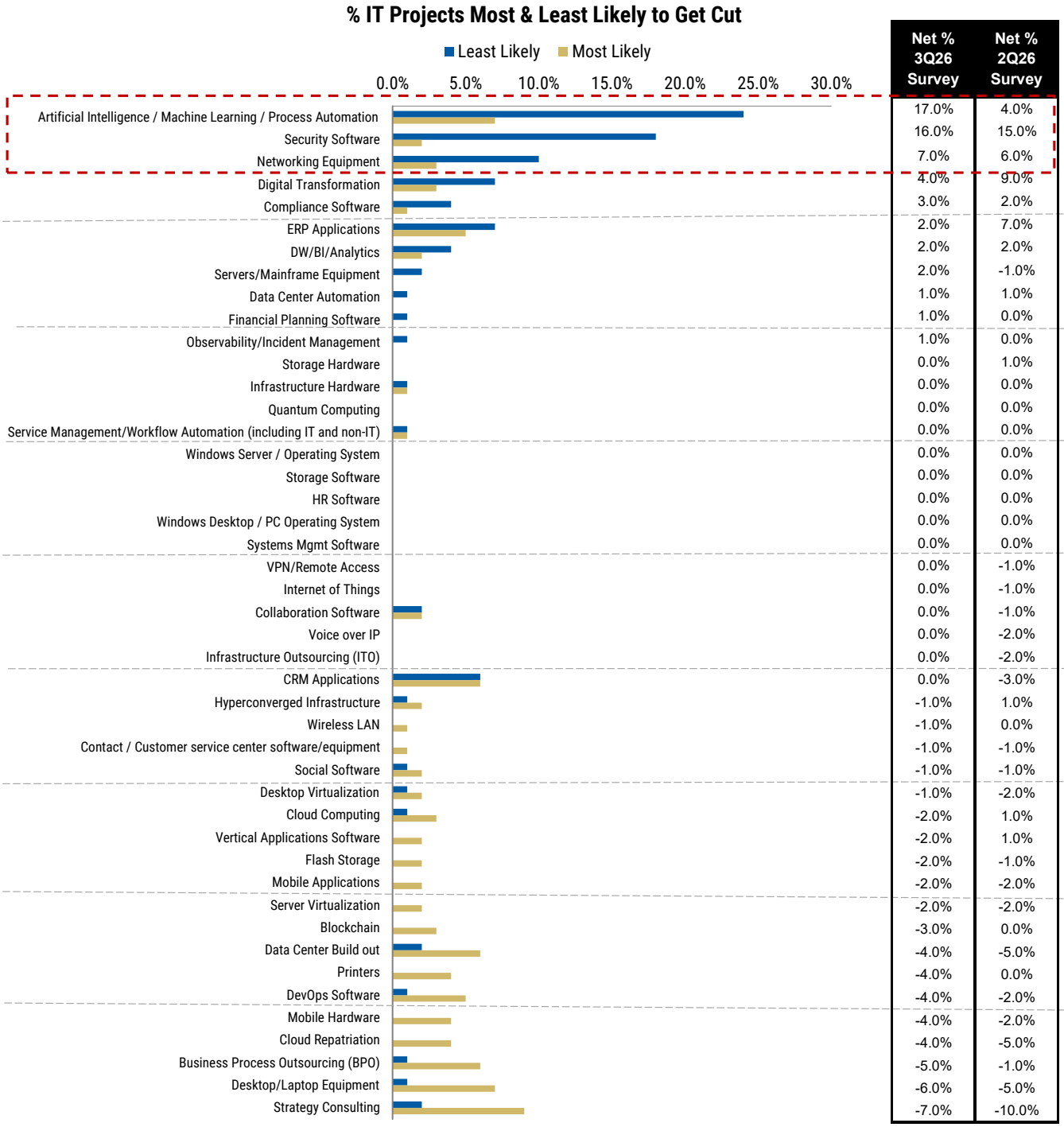
Exhibit 8: Networking Equipment Falls to 9th in Spending Prioritization, from 4th in 2Q26



Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data).

If the economy worsens significantly in 2026, what spending project is most likely to get cut? What spending project is least likely to get cut?

Exhibit 9: Networking Equipment Ranks 3rd in Defensibility, Up from 4th in 2Q26



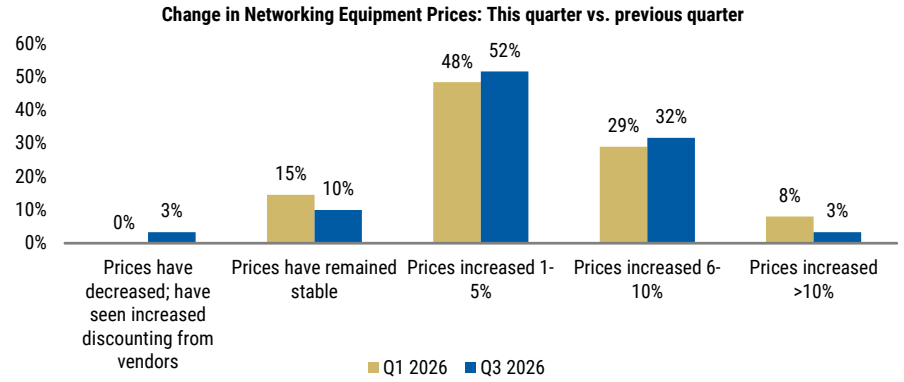
	Net % 3Q26 Survey	Net % 2Q26 Survey
Artificial Intelligence / Machine Learning / Process Automation	17.0%	4.0%
Security Software	16.0%	15.0%
Networking Equipment	7.0%	6.0%
Digital Transformation	4.0%	9.0%
Compliance Software	3.0%	2.0%
ERP Applications	2.0%	7.0%
DW/BI/Analytics	2.0%	2.0%
Servers/Mainframe Equipment	2.0%	-1.0%
Data Center Automation	1.0%	1.0%
Financial Planning Software	1.0%	0.0%
Observability/Incident Management	1.0%	0.0%
Storage Hardware	0.0%	1.0%
Infrastructure Hardware	0.0%	0.0%
Quantum Computing	0.0%	0.0%
Service Management/Workflow Automation (including IT and non-IT)	0.0%	0.0%
Windows Server / Operating System	0.0%	0.0%
Storage Software	0.0%	0.0%
HR Software	0.0%	0.0%
Windows Desktop / PC Operating System	0.0%	0.0%
Systems Mgmt Software	0.0%	0.0%
VPN/Remote Access	0.0%	-1.0%
Internet of Things	0.0%	-1.0%
Collaboration Software	0.0%	-1.0%
Voice over IP	0.0%	-2.0%
Infrastructure Outsourcing (ITO)	0.0%	-2.0%
CRM Applications	0.0%	-3.0%
Hyperconverged Infrastructure	-1.0%	1.0%
Wireless LAN	-1.0%	0.0%
Contact / Customer service center software/equipment	-1.0%	-1.0%
Social Software	-1.0%	-1.0%
Desktop Virtualization	-1.0%	-2.0%
Cloud Computing	-2.0%	1.0%
Vertical Applications Software	-2.0%	1.0%
Flash Storage	-2.0%	-1.0%
Mobile Applications	-2.0%	-2.0%
Server Virtualization	-2.0%	-2.0%
Blockchain	-3.0%	0.0%
Data Center Build out	-4.0%	-5.0%
Printers	-4.0%	0.0%
DevOps Software	-4.0%	-2.0%
Mobile Hardware	-4.0%	-2.0%
Cloud Repatriation	-4.0%	-5.0%
Business Process Outsourcing (BPO)	-5.0%	-1.0%
Desktop/Laptop Equipment	-6.0%	-5.0%
Strategy Consulting	-7.0%	-10.0%

Source: AlphaWise, Morgan Stanley Research. n=100 (US and EU data)

Higher Prices Influence Purchase Timing

How have networking equipment prices changed from vendors in 3Q26 compared to 2Q26 (e.g. due to component or memory cost inflation)? Please consider the net prices (after discounts) when responding

Exhibit 10: Networking Price Increases Remain Widespread

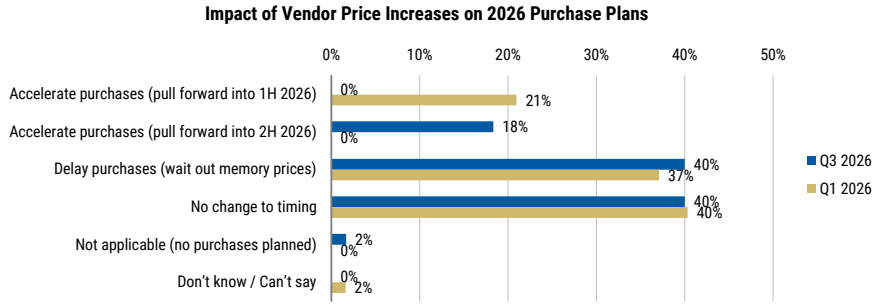


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data).

- **Most CIOs continue to report higher networking equipment prices.** 87% of CIO's report an increase from the preceding quarter, compared with 85% in the 1Q26 survey. Among all respondents, 52% report increases of 1-5% and 32% report increases of 6-10%.
- **Large price increases become less common.** 3% of CIOs report increases above 10%, down from 8% in 1Q26. Another 10% report stable prices and 3% report declines, suggesting more modest increases account for most of the current pricing pressure.

If vendors raise prices for networking / firewall equipment during next 3 months, how will that impact your 2026 purchasing plans?

Exhibit 11: Further Price Increases Unlikely to Drive Meaningful Pull-Forward



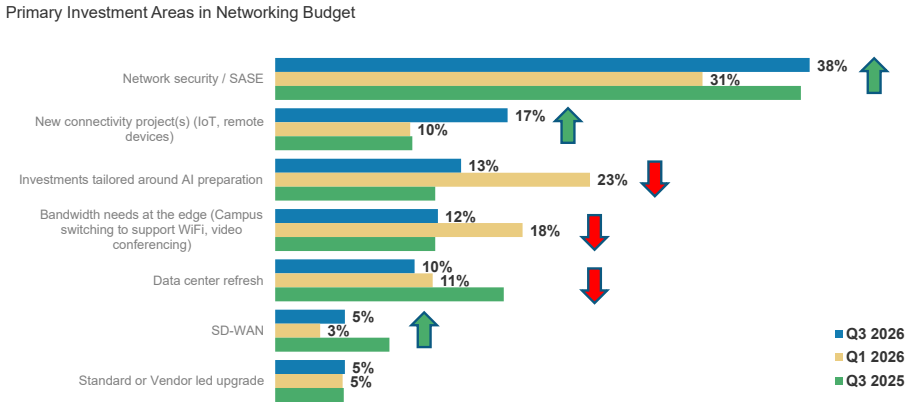
Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data).

- **CIOs show different responses to prospective price increases.** 40% would maintain their 2026 purchase schedules, while another 40% would delay purchases to wait for memory prices to improve. Deferral intentions rise from 37% in 1Q26.
- **Some customers would accelerate purchases instead.** 18% of CIOs would bring purchases forward into 2H26. Overall, further price increases could affect order timing in both directions, with more respondents considering deferrals than acceleration.

Security Remains the Top Networking Priority

What investment area is primarily driving your current networking spend / budget?

Exhibit 12: Network Security/SASE Leads Current Networking Budgets at 38%, Up from 31%

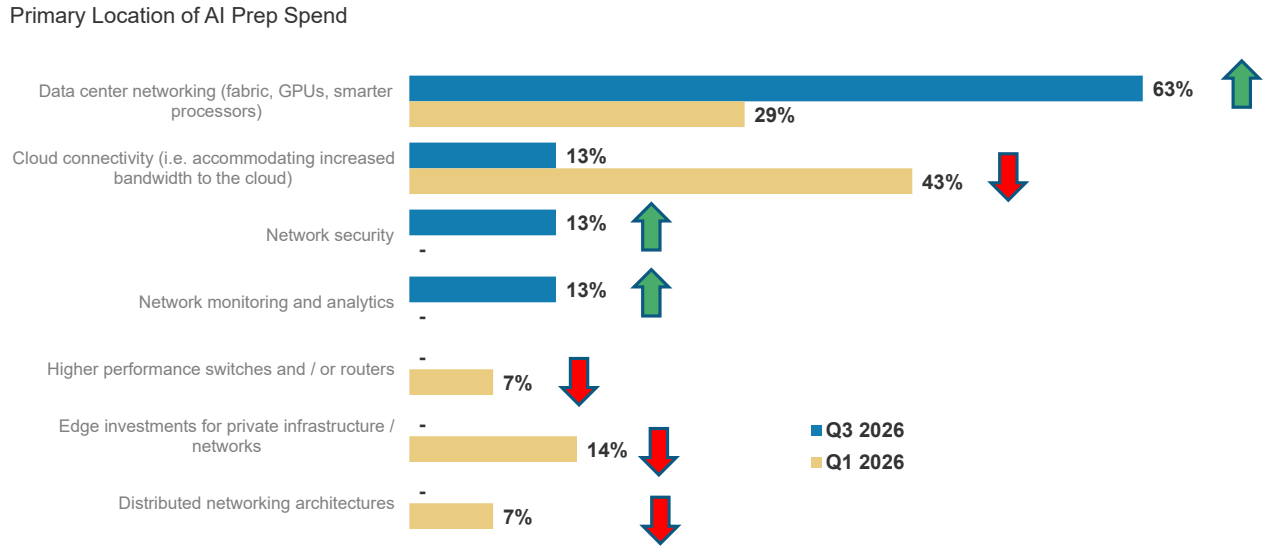


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data).

- **Network security/SASE remains the primary budget driver for 38% of CIOs, up from 31%.** New connectivity projects follow at 17%, up from 10%. Greater emphasis on network security supports the opportunity for CSCO, PANW and FTNT.
- **AI preparation and infrastructure upgrades remain relevant, though priorities shift.** 13% of CIOs identify AI preparation as their main networking investment area, versus 23% previously. Edge bandwidth needs account for 12% of respondents, and data center refresh accounts for 10%. These figures measure primary priorities, not spending allocations.

You noted investments tailored around AI preparation, what segment of networking is this primarily accruing to? Are your 2026 networking investments tailored around AI preparation funded through net-new IT budget dollars or a reallocation of budgets?

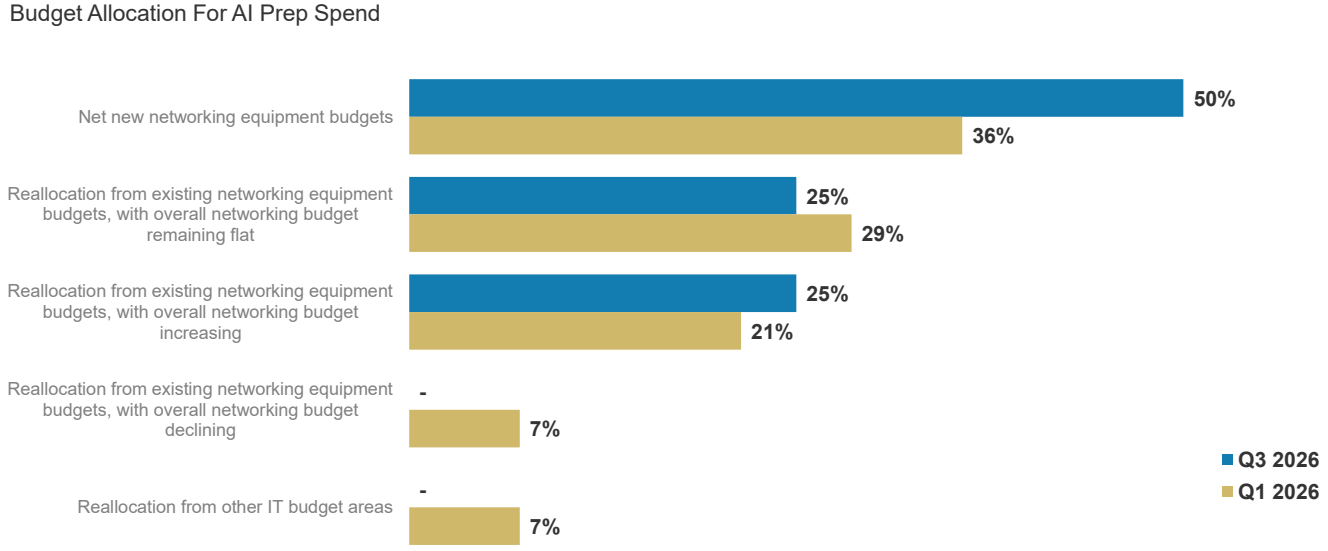
Exhibit 13: Data Center Networking Is the Main AI-Preparation Priority for 63% of a Small Respondent Group...



Source: AlphaWise, Morgan Stanley Research. n=8 (US and EU data). We note low sample size in this question.

- **Data center networking attracts the greatest focus among CIOs prioritizing AI preparation.** Five of eight respondents, or 63%, select that area, compared with 29% in 1Q26. Cloud connectivity, network security and network monitoring each receive one response.
- **AI-related investment remains relevant to CSCO and ANET.** However, the subgroup includes eight CIOs versus 14 previously. We treat its responses as directional evidence of where AI preparation drives investment, rather than a measure of total enterprise networking demand.

Exhibit 14: ...While Half Cite Net-New Networking Equipment Budgets



Source: AlphaWise, Morgan Stanley Research. n=8 (US and EU data). We note low sample size in this question.

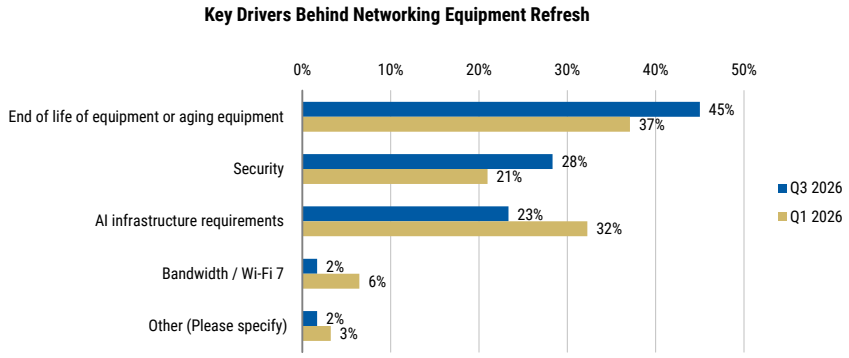
- **Half of the CIOs prioritizing AI preparation use net-new networking budgets.** Four of eight respondents select new funding,

compared with 36% in 1Q26. Another 25% reallocate within flat networking budgets, while 25% reallocate within growing networking budgets.

- **New funding supports an incremental networking opportunity.** None of these respondents cite reallocations from other IT areas or declining networking budgets. Results are encouraging for AI-related demand, although the small sample limits extrapolation.

What is the primary driver of your networking equipment upgrades?

Exhibit 15: Aging Equipment and Security Lead Refresh Priorities

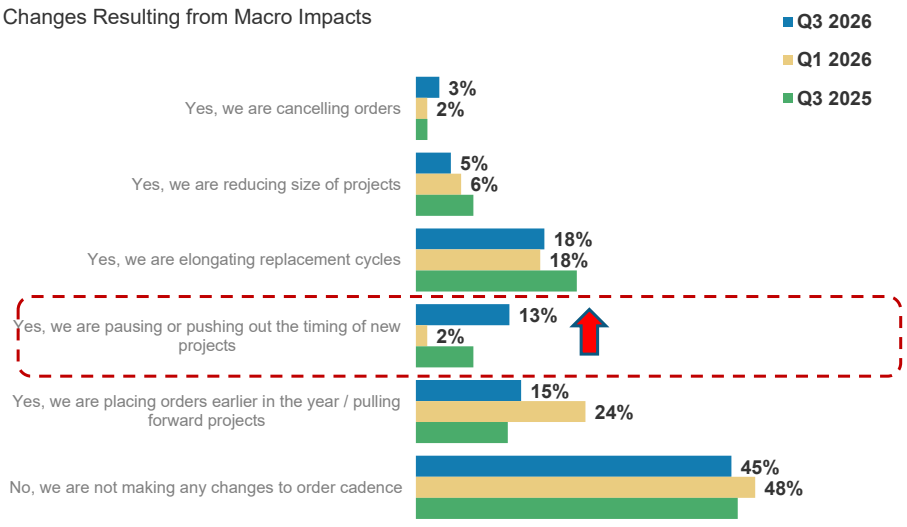


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data).

- **Replacement needs remain the main driver of networking upgrades.** 45% of CIOs cite aging or end-of-life equipment, up from 37% in 1Q26. Security gains to 28% of respondents from 21%, supporting continued modernization demand.
- **AI infrastructure remains a meaningful upgrade driver.** 23% of CIOs select AI requirements, compared with 32% previously. Replacement, security and AI together continue to account for the large majority of respondents' primary upgrade motivations.

Within Networking Equipment, are you reacting to the macro environment via the following actions?

Exhibit 16: Project Delays Increase to 13% from 2%, While Pull-Forward Activity Moderates

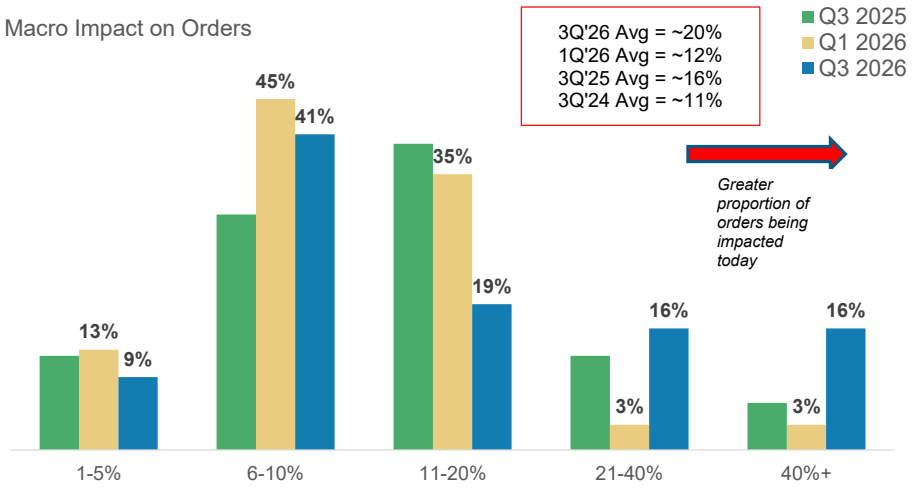


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data).

- **Many CIOs maintain order schedules, while some defer investment.** 45% report no change to order cadence. An aggregate 37% reduce project sizes, extend replacement cycles or delay new projects, compared with 26% in 1Q26.
- Project delays account for most of the increase in spending restraint. 13% of CIOs pause or push out new projects, versus 2% previously. Cancellations remain limited at 3%, while 18% extend replacement cycles, broadly unchanged.
- Fewer CIOs accelerate orders than in the prior survey. 15% bring purchases forward, versus 24% in 1Q26. Results suggest a greater influence from project timing, even as campus spending and replacement needs continue to support demand.

If you answered yes to the question above, what percent of your orders are impacted?

Exhibit 17: Average Share of Orders Affected by Macro Rises to 20% from 12%

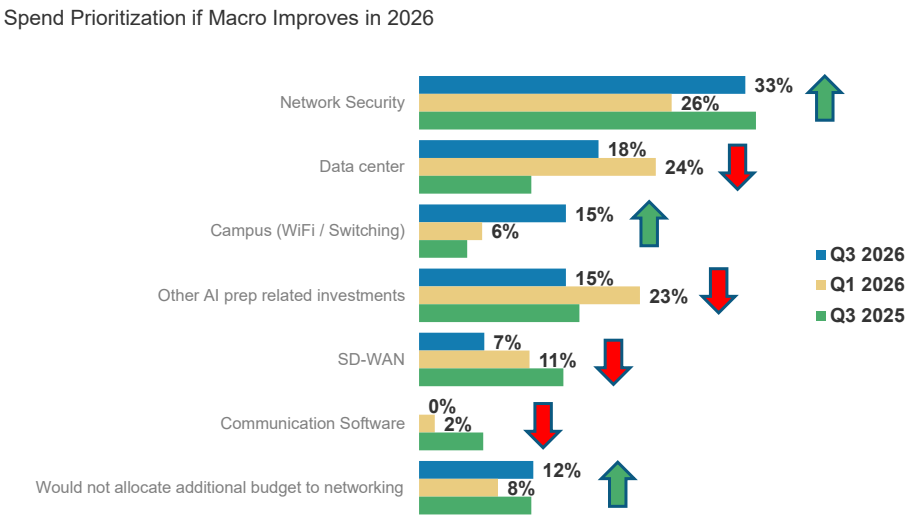


Source: AlphaWise, Morgan Stanley Research. n=32 (US and EU data)

- **CIOs changing their order plans report a broader macro impact.** Across this 32-respondent subgroup, macro-related changes affect approximately 20% of orders on average, compared with 12% in 1Q26. Responses include accelerated purchases as well as delays and reductions, so the measure does not represent lost demand.

If the macro environment were to improve into 2026, which segment of networking equipment would you prioritize spend within?

Exhibit 18: Network Security Remains the Leading Incremental Budget Priority, While Campus Gains Ground



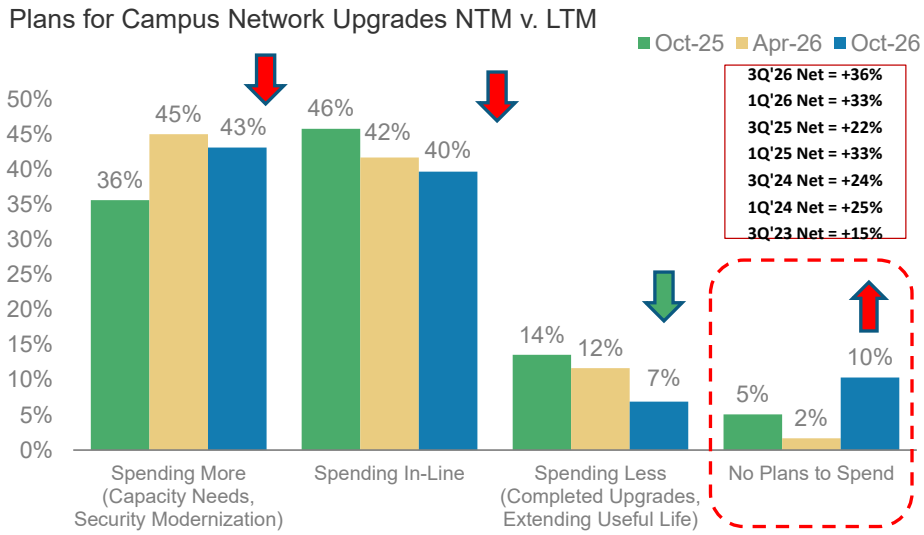
Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Network security remains the first priority for additional networking investment.** 33% of CIOs would direct incremental spending toward security if macro conditions improve, up from 26%. Campus WiFi and switching increase to 15% of respondents from 6%, supporting CSCO's campus opportunity.
- Data center investment remains the second-highest priority. 18% of CIOs select data centers, versus 24% previously. Another 15% prioritize other AI preparation and 7% select SD-WAN. Continued interest across these areas supports investment opportunities despite a more selective mix.

Campus Intentions Improve, but Spending Becomes More Polarized

Which of the following statements best describes your company's spending plans for campus networking upgrades over the next twelve months?

Exhibit 19: Campus Upgrade Net Intentions Rise to +36% from +33%, While No-Spend Responses Reach 10%

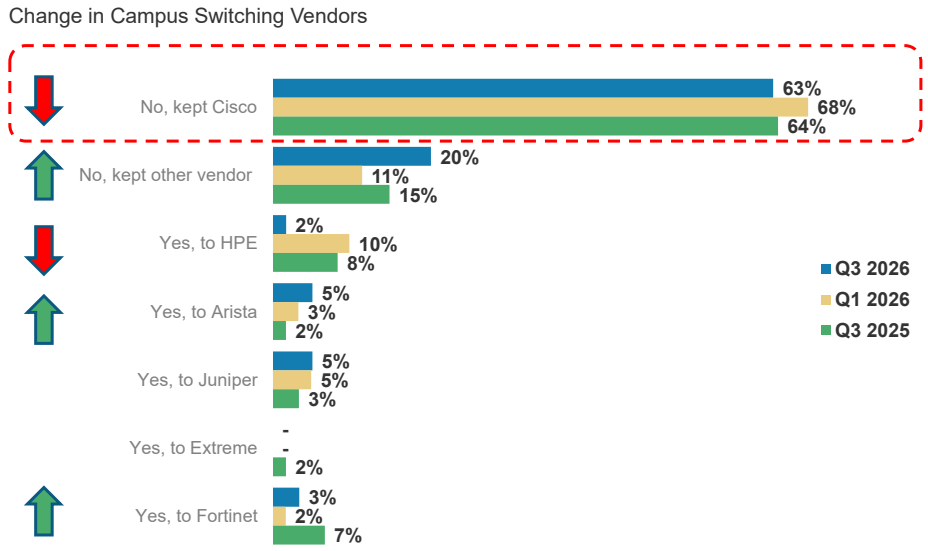


Source: AlphaWise, Morgan Stanley Research. n=58 (US and EU data)

- **Campus upgrade intentions improve modestly on a net basis.** 43% of CIOs plan to spend more over the next 12 months, versus 7% planning to spend less. Together, those responses produce a +36% net score, compared with +33% in 1Q26 and +22% in 3Q25.
- **Fewer planned reductions drive the improvement.** 7% of CIOs plan lower spending, compared with 12% previously, while 43% plan increases versus 45%. Another 40% expect spending in line with the prior year, and 10% plan no spending, up from 2%.
- **Campus refresh remains supportive for networking vendors.** Positive net intentions indicate continued demand, particularly for CSCO given its installed presence in the survey. Higher no-spend responses suggest that the improvement does not extend to every customer.

Did you switch campus switching vendors when you last upgraded or are you planning to change in the future?

Exhibit 20: Cisco Remains the Most Commonly Retained Campus Vendor at 63%, Down from 68%



Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

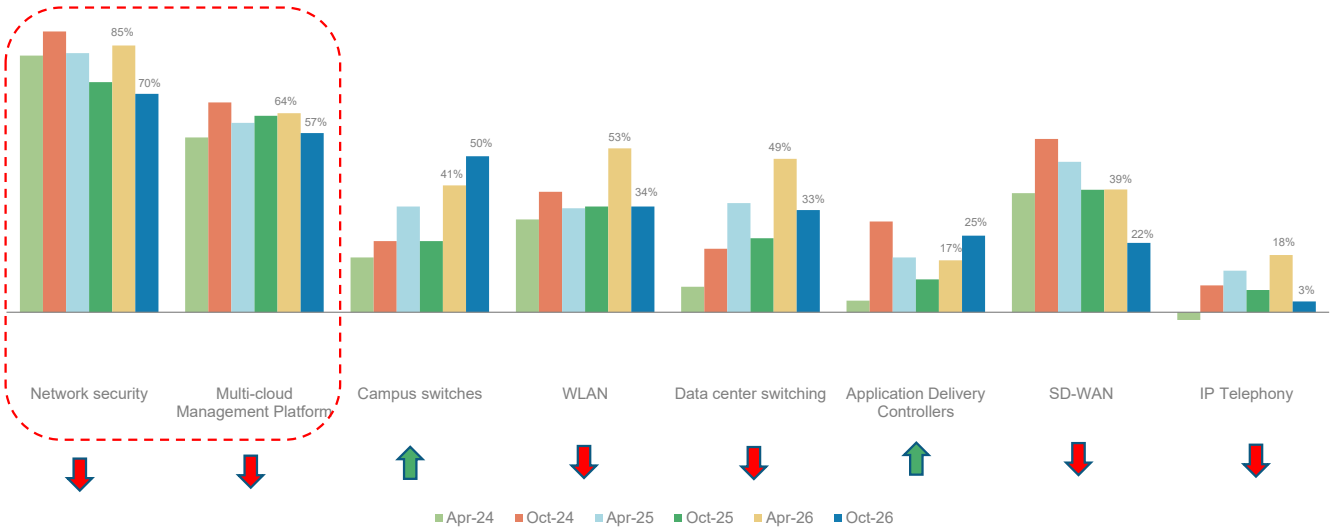
- **Cisco remains the most commonly retained campus vendor.** 63% of all respondents kept or plan to keep Cisco, versus 68% in 1Q26. Another 20% retain a different incumbent, taking overall vendor continuity to 83% from 79%.
- **Arista attracts modestly greater campus interest.** 5% of CIOs report switching or planning to switch to Arista, compared with 3% previously. Fortinet reaches 3% from 2%. Small response counts warrant caution, while the high overall retention rate supports incumbent stability.

Security and Multi-Cloud Still Lead; Campus Switching and ADC Intentions Improve

Over the next 12 months, what are your company's spending plans for each of the following areas within communications equipment/data networking?

Exhibit 21: Campus Switching and ADC Intentions Improve; Security Still Leads Despite Moderation

Expected Spending NTM (Net % of Respondents Reporting Increases)



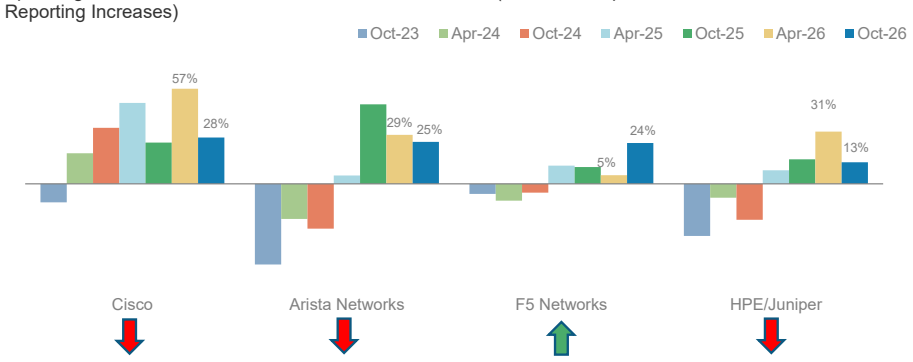
Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Security and multi-cloud management retain the strongest spending intentions.** Net scores among customers reach +70% for network security and +57% for multi-cloud management, compared with +85% and +64%. More customers still plan increases than reductions in both categories.
- Campus switching and ADCs improve sequentially. Customer net spend intentions rise to +50% from +41% for campus switching and to +25% from +17% for ADCs. Both categories provide positive signals for refresh and application-delivery demand.
- Other networking categories remain net positive at lower levels. Data center switching reaches +33% versus +49%, WLAN reaches +34% versus +53%, and SD-WAN reaches +22% versus +39%. Results point to continued investment, with less broad-based momentum than in 1Q26.

Over the next three years, does your company expect to spend more, less, or the same with the following vendors?

Exhibit 22: F5 Net Spend Intentions Rise to +24%, While Cisco and Arista Moderate to +28% and +25%

Spending More/Less/Same with Vendor Over Next 3 Years (Net % of Respondents Reporting Increases)

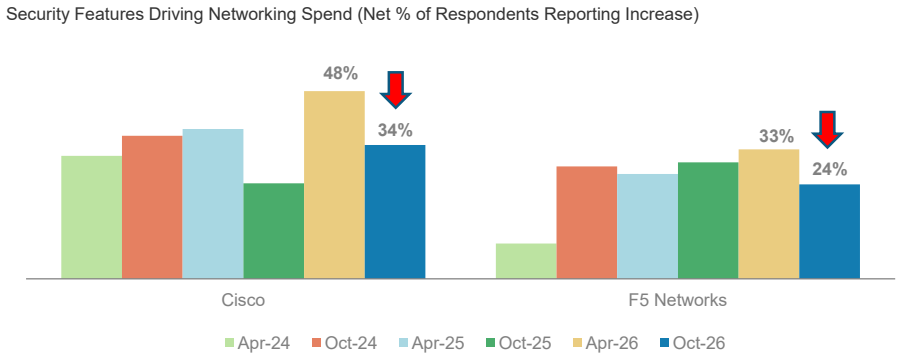


Source: AlphaWise, Morgan Stanley Research. n=58 (US and EU data)

- **Sample sizes differ materially by vendor.** All 58 respondents to this question buy from Cisco, versus 20 for Arista, 37 for F5 and 39 for HPE/Juniper. Vendor net scores exclude respondents who do not purchase from that vendor.
- Cisco retains the highest three-year net score at +28%, but declines from +57% in 1Q26. Arista moderates to +25% from +29%, and HPE/Juniper to +13% from +31%. All remain net positive, but improvement is not broad-based.
- F5 improves to +24% from +5%, with 12 of 37 customers planning to spend more, three planning to spend less, and 22 expecting unchanged spending. F5 posts the strongest sequential improvement among the vendors shown, although it is still based on a limited customer sample.

For each vendor, are security features influencing your spending plans?

Exhibit 23: Security-Driven Spending Intentions Moderate to +34% for Cisco and +24% for F5



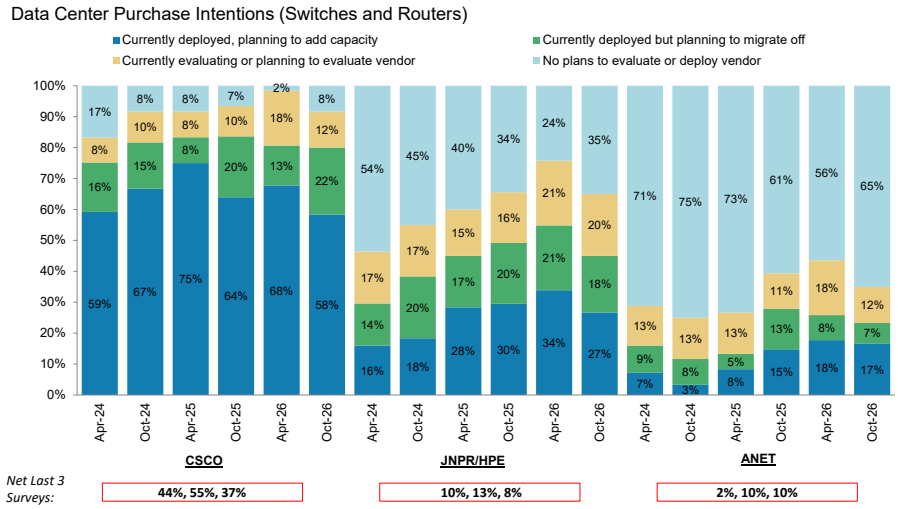
Source: AlphaWise, Morgan Stanley Research. n=58 (US and EU data)

- **Security features remain a positive influence on spending with both vendors.** Cisco's customer net score reaches +34%, compared with +48% in 1Q26, while F5 reaches +24% from +33%. Both readings remain positive, although security contributes less incremental purchasing intent than in the prior survey.

Over the next twelve months, what is your company's spending plan for data center equipment (i.e., switch or router) from each of the following vendors?



Exhibit 24: Data Center Purchase Intentions Remain Most Positive For CSCO, Although Weakened Sequentially

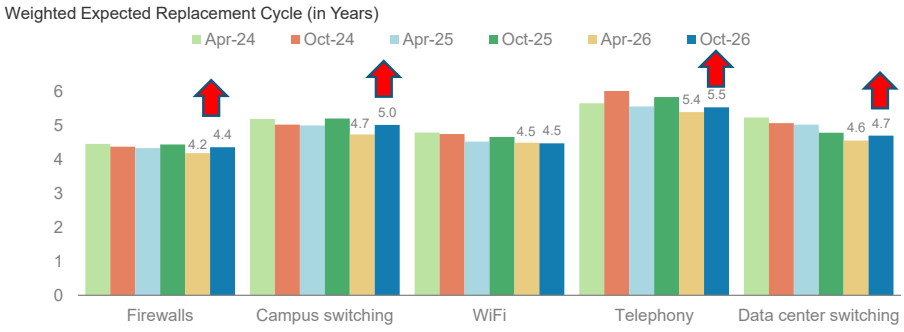


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Cisco retains the strongest capacity-addition plans within the sample.** 58% of all CIOs currently use Cisco and plan to add data center capacity, versus 22% planning to migrate away. Its net expansion score reaches +37%, below +55% in 1Q26.
- **Arista's net expansion score remains +10%.** 17% of respondents plan Arista capacity additions, while 7% plan to migrate away. Another 12% evaluate or plan to evaluate Arista, compared with 18% previously, indicating steady net expansion intentions but lower evaluation interest.
- **HPE/Juniper also retains a positive net expansion score.** 27% of CIOs plan additions and 18% plan migrations, producing an approximately +8% net score from +13%. These results describe enterprise plans within the survey, rather than market share.
-

Thinking about your company, what is the average replacement cycle for the following networking equipment?

Exhibit 25: Networking Refresh Cycles Extend Modestly, While WiFi Holds Steady



Source: AlphaWise, Morgan Stanley Research. n=62 (US and EU data)

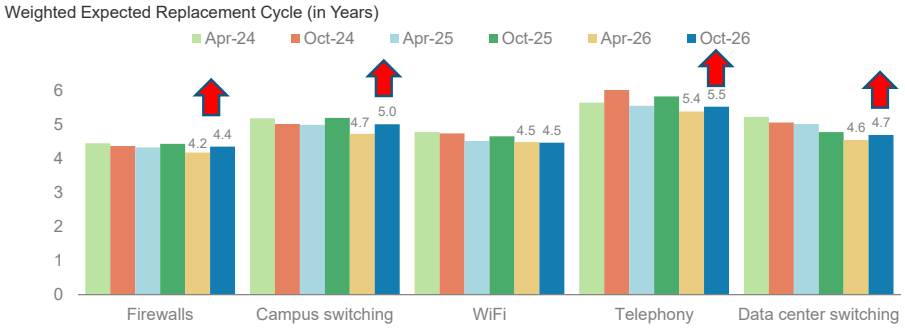
- **CIOs expect modestly longer replacement cycles for switching equipment.**

Average campus switching cycles rise to 5.0 years from 4.7, while data center switching increases to 4.7 years from 4.6. Longer cycles may spread refresh purchases over a wider period despite positive spending intentions.

- **Firewall replacement cycles also lengthen, while WiFi remains stable.** CIOs report an average 4.4-year cycle for firewalls, compared with 4.2 years previously. WiFi remains approximately 4.5 years, providing a more stable refresh cadence.

How do you expect the amount of workload repatriation from public cloud to on-premise to change in 2026 vs. 2025?

Exhibit 26: All Networking Equipment Except WiFi Saw Lengthening Replacement Cycle Trends

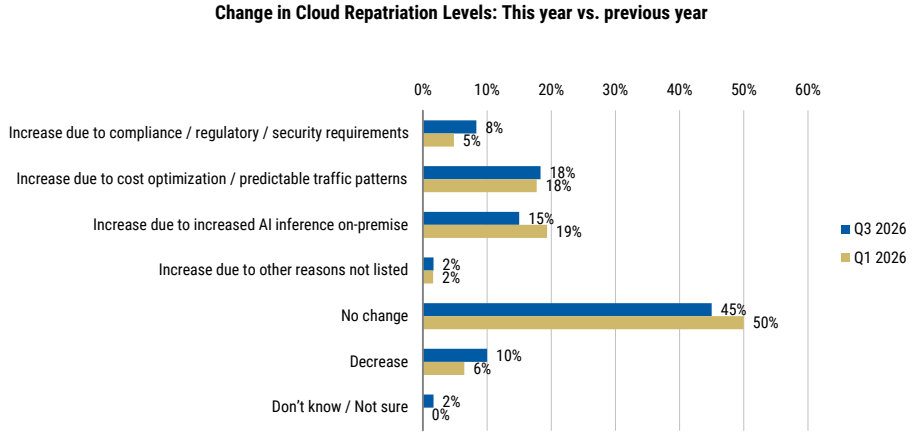


Source: AlphaWise, Morgan Stanley Research. n=62 (US and EU data)

- **CIOs extend expected replacement cycles for campus switching, data center switching and firewalls.** Average cycles reach 5.0, 4.7 and 4.4 years, respectively. WiFi remains approximately 4.5 years, indicating that refresh timing varies by product category.

How do you expect the amount of workload repatriation from public cloud to on-premise to change in 2026 vs. 2025?

Exhibit 27: Cloud Repatriation Remains Broadly Stable, with Cost Optimization and AI Inference Driving Increased Activity



Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

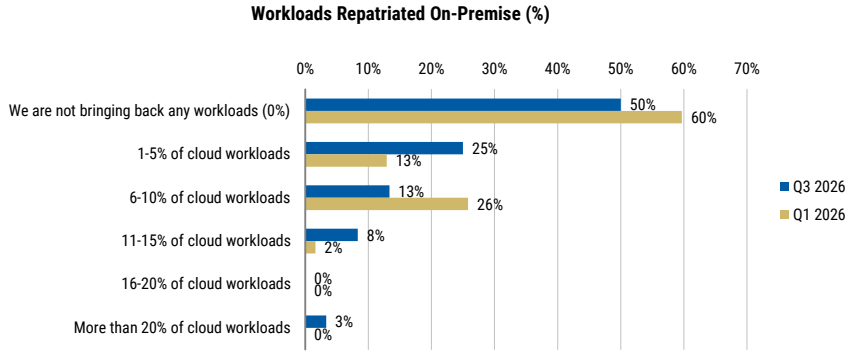
- **CIOs continue to identify reasons to bring workloads back on-premise.** An

aggregate 43% expect increased repatriation, broadly consistent with 44% in 1Q26. Another 45% expect no change in repatriation levels, and 10% expect a decrease.

- **Cost optimization remains the most common reason for increased repatriation.** 18% of all respondents cite cost or predictable traffic patterns, while 15% cite on-premise AI inference and 8% cite compliance, regulation or security. Results support targeted on-premise investment rather than a broad reversal of cloud adoption.

What % of your workloads are you bringing back on-premise?

Exhibit 28: Half of CIOs Are Not Repatriating Cloud Workloads, While Most Repatriation Remains Limited to 10% or Less



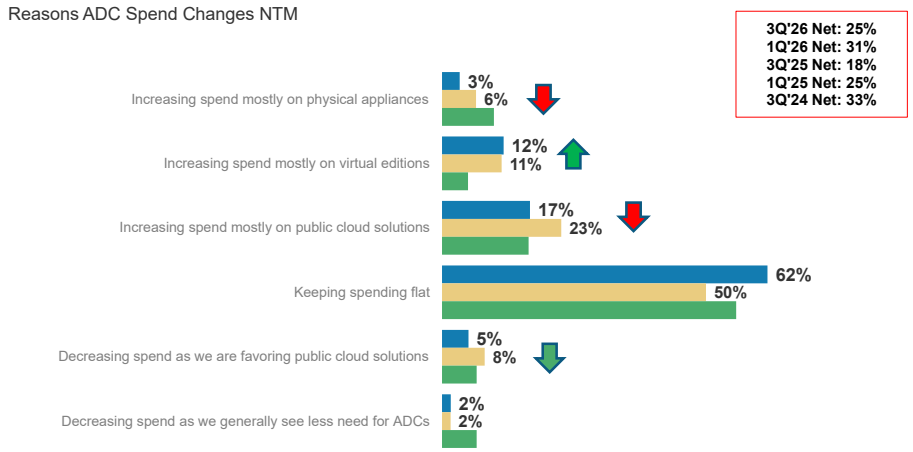
Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **More CIOs report bringing at least some cloud workloads back on-premise.** Half of respondents repatriate workloads, compared with 40% in 1Q26. Among all CIOs, 25% bring back 1-5% of cloud workloads, up from 13%.
- **Most respondents keep repatriation volumes modest.** 12% of all CIOs bring back more than 10% of cloud workloads, while half bring back none. Broader participation provides incremental on-premise opportunities without indicating a wholesale change in cloud strategy.

ADC Intentions Remain Positive, with Stronger Preference for Traditional Vendors

If you plan on altering your company's spending plans on Application Delivery Controllers (ADC) over the next-twelve months, where is this spend primarily altering?

Exhibit 29: ADC Deployment-Mix Net Intentions Ease to +25%, with 62% Planning Flat Spending

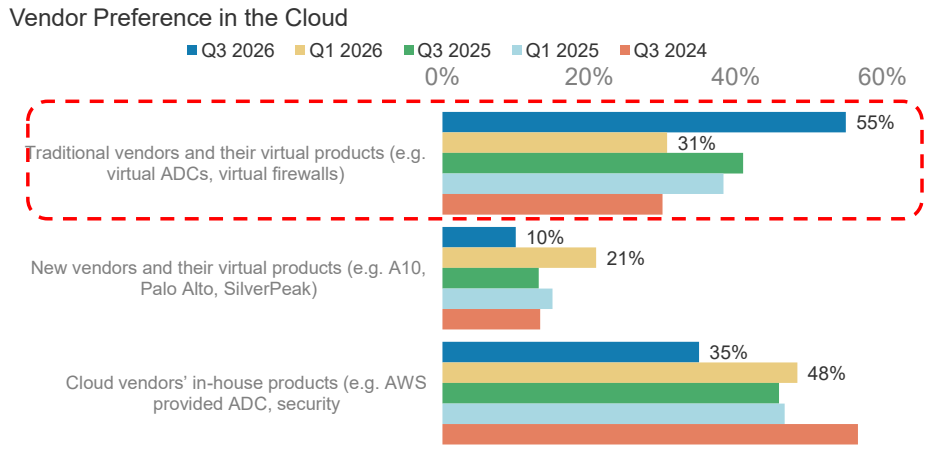


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **More CIOs plan ADC spending increases than reductions.** In this question, 32% plan to increase spending, 62% expect no change and 7% plan reductions. Net intentions of +25% moderate from +31% in 1Q26 but remain above +18% in 3Q25.
- **Cloud and virtual deployments account for most planned increases.** 17% of all respondents plan higher spending mainly on public-cloud solutions, 12% on virtual editions and 3% on physical appliances. Unlike the broader category question, this question identifies the deployment choices behind spending changes. ADC net intentions improve in the broader question.

As you begin cloud transitions, which type of vendors and products are you typically looking at for ADC/load balancing and application security needs?

Exhibit 30: Traditional Vendors Gain Preference, Supporting F5



Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

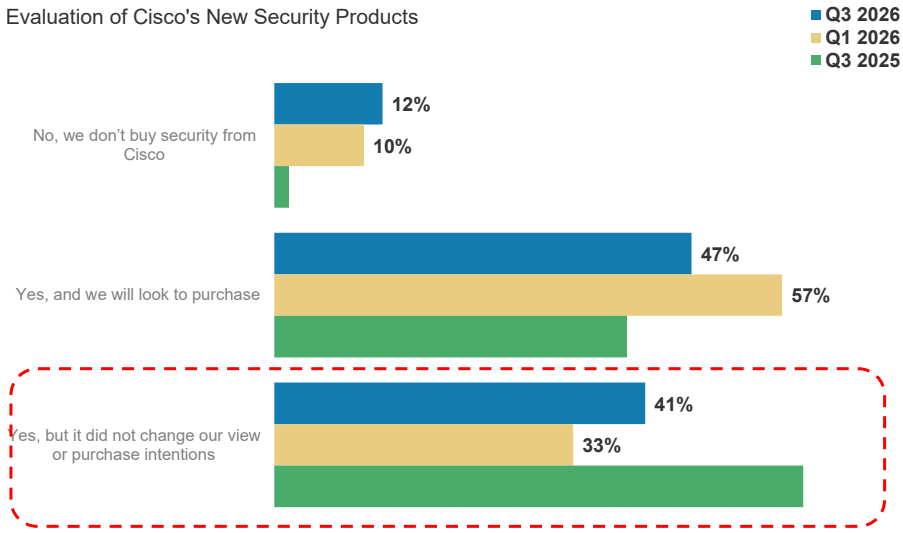
- **CIOs increasingly favor traditional vendors for ADC and application-security needs.** 55% consider traditional vendors and their virtual products during cloud transitions, up from 31% in 1Q26. Greater traditional-vendor preference supports FFIV's opportunity in hybrid environments.
- **Preference shifts away from cloud providers' in-house offerings.** 35% of CIOs

favor those products, compared with 48% previously, while 10% favor new vendors versus 21%. Traditional suppliers gain relative consideration, though the survey does not measure subsequent purchasing.

Vendor Specific Results

Have you evaluated any of Cisco's new security products?

Exhibit 31: Spending intentions around CSCO Security products ticked down

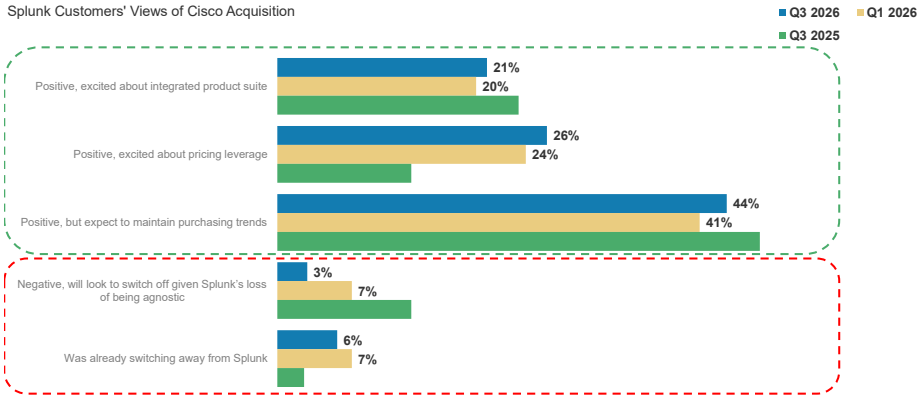


Source: AlphaWise, Morgan Stanley Research. n=58 (US and EU data)

- **Nearly half of respondents express purchase interest after evaluating new Cisco security products.** 47% intend to purchase, compared with 57% in 1Q26. Purchase interest remains supportive, although fewer respondents plan to buy than in the prior survey.
- **Other CIOs maintain their existing views and purchase plans.** 41% have evaluated the products without changing their intentions, versus 33% previously, and 12% do not buy security from Cisco. Continued evaluation provides an opportunity for Cisco to develop additional demand.

Are you a Splunk customer? If yes, what is your view of the Cisco acquisition?

Exhibit 32: Results on CSCO / Splunk Remain Positive, But CIOs Largely Not Changing Purchasing As A Result

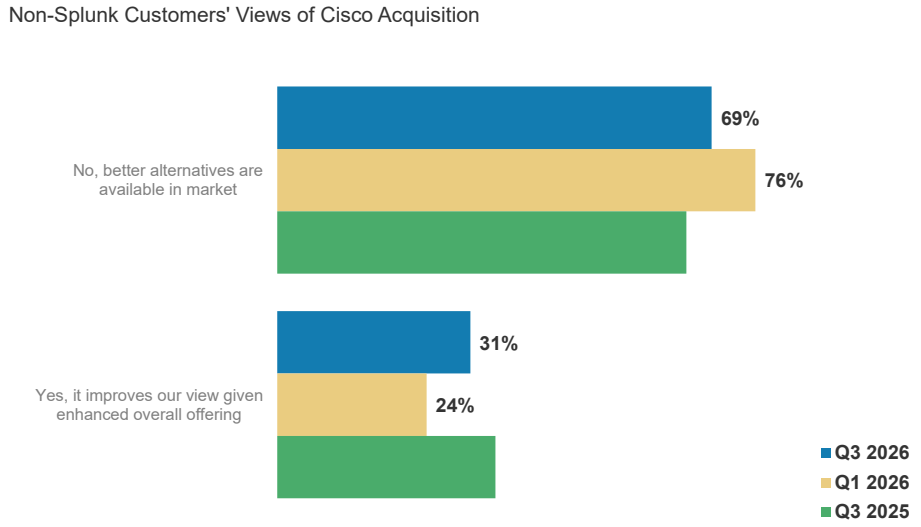


Source: AlphaWise, Morgan Stanley Research. n=34 (US and EU data)

- **Most Splunk customers continue to view Cisco's acquisition positively.** 44% of Splunk respondents are positive but expect to maintain purchasing trends, while 21% cite the integrated product suite and 26% cite pricing leverage as reasons for a positive view.
- **Fewer Splunk customers intend to move away.** 9% of Splunk respondents plan to leave because of the acquisition or had already planned to switch, compared with 15% in 1Q26. Lower exit intentions support a more favorable retention outlook for CSCO.

You said you are not a Splunk customer. Does the Cisco acquisition change your view?

Exhibit 33: Non-Splunk Customers Are More Receptive To the Acquisition

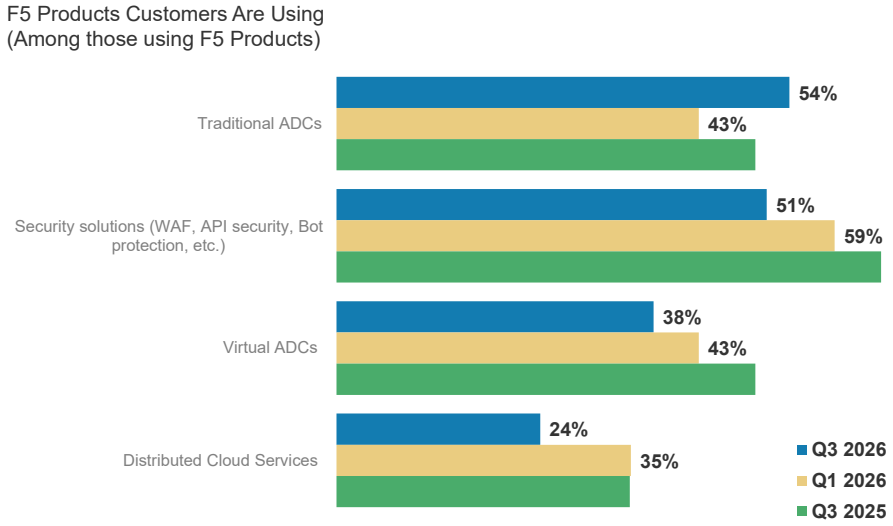


Source: AlphaWise, Morgan Stanley Research. n=26 (US and EU data)

- **More non-Splunk customers view the combined offering positively.** 31% of respondents indicate the enhanced offering improves their view, compared with 24% in 1Q26. Another 69% still see better alternatives, down from 76%, indicating incremental progress alongside a continued competitive opportunity for Cisco.

What products are you buying from F5?

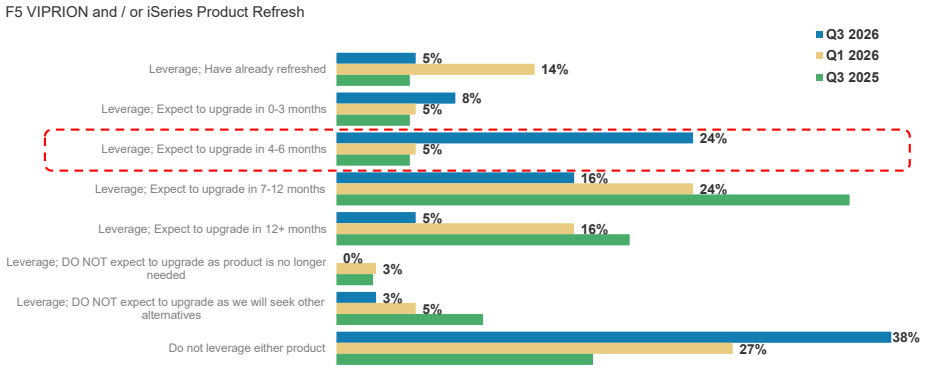
Exhibit 34: Traditional ADC Usage Rises Among F5 Customers[



Source: AlphaWise, Morgan Stanley Research. n=37 (US and EU data)

- **Traditional ADCs become the most commonly used F5 product in the sample.** 54% of F5 customers use traditional ADCs, up from 43% in 1Q26. Security solutions remain prevalent at 51% of F5 customers, compared with 59% previously.
- **F5 retains a broader software and cloud footprint, though usage moderates.** 38% of F5 customers use virtual ADCs, versus 43%, and 24% use Distributed Cloud Services, versus 35%. Traditional ADC usage provides the clearest product-level improvement this wave.

Exhibit 35: Upcoming Refresh in 4-6 Months



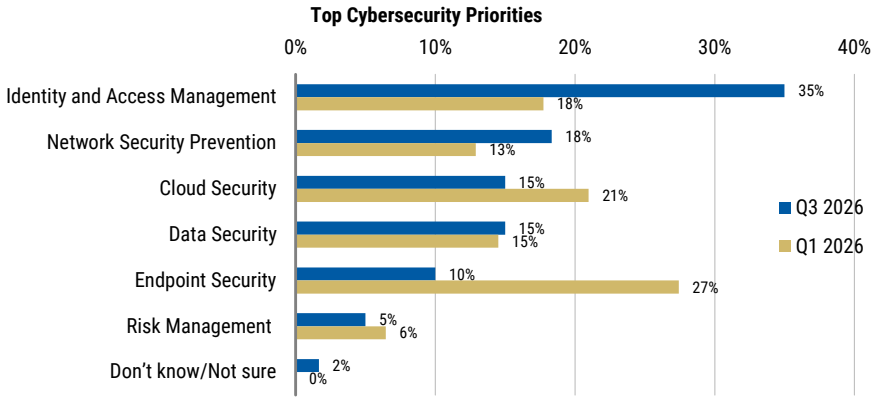
Source: AlphaWise, Morgan Stanley Research. n=37 (US and EU data)

- **Nearly half of F5 customers expect a VIPRION or iSeries upgrade within 12 months.** Eighteen of 37 customers, or 49%, plan a refresh, compared with 35% in 1Q26. Among all F5 respondents, 8% target 0-3 months, 24% target 4-6 months and 16% target 7-12 months.
- **F5 customers most often target upgrades in 4-6 months.** 5% of F5 respondents have already refreshed, while 38% use neither VIPRION nor iSeries. Upgrade timing supports an ongoing refresh opportunity. Percentages cover all F5 respondents, including customers who use neither product.

Identity Gains Priority Within Cybersecurity

What is your current cyber security priority?

Exhibit 36: Identity Leads Cybersecurity Priorities, with Network Security Gaining

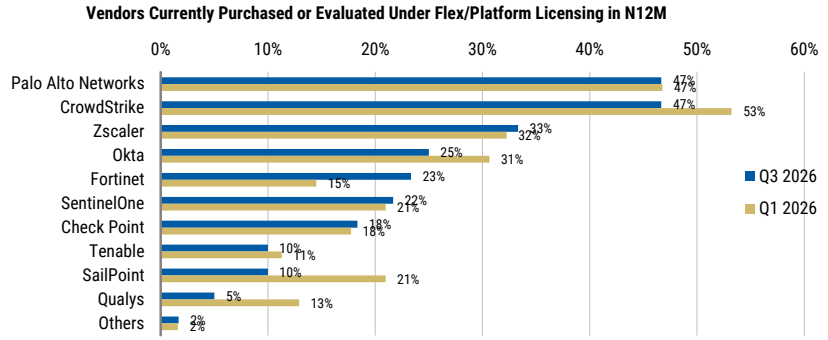


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Identity and access management becomes the leading cyber priority.** 35% of CIOs select identity, up from 18% in 1Q26. Network security prevention rises to 18% of respondents from 13%, indicating greater attention to both areas.
- **Other security needs remain relevant as relative priorities shift.** Data security holds at 15% of CIOs, while cloud security moderates to 15% from 21% and endpoint security to 10% from 27%. These responses identify the primary priority, not the growth rate of each security budget.

Which of the following vendors do you currently purchase under a platform/bundle or flexible/credit-based ("Flex") licensing model, or are you actively evaluating such options within the next 12 months?

Exhibit 37: PANW and CRWD Lead Platform Interest, While FTNT Improves

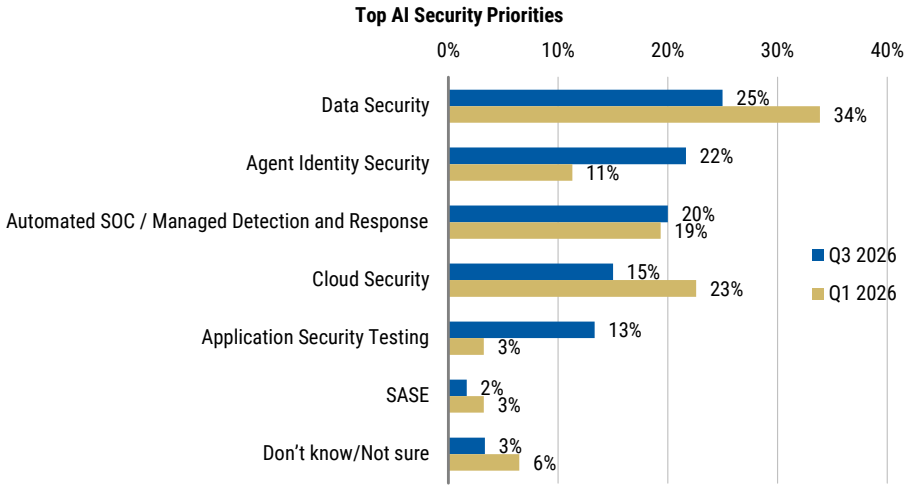


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **PANW and CRWD lead platform purchasing or evaluation at 47% of CIOs each.** PANW remains broadly unchanged, while CRWD moderates from 53%. ZS follows at 33% of respondents, compared with 32%, supporting continued relevance for the larger platforms.
- **FTNT gains, while identity-vendor results remain mixed.** 23% of CIOs use or evaluate FTNT platform offerings, up from 15%. OKTA reaches 25% from 31%, and SailPoint reaches 10% from 21%.

What is your AI security priority?

Exhibit 38: Agent Identity and Application Security Gain AI Priority

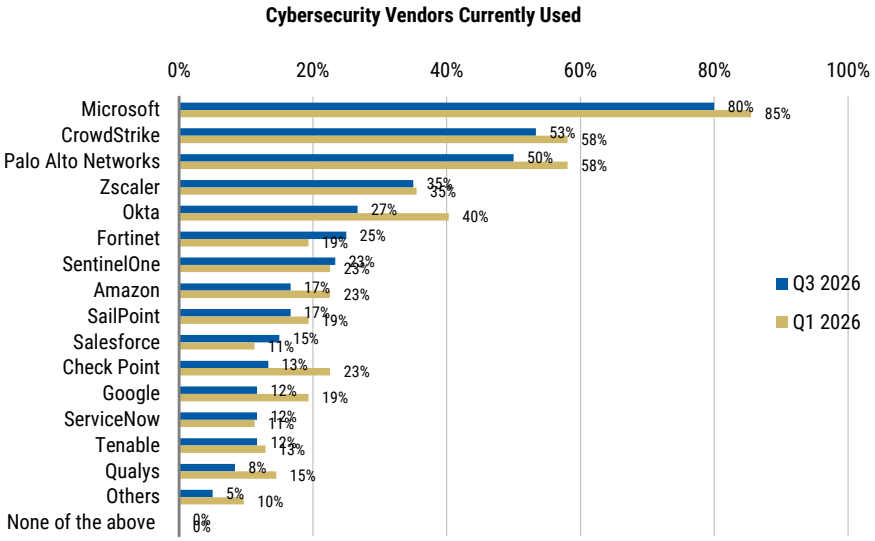


Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Data security remains the top AI security priority, with identity gaining importance.** 25% of CIOs select data security, versus 34% in 1Q26. Agent identity rises to 22% from 11%, bringing it closer to the leading position.
- **CIOs increasingly prioritize application security testing.** 13% select it as their main AI security focus, up from 3%. Automated security operations and managed detection and response remain near 20%, while cloud security moderates to 15% from 23%, pointing to a broader mix of AI security requirements.

What vendors do you buy cybersecurity products from?

Exhibit 39: Microsoft Leads Cyber Usage, While Fortinet Gains Ground



Source: AlphaWise, Morgan Stanley Research. n=60 (US and EU data)

- **Microsoft remains the most widely used security vendor in the survey.** 80% of CIOs buy cybersecurity products from Microsoft, versus 85% in 1Q26. CRWD and PANW follow at 53% and 50%, respectively, compared with 58% each previously.
- **FTNT improves across current usage and platform interest.** 25% of CIOs use FTNT cybersecurity products, up from 19%, while ZS remains at 35%. OKTA usage moderates to 27% from 40%.

Disclosure Section

The information and opinions in Morgan Stanley Research were prepared by Morgan Stanley & Co. LLC, and/or Morgan Stanley C.T.V.M. S.A., and/or Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V.. As used in this disclosure section, "Morgan Stanley" includes Morgan Stanley & Co. LLC, Morgan Stanley C.T.V.M. S.A., Morgan Stanley Mexico, Casa de Bolsa, S.A. de C.V. and their affiliates as necessary.

For important disclosures, stock price charts and equity rating histories regarding companies that are the subject of this report, please see the Morgan Stanley Research Disclosure Website at www.morganstanley.com/eqr/disclosures/webapp/generalresearch, or contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY, 10036 USA.

For valuation methodology and risks associated with any recommendation, rating or price target referenced in this research report, please contact the Client Support Team as follows: US/Canada +1 800 303-2495; Hong Kong +852 2848-5999; Latin America +1 718 754-5444 (U.S.); London +44 (0)20-7425-8169; Singapore +65 6834-6860; Sydney +61 (0)2-9770-1505; Tokyo +81 (0)3-6836-9000. Alternatively you may contact your investment representative or Morgan Stanley Research at 1585 Broadway, (Attention: Research Management), New York, NY 10036 USA.

Analyst Certification

The following analysts hereby certify that their views about the companies and their securities discussed in this report are accurately expressed and that they have not received and will not receive direct or indirect compensation in exchange for expressing specific recommendations or views in this report: Meta A Marshall.

.

Global Research Conflict Management Policy

Morgan Stanley Research has been published in accordance with our conflict management policy, which is available at www.morganstanley.com/institutional/research/conflictpolicies. A Portuguese version of the policy can be found at www.morganstanley.com.br

Important Regulatory Disclosures on Subject Companies

The analyst or strategist (or a household member) identified below owns the following securities (or related derivatives): Antonio Jaramillo - Arista Networks(common or preferred stock); Meta A Marshall - Corning Inc(common or preferred stock).

As of September 30, 2026, Morgan Stanley beneficially owned 1% or more of a class of common equity securities of the following companies covered in Morgan Stanley Research: Arista Networks, Axon Enterprise Inc, Ciena Corporation, Cisco Systems Inc, Coherent Corp, Corning Inc, F5 Inc, Fortinet Inc., Keysight Technologies Inc, Lumentum Holdings Inc, Motorola Solutions Inc, RingCentral Inc, Zebra Technologies Corporation.

Within the last 12 months, Morgan Stanley managed or co-managed a public offering (or 144A offering) of securities of Axon Enterprise Inc.

Within the last 12 months, Morgan Stanley has received compensation for investment banking services from Axon Enterprise Inc, Coherent Corp.

In the next 3 months, Morgan Stanley expects to receive or intends to seek compensation for investment banking services from Arista Networks, Axon Enterprise Inc, Ciena Corporation, Cisco Systems Inc, Coherent Corp, Corning Inc, F5 Inc, Fortinet Inc., Keysight Technologies Inc, Lumentum Holdings Inc, Motorola Solutions Inc, Nutanix Inc, RingCentral Inc, Zebra Technologies Corporation, Zoom Communications.

Within the last 12 months, Morgan Stanley has received compensation for products and services other than investment banking services from Axon Enterprise Inc, Ciena Corporation, Cisco Systems Inc, Coherent Corp, Corning Inc, Lumentum Holdings Inc, Motorola Solutions Inc, Nutanix Inc, RingCentral Inc, Zebra Technologies Corporation, Zoom Communications.

Within the last 12 months, Morgan Stanley has provided or is providing investment banking services to, or has an investment banking client relationship with, the following company: Arista Networks, Axon Enterprise Inc, Ciena Corporation, Cisco Systems Inc, Coherent Corp, Corning Inc, F5 Inc, Fortinet Inc., Keysight Technologies Inc, Lumentum Holdings Inc, Motorola Solutions Inc, Nutanix Inc, RingCentral Inc, Zebra Technologies Corporation, Zoom Communications.

Within the last 12 months, Morgan Stanley has either provided or is providing non-investment banking, securities-related services to and/or in the past has entered into an agreement to provide services or has a client relationship with the following company: Axon Enterprise Inc, Ciena Corporation, Cisco Systems Inc, Coherent Corp, Corning Inc, Fortinet Inc., Lumentum Holdings Inc, Motorola Solutions Inc, Nutanix Inc, RingCentral Inc, Zebra Technologies Corporation, Zoom Communications.

Morgan Stanley & Co. LLC makes a market in the securities of Motorola Solutions Inc, RingCentral Inc.

The equity research analysts or strategists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality of research, investor client feedback, stock picking, competitive factors, firm revenues and overall investment banking revenues. Equity Research analysts' or strategists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

Morgan Stanley and its affiliates do business that relates to companies/instruments covered in Morgan Stanley Research, including market making, providing liquidity, fund management, commercial banking, extension of credit, investment services and investment banking. Morgan Stanley sells to and buys from customers the securities/instruments of companies covered in Morgan Stanley Research on a principal basis. Morgan Stanley may have a position in the debt of the Company or instruments discussed in this report. Morgan Stanley trades or may trade as principal in the debt securities (or in related derivatives) that are the subject of the debt research report.

Certain disclosures listed above are also for compliance with applicable regulations in non-US jurisdictions.

STOCK RATINGS

Morgan Stanley uses a relative rating system using terms such as Overweight, Equal-weight, Not-Rated or Underweight (see definitions below). Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold and sell. Investors should carefully read the definitions of all ratings used in Morgan Stanley Research. In addition, since Morgan Stanley Research contains more complete information concerning the analyst's views, investors should carefully read Morgan Stanley Research, in its entirety, and not infer the contents from the rating alone. In any case, ratings (or research) should not be used or relied upon as investment advice. An investor's decision to buy or sell a stock should depend on individual circumstances (such as the investor's existing holdings) and other considerations.

Global Stock Ratings Distribution

(as of September 30, 2026)

The Stock Ratings described below apply to Morgan Stanley's Fundamental Equity Research and do not apply to Debt Research produced by the Firm.

For disclosure purposes only (in accordance with FINRA requirements), we include the category headings of Buy, Hold, and Sell alongside our ratings of Overweight, Equal-weight, Not-Rated and Underweight. Morgan Stanley does not assign ratings of Buy, Hold or Sell to the stocks we cover. Overweight, Equal-weight, Not-Rated and Underweight are not the equivalent of buy, hold, and sell but represent recommended relative weightings (see definitions below). To satisfy regulatory requirements, we correspond Overweight, our most positive stock rating, with a

buy recommendation; we correspond Equal-weight and Not-Rated to hold and Underweight to sell recommendations, respectively.

	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1599	43%	455	48%	28%	783	44%
Equal-weight/Hold	1563	42%	394	42%	25%	763	43%
Not-Rated/Hold	2	0%	1	0%	50%	1	0%
Underweight/Sell	570	15%	96	10%	17%	227	13%
Total	3,734		946			1774	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.

In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.

Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.

Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Important Disclosures for Morgan Stanley Smith Barney LLC Customers

Important disclosures regarding any material conflict of interest that can reasonably be expected to have influenced Morgan Stanley Smith Barney LLC's choice of a third-party research provider or the subject company of a third-party research report, are available on the Morgan Stanley Wealth Management disclosure website at www.morganstanley.com/online/researchdisclosures. For Morgan Stanley specific disclosures, you may refer to https://www.morganstanley.com/eqr/disclosures/webapp/generalresearch.

Each Morgan Stanley research report is reviewed and approved on behalf of Morgan Stanley Smith Barney LLC. This review and approval is conducted by the same person who reviews the research report on behalf of Morgan Stanley. This could create a conflict of interest.

Other Important Disclosures

A member of Research who had or could have had access to the research prior to completion owns securities (or related derivatives) in the Cisco Systems Inc. This person is not a research analyst or a member of research analyst's household.

Morgan Stanley Research policy is to update research reports as and when the Research Analyst and Research Management deem appropriate, based on developments with the issuer, the sector, or the market that may have a material impact on the research views or opinions stated therein. In addition, certain Research publications are intended to be updated on a regular periodic basis (weekly/monthly/quarterly/annual) and will ordinarily be updated with that frequency, unless the Research Analyst and Research Management determine that a different publication schedule is appropriate based on current conditions.

Morgan Stanley is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice within the meaning of Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act.

Morgan Stanley produces an equity research product called a "Tactical Idea." Views contained in a "Tactical Idea" on a particular stock may be contrary to the recommendations or views expressed in research on the same stock. This may be the result of differing time horizons, methodologies, market events, or other factors. For all research available on a particular stock, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Morgan Stanley Research is provided to our clients through our proprietary research portal on Matrix and also distributed electronically by Morgan Stanley to clients. Certain, but not all, Morgan Stanley Research products are also made available to clients through third-party vendors or redistributed to clients through alternate electronic means as a convenience. For access to all available Morgan Stanley Research, please contact your sales representative or go to Matrix at http://www.morganstanley.com/matrix.

Any access and/or use of Morgan Stanley Research is subject to Morgan Stanley's Terms of Use (http://www.morganstanley.com/terms.html). By accessing and/or using Morgan Stanley Research, you are indicating that you have read and agree to be bound by our Terms of Use (http://www.morganstanley.com/terms.html). In addition you consent to Morgan Stanley processing your personal data and using cookies in accordance with our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html), including for the purposes of setting your preferences and to collect readership data so that we can deliver better and more personalized service and products to you. To find out more information about how Morgan Stanley processes personal data, how we use cookies and how to reject cookies see our Privacy Policy and our Global Cookies Policy (http://www.morganstanley.com/privacy_pledge.html). Please use

the provided link to review the Terms and Conditions and Most Important Terms and Conditions for Morgan Stanley India Company Private Limited (https://www.morganstanley.com/assets/pdfs/about-us-global-offices/india/Terms_and_conditions.pdf) and the following link to review the audit report (https://ny.matrix.ms.com/eqr/research/webapp/researchdocs/MSICPL_Morgan_Stanley_Research_Audit_Report.pdf).

If you do not agree to our Terms of Use and/or if you do not wish to provide your consent to Morgan Stanley processing your personal data or using cookies please do not access our research.

Morgan Stanley Research does not provide individually tailored investment advice. Morgan Stanley Research has been prepared without regard to the circumstances and objectives of those who receive it. Morgan Stanley recommends that investors independently evaluate particular investments and strategies, and encourages investors to seek the advice of a financial adviser. The appropriateness of an investment or strategy will depend on an investor's circumstances and objectives. The securities, instruments, or strategies discussed in Morgan Stanley Research may not be suitable for all investors, and certain investors may not be eligible to purchase or participate in some or all of them. Morgan Stanley Research is not an offer to buy or sell or the solicitation of an offer to buy or sell any security/instrument or to participate in any particular trading strategy. The value of and income from your investments may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions of companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance. Estimates of future performance are based on assumptions that may not be realized. If provided, and unless otherwise stated, the closing price on the cover page is that of the primary exchange for the subject company's securities/instruments.

The fixed income research analysts, strategists or economists principally responsible for the preparation of Morgan Stanley Research have received compensation based upon various factors, including quality, accuracy and value of research, firm profitability or revenues (which include fixed income trading and capital markets profitability or revenues), client feedback and competitive factors. Fixed Income Research analysts', strategists' or economists' compensation is not linked to investment banking or capital markets transactions performed by Morgan Stanley or the profitability or revenues of particular trading desks.

The "Important Regulatory Disclosures on Subject Companies" section in Morgan Stanley Research lists all companies mentioned where Morgan Stanley owns 1% or more of a class of common equity securities of the companies. For all other companies mentioned in Morgan Stanley Research, Morgan Stanley may have an investment of less than 1% in securities/instruments or derivatives of securities/instruments of companies and may trade them in ways different from those discussed in Morgan Stanley Research. Employees of Morgan Stanley not involved in the preparation of Morgan Stanley Research may have investments in securities/instruments or derivatives of securities/instruments of companies mentioned and may trade them in ways different from those discussed in Morgan Stanley Research. Derivatives may be issued by Morgan Stanley or associated persons.

With the exception of information regarding Morgan Stanley, Morgan Stanley Research is based on public information. Morgan Stanley makes every effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. We have no obligation to tell you when opinions or information in Morgan Stanley Research change apart from when we intend to discontinue equity research coverage of a subject company. Facts and views presented in Morgan Stanley Research have not been reviewed by, and may not reflect information known to, professionals in other Morgan Stanley business areas, including investment banking personnel.

Morgan Stanley Research personnel may participate in company events such as site visits and are generally prohibited from accepting payment by the company of associated expenses unless pre-approved by authorized members of Research management.

Morgan Stanley may make investment decisions that are inconsistent with the recommendations or views in this report.

To our readers based in Taiwan or trading in Taiwan securities/instruments: Information on securities/instruments that trade in Taiwan is distributed by Morgan Stanley Taiwan Limited ("MSTL"). Such information is for your reference only. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. Morgan Stanley Research may not be distributed to the public media or quoted or used by the public media without the express written consent of Morgan Stanley. Any non-customer reader within the scope of Article 7-1 of the Taiwan Stock Exchange Recommendation Regulations accessing and/or receiving Morgan Stanley Research is not permitted to provide Morgan Stanley Research to any third party (including but not limited to related parties, affiliated companies and any other third parties) or engage in any activities regarding Morgan Stanley Research which may create or give the appearance of creating a conflict of interest. Information on securities/instruments that do not trade in Taiwan is for informational purposes only and is not to be construed as a recommendation or a solicitation to trade in such securities/instruments. MSTL may not execute transactions for clients in these securities/instruments.

Morgan Stanley is not incorporated under PRC law and the research in relation to this report is conducted outside the PRC. Morgan Stanley Research does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. PRC investors shall have the relevant qualifications to invest in such securities and shall be responsible for obtaining all relevant approvals, licenses, verifications and/or registrations from the relevant governmental authorities themselves. Neither this report nor any part of it is intended as, or shall constitute, provision of any consultancy or advisory service of securities investment as defined under PRC law. Such information is provided for your reference only.

Morgan Stanley Research is disseminated in Brazil by Morgan Stanley C.T.V.M. S.A. located at Av. Brigadeiro Faria Lima, 3600, 6th floor, São Paulo - SP, Brazil; and is regulated by the Comissão de Valores Mobiliários; in Mexico by Morgan Stanley México, Casa de Bolsa, S.A. de C.V which is regulated by Comision Nacional Bancaria y de Valores. Paseo de los Tamarindos 90, Torre 1, Col. Bosques de las Lomas Floor 29, 05120 Mexico City; in Japan by Morgan Stanley MUFG Securities Co., Ltd. and, for Commodities related research reports only, Morgan Stanley Capital Group Japan Co., Ltd; in Hong Kong by Morgan Stanley Asia Limited (which accepts responsibility for its contents) and by Morgan Stanley Bank Asia Limited; in Singapore by Morgan Stanley Asia (Singapore) Pte. (Registration number 199206298Z) and/or Morgan Stanley Asia (Singapore) Securities Pte Ltd (Registration number 200008434H), regulated by the Monetary Authority of Singapore (which accepts legal responsibility for its contents and should be contacted with respect to any matters arising from, or in connection with, Morgan Stanley Research) and by Morgan Stanley Bank Asia Limited, Singapore Branch (Registration number T14FC0118J); in Australia to "wholesale clients" within the meaning of the Australian Corporations Act by Morgan Stanley Australia Limited A.B.N. 67 003 734 576, holder of Australian financial services license No. 233742, which accepts responsibility for its contents; in Australia to "wholesale clients" and "retail clients" within the meaning of the Australian Corporations Act by Morgan Stanley Wealth Management Australia Pty Ltd (A.B.N. 19 009 145 555, holder of Australian financial services license No. 240813, which accepts responsibility for its contents; in Korea by Morgan Stanley & Co International plc, Seoul Branch; in India by Morgan Stanley India Company Private Limited having Corporate Identification No (CIN) U22990MH1998PTC115305, regulated by the Securities and Exchange Board of India ("SEBI") and holder of licenses as a Research Analyst (SEBI Registration No. INH000001105); Stock Broker (SEBI Stock Broker Registration No. INZ000244438), Merchant Banker (SEBI Registration No. INM000011203), and depository participant with National Securities Depository Limited (SEBI Registration No. IN-DP-NSDL-567-2021) having registered office at Altimus, Level 39 & 40, Pandurang Budhkar Marg, Worli, Mumbai 400018, India; Telephone no. +91-22-61181000; Compliance Officer Details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: tejarshi.hardas@morganstanley.com; Grievance officer details: Mr. Tejarshi Hardas, Tel. No.: +91-22-61181000 or Email: msic-compliance@morganstanley.com. Morgan Stanley India Company Private Limited (MSICPL) may use AI tools in providing research services. All recommendations contained herein are made by the duly qualified research analysts; in Germany and the European Economic Area where required by Morgan Stanley Europe S.E., authorised and regulated by Bundesanstalt fuer Finanzdienstleistungsaufsicht (BaFin) under the reference number 149169; in the US by Morgan Stanley & Co. LLC, which accepts responsibility for its contents. Morgan Stanley & Co. International plc, authorized by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, disseminates in the UK research that it has prepared, and research which has been prepared by any of its affiliates, only to persons who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "Order"); (ii) are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000,

as amended) may otherwise lawfully be communicated or caused to be communicated. RMB Morgan Stanley Proprietary Limited is a member of the JSE Limited and A2X (Pty) Ltd. RMB Morgan Stanley Proprietary Limited is a joint venture owned equally by Morgan Stanley International Holdings Inc. and RMB Investment Advisory (Proprietary) Limited, which is wholly owned by FirstRand Limited. Morgan Stanley Research is disseminated in Canada by Morgan Stanley Canada Limited and Morgan Stanley Wealth Management Canada Inc., members of the Canadian Investment Regulatory Organization (CIRO). The information in Morgan Stanley Research is being disseminated by Morgan Stanley Saudi Arabia, regulated by the Capital Market Authority in the Kingdom of Saudi Arabia, and is directed at Sophisticated investors only.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (DIFC Branch), regulated by the Dubai Financial Services Authority (the DFSA) or by Morgan Stanley & Co. International plc (ADGM Branch), regulated by the Financial Services Regulatory Authority Abu Dhabi (the FSRA), and is directed at Professional Clients only, as defined by the DFSA or the FSRA, respectively. The financial products or financial services to which this research relates will only be made available to a customer who we are satisfied meets the regulatory criteria of a Professional Client. A distribution of the different MS Research ratings or recommendations, in percentage terms for Investments in each sector covered, is available upon request from your sales representative.

The information in Morgan Stanley Research is being communicated by Morgan Stanley & Co. International plc (QFC Branch), regulated by the Qatar Financial Centre Regulatory Authority (the QFCRA), and is directed at business customers and market counterparties only and is not intended for Retail Customers as defined by the QFCRA.

As required by the Capital Markets Board of Turkey, investment information, comments and recommendations stated here, are not within the scope of investment advisory activity. Investment advisory service is provided exclusively to persons based on their risk and income preferences by the authorized firms. Comments and recommendations stated here are general in nature. These opinions may not fit to your financial status, risk and return preferences. For this reason, to make an investment decision by relying solely to this information stated here may not bring about outcomes that fit your expectations.

The trademarks and service marks contained in Morgan Stanley Research are the property of their respective owners. Third-party data providers make no warranties or representations relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages relating to such data. The Global Industry Classification Standard (GICS) was developed by and is the exclusive property of MSCI and S&P.

Morgan Stanley Research, or any portion thereof may not be reprinted, sold or redistributed without the written consent of Morgan Stanley.

Indicators and trackers referenced in Morgan Stanley Research may not be used as, or treated as, a benchmark under Regulation EU 2016/1011, or any other similar framework.

The issuers and/or fixed income products recommended or discussed in certain fixed income research reports may not be continuously followed. Accordingly, investors should regard those fixed income research reports as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or individual fixed income products.

Morgan Stanley may hold, from time to time, material financial and commercial interests regarding the company subject to the Research report.

Registration granted by SEBI and certification from the National Institute of Securities Markets (NISM) in no way guarantee performance of the intermediary or provide any assurance of returns to investors. Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

References to any prediction market or event contract do not constitute an offer, solicitation, recommendation, or endorsement to participate in any such market or contract. Morgan Stanley Research may not be distributed or made available in any jurisdiction where such distribution would be unlawful or otherwise prohibited by applicable law.

INDUSTRY COVERAGE: Telecom & Networking Equipment

COMPANY (TICKER)	RATING (AS OF)	PRICE* (10/09/2026)
Meta A Marshall		
Arista Networks (ANET.N)	O (10/31/2023)	$216.74
Axon Enterprise Inc (AXON.O)	O (12/03/2024)	$422.89
Ciena Corporation (CIEN.N)	E (10/10/2025)	$449.77
Cisco Systems Inc (CSCO.O)	O (04/08/2024)	$118.39
Coherent Corp (COHR.N)	E (12/13/2023)	$312.62
Corning Inc (GLW.N)	E (06/13/2024)	$156.68
F5 Inc (FFIV.O)	E (04/12/2022)	$479.83
Keysight Technologies Inc (KEYS.N)	O (07/13/2026)	$382.75
Lumentum Holdings Inc (LITE.O)	E (05/12/2021)	$1,103.36
Motorola Solutions Inc (MSI.N)	O (12/17/2025)	$444.18
Zebra Technologies Corporation (ZBRA.O)	E (12/02/2024)	$387.18

Stock Ratings are subject to change. Please see latest research for each company.

* Historical prices are not split adjusted.

© 2026 Morgan Stanley