First Fiscal Quarter FY22 Financial Results

May 27, 2021

Forward-looking statements & non-GAAP financial measures

This presentation contains forward-looking statements that involve risks, uncertainties, and assumptions, including statements regarding Box's expectations regarding the size of its market opportunity, its leadership position in the cloud content management market, the demand for its products, the impact of its acquisitions on future Box product offerings, the benefits to its customers from completing acquisitions, the time needed to integrate acquired businesses into Box, the impact of the COVID-19 pandemic on its business, its ability to grow and scale its business and drive operating efficiencies, its ability to achieve revenue targets and billings expectations, its ability to achieve profitability on a quarterly or ongoing basis, its free cash flow, its ability to continue to grow unrecognized revenue and remaining performance obligations, the timing of recent and planned product introductions, enhancements and integrations, the short- and long-term success, market adoption and retention, capabilities, and benefits of such product introductions and enhancements, the success of strategic partnerships, its revenue, billings, gross margin, GAAP and non-GAAP net income (loss) per share, non-GAAP operating margins for future periods, the related components of GAAP and non-GAAP net income (loss) per share, weighted-average outstanding share count expectations for Box's fiscal second quarter and full fiscal year 2022, the KKR-led investment and achievement of its potential benefits, any potential repurchase of its common stock, whether, when, in what amount and by what method (whether by tender offer or otherwise) any such repurchase would be consummated, and the share price of any such repurchase.

There are a significant number of factors that could cause actual results to differ materially from statements made in this presentation, including: (1) adverse changes in general economic or market conditions, including those caused by the COVID-19 pandemic; (2) delays or reductions in information technology spending; (3) factors related to Box's highly competitive market, including but not limited to pricing pressures, industry consolidation, entry of new competitors and new applications and marketing initiatives by Box's current or future competitors; (4) the development of the cloud content management market; (5) the risk that Box's customers do not renew their subscriptions, expand their use of Box's services, or adopt new products offered by Box on a timely basis, or at all; (6) Box's ability to provide timely and successful enhancements and integrations, new features, integrations and modifications to its platform and services; (7) actual or perceived security vulnerabilities in Box's services or any breaches of Box's security controls; (8) Box's ability to realize the expected benefits of its third-party partnerships; (9) the potential impact of shareholder activism on Box's business and operations; and (10) Box's ability to successfully integrate acquired businesses and achieve the expected benefits from those acquisitions. Further information on these and other factors that could affect the forward-looking statements we make in this presentation can be found in the documents that we file with or furnish to the US Securities and Exchange Commission, including Box's most recent Annual Report on Form 10-K filed for the fiscal year ended January 31, 2021. In addition, the preliminary financial results set forth in this presentation are estimates based on information currently available to Box. While Box believes these estimates are meaningful, they could differ from the actual amounts that Box ultimately reports in its Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2021. Box assumes no obligations and does not intend to update these estimates prior to filing its Form 10-Q for the fiscal quarter ended April 30, 2021.

You should not rely on any forward-looking statements, and we assume no obligation, nor do we intend, to update them. All information in this presentation is as of May 27, 2021.

This presentation contains non-GAAP financial measures and key metrics relating to the company's past and expected future performance. You can find the reconciliation of these measures to the nearest comparable GAAP financial measures in the appendix at the end of this presentation.

More applications are moving to the cloud than ever

Sensitive content is moving to the cloud

New ways of working are emerging

Working with more apps than ever before

Then	Now
9–5, office-based work	Agile, work from anywhere
Internal collaboration only	External and internal collaboration
Manual, paper-based processes	Digital, automated workflows
Legacy, complex software	Simple, intuitive apps
Securing the perimeter	Securing information from anywhere

Legacy enterprise content management

- Lacks external file sharing capabilities
- Doesn’t tie to communication and productivity apps
- Remote access can’t be deployed quickly and requires VPN

SharePoint opentext documentum

Personal storage and sharing

- Lacks security controls and reporting
- Doesn’t tie to departmental apps (e.g., Salesforce)
- Unable to automate critical business processes

OneDrive Dropbox Google Drive

Every tech shift has changed how we manage content

On-prem file servers

Centralized network storage

NetApp EMC²

1990s

Enterprise content management

Lifecycle governance designed for admins, not end users

SharePoint opentext documentum

2000s

Enterprise file sync and share

Easy access and sharing designed for individual consumers

OneDrive Dropbox Google Drive

2010s

Cloud content management

One secure platform for the entire content journey, integrated into all your apps

box

Today

The industry-leading cloud content platform

box Web
box Desktop
box Mobile

Integrations

salesforce, zoom, slack, Microsoft Teams, Google Workspace, Office 365, servicenow, Adobe, DocuSign

Custom

- LOB systems
- Third-party apps
- Employee apps
- Customer apps

APIs

Content services

Files, folders, metadata · Secure sharing · Collaboration · Workflow · E-signature · Search

Security and compliance

Permissions · PII scanning · Classifications · Threat detection · Audit trails · Encryption · Data residency

Security integrations: Splunk, Okta, Microsoft MIP, Palo Alto Networks, Mobile Iron, AirWatch

Scalable, cloud-native global infrastructure

Addressing mission-critical use cases

R&D

Product design and development and supply chain collaboration

Legal

Contract review and approval, and lifecycle management

Sales

Sales enablement, client collaboration and onboarding

HR

HR policy distribution and employee record management

Finance

Financial operations, audits, and virtual deal rooms

Marketing

Digital asset management and campaign collaboration

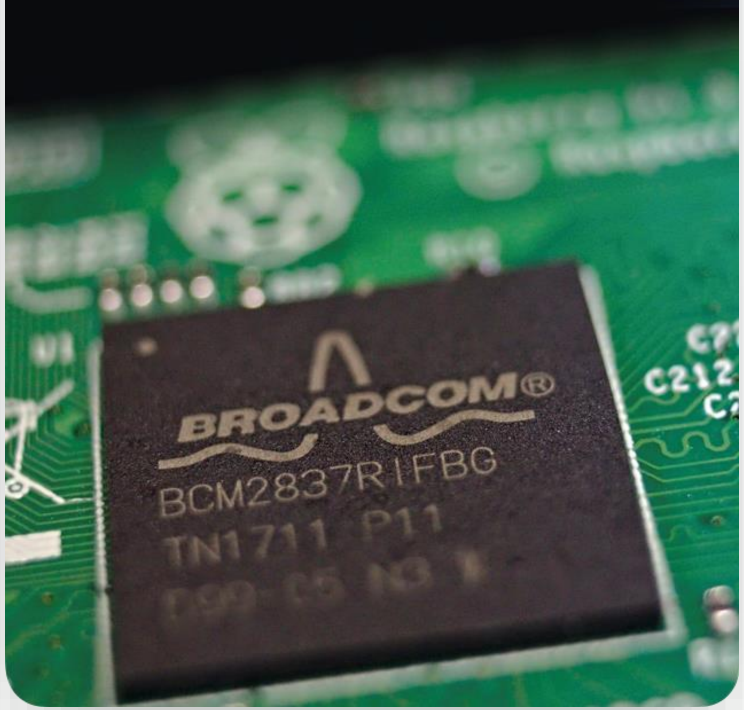
Reduced risk of data leaks and loss of millions of dollars in revenue with watermarked product designs

Morgan Stanley

Reimagined how to connect and engage with customers while empowering its wealth management advisors

BROADCOM®

Saved $10M in current and future IT costs by migrating 18 million files and eliminating all Windows-based servers



Mission extends beyond powering how the world works together

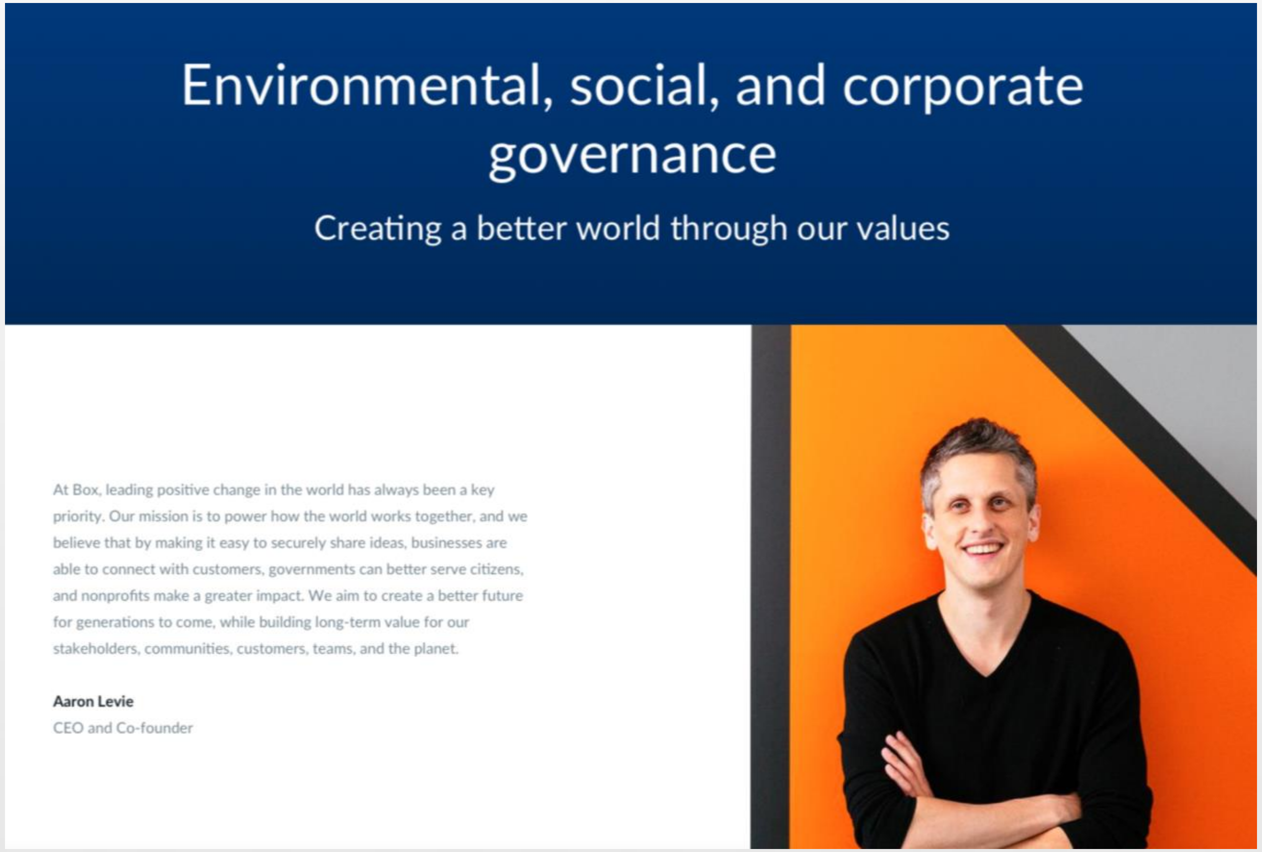
Environmental, social and corporate governance

Box is committed to advocating for critical nonprofit causes, a culture of diversity and inclusion, and issues of social justice, climate change, public health, and safety.

ESG highlights:

- Hired a Vice President of Communities and Impact, who will lead ESG improvements in partnership with the investor relations and legal teams
- Launched our ESG website, which can be found at:

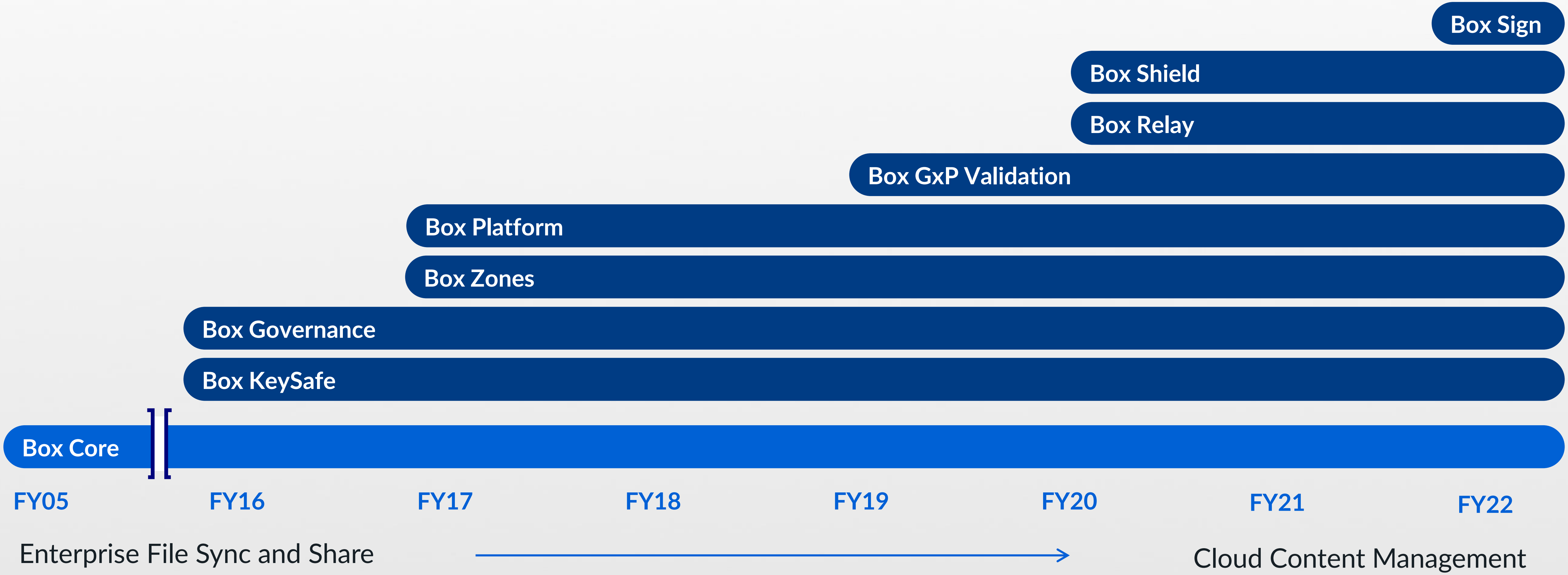
  https://www.box.com/about-us/esg



Products and Solutions

Rapid pace of innovation

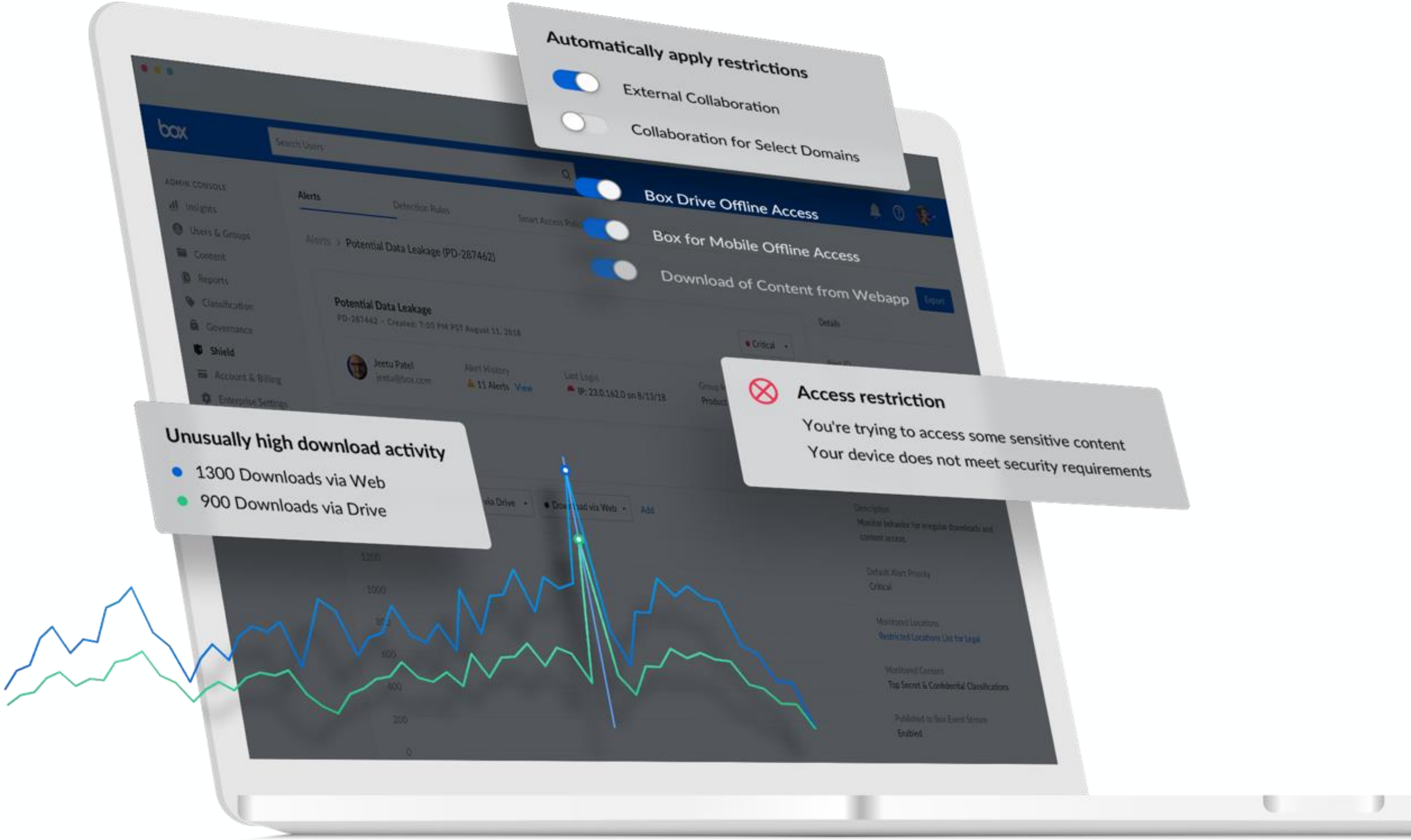
Bundled suite offering creates an efficient sales motion



Box Shield

Intelligent, frictionless security for the way you work today

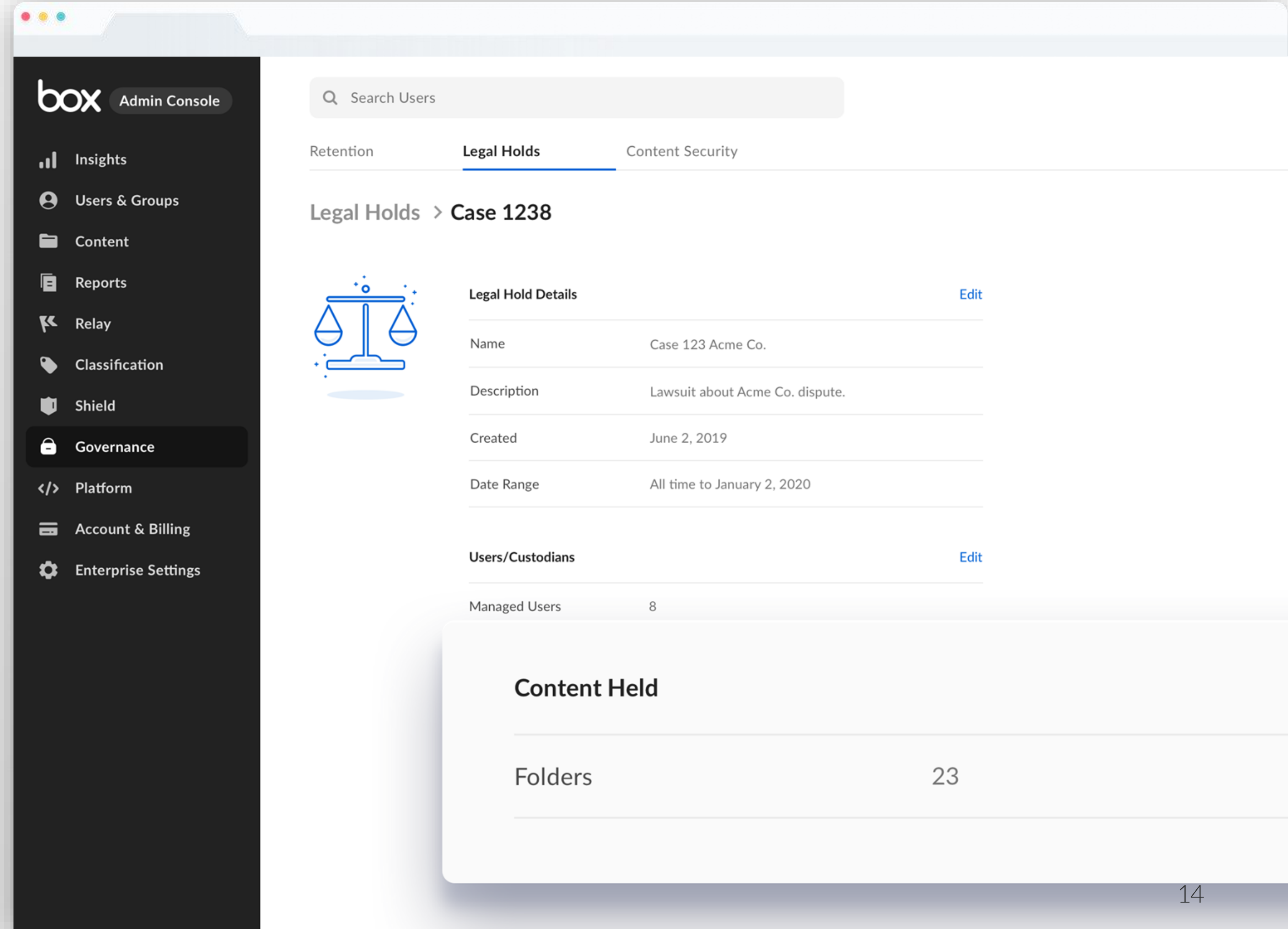
- Smart Access
  Prevent data leaks with frictionless content controls
- Threat Detection
  Detect potential data theft and malicious content



Box Governance

Content lifecycle management in the cloud

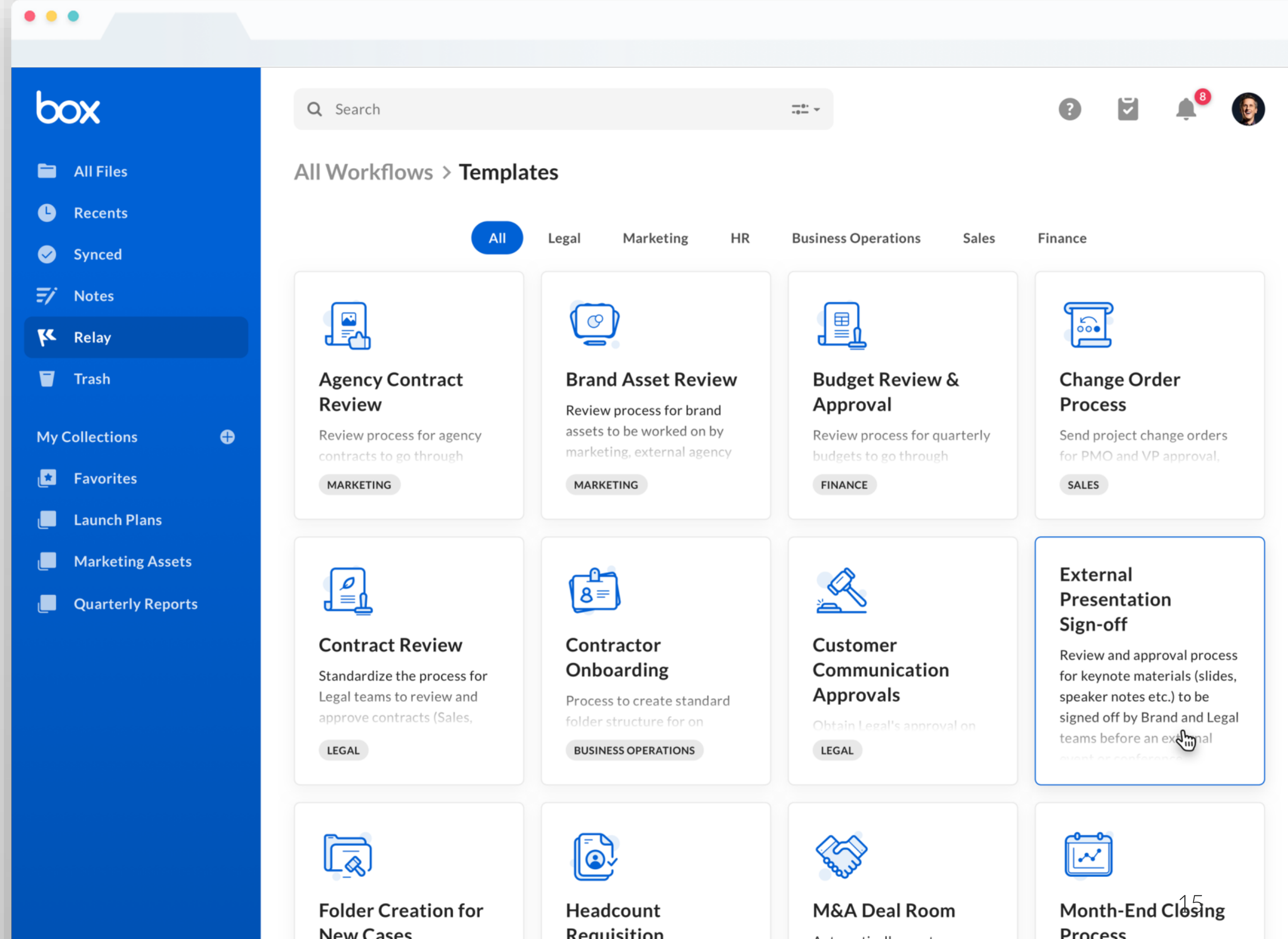
- Ensure proper retention and disposition of business content
- Set legal holds on content or individuals to reduce legal risk
- Maintain complete control with granular deletion settings



Box Relay

Automate content-centric business processes

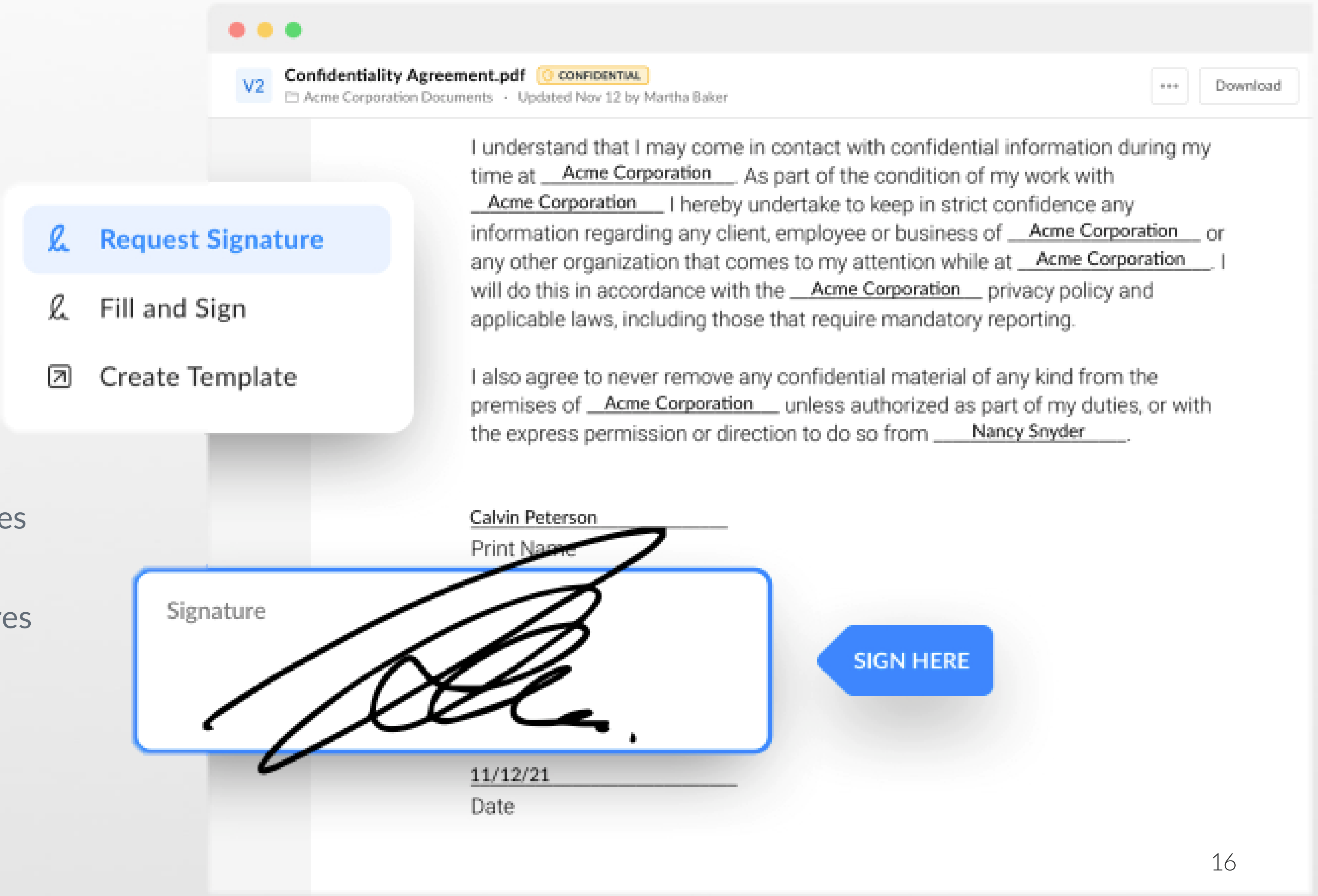
- Simplify workflows with a no-code builder
- Get started quickly with pre-built and custom workflow templates
- Automate a wide range of processes with extensive list of triggers, conditions, and outcomes
- User activity reports for monitoring and auditing actions



Box Sign

Simple, secure e-signatures where your content lives

- E-signatures where they belong
- Connect Box Sign to your workflows
- Extend the power of e-signatures with APIs
- Secure and compliant e-signatures
- Save money across your organization



Content is at the center of all mission critical business processes

Digital asset management

Sales enablement

Digital client exchange

Campaign planning and management

Contract management

Vendor / partner onboarding

Product and project planning

Supplier workspaces

Legal review

Market Opportunity and Growth

Our expanded product portfolio addresses a ~$55B market

Addition of Box Sign enables customers to manage entire content lifecycle in the cloud

$23B[3]
Network storage

$6B[2]
ECM

$11B[4]
Data security and risk mgmt.

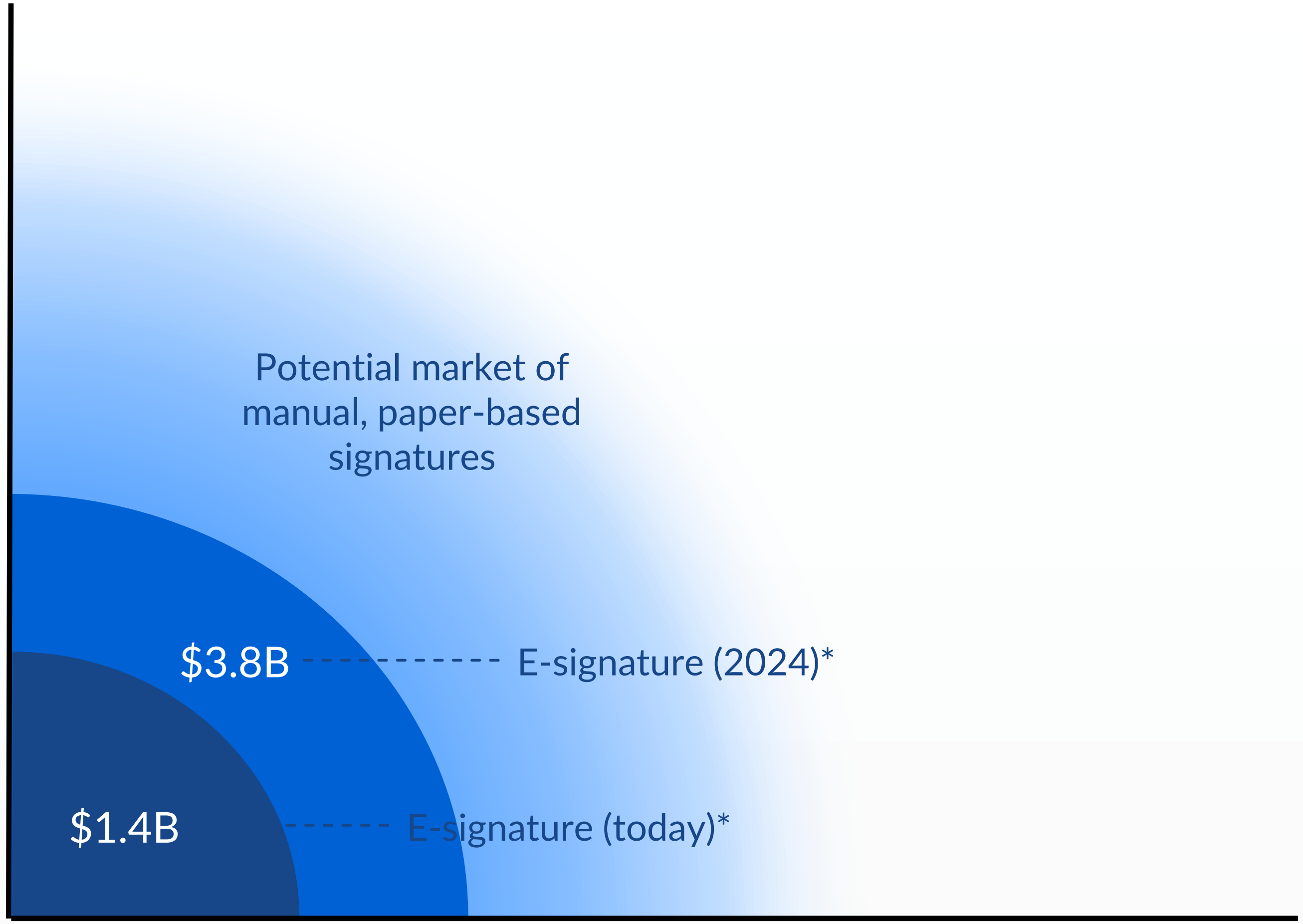
- GRC software
- Data security

$15B[1]
Content collaboration

- Content sharing and collaboration
- Team collaboration

(1) IDC, Worldwide ECM and CSC Market Forecast (2019), projected to 2023; IDC, Team Collaboration Market Forecast (2019), projected to 2023
(2) IDC, Worldwide ECM and CSC Market Forecast (2019), projected to 2023
(3) IDC, Worldwide File-based Storage Market Forecast (2015), projected to 2019
(4) Statista, Size of worldwide Cyber Security Market (2019), projected to 2023; IDC, Worldwide GRC Software Market Forecast (2019), projected to 2023

Box Sign further expands our TAM



* Source: IDC Worldwide eSignature Software Forecast, 2020–2024; Aug 2020

1/3

companies surveyed have adopted e-signature

Source: IDC TechBrief: eSignature Software; May 2020

Multiple avenues of growth to reaccelerate revenue

Seat growth

~7x user expansion opportunity within install base

CCM product traction

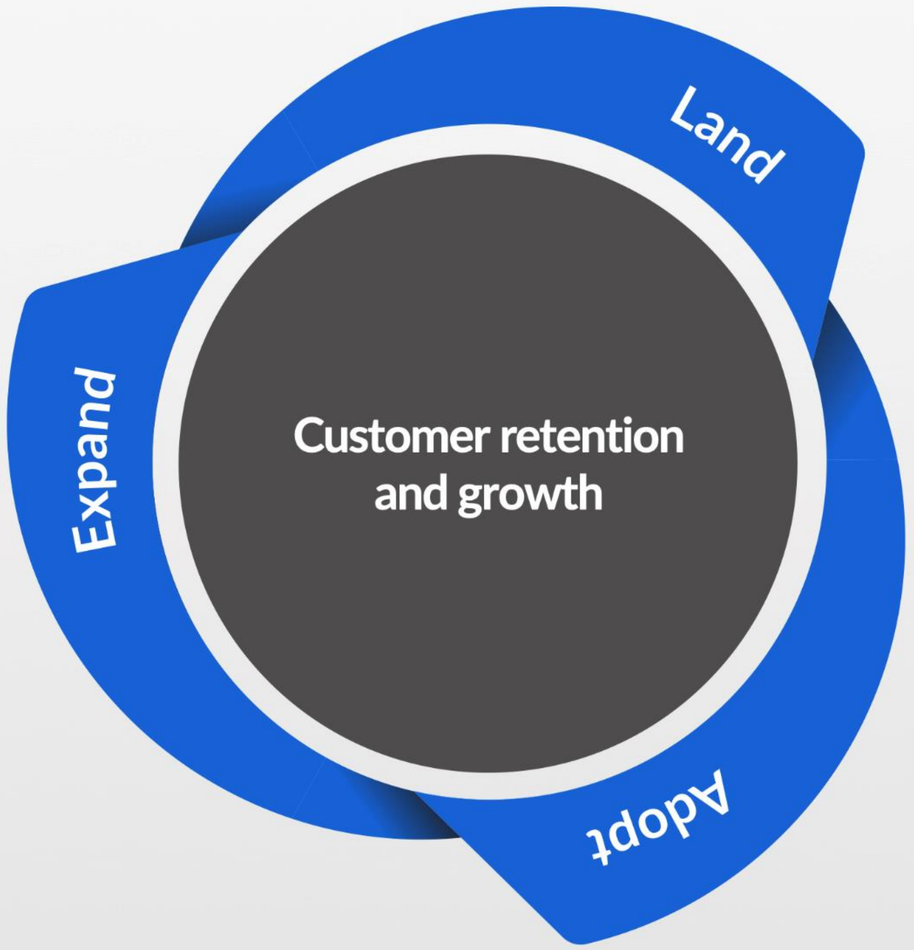
Delivering high value use cases and add-on products

International expansion

1B+ digital workers worldwide[1]

(1) Gartner Report "2019: When We Exceeded 1 Billion Knowledge Workers" (2019)

Our GTM strategy enables us to reach across customer segments through an efficient land-and-expand motion



LAND
Acquiring new customers with a repeatable sales motion, enhanced digital experience, and robust partnerships

ADOPT
Driving growth and adoption within customers through high-value use cases

EXPAND
Growing our footprint by going wider across the enterprise and deeper with add-on products

Robust partnership ecosystem helps us drive this land-and-expand motion

Technology partners

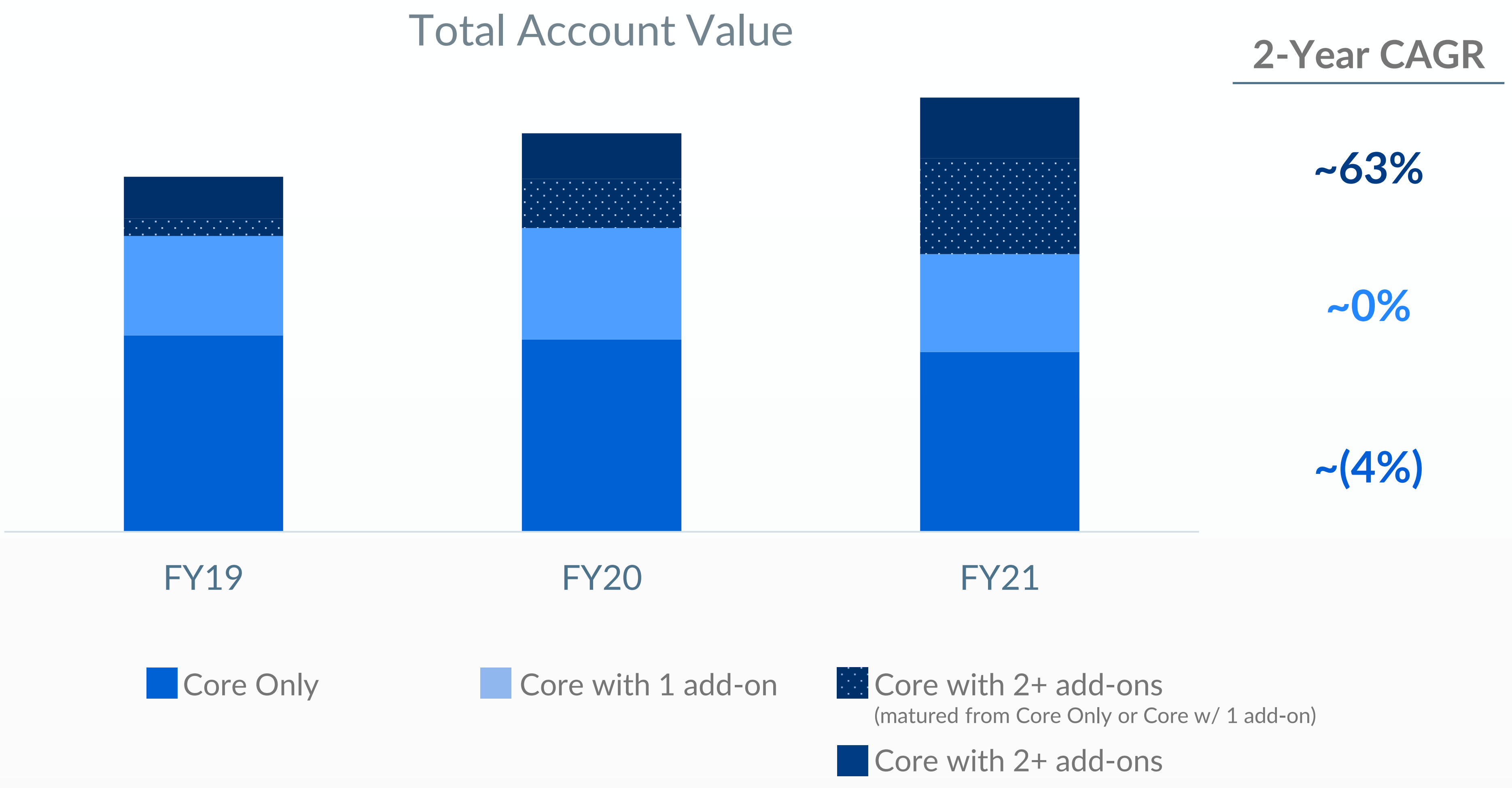
- G Suite
- Office 365
- slack
- salesforce
- zoom
- okta
- servicenow
- DocuSign
- SAP
- Workplace from FACEBOOK
- Adobe
- Image Access Corp
- cisco
- splunk>
- ORACLE
- paloalto NETWORKS

System integrators and resellers

- MS Micro Strategies
- USDM Life Sciences
- IBM
- publicis sapient
- Crayon
- carahsoft
- REVA Solutions
- FUJITSU
- CDW
- Datum Solutions
- shi

Strong customer economics and upsell

Customers adopting more advanced product capabilities deliver stronger economics; customers with add-on products contribute 59% of recurring revenue



Note: Figures as of quarter ended January 31, 2021.

Financial Overview

Business model delivering growth and profitability

Subscription model with strong visibility

Diversified enterprise customer base

Strong attach rates increasing model efficiency

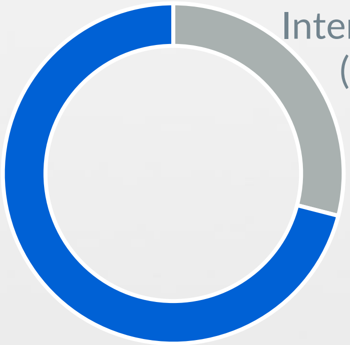
Delivering on growth and profitability targets

Highly diversified recurring revenue base

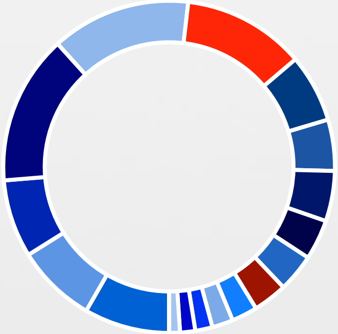
Horizontal platform drives business model resiliency

Recurring Revenue Model

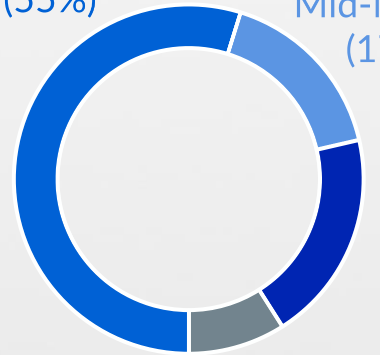
Revenue by Geography



TAV by Industry



TAV by Segment[1]

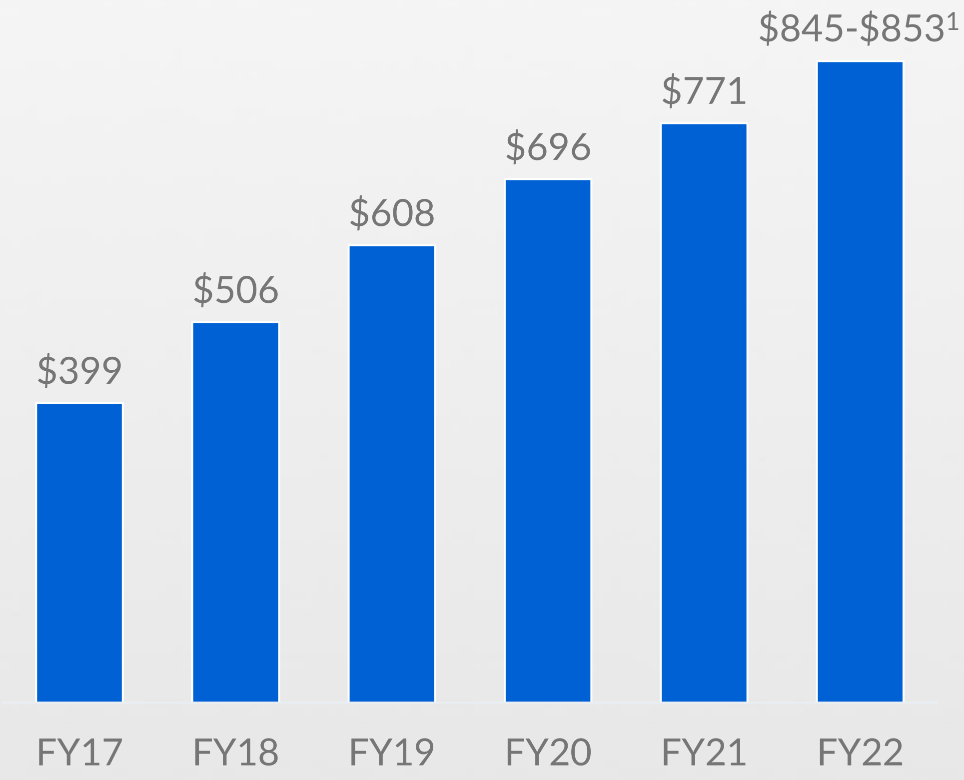


Note: Figures as of quarter ended January 31, 2021.
(1) Enterprise, Mid-Market, and SMB represent companies with account coverage and have 2,000+, 500-1,999, <500 employees, respectively. Online Sales represents companies that do not have an assigned account executive.

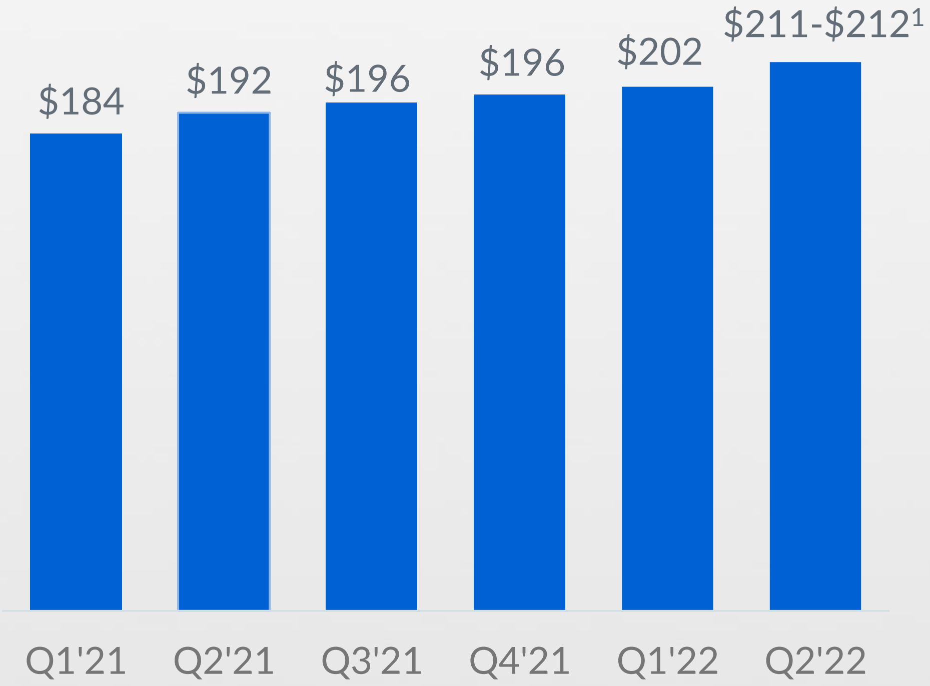
Strong revenue growth at scale

Driven by customer retention and expansion

Total Revenue ($M)



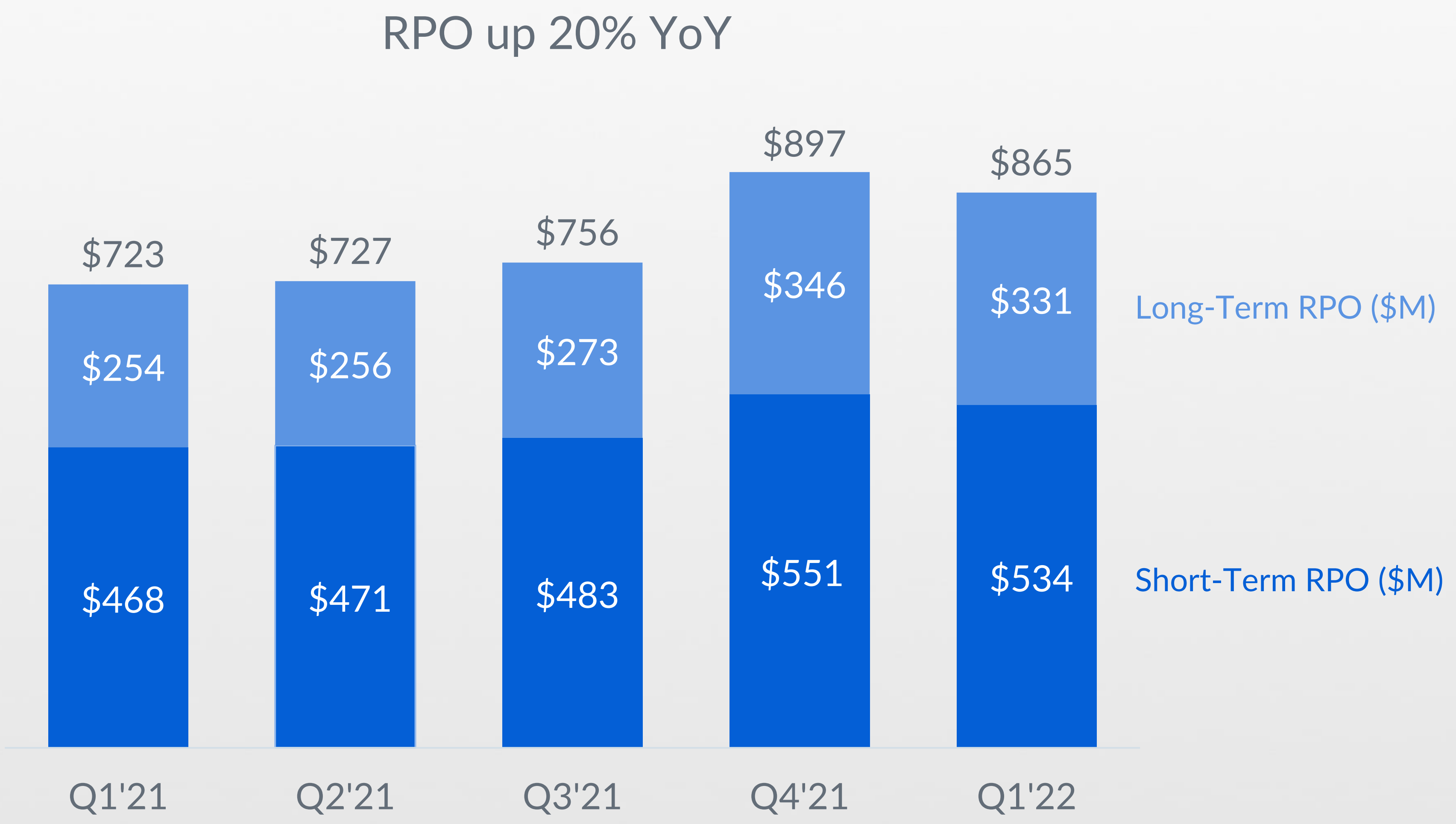
Quarterly Revenue ($M)



Note: Box adopted the new revenue recognition standard ASC 606 beginning with its fiscal year 2019 using the modified retrospective transition method. The reported results for years including and subsequent to fiscal year 2019 reflect the application of ASC 606 while the reported results for fiscal years 2017 and 2018 are not adjusted and continue to be reported under the prior revenue recognition standard ASC 605. A reconciliation of non-GAAP operating margin to the nearest GAAP financial measure can be found in the Appendix of this presentation.
(1) Based on FY22 guidance provided on Q1 FY22 earnings call.

RPO supports enduring growth and revenue visibility

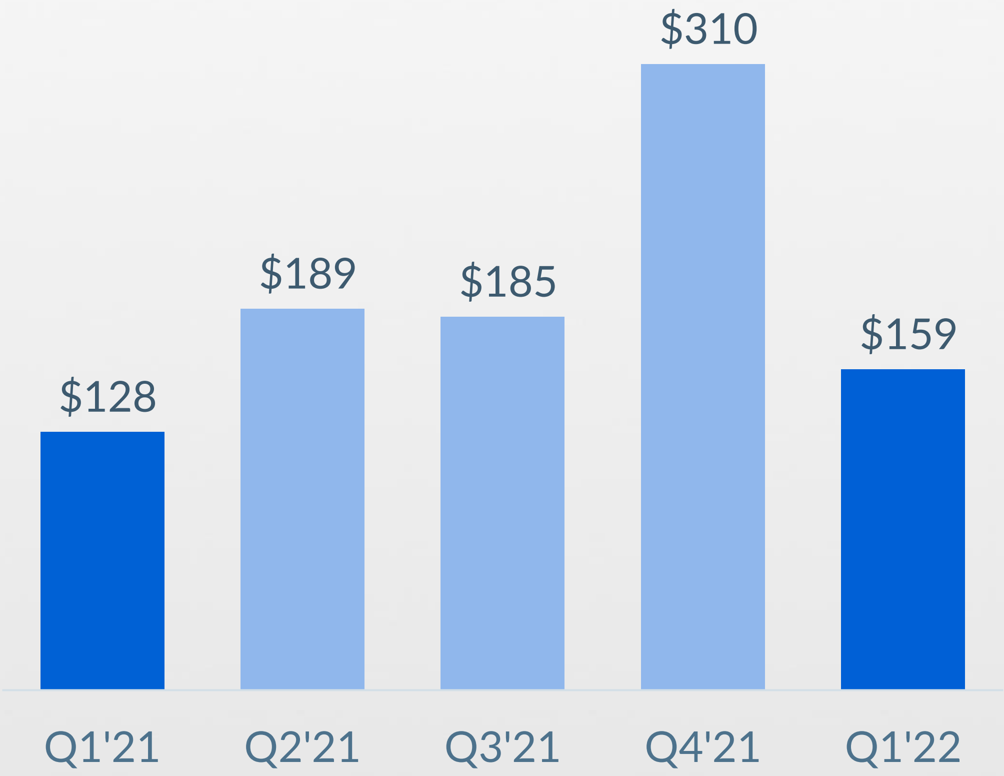
Trajectory reflects stability and signing longer term strategic deals



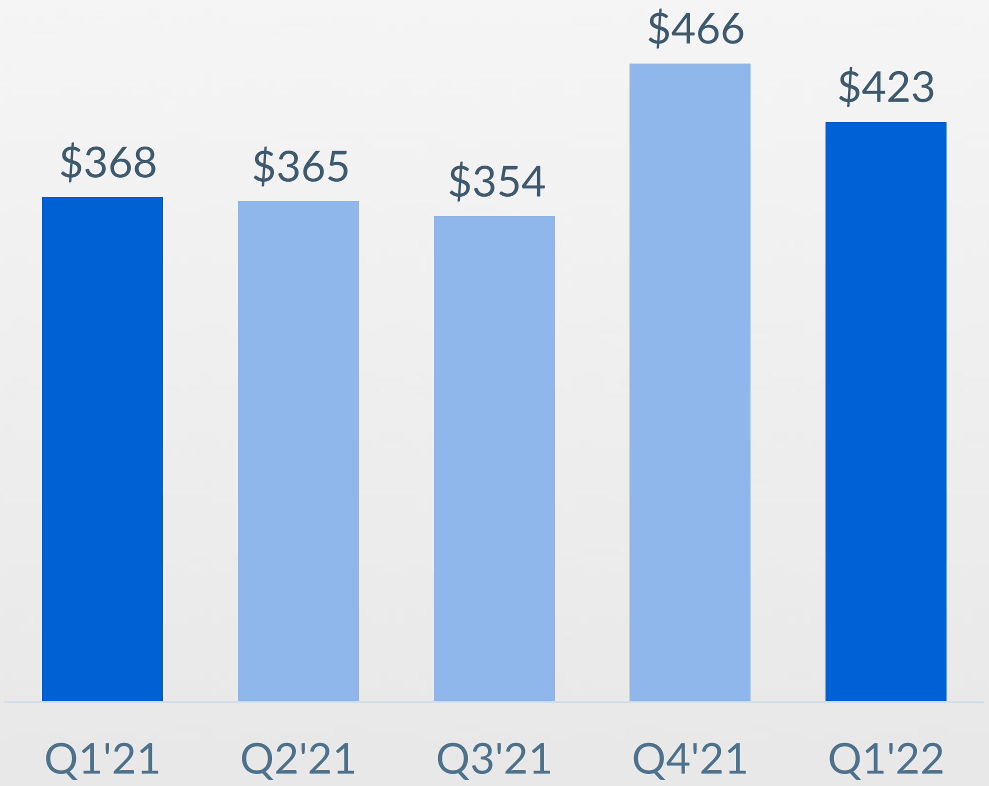
Note: Remaining performance obligations (RPO) represent, at a point in time, contracted revenue that has not yet been recognized. RPO consists of deferred revenue and backlog, offset by contract assets. Box does not consider RPO to be a non-GAAP financial measure because it is calculated in accordance with GAAP. Figures may not sum due to rounding.

Billings and deferred revenue

Billings up 24%* YoY



Deferred revenue up 15% YoY



Note: $ values are shown in millions

*Reconciliations of billings to revenue, deferred revenue, and contract assets calculated in accordance with GAAP can be found in the Appendix of this presentation.

Multiple levers for continued op margin expansion

Workforce strategy

Leverage lower cost locations including secondary Engineering site in Poland

Gross margin improvement

Optimize data center footprint and public cloud, driving hardware and software efficiencies

Operational excellence

ROI-based rigor across all expenses and leverage more automation and digital processes

Sales productivity

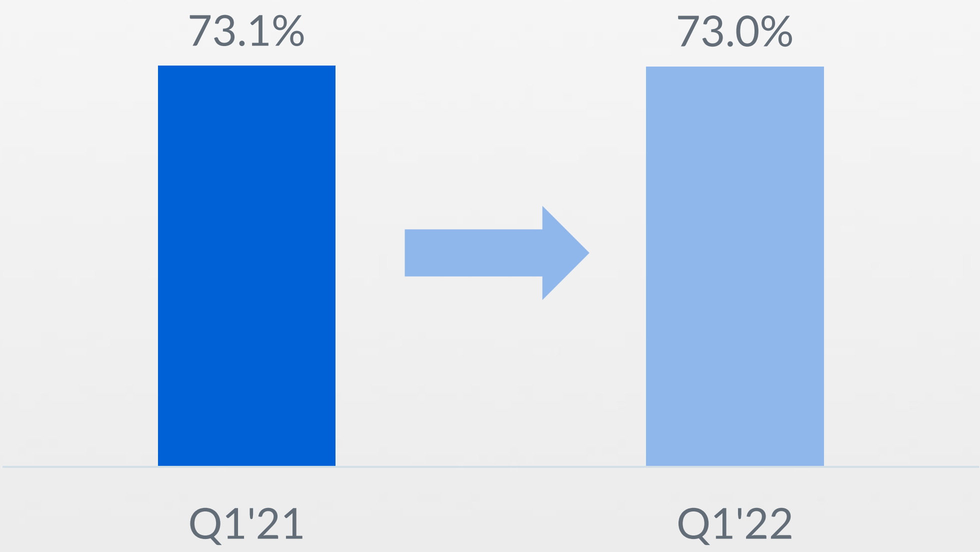
Focus on higher performing regions and improve ACV via CCM product portfolio

Business model leverage

Mix shift toward expansion and renewals drive greater operating leverage

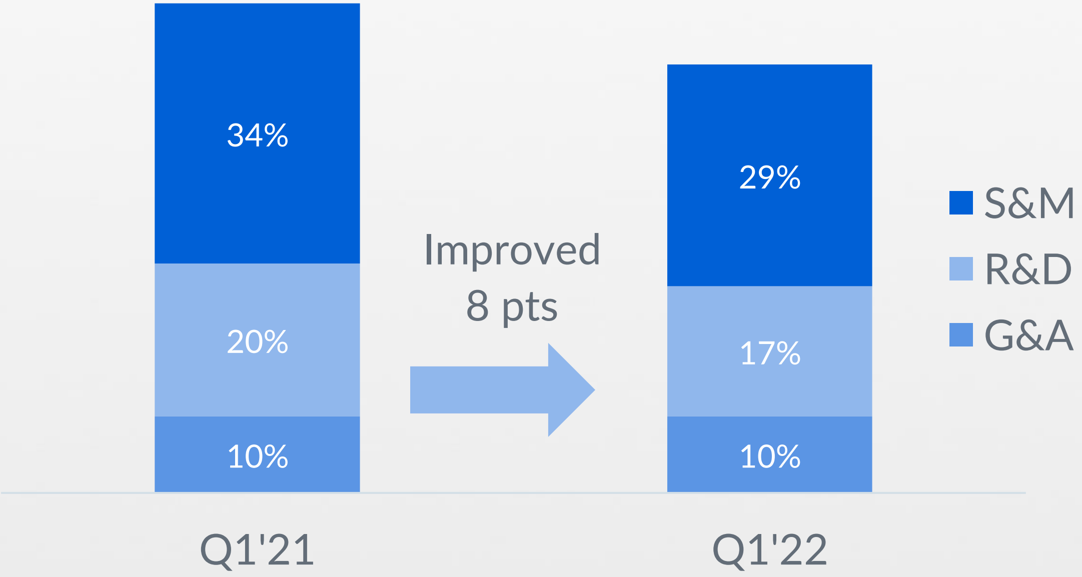
Gross margin and operating expense*

Non-GAAP gross margin



- Benefit from optimizations to reduce infrastructure costs and improve overall efficiencies.

Non-GAAP op expense



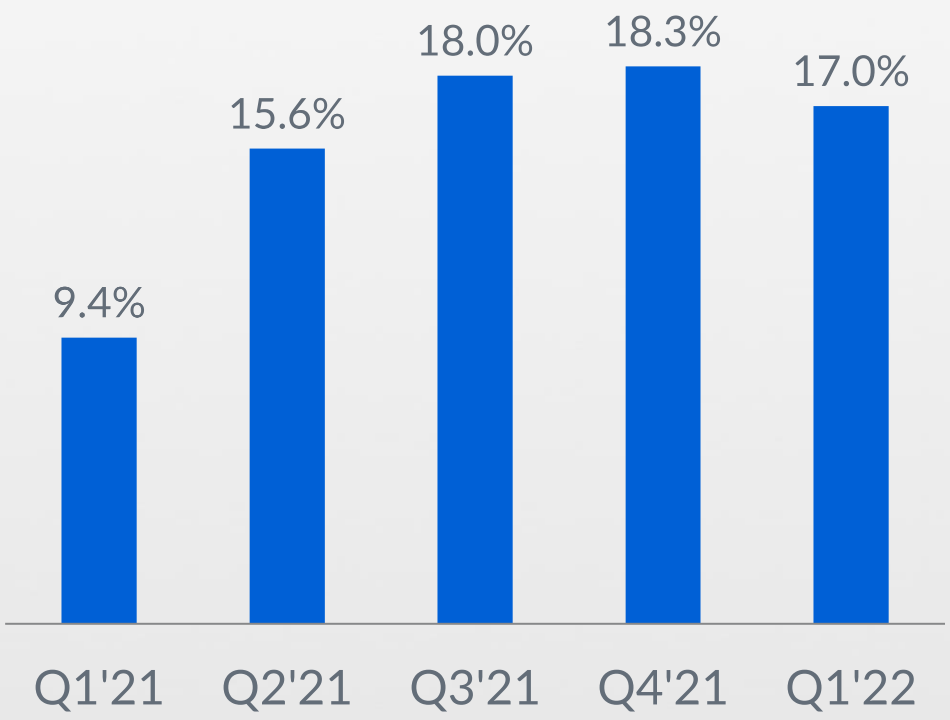
- S&M improved 5 percentage points from improved go-to-market efficiencies
- R&D improved 3 percentage points from enhancements to product offerings
- G&A was flat from continued operational excellence and scale

*Operating expense as a % of revenue and gross margin shown on a non-GAAP basis. A reconciliation to the nearest GAAP financial measures can be found in the Appendix of this presentation.

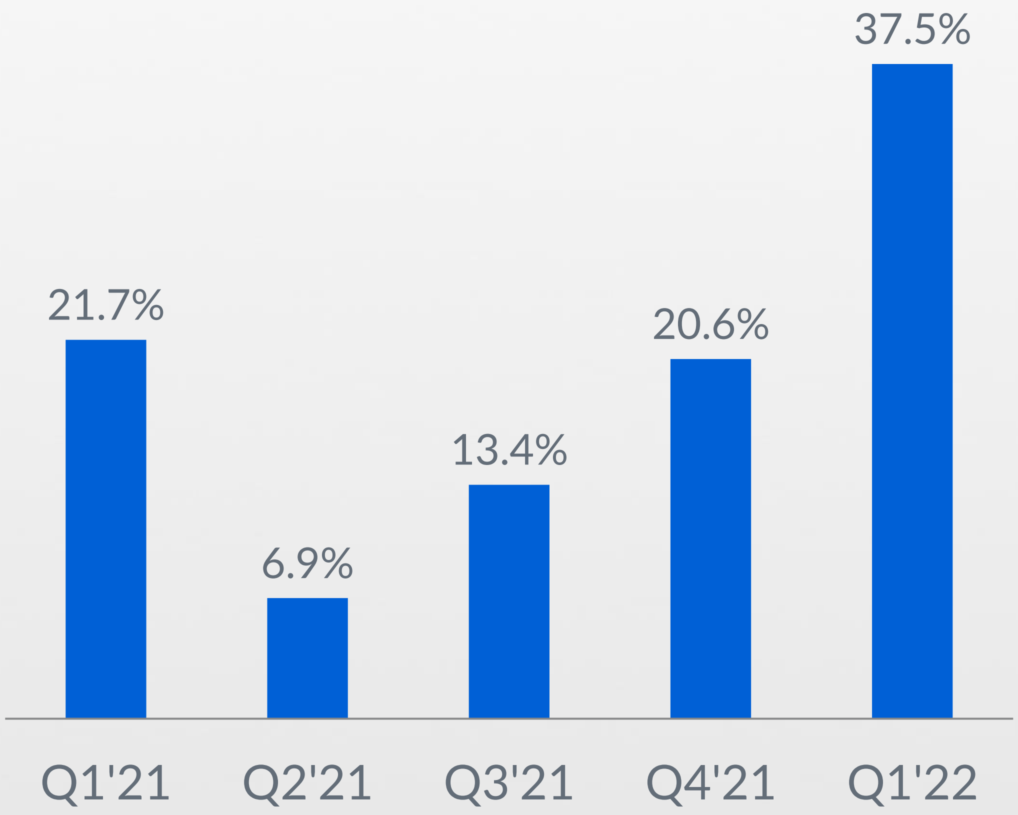
Delivering significant OM and FCF improvements

Operating leverage accelerates margin expansion

Non-GAAP operating margin (%)

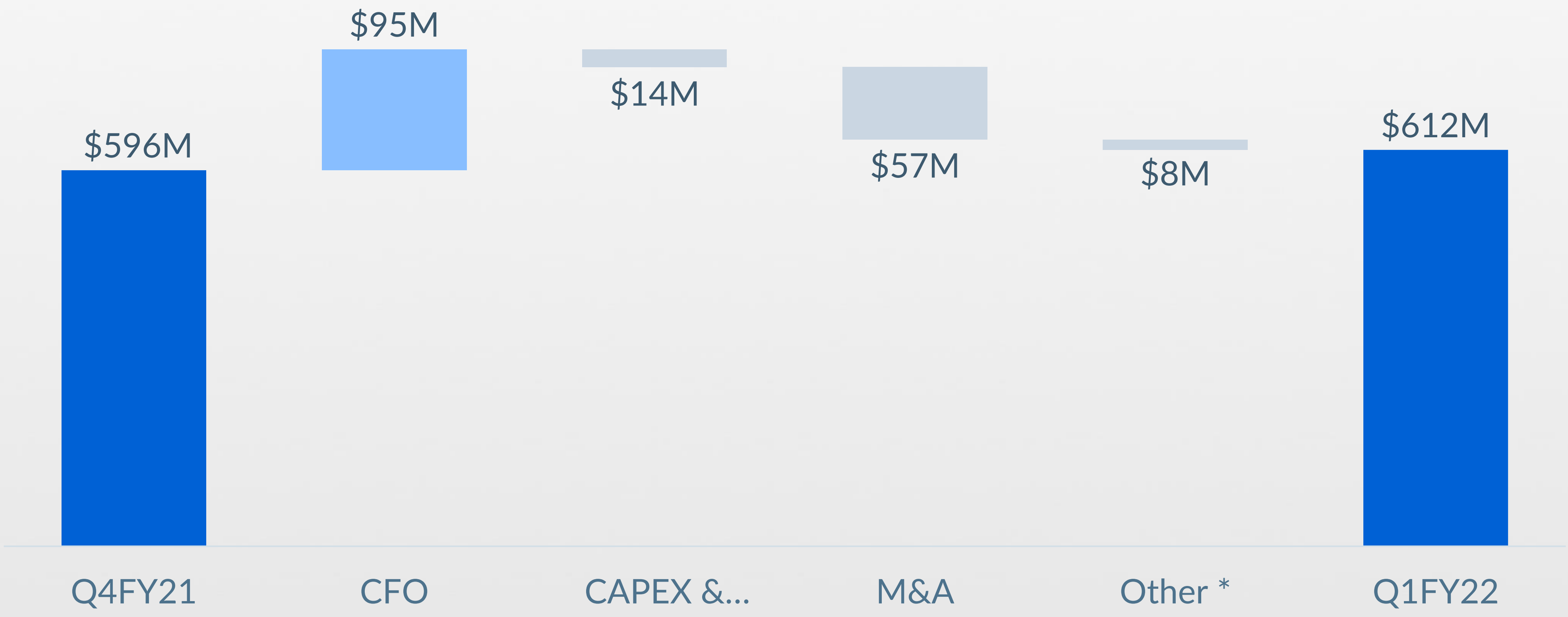


Non-GAAP free cash flow margin (%)



Note: A reconciliation of non-GAAP operating margin and non-GAAP free cash flow margin to their nearest GAAP financial measures can be found in the Appendix of this presentation.

Cash, cash equivalents, restricted cash, and short-term investments



*"Other" primarily consists of cash used for acquisitions, purchase of short-term investments and RSU taxes, partially offset by proceeds from issuances of common stock under our employee stock purchase plan

Q2 and fiscal year 2022 guidance

Q2 FY22	Guidance
Revenue	$211M – $212M
GAAP EPS	(13¢) – (12¢)
Non-GAAP EPS (diluted)	17¢ - 18¢
Weighted-average shares used to compute GAAP EPS	160 million
Weighted-average shares used to compute non-GAAP EPS (diluted)	167 million
Non-GAAP operating margin	18% - 18.5%

Fiscal year 2022

Revenue	$845M – $853M
GAAP EPS	(50¢) – (45¢)
Non-GAAP EPS (diluted)	71¢ - 76¢
Weighted-average shares used to compute GAAP EPS	154 million
Weighted-average shares used to compute non-GAAP EPS (diluted)	161 million
Non-GAAP operating margin	18% - 18.5%

Q2 and fiscal year 2022 EPS summary

	Q2 FY22	FY22
Previous guidance *(as of Q4FY21 earnings call; March 2, 2021)*	n/a	76¢ - 81¢
Impact of business performance	*n/a*	*4¢*
Impact from elevated temporary share count	*(2¢)*	*(2¢)*
*Impact from preferred stock dividend**	*(2¢)*	*(7¢)*
Total impact to non-GAAP EPS	(4¢)	(5¢)
Updated guidance *(as of Q1FY22 earnings call; May 27, 2021)*	17¢ - 18¢	71¢ - 76¢

Note: Non-GAAP financial measures. A reconciliation to their nearest GAAP financial measures can be found in the Appendix of this presentation.

*The preferred stock dividend will appear in our Earnings Per Share Note accompanying our financial statements.

Driving margin expansion while building CCM momentum

Committed to delivering significant improvements to financial profile

	FY19	FY20	FY21	FY24 Target
Revenue Growth + FCF Margin	22%	13%	26%	40%+
Revenue Growth	20%	14%	11%	12–16%
Gross Margin	74%	71%	73%	~75%
S&M as a % of Revenue	45%	40%	30%	24–27%
R&D as a % of Revenue	19%	20%	18%	16–17%
G&A as a % of Revenue	11%	10%	9%	~8%
Operating Margin	(2%)	1%	15%	23-27%

Note: Gross Margin, S&M as a % of revenue, R&D as a % of revenue, G&A as a % of revenue, Operating Margin, and Free Cash Flow Margin are non-GAAP financial measures. A reconciliation to their nearest GAAP financial measures can be found in the Appendix of this presentation.

Company highlights

We are going after a large market opportunity

With a highly differentiated product

Supported by a repeatable and scalable GTM engine

Driving profitable growth

Appendix

GAAP Revenue to Billings Reconciliation

($ in thousands)	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22
GAAP revenue	**$183,561**	**$192,293**	**$196,003**	**$198,913**	**$202,441**
Deferred revenue, end of period	368,349	364,871	354,363	465,613	423,249
Less: Deferred revenue, beginning of period	(423,849)	(368,349)	(364,871)	(354,363)	(465,613)
Contract assets, beginning of period	-	-	-	-	25
Less: Contract assets, end of period	-	-	-	(25)	(677)
Billings	**$128,061**	**$188,815**	**$185,495**	**$310,138**	**$159,425**

GAAP to Non-GAAP Reconciliation – Gross Margin

($ in thousands)	Q1FY21	*As a % of revenue*	Q2FY21	*As a % of revenue*	Q3FY21	*As a % of revenue*	Q4FY21	*As a % of revenue*	Q1FY22	*As a % of revenue*
GAAP gross margin	**$129,566**	*70.6%*	**$136,959**	*71.2%*	**$139,191**	*71.0%*	**$140,316**	*70.5%*	**$141,494**	*69.9%*
Add: Stock-based compensation	4,541		4,401		4,731		5,263		5,340	
Add: Acquired intangible assets amortization	-		-		-		-		901	
Add: Acquisition-related expenses	-		-		-		-		135	
Non-GAAP gross margin	**$134,107**	*73.1%*	**$141,360**	*73.5%*	**$143,922**	*73.4%*	**$145,579**	*73.2%*	**$147,870**	*73.0%*

($ in thousands)	FY19	*As a % of revenue*	FY20	*As a % of revenue*	FY21	*As a % of revenue*
GAAP gross margin	**$434,792**	*71.5%*	**$480,687**	*69.0%*	**$546,032**	*70.8%*
Add: Stock-based compensation	14,065		16,769		18,936	
Add: Restructuring activities	-		27		-	
Non-GAAP gross margin	**$448,857**	*73.8%*	**$497,483**	*71.4%*	**$564,968**	*73.3%*

GAAP to Non-GAAP Reconciliation — Operating Expenses

($ in thousands)	**Q1FY21**	*As a % of revenue*	**Q2FY21**	*As a % of revenue*	**Q3FY21**	*As a % of revenue*	**Q4FY21**	*As a % of revenue*	**Q1FY22**	*As a % of revenue*
GAAP research and development	**$53,114**	*29%*	**$50,115**	*26%*	**$49,454**	*25%*	**$48,579**	*24%*	**$50,859**	*25%*
Less: Stock-based compensation	(17,287)		(14,271)		(14,581)		(15,006)		(15,453)	
Non-GAAP research and development	**$35,827**	*20%*	**$35,844**	*19%*	**$34,873**	*18%*	**$33,573**	*17%*	**$35,406**	*17%*
GAAP sales and marketing	**$72,750**	*40%*	**$67,757**	*35%*	**$67,112**	*34%*	**$68,123**	*34%*	**$69,811**	*34%*
Less: Stock-based compensation	(10,079)		(10,666)		(10,619)		(10,651)		(11,551)	
Non-GAAP sales and marketing	**$62,671**	*34%*	**$57,091**	*30%*	**$56,493**	*29%*	**$57,472**	*29%*	**$58,260**	*29%*
GAAP general and administrative	**$27,942**	*15%*	**$26,597**	*14%*	**$25,239**	*13%*	**$26,892**	*14%*	**$31,087**	*15%*
Less: Stock-based compensation	(8,136)		(8,223)		(7,903)		(7,934)		(9,446)	
Less: Acquisition-related expenses	-		-		-		(790)		(785)	
Less: Fees related to shareholder activism	(1,402)		-		-		-		(1,050)	
Non-GAAP general and administrative	**$18,404**	*10%*	**$18,374**	*10%*	**$17,336**	*9%*	**$18,168**	*9%*	**$19,806**	*10%*

GAAP to Non-GAAP Reconciliation – Operating Expenses

($ in thousands)	**FY19**	*As a % of revenue*	**FY20**	*As a % of revenue*	**FY21**	*As a % of revenue*
GAAP research and development	**$163,750**	*27%*	**$199,750**	*29%*	**$201,262**	*26%*
Less: Stock-based compensation	(45,189)		(62,565)		(61,145)	
Less: Restructuring activities	-		(306)		-	
Non-GAAP research and development	**$118,561**	*19%*	**$136,879**	*20%*	**$140,117**	*18%*
GAAP sales and marketing	**$312,210**	*51%*	**$317,615**	*46%*	**$275,742**	*36%*
Less: Stock-based compensation	(36,864)		(38,030)		(42,015)	
Less: Intangible assets amortization	(9)		-		-	
Less: Restructuring activities	-		(1,134)		-	
Non-GAAP sales and marketing	**$275,337**	*45%*	**$278,451**	*40%*	**$233,727**	*30%*
GAAP general and administrative	**$93,069**	*15%*	**$102,794**	*15%*	**$106,670**	*14%*
Less: Stock-based compensation	(23,178)		(28,624)		(32,196)	
Less: Intangible assets amortization	(15)		-		-	
Less: Acquisition-related expenses	-		-		(790)	
Less: Fees related to shareholder activism	-		(1,154)		(1,402)	
Less: Restructuring activities	-		(184)		-	
Non-GAAP general and administrative	**$69,876**	*11%*	**$72,832**	*10%*	**$72,282**	*9%*

GAAP to Non-GAAP Reconciliation – Operating Margin

($ in thousands)	**Q1FY21**	*As a % of revenue*	**Q2FY21**	*As a % of revenue*	**Q3FY21**	*As a % of revenue*	**Q4FY21**	*As a % of revenue*	**Q1FY22**	*As a % of revenue*
GAAP operating margin	**($24,240)**	*(13%)*	**($7,510)**	*(4%)*	**($2,614)**	*(1%)*	**($3,278)**	*(2%)*	**($10,263)**	*(5%)*
Add: Stock-based compensation	40,043	*22%*	37,561	*20%*	37,834	*19%*	38,854	*20%*	41,790	*21%*
Add: Acquired intangible assets amortization	-	-	-	-	-	-	-	-	901	-
Add: Acquisition-related expenses	-	-	-	-	-	-	790	-	920	-
Add: Fees related to shareholder activism	1,402	*0%*	-	-	-	-	-	-	1,050	*1%*
Non-GAAP operating margin	**$17,205**	*9%*	**$30,051**	*16%*	**$35,220**	*18%*	**$36,366**	*18%*	**$34,398**	*17%*

($ in thousands)	**FY19**	*As a % of revenue*	**FY20**	*As a % of revenue*	**FY21**	*As a % of revenue*
GAAP operating margin	**($134,237)**	*(22%)*	**($139,472)**	*(20%)*	**($37,642)**	*(5%)*
Add: Stock-based compensation	119,296	*20%*	145,988	*21%*	154,292	*20%*
Add: Intangible assets amortization	24	*0%*	-	-	-	-
Add: Expenses related to legal verdict	-	-	-	-	-	-
Add: Acquisition-related expenses	-	-	-	-	790	*0%*
Add: Fees related to shareholder activism	-	-	1,154	*0%*	1,402	*0%*
Add: Restructuring activities	-	-	1,651	*0%*	-	-
Non-GAAP operating margin	**($14,917)**	*(2%)*	**$9,321**	*1%*	**$118,842**	*15%*

GAAP to Non-GAAP Reconciliation – Free Cash Flow

($ in thousands)	**Q1FY21**	*As a % of revenue*	**Q2FY21**	*As a % of revenue*	**Q3FY21**	*As a % of revenue*	**Q4FY21**	*As a % of revenue*	**Q1FY22**	*As a % of revenue*
GAAP net cash provided by operating activities	**$61,917**	*34%*	**$32,325**	*17%*	**$45,052**	*23%*	**$57,540**	*29%*	**$94,772**	*47%*
Less: Purchases of property and equipment, net of proceeds from sales	(1,407)		(2,671)		(3,337)		(1,637)		(1,145)	
Less: Principal payments of finance lease liabilities	(17,356)		(14,219)		(14,584)		(13,861)		(13,262)	
Less: Capitalized internal-use software costs	(3,291)		*(2,102)*		(964)		(1,081)		(4,475)	
Free cash flow	**$39,863**	*22%*	**$13,333**	*7%*	**$26,167**	*13%*	**$40,961**	*21%*	**$75,890**	*37%*

($ in thousands)	**FY19**	*As a % of revenue*	**FY20**	*As a % of revenue*	**FY21**	*As a % of revenue*
GAAP net cash provided by operating activities	**$55,321**	*9%*	**$44,713**	*6%*	**$196,834**	*26%*
Less: Purchases of property and equipment, net of proceeds from sales	(14,806)		(5,444)		(9,052)	
Less: Principal payments of finance lease liabilities	(23,930)		(38,542)		(60,020)	
Less: Capitalized internal-use software costs	(2,761)		(7,957)		(7,438)	
Free cash flow	**$13,824**	*2%*	**($7,230)**	*(1%)*	**$120,324**	*16%*

GAAP to Non-GAAP Reconciliation — EPS

	For the Three Months Ended April 30, 2020	For the Three Months Ended April 30, 2021
GAAP net loss per share, basic and diluted	($0.17)	($0.09)
Stock-based compensation	0.26	0.26
Acquired intangible assets amortization	-	-
Acquisition-related expenses	-	0.01
Fees related to shareholder activism	0.01	0.01
Amortization of debt issuance costs	-	-
Non-GAAP net income per share, basic	$0.10	$0.19
Non-GAAP net income per share, diluted	$0.10	$0.18
Weighted-average shares outstanding, basic (in thousands)	151,943	161,733
Weighted-average shares outstanding, diluted (in thousands)	157,608	169,221

GAAP to Non-GAAP Reconciliation — EPS Outlook

	Three Months Ended July 31, 2021	Fiscal Year Ended January 31, 2022
GAAP net loss per share range, basic and diluted	($0.13 – $0.12)	($0.50 - $0.45)
Stock-based compensation	0.28	1.15
Acquired intangible asset amortization	0.01	0.03
Acquisition-related expenses	-	0.01
Fees related to shareholder activism	0.02	0.03
Litigation expenses	-	0.01
Amortization of debt issuance costs	-	0.01
Non-GAAP net income per share range, basic	**$0.18 – $0.19**	**$0.74 - $0.79**
Non-GAAP net income per share range, diluted	**$0.17 – $0.18**	**$0.71 - $0.76**
Weighted-average shares used to compute GAAP net loss per share, basic and diluted	**159,739**	**153,768**
Weighted-average shares used to compute Non-GAAP net income per share		
Basic	**159,739**	**153,768**
Diluted	**166,540**	**160,616**

Presentation of Preferred Stock Dividend

Statements of Operations Q2FY22 (for illustration purposes)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2021	2020	2021	2020
Net loss	**(XX)**	**(XX)**	**(XX)**	**(XX)**
Less: Series A convertible preferred stock dividends	(XX)	(XX)	(XX)	(XX)
Net loss attributable to common stockholders	**(XX)**	**(XX)**	**(XX)**	**(XX)**