

# Bringing Agreements to Life

Quarterly Results Q4 FY26

# Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, that are based on our management's beliefs and assumptions and on information currently available to management, and which statements involve substantial risk and uncertainties. All statements contained in this presentation other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, market growth and trends, objectives for future operations, and the impact of such assumptions on our financial condition and results of operations are forward-looking statements. Forward-looking statements in this presentation also include, among other things, statements on pages titled "Guidance" and "Modeling Considerations" and any other statements about expected financial metrics, such as revenue, annual recurring revenue, free cash flow, non-GAAP gross margin, non-GAAP operating margin, non-GAAP diluted weighted-average shares outstanding, and non-financial metrics, as well as statements related to our expectations regarding: the impact of foreign exchange rates; the timing and extent of customer renewals; the effectiveness of changes to our sales force and go-to-market strategy; the effects of seasonality; the timing and impact of our cloud migration transition; the benefits, the timing or rollout of future products and capabilities; the evolution, customer demand, and adoption of the DocuSign Intelligent Agreement Management ("IAM") platform; and our utilization of our stock repurchase program, including the expected timing, duration, volume and nature of share repurchase under such program. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "contemplates," "believes," "estimates," "predicts," "potential" or "continue" or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

Forward-looking statements contained in this presentation include, but are not limited to, statements about: our expectations regarding global macro-economic conditions, including the effects of inflation, volatile interest rates or foreign exchange rates, and market volatility on the global economy; our inability to accurately estimate our market opportunity; our ability to compete effectively in an evolving and competitive market; the impact of any interruptions or delays in performance of our technical infrastructure, or data breaches, cyberattacks or other fraudulent or malicious activity attempting to exploit our technology systems, platform or brand name; our ability to effectively sustain and manage our growth and future expenses and maintain or increase profitability; our ability to attract new customers and retain and expand our existing customer base, including our ability to attract large organizations as users; our ability to scale and update our platform to respond to customers' needs and rapid technological change, including our ability to successfully incorporate artificial intelligence into our existing and future products and to successfully deploy them; our ability to successfully develop, launch and sell IAM solutions;

our ability to expand use cases within existing customers and vertical solutions; our ability to expand our operations and increase adoption of our platform internationally; our ability to strengthen and foster our relationships with developers; our ability to retain our direct sales force, customer success team and strategic partnerships around the world; our ability to identify targets for and execute potential acquisitions and to successfully integrate and realize the anticipated benefits of such acquisitions; our ability to maintain, protect and enhance our brand; the sufficiency of our cash, cash equivalents and capital resources to satisfy our liquidity needs; limitations on us due to obligations we have under our credit facility; our ability to realize the anticipated benefits of our stock repurchase program; our failure or the failure of our software to comply with applicable industry standards, laws and regulations; our ability to maintain, protect and enhance our intellectual property; our ability to successfully defend litigation against us; our ability to maintain our corporate culture; our ability to offer high-quality customer support; our ability to hire, retain and motivate qualified personnel, including executive level management; our ability to successfully manage and integrate executive management transitions; uncertainties regarding the impact of general economic and market conditions, including as a result of geopolitical conflict or changes in trade policies and practices; and our ability to maintain proper and effective internal controls.

Additional risks and uncertainties that could affect our financial results are included in the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our annual report on Form 10-K for the fiscal year ended January 31, 2025, filed on March 18, 2025 our quarterly report on Form 10-Q for the quarter ended October 31, 2025, filed on December 5, 2025 with the Securities and Exchange Commission (the "SEC"), and other filings that we make from time to time with the SEC. The forward-looking statements made in this presentation relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking statements after the date of this presentation or to conform such statements to actual results or revised expectations, except as required by law.

# Non-GAAP financial measures and other key metrics

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core operating performance. These non-GAAP financial measures, which may be different than similarly-titled measures used by other companies, are presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We believe that these non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to important metrics used by our management for financial and operational decision-making. We present these non-GAAP measures to assist investors in seeing our financial performance using a management view, and because we believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry. However, these non-GAAP measures are not intended to be considered in isolation from, a substitute for, or superior to our GAAP results.

Non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP operating margin, non-GAAP net income and non-GAAP net income per share: We define these non-GAAP financial measures as the respective GAAP measures, excluding expenses related to stock-based compensation, employer payroll tax on employee stock transactions, amortization of acquisition-related intangibles, acquisition-related expenses, restructuring and other related charges, and, as applicable, other special items. The amount of employer payroll tax-related items on employee stock transactions is dependent on our stock price and other factors that are beyond our control and do not correlate to the operation of the business. When evaluating the performance of our business and making operating plans, we do not consider these items (for example, when considering the impact of equity award grants, we place a greater emphasis on overall stockholder dilution rather than the accounting charges associated with such grants). We believe it is useful to exclude these expenses in order to better understand the long-term performance of our core business and to facilitate comparison of our results to those of peer companies and over multiple periods. In addition to these exclusions, we subtract an assumed provision for income taxes to calculate non-GAAP net income. We utilize a fixed long-term projected tax rate in our computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. We have determined the projected non-GAAP tax rate to be 20% for fiscal 2025 and 21% for fiscal 2026 due to the impact of the One Big Beautiful Bill Act.

Free cash flow: We define free cash flow as net cash provided by operating activities less purchases of property and equipment. We believe free cash flow is an important liquidity measure of the cash that is available (if any), after purchases of property and equipment, for operational expenses, investment in our business, and to make acquisitions. Free cash flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash in excess of our capital investments in property and equipment. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth.

Billings: We define billings as total revenues plus the change in our contract liabilities and refund liability less contract assets and unbilled accounts receivable in a given period. Billings reflects sales to new customers plus subscription renewals and additional sales to existing customers. Only amounts invoiced to a customer in a given period are included in billings. We considered billings to measure our periodic performance, when taking into consideration the timing aspects of customer renewals, which represent a large component of our business. Given that most of our customers pay in annual installments one year in advance, but we typically recognize a majority of the related revenue ratably over time, we used billings to measure and monitor our ability to provide our business with the working capital generated by upfront payments from our customers. Beginning in the first fiscal quarter of 2027, we will no longer report or guide to billings.

Annual Recurring Revenue: We calculate Annual Recurring Revenue ("ARR") as the annualized value of active customer contracts as of the measurement date. This calculation assumes that any contract expiring within the next 12 months renews on its existing terms, and excludes non-recurring revenue streams recognized at a point in time. When evaluating ARR on a product basis for contracts spanning multiple product lines, we allocate the support contract value to each product offering based on its proportional share of the total contract value. To annualize contracts, we divide the total committed contract value by the number of months in the subscription term and multiply by twelve. For international contracts denominated in foreign currencies, ARR is translated into U.S. dollars using a fixed exchange rate set at the beginning of each fiscal year. We adjust previously reported ARR annually to reflect these exchange rate changes for comparative purposes. We believe ARR measures our business performance and serves as a leading indicator of future revenue growth. ARR is an operating metric and should be viewed independently of revenue, deferred revenue, and remaining performance obligations; it does not represent revenue under U.S. GAAP on an annual basis.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure, please see "Reconciliation of GAAP to Non-GAAP Financial Measures" at the end of this presentation.

# At a glance

## Our solution

# IAM

Intelligent Agreement Management

Unleashing the value of agreement data  
to power every company

## Trusted, global brand<sup>1</sup>

Over  
**1.8M**  
customers

More than  
**1 billion users**  
in over  
**180 countries**  
across the globe

## Q4 FY26<sup>2</sup> performance

**\$837M**

Total Revenue  
(30% Int'l)  
8% Y/Y growth

**\$1,019M<sup>3</sup>**

Billings  
10% Y/Y growth

## Market leadership



World's #1 e-signature solution

Ranked #1 "Most Trustworthy" software  
and telecommunications company in  
America in 2025 by Newsweek

**29.5%<sup>3</sup>**

Operating Margin  
(Non-GAAP)

**\$350M<sup>4</sup>**

Free Cash Flow  
42% FCF Margin

(1) Data under header as of January 31, 2026.

(2) For the fiscal quarter ended January 31, 2026.

(3) Please see Appendix slides for non-GAAP reconciliation.

(4) FCF calculated as Operating Cash Flow less CapEx. Please see Appendix for calculation.

# Agreements power business

## Sales

Sales Contracts  
NDAs  
SOWs



## HR

Offer Letters  
Background Checks  
Company Policies

## Service

Field Service  
Change Orders  
Work Agreements



## Procurement

Vendor Contracts  
Purchase Orders  
Termination Letters

## Marketing

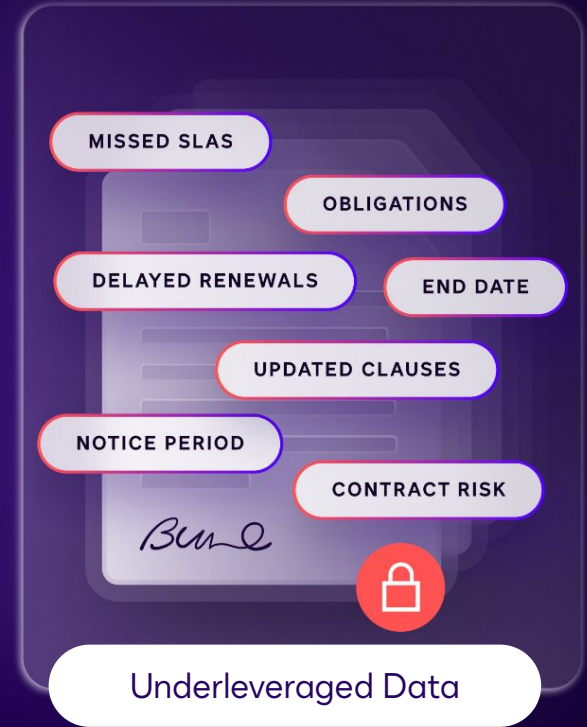
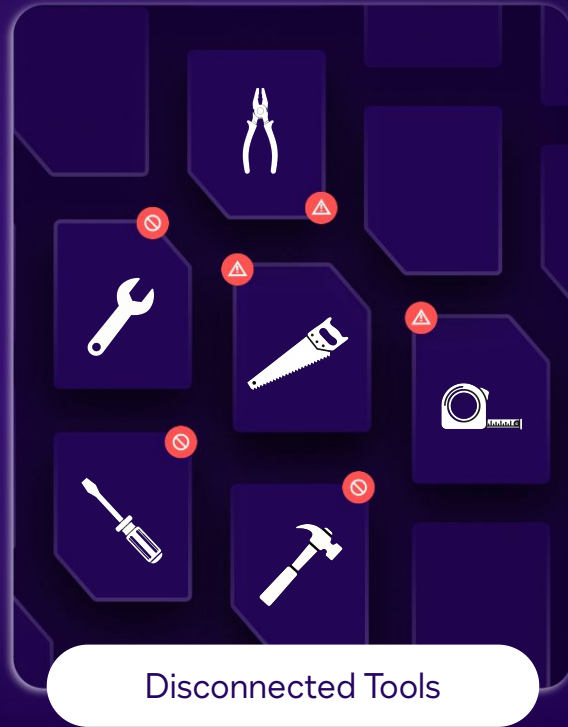
Vendor Agreements  
Sponsor Agreements  
Influencer Agreements



## Legal

Amendments  
Affidavits  
SEC Filings

# Poor agreement management is driven by three root causes



## Our Solution

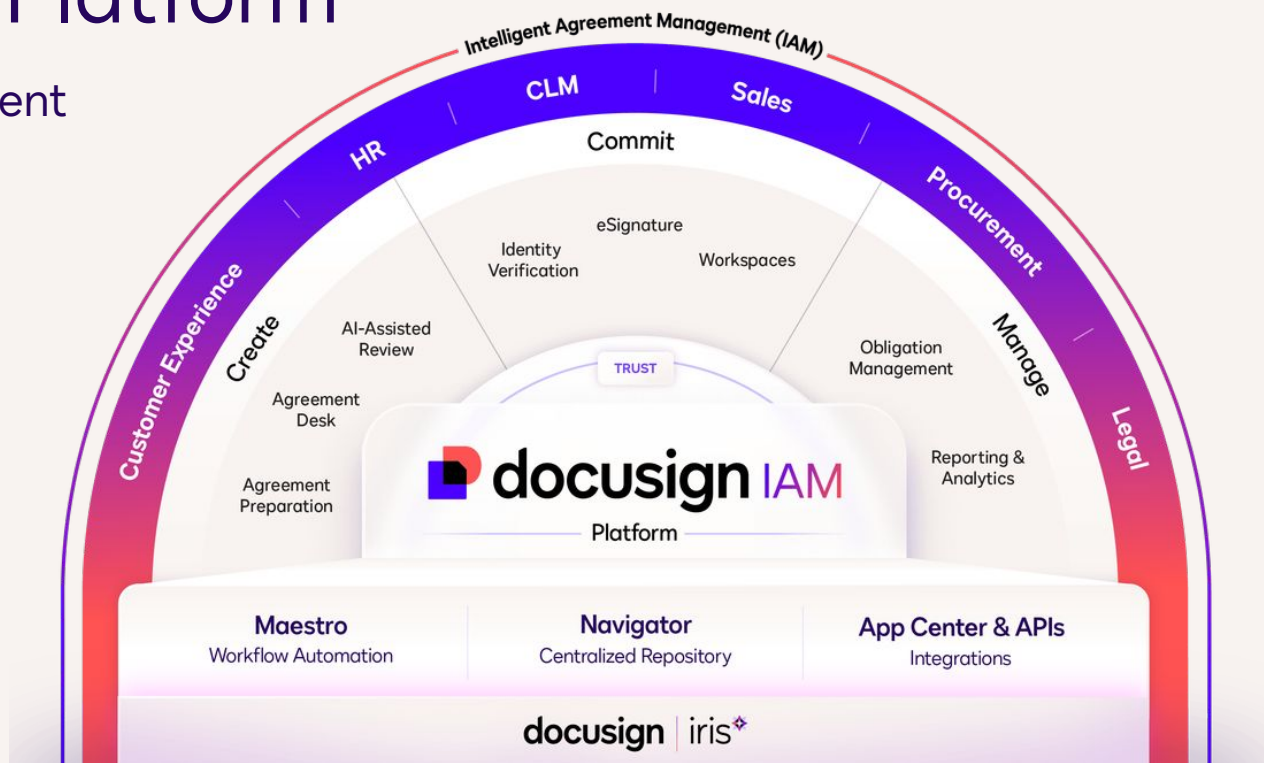
# IAM

Unleashing the value of agreement data  
to power every company



# Intelligent Agreement Management Platform

An agreement management platform that scales with your business



# DocuSign Journey

Relentless Innovation.  
Driven by Customers' Needs.



# DocuSign addresses the **entire** agreement process

Accelerate deal execution and team efficiency

Create

Commit

Manage

### Create automation with workflows

Collect information

Participants sign document

Generate document

### Collect information where you work

SmartFact 109KB • docx

SmartFact 204KB • docx

SmartFact 72KB • docx

### Generate agreement and tasks

Generate Document

SmartFactory Sales (109KB • docx)

### Automate reviews

The offer looks great!

Awesome, I'm sending you the contract to sign 🙌

### Commit via signature

Document Signed ✓

### Manage renewals and obligations

Agreements by renewal type

Renewal Type	Percentage
Automatic renew	50%
Option to renew	35%
Evergreen	15%

### Gain insights from reporting

Agreements with renewals

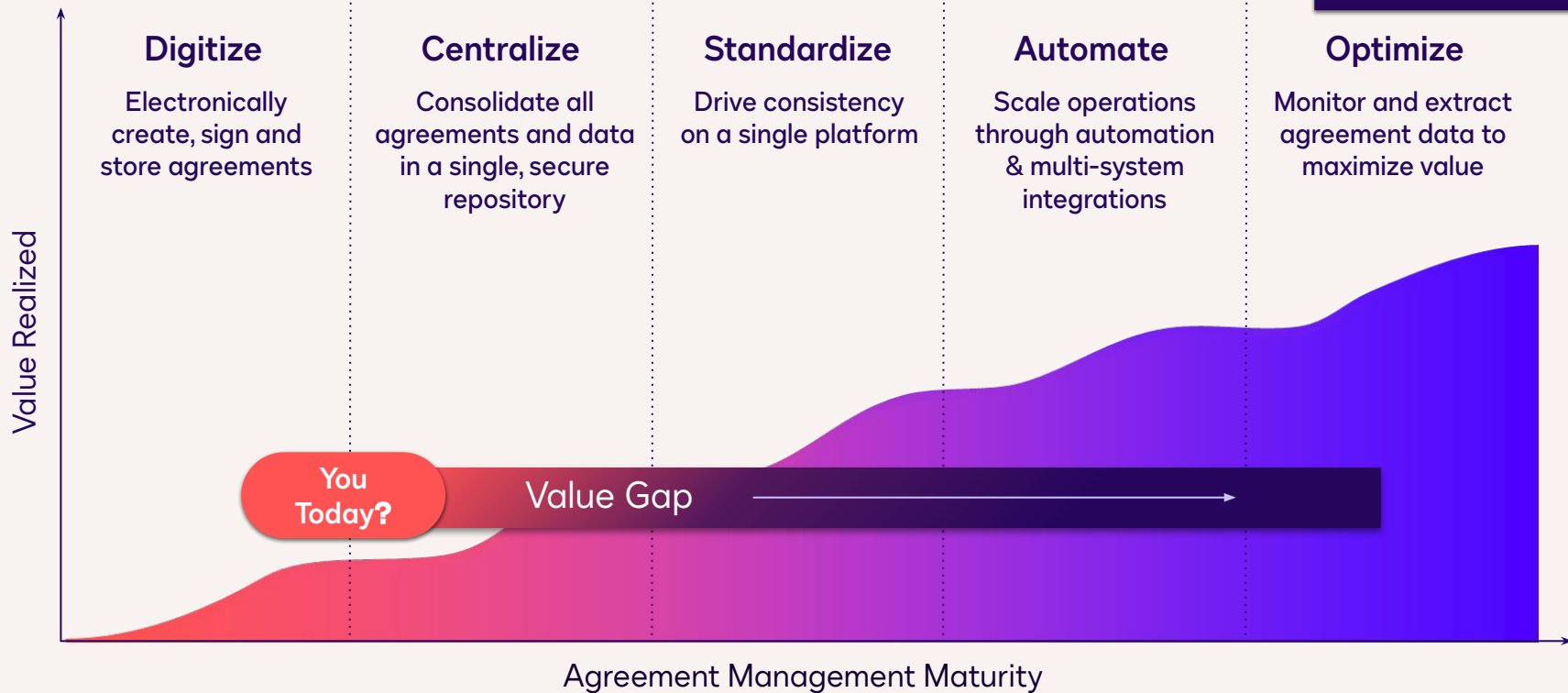
Month	Count
Jan	10
Feb	12
Mar	10
Apr	10
May	10
Jun	15

DocuSign IAM Platform | AI-powered ✨ | Integrations with SAP Ariba, Coupa, Salesforce +

# We're helping 25K+ customers<sup>1</sup> advance >200 million agreements<sup>2</sup> with IAM

77%<sup>3</sup>

Of high performing organizations credit contract management for their success — Deloitte

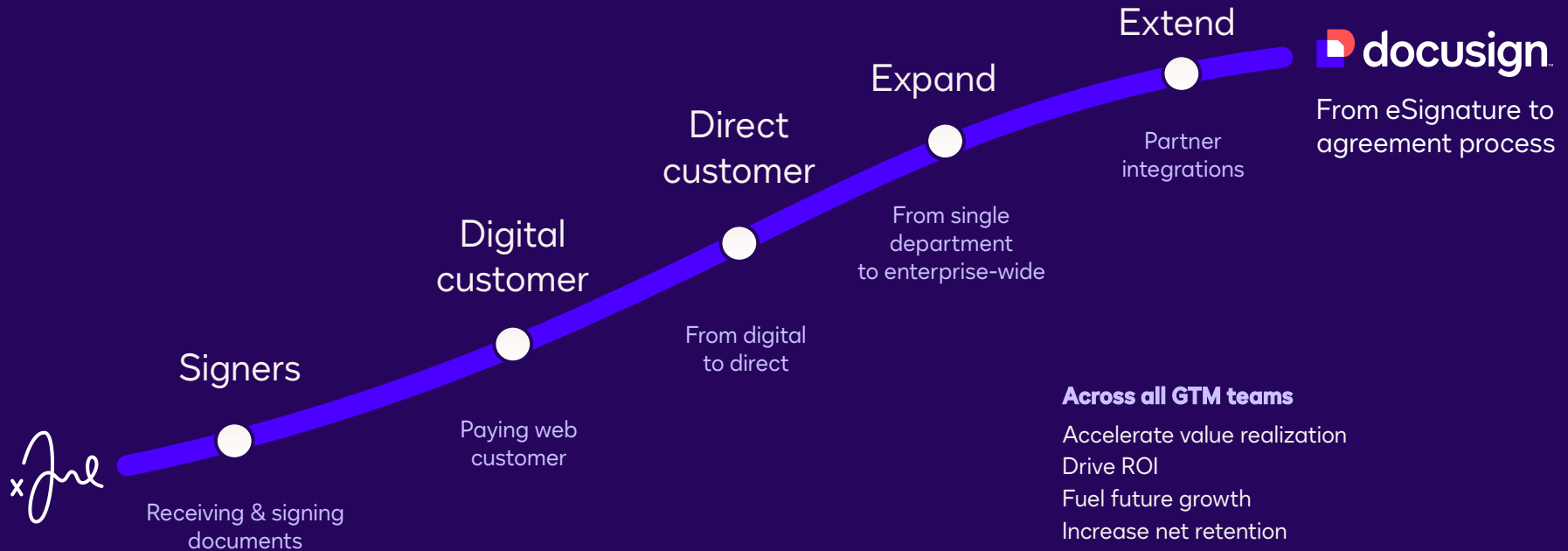


(1) Customer count as of Q3'26 quarter end.

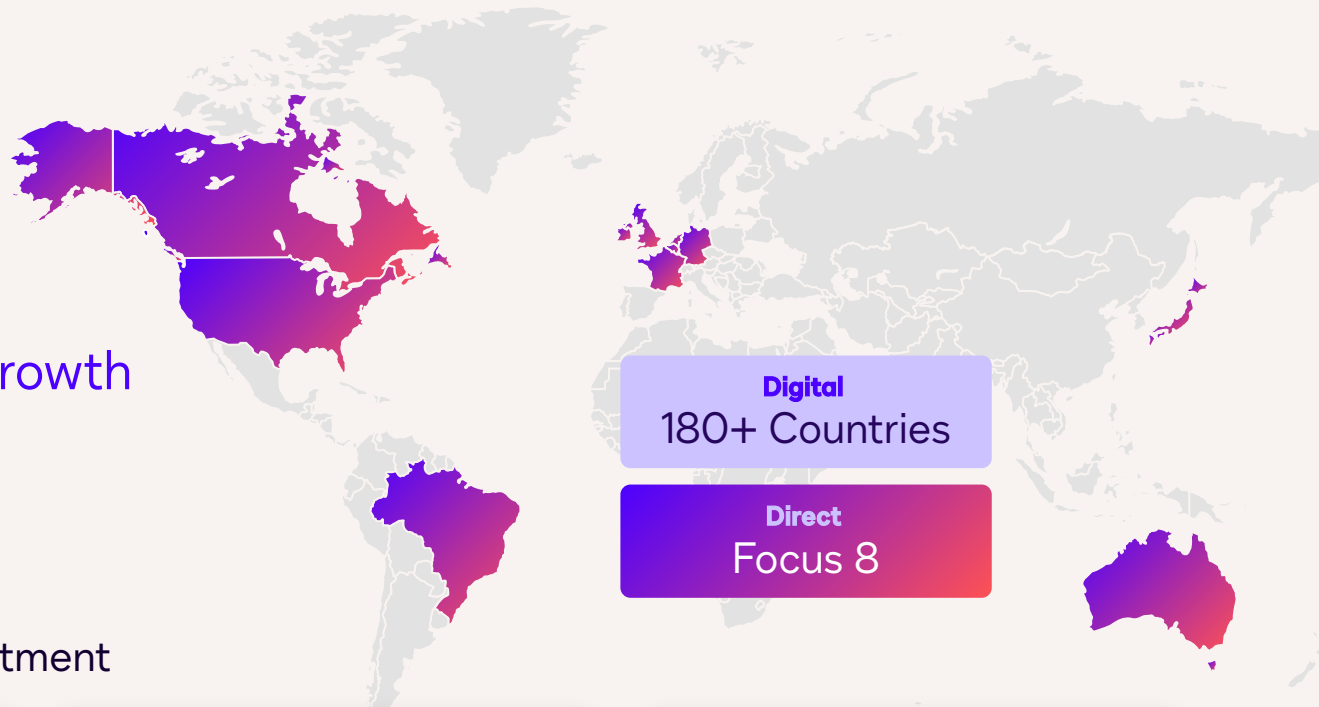
(2) As of March 2026.

(3) 2025 Deloitte and Docusign Digital Agreement Management Study, <https://www.deloitte.com/us/en/services/tax/articles/digital-agreement-management-study.html>

# Omni-channel experience throughout the customer journey



# Investing in international growth



15% Y/Y Int'l revenue growth  
(Q4FY26)<sup>1</sup>

30% of Total revenue  
(Q4FY26)<sup>1</sup>

## Market prioritization & investment

### Tier 1: Market leader

Primary market focus for Direct GTM investment  
Fully localized digital experience  
Targeted investment in Resell partners

### Tier 2: Seed and grow

High potential investment countries  
Seed with targeted direct investments, localized sales & support through partner and digital

### Tier 3: Digital & emerging

Digital First strategy  
Indirect selling via key resellers

(1) For the fiscal quarter ended January 31, 2026 compared to same period a year ago.

# How customers buy from us

## Prepaid Model

### Multi-Factor Subscription Model

#### Volume Capacity

Pre-Set # of Envelopes

#### Seat Based

Contract per user

#### Add-on Functionality

Multiple levels of add-on functionality

### Dollar Weighted Average Contract Length<sup>1</sup>

64%  
≤12 month  
duration



36%  
>12 month  
duration

(1) Rolling 4-quarter average through fiscal quarter ended January 31, 2026.

# DocuSign partner ecosystem

Comprehensive network of cloud, service, and reseller partners

**ISVs**  
(and 350+ more)



**AI & LLM MCP  
Integrations**



ChatGPT



Microsoft Copilot Studio



**Systems  
Integrators**

500+ certified professionals across 10+ global & regional SIs



**Resellers**

140+ resellers extend our reach, helping customers agree in 40+ countries

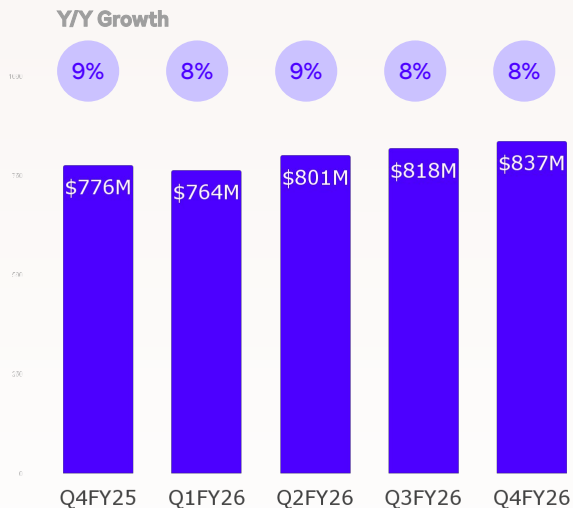




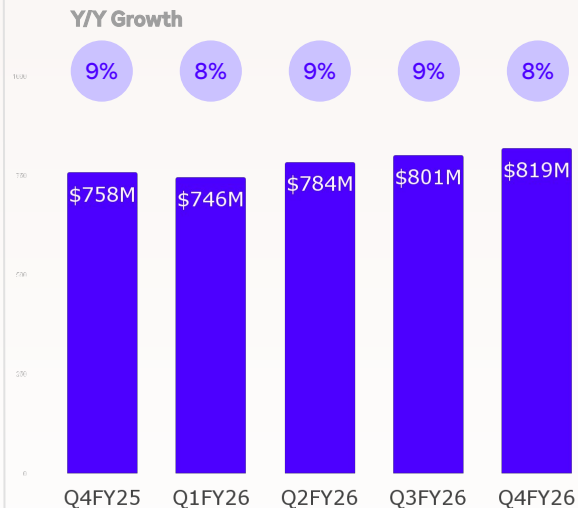
# Financial Review

# Revenue growth

## Total Revenue<sup>1</sup>

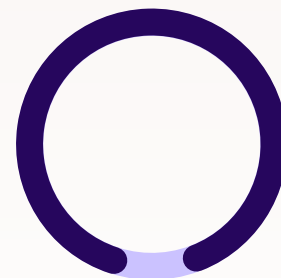


## Subscription Revenue<sup>1</sup>



## Direct v. Digital Contribution

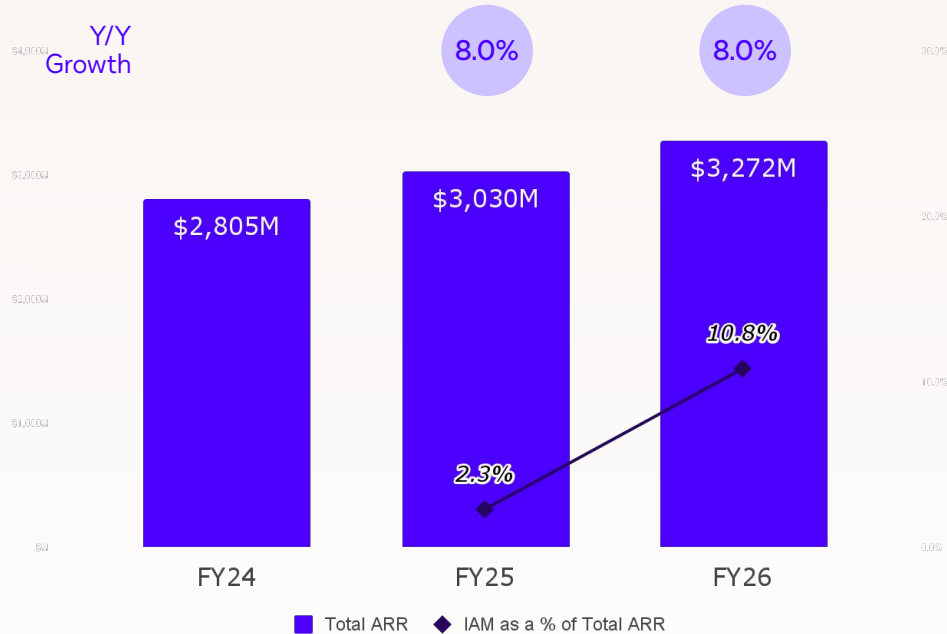
**85% of Total Revenue**  
Enterprise, Commercial & SMB (Direct)



**15% of Total Revenue**  
Web & Mobile (Digital)

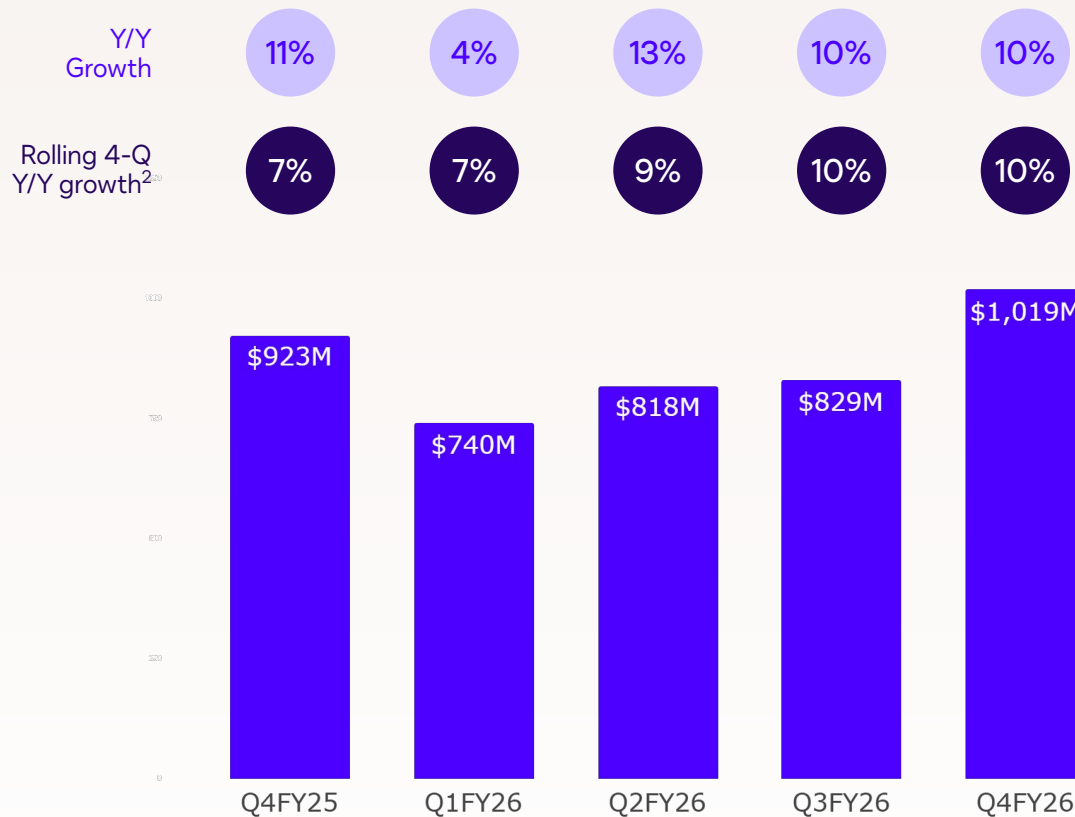
(1) Fiscal quarter ended January 31, 2026.

# Annual recurring revenue (ARR) | IAM % ARR<sup>1</sup>



(1) We calculate Annual Recurring Revenue ("ARR") as the annualized value of active customer contracts as of the measurement date. This calculation assumes that any contract expiring within the next 12 months renews on its existing terms, and excludes non-recurring revenue streams recognized at a point in time. When evaluating ARR on a product basis for contracts spanning multiple product lines, we allocate the support contract value to each product offering based on its proportional share of the total contract value. To annualize contracts, we divide the total committed contract value by the number of months in the subscription term and multiply by twelve. For international contracts denominated in foreign currencies, ARR is translated into U.S. dollars using a fixed exchange rate set at the beginning of each fiscal year. We adjust previously reported ARR annually to reflect these exchange rate changes for comparative purposes. We believe ARR measures our business performance and serves as a leading indicator of future revenue growth. ARR is an operating metric and should be viewed independently of revenue, deferred revenue, and remaining performance obligations; it does not represent revenue under U.S. GAAP on an annual basis. Fiscal years end January 31.

# Billings<sup>1</sup> growth

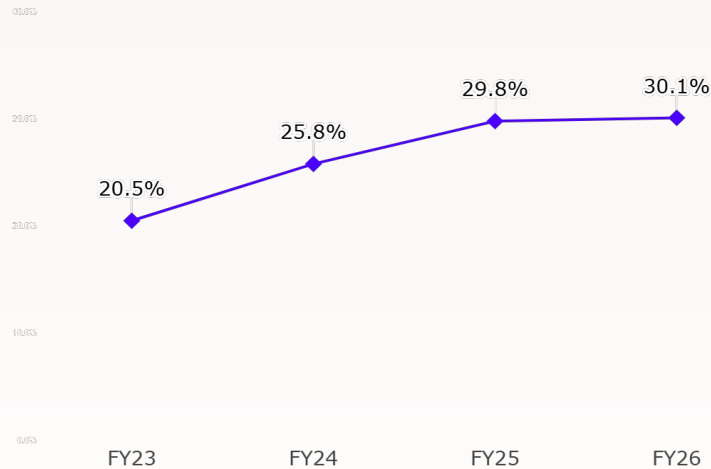


(1) Billings = total revenues plus the change in contract liabilities and refund liability less contract assets and unbilled accounts receivable in a given period. Please see Appendix for non-GAAP reconciliation.

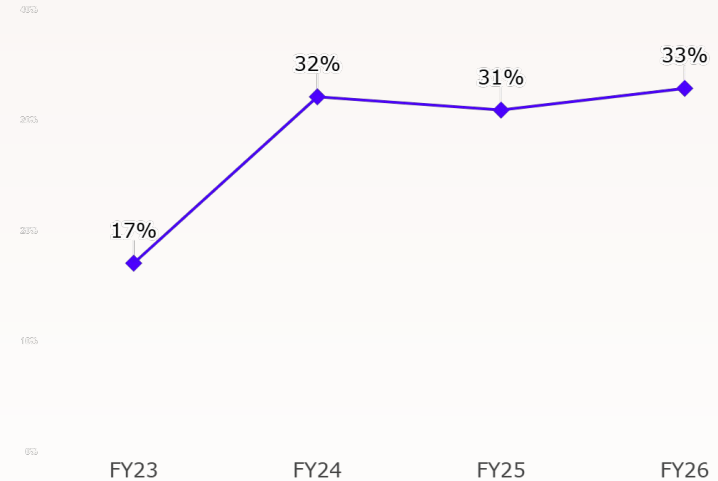
(2) Rolling 4-quarter year over year growth rate is used to smooth out the quarterly variability in the billings number.

# Healthy operating efficiency (full year)

## Non-GAAP Operating Margin<sup>1</sup>



## Free Cash Flow Margin<sup>2</sup>



(1) Please see Appendix slides for non-GAAP reconciliation.

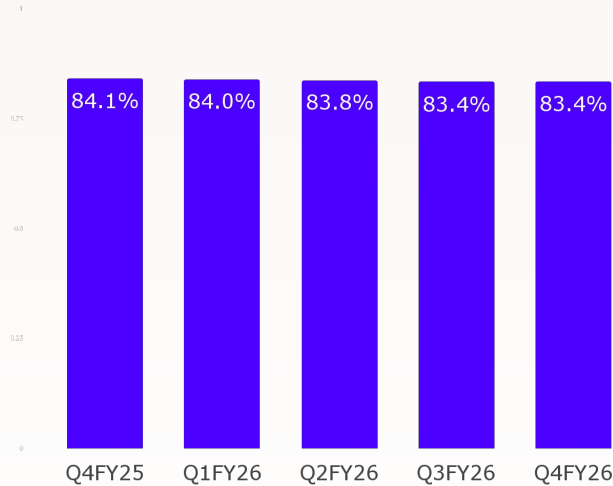
(2) FCF calculated as Operating Cash Flow less CapEx. Please see Appendix for calculation.

# Healthy operating efficiency

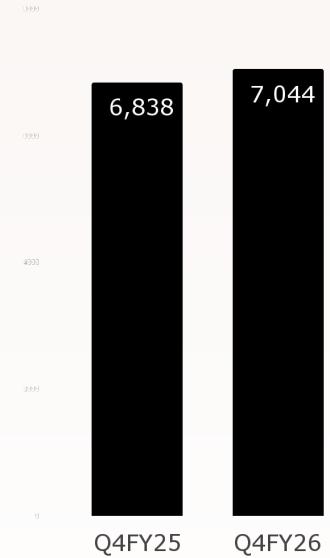
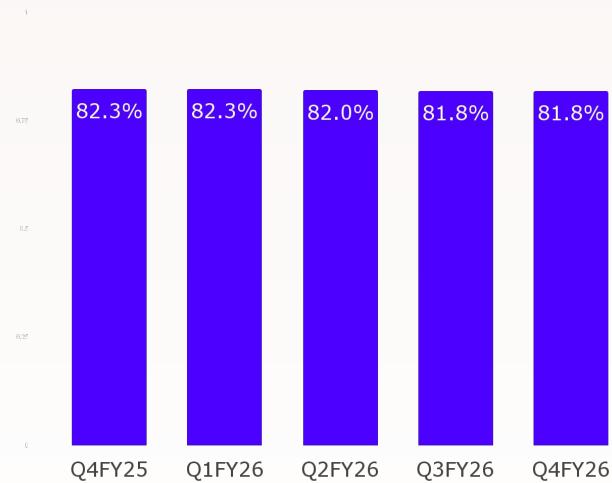
Non-GAAP gross margin<sup>1</sup>

Headcount<sup>2</sup>

SUBSCRIPTION GROSS MARGIN



TOTAL GROSS MARGIN



(1) Margins are as % of total revenue. Please see Appendix for non-GAAP reconciliation.

(2) As of January 31, 2025 and January 31, 2026.

# Operating leverage and cash flow

## Non-GAAP

### Operating Income<sup>1</sup>

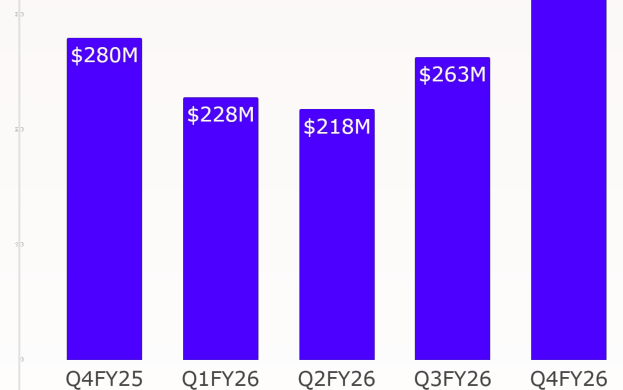
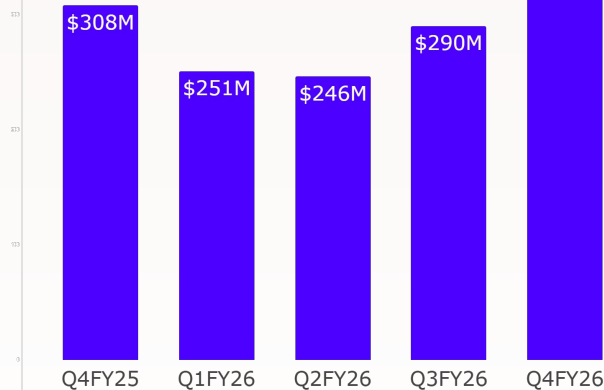
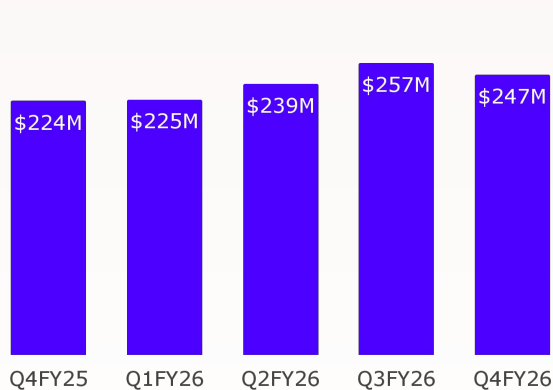
% of total revenue



### Operating Cash Flow



### Free Cash Flow<sup>2</sup>

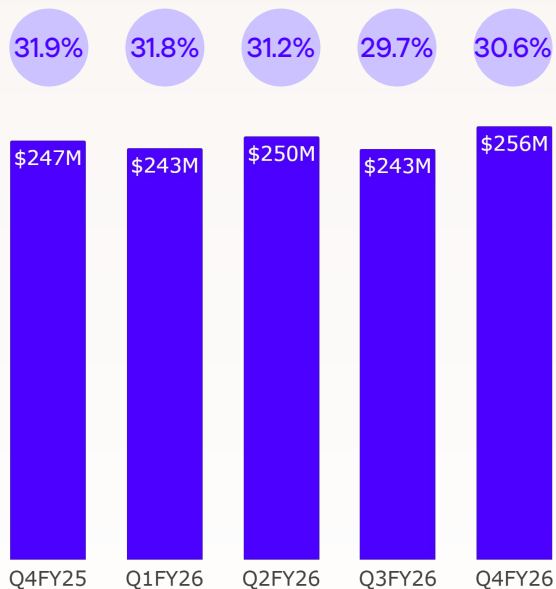


(1) Please see Appendix slides for non-GAAP reconciliation.

(2) FCF calculated as Operating Cash Flow less CapEx. Please see Appendix for calculation.

# Operating expenses as a % of revenue

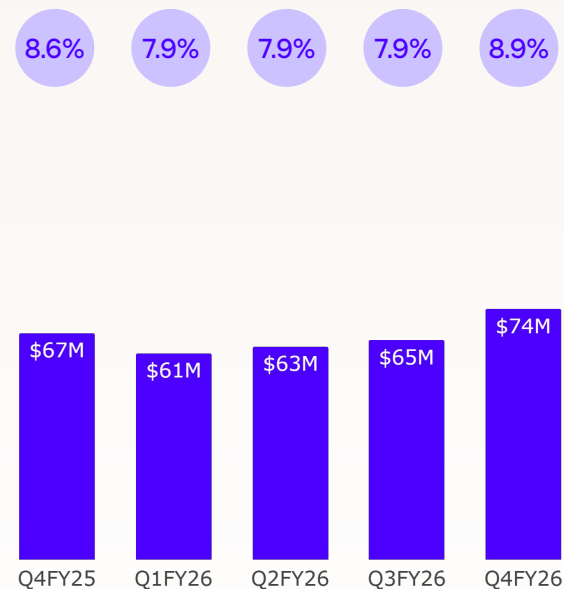
## Non-GAAP S&M<sup>1</sup>



## Non-GAAP R&D<sup>1</sup>



## Non-GAAP G&A<sup>1</sup>



(1) Please see Appendix slides for non-GAAP reconciliation.

# Q1 FY27 guidance

	Q1 FY27	YoY Midpoint Change
Total revenue <sup>1</sup>	\$822M - \$826M	8%
Non-GAAP gross margin	80.8% - 81.2%	NA
Non-GAAP operating margin	29.0% - 29.5%	NA
Non-GAAP diluted weighted-average shares outstanding	196M - 201M	NA

(1) Excluding the impact of foreign currency exchange rates on year-over-year guided growth, revenue guidance range would be approximately 1.6% point lower for the quarter ending April 30, 2026.

# FY27 guidance

	FY27	YoY Midpoint Change
Total revenue <sup>1</sup>	\$3,484M - \$3,496M	8%
ARR year-over-year growth rate	8.25% - 8.75%	8.50%
Non-GAAP gross margin	81.5% - 82.0%	NA
Non-GAAP operating margin	30.0% - 30.5%	NA
Non-GAAP diluted weighted-average shares outstanding	190M - 195M	NA

(1) Excluding the impact of foreign currency exchange rates on year-over-year guided growth, revenue guidance range would be approximately 1.4% point lower for the fiscal year ending January 31, 2027.

# Modeling considerations

## Topline Considerations:

<b>IAM</b>	We expect that IAM will represent approximately 18% of total ARR exiting Q4 of Fiscal 2027, up from 10.8% of total ARR exiting Q4 of Fiscal 2026.
<b>Digital Add-On Impact</b>	For total revenue, we expect approximately 1.6% point and 1.2% point year-over-year headwind for Q1 and for Fiscal 2027, due to lapping the year-over-year contribution of greater digital add-on revenue in Fiscal 2026. As you recall, this was a benefit to our digital growth beginning in late Fiscal 2025 as part of improving our PLG experience for customers.
<b>Foreign Exchange Rates (F/X) Growth Impact</b>	For revenue in Q1 and full-year Fiscal 2027, we expect approximately 1.6% point and 1.4% point year-over-year tailwinds, respectively, from the impact of foreign exchange rates, as of the January 31st fiscal-year end. As a reminder, and as detailed in our filings, ARR is calculated using fixed exchange rates set at the start of the fiscal year.

# Modeling considerations

## Profitability Considerations:

### Non-GAAP Gross Margin

**Cloud Migration Impact:** Fiscal 2026 represented the peak of our migration expenses, and we expect these costs to ease in Fiscal 2027 and beyond. As a result, we anticipate gross margins to remain approximately flat on a year-over-year basis for Fiscal 2027. We expect gross margins in the second-half to be higher than the first-half due to the timing of the cloud migration costs, impacting Q1 in particular.

### Non-GAAP Operating Margin

**Fiscal 2027:** We expect operating margins to improve modestly on a full-year basis, as sales and marketing efficiency gains help operating expenses grow more slowly than revenue.

- **S&M:** We expect sales & marketing expenses to decrease slightly as a percentage of revenue in Fiscal 2027, and we will re-invest some of the efficiencies gained into slightly increasing R&D as a percentage of revenue to further accelerate our IAM platform roadmap.
- **Seasonality:** We anticipate a sequential step-down in operating margins in Q2, driven primarily by the timing of our Momentum user conference shifting to Q2 from Q1.

# Modeling considerations

## Profitability Considerations (Continued):

### Free Cash Flow (FCF) Margin

**Q1:** We expect FCF margins in Q1 to be slightly lower than our operating margins due to payroll timing.

**Fiscal 2027:** We continue to expect the relationship between full-year free cash flow margin and Non-GAAP operating margin to be similar to that in Fiscal 2026.

### Non-GAAP Fully Diluted Weighted Average Shares Outstanding

We expect non-GAAP fully diluted weighted average shares outstanding of 196 million to 201 million for Q1 and 190 million to 195 million for Fiscal 2027.

# Topline Non-GAAP disclosure updates

For Q4'26 and FY27

	Actuals	Guidance
<p><b><u>Annual Recurring Revenue (“ARR”)</u></b> : Add Year-End disclosure beginning in Q4'26</p>	<p><b>Annual</b> : Starting in Q4'26, we are disclosing year-end ARR during Q4 quarterly results, including historical data for recent years.</p> <p><b>Quarterly</b> : <u>No quarterly ARR actuals</u> during Q1, Q2, and Q3 earnings.</p>	<p><b>Annual</b> : <u>Year-end only</u> during Q4 quarterly results for the upcoming year's full-year ARR.</p> <ul style="list-style-type: none"> <li>Guidance for Fiscal '27 ARR given during Q4'26 earnings.</li> </ul> <p><b>Quarterly</b> : Year-end ARR guidance will be reiterated or revised in Q1, Q2, and Q3 earnings.</p>
<p><b><u>IAM % of ARR</u></b> : Add Quarterly &amp; Annual disclosures beginning in Q4'26</p>	<p><b>Annual &amp; Quarterly</b> : IAM % of ARR will be disclosed beginning with Q4'26 earnings, and quarterly thereafter.</p>	<p><b>Annual</b> : Approximate IAM % of ARR provided alongside full-year ARR guidance for FY27 during Q4'26 earnings.</p> <ul style="list-style-type: none"> <li>This is consistent with the approach from FY26.</li> </ul> <p><b>Quarterly</b> : No quarterly IAM % of ARR guidance. Reiterate or revise full-year target quarterly during Q1, Q2, and Q3 earnings.</p>
<p><b><u>Billings</u></b> : No longer reported in FY27</p>	<p><b>Annual &amp; Quarterly</b> : Annual &amp; quarterly billings disclosures is provided during Q4'26 earnings, but will <u>no longer</u> be reported from Q1'27 earnings onwards, including in SEC filings.</p>	<p><b>Annual &amp; Quarterly</b> : Billings guidance was provided for the final time in Q3'26 earnings in December 2025.</p>



# Appendix

# Financial & operational metrics

Financial Metrics (\$ in M)	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Revenue	\$776	\$764	\$801	\$818	\$837
% Y/Y Change	9%	8%	9%	8%	8%
Subscription Revenue	\$758	\$746	\$784	\$801	\$819
% Y/Y Change	9%	8%	9%	9%	8%
International Revenue	\$219	\$217	\$233	\$242	\$253
% Y/Y Change	12%	10%	13%	14%	15%
Annual Recurring Revenue <sup>1</sup>	\$3,030	—	—	—	\$3,272
% Y/Y Change	8.0%	—	—	—	8.0%
IAM as a % of Total ARR	2.3%	—	—	—	10.8%
Billings	\$923	\$740	\$818	\$829	\$1,019
% Y/Y Change	11%	4%	13%	10%	10%
Rolling 4-Qtr % Y/Y Change <sup>2</sup>	7%	7%	9%	10%	10%
Non-GAAP Operating Income	\$224	\$225	\$239	\$257	\$247
Non-GAAP Operating Margin (%)	28.8%	29.5%	29.8%	31.4%	29.5%
Non-GAAP Free Cash Flow	\$280	\$228	\$218	\$263	\$350
Free Cash Flow Margin	36%	30%	27%	32%	42%
Operational Metrics	Q4FY25	Q1FY26	Q2FY26	Q3FY26	Q4FY26
Total Customers	166M	171M	174M	178M	182M
% Y/Y Change	10%	10%	9%	9%	9%
Enterprise & Commercial Customers <sup>3</sup>	260k	268k	271k	276k	280k
% Y/Y Change	8%	8%	7%	8%	8%
Customers >\$300k ACV <sup>4</sup>	1,131	1,123	1,137	1,165	1,205
% Y/Y Change	7%	6%	7%	8%	7%
Dollar Net Retention <sup>5</sup>	101%	101%	102%	102%	102%

(1) We calculate Annual Recurring Revenue ("ARR") as the annualized value of active customer contracts as of the measurement date. This calculation assumes that any contract expiring within the next 12 months renews on its existing terms, and excludes non-recurring revenue streams recognized at a point in time.

(2) Rolling 4-quarter year over year growth rate is used to smooth out the quarterly variability in the billings number.

(3) Comprised of customers who were not acquired through our Digital channel.

(4) ACV = Annualized Contract Value

(5) Compares the annual recurring revenue, or ARR, for active subscription contracts from Direct customers only at two period end dates. To calculate our dollar-based net retention rate at the end of the base year (e.g., January 31, 2026), we first identify customers that were customers at the end of the prior year (e.g., January 31, 2025) and then divide the ARR attributed to those customers at the end of the base year by the ARR attributed to those same customers at the end of the prior year. The quotient obtained from this calculation is the dollar-based net retention rate. For clarity, we do not include customers serviced via our digital channel in this metric.

# GAAP to Non-GAAP gross profit reconciliation

Gross Profit (\$ in thousands)	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP gross profit	667,076	616,041	2,556,438	2,355,080
Add: Stock-based compensation	17,891	17,886	72,397	76,987
Add: Amortization of acquisition-related intangibles	(1,699)	3,564	4,923	12,267
Add: Employer payroll tax on employee stock transactions	868	1,176	5,496	3,909
Non-GAAP gross profit	684,136	638,667	2,639,254	2,448,243
GAAP gross margin	79.7%	79.4%	79.4%	79.1%
Non-GAAP gross margin	81.8%	82.3%	82.0%	82.2%

Subscription Gross Profit (\$ in thousands)	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP subscription revenue	819,003	757,767	3,150,551	2,901,309
Less: GAAP subscription cost of revenue	149,246	138,884	581,058	532,445
GAAP subscription gross profit	669,757	618,883	2,569,493	2,368,864
Add: Stock-based compensation	14,062	13,712	56,501	58,348
Add: Amortization of acquisition-related intangibles	(1,699)	3,564	4,923	12,267
Add: Employer payroll tax on employee stock transactions	647	921	4,201	2,882
Non-GAAP subscription gross profit	682,767	637,080	2,635,118	2,442,361
GAAP subscription gross margin	81.8%	81.7%	81.6%	81.6%
Non-GAAP subscription gross margin	83.4%	84.1%	83.6%	84.2%

# GAAP to Non-GAAP operating expenses reconciliation

	Three Months Ended January 31,		Year Ended January 31,	
<b>Sales &amp; Marketing (\$ in thousands)</b>	2026	2025	2026	2025
GAAP sales and marketing	305,506	301,288	1,203,885	1,160,993
Less: Stock-based compensation	(46,464)	(48,213)	(189,648)	(202,609)
Less: Amortization of acquisition-related intangibles	(1,122)	(3,354)	(11,208)	(12,450)
Less: Employer payroll tax on employee stock transactions	(1,608)	(2,242)	(10,866)	(7,593)
Non-GAAP sales and marketing	256,312	247,479	992,163	938,341
GAAP sales and marketing as a percentage of revenue	36.5%	38.8%	37.3%	39.0%
Non-GAAP sales and marketing as a percentage of revenue	30.6%	31.9%	30.8%	31.5%
<b>Research &amp; Development (\$ in thousands)</b>	2026	2025	2026	2025
GAAP research and development	168,282	155,463	664,985	588,455
Less: Stock-based compensation	(59,678)	(53,422)	(236,780)	(204,238)
Less: Employer payroll tax on employee stock transactions	(1,423)	(1,421)	(11,022)	(7,013)
Non-GAAP research and development	107,181	100,620	417,183	377,204
GAAP research and development as a percentage of revenue	20.1%	20.0%	20.7%	19.8%
Non-GAAP research and development as a percentage of revenue	12.8%	13.0%	13.0%	12.7%
<b>General &amp; Administrative (\$ in thousands)</b>	2026	2025	2026	2025
GAAP general and administrative	105,546	98,821	388,989	375,983
Less: Stock-based compensation	(31,512)	(30,426)	(123,496)	(121,665)
Less: Employer payroll tax on employee stock transactions	(518)	(1,504)	(3,522)	(3,278)
Less: Acquisition-related expenses	—	—	—	(4,340)
Non-GAAP general and administrative	73,516	66,891	261,971	246,700
GAAP general and administrative as a percentage of revenue	12.6%	12.8%	12.1%	12.4%
Non-GAAP general and administrative as a percentage of revenue	8.9%	8.6%	8.1%	8.2%

# GAAP to Non-GAAP operating income and free cash flow reconciliation

Operating Income (\$ in thousands)	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP income from operations	87,742	60,469	298,579	199,928
Add: Stock-based compensation	155,545	149,947	622,321	605,499
Add: Amortization of acquisition-related intangibles	(577)	6,918	16,131	24,717
Add: Employer payroll tax on employee stock transactions	4,417	6,343	30,906	21,793
Add: Acquisition-related expenses	—	—	—	4,340
Add: Restructuring and other related charges	—	—	—	29,721
Non-GAAP income from operations	247,127	223,677	967,937	885,998
GAAP operating margin	10.5%	7.8%	9.3%	6.7%
Non-GAAP operating margin	29.5%	28.8%	30.1%	29.8%

Free Cash Flow (\$ in thousands)	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
Net cash provided by operating activities	377,221	307,912	1,165,007	1,017,272
Less: Purchases of property and equipment	(27,022)	(28,342)	(106,445)	(96,988)
Non-GAAP free cash flow	350,199	279,570	1,058,562	920,284
Free cash flow margin	42%	36%	33%	31%
Net cash used in investing activities	(33,656)	(32,291)	(126,781)	(312,876)
Net cash used in financing activities	(332,586)	(231,514)	(1,099,902)	(838,791)

# Computation of billings

Computation of Billings (\$ In thousands)	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
Revenue	836,860	776,252	3,219,500	2,976,739
Add: Contract liabilities and refund liability, end of period	1,663,128	1,479,266	1,663,128	1,479,266
Less: Contract liabilities and refund liability, beginning of period	(1,479,491)	(1,332,828)	(1,479,266)	(1,343,792)
Add: Contract assets and unbilled accounts receivable, beginning of period	13,588	18,341	17,825	20,189
Less: Contract assets and unbilled accounts receivable, end of period	(14,905)	(17,825)	(14,905)	(17,825)
Add: Contract assets and unbilled accounts receivable contributed by acquisitions	—	—	—	53
Less: Contract liabilities and refund liability contributed by acquisitions	—	—	—	(5,071)
Non-GAAP billings	1,019,180	923,206	3,406,282	3,109,559

