INVESTOR DAY
2026

FEBRUARY 12, 2026

Safe Harbor

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The risks and uncertainties referred to above include, but are not limited to (1) our recent rapid growth may not be indicative of our future growth; (2) our history of operating losses; (3) our limited operating history; (4) our dependence on existing customers purchasing additional subscriptions and products from us and renewing their subscriptions; (5) our ability to attract new customers; (6) our ability to effectively develop and expand our sales and marketing capabilities; (7) risk of a security breach; (8) risk of interruptions or performance problems associated with our products and platform capabilities; (9) our ability to adapt and respond to rapidly changing technology or customer needs; (10) the competitive markets in which we participate; (11) risks associated with successfully managing our growth; (12) risks associated with changing laws, regulations, and contractual obligations related to data privacy and security and (13) general market, political, economic, and business conditions including concerns about trade policies, tariffs, reduced economic growth and associated decreases in information technology spending. These risks and uncertainties are more fully described in our filings with the Securities and Exchange Commission (SEC), including in the section entitled “Risk Factors” in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, filed with the SEC on November 7, 2025. Additional information will be made available in our Annual Report on Form 10-K for the year ended December 31, 2025 and other filings and reports that we may file from time to time with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements, or events and circumstances reflected in the forward-looking statements will occur. Forward-looking statements represent our beliefs and assumptions only as of the date specified or as of this presentation, as applicable. We disclaim any obligation to update forward-looking statements.

Agenda

First half

Strategy, innovation, Datadog platform and product

Olivier Pomel
Alexis Lê-Quôc
Yrieix Garnier
Tim Knudsen
Michael Whetten
Yanbing Li
Yuka Broderick

Q&A

Intermission

Second half

Go-to-market, delivering customer value, financial execution

Sean Walters
Adam Blitzer
David Obstler
Olivier Pomel
Yuka Broderick

Q&A

DATADOG

Olivier Pomel

CEO & Co-Founder

DATADOG

What I'll cover today

1. What problem we solve and how
2. Our platform expansion
3. How we're delivering with AI
4. Where we're going as a company

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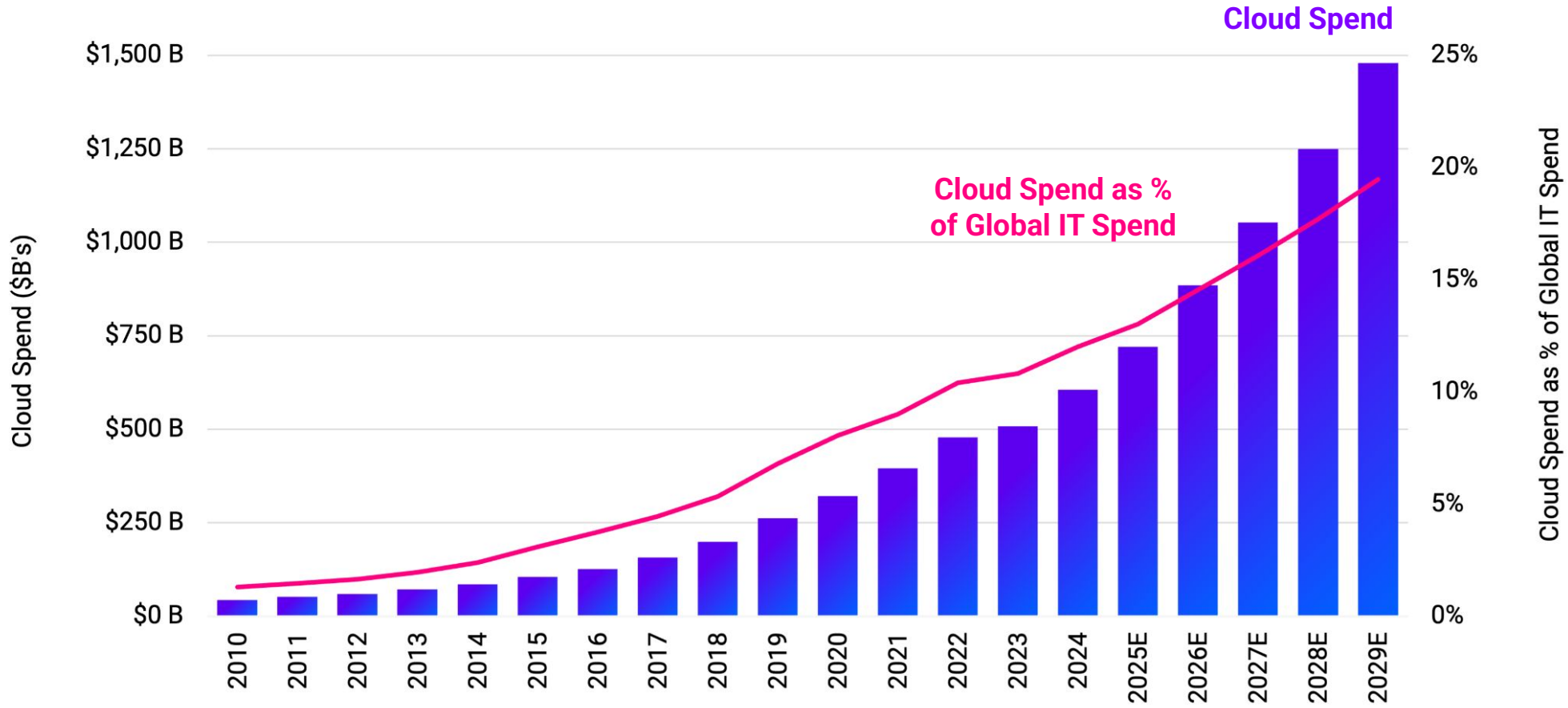
Cloud migration and digital transformation

Cloud spend continues to grow rapidly



Gartner Forecast: Public Cloud Services, Worldwide - 2010-2016, 4Q12 Update; 2011-2017, 4Q13 Update; 2012-2018, 4Q14 Update; 2013-2019, 4Q15 Update; 2014-2020, 4Q16 Update; 2015-2021, 4Q17 Update; 2016-2022, 4Q18 Update; 2017-2023, 4Q19 Update; 2018-2024, 4Q20 Update; 2019-2025, 4Q21 Update; 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029, 3Q25 Update.
Gartner Market Databook - 4Q12 Update; 4Q13 Update; 4Q14 Update; 4Q15 Update; 4Q16 Update; 4Q17 Update; 4Q18 Update; 4Q19 Update; 4Q20 Update; 4Q21 Update; 4Q22 Update; 4Q23 Update; 4Q24 Update; 4Q25 Update.

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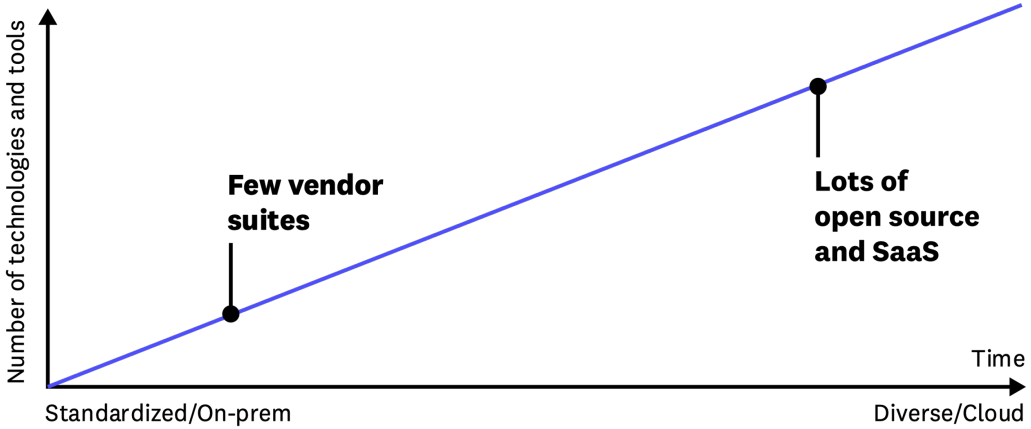
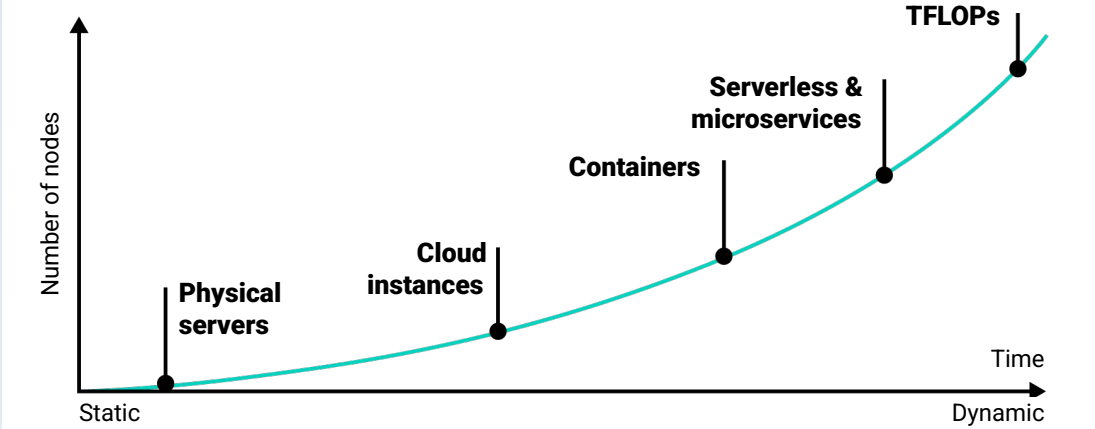
The problem: an explosion of complexity

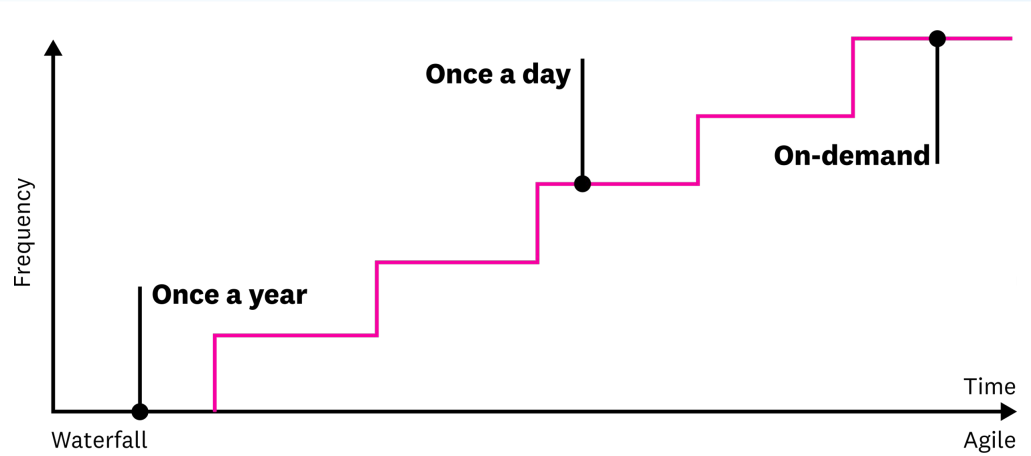
Diversity of technologies in use



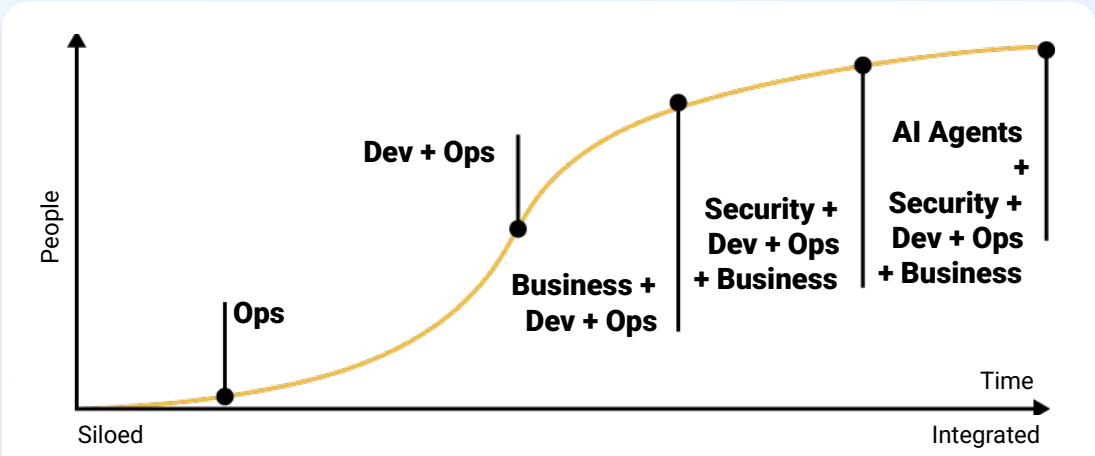
Scale in number of computing units



Frequency of release



Number of people involved



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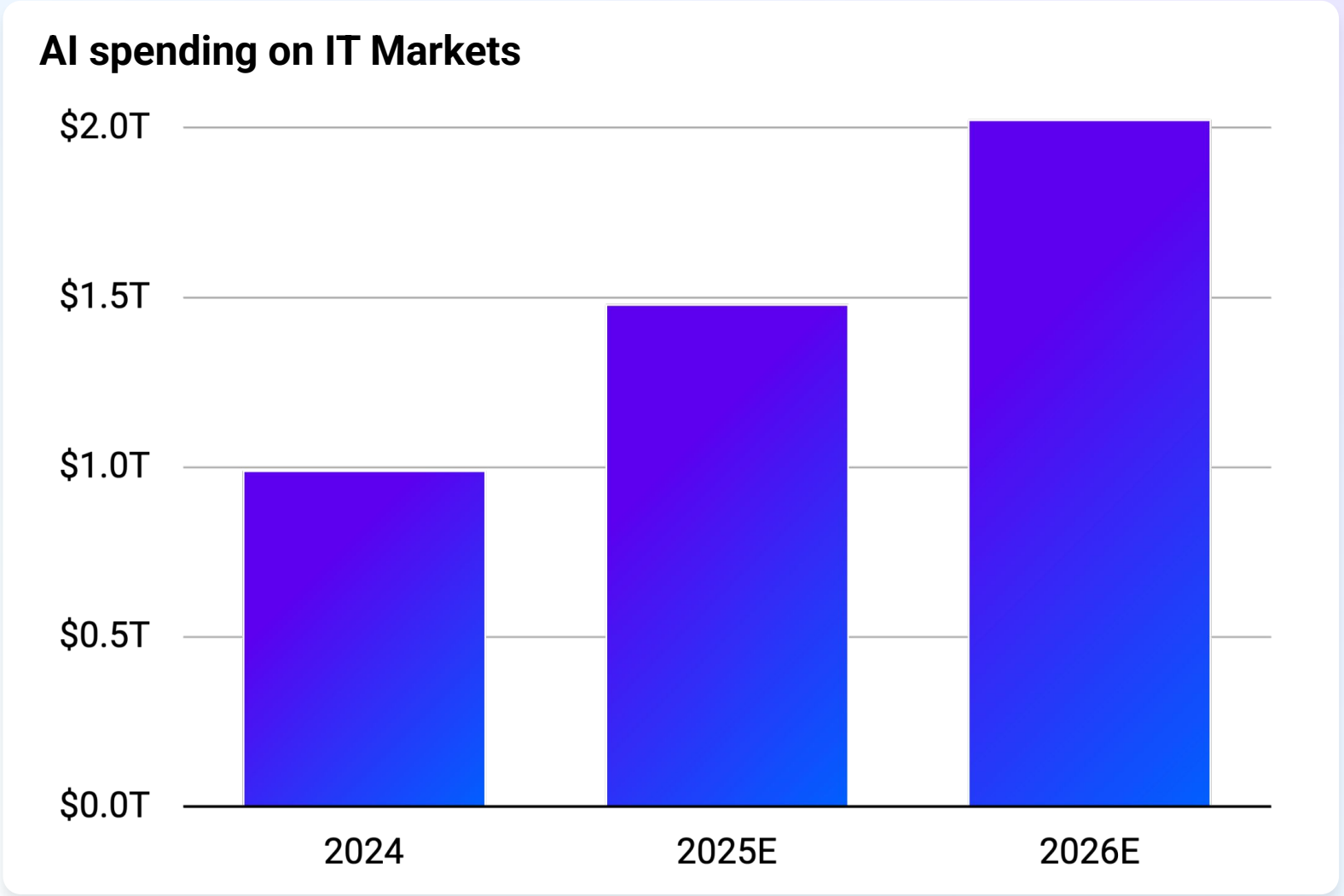
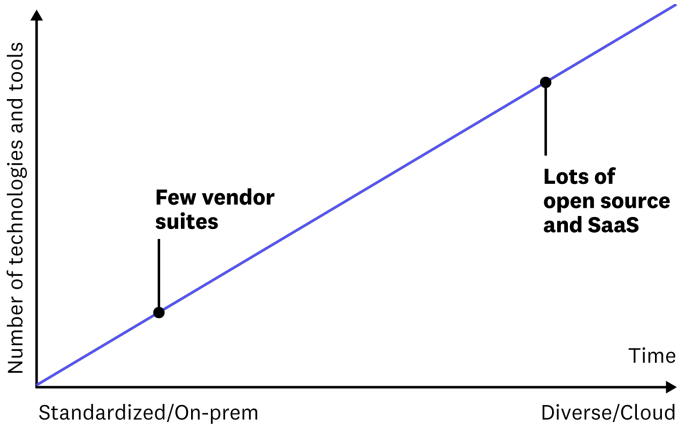
AI market is expected to grow quickly



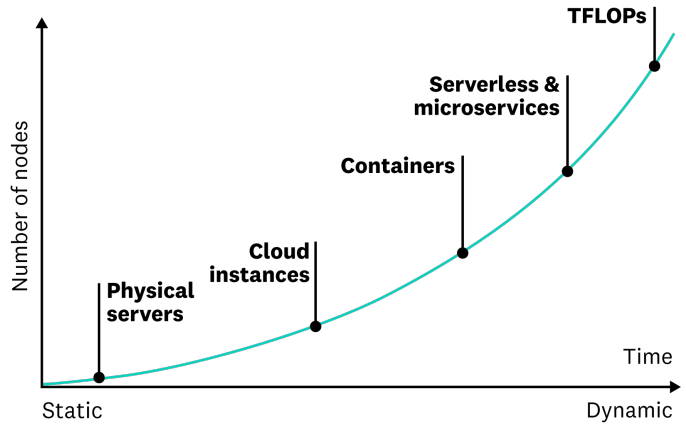
Gartner Forecast: AI Spending in IT Markets, Worldwide, 2024-2026, September 2025.

AI compounds complexity

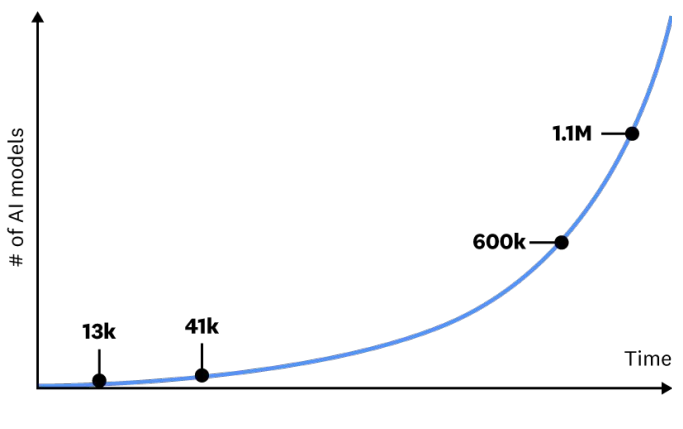
Diversity of technologies in use



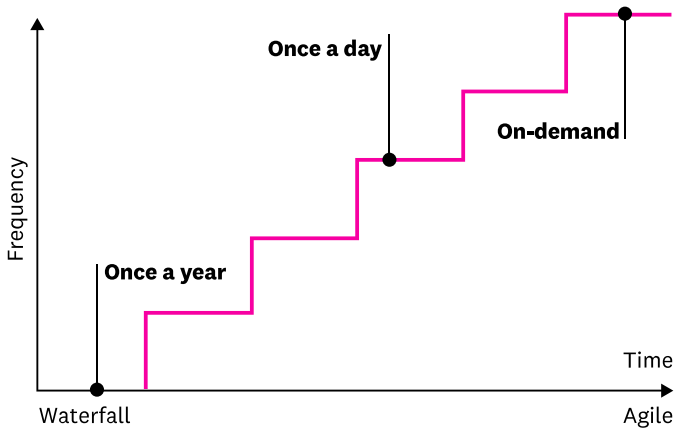
Scale in number of computing units



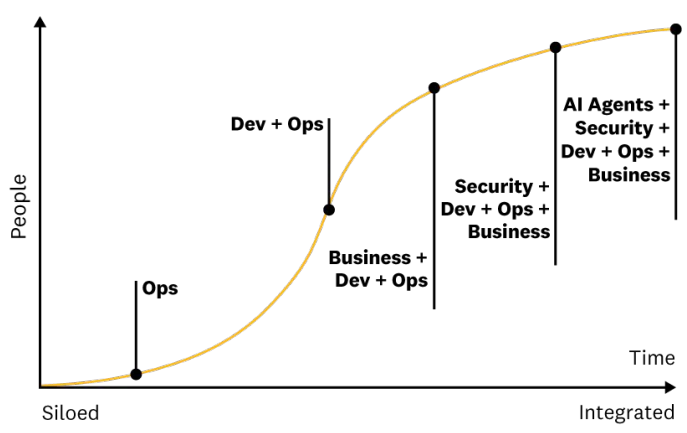
Number of Models on Hugging Face



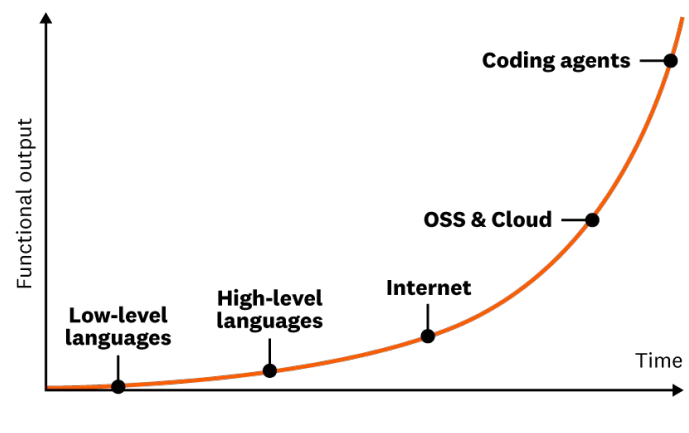
Frequency of releases



Number of people involved



Developer productivity



Source for number of models: Hugging Face Hub Stats Dashboard, cfahlgren1, 2025.

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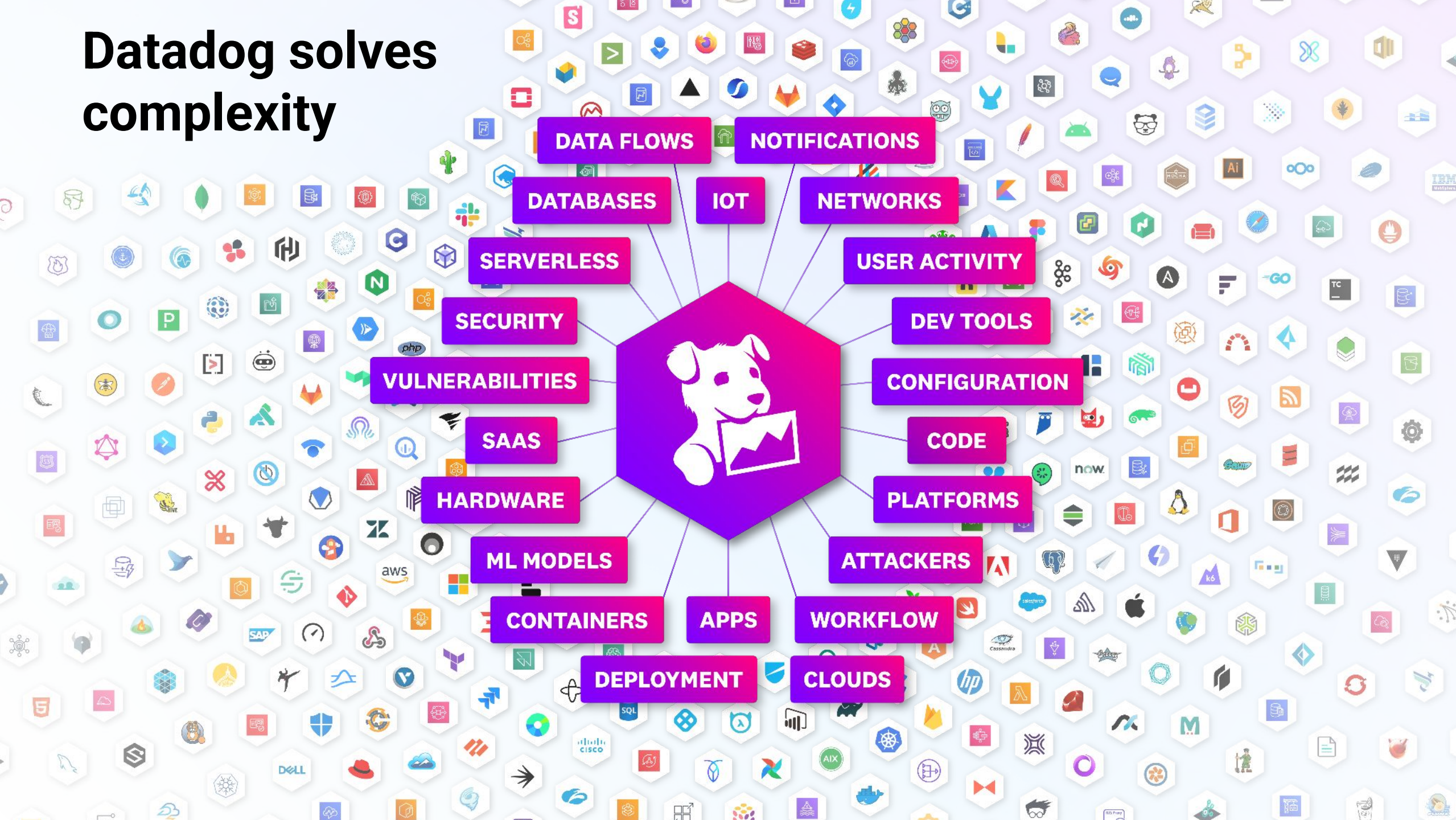
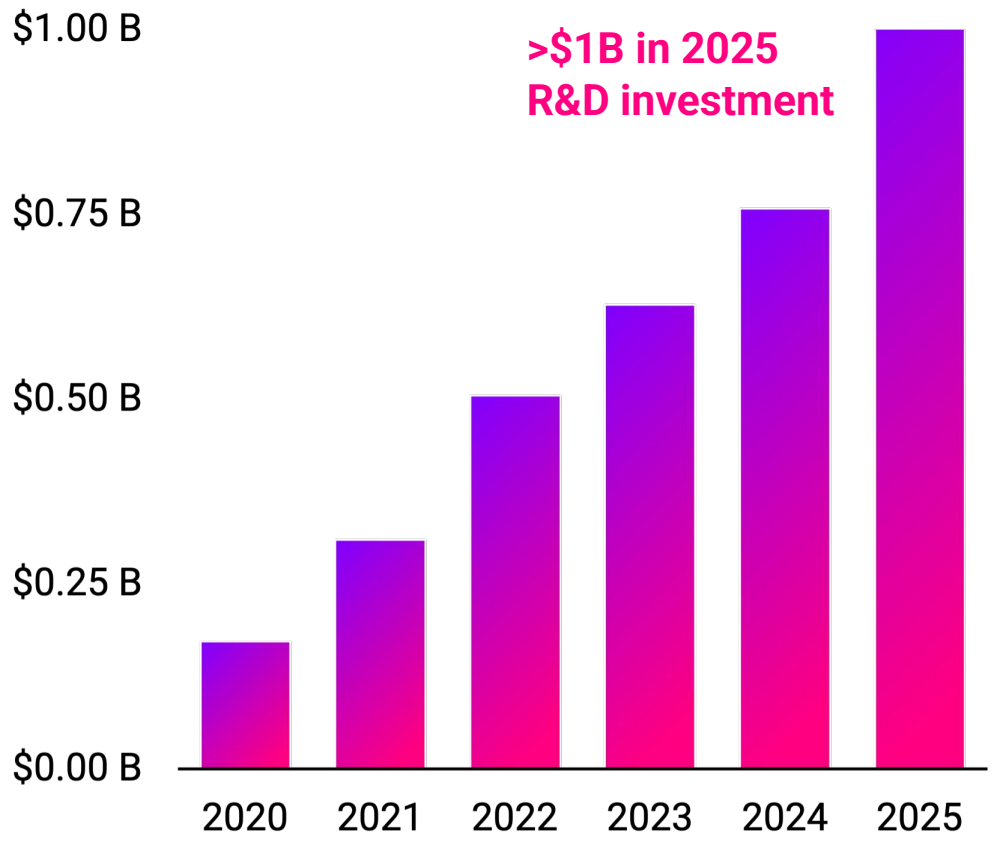
Datadog solves complexity

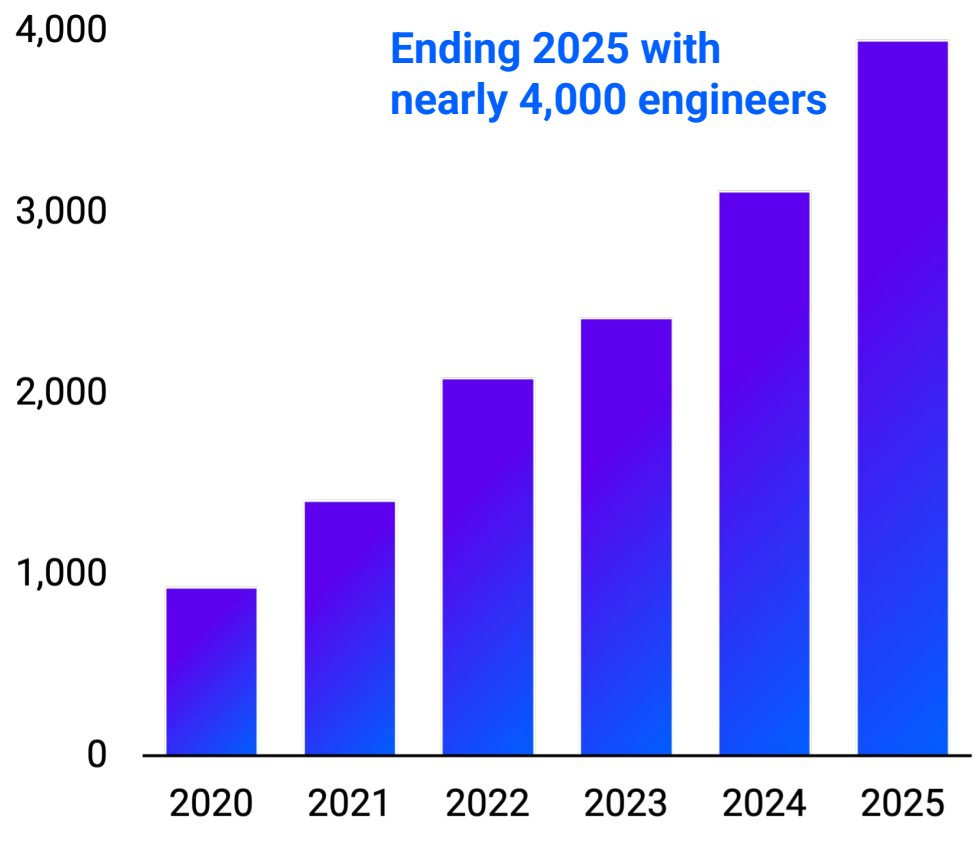


Datadog invests in innovation

Datadog non-GAAP R&D spend (1)



Datadog R&D headcount



(1) Non-GAAP measure. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures.

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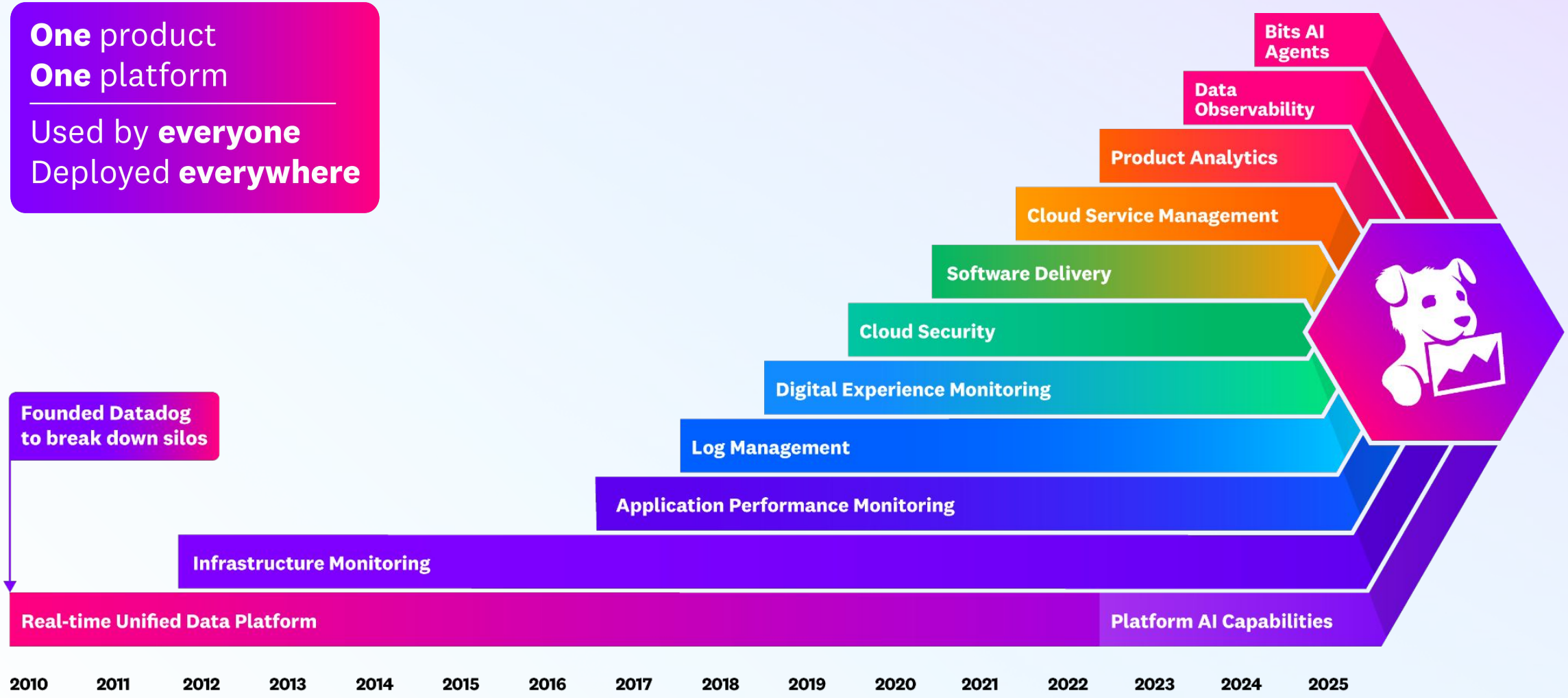
Our history of innovation

One product
One platform

Used by **everyone**
Deployed **everywhere**



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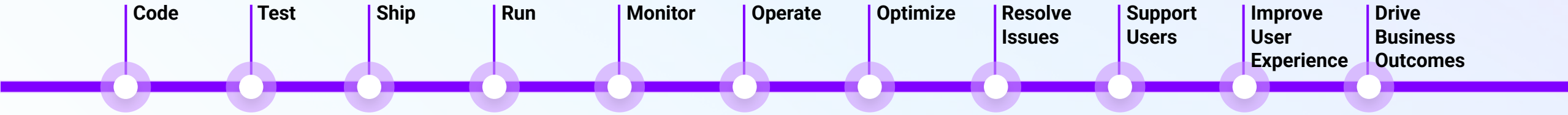
Supporting our customers end-to-end



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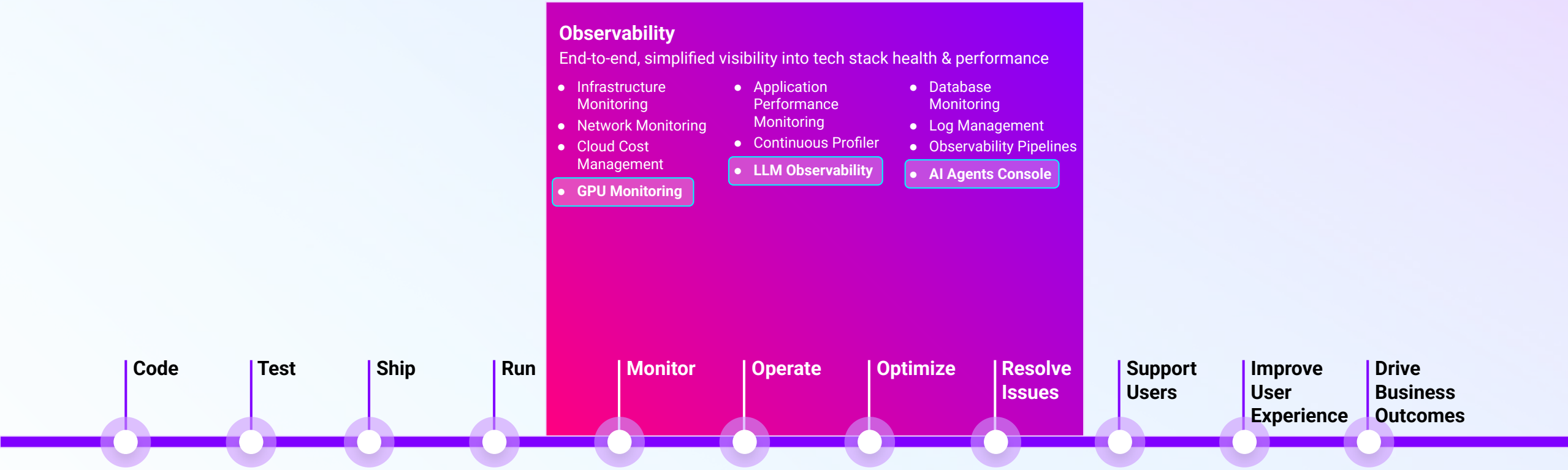
Starting with Observability



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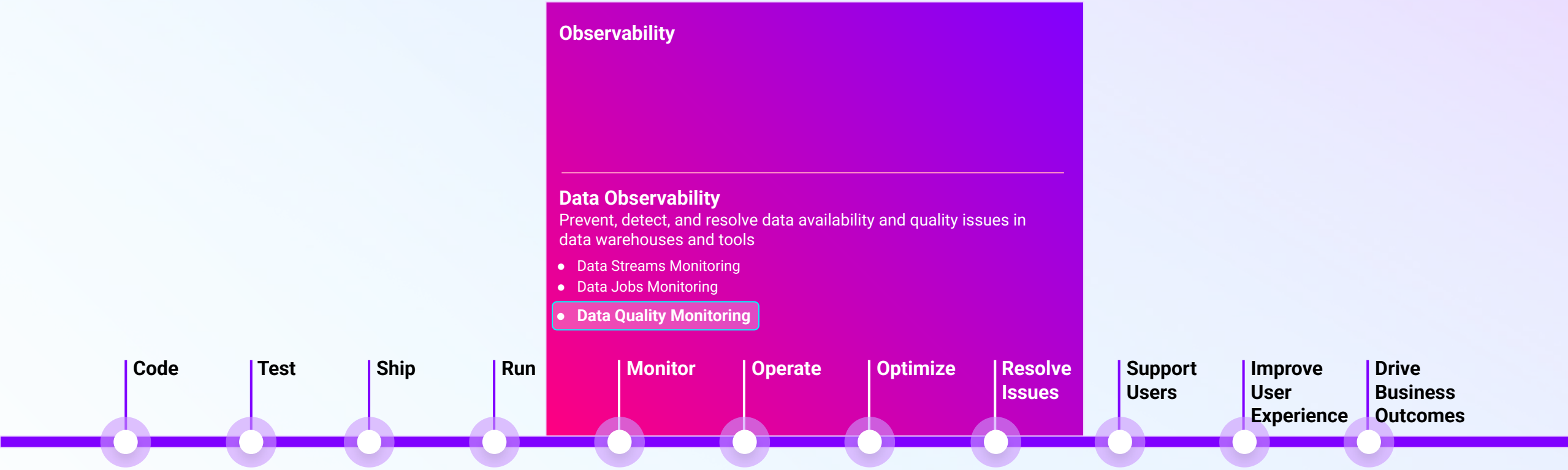
Extending to Data Observability



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Building out Digital Experience / Product Analytics

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Shifting left to developers

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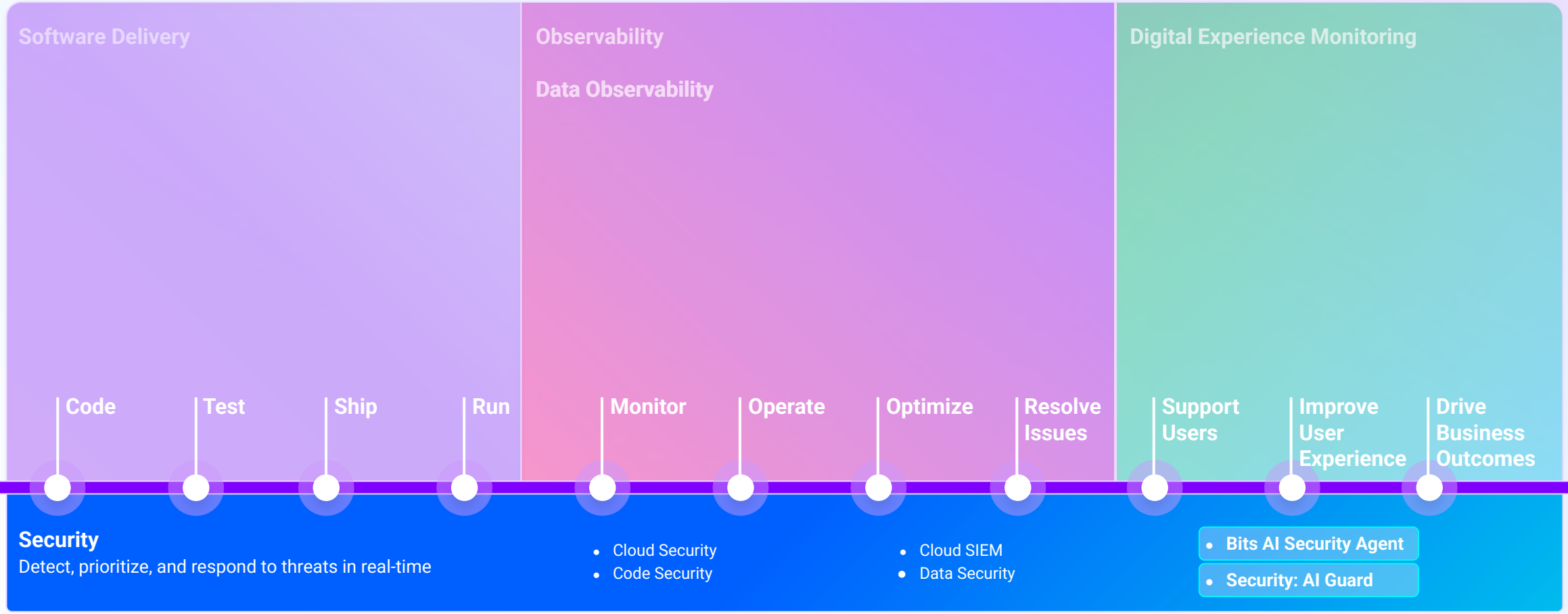
Securing the cloud stack end-to-end



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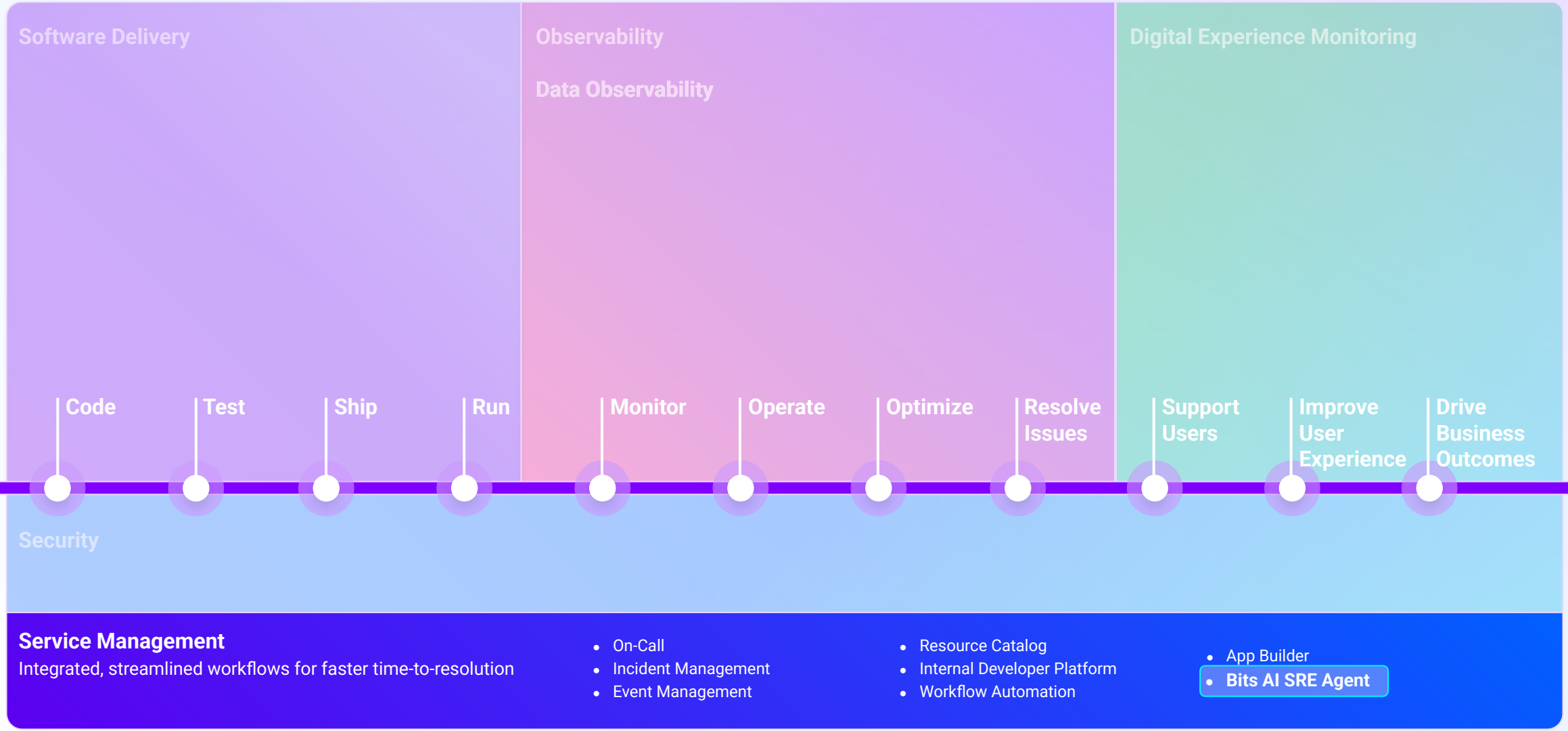
Closing the loop and taking action



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Observe, Secure, Act with Datadog

Software Delivery

Build, test, secure, and ship quality code faster

- CI Visibility
- Test Optimization
- Continuous Testing
- IDE Plugins
- Feature Flags
- Datadog MCP Server
- Bits AI Dev Agent

Observability

End-to-end, simplified visibility into tech stack health & performance

- Infrastructure Monitoring
- Network Monitoring
- Cloud Cost Management
- GPU Monitoring
- Application Performance Monitoring
- Continuous Profiler
- Error Tracking
- LLM Observability
- Database Monitoring
- Log Management
- Observability Pipelines
- AI Agent Console

Data Observability

Prevent, detect, and resolve data availability and quality issues in data warehouses and tools

- Data Streams Monitoring
- Data Observability

Digital Experience Monitoring

Optimize front-end performance and enhance user experiences

- Real User Monitoring
- Synthetic Testing
- Mobile App Testing
- Product Analytics
- Session Replay
- Experimentation

Code | **Test** | **Ship** | **Run** | **Monitor** | **Operate** | **Optimize** | **Resolve Issues** | **Support Users** | **Improve User Experience** | **Drive Business Outcomes**

Security

Detect, prioritize, and respond to threats in real-time

- Cloud Security
- Code Security
- Cloud SIEM
- Data Security
- Bits AI Security Agent
- Security: AI Guard

Service Management

Integrated, streamlined workflows for faster time-to-resolution

- On-Call
- Incident Management
- Event Management
- Resource Catalog
- Internal Developer Platform
- Workflow Automation
- App Builder
- Bits AI SRE Agent

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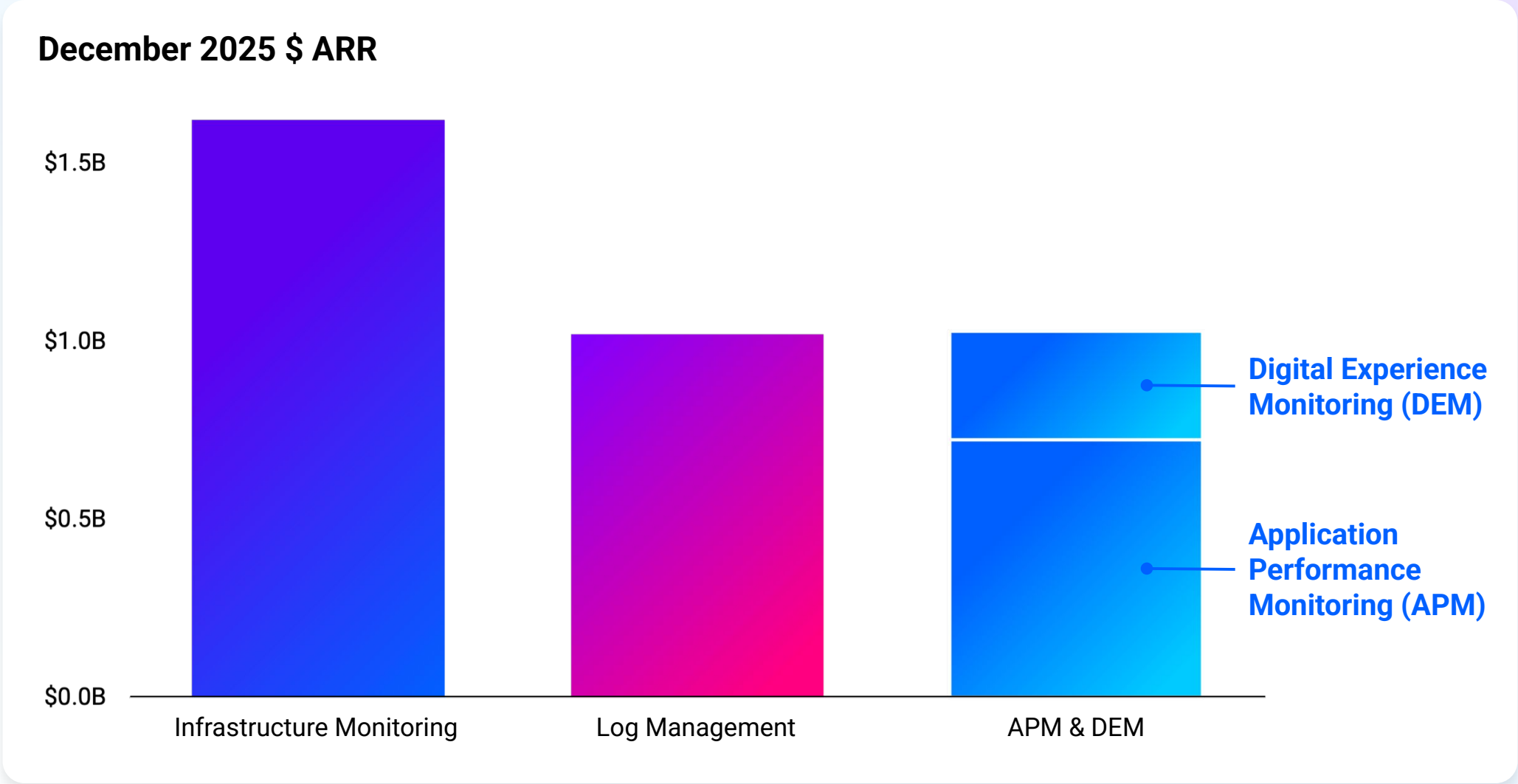
A balanced, unified platform



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Datadog is delivering with AI

AI for Datadog

AI-powered capabilities
in the Datadog platform

- Bits AI SRE Agent
- Bits AI Dev Agent
- Bits AI Security Analyst
- Bits AI Assistant
- MCP Server

Datadog for AI

End-to-end observability and
security across the AI stack

- LLM Observability
- Data Observability
- GPU Monitoring
- AI Guard
- AI Agents Console

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AI for Datadog

Software Delivery

- Bits AI Dev Agent
- Datadog MCP Server
- Bits AI Deployment Agent
- CI Autofixing
- Flaky Tests Quarantine
- Automated Test Generation

Observability

- Bits AI Detection
- Natural Language Log Querying
- Bits AI Kubernetes Remediation
- APM Latency and Error Investigations
- Architecture Recommendations
- Bits AI FinOps Agent
- Business Impact Analysis
- Updog.ai
- AI Research - Foundation Models

Digital Experience Monitoring

- Bits AI RUM Analyst
- Automated End-to-End Synthetic Test Generation
- UX Recommendations
- Synthetic A/B Tests

Code | **Test** | **Ship** | **Run** | **Monitor** | **Operate** | **Optimize** | **Resolve Issues** | **Support Users** | **Understand Users** | **Understand Business**

Security

- Bits AI Security Analyst
- Anomalous Behavior Detection
- Vulnerability false positive filtering
- AI-native Static Analysis
- Bulk vulnerability remediation
- Sensitive data detection

Cloud Service Management

- Bits AI SRE Agent
- Bits AI Incident Commander
- Voice AI for Mobile
- Bits AI Assistant (Chat)
- Conversational AI for Apps and Workflows
- Bits AI Remediation Agent
- AI Incident Onboarding
- AI Agent Builder
- AI Incident Analytics Insights
- AI Incident Video

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Datadog for AI

Software Delivery

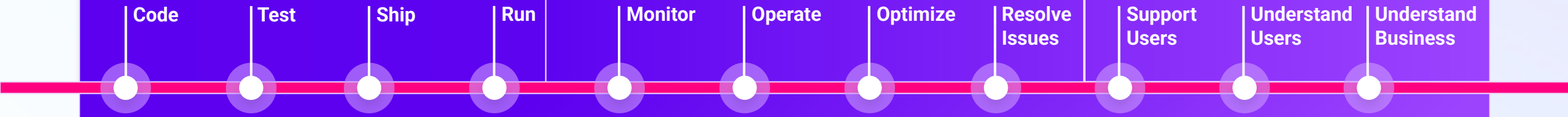
- MCP Server
- Feature Flags
- Bits AI Dev Agent
- Bits AI Deployment Agent
- LLM Experiments in CI
- Deployment Gating

Observability

- LLM Observability
- LLM Playground
- GPU Monitoring
- Distributed AI Observability
- AI Agents Experimentation
- Data Observability
- AI Gateway

Digital Experience Monitoring

- LLM Experimentation
- Sentiment Analysis
- Synthetic AI Agent Testing



Security

- Prompt Injection Protection
- Malicious Tool Protection
- Data Security
- Auth Bypass Prevention
- Secrets & Data Leak Redaction
- Containment Policies (MCP, Tools, Data)
- Discovery & Inventory
- AI-SPM
- Attack Path Analysis
- Compliance & Audit
- Automated Remediation Workflows
- Supply Chain Detections

Cloud Service Management

- Internal Developer Portal
- App Builder
- AI Agents Console
- Workflow Automation
- Case Management
- AI Integrations
- AI Agent Builder
- Multi-Agent Orchestration
- AI Agent Task Triage
- AI-Generated Relational Systems

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CLOSING THE LOOP

The end-to-end **decision, action, and automation platform** for our customers

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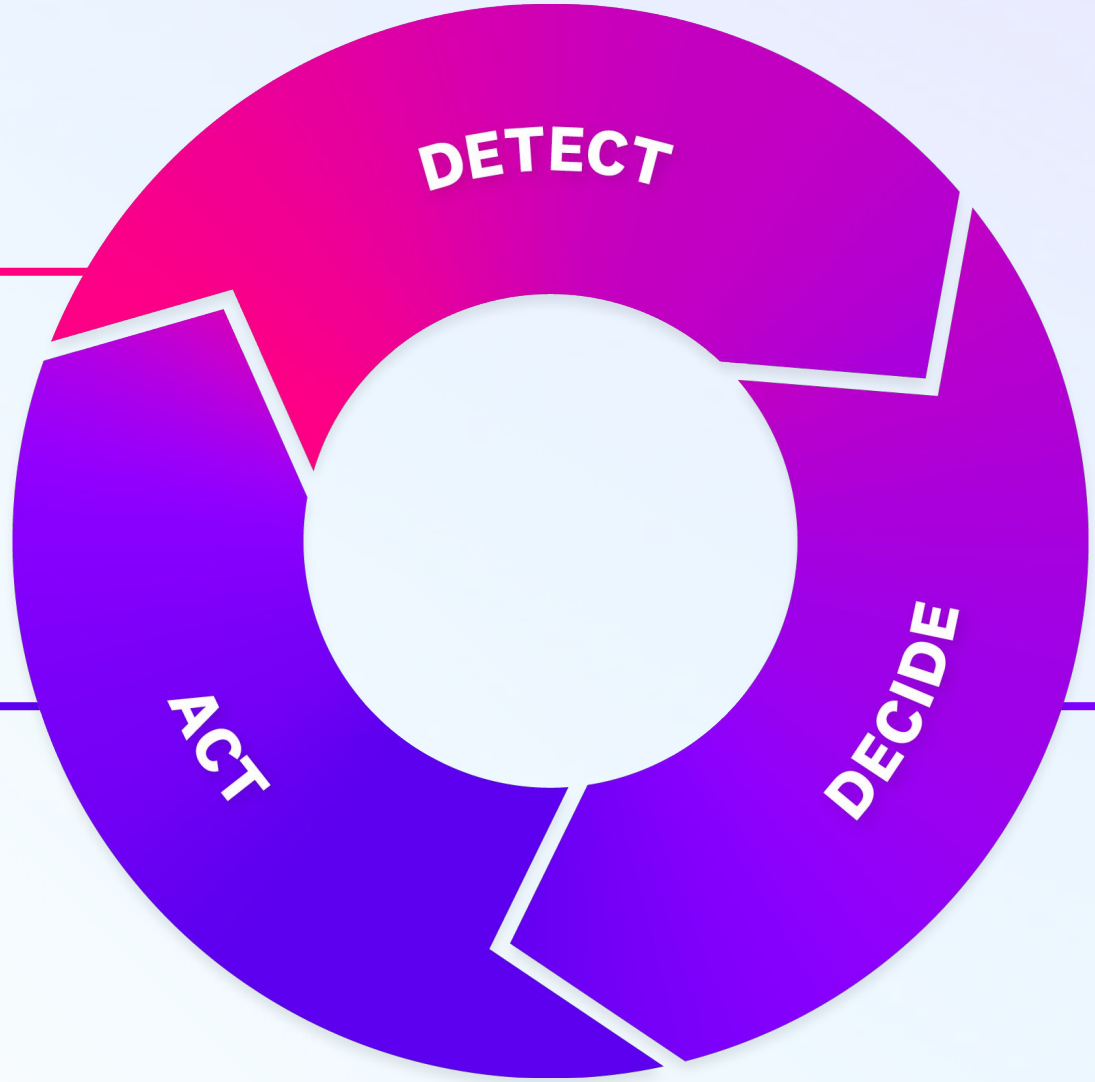
First, closing the DevOps loop

Monitor systems for stress



When stress is detected, decide what actions to take

Take actions that will bring system back to health

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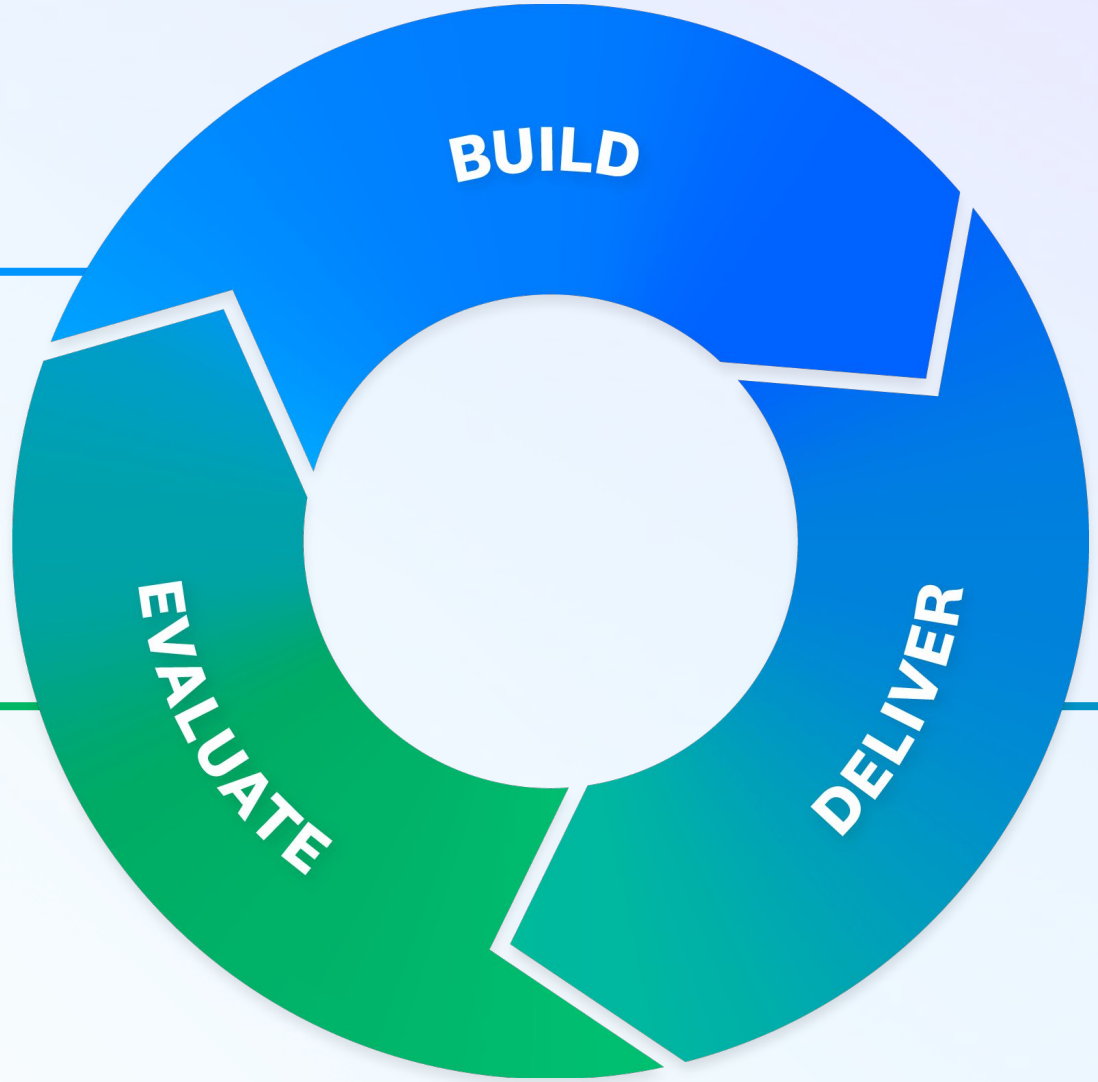
Now, closing the software development loop

AI Coding

Experimentation, Data Warehousing, Analytics



Modern CI/CD, Ephemeral Environments, Flags

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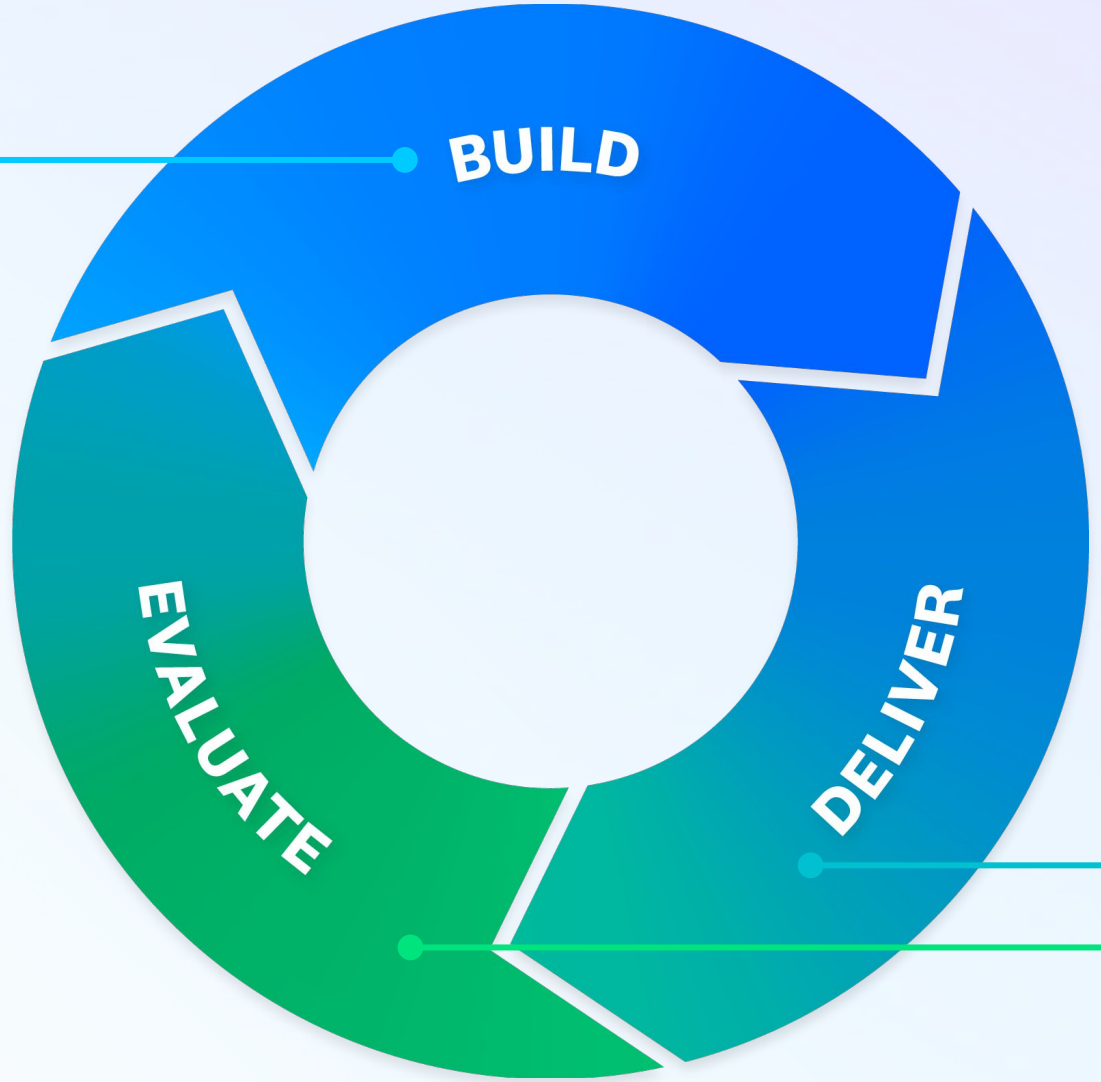
Now, closing the software development loop

Before:
60-80% of the job

Today:
Order(s) of magnitude faster with AI coding agents



What's difficult:

- Contact with production, with other applications, with other agents, with end-users, with the real world
- Correctness, safety
- Business outcomes

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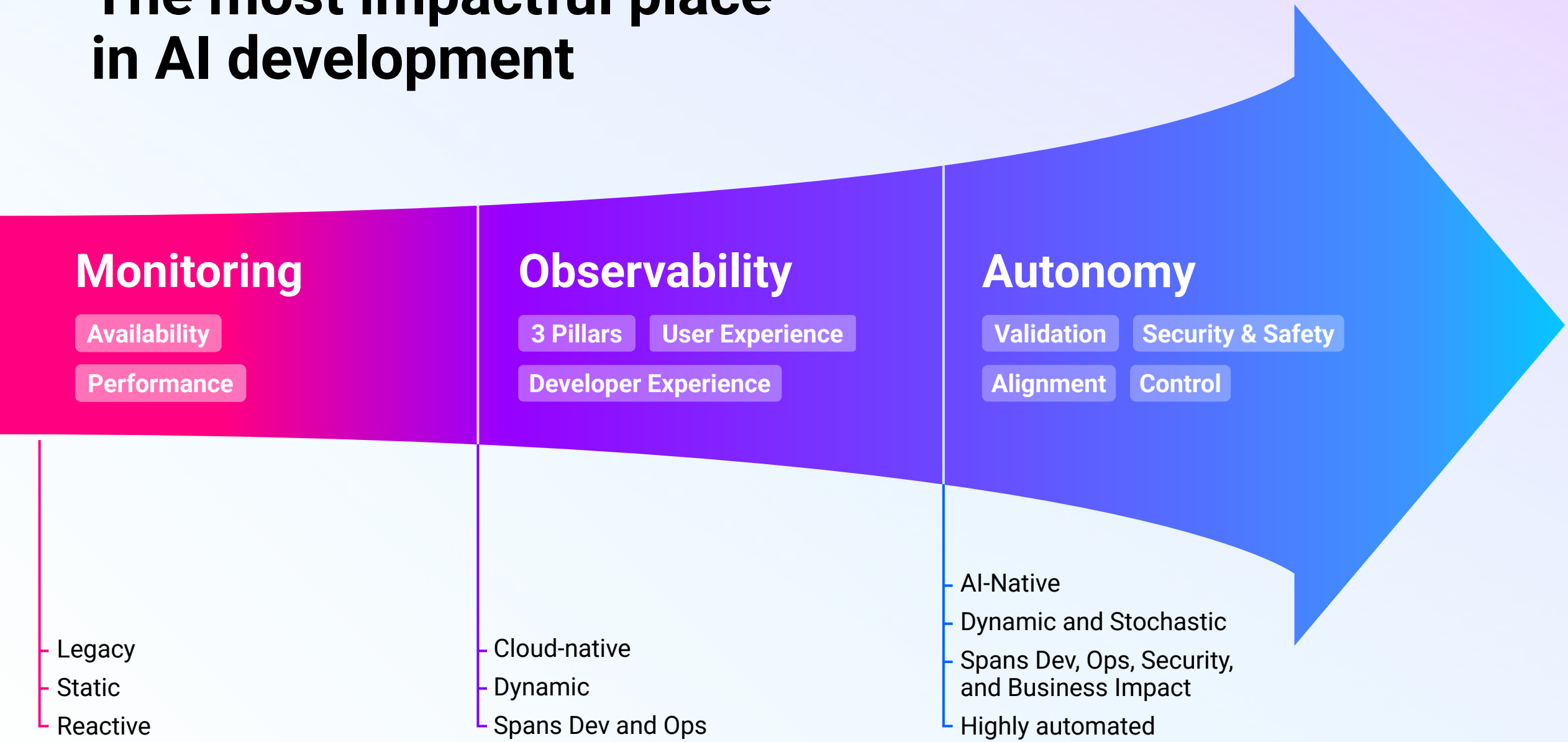
The most impactful place in AI development



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A LONG-TERM VISION

Enabling **Autonomy** across Dev, Ops and Security

Alexis Lê-Quôc

CTO & Co-Founder

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Trillions of datapoints per hour

Trillions of metrics

Billions of application traces

Exabytes of logs

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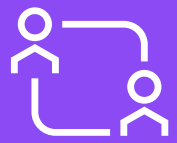
AI Research at Datadog - Toto, our first model

Trained on >1 trillion datapoints

- ~750B datapoints unique to Datadog
- Trained on 4-10x more data than other leading time-series models

Strong performance on observability benchmarks

- Leader on BOOM benchmark
- Leader on GIFT-Eval benchmark at time of release



Released Toto as an open-weights model

- >9 million downloads on Hugging Face
- Among the most downloaded time-series forecasting models

Cost ~$750k to train

- Initial model cost ~$500k
- Improving the model cost ~$250k

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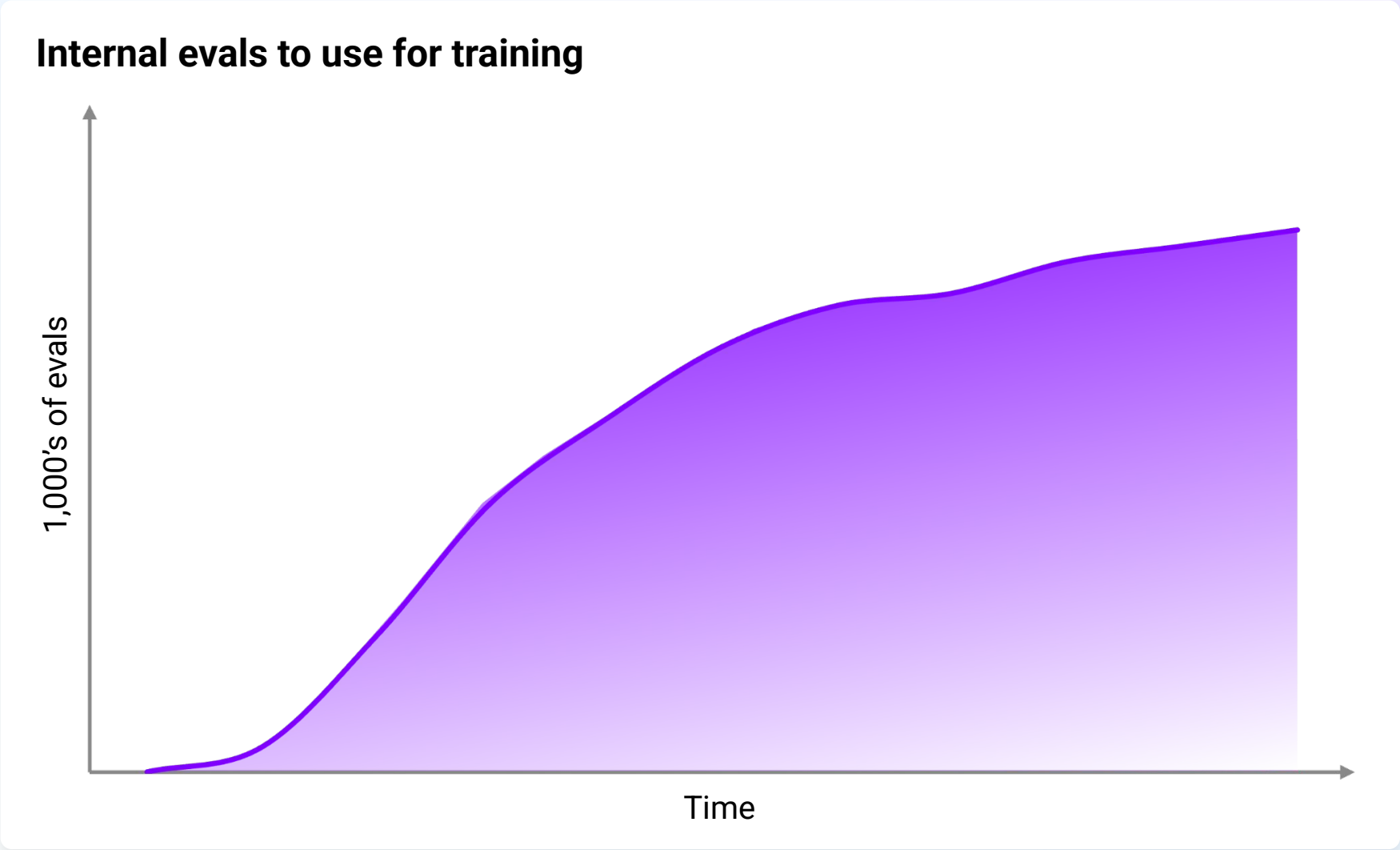
Training for Bits AI SRE Agent



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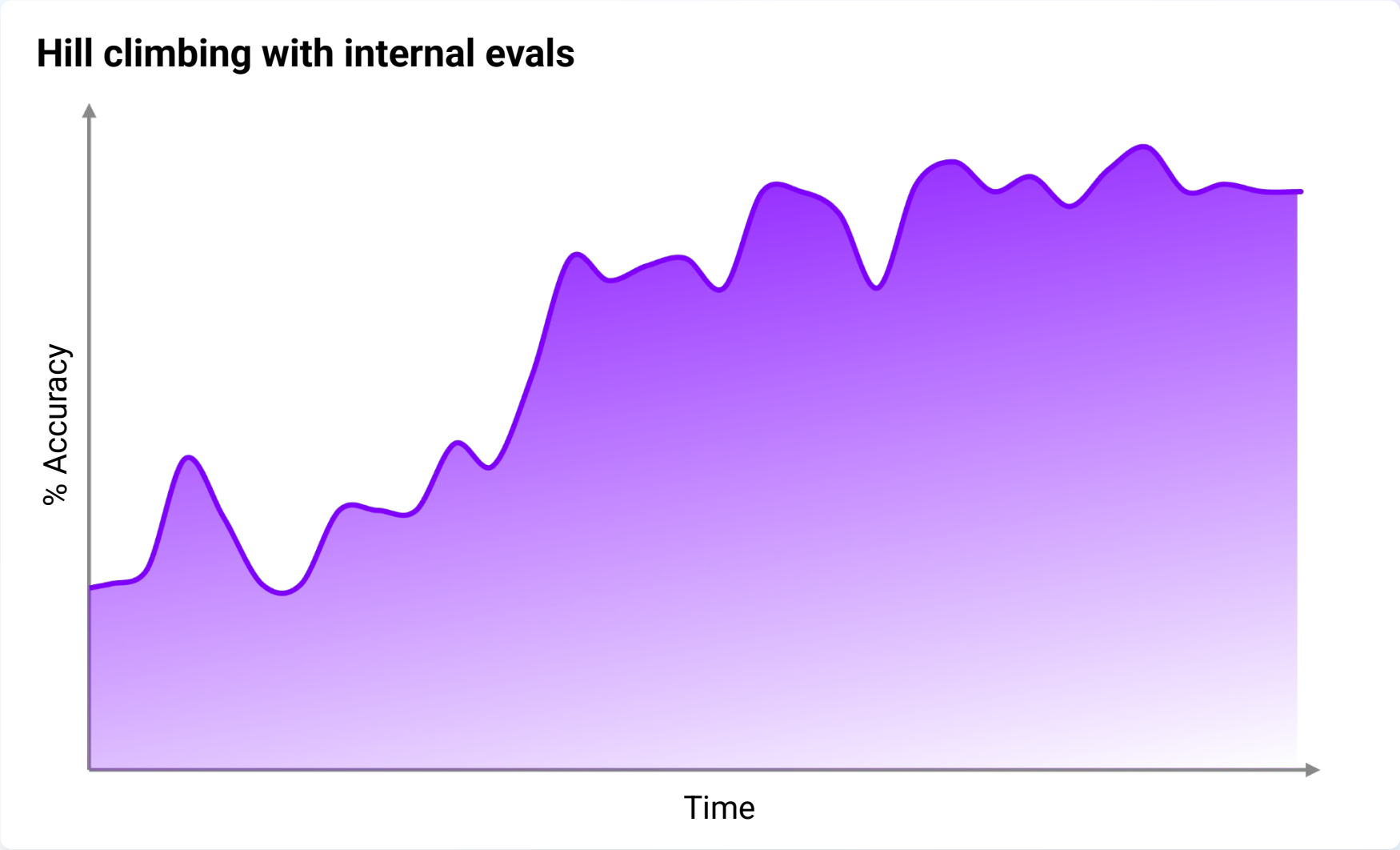
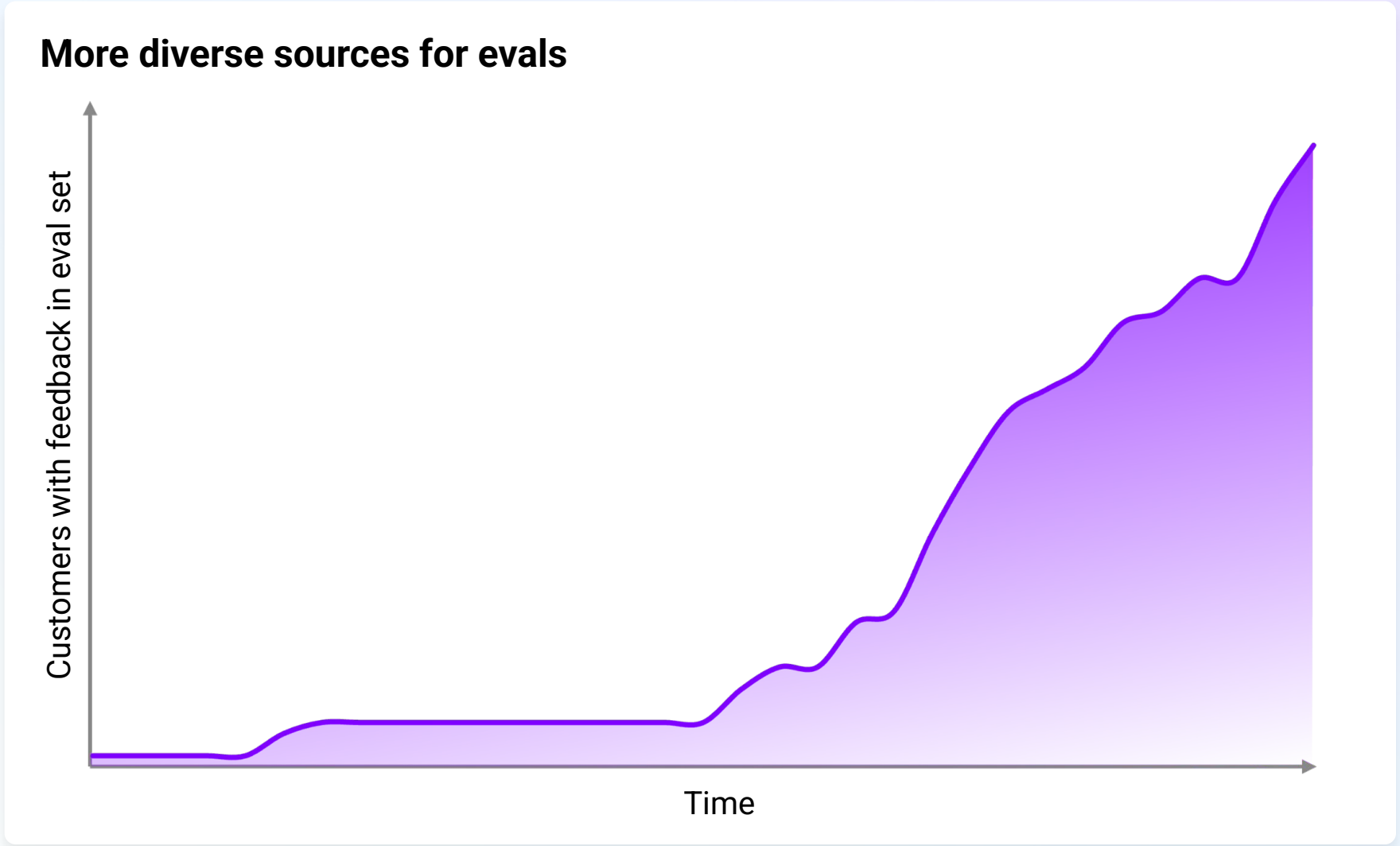


Training for Bits AI SRE Agent



Datadog's AI advantage

Trillions of datapoints

AI Research / foundational models

Broad operational context

Deep domain expertise

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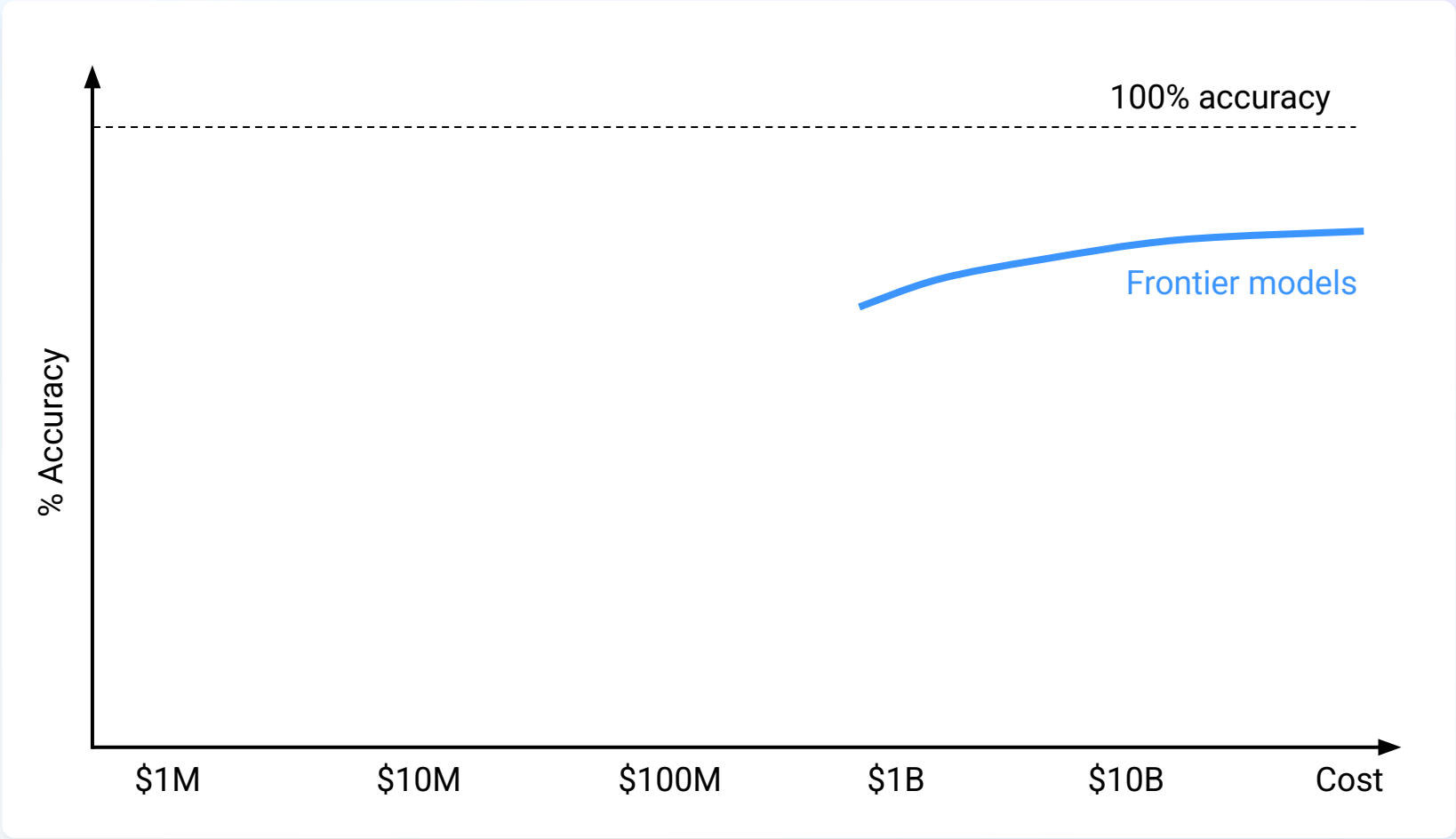
What if you use frontier AI models?



Illustrative Example

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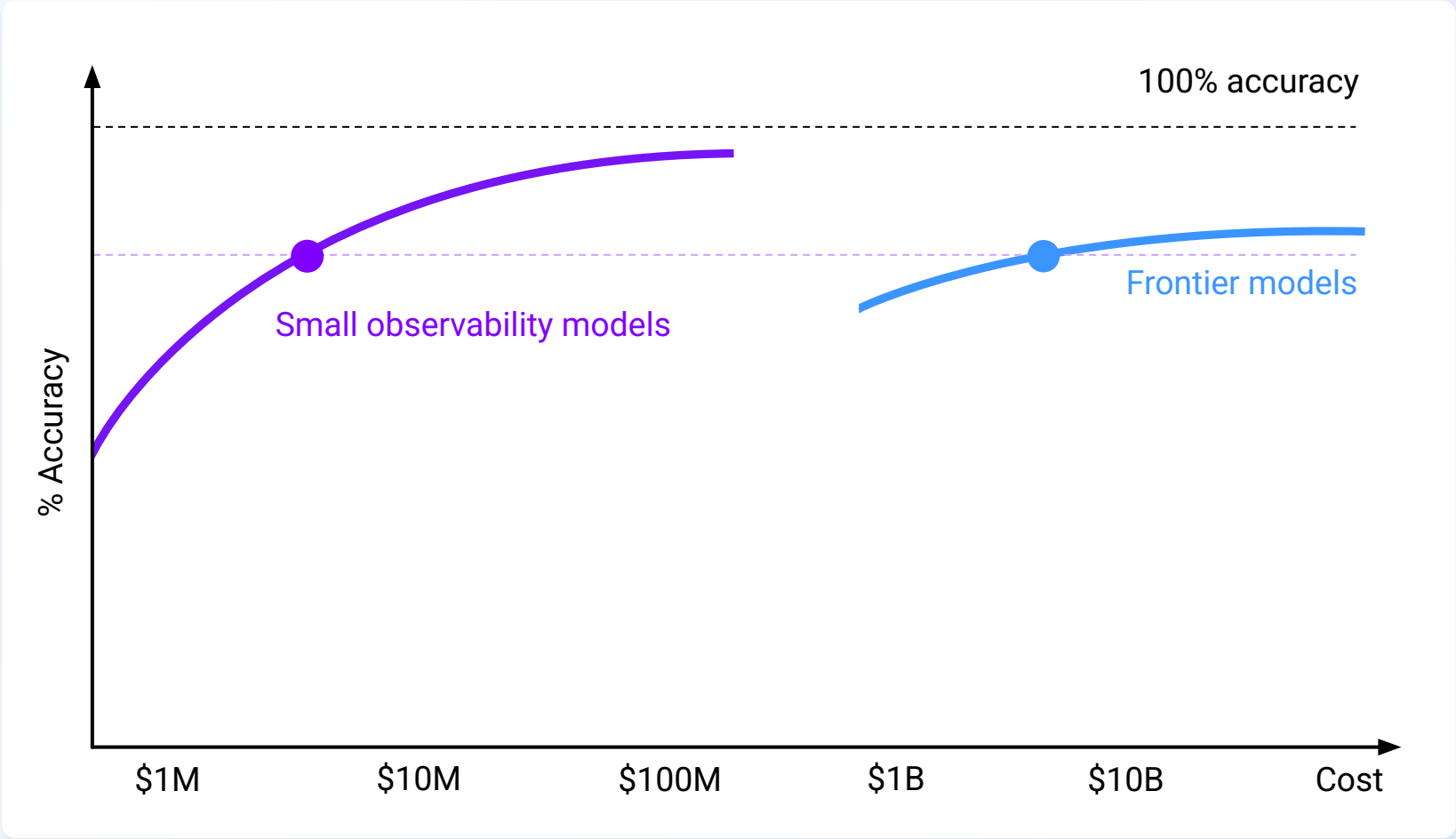
Frontier models are too expensive



Illustrative Example

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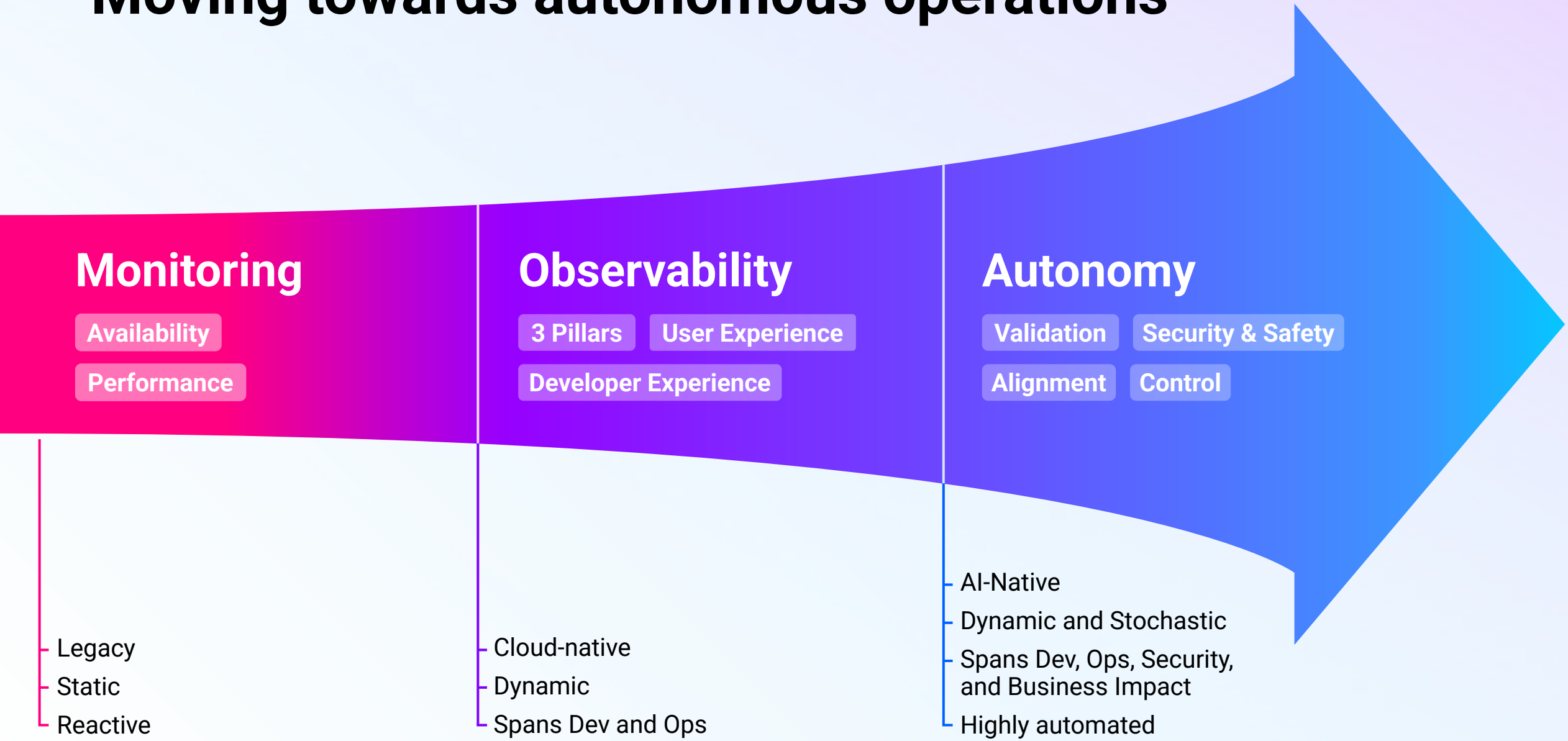
Moving towards autonomous operations



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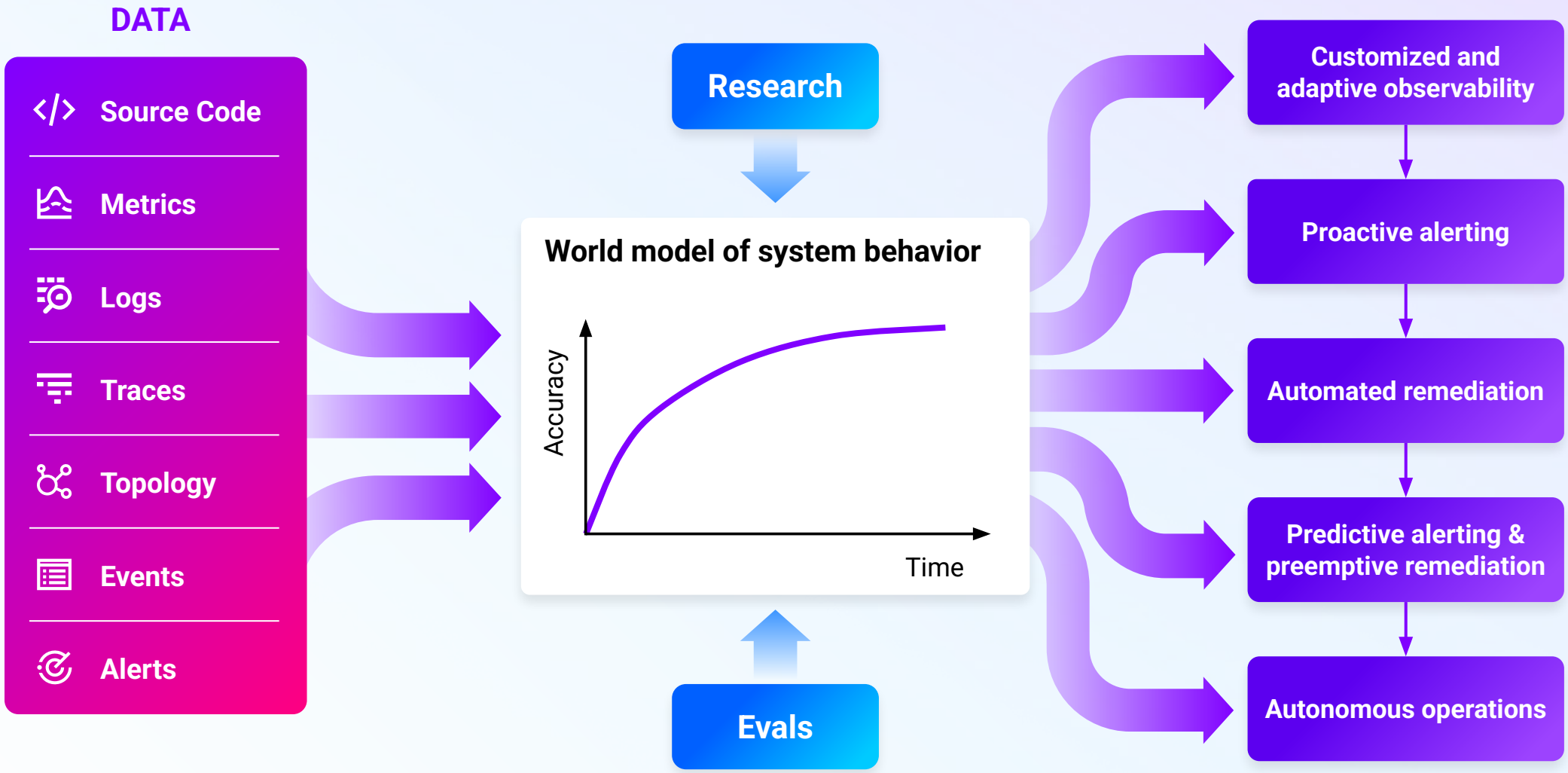
Towards autonomous operations



Yrieix Garnier

Vice President, Product

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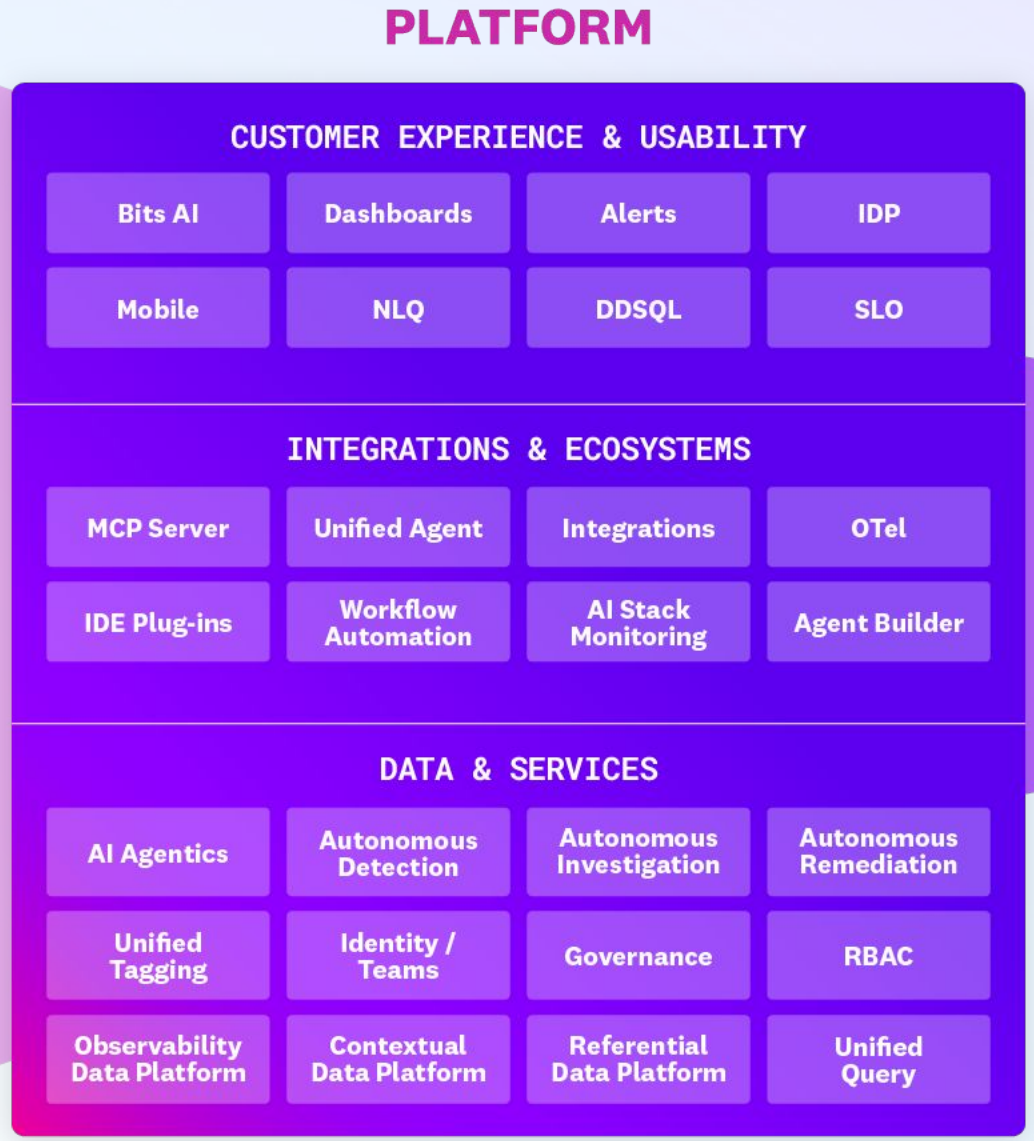
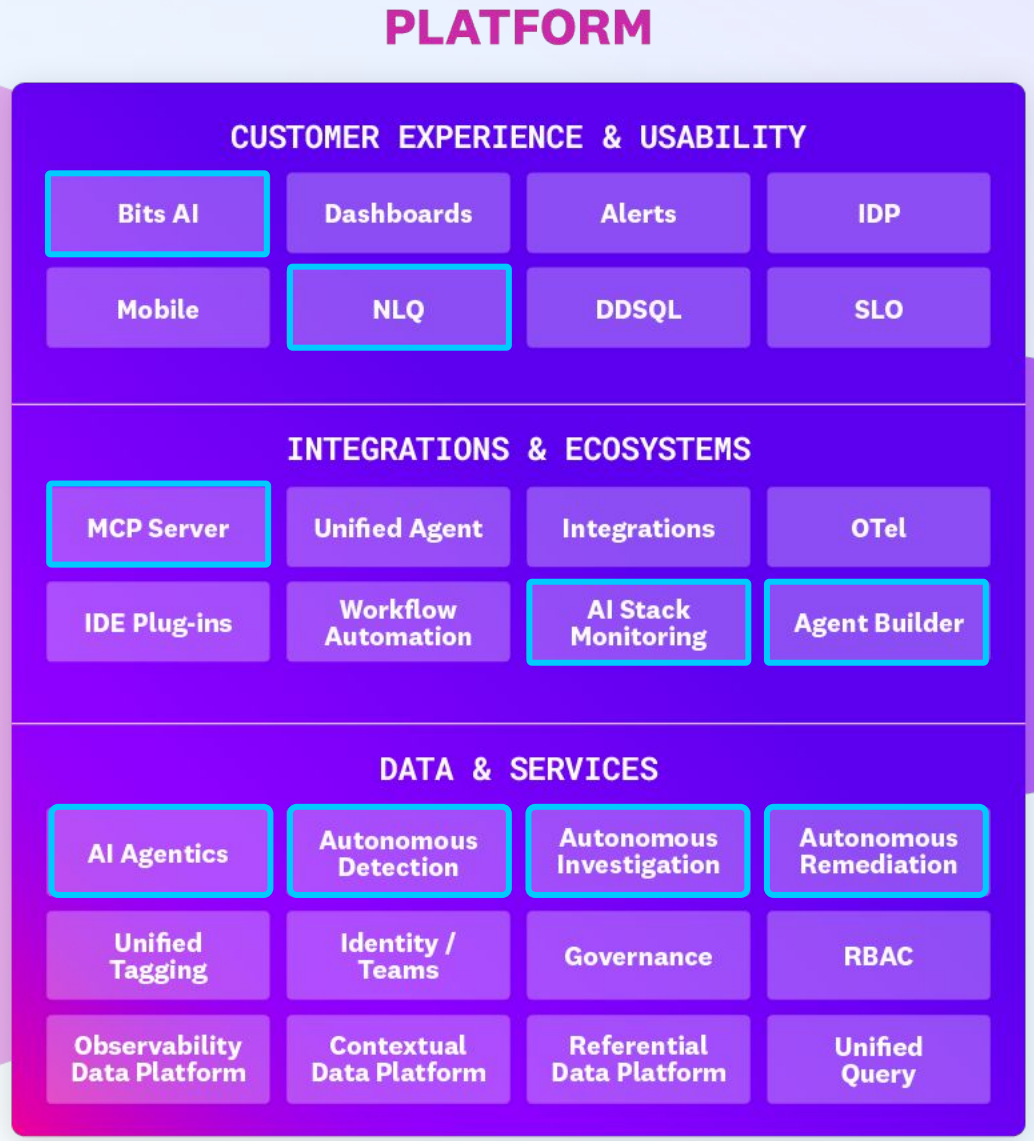
The Datadog platform

We built the platform first



DATADOG

We built the platform first



DATADOG

Enabling lean and agile product teams

PLATFORM

CUSTOMER EXPERIENCE & USABILITY

Bits AI	Dashboards	Alerts	IDP
Mobile	NLQ	DDSQL	SLO

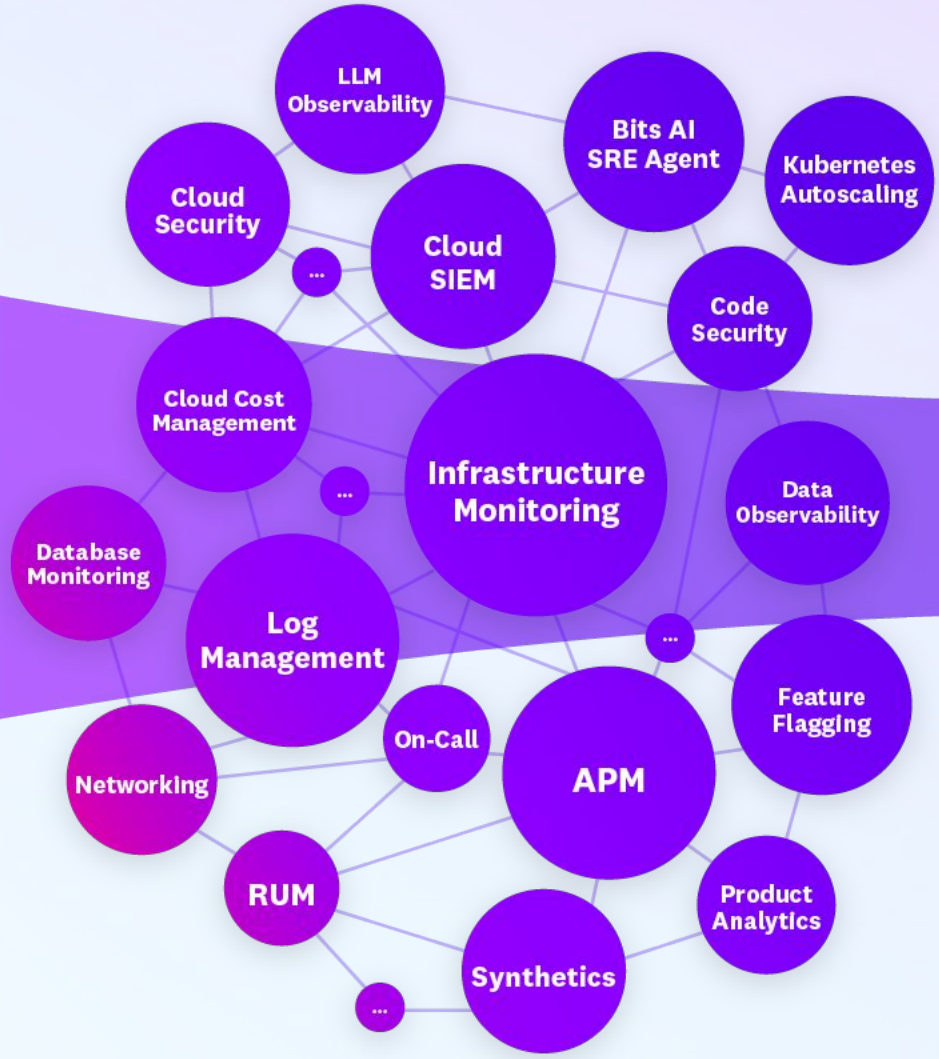
INTEGRATIONS & ECOSYSTEMS

MCP Server	Unified Agent	Integrations	OTel
IDE Plug-ins	Workflow Automation	AI Stack Monitoring	Agent Builder

DATA & SERVICES

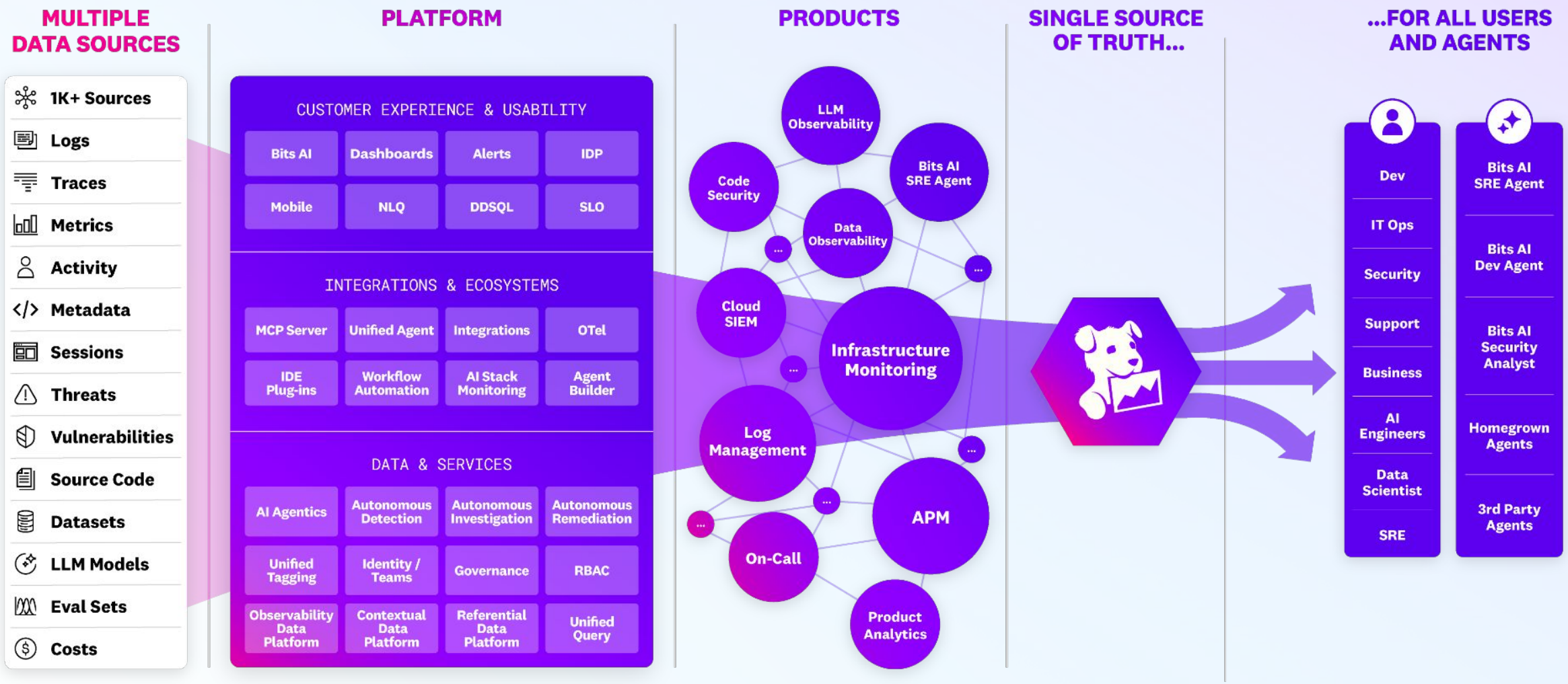
AI Agentics	Autonomous Detection	Autonomous Investigation	Autonomous Remediation
Unified Tagging	Identity / Teams	Governance	RBAC
Observability Data Platform	Contextual Data Platform	Referential Data Platform	Unified Query

PRODUCTS



DATADOG

Breaking down silos with our unified platform



DATADOG

Our platform progress

	2015	2020	2025
Integrations	100+	400+	1,000+
Events ingested per hour	Millions	Billions	Trillions
Monthly Average Users (MAUs)	1,000s	100,000s	Approaching 1M
# of products	1	9	25
# of customers	2,060	14,200	32,700
# of $100k+ customers	57	~1,230	~4,310
# of $1M+ customers	0	101	603

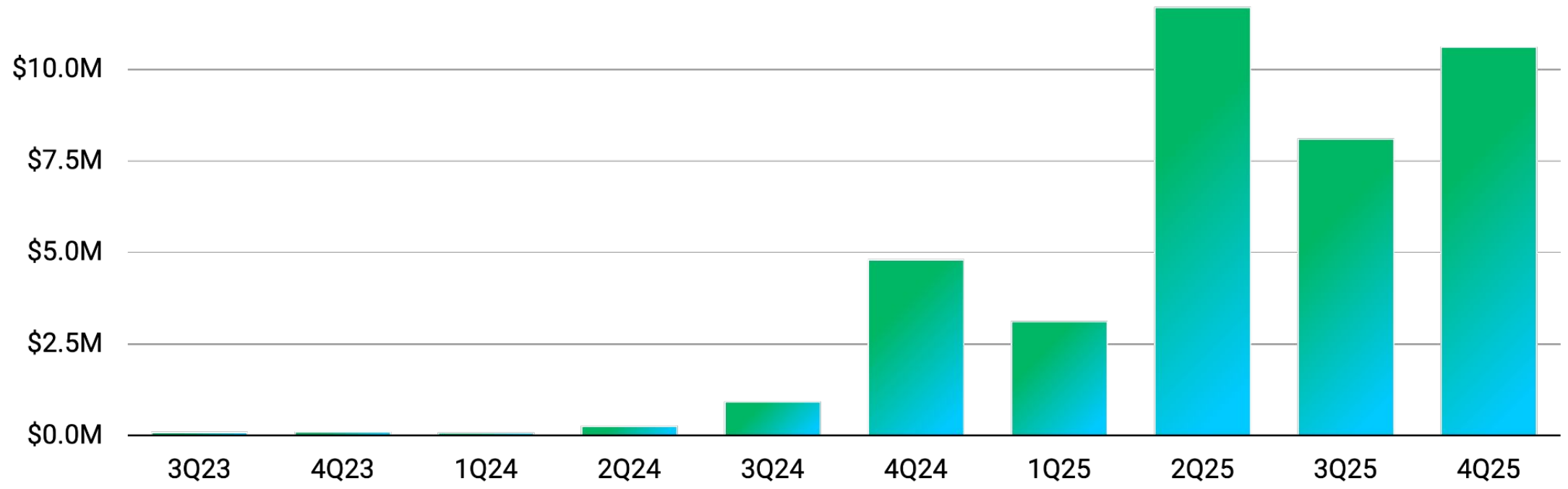
All data as of December of the given year. Monthly Active Users are users at paying customers, who logged onto the Datadog platform in December of the given year

DATADOG

AI customer example

AI | SMB (<1,000 FTEs) | ~3 yrs as customer | ~140 MAUs

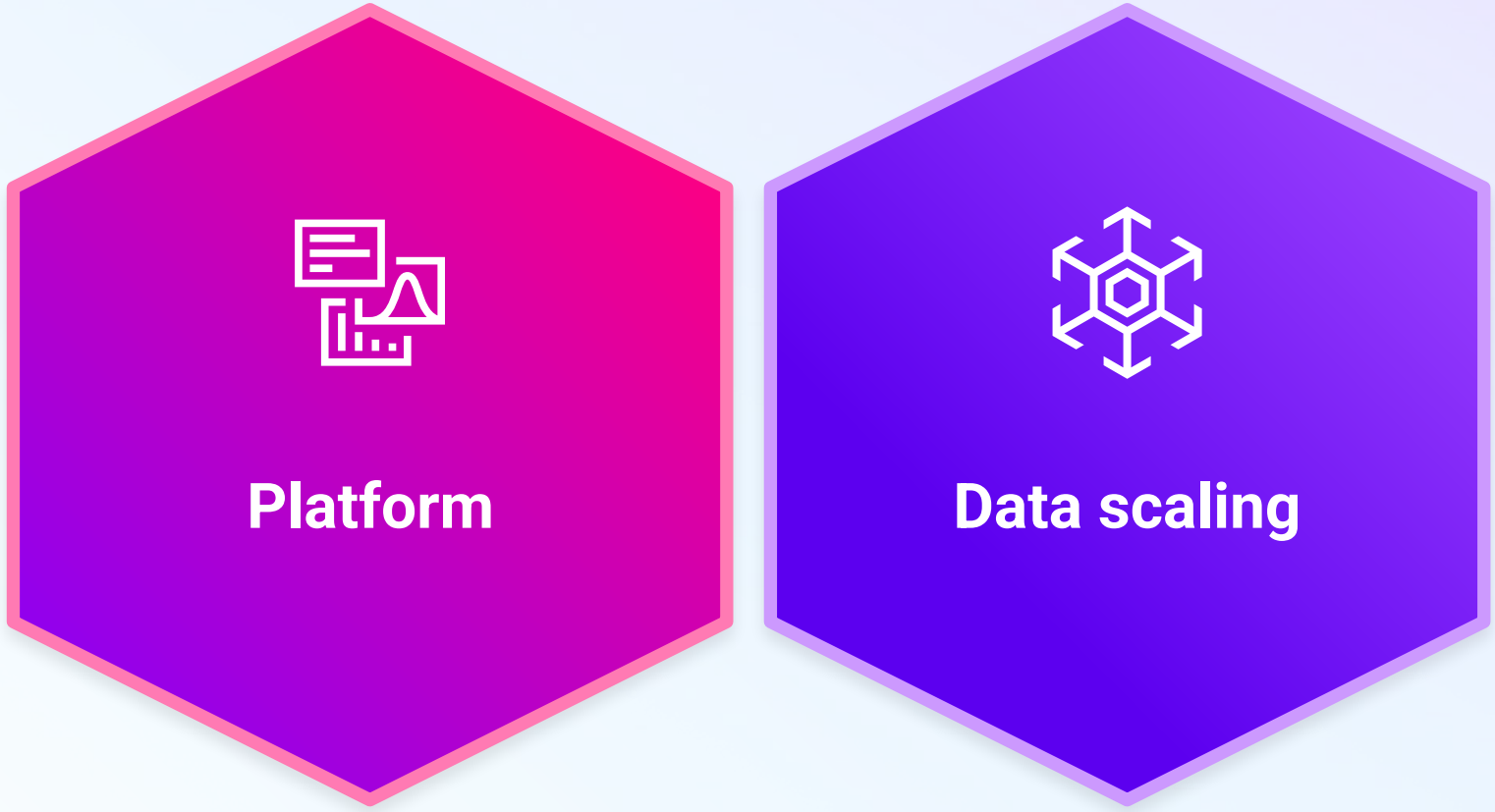
Annual Recurring Revenue (ARR)



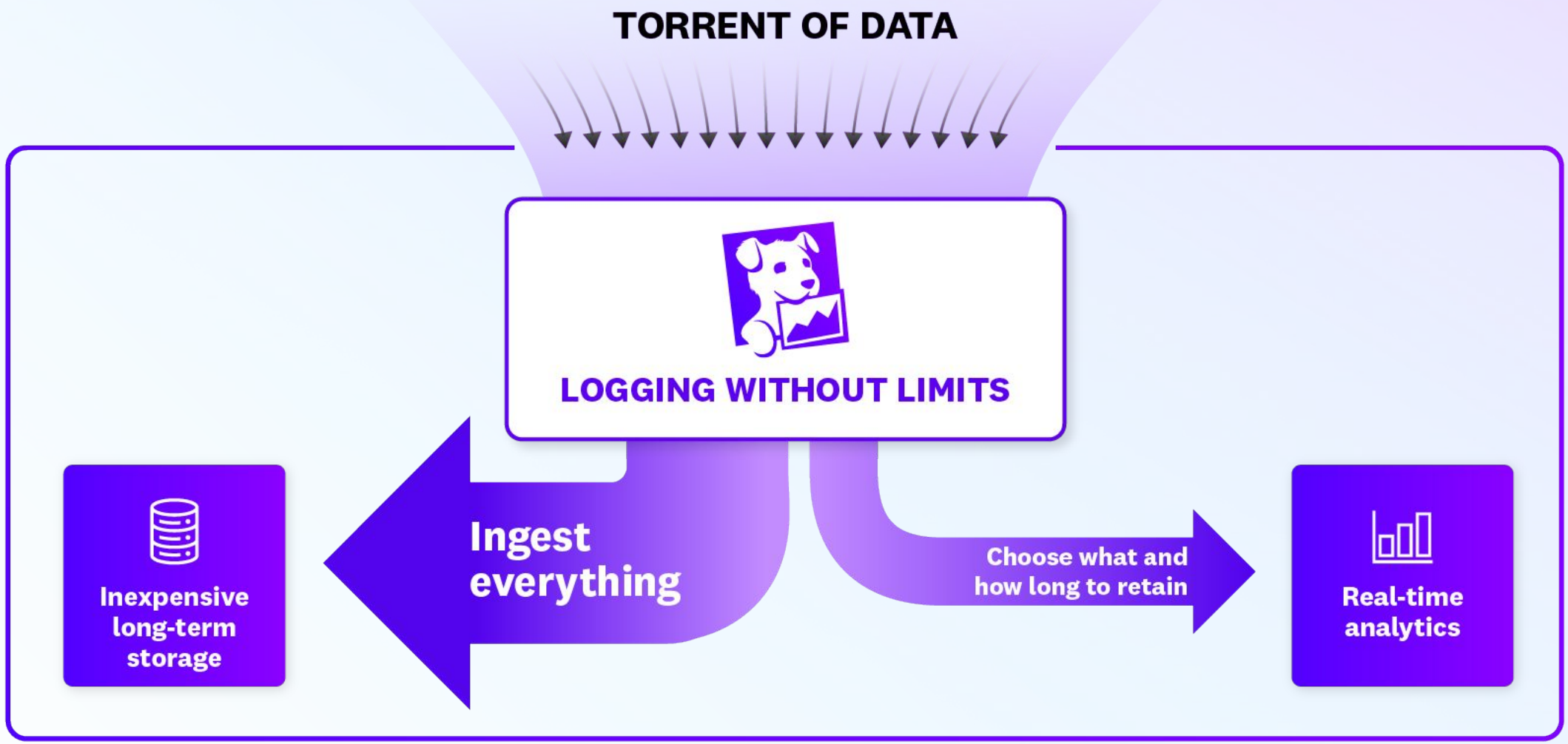
# of products	4	5	5	6	6	7	9	14	14	16

DATADOG

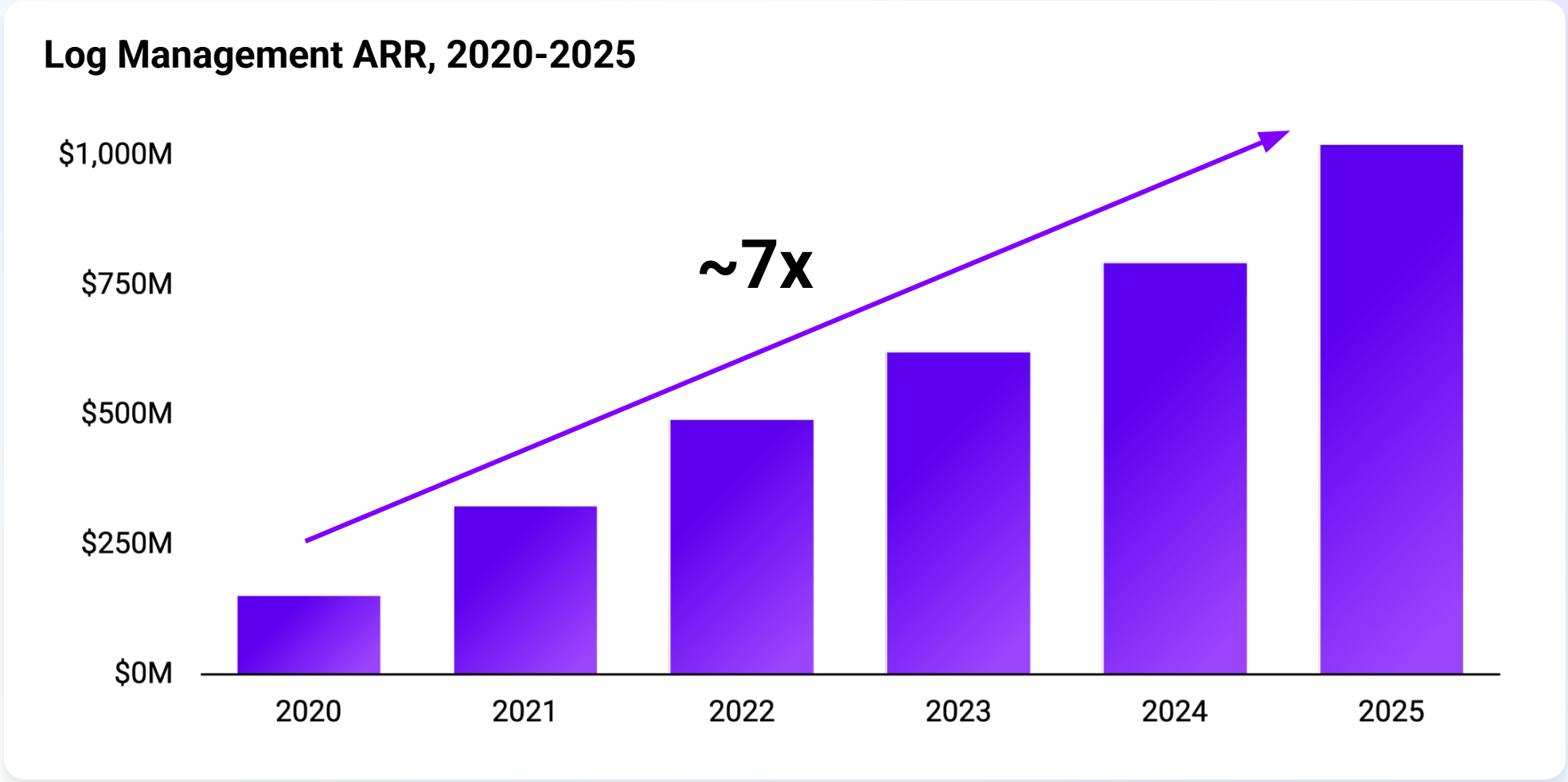
Evolving the platform



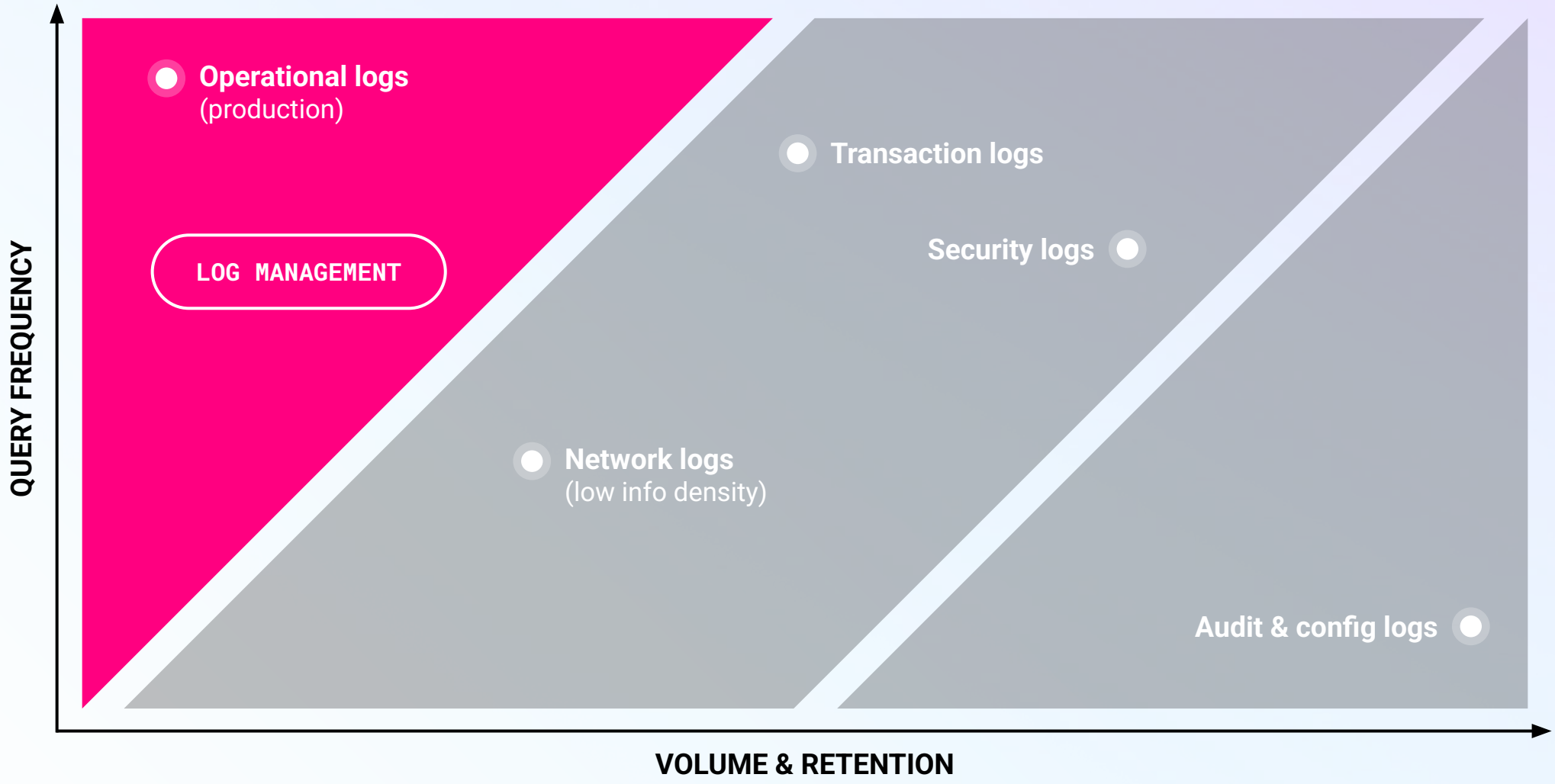
Log Management



Log Management data scaling

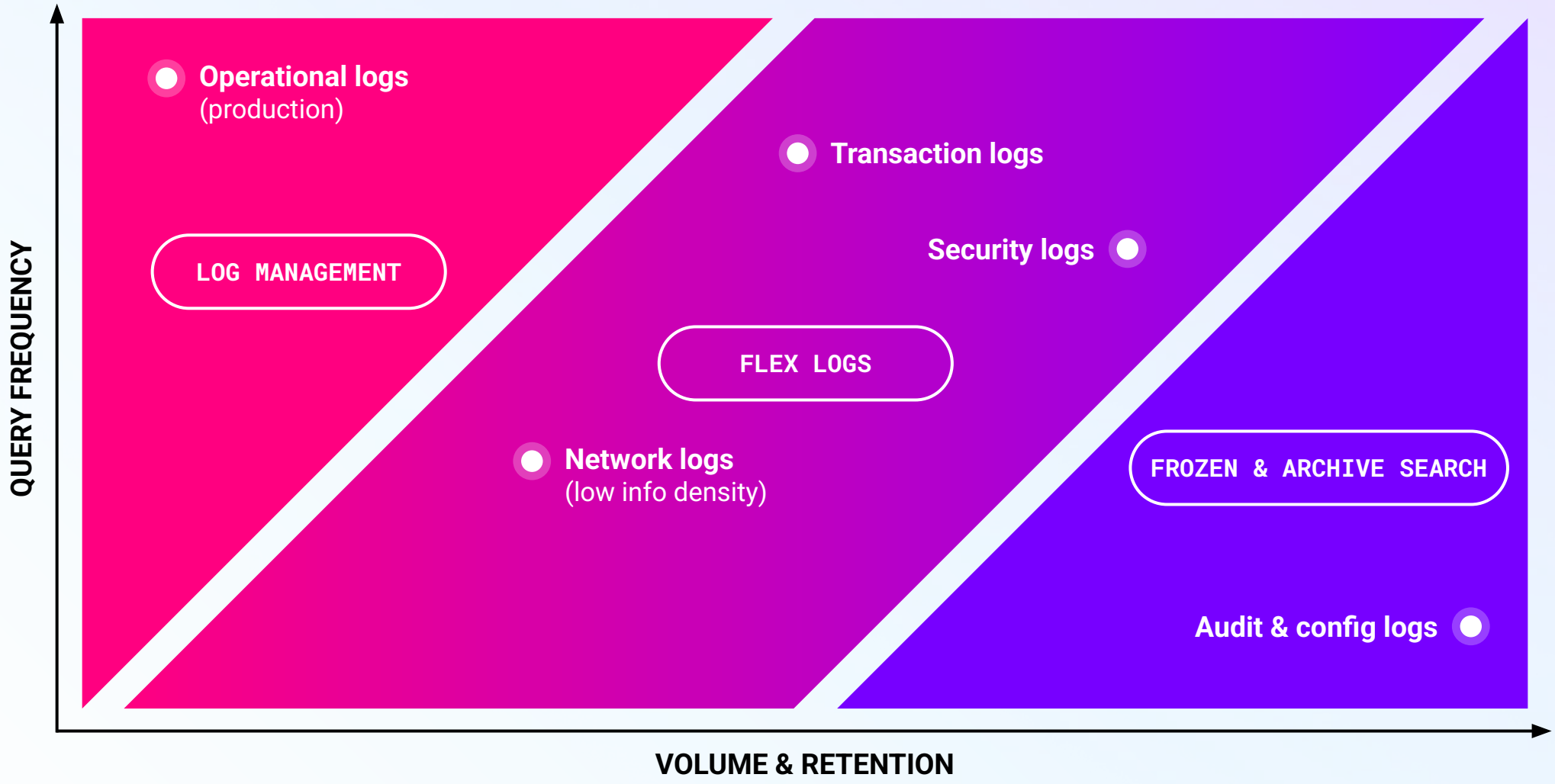


Observability logs are a portion of log use cases



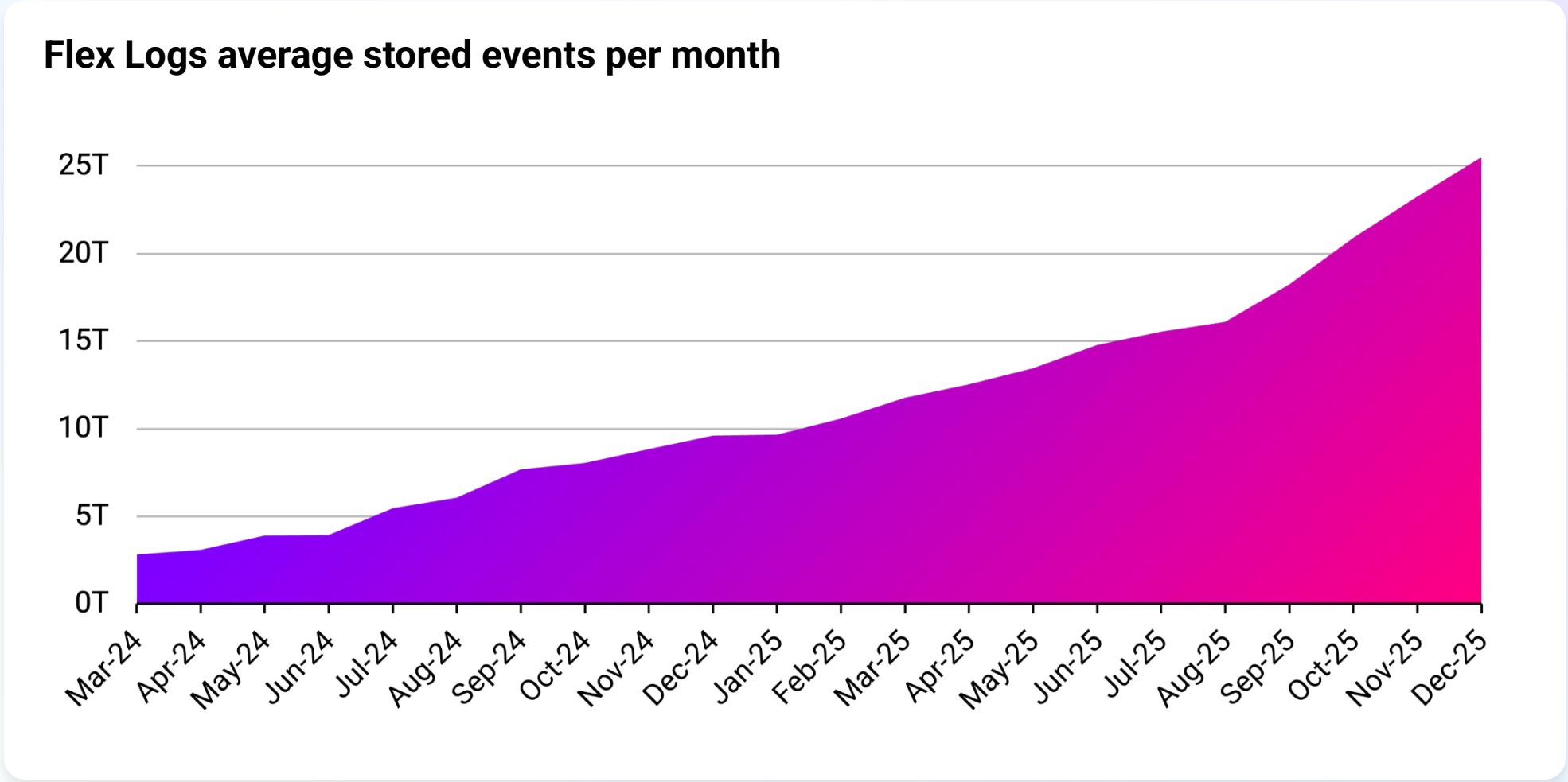
DATADOG

Expanding for new logs use cases



DATADOG

Exponential growth of Flex Logs

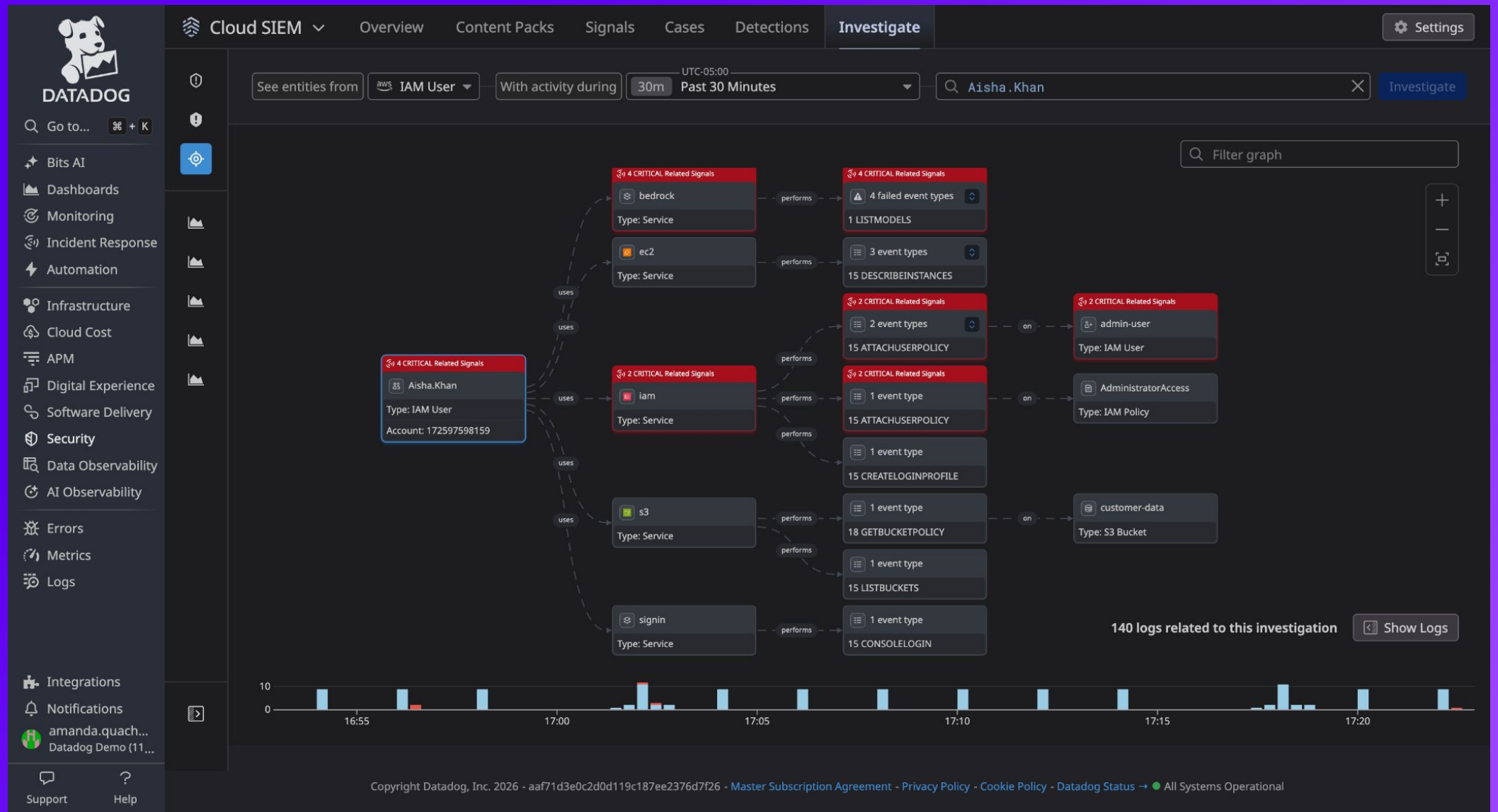


Excludes AI-native customer usage.

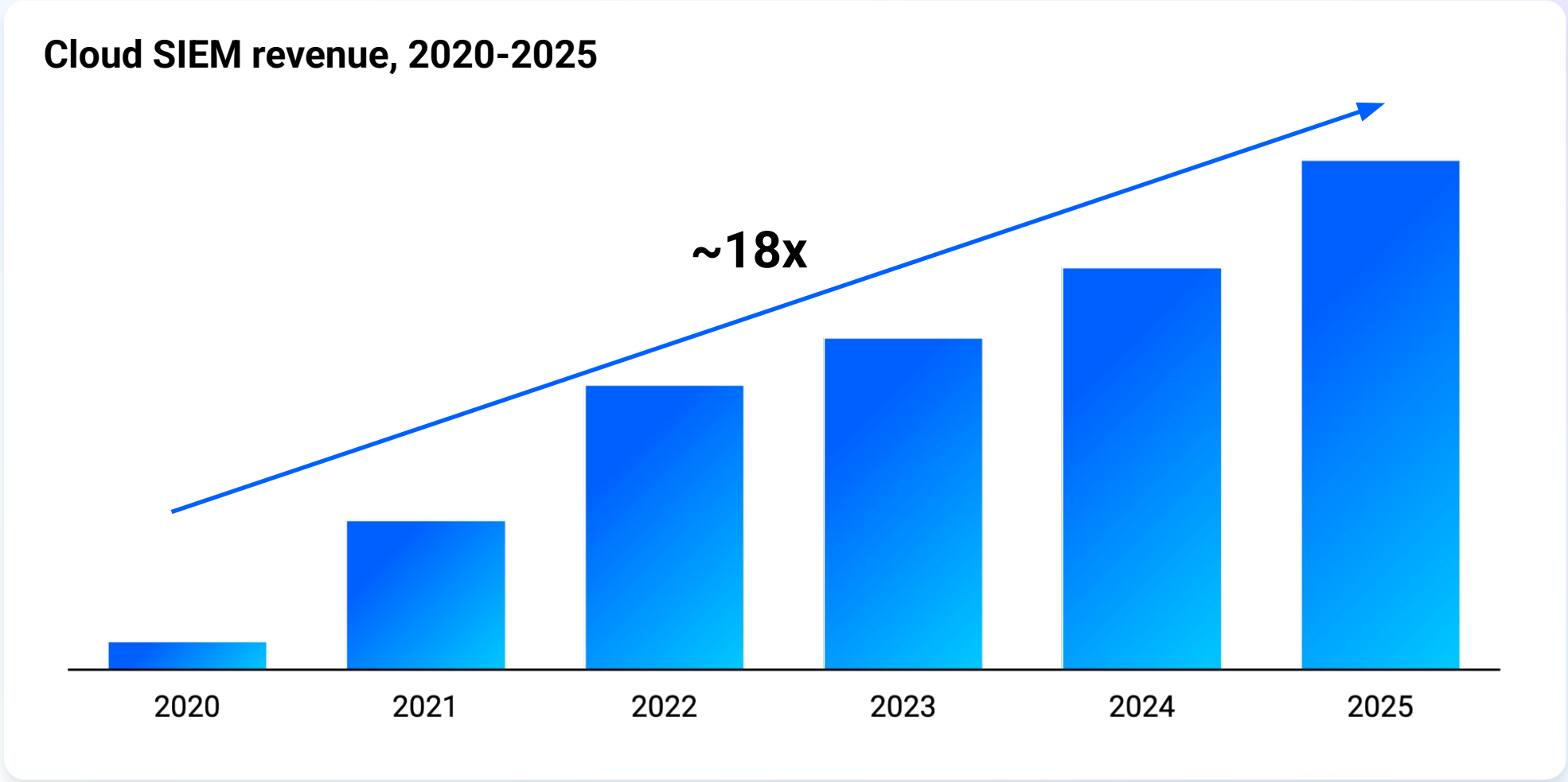
DATADOG

Flex Logs with Cloud SIEM

Visualize security activity across systems or entities



Cloud SIEM momentum



Customer example

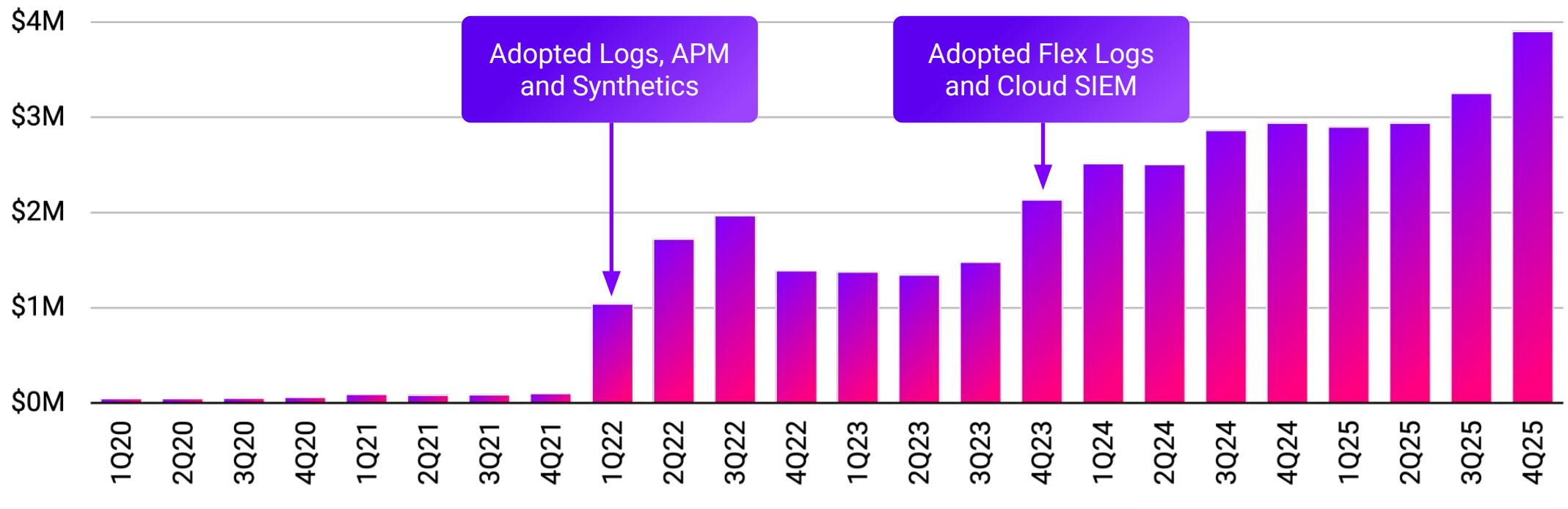
Ecommerce

Enterprise (5K+ FTEs)

~7 yrs as customer

~480 MAUs

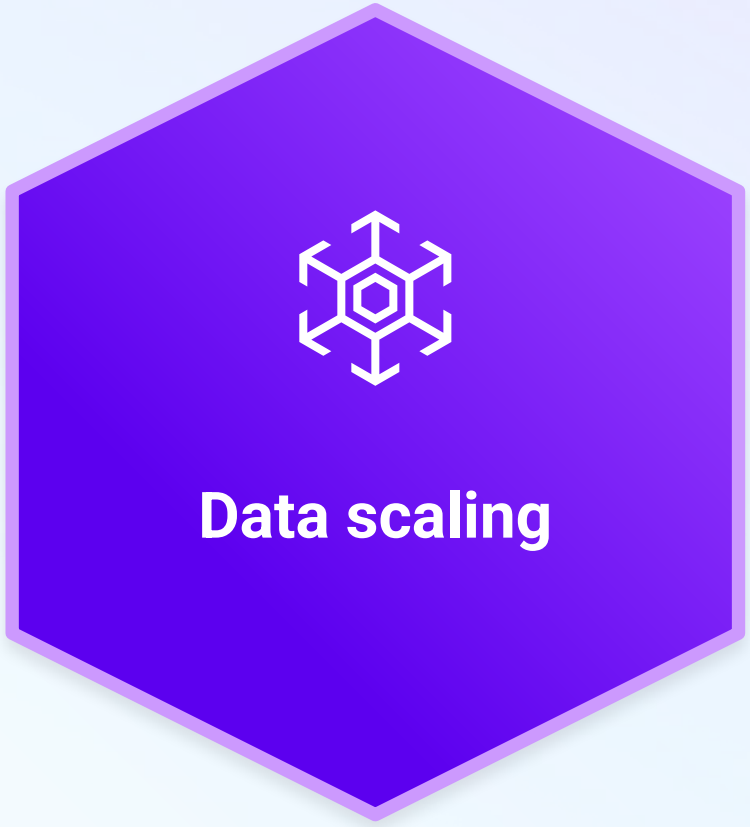
Annual Recurring Revenue (ARR)



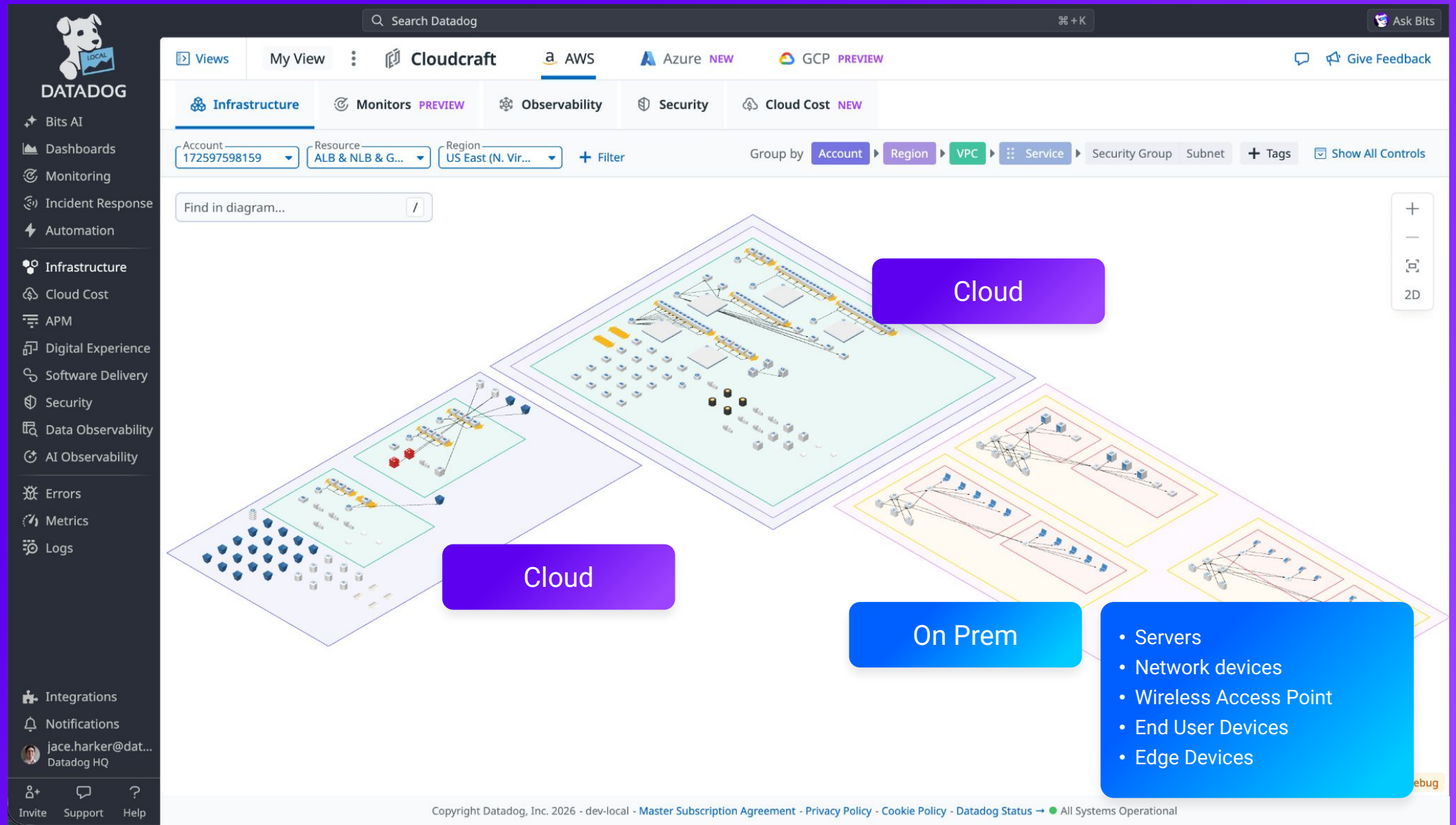
# of products	3	3	3	4	4	4	4	4	7	7	7	7	8	8	9	11	11	11	11	11	11	11	12	15

DATADOG

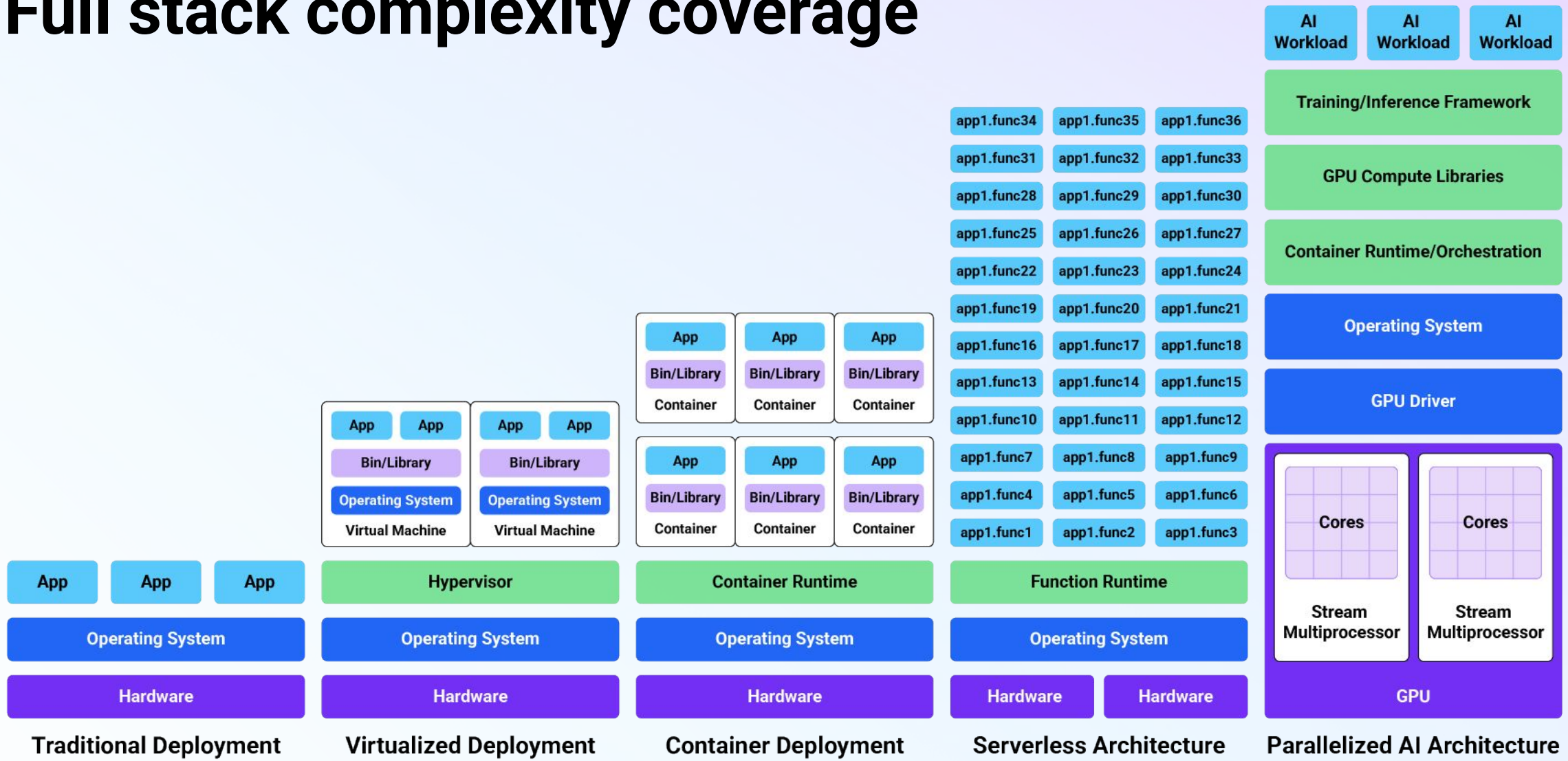
Evolving the platform



On-prem Monitoring



Full stack complexity coverage



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Datadog BYOC (Bring Your Own Cloud)

Tim Knudsen

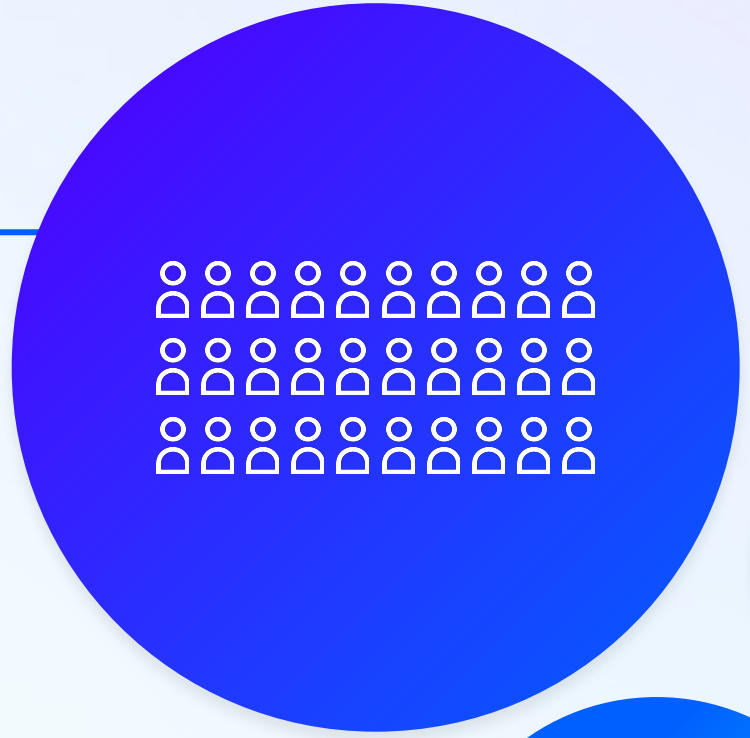
Vice President, Security Product

DATADOG

The Silo Tax

Developers

- Security often slows down release pace
- Often don't have enough context to understand why fixing is a priority



Security

- Overwhelmed by the number of vulnerabilities to triage
- Limited bandwidth to work with development teams

Operations

- Overwhelmed by the number of vulnerabilities and misconfigurations
- Balance conflicting goals of security and development teams

DATADOG

Datadog flattens the tax - Observability + Security + AI

DATADOG

Datadog Security Products

Code Security

- Software Composition Analysis (SCA)
- Static Code Analysis (SAST)
- Interactive Application Security Testing (IAST)
- Infrastructure as Code (IaC) Scanning
- Secret Scanning

AI & Data Security

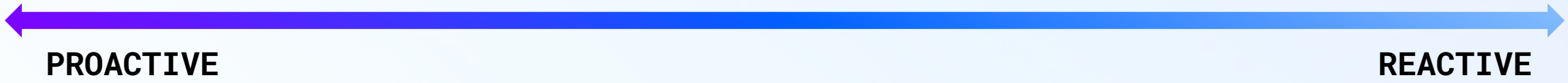
- AI Guard
- Sensitive Data Scanner

Cloud Security

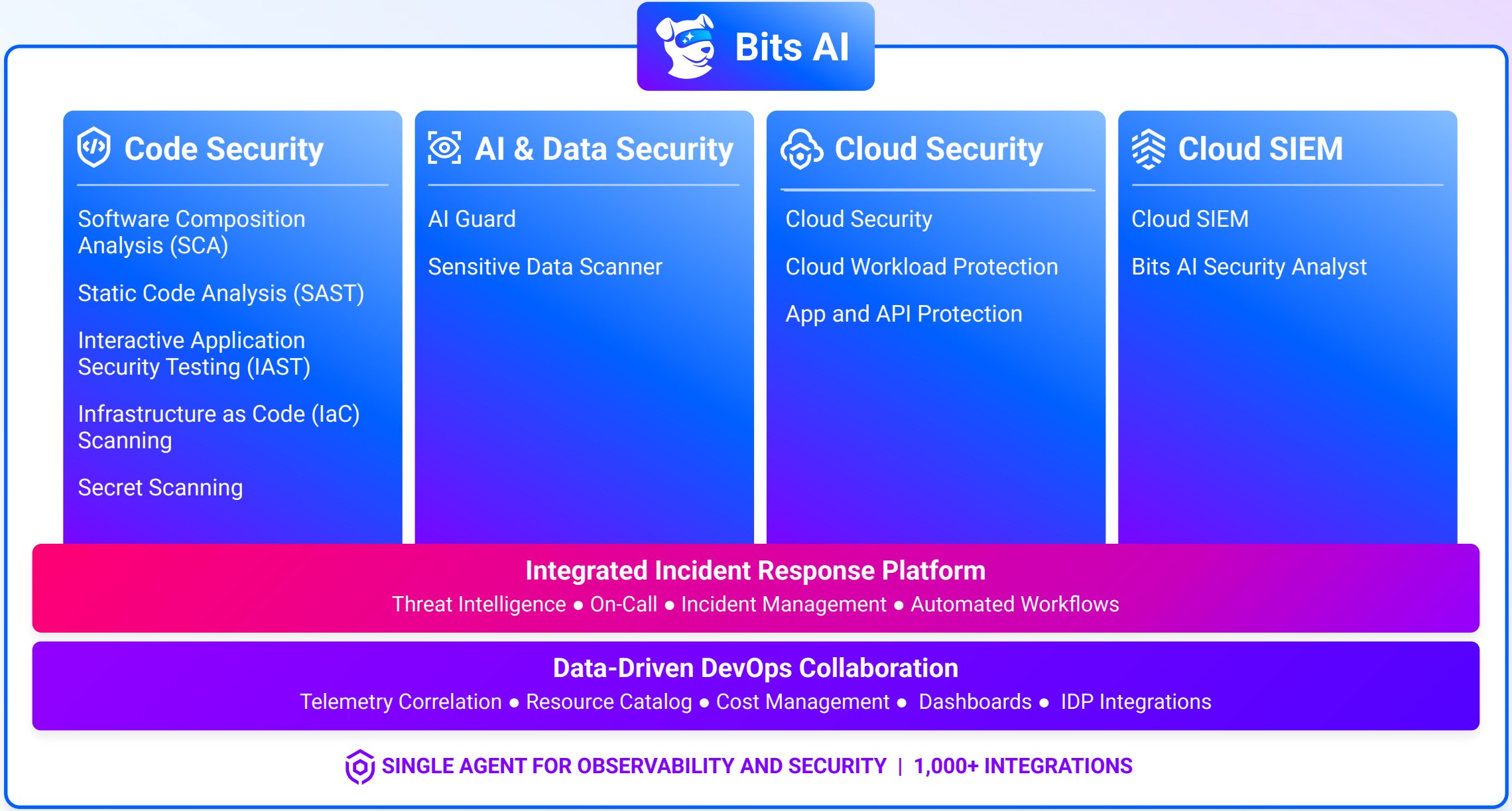
- Cloud Security
- Cloud Workload Protection
- App and API Protection

Cloud SIEM

- Cloud SIEM
- Bits AI Security Analyst



DATADOG


Bits AI
Code Security
Software Composition Analysis (SCA)
Static Code Analysis (SAST)
Interactive Application Security Testing (IAST)
Infrastructure as Code (IaC) Scanning
Secret Scanning
AI & Data Security
AI Guard
Sensitive Data Scanner
Cloud Security
Cloud Security
Cloud Workload Protection
App and API Protection
Cloud SIEM
Cloud SIEM
Bits AI Security Analyst
Integrated Incident Response Platform
Threat Intelligence • On-Call • Incident Management • Automated Workflows
Data-Driven DevOps Collaboration
Telemetry Correlation • Resource Catalog • Cost Management • Dashboards • IDP Integrations
SINGLE AGENT FOR OBSERVABILITY AND SECURITY | 1,000+ INTEGRATIONS

DATADOG

Datadog is a proven Security provider

8,500+

Security Customers

1 in 4

Fortune 500 are Datadog Security customers

Source: Datadog internal analysis. Data as of December, 2025

DATADOG

Opportunity to increase Security wallet share

70%

Of $1M+ ARR customers use 1 or more Datadog Security products

2%

Security ARR as % of total ARR in these $1M+ Security customers

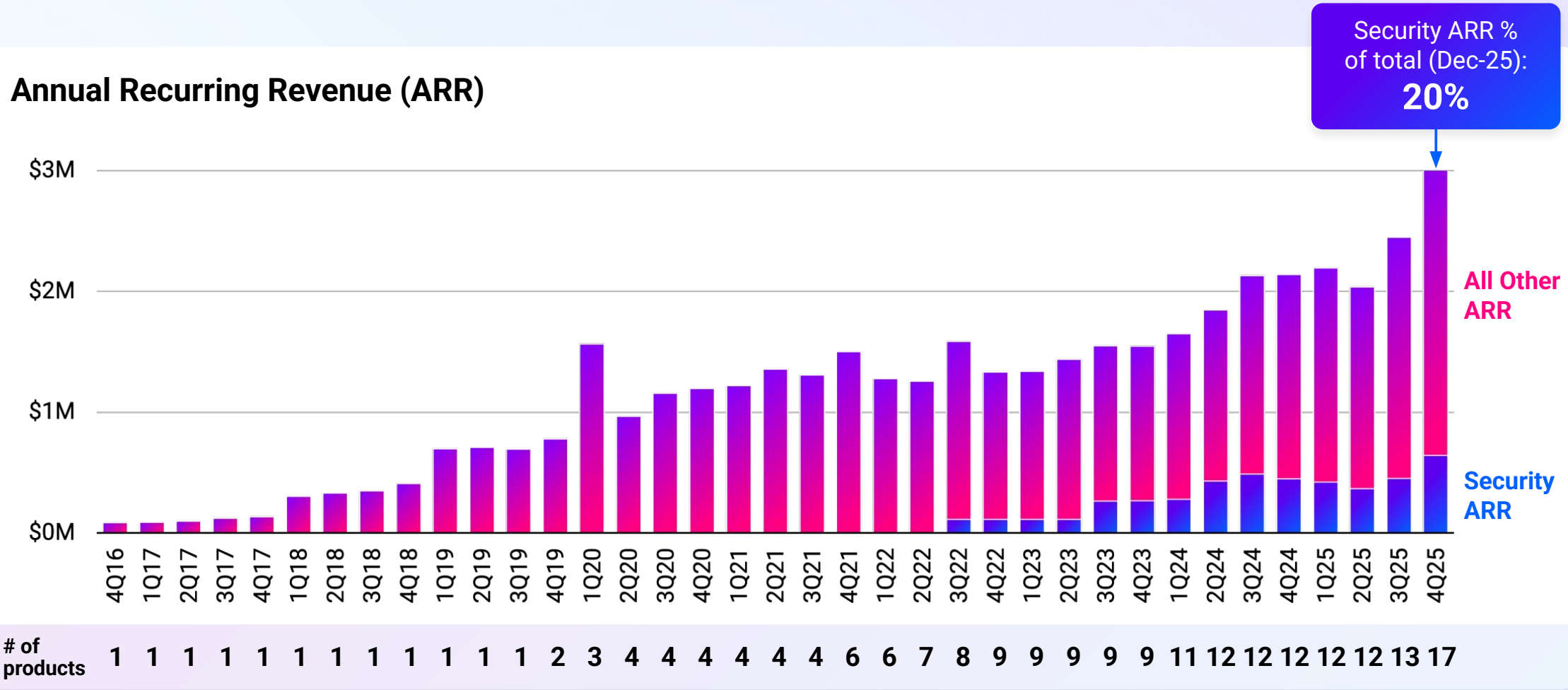
Data as of December, 2025

DATADOG

Security customer example

Media | Mid-Market (1-5k FTEs) | ~11 yrs as customer | ~270 MAUs

Annual Recurring Revenue (ARR)



DATADOG

Security customer example

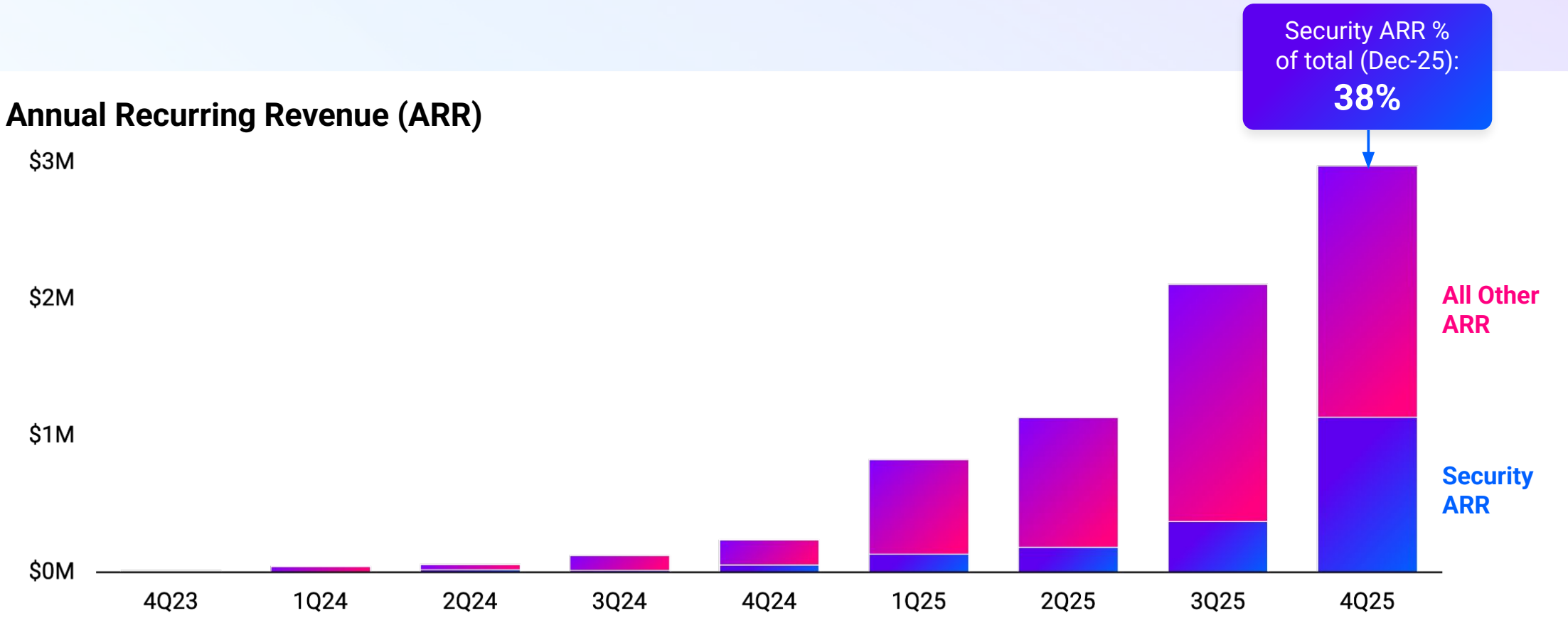
Software

SMB (0-1k FTEs)

~2 yrs as customer

~20 MAUs

Annual Recurring Revenue (ARR)



# of products	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25	2Q25	3Q25	4Q25
	4	5	7	7	7	7	7	7	8

DATADOG

Michael Whetten

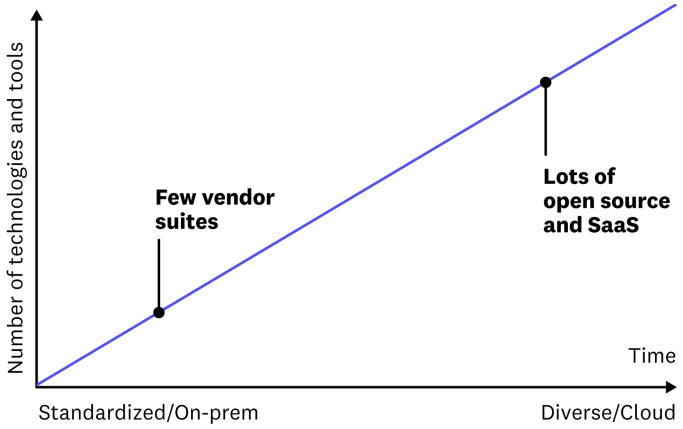
Senior Vice President, Product

DATADOG

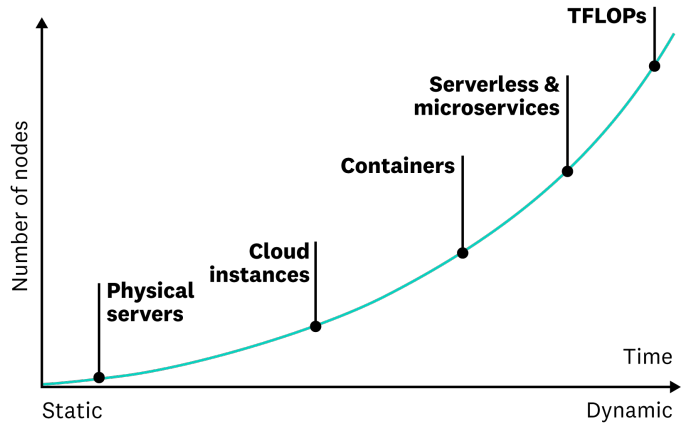

We live in an
era of *speed*
DATADOG

Complexity slows you down

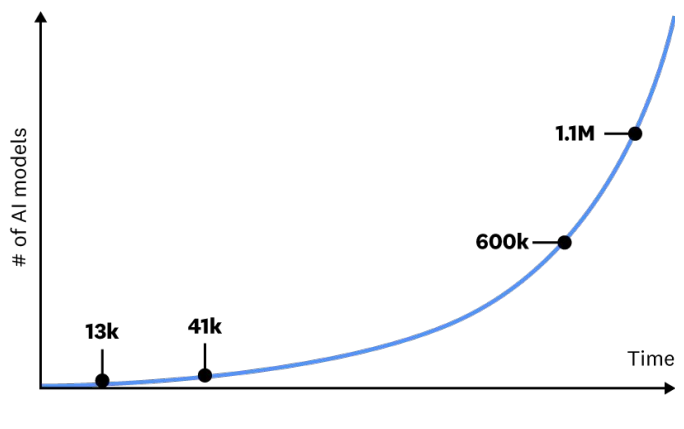
Diversity of technologies in use



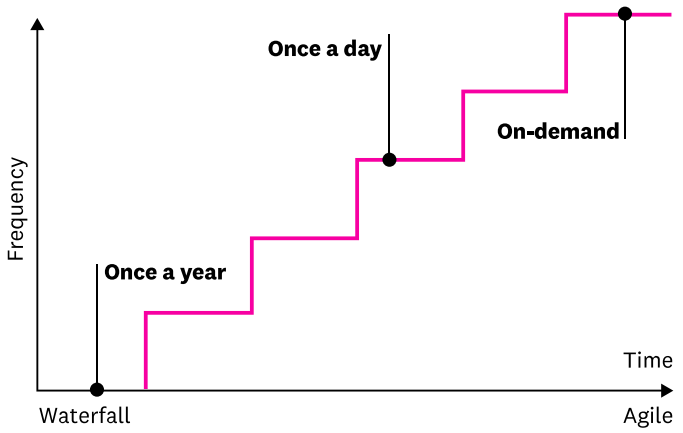
Scale in number of computing units



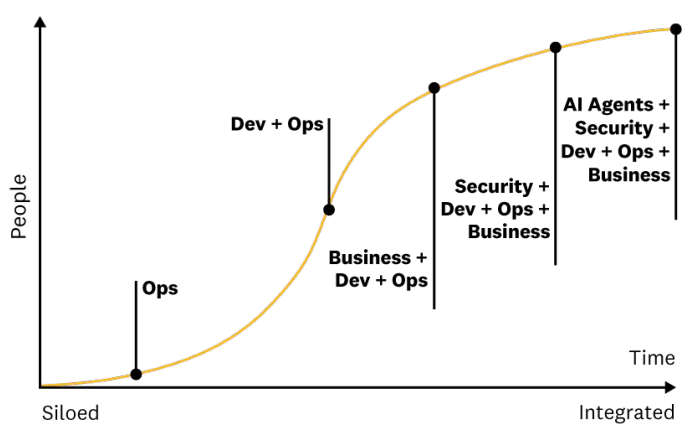
Number of Models on Hugging Face



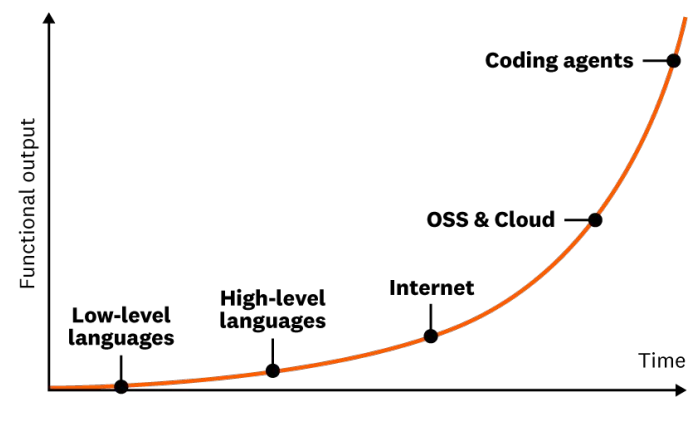
Frequency of releases



Number of people involved



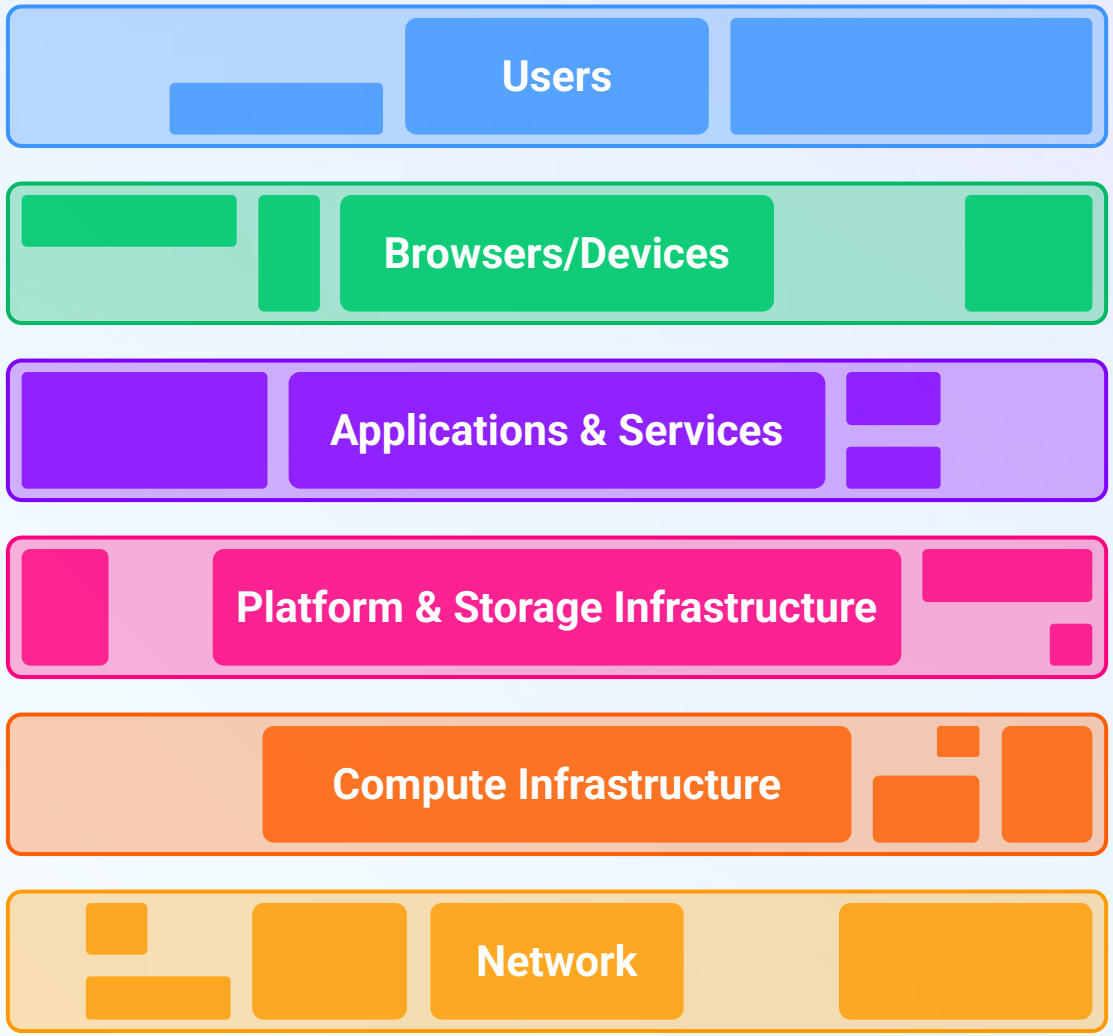
Developer productivity



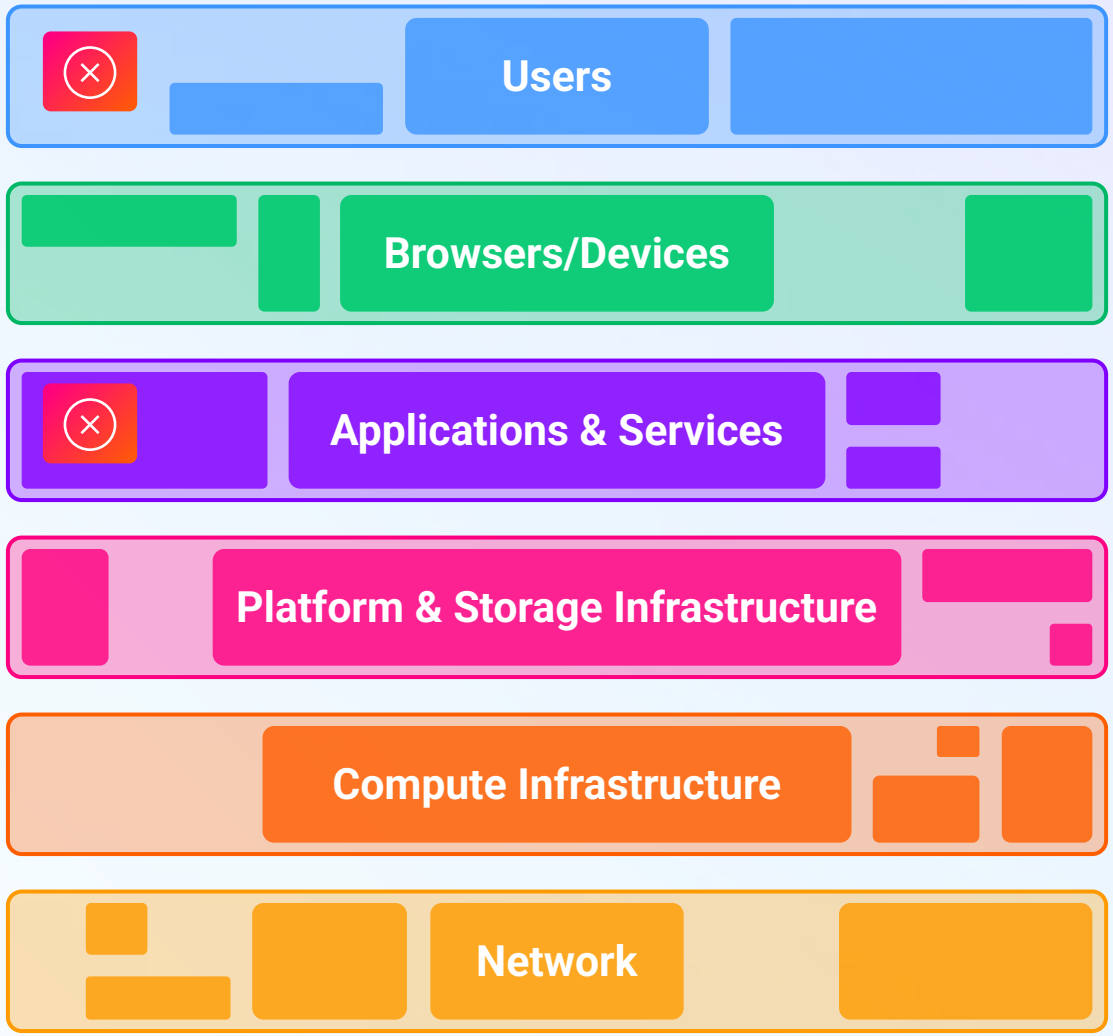
Source for number of models: Hugging Face Hub Stats Dashboard, cfahlgren1, 2025.

DATADOG

Without Datadog: point products, monitoring gaps



Without Datadog: Slow incident response



DATADOG

Without Datadog: negative business impact

Bank | Enterprise (5K+ FTEs) | ~2 yrs as customer | ~430 MAUs

Payments Platform

Latency spike impacting all credit transactions

300k+
transactions per hour impacted

Investments Platform

>4 hours to detect and resolve issues

99.5%
uptime

Partner Portal

Unexpected drop in sales

~$200k
estimated gross **revenue loss per day**

Digital Commerce

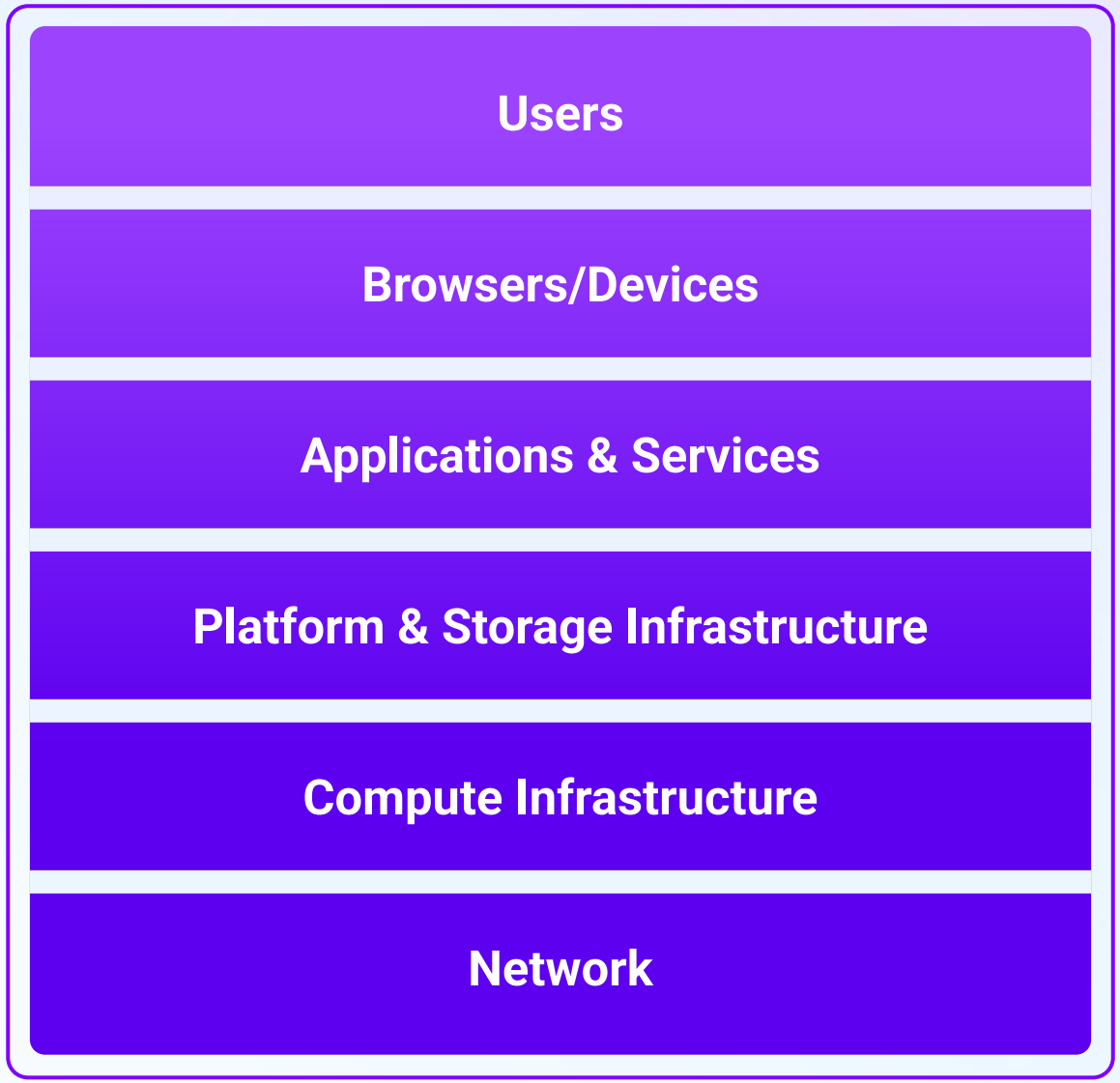
Shipping Cost Calculation failure on Black Friday

>400k
customers with **lower conversion rate**

Based on information provided by the customer and Datadog internal analysis

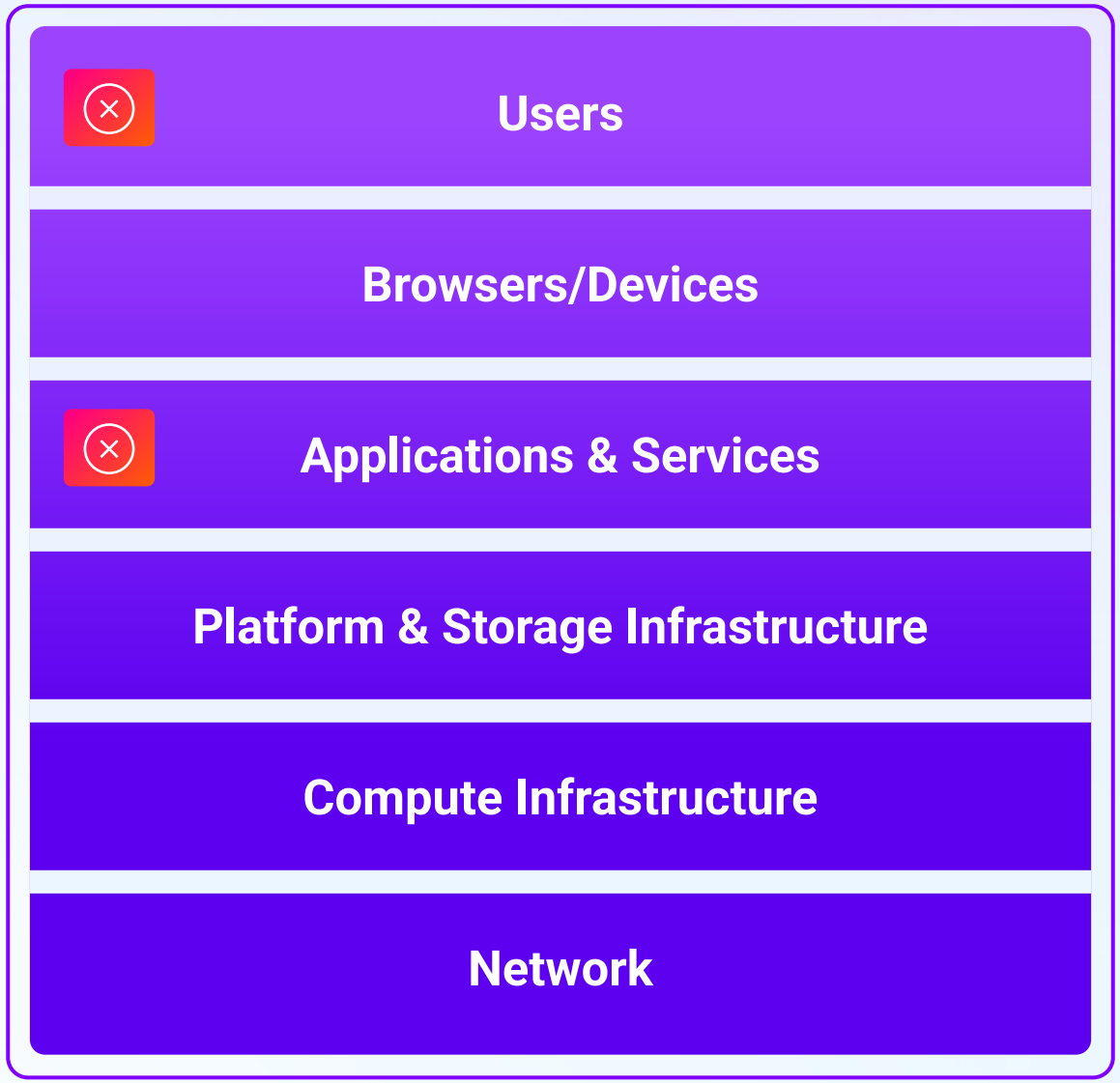
DATADOG

Datadog: End-to-end, full-stack, unified observability



DATADOG

Unified observability: find and fix problems faster



DATADOG

With Datadog: positive business impact

Bank | Enterprise (5K+ FTEs) | ~2 yrs as customer | ~430 MAUs

Payments Platform

Time-to-detect reduced from 45 min to <8 min

>$1M / day
avoidance of revenue loss

Investments Platform

Detect and resolve issues in <1 hour

Uptime improved to **99.95%**

Partner Portal

Issue identified in <2 hours

+35%
click-through improvement on “Buy” button

Digital Commerce

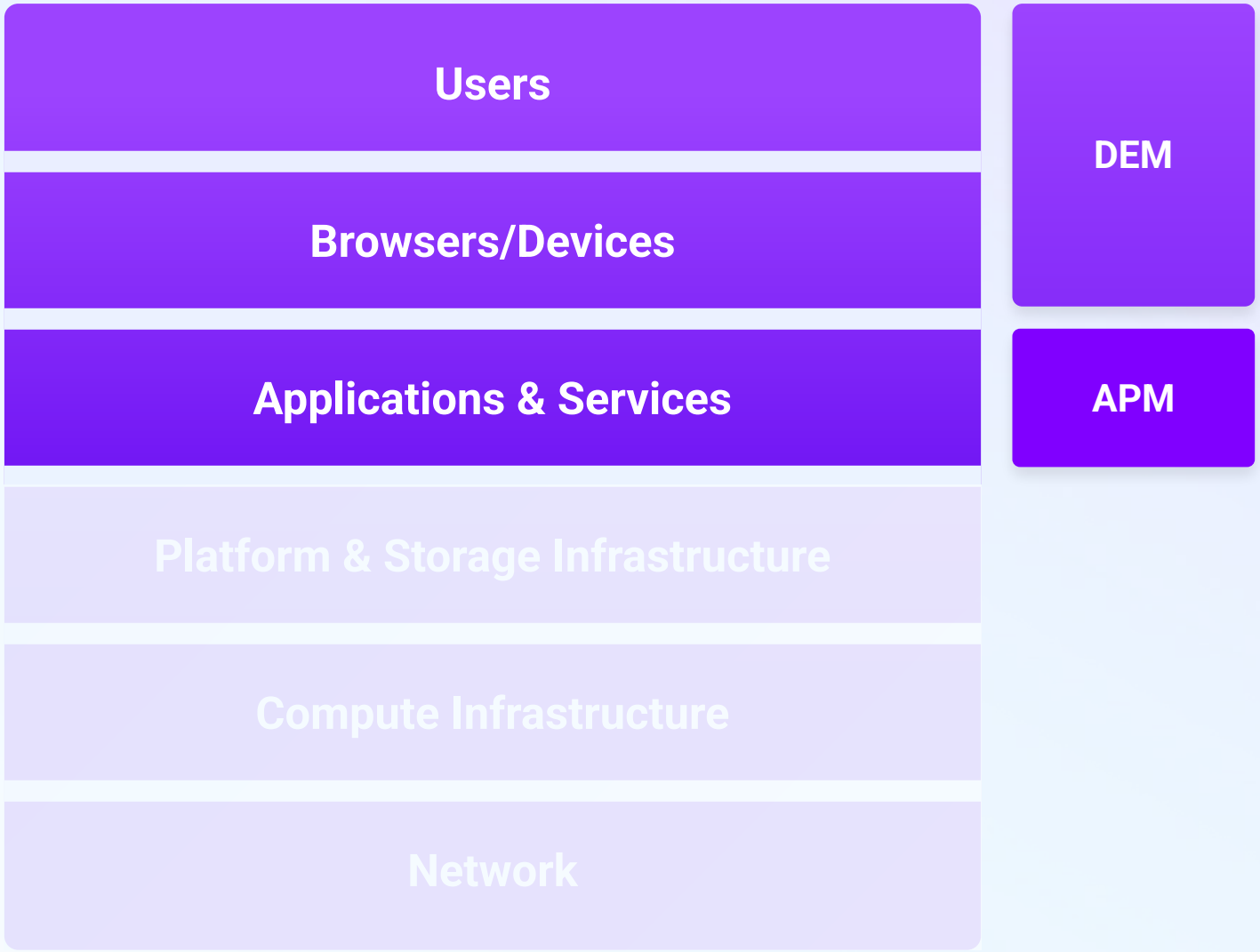
Anticipated critical business risk before Black Friday

~$10M
GMV impact averted

Based on information provided by the customer and Datadog internal analysis

DATADOG

User-first monitoring



Digital Experience Monitoring (DEM) connects Observability to User Experience

Synthetics

Proactive workflow user experience monitoring

Real User Monitoring (RUM)

Automatically track every action a user takes on an application

Product Analytics

Use data to drive product design and development decisions

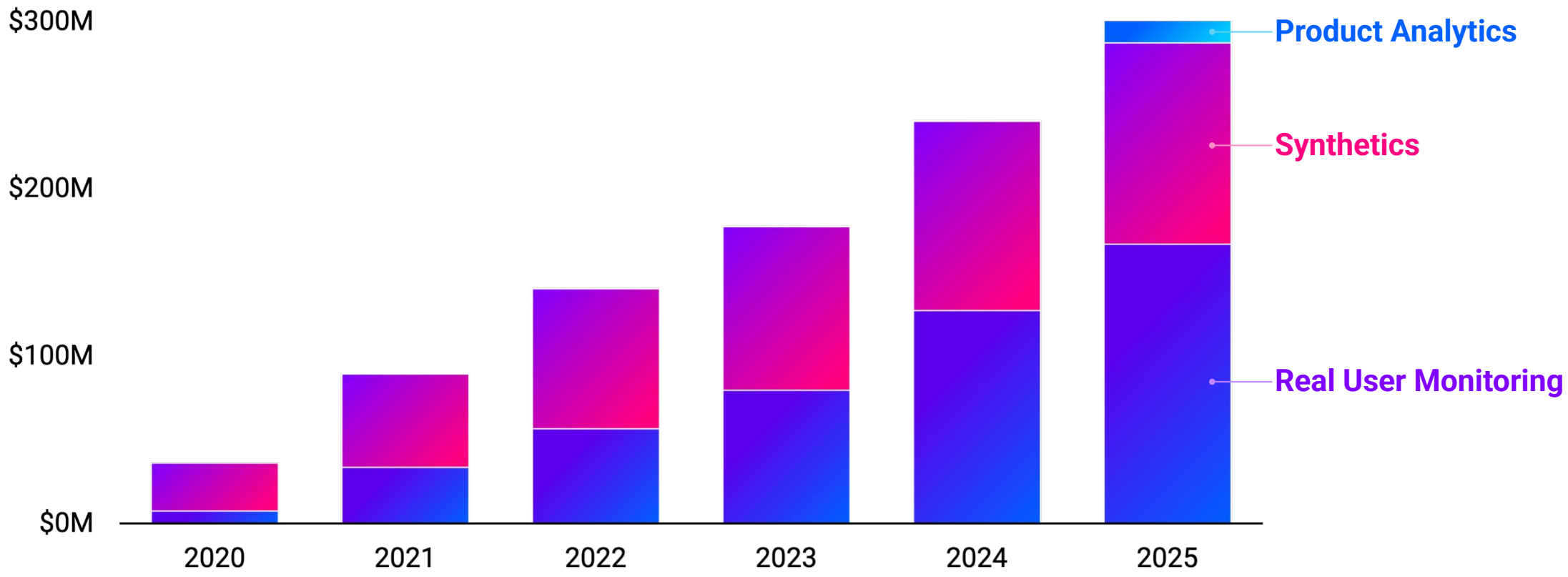
Feature Flags & Experimentation

Measure the relationship between new features and user outcomes

DATADOG

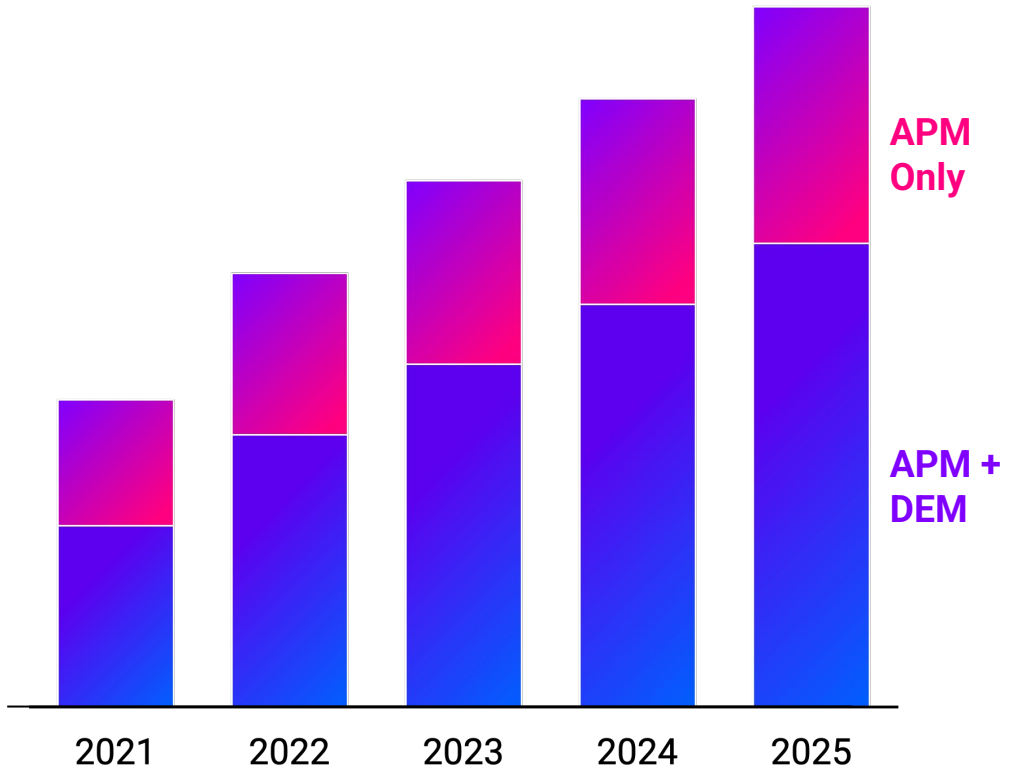
DEM expansion

Digital Experience Monitoring $ARR

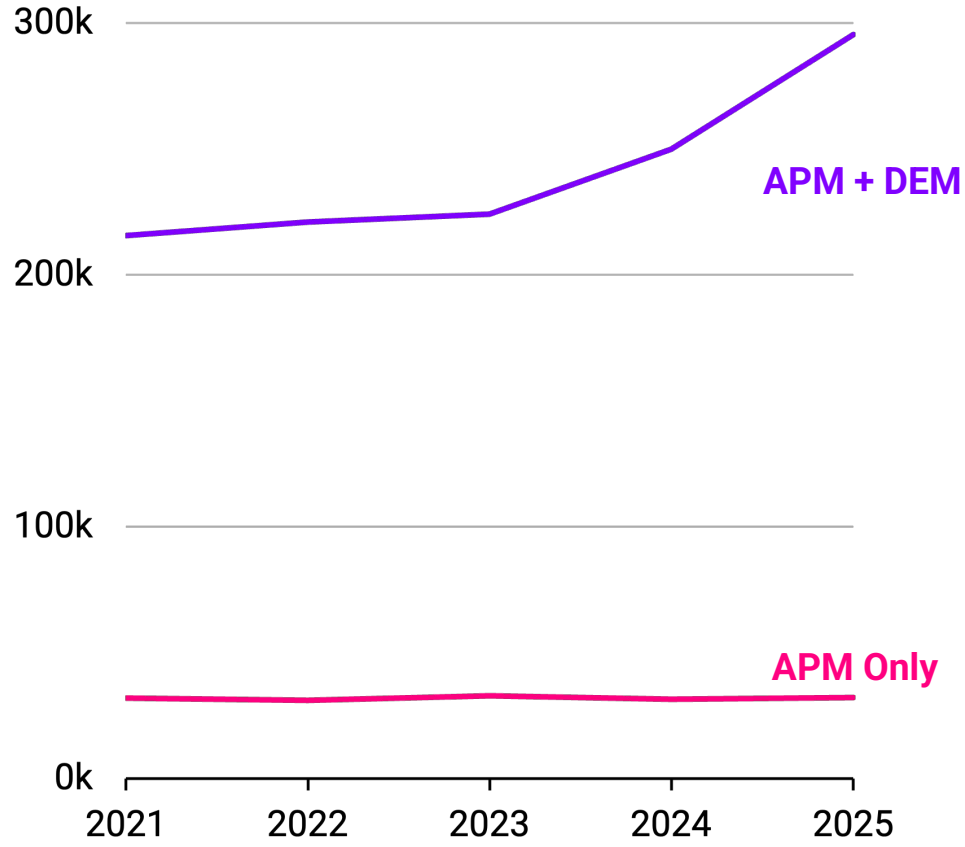


DEM and APM together deliver more value

APM Only vs APM + DEM customers



Average ARR per customer, APM + DEM vs. APM only

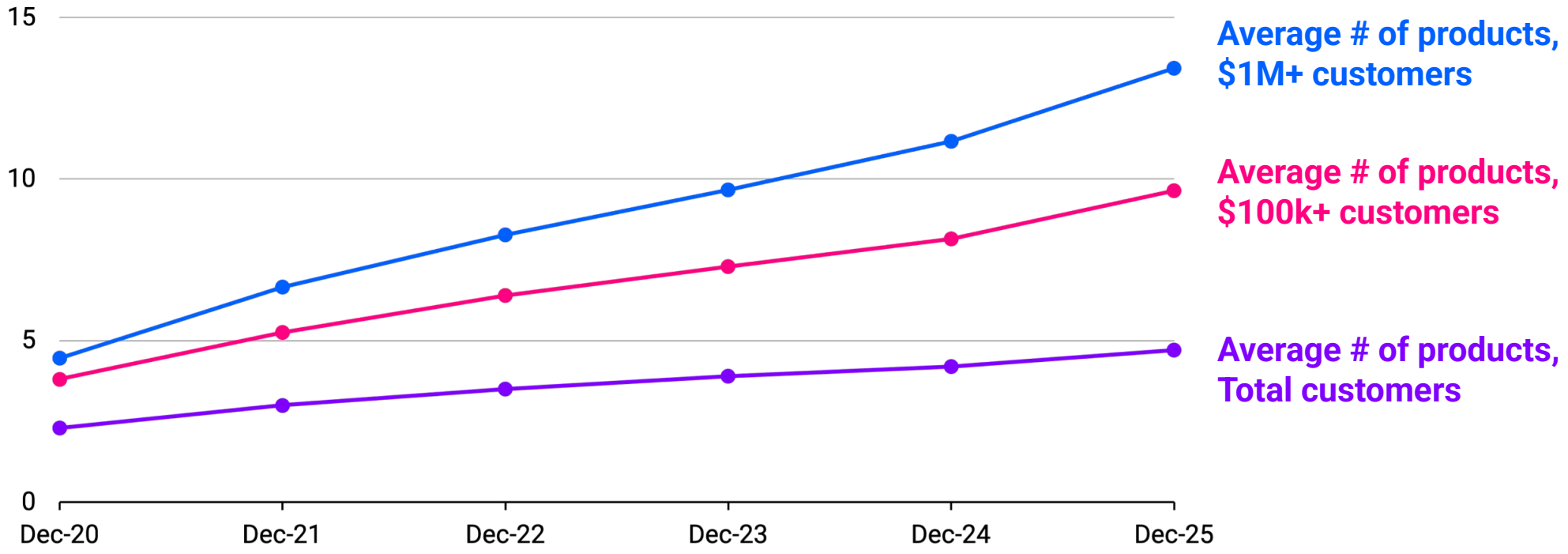


APM includes core APM, Continuous Profiler, and Database Monitoring; DEM includes Synthetics, RUM, and Product Analytics.

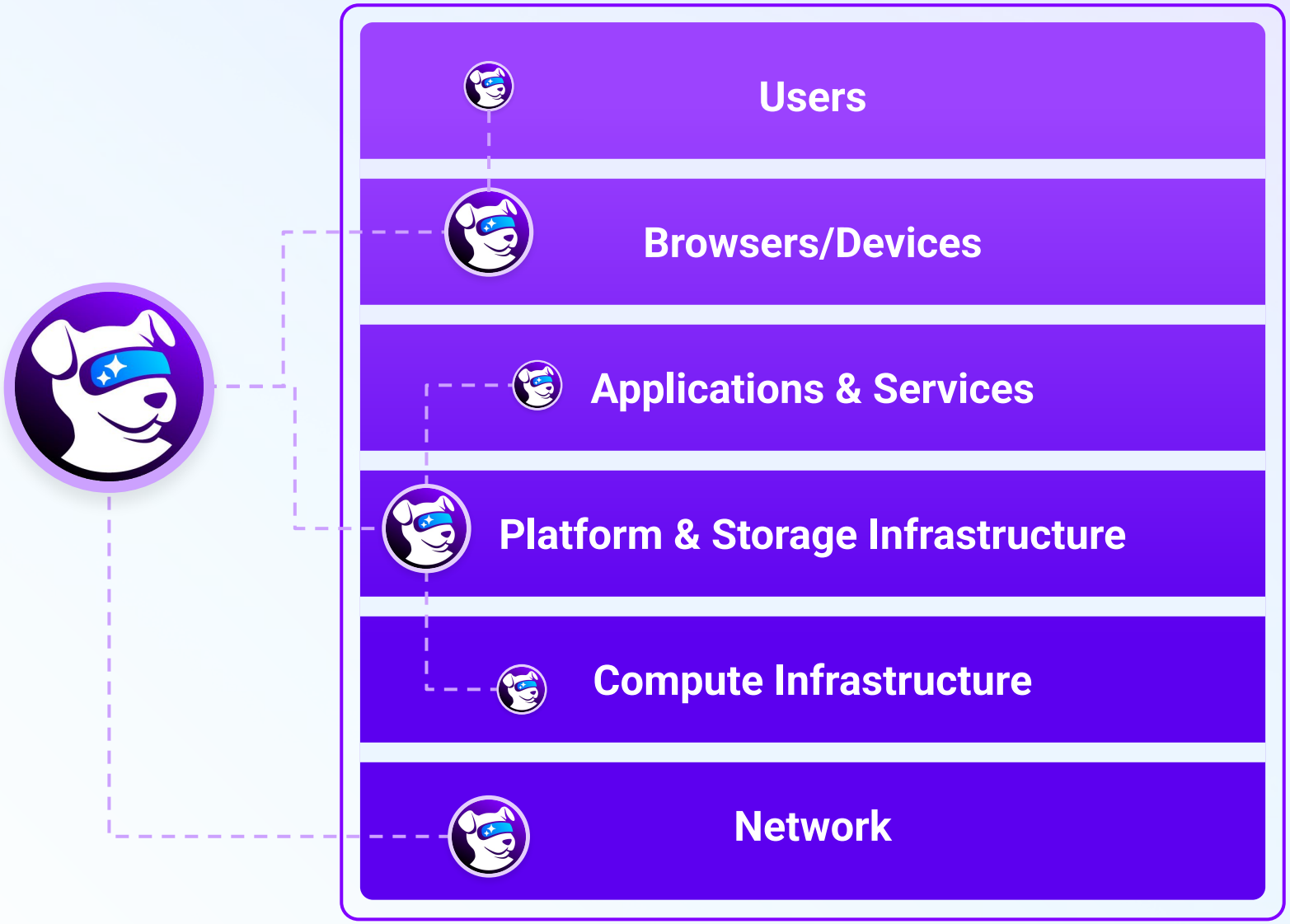
DATADOG

Multi-product adoption for unified observability

Average # of products used by total, $100k+, and $1M+ ARR customers



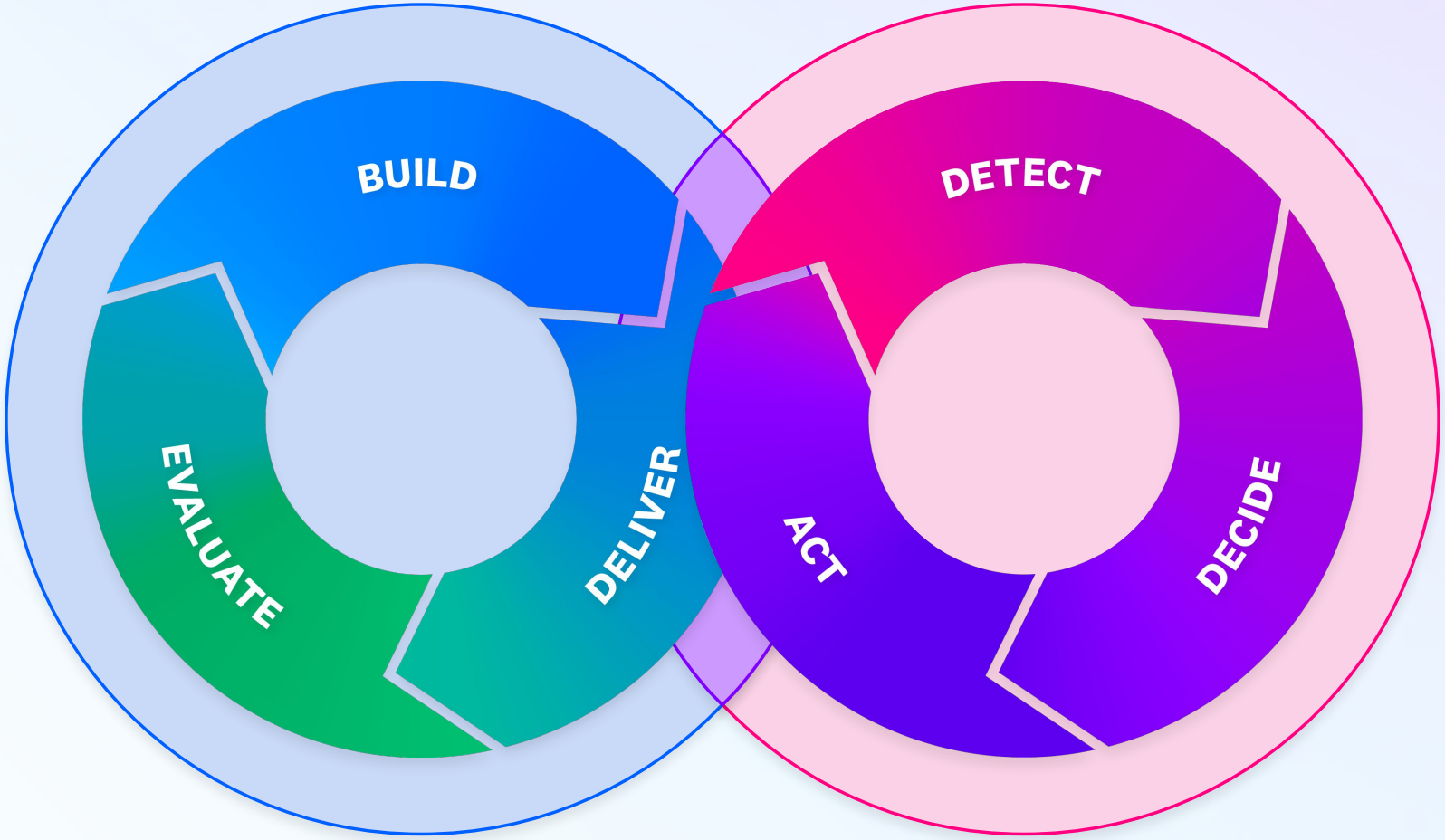
AI Agents work better on a platform



DATADOG

Datadog supports equilibrium

Pre-Production
Software development loop



Production
DevOps loop

DATADOG

DASH 2025 Feature Announcements

Datadog Agent for NDM
Product Analytics
RUM Without Limits
Network Path
DDOT Collector for K8s
Bits AI SRE
Bits AI Dev Agent
Bits AI Security Analyst
On-Call Voice Interface
Status Pages
Handoff Notifications
APM Tag Analysis
Data Access Controls
Cross-Org Visibility
Governance Console
App Builder
Conversational AI

Actions Runner
Slack Block Kit Action
Actions Interface
Workflows Conversational AI
SQS Queues in DSM
Internal Developer Portal
Datadog MCP Server
MCP Extension For IDE
Cancel Queries in DBM
Actions in CCM Recommendations
Databricks Serverless Job Monitoring
Query Duration Increase Recommendation
Error Tracking Issue Correlation
Full Host Profiling

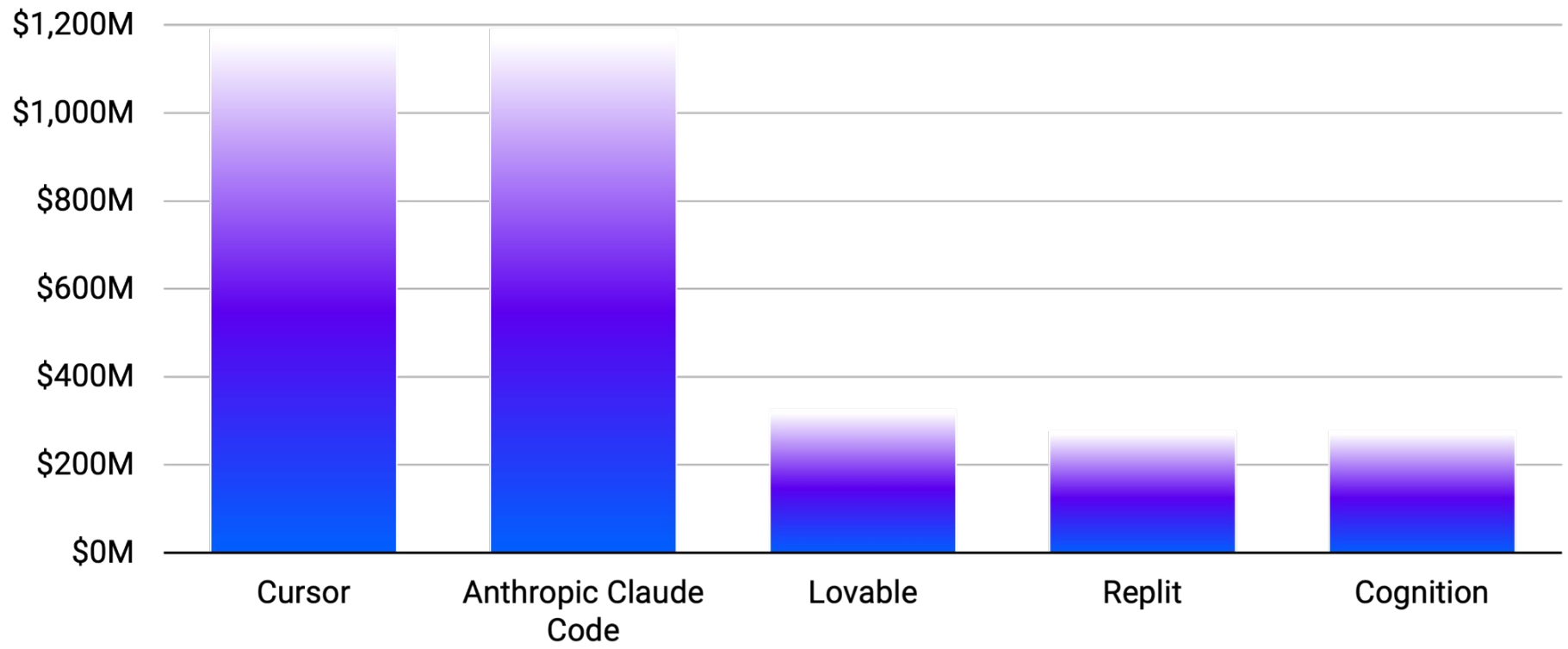
Widget
Cloud SIEM Content Anomaly Detection
Rules on Datadog Events
K8s Guided & Automated Remediation
Profiling Automated Analysis
APM Investigator
Proactive App Recommendations
Flex Frozen
Archive Search
Notebooks
Datadog Sheets
Browser Profiling
Fleet Automation Agent Upgrades
Agent API Key Rotation without Restart
Cloud Security Graph for AWS

Monitor Notification Rules
Browser Profiling
Upgrades
Agent API Key Rotation without Restart
Agent Audit Trail Events in Fleet Automation
DDSQL Editor
Cloud Security
Cloud SIEM
Code Security
Threat Management
Data Security
Log Explorer
Scheduled CSV Report
Azure Automated Log Forwarding
Storage Monitoring and Cost Optimizatio
Open Cybersecurity Format (OCSF) with Observability Pipelines

LiteLLM Integration
CD Gating
Draft Monitors
Fargate CNM Support
Harness CI Support
Onboarding Service Discovery
RUM Recommendations
GPU Monitoring
AI Agent Monitoring
LLM Observability Experiments
AI Agents Console
Data Observability
IDP Engineering Reports
OOTB Developer Landing Page
Event Management Bits AI Monitor Investigation
Observability Pipelines Custom Processor

Developer market is expanding rapidly

Select AI developer tools, last disclosed ARR



All figures are ARR as of the following dates: Cursor - 11/13/25 company blogpost; Anthropic Claude Code - 12/2/25 company blogpost; Lovable - 11/19/25 CEO comment; Repit - 9/10/25 company blogpost; Cognition - 9/8/25 company blogpost

DATADOG

AI Coding and the 100x engineer?

DATADOG

DASH 2026 Product and Feature Launches?

DATADOG

Developers want to move fast (but they break things)

Use a Fragmented, manual process

Shipping takes longer

Test situationally but not comprehensively

More risks, incidents

DATADOG

With Datadog: move fast and break nothing

Use a Fragmented, manual process

Shipping takes longer

Test situationally but not comprehensively

More risks, incidents

Automated, integrated testing

Ship features safely at the speed AI helps build them

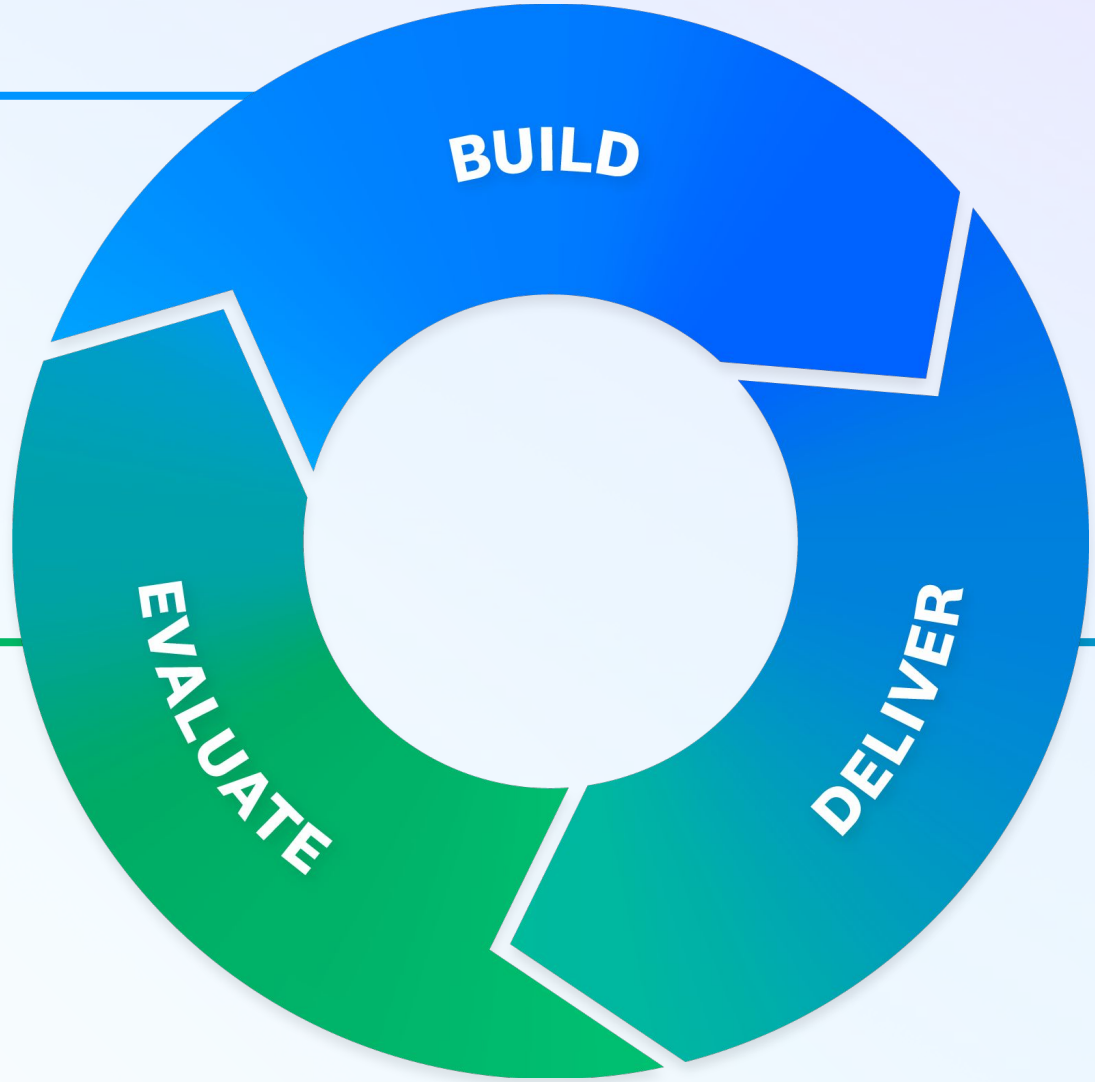
Datadog for modern developers

AI Coding

- Datadog MCP Server
- Code Security
- IDE & Agent User

Experimentation, Data Warehousing, Analytics

- Experimentation
- Error Tracking
- LLM Observability
- Internal Developer Portal



Modern CI/CD, Ephemeral Environments, Flags

- Feature Flags
- CI Visibility
- Continuous Testing

DATADOG

Datadog is delivering for AI

AI for Datadog

AI-powered capabilities
in the Datadog platform

- Bits AI SRE Agent
- Bits AI Dev Agent
- Bits AI Security Analyst
- Bits AI Assistant
- MCP Server

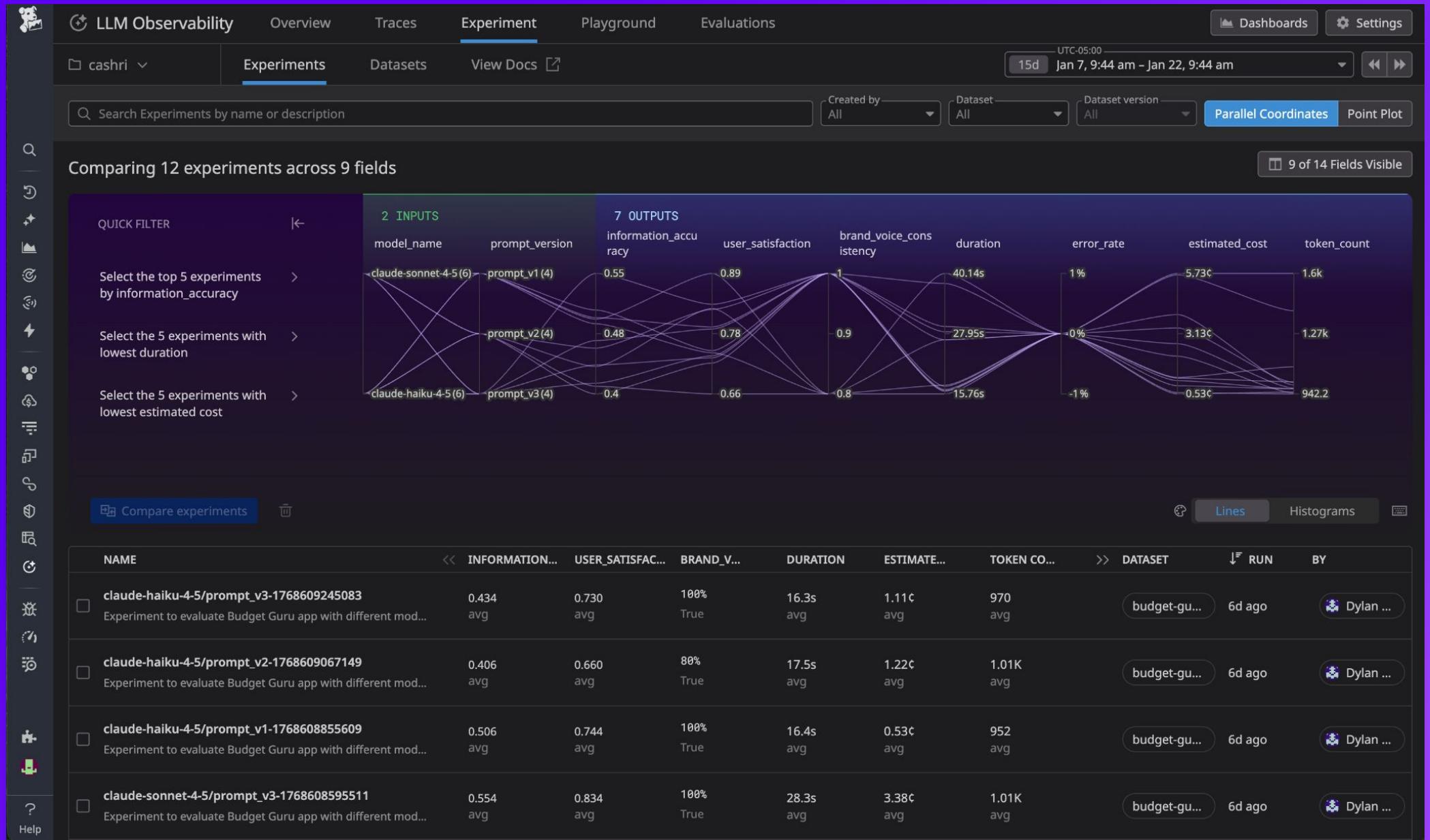
Datadog for AI

End-to-end observability and
security across the AI stack

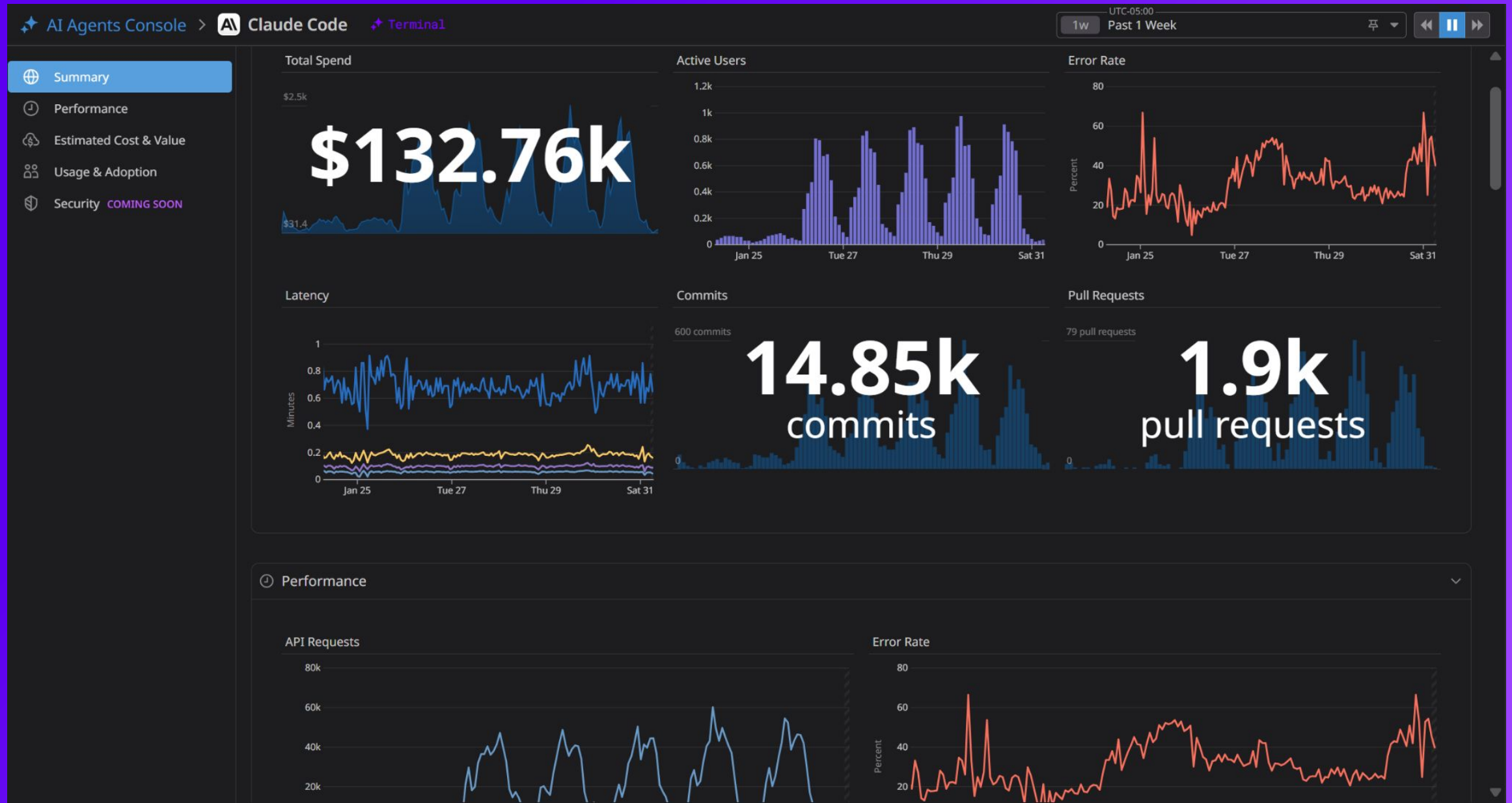
- LLM Observability
- Data Observability
- GPU Monitoring
- AI Guard
- AI Agents Console

DATADOG

AI Observability

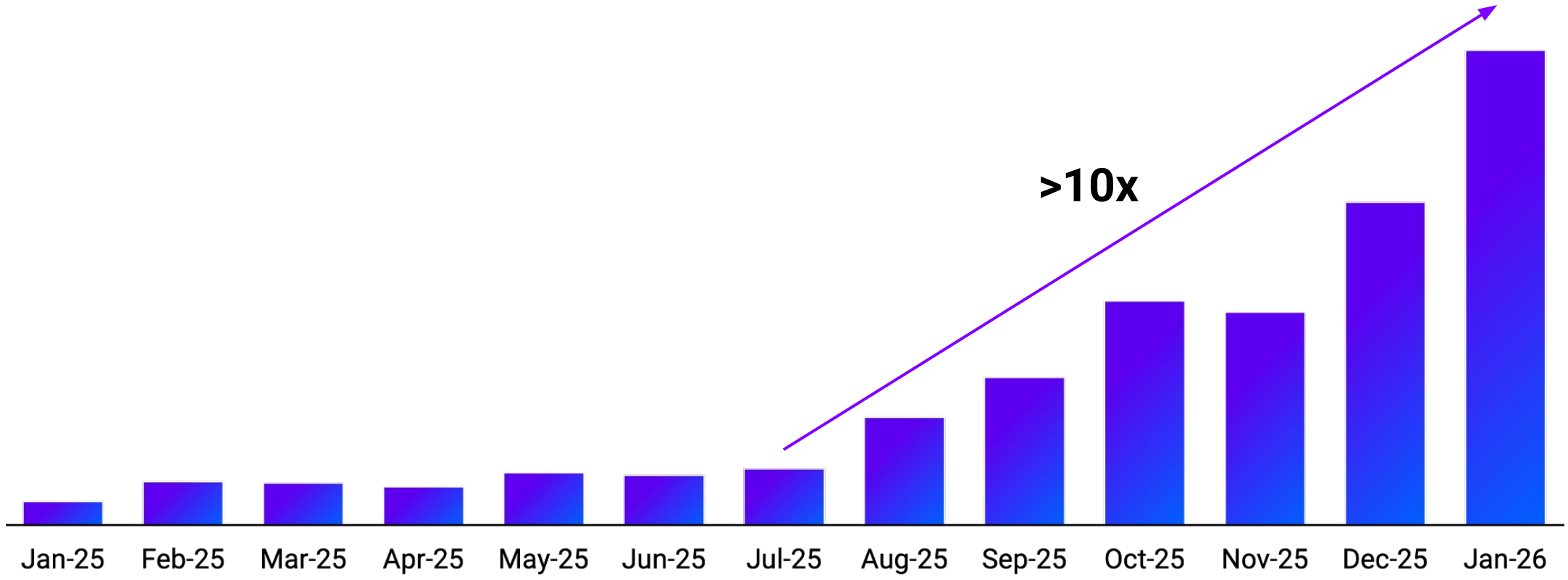


AI Agents Console



AI Observability momentum

Spans sent to AI Observability



Datadog for AI

Software Delivery

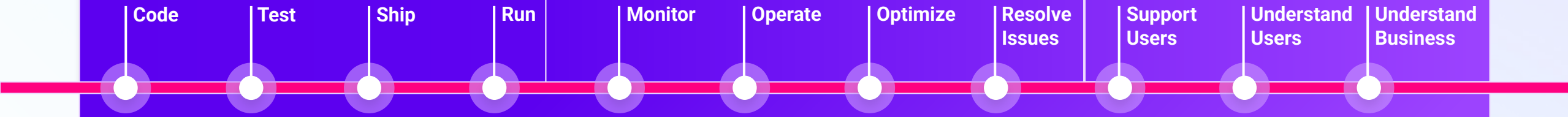
- MCP Server
- Feature Flags
- Bits AI Dev Agent
- Bits AI Deployment Agent
- LLM Experiments in CI
- Deployment Gating

Observability

- LLM Observability
- LLM Playground
- GPU Monitoring
- Distributed AI Observability
- AI Agents Experimentation
- Data Observability
- AI Gateway

Digital Experience Monitoring

- LLM Experimentation
- Sentiment Analysis
- Synthetic AI Agent Testing



Security

- Prompt Injection Protection
- Malicious Tool Protection
- Data Security
- Auth Bypass Prevention
- Secrets & Data Leak Redaction
- Containment Policies (MCP, Tools, Data)
- Discovery & Inventory
- AI-SPM
- Attack Path Analysis
- Compliance & Audit
- Automated Remediation Workflows
- Supply Chain Detections

Cloud Service Management

- Internal Developer Portal
- App Builder
- AI Agents Console
- Workflow Automation
- Case Management
- AI Integrations
- AI Agent Builder
- Multi-Agent Orchestration
- AI Agent Task Triage
- AI-Generated Relational Systems

DATADOG

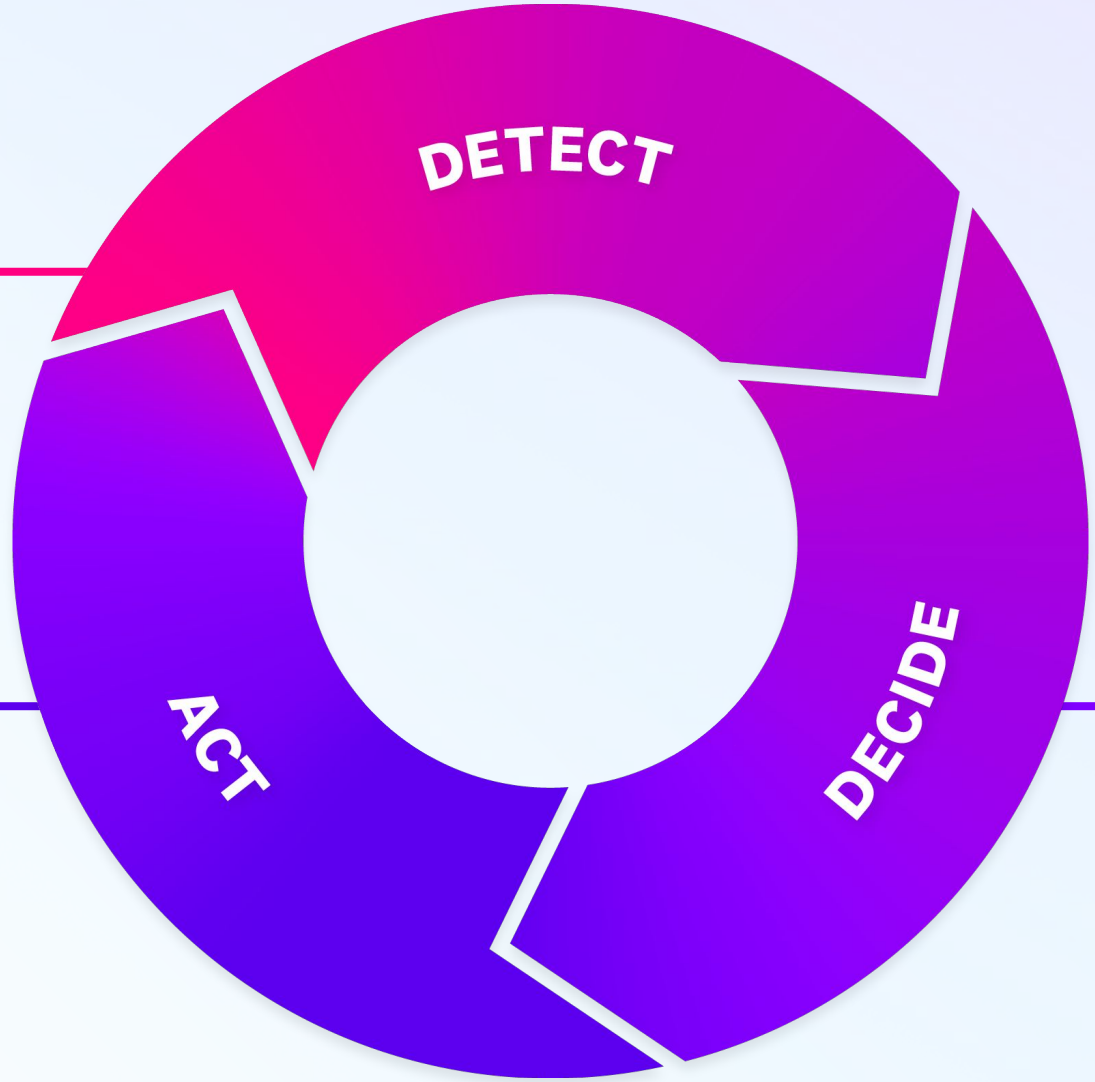
Yanbing Li

Chief Product Officer

DATADOG

What DevOps teams do

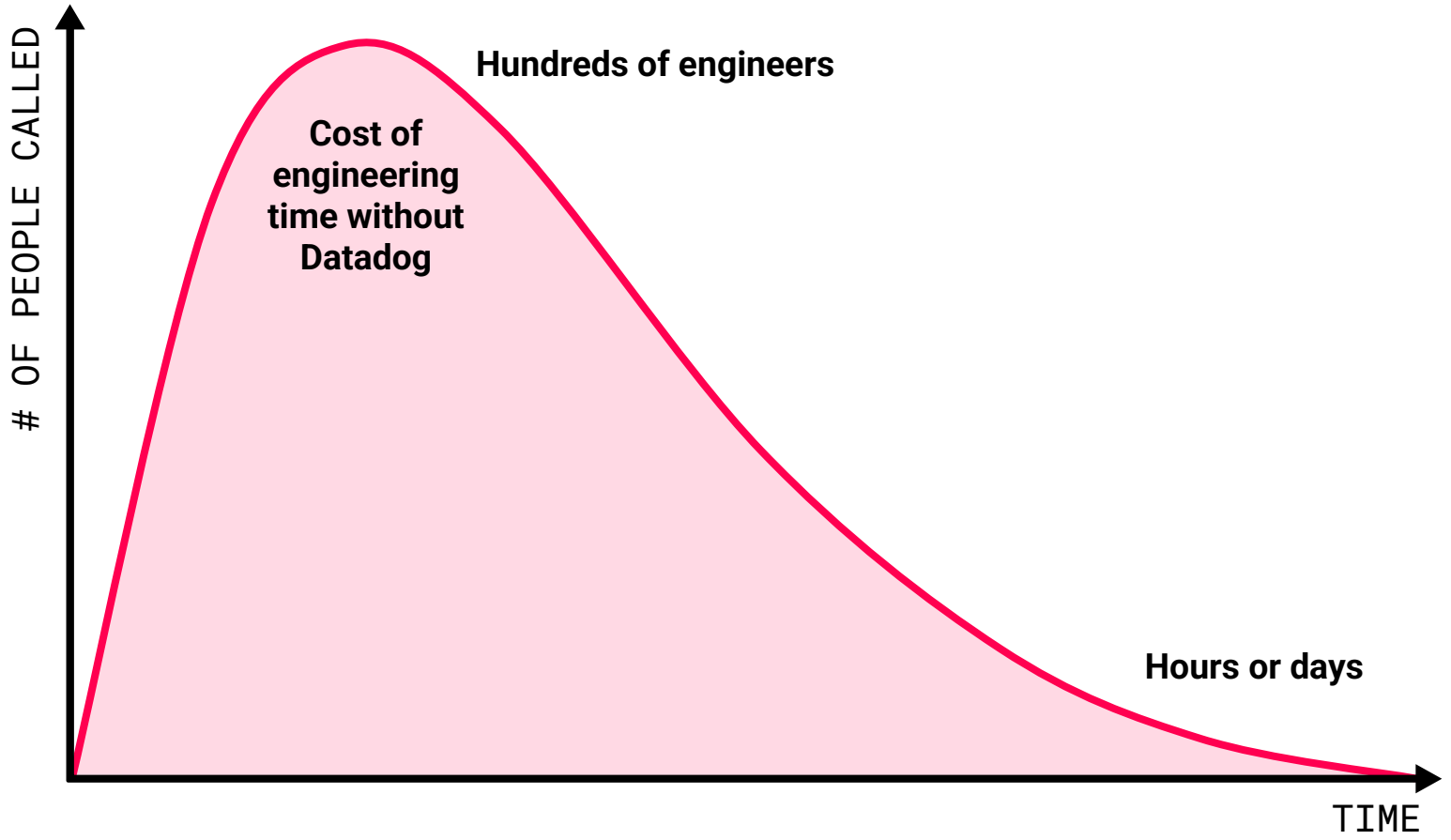
Monitor systems for stress



When stress is detected, decide what actions to take

Take actions that will bring system back to health

Lengthy incidents cause costly productivity loss



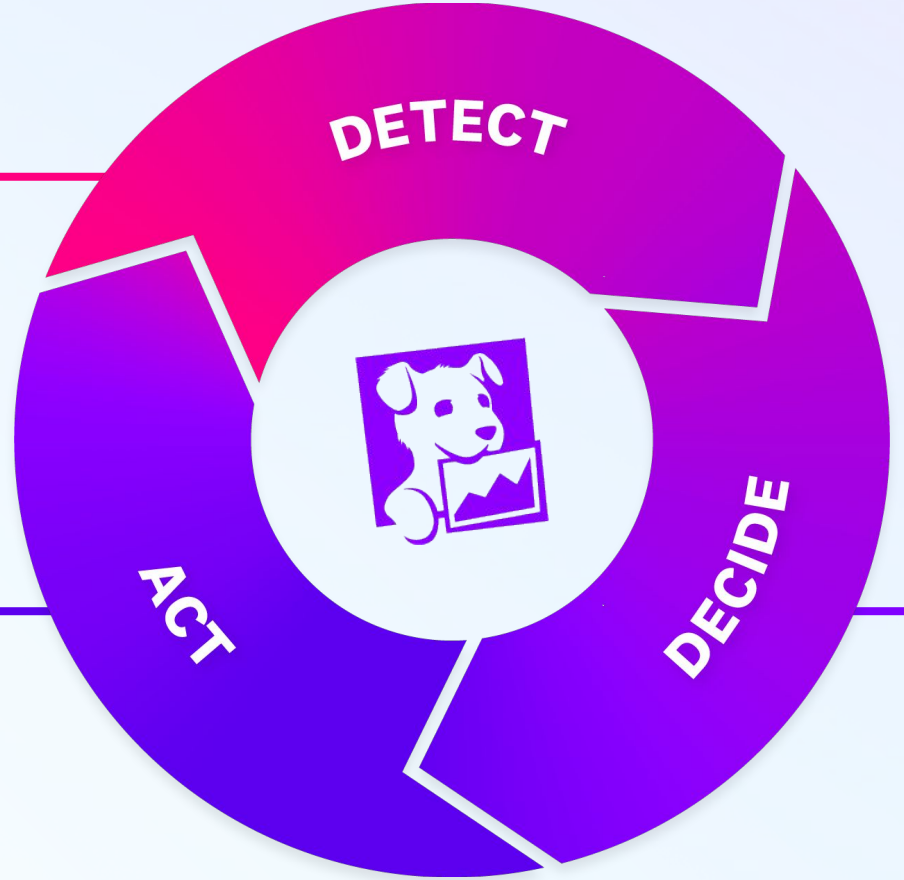
- Loss of employee productivity
- Poor customer experience
- Bad business outcomes

Illustrative Example

DATADOG

Faster remediation with Datadog's unified platform

Monitor systems for stress

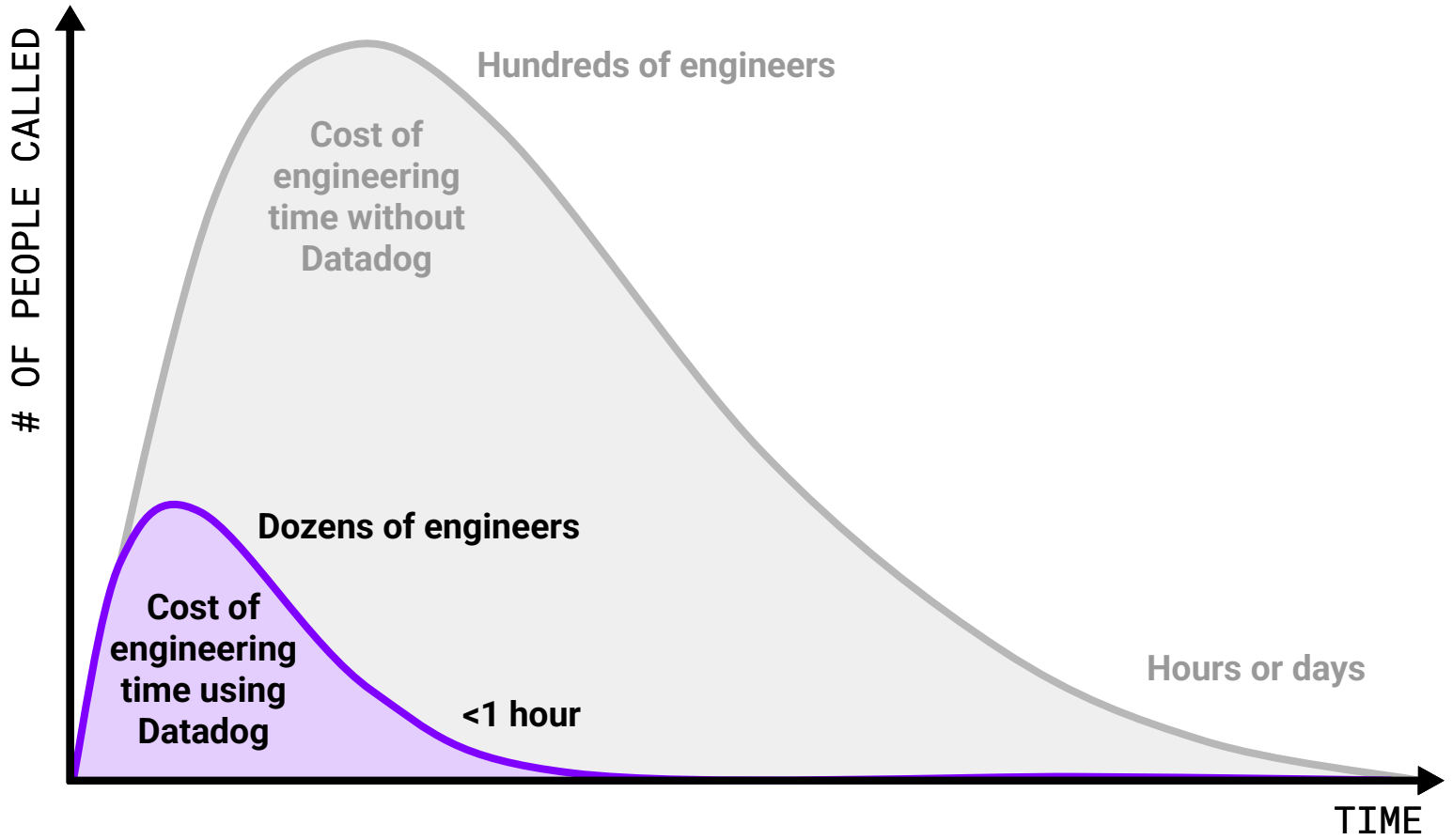


When stress is detected, decide what actions to take

Take actions that will bring system back to health

DATADOG

Incident resolution with Datadog



- Faster initial detection
- Alerting the correct on-call engineer with context
- Faster MTTR (mean time to remediation)

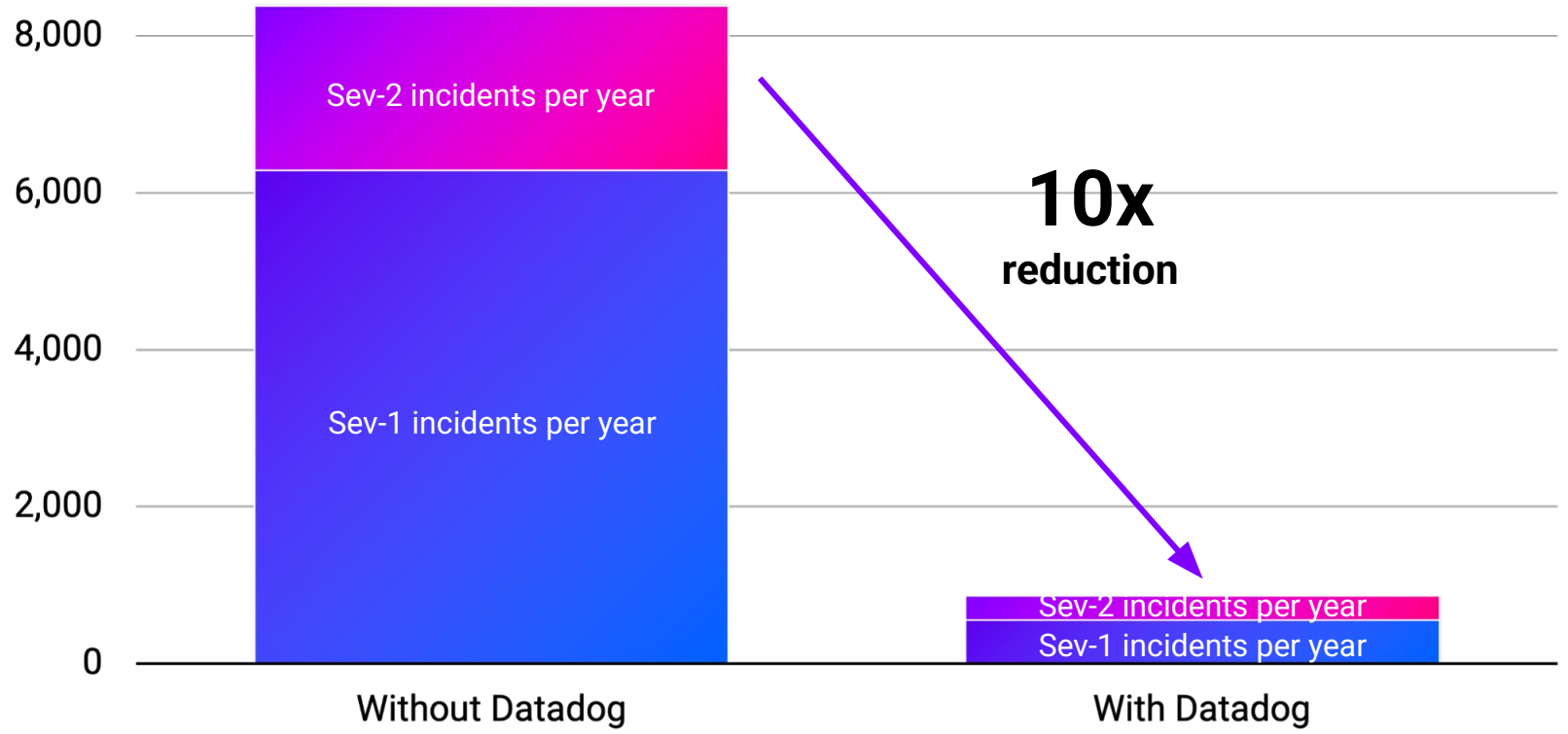
Illustrative Example

DATADOG

Reduction in incidents

Insurance | Enterprise (5K+ FTEs) | ~5 yrs as customer | ~3,200 MAUs

Production incidents per year



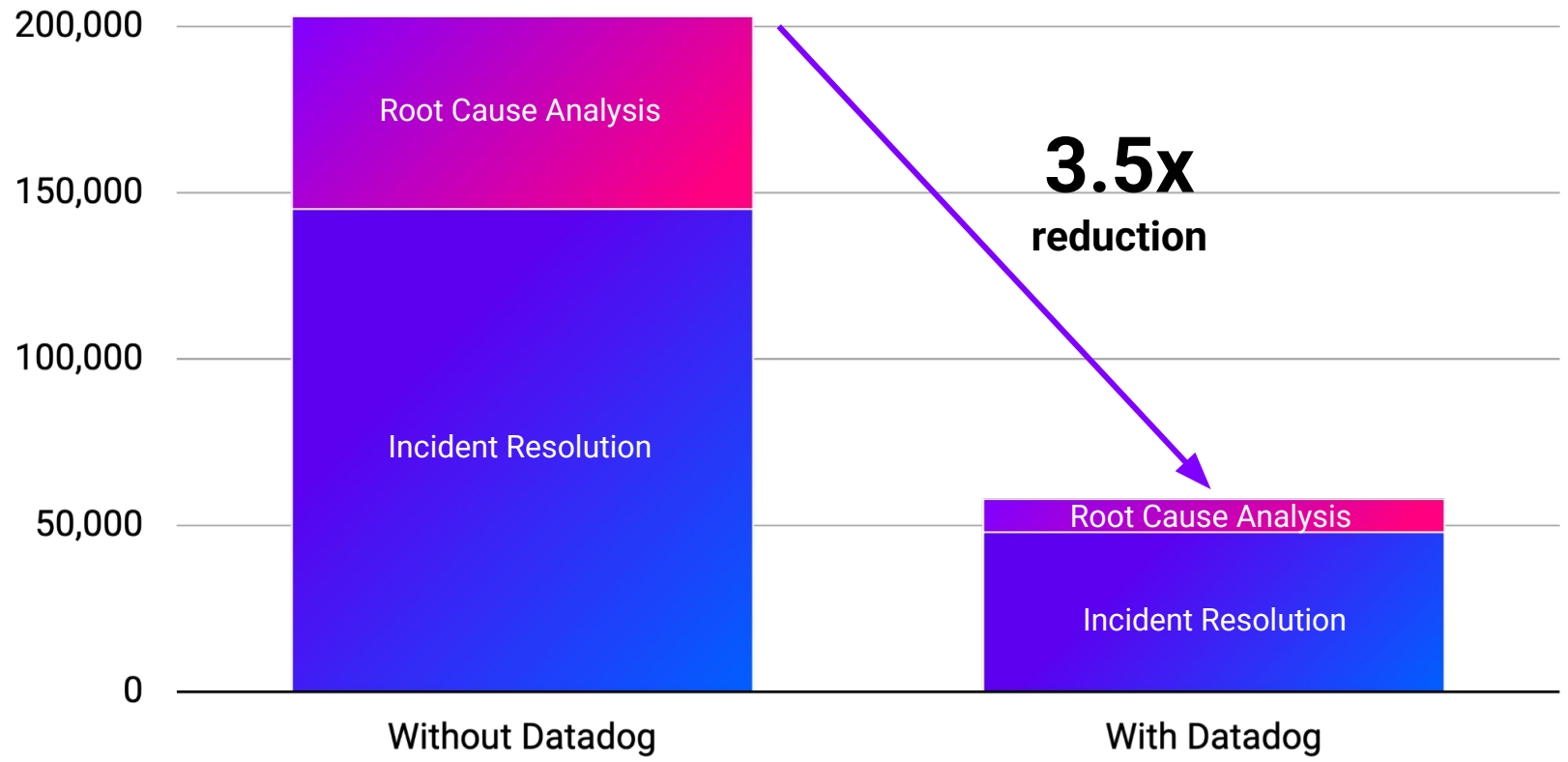
Based on information provided by the customer and Datadog internal analysis

DATADOG

Reduction in downtime

Insurance | Enterprise (5K+ FTEs) | ~5 yrs as customer | ~3,200 MAUs

Engineer downtime in hours, per year



Datadog Saved:

70
employee years

$11M
annual labor cost

Based on information provided by the customer and Datadog internal analysis

DATADOG

Reduced business disruption

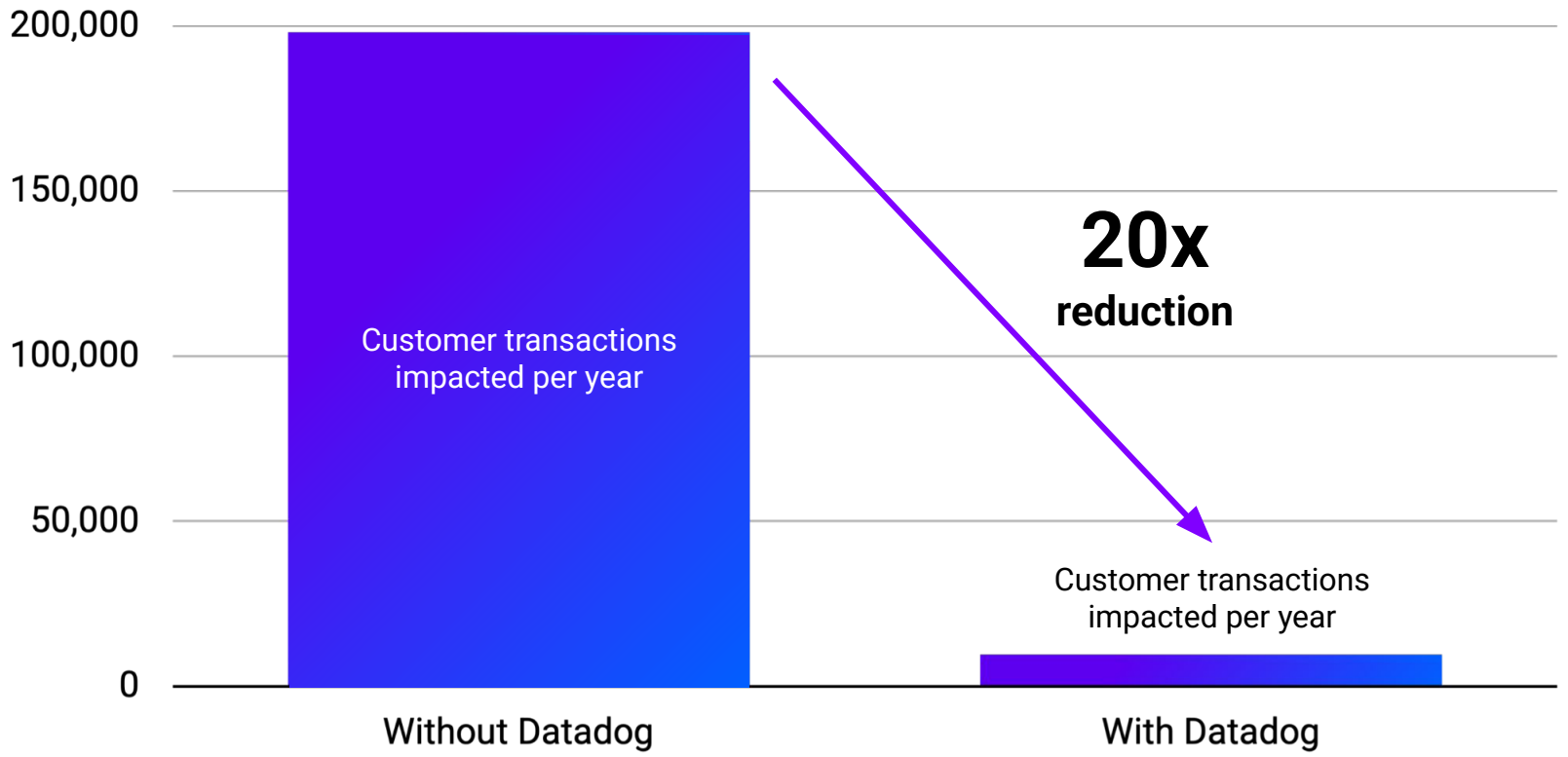
Insurance

Enterprise (5K+ FTEs)

~5 yrs as customer

~3,200 MAUs

Customer transactions impacted per year



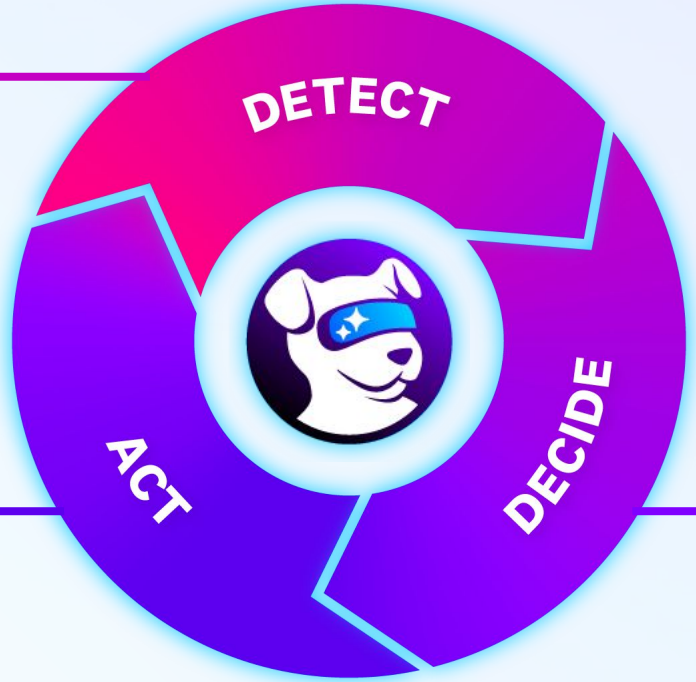
Based on information provided by the customer and Datadog internal analysis

DATADOG

Accelerated remediation with Bits AI Agents

Autonomous and predictive detection

Bits AI Detection



Autonomous remediation

Bits AI Dev Agent

Bits AI Remediation Agent

Autonomous investigation and root cause analysis

Bits AI SRE

Bits AI Security Analyst

DATADOG

Bits AI SRE

Your 24/7 AI On-Call Engineer

DATADOG

Bits AI SRE accelerates root cause analysis

Autonomously investigates issues

↓

Gathers data and context from multiple sources

↓

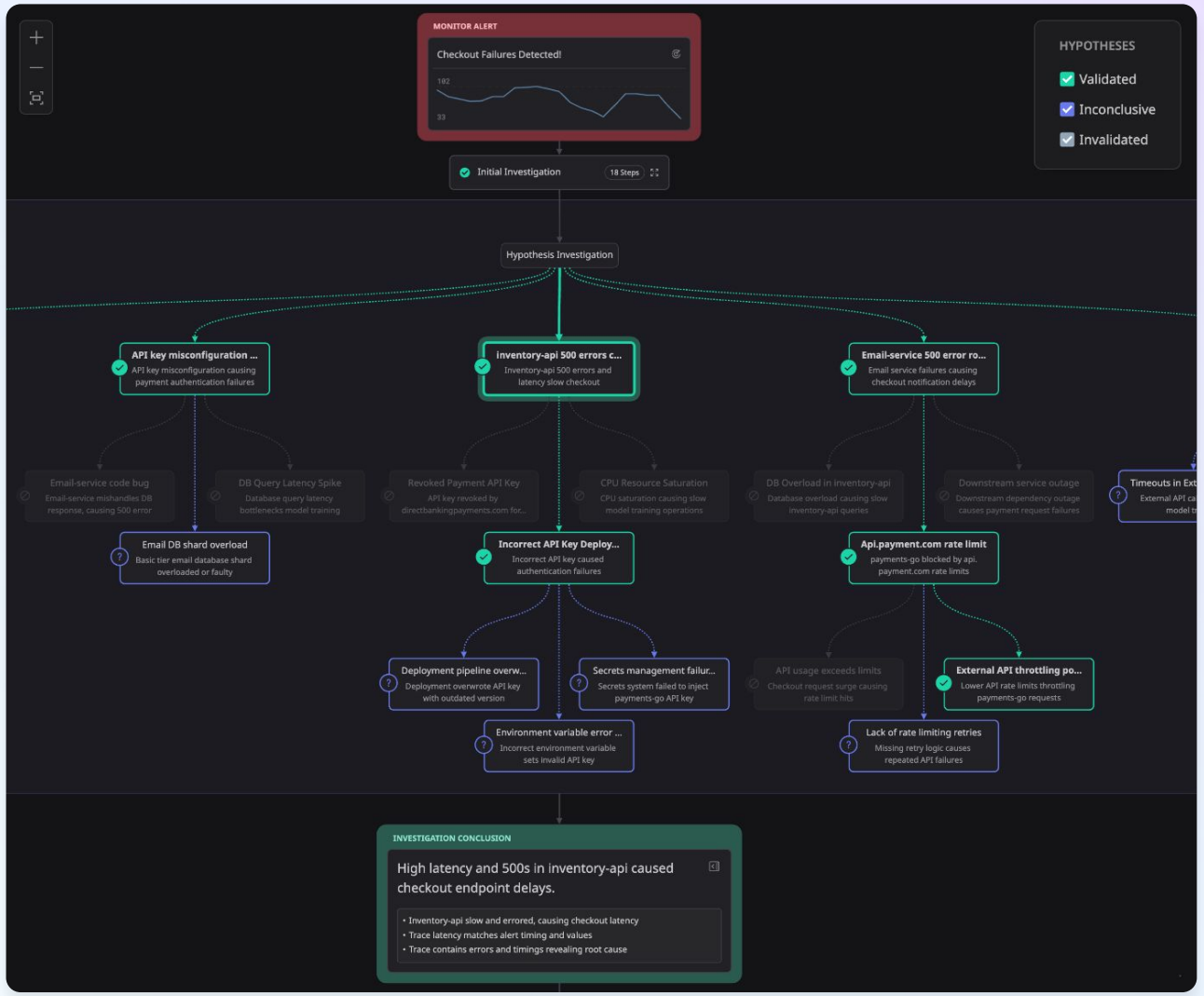
Reasons like engineers
Generates multiple hypotheses, investigates, and verifies in parallel

↓

Shows verified root cause with evidence

↓

Gets smarter with every investigation



DATADOG

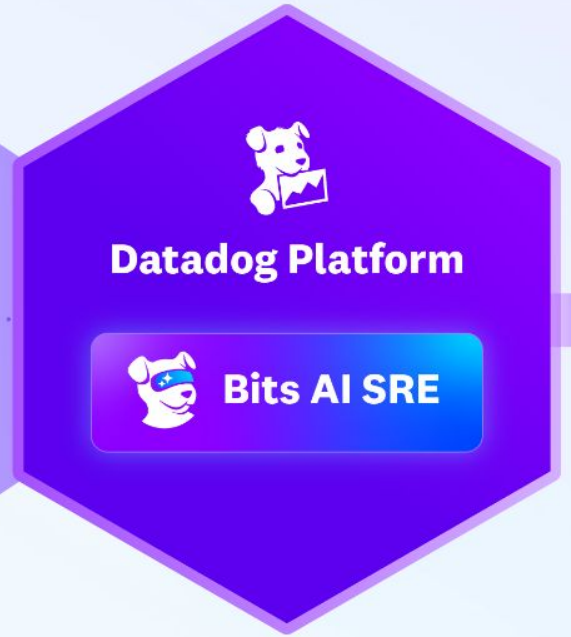
Bits AI SRE integrates with your data and context

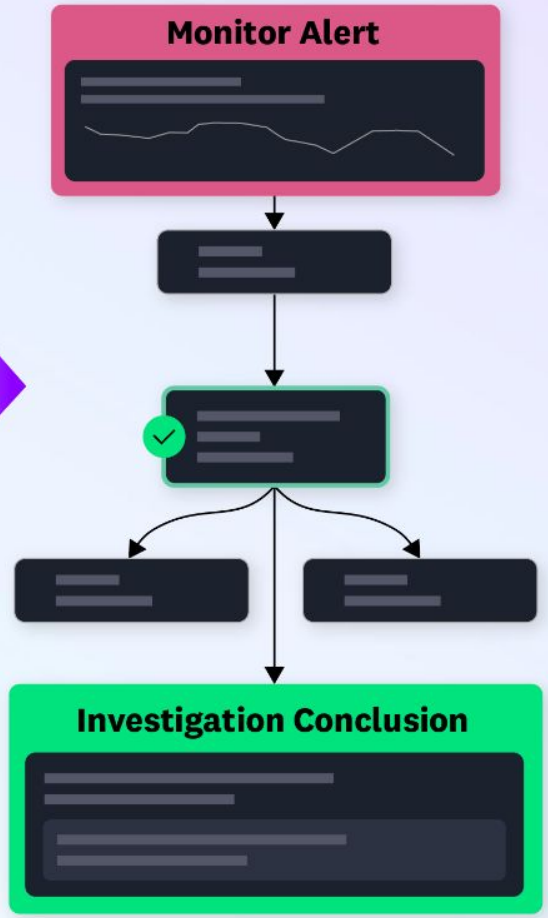
ORGANIZATION KNOWLEDGE

Google Drive · GitHub · workday. · SharePoint · Linear · Confluence · Jira · Microsoft Teams · slack · servicenow · Notion

3RD PARTY INTEGRATIONS

dynatrace · new relic. · aws · GitLab · splunk> · elastic · Microsoft Azure · Prometheus · sumo logic · CLOUDFLARE · Grafana · BigPanda · Google Cloud · chronosphere · ZABBIX · SENTRY · moogsoft





Bits AI SRE Agent delivers in moments of high stress

> We had a total outage and I had **no experience in the applications**. Bits investigated and found the root cause in **15 minutes**. It would have taken me at least 2 hours.
>
> –US HEALTHCARE CUSTOMER

> From day one, Bits AI SRE started cutting our **MTTR [mean-time-to-resolution] by 70%.** It felt like adding a **senior engineer** to our team.
>
> –BRAZILIAN FOOD DELIVERY CUSTOMER

> We ran a few alert investigations during the **recent major AWS outage** and it correctly identified DNS issues with DynamoDB as the root cause for issues which was nice to see.
>
> –JAPANESE VIDEO GAME CUSTOMER

Customers ❤️ Bits AI SRE

> Bits AI SRE has been invaluable in reducing manual work and identifying false leads.
>
> —US FINANCIAL SERVICES CUSTOMER

> The way [Bits AI SRE] autonomously formulates and thoroughly verifies hypotheses perfectly mirrors the thought process of a top-tier engineer.
>
> —JAPANESE SOFTWARE CUSTOMER

> We found [Bits AI SRE] truly remarkable and see it as a breakthrough in our incident investigation process.
>
> —JAPANESE FINANCIAL SERVICES CUSTOMER

> With Bits AI SRE being on-call 24/7 for us, MTTR for our services have improved significantly.
>
> —SOUTH KOREAN MOBILE APP CUSTOMER

> Bits immediately sped up our crisis room by delivering accurate root causes in under four minutes and directing us to the right team internally.
>
> —BRAZILIAN ENERGY CUSTOMER

> BitsAI SRE has become an effective assistant for our SWE, Cloud, and Service Desk teams—quickly diagnosing critical alerts, reducing noise, and improving collaboration.
>
> —KENYAN FINANCIAL SERVICES CUSTOMER

> Bits AI helps us cut through the noise by instantly surfacing the right context and correlations across our systems.
>
> —US NEXT-GEN TRANSPORT CUSTOMER

> Beyond reducing our incident response times, Bits AI SRE has a potential to elevate the overall skill level of our entire engineering organization.
>
> —US IT SERVICES CUSTOMER

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BITS AI SRE AGENT CUSTOMER ADOPTION

>100,000

Investigations run with Bits AI SRE Agent since inception

DATADOG

BITS AI SRE AGENT CUSTOMER ADOPTION

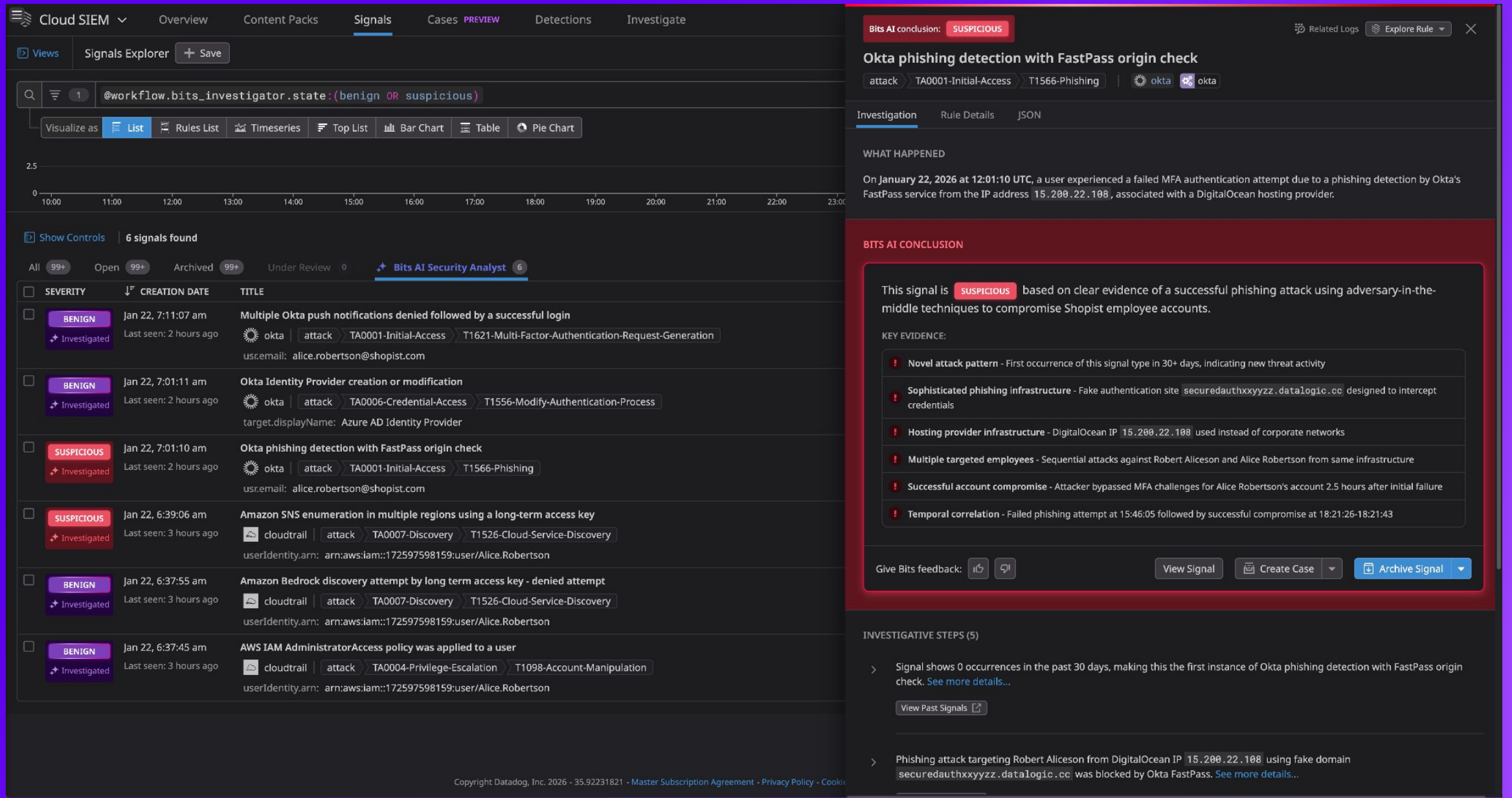
>2,000

Customers

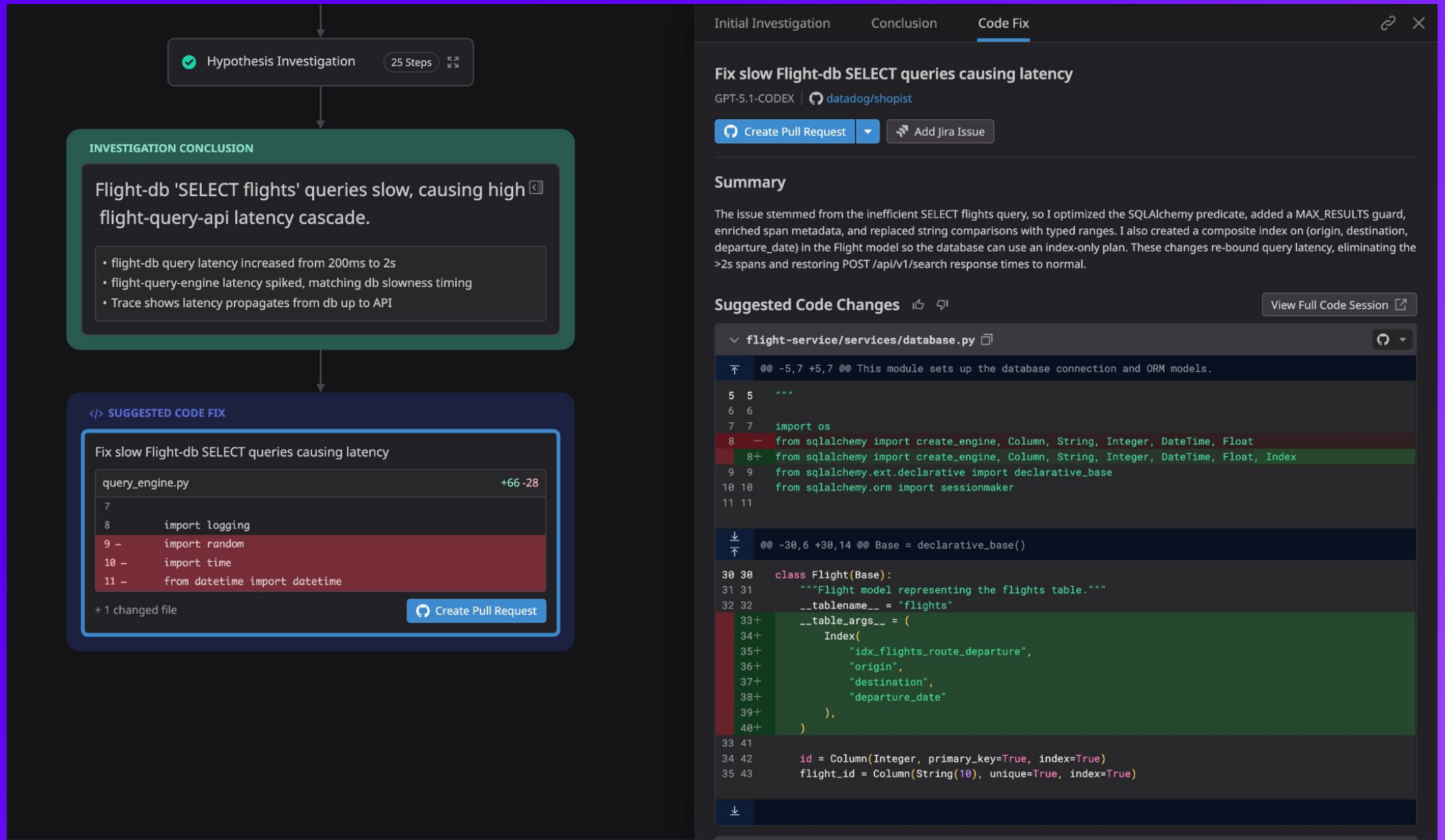
in the past month

DATADOG

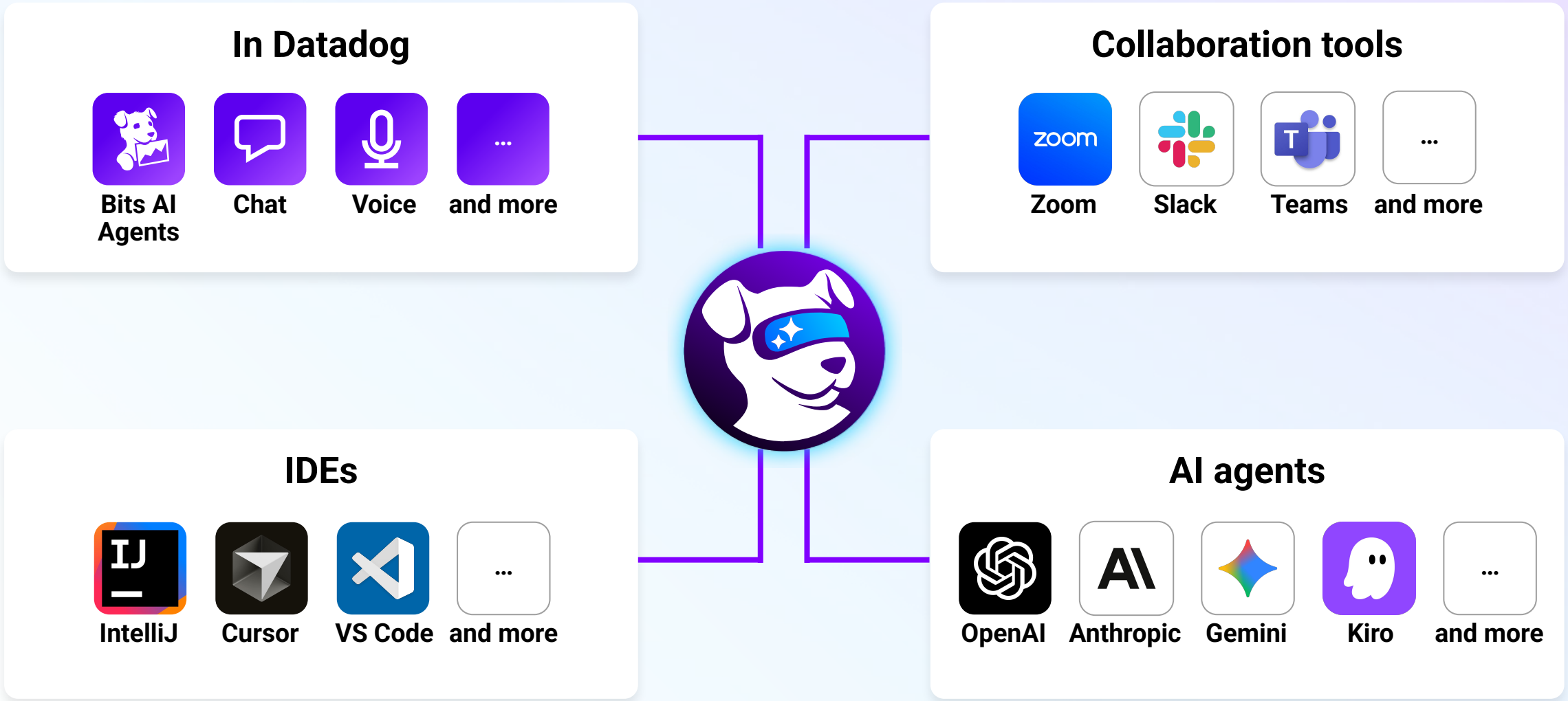
Bits AI Security Analyst investigates security threats



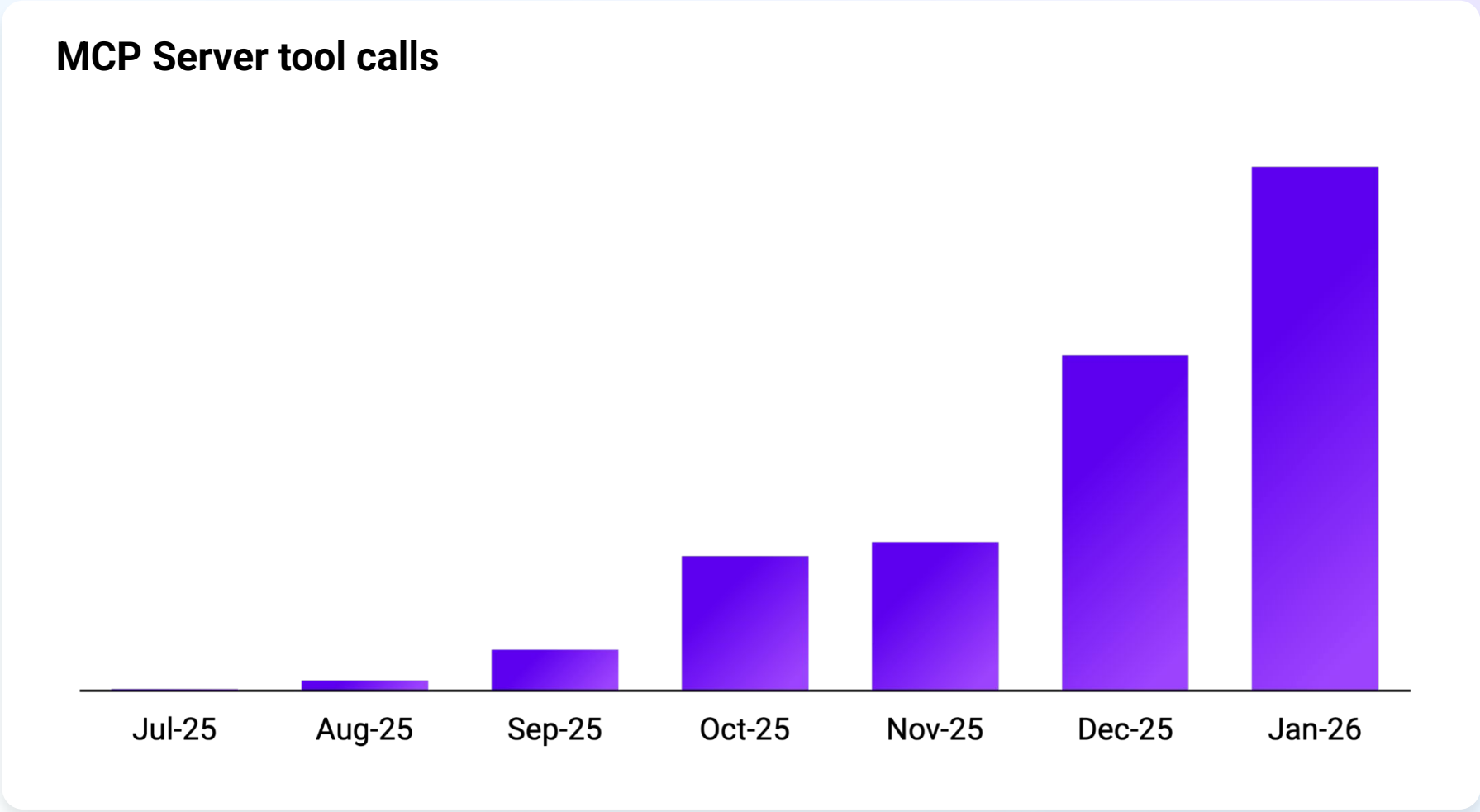
Bits AI Dev Agent generates production ready code fixes



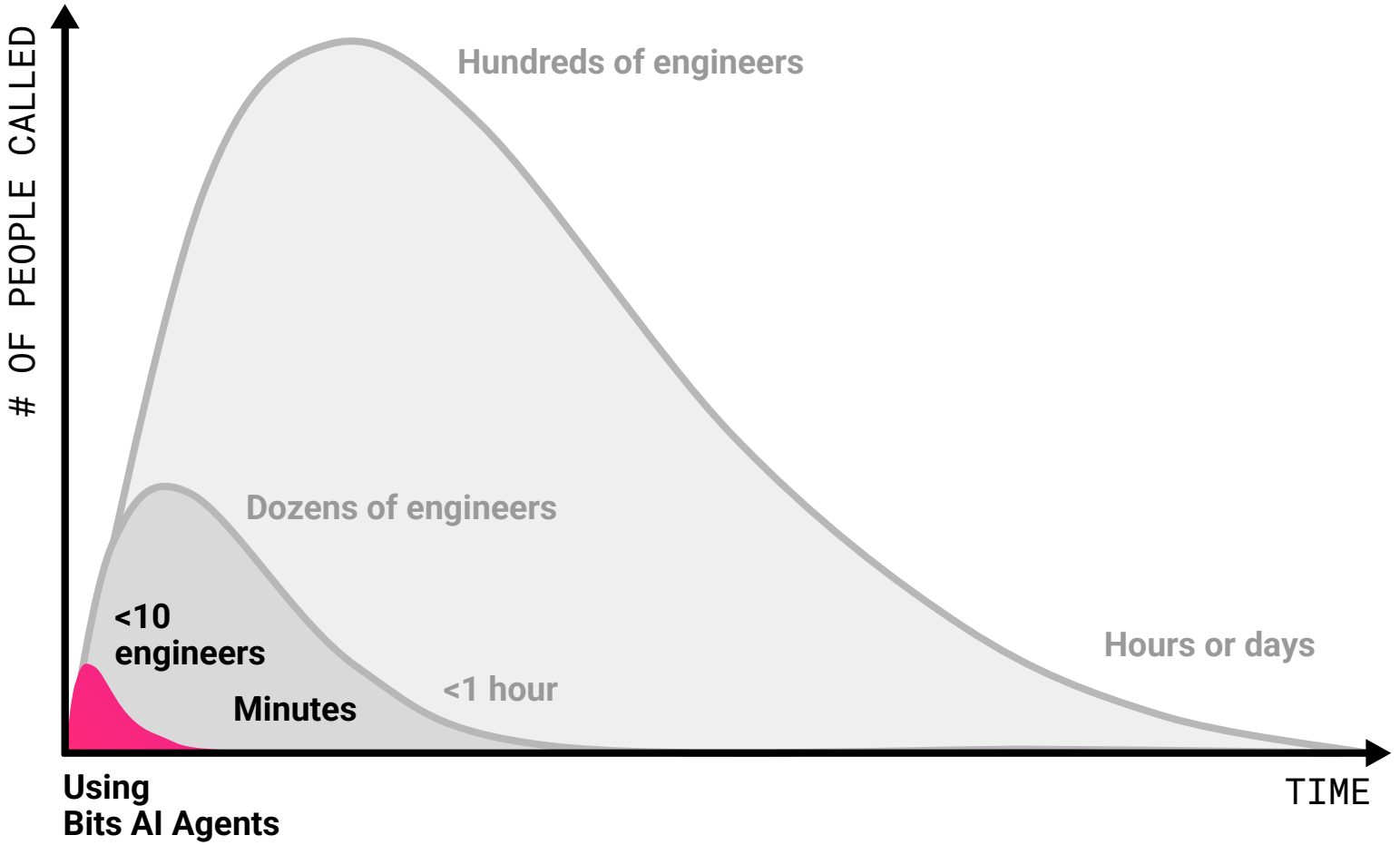
Customers are talking to Bits AI everywhere



Datadog MCP Server usage is growing exponentially



With Bits AI Agents



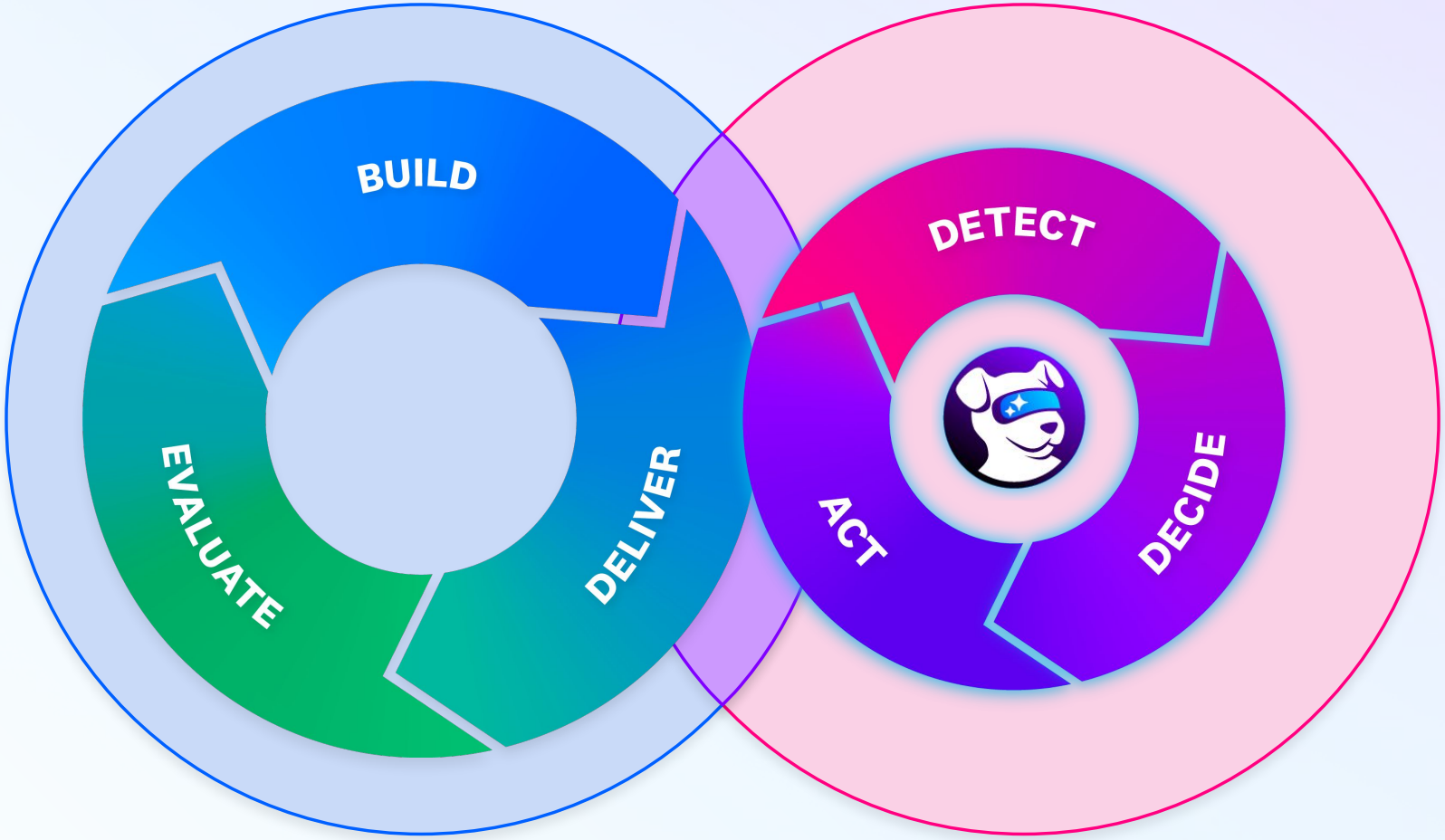
- Faster initial detection
- Alerting the correct on-call engineer with context
- Faster MTTR (mean time to remediation)

Illustrative Example

DATADOG

Closing the loops: DevOps to Software development

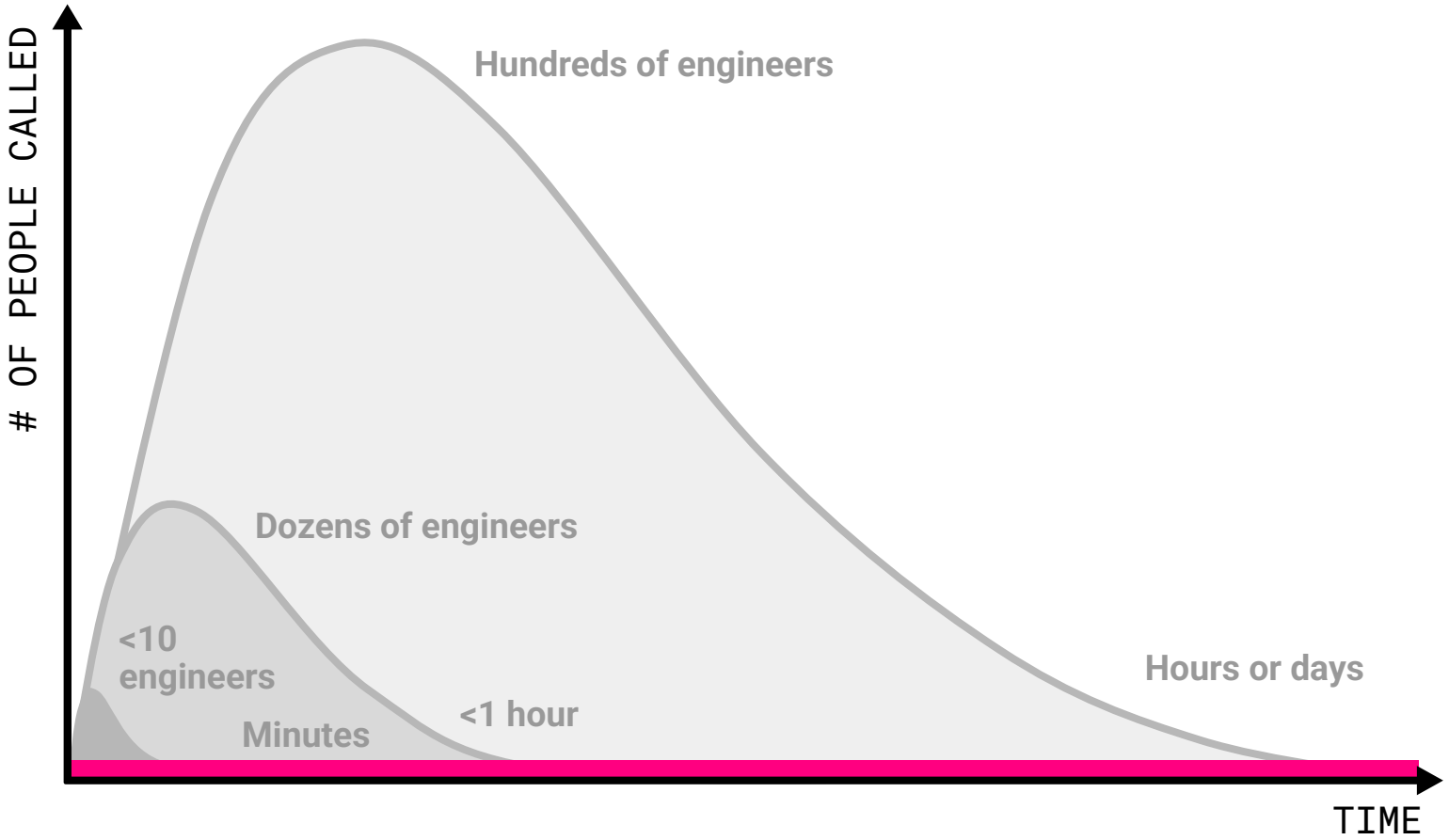
Pre-Production
Software development loop



Production
DevOps loop

DATADOG

A future vision - autonomy across Dev, Ops and Security



- Validate the code works and is secure
- Autonomously detect and predict anomalies
- Prevent incidents before they occur with autonomous remediation
- Intelligently adapt observability posture
- Autonomous utilization and cost optimizations, code improvements, and security fixes

Illustrative Example

DATADOG

A LONG-TERM VISION

Enabling **Autonomy** across Dev, Ops and Security

Sean Walters

Chief Revenue Officer

DATADOG

Our go-to-market motion

DATADOG

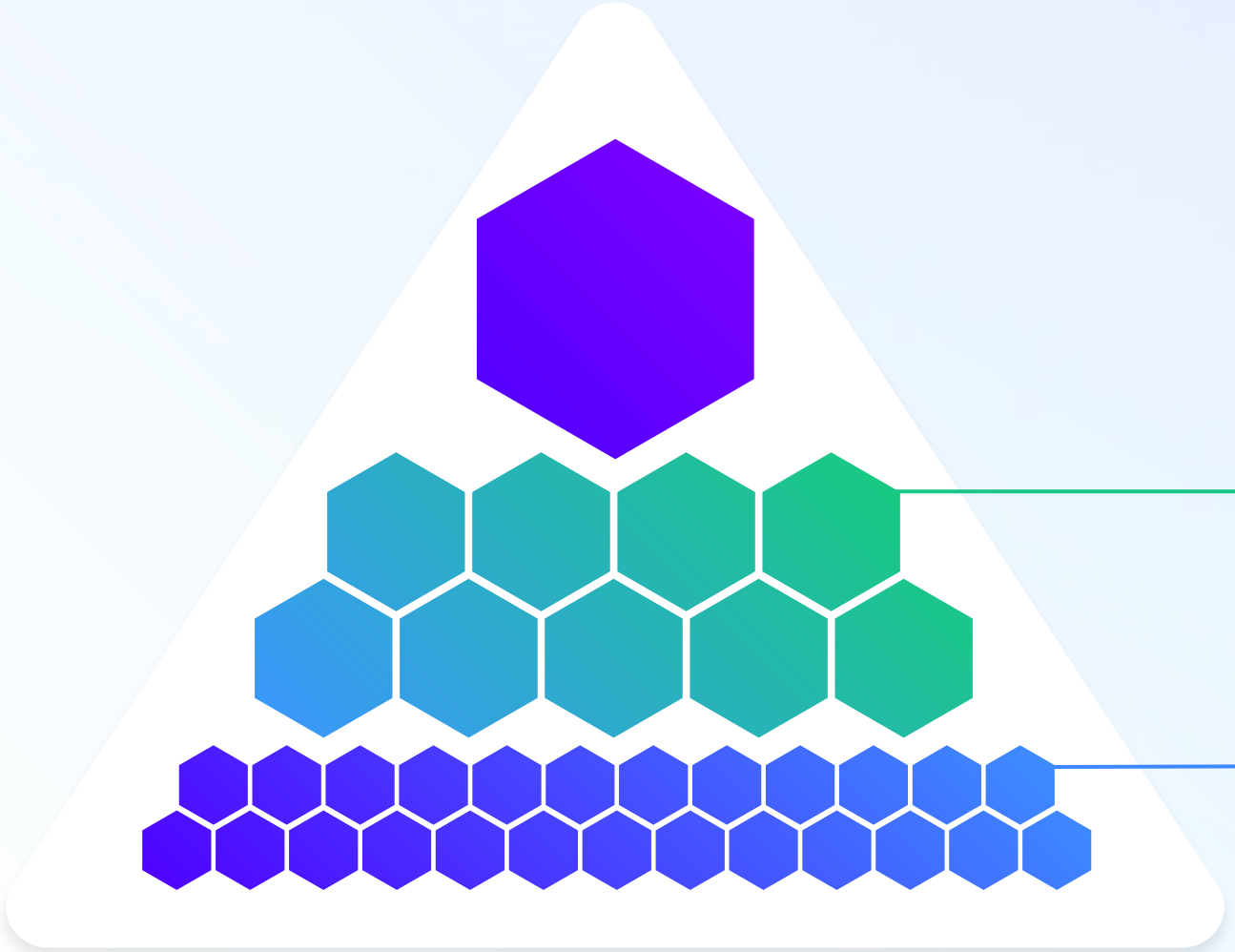
Our go-to-market strategy

Self serve

- Indicates interest in Datadog
- Funnel to Commercial team

DATADOG

Our go-to-market strategy



Commercial sales team

- Focused on new logos
- Inside sales

Self serve

- Indicates interest in Datadog
- Funnel to Commercial team

DATADOG

Commercial customers grow larger

24%

of top 25 customers by $ ARR are Commercial

50%

of $1M+ ARR customers are Commercial

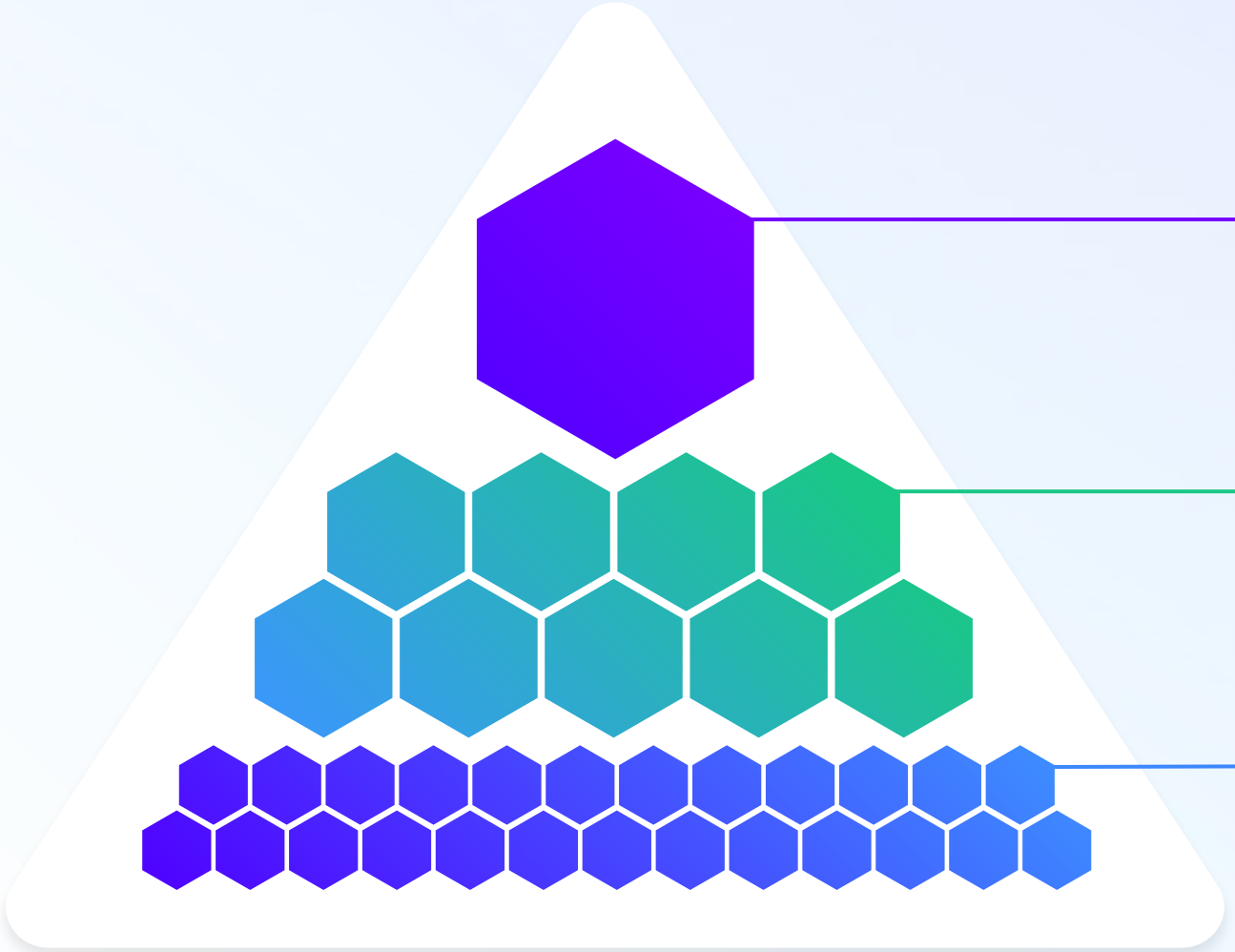
72%

of $100k+ ARR customers are Commercial

As of December, 2025.

DATADOG

Our go-to-market strategy



Enterprise sales team

- More complex customers
- Customer lifecycle management

Commercial sales team

- Focused on new logos
- Inside sales

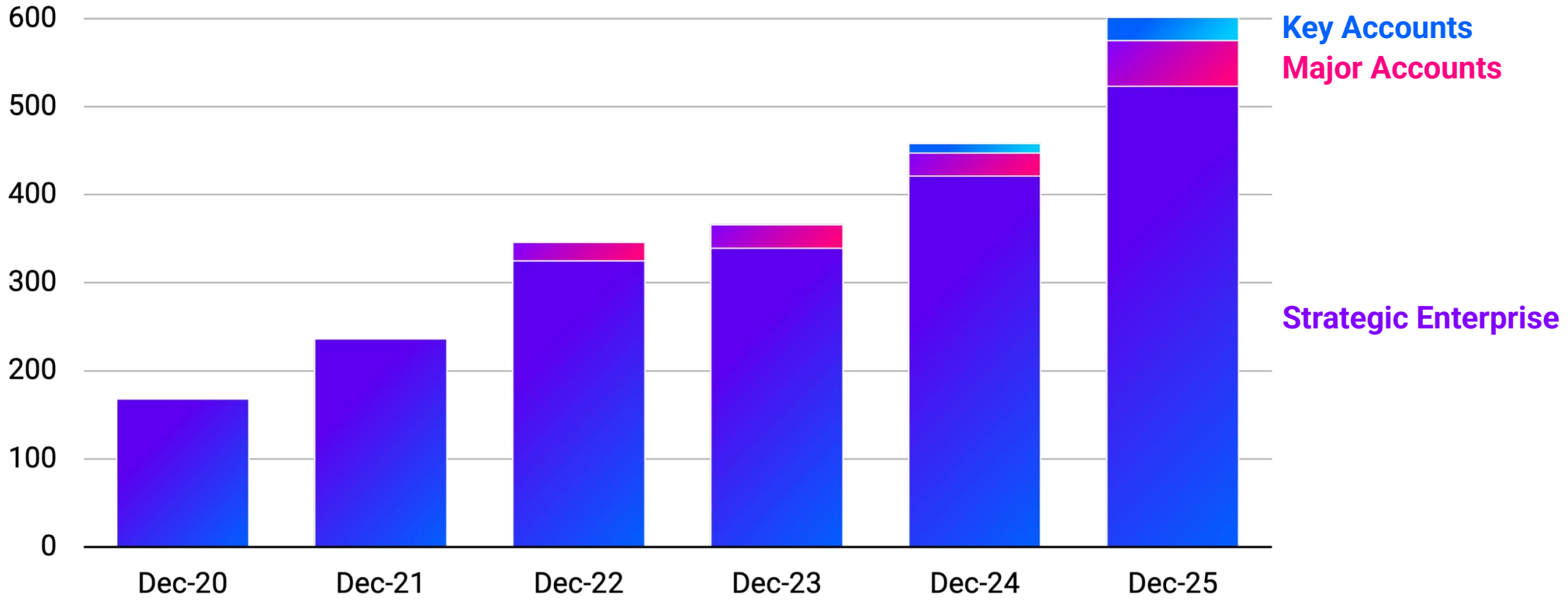
Self serve

- Indicates interest in Datadog
- Funnel to Commercial team

DATADOG

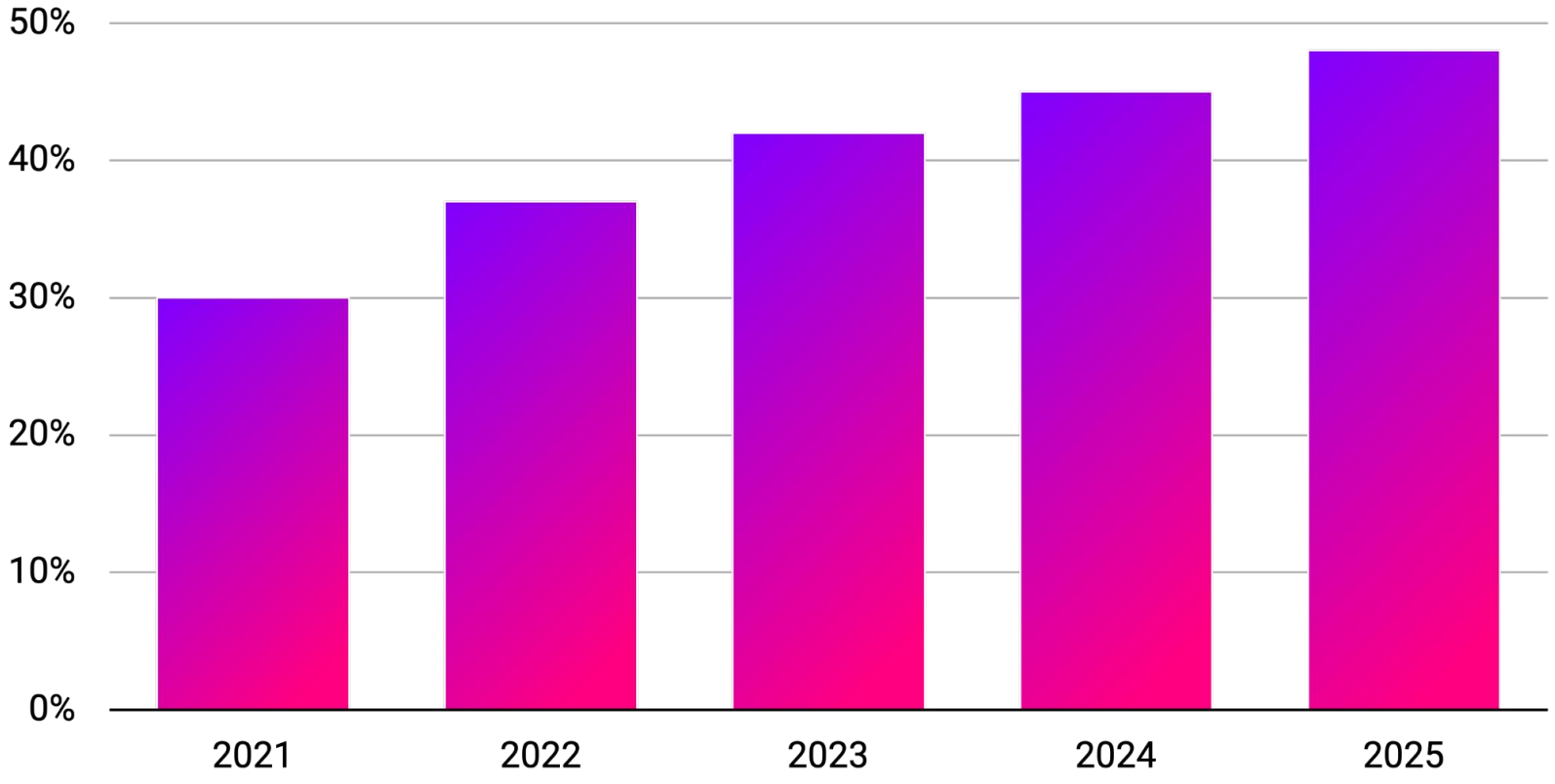
Enterprise sales team

Enterprise account executives and managers, 2020-2025



Addressing the largest customers

Datadog Fortune 500 logo penetration

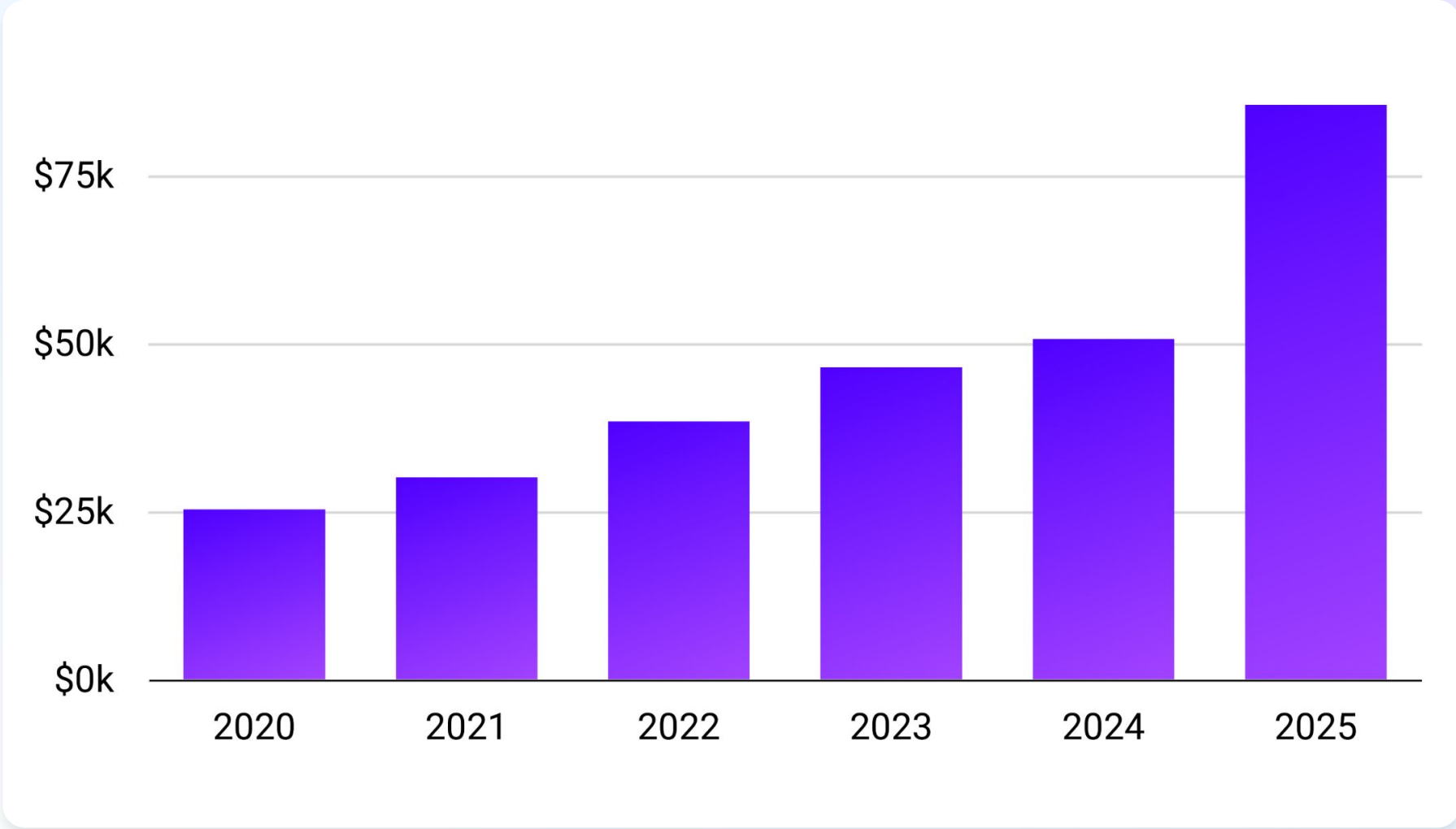


Median Datadog spend per Fortune 500 customer:

~$450K

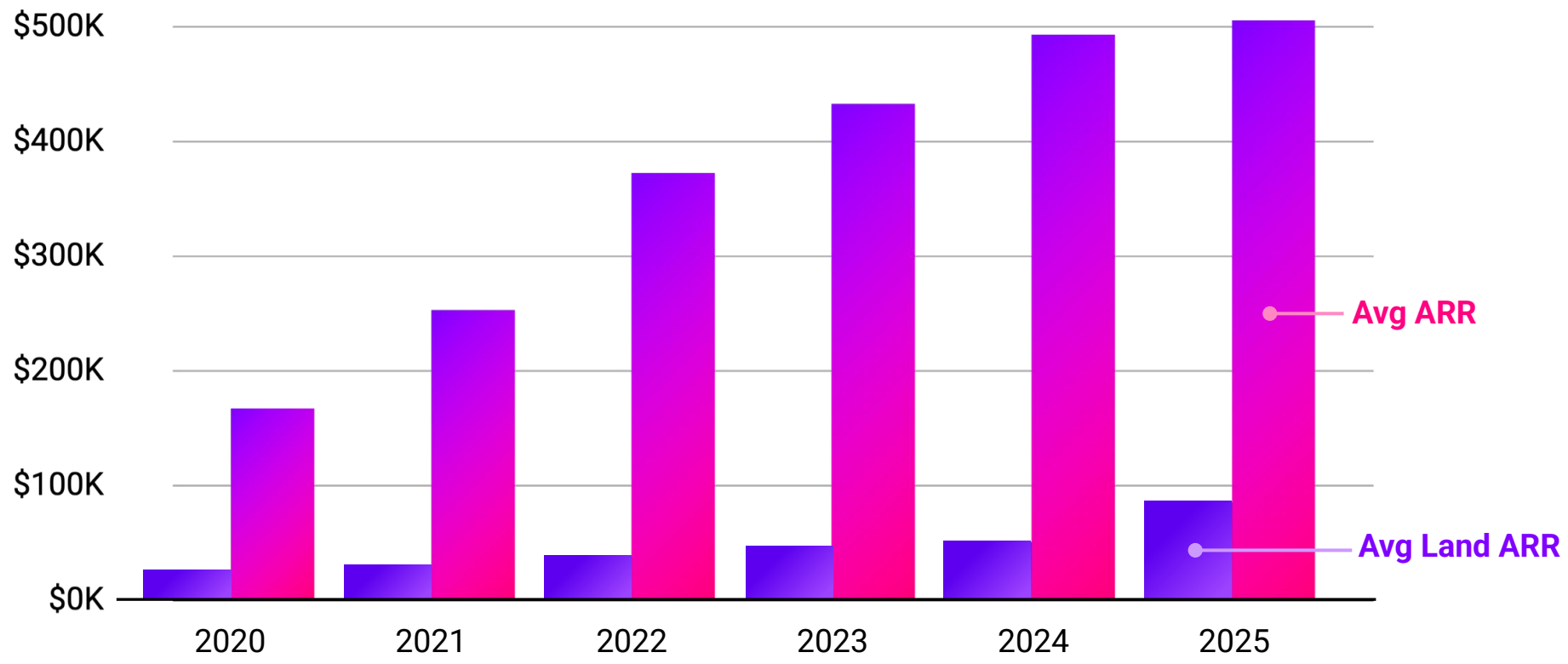
Source: Datadog internal analysis, Bloomberg data.

Enterprise land deals - average land ARR



Enterprise customers expand

Enterprise average land ARR & Enterprise average ARR, 2020-2025



Datadog's Services and Technical Support

Implementation Services

- Tailored implementation plan for migration and deployment

Technical Enablement Services

- Customized training programs
- Ongoing learning resources

Premier Support

- Dedicated team of support engineers
- Individualized support resources

Technical Account Managers (TAMs)

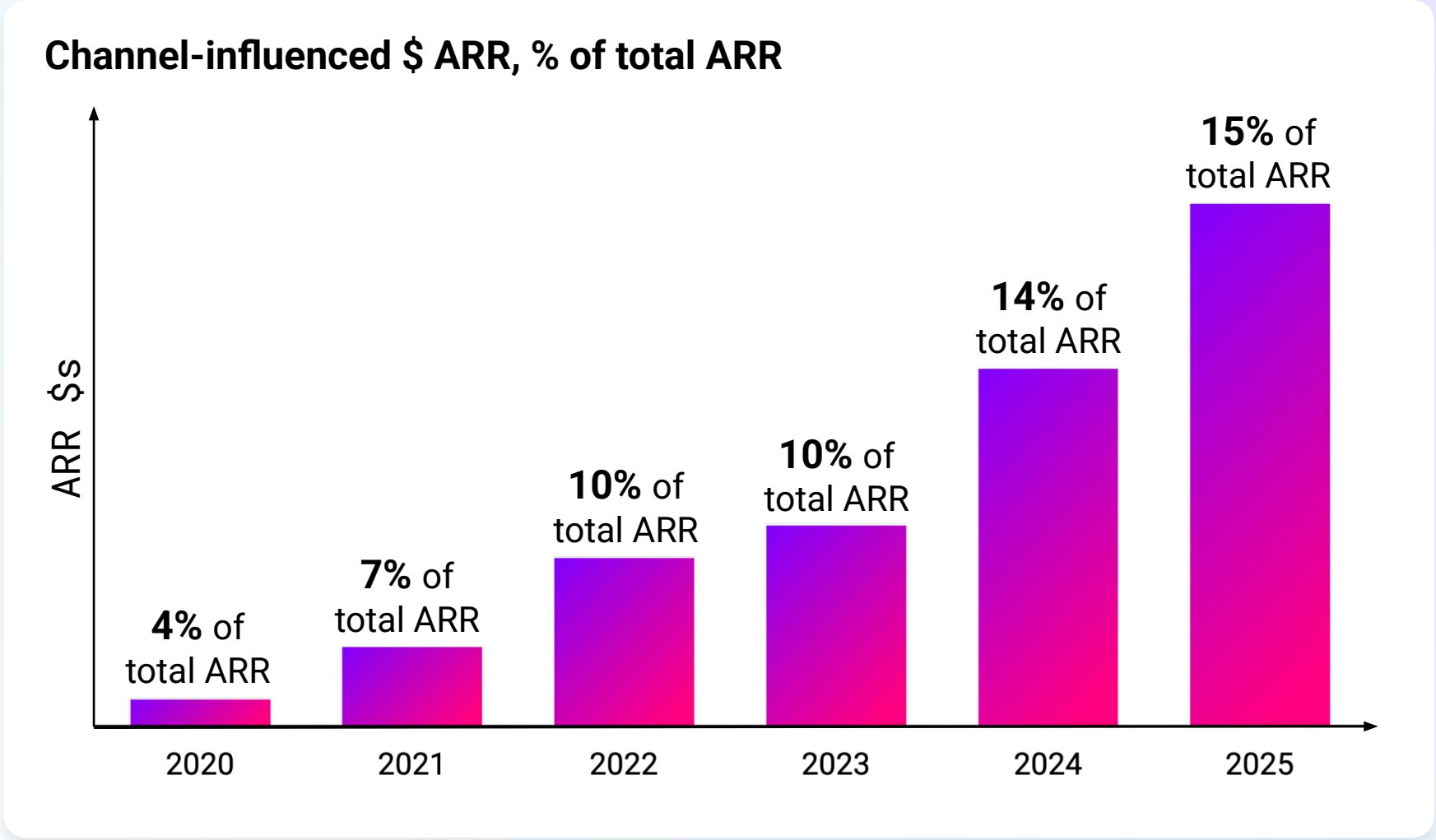
- Experts in cloud monitoring and Datadog best practices
- Technical guidance for deploying and using Datadog

DATADOG

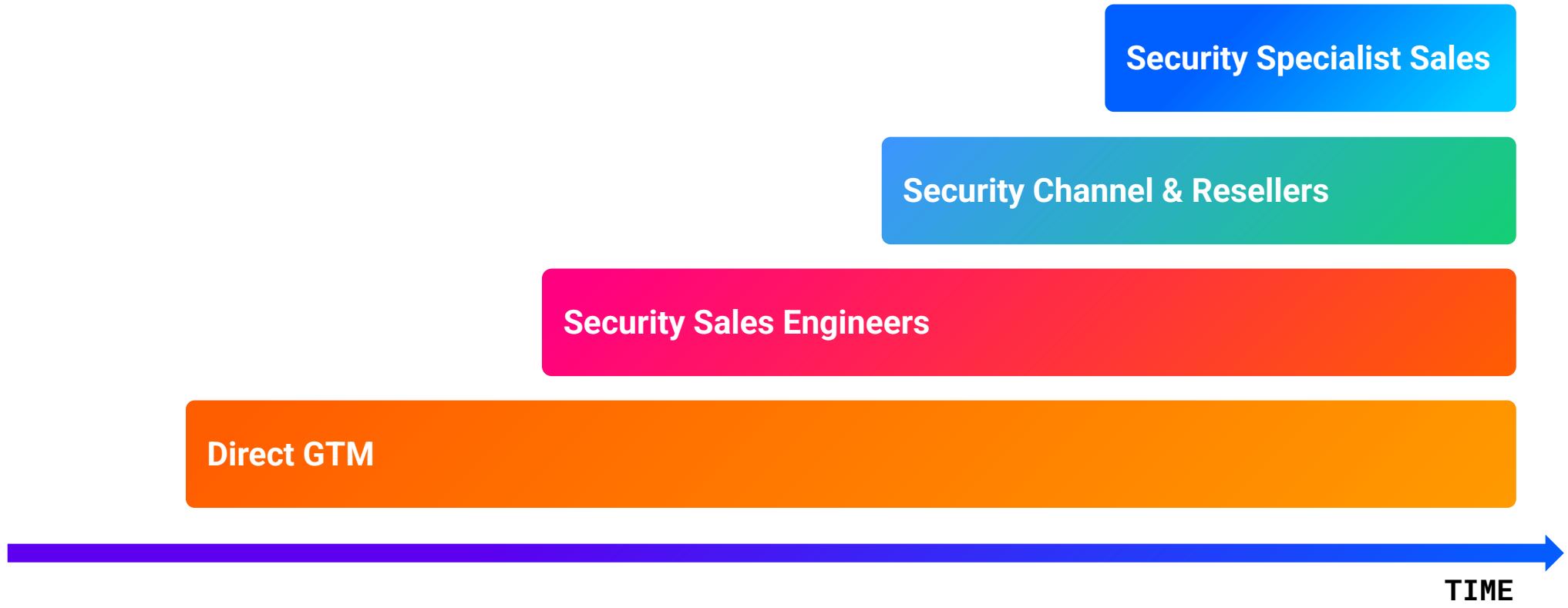
Go-to-market investment areas

Channel & Alliances

C&As


Channel-influenced $ ARR, % of total ARR
ARR $s
4% of total ARR
7% of total ARR
10% of total ARR
10% of total ARR
14% of total ARR
15% of total ARR
2020
2021
2022
2023
2024
2025

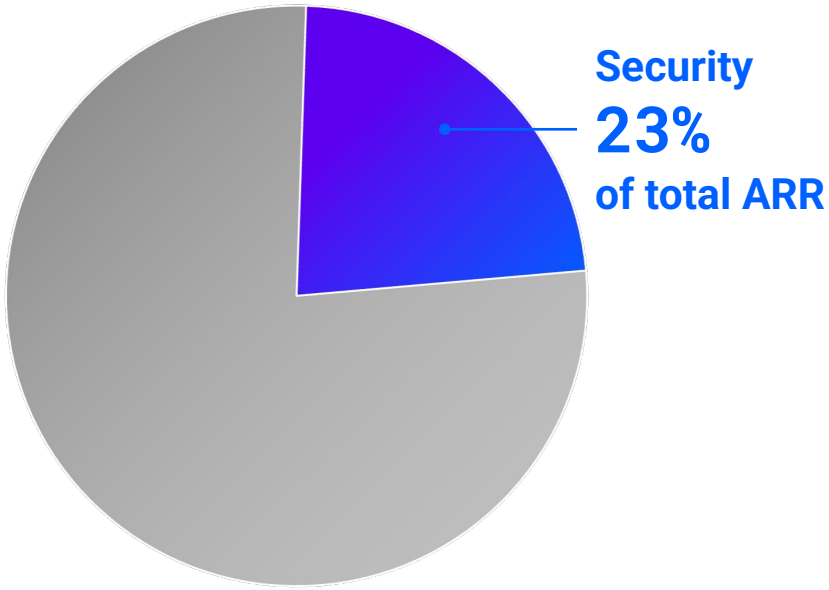
Security GTM investments



Security customer example

Travel | Enterprise (5K+ FTEs) | ~4 yrs as customer | ~150 MAUs

Example customer ARR by category, Dec-2025



Security Adoption

- 1Q24 Cloud Security (CSPM)
- 2Q24 Cloud Security (App & API Protection)
- 4Q24 Cloud Security (Workload Protection)
- 1Q25 Code Security
- 3Q25 Cloud SIEM
  Ongoing rollout, replacement of on-prem SIEM

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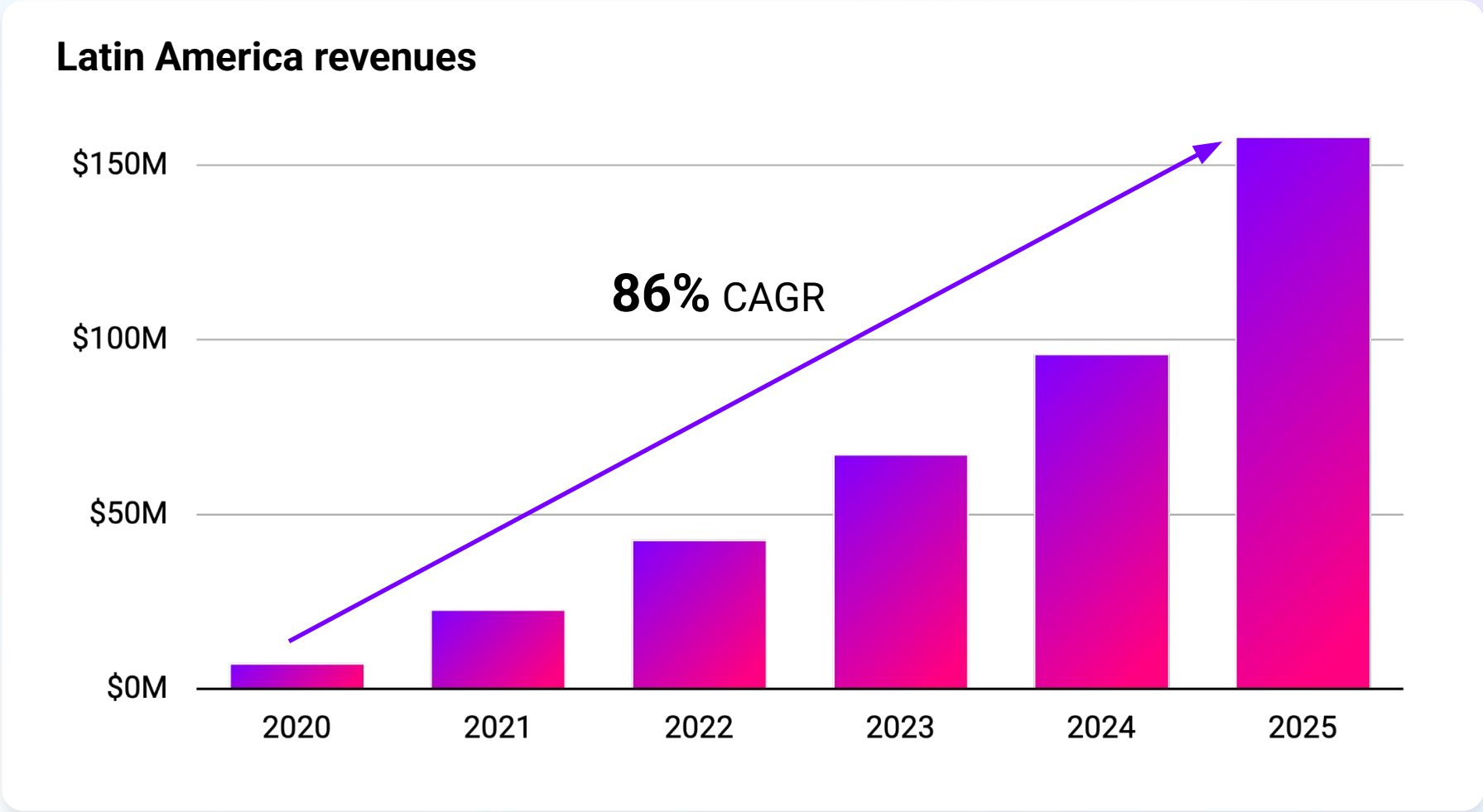
Expanding GTM teams worldwide

DATADOG

LATAM region



Go-to-market focus on AI

AI for Datadog

AI-powered capabilities
in the Datadog platform

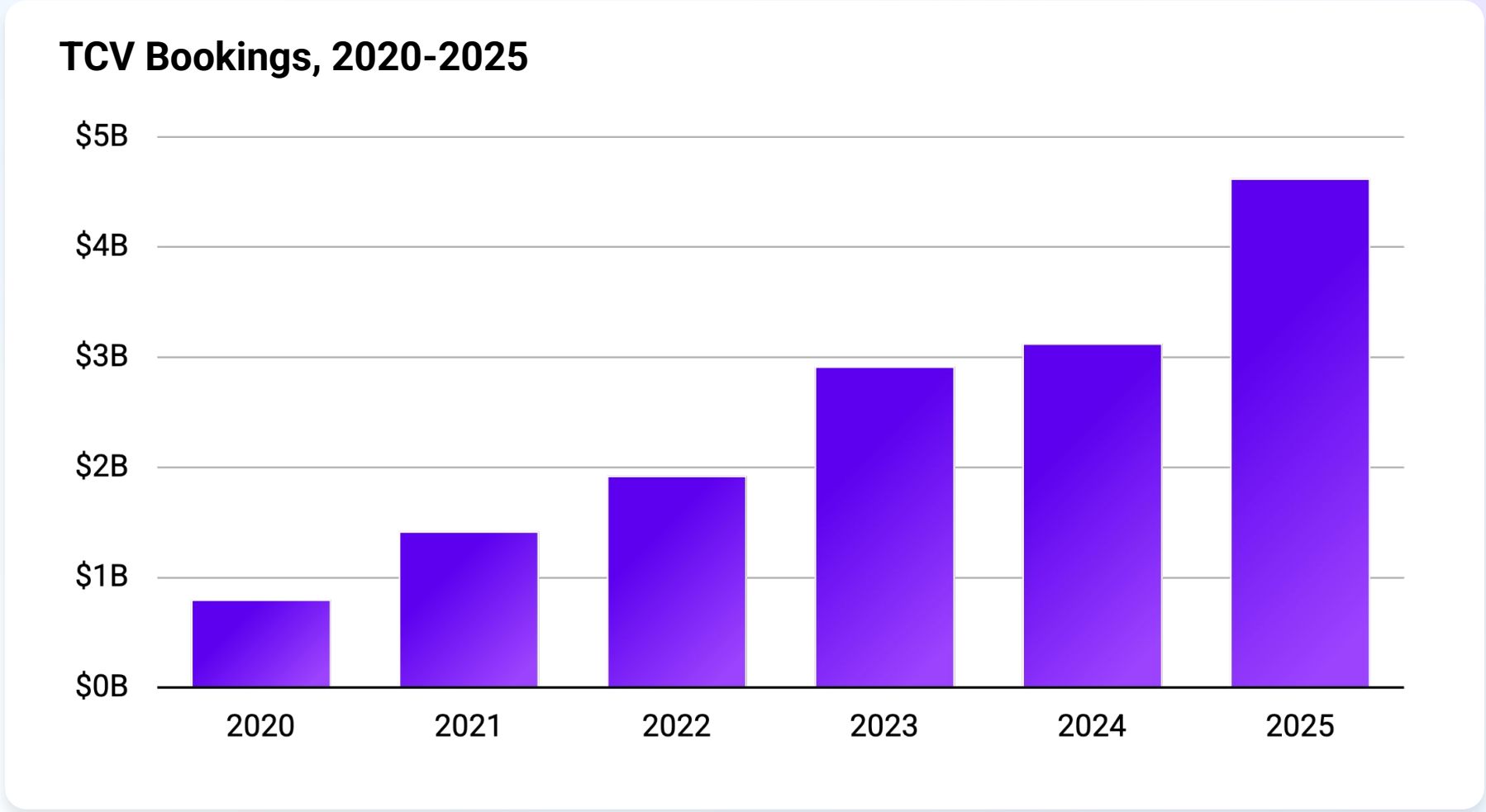
- Bits AI SRE Agent
- Bits AI Dev Agent (preview)
- Bits AI Security Analyst (preview)
- MCP Server (preview)
- Bits AI Assistant (preview)

Datadog for AI

End-to-end observability and
security across the AI stack

- LLM Observability
- Data Observability
- GPU Monitoring (preview)
- AI Guard (preview)
- AI Agents Console (preview)

Executing on our GTM investments



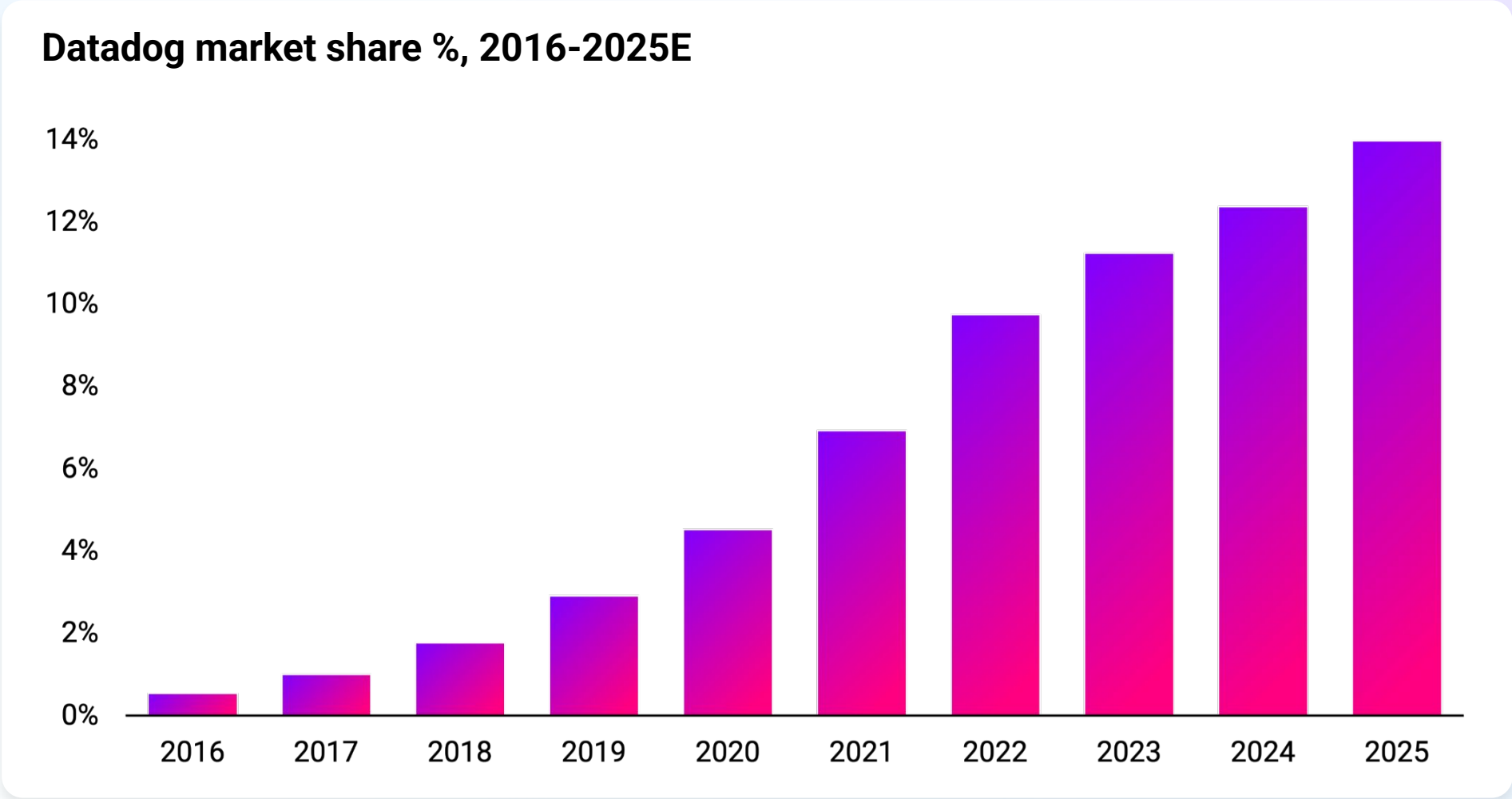
DATADOG

Adam Blitzer

COO

DATADOG

Customers choose Datadog and grow with us



2016-2025 Market Share %s derived using Datadog 2016-2025 revenue and Health & Performance market size figures from Gartner Market Share: All Software Markets, 2016-2025

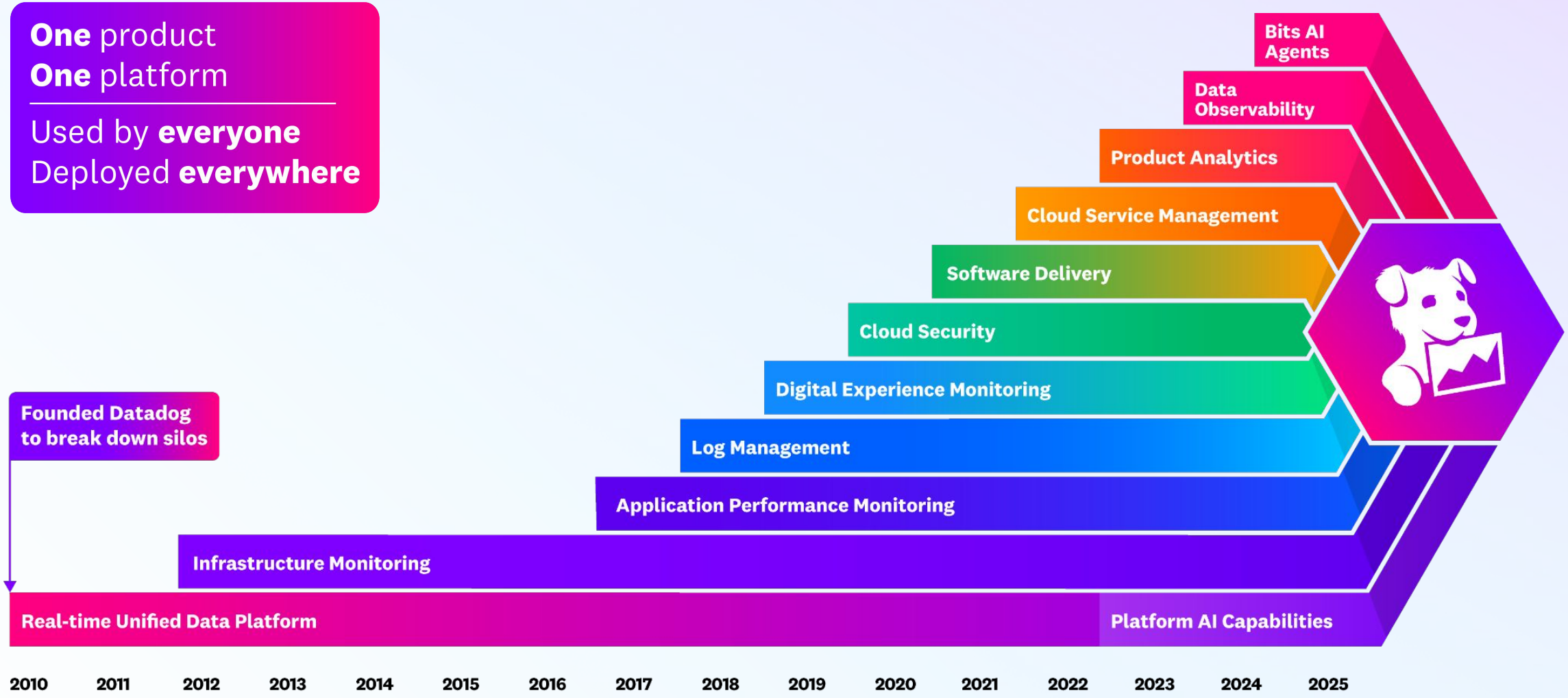
Delivering value to customers

DATADOG

Single pane of glass across multiple products

One product
One platform

Used by **everyone**
Deployed **everywhere**



DATADOG

Single pane of glass brings developer productivity

Semiconductors | Enterprise (5K+ FTEs) | ~7 yrs as customer | ~900 MAUs

	Major incidents per year		FTEs per incident		Hours per incident		Total hours per year
Without Datadog	9	×	25	×	20	=	~4,000
With Datadog	1-2	×	12-13	×	8	=	~150
% reduction	-83%		-60%		-50%		-97%

Additional **124,000 hours saved** from productivity during incidents among broader engineering org

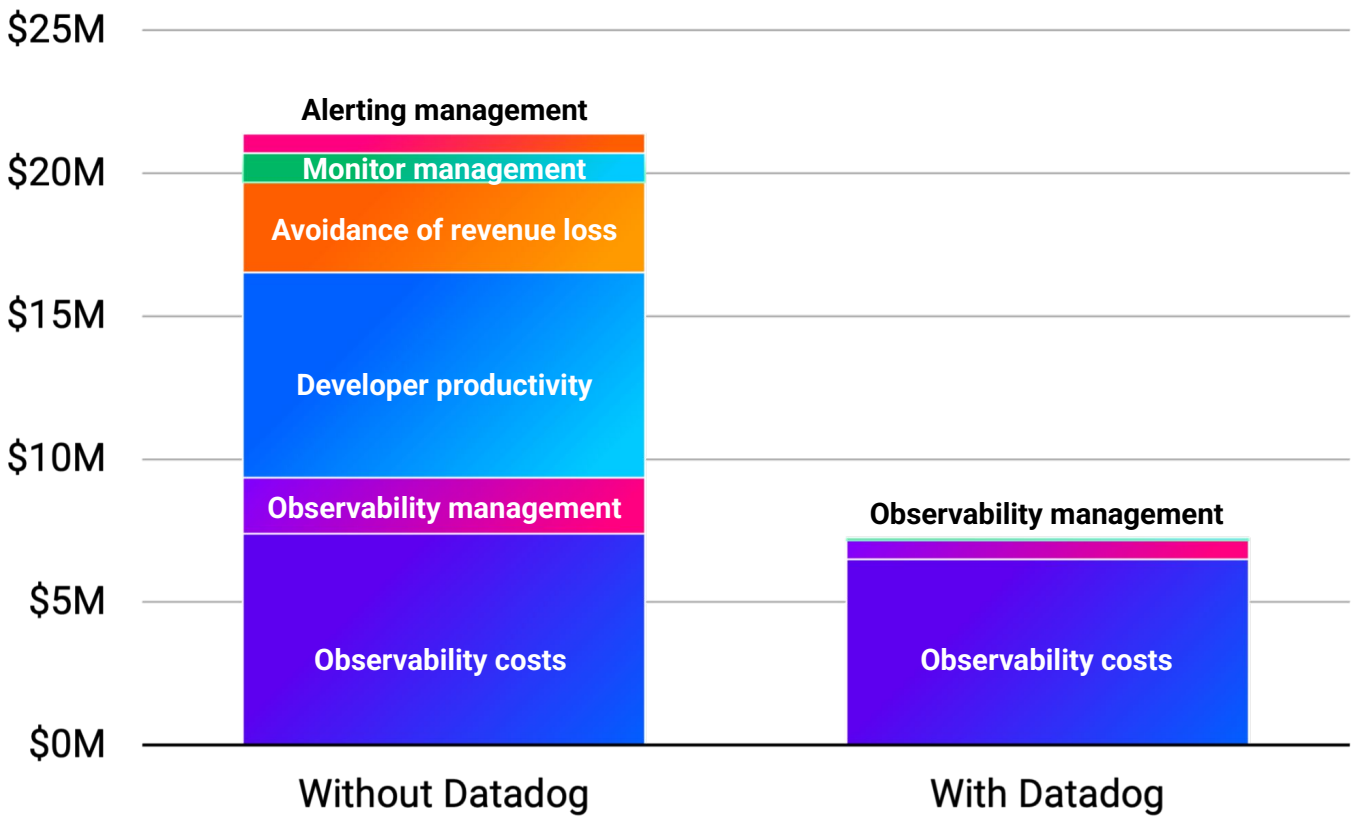
Based on information provided by the customer and Datadog internal analysis

DATADOG

Consolidating on one platform yields buying power

Retail | Enterprise (5K+ FTEs) | ~6 yrs as customer | ~2,500MAUs

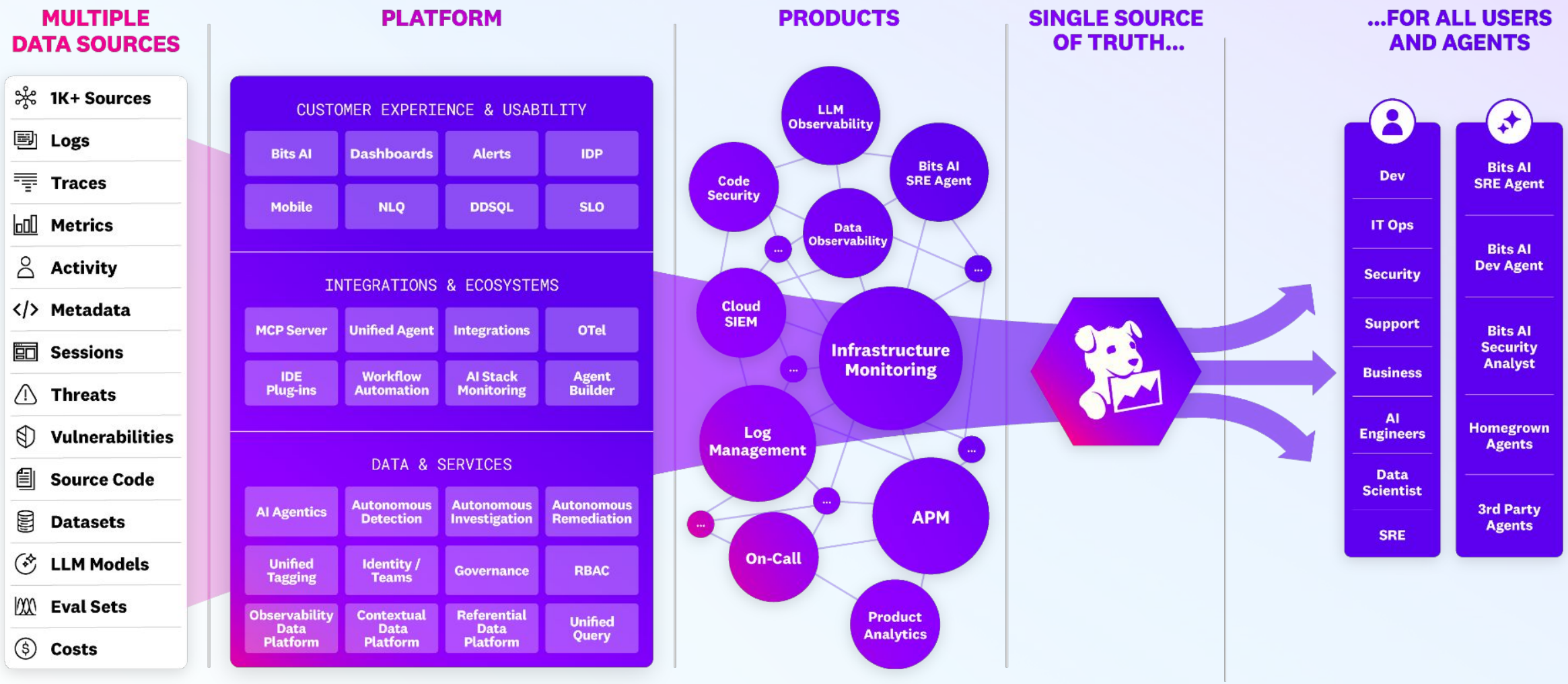
Customer example: annualized costs



Based on information provided by the customer and Datadog internal analysis

DATADOG

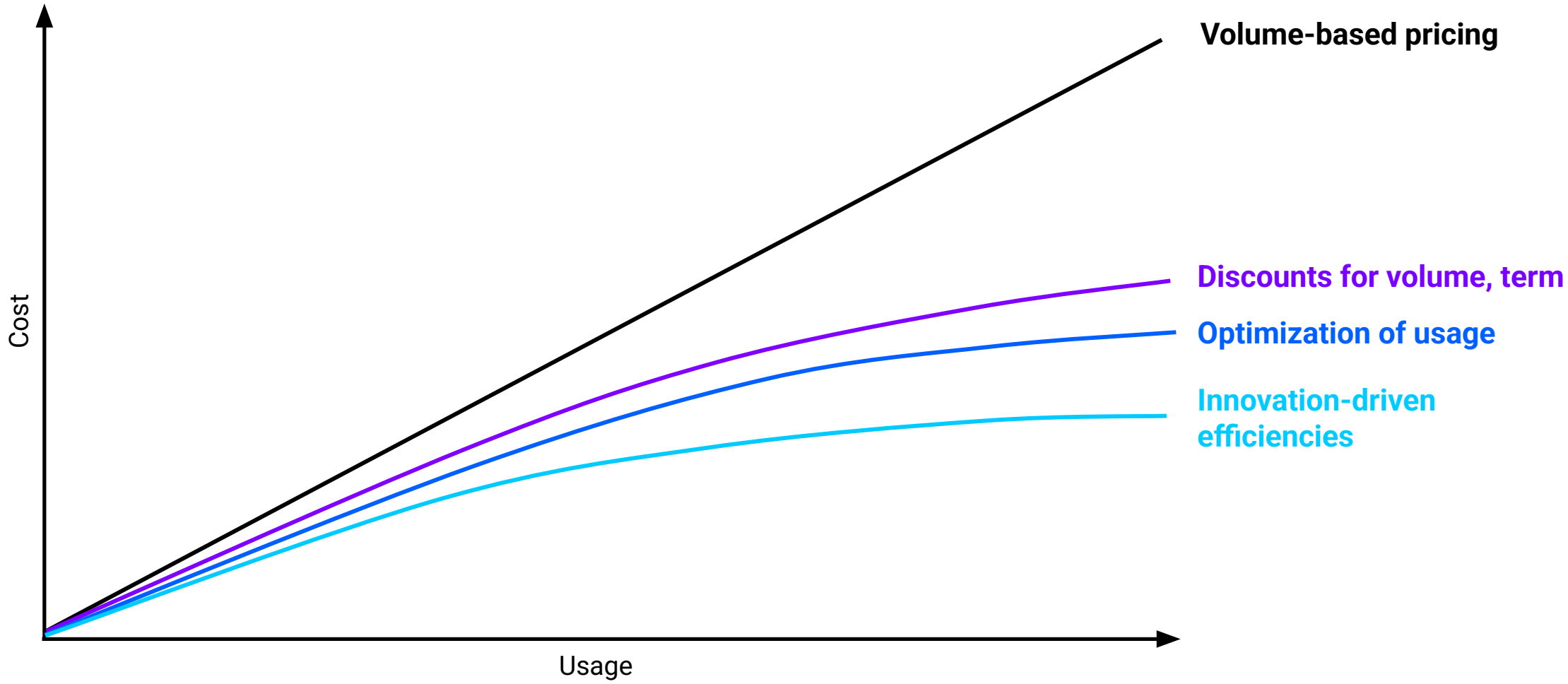
Unified platform is critical in the age of AI



DATADOG

Delivering value to customers

Datadog delivers value at scale

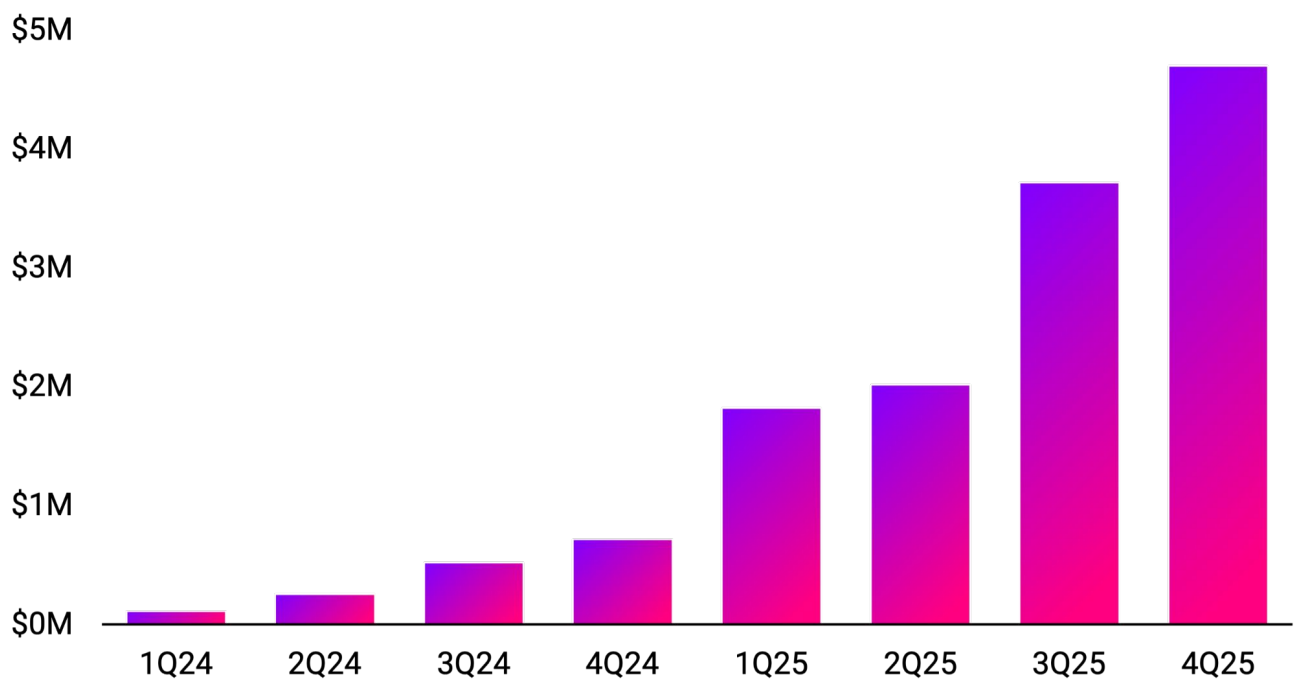


Illustrative example.

Customers scale with business growth

AI | SMB (<1K FTEs) | ~2 yrs as customer | ~140 MAUs

Customer example - Annual Recurring Revenue (ARR)



# of products	8	9	9	9	9	9	9	10

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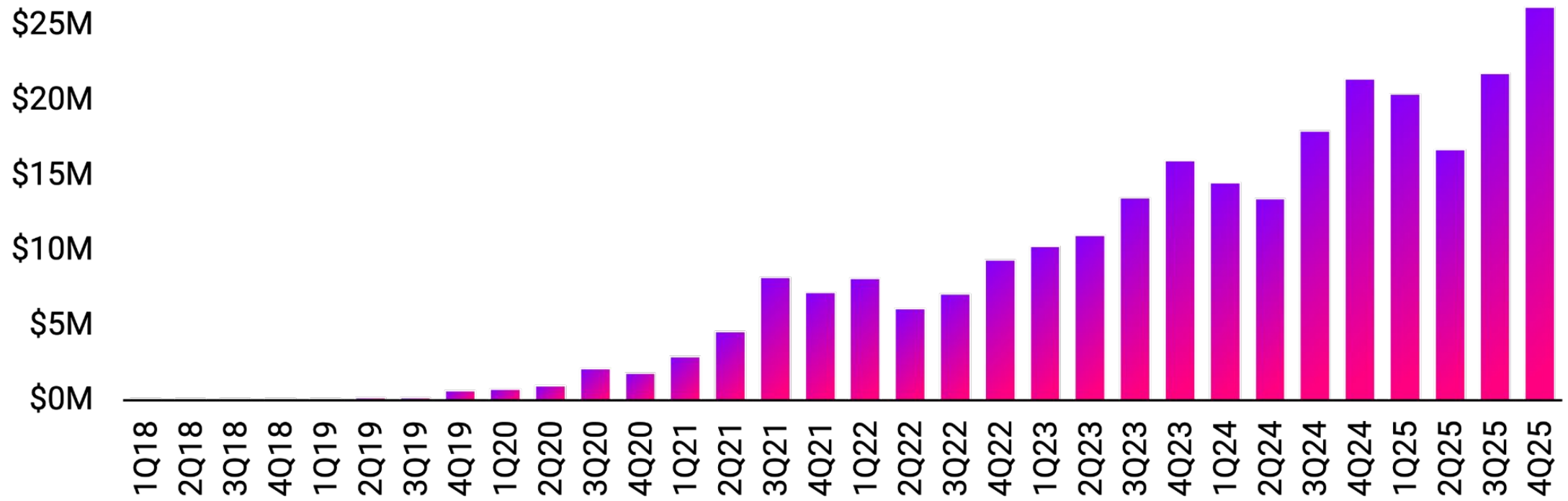
Customers scale as they adopt more products

Entertainment | Mid-Market (1-5K FTEs) | ~8 yrs as customer | ~1,700 MAUs

Annual Recurring Revenue (ARR)



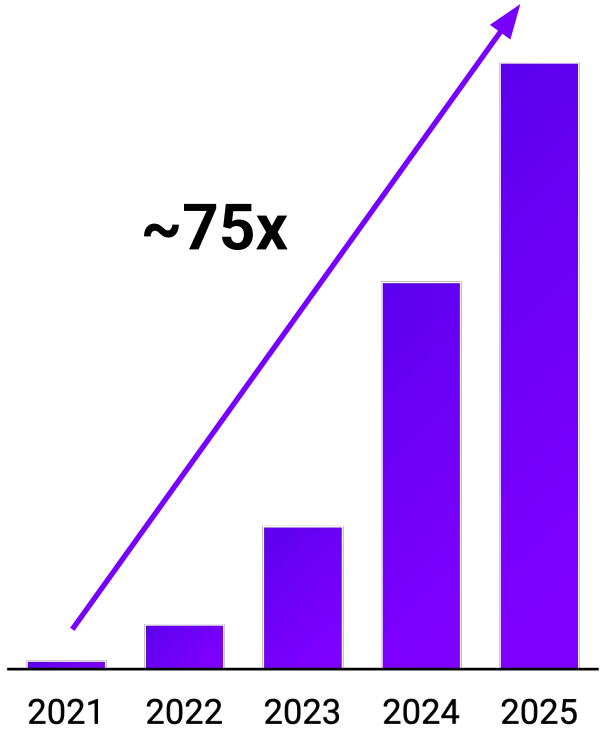
# of products	1	1	1	1	1	1	2	2	4	4	6	6	7	7	7	7	7	11	11	12	12	13	15	15	15	16	16	16	16	18	18	21

DATADOG

Innovation-driven value

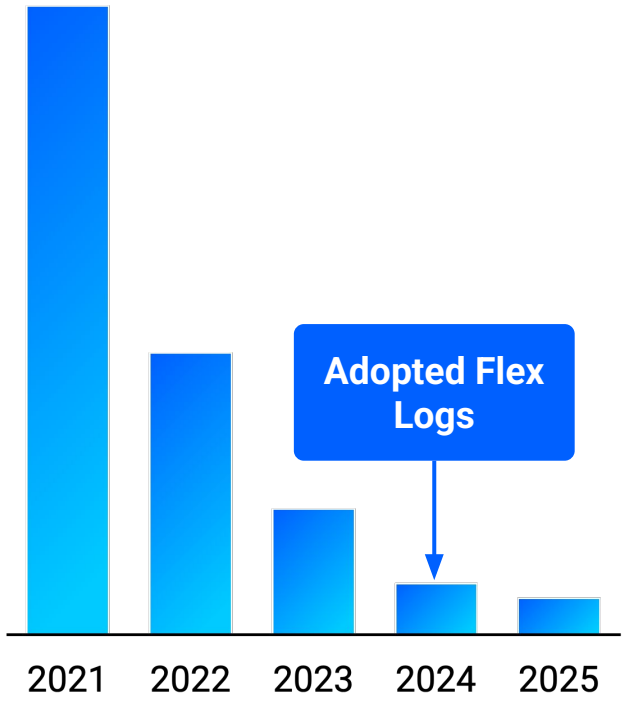
Technology | Enterprise (5K+ FTEs) | ~8 yrs as customer | ~380 MAUs

Indexed Logs volume



×

Unit price



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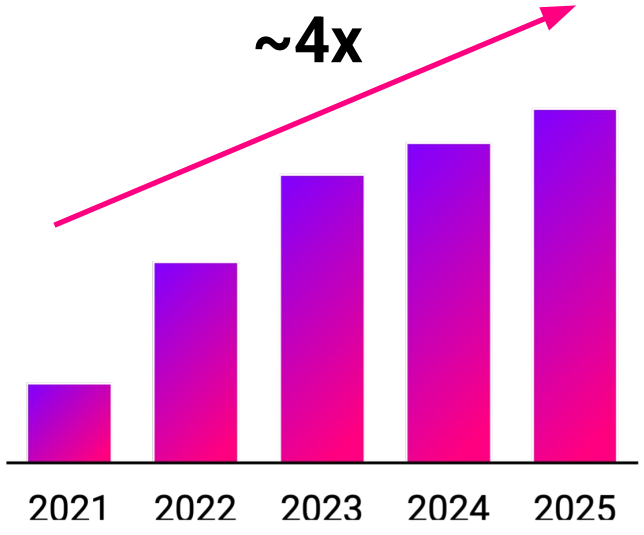
Indexed Logs revenue



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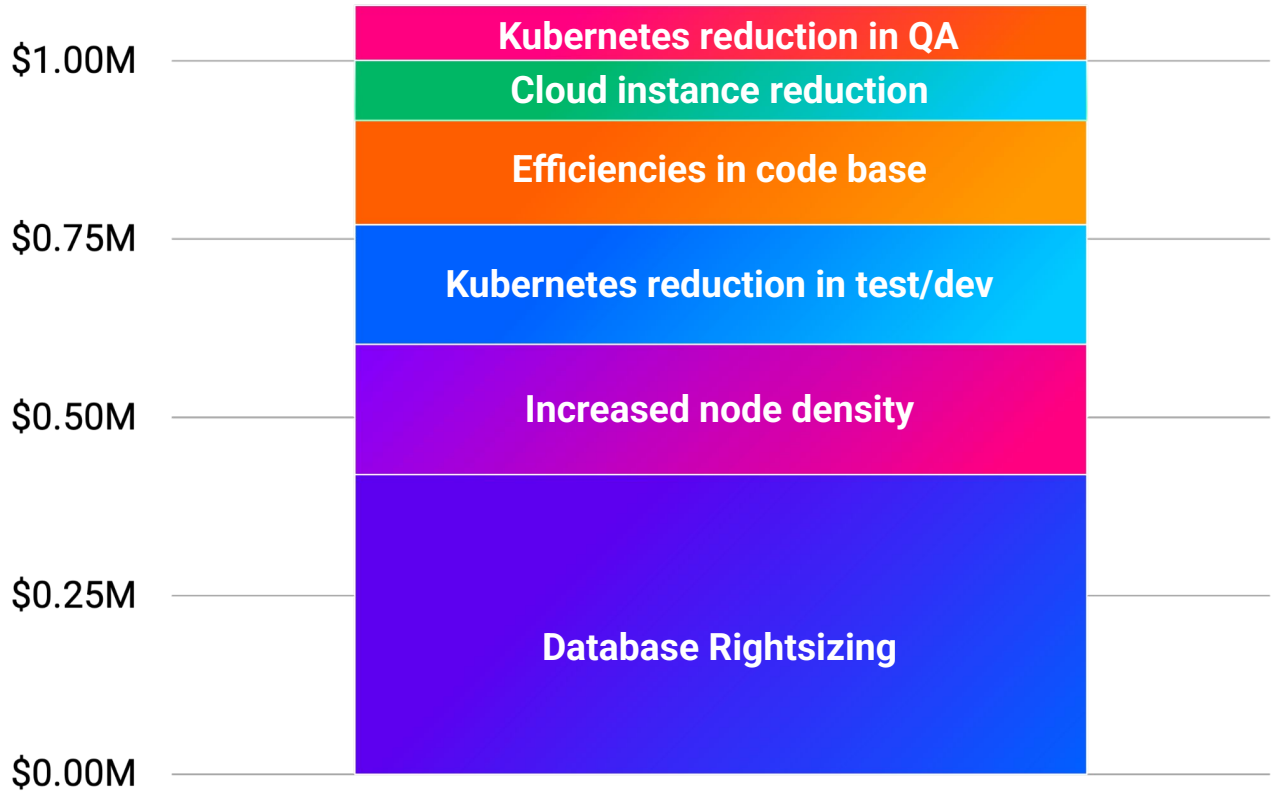
Customers save on cloud costs

Software | Enterprise (5K+ FTEs) | ~10 yrs as customer | ~600 MAUs

Customer example: Cloud Infra savings with Cloud Cost Mgmt.



Based on information provided by the customer and Datadog internal analysis

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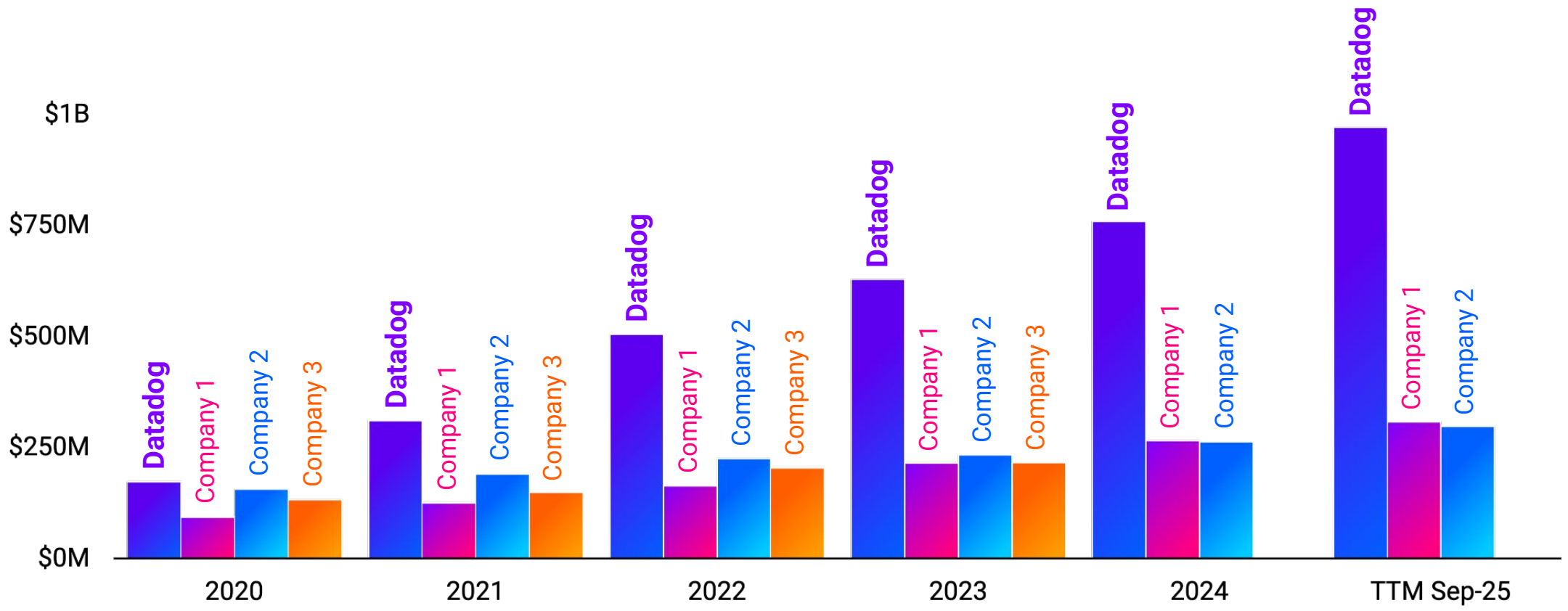
Delivering value to customers

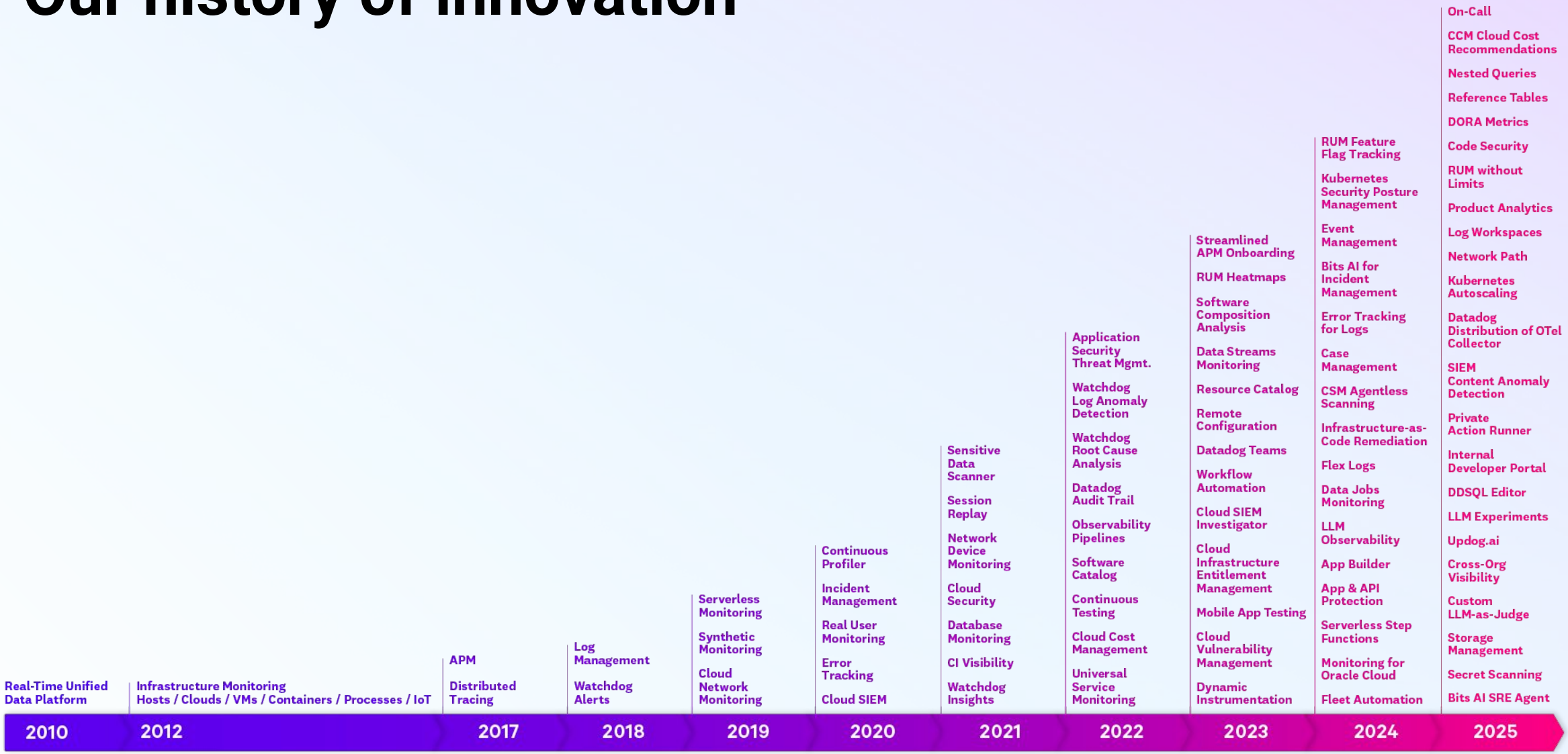
Datadog invests in innovation

Non-GAAP Research & Development expenditure vs. observability peers (1)



(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

Our history of innovation



FOUNDED DATADOG TO BREAK DOWN SILOS

DEPLOYED EVERYWHERE, USED BY EVERYONE

DATADOG

Datadog for AI native customers

70%

of the top 20 AI native companies are Datadog customers

19

AI-native customers with $1M+ Datadog ARR

~650

AI-native customers

Source: Datadog internal analysis. Top AI native companies ranked by latest publicly disclosed valuation.

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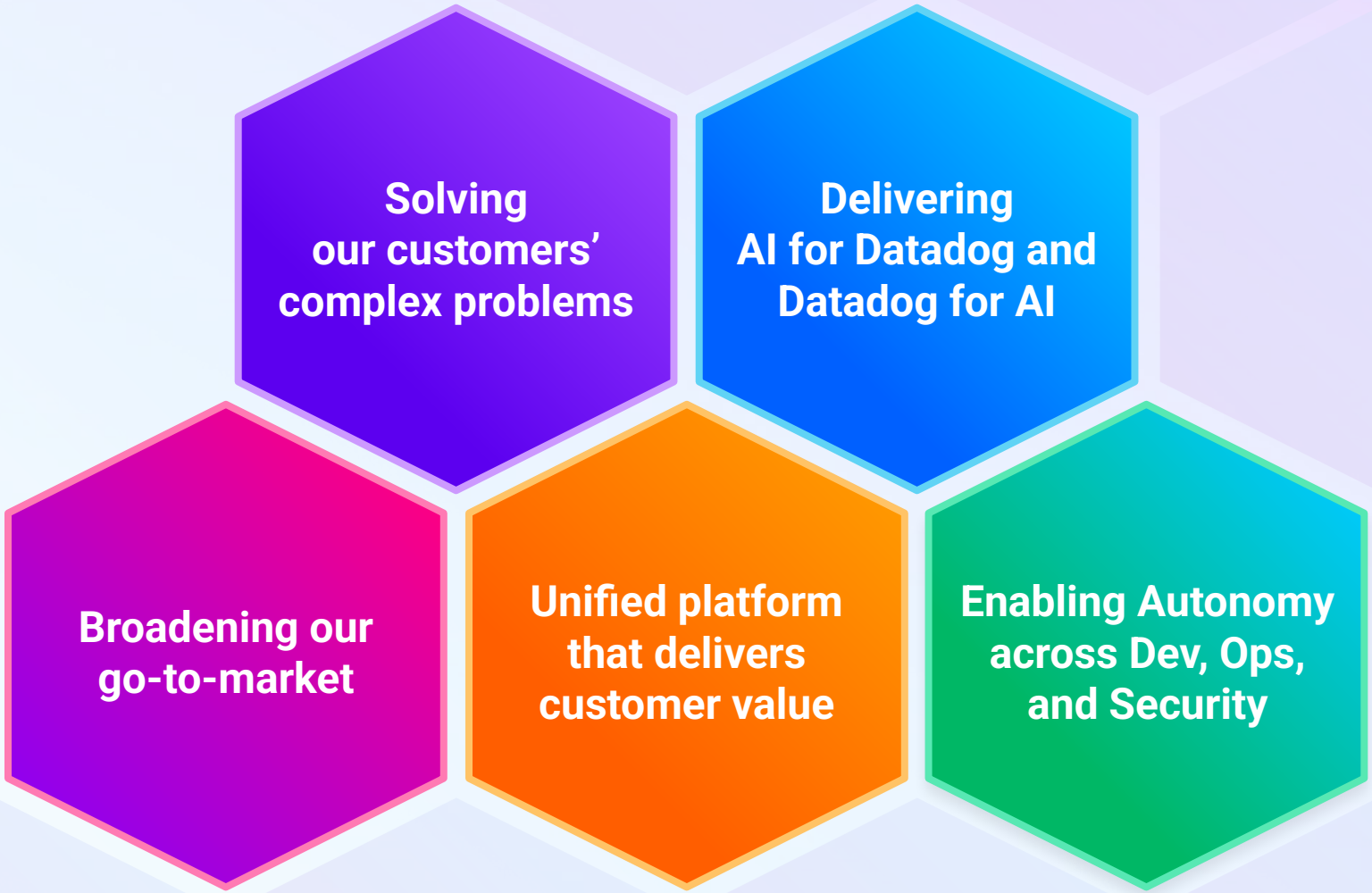
David Obstler

CFO

DATADOG

What you've heard today



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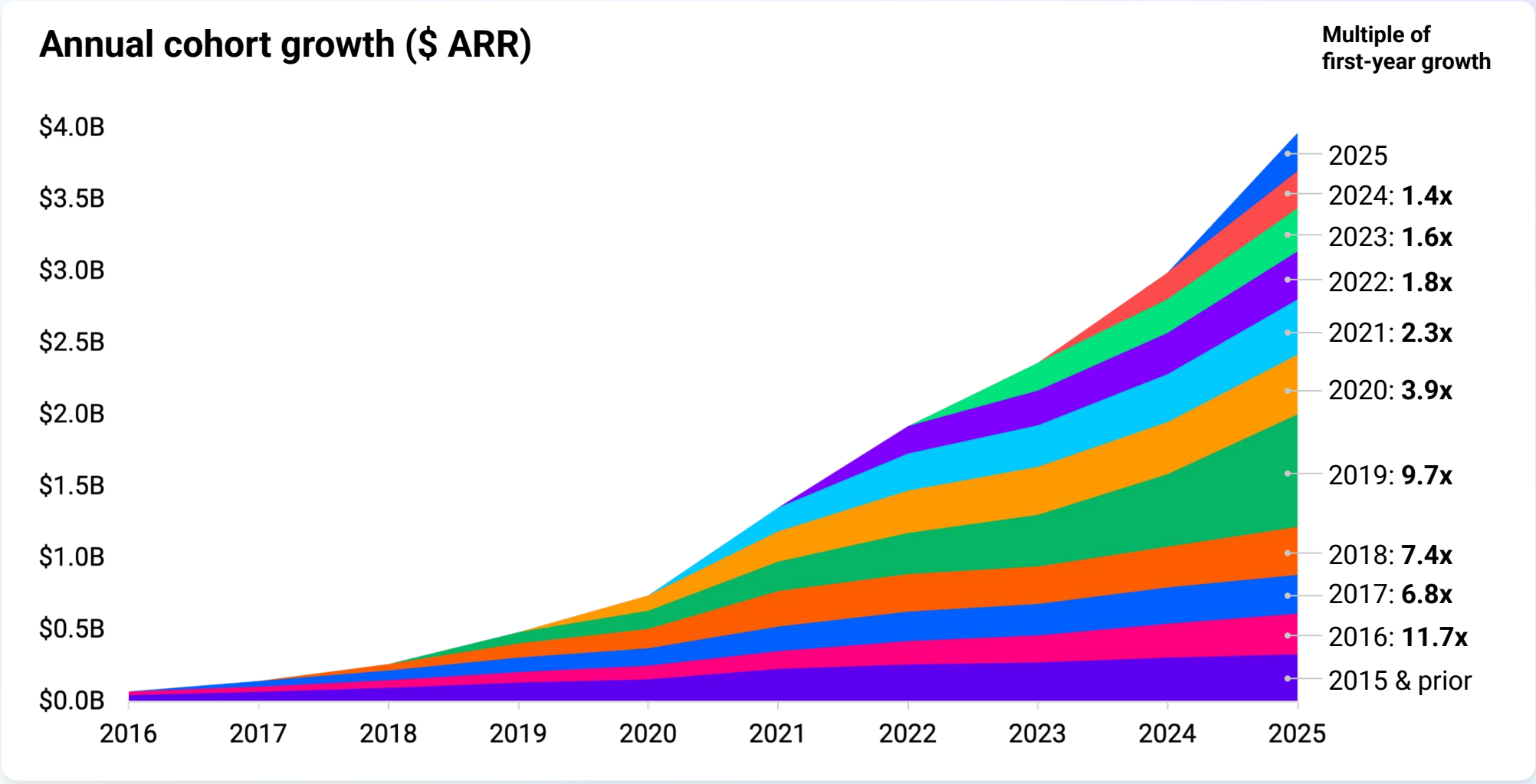
How we grow

Land-and-expand business model



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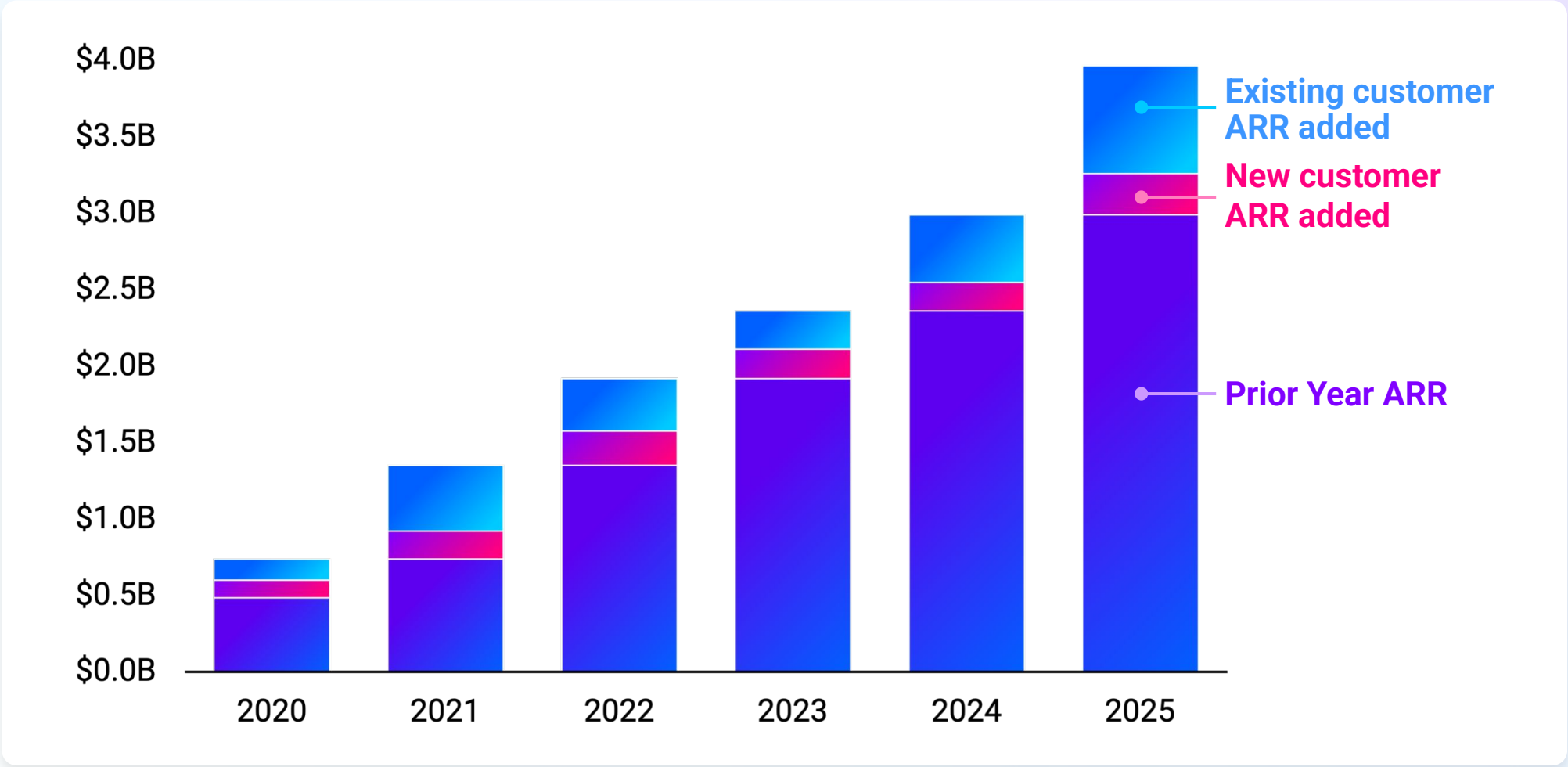
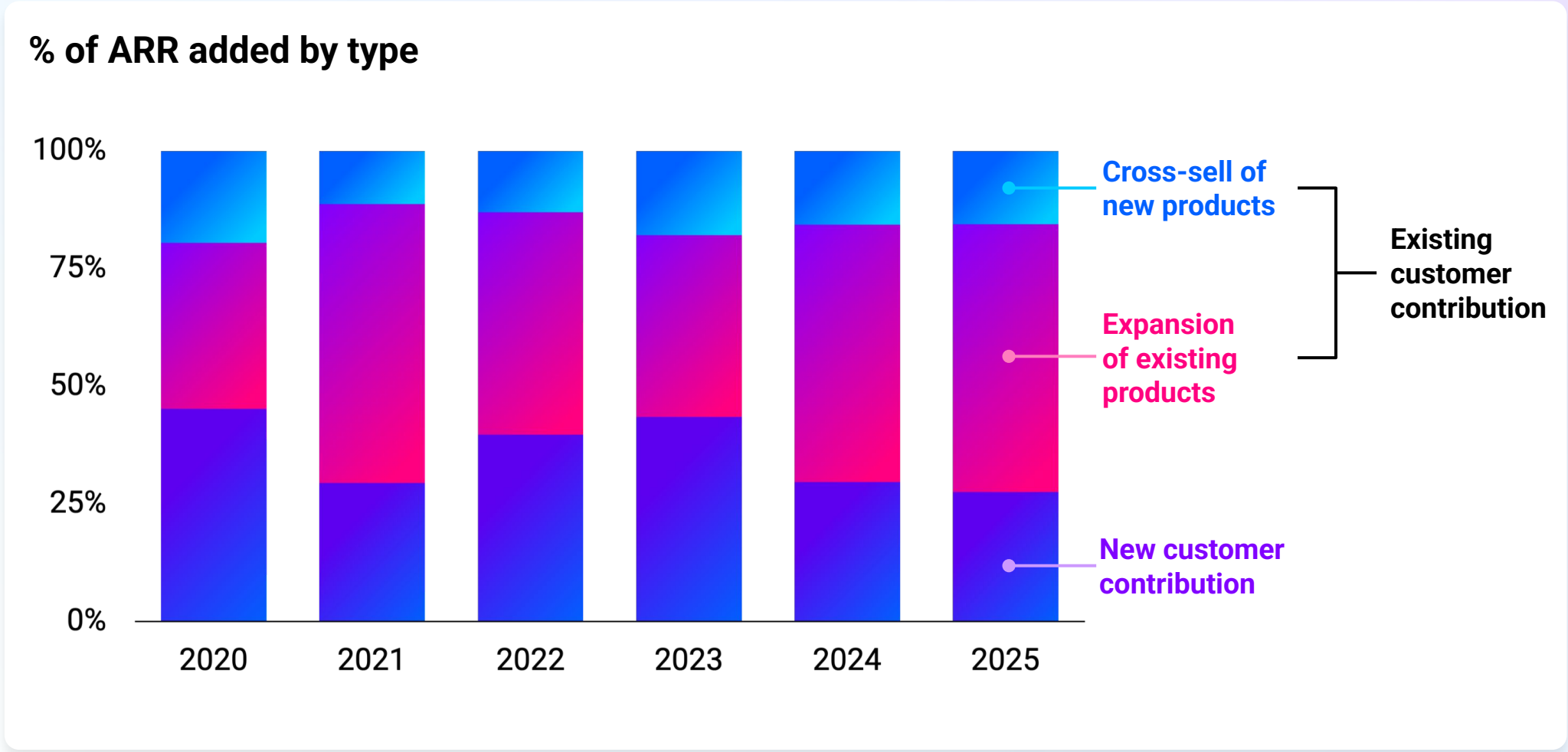
Land-and-expand business model

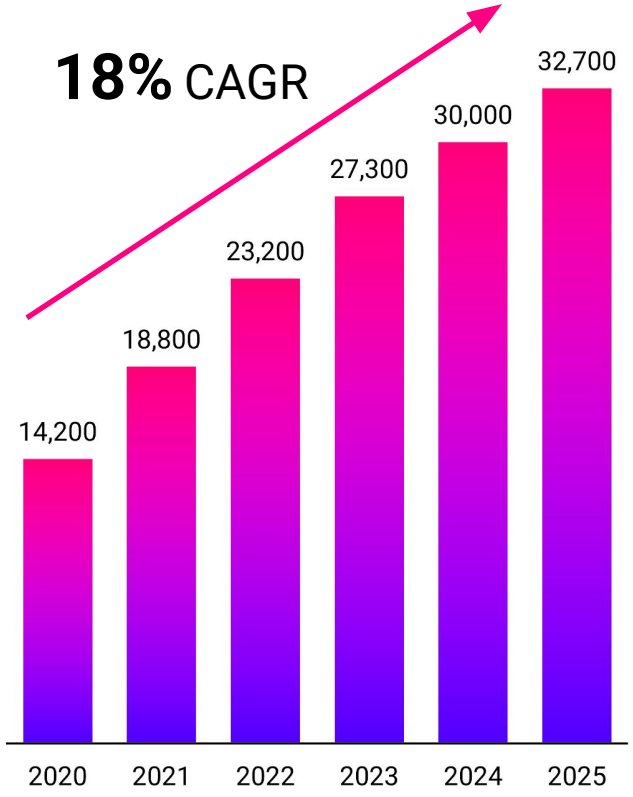


Drivers of revenue growth

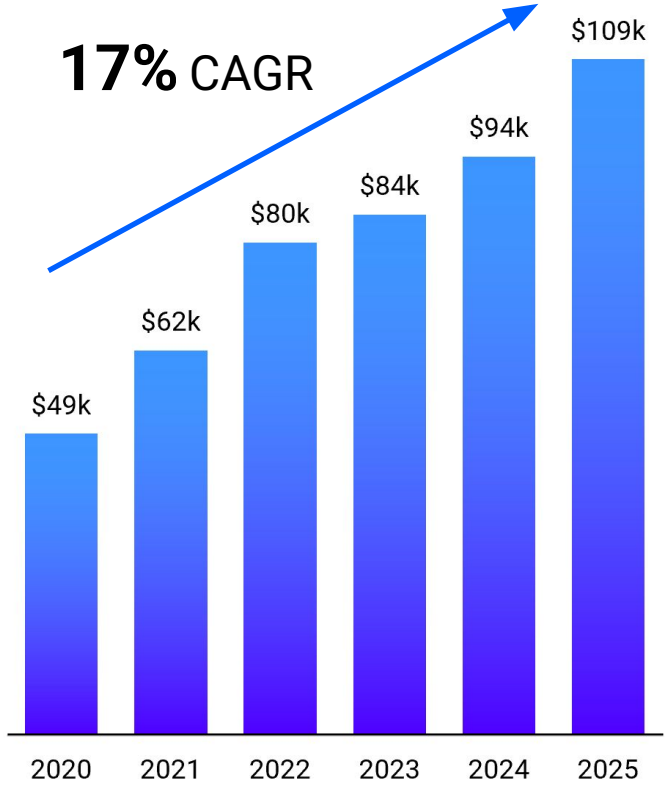


Strong execution delivers robust revenue growth

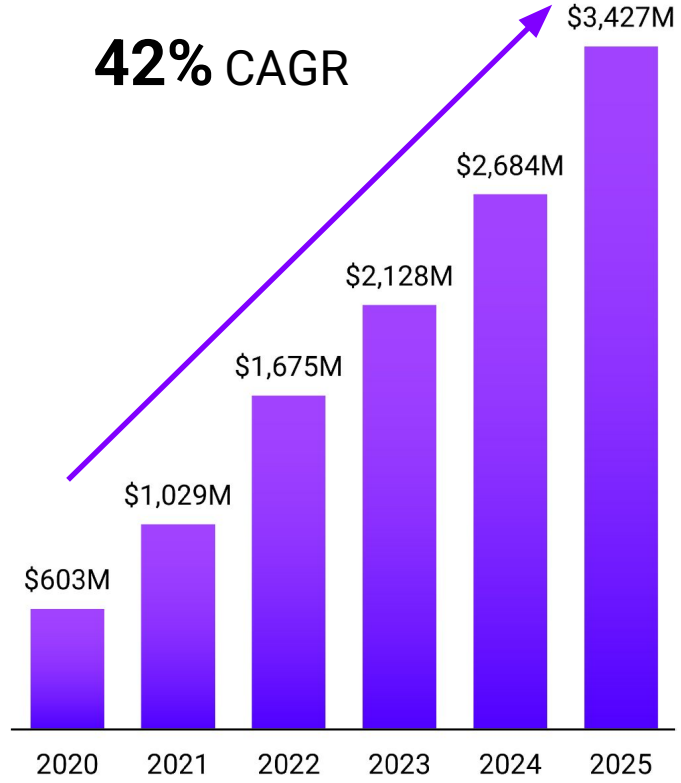
Datadog customers



Revenue per customer



Datadog revenue



As of December, 2025. Revenue per customer calculated from reported revenues and average customers during the period.

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Our growth opportunities

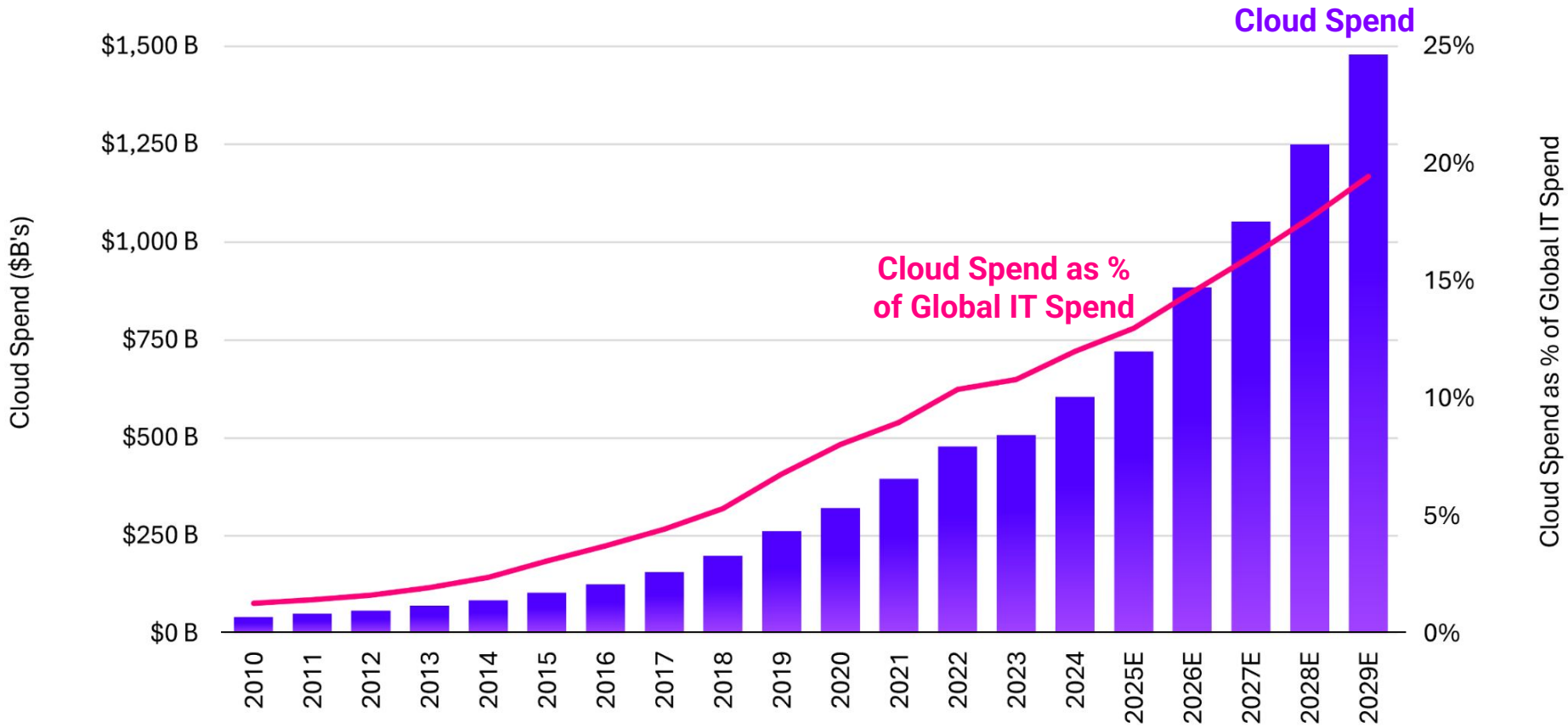
DATADOG

Our growth drivers

1 **Secular tailwind of digital transformation and cloud migration**

Cloud migration and digital transformation

Cloud spend continues to grow rapidly



Gartner Forecast: Public Cloud Services, Worldwide - 2010-2016, 4Q12 Update; 2011-2017, 4Q13 Update; 2012-2018, 4Q14 Update; 2013-2019, 4Q15 Update; 2014-2020, 4Q16 Update; 2015-2021, 4Q17 Update; 2016-2022, 4Q18 Update; 2017-2023, 4Q19 Update; 2018-2024, 4Q20 Update; 2019-2025, 4Q21 Update; 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029, 4Q25 Update.
Gartner Market Databook - 4Q12 Update; 4Q13 Update; 4Q14 Update; 4Q15 Update; 4Q16 Update; 4Q17 Update; 4Q18 Update; 4Q19 Update; 4Q20 Update; 4Q21 Update; 4Q22 Update; 4Q23 Update; 4Q24 Update; 4Q25 Update.

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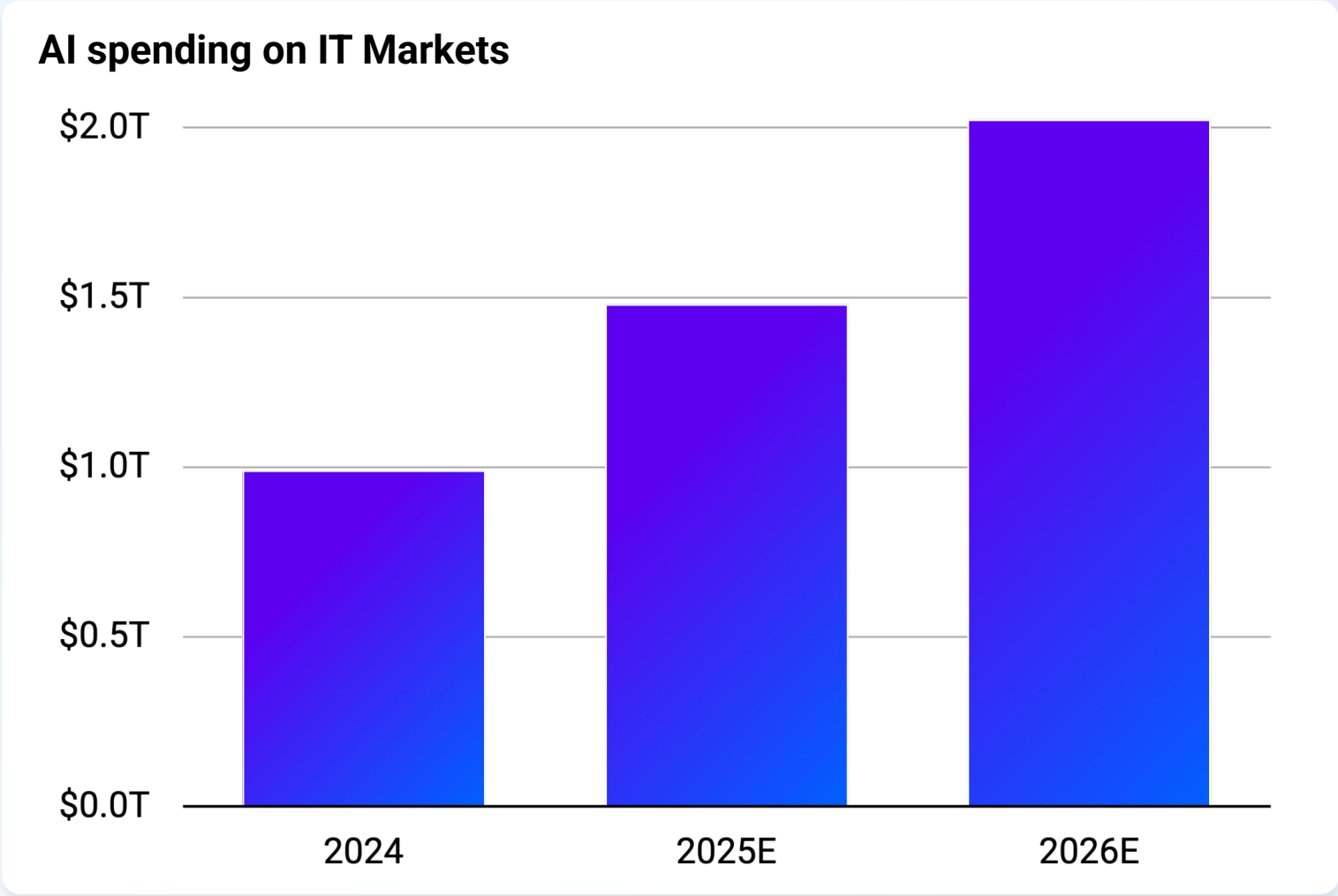
Our growth drivers

1. Secular tailwind of digital transformation and cloud migration

2. Deployment of GenAI and agentic applications driving cloud usage

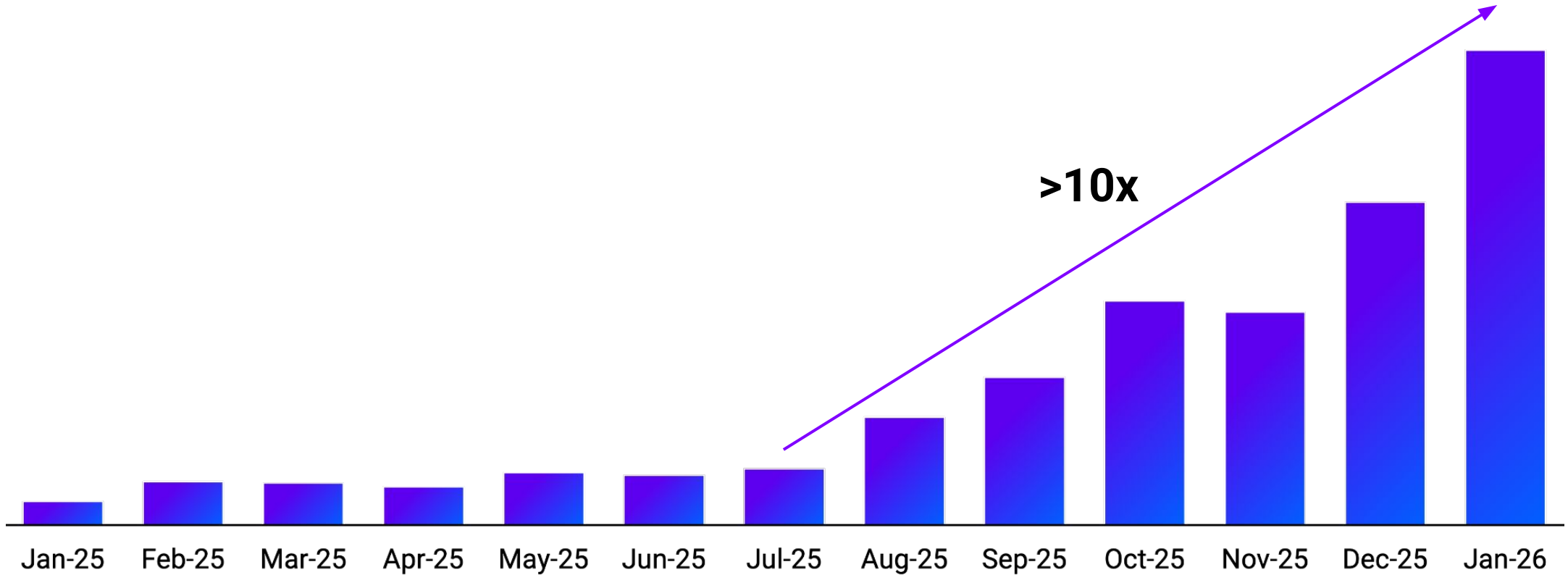
AI - another large market opportunity



Gartner Forecast: AI Spending in IT Markets, Worldwide, 2024-2026, September 2025.

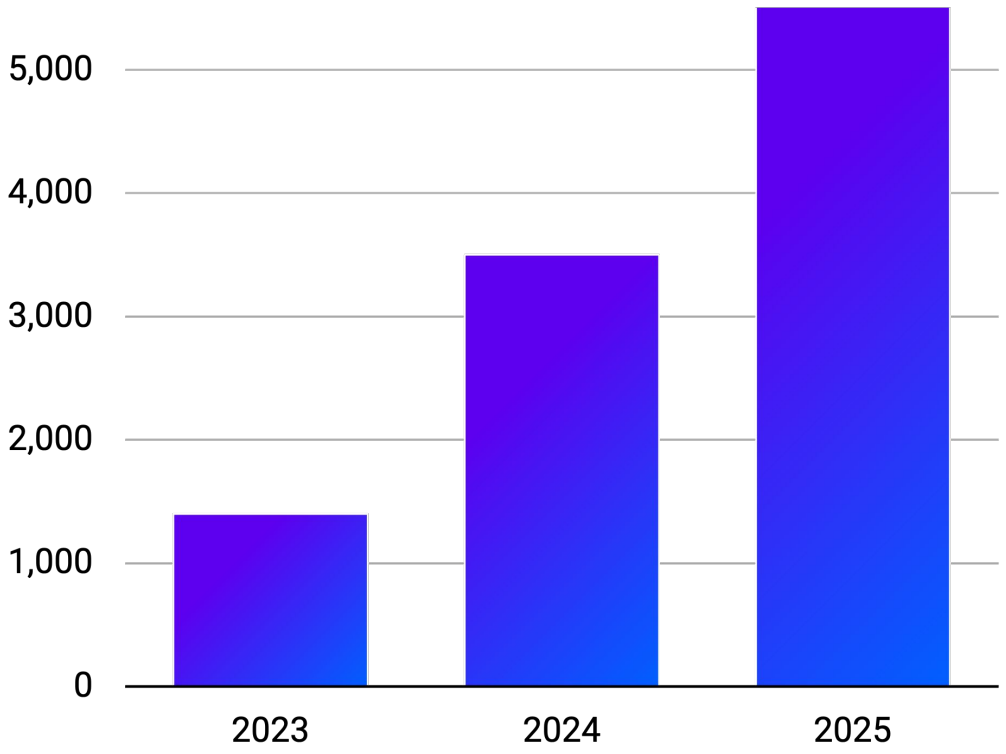
AI Observability momentum

Spans sent to AI Observability

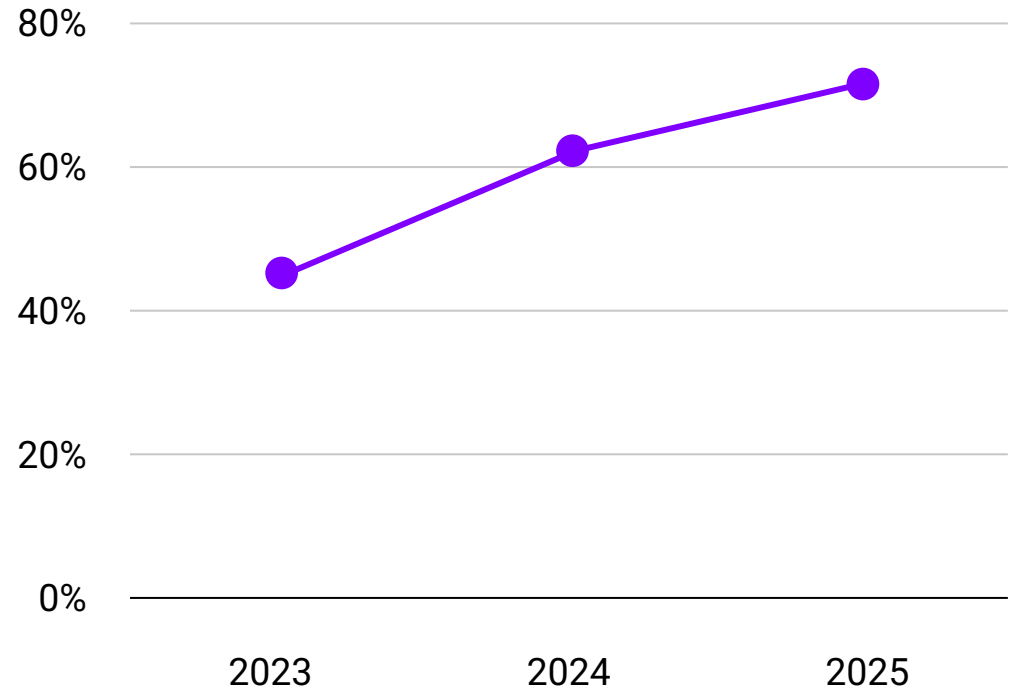


We support our customers' path to AI

of customers using AI integrations



% of total UARR from customers using AI integrations



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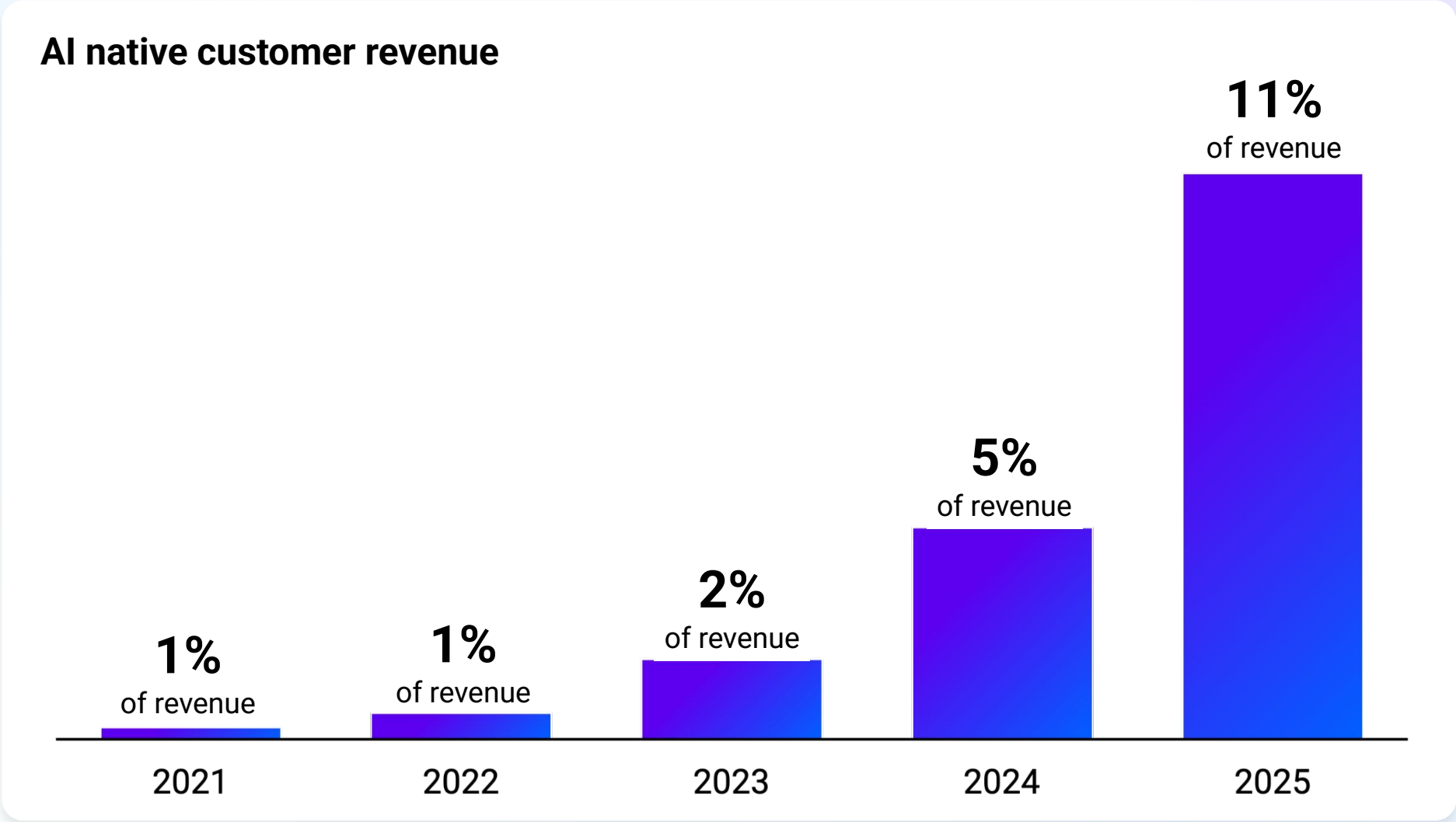
We support AI native customers' business success



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Our growth drivers

1. Secular tailwind of digital transformation and cloud migration
2. Deployment of GenAI and agentic applications driving cloud usage
3. Growing and retaining customers

New logo opportunities

Datadog's logo penetration is

7%

Source: Datadog internal analysis, HG Insights.

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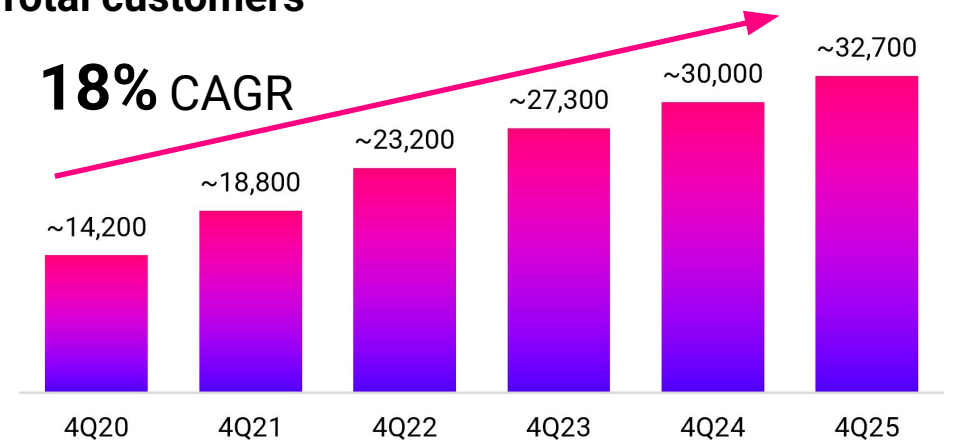
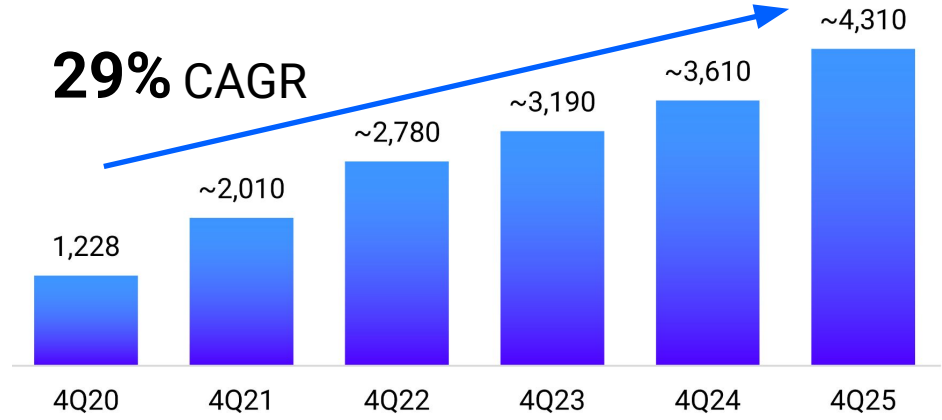
Strong customer growth

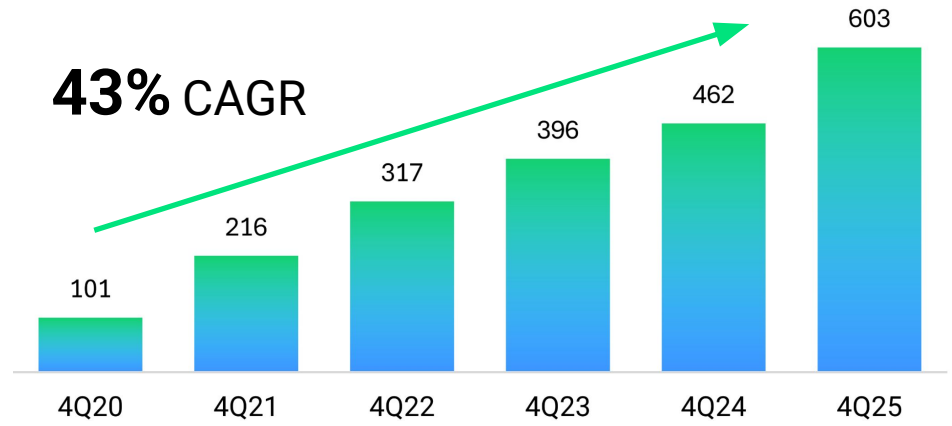
Total customers



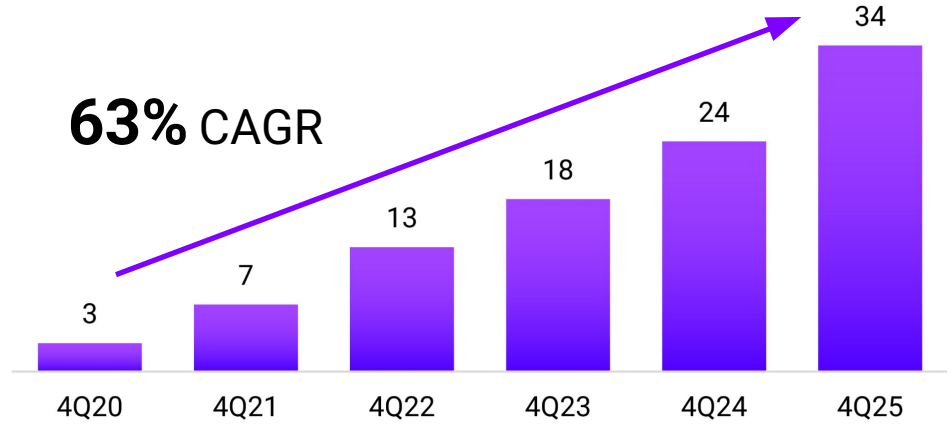
$100k+ customers



$1M+ customers



$10M+ customers



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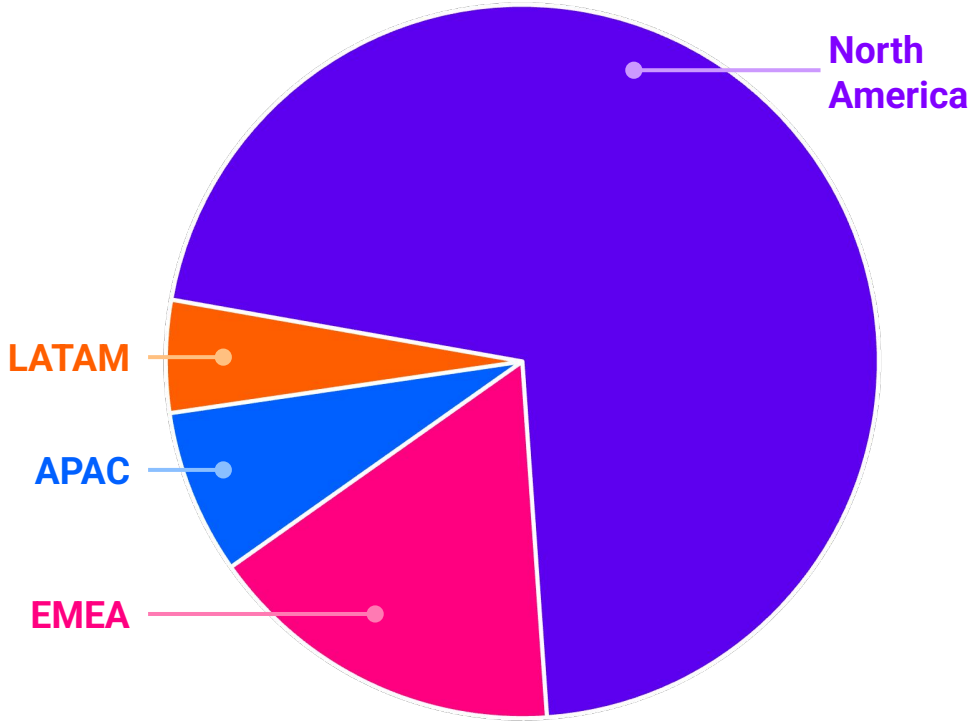
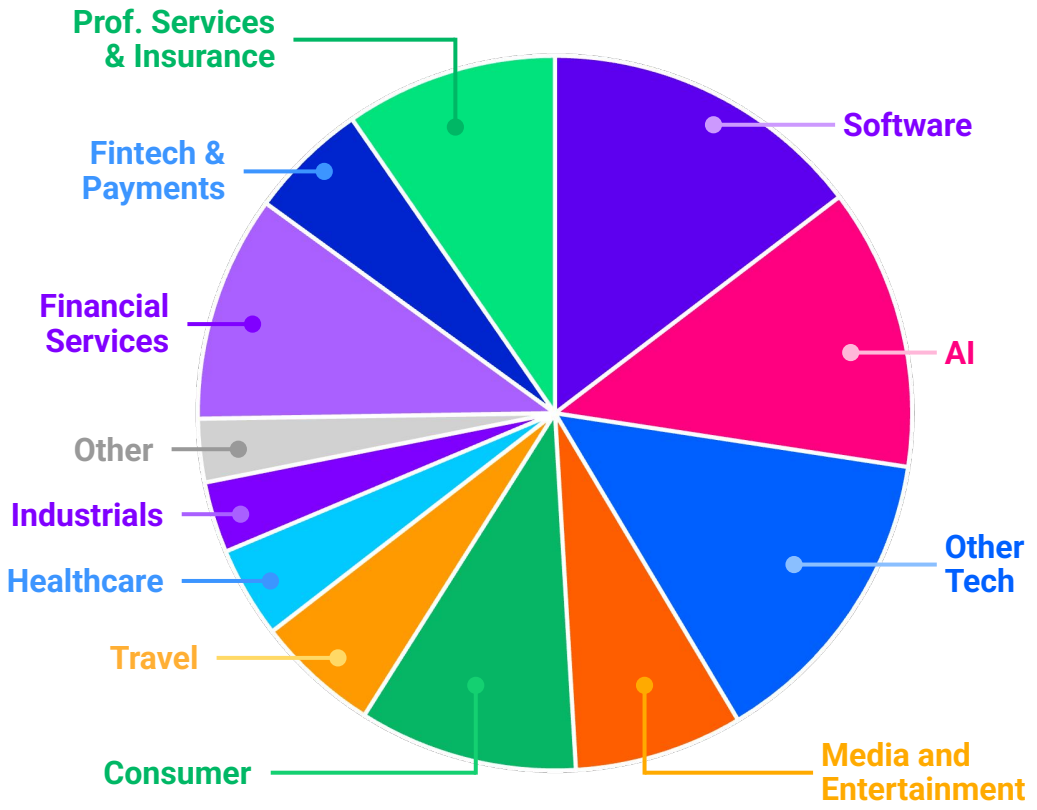
Diversity of customers

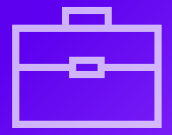
Dec-25 $ARR by region



Dec-25 $ARR by industry



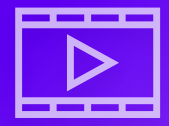
Penetration of top 10 companies by vertical



10 of top 10
Professional Services

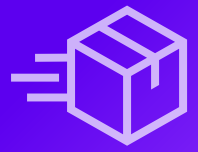
10 of top 10
Payment & Transaction Processors

10 of top 10
Internet Services & Infrastructure



10 of top 10
Entertainment

9 of top 10
E-commerce



8 of top 10
Transportation & Logistics

8 of top 10
Telecommunications

8 of top 10
Industrials & Machinery

Source: Datadog internal analysis, Bloomberg data.

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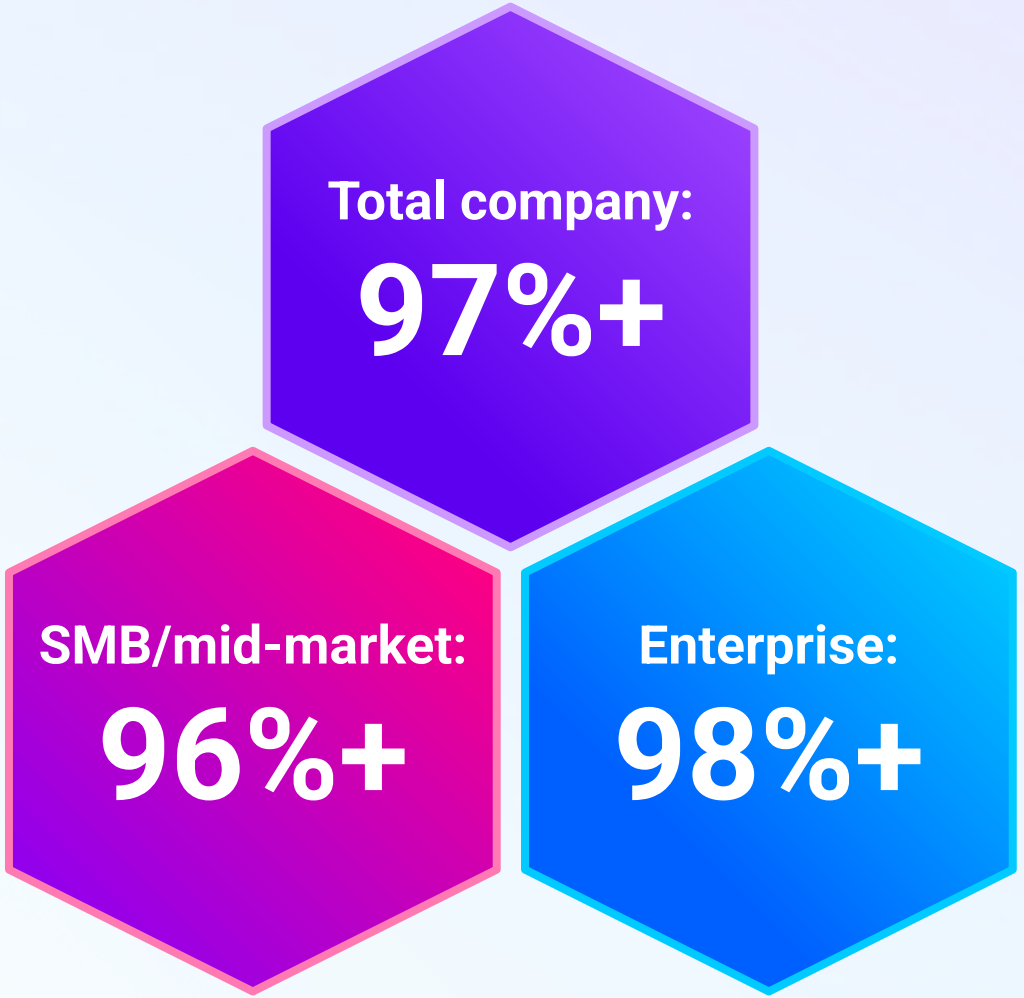
Gross Revenue Retention Percentage



See Appendix for information regarding gross revenue retention.

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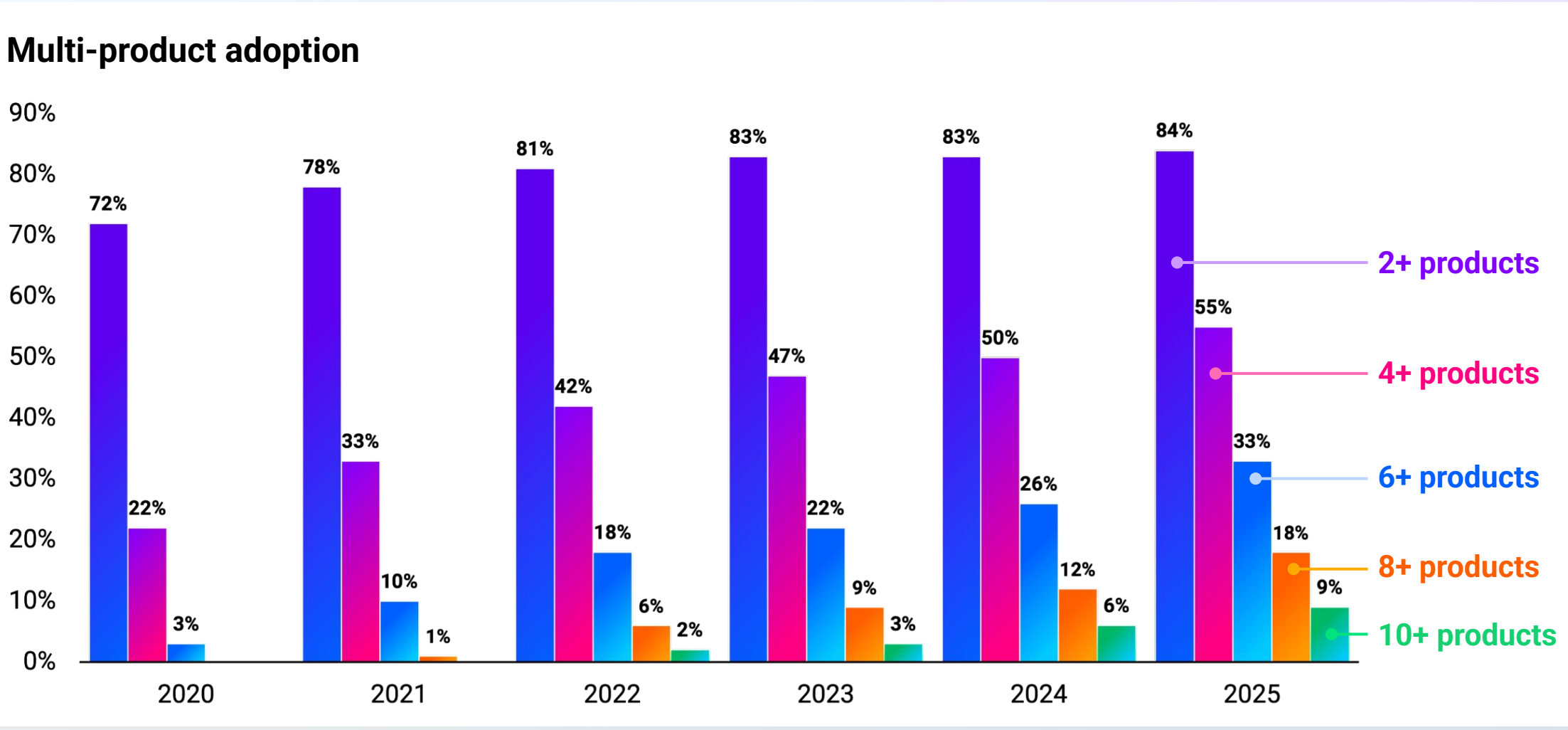
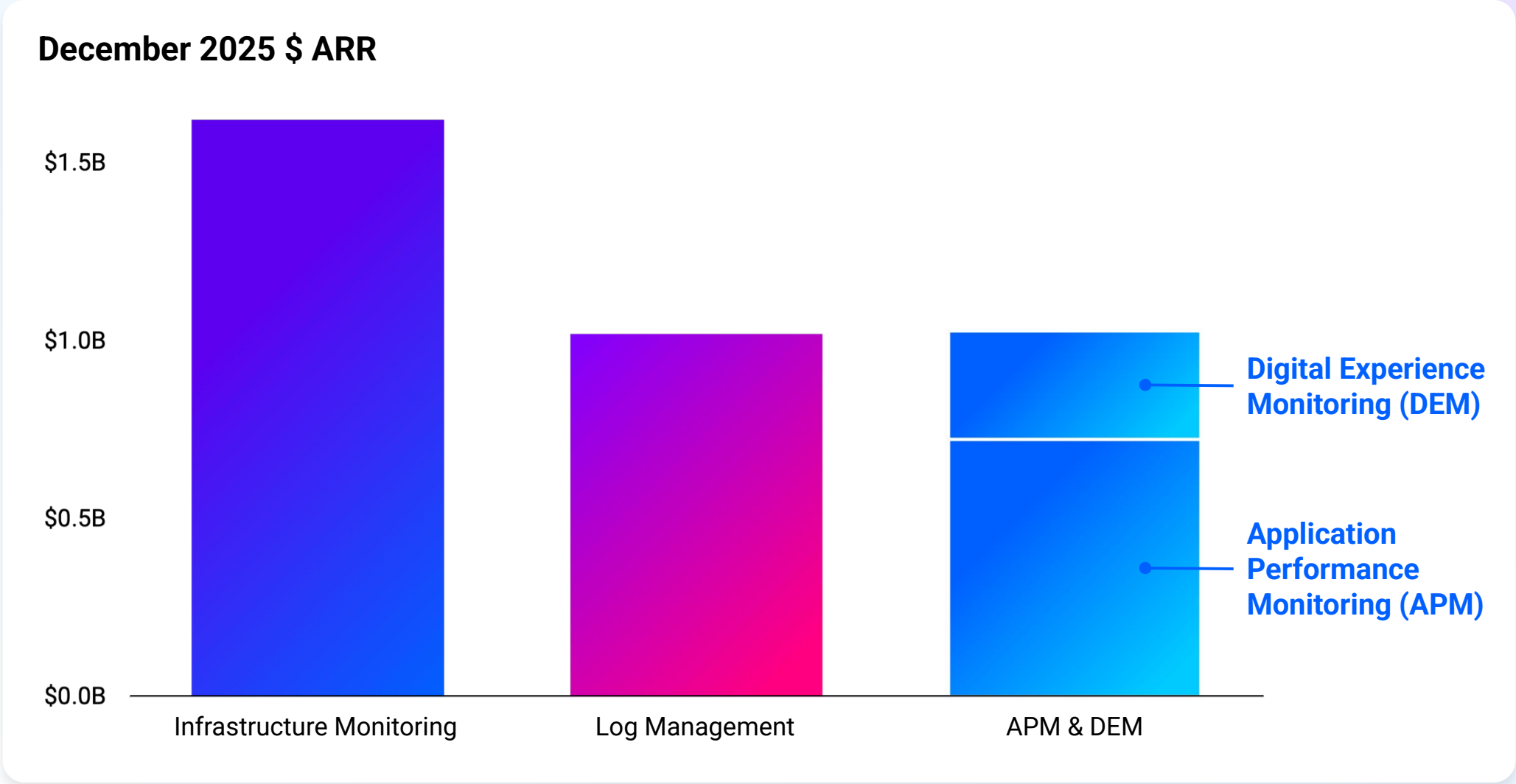
Our Growth Drivers

1. Secular tailwind of digital transformation and cloud migration
2. Deployment of GenAI and agentic applications driving cloud usage
3. Growing and retaining customers
4. Expanding products / use cases for customers

Multi-Product Adoption



3-Pillar ARR



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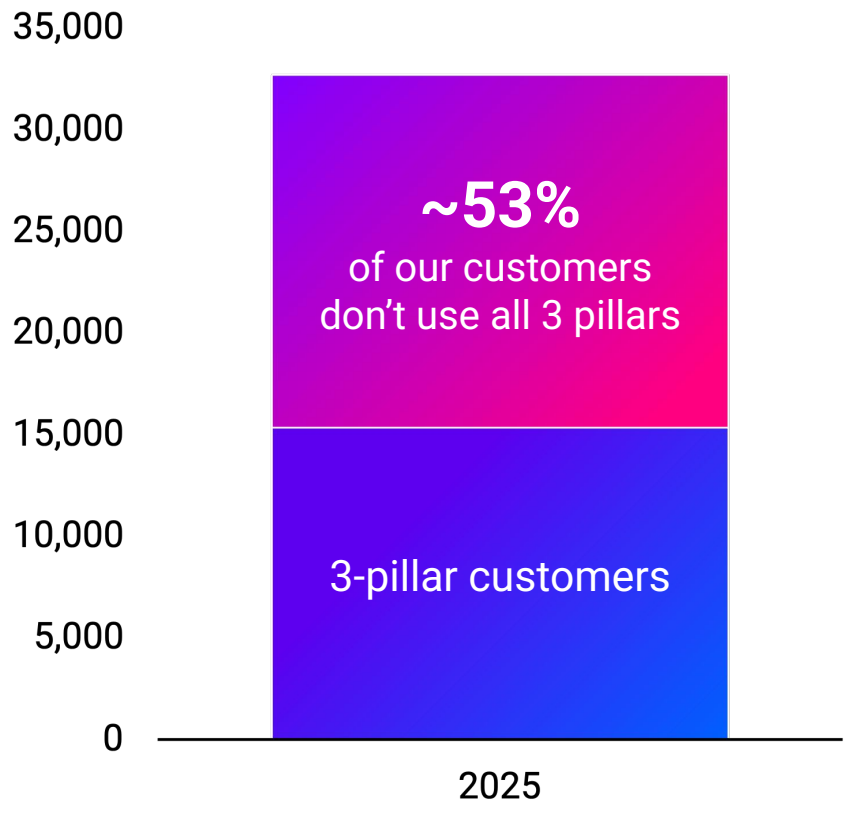
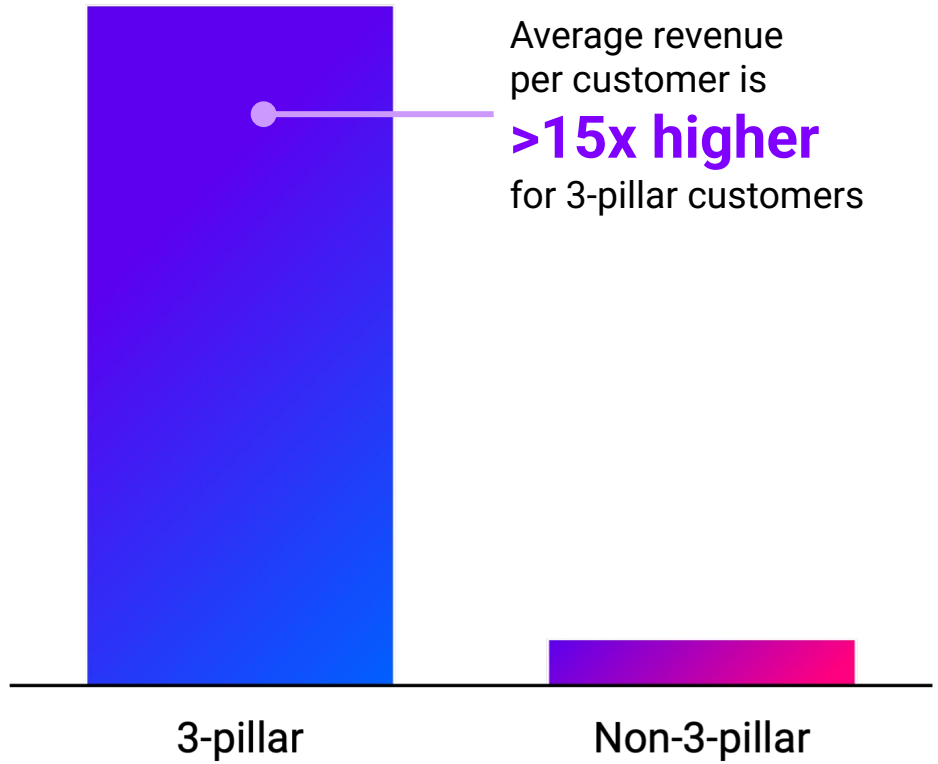
~53% of our customers don’t have all 3 pillars yet

3-pillar customers



Average revenue per customer: 3-pillar vs non-3-pillar



3-pillar customers use all 3 of core Infrastructure Monitoring, core APM, and Log Management. As of Dec-2025.

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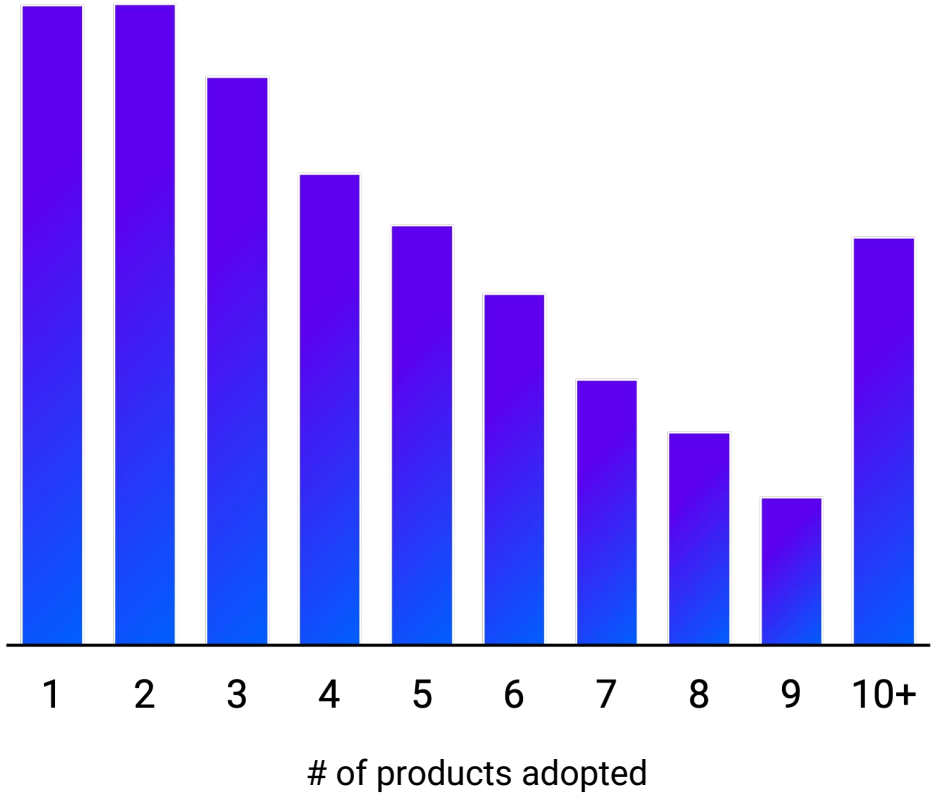
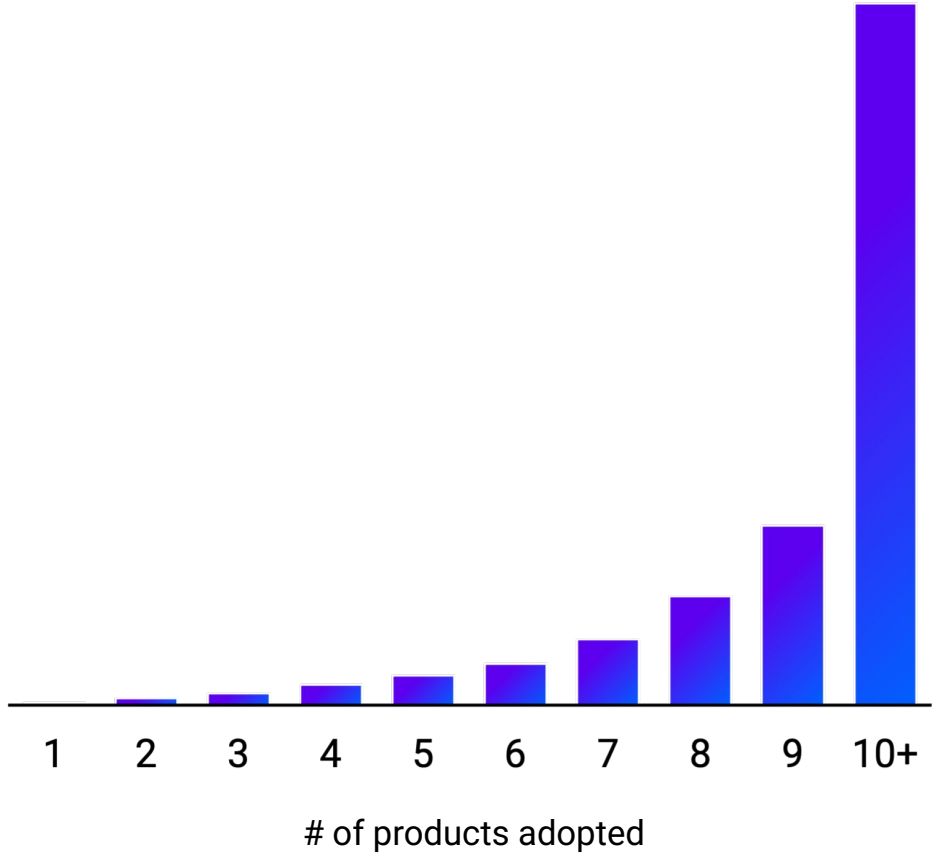
Customers who use more products get more value

of customers taking multiple products



Average ARR per customer taking multiple products



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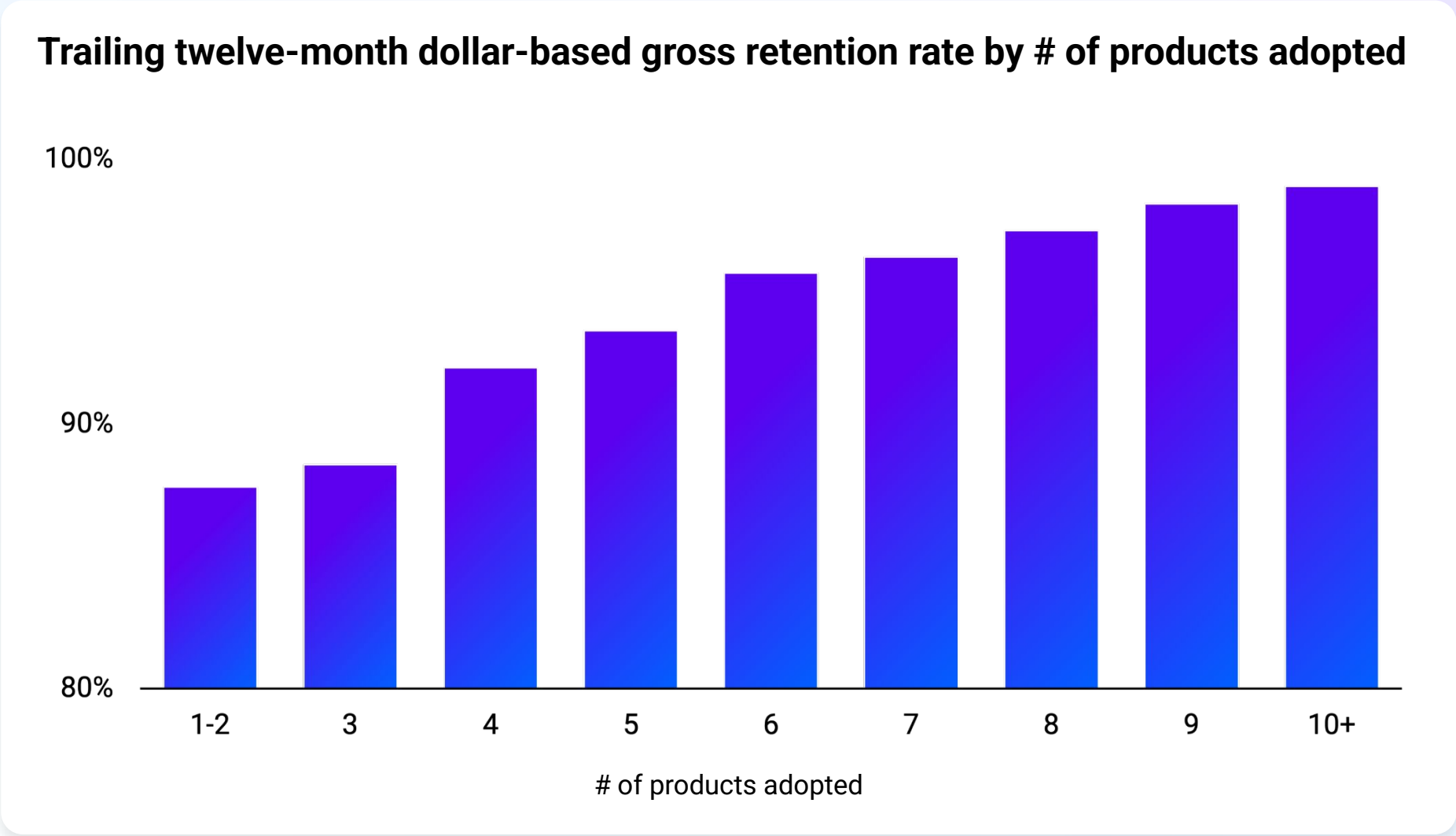
Customers who use more products churn less

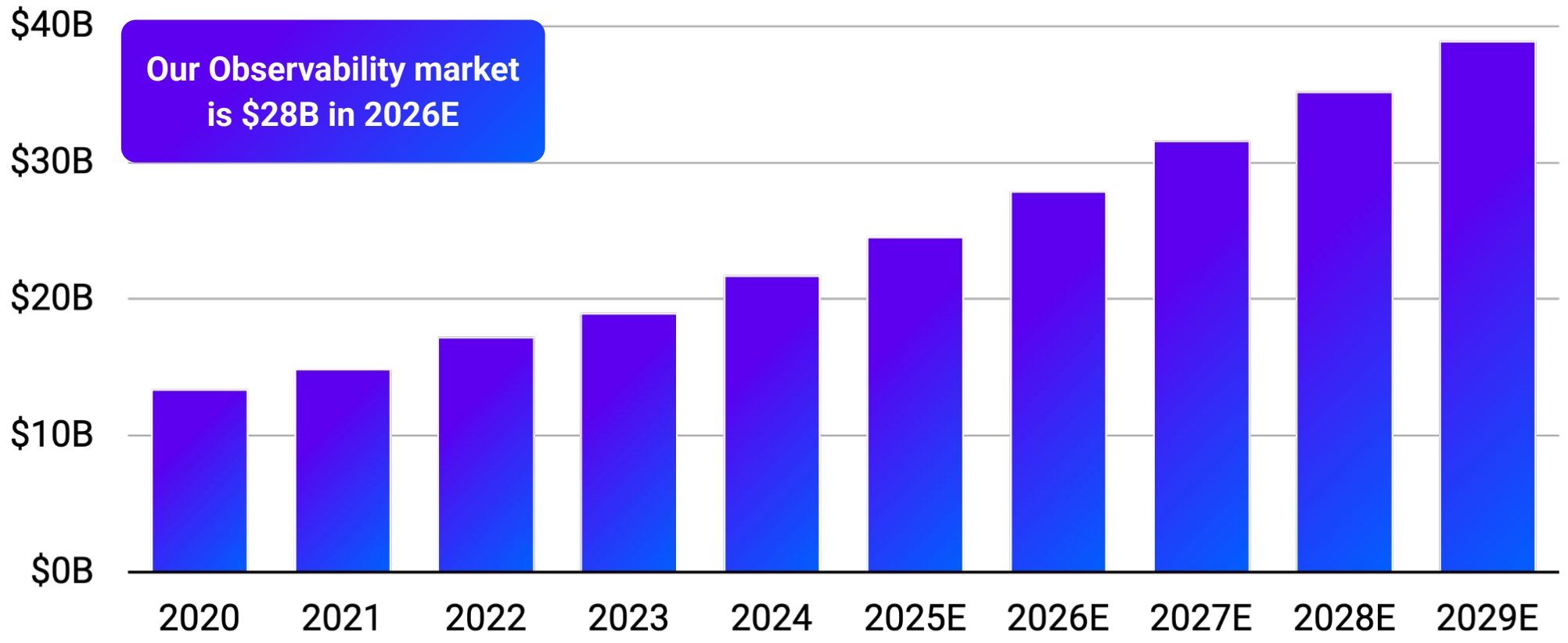


Our growth drivers

1. Secular tailwind of digital transformation and cloud migration
2. Deployment of GenAI and agentic applications driving cloud usage
3. Growing and retaining customers
4. Expanding products / use cases for customers
5. Adding new markets beyond Observability

Large and Growing Observability TAM

Gartner Health & Performance Analytics category, 2020-2029E



Gartner Forecast: Enterprise Infrastructure Software, Worldwide - 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029; 4Q25 Update.

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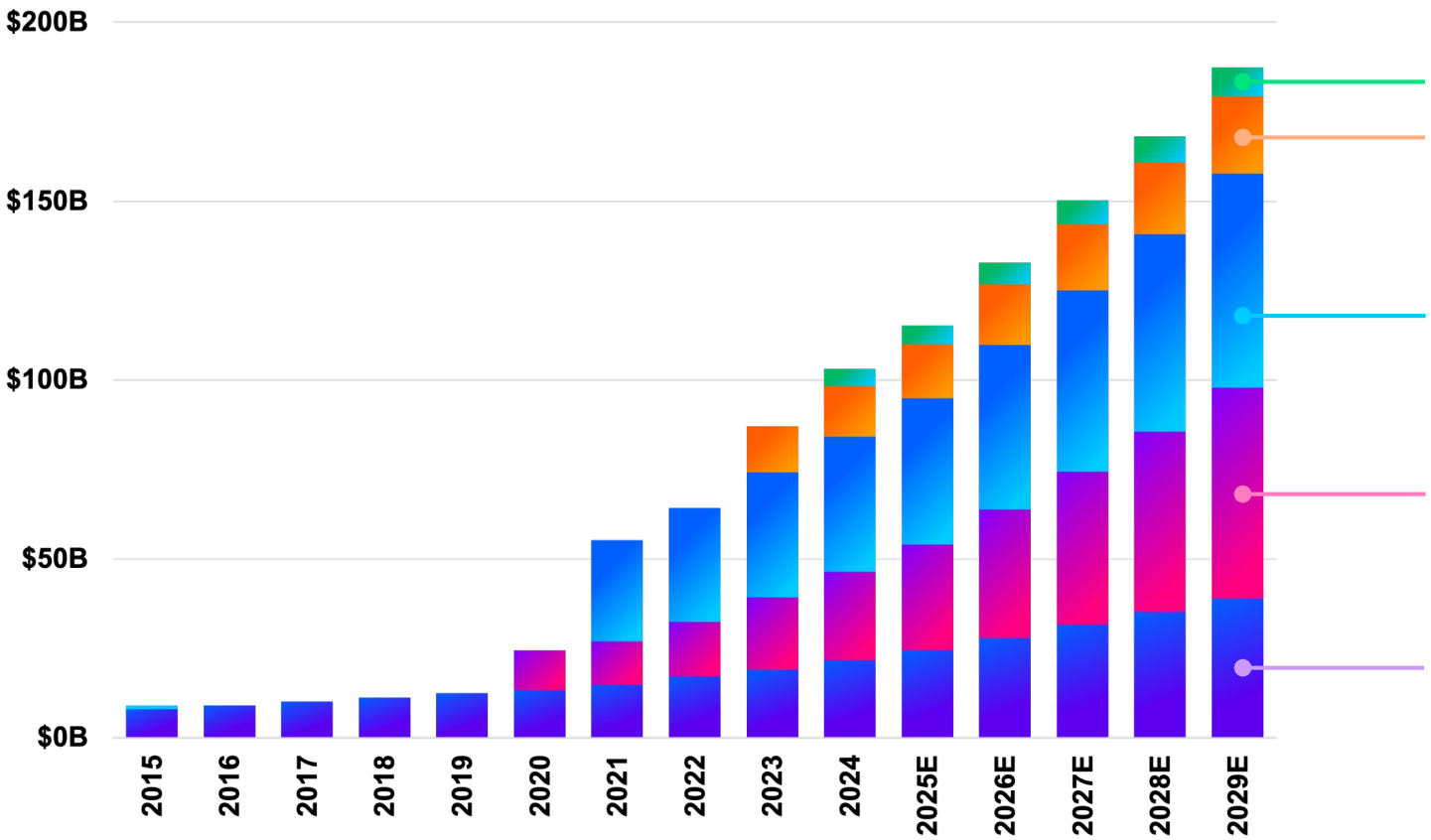
We are adding multiple markets

Datadog market opportunity by major product area



Product Analytics

Service Management

OnCall, Incident Management, Workflow Automation, Bits AI SRE Agent, and more

Software Delivery

CI Visibility, Test Optimization, Continuous Testing, Bits AI Dev Agent, Datadog MCP Server, and more

Security

Cloud Security, Code Security, Cloud SIEM, Data Security, Bits AI Security Agent, and more

Observability

Infrastructure Monitoring, APM, Log Management, Synthetics, RUM, Network Monitoring, LLM Observability, AI Agents Console, and more

Gartner Forecast: Enterprise Infrastructure Software, Worldwide - 2015-2021, 4Q17 Update; 2016-2022, 4Q18 Update; 2017-2023, 4Q19 Update; 2018-2024, 4Q20 Update; 2019-2025, 4Q21 Update; 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029; 4Q25 Update.
Gartner Forecast: Enterprise Application Software, Worldwide - 2015-2021, 4Q17 Update; 2016-2022, 4Q18 Update; 2017-2023, 4Q19 Update; 2018-2024, 4Q20 Update; 2019-2025, 4Q21 Update; 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029; 4Q25 Update.
Gartner Forecast: Information Security, Worldwide - 2015-2021, 4Q17 Update; 2016-2022, 4Q18 Update; 2017-2023, 4Q19 Update; 2018-2024, 4Q20 Update; 2019-2025, 4Q21 Update; 2020-2026, 4Q22 Update; 2021-2027, 4Q23 Update; 2022-2028, 4Q24 Update; 2023-2029; 4Q25 Update.

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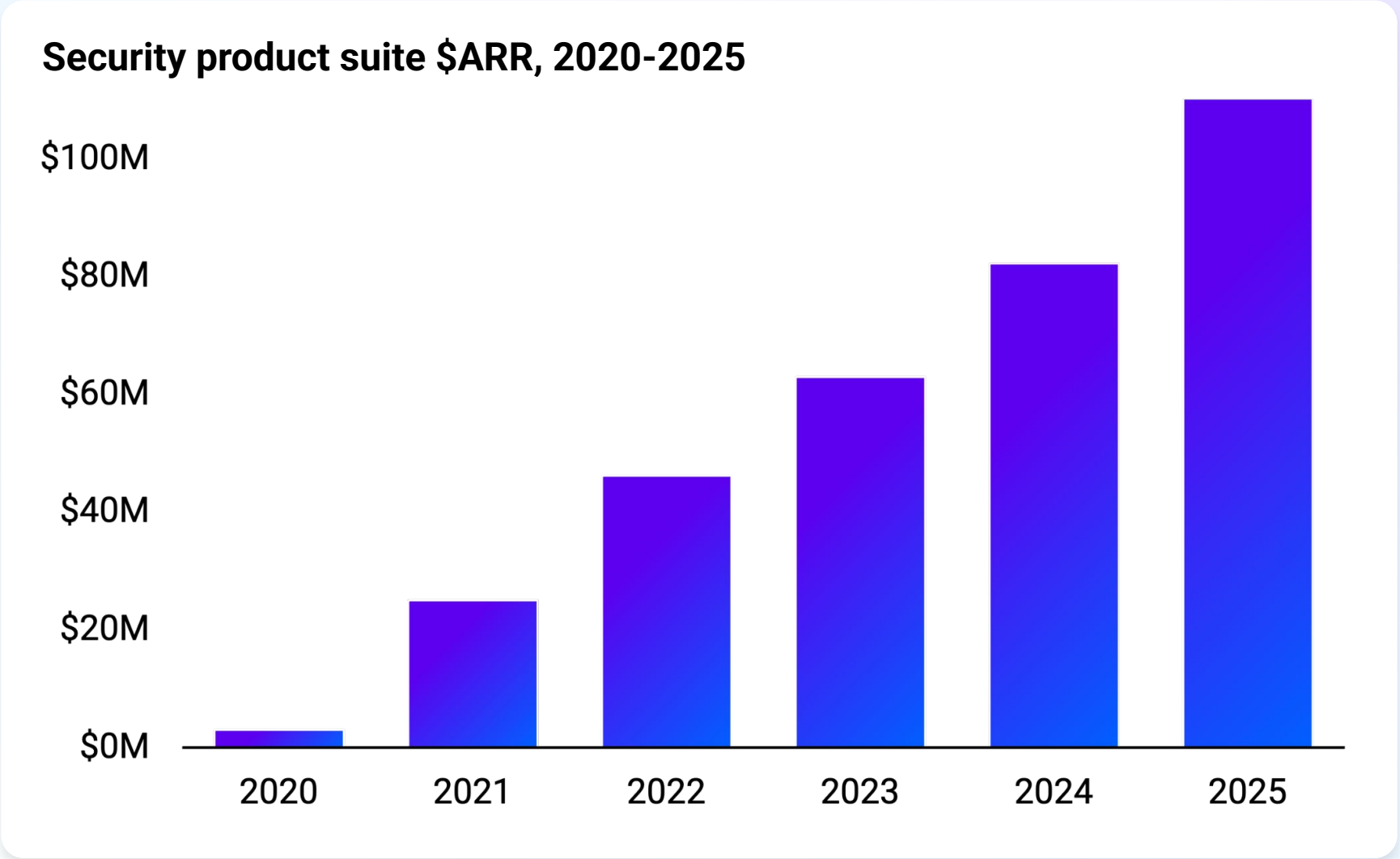
Security Product Business Expansion



Security Product Suite includes Cloud Security, Code Security, AI & Data Security, and Cloud SIEM

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Our margins and profitability

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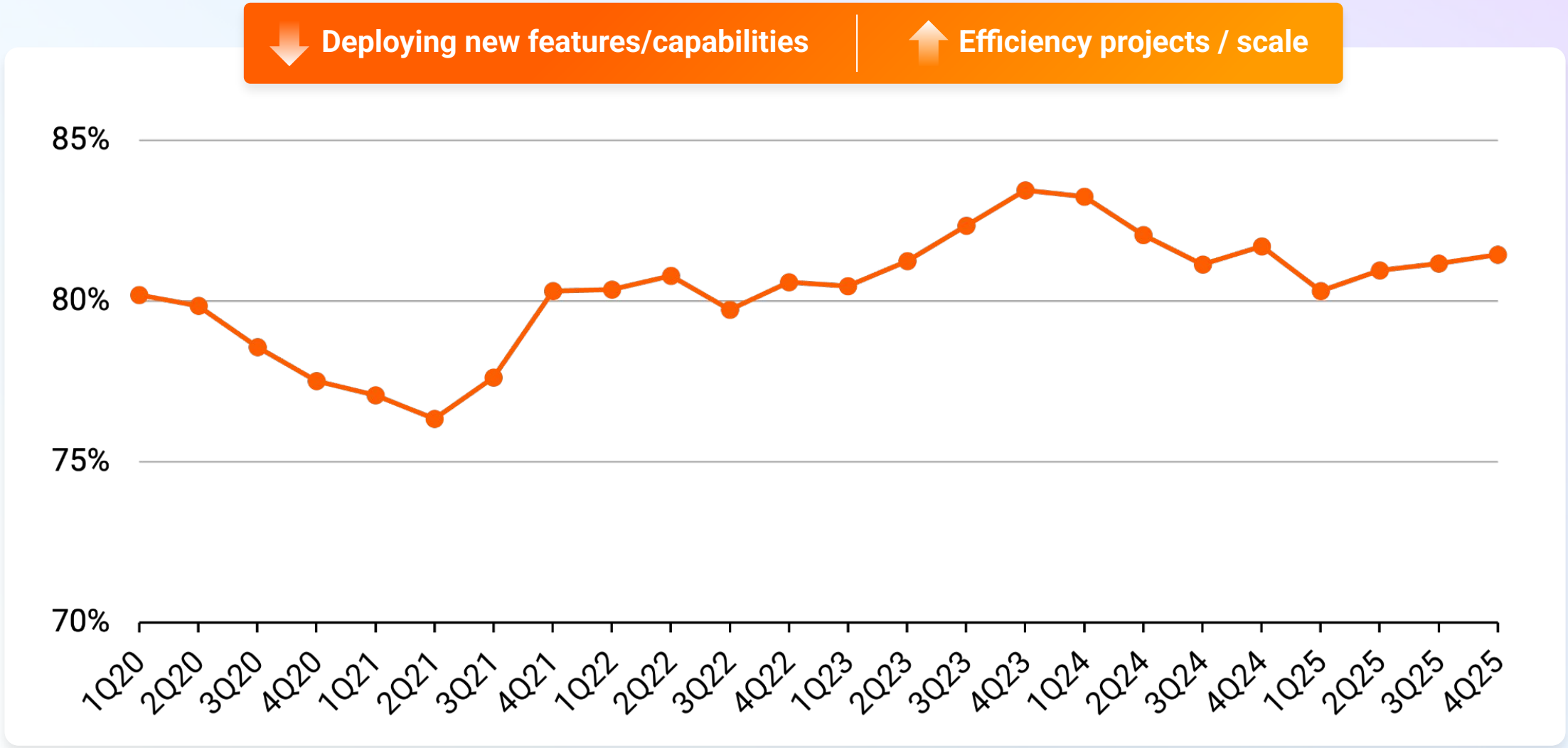
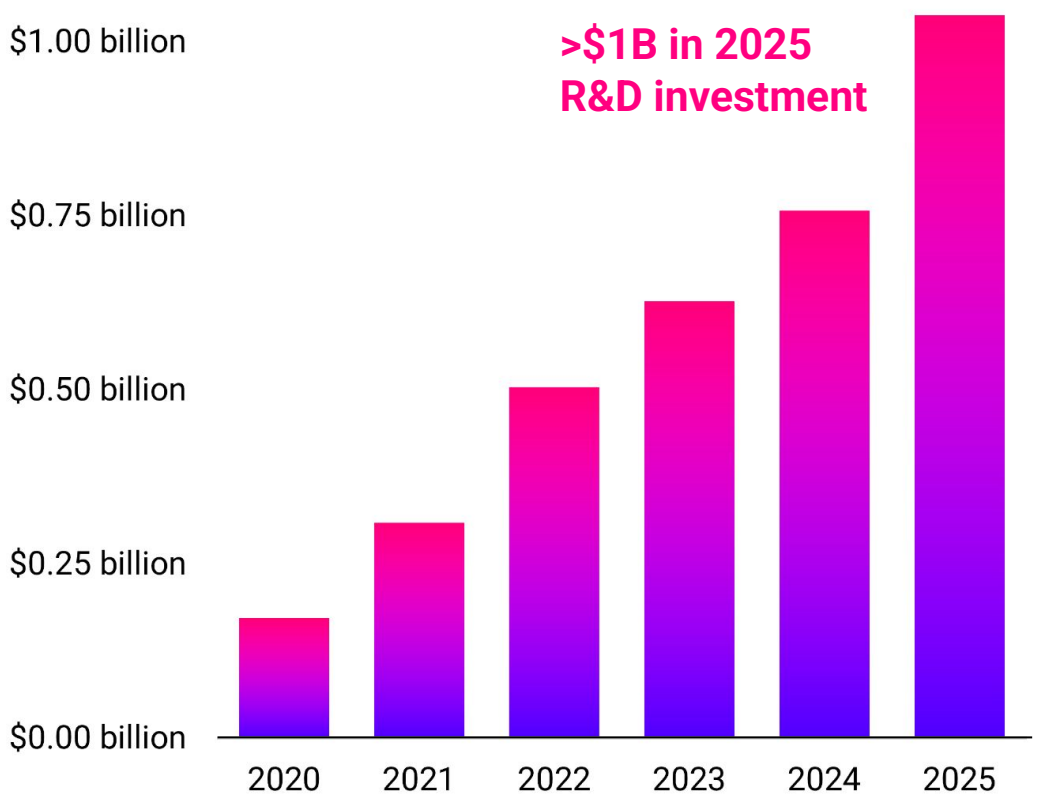
Datadog non-GAAP gross margin %



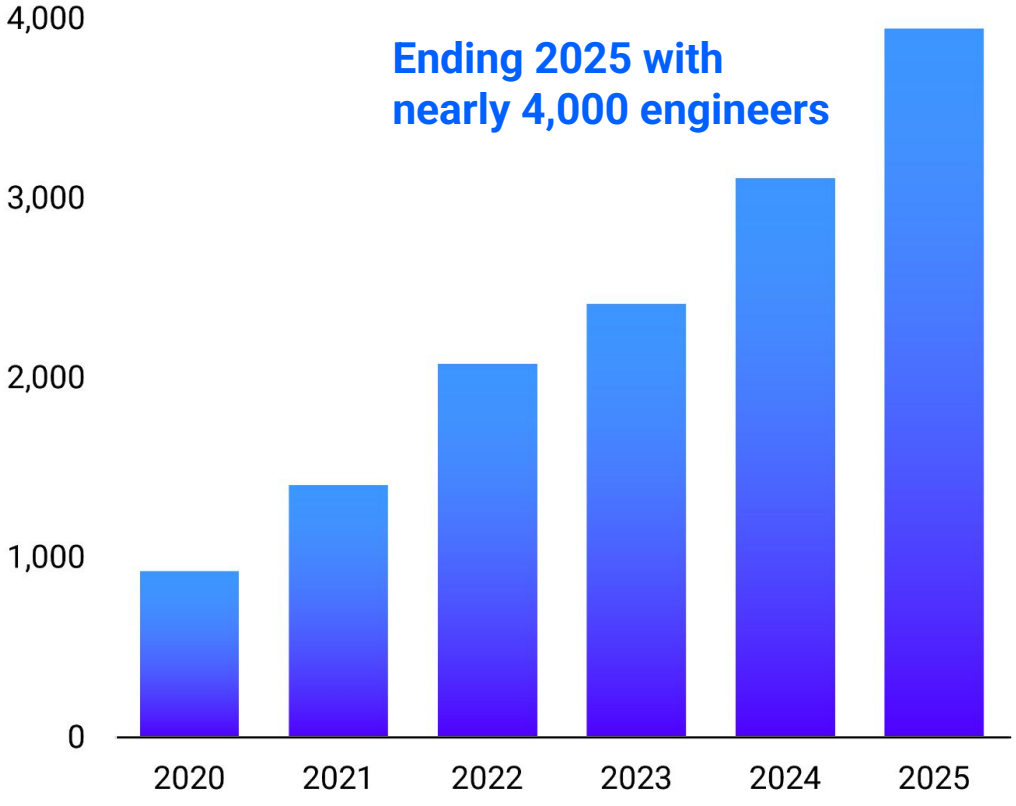
(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

Datadog invests in innovation

Datadog non-GAAP R&D spend(1)



Datadog R&D headcount



(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

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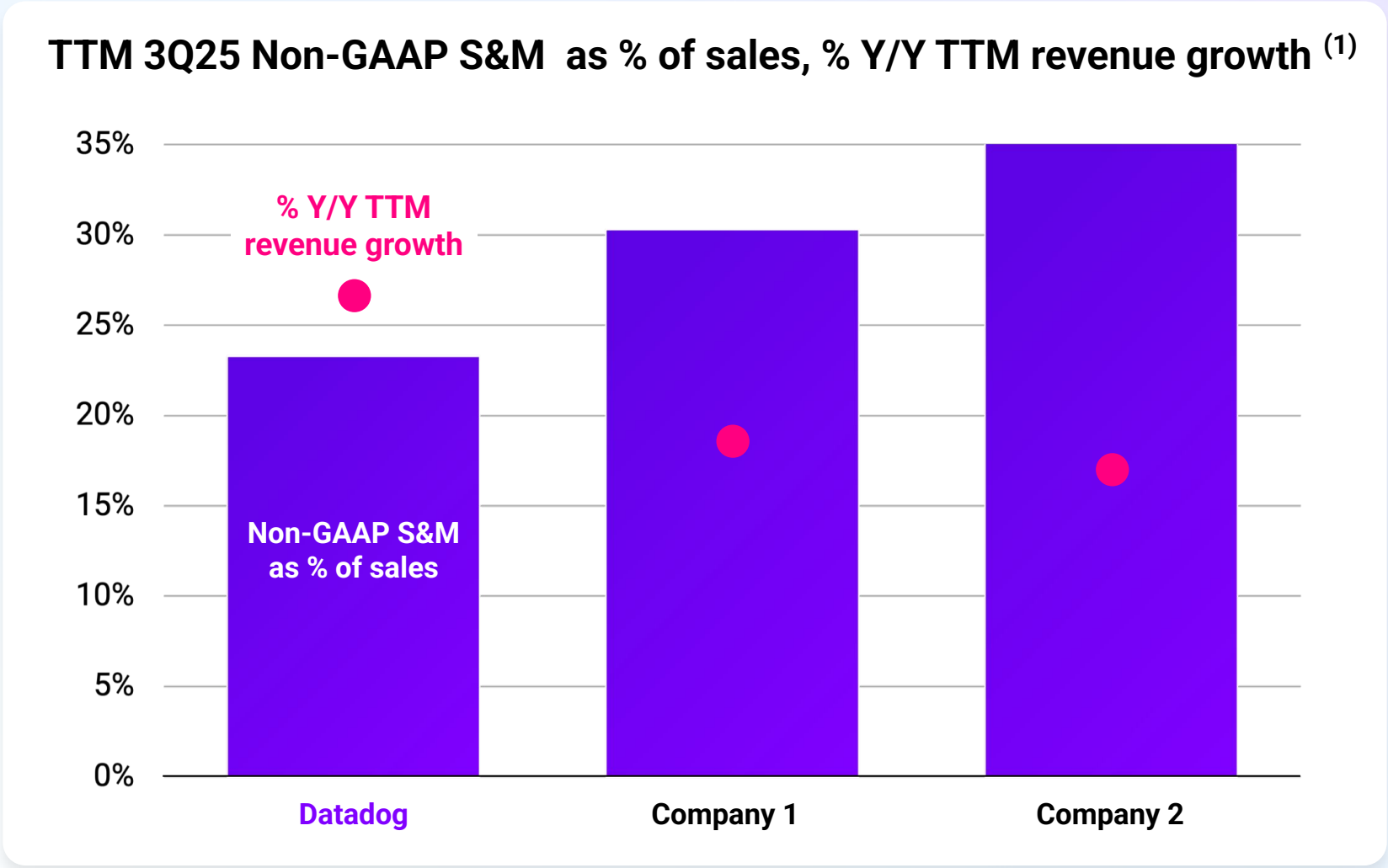
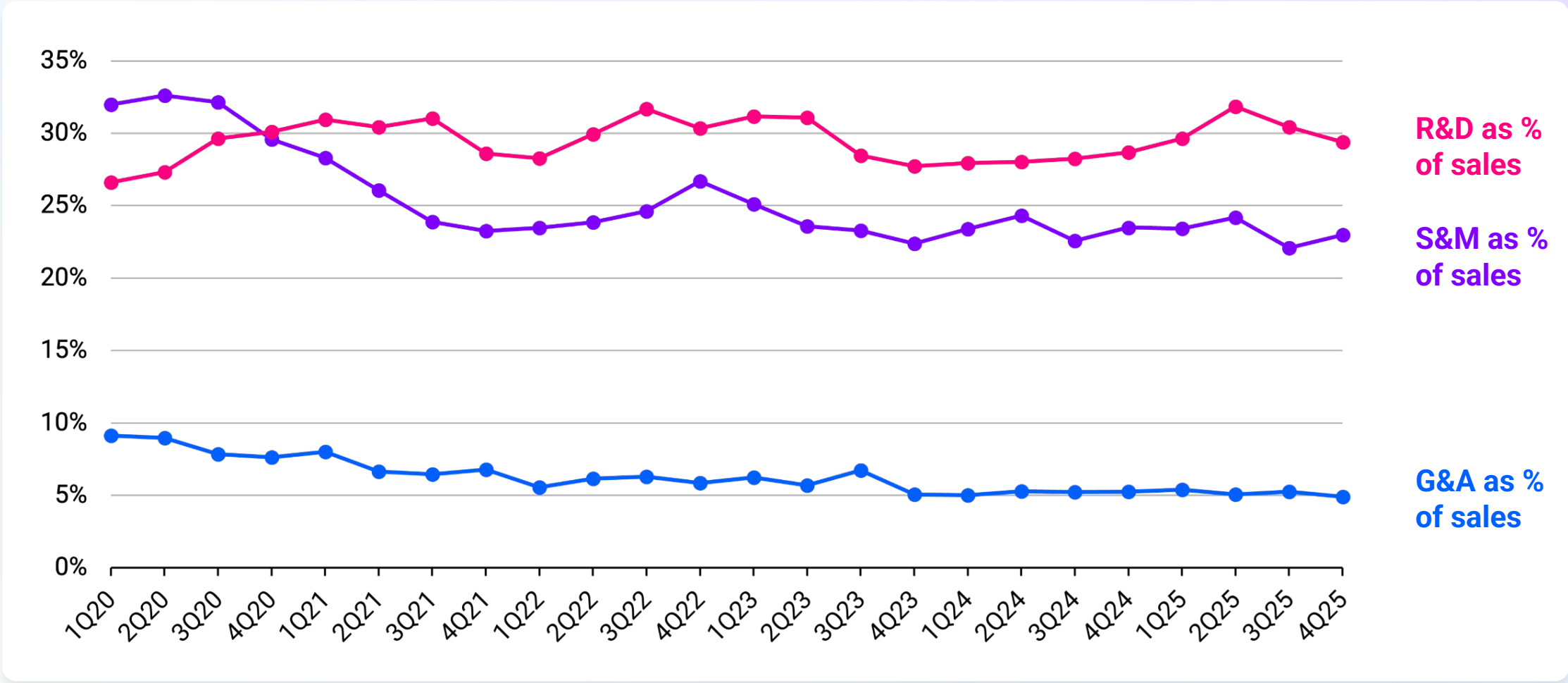
Efficient GTM investment



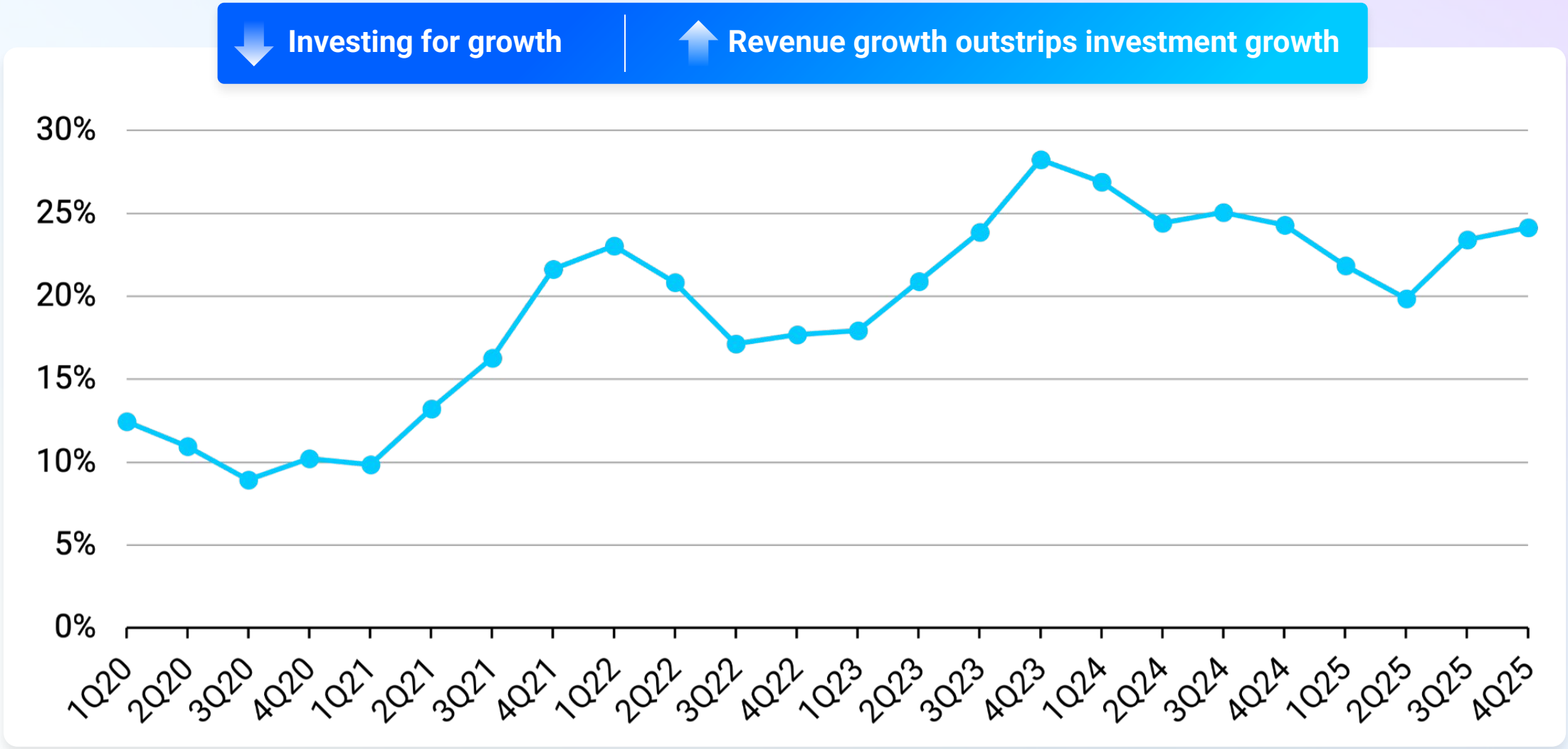
(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

Datadog non-GAAP opex as % of sales



(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

Datadog non-GAAP operating margin %



(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

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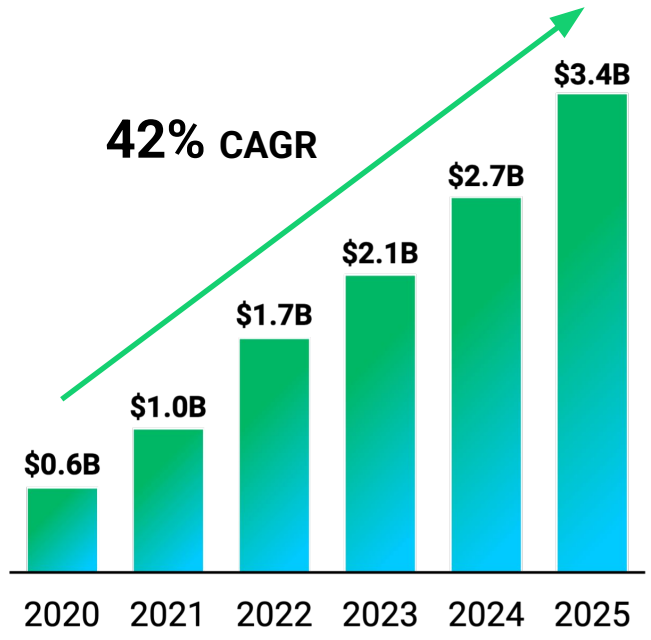
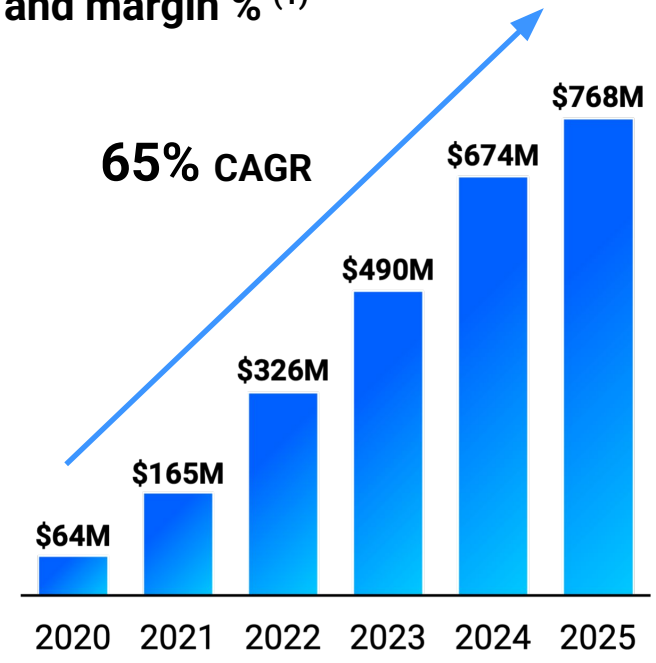
Strong financial performance

Revenue

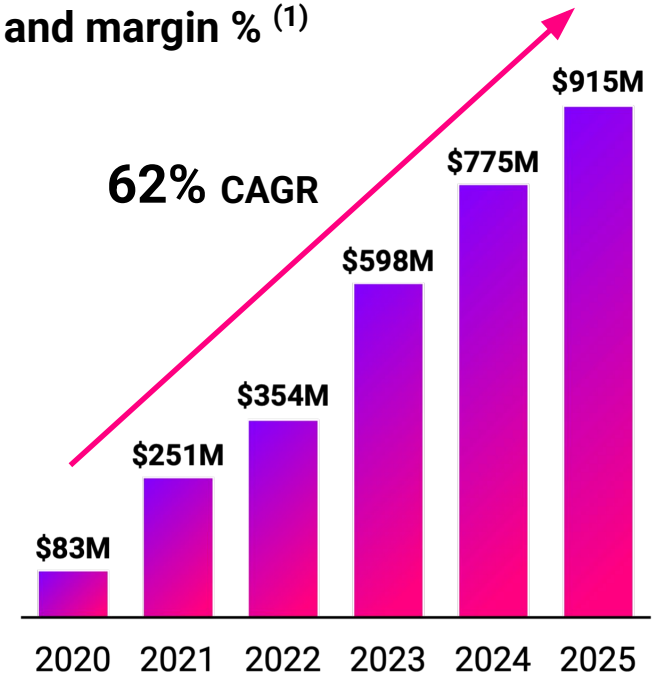


Non-GAAP operating profit and margin % (1)



% Operating margin					
11%	16%	19%	23%	25%	22%

Datadog free cash flow and margin % (1)



% Free cash flow margin					
14%	24%	21%	28%	29%	27%

(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

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Financial goals

This section contains various forward-looking statements regarding financial goals.
See Safe Harbor for important information regarding forward-looking statements

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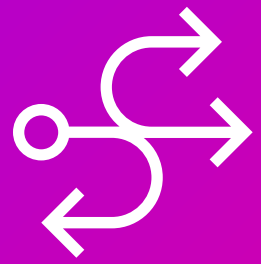
Long-term margins vs. goals

Non-GAAP % (1)	2020	2021	2022	2023	2024	2025	Long-term goal
Gross Margin	79%	78%	80%	82%	82%	81%	
R&D	29%	30%	30%	30%	28%	30%	
S&M	31%	25%	25%	24%	24%	23%	
G&A	8%	7%	6%	6%	5%	5%	
Operating Margin	11%	16%	19%	23%	25%	22%	25%+
Free Cash Flow Margin	14%	24%	21%	28%	29%	27%	

(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures

Capital allocation goals

Generate healthy amounts of FCF



Ensure our leadership has flexibility and capacity to invest

Maintain our thoughtful and disciplined acquisition strategy

Share dilution

2.5-3.0%

Target net dilution related to RSUs/PSUs awarded (1)

(1) Defined as % of weighted average shares outstanding granted as equity awards (options, RSUs, PSUs, etc.) during the period, net of forfeitures and cancellations.

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Appendix

Non-GAAP financial measures and other information

The statistical data, estimates and forecasts referenced in this presentation and the accompanying oral presentation are based on independent industry publications or other publicly available information, as well as information based on our internal sources. While we believe the industry and market data included in this presentation and the accompanying oral presentation are reliable and are based on reasonable assumptions, these data involve many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information.

We define the number of customers as the number of accounts with a unique account identifier for which we have an active subscription in the period indicated. Users of our free trials or tier are not included in our customer count. A single organization with multiple divisions, segments or subsidiaries is generally counted as a single customer. However, in some cases where they have separate billing terms, we may count separate divisions, segments or subsidiaries as multiple customers. Customers as of December 31, 2022 exclude customers from a then-recent acquisition, which did not contribute meaningful revenue during the fiscal year. Other terms such as annual recurring revenue or ARR and dollar-based net revenue retention rate shall have the meanings set forth in our Annual Report on Form 10-K. Dollar-based gross retention rate is calculated by first calculating the point-in-time gross retention as the previous year ARR minus ARR attrition over the last 12 months, divided by the previous year ARR. The ARR attrition for each month is calculated by identifying any customer that has changed their account type to a “free tier,” requested a downgrade through customer support or sent a formal termination notice to us during that month, and aggregating the dollars of ARR generated by each such customer in the prior month. We then calculate the dollar-based gross retention rate as the weighted average of the trailing 12-month point-in-time gross retention rates. We believe dollar-based gross retention rate demonstrates the stickiness of the product category we operate in, and of our platform in particular.

Non-GAAP financial measures and other information

Datadog discloses the following non-GAAP financial measures in this presentation and the accompanying oral presentation: non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative), non-GAAP operating income (loss), non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per diluted share, non-GAAP net income (loss) per basic share, free cash flow and free cash flow margin. Datadog uses each of these non-GAAP financial measures internally to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate Datadog's financial performance. Datadog believes they are useful to investors, as a supplement to GAAP measures, in evaluating its operational performance, as further discussed below. Datadog's non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in its industry, as other companies in its industry may calculate non-GAAP financial results differently, particularly related to non-recurring and unusual items. In addition, there are limitations in using non-GAAP financial measures because the non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies and exclude expenses that may have a material impact on Datadog's reported financial results.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. A reconciliation of the historical non-GAAP financial measures to their most directly comparable GAAP measures has been provided in this Appendix.

Datadog defines non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative), non-GAAP operating income (loss), non-GAAP operating margin and non-GAAP net income (loss) as the respective GAAP balances, adjusted for, as applicable: (1) stock-based compensation expense; (2) the amortization of acquired intangibles; (3) employer payroll taxes on employee stock transactions; (4) M&A transaction costs; (5) amortization of issuance costs; and (6) an assumed provision for income taxes based on our long-term projected tax rate. Non-GAAP financial measures prior to April 1, 2025 have not been adjusted for M&A transaction costs, as such costs were not material to our results of operations in such prior periods. Our estimated long-term projected tax rate is subject to change for a variety of reasons, including the rapidly evolving global tax environment, significant changes in Datadog's geographic earnings mix, or other changes to our strategy or business operations. We will re-evaluate our long-term projected tax rate as appropriate. Datadog defines free cash flow as net cash provided by operating activities, minus capital expenditures and minus capitalized software development costs, if any. Investors are encouraged to review the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measures.

Datadog has not reconciled its expectations as to non-GAAP margins to their most directly comparable GAAP measure as a result of uncertainty regarding, and the potential variability of, reconciling items such as stock-based compensation and employer payroll taxes on equity incentive plans. Accordingly, reconciliation is not available without unreasonable effort, although it is important to note that these factors could be material to Datadog's results computed in accordance with GAAP.

GAAP to Non-GAAP reconciliation

Gross profit margin ($000's, annual)

	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	$603,466	$1,028,784	$1,675,100	$2,128,359	$2,684,275	$3,427,158
GAAP gross profit	$473,269	$794,539	$1,328,357	$1,718,451	$2,168,744	$2,740,201
GAAP gross margin	**78 %**	**77 %**	**79 %**	**81 %**	**81 %**	**80 %**
Plus: Stock-based compensation expense included in cost of revenue	$1,794	$4,565	$10,827	$17,578	$26,221	$29,729
Amortization of acquired intangibles	$943	$3,792	$6,750	$8,041	$5,642	$5,428
Employer payroll taxes on employee stock transactions	$187	$345	$266	$364	$446	$695
Non-GAAP gross profit	$476,193	$803,241	$1,346,200	$1,744,434	$2,201,053	$2,776,053
Non-GAAP gross margin	**79 %**	**78 %**	**80 %**	**82 %**	**82 %**	**81 %**

GAAP to Non-GAAP reconciliation

Operating expenses and operating profit ($000's, annual)

Revenue	$603,466	$1,028,784	$1,675,100	$2,128,359	$2,684,275	$3,427,158
RESEARCH & DEVELOPMENT						
GAAP R&D expense	$210,626	$419,769	$752,351	$962,447	$1,152,703	$1,548,451
GAAP R&D expense as a % of revenue	**35 %**	**41 %**	**45 %**	**45 %**	**43 %**	**45 %**
Less: Stock-based compensation expense	38,008	101,942	237,120	313,096	363,301	469,526
Less: Employer payroll taxes on employee stock transactions	2,836	8,143	10,384	21,449	31,134	40,183
Plus: Other Non-GAAP adj.[1]	(2,729)	—	—	—	—	—
Non-GAAP R&D expense	$172,511	$309,684	$504,847	$627,902	$758,268	$1,038,742
Non-GAAP R&D expense as a % of revenue	**29 %**	**30 %**	**30 %**	**30 %**	**28 %**	**30 %**
SALES & MARKETING						
GAAP S&M expense	$213,660	$299,497	$495,288	$609,276	$756,605	$956,423
GAAP S&M expense as a % of revenue	**35 %**	**29 %**	**30 %**	**29 %**	**28 %**	**28 %**
Less: Stock-based compensation expense	20,467	35,035	76,735	101,937	122,079	156,472
Less: Amortization of acquired intangibles	—	600	825	825	825	945
Less: Employer payroll taxes on employee stock transactions	3,756	6,349	2,766	5,917	4,694	5,923
Plus: Other Non-GAAP adj.[1]	(449)	—	—	—	—	—
Non-GAAP S&M expense	$189,886	$257,513	$414,962	$500,597	$629,007	$793,083
Non-GAAP S&M expense as a % of revenue	**31 %**	**25 %**	**25 %**	**24 %**	**23 %**	**23 %**
GENERAL & ADMINISTRATIVE						
GAAP G&A expense	$62,756	$94,429	$139,413	$180,192	$205,152	$279,700
GAAP G&A expense as a % of revenue	**10 %**	**9 %**	**8 %**	**8 %**	**8 %**	**8 %**
Less: Stock-based compensation expense	14,105	22,195	38,472	49,689	58,735	94,944
Less: Employer payroll taxes on employee stock transactions	839	1,248	830	4,811	6,852	6,999
Less: M&A transaction costs [2]	—	—	—	—	—	1,574
Plus: Other Non-GAAP adj.[1]	(2,383)	—	—	—	—	—
Non-GAAP G&A expense	$50,195	$70,986	$100,111	$125,692	$139,565	$177,757
Non-GAAP G&A expense as a % of revenue	**8 %**	**7 %**	**6 %**	**6 %**	**5 %**	**5 %**
Reconciliation of operating (loss) income and operating margin						
GAAP operating (loss) income	$(13,773)	$(19,156)	$(58,695)	$(33,464)	$54,284	$(44,373)
Plus: Stock-based compensation expense	74,374	163,737	363,154	482,300	570,336	750,671
Plus: Amortization of acquired intangibles	943	4,392	7,575	8,866	6,467	6,373
Plus: Employer payroll taxes on employee stock transactions	7,618	16,085	14,246	32,541	43,126	53,800
Plus: M&A transaction costs [2]	—	—	—	—	—	1,574
Plus: Other Non-GAAP adj.[1]	(5,561)	—	—	—	—	—
Non-GAAP operating income	$63,601	$165,058	$326,280	$490,243	$674,213	$768,046
GAAP operating margin	**(2)%**	**(2)%**	**(4)%**	**(2)%**	**2 %**	**(1)%**
Non-GAAP operating margin	**11 %**	**16 %**	**19 %**	**23 %**	**25 %**	**22 %**

(1) Non-cash benefit related to the release of a non-income tax liability

(2) The year ended December 31, 2025 is adjusted for M&A transaction costs, and these adjustments are applied prospectively, as these costs were not material to the consolidated results of operations in the prior periods.

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GAAP to Non-GAAP reconciliation

Gross profit margin, operating expenses and operating profit ($000's, quarterly)

	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Revenue	$131,248	$140,012	$154,675	$177,531	$198,549	$233,549	$270,488	$326,198	$363,030	$406,138	$436,533	$469,399
Reconciliation of gross profit and gross margin												
GAAP gross profit	$104,769	$111,134	$120,691	$136,675	$151,883	$176,451	$207,156	$259,049	$288,568	$324,213	$342,934	$372,642
GAAP gross margin	**80 %**	**79 %**	**78 %**	**77 %**	**76 %**	**76 %**	**77 %**	**79 %**	**79 %**	**80 %**	**79 %**	**79 %**
Plus: Stock-based compensation expense	231	407	529	627	701	829	1,427	1,608	1,653	2,355	3,165	3,654
Plus: Amortization of acquired intangibles	247	147	274	275	355	908	1,311	1,218	1,413	1,482	1,900	1,955
Plus: Employer payroll taxes on employee stock transactions	—	121	32	33	95	96	62	92	102	70	47	47
Non-GAAP gross profit	$105,248	$111,810	$121,527	$137,611	$153,035	$178,285	$209,957	$261,968	$291,736	$328,120	$348,046	$378,298
Non-GAAP gross margin	**80 %**	**80 %**	**79 %**	**78 %**	**77 %**	**76 %**	**78 %**	**80 %**	**80 %**	**81 %**	**80 %**	**81 %**
RESEARCH & DEVELOPMENT												
GAAP R&D expense	$40,824	$45,664	$56,440	$67,698	$79,266	$94,779	$112,675	$133,049	$150,608	$177,699	$205,388	$218,656
Less: Stock-based compensation expense	(5,847)	(8,703)	(10,173)	(13,285)	(16,069)	(21,639)	(27,239)	(36,995)	(44,696)	(53,309)	(65,321)	(73,794)
Less: Employer payroll taxes on employee stock transactions	(37)	(1,423)	(418)	(959)	(1,771)	(2,101)	(1,523)	(2,748)	(3,297)	(2,829)	(1,799)	(2,459)
Plus: Other Non-GAAP adj.[1]	—	2,729	—	—	—	—	—	—	—	—	—	—
Non-GAAP R&D expense	$34,940	$38,267	$45,849	$53,454	$61,426	$71,039	$83,913	$93,306	$102,615	$121,561	$138,268	$142,403
Non-GAAP R&D expense as a % of revenue	**27 %**	**27 %**	**30 %**	**30 %**	**31 %**	**30 %**	**31 %**	**29 %**	**28 %**	**30 %**	**32 %**	**30 %**
SALES & MARKETING												
GAAP S&M expense	$45,215	$51,269	$57,142	$60,034	$64,353	$70,412	$75,827	$88,905	$101,166	$115,270	$129,493	$149,359
Less: Stock-based compensation expense	(3,074)	(4,541)	(6,068)	(6,784)	(7,010)	(6,606)	(9,739)	(11,680)	(14,595)	(17,590)	(21,145)	(23,405)
Less: Amortization of acquired intangibles	—	—	—	—	—	(163)	(229)	(208)	(203)	(206)	(208)	(208)
Less: Employer payroll taxes on employee stock transactions	(151)	(1,508)	(1,354)	(742)	(1,179)	(2,776)	(1,275)	(1,119)	(1,109)	(605)	(620)	(432)
Plus: Other Non-GAAP adj.[1]	—	449	—	—	—	—	—	—	—	—	—	—
Non-GAP S&M expense	$41,990	$45,669	$49,720	$52,508	$56,164	$60,867	$64,584	$75,898	$85,259	$96,869	$107,520	$125,314
Non-GAAP S&M expense as a % of revenue	**32 %**	**33 %**	**32 %**	**30 %**	**28 %**	**26 %**	**24 %**	**23 %**	**23 %**	**24 %**	**25 %**	**27 %**
GENERAL & ADMINISTRATIVE												
GAAP G&A expense	$14,952	$13,547	$16,376	$17,881	$21,094	$21,146	$23,549	$28,640	$26,380	$34,383	$39,395	$39,255
Less: Stock-based compensation expense	(2,908)	(3,183)	(3,946)	(4,068)	(5,081)	(5,441)	(5,590)	(6,083)	(5,940)	(9,145)	(11,731)	(11,656)
Less: Employer payroll taxes on employee stock transactions	(58)	(212)	(282)	(287)	(124)	(194)	(520)	(410)	(257)	(217)	(245)	(111)
Plus: M&A transaction costs [2]	—	—	—	—	—	—	—	—	—	—	—	—
Plus: Other Non-GAAP adj.[1]	—	2,383	—	—	—	—	—	—	—	—	—	—
Non-GAAP G&A expense	$11,986	$10,152	$12,148	$13,526	$15,889	$15,511	$17,439	$22,147	$20,183	$25,021	$27,419	$27,488
Non-GAAP G&A expense as a % of revenue	**9 %**	**9 %**	**8 %**	**8 %**	**8 %**	**7 %**	**6 %**	**7 %**	**6 %**	**6 %**	**6 %**	**6 %**
Reconciliation of operating income (loss) and operating margin												
GAAP operating income (loss)	$3,778	$654	$(9,267)	$(8,938)	$(12,830)	$(9,886)	$(4,895)	$8,455	$10,414	$(3,139)	$(31,342)	$(34,628)
Plus: Stock-based compensation expense	12,060	16,834	20,716	24,764	28,861	34,515	43,995	56,366	66,884	82,399	101,362	112,509
Plus: Amortization of acquired intangibles	247	147	274	275	355	1,071	1,540	1,426	1,616	1,688	2,108	2,163
Plus: Employer payroll taxes on employee stock transactions	246	3,264	2,086	2,021	3,169	5,167	3,380	4,369	4,765	3,721	2,711	3,049
Plus: M&A transaction costs [2]	—	—	—	—	—	—	—	—	—	—	—	—
Less: Other Non-GAAP adj.[1]	—	(5,561)	—	—	—	—	—	—	—	—	—	—
Non-GAAP operating income	$16,331	$20,899	$13,809	$18,122	$19,555	$30,867	$44,020	$70,616	$83,679	$84,669	$74,839	$83,093
GAAP operating margin	**3 %**	**— %**	**(6)%**	**(5)%**	**(6)%**	**(4)%**	**(2)%**	**3 %**	**3 %**	**(1)%**	**(7)%**	**(7)%**
Non-GAAP operating margin	**12 %**	**11 %**	**9 %**	**10 %**	**10 %**	**13 %**	**16 %**	**22 %**	**23 %**	**21 %**	**17 %**	**18 %**

(1) Non-cash benefit related to the release of a non-income tax liability

(2) The years ended December 31, 2020 through 2022 are not adjusted for M&A transaction costs, as these costs were not material to the consolidated results of operations in such periods.

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GAAP to Non-GAAP reconciliation

Gross profit margin, operating expenses and operating profit ($000's, quarterly)

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Revenue	$481,714	$509,460	$547,536	$589,649	$611,253	$645,279	$690,016	$737,727	$761,553	$826,760	$885,651	$953,194
Reconciliation of gross profit and gross margin												
GAAP gross profit	$381,800	$407,614	$444,217	$484,820	$501,155	$521,780	$552,260	$593,549	$603,925	$660,782	$709,194	$766,300
GAAP gross margin	**79 %**	**80 %**	**81 %**	**82 %**	**82 %**	**81 %**	**80 %**	**80 %**	**79 %**	**80 %**	**80 %**	**80 %**
Plus: Stock-based compensation expense	3,725	4,157	4,570	5,126	5,527	6,393	6,249	8,052	6,651	6,783	8,038	8,257
Plus: Amortization of acquired intangibles	2,016	2,064	1,974	1,987	2,027	1,281	1,230	1,104	894	1,518	1,451	1,565
Plus: Employer payroll taxes on employee stock transactions	60	109	107	88	192	68	118	68	186	165	169	175
Non-GAAP gross profit	$387,601	$413,944	$450,868	$492,021	$508,901	$529,522	$559,857	$602,773	$611,656	$669,248	$718,852	$776,297
Non-GAAP gross margin	**80 %**	**81 %**	**82 %**	**83 %**	**83 %**	**82 %**	**81 %**	**82 %**	**80 %**	**81 %**	**81 %**	**81 %**
RESEARCH & DEVELOPMENT												
GAAP R&D expense	$229,478	$239,494	$240,225	$253,250	$269,988	$274,599	$291,802	$316,314	$341,061	$387,482	$401,982	$417,926
Less: Stock-based compensation expense	(74,703)	(75,730)	(79,174)	(83,489)	(88,413)	(87,105)	(90,507)	(97,276)	(105,735)	(112,445)	(124,288)	(127,058)
Less: Employer payroll taxes on employee stock transactions	(4,593)	(5,360)	(5,260)	(6,236)	(10,819)	(6,589)	(6,316)	(7,410)	(9,582)	(11,819)	(8,177)	(10,605)
Plus: Other Non-GAAP adj.[1]	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP R&D expense	$150,182	$158,404	$155,791	$163,525	$170,756	$180,905	$194,979	$211,628	$225,744	$263,218	$269,517	$280,263
Non-GAAP R&D expense as a % of revenue	**31 %**	**31 %**	**28 %**	**28 %**	**28 %**	**28 %**	**28 %**	**29 %**	**30 %**	**32 %**	**30 %**	**29 %**
SALES & MARKETING												
GAAP S&M expense	$144,971	$147,455	$156,870	$159,980	$173,881	$187,005	$187,772	$207,947	$214,291	$239,026	$238,729	$264,377
Less: Stock-based compensation expense	(23,014)	(25,884)	(26,159)	(26,880)	(28,531)	(29,201)	(30,749)	(33,598)	(34,125)	(37,442)	(41,463)	(43,442)
Less: Amortization of acquired intangibles	(203)	(206)	(208)	(208)	(205)	(205)	(208)	(207)	(203)	(188)	(277)	(278)
Less: Employer payroll taxes on employee stock transactions	(775)	(1,253)	(2,980)	(909)	(2,153)	(608)	(1,060)	(873)	(1,570)	(1,359)	(1,480)	(1,514)
Plus: Other Non-GAAP adj.[1]	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP S&M expense	$120,979	$120,112	$127,523	$131,983	$142,992	$156,991	$155,755	$173,269	$178,393	$200,037	$195,509	$219,143
Non-GAAP S&M expense as a % of revenue	**25 %**	**24 %**	**23 %**	**22 %**	**23 %**	**24 %**	**23 %**	**23 %**	**23 %**	**24 %**	**22 %**	**23 %**
GENERAL & ADMINISTRATIVE												
GAAP G&A expense	$42,321	$42,671	$51,352	$43,848	$45,290	$47,558	$52,408	$59,896	$60,993	$69,774	$74,292	$74,641
Less: Stock-based compensation expense	(11,286)	(12,566)	(13,211)	(12,626)	(12,562)	(11,953)	(14,685)	(19,535)	(17,754)	(23,792)	(26,769)	(26,629)
Less: Employer payroll taxes on employee stock transactions	(965)	(1,143)	(1,342)	(1,361)	(2,057)	(1,521)	(1,621)	(1,653)	(2,225)	(2,724)	(1,061)	(988)
Less: M&A transaction costs [2]	—	—	—	—	—	—	—	—	—	(1,373)	—	(201)
Plus: Other Non-GAAP adj.[1]	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP G&A expense	$30,070	$28,962	$36,799	$29,861	$30,671	$34,084	$36,102	$38,708	$41,014	$41,885	$46,462	$46,823
Non-GAAP G&A expense as a % of revenue	**6 %**	**6 %**	**7 %**	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**	**5 %**
Reconciliation of operating (loss) income and operating margin												
GAAP operating (loss) income	$(34,970)	$(22,006)	$(4,230)	$27,742	$11,996	$12,618	$20,278	$9,392	$(12,420)	$(35,500)	$(5,809)	$9,356
Plus: Stock-based compensation expense	112,728	118,337	123,114	128,121	135,033	134,652	142,190	158,461	164,265	180,462	200,558	205,386
Plus: Amortization of acquired intangibles	2,219	2,270	2,182	2,195	2,232	1,486	1,438	1,311	1,097	1,706	1,728	1,842
Plus: Employer payroll taxes on employee stock transactions	6,393	7,865	9,689	8,594	15,221	8,786	9,115	10,004	13,563	16,067	10,887	13,282
Plus: M&A transaction costs [2]	—	—	—	—	—	—	—	—	—	1,373	—	201
Less: Other Non-GAAP adj.[1]	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP operating income	$86,370	$106,466	$130,755	$166,652	$164,482	$157,542	$173,021	$179,168	$166,505	$164,108	$207,364	$230,067
GAAP operating margin	**(7)%**	**(4)%**	**(1)%**	**5 %**	**2 %**	**2 %**	**3 %**	**1 %**	**(2)%**	**(4)%**	**(1)%**	**1 %**
Non-GAAP operating margin	**18 %**	**21 %**	**24 %**	**28 %**	**27 %**	**24 %**	**25 %**	**24 %**	**22 %**	**20 %**	**23 %**	**24 %**

(1) Non-cash benefit related to the release of a non-income tax liability

(2) The years ended December 31, 2023 and 2024 are not adjusted for M&A transaction costs. The year ended December 31, 2025 is adjusted for M&A transaction costs, and these adjustments are applied prospectively, as these costs were not material to the consolidated results of operations in the prior periods.

DATADOG

Free cash flow bridge

Free cash flow ($000's)

	FY20	FY21	FY22	FY23	FY24	FY25
Revenue	$603,466	$1,028,784	$1,675,100	$2,128,359	$2,684,275	$3,427,158
Cash flow from operations	**$109,091**	**$286,545**	**$418,407**	**$659,954**	**$870,603**	**$1,050,135**
Capex	(5,415)	(9,956)	(35,261)	(27,586)	(34,719)	(49,578)
Capitalized software developmental costs	(20,468)	(26,069)	(29,628)	(34,820)	(60,781)	(85,840)
Free cash flow	**$83,208**	**$250,520**	**$353,518**	**$597,548**	**$775,103**	**$914,717**
Free cash flow margin	14 %	24 %	21 %	28 %	29 %	27 %