DATADOG

# Investor Presentation

November 2026

DATADOG

# Safe harbor

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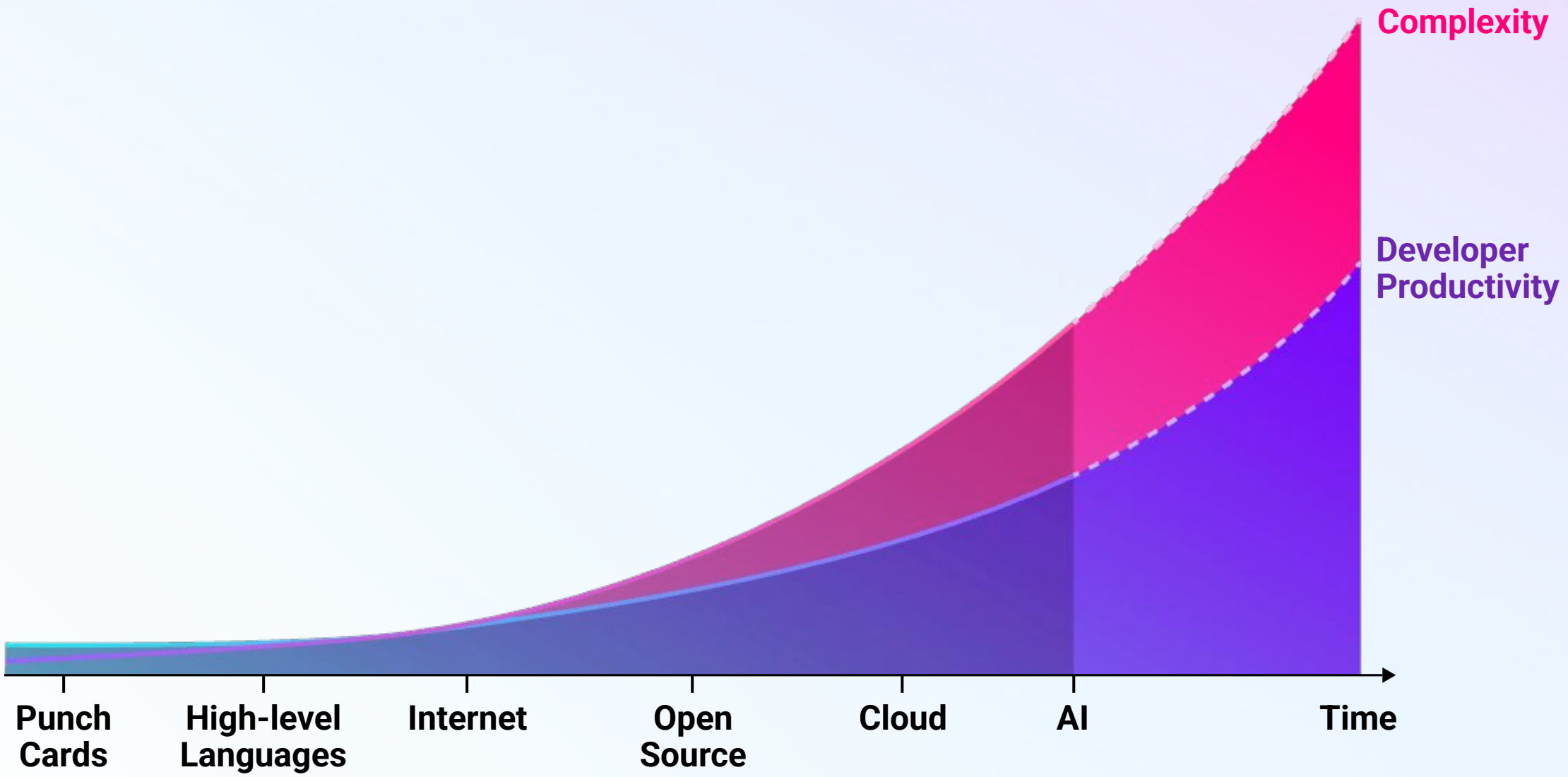
This presentation and accompanying oral presentation contain “forward-looking” statements, as that term is defined under the federal securities laws, including but not limited to statements regarding Datadog’s strategy, product and platform capabilities, the growth in and ability to capitalize on long-term market opportunities including the pace and scope of cloud migration, digital transformation and AI deployment, the potential size of the cloud, observability and other markets, gross margins and operating margins including with respect to sales and marketing, research and development expenses, capital expenditures and capitalized software, net interest and other income, tax rates and Datadog’s future financial performance, including its financial guidance, outlook and goals on slides “Rapid Revenue Growth,” “Financial Outlook,” “Long-Term Margin Goal,” “Capital Allocation Goals,” and “Share Dilution.” These forward-looking statements are based on Datadog’s current assumptions, expectations and beliefs and are subject to substantial risks, uncertainties, assumptions and changes in circumstances that may cause Datadog’s actual results, performance or achievements to differ materially from those expressed or implied in any forward-looking statement.

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 June 30, 2026. Additional information will be made available in our 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.

# Datadog is the leading AI-powered observability and security platform

DATADOG

# The problem: an explosion of complexity



# Datadog solves complexity



# Datadog breaks down silos



Unified platform



Simple but not simplistic



Deployed everywhere, used by everyone

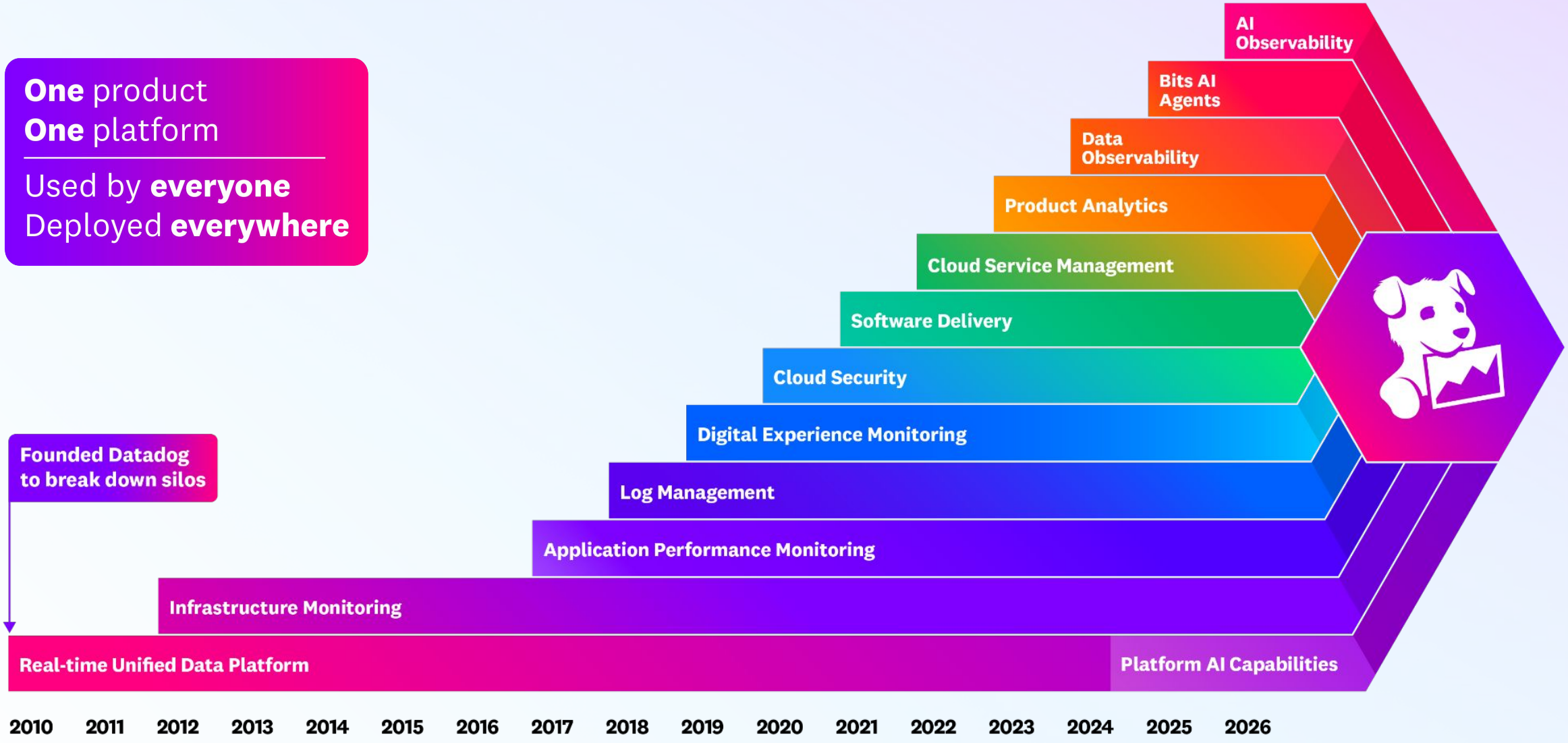


Breaking down silos

# Our history of innovation

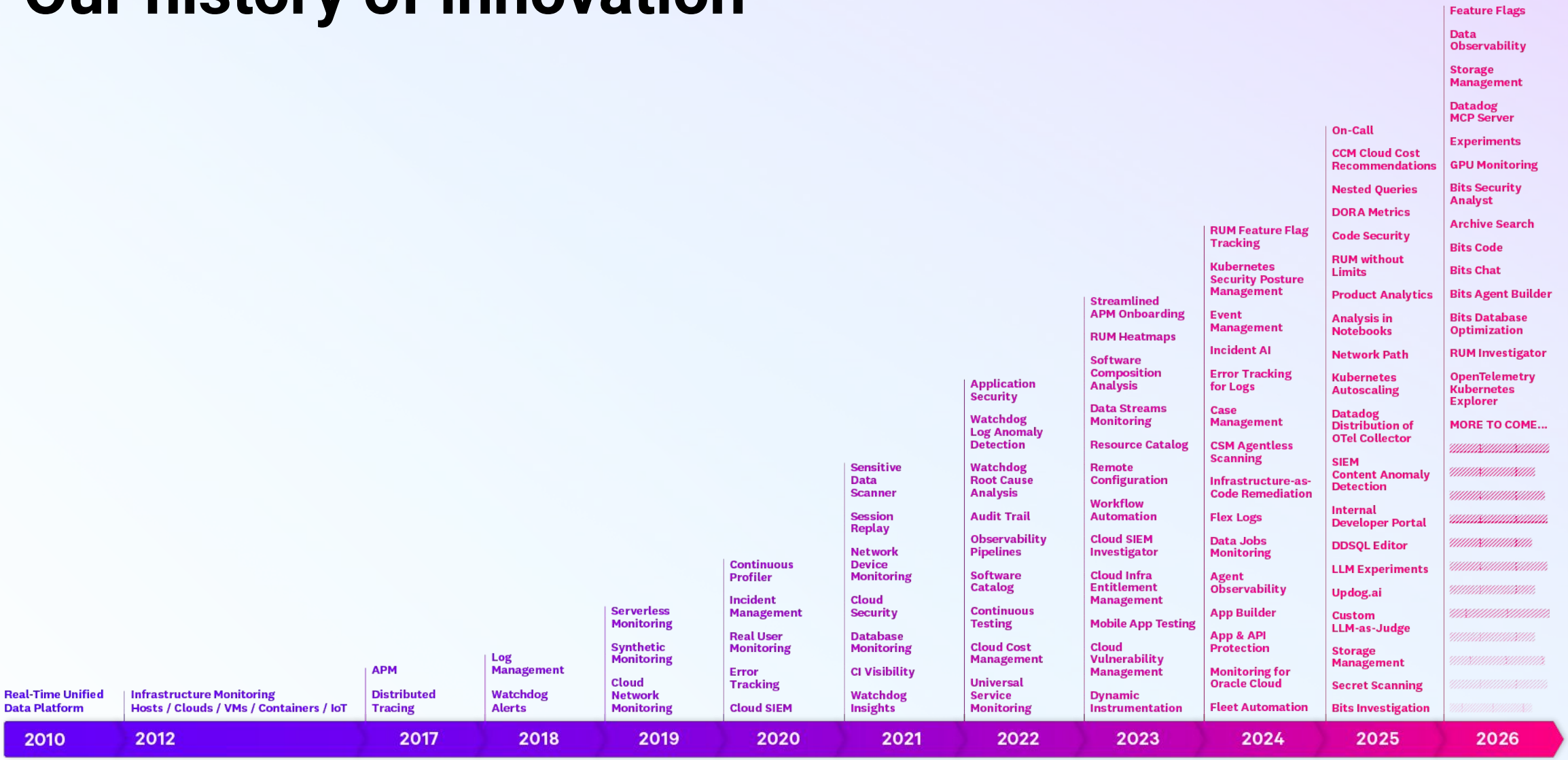
**One** product
**One** platform

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




DATADOG

# Our history of innovation




**FOUNDED DATADOG TO BREAK DOWN SILOS**

**DEPLOYED EVERYWHERE, USED BY EVERYONE**

# Datadog Platform

## Infrastructure

- Infrastructure Monitoring
- Metrics
- Container Monitoring
- Serverless
- Network Monitoring
- Cloud Cost Management
- Cloudcraft
- End User Device Monitoring

## Applications

- Application Performance Monitoring
- Distributed Tracing
- Continuous Profiler
- Universal Service Monitoring
- Agent Observability
- Database Monitoring
- Data Streams Monitoring

## Data Observability

- Jobs Monitoring
- Quality Monitoring

## Logs

- Log Management
- Flex Logs
- Observability Pipelines
- Audit Trail
- Log Forwarding

## Digital Experience

- Synthetics Testing & Monitoring
- Browser Real User Monitoring
- Mobile Real User Monitoring
- Session Replay
- Product Analytics
- Experiments

## Security

- Cloud Security & Cloud Workload Protection
- Code Security
- Cloud SIEM
- AI & Data Security
- Bits Security Analyst

## Software Delivery

- CI Visibility
- Test Optimization
- Continuous Testing
- Error Tracking
- Feature Flags
- Bits Code

## Service Management

- On-Call
- Incident Management
- Event Management
- Workflow Automation
- App Builder
- Bits Investigation

**AI**

Bits Chat • Root Cause Analysis • Anomaly Detection • Impact Analysis • Proactive Alerts • Autonomous Investigations • MCP Server

**Shared Platform Services**

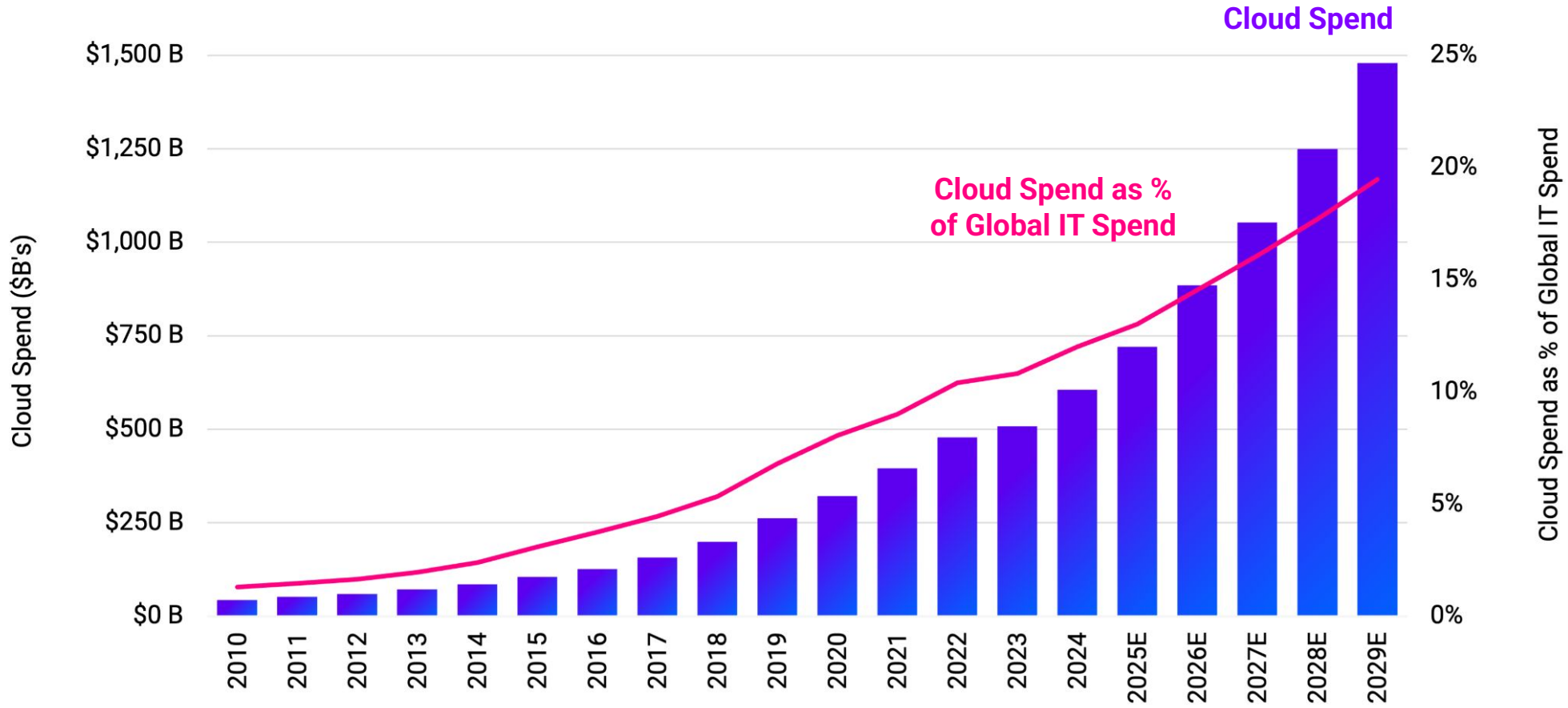
Dashboards • CoScreen • Teams • Agent • OpenTelemetry • Notebooks • Software Catalog • IDE Plugins • ChatOps • SLOs • Case Management

**UNIFIED METRICS, LOGS, TRACES, SESSIONS**

**1,000+ INTEGRATIONS**

# Cloud migration and digital transformation

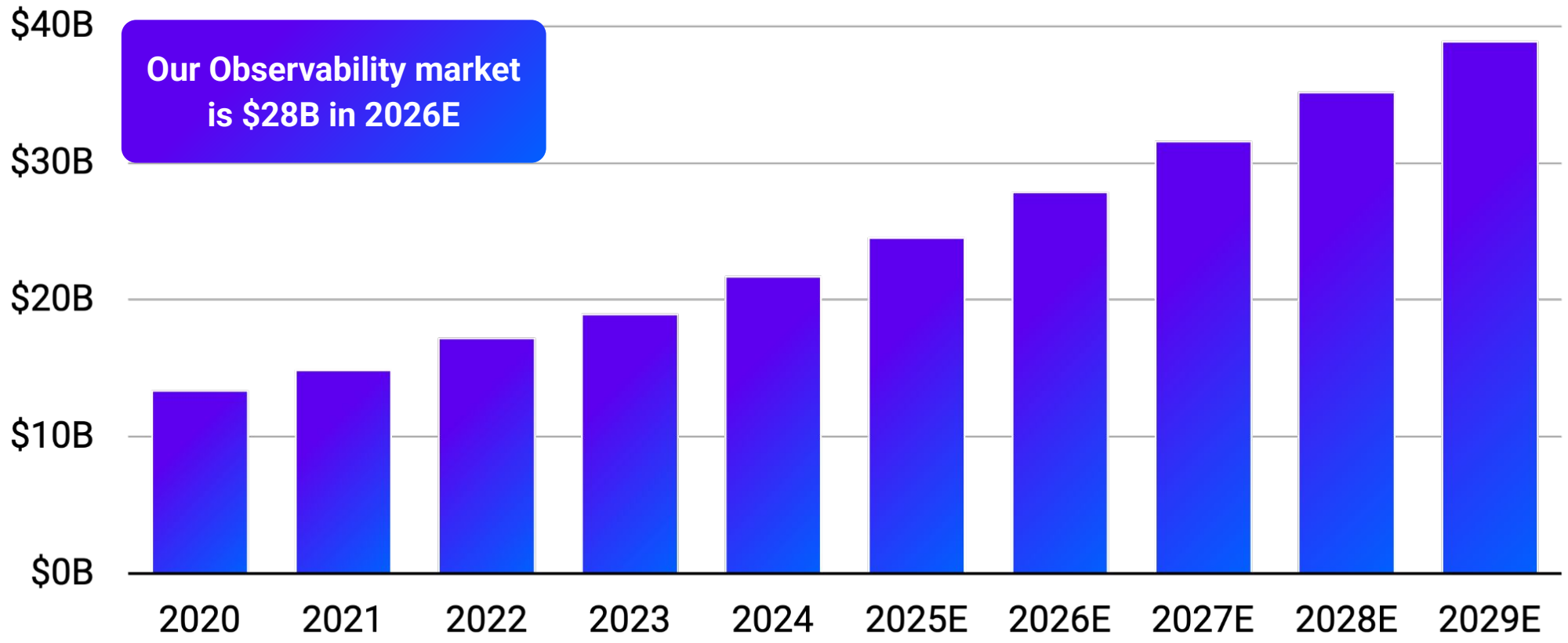
## Cloud spend continues to grow rapidly




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.

# Large and Growing Observability TAM

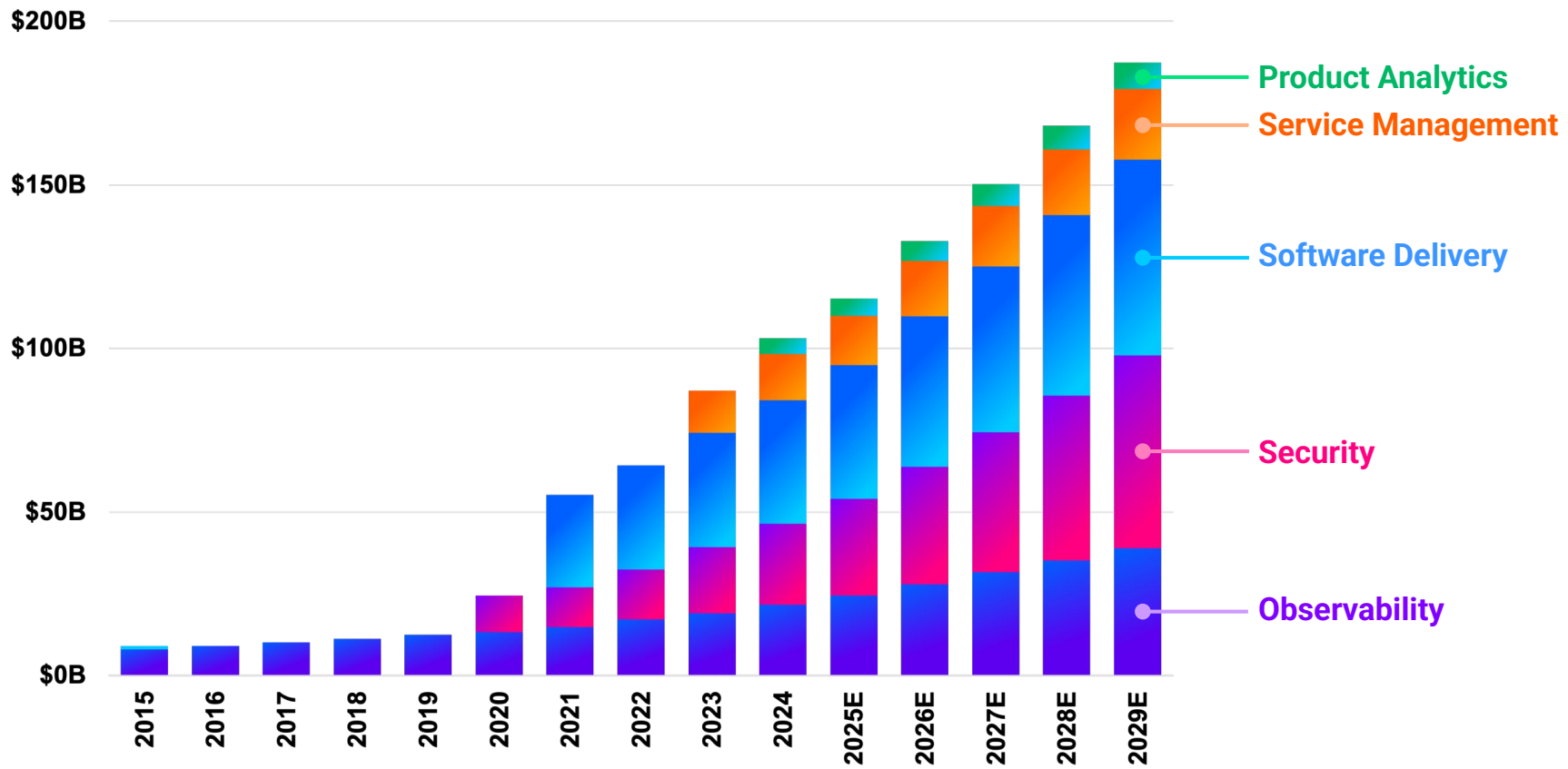
## Gartner Health & Performance Analytics category, 2020-2029E




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

# We are adding multiple markets

## Datadog market opportunity by major product area




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.

**Figure 1: Magic Quadrant for Observability Platforms**




Source: Gartner, Magic Quadrant for Observability Platforms, Padraig Byrne, Martin Caren, D.B. Cummings, Neil Young, 13 July 2026

## INDUSTRY RECOGNITION

# We are named **a Leader in the *2026 Gartner Magic Quadrant™ for Observability Platforms for the Sixth Time***

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**Figure 1: Magic Quadrant for Digital Experience Monitoring**




Source: *Gartner, Magic Quadrant for Digital Experience Monitoring, Padraig Byrne, Pankaj Prasad, Martin Caren, D.B. Cummings, Matt Crossley, Tanmay Bisht, October 2025*

## INDUSTRY RECOGNITION

# Datadog named a **Leader in the *2025 Gartner Magic Quadrant™ for Digital Experience Monitoring***

This graphic was published by Gartner, Inc. as part of a larger research document and should be evaluated in the context of the entire document. The Gartner document is available upon request from Datadog.

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DATADOG




**INDUSTRY RECOGNITION**

# Datadog named a Leader in *The Forrester Wave™: AIOps Platforms, Q4 2026*

*Forrester does not endorse any company, product, brand, or service included in its research publications and does not advise any person to select the products or services of any company or brand based on the ratings included in such publications. Information is based on the best available resources. Opinions reflect judgment at the time and are subject to change. This report is part of a broader collection of Forrester resources, including interactive models, frameworks, tools, data, and access to analyst guidance. For more information, read about Forrester's objectivity here.*

DATADOG

# Datadog scales across ~33,500 global customers

Customers who are **transforming** + Customers who are **born in cloud**




**Trillions**

**of data points per/hr**

# Financial overview

DATADOG

# Datadog today (1)

## FINANCIAL

**$4.28B**
TTM revenue

**+33%**
TTM Y/Y growth

**24%**
TTM non-GAAP operating margin

**26%**
TTM free cash flow margin

**Low 120%s**
Dollar-based TTM net retention rate

**$5.2B**
Cash, cash equivalents, and marketable securities

Gartner

We were named a Leader in the Gartner® Magic Quadrants for Observability Platforms (2026) and Digital Experience Monitoring (2025)

## PLATFORM ADOPTION

**61%**
Customers using 4+ products

**41%**
Customers using 6+ products

**26%**
Customers using 8+ products

**16%**
Customers using 10+ products

## CUSTOMERS

**~33,500**
Total customers

**~4,860**
$100k+ ARR customers

## PEOPLE

**~8,100 in 35 countries (2)**



## 26 PRODUCTS IN AN INTEGRATED DATA PLATFORM

**Infra Monitoring**
- Infra Monitoring
- Network Monitoring
- Cloud Cost Management

**Log Management**
- Log Management
- Observability Pipelines

**Application Performance Monitoring**
- Application Performance Monitoring
- Continuous Profiler
- Database Monitoring
- Agent Observability
- Data Observability

**Security**
- Cloud Security
- Code Security
- Cloud SIEM
- Data Security

**Digital Experience Monitoring**
- Synthetic Monitoring
- Real User Monitoring
- Product Analytics
- Experiments

**Cloud Service Management**
- OnCall
- Incident Management
- Workflow Automation

**Software Delivery**
- CI Visibility
- Error Tracking
- Feature Flags

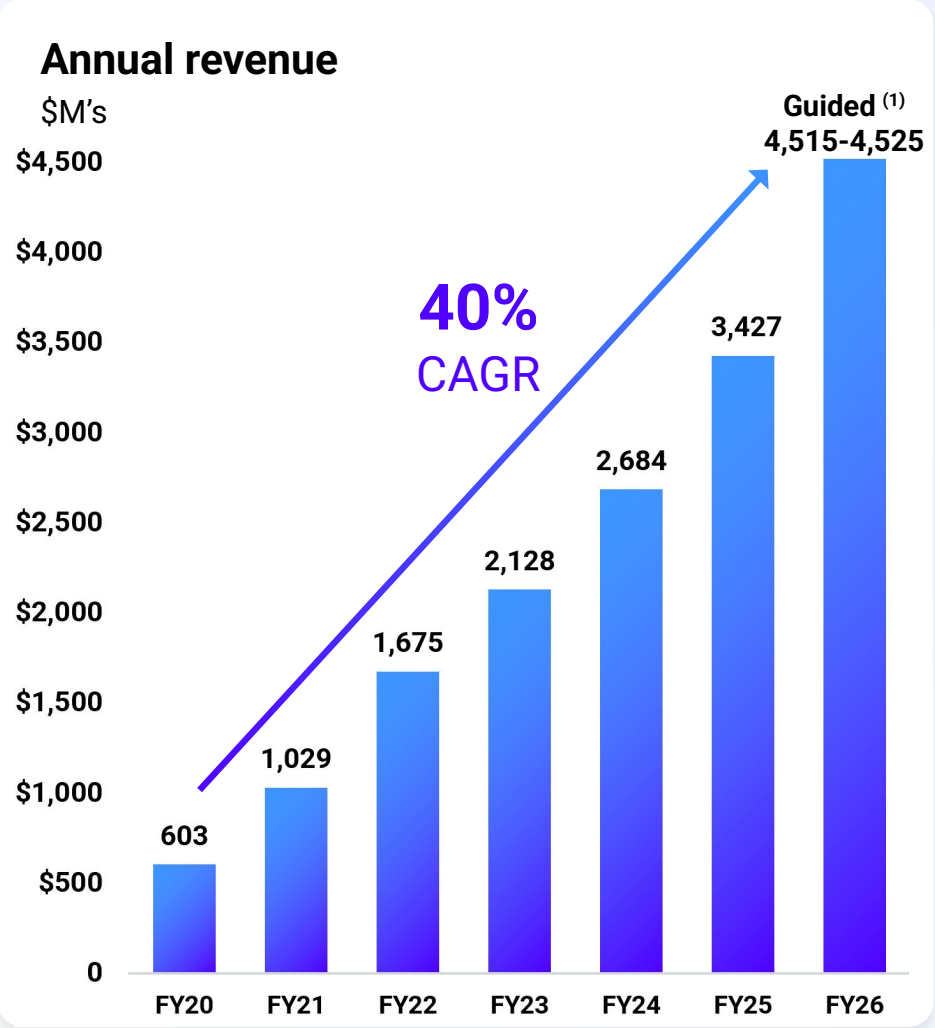
**Platform**
- Bits AI
- Enterprise Management

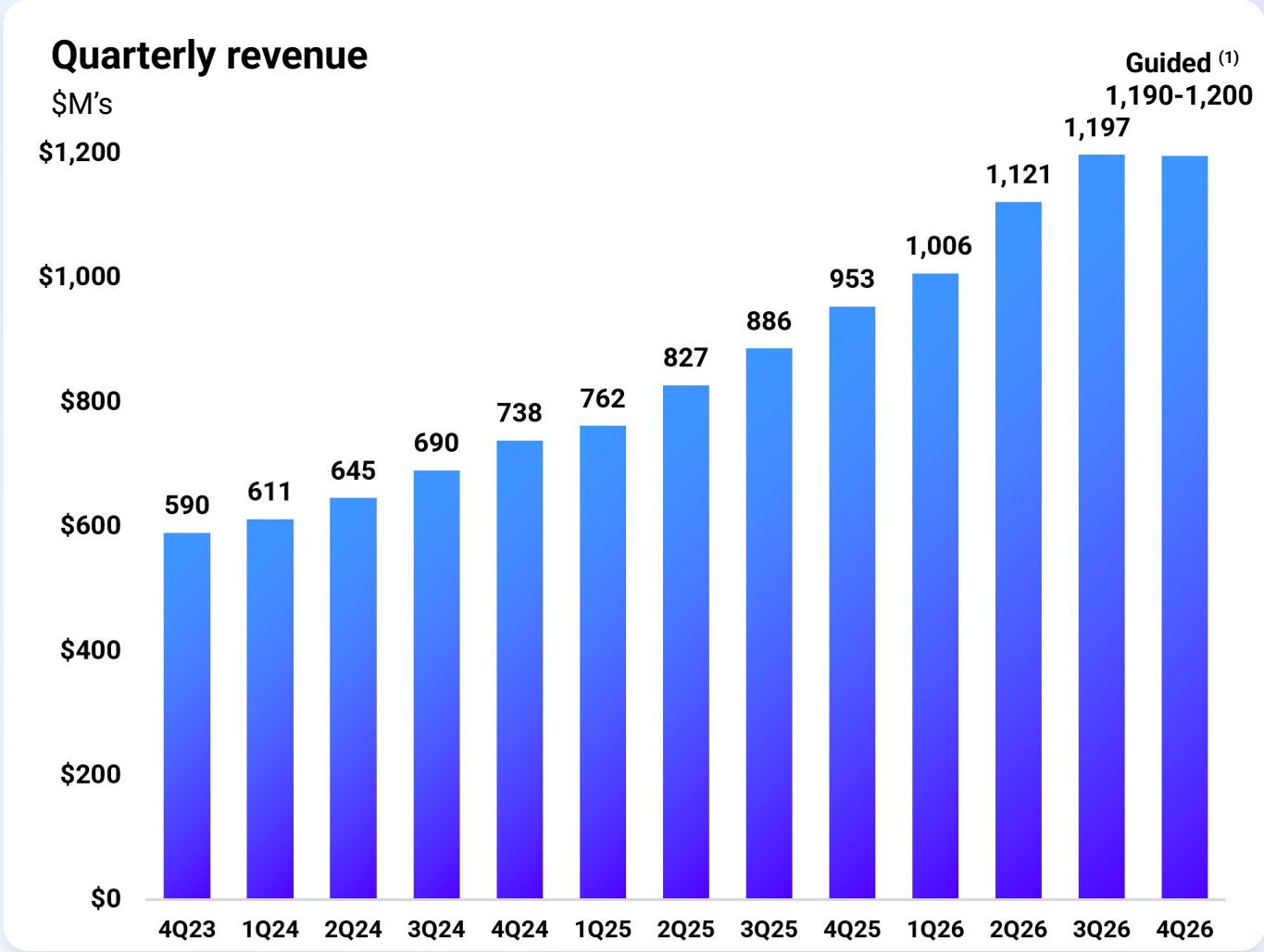
(1) All data as of September 30, 2026. Non-GAAP operating margin and free cash flow margin are non-GAAP measures. See Appendix for a reconciliation to financial results prepared in accordance with GAAP.
(2) Employee headcount as of December 31, 2025.

# 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

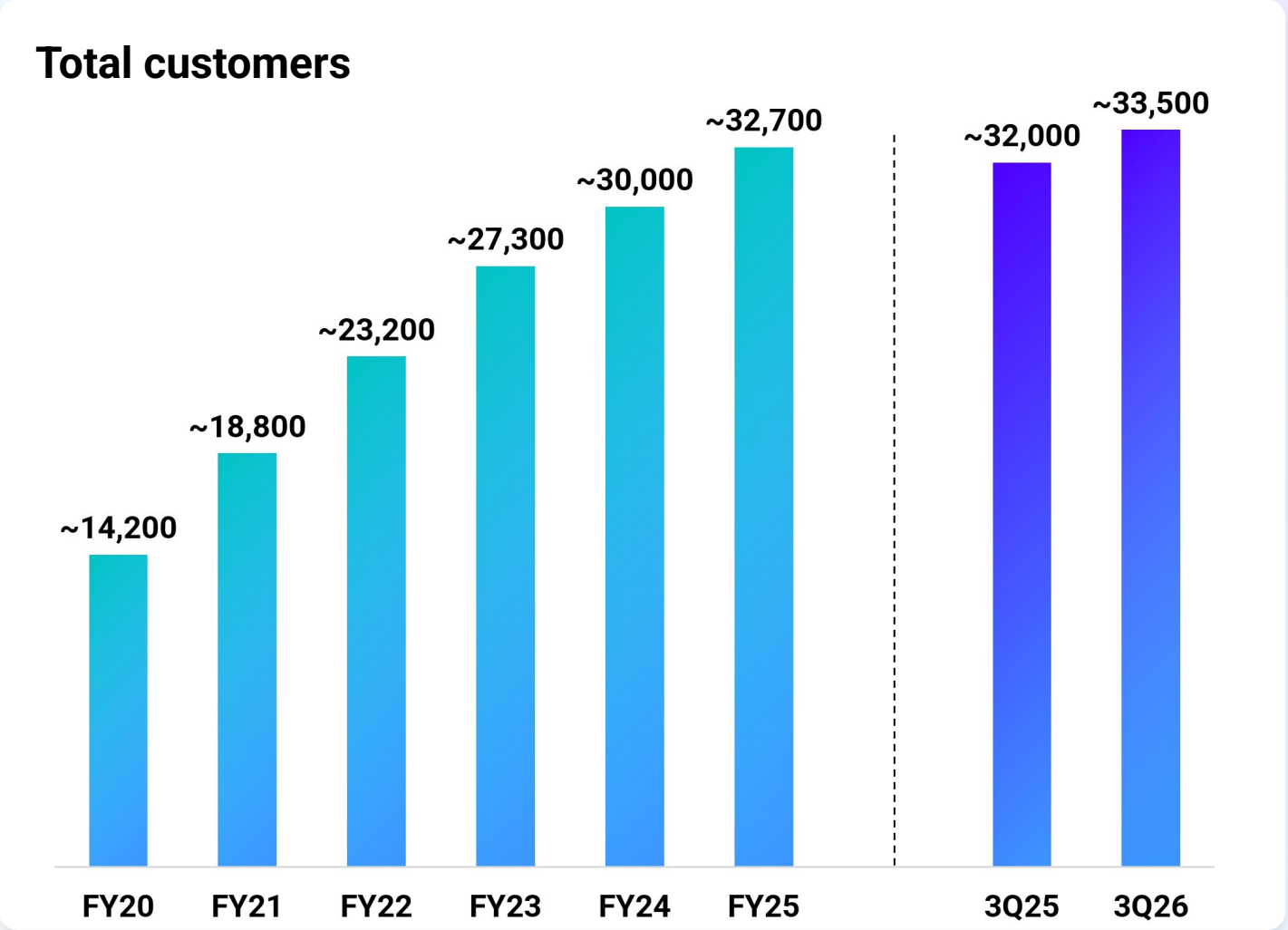
# Rapid revenue growth



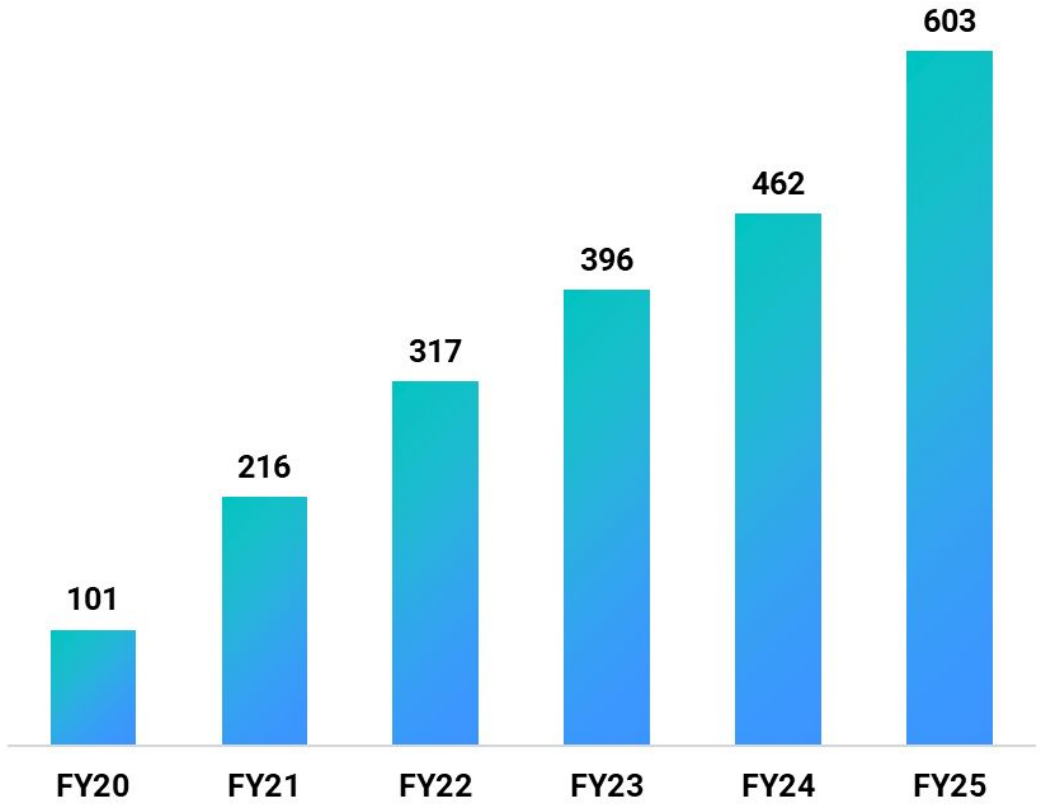

(1) Guided revenues are forward-looking statements as of November 4, 2026. See Safe Harbor for important information about these assumptions and forward-looking statements.

# Strong customer growth

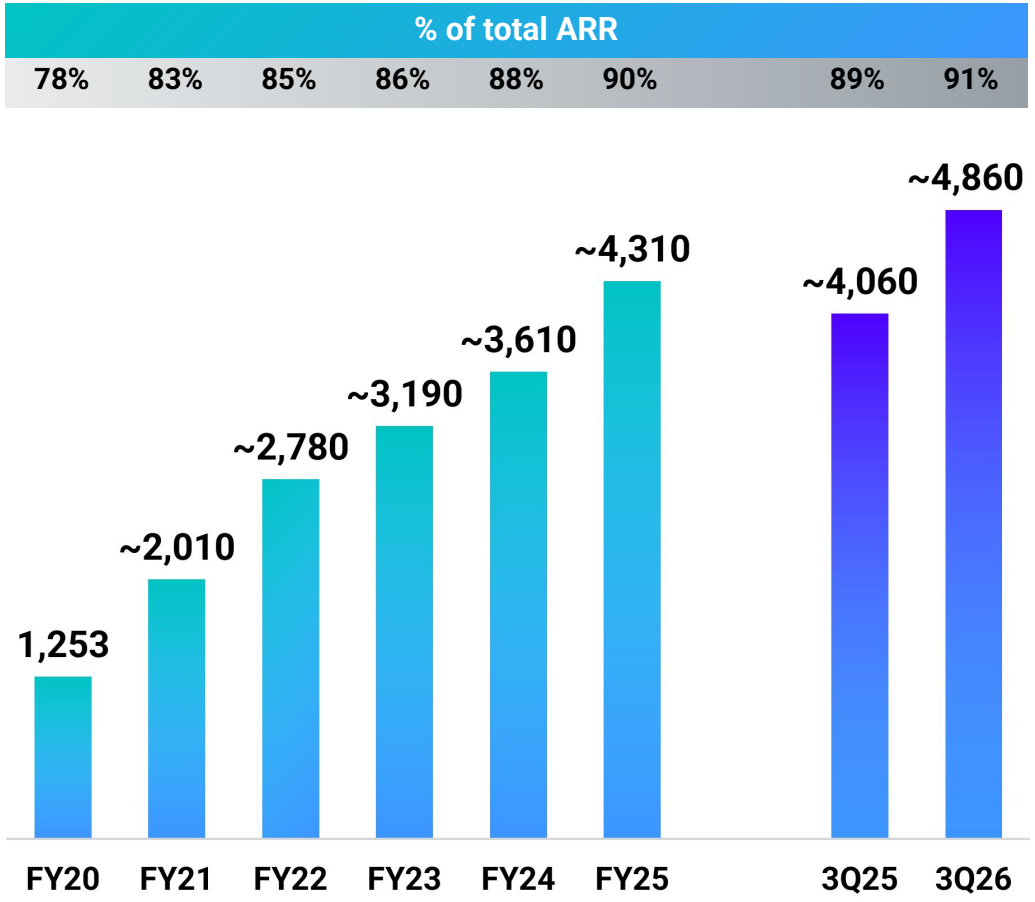


# Strong customer growth

## # of customers with ARR $1M+

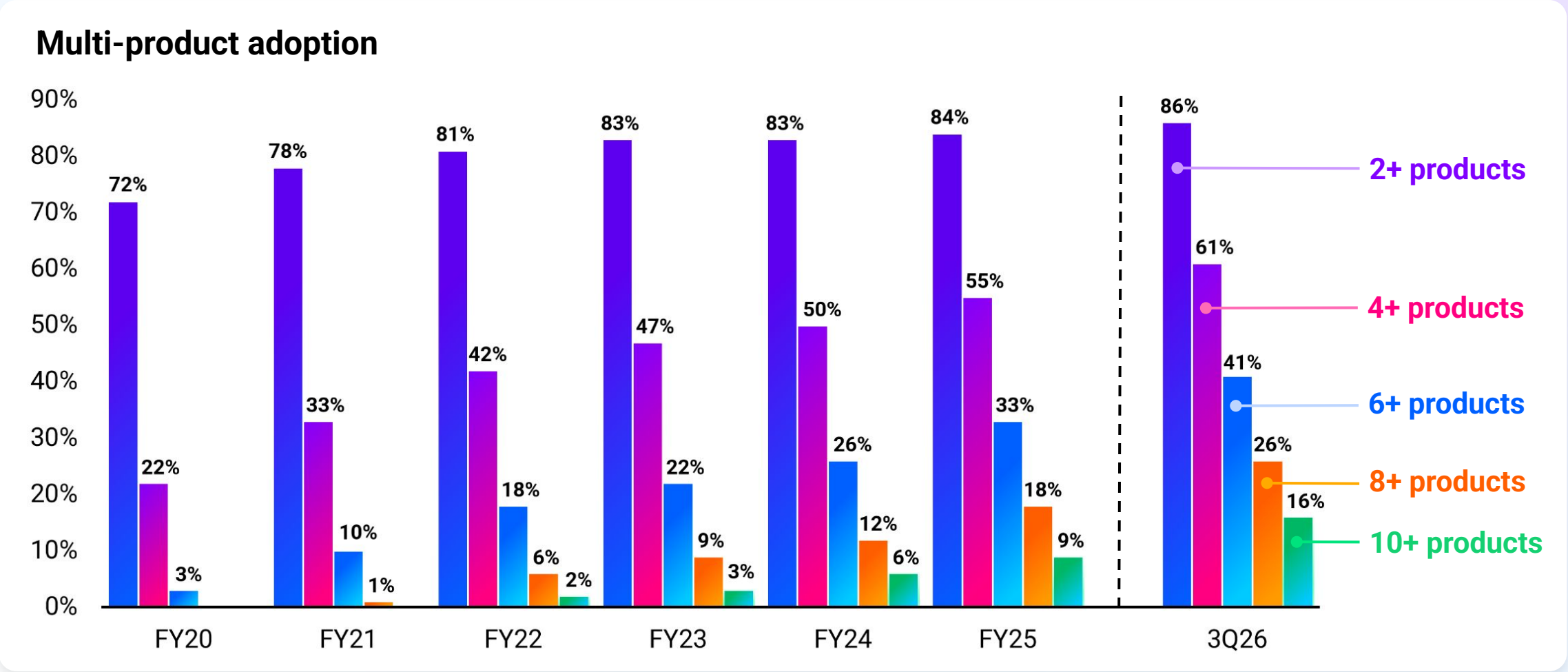



## # of customers with ARR $100K+




See our Annual Report on Form 10-K for the year-ended December 31, 2025 for the definition of ARR.

# Multi-Product Adoption



# Strong retention and upsell

**Mid-to-high 90%s**

Trailing-twelve-month dollar-based gross retention rate

**Low 120%s**

Trailing-twelve-month dollar-based net retention rate

As of September 30, 2026. See Appendix for more information regarding gross retention rate and net retention rate.

# Financial summary

| | FY21 | FY22 | FY23 | FY24 | FY25 | TTM (Sep-26) |
|---|---|---|---|---|---|---|
| **Revenue** | $1,029M | $1,675M | $2,128M | $2,684M | $3,427M | $4,278M |
| **% Y/Y growth** | 70% | 63% | 27% | 26% | 28% | 33% |
| **Gross margin**(1) | 78% | 80% | 82% | 82% | 81% | 81% |
| **Research & development margin**(1) | 30% | 30% | 30% | 28% | 30% | 29% |
| **Sales & marketing margin**(1) | 25% | 25% | 24% | 23% | 23% | 23% |
| **General & administrative margin**(1) | 7% | 6% | 6% | 5% | 5% | 5% |
| **Operating profit**(1) | $165M | $326M | $490M | $674M | $768M | $1,045M |
| **Operating margin**(1) | 16% | 19% | 23% | 25% | 22% | 24% |
| **Free cash flow**(1) | $251M | $354M | $598M | $775M | $915M | $1,109M |
| **Free cash flow margin**(1) | 24% | 21% | 28% | 29% | 27% | 26% |

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

# Financial outlook (as of November 4, 2026) (1)

| | 4Q26 | FY26 |
|---|---|---|
| **Revenue** | $1,190-1,200M | $4.515-4.525B |
| **Non-GAAP operating income** (2) | $280-290M | $1.095-1.105B |
| **Non-GAAP EPS** (2) | $0.69-0.71 | $2.73-2.75 |
| **Weighted average diluted shares** | Approx. 379M | Approx. 375M |

(1) Financial outlook are forward-looking statements. See Safe Harbor for important information about these assumptions and forward-looking statements.
(2) See Appendix for information about these non-GAAP measures.

# Long-term margin goal

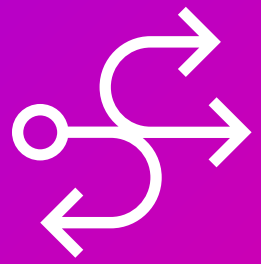
| Non-GAAP % (1) | 2021 | 2022 | 2023 | 2024 | 2025 | Goal |
|---|---|---|---|---|---|---|
| **Operating Margin** | 16% | 19% | 23% | 25% | 22% | 25%+ |
| **Free Cash Flow Margin** | 24% | 21% | 28% | 29% | 27% | |

(1) Non-GAAP measures. See Appendix for a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures.
Operating Margin Goal is a forward-looking statement and speaks as of our Investor Day on February 12, 2026. See Safe Harbor for important information about these assumptions and forward-looking statements.

# 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. Target net dilution is a forward-looking statement. See Safe Harbor for important information about these assumptions and forward-looking statements.

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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. 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

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. 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 operating income, or as to non-GAAP net income per share, 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)

| | FY21 | FY22 | FY23 | FY24 | FY25 | TTM (Sep-26) |
|---|---|---|---|---|---|---|
| Revenue | $1,028,784 | $1,675,100 | $2,128,359 | $2,684,275 | $3,427,158 | $4,278,164 |
| GAAP gross profit | $794,539 | $1,328,357 | $1,718,451 | $2,168,744 | $2,740,201 | $3,404,762 |
| **GAAP gross margin** | **77 %** | **79 %** | **81 %** | **81 %** | **80 %** | **80 %** |
| Add:<br>Share-based compensation expense included in cost of revenue | 4,565 | 10,827 | 17,578 | 26,221 | 29,729 | 35,585 |
| Amortization of acquired intangibles | 3,792 | 6,750 | 8,041 | 5,642 | 5,428 | 6,213 |
| Employer payroll taxes on employee stock transactions | 345 | 266 | 364 | 446 | 695 | 1,025 |
| Non-GAAP gross profit | $803,241 | $1,346,200 | $1,744,434 | $2,201,053 | $2,776,053 | $3,447,585 |
| **Non-GAAP gross margin** | **78 %** | **80 %** | **82 %** | **82 %** | **81 %** | **81 %** |

# GAAP to Non-GAAP reconciliation

## Operating expenses and operating profit ($000's)

| | FY21 | FY22 | FY23 | FY24 | FY25 | TTM (Sep-26) |
|---|---|---|---|---|---|---|
| Revenue | $1,028,784 | $1,675,100 | $2,128,359 | $2,684,275 | $3,427,158 | $4,278,164 |
| **RESEARCH & DEVELOPMENT** | | | | | | |
| GAAP R&D expense | $419,769 | $752,351 | $962,447 | $1,152,703 | $1,548,451 | $1,822,762 |
| **GAAP R&D expense as a % of revenue** | **41 %** | **45 %** | **45 %** | **43 %** | **45 %** | **43 %** |
| Less: Share-based compensation expense | 101,942 | 237,120 | 313,096 | 363,301 | 469,526 | 528,787 |
| Less: Employer payroll taxes on employee stock transactions | 8,143 | 10,384 | 21,449 | 31,134 | 40,183 | 56,614 |
| Non-GAAP R&D expense | $309,684 | $504,847 | $627,902 | $758,268 | $1,038,742 | $1,237,361 |
| **Non-GAAP R&D expense as a % of revenue** | **30 %** | **30 %** | **30 %** | **28 %** | **30 %** | **29 %** |
| **SALES & MARKETING** | | | | | | |
| GAAP S&M expense | $299,497 | $495,288 | $609,276 | $756,605 | $956,423 | $1,159,017 |
| **GAAP S&M expense as a % of revenue** | **29 %** | **30 %** | **29 %** | **28 %** | **28 %** | **27 %** |
| Less: Share-based compensation expense | 35,035 | 76,735 | 101,937 | 122,079 | 156,472 | 182,064 |
| Less: Amortization of acquired intangibles | 600 | 825 | 825 | 825 | 945 | 1,363 |
| Less: Employer payroll taxes on employee stock transactions | 6,349 | 2,766 | 5,917 | 4,694 | 5,923 | 9,667 |
| Non-GAAP S&M expense | $257,513 | $414,962 | $500,597 | $629,007 | $793,083 | $965,923 |
| **Non-GAAP S&M expense as a % of revenue** | **25 %** | **25 %** | **24 %** | **23 %** | **23 %** | **23 %** |
| **GENERAL & ADMINISTRATIVE** | | | | | | |
| GAAP G&A expense | $94,429 | $139,413 | $180,192 | $205,152 | $279,700 | $326,139 |
| **GAAP G&A expense as a % of revenue** | **9 %** | **8 %** | **8 %** | **8 %** | **8 %** | **8 %** |
| Less: Share-based compensation expense | 22,195 | 38,472 | 49,689 | 58,735 | 94,944 | 113,223 |
| Less: Employer payroll taxes on employee stock transactions | 1,248 | 830 | 4,811 | 6,852 | 6,999 | 9,475 |
| Less: M&A transaction costs [(1)] | — | — | — | — | 1,574 | 4,025 |
| Non-GAAP G&A expense | $70,986 | $100,111 | $125,692 | $139,565 | $176,183 | $199,416 |
| **Non-GAAP G&A expense as a % of revenue** | **7 %** | **6 %** | **6 %** | **5 %** | **5 %** | **5 %** |
| | | | | | | |
| **Reconciliation of operating (loss) income and operating margin** | | | | | | |
| GAAP operating (loss) income | $(19,156) | $(58,695) | $(33,464) | $54,284 | $(44,373) | $96,844 |
| Add: Stock-based compensation expense | 163,737 | 363,154 | 482,300 | 570,336 | 750,671 | 859,659 |
| Add: Amortization of acquired intangibles | 4,392 | 7,575 | 8,866 | 6,467 | 6,373 | 7,576 |
| Add: Employer payroll taxes on employee stock transactions | 16,085 | 14,246 | 32,541 | 43,126 | 53,800 | 76,781 |
| Add: M&A transaction costs [(1)] | — | — | — | — | 1,574 | 4,025 |
| Non-GAAP operating income | $165,058 | $326,280 | $490,243 | $674,213 | $768,046 | $1,044,886 |
| **GAAP operating margin** | **(2)%** | **(4)%** | **(2)%** | **2 %** | **(1)%** | **2 %** |
| **Non-GAAP operating margin** | **16 %** | **19 %** | **23 %** | **25 %** | **22 %** | **24 %** |

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

# Free cash flow bridge

## Free cash flow ($000's)

| | FY21 | FY22 | FY23 | FY24 | FY25 | TTM (Sep-26) |
|---|---|---|---|---|---|---|
| Revenue | $1,028,784 | $1,675,100 | $2,128,359 | $2,684,275 | $3,427,158 | $4,278,164 |
| **Cash flow from operations** | **$286,545** | **$418,407** | **$659,954** | **$870,603** | **$1,050,135** | **$1,267,514** |
| Capex | (9,956) | (35,261) | (27,586) | (34,719) | (49,578) | (41,011) |
| Capitalized software development costs | (26,069) | (29,628) | (34,820) | (60,781) | (85,840) | (117,053) |
| **Free cash flow** | **$250,520** | **$353,518** | **$597,548** | **$775,103** | **$914,717** | **$1,109,450** |
| Free cash flow margin | 24 % | 21 % | 28 % | 29 % | 27 % | 26 % |