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THE IMAGINARIUM

Forward-Looking Statements.

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Presentations

11am-12pm PT



Kelly Steckelberg

CFO, Zoom



Oded Gal

Chief Product Officer,
Zoom



Graeme Geddes

Head of Zoom Phone
& Rooms, Zoom

Partner Panel

12-12:20pm PT



Laura Padilla

Head of Channel and
Business Development,
Zoom



Carl Orleman

VP of Sales & Customer
Success, Edge Application
Solutions, Lumen Technologies



Andy Dignan

SVP Global Partners
& Services, Five9



Daichi Nozaki

VP/Head of Global Business
Division, SoftBank

Analyst Q&A

12:20 - 1pm PT



Eric S. Yuan

Zoom founder
and CEO



Kelly Steckelberg

CFO, Zoom



Ryan Azus

CRO, Zoom



Laura Padilla

Head of Channel and
Business Development,
Zoom



Use of non-GAAP financial measures

In addition to the financials presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes non-GAAP operating margin and free cash flow. Non-GAAP metrics have limitations as analytical tools and you should not consider them in isolation or as a substitute for or superior to the most directly comparable financial measures prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of non-GAAP metrics versus their nearest GAAP equivalents. Other companies, including companies in our industry, may calculate non-GAAP metrics differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP metrics as tools for comparison. We urge you to review the reconciliation of Zoom's non-GAAP metrics to the most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business. See the Appendix for reconciliation between each non-GAAP metric and the most comparable GAAP measure.

Safe Harbor



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This presentation and the accompanying oral presentation include express and implied "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. In some cases, you can identify forward looking statements by terms such as "anticipate," "believe," "estimate," "expect," "intend," "may," "might," "plan," "project," "will," "would," "should," "could," "can," "predict," "potential," "target," "explore," "continue," or the negative of these terms, and similar expressions intended to identify forward looking statements. However, not all forward-looking statements contain these identifying words. These statements may relate to our market size and growth strategy as well as opportunities related to the same, our reputation in the market, our estimated and projected costs, margins, revenue, expenditures, investments, growth rates, and our long-term financial framework, as well as trends regarding the same, our future results of operations or financial condition, our plans and objectives for future operations, growth, initiatives, or strategies and the impact to our business from the COVID 19 pandemic. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements. These assumptions, uncertainties and risks include that, among others, our business would be harmed by any decline in new customers and hosts, renewals or upgrades, our limited operating history makes it difficult to evaluate our prospects and future results of operations, we operate in competitive markets, we do not expect to sustain our revenue growth rate in the future, there is continued uncertainty regarding the extent and duration of the COVID 19 and the responses of government and private industry thereto, as well as the impact of COVID 19 on the overall economic environment, any or all of which will have an impact on demand for remote work solutions for business as well as overall distributed face to face interactions and collaboration using Zoom, our business would be harmed by any significant interruptions, delays or outages in services from our co located data centers, and failures in internet infrastructure or interference with broadband access could cause current or potential users to believe that our systems are unreliable. Additional risks and uncertainties that could cause actual outcomes and results to differ materially from those contemplated by the forward looking statements are included under the caption "Risk Factors" and elsewhere in our most recent filings with the Securities and Exchange Commission (the "SEC"), including our quarterly report on Form 10-Q for the fiscal quarter ended July 31, 2021. Forward looking statements speak only as of the date the statements are made and are based on information available to Zoom at the time those statements are made and/or management's good faith belief as of that time with respect to future events. Zoom assumes no obligation to update forward looking statements to reflect events or circumstances after the date they were made, except as required by law.

This presentation and the accompanying oral presentation also contain estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. In addition, projections, assumptions, and estimates of our future performance and the future performance of the markets in which we compete are necessarily subject to a high degree of uncertainty and risk.



Zoom Now and in the Future

Kelly Steckelberg

Chief Financial Officer

It turns out many of the best jobs really can be performed from anywhere, through screens and the internet... This is, I believe, a permanent civilizational shift. It is perhaps the most important thing that's happened in my lifetime...

Permanently divorcing physical location from economic opportunity gives us a real shot at radically expanding the number of good jobs in the world while also dramatically improving quality of life for millions, or billions, of people.

- Marc Andreesson, "Technology Saves the World"

A 2021 study by The Conference Board found that the top attribute job seekers value in a new job is a **flexible work location policy**.

The New York Times

'This Could Have Been a Zoom Meeting': Companies Rethink Travel

Before business travel fully takes off again, some companies are taking steps to rein it in.



NATURE.COM

How Zoom helped the neurotypical world hear my autistic voice

Anya Lawrence says pandemic videoconferencing has brought her closer to h...



WSJ.COM

How Working From Home Has Changed Employees

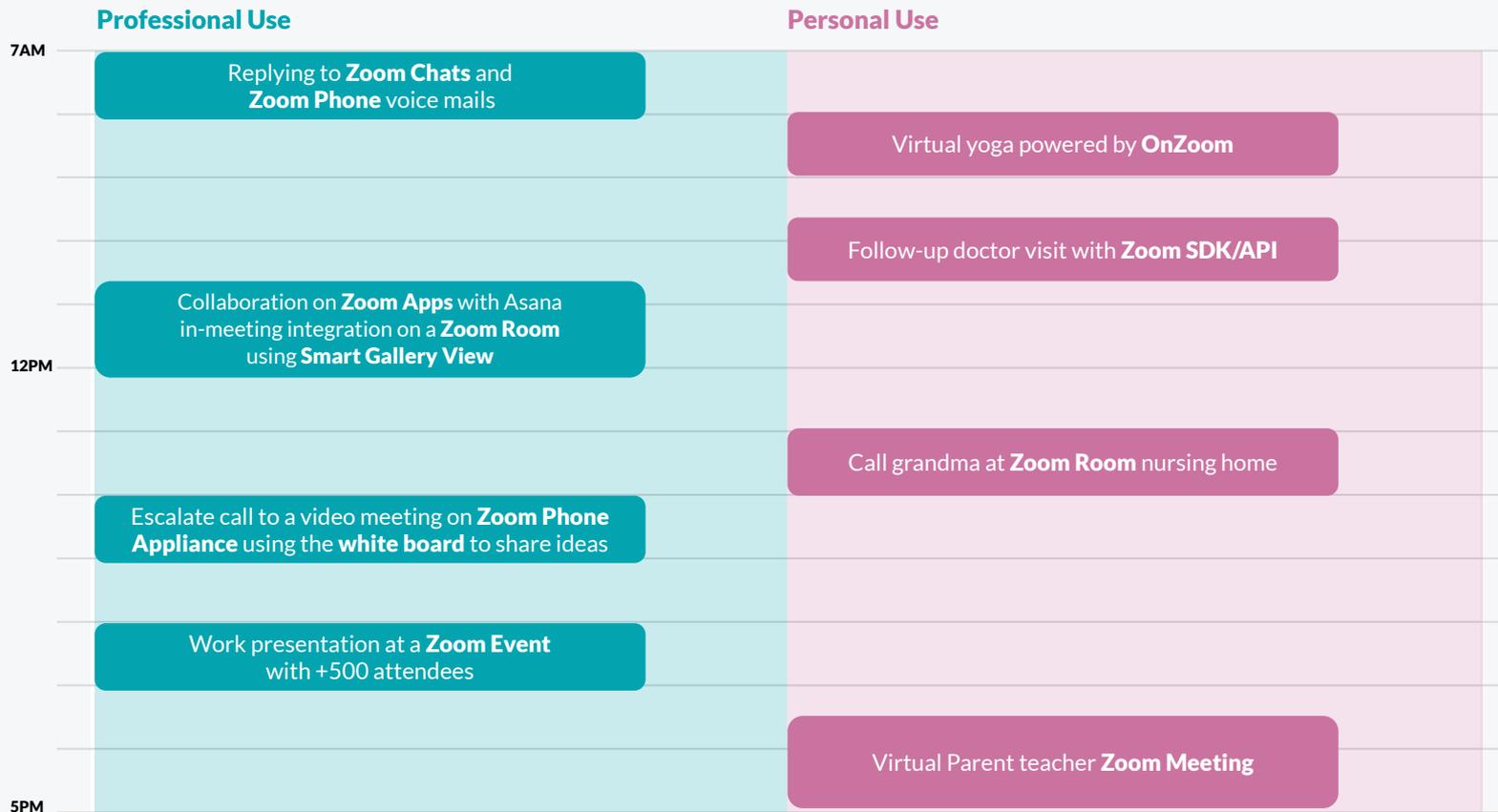
They are used to far greater independence. And they may value personal time...



Zoom is designed for today's dynamic, hybrid environment that will ignite a new era of connection and collaboration.

The Zoom platform is transforming the trajectory of communications by advancing the way we connect, share ideas, and get more done together - regardless of location.

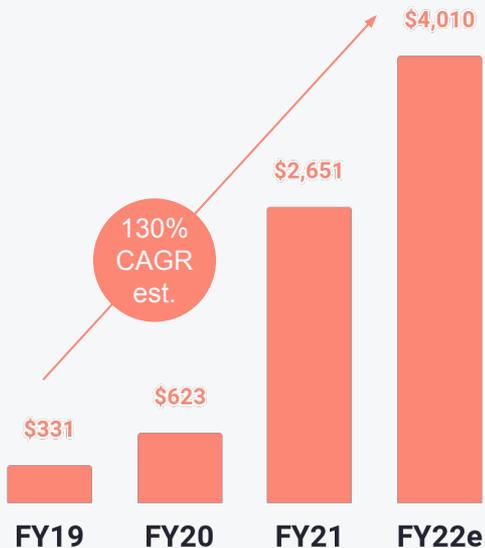
“This could have been a Zoom Meeting” - NYT



Remarkable financial and business growth



Revenue
(in millions)¹



>130%

TTM Dollar-Based Net Expansion Rate² (Q2 FY22 was 13th consecutive quarter)

41.6%

Non-GAAP operating margin³ (Q2 FY22)

\$5.1B

Cash, cash equivalents and marketable securities, excluding restricted cash (Q2 FY22)

44.5%

Free cash flow margin³ (Q2 FY22)

¹FY22 revenue and CAGR is based on the mid-point of guidance issued on the Q2 FY22 earnings call (the guidance range was \$4,005 to 4,015 million).

²We calculate the dollar-based net expansion rate as of a period end by starting with the Annual Recurring Revenue (ARR) from customers with more than 10 employees as of the 12 months prior to such period end (Prior Period ARR). We then calculate the ARR from these customers as of the current period end (Current Period ARR). The calculation of Current Period ARR includes any upsells, contraction and attrition. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at the dollar-based net expansion rate. For the trailing 12-months calculation, we take an average of this calculation over the trailing 12 months.

³See appendix for a reconciliation of non-GAAP to GAAP financial measures. We define FCF as GAAP net cash provided by operating activities less purchases of property and equipment.

Zoom's TAM continues to expand



Source: IDC Research (2021) for Telephony and UC Collaboration; Five9 estimates, Statista, McKinsey, Gartner and MZA for Contact Center; Frost & Sullivan for Webinars and Virtual Events
Note: figures in the graph are rounded

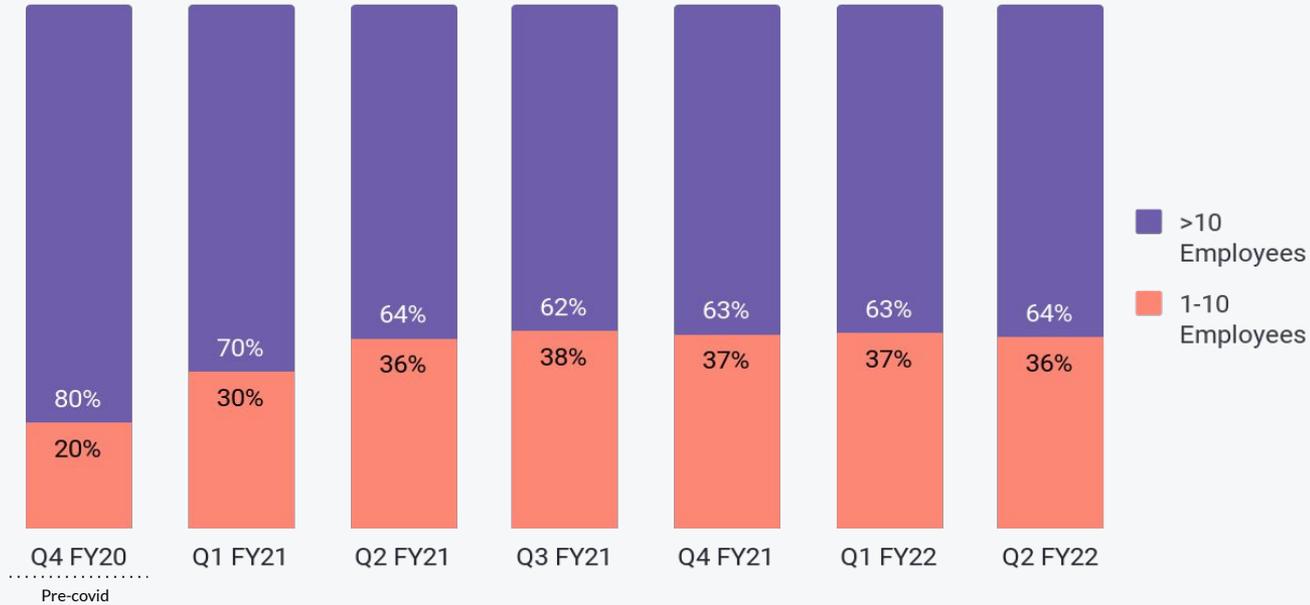
- 1.14B Knowledge workers by 2023¹
- 90M Conference rooms²
- 464M Desktop phones³

¹Gartner Inc. (2021); ²Frost & Sullivan (base year 2020); ³Frost & Sullivan (2021)

Shifting Customer Demographics



Revenue by customer size



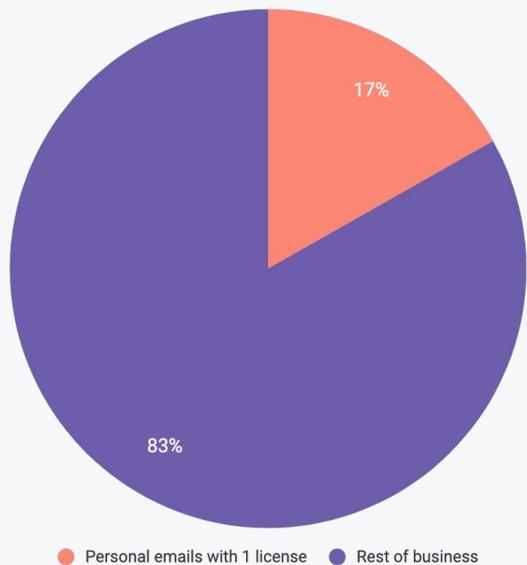
Note: Percentages are rounded.

Large Base of Business Customers

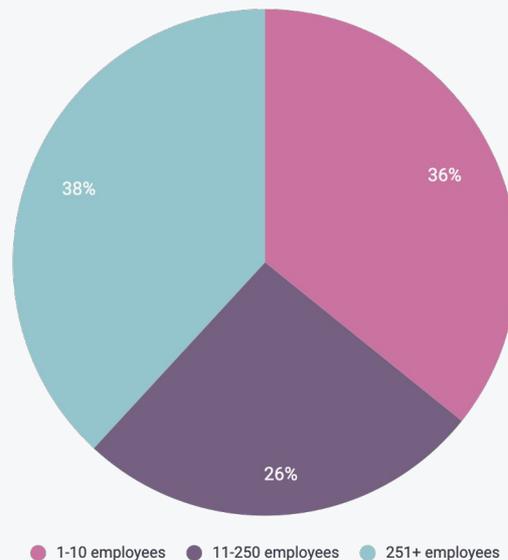
(as of Q2 FY22)



Business vs single license personal emails¹
(as % of Exit ARR)



Revenue mix by customer size



¹Personal emails are estimated based on common personal email domain extensions (e.g. gmail, hotmail, etc.).

Go-to-market motions provide different opportunities



Direct, Channel & ISV:

- Highly retentive
- Expanding TAM provides durability of growth
- Extensive upsell opportunities in both seats and additional product
- Contract duration normalizing
- Accelerating channel business

Online:

- Hypergrowth in FY21
- Highly efficient customer acquisition
- Gateway for expansion due to “viral enthusiasm”
- Churn stabilizes as longevity increases
- During pandemic, provided greater flexibility for organizations to self-serve larger teams

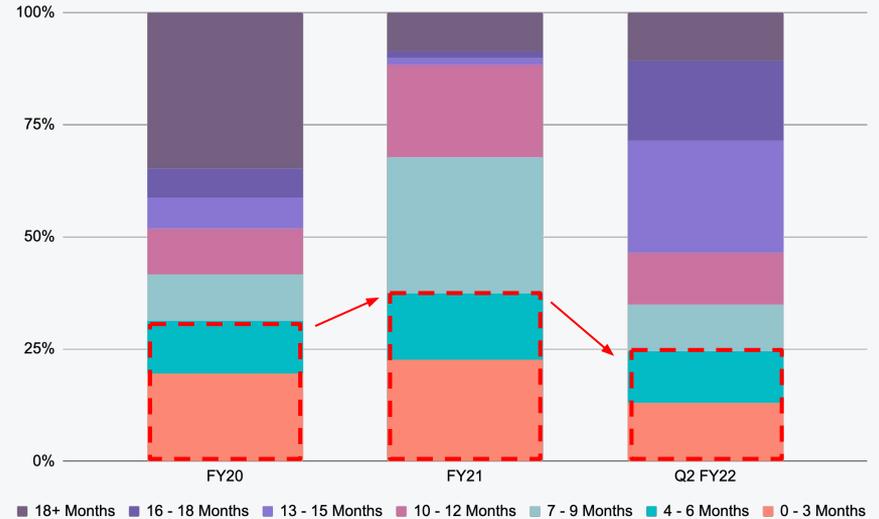
Lengthening customer tenure provides stability in the online channel



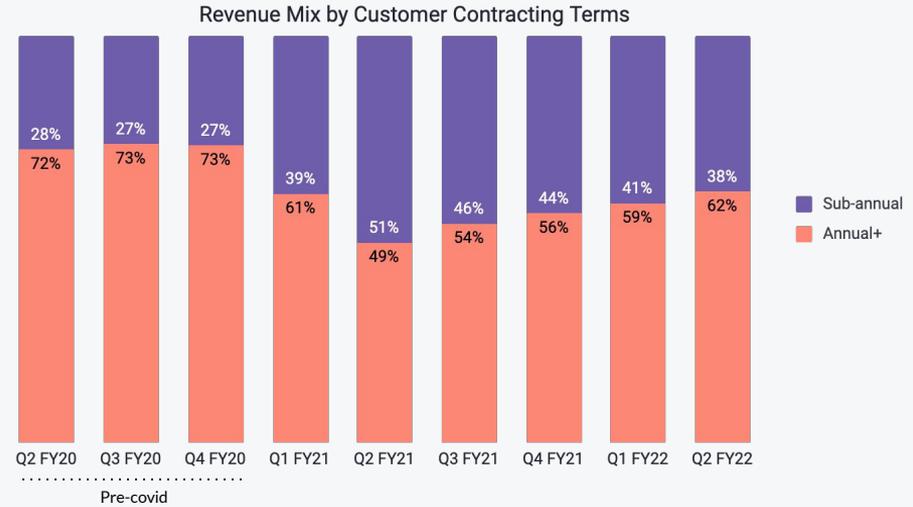
Historical Online Monthly Churn Rates by Customer Tenure



Online Exit ARR by Customer Tenure



Growth in direct business driving improvement in overall contract length and billing mix

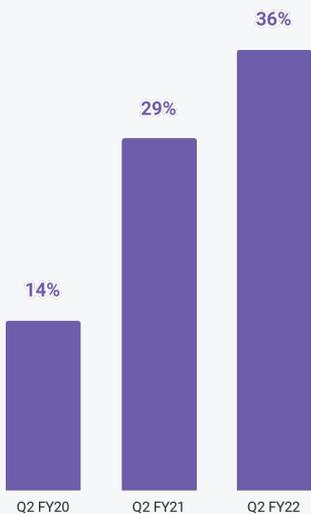


Upmarket movement with room for significant growth

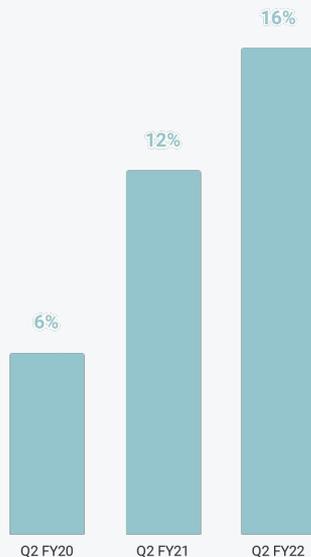
Global 2000 penetration rate by ARR¹ threshold



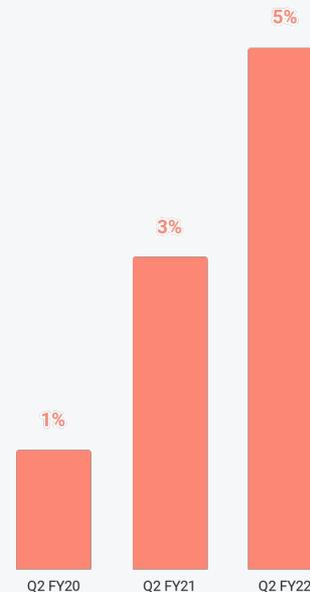
>\$10k ARR



>\$100k ARR



>\$1M ARR



¹ARR stands for Annual Recurring Revenue

Strong international growth continues



Revenue¹
(in millions)



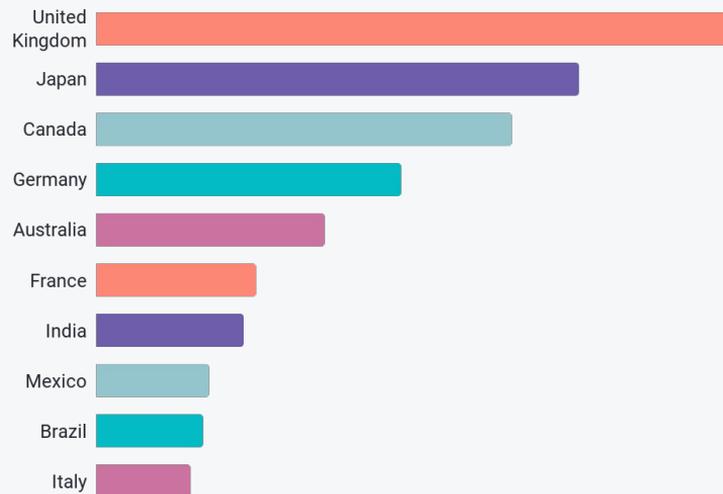
Yr/Yr Growth

APAC
66%

EMEA
60%

Americas
50%

Top International Countries by Revenue (Q2 FY22)



¹Subtotal revenue has been rounded.

Zoom Phone and Zoom Rooms provide significant future upsell opportunities



~5%

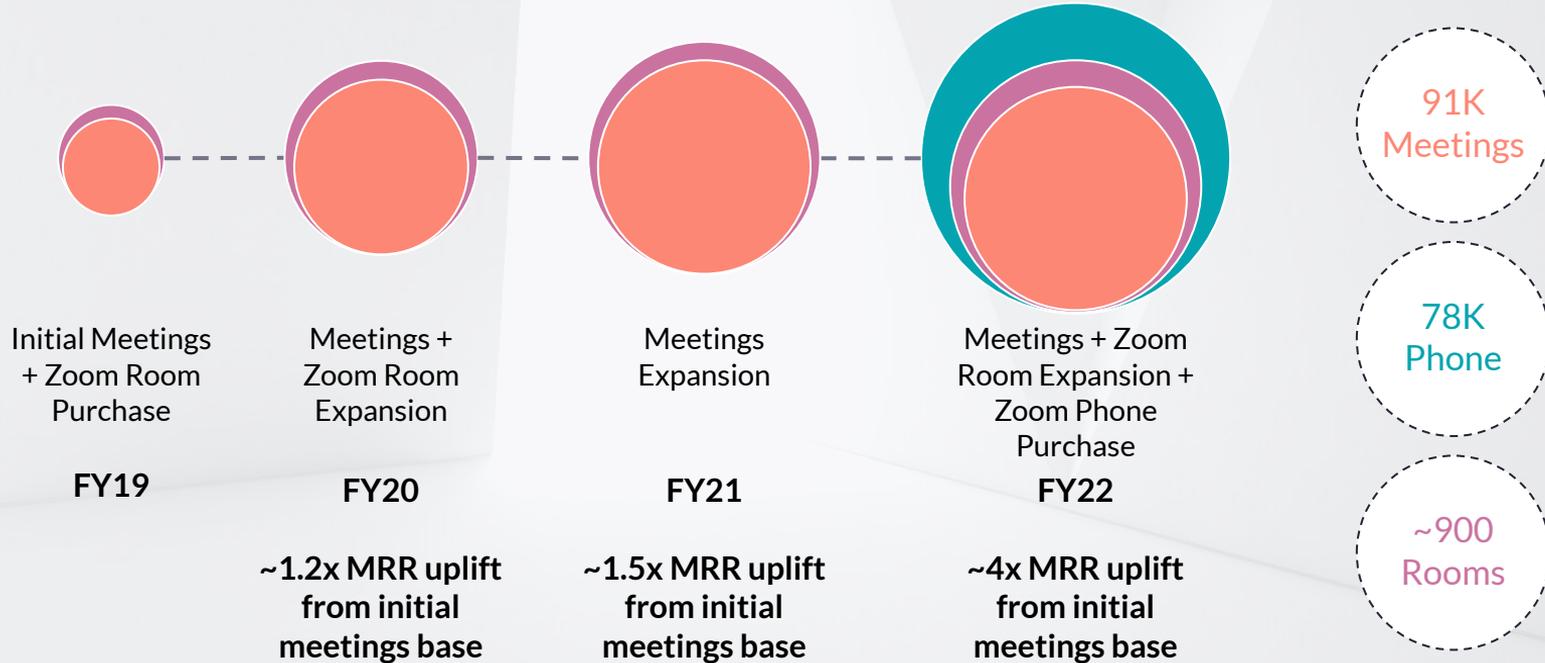
**Zoom Rooms
Account
Penetration¹**

~4%

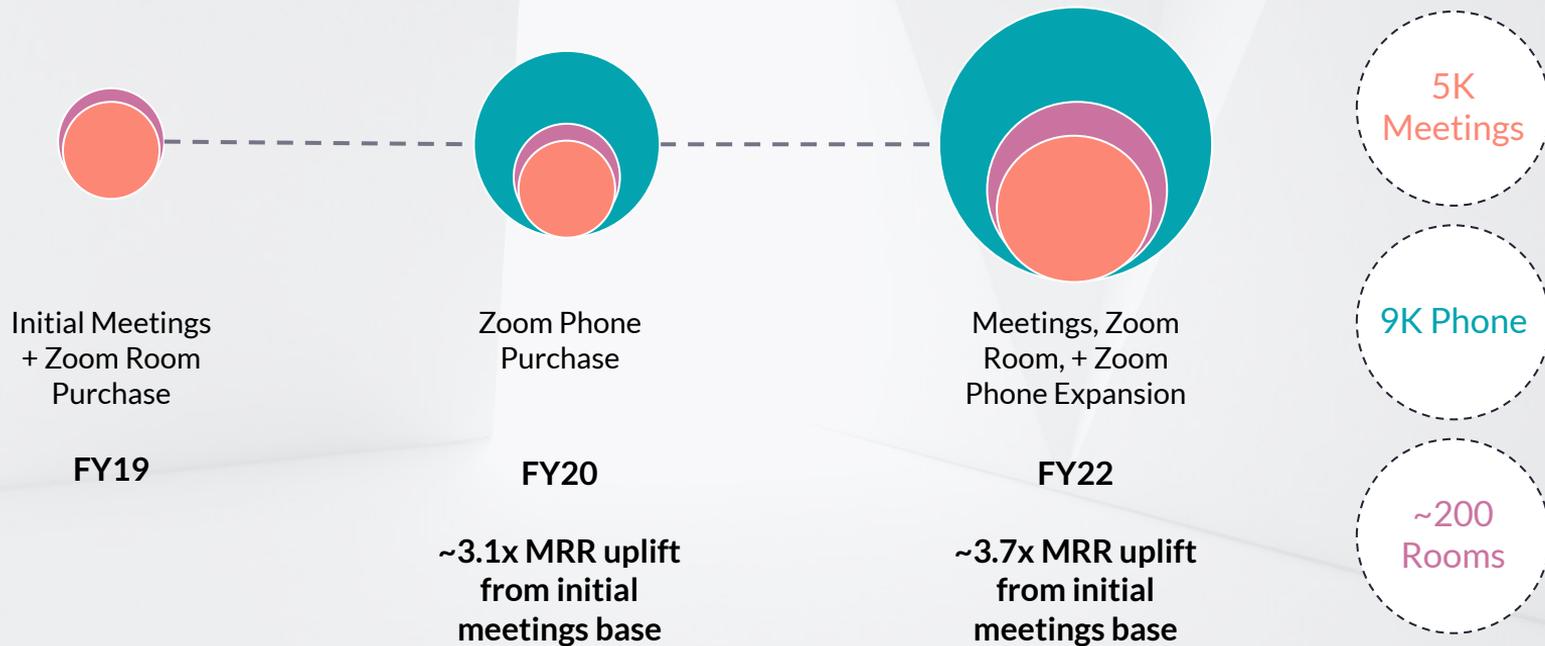
**Zoom Phone
Account
Penetration¹**

¹ Account Penetration Rate is defined as number of Zoom accounts with more than 10 customers that have at least one paid license

Case Study 1: Large Financial Services Company



Case Study 2: Large Retail Company



The Zoom advantage rests on the power of our platform and culture



Innovation engine

Frictionless technologies with modern cloud architecture



Large customer base

>500k customers with >10 employees



Global brand

Recognized in Interbrand's 100 Best Global Brands

Our **core value** is care for our community, customers, company, teammates, and selves
Our **culture** is delivering happiness

Speaker



Oded Gal

Chief Product Officer



Product & Platform

Five Key Themes

Focus on Product Improvements, Innovations and Inspiration



Continuous Collaboration

- Meetings
- Chat
- Security



New Hybrid Workplace

- Zoom Rooms
- Zoom Phone
- Whiteboard



Apps & Integrations

- Zoom Apps
- Zoom Developer Platform (SDK/API)



Content Outreach

- Zoom Events
- Video Webinars



Customer Engagement

- Zoom Video Engagement Center

Continuous Collaboration

- Meetings
- Chat
- Security



Meetings

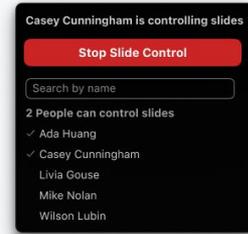
- Live Multi-Language Transcription and Translation (Kites)
- Slide Control (vs. “Next Slide Please”)
- Waiting Room Two-Way Chat
- Zoom Widgets (presence and quick sync for chat, video, phone)
- In-Meeting Chat Emojis
- Avatar



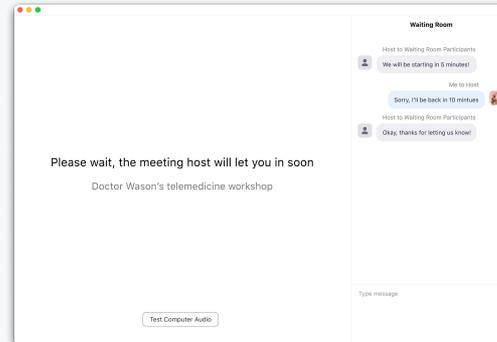
Real-Time Transcription/Translation



Slide Control



Waiting Room Two-Way Chat



Zoom Widgets

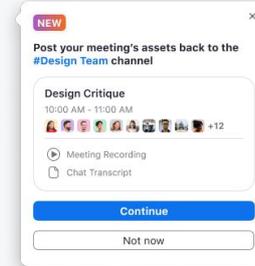
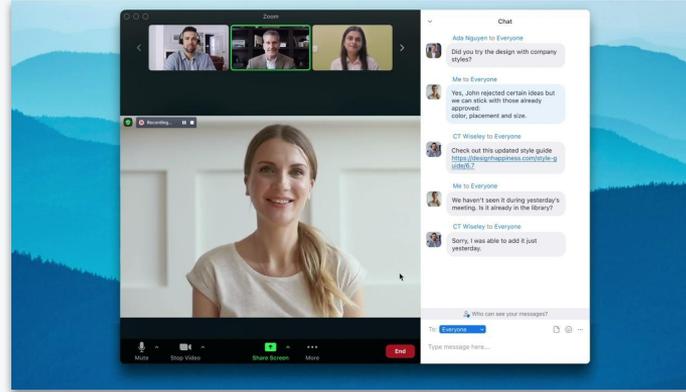


Chat

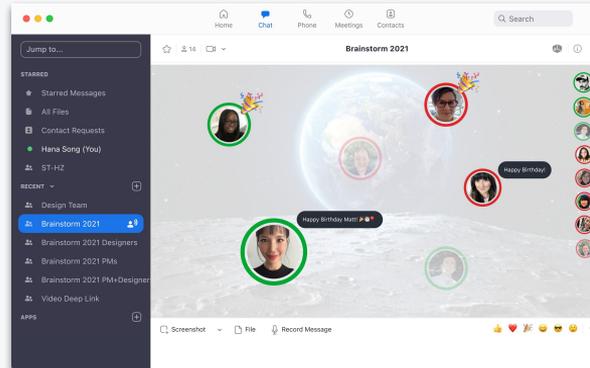


- Continued Conversations
 - Bring in your meeting conversations into chat and channels post-meeting
- Huddle View
- New Admin Portal UX
- Integrations
 - M.io
 - Cloud Storage
 - Others

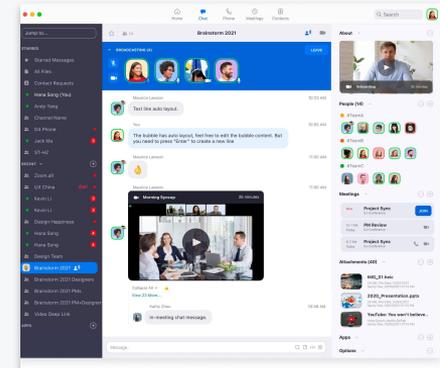
Continued Conversations



Huddle View



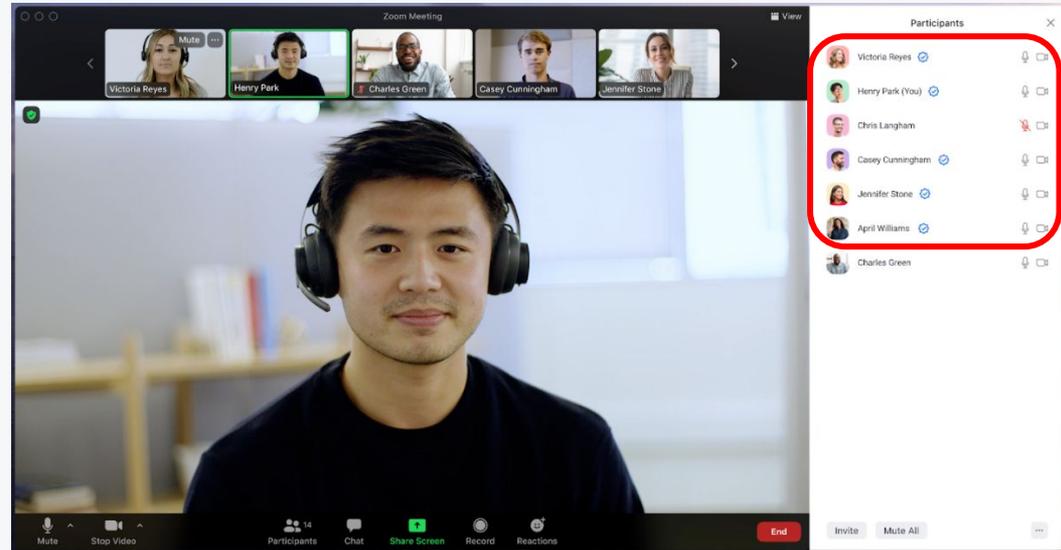
Zoom Chat (Standalone)



Security



Verified Identity



- Verified Identity (Okta)
- Bring Your Own Key

New Hybrid Workspace

- Zoom Phone
- Zoom Rooms
- Whiteboard



Zoom Developer Platform

Key Solutions

- **APIs** - read from & write to resources and mirror popular Zoom features like creating a new meeting, within a 2nd or 3rd party application
- **SDKs** - embed the Zoom Meeting client in to a 2nd or 3rd party app with Meeting SDK, or build native 2nd or 3rd party apps with core Zoom video technology with Video SDK

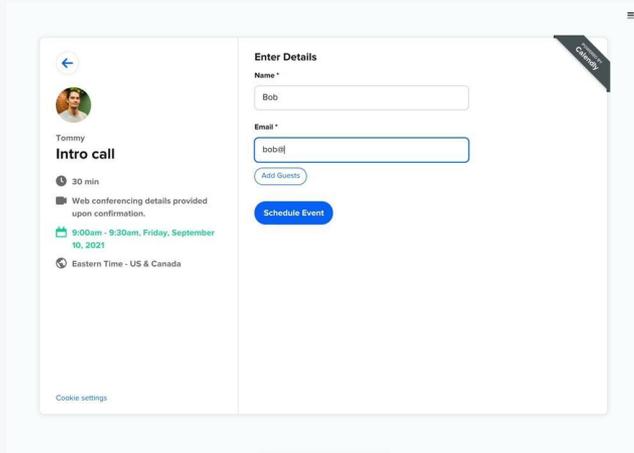
App Ecosystem

- **2nd & 3rd Party Integrations** - bring Zoom functionality into private and public non-Zoom applications via APIs, SDKs
- **Zoom Apps** - bring non-Zoom applications into Zoom for in-meeting use via APIs and SDKs
- **App Marketplace** - for publishing, installation, administration, distribution and discovery of 3rd Party Integrations (1500+) and Zoom Apps (50+)

New Tools

- **Jumpstart** - new app builder tool that generates code that brings Video SDK functionality quickly & seamlessly into an existing app
- **CLI** - quickly investigate Zoom's API, stand up a proof-of-concept, or even build serverless functions

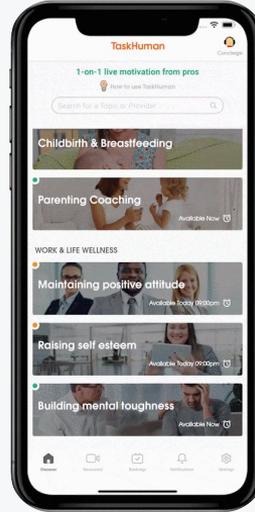
Zoom API/SDK Examples



Calendly

3rd party integration with modern scheduling platform using Zoom APIs to schedule 43M+ meetings to date

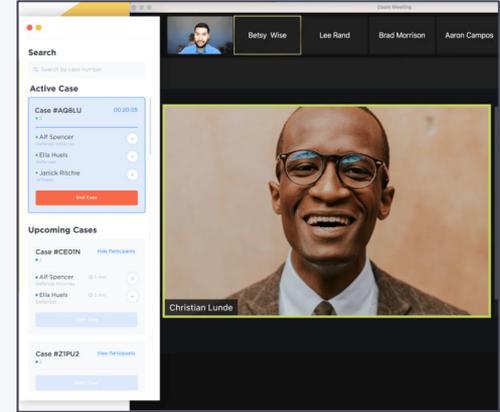
APIs



TaskHuman

Digital wellness network offering 1:1 video calls with wellness professionals

Video SDK



zconnect.io

Waiting room & daily docket management for courts

Meeting SDK

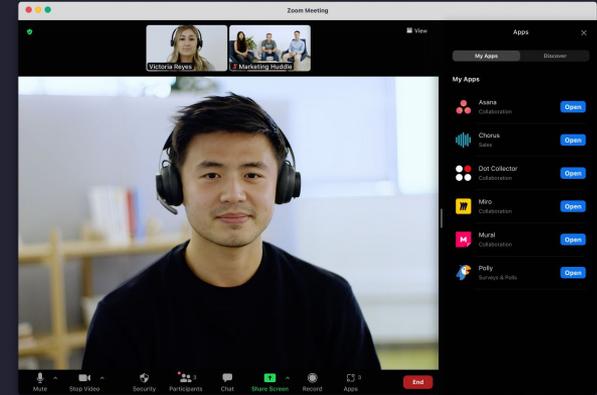
Zoom Apps

50+ apps available for use in Zoom Meetings today

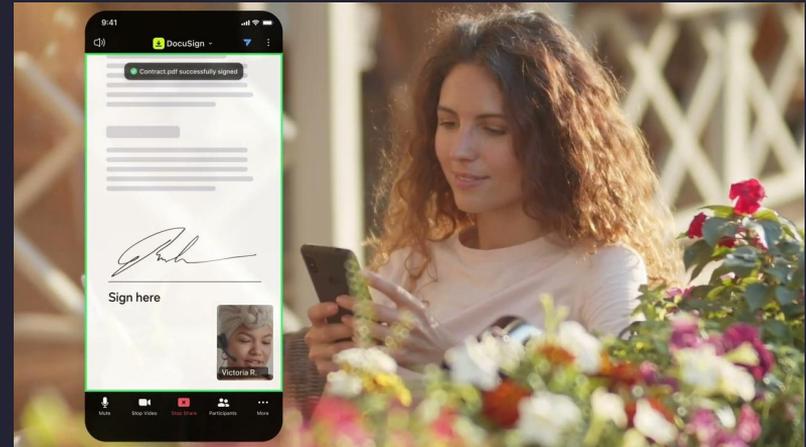
- Add these **in-product integrations** from within Zoom Meetings, within the Zoom desktop client and from the App Marketplace.
- Best-of-breed integration partners & industry-leading applications across categories & use cases

Zoom Apps Fund

- \$100M Venture Fund to Stimulate Growth of Zoom App/Developer ecosystem
- Investment levels from \$250K - \$2.5M



DocuSign Zoom App



Content That Engages

Video Webinars

Simple way to broadcast single events

Zoom Events

An all-in-one platform for event management including multi-day, multi-track sessions, ticketing, audience engagement and more built using reliable and secure Zoom video.



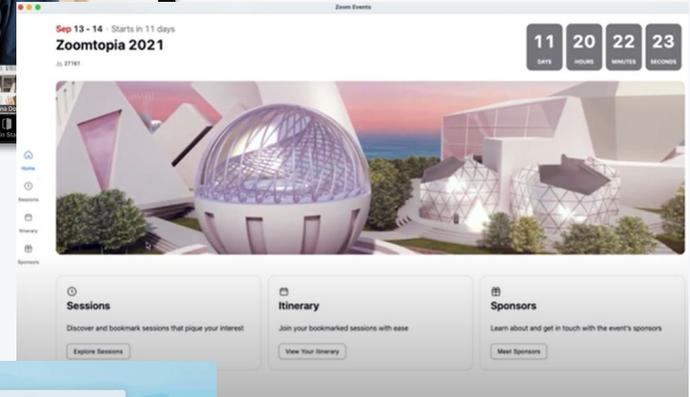
Zoom Events & Webinars

- Webinar Backstage
- Conference Features
 - Multi-Track, Multi-Day
 - Enhanced Lobby (Live Stream, Network, Chat, Video)
 - Conference Control Panel Enhancements
 - Event Co-Editor
 - Branded Emails
 - Recordings
 - Analytics
- Expo+Networking

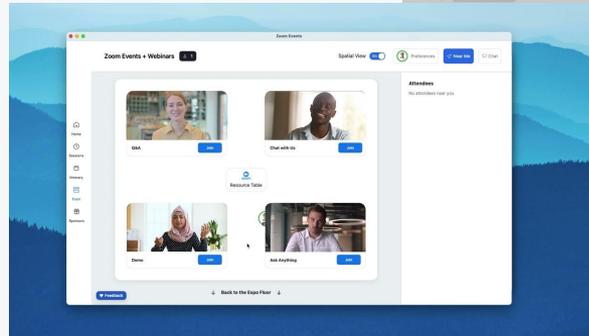
Backstage



Enhanced Lobby



Expo + Networking



Zoom Video Engagement Center

- Connect your **end customers** with your **experts**, starting either at a digital or physical point of presence.
- End-to-end service that integrates many of the isolated systems that customers use now to address their own customers' satisfaction.
- Video-optimized Templates for use in a variety of industries



Speaker



Graeme Geddes

Head of Zoom Phone & Zoom Rooms

graeme.geddes@zoom.us

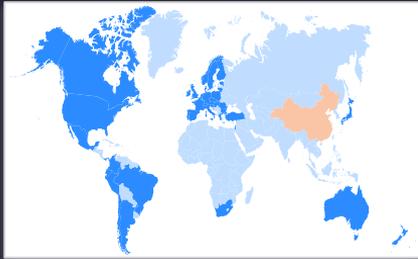
Zoom Phone



A Year in Review: Zoom Phone

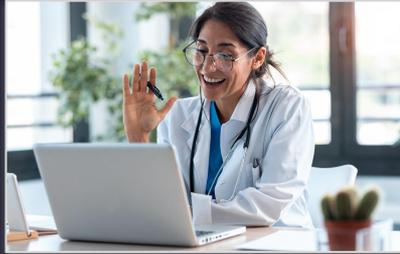


PSTN Expansion

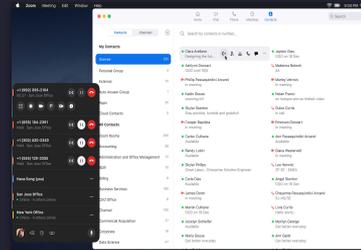


+Israel, Japan, South Africa, Turkey

HIPAA



Attendant Console



Real-time Analytics



Expanded Partners

Master Agents
Distributors
Service Providers

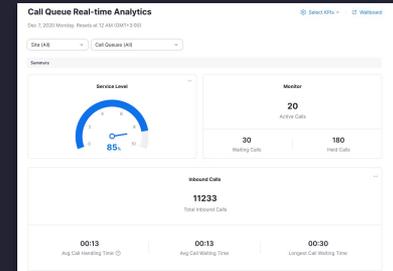
New Certified Hardware



Key Integrations



Wallboards



Zoom Phone Device Ecosystem



Desk Phones



Conference Phones



Paging & Intercom



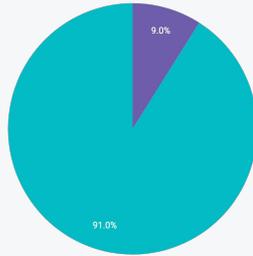
Session Border Controllers





2,000,000+

Total Zoom Phone
Seats Sold¹



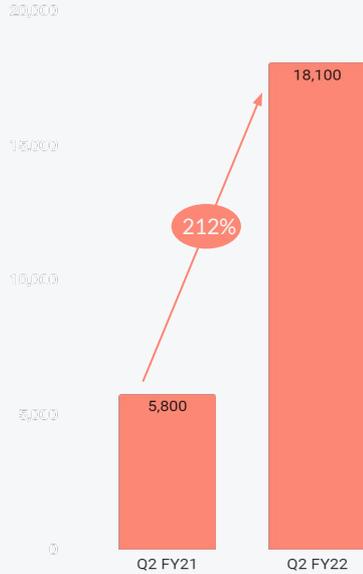
● Seats to Customers <10 Employees ● Seats to Customers >10 Employees

Zoom Phone seats sold to
customers with >10
employees

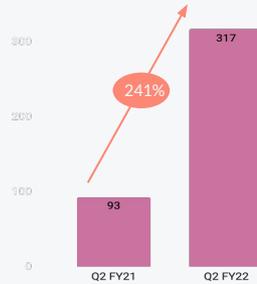
26

Customers >10k paid seats

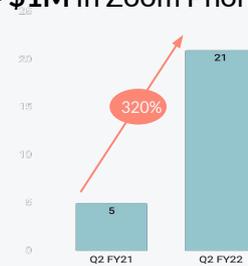
Zoom Phone Customers¹ with more than 10 employees



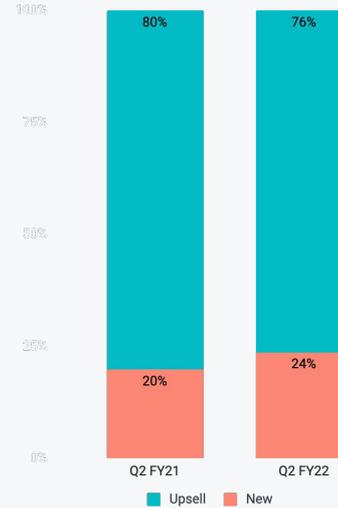
Customers with >\$100k in Zoom Phone ARR



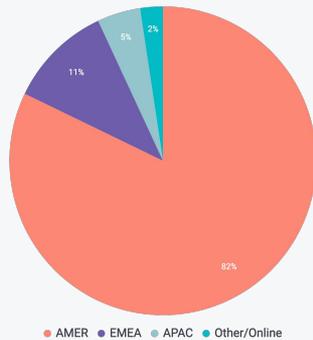
Customers with >\$1M in Zoom Phone ARR



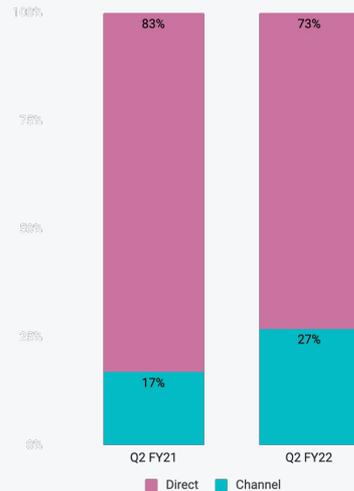
New vs. Upsell²



Geographic Breakdown¹



Channel Contribution² to Zoom Phone



Top Verticals

- Technology
- Finance
- Insurance
- Manufacturing
- Prof Services
- Retail
- Education



Zoomtopia Announcements

Zoom Phone

Provider Exchange

A new way to connect with Cloud Peering Partners

- Customer self-service experience to discover & connect with preferred 'Cloud Peering' providers for PSTN connectivity
- Connecting with providers is as simple as getting an app
- Expands Zoom Phone's geographic reach and GTM capabilities via new partners

TATA
COMMUNICATIONS

PureIP

KAY REACH
SYSTEM

INVITE

ulap

MEGACABLE

SIPPIO

1 TO ALL
NETWORK & COMMUNICATIONS

TOKU

access4

LUMEN®

PLDT

nuwave
powered by ipilot

ribbon

ac
audiocodes

IntelePeer

sipcom™

bandwidth

ESI

Video Voicemail



Video Greeting

Zoom users calling each other can view the callee's greeting...

Video Voicemail Message

...and record a video mail. *Regular voicemail is still available as part of the same flow.*

The screenshot shows the Zoom voicemail interface. On the left is a call history list with columns for contact name, phone number, and time. The main area displays a video greeting for Sophia Mosely, including her name, a video thumbnail, and options to "Leave a Voicemail" or "Leave a Videomail".

History	Voicemail	Lines	SMS
All History ▾			
📞 Sophia Mosely (500) 555-1234		Today	2:24 PM
(500) 555-9875 San Jose, CA · Missed		Today	2:24 PM
Shawna Owen (500) 555-7429		Yesterday	2:24 PM
(500) 555-3821 unknown location		2/2/19	4:24 PM
📞 (500) 555-9502 Montpelier, VT		2/2/19	2:24 PM
Shawna Owen (500) 555-7429 · Missed		1/24/19	1:04 PM
Katie Carter Ext. 20112		1/20/19	3:48 PM
(500) 555-3821 unknown location		2/2/19	4:24 PM
(500) 555-3821		2/2/19	

Sophia Mosely ▾
Video Greeting

📞 Leave a Voicemail 📹 Leave a Videomail

📞

The screenshot shows the Zoom voicemail interface. On the left is a call history list. The main area displays a video voicemail message for Sophia Mosely, including her name, a video thumbnail, a duration of 00:03, and a "Stop" button.

History	Voicemail	Lines	SMS
All History ▾			
📞 Sophia Mosely (500) 555-1234		Today	2:24 PM
(500) 555-9875 San Jose, CA · Missed		Today	2:24 PM
Shawna Owen (500) 555-7429		Yesterday	2:24 PM
(500) 555-3821 unknown location		2/2/19	4:24 PM
📞 (500) 555-9502 Montpelier, VT		2/2/19	2:24 PM
Shawna Owen (500) 555-7429 · Missed		1/24/19	1:04 PM
Katie Carter Ext. 20112		1/20/19	3:48 PM
(500) 555-3821 unknown location		2/2/19	4:24 PM
(500) 555-3821		2/2/19	

Sophia Mosely ▾
Videomail
00:03

🛑 Stop

zoomTOPIA

Zoom Video Engagement Center

Helping organizations of all types better engage with their end customers.



Video-optimized

Best of Zoom video experience and scale



Multi-channel Workflows

Connect with customers end-to-end across channels



Simple Administration

Visual flow designer or customizable templates



VEC-Video Waiting Room



The screenshot shows a web browser window with the URL <https://zoomlyhealth.com>. The page features the Zoomly Health logo in the top left and "Powered by zoom" in the top right. The main content area displays a video player with a silhouette of a person in a yoga pose against a sunset beach background, with the text "Tips to Unwind" overlaid. Below the video, it states "Estimated wait: 0 minutes". On the right side, there is a "Waiting Room" chat window with a message from Karen Chan (Medical Assistant) at 9:45 AM: "Welcome Ms Harris! Dr. Mckenney will be right with you. We'll notify you with a bell 🔔 when your meeting is about start." Below the chat, there are two buttons: "Send us a message" and "Schedule an appointment".

Zoom Rooms



Your Return to Work (With Zoom)

As your workforce returns to the office, ensuring *health and safety standards* is crucial

In-Room
People Counting

Wireless Pairing
With Zoom for Home Devices

Virtual Receptionist
With Zoom for Home Devices

Buttonless Bluetooth
Desk Phones

Room Schedulers
For easy room booking

Voice Control
In Conference Rooms

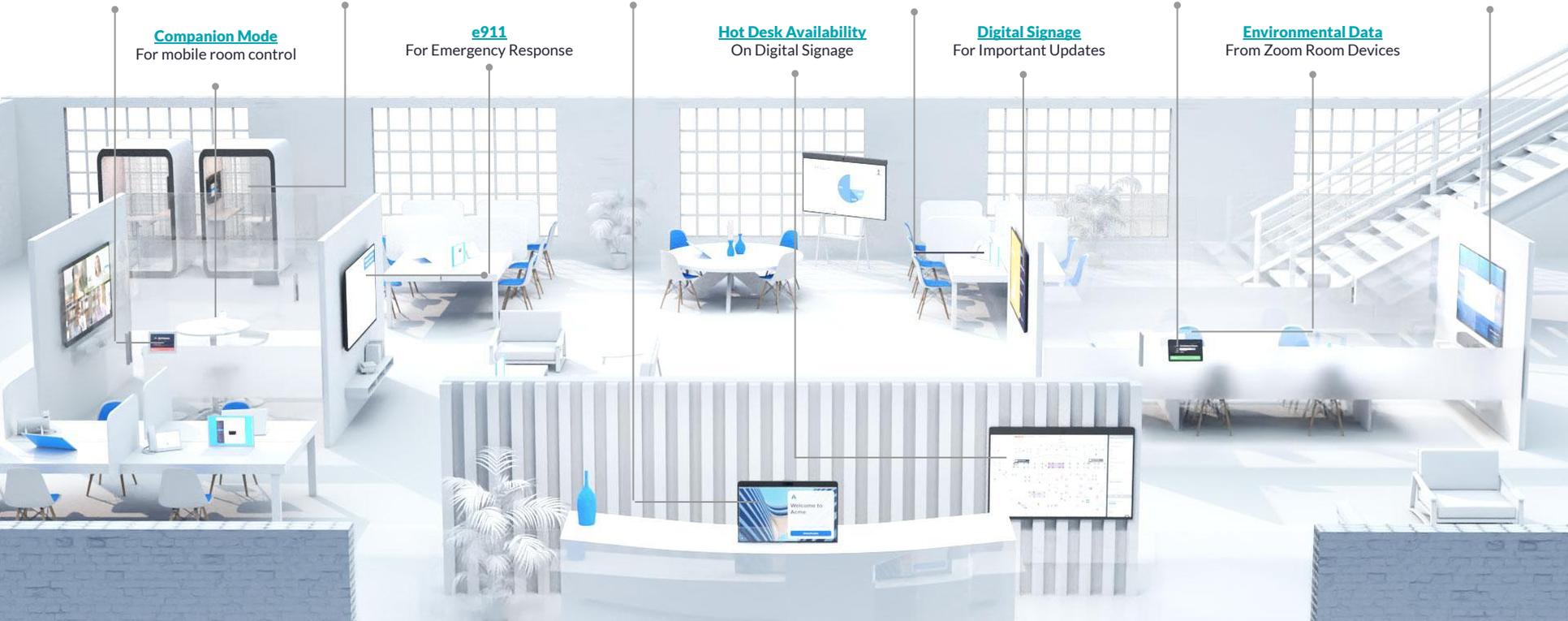
Companion Mode
For mobile room control

e911
For Emergency Response

Hot Desk Availability
On Digital Signage

Digital Signage
For Important Updates

Environmental Data
From Zoom Room Devices



A Year in Review: Zoom Rooms



Expanded Hardware Portfolio



People Counting



Zoom for Home



Kiosk Mode



Smart Gallery



Companion Mode



Voice Commands



Zoom Rooms Device Ecosystem



Zoom Rooms Appliances



All in One Touch Systems



Personal Devices



Pro AV Room Systems



Zoom for Home Device Ecosystem



Appliances



Zoom Phone
Appliances



Smart Displays



Certified AV
Accessories





Zoomtopia Announcements

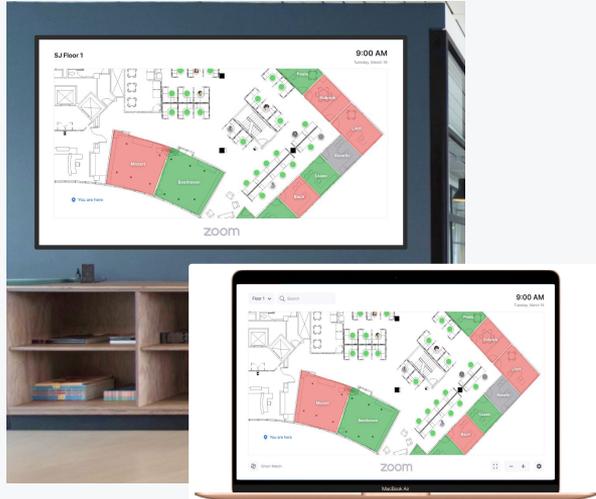
Zoom Rooms

Hybrid Workspace



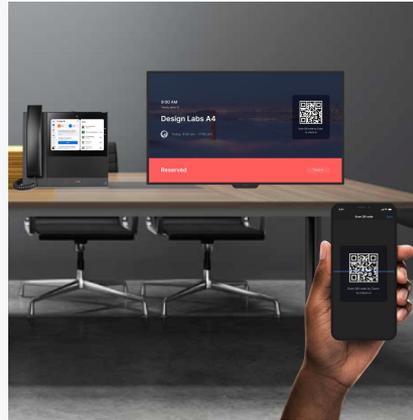
View & Reserve

Reserve in-office or at home



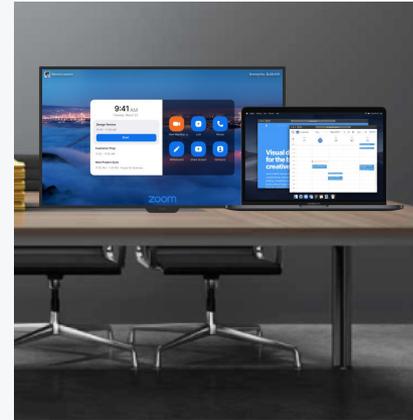
Check-in

Users check-in at desk to keep the reservation



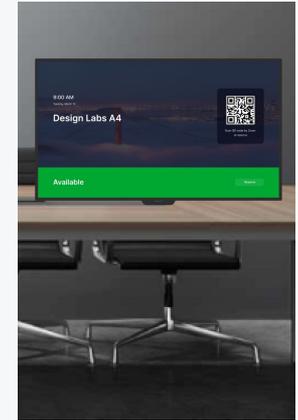
Use Desk

Personal Zoom Room, Zoom Phone appliance



Sign-out

Auto sign-out at end of session



Supporting any Bookable Space



SJ Floor 1

9:00 AM

Tuesday, March 19



zoom

Workstations with:

- Zoom Rooms Appliance
- Zoom Phone Appliance
- Monitor / Docking Station
- Bookable Desk

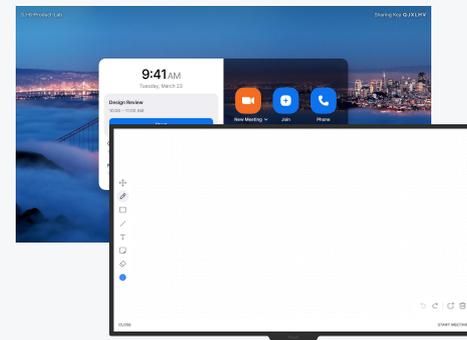
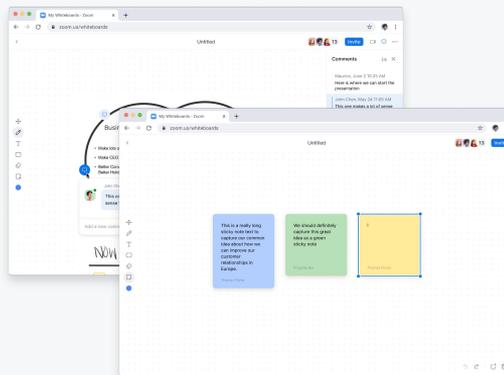
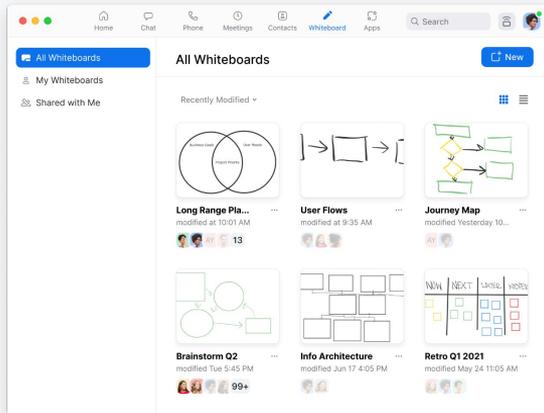
Conference Rooms Collaboration Spaces

Smart Gallery brings **Equity** and **Inclusion** for In-Person and Remote Meeting Attendees





Whiteboarding



Persistent Collaboration

- Create whiteboards before, during or after meetings
- Invite co-editors from within or outside your organization
- Control access to whiteboards by owners or administrators

Powerful Tools

- Use sticky notes to highlight ideas
- Leave comments with @mentions and assign actions
- View the version history to see what's changed and go back if needed

Across all Devices

- Desktop (Win / Mac) in client or browser, Mobile (iOS / Android)
- Zoom Rooms for Touch and Zoom Rooms Controllers
- Consistent experience both in and out of meeting

VR Whiteboard

Integration: Oculus Horizons Workrooms

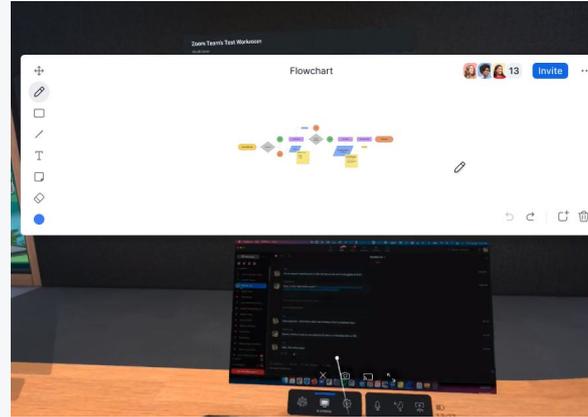


Desktop View



- Open an existing whiteboard or start a new one
- Use the Oculus remote to write on the board
- Select different tools with the back of their remote
- Uses physical desktop for a natural writing feel

Front of Room View



- View the Zoom Whiteboard at the front of room
- “Walk” up to the board and start drawing
- Writing surface can be configured to align with a physical wall for a more natural feel



Thank You

Speaker



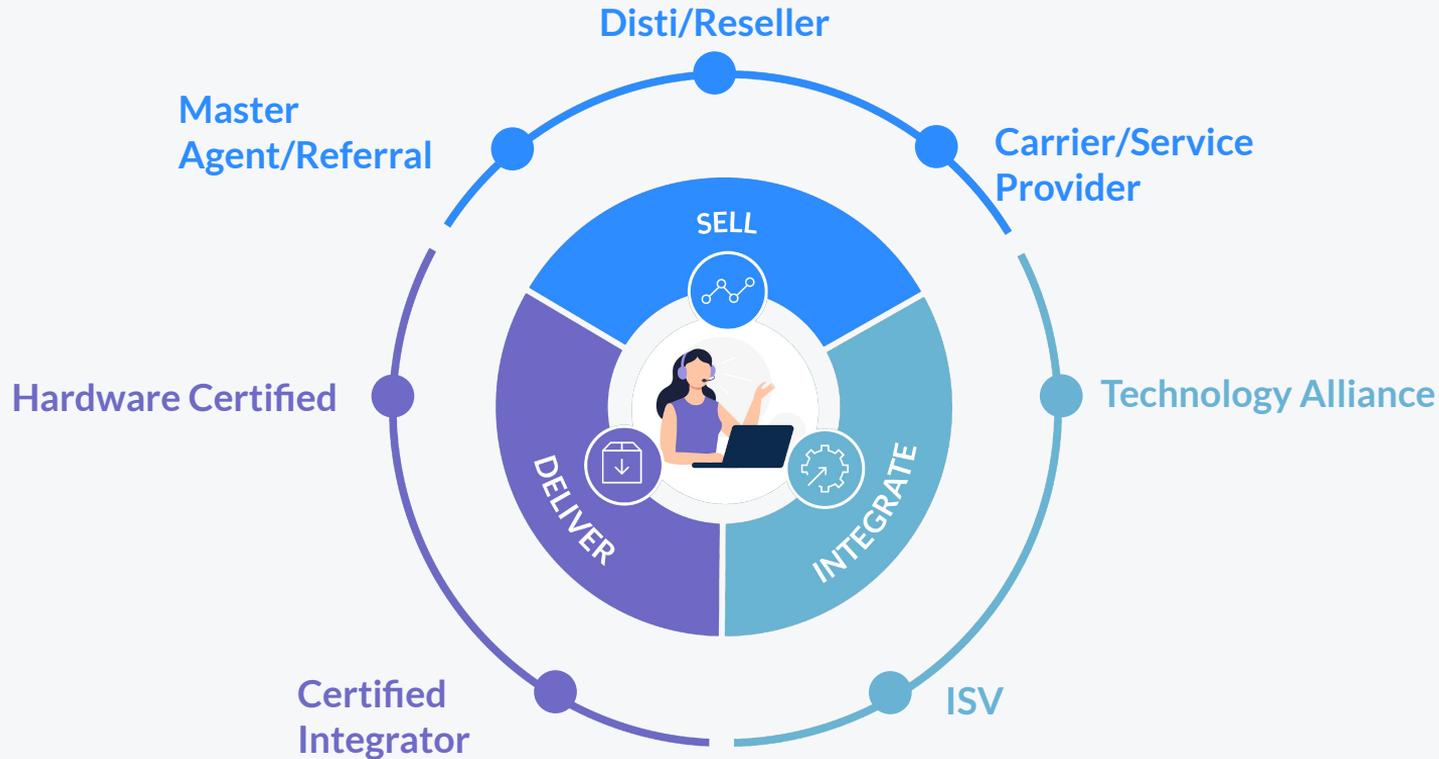
Laura Padilla

Head of Channel and Business
Development



Partner Ecosystem

Partner Ecosystem



Partner Ecosystem - Distribution



carahsoft

west telco



nuvias

KERN &
STELLY



veracomp

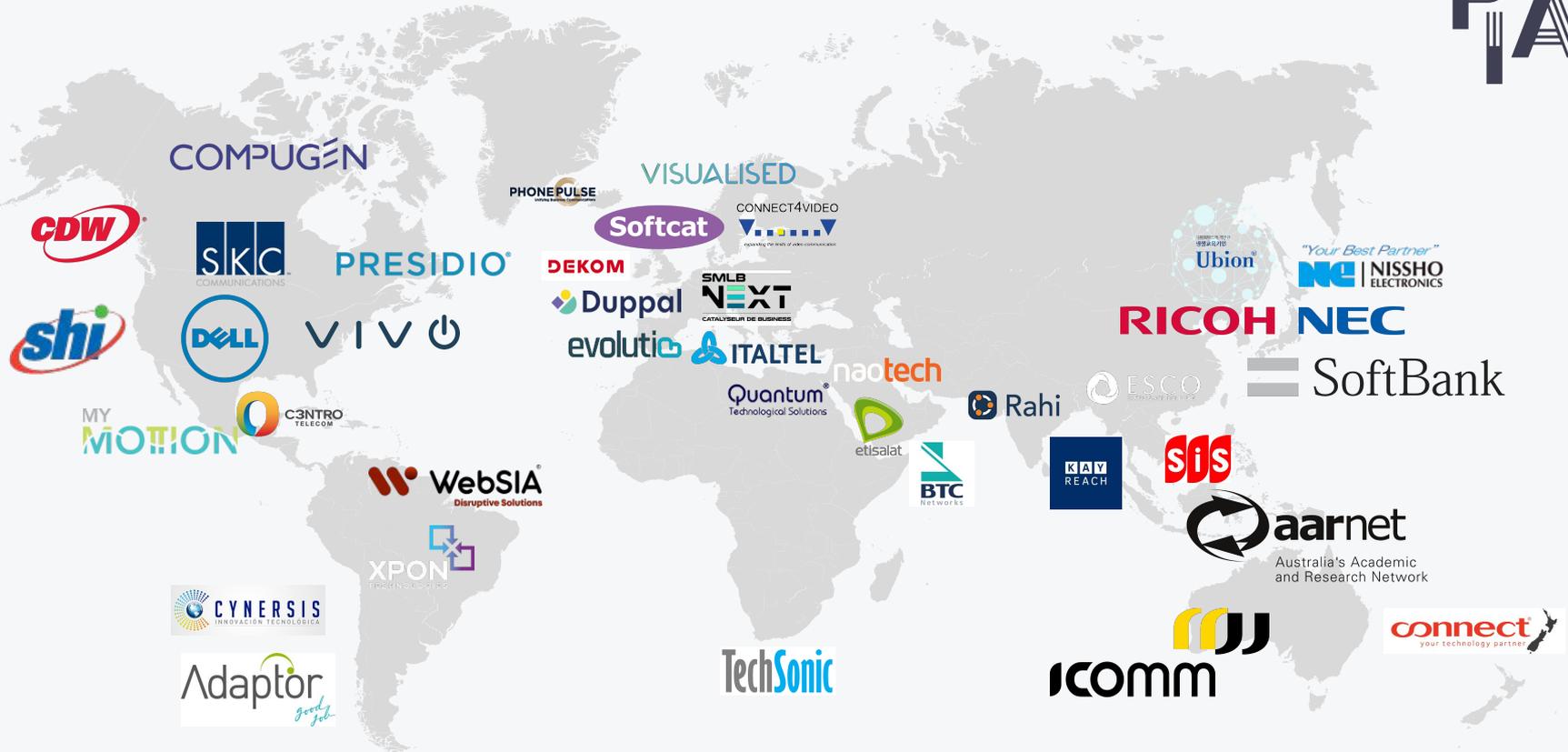
rhipe

SB C&S

savex
TECHNOLOGIES

DICKER
DATA

Partner Ecosystem - Resellers



Partner Ecosystem - Service Providers



Partner Ecosystem - Master Agent/Referral



Partner Ecosystem - ISVs



ONICALL



cvent



servicenow

Procondutor



gapo



Telkomsel





Enhanced Programs

Reseller Partner Program for
Zoom Phone BYOC

Cloud Peering

Zoom Phone Provider Exchange

Increased focus and investments
(MDF) on leading partners



Ease of Doing Business

International Channel Expansion
+3,500 new partners

Channel Contribution
>20%

Larger Deals
>\$500K



Sales Alignment

Partner Satisfaction
NPS >70

Deal Registration Acceptance
>80%

Launch of
Partner Advisory Council

Partner Panel



Carl Orleman

Lumen Technologies

VP of Sales & Customer Success,
Edge Application Solutions



Andy Dignan

Five9

SVP Global Partners & Services



Daichi Nozaki

SoftBank

VP/Head of Global Business
Division



Thanks!

Questions?

#Zoomtopia

Appendix



GAAP to Non-GAAP Reconciliation



(\$ in Thousands)

	Q2 FY21	Q2 FY22	H1 FY21	H1 FY22
Gross Profit				
Total Revenue	\$663,520	\$1,021,495	\$991,687	\$1,977,732
GAAP Gross Profit	\$471,249	\$760,239	\$695,709	\$1,451,482
(+) Stock-based compensation expense and related payroll taxes	\$8,059	\$17,557	\$11,441	\$32,201
(+) Acquisition-related expense	\$154	\$754	\$154	\$1,446
Non-GAAP Gross Profit	\$479,462	\$778,550	\$707,304	\$1,485,129
Non-GAAP Gross Margin	72.3%	76.2%	71.3%	75.1%
R&D Expenses				
GAAP R&D	\$42,734	\$82,311	\$69,123	\$147,486
(-) Stock-based compensation expense and related payroll taxes	\$(10,166)	\$(24,067)	\$(15,569)	\$(45,253)
(-) Acquisition-related expense	\$(4,006)	\$(4,155)	\$(4,006)	\$(6,747)
Non-GAAP R&D	\$28,562	\$54,089	\$49,548	\$95,486
S&M Expenses				
GAAP S&M	\$159,173	\$271,179	\$280,729	\$516,846
(-) Stock-based compensation expense and related payroll taxes	\$(36,429)	\$(60,146)	\$(54,454)	\$(114,896)
Non-GAAP S&M	\$122,744	\$211,033	\$226,275	\$401,950
G&A Expenses				
GAAP G&A	\$81,238	\$112,146	\$134,368	\$266,235
(-) Stock-based compensation expense and related payroll taxes	\$(6,948)	\$(14,972)	\$(10,384)	\$(28,767)
(-) Litigation settlements, net	-	-	-	\$(66,916)
(-) Charitable donation of common stock	\$(22,312)	-	\$(23,312)	-
(-) Acquisition-related expense	\$(782)	\$(8,411)	\$(782)	\$(8,411)
Non-GAAP G&A	\$51,196	\$88,763	\$99,890	\$162,141

GAAP to Non-GAAP Reconciliation



(\$ in Thousands except EPS)

	Q2 FY21	Q2 FY22	H1 FY21	H1 FY22
Operating Profit				
Total Revenue	\$663,520	\$1,021,495	\$991,687	\$1,977,732
GAAP Operating Profit	\$188,104	\$294,603	\$211,489	\$520,915
(+) Stock-based compensation expense and related payroll taxes	\$61,602	\$116,742	\$91,848	\$221,117
(+) Litigation settlements, net	-	-	-	\$66,916
(+) Charitable donation of common stock	\$22,312	-	\$23,312	-
(+) Acquisition-related expense	\$4,942	\$13,320	\$4,942	\$16,604
Non-GAAP Operating Profit	\$276,960	\$424,665	\$331,591	\$825,552
Non-GAAP Operating Margin	41.7%	41.6%	33.4%	41.7%
Net Income				
GAAP net income attributable to common stockholders	\$185,742	\$316,930	\$212,759	\$544,306
(+) Stock-based compensation expense and related payroll taxes	\$61,602	\$116,742	\$91,848	\$221,117
(+) Litigation settlements, net	-	-	-	\$66,916
(+) Charitable donation of common stock	\$22,312	-	\$23,312	-
(+) Acquisition-related expenses	\$4,942	\$13,320	\$4,942	\$16,604
(+) Undistributed earnings attributable to participating securities	\$247	\$154	\$305	\$309
(-) Gains on strategic investments	-	\$(32,076)	-	\$(32,076)
Non-GAAP net income	\$274,845	\$415,070	\$333,166	\$817,176
Earnings Per Share				
GAAP net income per share – diluted	\$0.63	\$1.04	\$0.72	\$1.78
Non-GAAP net income per share – diluted	\$0.92	\$1.36	\$1.12	\$2.67
Weighted Average Shares				
GAAP and Non-GAAP weighted-average – diluted	297,162,309	305,861,051	296,408,229	305,652,628

GAAP to Non-GAAP Reconciliation



(\$ in Thousands)	Q2 FY21	Q2 FY22	H1 FY21	H1 FY22
Free Cash Flow				
Cash Flow from Operations	\$401,346	\$468,012	\$660,311	\$1,001,314
(-) Purchases of PPE	\$(27,981)	\$(12,975)	\$(35,253)	\$(92,049)
Free Cash Flow	\$373,365	\$455,037	\$625,058	\$909,265
Net Cash Used in Investing Activities	\$(172,527)	\$(144,204)	\$(235,561)	\$(1,364,182)
Net Cash Provided by Financing Activities	\$44,516	\$71,383	\$272,642	\$65,104