



okta

Q3 FY26 Investor Presentation

December 2, 2025

Safe Harbor

This presentation contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding our financial outlook, business strategy and plans, market trends and market size, opportunities and positioning. These forward-looking statements are based on current expectations, estimates, forecasts and projections. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall" and variations of these terms and similar expressions are intended to identify these forward-looking statements, although not all forward-looking statements contain these identifying words. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. For example, macroeconomic conditions have in the past and could in the future reduce demand for our solutions; we and our third-party service providers have in the past and could in the future experience cybersecurity incidents; we may be unable to manage or sustain our revenue growth and profitability; our financial resources may be insufficient to effectively compete in our market; we may be unable to attract new customers, or retain or sell additional solutions to existing customers;

we may fail to maintain strategic partnerships to promote or enhance our solutions; we may experience challenges successfully expanding our existing marketing and sales capabilities, including further specializing our go-to-market organization; customer growth has slowed in recent periods and could continue to decelerate in the future; we could experience interruptions or performance problems associated with our technology, including a service outage; and we and our third-party service providers have failed, or were perceived as having failed, to fully comply with various privacy and security provisions to which we are subject, and similar incidents could occur in the future. Further information on potential factors that could affect our financial results is included in our most recent Quarterly Report on Form 10-Q and our other filings with the Securities and Exchange Commission. The forward-looking statements included in this presentation represent our views only as of the date of this presentation and we assume no obligation and do not intend to update these forward-looking statements.



Agenda

01 Company Overview

02 Q3 FY26 Financial Review

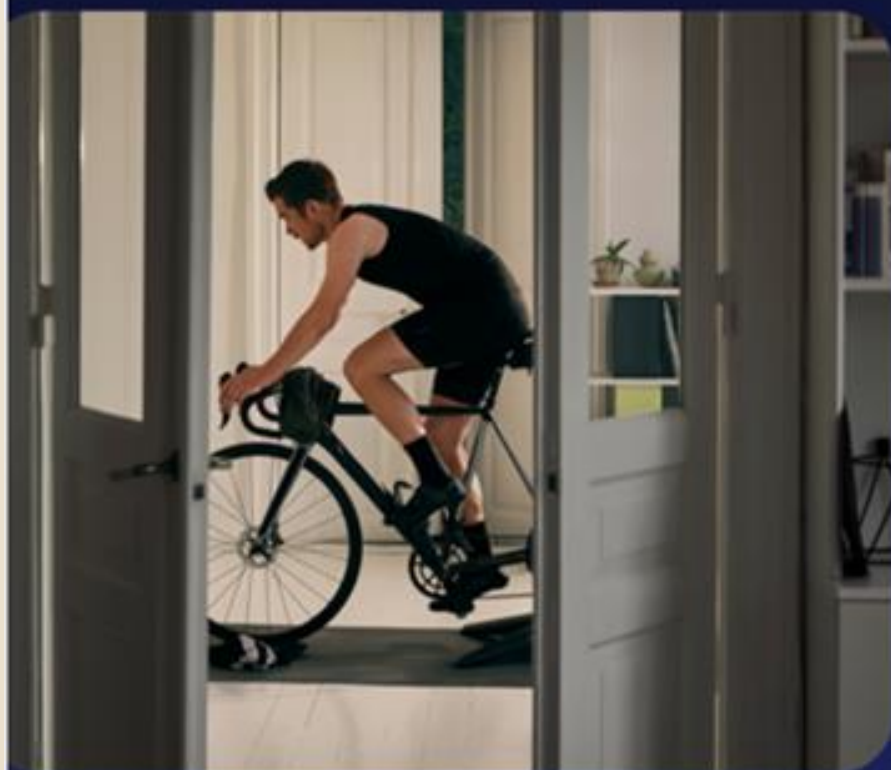
03 Q4 & FY26 Financial Outlook

04 Appendix



Company Overview





Free everyone to safely
use any technology



Okta at a Glance

+20,000

Total Customers

5,030

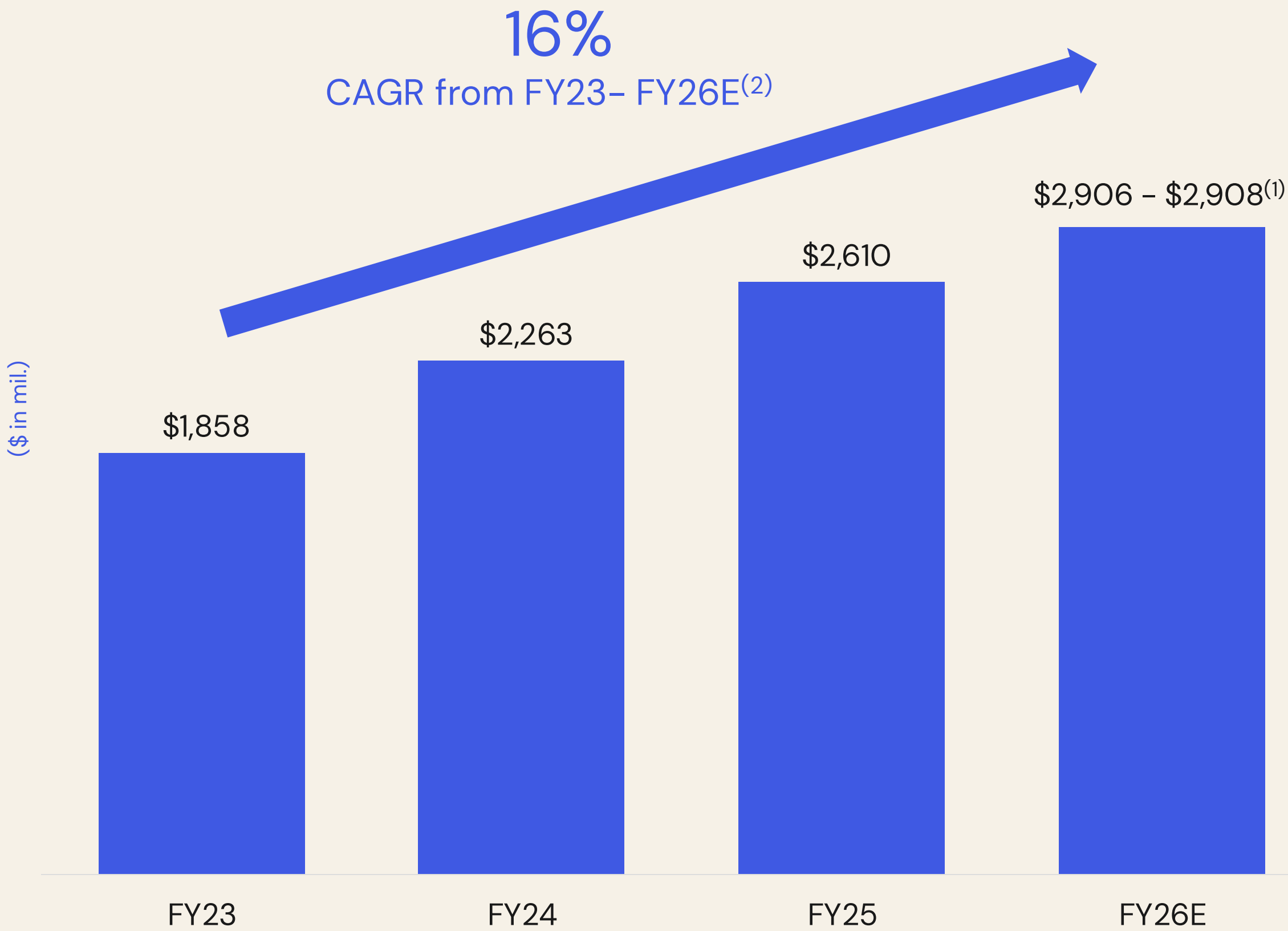
Customers spending >\$100K

\$4.292B

Remaining performance obligations (RPO)

- (1) FY26E revenue is an estimate based on outlook as of Dec 2, 2025.
- (2) CAGR calculation is based on the midpoint of FY26 revenue outlook as of Dec 2, 2025.

Total Revenue



FY26 Priorities



Elevate the
Industry with
OSIC⁽¹⁾



Win IT &
Security with
Okta



Win
Developers
with Auth0



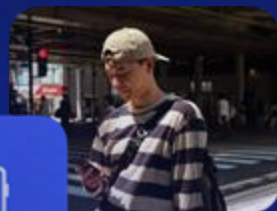
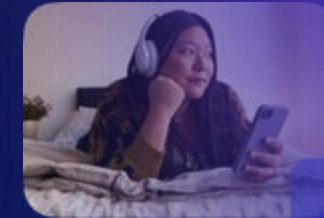
Okta
secures AI

(1) [Okta Secure Identity Commitment](#)





To get AI right,
you have to get identity right



Okta for AI Agents

Build and manage AI agents securely



Q1 2026



New solution

For builders: AuthO for AI Agents

- Authentication for AI Agents
- Token Vault
- Fine Grained Authorization for RAG
- Async Auth
- Cross App Access
- Auth for MCP (early access)

For IT and Security teams: Okta for AI Agents

- Agent registry in Universal Directory
- Agent detection with Identity Security Posture Management
- Agent governance and access certification with Okta Identity Governance
- Privileged account credential vaulting for agents with Okta Privileged Access
- Universal logout for agents

Okta Provides an End-To-End Security for Non-Human Identities



Visibility



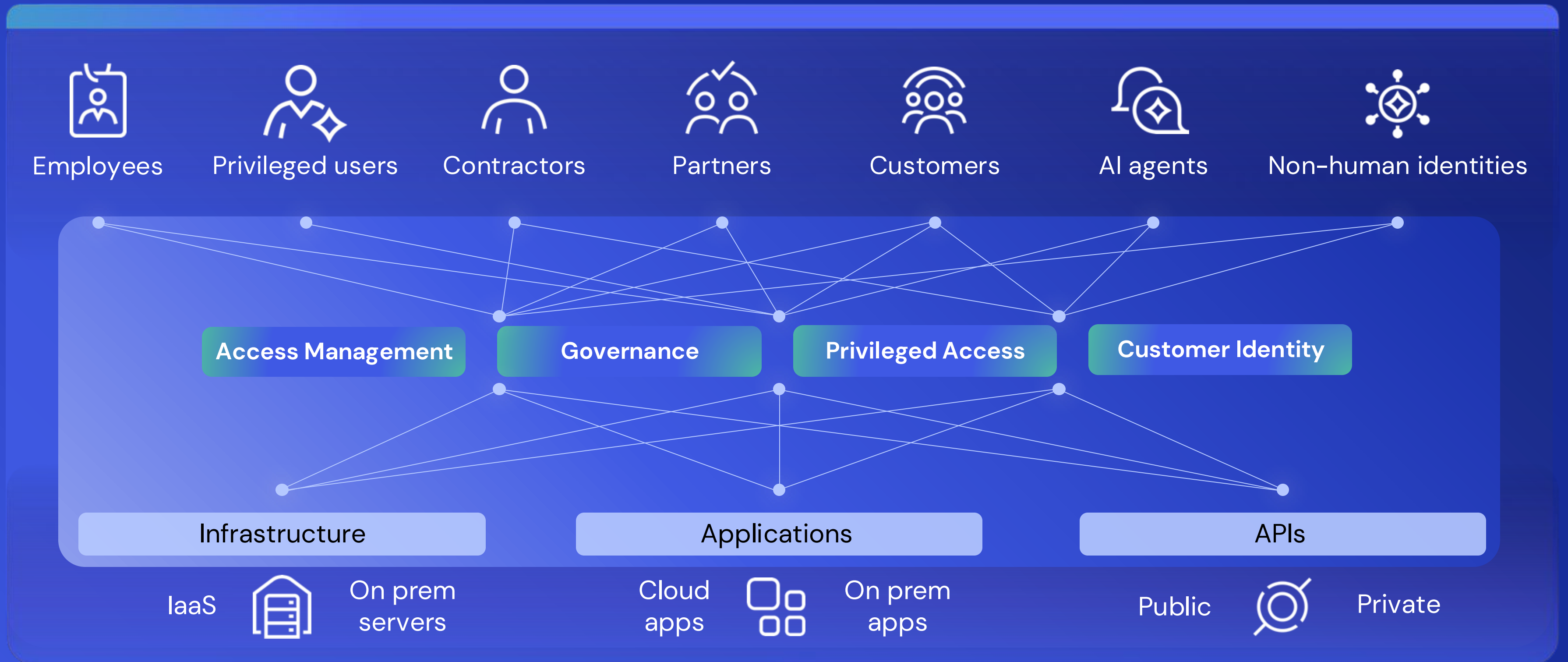
Access control



Governance and remediation



One unified identity solution



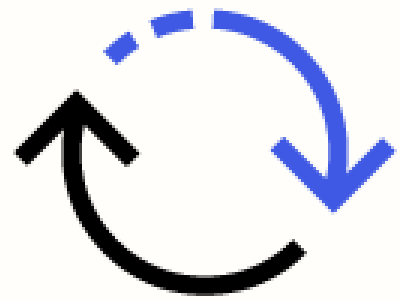
Okta's Opportunity



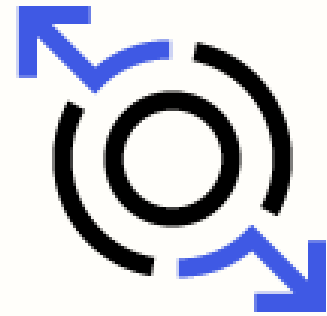
*See Appendix for TAM calculation methodology. Figure not drawn to scale.



Multiple Growth Vectors



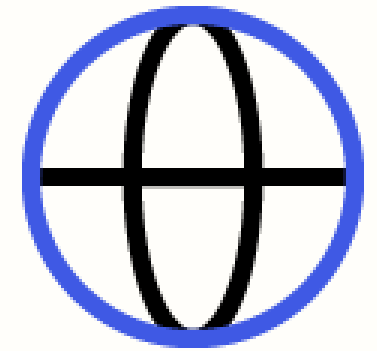
Innovation in platform
and network



Landing and expanding
in large enterprise



Leveraging partner
ecosystem



International expansion



Okta Secure Identity Commitment

To lead the industry in the fight against identity attacks



Provide market-leading secure identity products and services



Harden our corporate infrastructure



Champion customer best practices to help ensure they are best protected



Elevate our industry to be more protected from identity attacks



Okta is the Superior Choice vs. Microsoft – Every Time



Enterprise Agility ([Okta for Global 2000](#)¹ & [Okta for M&A](#)³³)

Okta accelerates identity for the world's largest organizations

- Okta saved News Corp 1,000s of hours during domain consolidations (M&A)⁵
- News Corp was enabled to automate 70% of provisioning tasks⁶
- “Indeed relies on Okta to deliver the agility we need to make our own technology decisions while still providing our parent company with broad visibility.” – *Anthony Moisant CIO*²⁹



Reliability & Performance

Okta protects customers from outages and critical service limits

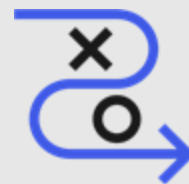
- From 2021–2024, Microsoft suffered over 2,100 mins of outages; ^{7,8,9,10,12} Okta had 69 minutes¹¹ in the same span
- In 2025, Entra ID has already had three major incidents:
 - Feb 25 2025: 90 min global outage affecting SSO and Entra Connect Sync²⁷
 - April 19 2025: a Microsoft error³⁵ caused up a significant number of customers’ users to get locked out
 - Oct 29 2025: an Azure Front Door³⁶ failure lasting 8h 20m impacting Entra ID and other related services
- Okta has had only one outage this FY, caused by a recent AWS outage.



Ease of Use & Time to Value ([Unified Security Solution](#)²)

Okta delivers the solution customers need most

- Okta protects users before, during, and after authentication²
- To boost MFA adoption beyond 34% among admins, Microsoft had to make it mandatory, even though it was offered at zero cost compared to over 90% of Okta admins before it was mandated. ^{13,14,15}
- Okta is the only vendor that was recognized as a Leader in the Gartner[®] Magic Quadrant and also voted as a Customers’ Choice in the Gartner[®] Voice of the Customer report¹⁶



Executing on Identity Challenges

Okta consistently delivers a complete identity solution

- Okta placed higher than Microsoft in all five use cases on the Gartner Critical Capabilities for Access Management¹⁷
- This is the ninth year in a row that Okta has been recognized as a Leader in the Magic Quadrant[™] for Access Management¹⁸



Depth of Integrations ([IPSIE-enabled](#)³² [Shared Signals](#)³ & [OIN](#)⁴)

Okta ensures best-in-class integrations for the entire app & security ecosystem

- Microsoft integrations favor its own platform first and best¹⁹
- Okta provides unique and deep integrations that customers want^{20,21}
- Okta goes beyond simple SSO and MFA with our Secure Identity Integrations (SII). These include provisioning, entitlements, automation, and Universal Logout with more to come^{22,23,24,25}



Mitigate Commercial and Operational Risk

Okta’s customers avoid risks and reliance on a single vendor

- The Okta Secure Identity Commitment (OSIC) is our long-term initiative to lead the industry in the fight against Identity attacks²⁸
- Changing contract terms represent commercial risk with heavy dependency on a single vendor
- Okta's Enhanced Disaster Recovery gives customers the option to choose their configuration, including failover setup, and decreases the failover time from 1 hour to less than 5 minutes²⁶



Q3 FY26 Financial Review & Financial Outlook



Q3 FY26 Financial Highlights

| | Q3 FY26 | vs. Q3 FY25 |
|--|----------|-------------|
| Total Revenue | \$742M | + 12% |
| Subscription Revenue | \$724M | + 11% |
| Remaining Performance Obligations (RPO) | \$4,292M | + 17% |
| Current Remaining Performance Obligations (cRPO) | \$2,328M | + 13% |
| TTM Dollar Based Net Retention Rate | 106% | – 2 pts |
| Non-GAAP Gross Margin ⁽¹⁾ | 81.4% | flat |
| Non-GAAP Subscription Gross Margin ⁽¹⁾ | 83.6% | + 0.4 pts |
| Non-GAAP Operating Margin ⁽¹⁾ | 24.0% | + 3.3 pts |
| Free Cash Flow Margin ⁽¹⁾ | 28.3% | + 5.2 pts |
| TTM Total Rev. Growth + Free Cash Flow Margin (“Rule of 40”) | 44% | + 3 pts |
| Customers > \$100K ACV | 5,030 | + 7% |

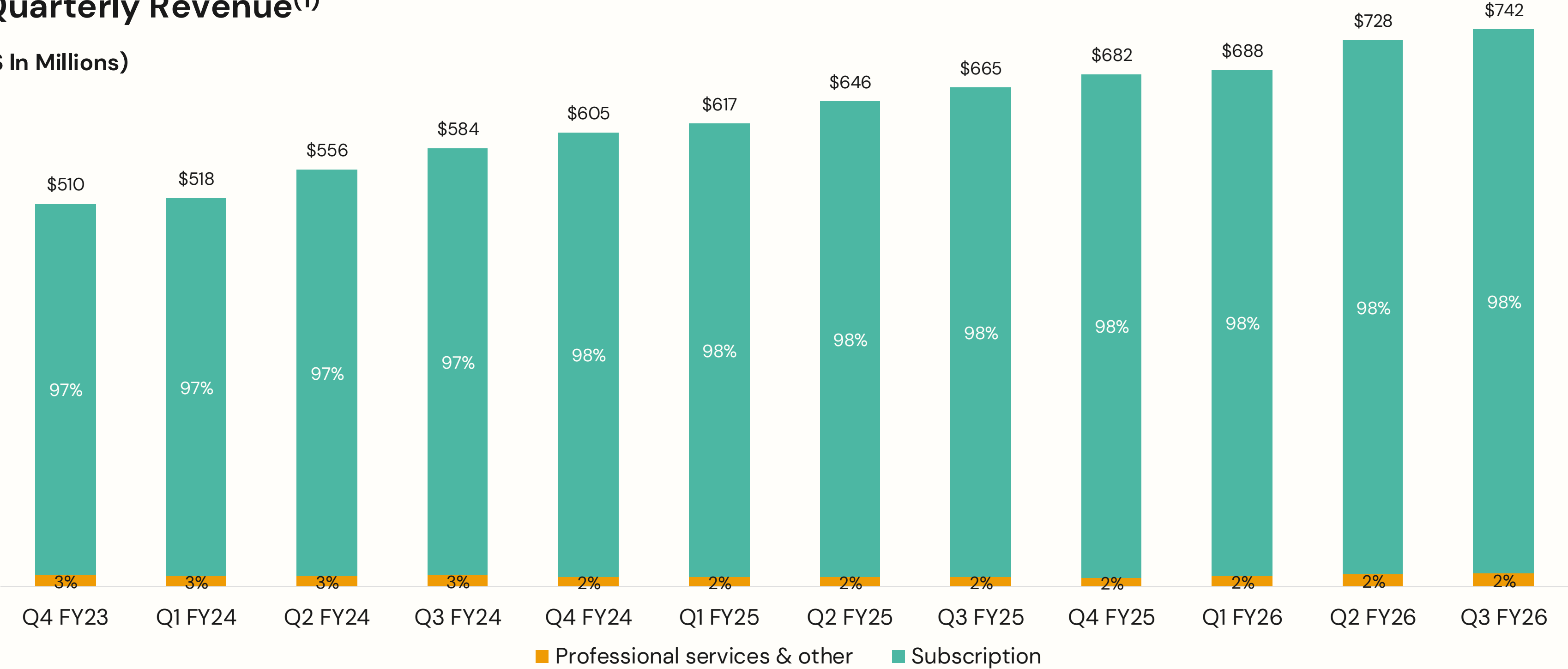
(1) See appendix for non-GAAP reconciliation.



Total Revenue Up 12% Y/Y; Subscription Revenue Up 11% Y/Y

Quarterly Revenue⁽¹⁾

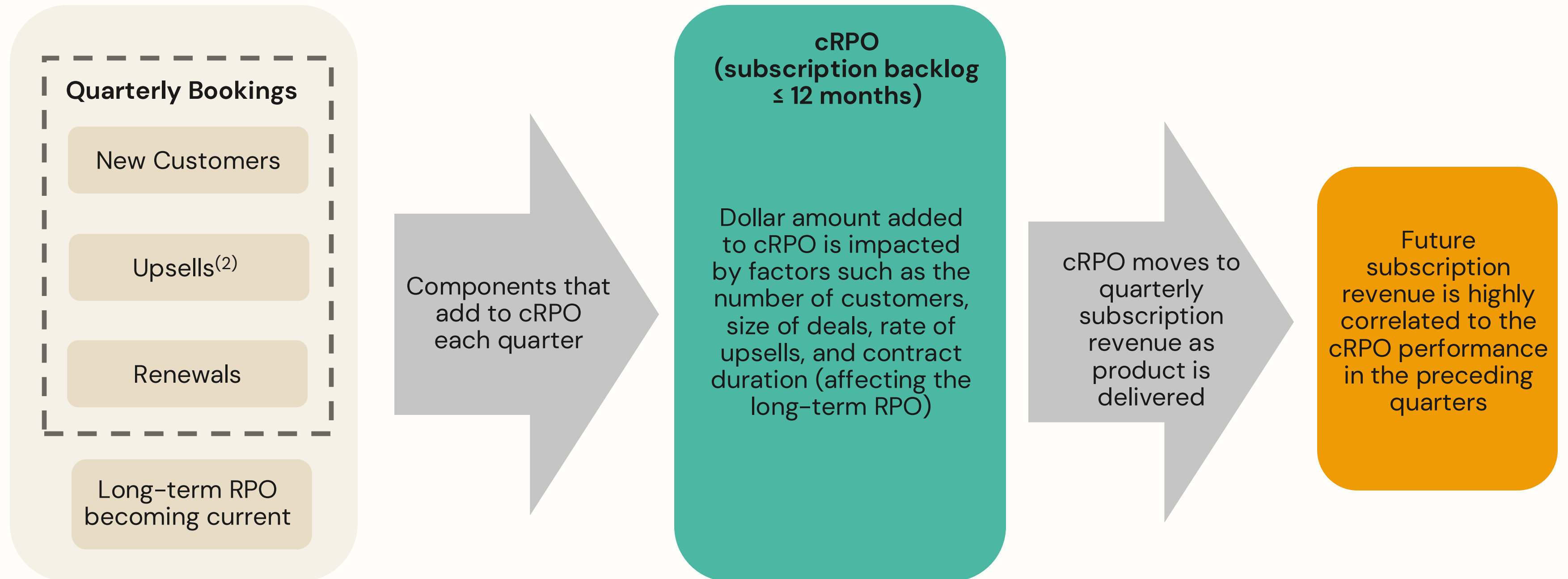
(\$ In Millions)



(1) See appendix for non-GAAP reconciliation.



cRPO⁽¹⁾ is a Leading Indicator for Future Subscription Revenue



(1) Current RPO represents the portion of RPO expected to be recognized during the next 12 months.

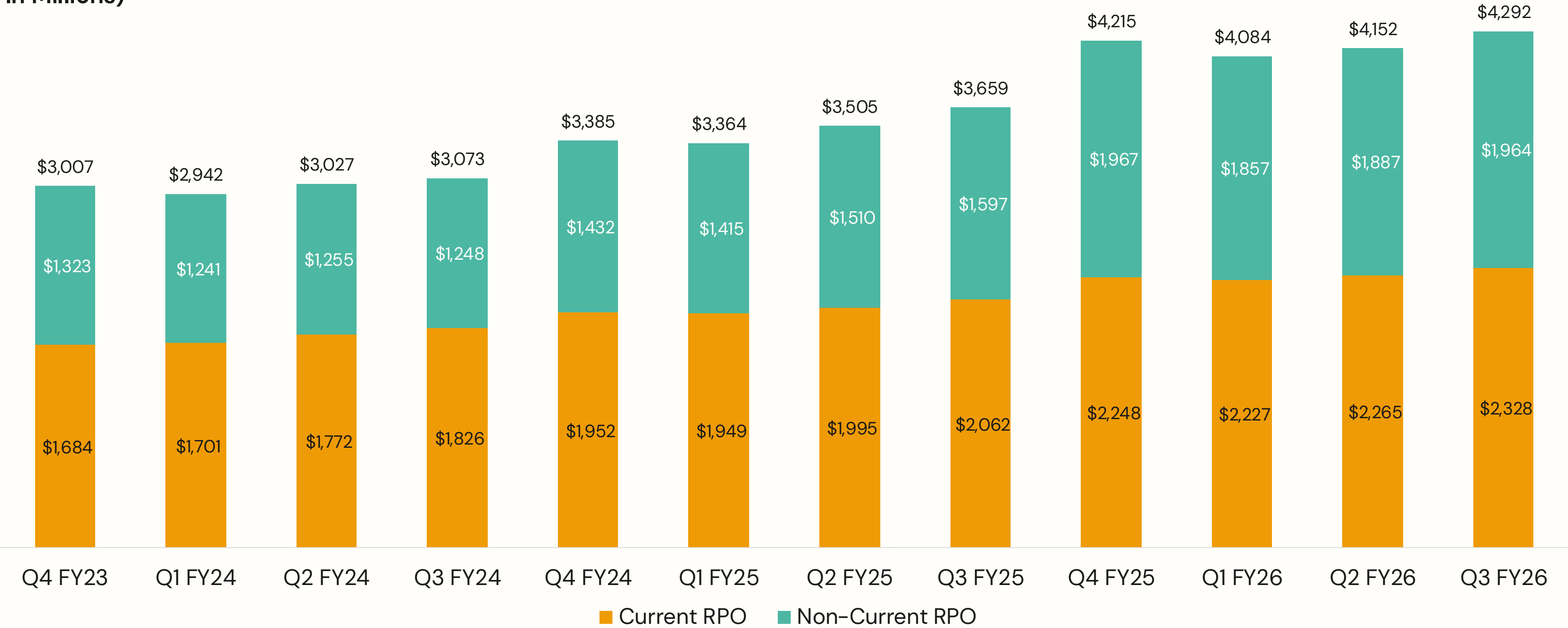
(2) Upsell is inclusive of cross-selling.



RPO Up 17% Y/Y; Current RPO Up 13% Y/Y

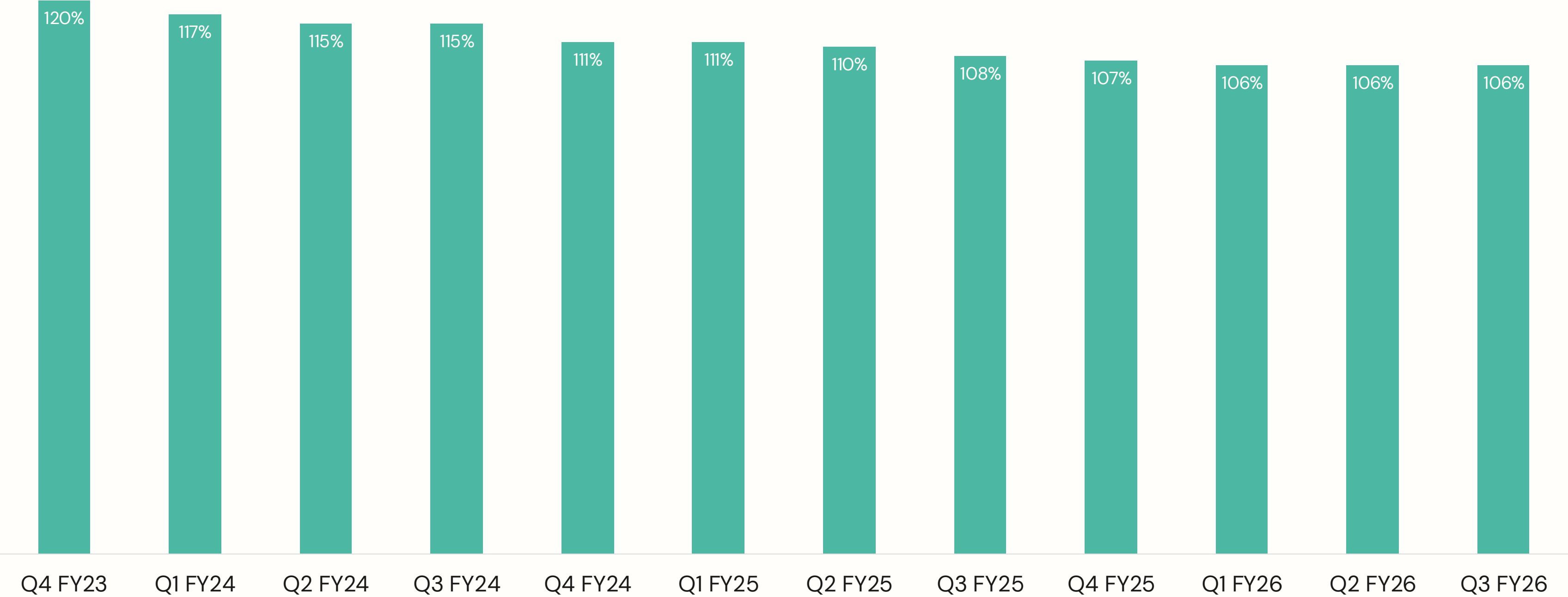
Quarterly RPO

(\$ In Millions)



TTM Dollar-based Net Retention Rate

TTM Dollar-based net retention rate⁽¹⁾



(1) Trailing Twelve Months (TTM) dollar-based net retention rate is calculated based on total ACV. See Appendix for definition.



Strong Non-GAAP Gross Margins

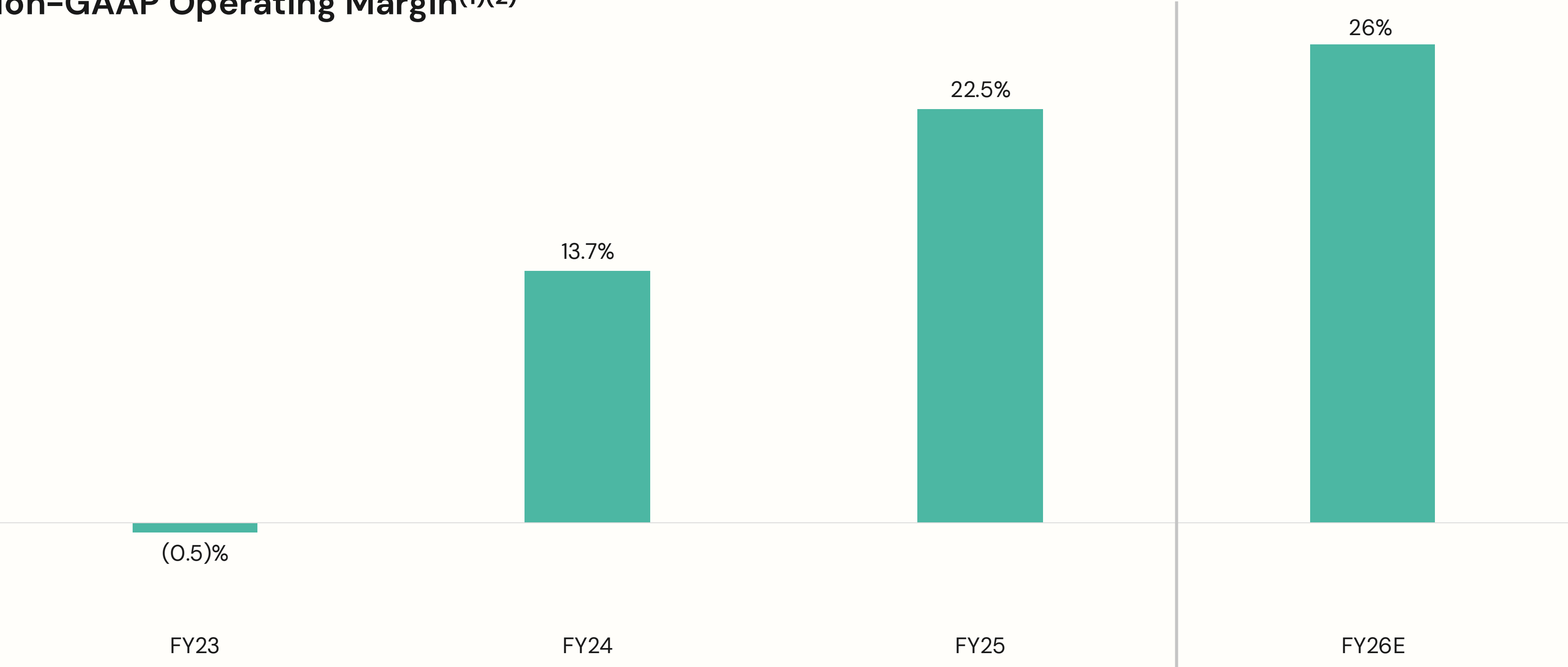


(1) See appendix for non-GAAP reconciliation.



Operational Efficiency Yielding Significant Margin Improvement

Non-GAAP Operating Margin⁽¹⁾⁽²⁾

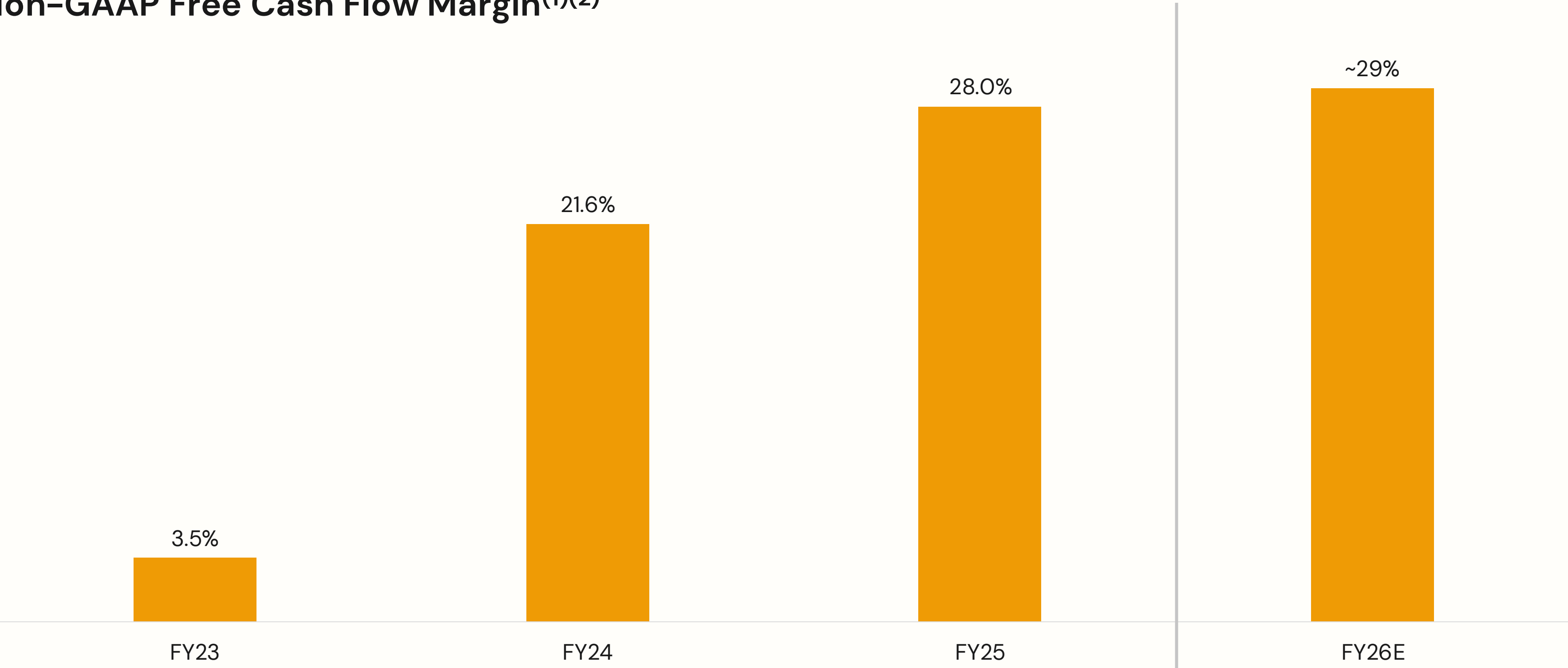


(1) See appendix for non-GAAP reconciliation.
(2) FY26E is based on the midpoint of our FY26 outlook as of Dec 2, 2025.



Operational Efficiency Yielding Significant Margin Improvement

Non-GAAP Free Cash Flow Margin⁽¹⁾⁽²⁾



(1) See appendix for non-GAAP reconciliation.
(2) FY26E is based on the midpoint of our FY26 outlook as of Dec 2, 2025.



Customers With >\$100K Annual Contract Value

Up 7% Y/Y

Customers with >\$100k ACV



Key Takeaways

Strong foundation for growth at scale

Large addressable markets with multiple growth vectors

Positioned for profitable growth



Financial Outlook⁽¹⁾ for Q4 FY26

| | Q4 FY26 (Jan 31, 2026) |
|---|----------------------------|
| Total Revenue <i>Total Revenue Growth (Y/Y)</i> | \$748M to \$750M 10% |
| Current Remaining Performance Obligations <i>cRPO Growth (Y/Y)</i> | \$2,445M to \$2,450M 9% |
| Non-GAAP Operating Income | \$189M to \$191M |
| Non-GAAP Operating Margin | 25% |
| Non-GAAP Diluted Net Income Per Share | \$0.84 to \$0.85 |
| Diluted Weighted Average Share Count ⁽²⁾ | 185 million |
| Non-GAAP Tax Rate | 26% |
| Non-GAAP Free Cash Flow Margin | ~31% |

(1) Outlook is as of Dec 2, 2025. Okta has not reconciled its forward-looking non-GAAP financial measures to their most directly comparable GAAP measures because certain items are out of Okta's control or cannot be reasonably predicted. Accordingly, reconciliations for forward-looking non-GAAP financial measures are not available without unreasonable effort.

(2) Fully diluted share count is on a non-GAAP basis.



Financial Outlook⁽¹⁾ for FY26

| | Fiscal 2026 (January 31, 2026) |
|---|-----------------------------------|
| Total Revenue <i>Total Revenue Growth (Y/Y)</i> | \$2,906M to \$2,908M 11% |
| Non-GAAP Operating Income | \$753M to \$755M |
| Non-GAAP Operating Margin | 26% |
| Non-GAAP Diluted Net Income Per Share | \$3.43 to \$3.44 |
| Diluted Weighted Average Share Count ⁽²⁾ | 185 million |
| Non-GAAP Tax Rate | 26% |
| Non-GAAP Free Cash Flow Margin | ~29% |

(1) Outlook is as of Dec 2, 2025. Okta has not reconciled its forward-looking non-GAAP financial measures to their most directly comparable GAAP measures because certain items are out of Okta's control or cannot be reasonably predicted. Accordingly, reconciliations for forward-looking non-GAAP financial measures are not available without unreasonable effort.

(2) Fully diluted share count is on a non-GAAP basis.



Appendix



Total Addressable Market Calculation Methodology

Workforce Identity and Identity Governance and Administration (IGA) TAM based on over 50,000 U.S. businesses with more than 250 employees (per 2019 U.S. Bureau of Labor Statistics) multiplied by 12-month ARR assuming adoption of all our current products and announced IGA products which implies a market of \$21 billion domestically, then multiplied by two to account for international opportunity. Privileged Access Management (PAM) TAM based on internal estimates of Modern Infrastructure Access spend as a percent of Total Cloud Spend based on Gartner Forecast Analysis: Public Cloud Services, Worldwide report.

\$30B Customer Identity TAM based on 4.4 billion combined Facebook users and service employees worldwide multiplied by internal application usage and pricing assumptions.



Sources: Okta Advantage

- ¹ [Okta for Global 2000](#)
- ² [New Okta Innovations Secure the AI-Driven Enterprise and Combat Fraud with an Identity Security Fabric](#)
- ³ [Unifying efforts, amplifying security: Shared Signals interoperability](#)
- ⁴ [Okta Integration Network](#)
- ⁵ [News Corp saves a 1000 work hours annually on synching and consolidating domains after M&A](#)
- ⁶ [Automates 70% of provisioning tasks](#)
- ⁷ [Bleeping Computer – Microsoft 365 outage blocks access to web apps and services, Apr 2023](#)
- ⁸ [Exoprise – Global Azure AD outage affecting Microsoft 365 Services, Dec 2021](#)
- ⁹ [BleepingComputer – Microsoft 365 MFA outage locks users out of their accounts, Sept 2021](#)
- ¹⁰ [ZDNET – Microsoft’s latest cloud authentication outage: What went wrong, March 2021](#)
- ¹¹ [Okta Status](#)
- ¹² [Microsoft Confirms New Outage Was Triggered By Cyberattack](#)
- ¹³ [34% of Microsoft admins protected by MFA](#)
- ¹⁴ [Announcing mandatory multi-factor authentication for Azure sign-in | Microsoft Azure Blog](#)
- ¹⁵ [90% of Okta admins use MFA](#)
- ¹⁶ [Okta is the only vendor that was recognized as a Leader in the Gartner® Magic Quadrant and also voted as a Customers’ Choice in the Gartner® Voice of the Customer report](#)
- ¹⁷ [Gartner Critical Capabilities for Access Management](#)
- ¹⁸ [2025 Gartner® Magic Quadrant™ for Access Management](#)
- ¹⁹ [3rd party MDM prerequisite is a subscription to Microsoft Intune, Microsoft’s MDM](#)
- ²⁰ [Okta Identity Threat Protection with Okta AI integrates with best of breed partners](#)
- ²¹ [Okta Workday Real-Time Sync](#)
- ²² [Universal Logout](#)
- ²³ [Entitlement Management](#)
- ²⁴ [Okta Workflows | Okta](#)
- ²⁵ [Provision apps | Okta](#)
- ²⁶ [Overview of Enhanced Disaster Recovery](#)
- ²⁷ [Microsoft Entra ID DNS Resolution Failures Results in Authentication Issues](#)
- ²⁸ [Okta Secure Identity Commitment](#)
- ²⁹ [Maximize business strategies with Okta for Global 2000](#)
- ³⁰ [Okta’s mission to standardize Identity Security](#)
- ³¹ [Okta for Mergers & Acquisitions](#)
- ³² [Unifying efforts, amplifying security: Shared Signals interoperability](#)



Statement Regarding Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures and other metrics. This appendix contains our reconciliation of those non-GAAP measures and other financial metrics.

This presentation may reference one or more of the following non-GAAP financial measures: non-GAAP subscription gross profit, non-GAAP subscription gross margin, non-GAAP professional services gross profit, non-GAAP professional services gross margin, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating income (loss), non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net margin, non-GAAP diluted net income (loss) per share, non-GAAP tax rate, free cash flow and free cash flow margin.

Certain of these non-GAAP financial measures exclude stock-based compensation, non-cash charitable contributions, amortization of acquired intangibles, acquisition and integration-related expenses, restructuring costs related to severance and termination benefits and lease impairments in connection with the closing of certain leased facilities, certain non-ordinary course legal settlements and related expenses, amortization of debt issuance costs and gain on early extinguishment of debt. Acquisition and integration-related expenses include transaction costs and other non-recurring incremental costs incurred through the one-year anniversary of the transaction close.

In addition to these exclusions, we subtract an assumed provision for income taxes to calculate non-GAAP net income. We use a fixed long-term projected tax rate of 26% in our computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. The non-GAAP tax rate could be subject to change for a variety of reasons, including changes in tax laws and regulations, significant changes in our geographic earnings mix, or other changes to our strategy or business operations. We will periodically reevaluate the projected long-term tax rate, as necessary, for significant events based on our ongoing analysis of relevant tax law changes, material changes in the forecasted geographic earnings mix, and any significant acquisitions.

Free cash flow, which is a non-GAAP financial measure, is calculated as net cash provided by (used in) operating activities, less cash used for purchases of property and equipment, net of sales proceeds, and capitalized software. Free cash flow margin is calculated as free cash flow as a percentage of total revenue.

Our dollar-based net retention rate is based upon our annual contract value, or ACV, which is calculated based on the terms of that customer's contract and represents the total contracted annual subscription amount as of that period end. We calculate our dollar-based net retention rate as of a period end by starting with the ACV from all customers as of twelve months prior to such period end, or prior period ACV. We then calculate the ACV from these same customers as of the current period end, or current period ACV. Current period ACV includes any upsells and is net of contraction or churn over the trailing twelve months but excludes ACV from new customers in the current period. We then divide the current period ACV by the prior period ACV to arrive at our dollar-based net retention rate.

We believe that non-GAAP financial information, when taken collectively, may be helpful to investors because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, some of which use similar non-GAAP financial information to supplement their GAAP results.

The non-GAAP financial information is presented for supplemental informational purposes only, and should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies.

The principal limitation of these non-GAAP financial measures is that they exclude significant expenses that are required by GAAP to be recorded in our financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by our management about which expenses are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided in the appendix for each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP.

Investors are encouraged to review the related GAAP financial measures and the reconciliation of these non-GAAP financial measures to their most directly comparable GAAP financial measures, and not to rely on any single financial measure to evaluate our business. Please see the tables included in this presentation for the reconciliation of GAAP and non-GAAP results.



GAAP to Non-GAAP Reconciliations – Fiscal Quarters⁽¹⁾

(dollars in millions)

| | FY23 | Q1 FY24 | Q2 FY24 | Q3 FY24 | Q4 FY24 | FY24 | Q1 FY25 | Q2 FY25 | Q3 FY25 | Q4 FY25 | FY25 | Q1 FY26 | Q2 FY26 | Q3 FY26 | FY26 YTD |
|--|----------|---------|---------|---------|---------|----------|---------|---------|---------|---------|----------|---------|---------|---------|----------|
| GAAP subscription gross profit | \$ 1,330 | \$ 381 | \$ 414 | \$ 443 | \$ 465 | \$ 1,703 | \$ 473 | \$ 495 | \$ 511 | \$ 528 | \$ 2,007 | \$ 537 | \$ 564 | \$ 577 | \$ 1,678 |
| Stock-based compensation | 69 | 16 | 21 | 20 | 18 | 75 | 19 | 22 | 20 | 21 | 82 | 17 | 21 | 19 | 57 |
| Amortization of acquired intangibles | 46 | 12 | 12 | 11 | 12 | 47 | 12 | 12 | 10 | 10 | 44 | 10 | 11 | 10 | 31 |
| Acquisition and integration-related expenses | 1 | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Non-GAAP subscription gross profit | \$ 1,446 | \$ 409 | \$ 447 | \$ 474 | \$ 495 | \$ 1,825 | \$ 504 | \$ 529 | \$ 541 | \$ 559 | \$ 2,133 | \$ 564 | \$ 596 | \$ 606 | \$ 1,766 |
| Non-GAAP subscription gross margin | 80.5 % | 81.5 % | 82.5 % | 83.3 % | 83.7 % | 82.8 % | 83.5 % | 83.6 % | 83.2 % | 83.5 % | 83.5 % | 83.9 % | 83.7 % | 83.6 % | 83.7 % |
| GAAP professional services gross profit | \$ (18) | \$ (5) | \$ (7) | \$ (4) | \$ (5) | \$ (21) | \$ (4) | \$ (4) | \$ (3) | \$ (4) | \$ (15) | \$ (4) | \$ (4) | \$ (5) | \$ (13) |
| Stock-based compensation | 14 | 4 | 4 | 3 | 4 | 15 | 3 | 3 | 3 | 3 | 12 | 3 | 2 | 3 | 8 |
| Non-GAAP professional services gross profit | \$ (4) | \$ (1) | \$ (3) | \$ (1) | \$ (1) | \$ (6) | \$ (1) | \$ (1) | \$ — | \$ (1) | \$ (3) | \$ (1) | \$ (2) | \$ (2) | \$ (5) |
| Non-GAAP professional services gross margin | (4.4)% | (12.5)% | (19.7)% | (2.7)% | (8.6)% | (10.8)% | (3.4)% | (6.6)% | (2.5)% | (13.2)% | (6.2)% | (9.0)% | (8.2)% | (8.4)% | (8.5)% |
| GAAP total gross profit | \$ 1,312 | \$ 376 | \$ 407 | \$ 439 | \$ 460 | \$ 1,682 | \$ 469 | \$ 491 | \$ 508 | \$ 524 | \$ 1,992 | \$ 533 | \$ 560 | \$ 572 | \$ 1,665 |
| Stock-based compensation | 83 | 20 | 25 | 23 | 22 | 90 | 22 | 25 | 23 | 24 | 94 | 20 | 23 | 22 | 65 |
| Amortization of acquired intangibles | 46 | 12 | 12 | 11 | 12 | 47 | 12 | 12 | 10 | 10 | 44 | 10 | 11 | 10 | 31 |
| Acquisition and integration-related expenses | 1 | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Non-GAAP total gross profit | \$ 1,442 | \$ 408 | \$ 444 | \$ 473 | \$ 494 | \$ 1,819 | \$ 503 | \$ 528 | \$ 541 | \$ 558 | \$ 2,130 | \$ 563 | \$ 594 | \$ 604 | \$ 1,761 |
| Non-GAAP total gross margin | 77.6 % | 78.9 % | 79.8 % | 81.0 % | 81.6 % | 80.4 % | 81.5 % | 81.7 % | 81.4 % | 81.8 % | 81.6 % | 81.9 % | 81.5 % | 81.4 % | 81.6 % |



GAAP to Non-GAAP Reconciliations – Fiscal Quarters⁽¹⁾

(dollars in millions)

| | FY23 | Q1 FY24 | Q2 FY24 | Q3 FY24 | Q4 FY24 | FY24 | Q1 FY25 | Q2 FY25 | Q3 FY25 | Q4 FY25 | FY25 | Q1 FY26 | Q2 FY26 | Q3 FY26 | FY26 YTD |
|---|----------|---------|---------|---------|---------|----------|---------|---------|---------|---------|--------|---------|---------|---------|----------|
| GAAP research and development expense | \$ 620 | \$ 163 | \$ 172 | \$ 165 | \$ 156 | \$ 656 | \$ 163 | \$ 164 | \$ 158 | \$ 157 | \$ 642 | \$ 154 | \$ 160 | \$ 160 | \$ 474 |
| Stock-based compensation | 275 | 68 | 74 | 70 | 65 | 277 | 63 | 56 | 49 | 48 | 216 | 47 | 51 | 49 | 147 |
| Amortization of acquired intangibles | — | — | — | — | — | — | — | — | — | 1 | 1 | — | — | — | — |
| Non-GAAP research and development expense | \$ 345 | \$ 95 | \$ 98 | \$ 95 | \$ 91 | \$ 379 | \$ 100 | \$ 108 | \$ 109 | \$ 108 | \$ 425 | \$ 107 | \$ 109 | \$ 111 | \$ 327 |
| Non-GAAP research and development expense as a percentage of revenue | 18.5 % | 18.4 % | 17.6 % | 16.2 % | 15.2 % | 16.8 % | 16.2 % | 16.7 % | 16.4 % | 15.9 % | 16.3 % | 15.5 % | 14.9 % | 15.1 % | 15.2 % |
| GAAP sales and marketing expense | \$ 1,066 | \$ 256 | \$ 261 | \$ 270 | \$ 249 | \$ 1,036 | \$ 236 | \$ 238 | \$ 256 | \$ 235 | \$ 965 | \$ 237 | \$ 246 | \$ 271 | \$ 754 |
| Stock-based compensation | 159 | 38 | 41 | 40 | 37 | 156 | 30 | 36 | 33 | 32 | 131 | 32 | 35 | 33 | 100 |
| Amortization of acquired intangibles | 39 | 11 | 6 | 7 | 7 | 31 | 7 | 6 | 8 | 7 | 28 | 7 | 6 | 6 | 19 |
| Acquisition and integration-related expenses | 1 | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Non-GAAP sales and marketing expense | \$ 867 | \$ 207 | \$ 214 | \$ 223 | \$ 205 | \$ 849 | \$ 199 | \$ 196 | \$ 215 | \$ 196 | \$ 806 | \$ 198 | \$ 205 | \$ 232 | \$ 635 |
| Non-GAAP sales and marketing expense as a percentage of revenue | 46.7 % | 40.1 % | 38.5 % | 38.1 % | 33.8 % | 37.5 % | 32.3 % | 30.3 % | 32.4 % | 28.9 % | 30.9 % | 28.8 % | 28.3 % | 31.1 % | 29.4 % |
| GAAP general and administrative expense | \$ 409 | \$ 110 | \$ 119 | \$ 111 | \$ 110 | \$ 450 | \$ 117 | \$ 108 | \$ 110 | \$ 113 | \$ 448 | \$ 103 | \$ 113 | \$ 118 | \$ 334 |
| Stock-based compensation | 160 | 40 | 45 | 39 | 37 | 161 | 36 | 31 | 30 | 27 | 124 | 29 | 35 | 34 | 98 |
| Non-cash charitable contributions | 4 | 1 | 1 | 2 | 2 | 6 | 3 | 1 | 1 | — | 5 | — | — | — | — |
| Acquisition and integration-related expenses | 5 | — | — | — | 2 | 2 | — | — | — | — | — | — | — | 1 | 1 |
| Legal settlements and related expenses | — | — | — | — | — | — | 7 | — | — | — | 7 | — | — | — | — |
| Non-GAAP general and administrative expense | \$ 240 | \$ 69 | \$ 73 | \$ 70 | \$ 69 | \$ 281 | \$ 71 | \$ 76 | \$ 79 | \$ 86 | \$ 312 | \$ 74 | \$ 78 | \$ 83 | \$ 235 |
| Non-GAAP general and administrative expense as a percentage of revenue | 12.9 % | 13.3 % | 13.1 % | 12.0 % | 11.5 % | 12.4 % | 11.5 % | 11.7 % | 12.0 % | 12.3 % | 11.9 % | 10.8 % | 10.7 % | 11.1 % | 10.9 % |
| GAAP restructuring and other charges | \$ 29 | \$ 7 | \$ 17 | \$ 4 | \$ 28 | \$ 56 | \$ — | \$ — | \$ — | \$ 11 | \$ 11 | \$ — | \$ — | \$ — | \$ — |
| Restructuring costs | 29 | 7 | 17 | 4 | 28 | 56 | — | — | — | 11 | 11 | — | — | — | — |
| Non-GAAP restructuring and other charges | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| Non-GAAP restructuring and other charges as a percentage of revenue | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % | — % |



GAAP to Non-GAAP Reconciliations – Fiscal Quarters⁽¹⁾

(dollars in millions)

| | FY23 | Q1 FY24 | Q2 FY24 | Q3 FY24 | Q4 FY24 | FY24 | Q1 FY25 | Q2 FY25 | Q3 FY25 | Q4 FY25 | FY25 | Q1 FY26 | Q2 FY26 | Q3 FY26 | FY26 YTD |
|---|----------|----------|----------|----------|---------|----------|---------|---------|---------|---------|----------|---------|---------|---------|----------|
| GAAP total operating expenses | \$ 2,124 | \$ 536 | \$ 569 | \$ 550 | \$ 543 | \$ 2,198 | \$ 516 | \$ 510 | \$ 524 | \$ 516 | \$ 2,066 | \$ 494 | \$ 519 | \$ 549 | \$ 1,562 |
| Stock-based compensation | 594 | 146 | 160 | 149 | 139 | 594 | 129 | 123 | 112 | 107 | 471 | 108 | 121 | 116 | 345 |
| Non-cash charitable contributions | 4 | 1 | 1 | 2 | 2 | 6 | 3 | 1 | 1 | — | 5 | — | — | — | — |
| Amortization of acquired intangibles | 39 | 11 | 6 | 7 | 7 | 31 | 7 | 6 | 8 | 8 | 29 | 7 | 6 | 6 | 19 |
| Acquisition and integration-related expenses | 6 | — | — | — | 2 | 2 | — | — | — | — | — | — | — | 1 | 1 |
| Restructuring costs | 29 | 7 | 17 | 4 | 28 | 56 | — | — | — | 11 | 11 | — | — | — | — |
| Legal settlements and related expenses | — | — | — | — | — | — | 7 | — | — | — | 7 | — | — | — | — |
| Non-GAAP total operating expenses | \$ 1,452 | \$ 371 | \$ 385 | \$ 388 | \$ 365 | \$ 1,509 | \$ 370 | \$ 380 | \$ 403 | \$ 390 | \$ 1,543 | \$ 379 | \$ 392 | \$ 426 | \$ 1,197 |
| Non-GAAP total operating expenses as a percentage of revenue | 78.1 % | 71.8 % | 69.2 % | 66.3 % | 60.4 % | 66.7 % | 60.0 % | 58.7 % | 60.7 % | 57.2 % | 59.1 % | 55.1 % | 53.8 % | 57.3 % | 55.4 % |
| | | | | | | | | | | | | | | | |
| GAAP operating income (loss) | \$ (812) | \$ (160) | \$ (162) | \$ (111) | \$ (83) | \$ (516) | \$ (47) | \$ (19) | \$ (16) | \$ 8 | \$ (74) | \$ 39 | \$ 41 | \$ 23 | \$ 103 |
| Stock-based compensation | 677 | 166 | 185 | 172 | 161 | 684 | 151 | 148 | 135 | 131 | 565 | 128 | 144 | 138 | 410 |
| Non-cash charitable contributions | 4 | 1 | 1 | 2 | 2 | 6 | 3 | 1 | 1 | — | 5 | — | — | — | — |
| Amortization of acquired intangibles | 85 | 23 | 18 | 18 | 19 | 78 | 19 | 18 | 18 | 18 | 73 | 17 | 17 | 16 | 50 |
| Acquisition and integration-related expenses | 7 | — | — | — | 2 | 2 | — | — | — | — | — | — | — | 1 | 1 |
| Restructuring costs | 29 | 7 | 17 | 4 | 28 | 56 | — | — | — | 11 | 11 | — | — | — | — |
| Legal settlements and related expenses | — | — | — | — | — | — | 7 | — | — | — | 7 | — | — | — | — |
| Non-GAAP operating income (loss) | \$ (10) | \$ 37 | \$ 59 | \$ 85 | \$ 129 | \$ 310 | \$ 133 | \$ 148 | \$ 138 | \$ 168 | \$ 587 | \$ 184 | \$ 202 | \$ 178 | \$ 564 |
| Non-GAAP operating margin | (0.5)% | 7.1 % | 10.6 % | 14.7 % | 21.2 % | 13.7 % | 21.6 % | 23.0 % | 20.7 % | 24.6 % | 22.5 % | 26.7 % | 27.7 % | 24.0 % | 26.1 % |
| | | | | | | | | | | | | | | | |
| Interest and other, net | \$ 11 | \$ 45 | \$ 58 | \$ 37 | \$ 39 | \$ 179 | \$ 25 | \$ 31 | \$ 41 | \$ 23 | \$ 120 | \$ 29 | \$ 26 | \$ 27 | \$ 82 |
| Amortization of debt issuance costs | 6 | 1 | 1 | 1 | — | 3 | — | 1 | 1 | — | 2 | 1 | — | — | 1 |
| Gain on early extinguishment of debt | — | (31) | (42) | (18) | (15) | (106) | — | (3) | (16) | — | (19) | — | — | — | — |
| Non-GAAP interest and other, net | \$ 17 | \$ 15 | \$ 17 | \$ 20 | \$ 24 | \$ 76 | \$ 25 | \$ 29 | \$ 26 | \$ 23 | \$ 103 | \$ 30 | \$ 26 | \$ 27 | \$ 83 |



GAAP to Non-GAAP Reconciliations – Fiscal Quarters⁽¹⁾

(dollars in millions, shares in thousands, except per share data)

| | FY23 | Q1 FY24 | Q2 FY24 | Q3 FY24 | Q4 FY24 | FY24 | Q1 FY25 | Q2 FY25 | Q3 FY25 | Q4 FY25 | FY25 | Q1 FY26 | Q2 FY26 | Q3 FY26 | FY26 YTD |
|--|----------|----------|----------|---------|---------|----------|---------|---------|---------|---------|--------|---------|---------|---------|----------|
| GAAP net income (loss) | \$ (815) | \$ (119) | \$ (111) | \$ (81) | \$ (44) | \$ (355) | \$ (40) | \$ 29 | \$ 16 | \$ 23 | \$ 28 | \$ 62 | \$ 67 | \$ 43 | \$ 172 |
| Stock-based compensation | 677 | 166 | 185 | 172 | 161 | 684 | 151 | 148 | 135 | 131 | 565 | 128 | 144 | 138 | 410 |
| Amortization of debt issuance costs | 6 | 1 | 1 | 1 | — | 3 | — | 1 | 1 | — | 2 | 1 | — | — | 1 |
| Non-cash charitable contributions | 4 | 1 | 1 | 2 | 2 | 6 | 3 | 1 | 1 | — | 5 | — | — | — | — |
| Amortization of acquired intangibles | 85 | 23 | 18 | 18 | 19 | 78 | 19 | 18 | 18 | 18 | 73 | 17 | 17 | 16 | 50 |
| Acquisition and integration-related expenses | 7 | — | — | — | 2 | 2 | — | — | — | — | — | — | — | 1 | 1 |
| Gain on early extinguishment of debt | — | (31) | (42) | (18) | (15) | (106) | — | (3) | (16) | — | (19) | — | — | — | — |
| Restructuring costs | 29 | 7 | 17 | 4 | 28 | 56 | — | — | — | 11 | 11 | — | — | — | — |
| Legal settlements and related expenses | — | — | — | — | — | — | 7 | — | — | — | 7 | — | — | — | — |
| Tax adjustment | — | (10) | (13) | (19) | (40) | (82) | (23) | (63) | (34) | (42) | (162) | (50) | (59) | (46) | (155) |
| Non-GAAP net income (loss) | \$ (7) | \$ 38 | \$ 56 | \$ 79 | \$ 113 | \$ 286 | \$ 117 | \$ 131 | \$ 121 | \$ 141 | \$ 510 | \$ 158 | \$ 169 | \$ 152 | \$ 479 |

| | | | | | | | | | | | | | | | |
|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|---------|---------|---------|---------|---------|---------|---------|---------|
| GAAP net income (loss) per share, diluted | \$ (5.16) | \$ (0.74) | \$ (0.68) | \$ (0.49) | \$ (0.26) | \$ (2.17) | \$ (0.24) | \$ 0.15 | \$ — | \$ 0.13 | \$ 0.06 | \$ 0.35 | \$ 0.37 | \$ 0.24 | \$ 0.96 |
| Adjustments for difference in weighted-average shares outstanding | — | 0.06 | 0.06 | 0.05 | 0.02 | 0.19 | 0.02 | 0.01 | 0.09 | 0.01 | 0.09 | (0.01) | (0.01) | (0.01) | (0.03) |
| Stock-based compensation | 4.28 | 0.94 | 1.03 | 0.96 | 0.90 | 3.83 | 0.84 | 0.81 | 0.74 | 0.72 | 3.11 | 0.70 | 0.78 | 0.74 | 2.22 |
| Amortization of debt issuance costs | 0.04 | 0.01 | 0.01 | — | — | 0.02 | — | 0.01 | — | — | 0.02 | — | — | — | 0.01 |
| Non-cash charitable contributions | 0.02 | 0.01 | 0.01 | 0.01 | 0.01 | 0.03 | 0.01 | 0.01 | 0.01 | — | 0.03 | — | — | — | — |
| Amortization of acquired intangibles | 0.55 | 0.12 | 0.10 | 0.10 | 0.10 | 0.43 | 0.11 | 0.10 | 0.09 | 0.09 | 0.39 | 0.09 | 0.09 | 0.09 | 0.27 |
| Acquisition and integration-related expenses | 0.04 | — | — | — | 0.01 | 0.01 | — | — | — | — | — | — | — | 0.01 | 0.01 |
| Gain on early extinguishment of debt | — | (0.17) | (0.24) | (0.10) | (0.09) | (0.60) | — | (0.02) | (0.08) | — | (0.10) | — | — | — | — |
| Restructuring costs | 0.19 | 0.04 | 0.09 | 0.03 | 0.16 | 0.32 | — | — | — | 0.06 | 0.06 | — | — | — | — |
| Legal settlements and related expenses | — | — | — | — | — | — | 0.04 | — | — | — | 0.04 | — | — | — | — |
| Tax adjustment | — | (0.05) | (0.07) | (0.12) | (0.22) | (0.46) | (0.13) | (0.35) | (0.18) | (0.23) | (0.89) | (0.27) | (0.32) | (0.25) | (0.84) |
| Non-GAAP net income (loss) per share, diluted | \$ (0.04) | \$ 0.22 | \$ 0.31 | \$ 0.44 | \$ 0.63 | \$ 1.60 | \$ 0.65 | \$ 0.72 | \$ 0.67 | \$ 0.78 | \$ 2.81 | \$ 0.86 | \$ 0.91 | \$ 0.82 | \$ 2.60 |

Weighted-average shares outstanding used to compute non-GAAP net income (loss) per share, diluted

| | | | | | | | | | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 158,023 | 176,195 | 178,742 | 179,285 | 179,249 | 178,397 | 180,427 | 182,364 | 181,949 | 181,572 | 181,589 | 183,176 | 185,227 | 184,758 | 184,401 |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|



Calculations of Key and Other Selected Metrics – Fiscal Quarters⁽¹⁾

(dollars in millions, except headcount data)

| | FY23 | Q1 FY24 | Q2 FY24 | Q3 FY24 | Q4 FY24 | FY24 | Q1 FY25 | Q2 FY25 | Q3 FY25 | Q4 FY25 | FY25 | Q1 FY26 | Q2 FY26 | Q3 FY26 | FY26 YTD |
|---|-----------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|---------------|-----------------|---------------|---------------|---------------|-----------------|
| Free Cash Flow and Margin | | | | | | | | | | | | | | | |
| Net cash provided by operating activities | \$ 86 | \$ 129 | \$ 53 | \$ 156 | \$ 174 | \$ 512 | \$ 219 | \$ 86 | \$ 159 | \$ 286 | \$ 750 | \$ 241 | \$ 167 | \$ 218 | \$ 626 |
| Less: | | | | | | | | | | | | | | | |
| Purchases of property and equipment | (12) | — | (2) | (3) | (3) | (8) | (1) | (5) | (1) | (1) | (8) | (1) | (2) | (4) | (7) |
| Capitalized software | (9) | (5) | (2) | (3) | (5) | (15) | (4) | (3) | (4) | (1) | (12) | (2) | (3) | (3) | (8) |
| Free cash flow | \$ 65 | \$ 124 | \$ 49 | \$ 150 | \$ 166 | \$ 489 | \$ 214 | \$ 78 | \$ 154 | \$ 284 | \$ 730 | \$ 238 | \$ 162 | \$ 211 | \$ 611 |
| Operating cash flow margin | 4.6 % | 24.8 % | 9.5 % | 26.8 % | 28.6 % | 22.6 % | 35.6 % | 13.2 % | 23.9 % | 42.0 % | 28.7 % | 35.0 % | 22.9 % | 29.4 % | 29.0 % |
| Free cash flow margin | 3.5 % | 24.0 % | 8.7 % | 25.7 % | 27.6 % | 21.6 % | 34.6 % | 12.2 % | 23.1 % | 41.6 % | 28.0 % | 34.7 % | 22.3 % | 28.3 % | 28.3 % |
| Headcount | | | | | | | | | | | | | | | |
| Total headcount | 6,013 | 5,683 | 5,806 | 5,913 | 5,908 | 5,908 | 5,710 | 5,938 | 6,006 | 5,914 | 5,914 | 5,754 | 5,979 | 6,270 | 6,270 |
| <i>y-y growth</i> | 20 % | 6 % | 1 % | (2)% | (2)% | (2)% | — % | 2 % | 2 % | — % | — % | 1 % | 1 % | 4 % | 4 % |
| Revenue by Location | | | | | | | | | | | | | | | |
| United States | \$ 1,456 | \$ 407 | \$ 439 | \$ 459 | \$ 478 | \$ 1,783 | \$ 487 | \$ 509 | \$ 526 | \$ 540 | \$ 2,062 | \$ 547 | \$ 579 | \$ 590 | \$ 1,716 |
| International | 402 | 111 | 117 | 125 | 127 | 480 | 130 | 137 | 139 | 142 | 548 | 141 | 149 | 152 | 442 |
| Total | \$ 1,858 | \$ 518 | \$ 556 | \$ 584 | \$ 605 | \$ 2,263 | \$ 617 | \$ 646 | \$ 665 | \$ 682 | \$ 2,610 | \$ 688 | \$ 728 | \$ 742 | \$ 2,158 |

⁽¹⁾ Amounts reported in millions are rounded based on the amounts in thousands. As a result, the sum of the components reported in millions may not equal the total amount reported in millions due to rounding. In addition, percentages presented may not add to their respective totals or recalculate due to rounding.



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