

Okta, Inc.

Supplemental Financial Information, Non-GAAP Financial Measures, and Other Metrics

Statement Regarding Use of Non-GAAP Financial Measures:

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

We report non-GAAP financial measures in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP.

Our non-GAAP presentation of gross profit, gross margin, operating expenses, operating loss, other net income (expense), net, net loss and net loss per share measures exclude stock-based compensation expense, charitable contributions, amortization of acquired intangibles, amortization of debt discount and acquisition-related expense.

We present current calculated billings as total revenue plus the change in current deferred revenue and the change in current unbilled receivables during the period, and we present calculated billings as total revenue plus the change in total deferred revenue and the change in total unbilled receivables during the period. Trailing 12-months calculated billings represent the sum of the last four quarters of calculated billings.

Free cash flow, which is a non-GAAP financial measure, is calculated as net cash used in operating activities, reduced by purchases of property and equipment and capitalized internal-use software costs. Free cash flow margin is calculated as free cash flow as a percentage of total revenues.

Our dollar-based retention rate is based upon our Annual Contract Value (ACV). ACV for a customer 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 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 attrition over the trailing twelve months but excludes revenue from new customers in the current period. We then divide the total Current Period ACV by the total Prior Period ACV to arrive at our dollar-based retention rate.

We believe that non-GAAP financial information, when taken collectively with GAAP financial measures, 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 and income 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 and income are excluded or included in determining these non-GAAP financial measures. A reconciliation is provided below 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.

Okta, Inc.
Condensed Consolidated Statements of Operations - Fiscal Quarters
(in thousands, except per share data)

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
Revenue:												
Subscription	\$ 48,279	\$ 55,317	\$ 61,863	\$ 70,963	\$ 236,422	\$ 76,841	\$ 87,854	\$ 97,698	\$ 108,462	\$ 370,855	\$ 117,163	\$ 132,494
Professional services and other	4,046	4,942	5,048	6,089	20,125	6,780	6,732	7,878	7,009	28,399	8,060	7,986
Total revenue	52,325	60,259	66,911	77,052	\$ 256,547	83,621	94,586	105,576	115,471	399,254	125,223	140,480
Cost of revenue:												
Subscription	11,157	12,691	13,553	15,080	52,481	16,332	19,211	20,265	21,546	77,354	24,540	27,917
Professional services and other	6,306	6,991	7,570	7,407	28,274	7,775	9,017	9,435	9,840	36,067	10,555	10,863
Total cost of revenue	17,463	19,682	21,123	22,487	80,755	24,107	28,228	29,700	31,386	113,421	35,095	38,780
Gross profit	34,862	40,577	45,788	54,565	175,792	59,514	66,358	75,876	84,085	285,833	90,128	101,700
Operating expenses:												
Research and development	15,359	16,923	19,190	19,349	70,821	19,929	24,829	27,596	30,031	102,385	34,032	40,045
Sales and marketing	35,303	37,891	47,567	44,259	165,020	49,493	59,004	56,911	62,552	227,960	82,112	78,385
General and administrative	11,639	11,948	13,546	14,670	51,803	15,070	20,955	19,848	19,237	75,110	25,766	26,887
Total operating expenses	62,301	66,762	80,303	78,278	287,644	84,492	104,788	104,355	111,820	405,455	141,910	145,317
Operating loss	(27,439)	(26,185)	(34,515)	(23,713)	(111,852)	(24,978)	(38,430)	(28,479)	(27,735)	(119,622)	(51,782)	(43,617)
Interest expense	—	—	—	—	—	(2,717)	(4,058)	(4,118)	(4,179)	(15,072)	(4,241)	(4,304)
Other income (expense), net	(19)	382	509	810	1,682	1,502	2,296	2,413	2,969	9,180	2,900	3,464
Loss before provision for (benefit from) income taxes	(27,458)	(25,803)	(34,006)	(22,903)	(110,170)	(26,193)	(40,192)	(30,184)	(28,945)	(125,514)	(53,123)	(44,457)
Provision for (benefit from) income taxes	248	229	(940)	142	(321)	(231)	(985)	(667)	1,866	(17)	(1,157)	(1,477)
Net loss	\$ (27,706)	\$ (26,032)	\$ (33,066)	\$ (23,045)	\$ (109,849)	\$ (25,962)	\$ (39,207)	\$ (29,517)	\$ (30,811)	\$ (125,497)	\$ (51,966)	\$ (42,980)
Net loss per share, basic and diluted	\$ (0.70)	\$ (0.28)	\$ (0.35)	\$ (0.23)	\$ (1.32)	\$ (0.25)	\$ (0.37)	\$ (0.27)	\$ (0.28)	\$ (1.17)	\$ (0.46)	\$ (0.37)
Weighted-average shares used to compute net loss per share, basic and diluted	39,783	93,576	95,474	100,969	83,004	104,203	106,702	108,776	110,223	107,504	112,682	115,033

Okta, Inc.
Non-GAAP Condensed Consolidated Statements of Operations - Fiscal Quarters
(in thousands, except per share data)

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
Revenue:												
Subscription	\$ 48,279	\$ 55,317	\$ 61,863	\$ 70,963	\$ 236,422	\$ 76,841	\$ 87,854	\$ 97,698	\$ 108,462	\$ 370,855	\$ 117,163	\$ 132,494
Professional services and other	4,046	4,942	5,048	6,089	20,125	6,780	6,732	7,878	7,009	28,399	8,060	7,986
Total revenue	52,325	60,259	66,911	77,052	256,547	83,621	94,586	105,576	115,471	399,254	125,223	140,480
Cost of revenue:												
Subscription	10,467	11,635	12,132	13,643	47,877	14,803	17,310	17,433	19,139	68,685	21,355	23,021
Professional services and other	5,837	6,253	6,591	6,456	25,137	6,886	7,934	8,130	8,134	31,084	9,036	8,990
Total cost of revenue	16,304	17,888	18,723	20,099	73,014	21,689	25,244	25,563	27,273	99,769	30,391	32,011
Gross profit	36,021	42,371	48,188	56,953	183,533	61,932	69,342	80,013	88,198	299,485	94,832	108,469
Operating expenses:												
Research and development	12,058	12,485	14,016	14,155	52,714	15,716	19,557	21,305	23,165	79,743	27,686	30,963
Sales and marketing	32,928	34,870	43,673	40,307	151,778	45,340	53,533	50,683	55,488	205,044	75,326	69,149
General and administrative	9,564	9,223	9,852	11,636	40,275	11,719	15,452	14,513	14,476	56,160	16,705	18,263
Total operating expenses	54,550	56,578	67,541	66,098	244,767	72,775	88,542	86,501	93,129	340,947	119,717	118,375
Operating loss	(18,529)	(14,207)	(19,353)	(9,145)	(61,234)	(10,843)	(19,200)	(6,488)	(4,931)	(41,462)	(24,885)	(9,906)
Interest expense	—	—	—	—	—	(336)	(504)	(514)	(524)	(1,878)	(535)	(545)
Other income (expense), net	(19)	382	509	810	1,682	1,502	2,296	2,413	2,969	9,180	2,900	3,464
Loss before provision for (benefit from) income taxes	(18,548)	(13,825)	(18,844)	(8,335)	(59,552)	(9,677)	(17,408)	(4,589)	(2,486)	(34,160)	(22,520)	(6,987)
Provision for (benefit from) income taxes	248	229	(940)	142	(321)	(231)	(985)	(667)	1,866	(17)	(1,157)	(1,477)
Net loss	\$ (18,796)	\$ (14,054)	\$ (17,904)	\$ (8,477)	\$ (59,231)	\$ (9,446)	\$ (16,423)	\$ (3,922)	\$ (4,352)	\$ (34,143)	\$ (21,363)	\$ (5,510)
Net loss per share, basic and diluted	\$ (0.47)	\$ (0.15)	\$ (0.19)	\$ (0.08)	\$ (0.71)	\$ (0.09)	\$ (0.15)	\$ (0.04)	\$ (0.04)	\$ (0.32)	\$ (0.19)	\$ (0.05)
Weighted-average shares used to compute net loss per share, basic and diluted	39,783	93,576	95,474	100,969	83,004	104,203	106,702	108,776	110,223	107,504	112,682	115,033

Okta, Inc.
Condensed Consolidated Balance Sheets - Fiscal Quarters
(in thousands)

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	Q1 FY19 ⁽¹⁾	Q2 FY19 ⁽¹⁾	Q3 FY19 ⁽¹⁾	Q4 FY19 ⁽¹⁾	Q1 FY20	Q2 FY20
Assets										
Current assets:										
Cash and cash equivalents	\$ 221,726	\$ 126,464	\$ 137,575	\$ 127,949	\$ 211,756	\$ 192,882	\$ 195,898	\$ 298,394	\$ 208,106	\$ 206,753
Short-term investments	2,500	86,755	86,043	101,765	335,285	343,374	350,105	265,374	339,377	350,712
Accounts receivable, net of allowances	32,171	35,304	46,882	52,248	50,368	59,839	70,136	91,926	83,328	87,851
Deferred commissions	13,901	14,784	15,901	17,755	18,551	19,848	21,695	24,185	25,576	27,062
Prepaid expenses and other current assets	12,422	13,382	10,940	17,781	20,180	16,099	18,946	28,237	20,542	24,642
Total current assets	282,720	276,689	297,341	317,498	636,140	632,042	656,780	708,116	676,929	697,020
Property and equipment, net	13,180	13,302	13,122	12,540	19,176	40,670	44,251	52,921	52,189	51,858
Operating lease right-of-use assets	—	—	—	31,474	44,600	129,039	124,932	121,389	119,916	116,706
Deferred commissions, noncurrent	33,674	34,430	36,122	40,755	41,077	43,287	47,756	54,812	56,824	59,560
Intangible assets, net	9,835	11,051	11,455	11,761	11,863	16,006	14,989	13,897	28,022	34,712
Goodwill	6,282	6,282	6,282	6,282	6,282	18,095	18,074	18,089	47,964	47,964
Other assets	1,671	1,658	2,463	10,427	12,151	12,275	13,322	15,089	16,698	18,990
Total assets	\$ 347,362	\$ 343,412	\$ 366,785	\$ 430,737	\$ 771,289	\$ 891,414	\$ 920,104	\$ 984,313	\$ 998,542	\$ 1,026,810
Liabilities and stockholders' equity										
Current liabilities:										
Accounts payable	\$ 12,853	\$ 8,887	\$ 12,875	\$ 3,596	\$ 4,088	\$ 4,251	\$ 3,103	\$ 2,431	\$ 4,352	\$ 3,492
Accrued expenses and other current liabilities	7,878	5,360	4,955	22,736	23,450	22,483	23,455	33,653	32,412	31,843
Accrued compensation	6,613	11,334	14,671	12,374	12,652	12,803	20,250	19,770	21,463	21,869
Convertible senior notes, net	—	—	—	—	—	—	—	271,628	275,653	279,741
Deferred revenue	111,759	122,173	135,010	159,816	173,548	186,427	206,146	245,622	268,033	283,724
Total current liabilities	139,103	147,754	167,511	198,522	213,738	225,964	252,954	573,104	601,913	620,669
Convertible senior notes, net	—	—	—	—	259,920	263,762	267,665	—	—	—
Operating lease liabilities, noncurrent	—	—	—	25,905	41,906	149,228	147,942	147,046	146,044	143,706
Deferred revenue, noncurrent	3,578	2,929	2,145	4,963	4,346	5,471	4,977	8,768	7,671	7,469
Other liabilities, noncurrent	6,323	6,451	6,553	2,007	1,762	1,844	2,063	3,018	3,470	4,241
Total liabilities	149,004	157,134	176,209	231,397	521,672	646,269	675,601	731,936	759,098	776,085
Stockholders' equity:										
Class A common stock	1	2	2	7	9	10	10	10	10	11
Class B common stock	8	8	8	3	2	1	1	1	1	1
Additional paid-in capital	483,019	496,801	534,304	565,653	642,460	677,497	706,810	744,896	784,067	839,523
Accumulated other comprehensive income (loss)	(99)	70	(69)	391	(178)	(480)	(918)	(319)	(457)	(1,653)
Accumulated deficit	(284,571)	(310,603)	(343,669)	(366,714)	(392,676)	(431,883)	(461,400)	(492,211)	(544,177)	(587,157)
Total stockholders' equity	198,358	186,278	190,576	199,340	249,617	245,145	244,503	252,377	239,444	250,725
Total liabilities and stockholders' equity	\$ 347,362	\$ 343,412	\$ 366,785	\$ 430,737	\$ 771,289	\$ 891,414	\$ 920,104	\$ 984,313	\$ 998,542	\$ 1,026,810

⁽¹⁾ The condensed consolidated balance sheets for the prior periods presented above have been adjusted to reflect the adoption of ASC 842 and reclass of accounts payable to accrued expenses and other current liabilities to conform the current period presentation.

Okta, Inc.
Condensed Consolidated Statements of Cash Flows - Fiscal Quarters
(in thousands)

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18 ⁽¹⁾	Q1 FY19 ⁽¹⁾	Q2 FY19 ⁽¹⁾	Q3 FY19 ⁽¹⁾	Q4 FY19 ⁽¹⁾	FY19 ⁽¹⁾	Q1 FY20	Q2 FY20
Operating activities:												
Net loss	\$ (27,706)	\$ (26,032)	\$ (33,066)	\$ (23,045)	\$ (109,849)	\$ (25,962)	\$ (39,207)	\$ (29,517)	\$ (30,811)	\$ (125,497)	\$ (51,966)	\$ (42,980)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:												
Stock-based compensation	8,906	11,978	14,408	14,568	49,860	14,135	18,222	21,542	22,421	76,320	22,685	31,274
Depreciation, amortization and accretion	1,575	1,713	1,823	1,890	7,001	2,069	1,630	2,125	2,177	8,001	3,399	4,517
Amortization of debt discount and issuance costs	—	—	—	—	—	2,571	3,842	3,902	3,964	14,279	4,025	4,088
Amortization of deferred commissions	3,352	3,654	3,905	4,269	15,180	4,572	5,041	5,350	5,889	20,852	6,328	6,864
Deferred income taxes	—	—	(960)	426	(534)	(348)	(1,227)	(694)	1,504	(765)	(1,369)	(1,688)
Write-off of intangible assets	108	18	471	517	1,114	—	—	—	—	—	—	—
Non-cash charitable contributions	—	—	708	—	708	—	1,008	—	—	1,008	—	652
Other	162	401	(163)	319	719	161	(143)	135	487	640	(100)	184
Changes in operating assets and liabilities:												
Accounts receivable	2,243	(3,554)	(11,431)	(5,579)	(18,321)	1,719	(8,959)	(10,299)	(22,143)	(39,682)	9,297	(4,838)
Deferred commissions	(4,223)	(5,294)	(6,713)	(10,756)	(26,986)	(5,693)	(8,547)	(11,667)	(15,435)	(41,342)	(9,795)	(11,577)
Prepaid expenses and other assets	(3,756)	(1,144)	2,547	(7,047)	(9,400)	(3,889)	4,511	(3,444)	(7,512)	(10,334)	5,975	(4,441)
Operating lease right-of-use assets	—	—	—	—	7,776	4,564	2,976	4,669	5,030	17,239	3,066	3,123
Accounts payable	3,236	(504)	3,523	(2,750)	(2,464)	607	160	(1,101)	(1,103)	(1,437)	1,640	(272)
Accrued compensation	(2,121)	4,683	3,369	(2,349)	3,582	329	169	7,475	(544)	7,429	4,143	574
Accrued expenses and other liabilities	323	(1,924)	56	2,066	5,801	(1,023)	3,084	(202)	3,941	5,800	3,288	(1,984)
Operating lease liabilities	—	—	—	—	(7,087)	(2,954)	(1,600)	(1,060)	(1,028)	(6,642)	(39)	(120)
Deferred revenue	8,215	9,767	12,052	27,626	57,660	13,114	13,697	19,225	43,267	89,303	20,685	15,490
Net cash provided by (used in) operating activities	(9,686)	(6,238)	(9,471)	155	(25,240)	3,972	(5,343)	6,439	10,104	15,172	21,262	(1,134)
Investing activities:												
Capitalization of internal-use software costs	(1,208)	(1,535)	(1,329)	(1,359)	(5,431)	(1,051)	(674)	(604)	(522)	(2,851)	(369)	(961)
Purchases of property and equipment	(2,448)	(2,708)	(414)	(980)	(6,550)	(4,477)	(5,313)	(4,463)	(5,558)	(19,811)	(7,710)	(2,207)
Proceeds from sales of property and equipment	—	—	—	—	—	—	—	—	740	740	—	—
Purchases of securities available for sale and other	—	(86,776)	(8,568)	(33,742)	(129,086)	(252,914)	(67,104)	(158,120)	(153,350)	(631,488)	(146,545)	(91,148)
Proceeds from maturities of securities available for sale	10,335	2,500	9,150	17,840	39,825	19,500	60,000	140,150	79,000	298,650	61,244	75,100
Proceeds from sales of securities available for sale and other	1,538	—	—	—	1,538	—	—	12,470	160,602	173,072	11,996	5,333
Purchases of intangible assets	—	—	—	—	—	—	—	—	—	—	—	(8,500)
Payments for business acquisition, net of cash acquired	—	—	—	—	—	—	(15,638)	22	(16)	(15,632)	(44,223)	—
Net cash provided by (used in) investing activities	8,217	(88,519)	(1,161)	(18,241)	(99,704)	(238,942)	(28,729)	(10,545)	80,896	(197,320)	(125,607)	(22,383)
Financing activities:												
Proceeds from initial public offering, net of underwriters' discounts and commissions	199,997	(49)	—	—	199,948	—	—	—	—	—	—	—
Proceeds from issuance of convertible senior notes, net of issuance costs	—	—	—	—	—	335,055	(75)	—	—	334,980	—	—
Purchase of convertible senior notes hedge	—	—	—	—	—	(80,040)	—	—	—	(80,040)	—	—
Proceeds from issuance of warrants related to convertible notes	—	—	—	—	—	52,440	—	—	—	52,440	—	—
Payments of deferred offering costs	(2,246)	(1,792)	—	—	(4,038)	—	—	—	—	—	—	—

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18 ⁽¹⁾	Q1 FY19 ⁽¹⁾	Q2 FY19 ⁽¹⁾	Q3 FY19 ⁽¹⁾	Q4 FY19 ⁽¹⁾	FY19 ⁽¹⁾	Q1 FY20	Q2 FY20
Proceeds from stock option exercises, net of repurchases, and other	2,564	1,352	21,884	7,846	33,646	12,196	8,859	7,469	8,337	36,861	13,388	14,065
Proceeds from shares issued in connection with employee stock purchase plan	—	—	—	8,369	8,369	—	6,654	—	7,073	13,727	—	9,005
Other, net	(207)	(66)	(70)	(174)	(517)	(206)	—	—	—	(206)	(126)	—
Net cash provided by (used in) financing activities	200,108	(555)	21,814	16,041	237,408	319,445	15,438	7,469	15,410	357,762	13,262	23,070
Effects of changes in foreign currency exchange rates on cash, cash equivalents and restricted cash	68	66	(81)	434	487	(387)	(245)	(358)	358	(632)	(282)	(905)
Net increase (decrease) in cash, cash equivalents and restricted cash	198,707	(95,246)	11,101	(1,611)	112,951	84,088	(18,879)	3,005	106,768	174,982	(91,365)	(1,352)
Cash, cash equivalents and restricted cash at beginning of period	23,282	221,989	126,743	137,844	23,282	136,233	220,321	201,442	204,447	136,233	311,215	219,850
Cash, cash equivalents and restricted cash at end of period	\$ 221,989	\$ 126,743	\$ 137,844	\$ 136,233	\$ 136,233	\$ 220,321	\$ 201,442	\$ 204,447	\$ 311,215	\$ 311,215	\$ 219,850	\$ 218,498

⁽¹⁾ The condensed consolidated statements of cash flows for the prior periods presented above have been adjusted to reflect the adoption of ASC 842 and reclass of accounts payable to accrued expenses and other current liabilities to conform to current period presentation.

Okta, Inc.

GAAP to Non-GAAP Reconciliations - Fiscal Quarters
(in thousands, except percentages and per share data)

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
GAAP subscription gross profit	\$ 37,122	\$ 42,626	\$ 48,310	\$ 55,883	\$183,941	\$ 60,509	\$ 68,643	\$ 77,433	\$ 86,916	\$293,501	\$ 92,623	\$104,577
Stock-based compensation	686	1,056	1,421	1,437	4,600	1,529	1,901	2,383	2,024	7,837	2,422	3,111
Amortization of acquired intangibles	4	—	—	—	4	—	—	449	383	832	763	1,785
Non-GAAP subscription gross profit	\$ 37,812	\$ 43,682	\$ 49,731	\$ 57,320	\$188,545	\$ 62,038	\$ 70,544	\$ 80,265	\$ 89,323	\$302,170	\$ 95,808	\$109,473
<i>Non-GAAP subscription gross margin</i>	78.3 %	79.0 %	80.4 %	80.8 %	79.7 %	80.7 %	80.3 %	82.2 %	82.4 %	81.5 %	81.8 %	82.6 %
GAAP professional services gross profit	\$ (2,260)	\$ (2,049)	\$ (2,522)	\$ (1,318)	\$ (8,149)	\$ (995)	\$ (2,285)	\$ (1,557)	\$ (2,831)	\$ (7,668)	\$ (2,495)	\$ (2,877)
Stock-based compensation	469	738	979	951	3,137	889	1,083	1,305	1,706	4,983	1,519	1,873
Non-GAAP professional services gross profit	\$ (1,791)	\$ (1,311)	\$ (1,543)	\$ (367)	\$ (5,012)	\$ (106)	\$ (1,202)	\$ (252)	\$ (1,125)	\$ (2,685)	\$ (976)	\$ (1,004)
<i>Non-GAAP professional services gross margin</i>	(44.3)%	(26.5)%	(30.6)%	(6.0)%	(24.9)%	(1.6)%	(17.9)%	(3.2)%	(16.1)%	(9.5)%	(12.1)%	(12.6)%
GAAP total gross profit	\$ 34,862	\$ 40,577	\$ 45,788	\$ 54,565	\$175,792	\$ 59,514	\$ 66,358	\$ 75,876	\$ 84,085	\$285,833	\$ 90,128	\$101,700
Stock-based compensation	1,155	1,794	2,400	2,388	7,737	2,418	2,984	3,688	3,730	12,820	3,941	4,984
Amortization of acquired intangibles	4	—	—	—	4	—	—	449	383	832	763	1,785
Non-GAAP total gross profit	\$ 36,021	\$ 42,371	\$ 48,188	\$ 56,953	\$183,533	\$ 61,932	\$ 69,342	\$ 80,013	\$ 88,198	\$299,485	\$ 94,832	\$108,469
<i>Non-GAAP total gross margin</i>	68.8 %	70.3 %	72.0 %	73.9 %	71.5 %	74.1 %	73.3 %	75.8 %	76.4 %	75.0 %	75.7 %	77.2 %
GAAP research and development expense	\$ 15,359	\$ 16,923	\$ 19,190	\$ 19,349	\$ 70,821	\$ 19,929	\$ 24,829	\$ 27,596	\$ 30,031	\$102,385	\$ 34,032	\$ 40,045
Stock-based compensation	3,301	4,438	5,174	5,194	18,107	4,213	5,272	6,291	6,866	22,642	6,346	9,082
Non-GAAP research and development expense	\$ 12,058	\$ 12,485	\$ 14,016	\$ 14,155	\$ 52,714	\$ 15,716	\$ 19,557	\$ 21,305	\$ 23,165	\$ 79,743	\$ 27,686	\$ 30,963
<i>Non-GAAP research and development expense as a percentage of revenue</i>	23.0 %	20.7 %	20.9 %	18.4 %	20.5 %	18.8 %	20.7 %	20.2 %	20.1 %	20.0 %	22.1 %	22.0 %
GAAP sales and marketing expense	\$ 35,303	\$ 37,891	\$ 47,567	\$ 44,259	\$165,020	\$ 49,493	\$ 59,004	\$ 56,911	\$ 62,552	\$227,960	\$ 82,112	\$ 78,385
Stock-based compensation	2,375	3,021	3,894	3,952	13,242	4,153	5,471	6,228	7,064	22,916	6,786	9,236
Non-GAAP sales and marketing expense	\$ 32,928	\$ 34,870	\$ 43,673	\$ 40,307	\$151,778	\$ 45,340	\$ 53,533	\$ 50,683	\$ 55,488	\$205,044	\$ 75,326	\$ 69,149
<i>Non-GAAP sales and marketing expense as a percentage of revenue</i>	62.9 %	57.9 %	65.3 %	52.3 %	59.2 %	54.2 %	56.6 %	48.0 %	48.1 %	51.4 %	60.2 %	49.2 %
GAAP general and administrative expense	\$ 11,639	\$ 11,948	\$ 13,546	\$ 14,670	\$ 51,803	\$ 15,070	\$ 20,955	\$ 19,848	\$ 19,237	\$ 75,110	\$ 25,766	\$ 26,887
Stock-based compensation	2,075	2,725	2,940	3,034	10,774	3,351	4,495	5,335	4,761	17,942	5,612	7,972
Charitable contributions	—	—	754	—	754	—	1,008	—	—	1,008	—	652
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	3,449	—
Non-GAAP general and administrative expense	\$ 9,564	\$ 9,223	\$ 9,852	\$ 11,636	\$ 40,275	\$ 11,719	\$ 15,452	\$ 14,513	\$ 14,476	\$ 56,160	\$ 16,705	\$ 18,263
<i>Non-GAAP general and administrative expense as a percentage of revenue</i>	18.3 %	15.3 %	14.7 %	15.1 %	15.7 %	14.0 %	16.3 %	13.7 %	12.5 %	14.1 %	13.3 %	13.0 %

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
GAAP total operating expenses	\$ 62,301	\$ 66,762	\$ 80,303	\$ 78,278	\$287,644	\$ 84,492	\$104,788	\$104,355	\$111,820	\$405,455	\$141,910	\$145,317
Stock-based compensation	7,751	10,184	12,008	12,180	42,123	11,717	15,238	17,854	18,691	63,500	18,744	26,290
Charitable contributions	—	—	754	—	754	—	1,008	—	—	1,008	—	652
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	3,449	—
Non-GAAP total operating expenses	\$ 54,550	\$ 56,578	\$ 67,541	\$ 66,098	\$244,767	\$ 72,775	\$ 88,542	\$ 86,501	\$ 93,129	\$340,947	\$119,717	\$118,375
<i>Non-GAAP total operating expenses as a percentage of revenue</i>	104.3 %	93.9 %	100.9 %	85.8 %	95.4 %	87.0 %	93.6 %	81.9 %	80.7 %	85.4 %	95.6 %	84.3 %
GAAP operating loss	\$(27,439)	\$(26,185)	\$(34,515)	\$(23,713)	\$(111,852)	\$(24,978)	\$(38,430)	\$(28,479)	\$(27,735)	\$(119,622)	\$(51,782)	\$(43,617)
Stock-based compensation	8,906	11,978	14,408	14,568	49,860	14,135	18,222	21,542	22,421	76,320	22,685	31,274
Charitable contributions	—	—	754	—	754	—	1,008	—	—	1,008	—	652
Amortization of acquired intangibles	4	—	—	—	4	—	—	449	383	832	763	1,785
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	3,449	—
Non-GAAP operating loss	\$(18,529)	\$(14,207)	\$(19,353)	\$(9,145)	\$(61,234)	\$(10,843)	\$(19,200)	\$(6,488)	\$(4,931)	\$(41,462)	\$(24,885)	\$(9,906)
<i>Non-GAAP operating margin</i>	(35.4)%	(23.6)%	(28.9)%	(11.9)%	(23.9)%	(13.0)%	(20.3)%	(6.1)%	(4.3)%	(10.4)%	(19.9)%	(7.1)%
Interest expense	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (2,717)	(4,058)	(4,118)	(4,179)	(15,072)	(4,241)	(4,304)
Amortization of debt discount	—	—	—	—	—	2,381	3,554	3,604	3,655	13,194	3,706	3,759
Non-GAAP interest expense	\$ —	\$ —	\$ —	\$ —	\$ —	\$ (336)	\$ (504)	\$ (514)	\$ (524)	\$ (1,878)	\$ (535)	\$ (545)
GAAP net loss	\$(27,706)	\$(26,032)	\$(33,066)	\$(23,045)	\$(109,849)	\$(25,962)	\$(39,207)	\$(29,517)	\$(30,811)	\$(125,497)	\$(51,966)	\$(42,980)
Stock-based compensation	8,906	11,978	14,408	14,568	49,860	14,135	18,222	21,542	22,421	76,320	22,685	31,274
Amortization of debt discount	—	—	—	—	—	2,381	3,554	3,604	3,655	13,194	3,706	3,759
Charitable contributions	—	—	754	—	754	—	1,008	—	—	1,008	—	652
Amortization of acquired intangibles	4	—	—	—	4	—	—	449	383	832	763	1,785
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	3,449	—
Non-GAAP net loss	\$(18,796)	\$(14,054)	\$(17,904)	\$(8,477)	\$(59,231)	\$(9,446)	\$(16,423)	\$(3,922)	\$(4,352)	\$(34,143)	\$(21,363)	\$(5,510)
GAAP net loss per share	\$ (0.7)	\$ (0.28)	\$ (0.35)	\$ (0.23)	\$ (1.32)	\$ (0.25)	\$ (0.37)	\$ (0.27)	\$ (0.28)	\$ (1.17)	\$ (0.46)	\$ (0.37)
Stock-based compensation	0.23	0.13	0.15	0.15	0.60	0.14	0.17	0.20	0.21	0.71	0.20	0.27
Amortization of debt discount	—	—	—	—	—	0.02	0.04	0.03	0.03	0.12	0.03	0.03
Charitable contributions	—	—	0.01	—	0.01	—	0.01	—	—	0.01	—	0.01
Amortization of acquired intangibles	—	—	—	—	—	—	—	—	—	0.01	0.01	0.01
Acquisition-related expenses	—	—	—	—	—	—	—	—	—	—	0.03	—
Non-GAAP net loss per share	\$(0.47)	\$(0.15)	\$(0.19)	\$(0.08)	\$(0.71)	\$(0.09)	\$(0.15)	\$(0.04)	\$(0.04)	\$(0.32)	\$(0.19)	\$(0.05)
Weighted-average shares outstanding used to compute net loss per share	39,783	93,576	95,474	100,969	83,004	104,203	106,702	108,776	110,223	107,504	112,682	115,033

Okta, Inc.

**Calculations of Key and Other Selected Metrics - Fiscal Quarters
(in thousands, except percentages and customer/headcount data)**

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
Calculated Billings												
Total revenue	\$ 52,325	\$ 60,259	\$ 66,911	\$ 77,052	\$256,547	\$ 83,621	\$ 94,586	\$ 105,576	\$ 115,471	\$399,254	\$ 125,223	\$140,480
Add:												
Unbilled receivables, current (beginning of period)	1,537	2,151	498	902	1,537	809	1,619	818	1,581	809	1,457	799
Deferred revenue, current (end of period)	111,759	122,173	135,010	159,816	159,816	173,548	186,427	206,146	245,622	245,622	268,033	283,724
Less:												
Unbilled receivables, current (end of period)	(2,151)	(498)	(902)	(809)	(809)	(1,619)	(818)	(1,581)	(1,457)	(1,457)	(799)	(1,004)
Deferred revenue, current (beginning of period)	(102,966)	(111,759)	(122,173)	(135,010)	(102,966)	(159,816)	(173,548)	(186,427)	(206,146)	(159,816)	(245,622)	(268,033)
Current calculated billings	60,504	72,326	79,344	101,951	314,125	96,543	108,266	124,532	155,071	484,412	148,292	155,966
Add:												
Deferred revenue, noncurrent (end of period)	3,578	2,929	2,145	4,963	4,963	4,346	5,471	4,977	8,768	8,768	7,671	7,469
Less:												
Deferred revenue, noncurrent (beginning of period)	(4,154)	(3,578)	(2,929)	(2,145)	(4,154)	(4,963)	(4,346)	(5,471)	(4,977)	(4,963)	(8,768)	(7,671)
Calculated billings	\$ 59,928	\$ 71,677	\$ 78,560	\$104,769	\$314,934	\$ 95,926	\$109,391	\$ 124,038	\$ 158,862	\$488,217	\$ 147,195	\$155,764
<i>y-y growth - current calculated billings</i>	63 %	53 %	50 %	60 %	57 %	60 %	50 %	57%	52%	54 %	54%	44 %
<i>y-y growth - calculated billings</i>	75 %	54 %	54 %	67 %	62 %	60 %	53 %	58%	52%	55 %	53%	42 %
Trailing 12 months calculated billings	\$220,228	\$245,450	\$272,890	\$314,934	\$314,934	\$350,932	\$388,646	\$ 434,124	\$ 488,217	\$488,217	\$ 539,486	\$585,859
<i>y-y growth</i>	69 %	66 %	62 %	62 %	62 %	59 %	58 %	59%	55%	55 %	54%	51 %
Free Cash Flow and Margin												
Net cash provided by (used in) operating activities	\$ (9,686)	\$ (6,238)	\$ (9,471)	\$ 155	\$ (25,240)	\$ 3,972	\$ (5,343)	\$ 6,439	\$ 10,104	\$ 15,172	\$ 21,262	\$ (1,134)
Less:												
Purchases of property and equipment	(2,448)	(2,708)	(414)	(980)	(6,550)	(4,477)	(5,313)	(4,463)	(5,558)	(19,811)	(7,710)	(2,207)
Capitalization of internal-use software costs	(1,208)	(1,535)	(1,329)	(1,359)	(5,431)	(1,051)	(674)	(604)	(522)	(2,851)	(369)	(961)
Proceeds from sales of property and equipment	—	—	—	—	—	—	—	—	740	740	—	—
Free cash flow	\$ (13,342)	\$ (10,481)	\$ (11,214)	\$ (2,184)	\$ (37,221)	\$ (1,556)	\$ (11,330)	\$ 1,372	\$ 4,764	\$ (6,750)	\$ 13,183	\$ (4,302)
Operating cash flow margin	(18.5)%	(10.4)%	(14.2)%	0.2 %	(9.8)%	4.8 %	(5.6)%	6.1%	8.8%	3.8 %	17.0%	(0.8)%
Free cash flow margin	(25.5)%	(17.4)%	(16.8)%	(2.8)%	(14.5)%	(1.9)%	(12.0)%	1.3%	4.1%	(1.7)%	10.5%	(3.1)%

	Q1 FY18	Q2 FY18	Q3 FY18	Q4 FY18	FY18	Q1 FY19	Q2 FY19	Q3 FY19	Q4 FY19	FY19	Q1 FY20	Q2 FY20
Customer Data												
Total customers	3,350	3,650	3,950	4,350	4,350	4,700	5,150	5,600	6,100	6,100	6,550	7,000
<i>y-y growth</i>	37%	38%	36%	40%	40%	40%	41%	42%	40%	40%	39%	36%
Customers with ACV above \$100,000	493	539	603	691	691	747	837	937	1,038	1,038	1,142	1,222
<i>y-y growth</i>	64%	52%	50%	56%	56%	52%	55%	55%	50%	50%	53%	46%
Dollar-based retention rate for the trailing 12 months ended	123%	123%	123%	121%	121%	121%	121%	120%	120%	120%	119%	118%
Headcount												
Total headcount	1,020	1,096	1,141	1,176	1,176	1,265	1,392	1,473	1,561	1,561	1,770	1,943
<i>y-y growth</i>	43%	38%	35%	31%	31%	24%	27%	29%	33%	33%	40%	40%
Revenue by Location												
United States	\$ 44,972	\$ 50,973	\$ 56,214	\$ 65,141	\$ 217,300	\$ 71,258	\$ 79,500	\$ 88,705	\$ 97,904	\$ 337,367	\$ 105,403	\$ 118,605
International	7,353	9,286	10,697	11,911	39,247	12,363	15,086	16,871	17,567	61,887	19,820	21,875
Total	\$ 52,325	\$ 60,259	\$ 66,911	\$ 77,052	\$ 256,547	\$ 83,621	\$ 94,586	\$ 105,576	\$ 115,471	\$ 399,254	\$ 125,223	\$ 140,480
Remaining Performance Obligations (RPO) - Backlog (in millions, except percentages)												
Total RPO						\$ 499.1	\$ 543.9	\$ 614.4	\$ 728.9	\$ 728.9	\$ 792.0	\$ 913.6
Current RPO (12 months)						279.8	303.3	339.3	385.6	385.6	416.0	461.1
Current RPO as a % of total RPO						56%	56%	55%	53%	53%	53%	50%