

**ZSCALER, INC.**  
**Supplemental Financial Information**  
**Explanation of Non-GAAP Financial Measures**

In addition to our results determined in accordance with generally accepted accounting principles in the United States of America (GAAP), we believe the following non-GAAP measures are useful in evaluating our operating performance. We use the following non-GAAP financial information to evaluate our ongoing operations and for internal planning and forecasting purposes. 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. However, non-GAAP financial information is presented for supplemental informational purposes only, has limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with GAAP. In particular, free cash flow is not a substitute for cash provided by operating activities. Additionally, the utility of free cash flow as a measure of our liquidity is further limited as it does not represent the total increase or decrease in our cash balance for a given period. In addition, other companies, including companies in our industry, may calculate similarly-titled non-GAAP measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. A reconciliation of our historical non-GAAP financial measures to their most directly comparable financial measures stated in accordance with GAAP has been included in this Supplemental Financial Information. Investors are cautioned that there are a number of limitations associated with the use of non-GAAP financial measures and key metrics as analytical tools. Investors are encouraged to review these reconciliations, and not to rely on any single financial measure to evaluate our business.

**Expenses Excluded from Non-GAAP Measures**

Stock-based compensation expense is excluded primarily because it is a non-cash expense that management believes is not reflective of our ongoing operational performance. Employer payroll taxes related to stock-based compensation, which is a cash expense, are excluded because these are tied to the timing and size of the exercise or vesting of the underlying equity awards and the price of our common stock at the time of vesting or exercise, which may vary from period to period independent of the operating performance of our business. Amortization expense of acquired intangible assets and non-recurring income tax expense or benefit associated with business acquisitions are excluded because these are considered by management to be outside of our core business operating performance. Restructuring and other charges includes severance and termination benefits in connection with a restructuring plan to streamline operations and to align people, roles and projects to our strategic priorities. These expenses are excluded because they fluctuate in amount and frequency and are not reflective of our core business operating performance. Amortization of debt discount and issuance costs from the convertible senior notes are excluded because these are non-cash expenses and are not reflective of our ongoing operational performance. We estimate the tax effect of these items on our non-GAAP results and may adjust our GAAP provision for income taxes, if such effects have a material impact to our non-GAAP results.

**Non-GAAP Financial Measures**

***Non-GAAP Gross Profit and Non-GAAP Gross Margin.*** We define non-GAAP gross profit as GAAP gross profit excluding stock-based compensation expense and related employer payroll taxes and amortization expense of acquired intangible assets. We define non-GAAP gross margin as non-GAAP gross profit as a percentage of revenue.

***Non-GAAP Income from Operations and Non-GAAP Operating Margin.*** We define non-GAAP income from operations as GAAP loss from operations excluding stock-based compensation expense and related employer payroll taxes, amortization expense of acquired intangible assets and restructuring and other charges. We define non-GAAP operating margin as non-GAAP income from operations as a percentage of revenue.

***Non-GAAP Net Income per Share, Diluted.*** We define non-GAAP net income as GAAP net income (loss) excluding stock-based compensation expense and related employer payroll taxes, amortization expense of acquired intangible assets, restructuring and other charges, amortization of debt discount and issuance costs, refunds of certain foreign withholding taxes related to prior fiscal periods and the tax effects of these items on our non-GAAP net income. We define non-GAAP net income per share, diluted, as non-GAAP net income plus the non-GAAP interest expense divided by the weighted-average diluted shares outstanding, which includes the effect of potentially diluted common stock equivalents outstanding during the period and the anti-dilutive impact of the capped call transactions entered into in connection with the convertible senior notes.

***Calculated Billings.*** We define calculated billings as revenue plus the change in deferred revenue in a period. Calculated billings in any particular period aims to reflect amounts invoiced for subscriptions to access our cloud platform, together with related support services for our new and existing customers. We typically invoice our customers annually in advance, and to a lesser extent quarterly in advance, monthly in advance or multi-year in advance.

***Free Cash Flow and Free Cash Flow Margin.*** We define free cash flow as net cash provided by operating activities less purchases of property, equipment and other assets and capitalized internal-use software. We define free cash flow margin as free cash flow divided by revenue. We believe that free cash flow and free cash flow margin are useful indicators of liquidity that provide information to management and investors about the amount of cash generated from our operations that, after the investments in property, equipment and other assets and capitalized internal-use software, can be used for strategic initiatives.

**ZSCALER, INC.**
**Condensed Consolidated Statements of Operations**
*(in thousands, except per share amounts)*
*(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
Revenue	\$ 318,059	\$ 355,548	\$ 387,598	\$ 418,800	\$ 455,006	\$ 496,703	\$ 524,999	\$ 553,201
Cost of revenue <sup>(1)(2)</sup>	68,308	76,697	87,604	95,849	102,682	111,394	117,199	118,331
Gross profit	249,751	278,851	299,994	322,951	352,324	385,309	407,800	434,870
Operating expenses:								
Sales and marketing <sup>(1)(2)</sup>	214,228	228,836	235,945	236,273	252,810	267,111	276,481	262,447
Research and development <sup>(1)(2)</sup>	78,150	74,946	85,765	92,637	96,387	113,539	122,181	124,958
General and administrative <sup>(1)</sup>	39,902	44,156	43,522	43,486	46,380	50,716	54,595	50,478
Restructuring and other charges <sup>(1)</sup>	—	—	—	6,301	1,299	—	—	—
Total operating expenses	332,280	347,938	365,232	378,697	396,876	431,366	453,257	437,883
Loss from operations	(82,529)	(69,087)	(65,238)	(55,746)	(44,552)	(46,057)	(45,457)	(3,013)
Interest income	2,607	7,865	12,669	18,577	21,351	25,942	28,385	27,570
Interest expense <sup>(3)</sup>	(14,458)	(1,331)	(1,333)	(1,383)	(2,494)	(3,159)	(3,605)	(2,764)
Other income (expense), net	(774)	(863)	141	(809)	(331)	(1,212)	172	(927)
Income (loss) before income taxes	(95,154)	(63,416)	(53,761)	(39,361)	(26,026)	(24,486)	(20,505)	20,866
Provision for income taxes <sup>(4)</sup>	2,498	4,746	3,692	6,685	4,648	8,997	7,964	1,742
Net income (loss)	\$ (97,652)	\$ (68,162)	\$ (57,453)	\$ (46,046)	\$ (30,674)	\$ (33,483)	\$ (28,469)	\$ 19,124
Net income (loss) per share								
Basic	\$ (0.69)	\$ (0.48)	\$ (0.40)	\$ (0.32)	\$ (0.21)	\$ (0.23)	\$ (0.19)	\$ 0.13
Diluted	\$ (0.69)	\$ (0.48)	\$ (0.40)	\$ (0.32)	\$ (0.21)	\$ (0.23)	\$ (0.19)	\$ 0.12
Weighted-average shares used in computing net income (loss) per share								
Basic	142,355	143,476	144,511	145,354	146,424	147,625	148,951	150,290
Diluted	142,355	143,476	144,511	145,354	146,424	147,625	148,951	154,081

<sup>(1)</sup> Includes stock-based compensation expense and related payroll taxes as follows:

Cost of revenue	\$ 7,696	\$ 8,661	\$ 9,595	\$ 10,025	\$ 12,016	\$ 12,955	\$ 13,434	\$ 12,487
Sales and marketing	57,505	55,469	55,213	51,417	60,181	58,668	65,855	45,490
Research and development	33,486	25,233	29,380	31,796	34,742	41,043	44,120	46,346
General and administrative	19,628	19,273	17,330	17,112	19,336	20,063	22,127	17,142
Restructuring and other charges	—	—	—	1,036	—	—	—	—
Total	\$ 118,315	\$ 108,636	\$ 111,518	\$ 111,386	\$ 126,275	\$ 132,729	\$ 145,536	\$ 121,465

<sup>(2)</sup> Includes amortization expense of acquired intangible assets as follows:

Cost of revenue	\$ 1,939	\$ 1,939	\$ 2,175	\$ 2,695	\$ 2,765	\$ 2,717	\$ 2,717	\$ 2,962
Sales and marketing	178	178	178	200	217	226	226	279
Research and development	198	435	198	80	—	93	140	140
Total	\$ 2,315	\$ 2,552	\$ 2,551	\$ 2,975	\$ 2,982	\$ 3,036	\$ 3,083	\$ 3,381

<sup>(3)</sup> Includes amortization of debt discount and issuance costs <sup>(\*)</sup>:

\$ 14,098	\$ 972	\$ 973	\$ 974	\$ 975	\$ 977	\$ 978	\$ 979
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<sup>(\*)</sup> Effective August 1, 2022, we adopted ASC Topic 470 “Debt” and ASC Topic 815 “Derivatives and Hedging” (“ASU 2020-06”), using the modified retrospective method under which prior period amounts have not been adjusted. The adoption of this standard resulted in the elimination of the debt discount and related amortization as interest expense and the classification of the portion of the debt issuance costs initially allocated to equity within the carrying amount of the convertible senior notes, which will be recognized as interest expense.

<sup>(4)</sup> Includes tax expense (benefit) associated with specific transactions: <sup>(\*\*)</sup>

\$ (682)	\$ —	\$ —	\$ —	\$ —	\$ 3,259	\$ —	\$ (5,123)
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<sup>(\*\*)</sup> In the fiscal quarter ended July 31, 2022, we recorded a tax benefit of \$0.7 million, associated with intangible assets recognized as a result of our business acquisitions. In the fiscal quarter ended October 31, 2023, we recognized a tax expense of \$3.3 million associated with the integration of a business acquisition. In the fiscal quarter ended April 30, 2024, we recorded a tax benefit of \$5.1 million associated with the reduction of the valuation allowance due to the establishment of deferred tax liabilities from a business acquisition.

**ZSCALER, INC.**
**Non-GAAP Condensed Consolidated Statements of Operations**
*(in thousands, except per share amounts)*
*(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
Revenue	\$ 318,059	\$ 355,548	\$ 387,598	\$ 418,800	\$ 455,006	\$ 496,703	\$ 524,999	\$ 553,201
Cost of revenue	58,673	66,097	75,834	83,129	87,901	95,722	101,048	102,882
Gross profit	259,386	289,451	311,764	335,671	367,105	400,981	423,951	450,319
Operating expenses:								
Sales and marketing	156,545	173,189	180,554	184,656	192,412	208,217	210,400	216,678
Research and development	44,466	49,278	56,187	60,761	61,645	72,403	77,921	78,472
General and administrative	20,274	24,883	26,192	26,374	27,044	30,653	32,468	33,336
Total operating expenses	221,285	247,350	262,933	271,791	281,101	311,273	320,789	328,486
Income from operations	38,101	42,101	48,831	63,880	86,004	89,708	103,162	121,833
Interest income	2,607	7,865	12,669	18,577	21,351	25,942	28,385	27,570
Interest expense	(360)	(359)	(360)	(409)	(1,519)	(2,182)	(2,627)	(1,785)
Other income (expense), net	(774)	(863)	141	(809)	(331)	(1,212)	172	(927)
Income before income taxes	39,574	48,744	61,281	81,239	105,505	112,256	129,092	146,691
Provision for income taxes <sup>(1)</sup>	3,180	4,746	3,692	6,685	4,648	5,738	7,964	6,865
Non-GAAP net income	\$ 36,394	\$ 43,998	\$ 57,589	\$ 74,554	\$ 100,857	\$ 106,518	\$ 121,128	\$ 139,826
Non-GAAP net income per share, diluted <sup>(2)</sup>	\$ 0.25	\$ 0.29	\$ 0.37	\$ 0.48	\$ 0.64	\$ 0.67	\$ 0.76	\$ 0.88
Weighted-average shares used in computing non-GAAP net income per share, diluted <sup>(2)</sup>	146,407	154,203	154,742	155,472	157,315	158,505	159,154	159,657

<sup>(1)</sup> We use our GAAP provision for income taxes for purposes of determining our non-GAAP income tax expense. The difference between our GAAP and non-GAAP income tax expense represents the effects of stock-based compensation expense and income tax effects associated with business acquisitions. The income tax benefit related to stock-based compensation expense included in the GAAP provision for income taxes was not material for all periods presented. In the fiscal quarter ended July 31, 2022, we recorded a tax benefit of \$0.7 million associated with intangible assets recognized as a result of business acquisitions. In the fiscal quarter ended October 31, 2023, we recognized a tax expense of \$3.3 million associated with the integration of a business acquisition. In the fiscal quarter ended April 30, 2024, we recorded a tax benefit of \$5.1 million, associated with the reduction of the valuation allowance due to the establishment of deferred tax liabilities from a business acquisition.

<sup>(2)</sup> Effective August 1, 2022, we adopted ASU 2020-06 using the modified retrospective method under which prior period amounts have not been adjusted. This standard amended the calculation of diluted earnings per share for certain convertible debt instruments, eliminating the treasury stock method and requiring the use of the if-converted method to compute the underlying potentially diluted shares. Accordingly, to account for the potentially diluted shares related to the senior convertible notes, we are required to add back the non-GAAP interest expense to our non-GAAP net income and include approximately 7.63 million shares related to the convertible senior notes beginning in our first quarter of fiscal year 2023.

<sup>(3)</sup> Supplemental information subsequent to the adoption of ASU 2020-06:

<b>Fiscal Quarter</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
Non-GAAP net income	\$ 43,998	\$ 57,589	\$ 74,554	\$ 100,857	\$ 106,518	\$ 121,128	\$ 139,826
Add: Non-GAAP interest expense related to the convertible senior notes	359	360	359	359	359	359	359
Numerator used in computing non-GAAP net income per share, diluted	\$ 44,357	\$ 57,949	\$ 74,913	\$ 101,216	\$ 106,877	\$ 121,487	\$ 140,185
Weighted-average shares used in computing GAAP net income (loss) per share, diluted	143,476	144,511	145,354	146,424	147,625	148,951	154,081
Add: Dilution from outstanding potentially dilutive equity incentive awards	3,689	2,605	2,492	3,265	3,431	4,670	—
Add: Dilution from the convertible senior notes using the if-converted method	7,626	7,626	7,626	7,626	7,626	7,626	7,626
Less: Antidilutive impact of capped call transactions (*)	(588)	—	—	—	(177)	(2,093)	(2,050)
Weighted-average shares used in computing non-GAAP net income per share, diluted	154,203	154,742	155,472	157,315	158,505	159,154	159,657

(\*) The capped calls have an antidilutive impact when the average stock price of our common stock in a given period is higher than their exercise price.

**ZSCALER, INC.****Condensed Consolidated Balance Sheets***(in thousands)**(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
<b>Assets</b>								
Current assets:								
Cash and cash equivalents	\$ 1,013,210	\$ 1,084,945	\$ 1,257,012	\$ 1,275,297	\$ 1,262,206	\$ 1,361,723	\$ 1,438,586	\$ 1,259,197
Short-term investments	718,129	739,845	648,332	693,110	838,026	962,681	1,021,218	980,802
Accounts receivable, net	399,745	268,718	358,614	376,339	582,636	366,843	479,611	506,284
Deferred contract acquisition costs	86,210	90,004	96,105	103,896	115,827	119,417	125,591	135,095
Prepaid expenses and other current assets	39,353	49,849	56,046	78,608	91,619	80,926	77,702	88,636
Total current assets	2,256,647	2,233,361	2,416,109	2,527,250	2,890,314	2,891,590	3,142,708	2,970,014
Property and equipment, net	160,633	183,425	200,468	222,801	242,355	265,592	294,495	330,646
Operating lease right-of-use assets	72,357	76,199	69,848	68,526	70,671	77,137	87,804	92,473
Deferred contract acquisition costs, noncurrent	210,792	211,468	219,046	232,304	259,407	253,386	255,883	268,079
Acquired intangible assets, net	31,819	29,267	26,716	28,841	25,859	25,623	22,540	68,959
Goodwill	78,547	78,547	78,547	89,192	89,192	92,415	92,415	417,029
Other noncurrent assets	21,870	23,465	29,222	31,798	30,519	29,841	38,381	51,551
Total assets	<u>\$ 2,832,665</u>	<u>\$ 2,835,732</u>	<u>\$ 3,039,956</u>	<u>\$ 3,200,712</u>	<u>\$ 3,608,317</u>	<u>\$ 3,635,584</u>	<u>\$ 3,934,226</u>	<u>\$ 4,198,751</u>

**Liabilities and stockholders' equity**

Current liabilities:

Accounts payable	\$ 26,154	\$ 29,717	\$ 33,632	\$ 24,783	\$ 18,481	\$ 23,234	\$ 17,137	\$ 28,030
Accrued expenses and other current liabilities	46,496	60,229	43,547	51,209	64,975	70,950	68,217	82,639
Accrued compensation	111,948	79,587	97,293	123,195	136,800	97,568	137,362	163,119
Deferred revenue	923,749	913,104	1,000,359	1,058,901	1,281,143	1,244,528	1,316,416	1,376,676
Operating lease liabilities	26,100	28,646	29,173	31,054	34,469	38,138	44,773	50,857
Total current liabilities	1,134,447	1,111,283	1,204,004	1,289,142	1,535,868	1,474,418	1,583,905	1,701,321
Convertible senior notes, net <sup>(1)</sup>	968,674	1,139,542	1,140,516	1,140,840	1,134,159	1,134,026	1,141,011	1,137,687
Deferred revenue, noncurrent	97,374	92,609	111,521	116,472	158,533	155,016	185,759	200,338
Operating lease liabilities, noncurrent	50,948	51,065	46,233	42,884	41,917	43,606	47,906	46,897
Other noncurrent liabilities	7,922	9,958	9,025	10,100	12,728	20,993	16,789	19,369
Total liabilities	2,259,365	2,404,457	2,511,299	2,599,438	2,883,205	2,828,059	2,975,370	3,105,612

**Stockholders' equity**

Common stock	143	144	145	146	147	148	150	151
Additional paid-in capital	1,590,885	1,425,156	1,547,203	1,660,930	1,816,915	1,949,189	2,114,041	2,241,865
Accumulated other comprehensive loss	(25,850)	(37,824)	(5,037)	(102)	(1,576)	(17,955)	(3,009)	(15,675)
Accumulated deficit	(991,878)	(956,201)	(1,013,654)	(1,059,700)	(1,090,374)	(1,123,857)	(1,152,326)	(1,133,202)
Total stockholders' equity	573,300	431,275	528,657	601,274	725,112	807,525	958,856	1,093,139
Total liabilities and stockholders' equity	<u>\$ 2,832,665</u>	<u>\$ 2,835,732</u>	<u>\$ 3,039,956</u>	<u>\$ 3,200,712</u>	<u>\$ 3,608,317</u>	<u>\$ 3,635,584</u>	<u>\$ 3,934,226</u>	<u>\$ 4,198,751</u>

<sup>(1)</sup> Effective August 1, 2022, we adopted ASU 2020-06 using the modified retrospective method under which prior period amounts have not been adjusted. The adoption of this standard resulted in the elimination of the debt discount and related amortization as interest expense and the classification of the portion of the debt issuance costs initially allocated to equity within the carrying amount of the convertible senior notes, which will be recognized as interest expense.

**ZSCALER, INC.**  
**Condensed Consolidated Statements of Cash flows**  
*(in thousands)*  
*(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
<b>Cash flows from operating activities</b>								
Net income (loss)	\$ (97,652)	\$ (68,162)	\$ (57,453)	\$ (46,046)	\$ (30,674)	\$ (33,483)	\$ (28,469)	\$ 19,124
Adjustments to reconcile net loss to cash provided by operating activities:								
Depreciation and amortization expense	11,019	11,876	13,365	14,528	15,987	13,962	15,399	17,672
Amortization expense of acquired intangible assets	2,315	2,552	2,551	2,975	2,982	3,036	3,083	3,381
Amortization of deferred contract acquisition costs	19,738	22,325	23,728	25,315	27,350	30,111	31,393	33,207
Amortization of debt discount and issuance costs <sup>(1)</sup>	14,098	972	973	974	975	977	978	979
Non-cash operating lease costs	6,638	7,108	7,880	8,332	8,892	9,903	11,730	13,280
Stock-based compensation expense	114,817	105,173	109,738	107,819	122,104	129,138	140,432	113,236
Amortization (accretion) of investments purchased at a premium (discount)	638	(165)	(1,268)	(1,956)	(3,193)	(3,199)	(6,383)	(5,002)
Unrealized (gains) losses on hedging transactions	476	1,185	(1,881)	(444)	(2,179)	1,564	1,277	(1,267)
Deferred income taxes	(41)	65	(56)	149	194	(43)	(1,394)	(4,332)
Other	(730)	(937)	153	(163)	127	1031	372	314
Changes in operating assets and liabilities, net of effects of business acquisitions								
Accounts receivable	(127,887)	130,636	(89,836)	(17,795)	(206,863)	215,082	(112,708)	(23,968)
Deferred contract acquisition costs	(59,441)	(26,795)	(37,407)	(46,364)	(66,384)	(27,680)	(40,064)	(54,907)
Prepaid expenses, other current and noncurrent assets	67	(7,579)	(221)	(21,805)	(10,317)	1,349	1,311	(26,112)
Accounts payable	11,392	3,000	2,228	(9,307)	(4,337)	4,596	(7,008)	9,932
Accrued expenses, other current and noncurrent liabilities	3,227	3,627	2,272	8,962	11,953	4,859	1,161	8,627
Accrued compensation	9,270	(32,797)	15,146	28,584	13,605	(39,232)	39,794	12,254
Deferred revenue	202,584	(15,340)	106,202	63,394	264,308	(40,154)	102,631	69,877
Operating lease liabilities	(7,390)	(8,287)	(6,633)	(8,683)	(8,594)	(11,011)	(11,466)	(12,881)
<b>Net cash provided by operating activities</b>	<b>103,138</b>	<b>128,457</b>	<b>89,481</b>	<b>108,469</b>	<b>135,936</b>	<b>260,806</b>	<b>142,069</b>	<b>173,414</b>
<b>Cash flows from investing activities</b>								
Purchases of property, equipment and other assets	(21,250)	(25,202)	(18,681)	(26,244)	(27,070)	(28,659)	(30,894)	(35,651)
Capitalized internal-use software	(7,117)	(7,641)	(7,982)	(8,339)	(7,565)	(7,429)	(10,387)	(14,637)
Payments for business acquisitions, net of cash acquired	(24,907)	—	—	(15,643)	—	(4,377)	—	(357,404)
Purchase of strategic investments	—	(700)	(500)	(1,000)	(1,006)	—	(2,000)	—
Purchases of short-term investments	(34,833)	(210,255)	(303,488)	(226,496)	(323,904)	(375,929)	(385,867)	(242,176)
Proceeds from maturities of short-term investments	379,595	186,096	400,705	161,365	153,683	253,849	340,838	244,566
Proceeds from sale of short-term investments	—	—	—	25,083	25,447	—	2,105	45,060
<b>Net cash provided by (used in) investing activities</b>	<b>291,488</b>	<b>(57,702)</b>	<b>70,054</b>	<b>(91,274)</b>	<b>(180,415)</b>	<b>(162,545)</b>	<b>(86,205)</b>	<b>(360,242)</b>
<b>Cash flows from financing activities</b>								
Proceeds from issuance of common stock upon exercise of stock options	753	982	1,122	1,090	750	1,256	2,592	7,439
Proceeds from issuance of common stock under the employee stock purchase plan	23,140	—	11,410	—	30,853	—	18,407	—
Payment of deferred consideration related to business acquisitions	(200)	—	—	—	(215)	—	—	—
Other	(2)	(2)	—	—	—	—	—	—
<b>Net cash provided by financing activities</b>	<b>23,691</b>	<b>980</b>	<b>12,532</b>	<b>1,090</b>	<b>31,388</b>	<b>1,256</b>	<b>20,999</b>	<b>7,439</b>
Net increase (decrease) in cash and cash equivalents	418,317	71,735	172,067	18,285	(13,091)	99,517	76,863	(179,389)
Cash and cash equivalents at beginning of period	594,893	1,013,210	1,084,945	1,257,012	1,275,297	1,262,206	1,361,723	1,438,586
Cash and cash equivalents at end of period	<u>\$ 1,013,210</u>	<u>\$ 1,084,945</u>	<u>\$ 1,257,012</u>	<u>\$ 1,275,297</u>	<u>\$ 1,262,206</u>	<u>\$ 1,361,723</u>	<u>\$ 1,438,586</u>	<u>\$ 1,259,197</u>

<sup>(1)</sup> Effective August 1, 2022, we adopted ASU 2020-06 using the modified retrospective method under which prior period amounts have not been adjusted. The adoption of this standard resulted in the elimination of the debt discount and related amortization as interest expense and the classification of the portion of the debt issuance costs initially allocated to equity within the carrying amount of the convertible senior notes, which will be recognized as interest expense.

**ZSCALER, INC.**
**GAAP to Non-GAAP Reconciliations**
*(in thousands, except percentages and per share amounts)(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
<b>GAAP gross profit</b>	<u>\$ 249,751</u>	<u>\$ 278,851</u>	<u>\$ 299,994</u>	<u>\$ 322,951</u>	<u>\$ 352,324</u>	<u>\$ 385,309</u>	<u>\$ 407,800</u>	<u>\$ 434,870</u>
Stock-based compensation expense and related payroll taxes	7,696	8,661	9,595	10,025	12,016	12,955	13,434	12,487
Amortization expense of acquired intangible assets	1,939	1,939	2,175	2,695	2,765	2,717	2,717	2,962
<b>Non-GAAP gross profit</b>	<u>\$ 259,386</u>	<u>\$ 289,451</u>	<u>\$ 311,764</u>	<u>\$ 335,671</u>	<u>\$ 367,105</u>	<u>\$ 400,981</u>	<u>\$ 423,951</u>	<u>\$ 450,319</u>
GAAP Gross Margin	79 %	78 %	77 %	77 %	77 %	78 %	78 %	79 %
Non-GAAP gross margin	82 %	81 %	80 %	80 %	81 %	81 %	81 %	81 %
<b>GAAP sales and marketing expense</b>	<u>\$ 214,228</u>	<u>\$ 228,836</u>	<u>\$ 235,945</u>	<u>\$ 236,273</u>	<u>\$ 252,810</u>	<u>\$ 267,111</u>	<u>\$ 276,481</u>	<u>\$ 262,447</u>
Stock-based compensation expense and related payroll taxes	57,505	55,469	55,213	51,417	60,181	58,668	65,855	45,490
Amortization expense of acquired intangible assets	178	178	178	200	217	226	226	279
<b>Non-GAAP sales and marketing expense</b>	<u>\$ 156,545</u>	<u>\$ 173,189</u>	<u>\$ 180,554</u>	<u>\$ 184,656</u>	<u>\$ 192,412</u>	<u>\$ 208,217</u>	<u>\$ 210,400</u>	<u>\$ 216,678</u>
GAAP sales and marketing expense as a percentage of revenue	67 %	64 %	61 %	56 %	56 %	54 %	53 %	47 %
Non-GAAP sales and marketing expense as a percentage of revenue	49 %	49 %	47 %	44 %	42 %	42 %	40 %	39 %
<b>GAAP research and development expense</b>	<u>\$ 78,150</u>	<u>\$ 74,946</u>	<u>\$ 85,765</u>	<u>\$ 92,637</u>	<u>\$ 96,387</u>	<u>\$ 113,539</u>	<u>\$ 122,181</u>	<u>\$ 124,958</u>
Stock-based compensation expense and related payroll taxes	33,486	25,233	29,380	31,796	34,742	41,043	44,120	46,346
Amortization expense of acquired intangible assets	198	435	198	80	—	93	140	140
<b>Non-GAAP research and development expense</b>	<u>\$ 44,466</u>	<u>\$ 49,278</u>	<u>\$ 56,187</u>	<u>\$ 60,761</u>	<u>\$ 61,645</u>	<u>\$ 72,403</u>	<u>\$ 77,921</u>	<u>\$ 78,472</u>
GAAP research and development expense as a percentage of revenue	25 %	21 %	22 %	22 %	21 %	23 %	23 %	23 %
Non-GAAP research and development expense as a percentage of revenue	14 %	14 %	14 %	15 %	14 %	15 %	15 %	14 %
<b>GAAP general and administrative expense</b>	<u>\$ 39,902</u>	<u>\$ 44,156</u>	<u>\$ 43,522</u>	<u>\$ 43,486</u>	<u>\$ 46,380</u>	<u>\$ 50,716</u>	<u>\$ 54,595</u>	<u>\$ 50,478</u>
Stock-based compensation expense and related payroll taxes	19,628	19,273	17,330	17,112	19,336	20,063	22,127	17,142
<b>Non-GAAP general and administrative expense</b>	<u>\$ 20,274</u>	<u>\$ 24,883</u>	<u>\$ 26,192</u>	<u>\$ 26,374</u>	<u>\$ 27,044</u>	<u>\$ 30,653</u>	<u>\$ 32,468</u>	<u>\$ 33,336</u>
GAAP general and administrative expense as a percentage of revenue	13 %	12 %	11 %	10 %	10 %	10 %	10 %	9 %
Non-GAAP general and administrative expense as a percentage of revenue	6 %	7 %	7 %	6 %	6 %	6 %	6 %	6 %
<b>GAAP restructuring and other charges</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 6,301</u>	<u>\$ 1,299</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
Stock-based compensation expense and related payroll taxes	—	—	—	1,036	—	—	—	—
Restructuring and other charges, excluding stock-based compensation expense <sup>(1)</sup>	—	—	—	5,265	1,299	—	—	—
<b>Non-GAAP restructuring and other charges</b>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>
GAAP restructuring and other charges as a percentage of revenue	— %	— %	— %	2 %	— %	— %	— %	— %
Non-GAAP restructuring and other charges as a percentage of revenue	— %	— %	— %	— %	— %	— %	— %	— %
<b>GAAP total operating expenses</b>	<u>\$ 332,280</u>	<u>\$ 347,938</u>	<u>\$ 365,232</u>	<u>\$ 378,697</u>	<u>\$ 396,876</u>	<u>\$ 431,366</u>	<u>\$ 453,257</u>	<u>\$ 437,883</u>
Stock-based compensation expense and related payroll taxes <sup>(1)</sup>	110,619	99,975	101,923	101,361	114,259	119,774	132,102	108,978
Amortization expense of acquired intangible assets	376	613	376	280	217	319	366	419

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
Restructuring and other charges, excluding stock-based compensation expense <sup>(1)</sup>	—	—	—	5,265	1,299	—	—	—
<b>Non-GAAP total operating expenses</b>	<b>\$ 221,285</b>	<b>\$ 247,350</b>	<b>\$ 262,933</b>	<b>\$ 271,791</b>	<b>\$ 281,101</b>	<b>\$ 311,273</b>	<b>\$ 320,789</b>	<b>\$ 328,486</b>
GAAP total operating expenses as a percentage of revenue	104 %	98 %	94 %	90 %	87 %	87 %	86 %	79 %
Non-GAAP total operating expenses as a percentage of revenue	70 %	70 %	68 %	65 %	62 %	63 %	61 %	59 %
<b>GAAP loss from operations</b>	<b>\$ (82,529)</b>	<b>\$ (69,087)</b>	<b>\$ (65,238)</b>	<b>\$ (55,746)</b>	<b>\$ (44,552)</b>	<b>\$ (46,057)</b>	<b>\$ (45,457)</b>	<b>\$ (3,013)</b>
Stock-based compensation expense and related payroll taxes <sup>(1)</sup>	118,315	108,636	111,518	111,386	126,275	132,729	145,536	121,465
Amortization expense of acquired intangible assets	2,315	2,552	2,551	2,975	2,982	3,036	3,083	3,381
Restructuring and other charges, excluding stock-based compensation expense <sup>(1)</sup>	—	—	—	5,265	1,299	—	—	—
<b>Non-GAAP income from operations</b>	<b>\$ 38,101</b>	<b>\$ 42,101</b>	<b>\$ 48,831</b>	<b>\$ 63,880</b>	<b>\$ 86,004</b>	<b>\$ 89,708</b>	<b>\$ 103,162</b>	<b>\$ 121,833</b>
GAAP operating margin	(26)%	(19)%	(17)%	(13)%	(10)%	(9)%	(9)%	(1)%
Non-GAAP operating margin	12 %	12 %	13 %	15 %	19 %	18 %	20 %	22 %
<b>GAAP interest expense</b>	<b>\$ (14,458)</b>	<b>\$ (1,331)</b>	<b>\$ (1,333)</b>	<b>\$ (1,383)</b>	<b>\$ (2,494)</b>	<b>\$ (3,159)</b>	<b>\$ (3,605)</b>	<b>\$ (2,764)</b>
Amortization of debt discount and issuance costs	14,098	972	973	974	975	977	978	979
<b>Non-GAAP interest expense</b>	<b>\$ (360)</b>	<b>\$ (359)</b>	<b>\$ (360)</b>	<b>\$ (409)</b>	<b>\$ (1,519)</b>	<b>\$ (2,182)</b>	<b>\$ (2,627)</b>	<b>\$ (1,785)</b>
<b>GAAP net income (loss)</b>	<b>\$ (97,652)</b>	<b>\$ (68,162)</b>	<b>\$ (57,453)</b>	<b>\$ (46,046)</b>	<b>\$ (30,674)</b>	<b>\$ (33,483)</b>	<b>\$ (28,469)</b>	<b>\$ 19,124</b>
Stock-based compensation expense and related payroll taxes <sup>(1)</sup>	118,315	108,636	111,518	111,386	126,275	132,729	145,536	121,465
Amortization expense of acquired intangible assets	2,315	2,552	2,551	2,975	2,982	3,036	3,083	3,381
Restructuring and other charges, excluding stock-based compensation expense <sup>(1)</sup>	—	—	—	5,265	1,299	—	—	—
Amortization of debt discount and issuance costs	14,098	972	973	974	975	977	978	979
Provision (benefit) for income taxes <sup>(3)</sup>	(682)	—	—	—	—	3,259	—	(5,123)
<b>Non-GAAP net income</b>	<b>\$ 36,394</b>	<b>\$ 43,998</b>	<b>\$ 57,589</b>	<b>\$ 74,554</b>	<b>\$ 100,857</b>	<b>\$ 106,518</b>	<b>\$ 121,128</b>	<b>\$ 139,826</b>
GAAP net loss as a percentage of revenue	(31)%	(19)%	(15)%	(11)%	(7)%	(7)%	(5)%	3 %
Non-GAAP net income as a percentage of revenue	11 %	12 %	15 %	18 %	22 %	21 %	23 %	25 %
<b>Non-GAAP net income</b>	<b>\$ 36,394</b>	<b>\$ 43,998</b>	<b>\$ 57,589</b>	<b>\$ 74,554</b>	<b>\$ 100,857</b>	<b>\$ 106,518</b>	<b>\$ 121,128</b>	<b>\$ 139,826</b>
Add: Non-GAAP interest expense related to the convertible senior notes <sup>(2)</sup>	—	359	360	359	359	359	359	359
<b>Numerator used in computing non-GAAP net income per share, diluted</b>	<b>\$ 36,394</b>	<b>\$ 44,357</b>	<b>\$ 57,949</b>	<b>\$ 74,913</b>	<b>\$ 101,216</b>	<b>\$ 106,877</b>	<b>\$ 121,487</b>	<b>\$ 140,185</b>
<b>GAAP net income (loss) per share, diluted</b>	<b>\$ (0.69)</b>	<b>\$ (0.48)</b>	<b>\$ (0.40)</b>	<b>\$ (0.32)</b>	<b>\$ (0.21)</b>	<b>\$ (0.23)</b>	<b>\$ (0.19)</b>	<b>\$ 0.12</b>
Stock-based compensation expense and related payroll taxes <sup>(1)</sup>	0.81	0.70	0.72	0.72	0.80	0.84	0.91	0.76
Amortization expense of acquired intangible assets	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Restructuring and other charges, excluding stock-based compensation expense <sup>(1)</sup>	—	—	—	0.03	0.01	—	—	—
Amortization of debt discount and issuance costs	0.10	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Provision (benefit) for income taxes <sup>(3)</sup>	—	—	—	—	—	0.02	—	(0.03)

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
Non-GAAP interest expense related to the convertible senior notes <sup>(2)</sup>	—	—	—	—	—	—	—	—
Adjustment to total fully diluted earnings per share <sup>(4)</sup>	0.01	0.04	0.02	0.02	0.01	0.01	0.01	—
<b>Non-GAAP net income per share, diluted <sup>(2)</sup></b>	<b>\$ 0.25</b>	<b>\$ 0.29</b>	<b>\$ 0.37</b>	<b>\$ 0.48</b>	<b>\$ 0.64</b>	<b>\$ 0.67</b>	<b>\$ 0.76</b>	<b>\$ 0.88</b>
<b>Weighted-average shares used in computing GAAP net income (loss) per share, diluted</b>	142,355	143,476	144,511	145,354	146,424	147,625	148,951	154,081
Outstanding potentially dilutive equity incentive awards <sup>(6)</sup>	4,052	3,689	2,605	2,492	3,265	3,431	4,670	—
Convertible senior notes <sup>(2)(6)</sup>	208	7,626	7,626	7,626	7,626	7,626	7,626	7,626
Antidilutive impact of capped call transactions <sup>(5)</sup>	(208)	(588)	—	—	—	(177)	(2,093)	(2,050)
<b>Weighted-average shares used in computing non-GAAP net income per share, diluted <sup>(2)</sup></b>	<b>146,407</b>	<b>154,203</b>	<b>154,742</b>	<b>155,472</b>	<b>157,315</b>	<b>158,505</b>	<b>159,154</b>	<b>159,657</b>

<sup>(1)</sup> In connection with a restructuring plan announced in March 2023, we incurred stock-based compensation expense of approximately \$1.0 million for the year ended July 31, 2023, which is included in stock-based compensation expense and related payroll taxes.

<sup>(2)</sup> Effective August 1, 2022, we adopted ASU 2020-06 using the modified retrospective method under which prior period amounts have not been adjusted. The adoption of this standard resulted in the elimination of the debt discount and related amortization as interest expense and the classification of the portion of the debt issuance costs initially allocated to equity within the carrying amount of the convertible senior notes, which will be recognized as interest expense. Additionally, this standard amended the calculation of diluted earnings per share for certain convertible debt instruments, eliminating the treasury stock method and requiring the use of the if-converted method to compute the underlying potentially diluted shares. Accordingly, to account for the potentially diluted shares related to the convertible senior notes, we are required to add back the non-GAAP interest expense related to the convertible senior notes to our non-GAAP net income and include approximately 7.63 million shares related to the senior convertible notes beginning in our first quarter of fiscal year 2023.

<sup>(3)</sup> We use our GAAP provision for income taxes for purposes of determining our non-GAAP income tax expense. The difference between our GAAP and non-GAAP provision for income taxes represents primarily the effects of stock-based compensation expense and income tax effects associated with business acquisitions. The income tax benefit related to stock-based compensation expense included in the GAAP provision for income taxes was not material for all periods presented. In the fiscal quarters ended July 31, 2022, we recorded a tax benefit of \$0.7 million associated with intangible assets recognized as a result of business acquisitions. In the fiscal quarter ended October 31, 2023, we recognized a tax expense of \$3.3 million associated with the integration of a business acquisition. In the fiscal quarter ended April 30, 2024, we recorded a tax benefit of \$5.1 million, associated with the reduction of the valuation allowance due to the establishment of deferred tax liabilities from a business acquisition.

<sup>(4)</sup> The sum of the fully diluted earnings per share impact of individual reconciling items may not total to fully diluted non-GAAP net income per share due to the weighted-average shares used in computing the GAAP net loss per share differs from the weighted-average shares used in computing the non-GAAP net income per share, and due to rounding of the individual reconciling items. The GAAP net loss per share calculation uses a lower share count as it excludes potentially dilutive shares, which are included in calculating the non-GAAP net income per share.

<sup>(5)</sup> We exclude the in-the-money portion of the convertible senior notes for non-GAAP weighted-average diluted shares as they are covered by our capped call transactions. Our outstanding capped call transactions are antidilutive under GAAP but are expected to mitigate the dilutive effect of the convertible senior notes and therefore are included in the calculation of non-GAAP diluted shares outstanding. The capped calls have an antidilutive impact when the average stock price of our common stock in a given period is higher than their exercise price.

<sup>(6)</sup> For the three months ended April 30, 2024, potentially dilutive equity incentive awards are included in the computation of the GAAP net income per share, diluted and the convertible senior notes are excluded from this computation as their effect is antidilutive.

**ZSCALER, INC.****Free Cash Flow and Free Cash Flow Margin***(in thousands, except percentages)**(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
<b>Revenue</b>	\$ 318,059	\$ 355,548	\$ 387,598	\$ 418,800	\$ 455,006	\$ 496,703	\$ 524,999	\$ 553,201
<b>Free cash flow</b>								
Net cash provided by operating activities	\$ 103,138	\$ 128,457	\$ 89,481	\$ 108,469	\$ 135,936	\$ 260,806	\$ 142,069	\$ 173,414
Less: Purchases of property, equipment and other assets	(21,250)	(25,202)	(18,681)	(26,244)	(27,070)	(28,659)	(30,894)	(35,651)
Less: Capitalized internal-use software	(7,117)	(7,641)	(7,982)	(8,339)	(7,565)	(7,429)	(10,387)	(14,637)
<b>Free cash flow</b>	<u>\$ 74,771</u>	<u>\$ 95,614</u>	<u>\$ 62,818</u>	<u>\$ 73,886</u>	<u>\$ 101,301</u>	<u>\$ 224,718</u>	<u>\$ 100,788</u>	<u>\$ 123,126</u>
<b>Year-over-year growth</b>	170 %	15 %	113 %	69 %	35 %	135 %	60 %	67 %
<b>Free cash flow margin</b>								
Net cash provided by operating activities, as a percentage of revenue	32 %	36 %	23 %	26 %	30 %	53 %	27 %	31 %
Less: Purchases of property, equipment and other assets, as a percentage of revenue	(6)%	(7)%	(5)%	(6)%	(6)%	(6)%	(6)%	(6)%
Less: Capitalized internal-use software, as a percentage of revenue	(2)%	(2)%	(2)%	(2)%	(2)%	(2)%	(2)%	(3)%
<b>Free cash flow margin</b>	<u>24 %</u>	<u>27 %</u>	<u>16 %</u>	<u>18 %</u>	<u>22 %</u>	<u>45 %</u>	<u>19 %</u>	<u>22 %</u>

**ZSCALER, INC.****Calculated Billings and Other Selected Key Metrics***(in thousands, except percentages and customer data)**(unaudited)*

<b>Fiscal Quarter</b>	<b>Q4 FY22</b>	<b>Q1 FY23</b>	<b>Q2 FY23</b>	<b>Q3 FY23</b>	<b>Q4 FY23</b>	<b>Q1 FY24</b>	<b>Q2 FY24</b>	<b>Q3 FY24</b>
End of Fiscal Quarter	7/31/2022	10/31/2022	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	4/30/2024
Beginning of Fiscal Quarter	5/1/2022	8/1/2022	11/1/2022	2/1/2023	5/1/2023	8/1/2023	11/1/2023	2/1/2024
<b>Calculated billings</b>								
Revenue	\$ 318,059	\$ 355,548	\$ 387,598	\$ 418,800	\$ 455,006	\$ 496,703	\$ 524,999	\$ 553,201
Add: Total deferred revenue, end of period	1,021,123	1,005,713	1,111,880	1,175,373	1,439,676	1,399,544	1,502,175	1,577,014
Less: Total deferred revenue, beginning of period	(818,743)	(1,021,123)	(1,005,713)	(1,111,880)	(1,175,373)	(1,439,676)	(1,399,544)	(1,502,175)
<b>Calculated billings</b>	<b>\$ 520,439</b>	<b>\$ 340,138</b>	<b>\$ 493,765</b>	<b>\$ 482,293</b>	<b>\$ 719,309</b>	<b>\$ 456,571</b>	<b>\$ 627,630</b>	<b>\$ 628,040</b>
Year-over-year growth	57 %	37 %	34 %	40 %	38 %	34 %	27 %	30 %

**Other key business metrics**

Customers with equal or greater than \$100,000 annualized recurring revenue ("ARR")	2,089	2,217	2,337	2,432	2,609	2,708	2,820	2,922
Customers with equal or greater than \$1.0 million ARR	327	348	378	400	449	468	497	523