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IDEA

September 3, 2026 06:14 AM GMT

Snowflake Inc. | North America

2Q27 Results: An AI-Powered Growth Flywheel That Is Still in the Early Innings

WHAT'S CHANGED

Snowflake Inc. (SNOW.N)	From	To
Price Target	$300.00	**$470.00**

AlphaSignals Earnings Reaction

Strengthens our thesis
Impact to our thesis

Meaningful upside
Financial results versus consensus

Meaningful revision higher
Direction of next 12-month consensus EPS

Source: Company data, Morgan Stanley Research

Third straight qtr of acceleration against a tough compare + high expectations underscore just how well AI is monetizing and driving greater consumption in the core platform. With 2H likely approaching 40% growth, we remain OW and raise PT to $470.

Key Takeaways

- Product revenue rose +37% YoY to $1,492 million, accelerating from +34% in 1Q27 and beating the guidance midpoint by 5.2% and consensus by 5.0%
- FY27 product revenue raised to +36% YoY from +31% ($230M raise vs. ~$74M 2Q beat); 3Q guided to 37-38%, implying further acceleration off 2Q's 37%
- Strength was broad-based, with management attributing ~50% of the product revenue acceleration to AI products and the balance to the core platform
- With execution remaining strong, and line of sight to 40% growth in the 2H, we remain OW and raise PT to $470

Growth Accelerates for the 3rd Qtr in a Row Clearing an Already High Bar. Heading into 2Q, we previewed that business was good at Snowflake but that investor expectations were getting aggressive. Despite rising expectations, Snowflake delivered strong results with product revenue accelerating for the third straight quarter to +37% YoY up from +34% in 1Q27 and coming in +5% above consensus. We note the ~300bps sequential acceleration came despite a ~530bps tougher YoY comparison, taking the two-year growth stack to approximately 68% from 60% on our math. Other KPIs highlighting the strength seen in 2Q include: 1) Net Revenue Retention (NRR) sustaining at 126%; 2) Current Remaining Performance Obligations (cRPO) growth improving +42% YoY from +38% in 1Q; 3) +44% YoY growth in net-new customer adds lifting the base to 14,554 (+22%); and 4) 27% growth in customers with 12-month product revenue greater than $1 million.

3Q/FY27 Product Revenue Outlook Even More Impressive. FY27 product revenue

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Snowflake Inc. (SNOW.N, SNOW UN)

Software | United States of America

Stock Rating	**Overweight**
Industry View	**Attractive**
Price target	**$470.00**
Shr price, close (Sep 2, 2026)	$305.84
Mkt cap, curr (mm)	$113,674
52-Week Range	$341.60-118.30

Fiscal Year Ending	01/26	01/27e	01/28e	01/29e
EPS ($)**	1.25	2.16	2.96	4.19
Prior EPS ($)**	-	1.99	2.86	4.01
P/E	NM	NM	NM	NM
EPS ($)§	1.21	1.93	2.69	3.69
Div yld (%)	-	-	-	-

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework
** = Based on consensus methodology
§ = Consensus data is provided by Refinitiv Estimates
e = Morgan Stanley Research estimates

QUARTERLY EPS ($)

Quarter	2026	2027e Prior	2027e Current	2028e Prior	2028e Current
Q1	0.24	-	0.39a	0.63	0.54
Q2	0.35	-	0.62a	0.74	0.76
Q3	0.35	0.55	0.58	0.75	0.84
Q4	0.32	0.57	0.55	0.74	0.81

e = Morgan Stanley Research estimates, a = Actual Company reported data

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guidance was raised by $230 million – well above the $74 million 2Q beat (using 2Q guidance midpoint) and now implies growth of +36% YoY, up from +31% previously. More impressive is that the midpoint of 3Q27 product revenue guidance was $85 million ahead of consensus and implies growth of +37-38% YoY (vs. cons at +29%). Applying a 3% beat to the midpoint of 3Q guidance implies product revenue growth of +41%. The 3Q27/FY27 outlook implies 4Q27 product revenue growth of ~35%. However, assuming: 1) a +3% beat on the midpoint of 3Q27 guide; 2) a QoQ guide for 4Q27 in line with the prior year (+3.4%); and 3) a 3% beat on the anticipated 4Q27 guide implies 4Q27 product revenue growth of +42%. ***The major takeaway – Snowflake has a clear path to grow more than 40% in 2H27.***

5 Key Themes Coming Out of 2Q. AI adoption at Snowflake is ramping, with over 9,100 accounts adopting CoCo (f.k.a Cortex Code) – up by more than 2,000 vs 1Q27. Meanwhile CoWork adoption has reached 5,800 accounts. There were several themes coming out of 2Q that are a direct result of broadening AI adoption by Snowflake customers. 1) AI adoption is resulting in acceleration due to direct monetization of the AI portfolio and due to the AI portfolio driving a flywheel of consumption in the core data platform. 2) The acceleration in the business is broad-based – management described growth as coming from a broad swath of customers with limited industry concentration and said AI-native companies remain a small part of revenue. 3) Traction with AI strategy is allowing Snowflake to address use cases that were previously unavailable to the company such as in finance or supply-chain optimization. 4) Similarly, CoCo and CoWork are allowing Snowflake to address an expanded set of personas such as CEOs, CROs, CFOs and CMOs who are now making purchasing decisions. 5) Growth continues to decouple from headcount as hiring remains modest while top-line is accelerating significantly.

Reiterate OW as Agentic and Core Flywheel Make Growth More Durable; Raise PT to $470 from $300. With estimates moving higher across the board following a third consecutive quarter of acceleration in product revenue growth on account of a strong core and continued ramp in AI contribution, we remain OW and are revising our PT to $470 (from $300). Our revised $470 price target reflects ~60x (from ~39x) CY30E base case FCF of ~$4.4 billion (from ~$4.2 billion), discounted back to CY27 at an 11.1% WACC (unchanged), implying a growth-adjusted FCF multiple of ~2.0x (CY28-CY30 CAGR). Our $470 price target also implies ~22x EV/CY27 revenue (0.69x growth adjusted, CY25-CY27 CAGR), reflecting a discount to, but more in line with, high-growth, best-of-breed AI beneficiaries in software (CRWD, NET, PLTR).

What Worked Well in F2Q:

- **Product Revenue Accelerates for 3rd Quarter in a Row.** Product revenue grew +37% YoY, up ~300bps sequentially, and came 5.2% above the guide midpoint and 5.0% above consensus. The result was particularly strong against a ~530bps tougher YoY comparison.
- **Supporting KPIs Strong in 2Q.** NRR held at 126%; management commentary placed cRPO growth at approximately +42% YoY; and 692 net new customers, +32% YoY, took the base to 14,554. Customers above $1 million in trailing 12-month product revenue rose to 828, +27% YoY.
- **Guidance now embeds a stronger second half.** The 3Q27 midpoint is 5.6%

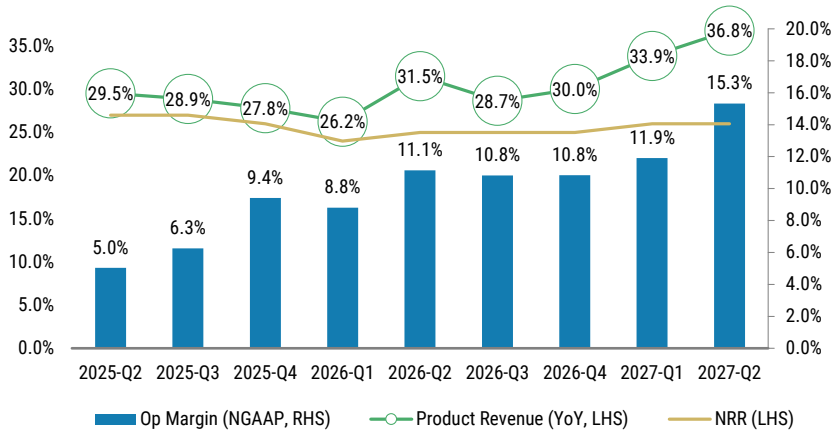


above consensus, and the FY27 outlook is 3.8% above consensus while implying approximately +36% growth (35% organic growth, ex Observe contribution).

What We Are Watching:

- **FCF Below Expectations.** Adjusted FCF was $92 million with a 6.0% margin, below MSe/consensus of $125 million / $119 million and 8.4% / 8.0%. Management did not provide a specific bridge on the preliminary call; and more constructively, FY27 23.0% margin guidance was reiterated.
- **AI mix is pressuring product gross margin before economics are optimized.** Non-GAAP product gross margin fell ~170bps YoY to 74.7%, and the FY27 outlook is now 74.0%. Management tied the lower outlook to fast-growing AI workloads with lower contribution margins today. Longer term, management sees potential offsets via model routing, open-source models, and lower frontier-model pricing.

Exhibit 1: Snowflake Continues to Demonstrate Robust Growth, Accompanied by Improving Margins



Source: Company data, Morgan Stanley Research. NRR shown as (NRR – 1)

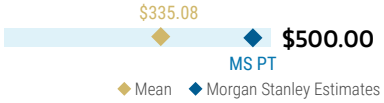
Risk Reward – Snowflake Inc. (SNOW.N)

Building on Strengths to Address a Large Data & AI Opportunity

PRICE TARGET $470.00

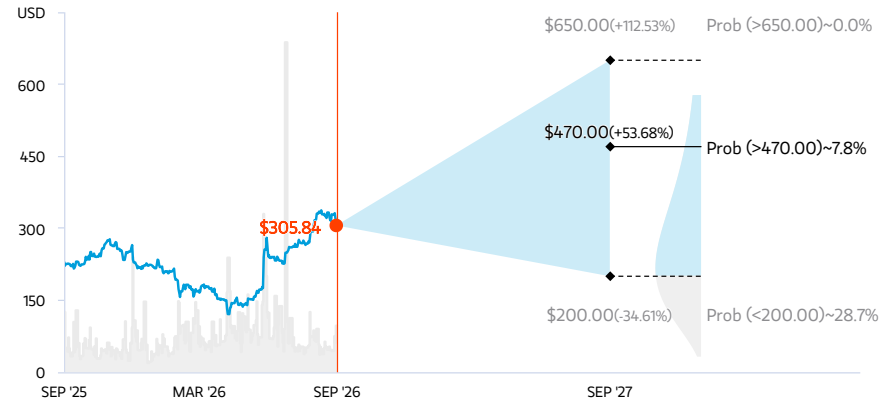
Our base case assumes revenue grows at a ~26% CAGR (CY25-CY30), driving ~$15.1 billion in revenues in CY30 as operating margins scale to ~21% in that year, and generating ~$4.4 billion in FCF growing at a ~29% FCF CAGR from CY28-CY30. We apply a ~60x EV/FCF multiple to that FCF (~2.0x EV/FCF/Growth) and discount back to CY27 at an 11.1% discount rate. PT implies ~22x EV/CY27e revenue.

Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



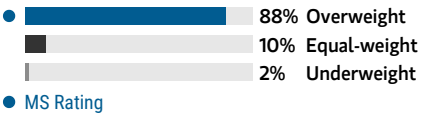
Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

Source: Refinitiv, Morgan Stanley Research, Morgan Stanley Institutional Equities Division. The probabilities of our Bull, Base, and Bear case scenarios playing out were estimated with implied volatility data from the options market as of 2 Sep 2026. All figures are approximate risk-neutral probabilities of the stock reaching beyond the scenario price in either three-months' or one-years' time. View explanation of Options Probabilities methodology here

OVERWEIGHT THESIS

After a few years of decelerating growth and mounting investor concerns on its positioning for AI/ML, Snowflake's secular growth prospects have improved under the leadership of CEO Sridhar Ramaswamy Under his tenure, Snowflake has become a sharper executing organization across both sales, go-to market and product engineering which has translated to stabilization in product revenue growth in the high 20's. We believe Snowflake has settled on a strategy on how it will successfully capitalize on $300+ billion market opportunity giving us confidence in durable 20%+ growth with consistently expanding operating margins.

Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

Risk Reward Themes

Secular Growth:	*Positive*
New Data Era:	*Positive*

View descriptions of Risk Rewards Themes here

BULL CASE $650.00

Discount of ~65x Bull Case 2030e FCF of ~$5.5B

Data Cloud Vision Expands Core Markets On Top of Successful Expansion into Adjacent Markets.

- Revenue grows at ~30% CAGR (CY25-CY30) to ~$17.2B in CY30

- Operating margins grow from 6% in CY24 to ~24.5% in CY30

- CY30 FCF margins expand to ~32%, driving ~$5.5B in FCF

- ~65x multiple on ~34% CY28-CY30 CAGR = ~1.94x EV/FCF/G. Implies ~29x EV/CY27 revenue

BASE CASE $470.00

Discount of ~60x Base Case 2030e FCF of ~$4.4B

Continued Leadership and Share Gains in Core Data Analytics.

- Revenue grows at ~26% CAGR (CY25-CY30) to ~$15.1B in CY30

- Operating margins grow from 6% in CY24 to ~21.1% in CY30

- CY30 FCF margin reaches ~28.8%, driving ~$4.4B in FCF

- ~60x FCF multiple on ~29% CY28-CY30 CAGR = ~2.0x EV/FCF/G. Implies ~22x EV/CY27 revenue

BEAR CASE $200.00

Discount of ~32x Bear Case 2030e FCF of ~$3.5B

Public Cloud Competition Weighs on Growth.

- Revenue grows at ~23% CAGR (CY25-CY30) to ~$13B in CY30

- Operating margins grow from 6% in CY24 to ~19.0% in CY30

- CY30 FCF margin reaches ~27%, driving ~$3.5B in FCF

- ~32x multiple on 24% CY28-CY30 CAGR = ~1.32x EV/FCF/G. Implies ~10x EV/CY27 Revenue

Risk Reward – Snowflake Inc. (SNOW.N)

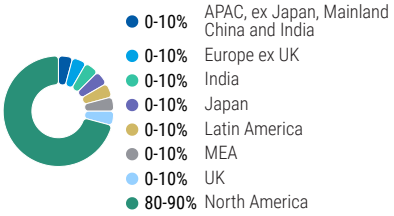
KEY EARNINGS INPUTS

Drivers	Jan 2026	Jan 2027e	Jan 2028e	Jan 2029e
Product Revenue Growth (%)	29.2	36.0	28.5	25.0
Total Revenue Growth (%)	29.2	34.7	28.1	24.7
Total RPO Growth (%)	42.3	11.6	24.5	21.5
Operating Margin (%)	10.5	14.5	16.0	18.1
Free Cash Flow Margin (%)	23.9	21.7	23.5	25.8

INVESTMENT DRIVERS

- Net Revenue Retention;
- Growth in customers >$1 Million in TTM Product Revenue;
- Share Gains from Legacy, On-Premise Data Warehousing Vendors;
- Operating Profitability and Free Cash Flow Performance.

GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate
View explanation of regional hierarchies here

MS ALPHA MODELS

4/5 BEST	24 Month Horizon	4/5 MOST	3 Month Horizon

Source: Refinitiv, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

RISKS TO PT/RATING

RISKS TO UPSIDE

- Disruptive model expands the core data warehousing opportunity, of which Snowflake takes significant share
- Data sharing drives network effects and significantly more usage
- Successful penetration into transactional workloads

RISKS TO DOWNSIDE

- Competition from the competitive vendors pressures pricing and weighs on growth and margins
- Movement into adjacent data management (i.e. OLTP) use cases proves difficult

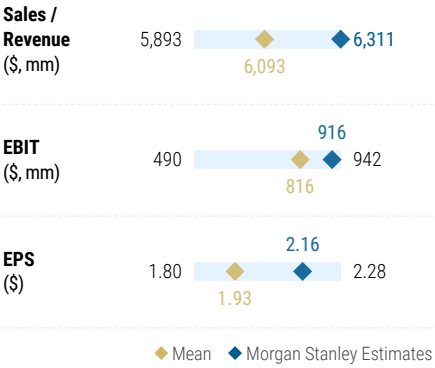
OWNERSHIP POSITIONING

Inst. Owners, % Active	61.9%
HF Sector Long/Short Ratio	2.1x
HF Sector Net Exposure	33.6%

Refinitiv; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure – Short Exposure).

MS ESTIMATES VS. CONSENSUS

FY Jan 2027e



Source: Refinitiv, Morgan Stanley Research

Analysis

Exhibit 2: SNOW Model Changes

Snowflake Model Changes	FY26	4/26	7/26	10/26E	1/27E	FY27E	4/27E	7/27E	10/27E	1/28E	FY28E	FY29E
New Product Revenue	**4,472.3**	**1,334.3**	**1,491.9**	**1,598.7**	**1,658.6**	**6,083.6**	**1,762.5**	**1,932.7**	**2,037.4**	**2,084.4**	**7,817.0**	**9,773.2**
YoY	**29%**	**34%**	**37%**	**38%**	**35%**	**36%**	**32%**	**30%**	**27%**	**26%**	**28%**	**25%**
Old Product Revenue	4,472.3	1,334.3	1,417.4	1,509.0	1,579.9	5,840.6	1,674.2	1,787.4	1,905.1	1,993.2	7,359.9	9,195.8
YoY	29%	34%	30%	30%	29%	31%	25%	26%	26%	26%	26%	25%
% Change	*0.0%*	*0.0%*	*5.3%*	*5.9%*	*5.0%*	*4.2%*	*5.3%*	*8.1%*	*6.9%*	*4.6%*	*6.2%*	*6.3%*
New Pro Services Revenue	**211.6**	**56.6**	**54.9**	**56.1**	**59.3**	**227.0**	**69.5**	**65.4**	**65.4**	**68.3**	**268.5**	**306.5**
YoY	**29%**	**25%**	**1%**	**3%**	**3%**	**7%**	**23%**	**19%**	**17%**	**15%**	**18%**	**14%**
Old Pro Services Revenue	211.6	56.6	59.5	66.5	69.1	251.7	66.0	69.6	78.3	81.3	295.2	341.2
YoY	29%	25%	9%	22%	21%	19%	17%	17%	18%	18%	17%	16%
% Change	*0%*	*0%*	*-8%*	*-16%*	*-14%*	*-10%*	*5%*	*-6%*	*-16%*	*-16%*	*-9%*	*-10%*
New Total Revenue	**4,683.9**	**1,391.0**	**1,546.8**	**1,654.8**	**1,718.0**	**6,310.5**	**1,832.0**	**1,998.0**	**2,102.7**	**2,152.7**	**8,085.5**	**10,079.7**
YoY	**29%**	**33%**	**35%**	**36%**	**34%**	**35%**	**32%**	**29%**	**27%**	**25%**	**28%**	**25%**
Old Total Revenue	4,683.9	1,391.0	1,476.8	1,575.5	1,649.0	6,092.3	1,740.3	1,857.0	1,983.3	2,074.4	7,655.0	9,537.0
YoY	29%	33%	29%	30%	28%	30%	25%	26%	26%	26%	26%	25%
% Change in Revenue $	*0%*	*0%*	*5%*	*5%*	*4%*	*4%*	*5%*	*8%*	*6%*	*4%*	*6%*	*6%*
New Gross Profit	**3,388.4**	**998.1**	**1,109.8**	**1,170.5**	**1,204.7**	**4,483.2**	**1,289.8**	**1,415.5**	**1,492.2**	**1,526.5**	**5,723.9**	**7,109.9**
New Gross Margin	**72.3%**	**71.8%**	**71.8%**	**70.7%**	**70.1%**	**71.0%**	**70.4%**	**70.8%**	**71.0%**	**70.9%**	**70.8%**	**70.5%**
Old Gross Profit	3,388.4	998.1	1,066.8	1,135.1	1,187.3	4,387.3	1,252.7	1,345.3	1,433.1	1,497.8	5,528.9	6,908.4
Old Gross Margin	72.3%	71.8%	72.2%	72.0%	72.0%	72.0%	72.0%	72.4%	72.3%	72.2%	72.2%	72.4%
% Change to Gross Margin	*0%*	*0%*	*0%*	*-1%*	*-2%*	*-1%*	*-2%*	*-2%*	*-1%*	*-1%*	*-1%*	*-2%*
Change to Gross Profit $	**$0**	**$0**	**$43**	**$35**	**$17**	**$96**	**$37**	**$70**	**$59**	**$29**	**$195**	**$201**
New Operating Income	**489.7**	**165.8**	**237.0**	**256.2**	**257.0**	**915.9**	**226.5**	**323.9**	**368.2**	**377.7**	**1,296.4**	**1,821.2**
New Operating Margin	**10.5%**	**11.9%**	**15.3%**	**15.5%**	**15.0%**	**14.5%**	**12.4%**	**16.2%**	**17.5%**	**17.5%**	**16.0%**	**18.1%**
Old Operating Income	489.7	165.8	185.0	222.1	249.5	822.4	255.8	287.5	288.6	318.2	1150.1	1618.4
Old Operating Margin	10.5%	11.9%	12.5%	14.1%	15.1%	13.5%	14.7%	15.5%	14.6%	15.3%	15.0%	17.0%
% Change to Operating Margin	*0%*	*0%*	*3%*	*1%*	*0%*	*1%*	*-2%*	*1%*	*3%*	*2%*	*1%*	*1%*
Change to Operating Income $	**$0**	**$0**	**$52**	**$34**	**$7**	**$94**	**-$29**	**$36**	**$80**	**$60**	**$146**	**$203**
New Adj. FCF	**1,192.7**	**265.5**	**92.3**	**175.7**	**918.0**	**1,451.5**	**99.0**	**122.2**	**242.6**	**1,520.0**	**1,983.8**	**2,677.2**
New Adj. FCF Margin	**25.5%**	**19%**	**6%**	**11%**	**53%**	**23.0%**	**5%**	**6%**	**12%**	**71%**	**24.5%**	**26.6%**
Old Adj. FCF	1192.7	265.5	124.6	225.6	784.6	1400.2	334.3	528.5	203.2	870.6	1936.6	2590.2
Old Adj. FCF Margin	25.5%	19%	8%	14%	48%	23.0%	19%	28%	10%	42%	25.3%	27.2%
% Change to Adj. FCF Margin	*0%*	*0%*	*-2%*	*-4%*	*6%*	*0%*	*-14%*	*-22%*	*1%*	*29%*	*-1%*	*-1%*
Change to Adj. FCF $	**$0**	**$0**	**-$32**	**-$50**	**$133**	**$51**	**-$235**	**-$406**	**$39**	**$649**	**$47**	**$87**

Source: Morgan Stanley Research estimates, Company data

Financials

Exhibit 3: SNOW Income Statement

($ millions, Except Per-Share Data)								2027E					2028E					
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	4/26	7/26	10/26E	1/27E	FY27E	4/27E	7/27E	10/27E	1/28E	FY28E	FY29E
Product Revenue	252.2	553.8	1,140.5	1,938.8	2,666.8	3,462.4	4,472.3	1,334.3	1,491.9	1,598.7	1,658.6	6,083.6	1,762.5	1,932.7	2,037.4	2,084.4	7,817.0	9,773.2
Year over year % change	*163.6%*	*119.6%*	*105.9%*	*70.0%*	*37.6%*	*29.8%*	*29.2%*	*33.9%*	*36.8%*	*38.0%*	*35.2%*	*36.0%*	*32.1%*	*29.5%*	*27.4%*	*25.7%*	*28.5%*	*25.0%*
Quarter over Quarter % change								*8.8%*	*11.8%*	*7.2%*	*3.7%*		*6.3%*	*9.7%*	*5.4%*	*2.3%*		
Professional Services Revenue	12.5	38.3	78.9	126.9	139.6	164.0	211.6	56.6	54.9	56.1	59.3	227.0	69.5	65.4	65.4	68.3	268.5	306.5
Year over year % change	*1173.6%*	*205.6%*	*106.1%*	*60.9%*	*10.1%*	*17.4%*	*29.1%*	*25.1%*	*0.8%*	*2.8%*	*3.4%*	*7.2%*	*22.8%*	*19.0%*	*16.5%*	*15.1%*	*18.3%*	*14.2%*
Quarter over Quarter % change								*-1.3%*	*-3.0%*	*2.1%*	*5.8%*		*17.2%*	*-6.0%*	*0.0%*	*4.5%*		
Total Revenue	264.7	592.0	1,219.3	2,065.7	2,806.5	3,626.4	4,683.9	1,391.0	1,546.8	1,654.8	1,718.0	6,310.5	1,832.0	1,998.0	2,102.7	2,152.7	8,085.5	10,079.7
Year over year % change	*173.9%*	*123.6%*	*106.0%*	*69.4%*	*35.9%*	*29.2%*	*29.2%*	*33.5%*	*35.1%*	*36.4%*	*33.8%*	*34.7%*	*31.7%*	*29.2%*	*27.1%*	*25.3%*	*28.1%*	*24.7%*
Quarter over quarter % change								*8.3%*	*11.2%*	*7.0%*	*3.8%*		*6.6%*	*9.1%*	*5.2%*	*2.4%*		
Cost of Revenue																		
Cost of Product Revenue	93.9	173.4	295.8	481.4	590.9	819.1	1,083.9	331.6	377.8	423.7	449.1	1,582.3	467.1	512.2	540.0	552.4	2,071.6	2,638.9
Cost of Professional Services Revenue	18.2	32.6	68.1	117.7	132.7	158.6	211.6	61.3	59.2	60.5	64.1	245.1	75.2	70.4	70.6	73.8	290.0	331.0
Total Cost of Revenue	112.1	206.1	364.0	599.1	723.6	977.7	1,295.5	392.9	436.9	484.3	513.2	1,827.3	542.3	582.6	610.5	626.1	2,361.5	2,969.9
Gross Profit	152.7	386.0	855.3	1,466.6	2,082.9	2,648.7	3,388.4	998.1	1,109.8	1,170.5	1,204.7	4,483.2	1,289.8	1,415.5	1,492.2	1,526.5	5,723.9	7,109.9
Gross Margin	***57.7%***	***65.2%***	***70.1%***	***71.0%***	***74.2%***	***73.0%***	***72.3%***	***71.8%***	***71.8%***	***70.7%***	***70.1%***	***71.0%***	***70.4%***	***70.8%***	***71.0%***	***70.9%***	***70.8%***	***70.5%***
Year over year % change	*226.1%*	*152.8%*	*121.6%*	*71.5%*	*42.0%*	*27.2%*	*27.9%*	*32.7%*	*32.9%*	*33.0%*	*30.9%*	*32.3%*	*29.2%*	*27.5%*	*27.5%*	*26.7%*	*27.7%*	*24.2%*
Product Gross Profit	*158.4*	*380.4*	*844.6*	*1,457.4*	*2,076.0*	*2,643.3*	*3,388.4*	*1,002.7*	*1,114.1*	*1,175.0*	*1,209.5*	*4,501.3*	*1,295.5*	*1,420.5*	*1,497.4*	*1,532.0*	*5,745.4*	*7,134.4*
Product Gross Margin	*62.8%*	*68.7%*	*74.1%*	*75.2%*	*77.8%*	*76.3%*	*75.8%*	*75.1%*	*74.7%*	*73.5%*	*72.9%*	*74.0%*	*73.5%*	*73.5%*	*73.5%*	*73.5%*	*73.5%*	*73.0%*
Professional Services Gross Profit	*-5.7*	*5.6*	*10.7*	*9.2*	*6.9*	*5.4*	*0.0*	*-4.6*	*-4.2*	*-4.5*	*-4.8*	*-18.1*	*-5.7*	*-5.0*	*-5.2*	*-5.5*	*-21.4*	*-24.5*
Professional Services Gross Margin	*-45.4%*	*14.7%*	*13.6%*	*7.3%*	*5.0%*	*3.3%*	*0.0%*	*-8.2%*	*-7.7%*	*-8.0%*	*-8.0%*	*-8.0%*	*-8.2%*	*-7.7%*	*-8.0%*	*-8.0%*	*-8.0%*	*-8.0%*
Operating Expenses																		
Sales & Marketing	272.6	374.8	528.2	823.2	1,041.5	1,291.2	1,627.5	471.8	489.4	531.5	547.8	2,040.5	603.2	612.2	654.3	664.9	2,534.6	3,038.9
Research & Development	89.4	134.0	215.0	367.9	612.1	883.0	1,003.7	284.3	309.1	314.2	323.0	1,230.7	363.5	387.3	386.6	391.8	1,529.3	1,826.3
General & Administration	69.0	102.1	143.3	180.2	199.6	242.8	267.5	76.1	74.3	68.7	77.0	296.0	96.6	92.0	83.1	92.1	363.8	423.5
Total Operating Expenses	430.9	610.9	886.5	1,371.3	1,853.2	2,417.0	2,898.7	832.3	872.9	914.3	947.7	3,567.2	1,063.3	1,091.5	1,124.0	1,148.8	4,427.6	5,288.7
Year over year % change	*141%*	*42%*	*45%*	*55%*	*35%*	*30%*	*20%*	*26%*	*23%*	*22%*	*21%*	*23%*	*28%*	*25%*	*23%*	*21%*	*24%*	*19%*
QoQ Change								*6%*	*5%*	*5%*	*4%*		*12%*	*3%*	*3%*	*2%*		
Operating Income	(278.2)	(224.9)	(31.2)	95.3	229.7	231.7	489.7	165.8	237.0	256.2	257.0	915.9	226.5	323.9	368.2	377.7	1,296.4	1,821.2
Operating Margin	***-105.1%***	***-38.0%***	***-2.6%***	***4.6%***	***8.2%***	***6.4%***	***10.5%***	***11.9%***	***15.3%***	***15.5%***	***15.0%***	***14.5%***	***12.4%***	***16.2%***	***17.5%***	***17.5%***	***16.0%***	***18.1%***
Year over year % change	*111.4%*	*-19.2%*	*-86.1%*	*-405.6%*	*141.1%*	*0.9%*	*111.3%*	*80.8%*	*85.8%*	*95.1%*	*84.7%*	*87.0%*	*36.7%*	*36.7%*	*43.7%*	*47.0%*	*41.5%*	*40.5%*
Net Interest and Other Income (Expense)	10.5	6.9	38.1	26.3	245.6	170.2	131.8	31.6	76.8	40.0	27.9	176.2	54.5	69.5	68.9	47.4	240.4	400.7
Income Before Taxes	(267.7)	(218.0)	6.9	121.6	475.3	401.9	621.6	197.3	313.7	296.2	284.9	1,092.2	281.0	393.5	437.1	425.2	1,536.7	2,221.9
% of revenues	-101.1%	-36.8%	0.6%	5.9%	16.9%	11.1%	13.3%	14.2%	20.3%	17.9%	16.6%	17.3%	15.3%	19.7%	20.8%	19.8%	19.0%	22.0%
Provision (Benefit) for Income Taxes	1.4	3.1	4.9	31.6	123.6	105.4	155.3	49.3	78.4	74.0	71.2	273.0	70.2	98.4	109.3	106.3	384.2	555.5
% Tax Rate	0.5%	1.4%	71.6%	26.0%	26.0%	26.2%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%	25.0%
Net income	(269.1)	(221.1)	2.0	90.4	353.3	301.3	465.9	147.995	235.3	222.1	213.7	819.1	210.8	295.1	327.8	318.9	1,152.6	1,666.4
Net margin	-101.6%	-37.3%	0.2%	4.4%	12.6%	8.3%	9.9%	10.6%	15.2%	13.4%	12.4%	13.0%	11.5%	14.8%	15.6%	14.8%	14.3%	16.5%
Pro Forma EPS - Operating[1]	ND	($0.95)	$0.01	$0.25	$0.98	$0.83	$1.25	$0.39	$0.62	$0.58	$0.55	$2.16	$0.54	$0.76	$0.84	$0.81	$2.96	$4.19
Year over year % change			*NM*	*4510%*	*287%*	*-15%*	*51%*	*67%*	*80%*	*66%*	*76%*	*72%*	*38%*	*22%*	*44%*	*46%*	*37%*	*42%*

Source: Morgan Stanley Research estimates, Company data

Exhibit 4: SNOW Revenue Drivers

									2027E					2028E					
	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	4/26	7/26	10/26E	1/27E	FY27E	4/27E	7/27E	10/27E	1/28E	FY28E	FY29E
Customer Model																			
Total Customers - EoP	948	2,392	4,139	5,944	7,776	9,390	10,996	13,245	13,862	14,554	15,266	16,058	16,058	16,725	17,477	18,239	19,086	19,086	22,324
YoY Growth		*152%*	*73%*	*44%*	*31%*	*21%*	*17%*	*20%*	*21%*	*22%*	*22%*	*21%*	*21%*	*21%*	*20%*	*19%*	*19%*	*19%*	*17%*
QoQ Growth									*5%*	*5%*	*5%*	*5%*		*4%*	*4%*	*4%*	*5%*		
Net New Customers		1,444	1,747	1,805	1,832	1,614	1,606	2,281	617	692	*712*	*792*	2,813	*667*	*752*	*762*	*847*	3,028	3,238
YoY Growth			*21%*	*3%*	*1%*	*-12%*	*0%*	*42%*	*38%*	*44%*	*17%*	*7%*	*23%*	*8%*	*9%*	*7%*	*7%*	*8%*	*7%*
Customers >$1M in TTM Product Revenue	14	41	77	184	332	458	576	733	780	828	868	919	919	969	1,023	1,069	1,126	1,126	1,354
YoY Growth		*193%*	*88%*	*139%*	*80%*	*38%*	*26%*	*27%*	*29%*	*27%*	*26%*	*25%*	*25%*	*24%*	*24%*	*23%*	*23%*	*23%*	*20%*
QoQ Growth									*6%*	*6%*	*5%*	*6%*		*5%*	*6%*	*4%*	*5%*		
% of Total Customer Base	1.5%	1.7%	1.9%	3.1%	4.3%	4.9%	5.2%	5.5%	5.6%	5.7%	5.7%	5.7%	5.7%	5.8%	5.9%	5.9%	5.9%	5.9%	6.1%
Net New >$1M Product Revenue Customers		27	36	107	148	126	118	157	47	48	*40*	*51*	186	*50*	*54*	*46*	*57*	207	228
YoY Growth			33%	197%	38%	-15%	-6%	33%	68%	-4%	18%	13%	18%	6%	13%	15%	12%	11%	10%
Revenue Model																			
Total Product Revenue	95.7	252.2	553.8	1,140.5	1,938.8	2,666.8	3,462.4	4,472.3	1,334.3	1,491.9	1,598.7	1,658.6	6,083.6	1,762.5	1,932.7	2,037.4	2,084.4	7,817.0	9,773.2
YoY Growth		*163.6%*	*119.6%*	*105.9%*	*70.0%*	*37.6%*	*29.8%*	*29.2%*	*33.9%*	*36.8%*	*38.0%*	*35.2%*	*36.0%*	*32.1%*	*29.5%*	*27.4%*	*25.7%*	*28.5%*	*25.0%*
2-Yr Stack			*283%*	*225%*	*176%*	*108%*	*67%*	*59%*	*60%*	*68%*	*67%*	*65%*	*65%*	*66%*	*66%*	*65%*	*61%*	*65%*	*54%*
QoQ Growth						*-2.5%*	*-22.8%*		*8.8%*	*11.8%*	*7.2%*	*3.7%*		*6.3%*	*9.7%*	*5.4%*	*2.3%*		
3-Yr Avg Seasonality									*7.1%*	*8.7%*	*7.3%*	*4.8%*		*6.9%*	*10.3%*	*6.3%*	*4.0%*		
Net-New Product Rev		***156.5***	***301.6***	***586.7***	***798.3***	***728.1***	***795.6***	***1,009.9***	***107.7***	***157.5***	***106.9***	***59.9***	***1,611.3***	***103.9***	***170.1***	***104.7***	***47.0***	***1,733.4***	***1,956.3***
YoY Growth			*93%*	*95%*	*36%*	*-9%*	*9%*	*27%*	*101%*	*68%*	*57%*	*-12%*	*60%*	*-4%*	*8%*	*-2%*	*-22%*	*8%*	*13%*
Days in the Quarter	*365*	*365*	*366*	*365*	*365*	*365*	*366*	*365*	*89*	*92*	*92*	*92*	*365*	*89*	*92*	*92*	*92*	*365*	*366*
Product Revenue per Day	***0.3***	***0.7***	***1.5***	***3.1***	***5.3***	***7.3***	***9.5***	***12.3***	***15.0***	***16.2***	***17.4***	***18.0***	***16.7***	***19.8***	***21.0***	***22.1***	***22.7***	***21.4***	***26.7***
YoY Growth		*164%*	*119%*	*107%*	*70%*	*38%*	*29%*	*30%*	*34%*	*37%*	*38%*	*35%*	*36%*	*32%*	*30%*	*27%*	*26%*	*28%*	*25%*
QoQ Growth									*12%*	*8%*	*7%*	*4%*		*10%*	*6%*	*5%*	*2%*		
Daily Product Rev per Customer ($K)	***0.277***	***0.414***	***0.463***	***0.620***	***0.774***	***0.851***	***0.928***	***1.011***	***1.106***	***1.141***	***1.165***	***1.151***	***1.138***	***1.208***	***1.228***	***1.240***	***1.214***	***1.219***	***1.290***
YoY Growth		*50%*	*12%*	*34%*	*25%*	*10%*	*9%*	*9%*	*11%*	*12%*	*13%*	*11%*	*13%*	*9%*	*8%*	*6%*	*5%*	*7%*	*6%*
QoQ Growth									*7%*	*3%*	*2%*	*-1%*		*5%*	*2%*	*1%*	*-2%*		
3-Yr Avg Seasonality									*5%*	*1%*	*3%*	*0%*		*6%*	*2%*	*2%*	*-1%*		
Professional Services Attach Rate	*1.0%*	*5.0%*	*6.9%*	*6.9%*	*6.5%*	*5.2%*	*4.7%*	*4.7%*	*4.2%*	*3.7%*	*3.5%*	*3.6%*	*3.7%*	*3.9%*	*3.4%*	*3.2%*	*3.3%*	*3.4%*	*3.1%*
Professional Services Revenue	1.0	12.5	38.3	78.9	126.9	139.6	164.0	211.6	56.6	54.9	56.1	59.3	227.0	69.5	65.4	65.4	68.3	268.5	306.5
YoY		*1174%*	*206%*	*106%*	*61%*	*10%*	*17%*	*29%*	*25%*	*1%*	*3%*	*3%*	*7%*	*23%*	*19%*	*17%*	*15%*	*18%*	*14%*
QoQ									*-1%*	*-3%*	*2%*	*6%*		*17%*	*-6%*	*0%*	*5%*		
Total Revenue	96.7	264.7	592.0	1,219.3	2,065.7	2,806.5	3,626.4	4,683.9	1,391.0	1,546.8	1,654.8	1,718.0	6,310.5	1,832.0	1,998.0	2,102.7	2,152.7	8,085.5	10,079.7
YoY		*174%*	*124%*	*106%*	*69%*	*36%*	*29%*	*29%*	*33%*	*35%*	*36%*	*34%*	*35%*	*32%*	*29%*	*27%*	*25%*	*28%*	*25%*
QoQ									*8%*	*11%*	*7%*	*4%*		*7%*	*9%*	*5%*	*2%*		

Source: Morgan Stanley Research estimates, Company data

Exhibit 5: SNOW Balance Sheet

($ in millions, except EPS)								2027E					2028E					
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	4/26	7/26	10/26E	1/27E	FY27E	4/27E	7/27E	10/27E	1/28E	FY28E	FY29E
Assets																		
Cash and Cash Equivalents	142.0	835.4	1,102.7	939.9	1,762.7	2,628.8	2,828.2	2,084.7	1,707.2	1,860.1	2,760.9	2,760.9	2,827.2	2,940.9	3,160.7	4,663.6	4,663.6	7,259.6
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Short Term Investments	306.8	3,087.9	2,766.4	3,068.0	2,083.5	2,008.9	1,201.5	870.3	637.5	637.5	637.5	637.5	637.5	637.5	637.5	637.5	637.5	637.5
Accounts Receivables, net	179.5	294.0	545.6	715.8	926.9	922.8	1,303.7	579.7	718.5	1,044.2	1,501.5	1,501.5	743.5	906.2	1,303.8	1,855.5	1,855.5	2,258.3
Deferred Commissions	26.4	32.4	51.4	67.9	86.1	97.7	214.1	212.9	222.1	228.4	283.2	283.2	280.8	290.6	294.7	360.0	360.0	442.6
Prepaids and Other Current Assets	10.6	51.0	132.5	193.1	180.0	211.2	195.1	229.5	208.6	202.5	237.6	237.6	307.9	276.5	187.1	304.5	304.5	278.8
Deferred Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Assets	**665.2**	**4,300.7**	**4,598.6**	**4,984.7**	**5,039.3**	**5,869.4**	**5,742.6**	**3,977.1**	**3,493.8**	**3,972.7**	**5,420.8**	**5,420.8**	**4,796.9**	**5,051.6**	**5,583.9**	**7,821.1**	**7,821.1**	**10,876.9**
Property and Equipment, net	27.1	69.0	105.1	160.8	247.5	296.4	248.6	227.2	208.0	200.7	183.9	183.9	167.0	107.7	121.1	124.0	124.0	48.2
Deferred Commissions, less current	69.5	86.2	124.5	145.3	187.1	184.0	241.8	222.0	222.6	284.9	319.8	319.8	292.8	291.2	367.7	406.6	406.6	499.9
Intangible Assets, net	4.8	16.1	37.1	186.0	331.4	278.0	246.9	451.4	426.5	401.7	367.1	367.1	317.0	283.4	258.6	224.0	224.0	80.8
Goodwill	7.0	8.4	8.4	657.4	975.9	1,056.6	1,194.4	1,537.2	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0	1,639.0
Deferred Tax Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long Term Investments	23.5	1,165.3	1,256.2	1,073.0	916.3	656.5	755.0	1,432.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5	1,984.5
Other Assets	215.5	276.1	519.7	515.1	525.9	693.1	703.2	706.9	716.0	735.0	947.4	947.4	847.1	732.9	956.9	1,133.0	1,133.0	1,311.7
Restricted Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	**1,012.7**	**5,921.7**	**6,649.7**	**7,722.3**	**8,223.4**	**9,033.9**	**9,132.5**	**8,554.3**	**8,690.5**	**9,218.5**	**10,862.6**	**10,862.6**	**10,044.3**	**10,090.4**	**10,911.7**	**13,332.1**	**13,332.1**	**16,441.0**
Liabilities																		
Accounts Payable	8.5	5.6	13.4	23.7	51.7	169.8	145.6	55.1	185.3	291.8	201.8	201.8	124.9	236.8	361.9	326.8	326.8	491.1
Accrued Compensation and Benefits	62.8	125.3	200.7	269.1	446.9	515.5	879.5	814.6	908.0	900.7	1,210.8	1,210.8	1,007.7	1,127.2	1,119.3	1,502.8	1,502.8	1,811.0
Other Accrued	18.1	19.7	25.1	27.3	33.9	35.9	49.6	55.8	59.8	49.9	61.0	61.0	69.0	74.2	62.0	75.8	75.8	90.5
Deferred Revenue	327.1	638.7	1,157.9	1,673.5	2,198.7	2,580.0	3,347.0	2,851.8	2,568.5	2,634.0	3,941.4	3,941.4	3,217.6	2,726.2	2,948.1	4,657.7	4,657.7	5,547.1
Short-Term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Short-term Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Current Liabilities	**416.5**	**789.3**	**1,397.1**	**1,993.5**	**2,731.2**	**3,301.2**	**4,421.7**	**3,777.3**	**3,721.5**	**3,876.4**	**5,415.0**	**5,415.0**	**4,419.2**	**4,164.4**	**4,491.4**	**6,563.1**	**6,563.1**	**7,939.7**
Deferred Revenue	2.9	4.2	11.2	11.5	14.4	15.5	14.4	25.7	27.8	26.6	24.8	24.8	29.2	23.4	29.8	29.3	29.3	34.9
Other Liabilities	201.6	191.8	192.4	248.7	287.2	439.1	492.4	529.7	507.5	694.5	632.8	632.8	655.2	710.4	905.3	980.2	980.2	1,223.7
Deferred rent, non-current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax liability, non-current	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt and Convertible Notes	-	-	-	-	-	2,271.5	2,279.8	2,281.9	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0	2,284.0
Total Liabilities	**621.0**	**985.3**	**1,600.7**	**2,253.7**	**3,032.8**	**6,027.3**	**7,208.4**	**6,614.5**	**6,540.8**	**6,881.5**	**8,356.5**	**8,356.5**	**7,387.6**	**7,182.2**	**7,710.4**	**9,856.6**	**9,856.6**	**11,482.3**
Preferred Stock	936.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Common stock	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Treasury stock	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additional Paid-in Capital	155.3	6,185.3	7,038.9	8,008.8	9,295.5	10,904.7	12,699.5	13,139.7	13,663.9	14,070.9	14,460.4	14,460.4	14,926.6	15,417.2	15,854.7	16,273.5	16,273.5	18,222.5
Retained Earnings (Accumulated Deficit)	(700.3)	(1,239.4)	(1,919.4)	(2,716.1)	(3,571.0)	(4,858.4)	(6,181.7)	(6,477.3)	(6,669.0)	(6,888.6)	(7,109.1)	(7,109.1)	(7,424.7)	(7,663.7)	(7,808.2)	(7,952.7)	(7,952.7)	(8,418.4)
Accumulated Other Comprehensive Gain (Loss)	0.2	(9.4)	(70.5)	176.0	(533.9)	(3,039.6)	(4,593.7)	(4,722.7)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)	(4,845.3)
Total Common Stockholders' Equity	*(544.8)*	*4,936.5*	*5,049.0*	*5,468.6*	*5,190.6*	*3,006.6*	*1,924.1*	*1,939.7*	*2,149.7*	*2,337.0*	*2,506.1*	*2,506.1*	*2,656.7*	*2,908.2*	*3,201.2*	*3,475.5*	*3,475.5*	*4,958.8*
Total Stockholders' Equity	**391.7**	**4,936.5**	**5,049.0**	**5,468.6**	**5,190.6**	**3,006.6**	**1,924.1**	**1,939.7**	**2,149.7**	**2,337.0**	**2,506.1**	**2,506.1**	**2,656.7**	**2,908.2**	**3,201.2**	**3,475.5**	**3,475.5**	**4,958.8**
Total Liabilities and Stockholders' Equity	**1,012.7**	**5,921.7**	**6,649.7**	**7,722.3**	**8,223.4**	**9,033.9**	**9,132.5**	**8,554.3**	**8,690.5**	**9,218.5**	**10,862.6**	**10,862.6**	**10,044.3**	**10,090.4**	**10,911.7**	**13,332.1**	**13,332.1**	**16,441.0**

Source: Morgan Stanley Research estimates, Company data

Exhibit 6: SNOW Cash Flow Statement

($ in millions, except EPS)								2027E					2028E					
	FY20	FY21	FY22	FY23	FY24	FY25	FY26	4/26	7/26	10/26E	1/27E	FY27E	4/27E	7/27E	10/27E	1/28E	FY28E	FY29E
Net Income	(348.5)	(539.1)	(680.0)	(797.5)	(838.0)	(1,289.2)	(1,329.0)	(295.6)	(191.7)	(219.7)	(220.5)	(927.4)	(315.6)	(239.1)	(144.5)	(144.5)	(843.6)	(465.7)
Depreciation and Amortization	48.2	80.5	96.3	167.2	247.6	335.6	427.3	143.2	146.0	134.1	153.7	577.0	187.7	213.4	164.4	184.9	750.3	896.6
Stock Compensation Expenses, net of amounts capitalized	78.4	301.4	605.1	861.5	1,168.0	1,479.3	1,599.5	402.5	423.6	407.0	389.5	1,622.6	466.2	490.6	437.5	418.7	1,813.0	1,949.0
Other	(4.0)	4.8	20.3	50.4	(120.2)	(9.5)	140.3	29.9	(29.1)	(10.0)	(10.0)	(19.2)	(10.0)	(10.0)	(10.0)	(10.0)	(40.0)	(40.0)
Changes in Working Capital																		
Accounts Receivable	(116.9)	(116.3)	(251.7)	(167.0)	(212.1)	0.5	(380.0)	747.2	(146.6)	(325.7)	(457.3)	(182.4)	758.0	(162.7)	(397.6)	(551.7)	(354.0)	(402.8)
Deferred Commissions	(68.6)	(51.4)	(95.9)	(95.1)	(134.8)	(101.6)	(305.1)	(36.8)	(69.5)	(119.8)	(150.9)	(377.0)	(47.0)	(87.0)	(147.5)	(183.1)	(464.6)	(555.2)
Prepaid Expenses and Other Assets	(10.8)	(62.3)	(159.2)	(2.9)	59.8	29.9	(44.5)	(22.5)	22.1	(12.9)	(247.6)	(260.8)	30.1	145.5	(134.6)	(293.5)	(252.5)	(153.0)
Accounts Payable	1.1	(2.9)	7.4	8.0	19.2	108.9	(8.3)	(89.7)	130.9	106.6	(90.1)	57.7	(76.8)	111.8	125.2	(35.1)	125.1	164.3
Operating Lease Liability	(13.5)	(31.3)	(37.0)	(42.3)	(40.5)	(47.7)	(26.9)	(19.2)	(22.6)	-	-	(41.8)	-	-	-	-	-	-
Accrued expenses & other current liabilities	35.0	58.3	78.5	74.3	171.0	70.9	393.3	(80.8)	108.8	169.7	259.5	457.3	(172.7)	179.9	174.8	472.1	654.2	566.4
Deferred Revenue	223.0	312.9	526.2	514.3	528.0	382.8	755.2	(528.5)	(278.6)	64.3	1,305.6	562.7	(719.4)	(497.2)	228.3	1,709.2	720.9	894.9
Other Items and Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Cash Provided by (used in) Operating Activities	**(176.6)**	**(45.4)**	**110.1**	**545.6**	**848.1**	**959.8**	**1,221.9**	**243.2**	**91.4**	**193.8**	**932.0**	**1,460.3**	**100.5**	**145.3**	**295.9**	**1,567.0**	**2,108.8**	**2,854.5**
YoY Growth	22.6%	-74.3%	-342.5%	395.5%	0.6	0.1	27.3%	7%	22%	41%	19%	19.5%	-59%	59%	53%	68%	44.4%	35.4%
Capital Expenditures and Capitalized SW Dev Costs	(22.8)	(40.3)	(29.0)	(49.1)	(69.2)	(75.7)	(101.6)	(10.5)	(7.6)	(40.8)	(31.1)	(90.0)	(34.3)	(31.6)	(76.1)	(64.1)	(206.1)	(258.5)
Maturities/(Purchases) of Investments	153.6	(3,985.4)	8.2	(364.1)	1,177.2	288.5	594.5	(341.6)	(339.9)	-	-	(681.5)	-	-	-	-	-	-
Net Cash Paid for Acquisitions, Other Assets	(6.3)	(6.0)	-	(184.7)	(275.7)	(22.1)	(178.9)	(252.5)	(2.0)	-	-	(254.4)	-	-	-	-	-	-
Investment in Unconsolidated Affiliates	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Restricted Cash	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Other Investing Activities	14.1	(4.7)	-	-	-	-	(1.8)	-		-	-	-	-	-	-	-	-	-
Net Cash Provided by (used in) Investing Activities	**138.5**	**(4,036.5)**	**(20.8)**	**(597.9)**	**832.3**	**190.6**	**312.2**	**(604.5)**	**(349.4)**	**(40.8)**	**(31.1)**	**(1,025.9)**	**(34.3)**	**(31.6)**	**(76.1)**	**(64.1)**	**(206.1)**	**(258.5)**
Proceeds from Issuance of Common Shares	-	4,244.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds from Issuance of Preferred Shares, net of issuance	24.1	478.6	-	-	38.1	77.1	88.1	67.0	-	-	-	67.0	-	-	-	-	-	-
Proceeds from Exercise of Stock Options and Restricted Stock	33.7	53.5	178.2	80.8	57.2	44.9	84.1	6.6	67.8	-	-	74.4	-	-	-	-	-	-
Tax Benefit from exercise of stock options	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-
Stock Repurchases	-	-	-	-	(591.7)	(1,932.3)	(873.5)	(300.0)	-	-	-	(300.0)	-	-	-	-	-	-
Net Borrowing	-	-	-	-	-	2,073.3	-			-	-	-	-	-	-	-	-	-
Other Financing Activities	(0.4)	(1.4)	-	(173.4)	(357.6)	(489.4)	(684.1)	(145.1)	(184.9)	-	-	(330.0)	-	-	-	-	-	-
Net Cash Provided by (used in) Financing Activities	**57.5**	**4,775.3**	**178.2**	**(92.6)**	**(854.1)**	**(226.5)**	**(1,385.4)**	**(371.5)**	**(117.1)**	**-**	**-**	**(488.6)**	**-**	**-**	**-**	**-**	**-**	**-**
Exchange Rate Impact	-	(0.0)	(0.2)	(0.9)	(2.0)	(6.2)	16.8	(2.8)	(1.9)	-	-	(4.7)	-	-	-	-	-	-
Change in Cash and Cash Equivalents	**19.4**	**693.4**	**267.3**	**(145.8)**	**824.2**	**917.7**	**165.6**	**(735.6)**	**(377.0)**	**152.9**	**900.8**	**(58.9)**	**66.3**	**113.7**	**219.8**	**1,502.8**	**1,902.6**	**2,596.0**
Change in Cash due to restatements				16.8	**1.4**	**51.7**	**(33.7)**	**7.8**	**0.5**			**8.4**						
Cash, Beginning of Period	**122.6**	**142.0**	**835.4**	**1,102.5**	**939.9**	**1,762.7**	**2,628.8**	**2,828.2**	**2,084.7**	**1,707.2**	**1,860.1**	**2,828.2**	**2,760.9**	**2,827.2**	**2,940.9**	**3,160.7**	**2,760.9**	**4,663.6**
Cash, end of Period	**142.0**	**835.4**	**1,102.5**	**939.9**	**1,762.7**	**2,628.8**	**2,828.2**	**2,084.7**	**1,707.2**	**1,860.1**	**2,760.9**	**2,760.9**	**2,827.2**	**2,940.9**	**3,160.7**	**4,663.6**	**4,663.6**	**7,259.6**
Free Cash Flow	(199.4)	(85.7)	81.1	496.5	778.9	884.1	1,120.3	232.8	83.8	152.9	900.8	1,370.3	66.3	113.7	219.8	1,502.8	1,902.6	2,596.0
YoY Growth	-35%	57%	195%	512%	57%	13%	27%	27%	44%	35%	18%	22%	-72%	36%	44%	67%	39%	36%
Employer Payroll Tax on Employee Stock Trans.	0.2	14.1	58.5	23.9	31.3	57.5	72.4	32.7	8.5	22.8	17.1	81.2	32.7	8.5	22.8	17.1	81.2	81.2
Non-GAAP Adjusted FCF	(199.2)	(71.6)	139.7	520.4	810.2	941.5	1,192.7	265.5	92.3	175.7	918.0	1,451.5	99.0	122.2	242.6	1,520.0	1,983.8	2,677.2
Adjusted FCF Margin		*-12%*	*11%*	*25%*	*29%*	*26.0%*	*25.5%*	*19%*	*6.0%*	*11%*	*53%*	*23.0%*	*5%*	*6%*	*12%*	*71%*	*24.5%*	*26.6%*
YoY Growth		64%	295%	273%	56%	16%	27%	29%	36%	29%	17%	22%	-63%	32%	38%	66%	37%	35%

Source: Morgan Stanley Research estimates, Company data

Risk Reward Reference links

1. View explanation of Options Probabilities methodology - Options_Probabilities_Exhibit_Link.pdf

2. View descriptions of Risk Rewards Themes - RR_Themes_Exhibit_Link.pdf

3. View explanation of regional hierarchies - GEG_Exhibit_Link.pdf

4. View explanation of Theme/Exposure methodology - ESG_Sustainable_Solutions_External_Link.pdf

5. View explanation of HERS methodology - ESG_HERS_External_Link.pdf

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Global Stock Ratings Distribution

(as of August 31, 2026)
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	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1555	42%	450	48%	29%	767	44%
Equal-weight/Hold	1577	43%	395	42%	25%	770	44%
Not-Rated/Hold	3	0%	1	0%	33%	1	0%
Underweight/Sell	559	15%	93	10%	17%	216	12%
Total	3,694		939			1754	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

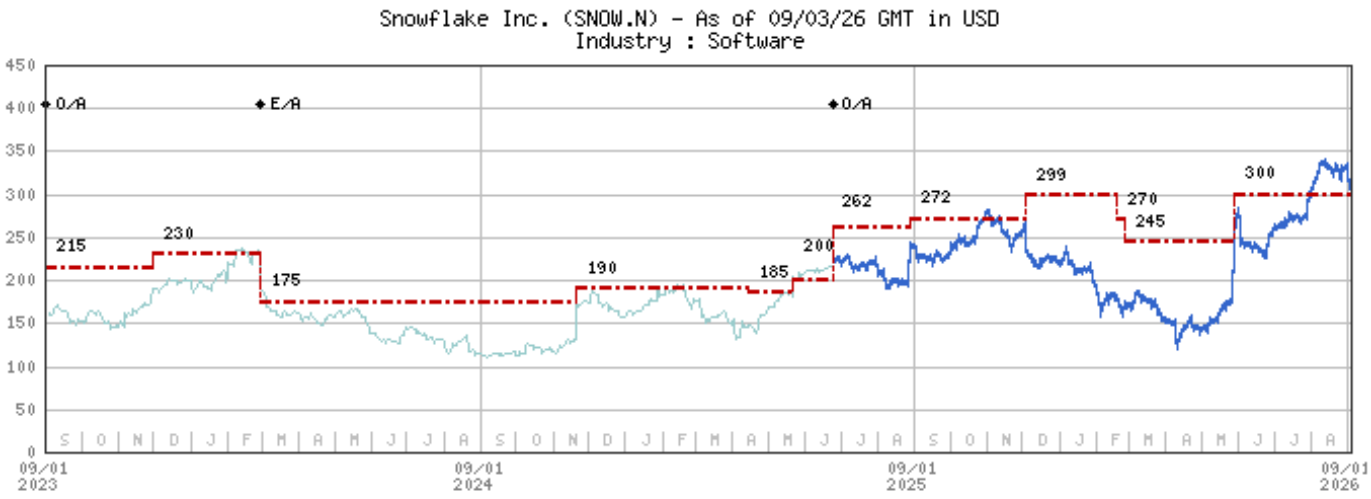
Analyst Stock Ratings

Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Equal-weight (E). The stock's total return is expected to be in line with the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Not-Rated (NR). Currently the analyst does not have adequate conviction about the stock's total return relative to the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Underweight (U). The stock's total return is expected to be below the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.
Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

Analyst Industry Views

Attractive (A): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be attractive vs. the relevant broad market benchmark, as indicated below.
In-Line (I): The analyst expects the performance of his or her industry coverage universe over the next 12-18 months to be in line with the relevant broad market benchmark, as indicated below.
Cautious (C): The analyst views the performance of his or her industry coverage universe over the next 12-18 months with caution vs. the relevant broad market benchmark, as indicated below.
Benchmarks for each region are as follows: North America - S&P 500; Latin America - relevant MSCI country index or MSCI Latin America Index; Europe - MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

Stock Price, Price Target and Rating History (See Rating Definitions)



Stock Rating History: 9/1/21 : E/A; 2/7/22 : O/A; 2/29/24 : E/A; 6/24/25 : O/A

Price Target History: 8/26/21 : 295; 12/2/21 : 344; 2/7/22 : 390; 3/3/22 : 355; 5/19/22 : 322; 5/25/22 : 295; 8/15/22 : 274; 11/21/22 : 248; 12/1/22 : 225; 3/2/23 : 215; 11/30/23 : 230; 2/29/24 : 175; 11/21/24 : 190; 4/15/25 : 185; 5/22/25 : 200; 6/24/25 : 262; 8/28/25 : 272; 12/4/25 : 299; 2/19/26 : 270; 2/26/26 : 245; 5/28/26 : 300

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) Stock Price (Covered by Current Analyst)
Stock and Industry Ratings (abbreviations below) appear as ◆ Stock Rating/Industry View
Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)
Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

Effective January 13, 2014, the stocks covered by Morgan Stanley Asia Pacific will be rated relative to the analyst's industry (or industry team's) coverage.

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COMPANY (TICKER)	RATING (AS OF)	PRICE* (09/02/2026)
Adam Wood		
Adobe Inc. (ADBE.O)	U (07/21/2026)	$279.79
Atlassian Corporation PLC (TEAM.O)	O (01/13/2020)	$186.44
Intuit (INTU.O)	E (07/21/2026)	$342.94
Microsoft (MSFT.O)	O (07/21/2026)	$496.82
Salesforce, Inc. (CRM.N)	E (07/21/2026)	$256.93
Samsara Inc (IOT.N)	E (03/23/2023)	$36.79
ServiceNow Inc (NOW.N)	O (09/24/2025)	$136.72
Shopify Inc (SHOP.O)	O (04/19/2024)	$141.87
Workday Inc (WDAY.O)	U (07/21/2026)	$200.87
Chris Quintero		
BILL Holdings Inc (BILL.N)	E (06/10/2025)	$48.76
Blackline Inc (BL.O)	E (07/21/2026)	$32.18
Box Inc (BOX.N)	E (05/21/2024)	$34.59
CCC Intelligent Solutions Holdings Inc (CCC.O)	O (11/13/2024)	$7.18
Descartes Systems Group Inc (DSGX.O)	O (01/15/2026)	$78.49
DocuSign Inc (DOCU.O)	E (01/16/2024)	$65.39
Manhattan Associates Inc. (MANH.O)	E (10/21/2025)	$216.77
Navan Inc (NAVN.O)	O (11/24/2025)	$26.90
ServiceTitan Inc (TTAN.O)	O (01/20/2026)	$92.17
SPS Commerce Inc (SPSC.O)	U (07/21/2026)	$82.82
Vertex Inc. (VERX.O)	E (07/21/2026)	$13.48
Via Transportation Inc (VIA.N)	O (01/20/2026)	$27.47
Elizabeth Porter, CFA		
Amplitude Inc. (AMPL.O)	O (01/15/2026)	$13.29
Asana Inc (ASAN.N)	U (05/20/2025)	$9.80
Autodesk (ADSK.O)	O (08/23/2024)	$241.73
Figma Inc (FIG.N)	E (08/25/2025)	$25.73
Five9 Inc (FIVN.O)	E (10/10/2022)	$33.59

Freshworks Inc (FRSH.O)	E (10/18/2021)	$13.19
GoDaddy Inc (GDDY.N)	E (07/19/2021)	$101.87
HubSpot, Inc. (HUBS.N)	O (03/21/2023)	$245.51
Klaviyo, Inc (KVYO.N)	O (04/29/2026)	$19.31
Liveramp Holdings Inc (RAMP.N)	E (01/13/2025)	$37.80
monday.com Ltd (MNDY.O)	O (08/12/2025)	$94.44
NICE Ltd. (NICE.O)	E (07/21/2026)	$106.86
RingCentral Inc (RNG.N)	E (08/08/2023)	$72.58
Sprinklr Inc (CXM.N)	E (07/19/2021)	$6.95
Sprout Social Inc (SPT.O)	E (11/17/2020)	$11.34
Toast, Inc. (TOST.N)	O (12/16/2021)	$34.04
Twilio Inc (TWLO.N)	O (02/24/2025)	$226.75
Wix.Com Ltd (WIX.O)	E (07/21/2026)	$86.69
Zeta Global Holdings Corp (ZETA.N)	E (08/01/2024)	$30.44
Zoom Communications (ZM.O)	E (10/11/2022)	$95.86
ZoomInfo Technologies Inc (GTM.O)	E (02/01/2024)	$4.09
Meryl R Thomas, CFA		
Lightspeed Commerce Inc. (LSPD.N)	E (02/18/2021)	$10.41
Meta A Marshall		
Check Point Software Technologies Ltd. (CHKP.O)	E (10/16/2023)	$133.89
CrowdStrike Holdings Inc (CRWD.O)	O (03/10/2026)	$203.42
Fortinet Inc. (FTNT.O)	E (07/21/2026)	$154.54
Gen Digital Inc. (GEN.O)	E (06/07/2024)	$30.65
Netskope, Inc. (NTSK.O)	O (10/13/2025)	$13.75
Okta, Inc. (OKTA.O)	O (12/02/2024)	$163.15
Palo Alto Networks Inc (PANW.O)	O (10/10/2017)	$328.48
Qualys Inc (QLYS.O)	U (02/09/2021)	$170.83
Rapid7 Inc (RPD.O)	U (07/21/2026)	$11.07
SailPoint Inc (SAIL.O)	O (09/02/2025)	$18.31
SentinelOne, Inc. (S.N)	E (12/02/2024)	$19.68
Tenable Holdings Inc (TENB.O)	E (12/02/2024)	$34.24
Varonis Systems, Inc. (VRNS.O)	E (01/26/2026)	$46.76
Zscaler Inc (ZS.O)	E (04/22/2026)	$172.73
Ryan Lountzis		
CoreWeave (CRWV.O)	E (04/22/2025)	$80.93
Nebius Group NV (NBIS.O)	E (01/15/2026)	$204.09
Sanjit K Singh		
Akamai Technologies, Inc. (AKAM.O)	O (01/12/2026)	$105.09
Appian Corp (APPN.O)	E (04/30/2026)	$39.89
C3.ai (AI.N)	U (01/04/2021)	$10.52
Cloudflare Inc (NET.N)	O (12/02/2024)	$272.74
Datadog, Inc. (DDOG.O)	O (01/12/2026)	$209.23
DigitalOcean Holdings Inc (DOCN.N)	O (01/16/2025)	$104.87
Dynatrace Inc (DT.N)	O (08/25/2026)	$50.87
Elastic NV (ESTC.N)	E (07/21/2026)	$89.58
GitLab Inc (GTLB.O)	E (01/12/2026)	$49.59
JFrog Ltd. (FROG.O)	E (07/21/2026)	$91.73
MongoDB Inc (MDB.O)	O (04/12/2023)	$375.40
Oracle Corporation (ORCL.N)	E (01/15/2019)	$145.75
PagerDuty, Inc. (PD.N)	U (07/21/2026)	$13.77
Palantir Technologies Inc. (PLTR.O)	E (02/04/2025)	$169.46
Snowflake Inc. (SNOW.N)	O (06/24/2025)	$305.84
UiPath Inc (PATH.N)	E (09/07/2022)	$17.99

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