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UPDATE

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Oracle Corporation | North America

1Q27 Results – OCI Delivers, Gross Margin Still to Come

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AlphaSignals Earnings Reaction

Unchanged	**Modest upside**	**Largely unchanged**
Impact to our thesis	Financial results versus consensus	Direction of next 12-month consensus EPS

Source: Company data, Morgan Stanley Research

Oracle's 1Q provided a near-term proof point on IaaS execution, with Cloud Infrastructure growth accelerating to 121%. However, gross-margin pressure and a modest FY27 EPS raise leave us needing more evidence on GPUaaS economics & visibility on infra build-out before becoming more constructive.

Key Takeaways

- A 1Q27 beat on revenue, op. margin & EPS drove a positive after-hours reaction, though the majority of the EPS beat came below the operating line.
- Cloud infrastructure revenue of $7.4B accelerated to 120% cc YoY growth (3% ahead), but Cloud Applications remained at c. 10% cc (1% miss).
- NGAAP gross margin fell to 61.0%, ~770bps lower YoY and just below consensus, though opex discipline kept operating margin roughly flat YoY at 42.1% (4% beat).
- RPO reached $664B, rising $26B sequentially and 46% YoY, with management guiding ~half to convert into revenue over the next 36 months.
- FY27 rev guide ticks up to $90B+ vs. $90B / EPS raised 5c to $8.10 vs. 16c 1Q beat vs. top end of guide. Capex guide unchanged at $90-95B.

When will impressive execution on the capacity build-out translate to more impressive flow through on profitability? While shares had run c. 15% from the start of September into results, likely moving investor expectations higher into the print / creating a higher bar – in aggregate, ORCL delivered a solid quarter against persistently negative intra-quarter sentiment. OCI grew 121% YoY / 120% cc, ahead of consensus, and relatively in line with the more bullish scenario we suggested in our preview. The (minor) offset was slightly weaker apps growth. It was a similar story on profitability – albeit the inverse – with the more important gross margins relatively underwhelming vs. consensus on account of the capacity expansion, while continued operating leverage (less important for investors, in our view) contributed to a 4% beat vs. consensus on NGAAP op. income and better below-the-line numbers to an 11% beat on NG EPS.

Looking forward, 2Q27 revenue and cloud guidance came in ahead of consensus (~$21.2B vs. $21.07B; ~$13.4B vs. $13.02B), though the $1.89 EPS midpoint is only in

Oracle Corporation (ORCL.N, ORCL UN)

Software | United States of America

Stock Rating	**Equal-weight**
Industry View	**Attractive**
Price target	**$210.00**
Shr price, close (Sep 10, 2026)	$152.94
Mkt cap, curr (mm)	$458,820
52-Week Range	$345.69-114.51

Fiscal Year Ending	05/26	05/27e	05/28e	05/29e
EPS ($)**	7.63	8.09	10.06	12.93
Prior EPS ($)**	-	8.03	9.94	12.87
P/E	34.9	22.9	18.5	14.2
EPS ($)§	7.47	8.06	11.02	15.56
Div yld (%)	0.9	1.3	1.3	1.3

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	1.47	-	1.92a	2.18	2.33
Q2	2.26	1.82	1.84	2.30	2.37
Q3	1.79	2.16	2.09	2.64	2.61
Q4	2.11	2.36	2.24	2.81	2.74

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

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line with Street. For FY27, the topline only moves up to $90B plus vs. $90bn despite a better 1Q print and 2Q guide, and the 1Q EPS beat did not fully flow through (5c FY EPS uplift vs. a 16c beat vs. the top end of the 1Q guidance). No change to the capex guide (stays at $90-95B) is a positive, however.

Management expects continued OCI acceleration in FY27 and gave positive commentary on OCI capacity coming on stream (not dependent on one site), renewal pricing (1Q renewal pricing +20%) and expected NG gross margin stabilization.

We'd like to see more evidence of the progress towards gross margin stabilization, more visibility on where and when infrastructure capacity comes on stream and (ideally but less critically) an improving trend in apps to turn more constructive. We'd look to the upcoming financial analyst day (October 28) as a good starting point here.

What We Liked:

- **OCI acceleration and capacity delivery.** Cloud Infrastructure reached $7.39B, up 121% in USD and 120% in constant currency, 2.5% above consensus and 2.9% above MSe. Oracle delivered 850MW and more than 300,000 GPUs since 4Q26, nearly three times the size of Q4's delivery. Management said that output did not depend on Shackelford, New Mexico, Wisconsin or Michigan, and those highlighted sites do not affect FY27 guidance – evidence that the build is diversified rather than single-site dependent.
- **Opex Discipline Continues.** NGAAP opex of $3.7B fell 9% YoY, 11% QoQ and dropped to 18.9% of revenue from 26.9%, with sales and marketing down 13% and R&D down 6%.
- **$20bn ATM Completed.** The $20B ATM was completed in full during Q1 at $19.9B net. The raise removes the near-term / tactical overhang that had been weighing on shares.
- **Expanding the Backlog Without Expanding the Capex Envelope.** RPO expanded 46% YoY to $664B. Management now expects around half of the $664B RPO to convert into revenue over the next 36 months. Encouragingly, this comes with no uplift in the FY27 capex guide and an expectation that FY27 and FY28 are the peak capex years. Customer prepayments with a significant financing component contributed $11.4B of deferred revenue, versus $4.6B in all of FY26.
- **Contract Pricing Commentary Positive.** For GPUs up for renewal in Q1, capacity was renewed or resold at an average 20% premium to prior contracts, and management stated that contractual margins are being maintained and are improving. The call added that the majority of that cohort was four years or older.
- **2Q Cloud Guidance Points to Continued Acceleration, Modest Upward Revision to FY27 EPS Outlook.**

Areas to Monitor:

- **Cloud Apps Showing Signs of Stabilization:** Cloud apps grew 10% cc and although this was modestly below expectations was better than the 4Q26 9% cc growth, albeit still running below the prior 2 quarters at 11% cc.
- **Another Quarter of Cloud Database Deceleration, Despite Robust Multi-Cloud growth.** ORCL has also laid out expectations for the AI Database and AI Data platform to accelerate to ~$4bn/+42% YoY, which appears increasingly aggressive to us in the context of 1Q27 growth of 26%, a slowdown from the 29% in 4Q26.
- **Pace of Infra Buildout Continuing to Drive Downside on Gross Margins.** NG gross profit margin came in at 61%, below MS / Street at c. 62% and vs. 68.7% a year ago.
- **1Q Beat and Better 2Q guide on Topline / EPS Did Not Flow Fully to the FY27 Outlook.**

Exhibit 1: ORCL 1Q27 Variance

This Quarter

($ in millions, except EPS)	Actuals 8/25	11/25	2/26	5/26	MSe 8/26E	Consensus 8/26E	Actuals vs. Consensus Beat/Miss	Delta	Consensus GoQ (%)	Consensus YoY (%)
Total Remaining Performance Obligations (RPO)	455,300	523,300	552,600	638,000	664,000	N/A	N/A	N/A	N/A	N/A
YoY %	359.4%	437.8%	324.4%	363.0%	45.8%	N/A	N/A			
QoQ $		68,000.0	29,300.0	85,400.0	26,000.0	N/A				
Total Cloud Applications Revenue	3,839.0	3,898.0	4,026.0	4,126.0	4,219.8	4,269.5	4,258.4	Miss	-0.93%	3.2%	10.9%
YoY %	10.7%	11.3%	13.2%	10.3%	9.9%	11.2%	10.9%				
YoY % - CC	10.0%	11.0%	11.0%	9.0%	10.0%	0.0%					
Cloud Infrastructure Revenue	3,347.0	4,079.0	4,888.0	5,787.0	7,388.0	7,182.4	7,206.8	Beat	2.5%	24.5%	115.3%
YoY %	55.4%	67.8%	84.3%	93.2%	120.7%	114.6%	115.3%				
YoY % - CC	54.0%	66.0%	81.0%	92.0%	120.0%	0.0%	N/A				
QoQ $		732.0	809.0	899.0	1,601.0	1,395.4	1,419.8				
Total Cloud Revenue (IaaS + SaaS)	7,186.0	7,977.0	8,914.0	9,913.0	11,607.0	11,451.9	11,366.6	Beat	2.1%	14.7%	58.2%
YoY %	27.8%	34.4%	43.5%	47.1%	61.5%	59.4%	58.2%				
YoY % - CC	27.0%	33.0%	41.0%	46.0%	61.0%	58.8%					
Total Revenue	14,926.0	16,058.0	17,190.0	19,184.0	19,345.0	19,050.9	19,062.4	Beat	1.5%	-0.6%	27.7%
YoY %	12.2%	14.2%	21.7%	20.6%	29.6%	27.6%	27.7%				
YoY % CC	11.0%	13.0%	18.0%	20.0%	30.0%	28.8%					
Gross Profit (Non-GAAP)	10,254.0	10,893.0	11,335.0	12,714.0	11,803.9	11,847.9	11,846.3	Miss	-0.4%	-6.8%	15.5%
YoY %											
Operating Income (Non-GAAP)	6,236.0	6,721.0	7,378.0	8,590.0	8,151.0	7,935.2	7,811.16	Beat	4.4%	-9.1%	25.3%
EPS (Non-GAAP)	$1.47	$2.26	$1.79	$2.11	$1.92	$1.68	1.74	Beat	10.6%	-17.7%	18.0%
YoY %							18.0%				
Operating Cash Flow (Non-GAAP)	8,140.0	2,066.0	7,151.0	14,620.0	23,103.0	15,285.7	9,790.4	Beat	136.0%	-33.0%	20.3%
Capex (Non-GAAP)	(8,502.0)	(12,033.0)	(10,635.0)	(16,493.0)	(26,499.0)	(21,266.2)	(19,393.4)	Beat	47.0%	17.6%	128.1%
Free Cash Flow (Adj.)	(362.0)	(9,967.0)	(11,484.0)	(1,873.0)	(5,396.0)	(5,980.5)	(9,492.3)	Miss	-43.2%	406.8%	2522.2%
Margin Analysis (non-GAAP)											
Gross Profit Margin (%)	68.7%	67.8%	65.9%	66.3%	61.0%	62.2%	62.1%	Miss	(113)bps	(413)bps	(655)bps
Operating Margin (%)	41.8%	41.9%	42.9%	44.8%	42.1%	41.7%	41.0%	Beat	118bps	(380)bps	(80)bps
FCF Margin (%)	-2.4%	-62.1%	-66.8%	-9.8%	-27.9%	-31.4%	-49.8%	Beat	2190bps	(4003)bps	(4737)bps

Next Quarter

	2027 Guidance Low	High	Midpoint	QoQ (%)	YoY (%)	MSe 2027-Q2	Consensus 2027-Q2	Guidance vs. Consensus Beat/Miss	Delta	Consensus QoQ (%)	Consensus YoY (%)
Total Cloud Revenue	13,162.1	13,640.7	13,401.4	15.5%	68.0%	13,103.57	13,016.22	Beat	3.0%	12.1%	63.2%
YoY %	65.0%	71.0%	68.0%				64.3%				
YoY % - CC	64.0%	70.0%	67.0%				64.3%				
Total Revenue	20,875.4	21,917.7	21,196.6	9.6%	32.0%	20,966.47	21,071.53	Beat	0.6%	8.9%	31.2%
YoY %	30.0%	34.0%	32.0%				30.7%				
YoY % - CC	30.0%	34.0%	32.0%				30.7%				
Operating Income (Non-GAAP)				N/A	N/A	8,670.9	8,588.3	N/A	N/A	5.0%	27.4%
EPS (Non-GAAP)	$1.85	$1.93	$1.89	-1.6%	-16.1%	$1.92	$1.88	Miss		-1.2%	-16.1%
Margin Analysis (non-GAAP)											
Operating Margin (%)				N/A	N/A	41.3%	40.8%	N/A	N/A	(151)bps	(723)bps

Annual Guidance

($ in millions, except EPS)	FY27 Guidance Low	High	Midpoint	YoY (%)	2027-FY MSe	Consensus	Guidance vs. Consensus Beat/Miss	Delta	Consensus YoY (%)	FY27 Prior Guidance Low	High	Midpoint	Prior Guidance Raised/Lowered	Delta	YoY (%)
Total Revenue	90,000.0	90,000.0	90,000.0	33.6%	89,657.31	89,359.34	Beat	0.7%	32.7%	90,000.0	90,000.0	90,000.0	No Change	0.0%	33.6%
YoY %	33.6%	33.6%	33.6%		33.1%										
YoY % - CC															
EPS (Non-GAAP)	$8.10	$8.10	$8.10	6.2%	$8.03	$8.05	Beat	0.6%	5.6%	$8.05	$8.05	8.05	Raised	0.6%	5.5%
Capex	95,000.0	95,000.0	92,500.0	-266.2%	(95,179.6)	(92,680.6)				90,000.0	95,000.0	92,500.0	No Change	0.0%	-266.2%

Source: Company data, Morgan Stanley Research estimates

Remain EW, $210PT. Exiting Q1, our EPS estimates move slightly higher on account of modest upward revisions to revenue, alongside more credit on operating leverage, offsetting incrementally weaker gross margin expectations. Remain EW with a $210 PT, reflecting ~19x NGAAP CY28e EPS of $11.08 (from $10.98).

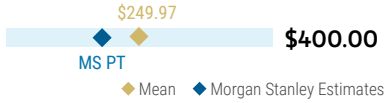
Risk Reward – Oracle Corporation (ORCL.N)

Big Opportunity, Little Room For Error

PRICE TARGET $210.00

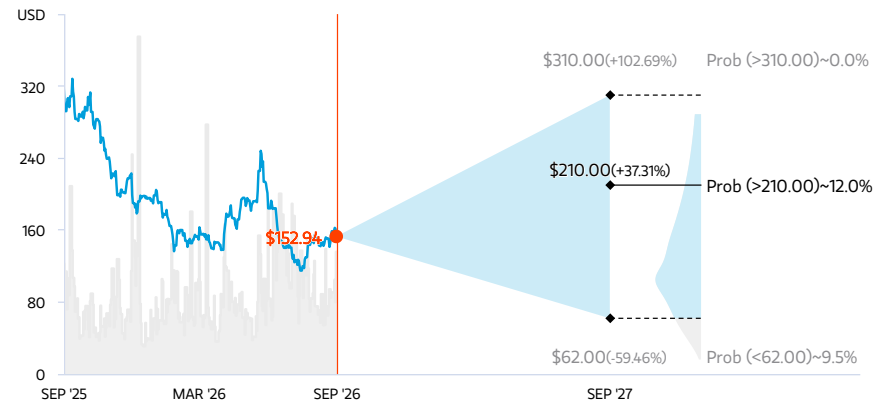
Derived from ~19x CY28e base case NGAAP EPS of $11.08. Our ~19x multiple a slight discount to ORCL's 5Y average (~20x), and larger discount on PEG (~0.9x, vs ~1.6x L5Y avg) given execution risk and lack of FCF support given GPUaaS investment.

Consensus Price Target Distribution



Source: Refinitiv, Morgan Stanley Research

RISK REWARD CHART AND OPTIONS IMPLIED PROBABILITIES (12M)



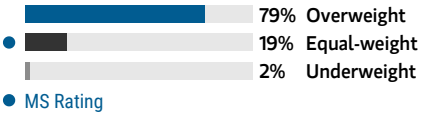
Key: Historical Stock Performance ● Current Stock Price ◆ Price Target

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 10 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

EQUAL-WEIGHT THESIS

- Our assessment of the underlying drivers within Oracle's FY30 targets suggest a) acceleration is expected in other areas of the business (e.g. SaaS, core OCI) b) substantial operating leverage and c) favorable outcomes in financing its infrastructure build out.
- While robust RPO provides visibility towards achievement of $225 billion of FY30 revenue, magnitude and duration of GPUaaS investment cycle remain highly uncertain, as do longer term economics -- particularly given mounting balance sheet obligations.
- Given the importance of execution across numerous vectors, we see a balanced risk reward on shares at current levels.

Consensus Rating Distribution



Source: Refinitiv, Morgan Stanley Research

BULL CASE $310.00

~23x FY30e NGAAP EPS of $16.05 (disc. back)

- FY30 revenue scales ~$204bn

- FY30 gross margins compress to ~47.5%, and operating margins compress to 39.2%, given mix shift towards GPUaaS

- Yields FY30 EPS of ~$16.05, reflecting ~21% 5Y CAGR, but undershoots ~$21 target

BASE CASE $210.00

~19x CY28e Base Case NGAAP EPS of $11.08

- CY28 revenue scales to ~$146bn, reflecting 38% CAGR (CY26-CY28)

- NGAAP gross margins compress to ~51%, operating margins compress to 39.7%, given mix shift towards GPUaaS

- Yields $111.08 CY28 EPS, reflecting ~22% CAGR (CY26 - CY28)

- 19x multiple discount to historical average (~20x), with larger discount implied by PEG (0.9x, vs L5Y ~1.6x) given execution risk and lack of FCF support given GPUaaS investment.

BEAR CASE $62.00

~15x FY28e Core (ex-GPUaaS) GAAP EPS of $4.16

Our Bear Case Core (ex-GPUaaS) EPS of $4.16 reflects our FY28 core earnings power, burdened by a) SBC and intangible amortization and b) 50% of our estimated FY28 lease expenses (implying that Oracle would be able to exit ~50% of existing lease agreements).



Risk Reward – Oracle Corporation (ORCL.N)

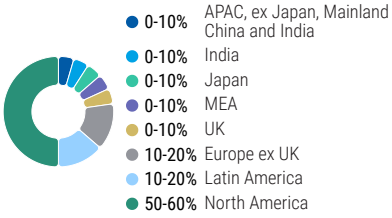
KEY EARNINGS INPUTS

Drivers	May 2026	May 2027e	May 2028e	May 2029e
Cloud Services and License Support YoY Growth (%)	22.2	43.0	44.3	42.4
Total Revenue YoY Growth (%)	17.4	34.2	37.4	37.7
Operating Margin % (%)	42.9	41.1	40.3	39.2
Earnings Per Share YoY Growth (%)	26.5	6.0	24.3	28.6

INVESTMENT DRIVERS

- Execution of GPUaaS build out
- Additional share repurchases
- Accretive acquisitions

GLOBAL REVENUE EXPOSURE



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

MS ALPHA MODELS

3/5 BEST	24 Month Horizon	3/5 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

- Faster than expected OCI capacity ramps
- Stronger than expected OCI gross margins
- Accelerated adoption of Fusion Apps and Cloud Database across the installed base
- Accelerated market share gains in non-AI Cloud

RISKS TO DOWNSIDE

- Challenges in ramping OCI capacity
- Weaker than expect OCI gross margins
- GPUaaS capacity investments drive substantial leverage
- Disruptive technologies in the data management market

OWNERSHIP POSITIONING

Inst. Owners, % Active	49.5%
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 May 2027e

Sales / Revenue ($, mm)	86,830	90,423 / 89,761	90,953
EBITDA ($, mm)	41,724	54,209 / 51,847	61,913
Net income ($, mm)	22,639	24,270 / 24,193	25,950
EPS ($)	7.72	8.09 / 8.06	8.57

◆ Mean ◆ Morgan Stanley Estimates

Source: Refinitiv, Morgan Stanley Research

Financials

Exhibit 2: Model Changes

	FY24	FY25	FY26	8/26	11/26E	2/27E	5/27E	FY27E	8/27E	11/27E	2/28E	5/28E	FY28E	FY29E	FY30E
New Cloud Apps	12,959	14,272	15,889	4,219	4,262	4,417	4,543	17,441	4,623	4,697	4,830	4,956	19,105	20,698	22,280
YoY Growth	14.0%	10.1%	11.3%	9.9%	9.3%	9.7%	10.1%	9.8%	9.6%	10.2%	9.3%	9.1%	9.5%	8.3%	7.6%
QoQ Growth				2.3%	1.0%	3.6%	2.8%		1.8%	1.6%	2.8%	2.6%		286%	
Old Cloud Apps	12,959	14,272	15,889	4,270	4,284	4,441	4,560	17,555	4,690	4,718	4,851	4,971	19,230	20,822	22,400
YoY Growth	14.0%	10.1%	11.3%	11.2%	9.9%	10.3%	10.5%	10.5%	9.8%	10.1%	9.2%	9.0%	9.5%	8.3%	7.6%
QoQ Growth				3.5%	0.3%	3.7%	2.7%		2.9%	0.6%	2.8%	2.5%			
% Change	0%	0%	0%	-1%	-1%	-1%	0%	-1%	-1%	0%	0%	0%	-1%	-1%	-1%
$ Change	0.0	0.0	0.0	-50.5	-21.8	-23.8	-17.1	-113.3	-67.3	-21.0	-21.4	-15.4	-125.0	-123.3	-119.7
New Cloud PaaS / IaaS	6,816	10,235	18,101	7,388	9,083	10,819	12,713	40,003	14,765	16,968	19,319	21,925	72,976	119,030	150,923
YoY Growth	51.1%	50.2%	76.9%	120.7%	122.7%	121.3%	119.7%	121.0%	99.8%	86.8%	78.6%	72.5%	82.4%	63.1%	26.8%
QoQ Growth				27.7%	22.9%	19.1%	17.5%		16.1%	14.9%	13.9%	13.5%		240.1%	
Old Cloud PaaS / IaaS	6,816	10,235	18,101	7,182	8,820	10,622	12,748	39,372	14,589	16,735	19,186	22,038	72,548	118,473	150,334
YoY Growth	51.1%	50.2%	76.9%	114.6%	116.2%	117.3%	120.3%	117.5%	103.1%	89.7%	80.6%	72.9%	84.3%	63.3%	26.9%
QoQ Growth				24.1%	22.8%	20.4%	20.0%		14.4%	14.7%	14.6%	14.9%			
% Change	0%	0%	0%	3%	3%	2%	0%	2%	1%	1%	1%	-1%	1%	0%	0%
New Total Cloud	19,775	24,507	33,990	11,607	13,346	15,236	17,255	57,444	19,387	21,664	24,149	26,881	92,081	139,728	173,204
YoY Growth	24.5%	23.9%	38.7%	61.5%	67.3%	70.9%	74.1%	69.0%	67.0%	62.3%	58.5%	55.8%	60.3%	51.7%	24.0%
QoQ Growth				17.1%	15.0%	14.2%	13.3%		12.4%	11.7%	11.5%	11.3%		246.2%	
Old Total Cloud	19,775	24,507	33,990	11,452	13,104	15,063	17,307	56,926	19,279	21,453	24,037	27,009	91,777	139,295	172,734
YoY Growth	24.5%	23.9%	38.7%	59.4%	64.3%	69.0%	74.6%	67.5%	68.3%	63.7%	59.6%	56.1%	61.2%	51.8%	24.0%
QoQ Growth				15.5%	14.4%	15.0%	14.9%		11.4%	11.3%	12.0%	12.4%			
% Change	0%	0%	0%	1%	2%	1%	0%	1%	1%	1%	0%	0%	0%	0%	0%
Software - Total	24,689.0	24,724.0	24,541.0	5,550.0	5,671.6	5,962.5	6,690.9	23,874.9	5,371.7	5,509.6	5,734.5	6,432.9	23,048.8	22,226.9	21,501.6
YoY Growth				(3.0%)	(3.5%)	(2.6%)	(2.0%)	(2.7%)	(3.2%)	(2.9%)	(3.8%)	(3.9%)	(3.5%)	(3.6%)	(3.3%)
QoQ Growth				(18.7%)	2.2%	5.1%	12.2%		(19.7%)	2.6%	4.1%	12.2%		259.8%	
Software - Total	24,689	24,724	24,541	5,550	5,658	5,924	6,686	23,818	5,452	5,563	5,773	6,525	23,312	22,738	22,077
YoY Growth				(3.0%)	(3.7%)	(3.2%)	(2.0%)	(2.9%)	(1.8%)	(1.7%)	(2.6%)	(2.4%)	(2.1%)	(2.5%)	(2.9%)
QoQ Growth				(18.7%)	1.9%	4.7%	12.9%		(18.5%)	2.0%	3.8%	13.0%			
% Change	0%	0%	0%	0%	0%	1%	0%	0%	-1%	-1%	-1%	-1%	-1%	-2%	-3%
$ Change			0.0	-0.4	13.7	38.4	5.0	56.7	-80.5	-53.2	-38.2	-91.9	-263.7	-511.0	-575.5
New HW Total Rev	3,066	2,936	3,084	774	792	714	915	3,194	712	807	714	896	3,130	3,083	3,007
YoY Growth				15.5%	2.0%	0.0%	(1.0%)	3.6%	(8.0%)	2.0%	0.0%	(2.0%)	(2.0%)	(1.5%)	(2.5%)
QoQ Growth				(16.2%)	2.3%	(9.8%)	28.1%		(22.2%)	13.4%	(11.6%)	25.6%		251.0%	
Old HW Total Rev	3,066	2,936	3,084	675	768	714	915	3,072	662	761	714	896	3,033	2,987	2,912
YoY Growth				0.8%	(1.0%)	0.0%	(1.0%)	(0.4%)	(2.0%)	(1.0%)	0.0%	(2.0%)	(1.3%)	(1.5%)	(2.5%)
QoQ Growth				(26.9%)	13.8%	(7.1%)	28.1%		(27.6%)	14.9%	(6.1%)	25.6%			
% Change	0%	0%	0%	15%	3%	0%	0%	4%	8%	6%	0%	0%	3%	3%	3%
$ Change			0.0	98.6	23.3	0.0	0.0	121.9	50.2	46.8	0.0	0.0	97.0	96.5	95.0
New Services Rev	5,431	5,232	5,743	1,414	1,485	1,457	1,553	5,910	1,435	1,500	1,472	1,569	5,976	6,036	6,096
YoY Growth				4.8%	4.0%	1.0%	2.0%	2.9%	1.5%	1.0%	1.0%	1.0%	1.1%	1.0%	1.0%
QoQ Growth				(7.2%)	5.0%	(1.9%)	6.6%		(7.6%)	4.5%	(1.9%)	6.6%		280.9%	
Old Services Rev	5,431	5,232	5,743	1,373	1,457	1,457	1,553	5,841	1,387	1,471	1,472	1,569	5,899	5,958	6,018
YoY Growth				1.8%	2.0%	1.0%	2.0%	1.7%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
QoQ Growth				-9.8%	6.1%	0.1%	6.6%		-10.7%	6.1%	0.1%	6.6%			
% Change	0%	0%	0%	3%	2%	0%	0%	1%	3%	2%	0%	0%	1%	1%	1%
$ Change			0.0	40.7	28.6	0.0	0.0	69.3	48.2	28.8	0.0	0.0	77.0	77.8	78.6
New Total Rev (non-GAAP)	52,961	57,399	67,358	19,345	21,294	23,370	26,414	90,423	26,906	29,481	32,069	35,779	124,236	171,075	203,808
YoY Growth	6.0%	8.4%	17.4%	29.6%	32.6%	36.0%	37.7%	34.2%	39.1%	38.5%	37.2%	35.5%	37.4%	37.7%	19.1%
QoQ Growth				0.8%	10.1%	9.8%	13.0%		1.9%	9.6%	8.8%	11.6%		249.1%	
Old Total Rev (non-GAAP)	52,961	57,399	67,358	19,051	20,986	23,158	26,462	89,657	26,780	29,247	31,995	36,000	124,022	170,978	203,740
YoY Growth	6%	8%	17%	28%	31%	35%	38%	33%	41%	39%	38%	36%	38%	38%	19%
QoQ Growth				-1%	10%	10%	14%		1%	9%	9%	13%			
% Change	0%	0%	0%	2%	1%	1%	0%	0.9%	0%	1%	0%	-1%	0.2%	0.1%	0.0%
Gross Profit (non-GAAP)	38,536	41,313	45,196	11,803	12,571	13,361	14,803	52,538	14,699	15,695	16,830	18,718	65,942	83,332	96,735
Gross Margin (non-GAAP)	*72.8%*	*72.0%*	*67.1%*	*61.0%*	*59.0%*	*57.2%*	*56.0%*	*58.1%*	*54.6%*	*53.2%*	*52.5%*	*52.3%*	*53.1%*	*48.7%*	*47.5%*
Gross Profit (non-GAAP)	38,536	41,313	45,196	11,848	12,801	13,631	15,373	53,652	14,895	16,023	17,214	19,247	67,379	85,310	98,637
Gross Margin (non-GAAP)	*72.8%*	*72.0%*	*67.1%*	*62.2%*	*61.0%*	*58.9%*	*58.1%*	*59.8%*	*55.6%*	*54.8%*	*53.8%*	*53.5%*	*54.3%*	*49.9%*	*48.4%*
% Change	0%	0%	0%	0%	-2%	-2%	-4%	-2%	-1%	-2%	-2%	-3%	-2%	-2%	-2%
Operating Expenses (non-GAAP)	15,482	16,279	16,271	3,652	3,825	3,838	4,083	15,397	3,729	3,887	3,960	4,244	15,819	16,300	16,871
% Sales (non-GAAP)	*29.2%*	*28.4%*	*24.2%*	*18.9%*	*18.0%*	*16.4%*	*15.5%*	*17.0%*	*13.9%*	*13.2%*	*12.3%*	*11.9%*	*12.7%*	*9.5%*	*8.3%*
YoY			*0.0%*	*-9.1%*	*-8.3%*	*-3.0%*	*-1.0%*	*-5.4%*	*2.1%*	*1.6%*	*3.2%*	*3.9%*	*2.7%*	*3.0%*	*3.5%*
Operating Expenses (non-GAAP)	15,482	16,279	16,271	3,913	4,130	3,872	4,117	16,032	4,067	4,250	3,964	4,192	16,472	16,969	17,561
% Sales (non-GAAP)	*29.2%*	*28.4%*	*24.2%*	*20.5%*	*19.7%*	*16.7%*	*15.6%*	*17.9%*	*15.2%*	*14.5%*	*12.4%*	*11.6%*	*13.3%*	*9.9%*	*8.6%*
YoY			*0.0%*	*-2.6%*	*-1.0%*	*-2.1%*	*-0.2%*	*-1.5%*	*3.9%*	*2.9%*	*2.4%*	*1.8%*	*2.7%*	*3.0%*	*3.5%*
% Change	0%	0%	0%	-7%	-7%	-1%	-1%	-4%	-8%	-9%	0%	1%	-4%	-4%	-4%
Op Income (non-GAAP)	23,054	25,034	28,925	8,151	8,747	9,523	10,720	37,141	10,971	11,808	12,870	14,474	50,123	67,032	79,865
Op Margin (non-GAAP)	*43.5%*	*43.6%*	*42.9%*	*42.1%*	*41.1%*	*40.7%*	*40.6%*	*41.1%*	*40.8%*	*40.1%*	*40.1%*	*40.5%*	*40.3%*	*39.2%*	*39.2%*
Op Income (non-GAAP)	23,054	25,034	28,925	7,935	8,671	9,759	11,255	37,620	10,828	11,773	13,250	15,055	50,907	68,341	81,076
Op Margin (non-GAAP)	*43.5%*	*43.6%*	*42.9%*	*41.7%*	*41.3%*	*42.1%*	*42.5%*	*42.0%*	*40.4%*	*40.3%*	*41.4%*	*41.8%*	*41.0%*	*40.0%*	*39.8%*
% Change	0%	0%	0%	3%	1%	-2%	-5%	-1%	1%	0%	-3%	-4%	-2%	-2%	-1%
New EPS (non-GAAP)	5.56	6.03	7.63	1.92	1.84	2.09	2.24	8.09	2.33	2.37	2.61	2.74	10.06	12.93	16.05
YoY Growth	9%	8%	27%	30%	-18%	17%	6%	6%	21%	29%	25%	22%	24%	29%	24%
Old EPS (non-GAAP)	5.56	6.03	7.63	1.68	1.82	2.16	2.36	8.03	2.18	2.30	2.64	2.81	9.94	12.87	16.00
YoY Growth	9%	8%	27%	14%	-19%	21%	12%	5%	30%	26%	22%	19%	24%	29%	24%
% Change	0%	0%	0%	14%	1%	-3%	-5%	1%	7%	3%	-1%	-2%	1%	0%	0%
Capex	-6,866	-21,215	-55,663	-28,499	-22,603	-22,192	-21,702	-94,996	-25,599	-27,870	-30,297	-32,767	-116,533	-65,002	-61,999
% Sales	*13.0%*	*37.0%*	*82.6%*	*147.3%*	*106.1%*	*95.0%*	*82.2%*	*105.1%*	*95.1%*	*94.5%*	*94.5%*	*91.6%*	*93.8%*	*38.0%*	*30.4%*
Capex	-6,866	-21,215	-55,663	-21,266	-22,732	-24,508	-26,673	-95,180	-25,442	-27,732	-30,195	-32,711	-116,080	-61,861	-59,085
% Sales	*13.0%*	*37.0%*	*82.6%*	*111.6%*	*108.3%*	*105.8%*	*100.8%*	*106.2%*	*95.0%*	*94.8%*	*94.4%*	*90.9%*	*93.6%*	*36.2%*	*29.0%*
% Change	0%	0%	0%	34%	-1%	-9%	-19%	0%	1%	0%	0%	0%	0%	5%	5%
$ Change	0	0	0	-7,233	129	2,316	4,971	184	-156	-138	-102	-56	-453	-3,141	-2,914
FCF	11,807	-394	-23,686	-5,396	-1,790	-7,305	-1,571	-16,062	-11,130	-13,219	-16,581	-14,491	-55,420	18,986	38,086
FCF Margin	*22.3%*	*-0.7%*	*-35.2%*	*-27.9%*	*-8.4%*	*-31.3%*	*-5.9%*	*-17.8%*	*-41.4%*	*-44.8%*	*-51.7%*	*-40.5%*	*-44.6%*	*11.1%*	*18.7%*
FCF	11,807	-394	-23,686	-5,980	-8,430	-11,614	1,760	-24,266	-16,139	-14,874	-18,628	-5,787	-55,428	23,412	42,154
FCF Margin	*22.3%*	*-0.7%*	*-35.2%*	*-31.4%*	*-40.2%*	*-50.2%*	*6.6%*	*-27.1%*	*-60.3%*	*-50.9%*	*-58.2%*	*-16.1%*	*-44.7%*	*13.7%*	*20.7%*
% Change	0%	0%	NM	NM	NM	NM	NM	NM					NM	NM	

Source: Company data, Morgan Stanley Research estimates

Exhibit 3: Income Statement

($ Millions, Except Per-Share Data)									F2027					F2028E						F2030E
	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	8/26	11/26E	2/27E	5/27E	FY27E	8/27E	11/27E	2/28E	5/28E	FY28E	FY29E	FY30E
Cloud	**7,295**	**8,172**	**9,166**	**10,809**	**15,882**	**19,775**	**24,507**	**33,990**	**11,607**	**13,346**	**15,236**	**17,255**	**57,444**	**19,387**	**21,664**	**24,149**	**26,881**	**92,081**	**139,728**	**173,204**
Y/Y Change		*12%*	*12%*	*18%*	*47%*	*25%*	*24%*	*39%*	*62%*	*67%*	*71%*	*74%*	*69%*	*67%*	*62%*	*58%*	*56%*	*60%*	*52%*	*24%*
Q/Q Change		-	-	-	-	-	-	-	*17%*	*15%*	*14%*	*13%*	-	*12%*	*12%*	*11%*	*11%*	-	-	-
Software	**25,287**	**24,352**	**24,932**	**25,243**	**25,205**	**24,689**	**24,724**	**24,541**	**5,550**	**5,672**	**5,962**	**6,691**	**23,875**	**5,372**	**5,510**	**5,735**	**6,433**	**23,049**	**22,227**	**21,502**
Y/Y Change		*-4%*	*2%*	*1%*	*0%*	*-2%*	*0%*	*-1%*	*-3%*	*-3%*	*-3%*	*-2%*	*-3%*	*-3%*	*-3%*	*-4%*	*-4%*	*-3%*	*-4%*	*-3%*
Q/Q Change		-	-	-	-	-	-	-	*-19%*	*2%*	*5%*	*12%*	-	*-20%*	*3%*	*4%*	*12%*	-	-	-
Total Hardware Revenue	**3,704**	**3,444**	**3,360**	**3,184**	**3,274**	**3,066**	**2,936**	**3,084**	**774**	**792**	**714**	**915**	**3,194**	**712**	**807**	**714**	**896**	**3,130**	**3,083**	**3,007**
Y/Y Change	*-7%*	*-7%*	*-2%*	*-5%*	*3%*	*-6%*	*-4%*	*5%*	*16%*	*2%*	*0%*	*-1%*	*4%*	*-8%*	*2%*	*0%*	*-2%*	*-2%*	*-1%*	*-2%*
Q/Q Change									*-16%*	*2%*	*-10%*	*28%*		*-22%*	*13%*	*-12%*	*26%*			
Services/Other Revenue	**3,239**	**3,105**	**3,021**	**3,205**	**5,594**	**5,431**	**5,232**	**5,743**	**1,414**	**1,485**	**1,457**	**1,553**	**5,910**	**1,435**	**1,500**	**1,472**	**1,569**	**5,976**	**6,036**	**6,096**
Y/Y Change	*-4.6%*	*-4.1%*	*-2.7%*	*6.1%*	*74.5%*	*-2.9%*	*-3.7%*	*9.8%*	*4.8%*	*4.0%*	*1.0%*	*2.0%*	*2.9%*	*1.5%*	*1.0%*	*1.0%*	*1.0%*	*1.1%*	*1.0%*	*1.0%*
Q/Q Change									*-7.2%*	*5.0%*	*-1.9%*	*6.6%*		*-7.6%*	*4.5%*	*-1.9%*	*6.6%*			
Total Revenue	**39,525**	**39,073**	**40,479**	**42,441**	**49,955**	**52,961**	**57,399**	**67,358**	**19,345**	**21,294**	**23,370**	**26,414**	**90,423**	**26,906**	**29,481**	**32,069**	**35,779**	**124,236**	**171,075**	**203,808**
Y/Y Change	*0.2%*	*-1.1%*	*3.6%*	*4.8%*	*17.7%*	*6.0%*	*8.4%*	*17.4%*	*29.6%*	*32.6%*	*36.0%*	*37.7%*	*34.2%*	*39.1%*	*38.5%*	*37.2%*	*35.5%*	*37.4%*	*37.7%*	*19.1%*
Q/Q Change	-	-	-	-	-	-	-	-	*1%*	*10%*	*10%*	*13%*	-	*2%*	*10%*	*9%*	*12%*	-	-	-
Cost of Revenue																				
Total Cloud COGS	2,784	2,982	3,251	4,002	6,318	7,906	10,162	16,268	6,093	7,205	8,559	10,001	31,858	10,769	12,255	13,783	15,454	52,262	81,701	101,027
Total Cloud Margin	*61.8%*	*63.5%*	*64.5%*	*63.0%*	*60.2%*	*60.0%*	*58.5%*	*52.1%*	*47.5%*	*46.0%*	*43.8%*	*42.0%*	*44.5%*	*44.5%*	*43.4%*	*42.9%*	*42.5%*	*43.2%*	*41.5%*	*41.7%*
Cloud & Software COGS									**6,266**											
Cloud Services and License Support COGS	3,682	3,897	4,219	5,008	7,328	8,901	10,959	16,975	6,266	7,348	8,705	10,210	32,529	10,938	12,395	13,924	15,655	52,912	82,331	101,638
Cloud Services & Lic. Support Margin	*86.2%*	*85.8%*	*85.3%*	*83.4%*	*79.2%*	*77.4%*	*75.1%*	*68.4%*	*62.0%*	*59.6%*	*56.7%*	*53.8%*	*57.7%*	*54.7%*	*53.0%*	*51.7%*	*50.4%*	*52.3%*	*47.9%*	*46.8%*
Software License Updates and Support	898	915	968	1,006	1,010	995	797	707	173	143	146	209	671	169	140	140	201	650	629	612
Software Lic.Support Margin	*95.4%*	*95.2%*	*95.0%*	*94.8%*	*94.8%*	*94.9%*	*95.9%*	*96.4%*	*96.5%*	*97.0%*	*97.0%*	*95.7%*	*96.6%*	*96.5%*	*97.0%*	*97.0%*	*95.7%*	*96.6%*	*96.6%*	*96.6%*
Total Hardware COGS	**1,349**	**1,104**	**962**	**957**	**1,021**	**867**	**754**	**841**	**275**	**212**	**175**	**284**	**946**	**253**	**216**	**175**	**278**	**923**	**908**	**885**
Total Hardware Margin	*63.6%*	*67.9%*	*71.4%*	*69.9%*	*68.8%*	*71.7%*	*74.3%*	*72.7%*	*64.5%*	*73.2%*	*75.5%*	*68.9%*	*70.4%*	*64.5%*	*73.2%*	*75.5%*	*68.9%*	*70.5%*	*70.6%*	*70.6%*
Services COGS	**2,804**	**2,761**	**2,475**	**2,624**	**4,624**	**4,657**	**4,373**	**4,346**	**1,001**	**1,163**	**1,129**	**1,117**	**4,410**	**1,016**	**1,174**	**1,141**	**1,128**	**4,460**	**4,504**	**4,549**
Service Margin	*13.4%*	*11.1%*	*18.1%*	*18.1%*	*17.3%*	*14.3%*	*16.4%*	*24.3%*	*29.2%*	*21.7%*	*22.5%*	*28.1%*	*25.4%*	*29.2%*	*21.7%*	*22.5%*	*28.1%*	*25.4%*	*25.4%*	*25.4%*
Total Cost of Revenue	7,835	7,762	7,656	8,589	12,973	14,425	16,086	22,162	7,542	8,723	10,009	11,612	37,886	12,207	13,786	15,240	17,061	58,294	87,743	107,073
Gross Income	31,690	31,311	32,823	33,852	36,982	38,536	41,313	45,196	11,803	12,571	13,361	14,803	52,538	14,699	15,695	16,830	18,718	65,942	83,332	96,735
Gross Margin	*80.2%*	*80.1%*	*81.1%*	*79.8%*	*74.0%*	*72.8%*	*72.0%*	*67.1%*	*61.0%*	*59.0%*	*57.2%*	*56.0%*	*58.1%*	*54.6%*	*53.2%*	*52.5%*	*52.3%*	*53.1%*	*48.7%*	*47.5%*
YoY Growth	*0.6%*	*-1.2%*	*4.8%*	*3.1%*	*9.2%*	*4.2%*	*7.2%*	*9.4%*	*15.1%*	*15.4%*	*17.9%*	*16.4%*	*16.2%*	*24.5%*	*24.9%*	*26.0%*	*26.4%*	*25.5%*	*26.4%*	*16.1%*
Operating Expenses																				
Sales & Marketing	8,151	7,833	7,369	7,602	8,222	7,609	7,894	7,573	1,640	1,777	1,711	1,789	6,917	1,517	1,706	1,686	1,798	6,707	6,774	6,977
Research & Development	5,063	5,032	5,338	5,586	6,639	6,692	7,222	7,467	1,734	1,742	1,824	1,946	7,246	1,909	1,863	1,951	2,078	7,803	8,177	8,504
General & Administrative	1,092	1,063	1,119	1,071	1,217	1,181	1,163	1,231	278	306	303	348	1,234	302	317	323	367	1,310	1,349	1,390
Stock Option Expense (FV)	1,653	1,590	1,837	2,613	3,547	3,973	4,674	4,811	1,127	1,249	1,501	1,328	5,205	1,460	1,594	1,913	1,627	6,594	8,252	9,833
Special Charges	3,829	3,481	3,784	8,665	7,810	7,700	7,356	8,320	1,423	1,433	1,696	1,525	6,076	1,647	1,763	2,086	1,796	7,294	8,826	10,219
Total Operating Expense (Operating)	14,306	13,928	13,826	14,259	16,078	15,482	16,279	16,271	3,652	3,825	3,838	4,083	15,397	3,729	3,887	3,960	4,244	15,819	16,300	16,871
Operating Income (Operating)	**17,384**	**17,383**	**18,997**	**19,593**	**20,904**	**23,054**	**25,034**	**28,925**	**8,151**	**8,747**	**9,523**	**10,720**	**37,141**	**10,971**	**11,808**	**12,870**	**14,474**	**50,123**	**67,032**	**79,865**
Operating Margin	*44.0%*	*44.5%*	*46.9%*	*46.2%*	*41.8%*	*43.5%*	*43.6%*	*42.9%*	*42.1%*	*41.1%*	*40.7%*	*40.6%*	*41.1%*	*40.8%*	*40.1%*	*40.1%*	*40.5%*	*40.3%*	*39.2%*	*39.2%*
YoY Growth	*1.1%*	*0.0%*	*9.3%*	*3.1%*	*6.7%*	*10.3%*	*8.6%*	*15.5%*	*30.7%*	*30.1%*	*29.1%*	*24.8%*	*28.4%*	*34.6%*	*35.0%*	*35.1%*	*35.0%*	*35.0%*	*33.7%*	*19.1%*
Other Income	-1,267	-1,833	-2,213	-3,279	-3,967	-3,612	-3,520	-1,050	-1,121	-1,671	-1,828	-2,179	-6,798	-2,441	-2,632	-3,082	-3,749	-11,904	-17,217	-18,134
Income Before Taxes	16,117	15,550	16,784	16,314	16,937	19,442	21,514	27,875	7,030	7,076	7,695	8,541	30,342	8,530	9,176	9,787	10,725	38,218	49,815	61,731
Tax Rate	*18.5%*	*18.4%*	*15.8%*	*16.3%*	*16.3%*	*19.2%*	*19.7%*	*19.9%*	*16.9%*	*20.8%*	*17.5%*	*20.4%*	*18.9%*	*16.9%*	*20.8%*	*17.5%*	*20.4%*	*19.0%*	*19.0%*	*19.0%*
Net Income (Non-GAAP)	**13,137**	**12,683**	**14,124**	**13,661**	**14,177**	**15,709**	**17,283**	**22,338**	**5,839**	**5,603**	**6,350**	**6,803**	**24,595**	**7,085**	**7,267**	**8,076**	**8,542**	**30,969**	**40,352**	**50,004**
Preferred Stock Dividends								*103*	*81*	*81*	*81*	*81*	*325*	*81*	*81*	*81*	*81*	*325*	*325*	*325*
Net Income Avail to Common (Non-GAAP)								**22,235**	**5,758**	**5,522**	**6,268**	**6,721**	**24,270**	**7,003**	**7,185**	**7,995**	**8,461**	**30,644**	**40,027**	**49,679**
EPS (Diluted) - Operating	**3.52**	**3.85**	**4.67**	**4.90**	**5.12**	**5.56**	**6.03**	**7.63**	**1.92**	**1.84**	**2.09**	**2.24**	**8.09**	**2.33**	**2.37**	**2.61**	**2.74**	**10.06**	**12.93**	**16.05**
year-on-year	*16%*	*9%*	*21%*	*5%*	*4%*	*9%*	*8%*	*27%*	*30%*	*-18%*	*17%*	*6%*	*6%*	*21%*	*29%*	*25%*	*22%*	*24%*	*29%*	*24%*

Source: Company data, Morgan Stanley Research estimates

Exhibit 4: Revenue Drivers

	FY20	FY21	FY22	FY23	FY24	FY25	FY26	8/26	11/26E	2/27E	5/27E	FY27E	8/27E	11/27E	2/28E	5/28E	FY28E	FY29E	FY30E
Total Revenue	39,073	40,473	42,441	49,955	52,961	57,399	67,358	19,345	21,294	23,370	26,414	90,423	26,906	29,481	32,069	35,773	124,230	171,075	203,868
YoY Growth	-1.1%	3.6%	4.8%	17.7%	6.0%	8.4%	17.4%	29.6%	32.6%	36.0%	37.7%	34.2%	39.1%	38.5%	37.2%	35.5%	37.4%	37.7%	19.1%
CC Growth	0.0%	2.0%	7.0%	22.0%	6.0%	8.1%	17.4%	30.0%	32.6%	36.0%	37.7%	34.2%	39.1%	38.5%	37.2%	35.5%	37.4%	37.7%	19.1%
QoQ Growth								1%	10%	10%	13%		2%	10%	9%	12%			
Organic YoY Growth	-1%	4%	5%	3%	6%	8%	17%	30%	33%	36%	38%	34%	39%	38%	37%	35%	37%	38%	19%
Cloud Revenue (SaaS + IaaS)	8,172	9,166	10,809	15,882	19,775	24,507	33,990	11,607	13,346	15,236	17,255	57,444	19,387	21,664	24,149	26,881	92,081	139,728	173,204
YoY Growth	12.0%	12.2%	17.9%	46.9%	24.5%	23.9%	38.7%	61.5%	67.3%	70.9%	74.1%	69.0%	67.0%	62.3%	58.5%	55.8%	60.3%	51.7%	24.0%
CC Growth			22.0%	50.0%	25%	24%	38.7%	61%	67.3%	70.9%	74.1%	69.0%	67.0%	62.3%	58.5%	55.8%	60.3%	51.7%	24.0%
QoQ Growth								17%	15%	14%	13%		12%	12%	11%	11%			
3-yr Avg Seasonality								6%	7%	7%	8%		10%	11%	10%	11%			
Application (SaaS) Cloud Revenue (MSe)	6,131	6,975	7,983	11,370	12,959	14,272	15,889	4,219	4,262	4,417	4,543	17,441	4,623	4,697	4,830	4,956	19,105	20,698	22,280
YoY Growth	13.0%	13.8%	14.5%	42.4%	14.0%	10.1%	11.3%	9.9%	9.3%	9.7%	10.1%	9.8%	9.6%	10.2%	9.3%	9.1%	9.5%	8.3%	7.6%
YoY Growth - $								*380.0*	*364.2*	*391.3*	*416.7*		*403.8*	*434.6*	*412.3*	*412.8*			
QoQ Growth								2%	1%	4%	3%		2%	2%	3%	3%			
3-yr Avg Seasonality								4%	1%	3%	3%		3%	1%	3%	3%			
% of Application Subscription and Support	56%	60%	63%	68%	71%	74%	76%	77%	78%	79%	79%	78%	79%	80%	81%	81%	80%	82%	84%
YoY Growth - $								*147.4*	*130.4*	*155.4*	*167.5*		*156.1*	*146.1*	*139.2*	*141.3*			
YoY Growth - $								*62.8*	*82.0*	*106.0*	*123.3*		*133.2*	*138.3*	*134.1*	*137.4*			
YoY Growth - $								*169.7*	*151.9*	*129.9*	*125.9*		*114.5*	*150.2*	*139.0*	*134.1*			
Infrastructure (IaaS/PaaS) Cloud Revenue (MSe)	2,036	2,191	2,826	4,512	6,816	10,235	18,101	7,388	9,083	10,819	12,713	40,003	14,765	16,968	19,319	21,925	72,976	119,030	150,923
YoY Growth	10%	8%	29%	60%	51%	50%	77%	121%	123%	121%	120%	121%	100%	87%	79%	72%	82%	63%	27%
QoQ Growth								28%	23%	19%	18%		16%	15%	14%	13%			
3-yr Avg Seasonality								9%	14%	14%	15%		16%	19%	16%	16%			
QoQ $ Added			635	1,686	2,304	3,419	7,866	1,601	1,695	1,736	1,894	21,902	2,052	2,203	2,352	2,606	32,973	46,054	31,894
YoY Growth in QoQ $ Added				166%	37%	48%	130%	355%	132%	115%	111%	178%	28%	30%	35%	38%	51%	40%	-31%
Software Revenue (Legacy Support + License)	24,352	24,932	25,243	25,205	24,689	24,724	24,541	5,550	5,672	5,962	6,691	23,875	5,372	5,510	5,735	6,433	23,049	22,227	21,502
YoY Growth	-4%	2%	1%	0%	-2%	0%	-1%	-3%	-3%	-3%	-2%	-3%	-3%	-3%	-4%	-4%	-3%	-4%	-3%
CC Growth						1%		-3%											
QoQ Growth								-19%	2%	5%	12%		-20%	3%	4%	12%			
3-yr Avg Seasonality								-17%	5%	1%	13%		-17%	3%	2%	14%			
Maintenance Revenue (MSe beginning 1Q26)	19,224	19,534	19,365	19,426	19,608	19,523	19,805	4,895	4,826	4,870	4,866	19,458	4,782	4,732	4,697	4,663	18,874	18,278	17,767
YoY Growth	-1%	2%	-1%	0%	1%	0%	1%	-1%	-2%	-2%	-2%	-2%	-2%	-2%	-4%	-4%	-3%	-3%	-3%
QoQ Growth								-1%	-1%	1%	0%		-2%	-1%	-1%	-1%			
3-yr Avg Seasonality								0%	-1%	0%	1%		-1%	-1%	0%	1%			
% Software Revenue																			
Application Maintenance Revenue (MSe)	4,884	4,737	4,629	5,282	5,212	5,134	5,023	1,244	1,230	1,194	1,207	4,875	1,196	1,199	1,154	1,147	4,696	4,513	4,272
YoY Growth	-5%	-3%	-2%	14%	-1%	-1%	-2%	-2%	-2%	-3%	-5%	-3%	-4%	-3%	-3%	-5%	-4%	-4%	-5%
QoQ Growth								-2%	-1%	-3%	1%		-1%	0%	-4%	-1%			
Infrastructure Maintenance Revenue (MSe)	14,340	14,797	14,736	14,144	14,396	14,389	14,580	3,640	3,596	3,676	3,660	14,572	3,586	3,533	3,543	3,516	14,178	13,766	13,494
YoY Growth	0%	3%	0%	-4%	2%	0%	1%	2%	1%	-1%	-2%	0%	-1%	-2%	-4%	-4%	-3%	-3%	-2%
QoQ Growth								-2%	-1%	2%	0%		-2%	-1%	0%	-1%			
Cloud License and On-Premise License (Apps + Infra, Mse beginning	5,128	5,398	5,878	5,779	5,081	5,201	4,736	655	845	1,093	1,825	4,417	590	777	1,038	1,770	4,175	3,949	3,735
YoY Growth	-12%	5%	9%	-2%	-12%	2%	-9%	-14%	-10%	-5%	-3%	-7%	-10%	-8%	-5%	-3%	-5%	-5%	-5%
CC Growth	-11%	2%	12%	2%	-12%	2%	-9%	-14%	-10%	-5%	-3%	-7%	-10%	-8%	-5%	-3%	-5%	-5%	-5%
QoQ Growth								-65%	29%	29%	67%		-68%	32%	33%	71%			
Application License Revenue (MSe)	671	727	783	1,065	870	956	630	117	101	19	190	426	113	55	18	184	370	268	175
YoY Growth	-28%	8%	8%	36%	-18%	10%	-34%	-24%	-29%	-87%	-3%	-32%	-3%	-45%	-5%	-3%	-13%	-28%	-35%
QoQ Growth								-41%	-14%	-81%	922%		-41%	-51%	-68%	943%			
% Software Revenue																			
													-22%	-9%	1%	(5.9%)			
Infrastructure License Revenue (MSe)	4,457	4,671	5,095	4,714	4,211	4,245	4,106	538	745	1,074	1,634	3,991	476	722	1,020	1,585	3,804	3,680	3,560
YoY Growth	-9%	5%	9%	-7%	-11%	1%	-3%	-12%	-7%	6%	-3%	-3%	-12%	-3%	-5%	-3%	-5%	-3%	-3%
CC Growth (MSe)	-7%	2%	12%	-4%	-11%	1%	-3%	-12%	-7%	6%	-3%	-3%	-12%	-3%	-5%	-3%	-5%	-3%	-3%
QoQ Growth								-68%	38%	44%	52%		-71%	52%	41%	55%			
% Software Revenue																			
Hardware Revenue	3,444	3,360	3,184	3,274	3,066	2,936	3,084	774	792	714	915	3,194	712	807	714	896	3,130	3,083	3,007
YoY Growth	-7%	-2%	-5%	3%	-6%	-4%	5%	16%	2%	0%	-1%	4%	-8%	2%	0%	-2%	-2%	-1%	-2%
CC Growth	-6%	-4%	-3%	6%	-6%	-5%	5%	16%	2%	0%	-1%	4%	-8%	2%	0%	-2%	-2%	-1%	-2%
QoQ Growth								-16%	2%	-10%	28%		-22%	13%	-12%	26%			
3-yr Avg Seasonality								-20%	*10%*	-7%	26%		-20%	*10%*	-10%	28%			
Services Revenue	3,105	3,021	3,205	5,594	5,431	5,232	5,743	1,414	1,485	1,457	1,553	5,910	1,435	1,500	1,472	1,569	5,976	6,036	6,096
YoY Growth	-4%	-3%	6%	75%	-3%	-4%	10%	5%	4%	1%	2%	3%	2%	1%	1%	1%	1%	1%	1%
CC Growth	-3%	-5%	8%	81%	-3%	-4%	10%	5%	4%	1%	2%	3%	2%	1%	1%	1%	1%	1%	1%
QoQ Growth								-7%	5%	-2%	7%		-8%	5%	-2%	7%			
3-yr Avg Seasonality								-5%	*5%*	-1%	*6%*		-5%	*5%*	-1%	*6%*			

Source: Company data, Morgan Stanley Research estimates

Exhibit 5: Balance Sheet

($ Millions, Except Per-Share Data)

							F2027					F2028E							
	FY21	FY22	FY23	FY24	FY25	FY26	8/26	11/26E	2/27E	5/27E	FY27E	8/27E	11/27E	2/28E	5/28E	FY28E	FY29E	FY30E
Assets																		
Cash	30,098	21,383	9,765	10,454	10,786	31,289	38,934	36,703	27,712	22,133	22,133	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Investments	16,456	519	422	207	417	605	708	708	708	708	708	708	708	708	708	708	708	708
Accounts Receivable	5,409	5,953	6,915	7,874	8,558	10,385	11,394	11,335	13,274	15,086	15,086	15,847	15,693	18,215	20,831	20,831	29,075	31,602
Inventories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Tax Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prepaid and Other	3,604	3,778	3,902	4,019	4,818	4,288	7,159	6,128	4,754	7,113	7,113	9,773	8,448	6,564	9,772	9,772	10,053	10,400
Total Current Assets	55,567	31,633	21,004	22,554	24,579	46,567	58,195	54,873	46,448	45,039	45,039	36,328	34,849	35,487	41,312	41,312	49,835	52,710
PP&E	7,049	9,716	17,069	21,536	40,622	92,457	114,996	133,606	151,095	167,430	167,430	187,182	208,301	231,052	255,418	255,418	282,176	304,282
Operating Lease ROU Asset					13,145	29,690	33,967.0	33,967	33,967	33,967	33,967	33,967	33,967	33,967	33,967	33,967	33,967	33,967
Finance Lease ROU Asset					*2,900*	*7,500*	*12,849*	*20,601*	*33,203*	*56,737*	*56,737*	*63,844*	*74,816*	*94,562*	*130,991*	*130,991*	*150,915*	*144,949*
Intangibles	46,365	45,251	9,837	6,890	4,587	3,229	3,027	2,843	2,648	2,451	2,451	2,264	2,094	1,921	1,752	1,752	1,177	791
Deferred Tax Assets/ Other	22,126	22,697	86,474	89,996	20,321	20,055	17,958	17,958	17,958	17,958	17,958	17,958	17,958	17,958	17,958	17,958	17,958	17,958
Total Assets	131,107	109,297	134,384	140,976	168,361	261,759	303,259	326,116	347,585	385,849	385,849	403,809	434,252	477,214	543,664	543,664	598,296	616,925
Liabilities																		
Accounts Payable	745	1,317	1,204	2,357	5,113	10,977	11,063	12,929	12,601	15,216	15,216	14,165	16,495	15,573	18,701	18,701	17,983	19,966
Current Portion of LT Debt	8,250	3,749	4,061	10,605	7,271	7,199	7,625	7,625	7,625	7,625	7,625	7,625	7,625	7,625	7,625	7,625	7,625	7,625
Accrued Comp/Benefits	2,017	1,944	2,053	1,916	2,243	2,225	1,760	1,837	1,042	1,798	1,798	1,712	1,834	1,057	1,372	1,372	1,414	1,463
Other Accrued Liabilities	4,377	4,144	6,802	7,353	8,629	11,447	12,380	7,156	6,793	8,007	8,007	6,963	6,370	6,107	7,435	7,435	11,788	14,042
Deferred Revenues	8,775	8,357	8,970	9,313	9,387	9,916	14,686	13,083	13,750	14,240	14,240	21,925	19,373	19,912	19,854	19,854	24,259	25,410
Total Current Liabilities	24,164	19,511	23,090	31,544	32,643	41,764	47,514	42,631	41,810	46,885	46,885	52,390	51,697	50,274	54,987	54,987	63,069	68,506
Long-term Debt	75,995	72,110	86,420	76,264	85,297	122,342	117,712	118,916	118,916	116,666	116,666	111,529	108,779	108,779	106,029	106,029	100,529	93,279
Revolver / Additional Debt *(MSe, plug)*							0	0	0	0	0	214	12,326	25,142	38,846	38,846	35,088	14,436
Deferred Tax Liability	0	0	0	3,692	10,269	11,771	12,060	12,060	12,060	12,060	12,060	12,060	12,060	12,060	12,060	12,060	12,060	12,060
Operating Lease Liability					13,450	30,190	34,539	34,539	34,539	34,539	34,539	34,539	34,539	34,539	34,539	34,539	34,539	34,539
Finance Lease Liability					2,934	7,701	13,144	21,063	33,941	57,948	57,948	65,688	77,377	97,985	135,554	135,554	160,430	159,882
Other Long-term Liabilities	24,996	23,444	23,318	20,237	2,799	4,935	11,094	25,236	29,618	35,330	35,330	33,486	31,517	29,869	29,808	29,808	24,295	19,009
Total Liabilities	125,155	115,065	132,828	131,737	147,392	218,703	236,063	254,445	270,884	303,428	303,428	309,906	328,294	358,649	411,824	411,824	430,011	401,712
Total Stockholders' Equity	5,469	-6,251	1,073	8,756	20,486	42,573	66,713	71,188	76,218	81,938	81,938	93,420	105,475	118,082	131,357	131,357	167,802	214,730
Noncontrolling Interests	483	483	483	483	483	483	483	483	483	483	483	483	483	483	483	483	483	483
Total Liabilities and Stockholders' Equity	131,107	109,297	134,384	140,976	168,361	261,759	303,259	326,116	347,585	385,849	385,849	403,809	434,252	477,214	543,664	543,664	598,296	616,925

Source: Company data, Morgan Stanley Research estimates

Exhibit 6: Cash Flow

($ Millions, Except Per-Share Data)							F2027					F2028E						F2030E
	FY21	FY22	FY23	FY24	FY25	FY26	8/26	11/26E	2/27E	5/27E	FY27E	8/27E	11/27E	2/28E	5/28E	FY28E	FY29E	FY30E
Operating Activities:																		
Net Income	*13,746*	*6,717*	*8,503*	*10,467*	*12,443*	*17,087*	*4,760*	*4,791*	*5,093*	*5,956*	*20,600*	*5,843*	*6,293*	*6,538*	*7,580*	*26,253*	*34,797*	*43,731*
Adjustments to Operating Activities:																		
Depreciation	1,537	1,972	2,526	3,129	3,867	7,623	3,005	3,993	4,704	5,367	17,068	5,846	6,751	7,546	8,401	28,545	38,243	39,893
Finance Lease Amortization (Mse)							151	248	399	666	1,463	893	1,027	1,255	1,671	4,846	8,076	8,966
Stock Based compensation expense	1,837	2,613	3,547	3,974	4,674	4,811	1,127	1,249	1,501	1,328	5,205	1,460	1,594	1,913	1,627	6,594	8,252	9,833
Amortization of Intangibles	1,379	1,150	3,582	3,010	2,307	1,671	202	184	195	196	778	188	170	173	169	700	574	386
Gains (Losses) on Investments	0	0	0	0	0	0	-4	0	0	0	-4	0	0	0	0	0	0	0
Deferred Income Taxes	-2,464	-926	-1,506	-1,419	-970	-3,350	-73	0	0	0	-73	0	0	0	0	0	0	0
Change in deferred revenues from GPUaaS customer prepayments (cash received less revenue recognized)				-	-	4,592	11,363	5,625	5,625	5,625	28,238	(191)	(665)	(899)	(1,134)	(2,889)	(5,472)	(5,472)
Changes in operating assets and liabilities:																		
Accounts Receivable	333	-874	-151	-965	-653	-2,190	-1,009	59	-1,939	-1,811	-4,701	-762	154	-2,522	-2,616	-5,746	-8,243	-2,528
Inventories	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Prepaids and Other Assets	622	11	317	542	266	2,179	114	1,031	1,374	-2,359	160	-2,660	1,325	1,884	-3,208	-2,660	-280	-347
Accounts Payable and Accrued Expenses	-23	-733	-281	-594	-608	-240	-1,076	-3,280	-1,487	4,584	-1,259	-2,179	1,858	-1,962	4,772	2,489	3,676	4,287
Deferred Revenue (Other)	405	7	781	656	154	50	3,997	-2,267	-233	-643	853	6,509	-3,255	70	-293	3,031	4,406	1,150
Other Liabilities	-1,485	-398	-153	-127	-659	-256	546	9,182	-343	1,221	10,605	-476	-602	-279	1,307	-50	-41	185
Cash Flow from Operations	**15,887**	**9,539**	**17,165**	**18,672**	**20,821**	**31,377**	**23,103**	**20,813**	**14,887**	**20,131**	**78,934**	**14,469**	**14,651**	**13,716**	**18,277**	**61,113**	**83,988**	**100,084**
YoY Growth	*21%*	*-40%*	*80%*	*9%*	*12%*	*54%*	*184%*	*907%*	*108%*	*38%*	*147%*	*-37%*	*-30%*	*-8%*	*-9%*	*-23%*	*37%*	*19%*
CFO Margin %	*39%*	*22%*	*34%*	*35%*	*36%*	*47%*					*87%*					*49%*	*49%*	
CFO Margin % - Ex Prepay	*39%*	*22%*	*34%*	*35%*	*36%*	*41%*					*56%*					*52%*	*52%*	
Cash Flows from Investing Activities																		
Purchase - Business, Net of Cash	-41	-148	-27,721	-63	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchase - Investments	-37,982	-10,272	1,113	-1,003	-1,272	-2,039	-306	0	0	0	-306	0	0	0	0	0	0	0
Proceeds - Sale & Maturity of Investments	27,060	26,151	-1,181	572	776	5,848	225	0	0	0	225	0	0	0	0	0	0	0
Purchase - Property and Equipment	-2,135	-4,511	-8,695	-6,866	-21,215	-55,663	-28,499	-22,603	-22,192	-21,702	-94,996	-25,599	-27,870	-30,297	-32,767	-116,533	-65,002	-61,999
Net Change in Other Assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cash Flow from Investing Activities	**-13,098**	**11,220**	**-36,464**	**-7,360**	**-21,711**	**-51,854**	**-28,580**	**-22,603**	**-22,192**	**-21,702**	**-95,077**	**-25,599**	**-27,870**	**-30,297**	**-32,767**	**-116,533**	**-65,002**	**-61,995**
Cash Flow from Financing Activies																		
Payments - Repurchase of Common Stock	-20,934	-16,248	-1,300	-1,202	-600	-95	0	0	0	0	0	0	0	0	0	0	0	0
Dividend Paid on Common Stock	-3,063	-3,457	-3,668	-4,391	-4,743	-5,787	-1,565	-1,564	-1,564	-1,564	-6,258	-1,570	-1,582	-1,594	-1,682	-6,428	-6,604	-6,636
Finance Lease Principal						0	-57	-81	-122	-193	-453	-260	-311	-392	-531	-1,494	-3,124	-3,548
Proceeds - Issuance of Common Stock	1,786	482	1,192	742	653	1,449	19,950	0	0	0	19,950	5,750	5,750	5,750	5,750	23,000	0	0
Proceeds/(Payments) of Long Term Debt	12,303	-8,250	12,944	-3,500	3,707	39,151	-5,032	1,204	0	-2,250	-6,078	-5,137	-2,750	0	-2,750	-10,637	-5,500	-7,250
Revolver / Additional Debt Issuance / (Repayment)							0	0	0	0	0	214	12,112	12,816	13,704	38,846	-3,758	-20,652
Other	-470	-1,653	-1,258	-2,203	2,081	612	-185	0	0	0	-185	0	0	0	0	0	0	0
Cash Flow from Financing Activities	**-10,378**	**-29,126**	**7,910**	**-10,554**	**1,098**	**40,284**	**13,111**	**-441**	**-1,686**	**-4,008**	**6,976**	**-1,003**	**13,219**	**16,581**	**14,491**	**43,287**	**-18,986**	**-38,086**
Exchange Rate Impact	448	-348	-209	-70	124	96	11	0	0	0	11	0	0	0	0	0	0	0
Change in Cash and Cash Equivalents	-7,141	-8,715	-11,618	689	332	20,503	7,645	-2,232	-8,991	-5,579	-9,156	-12,133	0	0	0	-12,133	0	0
Cash, Beginning of Period	22,321	22,682	8,219	9,481	17,406	38,455	31,289	38,934	36,703	27,712	27,712	22,133	10,000	10,000	10,000	10,000	10,000	10,000
Cash, End of Period	**30,098**	**21,383**	**9,765**	**10,454**	**10,786**	**31,289**	**38,934**	**36,703**	**27,712**	**22,133**	**22,133**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**	**10,000**
FCF	**13,752**	**5,028**	**8,470**	**11,807**	**-394**	**-23,686**	**-5,396**	**-1,790**	**-7,305**	**-1,571**	**-16,062**	**-11,130**	**-13,219**	**-16,581**	**-14,491**	**-55,420**	**18,986**	**38,086**
FCF Margin	*34%*	*12%*	*17%*	*22%*	*-1%*	*-35%*	*-28%*	*-8%*	*-31%*	*-6%*	*-18%*	*-41%*	*-45%*	*-52%*	*-41%*	*-45%*	*11%*	*19%*

Source: Company data, Morgan Stanley Research estimates

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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(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.

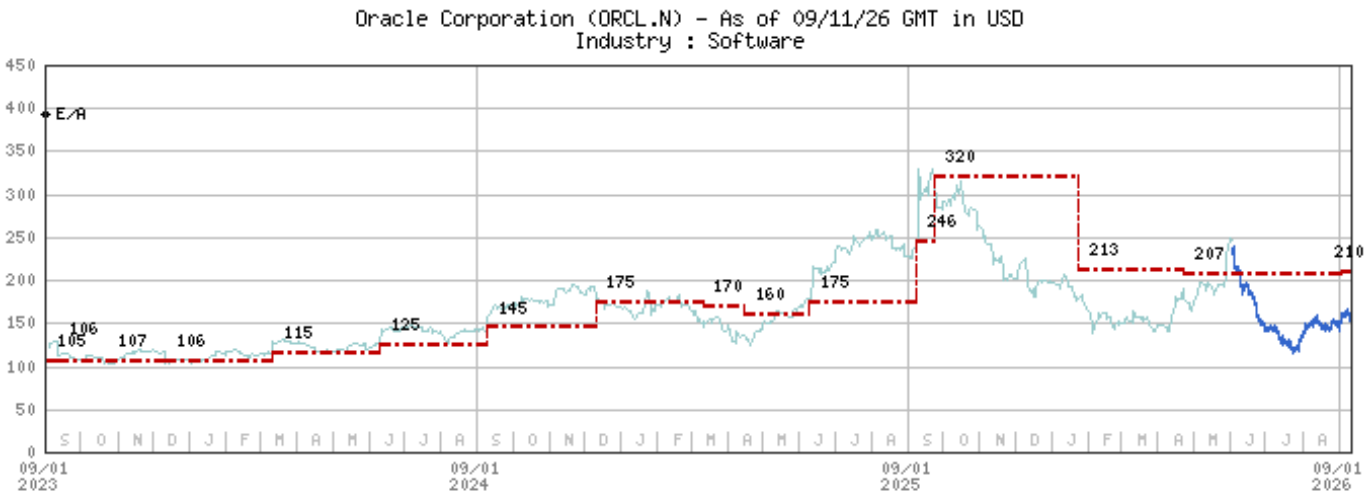
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Stock Price, Price Target and Rating History (See Rating Definitions)



Stock Rating History: 9/1/21 : E/A

Price Target History: 6/16/21 : 77; 9/20/21 : 87; 6/6/22 : 88; 7/20/22 : 90; 6/13/23 : 105; 9/12/23 : 106; 10/23/23 : 107; 12/12/23 : 106; 3/12/24 : 115; 6/11/24 : 125; 9/10/24 : 145; 12/10/24 : 175; 3/11/25 : 170; 4/15/25 : 160; 6/9/25 : 175; 9/8/25 : 246; 9/23/25 : 320; 1/23/26 : 213; 4/23/26 : 207; 9/3/26 : 210

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)

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INDUSTRY COVERAGE: Software

COMPANY (TICKER)	RATING (AS OF)	PRICE* (09/10/2026)
Adam Wood		
Adobe Inc. (ADBE.O)	U (07/21/2026)	$248.83
Atlassian Corporation PLC (TEAM.O)	O (01/13/2020)	$179.57
Intuit (INTU.O)	E (07/21/2026)	$312.77
Microsoft (MSFT.O)	O (07/21/2026)	$492.44
Salesforce, Inc. (CRM.N)	E (07/21/2026)	$243.00
Samsara Inc (IOT.N)	E (03/23/2023)	$38.44
ServiceNow Inc (NOW.N)	O (09/24/2025)	$131.17
Shopify Inc (SHOP.O)	O (04/19/2024)	$126.60
Workday Inc (WDAY.O)	U (07/21/2026)	$185.09
Chris Quintero		
BILL Holdings Inc (BILL.N)	E (06/10/2025)	$47.63
Blackline Inc (BL.O)	E (07/21/2026)	$28.75
Box Inc (BOX.N)	E (05/21/2024)	$34.12
CCC Intelligent Solutions Holdings Inc (CCC.O)	O (11/13/2024)	$6.85
Descartes Systems Group Inc (DSGX.O)	O (01/15/2026)	$71.32
DocuSign Inc (DOCU.O)	E (01/16/2024)	$65.80
Manhattan Associates Inc. (MANH.O)	E (10/21/2025)	$205.02
Navan Inc (NAVN.O)	O (11/24/2025)	$20.26
ServiceTitan Inc (TTAN.O)	O (01/20/2026)	$56.01
SPS Commerce Inc (SPSC.O)	U (07/21/2026)	$77.23
Vertex Inc. (VERX.O)	E (07/21/2026)	$12.27
Via Transportation Inc (VIA.N)	O (01/20/2026)	$26.36
Elizabeth Porter, CFA		
Amplitude Inc. (AMPL.O)	O (01/15/2026)	$12.46
Asana Inc (ASAN.N)	U (05/20/2025)	$8.56
Autodesk (ADSK.O)	O (08/23/2024)	$211.61
Figma Inc (FIG.N)	E (08/25/2025)	$22.14

Five9 Inc (FIVN.O)	E (10/10/2022)	$30.25
Freshworks Inc (FRSH.O)	E (10/18/2021)	$11.87
GoDaddy Inc (GDDY.N)	E (07/19/2021)	$96.37
HubSpot, Inc. (HUBS.N)	O (03/21/2023)	$223.55
Klaviyo, Inc (KVYO.N)	O (04/29/2026)	$16.13
Liveramp Holdings Inc (RAMP.N)	E (01/13/2025)	$37.75
monday.com Ltd (MNDY.O)	O (08/12/2025)	$85.17
NICE Ltd. (NICE.O)	E (07/21/2026)	$98.04
RingCentral Inc (RNG.N)	E (08/08/2023)	$69.04
Sprinklr Inc (CXM.N)	E (07/19/2021)	$5.44
Sprout Social Inc (SPT.O)	E (11/17/2020)	$10.61
Toast, Inc. (TOST.N)	O (12/16/2021)	$31.94
Twilio Inc (TWLO.N)	O (02/24/2025)	$231.13
Wix.Com Ltd (WIX.O)	E (07/21/2026)	$75.52
Zeta Global Holdings Corp (ZETA.N)	E (08/01/2024)	$30.56
Zoom Communications (ZM.O)	E (10/11/2022)	$95.46
ZoomInfo Technologies Inc (GTM.O)	E (02/01/2024)	$3.80
Meryl R Thomas, CFA		
Lightspeed Commerce Inc. (LSPD.N)	E (02/18/2021)	$9.76
Meta A Marshall		
Check Point Software Technologies Ltd. (CHKP.O)	E (10/16/2023)	$130.51
CrowdStrike Holdings Inc (CRWD.O)	O (03/10/2026)	$208.86
Fortinet Inc. (FTNT.O)	E (07/21/2026)	$158.85
Gen Digital Inc. (GEN.O)	E (06/07/2024)	$29.97
Netskope, Inc. (NTSK.O)	O (10/13/2025)	$15.10
Okta, Inc. (OKTA.O)	O (12/02/2024)	$171.11
Palo Alto Networks Inc (PANW.O)	O (10/10/2017)	$338.49
Qualys Inc (QLYS.O)	U (02/09/2021)	$161.57
Rapid7 Inc (RPD.O)	U (07/21/2026)	$10.50
SailPoint Inc (SAIL.O)	O (09/02/2025)	$17.64
SentinelOne, Inc. (S.N)	E (12/02/2024)	$19.81
Tenable Holdings Inc (TENB.O)	E (12/02/2024)	$32.03
Varonis Systems, Inc. (VRNS.O)	E (01/26/2026)	$45.50
Zscaler Inc (ZS.O)	E (04/22/2026)	$163.48
Ryan Lountzis		
CoreWeave (CRWV.O)	E (04/22/2025)	$89.12
Nebius Group NV (NBIS.O)	E (01/15/2026)	$228.11
Sanjit K Singh		
Akamai Technologies, Inc. (AKAM.O)	O (01/12/2026)	$107.13
Appian Corp (APPN.O)	E (04/30/2026)	$34.07
C3.ai (AI.N)	U (01/04/2021)	$10.47
Cloudflare Inc (NET.N)	O (12/02/2024)	$311.17
Datadog, Inc. (DDOG.O)	O (01/12/2026)	$221.72
DigitalOcean Holdings Inc (DOCN.N)	O (01/16/2025)	$131.05
Dynatrace Inc (DT.N)	O (08/25/2026)	$51.42
Elastic NV (ESTC.N)	E (07/21/2026)	$83.48
GitLab Inc (GTLB.O)	E (01/12/2026)	$47.30
JFrog Ltd. (FROG.O)	E (07/21/2026)	$88.65
MongoDB Inc (MDB.O)	O (04/12/2023)	$373.87
Oracle Corporation (ORCL.N)	E (01/15/2019)	$152.94
PagerDuty, Inc. (PD.N)	U (07/21/2026)	$13.75
Palantir Technologies Inc. (PLTR.O)	E (02/04/2025)	$165.86
Snowflake Inc. (SNOW.N)	O (06/24/2025)	$329.72
UiPath Inc (PATH.N)	E (09/07/2022)	$13.87

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