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# Financial Update Q4 FY25

NYSE: CRM

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# Safe Harbor



"Safe harbor" statement under the Private Securities Litigation Reform Act of 1995: This presentation contains forward-looking statements about the Company's financial and operating results and guidance, which include, but are not limited to, expected GAAP and non-GAAP financial and other operating and non-operating results, including revenue, net income, earnings per share, operating cash flow growth, operating margin, expected revenue growth, expected foreign currency exchange rate impact, expected current remaining performance obligation growth, expected tax rates or provisions, stock-based compensation expenses, amortization of purchased intangibles, shares outstanding, market growth, strategic investments, expected restructuring expense or charges, and expected timing of product releases and enhancements. The achievement or success of the matters covered by such forward-looking statements involves risks, uncertainties and assumptions. If any such risks or uncertainties materialize or if any of the assumptions prove incorrect, the Company's results or outcomes could differ materially and adversely from those expressed or implied by our forward-looking statements. Readers are cautioned not to place undue reliance on such forward-looking statements.

The risks and uncertainties referred to above include -- but are not limited to -- risks associated with: our ability to maintain sufficient security levels and service performance, avoid downtime and prevent, detect and remediate performance degradation and security breaches; our ability to secure sufficient data center capacity; our reliance on third-party infrastructure providers, including hardware, software and platform providers and the organizations responsible for the development and maintenance of the infrastructure of the Internet; uncertainties regarding AI technologies and their integration into our product offerings; our ability to achieve our aspirations, the evolving landscape related to environmental, social and governance ("ESG") matters; the effect of evolving government regulations, including those related to our industry and providing services on or accessing the Internet, and those addressing ESG matters, data privacy, cybersecurity, cross-border data transfers, government contracting and procurement, and import and export controls; current and potential litigation and regulatory investigations involving us or our industry; our ability to successfully expand or introduce new services and product features, including related to AI and Agentforce; our ability to successfully complete, integrate and realize the benefits from acquisitions or other strategic transactions; uncertainties regarding the pace of change and innovation and our ability to compete in the markets in which we participate; our ability to successfully execute our business strategy and our business plans, including efforts to expand internationally and related risks; our ability to predict and meet expectations regarding our operating results and cash flows, including revenue and remaining performance obligation, including as a result of the seasonal nature of our sales cycle and the variability in our results arising from the accounting for term license revenue products and some complex transactions; our ability to predict and limit customer attrition and costs related to those efforts; the demands on our personnel and infrastructure resulting from significant growth in our customer base and operations, including as a result of acquisitions; our real estate and office facilities strategy and related costs and uncertainties; the performance of our strategic investment portfolio, including fluctuations in the fair value of our investments; our ability to protect our intellectual property rights; our ability to maintain and enhance our brands; uncertainties regarding the valuation and potential availability of certain tax assets; the impact of new accounting pronouncements and tax laws; uncertainties affecting our ability to estimate our tax rate, including our tax obligations in connection with potential jurisdictional transfer of intellectual property; uncertainties regarding the effect of geopolitical events, inflationary pressures, market and macroeconomic volatility, financial institution instability, changes in monetary policy, foreign currency exchange rate and interest rate fluctuations, uncertainty regarding the imposition of and changes in trade policies, including trade wars, tariffs or other trade restrictions or the threat of such actions and climate change, natural disasters and actual or threatened public health emergencies on our workforce, business, and operating results; uncertainties regarding the impact of expensing stock options and other equity awards; the sufficiency of our capital resources, including our ability to execute our share repurchase program and declare future cash dividends; our ability to comply with our debt covenants and lease obligations; and uncertainties regarding impacts to our workforce and workplace culture, such as those arising from our current and future office environments or remote work policies or our ability to realize the expected benefits of the restructuring plan.

Further information on these and other factors that could affect the Company's actual results or outcomes is included in the reports on Forms 10-K, 10-Q and 8-K and in other filings it makes with the Securities and Exchange Commission from time to time. These documents are available on the SEC Filings section of the Financials section of the Company's website at <http://investor.salesforce.com/financials/>. Salesforce, Inc. assumes no obligation and does not intend to revise or update publicly any forward-looking statements for any reason, except as required by law.

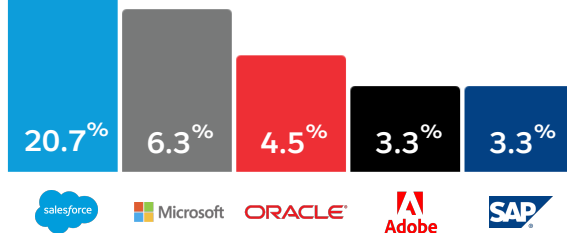


# Company Overview

We bring humans together with AI agents to drive customer success



## Salesforce. #1 CRM.



**#1 CRM software provider worldwide**  
by revenue for 11 consecutive years<sup>1</sup>

Leader in  
Philanthropy



Leader in  
Culture



Leader in  
Innovation



Uniquely positioned to help our customers  
drive broad-based digital transformation

<sup>1</sup>Source: IDC, Worldwide Semiannual Software Tracker, October 2024. CRM market includes the following IDC-defined functional markets: Sales Force Productivity and Management, Marketing Campaign Management, Customer Service, Contact Center, Advertising, and Digital Commerce Applications.

# Financial Overview

Annual Results

# FY25 Financial Summary

Our framework for profitable growth generated strong financial results



	GAAP		Non-GAAP <sup>1</sup>	
	Annual Results	Change Y/Y	Annual Results	Change Y/Y
Total Revenue	\$37.9B	9%	\$38.1B	9%
Subscription & Support Revenue	\$35.7B	10%	\$35.8B	10%
Current Remaining Performance Obligation	\$30.2B	9%	N/A	11%
Total Remaining Performance Obligation	\$63.4B	11%	N/A	N/A
Operating Margin	19.0%	460bps	33.0%	250bps
Diluted Earnings Per Share <sup>2</sup>	\$6.36	51%	\$10.20	24%
Operating Cash Flow	\$13.1B	28%	N/A	N/A
Free Cash Flow	N/A	N/A	\$12.4B	31%

<sup>1</sup>The non-GAAP columns present non-GAAP financial metrics, including non-GAAP operating margin, diluted earnings per share, and free cash flow, and the related non-GAAP growth rates as compared to prior periods. Non-GAAP revenue and non-GAAP current performance obligation ("cRPO") represent constant currency ("CC") results. Refer to slides 6, 7, 11, and 12 for explanations of non-GAAP CC revenue growth and slide 14 for non-GAAP CC cRPO growth. Refer to the Appendix for an explanation of non-GAAP financial measures, why we believe these measures can be helpful, and a reconciliation of non-GAAP financial measures to the most comparable GAAP measures, when applicable.






<sup>2</sup>Diluted Earnings Per Share is calculated using GAAP revenue.





# FY25 Disaggregation of Revenue

## Subscription & Support and Acquisition Growth Trends



Year-over-Year Growth in Constant Currency <sup>1</sup>		FY24	FY25
	Sales	11%	10%
	Service	12%	10%
	Platform and Other	11%	10%
	Marketing and Commerce	9%	8%
	Integration and Analytics <sup>2</sup>	20%	12%
<b>Total Subscription &amp; Support Revenue</b>		<b>12%</b>	<b>10%</b>

	MuleSoft Total Revenue (CC) <sup>3</sup>	22%	12%
	Tableau Total Revenue (CC) <sup>3</sup>	16%	9%
	Slack Total Revenue <sup>3</sup>	17%	13%

*Data Cloud and Agentforce revenue will be prospectively included in Platform and Other effective with deals closed in FY26.*

<sup>1</sup>Non-GAAP revenue CC growth rates as compared to the comparable prior period. Refer to the Appendix for an explanation of constant currency calculations and the basis of presentation.

<sup>2</sup>In the fourth quarter of fiscal year 2024, the Company renamed the service offering previously referred to as Data to Integration and Analytics, which includes MuleSoft and Tableau.

<sup>3</sup>MuleSoft, Tableau, and Slack's contributions to total revenue include professional services revenue and subscription and support revenue.

# FY25 Revenue by Region

Incremental investments in international markets driving growth



Year-Over-Year Growth in Constant Currency <sup>1</sup>	FY24	FY25
Americas	10%	8%
EMEA	12%	9%
APAC	22%	16%
Total Revenue <sup>2</sup>	11%	9%

<sup>1</sup>Non-GAAP revenue CC growth rates as compared to the comparable prior period. Refer to the Appendix for an explanation of constant currency calculations and the basis of presentation.

<sup>2</sup>Revenues by geography are determined based on the region of the Company's contracting entity, which may be different than the region of the customer.



# Financial Overview

Quarterly Results



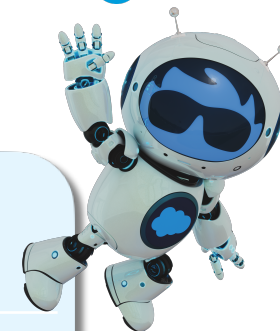
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# Q4 FY25 Financial Summary

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	GAAP		Non-GAAP <sup>1</sup>	
	Quarterly Results	Change Y/Y	Quarterly Results	Change Y/Y
Total Revenue	\$10.0B	8%	\$10.1B	9%
Subscription & Support Revenue	\$9.5B	8%	\$9.5B	9%
Current Remaining Performance Obligation	\$30.2B	9%	N/A	11%
Total Remaining Performance Obligation	\$63.4B	11%	N/A	N/A
Operating Margin	18.2%	70bps	33.1%	170bps
Diluted Earnings Per Share <sup>2</sup>	\$1.75	19%	\$2.78	21%
Operating Cash Flow	\$4.0B	17%	N/A	N/A
Free Cash Flow	N/A	N/A	\$3.8B	17%

<sup>1</sup>The non-GAAP columns present non-GAAP financial metrics, including non-GAAP operating margin, non-GAAP diluted earnings per share, and free cash flow, and the related non-GAAP growth rates as compared to prior periods. Non-GAAP revenue and non-GAAP current performance obligation ("cRPO") represent constant currency ("CC") results. Refer to slides 6, 7, 11, and 12 for explanations of non-GAAP CC revenue growth and slide 14 for non-GAAP CC cRPO growth. Refer to the Appendix for an explanation of non-GAAP financial measures, why we believe these measures can be helpful, and a reconciliation of non-GAAP financial measures to the most comparable GAAP measures, when applicable.

<sup>2</sup>Diluted Earnings Per Share is calculated using GAAP revenue.



# Guidance



## Compounding top and bottom-line growth

	Q1 FY26 Guidance <sup>1</sup>	Full Year FY26 Guidance <sup>1</sup>
Total Revenue	\$9.71 - \$9.76 billion	\$40.5 - \$40.9 billion
Y/Y Growth	6% - 7%	7% - 8%
FX Impact <sup>2</sup>	(\$50M) Y/Y FX	(\$150M) Y/Y FX
CC Growth <sup>3</sup>	7%	7% - 8%
Subscription & Support Revenue Growth (Y/Y) <sup>4</sup>	N/A	Approximately 8.5%
CC Growth <sup>3, 4</sup>	N/A	Approximately 9%
GAAP Operating Margin	N/A	21.6%
Non-GAAP Operating Margin <sup>3</sup>	N/A	34.0%
GAAP Diluted Earnings per Share <sup>3</sup>	\$1.49 - \$1.51	\$6.95 - \$7.03
Non-GAAP Diluted Earnings per Share <sup>3</sup>	\$2.53 - \$2.55	\$11.09 - \$11.17
Operating Cash Flow Growth (Y/Y)	N/A	Approximately 10% - 11%
Current Remaining Performance Obligation Growth (Y/Y)	Approximately 10%	N/A
FX Impact <sup>2</sup>	(\$100M) Y/Y FX	N/A



<sup>1</sup>This guidance does not reflect any potential future gains or losses on our strategic investment portfolio, as it is not possible to forecast future gains and losses, and is based on estimated GAAP tax rates that reflect the Company's currently available information and excludes forecasted discrete tax items such as excess tax benefits from stock-based compensation. The GAAP tax rates may fluctuate due to discrete tax items and related effects in conjunction with certain provisions in the Tax Cuts and Jobs Act, future acquisitions or other transactions.

<sup>2</sup>Revenue FX impact is calculated by taking the current period rates compared to the prior period average rates. Current Remaining Performance Obligation FX impact is calculated by taking the current period rates compared to the prior period ending rates.






<sup>3</sup>Non-GAAP CC revenue growth, non-GAAP operating margin and non-GAAP diluted earnings per share are non-GAAP financial measures. Refer to the Appendix for an explanation of non-GAAP financial measures. The Company's shares used in computing GAAP diluted earnings per share guidance and non-GAAP diluted earnings per share guidance excludes any impact to share count from potential Q1 - Q4 FY26 repurchase activity under our Share Repurchase Program.




<sup>4</sup>Subscription & Support revenue excludes professional services revenue.

# Q4 FY25 Disaggregation of Revenue



## Subscription & Support and Acquisition Growth Trends

	FY24				FY25			
Year-over-Year Growth in Constant Currency <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
 Sales	13%	12%	10%	10%	11%	10%	11%	9%
 Service	13%	12%	11%	12%	11%	11%	10%	9%
 Platform and Other	12%	11%	11%	10%	10%	10%	8%	12%
 Marketing and Commerce	10%	10%	8%	7%	10%	7%	8%	8%
 Integration and Analytics <sup>2</sup>	20%	16%	22%	21%	25%	14%	5%	6%
<b>Total Subscription &amp; Support Revenue</b>	<b>13%</b>	<b>12%</b>	<b>12%</b>	<b>12%</b>	<b>13%</b>	<b>10%</b>	<b>9%</b>	<b>9%</b>

 MuleSoft Total Revenue (CC) <sup>3</sup>	26%	17%	26%	19%	27%	13%	1%	7%
 Tableau Total Revenue (CC) <sup>3</sup>	12%	13%	16%	20%	21%	11%	5%	3%
 Slack Total Revenue <sup>3</sup>	20%	16%	18%	16%	17%	17%	8%	11%

Data Cloud and Agentforce revenue will be prospectively included in Platform and Other effective with deals closed in FY26.

<sup>1</sup>Non-GAAP revenue CC growth rates as compared to the comparable prior period. Refer to the Appendix for an explanation of constant currency calculations and the basis of presentation.

<sup>2</sup>In the fourth quarter of fiscal year 2024, the Company renamed the service offering previously referred to as Data to Integration and Analytics, which includes MuleSoft and Tableau.

<sup>3</sup>MuleSoft, Tableau and Slack's contributions to total revenue include professional services revenue and subscription and support revenue.



# Q4 FY25 Revenue by Region



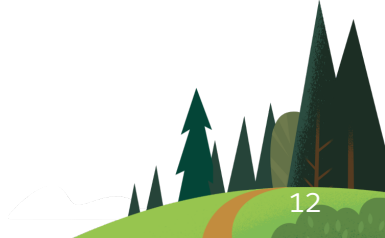
Incremental investments in international markets driving growth



	FY24				FY25			
Year-Over-Year Growth in Constant Currency <sup>1</sup>	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Americas	10%	10%	9%	9%	11%	8%	6%	8%
EMEA	17%	11%	10%	11%	9%	11%	9%	7%
APAC	24%	24%	21%	19%	21%	16%	14%	14%
Total Revenue <sup>2</sup>	13%	11%	10%	10%	11%	9%	8%	9%

<sup>1</sup>Non-GAAP revenue CC growth rates as compared to the comparable prior period. Refer to the Appendix for an explanation of constant currency calculations and the basis of presentation.

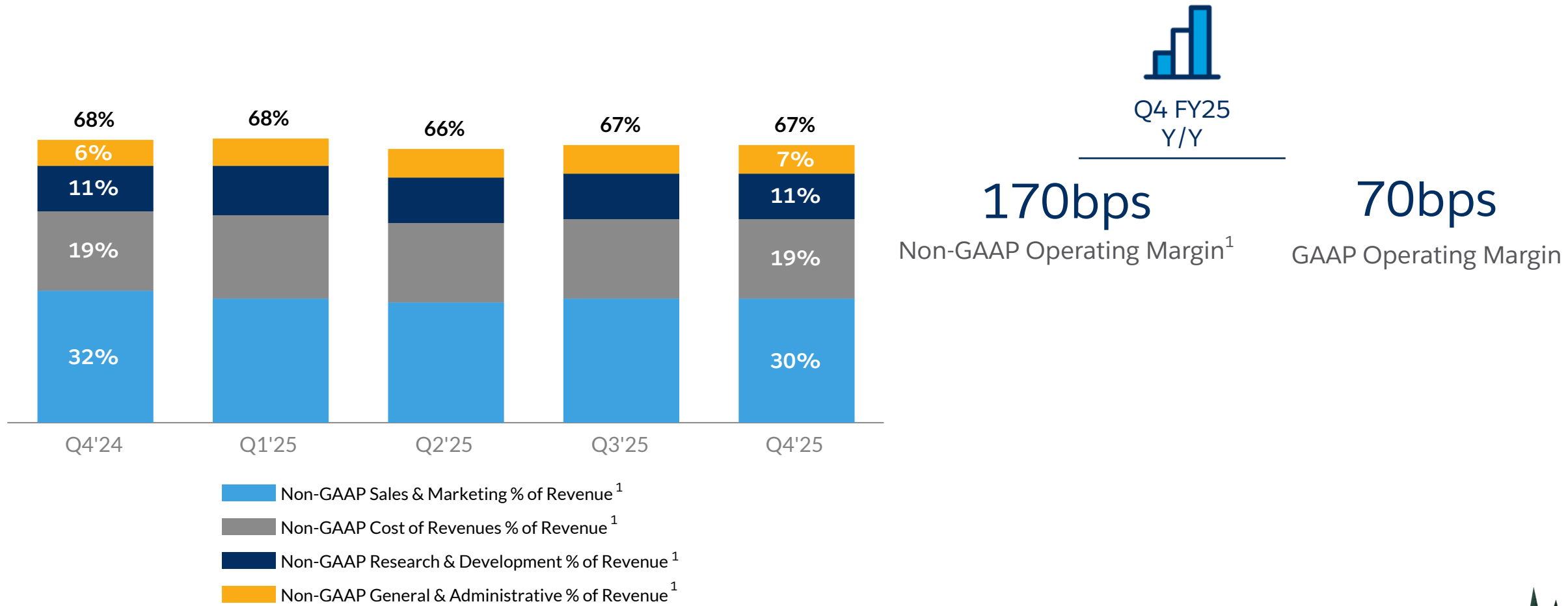
<sup>2</sup>Revenues by geography are determined based on the region of the Company's contracting entity, which may be different than the region of the customer.



# Q4 FY25 Non-GAAP Expense Profile



Delivering profitable growth at scale



<sup>1</sup>Non-GAAP operating margin is the proportion of non-GAAP income from operations as a percentage of GAAP revenue and is a non-GAAP financial measure. Non-GAAP expense as a percentage of revenue is the proportion of non-GAAP expense categories as a percentage of GAAP revenue and is a non-GAAP financial measure. Refer to the Appendix for an explanation of which items are excluded from our non-GAAP financial measures and why we believe these measures can be useful, as well as a reconciliation of non-GAAP financial measures to the most comparable GAAP measures, when applicable.



# Q4 FY25 Key Financial Metric Trends



	FY24				FY25			
Year-over-Year Growth	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Current Remaining Performance Obligation (cRPO) GAAP / CC <sup>1</sup>	12% / 12%	12% / 11%	14% / 13%	12% / 13%	10% / 10%	10% / 11%	10% / 10%	9% / 11%
FX \$ (Headwind) / Tailwind <sup>2</sup>	–	–	–	–	(\$200M)	(\$300M)	\$100M	(\$300M)
Total Remaining Performance Obligation	11%	12%	21%	17%	15%	15%	10%	11%
Operating Cash Flow	22%	142%	389%	22%	39%	10%	29%	17%
Free Cash Flow <sup>3</sup>	21%	379%	1088%	27%	43%	20%	30%	17%

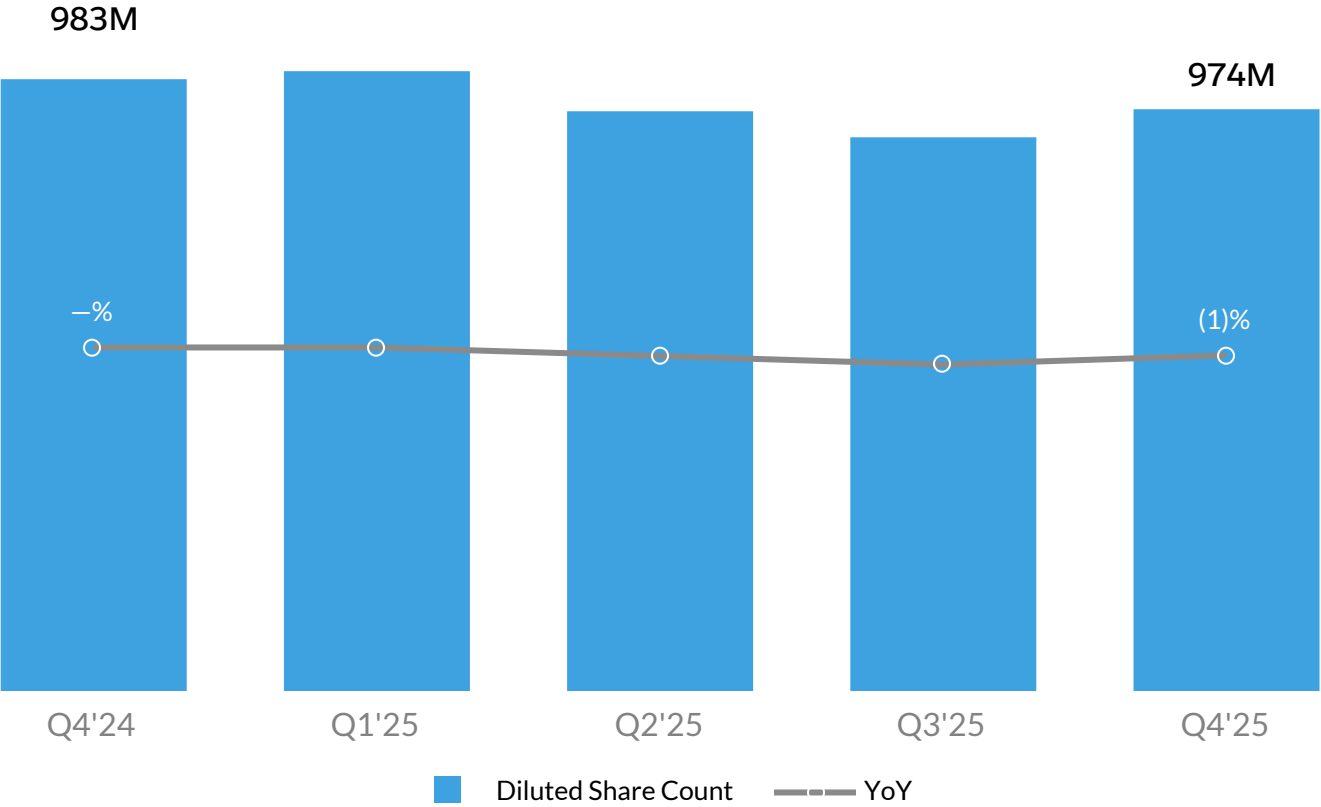
<sup>1</sup>To present non-GAAP CC cRPO growth, cRPO balances in local currencies in previous comparable periods are converted using the United States dollar currency exchange rate as of the most recent balance sheet date.

<sup>2</sup>As of Q1'25, the Company is prospectively disclosing the FX (headwind) / tailwind in dollars to cRPO.

<sup>3</sup>Free cash flow ("FCF") is a non-GAAP financial measure. Refer to the Appendix for an explanation of non-GAAP financial measures, and why we believe these measures can be useful, as well as a table including a reconciliation of FCF to the most comparable GAAP financial measure.



# In FY25, \$9.3B Capital Returned to Stockholders



Q4 FY25

(1)% YoY

Diluted Share Count

\$19.4B

Repurchased Since  
Inception of the Total  
\$30B Authorized

\$1.5B

Quarterly Dividend  
Payments to Date





# Thank you





# Appendix



# Non-GAAP Financial Measures



This presentation includes information about non-GAAP earnings per share, non-GAAP income from operations, non-GAAP expenses, non-GAAP operating margin, free cash flow and constant currency revenue and constant currency current remaining performance obligation growth rates (collectively the “non-GAAP financial measures”). These non-GAAP financial measures are measurements of financial performance that are not prepared in accordance with U.S. generally accepted accounting principles and computational methods may differ from those used by other companies. Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with the Company’s condensed consolidated financial statements prepared in accordance with GAAP. Management uses both GAAP and non-GAAP financial measures when planning, monitoring and evaluating the Company’s performance.

The primary purpose of using non-GAAP financial measures is to provide supplemental information that may prove useful to investors and to enable investors to evaluate the Company’s results in the same way management does. Management believes that supplementing GAAP disclosure with non-GAAP disclosure provides investors with a more complete view of the Company’s operational performance and allows for meaningful period-to-period comparisons and analysis of trends in the Company’s business. Further, to the extent that other companies use similar methods in calculating non-GAAP financial measures, the provision of supplemental non-GAAP information can allow for a comparison of the Company’s relative performance against other companies that also report non-GAAP operating results.

Non-GAAP operating margin is the proportion of non-GAAP income from operations as a percentage of GAAP revenue. Non-GAAP income from operations excludes the impact of the following items: stock-based compensation expense, amortization of acquisition-related intangibles and charges related to the restructuring initiatives.

Non-GAAP diluted earnings per share excludes, to the extent applicable, the impact of the following items: stock-based compensation expense, amortization of purchased intangibles, charges related to the restructuring initiatives and income tax adjustments. These items are excluded because the decisions that give rise to them are not made to increase revenue in a particular period, but instead for the Company’s long-term benefit over multiple periods.

The Company defines the non-GAAP measure free cash flow as GAAP net cash provided by operating activities, less capital expenditures.

Constant currency information is provided as a framework for assessing how our underlying business performed excluding the effect of foreign currency rate fluctuations. To present constant currency revenue, current and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars at the weighted average exchange rate for the quarter being compared to for growth rate calculations presented, rather than the actual exchange rates in effect during that period. To present current remaining performance obligation on a constant currency basis, we convert the current remaining performance obligation balances in local currencies in previous comparable periods using the United States dollar currency exchange rate as of the most recent balance sheet date.



# GAAP to Non-GAAP Financial Reconciliation

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(in millions)	Three Months Ended January 31,		Fiscal Year Ended January 31,		Non-GAAP Operating Margin	Full Year FY26 Guidance
Non-GAAP income from operations	2024	2025	2024	2025		
GAAP income from operations	\$ 1,622	\$ 1,820	\$ 5,011	\$ 7,205	GAAP operating margin <sup>2</sup>	21.6 %
Plus:					Plus:	
Amortization of purchased intangibles	458	382	1,869	1,651	Amortization of purchased intangibles <sup>4</sup>	3.7 %
Stock-based compensation expense <sup>5</sup>	667	803	2,764	3,181	Stock-based compensation expense <sup>4,5</sup>	8.4 %
Restructuring	173	298	988	461	Restructuring <sup>4,5</sup>	0.3 %
Non-GAAP income from operations <sup>1</sup>	\$ 2,920	\$ 3,303	\$ 10,632	\$ 12,498	Non-GAAP operating margin <sup>2</sup>	34.0 %
Revenue	9,287	9,993	34,857	37,895		
Non-GAAP operating margin <sup>2</sup>	31.4 %	33.1 %	30.5 %	33.0 %		

(in millions)	Three Months Ended January 31,		Fiscal Year Ended January 31,	
Computations of free cash flow, a non-GAAP measure	2024	2025	2024	2025
GAAP net cash provided by operating activities	\$ 3,403	\$ 3,970	\$ 10,234	\$ 13,092
(Capital expenditures)	(147)	(154)	(736)	(658)
Free cash flow <sup>3</sup>	\$ 3,256	\$ 3,816	\$ 9,498	\$ 12,434

	Three Months Ended January 31,		Fiscal Year Ended January 31,		Q1 FY26 Guidance	Full Year FY26 Guidance
Non-GAAP diluted earnings per share	2024	2025	2024	2025		
GAAP diluted earnings per share	\$ 1.47	\$ 1.75	\$ 4.20	\$ 6.36	\$1.49 - \$1.51	\$6.95 - \$7.03
Plus:						
Amortization of purchased intangibles	0.47	0.39	1.90	1.70	0.39	1.54
Stock-based compensation expense <sup>5</sup>	0.68	0.82	2.81	3.27	0.86	3.47
Restructuring	0.18	0.31	1.00	0.47	0.03	0.13
(Income tax effects and adjustments)	(0.51)	(0.49)	(1.69)	(1.60)	(0.24)	(1.00)
Non-GAAP diluted earnings per share <sup>6</sup>	\$ 2.29	\$ 2.78	\$ 8.22	\$ 10.20	\$2.53 - \$2.55	\$11.09 - \$11.17
Shares used in computing non-GAAP diluted earnings per share (millions) <sup>7</sup>	983	974	984	974	980	985

<sup>1</sup>Non-GAAP Income from operations is used to calculate non-GAAP Operating Margin. It excludes the impact of the amortization of purchased intangibles, stock-based compensation expense and charges related to the Company's restructuring initiatives.

<sup>2</sup>GAAP operating margin is the proportion of GAAP income from operations as a percentage of GAAP revenue. Non-GAAP operating margin is the proportion of non-GAAP income from operations as a percentage of GAAP revenue.

<sup>3</sup>Free cash flow ("FCF") is defined as GAAP net cash provided by operating activities, less capital expenditures.

<sup>4</sup>The percentages shown above have been calculated based on the midpoint of the low and high ends of the revenue guidance for full year FY26.

<sup>5</sup>The percentages shown in the restructuring line have been calculated based on charges associated with the Company's restructuring initiatives. Stock-based compensation expense excludes stock-based compensation expense related to the Company's restructuring initiatives, which is included in the restructuring line.

<sup>6</sup>GAAP diluted earnings per share ("EPS") is calculated by dividing GAAP net income by number of diluted shares. Non-GAAP diluted EPS is calculated by dividing non-GAAP net income by number of diluted shares. It excludes the impact of stock-based compensation expense, amortization of purchased intangibles, charges related to the restructuring initiatives and income tax adjustments.

<sup>7</sup>The Company's shares used in computing GAAP net income per share guidance and non-GAAP net income per share guidance excludes any impact to share count from potential Q1 - Q4 FY26 repurchase activity under our share repurchase program.

# GAAP to Non-GAAP Financial Reconciliation



(in millions)

Period	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25
Revenue	9,287	9,133	9,325	9,444	9,993
GAAP Cost of Revenues	2,148	2,162	2,159	2,150	2,217
Less:					
Amortization of purchased intangibles	235	238	231	131	150
Stock-based compensation expense <sup>1</sup>	107	119	132	135	132
Non-GAAP Cost of Revenues	1,806	1,805	1,796	1,839	1,935
<b>Non-GAAP Cost of Revenues as a % of Revenue<sup>2</sup></b>	<b>19 %</b>	<b>20 %</b>	<b>19 %</b>	<b>19 %</b>	<b>19 %</b>
GAAP Sales and Marketing Expense	3,437	3,239	3,224	3,323	3,471
Less:					
Amortization of purchased intangibles	223	223	223	223	232
Stock-based compensation expense <sup>1</sup>	247	290	309	312	294
Non-GAAP Sales and Marketing Expense	2,967	2,726	2,692	2,788	2,945
<b>Non-GAAP Sales and Marketing Expense as a % of Revenue<sup>2</sup></b>	<b>32 %</b>	<b>30 %</b>	<b>29 %</b>	<b>30 %</b>	<b>30 %</b>
GAAP Research and Development Expense	1,275	1,368	1,349	1,356	1,420
Less:					
Stock-based compensation expense <sup>1</sup>	237	260	276	278	277
Non-GAAP Research and Development Expense	1,038	1,108	1,073	1,078	1,143
<b>Non-GAAP Research and Development Expense as a % of Revenue<sup>2</sup></b>	<b>11 %</b>	<b>12 %</b>	<b>11 %</b>	<b>11 %</b>	<b>11 %</b>
GAAP General and Administrative Expense	632	647	711	711	767
Less:					
Stock-based compensation expense <sup>1</sup>	76	81	91	95	100
Non-GAAP General and Administrative Expense	556	566	620	616	667
<b>Non-GAAP General and Administrative Expense as a % of Revenue<sup>2</sup></b>	<b>6 %</b>	<b>6 %</b>	<b>7 %</b>	<b>7 %</b>	<b>7 %</b>

<sup>1</sup>Stock-based compensation expense included in the GAAP to non-GAAP reconciliation tables above excludes those expenses related to the Company's restructuring initiatives. For the three months ended July 31, 2024 and January 31, 2024, \$2 million and \$7 million of such expense is excluded, respectively. No other quarters presented in this slide incurred stock-based compensation expense related to restructuring.

<sup>2</sup>Non-GAAP expense categories as a % of revenue are calculated using GAAP revenue.