



Guidewire Software Announces Fourth Quarter and Fiscal Year 2015 Financial Results

September 1, 2015

FOSTER CITY, Calif.--(BUSINESS WIRE)--Sep. 1, 2015-- Guidewire Software, Inc. (NYSE: GWRE), a provider of software products for property and casualty insurers, today announced its financial results for the fiscal fourth quarter and fiscal year ended July 31, 2015.

"Fiscal year 2015 and fourth quarter revenue and profitability exceeded our expectations," said Marcus Ryu, chief executive officer, Guidewire Software. "We initiated multiple new relationships with large domestic and international insurers, including five Tier 1 customers, which we define as insurers which have direct written premiums in excess of five billion dollars, and we expanded multiple relationships to include our newer portal and data management offerings. These developments, along with further traction in cultivating a robust System Integrator partner community, advanced our ambition of becoming the pre-eminent software provider to the global P/C industry and continuing to shift our revenue mix toward recurring licenses."

Ryu continued, "Our vision is to deliver a comprehensive technology platform for the P/C industry, encompassing core processing, data and analytics, and digital experience. In fiscal year 2016 we intend to increase our R&D investments to help fulfill that vision while reducing our products' total cost of ownership. Our product leadership and momentum in winning new customers in fiscal year 2015 positions Guidewire to achieve term license revenue growth of 20% in fiscal year 2016."

Fiscal 2015 Financial Highlights

Revenue

- Total license revenue, including term and perpetual licenses for fiscal year 2015 was \$179.2 million, an increase of 18% from fiscal year 2014. Term license revenue was \$169.4 million, up 21% in a year when we faced significant foreign exchange pressure. Revenue from perpetual licenses was \$9.8 million, down 18% which reflects the Company's focus on engaging with customers through the term license model. Maintenance revenue was \$50.0 million, up 19%. Services revenue was \$151.3 million, down 3%, in line with the Company's outlook and strategic priority of growing the contribution of our partner community. Total revenue for the fiscal year ended July 31, 2015 was \$380.5 million, an increase of 9% from fiscal year 2014.
- Rolling four-quarter recurring term license and maintenance revenue was \$219.4 million, an increase of 21% from July 31, 2014.

Profitability

- GAAP operating income was \$16.5 million for fiscal year 2015, compared to \$18.4 million in fiscal year 2014.
- Non-GAAP operating income was \$69.3 million for fiscal year 2015, compared to \$62.4 million in fiscal year 2014.
- GAAP net income was \$9.9 million for fiscal year 2015, compared to \$14.7 million in fiscal year 2014. GAAP net income per share was \$0.14, based on diluted weighted average shares outstanding of 72.3 million, compared to \$0.21 in fiscal year 2014, based on diluted weighted average shares outstanding of 69.1 million.
- Non-GAAP net income was \$46.5 million for fiscal year 2015, compared to \$43.5 million in fiscal year 2014. Non-GAAP net income per share was \$0.65, based on diluted weighted average shares outstanding of 72.3 million, compared to \$0.63 for fiscal year 2014, based on diluted weighted average shares outstanding of 69.1 million.

Balance Sheet

- The Company had \$677.8 million in cash, cash equivalents and investments at July 31, 2015, compared to \$647.8 million at July 31, 2014. The Company had \$63.7 million in cash flow from operations in fiscal year 2015, compared to cash flow from operations of \$75.5 million in fiscal year 2014.

Fourth Quarter Fiscal Year 2015 Financial Highlights

Revenue

- Total license revenue, including term and perpetual licenses, for the fourth quarter of fiscal 2015 was \$73.4 million, an increase of 11% from the fourth quarter of fiscal year 2014. Term license revenue was \$68.6 million, a 16% increase from the comparable period in fiscal year 2014, while revenue from perpetual licenses was \$4.8 million, a decrease of 27%. Maintenance revenue was \$13.2 million, an increase of 10%, and services revenue was \$39.4 million, a decrease of 3%. Total revenue for the fourth quarter of fiscal year 2015 was \$125.9 million, an increase of 7% from the comparable period

in fiscal year 2014.

Profitability

- GAAP operating income was \$23.5 million for the fourth quarter of fiscal year 2015, compared to \$26.4 million in the comparable period in fiscal year 2014.
- Non-GAAP operating income was \$37.4 million for the fourth quarter of fiscal year 2015, compared to \$37.6 million in the comparable period in fiscal year 2014.
- GAAP net income was \$11.9 million for the fourth quarter of fiscal year 2015, compared to \$19.8 million for the comparable period in fiscal year 2014. GAAP net income per share was \$0.16, based on diluted weighted average shares outstanding of 72.5 million, compared to \$0.28 for the comparable period in fiscal year 2014, based on diluted weighted average shares outstanding of 71.1 million.
- Non-GAAP net income was \$25.7 million for the fourth quarter of fiscal year 2015, compared to \$26.4 million in the comparable period in fiscal year 2014. Non-GAAP net income per diluted share was \$0.35, based on diluted weighted average shares outstanding of 72.5 million, compared to \$0.37 for the fourth quarter of fiscal year 2014, based on diluted weighted average shares outstanding of 71.1 million.

Business Outlook

Guidewire is issuing the following outlook for the first quarter and fiscal year 2016, based on current expectations:

| <i>(in \$ millions, except per share outlook)</i> | First Quarter Fiscal Year 2016 | Full Year Fiscal Year 2016 |
|---|---|---------------------------------------|
| Revenue | 78.5 - 82.5 | 405.0 - 415.0 |
| License revenue | 30.0 - 32.0 | 202.0 - 212.0 |
| Maintenance revenue | 13.0 - 14.0 | 56.0 - 58.0 |
| Services revenue | 35.0 - 37.0 | 144.0 - 148.0 |
| GAAP operating income/(loss) | (13.3) - (9.3) | (1.6) - 8.4 |
| Non-GAAP operating income | 1.0 - 5.0 | 60.0 - 70.0 |
| GAAP net income/(loss) | (4.4) - (3.1) | (0.5) - 2.8 |
| GAAP net income/(loss) per share | (0.06) - (0.04) | (0.01) - 0.04 |
| Non-GAAP net income | 0.7 - 3.3 | 39.6 - 46.2 |
| Non-GAAP net income/(loss) per share | 0.01 - 0.05 | 0.54 - 0.63 |

Conference Call Information

What: Guidewire Software fourth quarter and fiscal year 2015 financial results conference call
When: Tuesday, September 1, 2015
Time: 2:00 p.m. PT (5:00 p.m. ET)
Live Call: (877) 419-6600, Domestic
(719) 325-4789, International
Replay: (877) 870-5176, Passcode 5715910, Domestic
(858) 384-5517, Passcode 5715910, International
Webcast: <http://ir.guidewire.com> (live and replay)

The webcast will be archived on Guidewire's website for a period of three months.

Non-GAAP Financial Measures

This press release contains the following non-GAAP financial measures: Non-GAAP operating income, Non-GAAP net income, Non-GAAP earnings per share and Non-GAAP effective tax rate. These Non-GAAP financial measures exclude stock-based compensation and amortization of intangibles, and the tax effect of these adjustments for Non-GAAP net income and Non-GAAP earnings per share.

Guidewire believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Guidewire's financial condition and results of operations. The Company's management uses these non-GAAP measures to compare the Company's performance to that of prior periods for trend analysis, for purposes of determining executive and senior management incentive compensation and for budgeting and planning purposes. The Company believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company's financial measures with other software companies, many of which present similar non-GAAP financial measures to investors.

Management of the Company does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures in connection with GAAP results. Guidewire urges investors

to review the reconciliation of its non-GAAP financial measures to the comparable GAAP financial measures, which it includes in press releases announcing quarterly financial results, including this press release, and not to rely on any single financial measure to evaluate the Company's business.

Reconciliation tables of the most comparable GAAP financial measures to the non-GAAP financial measures used in this press release are included with the financial tables at the end of this release.

About Guidewire Software

Guidewire delivers the software that Property/Casualty (P/C) insurers need to adapt and succeed in a time of rapid industry change. We combine three elements - core processing, data and analytics, and digital engagement - into a technology platform that enhances insurers' ability to engage and empower their customers and employees. More than 200 P/C insurers around the world have selected Guidewire. For more information, please visit www.guidewire.com. Follow us on twitter: @Guidewire_PandC.

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Cautionary Language Concerning Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding our financial outlook, market positioning, and future investments. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. Words such as "expect," "anticipate," "should," "believe," "hope," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond Guidewire's control. Guidewire's actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to, risks detailed in Guidewire's most recent Forms 10-K and 10-Q filed with the Securities and Exchange Commission as well as other documents that may be filed by the Company from time to time with the Securities and Exchange Commission. In particular, the following factors, among others, could cause results to differ materially from those expressed or implied by such forward-looking statements: the market for our software may develop more slowly than expected or than it has in the past; quarterly and annual operating results may fluctuate more than expected; seasonal and other variations related to our revenue recognition may cause significant fluctuations in our results of operations and cash flows; our reliance on sales to and renewals from a relatively small number of large customers for a substantial portion of our revenues; our services revenues produce lower gross margins than our license and maintenance revenues; assertions by third parties that we violate their intellectual property rights could substantially harm our business; we face intense competition in our market; weakened global economic conditions may adversely affect the P&C insurance industry including the rate of information technology spending; our product development and sales cycles are lengthy; the risk of losing key employees; changes in foreign exchange rates; general political or destabilizing events, including war, conflict or acts of terrorism; and other risks and uncertainties. Past performance is not necessarily indicative of future results. The forward-looking statements included in this press release represent Guidewire's views as of the date of this press release. The Company anticipates that subsequent events and developments will cause its views to change. Guidewire undertakes no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. These forward-looking statements should not be relied upon as representing Guidewire's views as of any date subsequent to the date of this press release.

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in thousands)

| | July 31, 2015 | July 31, 2014 |
|---|------------------|------------------|
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$212,362 | \$148,101 |
| Short-term investments | 359,273 | 296,231 |
| Accounts receivable | 62,062 | 49,839 |
| Deferred tax assets, current | 13,845 | 11,431 |
| Prepaid expenses and other current assets | 14,102 | 10,828 |
| Total current assets | 661,644 | 516,430 |
| Long-term investments | 106,117 | 203,449 |
| Property and equipment, net | 12,160 | 12,607 |
| Intangible assets, net | 3,999 | 5,439 |
| Deferred tax assets, noncurrent | 5,896 | 8,681 |
| Goodwill | 9,205 | 9,205 |
| Other assets | 926 | 1,416 |
| TOTAL ASSETS | \$799,947 | \$757,227 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 8,816 | \$ 7,030 |
| Accrued employee compensation | 37,235 | 34,912 |
| Deferred revenues, current | 50,766 | 48,937 |

| | | |
|--|-----------|-----------|
| Other current liabilities | 7,592 | 4,507 |
| Total current liabilities | 104,409 | 95,386 |
| Deferred revenues, noncurrent | 1,800 | 6,395 |
| Other liabilities | 4,350 | 4,760 |
| Total liabilities | 110,559 | 106,541 |
| STOCKHOLDERS' EQUITY: | | |
| Common stock | 7 | 7 |
| Additional paid-in capital | 662,869 | 629,076 |
| Accumulated other comprehensive loss | (6,343) | (1,367) |
| Retained earnings | 32,855 | 22,970 |
| Total stockholders' equity | 689,388 | 650,686 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$799,947 | \$757,227 |

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(unaudited, in thousands except share and per share data)

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|--|------------------------------------|-------------|-----------------------------------|-------------|
| | 2015 | 2014 | 2015 | 2014 |
| Revenues: | | | | |
| License | \$ 73,395 | \$ 65,909 | \$ 179,172 | \$ 151,921 |
| Maintenance | 13,158 | 11,919 | 50,024 | 41,888 |
| Services | 39,364 | 40,379 | 151,341 | 156,437 |
| Total revenues | 125,917 | 118,207 | 380,537 | 350,246 |
| Cost of revenues: ⁽¹⁾ | | | | |
| License | 1,194 | 1,154 | 4,605 | 4,442 |
| Maintenance | 2,261 | 2,301 | 9,073 | 8,118 |
| Services | 35,974 | 35,193 | 133,506 | 136,387 |
| Total cost of revenues | 39,429 | 38,648 | 147,184 | 148,947 |
| Gross profit: ⁽¹⁾ | | | | |
| License | 72,201 | 64,755 | 174,567 | 147,479 |
| Maintenance | 10,897 | 9,618 | 40,951 | 33,770 |
| Services | 3,390 | 5,186 | 17,835 | 20,050 |
| Total gross profit | 86,488 | 79,559 | 233,353 | 201,299 |
| Operating expenses: ⁽¹⁾ | | | | |
| Research and development | 26,273 | 21,365 | 93,440 | 76,178 |
| Sales and marketing | 25,517 | 21,609 | 82,023 | 71,295 |
| General and administrative | 11,202 | 10,164 | 41,397 | 35,404 |
| Total operating expenses | 62,992 | 53,138 | 216,860 | 182,877 |
| Income from operations | 23,496 | 26,421 | 16,493 | 18,422 |
| Interest income, net | 602 | 431 | 2,245 | 1,350 |
| Other income (expense), net | (731) | 2 | (1,998) | 174 |
| Income before provision for income taxes | 23,367 | 26,854 | 16,740 | 19,946 |
| Provision for income taxes | 11,474 | 7,097 | 6,855 | 5,225 |
| Net income | \$ 11,893 | \$ 19,757 | \$ 9,885 | \$ 14,721 |
| Earnings per share: | | | | |
| Basic | \$ 0.17 | \$ 0.29 | \$ 0.14 | \$ 0.22 |
| Diluted | \$ 0.16 | \$ 0.28 | \$ 0.14 | \$ 0.21 |
| Shares used in computing earnings per share: | | | | |
| Basic | 70,763,837 | 68,805,440 | 70,075,908 | 65,748,896 |
| Diluted | 72,522,026 | 71,083,713 | 72,314,433 | 69,112,733 |

⁽¹⁾ Amounts include stock-based compensation expense as follows:

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|------------------------------------|------------------------------------|-------------|-----------------------------------|-------------|
| | 2015 | 2014 | 2015 | 2014 |
| Stock-based compensation expenses: | (in thousands) | | | |
| Cost of license revenue | \$ 64 | \$ 43 | \$ 222 | \$ 184 |

| | | | | |
|---|------------------|------------------|------------------|------------------|
| Cost of maintenance revenues | 279 | 225 | 1,158 | 797 |
| Cost of services revenues | 3,857 | 3,067 | 15,022 | 11,929 |
| Research and development | 3,065 | 2,351 | 10,683 | 9,008 |
| Marketing and sales | 3,041 | 2,604 | 12,090 | 10,744 |
| General and administrative | 3,189 | 2,556 | 12,200 | 9,876 |
| Total stock-based compensation expenses | <u>\$ 13,495</u> | <u>\$ 10,846</u> | <u>\$ 51,375</u> | <u>\$ 42,538</u> |

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited, in thousands)

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|---|------------------------------------|--------------------------|-----------------------------------|--------------------------|
| | 2015 | 2014 | 2015 | 2014 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Net income | \$ 11,893 | \$ 19,757 | \$ 9,885 | \$ 14,721 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Depreciation and amortization | 1,930 | 1,773 | 7,480 | 6,751 |
| Stock-based compensation | 13,495 | 10,846 | 51,375 | 42,538 |
| Excess tax benefit from exercise of stock options and vesting of RSUs | (3,538) | (6,569) | (3,538) | (7,067) |
| Deferred tax assets | 8,151 | 635 | 295 | (2,718) |
| Other noncash items affecting net income | 851 | 1,362 | 4,840 | 3,589 |
| Changes in operating assets and liabilities: | | | | |
| Accounts receivable | (2,942) | 8,544 | (12,999) | (9,276) |
| Prepaid expenses and other assets | (1,522) | 815 | (3,178) | (1,372) |
| Accounts payable | (1,497) | 258 | 2,266 | 393 |
| Accrued employee compensation | 12,003 | 10,542 | 3,261 | 8,463 |
| Other liabilities | 5,262 | 4,466 | 6,253 | 5,288 |
| Deferred revenues | (11,073) | (2,991) | (2,263) | 14,181 |
| Net cash provided by operating activities | <u>33,013</u> | <u>49,438</u> | <u>63,677</u> | <u>75,491</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Purchases of available-for-sale securities | (130,485) | (166,414) | (491,626) | (687,419) |
| Sales and maturities of available-for-sale securities | 150,932 | 106,103 | 520,997 | 312,149 |
| Purchase of property and equipment | (1,225) | (1,324) | (6,301) | (4,993) |
| Acquisition, net of cash acquired | — | — | — | (157) |
| Net cash provided by (used in) investing activities | <u>19,222</u> | <u>(61,635)</u> | <u>23,070</u> | <u>(380,420)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Proceeds from issuance of common stock upon exercise of stock options | 1,499 | 1,401 | 6,294 | 8,755 |
| Taxes remitted on RSU awards vested | (781) | (7,145) | (27,183) | (32,799) |
| Proceeds from issuance of common stock in connection with stock offerings, net of underwriting discounts and commission | — | — | — | 389,949 |
| Costs paid in connection with stock offerings | — | — | — | (408) |
| Excess tax benefit from exercise of stock options and vesting of RSUs | 3,538 | 6,569 | 3,538 | 7,067 |
| Net cash provided by (used in) financing activities | <u>4,256</u> | <u>825</u> | <u>(17,351)</u> | <u>372,564</u> |
| Effect of foreign exchange rate changes on cash and cash equivalents | <u>(1,071)</u> | <u>137</u> | <u>(5,135)</u> | <u>699</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 55,420 | (11,235) | 64,261 | 68,334 |
| CASH AND CASH EQUIVALENTS—Beginning of period | 156,942 | 159,336 | 148,101 | 79,767 |
| CASH AND CASH EQUIVALENTS—End of period | <u>\$ 212,362</u> | <u>\$ 148,101</u> | <u>\$ 212,362</u> | <u>\$ 148,101</u> |

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES
Reconciliation of GAAP to Non-GAAP Operating Results
(unaudited, in thousands)

The following tables reconcile the specific items excluded from GAAP in the calculation of non-GAAP operating results for the periods indicated below:

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|---|------------------------------------|-------------|-----------------------------------|-------------|
| | 2015 | 2014 | 2015 | 2014 |
| Income from operations reconciliation: | | | | |
| GAAP net income from operations | \$ 23,496 | \$ 26,421 | \$ 16,493 | \$ 18,422 |
| Non-GAAP adjustments ⁽¹⁾ : | | | | |
| Stock-based compensation | 13,495 | 10,846 | 51,375 | 42,538 |

| | | | | |
|--|------------------|------------------|------------------|------------------|
| Amortization of intangibles | 360 | 360 | 1,440 | 1,440 |
| Non-GAAP net income from operations | \$ 37,351 | \$ 37,627 | \$ 69,308 | \$ 62,400 |
| Net income reconciliation: | | | | |
| GAAP net income | \$ 11,893 | \$ 19,757 | \$ 9,885 | \$ 14,721 |
| Non-GAAP adjustments ⁽¹⁾ : | | | | |
| Stock-based compensation | 13,495 | 10,846 | 51,375 | 42,538 |
| Amortization of intangibles | 360 | 360 | 1,440 | 1,440 |
| Tax effect on non-GAAP adjustments | (81) | (4,586) | (16,190) | (15,202) |
| Non-GAAP net income | \$ 25,667 | \$ 26,377 | \$ 46,510 | \$ 43,497 |

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|---|------------------------------------|---------------------|-----------------------------------|---------------------|
| | 2015 | 2014 | 2015 | 2014 |
| Tax provision (benefits) reconciliation: | | | | |
| GAAP tax provision (benefits) | \$11,474 49% | \$ 7,097 26% | \$ 6,855 41% | \$ 5,225 26% |
| Non-GAAP adjustments: | | | | |
| Stock-based compensation | 3,775 | 3,473 | 15,823 | 13,618 |
| Amortization of intangibles | 101 | 115 | 444 | 461 |
| ISO deduction | 103 | 62 | 389 | (37) |
| Tax effect on GAAP profit before taxes due to different tax rates between GAAP and non-GAAP | (3,898) | 936 | (466) | 1,160 |
| Non-GAAP tax provision | \$11,555 31% | \$11,683 31% | \$23,045 33% | \$20,427 32% |

⁽¹⁾ Adjustments relate to amortization of acquired intangibles and stock-based compensation recognized during the period for GAAP purposes and the tax benefit resulting from these adjustments.

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES
Reconciliation of GAAP to Non-GAAP Operating Results
(unaudited)

The following tables reconcile the specific items excluded from GAAP in the calculation of non-GAAP operating results for the periods indicated below:

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|--|------------------------------------|----------------|-----------------------------------|----------------|
| | 2015 | 2014 | 2015 | 2014 |
| Earnings per share reconciliation: | | | | |
| GAAP earnings per share - Diluted | \$ 0.16 | \$ 0.28 | \$ 0.14 | \$ 0.21 |
| Amortization of intangibles acquired in business combinations | — | 0.01 | 0.02 | 0.02 |
| Stock-based compensation | 0.19 | 0.15 | 0.71 | 0.62 |
| Less tax benefit of non GAAP items | — | (0.07) | (0.22) | (0.22) |
| Non-GAAP dilutive shares excluded from GAAP EPS calculation ⁽¹⁾ | — | — | — | — |
| Non-GAAP earnings per share - Diluted | \$ 0.35 | \$ 0.37 | \$ 0.65 | \$ 0.63 |

| | Three Months Ended July 31, | | Fiscal Year Ended July 31, | |
|--|------------------------------------|-------------------|-----------------------------------|-------------------|
| | 2015 | 2014 | 2015 | 2014 |
| Shares used in computing non-GAAP per share amounts: | | | | |
| Weighted average shares - Diluted | 72,522,026 | 71,083,713 | 72,314,433 | 69,112,733 |
| Non-GAAP dilutive shares excluded from GAAP EPS calculation ⁽¹⁾ | — | — | — | — |
| Pro forma weighted average shares - Diluted | 72,522,026 | 71,083,713 | 72,314,433 | 69,112,733 |

⁽¹⁾ Due to the occurrence of a net loss on a GAAP basis, potentially dilutive securities were excluded from the calculation of GAAP earnings per share, as they would have an anti-dilutive effect. However, as net income was earned on a Non-GAAP basis, these shares have a dilutive effect on Non-GAAP earnings per share and are included here.

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Source: Guidewire Software, Inc.

Media Contact:

Guidewire Software, Inc.

Diana Stott, 650-356-4941
Director, Communications
dstott@guidewire.com

or

Investor Contact:

ICR, LLC
Garo Toomajanian, 650-357-5282
ir@guidewire.com