UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): December 7, 2023

Guidewire Software, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation) 001-35394 (Commission File Number) 36-4468504

(I.R.S. Employer Identification No.)

970 Park Pl., Suite 200
San Mateo, CA 94403
(Address of principal executive offices, including zip code)

(650) 357-9100 (Registrant's telephone number, including area code)

Not Applicable (Former name or former address, if changed since last report)

Check the appropriate	box below:	if the Form 8-K	filing is intended	to simultaneously	y satisfy the filir	ng obligation o	of the registrant	under any o	of the
following provisions:									

□ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value	GWRE	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company
If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On December 7, 2023, Guidewire Software, Inc. (the "Company") issued a press release announcing unaudited financial results for the fiscal quarter ended October 31, 2023. A copy of the press release is attached as Exhibit 99.1.

In accordance with General Instruction B.2 on Form 8-K, certain of the information in this Current Report on Form 8-K, including Exhibit 99.1, is being furnished under Item 2.02 and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934 ("Exchange Act") or otherwise subject to the liability of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, regardless of the general incorporation language of such filing, except as shall be expressly set forth by specific reference in such filing.

Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.

On December 7, 2023, the Company and Priscilla Hung announced her intent to remain an employee with the Company, but step down from the position of President and Chief Operating Officer of the Company at the conclusion of her sabbatical on December 31, 2023. Ms. Hung will serve in the new role of Senior Advisor to the Company. Ms. Hung's change in role is not the result of any disagreement or conflict with the Company.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description of Exhibits

99.1 Press release dated December 7, 2023 titled "Guidewire Announces First Quarter Fiscal Year 2024 Financial Results"

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GUIDEWIRE SOFTWARE, INC.

By: /s/ JEFF COOPER

Jeff Cooper

Chief Financial Officer

Date: December 7, 2023

Guidewire Announces First Quarter Fiscal Year 2024 Financial Results

SAN MATEO, Calif., December 7, 2023 - Guidewire (NYSE: GWRE) today announced its financial results for the fiscal quarter ended October 31, 2023.

"We are thrilled with our first quarter financial results and the continued momentum in Guidewire Cloud Platform with another seven cloud deals closed," said Mike Rosenbaum, chief executive officer, Guidewire. "The excitement around Guidewire Cloud Platform was on full display at our annual customer conference, Connections, where approximately 3,000 members from our customer and partner communities came together to share success stories, collaborate, and learn more about Innsbruck, our latest and ninth cloud release."

"We are off to a strong start to the fiscal year with ARR finishing above the high end of our outlook, and margins significantly beating our expectations," said Jeff Cooper, chief financial officer, Guidewire. "We are at an exciting inflection point with respect to profitability and are raising our profitability targets for the year."

First Quarter Fiscal Year 2024 Financial Highlights

Revenue

- Total revenue for the first quarter of fiscal year 2024 was \$207.4 million, an increase of 6% from the same quarter in fiscal year 2023. Subscription and support revenue was \$127.6 million, an increase of 29%; services revenue was \$45.8 million, a decrease of 17%; and license revenue was \$34.0 million, a decrease of 17%.
- As of October 31, 2023, annual recurring revenue, or ARR, was \$770 million, compared to \$763 million as of July 31, 2023. ARR results for interim quarterly periods in fiscal year 2024 are based on actual currency rates at the end of fiscal year 2023, held constant throughout the year.

Profitability

- GAAP loss from operations was \$33.8 million for the first quarter of fiscal year 2024, compared with GAAP loss from operations of \$74.6 million for the same quarter in fiscal year 2023.
- Non-GAAP income from operations was \$4.1 million for the first quarter of fiscal year 2024, compared with Non-GAAP loss from operations of \$35.9 million for the same quarter in fiscal year 2023.
- GAAP net loss was \$27.1 million for the first quarter of fiscal year 2024, compared with \$69.3 million for the same quarter in fiscal year 2023. GAAP net loss per share was \$0.33, based on diluted weighted average shares outstanding of 81.7 million, compared to a GAAP net loss per share of \$0.83 for the same quarter in fiscal year 2023, based on diluted weighted average shares outstanding of 83.3 million.
- Non-GAAP net loss was \$0.3 million for the first quarter of fiscal year 2024, compared with Non-GAAP net loss of \$9.9 million for the same quarter in fiscal year 2023. Non-GAAP net income/loss per share was \$0.00, based on diluted weighted average shares outstanding of 81.7 million, compared to a Non-GAAP net loss per share of \$0.12 for the same quarter in fiscal year 2023, based on diluted weighted average shares outstanding of 83.3 million.

Liquidity and Capital Resources

• The Company had \$853.6 million in cash, cash equivalents, and investments at October 31, 2023, compared to \$927.5 million at July 31, 2023. The Company used \$72.1 million in cash from operations during the first quarter of fiscal year 2024.

Business Outlook

Guidewire is issuing the following outlook for the second quarter of fiscal year 2024 based on current expectations:

- ARR between \$793 million and \$798 million
- Total revenue between \$237 million and \$243 million
- Operating income (loss) between \$(24) million and \$(19) million
- Non-GAAP operating income (loss) between \$15 million and \$20 million

Guidewire is updating the outlook for fiscal year 2024 based on current expectations as follows:

- ARR between \$846 million and \$858 million
- Total revenue between \$976 million and \$986 million
- Operating income (loss) between \$(75) million and \$(65) million
- Non-GAAP operating income (loss) between \$82 million and \$92 million
- Operating cash flow between \$115 million and \$135 million

Conference Call Information

What: Guidewire First Quarter Fiscal Year 2024 Financial Results Conference Call

When: Thursday, December 7, 2023
Time: 2:00 p.m. PT (5:00 p.m. ET)
Live Call: (877) 704-4453, Domestic
Live Call: (201) 389-0920, International

Replay: (844) 512-2921, Passcode 13742810, Domestic Replay (412) 317-6671, Passcode 13742810, International

Webcast: http://ir.guidewire.com/ (live and replay)

The webcast will be archived on Guidewire's website (www.guidewire.com) for a period of three months.

Non-GAAP Financial Measures and Other Metrics

This press release contains the following non-GAAP financial measures: non-GAAP gross profit, non-GAAP income (loss) from operations, non-GAAP net income (loss), non-GAAP tax provision (benefit), non-GAAP net income (loss) per share, and free cash flow. Non-GAAP gross profit and non-GAAP income (loss) from operations exclude stock-based compensation, amortization of intangibles, and acquisition consideration holdback. Non-GAAP net income (loss) and non-GAAP tax provision (benefit) also exclude the amortization of debt issuance costs from our convertible notes, and the related tax effects of the non-GAAP adjustments. Additionally, Non-GAAP net income (loss) per share excludes the interest expense on convertible debt. Free cash flow consists of net cash flow provided by (used in) operating activities less cash used for purchases of property and equipment and capitalized software development costs. These non-GAAP measures enable us to analyze our financial performance without the effects of certain non-cash items such as amortization, and stock-based compensation.

Annual recurring revenue ("ARR") is used to quantify the annualized recurring value outlined in active customer contracts at the end of a reporting period. ARR includes the annualized recurring value of term licenses, subscription agreements, support contracts, and hosting agreements based on customer contracts, which may not be the same as the timing and amount of revenue recognized. All components of the licensing and other arrangements that are not expected to recur (primarily perpetual licenses and professional services) are excluded. In some arrangements with multiple performance obligations, a portion of recurring license and support or subscription contract value is allocated to services revenue for revenue recognition purposes, but does not get allocated for purposes of calculating ARR. This revenue allocation only impacts the initial term of the contract. This means that as we increase arrangements with multiple performance obligations that include services at discounted rates, more of the total contract value will be recognized as services revenue, but our reported ARR amount will not be impacted. During the fiscal quarter ended October 31, 2023, the recurring license and support or subscription contract value recognized as services revenue was \$3.0 million.

Guidewire believes that these non-GAAP financial measures and other metrics 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 and other metrics 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 and other metrics 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 and other metrics 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. 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 the financial tables at the end of this press release, and not to rely on any single financial measure to evaluate the Company's business.

About Guidewire

Guidewire is the platform P&C insurers trust to engage, innovate, and grow efficiently. We combine digital, core, analytics, and machine learning to deliver our platform as a cloud service. More than 540 insurers in 40 countries, from new ventures to the largest and most complex in the world, run on Guidewire.

As a partner to our customers, we continually evolve to enable their success. We are proud of our unparalleled implementation track record, with more than 1,600 successful projects, supported by the largest R&D team and partner ecosystem in the industry. Our marketplace provides hundreds of applications that accelerate integration, localization, and innovation.

For more information, please visit www.guidewire.com and follow us on X (formerly known as Twitter) @Guidewire PandC and LinkedIn.

NOTE: For information about Guidewire's trademarks, visit https://www.guidewire.com/legal-notices.

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 and our future business momentum regarding our product leadership, cloud deals, financial targets, gross and operating margins, profitability, and our associated business plan, vision and strategy. 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 Guidewire 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: quarterly and annual operating results may fluctuate more than expected; seasonal and other variations related to our customer agreements and related revenue recognition may cause significant fluctuations in our results of operations, ARR, and cash flows; our reliance on sales to and renewals from a relatively small number of large customers for a substantial portion of our revenue and ARR; our ability to successfully manage any changes to our business model, including the transition of our products to cloud offerings and the costs related to cloud operations and security; the timing, success, and number of professional services engagements and the billing rates and utilization of our professional services employees and contractors; recent global events (including, without limitation, the ongoing wars between Israel and Hamas and between Russia and Ukraine, escalating tensions in the South China Sea, inflation higher than we have seen in decades, global pandemics, bank failures and associated financial instability and crises, and supply chain issues) and their impact on our employees and our business and the businesses of our customers, system integrator ("SI") partners, and vendors; data security breaches of our cloud-based services or products or unauthorized access to our customers' data, particularly in connection with our transition to a hybrid inperson and remote workforce; our competitive environment and changes thereto; issues in the development and use of artificial intelligence and machine learning combined with an uncertain regulatory environment; our services revenue produces lower gross margins than our license, subscription and support revenue; our product development and sales cycles are lengthy and may be affected by factors outside of our control; the impact of new regulations and laws (including, without limitation, security, privacy, artificial intelligence and machine learning, tax regulations and laws, and accounting standards); assertions by third parties that we violate their intellectual property rights; weakened global economic conditions may adversely affect the P&C insurance industry, including the rate of information technology spending; general political or destabilizing events, including war, conflict or acts of terrorism; our ability to sell our products is highly dependent on the quality of our professional services and SI partners; the risk of losing key employees; the challenges of international operations, including changes in foreign exchange rates in countries such as Argentina; 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. Guidewire 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.

Investor Contact:

Alex Hughes Guidewire (650) 356-4921 ir@guidewire.com

Media Contact:

Diana Stott Guidewire (650) 781-9955 dstott@guidewire.com

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED BALANCE SHEETS

(unaudited, in thousands)

CURRENT ASSETS: Cash and cash equivalents \$ 30,419 \$ 40,183 306,872 Accounts receivable, net 411,528 306,872 Accounts receivable, net 109,231 87,522 Accounts receivable, net 109,231 87,522 Accounts receivable, net 109,231 87,522 Accounts receivable, net 61,537 62,132 Accounts receivable, net 61,537 62,132 Accounts receivable, net 68,83 11,112 11,122 Accounts receivable, net 6,883 11,112 11,122 Accounts receivable, net 6,883 11,112 Accounts receivable, net 6,849 5,949 Accounts receivable, net 13,06 14,449 4,949 4,949 Accounts receivable, net 14,449 4,249 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 2,241 <		October 31, 2023		July 31, 2023	
Cash and cash equivalents \$ 301,49 \$ 401,813 Short-term investments 411,28 35,875 Accounts receivable, net 93,083 151,034 Unbilled accounts receivable, net 169,231 87,752 Prepaid expenses and other current assets 761,537 62,132 Total current assets 767,678 1,090,003 Long-term investments 1,064 1,287,82 Long-term investments 6,883 1,11,12 Property and equipment, net 55,280 54,499 Operating lease assets 30,402 2,237 Intangible assets, net 31,06 14,473 Godwill 372,214 372,214 Oberrad tax assets, net 39,822 2,268,75 Other assets 6,493 5,375 TOTA ASSETS 9,19,1959 5 32,932 Contract 4,696 1,695 1,605 TOTA Expert 1,91,295 5 3,745 Contract 1,91,295 5 3,745 Contract 1,92,205	ASSETS				
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Unbilled accounts receivable, net 109,231 87,522 Prepair de expenses and other current assets 61,537 62,132 Total current assets 976,798 1,099,603 Long-term investments 140,644 128,782 Unbilled accounts receivable, net 6,883 11,112 Property and equipment, net 55,280 54,499 Operating lease assets 50,402 52,333 Intagable assets, net 13,106 14,473 Godwill 372,214 372,214 Defered tax assets, net 34,822 22,875 Other assets 64,482 76,975 TOTAL ASSETS 5 1,915,597 2,027,888 LINELITIES AND STOCKHOLDERS' EQUITY 2 3,4627 Account payable \$ 19,210 \$ 34,627 Accured employee compensation 46,686 103,980 Deferred revenue, net 91,110 20,227,885 Other current liabilities 25,376 37,326 Case liabilities 3,915 5,988 Other liabilities 3,915 5	Short-term investments		411,528		396,872
Prepaid expenses and other current assets 61,537 62,132 Total current assets 976,798 1,099,603 Long-term investments 140,644 128,788 Unbilled accounts receivable, net 6,883 11,112 Property and equipment, net 55,200 52,333 Operating lease assets 50,402 52,333 Intagible sasets, net 13,106 14,473 Goodwill 23,822 226,875 Other assets 64,448 67,957 Other assets 64,448 67,957 TOTAL ASSETS 5 19,1957 5 2027,888 LABLITIES AND STOCKHOLDERS' EQUITY 5 20,278,88 5 19,195 5 34,627 CARCounts payable 5 19,102 5 34,627 Accounts payable 6 17,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 39,501 39,101 Convertible senior notes, net 40,872 40,972 Convertible se	Accounts receivable, net		93,083		151,034
Total current assets 976,798 1,099,030 Long-tern investments 140,644 128,782 Ubilidid accounts receivable, net 6,883 11,112 Property and equipment, net 55,280 54,499 Operating lease assets 50,402 52,373 Intangible assets, net 13,106 14,773 Goodwill 372,214 372,214 Operating lease assets, net 239,822 226,875 Other assets 64,48 67,957 TOTAL ASSETS 9,19,195 2027,888 TOTAL ASSETS 9,19,195 2027,888 LABILITIES AND STOCKHOLDER'S EQUITY 34,627 Accounts payable 9,19,195 34,627 Accounts payable 9,19,210 9,362 Account payable 9,19,210 9,362 Deferred revenue, net 171,103 20,923 Ober current liabilities 262,375 373,261 Lease liabilities 3,915 5,988 Other current liabilities 3,915 5,988 Other current liabilities <td>Unbilled accounts receivable, net</td> <td></td> <td>109,231</td> <td></td> <td>87,752</td>	Unbilled accounts receivable, net		109,231		87,752
Long-term investments 140,644 128,782 Unbilled accounts receivable, net 6,883 11,112 Property and equipment, net 55,200 54,499 Operating lease assets 50,402 52,373 Intangible assets, net 13,106 14,473 Goodwill 372,214 372,214 Deferred tax assets, net 64,448 67,957 Other assets 64,448 67,957 TOTAL ASSETS 5,19,19,597 \$ 2,027,888 LABILITIES AND STOCKHOLDERS' EQUITY 8 19,19,599 \$ 34,627 Accrued employee compensation 46,686 103,980 16,627 46,686 103,980 Deferred revenue, net 171,103 206,923 373,261 46,972 42,972	Prepaid expenses and other current assets		61,537		62,132
Unbilled accounts receivable, net 6,883 11,112 Property and equipment, net 55,280 54,499 Operating lease assets 50,402 52,373 Intangible assets, net 13,106 14,473 Goodwill 372,214 372,214 Deferred tax assets, net 239,822 226,875 Other assets 64,484 67,957 TOTAL ASSETS 1,919,597 \$ 20,27,888 LIABILITIES AND STOCKHOLDERS' EQUITY \$ 19,109 \$ 34,627 Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,31 Convertible senior notes, net 39,601 397,11 Deferred revenue, net 39,601 39,15 Other liabilities 39,601 39,001 Total liabilities 39,601 39,001 <	Total current assets		976,798		1,099,603
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Operating lease assets 50,402 52,373 Intangible assets, net 13,106 14,473 Goodwill 372,214 372,214 Deferred tax assets, net 239,822 226,875 Other assets 64,448 67,957 TOTAL ASSETS \$ 1,919,597 \$ 2,027,888 LIABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES. Accounts payable \$ 19,210 \$ 34,627 Accured employce compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Lease liabilities 40,872 42,972 Convertible senior notes, net 39,15 5,988 Other liabilities 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267	Unbilled accounts receivable, net		6,883		11,112
Intangible assets, net 13,106 14,473 Goodwill 372,214 372,214 Deferred tax assets, net 239,822 226,875 Other assets 64,448 67,957 TOTAL ASSETS \$ 1,919,597 \$ 2,027,888 LABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES Accounts payable \$ 19,210 \$ 34,627 Account amployee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,101 Deferred revenue, net 397,601 397,111 Deferred revenue, net 397,601 397,101 Deferred ibilities 397,601 397,101 Deferred revenue, net 397,601 397,101 Deferred revenue, net 39,15 5,988 Other liabilities 713,948 82,842 TOTAL liabilities 18,000	Property and equipment, net		55,280		54,499
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Deferred tax assets, net 239,822 226,875 Other assets 64,448 67,957 TOTAL ASSETS \$ 1,919,597 \$ 2,027,888 LIABILITIES CURRENT LIABILITIES: Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 397,601 397,171 Deferred revenue, net 39,185 9,885 Other liabilities 9,185 9,988 Other liabilities 9,185 9,988 Other liabilities 9,185 9,988 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859)	Intangible assets, net		13,106		14,473
Other assets 64,448 6,957 TOTAL ASSETS \$ 1,919,597 \$ 2,027,888 LABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES: Accounts payable \$ 19,210 \$ 34,627 Account employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 3,915 5,988 Other liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 8 Common stock 8 <td>Goodwill</td> <td></td> <td>372,214</td> <td></td> <td>372,214</td>	Goodwill		372,214		372,214
TOTAL ASSETS \$ 1,919,597 \$ 2,027,888 LIABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES: Accounts payable \$ 19,210 \$ 34,627 Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 8 Common stock 8 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,199,466	Deferred tax assets, net		239,822		226,875
LIABILITIES AND STOCKHOLDERS' EQUITY CURRENT LIABILITIES: Accounts payable \$ 19,210 \$ 34,627 Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Other assets		64,448		67,957
CURRENT LIABILITIES: Accounts payable \$ 19,210 \$ 34,627 Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	TOTAL ASSETS	\$	1,919,597	\$	2,027,888
Accounts payable \$ 19,210 \$ 34,627 Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 9,185 9,030 Total liabilities 8 8 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	LIABILITIES AND STOCKHOLDERS' EQUITY	-			
Accrued employee compensation 46,686 103,980 Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	CURRENT LIABILITIES:				
Deferred revenue, net 171,103 206,923 Other current liabilities 25,376 27,731 Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Accounts payable	\$	19,210	\$	34,627
Other current liabilities 25,376 27,731 Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Accrued employee compensation		46,686		103,980
Total current liabilities 262,375 373,261 Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Deferred revenue, net		171,103		206,923
Lease liabilities 40,872 42,972 Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Other current liabilities		25,376		27,731
Convertible senior notes, net 397,601 397,171 Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Total current liabilities		262,375		373,261
Deferred revenue, net 3,915 5,988 Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Lease liabilities		40,872		42,972
Other liabilities 9,185 9,030 Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Convertible senior notes, net		397,601		397,171
Total liabilities 713,948 828,422 STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Deferred revenue, net		3,915		5,988
STOCKHOLDERS' EQUITY: 8 8 Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Other liabilities		9,185		9,030
Common stock 8 8 Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Total liabilities		713,948		828,422
Additional paid-in capital 1,867,467 1,831,267 Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	STOCKHOLDERS' EQUITY:				
Accumulated other comprehensive income (loss) (16,805) (13,859) Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Common stock		8		8
Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Additional paid-in capital		1,867,467		1,831,267
Retained earnings (accumulated deficit) (645,021) (617,950) Total stockholders' equity 1,205,649 1,199,466	Accumulated other comprehensive income (loss)		(16,805)		(13,859)
Total stockholders' equity 1,205,649 1,199,466			(645,021)		(617,950)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY \$ 1,919,597 \$ 2,027,888	Total stockholders' equity		1,205,649		1,199,466
	TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$	1,919,597	\$	2,027,888

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(unaudited, in thousands except share and per share data)

		Three Months E	nded Oct	ober 31,
	-	2023		2022
Revenue:				
Subscription and support	\$	127,627	\$	99,068
License		34,025		40,952
Services		45,755		55,262
Total revenue		207,407		195,282
Cost of revenue ⁽¹⁾ :				
Subscription and support		48,054		55,691
License		1,219		1,873
Services		45,842		65,566
Total cost of revenue	-	95,115		123,130
Gross profit:				
Subscription and support		79,573		43,377
License		32,806		39,079
Services		(87)		(10,304)
Total gross profit		112,292		72,152
Operating expenses ⁽¹⁾ :	-			
Research and development		62,469		58,170
Sales and marketing		44,581		46,468
General and administrative		39,023		42,067
Total operating expenses		146,073		146,705
Income (loss) from operations		(33,781)		(74,553)
Interest income		10,613		4,638
Interest expense		(1,683)		(1,674)
Other income (expense), net		(13,742)		(13,824)
Income (loss) before provision for (benefit from) income taxes		(38,593)		(85,413)
Provision for (benefit from) income taxes		(11,522)		(16,095)
Net income (loss)	\$	(27,071)	\$	(69,318)
Net income (loss) per share:				
Basic and diluted	\$	(0.33)	\$	(0.83)
Shares used in computing net income (loss) per share:		, , , ,		(/
Basic and diluted		81,690,912		83,320,967

 $^{(1)}$ Amounts include stock-based compensation expense as follows:

		Three Months Ended October 31,			
	20)23		2022	
Stock-based compensation expense:					
Cost of subscription and support revenue	\$	3,462	\$	3,468	
Cost of license revenue		95		147	
Cost of services revenue		4,789		5,349	
Research and development		9,986		9,291	
Sales and marketing		7,729		6,887	
General and administrative		10,036		9,954	
Total stock-based compensation expense	\$	36,097	\$	35,096	

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(unaudited, in thousands)

Net income (loss) \$ (27,071) \$ (69,318) Adjustments to reconcile net income (loss) to net eash provided by (used in) operating activities: Depreciation and amortization 5,442 7,623 A mortization of debt issuance costs 430 423 A mortization of contract costs 4,064 4,490 Stock-based compensation 36,097 35,996 C hanges to allowance for credit losses and revenue reserves 128 (77 Deferred income tax (13,220) (18,035) A mortization of premium (accretion of discount) on available-for-sale securities, net (2927) 98 Other non-cash items affecting net income (loss) (2927) 34 Changes in operating assets and iabilities: 37,193 55,245 Unbilied accounts receivable 37,193 55,245 Unbilied accounts receivable 37,193 55,245 Unbilied accounts receivable (17,250) (26,59) Prepaid expenses and other assets (6,560) (839) Operating less assets (1,61) (4,441) A caccounts payable (16,982) (47,548			Three Months E	nded Oc	tober 31,
Net income (loss) \$ (27,071) \$ (69,318) Adjustments to reconcile net income (loss) to net eash provided by (used in) operating activities: Depreciation and amortization 5,442 7,623 A mortization of debt issuance costs 430 423 A mortization of contract costs 4,064 4,490 Stock-based compensation 36,097 35,996 C hanges to allowance for credit losses and revenue reserves 128 (77 Deferred income tax (13,220) (18,035) A mortization of premium (accretion of discount) on available-for-sale securities, net (2927) 98 Other non-cash items affecting net income (loss) (2927) 34 Changes in operating assets and iabilities: 37,193 55,245 Unbilied accounts receivable 37,193 55,245 Unbilied accounts receivable 37,193 55,245 Unbilied accounts receivable (17,250) (26,59) Prepaid expenses and other assets (6,560) (839) Operating less assets (1,61) (4,441) A caccounts payable (16,982) (47,548			2023		2022
Adjustments to reconcile net income (loss) to net eash provided by (used in) operating activities: Depreciation and amortization Depreciation and amortization Stock-based compensation Stock-based compensation Stock-based compensation Stock-based compensation Changes to allowance for credit losses and revenue reserves 128 CP Deferred income tax Amortization of permium (accretion of discount) on available-for-sale securities, net CP Deferred income tax Amortization of premium (accretion of discount) on available-for-sale securities, net CP Deferred income tax Amortization of premium (accretion of discount) on available-for-sale securities, net CP Changes in operating assets and liabilities: CR Accounts receivable Accounts receivable Dubilicd accounts receivable CP Dubilicd accou	CASH FLOWS FROM OPERATING ACTIVITIES:				
Depreciation and amortization 5,442 7,623 Amortization of debt issuance costs 4,064 4,490 Stock-based compensation 36,097 35,096 Changes to allowance for credit losses and revenue reserves 128 72 Deferred income tax (13,220) (18,035 Amortization of premium (accretion of discount) on available-for-sale securities, net (2,927) 98 Other non-cash items affecting net income (loss) (29 34 Changes in operating assets and liabilities: 87 (2,927) 98 Changes in operating assets and liabilities: 87 (2,927) 98 Accounts receivable (17,259) (2,059 9 Prepaid expenses and other assets (6,560) (839 Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548 Deferred revenue (37,893) (35,755) Lease liabilities (16,011) (4,441) Other liabilities (16,023) (7,283) <td></td> <td>*</td> <td>(27,071)</td> <td>\$</td> <td>(69,318)</td>		*	(27,071)	\$	(69,318)
Amortization of debt issuance costs 430 423 Amortization of contract costs 4,064 4,369 Stock-based compensation 36,097 35,906 Changes to allowance for credit losses and revenue reserves 128 (72 Deferred income tax (13,20) (18,035 Amortization of premium (accretion of discount) on available-for-sale securities, net (2,927) 98 Other non-cash items affecting net income (loss) (29) 34 Changes in operating assets and liabilities: (29) 34 Changes in operating assets and liabilities: (29) (20,699) Operating lease assets (17250) (20,699) Prepaid expenses and other assets (5,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrude employee compensation (54,576) (45,548) Deferred revenue (37,893) 33,575 Lease liabilities (1,601) (4,411) Other liabilities (70,203) (87,435) CASH FLOWS FROM INVESTING ACTIVIT	Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Amortization of contract costs 4,064 4,490 Stock-based compensation 36,097 35,096 Changes to allowance for credit losses and revenue reserves 128 (72 Deferred income tax (13,220) (18,035 Amortization of premium (accretion of discount) on available-for-sale securities, net (2927) 98 Other non-cash items affecting net income (loss) (299) 34 Changes in operating assets and liabilities: (299) 34 Accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets (1,971) 3,768 Accounts payable (16,982) 847 Accrued employee compensation (34,576) (45,548) Accrued employee compensation (34,576) (45,548) Deferred revenue (37,893) (33,575) Lease liabilities (70 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: (160,239) (169,232)	Depreciation and amortization		5,442		7,623
Stock-based compensation 36,097 35,096 Changes to allowance for credit losses and revenue reserves 128 (72 Deferred income tax (13,20) (18,20) Amortization of premium (accretion of discount) on available-for-sale securities, net (2,927) 98 Other non-cash items affecting net income (loss) (2,927) 98 Other non-cash items affecting net income (loss) (2,927) 98 Other non-cash items affecting net income (loss) (2,927) 98 Other non-cash items affecting net income (loss) (3,749) 52,425 Changes in operating assets and liabilities: 1,913 55,245 Accounts receivable (1,7250) (20,659 Prepaid expenses and other assets (6,560) (839 Operating lease assets 1,971 3,768 Accounts payable (16,922) 847 Accounts payable (16,922) 847 Accured employee compensation (34,874) (37,893) (33,575) Lease liabilities (1,601) (4,441) (4,601) (4,441) Other liabilities	Amortization of debt issuance costs		430		423
Changes to allowance for credit losses and revenue reserves 128 (72 Deferred income tax (13,20) (18,035) Amortization of premium (accretion of discount) on available-for-sale securities, net (2,927) 98 Other non-cash items affecting net income (loss) (29) 34 Changes in operating assets and liabilities: **** **** Accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets (1,971) 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548) Deferred revenue (37,893) (33,575) Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: *** Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291	Amortization of contract costs		4,064		4,490
Deferred income tax (13,20) (18,035) Amortization of premium (accretion of discount) on available-for-sale securities, net (2,97) 98 Other non-cash items affecting net income (loss) (29) 34 Changes in operating assets and liabilities: (29) 34 Accounts receivable 57,193 55,245 Unbilled accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (34,576) (45,548 Deferred revenue (37,893) (33,575) Lease liabilities (1601) (4,441) Other liabilities 701 (2,572 Net cash provided by (used in) operating activities (72,083) (87,435 CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of available-for-sale securities (160,239) (169,232 Maturities and sales of available-for-sale securities (160,239) (3,697) Purchases of property and equipment (998)	Stock-based compensation		36,097		35,096
Amortization of premium (accretion of discount) on available-for-sale securities, net (2.927) 98 Other non-cash items affecting net income (loss) (29) 34 Changes in operating assets and liabilities: Accounts receivable 57,193 55,245 Unbilled accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548) Deferred revenue (37,893) (33,575) Lease liabilities (1,601) (4,441) Other liabilities (1,601) (4,441) Other liabilities (1,601) (4,441) Other liabilities (1,601) (4,451) Other liabilities (1,601) (4,451) Active of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities (160,239) (3,697) Acquisition of strategic investments (250) (181) Net eash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM INVESTING ACTIVITIES: Repurchase and retirement of common stock — (200,000) Net eash provided by (used in) investing activities — (200,000) Ret cash provided by (used in) investing activities — (200,000) Ret cash provided by (used in) financing activities — (200,000) Acquisition of strategic investments (4,303) (2,992) CASH FLOWS FROM INNACING ACTIVITIES: Repurchase and retirement of common stock — (200,000) Ret cash provided by (used in) financing activities — (200,000) Acquisition of strategic investments (4,303) (2,992) CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000) Act cash provided by (used in) financing activities — (200,000) Act cash provided by (used in) financing activities — (200,000) Act cash provided by (used in) financing activities — (200,000) Act cash provided by (used in) financing activities — (200,000) Act (1,407) (3,44,850) Act (1,407) (3,44,850) Act (1,407) (4,407) (4,4850) Act (1,407) (4,407) (4,4850) Act (1,407) (4,407) (4,4850) Act (1,407) (4,407) (4,407) (4,407) (4,407)	Changes to allowance for credit losses and revenue reserves		128		(72)
Other non-cash items affecting net income (loss) (29) 34 Changes in operating assets and liabilities: Secondary (17,25) 55,245 Accounts receivable 57,193 55,245 Unbilled accounts receivable (17,250) (20,659 Prepaid expenses and other assets (6,560) (839 Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accured employee compensation (54,576) (45,548 Deferred revenue (37,893) (33,575 Lease liabilities (1,601) (4,441 Other liabilities 701 (2,572 Net cash provided by (used in) operating activities 701 (2,572 CASH FLOWS FROM INVESTING ACTIVITIES: 701 (160,239) (169,232 Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash pr	Deferred income tax		(13,220)		(18,035)
Changes in operating assets and liabilities: 57,193 55,245 Accounts receivable 57,193 55,245 Unbilled accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,584) Deferred revenue (37,893) (33,787) Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,355) CASH FLOWS FROM INVESTING ACTIVITIES: (160,239) (169,232) Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities (36,692) (3,697) Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by	Amortization of premium (accretion of discount) on available-for-sale securities, net		(2,927)		98
Accounts receivable 57,193 55,245 Unbilled accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,1971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548) Deferred revenue (37,893) (33,575) Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: **** **** Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities — (200,000 CASH FLOWS FROM FINANCING A	Other non-cash items affecting net income (loss)		(29)		34
Unbilled accounts receivable (17,250) (20,659) Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548) Deferred revenue (37,893) (33,757) Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: Turchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities (160,239) (169,232) Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: <td>Changes in operating assets and liabilities:</td> <td></td> <td></td> <td></td> <td></td>	Changes in operating assets and liabilities:				
Prepaid expenses and other assets (6,560) (839) Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548 Deferred revenue (37,893) (33,578) Lease liabilities (1,601) (4,441 Other liabilities 701 (2,572) Net cash provided by (used in) operating activities 701 (2,572) CASH FLOWS FROM INVESTING ACTIVITIES: 160,239 (169,232) Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,692) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: — (200,000 Repurchase and retirement of common stock — (200,000 N	Accounts receivable		57,193		55,245
Operating lease assets 1,971 3,768 Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548 Deferred revenue (37,893) (33,575 Lease liabilities (1,601) (4,441 Other liabilities 701 (2,572 Net cash provided by (used in) operating activities (72,083) (87,435 CASH FLOWS FROM INVESTING ACTIVITIES: *** *** Purchases of available-for-sale securities (160,239) (169,232 Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: ** ** Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 <th< td=""><td>Unbilled accounts receivable</td><td></td><td>(17,250)</td><td></td><td>(20,659)</td></th<>	Unbilled accounts receivable		(17,250)		(20,659)
Accounts payable (16,982) 847 Accrued employee compensation (54,576) (45,548 Deferred revenue (37,893) (33,575 Lease liabilities (1,601) (4,441 Other liabilities 701 (2,572 Net cash provided by (used in) operating activities (72,083) (87,435 CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,692) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Net cash provided by (used in) financing activities — (200,000 The cash provided by (used in) financing activities <	Prepaid expenses and other assets		(6,560)		(839)
Accrued employee compensation (54,548) Deferred revenue (37,893) (33,575) Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: Temperature of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: Temperature of common stock — (200,000) CASH FLOWS From Financing activities — (200,000) CASH FLOWS From Financing activities — (200,000) CASH FLOWS From Financing activities — (200,000) Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (Operating lease assets		1,971		3,768
Deferred revenue (37,893) (33,575 Lease liabilities (1,601) (4,441 Other liabilities 701 (2,572 Net cash provided by (used in) operating activities (72,083) (87,435 CASH FLOWS FROM INVESTING ACTIVITIES: *** Purchases of available-for-sale securities (160,239) (169,232 Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: ** (200,000 Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992 NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850 CASH,	Accounts payable		(16,982)		847
Lease liabilities (1,601) (4,441) Other liabilities 701 (2,572) Net cash provided by (used in) operating activities (72,083) (87,435) CASH FLOWS FROM INVESTING ACTIVITIES: (160,239) (169,232) Purchases of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: — (200,000	Accrued employee compensation		(54,576)		(45,548)
Other liabilities 701 (2,572 Net cash provided by (used in) operating activities (72,083) (87,435 CASH FLOWS FROM INVESTING ACTIVITIES: Purchases of available-for-sale securities (160,239) (169,232) Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: — (200,000 Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992 NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Deferred revenue		(37,893)		(33,575)
Net cash provided by (used in) operating activities (72,083) (87,435)	Lease liabilities		(1,601)		(4,441)
Purchases of available-for-sale securities (160,239) (169,232 Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Seffect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992) NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850) CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Other liabilities		701		(2,572)
Purchases of available-for-sale securities (160,239) (169,232 Maturities and sales of available-for-sale securities 137,386 119,291 Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Ciffect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850 CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (614,686)	Net cash provided by (used in) operating activities		(72,083)		(87,435)
Maturities and sales of available-for-sale securities Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock Net cash provided by (used in) financing activities CHECASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock Net cash provided by (used in) financing activities CHECASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock Output Output	CASH FLOWS FROM INVESTING ACTIVITIES:				
Purchases of property and equipment (998) (604 Capitalized software development costs (3,692) (3,697 Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423 CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992 NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850) CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Purchases of available-for-sale securities		(160,239)		(169,232)
Capitalized software development costs (3,692) (3,697) Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash (4,303) (2,992) NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850) CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Maturities and sales of available-for-sale securities		137,386		119,291
Acquisition of strategic investments (250) (181 Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000 Net cash provided by (used in) financing activities — (200,000) Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Purchases of property and equipment		(998)		(604)
Net cash provided by (used in) investing activities (27,793) (54,423) CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock — (200,000) Net cash provided by (used in) financing activities — (200,000) Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH (104,179) (344,850) CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Capitalized software development costs		(3,692)		(3,697)
CASH FLOWS FROM FINANCING ACTIVITIES: Repurchase and retirement of common stock Net cash provided by (used in) financing activities Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period RET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period	Acquisition of strategic investments		(250)		(181)
Repurchase and retirement of common stock Net cash provided by (used in) financing activities Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period (200,000 (4,303) (2,992 (104,179) (344,850 (ASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period	Net cash provided by (used in) investing activities		(27,793)		(54,423)
Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	CASH FLOWS FROM FINANCING ACTIVITIES:				
Net cash provided by (used in) financing activities — (200,000 Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686	Repurchase and retirement of common stock		_		(200,000)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period (104,179) (344,850 614,686			_		(200,000)
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period (104,179) (344,850 614,686			(4,303)	-	(2,992)
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period 406,790 614,686					
					614,686
	CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—End of period	\$	302,611	\$	269,836

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES Reconciliation of GAAP to Non-GAAP Financial Measures

(unaudited, in thousands)

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

Control of the contro	Three Months Ended October 31,			
	 2023			
Gross profit reconciliation:				
GAAP gross profit	\$ 112,292	\$	72,152	
Non-GAAP adjustments:				
Stock-based compensation	8,346		8,964	
Amortization of intangibles	485		1,905	
Non-GAAP gross profit	\$ 121,123	\$	83,021	
Income (loss) from operations reconciliation:				
GAAP income (loss) from operations	\$ (33,781)	\$	(74,553)	
Non-GAAP adjustments:	, , ,		, ,	
Stock-based compensation	36,097		35,096	
Amortization of intangibles	1,367		2,787	
Acquisition consideration holdback	386		773	
Non-GAAP income (loss) from operations	\$ 4,069	\$	(35,897)	
Net income (loss) reconciliation:				
GAAP net income (loss)	\$ (27,071)	\$	(69,318)	
Non-GAAP adjustments:				
Stock-based compensation	36,097		35,096	
Amortization of intangibles	1,367		2,787	
Acquisition consideration holdback	386		773	
Amortization of debt issuance costs	430		423	
Tax impact of non-GAAP adjustments	(11,493)		20,378	
Non-GAAP net income (loss)	\$ (284)	\$	(9,861)	
Tax provision (benefit) reconciliation:				
GAAP tax provision (benefit)	\$ (11,522)	\$	(16,095)	
Non-GAAP adjustments:				
Stock-based compensation	3,379		27,626	
Amortization of intangibles	128		2,194	
Acquisition consideration holdback	36		608	
Amortization of debt issuance costs	40		333	
Tax impact of non-GAAP adjustments	 7,910		(51,139)	
Non-GAAP tax provision (benefit)	\$ (29)	\$	(36,473)	

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES

Reconciliation of GAAP to Non-GAAP Financial Measures

(unaudited, in thousands except share and per share data)

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

		Three Months E	nded Octo	ber 31,
	2	023		2022
Net income (loss) per share reconciliation:				
GAAP net income (loss) per share – diluted	\$	(0.33)	\$	(0.83)
Non-GAAP adjustments:				
Stock-based compensation		0.44		0.42
Amortization of intangibles		0.02		0.03
Acquisition consideration holdback		_		0.01
Amortization of debt issuance costs		0.01		0.01
Tax impact of non-GAAP adjustments		(0.14)		0.24
Non-GAAP net income (loss) per share – diluted	\$		\$	(0.12)
Shares used in computing Non-GAAP income (loss) per share amounts:				
GAAP and pro forma weighted average shares — diluted		81,690,912		83,320,967

The following table summarizes our free cash flow for the periods indicated below:

	Three Months E	nded O	ctober 31,
	 2023		2022
Free cash flow:			
Net cash provided by (used in) operating activities	\$ (72,083)	\$	(87,435)
Purchases of property and equipment	(998)		(604)
Capitalized software development costs	(3,692)		(3,697)
Free cash flow	\$ (76,773)	\$	(91,736)

GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES

Reconciliation of GAAP to Non-GAAP Outlook

 $The following table \ reconciles \ the \ specific \ items \ excluded \ from \ GAAP \ outlook \ in \ the \ calculation \ of \ non-GAAP \ outlook \ for \ the \ periods \ indicated \ below \ (in \ millions):$

		cond Quai cal Year 2			Fiscal Year 2024		
Income (loss) from operations outlook reconciliation:				,			
GAAP income (loss) from operations	\$(24)	_	\$(19)		\$(75)	_	\$(65)
Non-GAAP adjustments:							
Stock-based compensation	38	_	38		150	_	150
Amortization of intangibles	1	_	1		6	_	6
Acquisition consideration holdback	_	_	_		1	_	1
Non-GAAP income (loss) from operations	\$15		\$20		\$82		\$92