

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - GAAP**  
(unaudited, in thousands except share and per share data)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Revenue:</b>										
Subscription and support	\$ 78,990	\$ 84,297	\$ 86,851	\$ 93,570	\$ 343,708	\$ 99,068	\$ 105,754	\$ 107,499	\$ 117,346	\$ 429,667
License	40,153	69,798	53,894	94,786	258,631	40,952	73,115	50,602	100,924	265,593
Services	46,791	50,538	56,703	56,243	210,275	55,262	53,742	49,389	51,688	210,081
<b>Total revenue</b>	<b>165,934</b>	<b>204,633</b>	<b>197,448</b>	<b>244,599</b>	<b>812,614</b>	<b>195,282</b>	<b>232,611</b>	<b>207,490</b>	<b>269,958</b>	<b>905,341</b>
<b>Cost of revenue:</b>										
Subscription and support	48,050	48,276	51,831	54,675	202,832	55,691	48,924	52,281	53,611	210,507
License	2,339	2,254	1,951	2,210	8,754	1,873	1,845	1,243	1,527	6,488
Services	47,151	51,912	59,742	65,047	223,852	65,566	58,379	55,048	51,142	230,135
<b>Total cost of revenue</b>	<b>97,540</b>	<b>102,442</b>	<b>113,524</b>	<b>121,932</b>	<b>435,438</b>	<b>123,130</b>	<b>109,148</b>	<b>108,572</b>	<b>106,280</b>	<b>447,130</b>
<b>Gross profit:</b>										
Subscription and support	30,940	36,021	35,020	38,895	140,876	43,377	56,830	55,218	63,735	219,160
License	37,814	67,544	51,943	92,576	249,877	39,079	71,270	49,359	99,397	259,105
Services	(360)	(1,374)	(3,039)	(8,804)	(13,577)	(10,304)	(4,637)	(5,659)	546	(20,054)
<b>Total gross profit</b>	<b>68,394</b>	<b>102,191</b>	<b>83,924</b>	<b>122,667</b>	<b>377,176</b>	<b>72,152</b>	<b>123,463</b>	<b>98,918</b>	<b>163,678</b>	<b>458,211</b>
<b>Operating expenses:</b>										
Research and development	55,124	55,804	58,440	59,862	229,230	58,170	61,702	63,055	66,819	249,746
Sales and marketing	41,005	48,507	44,615	48,493	182,620	46,468	44,781	46,864	50,111	188,224
General and administrative	37,642	37,337	43,273	46,521	164,773	42,067	40,196	46,815	40,653	169,731
<b>Total operating expenses</b>	<b>133,771</b>	<b>141,648</b>	<b>146,328</b>	<b>154,876</b>	<b>576,623</b>	<b>146,705</b>	<b>146,679</b>	<b>156,734</b>	<b>157,583</b>	<b>607,701</b>
<b>Income (loss) from operations</b>	<b>(65,377)</b>	<b>(39,457)</b>	<b>(62,404)</b>	<b>(32,209)</b>	<b>(199,447)</b>	<b>(74,553)</b>	<b>(23,216)</b>	<b>(57,816)</b>	<b>6,095</b>	<b>(149,490)</b>
Interest income	674	699	1,000	3,904	6,277	4,638	5,392	6,627	7,732	24,389
Interest expense	(4,794)	(4,833)	(4,885)	(4,934)	(19,446)	(1,674)	(1,677)	(1,683)	(1,682)	(6,716)
Other income (expense), net	1,183	(8,045)	(6,932)	(3,305)	(17,099)	(13,824)	11,291	(3,356)	3,612	(2,277)
<b>Income (loss) before provision for (benefit from) income taxes</b>	<b>(68,314)</b>	<b>(51,636)</b>	<b>(73,221)</b>	<b>(36,544)</b>	<b>(229,715)</b>	<b>(85,413)</b>	<b>(8,210)</b>	<b>(56,228)</b>	<b>15,757</b>	<b>(134,094)</b>
Provision for (benefit from) income taxes	(17,038)	(10,955)	(15,777)	(5,514)	(49,284)	(16,095)	979	(10,660)	3,537	(22,239)
<b>Net income (loss)</b>	<b>\$ (51,276)</b>	<b>\$ (40,681)</b>	<b>\$ (57,444)</b>	<b>\$ (31,030)</b>	<b>\$ (180,431)</b>	<b>\$ (69,318)</b>	<b>\$ (9,189)</b>	<b>\$ (45,568)</b>	<b>\$ 12,220</b>	<b>\$ (111,855)</b>
These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <a href="http://ir.guidewire.com/phoenix.zhtml?c=248177&amp;p=irol-sec">http://ir.guidewire.com/phoenix.zhtml?c=248177&amp;p=irol-sec</a> .										
<b>Earnings per share:</b>										
Basic and Diluted	\$ (0.62)	\$ (0.49)	\$ (0.69)	\$ (0.37)	\$ (2.17)	\$ (0.83)	\$ (0.11)	\$ (0.56)	\$ 0.15	\$ (1.36)
<b>Shares used in computing net earnings per share:</b>										
Basic	83,225,743	83,413,643	83,689,429	83,953,164	83,569,517	83,320,967	82,051,867	81,832,244	81,490,213	82,176,629
Diluted	83,225,743	83,413,643	83,689,429	83,953,164	83,577,375	83,320,967	82,051,867	81,832,244	82,135,106	82,176,629

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - GAAP**  
**(unaudited, in thousands except share and per share data)**

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Impairment of equity in strategic investment</b>	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 802	\$ 802
<b>Stock-based compensation</b>	\$ 32,240	\$ 37,865	\$ 32,928	\$ 33,978	\$ 137,011	\$ 35,096	\$ 36,179	\$ 35,019	\$ 36,548	\$ 142,842

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&n=irol-sec>

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Non-GAAP Adjustments**  
(unaudited, in thousands)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
Amortization of intangibles	\$ 1,811	\$ 1,905	\$ 1,905	\$ 1,905	\$ 7,526	\$ 1,905	\$ 485	\$ 485	\$ 485	\$ 3,360
Stock-based compensation	3,030	3,406	3,450	3,336	13,222	3,468	3,440	3,580	3,585	14,073
<b>Total adjustment to cost of revenue - subscription and support</b>	<b>\$ 4,841</b>	<b>\$ 5,311</b>	<b>\$ 5,355</b>	<b>\$ 5,241</b>	<b>\$ 20,748</b>	<b>\$ 5,373</b>	<b>\$ 3,925</b>	<b>\$ 4,065</b>	<b>\$ 4,070</b>	<b>\$ 17,433</b>
Amortization of intangibles	\$ 133	\$ —	\$ —	\$ —	\$ 133	\$ —	\$ —	\$ —	\$ —	\$ —
Stock-based compensation	182	189	170	151	692	147	119	93	104	463
<b>Total adjustment to cost of revenue - license</b>	<b>\$ 315</b>	<b>\$ 189</b>	<b>\$ 170</b>	<b>\$ 151</b>	<b>\$ 825</b>	<b>\$ 147</b>	<b>\$ 119</b>	<b>\$ 93</b>	<b>\$ 104</b>	<b>\$ 463</b>
Stock-based compensation	\$ 5,189	\$ 5,552	\$ 5,025	\$ 5,212	\$ 20,978	\$ 5,349	\$ 4,397	\$ 4,631	\$ 4,880	\$ 19,257
<b>Total adjustment to cost of revenue - services</b>	<b>\$ 5,189</b>	<b>\$ 5,552</b>	<b>\$ 5,025</b>	<b>\$ 5,212</b>	<b>\$ 20,978</b>	<b>\$ 5,349</b>	<b>\$ 4,397</b>	<b>\$ 4,631</b>	<b>\$ 4,880</b>	<b>\$ 19,257</b>
Stock-based compensation	\$ 7,997	\$ 8,719	\$ 8,124	\$ 8,606	\$ 33,446	\$ 9,291	\$ 10,301	\$ 10,084	\$ 10,189	\$ 39,865
Acquisition consideration holdback	673	836	809	749	3,067	773	730	706	730	2,939
<b>Total adjustment to research and development</b>	<b>\$ 8,670</b>	<b>\$ 9,555</b>	<b>\$ 8,933</b>	<b>\$ 9,355</b>	<b>\$ 36,513</b>	<b>\$ 10,064</b>	<b>\$ 11,031</b>	<b>\$ 10,790</b>	<b>\$ 10,919</b>	<b>\$ 42,804</b>
Stock-based compensation	\$ 7,113	\$ 10,379	\$ 6,787	\$ 7,002	\$ 31,281	\$ 6,887	\$ 8,024	\$ 7,432	\$ 7,582	\$ 29,925
Amortization of intangibles	1,810	1,865	1,865	882	6,422	882	882	882	882	3,528
<b>Total adjustment to sales and marketing</b>	<b>\$ 8,923</b>	<b>\$ 12,244</b>	<b>\$ 8,652</b>	<b>\$ 7,884</b>	<b>\$ 37,703</b>	<b>\$ 7,769</b>	<b>\$ 8,906</b>	<b>\$ 8,314</b>	<b>\$ 8,464</b>	<b>\$ 33,453</b>
Stock-based compensation	\$ 8,729	\$ 9,620	\$ 9,372	\$ 9,671	\$ 37,392	\$ 9,954	\$ 9,898	\$ 9,199	\$ 10,208	\$ 39,259
Net impact of assignment of lease agreement <sup>(1)</sup>	—	—	—	—	—	—	—	8,502	—	8,502
<b>Total adjustment to general and administrative</b>	<b>\$ 8,729</b>	<b>\$ 9,620</b>	<b>\$ 9,372</b>	<b>\$ 9,671</b>	<b>\$ 37,392</b>	<b>\$ 9,954</b>	<b>\$ 9,898</b>	<b>\$ 17,701</b>	<b>\$ 10,208</b>	<b>\$ 47,761</b>
Amortization of debt discount and issuance costs	\$ 3,524	\$ 3,572	\$ 3,623	\$ 3,672	\$ 14,391	\$ 423	\$ 425	\$ 426	\$ 429	\$ 1,703
<b>Total adjustment to interest expense</b>	<b>\$ 3,524</b>	<b>\$ 3,572</b>	<b>\$ 3,623</b>	<b>\$ 3,672</b>	<b>\$ 14,391</b>	<b>\$ 423</b>	<b>\$ 425</b>	<b>\$ 426</b>	<b>\$ 429</b>	<b>\$ 1,703</b>
Changes in fair value of strategic investment	\$ —	\$ —	\$ —	\$ (1,538)	\$ (1,538)	\$ —	\$ —	\$ —	\$ 802	\$ 802
<b>Total adjustment to other income (expense), net</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ (1,538)</b>	<b>\$ (1,538)</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 802</b>	<b>\$ 802</b>
Non-GAAP tax impact	\$ (6,966)	\$ (10,165)	\$ (5,510)	\$ (6,464)	\$ (29,105)	\$ 20,378	\$ (46,863)	\$ (6,824)	\$ 11,071	\$ (22,238)
<b>Total adjustment to provision for (benefit from) income taxes</b>	<b>\$ (6,966)</b>	<b>\$ (10,165)</b>	<b>\$ (5,510)</b>	<b>\$ (9,540)</b>	<b>\$ (32,181)</b>	<b>\$ 20,378</b>	<b>\$ (46,863)</b>	<b>\$ (6,824)</b>	<b>\$ 12,675</b>	<b>\$ (20,634)</b>

<sup>(1)</sup> During the third quarter of fiscal year 2023, the Company recorded in general and administrative expenses a net loss of \$8.5 million related to the assignment of the lease agreement for the remaining lease term of the Company's previous headquarters. The loss is comprised of an \$18.4 million gain from the de-recognition of the operating lease asset of \$56.9 million, the de-recognition of the lease liability of \$75.5 million, and other expenses related to the lease assignment of \$0.2 million, offset by accelerated depreciation expense related to property and equipment, primarily consisting of leasehold improvements at the previous headquarters of \$26.9 million. Prior to the third quarter of fiscal year 2023, there were no transactions similar to the lease assignment in any periods presented.

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&p=irol-sec>.

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Other Reconciliations**  
(unaudited)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Reconciliation of GAAP to Non-GAAP earnings per share:</b>										
GAAP diluted earnings per share	\$ (0.62)	\$ (0.49)	\$ (0.69)	\$ (0.37)	\$ (2.17)	\$ (0.83)	\$ (0.11)	\$ (0.56)	\$ 0.15	\$ (1.36)
Amortization of intangibles	0.05	0.05	0.05	0.03	0.18	0.03	0.02	0.02	0.02	0.08
Stock-based compensation	0.39	0.45	0.39	0.40	1.63	0.42	0.44	0.43	0.44	1.74
Amortization of debt discount and issuance costs	0.04	0.04	0.04	0.04	0.16	0.01	0.01	0.01	—	0.02
Changes in fair value of strategic investment	—	—	—	0.02	0.02	—	—	—	0.01	0.01
Acquisition consideration holdback	0.01	0.01	0.01	0.01	0.04	0.01	0.01	0.01	0.01	0.04
Net impact of assignment of lease agreement <sup>(1)</sup>	—	—	—	—	—	—	—	0.10	—	0.10
Non-GAAP tax impact	(0.09)	(0.12)	(0.06)	(0.08)	(0.35)	0.24	(0.58)	(0.09)	0.13	(0.28)
Interest expense on convertible debt <sup>(2)</sup>	—	—	—	—	—	—	—	—	0.01	—
Non-GAAP dilutive shares excluded from GAAP EPS calculation	—	—	—	(0.02)	(0.02)	—	—	—	(0.03)	—
Non-GAAP diluted earnings per share	<b>\$ (0.22)</b>	<b>\$ (0.06)</b>	<b>\$ (0.26)</b>	<b>\$ 0.03</b>	<b>\$ (0.51)</b>	<b>\$ (0.12)</b>	<b>\$ (0.21)</b>	<b>\$ (0.08)</b>	<b>\$ 0.74</b>	<b>\$ 0.35</b>
Diluted weighted average shares outstanding	83,225,743	83,413,643	83,689,429	83,953,164	83,569,517	83,320,967	82,051,867	81,832,244	82,135,106	82,176,629
Non-GAAP dilutive shares excluded from GAAP EPS calculation	—	—	—	149,169	149,169	—	—	—	3,516,480	466,516
Diluted weighted average shares outstanding	<b>83,225,743</b>	<b>83,413,643</b>	<b>83,689,429</b>	<b>84,102,333</b>	<b>83,718,686</b>	<b>83,320,967</b>	<b>82,051,867</b>	<b>81,832,244</b>	<b>85,651,586</b>	<b>82,643,145</b>
<b>Gross margin:</b>										
<b>Subscription and support:</b>										
GAAP gross margin	39.2 %	42.7 %	40.4 %	41.6 %	41.0 %	43.8 %	53.7 %	51.4 %	54.3 %	51.0 %
Stock-based compensation	3.8 %	4.0 %	3.9 %	3.6 %	3.8 %	3.5 %	3.3 %	3.3 %	3.1 %	3.3 %
Amortization of intangibles	2.3 %	2.3 %	2.2 %	2.0 %	2.2 %	1.9 %	0.5 %	0.5 %	0.4 %	0.8 %
Non-GAAP gross margin	<b>45.3 %</b>	<b>49.0 %</b>	<b>46.5 %</b>	<b>47.2 %</b>	<b>47.0 %</b>	<b>49.2 %</b>	<b>57.5 %</b>	<b>55.2 %</b>	<b>57.8 %</b>	<b>55.1 %</b>
<b>License:</b>										
GAAP gross margin	94.2 %	96.8 %	96.4 %	97.7 %	96.6 %	95.4 %	97.5 %	97.5 %	98.5 %	97.6 %
Stock-based compensation	0.5 %	0.3 %	0.3 %	0.2 %	0.3 %	0.4 %	0.2 %	0.2 %	0.1 %	0.2 %
Amortization of intangibles	0.3 %	— %	— %	— %	0.1 %	— %	— %	— %	— %	— %
Non-GAAP gross margin	<b>95.0 %</b>	<b>97.1 %</b>	<b>96.7 %</b>	<b>97.9 %</b>	<b>97.0 %</b>	<b>95.8 %</b>	<b>97.7 %</b>	<b>97.7 %</b>	<b>98.6 %</b>	<b>97.8 %</b>
<b>Services:</b>										
GAAP gross margin	(0.8)%	(2.7)%	(5.4)%	(15.7)%	(6.5)%	(18.7)%	(8.6)%	(11.5)%	1.1 %	(9.6)%
Stock-based compensation	11.1 %	11.0 %	8.9 %	9.3 %	10.0 %	9.7 %	8.2 %	9.4 %	9.4 %	9.2 %
Non-GAAP gross margin	<b>10.3 %</b>	<b>8.3 %</b>	<b>3.5 %</b>	<b>(6.4)%</b>	<b>3.5 %</b>	<b>(9.0)%</b>	<b>(0.4)%</b>	<b>(2.1)%</b>	<b>10.5 %</b>	<b>(0.4)%</b>
<b>Overall:</b>										
GAAP gross margin	41.2 %	49.9 %	42.5 %	50.1 %	46.5 %	36.9 %	53.1 %	47.7 %	60.6 %	50.6 %
Amortization of intangibles	1.2 %	0.9 %	1.0 %	0.8 %	0.9 %	1.0 %	0.2 %	0.2 %	0.2 %	0.4 %
Stock-based compensation	5.1 %	4.5 %	4.4 %	3.6 %	4.3 %	4.6 %	3.4 %	4.0 %	3.2 %	3.7 %
Non-GAAP gross margin	<b>47.5 %</b>	<b>55.3 %</b>	<b>47.9 %</b>	<b>54.5 %</b>	<b>51.7 %</b>	<b>42.5 %</b>	<b>56.7 %</b>	<b>51.9 %</b>	<b>64.0 %</b>	<b>54.7 %</b>

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Other Reconciliations**  
**(unaudited)**

(1) During the third quarter of fiscal year 2023, the Company recorded in general and administrative expenses a net loss of \$8.5 million related to the assignment of the lease agreement for the remaining lease term of the Company's previous headquarters. The loss is comprised of an \$18.4 million gain from the de-recognition of the operating lease asset of \$56.9 million, the de-recognition of the lease liability of \$75.5 million, and other expenses related to the lease assignment of \$0.2 million, offset by accelerated depreciation expense related to property and equipment, primarily consisting of leasehold improvements, at the previous headquarters of \$26.9 million. Prior to the third quarter of fiscal year 2023, there were no transactions similar to the lease assignment in any periods presented.

(2) During the fourth quarter of fiscal year 2023, the Company's Convertible Notes were dilutive due to non-GAAP net income. Accordingly, \$1.0 million of interest expense related to the Convertible Notes

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&p=irol-sec>.

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Key Metrics**  
(unaudited, in thousands)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Annual recurring revenue (in millions):</b>										
Annual recurring revenue <sup>(1)</sup>	\$ 594	\$ 620	\$ 637	\$ 683	\$ 664	\$ 673	\$ 707	\$ 722	\$ 761	\$ 763
<b>Subscription and support revenue breakdown:</b>										
Subscription revenue	57,129	62,871	66,419	72,813	259,232	78,977	86,015	89,091	98,062	352,145
Support revenue	21,861	21,426	20,432	20,757	84,476	20,091	19,739	18,408	19,284	77,522
<b>Total subscription and support revenue</b>	<b>\$ 78,990</b>	<b>\$ 84,297</b>	<b>\$ 86,851</b>	<b>\$ 93,570</b>	<b>\$ 343,708</b>	<b>\$ 99,068</b>	<b>\$ 105,754</b>	<b>\$ 107,499</b>	<b>\$ 117,346</b>	<b>\$ 429,667</b>
<b>License revenue breakdown:</b>										
Term license revenue	\$ 40,105	\$ 69,750	\$ 53,848	\$ 94,737	\$ 258,440	\$ 40,889	\$ 73,067	\$ 50,556	\$ 100,877	\$ 265,389
Perpetual license revenue	48	48	46	49	191	63	48	46	47	204
<b>Total license revenue</b>	<b>\$ 40,153</b>	<b>\$ 69,798</b>	<b>\$ 53,894</b>	<b>\$ 94,786</b>	<b>\$ 258,631</b>	<b>\$ 40,952</b>	<b>\$ 73,115</b>	<b>\$ 50,602</b>	<b>\$ 100,924</b>	<b>\$ 265,593</b>
<b>Adjusted free cash flow:</b>										
Net cash provided by (used in) operating activities	\$ (107,042)	\$ (3,010)	\$ (11,480)	\$ 83,592	\$ (37,940)	\$ (87,435)	\$ 1,220	\$ (48,627)	\$ 173,237	\$ 38,395
Purchases of property and equipment	(3,333)	(3,657)	(986)	(1,534)	(9,510)	(604)	(1,333)	(677)	(3,207)	(5,821)
Capitalized software development costs	(3,783)	(2,414)	(2,990)	(3,079)	(12,266)	(3,697)	(2,421)	(2,759)	(2,729)	(11,606)
<b>Total free cash flow</b>	<b>\$ (114,158)</b>	<b>\$ (9,081)</b>	<b>\$ (15,456)</b>	<b>\$ 78,979</b>	<b>\$ (59,716)</b>	<b>\$ (91,736)</b>	<b>\$ (2,534)</b>	<b>\$ (52,063)</b>	<b>\$ 167,301</b>	<b>\$ 20,968</b>

<sup>(1)</sup> ARR for the quarterly periods in fiscal year 2022 are based on actual currency rates at the end of fiscal year 2021, held constant throughout the year. ARR reflected in the FY 2022 column is based on the currency rates at the end of fiscal year 2022. ARR for the quarterly periods in fiscal year 2023 are based on actual currency rates at the end of fiscal year 2022, held constant throughout the year. ARR reflected in the FY 2023 column is based on the currency rates at the end of fiscal year 2023.

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&p=irol-sec>.

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Non-GAAP Gross Profit Reconciliations**  
(unaudited, in thousands except percentage)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Gross profit reconciliation:</b>										
GAAP gross profit	\$ 68,394	\$ 102,191	\$ 83,924	\$ 122,667	\$ 377,176	\$ 72,152	\$ 123,463	\$ 98,918	\$ 163,678	\$ 458,211
Non-GAAP adjustments:										
Stock-based compensation	8,401	9,147	8,645	8,699	34,892	8,964	7,956	8,304	8,569	33,793
Amortization of intangibles	1,944	1,905	1,905	1,905	7,659	1,905	485	485	485	3,360
<b>Non-GAAP gross profit</b>	<b>\$ 78,739</b>	<b>\$ 113,243</b>	<b>\$ 94,474</b>	<b>\$ 133,271</b>	<b>\$ 419,727</b>	<b>\$ 83,021</b>	<b>\$ 131,904</b>	<b>\$ 107,707</b>	<b>\$ 172,732</b>	<b>\$ 495,364</b>
<b>Non-GAAP gross margin</b>	<b>47.5 %</b>	<b>55.3 %</b>	<b>47.8 %</b>	<b>54.5 %</b>	<b>51.7 %</b>	<b>42.5 %</b>	<b>56.7 %</b>	<b>51.9 %</b>	<b>64.0 %</b>	<b>54.7 %</b>
<b>Gross profit reconciliation - subscription and support:</b>										
GAAP gross profit - subscription and support	\$ 30,940	\$ 36,021	\$ 35,020	\$ 38,895	\$ 140,876	\$ 43,377	\$ 56,830	\$ 55,218	\$ 63,735	\$ 219,160
Non-GAAP adjustments:										
Stock-based compensation	3,030	3,406	3,450	3,336	13,222	3,468	3,440	3,580	3,585	14,073
Amortization of intangibles	1,811	1,905	1,905	1,905	7,526	1,905	485	485	485	3,360
<b>Non-GAAP gross profit - subscription and support</b>	<b>\$ 35,781</b>	<b>\$ 41,332</b>	<b>\$ 40,375</b>	<b>\$ 44,136</b>	<b>\$ 161,624</b>	<b>\$ 48,750</b>	<b>\$ 60,755</b>	<b>\$ 59,283</b>	<b>\$ 67,805</b>	<b>\$ 236,593</b>
<b>Non-GAAP gross margin - subscription and support</b>	<b>45.3 %</b>	<b>49.0 %</b>	<b>46.5 %</b>	<b>47.2 %</b>	<b>47.0 %</b>	<b>49.2 %</b>	<b>57.4 %</b>	<b>55.2 %</b>	<b>57.8 %</b>	<b>55.1 %</b>
<b>Gross profit reconciliation - license:</b>										
GAAP gross profit - license	\$ 37,814	\$ 67,544	\$ 51,943	\$ 92,576	\$ 249,877	\$ 39,079	\$ 71,270	\$ 49,359	\$ 99,397	\$ 259,105
Non-GAAP adjustments:										
Stock-based compensation	182	189	170	151	692	147	119	93	104	463
Amortization of intangibles	133	—	—	—	133	—	—	—	—	—
<b>Non-GAAP gross profit - license</b>	<b>\$ 38,129</b>	<b>\$ 67,733</b>	<b>\$ 52,113</b>	<b>\$ 92,727</b>	<b>\$ 250,702</b>	<b>\$ 39,226</b>	<b>\$ 71,389</b>	<b>\$ 49,452</b>	<b>\$ 99,501</b>	<b>\$ 259,568</b>
<b>Non-GAAP gross margin - license</b>	<b>95.0 %</b>	<b>97.1 %</b>	<b>96.7 %</b>	<b>97.9 %</b>	<b>97.0 %</b>	<b>95.8 %</b>	<b>97.7 %</b>	<b>97.7 %</b>	<b>98.6 %</b>	<b>97.8 %</b>
<b>Gross profit reconciliation - services:</b>										
GAAP gross profit - services	\$ (360)	\$ (1,374)	\$ (3,039)	\$ (8,804)	\$ (13,577)	\$ (10,304)	\$ (4,637)	\$ (5,659)	\$ 546	\$ (20,054)
Non-GAAP adjustments:										
Stock-based compensation	5,189	5,552	5,025	5,212	20,978	5,349	4,397	4,631	4,880	19,257
<b>Non-GAAP gross profit - services</b>	<b>\$ 4,829</b>	<b>\$ 4,178</b>	<b>\$ 1,986</b>	<b>\$ (3,592)</b>	<b>\$ 7,401</b>	<b>\$ (4,955)</b>	<b>\$ (240)</b>	<b>\$ (1,028)</b>	<b>\$ 5,426</b>	<b>\$ (797)</b>
<b>Non-GAAP gross margin - services</b>	<b>10.3 %</b>	<b>8.3 %</b>	<b>3.5 %</b>	<b>(6.4)%</b>	<b>3.5 %</b>	<b>(9.0)%</b>	<b>(0.4)%</b>	<b>(2.1)%</b>	<b>10.5 %</b>	<b>(0.4)%</b>

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&n=irol-sec>

**Guidewire Software, Inc. and Subsidiaries**  
**Condensed Consolidated Statement of Operations - Non-GAAP Reconciliations**  
(unaudited, in thousands)

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022	FY 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023
<b>Income (loss) from operations reconciliation:</b>										
GAAP income (loss) from operations	\$ (65,377)	\$ (39,457)	\$ (62,404)	\$ (32,209)	\$ (199,447)	\$ (74,553)	\$ (23,216)	\$ (57,816)	\$ 6,095	\$ (149,490)
Non-GAAP adjustments:										
Stock-based compensation	32,240	37,865	32,928	33,978	137,011	35,096	36,179	35,019	36,548	142,842
Amortization of intangibles	3,754	3,770	3,770	2,787	14,081	2,787	1,367	1,367	1,367	6,888
Acquisition consideration holdback	673	836	809	749	3,067	773	730	706	730	2,939
Net impact of assignment of lease agreement <sup>(1)</sup>	—	—	—	—	—	—	—	8,502	—	8,502
<b>Non-GAAP income (loss) from operations</b>	<b>\$ (28,710)</b>	<b>\$ 3,014</b>	<b>\$ (24,897)</b>	<b>\$ 5,305</b>	<b>\$ (45,288)</b>	<b>\$ (35,897)</b>	<b>\$ 15,060</b>	<b>\$ (12,222)</b>	<b>\$ 44,740</b>	<b>\$ 11,681</b>
<b>Net income (loss) reconciliation:</b>										
GAAP net income (loss)	\$ (51,276)	\$ (40,681)	\$ (57,444)	\$ (31,030)	\$ (180,431)	\$ (69,318)	\$ (9,189)	\$ (45,568)	\$ 12,220	\$ (111,855)
Non-GAAP adjustments:										
Stock-based compensation	32,240	37,865	32,928	33,978	137,011	35,096	36,179	35,019	36,548	142,842
Amortization of intangibles	3,754	3,770	3,770	2,787	14,081	2,787	1,367	1,367	1,367	6,888
Acquisition consideration holdback	673	836	809	749	3,067	773	730	706	730	2,939
Amortization of debt discount and issuance costs	3,524	3,572	3,623	3,672	14,391	423	425	426	429	1,703
Changes in fair value of strategic investment	—	—	—	(1,538)	(1,538)	—	—	—	802	802
Net impact of assignment of lease agreement <sup>(1)</sup>	—	—	—	—	—	—	—	8,502	—	8,502
Non-GAAP tax impact	(6,966)	(10,165)	(5,510)	(6,464)	(29,105)	20,378	(46,863)	(6,824)	10,698	(22,611)
<b>Non-GAAP net income (loss)</b>	<b>\$ (18,051)</b>	<b>\$ (4,803)</b>	<b>\$ (21,824)</b>	<b>\$ 2,154</b>	<b>\$ (42,524)</b>	<b>\$ (9,861)</b>	<b>\$ (17,351)</b>	<b>\$ (6,372)</b>	<b>\$ 62,794</b>	<b>\$ 29,210</b>

<sup>(1)</sup> During the third quarter of fiscal year 2023, the Company recorded in general and administrative expenses a net loss of \$8.5 million related to the assignment of the lease agreement for the remaining lease term of the Company's previous headquarters. The loss is comprised of an \$18.4 million gain from the de-recognition of the operating lease asset of \$56.9 million, the de-recognition of the lease liability of \$75.5 million, and other expenses related to the lease assignment of \$0.2 million, offset by accelerated depreciation expense related to property and equipment, primarily consisting of leasehold improvements, at the previous headquarters of \$26.9 million. Prior to the third quarter of fiscal year 2023, there were no transactions similar to the lease assignment in any periods presented.

These schedules have been derived from, and should be read in conjunction with, our financial statements in our reports on Forms 10-Q and 10-K which are filed with the SEC. Our Forms 10-Q and 10-K may be found on our website at <http://ir.guidewire.com/phoenix.zhtml?c=248177&n=irof-sec>