

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

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Revenue:										
Subscription and support	\$ 99,068	\$ 105,754	\$ 107,499	\$ 117,346	\$ 429,667	\$ 127,627	\$ 131,642	\$ 137,970	\$ 151,848	\$ 549,087
License	40,952	73,115	50,602	100,924	265,593	34,025	71,083	56,210	88,858	250,176
Services	55,262	53,742	49,389	51,688	210,081	45,755	38,172	46,498	50,809	181,234
Total revenue	195,282	232,611	207,490	269,958	905,341	207,407	240,897	240,678	291,515	980,497
Cost of revenue:										
Subscription and support	55,691	48,924	52,281	53,611	210,507	48,054	49,934	51,185	55,621	204,794
License	1,873	1,845	1,243	1,527	6,488	1,219	1,483	837	997	4,536
Services	65,566	58,379	55,048	51,142	230,135	45,842	47,074	46,429	48,461	187,806
Total cost of revenue	123,130	109,148	108,572	106,280	447,130	95,115	98,491	98,451	105,079	397,136
Gross profit:										
Subscription and support	43,377	56,830	55,218	63,735	219,160	79,573	81,708	86,785	96,227	344,293
License	39,079	71,270	49,359	99,397	259,105	32,806	69,600	55,373	87,861	245,640
Services	(10,304)	(4,637)	(5,659)	546	(20,054)	(87)	(8,902)	69	2,348	(6,572)
Total gross profit	72,152	123,463	98,918	163,678	458,211	112,292	142,406	142,227	186,436	583,361
Operating expenses:										
Research and development	58,170	61,702	63,055	66,819	249,746	62,469	65,458	66,134	75,320	269,381
Sales and marketing	46,468	44,781	46,864	50,111	188,224	44,581	49,181	50,487	54,784	199,033
General and administrative	42,067	40,196	46,815	40,653	169,731	39,023	40,177	42,302	46,018	167,520
Total operating expenses	146,705	146,679	156,734	157,583	607,701	146,073	154,816	158,923	176,122	635,934
Income (loss) from operations	(74,553)	(23,216)	(57,816)	6,095	(149,490)	(33,781)	(12,410)	(16,696)	10,314	(52,573)
Interest income	4,638	5,392	6,627	7,732	24,389	10,613	10,290	10,824	11,751	43,478
Interest expense	(1,674)	(1,677)	(1,683)	(1,682)	(6,716)	(1,683)	(1,692)	(1,686)	(1,677)	(6,738)
Other income (expense), net	(13,824)	11,291	(3,356)	3,612	(2,277)	(13,742)	10,776	(6,535)	(1,504)	(11,005)
Income (loss) before provision for (benefit from) income taxes	(85,413)	(8,210)	(56,228)	15,757	(134,094)	(38,593)	6,964	(14,093)	18,884	(26,838)
Provision for (benefit from) income taxes	(16,095)	979	(10,660)	3,537	(22,239)	(11,522)	(2,723)	(8,615)	2,125	(20,735)
Net income (loss)	\$ (69,318)	\$ (9,189)	\$ (45,568)	\$ 12,220	\$ (111,855)	\$ (27,071)	\$ 9,687	\$ (5,478)	\$ 16,759	\$ (6,103)

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

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Earnings per share:										
Basic	\$ (0.83)	\$ (0.11)	\$ (0.56)	\$ 0.15	\$ (1.36)	\$ (0.33)	\$ 0.12	\$ (0.07)	\$ 0.20	\$ (0.07)
Diluted	\$ (0.83)	\$ (0.11)	\$ (0.56)	\$ 0.15	\$ (1.35)	\$ (0.33)	\$ 0.12	\$ (0.07)	\$ 0.20	\$ (0.07)
Shares used in computing net earnings per share:										
Basic	83,320,967	82,051,867	81,832,244	81,490,213	82,176,629	81,690,912	82,133,632	82,500,109	82,845,815	82,291,483
Diluted	83,320,967	82,051,867	81,832,244	82,135,106	82,176,629	81,690,912	83,305,080	82,500,109	84,956,655	82,291,483
Stock-based compensation	\$ 35,096	\$ 36,179	\$ 35,019	\$ 36,548	\$ 142,842	\$ 36,097	\$ 36,427	\$ 36,650	\$ 37,286	\$ 146,460

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

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Amortization of intangibles	\$ 1,905	\$ 485	\$ 485	\$ 485	\$ 3,360	\$ 485	\$ 485	\$ 485	\$ 485	\$ 1,940
Stock-based compensation	3,468	3,440	3,580	3,585	14,073	3,462	3,414	3,183	3,366	13,425
Total adjustment to cost of revenue - subscription and support	\$ 5,373	\$ 3,925	\$ 4,065	\$ 4,070	\$ 17,433	\$ 3,947	\$ 3,899	\$ 3,668	\$ 3,851	\$ 15,365
Stock-based compensation	\$ 147	\$ 119	\$ 93	\$ 104	\$ 463	\$ 95	\$ 53	\$ —	\$ 38	\$ 186
Total adjustment to cost of revenue - license	\$ 147	\$ 119	\$ 93	\$ 104	\$ 463	\$ 95	\$ 53	\$ —	\$ 38	\$ 186
Stock-based compensation	\$ 5,349	\$ 4,397	\$ 4,631	\$ 4,880	\$ 19,257	\$ 4,789	\$ 4,643	\$ 4,729	\$ 4,852	\$ 19,013
Total adjustment to cost of revenue - services	\$ 5,349	\$ 4,397	\$ 4,631	\$ 4,880	\$ 19,257	\$ 4,789	\$ 4,643	\$ 4,729	\$ 4,852	\$ 19,013
Stock-based compensation	\$ 9,291	\$ 10,301	\$ 10,084	\$ 10,189	\$ 39,865	\$ 9,986	\$ 10,138	\$ 10,003	\$ 10,086	\$ 40,213
Acquisition consideration holdback	773	730	706	730	2,939	386	299	(542)		143
Total adjustment to research and development	\$ 10,064	\$ 11,031	\$ 10,790	\$ 10,919	\$ 42,804	\$ 10,372	\$ 10,437	\$ 9,461	\$ 10,086	\$ 40,356
Stock-based compensation	\$ 6,887	\$ 8,024	\$ 7,432	\$ 7,582	\$ 29,925	\$ 7,729	\$ 8,190	\$ 9,349	\$ 9,322	\$ 34,590
Amortization of intangibles	882	882	882	882	3,528	882	882	882	882	3,528
Total adjustment to sales and marketing	\$ 7,769	\$ 8,906	\$ 8,314	\$ 8,464	\$ 33,453	\$ 8,611	\$ 9,072	\$ 10,231	\$ 10,204	\$ 38,118
Stock-based compensation	\$ 9,954	\$ 9,898	\$ 9,199	\$ 10,208	\$ 39,259	\$ 10,036	\$ 9,989	\$ 9,386	\$ 9,622	\$ 39,033
Net impact of assignment of lease agreement ⁽¹⁾	—	—	8,502	—	8,502	—	—	—	—	—
Total adjustment to general and administrative	\$ 9,954	\$ 9,898	\$ 17,701	\$ 10,208	\$ 47,761	\$ 10,036	\$ 9,989	\$ 9,386	\$ 9,622	\$ 39,033
Amortization of debt issuance costs	\$ 423	\$ 425	\$ 426	\$ 429	\$ 1,703	\$ 430	\$ 432	\$ 434	\$ 436	\$ 1,732
Total adjustment to interest expense	\$ 423	\$ 425	\$ 426	\$ 429	\$ 1,703	\$ 430	\$ 432	\$ 434	\$ 436	\$ 1,732
Changes in fair value of strategic investment	\$ —	\$ —	\$ —	\$ 802	\$ 802	\$ —	\$ —	\$ (298)	\$ 2,255	\$ 1,957
Gain on sale of strategic investment ⁽²⁾	—	—	—	—	—	—	(1,758)	—	(45)	(1,803)
Total adjustment to other income (expense), net	\$ —	\$ —	\$ —	\$ 802	\$ 802	\$ —	\$ (1,758)	\$ (298)	\$ 2,210	\$ 154
Non-GAAP tax impact	\$ 20,378	\$ (46,863)	\$ (6,824)	\$ 10,698	\$ (22,611)	\$ (11,493)	\$ (7,327)	\$ (10,469)	\$ (4,044)	\$ (33,333)
Total adjustment to provision for (benefit from) income taxes	\$ 20,378	\$ (46,863)	\$ (6,824)	\$ 10,698	\$ (22,611)	\$ (11,493)	\$ (7,327)	\$ (10,469)	\$ (4,044)	\$ (33,333)

⁽¹⁾ During the third quarter of fiscal year 2023, Guidewire 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 Guidewire'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 second quarter of fiscal year 2024, one of Guidewire's strategic investments was acquired by a privately-held limited partnership. As a result, Guidewire received \$12.1 million in consideration for its equity interest in the investee, composed of \$6.5 million in cash and \$5.6 million of an ownership interest in the privately-held limited partnership, and recognized a \$1.8 million gain in excess of cost in other income (expense), net. Prior to the second quarter of fiscal year 2024, there were no transactions similar to the gain on sale of strategic investment in any periods presented.

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

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Reconciliation of GAAP to Non-GAAP earnings per share:										
GAAP diluted earnings per share	\$ (0.83)	\$ (0.11)	\$ (0.56)	\$ 0.15	\$ (1.36)	\$ (0.33)	\$ 0.12	\$ (0.07)	\$ 0.20	\$ (0.07)
Amortization of intangibles	0.03	0.02	0.02	0.02	0.08	0.02	0.02	0.02	0.02	0.07
Stock-based compensation	0.42	0.44	0.43	0.44	1.74	0.44	0.44	0.44	0.44	1.78
Amortization of debt issuance costs	0.01	0.01	0.01	—	0.02	0.01	0.01	0.01	0.01	0.02
Changes in fair value of strategic investment	—	—	—	0.01	0.01	—	—	—	0.03	0.02
Acquisition consideration holdback	0.01	0.01	0.01	0.01	0.04	—	—	(0.01)	—	(0.01)
Net impact of assignment of lease agreement ⁽¹⁾	—	—	0.10	—	0.10	—	—	—	—	—
Gain on sale of strategic investment ⁽²⁾	—	—	—	—	—	—	(0.02)	—	—	(0.02)
Non-GAAP tax impact	0.24	(0.58)	(0.09)	0.13	(0.28)	(0.14)	(0.09)	(0.13)	(0.06)	(0.41)
Interest expense on convertible debt ⁽³⁾	—	—	—	0.01	—	—	0.01	—	0.01	0.05
Non-GAAP dilutive shares excluded from GAAP EPS calculation	—	—	—	(0.03)	—	—	(0.03)	—	(0.03)	(0.08)
Non-GAAP diluted earnings per share	\$ (0.12)	\$ (0.21)	\$ (0.08)	\$ 0.74	\$ 0.35	\$ —	\$ 0.46	\$ 0.26	\$ 0.62	\$ 1.35
Diluted weighted average shares outstanding	83,320,967	82,051,867	81,832,244	82,135,106	82,176,629	81,690,912	83,305,080	82,500,109	84,956,655	82,291,483
Non-GAAP dilutive shares excluded from GAAP EPS calculation	—	—	—	3,516,480	466,516	—	3,516,480	—	3,516,480	5,072,080
Pro forma weighted average shares – diluted	83,320,967	82,051,867	81,832,244	85,651,586	82,643,145	81,690,912	86,821,560	82,500,109	88,473,135	87,363,563
Gross margin:										
Subscription and support:										
GAAP gross margin	43.8 %	53.7 %	51.4 %	54.3 %	51.0 %	62.3 %	62.1 %	62.9 %	63.4 %	62.7 %
Stock-based compensation	3.5 %	3.2 %	3.3 %	3.1 %	3.3 %	2.7 %	2.6 %	2.3 %	2.3 %	2.4 %
Amortization of intangibles	1.9 %	0.5 %	0.4 %	0.4 %	0.8 %	0.4 %	0.4 %	0.4 %	0.3 %	0.4 %
Non-GAAP gross margin	49.2 %	57.4 %	55.1 %	57.8 %	55.1 %	65.4 %	65.1 %	65.6 %	66.0 %	65.5 %
License:										
GAAP gross margin	95.4 %	97.5 %	97.5 %	98.5 %	97.6 %	96.4 %	97.9 %	98.5 %	98.9 %	98.2 %
Stock-based compensation	0.4 %	0.2 %	0.2 %	0.1 %	0.2 %	0.3 %	0.1 %	— %	0.1 %	0.1 %
Non-GAAP gross margin	95.8 %	97.7 %	97.7 %	98.6 %	97.8 %	96.7 %	98.0 %	98.5 %	99.0 %	98.3 %
Services:										
GAAP gross margin	(18.7)%	(8.6)%	(11.5)%	1.1 %	(9.6)%	(0.2)%	(23.4)%	0.1 %	4.6 %	(3.6)%
Stock-based compensation	9.7 %	8.2 %	9.4 %	9.4 %	9.2 %	10.5 %	12.2 %	10.2 %	9.6 %	10.5 %
Non-GAAP gross margin	(9.0)%	(0.4)%	(2.1)%	10.5 %	(0.4)%	10.3 %	(11.2)%	10.3 %	14.2 %	6.9 %
Overall:										
GAAP gross margin	36.9 %	53.1 %	47.7 %	60.6 %	50.6 %	54.1 %	59.1 %	59.1 %	64.0 %	59.5 %
Amortization of intangibles	1.0 %	0.2 %	0.2 %	0.2 %	0.4 %	0.2 %	0.2 %	0.2 %	0.2 %	0.2 %
Stock-based compensation	4.6 %	3.4 %	4.0 %	3.2 %	3.7 %	4.1 %	3.4 %	3.3 %	2.8 %	3.3 %
Non-GAAP gross margin	42.5 %	56.7 %	51.9 %	64.0 %	54.7 %	58.4 %	62.7 %	62.6 %	67.0 %	63.0 %

⁽¹⁾ During the third quarter of fiscal year 2023, Guidewire 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 Guidewire'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 second quarter of fiscal year 2024, one of Guidewire's strategic investments was acquired by a privately-held limited partnership. As a result, Guidewire received \$12.1 million in consideration for its equity interest in the investee, composed of \$6.5 million in cash and \$5.6 million of an ownership interest in the privately-held limited partnership, and recognized a \$1.8 million gain in excess of cost in other income (expense), net. Prior to the second quarter of fiscal year 2024, there were no transactions similar to the gain on sale of strategic investment in any periods presented.

⁽³⁾ In certain periods, the impact on non-GAAP net income (loss) per share of Guidewire's convertible senior notes is dilutive as a result of adding back cash interest expense under the "if-converted" method.

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Guidewire Software, Inc. and Subsidiaries
Condensed Consolidated Statement of Operations - Key Metrics

(unaudited, in thousands)

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Annual recurring revenue (in millions):										
Annual recurring revenue ⁽¹⁾	\$ 673	\$ 707	\$ 722	\$ 761	\$ 763	\$ 770	\$ 800	\$ 828	\$ 872	\$ 864
Subscription and support revenue breakdown:										
Subscription revenue	\$ 78,977	\$ 86,015	\$ 89,091	\$ 98,062	\$ 352,145	\$ 109,597	\$ 113,125	\$ 120,430	\$ 134,309	\$ 477,461
Support revenue	20,091	19,739	18,408	19,284	77,522	18,030	18,517	17,540	17,539	71,626
Total subscription and support revenue	\$ 99,068	\$ 105,754	\$ 107,499	\$ 117,346	\$ 429,667	\$ 127,627	\$ 131,642	\$ 137,970	\$ 151,848	\$ 549,087
License revenue breakdown:										
Term license revenue	\$ 40,899	\$ 73,067	\$ 50,556	\$ 100,877	\$ 265,399	\$ 33,977	\$ 71,035	\$ 55,005	\$ 88,832	\$ 248,849
Perpetual license revenue	63	48	46	47	204	48	48	1,205	26	1,327
Total license revenue	\$ 40,962	\$ 73,115	\$ 50,602	\$ 100,924	\$ 265,603	\$ 34,025	\$ 71,083	\$ 56,210	\$ 88,858	\$ 250,176
Adjusted free cash flow:										
Net cash provided by (used in) operating activities	\$ (87,435)	\$ 1,220	\$ (48,627)	\$ 173,237	\$ 38,395	\$ (72,083)	\$ 69,251	\$ 4,803	\$ 193,777	\$ 195,748
Purchases of property and equipment	(604)	(1,333)	(677)	(3,207)	(5,821)	(998)	(2,992)	(678)	(1,694)	(6,362)
Capitalized software development costs	(3,697)	(2,421)	(2,759)	(2,729)	(11,606)	(3,692)	(2,366)	(3,371)	(2,736)	(12,165)
Total free cash flow	\$ (91,736)	\$ (2,534)	\$ (52,063)	\$ 167,301	\$ 20,968	\$ (76,773)	\$ 63,893	\$ 754	\$ 189,347	\$ 177,221

⁽¹⁾ 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. ARR for the quarterly periods in fiscal year 2024 are based on actual currency rates at the end of fiscal year 2023, held constant throughout the year. ARR reflected in the FY 2024 column is based on the currency rates at the end of fiscal year 2024.

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

Description	Q1 2023	Q2 2023	Q3 2023	Q4 2023	FY 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2024
Gross profit reconciliation:										
GAAP gross profit	\$ 72,152	\$ 123,463	\$ 98,918	\$ 163,678	\$ 458,211	\$ 112,292	\$ 142,406	\$ 142,227	\$ 186,436	\$ 583,361
Non-GAAP adjustments:										
Stock-based compensation	8,964	7,956	8,304	8,569	33,793	8,346	8,110	7,912	8,256	32,624
Amortization of intangibles	1,905	485	485	485	3,360	485	485	485	485	1,940
Non-GAAP gross profit	\$ 83,021	\$ 131,904	\$ 107,707	\$ 172,732	\$ 495,364	\$ 121,123	\$ 151,001	\$ 150,624	\$ 195,177	\$ 617,925
Non-GAAP gross margin	42.5 %	56.7 %	51.9 %	64.0 %	54.7 %	58.4 %	62.7 %	62.6 %	67.0 %	63.0 %
Gross profit reconciliation - subscription and support:										
GAAP gross profit - subscription and support	\$ 43,377	\$ 56,830	\$ 55,218	\$ 63,735	\$ 219,160	\$ 79,573	\$ 81,708	\$ 86,785	\$ 96,227	\$ 344,293
Non-GAAP adjustments:										
Stock-based compensation	3,468	3,440	3,580	3,585	14,073	3,462	3,414	3,183	3,366	13,425
Amortization of intangibles	1,905	485	485	485	3,360	485	485	485	485	1,940
Non-GAAP gross profit - subscription and support	\$ 48,750	\$ 60,755	\$ 59,283	\$ 67,805	\$ 236,593	\$ 83,520	\$ 85,607	\$ 90,453	\$ 100,078	\$ 359,658
Non-GAAP gross margin - subscription and support	49.2 %	57.4 %	55.1 %	57.8 %	55.1 %	65.4 %	65.0 %	65.6 %	66.0 %	65.5 %
Gross profit reconciliation - license:										
GAAP gross profit - license	\$ 39,079	\$ 71,270	\$ 49,359	\$ 99,397	\$ 259,105	\$ 32,806	\$ 69,600	\$ 55,373	\$ 87,861	\$ 245,640
Non-GAAP adjustments:										
Stock-based compensation	147	119	93	104	463	95	53	—	38	186
Non-GAAP gross profit - license	\$ 39,226	\$ 71,389	\$ 49,452	\$ 99,501	\$ 259,568	\$ 32,901	\$ 69,653	\$ 55,373	\$ 87,899	\$ 245,826
Non-GAAP gross margin - license	95.8 %	97.7 %	97.7 %	98.6 %	97.8 %	96.7 %	98.0 %	98.5 %	99.0 %	98.3 %
Gross profit reconciliation - services:										
GAAP gross profit - services	\$ (10,304)	\$ (4,637)	\$ (5,659)	\$ 546	\$ (20,054)	\$ (87)	\$ (8,902)	\$ 69	\$ 2,348	\$ (6,572)
Non-GAAP adjustments:										
Stock-based compensation	5,349	4,397	4,631	4,880	19,257	4,789	4,643	4,729	4,852	19,013
Non-GAAP gross profit - services	\$ (4,955)	\$ (240)	\$ (1,028)	\$ 5,426	\$ (797)	\$ 4,702	\$ (4,259)	\$ 4,798	\$ 7,200	\$ 12,441
Non-GAAP gross margin - services	(9.0)%	(0.4)%	(2.1)%	10.5 %	(0.4)%	10.3 %	(11.2)%	10.3 %	14.2 %	6.9 %

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Condensed Consolidated Statement of Operations - Non-GAAP Reconciliations
(unaudited, in thousands)

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Income (loss) from operations reconciliation:										
GAAP income (loss) from operations	\$ (74,553)	\$ (23,216)	\$ (57,816)	\$ 6,095	\$ (149,490)	\$ (33,781)	\$ (12,410)	\$ (16,696)	\$ 10,314	\$ (52,573)
Non-GAAP adjustments:										
Stock-based compensation	35,096	36,179	35,019	36,548	142,842	36,097	36,427	36,650	37,286	146,460
Amortization of intangibles	2,787	1,367	1,367	1,367	6,888	1,367	1,367	1,367	1,367	5,468
Acquisition consideration holdback	773	730	706	730	2,939	386	299	(542)		143
Net impact of assignment of lease agreement ⁽¹⁾	—	—	8,502	—	8,502	—	—	—	—	—
Non-GAAP income (loss) from operations	\$ (35,897)	\$ 15,060	\$ (12,222)	\$ 44,740	\$ 11,681	\$ 4,069	\$ 25,683	\$ 20,779	\$ 48,967	\$ 99,498
Net income (loss) reconciliation:										
GAAP net income (loss)	\$ (69,318)	\$ (9,189)	\$ (45,568)	\$ 12,220	\$ (111,855)	\$ (27,071)	\$ 9,687	\$ (5,478)	\$ 16,759	\$ (6,103)
Non-GAAP adjustments:										
Stock-based compensation	35,096	36,179	35,019	36,548	142,842	36,097	36,427	36,650	37,286	146,460
Amortization of intangibles	2,787	1,367	1,367	1,367	6,888	1,367	1,367	1,367	1,367	5,468
Acquisition consideration holdback	773	730	706	730	2,939	386	299	(542)	—	143
Amortization of debt issuance costs	423	425	426	429	1,703	430	432	434	436	1,732
Changes in fair value of strategic investment	—	—	—	802	802	—	—	(298)	2,255	1,957
Net impact of assignment of lease agreement ⁽¹⁾	—	—	8,502	—	8,502	—	—	—	—	—
Gain on sale of strategic investment ⁽²⁾	—	—	—	—	—	—	(1,758)	—	(45)	(1,803)
Non-GAAP tax impact	20,378	(46,863)	(6,824)	10,698	(22,611)	(11,493)	(7,327)	(10,469)	(4,044)	(33,333)
Non-GAAP net income (loss)	\$ (9,861)	\$ (17,351)	\$ (6,372)	\$ 62,794	\$ 29,210	\$ (284)	\$ 39,127	\$ 21,664	\$ 54,014	\$ 114,521

(1) During the third quarter of fiscal year 2023, Guidewire 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 Guidewire'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 second quarter of fiscal year 2024, one of Guidewire's strategic investments was acquired by a privately-held limited partnership. As a result, Guidewire received \$12.1 million in consideration for its equity interest in the investee, composed of \$6.5 million in cash and \$5.6 million of an ownership interest in the privately-held limited partnership, and recognized a \$1.8 million gain in excess of cost in other income (expense), net. Prior to the second quarter of fiscal year 2024, there were no transactions similar to the gain on sale of strategic investment 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>.