



SailPoint Announces Fiscal Fourth Quarter and Full Year 2026 Results

- Grew ARR 28% year-over-year to \$1.125 billion
- Increased SaaS ARR 38% year-over-year to \$746 million
- Delivered cash flows from operating activities of \$64 million, and free cash flow of \$57 million in fiscal Q4 2026

AUSTIN, Texas--March 18, 2026—SailPoint, Inc. (Nasdaq: SAIL), a leader in enterprise identity security, today announced financial results for its fiscal fourth quarter and full year ended January 31, 2026.

"This was a landmark year where we delivered growth at scale, including 28% year-over-year ARR growth and an impressive 38% year-over-year SaaS ARR growth," said Mark McClain, SailPoint CEO and Founder. "This performance is fueled by a market that understands a fundamental truth of the AI era: the more automated and agentic the enterprise becomes, the more essential a foundational identity control plane becomes. We believe our platform is uniquely positioned to secure every type of identity—from human to machine to AI agent—and we are confident this role as the security backbone for AI-powered enterprises will be a significant driver of durable growth for years to come."

Fiscal Fourth Quarter 2026 Financial Highlights

- **Annual Recurring Revenue (ARR):** Total ARR was \$1.125 billion, an increase of 28% year-over-year. SaaS ARR was \$746 million, an increase of 38% year-over-year.
- **Revenue:** Total revenue was \$295 million, an increase of 23% year-over-year. Subscription revenue was \$281 million, an increase of 25% year-over-year.
- **Operating Income (Loss):** GAAP operating loss was \$(40) million, or (14)% of revenue, compared to \$(30) million, or (13)% of revenue, in fiscal Q4 2025. Adjusted income from operations was \$61 million, or 21% of revenue, compared to \$46 million, or 19% of revenue, in fiscal Q4 2025.

Fiscal Full Year 2026 Financial Highlights

- **Annual Recurring Revenue (ARR):** Total ARR was \$1.125 billion, an increase of 28% year-over-year. SaaS ARR was \$746 million, an increase of 38% year-over-year.
- **Revenue:** Total revenue was \$1.071 billion, an increase of 24% year-over-year. Subscription revenue was \$1.010 billion, an increase of 27% year-over-year.
- **Operating Income (Loss):** GAAP operating loss was \$(307) million, or (29)% of revenue, compared to \$(189) million, or (22)% of revenue, in fiscal FY 2025. Adjusted income from operations was \$194 million, or 18% of revenue, compared to \$133 million, or 15% of revenue, in fiscal FY 2025.

Financial Outlook

For the first quarter and full year of fiscal 2027, SailPoint expects (in millions, except per share amounts and percentages):

	<u>Q1'27 Guidance</u>	<u>FY'27 Guidance</u>
Total ARR	\$1,153 to \$1,157	\$1,356 to \$1,366
Total ARR YoY growth %	25%	21%
Total revenue	\$273 to \$277	\$1,260 to \$1,270
Total revenue YoY growth %	18% to 20%	18% to 19%
Adjusted income from operations	\$30 to \$31	\$231.5 to \$236.5
Adjusted operating margin %	10.8% to 11.4%	18.2% to 18.8%
Adjusted earnings per share (Adjusted EPS)	\$0.04 to \$0.05	\$0.30 to \$0.34

These statements regarding SailPoint's expectations of its financial outlook are forward-looking, and actual results may differ materially. Refer to "Forward-Looking Statements" below for information on the factors that could cause SailPoint's actual results to differ materially from these forward-looking statements.

All of SailPoint's forward-looking non-GAAP financial measures exclude estimates for stock-based compensation expense, payroll taxes related to restricted stock units (RSUs), and amortization of acquired intangibles as well as acquisition-related costs and severance of certain key executives, if applicable. SailPoint has not reconciled its expectations as to adjusted income (loss) from operations, adjusted operating margin, and adjusted EPS to their most directly comparable GAAP measures due to the high variability and difficulty in making accurate forecasts and projections of certain items that impact these non-GAAP measures, particularly stock-based compensation expense. Stock-based compensation expense is affected by future hiring, turnover, and retention needs, as well as the future fair market value of our common stock, all of which are difficult to predict and subject to change. The actual amount of the excluded stock-based compensation expense will have a significant impact on SailPoint's GAAP income (loss) from operations and GAAP net income (loss) per basic and diluted common share. Accordingly, reconciliations of our forward-looking adjusted income (loss) from operations, adjusted operating margin, and adjusted EPS to their most directly comparable GAAP measures are not available without unreasonable effort.

Investor Conference Call and Webcast

SailPoint will host a conference call today at 8:30 a.m. Eastern Time to discuss the results and outlook. A live webcast of the conference call and a presentation regarding SailPoint's fiscal fourth quarter and full year 2026 financial results and outlook will be available on SailPoint's website at <https://investors.sailpoint.com>.

An audio replay of the conference call will be available on the investor relations website for one year.

About SailPoint

SailPoint is defining the new era of adaptive identity security. In a world where non-human identities now significantly outnumber humans, our AI-powered platform unifies identity, security, and data intelligence to protect today's enterprise from advanced identity-based threats. We deliver the identity solution that spans both the breadth of identities and the depth of context needed to drive real-time access with confidence. Built on principles like zero-standing privilege and contextualized risk, our SailPoint platform transforms identity from a point of vulnerability into a powerful security advantage. Trusted by many of the world's leading organizations, SailPoint secures the enterprise with intelligent, autonomous identity security

Non-GAAP Financial Measures

In addition to our financial information presented in accordance with GAAP, we use certain non-GAAP financial measures to clarify and enhance our understanding of past performance, including the following:

Adjusted income from operations, which we define as income (loss) from operations excluding equity-based compensation expense, payroll taxes related to awards that were accelerated upon the closing of our initial public offering (the IPO) and payroll taxes related to RSUs, all of which were issued after the closing of the IPO, amortization of acquired intangible assets which includes impairment charges, impairment of intangible assets, acquisition-related expenses (including fair value adjustments to acquisition-contingent consideration), benefit from amortization related to acquired contract acquisition costs, Thoma Bravo monitoring fees (which were annual service fees for consultation and advice related to corporate strategy, budgeting of future corporate investments, acquisition and divestiture strategies, and debt and equity financings pursuant to an advisory services agreement that was terminated upon the closing of the IPO), and restructuring expenses.

Adjusted operating margin, which we define as adjusted income from operations divided by total revenue.

Adjusted EPS (or non-GAAP net income (loss) available to common stockholders per diluted share), which we define as adjusted net income (loss) divided by the diluted weighted average shares outstanding, except that solely for the fiscal year ended January 31, 2026 (and all periods therein), we calculated adjusted EPS based on the number of diluted shares outstanding as of the end of such period rather than the diluted weighted average shares outstanding for such period. We believe that using such a denominator provides a more meaningful comparison with subsequent periods due to the IPO closing after the beginning of fiscal year 2026. We calculate adjusted net income (loss) as net income (loss) on a GAAP basis excluding equity-based compensation expense, payroll taxes related to awards that were accelerated upon the closing of the IPO (IPO-accelerated awards) and payroll taxes related to RSUs, all of which were issued after the closing of the IPO, amortization of acquired intangible assets which includes impairment charges, impairment of intangible assets, acquisition-related expenses (including fair value adjustments to acquisition-contingent consideration), benefit from amortization related to acquired contract acquisition costs, Thoma Bravo monitoring fees and restructuring expenses, and adjusted for the income tax effects related to those adjustments. We currently apply a fixed projected tax rate of 24.5% when calculating or estimating adjusted net income for the fiscal year ending January 31, 2027 and all periods therein for consistency across interim reporting periods within such fiscal year. This rate may be adjusted during the year if significant events that have a material impact on the rate occur, such as significant changes in our geographic mix of revenue and expenses, tax law changes, and acquisitions.

Free cash flow, which we define as net cash provided by (used in) operating activities, less cash used for purchases of property and equipment, and capitalized software development costs. We use free cash flow as a measure of financial progress in our business, as it balances operating results, cash management, and capital efficiency. We believe information regarding free cash flow provides investors and others with an important perspective on the cash available to make strategic acquisitions and investments, to fund ongoing operations, and to fund other capital expenditures. Free cash flow can be volatile and is sensitive to many factors, including changes in working capital and timing of capital expenditures. Working capital at any specific point in time is subject to many variables including the discretionary timing of expense payments and fluctuations in foreign exchange rates.

Free cash flow margin, which we define as free cash flow divided by total revenue.

Our non-GAAP financial measures exclude items that do not reflect our ongoing, core operating or business performance, such as equity-based compensation, payroll taxes related to IPO-accelerated awards and payroll taxes related to RSUs, amortization of acquired intangible assets, and acquisition-related expenses (including fair value adjustments to acquisition-contingent consideration). We believe these adjustments enable management and investors to compare our underlying business performance from period to period and provide investors with additional means to evaluate cost and expense trends. We also believe these adjustments enhance comparability of our financial performance against those of other technology companies. Accordingly, our management believes the presentation of our non-GAAP financial measures provides useful information to

investors regarding our financial condition and results of operations. In addition, SailPoint's management uses adjusted income (loss) from operations for budgeting and planning purposes, including with respect to its corporate bonus plan.

Our non-GAAP financial measures are adjusted for the following factors, among others:

Equity-based compensation expense. We believe that the exclusion of equity-based compensation expense is appropriate because it eliminates the impact of equity-based compensation costs that are based upon valuation methodologies and assumptions that vary over time, and the amount of the expense can vary significantly due to factors that are unrelated to our core operating performance and that can be outside of our control. Although we exclude equity-based compensation expense from our non-GAAP measures, equity-based compensation has been, and will continue to be, an important part of our compensation strategy and a significant component of our expenses and may increase in future periods.

Payroll taxes related to IPO-accelerated awards and payroll taxes related to RSUs. We believe that the exclusion of payroll taxes related to IPO-accelerated awards is appropriate as the acceleration was a one-time, non-recurring event. We believe that the exclusion of payroll taxes related to RSUs is appropriate as they are dependent on SailPoint's stock price and the vesting of such awards and therefore can vary significantly due to factors that are unrelated to our core operating performance and that can be outside of our control. Because the amount of such payroll taxes is highly variable due to factors outside of our control and is unrelated to our core operating performance, our management does not consider them when evaluating the performance of our business or making operating plans (for example, when considering the impact of equity award grants, we place a greater emphasis on overall stockholder dilution than the accounting charges associated with such grants). Accordingly, we believe this adjustment in arriving at our non-GAAP measures provides investors with a better understanding of the performance of our core business in a manner that is consistent with management's view of the business. As with equity-based compensation expense, although we exclude payroll taxes related to post-IPO RSUs from our non-GAAP measures, such payroll taxes are, and will continue to be, a component of our expenses and may increase in future periods. We note that, unlike equity-based compensation expense, payroll taxes are a cash expense.

Amortization of acquired intangible assets and impairment of intangible assets. We exclude amortization charges for our acquisition-related intangible assets and impairment of intangible assets for purposes of calculating certain non-GAAP measures to eliminate the impact of these non-cash charges and provide for a more meaningful comparison between operating results from period to period as intangible assets are valued at the time of acquisition and are amortized over the useful life, which can be several years after the acquisition.

Acquisition-related costs. We believe that the exclusion of acquisition-related expenses is appropriate as they represent items that management believes are not indicative of our ongoing operating performance. These expenses are primarily composed of legal, accounting, and professional fees incurred that are not capitalizable and that are included within general and administrative expenses. Acquisition-related expenses also include fair value adjustments to acquisition-contingent consideration, which are currently included within sales and marketing expenses.

Amortization related to acquired contract acquisition costs. On August 16, 2022, our predecessor was acquired in an all-cash take-private transaction by Thoma Bravo (the Take-Private Transaction). In accordance with GAAP reporting requirements, we wrote off our contract acquisition costs at the time of the Take-Private Transaction. Therefore, GAAP commissions expenses related to contract acquisition costs after the Take-Private Transaction do not reflect the commissions expense that would have been reported if the contract acquisition costs had not been written off. Accordingly, we believe that presenting the approximate amount of acquisition-related commission expenses (so that the full amount of commission expenses is included) provides a more appropriate representation of commission expenses in a given period and, therefore, provides readers of our financial statements with a more consistent basis for comparison across accounting periods.

SailPoint's non-GAAP financial measures may not provide information that is directly comparable to that provided by other companies in our industry because they may calculate non-GAAP financial results differently. In addition, there are limitations in using non-GAAP financial measures because they are not prepared in accordance with GAAP and exclude expenses that

may have a material impact on our reported financial results. The presentation of non-GAAP financial information is not meant to be considered in isolation or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. SailPoint urges you to review the reconciliations of our non-GAAP financial measures to the comparable GAAP financial measures included below and not to rely on any single financial measure to evaluate our business.

Definitions of Certain Key Business and Other Metrics

Annual recurring revenue. We define ARR as the annualized value of SaaS, maintenance, term subscription, and other subscription contracts as of the measurement date. To the extent that we are actively negotiating a renewal or new agreement with a customer after the expiration of a contract, we continue to include that contract's annualized value in ARR until the customer notifies us that it is not renewing its contract. We calculate ARR by dividing the active contract value by the number of days of the contract and then multiplying by 365. ARR should be viewed independently of revenue as ARR is an operating metric and is not intended to be combined with or to replace revenue. ARR is not a forecast of future revenue, which can be impacted by ASC 606 allocations, and ARR does not consider other sources of revenue that are not recurring in nature. ARR does not have a standardized meaning and is not necessarily comparable to similarly titled measures presented by other companies.

SaaS annual recurring revenue. We define SaaS ARR as the annualized value of SaaS contracts as of the measurement date. To the extent that we are actively negotiating a renewal or new agreement with a customer after the expiration of a contract, we continue to include that contract's annualized value in SaaS ARR until the customer notifies us that it is not renewing its contract. We calculate SaaS ARR by dividing the active SaaS contract value by the number of days of the contract and then multiplying by 365. SaaS ARR should be viewed independently of subscription revenue as SaaS ARR is an operating metric and is not intended to be combined with or to replace subscription revenue. SaaS ARR is not a forecast of future subscription revenue, which can be impacted by ASC 606 allocations and renewal rates, and does not consider other sources of revenue that are not recurring in nature. SaaS ARR does not have a standardized meaning and is not necessarily comparable to similarly titled measures presented by other companies.

Subscription revenue. The majority of our revenue relates to subscription revenue which consists of (i) fees for access to, and related support for, the SaaS offerings, (ii) fees for term subscriptions, (iii) fees for ongoing maintenance and support of perpetual license solutions, and (iv) other subscription services such as cloud managed services, and certain professional services. Term subscriptions include the term licenses and ongoing maintenance and support. Maintenance and support agreements consist of fees for providing software updates on a when and if available basis and for providing technical support for software products for a specified term.

Subscription revenue, including support for term licenses, is recognized ratably over the term of the applicable agreement. Revenue related to term subscription performance obligations, excluding support for term subscriptions, is recognized upfront at the point in time when the customer has taken control of the software license.

Explanatory Note Regarding Our Corporate Conversion

Prior to February 12, 2025, we were a Delaware limited partnership named SailPoint Parent, LP. On February 12, 2025, in connection with our IPO, SailPoint Parent, LP converted into a Delaware corporation pursuant to a statutory conversion (the Corporate Conversion) and changed its name to SailPoint, Inc. References to "SailPoint," "we," and "our" (i) for periods prior to the Corporate Conversion are to SailPoint Parent, LP and, where appropriate, its consolidated subsidiaries and (ii) for periods after the Corporate Conversion are to SailPoint, Inc. and, where appropriate, its consolidated subsidiaries.

Forward-Looking Statements

This press release and statements made during the above referenced conference call may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our strategy, future

operations, financial position, prospects, plans and objectives of management, growth rate and our expectations regarding future revenue, operating income or loss, or earnings or loss per share. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “will be,” “will likely result,” “should,” “expects,” “plans,” “anticipates,” “could,” “would,” “foresees,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” “outlook,” or “continue” or the negative of these words or other similar terms or expressions. These forward-looking statements are not guarantees of future performance, but are based on management’s current expectations, assumptions, and beliefs concerning future developments and their potential effect on us, which are inherently subject to uncertainties, risks, and changes in circumstances that are difficult to predict. Our expectations expressed or implied in these forward-looking statements may not turn out to be correct. Our results could be materially different from our expectations because of various risks.

Important factors, some of which are beyond our control, that could cause actual results to differ materially from our historical results or those expressed or implied by these forward-looking statements include the following: our ability to sustain historical growth rates; our ability to attract and retain customers; our ability to deepen our relationships with existing customers; the growth in the market for identity security solutions; our ability to maintain successful relationships with each of our partners; the length and unpredictable nature of our sales cycle; our ability to compete successfully against current and future competitors; the increasing complexity of our operations; our ability to maintain and enhance our brand or reputation as an industry leader and innovator; unfavorable conditions in our industry or the global economy; our estimated market opportunity and forecasts of our market and market growth may prove to be inaccurate; our ability to hire, train, and motivate our personnel; our ability to maintain our corporate culture; our ability to successfully introduce, use, and integrate artificial intelligence (AI) with our solutions; breaches in our security, cyber attacks, or other cyber risks; interruptions, outages, or other disruptions affecting the delivery of our SaaS solution or any of the third-party cloud-based systems that we use in our operations; our ability to adapt and respond to rapidly changing technology, industry standards, regulations, or customer needs, requirements, or preferences; real or perceived errors, failures, or disruptions in our platform or solutions; the ability of our platform and solutions to effectively interoperate with our customers’ existing or future IT infrastructures; and our ability to comply with our privacy policy or related legal or regulatory requirements. More information on these risks and other potential factors that could affect our financial results is included in our filings with the Securities and Exchange Commission, including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of our Annual Report on Form 10-K for the year ended January 31, 2026 and subsequent Quarterly Reports on Form 10-Q and other filings. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this press release or made during the above referenced conference call. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements.

Any forward-looking statement made in this press release or during the above referenced conference call speaks only as of the date as of which such statement is made, and, except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether because of new information, future events, or otherwise.

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SAILPOINT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share and per unit amounts)
(Unaudited)

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
Revenue				
Subscription	\$ 280,778	\$ 224,379	\$ 1,010,198	\$ 793,919
Services and other ⁽²⁾	13,869	15,742	61,218	67,692
Total revenue	294,647	240,121	1,071,416	861,611
Cost of revenue				
Subscription	79,660	62,407	302,367	236,581
Services and other ⁽²⁾	16,705	17,942	78,258	69,152
Total cost of revenue	96,365	80,349	380,625	305,733
Gross profit	198,282	159,772	690,791	555,878
Operating expenses				
Research and development	56,366	45,456	222,961	169,730
Sales and marketing	140,692	116,865	574,846	466,903
General and administrative	41,325	27,665	200,470	107,979
Total operating expenses	238,383	189,986	998,277	744,612
Loss from operations	(40,101)	(30,214)	(307,486)	(188,734)
Other income (expense), net				
Interest income	2,705	543	10,790	4,158
Interest expense	(271)	(46,527)	(24,635)	(186,652)
Other income (expense), net	(1,340)	(2,202)	(4,668)	(5,401)
Total other income (expense), net	1,094	(48,186)	(18,513)	(187,895)
Loss before income taxes	(39,007)	(78,400)	(325,999)	(376,629)
Income tax benefit (provision)	2,792	(1,704)	55,945	60,799
Net loss	\$ (36,215)	\$ (80,104)	\$ (270,054)	\$ (315,830)
Class A yield	—	(292,110)	(23,786)	(764,549)
Net loss attributable to common stockholders and Class B unitholders	(36,215)	(372,214)	(293,840)	(1,080,379)
Net Loss per share attributable to common stockholders and Class B unitholders - basic and diluted	\$ (0.06)	\$ (4.29)	\$ (0.54)	\$ (12.91)
Weighted average common shares and Class B Units outstanding, basic and diluted ⁽¹⁾	561,890	86,781	544,159	83,716

(1) Amounts for the period during February 2025 prior to the Corporate Conversion have been retrospectively adjusted to give effect to the Corporate Conversion. These amounts do not consider the shares of common stock sold in the Company's IPO or the Class A Units considered preferred shares that were converted into common stock due to the Corporate Conversion. The Company did not retrospectively adjust for the effect of the Corporate Conversion for periods prior to fiscal 2026.

(2) For the year ended January 31, 2026, the Company has begun presenting "perpetual license revenue" and "cost of perpetual license revenue" as part of "revenue - services and other" and "cost of revenue - services and other", respectively, as the amounts were not material and has recast prior year amounts accordingly.

SAILPOINT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands, except share, per share and unit amounts)
(Unaudited)

	<u>January 31, 2026</u>	<u>January 31, 2025</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 358,144	\$ 121,293
Accounts receivable, net of allowance	335,001	254,050
Contract acquisition costs	47,697	32,834
Contract assets, net of allowance	70,565	58,335
Prepayments and other current assets	39,288	45,870
Total current assets	850,695	512,382
Property and equipment, net	35,178	22,879
Contract acquisition costs, non-current	117,833	94,270
Contract assets, non-current, net of allowance	41,249	33,788
Other non-current assets	23,621	36,206
Goodwill	5,151,668	5,151,668
Intangible assets, net	1,377,317	1,560,723
Total assets	\$ 7,597,561	\$ 7,411,916
Liabilities, redeemable convertible units, and stockholders' equity / partners' deficit		
Current liabilities		
Accounts payable	\$ 5,824	\$ 3,515
Accrued expenses and other liabilities	121,464	158,135
Deferred revenue	516,007	413,043
Total current liabilities	643,295	574,693
Deferred tax liabilities, non-current	56,112	136,528
Other long-term liabilities	12,732	32,128
Deferred revenue, non-current	39,191	36,399
Long-term debt, net	—	1,024,467
Total liabilities	751,330	1,804,215
Commitments and contingencies		
Redeemable convertible units, no par value, unlimited units authorized, 499,052,847 units issued and outstanding as of January 31, 2025; aggregate liquidation preference of \$8,100,352 as of January 31, 2025	—	11,196,141
Stockholders' equity / partners' deficit		
Preferred stock, par value of \$0.0001 per share, 50,000,000 shares authorized and no shares issued or outstanding as of January 31, 2026	—	—
Common stock, par value of \$0.0001 per share; 1,750,000,000 shares authorized as of January 31, 2026; 563,781,636 shares issued and outstanding as of January 31, 2026	56	—
Additional paid in capital	7,096,974	—
Accumulated deficit	(250,799)	(5,588,440)
Total stockholders' equity / partners' deficit	6,846,231	(5,588,440)
Total liabilities, redeemable convertible units, and stockholders' equity / partners' deficit	\$ 7,597,561	\$ 7,411,916

SAILPOINT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended		Year Ended January 31,	
	January 31,	January 31,	2026	2025
	2026	2025	2026	2025
Cash flows from operating activities				
Net loss	\$ (36,215)	\$ (80,104)	\$ (270,054)	\$ (315,830)
Adjustments to reconcile net loss to net cash used in operating activities:				
Depreciation and amortization expense	53,451	51,640	210,774	237,248
Amortization and write-off of debt issuance costs	136	9,343	17,391	12,685
Amortization of contract acquisition costs	11,431	7,640	39,223	24,899
Loss (gain) on disposal of property and equipment	20	7	19	—
Adjustments to contingent consideration	—	—	1,609	—
Provision for credit losses	502	727	5,353	2,534
Equity-based compensation expense, net of amounts capitalized	51,863	7,756	254,872	31,714
Deferred taxes	(5,101)	4,036	(72,683)	(71,209)
Net changes in operating assets and liabilities, net of acquisitions				
Accounts receivable	(119,895)	(45,914)	(86,091)	(41,653)
Contract acquisition costs	(31,913)	(30,451)	(77,649)	(71,678)
Contract assets	13,512	380	(19,739)	(11,730)
Prepayments and other current assets	4,984	(12,323)	(8,031)	(13,744)
Other non-current assets	585	10,015	1,116	6,006
Operating leases, net	41	125	342	293
Accounts payable	1,590	(8,629)	2,295	(5,346)
Accrued expenses and other liabilities	24,500	23,723	(33,589)	36,565
Deferred revenue	94,373	75,823	105,422	72,855
Net cash provided by (used in) operating activities	<u>63,864</u>	<u>13,794</u>	<u>70,580</u>	<u>(106,391)</u>
Cash flows from investing activities				
Purchase of property and equipment	(1,794)	(1,539)	(5,980)	(5,362)
Proceeds from sale of property and equipment	1	2	3	14
Capitalized software development costs	(4,620)	(443)	(12,850)	(8,219)
Payments for asset acquisition	(481)	—	(16,729)	—
Business acquisitions, net of cash acquired	—	(10,683)	—	(15,377)
Net cash used in investing activities	<u>(6,894)</u>	<u>(12,663)</u>	<u>(35,556)</u>	<u>(28,944)</u>
Cash flows from financing activities				
Proceeds from issuance of units	—	600,321	—	600,321
Proceeds from IPO, net of underwriting discounts and commissions	—	—	1,259,681	—
Proceeds from revolving line of credit	—	25,000	—	25,000
Repayments to revolving line of credit	—	(25,000)	—	(25,000)
Repayment of Term Loans	—	(550,000)	(1,040,000)	(550,000)
Payment of debt issuance costs	—	—	(2,716)	—
Payments of deferred offering costs, net	—	(1,839)	(8,618)	(2,892)
Payments related to holdback and contingent consideration	—	—	(6,375)	—
Repurchase of units	—	(275)	—	(6,172)
Net cash provided by financing activities	<u>—</u>	<u>48,207</u>	<u>201,972</u>	<u>41,257</u>
Net change in cash, cash equivalents and restricted cash	56,970	49,338	236,996	(94,078)
Cash, cash equivalents and restricted cash, beginning of period	304,416	75,052	124,390	218,468
Cash, cash equivalents and restricted cash, end of period	<u>\$ 361,386</u>	<u>\$ 124,390</u>	<u>\$ 361,386</u>	<u>\$ 124,390</u>
Reconciliation of cash, cash equivalents and restricted cash from the consolidated balance sheets to the consolidated statements of cash flows:				
Cash and cash equivalents	\$ 358,144	\$ 121,293	\$ 358,144	\$ 121,293
Restricted cash within prepayments and other current assets	3,242	3,097	3,242	3,097
Total cash, cash equivalents, and restricted cash in the consolidated statements of cash flows	<u>\$ 361,386</u>	<u>\$ 124,390</u>	<u>\$ 361,386</u>	<u>\$ 124,390</u>

SAILPOINT, INC.
SUPPLEMENTAL SCHEDULES
(Amounts in thousands, except percentages)
(Unaudited)

	Three Months Ended January 31,		% Change
	2026	2025	
Revenue			
Subscription			
SaaS	\$ 169,615	\$ 124,055	37 %
Maintenance and support	37,055	38,675	(4) %
Term subscriptions	66,026	55,301	19 %
Other subscription services	8,082	6,348	27 %
Total subscription	280,778	224,379	25 %
Services and other	13,869	15,742	(12) %
Total revenue	\$ 294,647	\$ 240,121	23 %

	Year Ended January 31,		% Change
	2026	2025	
Revenue			
Subscription			
SaaS	\$ 602,149	\$ 444,595	35 %
Maintenance and support	150,879	154,351	(2) %
Term subscriptions	229,292	173,917	32 %
Other subscription services	27,878	21,056	32 %
Total subscription	1,010,198	793,919	27 %
Services and other	61,218	67,692	(10) %
Total revenue	\$ 1,071,416	\$ 861,611	24 %

SAILPOINT, INC.
RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES
(Amounts in thousands, except percentages and per share amounts)
(Unaudited)

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP gross profit	\$ 198,282	\$ 159,772	\$ 690,791	\$ 555,878
GAAP gross profit margin	67.3 %	66.5 %	64.5 %	64.5 %
Equity-based compensation expense	5,585	3,797	35,227	13,771
Payroll taxes for IPO-accelerated awards and RSUs	279	—	1,192	—
Amortization of acquired intangible assets	27,235	25,896	106,478	103,483
Adjusted gross profit	\$ 231,381	\$ 189,465	\$ 833,688	\$ 673,132
Adjusted gross profit margin	78.5 %	78.9 %	77.8 %	78.1 %

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP subscription gross profit	\$ 201,118	\$ 161,972	\$ 707,831	\$ 557,338
GAAP subscription gross profit margin	71.6 %	72.2 %	70.1 %	70.2 %
Equity-based compensation expense	3,396	1,999	19,754	7,119
Payroll taxes for IPO-accelerated awards and RSUs	169	—	683	—
Amortization of acquired intangible assets	27,235	25,863	106,476	103,329
Adjusted subscription gross profit	\$ 231,918	\$ 189,834	\$ 834,744	\$ 667,786
Adjusted subscription gross profit margin	82.6 %	84.6 %	82.6 %	84.1 %

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP income (loss) from operations	\$ (40,101)	\$ (30,214)	\$ (307,486)	\$ (188,734)
GAAP income (loss) from operations margin	(13.6) %	(12.6) %	(28.7) %	(21.9) %
Equity-based compensation expense	51,913	27,375	309,800	99,569
Payroll taxes for IPO-accelerated awards and RSUs	2,172	—	8,157	—
Amortization of acquired intangible assets	51,190	49,609	202,068	230,308
Amortization of acquired contract acquisition costs	(4,333)	(6,027)	(20,476)	(25,682)
Acquisition-related expenses and Thoma Bravo monitoring fees	—	4,893	2,192	17,283
Adjusted income from operations	\$ 60,841	\$ 45,636	\$ 194,255	\$ 132,744
Adjusted operating margin	20.6 %	19.0 %	18.1 %	15.4 %

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP research and development expense	\$ 56,366	\$ 45,456	\$ 222,961	\$ 169,730
Equity-based compensation expense	(9,402)	(5,856)	(52,990)	(23,139)
Payroll taxes for IPO-accelerated awards and RSUs	(479)	—	(1,631)	—
Amortization of acquired intangible assets	(158)	(95)	(443)	(380)
Adjusted research and development expense	\$ 46,327	\$ 39,505	\$ 167,897	\$ 146,211

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP sales and marketing expense	\$ 140,692	\$ 116,865	\$ 574,846	\$ 466,903
Equity-based compensation expense	(16,089)	(11,906)	(103,484)	(38,387)
Payroll taxes for IPO-accelerated awards and RSUs	(905)	—	(3,583)	—
Amortization of acquired intangible assets	(23,797)	(23,618)	(95,147)	(126,445)
Amortization related to acquired contract acquisition costs	4,333	6,027	20,476	25,682
Acquisition-related expenses	—	—	(1,609)	—
Adjusted sales and marketing expense	\$ 104,234	\$ 87,368	\$ 391,499	\$ 327,753

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026	2025
GAAP general and administrative expense	\$ 41,325	\$ 27,665	\$ 200,470	\$ 107,979
Equity-based compensation expense	(20,837)	(5,816)	(118,099)	(24,272)
Payroll taxes for IPO-accelerated awards and RSUs	(509)	—	(1,751)	—
Acquisition-related expenses and Thoma Bravo monitoring fees	—	(4,893)	(583)	(17,283)
Adjusted general and administrative expense	\$ 19,979	\$ 16,956	\$ 80,037	\$ 66,424

	Three Months Ended January 31,		Year Ended January 31,	
	2026	2025	2026⁽¹⁾	2025
GAAP net cash provided by (used in) operating activities	\$ 63,864	\$ 13,794	\$ 70,580	\$ (106,391)
Less: Purchase of property and equipment	(1,794)	(1,539)	(5,980)	(5,362)
Less: Capitalized software development costs	(4,620)	(443)	(12,850)	(8,219)
Free cash flow	\$ 57,450	\$ 11,812	\$ 51,750	\$ (119,972)
GAAP net cash provided by (used in) operating activities margin	21.7 %	5.7 %	6.6 %	(12.3) %
Free cash flow margin	19.5 %	4.9 %	4.8 %	(13.9) %

(1) Free cash flow for the year ended January 31, 2026 includes \$78 million of cash paid to settle equity related awards, cash awards and their associated payroll taxes upon the closing of our IPO, \$37 million in cash paid for interest expense related to our 2022 Credit Agreement and \$9 million of cash paid for fees under our advisory services agreement with Thoma Bravo, which was terminated upon the closing of our IPO.

	Three Months Ended January 31,	Year Ended January 31,
	2026	2026
GAAP net loss	\$ (36,215)	\$ (270,054)
Equity-based compensation expense	51,913	309,800
Payroll taxes for IPO-accelerated awards and RSUs	2,172	8,157
Amortization of acquired intangible assets	51,190	202,068
Amortization of acquired contract acquisition costs	(4,333)	(20,476)
Acquisition-related expenses and Thoma Bravo monitoring fees	—	2,192
Tax effect of adjustments	(17,966)	(99,002)
Adjusted net income	<u>\$ 46,761</u>	<u>\$ 132,685</u>
GAAP net loss per share, basic and diluted ⁽¹⁾	\$ (0.06)	\$ (0.54)
Adjusted EPS, diluted	\$ 0.08	\$ 0.24
Weighted average shares used in computing GAAP net loss per share, basic and diluted	561,890	544,159
Shares used in computing adjusted EPS, diluted	563,832	563,785

(1) Includes the impact of the Class A yield for the year ended January 31, 2026.