TERADATA CORPORATION
(in millions, except per share amounts - unaudited)

	2024					2025					2026		
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1	Q2	YTD
Revenue													
Recurring	$ 388	$ 368	$ 372	$ 351	$ 1,479	$ 358	$ 354	$ 366	$ 367	$ 1,445	$ 400	$ 363	$ 763
Growth Rate as Reported	(0%)	(1%)	3%	(6%)	(1%)	(8%)	(4%)	(2%)	5%	(2%)	12%	3%	7%
Growth Rate Constant Currency (non-GAAP)*	1%	2%	5%	(4%)	1%	(6%)	(4%)	(3%)	3%	(3%)	9%	2%	5%
Perpetual software licenses, hardware and other	8	5	7	3	23	10	3	3	1	17	1	8	9
Growth Rate as Reported	(38%)	(62%)	0%	(75%)	(49%)	25%	(40%)	(57%)	(67%)	(26%)	(90%)	167%	(31%)
Growth Rate Constant Currency (non-GAAP)*	(40%)	(58%)	(2%)	(69%)	(47%)	26%	(62%)	(44%)	(69%)	(25%)	(88%)	313%	(26%)
Consulting services	69	63	61	55	248	50	51	47	53	201	43	39	82
Growth Rate as Reported	(7%)	(19%)	(14%)	(25%)	(16%)	(28%)	(19%)	(23%)	(4%)	(19%)	(14%)	(24%)	(19%)
Growth Rate Constant Currency (non-GAAP)*	(2%)	(15%)	(12%)	(21%)	(13%)	(26%)	(20%)	(22%)	(6%)	(19%)	(15%)	(23%)	(19%)
Total revenue	**465**	**436**	**440**	**409**	**1,750**	**418**	**408**	**416**	**421**	**1,663**	**444**	**410**	**854**
Growth Rate as Reported	(2%)	(6%)	0%	(11%)	(5%)	(10%)	(6%)	(5%)	3%	(5%)	6%	0%	3%
Growth Rate Constant Currency (non-GAAP)*	(1%)	(3%)	2%	(9%)	(3%)	(8%)	(7%)	(6%)	1%	(5%)	4%	0%	2%
Gross profit													
Recurring	276	258	261	243	1,038	250	235	250	248	983	277	243	520
% of Revenue	71.1%	70.1%	70.2%	69.2%	70.2%	69.8%	66.4%	68.3%	67.6%	68.0%	69.3%	66.9%	68.2%
Perpetual software licenses, hardware and other	-	-	2	(2)	-	1	-	3	-	4	1	2	3
% of Revenue	0.0%	0.0%	28.6%	(66.7%)	0.0%	10.0%	0.0%	100.0%	0.0%	23.5%	100.0%	25.0%	33.3%
Consulting services	8	7	3	2	20	(3)	(5)	-	8	-	(2)	(2)	(4)
% of Revenue	11.6%	11.1%	4.9%	3.6%	8.1%	(6.0%)	(9.8%)	0.0%	15.1%	0.0%	(4.7%)	(5.1%)	(4.9%)
Total gross profit	**284**	**265**	**266**	**243**	**1,058**	**248**	**230**	**253**	**256**	**987**	**276**	**243**	**519**
% of Revenue	61.1%	60.8%	60.5%	59.4%	60.5%	59.3%	56.4%	60.8%	60.8%	59.4%	62.2%	59.3%	60.8%
Selling, general and administrative expenses	161	131	137	136	565	116	135	122	129	502	240	120	360
Research and development expenses	75	68	73	68	284	66	71	70	73	280	72	75	147
Total operating expense	236	199	210	204	849	182	206	192	202	782	312	195	507
% of Revenue	50.8%	45.6%	47.7%	49.9%	48.5%	43.5%	50.5%	46.2%	48.0%	47.0%	70.3%	47.6%	59.4%
Income (loss) from operations	**48**	**66**	**56**	**39**	**209**	**66**	**24**	**61**	**54**	**205**	**(36)**	**48**	**12**
% of Revenue	10.3%	15.1%	12.7%	9.5%	11.9%	15.8%	5.9%	14.7%	12.8%	12.3%	(8.1%)	11.7%	1.4%
Other (expense) income, net	(16)	(11)	(9)	(9)	(45)	(8)	(11)	(7)	(1)	(27)	473	(1)	472
Income before income taxes	32	55	47	30	164	58	13	54	53	178	437	47	484
Income tax expense	12	18	15	5	50	14	4	14	16	48	102	1	103
% Income tax	37.5%	32.7%	31.9%	16.7%	30.5%	24.1%	30.8%	25.9%	30.2%	27.0%	23.3%	2.1%	21.3%
Net income	$ 20	$ 37	$ 32	$ 25	$ 114	$ 44	$ 9	$ 40	$ 37	$ 130	$ 335	$ 46	$ 381
% of Revenue	4.3%	8.5%	7.3%	6.1%	6.5%	10.5%	2.2%	9.6%	8.8%	7.8%	75.5%	11.2%	44.6%
Net income per common share**													
Basic	$ 0.21	$ 0.38	$ 0.33	$ 0.26	$ 1.18	$ 0.46	$ 0.09	$ 0.42	$ 0.40	$ 1.38	$ 3.60	$ 0.49	$ 4.07
Diluted	$ 0.20	$ 0.38	$ 0.33	$ 0.26	$ 1.16	$ 0.45	$ 0.09	$ 0.42	$ 0.38	$ 1.35	$ 3.47	$ 0.48	$ 3.95
Weighted average common shares outstanding													
Basic	97.4	96.5	96.1	95.5	96.4	95.1	95.3	94.2	93.0	94.4	93.0	93.9	93.5
Diluted	100.1	97.4	97.0	97.4	98.2	97.4	96.0	95.5	96.4	96.6	96.6	96.2	96.4
Stock-based compensation expense (after-tax)	$ (30)	$ (24)	$ (25)	$ (23)	$ (102)	$ (19)	$ (32)	$ (24)	$ (26)	$ (101)	$ (24)	$ (28)	$ (52)
Special items (after-tax) (see Notes)	$ (7)	$ (1)	$ (10)	$ (4)	$ (22)	$ (1)	$ (4)	$ (5)	$ (8)	$ (18)	$ 274	$ 8	$ 282
Net income (Non-GAAP)*	**$ 57**	**$ 62**	**$ 67**	**$ 52**	**$ 238**	**$ 64**	**$ 45**	**$ 69**	**$ 71**	**$ 249**	**$ 85**	**$ 66**	**$ 151**
Non-GAAP Diluted EPS*	**$ 0.57**	**$ 0.64**	**$ 0.69**	**$ 0.53**	**$ 2.42**	**$ 0.66**	**$ 0.47**	**$ 0.72**	**$ 0.74**	**$ 2.58**	**$ 0.88**	**$ 0.69**	**$ 1.57**

Notes

Q1 2024 - $7 million ($5 million after-tax) for reorganization and transformation activities, and $2 million ($2 million after-tax) for losses on sale of Blue Chip Swap.
Q2 2024 - $1 million ($1 million after-tax) for reorganization and transformation activities.
Q3 2024 - $14 million ($10 million after-tax) for reorganization and transformation activities.
Q4 2024 - $6 million ($4 million after-tax) for reorganization and transformation activities.
Q1 2025 - $3 million ($1 million after-tax) for reorganization and transformation activities.
Q2 2025 - $12 million ($4 million after-tax) for reorganization and transformation activities.
Q3 2025 - $7 million ($5 million after-tax) for reorganization and transformation activities.
Q4 2025 - $9 million ($8 million after-tax) for reorganization and transformation activities.
Q1 2026 - $359 million ($280 million after-tax) for net proceeds from SAP legal settlement, and $7 million ($6 million after-tax) in charges for reorganization, transformation and other activities.
Q2 2026 - $12 million tax expense adjustment for SAP legal settlement, and $6 million ($4 million after-tax) for reorganization, transformation and other activities.

* While Teradata reports its results using generally accepted accounting principles in the U.S. (GAAP), certain non-GAAP financial measurements may be used to reflect operational performance. Certain special items may be segregated from our GAAP results from time-to-time to reflect the on-going Earnings Per Share performance of the Company. Similarly constant currency growth rate for revenues eliminates the foreign exchange rate fluctuations. Although non-GAAP measures should not be used as a substitute for, or superior to, the Company's reported GAAP results, Teradata uses non-GAAP measures to manage and determine the effectiveness of its business management.

** Net income per share in each quarter is computed using the weighted-average number of shares outstanding during that quarter while net income per share for the full year is computed using the weighted-average number of shares outstanding during the year. Thus the sum of the four quarters' net income per share does not necessarily equal the full-year net income per share.