

Needham 28th Annual Growth Conference

CFO Howard Wilson

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Q3 FY 2026

Period ended October 31, 2025

Safe Harbor

This presentation contains forward-looking statements. All statements other than statements of historical fact contained in this presentation, are forward-looking statements, including but not limited to: statements regarding the future financial and operational performance and outlook, and strategies, objectives, opportunity, expectations and market positioning of PagerDuty, Inc. ("PagerDuty" or the "Company"). In some cases, you can identify forward-looking statements by terms such as "can," "desire," "able," "guidance," "expect," "extend," "anticipate," "should," "believe," "hope," "target," "project," "accelerate," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall" or the negative of these terms or other similar words or expressions. You should not rely upon forward-looking statements as predictions of future events.

The outcome of events described in these forward-looking statements contained in this presentation is subject to known and unknown risks, uncertainties, assumptions and other factors that may cause PagerDuty's actual results, performance or outcomes to differ materially from those expressed or implied by such forward-looking statements, including: the Company's ability to achieve and maintain future profitability; the Company's ability to sustain and manage its growth; the Company's ability to attract new customers and retain and sell additional functionality and services to its existing customers; the Company's dependence on revenue from a single product; the Company's ability to compete effectively in an increasingly competitive market; the impact of seasonality on its business; the Company's ability to adapt and respond effectively to rapidly developing technology; the Company's ability to effectively develop and expand its marketing and sales capacities; the Company's ability to enhance and improve its platform or develop new functionality or use cases; the effect of unfavorable conditions in the Company's industry or the global economy, or reductions in information spending, on the Company's business and results of operations; adverse consequences that could arise as a result of international trade policies, including tariffs, sanctions and trade barriers; the accuracy of the Company's estimates of market opportunity and forecasts of market growth; the Company's assumptions and limitations to which ARR and certain other operational data are subject that may cause such metrics to not provide an accurate indication of actual performance or future results; adverse consequences that could result from any compromise of the Company's information technology systems or those of third parties with whom the Company works or the Company's data; adverse consequences that could result from any interruptions or delays in performance of the Company's service; and the Company's ability to maintain the compatibility of its platform with third party applications that its customers use in their businesses.

The forward-looking statements contained in this presentation are also subject to additional risks, uncertainties, and factors, including those more fully described in PagerDuty's filings with the Securities and Exchange Commission (the "SEC"), including its most recently filed Form 10-K and subsequent filings with the SEC.

Forward-looking statements represent PagerDuty's management's beliefs and assumptions only as of the date such statements are made. PagerDuty does not undertake, and expressly disclaims any duty, to update any statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law.

This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other industry data. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The Company has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of its future performance and the future performance of the markets in which the Company competes are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results or outcomes to differ materially from those expressed in the estimates made by the independent parties and by PagerDuty.

This presentation also includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. The Company has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix to this presentation. For further information with respect to PagerDuty, we refer you to the Company's most recent Form 10-K and subsequent filings with the SEC. In addition, the Company is subject to the information and reporting requirements of the Securities Exchange Act of 1934 and, accordingly, files periodic reports, current reports, proxy statements and other information with the SEC. These periodic reports, current reports, proxy statements and other information are available for review at the SEC's website at <http://www.sec.gov>.

The last day of the Company's fiscal year is January 31. The Company's fiscal quarters end on April 30, July 31, October 31 and January 31. References to a fiscal year (FY) refer to the fiscal year ended January 31 of such year. For example, fiscal 2026 or FY26 refer to the fiscal year ending January 31, 2026.

About PagerDuty

PagerDuty, Inc. (NYSE:PD) is a global leader in digital operations management. The PagerDuty Operations Cloud is an AI-powered platform that empowers business resilience and drives operational efficiency for enterprises. With a generative AI and agentic AI capabilities tightly integrated in the platform, PagerDuty empowers teams to accelerate incident detection through resolution, anticipate issues, and drive continuous improvement across their digital operations. Trusted by nearly half of the Fortune 500, half of the Forbes AI 50, as well as approximately two-thirds of the Fortune 100, PagerDuty is essential for delivering always-on digital experiences to modern businesses.

FY26 Q3

ARR: \$497M

Revenue: \$125M

Non-GAAP Operating Margin: 29%

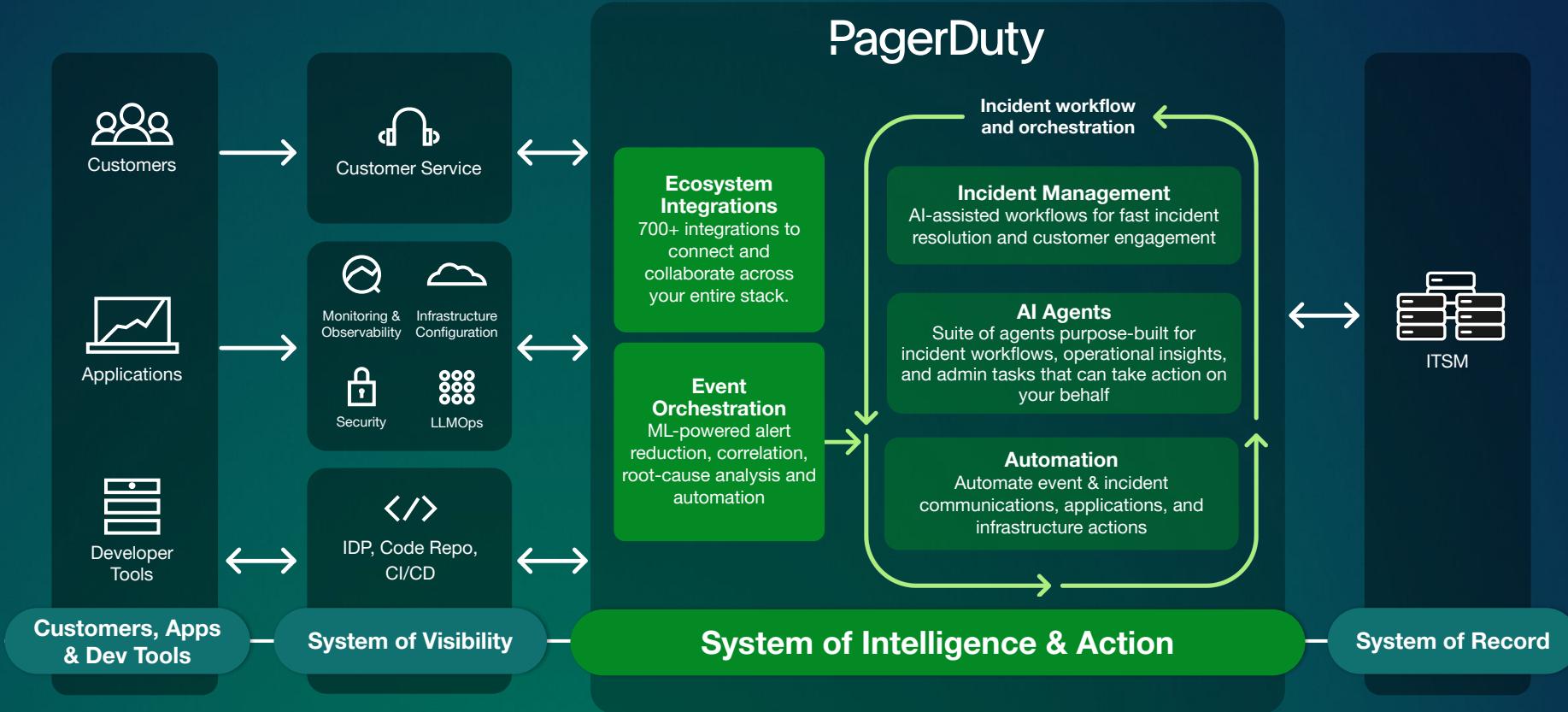
Free Cash Flow Margin: 17%

DBNR: 100%

Total Paid Customers: 15,398

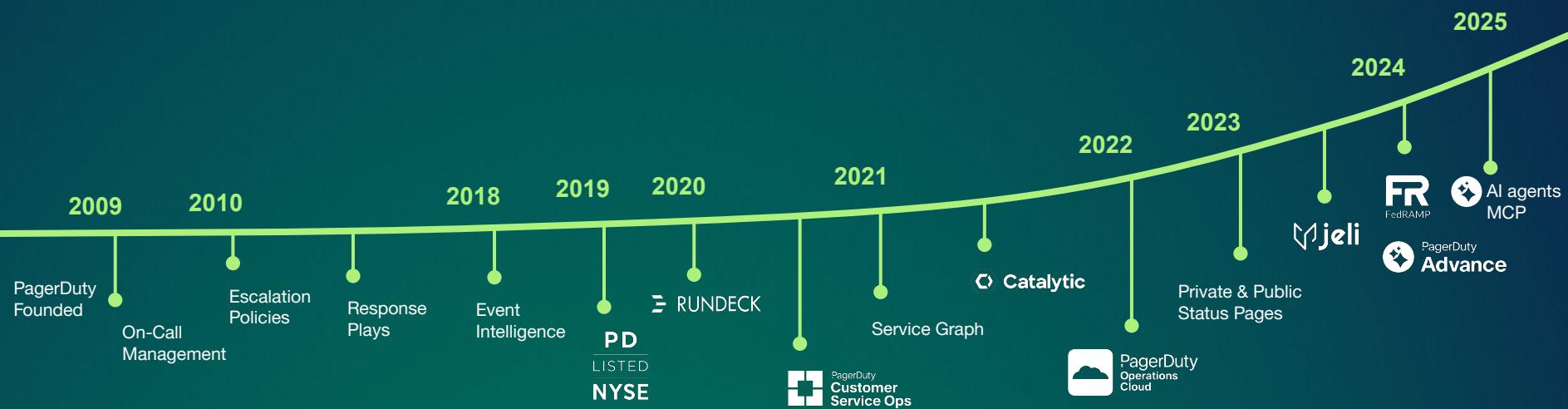
Customer with ARR > \$100K: 867

PagerDuty is a System of Intelligence & Action



PagerDuty

Innovation Timeline



PagerDuty Operations Cloud



Extensive APIs &
Integrations

Proprietary Foundational
Data Model

Embedded
AI/ML & GenAI

No-Code to Pro-Code
Automation

Zero Maintenance
Availability Window

The Operations Cloud Product Pillars

PagerDuty **Incident Management**

On-call Alerting & Mobilization
Guided Remediation
Post-Incident Review
Analytics

Resolve incidents faster while driving continuous learning and improvement.

PagerDuty **AI Ops**

Event Intelligence & Orchestration
Root Cause Analysis

Reduce noise, identify root cause, and accelerate incident resolution.

PagerDuty **Automation**

Runbook Automation
Runbook Automation Self-hosted
Workflow Automation

Ensure compliance and reduce risk by automating routine and documented best practices.

PagerDuty **Advance**

AI Agents:
- SRE Agent
- Scribe Agent
- Shift Agent
- Insights Agent

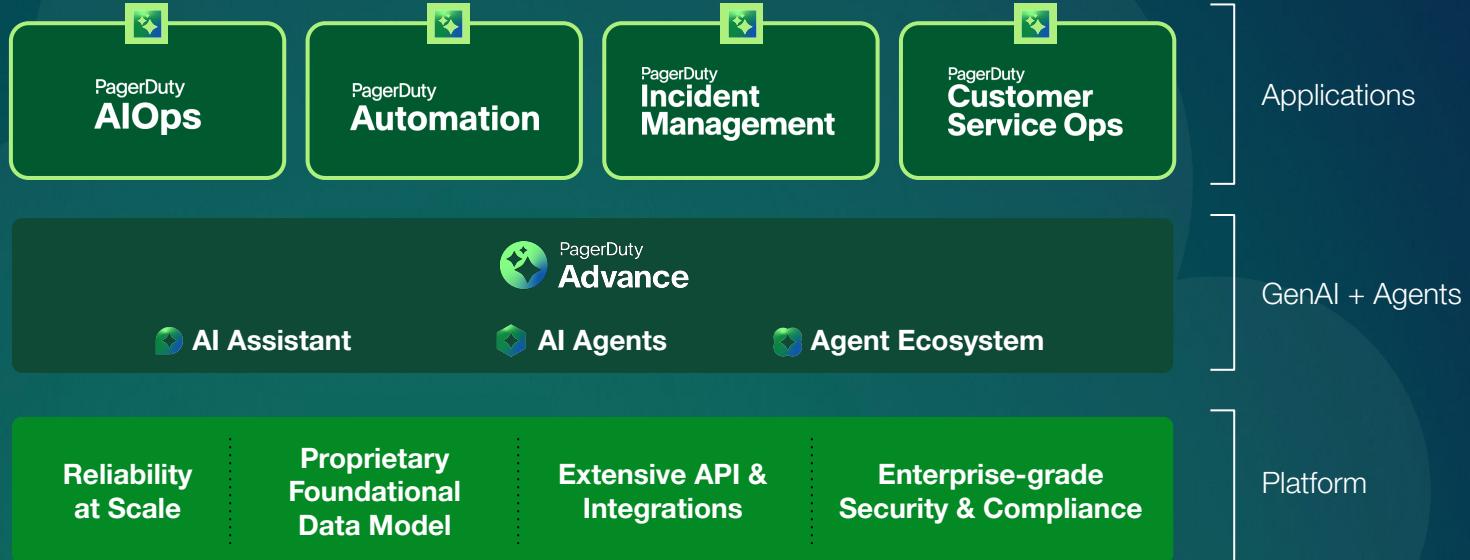
Scale teams and build operational efficiency using generative and agentic AI capabilities.

Add ons

Customer Service Ops | Stakeholder License | Status Pages | Professional Services and Support

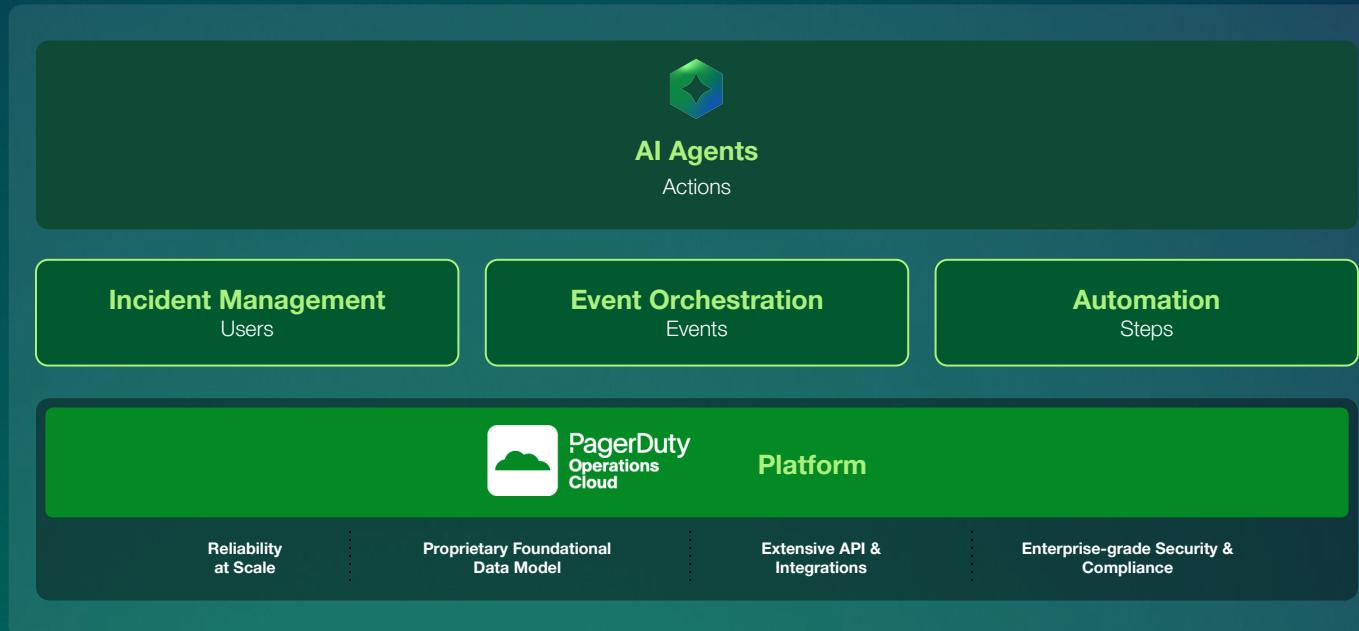
PagerDuty Operations Cloud - Today

AI & Applications for Digital Operations

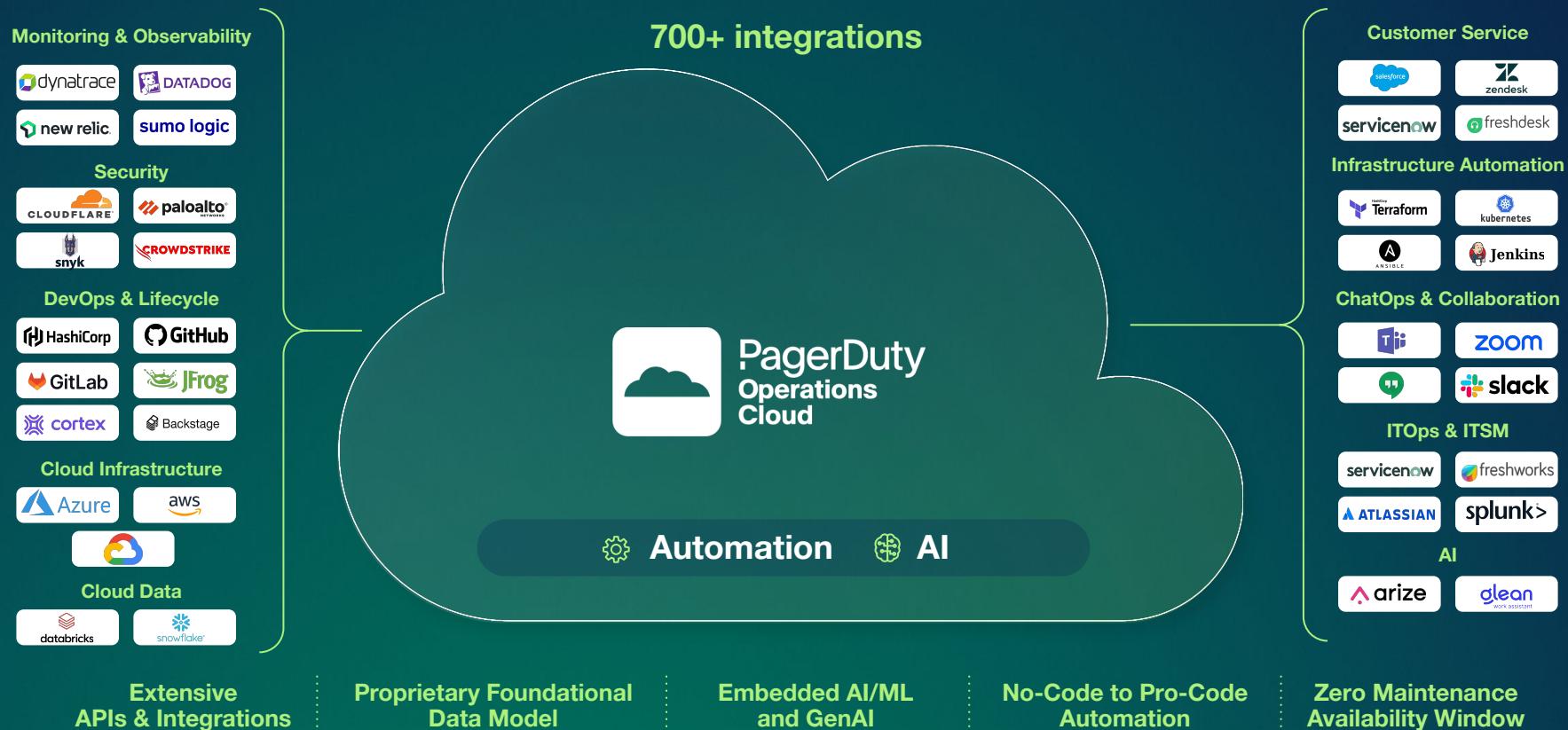


Flexible Pricing

Full access to the PagerDuty Operations Cloud



PagerDuty Operations Cloud



The \$50B Market Opportunity¹

87 million users by persona²

Developers: driven by digital services and software-driven innovation → **30m users**

Infrastructure and Operations: undergoing modernization with Digital, Cloud adoption, and DevOps → **23m users**

Customer Service: push for improving cost-efficiency and productivity through self-service and automation → **28m users**

SecOps: a relatively small, but influential population (i.e. protect all technology / data, employees, customers and stakeholders for a business) → **6m users**

Sources:

1 To calculate our total addressable market, we multiply our estimate of 87 million potential users by our applicable product average revenue per user. We believe that we have approximately 1% penetration worldwide within these markets.

2 Development user population for 2024 is sourced from the IDC Worldwide Developer Census for 2023–2027 (March, 2023), IT Operations user population for 2024 is sourced from the IDC Worldwide Information and Communication Technology Employment Forecast, 2020–2023 (July 2020), Customer Service user population for 2024 in the U.S. is sourced from the U.S. Bureau of Labor Statistics, Security user population for 2024 is sourced from the ISC2 Cybersecurity Workforce Study (2023)

3 A study of 500 IT leaders and decision-makers of companies with more than 1,000 employees responsible for IT operations from the United States, the United Kingdom and Australia. June 2024, <https://www.pagerduty.com/resources/learn/cost-of-downtime/>

Anatomy of an incident³

Cost of downtime: ~\$4,537/minute → **\$794,000 per incident**

High-priority/priority incidents: 25 in the past 12 months per organization → **\$20M per year**

Time to manually resolve an incident: more than **3 hours and 58 minutes**

Forrester Total Economic Impact Study

PagerDuty is an essential partner to build resilient and efficient operations

249%

Return on investment
(ROI) over three years

<12 months

Payback

Source: Forrester Consulting: The Total Economic Impact of the PagerDuty Operations Cloud. August 2024
<https://www.pagerduty.com/resources/analyst-report/unlock-the-roi-of-pagerduty-forrester-study/>

What Sets PagerDuty Apart From The Competition



Deep data & domain expertise

- 15+ years of operational intelligence



Enterprise-grade security & reliability

- Zero scheduled downtime, 99.9% web SLAs
- Comprehensive governance framework
- FedRAMP, ISO and SOC 2 certified



FedRAMP



Unified AI ecosystem

- Cross-agent collaboration through Model Context Protocol (MCP)
- 700+ integrations
- 3rd party AI data partnerships



Immediate time-to-value

- 249% ROI* over three years
- Payback < 12 months*

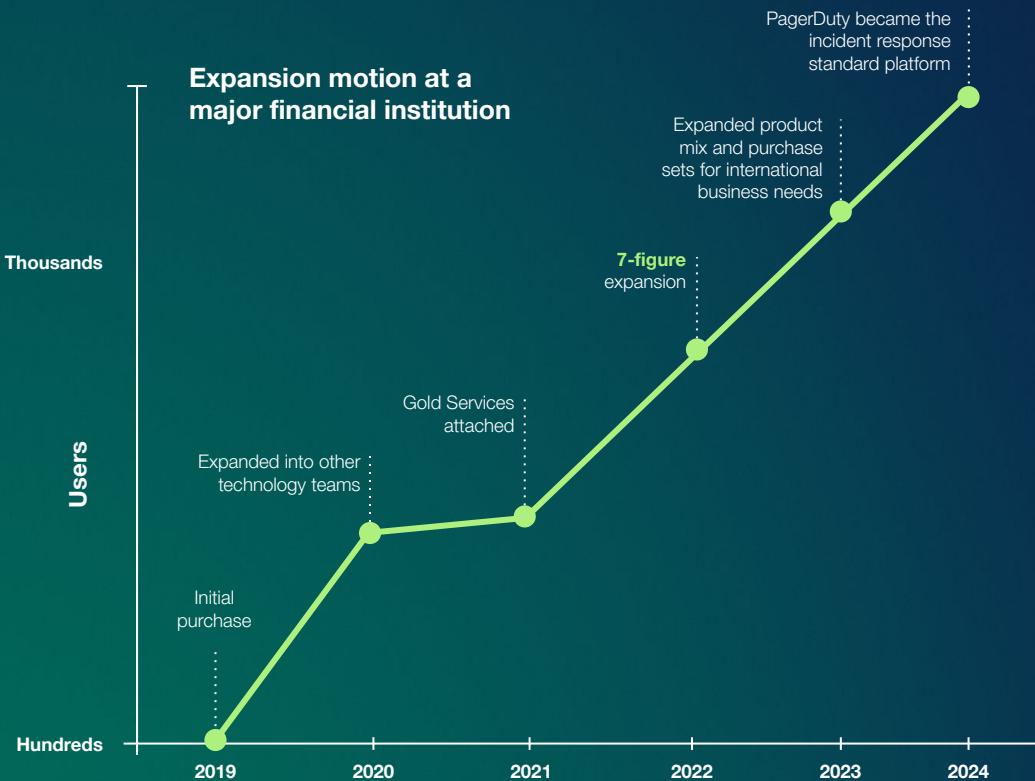
*Forrester Consulting Total Economic Impact study, 2024

Innovation-Driven Land-and-Expand Model

A leading financial services organization relies on PagerDuty to increase workforce efficiency, critical application uptime, and operating leverage.

Value captured includes, reduced toil and improved customer experience through greater app reliability.

- 2019: Initial purchase for a group delivering applications for high value clients
- 2020: Additional purchases => \$1M in ARR
- 2021: Added gold services
- 2022: Additional 7-figure deal
- 2023: Expanded product mix and purchase sets for international business needs
- 2024: Became the incident response standard platform for the organization



PagerDuty Q3 Overview

Quarterly
revenue

\$125M



Year-over-Year
revenue growth

5%



Paid
customers

15,398



Non-GAAP
operating margin

29%



See appendix for GAAP to non-GAAP reconciliation

Select Operating Metrics

	FY25 Q3	FY25 Q4	FY26 Q1	FY26 Q2	FY26 Q3
Revenue (millions)	\$119	\$121	\$120	\$123	\$125
Revenue Growth	9%	9%	8%	6%	5%
Non-GAAP Operating Margin	21% ¹	18% ²	20% ³	25% ⁴	29% ¹
DBNR	107%	106%	104%	102%	100%
Paid Customers	15,050	15,114	15,247	15,322	15,398
Customers >\$100K	825	849	848	868	867

Note: See appendix for definition of operating metrics.

1. See appendix for GAAP to non-GAAP reconciliation.

2. See GAAP to non-GAAP reconciliation at https://s206.q4cdn.com/635206389/files/doc_presentations/2025/03/1/FY25-Q4-General-Investor-Presentation-4-24.pptx.pdf

3. See GAAP to non-GAAP reconciliation at https://s206.q4cdn.com/635206389/files/doc_presentations/2025/May/29/FY26-Q1-General-Investor-Presentation.pdf

4. See GAAP to non-GAAP reconciliation at https://s206.q4cdn.com/635206389/files/doc_financials/2026/q2/Copy-of-FY26-Q2-General-Investor-Presentation-Final.pdf

Non-GAAP Target Operating Model

% of Revenue	FY20	FY21	FY22	FY23	FY24	FY25	Q3'FY26	Target*
Gross Margin	86%	87%	85%	85%	86%	86%	87%	84% to 86%
Research & Development	26%	25%	25%	24%	22%	20%	16%	-
Sales & Marketing	53%	50%	50%	43%	38%	36%	30%	> -
General & Administrative	24%	21%	19%	17%	13%	13%	13%	-
Operating Margin	(17%)	(8%)	(8%)	1%	13%	18%	29%	30%

See appendix for GAAP to non-GAAP reconciliation for FY23, FY24, FY25, and Q3'FY26.

For GAAP to non-GAAP reconciliation of FY20, FY21, and FY22, refer to https://s206.q4cdn.com/635206389/files/doc_presentations/2023/03/1/FY23-Q4-General-Investor-Presentation-3-15-23.pdf

*PagerDuty has not reconciled its long-term non-GAAP targets because certain reconciling items are out of PagerDuty's control or cannot be reasonably predicted. Accordingly, such reconciliation is not available without unreasonable effort. However, it is important to note that these reconciling items could have a significant effect on PagerDuty's future GAAP results.

Investment Highlights

Real-time leading operations cloud platform

Comprehensive product offerings to optimize operating efficiency and offer tangible ROI

Significant market opportunity

Customer-driven demand across business operations and industrial operations

Expansive enterprise adoption

Strong enterprise demand with opportunity to further expand across the operations cloud platform

Consistent innovation

Expanding competitive advantage through product offerings

Aiming to achieve durable profitable growth

Solid revenue growth with significant operating margin expansion



Resources

Investor Relations Page

<https://investor.pagerduty.com>

PagerDuty Newsroom

<https://www.pagerduty.com/newsroom/>

PagerDuty Introduction

<https://support.pagerduty.com/main/docs/introduction>

Knowledge Base

<https://support.pagerduty.com/>

Case Studies

<https://www.pagerduty.com/customers/>

Executive Spotlight

<https://www.pagerduty.com/in-perspective/>

Impact Hub

<https://www.pagerduty.com/impact-hub/>

Appendix

PagerDuty Incident Management

Why? - 88% of execs expect an incident as large as the July 2024 global IT outage within the next year¹

Incident Management is the end-to-end business process of addressing an outage, service disruption, or other major incident from its initial conception to its full resolution.

Free

Start with on-call and incident response for small teams.

Includes:

- ✓ Easy on-call scheduling
- ✓ API calls Included
- ✓ 700+ out-of-the-box integrations (Monitoring and chat)
- ✓ No maintenance windows ever

Professional

\$252 per user/year
Out-of-the-box incident response designed to kickstart team operations.

Free Plan, plus:

- ✓ Basic Chat Experience (Slack, Microsoft Teams)
- ✓ SSO
- ✓ Ticketing integrations
- ✓ Email support
- ✓ Incident Workflows
- ✓ Post-Incident Reviews

Business

\$492 per user/year
Advanced & semi-customizable incident management for growing teams.

Professional Plan, plus:

- ✓ Custom Incident Types
- ✓ Internal & External Status Pages
- ✓ Advanced admin features
- ✓ Advanced ITSM integrations
- ✓ Multi-year data access
- ✓ Custom Fields

Enterprise

(contact for pricing)
Our enterprise-grade solution, customized for your needs.

Business Plan, plus:

- ✓ Full Chat Experience with Premium Slack Actions
- ✓ Incident Workflows: Conditionals, Loops, and Delays
- ✓ Incident Workflows: Advanced Actions
- ✓ Trigger Incident Workflows on Custom Fields

- ✓ Incident Tasks
- ✓ Bi-directional Custom Field Sync with ServiceNow
- ✓ Intune Support for Mobile App



For Incident Management

PagerDuty Advance is a set of generative AI capabilities for the PagerDuty Operations Cloud.

A set of Generative AI capabilities that augment and scale responder teams.

This saves time and money by eliminating repetitive and time-consuming tasks.

PagerDuty Advance

Starting at \$4,980/year

PagerDuty Incident Management customers (excluding month-to-month) can add PagerDuty Advance to accelerate mission-critical work and mitigate operational risk with GenAI capabilities for the PagerDuty Operations Cloud.

Automate time-consuming work at every step of the incident lifecycle:

- ✓ Surface actionable insights and suggested next steps, directly from Slack (support for Microsoft Teams coming soon)
- ✓ Draft an audience-specific status update in seconds
- ✓ Summarize the most important automation jobs results

PagerDuty AIOps

PagerDuty AIOps helps teams experience fewer incidents, faster resolution, and greater productivity without long implementations or heavy ongoing maintenance.

PagerDuty AIOps launched in April 2023 and is the current evolution of PagerDuty's Legacy Event Intelligence add-on.

AIOps

Consumption pricing, starting at
\$8,388/year

Pay only for what you use with transparent, flexible consumption-based pricing, up to

Features fall into one of five categories

- ✓ Noise Reduction
- ✓ Triage and RCA
- ✓ Automation and Orchestration
- ✓ Visibility
- ✓ Increased Event Ingestion

PagerDuty Automation

Balance automation, security, and governance with time to value.

By associating Automation Actions with a PagerDuty service, responders get push-button access to a library of defined diagnostic or remediation actions, resulting in shorter resolution times and fewer disruptive escalations.

Automation Actions can also be used as part of an Event Orchestration to enrich incident data with diagnostics information or perform remediation actions on incidents automatically.

Runbook Automation

\$1,500 per user/year + Cloud Platform fee

Faster time to value with a fully managed runbook automation platform hosted by PagerDuty.

- ✓ Hosted and managed by PagerDuty
- ✓ Replace manual IT processes with automated runbooks
- ✓ Invoke technical automation through web, CLI, APIs or integrated applications
- ✓ Out-of-the-box plugins to common systems and infrastructure
- ✓ Integrated with SSO and cloud secrets management systems
- ✓ Securely connects and runs jobs in physical and cloud environments

Runbook Automation Self-Hosted

(contact for pricing)

Maximize flexibility with a self-hosted runbook automation platform.

- ✓ Self-hosted on-premise or in your private cloud
- ✓ Replace manual IT processes with automated runbooks
- ✓ Invoke technical automation through web, CLI, API's or integrated applications
- ✓ Out-of-the-box plugins to common systems and infrastructure
- ✓ Integrated with SSO and cloud secrets management systems
- ✓ Securely connects and runs jobs in physical and cloud environments

PagerDuty **Customer Service Ops**

80% of consumers say that the experience a company provides is just as important as its products and services.

PagerDuty Customer Service Ops enables automated escalation policies, bidirectional comms and direct line of escalation for every agent to quickly mobilize and activate a response.

Professional

\$252 per user/year

Essential capabilities to break down the walls between customer service and engineering.

Free Plan, plus:

- ✓ Work within Zendesk, Salesforce Service Cloud, ServiceNow CSM
- ✓ Bi-Directional communication with engineering
- ✓ Post-Incident Reviews
- ✓ SSO
- ✓ Basic Chat Experience (Slack, Microsoft Teams)

Business

\$492 per user/year

More automation and advanced capabilities for greater efficiency.

Professional Plan, plus:

- ✓ Embedded incident Status Dashboard
- ✓ Customer Service Incident Workflows
- ✓ Bi-Directional Automation Rules Engine
- ✓ Help Desk and Advanced ITSM integration
- ✓ Link customer cases to incidents
- ✓ Advanced Agent Routing

Enterprise

(contact for pricing)

Our enterprise-grade solution, customized for your needs.

Business Plan, plus:

- ✓ Full Chat Experience with Premium Slack Actions
- ✓ Incident Workflows: Conditionals, Loops, and Delays
- ✓ Incident Workflows: Advanced Actions
- ✓ Trigger Incident Workflows on Custom Fields
- ✓ Incident Tasks
- ✓ Bi-directional Custom Field Sync with ServiceNow
- ✓ Intune Support for Mobile App

Definitions

Annual Recurring Revenue (ARR) - Annualized recurring value of all active contracts at the end of a reporting period.

Customer - A separate legal entity, such as a company or an educational or government institution, that has an active subscription with us or one of our partners to access our platform. In situations where an organization has multiple subsidiaries or divisions, we treat the parent entity as the customer instead of treating each subsidiary or division as a separate customer.

Dollar-Based Net Retention (DBNR) - Calculated as of a period end starting with the ARR from the cohort of all customers as of 12 months prior to such period end. Next, we calculate the ARR from these same customers as of the current period end. Period ARR includes any expansion and is net of downgrades or churn over the last 12 months but excludes ARR from new customers in the current period. We then divide the total Current Period ARR by the total Prior Period ARR to arrive at the dollar-based net retention rate.

Reconciliation

PagerDuty, Inc.

Reconciliation of GAAP to Non-GAAP Data

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

	Three months ended October 31,		Year ended January 31,		
	2025	2024	2025	2024	2023
Non-GAAP gross profit and non-GAAP gross margin					
Gross profit	\$106,188	\$98,678	\$387,834	\$352,867	\$300,359
Add:					
Stock-based compensation	988	1,432	5,984	7,586	6,827
Employer taxes related to employee stock transactions	19	29	162	199	163
Amortization of acquired intangible assets	506	2,200	9,075	8,614	7,401
Restructuring costs	292	—	(2)	137	357
Non-GAAP gross profit	\$107,993	\$102,339	\$403,053	\$369,403	\$315,107
Revenue	\$124,545	\$118,946	\$467,499	\$430,699	\$370,793
Gross margin	85%	83%	83%	82%	81%
Non-GAAP gross margin	87%	86%	86%	86%	85%
Non-GAAP research and development					
Research and development	\$29,418	\$34,267	\$141,489	\$139,769	\$134,876
Less:					
Stock-based compensation	8,395	11,576	44,691	44,800	39,012
Employer taxes related to employee stock transactions	128	173	1,116	1,398	942
Acquisition-related expenses	—	227	978	838	3,105
Amortization of acquired intangible assets	—	—	116	350	232
Restructuring costs	334	—	424	(26)	2,004
Impairment of long-lived assets	1,213	—	—	—	—
Non-GAAP research and development	\$19,348	\$22,291	\$94,164	\$92,409	\$89,581
Revenue	\$124,545	\$118,946	\$467,499	\$430,699	\$370,793
Research and development as a % of revenue	24%	29%	30%	32%	36%
Non-GAAP research and development as a % of revenue	16%	19%	20%	22%	24%

Note: Certain figures may not sum due to rounding.

Reconciliation con't

PagerDuty, Inc.

Reconciliation of GAAP to Non-GAAP Data

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

	Three months ended October 31,		Year ended January 31,		
	2025	2024	2025	2024	2023
Non-GAAP sales and marketing					
Sales and marketing	\$44,322	\$49,272	\$201,821	\$196,769	\$195,622
Less:					
Stock-based compensation	5,439	7,639	31,185	30,345	29,804
Employer taxes related to employee stock transactions	79	128	773	919	892
Amortization of acquired intangible assets	633	632	2,530	2,459	2,546
Restructuring costs	1,055	—	140	(49)	2,200
Non-GAAP sales and marketing	\$37,116	\$40,873	\$167,193	\$163,095	\$160,180
Revenue	124,545	118,946	467,499	430,699	370,793
Sales and marketing as a % of revenue	36%	41%	43%	46%	53%
Non-GAAP sales and marketing as a % of revenue	30%	34%	36%	38%	43%
Non-GAAP general and administrative					
General and administrative	\$24,369	\$25,432	\$104,296	\$112,575	\$99,238
Less:					
Stock-based compensation	7,753	11,126	44,350	44,421	34,264
Employer taxes related to employee stock transactions	106	122	745	982	1,099
Acquisition-related expenses	—	—	(1)	962	1,454
Amortization of acquired intangible assets	—	—	29	87	58
Restructuring costs	406	—	180	8,615	474
Shareholder matters	121	—	—	—	—
Non-GAAP general and administrative	\$15,983	\$14,184	\$58,993	\$57,508	\$61,889
Revenue	124,545	118,946	467,499	430,699	370,793
General and administrative as a % of revenue	20%	21%	22%	26%	27%
Non-GAAP general and administrative as a % of revenue	13%	12%	13%	13%	17%
Non-GAAP operating income and non-GAAP operating margin					
Income (loss) from operations	\$8,079	(\$10,293)	(\$59,772)	(\$96,246)	\$(129,377)
Add:					
Stock-based compensation	22,575	31,773	126,210	127,152	109,907
Employer taxes related to employee stock transactions	332	452	2,796	3,498	3,096
Amortization of acquired intangible assets	1,139	2,832	977	1,800	4,559
Acquisition-related expenses	—	227	11,750	11,510	10,237
Restructuring costs	2,087	—	742	8,677	5,035
Shareholder matters	121	—	—	—	—
Impairment of long-lived assets	1,213	—	—	—	—
Non-GAAP operating income	\$35,546	\$24,991	\$82,703	\$56,391	\$3,457
Revenue	\$124,545	\$118,946	\$467,499	\$430,699	\$370,793
Operating margin	7%	(9)%	(13)%	(22)%	(35)%
Non-GAAP operating margin	29%	21%	18%	13%	1%

Note: Certain figures may not sum due to rounding.

Reconciliation con't

PagerDuty, Inc.

Reconciliation of GAAP to Non-GAAP Data

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

	Three months ended October 31,		Year ended January 31,		
	2025	2024	2025	2024	2023
Non-GAAP net income attributable to PagerDuty, Inc. common stockholders					
Net income (loss) attributable to PagerDuty, Inc. common stockholders	\$159,555	\$(6,558)	\$(54,460)	\$(81,757)	\$(128,423)
Add:					
Stock-based compensation	22,575	31,773	126,210	127,152	109,907
Employer taxes related to employee stock transactions	332	452	2,796	3,498	3,096
Amortization of debt issuance costs	590	671	2,629	2,078	1,839
Amortization of acquired intangible assets	1,139	2,832	11,750	11,510	10,237
Acquisition-related expenses	—	227	977	1,800	4,559
Restructuring costs	2,087	—	742	8,677	5,035
Gain on extinguishment of convertible senior notes	—	—	—	(3,699)	—
Shareholder matters	121	—	—	—	—
Impairment of long-lived assets	1,213	—	—	—	—
Adjustment attributable to redeemable non-controlling interest	2,031	634	11,725	6,568	—
Income tax effects and adjustments	(158,426)	(6,310)	(21,989)	(3,273)	(2,556)
Non-GAAP net income attributable to PagerDuty, Inc. common stockholders	\$31,217	\$23,721	\$80,380	\$72,554	\$3,694
Non-GAAP net income per share, basic					
Net income (loss) per share attributable to PagerDuty, Inc. common stockholders	\$1.72	\$(0.07)	\$(0.59)	\$(0.89)	\$(1.45)
Non-GAAP adjustments to net income (loss) per share attributable to PagerDuty, Inc. common stockholders	(1.38)	0.33	1.46	1.68	1.49
Non-GAAP net income per share attributable to PagerDuty, Inc. common stockholders	\$0.34	\$0.26	\$0.87	\$0.79	\$0.04
Non-GAAP net income per share, diluted					
Net income (loss) per share attributable to PagerDuty, Inc. common stockholders	\$1.69	\$(0.07)	\$(0.59)	\$(0.89)	\$(1.45)
Non-GAAP adjustments to net income (loss) per share attributable to PagerDuty, Inc. common stockholders	(1.36)	0.32	1.44	1.63	1.49
Non-GAAP net income per share attributable to PagerDuty, Inc. common stockholders	\$0.33	\$0.25	\$0.85	\$0.74	\$0.04
Weighted-average shares used in calculating non-GAAP net income per share					
Basic	92,836	91,438	92,000	92,341	88,721
Diluted	94,662	94,036	95,060	100,941	100,862

Note: Certain figures may not sum due to rounding.

Reconciliation con't

PagerDuty, Inc.

Reconciliation of GAAP to Non-GAAP Data

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

	Three months ended October 31,		Year ended January 31,		
	2025	2024	2025	2024	2023
Free cash flow and free cash flow margin					
Net cash provided by operating activities	\$24,803	\$22,073	\$117,891	\$71,974	\$16,980
Purchases of property and equipment	(743)	(552)	(2,791)	(2,164)	(4,637)
Capitalization of software costs	(3,131)	(2,078)	(6,686)	(5,384)	(3,836)
Free cash flow	\$20,929	\$19,443	\$108,414	\$64,426	\$8,507
Net cash provided by (used in) investing activities	\$1,813	(\$3,101)	(\$19,968)	(\$30,525)	(\$86,165)
Net cash (used in) provided by financing activities	(\$42,346)	(\$78,118)	(\$116,138)	\$51,600	(\$6,413)
Revenue	\$124,545	\$118,946	\$467,499	\$430,699	\$370,793
Operating cash flow margin	20%	19%	25%	17%	5%
Free cash flow margin	17%	16%	23%	15%	2%

Note: Certain figures may not sum due to rounding.