Q2 2026 Earnings Results

August 6, 2026

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Legal Disclaimer

This presentation and the accompanying conference call contain forward-looking statements within the meaning of the federal securities laws, including statements about our future performance and goals. These statements involve substantial risks and uncertainties that may cause our actual results, performance or achievement to differ materially, as further described in the Appendix, as well as in our most recent periodic reports filed with the SEC, including our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q, which are available on our website and at sec.gov.

This presentation and the accompanying conference call also contain operating metrics, including Active Customer Accounts and Dollar-Based Net Expansion Rate. We rely on assumptions to calculate these metrics, they are calculated using internal company data that has not been independently verified, and they are not based on any standardized industry methodology. More information about these operating metrics can be found in the Appendix.

This presentation and the accompanying conference call also contain non-GAAP financial measures. The non-GAAP financial measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. More information about and definitions of these non-GAAP financial measures, and reconciliations to their most directly comparable GAAP measures, can be found in the Appendix.

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Financial Overview

Company Results
Q2 2026

$1,499M Reported Revenue	**22% / 17%** Reported / Organic Revenue Growth Y/Y	**$736M** Non-GAAP Gross Profit	**18%** Non-GAAP Gross Profit Growth Y/Y
49.1% Non-GAAP Gross Margin	**$285M** Non-GAAP Income from Operations	**$353M** Free Cash Flow	**116%** Dollar-Based Net Expansion Rate

Note: Organic revenue growth, non-GAAP gross profit, non-GAAP gross profit growth, non-GAAP gross margin, non-GAAP income from operations, and free cash flow are non-GAAP financial measures. See Appendix for non-GAAP definitions and reconciliations.
Note: Numbers are rounded to the nearest million (other than percentages).

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Q3 2026 & Full Year 2026 Guidance

Q3 2026 Guidance:

- Reported revenue: $1.505 billion to $1.515 billion, up 16% to 16.5% year-over-year
- Organic revenue growth: 11% to 12% year-over-year
- Non-GAAP income from operations: $285 million to $295 million
- Non-GAAP diluted earnings per share[1]: $1.42 - $1.47
- Non-GAAP weighted average diluted shares outstanding: 160 million

Full Year 2026 Guidance:

- Reported revenue growth: 18% to 18.5% year-over-year, up from 14% to 15% previously
- Organic revenue growth: 13% to 13.5% year-over-year, up from 9.5% to 10.5% previously
- Non-GAAP gross profit growth similar to organic revenue growth
- Non-GAAP income from operations: $1.135 billion to $1.155 billion, up from $1.08 billion to $1.10 billion previously
- Free cash flow: $1.135 billion to $1.155 billion, up from $1.08 billion to $1.10 billion previously

[1] Non-GAAP diluted earnings per share guidance assumes no impact from volatility of foreign exchange rates.
Note: Organic revenue growth, non-GAAP income from operations, non-GAAP diluted earnings per share, non-GAAP gross profit growth and free cash flow are non-GAAP financial measures. See Appendix for non-GAAP definitions and reconciliations.

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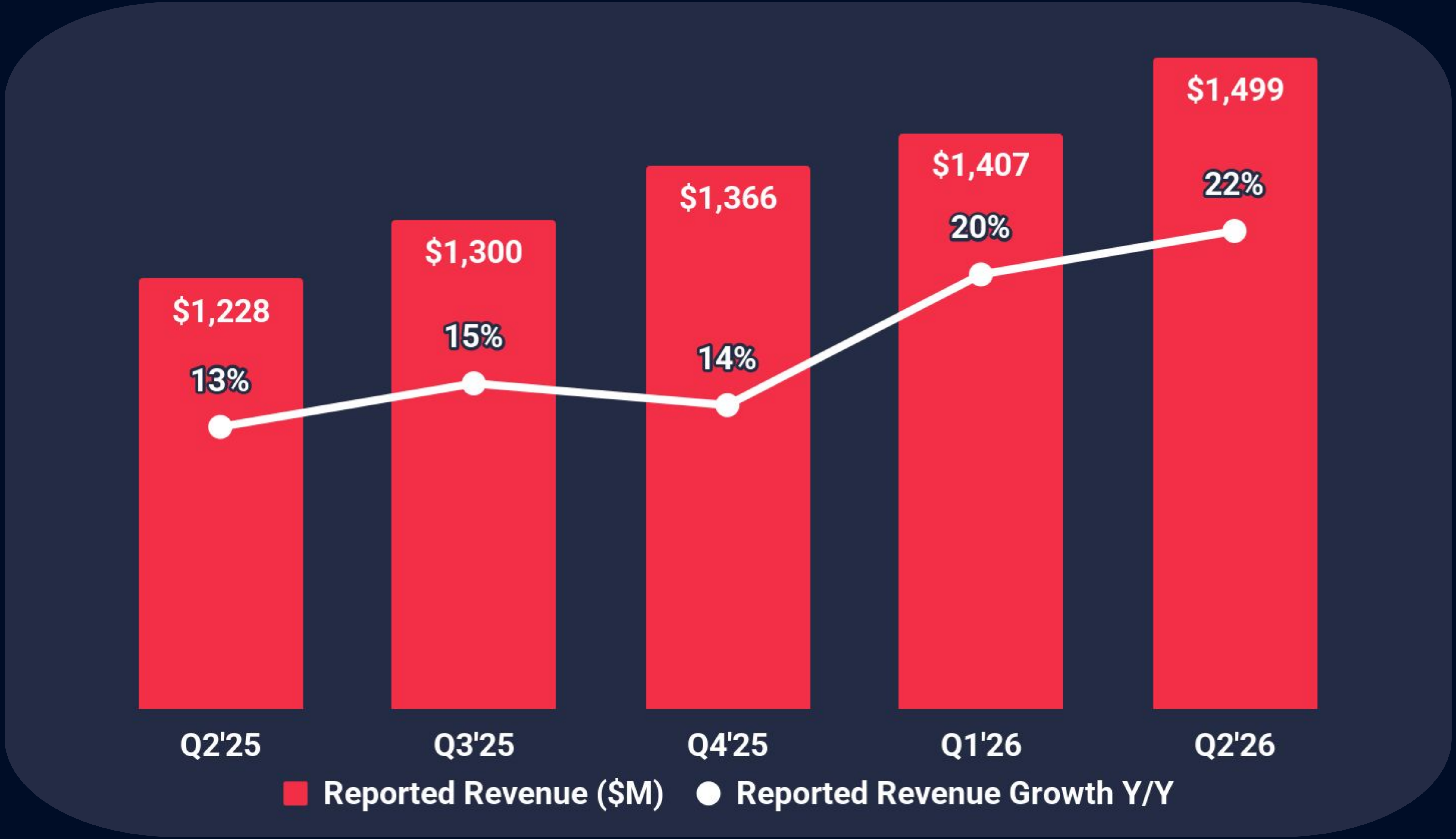
Quarterly Revenue



22% Q2'26 Reported Revenue Growth Y/Y

Note: Numbers are rounded to the nearest million (other than percentages).

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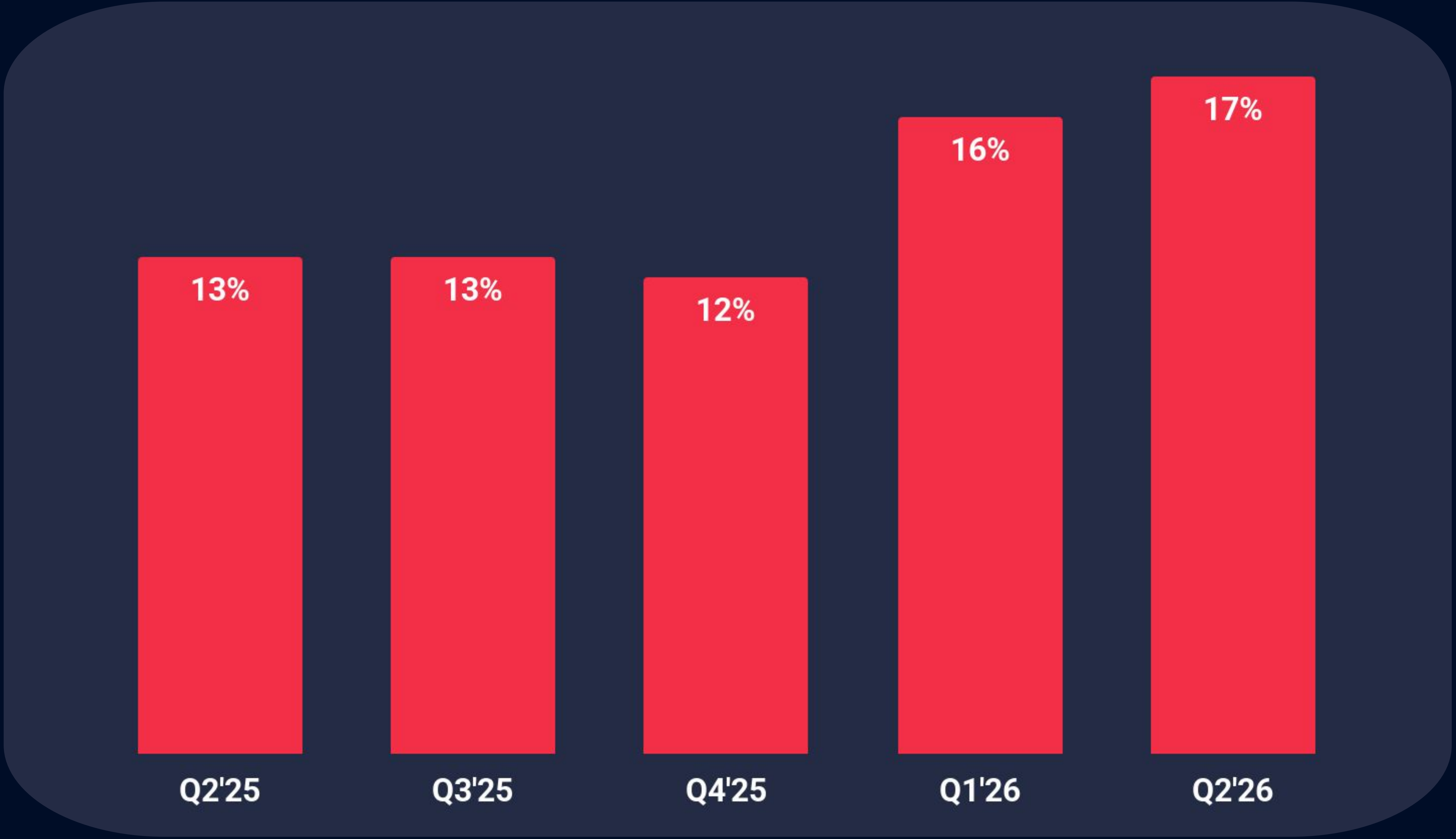
Quarterly Organic Revenue Growth



17%

Q2'26 Organic Revenue Growth Y/Y

Note: Organic revenue growth is a non-GAAP financial measure. See Appendix for non-GAAP definitions and reconciliations.

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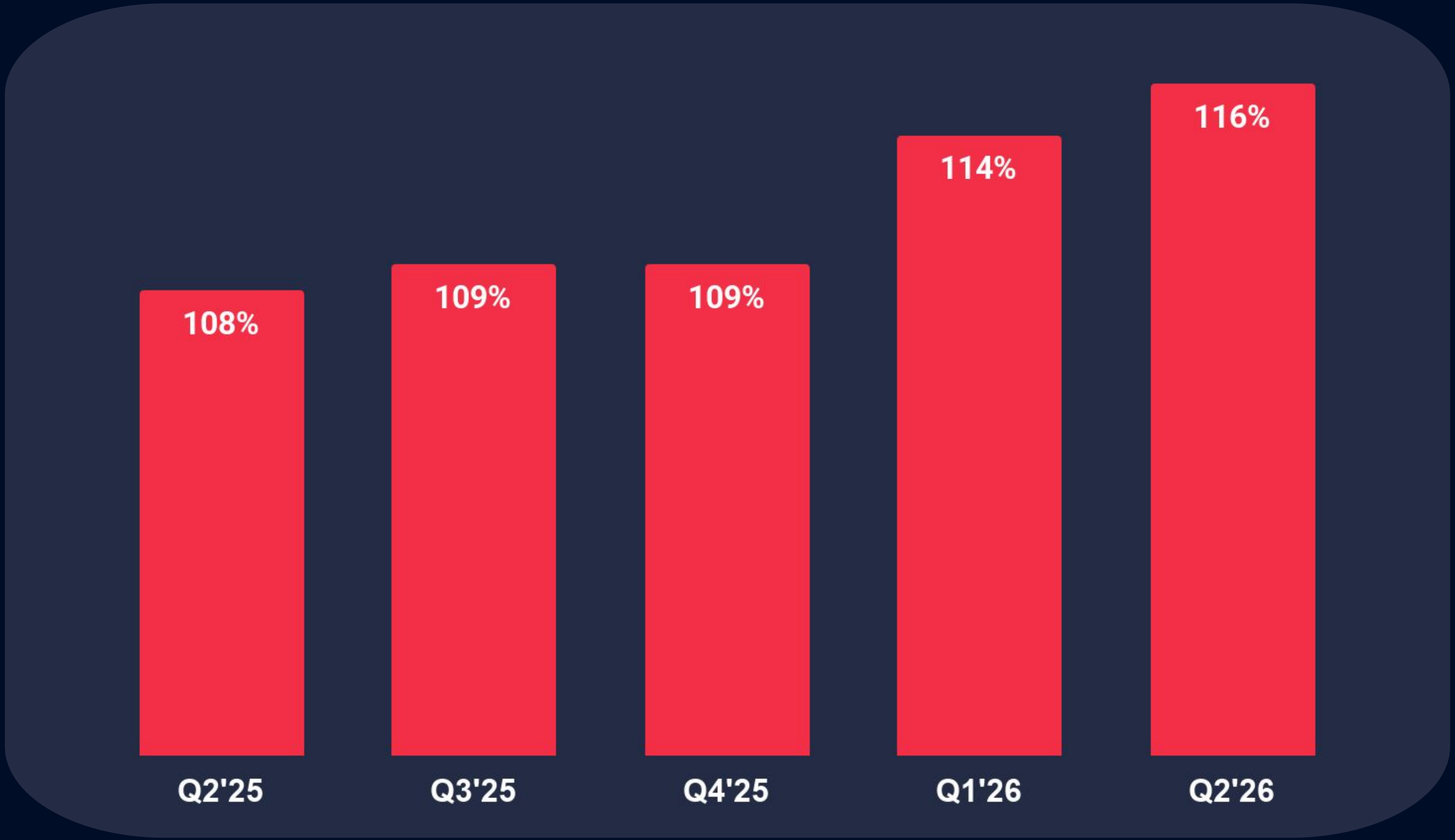
Dollar-Based Net Expansion Rate



Note: See Appendix for our definition of Dollar-Based Net Expansion Rate.

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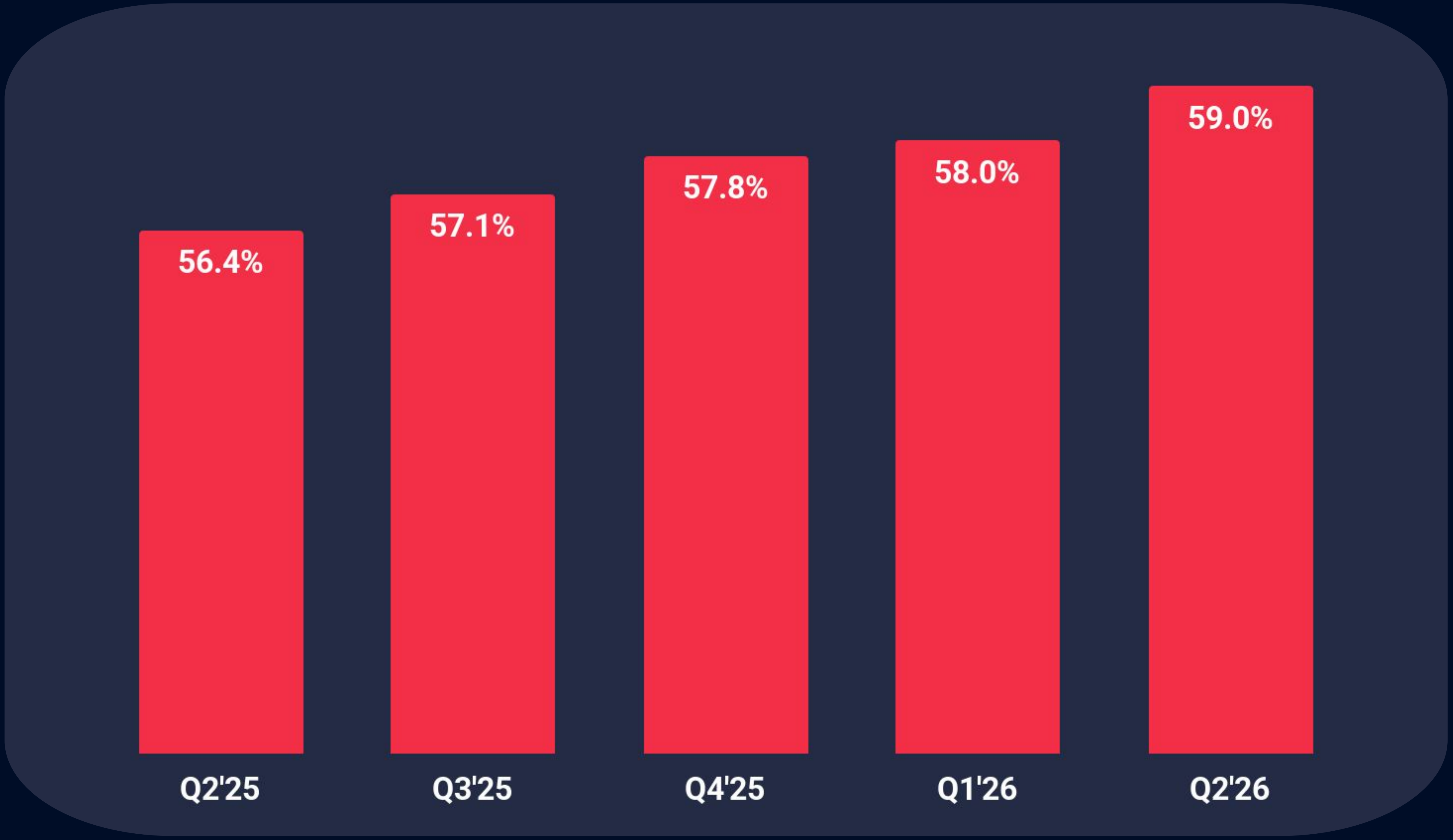
Messaging Revenue Mix %



Note: Messaging Revenue Mix % refers to Messaging revenue as a percentage of revenue. As previously reported, RCS Messaging and WhatsApp Messaging were reclassified from Other to Messaging as of Q4'25; and prior periods were reclassified to conform with this presentation.

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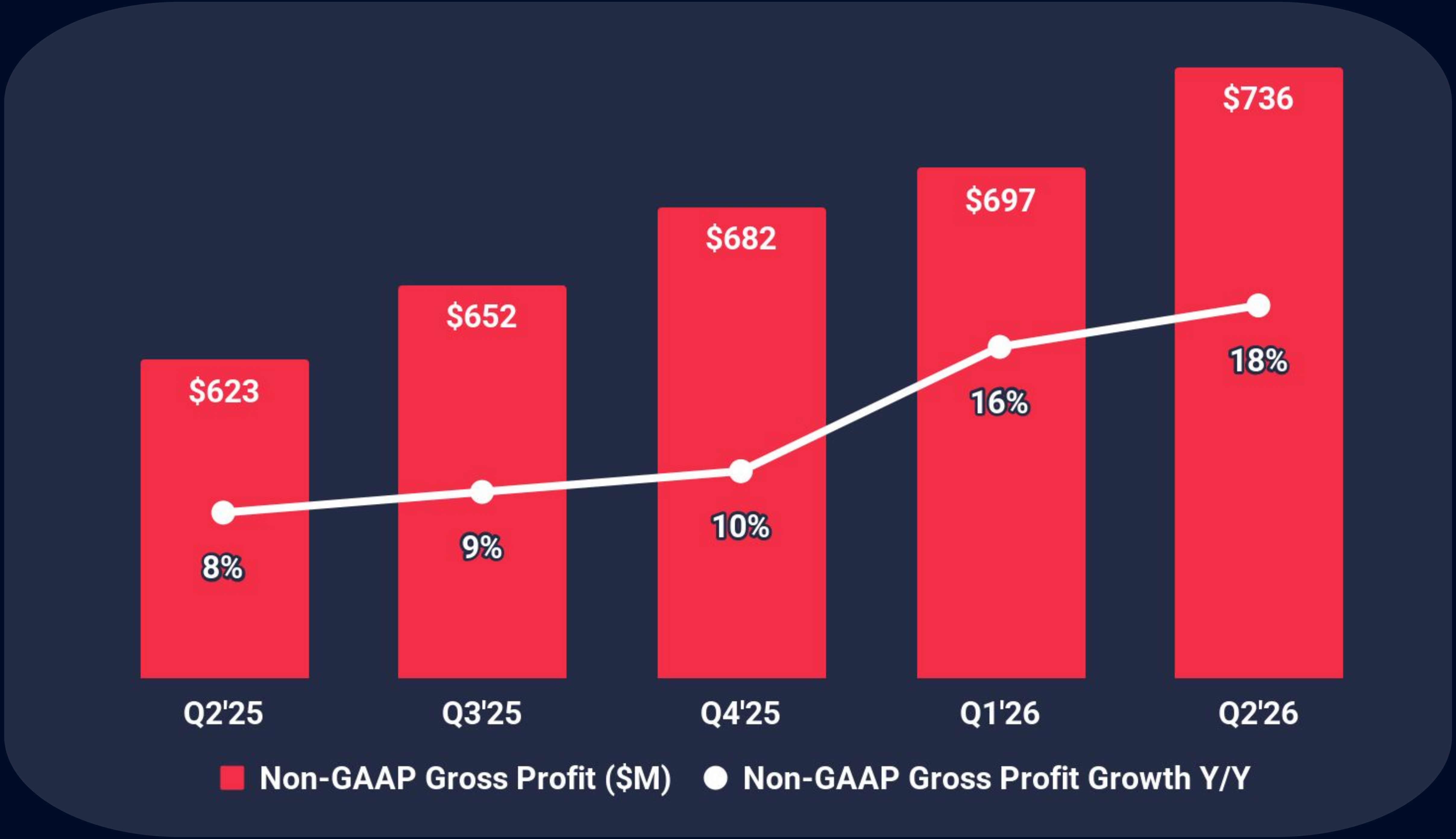
Non-GAAP Gross Profit



49% Q2’26 Non-GAAP Gross Margin

18% Q2’26 Non-GAAP Gross Profit Growth Y/Y

Note: Non-GAAP gross profit and non-GAAP gross margin are non-GAAP financial measures. See Appendix for non-GAAP definitions and reconciliations.

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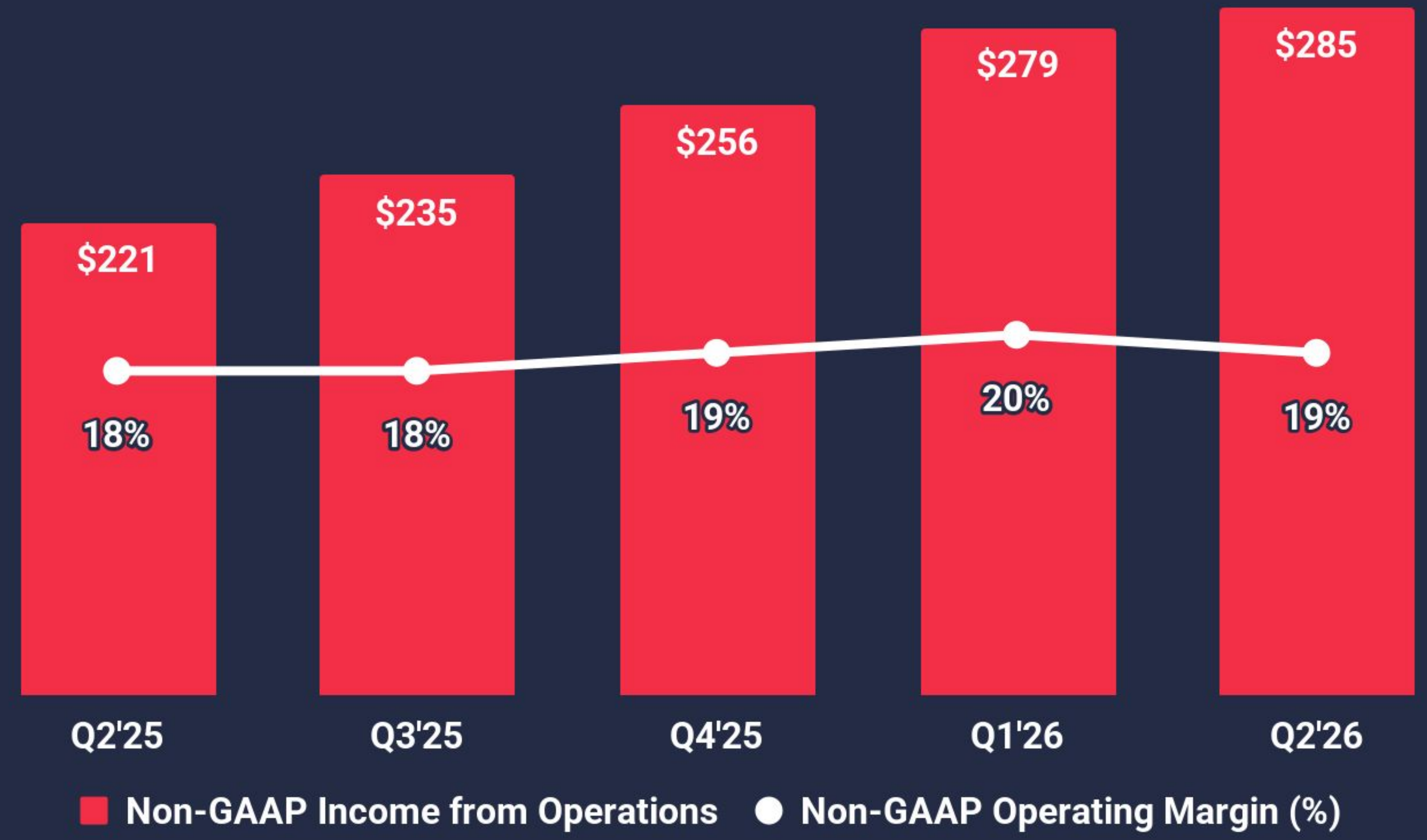
Non-GAAP Income from Operations



19% Q2’26 Non-GAAP Operating Margin

29% Q2’26 Non-GAAP Income from Operations Growth Y/Y

Note: Non-GAAP income from operations and non-GAAP operating margin are non-GAAP financial measures. See Appendix for non-GAAP definitions and reconciliations.

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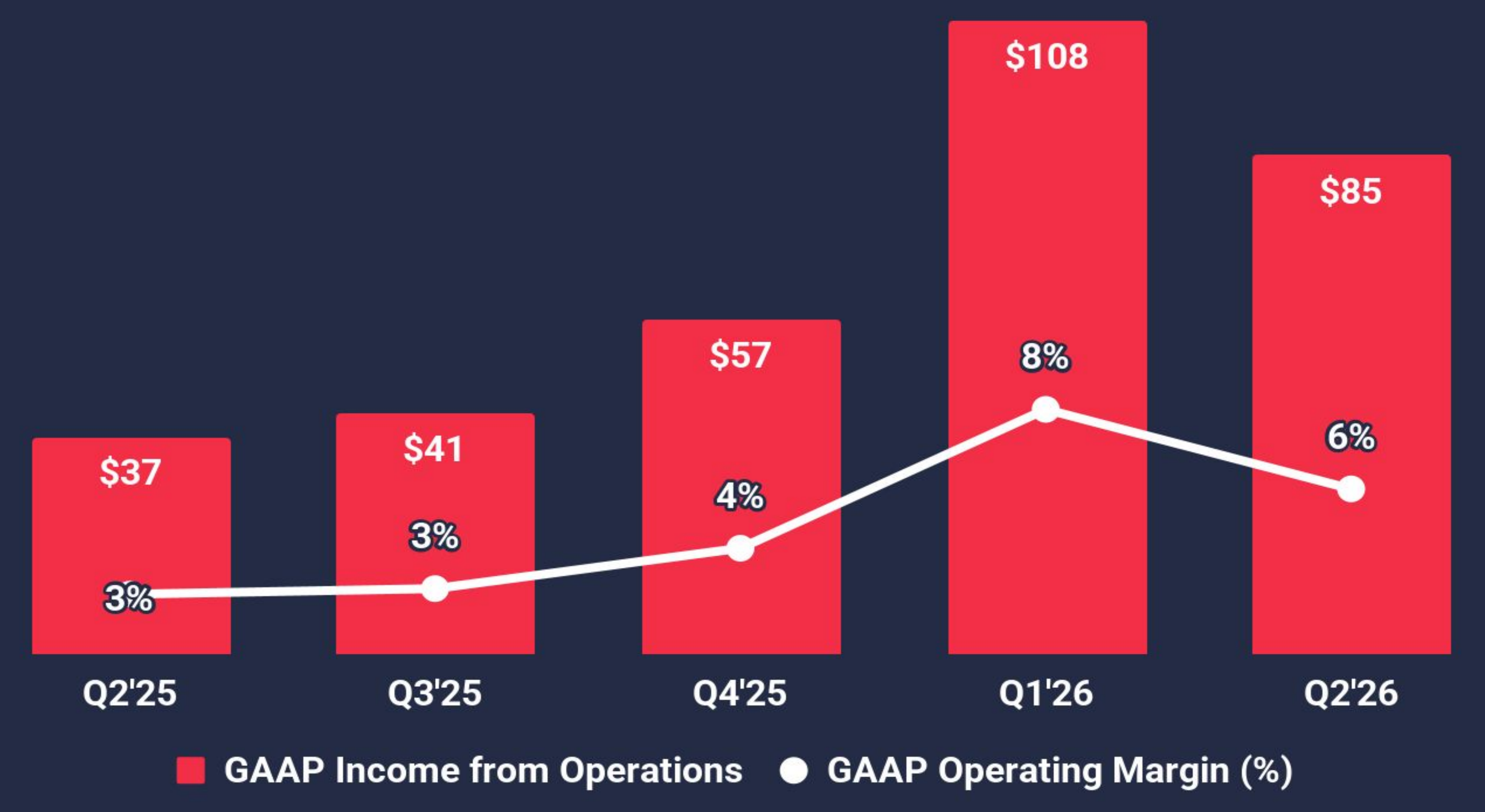
GAAP Income from Operations



6%

Q2'26 GAAP Operating Margin

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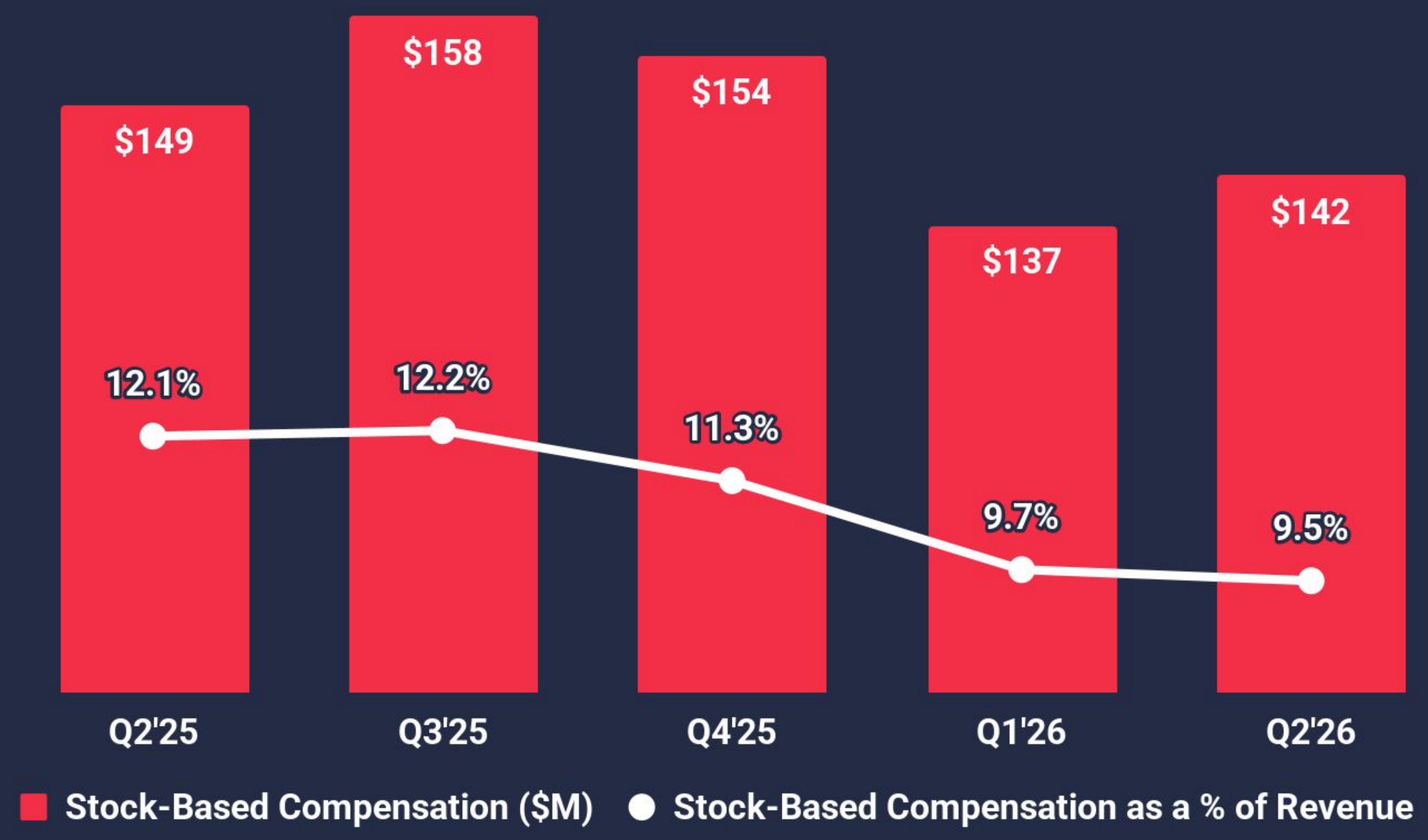
Stock-Based Compensation Expense



9.5%

Q2'26 Stock-Based Compensation as a % of Revenue

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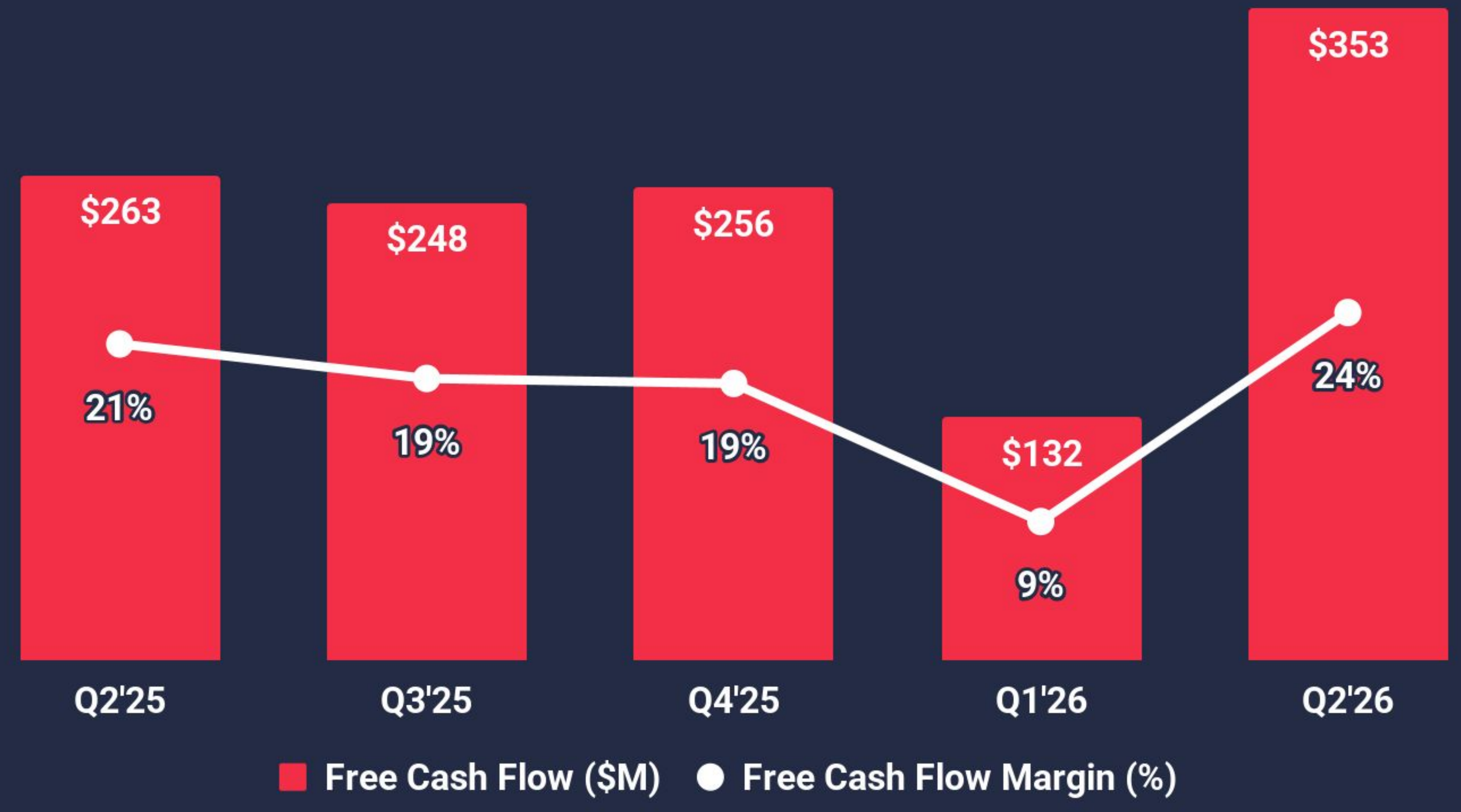
Free Cash Flow



24% Q2'26 Free Cash Flow Margin

34% Q2'26 Free Cash Flow Y/Y

Note: Free cash flow and free cash flow margin are non-GAAP financial measures. See Appendix for non-GAAP definitions and reconciliations.

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Q2 2026: Representative Customer Wins

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Top Customer Wins from the Quarter

- Car Finance 247, a leading automotive fintech company, participated in our private beta program and signed a seven figure deal to implement the new Twilio **Conversations** layer to drive conversion and revenue. Car Finance 247's AI assistant, Carla, has handled approximately 288,000 customer conversations. Of the customers who engage with Carla, they progress to an approved lead at roughly 1.6x the rate of those that don't, resulting in a multi-million pound annual revenue uplift across Car Finance 247's commission and ancillary products.

- Vozzi, a leading fan engagement platform, signed a multi product deal to scale their digital interaction capabilities. Vozzi is pairing **Conversation Orchestrator**, **Memory**, and **Twilio Agent Connect** to power their AI-driven, agentic fan engagement journey, while utilizing Messaging, including **RCS**, and **Voice** to anchor the core multi-channel experience.

- Olo, a digital commerce platform for restaurants, signed a cross sell deal to expand their utilization of **Messaging** and **Voice**. Olo is leveraging Twilio's communications infrastructure to power real-time order notifications and seamless delivery updates across its restaurant network.

- Atlassian, a leading provider of AI-powered collaboration and team productivity software, utilizes Twilio's communications infrastructure to deliver contextual, AI-powered, omnichannel support within its new Customer Service Management app. This partnership helps Atlassian reimagine customer experiences with complete context, while scaling global channel coverage via Twilio's **Flex SDK** & **Super Network**.

- All Nippon Airways, a global airline, signed an expansion deal to roll out **Messaging** to passengers worldwide, delivering vital real-time travel notifications such as gate changes and flight delays to improve the travel experience.

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Top Customer Wins from the Quarter (cont.)

- Eltropy, an agentic AI platform for credit unions and community banks, signed a seven figure agreement to leverage **Messaging**, **RCS**, **Voice**, and **Branded Calling** across its platform. Eltropy also built its AI Voice Agent using **Conversation Relay** to help financial institutions deliver better consumer experiences, accelerate resolutions, reduce operating costs, and create a scalable AI-powered contact center from day one.

- Xplor Technologies, an enterprise software and payment solution provider, signed a seven figure deal to use **Messaging** for automated appointment notifications and scheduling.

- Kixie, the AI revenue communication platform for modern sales teams, selected Twilio's **Messaging** and **Voice** to power its evolution into autonomous communications.

- Orionai Solutions, a custom AI software development company, signed an upsell deal with **Messaging** and **Voice** to power their AI applications.

- OpenEvidence, an AI-driven clinical decision platform for physicians, switched from a competitor to Twilio for their **Voice** infrastructure. In mission-critical use cases, particularly healthcare and AI, customers are choosing Twilio for reliability and performance, not price.

- Lirio, healthcare's first ever behavioral science and agentic AI platform that moves people to better health, signed a seven figure deal with **Messaging**, **Voice**, and **software add-ons** as the communications infrastructure embedded in its platform.

- Medibank, an Australian health insurance provider, signed a seven figure deal to migrate all OTP to **Verify** and **Messaging**.

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Top Customer Wins from the Quarter (cont.)

- A leading HR and payroll technology platform signed a seven figure deal to leverage **Messaging** and **Verify** to scale its unified employee engagement infrastructure. They are embedding Messaging directly into their mobile application to power secure, two-way employee communications and batch-workforce text alerts, while using **Verify** to deliver seamless two-factor authentication for payroll access.

- A leading home improvement retailer, who signed a seven figure deal to utilize **Messaging**, **Voice**, and **Branded Calling**. By consolidating its legacy communication traffic onto Twilio, the company is now able to streamline North American delivery logistics, leveraging trusted voice capabilities and rich **RCS** two-way interactions to optimize transactional order notifications and appointment scheduling.

- A leading e-commerce company for home goods signed a cross-sell deal to build an AI-driven delivery communication workflow utilizing **Conversation Relay**, **Voice**, **Messaging**, and **Branded Calling.** Their goal is to utilize AI and Twilo's infrastructure to automate pre-delivery outreach and capture real-time customer responses, while ensuring a seamless escalation path to live support when required.

- A consumer cyber safety company signed a seven figure deal to integrate **Voice**, **Media Streams**, and other **software add-ons.** They are leveraging Twilio to orchestrate an intelligent virtual assistant for autonomous account status inquiries and automate low-latency, PCI-compliant subscription renewals over the phone, with the goal of keeping its human agent escalation threshold at a strict 2%.

- A leading mortgage technology provider signed a cross sell deal to leverage **Conversation Relay** and **Conversational Intelligence** to power their inbound support agent to enhance agent productivity.

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THANK YOU

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Appendix

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Forward-Looking Statements

This presentation and the accompanying conference call contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “can,” “will,” “would,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “forecasts,” “potential” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions. Forward-looking statements contained in this presentation and the accompanying conference call include, but are not limited to, statements about: our future financial and operating performance and outlook, including our expected financial and operating results, guidance and targets, including the assumptions underlying such guidance and targets; our anticipated strategies and business plans and our ability to successfully execute them; our ability to drive growth, profitability and free cash flow; our ability to maintain cost discipline and drive operating leverage; future investments and expenses; our expectations regarding carrier fees, and our related actions, and the impact of such fees on our financial and operating performance, including guidance; our expectations regarding our margins, including regarding price actions, product mix and growth in higher-margin products; our expectations regarding capital returns to shareholders, including share repurchases; our expectations regarding revenue from ISVs and self-serve customers; our expectations regarding our cross-sell, upsell and solution selling efforts; our pipeline of new business; the benefits our customers derive from our products; our ability to expand into new and existing markets; our innovation roadmap and the development, release and adoption of our products (and the timing thereof); the effects of our go-to-market efforts to drive profitable growth and capture market share; our expectations related to being a foundational infrastructure layer in the AI era; and our expectations regarding the macroeconomic environment. You should not rely upon forward-looking statements as predictions of future events.

The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to differ materially from those described in the forward-looking statements, including, among other things: the impact of global economic and political conditions and uncertainties; the accuracy of our forecasts and metrics; fluctuations in our results of operations and the levels of our customers' usage of our platform; our ability to attract and retain customers and expand their usage of our platform; our ability to develop new products and integrate our products with third-party products effectively; our ability to manage our growth and strategic changes to our business; our ability to compete effectively in intensely competitive markets; the occurrence of and our ability to manage cybersecurity breaches and other incidents impacting our networks and systems or those of our third-party service providers; our ability to manage changes in network service provider fees and optimize our network service provider coverage and connectivity; and our compliance with industry standards, laws and regulations.

The forward-looking statements contained in this presentation and the accompanying conference call are also subject to additional risks, uncertainties, and factors, including those more fully described in our most recent filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. Should any of these risks materialize, or should our assumptions prove to be incorrect, actual financial results could differ materially from our projections or those implied by these forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment, and new risks and uncertainties may emerge that could have an impact on the forward-looking statements contained in this presentation and the accompanying conference call. All forward-looking statements contained in this presentation and the accompanying conference call represent our management’s beliefs and assumptions only as of the date such statements are made and we do not assume any obligation to update any forward-looking statements to reflect events or circumstances occurring after the date on which the statements were made, or to reflect new information or the occurrence of unanticipated events, except as required by law.

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Operating Metrics

We review a number of operational and financial metrics, including Dollar-Based Net Expansion Rate ("DBNE"), to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. Our DBNE is not based on any standardized industry methodology and is not necessarily calculated in the same manner or comparable to similarly titled measures presented by other companies. Similarly, our DBNE may differ from estimates published by third parties or from similarly titled metrics of our competitors due to differences in methodology. The numbers that we use to calculate DBNE are based on internal data. While these numbers are based on what we believe to be reasonable judgments and estimates for the applicable period of measurement, there are inherent challenges in measuring usage. We regularly review and may adjust our processes for calculating our internal metrics to improve their accuracy. If investors or analysts do not perceive our metrics to be accurate representations of our business, or if we discover material inaccuracies in our metrics, our reputation, business, results of operations, and financial condition would be harmed.

Dollar-Based Net Expansion Rate. Our DBNE compares the total revenue in a quarter from all individual customer accounts, as identified by a unique account identifier, for which we have recognized at least $5 of revenue in the last month of the quarter, to revenue from those same accounts in the same quarter in the prior year. A single customer organization may constitute multiple unique customer accounts if it has multiple account identifiers. To calculate DBNE, we first identify the cohort of such customer accounts in the same quarter of the prior year. DBNE is the quotient obtained by dividing the revenue generated from that cohort in a quarter, by the revenue generated from that same cohort in the corresponding quarter in the prior year. When we calculate DBNE for periods longer than one quarter, we use the average of the applicable quarterly DBNEs for each of the quarters in such period. Revenue from acquisitions does not impact the DBNE calculation until the quarter following the one-year anniversary of the applicable acquisition, unless the acquisition closing date is the first day of a quarter. Revenue from divestitures does not impact the DBNE calculation beginning in the quarter the divestiture closed, unless the divestiture closing date is the last day of a quarter.

We believe that measuring DBNE provides an important indication of the performance of our efforts to increase revenue from existing customers. Our ability to drive growth and generate incremental revenue depends, in part, on our ability to maintain and grow our relationships with existing customers and to increase their use of the platform. An important way in which we have historically tracked performance in this area is by measuring the DBNE for such customer accounts. Our DBNE increases when these customers increase their usage of a product, extend their usage of a product to new applications or adopt a new product. Our DBNE decreases when these customers cease or reduce their usage of a product or when we lower usage prices on a product. As our customers grow their businesses and extend the use of our platform, they sometimes create multiple customer accounts with us for operational or other reasons. As such, when we identify a significant customer organization (defined as a single customer organization generating more than 1% of revenue in a quarterly reporting period) that has created a new customer account, this new account is tied to, and revenue from this new account is included with, the original customer account for the purposes of calculating this metric.

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Non-GAAP Financial Measures

In addition to financial information presented in accordance with U.S. generally accepted accounting principles (“GAAP”), this presentation and the accompanying conference call include certain non-GAAP financial measures, including non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating margin, non-GAAP net income attributable to common stockholders, non-GAAP net income per share attributable to common stockholders, diluted (which we refer to as “non-GAAP diluted earnings per share”), non-GAAP income from operations, organic revenue and organic revenue growth, free cash flow and free cash flow margin. We use these non-GAAP financial measures to evaluate our ongoing operations and for internal planning and forecasting purposes. We believe that these non-GAAP financial measures may be helpful to investors because they provide consistency and comparability with past financial performance, facilitate period-to-period comparisons of results of operations and assist in comparisons with other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results. We believe organic revenue and organic revenue growth are useful in understanding the ongoing results of our operations. We believe free cash flow and free cash flow margin provide useful supplemental information to help investors understand underlying trends in our business and our liquidity. These non-GAAP financial measures are presented for supplemental informational purposes only, should not be considered substitutes for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies. A reconciliation of these measures to the most directly comparable GAAP measures is included in the appendix. We have not provided the forward-looking GAAP equivalents for certain forward-looking non-GAAP measures presented in this presentation or the accompanying conference call, or a GAAP reconciliation, as a result of the uncertainty regarding, and the potential variability of, reconciling items such as stock-based compensation expense. Accordingly, a reconciliation of these non-GAAP guidance metrics to their corresponding forward-looking GAAP equivalents is not available without unreasonable effort. However, it is important to note that material changes to reconciling items could have a significant effect on future GAAP results.

Non-GAAP Gross Profit and **Non-GAAP Gross Margin**. For the periods presented, we define non-GAAP gross profit and non-GAAP gross margin as GAAP gross profit and GAAP gross margin, respectively, adjusted to exclude stock-based compensation, amortization of acquired intangibles and payroll taxes related to stock-based compensation.

Non-GAAP Income from Operations and **Non-GAAP Operating Margin**. For the periods presented, we define non-GAAP income from operations and non-GAAP operating margin as GAAP income from operations and GAAP operating margin, respectively, adjusted to exclude, as applicable, stock-based compensation, amortization of acquired intangibles, loss on net assets divested, acquisition and divestiture related expenses, payroll taxes related to stock-based compensation, charitable contributions, restructuring costs, impairment of long-lived assets, gains or losses on lease termination and impairment loss on prepaid assets.

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Non-GAAP Financial Measures

Non-GAAP Net Income Attributable to Common Stockholders and **Non-GAAP Net Income Per Share Attributable to Common Stockholders**. For the periods presented, we define non-GAAP net income attributable to common stockholders and non-GAAP net income per share attributable to common stockholders, diluted (which we refer to as "non-GAAP diluted earnings per share") as GAAP net income (loss) attributable to common stockholders and GAAP net income (loss) per share attributable to common stockholders, diluted, respectively, adjusted to exclude, as applicable, stock-based compensation, amortization of acquired intangibles, loss on net assets divested, acquisition and divestiture related expenses, losses (gains) on strategic investments, payroll taxes related to stock-based compensation, accretion of debt discount and issuance costs, provision of income tax effects related to non-GAAP adjustments, income tax benefit related to acquisitions, charitable contributions, share of losses from equity method investment, impairment of equity method investment, restructuring costs, impairment of long-lived assets, gains or losses on or impairment of strategic investments, gains or losses on lease termination and impairment loss on prepaid assets.

Organic Revenue. For the periods presented, we define organic revenue as GAAP revenue, excluding (i) revenue from each acquired business and revenue from incremental increases to application-to-person ("A2P") fees imposed by major U.S. carriers on our core messaging business, in each case until the beginning of the first full quarter following the one-year anniversary of the closing date of such acquisition or the initial date such fees were charged and (ii) revenue from each divested business beginning in the quarter of the closing date of such divestiture; provided that (a) if an acquisition closes or such fees are initially charged on the first day of a quarter, such revenue will be included in organic revenue beginning on the one-year anniversary of the closing date of such acquisition or the initial date such fees were charged and (b) if a divestiture closes on the last day of a quarter, such revenue will be included in organic revenue for that quarter. As used in this definition, A2P fees refers to fees imposed by U.S. mobile carriers for A2P messages delivered to their subscribers, and we pass these fees to our messaging customers at cost.

Organic Revenue Growth. For the periods presented, we calculate organic revenue growth by dividing (i) organic revenue for the period presented less organic revenue in the comparative period by (ii) organic revenue in the comparative period. If revenue from certain acquisitions, divestitures or A2P fees is included or excluded in organic revenue in the period presented, then revenue from the same acquisitions, divestitures and A2P fees is included or excluded in organic revenue in the comparative period for purposes of the organic revenue growth calculation. As a result, organic revenue used in this calculation for the comparative period will not always equal organic revenue reported for the comparative period.

Free Cash Flow and **Free Cash Flow Margin**. For the periods presented, we define free cash flow as net cash provided by operating activities, excluding capitalized software development costs and purchases of long-lived assets, and we define free cash flow margin as free cash flow divided by revenue.

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Non-GAAP Financial Measures Reconciliation

(Dollars in thousands, unaudited)

	Three Months Ended			
	June 30, 2024	September 30, 2024	December 31, 2024	March 31, 2025
Non-GAAP gross profit and Non-GAAP gross margin				
Revenue	$ 1,082,502	$ 1,133,649	$ 1,194,835	$ 1,172,463
GAAP gross profit	$ 555,845	$ 578,629	$ 599,697	$ 581,567
GAAP gross margin	51.3 %	51.0 %	50.2 %	49.6 %
Non-GAAP adjustments:				
Stock-based compensation	5,503	5,436	5,171	4,271
Amortization of acquired intangibles	15,682	15,682	15,682	15,682
Payroll taxes related to stock-based compensation	283	257	248	482
Non-GAAP gross profit	$ 577,313	$ 600,004	$ 620,798	$ 602,002
Non-GAAP gross margin	53.3 %	52.9 %	52.0 %	51.3 %

	Three Months Ended				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Non-GAAP gross profit and Non-GAAP gross margin					
Revenue	$ 1,228,425	$ 1,300,402	$ 1,365,930	$ 1,406,907	$ 1,499,089
GAAP gross profit	$ 602,740	$ 632,077	$ 662,350	$ 684,244	$ 725,866
GAAP gross profit growth (Y/Y)	8 %	9 %	10 %	18 %	20 %
GAAP gross margin	49.1 %	48.6 %	48.5 %	48.6 %	48.4 %
Non-GAAP adjustments:					
Stock-based compensation	4,087	4,305	3,907	3,374	3,111
Amortization of acquired intangibles	15,594	15,446	15,745	9,356	6,037
Payroll taxes related to stock-based compensation	481	269	234	522	696
Non-GAAP gross profit	$ 622,902	$ 652,097	$ 682,236	$ 697,496	$ 735,710
Non-GAAP gross profit growth (Y/Y)	8 %	9 %	10 %	16 %	18 %
Non-GAAP gross margin	50.7 %	50.1 %	49.9 %	49.6 %	49.1 %

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Non-GAAP Financial Measures Reconciliation

(Dollars in thousands, unaudited)

	Three Months Ended				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Non-GAAP income from operations and Non-GAAP operating margin					
GAAP gross profit	$ 602,740	$ 632,077	$ 662,350	$ 684,244	$ 725,866
Non-GAAP gross profit	$ 622,902	$ 652,097	$ 682,236	$ 697,496	$ 735,710
GAAP operating expenses	$ 565,751	$ 591,129	$ 605,567	$ 576,578	$ 641,320
Non-GAAP adjustments:					
Stock-based compensation	(145,164)	(153,864)	(149,807)	(133,054)	(138,801)
Amortization of acquired intangibles	(11,411)	(11,412)	(11,327)	(7,261)	(5,248)
Acquisition and divestiture related expenses	—	—	(486)	(122)	(32)
Payroll taxes related to stock-based compensation	(4,440)	(3,160)	(4,970)	(11,404)	(9,143)
Charitable contributions	(2,237)	(5,104)	(8,823)	(3,445)	(4,356)
Restructuring costs	(140)	—	(3,199)	(2,223)	108
Impairment of long-lived assets	—	—	(1,849)	—	—
Gain (loss) on lease termination	—	—	1,556	(500)	—
Impairment loss on prepaid assets	—	—	—	—	(32,771)
Non-GAAP operating expenses	$ 402,359	$ 417,589	$ 426,662	$ 418,569	$ 451,077
GAAP income from operations	$ 36,989	$ 40,948	$ 56,783	$ 107,666	$ 84,546
GAAP income from operations growth (Y/Y)					129%
GAAP operating margin	3.0%	3.1%	4.2%	7.7%	5.6%
Non-GAAP adjustments:					
Stock-based compensation	149,251	158,169	153,714	136,428	141,912
Amortization of acquired intangibles	27,005	26,858	27,072	16,617	11,285
Acquisition and divestiture related expenses	—	—	486	122	32
Payroll taxes related to stock-based compensation	4,921	3,429	5,204	11,926	9,839
Charitable contributions	2,237	5,104	8,823	3,445	4,356
Restructuring costs	140	—	3,199	2,223	(108)
Impairment of long-lived assets	—	—	1,849	—	—
(Gain) loss on lease termination	—	—	(1,556)	500	—
Impairment loss on prepaid assets	—	—	—	—	32,771
Non-GAAP income from operations	$ 220,543	$ 234,508	$ 255,574	$ 278,927	$ 284,633
Non-GAAP income from operations growth (Y/Y)					29%
Non-GAAP operating margin	18.0%	18.0%	18.7%	19.8%	19.0%

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Non-GAAP Financial Measures Reconciliation

(Dollars in thousands, unaudited)

	Three Months Ended				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Organic revenue					
Total revenue	$ 1,228,425	$ 1,300,402	$ 1,365,930	$ 1,406,907	$ 1,499,089
A2P revenue	(6,161)	(20,235)	(23,074)	(46,077)	(71,050)
Acquisition revenue	—	—	(682)	(1,646)	(1,660)
Organic revenue	$ 1,222,264	$ 1,280,167	$ 1,342,174	$ 1,359,184	$ 1,426,379
Revenue growth	13 %	15 %	14 %	20 %	22 %
Organic revenue growth	13%[1]	13%[2]	12%[3]	16%[4]	17%[5]

[1] Q2'24 organic revenue, as used in the calculation of Q2'25 organic revenue growth, is equal to reported revenue. Q2'24 revenue was $1,083 million.
[2] Q3'24 organic revenue, as used in the calculation of Q3'25 organic revenue growth, is equal to reported revenue. Q3'24 revenue was $1,134 million.
[3] Q4'24 organic revenue, as used in the calculation of Q4'25 organic revenue growth, is equal to reported revenue. Q4'24 revenue was $1,195 million.
[4] Q1'25 organic revenue, as used in the calculation of Q1'26 organic revenue growth, is equal to reported revenue. Q1'25 revenue was $1,172 million.
[5] Q2'25 organic revenue, as used in the calculation of Q2'26 organic revenue growth, excludes $6 million of A2P revenue.

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Non-GAAP Financial Measures Reconciliation

(Dollars in thousands, unaudited)

	Three Months Ended				
	June 30, 2025	September 30, 2025	December 31, 2025	March 31, 2026	June 30, 2026
Free cash flow and free cash flow margin					
Net cash provided by operating activities	$ 277,084	$ 263,563	$ 271,555	$ 153,206	$ 372,385
Net cash provided by operating activities growth (Y/Y)					34%
Operating cash flow margin	23%	20%	20%	11%	25%
Non-GAAP adjustments:					
Capitalized software development costs	(12,588)	(13,812)	(14,005)	(16,708)	(16,675)
Purchases of long-lived assets	(1,004)	(2,235)	(1,446)	(4,153)	(3,065)
Free cash flow	$ 263,492	$ 247,516	$ 256,104	$ 132,345	$ 352,645
Free cash flow growth (Y/Y)					34%
Free cash flow margin	21%	19%	19%	9%	24%
Net cash (used in) provided by investing activities	$ 402,019	$ (161,502)	$ (140,429)	$ (41,190)	$ (53,246)
Net cash used in financing activities	$ (175,914)	$ (347,952)	$ (183,435)	$ (252,574)	$ (37,854)

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