First Quarter Fiscal FY26 Financial Results

May 27, 2025

Forward-looking statements & non-GAAP financial measures

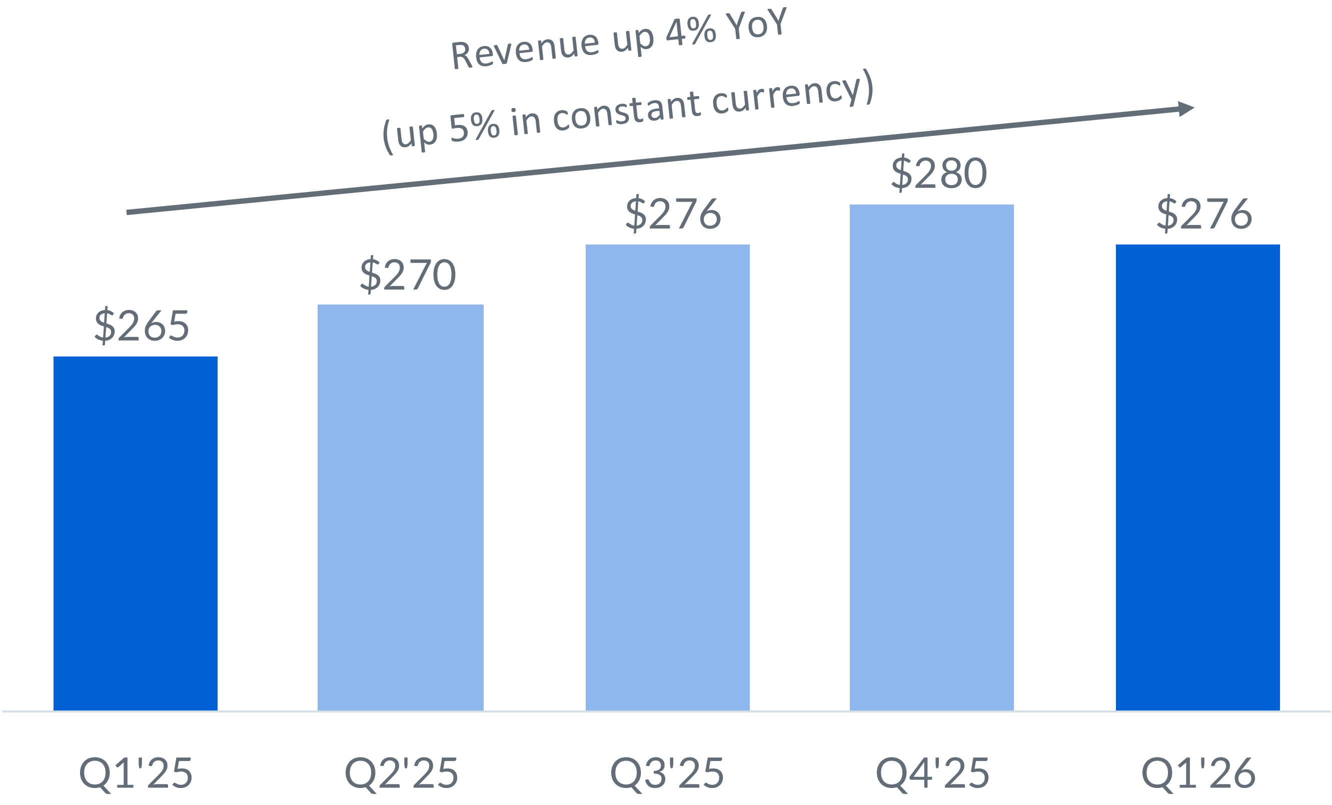
This presentation contains forward-looking statements that involve risks, uncertainties, and assumptions, including statements regarding Box's expectations regarding its growth and profitability, the size of its market opportunity, its investments in go-to-market programs, the demand for its products, the potential of AI and its impact on Box, the timing of recent and planned product introductions, enhancements and integrations, the short- and long-term success, market adoption and retention, capabilities, and benefits of such product introductions and enhancements, the success of strategic partnerships and acquisitions, the impact of macroeconomic conditions on its business, its ability to grow and scale its business and drive operating efficiencies, the impact of fluctuations in foreign currency exchange rates on its future results, its net retention rate, its ability to achieve revenue targets and billings expectations, its revenue and billings growth rates, its ability to expand operating margins, its long-term financial targets, its ability to achieve profitability on a quarterly or ongoing basis, its free cash flow, its ability to continue to grow unrecognized revenue and remaining performance obligations, its revenue, billings, GAAP and non-GAAP gross margins, GAAP and non-GAAP net income per share, GAAP and non-GAAP operating margins, the related components of GAAP and non-GAAP net income per share, weighted-average outstanding share count expectations for Box's fiscal second quarter and full fiscal year 2026, equity burn rate, any potential repurchase of its common stock, whether, when, in what amount and by what method any such repurchase would be consummated, and the share price of any such repurchase.

There are a significant number of factors that could cause actual results to differ materially from statements made in this presentation, including: (1) adverse changes in general economic or market conditions, including those caused by changes in tariffs, sanctions, international treaties, export/import laws and other trade restrictions, the Russia-Ukraine conflict and the conflict in the Middle East, inflation, and fluctuations in foreign currency exchange rates; (2) delays or reductions in information technology spending; (3) factors related to Box's highly competitive market, including but not limited to pricing pressures, industry consolidation, entry of new competitors and new applications and marketing initiatives by Box's current or future competitors; (4) the development of the cloud content management market; (5) the risk that Box's customers do not renew their subscriptions, expand their use of Box's services, or adopt new products offered by Box on a timely basis, or at all; (6) Box's ability to provide timely and successful enhancements, integrations, new features and modifications to its platform and services; (7) actual or perceived security vulnerabilities in Box's services or any breaches of Box's security controls; (8) Box's ability to realize the expected benefits of its third-party partnerships; and (9) Box's ability to successfully integrate acquired businesses and achieve the expected benefits from those acquisitions. Further information on these and other factors that could affect the forward-looking statements we make in this presentation can be found in the documents that we file with or furnish to the US Securities and Exchange Commission, including Box's most recent Annual Report on Form 10-K filed for the fiscal year ended January 31, 2025. In addition, the preliminary financial results set forth in this presentation are estimates based on information currently available to Box. While Box believes these estimates are meaningful, they could differ from the actual amounts that Box ultimately reports in its Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2025. Box assumes no obligations and does not intend to update these estimates prior to filing its Form 10-Q for the fiscal quarter ended April 30, 2025.

You should not rely on any forward-looking statements, and Box assumes no obligation, nor do we intend, to update them. All information in this presentation is as of May 27, 2025.

This presentation contains non-GAAP financial measures and key metrics relating to the company's past and expected future performance. You can find the reconciliation of these measures to the nearest comparable GAAP financial measures in the appendix at the end of this presentation. The company has not reconciled certain of the non-GAAP measures in its long term operating model to their most directly comparable GAAP measure because certain adjustments cannot be predicted with a reasonable degree of certainty and the amount recognized can vary significantly. Accordingly, a reconciliation is not available without unreasonable efforts.

Revenue growth driven by Suites momentum



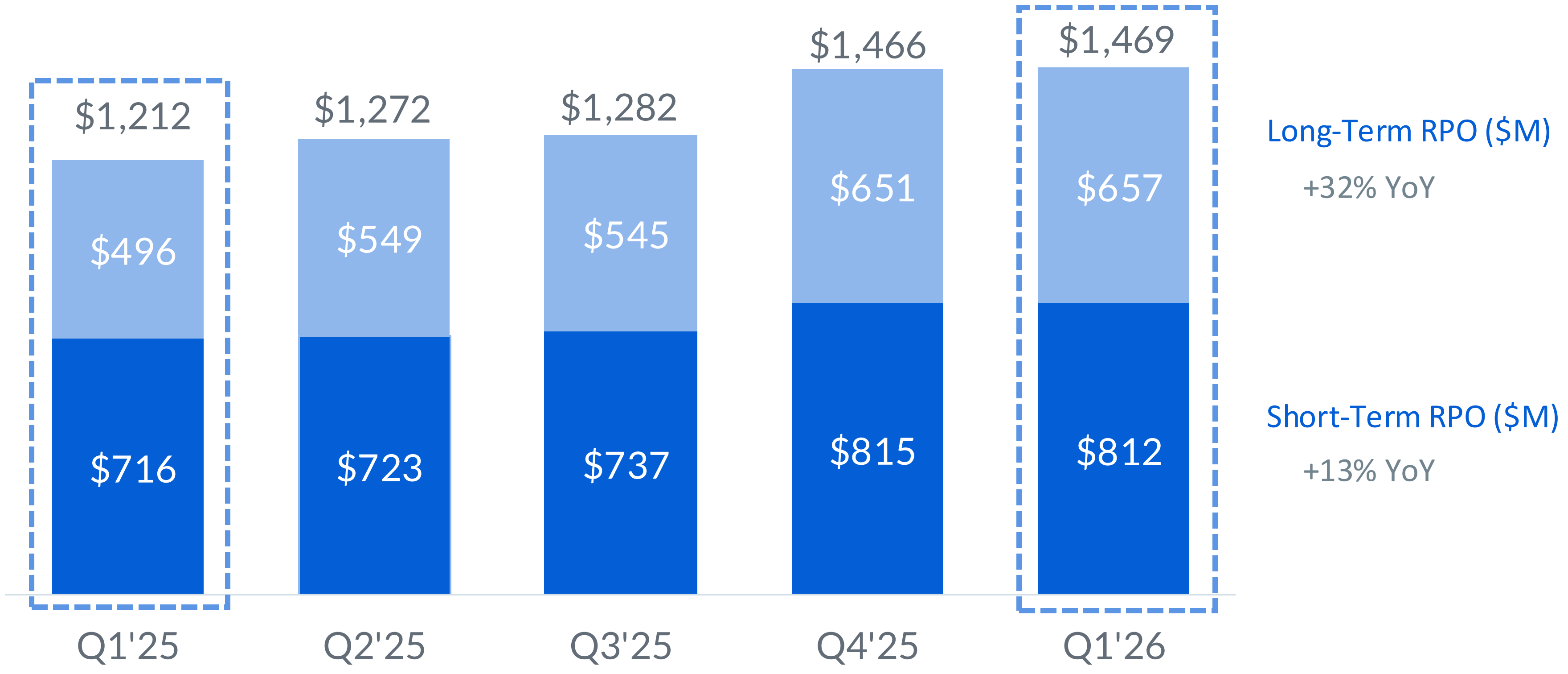
Note: $ values are shown in millions. Box fiscal year ends January 31.

RPO supports enduring growth and revenue visibility

Driven by strong contract durations

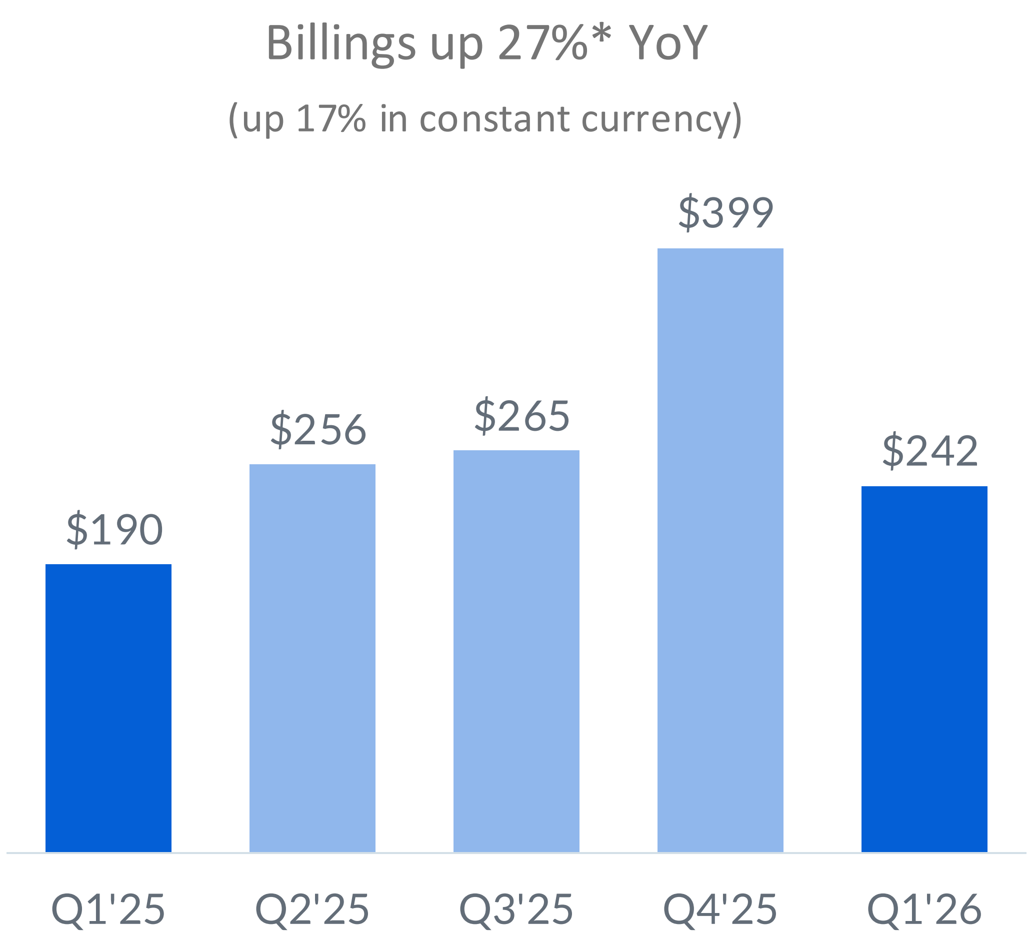
Total RPO up 21% YoY

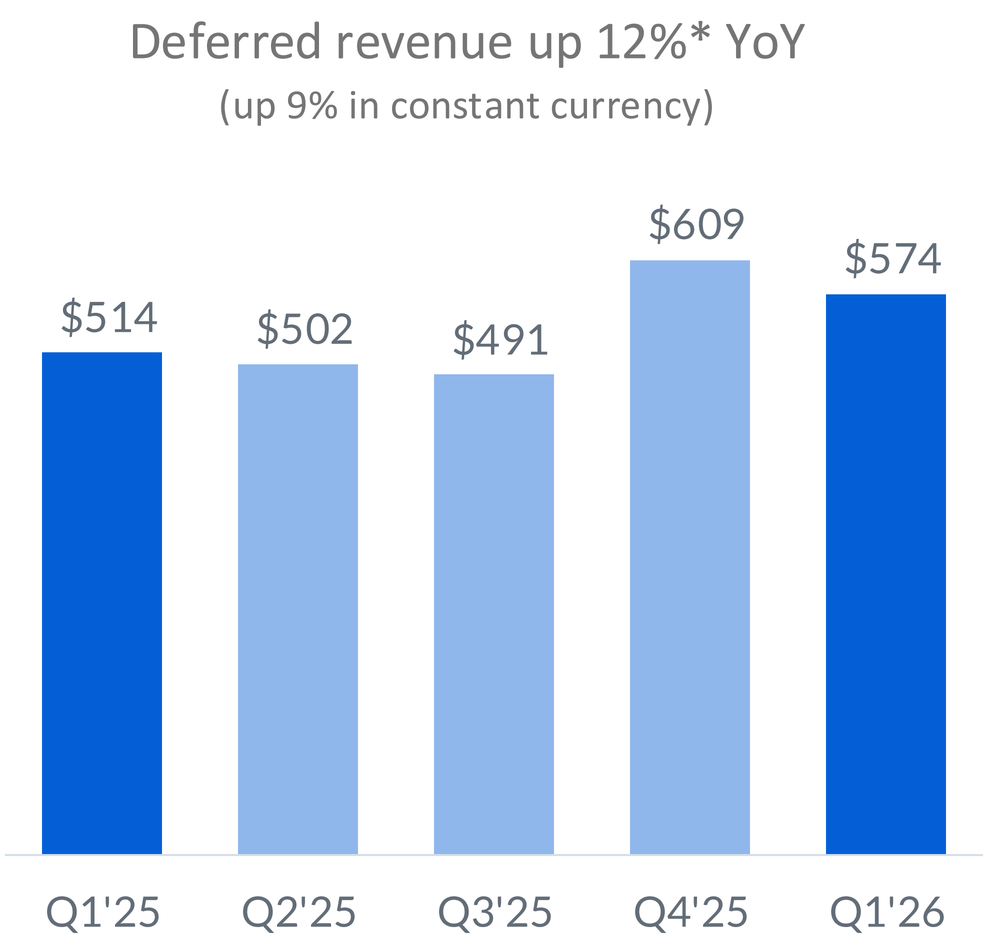
(up 17% in constant currency)



Note: $ values are shown in millions. Remaining performance obligations (RPO) represent, at a point in time, contracted revenue that has not yet been recognized. RPO consists of deferred revenue and backlog, offset by contract assets. Box does not consider RPO to be a non-GAAP financial measure because it is calculated in accordance with GAAP.

Billings and deferred revenue



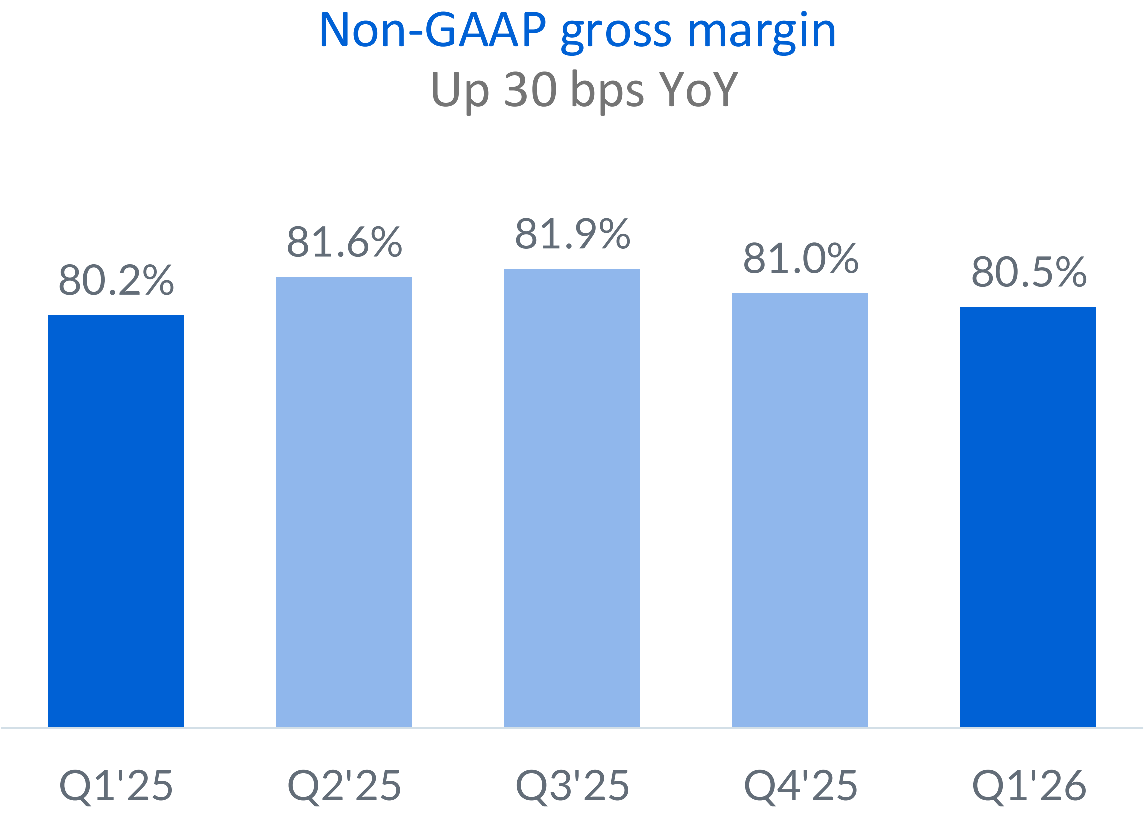


Note: $ values are shown in millions.

*Reconciliations of billings to revenue, deferred revenue, and contract assets calculated in accordance with GAAP can be found in the Appendix of this presentation.

Delivering leverage through gross margin expansion

Cloud infrastructure strategy delivers long-term gross margin stability



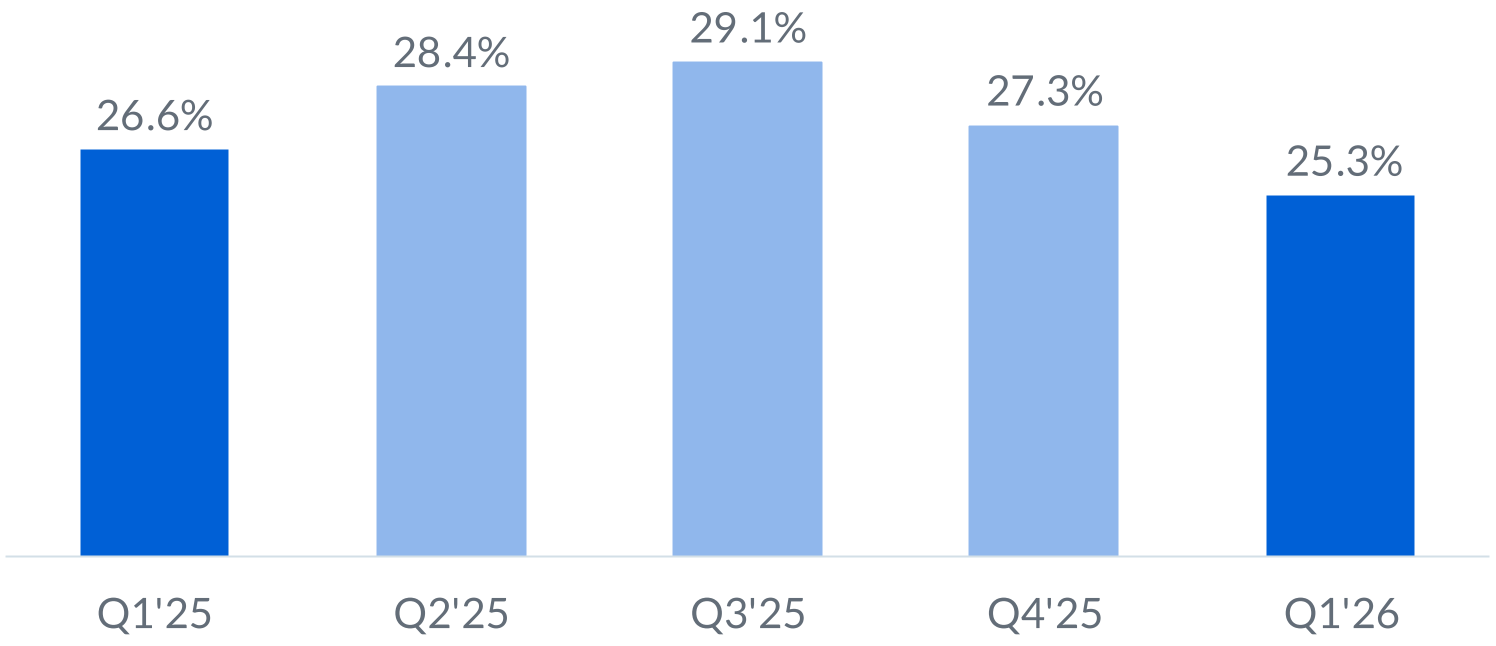
Note: A reconciliation of non-GAAP gross margin to the nearest GAAP financial measures can be found in the Appendix of this presentation.

Delivering strong operating margins

Making strategic investments in key GTM initiatives and our leading ICM platform in FY26

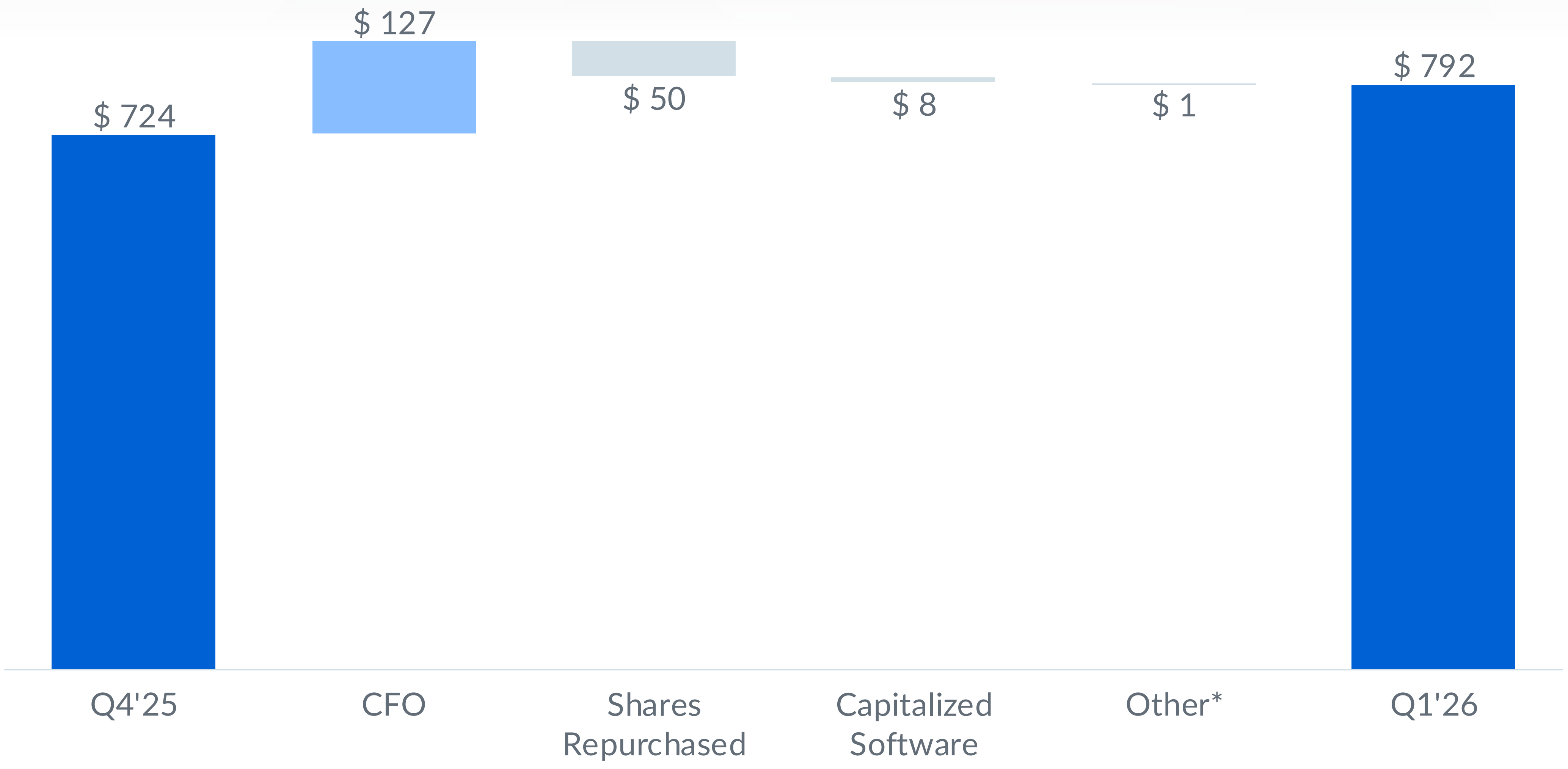
Non-GAAP operating margin

Down 130bps YoY*



*Adjusting for the positive impact of data center equipment sales, the leap year, and FX of 220 bps in Q1’25, operating margin would have been up slightly year-over-year.
Note: A reconciliation of non-GAAP operating margin to the nearest GAAP financial measures can be found in the Appendix of this presentation.

Cash, cash equivalents, restricted cash, and short-term investments



Note: $ values are shown in millions.

* "Other" primarily consists of RSU taxes and payments of dividends to preferred stockholders, partially offset by proceeds from issuances of common stock under our employee stock purchase plan and effects of exchange rate changes on cash.

Share repurchase program

- **In Q1, the Company repurchased approximately 1.6 million shares of Box’s Class A common stock for approximately $50 million.**

- **As of April 30, 2025, the Company had approximately $152 million of remaining Board-approved buyback capacity under the current plan.**

Proven business model focused on driving growth and profitability

	FY'23	FY'24	FY'25	Q1'26
Annual Revenue Growth + FCF Margin	37%	31%	33%	N/A
YoY Revenue Growth	13%	5%	5%	4%
Gross Margin	77%	77%	81%	80%
S&M as a % of Revenue	28%	27%	28%	29%
R&D as a % of Revenue	18%	17%	17%	18%
G&A as a % of Revenue	9%	8%	8%	9%
Operating Margin	23%	25%	28%	25%

Note: Gross Margin, S&M as a % of revenue, R&D as a % of revenue, G&A as a % of revenue, Operating Margin, and Free Cash Flow Margin are non-GAAP financial measures. A reconciliation to their nearest GAAP financial measures can be found in the Appendix of this presentation.

Guidance and Outlook

Q2 and fiscal year 2026 guidance

	Q2’26	Q2’26 (constant currency)	Non-cash deferred income tax expense [1]	FY26	FY26 (constant currency)	Non-cash deferred income tax expense[1]
Revenue	$290 to $291 million	--	--	$1.165 to $1.170 billion	--	--
Year-over-Year growth	+8%	+6% at the high-end	--	+7%	+6%	--
GAAP operating margin	Approximately 6%	Approximately 5%	--	Approximately 7%	Approximately 7%	--
Non-GAAP operating margin[2]	Approximately 28%	Approximately 27%	--	Approximately 28%	Approximately 28%	--
GAAP EPS (diluted)	1¢ - 2¢	(1¢) - 0¢	4¢	16¢ - 20¢	9¢ - 13¢	17¢
Non-GAAP EPS (diluted)	30¢ - 31¢	28¢ - 29¢	14¢	$1.22 - $1.26	$1.15 - $1.19	56¢
Weighted-average shares, diluted	Approximately 150 million	--	--	Approximately 151 million		--

(1) As our business has become consistently profitable, we have released valuation allowances associated with certain deferred tax assets. Accordingly, in fiscal year 2026 we will be recognizing deferred tax expenses. This non-cash expense is reflected in our GAAP and non-GAAP diluted net income per share guidance for the second quarter of fiscal year 2026 and full fiscal year 2026. Within the impacts presented in this table, $0.13 and $0.52 represent the US deferred tax expenses for second quarter of fiscal year 2026 and full fiscal year 2026, respectively, with the remaining representing our foreign deferred tax expenses.
(2) In Q2’25, non-GAAP operating margin benefited from a tailwind of 70 basis points from the sale of datacenter equipment in that q uarter as compared to Q2’26.

Estimated Q2 and fiscal year 2026 preferred share impact summary

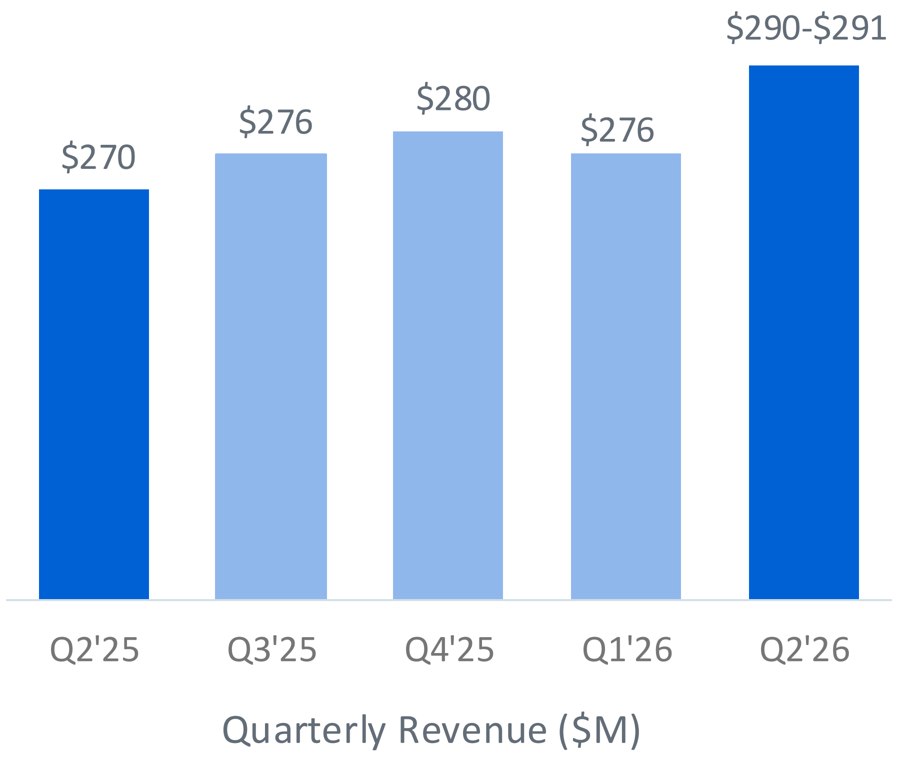
	Q2 FY26	FY26
Amortization of preferred share issuance costs	$0.5M	$2.1M
Preferred stock dividend	$3.8M	$15.0M
Undistributed earnings attributable to preferred shareholders	$6.0M - $6.5M	$25.0M - $25.5M

The impact from the above items will appear below the net income line in our P&L, and in the Earnings Per Share Note accompanying Box's financial statements.

Delivering revenue growth at scale

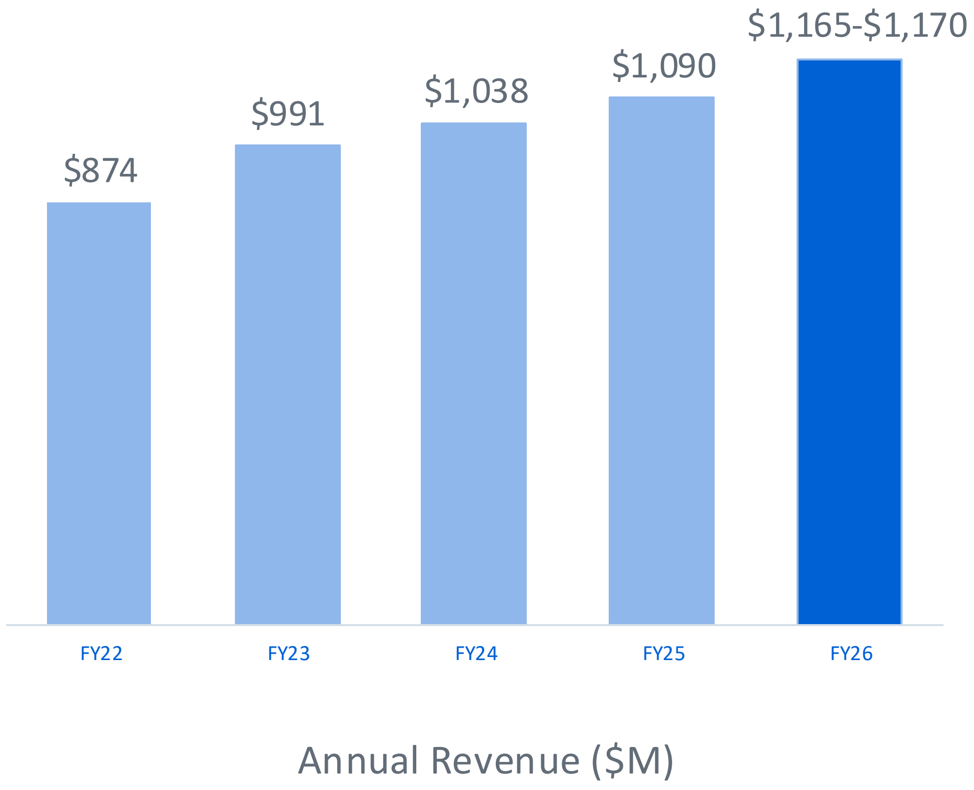
Q1 FY26 revenue guidance up 8% YoY[1]

(Up 6% YoY at the high end in constant currency)



FY26 revenue guidance up 7% YoY[1]

(Up 6% YoY in constant currency)



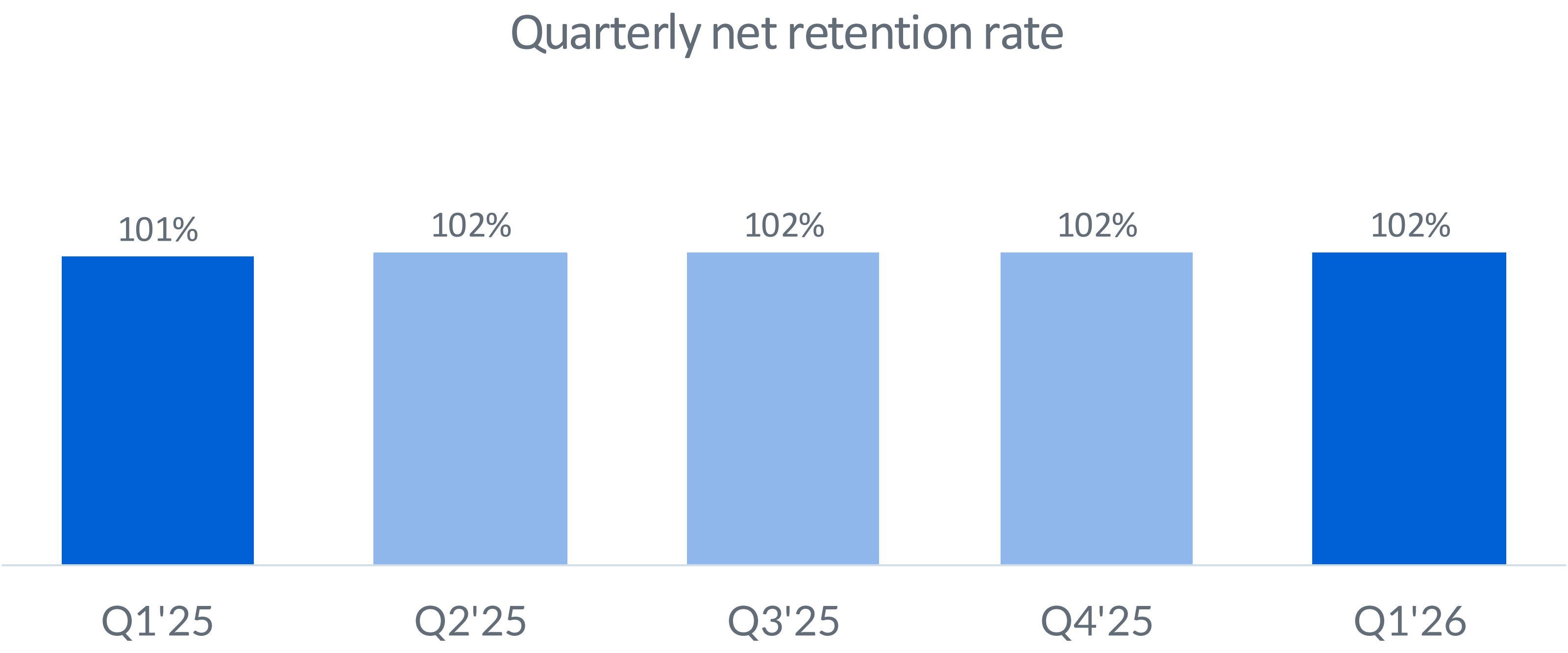
(1) Based on the Q2 and full year FY26 guidance provided on the Q1FY26 earnings call on May 27, 2025.

Note: $ values are shown in millions

Key Customer Metrics

Stable net retention rate

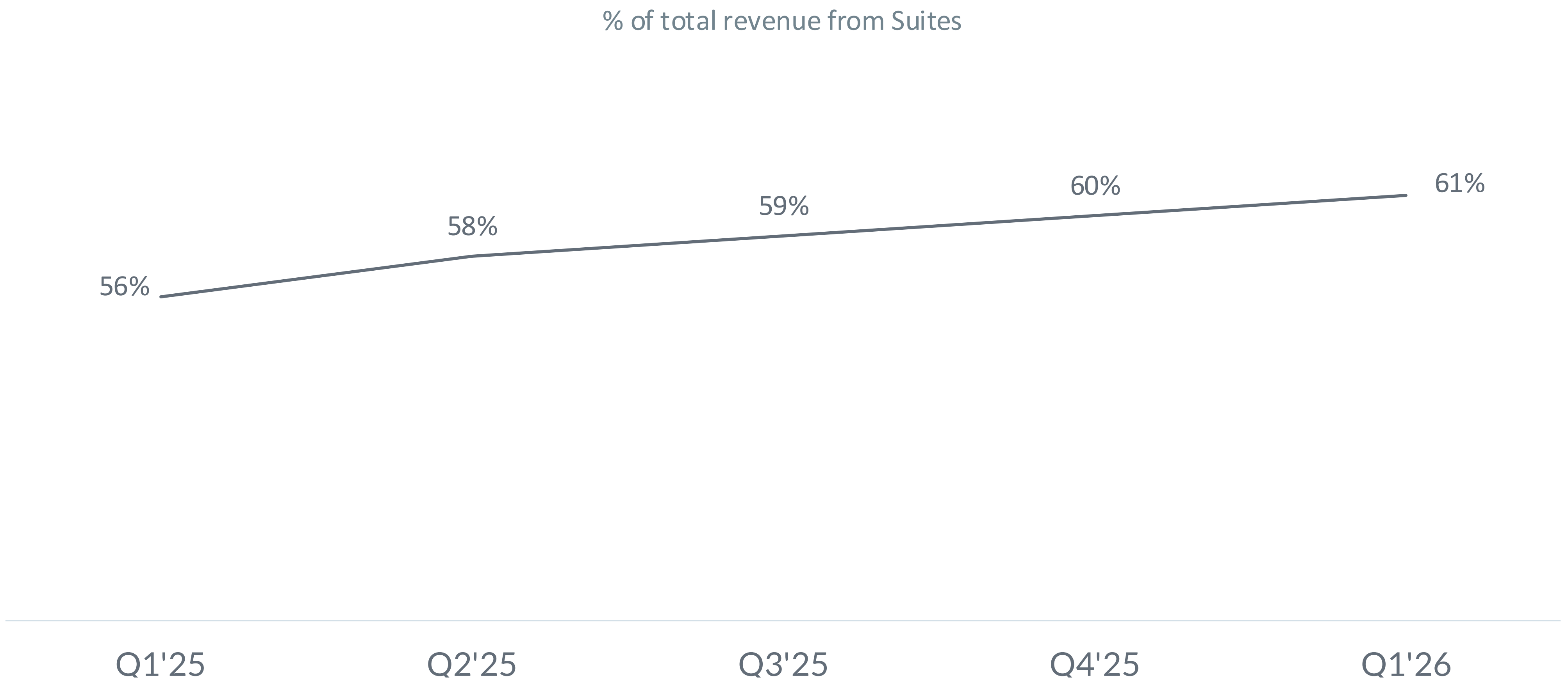
Customer stickiness drives low full churn rate of 3%



Note: Net retention rate is defined as the net percentage of Total Annual Recurring Revenue (Total ARR) retained from existing customers, including expansion. In calculating our net retention rate, we include only Total ARR associated with those customers who have subscribed to Box for at least 12 months. We calculate our net retention rate by dividing the current period total ARR of these customers by the prior period total ARR.

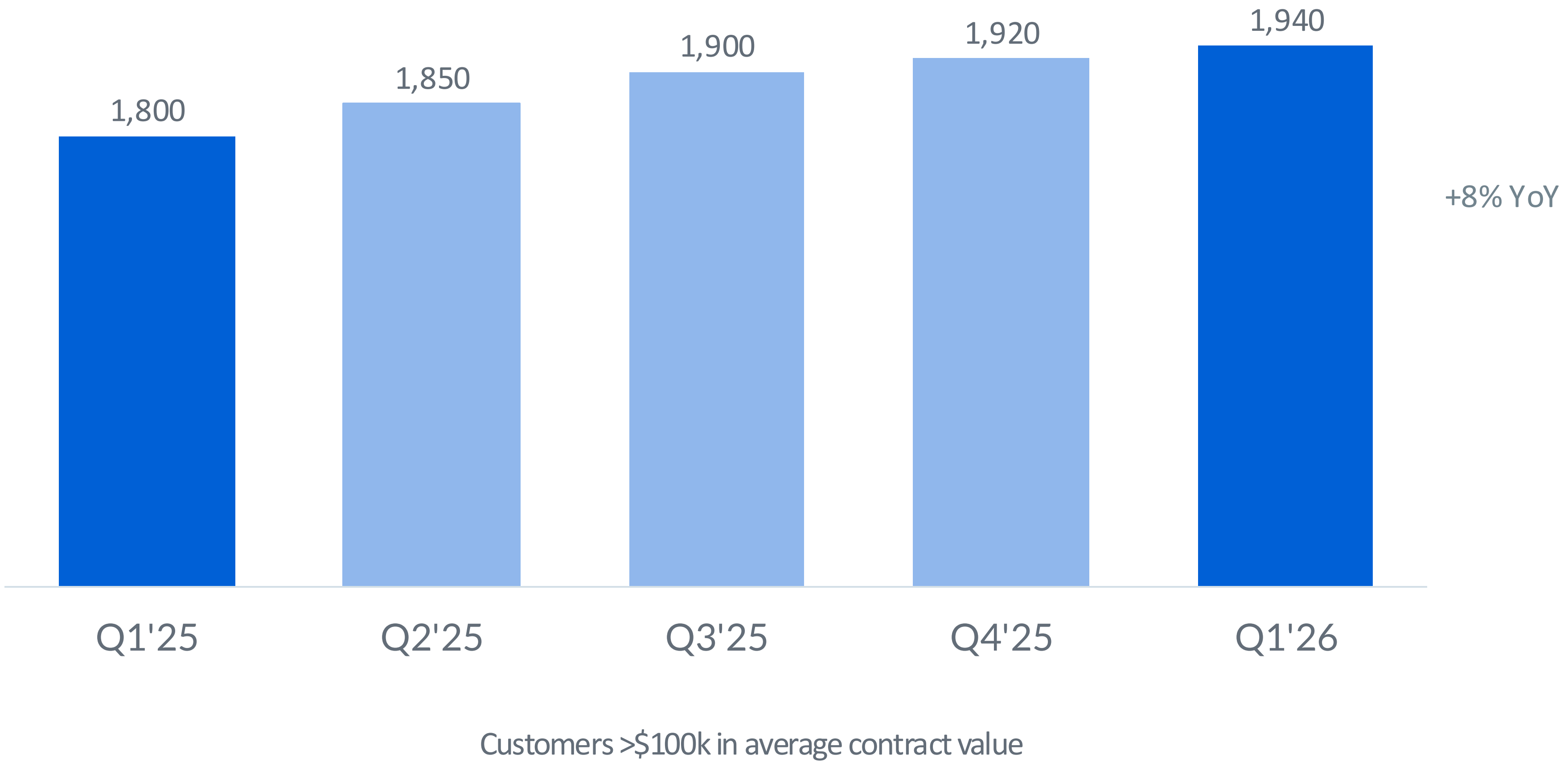
Customers increasingly adopting Suites

Suites support high value use cases and reduce cost and complexity



Large customer growth demonstrates strength of business model

Steady growth in customers paying more than $100k annually



Note: Figures are rounded.

Appendix

GAAP Revenue to Billings Reconciliation

($ in thousands)	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26
GAAP revenue	**$264,658**	**$270,039**	**$275,913**	**$279,520**	**$276,272**
Deferred revenue, end of period	513,572	502,104	491,304	608,600	574,119
Less: Deferred revenue, beginning of period	(586,871)	(513,572)	(502,104)	(491,304)	(608,600)
Contract assets, beginning of period	2,452	3,345	5,481	5,909	4,160
Less: Contract assets, end of period	(3,345)	(5,481)	(5,909)	(4,160)	(3,662)
Billings	**$190,466**	**$256,435**	**$264,685**	**$398,565**	**$242,289**

GAAP to Non-GAAP Reconciliation – Gross Margin

($ in thousands)	Q1FY25	*As a % of revenue*	Q2FY25	*As a % of revenue*	Q3FY25	*As a % of revenue*	Q4FY25	*As a % of revenue*	Q1FY26	*As a % of revenue*
GAAP gross margin	$206,406	*78.0%*	$214,526	*79.4%*	$220,357	*79.9%*	$220,736	*79.0%*	$215,599	*78.0%*
Add: Stock-based compensation	4,621		4,731		4,640		4,664		4,832	
Add: Acquired intangible assets amortization	1,152		981		1,073		1,008		994	
Add: Workforce reorganization	-		-		-		-		894	
Non-GAAP gross margin	$212,179	*80.2%*	$220,238	*81.6%*	$226,070	*81.9%*	$226,408	*81.0%*	$222,319	*80.5%*

($ in thousands)	FY23	*As a % of revenue*	FY24	*As a % of revenue*	FY25	*As a % of revenue*
GAAP gross margin	$738,318	*75%*	$777,129	*75%*	$862,025	*79%*
Add: Stock-based compensation	17,816		19,111		18,656	
Add: Acquired intangible assets amortization	5,808		5,838		4,214	
Add: Workforce reorganization	-		912		-	
Non-GAAP gross margin	$761,942	*77%*	$802,990	*77%*	$884,895	*81%*

GAAP to Non-GAAP Reconciliation – Operating Expenses

($ in thousands)	**FY23**	*As a % of revenue*	**FY24**	*As a % of revenue*	**FY25**	*As a % of revenue*	**Q1FY26**	*As a % of revenue*
GAAP research and development	**$243,529**	*25%*	**$248,767**	*24%*	**$264,853**	*24%*	**$72,301**	*26%*
Less: Stock-based compensation	(68,900)		(70,240)		(77,557)		(18,806)	
Less: Acquisition-related expenses	-		-		(102)		-	
Less: Workforce reorganization	-		-		-		(3,847)	
Non-GAAP research and development	**$174,629**	*18%*	**$178,527**	*17%*	**$187,194**	*17%*	**$49,648**	*18%*
GAAP sales and marketing	**$331,400**	*33%*	**$348,638**	*34%*	**$380,154**	*35%*	**$99,099**	*36%*
Less: Stock-based compensation	(58,448)		(65,886)		(75,281)		(17,867)	
Less: Workforce reorganization	-		-		-		(2,008)	
Non-GAAP sales and marketing	**$272,952**	*28%*	**$282,752**	*27%*	**$304,873**	*28%*	**$79,224**	*29%*
GAAP general and administrative	**$126,549**	*13%*	**$128,971**	*12%*	**$137,384**	*13%*	**$37,861**	*14%*
Less: Stock-based compensation	(40,468)		(43,546)		(47,509)		(13,389)	
Less: Acquisition-related expenses	(53)		(120)		(276)		-	
Less: Fees related to shareholder activism	77		-		-		-	
Less: Expenses related to litigation	(722)		(361)		(419)		(421)	
Less: Workforce reorganization	-		-		-		(374)	
Non-GAAP general and administrative	**$85,383**	*9%*	**$84,944**	*8%*	**$89,180**	*8%*	**$23,677**	*9%*

GAAP to Non-GAAP Reconciliation – Operating Margin

($ in thousands)	Q1FY25	As a % of revenue	Q2FY25	As a % of revenue	Q3FY25	As a % of revenue	Q4FY25	As a % of revenue	Q1FY26	As a % of revenue
GAAP operating margin	**$18,007**	*6.8%*	**$20,280**	*7.5%*	**$23,411**	*8.5%*	**$17,936**	*6.4%*	**$6,338**	*2.3%*
Add: Stock-based compensation	51,162		55,111		55,584		57,146		54,894	
Add: Acquired intangible assets amortization	1,152		981		1,073		1,008		994	
Add: Acquisition-related expenses	-		293		50		35		-	
Add: Expenses related to litigation	79		25		72		243		421	
Add: Workforce reorganization	-		-		-		-		7,123	
Non-GAAP operating margin	**$70,400**	*26.6%*	**$76,690**	*28.4%*	**$80,190**	*29.1%*	**$76,368**	*27.3%*	**$69,770**	*25.3%*

($ in thousands)	FY23	As a % of revenue	FY24	As a % of revenue	FY25	As a % of revenue
GAAP operating margin	**$36,840**	*4%*	**$50,753**	*5%*	**$79,634**	*7%*
Add: Stock-based compensation	185,632		198,783		219,003	
Add: Acquired Intangible assets amortization	5,808		5,838		4,214	
Add: Acquisition-related expenses	53		120		378	
Add: Fees related to shareholder activism	(77)		-		-	
Add: Expenses related to litigation	722		361		419	
Add: Workforce reorganization	-		912		-	
Non-GAAP operating margin	**$228,978**	*23%*	**$256,767**	*25%*	**$303,648**	*28%*

GAAP to Non-GAAP Reconciliation — Free Cash Flow

($ in thousands)	**FY23**	*As a % of revenue*	**FY24**	*As a % of revenue*	**FY25**	*As a % of revenue*
GAAP net cash provided by operating activities	**$297,982**	***30%***	**$318,727**	***31%***	**$332,257**	***30%***
Less: Purchases of property and equipment	(5,034)		(4,703)		(2,573)	
Add: Proceeds from sales of property and equipment	601		2,860		8,395	
Less: Principal payments of finance lease liabilities	(40,353)		(30,176)		(2,141)	
Less: Capitalized internal-use software costs	(14,751)		(17,742)		(31,332)	
Free cash flow	**$238,445**	***24%***	**$268,966**	***26%***	**$304,606**	***28%***

GAAP to Non-GAAP Reconciliation — EPS Outlook

	Three Months Ended July 31, 2025	Fiscal Year Ended January 31, 2026
GAAP net income per share attributable to common stockholders, diluted	**$0.01 - $0.02**	**$0.16 - $0.20**
Stock-based compensation	0.40	1.52
Acquired intangible assets amortization	0.01	0.03
Expenses related to litigation	-	0.02
Workforce reorganization	0.01	0.05
Amortization of debt issuance costs	0.01	0.02
Income tax effects of non-GAAP adjustments (1)	(0.11)	(0.44)
Undistributed earnings attributable to preferred stockholders	(0.03)	(0.14)
Non-GAAP net income per share attributable to common stockholders, diluted	**$0.30 - $0.31**	**$1.22 - $1.26**
Weighted-average shares, diluted	**150,000**	**151,000**

(1) Non-GAAP tax provision uses a long-term projected tax rate of 26.8%, which reflects currently available information and could be subject to change.

GAAP to Non-GAAP Reconciliation — Operating Margin Outlook

	Three Months Ended July 31, 2025	Fiscal Year Ended January 31, 2026
GAAP operating margin	**6.0%**	**7.0%**
Add: Stock-based compensation	21.0%	19.5%
Add: Acquired intangible assets amortization	0.5%	0.5%
Add: Other (1)	0.5%	1.0%
Non-GAAP operating margin	**28.0%**	**28.0%**

(1) Other includes workforce reorganization and expenses related to litigation.