ServiceTitan®

ServiceTitan Announces Fiscal Second Quarter Financial Results

September 8, 2026

LOS ANGELES, Sept. 08, 2026 (GLOBE NEWSWIRE) -- ServiceTitan (NASDAQ: TTAN), the software platform that powers the trades, today announced financial results for the fiscal second quarter ended July 31, 2026.

“Our strong momentum delivering the Agentic Operating System to the Trades resulted in 21% year-over-year revenue growth and over $50 million of non-GAAP free cash flow this quarter,” said Ara Mahdessian, Co-Founder and CEO. “Delivering this Agentic Operating System to our customers and leveraging AI to further enhance our organizational velocity are once in a lifetime opportunities to execute against.”(1)

“Our organizational velocity is improving and our investments in AI are delivering,” said Vahe Kuzoyan, Co-Founder and President, “We exceeded our goal of doubling Max locations during Q2. As a result of strong execution with existing customers and progress with select new customers, we now expect to end this fiscal year with over 700 enrolled Max locations.”

Fiscal Second Quarter 2027 Financial and Operational Highlights:

	Fiscal Second Quarter 2027	Fiscal Second Quarter 2026
	(in millions, except percentages and GTV)	
Gross transaction volume (“GTV”) (*in billions*)(2)	$26.8	$22.9
YOY GTV growth	*17%*	*19%*
Total revenue	$292.8	$242.1
YOY revenue growth	*21%*	*25%*
Platform revenue	$284.5	$232.7
YOY platform revenue growth	*22%*	*26%*
GAAP loss from operations	($27.6)	($34.8)
GAAP operating margin	*-9.4%*	*-14.4%*
Non-GAAP income from operations(1)	$44.4	$29.2
Non-GAAP operating margin(1)	*15.2%*	*12.1%*
GAAP net cash provided by operating activities	$58.0	$40.3
Non-GAAP free cash flow(1)	$50.5	$34.3
Net dollar retention	> 110%	> 110%

(1) This press release uses non-GAAP financial measures that adjust GAAP financial measures for the impact of various items. See the section titled “Non-GAAP Financial Measures” and the tables entitled “GAAP to Non-GAAP Reconciliation” below for additional information.
(2) Gross Transaction Volume (“GTV”) represents the sum of total dollars invoiced by our customers through the ServiceTitan platform in a given period, which is intended to be a proxy for the total revenue our customers generate.

Fiscal Third Quarter and Fiscal Year 2027 Financial Outlook:
For fiscal third quarter 2027 and for the full fiscal year 2027, the company currently expects:

	Fiscal Third Quarter 2027	Full Fiscal Year 2027
	(in millions)	
Total revenue	$285 - $287	$1,139 - $1,144
Non-GAAP income from operations(3)	$29 - $30	$152 - $154

(3) ServiceTitan is not able, at this time, to provide an outlook for GAAP loss from operations or a reconciliation of expected non-GAAP income from operations to GAAP loss from operations for the fiscal third quarter 2027 or for the full fiscal year 2027 because of the difficulty of estimating certain items excluded from non-GAAP income from operations that cannot be reasonably calculated or predicted without unreasonable efforts. For example, charges related to stock-based compensation expense require additional inputs, such as the number and value of awards granted, that are not currently ascertainable.

Conference Call Information:
The financial results and business highlights will be discussed on a conference call and webcast scheduled at 2:00 p.m. Pacific Time (5:00 p.m. Eastern Time) on Tuesday, September 8, 2026. Online registration for this conference call can be found here. The live webcast of the conference call can be accessed from ServiceTitan's investor relations website at http://investors.servicetitan.com. Prepared remarks for the conference call have been made available on ServiceTitan's investor relations website concurrently with this release.

Following completion of the events, a webcast replay will also be available at http://investors.servicetitan.com for 12 months.

About ServiceTitan

ServiceTitan is AI for the trades — a purpose-built agentic operating system designed to automate the workflows that run a contracting business, from enterprise commercial construction to residential field service, exteriors and beyond. The company's end-to-end solution gives contractors the tools they need to run and grow their business, while providing a stellar customer experience. Learn how ServiceTitan is equipping tradespeople with the AI technology they need to keep the world running at: www.servicetitan.com.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical facts contained in this press release may be forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "goal," "intend," "likely," "may," "plan," "potential," "predict," "project," "seek," "should," "strategy," "target," or "will," or the negative of these words or other similar terms or expressions that concern ServiceTitan's expectations, strategy, plans or intentions. Forward-looking statements in this release include, but are not limited to, statements regarding ServiceTitan's financial outlook for total revenue and non-GAAP income from operations for fiscal third quarter 2027 ending October 31, 2026 and the full fiscal year ending January 31, 2027, and statements regarding our ability to fully capitalize on bringing AI, including Max, to the trades, our operating and organizational velocity, AI strategy, and plans for Max. ServiceTitan's expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected, including those more fully described under the caption "*Risk Factors*" in our Quarterly Report on Form 10-Q for fiscal first quarter 2027 ended April 30, 2026 as filed with the SEC on June 5, 2026, which should be read in conjunction with this press release and the financial results included herein. Additional information will be set forth in our Quarterly Report on Form 10-Q for the fiscal second quarter 2027 ended July 31, 2026. The forward-looking statements in this release are based on information available to ServiceTitan as of the date hereof, and ServiceTitan undertakes no obligation to update any forward-looking statements, except as required by law.

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ServiceTitan, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share data)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
Revenue:				
Platform	$ 284,496	$ 232,726	$ 545,060	$ 440,708
Professional services and other	8,260	9,397	16,520	17,107
Total revenue	292,756	242,123	561,580	457,815
Cost of revenue:				
Platform	60,521	51,991	116,030	102,028
Professional services and other	23,166	18,783	42,690	36,042
Total cost of revenue	83,687	70,774	158,720	138,070
Gross profit	209,069	171,349	402,860	319,745
Operating expenses:				
Sales and marketing	76,973	69,544	150,045	138,767
Research and development	100,630	73,065	188,654	142,205
General and administrative	59,018	63,512	117,475	123,081
Total operating expenses	236,621	206,121	456,174	404,053
Loss from operations	(27,552)	(34,772)	(53,314)	(84,308)
Other income (expense), net				
Interest expense	(188)	(2,057)	(371)	(4,092)
Interest income	3,924	4,783	7,651	9,723
Other income, net	283	185	634	686
Total other income, net	4,019	2,911	7,914	6,317
Loss before income taxes	(23,533)	(31,861)	(45,400)	(77,991)
Provision for income taxes	1,388	364	2,339	598
Net loss	(24,921)	(32,225)	(47,739)	(78,589)
Net loss per share, basic and diluted	$ (0.26)	$ (0.35)	$ (0.50)	$ (0.86)
Weighted-average shares used in computing net loss per share, basic and diluted	95,863,240	91,687,907	95,440,743	91,041,726

Disaggregated Revenue

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
Subscription	$ 212,373	$ 174,753	$ 414,411	$ 337,470
Usage	72,123	57,973	130,649	103,238
Platform revenue	284,496	232,726	545,060	440,708
Professional services and other	8,260	9,397	16,520	17,107
Total revenue	$ 292,756	$ 242,123	$ 561,580	$ 457,815

ServiceTitan, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)
(unaudited)

	As of	
	July 31, 2026	January 31, 2026
Assets		
Current assets:		
Cash and cash equivalents	$ 479,538	$ 428,769
Restricted cash	—	166
Accounts receivable, net of allowance of $11,151 and $11,963 as of July 31, 2026 and January 31, 2026, respectively	69,883	55,974
Deferred contract costs, current	15,241	14,964
Contract assets	68,267	57,777
Prepaid expenses	30,207	25,894

Other current assets	7,242	7,314
Total current assets	670,378	590,858
Restricted cash, noncurrent	416	417
Deferred contract costs, noncurrent	13,092	14,748
Property and equipment, net	35,835	38,902
Operating lease right-of-use assets	19,409	18,627
Internal-use software, net	40,823	39,246
Intangible assets, net	157,036	176,743
Goodwill	860,250	860,250
Other assets	6,937	5,266
Total assets	$ 1,804,176	$ 1,745,057
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and other accrued expenses	$ 56,110	$ 52,262
Accrued personnel-related expenses	52,300	83,095
Deferred revenue, current	17,407	18,676
Operating lease liabilities, current	12,056	14,052
Other current liabilities	9,614	1,367
Total current liabilities	147,487	169,452
Operating lease liabilities, noncurrent	35,708	37,322
Other noncurrent liabilities	15,285	13,049
Total liabilities	198,480	219,823
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, par value $0.001, 100,000,000 shares authorized as of July 31, 2026 and January 31, 2026. No shares issued and outstanding as of July 31, 2026 and January 31, 2026	—	—
Class A common stock, par value $0.001, 1,000,000,000 shares authorized as of July 31, 2026 and January 31, 2026. 83,857,202 shares and 81,956,537 shares issued and outstanding as of July 31, 2026 and January 31, 2026, respectively	83	82
Class B common stock, par value $0.001, 100,000,000 shares authorized as of July 31, 2026 and January 31, 2026. 12,605,018 shares and 12,644,614 shares issued and outstanding as of July 31, 2026 and January 31, 2026, respectively	13	13
Class C common stock, par value $0.001, 100,000,000 shares authorized as of July 31, 2026 and January 31, 2026. No shares issued and outstanding as of July 31, 2026 and January 31, 2026	—	—
Additional paid-in capital	2,918,922	2,790,722
Accumulated deficit	(1,313,322)	(1,265,583)
Total stockholders' equity	1,605,696	1,525,234
Total liabilities and stockholders' equity	$ 1,804,176	$ 1,745,057

ServiceTitan, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	**2025**	**2026**	**2025**
Cash flows provided by operating activities				
Net loss	$ (24,921)	$ (32,225)	$ (47,739)	$ (78,589)
Adjustments to reconcile net loss to net cash provided by operating activities				
Depreciation and amortization expense	19,898	20,035	39,448	39,990
Amortization of deferred contract costs	4,045	3,604	8,157	6,940
Non-cash operating lease expense	1,565	1,406	3,077	2,758
Stock-based compensation expense	60,575	49,307	115,149	93,056
Loss on impairment and disposal of assets	5	200	13	8,260

Deferred income taxes	1,138	679	1,952	1,325
Amortization of debt issuance costs	—	128	—	248
Provision for credit losses	1,487	1,544	3,160	5,267
Changes in operating assets and liabilities, net of effect of business acquisition:				
Accounts receivable	(8,009)	(7,422)	(17,069)	(12,692)
Prepaid expenses and other current assets	(1,280)	(10,217)	(4,244)	(8,546)
Deferred contract costs	(2,990)	(4,425)	(6,778)	(10,164)
Contract assets	(3,714)	(2,185)	(10,490)	(3,526)
Other assets	(43)	177	(2,304)	685
Accounts payable and other accrued expenses	421	(1,068)	3,843	2,933
Accrued personnel-related expenses	9,517	18,959	(29,344)	(21,673)
Operating lease liabilities	(3,284)	(3,013)	(7,469)	(6,166)
Other liabilities	5,208	3,953	8,331	5,190
Deferred revenue	(1,629)	903	(1,269)	474
Net cash provided by operating activities	57,989	40,340	56,424	25,770
Cash flows used in investing activities				
Capitalized internal-use software	(4,761)	(4,930)	(11,424)	(11,402)
Purchase of property and equipment	(1,108)	(1,110)	(1,704)	(2,402)
Deposits for property and equipment	(1,665)	—	(2,421)	—
Net cash used in investing activities	(7,534)	(6,040)	(15,549)	(13,804)
Cash flows provided by financing activities				
Proceeds from exercise of stock options	7,552	17,255	9,727	18,436
Payment of debt arrangements	—	(269)	—	(537)
Payment of deferred initial public offering costs	—	(66)	—	(599)
Net cash provided by financing activities	7,552	16,920	9,727	17,300
Net change in cash, cash equivalents, and restricted cash	58,007	51,220	50,602	29,266
Cash, cash equivalents, and restricted cash				
Beginning of period	421,947	420,892	429,352	442,846
End of period	$ 479,954	$ 472,112	$ 479,954	$ 472,112

Statement Regarding Use of Non-GAAP Financial Measures

In addition to our results prepared in accordance with GAAP, we believe non-GAAP gross profit and non-GAAP gross margin, in total and for platform, and professional services and other, non-GAAP sales and marketing expense, non-GAAP research and development expense, non-GAAP general and administrative expense, non-GAAP income from operations, non-GAAP operating margin, non-GAAP net income and non-GAAP earnings per share ("EPS") are useful in evaluating our operating performance.

These measures, however, have certain limitations in that they reflect the exercise of judgment by our management about which expenses are excluded or included and do not include the impact of certain expenses that are reflected in our consolidated statement of operations that are necessary to run our business. These non-GAAP financial measures should be considered in addition to, not as a substitute for or in isolation from, our financial results determined in accordance with GAAP. We caution investors that amounts presented in accordance with our definition of non-GAAP gross profit, non-GAAP gross margin, non-GAAP sales and marketing expense, non-GAAP research and development expense, non-GAAP general and administrative expense, non-GAAP income from operations, non-GAAP operating margin, non-GAAP net income and non-GAAP EPS may not be comparable to similar measures disclosed by other companies because not all companies and analysts calculate these measures in the same manner.

For the reasons set forth below, we believe that excluding the following items provides information that is helpful in understanding our operating results, evaluating our future prospects, comparing our financial results across accounting periods, and comparing our financial results to our peers, many of which provide similar non-GAAP financial measures.

- ***Stock-based compensation expense and related employer payroll taxes.*** We exclude stock-based compensation expense, including the performance-based RSUs granted to our Co-Founders, and related employer payroll taxes to allow investors to make more meaningful comparisons of our performance between periods and to facilitate a comparison of our performance to those of other peer companies. Stock-based compensation may vary between periods due to various factors unrelated to our core performance, including as a result of the assumptions used in the valuation methodologies, timing and amount of grants and other factors. We exclude employer payroll taxes because the amounts vary based on timing and settlement or vesting of awards unrelated to our core operating performance. Moreover, stock-based compensation expense is a non-cash expense that we exclude from our internal management reporting processes and when assessing our actual performance, budgeting, planning, and forecasting future periods.

- ***Amortization of acquired intangible assets.*** We incur amortization expense for acquired intangible assets in connection with acquisitions of certain businesses and technologies. Amortization of acquired intangible assets is a non-cash expense that is significantly affected by the timing and size of acquisitions, and the inherent subjective nature of purchase price allocations. Because these costs have already been incurred, we exclude the amortization expense from our internal management reporting processes. We exclude these charges when assessing our actual performance and when budgeting, planning, and forecasting future periods. Investors should note that the use of intangible assets contributed to our revenues earned during the periods presented and will contribute to our future period revenues as well.
- ***Loss on operating lease assets.*** We have incurred impairments on certain right-of-use assets and other long-lived assets. We believe that it is useful to exclude these charges when assessing the level of various operating expenses and resource allocations when budgeting, planning and forecasting future periods. In addition, we believe excluding such costs enhances the comparability between periods.
- ***Acquisition-related items.*** From time to time, we may incur costs related to acquisitions, including legal, third-party valuation and due diligence, insurance costs, and one-time retention bonuses for employees of acquired companies. In addition, we periodically record the change to the fair value of contingent consideration related to past acquisitions. When applicable, we exclude these items when assessing our actual performance and when budgeting, planning and forecasting future periods. We believe excluding these items allows investors to make meaningful comparisons between our core results of operations and those of other peer companies.

Change in Non-GAAP Income Tax Rate Presentation

Effective February 1, 2026, the beginning of our first quarter of fiscal 2027, we adopted a fixed long-term projected non-GAAP tax rate in order to provide better consistency across interim reporting periods. When projecting the long-term non-GAAP tax rate, we utilize a financial projection that excludes the direct impact of the items excluded from GAAP income in calculating our non-GAAP income. The projected rate considers other factors such as our current operating structure, existing tax positions in various jurisdictions, and key legislation in major jurisdictions where we operate. For fiscal 2027, we determined the projected non-GAAP tax rate to be 18%, which reflects currently available information, as well as other factors and assumptions that may change over time. We will periodically re-evaluate this tax rate, as necessary, for significant events, relevant tax law changes, material changes in the forecasted geographic earnings mix, and any significant acquisitions.

Non-GAAP EPS

We define non-GAAP basic EPS as non-GAAP net income divided by weighted-average shares outstanding used in computing net loss per share attributable to common stockholders, basic. We define non-GAAP diluted EPS as non-GAAP net income divided by weighted-average shares outstanding giving effect to the weighted average of all potentially dilutive common stock equivalents outstanding for the period including options to purchase common stock, restricted stock units, and acquisition indemnity shares withheld. The dilutive effect of outstanding awards is reflected in non-GAAP diluted earnings per share by application of the treasury method.

Free Cash Flow

We define free cash flow, a non-GAAP measure, as GAAP net cash provided by operating activities less cash used for investing activities for capitalized internal use software and less cash paid for purchases of, and deposits for, property and equipment. We believe that free cash flow is a meaningful indicator of our sources of liquidity and capital requirements and provides information to management and investors that is useful in evaluating the cash flow trends of our business. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth. Free cash flow has limitations as an analytical tool and should not be considered in isolation or as a substitute for analysis of our results as reported under GAAP. Other companies may calculate free cash flow or similarly titled non-GAAP measures differently, which could reduce the usefulness of free cash flow as a tool for comparison. In addition, free cash flow does not reflect mandatory debt service and other non-discretionary expenditures that are required to be made under contractual commitments and does not represent the total increase or decrease in our cash balance for any given period.

ServiceTitan, Inc.
GAAP to Non-GAAP Reconciliations
(unaudited)

Non-GAAP Gross Profit and Non-GAAP Gross Margin

	Platform		Professional Services and Other		Total	
	Three Months Ended July 31,		Three Months Ended July 31,		Three Months Ended July 31,	
	2026	2025	2026	2025	2026	2025
			(in thousands)			
GAAP gross profit	$ 223,975	$ 180,735	$ (14,906)	$ (9,386)	$ 209,069	$ 171,349

Stock-based compensation expense and related employer payroll taxes	1,712	1,484	2,397	1,364	4,109	2,848
Amortization of acquired intangible assets	4,933	5,533	334	334	5,267	5,867
Non-GAAP gross profit	$ 230,620	$ 187,752	$ (12,175)	$ (7,688)	$ 218,445	$ 180,064

	Platform		Professional Services and Other		Total	
	Three Months Ended July 31,		Three Months Ended July 31,		Three Months Ended July 31,	
	2026	2025	2026	2025	2026	2025
GAAP gross margin	78.7 %	77.7 %	(180.5)%	(99.9)%	71.4 %	70.8 %
Stock-based compensation expense and related employer payroll taxes	0.6 %	0.6 %	29.0 %	14.5 %	1.4 %	1.2 %
Amortization of acquired intangible assets	1.7 %	2.4 %	4.0 %	3.6 %	1.8 %	2.4 %
Non-GAAP gross margin*	81.1 %	80.7 %	(147.4)%	(81.8)%	74.6 %	74.4 %

* Totals may not foot due to rounding.

	Platform		Professional Services and Other		Total	
	Six Months Ended July 31,		Six Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025	2026	2025
	(in thousands)					
GAAP gross profit	$ 429,030	$ 338,680	$ (26,170)	$ (18,935)	$ 402,860	$ 319,745
Stock-based compensation expense and related employer payroll taxes	3,440	2,882	3,985	2,748	7,425	5,630
Amortization of acquired intangible assets	9,866	11,066	668	668	10,534	11,734
Loss on operating lease assets	—	960	—	751	—	1,711
Non-GAAP gross profit	$ 442,336	$ 353,588	$ (21,517)	$ (14,768)	$ 420,819	$ 338,820

	Platform		Professional Services and Other		Total	
	Six Months Ended July 31,		Six Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025	2026	2025
GAAP gross margin	78.7 %	76.8 %	(158.4)%	(110.7)%	71.7 %	69.8 %
Stock-based compensation expense and related employer payroll taxes	0.6 %	0.7 %	24.1 %	16.1 %	1.3 %	1.2 %
Amortization of acquired intangible assets	1.8 %	2.5 %	4.0 %	3.9 %	1.9 %	2.6 %
Loss on operating lease assets	0.0 %	0.2 %	0.0 %	4.4 %	0.0 %	0.4 %
Non-GAAP gross margin*	81.2 %	80.2 %	(130.2)%	(86.3)%	74.9 %	74.0 %

* Totals may not foot due to rounding.

Non-GAAP Sales and Marketing Expense

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP sales and marketing expense	$ 76,973	$ 69,544	$ 150,045	$ 138,767
Stock-based compensation expense and related employer payroll taxes	(8,053)	(7,694)	(14,672)	(13,262)

Amortization of acquired intangible assets	(4,586)	(5,515)	(9,173)	(11,030)
Loss on operating lease assets	—	—	—	(1,765)
Non-GAAP sales and marketing expense	$ 64,334	$ 56,335	$ 126,200	$ 112,710

Non-GAAP Research and Development Expense

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP research and development expense	$ 100,630	$ 73,065	$ 188,654	$ 142,205
Stock-based compensation expense and related employer payroll taxes	(24,461)	(12,703)	(44,925)	(24,966)
Loss on operating lease assets	—	—	—	(1,679)
Non-GAAP research and development expense	$ 76,169	$ 60,362	$ 143,729	$ 115,560

Non-GAAP General and Administrative Expense

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP general and administrative expense	$ 59,018	$ 63,512	$ 117,475	$ 123,081
Stock-based compensation expense and related employer payroll taxes	(11,985)	(15,830)	(25,229)	(28,477)
Stock-based compensation expense - Co-Founders performance based RSUs	(13,515)	(13,518)	(26,589)	(26,589)
Loss on operating lease assets	—	—	—	(2,877)
Non-GAAP general and administrative expense	$ 33,518	$ 34,164	$ 65,657	$ 65,138

Non-GAAP Income from Operations and Non-GAAP Operating Margin

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP loss from operations	$ (27,552)	$ (34,772)	$ (53,314)	$ (84,308)
Stock-based compensation expense and related employer payroll taxes	48,608	39,075	92,251	72,335
Stock-based compensation expense - Co-Founders performance based RSUs	13,515	13,518	26,589	26,589
Amortization of acquired intangible assets	9,853	11,382	19,707	22,764
Loss on operating lease assets	—	—	—	8,032
Non-GAAP income from operations	$ 44,424	$ 29,203	$ 85,233	$ 45,412

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
GAAP operating margin	(9.4)%	(14.4)%	(9.5)%	(18.4)%
Stock-based compensation expense and related employer payroll taxes	16.6%	16.1%	16.4%	15.8%
Stock-based compensation expense - Co-Founders performance based RSUs	4.6%	5.6%	4.7%	5.8%
Amortization of acquired intangible assets	3.4%	4.7%	3.5%	5.0%
Loss on operating lease assets	0.0%	0.0%	0.0%	1.8%
Non-GAAP operating margin*	15.2%	12.1%	15.2%	9.9%

* Totals may not foot due to rounding.

Non-GAAP Net Income

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP net loss	$ (24,921)	$ (32,225)	$ (47,739)	$ (78,589)
Stock-based compensation expense and related employer payroll taxes	48,608	39,075	92,251	72,335
Stock-based compensation expense - Co-Founders performance based RSUs	13,515	13,518	26,589	26,589
Amortization of acquired intangible assets	9,853	11,382	19,707	22,764
Loss on operating lease assets	—	—	—	8,032
Income tax effects[4]	(7,331)	1,095	(14,427)	(389)
Non-GAAP net income	$ 39,724	$ 32,845	$ 76,381	$ 50,742

[4] Effective February 1, 2026, we adopted a fixed long-term projected non-GAAP tax rate of 18%, which reflects currently available information, as well as other factors and assumptions that may change over time.

Non-GAAP EPS

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands, except share and per share amounts)			
Numerator				
Non-GAAP net income	$ 39,724	$ 32,845	$ 76,381	$ 50,742
Denominator				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic	95,863,240	91,687,907	95,440,743	91,041,726
Effect of dilutive securities: Stock-based awards	4,341,036	7,699,740	4,310,763	7,957,233
Weighted-average shares used in computing non-GAAP net income per share attributable to common stockholders, diluted	100,204,276	99,387,647	99,751,506	98,998,959
GAAP net loss per share, basic and diluted	$ (0.26)	$ (0.35)	$ (0.50)	$ (0.86)
Non-GAAP net income per share, basic	$ 0.41	$ 0.36	$ 0.80	$ 0.56
Non-GAAP net income per share, diluted	$ 0.40	$ 0.33	$ 0.77	$ 0.51

Free Cash Flow

	Three Months Ended July 31,		Six Months Ended July 31,	
	2026	2025	2026	2025
	(in thousands)			
GAAP net cash provided by operating activities	$ 57,989	$ 40,340	$ 56,424	$ 25,770
Capitalized internal-use software	(4,761)	(4,930)	(11,424)	(11,402)
Purchase of property and equipment	(1,108)	(1,110)	(1,704)	(2,402)
Deposits for property and equipment	(1,665)	—	(2,421)	—
Non-GAAP free cash flow	$ 50,455	$ 34,300	$ 40,875	$ 11,966

ServiceTitan