

Workday Announces Fiscal 2026 Second Quarter Financial Results

*Fiscal Second Quarter Total Revenues of \$2.348 Billion, Up 12.6% Year-Over-Year
Subscription Revenues of \$2.169 Billion, Up 14.0% Year-Over-Year*

PLEASANTON, Calif., Aug. 21, 2025 /PRNewswire/ -- [Workday, Inc.](#) (NASDAQ: WDAY), the AI platform for managing [people](#), [money](#), and [agents](#), today announced results for the fiscal 2026 second quarter ended July 31, 2025.

Fiscal 2026 Second Quarter Results

- Total revenues were \$2.348 billion, an increase of 12.6% from the second quarter of fiscal 2025. Subscription revenues were \$2.169 billion, an increase of 14.0% from the same period last year.
- Operating income was \$248 million, or 10.6% of revenues, compared to an operating income of \$111 million, or 5.3% of revenues, in the same period last year. Non-GAAP operating income for the second quarter was \$680 million, or 29.0% of revenues, compared to a non-GAAP operating income of \$518 million, or 24.9% of revenues, in the same period last year.¹
- Diluted net income per share was \$0.84, compared to diluted net income per share of \$0.49 in the second quarter of fiscal 2025. Non-GAAP diluted net income per share was \$2.21, compared to non-GAAP diluted net income per share of \$1.75 in the same period last year.¹
- 12-month subscription revenue backlog was \$7.91 billion, up 16.4% from the same period last year. Total subscription revenue backlog was \$25.37 billion, increasing 17.6% year-over-year.
- Operating cash flows were \$616 million compared to \$571 million in the same period last year. Free cash flows were \$588 million compared to \$516 million in the same period last year.¹
- Workday repurchased approximately 1.2 million shares of Class A common stock for \$299 million as part of its share repurchase programs.
- Cash, cash equivalents, and marketable securities were \$8.19 billion as of July 31, 2025.

¹ See the section titled "About Non-GAAP Financial Measures" in the accompanying financial tables for further details.

Comments on the News

"Workday delivered another solid quarter, driven by our AI and platform innovation, international momentum, and an ecosystem that continues to grow alongside us," said Carl Eschenbach, CEO, Workday. "Customers are choosing Workday because we help them unlock value today and prepare for what's next—whether that's navigating AI transformation, streamlining operations, or creating more meaningful work for their people."

"Our second quarter results reflect the strength of our platform and our continued progress across several of our growth initiatives," said Zane Rowe, CFO, Workday. "Following our first half momentum—and also incorporating the acquisition of Paradox—we are increasing our fiscal 2026 subscription revenue guidance to \$8.815 billion, representing growth of 14%, and increasing our fiscal 2026 non-GAAP operating margin guidance to approximately 29%."

Recent Business Highlights

- Workday welcomed new customers including Banamex, Carrefour, Masan Group, Memorial Health, and Red Coats, and expanded existing relationships with Google, Nationwide Insurance, Qantas Airways, Randstad, Tokyo Electron, and University of Virginia.
- Workday entered into a definitive agreement to acquire [Paradox](#), a candidate experience agent that uses conversational AI to simplify every step of the job application journey, and acquired [Flowise](#), a low-code platform that makes it easy to build AI agents.
- Workday unveiled a new [AI developer toolset](#) and introduced the [Workday Agent Partner Network](#), a global ecosystem of partners building AI agents that will connect with the Workday Agent System of Record.
- Workday launched [Workday Government](#), a new subsidiary dedicated to serving the U.S. Government.
- The Workday customer community now represents more than 75 million users under contract and more than 65% of the Fortune 500.
- [DailyPay was named Workday's strategic partner for on-demand pay](#), giving employees easier access to earned wages before payday.
- Workday grew its presence in India with an expanded team, including the appointment of [Sunil Jose as President of India](#), and a [commitment](#) to offer services from a local data center.
- Workday was named a Leader in the 2025 Gartner® Magic Quadrant™ for [Cloud-Based ERP for U.S. Local Government](#)¹.
- Workday VNDLY was named a Leader and Star Performer in [Everest Group's Vendor Management Systems \(VMS\) PEAK Matrix® Assessment 2025](#).

- Workday was named a Customers' Choice in the 2025 Gartner® Peer Insights™ Voice of the Customer for [Cloud ERP for Service-Centric Enterprises](#)², [Financial Planning Software](#)³, and Cloud HCM Suites for 1,000+ Employee Enterprises⁴.

¹ Gartner Magic Quadrant for Cloud-Based ERP for U.S. Local Government, Albert Gauthier, Robert Stoneman, Todd Kimbriel, 19 May 2025

² Gartner Voice of the Customer for Cloud ERP for Service-Centric Enterprises, By Peer Contributors, 23 May 2025

³ Gartner Voice of the Customer for Financial Planning Software, By Peer Contributors, 30 May 2025

⁴ Gartner Voice of the Customer for Cloud HCM Suites for 1,000+ Employee Enterprises, By Peer Contributors, 23 May 2025

Financial Outlook

Workday is providing guidance for the fiscal 2026 third quarter ending October 31, 2025 as follows:

- Subscription revenues of \$2.235 billion, representing growth of 14.1%
- Non-GAAP operating margin of 28.0%¹

Workday is updating guidance for the fiscal 2026 full year ending January 31, 2026 as follows:

- Subscription revenues of \$8.815 billion, representing growth of 14.2%
- Non-GAAP operating margin of 29.0%¹

¹ The Company has not provided a reconciliation of its forward outlook for non-GAAP operating margin with its forward-looking GAAP operating margin in reliance on the unreasonable efforts exception provided under Item 10(e)(1)(i)(B) of Regulation S-K. The Company is unable to predict with reasonable certainty the amount and timing of adjustments that are used to calculate this non-GAAP financial measure, particularly related to stock-based compensation and its related tax effects, acquisition-related costs, and restructuring costs.

Earnings Call Details

Workday plans to host a conference call today to review its fiscal 2026 second quarter financial results and to discuss its financial outlook. The call is scheduled to begin at 1:30 p.m. PT/4:30 p.m. ET and can be accessed via [webcast](#). The webcast will be available live, and a replay will be available following completion of the live broadcast for approximately 90 days.

Workday uses the [Workday Blog](#) as a means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD.

About Workday

[Workday](#) is the AI platform for managing [people](#), [money](#), and [agents](#). The Workday platform is built with AI at the core to help customers elevate people, supercharge work, and move their business forever forward. Workday is used by more than 11,000 organizations around the world and across industries – from medium-sized businesses to more than 65% of the Fortune 500. For more information about Workday, visit [workday.com](#).

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Forward-Looking Statements

This press release contains forward-looking statements including, among other things, statements regarding Workday's planned acquisition of Paradox, Workday's third quarter and full year fiscal 2026 subscription revenues and non-GAAP operating margin, momentum, and growth. These forward-looking statements are based only on currently available information and our current beliefs, expectations, and assumptions. Because forward-looking statements relate to the future, they are subject to risks, uncertainties, assumptions, and changes in circumstances that are difficult to predict and many of which are outside of our control. If the risks materialize, assumptions prove incorrect, or we experience unexpected changes in circumstances, actual results could differ materially from the results implied by these forward-looking statements, and therefore you should not rely on any forward-looking statements. Risks include, but are not limited to: (i) breaches in our security measures or those of our third-party providers, unauthorized access to our customers' or other users' personal data, or disruptions in our data center or computing infrastructure operations; (ii) service outages, delays in the deployment of our applications, and the failure of our applications to perform properly; (iii) privacy concerns and evolving domestic or foreign laws and regulations; (iv) the impact of continuing global economic and geopolitical volatility on our business, as well as on our customers, prospects, partners, and service providers; (v) any loss of key employees or the inability to attract, train, and retain highly skilled employees; (vi) competitive factors, including pricing pressures, industry consolidation, entry of new competitors and new applications, advancements in technology, and marketing initiatives by our competitors; (vii) our reliance on our network of partners to drive additional growth of our revenues; (viii) the regulatory, economic, and political risks associated with our domestic and international operations; (ix) adoption of our applications and services by customers and individuals, including any new

features, enhancements, and modifications, as well as our customers' and users' satisfaction with the deployment, training, and support services they receive; (x) the regulatory risks related to new and evolving technologies such as AI and our ability to realize a return on our development efforts; (xi) our ability to realize the expected business or financial benefits of any acquisitions of or investments in companies; (xii) delays or reductions in information technology spending; (xiii) adverse litigation results; and (xiv) changes in sales, which may not be immediately reflected in our results due to our subscription model. Further information on these and additional risks that could affect Workday's results is included in our filings with the Securities and Exchange Commission ("SEC"), including our most recent report on Form 10-Q or Form 10-K and other reports that we have filed and will file with the SEC from time to time, which could cause actual results to vary from expectations. Workday assumes no obligation to, and does not currently intend to, update any such forward-looking statements after the date of this release, except as required by law.

Any unreleased services, features, or functions referenced in this document, our website, or other press releases or public statements that are not currently available are subject to change at Workday's discretion and may not be delivered as planned or at all. Customers who purchase Workday services should make their purchase decisions based upon services, features, and functions that are currently available.

Workday, Inc.
Condensed Consolidated Balance Sheets
(in millions)
(unaudited)

	July 31, 2025	January 31, 2025
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,264	\$ 1,543
Marketable securities	6,922	6,474
Trade and other receivables, net	1,609	1,950
Deferred costs	278	267
Prepaid expenses and other current assets	334	311
Total current assets	10,407	10,545
Property and equipment, net	1,121	1,239
Operating lease right-of-use assets	719	336
Deferred costs, noncurrent	562	561
Acquisition-related intangible assets, net	320	361
Deferred tax assets	959	1,039
Goodwill	3,478	3,478
Other assets	395	418
Total assets	\$ 17,961	\$ 17,977
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 100	\$ 108
Accrued expenses and other current liabilities	346	296
Accrued compensation	537	578
Unearned revenue	3,852	4,467
Operating lease liabilities	110	99
Total current liabilities	4,945	5,548
Debt, noncurrent	2,985	2,984
Unearned revenue, noncurrent	65	80
Operating lease liabilities, noncurrent	681	279
Other liabilities	113	52
Total liabilities	8,789	8,943
Stockholders' equity:		
Common stock	0	0
Additional paid-in capital	12,055	11,463
Treasury stock	(1,900)	(1,308)
Accumulated other comprehensive income (loss)	(74)	84
Accumulated deficit	(909)	(1,205)
Total stockholders' equity	9,172	9,034
Total liabilities and stockholders' equity	\$ 17,961	\$ 17,977

Workday, Inc.
Condensed Consolidated Statements of Operations
(in millions, except number of shares which are reflected in thousands and per share data)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
Revenues:				
Subscription services	\$ 2,169	\$ 1,903	\$ 4,228	\$ 3,719
Professional services	179	182	360	356
Total revenues	2,348	2,085	4,588	4,075
Costs and expenses ⁽¹⁾:				
Costs of subscription services	370	304	720	594
Costs of professional services	212	207	399	406
Product development	660	649	1,322	1,305
Sales and marketing	641	611	1,264	1,184
General and administrative	216	202	429	403
Restructuring ⁽²⁾	1	1	167	8
Total costs and expenses	2,100	1,974	4,301	3,900
Operating income	248	111	287	175
Other income, net	56	57	120	116
Income before provision for income taxes	304	168	407	291
Provision for income taxes	76	36	111	52
Net income	\$ 228	\$ 132	\$ 296	\$ 239
Net income per share, basic	\$ 0.86	\$ 0.50	\$ 1.11	\$ 0.90
Net income per share, diluted	\$ 0.84	\$ 0.49	\$ 1.09	\$ 0.89
Weighted-average shares used to compute net income per share, basic	266,777	265,317	266,649	264,885
Weighted-average shares used to compute net income per share, diluted	270,180	267,949	270,240	269,128

(1) Costs and expenses include share-based compensation expense as follows:

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
Costs of subscription services	\$ 39	\$ 35	\$ 81	\$ 73
Costs of professional services	28	28	58	59
Product development	170	163	353	336
Sales and marketing	84	77	177	149
General and administrative	70	67	140	138
Restructuring	0	0	42	0
Total share-based compensation expense	\$ 391	\$ 370	\$ 851	\$ 755

(2) In February 2025, Workday announced a restructuring plan ("Fiscal 2026 Restructuring Plan") intended to prioritize its investments and continue advancing its ongoing focus on durable growth. The plan reduced Workday's workforce by approximately 7.5%. In connection with the plan, Workday has exited certain owned office space. During the six months ended July 31, 2025, Workday recorded expenses of \$133 million for employee transition, severance payments, employee benefits, and share-based compensation expense, and \$34 million related to an impairment of office space under the Fiscal 2026 Restructuring Plan. During the six months ended July 31, 2024, Workday recorded exit charges of \$8 million associated with office space reductions under a separate restructuring plan.

Workday, Inc.
Condensed Consolidated Statements of Cash Flows
(in millions)
(unaudited)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
Cash flows from operating activities:				
Net income	\$ 228	\$ 132	\$ 296	\$ 239
Adjustments to reconcile net income to net cash provided by operating activities:				
Depreciation and amortization	81	79	165	154
Share-based compensation expense	391	370	851	755
Amortization of deferred costs	72	62	140	121

Non-cash lease expense	28	25	54	51
Losses on investments, net	2	3	2	10
Accretion of discounts on marketable debt securities, net	(18)	(29)	(38)	(62)
Deferred income taxes	66	27	84	33
Other	0	9	47	11
Changes in operating assets and liabilities, net of business combinations:				
Trade and other receivables, net	(264)	(157)	337	351
Deferred costs	(100)	(64)	(152)	(104)
Prepaid expenses and other assets	54	46	15	24
Accounts payable	3	2	0	12
Accrued expenses and other liabilities	32	69	(99)	(124)
Unearned revenue	41	(3)	(629)	(528)
Net cash provided by operating activities	616	571	1,073	943
Cash flows from investing activities:				
Purchases of marketable securities	(866)	(1,365)	(2,211)	(2,143)
Maturities of marketable securities	793	1,035	1,515	2,132
Sales of marketable securities	125	51	265	68
Capital expenditures	(28)	(55)	(64)	(136)
Business combinations, net of cash acquired	0	(10)	0	(522)
Purchases of non-marketable equity and other investments	(11)	(7)	(15)	(7)
Sales of non-marketable equity and other investments	0	5	0	5
Net cash provided by (used in) investing activities	13	(346)	(510)	(603)
Cash flows from financing activities:				
Repurchases of common stock	(298)	(312)	(589)	(440)
Proceeds from issuance of common stock from employee equity plans	111	106	111	106
Taxes paid related to net share settlement of equity awards	(161)	(141)	(372)	(381)
Net cash used in financing activities	(348)	(347)	(850)	(715)
Effect of exchange rate changes	0	0	2	0
Net increase (decrease) in cash, cash equivalents, and restricted cash	281	(122)	(285)	(375)
Cash, cash equivalents, and restricted cash at the beginning of period	988	1,771	1,554	2,024
Cash, cash equivalents, and restricted cash at the end of period	<u>\$ 1,269</u>	<u>\$ 1,649</u>	<u>\$ 1,269</u>	<u>\$ 1,649</u>

Workday, Inc. Reconciliations of GAAP to Non-GAAP Data

Reconciliations of Workday's GAAP to non-GAAP operating results are included in the following tables (in millions, except number of shares which are reflected in thousands, percentages, and per share data). See the section titled "About Non-GAAP Financial Measures" below for further details.

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
<u>Non-GAAP operating income</u>				
Operating income	\$ 248	\$ 111	\$ 287	\$ 175
Share-based compensation expense ⁽¹⁾	391	370	809	755
Employer payroll tax-related items on employee stock transactions ⁽¹⁾	12	10	39	48
Amortization of acquisition-related intangible assets	21	20	42	37
Acquisition-related costs	7	6	14	10
Restructuring costs	1	1	167	8
Non-GAAP operating income	<u>\$ 680</u>	<u>\$ 518</u>	<u>\$ 1,358</u>	<u>\$ 1,033</u>
<u>Non-GAAP operating margin ⁽²⁾</u>				
Operating margin	10.6 %	5.3 %	6.3 %	4.3 %
Share-based compensation expense ⁽¹⁾	16.7 %	17.7 %	17.6 %	18.5 %
Employer payroll tax-related items on employee stock transactions ⁽¹⁾	0.5 %	0.6 %	0.8 %	1.2 %
Amortization of acquisition-related intangible assets	0.9 %	1.0 %	0.9 %	1.0 %
Acquisition-related costs	0.3 %	0.3 %	0.3 %	0.2 %
Restructuring costs	0.0 %	0.0 %	3.7 %	0.2 %
Non-GAAP operating margin	<u>29.0 %</u>	<u>24.9 %</u>	<u>29.6 %</u>	<u>25.4 %</u>

Non-GAAP diluted net income per share ⁽²⁾⁽³⁾

Diluted net income per share	\$ 0.84	\$ 0.49	\$ 1.09	\$ 0.89
Share-based compensation expense ⁽¹⁾	1.45	1.38	2.99	2.80
Employer payroll tax-related items on employee stock transactions ⁽¹⁾	0.04	0.04	0.14	0.18
Amortization of acquisition-related intangible assets	0.08	0.07	0.15	0.14
Acquisition-related costs	0.03	0.02	0.05	0.04
Restructuring costs	0.00	0.00	0.62	0.03
Losses on strategic investments, net	0.01	0.01	0.01	0.04
Income tax effects	(0.24)	(0.26)	(0.61)	(0.63)
Non-GAAP diluted net income per share	<u>\$ 2.21</u>	<u>\$ 1.75</u>	<u>\$ 4.44</u>	<u>\$ 3.49</u>

(1) The Share-based compensation expense and Employer payroll tax-related items on employee stock transactions lines in the GAAP to non-GAAP reconciliation tables above exclude \$42 million and \$2 million, respectively, related to restructuring initiatives for the six months ended July 31, 2025. These expenses are included in the Restructuring costs lines.

(2) Operating margin and diluted net income per share are calculated using unrounded data.

(3) For the three months ended July 31, 2025, GAAP and non-GAAP diluted net income per share were calculated based upon 270,180 diluted weighted-average shares of common stock. For the three months ended July 31, 2024, GAAP and non-GAAP diluted net income per share were calculated based upon 267,949 diluted weighted-average shares of common stock. For the six months ended July 31, 2025, GAAP and non-GAAP diluted net income per share were calculated based upon 270,240 diluted weighted-average shares of common stock. For the six months ended July 31, 2024, GAAP and non-GAAP diluted net income per share were calculated based upon 269,128 diluted weighted-average shares of common stock.

Reconciliation of Workday's GAAP cash flows from operating activities to non-GAAP free cash flow is as follows (in millions). See the section titled "About Non-GAAP Financial Measures" below for further details.

	Three Months Ended July 31,		Six Months Ended July 31,	
	2025	2024	2025	2024
Net cash provided by operating activities	\$ 616	\$ 571	\$ 1,073	\$ 943
Less: Capital expenditures	(28)	(55)	(64)	(136)
Free cash flows	<u>\$ 588</u>	<u>\$ 516</u>	<u>\$ 1,009</u>	<u>\$ 807</u>

About Non-GAAP Financial Measures

To provide investors and others with additional information regarding Workday's results, the following non-GAAP financial measures are disclosed: non-GAAP operating income, non-GAAP operating margin, non-GAAP diluted net income per share, and free cash flows. Workday has provided a reconciliation of each non-GAAP financial measure used in this earnings release to the most directly comparable GAAP financial measure. Non-GAAP operating income and non-GAAP operating margin differ from GAAP in that they exclude share-based compensation expense, employer payroll tax-related items on employee stock transactions, amortization expense for acquisition-related intangible assets, acquisition-related costs, and restructuring costs. Non-GAAP diluted net income per share differs from GAAP in that it excludes share-based compensation expense, employer payroll tax-related items on employee stock transactions, amortization expense for acquisition-related intangible assets, acquisition-related costs, restructuring costs, gains and losses on strategic investments, and income tax effects. Free cash flows differ from GAAP cash flows from operating activities in that it treats capital expenditures as a reduction to cash flows.

Workday's management uses these non-GAAP financial measures to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate Workday's financial performance. Management believes these non-GAAP financial measures reflect Workday's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in Workday's business. Management also believes that these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating Workday's operating results and prospects in the same manner as management and in comparing financial results across accounting periods and to those of peer companies.

Management believes excluding the following items from the GAAP Condensed Consolidated Statements of Operations is useful to investors and others in assessing Workday's operating performance due to the following factors:

- **Share-based compensation expense.** Share-based compensation primarily consists of non-cash expenses for employee restricted stock units and our employee stock purchase plan. Although share-based compensation is an important aspect of the compensation of our employees and executives, this expense is determined using a number of factors, including our stock price, volatility, and forfeiture rates, that are beyond our control and generally unrelated to operational decisions and performance in any particular period. Further, share-based compensation expense is not reflective of the value ultimately received by the grant recipients.
- **Employer payroll tax-related items on employee stock transactions** We exclude the employer payroll tax-related items on employee stock transactions in order to show the full effect that excluding share-based compensation expense has on our operating results. Similar to share-based compensation expense, this tax expense is dependent on our stock price and other factors that are beyond our control and do not correlate to the operation of our business.

- *Amortization of acquisition-related intangible assets* For business combinations, we generally allocate a portion of the purchase price to intangible assets. The amount of the allocation is based on estimates and assumptions made by management and is subject to amortization. The amount of purchase price allocated to intangible assets and the term of the related amortization can vary significantly and are unique to each acquisition and thus we do not believe this activity is reflective of our ongoing operations. Although we exclude the amortization of acquisition-related intangible assets from these non-GAAP financial measures, we believe that it is important for investors to understand that such intangible assets were recorded as part of purchase accounting and contribute to revenue generation.
- *Acquisition-related costs*. Acquisition-related costs include direct transaction costs, such as due diligence and advisory fees, and certain compensation and integration-related expenses. We exclude the effects of acquisition-related costs as we believe these transaction-specific expenses are inconsistent in amount and frequency and do not correlate to the operation of our business.
- *Restructuring costs*. Restructuring costs are associated with a formal restructuring plan and are primarily related to workforce reductions, the closure of facilities, and other exit and disposal activities. We exclude these expenses because they are not reflective of ongoing business and operating results.
- *Gains and losses on strategic investments*. Our strategic investments include investments in early stage companies that are valuable to Workday customers and complementary to Workday products. Gains and losses on strategic investments may result from observable price adjustments and impairment charges on non-marketable equity securities, ongoing mark-to-market adjustments on marketable equity securities, and the sale of equity investments. We do not rely on these securities to fund our ongoing operations nor do we actively trade publicly held securities, and therefore we do not consider the gains and losses on these strategic investments to be reflective of our ongoing operations.
- *Income tax effects*. We utilize a fixed long-term projected tax rate in our computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. In projecting this long-term non-GAAP tax rate, we utilize a three year 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 2026 and 2025, we determined the projected non-GAAP tax rate to be 19%, which reflects currently available information, as well as other factors and assumptions. 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.

Additionally, with regards to free cash flows, Workday's management believes that reducing cash provided by operating activities by capital expenditures is meaningful to investors and others because it provides an enhanced view of cash flow generation from the ongoing operations of our business, and it balances operating results, cash management, and capital efficiency.

The use of these non-GAAP measures have certain limitations as they do not reflect all items of expense or cash that affect Workday's operations. Workday compensates for these limitations by reconciling the non-GAAP financial measures to the most comparable GAAP financial measures. These non-GAAP financial measures should be considered in addition to, not as a substitute for or in isolation from, measures prepared in accordance with GAAP. Further, these non-GAAP measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore comparability may be limited. Management encourages investors and others to review Workday's financial information in its entirety and not rely on a single financial measure.

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Investor Relations: ir@workday.com; Media: media@workday.com

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