

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 7, 2026**

Gen Digital Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

000-17781
(Commission File Number)

77-0181864
(I.R.S. Employer Identification No.)

**60 E. Rio Salado Parkway, Suite 1000,
Tempe, Arizona 85281**

(Address of principal executive offices) (Zip Code)

(650) 527-8000

(Registrant's telephone number, including area code)

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	GEN	The Nasdaq Stock Market LLC
Contingent Value Rights	GENVR	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Conditions

On May 7, 2026, Gen Digital Inc. (the Company) issued a press release announcing its financial results for the fiscal year ended April 3, 2026. The Company also posted supplemental financial information to its website. A copy of the press release is furnished as Exhibit 99.01 to this Current Report on Form 8-K and is incorporated herein by reference.

The information in this Item 2.02, including Exhibit 99.01 hereto, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 2.02, including Exhibit 99.01 hereto, shall not be incorporated by reference into any registration statement or other document filed with the Securities and Exchange Commission by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific reference in such filing.

Item 8.01. Other Events

Fiscal 2027 Restructuring Program

On May 5, 2026, the Board of Directors approved a restructuring program as part of the Company's ongoing internal transformation efforts, including increased adoption of artificial intelligence technologies. The Company expects to incur approximately \$50 million in related charges. The initiative is intended to streamline operations and better align resources with strategic priorities. Implementation is expected over the next twelve months, and estimates remain subject to change.

Item 9.01. Financial Statements and Exhibits

(d) The following exhibits are being filed herewith:

<u>Exhibit No.</u>	<u>Exhibit Title or Description</u>
99.01	Press release dated May 7, 2026.
104	The cover page of this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized on this 7th day of May, 2026.

Gen Digital Inc.

By: /s/ Natalie Derse

Natalie Derse

Chief Financial Officer



NEWS RELEASE

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Gen Crosses \$5B in FY26 Revenue with Growth Accelerating to Double-Digits *Company Raises FY27 Guidance for Revenue and EPS*

TEMPE, Ariz. & PRAGUE – May 7, 2026 – Gen Digital Inc. (NASDAQ: GEN), a global leader dedicated to powering Digital Freedom, released its results for fiscal year 2026 fourth quarter and full year, which ended April 3, 2026.

"FY26 was a defining year for Gen, our strongest results in a decade, with revenue crossing \$5 billion for the first time," said Vincent Pilette, CEO of Gen. "Our guidance proves that we are even more confident today that cyber safety and financial wellness belong together as we continue to expand and connect the Gen platform. And as the world enters the agentic AI era, Gen's platform is uniquely positioned to be the trust layer for everyone. The momentum is ours, and the road ahead has never looked clearer."

Fiscal Year 2026 Financial Highlights

Fiscal Year 2026 GAAP Results

- Revenue of \$5,000 million, up 27%
- Operating income of \$2,120 million, up 32%
- Diluted EPS of \$1.57, up 53%
- Operating cash flow of \$1,545 million

Fiscal Year 2026 Non-GAAP Results

- Bookings of \$5,107 million, up 28%
- Revenue of \$5,000 million, up 27%
- Operating income of \$2,543 million, up 11%
- Diluted EPS of \$2.56, up 15%
- Free cash flow of \$1,523 million

Q4 Fiscal Year 2026 Financial Highlights

Q4 GAAP Results

- Revenue of \$1,283 million, up 27%
- Operating income of \$803 million, up 93%
- Diluted EPS of \$0.84, up 269%
- Operating cash flow of \$452 million

Q4 Non-GAAP Results

- Bookings of \$1,364 million, up 27%
- Revenue of \$1,283 million, up 27%
- Operating income of \$641 million, up 9%
- Diluted EPS of \$0.67, up 14%
- Free cash flow of \$449 million

"Our fourth quarter capped a record year for Gen, with results exceeding guidance, driven by healthy demand for our Cyber Safety Platform, double-digit revenue growth in Trust-Based Solutions and strong execution across the board," said Natalie Derse, CFO of Gen. "This growth momentum, combined with our extraordinary free cash flow generation, gives us the confidence to raise the bar for FY27. We will continue to execute with discipline and allocate capital prioritizing high-return investments to extend our growth and deliver strong returns for our shareholders."

Non-GAAP Q1 Fiscal Year 2027 Guidance

- Q1 FY27 Revenue expected to be in the range of \$1,300 million to \$1,325 million
- Q1 FY27 EPS expected to be in the range of \$0.68 to \$0.70

Non-GAAP Fiscal Year 2027 Guidance

- FY27 Revenue expected to be in the range of \$5,325 million to \$5,425 million
- FY27 EPS expected to be in the range of \$2.85 to \$2.95

Quarterly Cash Dividend

Gen's Board of Directors has approved a regular quarterly cash dividend of \$0.125 per common share to be paid on June 10, 2026, to all shareholders of record as of the close of business on May 18, 2026.

Q4 Fiscal Year 2026 Earnings Call

May 7, 2026
2 p.m. PT / 5 p.m. ET

Webcast & Dial-in instructions at [Investor.GenDigital.com](https://investor.gendigital.com). A replay will be posted following the call. For additional details regarding Gen's results and outlook, please see the Financials section of the Investor Relations website at [Investor.GenDigital.com](https://investor.gendigital.com).

About Gen

Gen (NASDAQ: GEN) is a global company dedicated to powering Digital Freedom through its trusted consumer brands including Norton, Avast, LifeLock, MoneyLion and more. The Gen family of consumer brands is rooted in providing financial empowerment and cyber safety for the first digital generations. Today, Gen empowers people to live their digital lives safely, privately and confidently for generations to come. Gen brings award-winning products and services in cybersecurity, online privacy, identity protection and financial wellness to nearly 500 million users in more than 150 countries. Learn more at GenDigital.com.

Forward-Looking Statements

This press release contains statements which may be considered forward-looking within the meaning of the U.S. federal securities laws. In some cases, you can identify these forward-looking statements by the use of terms such as "expect," "will," "continue," or similar expressions, and variations or negatives of these words, but the absence of these words does not mean that a statement is not forward-looking. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including, but not limited to, the quotes under "Fiscal Year 2026 Financial Highlights" and "Q4 Fiscal Year 2026 Financial Highlights" including expectations relating to achievement of long-term objectives, and the statements under "Non-GAAP Q1 Fiscal Year 2027 Guidance" and "Non-GAAP Fiscal Year 2027 Guidance" including expectations relating to Q1 Fiscal Year 2027 and Fiscal Year 2027 non-GAAP revenue and non-GAAP EPS, and any statements of assumptions underlying any of the foregoing. These statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, levels of activity, performance or achievements to differ materially from results expressed or implied in this press release. Such risk factors include, but are not limited to, those related to: the consummation of or anticipated impacts of acquisitions (including our ability to achieve synergies and associated cost savings from any such acquisitions); divestitures, restructurings, stock repurchases, financings, debt repayments and investment activities; the outcome or impact of pending litigation, claims or disputes; difficulties in executing the operating model for the consumer Cyber Safety business; lower than anticipated returns from our investments in direct customer acquisition; difficulties in retaining our existing customers and converting existing non-paying customers to paying customers; difficulties and delays in reducing run rate expenses and monetizing underutilized assets; the successful development of new products and upgrades and the degree to which these new products and upgrades gain market acceptance; our ability to maintain our customer and partner relationships; the anticipated growth of certain market segments; fluctuations and volatility in our stock price; our ability to successfully execute strategic plans; the vulnerability of our solutions, systems, websites and data to intentional disruption by third parties; changes to existing accounting pronouncements or taxation rules or practices; and general business and macroeconomic changes in the U.S. and worldwide, including economic recessions, the impact of inflation, fluctuations in foreign currency exchange rates, changes in interest rates or tax rates, and ongoing and new geopolitical conflicts, and other global macroeconomic factors on our operations and financial performance. Additional information concerning these and other risk factors is contained in the Risk Factors sections of our most recent reports on Form 10-K and Form 10-Q. We encourage you to read those sections carefully. There may also be other factors that have not been anticipated or are not described in our periodic filings, generally because we did not believe them to be significant at the time, which could cause actual results to differ materially from our projections and expectations. All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. We assume no obligation, and do not intend, to update these forward-looking statements as a result of future events or developments.

Use of Non-GAAP Financial Information

We use non-GAAP measures of operating margin, operating income, net income and earnings per share, which are adjusted from results based on GAAP and exclude certain expenses, gains and losses. We also provide the non-GAAP metrics of revenues, and constant currency revenues. These non-GAAP financial measures are provided to enhance the user's understanding of our past financial performance and our prospects for the future. Our management team uses these non-GAAP financial measures in assessing Gen's performance, as well as in planning and forecasting future periods. These non-GAAP financial measures are not computed according to GAAP and the methods we use to compute them may differ from the methods used by other companies. Non-GAAP financial measures are supplemental, should not be considered a substitute for financial information presented in accordance with GAAP and should be read only in conjunction with our condensed consolidated financial statements prepared in accordance with GAAP. Readers are encouraged to review the reconciliation of our non-GAAP financial measures to the comparable GAAP results, which is attached to our quarterly earnings release, and which can be found, along with other financial information including the Earnings Presentation, on the investor relations page of our website at Investor.GenDigital.com. No reconciliation of the forecasted range for non-GAAP revenues and EPS guidance is included in this release because most non-GAAP adjustments pertain to events that have not yet occurred. It would be unreasonably burdensome to forecast, therefore we are unable to provide an accurate estimate.

GEN DIGITAL INC.
Condensed Consolidated Balance Sheets
(Unaudited, in millions)

	April 3, 2026	March 28, 2025
ASSETS		
Current assets:		
Cash, cash equivalents and restricted cash	\$ 411	\$ 1,006
Accounts receivable, net	361	171
Other current assets	295	245
Assets held for sale	14	22
Total current assets	1,081	1,444
Property and equipment, net	71	60
Intangible assets, net	2,096	2,267
Goodwill	10,996	10,237
Deferred income tax assets	1,153	1,218
Other long-term assets	192	269
Total assets	\$ 15,589	\$ 15,495
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 96	\$ 94
Accrued compensation and benefits	115	105
Current portion of long-term debt	181	291
Contract liabilities	1,904	1,846
Other current liabilities	414	515
Total current liabilities	2,710	2,851
Long-term debt	8,015	7,968
Long-term contract liabilities	73	77
Deferred income tax liabilities	198	222
Long-term income taxes payable	1,588	1,420
Other long-term liabilities	394	688
Total liabilities	12,978	13,226
Total stockholders' equity (deficit)	2,611	2,269
Total liabilities and stockholders' equity	\$ 15,589	\$ 15,495

GEN DIGITAL INC.
Condensed Consolidated Statements of Operations
(Unaudited, in millions, except per share amounts)

	Three Months Ended		Year Ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Net revenues	\$ 1,283	\$ 1,010	\$ 5,000	\$ 3,935
Cost of revenues	276	199	1,077	776
Gross profit	1,007	811	3,923	3,159
Operating expenses:				
Sales and marketing	327	196	1,228	745
Research and development	104	81	409	329
General and administrative	(291)	67	(87)	291
Amortization of intangible assets	54	44	218	174
Restructuring and other costs	10	3	35	7
Impairment of intangible assets	—	3	—	3
Total operating expenses	204	394	1,803	1,549
Operating income (loss)	803	417	2,120	1,610
Interest expense	(130)	(135)	(569)	(578)
Other income (expense), net	(4)	5	(40)	(3)
Income (loss) before income taxes	669	287	1,511	1,029
Income tax expense (benefit)	157	145	538	386
Net income (loss)	\$ 512	\$ 142	\$ 973	\$ 643
Net income (loss) per share - basic	\$ 0.85	\$ 0.23	\$ 1.59	\$ 1.04
Net income (loss) per share - diluted	\$ 0.84	\$ 0.23	\$ 1.57	\$ 1.03
Weighted-average shares outstanding:				
Basic	602	616	612	617
Diluted	609	624	619	624

GEN DIGITAL INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited, in millions)

	Three Months Ended		Year Ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
OPERATING ACTIVITIES:				
Net income (loss)	\$ 512	\$ 142	\$ 973	\$ 643
Adjustments:				
Amortization and depreciation	119	104	493	419
Impairments and write-offs of current and long-lived assets	—	5	—	7
Stock-based compensation expense	62	36	237	133
Loss on sale of Instacash Advances	59	—	205	—
Deferred income taxes	92	18	92	(32)
Loss on extinguishment of debt	9	—	9	—
Gain on sale of nonfinancial assets	—	—	(15)	—
Non-cash operating lease expense	5	5	18	16
Change in fair value and impairment of non-marketable equity investments	—	—	79	30
Foreign currency remeasurement loss (gain)	(32)	12	54	(2)
Legal contract dispute cost ⁽¹⁾	—	24	—	66
Other	12	3	47	13
Changes in operating assets and liabilities, net of acquisitions:				
Accounts receivable, net	7	(19)	(32)	(53)
Accounts payable	4	(9)	(48)	26
Accrued compensation and benefits	(3)	11	8	27
Contract liabilities	75	63	74	36
Income taxes payable	17	56	(96)	(80)
Instacash Advances held for sale, net	(57)	—	(205)	—
Other assets	(56)	11	16	86
Other liabilities	(373)	11	(364)	(114)
Net cash provided by (used in) operating activities	452	473	1,545	1,221
INVESTING ACTIVITIES:				
Purchases of property and equipment	(3)	(3)	(22)	(15)
Purchase of non-marketable equity investments	—	—	—	(4)
Payments for acquisitions, net of cash acquired	(156)	(84)	(1,032)	(84)
Payments for originations of notes receivable	(83)	—	(283)	—
Proceeds from principal repayments of notes receivable	80	—	253	—
Proceeds from the maturities and sales of short-term investments	—	—	13	—
Proceeds from the sale of properties	—	—	21	—
Proceeds from sale of nonfinancial assets	—	—	40	—
Other	—	4	(1)	3
Net cash provided by (used in) investing activities	(162)	(83)	(1,011)	(100)
FINANCING ACTIVITIES:				
Repayments of debt	(2,960)	(1,164)	(3,620)	(1,311)
Proceeds from issuance of debt, net of issuance costs ⁽²⁾	2,734	941	3,475	941
Net proceeds from sales of common stock under employee stock incentive plans	6	5	13	11
Tax payments related to vesting of stock units	(3)	(1)	(55)	(26)
Dividends and dividend equivalents paid	(76)	(77)	(312)	(313)
Repurchases of common stock	(200)	—	(634)	(272)
Net cash provided by (used in) financing activities	(499)	(296)	(1,133)	(970)
Effect of exchange rate fluctuations on cash, cash equivalents and restricted cash	1	29	4	9
Change in cash, cash equivalents and restricted cash	(208)	123	(595)	160
Beginning cash, cash equivalents and restricted cash	619	883	1,006	846
Ending cash, cash equivalents and restricted cash	\$ 411	\$ 1,006	\$ 411	\$ 1,006

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- (1) During fiscal 2025, in connection with a legal settlement terminating our agreement with an Avast e-commerce partner that acted as payment processor and merchant of record for a subset of customers, we released our claims to \$66 million of outstanding accounts receivable (net of fees payable) in exchange for the transfer of the related customer information to us. The \$66 million was charged off as general and administrative expense and is reflected as a non-cash item within the change in accounts receivable in operating activities for fiscal 2025. No comparable activity occurred in fiscal 2026 or fiscal 2024.
 - (2) Issuance costs paid for issuance of debt for the three months ended April 3, 2026 and March 28, 2025 was \$7 million and \$9 million, respectively, and for the fiscal year ended 2026 and 2025 was \$16 million and \$9 million, respectively.

GEN DIGITAL INC.
Reconciliation of Selected GAAP Measures to Non-GAAP Measures ^{(1) (2)}
(Unaudited, in millions, except per share amounts)

	Three Months Ended		Year Ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Operating income (loss)	\$ 803	\$ 417	\$ 2,120	\$ 1,610
Stock-based compensation	62	37	235	134
Amortization of intangible assets	115	100	477	401
Impairment of intangible assets	—	3	—	3
Restructuring and other costs	10	3	35	7
Acquisition and integration costs	3	1	12	11
Litigation costs	(353)	4	(336)	65
Legal contract dispute cost	—	24	—	66
Other	1	1	—	1
Operating income (loss) (Non-GAAP)	<u>\$ 641</u>	<u>\$ 590</u>	<u>\$ 2,543</u>	<u>\$ 2,298</u>
Operating margin	62.6 %	41.3 %	42.4 %	40.9 %
Operating margin (Non-GAAP)	50.0 %	58.4 %	50.9 %	58.4 %
Net income (loss)	\$ 512	\$ 142	\$ 973	\$ 643
Adjustments to net income (loss):				
Stock-based compensation	62	37	235	134
Amortization of intangible assets	115	100	477	401
Impairment of intangible assets	—	3	—	3
Restructuring and other costs	10	3	35	7
Acquisition and integration costs	3	1	12	11
Litigation costs	(353)	4	(336)	65
Legal contract dispute cost	—	24	—	66
Other	—	4	—	6
Non-cash interest expense	8	6	28	26
Loss (gain) on extinguishment of debt	9	—	9	—
Loss (gain) on equity investments	—	—	79	30
Loss (gain) on sale of properties	—	—	(15)	—
Total adjustments to GAAP income (loss) before income taxes	(146)	182	524	749
Adjustment to GAAP provision for income taxes	42	42	90	(5)
Total adjustment to income (loss), net of taxes	(104)	224	614	744
Net income (loss) (Non-GAAP)	<u>\$ 408</u>	<u>\$ 366</u>	<u>\$ 1,587</u>	<u>\$ 1,387</u>
Diluted net income (loss) per share	\$ 0.84	\$ 0.23	\$ 1.57	\$ 1.03
Adjustments to diluted net income (loss) per share:				
Stock-based compensation	0.10	0.06	0.38	0.21
Amortization of intangible assets	0.19	0.16	0.77	0.64
Impairment of intangible assets	—	0.00	—	0.00
Restructuring and other costs	0.02	0.00	0.06	0.01
Acquisition and integration costs	0.00	0.00	0.02	0.02
Litigation costs	(0.58)	0.01	(0.54)	0.10
Legal contract dispute cost	—	0.04	—	0.11
Other	—	0.01	—	0.01
Non-cash interest expense	0.01	0.01	0.05	0.04
Loss (gain) on extinguishment of debt	0.01	—	0.01	—
Loss (gain) on equity investments	—	—	0.13	0.05
Loss (gain) on sale of properties	—	—	(0.02)	—
Total adjustments to GAAP income (loss) before income taxes	(0.24)	0.29	0.85	1.20
Adjustment to GAAP provision for income taxes	0.07	0.07	0.15	(0.01)
Total adjustment to income (loss), net of taxes	(0.17)	0.36	0.99	1.19
Diluted net income (loss) per share (Non-GAAP)	<u>\$ 0.67</u>	<u>\$ 0.59</u>	<u>\$ 2.56</u>	<u>\$ 2.22</u>
Diluted weighted-average shares outstanding	609	624	619	624
Diluted weighted-average shares outstanding (Non-GAAP)	609	624	619	624

GEN DIGITAL INC.

Reconciliation of Selected GAAP Measures to Non-GAAP Measures ^{(1) (2)}

(Unaudited, in millions, except per share amounts)

	Three Months Ended		Year Ended	
	April 3, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Net cash provided by (used in) operating activities	\$ 452	\$ 473	\$ 1,545	\$ 1,221
Adjustments to net cash provided by (used in) operating activities:				
Purchases of property and equipment	(3)	(3)	(22)	(15)
Free cash flow (Non-GAAP)	<u>\$ 449</u>	<u>\$ 470</u>	<u>\$ 1,523</u>	<u>\$ 1,206</u>

(1) This presentation includes non-GAAP measures. Non-GAAP financial measures are supplemental and should not be considered a substitute for financial information presented in accordance with GAAP. For a detailed explanation of these non-GAAP measures, see Appendix A.

(2) Amounts may not add due to rounding.

GEN DIGITAL INC.
Performance Metrics
(Unaudited, in millions)

Performance Metrics

	Three Months Ended			Year Ended	
	April 3, 2026	January 2, 2026	March 28, 2025	April 3, 2026	March 28, 2025
Cyber Safety Platform	\$ 837	\$ 819	\$ 808	\$ 3,339	\$ 3,176
Trust-Based Solutions	446	421	202	1,661	759
Total net revenues	\$ 1,283	\$ 1,240	\$ 1,010	\$ 5,000	\$ 3,935
Direct revenues	\$ 1,048	\$ 1,025	\$ 878	\$ 4,137	\$ 3,463
Partner revenues	235	215	132	863	472
Total net revenues	\$ 1,283	\$ 1,240	\$ 1,010	\$ 5,000	\$ 3,935
Total bookings	\$ 1,364	\$ 1,319	\$ 1,076	\$ 5,107	\$ 3,988
				As of	
				April 3, 2026	March 28, 2025
Total paid customers				79	68

GEN DIGITAL INC.

Appendix A

Explanation of Non-GAAP Measures and Other Items

Objective of non-GAAP measures: We believe our presentation of non-GAAP financial measures, when taken together with corresponding GAAP financial measures, provides meaningful supplemental information regarding the Company's operating performance for the reasons discussed below. Our management team uses these non-GAAP financial measures in assessing our performance, as well as in planning and forecasting future periods. Due to the importance of these measures in managing the business, we use non-GAAP measures in the evaluation of management's compensation. These non-GAAP financial measures are not computed according to GAAP and the methods we use to compute them may differ from the methods used by other companies. Non-GAAP financial measures are supplemental and should not be considered a substitute for financial information presented in accordance with GAAP and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP.

Stock-based compensation: This consists of expenses for employee restricted stock units, performance-based awards, stock options and our employee stock purchase plan, determined in accordance with GAAP. We evaluate our performance both with and without these measures because stock-based compensation is a non-cash expense and can vary significantly over time based on the timing, size, nature and design of the awards granted, and is influenced in part by certain factors that are generally beyond our control, such as the volatility of the market value of our common stock. In addition, for comparability purposes, we believe it is useful to provide a non-GAAP financial measure that excludes stock-based compensation to facilitate the comparison of our results to those of other companies in our industry.

Amortization of intangible assets: Amortization of intangible assets consists of amortization of acquisition-related intangible assets such as developed technology, customer relationships and trade names acquired in connection with business combinations. We record charges relating to the amortization of these intangibles within both cost of revenues and operating expenses in our GAAP financial statements. Under purchase accounting, we are required to allocate a portion of the purchase price to intangible assets acquired and amortize this amount over the estimated useful lives of the acquired intangible assets. However, the purchase price allocated to these assets is not necessarily reflective of the cost we would incur to internally develop the intangible asset. Further, amortization charges for our acquired intangible assets are inconsistent in size and are significantly impacted by the timing and valuation of our acquisitions. We eliminate these charges from our non-GAAP operating results to facilitate an evaluation of our current operating performance and provide better comparability to our past operating performance.

Restructuring and other costs: Restructuring charges are costs associated with a formal restructuring plan and are primarily related to employee severance and benefit arrangements, contract termination costs, and assets write-offs, as well as other exit and disposal costs. Included in other exit and disposal costs are costs to exit and consolidate facilities in connection with restructuring events. We exclude restructuring and other costs from our non-GAAP results as we believe that these costs are incremental to core activities that arise in the ordinary course of our business and do not reflect our current operating performance, and that excluding these charges facilitates a more meaningful evaluation of our current operating performance and comparisons to our past operating performance.

Acquisition-related and integration costs: These represent the transaction and business integration costs related to significant acquisitions that are charged to operating expense in our GAAP financial statements. These costs include incremental expenses incurred to affect these business combinations such as advisory, legal, accounting, valuation, and other professional or consulting fees. We exclude these costs from our non-GAAP results as they have no direct correlation to the operation of our business, and because we believe that the non-GAAP financial measures excluding these costs provide meaningful supplemental information regarding the spending trends of our business. In addition, these costs vary, depending on the size and complexity of the acquisitions, and are not indicative of costs of future acquisitions.

Litigation costs: We may periodically incur charges or benefits related to litigation settlements, legal contingency accruals and third-party legal costs related to certain legal matters. We exclude these charges and benefits when associated with a significant matter because we do not believe they are reflective of ongoing business and operating results.

Legal contract dispute cost: During fiscal 2025, we incurred charges in connection with an e-commerce partner settlement. In order to resolve all open disputes with the partner, we entered into a legal settlement agreement which included our release of claims to valid outstanding accounts receivable totaling \$66 million, which were charged off as G&A expense in fiscal 2025. We exclude these charges and benefits when associated with a significant matter because we do not believe they are normal, recurring, or reflective of ongoing business and operating results.

Non-cash interest expense and amortization of debt issuance costs: In accordance with GAAP, we separately account for the value of the conversion feature on our convertible notes as a debt discount that reflects our assumed non-convertible debt borrowing rates. We amortize the discount and debt issuance costs over the term of the related debt. We exclude the difference between the imputed interest expense, which includes the amortization of the conversion feature and of the issuance costs, and the coupon interest payments. We extinguished our remaining convertible debt on August 15, 2022. During fiscal 2023, we also started amortizing the debt issuance costs associated with our senior credit facilities, which were secured upon close of the acquisition of Avast. We believe that excluding these costs provides meaningful supplemental information regarding the cash cost of our debt instruments and enhance investors' ability to view the Company's results from management's perspective.

Gain (loss) on extinguishment of debt: We record gains or losses on extinguishment of debt. Gains or losses represent the difference between the fair value of the exchange consideration and the carrying value of the liability component of the debt at the date of extinguishment. We exclude the gain or loss on debt extinguishment in our non-GAAP results because they are not reflective of our ongoing business.

Change in fair value and impairment of non-marketable equity investments: We record gains or losses, unrealized and realized, on equity investments in privately-held companies. We exclude the net gains or losses because we do not believe they are reflective of our ongoing business.

Gain (loss) on sale of properties and nonfinancial assets: We periodically recognize gains or losses from the disposition of land, buildings and nonfinancial assets. We exclude such gains or losses because they are not reflective of our ongoing business and operating results.

Income tax effects and adjustments: We use a non-GAAP tax rate that excludes (1) the discrete impacts of changes in tax legislation, (2) most other significant discrete items, (3) unrealized gains or losses from remeasurement of foreign currency denominated deferred tax items and uncertain tax benefits, and (4) the income tax effects of the non-GAAP adjustment to our operating results described above. We believe making these adjustments facilitates a better evaluation of our current operating performance and comparisons to past operating results. Our tax rate is subject to change for a variety of reasons, such as significant changes in the geographic earnings mix due to acquisition and divestiture activities or fundamental tax law changes in major jurisdictions where we operate.

Diluted GAAP and non-GAAP weighted-average shares outstanding: Diluted GAAP and non-GAAP weighted-average shares outstanding are generally the same, except in periods when there is a GAAP loss from continuing operations. In accordance with GAAP, we do not present dilution for GAAP in periods in which there is a loss from continuing operations. However, if there is non-GAAP net income, we present dilution for non-GAAP weighted-average shares outstanding in an amount equal to the dilution that would have been presented had there been GAAP income from continuing operations for the period.

Bookings: Bookings are defined as customer orders received that are expected to generate net revenues in the future. We present the operational metric of bookings because it reflects customers' demand for our products and services and to assist readers in analyzing our performance in future periods.

Free cash flow: Free cash flow is defined as cash flows from operating activities less purchases of property and equipment. Free cash flow is not a measure of financial condition under GAAP and does not reflect our future contractual commitments and the total increase or decrease of our cash balance for a given period, and thus should not be considered as an alternative to cash flows from operating activities or as a measure of liquidity.

(Unlevered) Free cash flow: Free cash flow is defined as cash flows from operating activities less purchases of property and equipment. Unlevered free cash flow excludes cash interest expense payments, net of payments received through interest rate swap hedges. Free cash flow is not a measure of financial condition under GAAP and does not reflect our future contractual commitments and the total increase or decrease of our cash balance for a given period, and thus should not be considered as an alternative to cash flows from operating activities or as a measure of liquidity.

Cyber Safety Platform: Includes our security and privacy products, as well as our cyber safety comprehensive suites which deliver technology solutions and superior threat protection to help people navigate the digital world, securely, privately and confidently.

Trust-Based Solutions: Trust-Based Solutions includes our identity, reputation, and financial wellness products, which provide innovative solutions and insights that empower consumers to grow and manage their identity, reputation and finances confidently.

Direct revenue: Direct revenue reflects subscriptions sold directly through e-commerce or mobile channels, and revenue generated from financial transactions directly made through Gen properties or marketplaces.

Partner revenue: Partner revenue reflects partner-sourced and channel revenue via retailers, employee benefits, telcos, publishers, and strategic partnerships, including revenue generated from product usage or products sold through our financial marketplace.

Paid customers: We define paid customers as active users of our products and solutions, including subscribers with an active paid subscription to our products at the end of the reported period. Paid customers also includes product users with a unique account and at least one revenue-generating transaction in the relevant active period of each respective product category, whether through our first-party personal finance products, transacting through our financial marketplaces, or generating revenue through product usage. We exclude users on free trials and those who have not actively transacted in the relevant period of each respective product category. In order to properly reflect Gen's customer cohorts that contribute to revenue given the dynamic nature of consumers and our product portfolio, our methodology is subject to change from time to time. The methodologies used to measure these metrics require judgment and we regularly review our metrics to improve their accuracy. However, our ability to recalculate our historical metrics may be impacted by data limitations or other factors that require us to apply different methodologies for such adjustments. We generally do not intend to update previously disclosed metrics for any such inaccuracies or adjustments that are deemed not material.