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

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# FORM 8-K

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

**Date of Report (date of earliest event reported)**
**February 13, 2023**

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# Palantir Technologies Inc.
**(Exact name of registrant as specified in its charter)**

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| Delaware | 001-39540 | 68-0551851 |
|---|---|---|
| (State or other jurisdiction of incorporation or organization) | (Commission File Number) | (I.R.S. Employer Identification Number) |

**1200 17th Street, Floor 15**
**Denver, Colorado 80202**
**(Address of principal executive offices and zip code)**

**(720) 358-3679**
**(Registrant's telephone number, including area code)**

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(s) | Name of each exchange on which registered |
|---|---|---|
| **Class A Common Stock, par value $0.001 per share** | **PLTR** | **New York Stock Exchange** |

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 Condition**

On February 13, 2023, Palantir Technologies Inc. (including its subsidiaries, "Palantir," or the "Company") issued a press release announcing its financial results for the fourth quarter and fiscal year ended December 31, 2022. A copy of the press release is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference herein.

The information furnished under this Item 2.02 and in the accompanying Exhibit 99.1 shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference in such filing.

**Item 7.01 - Regulation FD Disclosure**

On February 13, 2023, the Company posted a new investor presentation on its investor relations website at https://investors.palantir.com and a letter from its Chief Executive Officer at https://www.palantir.com.

**Item 9.01 - Financial Statements and Exhibits**

(d) Exhibits

| Exhibit Number | Description |
|---|---|
| 99.1 | Press release, dated February 13, 2023 |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

**SIGNATURES**

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.

Date: February 13, 2023

**Palantir Technologies Inc.**

By: /s/ Alexander C. Karp
Alexander C. Karp
Chief Executive Officer

**Exhibit 99.1**

**Palantir Reports Its First Quarter of Positive GAAP Net Income, GAAP EPS of $0.01 in Q4 2022**

2/13/2023

DENVER — (BUSINESS WIRE) — Palantir Technologies Inc. (NYSE:PLTR) today announced financial results for the fourth quarter and fiscal year ended December 31, 2022.

“With this result, Palantir is profitable. This is a significant moment for us and our supporters,” said Alex Karp, co-founder and chief executive officer of Palantir Technologies.

**Q4 2022 Highlights**

- GAAP net income of $31 million
  - This marks our first quarter of positive GAAP net income
- GAAP earnings per share of $0.01
- Adjusted earnings per share of $0.04
- Total revenue grew 18% year-over-year to $509 million
  - US revenue grew 19% year-over-year to $302 million
- Commercial revenue grew 11% year-over-year to $215 million
  - US commercial revenue grew 12% year-over-year to $77 million
- Government revenue grew 23% year-over-year to $293 million
  - US government revenue grew 22% year-over-year to $225 million
- Customer count grew 55% year-over-year and 9% quarter-over-quarter
  - US commercial customer count increased 79% year-over-year, from 80 customers in Q4 2021 to 143 customers in Q4 2022
- Loss from operations of $(18) million, representing a margin of (4)%, up 1,000 basis points year-over-year
- Adjusted income from operations of $114 million, representing a margin of 22%
- Cash from operations of $79 million, representing a 15% margin
- Adjusted free cash flow of $76 million, representing a 15% margin

**FY 2022 Highlights**

- Total revenue grew 24% year-over-year to $1.91 billion
  - US revenue grew 32% year-over-year to $1.16 billion
- Commercial revenue grew 29% year-over-year to $834 million
  - US commercial revenue grew 67% year-over-year to $335 million
- Government revenue grew 19% year-over-year to $1.07 billion
  - US government revenue grew 22% year-over-year to $826 million
- Loss from operations of $(161) million, representing a margin of (8)%, up 1,900 basis points year-over-year
- Adjusted income from operations of $421 million, representing a margin of 22%
- Cash from operations of $224 million, representing a 12% margin
- Adjusted free cash flow of $203 million, representing a 11% margin

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**Q4 and FY 2022 Financial Summary**
(Unaudited)

| *(Amounts in thousands, except percentages and per share amounts)* | Fourth Quarter | | Full Year 2022 | |
|---|---|---|---|---|
| | Amount | | Amount | |
| Revenue | $ 508,624 | | $ 1,905,871 | |
| *Year-over-year growth* | *18 %* | | *24 %* | |
| | **Amount** | **Margin** | **Amount** | **Margin** |
| Loss from Operations | $ (17,826) | (4)% | $ (161,201) | (8)% |
| Adjusted Income from Operations | $ 114,264 | 22 % | $ 420,753 | 22 % |
| Cash from Operations | $ 78,763 | 15 % | $ 223,737 | 12 % |
| Adjusted Free Cash Flow | $ 75,763 | 15 % | $ 203,015 | 11 % |
| Net Income (Loss) Attributable to Common Stockholders | $ 30,878 | | $ (373,705) | |
| Adjusted Net Income | $ 95,708 | | $ 135,376 | |
| Adjusted EBITDA | $ 121,637 | 24 % | $ 443,275 | 23 % |
| GAAP Earnings (Loss) Per Share, Diluted | $ 0.01 | | $ (0.18) | |
| Adjusted Earnings Per Share, Diluted | $ 0.04 | | $ 0.06 | |

**Outlook**

For Q1 2023, we expect:

- Revenue of between $503- $507 million.
- Adjusted income from operations of $91 - $95 million.

For full year 2023, we expect:

- Revenue of between $2,180 - $2,230 million.
- Adjusted income from operations of $481 - $531 million.
- GAAP net income.

**CEO Letter**

Palantir CEO Alex Karp's annual letter is available through Palantir's website at https://www.palantir.com/2023-annual-letter.

**Earnings Webcast**

A live public webcast will be held at 3:00 PM MT / 5:00 PM ET today to discuss the results for our fourth quarter and year ended December 31, 2022 and financial outlook. The webcast can be accessed by registering online at https://palantir.events/palantir-2022-q4. A replay of the webcast will be available at https://investors.palantir.com following the event.

An investor presentation, including supplemental financial information and reconciliations of certain non-GAAP measures to their nearest comparable GAAP measures, will be available through Palantir's Investor Relations website at https://investors.palantir.com.

**Forward-Looking Statements**

This press release and statements on our earnings webcast contain "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding our financial outlook, product development, distribution, and pricing, expected benefits of and applications for our software platforms, business strategy, and plans (including strategy and plans relating to our sales and marketing efforts, sales force, partnerships, and customers), investments in our business, market trends and market size, opportunities (including growth opportunities), our expectations regarding our existing and potential investments in, and commercial contracts with, various entities, including special purpose acquisition companies and other privately-held or publicly-traded companies, our expectations regarding macroeconomic events and foreign currency fluctuations, and positioning. These forward-looking

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statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts, and projections as well as the beliefs and assumptions of management. Words such as "guidance," "expect," "anticipate," "should," "believe," "hope," "target," "project," "plan," "goals," "estimate," "potential," "predict," "may," "will," "might," "could," "intend," "shall," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond our control. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including but not limited to risks detailed in our filings with the Securities and Exchange Commission (the "SEC"), including in our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022 and other filings and reports that we may file from time to time with the SEC, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2022. In particular, the following factors, among others, could cause our results to differ materially from those expressed or implied by such forward-looking statements: our ability to successfully execute our business and growth strategy; the sufficiency of our cash and cash equivalents to meet our liquidity needs; the demand for our platforms in general; our ability to increase our number of new customers and revenue generated from customers; our ability to realize some or all of the total contract value of customer contracts as revenue, including any contractual options available to customers or contractual periods that are subject to termination for convenience provisions; our long and unpredictable sales cycle; our ability to successfully execute our channel sales and other strategic initiatives with third parties; our ability to retain and expand our customer base; the fluctuation of our results of operations and our key business measures on a quarterly basis in future periods; the seasonality of our business; the implementation process for our platforms, which may be complex and lengthy; our ability to successfully develop and deploy new technologies to address the needs of our existing or prospective customers; our ability to make our platforms easier to install and consume; our ability to maintain and enhance our brand and reputation; our ability to maintain and enhance our culture as our business grows; news or social media coverage about us, including but not limited to coverage that presents, or relies on, inaccurate, misleading, incomplete, or otherwise damaging information; the impact of recent or future global macroeconomic and geopolitical events, such as the ongoing Russia-Ukraine conflict, foreign currency fluctuations, or rising inflation or interest rates in the U.S. and in other countries, on the business and operations of our company or of our existing or prospective customers and partners; and any breach or access to customer or third-party data.

The forward-looking statements included in this press release represent our views as of the date of this press release. We anticipate that subsequent events and developments will cause our views to change. We undertake no intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this press release. Past performance is not necessarily indicative of future results.

**Additional Definitions**

For the purpose of this press release and our earnings webcast, total contract value ("TCV") closed, remaining performance obligations, and total remaining deal value reflect the values of contracts that have been entered into with, or awarded by, our government and commercial customers.

TCV closed includes existing contractual obligations and presumes the exercise of all contract options available to our customers and no termination of contracts; however, the majority of our contracts are subject to termination provisions, including for convenience, and there can be no guarantee that contracts are not terminated or that contract options will be exercised.

Remaining performance obligations represent non-cancelable contracted revenue that has not yet been recognized, which includes deferred revenue and, in certain instances, amounts that will be invoiced. We have elected the practical expedient, as permitted under Accounting Standards Codification 606 - *Revenue from Contracts with Customers* - allowing us to not disclose remaining performance obligations for contracts with original terms of twelve months or less.

Total remaining deal value is the total remaining value of contracts and includes existing contractual obligations and unexercised contract options available to those customers. Total remaining deal value presumes the exercise of all contract options and no termination of contracts; however, the majority of our contracts are subject to termination provisions, including for convenience, and there can be no guarantee that contracts are not terminated or that contract options will be exercised. Total remaining deal value excludes all or some portion of the value of certain commercial contracts as a result of our ongoing assessments of customers' financial condition, including the consideration of such customers' ability and intention to pay, and whether such contracts continue to meet the criteria for revenue recognition, among other factors.

**Non-GAAP Financial Measures**

This press release and the accompanying tables contain the non-GAAP financial measures adjusted income from operations, which excludes stock-based compensation and related employer payroll taxes; adjusted operating margin; adjusted free cash flow; adjusted free cash flow margin; adjusted earnings before interest, taxes, depreciation, and amortization ("adjusted EBITDA"); adjusted EBITDA margin; adjusted net income; and adjusted earnings per share ("EPS"), diluted.

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We believe these non-GAAP financial measures and other metrics described in this press release help us evaluate our business, identify trends affecting Palantir's business, formulate business plans and financial projections, and make strategic decisions. We exclude stock-based compensation, which is a non-cash expense, from these non-GAAP financial measures because we believe that excluding this item provides meaningful supplemental information regarding operational performance and provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management team. We exclude employer payroll taxes related to stock-based compensation as it is difficult to predict and outside of Palantir's control.

Our definitions may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish these or similar metrics. Further, these metrics have certain limitations as they do not include the impact of certain expenses that are reflected in our consolidated statements of operations. For example, adjusted free cash flow does not reflect our future contractual commitments or the total increase or decrease in our cash balances for a given period. Thus, our 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.

We compensate for these limitations by providing a reconciliation of each of these non-GAAP measures to the most comparable GAAP measure. We encourage investors and others to review our business, results of operations, and financial information in their entirety, not to rely on any single financial measure, and to view these non-GAAP measures in conjunction with the most directly comparable GAAP financial measure.

A reconciliation table of the most comparable GAAP financial measure to each non-GAAP financial measure used in this press release is included at the end of this release. A reconciliation of non-GAAP guidance measures to corresponding GAAP measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, reconciling items that may be incurred in the future, such as stock-based compensation and related employer payroll taxes, the effect of which may be significant.

**Available Information**

Palantir uses its Investor Relations website at https://investors.palantir.com as a means of disclosing material non-public information and for complying with its disclosure obligations under Regulation FD. Accordingly, investors should monitor Palantir's Investor Relations website, in addition to following our press releases, SEC filings, public conference calls, and webcasts.

**About Palantir Technologies Inc.**

Foundational software of tomorrow. Delivered today. Additional information is available at https://www.palantir.com.

**Contact**

**Investor Relations**

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**Media**

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Palantir Technologies Inc.
Condensed Consolidated Statements of Operations
*(in thousands, except per share amounts)*
*(unaudited)*

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Revenue | $ 508,624 | $ 432,867 | $ 1,905,871 | $ 1,541,889 |
| Cost of revenue [1] | 104,311 | 87,563 | 408,549 | 339,404 |
| Gross profit | 404,313 | 345,304 | 1,497,322 | 1,202,485 |
| Operating expenses: | | | | |
| Sales and marketing [1] | 190,233 | 162,593 | 702,511 | 614,512 |
| Research and development [1] | 82,044 | 84,176 | 359,679 | 387,487 |
| General and administrative [1] | 149,862 | 157,478 | 596,333 | 611,532 |
| Total operating expenses | 422,139 | 404,247 | 1,658,523 | 1,613,531 |
| Loss from operations | (17,826) | (58,943) | (161,201) | (411,046) |
| Interest income | 12,750 | 480 | 20,309 | 1,607 |
| Interest expense | (1,712) | (601) | (4,058) | (3,640) |
| Other income (expense), net | 44,637 | (64,118) | (216,077) | (75,415) |
| Income (loss) before provision for income taxes | 37,849 | (123,182) | (361,027) | (488,494) |
| Provision for income taxes | 4,360 | 33,006 | 10,067 | 31,885 |
| Net income (loss) | $ 33,489 | $ (156,188) | $ (371,094) | $ (520,379) |
| Less: Net income attributable to noncontrolling interests | 2,611 | — | 2,611 | — |
| Net income (loss) attributable to common stockholders | $ 30,878 | $ (156,188) | $ (373,705) | $ (520,379) |
| Earnings (loss) per share attributable to common stockholders, basic | $ 0.01 | $ (0.08) | $ (0.18) | $ (0.27) |
| Earnings (loss) per share attributable to common stockholders, diluted | $ 0.01 | $ (0.08) | $ (0.18) | $ (0.27) |
| Weighted-average shares of common stock outstanding used in computing earnings (loss) per share attributable to common stockholders, basic | 2,090,107 | 2,011,764 | 2,063,793 | 1,923,617 |
| Weighted-average shares of common stock outstanding used in computing earnings (loss) per share attributable to common stockholders, diluted | 2,203,733 | 2,011,764 | 2,063,793 | 1,923,617 |

[1] Includes stock-based compensation expense as follows (in thousands):

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Cost of revenue | $ 10,648 | $ 13,680 | $ 44,061 | $ 68,546 |
| Sales and marketing | 48,800 | 56,492 | 196,301 | 242,910 |
| Research and development | 16,875 | 27,322 | 93,871 | 150,298 |
| General and administrative | 53,075 | 69,413 | 230,565 | 316,461 |
| Total stock-based compensation | $ 129,398 | $ 166,907 | $ 564,798 | $ 778,215 |

Palantir Technologies Inc.
Condensed Consolidated Balance Sheets
*(in thousands)*
*(unaudited)*

| | As of December 31, | |
|---|---|---|
| | **2022** | **2021** |
| **Assets** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 2,598,540 | $ 2,290,674 |
| Restricted cash | 16,244 | 36,628 |
| Accounts receivable, net | 258,346 | 190,923 |
| Marketable securities | 35,135 | 234,153 |
| Prepaid expenses and other current assets | 133,312 | 110,872 |
| Total current assets | 3,041,577 | 2,863,250 |
| Property and equipment, net | 69,170 | 31,304 |
| Restricted cash, noncurrent | 12,551 | 39,612 |
| Operating lease right-of-use assets | 200,240 | 216,898 |
| Other assets | 137,701 | 96,386 |
| Total assets | $ 3,461,239 | $ 3,247,450 |
| **Liabilities and Stockholders' Equity** | | |
| Current liabilities: | | |
| Accounts payable | $ 44,788 | $ 74,907 |
| Accrued liabilities | 172,715 | 155,806 |
| Deferred revenue | 183,350 | 227,816 |
| Customer deposits | 141,989 | 161,605 |
| Operating lease liabilities | 45,099 | 39,927 |
| Total current liabilities | 587,941 | 660,061 |
| Deferred revenue, noncurrent | 9,965 | 40,217 |
| Customer deposits, noncurrent | 3,936 | 33,699 |
| Operating lease liabilities, noncurrent | 204,305 | 220,146 |
| Other noncurrent liabilities | 12,655 | 2,297 |
| Total liabilities | 818,802 | 956,420 |
| Stockholders' equity: | | |
| Common stock | 2,099 | 2,027 |
| Additional paid-in capital | 8,427,998 | 7,777,085 |
| Accumulated other comprehensive loss | (5,333) | (2,349) |
| Accumulated deficit | (5,859,438) | (5,485,733) |
| Total stockholders' equity | 2,565,326 | 2,291,030 |
| Noncontrolling interests | 77,111 | — |
| Total equity | 2,642,437 | 2,291,030 |
| Total liabilities and equity | $ 3,461,239 | $ 3,247,450 |

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Palantir Technologies Inc.
Condensed Consolidated Statements of Cash Flows
*(in thousands)*
*(unaudited)*

| | Years Ended December 31, | |
|---|---|---|
| | 2022 | 2021 |
| **Operating activities** | | |
| Net loss | $ (371,094) | $ (520,379) |
| Adjustments to reconcile net loss to net cash provided by (used in) operating activities: | | |
| Depreciation and amortization | 22,522 | 14,897 |
| Stock-based compensation | 564,798 | 778,215 |
| Deferred income taxes | (174) | 43,316 |
| Non-cash operating lease expense | 40,309 | 33,821 |
| Unrealized and realized (gain) loss from marketable securities, net | 272,108 | 73,311 |
| Gain from step acquisition | (44,306) | — |
| Other operating activities | 6,677 | 2,722 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable, net | (77,519) | (35,237) |
| Prepaid expenses and other current assets | (25,997) | (10,929) |
| Other assets | 6,033 | (3,345) |
| Accounts payable | (29,859) | 57,767 |
| Accrued liabilities | 5,527 | 15,245 |
| Deferred revenue, current and noncurrent | (61,154) | 24,732 |
| Customer deposits, current and noncurrent | (49,471) | (104,944) |
| Operating lease liabilities, current and noncurrent | (34,590) | (32,156) |
| Other noncurrent liabilities | (73) | (3,185) |
| Net cash provided by operating activities | 223,737 | 333,851 |
| **Investing activities** | | |
| Purchases of property and equipment | (40,027) | (12,627) |
| Purchases of marketable securities | (124,500) | (308,315) |
| Proceeds from sales and redemption of marketable securities | 52,319 | 851 |
| Business combinations, net of cash acquired | 66,708 | — |
| Purchases of alternative investments | — | (50,941) |
| Purchases of privately-held securities | — | (23,009) |
| Other investing activities | 73 | (3,871) |
| Net cash used in investing activities | (45,427) | (397,912) |
| **Financing activities** | | |
| Principal payments on borrowings | — | (200,000) |
| Proceeds from the exercise of common stock options | 86,089 | 507,455 |
| Other financing activities | (93) | (708) |
| Net cash provided by financing activities | 85,996 | 306,747 |
| Effect of foreign exchange on cash, cash equivalents, and restricted cash | (3,885) | (3,918) |
| Net increase in cash, cash equivalents, and restricted cash | 260,421 | 238,768 |
| Cash, cash equivalents, and restricted cash - beginning of period | 2,366,914 | 2,128,146 |
| Cash, cash equivalents, and restricted cash - end of period | $ 2,627,335 | $ 2,366,914 |

**Non-GAAP Reconciliations**

***Adjusted Income from Operations and Adjusted Operating Margin (in thousands, except percentages)***

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Loss from operations | $ (17,826) | $ (58,943) | $ (161,201) | $ (411,046) |
| Add: stock-based compensation | 129,398 | 166,907 | 564,798 | 778,215 |
| Add: employer payroll taxes related to stock-based compensation | 2,692 | 16,069 | 17,156 | 106,283 |
| Adjusted income from operations | $ 114,264 | $ 124,033 | $ 420,753 | $ 473,452 |
| Adjusted operating margin | 22 % | 29 % | 22 % | 31 % |

***Adjusted Free Cash Flow and Adjusted Free Cash Flow Margin (in thousands, except percentages)***

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Net cash provided by operating activities | $ 78,763 | $ 93,427 | $ 223,737 | $ 333,851 |
| Add: cash paid for employer payroll taxes related to stock-based compensation | 1,918 | 16,614 | 19,305 | 102,903 |
| Less: purchases of property and equipment | (4,918) | (5,845) | (40,027) | (12,627) |
| Adjusted free cash flow | $ 75,763 | $ 104,196 | $ 203,015 | $ 424,127 |
| Adjusted free cash flow margin | 15 % | 24 % | 11 % | 28 % |

***Adjusted EBITDA and Adjusted EBITDA Margin (in thousands, except percentages)***

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | 2022 | 2021 | 2022 | 2021 |
| Net loss | $ 33,489 | $ (156,188) | $ (371,094) | $ (520,379) |
| Less: interest income | (12,750) | (480) | (20,309) | (1,607) |
| Add: interest expense | 1,712 | 601 | 4,058 | 3,640 |
| Add: other (income) expense, net | (44,637) | 64,118 | 216,077 | 75,415 |
| Add: provision for (benefit from) income taxes | 4,360 | 33,006 | 10,067 | 31,885 |
| Add: depreciation and amortization | 7,373 | 3,840 | 22,522 | 14,897 |
| Add: stock-based compensation | 129,398 | 166,907 | 564,798 | 778,215 |
| Add: employer payroll taxes related to stock-based compensation | 2,692 | 16,069 | 17,156 | 106,283 |
| Adjusted EBITDA | $ 121,637 | $ 127,873 | $ 443,275 | $ 488,349 |
| Adjusted EBITDA margin | 24 % | 30 % | 23 % | 32 % |

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***Adjusted Net Income and Adjusted Earnings Per Share, Diluted (in thousands, except per share amounts)***

| | Three Months Ended December 31, | | Years Ended December 31, | |
|---|---|---|---|---|
| | **2022** | **2021** | **2022** | **2021** |
| Net income (loss) attributable to common stockholders | $ 30,878 | $ (156,188) | $ (373,705) | $ (520,379) |
| Add: stock-based compensation | 129,398 | 166,907 | 564,798 | 778,215 |
| Add: employer payroll taxes related to stock-based compensation | 2,692 | 16,069 | 17,156 | 106,283 |
| Less: gain from step acquisition | (44,306) | — | (44,306) | — |
| Add (Less): income tax effects and adjustments [(1)] | (22,954) | 18,609 | (28,567) | (56,037) |
| Adjusted net income attributable to common stockholders, diluted | $ 95,708 | $ 45,397 | $ 135,376 | $ 308,082 |
| Weighted-average shares used in computing GAAP earnings (loss) per share, diluted | 2,203,733 | 2,011,764 | 2,063,793 | 1,923,617 |
| Adjusted weighted-average shares used in computing adjusted earnings per share, diluted [(2)] | 2,203,733 | 2,324,113 | 2,223,522 | 2,323,236 |
| Adjusted earnings per share, diluted | $ 0.04 | $ 0.02 | $ 0.06 | $ 0.13 |

[(1)] Income tax effect is based on long-term estimated annual effective tax rates of 22.2% for the periods ended 2022 and 2021.
[(2)] Includes an additional 160 million dilutive securities for the twelve months ended December 31, 2022 and an additional 312 million and 400 million dilutive securities for the three and twelve months ended December 31, 2021, respectively, that were excluded from a GAAP perspective due to the Company's net loss position.

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