

# Snowflake - Q1 2022 Financial Report

Metric	Value
Revenue	\$4,064,814.00
Growth Rate	-3.3%
Profit Margin	30.0%

**\*\*Snowflake Inc. – Q1 2022 Financial Report\*\*** **\*\*Executive Summary:\*\*** Snowflake delivered a strong first quarter of fiscal year 2022, demonstrating continued momentum in the Data Cloud. Revenue growth remains robust, fueled by increasing customer adoption and deeper penetration within existing accounts. While macroeconomic headwinds are present, Snowflake's value proposition as a mission-critical data platform continues to resonate. We achieved significant milestones in product innovation and market expansion during the quarter, setting the stage for sustained growth in the coming periods. **\*\*Financial Performance:\*\*** Total revenue for Q1 2022 reached \$422.4 million, representing a year-over-year increase of 84%. Product revenue, the core driver of our business, grew to \$402 million, up 83% year-over-year. Remaining performance obligations (RPO) grew substantially year-over-year, reflecting continued strong demand. Adjusted gross margin remained strong at 70%. While operating losses persist as we invest in growth, we are committed to driving leverage over time. **\*\*Key Business Highlights:\*\*** During Q1, we saw continued adoption of our platform across various industries, notably in financial services and healthcare, with customers leveraging Snowflake for data warehousing, data lakes, data engineering, data science, and secure data sharing. Key product advancements included enhanced support for unstructured data and improvements to our Snowpark developer framework, further broadening our addressable market. We also expanded our presence in the EMEA region, witnessing notable growth in customer acquisition and consumption. **\*\*Market Conditions and Competitive Landscape:\*\*** The Data Cloud market remains highly competitive, with established cloud providers and emerging specialized vendors vying for market share. We believe Snowflake's unique architecture, focus on ease of use, and robust security features provide a differentiated advantage. Despite inflationary pressures and potential economic slowdowns, organizations continue to prioritize data-driven decision-making, supporting ongoing demand for our platform. **\*\*Forward-Looking Statements and Guidance:\*\*** For Q2 2022, we expect product revenue to be in the range of \$435 million to \$440 million, representing year-over-year growth of approximately 70%. We maintain our fiscal year 2022 product revenue guidance of \$1.90 billion to \$1.915 billion, reflecting our confidence in the long-term potential of the Data Cloud. While we acknowledge potential near-term macroeconomic uncertainties, we remain focused on executing our strategic priorities, driving customer success, and delivering sustainable, profitable growth. We will continue to monitor the macroeconomic environment and adjust our strategy as needed.