

# **SNOWFLAKE INVESTOR DAY 2024**

**June 4th, 2024**



# AGENDA

## Growth Opportunity

Sridhar Ramaswamy | Chief Executive Officer

## Accelerating Product Delivery

Christian Kleinerman | EVP of Product

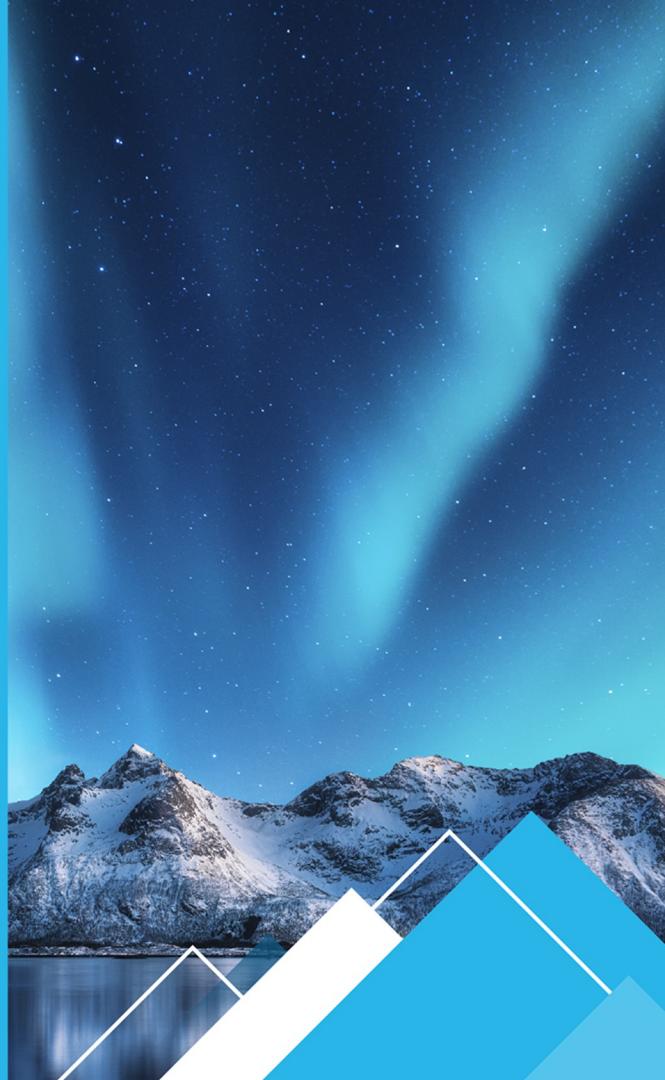
## Customer Q&A with ExxonMobil

Chris Degnan | Chief Revenue Officer

Andrew Curry | Manager of the Central Data Office, ExxonMobil

## Investing for Efficient Growth

Mike Scarpelli | Chief Financial Officer



# GROWTH OPPORTUNITY

**Sridhar Ramaswamy**  
Chief Executive Officer | Snowflake





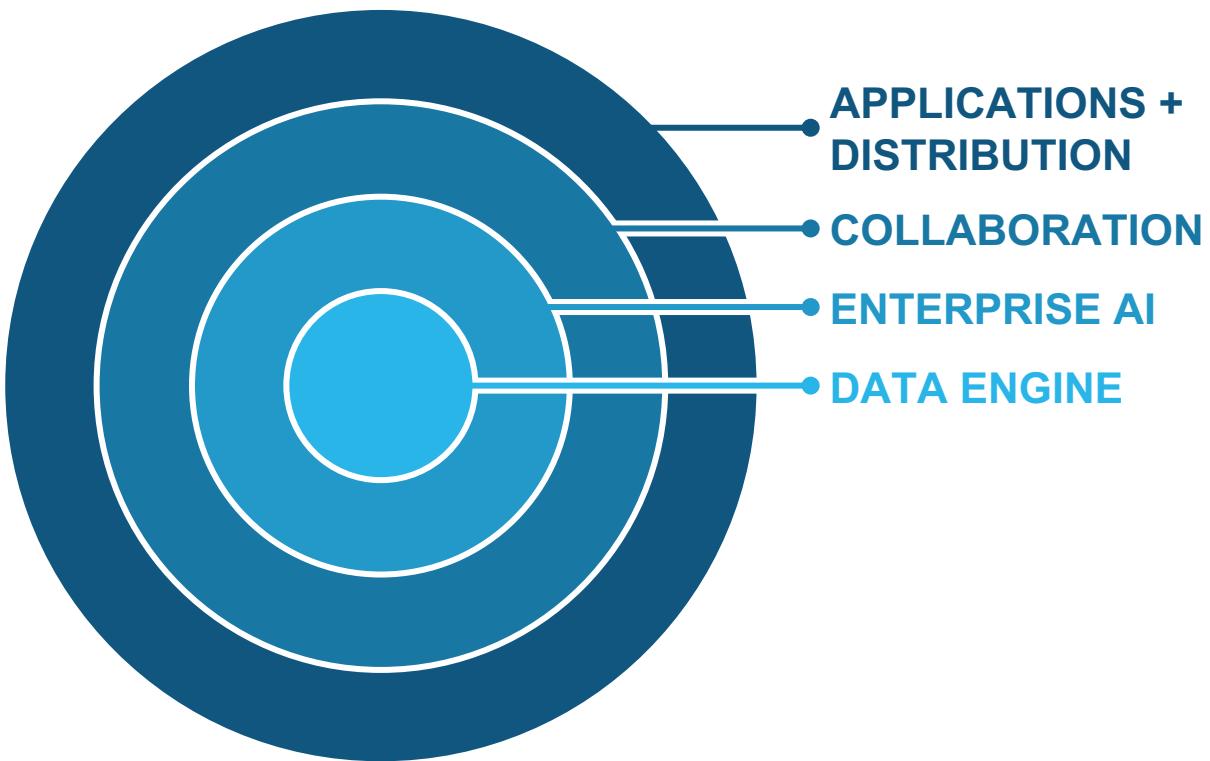
**Product**



**Go-to-market**



# A Unified Cohesive Product



# Core Opportunity

**Aladdin**  
by BlackRock

**Elevance**  
Health

 WARNER BROS.  
DISCOVERY

**AIG**

 **fetch**

 Prudential



 **twilio**

**DTCC**

**S&P Global**

**Honeywell**

 **EY**

**Canva**

 BlueYonder

 STATE  
STREET.

 **sanofi**

 comscore

**FOX**

 HubSpot

 BNY MELLON

 theTradeDesk

 ExxonMobil

 **PDI**  
TECHNOLOGIES

 komodo

 KraftHeinz

 Blackstone



# New Opportunities



Data  
Engine



Collaboration +  
Data applications



Pervasive AI



# New Opportunities



**Data  
Engine**



**Collaboration +  
Data applications**



**Pervasive AI**



# New Opportunities



Data  
Engine



Collaboration +  
Data applications



Pervasive AI



# New Opportunities



Data  
Engine



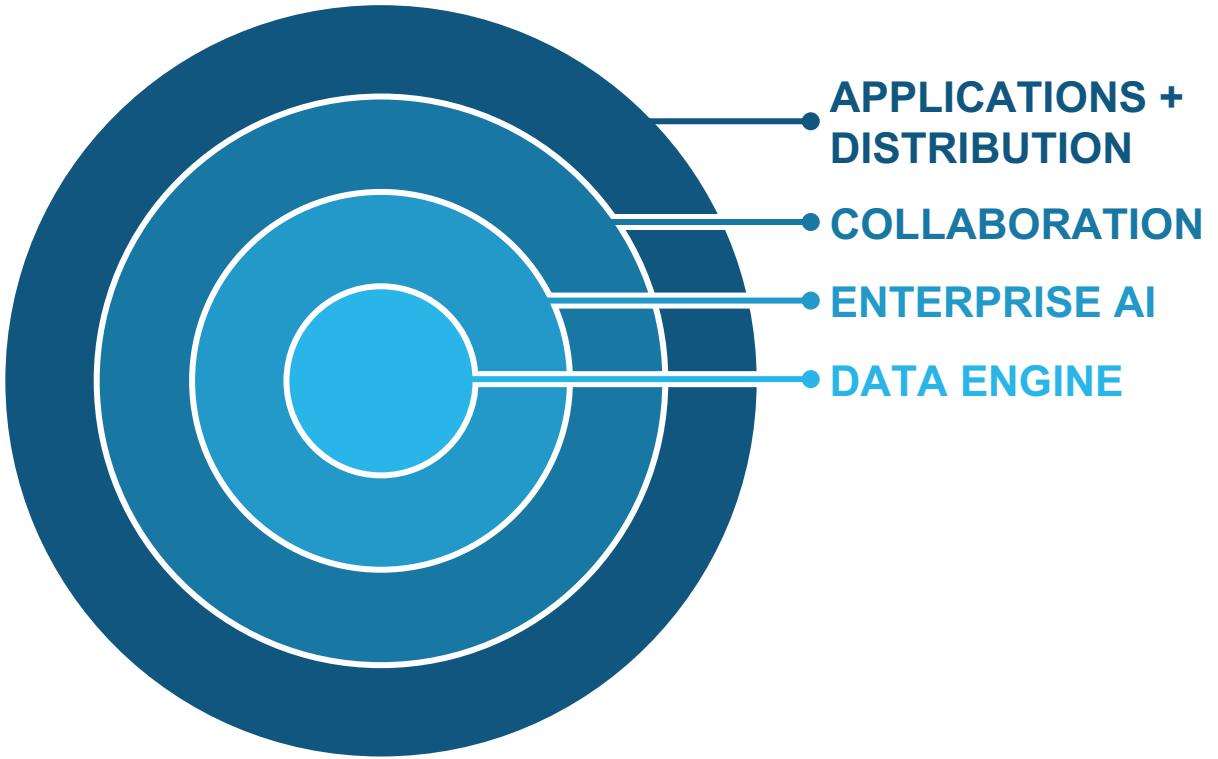
Collaboration +  
Data applications



Pervasive AI





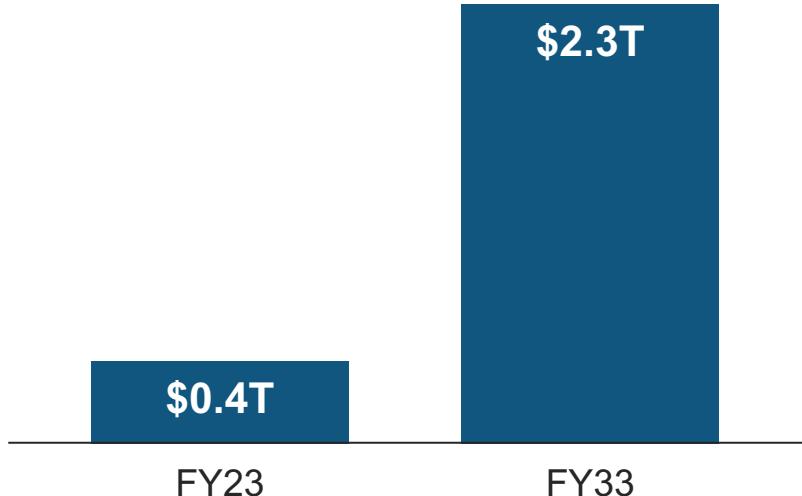


## Why We Win

- Unified Platform
- Application + Distribution Platform
- Multi-Cloud

## Capturing Value

Public Cloud Services Estimated Spend



Note: Fiscal year ends January 31.

1. Amounts calculated based on Snowflake's internal estimates and forecasts.



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# How We Operationalize



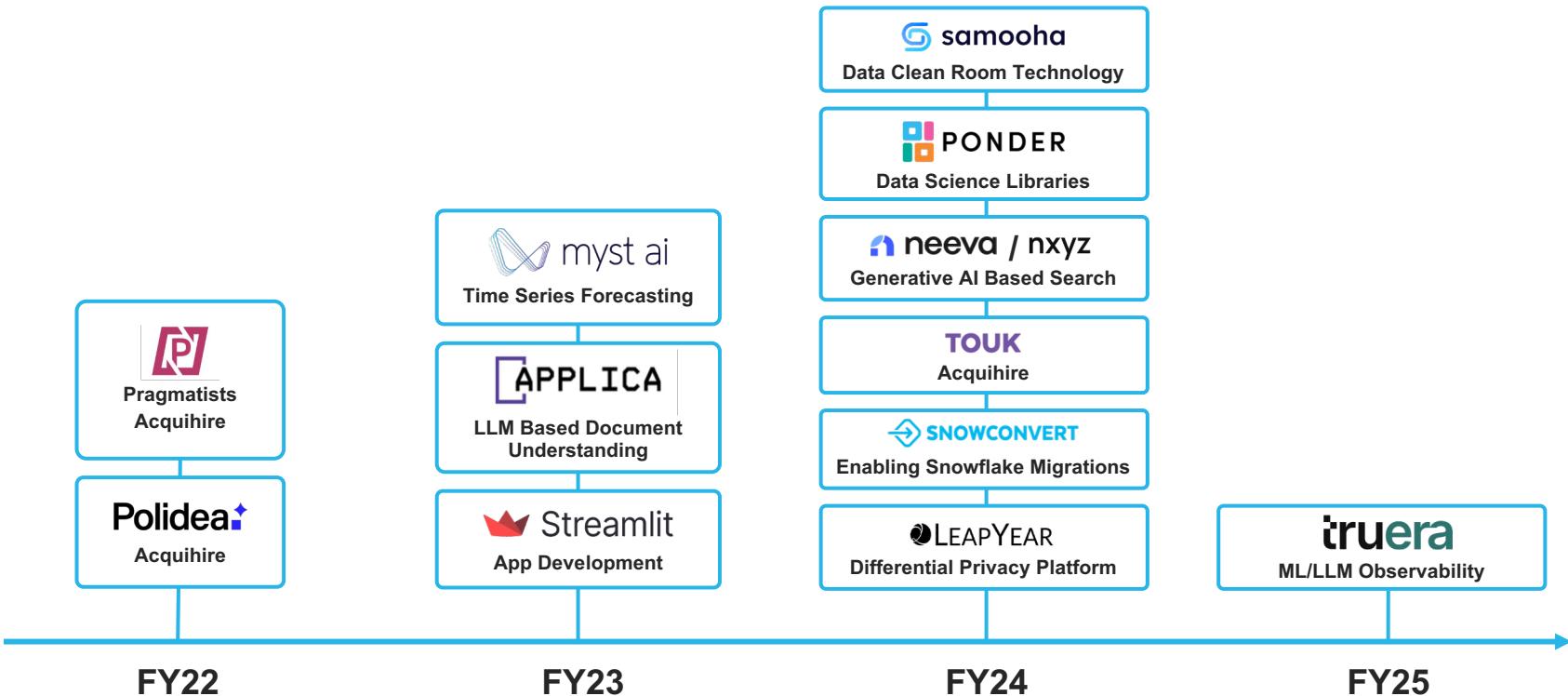
**Accelerate  
Delivery**



**Drive  
Customer  
Adoption**



# Acquisition Strategy



Note: Fiscal year ends January 31.



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# Strong Leadership Team



**Benoit  
Dageville**  
Co-Founder &  
President of Product



**Mike  
Scarpelli**  
Chief Financial  
Officer



**Chris  
Degnan**  
Chief Revenue  
Officer



**Denise  
Persson**  
Chief Marketing  
Officer



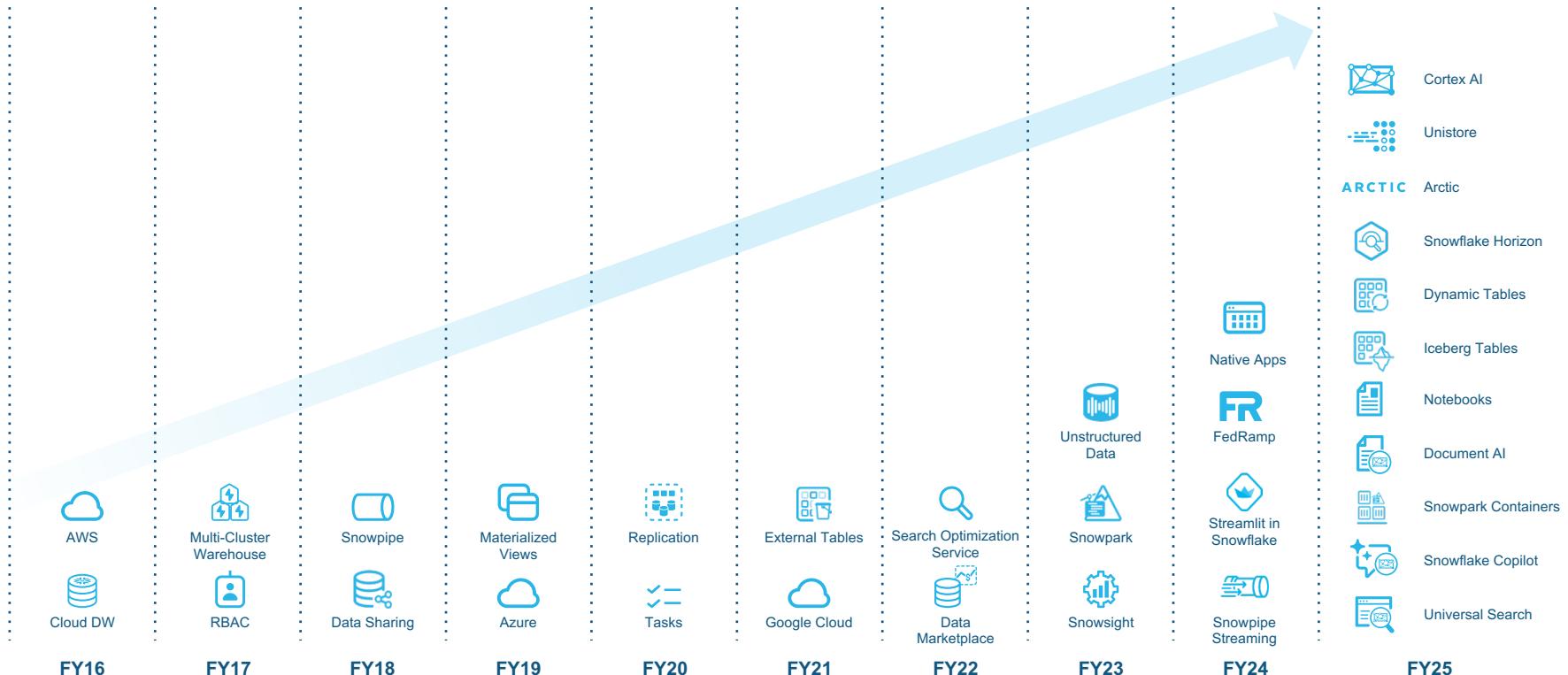
**Christian  
Kleinerman**  
EVP of Product



**Greg  
Czajkowski**  
EVP of Engineering  
and Support



# Accelerating Delivery



Note: Fiscal year ends January 31, 2024 includes products we expect to be GA before fiscal year end.



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# What Enables Faster Product Delivery?



Foundational  
Infrastructure



Extensible  
Platform



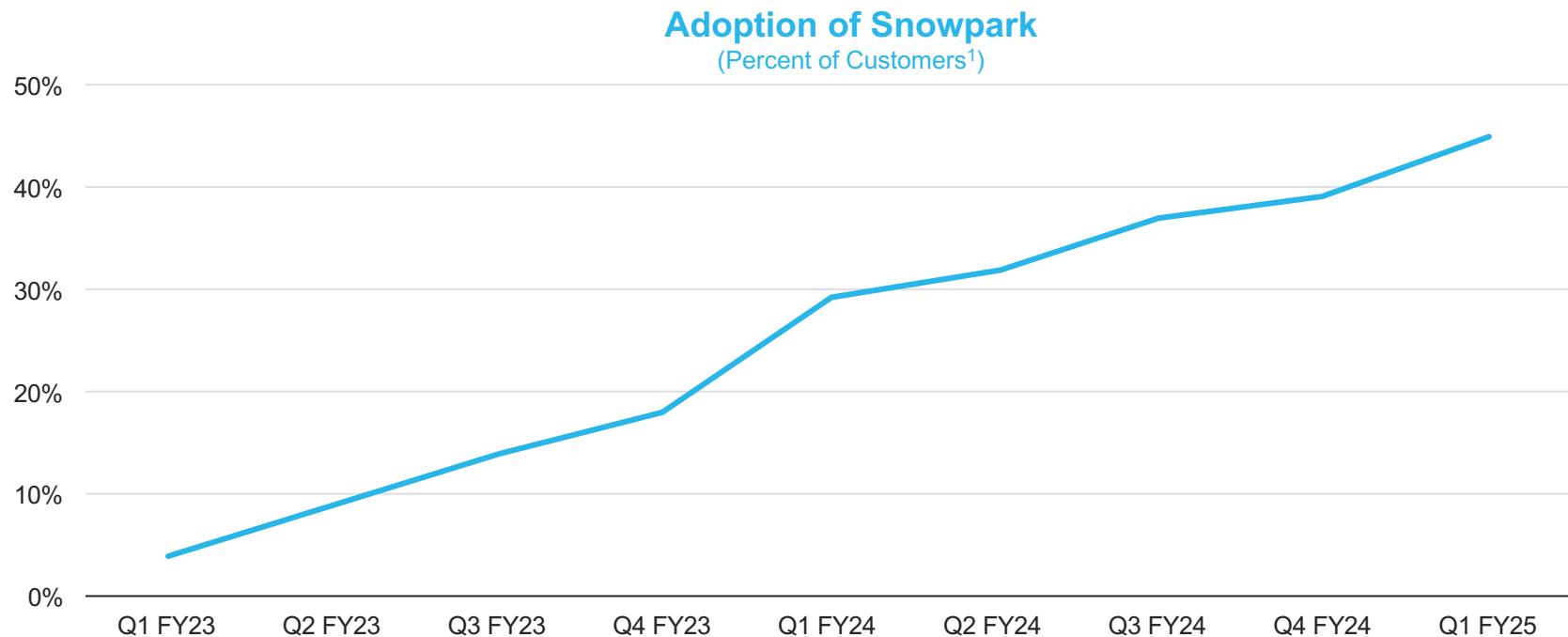
Pragmatic  
Approach

	 Snowpark	 Cortex AI	 Unstructured Data	 Iceberg Tables	 Native Apps	 Snowpark Containers	 Streamlit in Snowflake	 Unistore
<b>Step 1: General Availability</b>								
<b>GA Date:</b>	FY23	FY25	FY23	FY25	FY24	FY25	FY24	FY25
<b>Step 2: Adoption<sup>1</sup></b>								
<b>Step 3: Anticipated Growth Contribution</b>	FY25	FY25	FY25	FY26	FY26	FY26	FY26	FY27

Note: Scorecard measured as of Q1 FY25. Fiscal year ends January 31. We expect Unistore to be GA before FY25 year end.

1. Adoption is based on whether a customer consumed any credits in a 7-day period that are attributable to the respective workload feature via our internal classifications. We take the average of the last four 7-day periods of the quarter ended April 30, 2024. Green indicates percent of total customers using is >10% for this period; Yellow indicates <10%, but >0% for this period.





Note: Fiscal year ends January 31; Adoption is based on whether a customer consumed any credits in a 7-day period that are attributable to the respective workload feature via our internal classifications. We take the average of the last four 7-day periods of the quarter ended April 30, 2024.

1. See definitions provided in the Appendix.



Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers



Streamlit in  
Snowflake



Unistore

## Tailwinds for Adoption

Notebooks

Iceberg Tables

Easier Migrations

Why?

Why?

Why?

End user  
preference

More  
data

Decrease time and  
cost to adopt



  
Snowpark  
Cortex AI  
Unstructured  
Data  
Iceberg  
Tables  
Native Apps  
Snowpark  
Containers  
Streamlit in  
Snowflake  
Unistore

## Easy Generative AI, with Cortex AI

Build AI apps, securely fine-tuned on your data, all unified in Snowflake

Snowflake Copilot

GA SOON

Document AI

GA SOON

### Cortex AI

Studio

PR

Chat

Structured Data  
**Cortex Analyst**

PU SOON

Documents  
**Cortex Search**

PU SOON

Models



Task-Specific &  
Embed Models

Foundation  
Models

Fine-Tuned  
Models

PU

- AI integrated with your data
- Use best-in-class models
- Fully-managed infrastructure
- Make AI accessible to everyone

Note: PR = Private Preview; PU = Public Preview.





Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers



Streamlit in  
Snowflake



Unistore

## Tailwinds for Adoption

Easier Ingest

Why?

More data

File Processors  
Document AI

Why?

More use cases





Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers



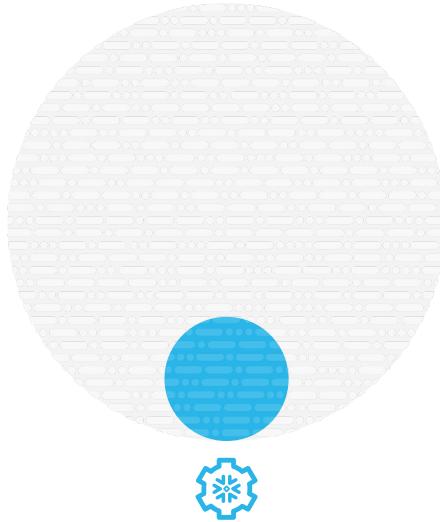
Streamlit in  
Snowflake



Unistore

## Iceberg gives us access to more data

Customer Data Estate



Snowflake DB

Customer Data Estate



Snowflake DB + Iceberg Tables





# Snowflake Native App Framework

## Description

- Build apps for the AI Data Cloud
- Distribute and monetize on Snowflake Marketplace
- Install apps in consumer's Snowflake accounts

## Benefits for providers

- Drive revenue and distribution on Snowflake Marketplace
- Build faster, deploy and operate effortlessly
- Secured data + secured IP = accelerated customer adoption

## Benefits for consumers

- Faster access to applications
- Reduce security and procurement hurdles
- No need to move data

The screenshot shows the Snowflake Marketplace interface. At the top, there's a search bar with placeholder text "Search providers and data products" and several filter buttons: "Installed", "Instantly Accessible", "Free Data", "Weather Data", "Financial Data", "360-Degree Customer View", "Demand Forecasting", and "Japan Data". Below the search bar, a banner says "NEW! Snowflake Native Apps" with the subtext "Install and run apps directly in your account". There are four cards in this section: "SAP Data Merge" by SNP, "Device Resolution App" by Liveramp, "ERP Sales Data Assessment" by Maxa, and "Connector for Google Sheets" by Matillion. Under "Featured Providers", there are four cards: "Very Good Security" (Very Good Security logo), "Capital One Software Slingshot" (Capital One Software Slingshot logo), "DTCC" (DTCC logo), and "My Data Outlet" (My Data Outlet logo). In the "Most Recent" section, there are two cards: "Samoha - Marketing & Advertising" (Samoha logo) and "Habu Clean Rooms - Snowflake Native Apps" (Habu logo). The Samoha card includes a description: "Leverage Samoha powered cleanrooms to measure, target and optimize in a privacy-safe fashion." The Habu card includes a description: "Native App to use Habu software to participate in privacy and governance-safe clean rooms on Snowflake".





Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers



Streamlit in  
Snowflake



Unistore

## How?

End Customer

## Who?



## What?



Native App



Snowpark Containers



Structured Data



Automated business data  
products



Transform and model data within  
CN's Snowflake account



ERP & IoT Data





Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers



Streamlit in  
Snowflake



Unistore

 accenture



 LAMINI

 neo4j



 sigma

 SYNCRIS

 alteryx



 HEX

 Landing AI

 NVIDIA

 RelationalAI

 SingleStore

 segment

 Amplitude

 Deloitte.

 FOSFOR

 John Snow LABS

 LTIMindtree

 phData

 SailPoint

 slalom

 videoamp

 Capgemini

 Dataops.live

 Goldman Sachs

 kipi.bi

 matillion

 posit

 Sas

 sundeck

 Weaviate

 CAR T

 dbt

 H2O.ai

 kumo

 Maxa

 PowerSchool

 seek

 SWAY AI

 Weights & Biases





Snowpark



Cortex AI



Unstructured  
Data



Iceberg  
Tables



Native Apps



Snowpark  
Containers

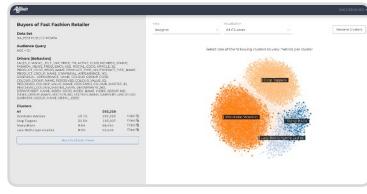
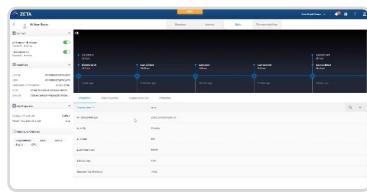
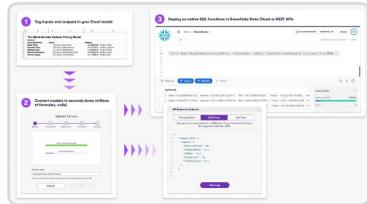


Streamlit in  
Snowflake



Unistore

# Streamlit: Data Experiences in the AI Data Cloud



## Build faster

Code directly in Python and rapidly prototype and deploy experiences.

## Productize AI

Turn data and AI / ML models into interactive applications that empower stakeholders to self-serve insights and gain trust in results

## Deliver better experiences

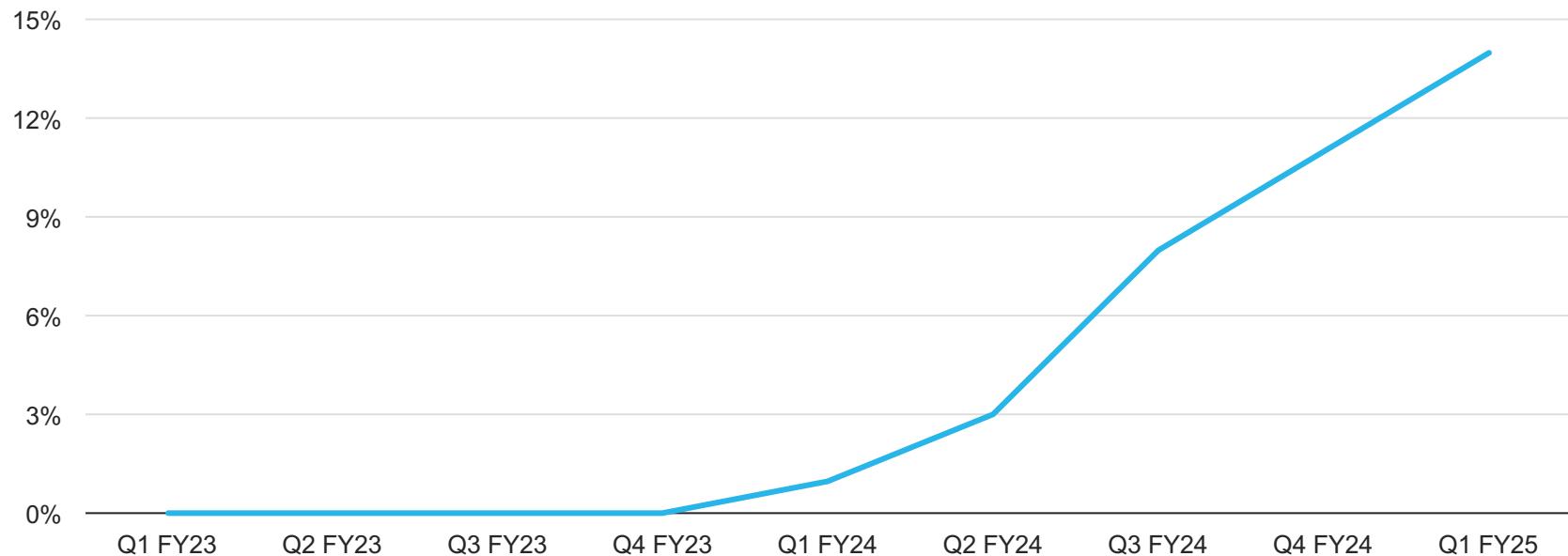
Unlock new ways to create experiences and interactivity for users.





## Adoption of Streamlit in Snowflake

(Percent of Customers<sup>1</sup>)



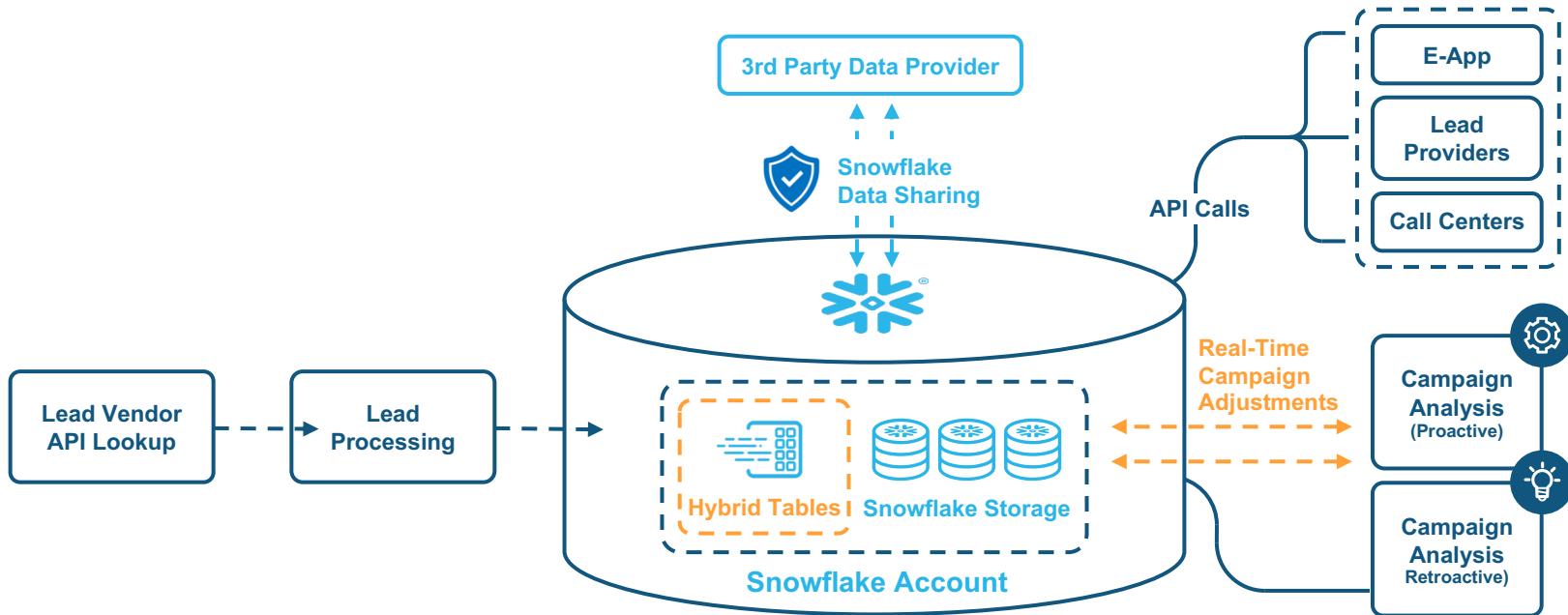
Note: Fiscal year ends January 31; Adoption is based on whether a customer consumed any credits in a 7-day period that are attributable to the respective workload feature via our internal classifications. We take the average of the last four 7-day periods of the quarter ended April 30, 2024.

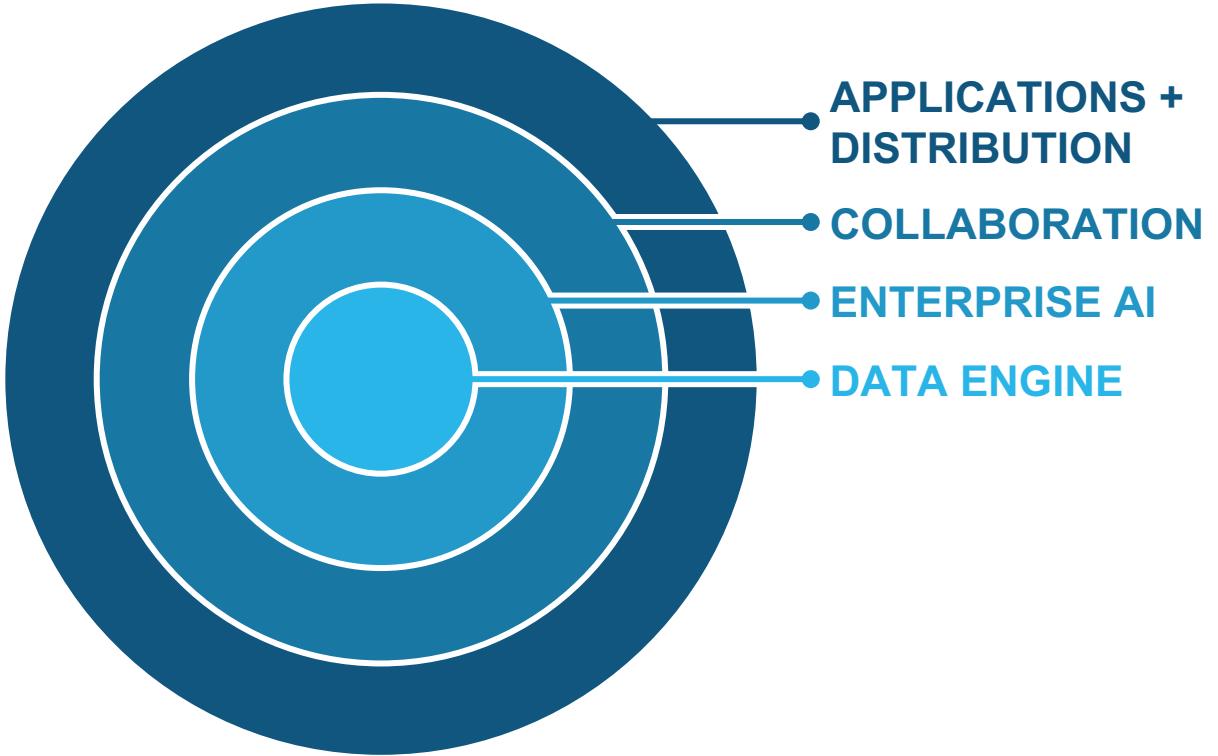
1. See definitions provided in the Appendix.



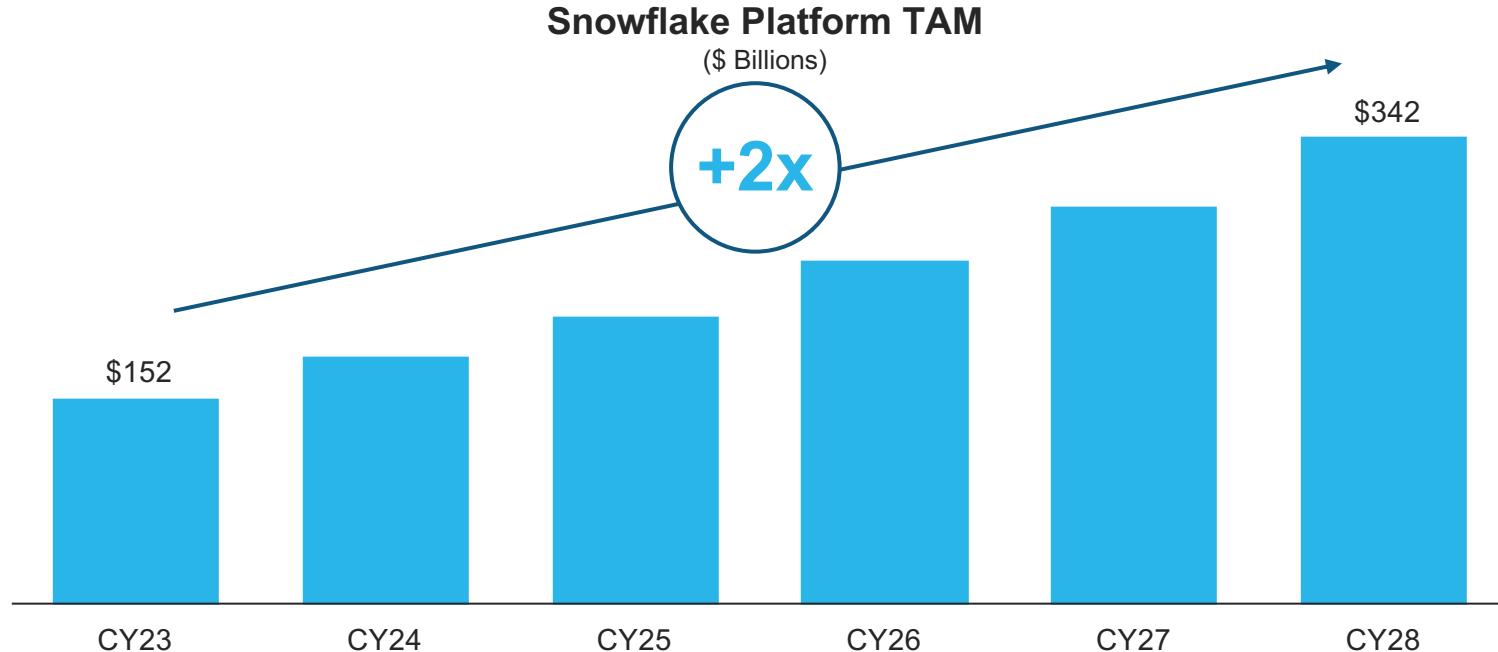
## Unistore Eliminates Need for Transactional Store for Key Use Cases

A Financial Services Customer





# Large and Growing Market

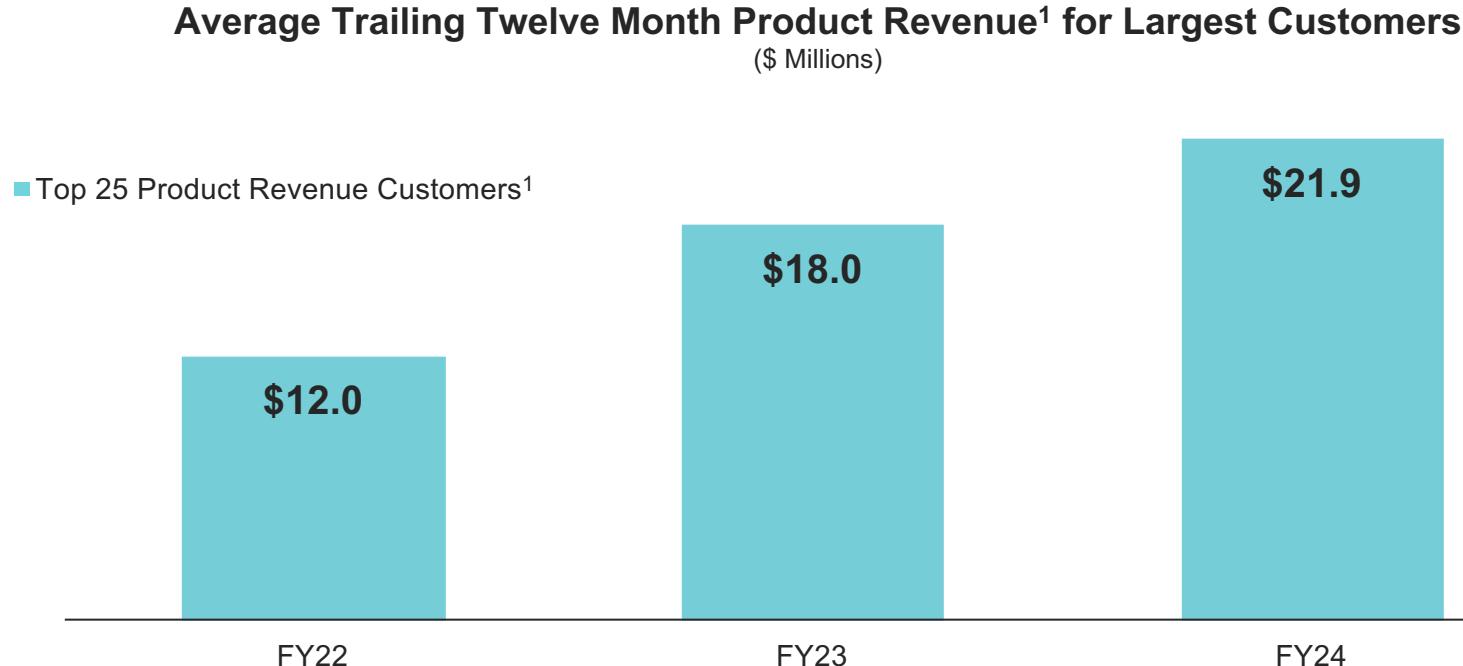


Note: Calendar year ends December 31. Charts/graphics created by Snowflake based on Gartner research.

Source: Gartner, Forecast: Enterprise Infrastructure Software, Worldwide, 2022-2028, 1Q24 Update, March 2024; Gartner, Forecast: Enterprise Application Software, Worldwide, 2022-2028, 1Q24 Update, March 2024; Calculations performed by Snowflake. See Appendix for Snowflake's internal methodology of mapping applicable Gartner markets to workloads.



# Potential for Snowflake Spend Has Increased



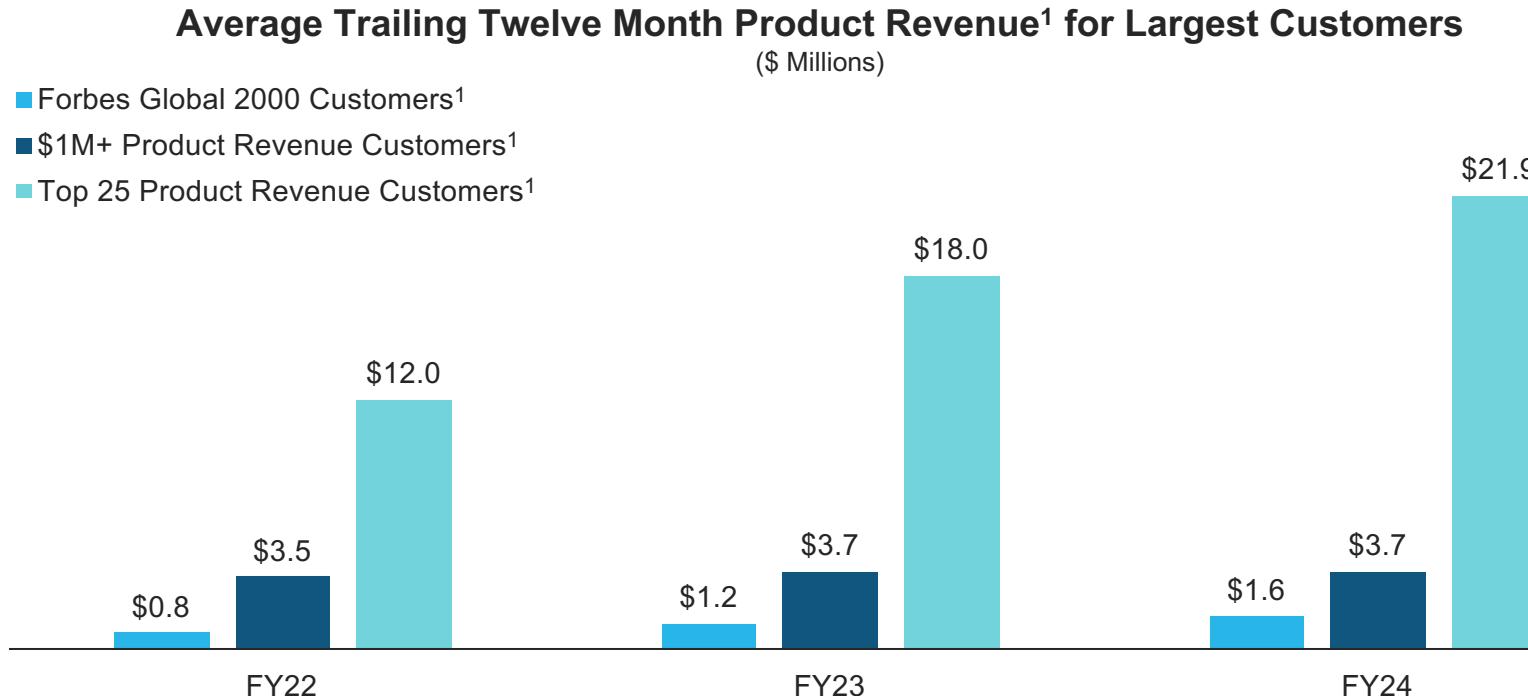
Note: Fiscal year ends January 31.

1. See definitions provided in the Appendix.



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# Significant Expansion Opportunity



Note: Fiscal year ends January 31.

1. See definitions provided in the Appendix.

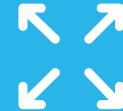


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# Fundamentals for Growth



**LAND**

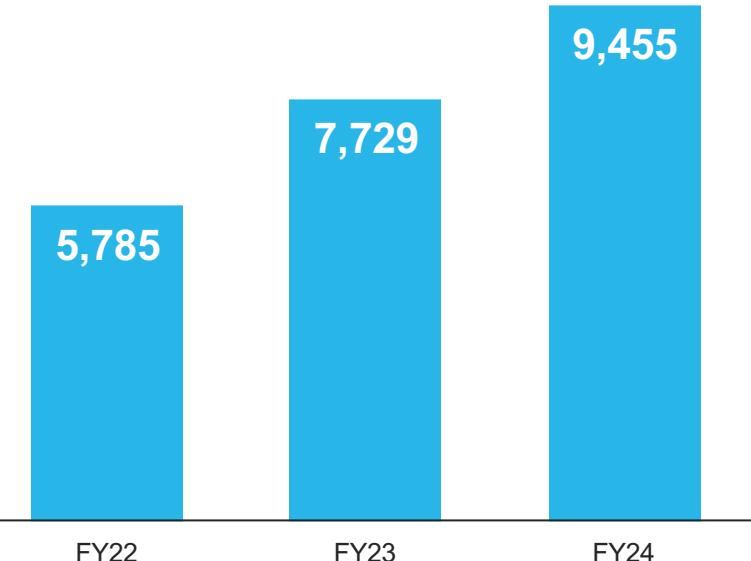


**EXPAND**



# Land & Expand

Total Customers<sup>1</sup>



Net Revenue Retention Rate<sup>1</sup>



Note: Fiscal year ends January 31.

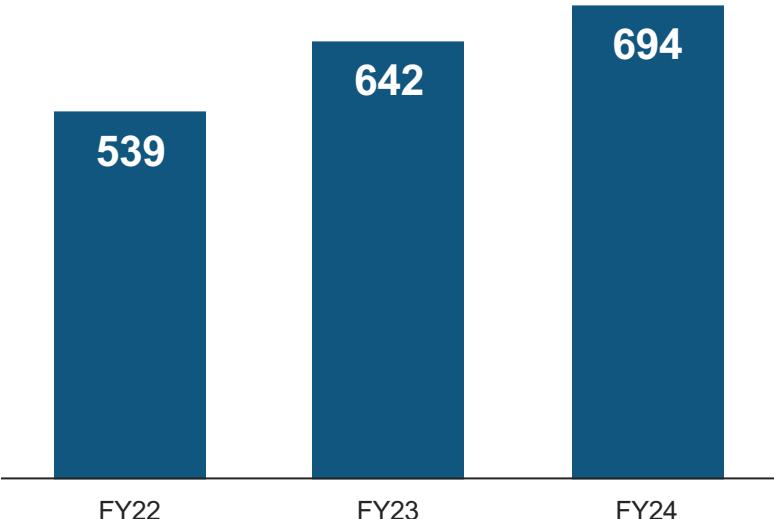
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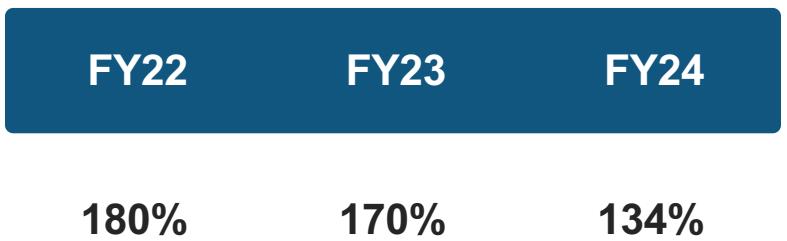
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# Land & Expand

Forbes Global 2000 Customers<sup>1</sup>



Forbes Global 2000 Customers  
Net Revenue Retention Rate<sup>1</sup>



Note: Fiscal year ends January 31

1. See definitions provided in the Appendix.



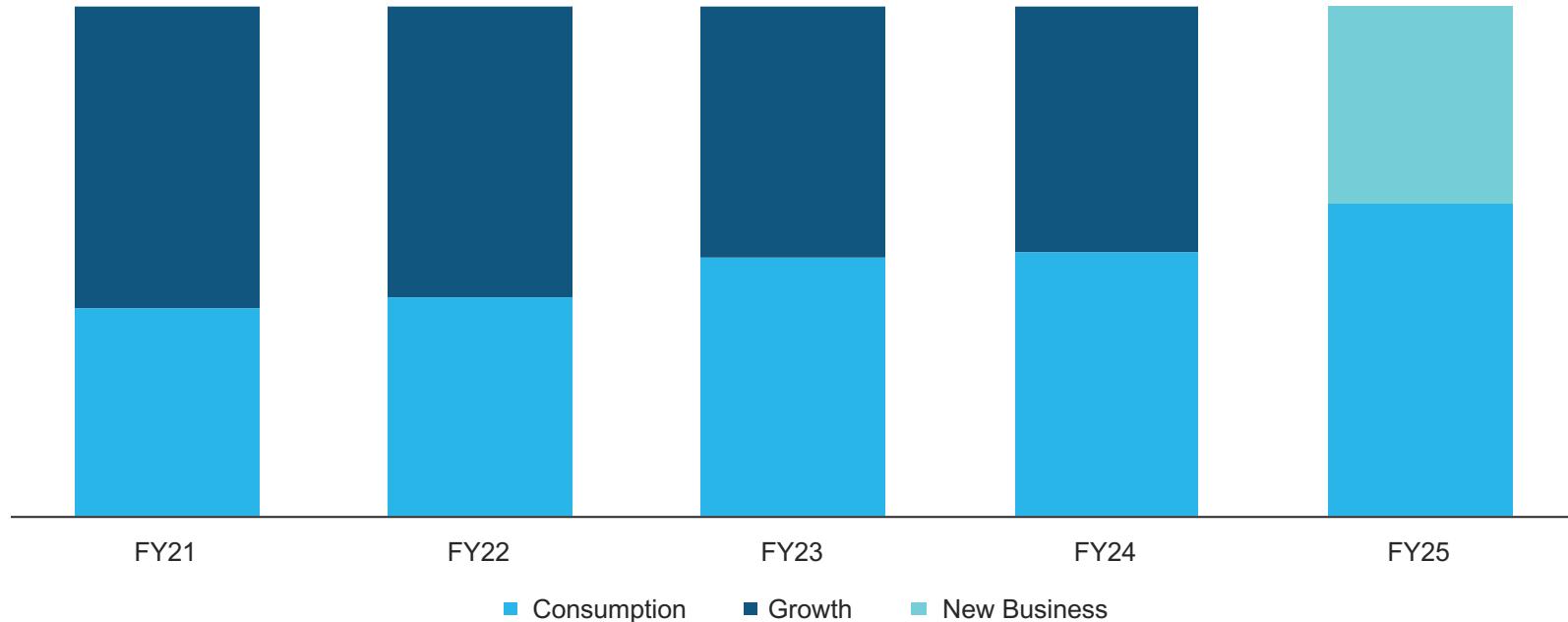
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# INVESTING FOR GROWTH



# Sales Compensation Incentivizes Lands

Target Commissions<sup>1</sup> Mix (%)



Note: Fiscal year ends January 31

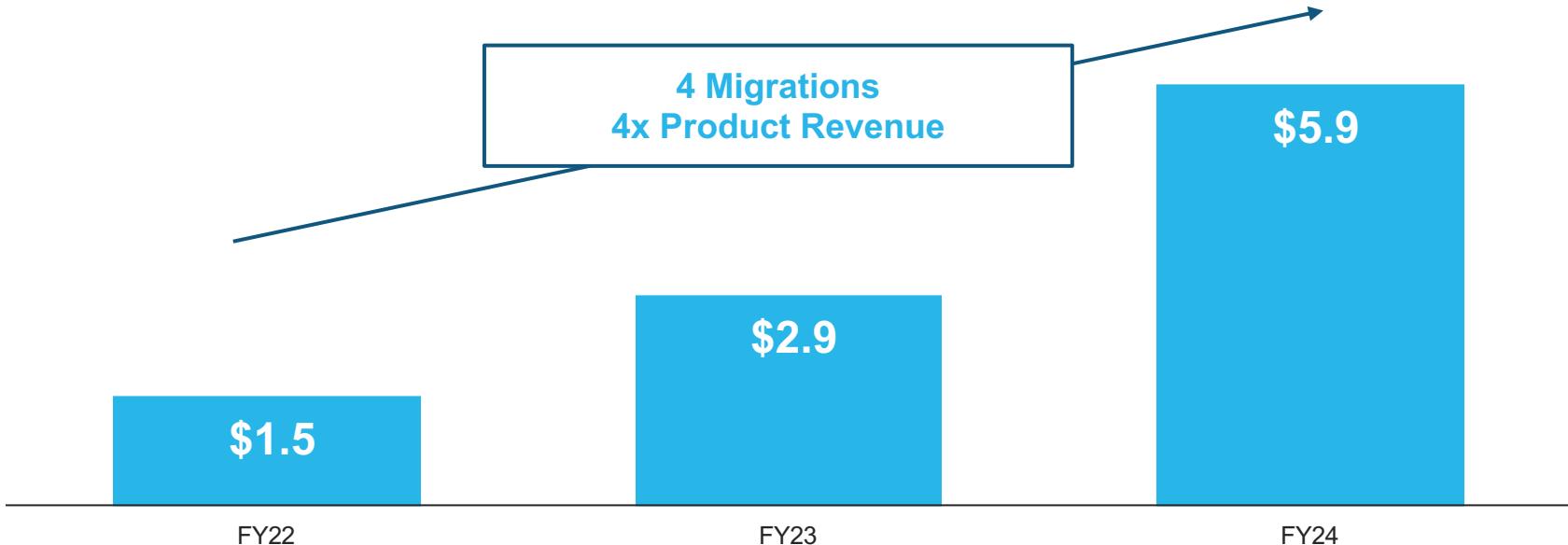
1. See definitions provided in the Appendix.



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# Migrations Drive Expansion Today

A Global 2000 Financial Services Customer Product Revenue<sup>1</sup>  
(\$ Millions)



Note: Fiscal year ends January 31

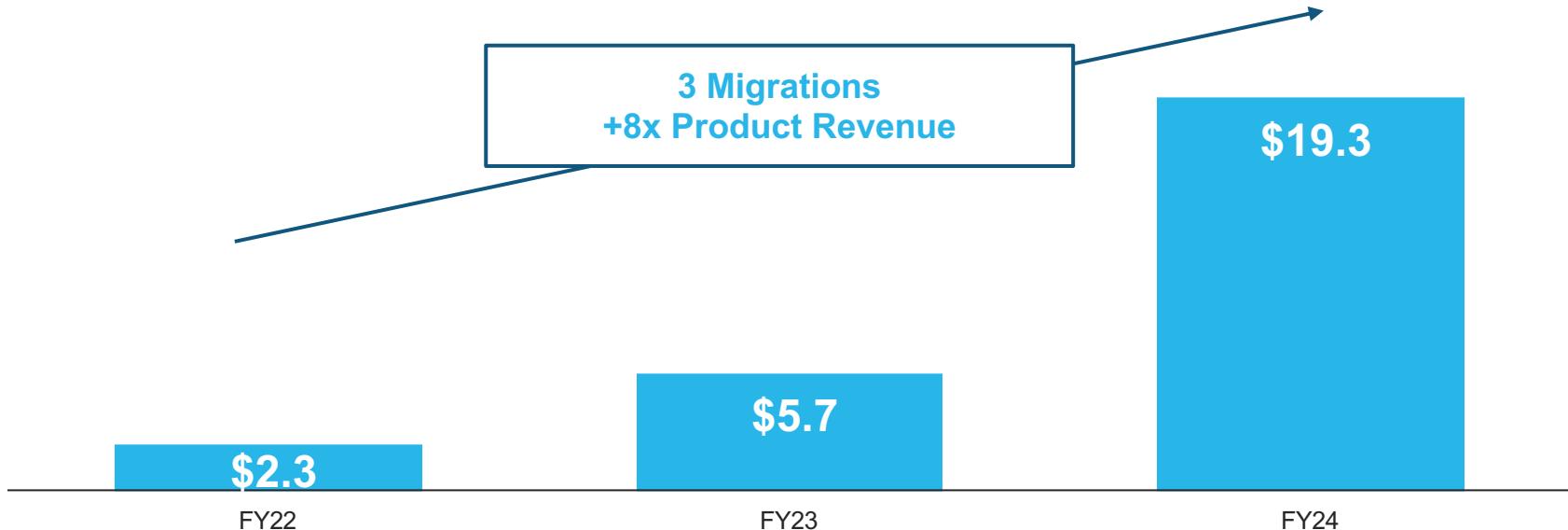
1. See definitions provided in the Appendix.



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# Migrations Drive Expansion Today

A Telecom Customer Product Revenue<sup>1</sup>  
(\$ Millions)



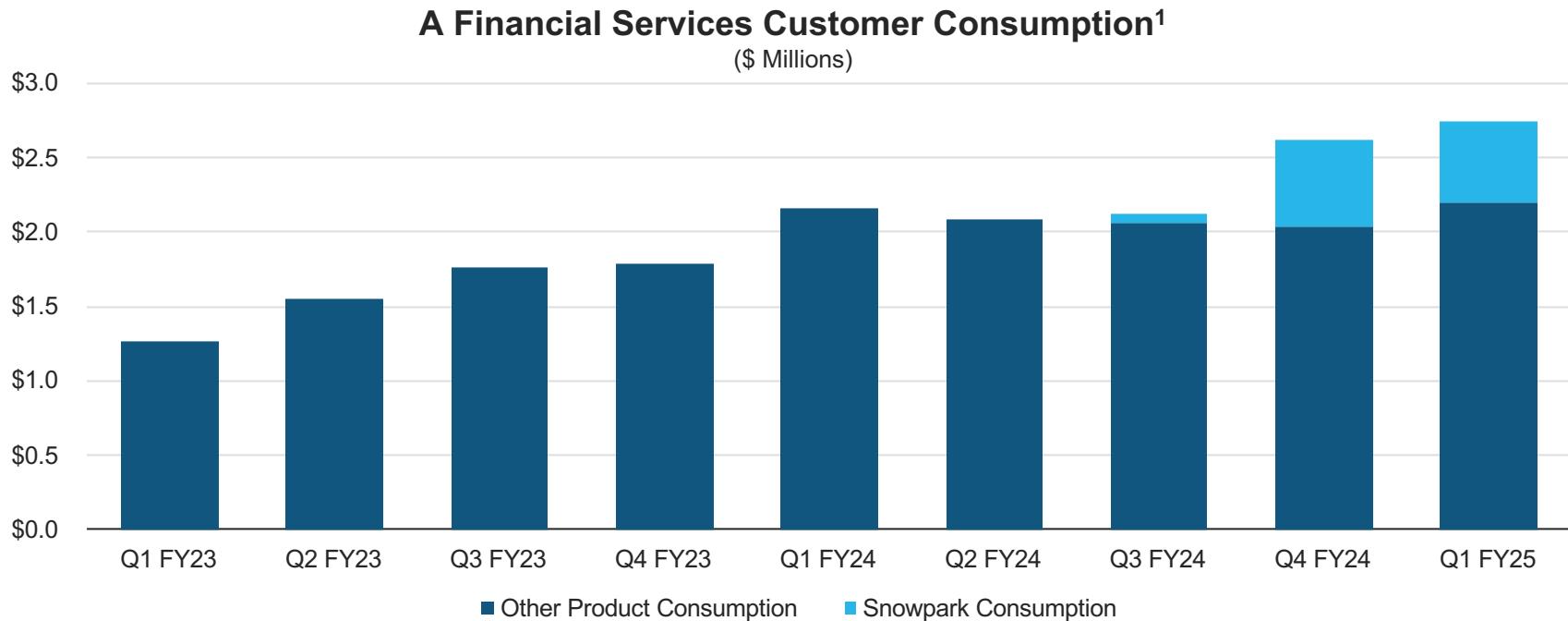
Note: Fiscal year ends January 31.

1. See definitions provided in the Appendix.



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# New Features Can Drive Expansion Tomorrow



Note: Fiscal year ends January 31.

1. See definitions provided in the Appendix.



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# FINANCIAL MODEL

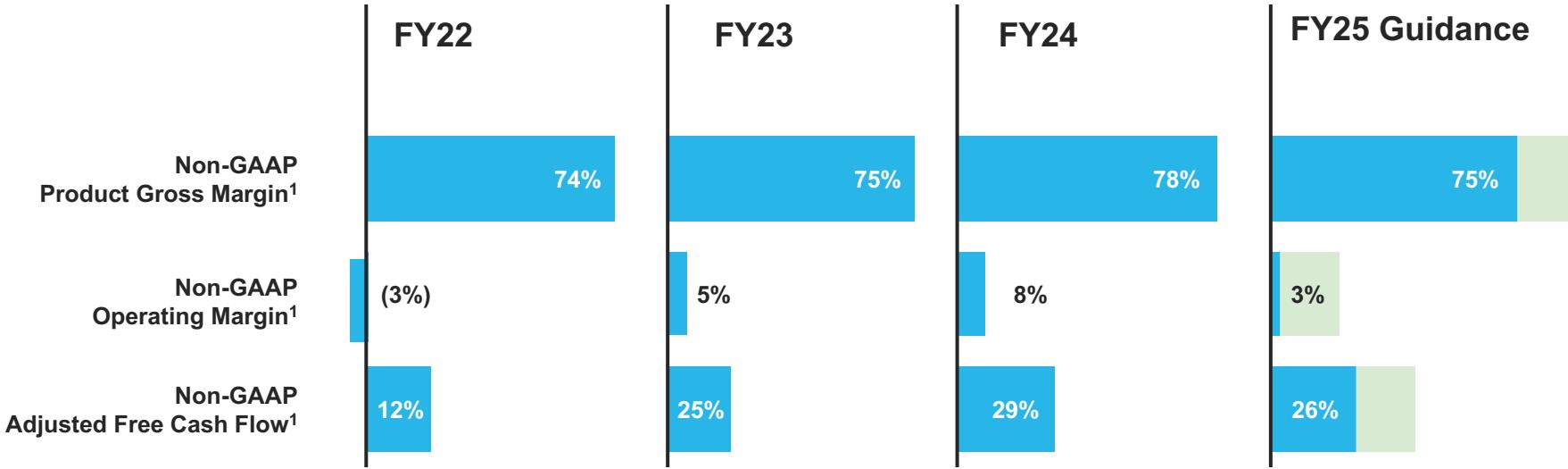


# Queries Have Varying Impact on Revenue

	IMPACT ON QUERY GROWTH	REVENUE / QUERY <sup>1</sup>
Higher Price per Credit	Neutral	
Product Efficiency		
Performance Improvements	Neutral	
Optimizations	Neutral	
Different Types of Queries		
Heavy Queries		
Light Queries		

1. Estimated based on the Consumption of credits.

# Predictable Margins in Core Business



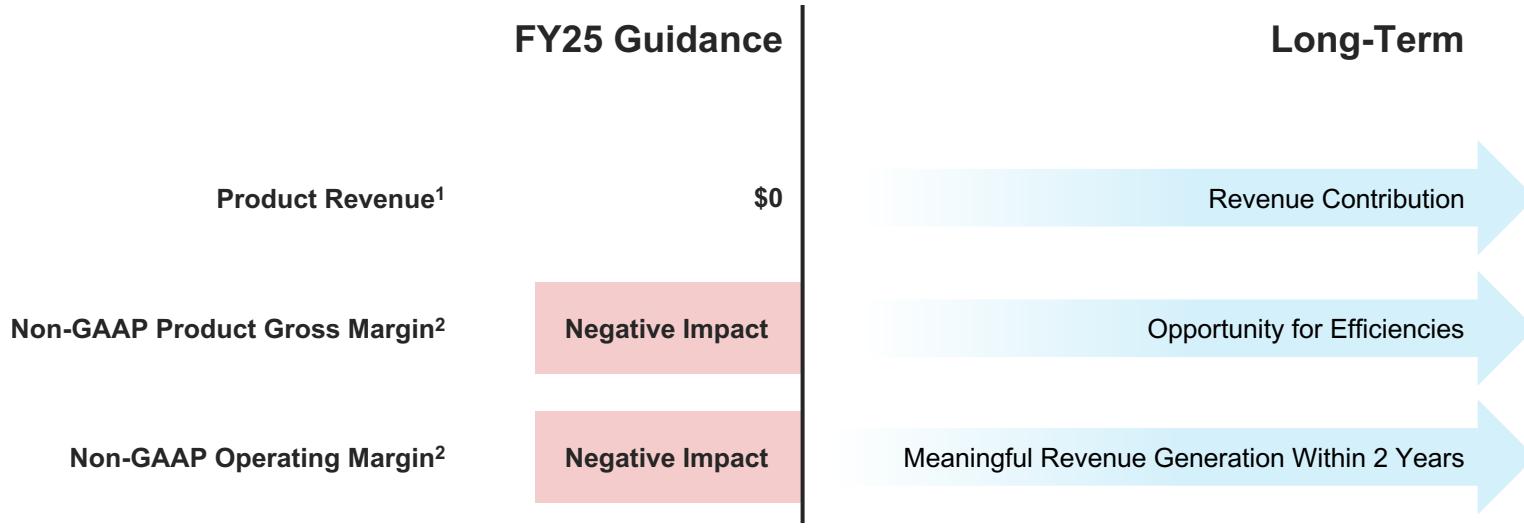
Note: Green Illustrative

Note: Fiscal year ends January 31.

1. Please see the Appendix for reconciliations of these non-GAAP financial measures to their nearest GAAP equivalents and for the calculation of certain other financial metrics for historical periods. A reconciliation of non-GAAP guidance measures to corresponding GAAP guidance measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses that may be incurred in the future.



# Framework for Enterprise AI Investments



Note: Fiscal year ends January 31.

1. See definitions provided in the Appendix.

2. Please see the Appendix for reconciliations of these non-GAAP financial measures to their nearest GAAP equivalents and for the calculation of certain other financial metrics for historical periods. A reconciliation of non-GAAP guidance measures to corresponding GAAP guidance measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses that may be incurred in the future.



# Capital Allocation

## Organic Growth

R&D and S&M investment

## Stock Repurchase Program

\$892M remaining of \$2B authorization

## M&A

Acquisitions to accelerate product roadmap

## Cash Management

>4% interest income  
~80% of billings paid annually in advance



# Statement Regarding Use of Non-GAAP Financial Measures

This presentation also includes certain non-GAAP financial measures, which have not been prepared in accordance with generally accepted accounting principles in the United States (GAAP). These non-GAAP financial measures are in addition to, and not as a substitute for, or superior to, financial measures calculated in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. Please see the Appendix for reconciliations of these non-GAAP financial measures to their nearest GAAP equivalents and for the calculation of certain other financial metrics.

Our non-GAAP product gross profit, and operating income (loss) measures are each defined as the respective GAAP measure, excluding the effect of (i) stock-based compensation-related charges, including employer payroll tax-related items on employee stock transactions, (ii) amortization of acquired intangibles, and (iii) expenses associated with acquisitions and strategic investments. Non-GAAP product gross margin is calculated as non-GAAP product gross profit as a percentage of product revenue. Non-GAAP operating margin is calculated as non-GAAP operating income as a percentage of revenue. We believe the presentation of operating results that exclude these non-cash or non-recurring items provides useful supplemental information to investors and facilitates the analysis of our operating results and comparison of operating results across reporting periods.

Free cash flow is defined as net cash provided by operating activities reduced by purchases of property and equipment and capitalized internal-use software development costs. Cash outflows for employee payroll tax items related to the net share settlement of equity awards are included in cash flow for financing activities and, as a result, do not have an effect on the calculation of free cash flow. Free cash flow margin is calculated as free cash flow as a percentage of revenue. We believe these measures provide useful supplemental information to investors because they are indicators of the strength and performance of our core business operations.

Adjusted free cash flow is defined as free cash flow plus (minus) net cash paid (received) on employer and employee payroll tax-related items on employee stock transactions. Employee payroll tax-related items on employee stock transactions are generally pass-through transactions that are expected to have a net zero impact on free cash flow over time, but that may impact free cash flow in any given fiscal quarter due to differences between the time that we receive funds from our employees and the time we remit those funds to applicable tax authorities. We believe that excluding the effects of these payroll tax-related items will enhance stockholders' ability to evaluate our free cash flow performance, including on a quarter-over-quarter basis. Adjusted free cash flow margin is calculated as adjusted free cash flow as a percentage of revenue. We believe these measures provide useful supplemental information to investors because they are indicators of the strength and performance of our core business operations.

A reconciliation of non-GAAP guidance measures to corresponding GAAP guidance measures is not available on a forward-looking basis without unreasonable effort due to the uncertainty regarding, and the potential variability of, expenses that may be incurred in the future. Stock-based compensation-related charges, including employer payroll tax-related items on employee stock transactions, are impacted by the timing of employee stock transactions, the future fair market value of our common stock, and our future hiring and retention needs, all of which are difficult to predict and subject to constant change. These factors could be material to our results computed in accordance with GAAP.



# Definitions

**Consumption:** Consumption is estimated based on customer consumption of our platform during each fiscal period as measured at the applicable contractual price, and includes consumption by both capacity and on-demand customers.

**Customers Over \$1M Product Revenue or \$1M+ Product Revenue Customers:** To calculate the number of customers with trailing 12-month product revenue greater than \$1 million, we count the number of customers under capacity arrangements that contributed more than \$1 million in product revenue in the trailing 12 months. For purposes of determining our customer count, we treat each customer account, including accounts for end-customers under a reseller arrangement, that has at least one corresponding capacity contract as a unique customer, and a single organization with multiple divisions, segments, or subsidiaries may be counted as multiple customers. We do not include customers that consume our platform only under on-demand arrangements for purposes of determining our customer count. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our customer count for historical periods reflecting these adjustments.

**Forbes Global 2000 Customers:** Our Forbes Global 2000 customer count is a subset of our customer count based on the 2023 Forbes Global 2000 list. Our Forbes Global 2000 customer count is subject to adjustments for annual updates to the list by Forbes, as well as acquisitions, consolidations, spin-offs, and other market activity with respect to such customers, and we present our Forbes Global 2000 customer count for historical periods reflecting these adjustments.

**Net Revenue Retention Rate:** To calculate net revenue retention rate, we first specify a measurement period consisting of the trailing two years from our current period end. Next, we define as our measurement cohort the population of customers under capacity contracts that used our platform at any point in the first month of the first year of the measurement period. The cohorts used to calculate net revenue retention rate include end-customers under a reseller arrangement. We then calculate our net revenue retention rate as the quotient obtained by dividing our product revenue from this cohort in the second year of the measurement period by our product revenue from this cohort in the first year of the measurement period. Any customer in the cohort that did not use our platform in the second year remains in the calculation and contributes zero product revenue in the second year. Our net revenue retention rate is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our net revenue retention rate for historical periods reflecting these adjustments. Since we will continue to attribute the historical product revenue to the consolidated contract, consolidation of capacity contracts within a customer's organization typically will not impact our net revenue retention rate unless one of those customers was not a customer at any point in the first month of the first year of the measurement period.

**Product Revenue:** Product revenue is primarily derived from the consumption of compute, storage, and data transfer resources, which are consumed by customers on our platform as a single, integrated offering. Customers have the flexibility to consume more than their contracted capacity during the contract term and may have the ability to roll over unused capacity to future periods, generally upon the purchase of additional capacity at renewal. Our consumption-based business model distinguishes us from subscription-based software companies that generally recognize revenue ratably over the contract term and may not permit rollover. Because customers have flexibility in the timing of their consumption, which can exceed their contracted capacity or extend beyond the original contract term in many cases, the amount of product revenue recognized in a given period is an important indicator of customer satisfaction and the value derived from our platform. Product revenue excludes our professional services and other revenue.

Gartner Source	Gartner Market
Forecast: Enterprise Infrastructure Software, Worldwide, 2022-2028, 1Q24 Update, March 2024	Database Management Systems (DBMS)
Forecast: Enterprise Infrastructure Software, Worldwide, 2022-2028, 1Q24 Update, March 2024	Data Management Software (Excluding DBMS)
Forecast: Enterprise Application Software, Worldwide, 2022-2028, 1Q24 Update, March 2024	Analytic Platforms

**Target Commissions:** Sales commissions earned by all of sales, assuming 100% of assigned bookings and consumption quotas are met.

**Top 25 Product Revenue Customers:** To determine our top 25 product revenue customers, we take our total customer count as of our latest reporting period and calculate the total product revenue generated by each customer for the applicable period presented.

**Total Customers:** We count the total number of customers at the end of each period. For purposes of determining our customer count, we treat each customer account, including accounts for end-customers under a reseller arrangement, that has at least one corresponding capacity contract as a unique customer, and a single organization with multiple divisions, segments, or subsidiaries may be counted as multiple customers. We do not include customers that consume our platform only under on-demand arrangements for purposes of determining our customer count. Our customer count is subject to adjustments for acquisitions, consolidations, spin-offs, and other market activity, and we present our customer count for historical periods reflecting these adjustments.



# GAAP to Non-GAAP Reconciliations

## Product Gross Profit, Operating Income (Loss), Free Cash Flow and Adjusted Free Cash Flow

	FY22	FY23	FY24
<b>Product revenue</b>	\$ 1,140,469	\$ 1,938,783	\$ 2,666,849
Professional services and other revenue	78,858	126,876	139,640
<b>Revenue</b>	<b>\$ 1,219,327</b>	<b>\$ 2,065,659</b>	<b>\$ 2,806,489</b>
<b>Product Gross Profit</b>			
GAAP product gross profit	\$ 792,652	\$ 1,391,236	\$ 1,965,649
<b>GAAP product gross margin</b>	<b>70 %</b>	<b>72 %</b>	<b>74 %</b>
<i>Adjustments:</i>			
Stock-based compensation-related charges	49,705	61,379	78,900
Amortization of acquired intangibles	2,266	4,767	31,403
Non-GAAP product gross profit	\$ 844,623	\$ 1,457,382	\$ 2,075,952
<b>Non-GAAP product gross margin</b>	<b>74 %</b>	<b>75 %</b>	<b>78 %</b>
<b>Operating Income (Loss)</b>			
GAAP operating loss	\$(715,036)	\$(842,267)	\$(1,094,773)
<b>GAAP operating loss as a % of revenue</b>	<b>(59)%</b>	<b>(41)%</b>	<b>(39)%</b>
<i>Adjustments:</i>			
Stock-based compensation-related charges	675,459	888,999	1,229,523
Amortization of acquired intangibles	7,828	38,828	82,245
Expenses associated with acquisitions and strategic investments	574	9,723	12,715
Non-GAAP operating income (loss)	\$(31,175)	\$ 95,283	\$ 229,710
<b>Non-GAAP operating income (loss) as a % of revenue</b>	<b>(3)%</b>	<b>5 %</b>	<b>8 %</b>
<b>Non-GAAP Free Cash Flow and Adjusted Free Cash Flow</b>			
GAAP net cash provided by operating activities	\$ 110,179	\$ 545,639	\$ 848,122
<b>GAAP net cash provided by operating activities as a % of revenue</b>	<b>9 %</b>	<b>26 %</b>	<b>30 %</b>
<i>Adjustments:</i>			
Purchases of property and equipment	(16,221)	(25,128)	(35,086)
Capitalized internal-use software development costs	(12,772)	(24,012)	(34,133)
Non-GAAP free cash flow	\$ 81,186	\$ 496,499	\$ 778,903
<b>Non-GAAP free cash flow as a % of revenue</b>	<b>7 %</b>	<b>24 %</b>	<b>28 %</b>
<i>Adjustments:</i>			
Net cash paid on payroll tax-related items on employee stock transactions	68,645	23,927	31,282
<b>Non-GAAP adjusted free cash flow</b>	<b>\$ 149,831</b>	<b>\$ 520,426</b>	<b>\$ 810,185</b>
<b>Non-GAAP adjusted free cash flow as a % of revenue</b>	<b>12 %</b>	<b>25 %</b>	<b>29 %</b>

Note: Fiscal year ends January 31. Numbers are in thousands, except percentages. Numbers are rounded for presentation purposes.

