

Q1

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Palantir

2025

Business Update



This presentation contains “forward-looking” statements within the meaning of the federal securities laws, and these statements involve substantial risks and uncertainties. All statements other than statements of historical fact could be deemed forward-looking, 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 Artificial Intelligence Platform (“AIP”), sales and marketing efforts, sales force, partnerships, and customers), investments in our business, market trends and market size, expectations regarding any current or potential customers, partnerships, or other business relationships or initiatives, opportunities (including growth opportunities), our expectations regarding our existing and potential investments in, and commercial contracts with, various entities, our expectations regarding macroeconomic events, our expectations regarding our share repurchase program, and positioning, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology 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. You should not put undue reliance on any forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. 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”). You can locate these reports on our investor relations website (investors.palantir.com) or on the SEC website (www.sec.gov). If the risks or uncertainties ever materialize or the assumptions prove incorrect, our results may differ materially from those expressed or implied by such forward-looking statements. Except as required by law, we assume no obligation and do not intend to update these forward-looking statements or to conform these statements to actual results or to changes in our expectations.

We use the non-GAAP financial measures adjusted free cash flow and adjusted free cash flow margin; adjusted gross profit and adjusted gross margin; billings; adjusted operating income and adjusted operating margin; operating income when excluding one-time SAR-related expenses; net income when excluding one-time SAR-related expenses; adjusted earnings per share (“EPS”), diluted; and adjusted expenses to help us evaluate our business, identify trends affecting our business, formulate business plans and financial projections, and make strategic decisions. 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 in that they do not include the impact of certain expenses that are reflected in our consolidated statements of operations. Thus, these non-GAAP financial measures should be considered in addition to, not as a substitute for, or in isolation from, measures prepared in accordance with GAAP. We compensate for these limitations by providing reconciliations of these non-GAAP financial measures to the most comparable GAAP measures. We encourage investors and others to review our business, results of operations, and financial information in its entirety, not to rely on any single financial measure, and to view these non-GAAP financial measures in conjunction with the most directly comparable GAAP financial measures.

This presentation may contain statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

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This presentation may refer to various growth rates when discussing our business. These rates reflect year-over-year comparisons unless otherwise stated.

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By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of such information, including the potential future performance of our business.

Q1 2025 Highlights

- US revenue grew +55% Y/Y and +13% Q/Q to \$628 million
- US commercial revenue grew +71% Y/Y and +19% Q/Q to \$255 million
- US government revenue grew +45% Y/Y and +9% Q/Q to \$373 million
- Revenue grew +39% Y/Y and +7% Q/Q to \$884 million; +44% Y/Y and +7% Q/Q excluding Strategic Commercial Contracts
- Rule of 40 score of 83%
- Closed 139 deals of at least \$1 million, 51 deals of at least \$5 million, and 31 deals of at least \$10 million
- Adjusted free cash flow of \$370 million; 42% margin
- Adjusted operating income of \$391 million; 44% margin
- US commercial remaining deal value (“RDV”) grew +127% Y/Y and +30% Q/Q to \$2.3 billion
- Highest ever quarter of US commercial total contract value (“TCV”) of \$810 million; +183% Y/Y
- Adjusted EPS of \$0.13

The term “Strategic Commercial Contracts” is as defined in our Annual Report on Form 10-K filed on February 18, 2025. Rule of 40 refers to the sum of our revenue growth rate year-over-year and our adjusted operating margin. The value of deals closed reflects the total contract value of contracts that have been entered into with, or awarded by, our government and commercial customers and includes existing contractual obligations and unexercised contract options available to those customers. Adjusted free cash flow and adjusted free cash flow margin exclude employer payroll taxes related to stock-based compensation and purchases of property and equipment. Adjusted operating income and adjusted operating margin excludes stock-based compensation expense and related employer payroll taxes. Total contract value (“TCV”) is the total potential lifetime value of contracts entered into with, or awarded by, our customers at the time of contract execution and remaining deal value (“RDV”) is the total remaining value of contracts as of the end of the reporting period. Except as noted below, TCV and RDV each presume 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. Further, RDV may exclude 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. Adjusted EPS excludes stock-based compensation expense, related employer payroll taxes, and income tax effects and adjustments. Please see the appendix for reconciliations of these and other non-GAAP financial measures to the most directly comparable GAAP measures.

Skip the Debt.
Skip the Indoctrination.



Get the Palantir Degree.

Palantir launched a Fall fellowship for the best and brightest graduating high school students. Based on merit and academic excellence, select applicants will have the opportunity to intern at Palantir. Upon completion, successful interns will be offered a full-time role.

TITAN dominates.

The U.S. Army Agrees.

After delivering our first AI-defined vehicles in Q1, TITAN was ranked as one of the top-performing programs by the U.S. Army's leaders.

[Watch the trailer](#)



Maven Smart System will equip NATO warfighters with cutting-edge AI technology.

“Maven Smart System NATO enables the Alliance to leverage complex data, accelerate decision-making, and by doing so, adds a true operational value.”

GENERAL MARKUS LAUBENTHAL, CHIEF OF STAFF OF NATO SUPREME HEADQUARTERS ALLIED POWERS EUROPE



Warp Speed is powering the re-industrialization of America.

Our customers are deploying Warp Speed to accelerate on-shore manufacturing capabilities, optimize maintenance, and enable advanced fleet management.

Warp Speed

[Read more](#)



At DevCon 2, we unveiled our latest products geared towards enterprise automation.

DevCon 2

- With Eval-Driven Automation in AIP, users can leverage evaluation feedback loops within the Ontology to improve logic functions for more intelligent automated communication.

[Watch the demo](#)



At AIPCon 6, our partners showed how they drive outcomes with Palantir AIP in real time.

Palantir software has redefined Wendy's supply chain agility while ensuring product superiority.

“We've now taken a problem that would go on for weeks and days and fixed it in five minutes, making our people incredibly efficient.”



PETE SUERKEN,
PRESIDENT AND CEO OF WENDY'S QSCC



With Palantir, Heineken is transforming its supply chain using AI agents to optimize delivery and shipping.

“In three months, the team built what took us three years before.”



LAURENS VAN DE ROTTE,
COO AT HEINEKEN



High-stakes problems. High-impact solutions.

Across industries, more US companies are naming Palantir in their vision for what's next.

R1 RCM is partnering with Palantir to launch an advanced AI lab designed to transform healthcare workflows and improve unit economics by up to 50%.

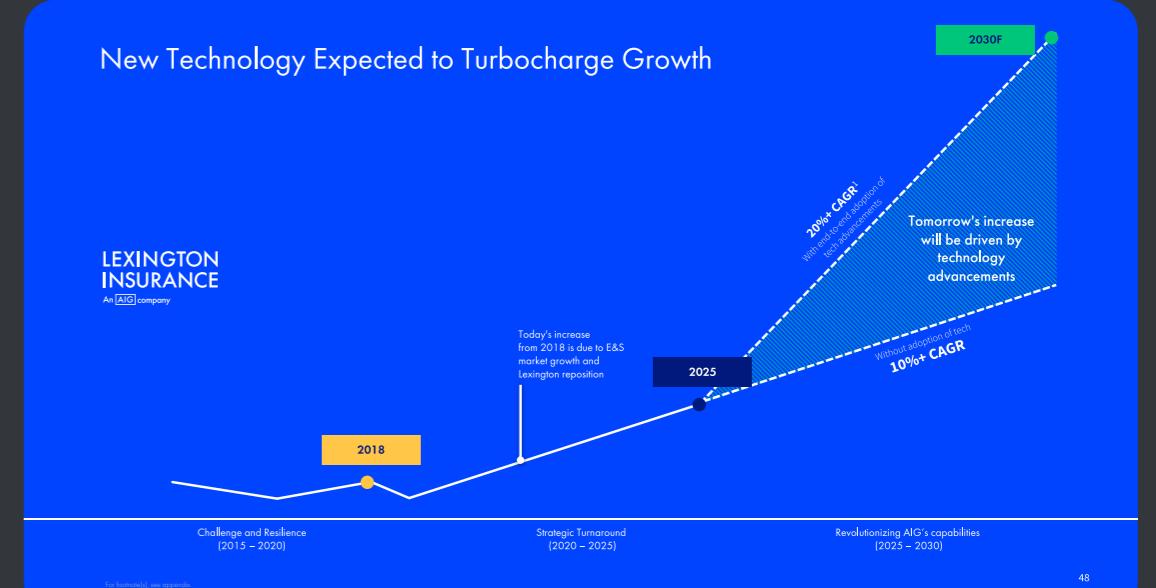


[Watch the interview](#)

Citi's latest earnings release highlighted how a new partnership with Palantir will improve client experience and operational agility in their Wealth division.



AIG expects their adoption of an AI-powered underwriting solution leveraging AIP to double its 5-year revenue CAGR from 10% to 20%.



Palantir and Archer Aviation partner on AI development in next-gen aviation.

“We’ve been able to build an ontology that takes the bill of materials of an aircraft and lets us view it in a hierarchical way that we really haven’t been able to visualize before.”

ADAM WORMOTH, SENIOR DIRECTOR OF PRODUCT, ARCHER AVIATION



[Read more](#)



IMAGE SOURCE: ARCHER AVIATION

Palantir named a winner in the following categories ↴

- /01 AI, Data Science, and ML
- /02 Cloud BI
- /03 Collective Insights
- /04 Data Engineering
- /05 Self-Service BI
- /06 Model Ops
- /07 Analytical Platforms
- /08 Embedded BI
- /09 Supply Chain Planning
and Analysis



2024
Winner

①

2024 DRESNER ADVISORY SERVICES

Tech Innovation Award

②

2024 DRESNER ADVISORY SERVICES

App Innovation Award

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Financials



US commercial continues to accelerate in Q1 2025 alongside AIP revolution

+71% Y/Y

US Commercial Revenue

+19% Q/Q

US Commercial Revenue

+65% Y/Y

US Commercial Customer Count

+13% Q/Q

US Commercial Customer Count

+127% Y/Y

US Commercial Remaining Deal Value

+30% Q/Q

US Commercial Remaining Deal Value

2x Y/Y

US Commercial Deals Closed of \$1M or Greater

\$810M

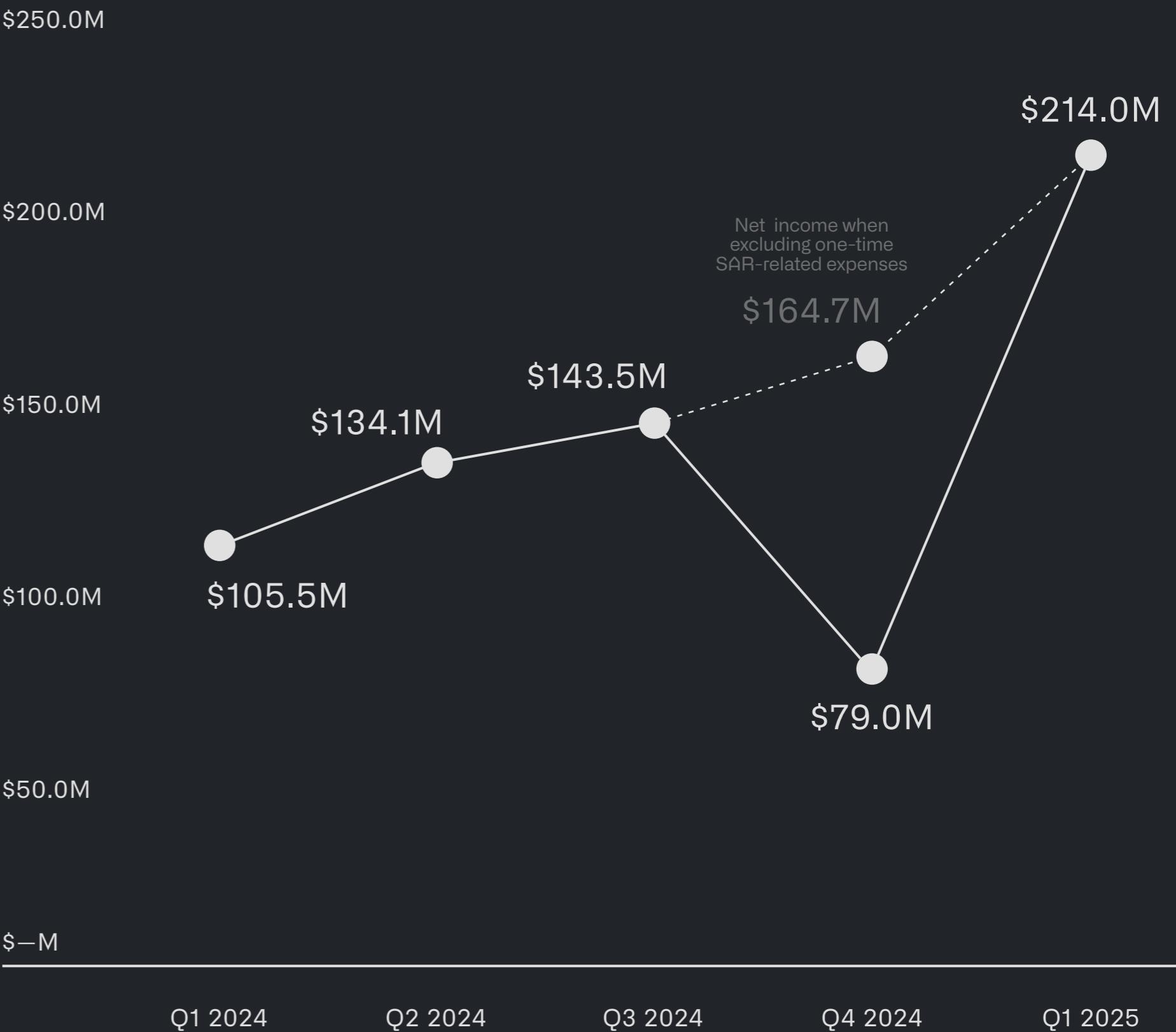
US Commercial Total Contract Value

+183% Y/Y

US Commercial Total Contract Value

Our Q1 2025 GAAP earnings per share was \$0.08.

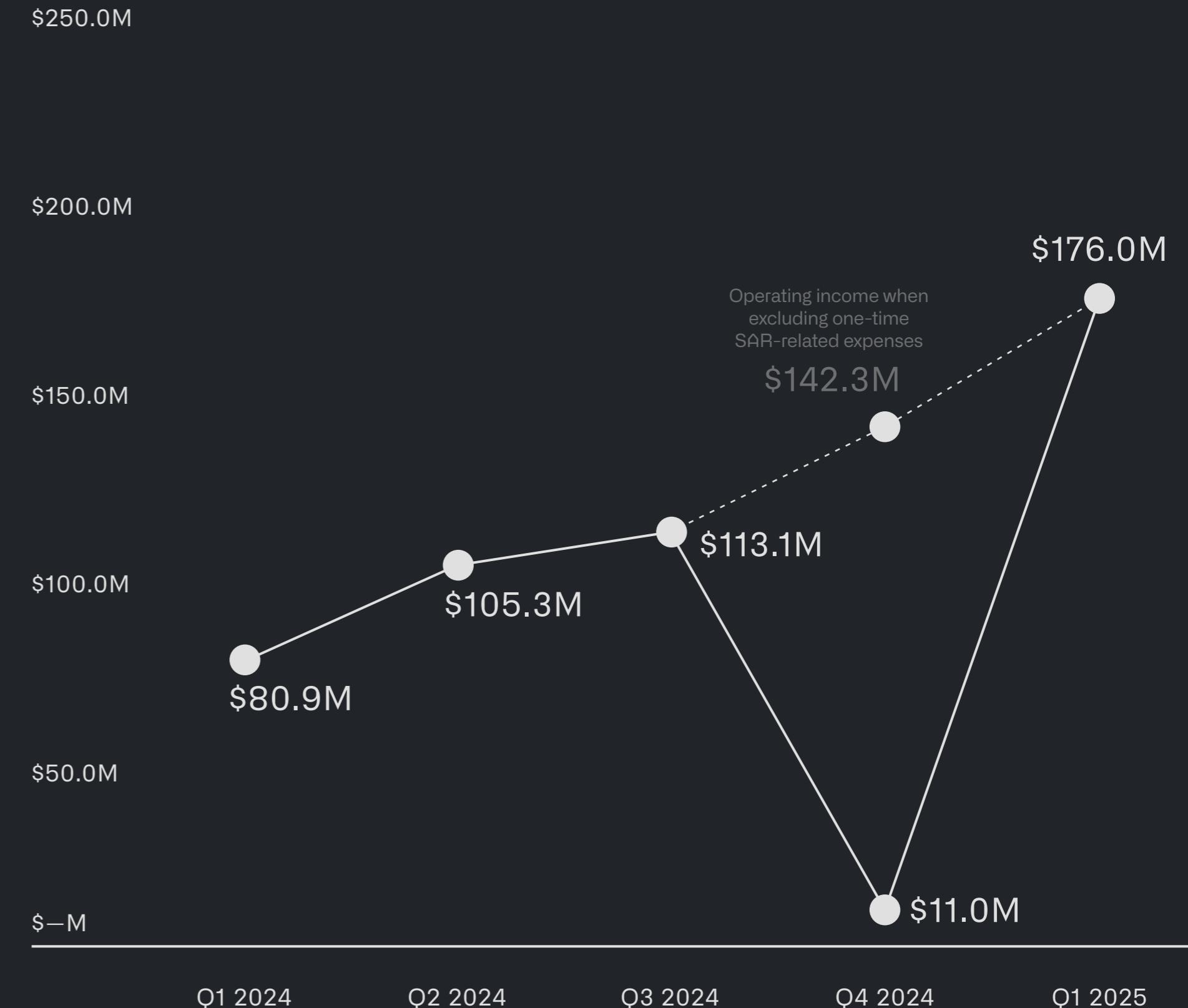
GAAP Net Income



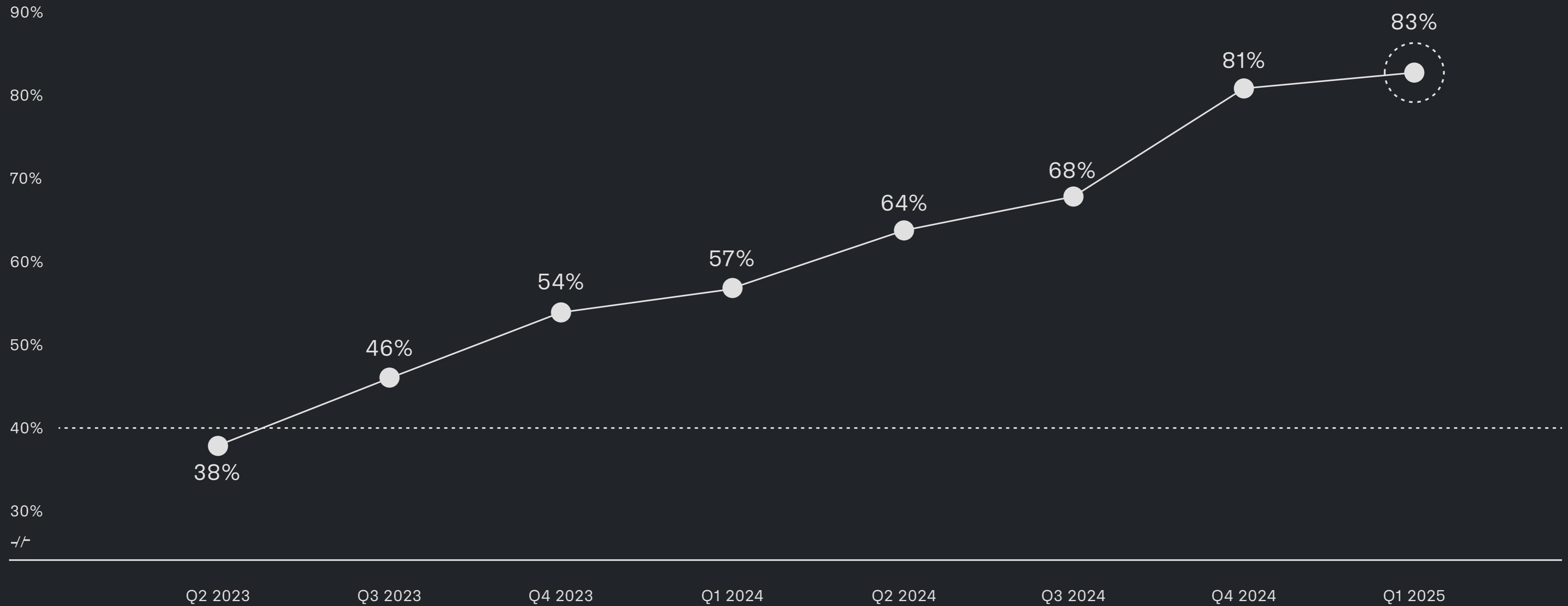
Net income when excluding one-time SAR-related expenses excludes the one-time accelerated stock-based compensation expense, employer payroll taxes, and income tax effects and adjustments related to our Market-Vesting SARs. The term "Market-Vesting SARs" is as defined in our Annual Report on Form 10-K filed on February 18, 2025.

Our Q1 2025 GAAP operating margin was 20%.

GAAP Operating Income

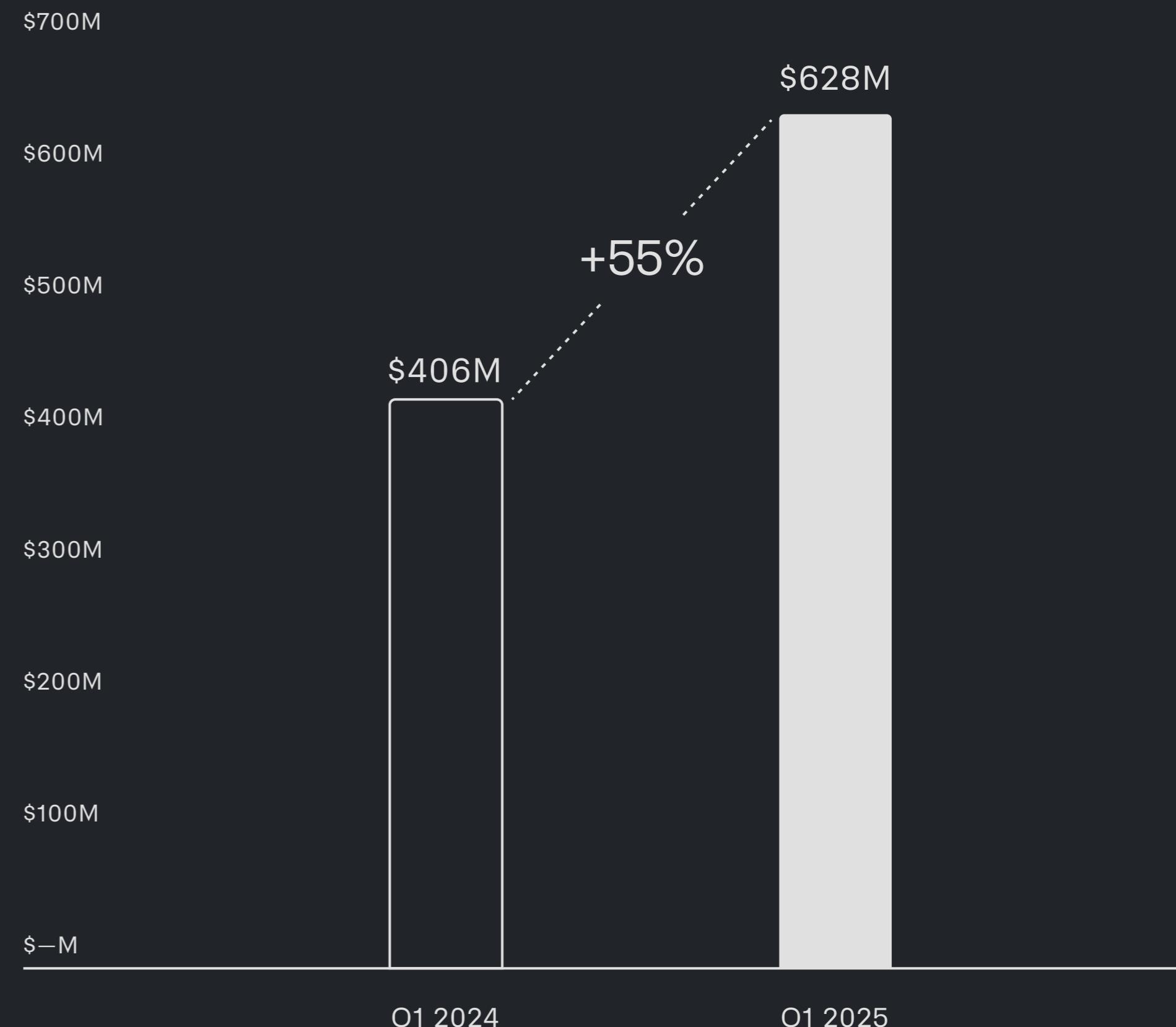


Rule of 40

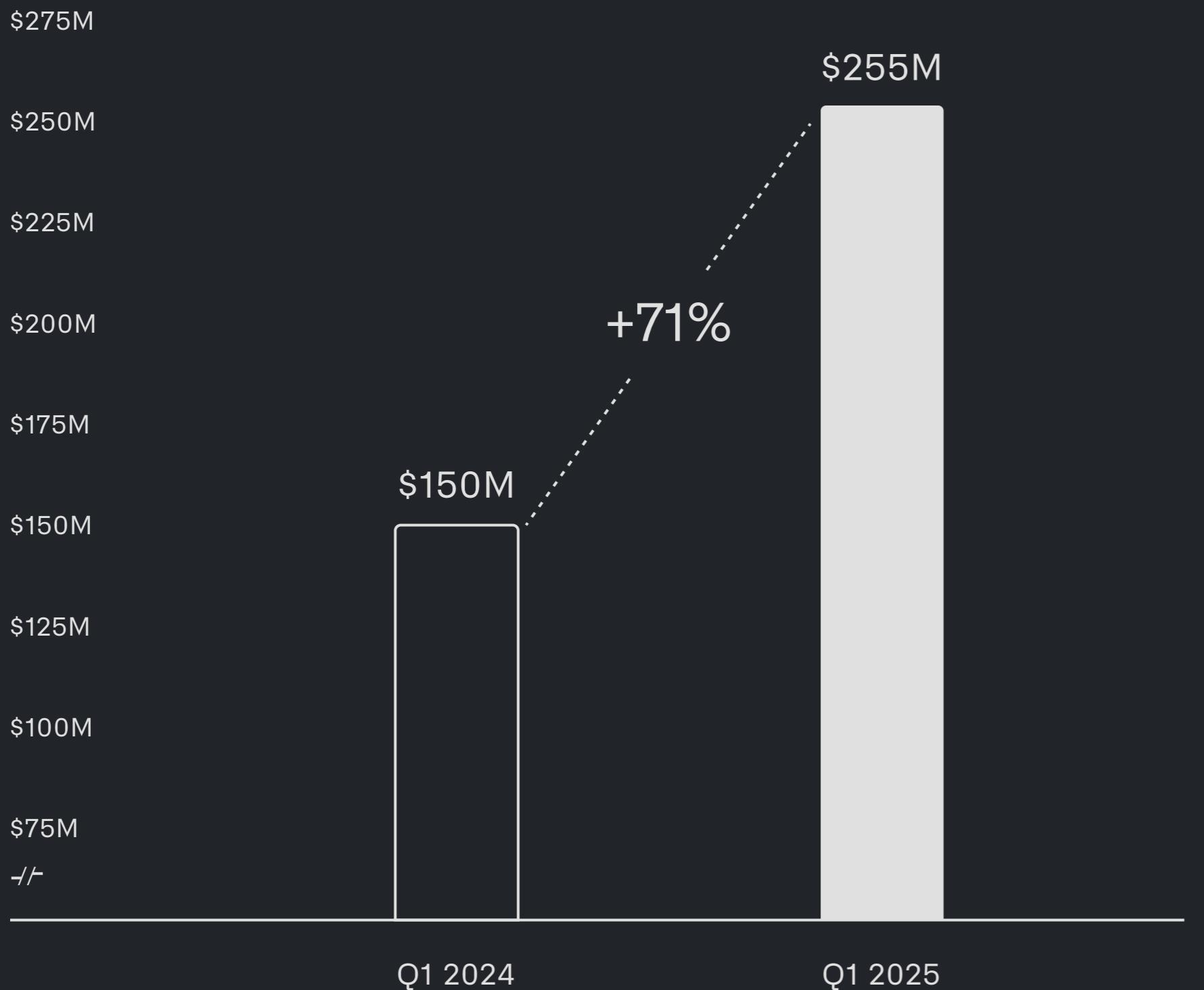


US revenue grew 55% Y/Y and 13% Q/Q, driven by acceleration in US commercial and US government.

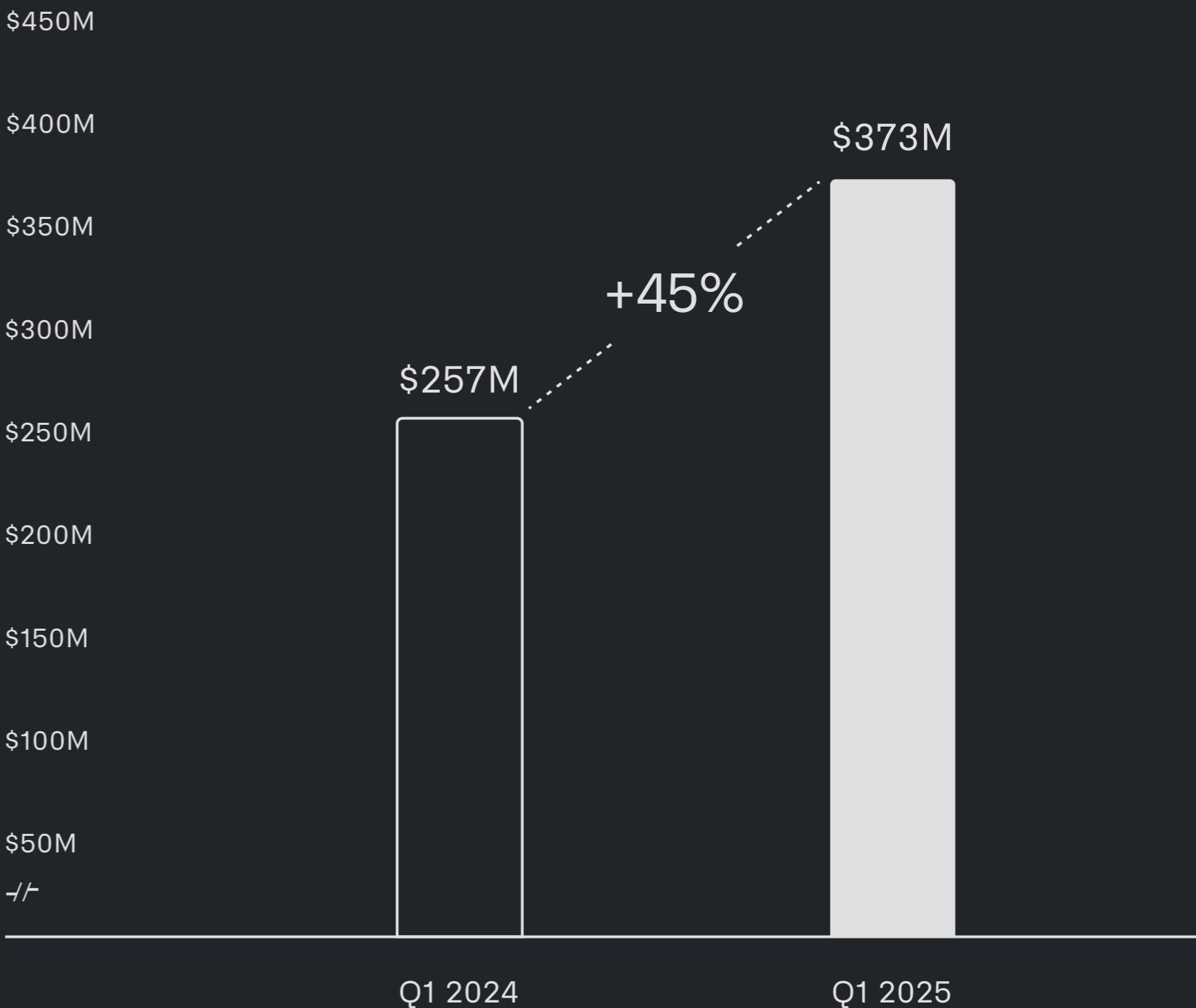
US Revenue Growth



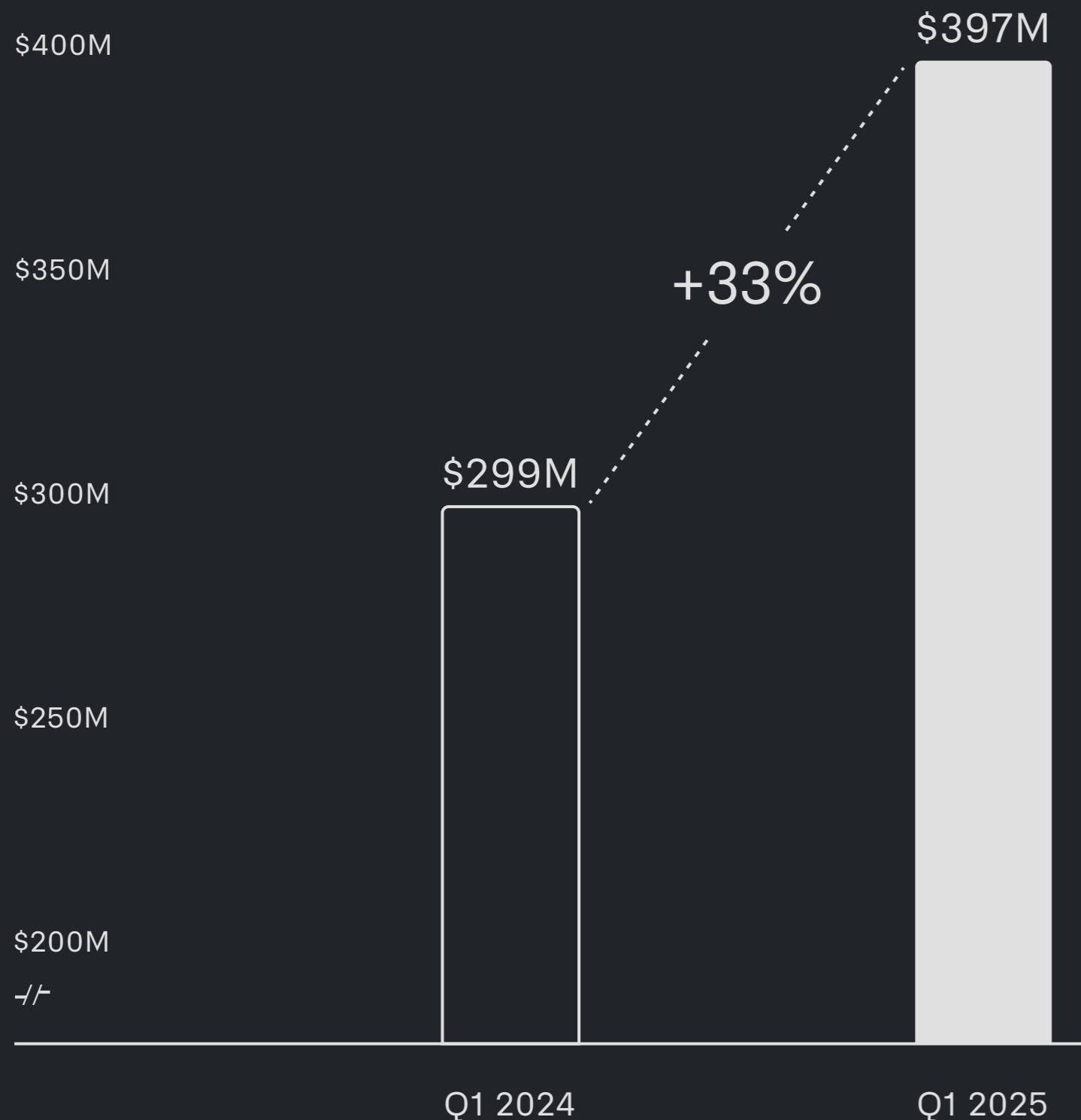
US Commercial Revenue Growth



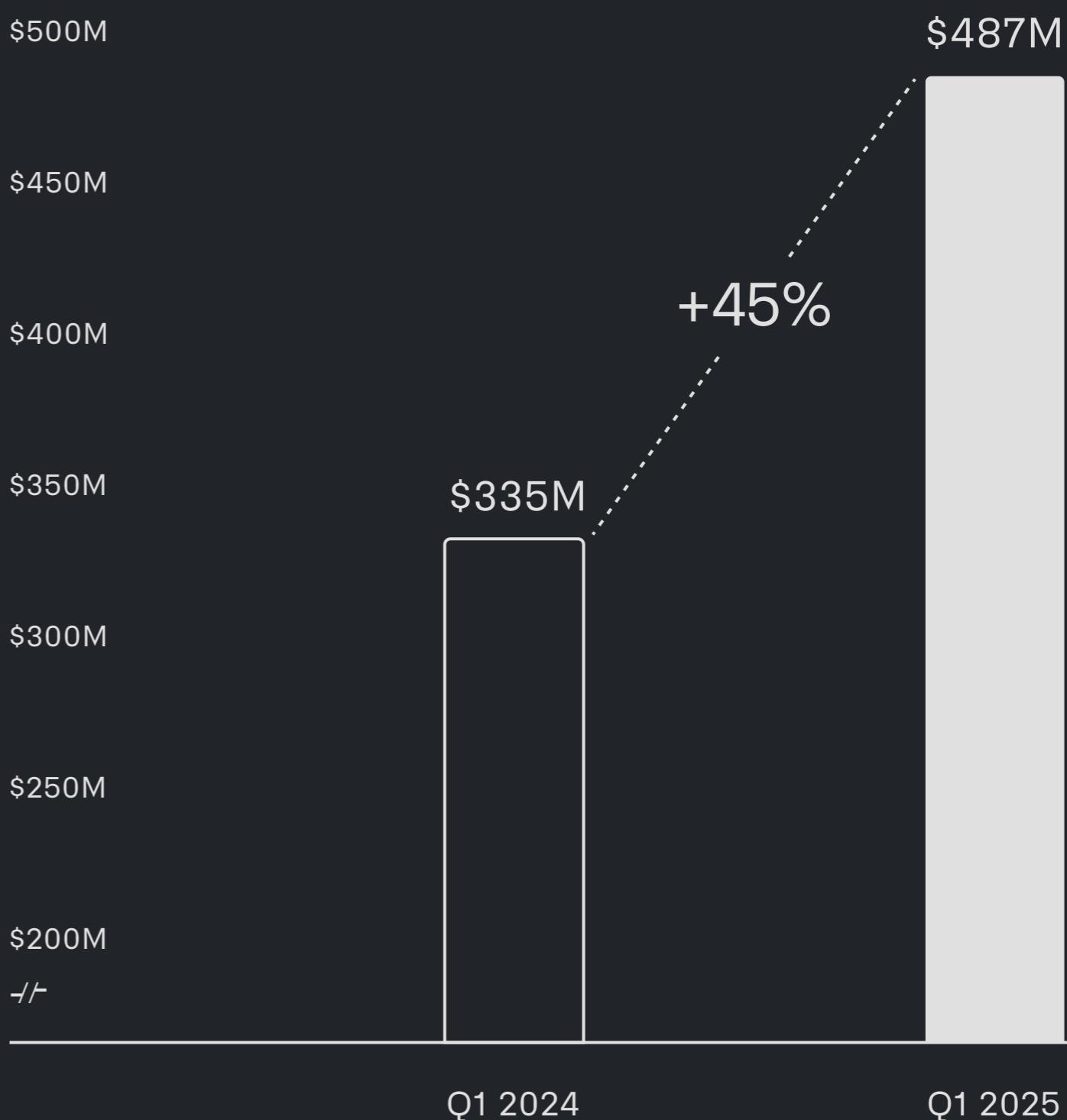
US Government Revenue Growth



Commercial Revenue Growth

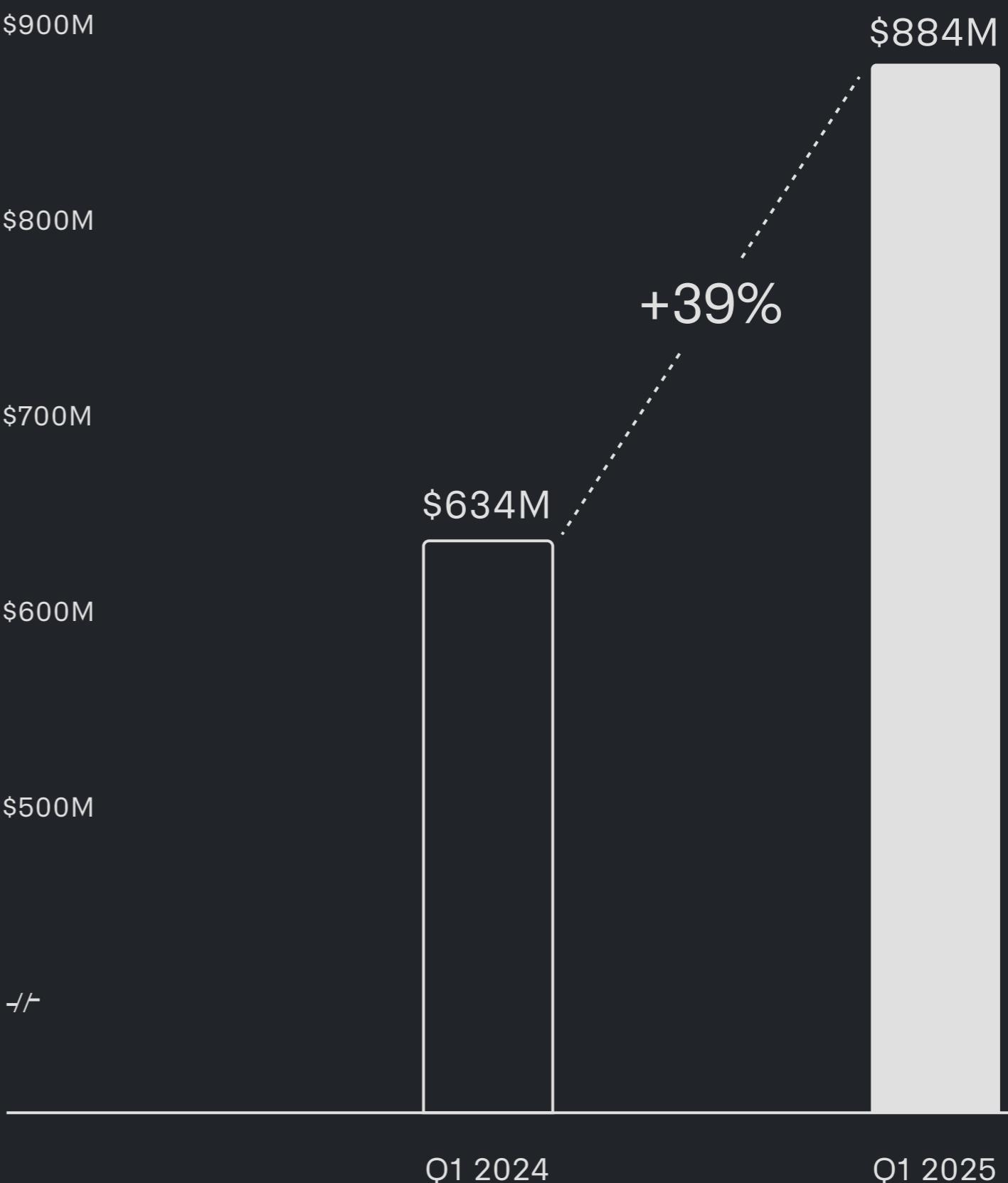


Government Revenue Growth



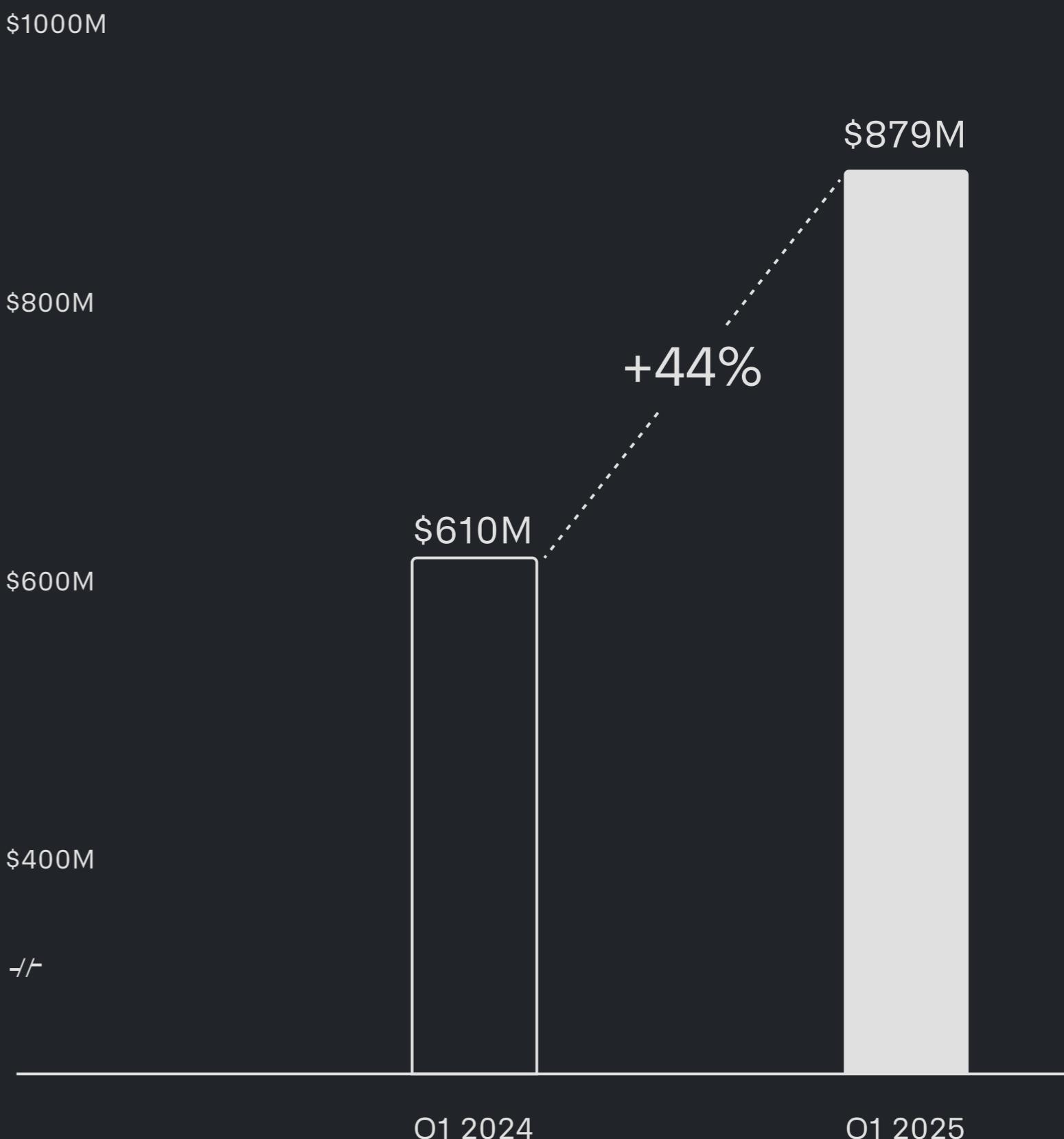
Total revenue grew 39% Y/Y and 7% Q/Q, driven by the continued acceleration of our US business.

Total Revenue Growth



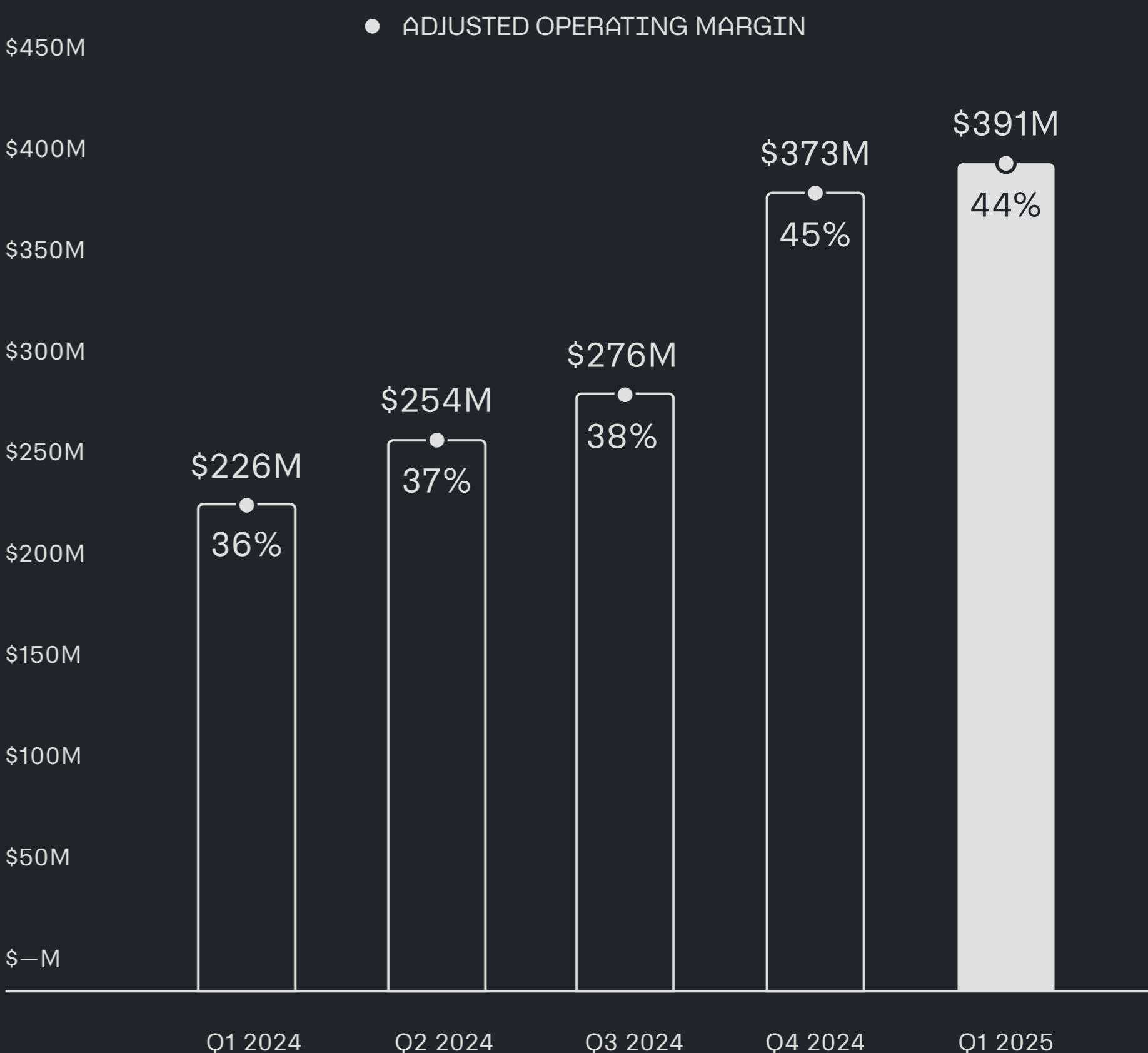
Total revenue excluding strategic commercial contracts grew 44% Y/Y and 7% Q/Q.

Total Revenue Growth excl. Strategic Commercial Contracts

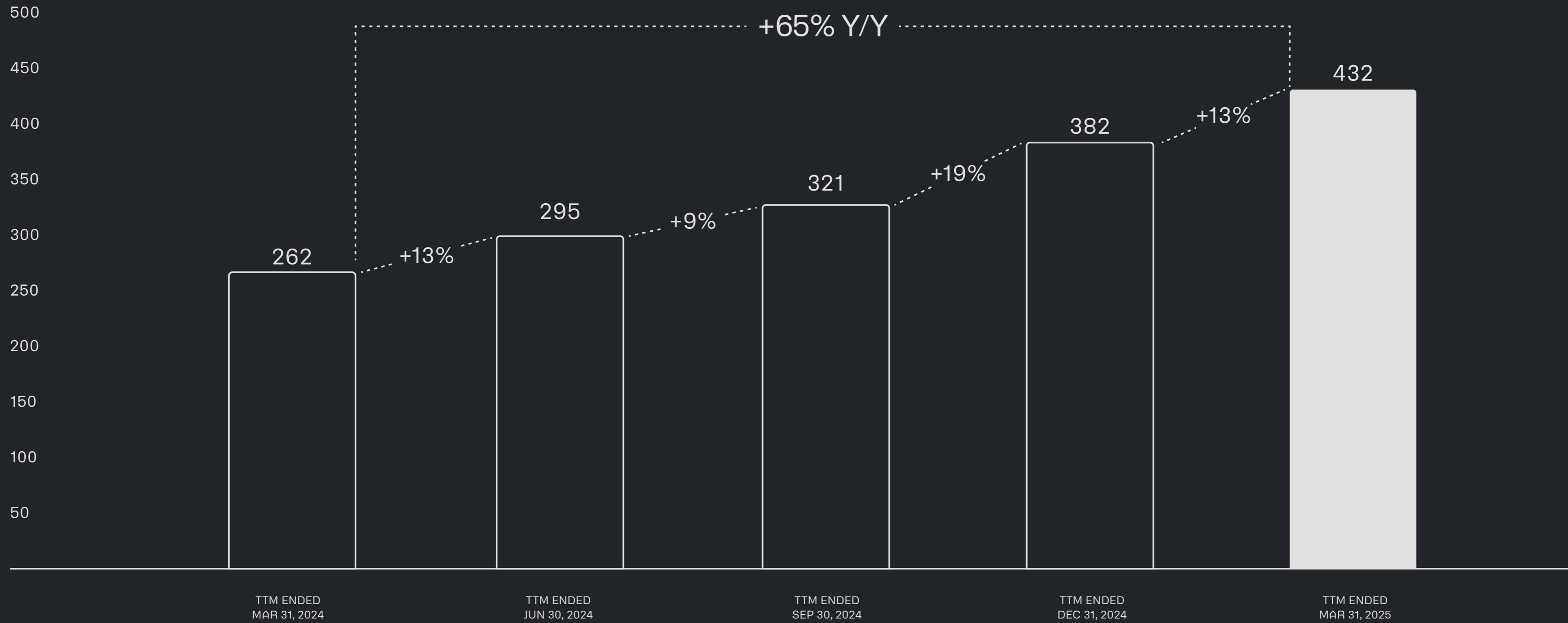


We continue to invest aggressively in AIP and the US while driving operating leverage at scale.

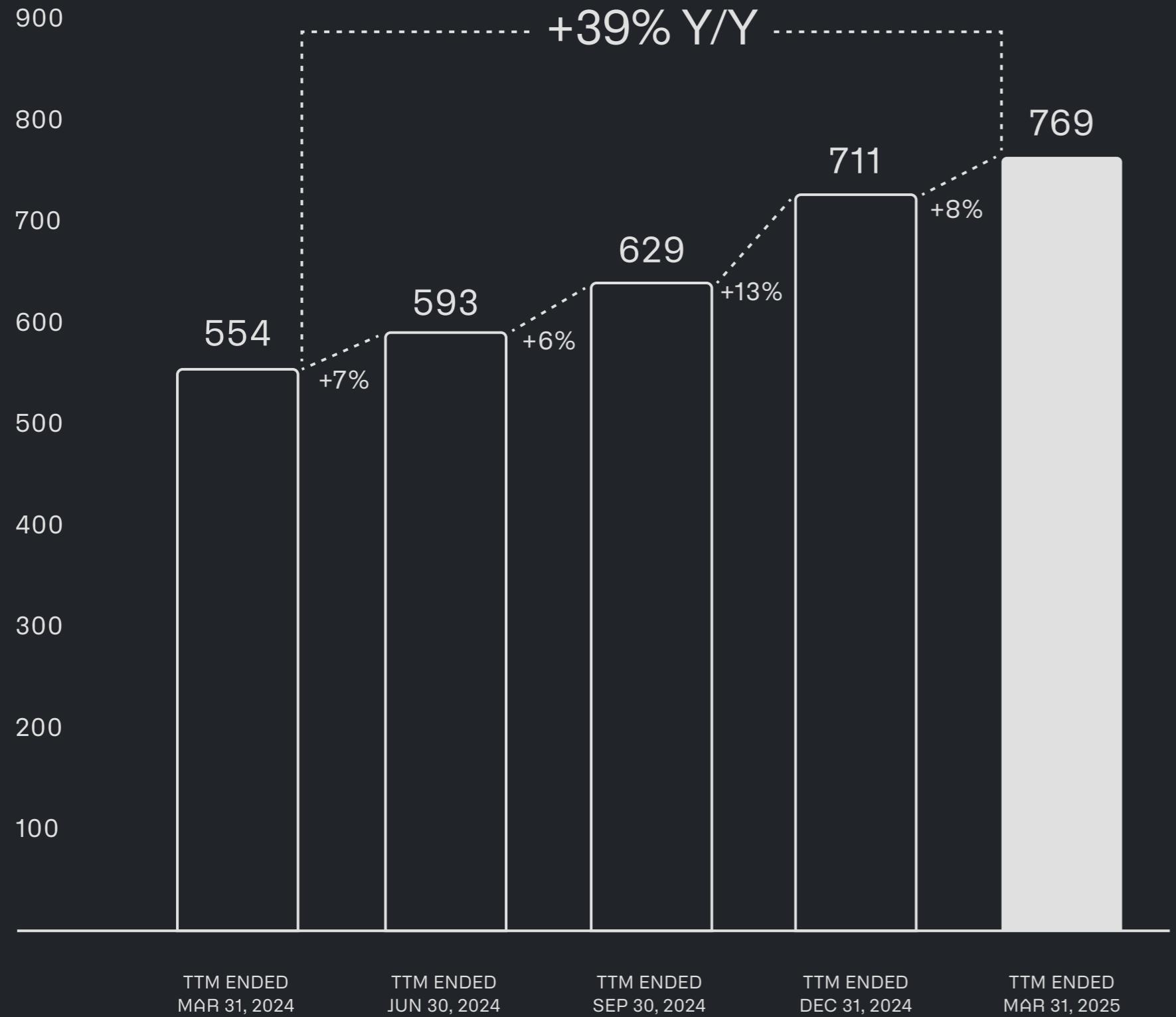
Q1 2025 adjusted operating income was \$391M, representing a margin of 44%.



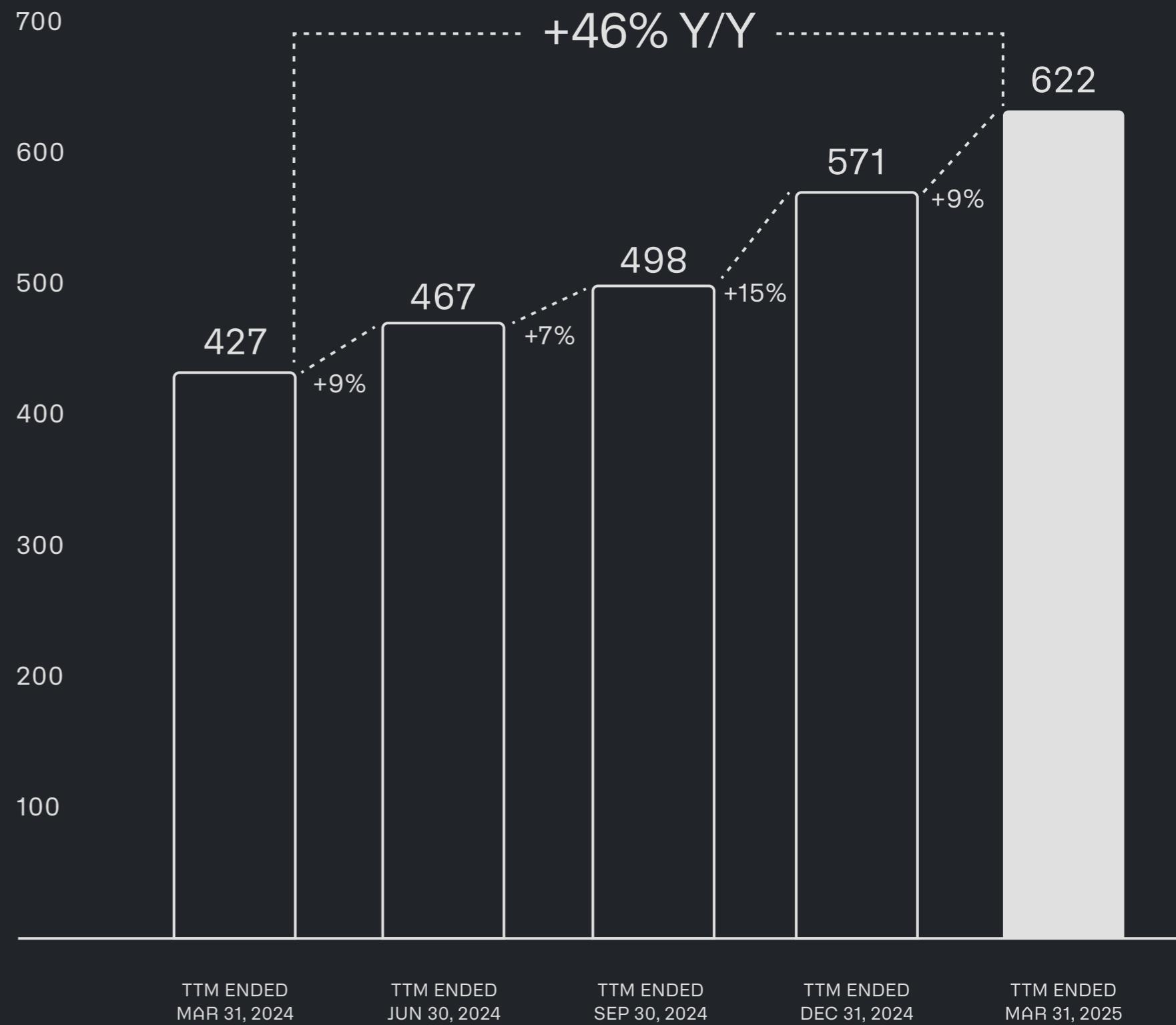
US Commercial Customer Count



Customer Count



Commercial Customer Count



During Q1 2025, we closed

139 deals

of at least \$1 million.

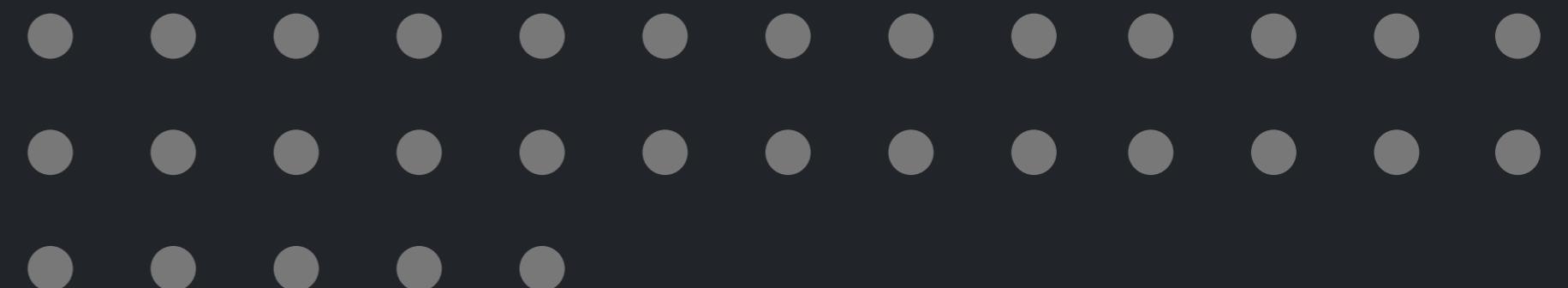
51

of which were at least \$5 million.



31

of which were at least \$10 million.

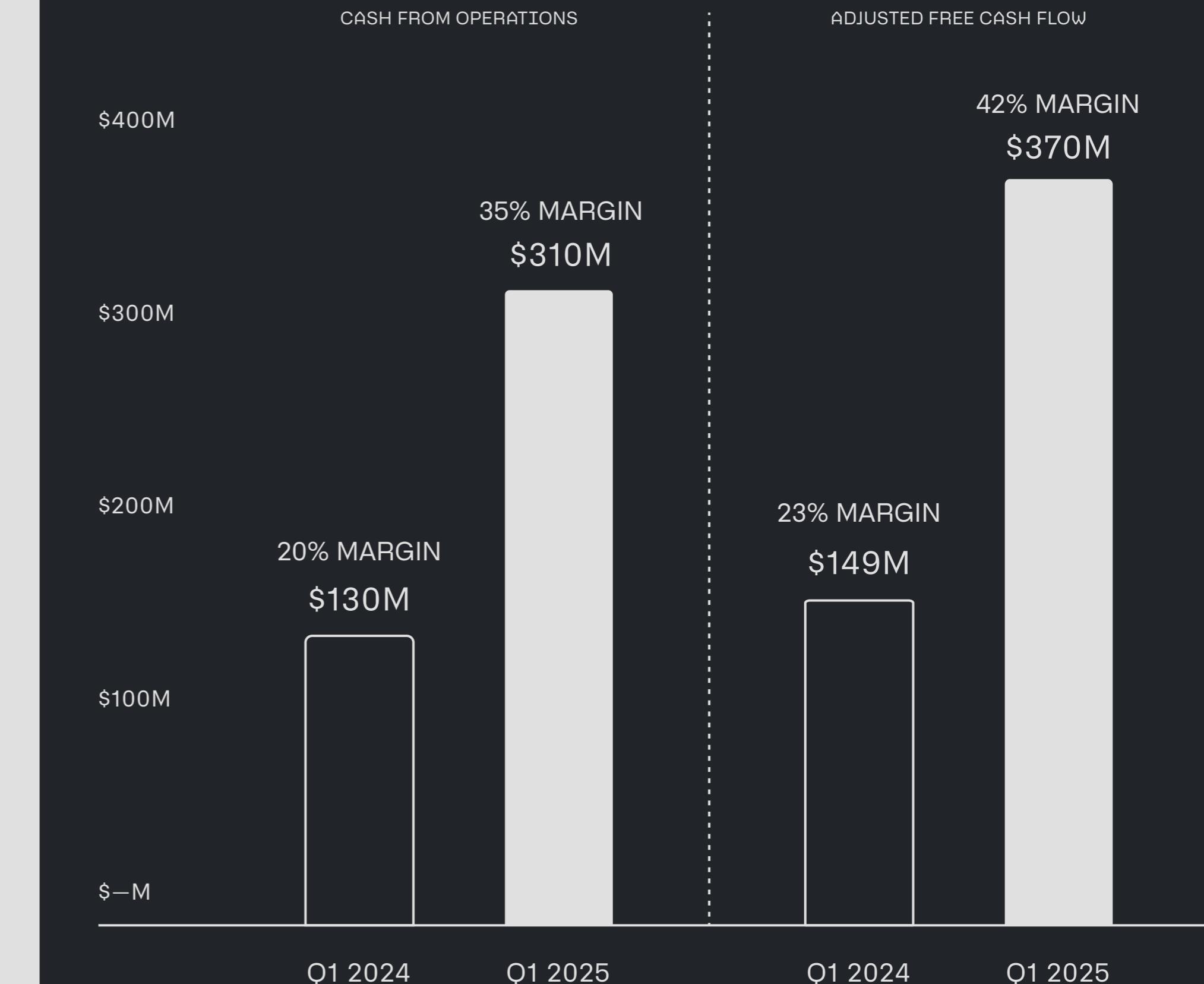


We ended Q1 2025 with

\$5.4B

in cash, cash equivalents,
and US Treasury securities
and no debt.

Cash from Operations and Adjusted Free Cash Flow



Q2 2025

For second quarter 2025, we expect:

- Revenue of between \$934 million – \$938 million.
- Adjusted income from operations of between \$401 million – \$405 million.

FY 2025

For full year 2025, we expect:

- Revenue of between \$3.890 billion – \$3.902 billion.
- US commercial revenue in excess of \$1.178 billion, representing a growth rate of at least 68%.
- Adjusted income from operations of between \$1.711 billion – \$1.723 billion.
- Adjusted free cash flow of between \$1.6 billion – \$1.8 billion.
- GAAP operating income and net income in each quarter of this year.

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Appendix



Additional Metrics and Notes

(\$ BILLIONS)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Total RPO	\$ 1.30	\$ 1.37	\$ 1.57	\$ 1.73	\$ 1.90
Short-Term RPO	\$ 0.69	\$ 0.69	\$ 0.73	\$ 0.83	\$ 0.90
Long-Term RPO	\$ 0.61	\$ 0.68	\$ 0.84	\$ 0.90	\$ 1.00
(\$ MILLIONS)					
Billings	\$ 625	\$ 718	\$ 823	\$ 779	\$ 905
Net dollar retention was 124% in Q1 2025.					

Revenue Excluding Strategic Commercial Contracts

(\$ THOUSANDS)	Q1 2024	Q4 2024	Q1 2025
Revenue	\$ 634,338	\$ 827,519	\$ 883,855
Less:			
Revenue from Strategic Commercial Contracts	23,898	9,584	5,147
Revenue Excluding Strategic Commercial Contracts	\$ 610,440	\$ 817,935	\$ 878,708

Reconciliation of Rule of 40

	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Year-Over-Year Revenue Growth	13%	17%	20%	21%	27%	30%	36%	39%
Adjusted Operating Margin	25%	29%	34%	36%	37%	38%	45%	44%
Rule of 40	38%	46%	54%	57%	64%	68%	81%	83%

Reconciliation of Cash Flow from Operating Activities to Adjusted Free Cash Flow and Adjusted Free Cash Flow Margin

Adjusted free cash flow margin is calculated as adjusted free cash flow divided by revenue

(\$ THOUSANDS)	Q1 2024	Q1 2025
Cash Flow from Operating Activities	\$ 129,579	\$ 310,263
Add:		
Cash Paid for Employer Payroll Taxes Related to Stock-Based Compensation	21,719	66,298
Less:		
Cash Used to Purchase Property and Equipment	(2,664)	(6,184)
Adjusted Free Cash Flow	\$ 148,634	\$ 370,377
Adjusted Free Cash Flow Margin	23%	42%

Reconciliation of Gross Profit to Adjusted Gross Profit & Adjusted Gross Margin

Excluding Stock-Based Compensation

Adjusted gross margin is calculated as adjusted gross profit divided by revenue

(\$ THOUSANDS)	Q1 2025
Gross Profit	\$ 710,885
Add:	
Stock-Based Compensation	15,016
Adjusted Gross Profit	\$ 725,901
Adjusted Gross Margin	82%

Reconciliation of Income from Operations to Adjusted Operating Income and Adjusted Operating Margin

Excluding Stock-Based Compensation and Related Employer Payroll Taxes

(\$ THOUSANDS)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Income From Operations	\$ 80,881	\$ 105,339	\$ 113,140	\$ 11,043	\$ 176,048
Add:					
Stock-Based Compensation	125,651	141,764	142,425	281,798	155,339
Employer Payroll Taxes Related to Stock-Based Compensation	19,926	6,464	19,950	79,681	59,323
Adjusted Operating Income	\$ 226,458	\$ 253,567	\$ 275,515	\$ 372,522	\$ 390,710
Adjusted Operating Margin	36%	37%	38%	45%	44%

Reconciliation of Income from Operations to Operating Income When Excluding One-Time SAR-Related Expenses

(\$ THOUSANDS)	Q4 2024
Income From Operations	\$ 11,043
Add:	
Accelerated Stock-Based Compensation Expense Related to Market-Vesting SARs	115,776
Employer Payroll Taxes Related to Market-Vesting SARs	15,528
Operating Income When Excluding One-Time SAR-Related Expenses	\$ 142,347

Reconciliation of GAAP Net Income to Net Income When Excluding One-Time SAR-Related Expenses

(AMOUNTS IN THOUSANDS)	Q4 2024
Net Income Attributable to Common Stockholders	\$ 79,009
Add / (Less):	
Accelerated Stock-Based Compensation Expense Related to Market-Vesting SARs	115,776
Employer Payroll Taxes Related to Market-Vesting SARs	15,528
Income Tax Effects and Adjustments Related to Market-Vesting SARs [1]	(45,599)
 Net Income When Excluding One-Time SAR-Related Expenses	 \$ 164,714

Reconciliation of GAAP Earnings Per Share, Diluted to Adjusted Earnings Per Share, Diluted

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)	Q1 2024	Q1 2025
Net Income Attributable to Common Stockholders	\$ 105,530	\$ 214,031
Add / (Less):		
Stock-Based Compensation	125,651	155,339
Employer Payroll Taxes Related to Stock-Based Compensation	19,926	59,323
Income Tax Effects and Adjustments [1]	(54,170)	(94,288)
Adjusted Net Income Attributable to Common Stockholders, Diluted	<hr/> \$ 196,937	<hr/> \$ 334,405
Weighted-Average Shares Used in Computing Adjusted Earnings Per Share, Diluted	<hr/> 2,400,107	<hr/> 2,552,818
Adjusted Earnings Per Share, Diluted	<hr/> \$ 0.08	<hr/> \$ 0.13

Reconciliation of Revenue to Billings

(\$ THOUSANDS)	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025
Revenue	\$ 634,338	\$ 678,134	\$ 725,516	\$ 827,519	\$ 883,855
Change in Contract Liabilities	(9,051)	39,934	97,924	(48,636)	21,044
<hr/>					
Billings	\$ 625,287	\$ 718,068	\$ 823,440	\$ 778,883	\$ 904,899

Reconciliation of Cost of Revenue and Total Operating Expenses to Adjusted Expenses

(\$ THOUSANDS)	Q1 2024	Q4 2024	Q1 2025
Total Expenses	\$ 553,457	\$ 816,476	\$ 707,807
Less:			
Stock-Based Compensation	125,651	281,798	155,339
Employer Payroll Taxes Related to Stock-Based Compensation	19,926	79,681	59,323
Adjusted Expenses	<hr/> \$ 407,880	\$ 454,997	\$ 493,145