<table>
<thead>
<tr>
<th><strong>Welcome</strong></th>
<th>Michael Magaro, VP Investor Relations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Opening Remarks</strong></td>
<td>Robynne Sisco, Co-President and CFO</td>
</tr>
<tr>
<td><strong>Adaptive Insights Technology</strong></td>
<td>Tom Bogan, CEO, Adaptive Insights, a Workday Company</td>
</tr>
<tr>
<td><strong>Workday Technology Journey</strong></td>
<td>Petros Dermetzis, Chief Product Officer</td>
</tr>
<tr>
<td><strong>Break (15 mins)</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Customer Panel</strong></td>
<td>Emily McEvilly, SVP Services</td>
</tr>
<tr>
<td><strong>Customer Experience</strong></td>
<td>Jim Bozzini, COO</td>
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<tr>
<td><strong>Go-To-Market Growth Levers</strong></td>
<td>Chano Fernandez, Co-President</td>
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<tr>
<td><strong>Enduring Growth</strong></td>
<td>Robynne Sisco, Co-President and CFO</td>
</tr>
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<td><strong>Q&amp;A</strong></td>
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</tbody>
</table>
This presentation contains forward-looking statements that involve risks, uncertainties, and assumptions. If any of these risks or uncertainties materialize or if any of these assumptions prove incorrect, the results of Workday could differ materially from the results expressed or implied by these forward-looking statements. All statements other than statements of historical fact could be deemed forward-looking statements, including any projections of revenues, gross margins, earnings, or other financial items; any statements regarding strategies or plans of management for future operations; any statements concerning new features, enhancements, or upgrades to our existing applications or services or plans for future applications or services; statements about current or future economic conditions; and any statements of belief. The risks and uncertainties referred to above include, but are not limited to, our history of losses and expectations as to future losses, limited operating history, competition, management of growth, development of the market for enterprise cloud computing, market acceptance of our applications and services, breaches of our security measures, fluctuations in our operating results, interruptions or delays in the provision of our services, risks associated with selling to larger enterprise customers, and adverse changes in general economic or market conditions. Further information on risks that could affect the financial results of Workday is included in our filings with the Securities and Exchange Commission which are available on the Workday investor relations webpage: www.workday.com/company/investor_relations.php.

Workday assumes no obligation for and does not intend to update any forward-looking statements. Any unreleased services, features, functionality or enhancements referenced in any Workday document, roadmap, blog, our website, press release or other public statement that are not currently available are subject to change and may not be delivered as planned or at all. Customers who purchase Workday applications and services should make their purchase decisions based upon services, features, and functions that are currently available.

Use of Non-GAAP Financial Measures

This presentation includes non-GAAP financial measures we believe provide investors and others with additional information regarding Workday’s results. Workday has provided a reconciliation of each non-GAAP financial measure used in this presentation to the most directly comparable GAAP financial measure in an Appendix at the end of this presentation.

Workday’s management uses non-GAAP financial measures to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate Workday’s financial performance and the ability of operations to generate cash. Management believes the use of non-GAAP financial measures reflects Workday's ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in Workday's business, as they exclude expenses that are not reflective of ongoing operating results. Management also believes that non-GAAP financial measures provide useful information to investors and others in understanding and evaluating Workday's operating results and future prospects in the same manner as management and in comparing financial results across accounting periods and to those of peer companies. The use of non-GAAP financial measures has certain limitations as they do not reflect all items of income and expense that affect Workday's operations. 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. Further, non-GAAP measures may differ from the non-GAAP information used by other companies, including peer companies, and therefore comparability may be limited. Management encourages investors and others to review Workday's financial information in its entirety and not rely on a single financial measure.
Opening Remarks

Robynne Sisco, Co-President and CFO
Highlights from Keynote

- Plan, Execute and Analyze in One System
- Data is its Most Powerful with Workday
- Machine Learning Will Make Workday Predictive
- Culture and Customer Success Remain Core Workday Differentiators
Adaptive Insights Technology

Tom Bogan, CEO, Adaptive Insights, a Workday Company
Market Leadership

4,000+ Customers in 50+ countries

Modern Cloud Architecture
Multi-tenant In-memory

$4B+ TAM

+36% TTM Subscription Revenue Growth

Gartner Leader
Forrester Leader
Deloitte Fast 500
Forbes Cloud 100
Large, Growing & Passionate Customer Base

<table>
<thead>
<tr>
<th>Customers</th>
<th>Net New Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>4,000+</td>
<td>1,100+</td>
</tr>
</tbody>
</table>

- **4,000+ Customers**
- **1,100+ Net New Customers Added in Last Two Years**

- **23%** Enterprise
- **43%** Mid-Market
- **34%** SMB

Workday Confidential
Chaos Limits Business Agility

Static Planning: siloed, inaccurate, episodic, reactive, and lacks insight
Business Planning Cloud Platform

Powered by Elastic Hypercube Technology

Adaptive Insights for

Finance
Planning and Analysis, Consolidation

Workforce
Headcount, Skills, Scenarios

Sales
Quota and Capacity, Territory

Operational Planning
Project, Capacity, Operations

User Interaction: Sheets, Dashboards and Reports, Collaboration

Elastic Hypercube Technology: Modeling, Reporting and Analytics Engine

Data Integration Framework

Workday, SAP, Oracle, NetSuite, Sage Intacct, Microsoft Dynamics, Intuit Quickbooks, Salesforce, Other Data Sources, Excel

Workday Confidential
**Elastic Hypercube Technology**
Patent Pending

**Intelligent**
Knows what it needs to calculate and only calculates that

**Robust Modeling Engine**

**Scalable**
Adds memory and computing power when you need it

- 10^{18} Cells—no set limit
- 22 dimensions typical—no set limit
- 200+ Scenarios—no set limit
- Million member sheets

**All Without Compromising Ease-of Use**
for business users

Workday Confidential
Power of One

One Community

One Source for Data - One Logical Data Access Layer

One Experience - Consistent Modern UX Collaborative, Conversational People System of Record

One Security Model - Governed by One Security Model
## Adaptive Insights Roadmap to Power of One

<table>
<thead>
<tr>
<th>Native integration</th>
<th>Plan to execute</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drill through</td>
<td>Prism data exchange</td>
</tr>
<tr>
<td></td>
<td>Budgetary controls</td>
</tr>
<tr>
<td>Single sign-on</td>
<td>Unified security model</td>
</tr>
<tr>
<td>Adaptive worklet</td>
<td>Unified look and feel</td>
</tr>
<tr>
<td>Tasks via Workday Inbox</td>
<td></td>
</tr>
</tbody>
</table>

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### Workday Confidential

Workday 32

Workday 33
Accelerating Go-to-Market Momentum

Adaptive Insights Through Workday
- As planning solution in Workday suite
- As ‘tip of the spear’ into finance and other functions

Adaptive Insights Standalone
- Midmarket and SMB traditional markets
- Accelerate in enterprises with Workday strength
The Workday Technology Journey

Petros Dermetzis, Chief Product Officer
You Might Think of Workday As…
The Workday Technology Journey

- Mainframes (Flat File)
- Client Server (Relational)
- Cloud (Relational?) (Object Oriented?)
- Predictive Technologies

...
Transactions

Execute
Planning

Execute

Analyze

Plan
Unification

Plan, Execute, Analyze

Financial Management

Human Capital Management

Analytics and Benchmarking

Plan

Execute

Analyze

POWER OF 1

Only Workday

Platform Vision

Work

Data Vision

Final Thoughts
Built for the Future

Plan, Execute, Analyze
Unification
Only Workday
Platform Vision
Work
Data Vision
Final Thoughts
Power of One

- One Community
- One Source for Data
- One Experience
- One Security Model
Plan, Execute, Analyze, Extend

Plan, Execute, Analyze

Unification

Plan, Execute, Analyze, Extend

Only Workday

Platform Vision

Work

Data Vision

Final Thoughts

Planning

Financial Management

Human Capital Management

Analytics and Benchmarking

Extend: Workday Cloud Platform
Data + Engagement Layer

Plan, Execute, Analyze

Only Workday

Platform Vision

Work

Data Vision

Final Thoughts
Keep Work Where the Data Is

Plan, Execute, Analyze
Unification
Only Workday
Platform Vision
Work
Data Vision
Final Thoughts
Keep Work Where the Data Is
Cross Tenant

Across Tenant

Single Tenant

Plan, Execute, Analyze

Unification

Only Workday

Platform Vision

Work

Data Vision

Final Thoughts
The Workday Technology Journey

Plan, Execute, Analyze

Unification

Only Workday

Platform Vision

Work

Data Vision

Final Thoughts

Mainframes (Flat File)

Client Server (Relational)

Cloud (Relational?) (Object Oriented?)

Predictive Technologies

...
Customer Panel

Emily McEvilly, SVP Services
About Aon plc

50,000+ Employees

London, England
Headquarters

120 Countries operating in

1982 Founded

$10B In revenue

AON NYSE

Professional Services
Industry

Workday at Aon plc

Financial Management
Human Capital Management
Payroll
Expenses
Learning
Professional Services
Customer Experience

Jim Bozzini, COO
Key Objectives

95%+
Customer Satisfaction Goal

Services Revenue Trend (FY)

- 2017
- 2018
- 2019E

Millions

- $200
- $220
- $240
- $260
- $280
- $300
- $320
- $340
- $360
- $380
- $400
- $420
- $440
Key Objectives

Customer Satisfaction Rating

98%

Services Revenue Trend (FY)

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>$200</td>
</tr>
<tr>
<td>2018</td>
<td>$220</td>
</tr>
<tr>
<td>2019E</td>
<td>$240</td>
</tr>
</tbody>
</table>
Differentiated Customer Experience

- Proven Deployments
- Customer Satisfaction
- Accountability to Customer Results
Differentiated Customer Experience

Proven Deployments

Customer Satisfaction

Accountability to Customer Results
Key Components of Workday Deployments

Selected Partners
Certification
Methods and Tools
Delivery Assurance
Live +70%
Deployment Tooling

Reduce Hours  Increase Predictability  Improve Quality

Streamlined Deployments
Significant Momentum in Medium Enterprise

Pre-Configured

Packaged Scope

Fixed Fee

Workday Launch
Proven best-practice deployment package

30%+

Reduction in Hours to Deliver
Ecosystem Growth

Certified Resources

- FY16
- FY17
- FY18
- FY19 Projected

Partner Ecosystem

Current

- Deloitte
- Accenture
- IBM
- KPMG
- Alight
- PwC
- Mercer

Workday Confidential
Differentiated Customer Experience

Customer Satisfaction

Proven Deployments

Accountability to Customer Results
Connected Throughout the Lifecycle

- Scorecards
- Surveys
- Scheduled Reviews
Feature Adoption
Customer-Centric Culture

95% +
Customer Satisfaction Goal

Workday Confidential
Go-to-Market Growth Levers

Chano Fernandez, Co-President
Primary Growth Levers in Go-to-Market Strategy

Acquire

Upsell
Primary Growth Levers in Go-to-Market Strategy

- Acquire
- Upsell
We Are Just Beginning Our Long-term Journey

Total Addressable Customer Segment

2,300+ Current Customers

33,000
Whitespace Opportunity

Workday Confidential
New Customers Fuel Growth

Q2 14: 500+
Q2 15
Q2 16
Q2 17
Q2 18
Q2 19: 2,300+

[Logos of companies like Amazon, Bank of America, Cardinal Health, Chevron, Citi, and others]

Workday Confidential
New Customers Continue to Drive Net New ACV

80%+
Broader Product Portfolio Fuels Growth

Average # of Products Sold to New Customers

- FY2012: 3
- FY2015: 4
- FY2018: 6
NA only, Net new customers

Accelerating Platform Sales

14% FY14

30% 1H FY19

Human Capital Management

Financial Management
Strong Adoption of Workday Financial Management

Drivers for Growth

• Consistent customer adoption in the medium enterprise
• Focus on customer success and referenceability as we go up-market
• 9 F500 Financial Management Customers
• Continuous Innovation

Number of Core Workday Financial Management Customers

Q2 14 | Q2 15 | Q2 16 | Q2 17 | Q2 18 | Q2 19
---|---|---|---|---|---
45+ | | | | | 530+
HCM Customer Growth Curve

Customers 100-500

Days to Close from Cust #100

0 100 200 300 400 500 600

HCM
Financial Adoption Following Similar HCM Curve

Customers 100-500
International Growth Remains Strong

Mature SaaS Adoption
- United Kingdom
- Nordics
- Benelux
- Australia
- New Zealand

Emerging SaaS Adoption
- Germany
- Austria
- Switzerland
- ASEAN
- Hong Kong
- Japan
- Italy
- France

Increasing Investments
- 20+ Sales Offices
- 48% Q2 19 Revenue Growth
- 23% Of Revenue
- 30% New Sales Representatives
- 500+ Customers

Data is as of our Q2 19 Earnings Call on 09/04/18
Primary Growth Levers in Go-to-Market Strategy

- Acquire
- Upsell
Primary Growth Levers in Go-to-Market Strategy

- Acquire
- Upsell

Workday Confidential
Customer Base is an Important Growth Driver

- New Customer Segmentation
- Customer Base Team
Product-Attach Opportunity Driver of Growth

Q2 17

- Recruiting: 51%
- Time Tracking: 55%
- Payroll: 56%
- Expenses: 27%
- Learning: 1%
- Procurement: 18%
- Planning: 4%
- Prism: 0%

Workday Confidential
Product-Attach Opportunity Driver of Growth

Q2 19

- Recruiting: 51% (65% total)
- Time Tracking: 55% (61% total)
- Payroll: 56% (59% total)
- Expenses: 29% (27% total)
- Learning: 23% (1% total)
- Procurement: 18% (19% total)
- Planning: 4% (15% total)
- Prism: 2% (0% total)

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Significant Upsell Opportunity

- Core HCM
- Core FIN
- Inventory
- Projects
- Procurement
- Expenses
- Planning
- Learning
- Recruiting
- Benefits
- Time Tracking
- Payroll
- Prism

Represents subset of all available add-ons

Represented on a per product basis
"HR has consolidated the time card and time off tracking solutions into Workday and now uses Workday for employee onboarding in the United States. The **total savings** for talent and performance, time off/time card management, and onboarding is **nearly a million dollars annually.**"
Driving Enduring Growth

Robynne Sisco, Co-President and CFO
Driving Enduring Growth

- Market Opportunity
- Growth
- Compelling, Long-term Business Model
Driving Enduring Growth

Market Opportunity

Growth

Compelling, Long-term Business Model
Market Opportunity Continuing to Expand

In Billions $

2018

$16
$26
$10
$25
$4

2022

$24
$13
$32
$40
$6

$115

9.1% CAGR

With HCM Just 20% of Long-term TAM Story

In Billions $

2018

$16

2022

$24

$115

~20%
Cloud Adoption Still Early Days But Growing Rapidly

Low Cloud Penetration

- CRM: 53% SaaS, 47% On-Premise
- ERP: 78% SaaS, 22% On-Premise
- BI / Analytics: 94% SaaS, 6% On-Premise
- SCM: 77% SaaS, 23% On-Premise
- HCM: 78% SaaS, 22% On-Premise
- ECM: 92% SaaS, 8% On-Premise
- Collaboration: 81% SaaS, 19% On-Premise
- DCC: 85% SaaS, 15% On-Premise
- Others: 86% SaaS, 14% On-Premise

Source:
- Market Sizes: Gartner Forecast: Public Cloud Services Worldwide, 2015 – 2021, as of Q1'17
Driving Enduring Growth

Market Opportunity

Growth

Compelling, Long-term Business Model

Workday Confidential
Customer Satisfaction Drives Industry Leading Retention

95%+ 
Gross Retention Rate (1) 

100%+ 
Net Retention Rate (2) 

(1) Dollar-Based Gross Retention Rate – (Amount of Annual Recurring Revenues renewed in a given period not including upsell)/(Amount of total Annual Recurring Revenues that was up for the renewal in a given period)

(2) Dollar-Based Net Retention Rate – (Amount of Annual Recurring Revenues renewed in a given period including upsell)/(Amount of total Annual Recurring Revenues that was up for the renewal in a given period)
Extending our Leadership Position in HCM

Human Capital Management Market Growth Rate: 13%

Workday Human Capital Management Revenue Growth: 2.5x

Source:
Internal data Human Capital Management Revenue ratio on a Trailing Twelve Month Basis
...While Taking Share in Financial Management

7%

Financial Management Market Growth Rate

7.5x

Workday Financial Management Revenue Growth

Internal data on Financial Management Revenue Growth ratio on a Trailing Twelve Month Basis
Fueled by Strong Growth in Large Relationships

Customers over $3M in ACV

<table>
<thead>
<tr>
<th></th>
<th>Q2 15</th>
<th>Q2 16</th>
<th>Q2 17</th>
<th>Q2 18</th>
<th>Q2 19</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>25</td>
<td></td>
<td></td>
<td></td>
<td>127</td>
</tr>
</tbody>
</table>

+34% Y/Y

Source: Company internal data. Represents number of customers with subscription contracts over annual dollar threshold.
Delivering Growth at Scale

Quarterly Revenue

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 14</th>
<th>FY 15</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$469M</td>
<td>$525M</td>
<td>$555M</td>
<td>$583M</td>
<td>$619M</td>
<td>$672M</td>
</tr>
</tbody>
</table>

Full Year Revenue

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>FY 14</th>
<th>FY 15</th>
<th>FY 16</th>
<th>FY 17</th>
<th>FY 18</th>
<th>FY 19E</th>
</tr>
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<td>$555M</td>
<td>$583M</td>
<td>$619M</td>
<td>$2.77B</td>
</tr>
</tbody>
</table>

Notes:
- (1) Reflects guidance provided on Q2 19 earnings call as of September 4th, 2018.
- Note: Annual revenue numbers prior to FY2016 do not reflect adoption of ASC 606.
Subscription Revenue Backlog Supports Enduring Growth

In Billions $

Q1 18: $4.0
Q2 18: $4.4
Q3 18: $4.5
Q4 18: $5.2
Q1 19: $5.2
Q2 19: $5.5

26% Y/Y Growth
0-24 Month View of Subscription Revenue Backlog

28% Y/Y Growth

In Billions $

Q1 18: $2.67
Q2 18: $2.92
Q3 18: $3.07
Q4 18: $3.47
Q1 19: $3.53
Q2 19: $3.73

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Multiple Levers to Drive Enduring Growth

- Human Capital Management
- Financial Management
- Growth Outside the U.S.
- Analytics
- Planning
- Data-as-a-Service
- Cloud Platform
- Future Products
Driving Enduring Growth

Market Opportunity

Growth

Compelling, Long-term Business Model
Long-term Growth Opportunity Warrants Investment

Percentage of R&D Spend

Source: Company filings 1) Reflects non-GAAP R&D as reported, and does not include capitalized software costs.
2) Represents GAAP R&D as a percentage of revenue. Non-GAAP adjustments are not broken out by operating expense lines.
Another Way to Look at Investment Strategy

Human Capital Management

Prism Analytics
Adaptive Insights/Planning
Financial Management
Future Products

Workday Cloud Platform, Machine Learning, Blockchain, Analytics

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Product Development Investment Fueling Future Growth

Headcount Allocation

- **20%** Human Capital Management
- **35%** Financial Management and Planning
- **45%** Other Investments
  (Machine Learning, Payroll, Prism Analytics, Cloud Platform, Student, Blockchain, etc.)
Driven by Continued Mix Shift Toward Subscription Revenue

Non-GAAP Gross Margin

Subscription Revenue as % of Total Revenue

Source: Company internal data - non-gaap gross margin calculated on a TTM basis
While Maintaining Best in Class CAC Ratio

Non-GAAP Sales & Marketing As a % of Revenue

Q2 15 | Q2 16 | Q2 17 | Q2 18 | Q2 19
---|---|---|---|---
38% | 26% |

CAC Ratio

Q2 15 | Q2 16 | Q2 17 | Q2 18 | Q2 19
---|---|---|---|---
2.0x | 1.6x | 1.5x | 1.5x | 1.5x

Source: Company internal data - non-gaap sales and marketing percentage of revenue calculated on a TTM basis

Goldman Sachs, Wall Street Equity Research, Standalone SaaS Companies with >$500M ARR, “Benchmarking Software, Software Valuations have become Distorted,” June 21, 2018
With Unrivaled G&A Ratios

Non-GAAP G&A As a % of Revenue

Q2 15: 8.5%
Q2 16: 7.2%
Q2 17: 6.2%
Q2 18: 8.6%
Q2 19: 6.2%

Source: Company internal data - non-GAAP G&A percentage of revenue calculated on a TTM basis
Source: Company filings
... Results in Consistent Margin Improvement

Non-GAAP Operating Margins

FY15  FY16  FY17  FY18  FY19E

12%
... Results in Consistent Margin Improvement

Non-GAAP Operating Margins

300 basis point impact from Adaptive Insights acquisition

FY15 FY16 FY17 FY18 FY19E

Note: Annual figures prior to FY2016 do not reflect adoption of ASC 606
... And Robust Long-term Economic Model

Non-GAAP Operating Margins

300 basis point impact from Adaptive Insights acquisition

25%+

Long-term Target

20%

Intermediate Term Target

9%

FY19E

FY18

FY17

FY16

FY15

Note: Annual figures prior to FY2016 do not reflect adoption of ASC 606
With Strong Operating Cash Flow

In Millions $

FY 15  $102  
FY 16  
FY 17  
FY 18  
FY 19E  $605

Note: Annual figures prior to FY2016 do not reflect adoption of ASC 606
With Strong Operating Cash Flow

In Millions $

Operating Cash Flow Impacted in FY19 by $55m due to Adaptive Insights Acquisition

FY 15 | FY 16 | FY 17 | FY 18 | FY 19E
---|---|---|---|---
$102 | ~$550

Note: Annual figures prior to FY2016 do not reflect adoption of ASC 606
Built for the Future

Accelerate Planning Opportunity
Unified Technology Roadmap

Business Planning Cloud
Built for the Future

Highly Differentiated Platform

Data Drives New Opportunities

Innovation
Built for the Future

- Expanding Ecosystem
- Thriving Customers
- Customer Experience

Workday Confidential
Built for the Future

Multiple Growth Levers

Highly Efficient Model

Driving Enduring Growth

Business Planning Cloud

Innovation

Customer Experience

Workday Confidential
<table>
<thead>
<tr>
<th></th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>H1 FY19</th>
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</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>787,860</td>
<td>1,156,690</td>
<td>1,574,440</td>
<td>2,143,050</td>
<td>1,290,363</td>
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<tr>
<td>Product Development</td>
<td>316,868</td>
<td>469,944</td>
<td>680,531</td>
<td>910,584</td>
<td>556,424</td>
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<tr>
<td>Expense</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Expense as % of Revenue</td>
<td>40%</td>
<td>41%</td>
<td>43%</td>
<td>42%</td>
<td>43%</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>(63,938)</td>
<td>(109,362)</td>
<td>(166,529)</td>
<td>(229,819)</td>
<td>(143,865)</td>
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<tr>
<td>Other (1)</td>
<td>(3,221)</td>
<td>(7,201)</td>
<td>(18,533)</td>
<td>(23,128)</td>
<td>(12,757)</td>
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<tr>
<td>Product Development</td>
<td>249,709</td>
<td>353,381</td>
<td>495,469</td>
<td>657,637</td>
<td>399,802</td>
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<tr>
<td>Expense (Non-GAAP)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expense as % of Revenue</td>
<td>32%</td>
<td>31%</td>
<td>31%</td>
<td>31%</td>
<td>31%</td>
</tr>
</tbody>
</table>

(1) – Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets

Note: Amounts prior to FY2016 do not reflect the adoption of ASC 606.
## Gross Margin

### GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th>(in $ thousands)</th>
<th>Q2 FY15 TTM</th>
<th>Q2 FY16 TTM</th>
<th>Q2 FY17 TTM</th>
<th>Q2 FY18 TTM</th>
<th>Q2 FY19 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>616,255</td>
<td>971,048</td>
<td>1,348,316</td>
<td>1,858,285</td>
<td>2,428,233</td>
</tr>
<tr>
<td>Cost of Revenue</td>
<td>222,443</td>
<td>311,737</td>
<td>430,914</td>
<td>551,971</td>
<td>712,709</td>
</tr>
<tr>
<td>Gross Margin %</td>
<td>(64%)</td>
<td>(68%)</td>
<td>(68%)</td>
<td>(70%)</td>
<td>(71%)</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>(13,667)</td>
<td>(24,384)</td>
<td>(38,392)</td>
<td>(56,572)</td>
<td>(73,988)</td>
</tr>
<tr>
<td>Other (1)</td>
<td>(542)</td>
<td>(1,216)</td>
<td>(1,564)</td>
<td>(2,801)</td>
<td>(17,508)</td>
</tr>
<tr>
<td>Cost of Revenue (Non-GAAP)</td>
<td>208,234</td>
<td>286,137</td>
<td>390,958</td>
<td>492,598</td>
<td>621,213</td>
</tr>
<tr>
<td>Gross Margin % (Non-GAAP)</td>
<td>66%</td>
<td>71%</td>
<td>71%</td>
<td>73%</td>
<td>74%</td>
</tr>
</tbody>
</table>

(1) – Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets

Note: Amounts prior to FY2016 do not reflect the adoption of ASC 606.
# Sales and Marketing Operating Expense

## GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th>(in $ thousands)</th>
<th>Q2 FY15 TTM</th>
<th>Q2 FY16 TTM</th>
<th>Q2 FY17 TTM</th>
<th>Q2 FY18 TTM</th>
<th>Q2 FY19 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>616,255</td>
<td>971,048</td>
<td>1,348,316</td>
<td>1,858,285</td>
<td>2,428,233</td>
</tr>
<tr>
<td>Sales and Marketing Expense</td>
<td>261,549</td>
<td>365,708</td>
<td>479,490</td>
<td>630,470</td>
<td>750,941</td>
</tr>
<tr>
<td>Expense as % of Revenue</td>
<td>42%</td>
<td>38%</td>
<td>36%</td>
<td>34%</td>
<td>31%</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>(23,412)</td>
<td>(37,334)</td>
<td>(69,876)</td>
<td>(95,485)</td>
<td>(106,640)</td>
</tr>
<tr>
<td>Other (1)</td>
<td>(1,011)</td>
<td>(1,868)</td>
<td>(2,321)</td>
<td>(4,319)</td>
<td>(5,386)</td>
</tr>
<tr>
<td>Sales and Marketing Expense (Non-GAAP)</td>
<td>237,126</td>
<td>326,506</td>
<td>407,293</td>
<td>530,666</td>
<td>638,915</td>
</tr>
<tr>
<td>Expense as % of Revenue (Non-GAAP)</td>
<td>38%</td>
<td>34%</td>
<td>30%</td>
<td>29%</td>
<td>26%</td>
</tr>
</tbody>
</table>

(1) Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets

Note: Amounts prior to FY2016 do not reflect the adoption of ASC 606.
## General and Administrative Operating Expense
### GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th>(in $ thousands)</th>
<th>Q2 FY15 TTM</th>
<th>Q2 FY16 TTM</th>
<th>Q2 FY17 TTM</th>
<th>Q2 FY18 TTM</th>
<th>Q2 FY19 TTM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>616,255</td>
<td>971,048</td>
<td>1,348,316</td>
<td>1,858,285</td>
<td>2,428,233</td>
</tr>
<tr>
<td>General and Administrative Expense</td>
<td>87,216</td>
<td>126,766</td>
<td>166,767</td>
<td>218,136</td>
<td>236,757</td>
</tr>
<tr>
<td>Expense as % of Revenue</td>
<td>14%</td>
<td>13%</td>
<td>12%</td>
<td>12%</td>
<td>10%</td>
</tr>
<tr>
<td>Non-GAAP Adjustments:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>(33,353)</td>
<td>(50,938)</td>
<td>(64,919)</td>
<td>(86,229)</td>
<td>(82,478)</td>
</tr>
<tr>
<td>Other (1)</td>
<td>(1,430)</td>
<td>(1,947)</td>
<td>(2,728)</td>
<td>(3,639)</td>
<td>(4,140)</td>
</tr>
<tr>
<td>General and Administrative Expense (Non-GAAP)</td>
<td>52,433</td>
<td>73,881</td>
<td>99,120</td>
<td>128,268</td>
<td>150,139</td>
</tr>
<tr>
<td>Expense as % of Revenue (Non-GAAP)</td>
<td>8.5%</td>
<td>7.6%</td>
<td>7.4%</td>
<td>6.9%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

(1) – Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets
Note: Amounts prior to FY2016 do not reflect the adoption of ASC 606.
## Operating Margin

**GAAP to Non-GAAP Reconciliation**

<table>
<thead>
<tr>
<th>(in $ thousands)</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>787,860</td>
<td>1,156,690</td>
<td>1,574,440</td>
<td>2,143,050</td>
</tr>
<tr>
<td><strong>Operating Loss</strong></td>
<td>(215,702)</td>
<td>(249,789)</td>
<td>(353,086)</td>
<td>(303,223)</td>
</tr>
<tr>
<td><strong>Operating Margin %</strong></td>
<td>(27%)</td>
<td>(22%)</td>
<td>(22%)</td>
<td>(14%)</td>
</tr>
<tr>
<td><strong>Non-GAAP Adjustments:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share-Based Compensation</strong></td>
<td>(156,048)</td>
<td>(249,970)</td>
<td>(378,629)</td>
<td>(478,425)</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td>(6,498)</td>
<td>(11,960)</td>
<td>(27,080)</td>
<td>(40,397)</td>
</tr>
<tr>
<td><strong>Operating Income (Loss) (Non-GAAP)</strong></td>
<td>(53,156)</td>
<td>12,141</td>
<td>52,623</td>
<td>215,599</td>
</tr>
<tr>
<td><strong>Operating Margin % (Non-GAAP)</strong></td>
<td>(6.7%)</td>
<td>1.0%</td>
<td>3.3%</td>
<td>10.1%</td>
</tr>
</tbody>
</table>

(1) – Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets

Note: Amounts prior to FY2016 do not reflect the adoption of ASC 606.

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