

# Q2

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# 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, our 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](https://investors.palantir.com)) or on the SEC website ([www.sec.gov](https://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.

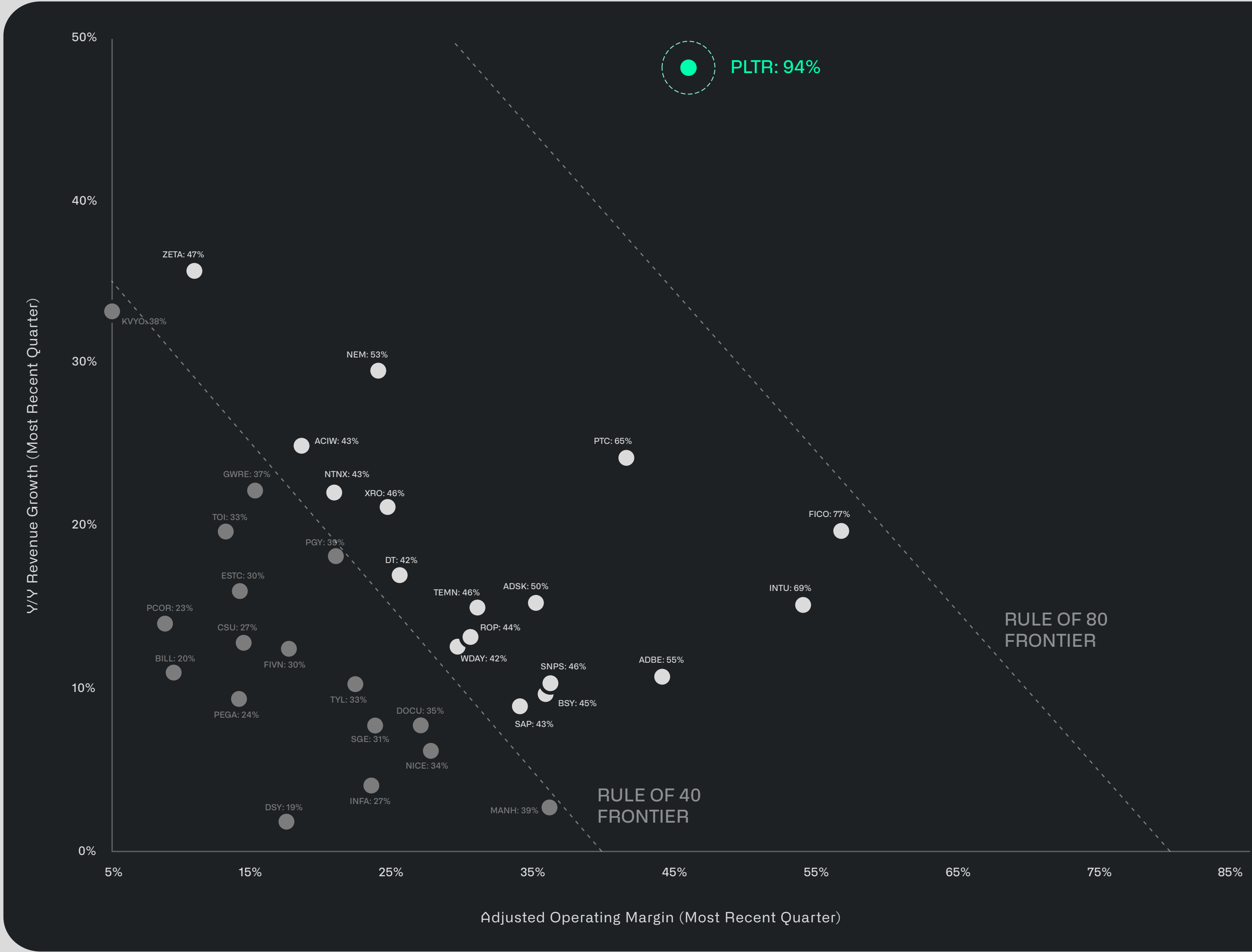
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By attending or receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own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

# Rule of 40 - Enterprise Software Companies with >\$1B in TTM Revenue

Source: S&P Capital IQ / Screen Criteria → Company Type: Public Company / Industry Classification: Enterprise Software / Total LTM Revenue: Greater than \$1 billion / Information as of August 3, 2025

Chart reflects data available as of August 3, 2025 from publicly traded companies worldwide that are classified in the “Enterprise Software” industry by the S&P Capital IQ platform and that generated greater than \$1 billion in revenue in the last twelve months of each respective company’s most recently reported 12-month period. To enable comparability across companies in this presentation, Rule of 40 refers to the sum of a company’s revenue growth rate year-over-year and its adjusted operating margin. For the purposes of our Rule of 40 calculations, adjusted operating margin for companies besides Palantir reflects reported total operating expenses adjusted for stock-based compensation. Our definition of adjusted operating margin reflects reported total operating expenses adjusted for stock-based compensation and related employer payroll taxes. Other companies may calculate or report a different Rule of 40 score, including based on other profitability or liquidity metrics. As our definitions may differ from that used by other companies, comparability may be limited.



# Rule of 40 - Top 25 Market Cap Companies Globally

Source: S&P Capital IQ / Top 25 companies by market capitalization, excluding ETFs / Information as of August 3, 2025

Chart reflects data available on S&P Capital IQ as of August 3, 2025 from the top 25 publicly traded companies by market capitalization worldwide. For the purposes of our Rule of 40 calculations, adjusted operating margin for companies besides Palantir reflects reported total operating expenses adjusted for stock-based compensation. Our definition of adjusted operating margin reflects reported total operating expenses adjusted for stock-based compensation and related employer payroll taxes. Other companies may calculate or report a different Rule of 40 score, including based on other profitability or liquidity metrics. As our definitions may differ from that used by other companies, comparability may be limited.



# Q2 2025 Highlights

- US revenue grew +68% Y/Y and +17% Q/Q to \$733 million
- US commercial revenue grew +93% Y/Y and +20% Q/Q to \$306 million
- US government revenue grew +53% Y/Y and +14% Q/Q to \$426 million
- Revenue grew +48% Y/Y and +14% Q/Q to \$1.004 billion; +49% Y/Y and +14% Q/Q excluding Strategic Commercial Contracts
- Rule of 40 score of 94%
- Closed 157 deals of at least \$1 million, 66 deals of at least \$5 million, and 42 deals of at least \$10 million
- Adjusted free cash flow of \$569 million; 57% margin
- Adjusted operating income of \$464 million; 46% margin
- US commercial remaining deal value (“RDV”) grew +145% Y/Y and +20% Q/Q to \$2.8 billion
- Highest ever quarter of US commercial total contract value (“TCV”) of \$843 million; +222%Y/Y
- Highest ever quarter of TCV of \$2.3 billion; +140% Y/Y
- Adjusted EPS of \$0.16



# Transforming Healthcare Operations with AI-Powered Insights

TeleTracking is using AIP to deliver a next-generation solution for hospitals that will optimize staffing workflows, accelerate decisions, and put patients at the center of every action.



[Learn more](#)





# Fannie Mae uses AIP to accelerate mortgage fraud detection from months to seconds.

“This new partnership will combat mortgage fraud, helping to safeguard the US mortgage market for lenders, homebuyers, and taxpayers.”

PRISCILLA ALMODOVAR, PRESIDENT & CEO



[Learn more](#)





# At AIPCon 7, our customers showed how they are using Palantir to leverage AI at scale.

Land O’Frost partnered with Palantir to revolutionize production planning.

“[Production schedules] used to take us about 40 hours to put together. This can now be done in 30 minutes.”



KELLI HOWARD

VICE PRESIDENT OF SUPPLY CHAIN  
LAND O’FROST



The State Department uses Palantir to help safeguard the well-being of America’s diplomatic community.

“We put the first application into production in 3 months, reducing the time it takes to clear candidates to the foreign service from 60 days down to 12.”



ALAN LEWIS

IT DIRECTOR AT THE BUREAU OF MEDICAL SERVICES  
US DEPARTMENT OF STATE





“We set the battle cry of ‘must go faster,’ and boy, have we. In fact, we’ve been using the term ‘a *Palantir unit of time*’—and that represents when we’re driving value in less than an hour.”

DR. MICHAEL ASH,  
PRESIDENT & COO



# Speed → Value

<b>DISCHARGE LOUNGE</b>	<b>TRANSFERS BACK</b>	<b>OR PACU/PPU</b>	<b>STAFFING BED BOARD</b>	<b>STAFFING REPORTING</b>
2,000+% increase in discharge lounge utilization	50% increase in patients transferred back month over month	30-minutes saved for PACU nurse leads each day with automated views	2 hours saved per shift by removing manual bed board updates	2+ days saved in generating staffing reports upon state visits
<b>CLINICALS FOR PRIOR AUTH</b>	<b>CMS INPATIENT ONLY</b>	<b>UM APPEALS</b>	<b>OR OPTIMIZATION</b>	<b>APPEALS</b>
99% approval rate on AI-driven packet generation	1,061 procedures flagged to prevent downstream denials	1,100%+ efficiency gain—reducing letter time from 80 to 7 minutes	3,000+ minutes less error per week in case length predictions if all predictions were used	10,000+ appeals sent in under one year saving 2,000+ hours and improving overturn rate by 5%





# Palantir and TWG Global are partnering to revolutionize AI adoption in the financial services industry.

By uniting TWG's deep industry expertise and Palantir's world-class software, our joint venture empowers banks to thrive in today's complex global market.



[Learn more](#)





At DevCon 3, we unveiled new AIP tools that will enable our customers to reach breakthroughs faster than ever.

INCLUDING

➔ AI FDE

Amplify your development work by using AI labor to create functions, edit your ontology, and build entire applications.

➔ AI Workbench

Develop, debug, and monitor your automation workflows with an AI-driven workbench.

➔ Ontology-as-Code

Bring the power of the Ontology to your favorite IDEs, tools, and agentic workflows.



Watch the Videos



# Q2

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# 2025

# Financials





# US commercial continues to accelerate in Q2 2025 alongside AIP revolution

+93% Y/Y

US Commercial Revenue

+20% Q/Q

US Commercial Revenue

+64% Y/Y

US Commercial Customer Count

+12% Q/Q

US Commercial Customer Count

+145% Y/Y

US Commercial Remaining Deal Value

+20% Q/Q

US Commercial Remaining Deal Value

2x Y/Y

US Commercial Deals Closed of \$1M or Greater

5x Y/Y

US Commercial Deals Closed of \$5M or Greater

\$843M

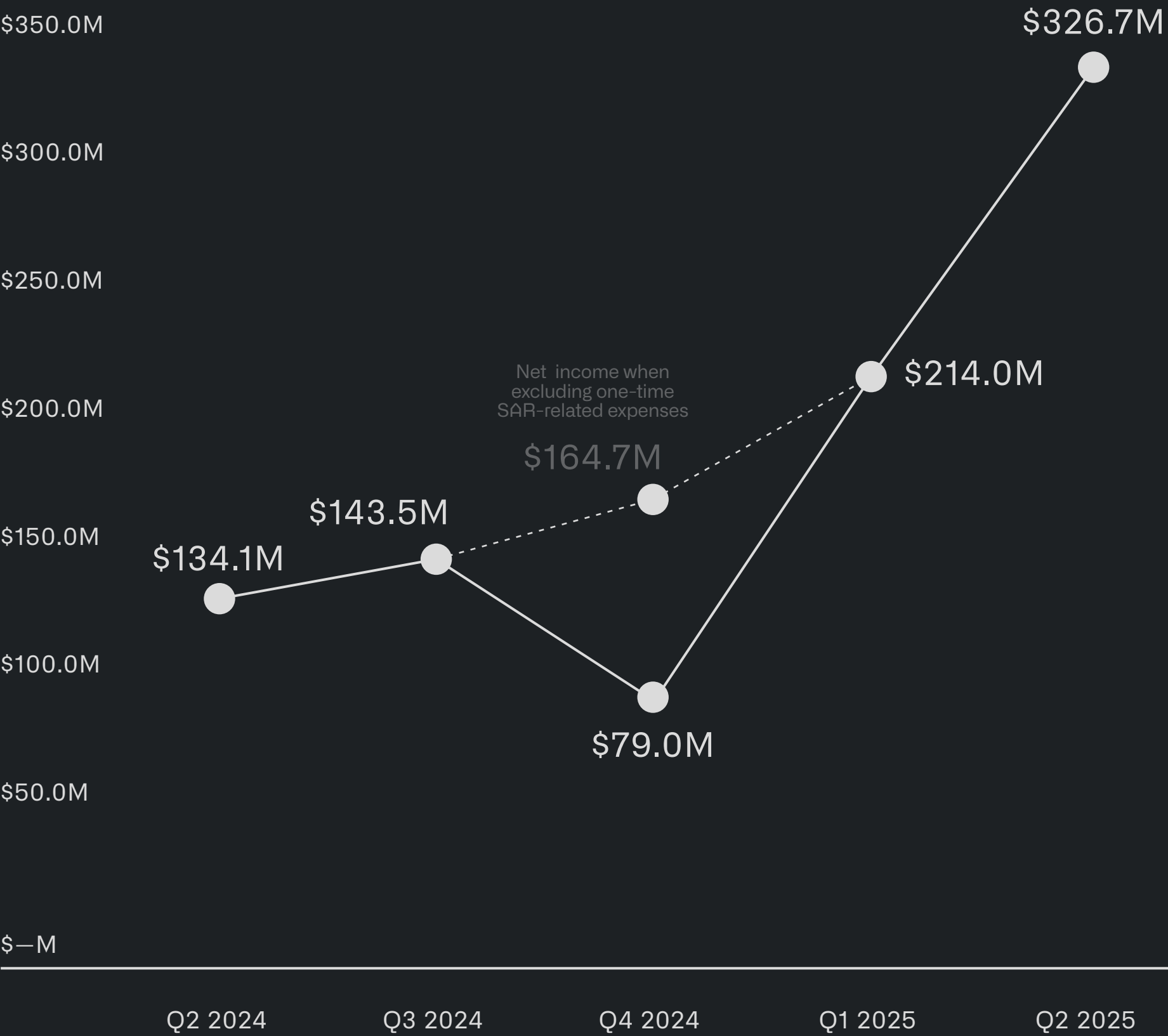
US Commercial Total Contract Value

+222% Y/Y

US Commercial Total Contract Value

Our Q2 2025 GAAP earnings per share was \$0.13.

# GAAP Net Income

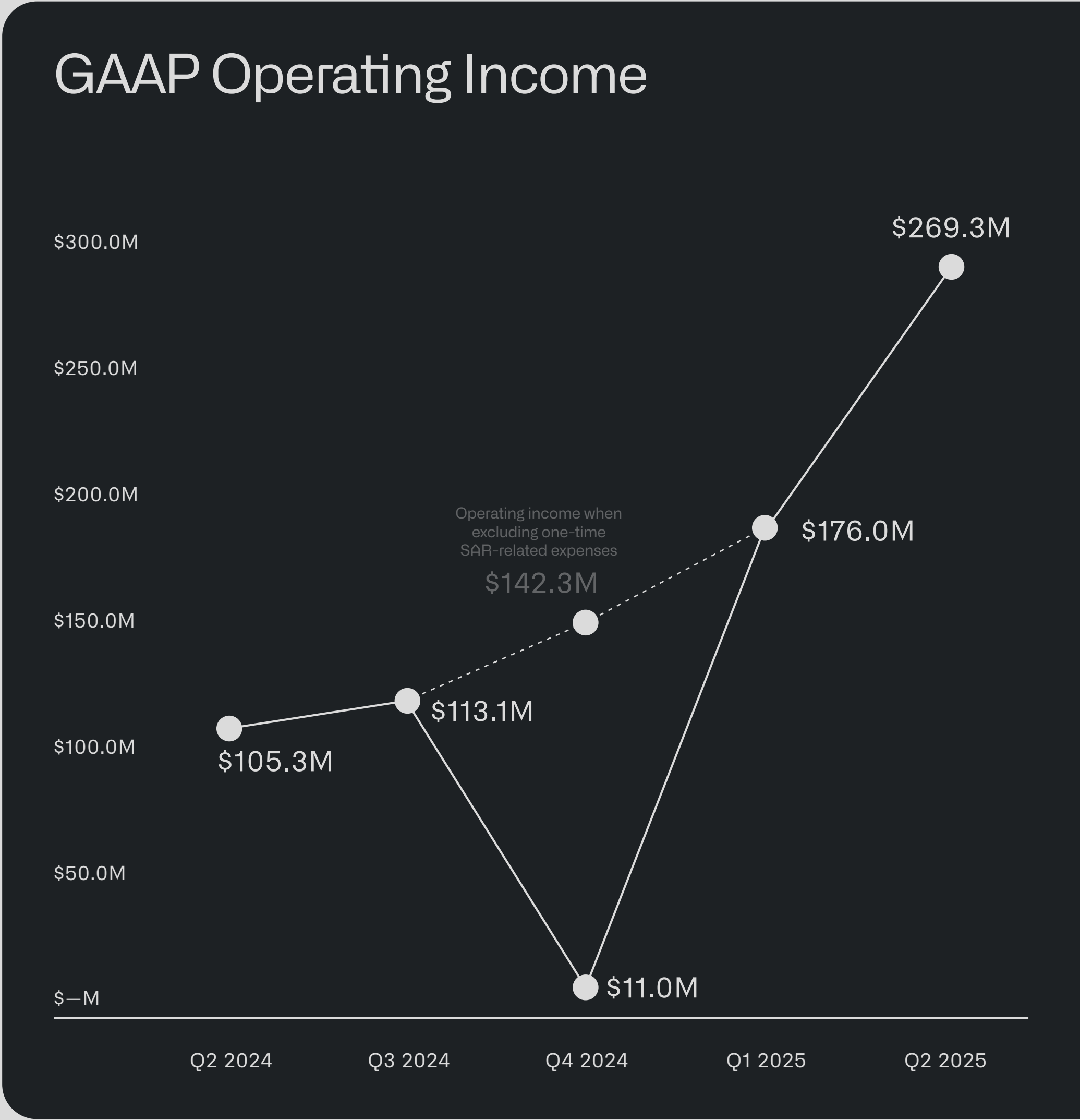


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Net income when excluding one-time SAR-related expenses excludes the one-time accelerated stock-based compensation expense, employer payroll taxes, and income tax effects and adjustments related to our Market-Vesting SARs. The term "Market-Vesting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

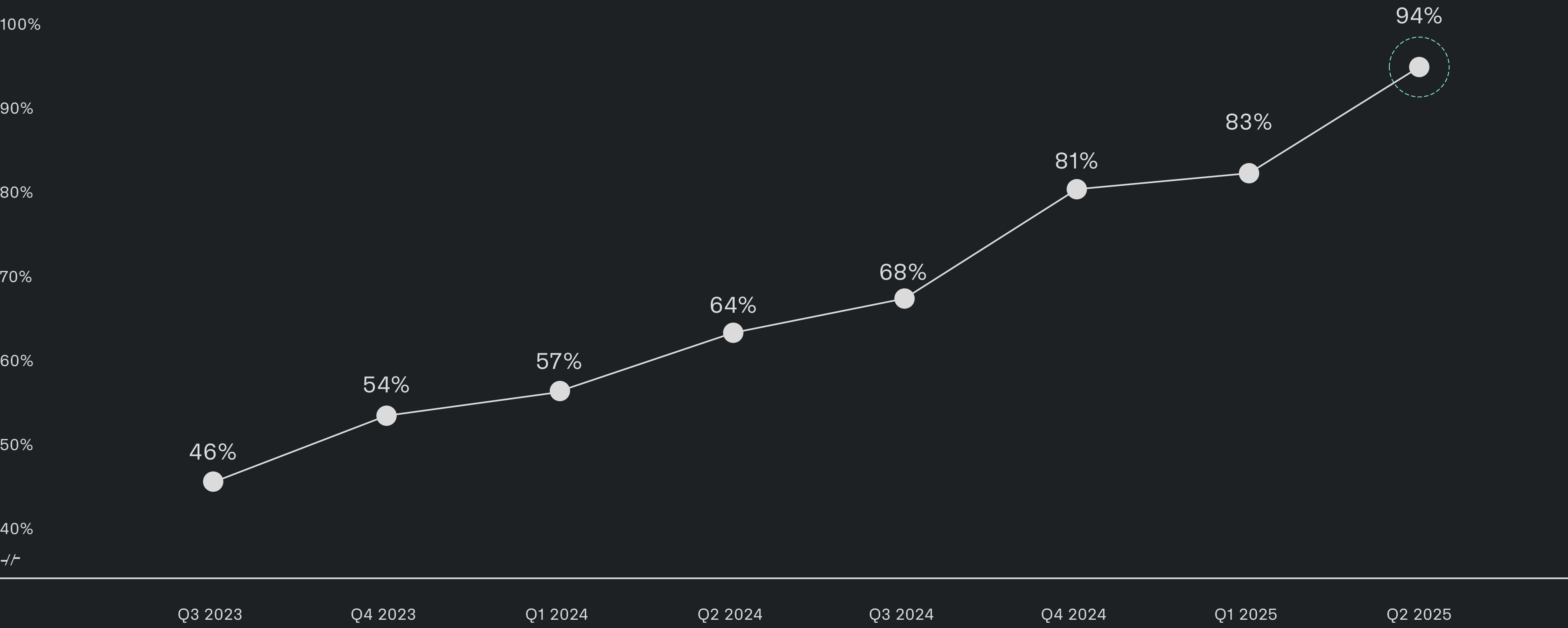


Our Q2 2025 GAAP operating margin was 27%.



Operating income when excluding one-time SAR-related expenses excludes the one-time accelerated stock-based compensation expense and employer payroll taxes related to our Market-Vesting SARs.

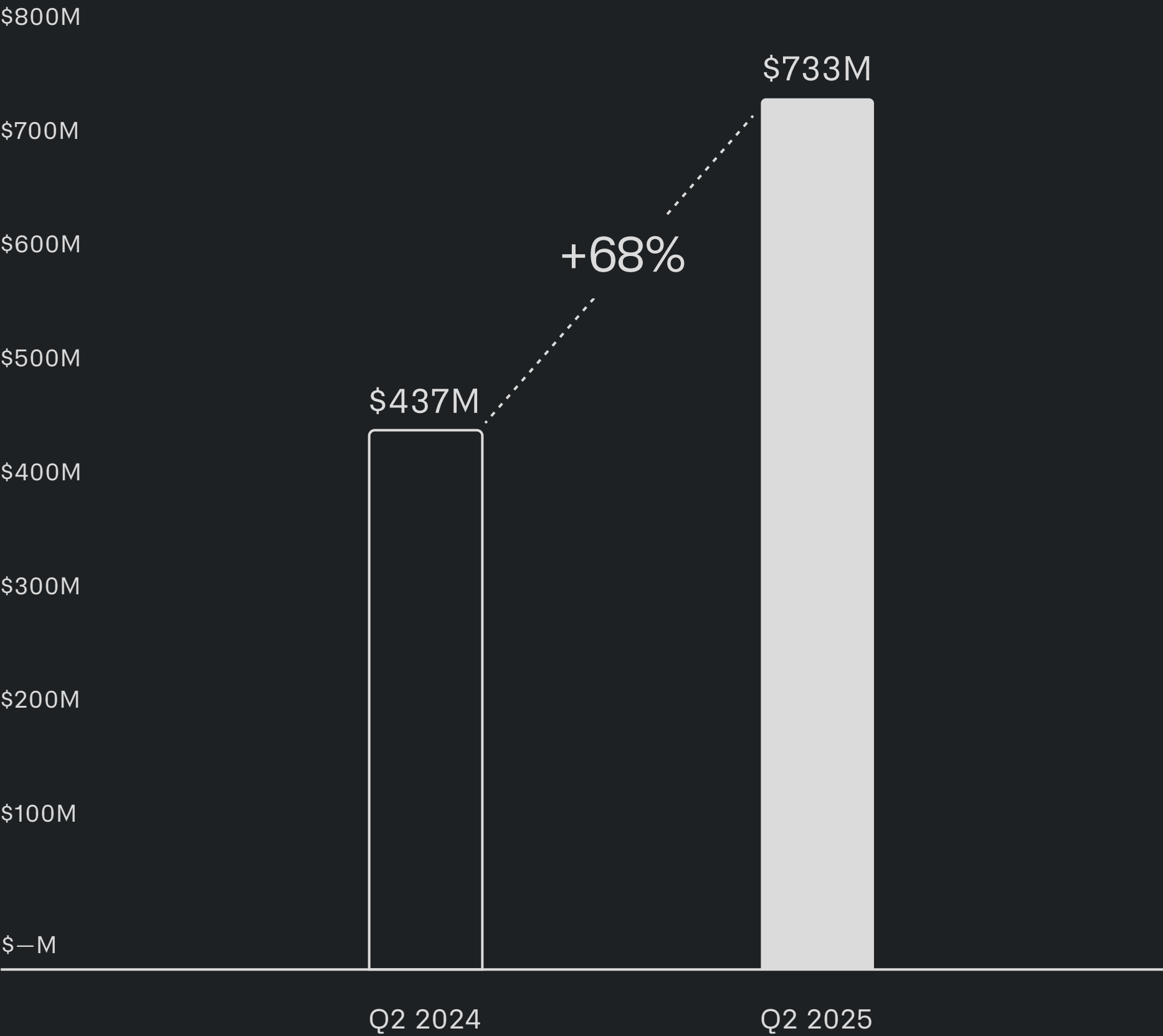
# Rule of 40



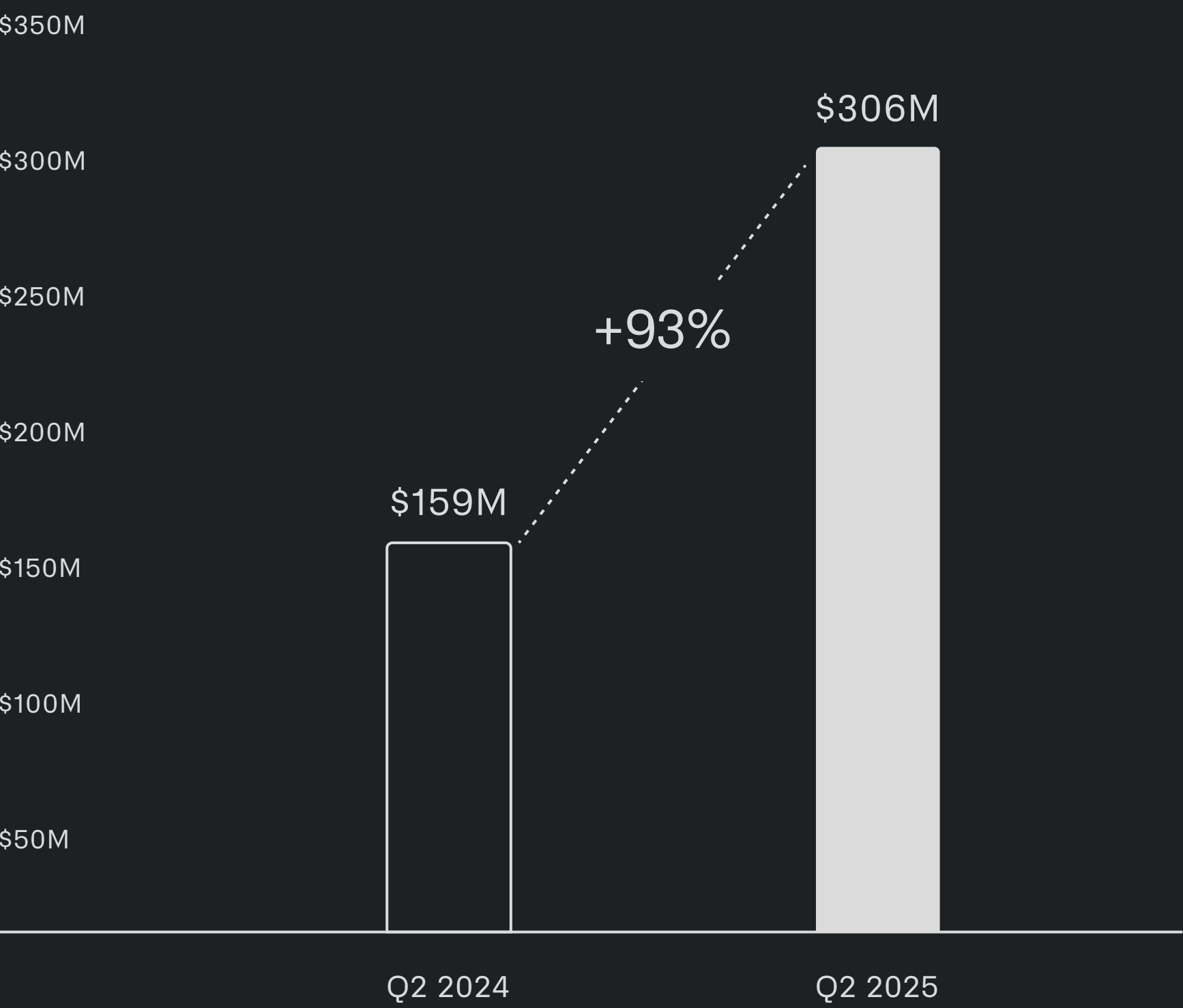


US revenue grew 68% Y/Y and 17% Q/Q, driven by acceleration in US commercial and US government.

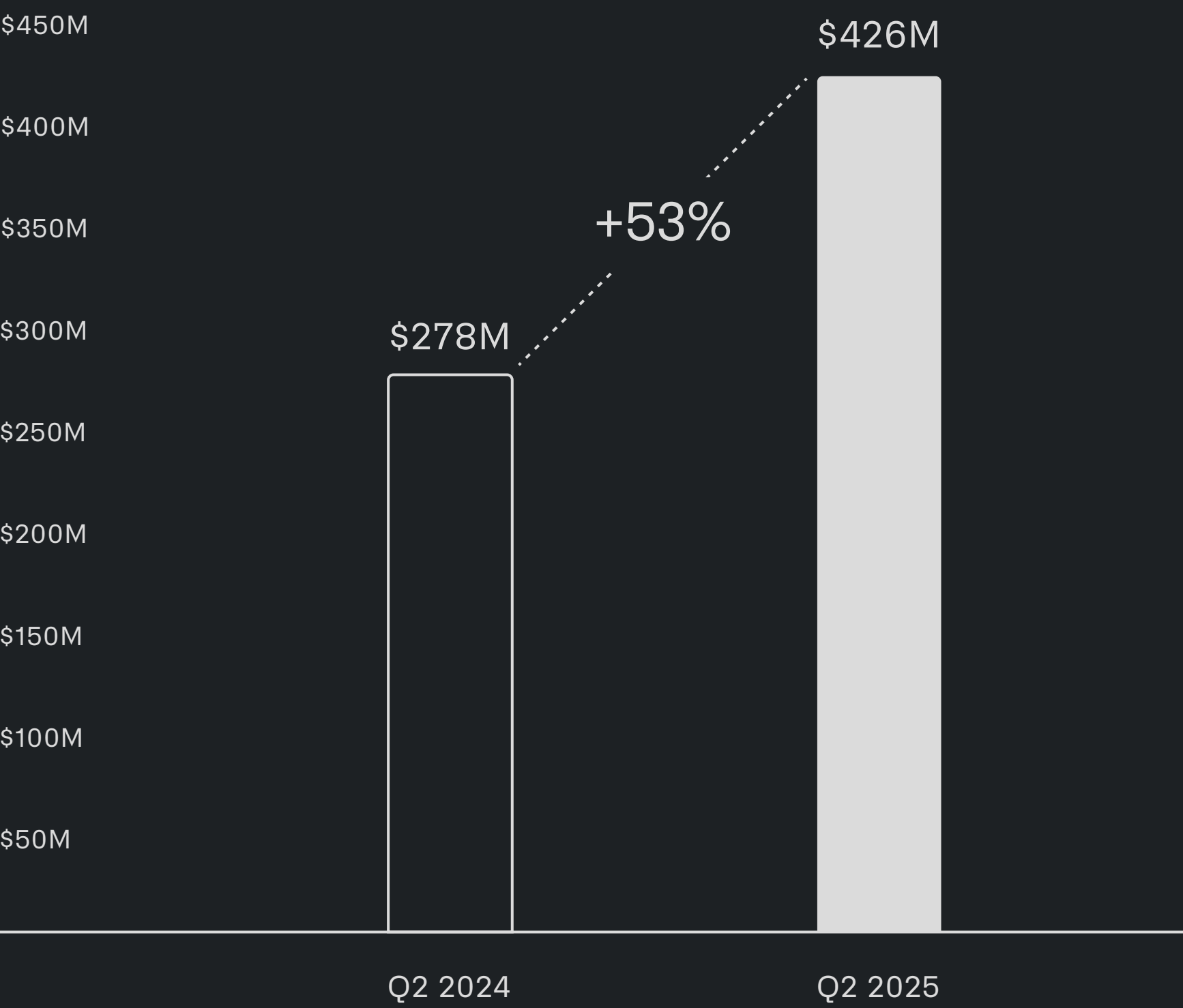
## US Revenue Growth



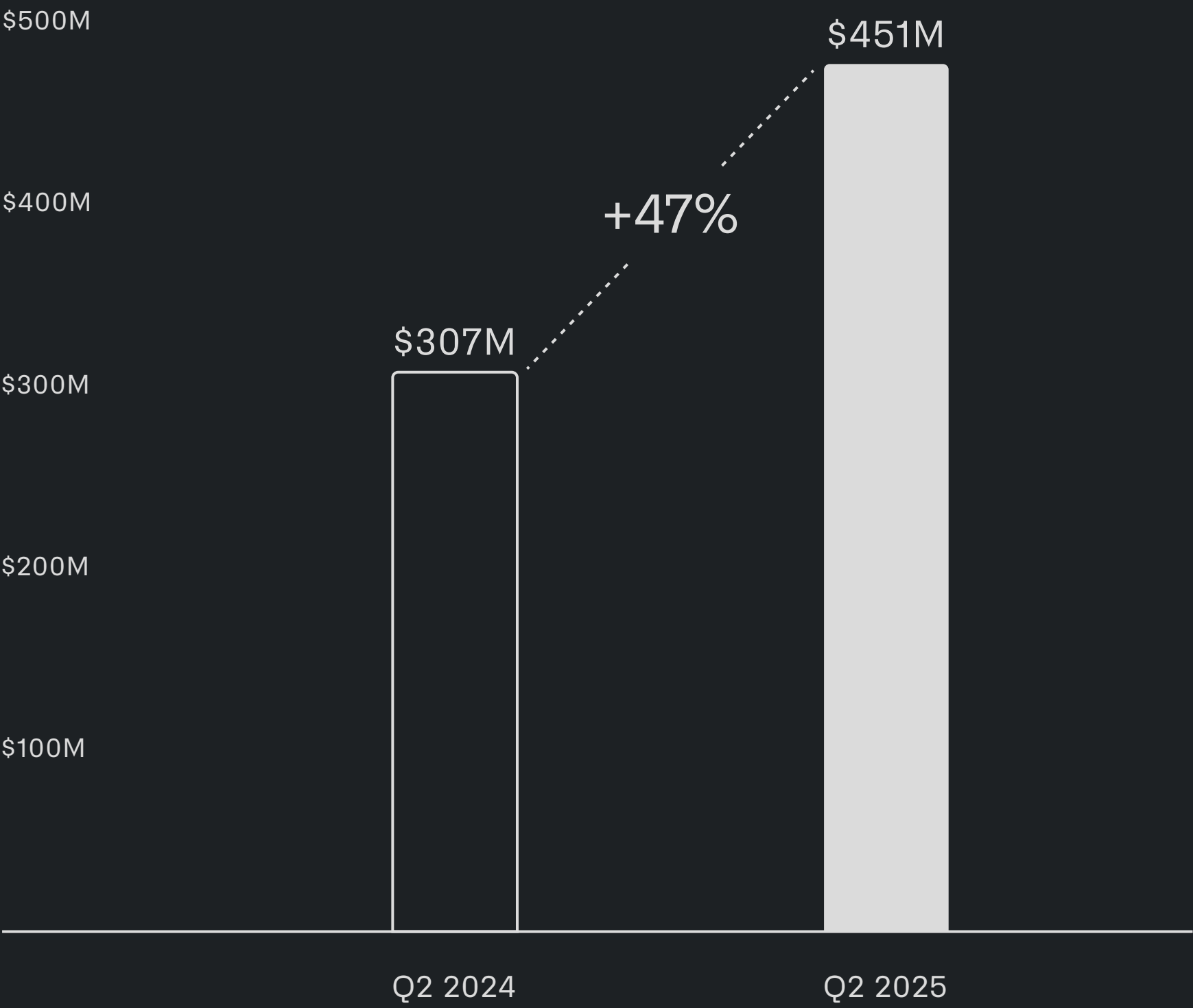
# US Commercial Revenue Growth



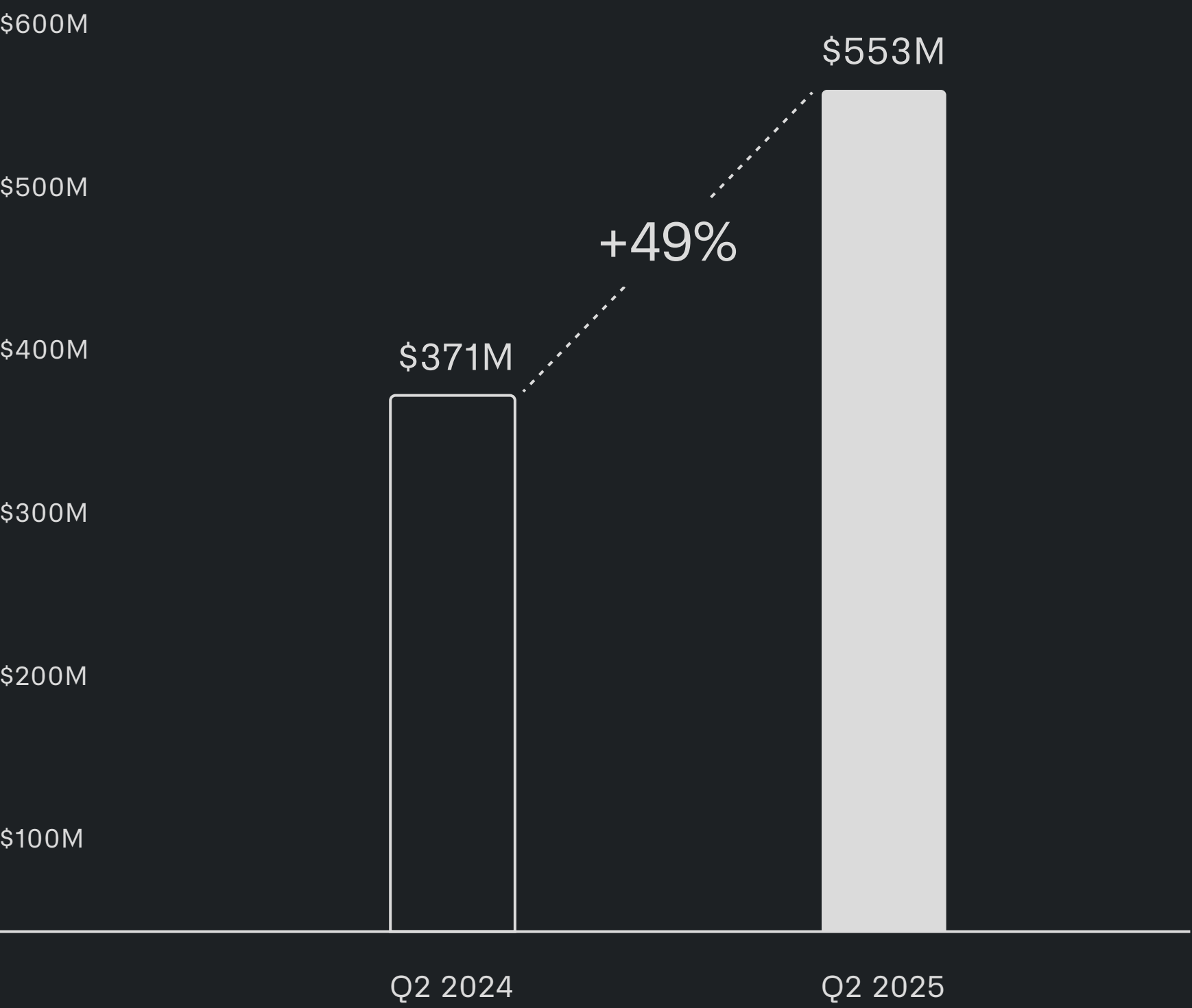
# US Government Revenue Growth



# Commercial Revenue Growth



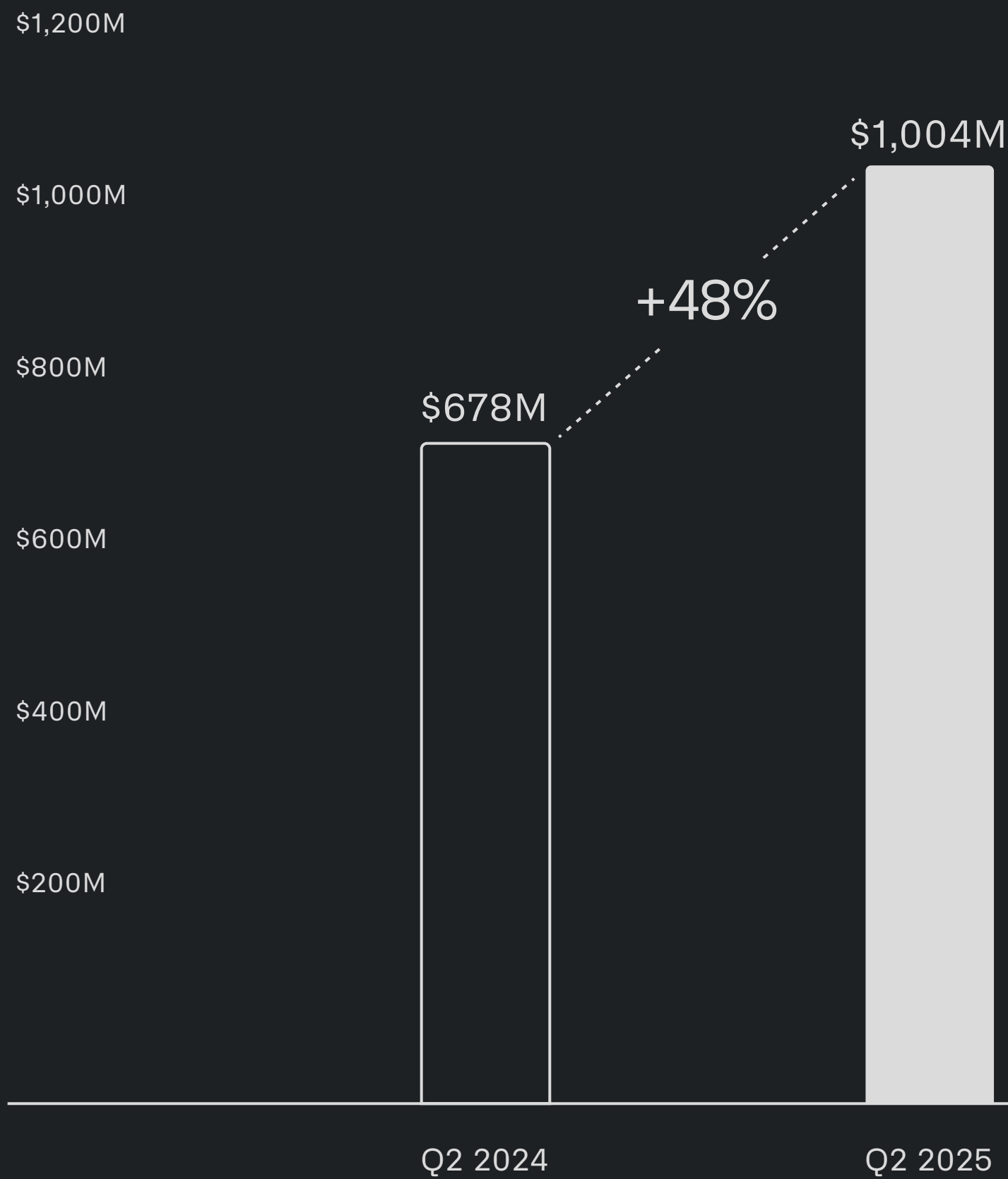
# Government Revenue Growth





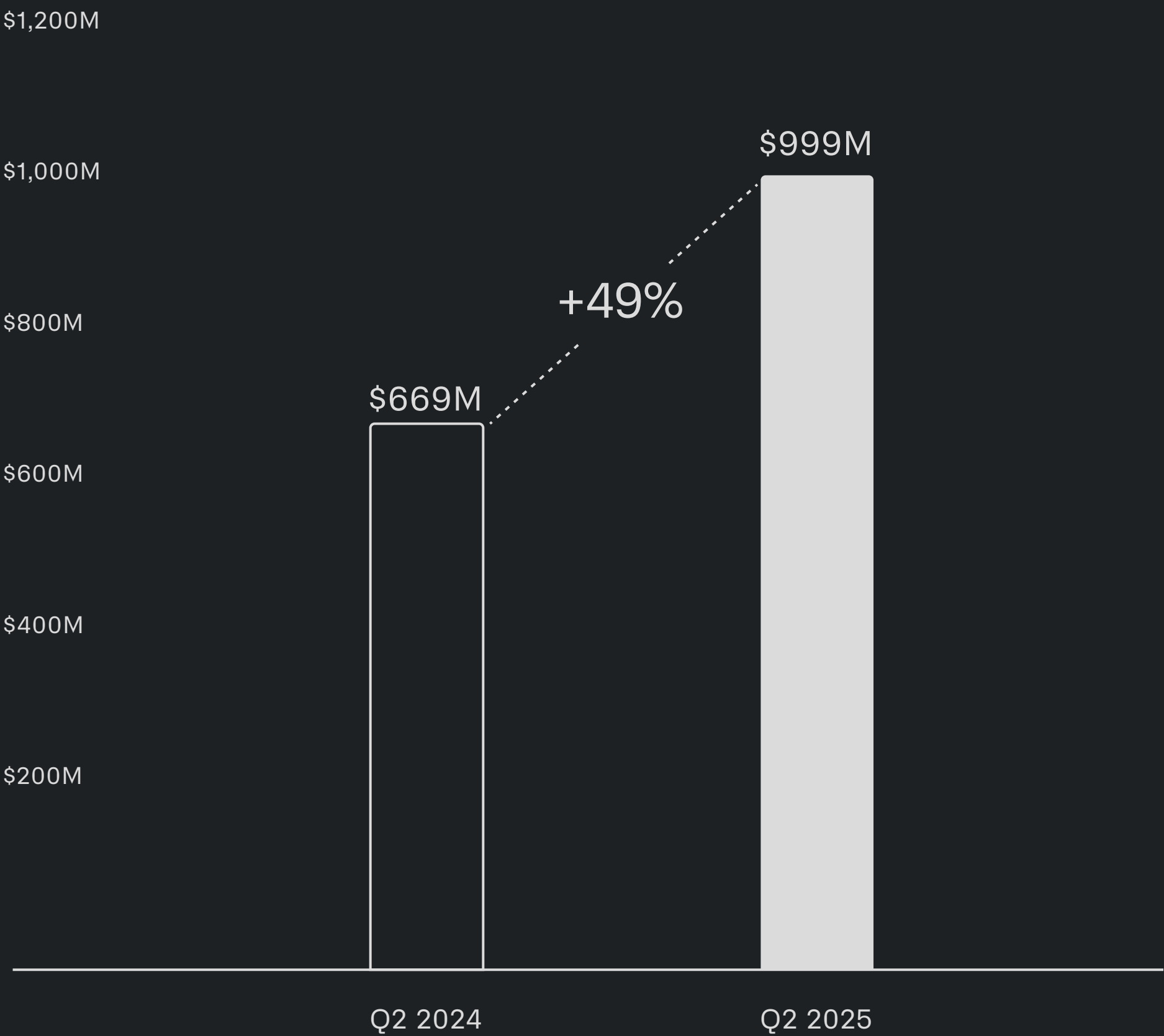
Total revenue grew 48% Y/Y and 14% Q/Q, driven by the continued acceleration of our US business.

## Total Revenue Growth



Total revenue excluding strategic commercial contracts grew 49% Y/Y and 14% Q/Q.

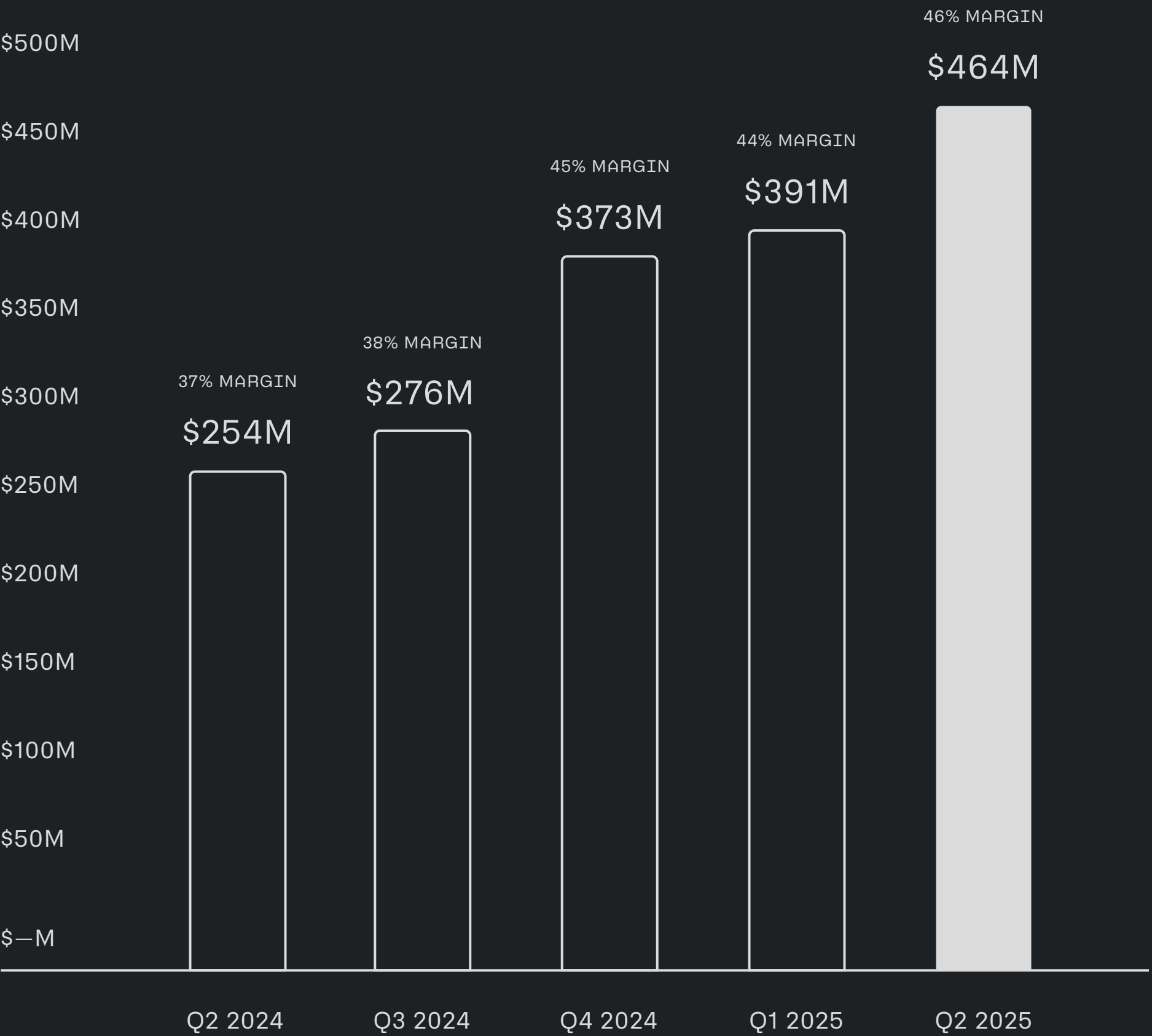
# Total Revenue Growth excl. Strategic Commercial Contracts



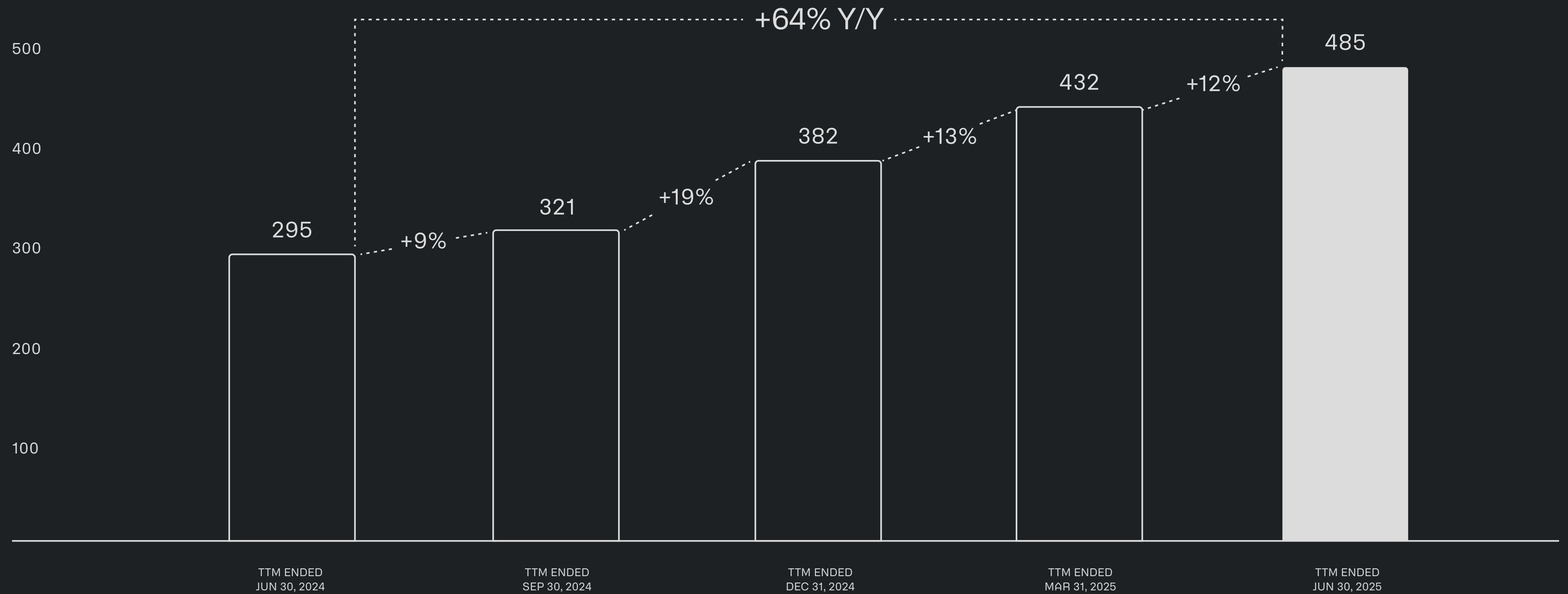


We continue to invest aggressively in AIP and the US while driving operating leverage at scale.

Q2 2025 adjusted operating income was \$464M, representing a margin of 46%.

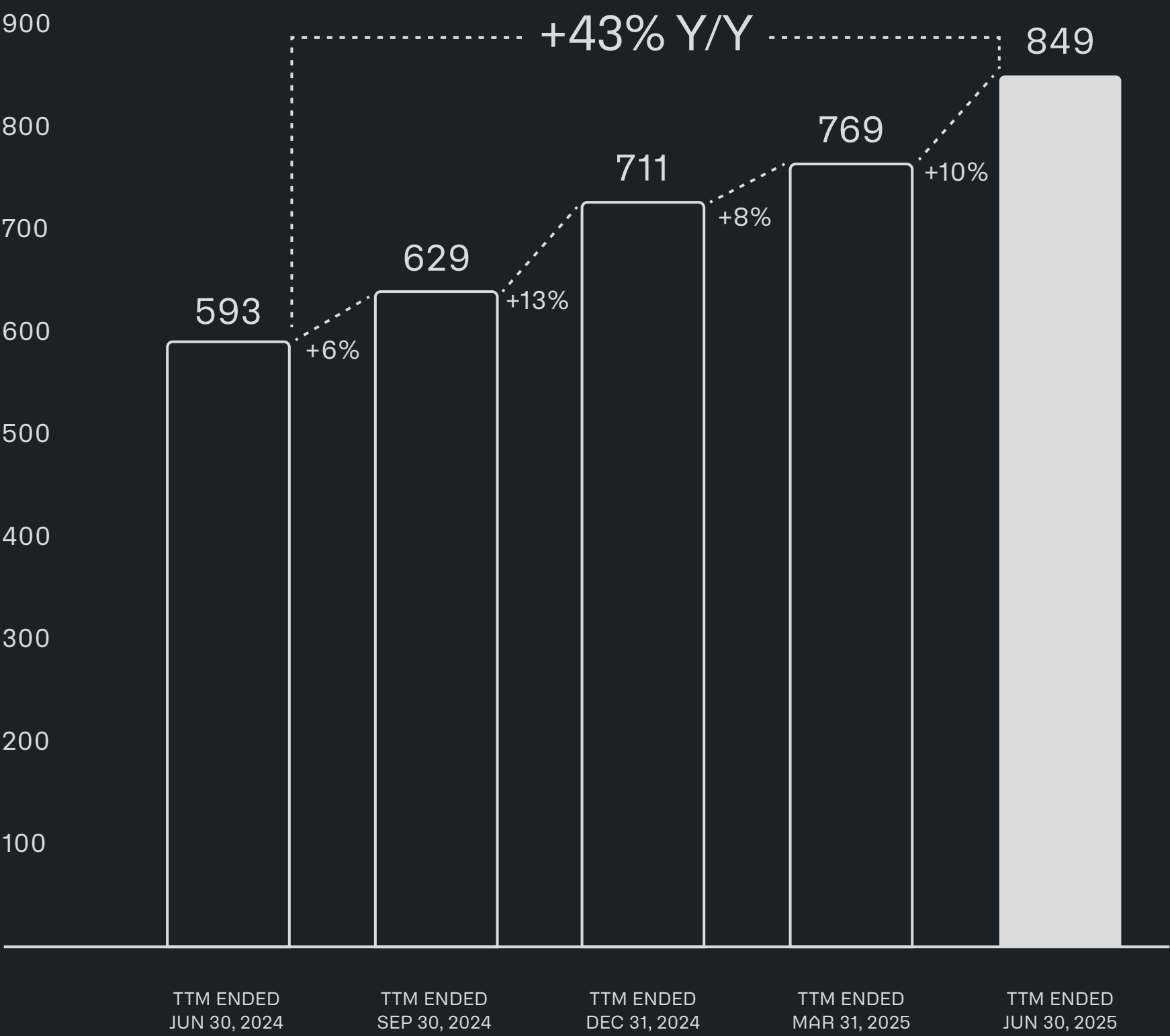


# US Commercial Customer Count

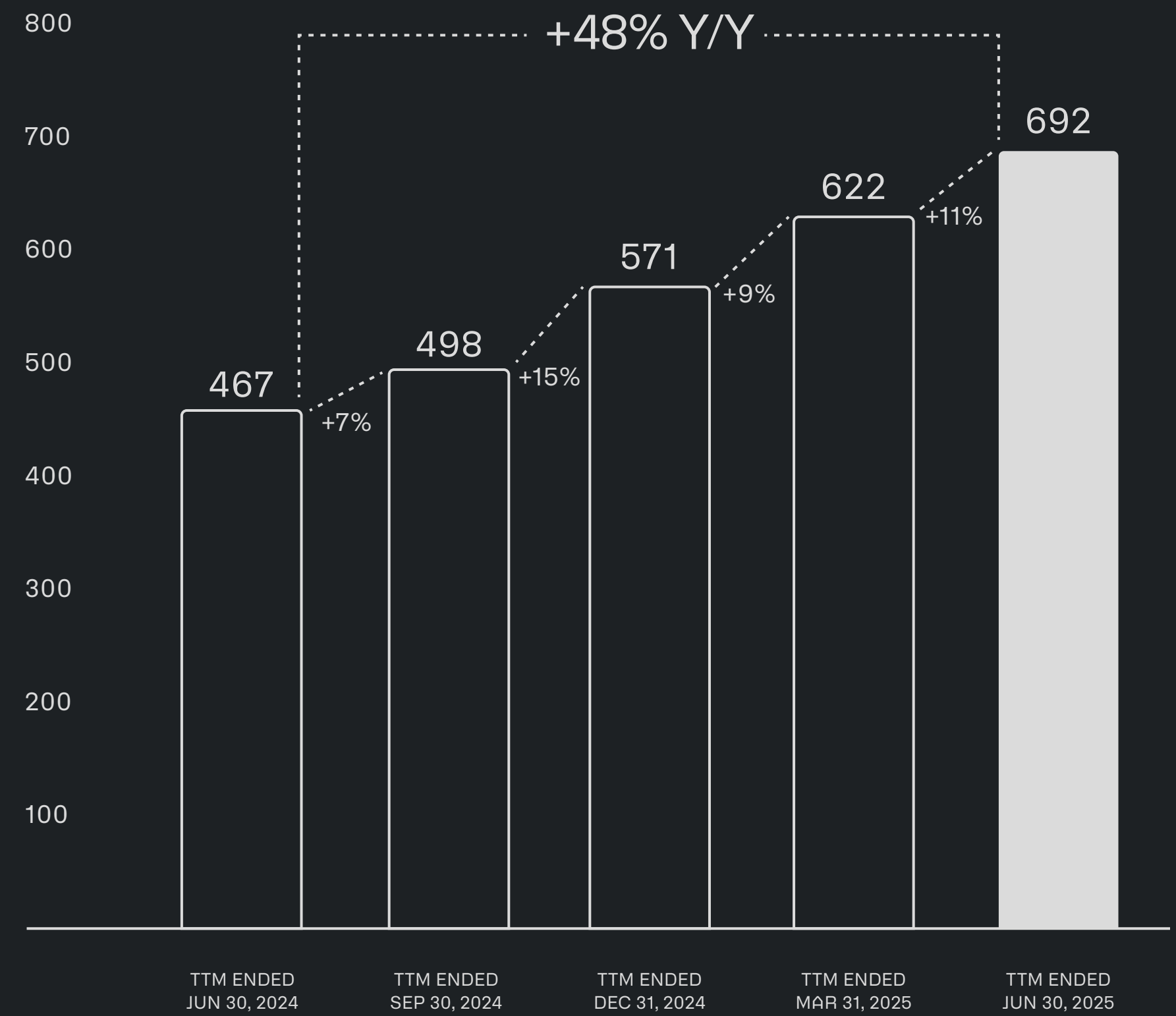




# Customer Count



# Commercial Customer Count



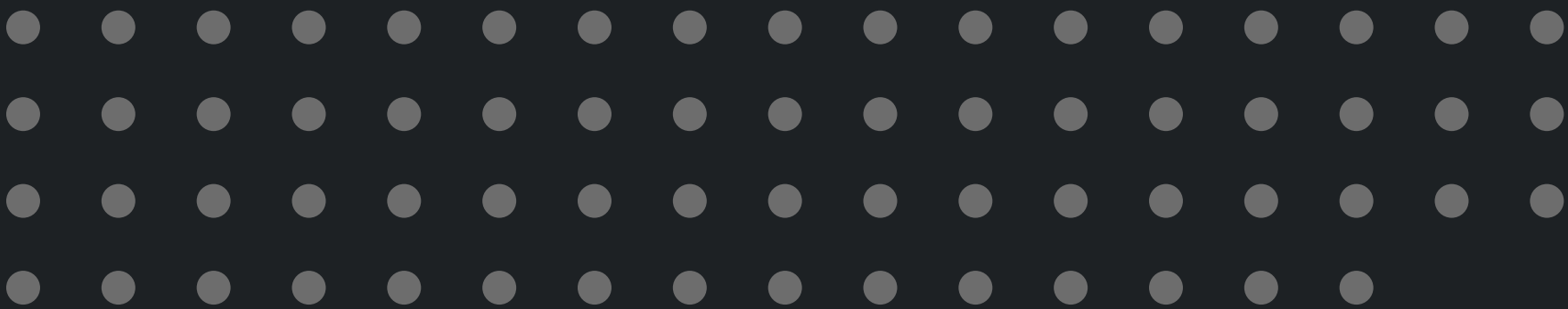
During Q2 2025, we closed

157 deals

of at least \$1 million.

66

of which were at least \$5 million.



42

of which were at least \$10 million.



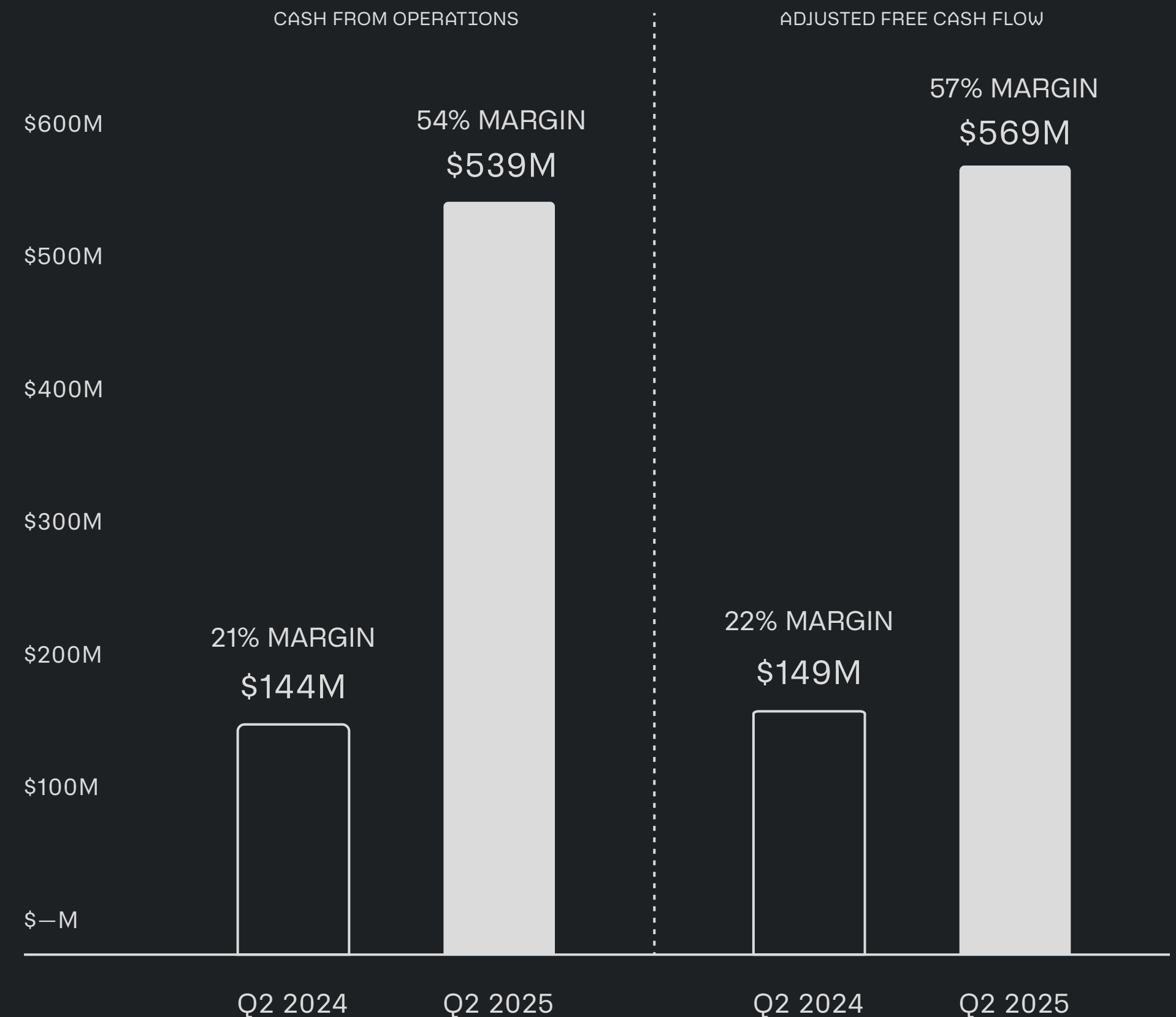


We ended Q2 2025 with

# \$6.0B

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

## Cash from Operations and Adjusted Free Cash Flow



## Q3 2025

For third quarter 2025, we expect:

- Revenue of between \$1.083 billion — \$1.087 billion.
- Adjusted income from operations of between \$493 million — \$497 million.

## FY 2025

For full year 2025, we expect:

- Revenue of between \$4.142 billion — \$4.150 billion.
- US commercial revenue in excess of \$1.302 billion, representing a growth rate of at least 85%.
- Adjusted income from operations of between \$1.912 billion — \$1.920 billion.
- Adjusted free cash flow of between \$1.8 billion — \$2.0 billion.
- GAAP operating income and net income in each quarter of this year.

# Q2

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# 2025

# Appendix





Additional Metrics and Notes

(\$ BILLIONS)	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Total RPO	\$ 1.37	\$ 1.57	\$ 1.73	\$ 1.90	\$ 2.42
Short-Term RPO	0.69	0.73	0.83	0.90	1.02
Long-Term RPO	0.68	0.84	0.90	1.00	1.40

(\$ MILLIONS)					
Billings	\$ 718	\$ 823	\$ 779	\$ 905	\$ 1,102

Net dollar retention was 128% in Q2 2025.

Revenue Excluding Strategic Commercial Contracts

(\$ THOUSANDS)	Q2 2024	Q1 2025	Q2 2025
Revenue	\$ 678,134	\$ 883,855	\$ 1,003,697
Less:			
Revenue from Strategic Commercial Contracts	9,179	5,147	5,091
Revenue Excluding Strategic Commercial Contracts	\$ 668,955	\$ 878,708	\$ 998,606

## Reconciliation of Rule of 40

	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Year-Over-Year Revenue Growth	17%	20%	21%	27%	30%	36%	39%	48%
Adjusted Operating Margin	29%	34%	36%	37%	38%	45%	44%	46%
Rule of 40	46%	54%	57%	64%	68%	81%	83%	94%



## 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)	Q2 2024	Q2 2025
Cash Flow from Operating Activities	\$ 144,187	\$ 539,251
Add:		
Cash Paid for Employer Payroll Taxes Related to Stock-Based Compensation	7,352	37,152
Less:		
Cash Used to Purchase Property and Equipment	(2,879)	(7,634)
Adjusted Free Cash Flow	\$ 148,660	\$ 568,769
Adjusted Free Cash Flow Margin	22%	57%

# 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)		Q2 2025
Gross Profit		\$ 810,763
Add:		
Stock-Based Compensation		14,973
Adjusted Gross Profit		\$ 825,736
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)	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Income From Operations	\$ 105,339	\$ 113,140	\$ 11,043	\$ 176,048	\$ 269,317
Add:					
Stock-Based Compensation	141,764	142,425	281,798	155,339	159,971
Employer Payroll Taxes Related to Stock-Based Compensation	6,464	19,950	79,681	59,323	35,097
Adjusted Operating Income	\$ 253,567	\$ 275,515	\$ 372,522	\$ 390,710	\$ 464,385
Adjusted Operating Margin	37%	38%	45%	44%	46%



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

[1] Income tax effect is based on an estimated long-term annual effective tax rate of 23.0% for the period ended 2024. The Company's estimated long-term annual effective tax rate excludes certain noncash items, such as stock-based compensation, and is used in order to provide consistency across periods by eliminating the effects of certain items, such as changes in the tax valuation allowance.

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

(AMOUNTS IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)		Q2 2025
Net Income Attributable to Common Stockholders	\$	326,727
Add / (Less):		
Stock-Based Compensation		159,971
Employer Payroll Taxes Related to Stock-Based Compensation		35,097
Income Tax Effects and Adjustments [1]		(117,244)
Adjusted Net Income Attributable to Common Stockholders, Diluted	\$	404,551
Weighted-Average Shares Used in Computing Adjusted Earnings Per Share, Diluted		2,562,912
Adjusted Earnings Per Share, Diluted	\$	0.16

[1] Income tax effect is based on an estimated long-term annual effective tax rate of 23.0% for each of the periods presented. The Company's estimated long-term annual effective tax rate excludes certain noncash items, such as stock-based compensation, and is used in order to provide consistency across periods by eliminating the effects of certain items, such as changes in the tax valuation allowance.

Reconciliation of Revenue to Billings

(\$ THOUSANDS)	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Revenue	\$ 678,134	\$ 725,516	\$ 827,519	\$ 883,855	\$ 1,003,697
Change in Contract Liabilities	39,934	97,924	(48,636)	21,044	98,439
Billings	\$ 718,068	\$ 823,440	\$ 778,883	\$ 904,899	\$ 1,102,136



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

(\$ THOUSANDS)	Q2 2024	Q1 2025	Q2 2025
Total Expenses	\$ 572,795	\$ 707,807	\$ 734,380
Less:			
Stock-Based Compensation	141,764	155,339	159,971
Employer Payroll Taxes Related to Stock-Based Compensation	6,464	59,323	35,097
Adjusted Expenses	\$ 424,567	\$ 493,145	\$ 539,312