

**YEXT, INC.**  
**Condensed Consolidated Balance Sheets**  
(In thousands, except share and per share data)  
(unaudited)

	<b>October 31, 2018</b>	<b>January 31, 2018</b>
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$ 28,337	\$ 34,367
Marketable securities	78,697	83,974
Accounts receivable, net of allowances of \$148 and \$231, respectively	34,446	44,656
Prepaid expenses and other current assets	10,687	7,703
Deferred commissions, current	10,948	9,342
Total current assets	163,115	180,042
Property and equipment, net	11,635	11,438
Goodwill	4,623	4,924
Intangible assets, net	2,064	2,761
Other long term assets	4,825	4,324
Total assets	\$ 186,262	\$ 203,489
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 27,033	\$ 27,416
Deferred revenue, current	83,193	89,474
Deferred rent, current	1,472	1,288
Total current liabilities	111,698	118,178
Deferred rent, non-current	2,096	3,213
Other long term liabilities	598	645
Total liabilities	114,392	122,036
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at October 31, 2018 and January 31, 2018; zero shares issued and outstanding at October 31, 2018 and January 31, 2018	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at October 31, 2018 and January 31, 2018; 107,277,643 and 100,482,264 shares issued at October 31, 2018 and January 31, 2018, respectively; 100,772,309 and 93,976,930 shares outstanding at October 31, 2018 and January 31, 2018, respectively	107	100
Additional paid-in capital	382,564	328,344
Accumulated other comprehensive loss	(1,448)	(1,636)
Accumulated deficit	(297,448)	(233,450)
Treasury stock, at cost	(11,905)	(11,905)
Total stockholders' equity	71,870	81,453
Total liabilities and stockholders' equity	\$ 186,262	\$ 203,489

**YEXT, INC.**

**Condensed Consolidated Statements of Operations and Comprehensive Loss**

**(In thousands, except share and per share data)**

**(unaudited)**

	Three months ended October 31,		Nine months ended October 31,	
	2018	2017	2018	2017
Revenue	\$ 58,742	\$ 44,332	\$ 164,933	\$ 122,181
Cost of revenue	14,886	11,658	41,772	31,887
Gross profit	<u>43,856</u>	<u>32,674</u>	<u>123,161</u>	<u>90,294</u>
Operating expenses:				
Sales and marketing	45,669	32,756	122,869	91,891
Research and development	9,158	6,958	26,870	18,437
General and administrative	13,867	10,196	37,465	29,103
Total operating expenses	<u>68,694</u>	<u>49,910</u>	<u>187,204</u>	<u>139,431</u>
Loss from operations	(24,838)	(17,236)	(64,043)	(49,137)
Investment income	350	419	1,113	741
Interest income (expense)	74	(104)	(2)	(274)
Other expense, net	(194)	(132)	(583)	(667)
Loss from operations before income taxes	<u>(24,608)</u>	<u>(17,053)</u>	<u>(63,515)</u>	<u>(49,337)</u>
Provision for income taxes	(158)	(9)	(483)	(230)
Net loss	<u>\$ (24,766)</u>	<u>\$ (17,062)</u>	<u>\$ (63,998)</u>	<u>\$ (49,567)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.25)</u>	<u>\$ (0.19)</u>	<u>\$ (0.66)</u>	<u>\$ (0.67)</u>
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>99,628,479</u>	<u>90,353,608</u>	<u>97,387,544</u>	<u>73,992,705</u>
Other comprehensive income (loss):				
Foreign currency translation adjustment	\$ 126	\$ 53	\$ 22	\$ 410
Unrealized gain (loss) on marketable securities	55	(88)	166	(148)
Total comprehensive loss	<u>\$ (24,585)</u>	<u>\$ (17,097)</u>	<u>\$ (63,810)</u>	<u>\$ (49,305)</u>

**YEXT, INC.**

**Condensed Consolidated Statements of Cash Flows**

**(In thousands)**

**(unaudited)**

	<b>Nine months ended October 31,</b>	
	<b>2018</b>	<b>2017</b>
<b>Operating activities:</b>		
Net loss	\$ (63,998)	\$ (49,567)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	5,028	3,751
Provision for bad debts	302	321
Stock-based compensation expense	31,943	15,002
Change in fair value of convertible preferred stock warrant liability	—	491
Deferred income taxes	(54)	(13)
Amortization of deferred financing costs	98	105
Amortization of premium on marketable securities	(61)	108
Gain on sale of marketable securities	—	(1)
Changes in operating assets and liabilities:		
Accounts receivable	9,352	3,629
Prepaid expenses and other current assets	(3,325)	(1,989)
Deferred commissions	(1,831)	(1,152)
Other long term assets	(509)	(161)
Accounts payable, accrued expenses and other current liabilities	3,681	(2,625)
Deferred revenue	(5,298)	2,263
Deferred rent	(910)	(581)
Other long term liabilities	2	89
Net cash used in operating activities	<u>(25,580)</u>	<u>(30,330)</u>
<b>Investing activities:</b>		
Purchases of marketable securities	(52,916)	(106,155)
Maturities of marketable securities	58,420	7,500
Sales of marketable securities	—	6,041
Capital expenditures	(4,321)	(2,747)
Net cash provided by (used in) investing activities	<u>1,183</u>	<u>(95,361)</u>
<b>Financing activities:</b>		
Proceeds from initial public offering, net of underwriting discounts and commissions	—	123,527
Payments of deferred offering costs	—	(4,263)
Proceeds from exercise of stock options	15,044	4,686
Proceeds from exercise of warrants	—	79
Repayments on Revolving Line	—	(5,000)
Payments of deferred financing costs	(159)	(99)
Proceeds, net from employee stock purchase plan withholdings	3,947	2,724
Net cash provided by financing activities	<u>18,832</u>	<u>121,654</u>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	<u>(465)</u>	<u>229</u>
Net decrease in cash, cash equivalents and restricted cash	<u>(6,030)</u>	<u>(3,808)</u>
Cash, cash equivalents and restricted cash at beginning of period	34,367	24,920
Cash, cash equivalents and restricted cash at end of period	<u>\$ 28,337</u>	<u>\$ 21,112</u>

Supplemental reconciliation of cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets:

**(in thousands)**

	<u>October 31, 2018</u>	<u>October 31, 2017</u>
Cash and cash equivalents	\$ 28,337	\$ 21,112
Restricted cash	—	—
Total cash, cash equivalents and restricted cash	<u>\$ 28,337</u>	<u>\$ 21,112</u>

**YEXT, INC.**

**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**(in thousands)**  
**(unaudited)**

	<b>Three months ended October 31, 2018</b>		
	<b>GAAP</b>	<b>Stock-Based Compensation Expense</b>	<b>Non-GAAP</b>
Cost and expenses:			
Cost of revenue	\$ 14,886	\$ (820)	\$ 14,066
Gross profit	\$ 43,856	\$ (820)	\$ 44,676
Sales and marketing	\$ 45,669	\$ (6,891)	\$ 38,778
Research and development	\$ 9,158	\$ (2,369)	\$ 6,789
General and administrative	\$ 13,867	\$ (2,842)	\$ 11,025
Loss from operations	\$ (24,838)	\$ (12,922)	\$ (11,916)
Net loss	\$ (24,766)	\$ (12,922)	\$ (11,844)
Net loss margin	(42)%	(22)%	(20)%

	<b>Three months ended October 31, 2017</b>		
	<b>GAAP</b>	<b>Stock-Based Compensation Expense</b>	<b>Non-GAAP</b>
Cost and expenses:			
Cost of revenue	\$ 11,658	\$ (461)	\$ 11,197
Gross profit	\$ 32,674	\$ (461)	\$ 33,135
Sales and marketing	\$ 32,756	\$ (2,741)	\$ 30,015
Research and development	\$ 6,958	\$ (1,121)	\$ 5,837
General and administrative	\$ 10,196	\$ (1,614)	\$ 8,582
Loss from operations	\$ (17,236)	\$ (5,937)	\$ (11,299)
Net loss	\$ (17,062)	\$ (5,937)	\$ (11,125)
Net loss margin	(38)%	(13)%	(25)%

**YEXT, INC.**

**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**(in thousands)**  
**(unaudited)**

**Nine months ended October 31, 2018**

	<b>GAAP</b>	<b>Stock-Based Compensation Expense</b>	<b>Non-GAAP</b>
Cost and expenses:			
Cost of revenue	\$ 41,772	\$ (2,032)	\$ 39,740
Gross profit	\$ 123,161	\$ (2,032)	\$ 125,193
Sales and marketing	\$ 122,869	\$ (16,330)	\$ 106,539
Research and development	\$ 26,870	\$ (6,011)	\$ 20,859
General and administrative	\$ 37,465	\$ (7,570)	\$ 29,895
Loss from operations	\$ (64,043)	\$ (31,943)	\$ (32,100)
Net loss	\$ (63,998)	\$ (31,943)	\$ (32,055)
Net loss margin	(39)%	(20)%	(19)%

**Nine months ended October 31, 2017**

	<b>GAAP</b>	<b>Stock-Based Compensation Expense</b>	<b>Non-GAAP</b>
Cost and expenses:			
Cost of revenue	\$ 31,887	\$ (947)	\$ 30,940
Gross profit	\$ 90,294	\$ (947)	\$ 91,241
Sales and marketing	\$ 91,891	\$ (7,477)	\$ 84,414
Research and development	\$ 18,437	\$ (2,433)	\$ 16,004
General and administrative	\$ 29,103	\$ (4,145)	\$ 24,958
Loss from operations	\$ (49,137)	\$ (15,002)	\$ (34,135)
Net loss	\$ (49,567)	\$ (15,002)	\$ (34,565)
Net loss margin	(41)%	(13)%	(28)%

**YEXT, INC.**

**Reconciliation of GAAP to Non-GAAP Financial Measures**  
**(in thousands, except share and per share data)**  
**(unaudited)**

	<b>Three months ended October 31,</b>	
	<b>2018</b>	<b>2017</b>
Net loss	\$ (24,766)	\$ (17,062)
Stock-based compensation expense	12,922	5,937
Non-GAAP net loss	<u>\$ (11,844)</u>	<u>\$ (11,125)</u>
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.25)	\$ (0.19)
Stock-based compensation expense per share	0.13	0.07
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.12)</u>	<u>\$ (0.12)</u>
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>99,628,479</u>	<u>90,353,608</u>
	<b>Nine months ended October 31,</b>	
	<b>2018</b>	<b>2017</b>
Net loss	\$ (63,998)	\$ (49,567)
Stock-based compensation expense	31,943	15,002
Non-GAAP net loss	<u>\$ (32,055)</u>	<u>\$ (34,565)</u>
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.66)	\$ (0.67)
Stock-based compensation expense per share	0.33	0.20
Non-GAAP unweighted adjustment	—	0.09
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.33)</u>	<u>\$ (0.38)</u>
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	97,387,544	73,992,705
Non-GAAP unweighted adjustment	—	16,002,736
Non-GAAP number of shares outstanding in computing non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>97,387,544</u>	<u>89,995,441</u>

Note: the Company's IPO transaction closed on April 19, 2017, at which time the Company's convertible preferred stock converted to approximately 43.5 million shares and the Company issued an additional 12.1 million shares to investors in that offering. In order to serve as a better comparison, the Company calculated non-GAAP net loss per share for the nine months

ended October 31, 2017, using the shares outstanding as of the end of the period, as if they had been outstanding for the whole period.

The Company calculated non-GAAP net loss per share for the three and nine months ended October 31, 2018 and three months ended October 31, 2017 using the weighted-average number of shares outstanding for the respective period and did not include a non-GAAP unweighted adjustment.

**YEXT, INC.**

**Condensed Cash Flow Data  
(in thousands)  
(unaudited)**

	<b>Three months ended October 31,</b>	
	<b>2018</b>	<b>2017</b>
Net cash (used in) provided by:		
Net loss	\$ (24,766)	\$ (17,062)
Adjustments to net loss for non-cash items	14,585	7,535
Changes in operating assets and liabilities	(12,383)	(6,854)
Operating activities	<u>(22,564)</u>	<u>(16,381)</u>
Investing activities	(2,489)	971
Financing activities	6,347	3,692
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(112)	(49)
Net decrease in cash, cash equivalents and restricted cash	<u>(18,818)</u>	<u>(11,767)</u>
Cash, cash equivalents and restricted cash at beginning of period	47,155	32,879
Cash, cash equivalents and restricted cash at end of period	<u>\$ 28,337</u>	<u>\$ 21,112</u>