

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 7, 2026

HUBSPOT, INC.

(Exact name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-36680

(Commission File Number)

20-2632791
(IRS Employer
Identification No.)

**Two Canal Park,
Cambridge, Massachusetts**
(Address of Principal Executive Offices)

02141
(Zip Code)

Registrant's Telephone Number, Including Area Code: (888) 482-7768

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$0.001 per share	HUBS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02 Results of Operations and Financial Condition.

On May 7, 2026, HubSpot, Inc. (the “Company”) issued a press release announcing its financial results and other information for the quarter ended March 31, 2026. The full text of the press release is furnished as Exhibit 99.1 hereto and incorporated herein by reference.

The information under this Item 2.02, including Exhibit 99.1 attached hereto, is intended to be furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press Release of HubSpot, Inc. dated May 7, 2026 furnished herewith
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

May 7, 2026

HubSpot, Inc.

By: /s/ Kate Bueker

Name: Kate Bueker

Title: Chief Financial Officer



HubSpot Reports Strong Q1 2026 Results

Q1'26 revenue grew 23% on an as-reported basis and 18% in constant currency compared to Q1'25

CAMBRIDGE, MA (May 7, 2026) — HubSpot, Inc. (NYSE: HUBS), the agentic customer platform for scaling businesses, announced today its financial results for the first quarter ended March 31, 2026.

Financial Highlights:

Revenue

- Total revenue was \$881.0 million, up 23% on an as-reported basis and 18% in constant currency compared to Q1'25.
 - Subscription revenue was \$862.3 million, up 23% on an as-reported basis compared to Q1'25.
 - Professional services and other revenue was \$18.7 million, up 22% on an as-reported basis compared to Q1'25.

Operating Income (Loss)

- GAAP operating income was \$27.9 million, compared to an operating loss of (\$27.5) million in Q1'25.
- Non-GAAP operating income was \$156.8 million, compared to \$100.3 million in Q1'25.
- GAAP operating margin was 3.2%, compared to (3.8%) in Q1'25.
- Non-GAAP operating margin was 17.8%, compared to 14.0% in Q1'25.

Net Income (Loss)

- GAAP net income was \$32.6 million, or \$0.62 per basic and diluted share, compared to a net loss of (\$21.8) million, or (\$0.42) per basic and diluted share in Q1'25.
- Non-GAAP net income was \$143.0 million, or \$2.73 per basic and \$2.72 per diluted share, compared to \$95.9 million, or \$1.84 per basic and \$1.78 per diluted share in Q1'25.
- Weighted average basic and diluted shares outstanding for GAAP net income per share were 52.5 million and 52.6 million, respectively, compared to 52.2 million basic and diluted shares in Q1'25.
- Weighted average basic and diluted shares outstanding for non-GAAP net income per share were 52.5 million and 52.6 million respectively, compared to 52.2 million and 54.0 million, respectively in Q1'25.

Balance Sheet and Cash Flow

- The company's cash and cash equivalents, short-term, and long-term investments balance was \$1.8 billion as of March 31, 2026.
- During the first quarter, the company repurchased \$211.0 million of its common stock. As of March 31, 2026, \$789.0 million of the \$1 billion repurchase program authorized by the Board of Directors remained available for future stock repurchases.
- During the first quarter, the company generated \$198.8 million in operating cash flow, compared with \$161.6 million in Q1'25.
- During the first quarter, the company generated \$203.5 million of cash from non-GAAP operating cash flow and \$153.7 million of non-GAAP free cash flow, compared to \$166.1 million of cash from non-GAAP operating cash flow and \$122.3 million of non-GAAP free cash flow during Q1'25.

Additional Recent Business Highlights

- Grew Customers to 299,458 as of March 31, 2026, up 16% from March 31, 2025.
- Average Subscription Revenue Per Customer was \$11,722 during the first quarter of 2026, up 6% on an as-reported basis compared to Q1'25.
- Calculated billings were \$912.3 million in the first quarter of 2026, up 19% on an as-reported basis and 17% in constant currency compared to Q1'25.

“Q1 was a solid quarter of revenue growth, customer growth, and operating margin expansion,” said Yamini Rangan, Chief Executive Officer at HubSpot. “Scaling companies are increasingly choosing HubSpot as their agentic customer platform to drive AI innovation and reduce total cost of ownership, and that’s reflected in our upmarket momentum and multi-hub adoption. The AI innovations we launched at Spring Spotlight, including Customer Agent, Prospecting Agent, and Data Agent, are delivering outcomes for customers and will strengthen our AI momentum.”

Business Outlook

Based on information available as of May 7, 2026, HubSpot is issuing guidance for the second quarter and full year of 2026 as indicated below.

Second Quarter 2026:

- Total revenue is expected to be in the range of \$897.0 million to \$898.0 million, up 18% year over year on an as-reported basis and 16% in constant currency.
- Non-GAAP operating income is expected to be in the range of \$173.0 million to \$174.0 million, representing a 19% operating income margin.
- Non-GAAP net income per common share is expected to be in the range of \$3.00 to \$3.02. This assumes approximately 51.2 million weighted average diluted shares outstanding.

Full Year 2026:

- Total revenue is expected to be in the range of \$3.700 billion to \$3.708 billion, up 18% year over year on an as-reported basis and 17% in constant currency.
- Non-GAAP operating income is expected to be in the range of \$762.0 million to \$766.0 million, representing a 21% operating income margin.
- Non-GAAP net income per common share is expected to be in the range of \$13.04 to \$13.12. This assumes approximately 51.8 million weighted average diluted shares outstanding.

For Use of Non-GAAP Financial Measures

In our earnings press releases, conference calls, slide presentations, and webcasts, we may use or discuss non-GAAP financial measures, as defined by Regulation G. The GAAP financial measure most directly comparable to each non-GAAP financial measure used or discussed, and a reconciliation of the differences between each non-GAAP financial measure and the comparable GAAP financial measure, are included in this press release after the consolidated financial statements. Our earnings press releases containing such non-GAAP reconciliations can be found in the Investors section of our website ir.hubspot.com.

Conference Call Information

HubSpot will host a conference call on Thursday, May 7, 2026 at 4:30 p.m. Eastern Time (ET) to discuss the company’s first quarter 2026 financial results and its business outlook. To register for this conference call, please use this [dial in registration link](#) or visit HubSpot’s Investor Relations website at ir.hubspot.com. After registering, a confirmation email will be sent, including dial-in details and a unique code for entry. Participants who wish to register for the conference call webcast please use this [link](#).

An archived webcast of this conference call will also be available on HubSpot's Investor Relations website at ir.hubspot.com.

The company has used, and intends to continue to use, the investor relations portion of its website as a means of disclosing material non-public information and for complying with disclosure obligations under Regulation FD.

About HubSpot

HubSpot is the agentic customer platform that helps businesses connect and grow better. HubSpot delivers seamless connection for customer-facing teams with a unified platform that includes AI-powered engagement hubs, a Smart CRM, and a connected ecosystem with over 2,000 App Marketplace integrations, a community network, and educational content. Learn more at www.hubspot.com.

Cautionary Language Concerning Forward-Looking Statements

This press release includes certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding management’s expectations of future financial and operational performance, including our ability to manage expenses, the timing and level of our investments, and our ability to achieve and sustain profitability, expected growth, foreign currency movement, and business outlook, including our financial guidance for the second fiscal quarter of and full year 2026 and our long-term financial framework; statements regarding our share repurchase program; statements regarding our positioning for future growth and market leadership; statements regarding the strength of our agentic customer platform; statements regarding the growth or maintenance of our upmarket business; statements regarding the economic environment; and statements regarding expected market trends, future priorities and related investments, and market opportunities, including the adoption, performance and impact of changes to our pricing, packaging and go-to-market strategies. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts and statements identified by words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, risks associated with our history of losses; our ability to retain existing customers and add new customers; the continued growth of the market for a customer platform; our ability to develop new products and technologies and differentiate our platform from competing products and technologies, including artificial intelligence and machine learning technologies; our ability to manage our growth effectively over the long-term to maintain our high level of service; changes in our investment priorities, the timing of hiring and other expenses, and our ability to manage costs and achieve efficiencies; our ability to maintain and expand relationships with our solutions partners; the price volatility of our common stock; the impact of geopolitical conflicts, inflation, foreign currency movement, and macroeconomic instability on our business, the broader economy, our workforce and operations, the markets in which we and our partners and customers operate, and our ability to forecast our future financial performance, including variability in the intra-quarter linearity of our business; regulatory and legislative developments on the use of artificial intelligence and machine learning; and other risks set forth under the caption “Risk Factors” in our U.S Securities and Exchange Commission filings. We assume no obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

Consolidated Balance Sheets

(in thousands)

	<u>March 31,</u> <u>2026</u>	<u>December 31,</u> <u>2025</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 943,937	\$ 882,242
Short-term investments	747,115	821,552
Accounts receivable	354,950	419,146
Deferred commission expense	239,163	226,184
Prepaid expenses and other current assets	156,451	100,611
Total current assets	2,441,616	2,449,735
Long-term investments	87,520	136,662
Property and equipment, net	149,923	141,869
Capitalized software development costs, net	221,521	213,794
Right-of-use assets	192,339	200,821
Deferred commission expense, net of current portion	225,317	218,991
Other assets	178,236	165,602
Intangible assets, net	32,510	35,225
Goodwill	300,276	291,452
Total assets	3,829,258	3,854,151
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	53,420	24,764
Accrued compensation costs	107,887	99,195
Accrued commissions	117,805	132,003
Accrued expenses and other current liabilities	163,849	166,861
Operating lease liabilities	37,134	39,703
Deferred revenue	1,037,640	1,004,945
Total current liabilities	1,517,735	1,467,471
Operating lease liabilities, net of current portion	210,157	222,602
Deferred revenue, net of current portion	7,108	8,495
Other long-term liabilities	97,478	89,339
Total liabilities	1,832,478	1,787,907
Stockholders' equity:		
Common stock	52	53
Treasury stock	3	2
Additional paid-in capital	2,716,280	2,814,843
Accumulated other comprehensive income	1,789	5,244
Accumulated deficit	(721,344)	(753,898)
Total stockholders' equity	1,996,780	2,066,244
Total liabilities and stockholders' equity	\$ 3,829,258	\$ 3,854,151

Consolidated Statements of Operations

(in thousands, except per share data)

	Three Months Ended March 31,	
	2026	2025
Revenues:		
Subscription	\$ 862,264	\$ 698,728
Professional services and other	18,731	15,409
Total revenue	880,995	714,137
Cost of revenues:		
Subscription	128,724	100,230
Professional services and other	16,970	14,877
Total cost of revenues	145,694	115,107
Gross profit	735,301	599,030
Operating expenses:		
Research and development	234,193	220,100
Sales and marketing	386,431	326,697
General and administrative	85,640	78,633
Restructuring	1,094	1,080
Total operating expenses	707,358	626,510
Income (loss) from operations	27,943	(27,480)
Other income (expense)		
Interest income	12,884	20,564
Interest expense	(245)	(644)
Other expense, net	(1,288)	(2,309)
Total other income	11,351	17,611
Income (loss) before income tax expense	39,294	(9,869)
Income tax expense	(6,740)	(11,924)
Net income (loss)	32,554	(21,793)
Net income (loss) per share, basic	\$ 0.62	\$ (0.42)
Net income (loss) per share, diluted	\$ 0.62	\$ (0.42)
Weighted average common shares used in computing basic net income (loss) per share:	52,490	52,154
Weighted average common shares used in computing diluted net income (loss) per share	52,578	52,154

Consolidated Statements of Cash Flows

(in thousands)

	Three Months Ended March 31,	
	2026	2025
Operating Activities:		
Net income (loss)	\$ 32,554	\$ (21,793)
Adjustments to reconcile net (loss) income to net cash and cash equivalents provided by operating activities		
Depreciation and amortization	40,239	28,830
Stock-based compensation	115,744	116,693
Gain on strategic investments	(747)	(115)
Impairment of strategic investments	913	1,600
Benefit from deferred income taxes	(73)	(335)
Amortization of debt discount and issuance costs	97	500
Accretion of bond discount	(6,789)	(13,848)
Unrealized currency translation	2,527	2,717
Changes in assets and liabilities		
Accounts receivable	58,437	45,655
Prepaid expenses and other assets	(60,519)	(26,392)
Deferred commission expense	(22,092)	(27,159)
Right-of-use assets	7,402	6,437
Accounts payable	31,319	18,034
Accrued expenses and other liabilities	(24,709)	(1,224)
Operating lease liabilities	(13,859)	(7,452)
Deferred revenue	38,381	39,422
Net cash and cash equivalents provided by operating activities	198,825	161,570
Investing Activities:		
Purchases of investments	(358,691)	(674,375)
Maturities of investments	487,690	803,059
Purchases of property and equipment	(15,422)	(13,345)
Purchases of strategic investments	(5,792)	(11,000)
Purchases of intangible assets	(527)	—
Capitalization of software development costs	(34,339)	(30,421)
Business acquisitions, net of cash acquired	(8,341)	(51,356)
Net cash and cash equivalents provided by investing activities	64,578	22,562
Financing Activities:		
Employee taxes paid related to the net share settlement of stock-based awards	(3,194)	(9,070)
Payment of debt issuance costs	(2,620)	—
Repayment of 2025 Convertible Notes	—	(90,568)
Proceeds related to the issuance of common stock under stock plans	16,313	19,308
Repurchases of common stock	(206,681)	—
Net cash and cash equivalents used in financing activities	(196,182)	(80,330)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(5,526)	8,560
Net increase in cash, cash equivalents and restricted cash	61,695	112,362
Cash, cash equivalents and restricted cash, beginning of period	884,945	516,720
Cash, cash equivalents and restricted cash, end of period	\$ 946,640	\$ 629,082

Reconciliation of non-GAAP operating income and operating margin

(in thousands, except percentages)

	Three Months Ended March 31,	
	2026	2025
GAAP operating income (loss)	\$ 27,943	\$ (27,480)
Stock-based compensation	115,744	116,693
Amortization of acquired intangible assets	3,172	2,913
Acquisition related expense	8,811	7,082
Restructuring charges	1,094	1,080
Non-GAAP operating income	<u>\$ 156,764</u>	<u>\$ 100,288</u>
GAAP operating margin	3.2%	(3.8%)
Non-GAAP operating margin	17.8%	14.0%

Reconciliation of non-GAAP net income

(in thousands, except per share amounts)

	Three Months Ended March 31,	
	2026	2025
GAAP net income (loss)	\$ 32,554	\$ (21,793)
Stock-based compensation	115,744	116,693
Acquisition related expense	8,811	7,082
Amortization of acquired intangibles assets	3,172	2,913
Restructuring charges	1,094	1,080
Non-cash interest expense for amortization of debt issuance costs	—	500
Impairment of strategic investments, net	166	1,485
Income tax effects of non-GAAP items	(18,502)	(12,053)
Non-GAAP net income	<u>\$ 143,039</u>	<u>\$ 95,907</u>
Non-GAAP net income per share:		
Basic	\$ 2.73	\$ 1.84
Diluted	\$ 2.72	\$ 1.78
Shares used in non-GAAP per share calculations		
Basic	52,490	52,154
Diluted	52,578	54,015

Reconciliation of non-GAAP expense and expense as a percentage of revenue

(in thousands, except percentages)

	Three Months Ended March 31,									
	2026					2025				
	COS, Sub- scription	COS, Prof. services & other	R&D	S&M	G&A	COS, Sub- scription	COS, Prof. services & other	R&D	S&M	G&A
GAAP expense	\$ 128,724	\$ 16,970	\$ 234,193	\$ 386,431	\$ 85,640	\$ 100,230	\$ 14,877	\$ 220,100	\$ 326,697	\$ 78,633
Stock-based compensation	(10,421)	(689)	(53,809)	(31,188)	(19,637)	(7,697)	(930)	(56,797)	(31,604)	(19,665)
Amortization of acquired intangible assets	(2,382)	(200)	(28)	(457)	(105)	(2,178)	(200)	—	(430)	(105)
Acquisition related expense	—	—	(5,618)	(1,182)	(2,011)	—	—	(6,886)	(122)	(74)
Non-GAAP expense	<u>\$ 115,921</u>	<u>\$ 16,081</u>	<u>\$ 174,738</u>	<u>\$ 353,604</u>	<u>\$ 63,887</u>	<u>\$ 90,355</u>	<u>\$ 13,747</u>	<u>\$ 156,417</u>	<u>\$ 294,541</u>	<u>\$ 58,789</u>
GAAP expense as a percentage of revenue	14.6%	1.9%	26.6%	43.9%	9.7%	14.0%	2.1%	30.8%	45.7%	11.0%
Non-GAAP expense as a percentage of revenue	13.2%	1.8%	19.8%	40.1%	7.3%	12.7%	1.9%	21.9%	41.2%	8.2%

Reconciliation of non-GAAP subscription margin

(in thousands, except percentages)

	Three Months Ended March 31,	
	2026	2025
GAAP subscription margin	\$ 733,540	\$ 598,498
Stock-based compensation	10,421	7,697
Amortization of acquired intangible assets	2,382	2,178
Non-GAAP subscription margin	<u>\$ 746,343</u>	<u>\$ 608,373</u>
GAAP subscription margin percentage	85.1%	85.7%
Non-GAAP subscription margin percentage	86.6%	87.1%

Reconciliation of free cash flow

(in thousands)

	Three Months Ended March 31,	
	2026	2025
GAAP net cash and cash equivalents provided by operating activities	\$ 198,825	\$ 161,570
Purchases of property and equipment	(15,422)	(13,345)
Capitalization of software development costs	(34,339)	(30,421)
Payment of restructuring charges	4,665	4,505
Non-GAAP free cash flow	<u>\$ 153,729</u>	<u>\$ 122,309</u>
Supplemental disclosures:		
Holdback payments to key employees related to acquisitions ⁽¹⁾	<u>\$ 4,147</u>	<u>\$ —</u>

⁽¹⁾ Includes payments related to employee holdbacks pertaining to our acquisitions. The related expenses are recognized within operating expenses over the required service periods.

Reconciliation of operating cash flow

(in thousands)

	Three Months Ended March 31,	
	2026	2025
GAAP net cash and cash equivalents provided by operating activities	\$ 198,825	\$ 161,570
Payment of restructuring charges	4,665	4,505
Non-GAAP operating cash flow	<u>\$ 203,490</u>	<u>\$ 166,075</u>
Supplemental disclosures:		
Holdback payments to key employees related to acquisitions ⁽¹⁾	<u>\$ 4,147</u>	<u>\$ —</u>

⁽¹⁾ Includes payments related to employee holdbacks pertaining to our acquisitions. The related expenses are recognized within operating expenses over the required service periods.

Reconciliation of forecasted non-GAAP operating income

(in thousands, except percentages)

	Three Months Ended June 30, 2026	Year Ended December 31, 2026
GAAP operating income range	\$21,672-\$22,672	\$193,024-\$197,024
Stock-based compensation	141,011	527,077
Amortization of acquired intangible assets	3,111	12,504
Acquisition related expense	6,198	25,349
Restructuring charges	1,008	4,046
Non-GAAP operating income range	\$173,000-\$174,000	\$762,000-\$766,000

Reconciliation of forecasted non-GAAP net income and non-GAAP net income per share

(in thousands, except per share amounts)

	Three Months Ended June 30, 2026	Year Ended December 31, 2026
GAAP net income range	\$25,371-\$26,371	\$192,129-\$196,629
Stock-based compensation	141,011	527,077
Amortization of acquired intangible assets	3,111	12,504
Acquisition related expense	6,198	25,349
Restructuring charges	1,008	4,046
Impairment of strategic investments, net	—	166
Income tax effects of non-GAAP items	(22,699)	(85,371)
Non-GAAP net income range	\$154,000-\$155,000	\$675,900-\$680,400
GAAP net income per basic share	\$0.50-\$0.52	\$3.72-\$3.81
GAAP net income per diluted share	\$0.50-\$0.51	\$3.71-\$3.79
Non-GAAP net income per diluted share	\$3.00-\$3.02	\$13.04-\$13.12

Weighted average common shares used in computing GAAP basic net income per share:	51,146	51,650
Weighted average common shares used in computing GAAP and non-GAAP diluted net income per share:	51,248	51,847

HubSpot's estimates of stock-based compensation, amortization of acquired intangible assets, interest expense for amortization of one-time upfront debt issuance costs, restructuring charges, and income tax effects of non-GAAP items assume, among other things, the occurrence of no additional acquisitions, changes in value of strategic investments, and no further revisions to stock-based compensation and related expenses.

Non-GAAP Financial Measures

We report our financial results in accordance with accounting principles generally accepted in the United States of America, or GAAP. However, management believes that, in order to properly understand our short-term and long-term financial and operational trends, investors may wish to consider the impact of certain non-cash or non-recurring items when used as a supplement to financial performance measures in accordance with GAAP. These items result from facts and circumstances that vary in frequency and impact on continuing operations. In this release, HubSpot's non-GAAP operating income, operating margin, subscription margin, expense, expense as a percentage of revenue, net income, operating and free cash flow are not presented in accordance with GAAP and are not intended to be used in lieu of GAAP presentations of results of operations.

Calculated billings is defined as total revenue recognized in a period plus the sequential change in total deferred revenue in the corresponding period. Non-GAAP operating cash flow is defined as cash and cash equivalents provided by or used

in operating activities plus payment of restructuring charges. Non-GAAP free cash flow is defined as cash and cash equivalents provided by or used in operating activities less purchases of property and equipment and capitalization of software development costs, plus payment of restructuring charges. Although non-GAAP operating cash flow and non-GAAP free cash flow are not residual cash flow available for our discretionary expenditures, we believe information regarding non-GAAP operating cash flow and non-GAAP free cash flow provide useful information to investors in understanding and evaluating the strength of our liquidity and provides a comparable framework for assessing how our business performed when compared to prior periods which were not impacted by restructuring charges paid from operating cash flow.

Constant currency amounts are presented to provide a framework for assessing our operating performance excluding the effect of foreign exchange rate fluctuations. To exclude the effect of foreign currency rate fluctuations, current period results for entities reporting in currencies other than U.S. Dollars (“USD”) are converted into USD at the average exchange rates for the comparative period rather than the actual average exchange rates in effect during the respective periods.

Management believes that these non-GAAP financial measures provide additional means of evaluating period-over-period operating performance. Specifically, these non-GAAP financial measures provide management with additional means to understand and evaluate the operating results and trends in our ongoing business by eliminating certain non-cash expenses and other items that management believes might otherwise make comparisons of our ongoing business with prior periods more difficult, obscure trends in ongoing operations, or reduce management’s ability to make useful forecasts. In addition, management understands that some investors and financial analysts find this information helpful in analyzing our financial and operational performance and comparing this performance to our peers and competitors. However, these non-GAAP financial measures have limitations as an analytical tool and are not intended to be an alternative to financial measures prepared in accordance with GAAP. In addition, it should be noted that these non-GAAP financial measures may be different from non-GAAP measures used by other companies. We intend to provide these non-GAAP financial measures as part of our future earnings discussions and, therefore, the inclusion of these non-GAAP financial measures will provide consistency in our financial reporting. Management may, however, utilize other measures to illustrate performance in the future. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of our non-GAAP financial measures to their most directly comparable GAAP measures has been provided in the financial statement tables included above in this press release.

These non-GAAP measures exclude stock-based compensation, amortization of acquired intangible assets, acquisition related expenses, disposition related income, interest expense for the amortization of one-time upfront debt issuance costs, gain or impairment losses on strategic investments, restructuring charges, and account for the income tax effects of the exclusion of these non-GAAP items. We believe investors may want to incorporate the effects of these items in order to compare our financial performance with that of other companies and between time periods:

- A. Stock-based compensation is a non-cash expense accounted for in accordance with FASB ASC Topic 718. We believe that the exclusion of stock-based compensation expense allows for financial results that are more indicative of our operational performance and provide for a useful comparison of our operating results to prior periods and to our peer companies because stock-based compensation expense varies from period to period and company to company due to such things as differing valuation methodologies and changes in stock price.
- B. Expense for the amortization of acquired intangible assets is excluded from non-GAAP expense and income measures as HubSpot views amortization of these assets as arising from pre-acquisition activities determined at the time of an acquisition. While these intangible assets are evaluated for impairment regularly, amortization of the cost of purchased intangibles is a non-cash expense that is not typically affected by operations during any particular period. Valuation and subsequent amortization of intangible assets can also be inconsistent in amount and frequency because they can significantly vary based on the timing and size of acquisitions and the inherently subjective nature of the degree to which a purchase price is allocated to intangible assets. We believe that the exclusion of this amortization expense provides for a useful comparison of our operating results to prior periods,

for which we have historically excluded amortization expense, and to our peer companies, which commonly exclude acquired intangible asset amortization. It is important to note that although we exclude amortization of acquired intangible assets from our non-GAAP expense and income measures, revenue generated from such intangibles is included within our non-GAAP income measures. The use of these intangible assets contributed to our revenues earned during the periods presented and will contribute to future periods as well.

- C. Acquisition related expenses, such as transaction costs, retention payments, and holdback payments, and disposition related income, such as proceeds from sale of assets, are transactions that are not necessarily reflective of our operational performance during a period. We believe that the exclusion of these expenses and income provides for a useful comparison of our operating results to prior periods and to our peer companies, which commonly exclude these expenses and income. Payments for acquisition related expenses are included in our non-GAAP operating cash flow and free cash flow.
- D. In June 2020, we issued \$460 million of convertible notes due in 2025 with a coupon interest rate of 0.375%. The issuance cost of the debt is amortized as interest expense over the remaining term of the debt. We believe the exclusion of this interest expense for one-time upfront issuance costs provides for a useful comparison of our operating results to prior periods and to our peer companies. The Notes matured in June 2025, and no additional expense has been recognized thereafter.
- E. Strategic investments consist of non-controlling equity investments in privately held companies. The recognition of gains, impairment losses, or the proportionate share of net earnings can vary significantly across periods and we do not view them to be indicative of our fundamental operating activities and believe the exclusion provides for a useful comparison of our operating results to prior periods and to our peer companies.
- F. Restructuring charges are related to severance, employee related benefits, facilities and other costs associated with the restructuring plan implemented in January 2023. Restructuring charges fluctuate in amount and frequency and are not reflective of our core business operating results. In addition to the restructuring charges related to facilities we abandoned during the year ended 2023, through 2027, we expect to both incur incremental restructuring charges and make cash payments related to such facilities. The abandonment of facilities is part of the restructuring plan we authorized on January 25, 2023 and is intended to consolidate our lease space and create higher density across our workspaces. The incremental charges we expect to incur relate to continuing costs for the abandoned facilities and are expected to be in the range of \$6-7 million. We also expect to make cash payments of approximately \$23 million in fixed rent payments for the abandoned facilities that will be made in monthly installments through 2027, for which we have taken the full restructuring charge during the year ended 2023. We plan on excluding both the incremental charges and cash payments and the related restructuring cash rent payments from our non-GAAP earnings, operating cash flow, and free cash flow metrics. We believe exclusion of these charges and cash payments provides useful information to investors in understanding and evaluating the strength of earnings and liquidity and provides a comparable framework for assessing how our business performed when compared to prior periods which were not impacted by excluded restructuring charges paid from operating cash flow.
- G. The effects of income taxes on non-GAAP items reflect a fixed long-term projected tax rate of 15% to provide better consistency across reporting periods. In 2026, we updated our fixed long-term projected tax rate from 20% to 15% to reflect regulatory changes from the One Big Beautiful Bill that was signed into law on July 4, 2025. To determine this long-term non-GAAP tax rate, we exclude the impact of other non-GAAP adjustments and take into account other factors such as our current operating structure and existing tax positions in various jurisdictions. We will periodically reevaluate this tax rate, as necessary, for significant events such as relevant tax law changes and material changes in our forecasted geographic earnings mix.

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