MARKET REPORT

Databricks at $4.8B ARR

TEAM

Jan-Erik Asplund
Co-Founder
jan@sacra.com

DISCLAIMERS

Published on **Dec 28th, 2025**

Databricks at $4.8B ARR

By **Jan-Erik Asplund**

TL;DR: Databricks is now growing nearly 2x faster than Snowflake at comparable scale (55% vs 29% YoY), with 60% of revenue coming from its core data platform & 40% from expansion products like warehousing ($1B) and AI ($1B). Sacra estimates Databricks hit $4.8B in annualized revenue in September 2025, growing 55% YoY, raising a $4B+ Series L at a $134B valuation. For more, check out our full report and dataset.

Databricks
ARR & ARR Growth Rate

$4.8B
↑ **55.0%** YoY

All 3Y 5Y

$4.8B (Sep)

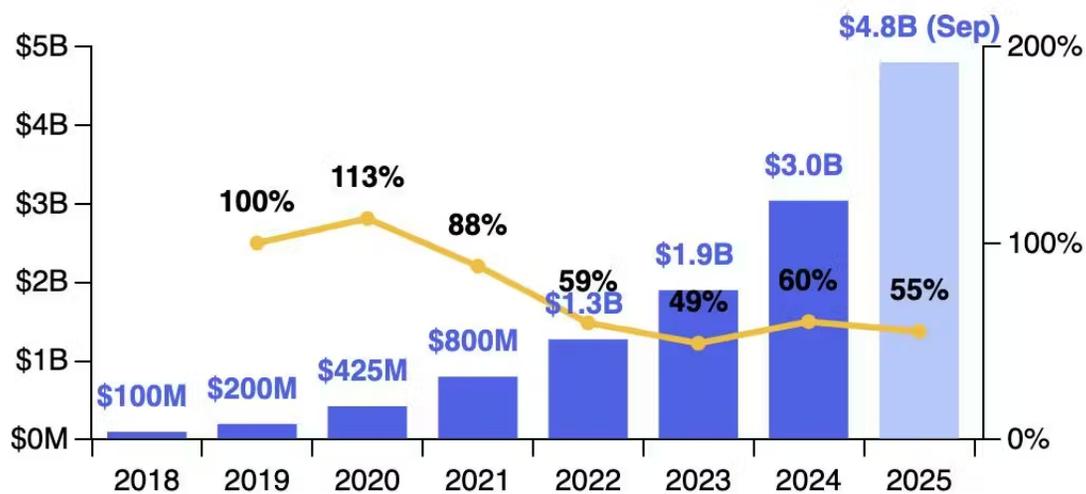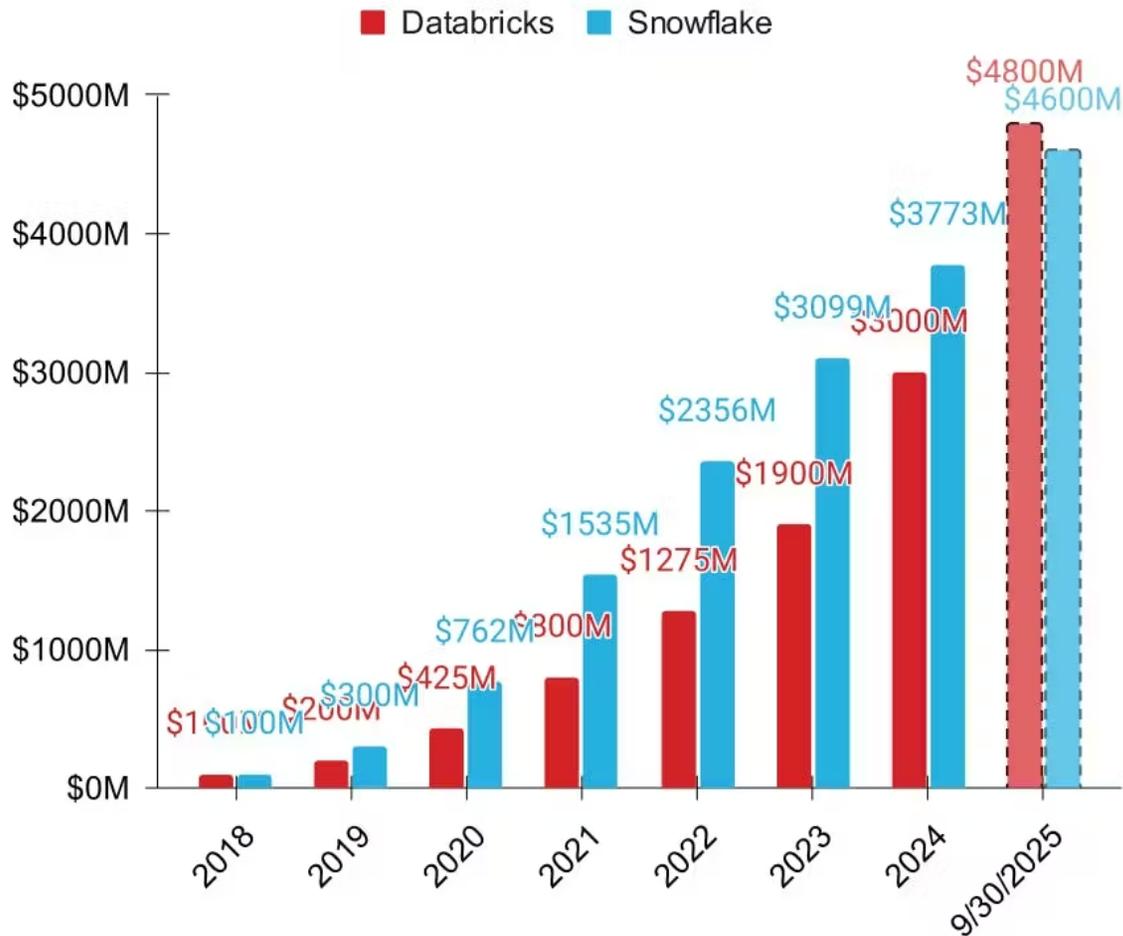| Year	ARR	Growth
2018	$100M	
2019	$200M	100%
2020	$425M	113%
2021	$800M	88%
2022	$1.3B	59%
2023	$1.9B	49%
2024	$3.0B	60%
2025	$4.8B	55%

Source: Sacra   Updated: Dec 21, 2025

■ ARR ($M) ― Growth

databricks vs. snowflake

Annual recurring revenue (ARR)

Legend: ■ Databricks ■ Snowflake

Year	Databricks	Snowflake
2018	$10M	$100M
2019	$200M	$300M
2020	$425M	$762M
2021	$800M	$1535M
2022	$1275M	$2356M
2023	$1900M	$3099M
2024	$3000M	$3773M
9/30/2025	$4800M	$4600M

We last covered Databricks as it crossed $4B ARR in August 2025 with its AI products hitting $1B run-rate within 18 months of launch.

Key points from our December 2025 update via Sacra AI:

- Databricks hit $4.8B in annualized revenue in September 2025, growing 55% YoY with 140% net dollar retention, raising a $4B+ Series L at a $134B valuation for a ~28x revenue multiple—compared to Snowflake (NYSE: SNOW) at ~$4.6B growing 29% YoY with 125% net dollar retention, valued at ~$90B for a ~20x multiple, with Databricks growing nearly 2x faster at comparable scale and on track to pass Snowflake in absolute revenue in 2026.

- Their respective revenue mix shows how the two businesses have diverged, with Databricks generating ~$2.8B in revenue (~60%) from its core data platform (Spark jobs, notebooks, ML pipelines), with data warehousing (Databricks SQL) and AI products (Mosaic AI) each at a $1B run-rate (~20% each), while Snowflake derives the vast majority (94%) of its $4.6B from warehousing, with platform expansion products like

Cortex (AI, ~$100M), Snowpark (data engineering), and Streamlit (apps) as much smaller lines of business.

- Pushing from data infrastructure into the application layer, nascent product lines like Lakebase for serverless Postgres (from May 2025 Neon acquisition), Agent Bricks for AI agent orchestration, and Databricks Apps for app deployment increasingly position Databricks to capture revenue from software built on top of its platform vs. just the data processing underneath it.

For more, check out this other research from our platform:

- Databricks (dataset)
- Salesforce, Amplitude, and the fat data layer in B2B SaaS
- Fivetran: the $200M/yr Zapier of ETL
- Conor McCarter, co-founder of Prequel, on Fivetran's existential risk
- Sean Lynch, co-founder of Census, on reverse ETL's role in the modern data stack
- dbt Labs vs Databricks vs Snowflake
- Cribl at $200M ARR
- Databricks at $2.4B ARR growing 60%
- Grafana at $270M/year growing 69%
- Salesforce vs. Snowflake
- Julia Schottenstein, Product Manager at dbt Labs, on the business model of open source
- Earl Lee, co-founder and CEO of HeadsUp, on the modern data stack value chain
- Tristan Handy, CEO of dbt Labs, on dbt's multi-cloud tailwinds