Bitcoin for Corporations

Michael Saylor

Note: This presentation was presented by Michael Saylor in May 2025. The views expressed are Michael's own and may not necessarily reflect the views of MicroStrategy Incorporated.
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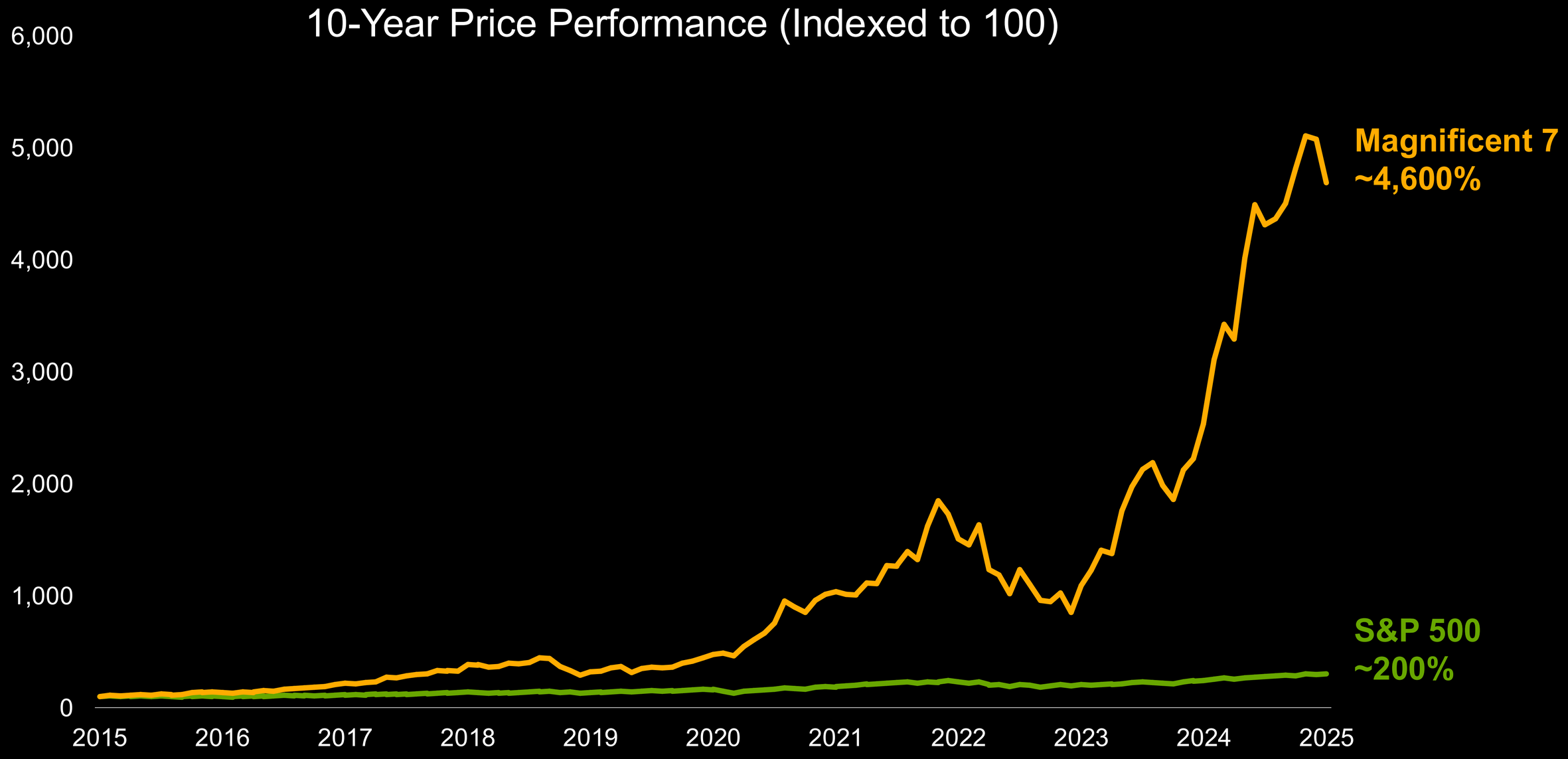
The Challenge that Every Company Faces

The Winners in the 21st Century are Digital Monopolies



If a company can’t grow organically 15% per year, institutional investors lose interest and liquidity in the firm’s equity & options dissipates.

Capital Markets are Unhealthy full of Zombie Companies

Most public companies:

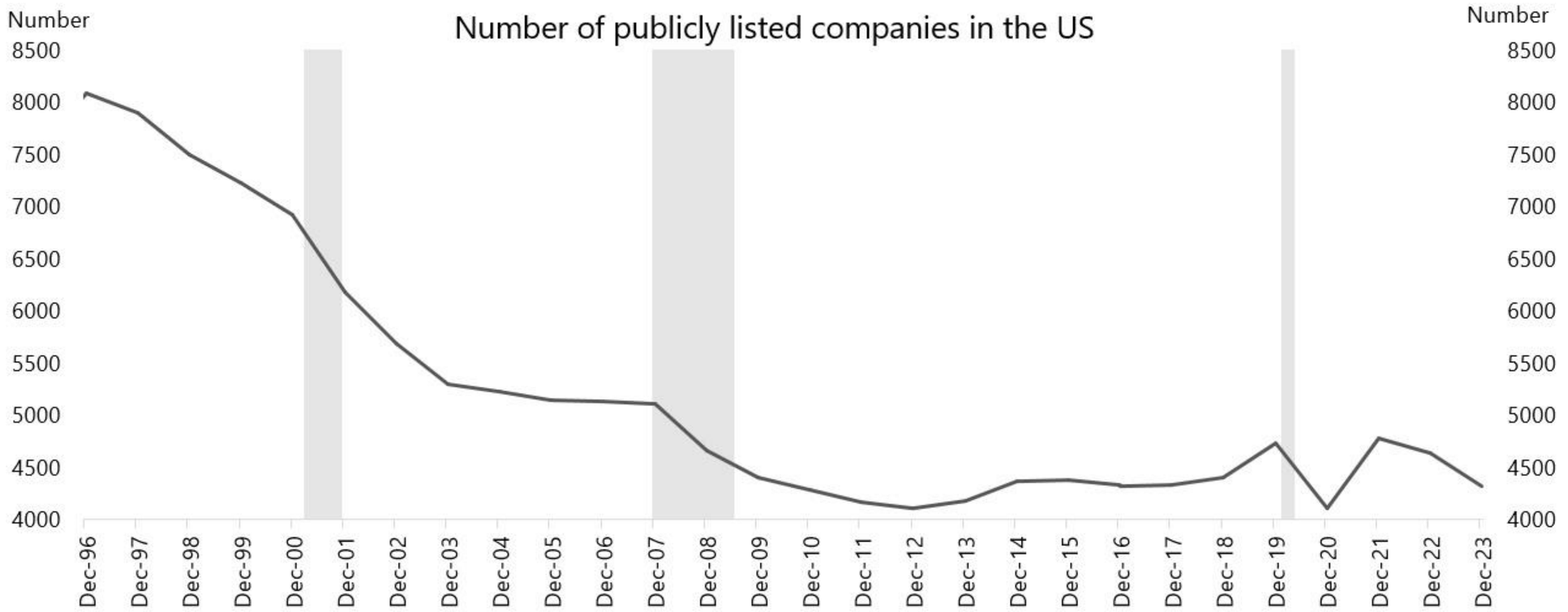
Offer no liquidity/options
Can’t beat S&P index
Can’t retain earnings
Can’t raise capital
Can’t take risks

Capital is Toxic
Volatility is Toxic
Inflation is Toxic

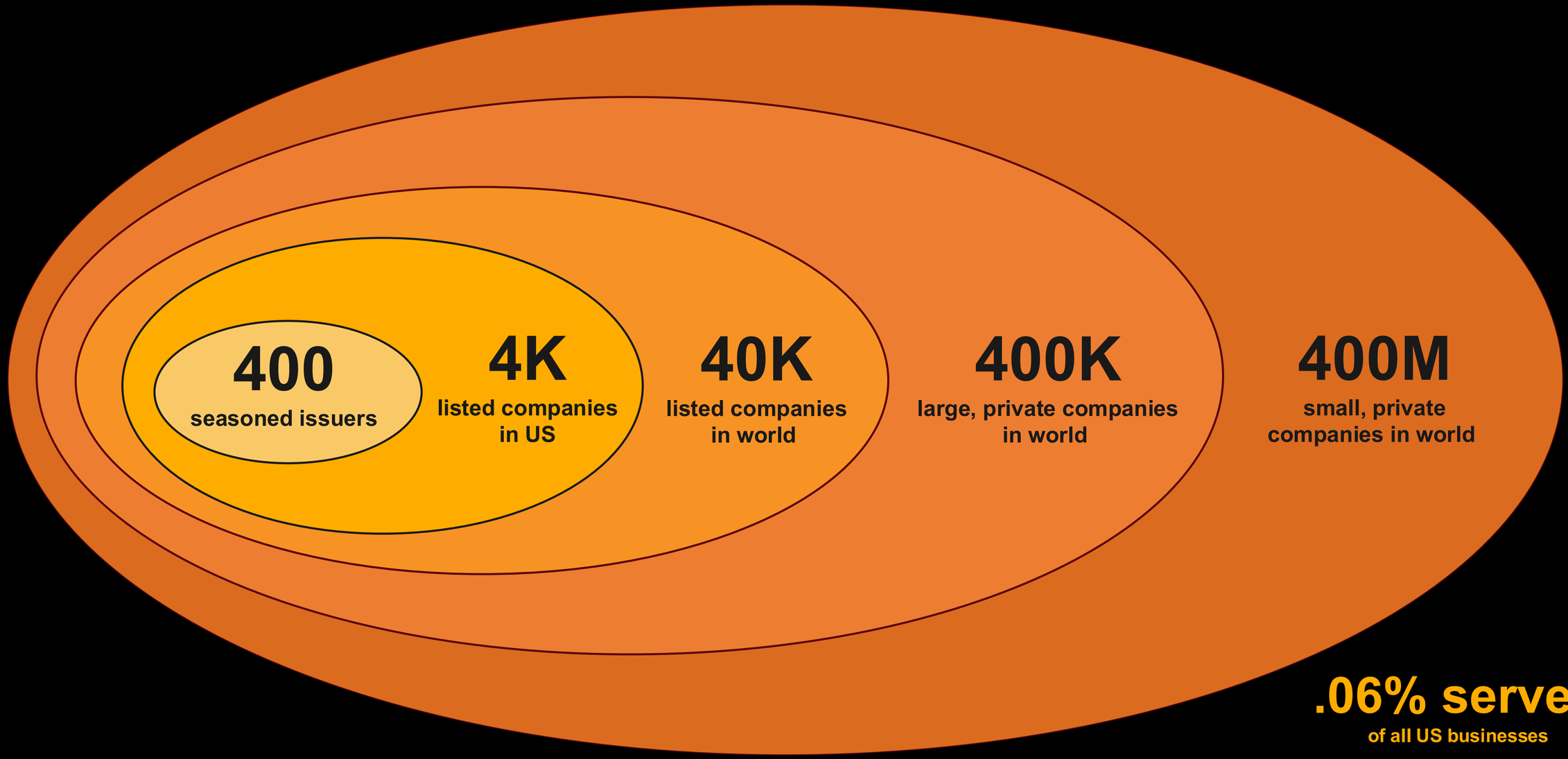
Stifling Regulations Cripple Innovation, Diversity & Growth

APOLLO

US: Significant decline in the number of publicly listed companies



Traditional Capital Markets are Exclusionary & Elitist



.06% served
of all US businesses

The Hard Truth About Publicly Traded Equities

Total Market[1]

~12,000

publicly traded US securities

Outperformed S&P (10Y)[2]

~15%

beat the S&P over a decade

High Liquidity Stocks[3]

~12%

of stocks have >$10M daily trading volume

Volume Concentration[4]

83%

of all trading volume from top 100 stocks

Options Market Reach[5]

~8%

of public companies have active options

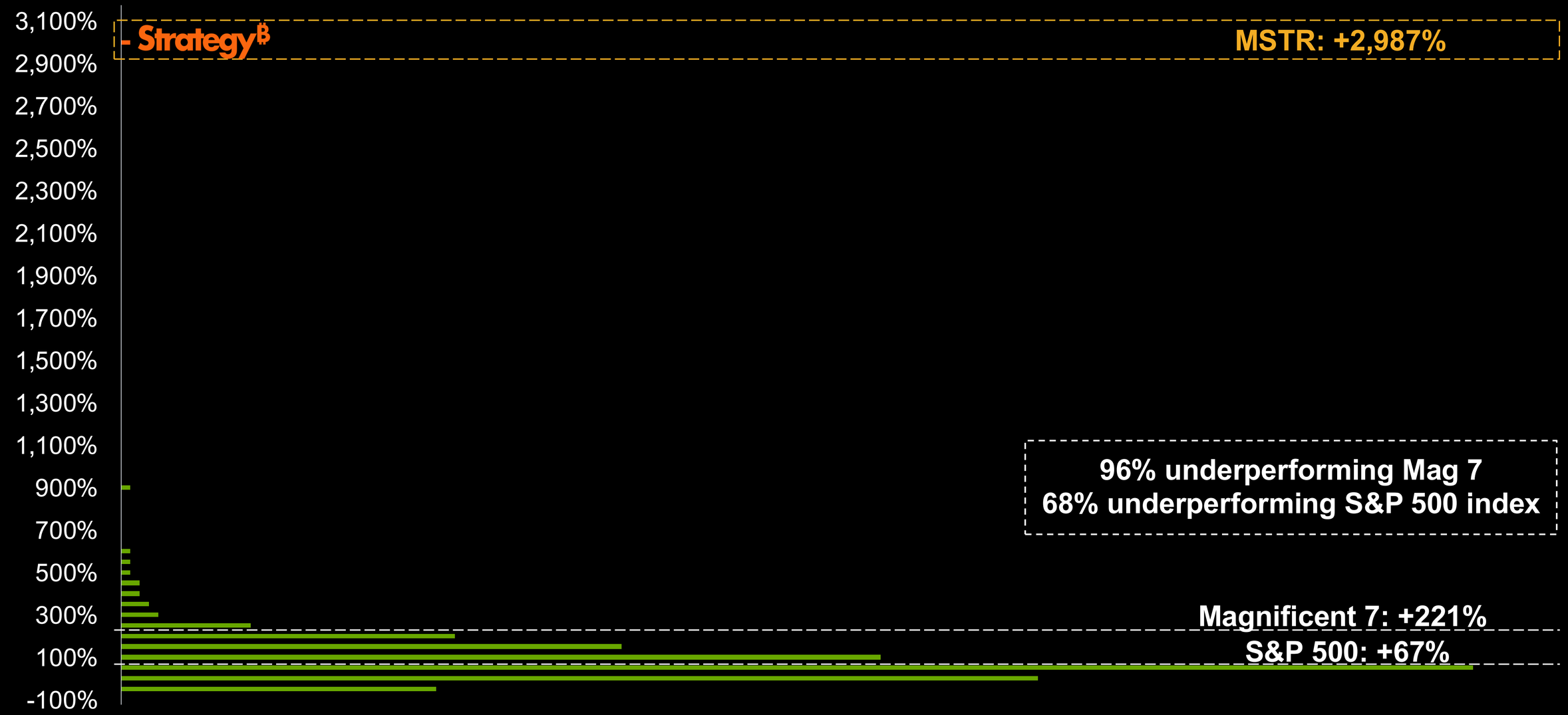
Net Wealth Creation[6]

4%

of public companies create net wealth

(1) Including OTC securities. Sources: Forbes, OTC Markets Group. (2) S&P 500 Total Return Index gained ~240% (2015-2024); only ~15% of stocks outperformed it over the decade. (3) Only ~1,000-1,500 companies (~12%) consistently trade >$10M daily. Source: MarketChameleon. (4) Top 100 stocks = 83% of all U.S. stock trading volume; remaining ~4,000 stocks = only 17%. Source: MarketChameleon. (5) Only ~1,000 companies (~8%) have actively traded options with >$10M open interest. Source: OptionsEducation.org. (6) Bessembinder research: only 4% of stocks created all net wealth over mlutiple decades; 96% performed no better than Treasury bills. Source: Finimize.

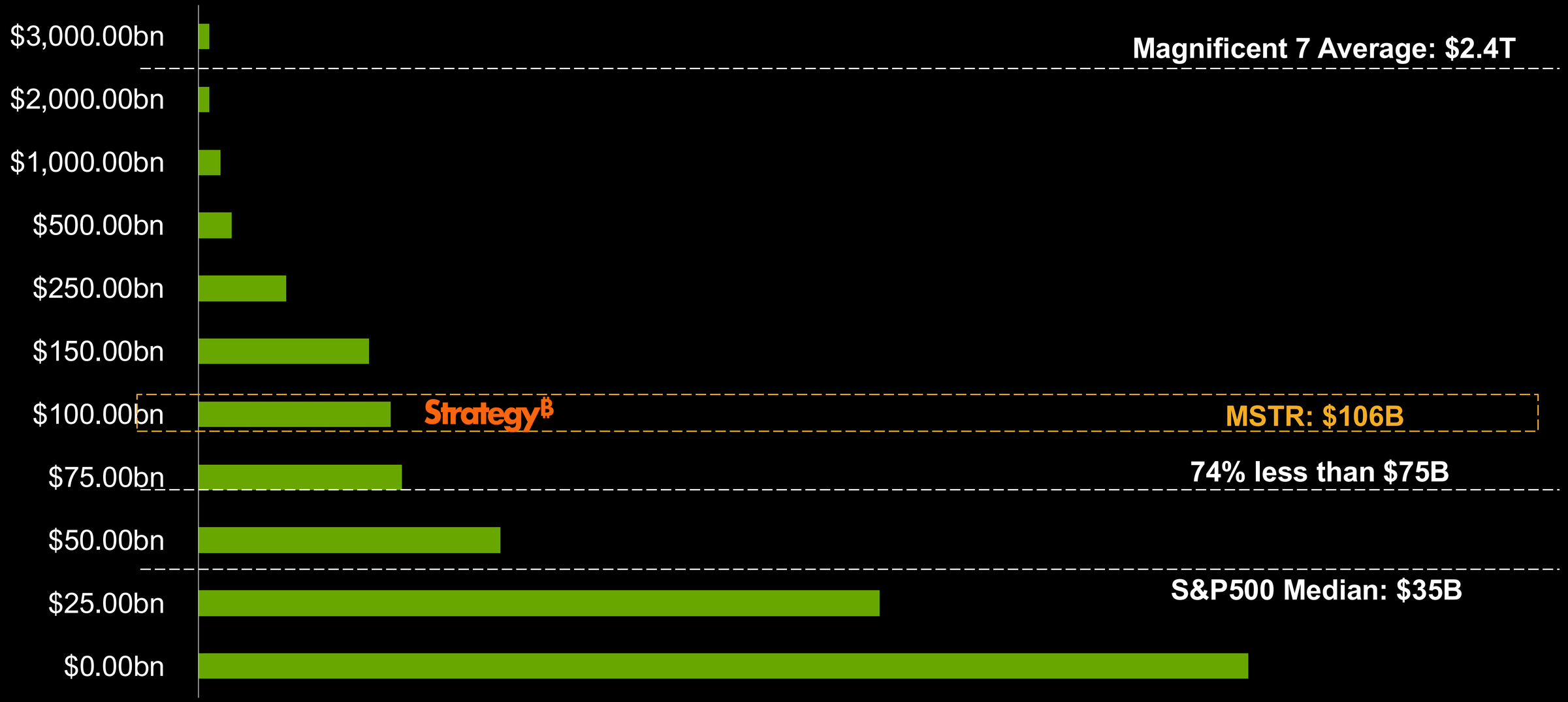
Distribution of S&P 500 Companies based on Stock Performance



Stock performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

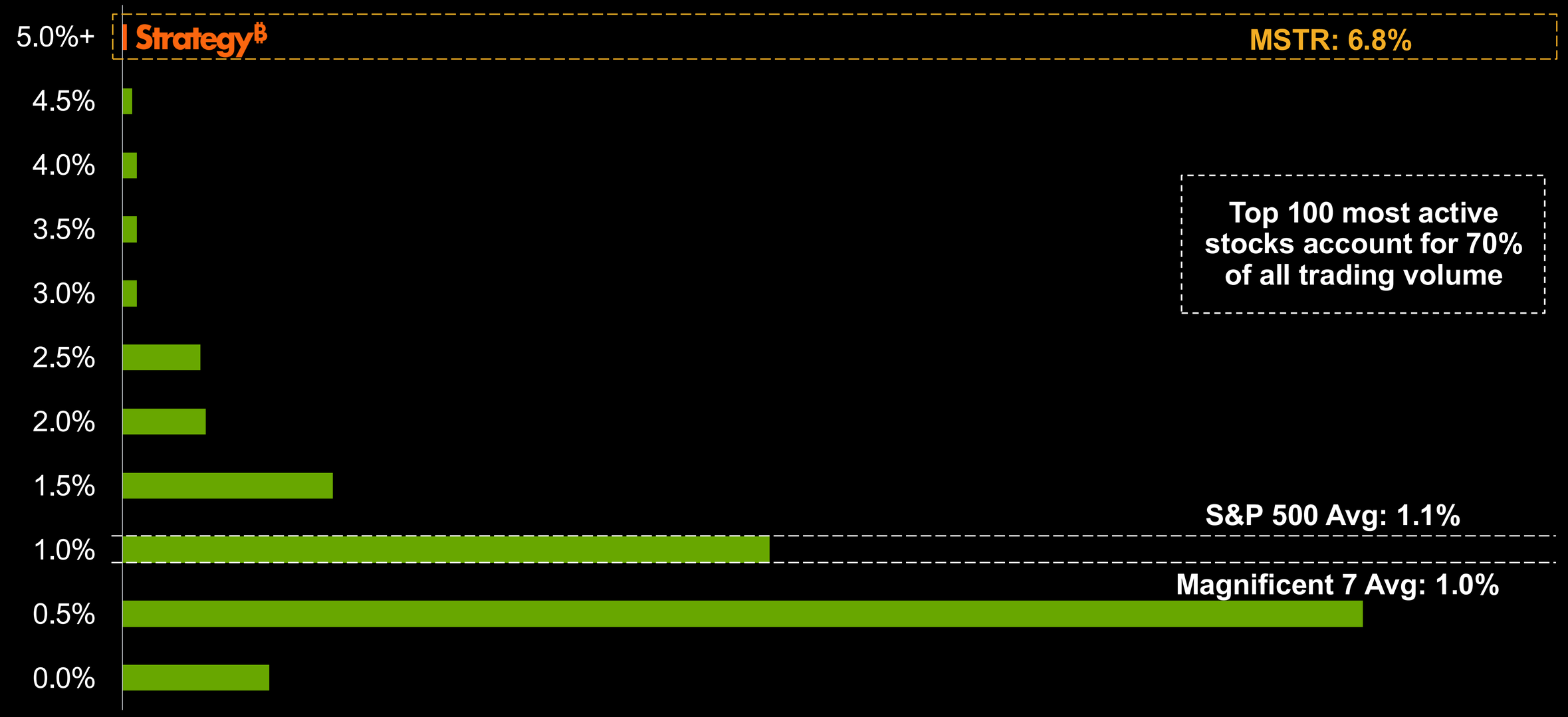
Source: FactSet as of May 1, 2025. S&P 500 constituents as of August 10, 2020.

Distribution of S&P 500 Companies based on Market Cap



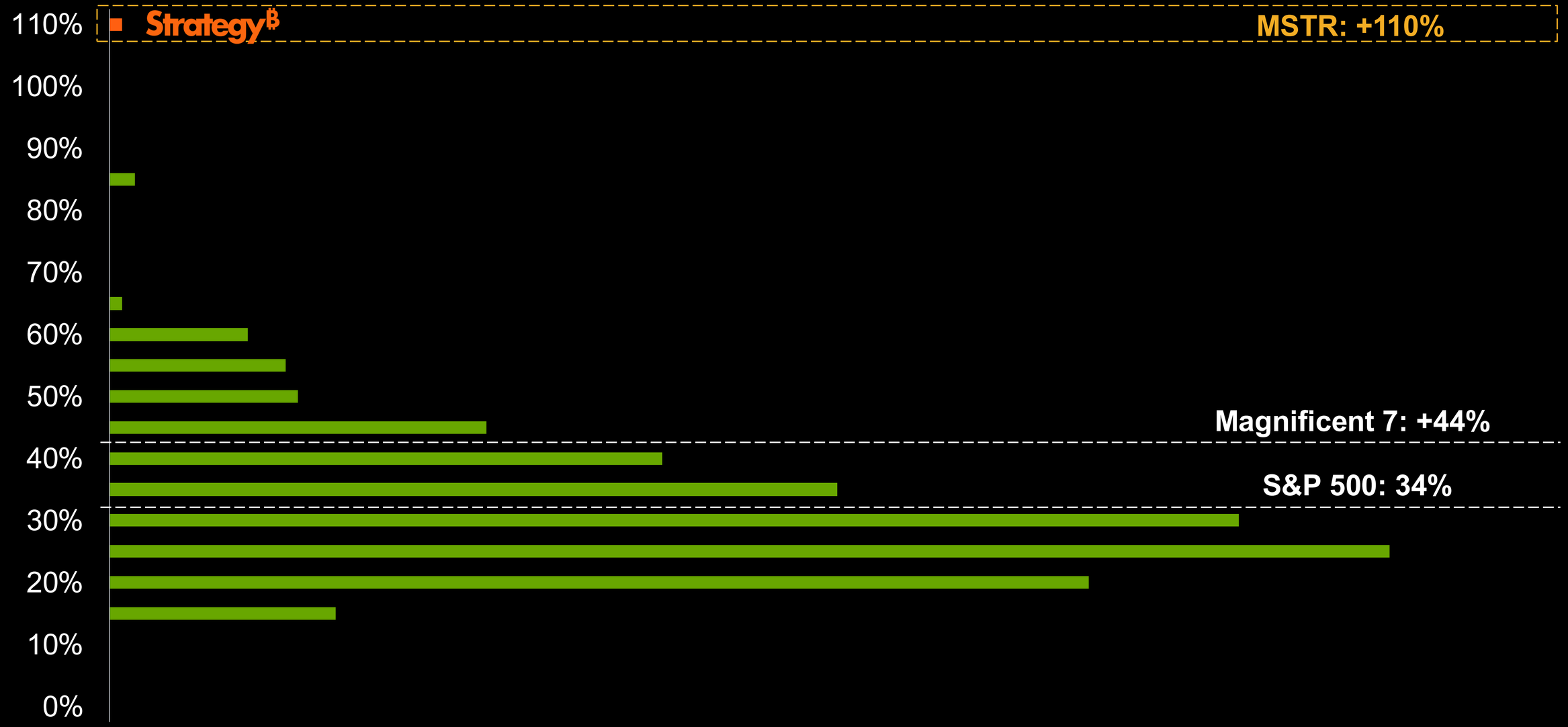
Source: FactSet as of May 1, 2025.

Distribution of S&P 500 Companies based on Liquidity (% of Mkt Cap)



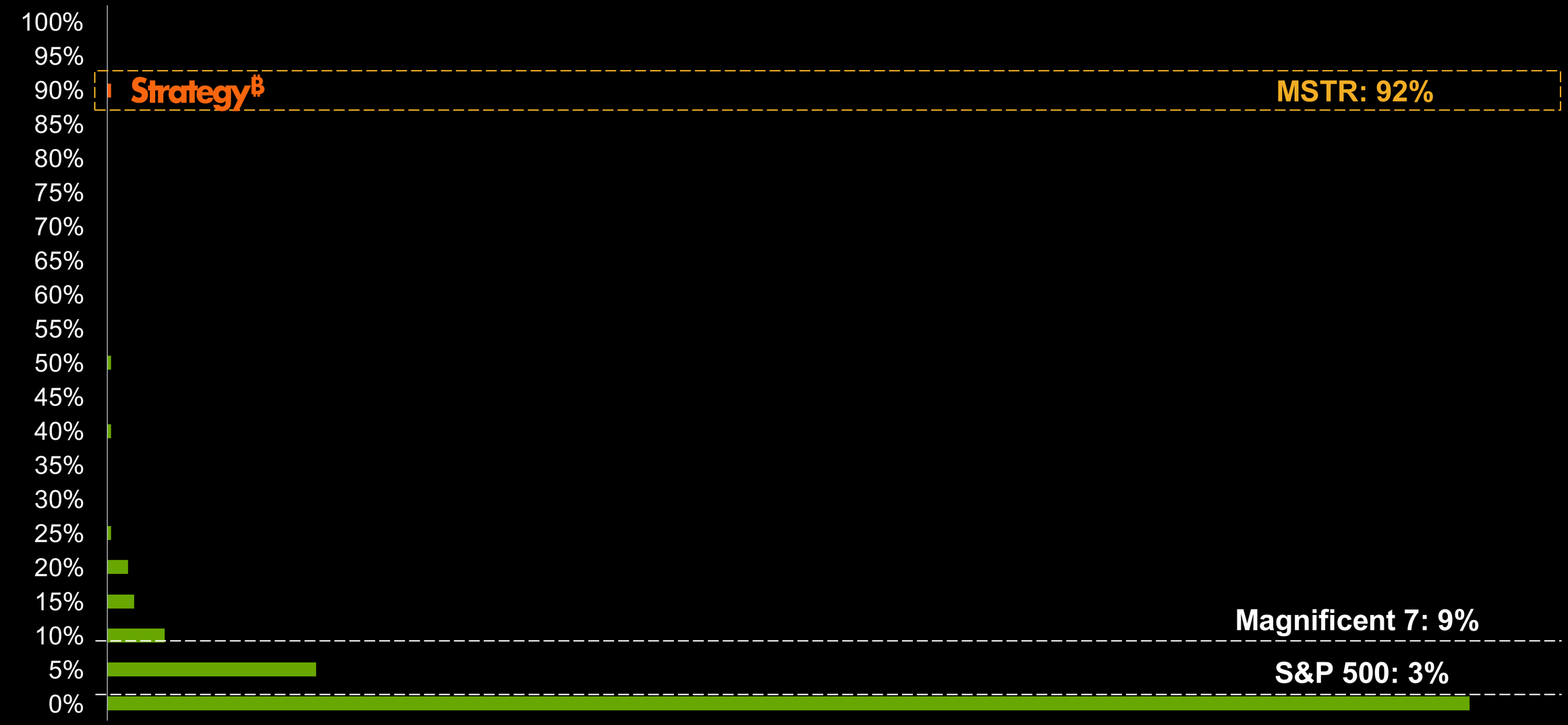
Source: FactSet as of May 1, 2025.

Distribution of S&P 500 Companies based on Volatility



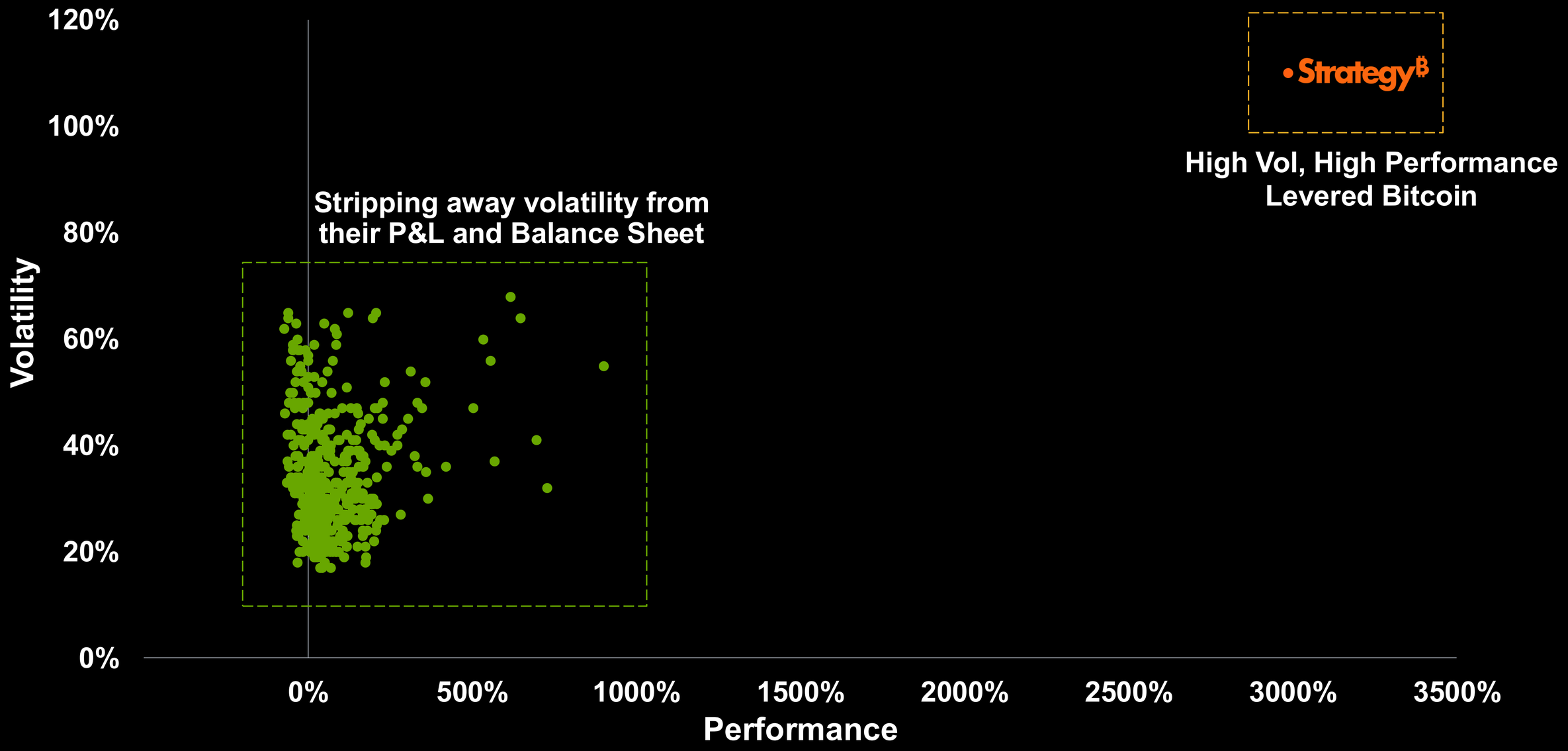
Source: FactSet as of May 1, 2025.

Distr. of S&P 500 Companies based on Open Interest (% of Mkt Cap)



Source: FactSet as of May 1, 2025.
(1) Open Interest as a percentage of market capitalization.

Stock Performance vs Volatility of S&P 500 Companies



Source: FactSet as of May 1, 2025. Stock performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Most Companies Struggle to Compete and Die Slowly

% of US listed companies

~85% <$10M options open interest

~75% <$10M daily trading volume

~85% Underperform S&P 500 index

AI is not the Solution

Everyone agrees that you should use AI to cut your costs, improve your products, and grow your business.

The rich will get richer, the famous will get more famous, the powerful will get more powerful.

AI unicorns will disrupt entire industries, destroy thousands of companies, and change the world.

It is more likely that your company will be the victim of these trends than a beneficiary.

Consensus thinking won’t elevate the average company, and AI is a necessary but not sufficient condition for success.

Bitcoin is the Solution

Few agree that you should use Bitcoin to capitalize your business.

“Courage is in much shorter supply than Genius.”

Success comes from a willingness to acknowledge reality, embrace a new idea, do the work, take a risk, and execute.

100 Hours of Learning to Preserve 80,000 Hours of Efforts

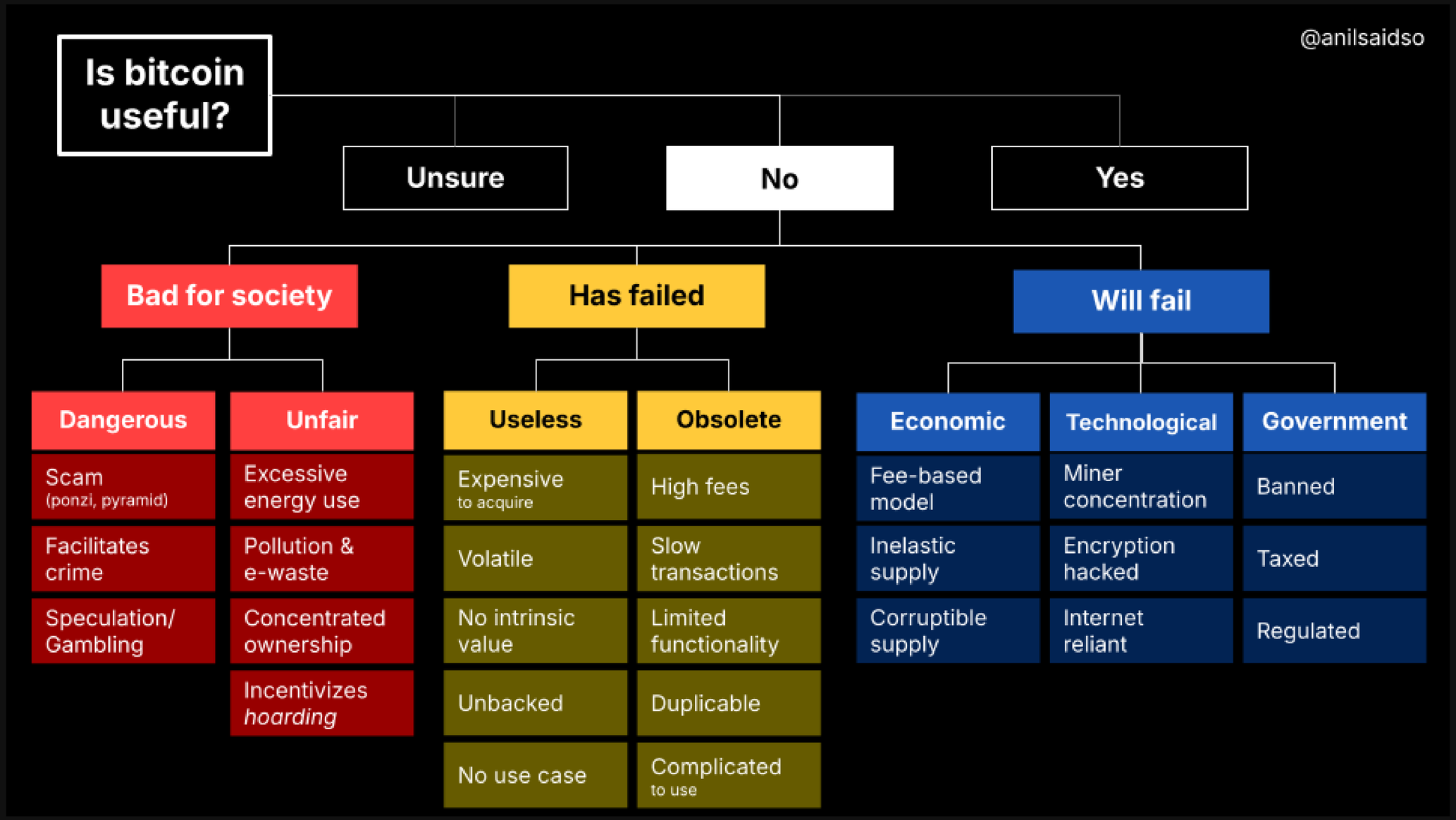
Earning Money

Studying Money

treasuryofsaylor.com

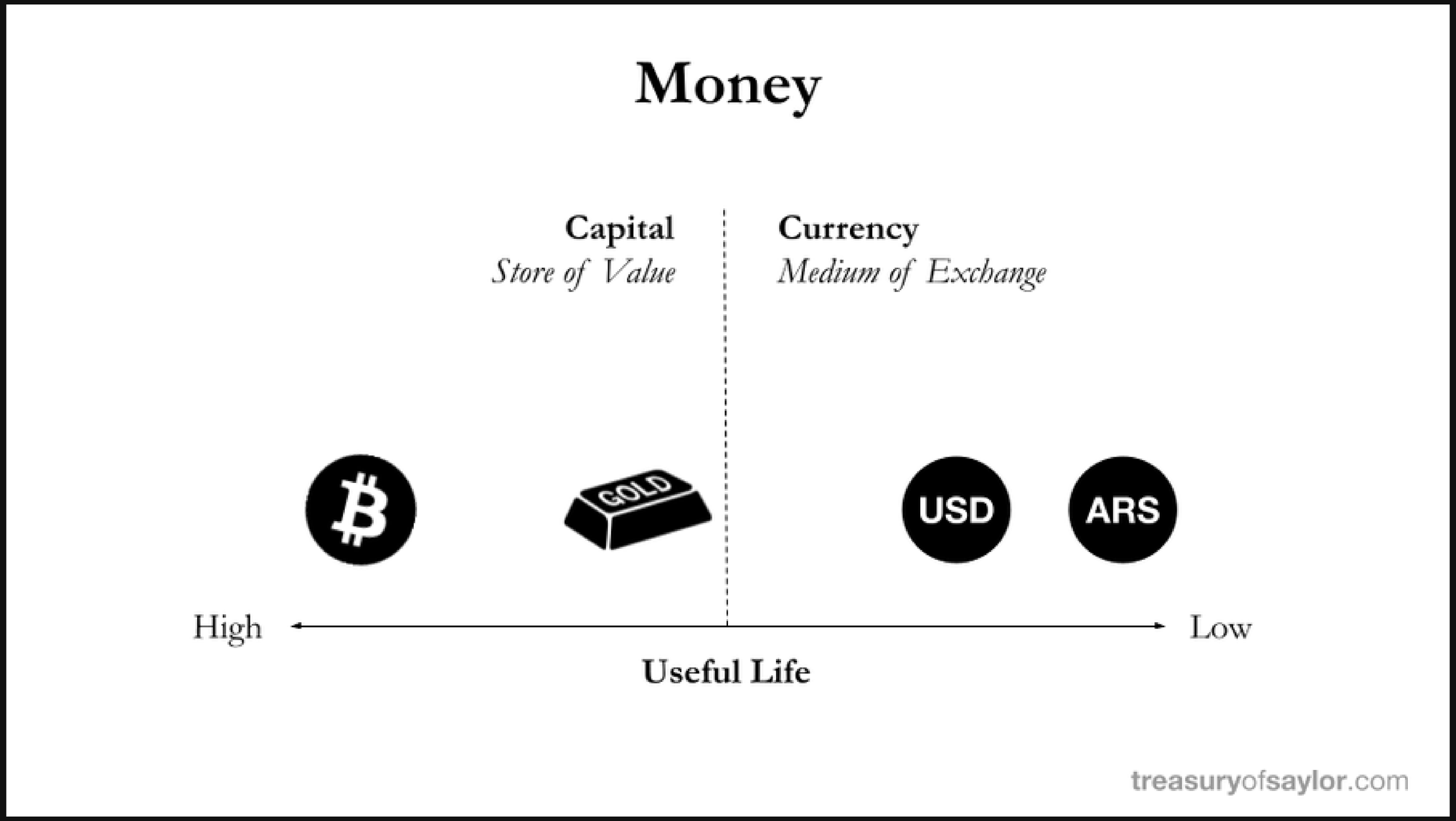
Source: Anil Patel; https://x.com/anilsaidso/status/1917576989315326283

100 Hours of Learning to Debunk 100 Criticisms



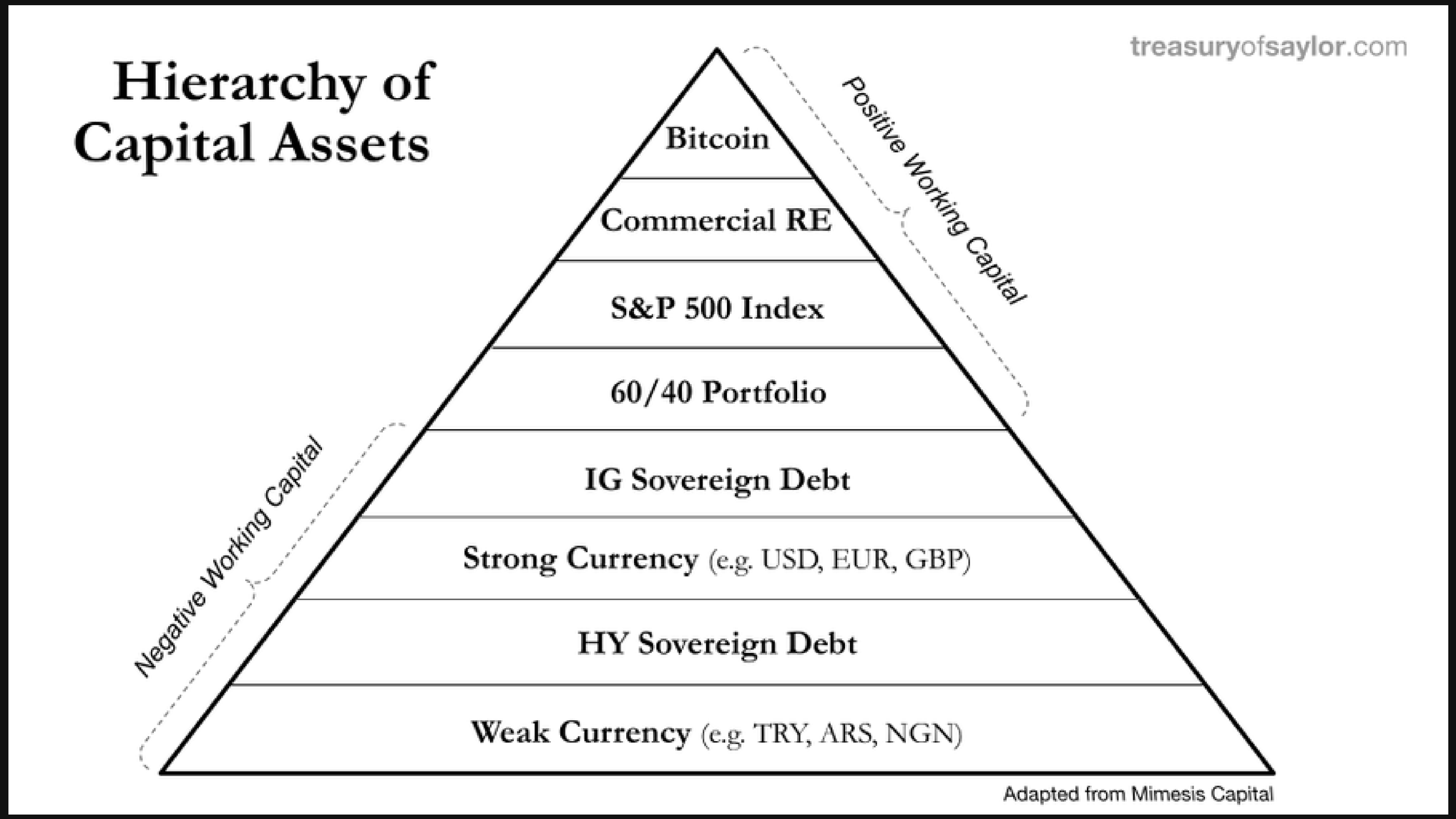
Source: Anil Patel; https://x.com/anilsaidso/status/1918682963115647203

Money decomposes into capital and currency



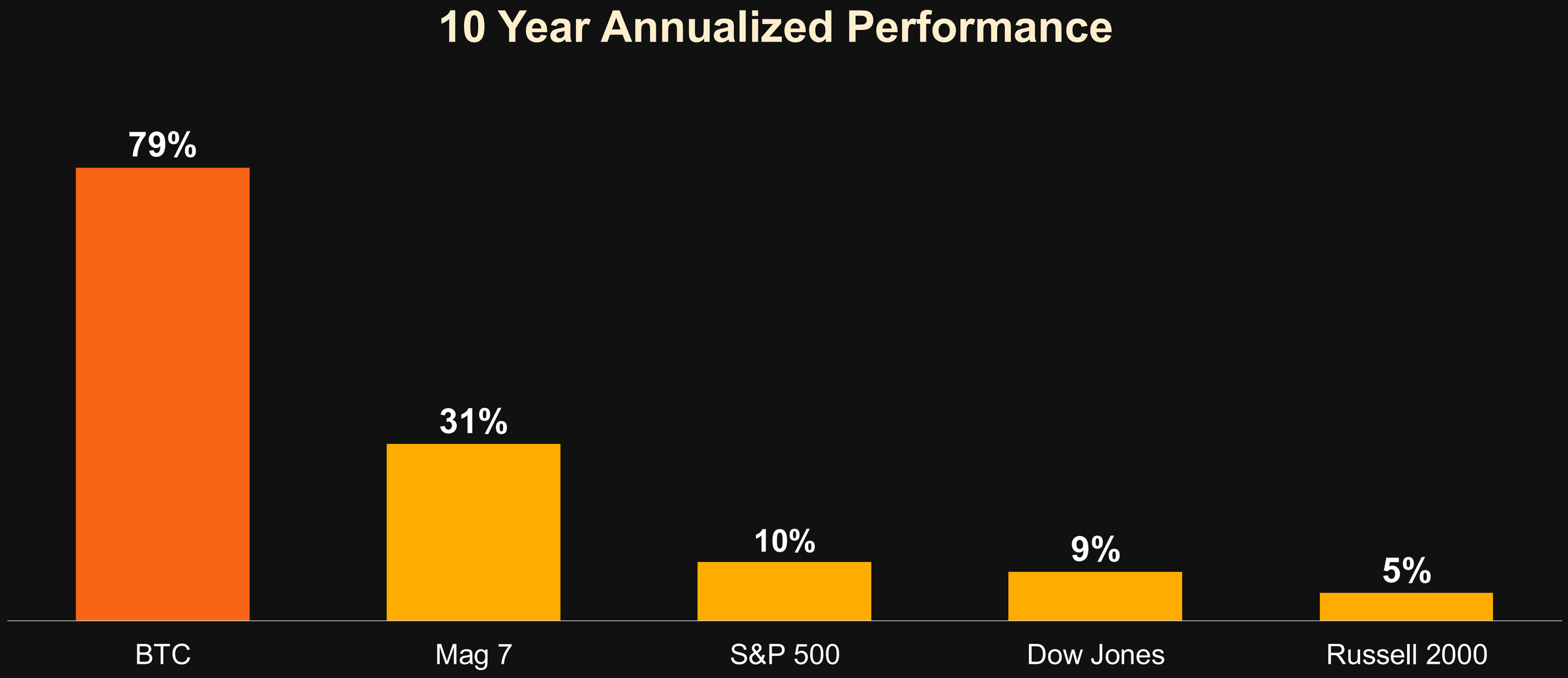
Source: Anil Patel; https://x.com/anilsaidso/status/1858558805761814807

There is a hierarchy of capital assets

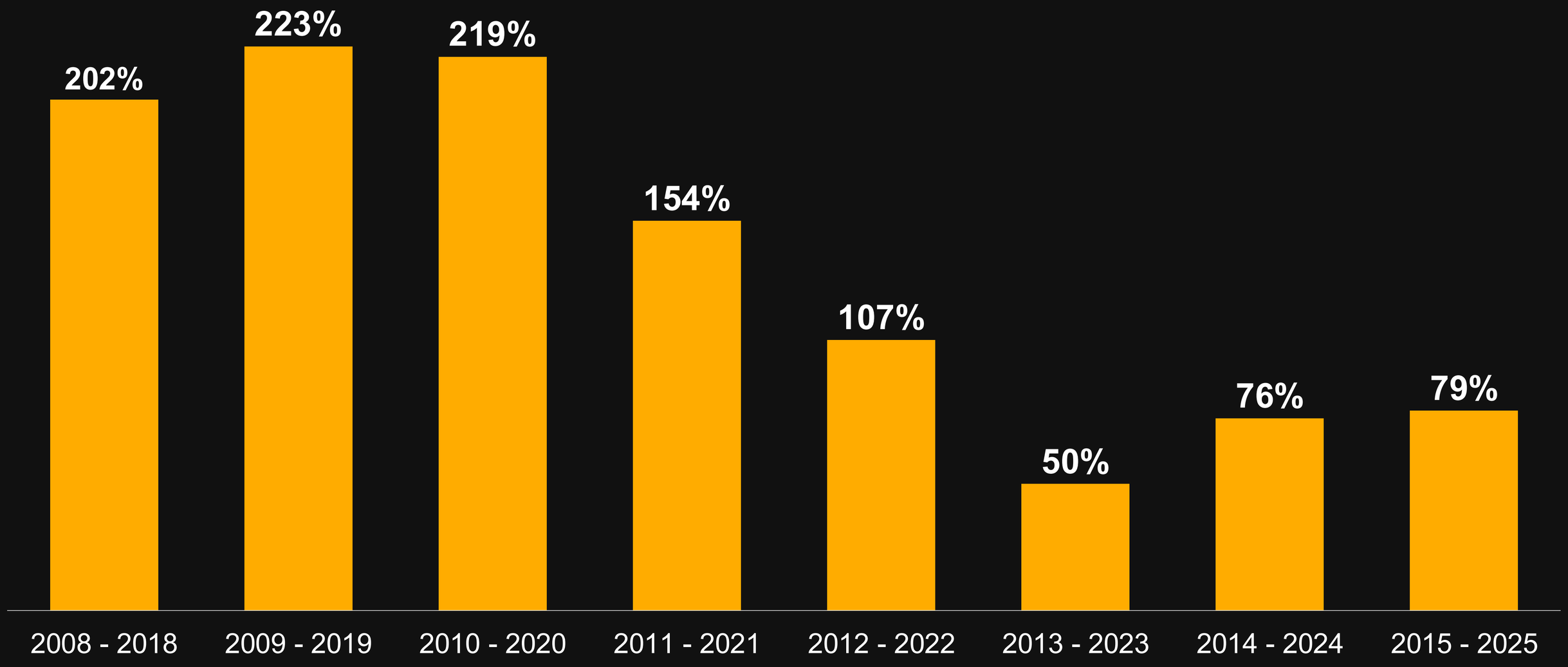


Source: Anil Patel; https://x.com/anilsaidso/status/1858562492366233651

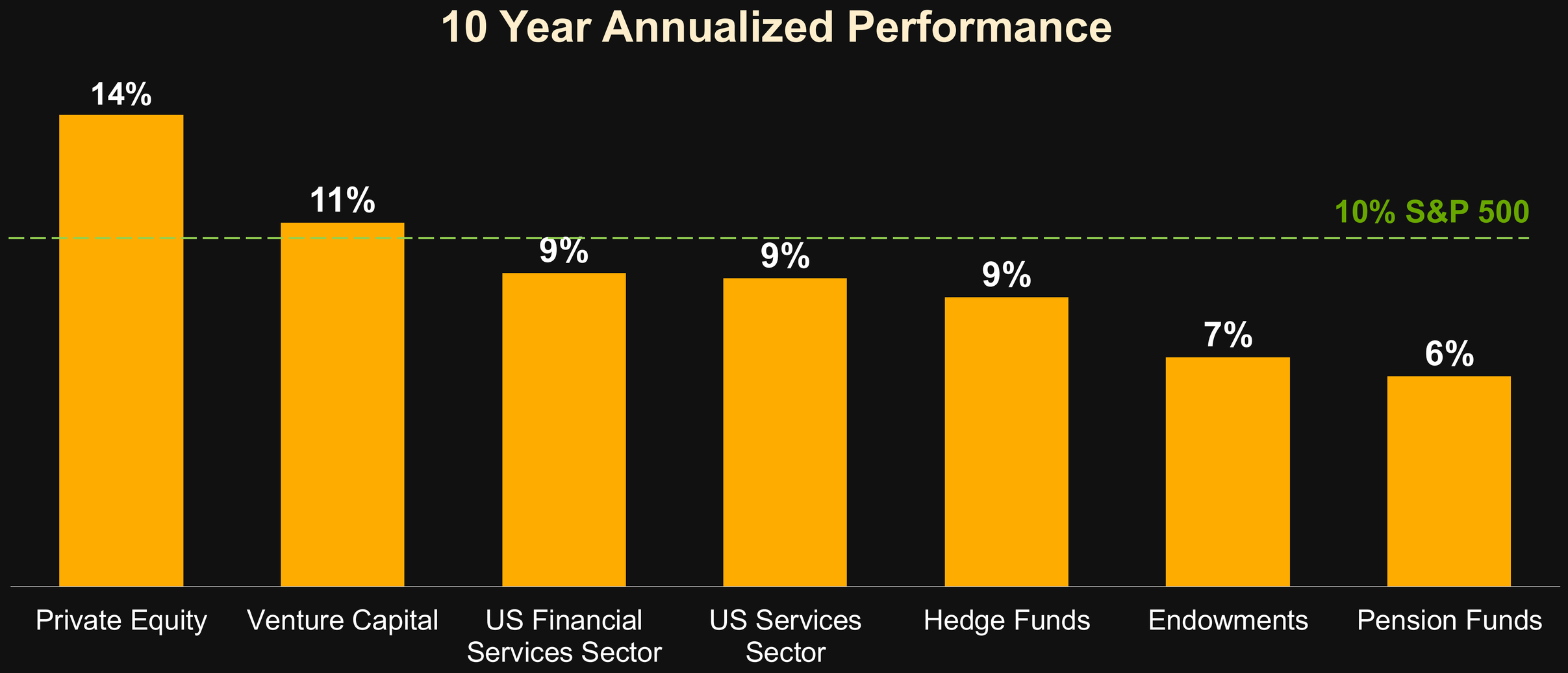
Market indices haven’t outperformed Bitcoin



10 Year Performance of Bitcoin

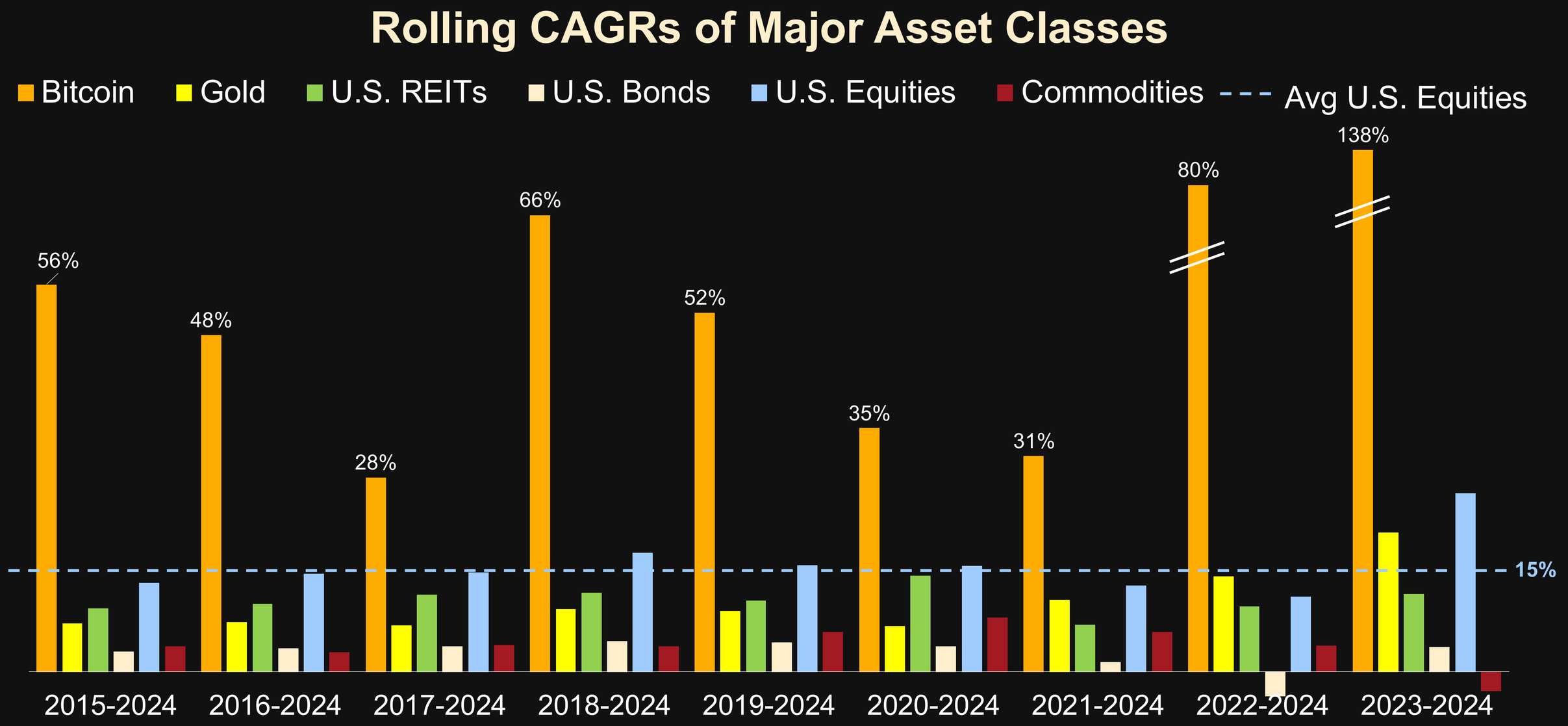


Most “Smart Investments” don’t outperform the market index

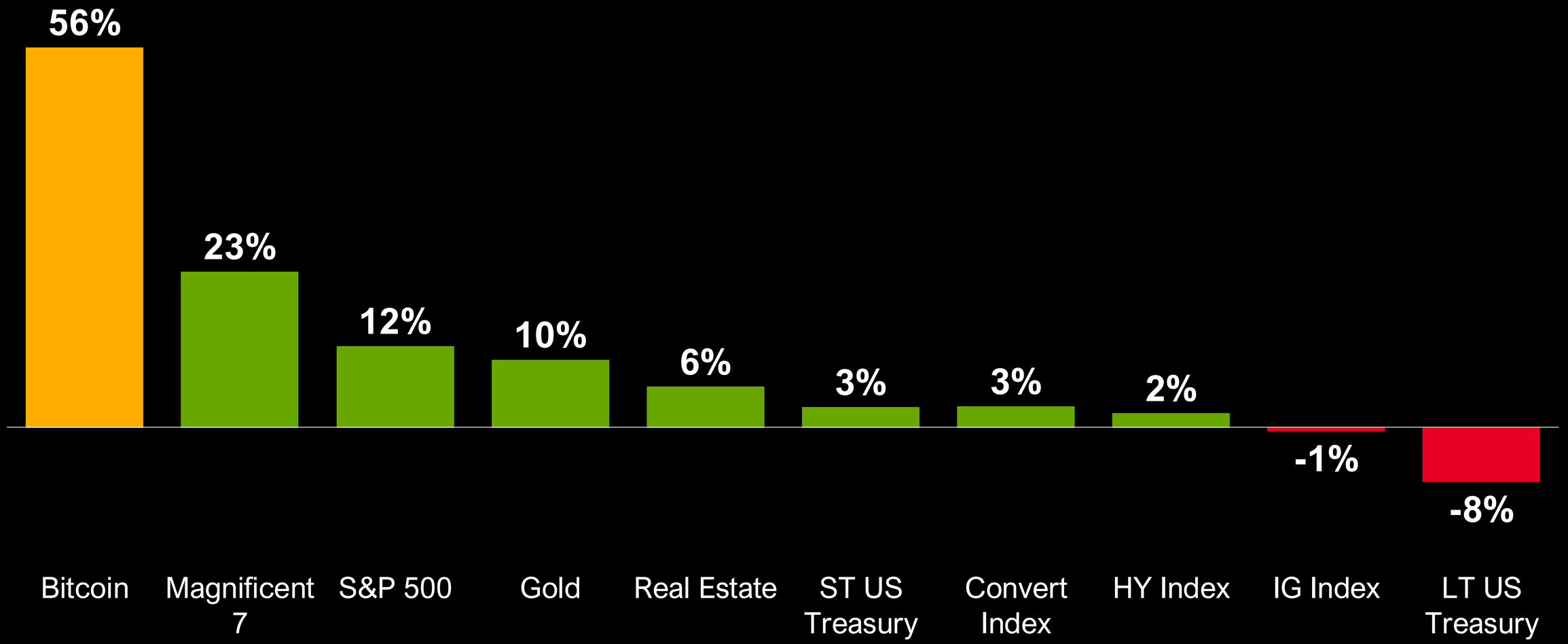


Source: S&P Global; Preqin; Commonfund & NACUBO; National Conference of Public Employees Retirement Systems as of April 1, 2025.

Bitcoin consistently outperforms over longer timeframes



Bitcoin is the Best Strategy – There is No Second Best

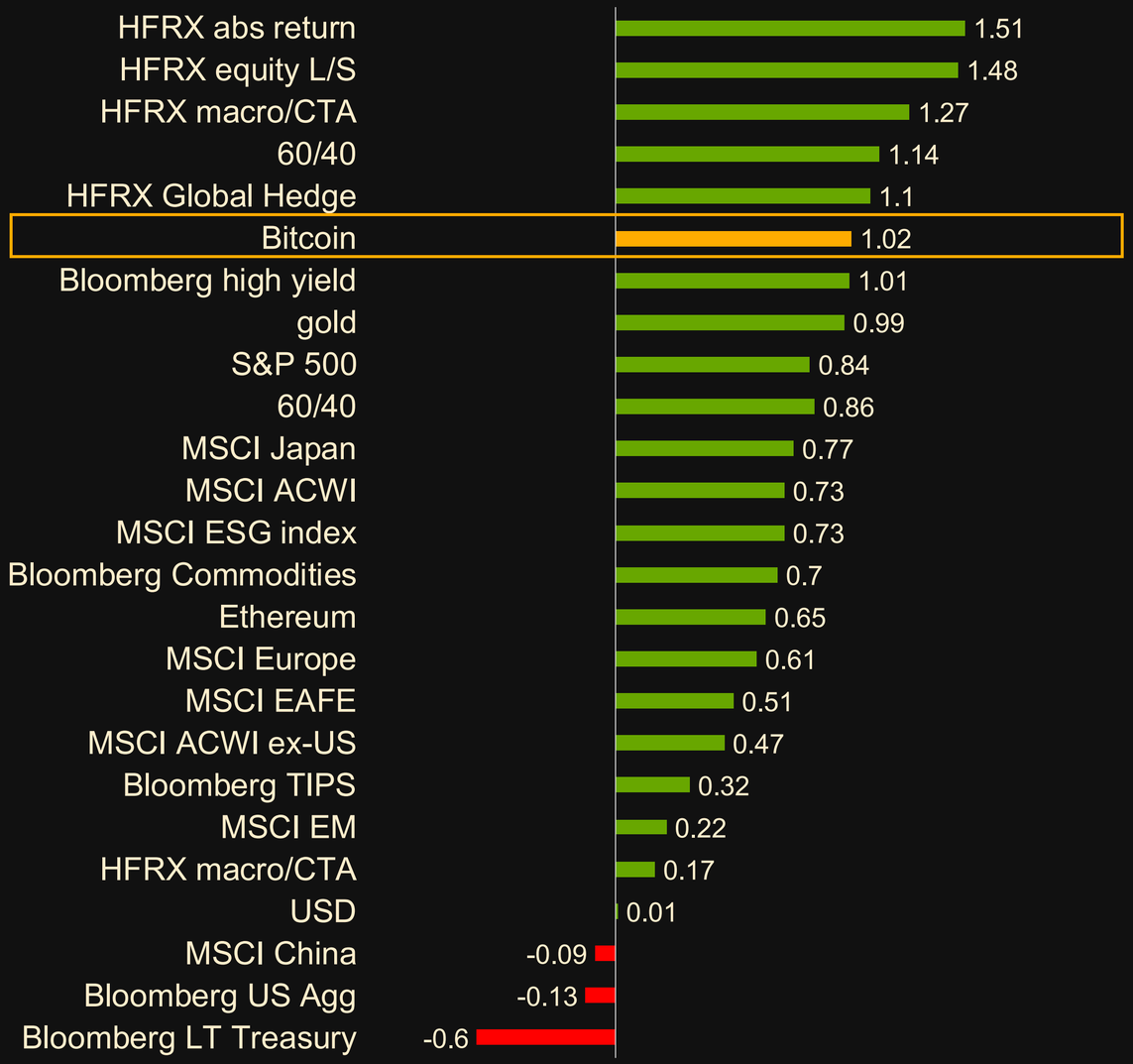


Performance since August 10, 2020, when Strategy adopted its bitcoin strategy.

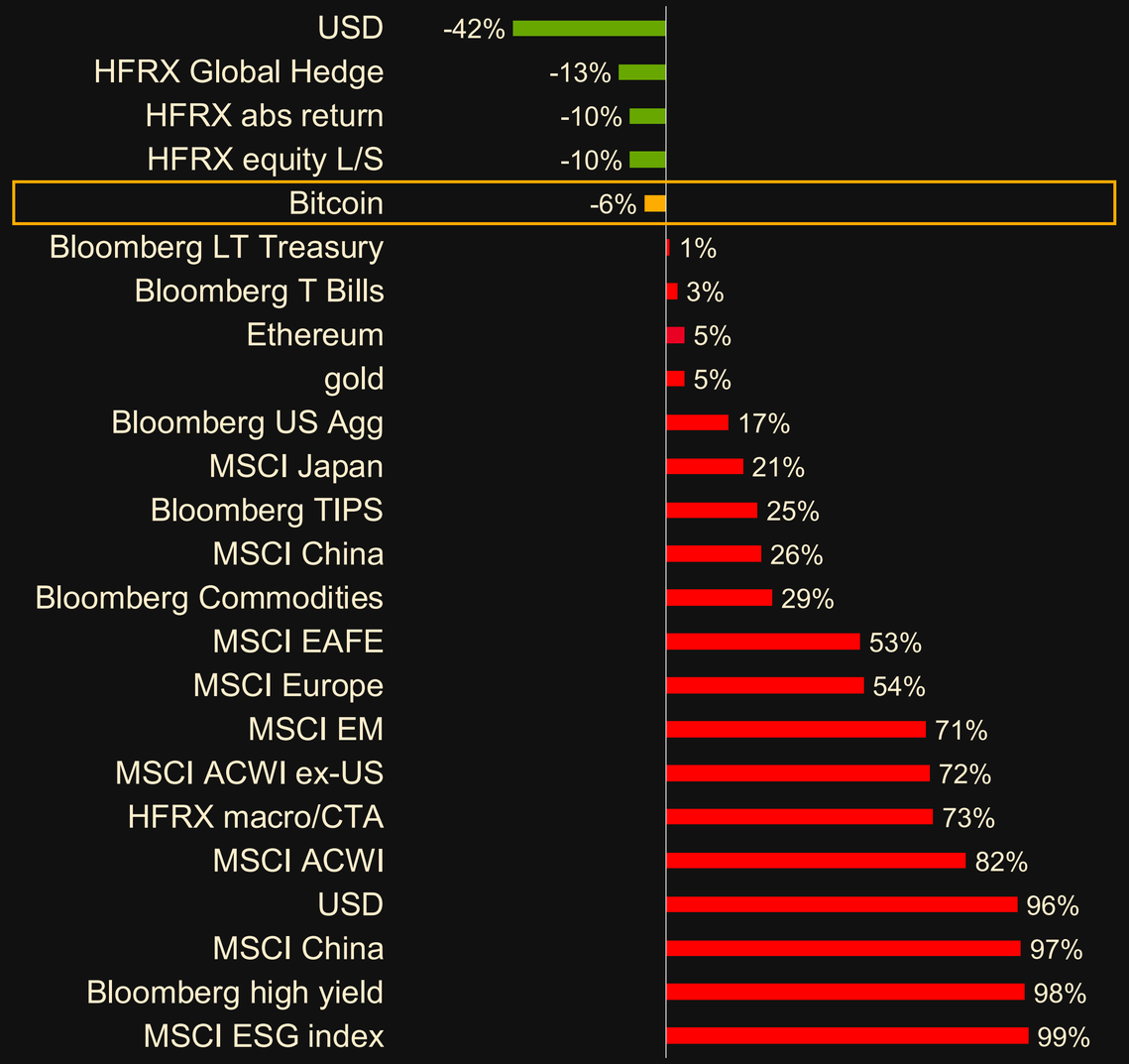
Source: FactSet as of May 2, 2025.

Bitcoin is the Best Performing Uncorrelated Asset

Sharpe Ratios (Last 5 years)



Correlation to S&P 500 (Last 5 years)



Source: Fidelity; Data as of 4/27/2025.

Bitcoin Holdings of Publicly Listed Companies

70+
Publicly Listed Companies Globally

720,728
Bitcoin Acquired

$68.5B
Value as of 4/28

New Entrants

TWENTY ONE
USA

GameStop
POWER TO THE PLAYERS
USA

Notable Existing Bitcoin Treasury Companies

Semler Scientific
USA

MARA
USA

METAPLANET
Japan

Jetking
Better Life
India

Blockchain Group
France

KULR
USA

Source: https://treasuries.bitbo.io/

The MicroStrategy Story

Strategy Before and After Adopting a Bitcoin Strategy

	August 2020	May 2025	ARR
# of BTC	0	555,450	
Market Cap	$1.2B	$108B	159%
Enterprise Value	$0.7B	$124B	199%
Share Price	$12 / share	$394 / share	108%
Trading Volume	$5M	$5.9B	346%
Volatility	29%	110%	
Options Open Interest	$1M	$96B	1,033%

Source: Market data from FactSet as of May 2, 2025.

Bitcoin Treasury Company

Strategy's unique value proposition

Bitcoin Treasury Company [1]

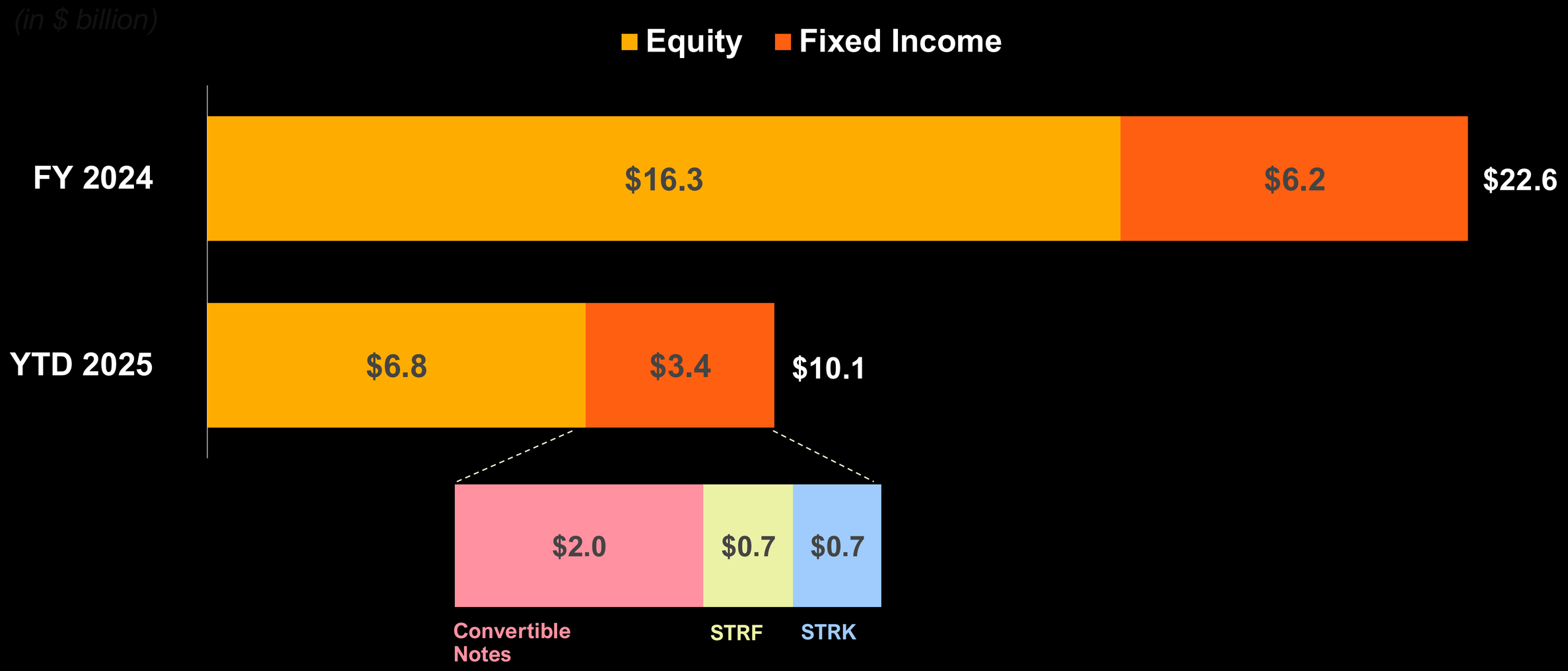
Fixed Income		Equity	Cash
$10.6B *of total debt issued (of which $8.2B aggregate principal amount is outstanding)*	***$1.4B*** *of preferred equity raised ($660M of STRK and $722M of STRF)*	***$26.0B*** *of equity issued*	***$836M*** *total excess cash on balance sheet invested*

$37.4 Billion[2] of Capital Raised to Increase Bitcoin Holdings and Shareholder Value

(1) Our activities include bitcoin acquisitions using proceeds from equity and debt financings, bitcoin advocacy, and software development and innovation related to BI, AI, Cloud, and Bitcoin.
(2) Excludes $500 million of capital used to redeem Senior Secured Notes due 2028.

Robust Access to Capital Markets

Raised $10B YTD 2025 through four different securities



Note: As of 8-K filed on May 5, 2025.

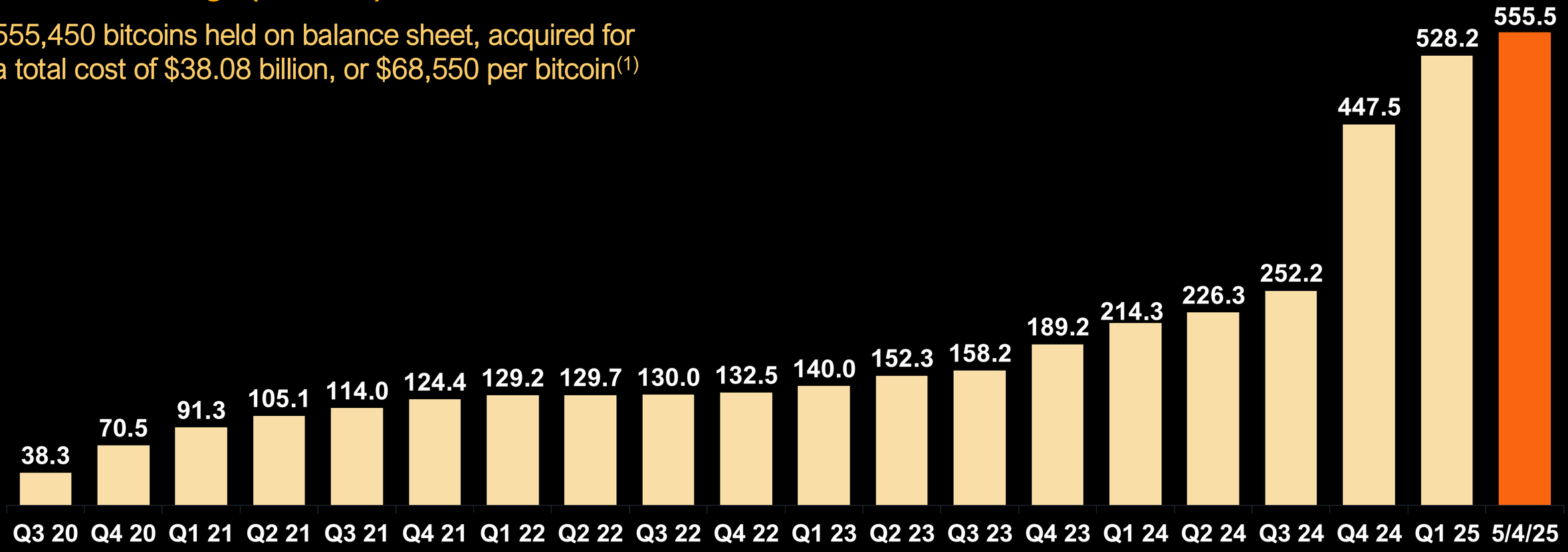
Growth in Bitcoin Strategic Treasury Reserve

Strategy has acquired additional bitcoin in every quarter since Q3 2020

Represents 2.6% of all Bitcoin in Existence

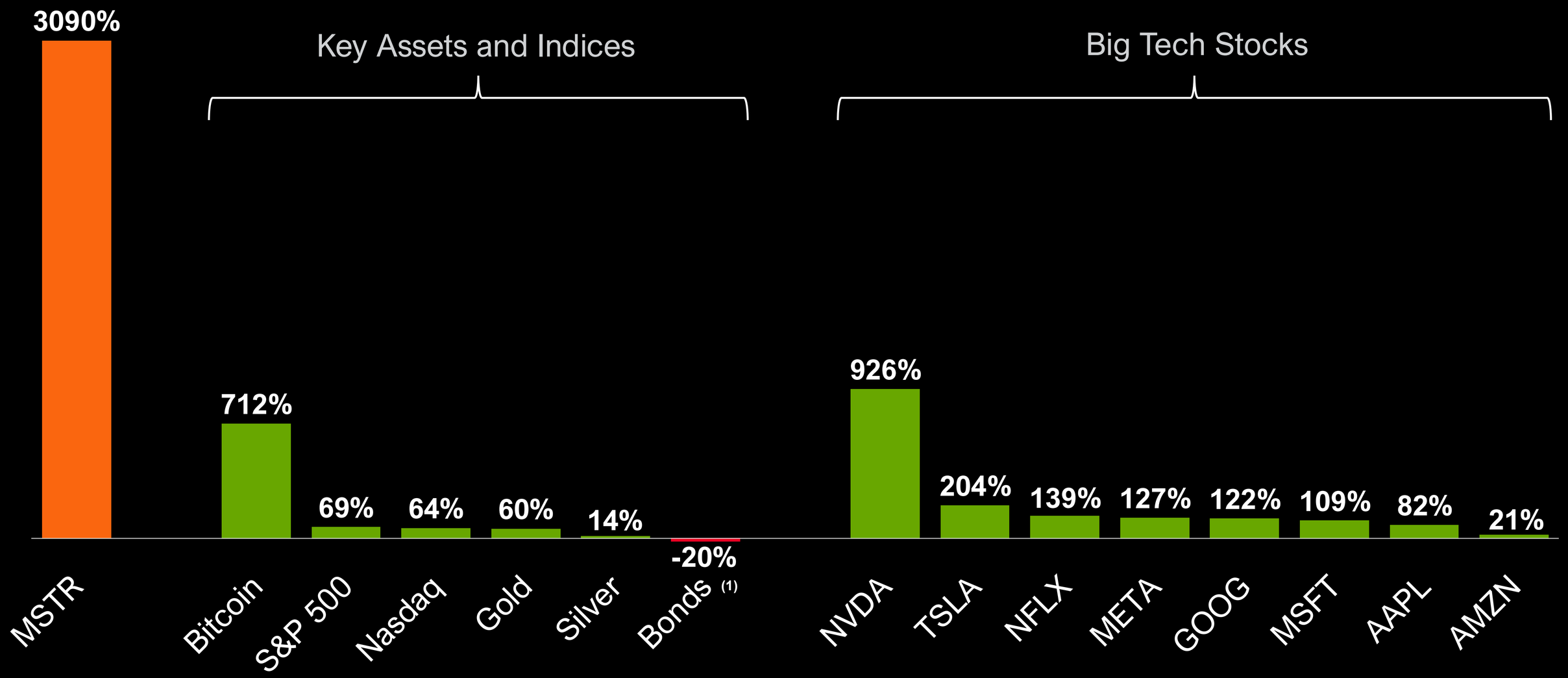
Bitcoin Holdings (in ‘000s)

555,450 bitcoins held on balance sheet, acquired for a total cost of $38.08 billion, or $68,550 per bitcoin(1)



(1) As of 8-K filed on May 5, 2025.

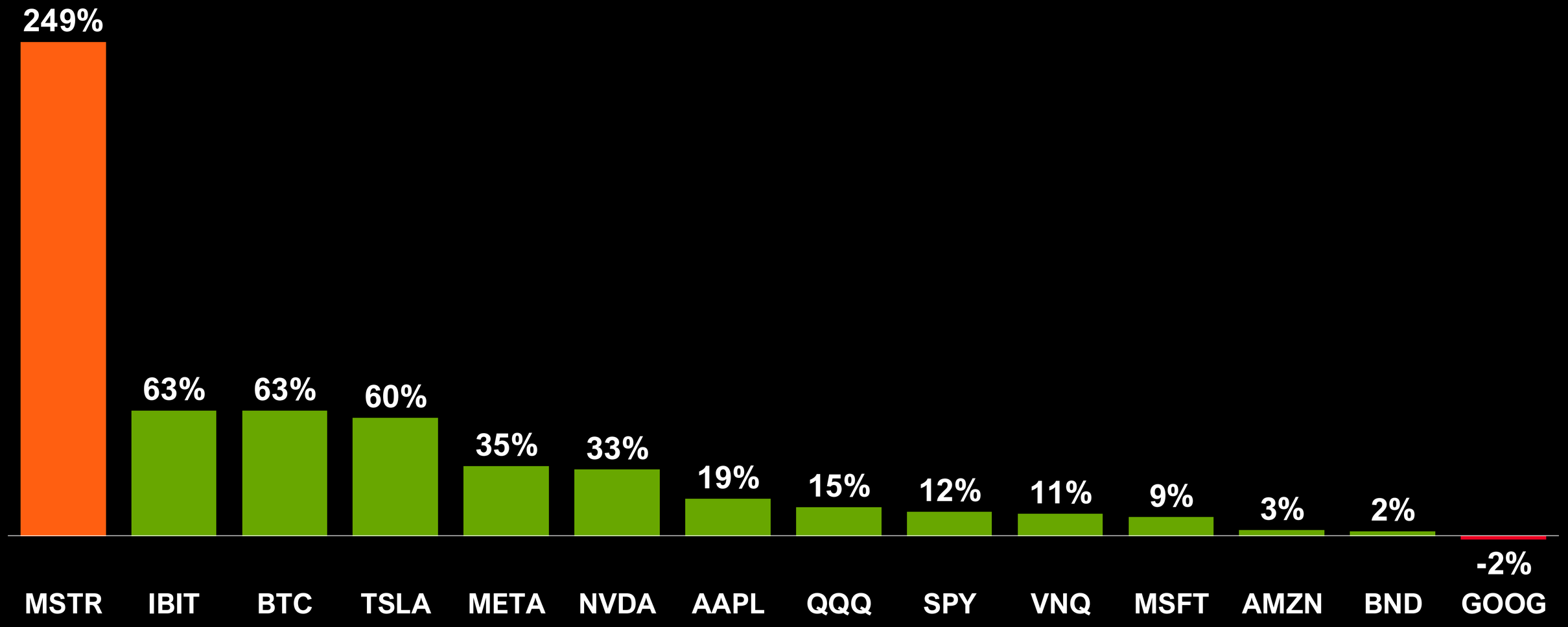
MSTR has outperformed all major assets and S&P 500 stocks



Asset performance since August 10, 2020, when Strategy adopted its bitcoin strategy.

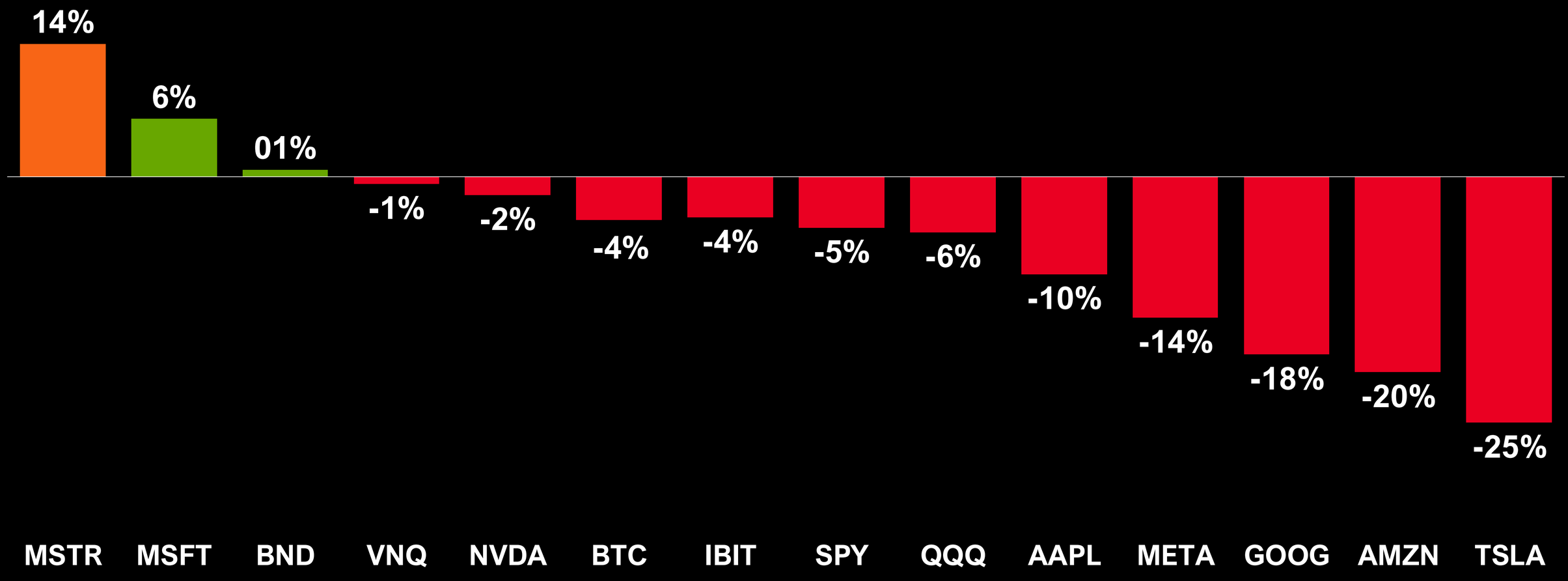
Source: FactSet as of May 2, 2025. (1) Bonds refers to PIMCO Active Bond ETF (BOND).
Note: Past performance is not indicative of future results.

MSTR has outperformed over the last 12 months



Source: FactSet as of May 2, 2025.
Note: Past performance is not indicative of future results.

MSTR has outperformed over the last 3 months



Source: FactSet as of May 2, 2025.
Note: Past performance is not indicative of future results.

MSTR Performance Metrics (1)

Annualized Return (2)

108%

#1 vs top S&P 500

Options Market

5.8x

IBIT, #1 vs Crypto Complex

BSE Return (2)

3090%

#1 vs top S&P 500

Historic Volatility (30D)(3)

113%

#1 vs top S&P 500

Options Open Interest (4)

$95.5 B

#6 vs top S&P 500

Options Open Interest as % of Market Cap

97%

#1 vs top S&P 500

Bitcoin NAV (5)

$54 B

#1 corporate BTC holder

Daily Traded Volume (6)

$5.9 B

#9 vs top S&P 500

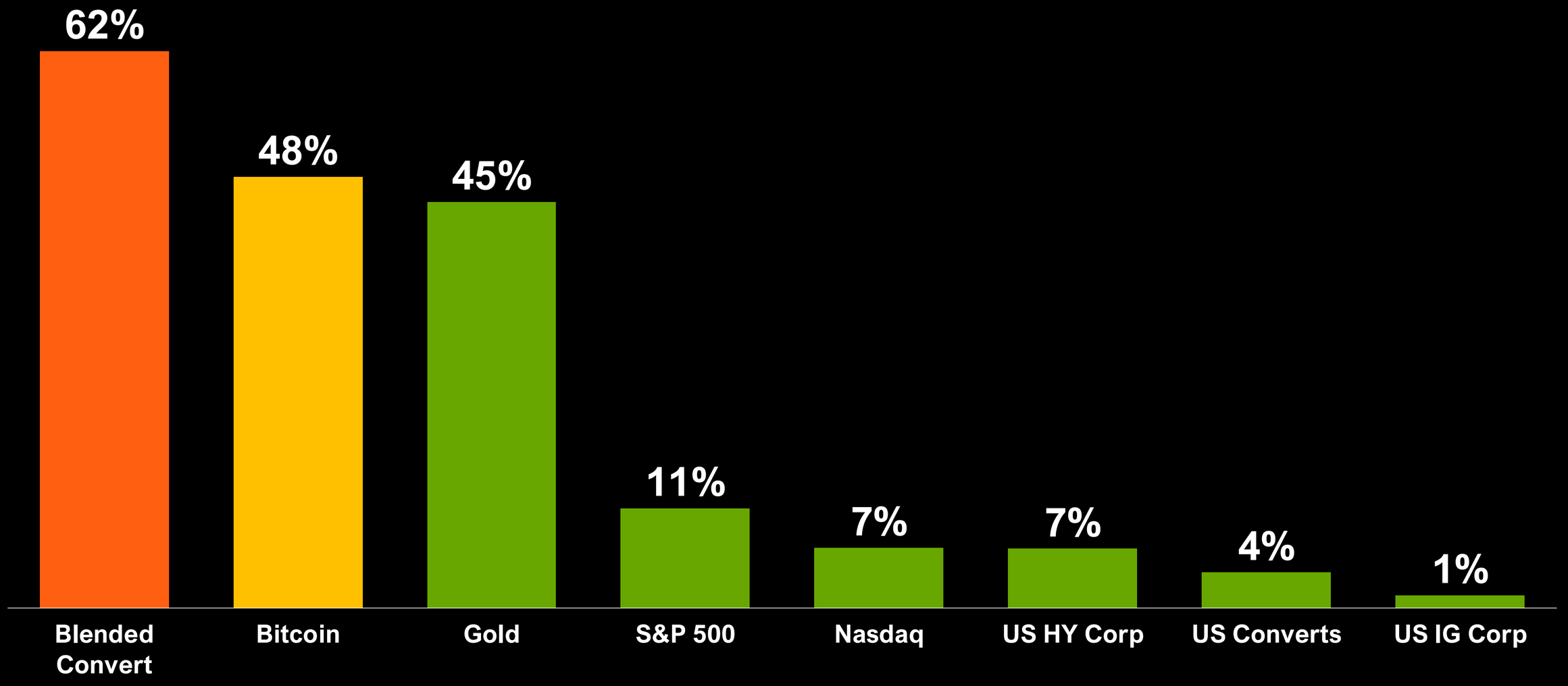
Daily Traded Volume as % of Market Cap

6.0%

#2 vs top S&P 500

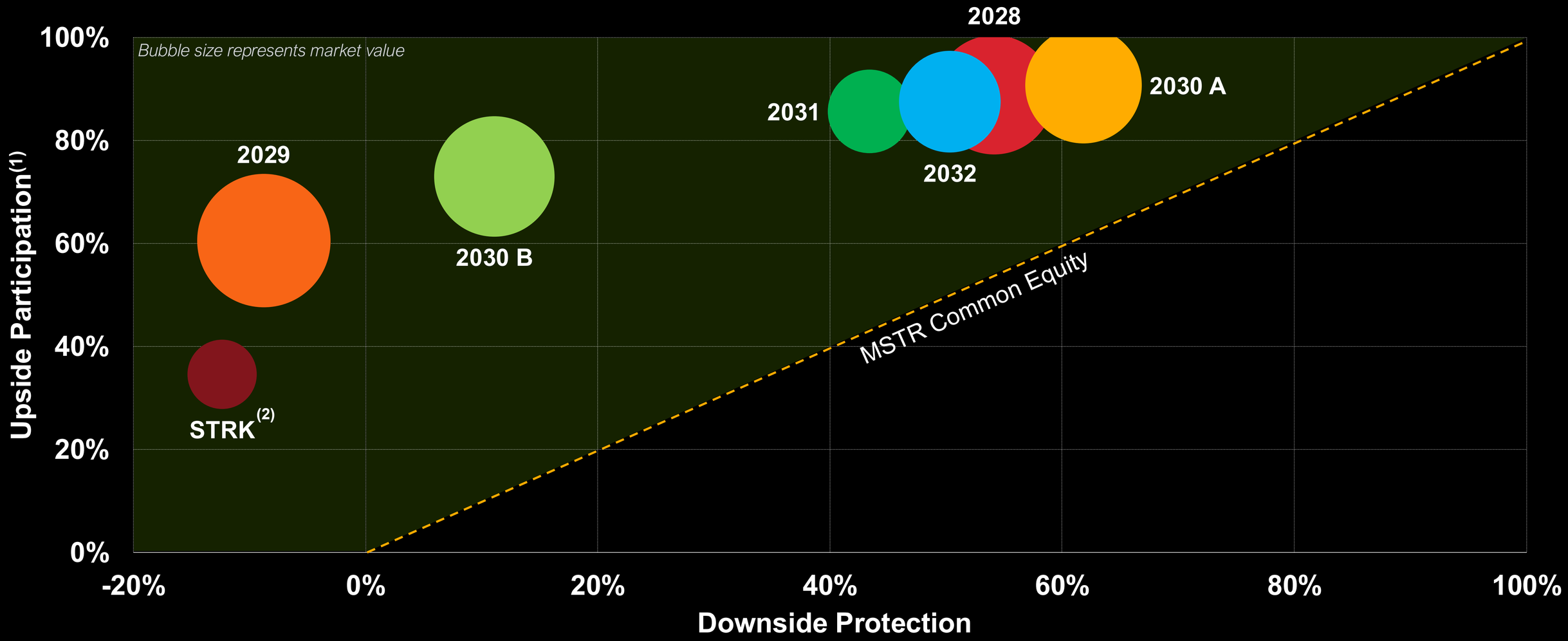
(1) As of May 2, 2025. (2) The percentage return on MSTR Price since August 10, 2020, the beginning date of the Bitcoin Standard Era. Past performance is not indicative of future results. (3) The 30 days average historic volatility. (4) The product of (i) total number of outstanding option contracts on MSTR, (ii) 100 shares of MSTR and (iii) MSTR Price. (5) BTC NAV = the number of bitcoins held by MSTR multiplied by the market price of bitcoin. (6) Average trading volume over last 30 calendar days.

MSTR Convertible Bonds Performance Since Issuance



Source: FactSet, Bloomberg as of April 28, 2025.
Note: Past performance is not indicative of future results. Performance of 2025 and 2027 convertible bonds measured through their respective dates of redemption. Blended Convert, Bitcoin, US HY Corp, US Converts, US IG Corp all weighted average total returns from respective issuance dates of bonds.

Illustrative Convertible Risk–Return Matrix



Information presented on this slide is provided for illustrative purposes only. Actual results may vary materially from these illustrative results.
(1) Delta calculated using Black-Scholes model assuming 0.50% borrow cost, 60% vol and market data as of April 29, 2025.
(2) STRK delta calculated using Black-Scholes model assuming 0.50% borrow cost, 60% vol and market data as of April 29, 2025, weighted by implied embedded equity value relative to STRK price.

The Microsoft Story

Microsoft Bitcoin Strategy

Michael Saylor

Note: This presentation was presented by Michael Saylor at Microsoft's shareholder meeting in December 2024. The views expressed are Michael's own and may not necessarily reflect the views of MicroStrategy Incorporated. This document does not constitute an offering of any financial instrument or legal, tax, financial, investment or other advice or recommendation.

Microsoft can’t afford to miss the next Technology Wave

1. Personal Computing
2. Graphical User Interface
3. Internet
4. Mobile Computing
5. Cloud Computing
6. Artificial Intelligence
7. Digital Capital

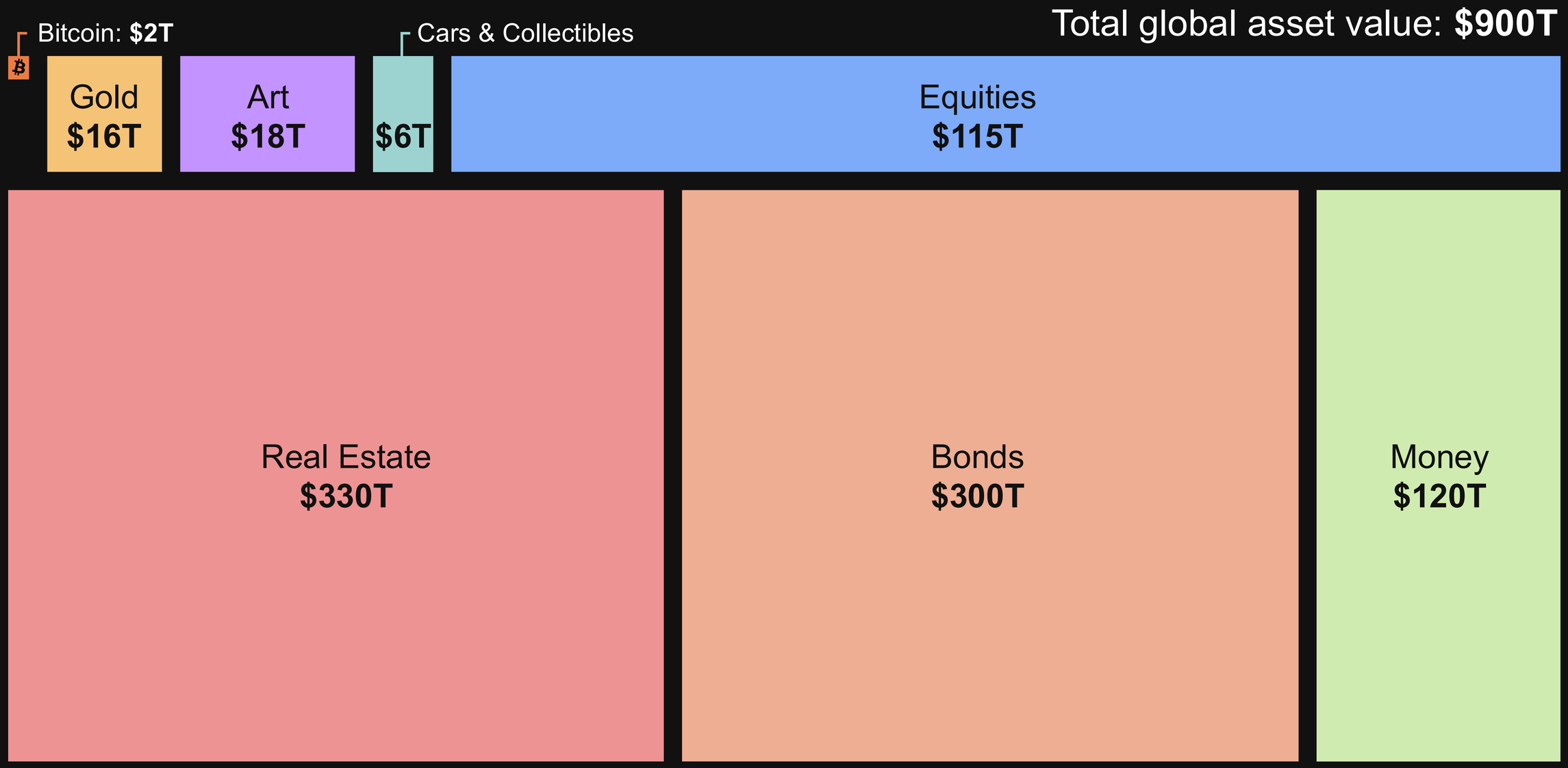
Bitcoin is the Next Wave
$2 Trillion Force

The 7th Largest Asset:
Fastest Growing
Most Popular
Most Interesting
Most Digital
Most Useful
Most Global

Rank	Name	Market Cap	
1	Gold GOLD	$18.253 T	
2	NVIDIA NVDA	$3.476 T	
3	Apple AAPL	$3.474 T	
4	Microsoft MSFT	$3.100 T	18% ARR
5	Amazon AMZN	$2.072 T	
6	Alphabet (Google) GOOG	$2.028 T	
7	Bitcoin BTC	$1.935 T	62% ARR
8	Saudi Aramco 2222.SR	$1.802 T	
9	Silver SILVER	$1.767 T	
10	Meta Platforms (Facebook) META	$1.411 T	

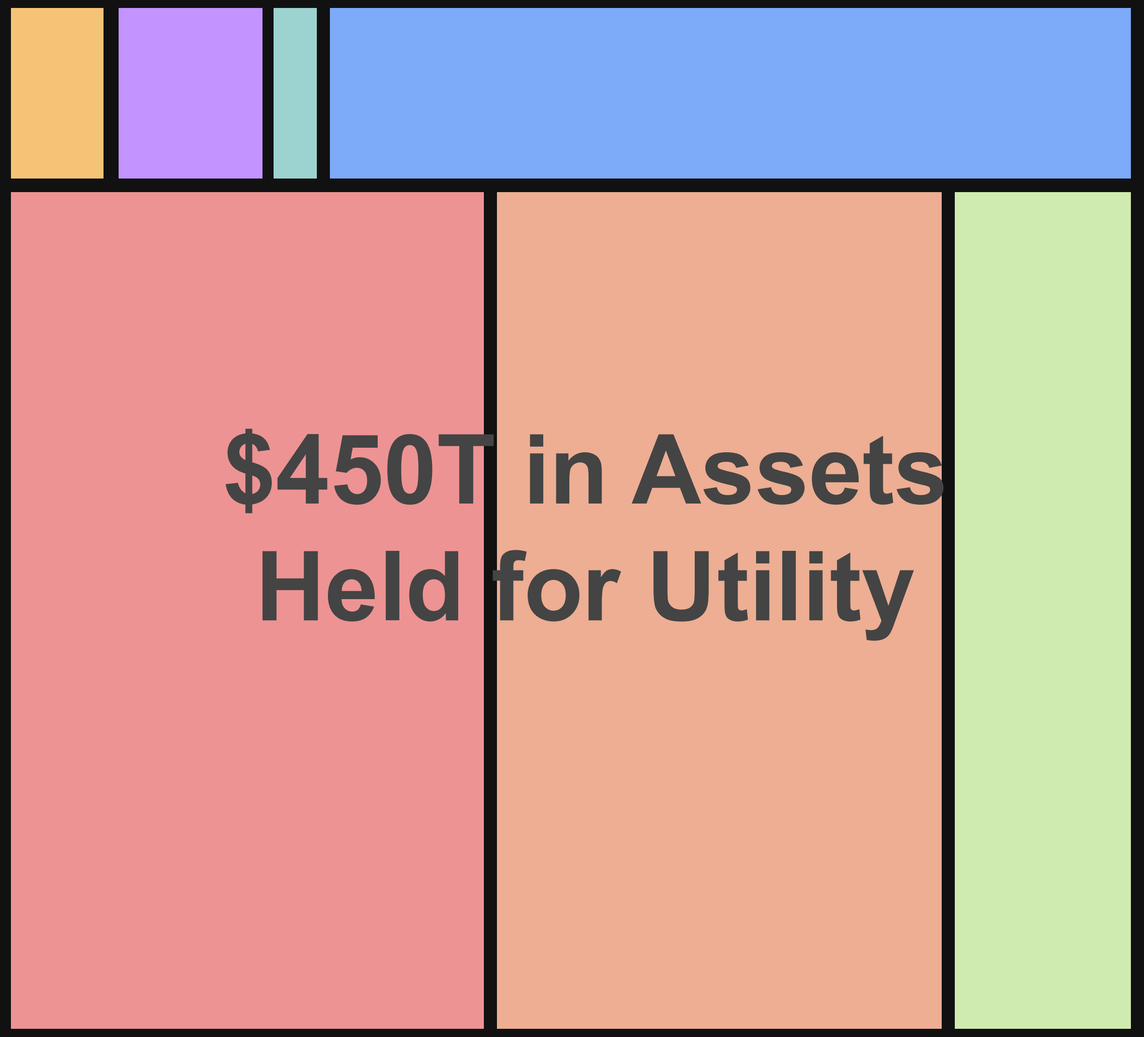
The greatest digital transformation of the 21st century is the transformation of capital, and Bitcoin is Digital Capital.

Global wealth is distributed across a variety of assets.



Source: Jesse Myers; https://www.onceinaspecies.com/

These assets (a) provide utility and (b) preserve capital.



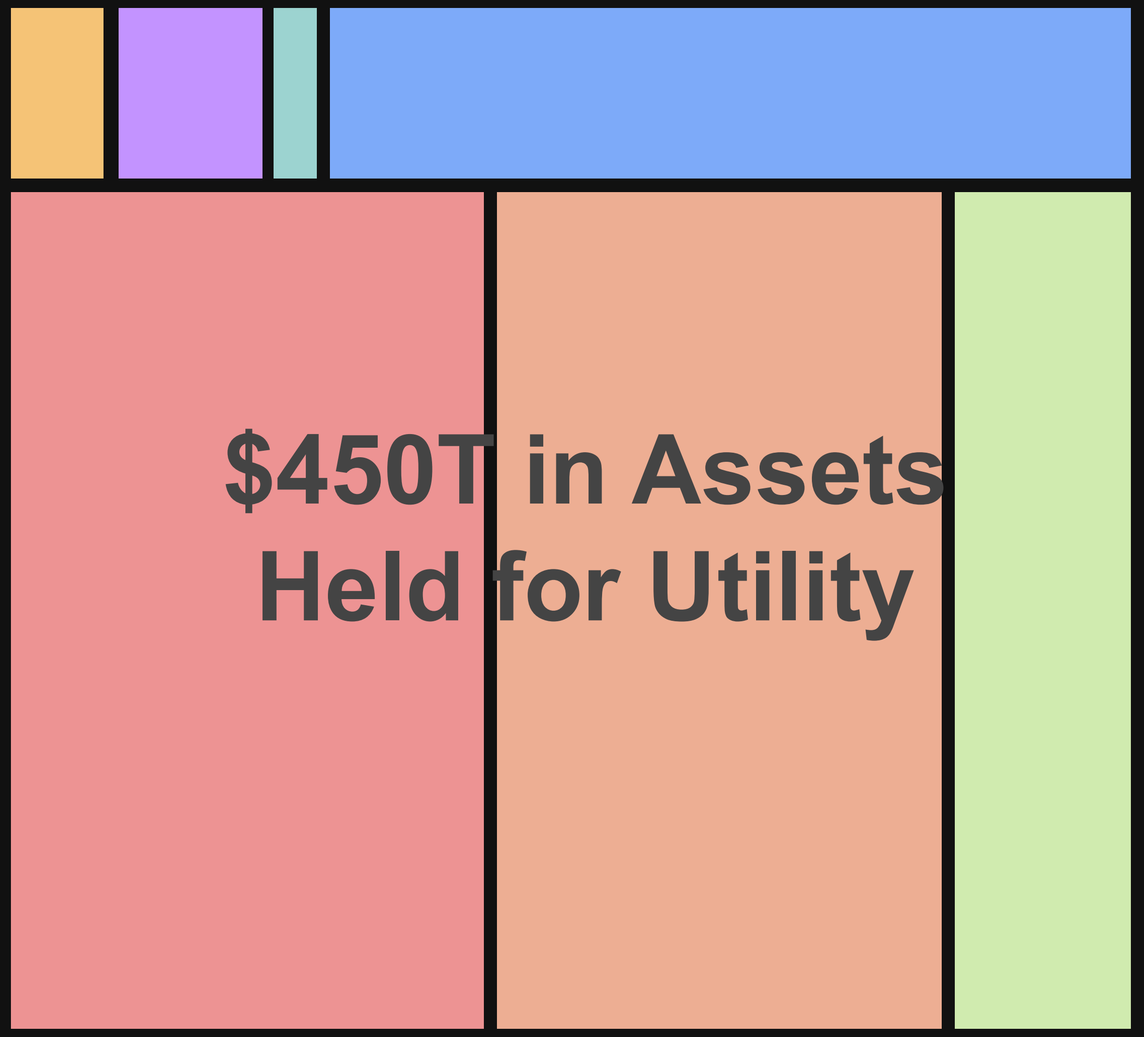
$450T is
Long Term Capital
(Store of Value)

Risk Factors: Destroy $10+ Trillion in Capital per Year

Regulation, taxation, competition, obsolescence, economic & political chaos, and crime dilute capital.

- General Taxes
- Property Taxes
- Capital Gains
- Income Tax
- VAT/Sales
- Price Control
- Transfers
- Accident
- Insurance
- Regulation
- Competition
- Currency
- Recession
- Expropriation
- War & Crime
- Politics
- Tenants
- Discrimination
- Weather
- Catastrophe
- Obsolescence
- Incompetence
- Torts
- Energy
- Storage
- Traffic
- Culture Shock

Long term capital is transforming into digital capital.



Digital Capital is Economically & Technically Superior

Bitcoin offers the benefits of owning a building, without the liabilities of a conspicuous, immobile asset.

No Tax
No Traffic
No Tenants
No Torts
No Trouble
No Mayor
No Weather
No Corrosion
No Regulator

Invisible
Indestructible
Immortal
Teleportable
Programmable
Divisible
Volatile
Fungible
Configurable

Bitcoin is a Revolutionary Advance in Capital Preservation

Consumption Assets

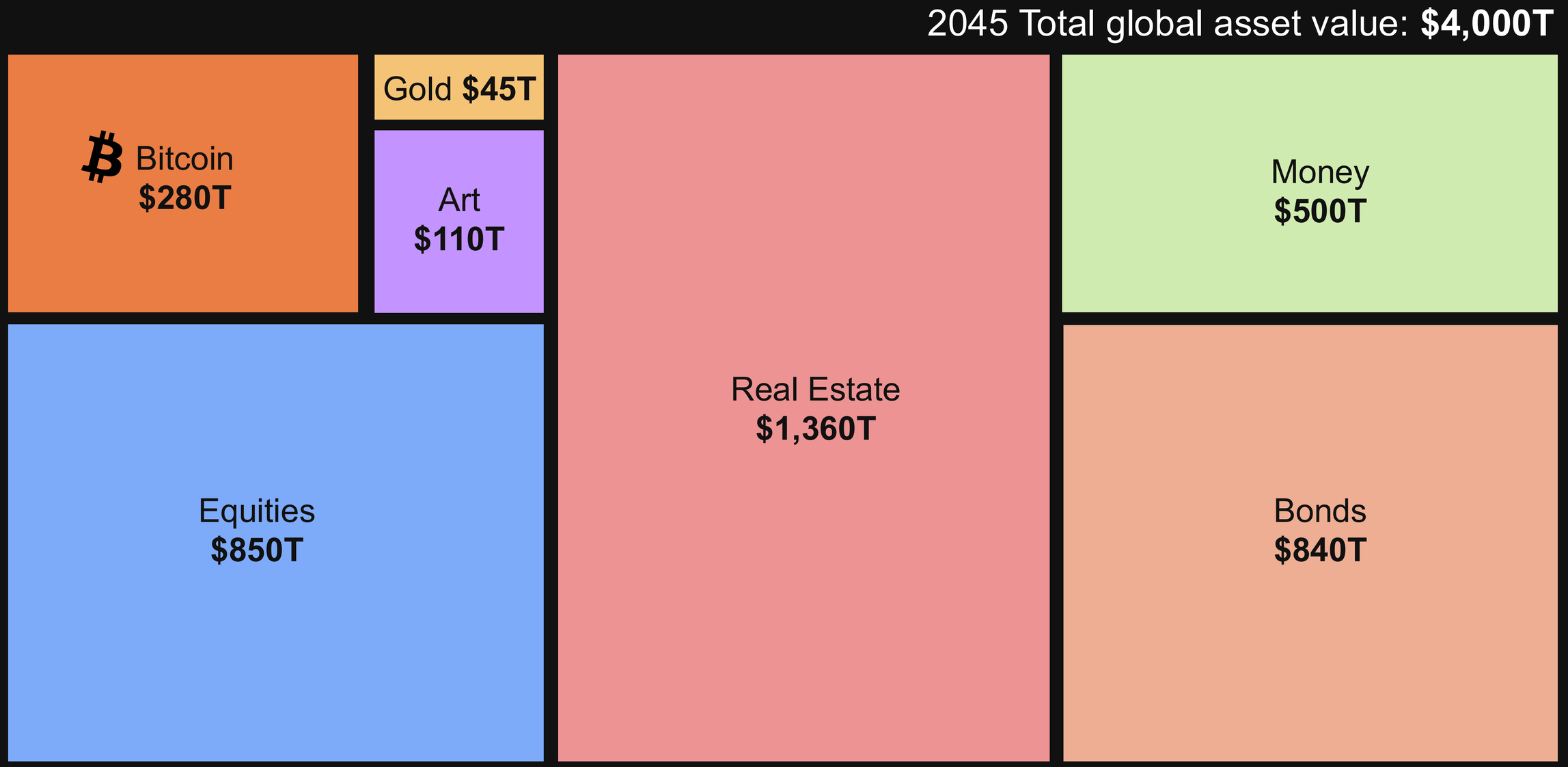
Traditional Capital Assets

Digital Capital

Consumption → **Saving**

1 Years	10 Years	100 Years	1,000 Years

Bitcoin Growth: $2 Trillion to $200+ Trillion in 21 Years



Source: Bitcoin24 Model

Bitcoin: Secured by Digital, Political, & Economic Power

750
Exahash

20
Gigawatts

$850B
Invested

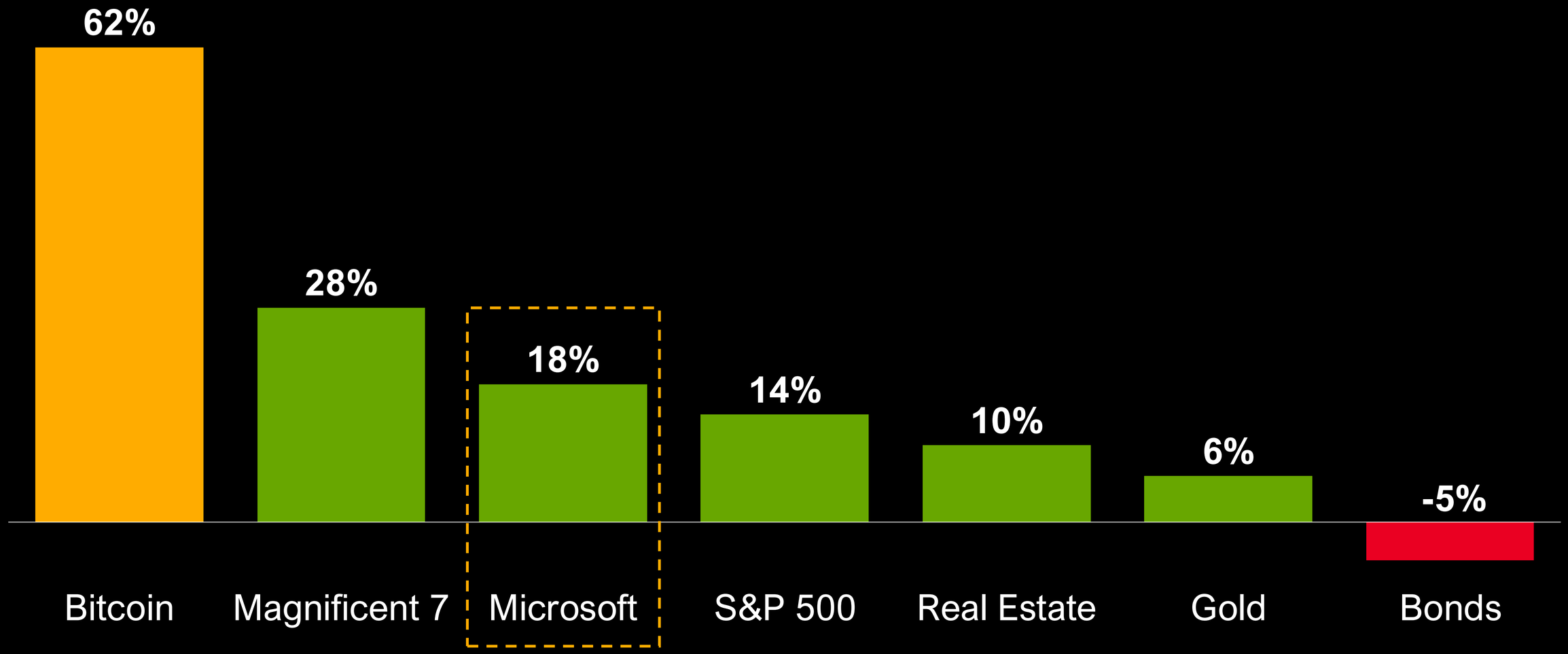
622m
Crypto
Users

400m BTC Holders

Microsoft should be powered by Digital Capital.

Bitcoin is the highest performing uncorrelated asset that a corporation can hold on its balance sheet.

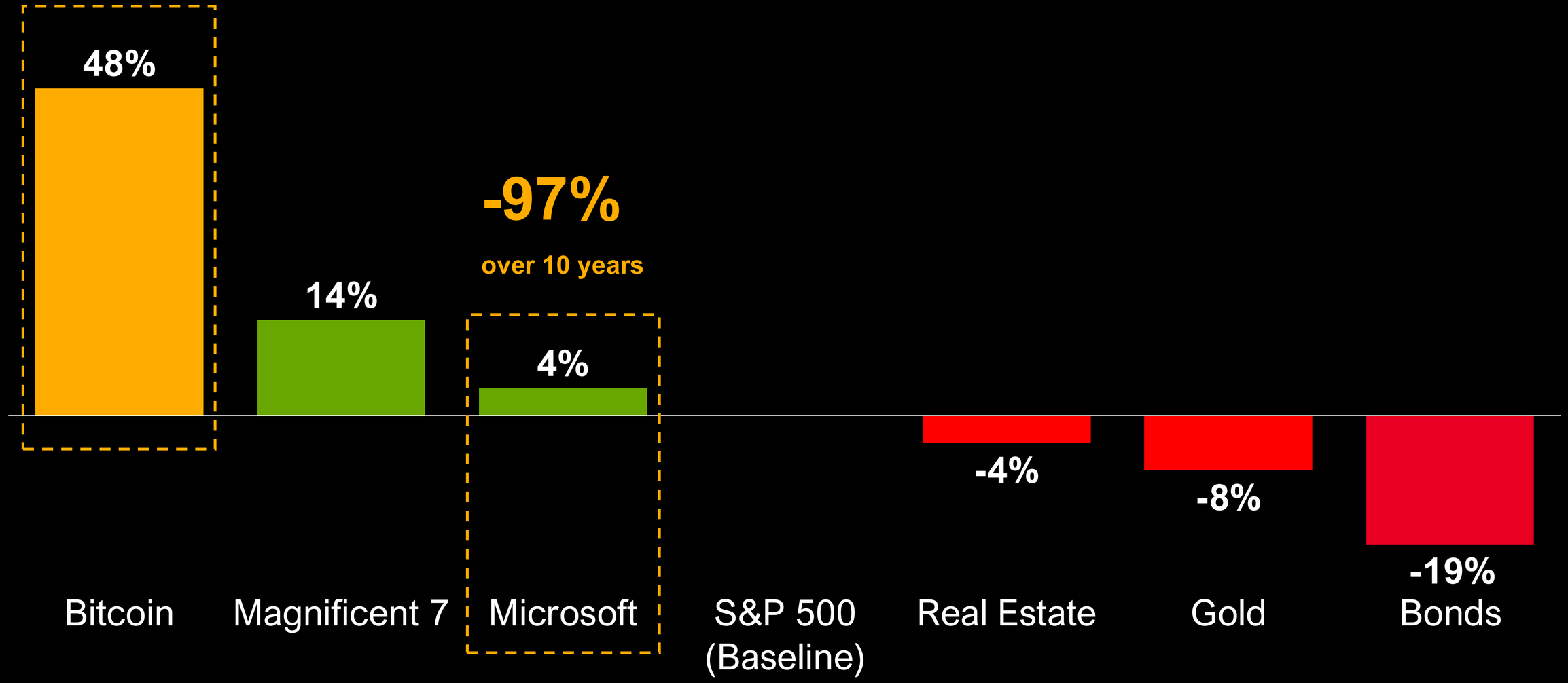
Annualized Asset Performance Chart Over Four Years



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 27, 2024.

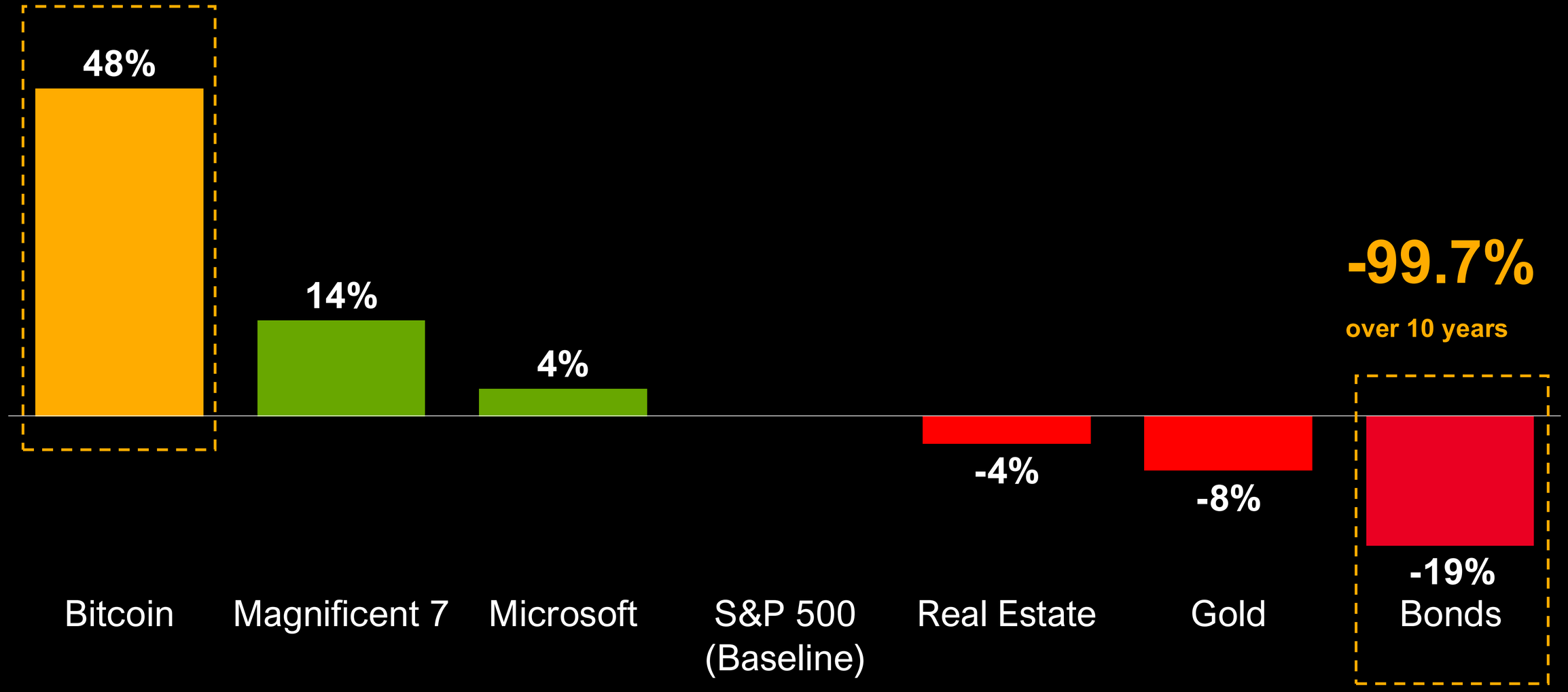
Bitcoin is Outperforming Microsoft by 10X Annually



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 27, 2024.

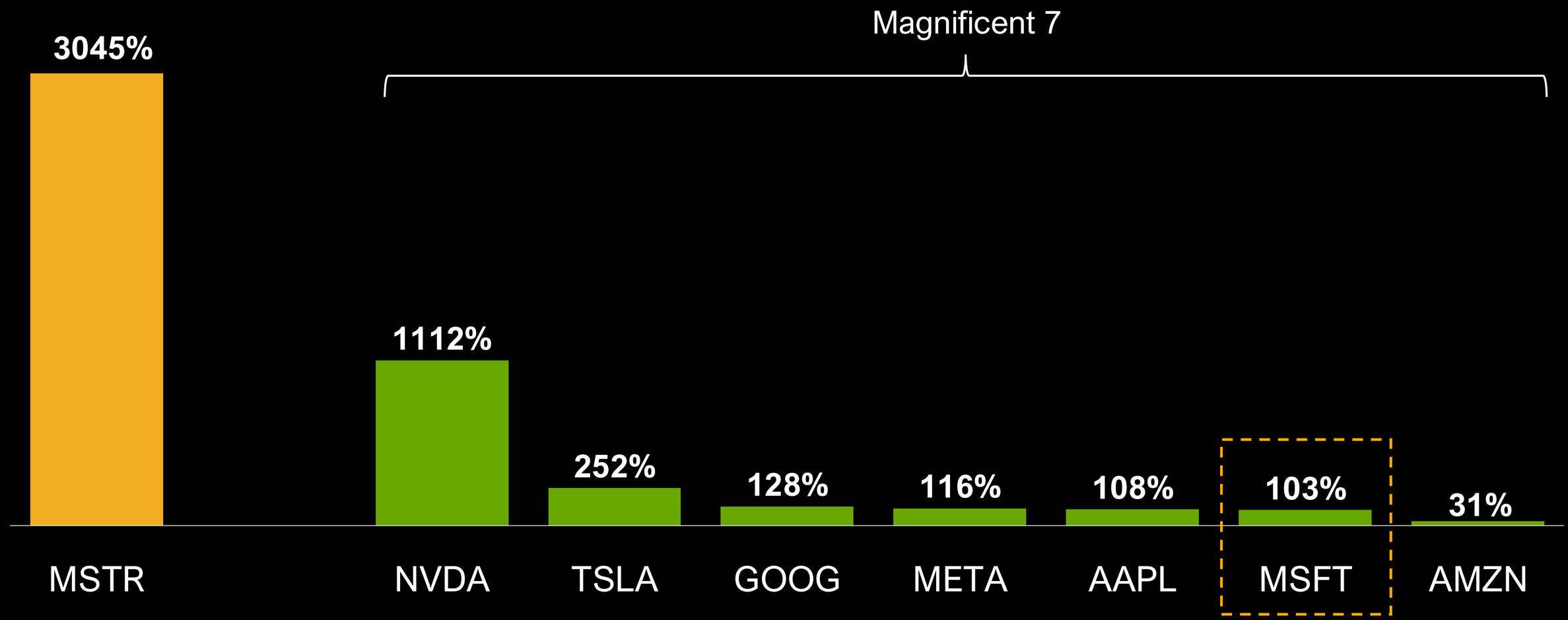
Bitcoin is Vital. Bonds are Toxic.



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 27, 2024.

Superior Performance Requires Bitcoin (Digital Capital)



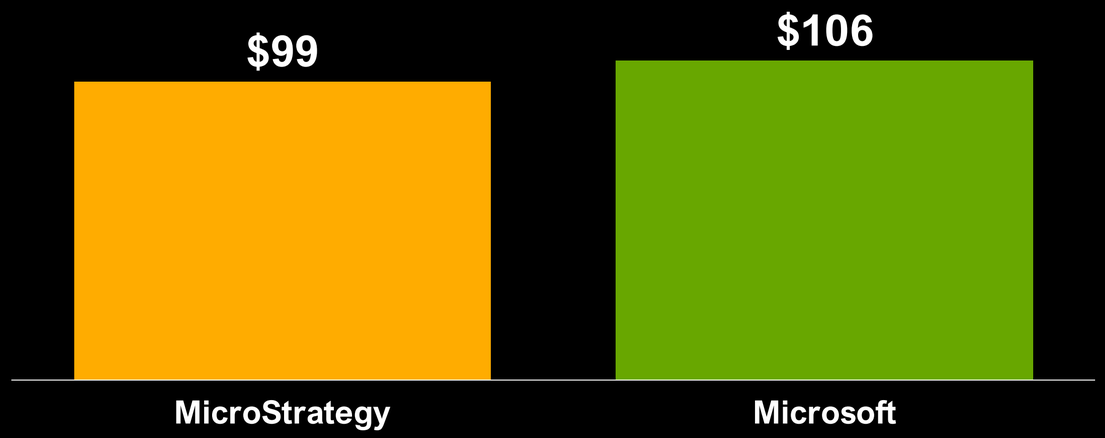
Stock performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of 4:00pm Eastern Time on November 27, 2024.

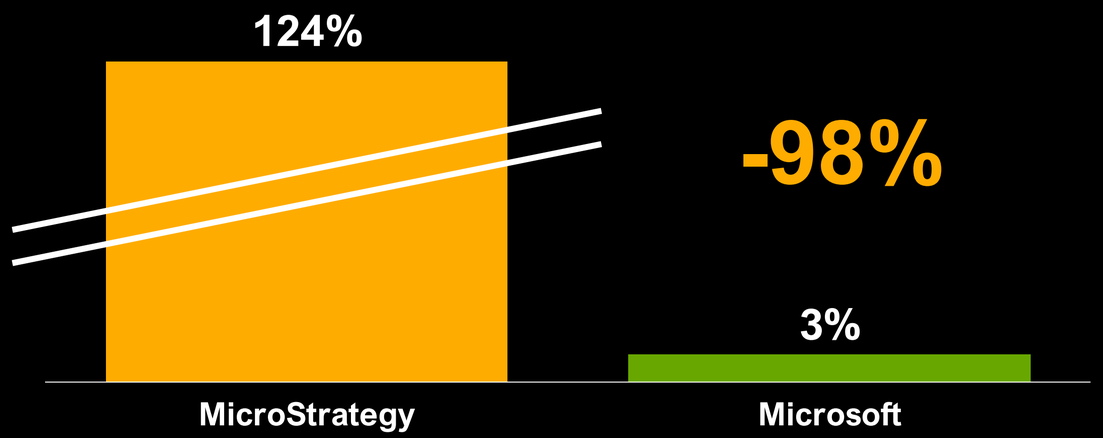
MSFT Equity & Options are Anemic & Deteriorating

Microsoft is destroying its options market and crippling its equity as a store of value with its treasury strategy.

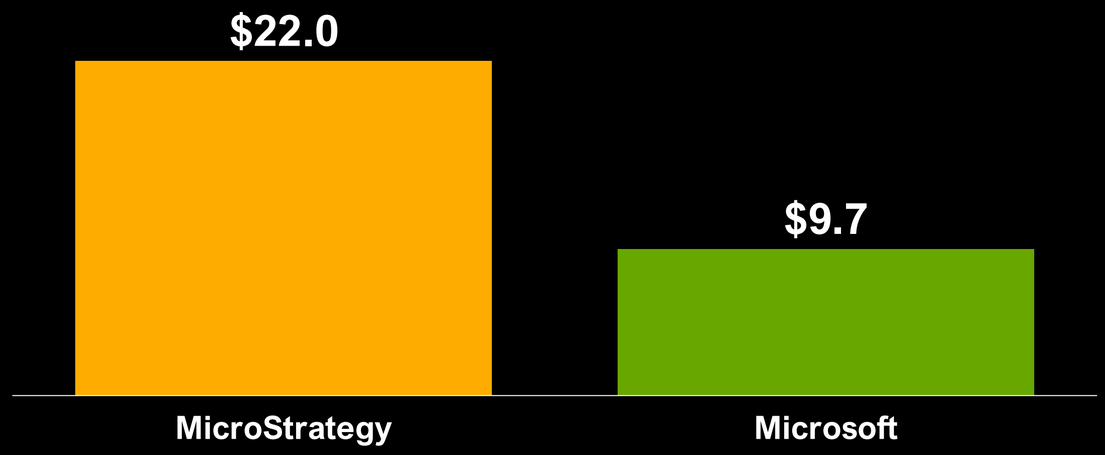
Options Open Interest ($B)



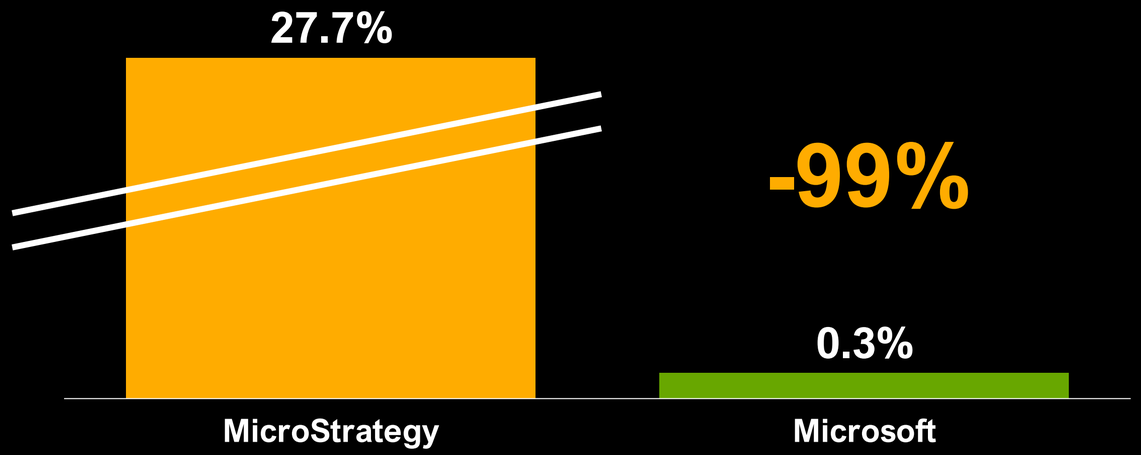
Options Open Interest ($B) as % of Market Cap



Daily Traded Volume ($B) (1)



Daily Traded Volume(1) as % of Market Cap



Source: FactSet as of November 27, 2024. (1) Average trading volume over last 5 trading days.

In 2024, Bitcoin has emerged as an institutional asset and is now a viable alternative to bonds for public corporations.

Microsoft has a choice to make.

Choice 1: Cling to the Past

Conventional financial strategy based on treasury bonds, buybacks, and dividends

Vs.

Choice 2: Embrace the Future

Innovative financial strategy based on Bitcoin as a digital capital asset

Choice 1: Regression

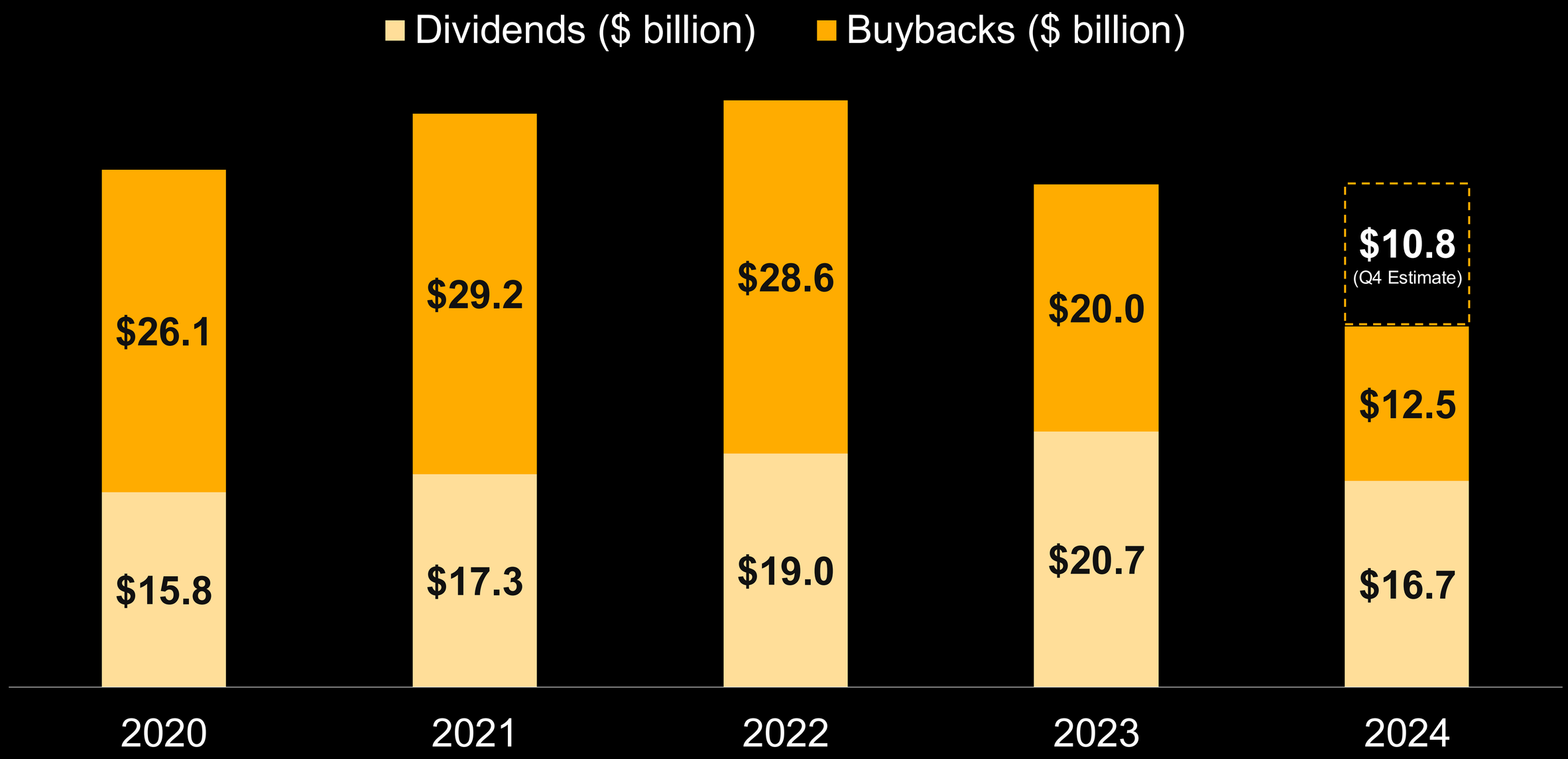
Divest $100 billion yearly, increase investor risk, and slow growth

Vs.

Choice 2: Progression

Invest $100 billion yearly, decrease investor risk, and accelerate growth

MSFT has Surrendered $200B in Capital in 5 Years



Buybacks & Dividends Amplify Microsoft's Risk Factors

1. Intense Competition
2. Cybersecurity Threats
3. Regulatory Compliance
4. Intellectual Property Rights
5. Global Economic Conditions
6. Supply Chain Disruptions
7. Product Development and Innovation
8. Cloud Services Adoption
9. Market Saturation
10. Legal Proceedings
11. Acquisitions and Strategic Alliances
12. Taxation Risks
13. Foreign Exchange Fluctuations
14. Talent Acquisition and Retention
15. Hardware Manufacturing
16. Environmental and Social Responsibility
17. Intellectual Property Litigation
18. Intellectual Property Licensing
19. Economic Sanctions and Trade Restrictions
20. Natural Disasters and Catastrophic Events
21. Technological Changes
22. Customer Preferences
23. Third-Party Service Providers
24. Data Privacy
25. Reputation Management

Bitcoin is the Best Way to Escape this Vicious Cycle

Bitcoin is a Commodity, not a Company

1. Intense Competition
2. Cybersecurity Threats
3. Regulatory Compliance
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Acquisition ntion

15. Ma g
16. Envi r Social R
17. Intellectua itigatio y

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21. Technological Changes
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23. Third-Party Service Providers
24. Data Privacy
25. Reputation Management

Bitcoin is an asset without counterparty risk from competitors, countries, corporations, creditors, cultures, or currencies.

What if you could buy a $100 billion company growing at 60% per year at 1x Revenue?

What if this company was more profitable than your own?

What if you could easily keep doing this every year, forever?

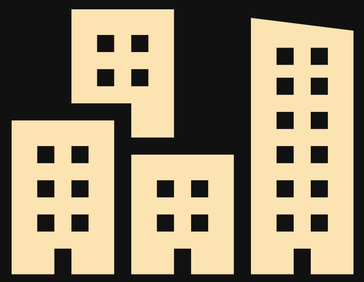
Bitcoin is the universal, perpetual, profitable merger partner.

Evaluating Microsoft’s Strategic Bitcoin Options

The Bitcoin24 Model is an Open-Source Macro Model

Create a customized Bitcoin corporate forecast with Bitcoin24.

Microsoft Business Assumptions



- $3.0T Enterprise Value (~26x EV/EBIT)
- $27B net cash on the balance sheet
- $70B cash flow growing at 10% ARR
- 30% of cash flow given as dividends
- 40% of cash flow used for buybacks

2024 Share Price = $420 / share

BTC Base Case = 30% ARR

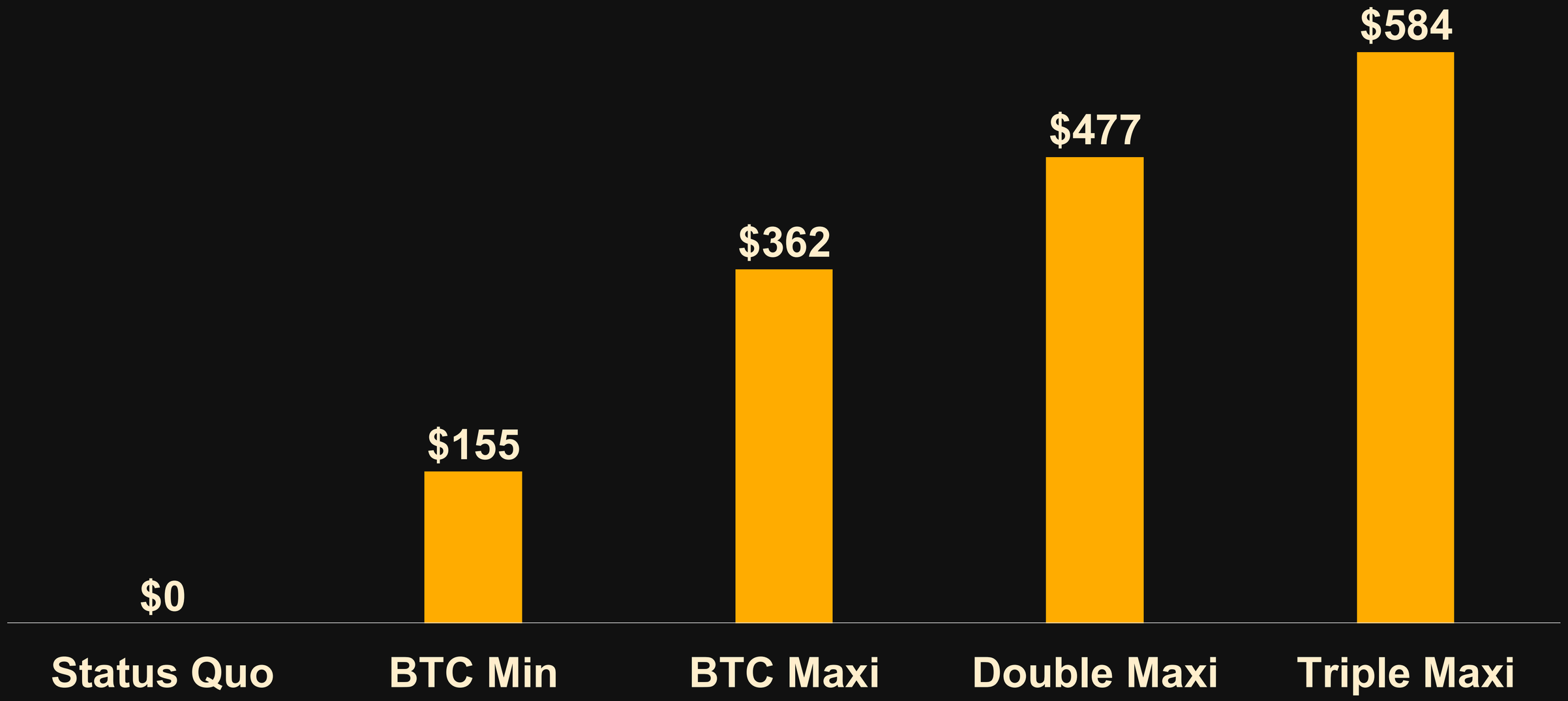
Bitcoin Treasury Strategy

Microsoft's capital structure strengthens as it accelerates the conversion of USD cashflows to BTC.

	Status Quo	BTC Min	BTC Maxi	Double Maxi	Triple Maxi
Treasury -> BTC		✓	✓	✓	✓
Cashflows -> BTC		✓	✓	✓	✓
Dividends -> BTC			✓	✓	✓
Buybacks -> BTC				✓	✓
Debt -> BTC					✓

MSFT Share Price Increase from Bitcoin Strategy

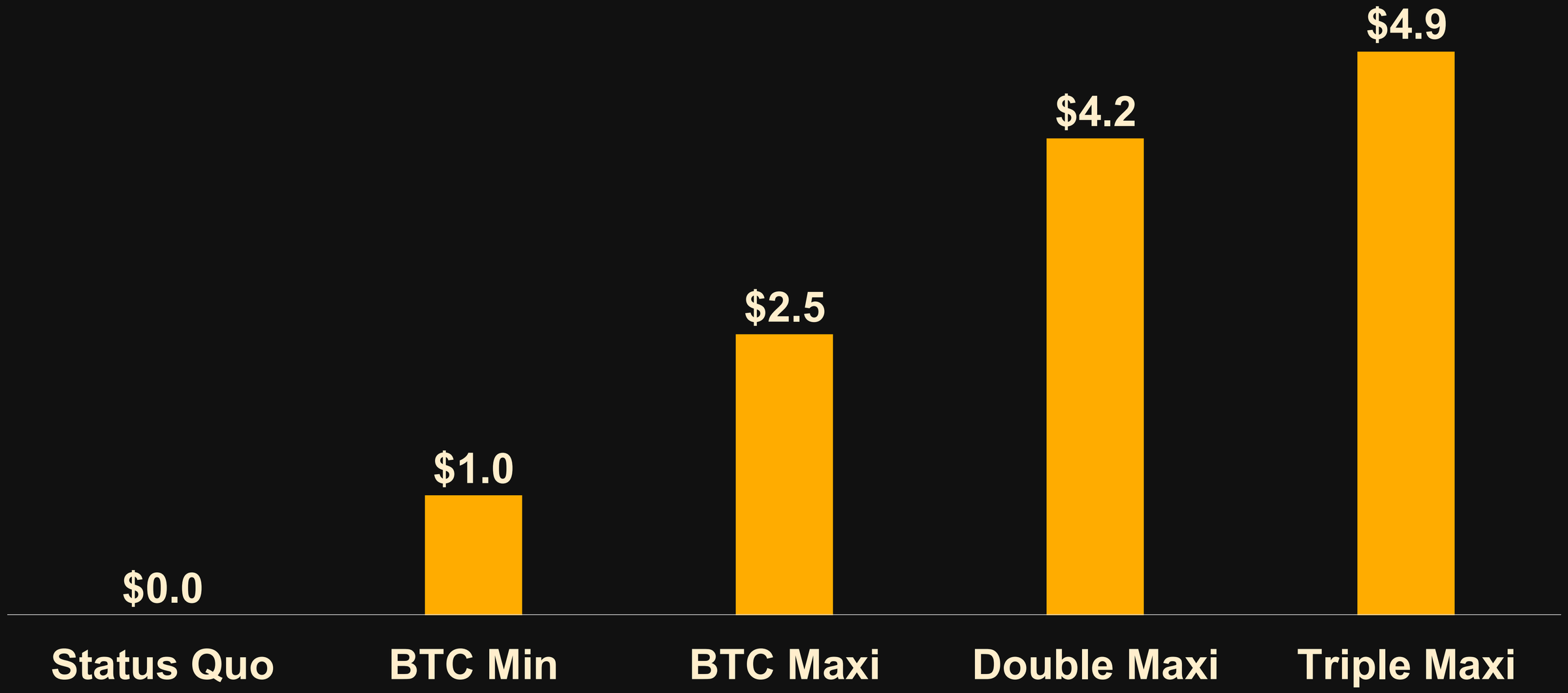
Bitcoin has the potential to contribute $155 to $584 per share while reducing shareholder risk.



Estimates based on Bitcoin24 Model base case as of EOY 2034.

MSFT Market Cap ($T) Increase from Bitcoin Strategy

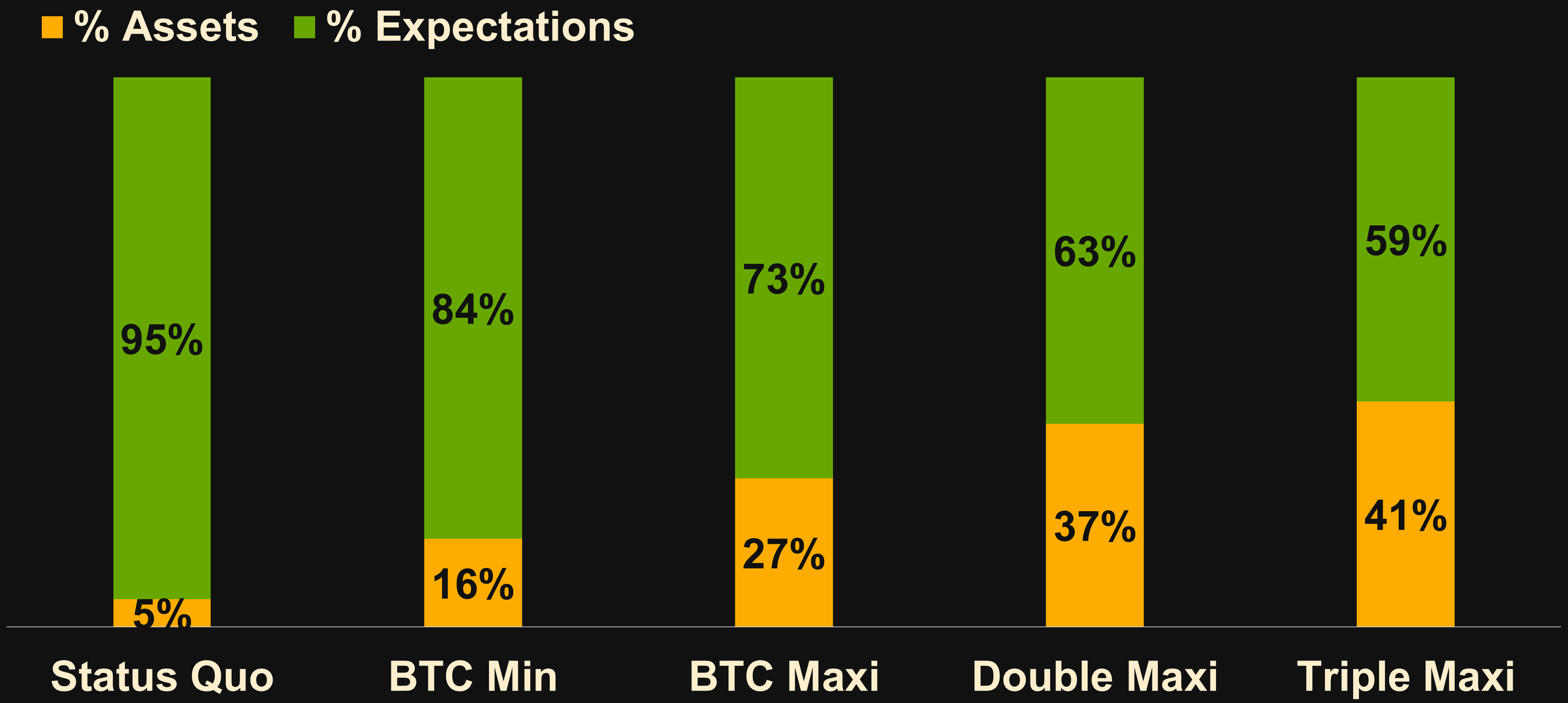
Microsoft can create between $1 trillion and $4.9 trillion in shareholder value via Bitcoin.



Estimates based on Bitcoin24 Model base case as of EOY 2034.

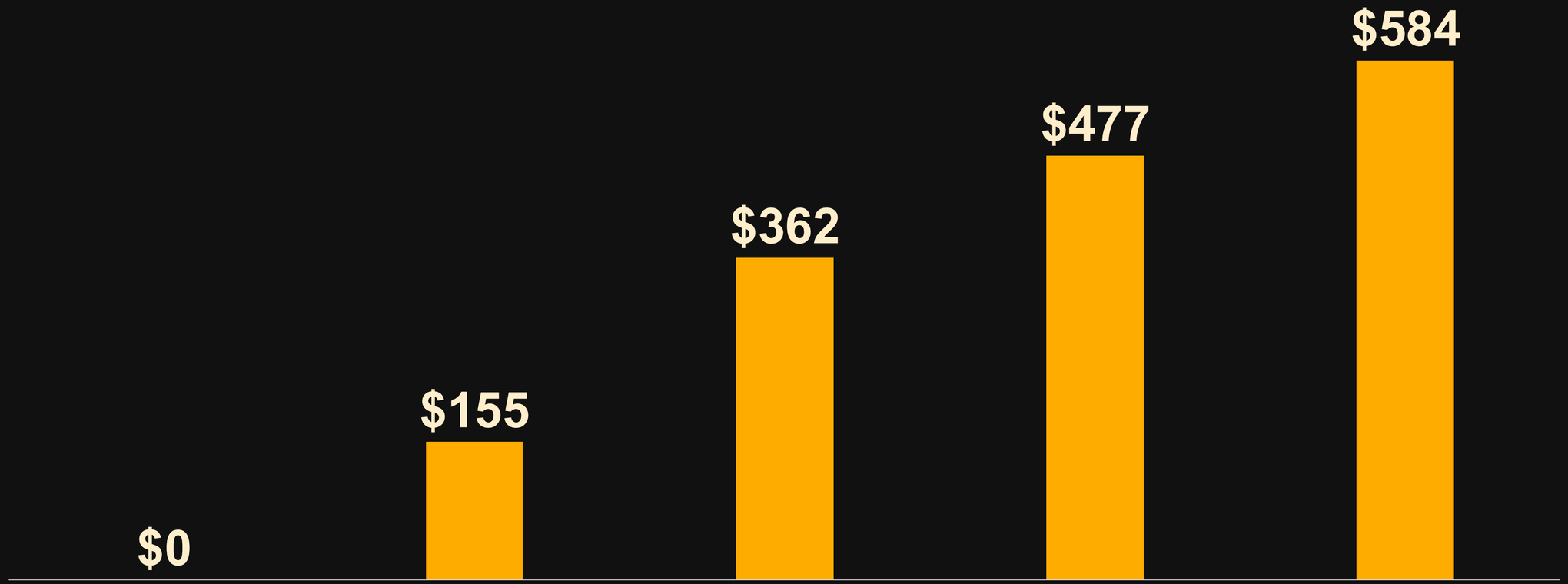
Bitcoin Decreases Microsoft Enterprise Value at Risk

Microsoft is currently levered to forward earnings expectations to an extremely unhealthy degree.



Estimates based on Bitcoin24 Model base case as of EOY 2034.

Microsoft Prospers on the Bitcoin Standard



	Status Quo	BTC Min	BTC Maxi	Double Maxi	Triple Maxi
Value Creation ($T)	$0	$1.0T	$2.5T	$4.2T	$4.9T
Value at Risk	95%	84%	73%	63%	59%
Value ARR	10.4%	11.8%	13.4%	15.1%	15.8%

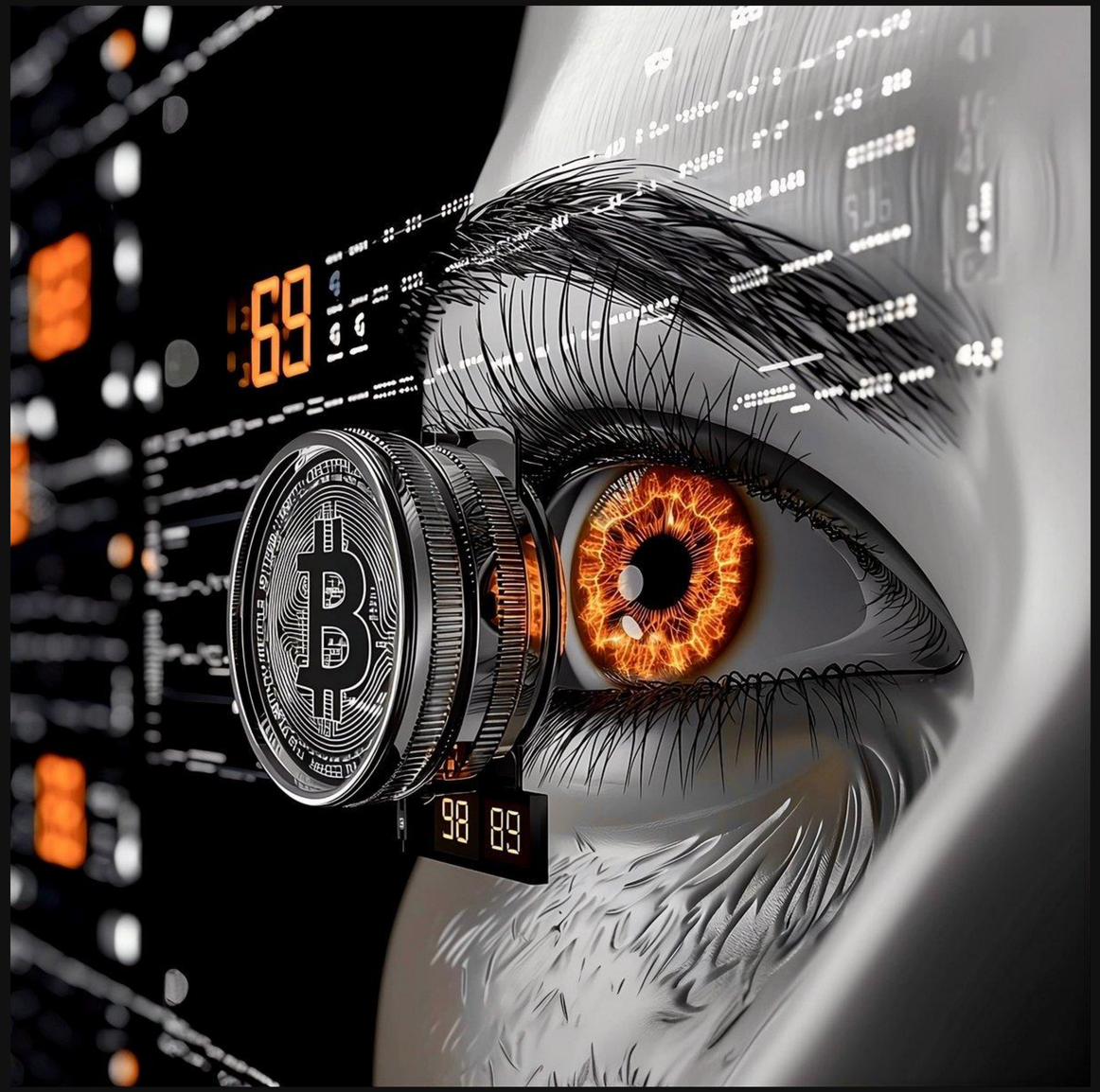
Estimates based on Bitcoin24 Model base case as of EOY 2034.

Do the right thing for your customers, employees, shareholders, the country, the world, and your legacy.

Adopt Bitcoin

11

Bitcoin insight is restricted to those with a need to know.



99% of MSFT investors voted against a proposal to study the feasibility of a Bitcoin strategy.

99% of MSFT investors voted against a proposal to study the feasibility of a Bitcoin strategy.

The don’t have a “need to know.”

Does your company have a need to know?

What will be your Bitcoin story?

Thank You