



Investor Day

November 16, 2020

Safe Harbor Statement

Forward-Looking Statements

Some of the information we provide in this presentation regarding our future expectations, plans, and prospects may constitute forward-looking statements. Actual results may differ materially from these forward-looking statements due to various important factors, including the risk factors discussed in our most recent 10-Q filed with the SEC. We assume no obligation to update these forward-looking statements, which speak only as of today.

Also, in this presentation, we will refer to certain non-GAAP financial measures. Reconciliations showing GAAP versus non-GAAP results are available in the appendix of this presentation, which is available on our website at www.microstrategy.com.

Presenters



Michael Saylor
*Chairman and
Chief Executive Officer*



Phong Le
*President and
Chief Financial Officer*



Tim Lang
Chief Technology Officer



Hugh Owen
Chief Marketing Officer

Agenda

Introduction

Phong Le, President and CFO

Company Vision

Michael J. Saylor, Chairman and CEO

Product Update and Shift to Cloud

Timothy Lang, CTO

Demand Generation and Productive Growth

Hugh Owen, CMO

Finance and Growth

Phong Le, President and CFO

Q & A



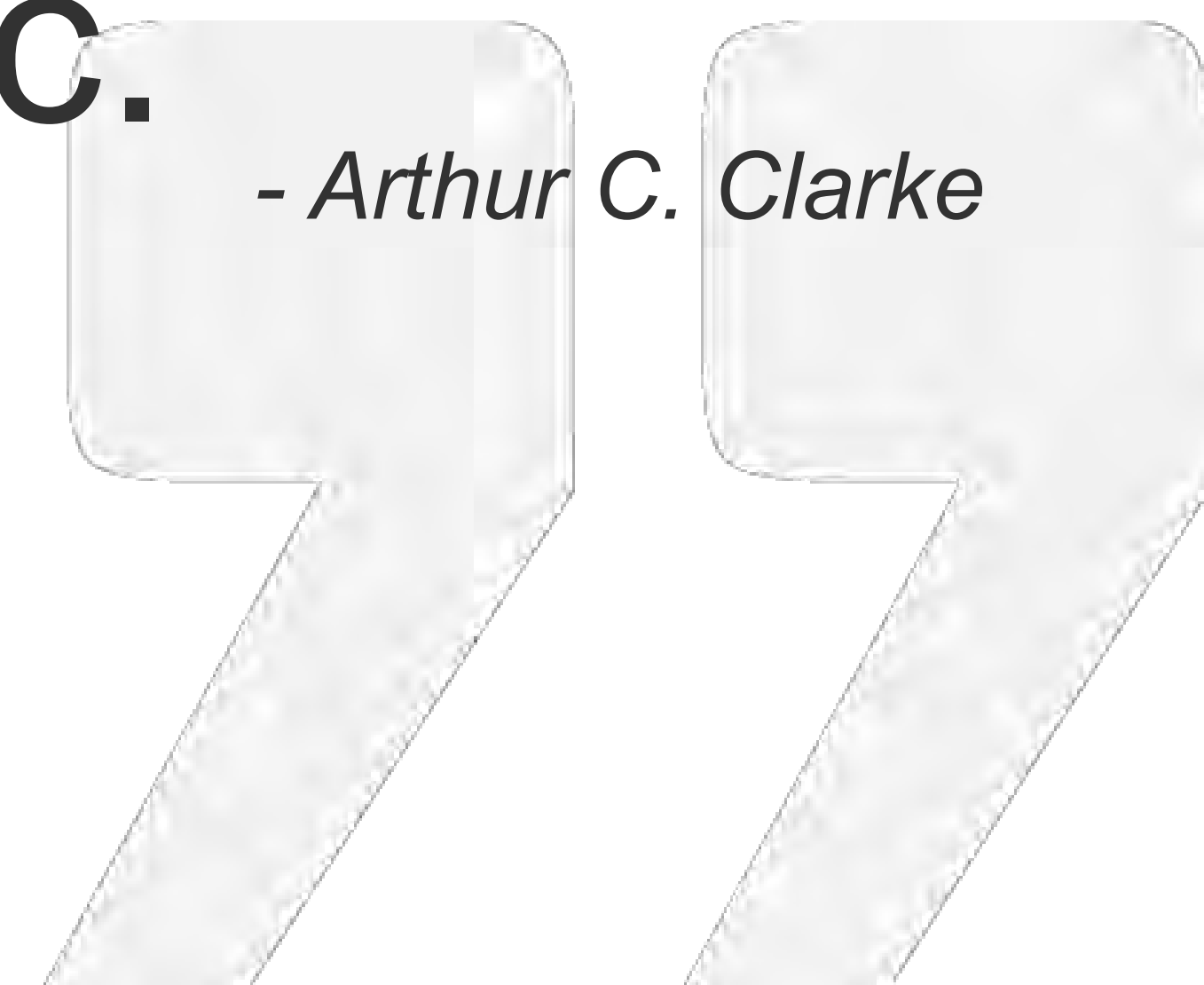
Company Vision

Michael J. Saylor, Chairman and CEO

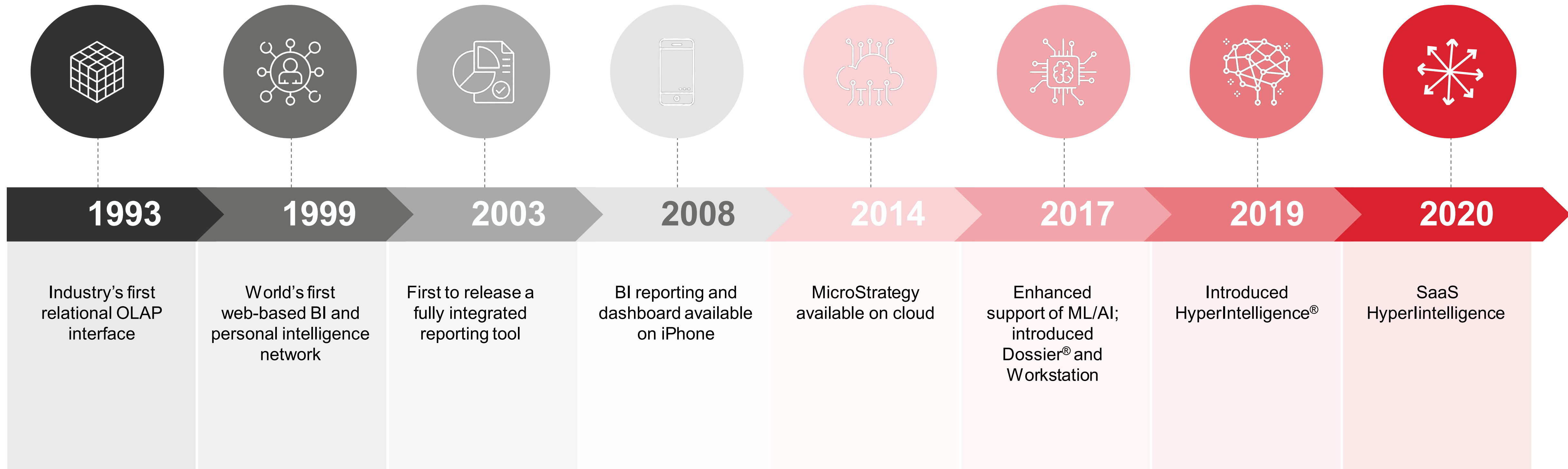


Any sufficiently advanced **technology**
is indistinguishable from magic.

- Arthur C. Clarke



MicroStrategy has a rich history of 30+ Years of Innovation



Our Company is Now Stronger than Ever

Company



MicroStrategy is the largest independent publicly-traded business intelligence company with the leading enterprise analytics platform



Top-rated product by Gartner for agile, centralized BI provisioning



~2,050 employees including ~650 R&D department

Customers



Diverse, blue chip customer base with 4,000+ customers across 27 countries



High renewal rates with ~66% recurring revenue renewing at ~95%

Financials



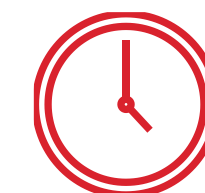
Profitability at scale with \$470mm+ revenue and ~80% gross margin



Repurchased 2.3M shares since 2018 for \$307M



Use bitcoin as primary treasury reserve asset, purchasing additional bitcoin with excess cash, subject to market conditions and business needs



Q3 2020 was one of the strongest growth and profitability quarters in last decade

We have Pivoted with Speed and Agility to the Virtual Wave



Quickly pivoted to customer focus post-Covid in Q2 20 with free education, free upgrades, and on-demand services like Expert.now



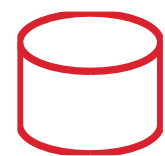
Rebuilt go-to-market with virtual marketing events, revamped video-first website, video customer meetings, and remote consulting engagements. Resulted in increased reach, meetings, and productivity combined with decreased costs



Also rebuilding back-office functions to reduce costs while improving agility



Customers more focused on software that is modern, open, and enterprise scale vs. experimental, single-stack, departmental. Consistent with MicroStrategy focus and strengths



Customers also want flexibility and reduced costs, seeing more aggressive shift to data, including data warehouse and business intelligence in the Cloud



Now focusing our technology and go-to-market on moving customers to Enterprise Cloud and SaaS products

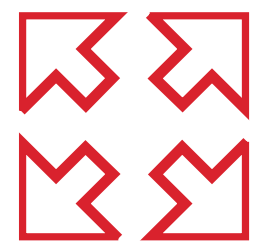
Our New Capital Strategy is Already Showing Returns



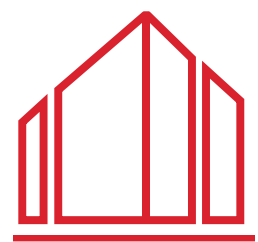
Putting our capital structure to work – focus on buying MSTR stock and bitcoin, both have appreciated since we announced strategy



Bitcoin is our primary treasury reserve asset, excess capital > \$50M will be put into bitcoin, subject to market conditions and business needs



Consistent with our virtual wave strategies, and improved digital marketing: YouTube views, Twitter views, Website traffic all up



Expect additional upside and synergies over time with go-to-market, R&D, and ultimately company valuation

We have an Experienced and Visionary Management Team



Michael J. Saylor
Chairman and CEO

30+ years at MicroStrategy



Phong Le
President and CFO

5+ years at MicroStrategy



Timothy Lang
SEVP and CTO

6+ years at MicroStrategy



Hugh Owen
Chief Marketing Officer

20+ years at MicroStrategy



W. Ming Shao
SEVP and General Counsel

20+ years at MicroStrategy



Ponna Aurumugam
Chief Information Officer

2+ years at MicroStrategy



Joty Paparello
Chief HR Officer

18+ years at MicroStrategy



Paul Green
EVP, Worldwide Consulting

2+ years at MicroStrategy



Jeanine Montgomery
Chief Accounting Officer

4+ years at MicroStrategy



Jeremy Price
Senior VP, FP&A

18+ years at MicroStrategy



Product Update and Shift to Cloud

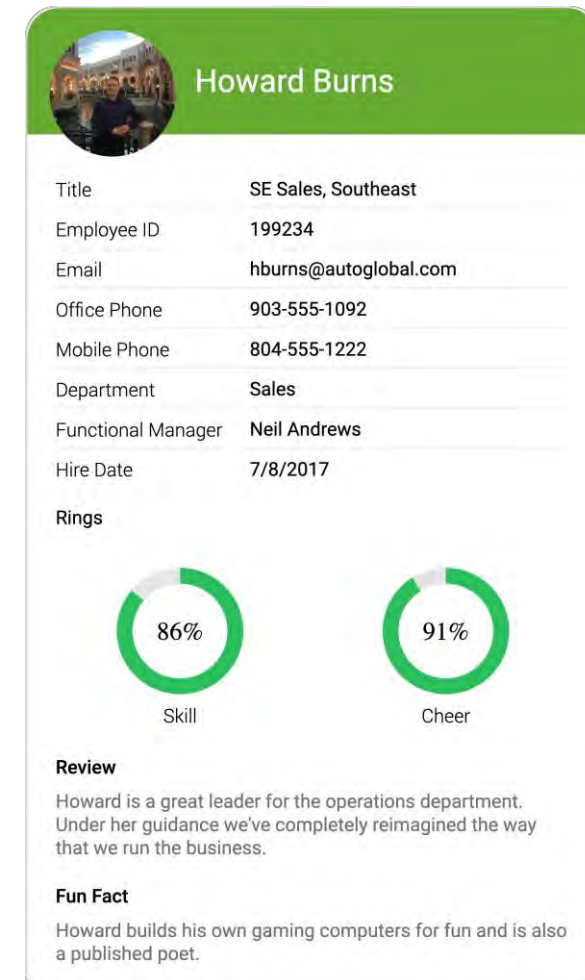
Timothy Lang, Chief Technology Officer

Modern Analytics

Bring data to people, processes, and things

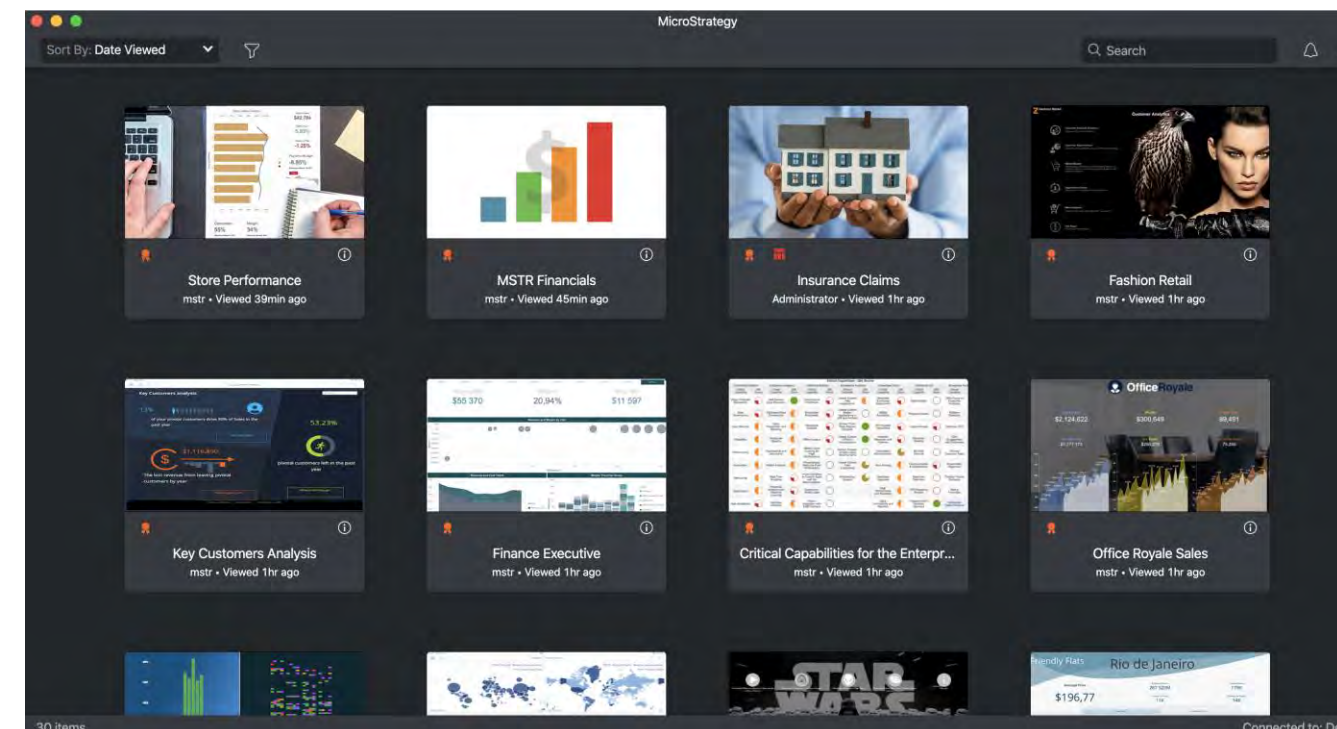
HyperIntelligence

Insights automatically delivered to users



MicroStrategy Library™

Personalized analytics catalog



Dossier

Personalized dashboards



Planned for MicroStrategy 2021™

- Pattern matching in HyperIntelligence
- Ability to share cards
- QR code and Barcode support
- Extended Search in HyperIntelligence
- Create calculations in HyperIntelligence cards
- HyperIntelligence thresholds

- New Mac and Windows app to consume dossiers quickly
- Shared bookmarks
- 1:1 and group collaboration
- Built-in HyperIntelligence to highlight in dossiers in MicroStrategy app
- Search for HyperIntelligence cards in MicroStrategy app

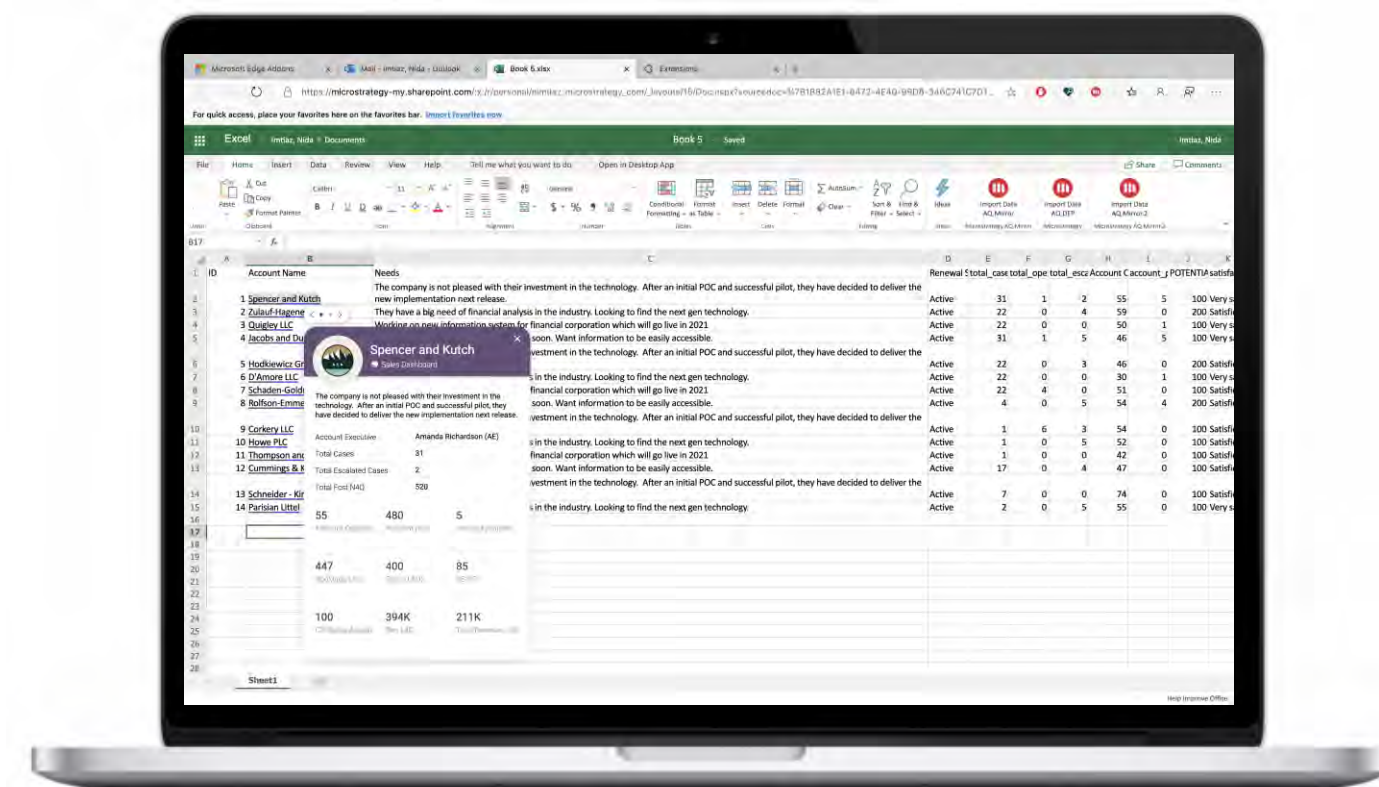
- Rich-text editor and grid formatting
- New visualization gallery and formatting panel
- Microcharts in grid
- Mobile-specific Dossier design
- Vertical scrolling for dossiers
- Global filters

The MicroStrategy HyperIntelligence Product Suite

Answers at your fingertips - whether you're on the web, a mobile device, or your favorite app

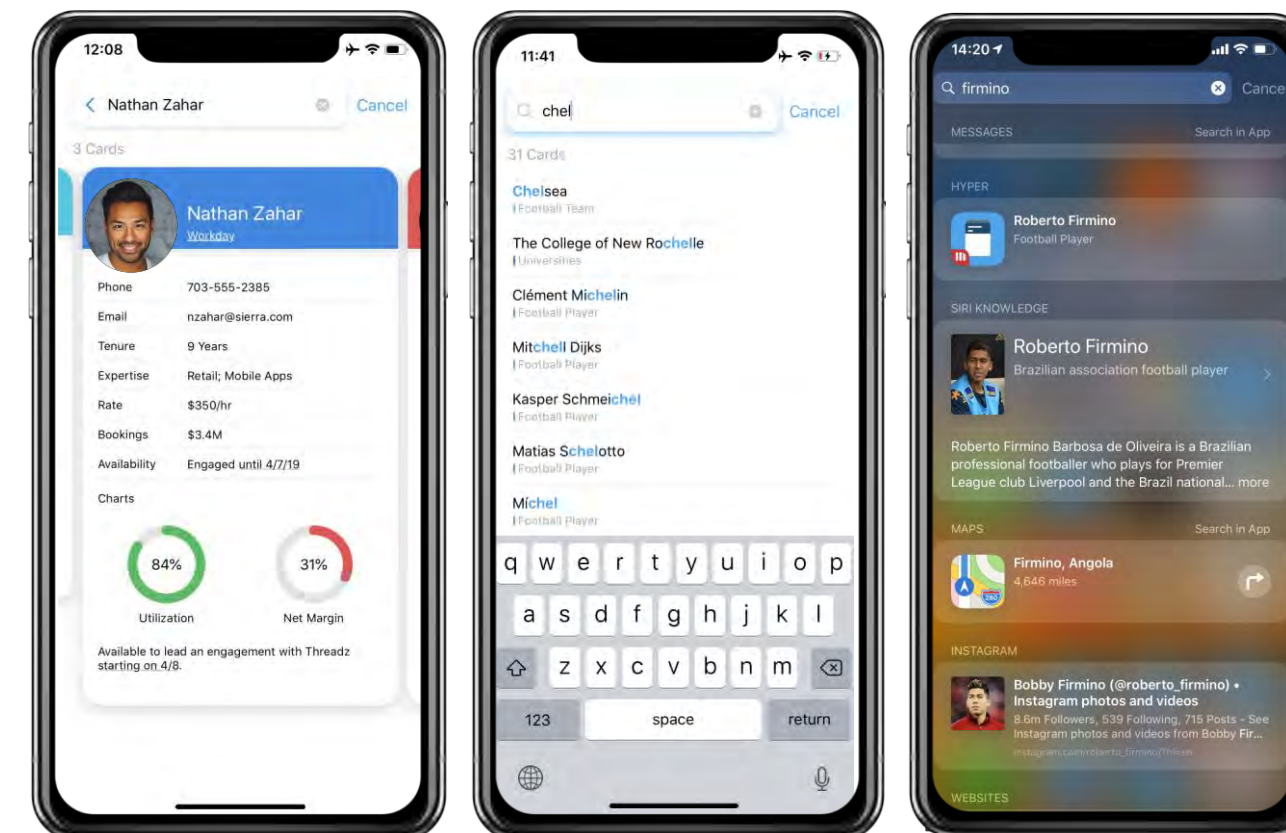
HyperWeb™

Seamlessly inject intelligence directly onto words in the websites and web applications people use every day.



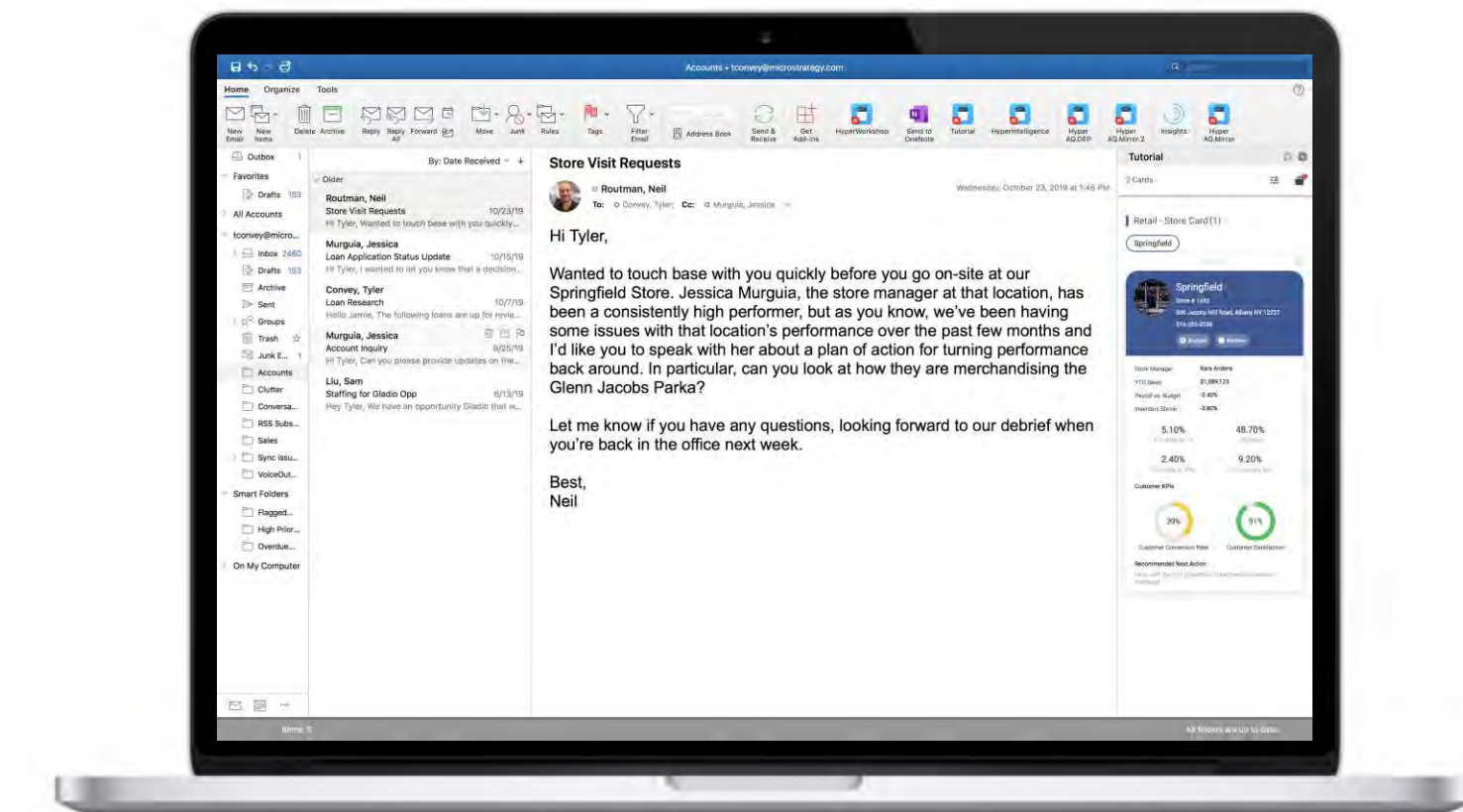
HyperMobile™

Put intelligence in the palm of your hand – by making cards available directly on a user's mobile device.



HyperOffice™

Bring answers to your favorite productivity tools with cards embedded directly into your emails, documents, and spreadsheets.



HyperVision™

Color-code the card header conditionally based on a threshold

The screenshot shows a Salesforce interface with a list of 14 accounts. The 'Account Name' column is color-coded based on a threshold. The table data is as follows:

Account Name	Account Category	Industry	Renewal Status	Owner	Plan Status	Cases
<u>Spencer and Kutch</u>	C1 - Channel	Retail	Active	Amanda Richardson	AP1	31
<u>Zulauf-Hagenes</u>	C2 - Strategic	Manufacturing	Active	Timothy Ryan	AP5	22
<u>Quigley LLC</u>	C1 - Channel	Finance	Active	Michael Burke	AP4	22
<u>Jacobs and Durgan</u>	C1 - Channel	Retail	Active	Dorothy Russell	AP1	31
<u>Hokiewicz Group</u>	C2 - Strategic	Finance	Active	Eric Banks	AP5	22
<u>Moreau Laboratories</u>	C1 - Channel	Retail	Active	Sean Clark	AP4	24
<u>Schaden-Goldner</u>	C1 - Channel	Banking	Active	Keith Jackson	AP1	15
<u>Rolfson-Emmerich</u>	C3 - Major	Shipping	Active	Karen Greene	AP6	4
<u>Corkery LLC</u>	C1 - Channel	Retail	Active	Gloria Santos	AP1	1
<u>Howe PLC</u>	C0 - NA	Retail	Expired	Bryan Schmidt	AP1	1
<u>Thompson and Yost</u>	C1 - Channel	Finance	Active	Jane Ramirez	AP1	1
<u>Cummings & Kunze</u>	C1 - Channel	Manufacturing	Active	Cheryl Barnes	AP1	17
<u>Schneider-Kirlin</u>	C1 - Channe	Manufacturing	Active	Brenda Washington	AP1	7
<u>Parisian Littel</u>	C1 - Channel	Retail	Active	Nicole Johnson	AP1	2

Hyper SDK™

Extension-free embedding into your application with just a few lines of Javascript

The screenshot shows a web browser window displaying an event agenda page from [events.microstrategy.com](https://events.microstrategy.com/events/microstrategy-world-2020/agenda-dcd89bbe5b66413ba7cacb7d78f5f7fa.aspx?p=17). The page lists several sessions, including "MicroStrategy Cloud Platform: Overview and Roadmap Forward" and "Admin Automation: Overview and Us... Manager and Command Manager". A red overlay box titled "MicroStrategy Cloud Platform: Ove..." is positioned over the second session, displaying a table with event details:

Event	
Theme	Open
Speaker	Andrew Mears
Organization	MicroStrategy
Schedule	
Breakout Slot	Session 1
When	11:30AM - 12:15 PM
Where	Oceana Grand Ballroom 4
Target Role	Administrator,Architect

Below the table, there is a description of the MicroStrategy Cloud Platform and a list of topics to be discussed during the session. A red button at the bottom of the overlay says "Leave us a message."

On the right side of the browser window, a code editor shows the following JavaScript code snippet:

```
<script>
  microstrategy.hyper.embed({
    cards: ['World 2020 Speakers', 'World Session Hyper
Cards']
  });
</script>
<script language="javascript" type="text/javascript">...
```


Hyper SDK

Extension-free embedding into your application with just a few lines of Javascript

The screenshot displays the MicroStrategy website with the Hyper SDK interface. The main navigation includes 'MicroStrategy Intelligence Everywhere', a search bar, and buttons for 'Expert.Now' and 'Start.Now'. A sidebar on the left lists categories: HYPER INTELLIGENCE, BUSINESS INTELLIGENCE, DEMOS, EDUCATION, SUPPORT, CAREERS, and ABOUT US, with a Bitcoin logo at the bottom.

The central banner features the text: **Engage the HyperDrive! October 7-16, for MicroStrategy employees**. Below this, it says 'Try the new Hyper.Now service and impress your colleagues!' and includes a 'Go to Hyper.Now' button.

A video player shows a screenshot of an email interface with a Hyper SDK overlay for 'Shoe Radley, Inc.'. The overlay displays a table with columns for 'CEO', 'Revenue', and 'Employees', and two circular progress indicators for 'Account Health' (74%) and 'YTD Sales/Goal' (59%).

The 'SEE IT IN ACTION' section shows four application integrations: Website, Salesforce, Workday, and Microsoft Office. Each integration shows a Hyper SDK overlay with data and charts.

At the bottom, there is a 'BITCOIN' logo and the text 'OVERVIEW OF HYPERINTELLIGENCE'.

HyperIntelligence Authoring

The screenshot displays the MicroStrategy Workstation - Cards interface. The main window title is "Product Card Company Day". The interface includes a top navigation bar with "Arrange By: Environment" and "Sort By: Date Modified" dropdowns, and a search bar. A left sidebar lists various metrics under "Product Sales", including Bought, Display, Functions, Made in, Memory, Product, Storage, Transaction, Cost, In-stock, Revenue, Row Count - Keyword Matchin..., and Units Sold. The central workspace shows a product card for "Technosoft Surface Studio 2" (ID: 118898LMI) with a "Product Analysis Dossier" link. The card is divided into "Specs" and "KPIs" sections. The "Specs" section lists: Made in (China), Display (LED-backlit), Bought (8/7/2016), and Functions (All-in-one desktop). The "KPIs" section displays four metrics: Cost (\$91), Revenue (\$115), In-stock (276), and Units Sold (24). A right-hand panel contains "Widgets" (List, Matrix, Ring, Text Box), "Template" (Customized, Change Template), and "Format" (Footer, Enable) options. A "Clear Card Data" button is also visible in the top right of the card area.

Specs	
Made in	China
Display	LED-backlit
Bought	8/7/2016
Functions	All-in-one desktop

KPIs	
\$91 Cost	\$115 Revenue
276 In-stock	24 Units Sold

Dossier Authoring

The screenshot displays a dashboard authoring tool interface with the following components:

- Left Panel:**
 - CONTENTS:** Shows a hierarchy with 'Chapter 1' and 'Page 1'.
 - DATASETS:** Lists various data sources like 'Worldwide-CO2-Em...', 'Country', 'Region', and 'Year'.
 - FORMAT:** Includes options for 'Page 1', 'Enable Vertical Scrolling', and 'min-height'.
- Main Content Area:**
 - Header:** A blue banner with a title and a timeline from 1990 to 2010.
 - Donut Chart:** A donut chart showing regional distribution with labels: Africa, North America, Middle East, Europe, Eurasia, Central & South America, and Asia & Oceania.
 - Horizontal Bar Chart:** Titled 'Countries with Highest Natural Gas', listing countries like Russia, Canada, Japan, Iran, Saudi Arabia, France, Uzbekistan, Argentina, United Arab Emirates, and China.
 - Line Chart:** Titled 'Emissions Trend in 20 Years', showing data from 1990 to 2010 with a y-axis from 8K to 14K.
 - Bar Chart:** Titled 'Petroleum Emissions by Country in Region', showing emissions for countries like Albania, Belgium, Bulgaria, Cyprus, Denmark, Finland, France, Germany, East, Gibraltar, Hungary, Ireland, Luxembourg, Malta, Netherlands, Poland, Romania, Slovakia, Spain, Switzerland, and United Kingdom.
 - Table:** Titled 'Top 20 Highest CO2 Emissions by Country - Details', listing countries and their emissions from different sources.
- Right Panel:** A 'LAYERS' panel showing a list of 'Image11' and several 'Group' elements.

Overview of Tourism in Western Europe

"it's easy to assume that they're becoming more common - psychologists refer to this phenomenon as the availability heuristic."

What has driven

With a rich cultural her largest destinations ar continues to stand as world's international tc of the European Union arrivals, some 81% of



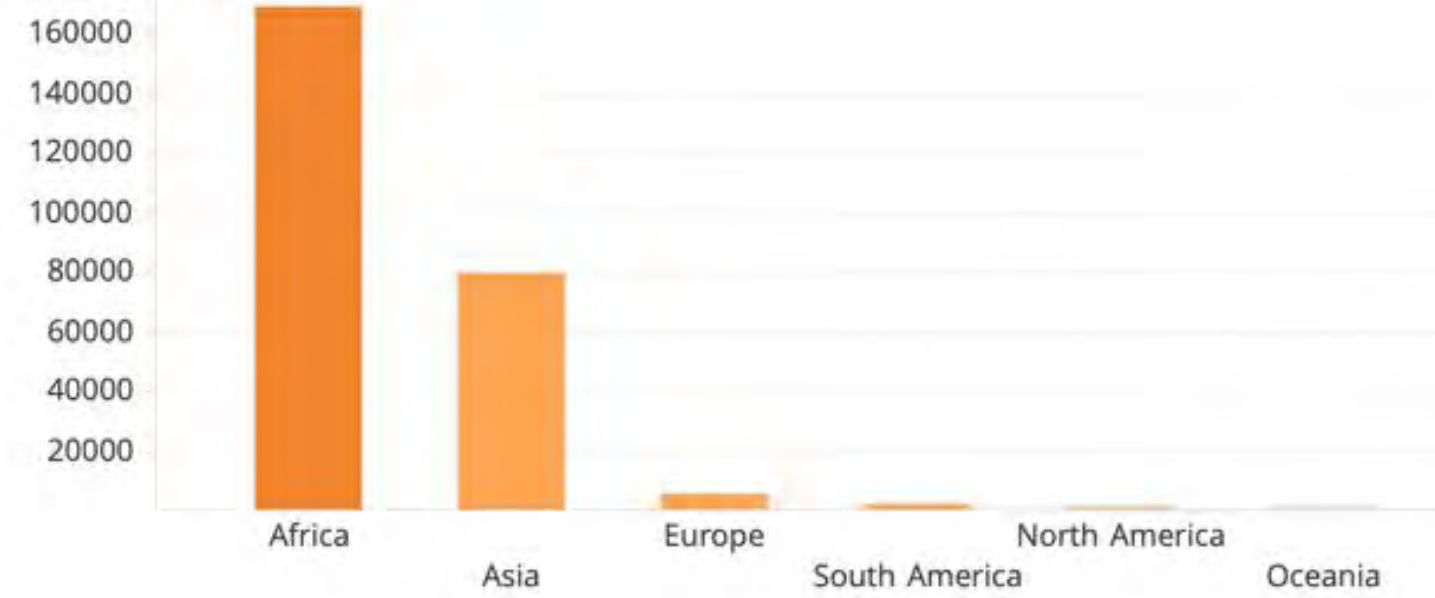
The result continued recent year (overnight worldwide billion in n accounts Product (ten jobs w



Areas most Photographed by Country (2006 -2017)

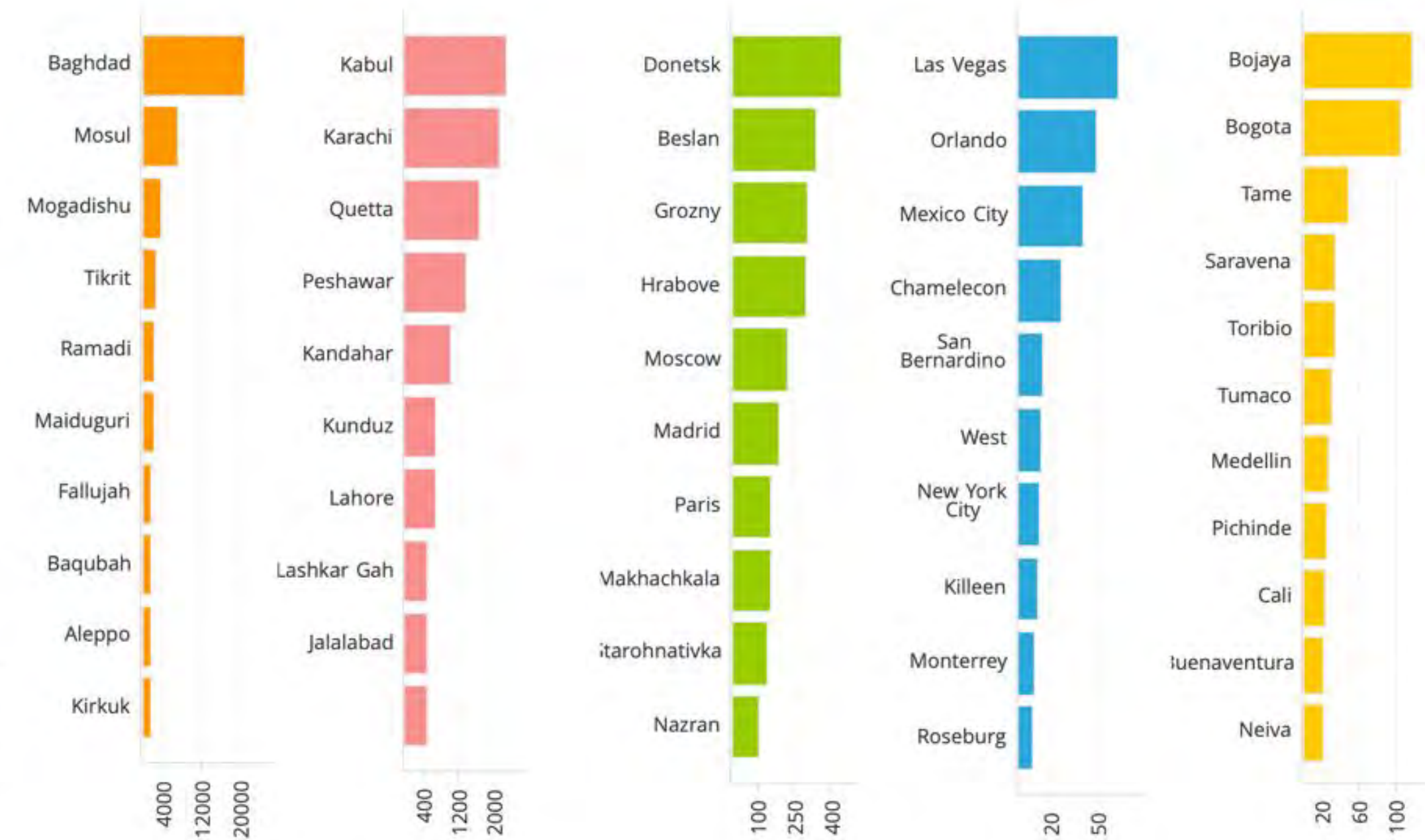


mapbox



Number of Photographs by City

Top 10 results in each continent



COLOMBIA SURINAME

MicroStrategy App with Global Search, Embedded HyperIntelligence

The screenshot displays the MicroStrategy application interface on a Mac. The top menu bar includes 'MicroStrategy', 'File', 'Edit', 'View', 'Window', and 'Help'. The system status bar shows the time as 'Thu 10:59 AM' and various system icons. The main window title is 'MicroStrategy'. Below the title bar, there is a navigation area with 'Sort By: Date Updated' and a search bar. The dashboard features a grid of widgets:

- Top Accounts & Investments:** A widget showing a list of accounts and investments, updated 9 days ago.
- Advanced & Predictive Analytics:** A widget with a blue background and abstract lines, updated 9 days ago.
- Environmental Investments:** A widget with a blue and green background, updated 9 days ago.
- Finance Analysis:** A widget displaying financial metrics: Total Assets (\$K) at \$899,720 (+5.1%), Total Stockholders Equity (\$K) at \$502,689 (-5.1%), and Total Liabilities (\$K) at \$397,031 (+21.8%). Updated 9 days ago.
- Financial Statement:** A widget showing a detailed financial statement table, updated 9 days ago.
- Global Investments:** A widget with a colorful abstract background, updated 9 days ago.
- Global Pipeline:** A widget showing a pipeline chart with a value of 5,487M, updated 9 days ago.
- Industry Evaluation:** A widget with a background image of modern buildings, updated 9 days ago.
- Investments & Co.:** A widget with a background image of a modern building, updated 9 days ago.
- Investments by Geography:** A widget showing a map of the United States with investment data, updated 9 days ago.

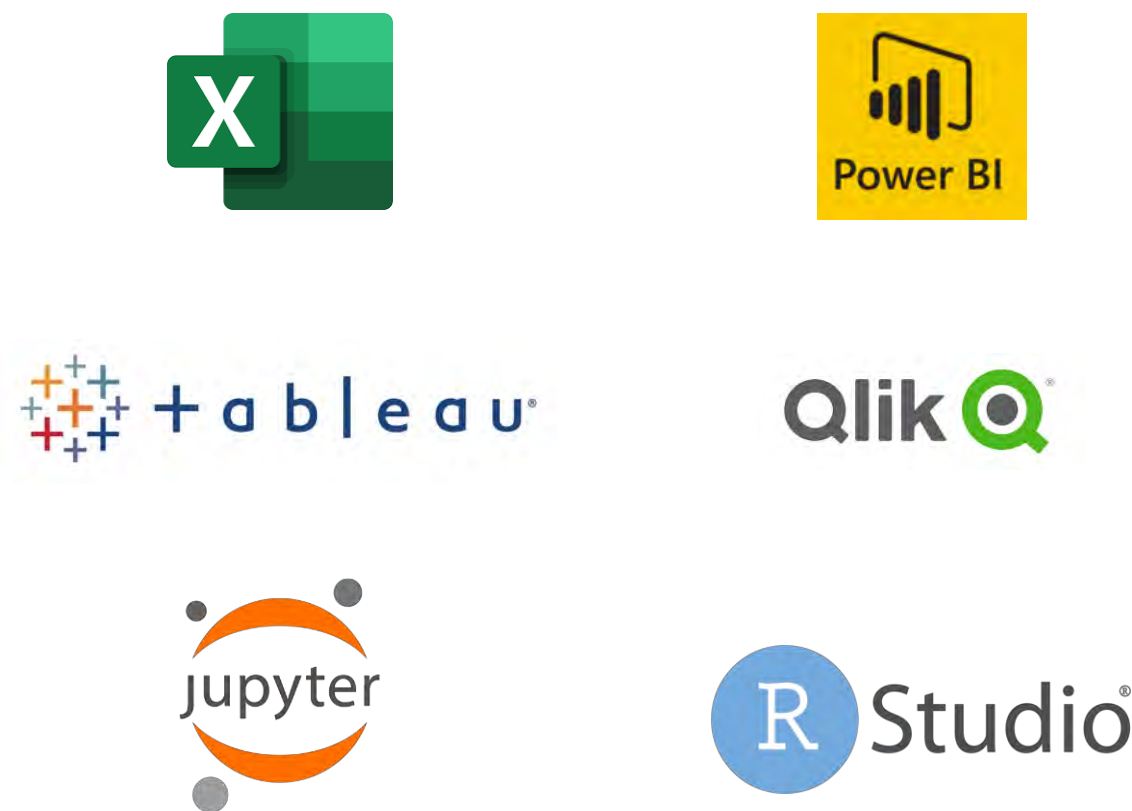
At the bottom of the screen, there are three more widgets partially visible: a line chart, a dashboard with multiple charts and a value of 345, and a background image of a modern building.

Open Architecture

Embrace and augment popular tools and technologies

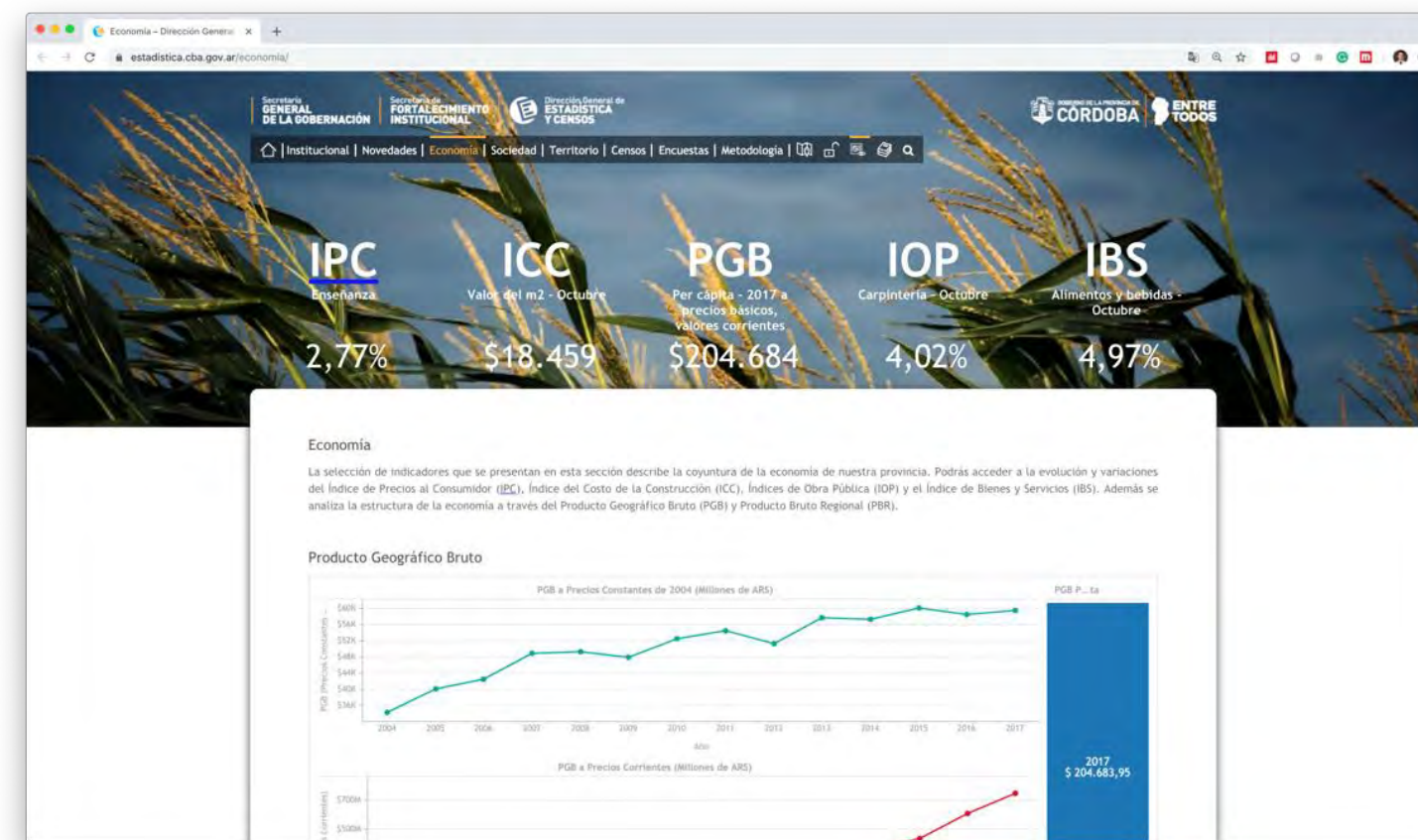
Federated Analytics

Connectors that bring consistency and governance to popular analytics tools



Comprehensive set of SDKs

Embed, customize, and extend into applications and workflows



Deploy without compromise

Fully-featured, optimized for your platform of choice



What's New this year

- Excel: Import data from dossiers, preserve report formatting.
- Data refresh on Tableau Server
- OOTB connector for PowerBI via a certified connector
- Performance improvements in connectors.
- UX streamlining in Excel, Jupyter and RStudio connectors.
- Build a dossier based on another dossier (MSTR connector)

- Administration APIs
- Python SDK for Administration
- Data Modeling APIs
- Embedded HyperIntelligence cards

- Schema object editors in Workstation
- Create and edit filter objects in Workstation
- Scripts stored as objects in the Metadata and accessed via Workstation
- One-click upgrade with backup on Azure
- Expanded region support

MicroStrategy for Business Users – Excel 365

The screenshot displays the Microsoft Excel 365 interface. The ribbon at the top includes tabs for Home, Insert, Draw, Page Layout, Formulas, Data, Review, View, Developer, and Tell me. The Home tab is active, showing options for font (Calibri, size 12), bold, italic, underline, text color, fill color, alignment, and merge & center. The Data tab is also visible, showing options for conditional formatting, format as table, cell styles, insert, delete, and format. The right side of the ribbon includes options for sort & filter, find & select, ideas, sensitivity, and import data (AQ.DEP and AQ.Mirror.2).

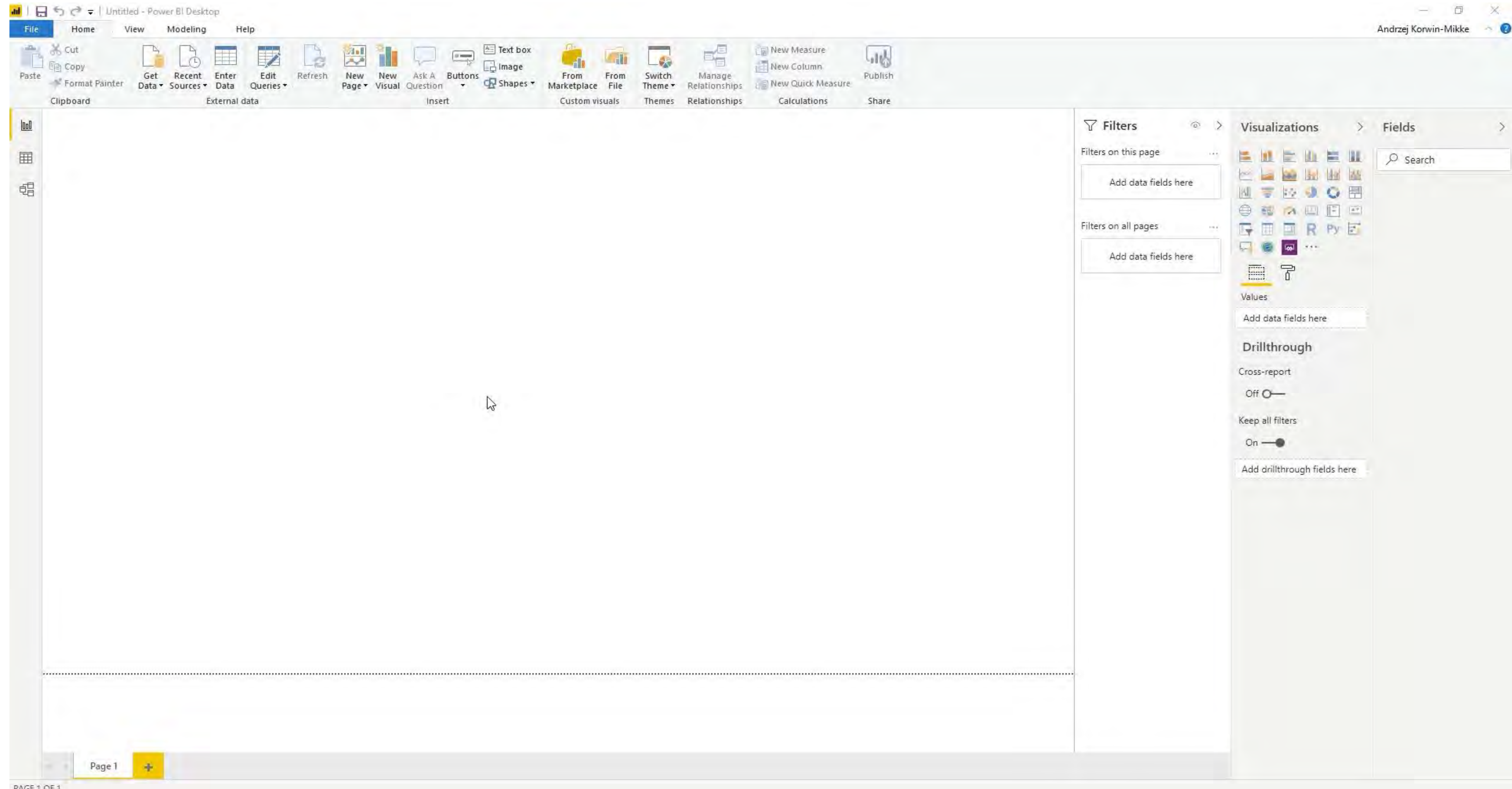
The main area shows a blank worksheet with columns A through L and rows 1 through 50. Cell A1 is selected. The formula bar shows the function f_x .

On the right side, the MicroStrategy AQ.Mirror.2 pane is open. It displays two imported data sources:

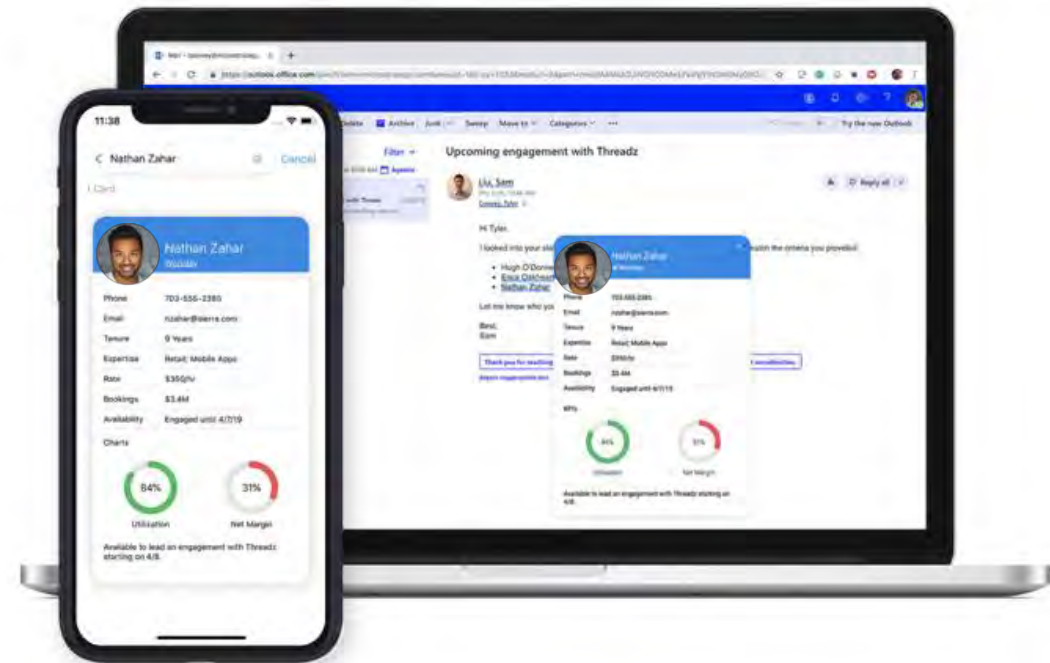
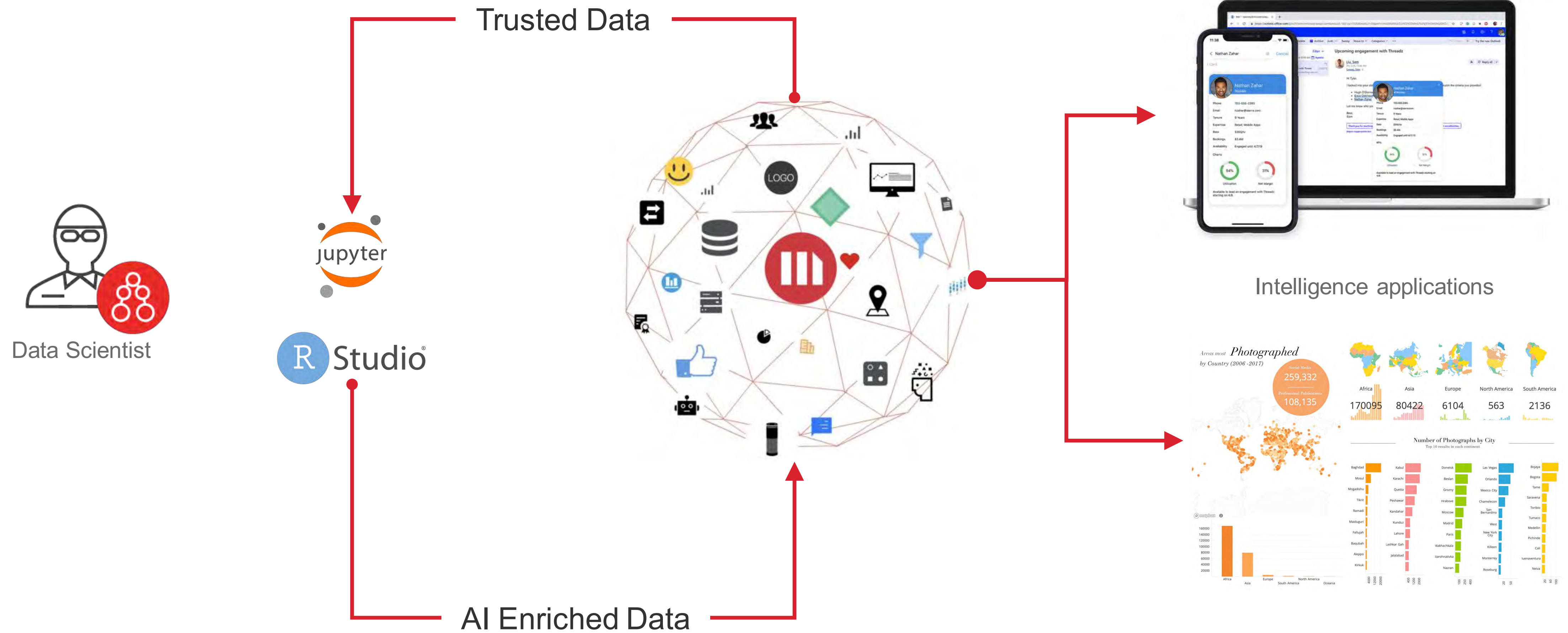
- Imported Data (2)
- Add Data
- 11/13/2020 6:48 PM
Airline Report
- 11/13/2020 6:48 PM
Kick Starter > Chapter 1 > Page 1
Kickstarter data

MicroStrategy for Business Users

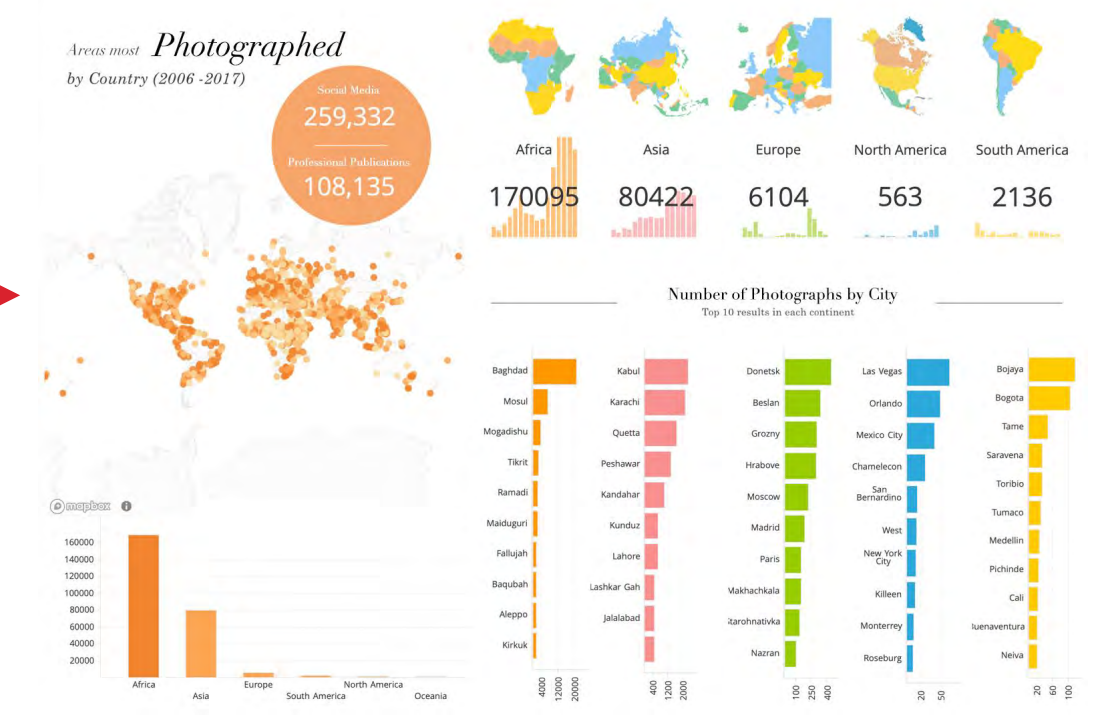
Enhanced connectors for Power BI and Tableau



MicroStrategy for Data Scientists



Intelligence applications



MicroStrategy for Data Scientists

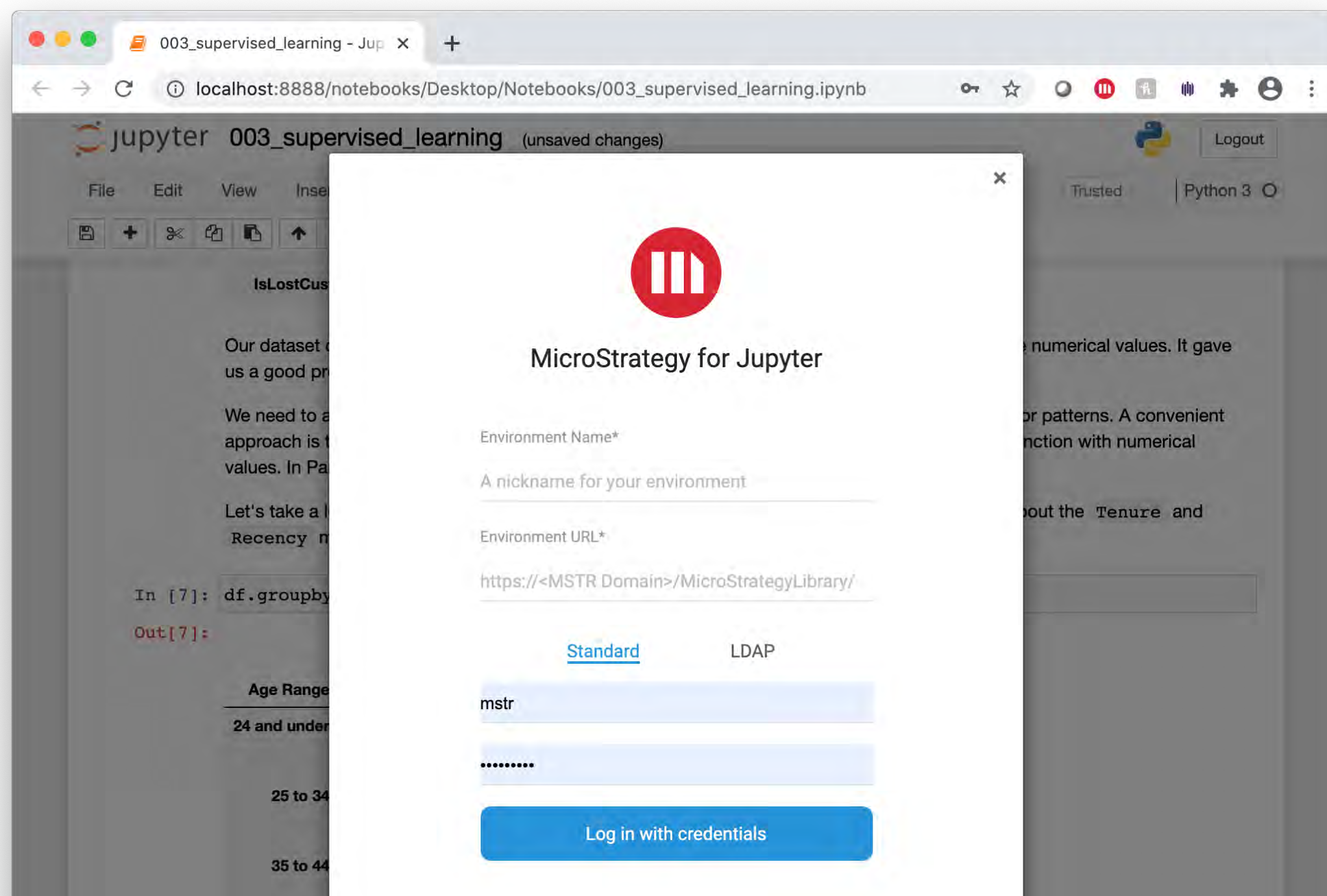
Enable data science on trusted data with open tooling

Jupyter Notebook and RStudio

- Low-code experience for connecting to MicroStrategy, finding relevant data, and creating new datasets
- Reproducible analysis by providing underlying source code

Python and R libraries

- Programmatic access to MicroStrategy to query existing datasets and publish new ones
- Interoperable with ML platforms / products such as Databricks, DataRobot, Dataiku



```
from mstrio.dataset import Cube, Report, Dataset

my_cube = Cube(connection=conn, cube_id="...")
df = my_cube.to_dataframe()

my_report = Report(connection=conn, report_id="...")
df = my_report.to_dataframe()

ds = Dataset(connection=conn, name="Store Analysis")
ds.add_table(name="Stores",
             data_frame=stores_df,
             update_policy="add")
ds.add_table(name="Sales",
             data_frame=sales_df,
             update_policy="add")

ds.create()
```


Enterprise Grade

Trusted answers with sub-second response at enterprise scale

Single version of the truth

Bring data consistency and trust to users and applications with the Enterprise Semantic Graph™.



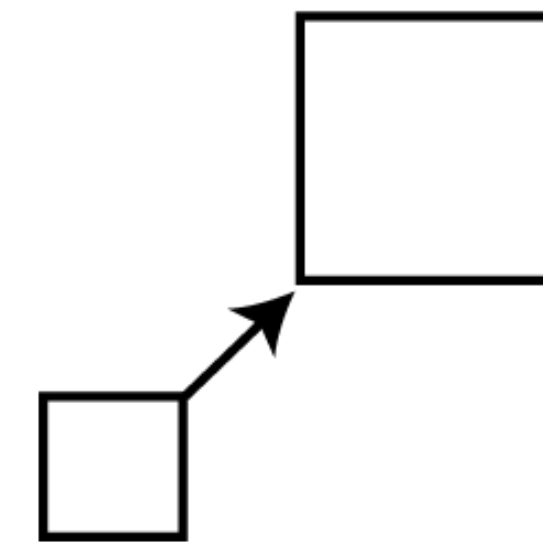
Mitigate compliance risk

Enable self-service while enforcing data protections under GDPR, HIPAA, and more.



Scale to many

Scale with high performance. Distribute personalized analytics across the organization.



What's New This Year

- Script objects in metadata and Workstation
- Metric editor in Workstation
- Create filters in Workstation
- Fact editor in Workstation
- Attribute editor in Workstation
- Warehouse catalog in Workstation

- OpenID Connect platform-wide support
- Optimized queries for Google Big Query.
- Snowflake and Teradata connectors out of the box.
- SAP oData support for S4/HANA and BW4/HANA

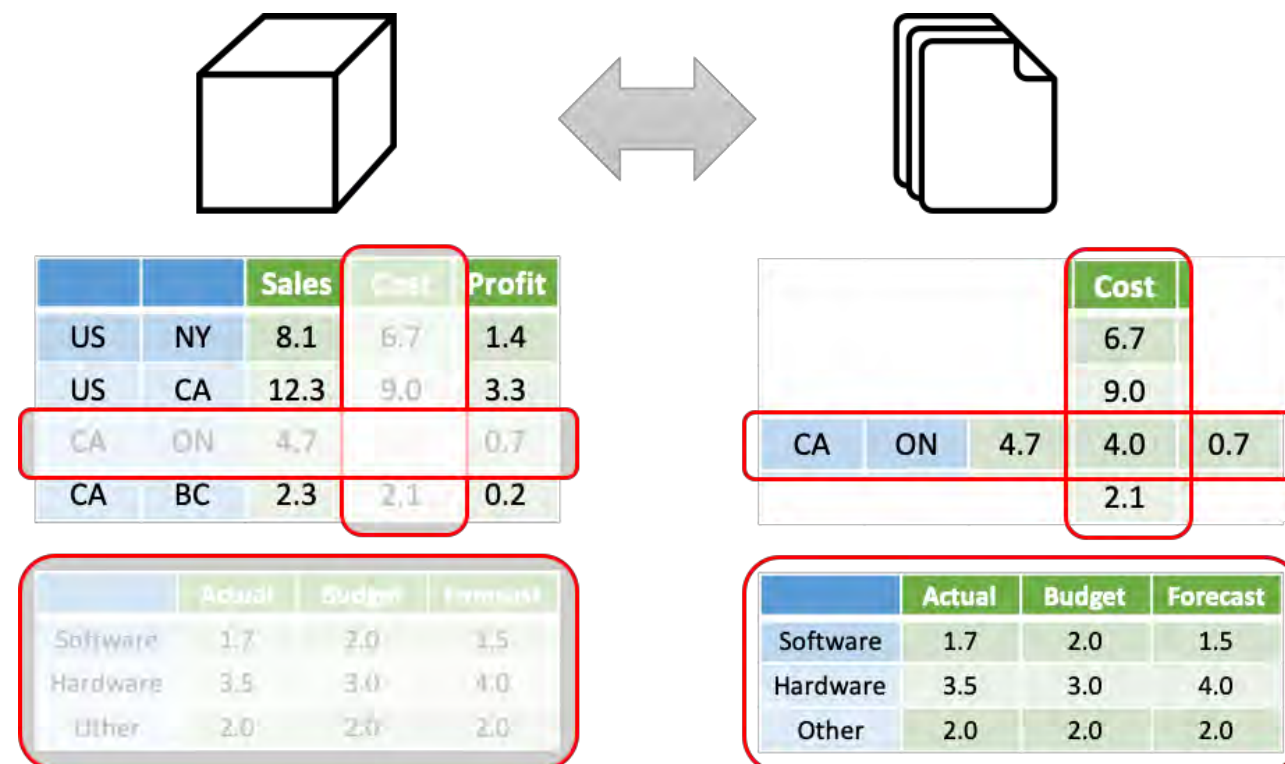
- Memory-mapped files result in performance and sizing improvements
- Administrative REST APIs for automation
- Application settings management in Workstation
- Import/Export environment settings in Workstation
- Remote support via improved diagnostics and Expert.Now

Expanding Enterprise Performance and Scalability

Across the Platform

Scalability

- Publish **2x** larger cubes and host **2x** more data on existing hardware with no degradation to user experience by leveraging fast local storage



- **10x** increased cache scalability with 1M+ cache entries per server

Performance

- **Intelligence Server on Windows 10%** faster across the board
- **30%** faster project schema cube publishing and live report execution across all gateways with **attribute lookup caching**
- **20%** faster cube incremental refreshes with single-step replace
- **3x** faster string-based Derived Attribute and Derived Metric evaluation

Gateway Optimizations

- **SAP S4/HANA** Data Import Gateway up to **3x** faster than commercially available drivers
- **SAP HANA** up to **5x** faster in multi-source workflows
- **30%** faster Google BigQuery time transformations
- SQL Function Push-down:
 - **DateTime** (all Diamond Gateways)
 - **Percentile** (all Diamond and Platinum Gateways)

Connecting to Data

Across the Platform

Optimized for the Cloud

New **Cloud Object Storage** gateways:

- Amazon **AWS S3**
- Microsoft **Azure Data Lake Storage**
- Google **Cloud Storage Service**

Supported File Formats:

- **Parquet**
- **Avro**
- **ORC**
- **Spark JSON**

Seamless support for **partitioned files**

Scalable Apache Spark-based architecture:

- Early adopter validation: imported **1B** rows of partitioned **Parquet** data in **<2h** into **90GB** cube

Modern

OAuth authentication

- **OAuth** support for **Snowflake** and **Google BigQuery**
- **Azure AD SSO** with **Snowflake**

New gateways:

- **SAP S/4HANA, BW/4HANA**
- **Yellowbrick, IBM IAS**

New certifications:

- **Oracle 19c / 20c, Oracle Autonomous Data Warehouse**
- **Teradata 17, Db2 11.5, PostgreSQL 12**
- **Cloud Data Platform 7.1 (Hive, Impala)**
- **MongoDB 4.x**

Simple

New OOTB Drivers:

- **Snowflake, Teradata, SAP HANA**
Connectivity Wizard

- **TLS** configuration for all **Diamond** and **Platinum** gateways

UX enhancements:

- **Salesforce, Google BigQuery**
- **Excel, Jupyter Notebook, RStudio**

Product Strategy

Reinvent the **Customer Experience**

Invent

HyperIntelligence, Open Semantic Graph

Consumer User Experience

Dossier. Library. Collaboration. Geospatial

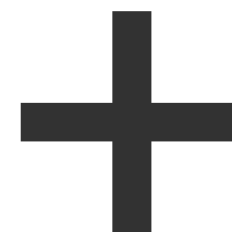
Modernize Tooling

Workstation. Platform Analytics

Open Platform

AWS. Azure. Automated Upgrade. REST. Containerization

(without disruption)



Expand to **New Audiences**

Turn-key departmental offerings

Hyper.Now. Intel.Now

Simple pricing

\$10/user/month

Digital marketing strategy

Targeted at digital personas

Hyper.Now Demo

MicroStrategy Intelligence Everywhere

HYPER INTELLIGENCE

BUSINESS INTELLIGENCE

DEMOS

EDUCATION

SUPPORT

CAREERS

Make smarter and faster decisions by injecting insights into every application.

Conventional tools take too long and require too many resources. HyperIntelligence® embeds insights, suggestions and recommendations into the applications employees use every day.

\$10
PER USER PER MONTH

[Start Free Trial](#)

Search

microstrategy.com/en/get-started/hyper-now

Getting Started with HyperIntelligence | MicroStrategy HyperIntelligence

Ben Reyes

CARDS (14)

- Retail Top Products Sample
- Salesforce Account Sample
- Salesforce Contacts Sample
- Salesforce Employee Sample
- Salesforce Product Price Sample

Welcome to MicroStrategy HyperIntelligence! - Inbox

Message

info@microstrategy.com <info@microstrategy.com>
To: Reyes, Benjamin

- Download MicroStrategy Workstation**

MicroStrategy Workstation is where you will build HyperIntelligence cards, connect to your data, integrate your Enterprise security and more.

 - Workstation for Mac
 - Workstation for Windows
- Build Your First HyperIntelligence Card**
 - Watch: Building Your First HyperIntelligence Card
 - HyperIntelligence Card Examples
- Deploy HyperIntelligence to your users**
 - Web Extensions: [Chrome](#) [Edge](#)
 - Mobile Apps: [App Store](#) [Google Play](#)

Advanced Options

- Deploy HyperIntelligence for Outlook using the Outlook Add-in.
- Connect and add Enterprise Data Sources.
- Embed HyperIntelligence directly into your applications using our [Web SDK](#).
- Integrate Enterprise Security.

HyperIntelligence Resources

Videos

- [HyperIntelligence Video Library](#)

Resources

- [HyperIntelligence Card Examples](#)

MicroStrategy Workstation

Retail Middle Products Sample

Save Replace Dataset New Metric

- Next Promotion
- Product
- Recommended Next Action
- Current Discount
- Customer Ratings
- GM%
- List Price
- MTD Sales
- MTD Sales % to Target
- MTD Stockouts
- On Order
- On-hand Inventory
- Predicted Shortfall
- Row Count - RetailerData.xlsx

Little Rabbit
Wooden Toys
35004

Record Plan

Product Performance

- Customer Ratings: 68%
- MTD Sales % to Target: 56%
- MTD Sales: 120
- MTD Stockouts: 7
- GM%: 43%

Pricing and Promotion

- List Price: \$16
- Current Discount: 25%
- Next Promotion: 12-Mar
- On-hand Invent: 54
- On Order: 5
- Predicted Short: 2

Recommended Next Action

Projected inventory shortfall over the next 30 days. Consider transferring inventory from store #455.

New Features for .Now

Reduce Adoption Friction

- Free 90 Day Trial
- Launch an environment in four clicks
- Seamlessly download Workstation and Web, Mobile, Office connectors with connectivity pre-established
- OIDC single sign-on with MicroStrategy Resource Center
- Workstation only shows functionality related to HyperIntelligence to simplify usage
- Invite new users and assign roles through email

Deepen Capabilities

- Derived metrics in HyperIntelligence cards
- Use local data (Excel, CSV, Dropbox, Google Drive, etc) to build cards immediately
- Hyper SDK allows cards to function on web pages without the plugin
- Replace dataset on cards to allow the same card to be used on different personal or corporate datasets
- Color thresholds for cards based on metric conditions (HyperVision)

Simplify Administration

- Enterprise security with OpenID Connect
- Automatic upgrades including client software
- Automatically provided adoption analytics shows who is using your cards
- Improved environment management for MicroStrategy platform administrators in Workstation including usage statistics and health status

MicroStrategy Roadmap

Future plans are subject to change

Consumer-grade experiences for every role and popular devices

- All new MicroStrategy app for viewing content
- Search and share HyperIntelligence Cards
- Author infographic-style dossiers with vertical scrolling, rich text, responsive design for mobile devices, and more
- Direct messaging and group collaboration
- Personalized organization of Library content
- Shared bookmarks and automatic updates

Embrace and augment popular tools and technologies

- Embed HyperIntelligence with HyperSDK
- Python SDK for platform automation
- Cloud-object file connectors (S3, ADLS2, GCP)
- Optimized Snowflake and Teradata gateways
- One-click backup and upgrade in Azure
- Performance enhancements for Federated Analytics integrations
- Containerized deployment

Trusted answers with sub-second response at enterprise scale

- Authentication with OpenID Connect (OIDC)
- Use Workstation to create and manage filters and schema objects including facts and tables
- Monitor subscriptions, user connections, database connections, and cubes from Workstation
- View and apply changes to application and server-level configuration parameters from Workstation

MicroStrategy 2021 – Dec 2020

Updates / MicroStrategy 2022™

- Reusable templates for corporate branded analytics content with device-specific layouts
- Modernized transactions with actions and triggers
- Threshold-based alerting
- Augmented insight discovery
- Parameterized scenario analysis
- Personalization and white-labeling

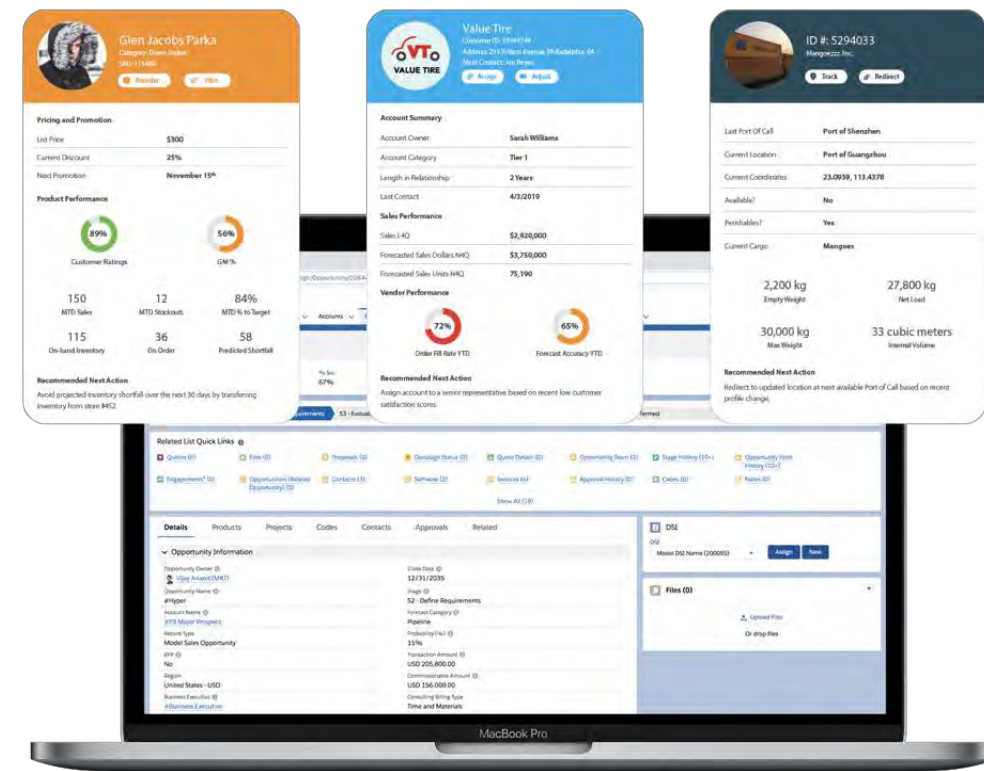
- Acceleration of OEM and Embedding
- New APIs for schema and application objects
- Distribute content to SharePoint, OneDrive, S3, and other cloud storage platforms
- Augment data lineage apps with the Semantic Graph
- Productivity bots for Slack and Teams
- Modernized content embedding SDKs

- Design subscriptions with branded templates
- Unify administration and modeling tools on Workstation
- Augmented PII masking and data lineage
- Automated content testing to enable agile upgrades
- Optimized deployments for AWS, Azure, and GCP
- Authentication through API keys

MicroStrategy 2021 and Cloud offerings

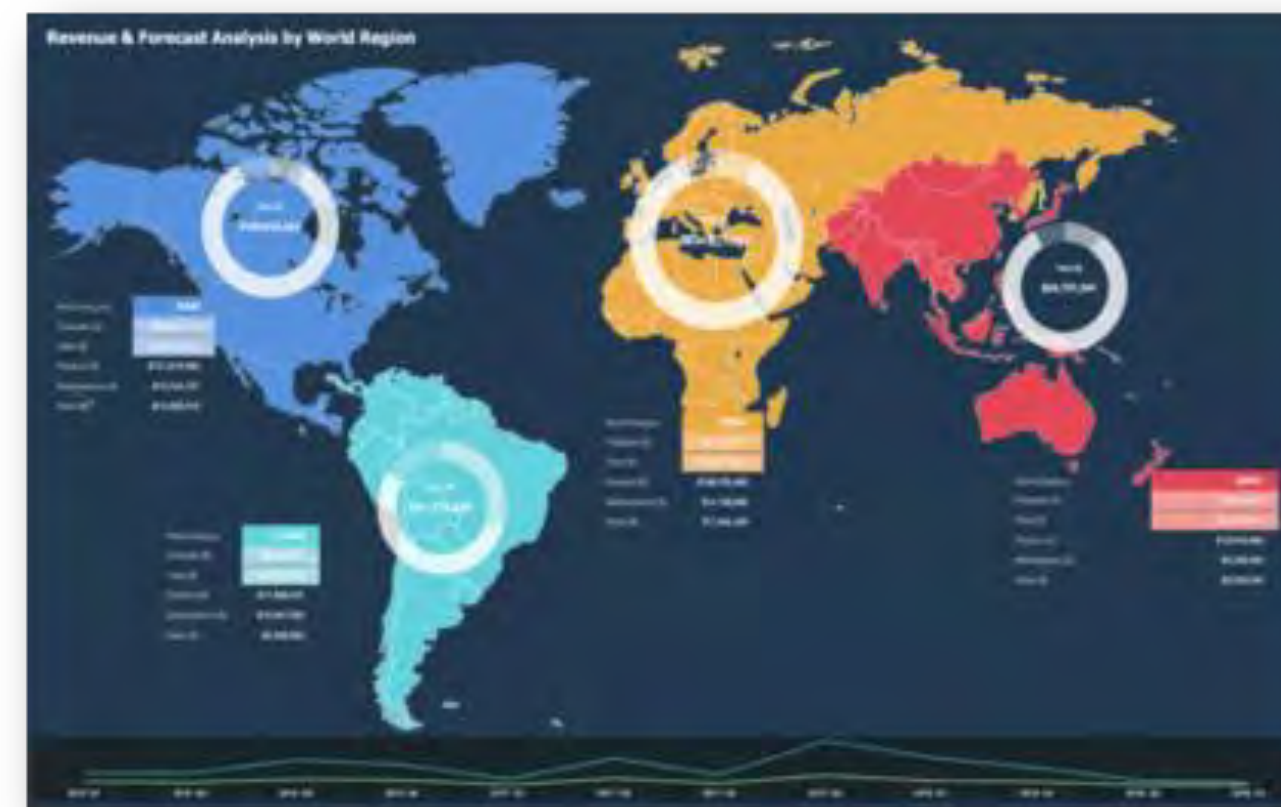
Supporting Customer adoption and sales growth

HyperIntelligence



- Most rapidly adopted solution in the history of MicroStrategy
- Provides instant, zero-click access to data within existing productivity tools driving improved business results at an accelerated pace

Cloud



- COVID is acting as a catalyst, driving IT organizations to re-evaluate and plot a more aggressive shift to Cloud
- Market adoption of cloud data warehouse offerings is providing a natural conversation for the future of business intelligence solutions

Embedded



- Technology partners are choosing MicroStrategy because of our modern, open, independent, enterprise-grade platform
- Platform works at scale and can support complex technical and business needs



Demand Generation / Productive Growth

Hugh Owen, Chief Marketing Officer

Generate Demand and Accelerate Growth

- 1 Exploit Analytics Market and Cloud Growth
- 2 Publish High Quality Sharable Content
- 3 Accelerate Website Traffic
- 4 Exhibit Products via Video-first Website
- 5 Integrate Support, Education, Community, and Product
- 6 Create Registrations via Free Trials
- 7 Convert Trials by Delivering Value and Removing Barriers
- 8 Drive Productivity with Digital Go-to-Market
- 9 Increase Customer Value via Expansion, SaaS, and Cloud

1. Exploit Analytics Market and Cloud Growth

BI Market Growth (Constant Currency)



2019-2024 Revenue (\$M) with Growth (%)

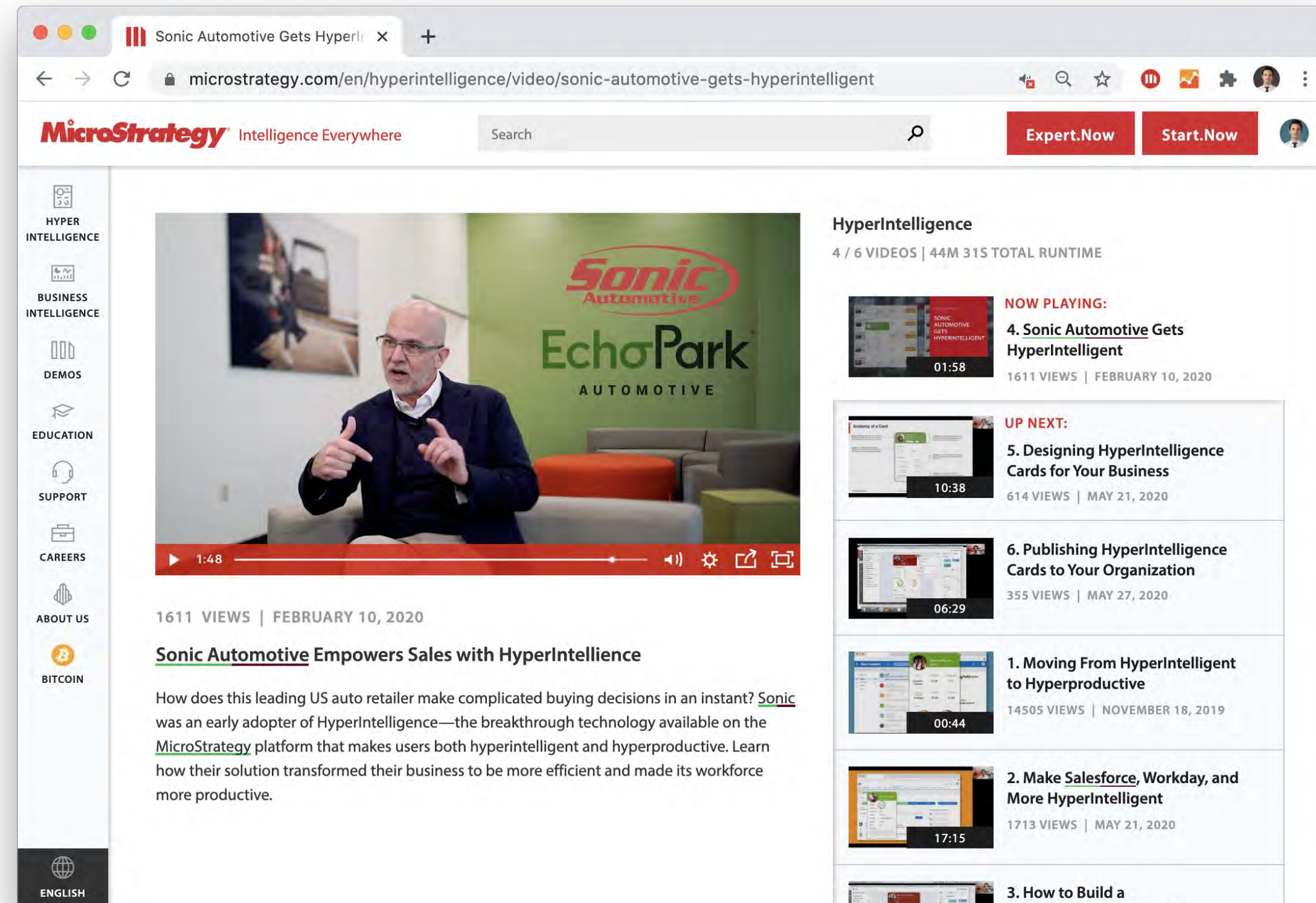


Source: IDC, Worldwide End-User Query, Reporting, and Analysis Software Forecast Update, 2020–2024, #US46880220

2. Publish High Quality Sharable Content

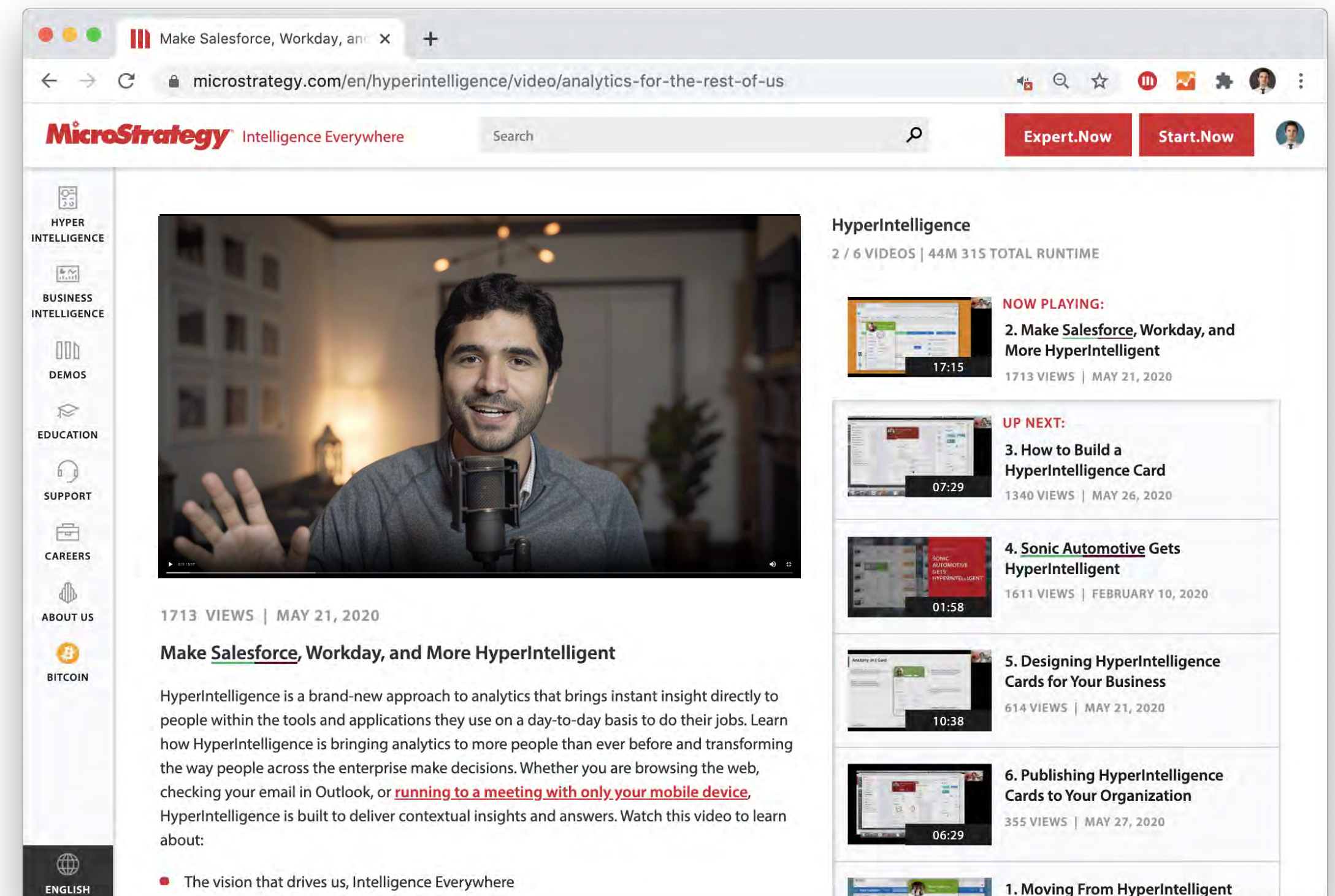
Customer Successes Stories

Real-world stories on how organizations solve problems and overcome challenges using MicroStrategy's products and services.



Practical Advice and Expertise

MicroStrategy Experts sharing valuable and practical information to help prospects and customers be successful, fast.

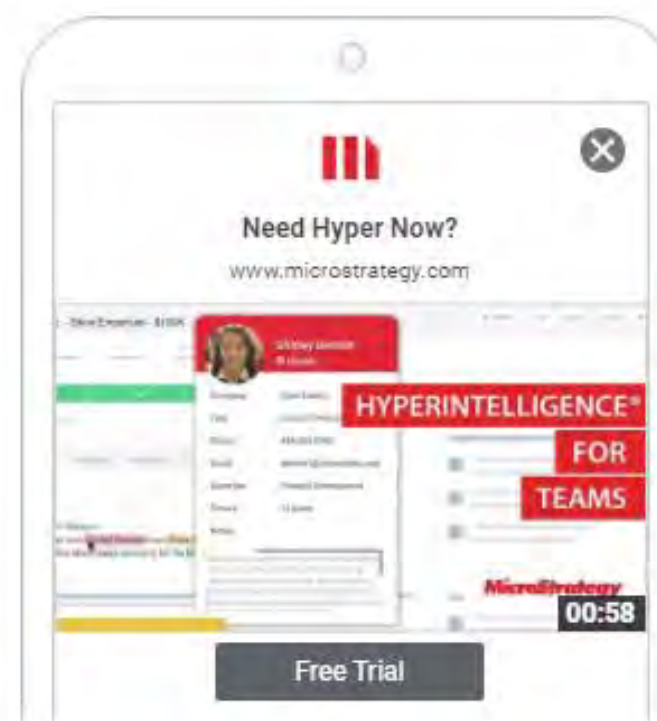
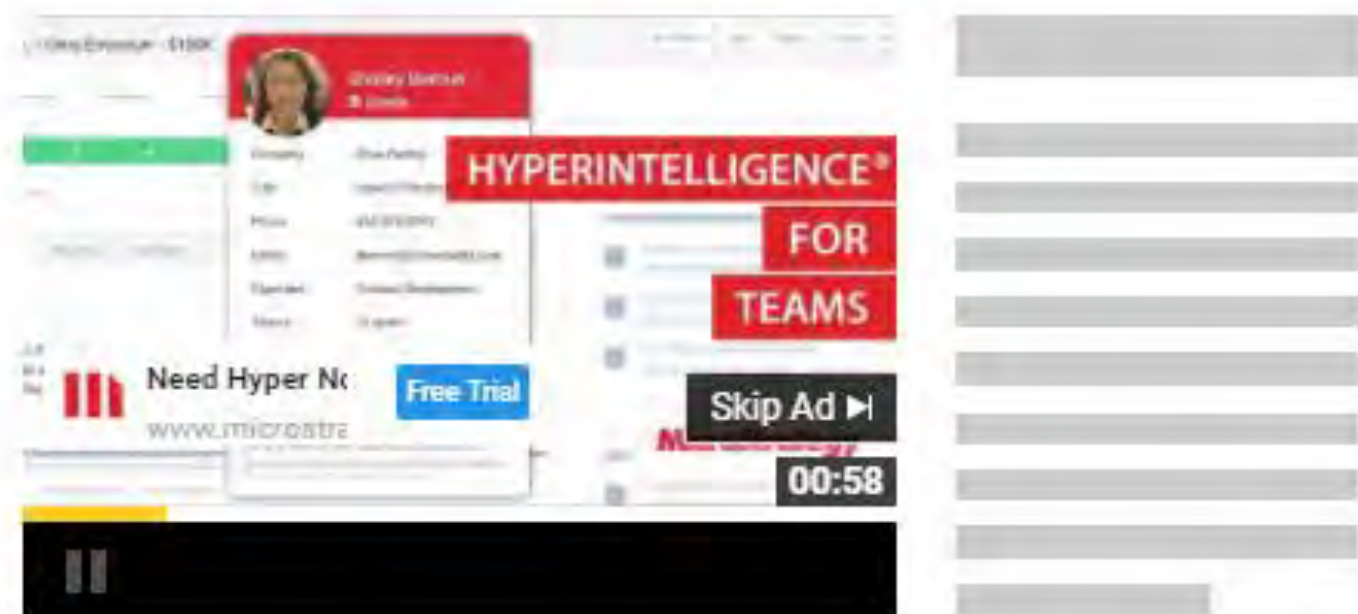
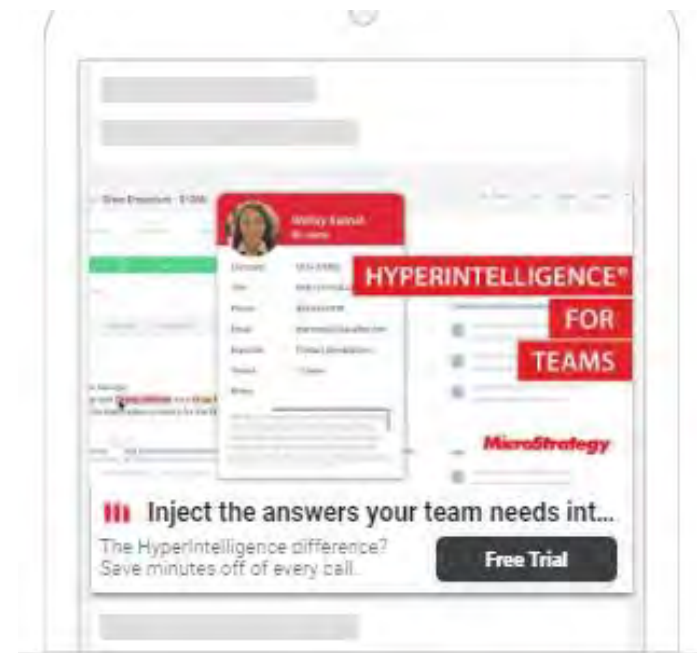
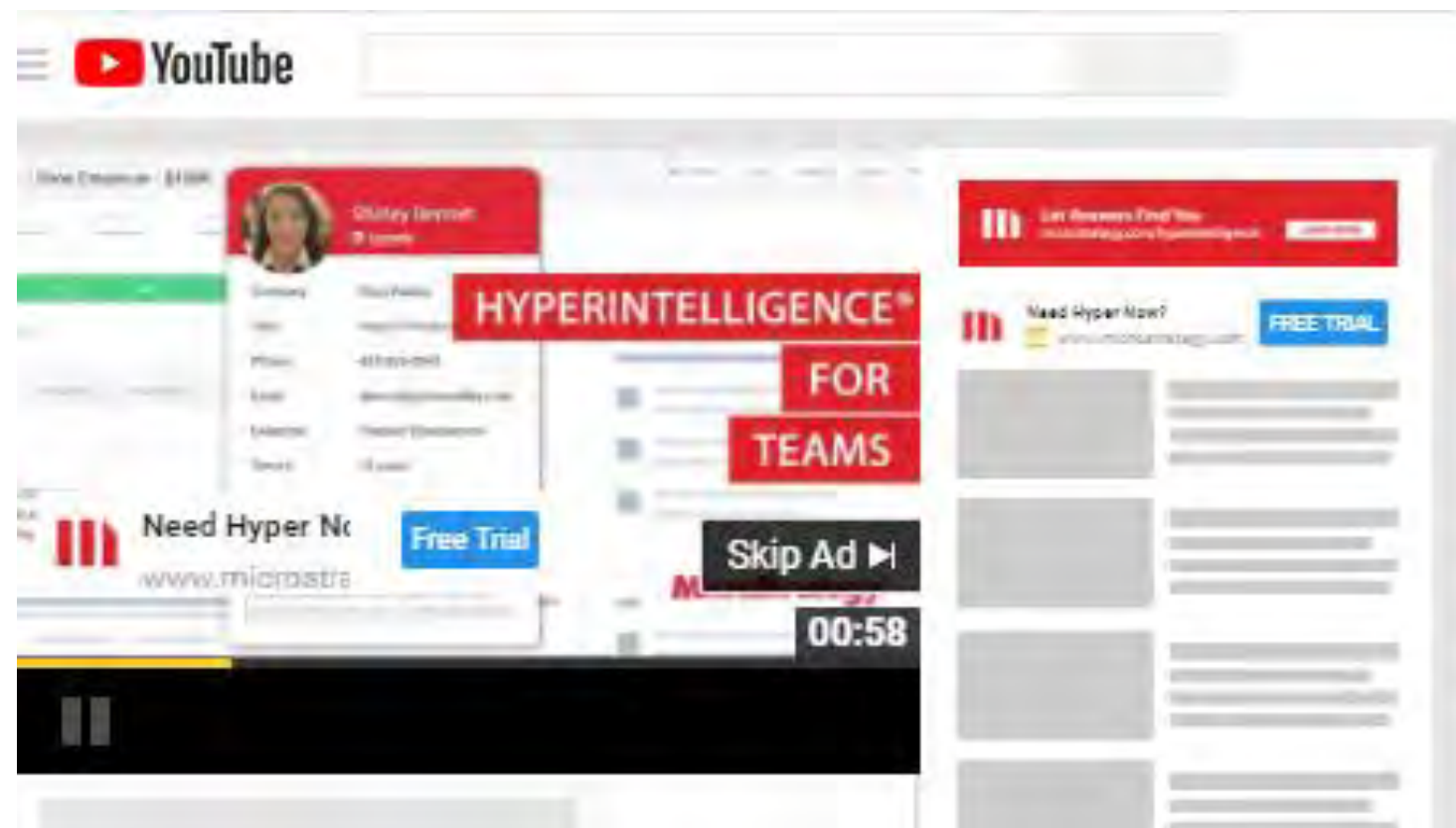


3. Accelerate Website Traffic

Digital advertising campaigns that are video-first and intent-based

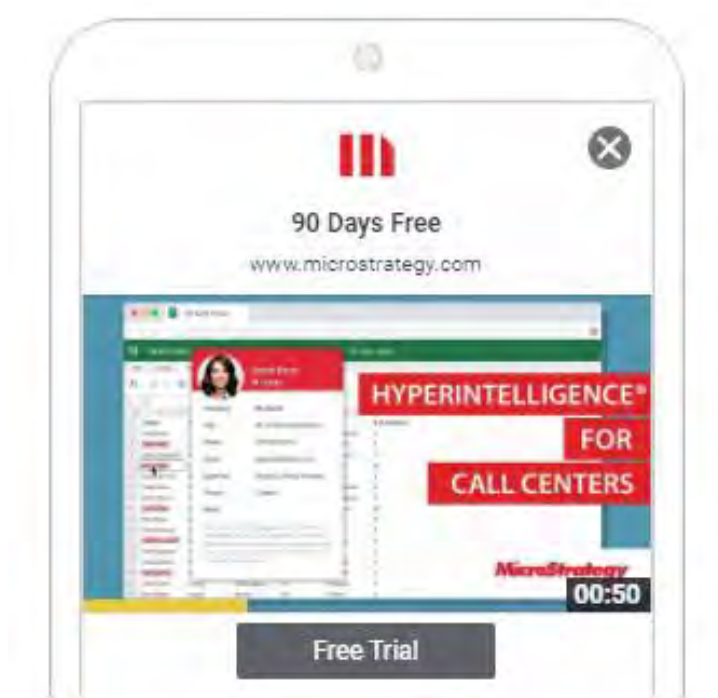
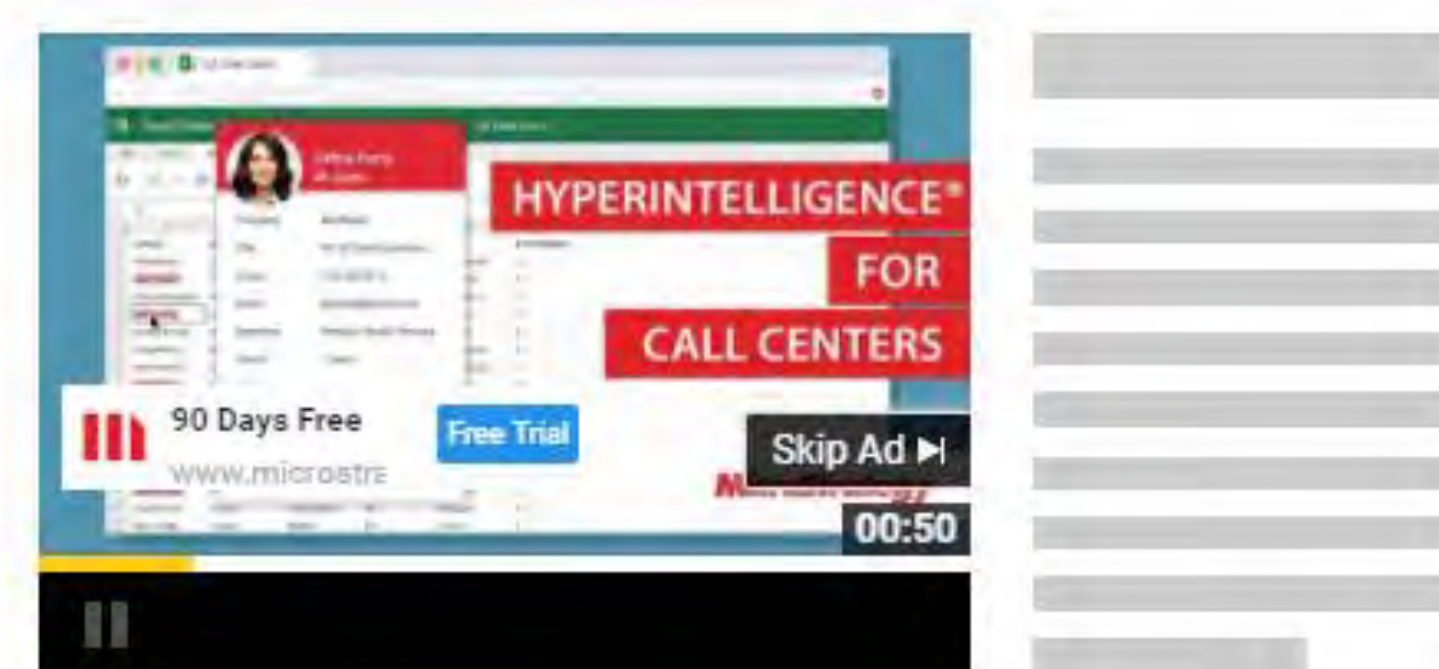
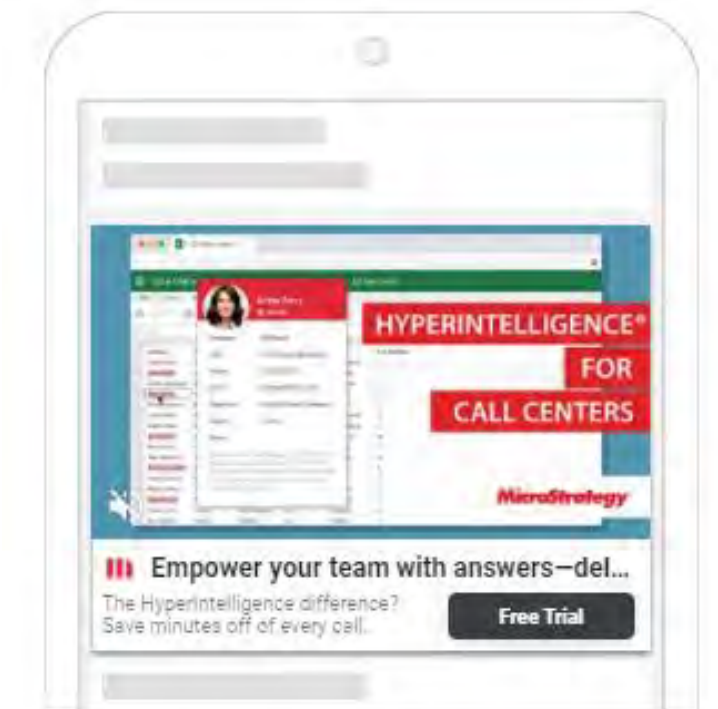
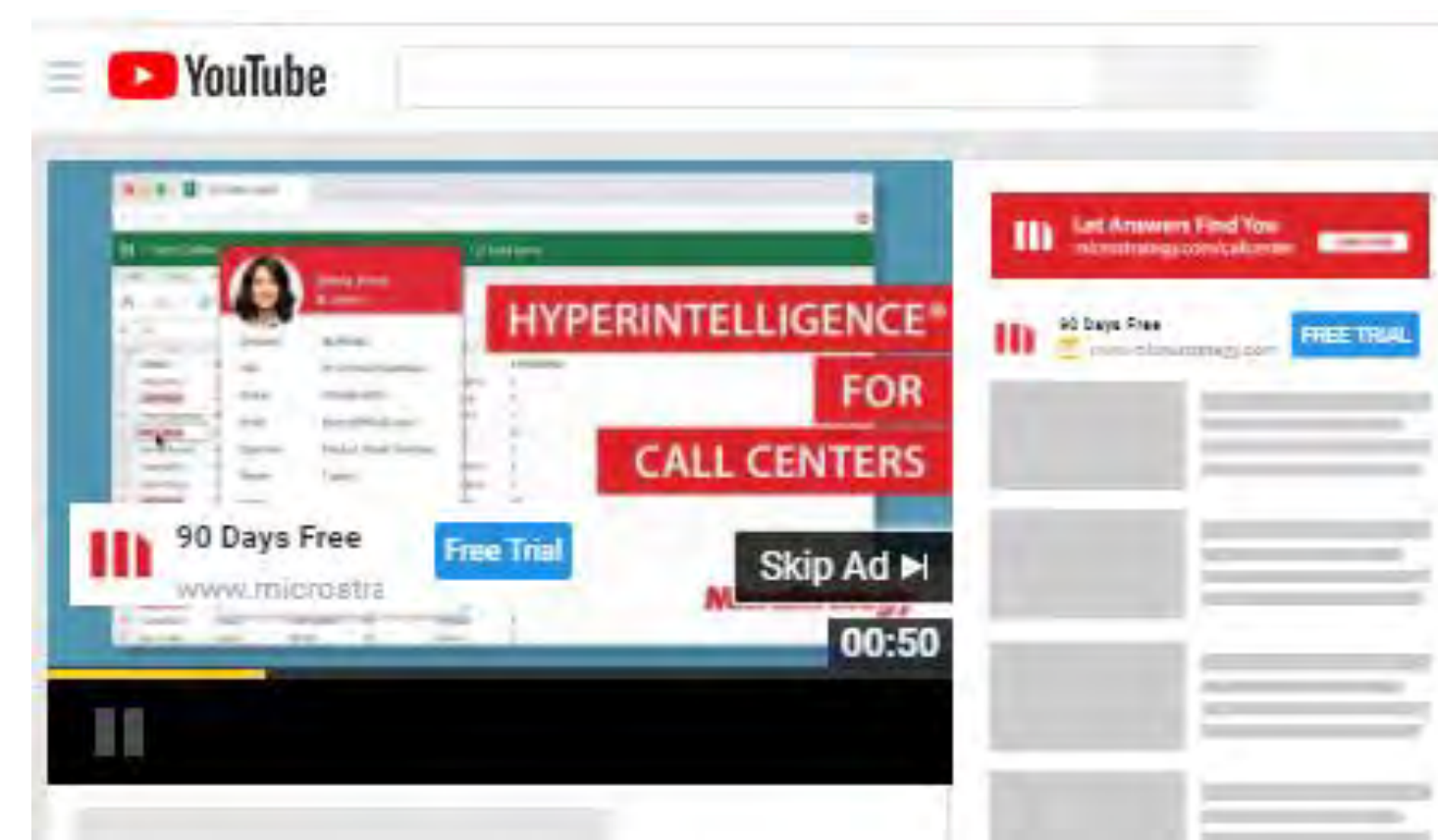
Advertising: Hyper for Teams

Video-first placement via YouTube and Google targeted at senior analysts with intent to try or previous interest.



Advertising: Hyper for Lines of Business

Video-first placement via YouTube and Google targeted at LOB prospects searching for solutions and with intent to try.



4. Exhibit Products via Video-first Website

Personalized, categorized, modular, and familiar

The screenshot shows the MicroStrategy website homepage. At the top, there's a navigation bar with the MicroStrategy logo and the tagline "Intelligence Everywhere". Below the navigation bar, there's a large red banner with the text "Make smarter and faster decisions by injecting insights into every application." and a video player. Below the banner, there's a section titled "SEE IT IN ACTION" with four video thumbnails. Below that, there's a section titled "GETTING STARTED" with four video thumbnails. Below that, there's a section titled "PREPARING YOUR DATA" with four video thumbnails. Below that, there's a section titled "BUILDING YOUR FIRST HYPERINTELLIGENCE CARD" with four video thumbnails. Below that, there's a section titled "VIEWING YOUR CARDS" with four video thumbnails. Below that, there's a section titled "FOR ANALYSTS AND ADMINISTRATORS" with five video thumbnails.

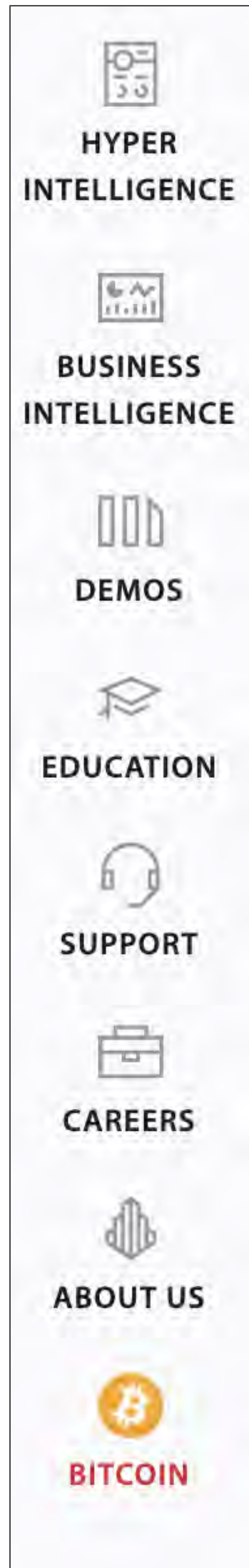
The screenshot shows a video player on the MicroStrategy website. The video player is titled "Self-Service on Governed Data with Dossier" and has a duration of 12:56. The video content shows a dashboard with various charts and maps. The dashboard includes a bar chart, a heatmap, and a correlation chart. The video player has a progress bar and a play button. Below the video player, there's a section titled "Business Intelligence" with a list of videos. The first video is "1. Self-Service on Governed Data with Dossier" with 827 views and a duration of 12:56. The second video is "2. MicroStrategy and Snowflake - Better Together" with 758 views and a duration of 04:22. The third video is "3. Modernizing Your BI and Analytics Platform" with 424 views and a duration of 06:25. The fourth video is "4. MicroStrategy 2020 for Data Scientists" with 187 views and a duration of 04:18. The fifth video is "5. This Mobile App is Transforming Lowe's" with 853 views and a duration of 01:46. The sixth video is "6. MicroStrategy 2020: Freeform" with a duration of 02:13.

Try MicroStrategy Products
Start a HyperIntelligence Pilot
Start an Enterprise Free Trial
Request Pricing

Stay Informed
Upcoming Events
On-Demand Webinars

Start a Pilot
Launch StartNow

5. Integrate Support, Education, Community, and Product



MicroStrategy Intelligence Everywhere

11.112 Introduction to Analytics Reporting

Duration: 16 hours

Create reports and the objects used on reports (filters, metrics, and prompts) with hands-on exercises. Transform datasets into appealing, insightful dossiers. Exercises use the MicroStrategy Web interface.

Products Covered

- MicroStrategy Web

Skills Gained

- Analyzing organizational data to make effective business decisions

Course Type	Date/Time	Language
<input checked="" type="radio"/> eLearning	On-demand	Multi-language
<input type="radio"/> Instructor Led	Nov 11, 2020 9:00 AM EST	English
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	German
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	SGT English
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	CET English
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	JST Japanese
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	IST English
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	EST English
<input type="radio"/> Instructor Led	Nov 11, 2020 9:30 AM CET	EST English
<input type="radio"/> Instructor Led	Dec 07, 2020 8:30 AM AEST	English
<input type="radio"/> Instructor Led	Dec 07, 2020 9:30 AM CET	German
<input type="radio"/> Instructor Led	Dec 07, 2020 8:30 AM CET	Polish
<input type="radio"/> Instructor Led	Dec 14, 2020 9:00 AM EST	English

Start class

Visual Vocabulary

What is the right chart to use for any given data? The Financial Times Graphics team created the Visual Vocabulary to help all of us make better chart choices.

Deviation
Emphasize variations (+/-) from a fixed reference point. Typically the reference point is zero but it can also be a target or a long-term average. Can also be used to show sentiment (positive/neutral/negative).

Correlation
Show the relationship between two or more variables. Be mindful that, unless you tell them otherwise, many readers will assume the relationship is positive.

Ranking
Use when an item's position in an ordered list is more important than its absolute or relative value. Don't be afraid to highlight the items of interest.

Distribution
Show values in a dataset and how often they occur. The shape (or skew) of a distribution can be a memorable way of highlighting the lack of uniformity or equality in the data.

Demo the Product

MicroStrategy Intelligence Everywhere

COMPANY CULTURE

1. Company Values

All Open Positions

Title	Department	Location	Action
Support Engineer	SUPPORT	WARSAW, POLAND	Apply now
Software Engineer, Senior	TECHNOLOGY	WARSAW, POLAND	Apply now
Cloud Systems Engineer	CLOUD	TYSONS CORNER, VIRGINIA, UNITED STATES	Apply now
Customer Success Manager	SALES	TYSONS CORNER, VIRGINIA, UNITED STATES	Apply now
Cloud Systems Engineer	CLOUD	WARSAW, POLAND	Apply now
Senior Sales Engineer	SALES	UTRECHT, NETHERLANDS	Apply now

MicroStrategy Intelligence Everywhere

Getting Started with HyperIntelligence

1 / 19 VIDEOS | 1H 7M 40S TOTAL RUNTIME

NOW PLAYING: 1. Getting Started with HyperNow

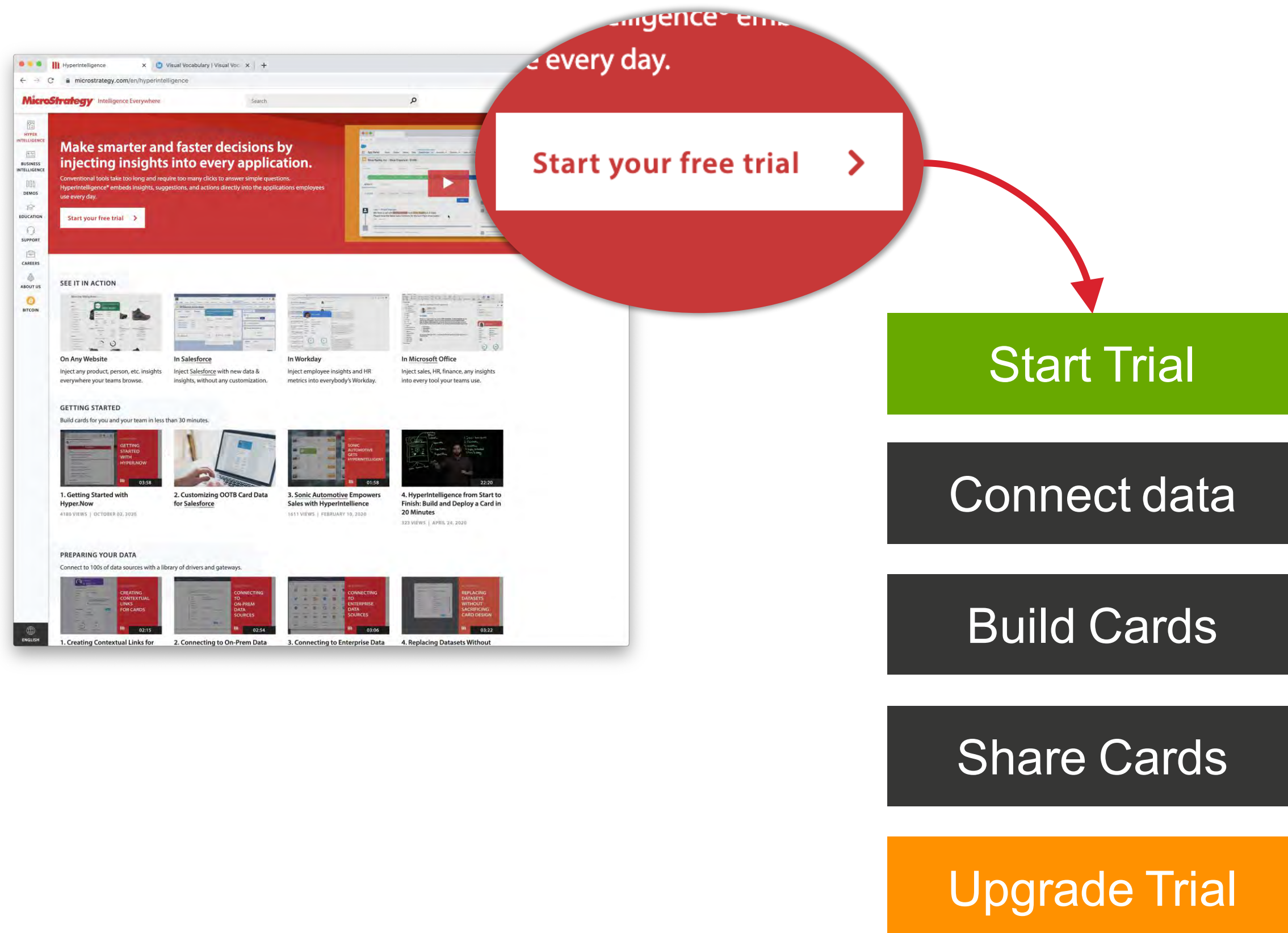
4180 VIEWS | OCTOBER 02, 2020

03:58

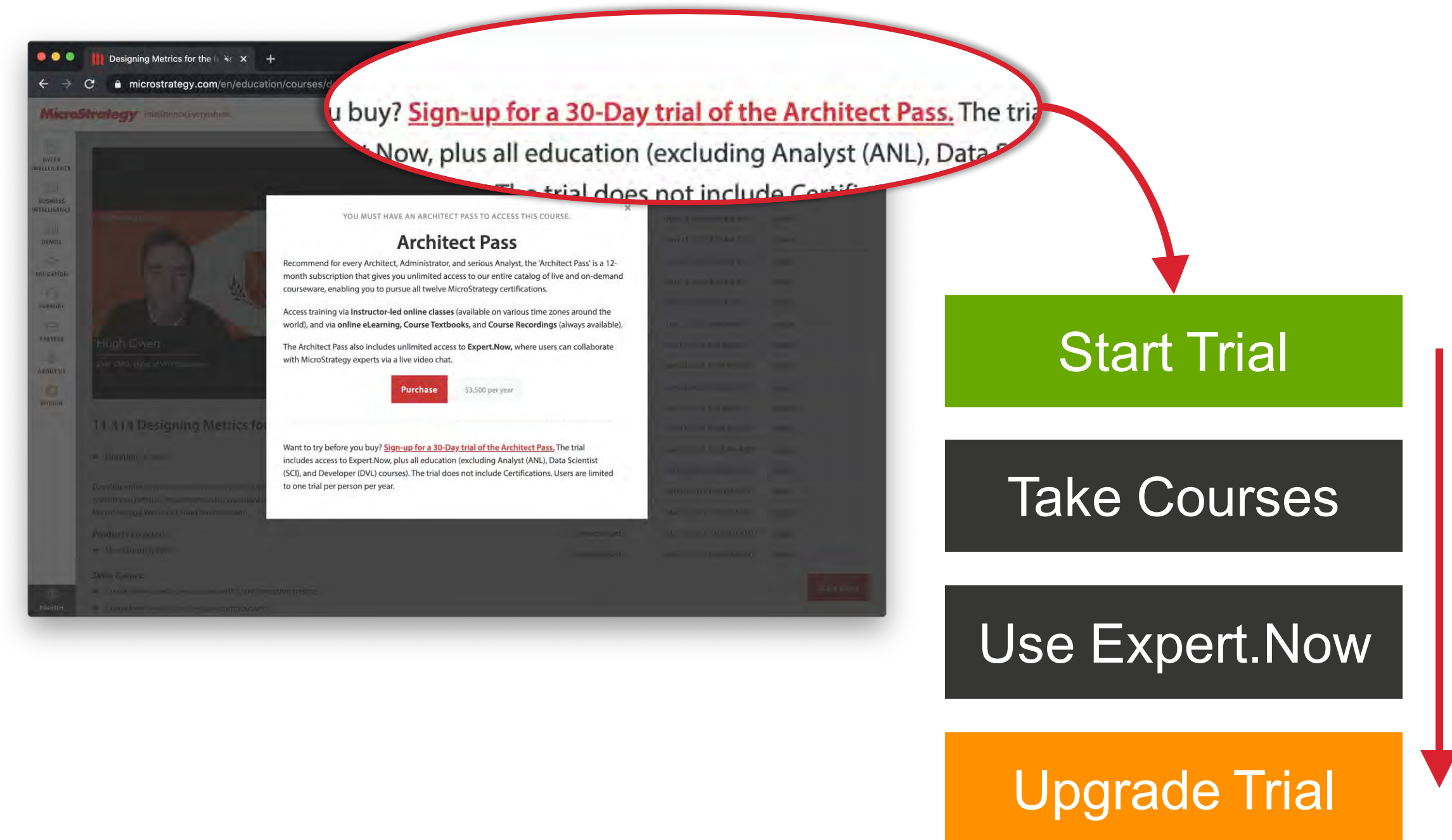
Trial the Product

6. Create Registrations via Free Trials

Hyper.Now / Intel.Now 90 Day Free Trial



Architect Pass / Expert.Now 30 Day Free Trial



7. Convert Trials by Delivering Value and Removing Barriers

Hyper.Now

Every application, instantly smarter and faster.

Create, view, share, and embed cards.

HyperIntelligence for Web, Mobile, and Office.

November 2020.

\$10 user / month

Credit Card or Invoice

Intel.Now

Modern BI for every user, on popular devices.

Create, view, share, and embed dossiers.

MicroStrategy for Web, Mobile, and Desktop.

2021

\$10 user / month

Credit Card or Invoice

8. Drive **Productivity with Digital Go-to-Market**

Then

In-person events

Driving Flying Hoteling

Wet signatures

Lengthy upgrades

On site delivery

In-person World

Now

Digital events (more events, more reach)

Zooming (lower costs, no waiting)

Electronic signatures (speed close process)

Immediate upgrades (stability, performance)

Remote delivery (global staffing, no waiting)

Virtual World (10,000s attendees)

9. Increase **Customer Value Via Expansion, SaaS, and Cloud**

From

Experimental

Teams

Departmental

On-prem

Private Cloud

To

Enterprise Grade (security, trust, economies of scale)

Departmental (unify, certify, material impact)

Company-wide (break siloes, single version of truth)

Cloud (reduce costs, increase impact)

SaaS (reduce costs, increase impact)

Generate Demand and Accelerate Growth

- 1 Exploit Analytics Market and Cloud Growth
- 2 Generate and Publish High Quality Sharable Content
- 3 Capture Attention And Drive Traffic to Website
- 4 Exhibit Our Products and Services Via Video-first Website
- 5 Integrate Support, Education, Community, and Product
- 6 Create Registrations Via Free Trials
- 7 Convert Trials by Delivering Value and Removing Barriers
- 8 Drive Productivity With Digital Go-to-Market
- 9 Increase Customer Value Via Expansion, SaaS, and Cloud



President and CFO Update

Phong Le, President and CFO

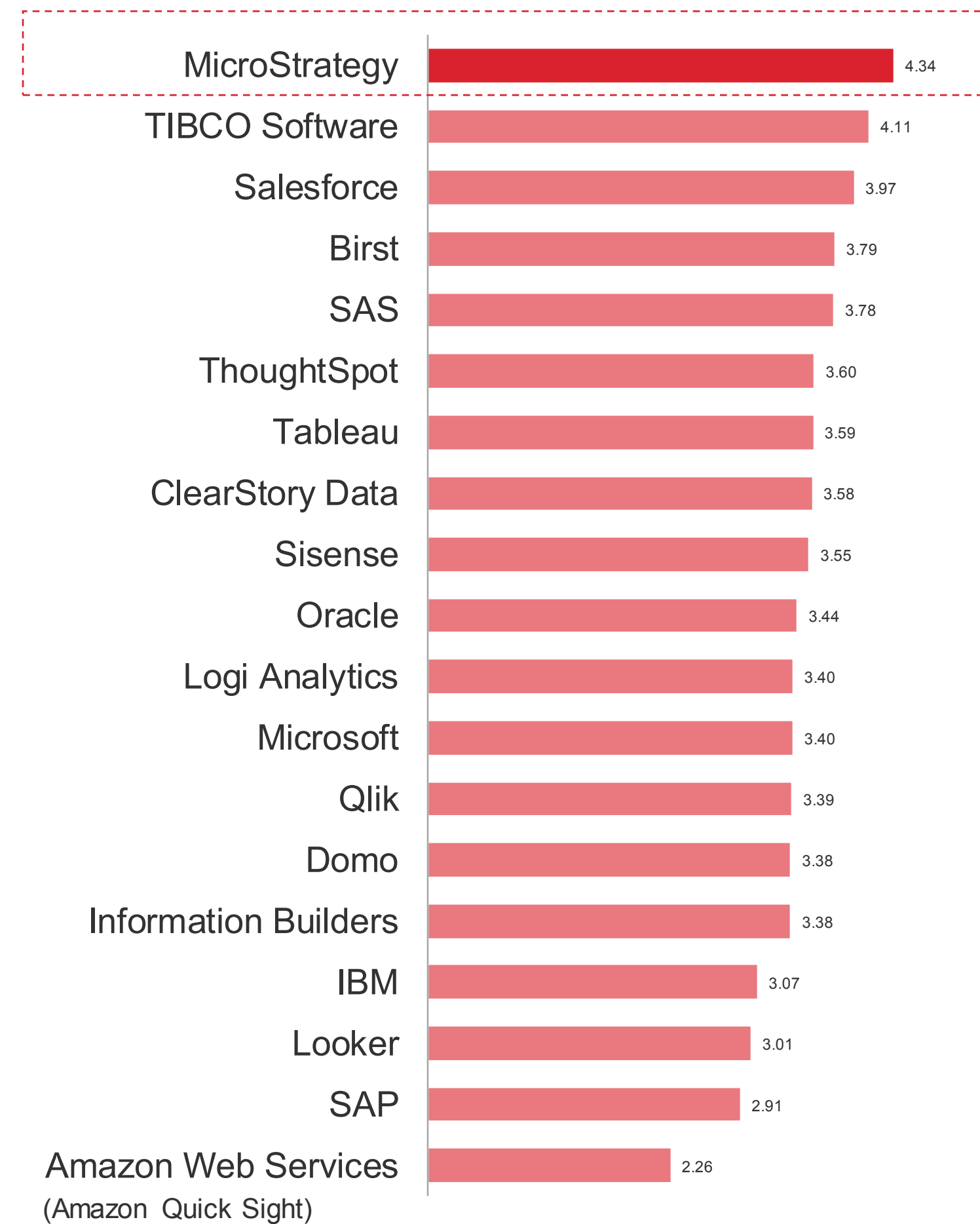
MicroStrategy is Well-Positioned for Growth

- 1 Largest independent publicly-traded BI company, leading enterprise analytics platform
- 2 Diversified blue-chip customer base with ~95% renewal rates
- 3 Healthy revenue profile: 65%+ recurring, 90%+ gross margin in license and support
- 4 Strong growth drivers → highlighted by cloud transition
- 5 Significant cost structure optimization, with additional near-term opportunity
- 6 History of cash flow generation
- 7 Meaningful balance sheet with bitcoin upside
- 8 Executing on plan – Q3 2020 was best quarter in decade
- 9 Valuation upside with revenue, EBITDA, and digital asset growth

1. We are the Top BI Company with the Top Product

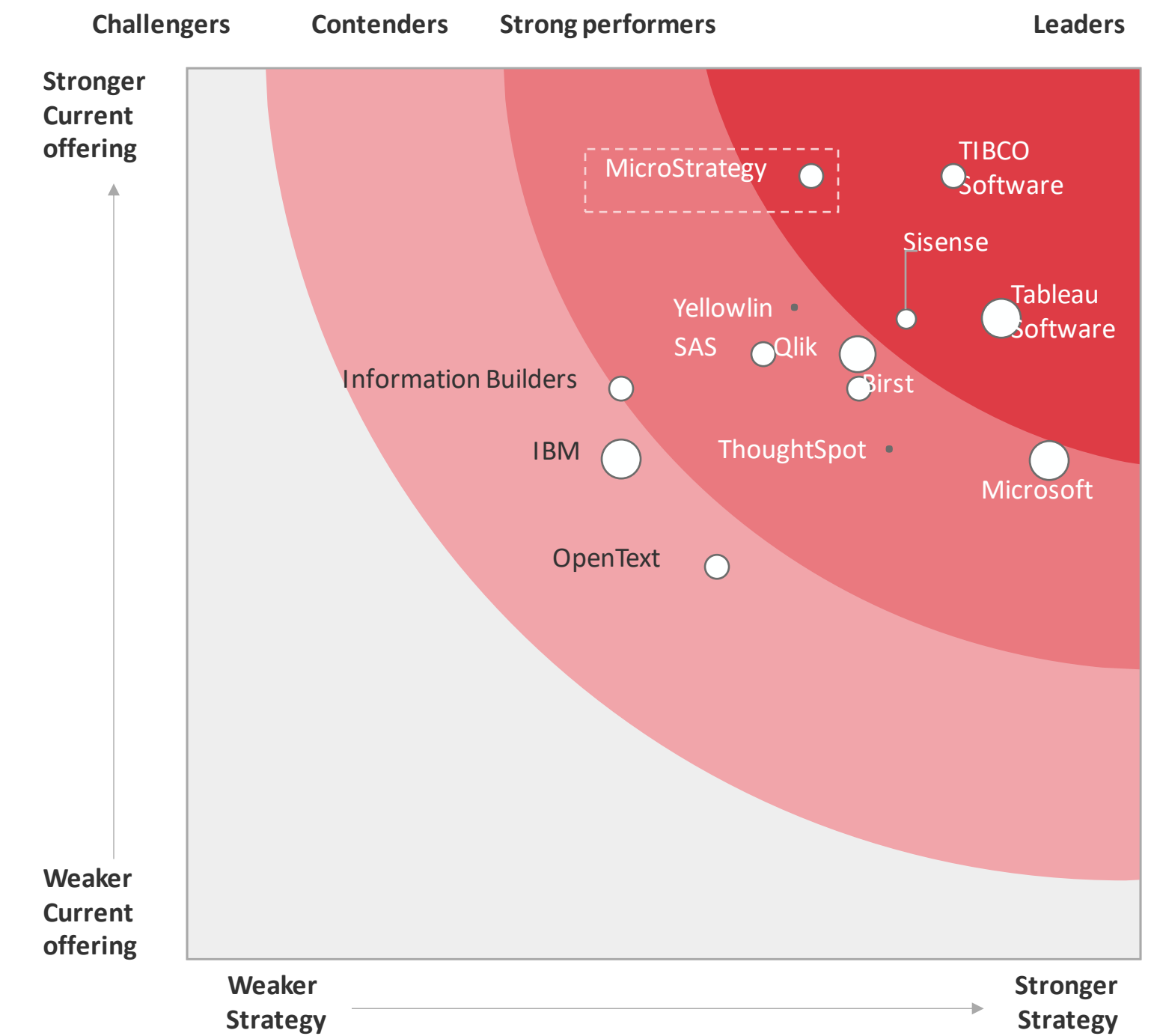
Top-rated by Gartner

Product of service scores for Agile, centralized BI provisioning



Leader on the Forrester Wave

The Forrester Wave™: Enterprise BI Platforms (Client-managed)–Q3 2019



MicroStrategy

HQ: Tysons Corner, VA
NASDAQ: MSTR
www.microstrategy.com



1989 **30 years** **#1**
Founded CEO Tenure Product

4,000+ **39** **27**
Customers Cities Countries

9 **35** **3**
Support Centers Field Service Centers Development Centers

Innovator and industry leader in web, mobile and cloud-based analytics

Source: Gartner (Critical Capabilities for Analytics and Business Intelligence Platforms, March 2020), Forrester (The Forrester Wave™: Enterprise BI Platforms, July 2019)

2. We Have A Diverse, Loyal Blue-Chip Customer Base

2%

Top account recurring revenue as % of total

11%

Top 10 accounts recurring revenue as % of total

22 yrs

Average lifetime of top 15 customers

\$3M+

Average ARR of top 15 customers

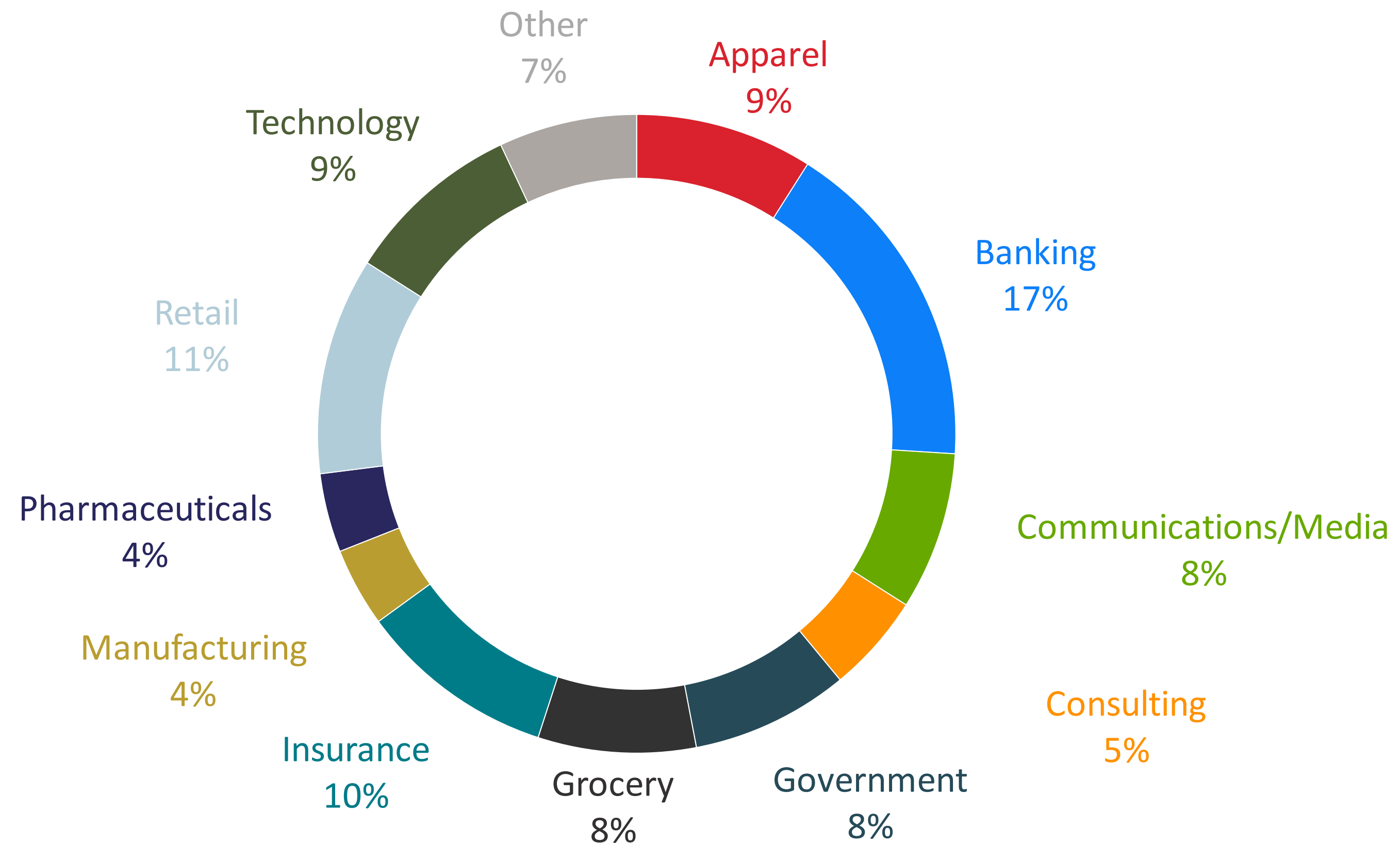
> 700

Customers spend \$100K+/yr

~95%

Renewal rates

Recurring Revenue Distribution by Industry*



*based on top 100 accounts by revenue

2. Top 5 Global Bank Modernizes Financial Centers

Goals

- Shift from financial center manager corkboard reporting to real-time financial center results and forecast
- Single source of truth, single set of dashboards and reports
- Modernize financial centers, upskill employees

Challenges

- Team required full POC to demonstrate next-gen analytics, tight integration and partnership with hardware vendor
- Consulting resources utilized to speed time-to-market

MicroStrategy Products

HyperIntelligence

Dossier

**Enterprise
Semantic Graph**

Benefits

- ✓ Consistent reporting across 5,000+ financial centers
- ✓ More time to analyze and make decisions
- ✓ Ability for district managers to distribute data reports to teams
- ✓ Improved decision-making ability for district managers, driving improved results

2. North American Home Improvement Retailer Improves Customer Service and Employee Productivity

Goals

- Provide comprehensive data analytics / visualizations with a simple interface
- Fully enable all store users with real time SKU information – inventory, sales, performance
- Rapid deployment with scalability

Challenges

- Simple to use application, intuitive UI, performance at scale
- Rapid roll-out, iterations, and changes utilizing MicroStrategy consultants

MicroStrategy Products

Mobile

SDK

Dashboards

Benefits

- ✓ Enhanced mobile product, fully integrated with handheld mobile device/scanner scanning SKUs
- ✓ Easier maintenance and improved security compared to building in-house alternative
- ✓ Increased productivity, supervision, and support
- ✓ Empowered 20,000+ store managers, and department heads with inventory, product sales and store KPIs

2. Leading Global Cybersecurity Company Provides Deep Real-Time Insights to Customers by Embedding MicroStrategy

Goals

- Provide customers with near real-time visibility into firewall utilization, enabling troubleshooting of critical network and security issues
- Visualize large volumes of customers' data from various sources in a cloud portal

Challenges

- Integrate many sources of data, scale without compromising performance
- Customized visualizations
- Provide near-real time insights with large data volumes
- Rapid growth company needed staff augmentation for development

MicroStrategy Products

Open APIs

Real-time Analytics

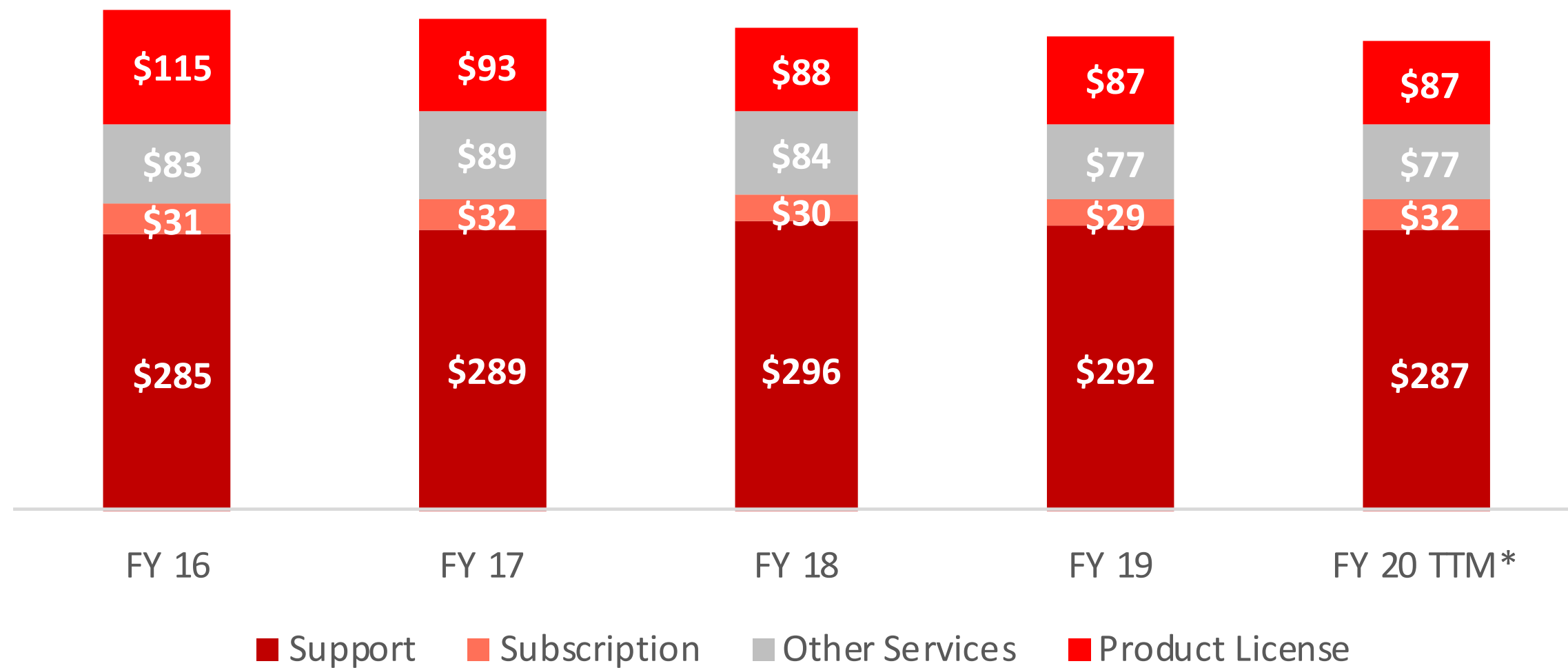
Cloud

Benefits

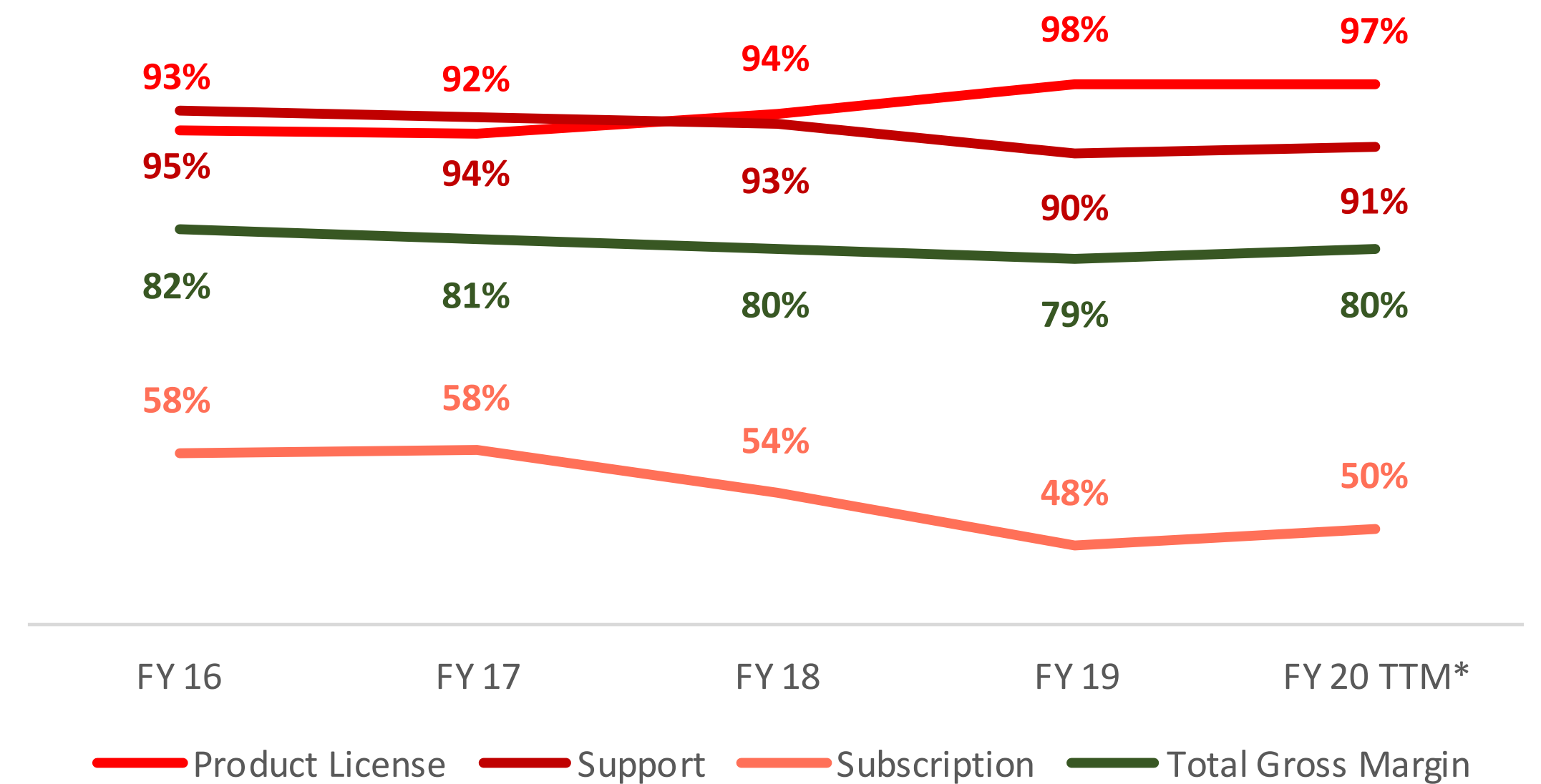
- ✓ Superior build vs. buy decision, allows software company resources to focus on their areas of expertise
- ✓ Easy-to-use solution for end user, fully white-labeled and embedded
- ✓ Accessed by ~500 internal users focused on customer support as well as thousands of external tenant users
- ✓ Rapid solution deployment enabled the company to capitalize on increased customer demand due to the virtual office environment

3. Revenue Profile is Attractive: 65%+ Recurring Revenue, 90%+ Gross Margins

Revenue by Type (\$M)



Gross Margin by Revenue Type



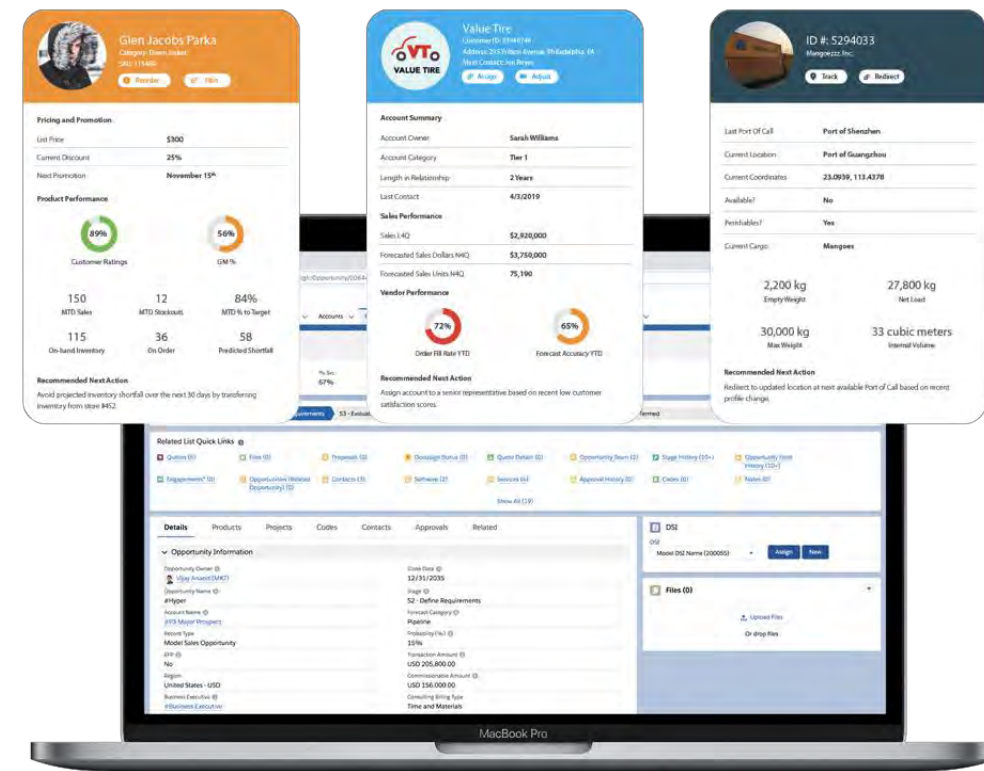
65%+ of revenue is recurring (TTM)

78% of revenue at **90%+** Gross Margin (TTM)

*FY 20 TTM is based on Q4 19 through Q3 20 actual results

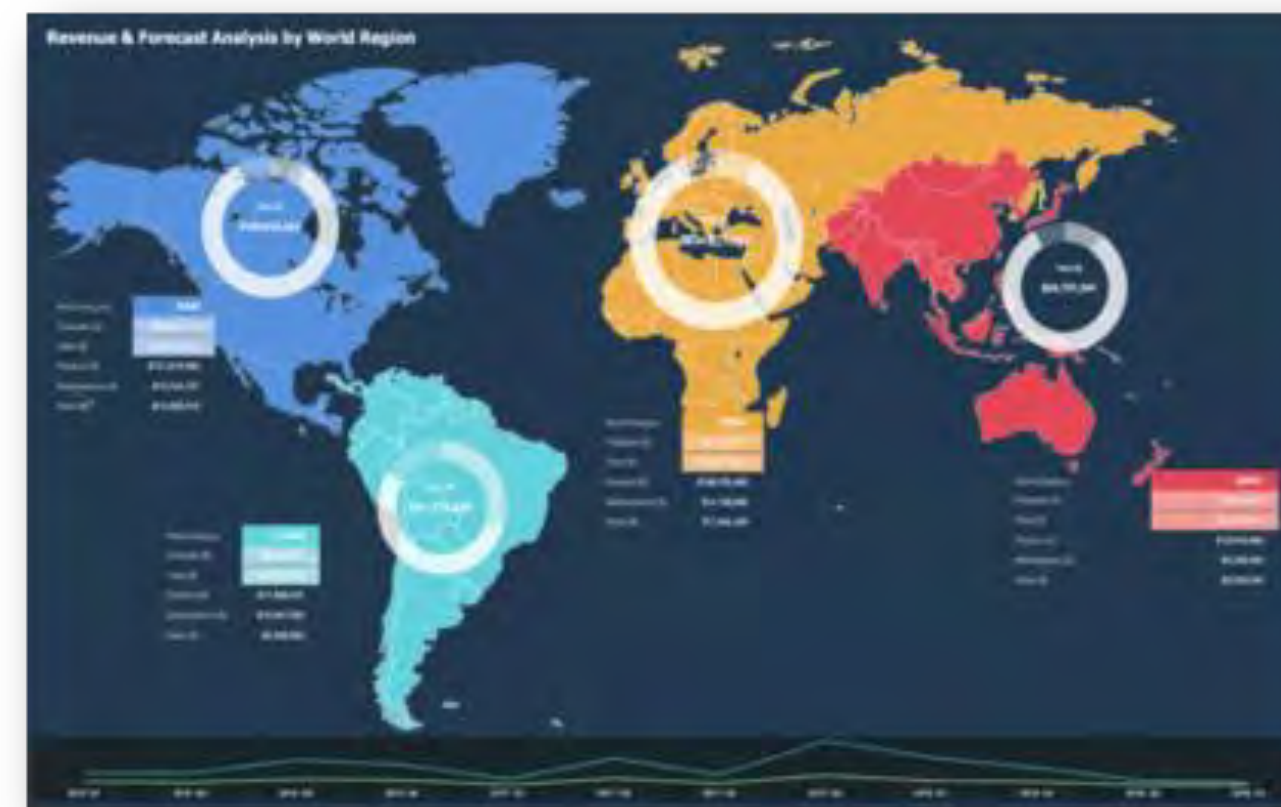
4. Hyper, Cloud, and Embedded Intelligence Products Will Drive Future Revenue

HyperIntelligence



- Most rapidly adopted solution in the history of MicroStrategy
- Provides instant, zero-click access to data within existing productivity tools driving improved business results at an accelerated pace

Cloud



- COVID is acting as a catalyst, driving IT organizations to re-evaluate and plot a more aggressive shift to Cloud
- Market adoption of cloud data warehouse offerings is providing a natural conversation for the future of business intelligence solutions

Embedded



- Technology partners are choosing MicroStrategy because of our modern, open, independent, enterprise-grade platform
- Platform works at scale and can support complex technical and business needs

4. Transition to Cloud is Well Underway – Subscription Billings is Key Performance Indicator

License purchase shift from on-prem to Cloud

- Purchasing shift from on-premise to Cloud in customers and prospects
- ~50% revenue upfront, recognized ratably, 3-year break even
- > 5% revenue shift in 2021

Customer migrations from on-prem to Cloud

- Convert existing on-premise customers to Cloud
- 30-60% revenue uplift, 30-60% gross margin uplift
- > 10% customer shift in 2021

New SAAS offerings: Hyper.now and Intel.now

- Hyper.Now (Hyperintelligence) launched Nov 16, 2020
- Intel.Now (Business Intelligence) to launch in 2021
- 100% incremental revenue, upside in 2H 2021 and beyond
- Excellent land and expand opportunity

Improved subscription billings

Current Subscription Billings (\$M)

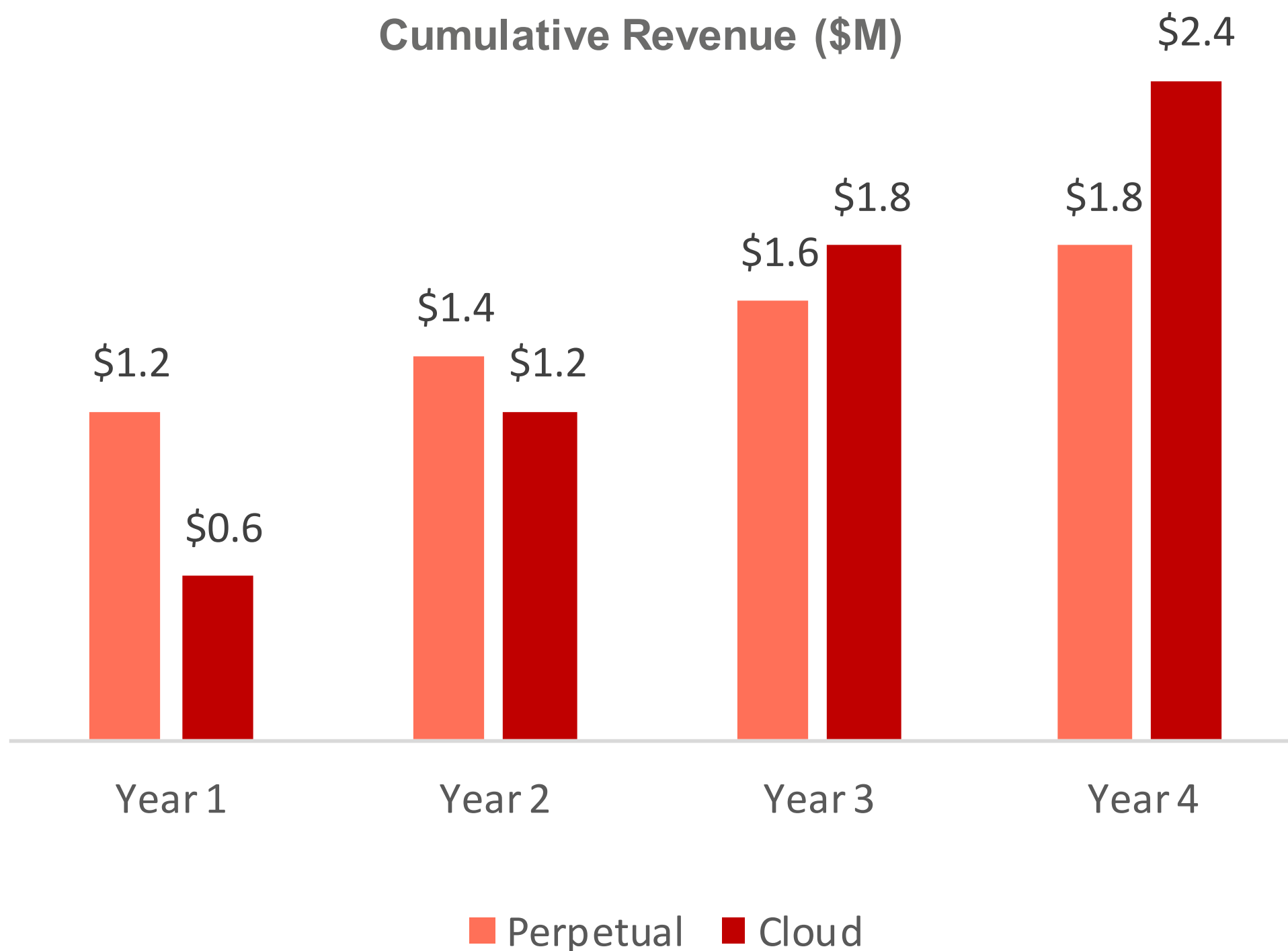


* Please refer to the Appendix for a reconciliation of subscription services revenues to current subscription billings

4. For New License Purchases, Break-Even Point is About 3 Years for Cloud Compared to Perpetual

Illustrative New Cloud vs. On-prem Comparison Financials

Cumulative Revenue (\$M)



Cloud Growth Factors

- Multiple drivers impacting shift to BI in cloud: 1) macro factors including work from home, focus on cost reduction, 2) prevalence of DW in cloud, 3) greater cloud adoption in large enterprises
- MicroStrategy Cloud Enterprise solution is at parity with on-prem, AWS, and Azure, and working on container strategy

Cloud Growth Financials

- Subscription revenue typically ~50% less than perpetual in year 1; with break-even point after year 3
- Example comparison of revenue streams:
 - On-prem: \$1M perpetual license, \$200K recurring product support
 - \$600K recurring subscription revenue (includes license + support + hosting)

4. For Existing Customers, Conversion From Perpetual to Cloud Results in 30-60% Revenue Uplift

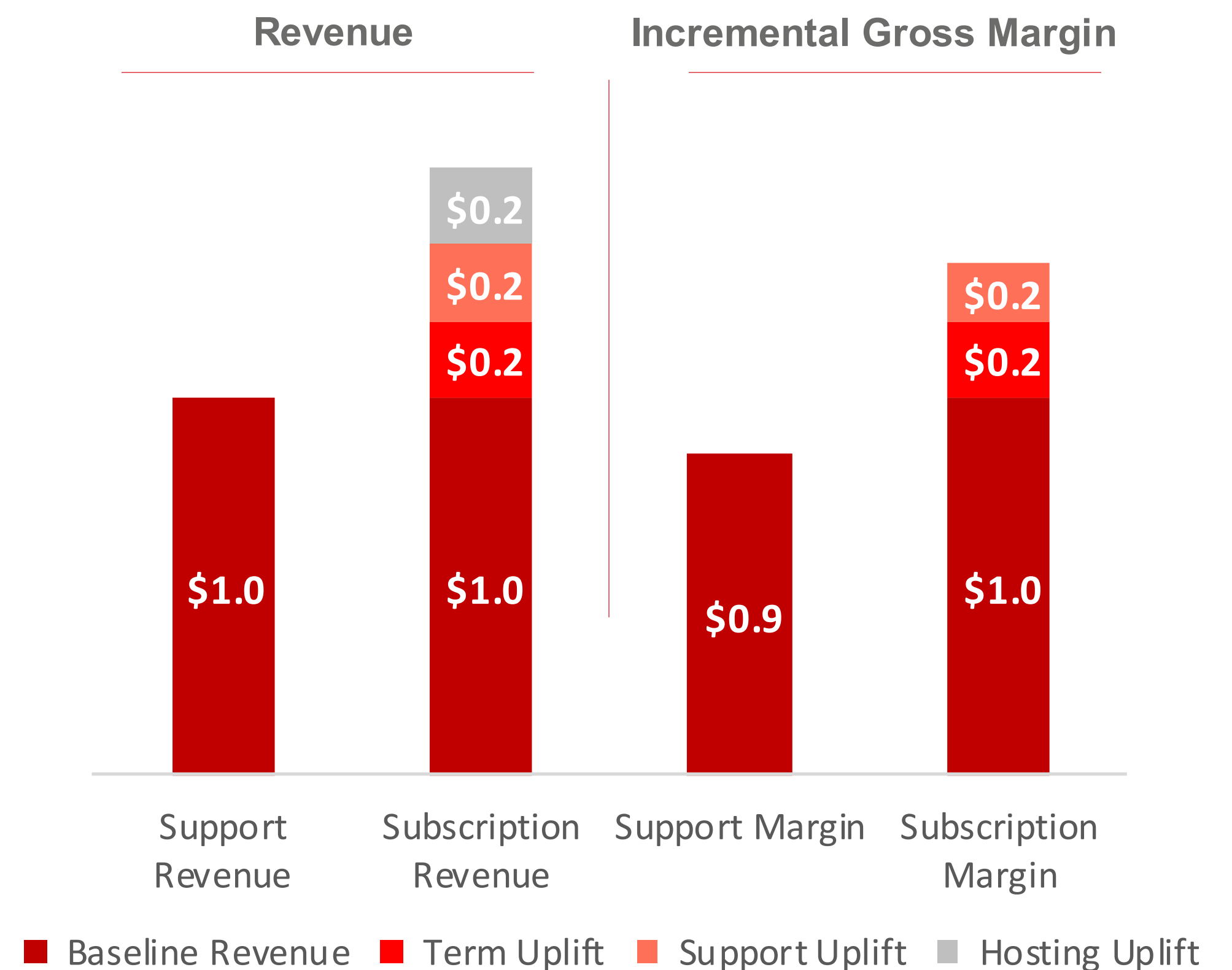
Cloud Conversion Factors

- Existing customers moving to cloud to 1) reduce fixed costs, 2) upgrade software regularly and seamlessly, 3) upskill admins to architects and developers
- One annual price includes software, support, infrastructure, upgrades
- Add-ons include HyperIntelligence, managed admin services, managed application services

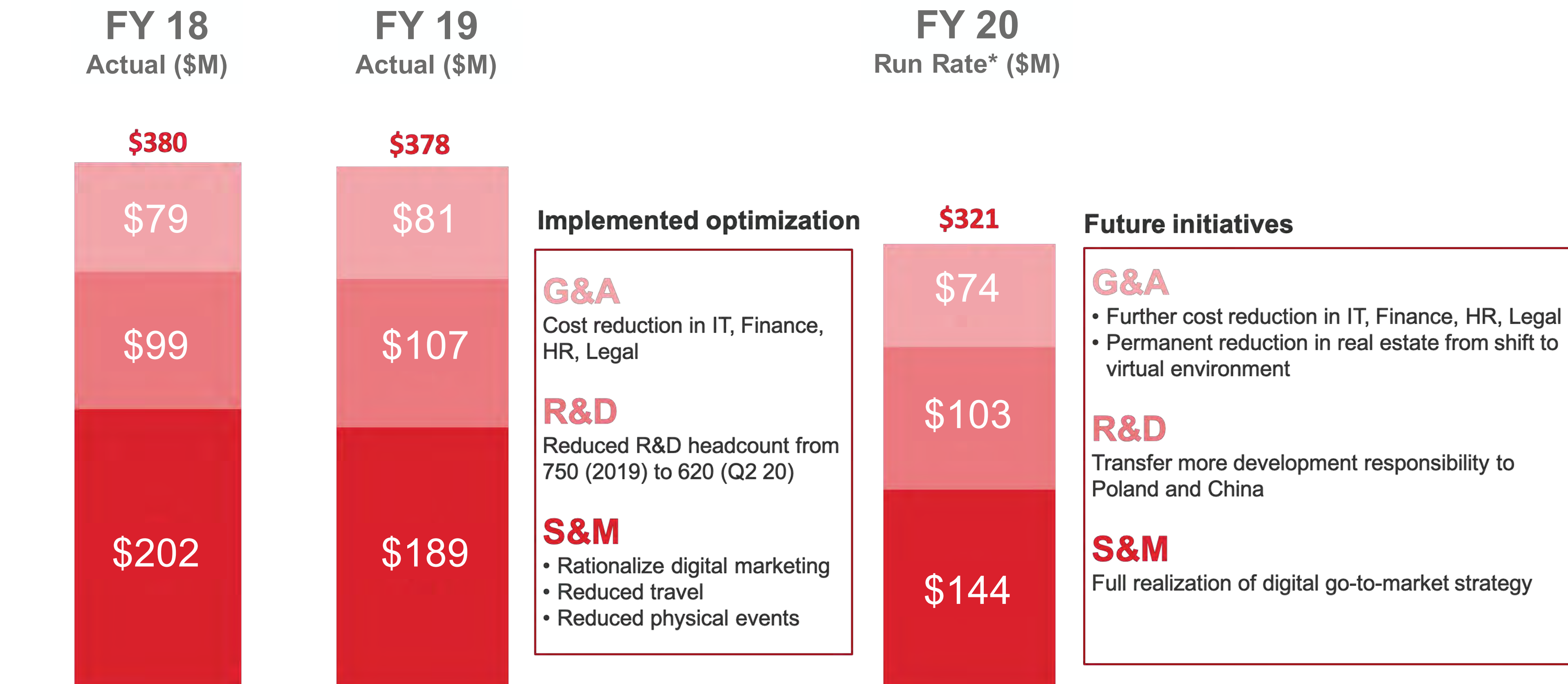
Cloud Conversion Financials

- Converting customer from on-premise support to subscription cloud results in 30-60% immediate uplift in revenue; 10-20% uplift each from licenses, support, hosting
- Results in 30-60% uplift in gross margin
- Customer breakeven point is in Year 1, with near immediate cost benefits

Illustrative Comparison Financials (\$M)



5. Cost Structure Has Undergone Significant Optimization in the Last Year, With More Room for Improvement

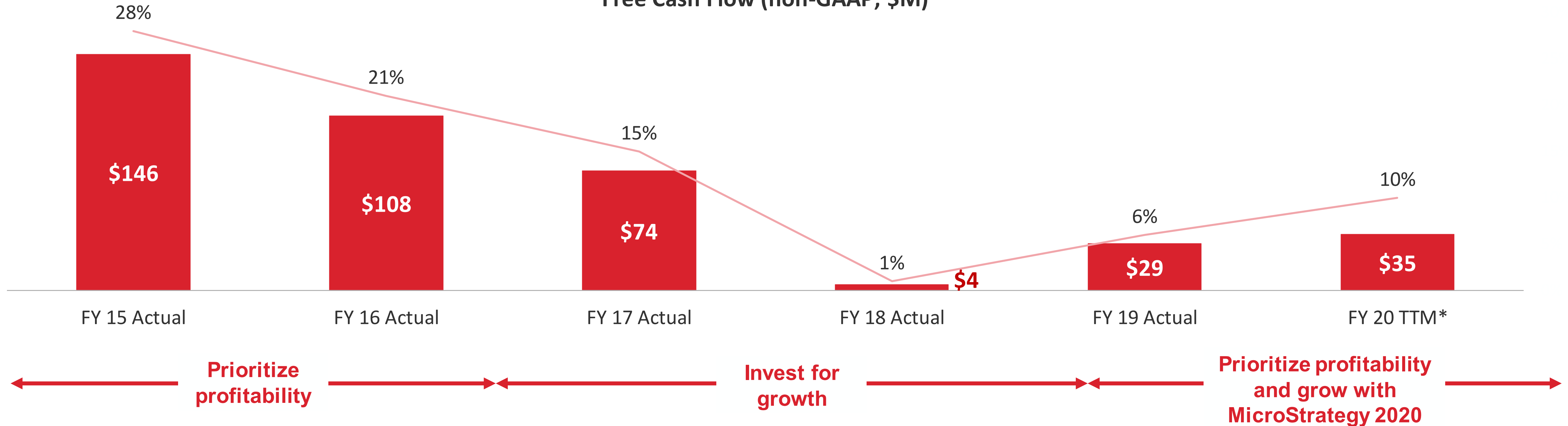


*Run Rate = Q1-Q3 20 Actuals and Q3 20 as a proxy for Q4 20

Costs are non-GAAP G&A, R&D and S&M costs. Please refer to the Appendix for a reconciliation of certain Non-GAAP Operating Expenses.

6. We Have A Proven History of Free Cash Flow Generation

Free Cash Flow (non-GAAP; \$M)



Executed company-wide restructuring in 2H 14

- Closed inefficient development centers and satellite offices
- Streamlined business processes

In Q2 17, announced a 3-year plan to reinvest for growth

- Increased S&M spend by ~17% in FY 18
- Increased R&D headcount ~150 to ~750 in FY 19
- Developed HyperIntelligence and MicroStrategy Cloud™
- Rebuilt the platform, modernized tooling

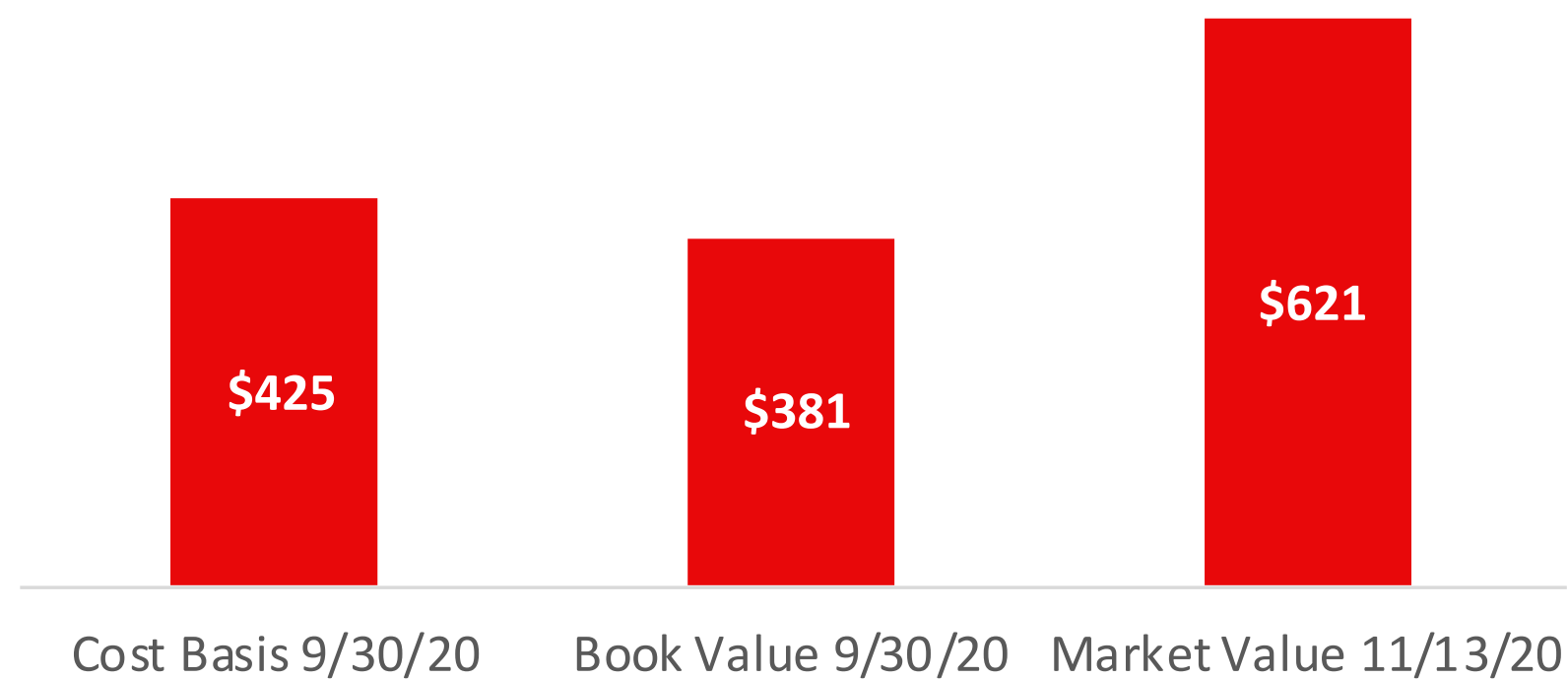
Shifted focus to optimization starting in 2H 19

- Fully virtual model driving reduced T&E and marketing
- Rationalized R&D headcount from 750 to 666
- Virtual demand generation reaching more customers, more quickly

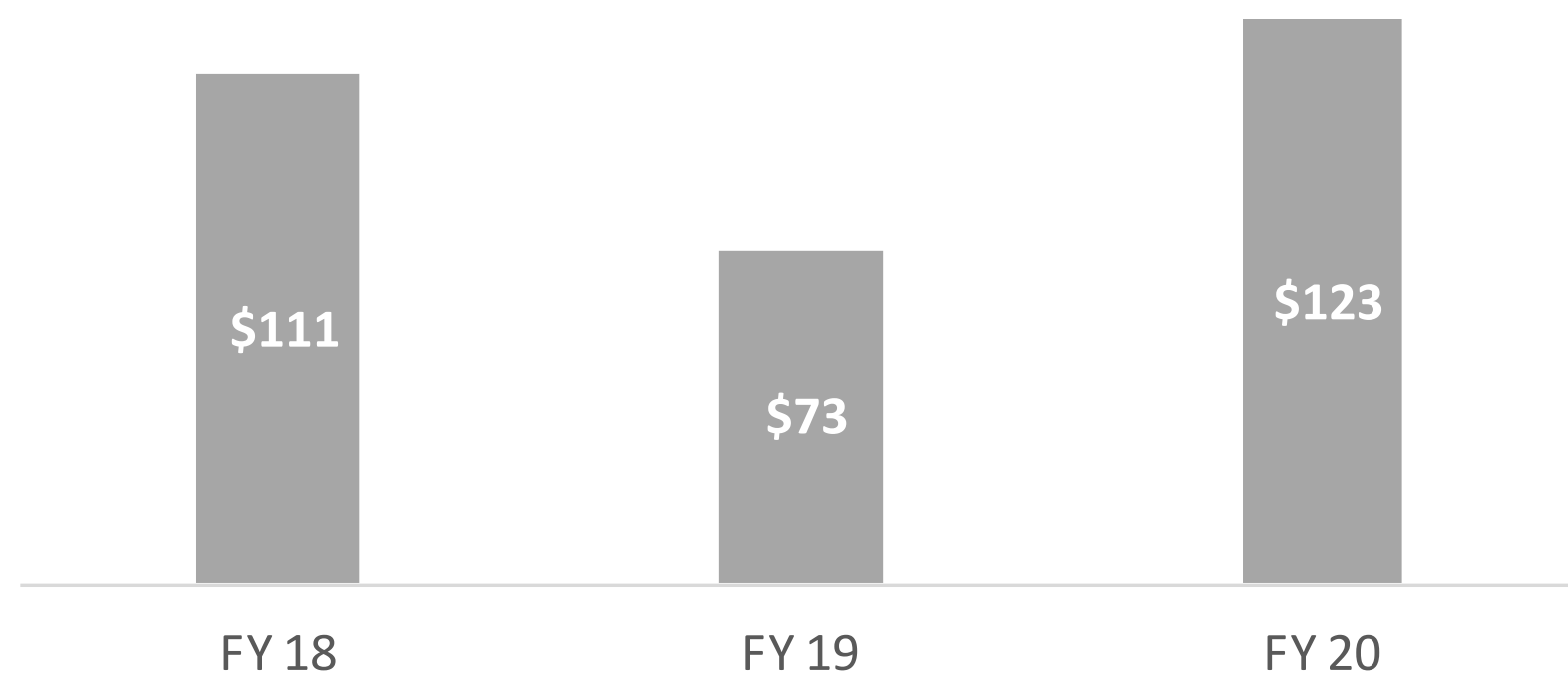
*FY 20 TTM is based on Q4 19 through Q3 20 actual results
Please refer to the Appendix for a reconciliation of Non-GAAP FCF

7. Unique Balance Sheet Strategy Uses Bitcoin to Provide Asymmetric Upside and Energize New Investors

Bitcoin Value (\$M)



Share Repurchase Value (\$M)



Market value of bitcoin is based on the price at 4pm EDT

Treasury strategy

- Invest up to \$250M in share repurchases
- Utilize bitcoin as primary treasury reserve asset
- \$50M needed to run day-to-day business

Bitcoin value

- Purchased ~38,250 bitcoins in Q3 20 for \$425M (average price of \$11,111 per bitcoin)
- Book value of bitcoin was \$381M at 9/30/20 (average price of \$9,954 per bitcoin)
- Market Value of bitcoin at 11/13/20 ~\$621M (average price of \$16,239 per bitcoin)

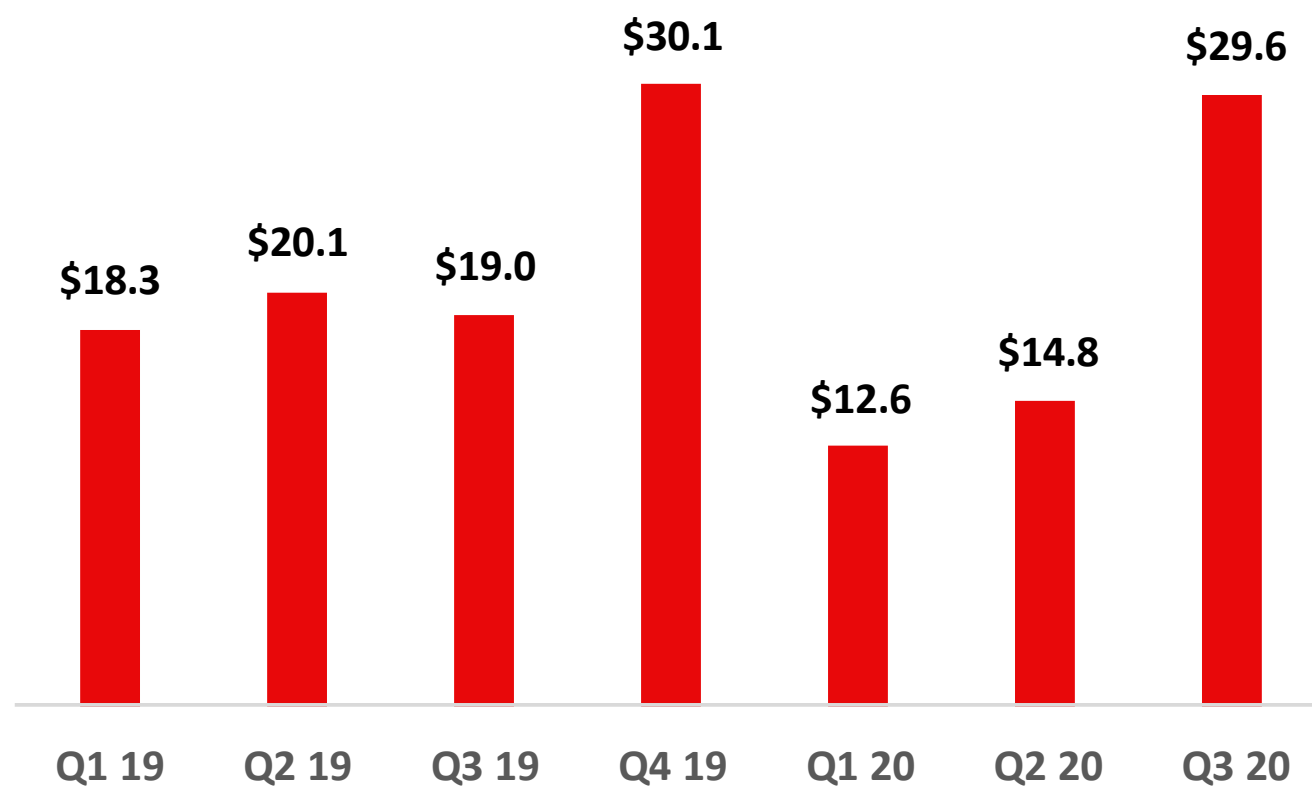
Share repurchase

- In Q3 20 repurchased 432,313 shares for \$61M as part of Dutch auction tender offer (at price of \$140 per share)
- In FY 20 repurchased 877,082 shares for \$123M (average price of \$140 per share)
- Since Q4 18 repurchased 2.3M shares for ~\$307M (average price of \$135 per share)

8. Q3 2020 Was the Best Quarter in a Decade

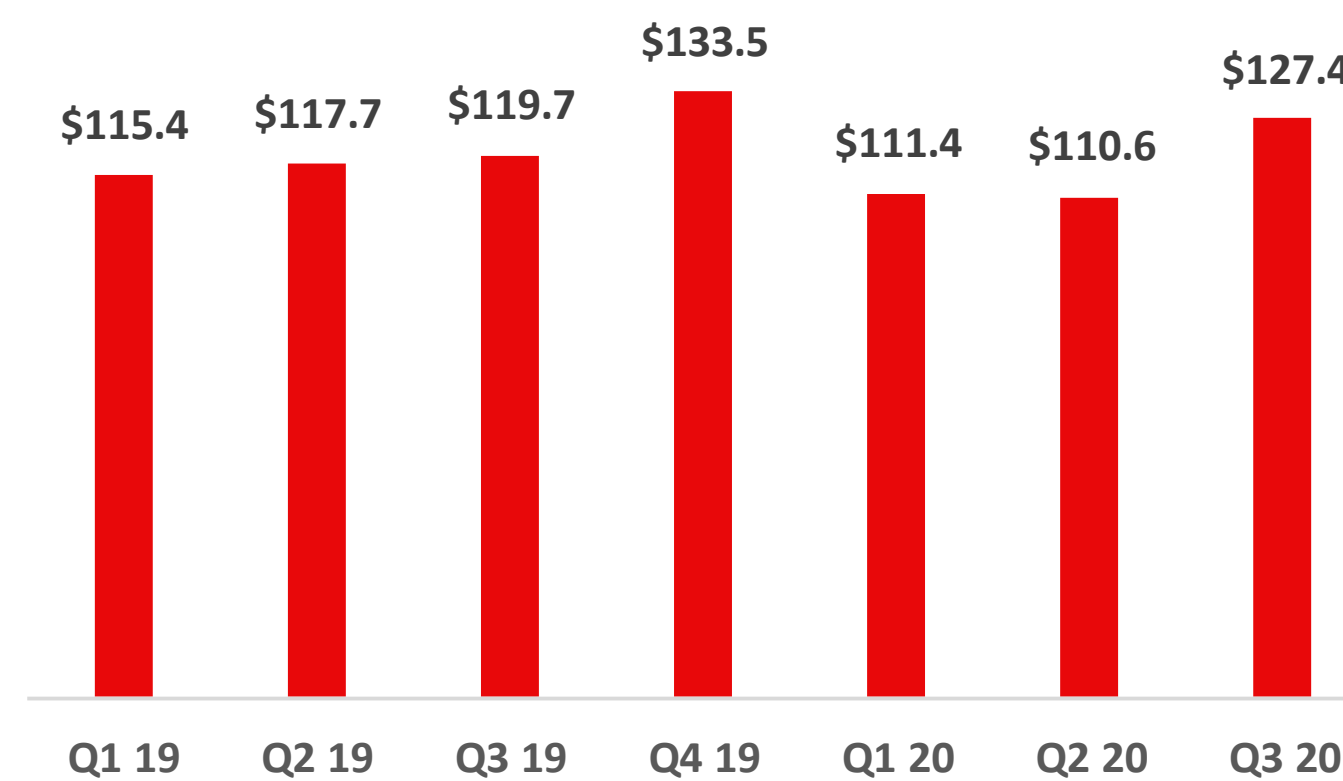
Highest Q3 **product license revenue** since 2016, **up 56%** year-over-year

Product Lic. Revenue (\$M)



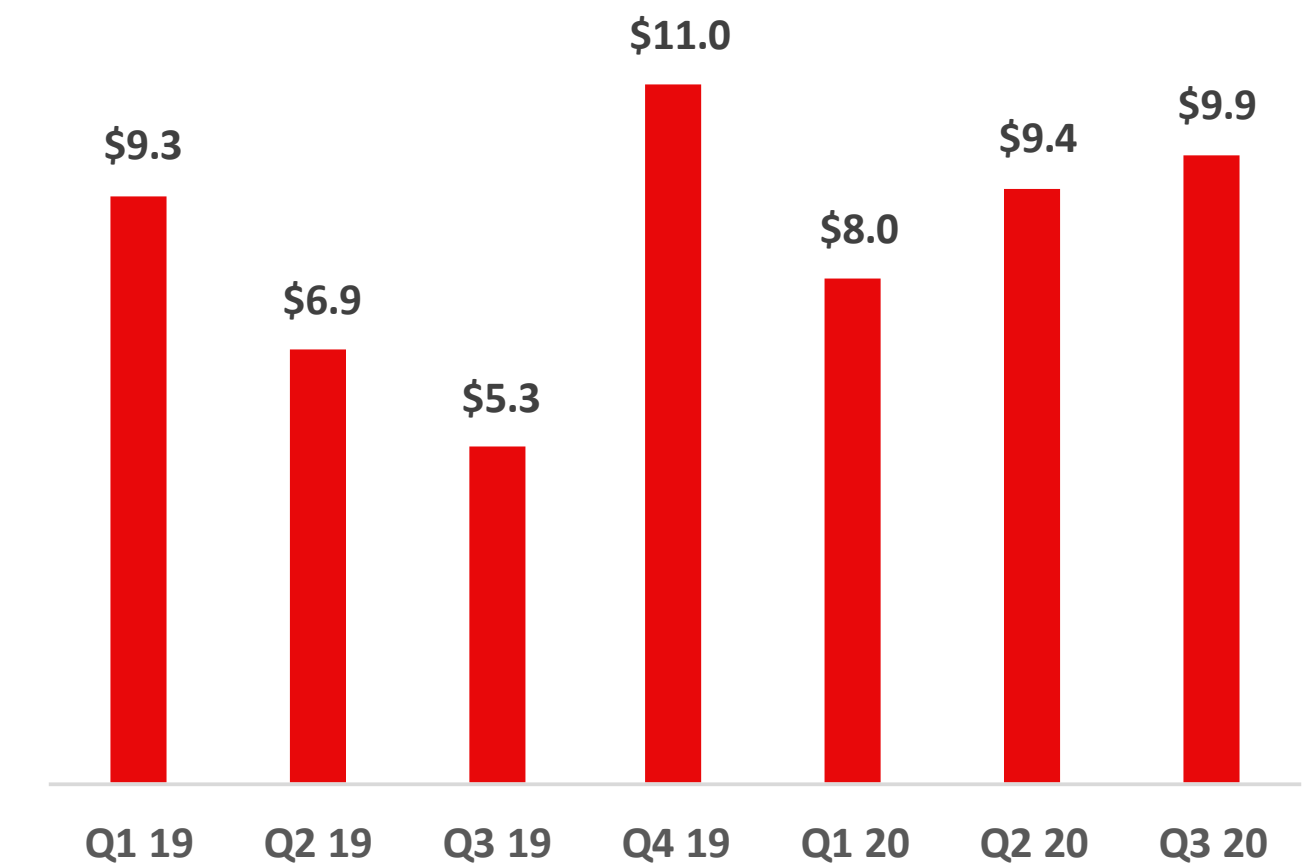
Highest Q3 **total revenue** since 2016, **up 6%** year-over-year

Total Revenue (\$M)



Strong adoption of cloud offering, **87% increase in subscription billings*** year-over-year

Current Subscription Billings (\$M)



* Please refer to the Appendix for a reconciliation of subscription services revenues to current subscription billings.

9. Our Growth Strategy Seeks to Bring Material Growth in Revenue, Profitability, and Enterprise Value

	2019 Actual	2020 TTM*	2021 Projections	EV Multiples**	Long-Term Opportunity
Revenue growth	Negative	Flat	Growing	2.4X Revenue multiple	>10% Revenue growth
Operating Income (non-GAAP)	\$9M	\$50M	\$60-90M	15X EBITDA multiple (non-GAAP)	>25% EBITDA margin (non-GAAP)

*2020 TTM is based on Q4 19 through Q3 20 actual results - Please refer to the Appendix for a reconciliation of certain Non-GAAP Operating Income

** Hypothetical Enterprise Value multiple uses analyst consensus 2021 revenue of \$485M and adjusted EBITDA of \$78M, net cash as of 9/30/20 of \$53M, Digital Asset market value \$621M with bitcoin price 11/13/20 \$16,239, MSTR market cap of \$1.85B with MSTR stock price as of 11/13/20 of \$192.27

We Are Excited About the Our Future

- 1 Largest independent publicly-traded BI company, leading enterprise analytics platform
- 2 Diversified blue-chip customer base with ~95% renewal rates
- 3 Healthy revenue profile: 65%+ recurring, 90%+ gross margin in license and support
- 4 Strong growth drivers → highlighted by cloud transition
- 5 Significant cost structure optimization, with additional near-term opportunity
- 6 History of cash flow generation
- 7 Meaningful balance sheet with bitcoin upside
- 8 Executing on plan – Q3 2020 was best quarter in decade
- 9 Valuation upside with revenue, EBITDA, and digital asset growth



Appendix

Investor Day

Non-GAAP Reconciliations (\$M)

Reconciliation of GAAP to Non-GAAP Income (loss) from Operations

	FY 18	FY 19	FY 20 TTM [^]
Revenue	\$498	\$486	\$483
Cost of Revenues	\$99	\$100	\$95
Operating Expenses	\$394	\$387	\$392
Income (loss) from Operations	\$4	\$(1)	\$(4)
Operating Margin %	1%	0%	-1%
Stock-Based Compensation	\$15	\$10	\$10
Digital asset impairment losses	\$0	\$0	\$44
Non-GAAP Income (loss) from Operations	\$19	\$9	\$50
Non-GAAP Operating Margin %	4%	2%	10%

Reconciliation of certain Non-GAAP Operating Expenses

	FY 18	FY 19	Q1 20	Q2 20	Q3 20	Q4 20 Run Rate*	FY 20 Run Rate*
GAAP:							
G&A Expense	\$86	\$87	\$21	\$19	\$20	\$20	\$80
R&D Expense	\$102	\$109	\$26	\$26	\$27	\$27	\$105
S&M Expense	\$206	\$191	\$40	\$35	\$35	\$35	\$145
Stock-Based Compensation							
G&A Expense	\$7	\$5	\$2	\$1	\$2	\$2	\$6
R&D Expense	\$3	\$2	\$1	\$1	\$1	\$1	\$2
S&M Expense	\$4	\$2	\$0	\$0	\$0	\$0	\$1
Non-GAAP:							
G&A Expense	\$79	\$81	\$19	\$18	\$18	\$18	\$74
R&D Expense	\$99	\$107	\$25	\$25	\$26	\$26	\$103
S&M Expense	\$202	\$189	\$39	\$35	\$35	\$35	\$144

[^]FY 20 TTM is based on Q4 19 through Q3 20 actual results

*Run Rate = Q1-Q3 20 Actuals and Q3 20 as a proxy for Q4 20

Investor Day

Non-GAAP Reconciliations (\$M)

Reconciliation of Subscription Services Revenues to Current Subscription Billings

	Q3 18	Q4 18	Q1 19	Q2 19	Q3 19	Q4 19	Q1 20	Q2 20	Q3 20
Current deferred subscription services revenue	\$11.7	\$13.5	\$15.6	\$15.4	\$12.8	\$16.6	\$16.6	\$17.9	\$19.5
Subscription services revenues	\$7.2	\$7.1	\$7.1	\$7.1	\$7.9	\$7.3	\$8.0	\$8.0	\$8.3
Change in current deferred subscription services revenue (quarter)	\$(2.1)	\$1.8	\$2.1	\$(0.2)	\$(2.6)	\$3.7	\$0.0	\$1.4	\$1.6
Current Subscription Billings	\$5.1	\$8.9	\$9.3	\$6.9	\$5.3	\$11.0	\$8.0	\$9.4	\$9.9

Non-GAAP Free Cash Flow reconciliation

	FY 15*	FY 16	FY 17	FY 18	FY 19	FY 20 TTM
Net cash provided by operating activities	\$150	\$111	\$78	\$11	\$61	\$37
Purchases of property and equipment (investing activities)	\$(3)	\$(2)	\$(4)	\$(7)	\$(10)	\$(2)
Gain from Domain Name Sale, net of tax					\$(22)	
Free Cash Flow (Non-GAAP)	\$146	\$108	\$74	\$4	\$29	\$35
FCF Margin (Non-GAAP)	28%	21%	15%	1%	6%	10%

*FY 15 was not recast for the adoption of ASC 606

FY 20 TTM is based on Q4 19 through Q3 20 actual results

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