



MicroStrategy World 2016



Analyst Presentation

Forward looking statements

Various remarks that we may make about our future expectations, plans, and prospects may constitute forward-looking statements for purposes of the Safe Harbor Provision under the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors including those discussed in our most recent Quarterly Report on Form 10-Q filed with the SEC.

These statements reflect our views only as of today and should not be reflected upon as representing our views of any subsequent date. We anticipate that subsequent events and developments will cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaims any obligation to do so.

Also, during the course of today's presentations, we may refer to certain non-GAAP financial measures. There is a reconciliation schedule showing GAAP versus non-GAAP results currently available in our most recent Quarterly Report on Form 10-Q filed with the SEC.

Future Intention – Features and Timing are Subject to Change

This presentation may include statements that constitute “forward-looking statements,” including descriptions of technology and product features that are under development and estimates of future business prospects. Forward-looking statements inherently involve risks and uncertainties that could cause actual results of MicroStrategy Incorporated and its subsidiaries (collectively, the “Company”) to differ materially from the forward-looking statements.

Factors that could contribute to such differences include: the Company’s ability to meet product development goals while aligning costs with anticipated revenues; the Company’s ability to develop, market, and deliver on a timely and cost-effective basis new or enhanced offerings; the extent and timing of market acceptance of the Company’s new offerings; continued acceptance of the Company’s other products in the marketplace; the timing of significant orders; and other risks detailed in the

Company’s registration statements and periodic reports filed with the Securities and Exchange Commission. By making these forward-looking statements, the Company undertakes no obligation to update these statements for revisions or changes after the date of this release.



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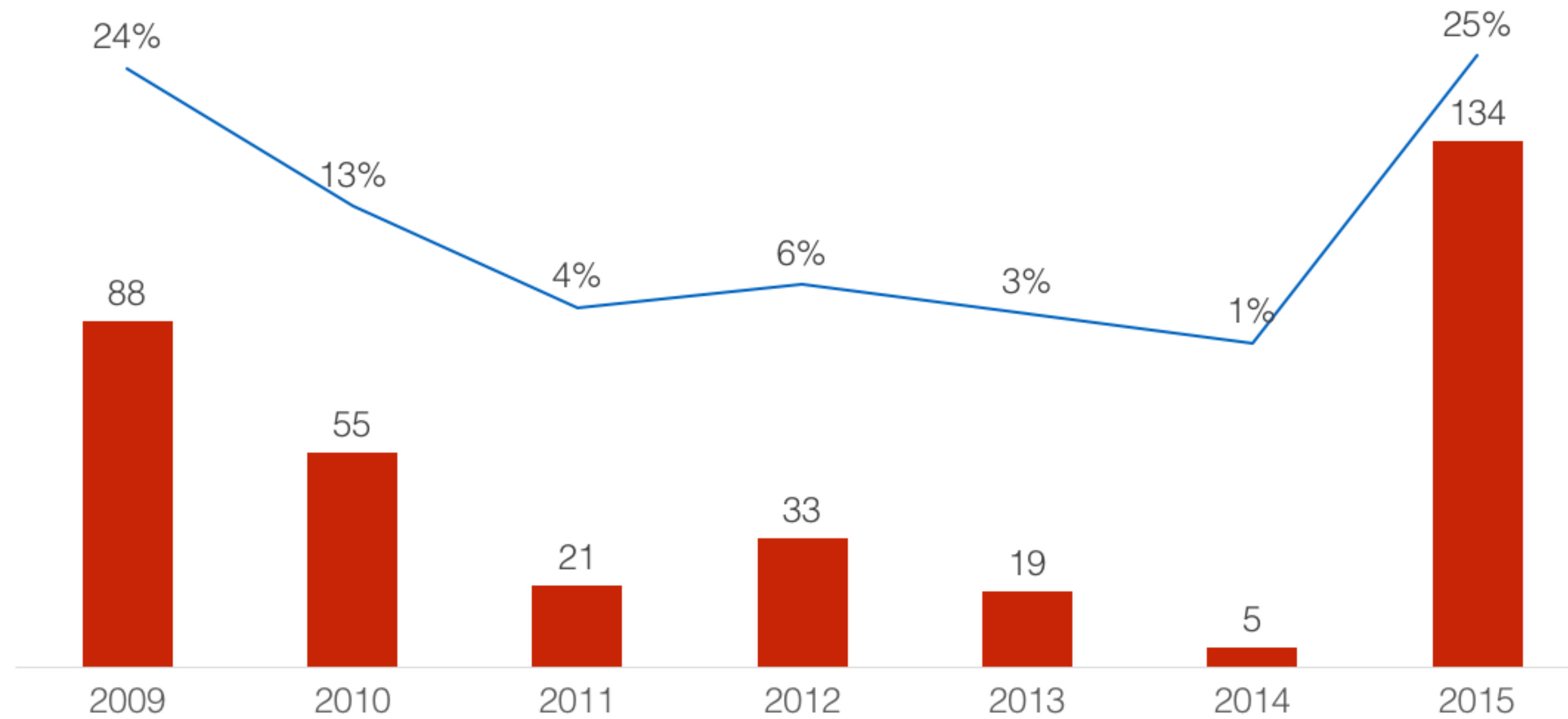
Financial Update

We continue to focus on improving fundamentals

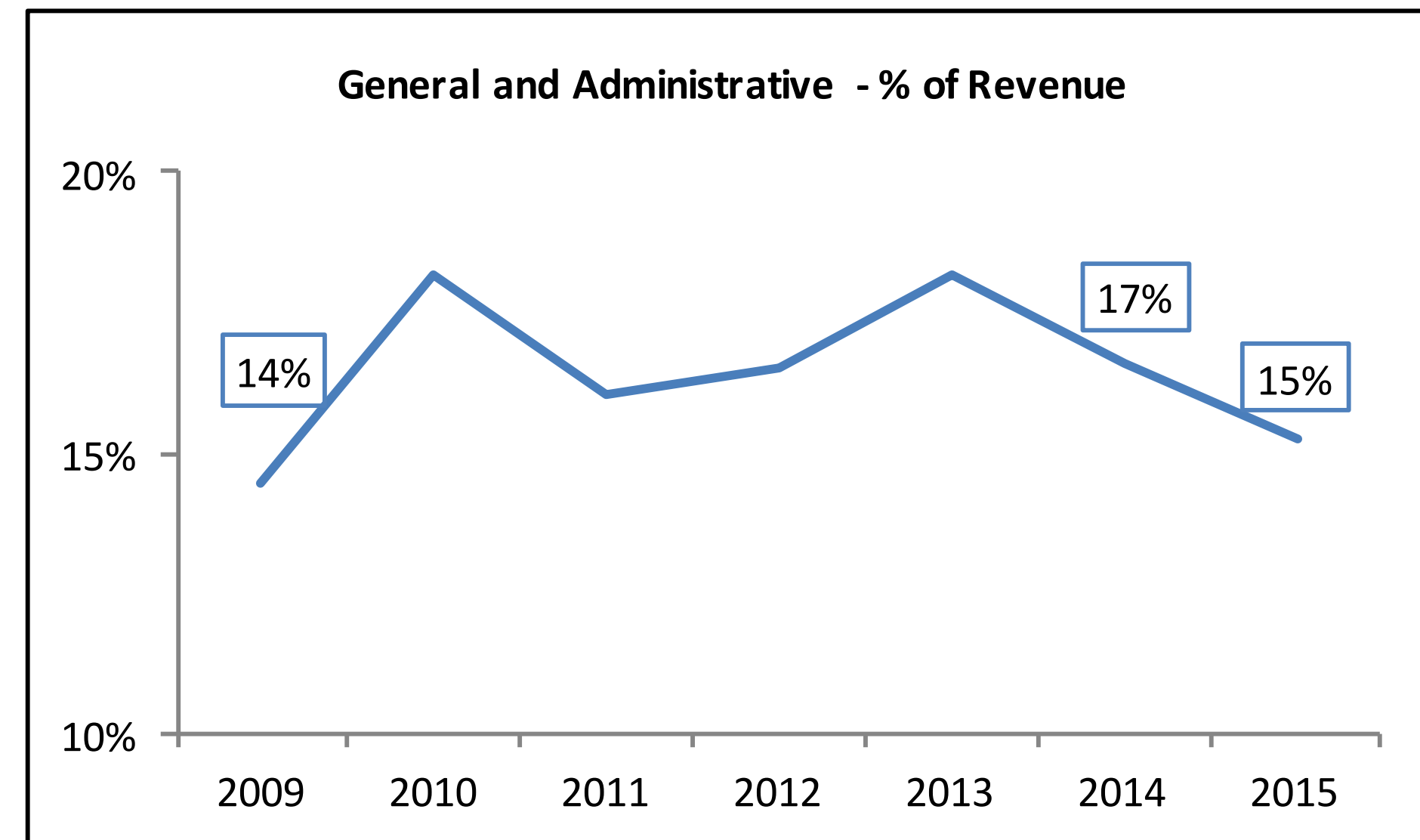
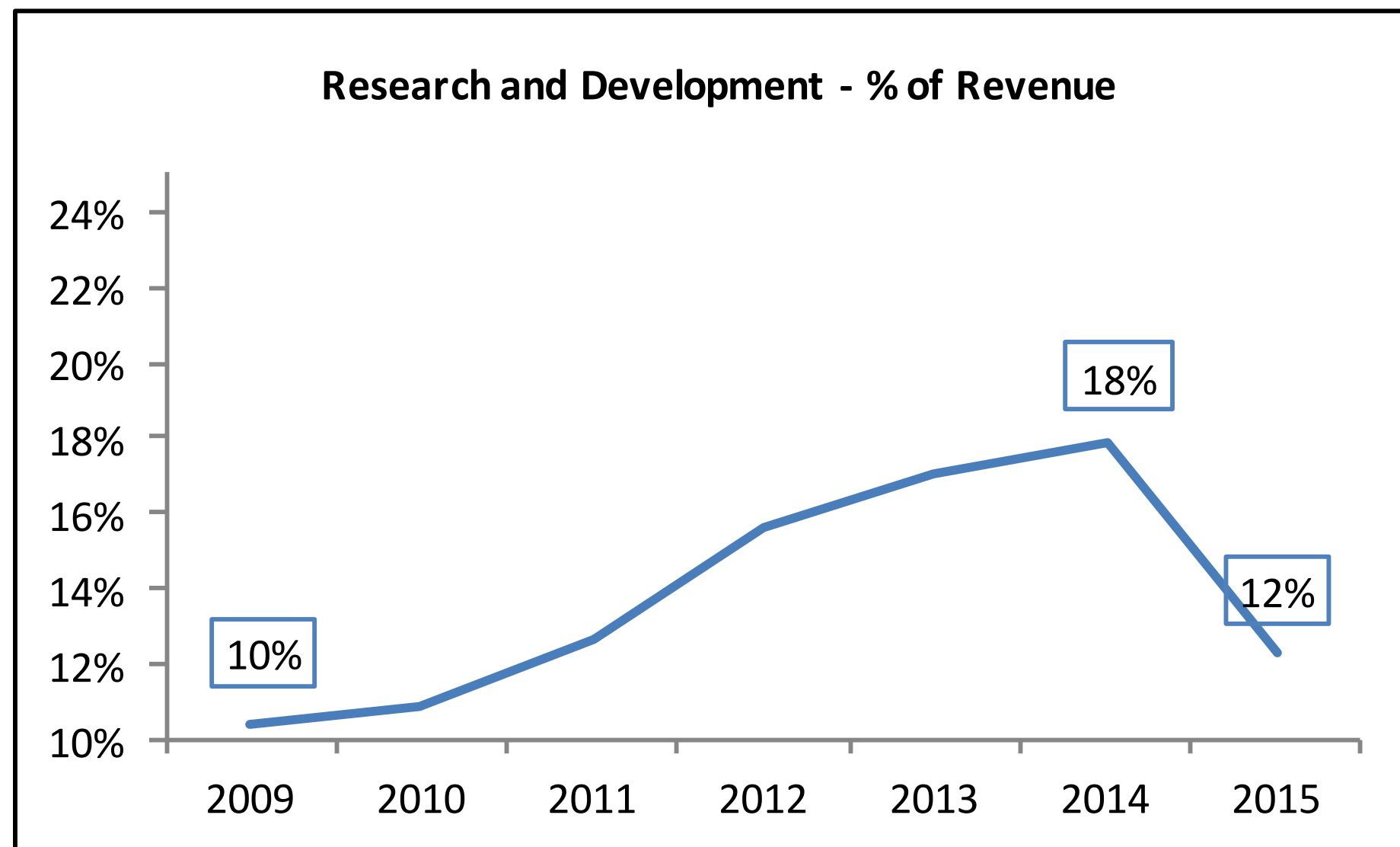
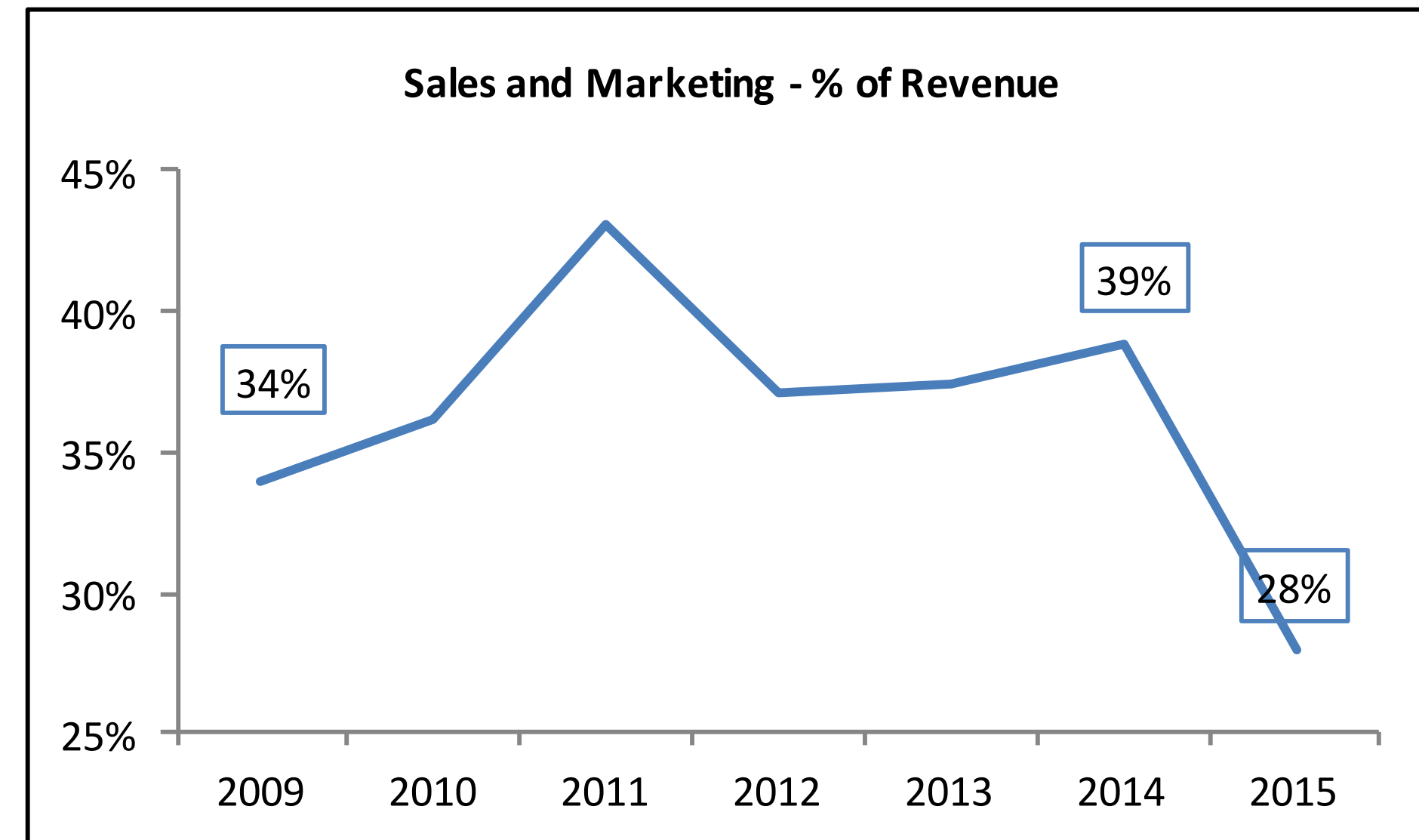
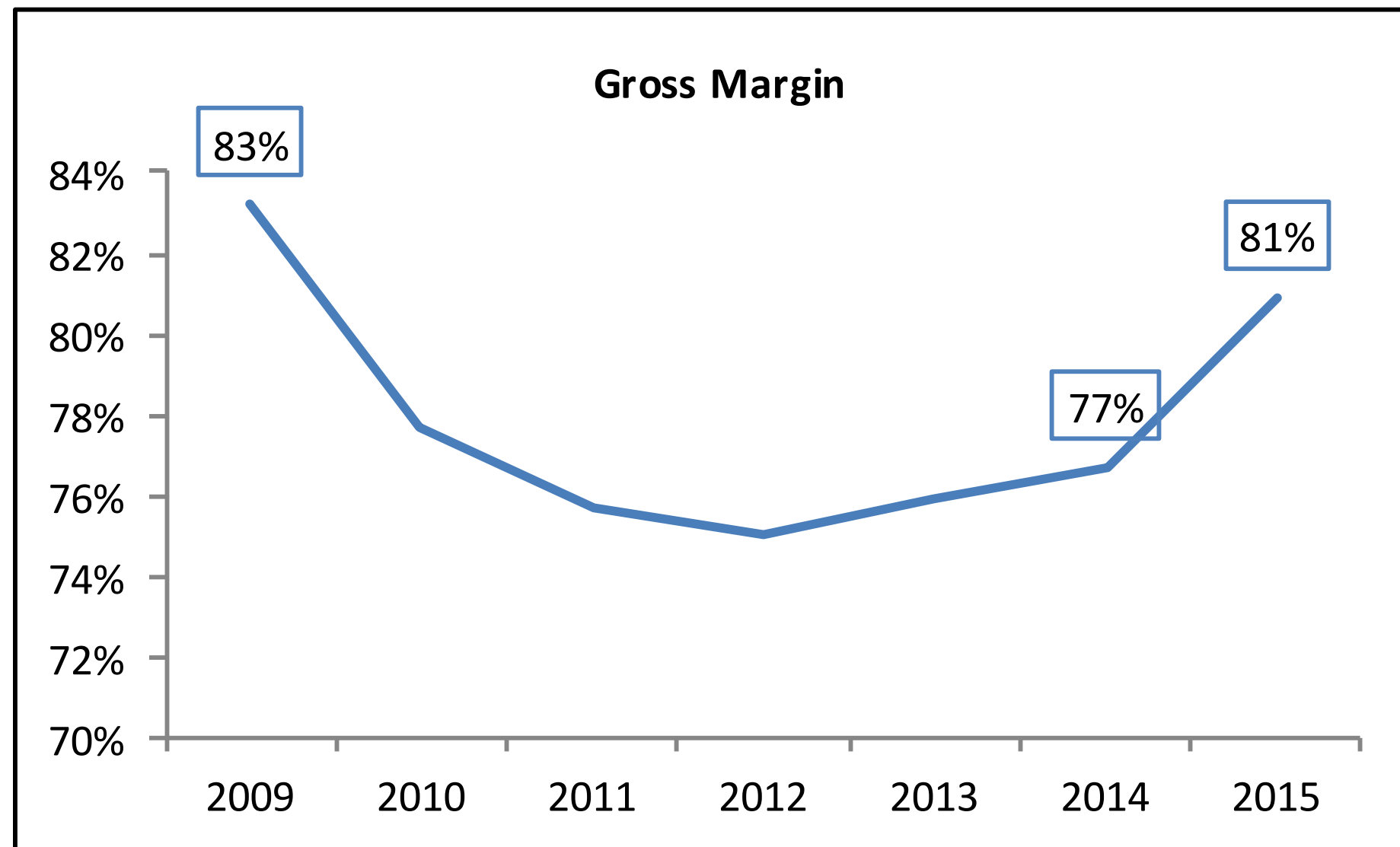
- Improving product
- Improving processes
 - Focusing on improvements in sales, services, technology, marketing, and budgeting
- Improving people
 - Stabilizing voluntary turnover and headcount
 - Ramping up recruiting with a focus on technology, sales, and consulting teams
 - Implemented quarterly performance review processes

Very strong margins and operating income in 2015

Operating Income (US\$M) and Operating Margin (%)

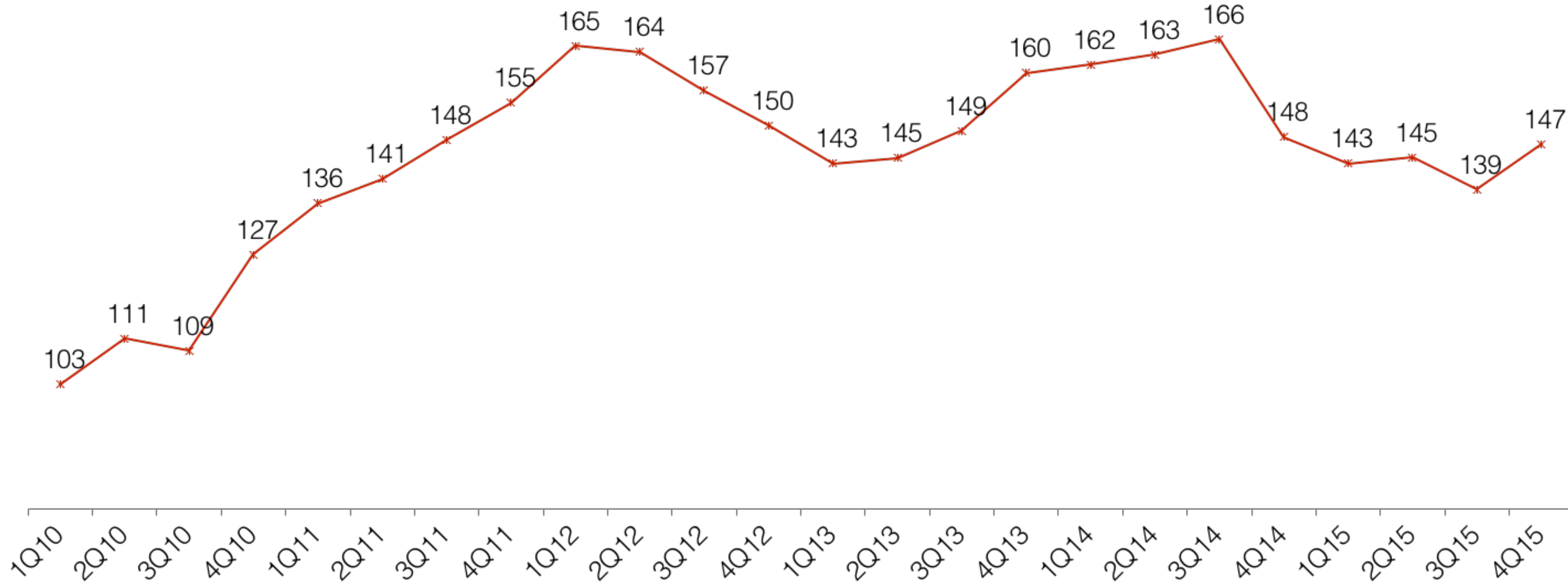


Through improved cost discipline



And recovering software revenues

Software Revenue (product license and subscription services, TTM US\$M)





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Technology Update

2015 Was A Transformative Year For MicroStrategy Technology

Q1	January	Start Of Agile Transformation
	February	MicroStrategy 9s™
	March	MicroStrategy 10™ Early Adopter
Q2	April	Usher™ For Apple Watch
	May	MicroStrategy 10™ (Secure Enterprise)
	June	MicroStrategy 10.0.1 (Secure Enterprise)
Q3	July	MicroStrategy 10.0.1 (Secure Cloud)
	August	MicroStrategy 10.0.2 (Secure Cloud)
	September	MicroStrategy 10.1™ (Secure Cloud / Enterprise)
Q4	October	MicroStrategy 10.1.1 (Secure Cloud / Enterprise)
	November	MicroStrategy 10.1.2 (Secure Cloud)
	December	MicroStrategy 10.2™ (Secure Cloud / Enterprise)

Transformation of MicroStrategy Technology Group

Software Development Methodology

Waterfall (Releases every couple of years) -> Agile (Smaller releases each QTR)

Systems

Home grown systems, emails and documents —> Rally

Clearcase -> Github Enterprise, Jenkins

Organization

Job based organization -> Integrated agile teams

Location

34 locations (3 major sites) -> 2 Major sites only (no remote team members)

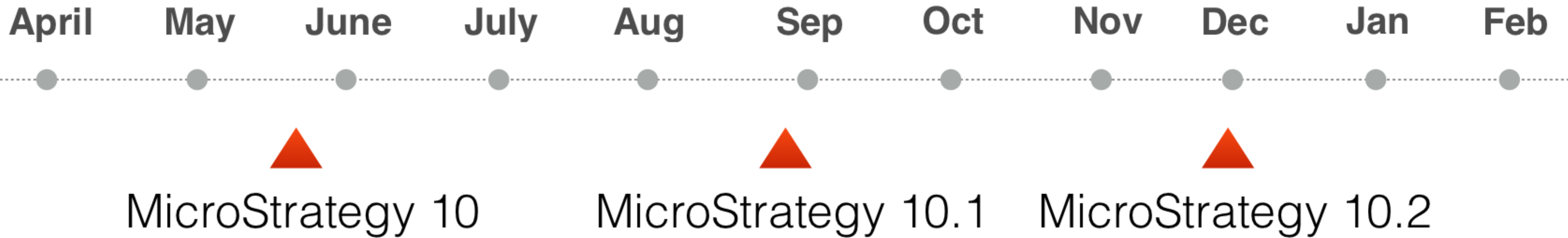
Leadership

New leadership team with stronger customer and market experience

Accountability

Multiple teams owning pieces -> Product Ownership and end-to-end accountability

Agile Quarterly Releases Mean Easier Upgrades



- Predictability for better planning
- Strong focus in 10.1 and 10.2 on customer enhancements and fixes
- Extensive in-house upgrade validation on real world environments

A Unified Platform for Enterprise Analytics, Mobility, and Security

Analytics applications

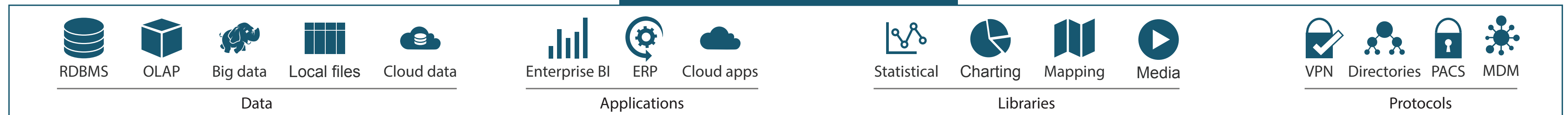
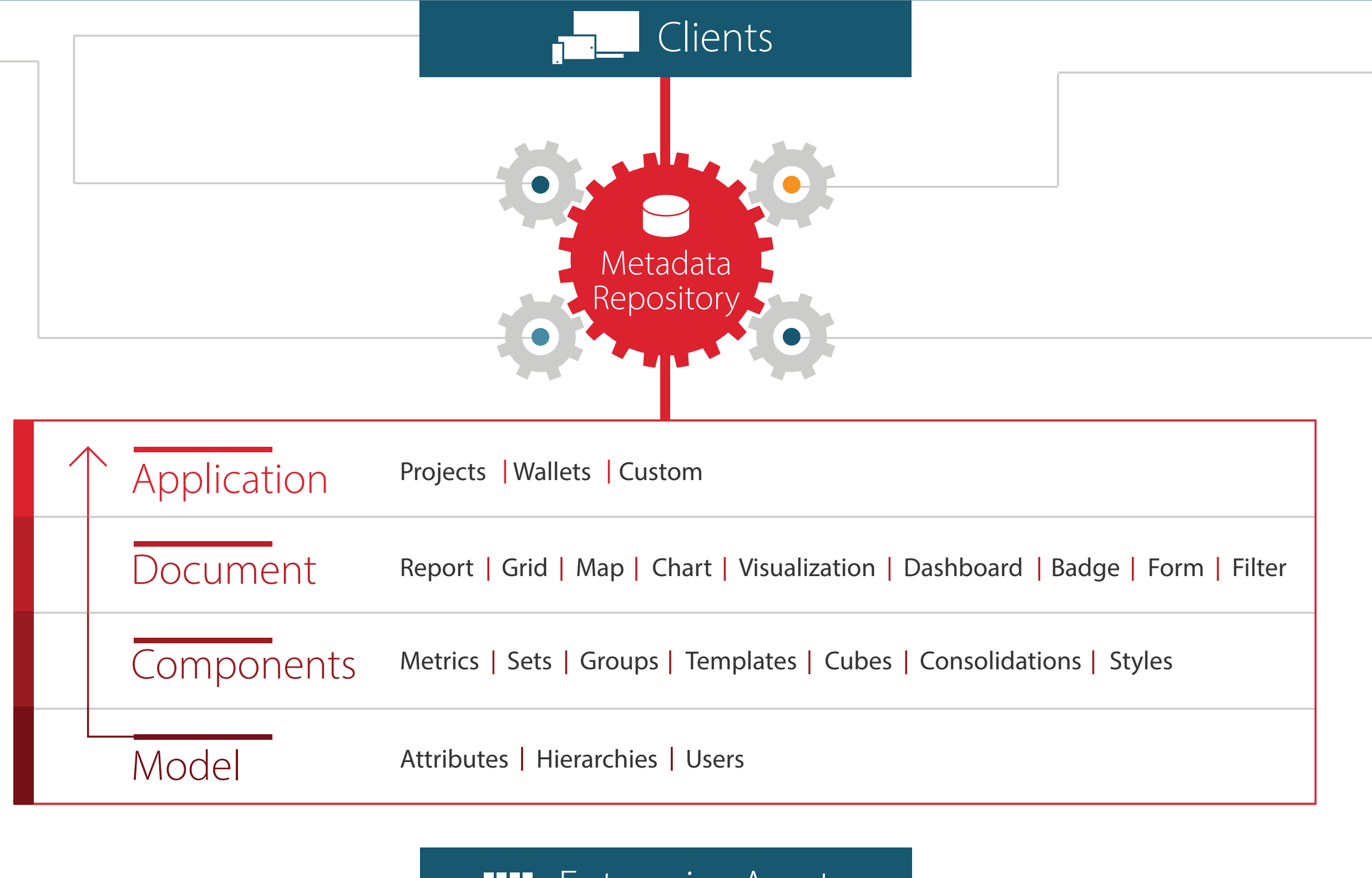
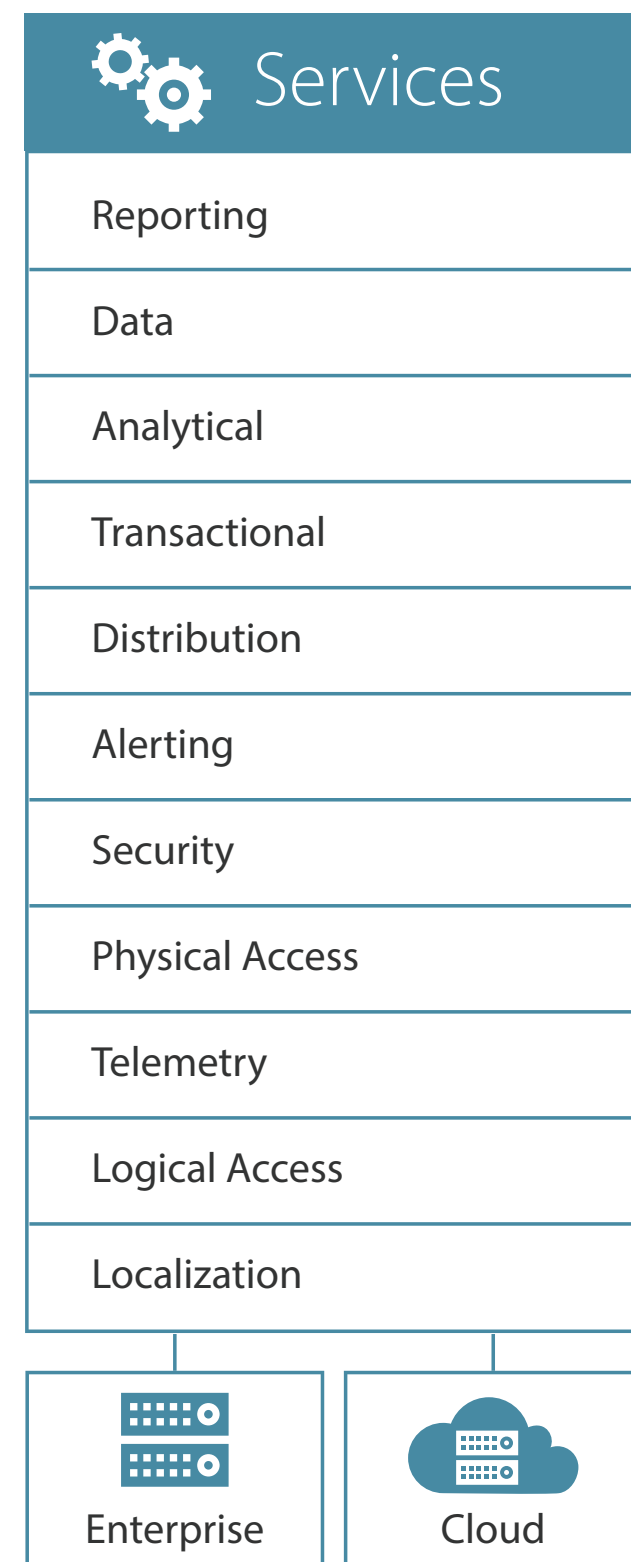
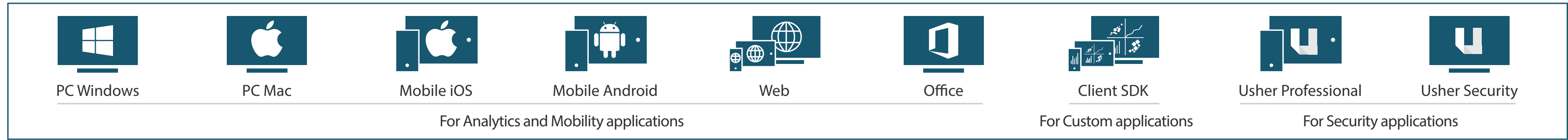
that blend data from databases and big data and deliver insights to users via reports, dashboards, and apps.

Mobility applications

that source information from multiple locations, and submit transactions to your ERP systems.

Security applications

that secure your most sensitive information and resources with digital security badges.

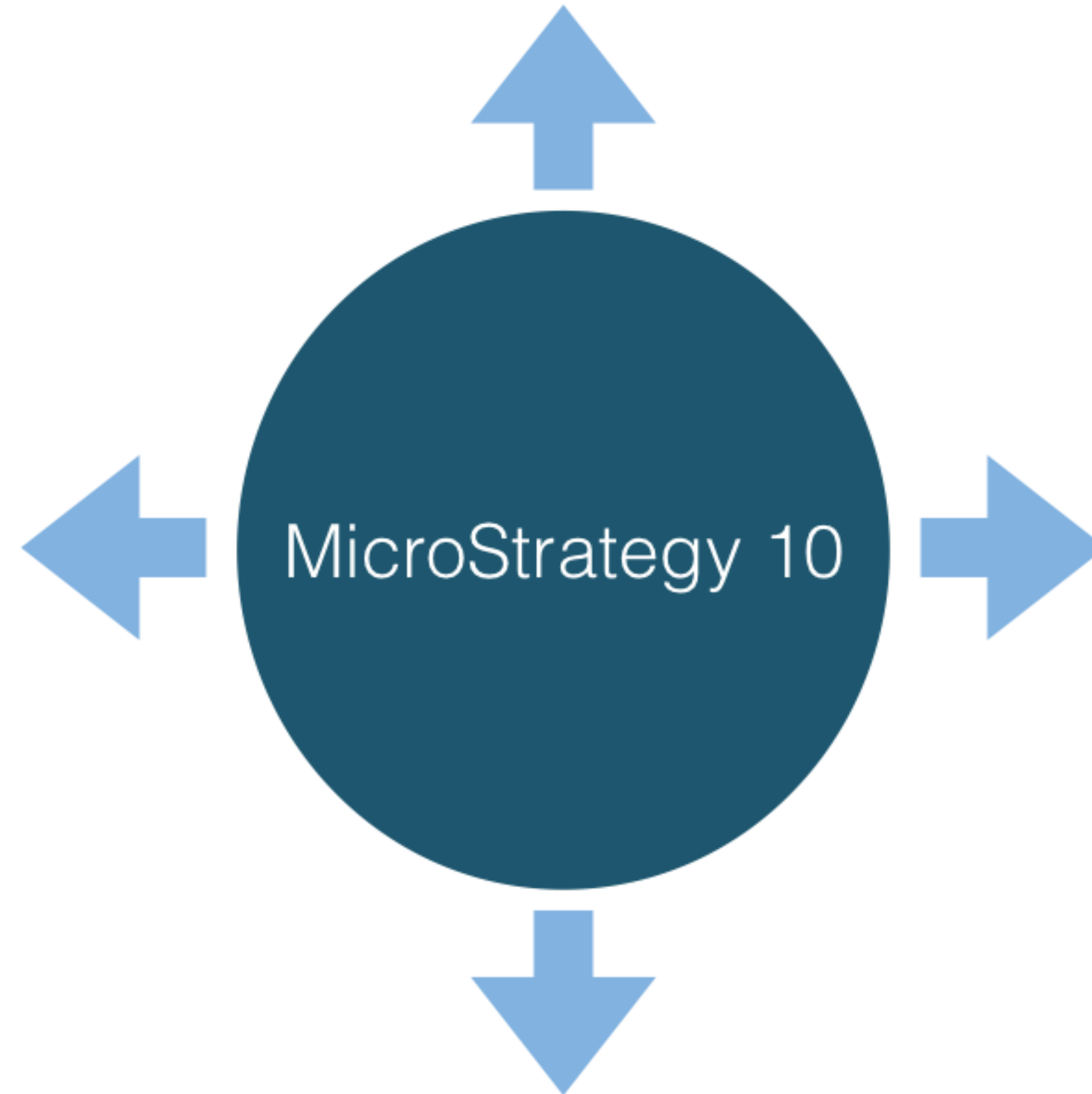


Vision: Leverage Core Technology and Innovate Across 4 Dimensions

Time to Value: Remove Friction
from Creation, Deployment & Administration Process

Leverage Enterprise Assets:

Databases, Big Data, Cloud Data, LDAP, ERP Apps, etc.



Intuitive, Powerful User Experience:

Modernize the user experience

Scalable, Cloud Friendly Platform

Horizontal scale, Hybrid on-prem/cloud



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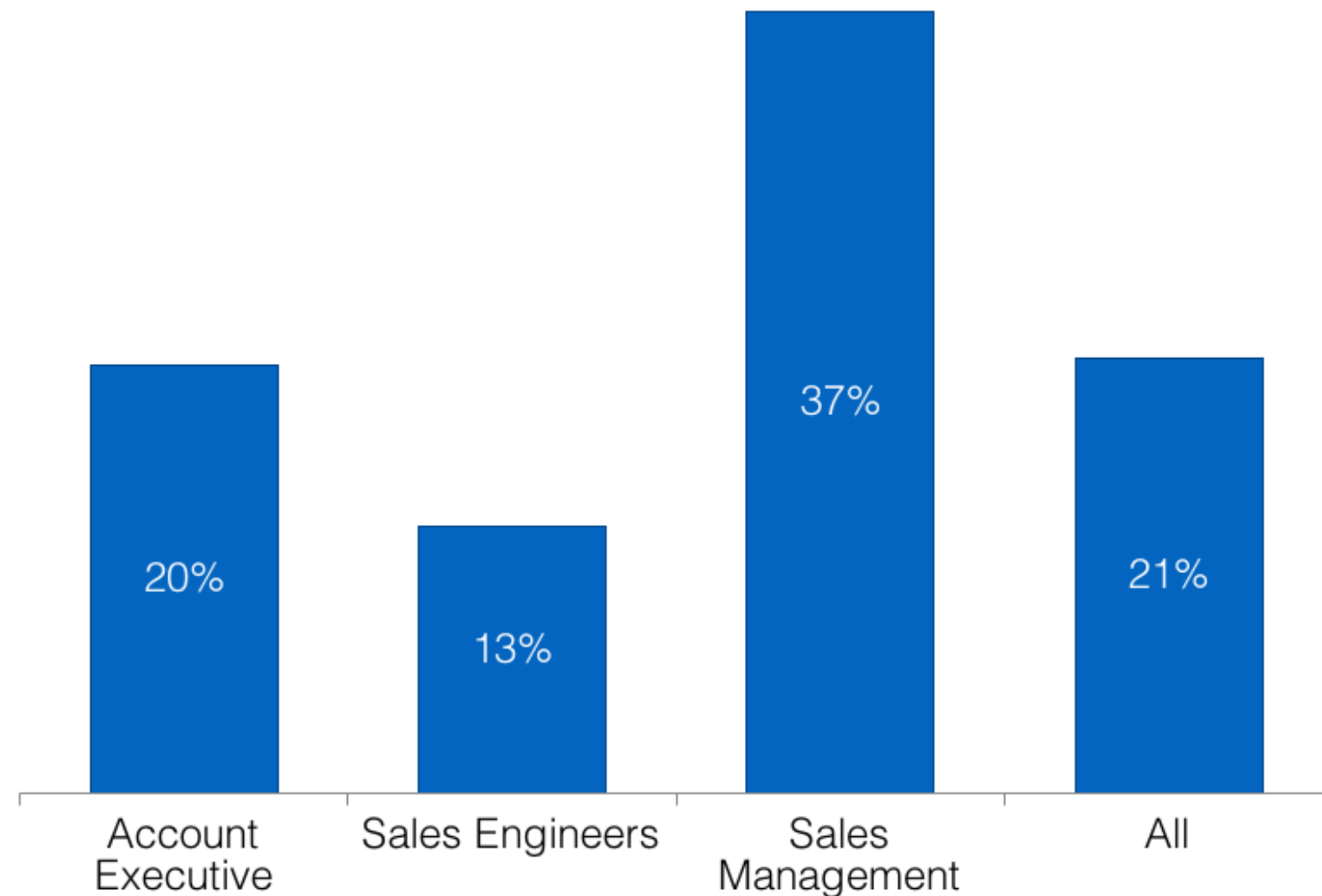
Sales Update

People + process = results

- New Management Team (Two EVPs, 3 RVPs, 9 SDs)
- Performance Culture – terminated under performers, hired new talent
- Quarterly MERIT performance reviews, business Unit CM Profit Focus
- Introduced NEW Five Stage Strategic Sales Process, evolved to 3 key tracks of cadence – Business Development, Account Planning, Strategic Sales
- Accelerated agile Sales Processes; focus on SFDC for AP, BD, SL, GA
- Integrated sales and services offers

New talent = results

% Sales Team New in 2015



- Account Executive productivity increased +35% YoY and +50% Q4oQ4
- Q415 results in 20% revenue growth in License / Subscription
- Business units measured and comped on contribution margin. Only a few of 35 business units were below target.

Driving growth in 2016

