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.
MicroStrategy is enterprise grade

Deliver sophisticated analytics, to every employee, on any device, personalized and secure.

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**TOOLS**

- Server
- Cloud
- Gateways
- SDK

**CLIENTS**

- Analysts
- Developers
- Administrators
- Executives
- Employees
- Customers

**Enterprise layer**

- Resources
- Data
- Credentials
- Applications

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MicroStrategy Platform
Analytics
Departmental approaches – the plunge into darkness

Manually intensive, high latency methods can leave executives ignorant to the current state of the business.
Continuous, sophisticated analytics, with zero-latency
Departmental approach – concentric circles of ignorance

With other vendors, only one group of people knows what is going on.
With MicroStrategy everyone in the enterprise is able to know the same version of the truth.
Departmental approaches – inefficient and inconsistent

Sales Department Report
- 2 weeks to build report
  - Deliver 1 report every month to 20 people
  - Sales analysts use Excel

Marketing Department Report
- 2 weeks to build report
  - Deliver 1 report every month to 20 people
  - Marketing analysts use Tableau

Executives’ Report
- 2 weeks to build report
  - Deliver 1 report every month to 20 people
  - Executives’ analysts use Qlik

Finance Department Report
- 2 weeks to build report
  - Deliver 1 report every month to 20 people
  - Finance analysts use Excel

MicroStrategy
Investor relations briefing | November 2014
Remove latency and deliver consistent data to thousands

With MicroStrategy, thousands of personalized reports are sent instantaneously—and they are all *enterprise* reports.
Security
Unlock the enterprise with mobile identity

Usher is a mobile identity platform designed to provide security for every business process and system access across an enterprise.

Dematerialize traditional forms of identity into a mobile identity badge

Link the mobile badge to its owner with Touch ID

Extend the mobile identity to every business process and application

Confirm Identity in person

Log onto Applications

Open Entryways

Validate Identity over the phone

Unlock Workstations
Dematerializing traditional forms of identity

Usher replaces traditional forms of enterprise identity such as IDs, passwords, and tokens, with mobile identity badges on a smartphone, allowing for advanced authentication while increasing convenience for end users.

**Mobile identity: advanced authentication**

- Inherent two factors of authentication | PKI encrypted
- Out-of-band communication | No keystrokes

**Mobile identity: more convenient than traditional methods**

- Always with you | Instantly deployed
- Instantly revoked | Instantly regenerated

- Bluetooth proximity
- Usher code scan

Only the owner of the phone can use the badge
The Usher identity

Usher is an elegant and powerful mobile app that lets users validate their identity in-person or over the phone, log in to applications, open entryways, and unlock workstations.
Authenticate your identity anytime, anywhere

An industrial-strength security checkpoint in your pocket.

Confirm identity in person

Verify identity over the phone

Validate group affiliation

Broadcast identity to anyone near you
Increase cyber-security for system access

Usher injects speed, simplicity, and security into your business processes and applications.

Log in to web applications without entering passwords

Deliver SSO for SAML-enabled and mobile applications
Unlock workstations securely

Usher lets users log in to workstations with just their smartphones.

**Unlock Mac**
workstations using Bluetooth

Quickly login to a workstation paired with a smartphone through Bluetooth Low Energy or by scanning a QR Code

**Login and unlock PC**
workstations by scanning QR code

Provide a more seamless, convenient user experience without the hassle of passwords and PINs
Seamlessly access physical entryways

Secure every entryway with digital keys.

Scan an **Usher Stamp**

Tap an **Usher Key**
Gain a 360 degree view of your network

Traditional forms of identification and authentication lack the analytical power to support information-driven decisions. With Usher, end-user activity is captured and stored in the Usher Intelligence database.

Cyber security

Usher Intelligence can provide complete visibility of all identity actions across a network.

Network analysis

Analyze your data from many different points of view, filtering on geography, timeframe, identity-related activity, and more.
Usher is built from the ground up for bullet proof security

Usher security architecture is based on robust cutting edge security frameworks and technologies.

Identities are never stored on the phone
Identities are never transmitted from the phone
PKI certificates guarantee phone and applications

Encrypted SSL data transmissions

OAuth, SAML, and OpenID standards
AES-128 GCM encryption
SOC 2 certification
Safe Harbor certification
Deploys Usher to the enterprise

Usher enables network administrators to deploy and manage thousands of badges in a matter of weeks, reducing IT spend while ensuring employees are accessing systems securely. For additional security, Usher integrates with Touch ID, ensuring biometric security with every enterprise activity.

**Supported IDMs:**
- Active directory
- Open LDAP

**Workstations, including:**
- Mac (unlock using Bluetooth)
- Windows 7,8, and Server 2008

**Available on:**
- iPhone – iOS 7.0+
- Android – 4.0+

**Applications, including:**
- WordPress
- Google Apps
- Salesforce
- ADFS
- SAML

**PACs, including:**
- Lenel
- Honeywell
- Datawatch
- S2 Security
- Paxton
Mobility
Deliver timely, customer-centric interactions

- Other vendors
- MicroStrategy Analytics
- MicroStrategy Analytics + Identity

- Gucci Catalog
- Customer purchasing history
- Customer location history

All integrated in one platform
Provide analytic experiences tuned to specific roles

![Diagram showing connections between analysts, sales, customers, and executives through gateways, data, credentials, and applications in the enterprise layer.](image)
Dramatically increase sales productivity

Differentiating Impact
MetLife reps sell better and close deals more quickly. BMC Software reps increased their average deal size by 30%.

Delightful Experience
Support sales processes and improve customer engagement with an app reps want to use.

Sales Collateral and Training
Access the latest multimedia seamlessly in the same app.

Online/Offline
Securely deliver and store information so the app is always available when a rep needs it—on a plane, in a cab, or waiting for an elevator.

Alerting and Notifications
Alert reps when they should call on a specific customer. Alert managers when pipeline seems to be lagging.

Analytical Sophistication
Pursue upsell and cross-sell opportunities based on advanced white space analysis. Calculate win probability based on TBs of previous opportunity information.
Apps for retail store operations

Come into the retail store of the future

**Differentiating Impact**
A major retailer increased store revenue 15.3% after replacing sales kiosks with Mobile App POS

**Delightful Experience**
Employees touch, swipe and tap through the app all day everyday.

**Training and Marketing**
Access the latest multimedia seamlessly in the same app

**Online/Offline**
Information securely delivered and stored so the app is always ready.

**Alerts and Notifications**
Send flash sales to each device. Alert managers of stock outs or other events.

**Analytical Sophistication**
Upsell recommendations calculated against TBs of previous purchases data
Apps for wealth management

Transform Wealth Management, making advisors and their clients to better seize opportunities.

Secured and Locked
Carry financial information securely over international borders, and eradicate hassle and costs of static paper reports.

Improve advisor effectiveness
Anywhere access to client information. Review ahead of the meeting or share with the client face-to-face.

Make Decisions Now
Change investments and get approval in seconds. Rebalance portfolios and get clients signature on the spot.

MicroStrategy
| Investor relations briefing | November 2014
Analysts

Comprehensive

“The fact that MicroStrategy was the only vendor to achieve “Excellent” or “Good” ratings in all major 14 functional areas and had the largest number of “Excellent” ratings of any vendor—in eight of fourteen categories—is testament to their focus on innovation and BI Platform architecture,”

Scalable

“MicroStrategy remains an industry benchmark in large BI deployments running on top of large enterprise data warehouses and is often viewed as the vendor of last resort when enterprise requirements are complex. The company invests continuously in scalability and performance enhancements for its full natively developed and integrated portfolio, which enables it to support the largest average data volumes accessed in data repositories at 17 TB (the market average being 4.2 GB), and the highest average data volume size for the biggest query with 2 TB (the market average being 492 GB).”

Manageable

“The reusability of all objects and the relational OLAP engine with drill-anywhere capability often result in longer lower-term total cost of ownership”
Customers

• Guess’ Retail Buying Office researches historical trends and manages inventory, sales, and open orders to optimize buying plans and inventory allocation.
• Guess employees receive business-critical information via mobile devices and access dynamic dashboards to track buying patterns, enabling them to respond quickly and identify new opportunities for business growth.
• Executive, Finance, and Store Operations departments manage day-to-day operations by analyzing sales trends, comparative sales, and profit margins.

• Students use Usher to discover fellow students and staff with Bluetooth discovery, and add contact information without swapping cards
• Students identity themselves for after hours library access
• Students access university websites and applications by scanning a QR code
• Students pay with Usher using NFC and BLE (for printers, cafeteria, food court, coffee shops, bookstore)

• With user-friendly reports, scorecards, dashboards, and an intuitive mobile application, MicroStrategy enables the analysis of customer satisfaction, marketing initiatives, and new product features in order to drive business growth.
• Their application gives eHarmony a high-level view of performance data and trends, as well as the ability to drill down into the metrics to identify areas for improvement.

• Tapjoy needed to develop an analytics portal that could be used by both employees and the external partner network, allowing partners to see key statistics such as clicks, impressions, conversions, and users on their application advertisements.
• Internally Tapjoy needed to provide analytics for partner account management, platform analysis, financial planning, & analysis.
• Microstrategy Cloud enables Tapjoy to focus on analytics and less on infrastructure management.
New analytics and identity products in 2015

**MicroStrategy 10**

Leading edge analytics platform that fully supports the needs for both Business and IT

- Grows with your users
- In-memory analytics for big data
- No data left behind
- Secured by Usher

**Usher 2.2**

Innovative identity platform that injects speed, simplicity, and security into business processes and applications

- Biometric user validation
- Visibility into network activity
- Integrates with dozens of enterprise systems
- Network of implementation partners
MicroStrategy Financials
Financials – Software (product license and subscription services)

**Revenue** – Trailing Twelve Month ("TTM") revenue of $166M as of Q3 2014
- 3 Year CAGR = 4% (vs. $148M as of Q3 2011)
- 5 Year CAGR = 11% (vs. $100M as of Q3 2009)
- As of Q3 2014, TTM revenue growth of 11%

**Bookings (1)** – TTM bookings of $173M as of Q3 2014
- 3 Year CAGR = 6% (vs. $147M as of Q3 2011)
- 5 Year CAGR = 11% (vs. $104M as of Q3 2009)
- As of Q3 2014, TTM bookings growth of 11%

(1) Represent recognized GAAP revenue plus/minus quarterly change in related deferred revenue
Revenue - TTM revenue of $294M as of Q3 2014
- 3 Year CAGR = 7% (vs. $238M as of Q3 2011)
- 5 Year CAGR = 9% (vs. $187M as of Q3 2009)
- As of Q3 2014, TTM revenue growth of 7%

Bookings (1) - TTM bookings of $293M as of Q3 2014
- 3 Year CAGR = 5% (vs. $250M as of Q3 2011)
- 5 Year CAGR = 8% (vs. $203M as of Q3 2009)
- As of Q3 2014, TTM bookings growth of 2%

(1) Represent recognized GAAP revenue plus/minus quarterly change in related deferred revenue
Financials – Total Revenue, Bookings\(^{(1)}\) & Commitments\(^{(2)}\)

- **Revenue** - TTM total revenue of $597M as of Q3 2014
  - 3 Year CAGR = 5% (vs. $517M as of Q3 2011)
  - 5 Year CAGR = 11% (vs. $354M as of Q3 2009)
  - As of Q3 2014, TTM revenue growth of 5%

- **Bookings**\(^{(1)}\) - TTM total bookings of $600M as of Q3 2014
  - 3 Year CAGR = 4% (vs. $540M as of Q3 2011)
  - 5 Year CAGR = 10% (vs. $374M as of Q3 2009)
  - As of Q3 2014, TTM bookings growth of 2%

\(^{(1)}\) Represent recognized GAAP revenue plus/minus quarterly change in deferred revenue
\(^{(2)}\) Represents “bookings” plus contractual obligations by our customers that are not yet billable
Decline since 2009 primarily result of increased spending in Sales & Marketing (34% to 41%) and Research and Development (10% to 21%); General and Administrative also contributed (14% to 18%).
Financials – Growth and Profit Focus

• 2014 Restructuring – cost reduction target of $75M in pretax annualized savings:

  Per 10-Q (USD in millions):
  
<table>
<thead>
<tr>
<th>Service</th>
<th>Amount (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of other services</td>
<td>$6.9</td>
</tr>
<tr>
<td>Sales and marketing</td>
<td>$30.2</td>
</tr>
<tr>
<td>Research and development</td>
<td>$27.9</td>
</tr>
<tr>
<td>General and administrative</td>
<td>$8.4</td>
</tr>
</tbody>
</table>

  Total estimated annual pre-tax savings from restructuring: $73.4

  In addition, we plan to implement other internal cost saving initiatives that we expect to deliver further annualized pre-tax savings

• Tighter cost controls

• Increased focus on efficiencies

• Corporate performance initiatives
  – 50% focus on growth / 50% focus on expense management and efficiency
  – Compensation plans to be more directly tied to success of these initiatives

• Opportunities
  – Innovative new product releases
  – Services business margin improvement
  – Cloud offering expansion
  – Identity Platform
Financials – Consolidated Balance Sheets

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and equivalents/restricted cash/short-term investments</td>
<td>356,152</td>
<td>357,952</td>
<td>223,129</td>
</tr>
<tr>
<td>Accounts receivable, net</td>
<td>57,514</td>
<td>86,181</td>
<td>89,038</td>
</tr>
<tr>
<td>Prepaid expenses/other current assets/deferred taxes</td>
<td>50,591</td>
<td>35,815</td>
<td>39,305</td>
</tr>
<tr>
<td>Assets held-for-sale</td>
<td>-</td>
<td>-</td>
<td>10,571</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>464,257</td>
<td>479,948</td>
<td>362,043</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>81,542</td>
<td>85,445</td>
<td>96,751</td>
</tr>
<tr>
<td>Capitalized software/deposits/deferred taxes</td>
<td>13,934</td>
<td>20,121</td>
<td>19,144</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>559,733</td>
<td>585,514</td>
<td>477,938</td>
</tr>
</tbody>
</table>

| **Liabilities and Stockholders' Equity** |                   |                  |                  |
| Accounts payable/accrued expenses/accrued compensation/deferred taxes | 101,817 | 119,863 | 113,217 |
| Deferred revenue and advance payments | 120,707 | 113,656 | 101,249 |
| Liabilities held-for-sale | - | - | 4,689 |
| **Total current liabilities** | 222,524 | 233,519 | 219,155 |
| Deferred revenue and advance payments | 11,479 | 8,970 | 8,823 |
| Other long term liabilities/deferred taxes | 26,670 | 32,699 | 49,649 |
| **Total Liabilities** | 260,673 | 275,188 | 277,627 |
| Treasury stock | (475,184) | (475,184) | (475,184) |
| Common Stock/APIC/AOCL/retained earnings | 774,244 | 785,510 | 675,495 |
| **Total Stockholders' Equity** | 299,060 | 310,326 | 200,311 |
| **Total Liabilities and Stockholders' Equity** | 559,733 | 585,514 | 477,938 |

- As of September 30, 2014: $356M in cash and short term investments; no debt
Thank you