TWILIO ANALYST DAY

December 2017
The forward-looking statements contained in this presentation and the accompanying oral presentation are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause actual results or outcomes to be materially different from any future results or outcomes expressed or implied by the forward-looking statements. These risks, uncertainties, assumptions and other factors include, but are not limited to, those related to the Company's business and financial performance, the Company's ability to attract and retain customers, the Company's ability to develop new products and services and enhance existing products and services, the Company's ability to respond rapidly to emerging technology trends, the Company's ability to execute on its business strategy, the Company's ability to compete effectively and the Company's ability to manage growth. Moreover, the Company operates in a very competitive and rapidly changing environment, and new risks may emerge from time to time. It is not possible for the Company to predict all risks, nor can the Company assess the impact of all factors on its business or the extent to which any factor, or combination of factors, may cause actual results or outcomes to differ materially from those contained in any forward-looking statements the Company may make.

This presentation also includes estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other industry data. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The Company has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of its future performance and the future performance of the markets in which the Company competes are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results or outcomes to differ materially from those expressed in the estimates made by the independent parties and by Twilio.

This presentation also includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. The Company has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the appendix.

For further information with respect to Twilio, we refer you to our most recent quarterly report on Form 10-Q filed with the SEC. In addition, we are subject to the information and reporting requirements of the Securities Exchange Act of 1934 and, accordingly, file periodic reports, current reports, proxy statements and other information with the SEC. The final prospectus and these periodic reports, current reports, proxy statements and other information are available for review at the SEC's website at http://www.sec.gov.
12:30-1:00  State of the Union  Jeff Lawson, CEO & Co-Founder
1:00-1:20  Super Network  Christine Roberts, VP & GM of Super Network
1:20-1:50  Programmable Communications Cloud  Ott Kaukver, VP & GM of Voice and Video
1:50-2:00  Break
2:00-2:50  Engagement Cloud & Studio Demo  Pat Malatack, VP & GM of Messaging
2:50-3:20  Go-To-Market  George Hu, COO
3:20-3:30  Break
3:30-4:00  Customer Panel
4:00-4:30  Finance  Lee Kirkpatrick, CFO
4:30-4:45  Wrap-up  Jeff Lawson, CEO & Co-Founder
4:45-EOD  Q&A  Team
JEFF LAWSON

CO-FOUNDER & CEO, TWILIO
A New **Software Era**

A New **Category**

A New **Model**
Key Takeaways

Day One of a large opportunity to reshape communications.

Developer-first approach drives efficiency and broad market reach.

Leadership through software differentiation and trust.
Day One of a large opportunity to reshape communications.
Cloud Platforms Reshaping Huge Markets

Compute & Storage
Maps
Communications
Analytics
Payments
Disrupting a **Huge Market**

$3.5$ Trillion Global IT Budget

- **Enterprise Software** 10%
- **Data Center** 5%
- **Devices** 19%
- **IT Services** 27%

Disrupting a **Huge Market**

$3.5$ Trillion Global IT Budget

- **40%** Communications
- **27%** IT Services
- **19%** Devices
- **10%** Enterprise Software
- **5%** Data Center

Disrupting Every Layer of Communications

- Experts
- Applications
- Telco Hardware
- Network
Disrupting Every Layer of Communications

Experts

Applications

Telco Hardware

Network
Disrupting **Every Layer of Communications**

- Experts
- Applications
- Telco Hardware
- Network

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Disrupting Every Layer of Communications

Experts

Applications

Telco Hardware

Network

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Disrupting **Every Layer of Communications**

- Experts
- Applications
- Telco Hardware
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Disrupting **Every Layer of Communications**

<table>
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<th>Experts</th>
<th>Applications</th>
<th>Telco Hardware</th>
<th>Network</th>
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Disrupting Every Layer of Communications

Experts

Applications

Telco Hardware

Network

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Applications

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Applications
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Cloud Communications Platform

Virtualize
Virtualize
Disrupting Every Layer of Communications

Experts

Applications

Telco Hardware

Network

Componentize

Virtualize

Application Platforms

Cloud Communications Platform

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Disrupting Every Layer of Communications

- Experts
- Applications
- Telco Hardware
- Network

- Democratize
- Componentize
- Virtualize

- Developers
- Application Platforms
- Cloud Communications Platform
FUEL THE FUTURE OF COMMUNICATIONS
Master Plan

FUEL THE FUTURE OF COMMUNICATIONS
Master Plan
Step 1. Build a platform.
Master Plan

Step 1. Build a platform.
Step 2. Go deep.
Master Plan

Step 1. Build a platform.
Step 2. Go deep.
Step 3. Repeat.
Voice 2008  
SMS 2010

FUEL
THE FUTURE OF
COMMUNICATIONS
FUEL THE FUTURE OF COMMUNICATIONS

Voice 2008

SMS 2010
Voice
2008

SMS
2010

Video
2015

Chat
2015

Fax
2017

Apps & Assistants
2016

FUEL
THE FUTURE OF COMMUNICATIONS

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FUEL THE FUTURE OF COMMUNICATIONS

- Voice
  - 2008
- SMS
  - 2010
- Video
  - 2015
- Chat
  - 2015
- Fax
  - 2017
- AR/VR
  - 2017
- Apps & Assistants
  - 2016

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FUEL
THE FUTURE OF COMMUNICATIONS

- Voice
  2008
- SMS
  2010
- Video
  2015
- Chat
  2015
- Fax
  2017
- Apps & Assistants
  2016
- Holograms
  2025*
- AR/VR
  2017

*Definitely not a forward looking statement
FUEL
THE FUTURE OF COMMUNICATIONS

Voice
SMS
Video
Chat
Fax
Apps & Assistants
Holograms
AR/VR

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FUEL
THE FUTURE OF
COMMUNICATIONS

Voice
SMS
Video
Chat
Fax
Apps & Assistants
Holograms
AR/VR

CONSUMER
(C2C)

COLLABORATION
(B2B)
FUEL THE FUTURE OF COMMUNICATIONS

 Voice

 SMS

 Video

 Chat

 Fax

 Apps & Assistants

 Holograms

 AR/VR

 CONSUMER

 (C2C)

 IOT

 (M2M)

 COLLABORATION

 (B2B)

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CUSTOMER ENGAGEMENT (B2C)

CONSUMER (C2C)

IOT (M2M)

COLLABORATION (B2B)

Voice

SMS

Video

Chat

Fax

Apps & Assistants

Holograms

AR/VR

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CUSTOMER ENGAGEMENT (B2C)

CONSUMER (C2C)

IOT (M2M)

COLLABORATION (B2B)

FUEL THE FUTURE OF COMMUNICATIONS

Voice
SMS
Video
Chat
Fax
Apps & Assistants
Holograms
AR/VR

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Engagement Cloud is our First Application Platform
Engagement Cloud is our First Application Platform
Engagement Cloud is our First Application Platform

System of Engagement
CUSTOMER ENGAGEMENT (B2C)

Voice
SMS
Video
Chat
Fax
Apps & Assistants
Holograms
AR/VR

FUEL THE FUTURE OF COMMUNICATIONS

IOT (M2M)

CONSUMER (C2C)

COLLABORATION (B2B)

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FUEL
THE FUTURE OF
COMMUNICATIONS
Developer-first approach drives efficiency and broad market reach.
ASK YOUR DEVELOPER.
16,000 financial analysts use Twilio to connect securely with 2 million clients.

NAUREEN HASSAN | CHIEF DIGITAL OFFICER

BUILT A SECURE, COMPLIANT VOICE AND TEXTING APP FOR PRIVATE WEALTH MANAGEMENT

Morgan Stanley
Developer-first model opens up the whole market.

Software Companies
Developer-first model opens up the whole market.
Developer-first model opens up the **whole market**.
Developer-first model opens up the **whole market**.

"Contact center infrastructure platform providers like Twilio will attract the attention of large enterprise contact center environments that are accustomed to building their own solutions."

November 2017
Developer-first model opens up the whole market.

“DMG Consulting’s “2017-2018 Cloud-Based Contact Center Infrastructure Market Report”, published October 2017, estimated that Twilio has 299,000 seats accounting for 8.1% of all cloud-based contact center infrastructure seats, as of July 2017.

Twilio is estimated to be the 2nd largest cloud-based contact center infrastructure vendor based on number of customers, and the 3rd largest based on seats.

November 2017

DMG Consulting LLC
Developer-first model is efficient.
Developer-first model is efficient.

23% of revenue spent on S&M*

*Non-GAAP Sales and Marketing as a percentage of Total Revenue, for the three months ended September 30, 2017.
Developer-first model is efficient.
Developer-first model is efficient.
Developer-first model is efficient.

Three Expansion Vectors

End-User Adoption of Use Cases

Total revenue per Quarter

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Developer-first model is efficient.

Three Expansion Vectors

- End-User Adoption of Use Cases
- Customers’ End-User Growth

Total revenue per Quarter

Q4 13, Q4 14, Q4 15, Q4 16

$0, $750,000
Developer-first model is **efficient**.

Three Expansion Vectors

- End-User Adoption of Use Cases
- Customers’ End-User Growth
- Building Additional Use Cases

Total revenue per Quarter

$750,000

Q4 13, Q4 14, Q4 15, Q4 16
Acquire Developers Like Consumers, Enable Them to **Spend like Enterprises**
Revenue Expansion Rate Ex Uber

For the three months ended. Compares revenue generated by our Active Customer Accounts, other than Variable, in one period to the same period in the prior year, net of churn.
Leadership through software differentiation and trust.
Agility with Resiliency
Trust

Product Velocity

Customers & Ecosystem
Twilio is the leader in communications platform as a service globally.

Leading Industry Research Firm

April 2017

Source: The analyst report we couldn’t quote but we’ll send you a copy of.
Key Takeaways

**Day One** of a large opportunity to reshape communications.

**Developer-first** approach drives efficiency and broad reach.

**Leadership** through software differentiation and trust.
THANK YOU