



Box Investor Presentation



Investor Disclosure: Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains forward-looking statements that involve risks and uncertainties, including statements regarding Box's expectations regarding the size of its market opportunity, the demand for its products, its ability to scale its business and drive operating leverage, its long-term revenue target expectations, its ability to achieve and maintain positive free cash flow for the full fiscal year ending January 31, 2018, profitability, recent and planned product introductions and enhancements, benefits of such product introductions and enhancements, and success of strategic partnerships, its ability to achieve its long-term revenue target and related operating metrics at a \$1 billion annual revenue run rate, as well as expectations regarding its revenue, billings, GAAP and non-GAAP earnings per share, the related components of GAAP and non-GAAP earnings per share, and weighted average basic and diluted outstanding share count expectations for Box's fiscal first quarter and full fiscal year 2018.

There are a significant number of factors that could cause actual results to differ materially from statements made in this press release, including: (1) adverse changes in general economic or market conditions; (2) delays or reductions in information technology spending; (3) factors related to Box's intensely competitive market, including but not limited to pricing pressures, industry consolidation, entry of new competitors and new applications and marketing initiatives by Box's current or future competitors; (4) the development of the Cloud Content Management market; (5) risks associated with Box's ability to manage its rapid growth effectively; (6) Box's limited operating history, which makes it difficult to predict future results; (7) the risk that Box's customers do not renew their subscriptions, expand their use of Box's services, or adopt new products offered by Box; (8) Box's ability to provide timely and successful enhancements, new features and modifications to its platform and services; (9) actual or perceived security vulnerabilities in Box's services or any breaches of Box's security controls; and (10) Box's ability to realize the expected benefits of its third-party partnerships.

You should not rely on any forward-looking statements, and we assume no obligation, nor do we intend, to update them. All information in this presentation is as of March 1, 2017.

This presentation contains non-GAAP financial measures and key metrics relating to the company's past and expected future performance. You can find the reconciliation of these measures to the nearest comparable GAAP measures in the appendix at the end of this presentation.

Any unreleased services or features referenced in this presentation or other public statements by Box are not currently available and may not be delivered on time or at all. Customers who purchase Box products and services should make their purchase decisions based upon services and features that are currently available.

All growth rates represent year-over-year comparisons, except as otherwise noted.

Fourth Quarter Fiscal 2017 Financial Highlights

Record Revenue, Achieved Positive Free Cash Flow and Continued Operational Efficiencies

	Q4FY17	Q4FY16	Y/Y Growth
Revenue	\$109.9M	\$85.0M	29%
Billings	\$159.3M	\$130.2M	22%
Deferred Revenue	\$242.0M	\$186.4M	30%
GAAP EPS	(28¢)	(41¢)	13¢
Non-GAAP EPS	(10¢)	(26¢)	16¢
Cash Flow from Operations	\$14.7M	\$4.9M	\$9.9M
Free Cash Flow	\$10.2M	(\$21.3M)	\$31.5M

Note: See GAAP to Non-GAAP reconciliation tables in the Appendix at the end of this presentation.

All your work, together



Every Business is Becoming a Digital Business



New ways
to work

Insight-led
collaboration &
productivity



New approaches
to IT

100% cloud
to maximize agility



New digital
experiences

User-centric
and best-in-class

The New Way to Work



One
platform for
all your
content



Secure and
compliant for
every industry
and geo



Integrated
with every
app you use



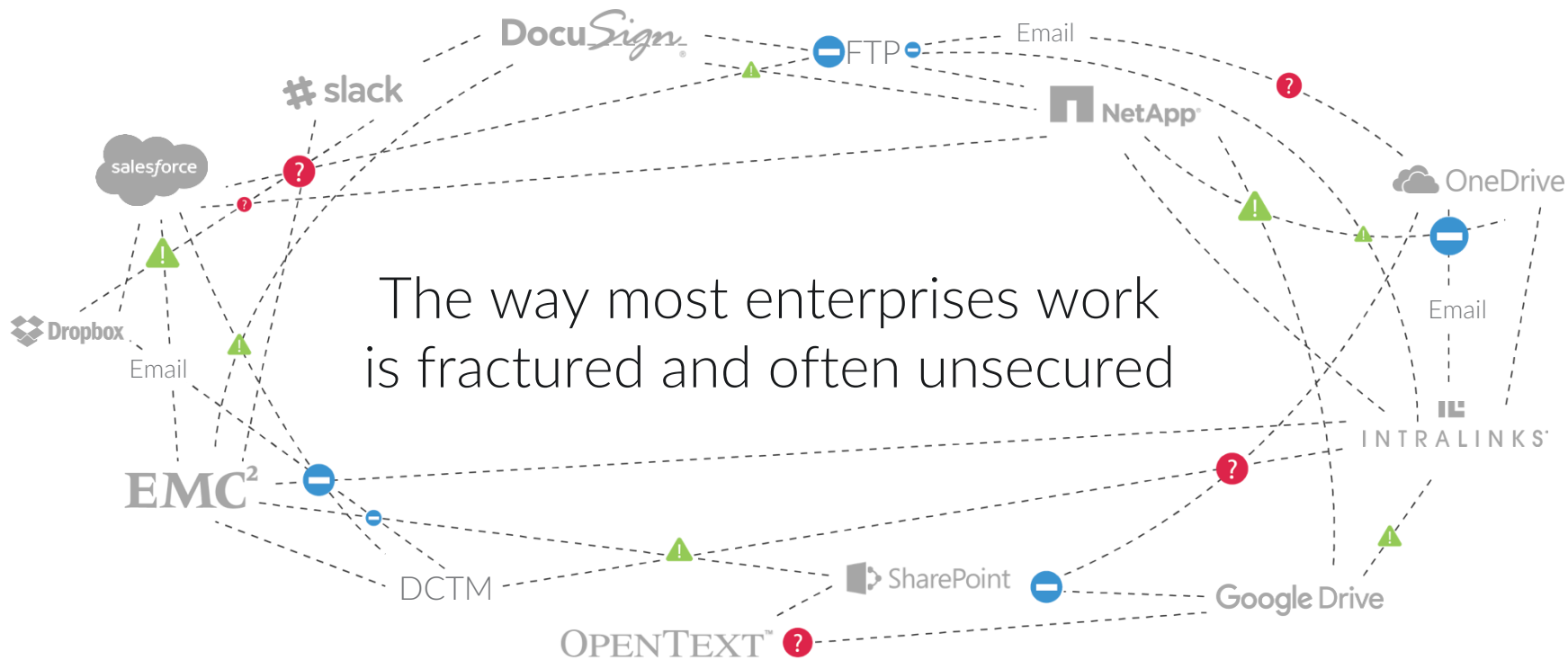
Built for
collaboration
and
workflow
across
borders



User centric
and
developer
friendly at
the same
time



Created to
leverage
cloud
economics



Where All Your Work Comes Together



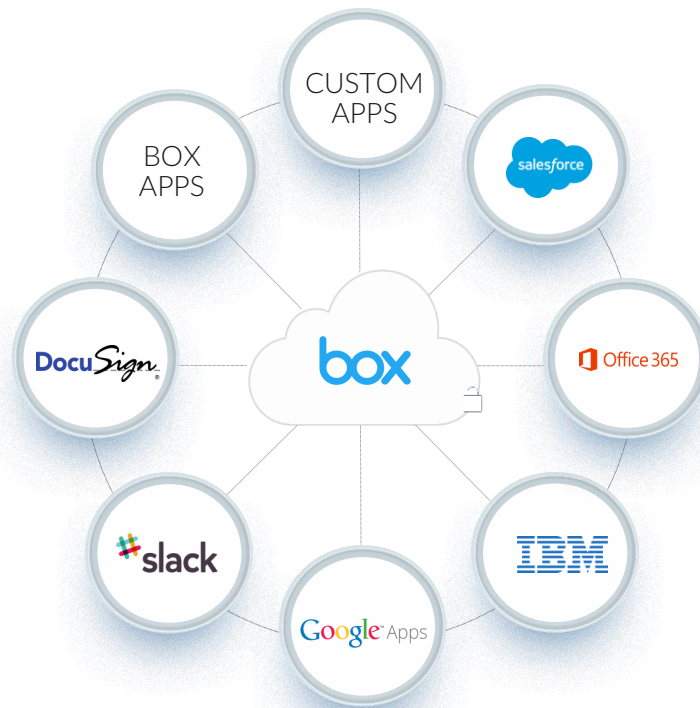
Connects to all the apps your enterprise uses today










Adds security into every content application, automatically

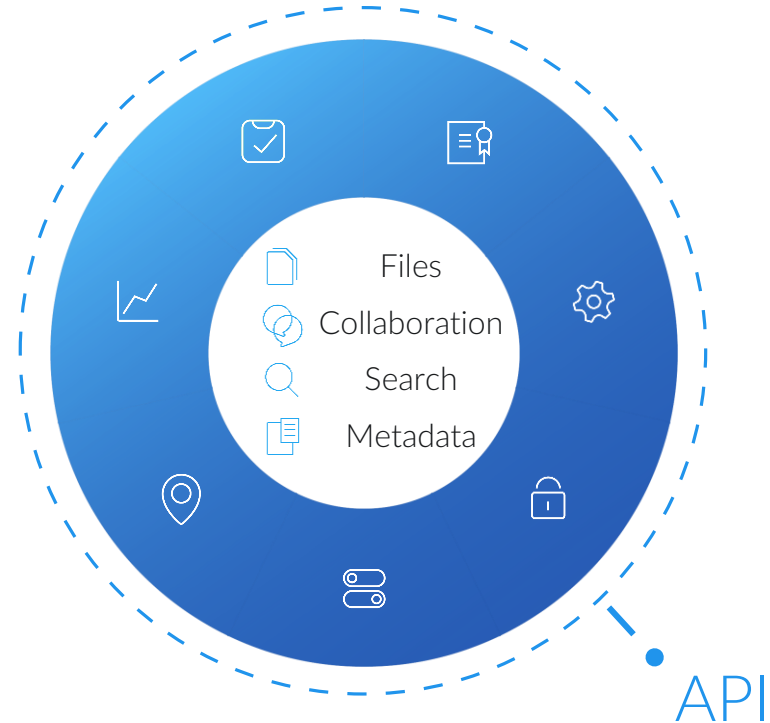


End-users love
Box – fast adoption



Box is Cloud Content Management

-  Compliance
-  Data protection policies
-  Workflow automation
-  Key management
-  Information governance
-  Data residency
-  Analytics



71K
Customers

64%
Fortune 500

VOLKSWAGEN
GROUP OF AMERICA



Perkins
Coe



AstraZeneca

THE UNIVERSITY OF TEXAS
MD Anderson
Cancer Center

UNITED NATIONS
FOUNDATION

P&G



guaranteedRate



FICO

sundance
institute



Proven value across the organization



Infrastructure

\$2M savings by retiring
storage and ECM



Risk

\$3M avoided by improved
compliance and security¹



Productivity

20% improvement
in user productivity¹

1. Three year risk adjusted results from a commissioned TEI study conducted by FORRESTER

The cloud content management platform

Simple / Secure / Open



Work simply from any device, anywhere



Access to all your content from any device



Real-time team collaboration



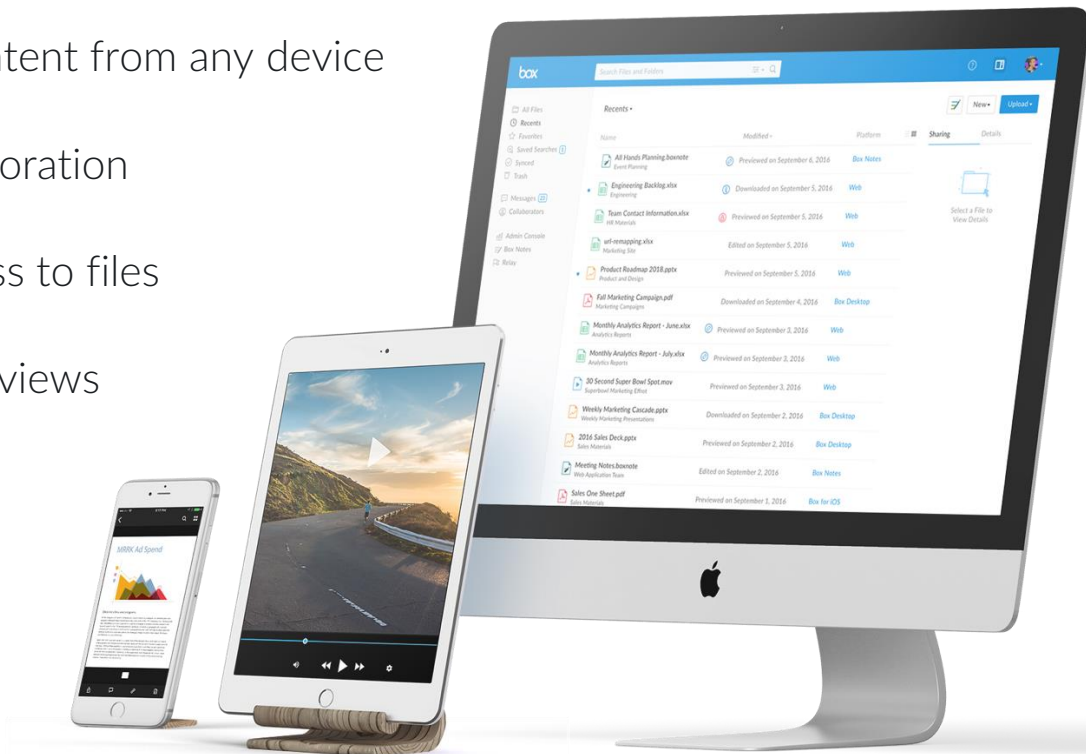
Online & offline access to files



Native rich media previews



Unlimited storage



Work on your files in any app, including Office 365

box



Google Apps

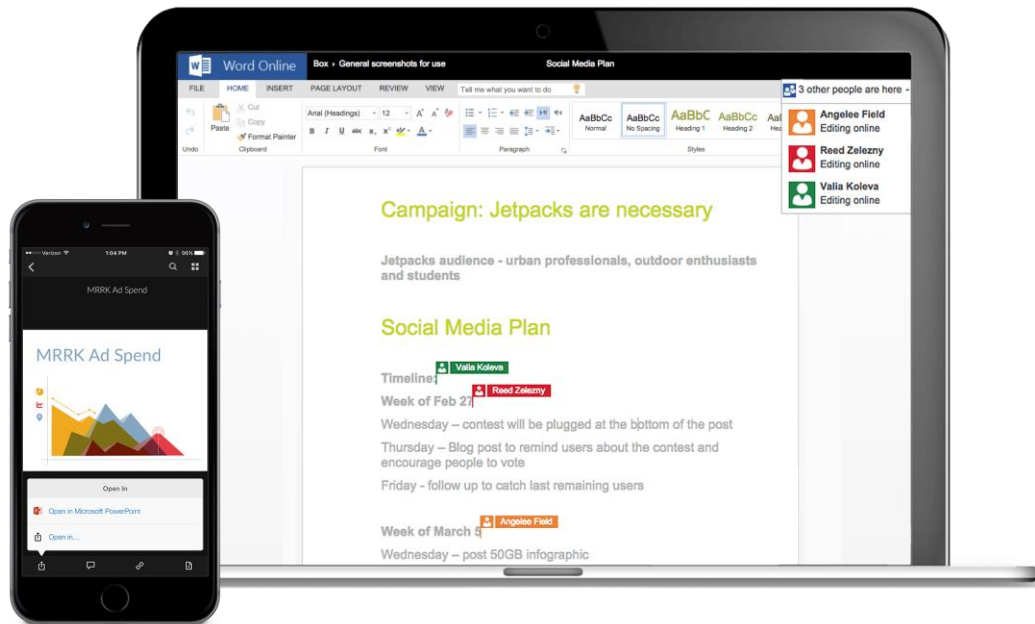
DocuSign

Office 365

slack

NETSUITE

IBM



Work with teams inside and outside the company

Internal Workflows



Sales

Share presentations and sales collateral with customers and prospects



Finance

Collaborate on business planning, revenue recognition, customer proposals & deal terms



HR

Collaborate on headcount planning, performance reviews, HR benefits and compensation



External Collaborators



Supply Chain

Share inventory planning documents with all relevant parties



Law Firm

Collaborate on sensitive documents related to IP, patents, litigation & M&A



Ad Agency

Collaboration with design agencies, distribute assets to media and creative teams

The cloud content management platform

Simple / Secure / Open



Comprehensive security and compliance to stay protected



User Security

- Enterprise Identity Integration
- Granular Access and Collaboration Controls
- Native Device & Mobile Controls
- Detailed Logging and Reporting



Enterprise Controls

- Seamless Retention Management
- Defensible eDiscovery
- Legal Holds
- Enforceable Content Policies



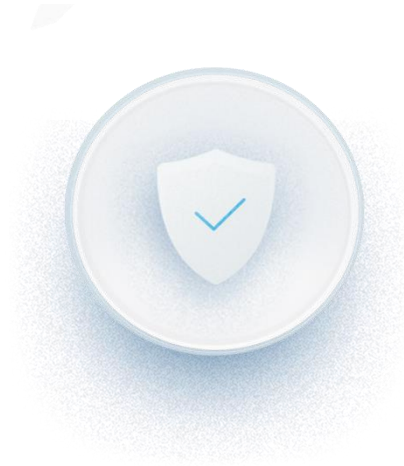
Infrastructure

- 3 Data Centers and 99.9% SLA
- Encryption: AES 256 and TLS
- Choose Your Network
- Penetration Tests and Secure Software Dev. Lifecycle (SDLC)








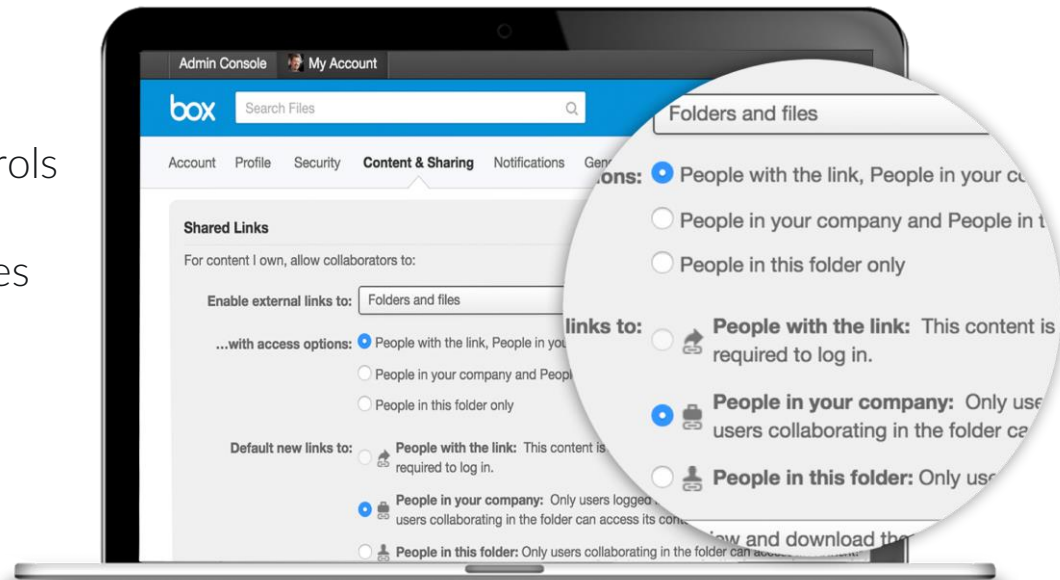
Compliance

- HIPAA
- FINRA
- PCI
- ISO 27018
- FedRAMP
- BCRs (Binding Corporate Rules) + Privacy Shield



Unparalleled visibility and control over your content

-  7 permission types
-  Trusted device access controls
-  Document Retention Policies
-  Full activity audit trails
-  Watermarking



In-region data storage to meet local regulations

 United States

 Canada

 Ireland

 Germany

 Japan

 Australia

 Singapore



box ZONES

Modern information governance to ensure compliance

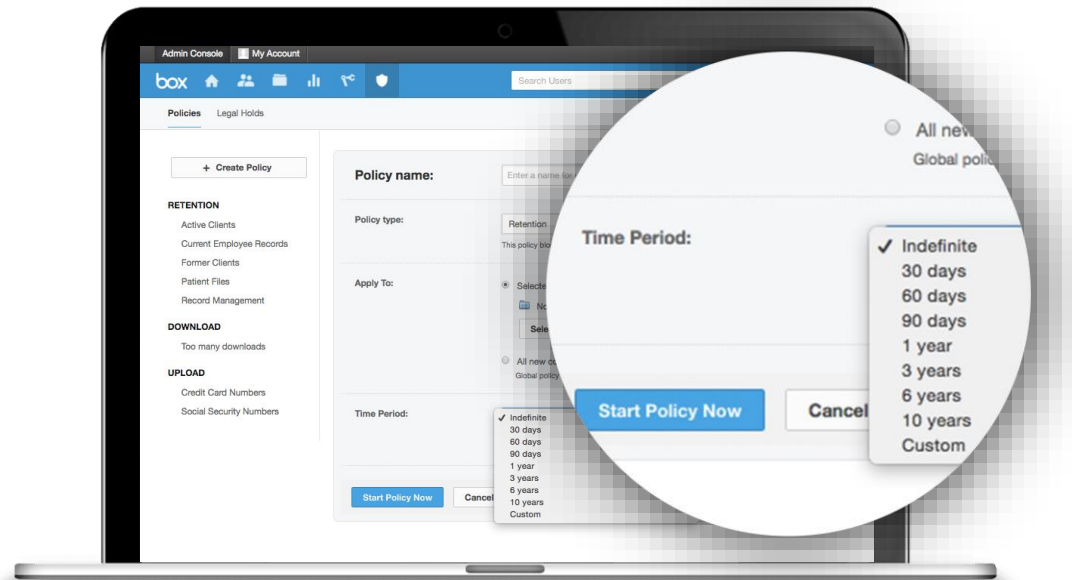
 Retention Management

 Data Loss Prevention

 Full Activity Audit Trails





 Defensible Discovery

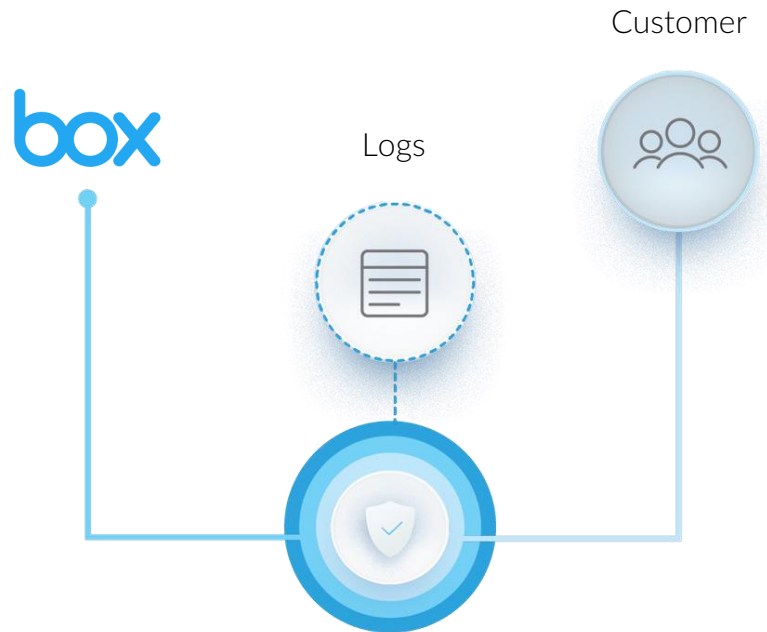
 Legal Holds



box GOVERNANCE

Full control over your encrypted content

-  Independent Key Control
-  Preserves Cloud Benefits
-  Full Lifecycle Encryption
-  Unchangeable Audit Log



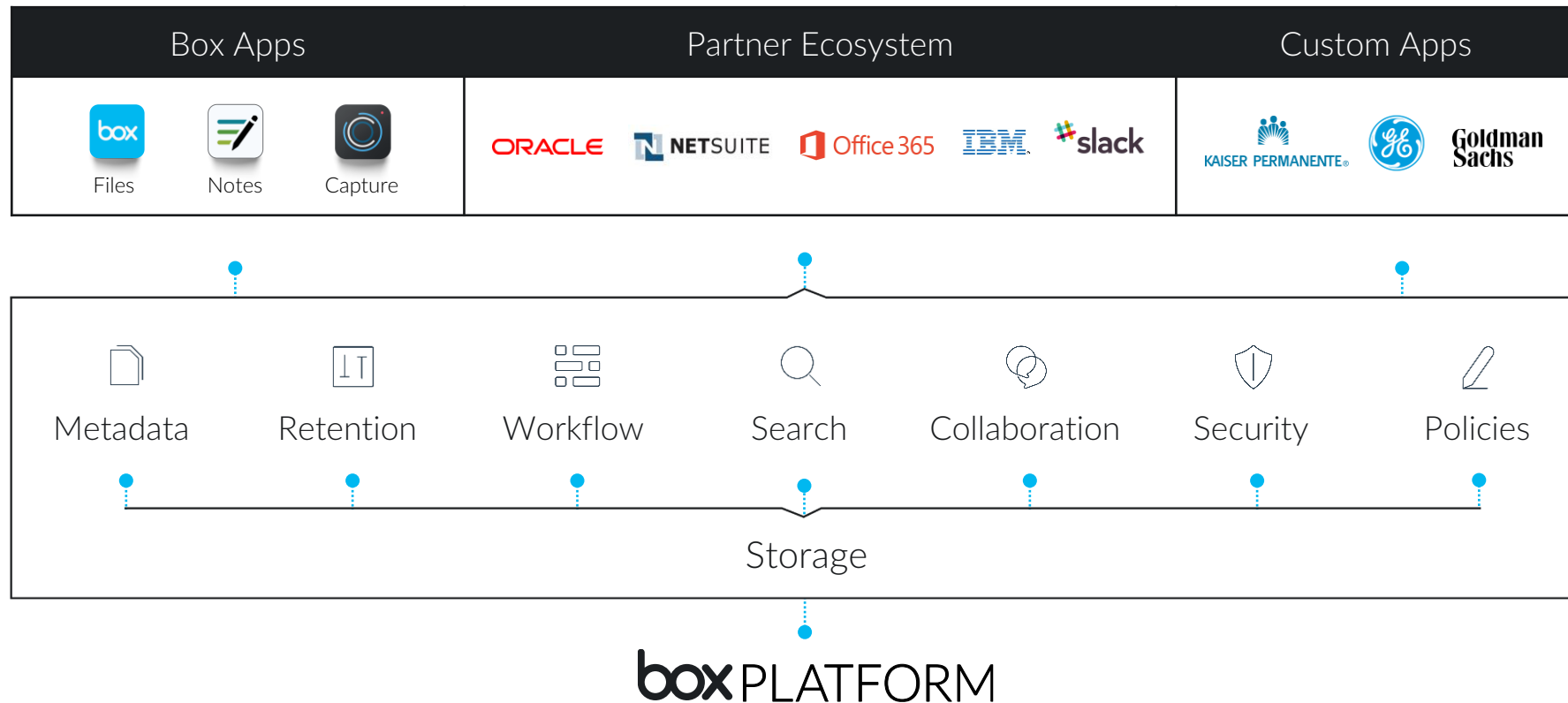
box KEYSAFE

The cloud content management platform

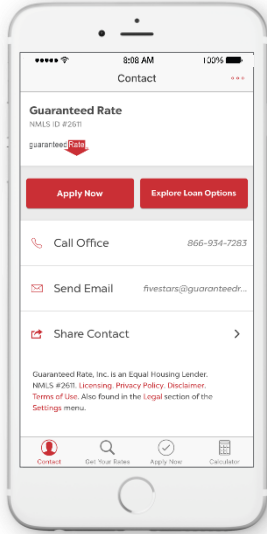
Simple / Secure / Open



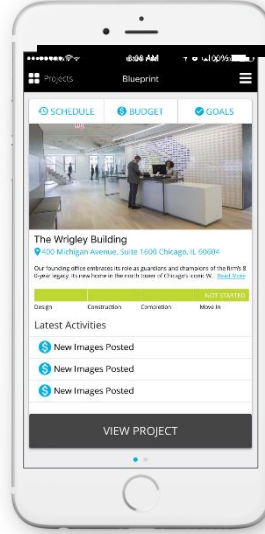
Box Platform integrates into any application



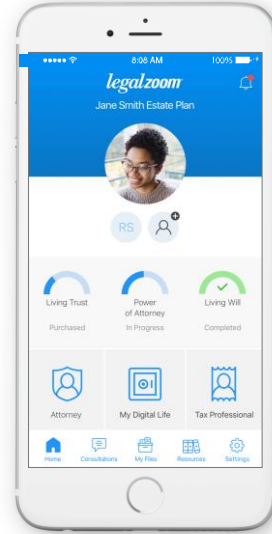
Powering digital transformation in every industry



guaranteedRate®



PERKINS
+ WILL

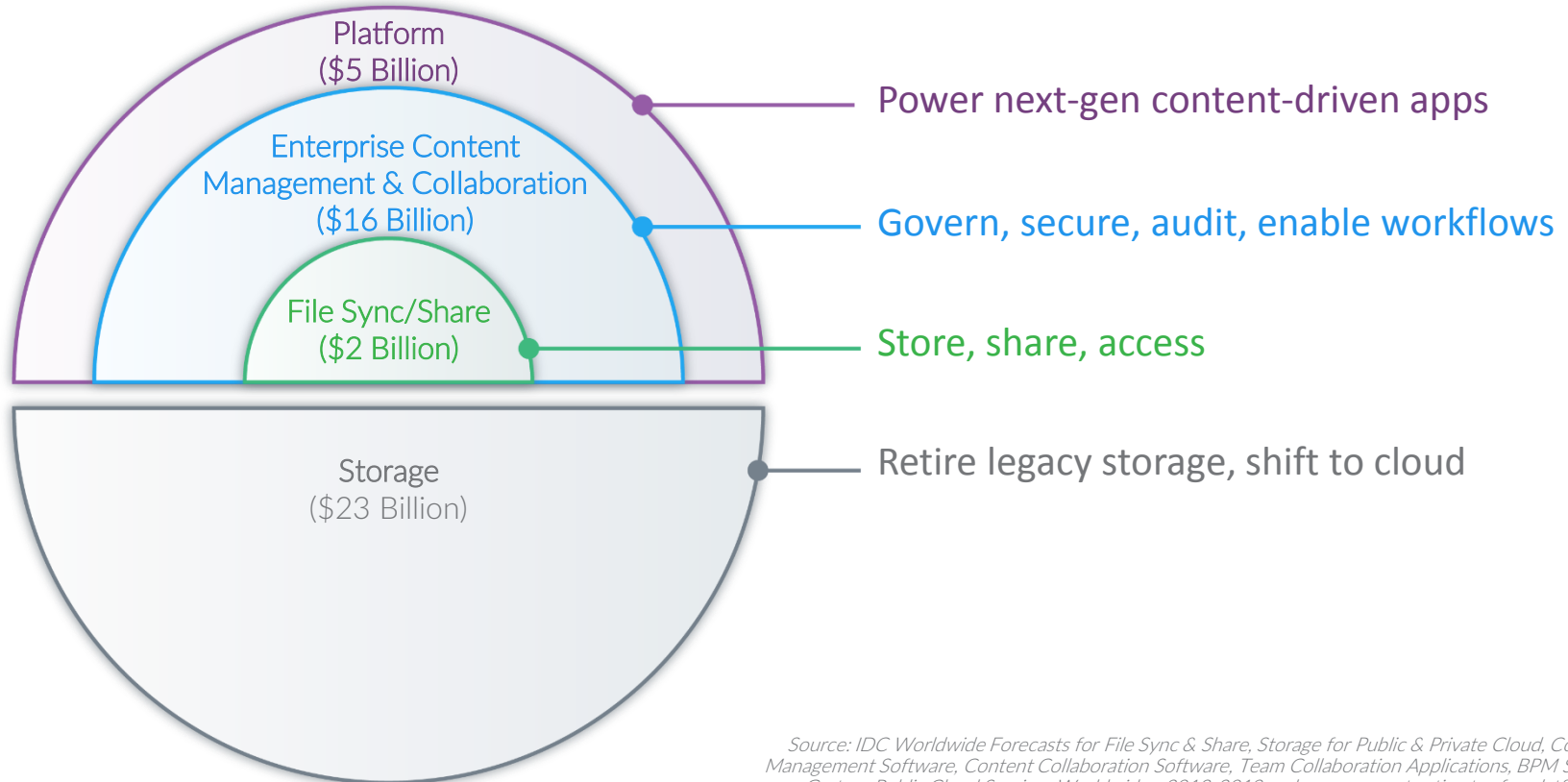


legalzoom®

boxPLATFORM

Large & growing addressable market

\$45+ Billion by 2019



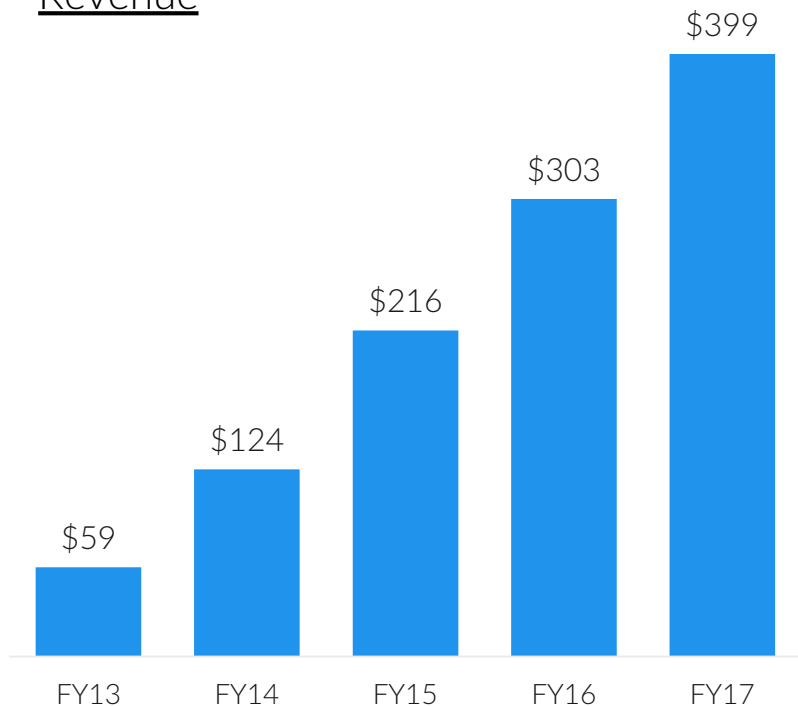
Source: IDC Worldwide Forecasts for File Sync & Share, Storage for Public & Private Cloud, Content Management Software, Content Collaboration Software, Team Collaboration Applications, BPM Software, Gartner Public Cloud Services Worldwide - 2013-2019 and management estimates for platform.



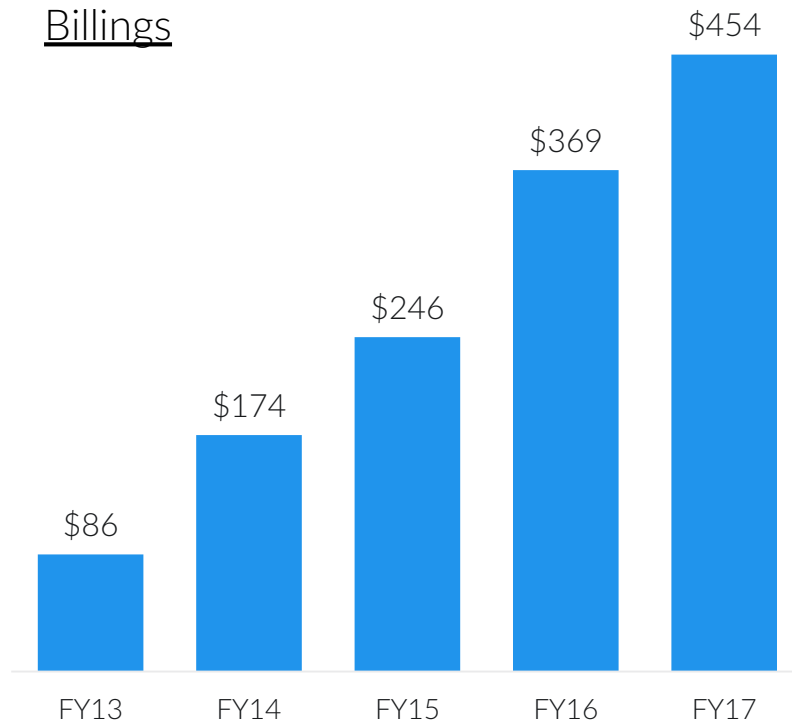
Driving Long
Term Growth

History of strong financial execution

Revenue



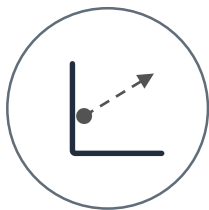
Billings



Note: Billings is calculated by adding the change in deferred revenue to GAAP revenue recognized during the quarter.

Catalysts for sustainable and rapid growth

Strong foundation for growth



Seat Growth

18% annual
expansion rate
in Q4FY17



New Products

Well positioned to
address \$45B market
opportunity



Box Platform

Greenfield opportunity
to serve app developers
in B2B2C use cases



Partner Leverage

IBM, MSFT, AWS, GOOG
and other key partners
expand technology and
distribution, including
internationally



New Logos

71K current
customers

Compelling customer economics

95% recurring revenue provides strong revenue visibility

3%

Improved Churn
Product stickiness

18%

Net Expansion⁽¹⁾
Continued growth within
existing customers

115%

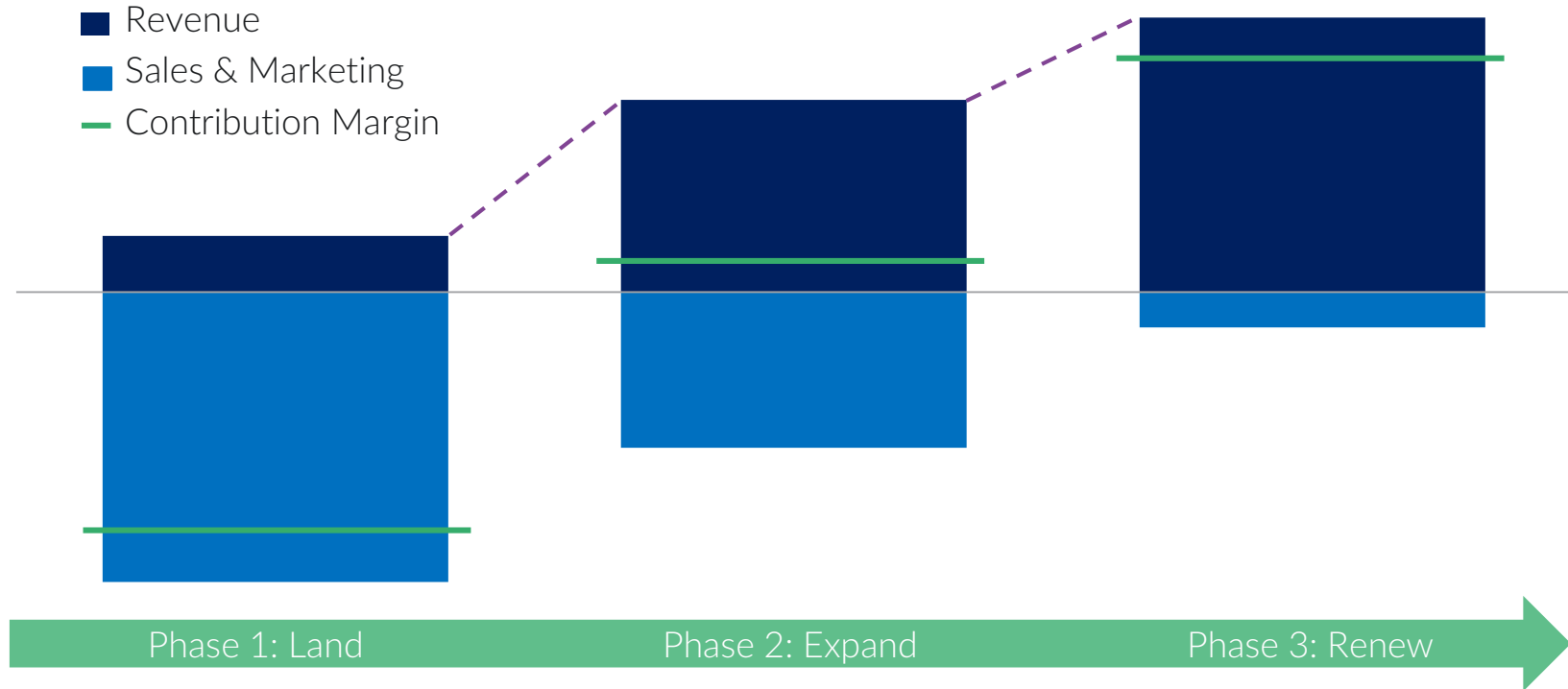
Retention Rate⁽²⁾
Best-in-Class

1.Net expansion defined as the net increase in contract value from our existing customers, who had \$5K+ in TAV 12 months ago.

2.Retention rate is defined as the net % of Total Account Value ("TAV") retained from existing customers, including expansion.

This metric is calculated by dividing current TAV of customers who 12 months ago had \$5K+ in TAV by their TAV 12 months ago.

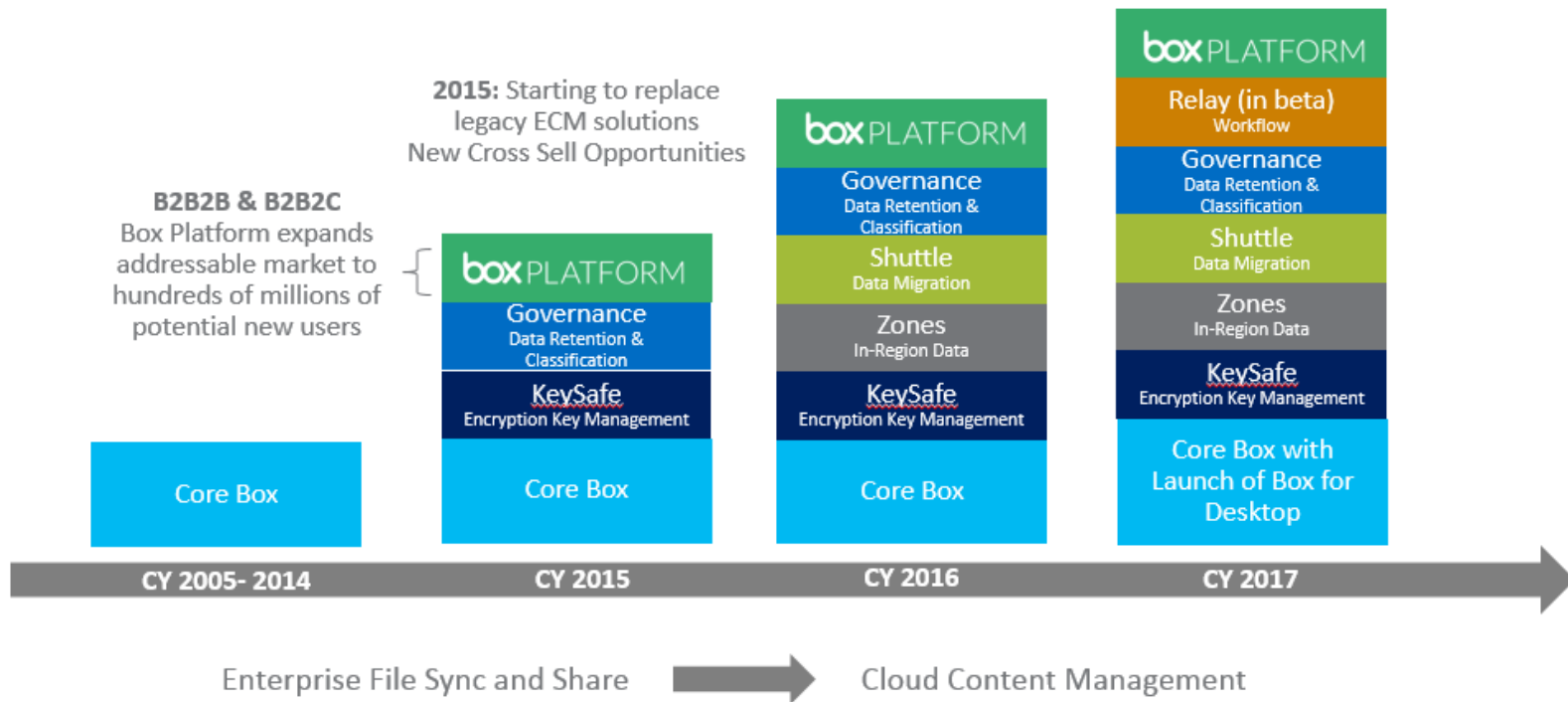
High leverage model with strong upsell economics



Note: Sales expense includes customer success costs, which is our team that engages with customers to understand their specific use cases and deployment needs.

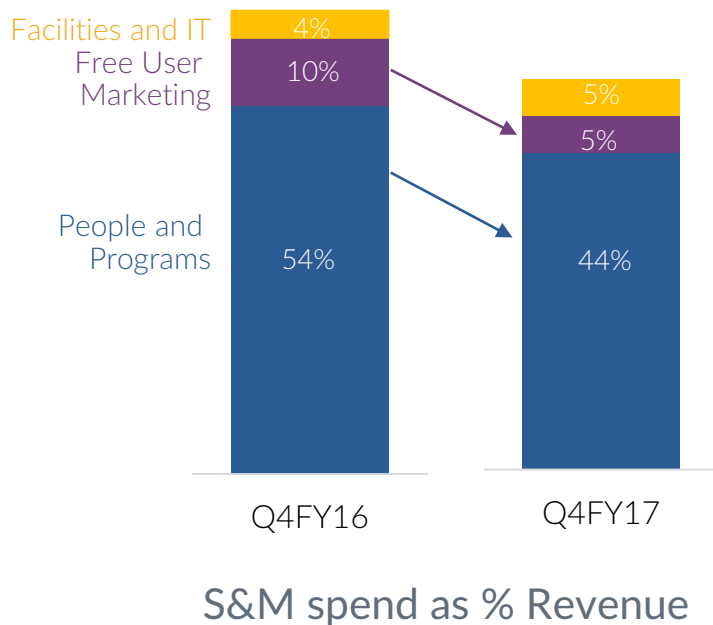
Inflection point in growth and innovation

New products provide further competitive differentiation



Driving significant S&M operating leverage

Q4'17 S&M as % of revenue improved 14 Points to 54%



Inherent Business Model Leverage

- Lower cost of customer expansion and renewals
- Improve sales rep tenure and productivity
- Scale drives free user marketing leverage

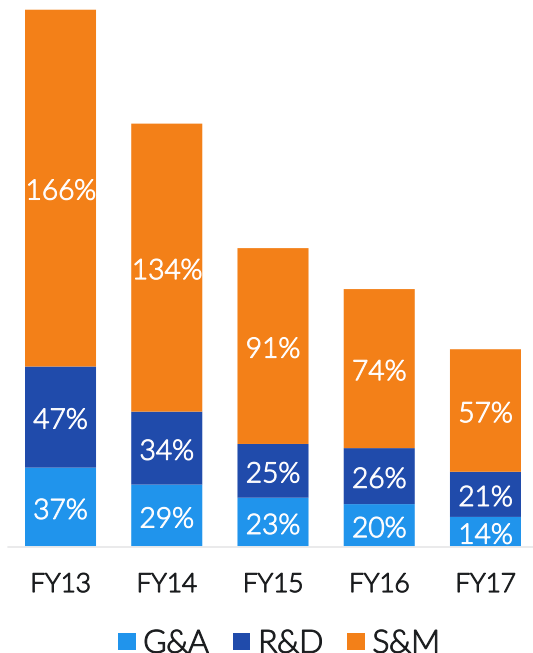
Focus Areas

- New products drive higher productivity and ACV
- Leverage partners to enhance sales efficiency
- Expand self-service model for small customers

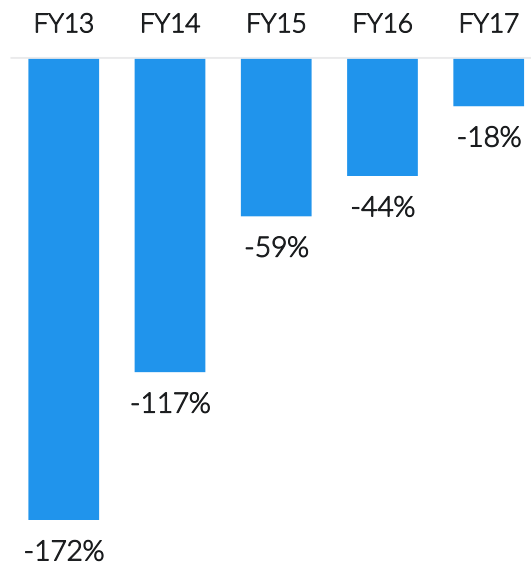
Note: Sales and marketing expenses by type as a percentage of revenue are presented on a non-GAAP basis and exclude stock-based compensation.

Progressing toward profitability

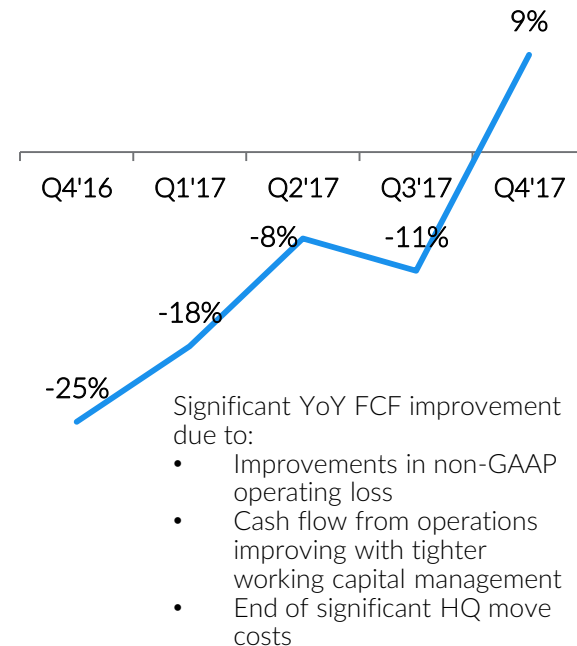
Non-GAAP Operating Expenses
(% of Revenue)



Non-GAAP Operating Margin
(% of Revenue)



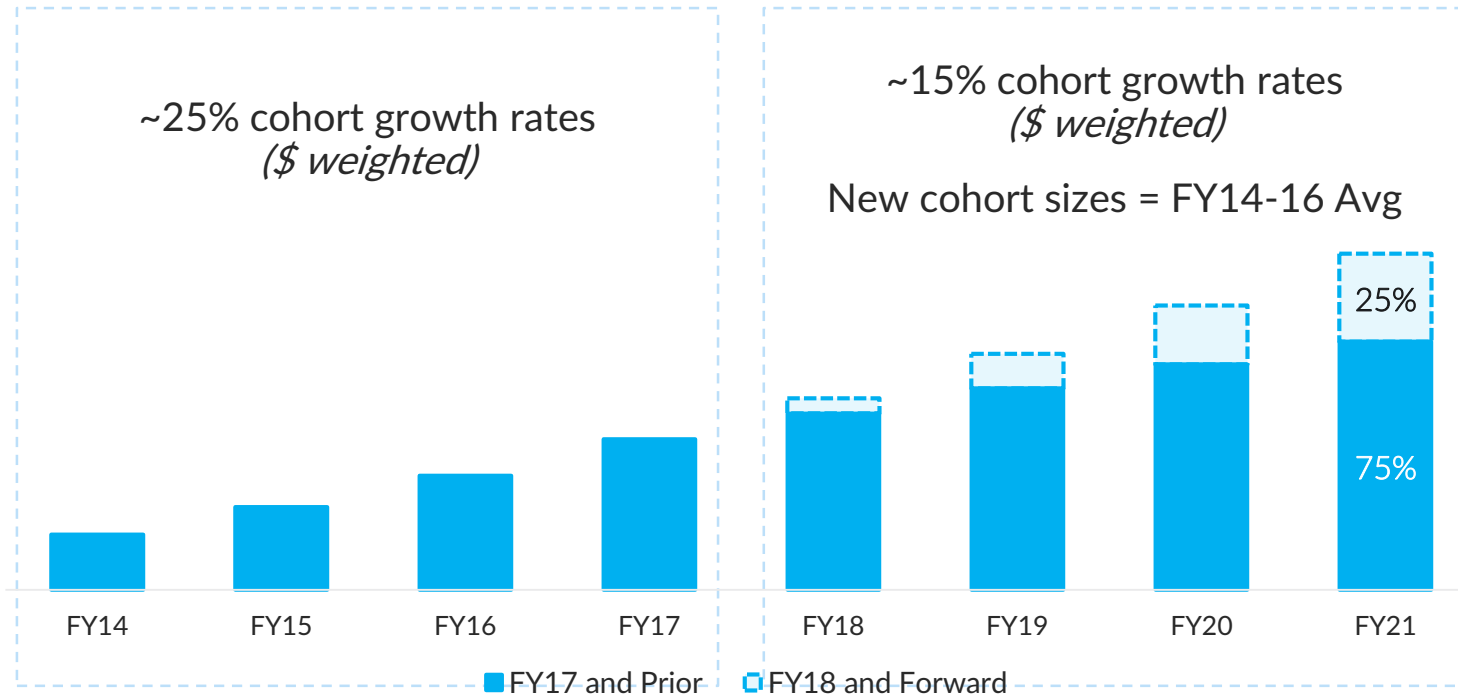
Free Cash Flow
(% of Revenue)



Note: Expenses and operating margin shown on a non-GAAP basis (reconciliations to the GAAP basis can be found in the Appendix of this presentation). Free Cash Flow Margin = Free Cash Flow as a percentage of Revenue. Free Cash Flow is defined as cash (used in) provided by operating activities less purchases of property and equipment, principal payments of capital lease obligations, and other items that did not or are not expected to require cash settlement and which management considers to be outside of Box's core business. Refer to the Appendix for the reconciliation of Free Cash Flow to the nearest GAAP measure.

Tracking to reach \$1B annual run rate in FY21

Customer base expansion & market size drive confidence in future growth



Note: Goal to achieve \$250 million in a quarter in FY21.

Target Model at ~\$1B Annual Revenue Run Rate

Scaling to ~\$1B with existing customers, new products & improved efficiency

	FY15	FY16	FY17	Key Drivers	At ~\$1B
Gross Margin	80%	75%	75%	Scale into expanded data center footprint	~75%
S&M as a % of revenue	91%	74%	57%	Drive business model leverage and rep productivity	~39%
R&D as a % of revenue	25%	26%	21%	Continue to innovate on world class products	~16%
G&A as a % of revenue	23%	20%	14%	Focus on operational excellence	~9%
Operating Margin	(59%)	(44%)	(18%)	Manage expenses and benefit from economies of scale	~11%
Free Cash Flow Margin	(57%)	(38%)	(6%)	Improve payment durations; major CapEx in past	~17%

Box Highlights



Product
Differentiation

#AllNewBox furthers
market leadership



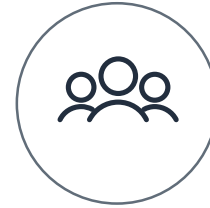
New Product
Offerings

New products drive
upsell opportunity and
expand addressable
market



Early Platform
Traction

Box as Content Platform
extends opportunity to
new multi-billion dollar
greenfield market



Partner Ecosystem
Expansion

World-class ecosystem
broadens technology and
sales distribution



Compelling
Economics

Inherent business model
leverage with strong
customer economics

Thank You

Appendix

GAAP to Non-GAAP Reconciliation – Billings

<i>(\$ in thousands)</i>	FY13	FY14	FY15	FY16	FY17
GAAP revenue	\$58,797	\$124,192	\$216,440	\$302,704	\$398,605
Deferred revenue, end of period	40,099	90,072	120,057	186,413	241,984
Less: deferred revenue, beginning of period	(13,169)	(40,099)	(90,072)	(120,057)	(186,413)
Billings	\$85,727	\$174,165	\$246,425	\$369,060	\$454,176

GAAP to Non-GAAP Reconciliation – Operating Expenses

<i>(\$ in thousands)</i>	FY2013	<i>As a % of revenue</i>	FY2014	<i>As a % of revenue</i>	FY2015	<i>As a % of revenue</i>
GAAP research and development	\$28,996	49%	\$45,967	37%	\$66,402	31%
Less: stock-based compensation	(1,211)		(3,154)		(11,767)	
Non-GAAP research and development	\$27,785	47%	\$42,813	34%	\$54,635	25%
GAAP sales and marketing	\$99,221	169%	\$171,188	138%	\$207,749	96%
Less: stock-based compensation	(1,893)		(5,017)		(11,616)	
Non-GAAP sales and marketing	\$97,328	166%	\$166,171	134%	\$196,133	91%
GAAP general and administrative	\$25,429	43%	\$39,843	32%	\$61,672	28%
Less: stock-based compensation	(3,345)		(3,128)		(7,054)	
Less: intangible assets amortization	(176)		(174)		(169)	
Less: expenses related to a legal verdict	-		-		(3,900)	
Non-GAAP general and administrative	\$21,908	37%	\$36,541	29%	\$50,549	23%

GAAP to Non-GAAP Reconciliation – Operating Expenses (Cont'd)

<i>(\$ in thousands)</i>	FY2016	<i>As a % of revenue</i>	FY2017	<i>As a % of revenue</i>
GAAP research and development	\$102,500	34%	\$115,928	29%
Less: stock-based compensation	(24,696)		(30,796)	
Non-GAAP research and development	\$77,804	26%	\$85,132	21%
GAAP sales and marketing	\$242,184	80%	\$253,020	63%
Less: stock-based compensation	(19,530)		(26,142)	
Non-GAAP sales and marketing	\$222,654	74%	\$226,878	57%
GAAP general and administrative	\$71,923	24%	\$68,182	17%
Less: stock-based compensation	(10,614)		(13,552)	
Less: intangible assets amortization	(154)		(155)	
Less: (expenses) income related to a legal verdict	(1,586)		1,664	
Non-GAAP general and administrative	\$59,569	20%	\$56,139	14%

GAAP to Non-GAAP Reconciliation – Gross Margin

<i>(\$ in thousands)</i>	FY2015	<i>As a % of revenue</i>	FY2016	<i>As a % of revenue</i>	FY2017	<i>As a % of revenue</i>
GAAP gross margin	\$169,167	78%	\$215,604	71%	\$286,475	72%
Add: stock-based compensation	1,492		4,664		7,882	
Add: intangible assets amortization	3,455		5,443		3,197	
Non-GAAP gross margin	\$174,114	80%	\$225,711	75%	\$297,554	75%

GAAP to Non-GAAP Reconciliation – Operating Margin

<i>(\$ in thousands)</i>	FY2013	<i>As a % of revenue</i>	FY2014	<i>As a % of revenue</i>	FY2015	<i>As a % of revenue</i>
GAAP operating margin	(\$109,129)	(186%)	(\$158,780)	(128%)	(\$166,656)	(77%)
Add: stock-based compensation	7,536		11,749		31,929	
Add: intangible assets amortization	176		1,987		3,624	
Add: accruals related to a legal verdict	-		-		3,900	
Non-GAAP operating margin	(\$101,417)	(172%)	(\$145,044)	(117%)	(\$127,203)	(59%)

GAAP to Non-GAAP Reconciliation – Operating Margin

(\$ in thousands)	FY2016	As a % of revenue	FY2017	As a % of revenue
GAAP operating margin	(\$201,003)	(66%)	\$(150,655)	(38%)
Add: stock-based compensation	59,504		78,372	
Add: intangible assets amortization	5,597		3,352	
Add: expenses (income) related to a legal verdict	1,586		(1,664)	
Non-GAAP operating margin	(\$134,316)	(44%)	\$(70,595)	(18%)

GAAP to Non-GAAP Reconciliation – Free Cash Flow

\$ in thousands)	FY15	As a % of revenue	FY16	As a % of revenue	FY17	As a % of revenue
GAAP net cash used in operating activities	(\$84,800)	(39%)	(\$66,321)	(22%)	(\$1,218)	(-%)
Add: Restricted cash used to guarantee a letter of credit for Redwood City HQ	-		25,000		-	
Less: purchases of property and equipment	(38,681)		(72,939)		(14,956)	
Less: Payments of capital lease obligations	(69)		(2,036)		(8,675)	
Free cash flow	(\$123,550)	(57%)	(\$116,296)	(38%)	(\$24,849)	(6%)

GAAP to Non-GAAP Reconciliation – Free Cash Flow

<i>(\$ in thousands)</i>	<i>Q4FY16</i>	<i>As a % of revenue</i>	<i>Q1FY17</i>	<i>As a % of revenue</i>	<i>Q2FY17</i>	<i>As a % of revenue</i>	<i>Q3FY17</i>	<i>As a % of revenue</i>	<i>Q4FY17</i>	<i>As a % of revenue</i>
GAAP net cash (used in) provided by operating activities	\$4,865	6%	(\$4,231)	(5%)	(\$4,879)	(5%)	(\$6,829)	(7%)	\$14,721	13%
Less: purchases of property and equipment	(25,097)		(10,976)		(771)		(1,892)		(1,317)	
Less: Payments of capital lease obligations	(1,108)		(949)		(2,312)		(2,178)		(3,236)	
Free cash flow	(\$21,340)	(25%)	(\$16,156)	(18%)	(\$7,962)	(8%)	(\$10,899)	(11%)	\$10,168	9%

GAAP to Non-GAAP Reconciliation – Earnings per Share (EPS)

	Q4FY16	Q4FY17
GAAP EPS	(\$0.41)	(\$0.28)
Stock-based compensation	0.13	0.18
Intangible assets amortization	0.02	-
Non-GAAP EPS	(\$0.26)	(\$0.10)
