



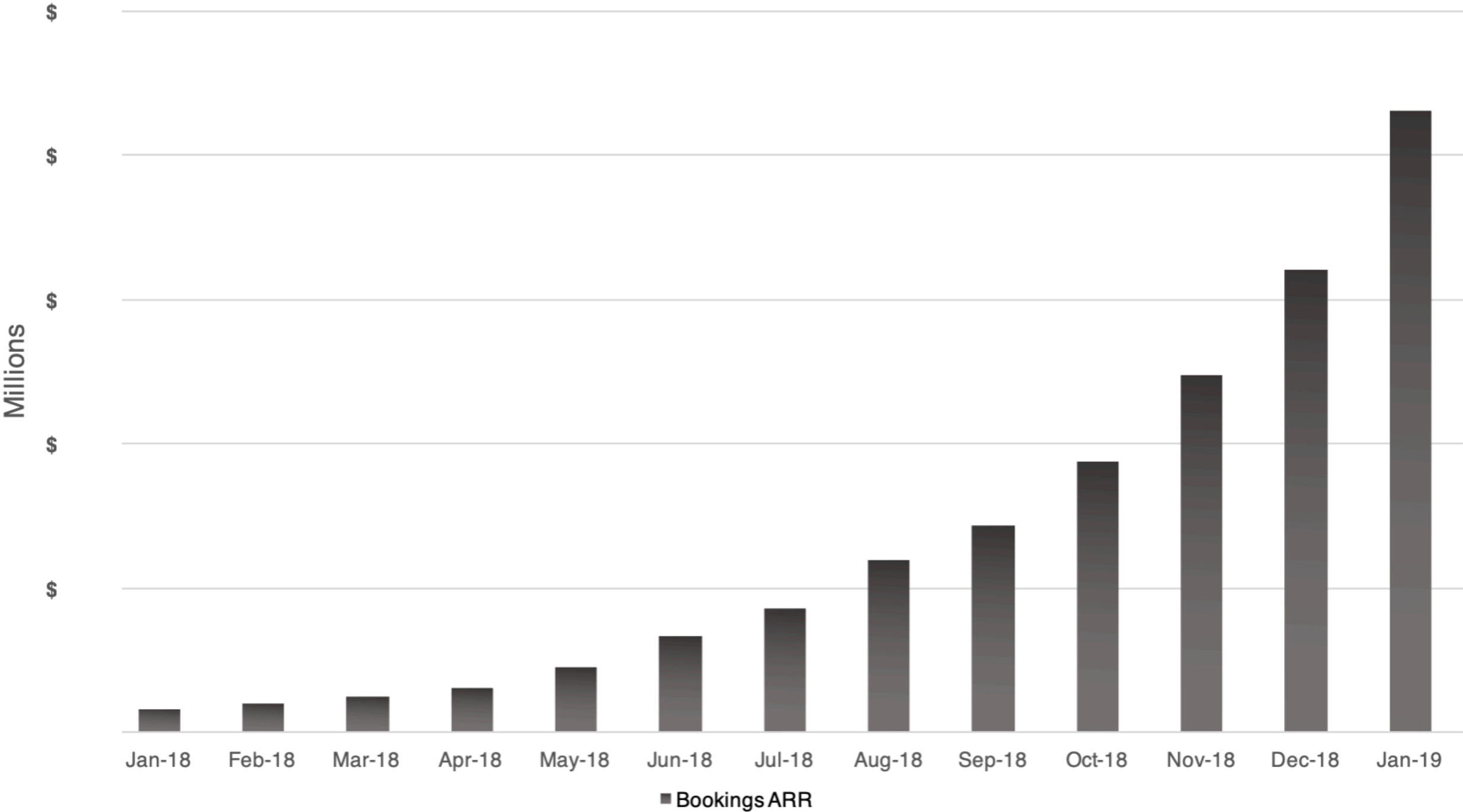
KPIs

JAN 1, 2018 - FEB 1, 2019

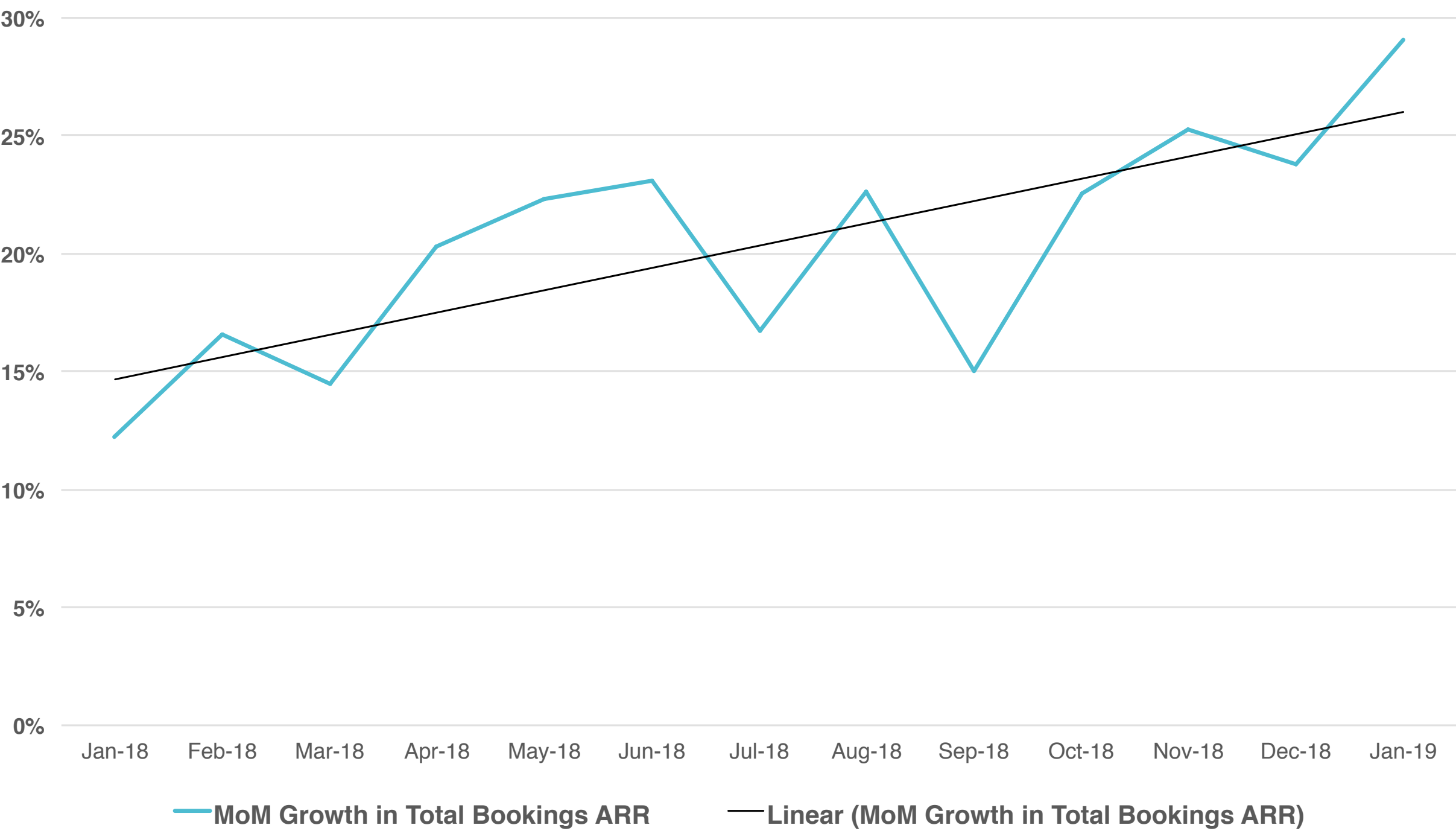
Total ARR	\$X
Last 4 Months MoM Growth	X%
YoY Growth	X%
Expanding Cohorts	X% in Month 12
Average NPS Score	X
Sales Rep Payback	X Months

BOOKINGS ARR

Our total ARR grew X% between Jan '18 and Jan '19.



ARR GROWTH RATES



COHORT ANALYSIS

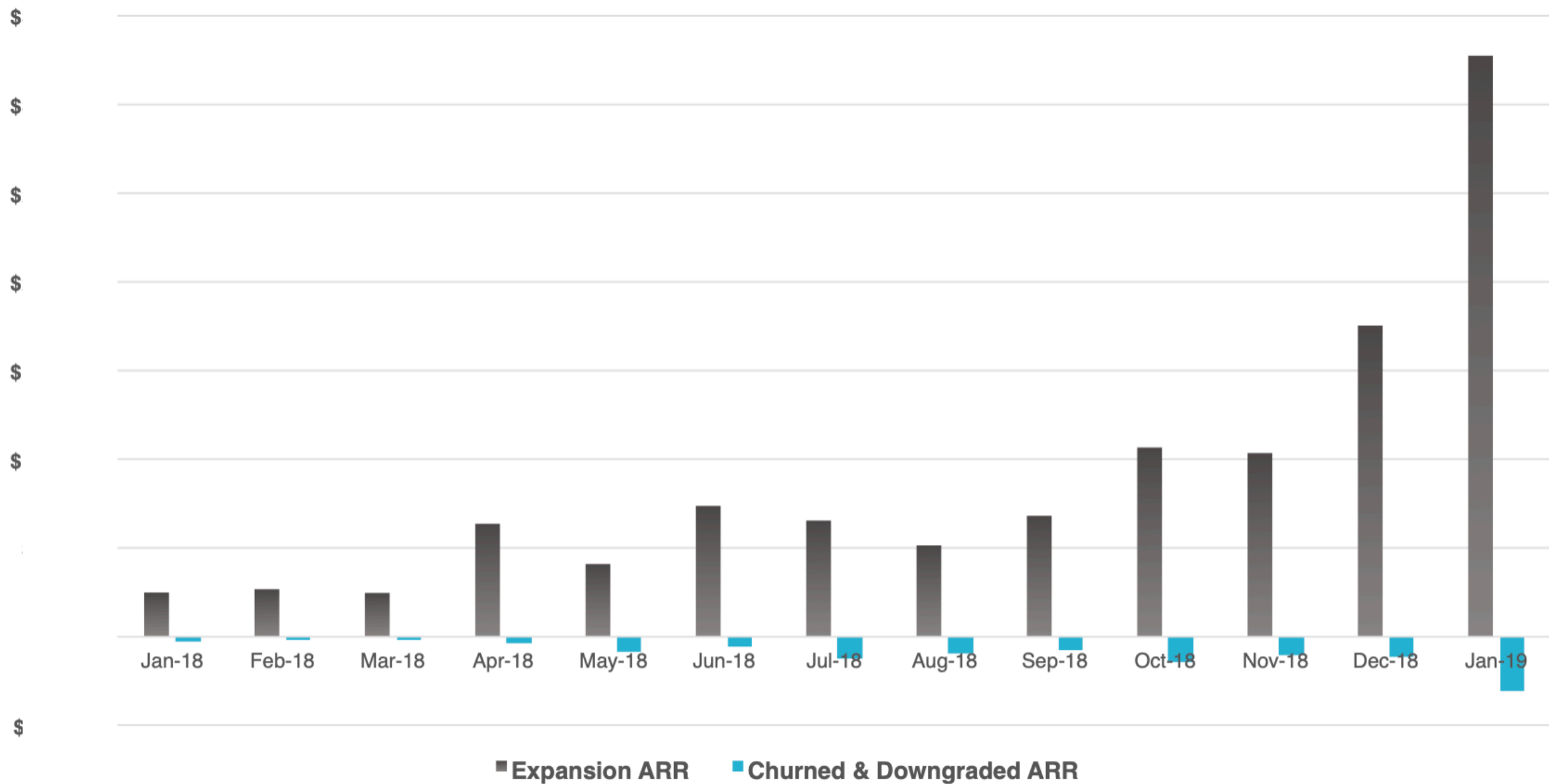
Our cohorts show expanding revenue, also known as “net-negative churn.”

% of Retained ARR in Lifetime Month

Booking Cohort	0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
Jun-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%
Jul-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	
Aug-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%		
Sep-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%			
Oct-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%				
Nov-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%					
Dec-17	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%						
Jan-18	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%							
Feb-18	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%								
Mar-18	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%									
Apr-18	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%										
May-18	X%	X%	X%	X%	X%	X%	X%	X%	X%											
Jun-18	X%	X%	X%	X%	X%	X%	X%	X%												
Jul-18	X%	X%	X%	X%	X%	X%	X%													
Aug-18	X%	X%	X%	X%	X%	X%														
Sep-18	X%	X%	X%	X%	X%															
Oct-18	X%	X%	X%	X%																
Nov-18	X%	X%	X%																	
Dec-18	X%	X%																		
Jan-19	X%																			
Weighted Avg	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%	X%

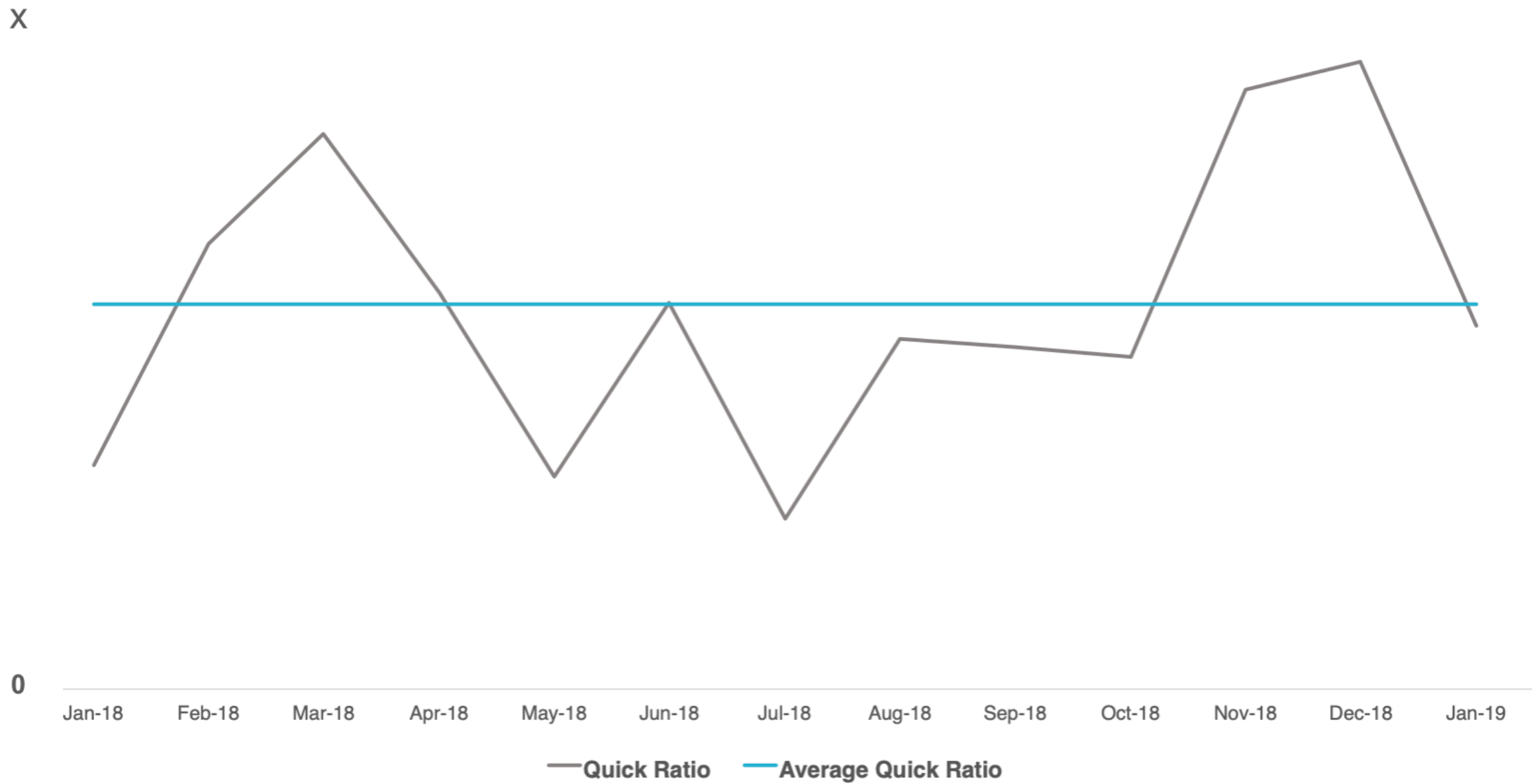
EXPANSION ARR

Expansion ARR exceeds churned and downgraded ARR, due to very low customer churn and product line expansion.



QUICK RATIO

High quick ratio is a result of expansion revenue greatly exceeding contraction revenue.

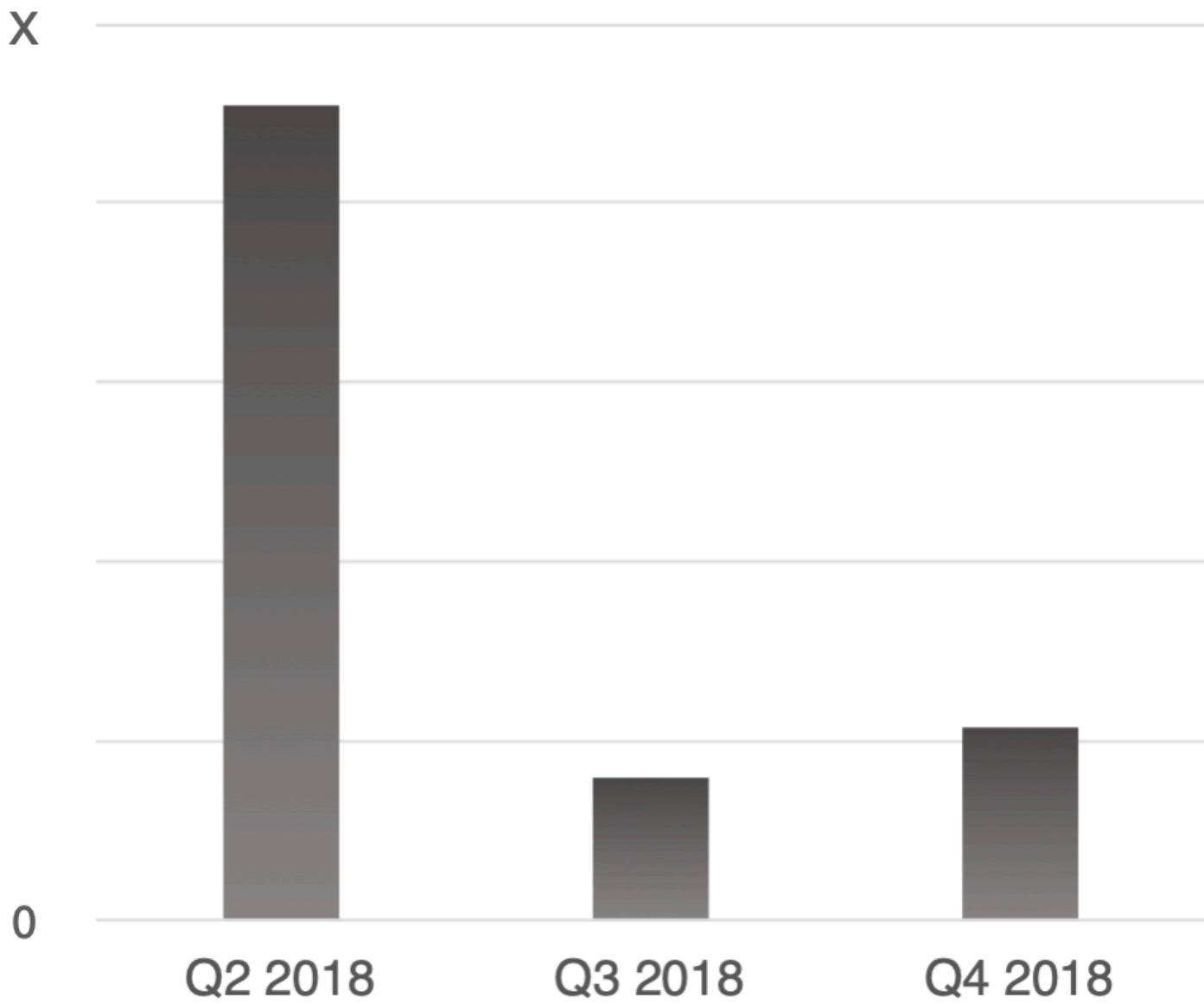


2018 MAGIC NUMBER

Magic Number suggests our sales and marketing investments are prudent, even when all fixed headcount costs are included.

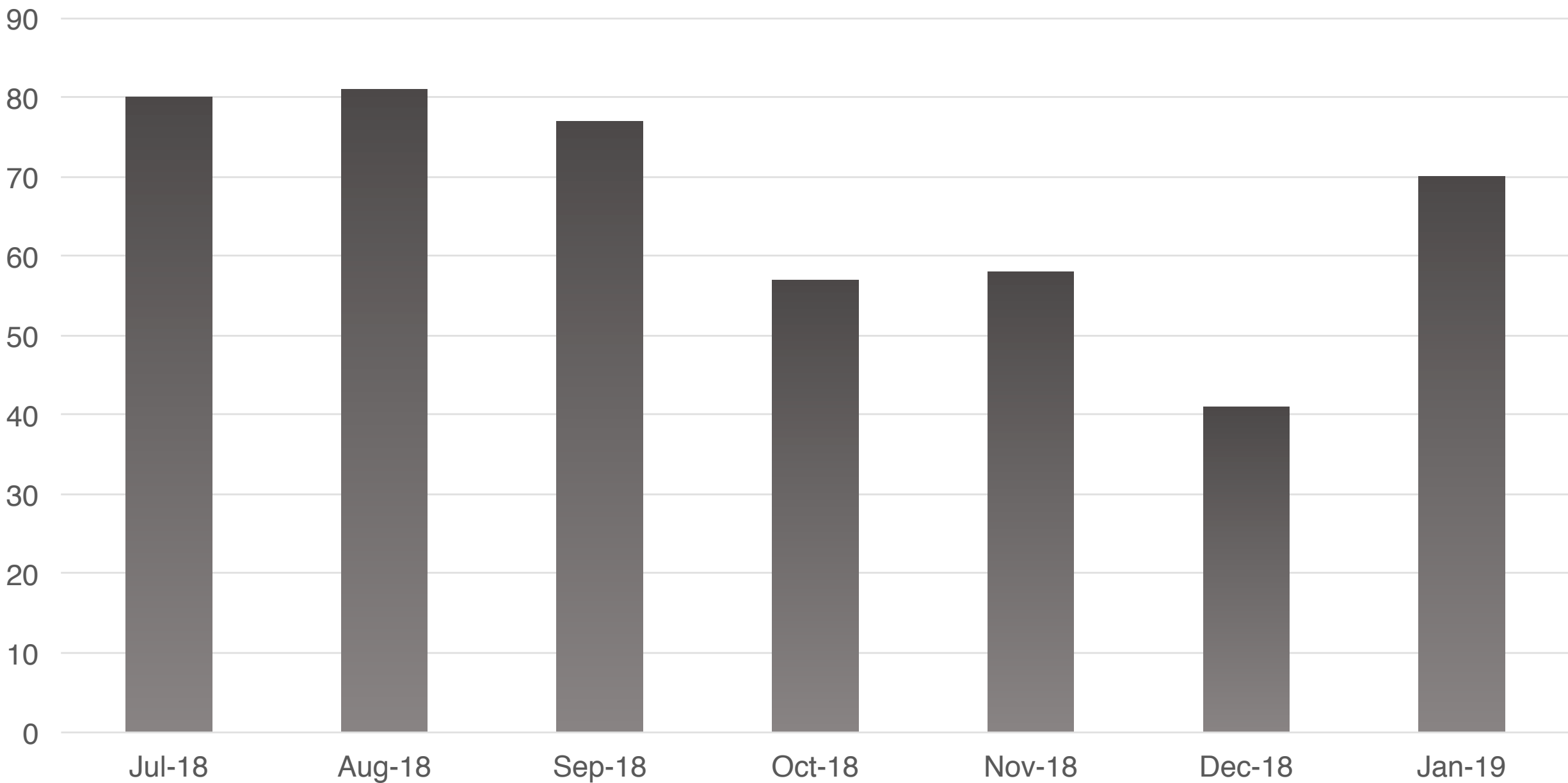
Magic Number Guide	
< 0.5	Not ready to invest in S&M
< 0.75	Evaluate
> 0.75	Invest in S&M

OUR MAGIC NUMBER INCLUDES
All-in Sales & Marketing spend and HC.
On average, 15-20% of this goes toward Marketing salaries (CEO, CMO, etc.) and external firms (PR, design) that do not directly contribute to acquiring revenue.



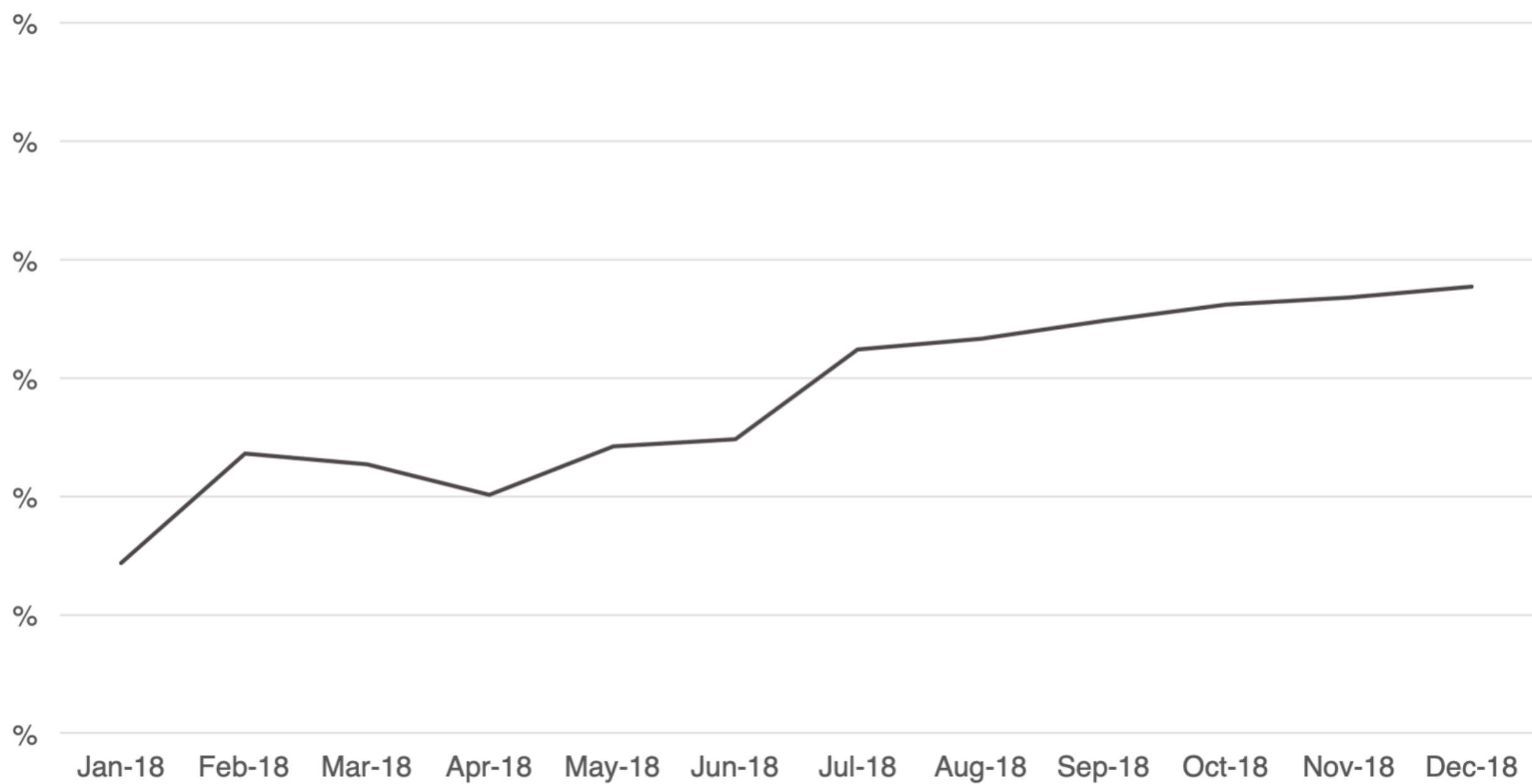
NPS SCORE

Our average NPS is 66.
NPS dipped in December on a small sample size.



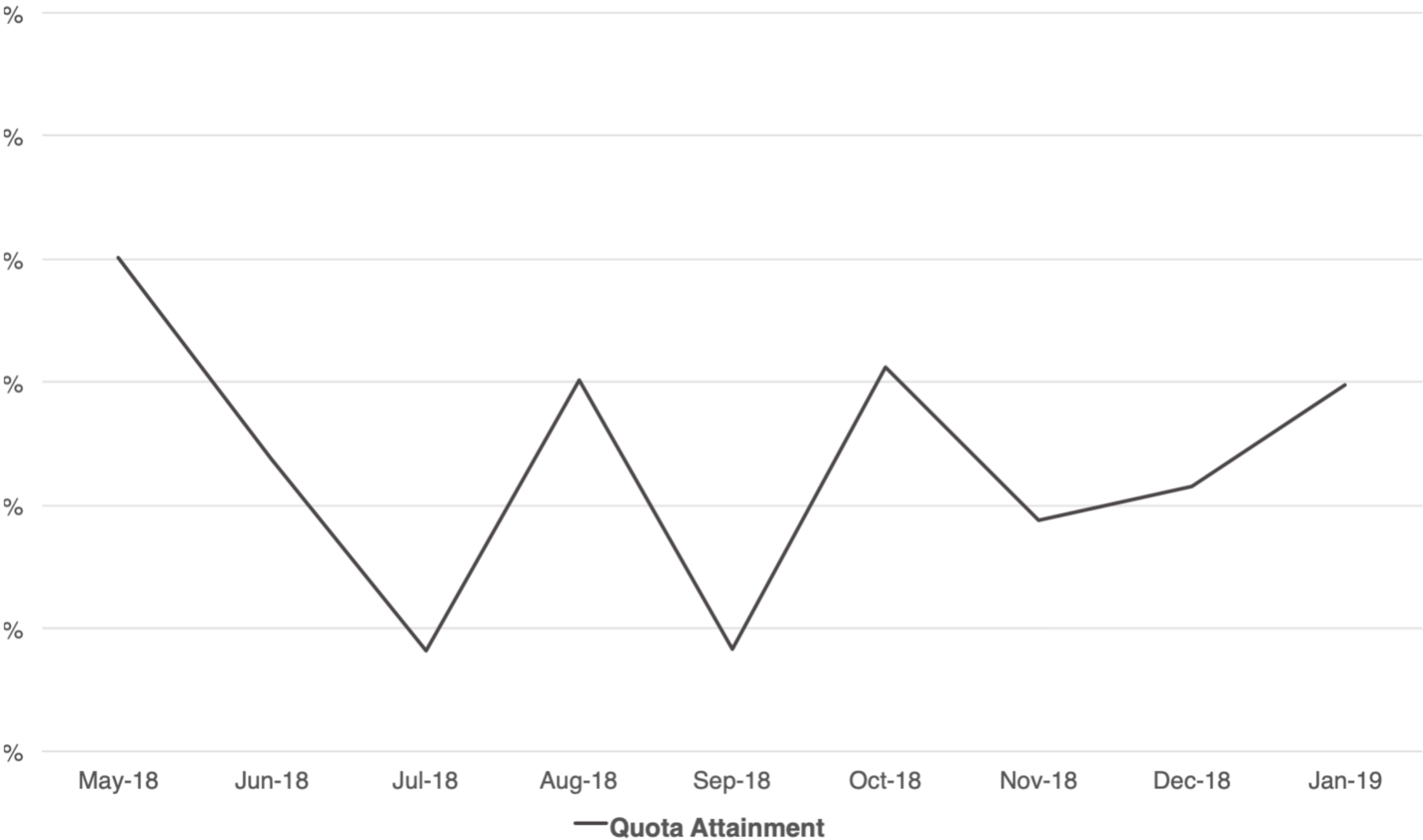
2018 GROSS MARGINS

Gross Margins are increasing as fixed costs are amortized over more revenue.



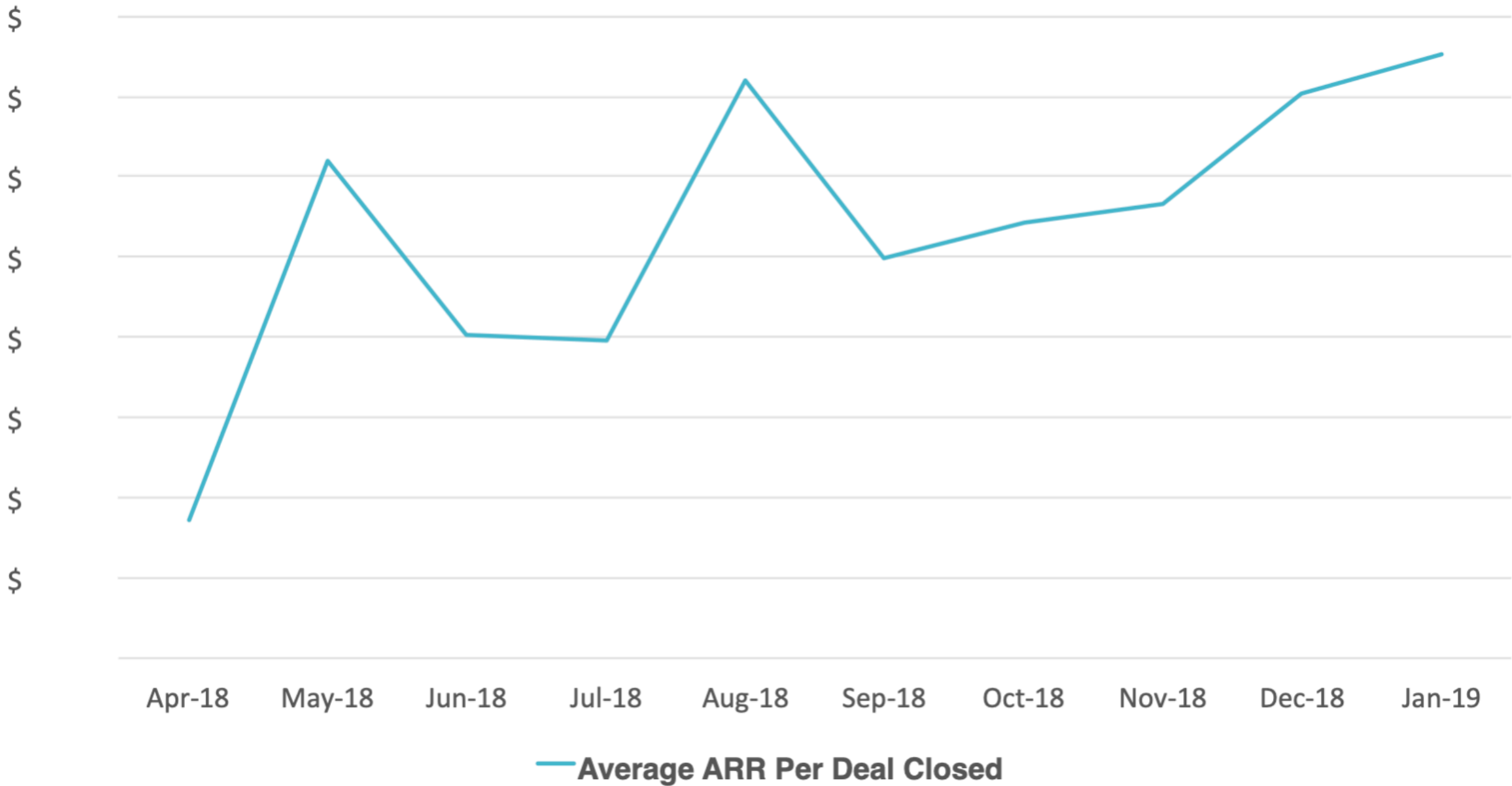
QUOTA ATTAINMENT

Sales team continues to hit or exceed quota.



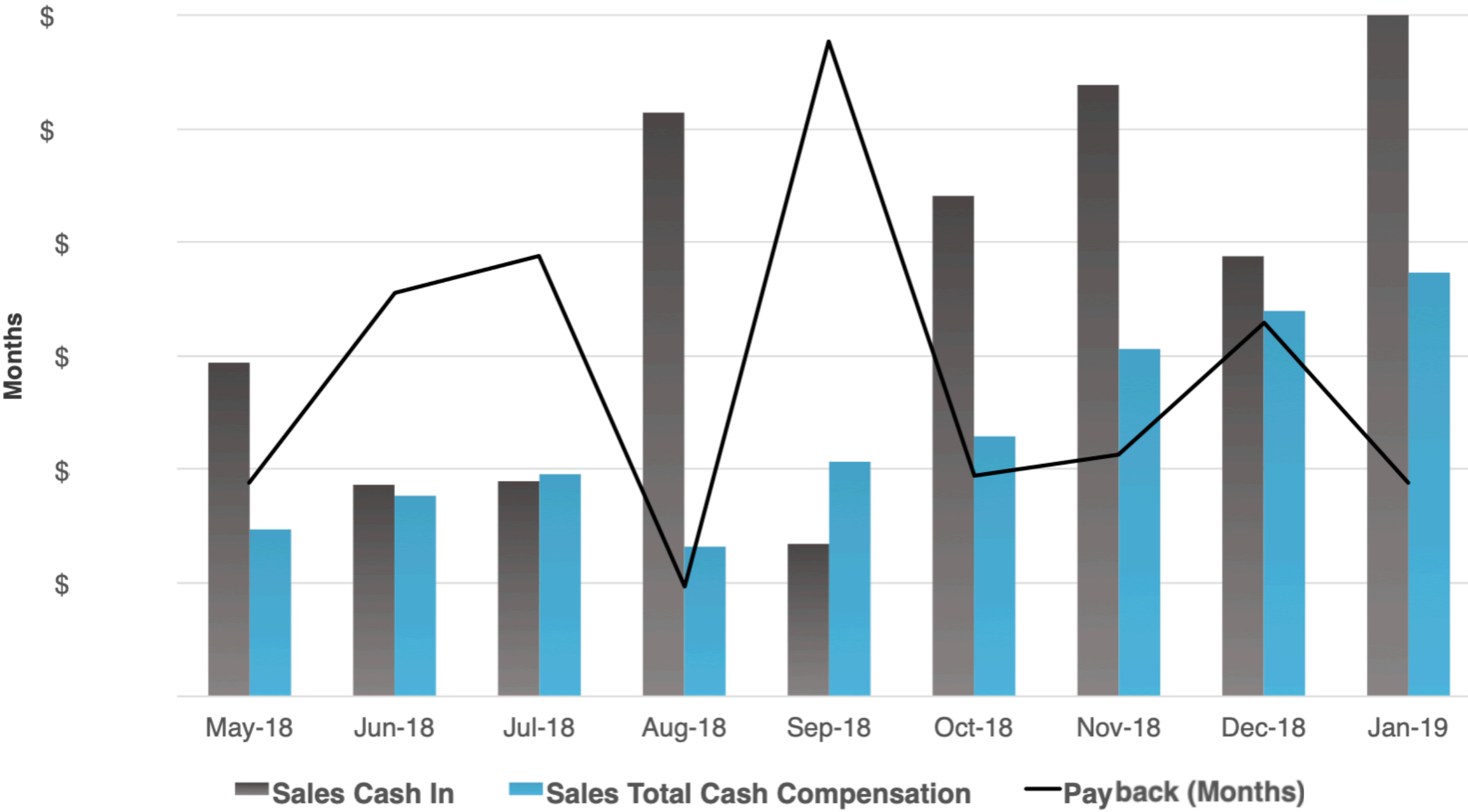
AVERAGE DEAL SIZE

Avg. deal size is increasing as features and brand grow.



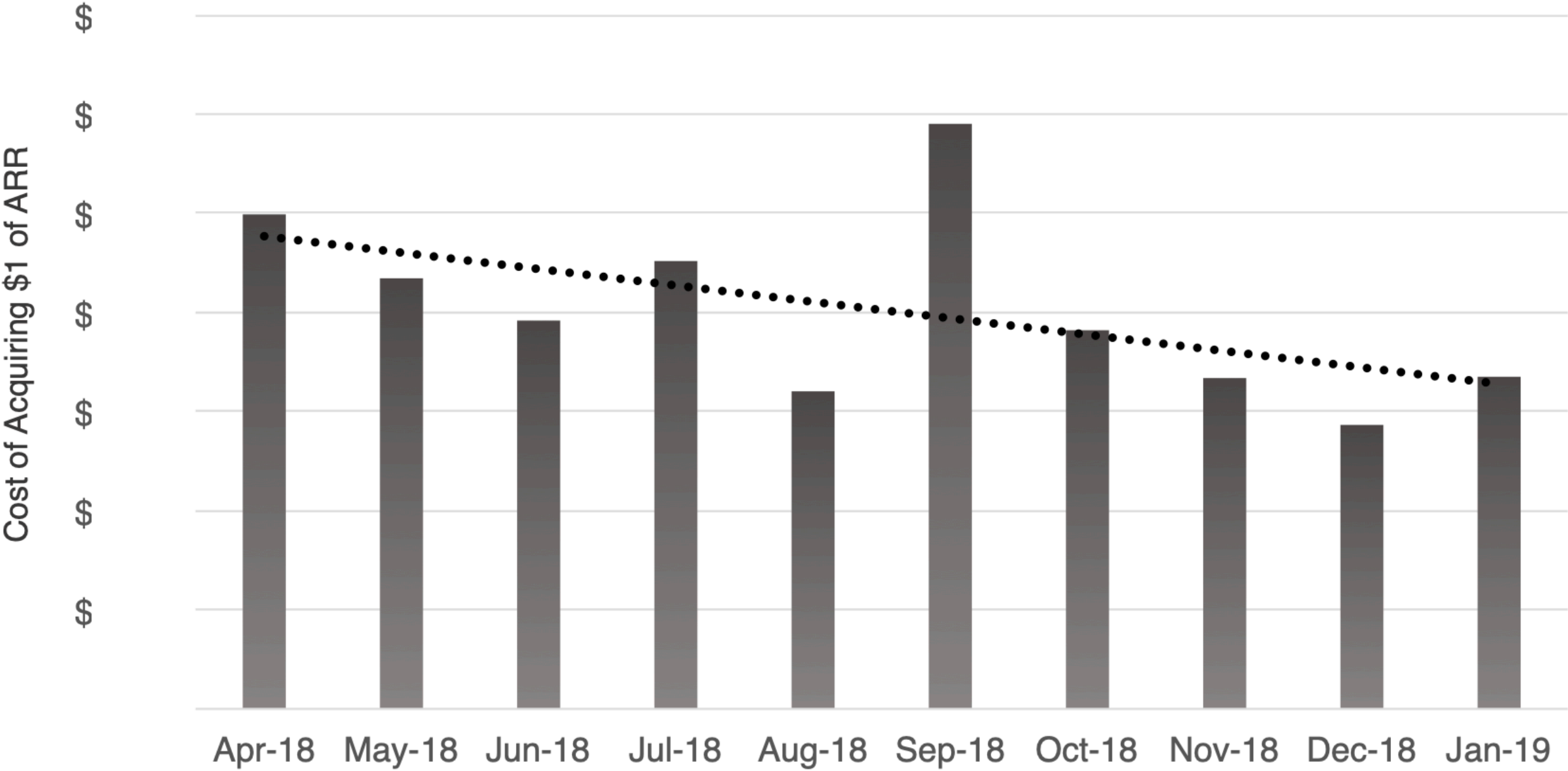
CASH ON CASH

Our reps bring in more each month than we pay out in compensation.



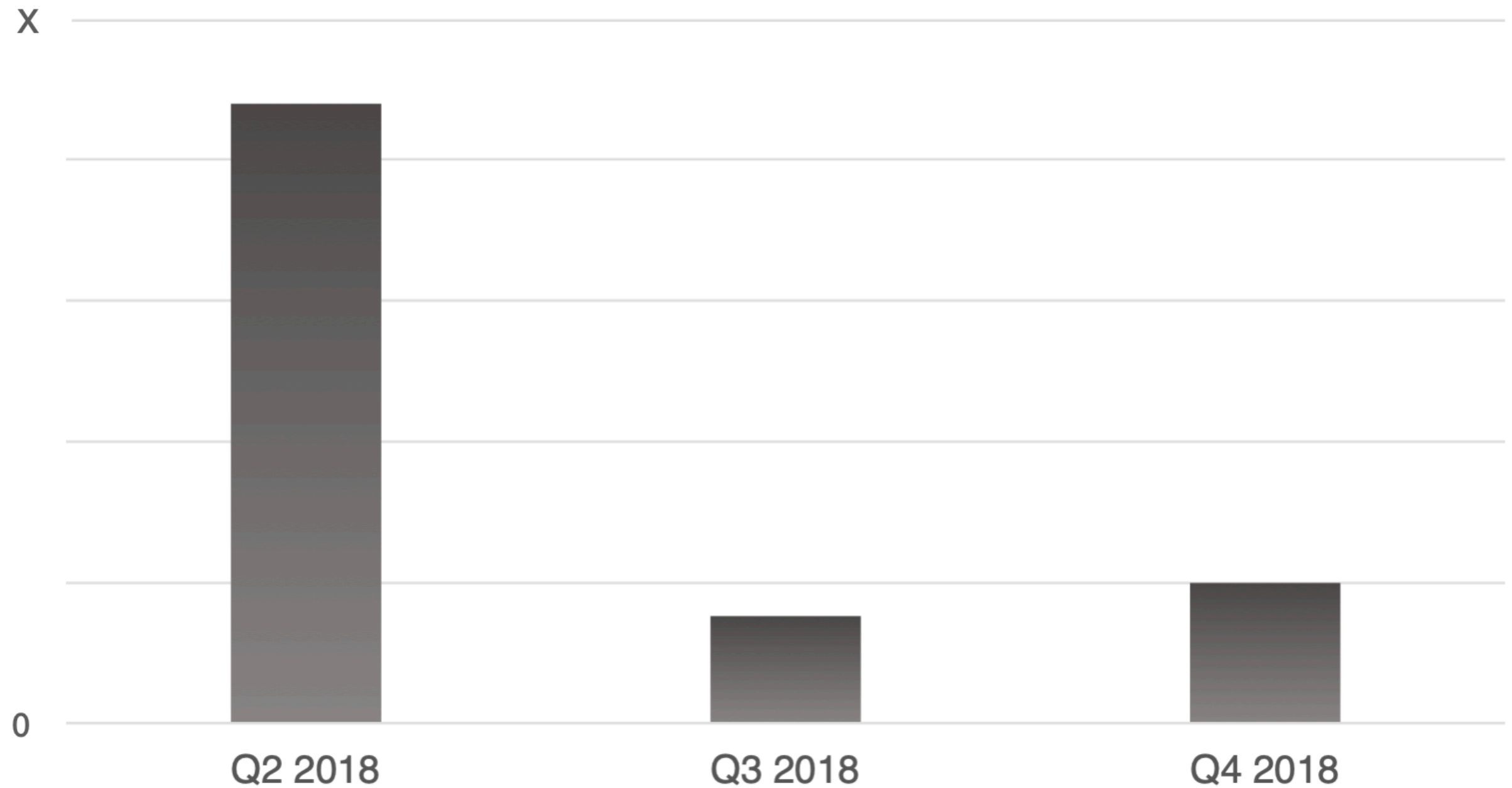
ALL-IN CUSTOMER ACQUISITION COST (CAC)

Large fixed costs are being amortized over larger revenue base.



CAC PAYBACK PERIOD

Our payback period is X months.



Methodology & Footnotes

(We only included one footnote slide, as an example)

SLIDES 4 - 8

Slide 4: 2018 ARR GROWTH

DEFINITIONS

- MoM Growth in Total Bookings ARR:
December 2017 to December 2018 growth in Bookings ARR from all revenue lines.

CALCULATIONS & METHODOLOGY

- MoM Growth Rate:
Current month's net new booking ARR divided by previous month's total bookings ARR.

Slide 5: Cohort Analysis

DEFINITIONS

CALCULATIONS & METHODOLOGY

- We assign a customer to a cohort month based on the first month that we billed them for service in our system.
- We cut 15 companies from our data set for the following reasons: company had double entries (in which case we deleted the second entry), fraudulent activity, accounts made just for test purposes, and a company that wanted to run payroll from a personal bank account. We also do not include Rippling itself in cohort analysis. For a variety of systems issues, it's difficult to exclude our own company from many of our metrics and tracking systems, but presently Rippling itself represents <2% of the business ARR.

Slide 6: Expansion ARR

N/A

Slide 7: Quick Ratio

CALCULATIONS & METHODOLOGY

- New and Expansion ARR divided by Churned and Downgraded ARR.

Slide 8: Magic Number

CALCULATIONS & METHODOLOGY

- Current quarter's revenue minus previous quarter's revenue, annualized, then divided by previous quarter's sales and marketing expense.
- Sales software are totals, which will include licenses for reps that have not fully ramped yet. As such, they are overstating true costs. We will fix this at some point in the future.
- Salary figures are all gross earnings.