



Software Investing

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SOFTWARE Colorado

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Why Software?



Why is PE Interested in Technology?

19% of PE deals in 2017 were tech related⁽¹⁾



Business Model

- Recurring revenue
- High retention
- Low overhead costs



Growth Opportunity

- Scalability through value creation
- Building the platform through acquisition
- **Incredible growth** through the inherent nature of software



Future of the Economy

- **The 5 largest companies** are now all technology companies⁽²⁾
- **\$332BN** in total revenues⁽³⁾
- **CAGR of 9%** for enterprise software companies⁽³⁾



(1) Source: <http://docs.preqin.com/press/Buyout-2017.pdf>

(2) Source: <https://www.cnbc.com/2017/03/08/the-top-10-us-companies-by-market-capitalization.html>

(3) Source: <https://www.bcg.com/publications/2017/principal-investors-fund-strategy-operations-private-equity-software-deals.aspx>.

Colorado Trends

PE Tech activity in Colorado has nearly doubled compared to 2016⁽¹⁾

2016

\$7.8BN

private equity invested into **108**
Colorado companies in 2016

10 Colorado tech companies received **\$2.7BN⁽¹⁾**

2017

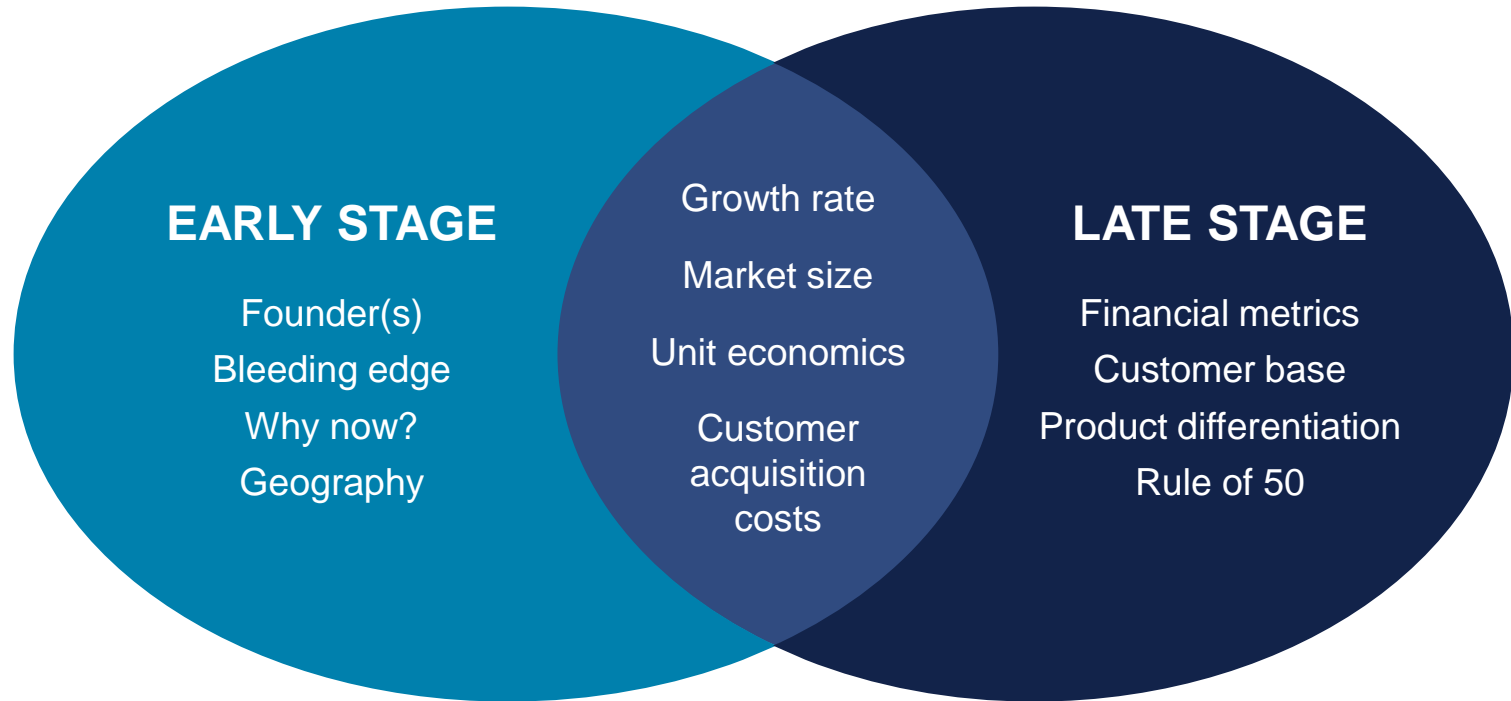
\$16.7BN

private equity invested into **138**
Colorado companies in 2017

23 Colorado tech companies
received **\$4.6BN⁽¹⁾**



What Investors Are Looking For



Who is **Vista**?



VISTA EQUITY PARTNERS

A leading global technology investor

Since our founding, our team of investors, operators, and technologists have worked alongside dynamic enterprise software, data, and technology companies to accelerate their growth and success



Software Isn't What We Do, It's Who We Are

We have been on the frontlines for nearly the past two decades, actively participating in the radical changes that have made the software industry what it is today

 OUR SIZE	 OUR TEAM	 OUR STRATEGIES	 OUR RECORD
When your company joins the Vista family , you join the 4th largest enterprise software company in the world. ⁽¹⁾	110+ investment professionals ⁽²⁾	Private Equity	\$31BN+ cumulative capital investments ⁽⁴⁾
	100+ operating experts (VCG) ⁽²⁾	Credit	320+ transactions since inception ⁽⁵⁾
	350+ portfolio executives ⁽³⁾	Public Equity	\$98BN+ aggregate value ⁽⁵⁾



(1) As of 12/31/17. Source: Capital IQ. Reflects Vista Equity Partners investment portfolio ranked by LTM Revenue, which includes closed and signed deals after 6/30/2017, against top 10 public software companies by enterprise value. VMware revenue annualized off of YTD 11/3/17 revenue due to change in FYE.
(2) As of 1/31/2018.
(3) VEP/VCG data as of 10/17/2017. Portfolio company management team executives data as of 7/14/2017. All portfolio company data as of 7/14/2017.
(4) Note: Reflects equity commitments inclusive of all Flagship Funds, Foundation Funds, Equity Funds, Credit Funds and VPS, as of 3/31/2018.
(5) Includes all transactions, signed and/or closed, as of 4/9/2018.
Past performance is not necessarily indicative of future results. There can be no assurance that any Vista Fund will achieve comparable results. Please see "Important Disclosures" for important information on prior Vista Private Equity Funds' performance and valuations of unrealized or partially unrealized investments. There can be no assurance that current valuations of unrealized or partially realized investments will ultimately be realized when an investment is disposed of.

Our Funds



We understand that each software business is different. We juxtapose our market experience and data-driven strategy with a pioneering mindset and a personalized approach to each partnership.

	ENDEAVOR FUND I	FOUNDATION FUND III	FLAGSHIP FUND VI
MARKET	Lower	Middle	Upper
ENTERPRISE VALUE	<\$50MM	\$50MM – \$400MM	\$400MM – \$5BN
CAPITAL COMMITMENTS	\$500MM+	\$2BN+	\$10BN+



What We Look For

Vista companies are diverse, but they share a strong desire to win in their respective markets.



**MARKET
LEADERS**



**ESTABLISHED
CUSTOMER BASE**



**MISSION-
CRITICAL**



**STRONG RECURRING
REVENUE**



**HIGH ROI
SOLUTIONS/DATA**

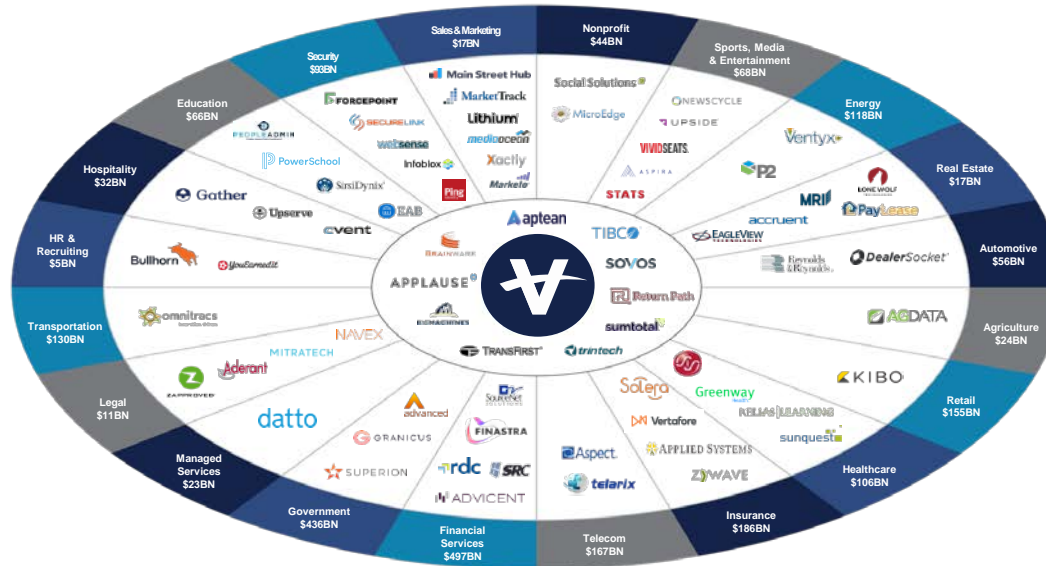


**HIGH CUSTOMER
RETENTION**



Vista Companies Are Driving Digital Transformation

Since our founding, we have worked alongside dynamic software, data, and technology companies to harness innovation and grow their businesses

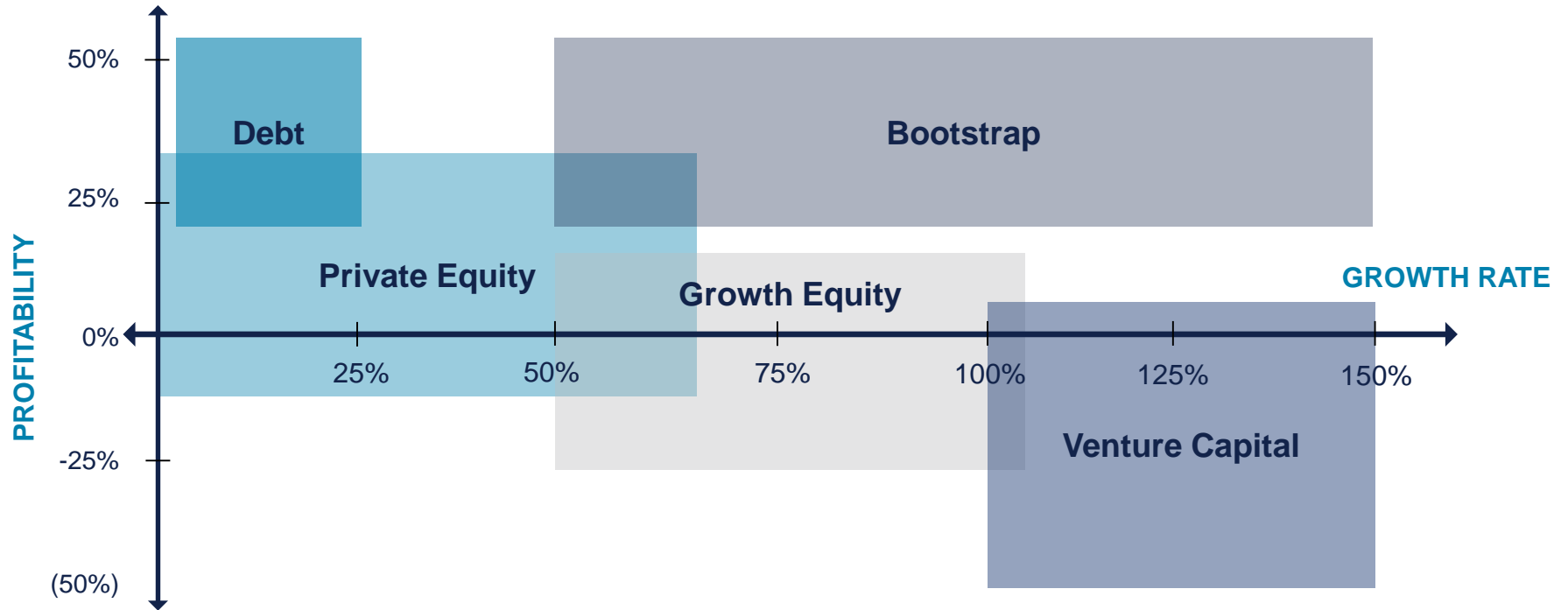


Source: Gartner
Note: Includes all 2016 annual software related IT capital expenditure. \$3.5T reflects the forecast of total IT Spend. Portfolio of companies represented above were primarily invested in through control-based private equity investments.
Past performance is not necessarily indicative of future results, and there can be no assurance that historical trends will continue during the life of any Vista Fund.

Investment Metrics



Equity Options at Business Lifecycle Stages



Q & A



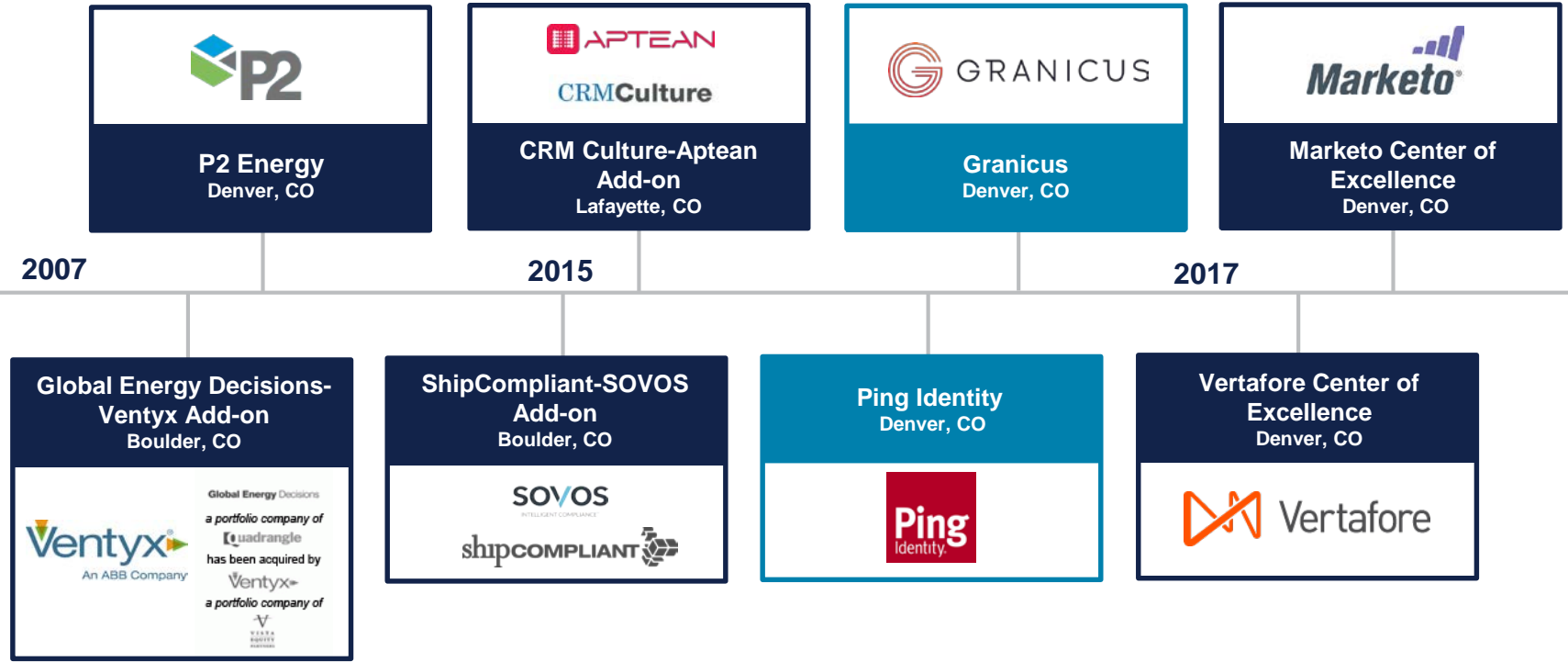
Appendix



Case Studies



Vista's History of Investing in Colorado



Why PING Identity?



1

**Market Leader
in Identity and
Access
Management
(IAM)**

2

**Experienced
CEO**

3

**Timing for
Investment**



Case studies (or portfolio company examples) presented herein are for informational purposes only and are intended to illustrate Vista's sourcing experience and the profile and types of investments previously pursued by Vista. It should not be assumed that investments made in the future will be comparable in quality or performance to the investments described herein. Further, references to the investments included in the illustrative case studies should not be construed as a recommendation of any particular investment or security.

FUTURE GROWTH AND OPPORTUNITIES



Consumer Identity



IoT

UnboundID

INVESTING IN STRATEGIC PARTNERSHIPS



The preferred identity integrator to the Microsoft Azure and O365 cloud.

Why Granicus?



1

**Market Leader
in GovTech**

2

**Mission
Critical
Platform**

3

**Opportunity
for Rapid
Growth**



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- Built the leading end-to-end government platform
- Platform for expansion
- Organically doubled recurring revenue
- Product extensions
- Market extensions
- Market consolidation

BUILDING A COMBINED PLATFORM

OCTOBER 2016



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