

Dropbox

Company Presentation

August 2019

Safe harbor statement

This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of future results of operations or financial performance of Dropbox, Inc. ("Dropbox," "we," "us," or similar terms), certain key financial and operating metrics, capital expenditures, plans for growth and future operations, technological capabilities, benefits from new product features, acquisitions and strategic relationships, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential," "would," "continue," "ongoing" or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made or management's good faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in, or suggested by, the forward-looking statements. In light of these risks and uncertainties, the events and circumstances contemplated by the forward-looking statements made in this presentation may not occur and actual results could differ materially from those anticipated or implied

in the forward-looking statements. These risks and uncertainties are described in greater detail under the heading "Risk Factors" in our quarterly report on Form 10-Q for the fiscal quarter ended March 31, 2019 that we filed with the Securities and Exchange Commission (the "SEC") on May 10, 2019, and include, but are not limited to, our ability to retain and upgrade paying users; our ability to attract new users or convert registered users to paying users; our future financial performance, including trends in revenue, cost of revenue, gross profit or gross margin, operating expenses, paying users, and free cash flow; our ability to achieve or maintain profitability; the demand for our platform or for content collaboration solutions in general; possible harm caused by significant disruption of service or loss or unauthorized access to users' content; our ability to effectively interoperate our platform with others; our ability to successfully integrate acquired businesses; and our ability to compete successfully in competitive markets. These factors could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the forward-looking statements. Additional information will be made available in our quarterly report on Form 10-Q for the quarter ended June 30, 2019 and in other future reports that we may file with the SEC from time to time, which could cause actual results to vary from expectations. Except as required by law, Dropbox does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes certain non-GAAP

financial measures, including non-GAAP and non-GAAP operating margin. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools, and they should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. The non-GAAP measures Dropbox uses may differ from the non-GAAP measures used by other companies. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation.

This presentation also contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information may be based on many assumptions and limitations, and you are cautioned not to give undue weight to such information. We have not independently verified the accuracy or completeness of the data contained in the industry publications and other publicly available information. Dropbox does not undertake to update such data after the date of this presentation.

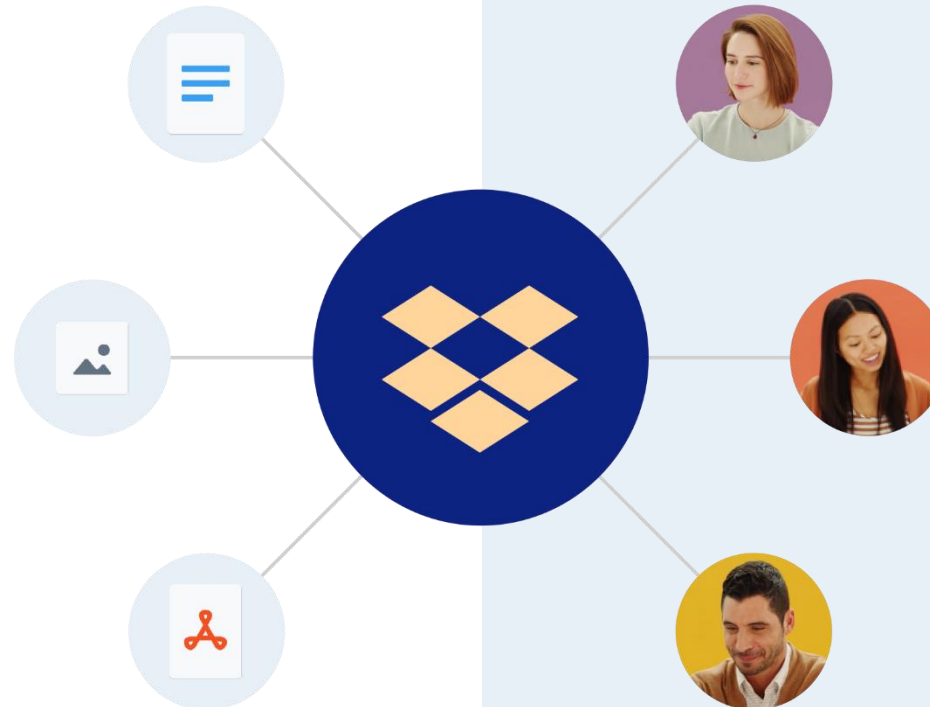
Keeping files in sync



Keeping teams in sync

Cloud storage 2007

Backup & sync
Photo sharing
Shared folders



Team collaboration Today

Content management
Collaborative apps
Professional sharing
Project management
Document workflow

Dropbox today

We're a business software company that defies traditional boundaries

We're a living workspace for the world's digital content

We have a rare combination of virality, scale, and cash generation

We have a long runway for growth

Operating at scale

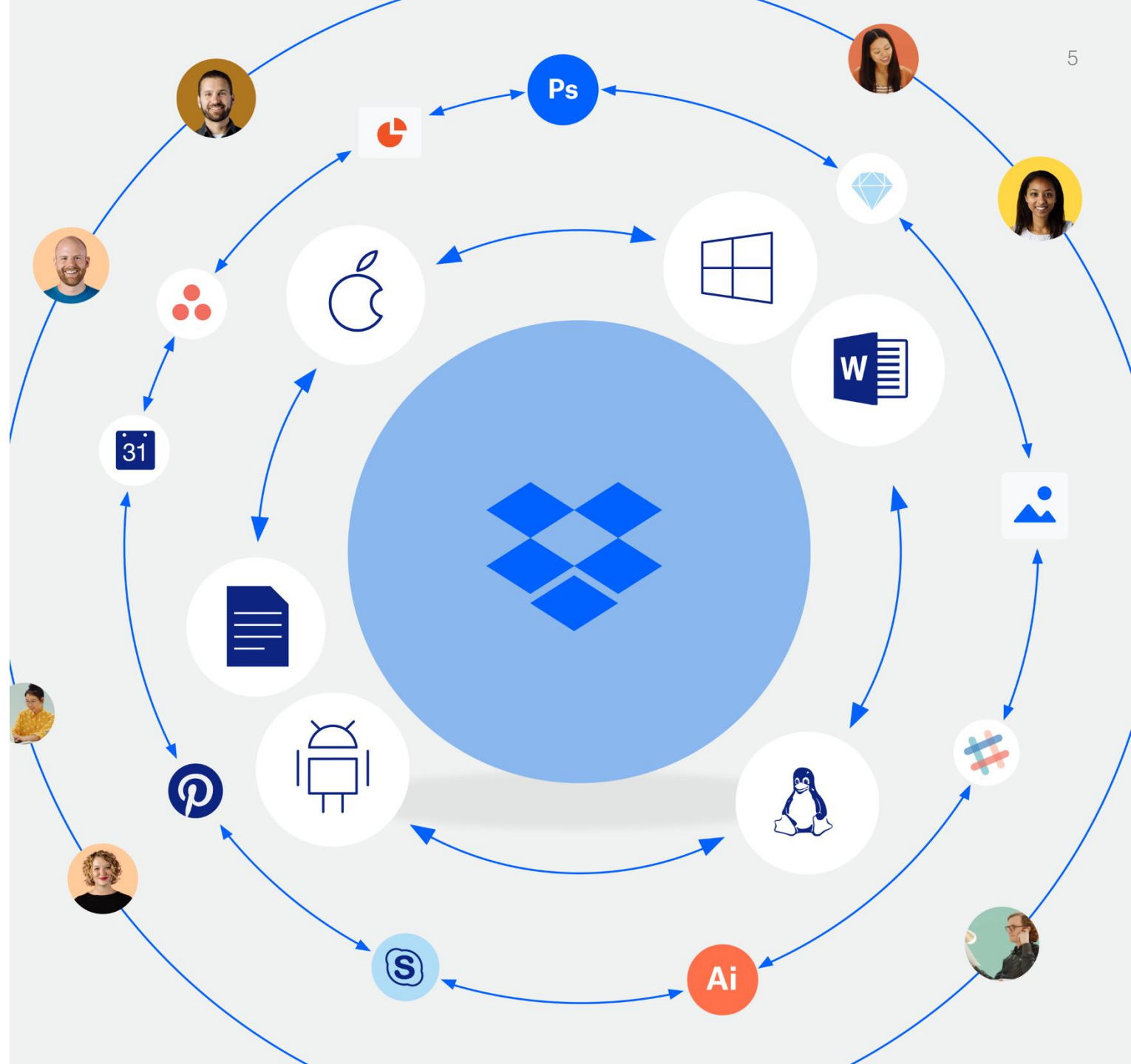
500M+ registered users

Global brand with presence across 180 countries

13.6M paying users

80% of subscribers use us for work

Over an **exabyte** (1,000,000,000 GB) of content



Our opportunity

Collaboration + productivity

Content collaboration

Paper

File collaboration

Smart Sync, Showcase

Sharing network
+ content

→ \$25B+
TAM

→ \$50B+
TAM



IDC Worldwide File Synchronization and Sharing Software Forecast, 2016 – 2020; IDC Worldwide Collaborative Applications Forecast, 2017 – 2021; IDC Worldwide Enterprise Content Management Software Forecast, 2017 – 2021; IDC Worldwide Project and Portfolio Management Forecast, 2017 – 2021; IDC Worldwide Storage for Public and Private Cloud, 2016 – 2020.

Reinventing the software playbook

Traditional playbook

Designed for IT

Top-down distribution

Walled garden

Rip-and-replace

vs.

What sets Dropbox apart

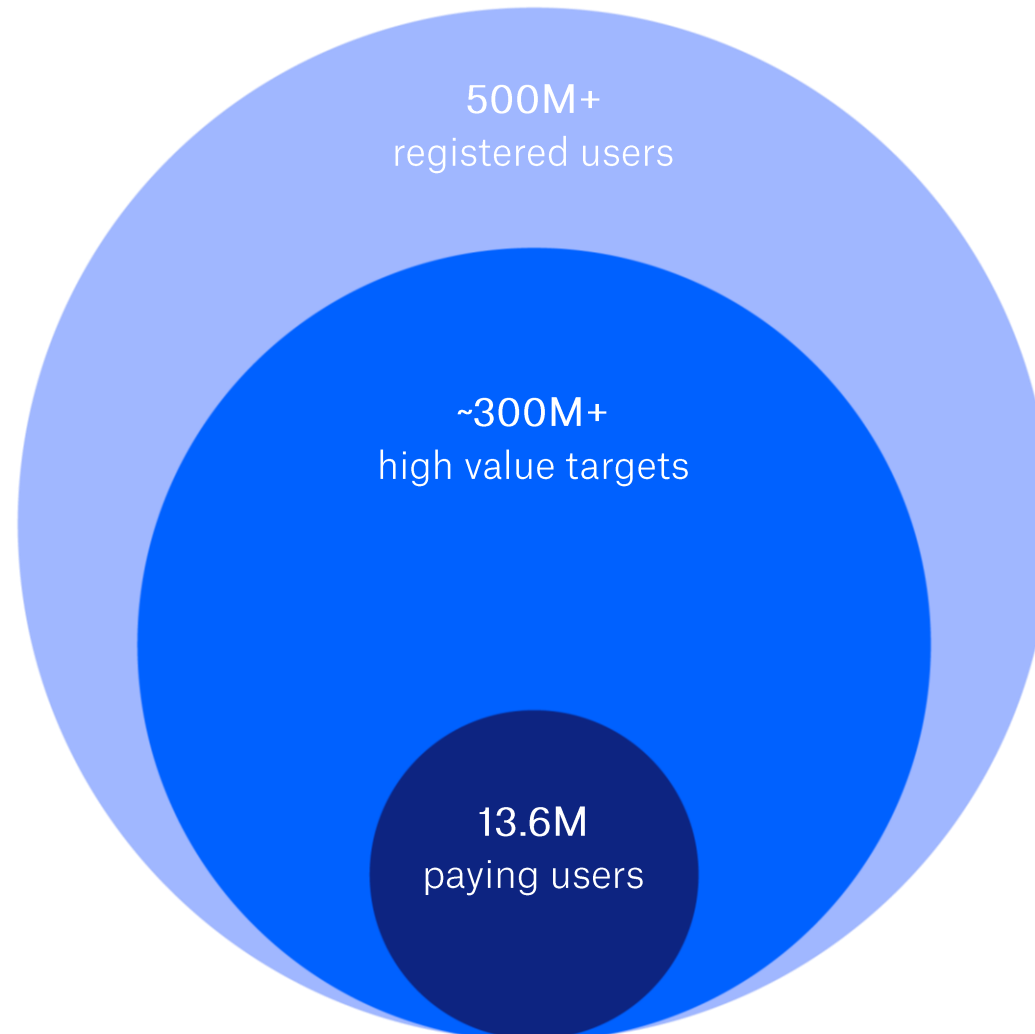
Designed for users

Bottom-up adoption

Open ecosystem

Live side-by-side

Growth drivers



Execute

Convert

Driver registered users to become paying users on Individual and Team plans

Upsell

Prompt existing paying users to upgrade to premium plans or purchase additional licenses

Innovate

New product experiences

Leverage scale and user insights to enhance existing products and drive adoption of new ones

Expand ecosystem

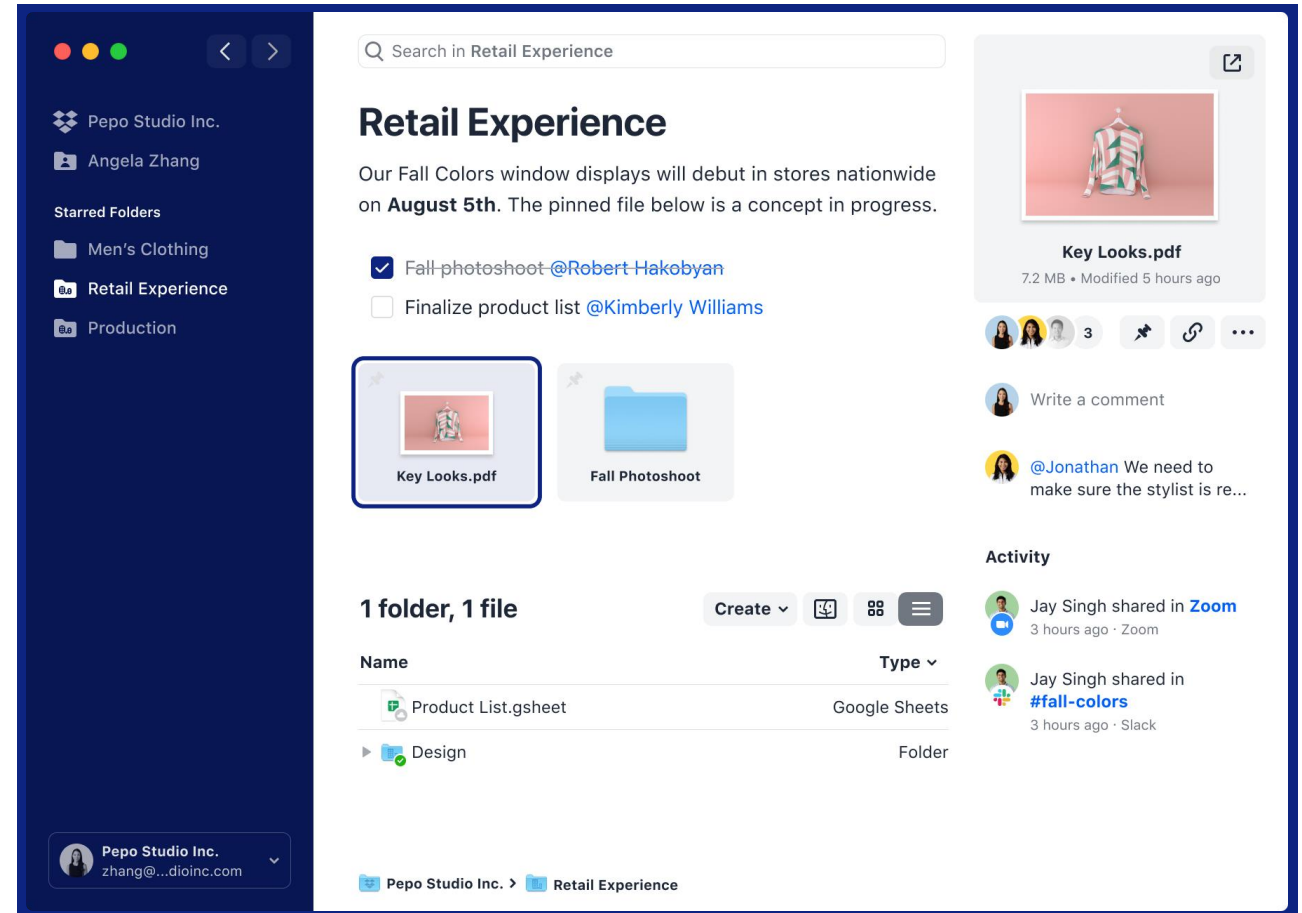
Grow thriving ecosystem to put Dropbox at the center of users' lives

The New Dropbox

Stand-alone desktop app, in addition to traditional Dropbox experience

Unified workspace

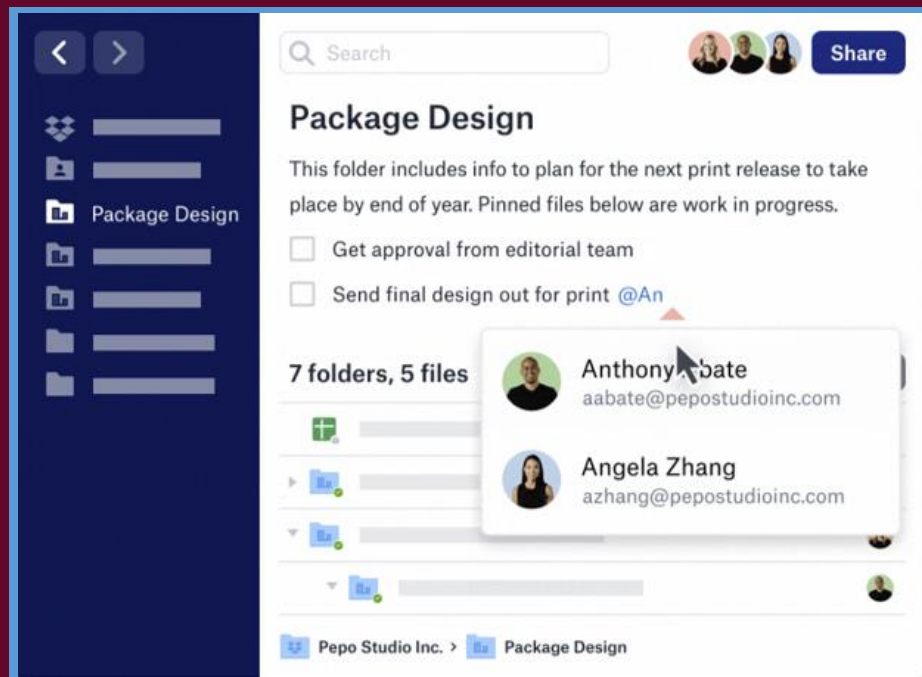
Organize content, tools, and teams



Bring teams together

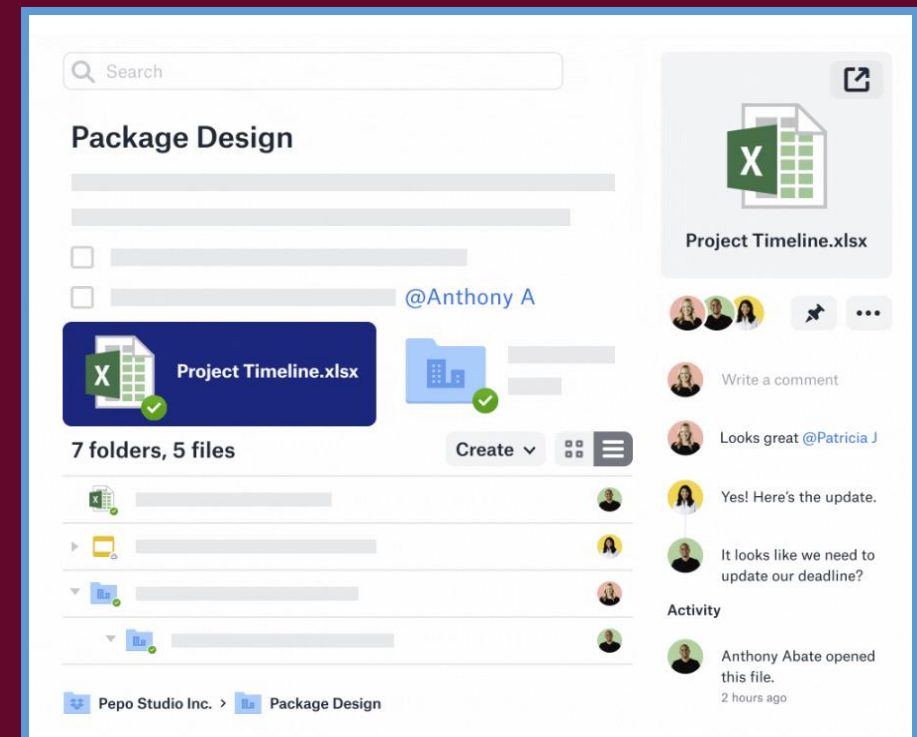
Get coordinated

Add folder descriptions, @mention teammates, assign to-dos...



Share feedback

Create comments alongside content

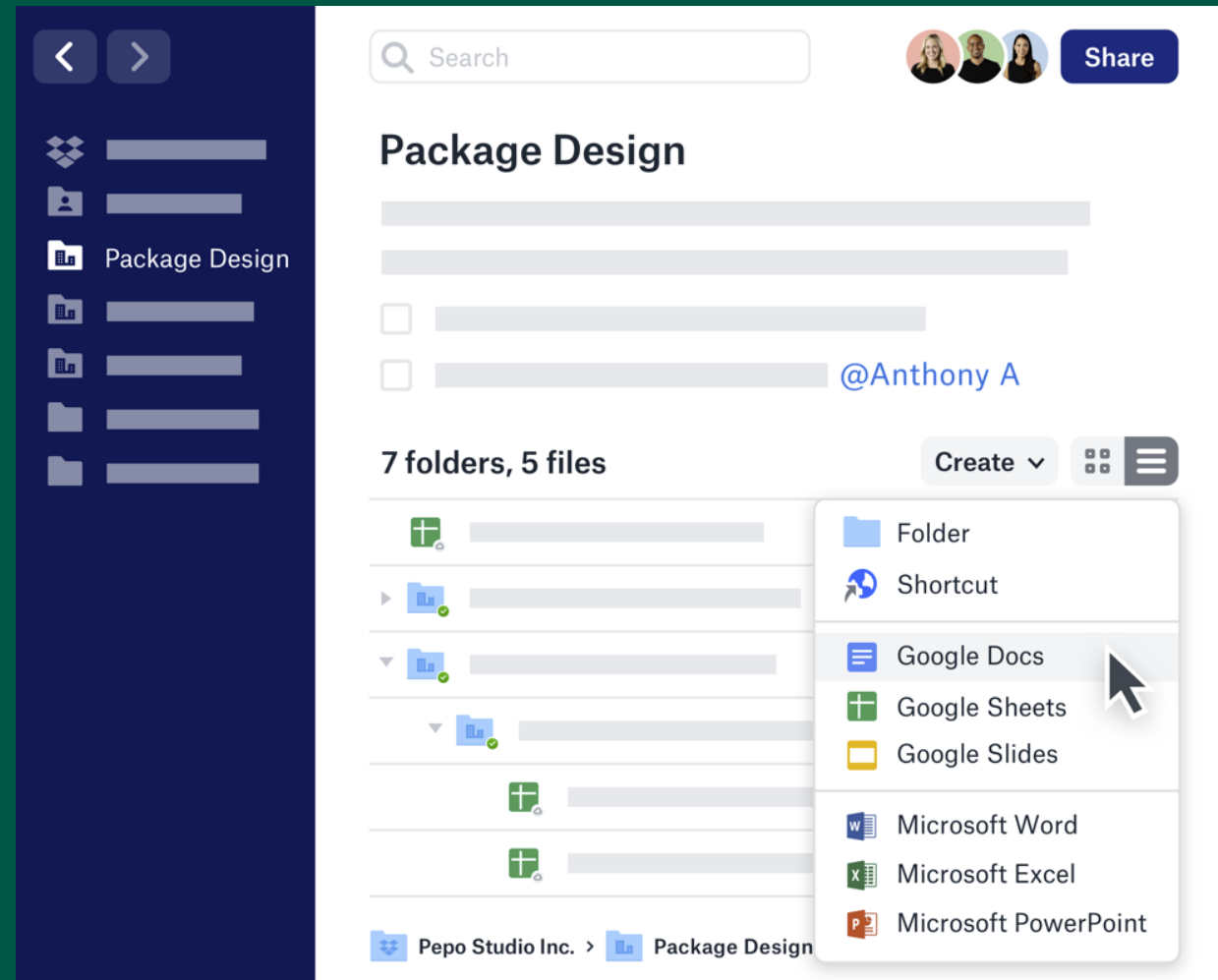


Traditional and cloud content in one place

Create, edit, and save GSuite & Microsoft Office content

Search across all your content in one place

Comment and collaborate within one workspace

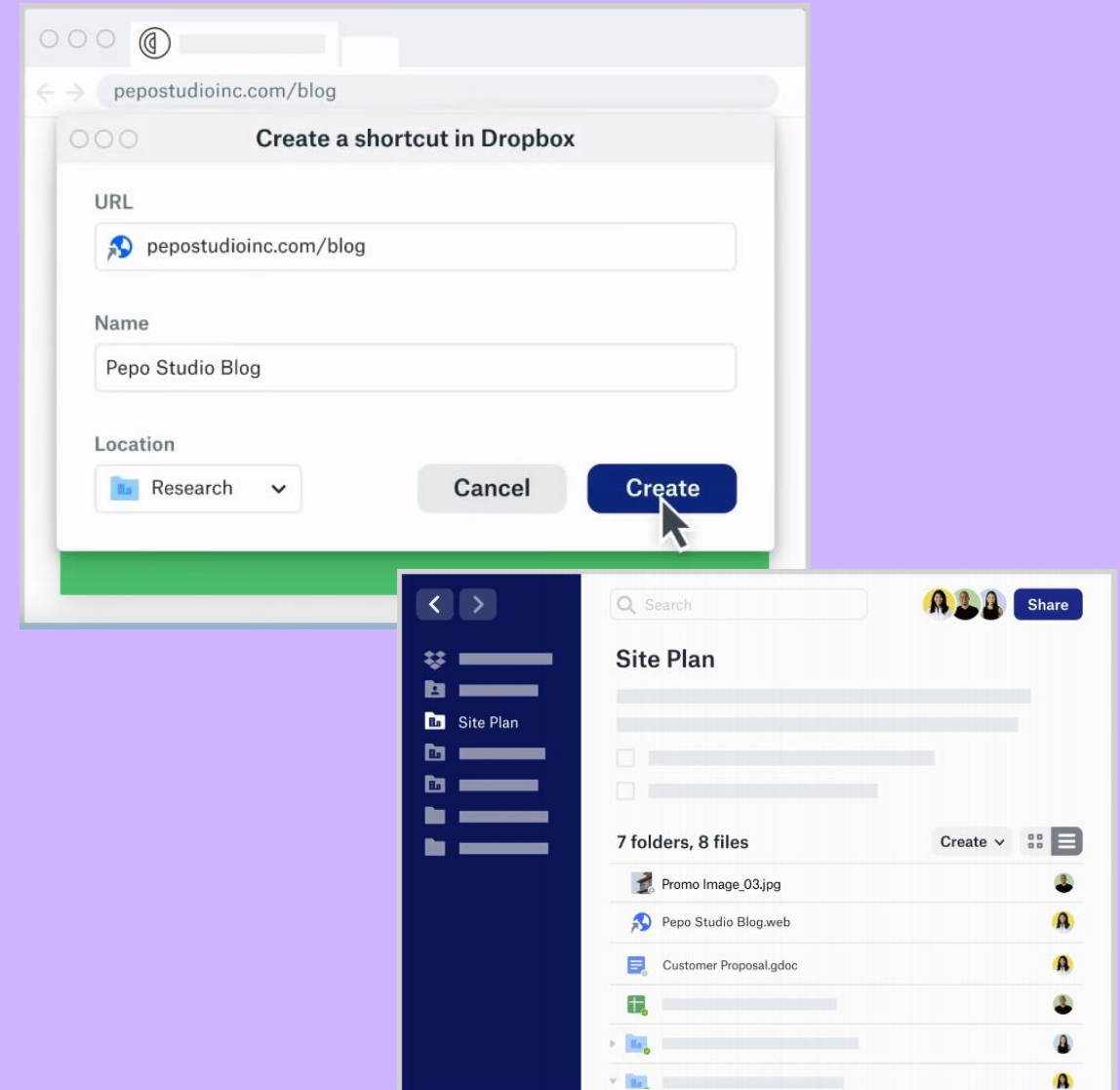


Shortcuts

Access web and SaaS content

Easily share key links with teammates

Centralize all content in one place

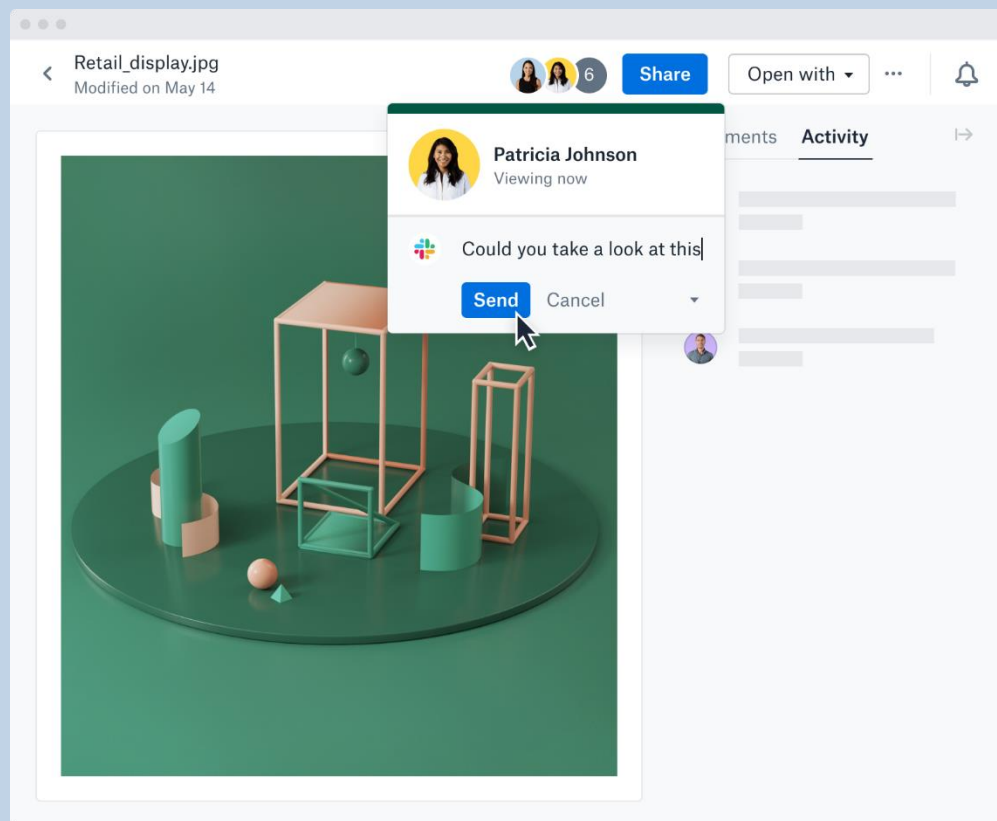


Initial Deep Integration Partners

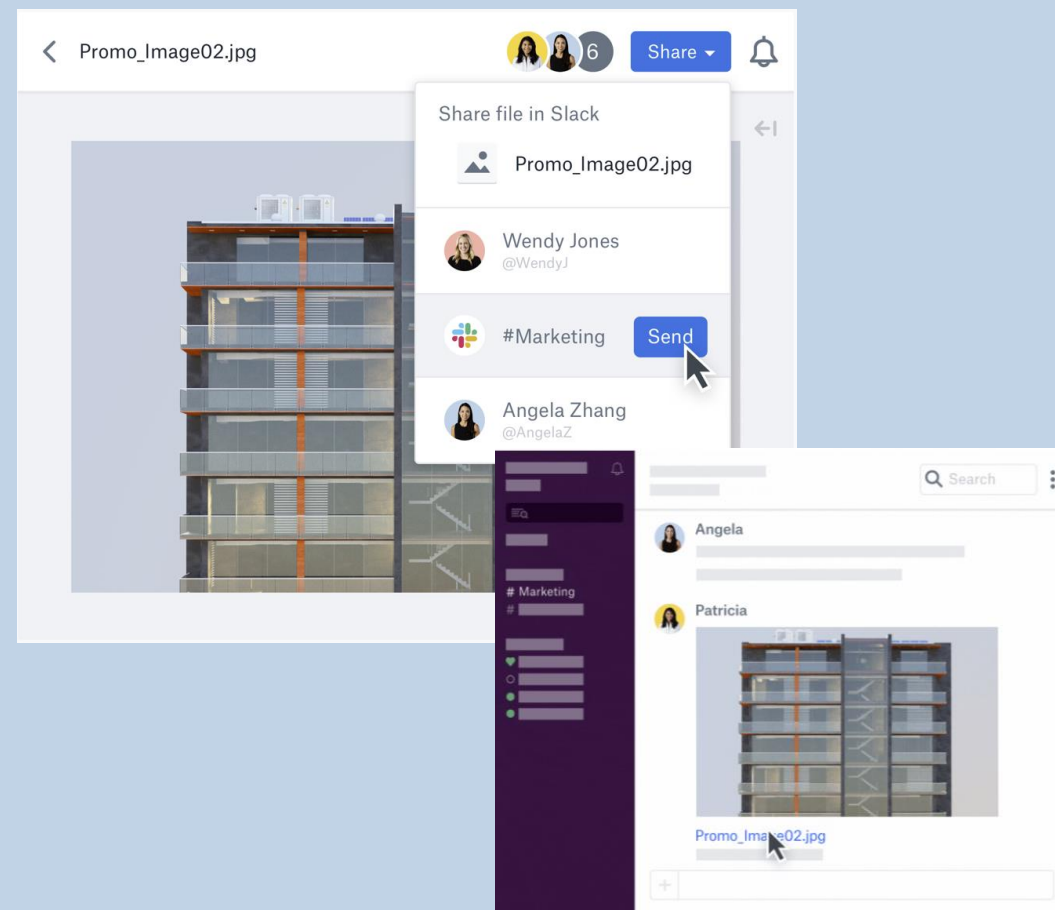


Slack integration

Start Slack conversations from Dropbox

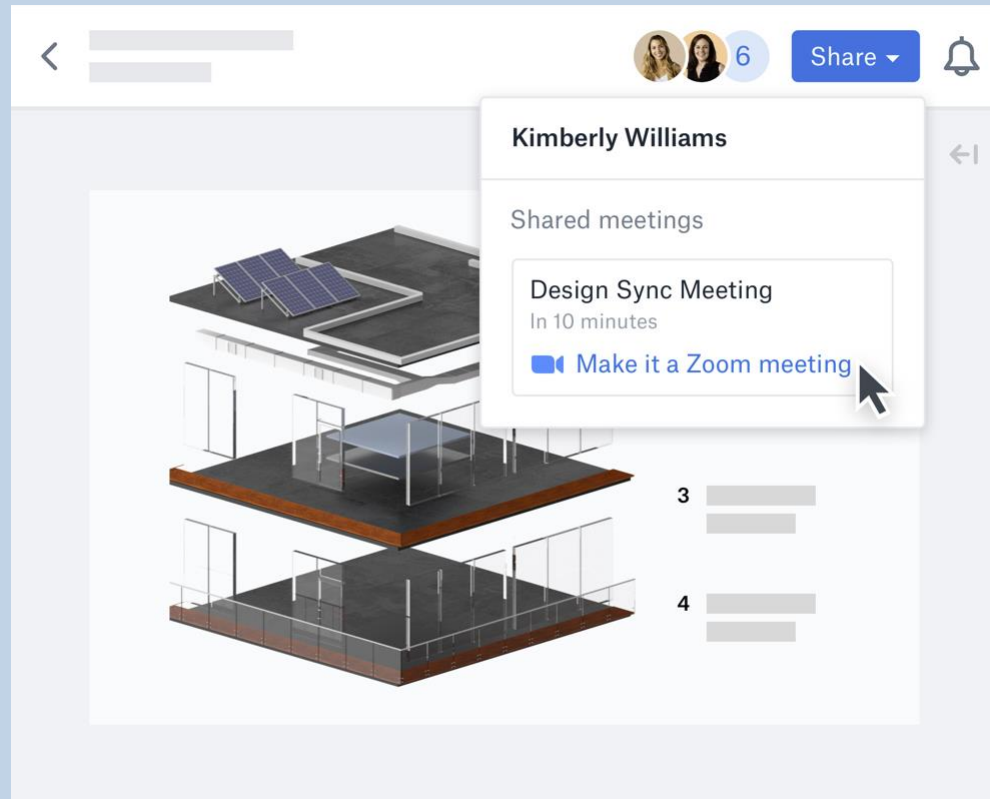


Share content to Slack from Dropbox

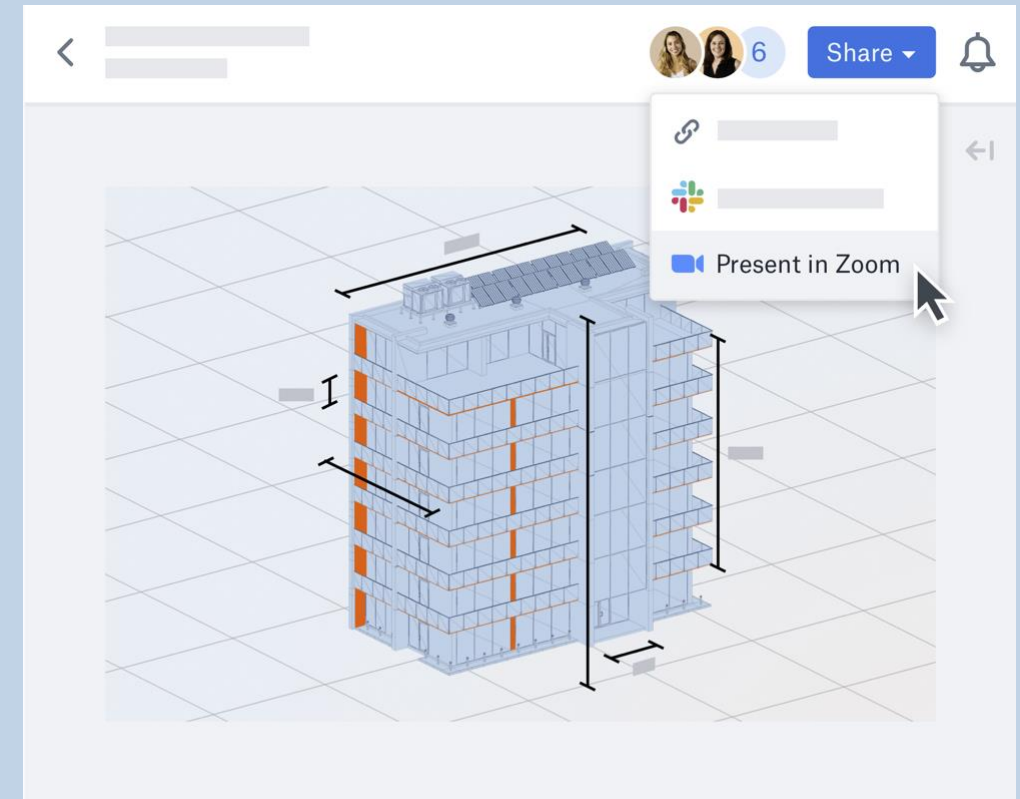


Zoom integration

Start Zoom meetings from Dropbox



Present Dropbox content via Zoom



eSignature and document workflow



eSignature and workflow solution



eSignature product that can be embedded in customer applications and workflows



Mobile-friendly workflow solution that enables users to fill out and eSign forms

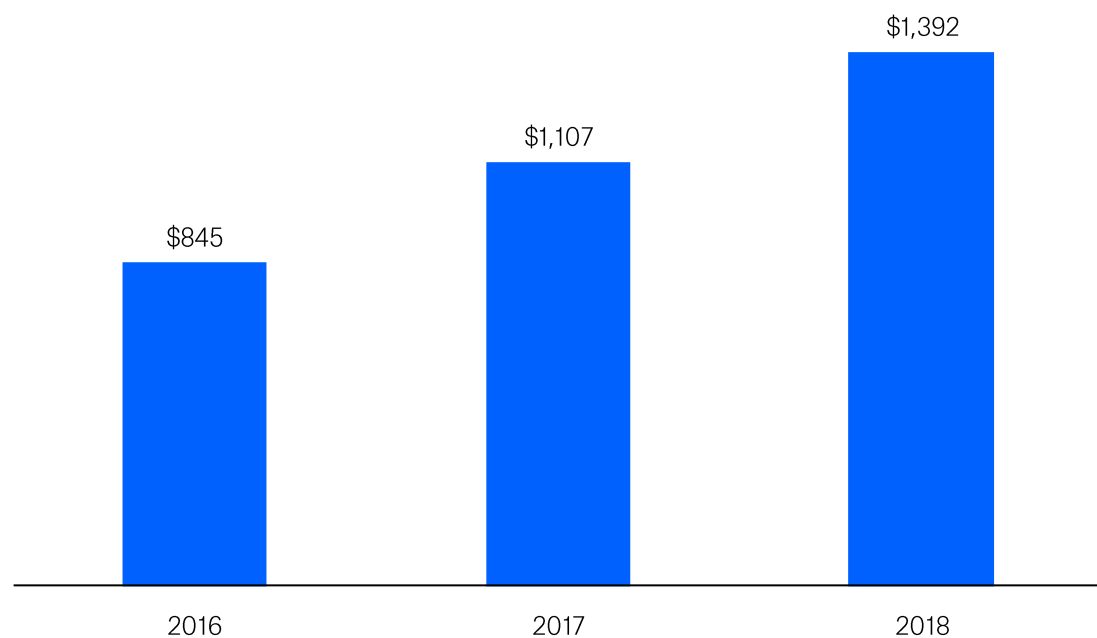


Online service that facilitates seamless fax transmission electronically

Financial highlights

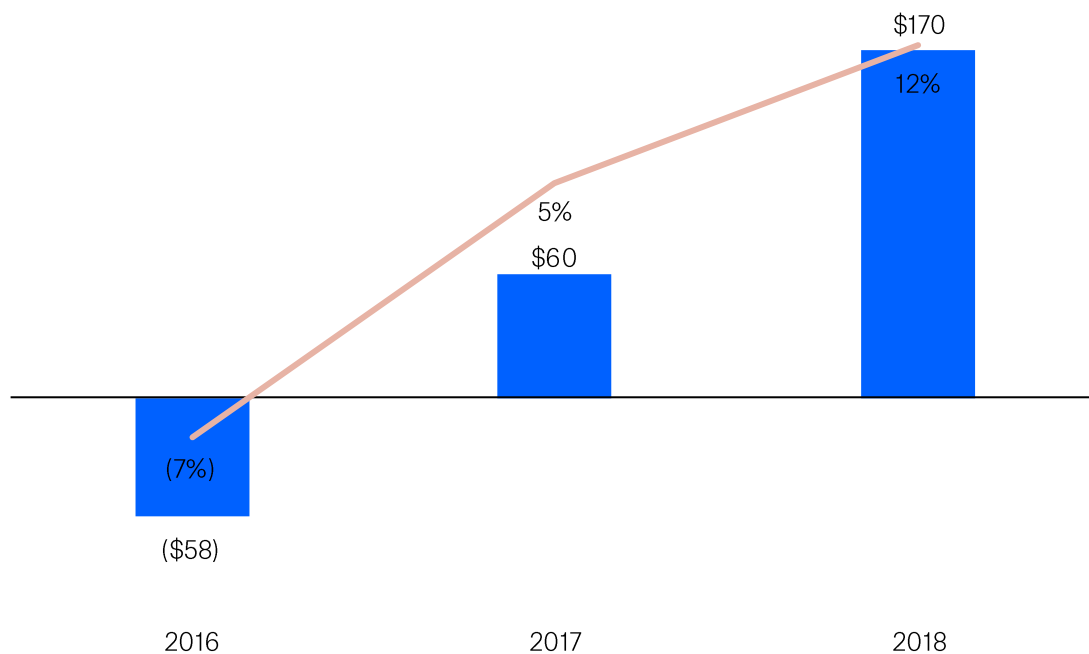
Revenue (\$M)

26% YoY growth in 2018



Operating income (loss) (\$M)

■ Non-GAAP operating income (loss)
— Non-GAAP operating margin

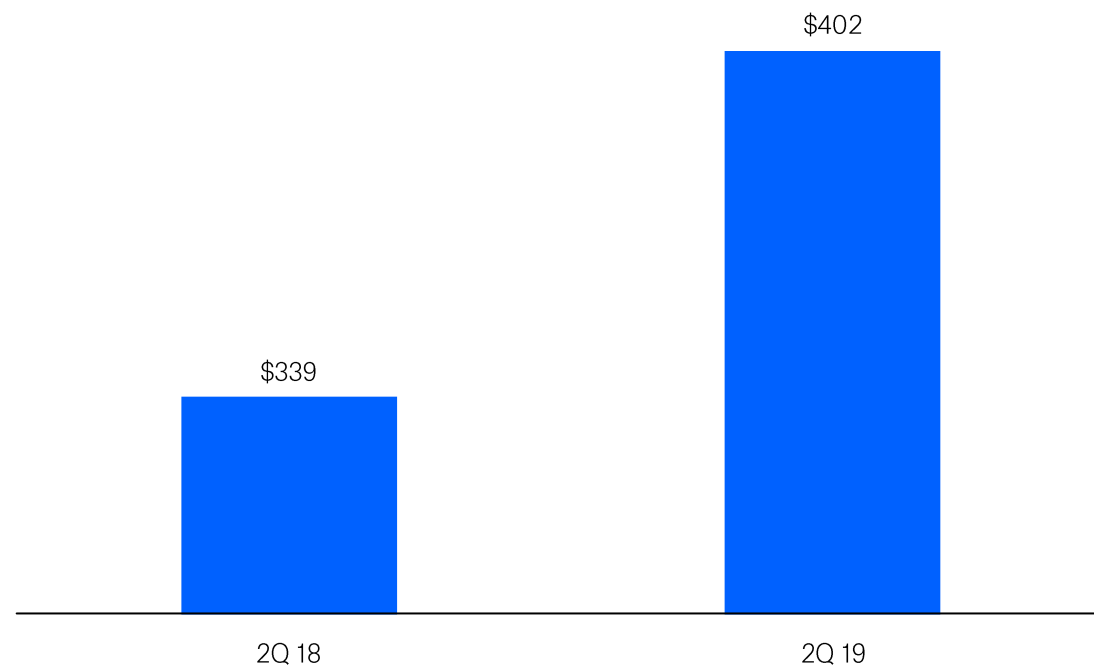


Figures presented are non-GAAP and exclude stock-based compensation expense and certain non-recurring adjustments. See appendix for non-GAAP reconciliation.

Financial highlights

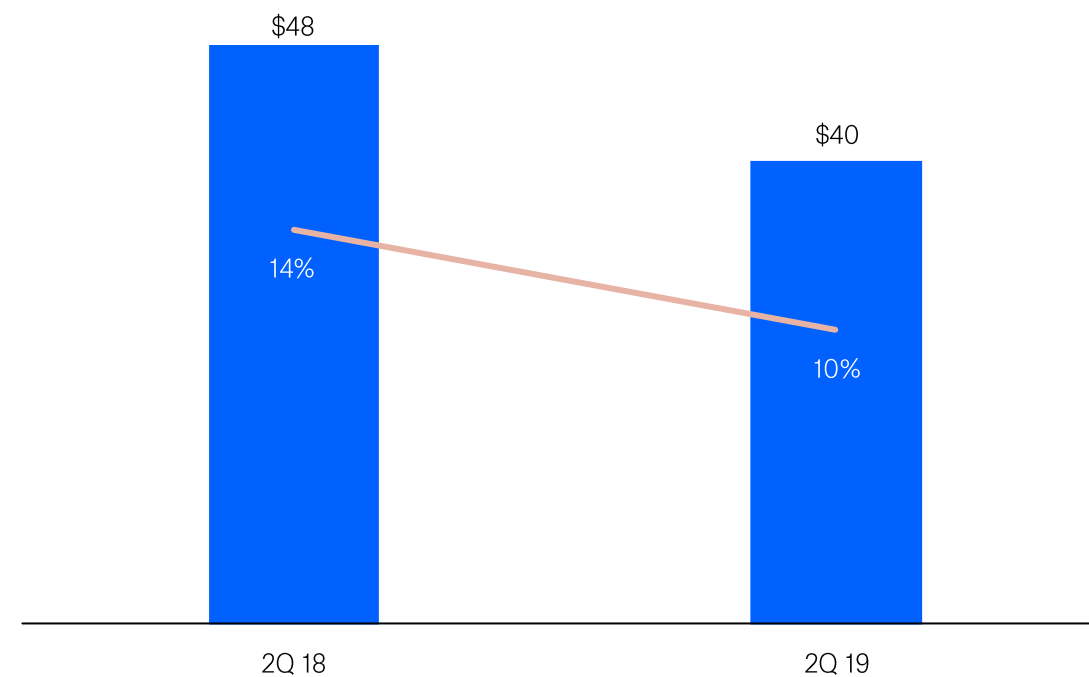
Revenue (\$M)

18% YoY growth in Q2'19



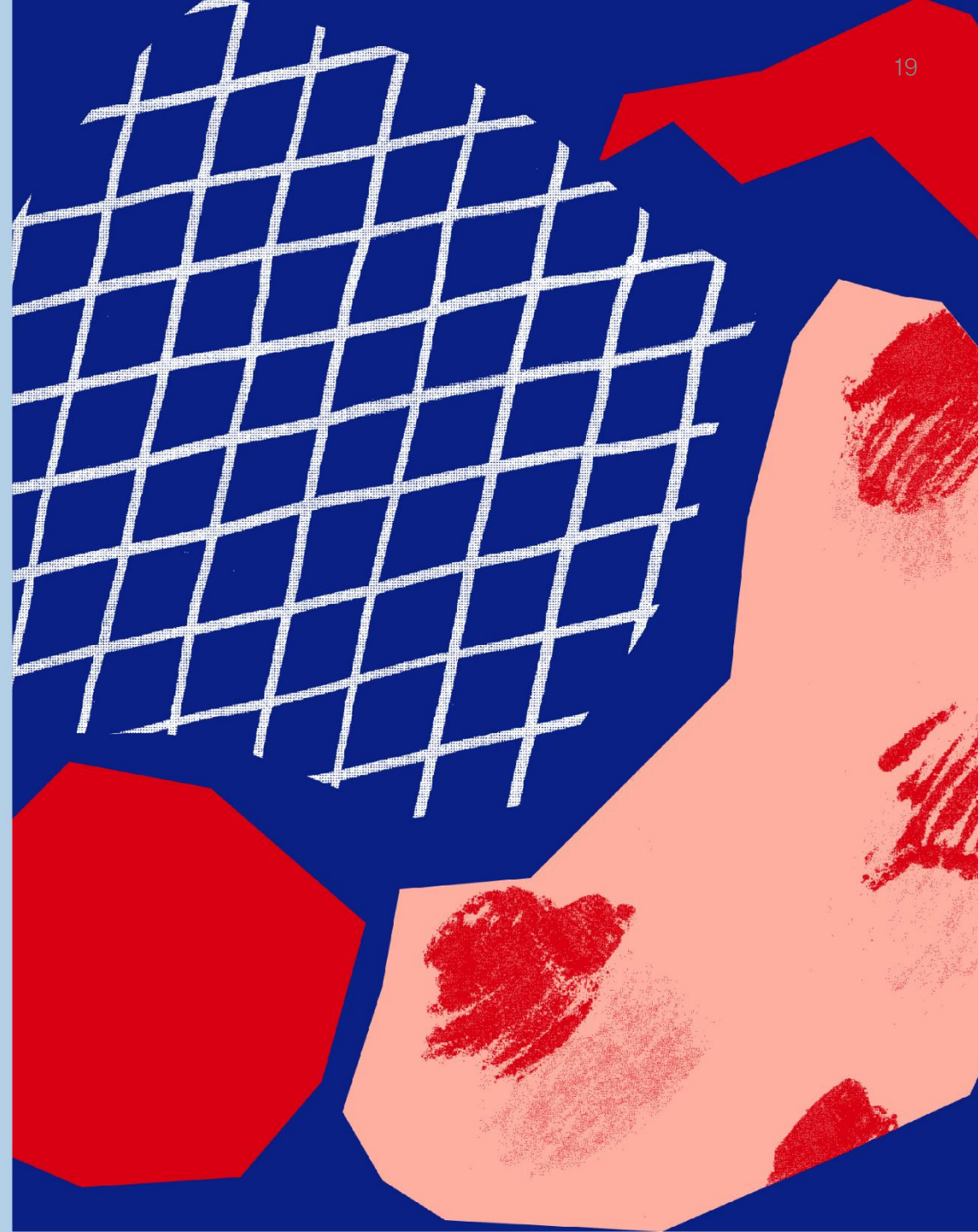
Operating income (\$M)

■ Non-GAAP operating income
— Non-GAAP operating margin



Figures presented are non-GAAP and exclude stock-based compensation expense, amortization of acquired intangibles, and HelloSign acquisition-related expenses. See appendix for non-GAAP reconciliation.

Appendix



Dropbox subscription plans

Individuals



Teams



Individuals			Teams		
Basic	Plus	Professional	Standard	Advanced	Enterprise
Free	\$11.99 / month \$119.88 / year	\$19.99 / month \$199.00 / year	\$15.00 / month \$150.00 / year	\$25.00 / month \$240.00 / year	Negotiated pricing
		Everything in Plus	Everything in Professional	Everything in Standard	Everything in Advanced
	Smart Sync Dropbox Rewind Full text search Remote device wipe Priority email support 30 day version history	Enhanced Smart Sync Auto OCR Premium previews Watermarking Time-based comments Shared link controls 180 day version history	Team folders Admin console Granular permissions Active directory connector Enables HIPAA compliance Unlimited API access*	Business hours phone support Single sign-on integration (SSO) Audit logs Device approvals Tiered admin roles	24/7 phone support Enterprise mobility management (EMM) Network control Domain insights and analytics
		Showcase		Showcase	Showcase
2GB of storage	2TB storage	3TB storage	3TB storage	As much storage as needed	As much storage as needed

*Teams have unlimited API access to productivity and security partners but may be subject to a cap on API calls to data transport partners.

HelloSign subscription plans

HELLOSIGN

HELLOSIGN API

Free	Pro	Business	Enterprise*	Bronze	Silver	Gold	Enterprise***
1 user 3 docs / mo	\$15 / mo 1 user 1 template	\$10 / user Minimum 5 users Starts at 5 templates	\$30 / user Minimum 5 users Unlimited templates	\$99 / mo 50 API calls 5 templates	\$249 / mo 150 API calls 15 templates	\$449 / mo 450 API calls Unlimited templates	Negotiated pricing 1,000+ API calls Unlimited templates
	Everything in Free	Everything in Pro	Everything in Business		Everything in Bronze	Everything in Silver	Everything in Gold
Audit trail Notifications	2-factor auth Template links Decline to sign	Custom branding In-person signing Team features	Signer attachments Advanced signing Advanced reporting Team management Master account billing HIPAA (w/ BAA) CRM/CPQ Integration**	Test mode Decline to sign Optional signers Audit trail Notifications	Embedded signing Embedded requesting Single foreign language	Multi-foreign languages Advanced signing Custom branding Signer attachments Bulk send	Embedded templates White labeling Data deletion HIPAA (w/ BAA)

Unlimited document storage in HelloSign or
Prebuilt storage integrations with Dropbox and several others

Unlimited document storage in HelloSign

*Additional **Enterprise+** plan available with advanced functionality

**Salesforce SalesCloud, Salesforce CPQ and Oracle CPQ add-ons available at an additional \$5 / \$15 / \$15 / user per month respectively

***Higher volume API plans with advanced functionality available

HelloWorks subscription plans

SMB		Mid Market			ENT
HW Free	HW 150	HW 250	HW 450	HW 1K+	
\$0 / mo Up to 100 txns* / mo	\$299 / mo Up to 150 txns* / mo	\$399 / mo Up to 250 txns* / mo	\$699 / mo Up to 450 txns* / mo	Negotiated Pricing Starts at 1,000 txns* / mo	
Unlimited Users/Teams Unlimited Workflows Unlimited Participants HelloWorks Portal API Access Shareable Links Conditional Logic	Everything in Free Company Branding SMS Authentication	“	” “	” Everything in Mid Market Delegated Authentication	
Unlimited Storage	Unlimited Storage	Unlimited Storage	Unlimited Storage	Unlimited Storage	

**Any time a workflow is launched (or sent out) for completion a single (1) “Transaction” (txn) is created*

HelloFax subscription plans

Free	Home Office	Professional	Small Business	Enterprise*
1 user 5 pages	\$9.99 / mo 5 users 300 pages / mo	\$19.99 / mo 10 users 500 pages / mo	\$39.99 / mo 20 users 1,000 pages / mo	Negotiated pricing 20+ users Starts at 2,000 pages / mo
	Everything in Free	Everything in Home Office	Everything in Professional	Everything in Small Business
Single fax line** Int'l coverage Edit & sign	Email to fax Receive faxes Multi-recipient faxes API access***			

Unlimited document storage in HelloFax or
Prebuilt storage integrations with Dropbox and several others

*Higher volume plans available with advanced features

**Additional fax lines available for \$4.99 / month

***API access available for an add-on fee of \$2 / month per line and \$0.05 / page with a \$100 minimum monthly fee

Non-GAAP reconciliation

	2016	Twelve months ended 2017	2018
Loss from operations - GAAP	\$ (193.5)	\$ (113.7)	\$ (494.0)
Stock-based compensation	147.6	164.6	650.1
Release of non-income based tax reserve	(12.4)	-	-
Donation of common stock to the Dropbox Foundation	-	9.4	-
Employer payroll taxes related to the release of two-tier RSUs	-	-	13.9
Income (loss) from operations - Non-GAAP	<u>\$ (58.3)</u>	<u>\$ 60.3</u>	<u>\$ 170.0</u>

Non-GAAP reconciliation

	Three months ended	
	June 30, 2018	June 30, 2019
Loss from operations - GAAP	\$ (7.2)	\$ (34.0)
Stock-based compensation	55.1	68.1
Acquisition-related and other expenses	-	4.1
Amortization of acquired intangible assets	-	2.3
Income from operations - Non-GAAP	\$ 47.9	\$ 40.5