



Atlassian Corp. (Nasdaq: TEAM)

Hugh Lyu & Charles Du

Who is Atlassian?

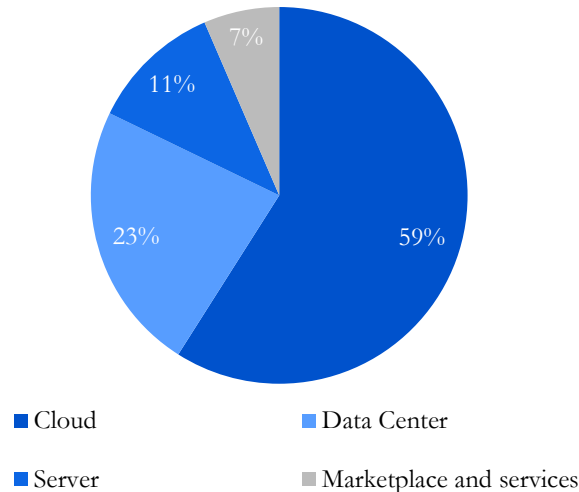


Atlassian is the world's first-tier software service provider, maintaining various software products worldwide. Focusing on maximizing corporation operation efficiency, Atlassian established a wide client network and created customer stickiness with the Fortune 500

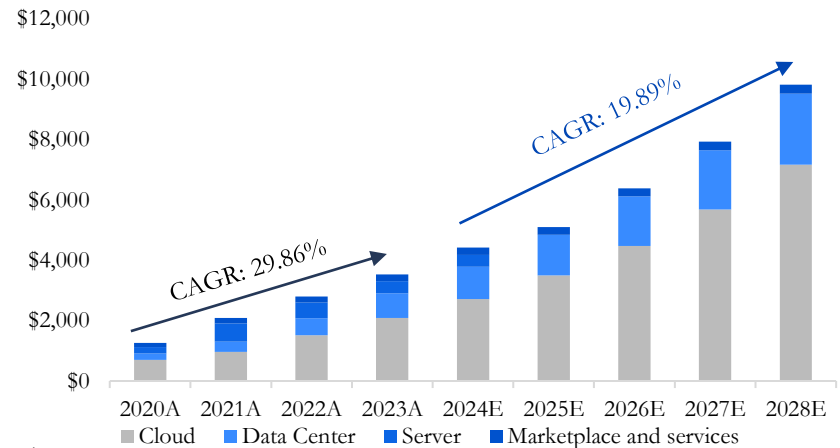
Business Description

- Founded in 2002, Atlassian Corporation is a **project development software company** headquartered in Sydney, Australia
- Atlassian helps teams organize, discuss and complete shared work, delivering superior outcomes for their organizations
- With a comprehensive product family, Atlassian serves the needs of software developers, information technology ("IT") servers, and knowledge workers to automate management & better decision-making

Revenue by Segments



Revenue Breakdown (\$mm)



Primary Products

Jira Software	Confluence	Trello
<ul style="list-style-type: none"> • Flagship project management software caters to customers across a range of sizes • Launched in September 2002, established customer reliance among 123,519 companies 	<ul style="list-style-type: none"> • Work collaboration project for any team • Launched in March 2004, Confluence accounts for 28% of Team's total customers • Generated 41,000+ active users in FY 23 	<ul style="list-style-type: none"> • Mobile-friendly collaboration system with fast-form tasks tracking • 80% of Fortune 500 companies utilize Trello to oversee workflow

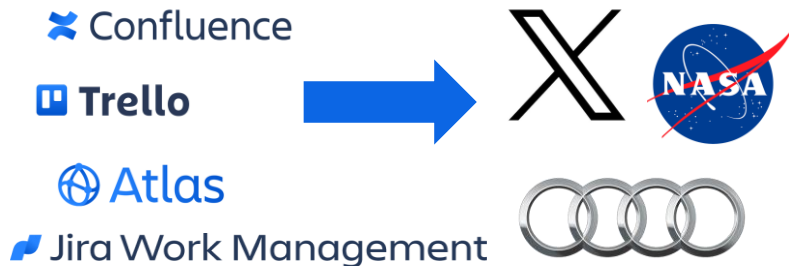
Extensive Product Portfolio

Atlassian's current products cover 3 business segments, with a major focus on work management. Atlassian also established a competitive moat in Agile and DevOps services and growing its ITSM service at a fast speed through R&D investment

Business Segmentation

Work Management

- 4 major products in team collaboration and project management that power 250,000+ companies



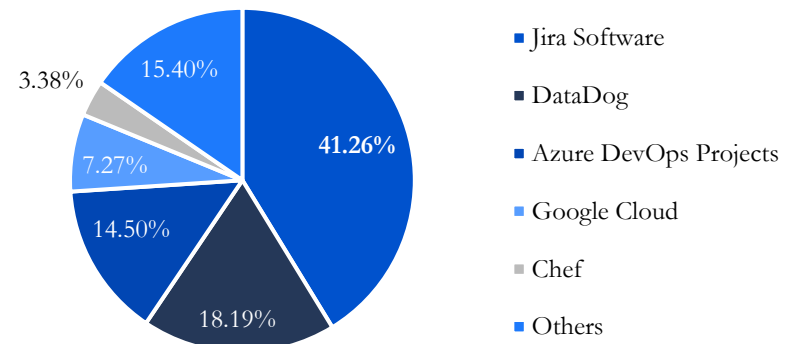
Agile and DevOps

- Agile management: A method for software developers to get instant feedback through iterative task delivery



- DevOps (Development & Operation): Simultaneously conduct software development and IT operations to shorten development life cycle and maintain high software qualities

DevOps Market share



ITSM (Information Technology Service Management)

- Provide simple but powerful system for managing collaborative IT service and support requests



- In ITSM, increasing R&D investment improved Atlassian's ability to handle the most sophisticated use cases, resulting in increased demand from enterprise customers

Annotated Stock Chart

Atlassian’s consistent growth was shocked by COVID and operating margin decline, but its solid revenue growth & constant stock repurchasing indicate internal confidence within the stock, resulting in a pricing uptick and a bullish growing trend



— Atlassian, Inc. (NasdaqGS:TEAM) - Share Pricing

- 1 **July 2021:** Atlassian Q4'21 revenue **\$209M**, beating estimates by **7%**, with subscriptions growing 50% compared to Q4'20
- 2 **Oct 2021:** Atlassian **Q1'22 revenue \$614M**, up **34%** from Q1'21, operating profit **\$39.6M**, up **232%** from Q1'21, **operating margins doubled**
- 3 **Apr 2022:** Atlassian **Q3'22 revenue up 30%** from Q3'21, while the company reported an **operating loss of (16.1M)** and announced the **new CTO appointment** of Rajeev Rajan
- 4 **Aug 2022:** **Apr 2022:** Atlassian **Q4'22 revenue up 36%**, **new CFO appointment** of Joe Binz
- 5 **Nov 2022:** **Q1'23 Revenue \$807M**, up **31%** from one year ago, **operating loss \$34M**, **operating margin declined** from 27% to 18%
- 6 **Jan 2024, Dec 2023, Oct 2023, Sep 2023:** **Multiple C-Suite Executives**, including CEO Michael Cannon-Brookes, executed options to purchase **2m+ shares** from the companies

Multiple Evaluation

Atlassian is now trading at an all-time low, well below its average and median multiple, suggesting potential for multiple growth



- 1 Atlassian is poised for strong growth due to its product superiority and an attractive price point in a rapidly expanding market
- 2 Atlassian's strategic pipeline expansion through acquisition and R&D in AI has created a best-in-class suite of offerings for its customers
- 3 Atlassian's pricing power and customer stickiness allow itself to withstand disruptive factors in a highly competitive industry

BUY

Price Target: \$322.51
Implied Upside: 30.2%

1

Atlassian is poised for strong growth due to its product superiority and an attractive price point in a rapidly expanding market

SaaS: Collaboration and Project Management



The influx of AI and technological advancement coupled with an increase in investment in software solutions have ITSM poised for growth

Market Drivers



AI and machine-learning will automate most resource allocation and repetition in project management



No-code productivity platforms puts clients in control of their own software

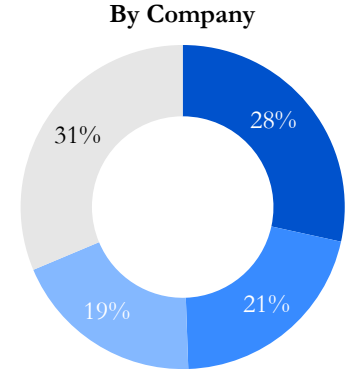
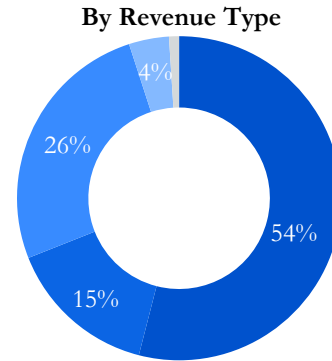


Project management goes mobile, with an array of consequences



Agile and DevOp are the new trends of software development

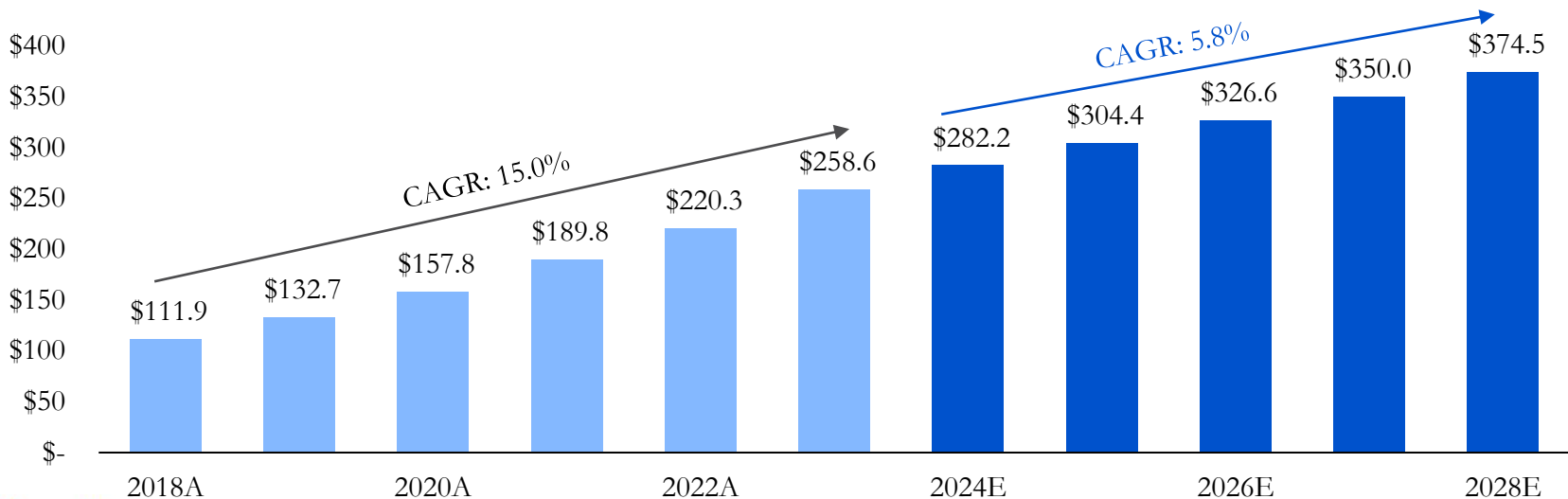
Market Segmentation



- Spend 10% - 20% more than 2022
- Spend 21% or more than 2022
- Spend about the same
- Spend 10% - 20% less than 2022

- Salesforce
- Microsoft
- Atlassian
- Others

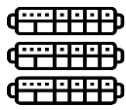
Industry Size (\$Bn)



Cloud Migration Program

Atlassian has been moving towards a cloud-first approach that drives efficiency and higher ARPU

Service Deployment



Server

Software installation where products are installed and run on servers managed by the customers. The customers are responsible for maintaining the server, including hardware, software, security and updates



Data Center

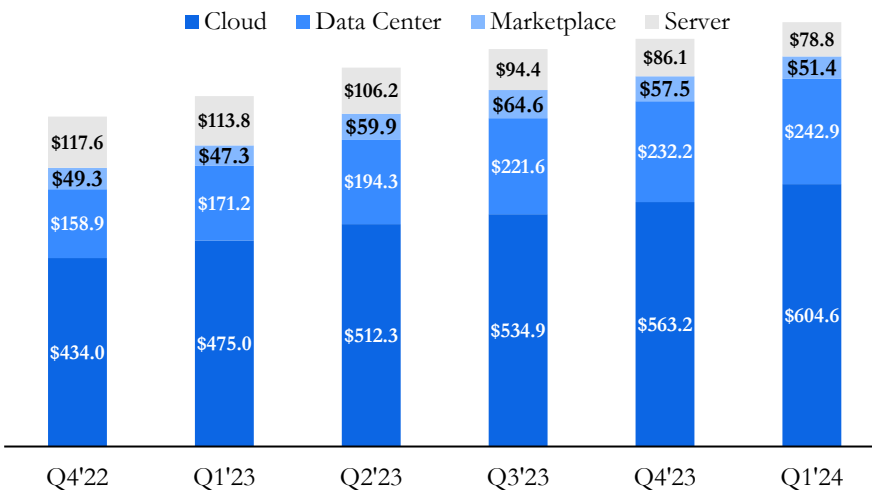
A higher-tier option, is also a self-managed like the server deployment. However, it is designed for higher scalability and reliability



Cloud

Software is hosted on Atlassian's servers. Customers do not manage or maintain the underlying servers or infrastructure. The software is delivered as a service over the internet

Revenues by Deployment (\$mm)



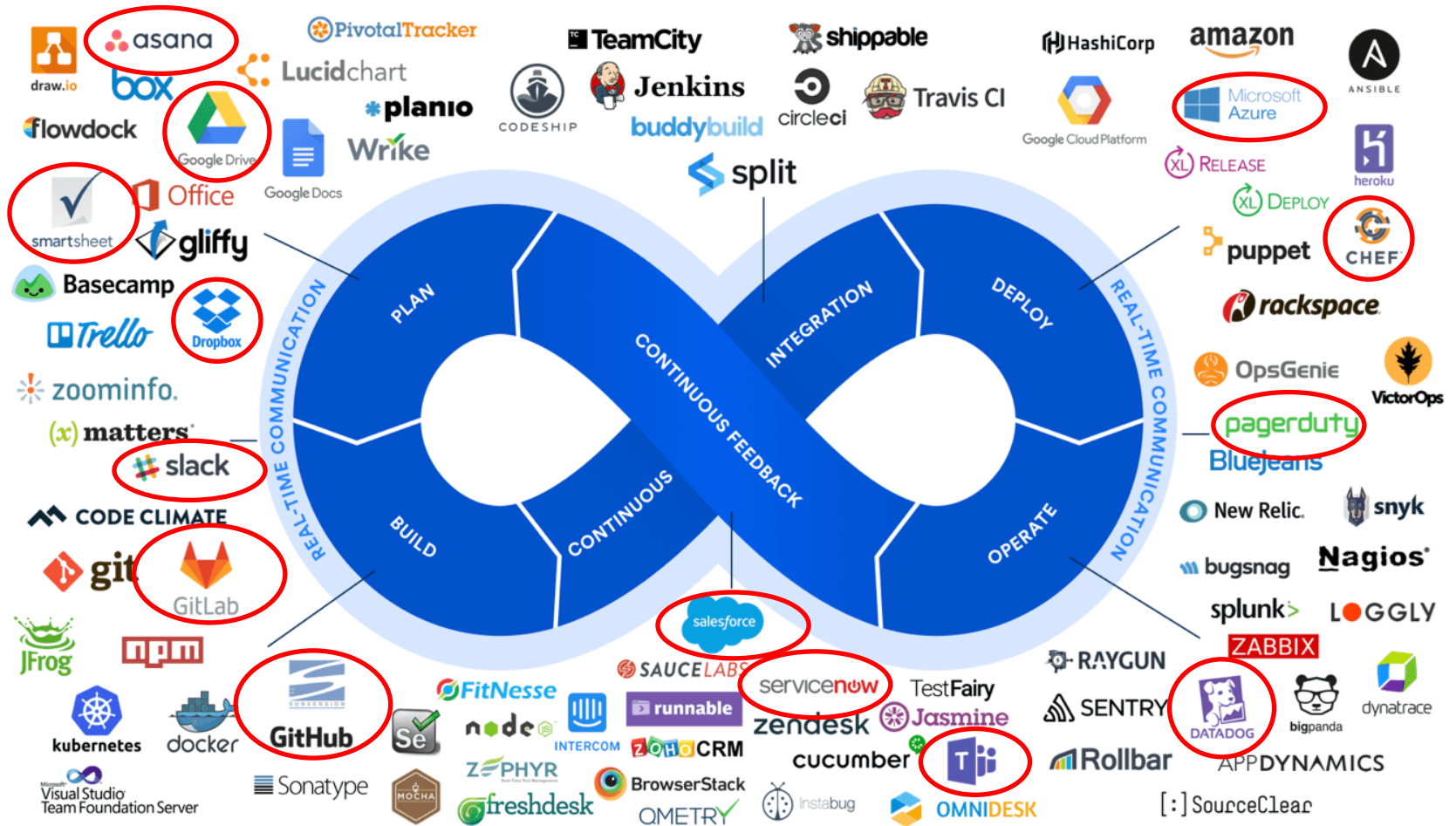
Cloud Migration Program

Support for Atlassian Server products ends on February 15, 2024

- Enhanced Features and Innovation:** The cloud platform allows Atlassian to roll out updates and new features more rapidly and efficiently. Customers benefit from the latest developments without the need for manual upgrades
- Scalability and Flexibility:** Cloud solutions provide better scalability and flexibility for organizations. Particularly beneficial for growing companies that require agile and adaptable tools
- Integration with Other Cloud Services:** Cloud-based Atlassian products can seamlessly integrate with other cloud services, providing a more cohesive workflow for users

Competitive Landscape

Atlassian's well-rounded and customer-oriented service system for corporations to deploy various operation progress within the same platform makes it a unique choice over individual platform services and app-based competitors



Product Superiority

Rich experience in project management, efficiency advantage in ITSM, and market dominance in DevOps allow Atlassian to provide the most unique and comprehensive product portfolio among all the competitors

Product Characteristics

- 1** Organic and open to integration

 - Developed **extensive project management template** for use, provide open & interoperable products on competitor's application
 - Online market system features independent developers to individualize products for self-use, product resale, or external developments

- 2** Well-developed DevOps workflow

 - Established **competitive moat in the DevOps market** with the highest market share
 - Evenly distributed customer and consistent pipeline. No single customer contributed more than **5% of the total revenues** during 2023

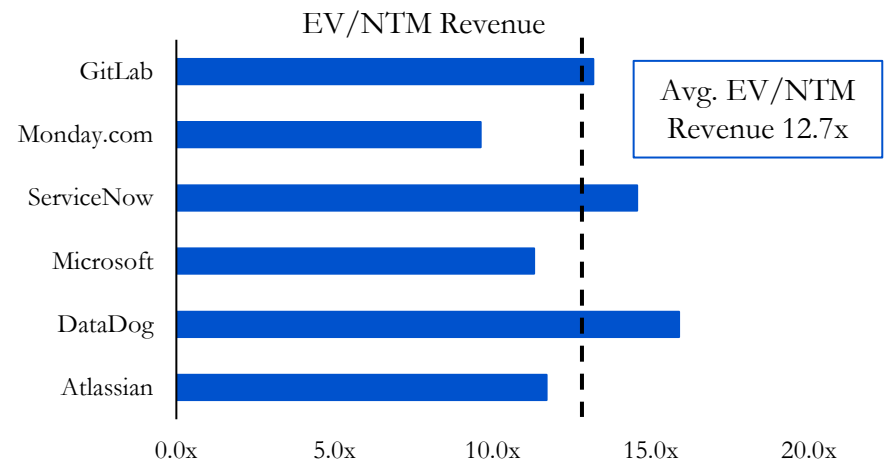
- 3** Affordable pricing and efficiency boost

 - Transparent pricing** (no distinct marketing team) compared to most competitors with opaque charging model and hidden cost
 - According to experts, **80%** of new Jira deals come from **takeaways** because of such attractive price offerings

Feature Comparisons

	Free Access	AI-driven	Advanced Management	Customization	Integrations
	✓	✓	✓	✓	✓
	✓			✓	✓
			✓	✓	✓
	✓	✓			✓
		✓	✓	✓	
	✓				✓

Promising Valuation



2 Atlassian's strategic pipeline expansion through acquisition and R&D in AI has created a best-in-class suite of offerings for its customers

AirTrack & Loom Acquisitions

AirTrack and Loom Acquisitions allow Atlassian to deliver a more comprehensive suite of offerings in addition to its best-in-class Jira



+



AirTrack aggregates and analyses multiple sources of data used across IT, making it easy to pinpoint issues, so you can move onto more important tasks



+



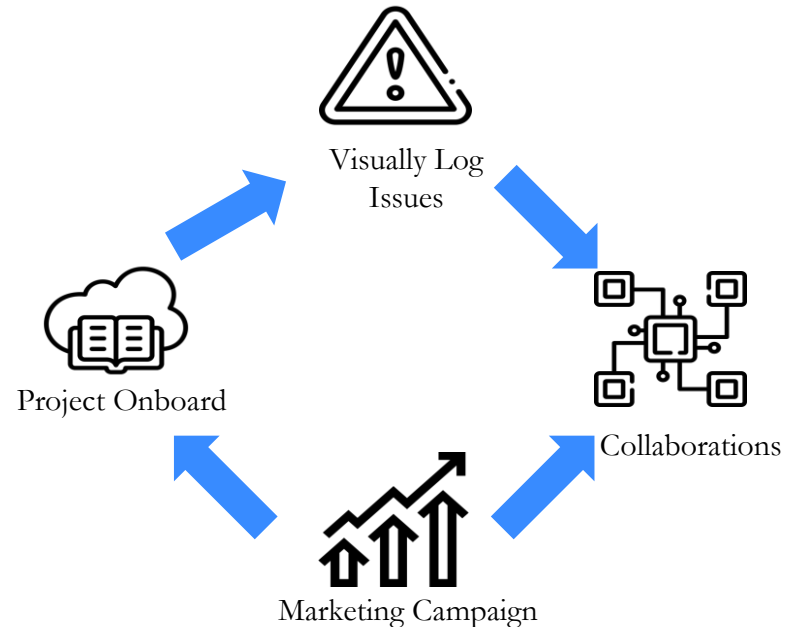
Loom (\$975mm) is an asynchronous video messaging tool that helps users communicate through instantly shareable videos

1 30+ out-of-the-box data connectors

2 Rapid data reconciliation

3 An accurate picture of all service dependencies across Dev and IT

4 Data beyond IT



Investment for the Future

With 5000+ employees devoting to research and development, Atlassian is generating an automated and efficient system for the AI era

Increasing R&D investments



Applying Atlassian Intelligence (AI) to all products

Jira	<ul style="list-style-type: none"> AI helps to generate and transform content Automatically glean insights from organizational data and then search issues
Compass	<ul style="list-style-type: none"> Established in 2022, help to reduce cognitive load and apply health tracker for the developing system
Confluence	<ul style="list-style-type: none"> Summarize content for document creations Define terms and search answers from AI data lake Allowing mobile extensions on 3rd party apps soon
Opsgenie	<ul style="list-style-type: none"> Auto-monitor critical timeline and tasks: Centralize alerts and notify the right people at the right time Customize on-call schedules, gain insights into areas of success to improve on-call and alerting processes
Jira Service Management	<ul style="list-style-type: none"> Use AI to drive actions: automate customer interactions with Virtual Teammate Understand different types of customized request
Bitbucket	<ul style="list-style-type: none"> Accelerate coding process by generating and transforming content, help to review code



Unleashing the Power of AI

Atlassian Intelligence helps teams accelerate work, increase efficiency, and provide value faster using artificial intelligence (AI). Generate and transform content, summarize critical details, find the work you need fast, and more



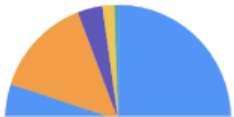
Glean Insights From Data

How many jira issues are done by project name limited to 5 projects

```
Query 1 from avp-team v
1 SELECT project.name AS
2 project_name, COUNT(issue.issu
3 AS done_issues
```

Chart

Untitled chart



- 80.0% AVP Infrastruc
- 14.2% AVP QA
- 3.57% Endeavour Opr
- 1.71% Endeavour Inno
- 0.533% Arthi-Test

- 1 Quickly find issues and dependencies using natural language
- 2 Use natural language to run complex queries in seconds
- 3 Find useful information about projects, policies, and processes



Accelerate Work

Aa v B I ...

Type /ai for Atlassian Intelligence or @ to mention and notify someo

Brainstorm x

Product ideas for improving user engagement and retention|

Tell AI "Product ideas for improving user engagement and retentio

Atlassian Intelligence

- 1 Elevate ideas and get started on work quickly with generative AI
- 2 Define unfamiliar terms, jargon, or acronyms
- 3 Boost individual productivity and accomplish even more together



Use AI to Drive Action

I work in HR and recruit, screen, and onboard new employees

Here are some suggestions for request types to create. Select o

Flexible work arrangements
Request type to discontinue a flexible work arrangement.

Request a report or data analysis
Need help with a report or data analysis? Submit a request here.

Email request
Request received from your email support channel.

- 1 Work with virtual agents to respond to issues with your knowledge base
- 2 Use AI to help set up projects for employee and customer support
- 3 Get up to speed on any topic and summarize issues quickly

3

Atlassian's pricing power and customer stickiness allow itself to withstand disruptive factors in a highly competitive industry

Sustainable Business Model

Atlassian's substantial customer base, uniformed software platform, and established contract pipeline ensured high customer retention

High Customer Retention



Customization & Proactive Service

Individualized interfaces & settings; instant self-service answers & agent support for each brand



Long-term "binding" service coverage

Customers use a combination of products all with 5-12 year patents, leading to high switching cost



Large-cap firms already preferred TEAM

Customers with \$1mm+ contracts contributed to 75% revenue gain in FY 2023; achieved 140% CRR

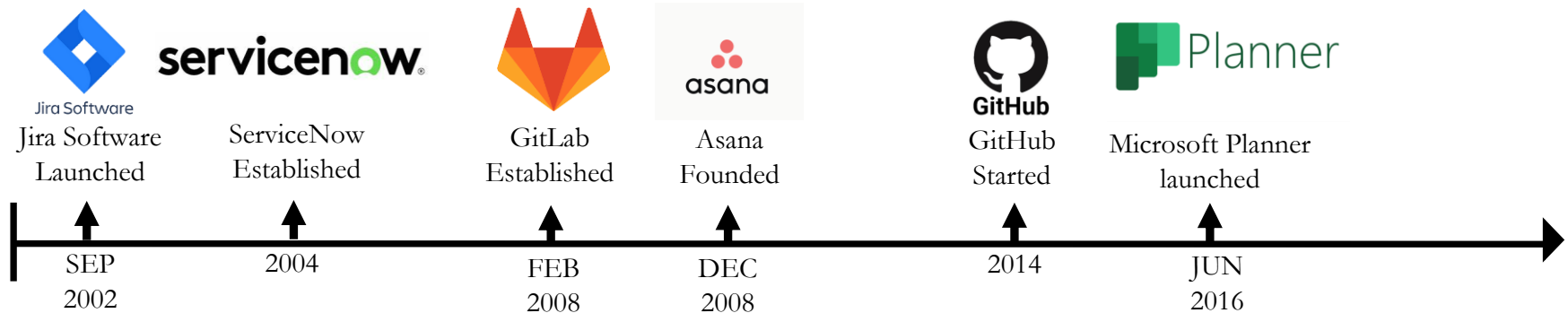


Customers in DevOps



- Recurring revenue contributed to **80%+** of the total revenue since 2021 due to increasing subscription revenue and maintenance revenue collections
- Existing customers each maintaining **5-10 years** of contract

Competitors Launching Timeline



Pricing Uptick from Cloud Migration



Cloud migration + customer stickiness allow Atlassian to obtain power to uptick prices while maintaining customer growth momentum

Atlassian announced an increase in Server and Data Center Deployment Pricing on February 15, 2024

Jira Platform Annual Pricing	1,000 users	10,000 users	30,000 users
Data Center	\$72,000	\$480,000	\$660,000
Cloud Standard	\$62,000	\$487,000	\$1,162,200
Pricing Uplift for migration from DC to Cloud Standard	0.9x	1.0x	1.8x
Data Center	\$72,000	\$480,000	\$660,000
Cloud Premium	\$94,000	\$740,000	\$1,872,000
Pricing uplift for migration from DC to Cloud Premium	1.3x	1.5x	2.8x
Data Center	\$72,000	\$480,000	\$660,000
Cloud Enterprise	\$141,000	\$1,112,000	\$2,812,000
Pricing uplift for migration from DC to Cloud Enterprise	2.0x	2.3x	4.3x
Jira Platform Annual Pricing	500 users	1,000 users	
Server Maintenance Renewal		\$23,000	\$30,150
Data Center		\$42,000	\$72,000
Pricing uplift for migration from Server to Data Center		1.8x	2.4x
Server Maintenance Renewal		\$23,000	\$30,150
Cloud Premium		\$53,500	\$94,000
Pricing uplift for migration from Server to Cloud Premium		2.3x	3.1x

Revenue Assumptions



Atlassian Corporations

Assumptions

Active Case:

(\$ in thousands)	Historicals	Projections				
	2023A	2024E	2025E	2026E	2027E	2028E
Revenue Segmentation						
Revenue By Product						
Total Revenue	\$3,534,647	\$4,178,540	\$5,088,282	\$6,356,295	\$7,591,460	\$8,658,433
% Growth		18.2%	21.8%	24.9%	19.4%	14.1%
Cloud Revenue	\$2,085,498	\$2,711,147	\$3,497,380	\$4,476,647	\$5,461,509	\$6,335,350
% Growth	37.62%	30.0%	29.0%	28.0%	22.0%	16.0%
Base	44.38%	30.0%	29.0%	28.0%	22.0%	16.0%
Bull		33.0%	32.0%	31.0%	25.0%	19.0%
Bear		25.0%	24.0%	23.0%	17.0%	11.0%
Data Center Revenue	\$819,251	\$1,073,219	\$1,352,256	\$1,636,229	\$1,881,664	\$2,069,830
% Growth	46.21%	31.0%	26.0%	21.0%	15.0%	10.0%
Base	56.74%	31.0%	26.0%	21.0%	15.0%	10.0%
Bull		34.0%	29.0%	24.0%	18.0%	13.0%
Bear		21.0%	16.0%	11.0%	5.0%	—
Server Revenue	\$400,519	\$160,208	\$0	\$0	\$0	\$0
% Growth	(23.7%)	(60.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Base	(9.9%)	(60.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Bull		(60.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Bear		(60.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)
Marketplace and Services Revenue	\$229,379	\$233,967	\$238,646	\$243,419	\$248,287	\$253,253
% Growth	13.49%	2.0%	2.0%	2.0%	2.0%	2.0%
Base	18.24%	2.0%	2.0%	2.0%	2.0%	2.0%
Bull		3.0%	3.0%	3.0%	3.0%	3.0%
Bear		1.0%	1.0%	1.0%	1.0%	1.0%

1

Sustained User Growth:

Customer Stickiness + Product Superiority + Attractive Pricing drive user growth

2

Increase in ARPU:

Cloud Migration + Pricing Uptick increase average revenue and gross margin per user

3

Expanding Market:

Corporate increase in software solution spending + AIaaS win greenfield and expand TAM

4

Successful Investments:

Synergy recognitions through acquisitions + talents recruitment enhance product suite

Cost Assumptions

Atlassian Corporations
Assumptions
Active Case:

(\$ in thousands)	Historicals	Projections				
	2023A	2024E	2025E	2026E	2027E	2028E
Cost Breakdown						
Cost of Revenue	\$633,765	\$752,137	\$915,891	\$1,144,133	\$1,366,463	\$1,558,518
<i>% of Total Revenue</i>	17.93%	18.0%	18.0%	18.0%	18.0%	18.0%
Base	16.61%	18.0%	18.0%	18.0%	18.0%	18.0%
Bull		16.0%	16.0%	16.0%	16.0%	16.0%
Bear		20.0%	20.0%	20.0%	20.0%	20.0%
R&D Expenses	\$1,869,881	\$2,005,699	\$2,442,375	\$3,019,240	\$3,605,943	\$4,069,464
<i>% of Total Revenue</i>	52.90%	48.0%	48.0%	47.5%	47.5%	47.0%
Base	47.20%	48.0%	48.0%	47.5%	47.5%	47.0%
Bull		43.0%	43.0%	42.5%	42.5%	42.0%
Bear		53.0%	53.0%	52.5%	52.5%	52.0%
M&S Expenses	\$769,861	\$752,137	\$865,008	\$1,017,007	\$1,138,719	\$1,212,181
<i>% of Total Revenue</i>	21.78%	18.0%	17.0%	16.0%	15.0%	14.0%
Base	36.48%	18.0%	17.0%	16.0%	15.0%	14.0%
Bull		17.0%	16.0%	15.0%	14.0%	13.0%
Bear		19.0%	18.0%	17.0%	16.0%	15.0%
G&A Expenses	\$606,362	\$709,444	\$830,049	\$971,157	\$1,136,254	\$1,329,417
<i>% of Total Revenue</i>	17.15%	17.0%	17.0%	17.0%	17.0%	17.0%
Base		17.0%	17.0%	17.0%	17.0%	17.0%
Bull		16.0%	16.0%	16.0%	16.0%	16.0%
Bear		18.0%	18.0%	18.0%	18.0%	18.0%
Total Stock-Based Compensation	\$948,087	\$904,630	\$1,056,300	\$1,252,722	\$1,440,262	\$1,577,049
<i>% of Total Revenue</i>	26.82%	21.65%	20.76%	19.71%	18.97%	18.21%

1 Aggressive Cost Assumptions:
 Assumptions are set at a significantly higher threshold compared to standard analysts' estimates to account for potential unforeseen variables and stress test our thesis

2 R&D Expenses Growth:
 A major decrease in R&D expense in 2024 mainly due to a 5% reduction in headcount cut in 2023

3 M&S Expense Reduction:
 As Atlassian cements its dominance in the project management sector, it increasingly relies on word-of-mouth referrals over marketing and sales efforts

4 Decrease in SBC:
 A reduction in SBC becomes natural when Atlassian matures

Blended Share Price Base Case



Gordon Growth Method:

Terminal Value:	
2028 FCF	\$12,230,603.4
PGR	3.0%
Terminal Value	\$109,379,175.1
PV of Terminal Value	\$60,106,399.6

Value Distribution:	
PV of Period Cash Flows	\$29,077,206.1
PV of Terminal Value	\$60,106,399.6
Total	\$89,183,605.7
Period Cash Flows	32.6%
Terminal Value	67.4%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$89,183,605.7
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$90,013,350.7
Shares Outstanding	256,307.0
Share Price	\$351.19
Upside/Downside	41.7%

Blended Implied Share Price	
Perpetuity Growth Method	\$351.19
Multiple Method	\$293.83

Exit Multiple Method:

Terminal Value:	
2028E EBITDA	\$2,341,020.8
Exit Multiple	35.3x
Terminal Value	\$82,622,426.6
PV of Terminal Value	\$45,402,944.2

Value Distribution:	
PV of Period Cash Flows	\$29,077,206.1
PV of Terminal Value	\$45,402,944.2
Total	\$74,480,150.3
Period Cash Flows	39.0%
Terminal Value	61.0%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$74,480,150.3
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$75,309,895.3
Shares Outstanding	256,307.0
Share Price	\$293.83
Upside/Downside	18.6%

Upside/Downside	
Blended Share Price	\$322.51
Current Upside	30.2%

Final Recommendation

- 1 Atlassian is poised for strong growth due to its product superiority and an attractive price point in a rapidly expanding market
- 2 Atlassian's strategic pipeline expansion through acquisition and R&D in AI has created a best-in-class suite of offerings for its customers
- 3 Atlassian's pricing power and customer stickiness allow itself to withstand disruptive factors in a highly competitive industry

BUY

Price Target: \$322.51
Implied Upside: 30.2%

Appendix

Management Team

The Co-founders of Atlassian have rich experience within the software industry and built the company to success



Mike Cannon-Brookes

Co-Founder & Co-CEO

- Co-founded Atlassian with Scott in 2002, serving as an adjunct professor of computer science & engineering since 2013
- The youngest person ever to be awarded the 'Australian Entrepreneur of the Year' in 2006 by Ernst & Young



Scott Farquhar

Co-Founder & Co-CEO

- Co-founded Atlassian with Mike after their graduation from University of New South Wales, Australia, served as director of board & Co-CEO
- Together with Mike, awarded 'Australian Business Person of the Year' in 2016, and named by Forbes on their 'Global Game Changers' list in 2017



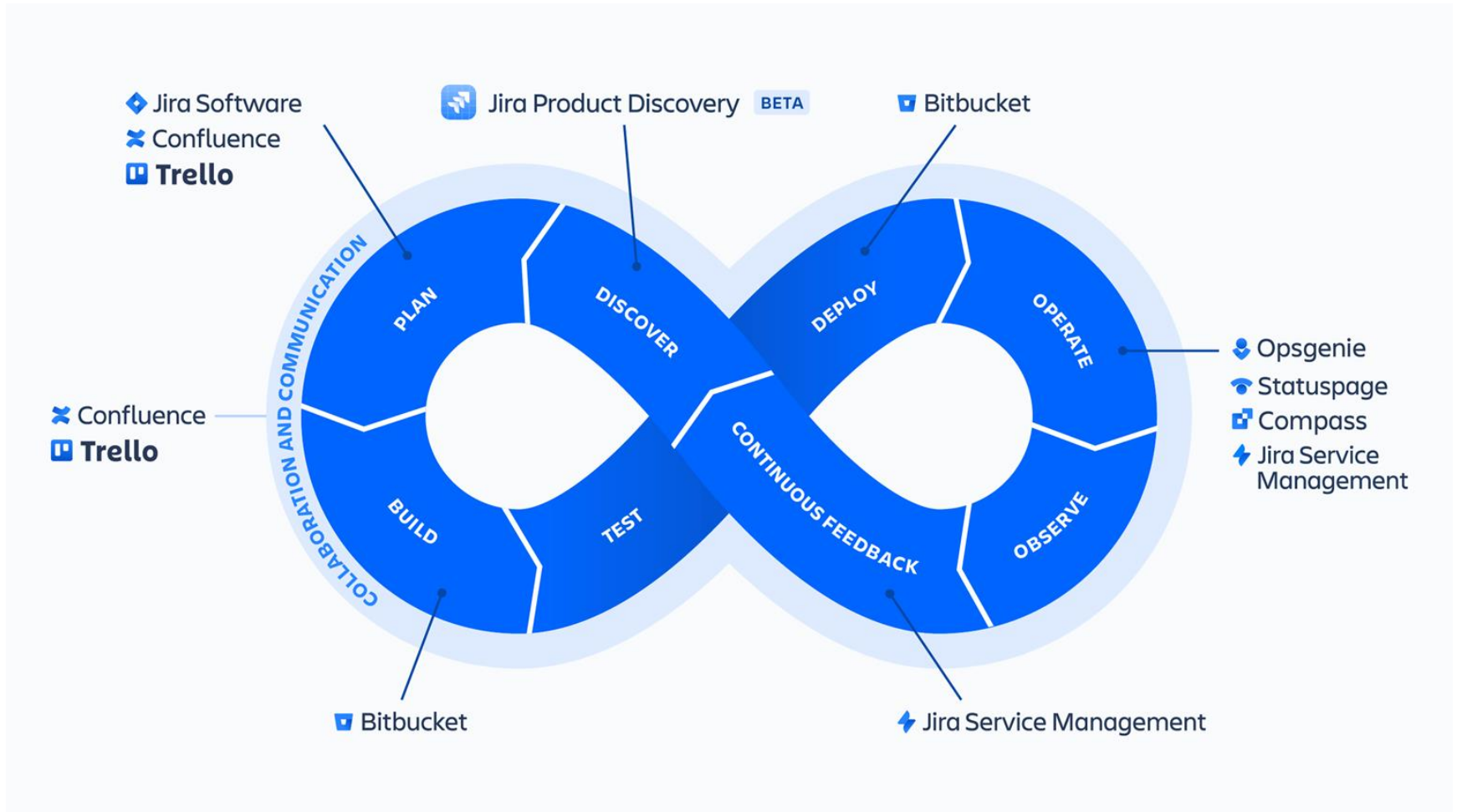
Joe Binz

Chief Financial Officer

- Served as Microsoft's Corporate Vice President for 20 years, leading investor relations, financial analysis, and acquisition integration
- Brought more than 25 years of finance leadership and experience in the technology industry to Atlassian since September 2022

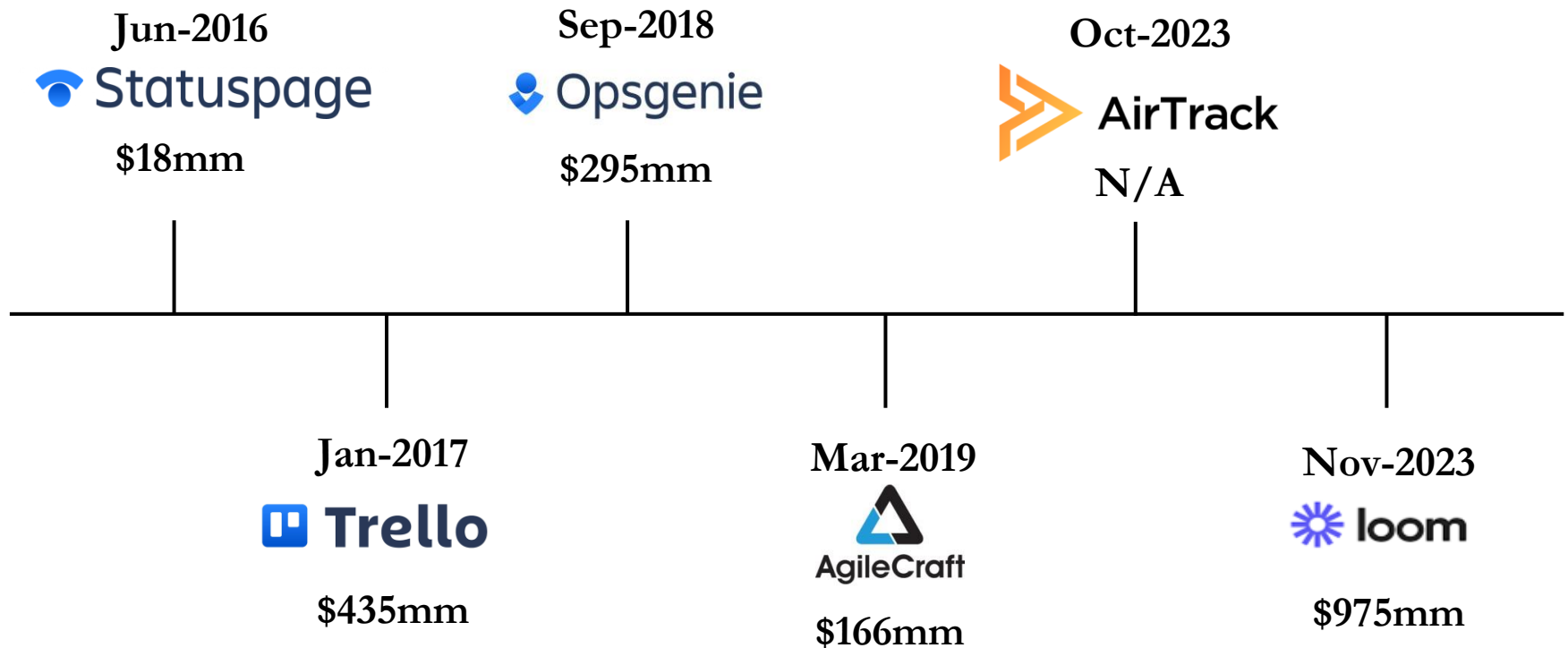
Atlassian Product Suite

Atlassian's well-rounded and customer-oriented service system for corporations to deploy various operation progress within the same platform makes it a unique choice over individual platform services and app-based competitors



Acquisition History

Atlassian's strategic acquisitions helped to expand product portfolio, expand service coverage, and empower Atlassian Intelligence



Atlassian vs Competitors

Atlassian obtains advantages against other major players due to the versatility of the Jira system, customer base, and pricing flexibility



What does GitHub do?

GitHub, a product of Microsoft, is mainly used for code collaboration, offering a similar function as Confluence does

1 Comprehensive Project Management:
Atlassian provides project management services absent in GitHub, enhancing its offerings for effective project organization and coordination

2 Specialized Internal Collaboration:
Confluence prioritizes internal team collaboration, offering a more specialized focus compared to GitHub's multifaceted functions

3 Tailored Collaboration Expertise:
While GitHub covers diverse functions, Confluence's specialized focus on internal collaboration provides a more tailored and beneficial experience for team synergy

What does Gitlab do?

Gitlab is an open-source tool that is used by software management developers to manage the versions of software

1 Corporate Dominance:
Atlassian outshines Gitlab in corporate clientele, with a substantial presence among S&P 500 companies

2 Agile Excellence:
Atlassian leads in agile management with Scrum boards, Kanban boards, and powerful product road mapping tools.

3 Client Base Differential:
Atlassian's diverse customer base includes more corporate giants, while GitLab is more approachable to small-to-medium based customers

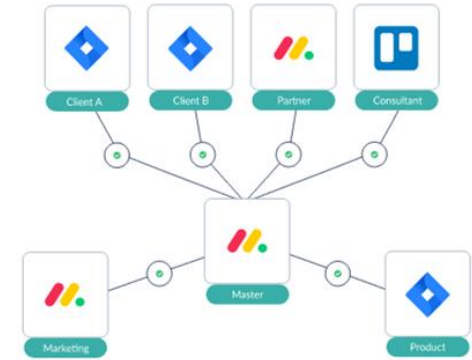
Atlassian vs Competitors

Atlassian obtains advantages against other major players due to the versatility of the Jira system, customer base, and pricing flexibility

Monday.Com

Monday.com offers a complete work Operation System that helps teams build a customized workflow system, not a project management expert

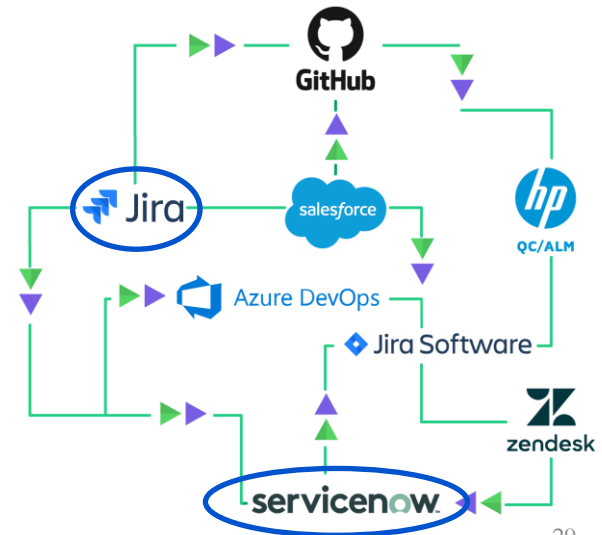
- 1 Agile Management and Roadmap Expertise:**
Atlassian excels with agile management, comprehensive roadmap reports, and a free plan, differentiating itself from Monday.com's offerings
- 2 Developer-Centric Approach:**
Atlassian prioritizes software developers and seamlessly integrates with large-scale teams, while Monday.com primarily caters to small and medium businesses
- 3 Diverse Customer Base Advantage:**
While Monday.com targets small and medium businesses, Atlassian's appeal extends to large-scale teams, showcasing a broader and more versatile



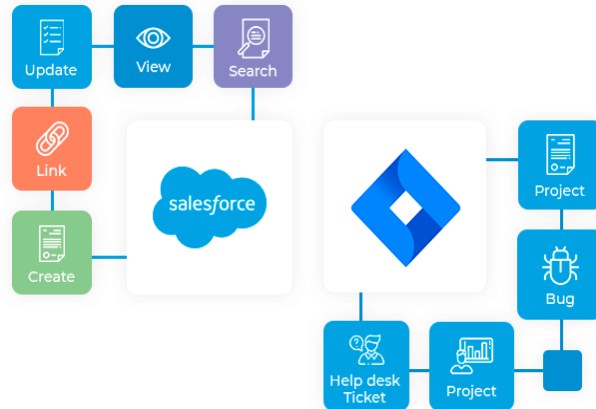
Service Now

ServiceNow is one of the most comparable to Atlassian, focuses on ITSM but also provides DevOps and Agile management, a large S&P 500 customer base

- 1 Integrated AI and DevOps Excellence:**
Atlassian gains a competitive edge with integrated AI and a streamlined DevOps program, surpassing ServiceNow's niche but ununiformed tools
- 2 User-Friendly Platform:**
Atlassian's platform provides an easy-to-use experience compared to ServiceNow's tools which require a significant learning curve before coding
- 3 Flexible and Cost-Effective Pricing:**
Atlassian's pricing strategy is more adaptable, offering free plans & customized charges based on team size, contrary to ServiceNow's fixed pricing approach



Atlassian's strategic acquisitions helped to expand product portfolio, expand service coverage, and empower Atlassian Intelligence



CRM vs Project Management

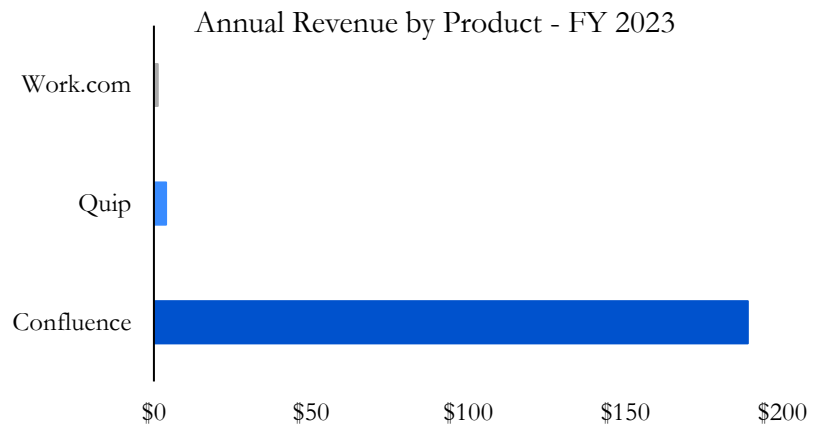
- Customer Relationship Management (CRM) is **customer-centric**, focusing on optimizing sales and improving customer satisfaction.
- Project management is **goal-oriented**. It centered around planning, organizing, and executing tasks to achieve specific project goals for the developers

Task allocation: differences between Atlassian and Salesforce

Co-existence of TEAM & CRM

- Integration between Jira and Salesforce facilitates **seamless communication between development and sales teams**, ensuring efficient tracking of customer issues and feature requests
- Salesforce's CRM capabilities coupled with Confluence enable teams to **bridge the gap between customer data and collaborative documentation**, fostering a holistic customer management approach

Dominance within Work Management



Extensions with Compass

Compass, the new AI-powered software, helps customers manage projects, develop apps, and add extensions with free will

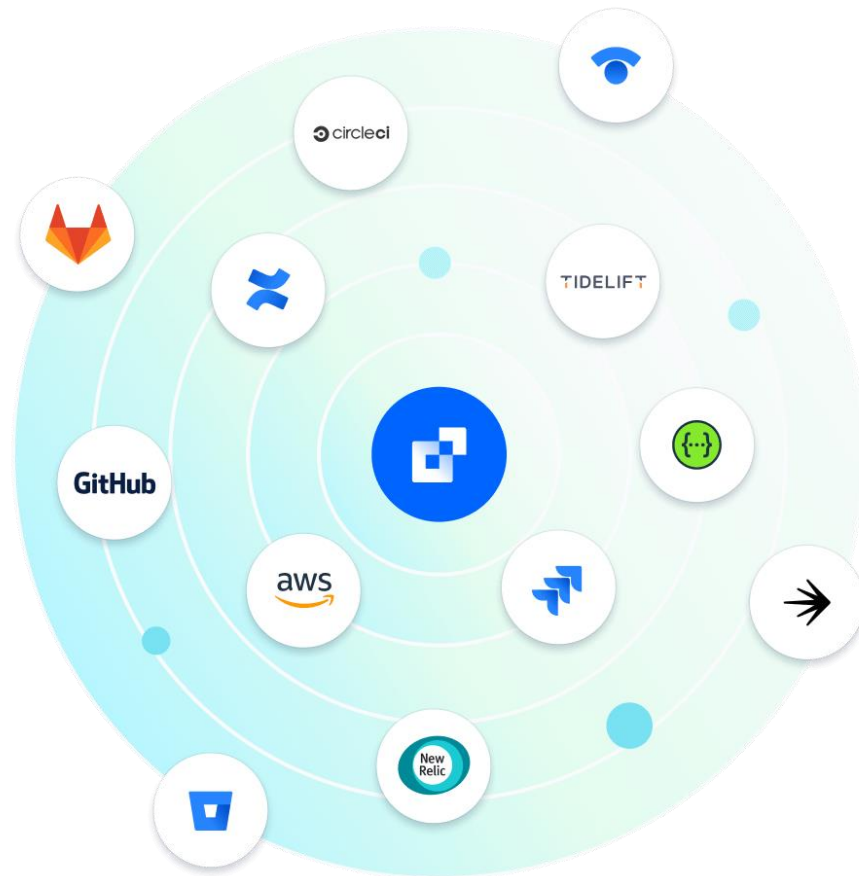
Built with extensibility in mind

Built with publicly accessible APIs, Compass empowers customers to build a developer experience that is uniquely designed.

Customers can further extend, customize, and evolve Compass by using existing integrations or leverage the power of Forge to build your own.

Build apps, not infrastructure

Customize Compass by leveraging Forge, Atlassian's application development platform. Let Atlassian handle compute, storage, and security and distribute your apps to your teams.



DCF Base Case



Control Panel:	
Tax Rate	-
Discount Rate	14.5%
Perp. Growth Rate	3.0%
Diluted Shares Outstanding (\$mm)	256,307.0
Total Debt (\$mm)	1,274,170
Total Cash (\$mm)	2,103,915

\$ in thousands	For Fiscal Year Ending June 30th,				
	2024E	2025E	2026E	2027E	2028E
Revenue	\$4,178,540	\$5,088,282	\$6,356,295	\$7,591,460	\$8,658,433
<i>% Growth</i>		21.8%	24.9%	19.4%	14.1%
(-) COGS	(\$752,137)	(\$915,891)	(\$1,144,133)	(\$1,366,463)	(\$1,558,518)
(-) Operating Expenses	(\$3,467,280)	(\$4,137,432)	(\$5,007,404)	(\$5,880,916)	(\$6,611,062)
(+) Depreciation & Amortization	\$ 138,454	\$168,598	\$210,613	\$251,540	\$286,893
(+) Stock-Based Compensation	\$ 904,630	\$1,053,043	\$1,245,858	\$1,430,241	\$1,565,273
EBITDA	\$1,002,207	\$1,256,600	\$1,661,228	\$2,025,861	\$2,341,021
<i>% Margin</i>	24.0%	24.7%	26.1%	26.7%	27.0%
(-) Depreciation & Amortization	(\$138,454)	(\$168,598)	(\$210,613)	(\$251,540)	(\$286,893)
EBIT	\$863,753	\$1,088,002	\$1,450,615	\$1,774,322	\$2,054,127
<i>% Margin</i>	20.7%	21.4%	22.8%	23.4%	23.7%
(-) Taxes	(\$8,584)	\$7,341	\$42,999	\$72,257	\$102,659
NOPAT	\$872,337	\$1,080,661	\$1,407,616	\$1,702,065	\$1,951,468
(+) Depreciation & Amortization	\$138,454	\$168,598	\$210,613	\$251,540	\$286,893
(-) Capital Expenditures	\$ 83,571	\$101,766	\$127,126	\$151,829	\$173,169
(-) Change in Net Working Capital	(\$207,568)	(\$346,468)	(\$485,636)	(\$428,584)	(\$352,951)
UFCF (incl. SBC)	\$1,134,788	\$1,493,961	\$1,976,739	\$2,230,359	\$2,418,144
(-) Stub-Year	(\$661,960)				
FCF For Discounting	\$472,828	\$1,493,961	\$1,976,739	\$2,230,359	\$2,418,144
Discount Period	0.42	1.42	2.42	3.42	4.42
Discount Factor	0.48	1.62	2.77	3.91	5.06
PV of UFCF	\$225,613	\$2,423,695	\$5,470,627	\$8,726,667	\$12,230,603

DCF Bull Case



Control Panel:	
Tax Rate	-
Discount Rate	14.5%
Perp. Growth Rate	3.0%
Diluted Shares Outstanding (\$mm)	256,307.0
Total Debt (\$mm)	1,274,170
Total Cash (\$mm)	2,103,915

<i>\$ in thousands</i>	For Fiscal Year Ending June 30th,				
	2024E	2025E	2026E	2027E	2028E
Revenue	\$4,267,977	\$5,320,806	\$6,802,987	\$8,325,669	\$9,741,912
<i>% Growth</i>		24.7%	27.9%	22.4%	17.0%
(-) COGS	(\$682,876)	(\$851,329)	(\$1,088,478)	(\$1,332,107)	(\$1,558,706)
(-) Operating Expenses	(\$3,264,166)	(\$3,955,196)	(\$4,858,186)	(\$5,801,906)	(\$6,631,619)
(+) Depreciation & Amortization	\$ 29,876	\$37,246	\$47,621	\$58,280	\$68,193
(+) Stock-Based Compensation	\$ 760,642	\$895,397	\$1,071,199	\$1,247,866	\$1,387,518
EBITDA	\$1,111,453	\$1,446,923	\$1,975,143	\$2,497,801	\$3,007,298
<i>% Margin</i>	26.0%	27.2%	29.0%	30.0%	30.9%
(-) Depreciation & Amortization	(\$29,876)	(\$37,246)	(\$47,621)	(\$58,280)	(\$68,193)
EBIT	\$1,081,577	\$1,409,677	\$1,927,522	\$2,439,522	\$2,939,105
<i>% Margin</i>	25.3%	26.5%	28.3%	29.3%	30.2%
(-) Taxes	\$67,396	\$107,999	\$179,828	\$250,248	\$325,833
NOPAT	\$1,014,181	\$1,301,678	\$1,747,694	\$2,189,274	\$2,613,272
(+) Depreciation & Amortization	\$29,876	\$37,246	\$47,621	\$58,280	\$68,193
(-) Capital Expenditures	\$ 29,876	\$37,246	\$47,621	\$58,280	\$68,193
(-) Change in Net Working Capital	(\$244,699)	(\$405,874)	(\$574,552)	(\$547,952)	(\$497,958)
UFCF (incl. SBC)	\$1,258,879	\$1,707,552	\$2,322,247	\$2,737,226	\$3,111,229
(-) Stub-Year	(\$734,346)				
FCF For Discounting	\$524,533	\$1,707,552	\$2,322,247	\$2,737,226	\$3,111,229
Discount Period	0.42	1.42	2.42	3.42	4.42
Discount Factor	0.48	1.62	2.77	3.91	5.06
PV of UFCF	\$250,284	\$2,770,210	\$6,426,820	\$10,709,874	\$15,736,123

DCF Bear Case



Control Panel:	
Tax Rate	-
Discount Rate	14.5%
Perp. Growth Rate	3.0%
Diluted Shares Outstanding (\$mm)	256,307.0
Total Debt (\$mm)	1,274,170
Total Cash (\$mm)	2,103,915

\$ in thousands	For Fiscal Year Ending June 30th,				
	2024E	2025E	2026E	2027E	2028E
Revenue	\$3,990,047	\$4,616,412	\$5,488,721	\$6,230,824	\$6,744,923
<i>% Growth</i>		15.7%	18.9%	13.5%	8.3%
(-) COGS	(\$798,009)	(\$923,282)	(\$1,097,744)	(\$1,246,165)	(\$1,348,985)
(-) Operating Expenses	(\$3,588,341)	(\$4,121,951)	(\$4,810,933)	(\$5,443,716)	(\$5,906,308)
(+) Depreciation & Amortization	\$ 239,403	\$276,985	\$329,323	\$373,849	\$404,695
(+) Stock-Based Compensation	\$ 1,033,706	\$1,158,803	\$1,321,312	\$1,457,190	\$1,530,378
EBITDA	\$876,805	\$1,006,966	\$1,230,679	\$1,371,984	\$1,424,704
<i>% Margin</i>	22.0%	21.8%	22.4%	22.0%	21.1%
(-) Depreciation & Amortization	(\$239,403)	(\$276,985)	(\$329,323)	(\$373,849)	(\$404,695)
EBIT	\$637,402	\$729,982	\$901,356	\$998,134	\$1,020,009
<i>% Margin</i>	16.0%	15.8%	16.4%	16.0%	15.1%
(-) Taxes	(\$83,224)	(\$90,052)	(\$88,191)	(\$96,402)	(\$107,178)
NOPAT	\$720,626	\$820,034	\$989,547	\$1,094,536	\$1,127,187
(+) Depreciation & Amortization	\$239,403	\$276,985	\$329,323	\$373,849	\$404,695
(-) Capital Expenditures	\$ 119,701	\$138,492	\$164,662	\$186,925	\$202,348
(-) Change in Net Working Capital	(\$129,310)	(\$228,818)	(\$321,351)	(\$223,879)	(\$123,414)
UFCF (incl. SBC)	\$969,638	\$1,187,345	\$1,475,559	\$1,505,339	\$1,452,948
(-) Stub-Year	(\$565,622)				
FCF For Discounting	\$404,016	\$1,187,345	\$1,475,559	\$1,505,339	\$1,452,948
Discount Period	0.42	1.42	2.42	3.42	4.42
Discount Factor	0.48	1.62	2.77	3.91	5.06
PV of UFCF	\$192,778	\$1,926,263	\$4,083,613	\$5,889,903	\$7,348,789

Blended Share Price Bull Case



Gordon Growth Method:

Terminal Value:	
2028 FCF	\$15,736,122.7
PGR	3.0%
Terminal Value	\$140,729,289.0
PV of Terminal Value	\$77,334,016.0

Value Distribution:	
PV of Period Cash Flows	\$35,893,311.0
PV of Terminal Value	\$77,334,016.0
Total	\$113,227,327.0
Period Cash Flows	31.7%
Terminal Value	68.3%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$113,227,327.0
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$114,057,072.0
Shares Outstanding	256,307.0
Share Price	\$445.00
Upside/Downside	79.6%

Blended Implied Share Price	
Perpetuity Growth Method	\$445.00
Multiple Method	\$370.84

Exit Multiple Method:

Terminal Value:	
2028E EBITDA	\$3,007,298.3
Exit Multiple	35.3x
Terminal Value	\$106,137,581.2
PV of Terminal Value	\$58,325,068.4

Value Distribution:	
PV of Period Cash Flows	\$35,893,311.0
PV of Terminal Value	\$58,325,068.4
Total	\$94,218,379.4
Period Cash Flows	38.1%
Terminal Value	61.9%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$94,218,379.4
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$95,048,124.4
Shares Outstanding	256,307.0
Share Price	\$370.84
Upside/Downside	49.7%

Upside/Downside	
Blended Share Price	\$407.92
Current Upside	64.6%

Blended Share Price Bear Case



Gordon Growth Method:

Terminal Value:	
2028 FCF	\$7,348,789.2
PGR	3.0%
Terminal Value	\$65,720,755.6
PV of Terminal Value	\$36,115,083.1

Value Distribution:	
PV of Period Cash Flows	\$19,441,346.4
PV of Terminal Value	\$36,115,083.1
Total	\$55,556,429.5
Period Cash Flows	35.0%
Terminal Value	65.0%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$55,556,429.5
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$56,386,174.5
Shares Outstanding	256,307.0
Share Price	\$219.99
Upside/Downside	(11.2%)

Blended Implied Share Price	
Perpetuity Growth Method	\$219.99
Multiple Method	\$186.90

Exit Multiple Method:

Terminal Value:	
2028E EBITDA	\$1,424,704.4
Exit Multiple	35.3x
Terminal Value	\$50,282,567.7
PV of Terminal Value	\$27,631,439.9

Value Distribution:	
PV of Period Cash Flows	\$19,441,346.4
PV of Terminal Value	\$27,631,439.9
Total	\$47,072,786.3
Period Cash Flows	41.3%
Terminal Value	58.7%
Total	100.0%

Implied Share Price:	
Enterprise Value	\$47,072,786.3
(-) Total Debt	(1,274,170.0)
(+) Cash	2,103,915.0
Equity Value	\$47,902,531.3
Shares Outstanding	256,307.0
Share Price	\$186.90
Upside/Downside	(24.6%)

Upside/Downside	
Blended Share Price	\$203.44
Current Upside	(17.9%)

Share Price Sensitivity Base Case



Share Price Sensitivity Analysis

Perpetuity Growth Method:		Discount Rate						
	\$322.51	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
1.3%	\$316.76	\$312.90	\$309.12	\$309.12	\$301.84	\$298.33	\$294.90	
1.5%	\$319.07	\$315.16	\$311.34	\$311.34	\$303.98	\$300.42	\$296.95	
1.8%	\$321.46	\$317.51	\$313.65	\$313.65	\$306.19	\$302.60	\$299.08	
2.0%	\$323.95	\$319.95	\$316.04	\$316.04	\$308.50	\$304.86	\$301.30	
2.3%	\$326.55	\$322.49	\$318.54	\$318.54	\$310.90	\$307.21	\$303.61	
2.5%	\$329.25	\$325.14	\$321.13	\$321.13	\$313.40	\$309.66	\$306.02	
2.8%	\$332.06	\$327.90	\$323.84	\$323.84	\$316.00	\$312.22	\$308.53	

Exit Multiple Method:		Discount Rate						
	\$322.51	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
29.3x	\$319.03	\$315.12	\$311.31	\$311.31	\$303.94	\$300.39	\$296.92	
31.3x	\$308.38	\$304.68	\$301.06	\$301.06	\$294.09	\$290.72	\$287.43	
33.3x	\$303.06	\$299.46	\$295.94	\$295.94	\$289.16	\$285.89	\$282.69	
35.3x	\$303.06	\$299.46	\$295.94	\$295.94	\$289.16	\$285.89	\$282.69	
37.3x	\$308.38	\$304.68	\$301.06	\$301.06	\$294.09	\$290.72	\$287.43	
39.3x	\$319.03	\$315.12	\$311.31	\$311.31	\$303.94	\$300.39	\$296.92	
41.3x	\$335.00	\$330.78	\$326.67	\$326.67	\$318.72	\$314.89	\$311.14	

Share Price Sensitivity Bull Case



Share Price Sensitivity Analysis

Perpetuity Growth Method:		Discount Rate						
	\$407.92	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
1.3%	\$400.51	\$395.54	\$390.69	\$390.69	\$381.33	\$376.81	\$372.40	
1.5%	\$403.48	\$398.45	\$393.55	\$393.55	\$384.08	\$379.51	\$375.04	
1.8%	\$406.56	\$401.48	\$396.51	\$396.51	\$386.93	\$382.30	\$377.79	
2.0%	\$409.76	\$404.62	\$399.59	\$399.59	\$389.90	\$385.21	\$380.64	
2.3%	\$413.10	\$407.89	\$402.80	\$402.80	\$392.98	\$388.24	\$383.61	
2.5%	\$416.58	\$411.30	\$406.14	\$406.14	\$396.20	\$391.40	\$386.71	
2.8%	\$420.20	\$414.85	\$409.63	\$409.63	\$399.55	\$394.69	\$389.94	

Exit Multiple Method:		Discount Rate						
	\$407.92	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
29.3x	\$403.46	\$398.44	\$393.53	\$393.53	\$384.06	\$379.49	\$375.03	
31.3x	\$389.78	\$385.02	\$380.38	\$380.38	\$371.40	\$367.07	\$362.84	
33.3x	\$382.94	\$378.32	\$373.80	\$373.80	\$365.07	\$360.87	\$356.75	
35.3x	\$382.94	\$378.32	\$373.80	\$373.80	\$365.07	\$360.87	\$356.75	
37.3x	\$389.78	\$385.02	\$380.38	\$380.38	\$371.40	\$367.07	\$362.84	
39.3x	\$403.46	\$398.44	\$393.53	\$393.53	\$384.06	\$379.49	\$375.03	
41.3x	\$423.98	\$418.56	\$413.26	\$413.26	\$403.05	\$398.12	\$393.30	

Share Price Sensitivity Bear Case



Share Price Sensitivity Analysis

Perpetuity Growth Method:		Discount Rate						
	\$203.44	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
1.3%	\$200.03	\$197.70	\$195.42	\$195.42	\$191.01	\$188.89	\$186.81	
1.5%	\$201.42	\$199.05	\$196.75	\$196.75	\$192.30	\$190.15	\$188.05	
1.8%	\$202.86	\$200.47	\$198.13	\$198.13	\$193.63	\$191.45	\$189.33	
2.0%	\$204.35	\$201.93	\$199.57	\$199.57	\$195.01	\$192.81	\$190.66	
2.3%	\$205.91	\$203.46	\$201.07	\$201.07	\$196.46	\$194.23	\$192.05	
2.5%	\$207.53	\$205.05	\$202.63	\$202.63	\$197.96	\$195.70	\$193.50	
2.8%	\$209.23	\$206.71	\$204.26	\$204.26	\$199.52	\$197.24	\$195.00	

Exit Multiple Method:		Discount Rate						
	\$203.44	13.0%	13.5%	14.0%	14.5%	15.0%	15.5%	16.0%
29.3x	\$201.27	\$198.91	\$196.61	\$196.61	\$192.16	\$190.01	\$187.92	
31.3x	\$194.79	\$192.56	\$190.38	\$190.38	\$186.16	\$184.13	\$182.15	
33.3x	\$191.55	\$189.38	\$187.26	\$187.26	\$183.17	\$181.19	\$179.26	
35.3x	\$191.55	\$189.38	\$187.26	\$187.26	\$183.17	\$181.19	\$179.26	
37.3x	\$194.79	\$192.56	\$190.38	\$190.38	\$186.16	\$184.13	\$182.15	
39.3x	\$201.27	\$198.91	\$196.61	\$196.61	\$192.16	\$190.01	\$187.92	
41.3x	\$210.99	\$208.44	\$205.96	\$205.96	\$201.16	\$198.84	\$196.58	

Operating Build



Atlassian Corp. (NASDAQ: TEAM)								
Operating Build								
Active Case: 1								
\$ in thousands								
	Historicals			Projections				
	2021A	2022A	2023A	2024E	2025E	2026E	2027E	2028E
Total Revenue:								
Cloud Revenue	967,832	1,515,424	2,085,498	2,711,147	3,497,380	4,476,647	5,461,509	6,335,350
Data Center Revenue	336,273	560,319	819,251	1,073,219	1,352,256	1,636,229	1,881,664	2,069,830
Server Revenue	607,778	525,028	400,519	160,208	-	-	-	-
Market Place and Service Revenue	177,249	202,111	229,379	233,967	238,646	243,419	248,287	253,253
Total Revenue	2,089,132	2,802,882	3,534,647	4,178,540	5,088,282	6,356,295	7,591,460	8,658,433
% Growth		34.2%	26.1%	18.2%	21.8%	24.9%	19.4%	14.1%
Cost of Revenue	331,850	452,914	633,765	752,137	915,891	1,144,133	1,366,463	1,558,518
Gross Profit	1,757,282	2,349,968	2,900,882	3,426,403	4,172,391	5,212,162	6,224,997	7,099,915
% Margin	84.1%	83.8%	82.1%	82.0%	82.0%	82.0%	82.0%	82.0%
(-) R&D	932,994	1,291,877	1,869,881	2,005,699	2,442,375	3,019,240	3,605,943	4,060,464
(-) S&M	371,644	535,815	769,861	752,137	865,008	1,017,007	1,138,719	1,212,181
(-) G&A	311,238	452,193	606,362	709,444	830,049	971,157	1,136,254	1,329,417
Total Operating Expenses	1,615,876	2,279,885	3,246,104	3,467,280	4,137,432	5,007,404	5,880,916	6,611,062
Operating Income (EBIT)	141,406	70,083	(345,222)	(40,877)	34,959	204,757	344,081	488,854
% Margin	6.8%	2.5%	(9.8%)	(1.0%)	0.7%	3.2%	4.5%	5.6%
(+) Other Income, Net	(655,821)	(541,021)	34,086	-	-	-	-	-
Earnings Before Tax (EBT)	(514,415)	(470,938)	(311,136)	(40,877)	34,959	204,757	344,081	488,854
(-) Taxes	64,564	48,572	175,625	(8,584)	7,341	42,999	72,257	102,659
% Effective Tax Rate	12.6%	10.3%	56.4%	21.0%	21.0%	21.0%	21.0%	21.0%
Net Income	(578,979)	(519,510)	(486,761)	(32,293)	27,618	161,758	271,824	386,195
EBITDA Reconciliation:								
EBIT	141,406	70,083	(345,222)	(40,877)	34,959	204,757	344,081	488,854
(+) D&A	55,950	51,739	60,923	138,454	168,598	210,613	251,540	286,893
(+) SBC	340,817	524,803	948,087	904,630	1,053,043	1,245,858	1,430,241	1,565,273
Adj. EBITDA	538,173	646,625	663,788	1,002,207	1,256,600	1,661,228	2,025,861	2,341,021
% Margin	25.8%	23.1%	18.8%	24.0%	24.7%	26.1%	26.7%	27.0%
Capital Expenditures	31,520	70,583	25,652	83,571	101,766	127,126	151,829	173,169
Net Working Capital:								
Assets								
Marketable securities	313,001.0	73,294.0	10,000.0	8,000.0	6,000.0	4,000.0	40,647.0	80,647.0
Accounts receivable, net	173,473.0	308,127.0	477,678.0	564,694.8	687,638.8	859,000.1	1,025,922.4	1,170,114.9
Assets held for sale	43,665.0	60,265.0	-	-	-	-	-	-
Prepaid expenses and other current assets	48,322.0	70,002.0	146,136.0	172,440.5	203,479.8	240,106.1	283,325.2	334,323.8
Total Current Assets	578,461.0	511,688.0	633,814.0	745,135.3	897,118.5	1,103,106.2	1,349,894.6	1,585,085.7
Liabilities								
Accounts Payable	67,199.0	81,220.0	159,293.0	188,310.8	229,309.4	286,453.9	342,118.0	390,202.4
Accrued expenses and other current liabilities	266,497.0	406,139.0	423,131.0	500,211.2	609,115.9	760,909.2	908,770.2	1,036,497.2
Deferred revenue, current portion	812,943.0	1,066,059.0	1,362,736.0	1,610,980.5	1,961,719.2	2,450,584.7	2,926,786.1	3,338,143.5
Operating lease liabilities, current portion	42,446.0	40,638.0	44,930.0	46,976.3	44,785.3	38,605.7	34,251.0	35,224.7
Term loan facility, current portion	-	-	37,500.0	0.0	0.0	0.0	0.0	0.0
Total Current Liabilities	2,310,011.0	1,594,056.0	2,027,590.0	2,346,478.8	2,844,929.8	3,536,553.4	4,211,925.4	4,800,067.8
Net Working Capital	(1,731,550.0)	(1,082,368.0)	(1,393,776.0)	(1,601,343.5)	(1,947,811.3)	(2,433,447.1)	(2,862,030.8)	(3,214,982.1)
Change in NWC	649,182.0	(311,408.0)	(207,567.5)	(346,467.7)	(485,635.9)	(428,583.7)	(352,951.3)	(352,951.3)
Capex	\$ 31,520	\$ 70,583	\$ 25,652	\$ 83,571	\$ 101,766	\$ 127,126	\$ 151,829	\$ 173,169
Depreciation & Amortization	\$ 55,950	\$ 51,739	\$ 60,923	\$ 138,454	\$ 168,598	\$ 210,613	\$ 251,540	\$ 286,893

Software Comps

(\$ in millions)

Valuation Statistics

Company	Ticker	Market		Enterprise		EV/Revenue		EV/EBITDA		Price/Earnings	
		Capitalization	Value	2023A	LTM	2023A	LTM	2023A	LTM		
Microsoft Corporation	MSFT	\$2,963,020.0	\$2,924,756.0	11.2x	12.8x	22.5x	24.9x	35.0x	36.9x		
Salesforce, Inc.	CRM	\$39,025.2	\$36,912.8	6.4x	7.6x	29.2x	26.9x	134.5x	100.6x		
IBM	IBM	\$156,581.6	\$204,203.6	2.7x	3.2x	11.7x	13.3x	59.1x	21.3x		
GitLab Inc.	GTLB	\$3,095.7	\$3,796.0	10.9x	16.0x	N/A	N/A	N/A	N/A		
Atlassian Corporation	TEAM	\$62,698.0	\$61,705.0	12.3x	13.8x	N/A	N/A	N/A	N/A		

Low	\$3,095.7	\$3,796.0	2.7x	3.2x	11.7x	13.3x	35.0x	21.3x
25th Percentile	\$21,060.5	\$20,354.4	4.5x	5.4x	11.7x	13.3x	35.0x	21.3x
Mean	\$644,884.1	\$646,274.7	8.7x	10.7x	21.2x	21.7x	76.2x	53.0x
75th Percentile	\$1,559,800.8	\$1,564,479.8	11.7x	14.9x	29.2x	26.9x	134.5x	100.6x
Median	\$62,698.0	\$61,705.0	10.9x	12.8x	22.5x	24.9x	59.1x	36.9x
High	\$2,963,020.0	\$2,924,756.0	12.3x	16.0x	29.2x	26.9x	134.5x	100.6x

Operating Statistics

Company	Ticker	Revenue		Revenue Growth		EBITDA		EBITDA Margin	
		2023A	LTM	2023A	LTM	2023A	LTM	2023A	LTM
Microsoft Corporation	(Nasdaq:MSFT)	\$211,915.0	\$218,310.0	6.9%	7.5%	\$102,975.0	\$109,483.0	48.6%	50.2%
Salesforce, Inc.	(NYSE:CRM)	\$31,352.0	\$33,954.0	18.3%	12.1%	\$5,436.0	\$8,476.0	17.3%	25.0%
IBM	(NYSE:IBM)	\$61,171.0	\$61,765.4	1.1%	2.0%	\$13,663.0	\$15,068.5	22.3%	24.4%
GitLab Inc.	(Nasdaq:GTLB)	\$424.3	\$539.0	68.0%	42.1%	(\$208.2)	(\$186.6)	(49.1%)	(34.6%)
Atlassian Corporation	TEAM	\$3,534.6	\$3,705.0	26.1%	23.7%	(\$187.4)	(\$171.8)	(5.3%)	(4.6%)

Low	\$424.3	\$539.0	1.1%	2.0%	(\$208.2)	(\$186.6)	(49.1%)	(34.6%)
25th Percentile	\$1,979.5	\$2,122.0	4.0%	4.8%	(\$197.8)	(\$179.2)	(27.2%)	(19.6%)
Mean	\$61,679.4	\$63,654.7	24.1%	17.5%	\$24,335.7	\$26,533.8	6.8%	12.1%
75th Percentile	\$136,543.0	\$140,037.7	47.1%	32.9%	\$58,319.0	\$62,275.8	35.5%	37.6%
Median	\$31,352.0	\$33,954.0	18.3%	12.1%	\$5,436.0	\$8,476.0	17.3%	24.4%
High	\$211,915.0	\$218,310.0	68.0%	42.1%	\$102,975.0	\$109,483.0	48.6%	50.2%

IT Comps

(\$ in millions)

Valuation Statistics

Company	Ticker	Market Capitalization	Enterprise Value	EV/Revenue		EV/EBITDA		Price/Earnings	
				2023A	LTM	2023A	LTM	2023A	LTM
ServiceNow, Inc.	NOW	\$153,234.2	\$148,488.2	13.2x	16.6x	103.1x	108.3x	268.4x	91.6x
Datadog, Inc.	DDOG	\$39,025.2	\$36,912.8	14.7x	19.0x	N/A	N/A	N/A	N/A
Freshworks Inc.	FRSH	\$6,271.9	\$5,138.0	6.3x	9.7x	N/A	N/A	N/A	N/A
Broadcom Inc.	AVGO	\$567,011.9	\$592,470.9	9.3x	15.1x	16.0x	26.6x	23.3x	33.3x
Atlassian Corporation	TEAM	\$62,698.0	\$61,705.0	12.31x	13.82x	NM	NM	NM	NM

Low	\$6,271.9	\$5,138.0	6.3x	9.7x	16.0x	26.6x	23.3x	33.3x
25th Percentile	\$22,648.6	\$21,025.4	7.1x	11.0x	-	-	-	-
Mean	\$165,648.2	\$168,943.0	10.9x	15.1x	59.5x	67.4x	145.8x	62.4x
75th Percentile	\$360,123.1	\$370,479.6	14.3x	18.4x	-	-	-	-
Median	\$62,698.0	\$61,705.0	11.3x	15.8x	59.5x	67.4x	145.8x	62.4x
High	\$567,011.9	\$592,470.9	14.7x	19.0x	103.1x	108.3x	268.4x	91.6x

Operating Statistics

Company	Ticker	Revenue		Revenue Growth		EBITDA		EBITDA Margin	
		2023A	LTM	2023A	LTM	2023A	LTM	2023A	LTM
ServiceNow, Inc.	(NYSE:NOW)	\$8,474.0	\$8,935.4	22.5%	23.3%	\$1,173.0	\$2,969.0	13.8%	33.2%
Datadog, Inc.	(NasdaqGS:DDOG)	\$2,008.1	\$2,106.5	31.1%	25.8%	(\$60.3)	\$501.8	(3.0%)	23.8%
Freshworks Inc.	(NasdaqGS:FRSH)	\$569.5	\$594.7	21.1%	19.4%	(\$181.1)	\$52.9	(31.8%)	8.9%
Broadcom Inc.	(NasdaqGM:AVGO)	\$33,203.0	\$35,819.0	21.0%	7.9%	\$19,174.0	\$20,203.0	57.7%	56.4%
Atlassian Corporation	TEAM	\$3,534.6	\$3,705.0	26.1%	23.7%	(\$187.4)	(\$171.8)	(5.3%)	(4.6%)

Low	\$569.5	\$594.7	21.0%	7.9%	(\$187.4)	(\$171.8)	(31.8%)	(4.6%)
25th Percentile	\$1,288.8	\$1,350.6	21.1%	13.7%	(\$184.3)	(\$59.5)	(18.6%)	2.1%
Mean	\$9,557.8	\$10,232.1	24.4%	20.0%	\$3,983.6	\$4,711.0	6.3%	23.5%
75th Percentile	\$20,838.5	\$22,377.2	28.6%	24.7%	\$10,173.5	\$11,586.0	35.8%	44.8%
Median	\$3,534.6	\$3,705.0	22.5%	23.3%	(\$60.3)	\$501.8	(3.0%)	23.8%
High	\$33,203.0	\$35,819.0	31.1%	25.8%	\$19,174.0	\$20,203.0	57.7%	56.4%

Business Comps



(\$ in millions)

Valuation Statistics

Company	Ticker	Market		Enterprise		EV/Revenue		EV/EBITDA		Price/Earnings	
		Capitalization	Value	2023A	LTM	2023A	LTM	2023A	LTM		
Smartsheet Inc.	SMAR	\$6,288.2	\$5,772.6	6.86	6.37	N/A	N/A	N/A	N/A		
Alphabet Inc.	GOOGL	\$1,841,194.8	\$1,751,705.8	4.86	5.66	15.05	16.79	25.52	27.02		
Asana Inc.	ASAN	\$4,039.0	\$3,791.6	7.3	5.94	N/A	N/A	N/A	N/A		
Monday.com Ltd.	MNDY	\$9,444.5	\$8,454.2	11.45	11.85	N/A	N/A	N/A	N/A		
Atlassian Corporation	TEAM	\$62,698.0	\$61,705.0	12.31x	13.82x	NM	NM	NM	NM		

Low	\$4,039.0	\$3,791.6	4.9x	5.7x	15.1x	16.8x	25.5x	27.0x
25th Percentile	\$5,163.6	\$4,782.1	5.4x	5.7x	-	-	-	-
Mean	\$384,732.9	\$366,285.8	7.6x	7.5x	15.1x	16.8x	25.5x	27.0x
75th Percentile	\$951,946.4	\$906,705.4	10.4x	10.5x	-	-	-	-
Median	\$9,444.5	\$8,454.2	7.1x	6.2x	15.1x	16.8x	25.5x	27.0x
High	\$1,841,194.8	\$1,751,705.8	11.5x	11.9x	15.1x	16.8x	25.5x	27.0x

Operating Statistics

Company	Ticker	Revenue		Revenue Growth		EBITDA		EBITDA Margin	
		2023A	LTM	2023A	LTM	2023A	LTM	2023A	LTM
Smartsheet Inc.	(NasdaqGS:SMAR)	\$766.9	\$913.7	39.2%	28.3%	(\$211.3)	(\$131.3)	(27.6%)	(14.4%)
Alphabet Inc.	(NasdaqGS:GOOGL)	\$282,836.0	\$297,132.0	9.8%	5.3%	\$90,771.0	\$96,071.0	32.1%	32.3%
Asana Inc.	(NasdaqGS:ASAN)	\$547.2	\$631.6	44.6%	24.1%	(\$387.0)	(\$274.5)	(70.7%)	(43.5%)
Monday.com Ltd.	(NasdaqGM:MNDY)	\$519.0	\$677.0	68.4%	45.7%	(\$39.4)	\$59.0	(5.8%)	8.1%
Atlassian Corporation	TEAM	\$3,534.6	\$3,705.0	26.1%	23.7%	(\$187.4)	(\$171.8)	(5.3%)	(4.6%)

Low	\$519.0	\$631.6	9.8%	5.3%	(\$387.0)	(\$274.5)	(70.7%)	(43.5%)
25th Percentile	\$533.1	\$654.3	18.0%	14.5%	(\$299.2)	(\$223.2)	(49.2%)	(29.0%)
Mean	\$57,640.7	\$60,611.9	37.6%	25.4%	\$17,989.2	\$19,110.5	(15.5%)	(4.4%)
75th Percentile	\$143,185.3	\$150,418.5	56.5%	37.0%	\$45,365.8	\$48,065.0	13.4%	20.2%
Median	\$766.9	\$913.7	39.2%	24.1%	(\$187.4)	(\$131.3)	(5.8%)	(4.6%)
High	\$282,836.0	\$297,132.0	68.4%	45.7%	\$90,771.0	\$96,071.0	32.1%	32.3%