

Appendix

AYX adopted a new accounting method many quarters ago. Here are two tweets/pictures/excerpts that explains this better than I can. I have no relation to the guys who posted this, and I have no idea who they are.

- https://twitter.com/investing_city/status/1291808755160453121/photo/1
- <https://twitter.com/EnergyCredit1/status/1292176646573785099>

Debenture Instrument:

Mail 9:35 AM 87%
ipo.triadsecurities.com

TRIAD SECURITIES
May 15, 2018 12:34 PM
Logged in as: millim | Contact Us | Home

[IPO Dashboard](#) > Alteryx LLC(144A)

Alteryx LLC(144A) (AYX) NYSE

Leading provider of self-service data analytics software.

Issue Info

| | | | |
|---------------|------------------------------|---|----|
| Deal Type: | Cvt | ADR: | No |
| Range: | | Prev. Close: | |
| Filed Size: | \$200mm | View Prospectus and other SEC Filings | |
| Filing Date: | 05/14/18 | | |
| Consensus: | No Call | | |
| Underwriters: | Goldman Sachs J.P. Morgan | | |

Pricing Info

| | | | |
|------------------|--|---------------|--|
| Issued Size: | | Lock-up Date: | |
| Priced @: | | Terms: | 144A Convertible Senior Notes due 2023. Price Talk: 0-.50%, up 42.5-47.5% |
| First Day Open: | | | |
| First Day Close: | | | |

Settlement/Trading Info

| | |
|------------------|--|
| Delivery: | |
| Trade Date: | |
| Settlement Date: | |

Alteryx Inc. (NYSE:AYX)

BUY – Growth

Investment Thesis

Data science and machine learning are a necessity for large firms and have become a strategic tool for small businesses. Soon, most business decisions will be a result of data. Resource and data availability pressure companies into interpreting big data for business decisions and improvement. Alteryx is software that is used to prepare large amounts of data.

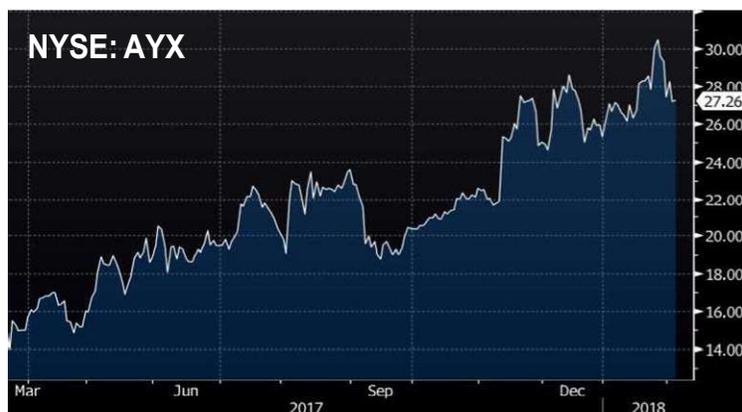
Catalysts

- Software investment in analytics is young, large, and projected to grow.
- Corporations will adopt Alteryx software to harness data, drive margin expansion, make business decisions, and satisfy shareholders; analytics is in demand

Q3 2017 Highlights

Alteryx reported an EPS of \$0.02 for Q3, becoming profitable earlier than expected. Management does not expect this to continue, however, citing continued research & development and sales & marketing spend. Since the IPO in March 2017, shares are up over 100%. The following metrics affirm our confidence in the core business:

- 52% YoY revenue growth
- 133% in net revenue retention



Buy Rating

Current Price: \$25.54

Target Price: \$36.08 Upside: 41.28%

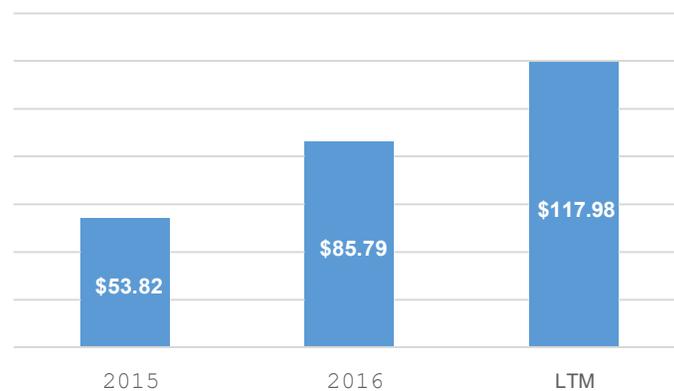
52 week high: \$31.59

Security Description



| | |
|--------------|----------|
| Market Cap | \$1.51 B |
| Q3 '17 EPS | \$0.02 |
| 52 week low | \$14.61 |
| 52 week high | \$31.59 |

Alteryx Revenue
(Millions)



Technology- Software

Alteryx, Inc. provides proprietary, self-service data analytics software for businesses to employ for business improvement, data blending, reporting, and decision making. The software is used by business analysts, programmers, and experienced data scientists to quickly harness big data and make complex statistical decisions. The company is headquartered in Irvine, CA.

The Software

Alteryx is used by data scientists, a profession occupied by a highly skilled labor force. Data scientists at large corporations are skilled in mathematics, statistics, and many times in programming. However, part of their responsibility includes time-consuming data preparation. Although data is stored, it is often unharnessed because of the hassle of preparing large amounts.

Alteryx is hailed a hero for "reducing time" and enabling conversations regarding complex data between data scientists and executives, colleagues, or even professional sports coaches. It allows for the communication of statistical reporting without requiring prerequisite knowledge of statistics and data. It enables consulting firms to contract their services in a data-driven market. Corporations can now more efficiently use skilled data workers.

Analytics is becoming a necessary tool for large businesses; many create entire divisions with the sole responsibility of analyzing data. Those who do not face pressure to do so because of data's proven effectiveness in expanding margins. Alteryx software is used by large, blue-chip companies.

Alteryx is compatible with visual analytics and can work together with other analytic tools like Hadoop and Tableau.

Alteryx is a tool for data analytics that solves the problem of data-cleansing being a lengthy process. It is not a competitor to the companies often mentioned in the artificial intelligence world, Google and Amazon. Instead, Google and Amazon themselves use Alteryx to prepare the data they deem valuable (for insights into machine learning).

Pricing: Alteryx is available for one and three year subscription terms starting at \$3,995 per year per user or, for a scalable platform, \$45,000 per year. Add-ons (such as sharing, collaboration, and more analytics tools) cost up to \$39,000 more. Look to pages 9 & 10 for a more detailed pricing breakdown.

Example of low volume data analytics used for problem-solving: If a McDonald's kitchen has five tables and can get a burger from the first table to the customer in x seconds, one can theoretically record the time for the burger to reach each table in the workflow. The kitchen can configure the tables in different floor patterns and ascertain the best means of table organization (optimal workflow) - using analytics - to solve for kitchen setup during different times of the day. The data harnessed includes tasks, times, and foot traffic.

The Market

Big Data is the description of data so large that software was unable to process.

Applications for data science encompass every institution in the world: airlines, sports teams, polling centers, universities. In the past, data was scarcely available, too large, or unproven to spend time and money on.

Before cloud technology, much data was wasted or unrecorded. Large data sets would take weeks to process before being used in decision making. Now, software like SQL is rendered substandard by Alteryx. What once would take two weeks to process takes under an hour with Alteryx.

Small businesses are now aided by third-party software and analytics from companies like Square and Salesforce, who provide some analytics for their merchants. These small businesses are those who do not have, or are too small for, a division in data analytics. Alteryx has found a comfortably large niche in blue-chip corporations.

Interpretation of big data arms corporations to receive high ROI in analytics investments.

Data encompasses all things recorded. Every action -a click on the internet - carries meaning, along with information regarding, for example, the over 1 billion daily active users who access Facebook.

Alteryx Q3 revenues grew 52% year over year. The company expanded into Europe and Asia, where it has already recruited customers of the likes of Unilever, Audi, and Vodafone. This quarter, Alteryx will disclose international revenues for 2017. In 2016, international revenue grew 130%, but still only accounted for 19% of revenue. Because Alteryx is software, the company does not have a problem with scaling the business overseas.

Catalyst - Investment in Analytics Software

Alteryx is a product geared for a market which has not fully developed According to International Data Corporation (IDC), Big Data Analytics (BOA) will see the most investment from the following sectors globally: banking, discrete manufacturing, process manufacturing, government, and professional services. By 2020, these sectors will collectively spend over \$101 billion; they currently spend \$70 billion. In 2020, data software alone will generate over \$70 billion in revenue.

IDC found the following in its March 2017 Worldwide Semiannual Big Data and Analytics Spending Guide:

- Macy's claims its BOA effort contributed a 10% sales increase in 2014.
- Services-related spending will also experience the strongest growth with a five-year CAGR of 14.4%.
- Software investments will grow to more than \$70 billion in 2020, led by purchases of end-user query, reporting and analysis tools, and data warehouse management tools.
- Non-relational Analytic Data Store and Cognitive Software Platforms will experience strong growth (CAGRs of 38.6% and 23.3%, respectively).
- BOA-related purchases of servers and storage will grow at a CAGR of 9.0% to reach \$29.6 billion in 2020.
- Commercial purchases of BOA-related hardware, software, and services are expected to reach over \$210 billion in 2020.

Catalyst - Companies Need Data Analytics

We have observed demand for BDA from many kinds of firms: Amazon, Google, small merchants, autonomous vehicle manufacturers (for both operations and AI), etc. Competition incentivizes demand for analytics, evident when you look at Alteryx's customers. Blue-chip companies who employ Alteryx servers are among the most competitive firms.

We expect more demand to come from large retailers. Amazon's e-commerce marketplace offers it high volume data concerning customers, pricing, promotions, and logistics. It leverages BOA, another weapon it uses to predatorily outpace the competition. Amazon is among Alteryx's customers and so are Amazon's retail competitors like Best Buy, Dick's, and Home Depot. Public companies must satisfy shareholders; and even for laggards (such as Dick's), data analytics provides breathing room to stay competitive and make strategic decisions

Many companies have created data warehouses. These warehouses store massive amounts of data created by cloud systems. The purpose of doing so is to gain valuable insight (from the psychology of consumers to logistics) for making decisions. Data that Large is made for implementation with Alteryx; it is too large for other software

Data, according to Wired.com, fell into a "gray area" between operations and information technology in the early nineties. It was too young of a concept to be taken seriously by C-Suite executives. Between 2014 and 2017, Chief Data Officer (COO) jobs doubled. Gartner, an information technology research firm, predicts 90% of large companies will appoint a COO by 2019. Companies are building divisions in analytics and are becoming increasingly reliant on them.

Growth

Alteryx's overall revenues grew 52% year over year. International revenue was \$8 million for the quarter, up 83% year over year. With a revenue retention rate of 133% and over a thousand new customers in the last year, there are no signs of slowdown domestically (and long-term prospect for even more growth overseas). Alteryx is software; it can grow international revenue into its largest segment. Currently, international revenues are 23.42% of the entire business and encompass over 30 countries. Moreover, the more customers Alteryx adds, the more it can cross-sell; and Alteryx cross-sells effectively.

Other Catalysts for Adoption

Adoption has been swift. Alteryx added 231 net new customers in Q3 '17, bringing the total to 3054. Customers who gave testimonies - pictured right - noted the following benefits of Alteryx (look to page 8 for a more exhaustive list of customers):

- Productivity efficiencies, which one user described as "reducing time"
- Preparing data for specialists from different business functions to interpret
- Harnessing data moving at high velocity which would otherwise be subject to waste
- Reducing time of complex data blending processes by hours, days, and weeks
- Enabling quicker interpretation and action
- Automating tasks of handling, managing, and cleaning data
- Geospatial analytics
- Enabling conversation between departments for decision making
- The ability to save and reassign models, which reduces coding time
- Enabling conversation between data scientists and other associates within a firm regarding complex analytics or code
- Lower knowledge barrier for use
- Easy implementation
- Access data previously inaccessible and allow for delivery of new insights
- Bolton Wanderers, an English soccer team, employs Alteryx and notes it is used by their sports scientists as well as coaches "who've never touched a computer before." The engagement and conversation between the two groups were only possible because of Alteryx.
- *"Verizon Wireless is in a highly competitive industry and every advantage we can find is something we need to have. Alteryx lets us look at all of our datasets put together in one place in one tool, so we can maintain our edge of being the best and most reliable network."* - Aaron Agostini, Systems Engineer for Verizon Wireless

Customers



Alteryx in Practice

Home Depot offers a great example of the power behind Alteryx. The retail giant operates 2000 stores, each with 100 thousand skews out of 160 thousand skews available. Alteryx enabled Home Depot to pinpoint exactly what product to put on which shelf and at what time. Its data team can answer questions like which product to make seasonal or what forecasted revenues will look like.

- Home Depot reduced the time from the product localization and clustering process from 2 weeks to under an hour using Alteryx.
- Home Depot expanded "2 to 4% in bottom line for any given project." The employee who introduced Alteryx to Home Depot was awarded employee of the year.

Competition with Alteryx (Low Force):

No software replicates the analytics power Alteryx puts in the hands of data workers.

Threat of New Entrants (Moderate Force)

The market is large, and Alteryx is a young company. New software and software companies extending into BOA can offer solutions to smaller as well as develop powerful software to rival Alteryx. However, it takes a lot of money and qualified manpower to develop such software.

Threat of Substitutes (Strong Force)

Data analytics software can be employed for smaller datasets which do not require complex statistical software like Alteryx. Programmers, statisticians, and mathematicians can effectively use traditional tools for analyzing smaller data.

Threat of Substitutes Among Large Corporations and Data Scientists (Low Force)

While not all businesses are equipped to adopt Alteryx, those with dedicated divisions for data workers will find no alternative to the program. The advent of a Chief Data Officer to spearhead data-driven decision making affirms Alteryx's place in the industry.

Alteryx is a high-end product used by businesses. Data scientists are highly skilled and BOA spending is forecasted to grow. Large corporations must engage in BOA and Alteryx is a powerful tool that provides a high ROI and reduces processing time by weeks. Corporations will not substitute for less adequate software.

Bargaining Power of Alteryx's Customers (Low Force)

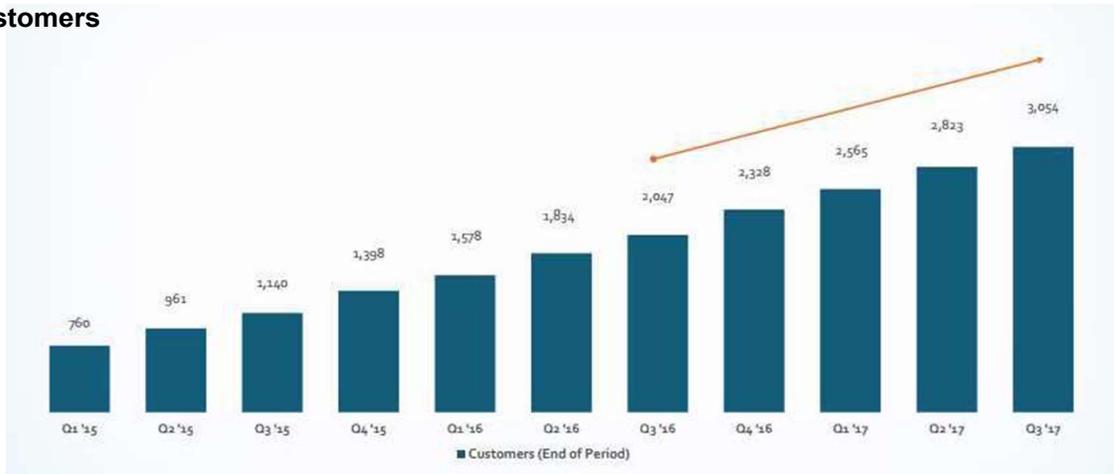
Alteryx is an effective cost minimizing tool with sure price inelasticity.

Bargaining Power of Alteryx's Suppliers (Low Force)

Alteryx has no suppliers for their software.

Important Takeaways

- BOA and AI is a huge market, and investors have been generous in pricing growth for relevant companies (Nvidia) elsewhere in the market.
- Alteryx is a relatively new company with a cloud-based, margin friendly product
- Alteryx's customers are large, blue-chip firms; its customer base is very diverse (exhibiting far-reaching applications for BOA).
- Data scientists who use Alteryx at companies such as Home Depot and Kroger testify that it reduces data preparation time from weeks to minutes.
- Alteryx boasts 133% in dollar-based net revenue retention. It effectively cross-sells its platform; and in the last four quarters, it has added almost a thousand customers (delineated on top of the next page).
- We believe the growth Alteryx's revenue and earnings estimates could push valuations higher. The company is young and spends heavily on operations; it has the ability to substantially grow net margin.
- Alteryx reports earnings on February 21. The highest forecasted Earning Whispers number for revenues is \$34.7 million, according to Zacks Investment Research; this assumes the lowest quarter to quarter growth in company history (4.96%). Now that the company is international, we feel Alteryx can deliver much more growth than anticipated. In the last three earnings reports, Alteryx has EPS surprises of 68%, 35%, and most recently, 125%.

Alteryx # of Customers

Source: Alteryx Investor Presentation

Discounted Cash Flow Valuation

Our DCF Models use:

- 2.85% for the 10-year U.S. Treasury risk-free rate of return
- A 6.80% market risk premium using geometric return of the S&P 500 from 1927 - 2017
- A forecast of sales growth for the next fifteen years
- Perpetual growth of 3%
- 1.32 Beta for Alteryx, Inc. (six-month daily regression output from Bloomberg Terminal)

We forecast sales to grow 50% in 2018, and at a CAGR of 33.09% in our valuation. We expect more growth surrounding years in which operating margins are low.

- Gross margin is expected remain at 83.18% in 2018 and forecasted to expand 15 basis points each year until 2023. It will then expand 5 basis points every year.
- We model operating expenses declining over a fifteen year horizon, down to just over 55% of sales in 2032. Currently, operating expenses exceed sales. In a meeting with CEO Dean Stoecker, he made it clear that spending on operating expenses will not cease. The spending has yielded a high ROI for the company, leading to Q3 '17 YoY growth of over 50%. We forecast operating expenses to remain between 90-92% of sales until 2021 (where we forecast the bulk of sales growth for the business), and then gradually decline.
- We forecast capital expenditure as 5% of sales. It was almost exactly 5% of sales in 2015 and 2016.
- Depreciation is forecasted to remain at 1.94% of sales.
- Alteryx charges for subscriptions; therefore, accounts receivable should increase along with sales. In the last twelve months, current assets were 166.79% of revenue. We forecast current assets to drop to 106.79% of revenue over the next fifteen years.
- We forecast current liabilities dropping from 82.08% of revenue to 52.08% in the next fifteen years.
- Alteryx pays no tax, as it has been unprofitable. We expect the company to turn a profit in 2022, where it will pay a 20% corporate tax rate.

Shares of Alteryx, Inc. trade for \$25.54, delineating 41.28% upside according to our valuation. The intrinsic value of Alteryx shares is \$36.08.

Alteryx Corporate Structure

| | |
|-------------------------------|---------|
| Weight in Debt | 0.00% |
| Cost of Debt | 0.00% |
| Weight in Equity | 100.00% |
| Cost of Equity | 11.84% |
| Shares Outstanding (millions) | 59.16 |
| WACC | 11.84% |
| Intrinsic Value | \$36.08 |
| Current Price | \$25.54 |
| Discount | 41.28% |

DCF Output

| | |
|------------------|----------|
| Sum of PV FCF | \$ 566 |
| FCF 2032 | \$ 697 |
| Terminal Value | \$ 1,472 |
| Enterprise Value | \$ 2,039 |
| Debt | \$ - |
| Cash | \$ 96 |
| Equity Value | \$ 2,135 |
| Intrinsic Value | \$ 36.08 |

Risks

Alteryx is valued, already, with expectations of long term growth. While we feel it can produce results in excess of expectations, any quarter with unsatisfactory revenues or guidance will deflate valuations.

Alteryx will have to keep up with development as software companies can intrude and take market share.

Disclosure

The analysis provided is based on financial information and speculation of future performance in statements associated with this company. All outside sources are perceived to be credible, and the analysts do not take fault for any changes in numerical or informational accuracy that may result. This report is for informational purposes only and is the opinion of the writers. This report has no regard for the specific investment needs or objectives of readers. Investors are encouraged to conduct their own research and come to their own conclusions before making the decision to invest in a company. Sources used in the making of this report are considered to be accurate.

Appendix

DCF Model Assumptions/Forecasts

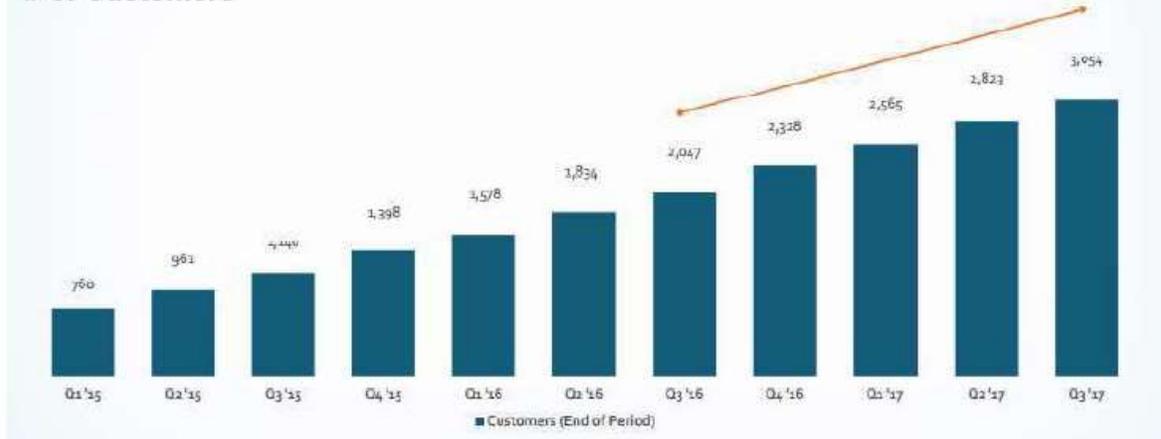
| Assumptions | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Sales | 50.00% | 35.00% | 35.00% | 35.00% | 35.00% | 25.00% | 25.00% | 20.00% | 20.00% | 15.00% | 15.00% | 15.00% | 10.00% | 6.00% | 3.00% |
| Cost of Revenue as Percent of Sales | 16.82% | 16.67% | 16.52% | 16.37% | 16.22% | 16.17% | 16.12% | 16.07% | 16.02% | 15.97% | 15.92% | 15.87% | 15.82% | 15.77% | 15.72% |
| Selling & Marketing Expense Growth | 50.00% | 35.00% | 35.00% | 30.00% | 20.00% | 20.00% | 20.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 3.00% |
| General & Administrative Expense Growth | 30.00% | 30.00% | 30.00% | 25.00% | 25.00% | 25.00% | 20.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 3.00% |
| Research & Development Expense Growth | 50.00% | 35.00% | 35.00% | 25.00% | 25.00% | 25.00% | 20.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 3.00% |
| Growth in Total Operating Expenses | 43.74% | 33.95% | 33.98% | 27.80% | 22.15% | 22.20% | 20.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 10.00% | 3.00% |
| Operating Expenses as Percent of Sales | 91.56% | 90.85% | 90.16% | 85.35% | 77.23% | 75.50% | 72.48% | 66.44% | 60.90% | 58.26% | 55.72% | 53.30% | 53.30% | 55.31% | 55.31% |
| Tax Rate | 0.00% | 0.00% | 0.00% | 0.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% | 20.00% |
| Depreciation | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% | 1.94% |
| CapEx | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Current Assets as % of sales | 167.79% | 165.79% | 163.79% | 161.79% | 156.79% | 151.79% | 146.79% | 141.79% | 136.79% | 131.79% | 126.79% | 121.79% | 116.79% | 111.79% | 106.79% |
| Current Liabilities as % of Sales | 80.08% | 78.08% | 76.08% | 74.08% | 72.08% | 70.08% | 68.08% | 66.08% | 64.08% | 62.08% | 60.08% | 58.08% | 56.08% | 54.08% | 52.08% |
| PV of FCF | \$ 15 | \$ (53) | \$ (64) | \$ (64) | \$ (42) | \$ (18) | \$ (7) | \$ 31 | \$ 59 | \$ 89 | \$ 104 | \$ 121 | \$ 135 | \$ 132 | \$ 130 |

| Forecast | Estimated | | | | | | | | | | | | | | |
|-------------------------------|-----------|---------|---------|----------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| | FY 2018 | FY 2019 | FY 2020 | FY 2021 | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2030 | FY 2031 | FY 2032 |
| Total Revenue | \$ 192 | \$ 259 | \$ 349 | \$ 472 | \$ 637 | \$ 796 | \$ 995 | \$ 1,194 | \$ 1,433 | \$ 1,648 | \$ 1,895 | \$ 2,179 | \$ 2,397 | \$ 2,541 | \$ 2,617 |
| CAGR | 50.00% | 42.30% | 39.83% | 38.60% | 37.87% | 35.64% | 34.07% | 32.22% | 30.80% | 29.13% | 27.78% | 26.66% | 25.29% | 23.81% | 22.30% |
| Total Cost of Revenues | \$ 32 | \$ 43 | \$ 58 | \$ 77 | \$ 103 | \$ 129 | \$ 160 | \$ 192 | \$ 230 | \$ 263 | \$ 302 | \$ 346 | \$ 379 | \$ 401 | \$ 413 |
| Gross Profit | \$ 159 | \$ 216 | \$ 292 | \$ 395 | \$ 534 | \$ 667 | \$ 835 | \$ 1,002 | \$ 1,203 | \$ 1,385 | \$ 1,593 | \$ 1,833 | \$ 2,018 | \$ 2,140 | \$ 2,205 |
| Gross Margin | 83.18% | 83.33% | 83.48% | 83.63% | 83.78% | 83.83% | 83.88% | 83.93% | 83.98% | 84.03% | 84.08% | 84.13% | 84.18% | 84.23% | 84.23% |
| + Selling & Marketing | \$ 97 | \$ 131 | \$ 176 | \$ 229 | \$ 275 | \$ 330 | \$ 396 | \$ 436 | \$ 479 | \$ 527 | \$ 580 | \$ 638 | \$ 702 | \$ 772 | \$ 795 |
| CAGR | 24.58% | 35.00% | 35.00% | 33.31% | 29.85% | 27.82% | 26.48% | 23.98% | 22.14% | 20.73% | 19.61% | 18.70% | 17.95% | 17.32% | 16.24% |
| + General & Administrative | \$ 37 | \$ 48 | \$ 62 | \$ 78 | \$ 97 | \$ 122 | \$ 146 | \$ 161 | \$ 177 | \$ 194 | \$ 214 | \$ 235 | \$ 259 | \$ 284 | \$ 293 |
| CAGR | 23.00% | 30.00% | 30.00% | 28.31% | 27.48% | 26.98% | 25.79% | 23.40% | 21.64% | 20.29% | 19.22% | 18.35% | 17.63% | 17.02% | 15.96% |
| + Research & Development | \$ 42 | \$ 57 | \$ 76 | \$ 96 | \$ 119 | \$ 149 | \$ 179 | \$ 197 | \$ 217 | \$ 239 | \$ 262 | \$ 289 | \$ 317 | \$ 349 | \$ 360 |
| CAGR | 24.90% | 35.00% | 35.00% | 31.58% | 29.90% | 28.91% | 27.38% | 24.74% | 22.79% | 21.30% | 20.12% | 19.16% | 18.37% | 17.70% | 16.59% |
| Total Operating Expenses | \$ 176 | \$ 235 | \$ 315 | \$ 403 | \$ 492 | \$ 601 | \$ 721 | \$ 793 | \$ 873 | \$ 960 | \$ 1,056 | \$ 1,162 | \$ 1,278 | \$ 1,406 | \$ 1,448 |
| EBIT | \$ (16) | \$ (19) | \$ (23) | \$ (8) | \$ 42 | \$ 66 | \$ 113 | \$ 209 | \$ 331 | \$ 425 | \$ 537 | \$ 672 | \$ 740 | \$ 735 | \$ 757 |
| EBIT Margin | -8.38% | -7.52% | -6.68% | -1.72% | 6.55% | 8.33% | 11.40% | 17.49% | 23.08% | 25.77% | 28.36% | 30.83% | 30.88% | 28.92% | 28.92% |
| Tax Expense | \$ - | \$ - | \$ - | \$ - | \$ 8 | \$ 13 | \$ 23 | \$ 42 | \$ 66 | \$ 85 | \$ 107 | \$ 134 | \$ 148 | \$ 147 | \$ 151 |
| NOPAT | \$ (16) | \$ (19) | \$ (23) | \$ (8) | \$ 33 | \$ 53 | \$ 91 | \$ 167 | \$ 265 | \$ 340 | \$ 430 | \$ 538 | \$ 592 | \$ 588 | \$ 606 |
| Depreciation | \$ 4 | \$ 5 | \$ 7 | \$ 9 | \$ 12 | \$ 15 | \$ 19 | \$ 23 | \$ 28 | \$ 32 | \$ 37 | \$ 42 | \$ 47 | \$ 49 | \$ 51 |
| Capital Expenditure | \$ 10 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Change in Net Working Capital | \$ (32) | \$ 59 | \$ 79 | \$ 107 | \$ 126 | \$ 111 | \$ 133 | \$ 121 | \$ 138 | \$ 107 | \$ 115 | \$ 124 | \$ 67 | \$ 11 | \$ (35) |
| Net Working Capital | \$ 168 | \$ 227 | \$ 306 | \$ 414 | \$ 539 | \$ 650 | \$ 783 | \$ 904 | \$ 1,042 | \$ 1,149 | \$ 1,264 | \$ 1,388 | \$ 1,455 | \$ 1,466 | \$ 1,432 |
| Current Assets | \$ 322 | \$ 429 | \$ 572 | \$ 763 | \$ 999 | \$ 1,208 | \$ 1,461 | \$ 1,693 | \$ 1,960 | \$ 2,172 | \$ 2,403 | \$ 2,654 | \$ 2,800 | \$ 2,841 | \$ 2,795 |
| Current Liabilities | \$ 154 | \$ 202 | \$ 266 | \$ 349 | \$ 459 | \$ 558 | \$ 677 | \$ 789 | \$ 918 | \$ 1,023 | \$ 1,139 | \$ 1,266 | \$ 1,344 | \$ 1,374 | \$ 1,363 |
| Free Cash Flow | \$ 17 | \$ (67) | \$ (90) | \$ (100) | \$ (74) | \$ (36) | \$ (16) | \$ 76 | \$ 161 | \$ 271 | \$ 358 | \$ 462 | \$ 578 | \$ 633 | \$ 697 |
| Discount to PV | \$ 15 | \$ (53) | \$ (64) | \$ (64) | \$ (42) | \$ (18) | \$ (7) | \$ 31 | \$ 59 | \$ 89 | \$ 104 | \$ 121 | \$ 135 | \$ 132 | \$ 130 |

Customers



of Customers



Partners



From Alteryx Investor Presentation

Big Data Analytics:

- Improves processes
- Improves inbound and outbound logistics
- Minimizes error
- Helps businesses understand customers
- Helps in developing and redeveloping products, pricing, and promotion
- Analyzes real-time data
- Minimizes pollution
- Catalyzes the rise of machine learning
- Improves customer acquisition techniques
- Improves advertising efficiency, revenues

Historical Non-GAAP % of Revenue

| Non-GAAP % of Revenue | 2015 | 2016 | 9 Mo 2017 |
|----------------------------|-------|-------|-----------|
| Gross Margin | 82% | 81% | 84% |
| Research and Development | 20% | 20% | 21% |
| Sales and Marketing | 7% | 6% | 5% |
| General and Administrative | 18% | 19% | 21% |
| Operating Margin | (35)% | (23)% | (9)% |

From Alteryx Investor Presentation

1 Year Pricing Per User

ALTERYX DESIGNER

\$5,195 per user per year

- Code-Free (no-code) Code-Friendly Data Analytics
- Agentic Data Access
- Data Prep and Blending
- Predictive and Prescriptive Analytics
- Workflow
- Report and Share Insights in any format
- See additional features...

ADDITIONAL CAPABILITIES FOR ALTERYX DESIGNER

SPATIAL DATA

\$11,700 per user per year

- Tool/Tool, Metadata Data, DigitalGlobe Data Packages and more...
- Analytic-ready data, footprints, and maps
- Cloud data packages available

DEMOGRAPHIC AND FIRMOGRAPHIC DATA

\$33,800 per user per year

- Demographic, Segmentation, and Firmographic Data Packages
- US Census, Experian data, DMB, US Census Bureau data, and more
- Canadian package: Statistics Canada Census, and Firmographic data from DMB

DESKTOP SCHEDULING

\$6,500 per user per year

- Schedule and Automate Analytic Workflows
- Set and control scheduling from desktop
- Automatic operational reports

1 Year Pricing, for Scaled use

ALTERYX SERVER

\$58,500 per year

- Secure, Reliable Analytic Scaling for the Masses
- Enterprise Scalability
- Sharing and Collaboration
- AnyMLO Governance
- See additional features...

ADDITIONAL CAPABILITIES FOR ALTERYX SERVER

ALTERYX CONNECT

\$39,000 per year

- Data and Asset Discovery Access, Sharing and Collaborations
- Data Asset Discovery & Cataloging
- Metadata Management
- "Google-like" Data Search
- See additional features...

ALTERYX PROMOTE

Contact us for details

- Data Science Model Production and Management
- Deploy Predictive Models
- Model Version Management
- Monitor Model Performance
- See additional features...

From Alteryx Website

3 Year Pricing Per User

ALTERYX DESIGNER

\$3,995
User per year

- Code-Free noxix Code
- Friendly Data Analytics
- Agentic Data Access
- Data Prep and Blending
- Predictive and Prescriptive Analytics
- Visuals
- Report and Dash insights in any Format
- See additional features...

ADDITIONAL CAPABILITIES FOR ALTERYX DESIGNER

SPATIAL DATA

\$9,000
User per year

TomTom, Melissa Data, DigitalGlobe Data Packages and more

Analytic-ready data, boundaries, and maps

Global data packages available

DEMOGRAPHIC AND FIRMOGRAPHIC DATA

\$26,000
User per year

Demographic, Segmentation, and Firmographic Data Packages

US package: Experian data, D&B, US Census Bureau data, and more

Canadian package: Statistics Canada Census, and firmographic data from D&B

DESKTOP SCHEDULING

\$5,000
User per year

Schedule and Automate Analytic Workflows

Set and control scheduling from desktop

Automatic operational reports

3 Year Pricing, for Scaled use

ALTERYX SERVER

\$45,000
per year

- Secure, Reliable Analytic Scaling for the Masses
- Enterprise Scalability
- Sharing and Collaboration
- Analytic Governance
- See additional features...

ADDITIONAL CAPABILITIES FOR ALTERYX SERVER

ALTERYX CONNECT

\$30,000
User per year

Data and Asset Discovery Access, Sharing and Collaboration

Data Asset Discovery & Cataloging

Metadata Management

"Google-like" Data Search

See additional features...

ALTERYX PROMOTE

[Contact us for details](#)

- Data Science Model Production and Management
- Data Science Model Production and Management
- Deploy Predictive Models
- Model Version Management
- Monitor Model Performance
- See additional features...

From Alteryx Website

Earnings surprises

Q3: 11-09-17 EPS of \$0.02 beat by \$0.10

Revenue of \$34.16M (+52.1%) beat by \$2.08M

Q2: 08-02-17 EPS of \$-0.09 beat by \$0.05

Revenue of \$30.32M (+51.8%) beat by \$1.02M

Q1: 05-10-17 EPS of \$-0.08 beat by \$0.11

Revenue of \$28.55M (+55.2%) beat by \$2.39M

From SeekingAlpha

Alteryx Inc Class A AYX ★^Q

Rating as of Aug 7, 2020

[Quote](#) [Stock Analysis](#) [News](#) [Price vs Fair Value](#) [Trailing Returns](#) [Financials](#) [Valuation](#) [Operating Performance](#) [Dividends](#) [Ownership](#)

Ownership

 Major Concentrated Buying Selling Funds Institutions

FUNDS

Total Ownership

| Name | Morningstar Rating | % Total Shares Held | % Total Assets | Trend Prev. 8 Qtrs | Current Shares | Char |
|--|--------------------|---------------------|----------------|--------------------|-------------------|----------|
| American Funds SMALLCAP World A | ★★★★★ | 3.68 | 0.79 | | 2,390,100 | |
| Capital Group Growth Fnd of Amer Comp | ★★★★ | 3.20 | 0.17 | | 2,081,692 | |
| American Funds Growth Fund of Amer A | ★★★ | 3.20 | 0.17 | | 2,081,692 | |
| Capital Group New Perspective Comp | ★★★★★ | 3.02 | 0.32 | | 1,963,300 | |
| American Funds New Perspective A | ★★★★★ | 3.02 | 0.32 | | 1,963,300 | |
| Brown Capital Mgmt Small Co Inv | ★★★★★ | 2.96 | 5.29 | | 1,922,201 | |
| Vanguard Total Stock Mkt Idx Inv | ★★★★★ | 2.20 | 0.03 | | 1,432,040 | |
| Vanguard Small Cap Index | Not Rated | 1.94 | 0.24 | | 1,260,280 | |
| Vanguard Extended Market Index Investor | ★★★★★ | 1.10 | 0.17 | | 712,814 | |
| Vanguard Small Cap Growth Index Inv | ★★★ | 0.88 | 0.37 | | 574,540 | |
| Franklin Innovation Composite | Not Rated | 0.77 | 0.55 | | 500,000 | |
| Franklin DynaTech A | ★★★★★ | 0.77 | 0.55 | | 500,000 | |
| Alger Small Cap Focus Composite | ★★★★★ | 0.74 | 1.42 | | 481,860 | |
| Alger Small Cap Focus I | ★★★★★ | 0.74 | 1.42 | | 481,860 | |
| VA CollegeAmerica Amcap 529A | ★★★ | 0.62 | 0.09 | | 400,000 | |
| Federated Hermes Kaufmann Small Cap Grow | Not Rated | 0.62 | 1.06 | | 400,000 | |
| Federated Hermes Kaufmann Small Cap A | ★★★★★ | 0.62 | 1.06 | | 400,000 | |
| Capital Group AMCAP Composite | ★★★ | 0.62 | 0.09 | | 400,000 | |
| Brighthouse Morgan Stanley Discovery B | ★★★★★ | 0.62 | 3.36 | | 399,959 | |
| Allianz Global Artfcl Intlge W EUR | ★★★ | 0.57 | 2.08 | | 371,989 | |
| Total (for Top 20) | | 31.87 | | | 20,717,627 | ↑ |

Alteryx Inc Class A **AYX** ★^Q

Rating as of Aug 7, 2020

[Quote](#) [Stock Analysis](#) [News](#) [Price vs Fair Value](#) [Trailing Returns](#) [Financials](#) [Valuation](#) [Operating Performance](#) [Dividends](#)

Ownership

Major

Concentrated

Buying

Selling

Funds

Institutions

INSTITUTIONS

Total Ownership

| Name (13F-Company) | % Total Shares Held | % Total Assets | Trend Prev. 8 Qtrs | Current Shares |
|---------------------------------------|---------------------|----------------|--------------------|-------------------|
| Capital World Investors | 8.17 | 0.15 | | 5,308,024 |
| Vanguard Group Inc | 6.69 | 0.02 | | 4,346,812 |
| Abdiel Capital Advisors LLC | 5.67 | 16.41 | | 3,688,023 |
| Brown Capital Management, LLC | 5.25 | 3.76 | | 3,410,947 |
| BlackRock Inc | 4.39 | 0.01 | | 2,853,884 |
| Alkeon Capital Management, LLC | 3.23 | 0.85 | | 2,101,620 |
| Allianz Asset Management AG | 2.37 | 0.20 | | 1,537,542 |
| Morgan Stanley - Brokerage Accounts | 2.33 | 0.04 | | 1,515,764 |
| Franklin Resources Inc | 2.32 | 0.10 | | 1,507,147 |
| Whale Rock Capital Management LLC | 1.98 | 1.67 | | 1,286,355 |
| Ameriprise Financial Inc | 1.62 | 0.05 | | 1,050,247 |
| Fred Alger Management, LLC | 1.58 | 0.21 | | 1,027,500 |
| Goldman Sachs Group Inc | 1.42 | 0.03 | | 925,723 |
| Amvescap Plc | 1.35 | 0.04 | | 880,076 |
| Capital Research Global Investors | 1.33 | 0.03 | | 867,501 |
| Wellington Management Company LLC | 1.26 | 0.02 | | 819,554 |
| State Street Corporation | 0.97 | 0.01 | | 632,256 |
| Nikko Asset Management Americas Inc | 0.88 | 0.51 | | 574,900 |
| Polar Capital LLP | 0.87 | 0.58 | | 568,638 |
| New York State Common Retirement Fund | 0.86 | 0.08 | | 559,424 |
| Total (for Top 20) | 54.56 | | | 35,461,937 |