

March 3, 2021 05:02 AM GMT

## Box Inc | North America

## 4Q21 Results: Solid Finish to a Challenging Year

Stock Rating  
Overweight

Industry View  
In-Line

Price Target  
\$23.00

With billings and revenue ahead of consensus in Q4 / FY22 guide, Q4 could mark the beginning of a positive estimate revision, accelerating growth & expanding margin story at Box. This is not priced in at ~3x CY22 sales, given the strategic nature of Box's platform & the large opportunity ahead. OW.

**Trending in the Right Direction - Positioned for Accelerating Business Demand in FY22.** BOX beat expectations in Q4, benefiting from solid suite adoption (45% attach on six figure deals), improving sales productivity (+13% YoY), and continued progress on driving efficiencies across the business (gross margins up 170bps YoY, S&M as % of revenue down ~6% YoY), which drove >1,100 bps of YoY operating margin improvement. Billings came in ahead of consensus by 2.5% and FY22 revenue guidance range of \$840-848MM was initiated ahead of consensus at \$839MM. Management reiterated its 30% target for revenue growth + FCF margin in FY22 and 40%+ target for FY24. At ~3x EV/CY22 Sales and <13x EV/FCF, Box remains one of the cheapest in our coverage, attractive in our view given the strategic nature of Box's cloud content management platform, potential for an accelerating growth and expanding margin story, still with very low investor expectations. Remain OW.

**What We Liked:**

- **Billings Beat.** 4Q21 billings of \$310MM, +10% YoY, beat consensus looking for \$303MM, +7% YoY. Box gave FY22 commentary that billings growth would exceed revenue growth for FY22, suggesting consensus billings should move higher – consensus was looking for 10% YoY FY22 billings growth with FY22 revenue guidance now 9-10%. Management also noted **+25% YoY bookings growth from net new customers in Q4.**
- **Q4 Revenue Beat and FY22 Revenue Guidance Ahead of Consensus at the Mid-point.** 4Q21 revenue of \$198.9MM, +8% YoY beat consensus looking for \$196.7MM, +7% YoY. Box initiated FY22 revenue guidance of \$840-\$848MM, +9% to 10% YoY, ahead of consensus at \$839MM, +9% YoY.
- **Gross Margins Improved 170 Basis Point YoY.** Gross margins improved to 73.2%, due to data center infrastructure efficiencies.
- **Operating Margins Significantly Outperformed Again in Q4...** Operating

MORGAN STANLEY &amp; CO. LLC

Josh Baer, CFA  
EQUITY ANALYST  
Josh.Baer@morganstanley.com +1 212 761-4223

Keith Weiss, CFA  
EQUITY ANALYST  
Keith.Weiss@morganstanley.com +1 212 761-4149

Peggy Yu  
RESEARCH ASSOCIATE  
Peggy.Yu@morganstanley.com +1 212-761-1736

**Box Inc ( BOX.N, BOX.US )**

Software / United States of America

**Stock Rating** Overweight  
**Industry View** In-Line  
**Price target** \$23.00  
Shr price, close (Mar 2, 2021) \$18.75  
Mkt cap, curr (mm) \$3,067  
52-Week Range \$22.09-8.64

Fiscal Year Ending	01/21	01/22e	01/23e	01/24e
<b>ModelWare EPS (\$)</b>	(0.25)	(0.20)	(0.11)	0.10
<b>Prior ModelWare EPS (\$)</b>	(0.28)	(0.12)	0.06	0.22
<b>P/E</b>	NM	NM	NM	191.8
<b>EPS (\$)</b> §	0.66	0.76	0.96	-
<b>Div yld (%)</b>	-	-	-	-

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework  
§ = Consensus data is provided by Thomson Reuters Estimates  
e = Morgan Stanley Research estimates

**QUARTERLY MODELWARE EPS (\$)**

Quarter	2021	2022e Prior	2022e Current	2023e Prior	2023e Current
Q1	(0.15)	(0.07)	(0.06)	(0.02)	(0.06)
Q2	(0.05)	(0.02)	(0.03)	0.03	(0.01)
Q3	(0.03)	(0.02)	(0.05)	0.02	(0.02)
Q4	(0.02)	(0.02)	(0.07)	0.03	(0.01)

e = Morgan Stanley Research estimates

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income of \$36.4M, +18.3% margin, easily beat consensus estimate of \$30.3M (+15.4% margin), representing >11% YoY improvement. Specifically, leverage was primarily driven by S&M as S&M expense was (13%) YoY vs. +8% top line growth, with S&M as a % of revenue improving 6% YoY to 29% of revenue, R&D improving 2% YoY to 17% of revenue, and G&A improving 1% YoY to 9% of revenue.

- **Sales Productivity Improving.** Management noted a 13% YoY improvement to sales productivity.
- **Cash Flow Ahead of Expectations; Beat FY21 Revenue + FCF Margin Target.** CFO of \$58MM came in ahead of consensus looking for \$54MM, but more importantly, Box surpassed its 25% revenue + FCF margin goal, coming in at 26.3%, with 16% contribution from FCF margin %, up significantly from -1% FCF margin in FY20.
- **Suite Attach Continuing to Trend Higher.** Box continued to advance the Suites sales motion, as Suites had a 45% attach to 6-figure deals in the quarter, an improvement versus the ~35% last quarter. Box Shield and Box Relay are two of the main products driving adoption of Suites.

#### Areas to Monitor:

- **Net Retention Trends Lower Again (But Churn Steady at 5%).** NRR ticked down to 102% from 103% in 3Q21, and down from 104% in 4Q20. Full Dollar Churn of 5% was stable QoQ and YoY. Management noted net retention rate for customers who have adopted at least one add-on product is ~20 pts higher than the rate of core only customers – leading to stabilized net retention in Q1 with expectations for a couple points of improvement throughout FY22.
- **RPO Based Bookings Growth Slowed in Q4 Reflecting Tough Comp.** RPO grew 17% YoY and 19% QoQ, slightly below 21% QoQ growth into last Q4. RPO based bookings growth slowed from +30% YoY in Q3 to +8% YoY in Q4, reflecting a comp that got 3200 bps tougher, despite average contract durations extending 1 month YoY. In constant duration terms, short-term RPO bookings growth slowed to +6% from 15% YoY in Q3, reflecting a comp that got 1300 bps tougher.

**PT Remains Unchanged at \$23.** Revenue beat in Q4 and management's commentary on FY22 billings growth ahead of revenue guide drive higher revenue growth in FY23 and FY24. In addition, we raise our operating margin in FY24 from 22.6% to 23.4% as management looks for a combined 40%+ revenue growth and FCF margin in the target model. In the out years, revenue grows at an 11% CY20-26 CAGR to reach \$1.4 billion in CY26, and operating margin increases from 15% in CY20 to 31% in CY26 (vs. 30.7% prior), yielding FCF of \$390.5 million (vs. \$376.1 million prior) in CY26. We apply 16x (unchanged) to CY26 FCF of \$390.5 million, reflecting 1.5x (unchanged) EV/FCF/G, in line with the overall software average EV/FCF/G of 1.5x. We discount back at 9.8% WACC (unchanged) to get to our 1-year forward price target of \$23 (unchanged).

Exhibit 1: BOX: 4Q21 Results and Model Changes

	1/21	FY21	4/21E	7/21E	10/21E	1/22E	FY22E	FY23E	FY24E
<b>Total Billings</b>	<b>310.2</b>	<b>812.5</b>	<b>149.0</b>	<b>212.5</b>	<b>209.0</b>	<b>347.0</b>	<b>917.4</b>	<b>1,035.5</b>	<b>1,169.2</b>
YoY	10%	9%	16%	13%	13%	12%	13%	12.9%	12.9%
Old Total Billings	304.9	807.3	141.6	209.0	204.9	340.5	896.1	1,011.3	1,141.8
% change	1.7%	0.7%	5.2%	1.7%	2.0%	1.9%	2.4%	2.4%	2.4%
<b>Total Revenue</b>	<b>198.9</b>	<b>770.8</b>	<b>200.5</b>	<b>210.6</b>	<b>216.2</b>	<b>219.0</b>	<b>846.4</b>	<b>953.5</b>	<b>1,073.2</b>
YoY	8%	11%	9%	10%	10%	10%	10%	12.7%	12.5%
Old Total Revenue	196.7	768.6	199.8	210.6	216.2	219.0	845.6	943.6	1,053.8
% change	1.1%	0.3%	0.4%	0.0%	0.0%	0.0%	0.1%	1.1%	1.8%
<b>Operating Income</b>	<b>36.4</b>	<b>118.8</b>	<b>29.0</b>	<b>37.9</b>	<b>37.9</b>	<b>39.5</b>	<b>144.3</b>	<b>190.1</b>	<b>251.6</b>
Operating Margin	18.3%	15.4%	14.5%	18.0%	17.5%	18.0%	17.0%	19.9%	23.4%
Old Operating Income	31.0	113.5	28.9	37.9	37.9	39.5	144.3	188.3	238.5
Old Operating Margin	15.8%	14.8%	14.5%	18.0%	17.6%	18.0%	17.1%	20.0%	22.6%
% change	17.2%	4.7%	0.4%	0.0%	-0.2%	-0.1%	0.0%	1.0%	5.5%
<b>EPS</b>	<b>0.22</b>	<b>0.70</b>	<b>0.16</b>	<b>0.21</b>	<b>0.21</b>	<b>0.21</b>	<b>0.79</b>	<b>1.00</b>	<b>1.19</b>
YoY	218%	NM	61%	15%	4%	-1%	13%	27%	19%
Old EPS	0.18	0.66	0.16	0.21	0.21	0.22	0.80	1.00	1.13
% change	21.0%	5.7%	-0.9%	-1.2%	-1.6%	-1.4%	-1.2%	0.6%	5.1%
<b>FCF</b>	<b>41.0</b>	<b>120.3</b>	<b>70.9</b>	<b>25.5</b>	<b>26.7</b>	<b>45.8</b>	<b>168.9</b>	<b>218.1</b>	<b>280.1</b>
YoY	NM	NM	78.1%	91.0%	2.1%	11.7%	40.4%	29.2%	28.4%
Old FCF	33.8	113.1	71.0	25.6	26.7	45.7	169.0	216.2	265.4
% change	21.3%	6.4%	-0.1%	-0.3%	-0.1%	0.1%	-0.1%	0.9%	5.6%

Source: Company data, Morgan Stanley Research

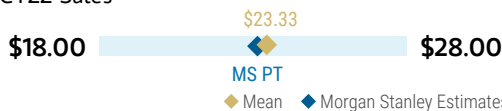
## Risk Reward – Box Inc (BOX.N)

Improving Execution Against a Large Market Opportunity

### PRICE TARGET \$23.00

16x CY26e FCF of \$391M, implied ~4.5x EV/CY22 Sales

#### Consensus Price Target Distribution



Source: Thomson Reuters, Morgan Stanley Research

### RISK REWARD CHART



Key: — Historical Stock Performance ● Current Stock Price ◆ Price Target

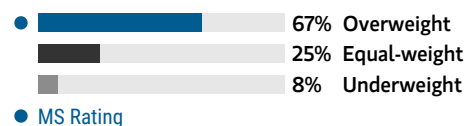
Source: Thomson Reuters, Morgan Stanley Research

### OVERWEIGHT THESIS

■ Box offers a leading enterprise oriented content collaboration platform, well positioned to benefit from increased enterprise spend on tools that enable better work from home productivity. With sales execution stabilizing, we believe BOX will benefit from its strengthening ability to capitalize on these opportunities.

■ With BOX at ~3x CY22e revenue, the stock trades at a significant discount to the SaaS group despite its high mix of recurring revenue, exposure to sticky enterprise customers, stable to improving sales execution, and exposure to increased spending from work from home initiatives. With a compelling risk/reward, we are Overweight.

#### Consensus Rating Distribution



Source: Thomson Reuters, Morgan Stanley Research

#### Risk Reward Themes

Secular Growth: Positive  
Self-help: Negative

View descriptions of Risk Rewards Themes [here](#)

#### BULL CASE

**\$30.00**

20x CY26e FCF of \$417M, ~6x Bull Case CY22 Sales

**Solidifying Leadership as the Enterprise Content Collaboration Platform.** Box distances itself from its peers as the enterprise content collaboration platform, taking share in a large TAM. Total billings grow ~12% from CY20 to CY26 and reaches ~\$1.6B by CY26. Despite continued strength in new business, improved sales productivity drives OM % to improve to ~34% by CY26 and FCF reaches \$417M in CY26. 20x EV/FCF yields \$30 based on a ~9.8% WACC.

#### BASE CASE

**\$23.00**

16x CY26e FCF of \$391M, implied 4.5x EV/CY22 Sales

**Stabilizing Execution into a Large TAM.** A large market, improved productivity, and a potential longer-term benefit from remote work drives total billings growth of ~11% from CY20-CY26 to ~\$1.4B in CY26. The ramp in renewal billings and better productivity drives op. margins to improve from 1% in CY19 to 31% by CY26, driving CY26 FCF of ~\$391M. 16x EV/FCF is a significant discount versus large cap SW median of 31x. This yields a 1-yr fwd value of \$23 based on ~9.8% WACC.

#### BEAR CASE

**\$12.00**

11x CY26e FCF of \$279M, implied 2.3x EV/CY22 Rev

**Competition Hits Growth.** Aggressive competition and narrowing differentiation leads billings to grow single digits per year through CY26, reaching \$1.1B in CY26. Slowing new billings growth drives significant margin improvement and a billings based FCF yield of 23.5% in CY26, driving FCF of \$279M. BOX trades at 11x CY26 FCF, though we see this as a lower likelihood scenario given BOX's strategic value, yielding a one year forward value of \$12/share based on a ~9.8% WACC.

## Risk Reward – Box Inc (BOX.N)

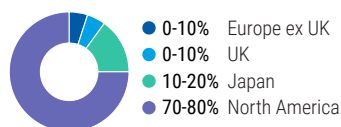
### KEY EARNINGS INPUTS

Drivers	2021	2022e	2023e	2024e
Total Billings Growth (%)	9.1	12.9	12.9	12.9
Total Revenue Growth (%)	10.7	9.8	12.7	12.5
Operating Margin % (%)	15.4	17.0	19.9	23.4
FCF Margin % (%)	15.6	20.0	22.9	26.1

### INVESTMENT DRIVERS

- New customer wins, particularly large scale enterprise deployments, driven by recent sales investments
- Increased penetration of existing customers via new seat sales and incremental add-ons
- International expansion
- Benefit from remote work trend

### GLOBAL REVENUE EXPOSURE



Source: Morgan Stanley Research Estimate  
View explanation of regional hierarchies [here](#)

### MS ALPHA MODELS

<b>2/5</b> BEST	24 Month Horizon	<b>3/5</b> MOST	3 Month Horizon
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Source: Thomson Reuters, FactSet, Morgan Stanley Research; 1 is the highest favored Quintile and 5 is the least favored Quintile

### RISKS TO PT/RATING

#### RISKS TO UPSIDE

- New customer wins, driven by recent sales investments and increased penetration of existing customers via new seats and add-ons
- Lower spend on free users and S&M leverage could drive FCF inflection sooner than expected

#### RISKS TO DOWNSIDE

- Competition from large vendors and collaboration platforms pressures pricing and new seat growth
- More severe and prolonged downturn
- Sales execution challenges strike again

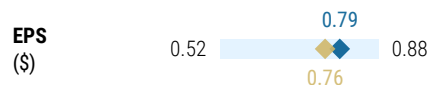
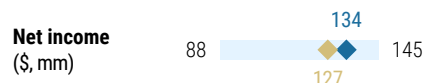
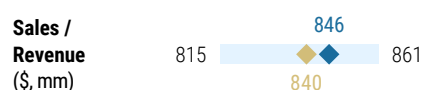
### OWNERSHIP POSITIONING

Inst. Owners, % Active	54.8%	<div style="width: 54.8%;"></div>
HF Sector Long/Short Ratio	3.3x	<div style="width: 3.3x;"></div>
HF Sector Net Exposure	33.8%	<div style="width: 33.8%;"></div>

Thomson Reuters; MSPB Content. Includes certain hedge fund exposures held with MSPB. Information may be inconsistent with or may not reflect broader market trends. Long/Short Ratio = Long Exposure / Short exposure. Sector % of Total Net Exposure = (For a particular sector: Long Exposure - Short Exposure) / (Across all sectors: Long Exposure - Short Exposure).

### MS ESTIMATES VS. CONSENSUS

FY Jan 2022e



◆ Mean ◆ Morgan Stanley Estimates

Source: Thomson Reuters, Morgan Stanley Research

Exhibit 2: Box: Income Statement

(\$ millions, Except Per-Share Data)																
	2021				2022E											
	FY17	FY18	FY19	FY20	4/20	7/20	10/20	1/21	FY21	4/21E	7/21E	10/21E	1/22E	FY22E	FY23E	FY24E
Subscription Revenue	384.4	491.1	588.7	675.4	179.4	188.8	188.2	192.9	749.4	196.6	206.5	210.6	212.4	826.1	931.7	1,050.4
Year over year % change	31.8%	27.8%	19.9%	14.7%	13.5%	12.8%	9.5%	8.3%	11.0%	9.6%	9.4%	11.9%	10.1%	10.2%	12.8%	12.7%
Professional Services Revenue	14.2	15.0	19.7	20.9	4.1	3.5	7.8	6.0	21.4	3.9	4.1	5.7	6.6	20.3	21.8	22.7
Year over year % change	27.4%	5.9%	31.2%	6.2%	-15.5%	-33.1%	47.5%	8.3%	2.4%	-4.7%	18.3%	-27.5%	10.1%	-5.2%	7.7%	4.1%
<b>Total Revenue</b>	<b>398.6</b>	<b>506.1</b>	<b>608.4</b>	<b>696.3</b>	<b>183.6</b>	<b>192.3</b>	<b>196.0</b>	<b>198.9</b>	<b>770.8</b>	<b>200.5</b>	<b>210.6</b>	<b>216.2</b>	<b>219.0</b>	<b>846.4</b>	<b>953.5</b>	<b>1,073.2</b>
Year over year % change	31.7%	27.0%	20.2%	14.4%	12.6%	11.4%	10.6%	8.3%	10.7%	9.2%	9.5%	10.3%	10.1%	9.8%	12.7%	12.5%
Quarter over quarter % change					0.0%	4.8%	1.9%	1.5%		0.8%	5.0%	2.7%	1.3%			
<b>Cost of Revenue</b>																
Total Cost of Revenue	101.1	124.1	159.5	198.8	49.5	50.9	52.1	53.3	205.8	52.0	54.4	54.8	57.0	218.2	240.4	263.8
<b>Gross Profit</b>	<b>297.6</b>	<b>382.0</b>	<b>448.9</b>	<b>497.5</b>	<b>134.1</b>	<b>141.4</b>	<b>143.9</b>	<b>145.6</b>	<b>565.0</b>	<b>148.5</b>	<b>156.3</b>	<b>161.5</b>	<b>162.0</b>	<b>628.2</b>	<b>713.2</b>	<b>809.3</b>
Gross Margin	74.6%	75.5%	73.8%	71.4%	73.1%	73.5%	73.4%	73.2%	73.3%	74.1%	74.2%	74.7%	74.0%	74.2%	74.8%	75.4%
<b>Operating Expenses</b>																
Sales & Marketing	226.9	271.6	275.3	279.6	62.7	57.1	56.5	57.5	233.7	66.7	64.3	67.4	64.7	263.1	281.6	293.5
YoY	2%	20%	1%	2%	-10%	-19%	-23%	-13%	-16%	6%	13%	19%	13%	13%	7%	4%
Research & Development	85.1	99.1	118.6	137.2	35.8	35.8	34.9	33.6	140.1	34.5	35.6	36.9	37.6	144.6	159.4	176.6
YoY	9%	16%	20%	16%	8%	4%	3%	-5%	2%	-4%	-1%	6%	12%	3%	10%	11%
General & Administration	56.1	67.4	69.9	71.4	18.4	18.4	17.3	18.2	72.3	18.3	18.4	19.3	20.2	76.3	82.0	87.6
YoY	-6%	20%	4%	2%	1%	4%	-4%	5%	1%	-1%	0%	12%	11%	6%	7%	7%
Total Operating Expenses	368.1	438.0	463.8	488.1	116.9	111.3	108.7	109.2	446.1	119.5	118.3	123.6	122.5	483.9	523.1	557.7
Year over year % change	2%	19%	6%	5%	-3%	-9%	-14%	-8%	-9%	2%	6%	14%	12%	8%	8%	7%
<b>Operating Income</b>	<b>(70.6)</b>	<b>(56.0)</b>	<b>(14.9)</b>	<b>9.3</b>	<b>17.2</b>	<b>30.1</b>	<b>35.2</b>	<b>36.4</b>	<b>118.8</b>	<b>29.0</b>	<b>37.9</b>	<b>37.9</b>	<b>39.5</b>	<b>144.3</b>	<b>190.1</b>	<b>251.6</b>
Operating Margin	-17.7%	-11.1%	-2.5%	1.3%	9.4%	15.6%	18.0%	18.3%	15.4%	14.5%	18.0%	17.5%	18.0%	17.0%	19.9%	23.4%
Net Interest and Other Income (Expense)	(0.2)	(0.2)	(1.0)	(3.5)	(1.1)	0.2	(2.3)	(0.7)	(3.9)	(1.8)	(2.0)	(2.1)	(2.2)	(8.0)	(8.2)	(18.5)
Income Before Taxes	(70.8)	(56.2)	(15.9)	5.9	16.1	30.2	32.9	35.7	114.9	27.2	35.9	35.8	37.3	136.3	181.9	233.1
% of revenues	-17.8%	-11.1%	-2.6%	0.8%	8.8%	15.7%	16.8%	17.9%	14.9%	13.6%	17.1%	16.5%	17.0%	16.1%	19.1%	21.7%
Provision (Benefit) for Income Taxes	0.9	0.7	1.4	1.4	0.2	0.3	0.4	0.3	1.2	0.4	0.6	0.7	0.8	2.4	5.9	16.7
% Tax Rate	1.3%	1.3%	8.8%	24.1%	1.3%	1.1%	1.1%	0.9%	1.1%	1.3%	1.6%	1.9%	2.2%	1.8%	3.3%	7.2%
<b>Net income</b>	<b>(71.7)</b>	<b>(57.0)</b>	<b>(17.3)</b>	<b>4.4</b>	<b>15.9</b>	<b>29.9</b>	<b>32.6</b>	<b>35.3</b>	<b>113.7</b>	<b>26.9</b>	<b>35.4</b>	<b>35.1</b>	<b>36.5</b>	<b>133.9</b>	<b>176.0</b>	<b>216.4</b>
Net margin	-18.0%	-11.3%	-2.8%	0.6%	8.7%	15.6%	16.6%	17.8%	14.8%	13.4%	16.8%	16.2%	16.7%	15.8%	18.5%	20.2%
<b>Pro Forma EPS - Operating<sup>(1)</sup></b>	<b>(\$0.56)</b>	<b>(\$0.43)</b>	<b>(\$0.12)</b>	<b>\$0.03</b>	<b>\$0.10</b>	<b>\$0.18</b>	<b>\$0.20</b>	<b>\$0.22</b>	<b>\$0.70</b>	<b>\$0.16</b>	<b>\$0.21</b>	<b>\$0.21</b>	<b>\$0.21</b>	<b>\$0.79</b>	<b>\$1.00</b>	<b>\$1.19</b>
Year over year % change	NM	NM	NM	NM	NM	4799.9%	NM	218.2%	2309%	60.6%	15.0%	3.6%	-1.3%	13%	27%	19%
ESOs Expense, net of tax	0.57	0.68	0.73	0.73	0.25	0.23	0.23	0.23	0.94	0.22	0.24	0.25	0.27	0.99	1.11	1.10
<b>EPS, net of ESOs, after tax (Modelware)</b>	<b>(\$1.14)</b>	<b>(\$1.11)</b>	<b>(\$0.85)</b>	<b>(\$0.70)</b>	<b>(\$0.15)</b>	<b>(\$0.04)</b>	<b>(\$0.03)</b>	<b>(\$0.02)</b>	<b>(\$0.24)</b>	<b>(\$0.06)</b>	<b>(\$0.03)</b>	<b>(\$0.05)</b>	<b>(\$0.06)</b>	<b>(\$0.19)</b>	<b>(\$0.11)</b>	<b>\$0.10</b>
Weighted avg. common shares (Basic)	127.4	133.9	141.3	147.7	151.9	154.7	157.5	159.2	155.8	161.0	163.3	165.1	166.7	164.0	170.2	176.0
Diluted Shares Outstanding (Operating)	137.6	141.9	149.8	152.9	157.6	163.7	163.5	164.4	162.3	166.0	168.3	170.3	171.9	169.1	175.5	181.5
<b>Period end basic shares outstanding</b>	<b>128.6</b>	<b>135.0</b>	<b>142.3</b>	<b>148.6</b>	<b>153.4</b>	<b>156.4</b>	<b>158.6</b>	<b>159.9</b>	<b>157.1</b>	<b>162.2</b>	<b>164.3</b>	<b>166.0</b>	<b>167.4</b>	<b>165.0</b>	<b>171.0</b>	<b>176.8</b>
Change in avg. shares (QoQ)	5.7%	4.9%	5.4%	4.4%	1.9%	1.9%	1.4%	0.8%	5.7%	1.5%	1.3%	1.1%	0.9%	5.0%	3.6%	3.4%

Source: Company Data, Morgan Stanley Research

Exhibit 3: BOX: Revenue Drivers

(\$ in millions, except EPS)

	FY17	FY18	FY19	FY20	2021				FY21	2022E				FY22E	FY23E	FY24E
					4/20	7/20	10/20	1/21		4/21E	7/21E	10/21E	1/22E			
<b>Headcount Data</b>																
Total Headcount	1495	1784	1980	2065	2065	2065	2065	2065	2065	2030	2110	2130	2150	2150	2233	2318
Total Headcount Growth (Y/Y)	9%	19%	11%	4%	3%	1%	0%	0%	0%	1%	2%	3%	4%	4%	4%	4%
Total Headcount Growth (Q/Q)					0%	0%	0%	0%		1%	1%	1%	1%			
<b>Headcount Breakdown</b>																
Total Sales & Marketing Headcount	714	876	935	880	996	996	996	996	996	1008	1017	1027	1035	1035	1073	1112
S&M Headcount Growth (Y/Y)	16%	23%	7%	-6%	3%	1%	0%	13%	13%	1%	2%	3%	4%	4%	4%	4%
S&M Headcount Growth (Q/Q)					13%	0%	0%	0%		1%	1%	1%	1%			
S&M Headcount as % of Total Headcount					48%	48%	48%	48%		48%	48%	48%	48%			
Quota Carrying Reps (QCR)	211	267	300	306	306	306	306	306	306	309	312	315	318	318	330	337
Quota Reps as % of S&M Headcount	30%	30%	32%	35%	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%	31%	30%
Net Adds (Q/Q)					0	0	0	0		3	3	3	3			
New AFR Billings per QCR	0.563	0.781	0.532	0.488	0.068	0.112	0.103	0.202	0.486	0.072	0.118	0.108	0.212	0.510	0.535	0.562
YoY Growth	-32%	39%	-32%	-8%	46%	19%	-7%	-14%	0%	5%	5%	5%	5%	5%	5%	5%
Attrition Rate					12%	8%	4%	3%		12%	8%	4%	3%			
Lost Quota Carrying Reps	53	62	75	93	37	24	12	9	82	37	25	12	9	83	87	89
Productive Rep Equivalent (PRE)	183	215	256	276	275	270	285	293	281	275	271	290	302	284	295	303
YoY Growth					4%	2%	2%	0%		0%	1%	2%	3%			
New Billings per PRE	0.552	0.738	0.513	0.500	0.074	0.126	0.110	0.210	0.519	0.103	0.145	0.128	0.227	0.603	0.647	0.711
YoY	-30%	34%	-30%	-3%	-69%	71%	-13%	92%	4%	-51%	41%	-11%	77%	16%	7%	10%
QoQ																
<b>Estimated Balance Sheet Model</b>																
Total New Billings (includes Add-ons & E)	102.3	160.4	132.8	140.8	20.2	33.9	31.2	61.6	147.0	28.3	39.2	37.1	68.4	173.0	192.5	217.8
YoY % change	-21%	57%	-17%	6%	62%	28%	-3%	-12%	4%	40%	16%	19%	11%	18%	11%	13%
QoQ % change					-71%	-76%	-8%	97%		-54%	39%	-5%	84%			
New Billings as a % of Total Billings	23%	27%	20%	19%	16%	18%	17%	20%	18%	19%	18%	18%	20%	19%	19%	19%
Self-Service Billings	7.2	7.9	8.7	9.6	3.0	3.0	2.3	2.1	10.5	3.3	3.3	2.6	2.3	11.6	12.7	14.0
YoY % change	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%	10%
QoQ % change					58%	0%	-23%	-10%		58%	0%	-23%	-10%			
Self-Service Billings as a % of Total	2%	1%	1%	1%	2%	2%	1%	1%	1%	2%	2%	1%	1%	1%	1%	1%
Pro Services Billings	11.9	13.0	13.0	13.0	2.3	2.3	3.2	3.2	11.0	2.6	3.1	3.7	2.9	12.4	13.0	13.9
YoY % change	19%	9%	0%	0%	0%	-26%	0%	-27%	-15%	15%	36%	16%	-10%	12%	5%	7%
QoQ % change					-82%	0%	39%	0%		-17%	19%	18%	-23%			
Pro Services as a % of New Billings	12%	8%	10%	9%	11%	7%	10%	5%	7%	9%	8%	10%	4%	7%	7%	6%
Prepaid Multi-Year Billings	8.0	8.2	8.2	8.2	1.5	1.8	1.9	1.9	7.1	2.8	2.6	2.6	2.5	10.6	15.3	17.0
Prepaid Multi-year as % of Total Billi	2%	1%	1%	1%	1%	1%	1%	1%	1%	2%	1%	1%	1%	1%	1%	1%
Renewal Billings	324.8	395.6	509.6	573.5	101.0	147.8	146.8	241.3	636.9	111.9	164.1	163.0	270.8	709.8	802.1	906.4
Blended Annual Dollar retention rate	89%	89%	89%	87%	87%	87%	87%	87%	87%	89%	88%	89%	88%	89%	89%	89%
YoY % change	52%	22%	29%	13%	2%	6%	11%	19%	11%	11%	11%	12%	12%	11%	13%	13%
QoQ % change					-50%	46%	-1%	64%		-54%	47%	-1%	66%			
Renewal Billings as a % of Total	71.5%	67.6%	75.8%	77.0%	79%	78%	79%	78%	78.4%	75%	77%	78%	78%	77.4%	77.5%	77.5%
Total Billings (Revenue + Δ Deferred)	454.2	585.1	672.3	745.1	128.1	188.8	185.5	310.2	812.5	149.0	212.5	209.0	347.0	917.4	1,035.5	1,169.2
YoY % change	23.1%	28.8%	14.9%	10.8%	8.2%	9.2%	7.9%	10.1%	9.1%	16.3%	12.5%	12.7%	11.9%	12.9%	12.9%	12.9%
QoQ % change					-55%	47%	-2%	67%		-52%	43%	-2%	66%			
Billings Seasonality					16%	23%	23%	36%		16%	23%	23%	36%			
Current Billings (Revenue + Δ Current)	459.2	569.4	670.1	750.2	130.0	188.1	185.5	303.6	807.2	145.8	208.0	204.6	341.4	899.7	1,017.8	1,147.9
YoY % change	27%	24%	18%	12%	6%	8%	6%	9%	8%	12%	11%	10%	12%	11%	13%	13%
QoQ % change					-53%	45%	-1%	64%		-52%	43%	-2%	67%			
% of Total Billings	101%	97%	100%	101%	102%	100%	100%	98%	99%	98%	98%	98%	98%	98%	98%	98%

Source: Company Data, Morgan Stanley Research

Exhibit 4: BOX: Balance Sheet

(\$ in millions, except EPS)	2021								2022E							
	FY17	FY18	FY19	FY20	4/20	7/20	10/20	1/21	FY21	4/21E	7/21E	10/21E	1/22E	FY22E	FY23E	FY24E
<b>Assets</b>																
Cash and Cash Equivalents	177.4	208.1	217.5	195.6	268.0	271.9	275.4	595.1	595.1	667.0	700.0	728.1	774.2	774.2	1,002.6	1,293.0
Short Term Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts Receivables, net	120.1	162.1	175.1	209.4	99.1	123.0	115.7	228.3	228.3	147.0	158.0	153.3	257.2	257.2	268.5	276.3
Deferred Commissions, current	13.8	17.6	21.7	30.8	31.3	33.2	35.2	39.1	39.1	38.3	38.9	39.4	42.7	42.7	46.5	50.4
Prepays and Other Current Assets	10.8	11.4	14.2	21.9	28.9	25.5	23.0	16.8	16.8	29.4	30.5	29.9	37.4	37.4	42.1	47.4
<b>Total Current Assets</b>	<b>322.1</b>	<b>399.2</b>	<b>428.6</b>	<b>457.7</b>	<b>427.2</b>	<b>453.6</b>	<b>449.3</b>	<b>879.3</b>	<b>879.3</b>	<b>881.7</b>	<b>927.3</b>	<b>950.6</b>	<b>1,111.6</b>	<b>1,111.6</b>	<b>1,359.7</b>	<b>1,667.1</b>
Property and Equipment, net	117.2	124.0	137.7	191.0	192.0	186.6	173.6	160.1	160.1	167.6	175.3	183.2	191.2	191.2	219.9	252.2
Capital Leases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intangible Assets, net	0.5	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill	16.3	16.3	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7	18.7
Restricted Cash	26.8	0.4	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating Lease	-	-	-	197.8	215.7	205.6	205.0	194.3	194.3	194.3	194.3	194.3	194.3	194.3	194.3	194.3
Deferred Commissions, non-current	-	8.3	53.9	62.8	61.8	61.4	61.6	66.5	66.5	65.1	66.1	66.9	72.7	72.7	79.1	85.7
Other Assets	10.8	5.4	11.0	27.1	33.4	34.6	33.3	32.8	32.8	32.3	33.1	33.9	34.7	34.7	39.1	44.0
<b>Total Assets</b>	<b>493.7</b>	<b>553.6</b>	<b>650.2</b>	<b>955.1</b>	<b>948.9</b>	<b>960.5</b>	<b>941.6</b>	<b>1,351.7</b>	<b>1,351.7</b>	<b>1,359.7</b>	<b>1,414.8</b>	<b>1,447.6</b>	<b>1,623.2</b>	<b>1,623.2</b>	<b>1,910.8</b>	<b>2,262.0</b>
<b>Liabilities</b>																
Accounts Payable	6.7	17.0	15.4	16.8	8.8	8.7	5.4	4.5	4.5	9.1	9.5	11.7	11.8	11.8	12.9	13.9
Accrued Expenses	17.7	26.2	27.7	26.8	31.7	32.5	29.8	27.6	27.6	29.3	31.3	30.7	29.9	29.9	32.3	34.5
Accrued Compensation	30.4	37.7	34.5	32.5	16.5	23.1	21.9	39.1	39.1	15.3	22.2	22.6	32.5	32.5	35.1	37.5
Deferred Revenue	228.7	291.9	353.6	407.5	353.9	349.8	339.3	443.9	443.9	389.8	387.8	376.7	443.9	443.9	565.2	640.6
Long-term Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Rent	0.8	2.3	3.7	-	-	-	-	-	-	24.7	25.1	25.9	26.6	26.6	28.8	30.7
Capital Lease Liability (ST)	13.7	18.8	28.3	54.6	52.5	51.7	50.5	49.9	49.9	49.8	49.6	49.4	49.2	49.2	50.6	52.2
Operating Lease	-	-	-	40.3	47.8	48.9	49.7	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8	47.8
<b>Total Current Liabilities</b>	<b>297.9</b>	<b>394.0</b>	<b>463.2</b>	<b>578.5</b>	<b>511.2</b>	<b>514.6</b>	<b>496.5</b>	<b>612.8</b>	<b>612.8</b>	<b>565.8</b>	<b>573.2</b>	<b>564.8</b>	<b>641.8</b>	<b>641.8</b>	<b>772.7</b>	<b>857.1</b>
Capital Lease Liability (LT)	21.7	27.0	44.6	83.4	82.9	77.9	70.6	60.4	60.4	60.3	60.0	59.7	59.5	59.5	61.2	63.1
Deferred Revenue	13.3	29.0	21.5	16.4	14.4	15.1	15.1	21.7	21.7	24.2	28.1	31.9	92.7	92.7	53.4	74.0
Convertible Preferred	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-Term Debt	40.0	40.0	40.0	40.0	70.0	70.0	50.0	297.6	297.6	297.6	297.6	297.6	297.6	297.6	297.6	297.6
Deferred Rent	44.2	45.9	45.0	-	-	-	-	-	-	24.7	25.1	25.9	26.6	26.6	28.8	30.7
Other Liabilities	1.8	2.7	4.5	214.5	229.5	223.3	221.8	208.1	208.1	208.1	208.1	208.1	208.1	208.1	208.1	208.1
<b>Total Liabilities</b>	<b>418.9</b>	<b>538.6</b>	<b>618.8</b>	<b>932.8</b>	<b>908.1</b>	<b>900.9</b>	<b>854.0</b>	<b>1,200.6</b>	<b>1,200.6</b>	<b>1,180.7</b>	<b>1,192.2</b>	<b>1,188.1</b>	<b>1,326.3</b>	<b>1,326.3</b>	<b>1,421.8</b>	<b>1,530.7</b>
<b>Total Stockholders' Equity</b>	<b>74.7</b>	<b>15.0</b>	<b>31.4</b>	<b>22.4</b>	<b>40.8</b>	<b>59.6</b>	<b>87.6</b>	<b>151.1</b>	<b>151.1</b>	<b>179.0</b>	<b>222.6</b>	<b>259.5</b>	<b>296.9</b>	<b>296.9</b>	<b>489.0</b>	<b>731.4</b>
<b>Total Liabilities and Stockholders' E</b>	<b>493.7</b>	<b>553.6</b>	<b>650.2</b>	<b>955.1</b>	<b>948.9</b>	<b>960.5</b>	<b>941.6</b>	<b>1,351.7</b>	<b>1,351.7</b>	<b>1,359.7</b>	<b>1,414.8</b>	<b>1,447.6</b>	<b>1,623.2</b>	<b>1,623.2</b>	<b>1,910.8</b>	<b>2,262.0</b>

Source: Company Data, Morgan Stanley Research



Exhibit 5: BOX: Cash Flow Statement

(\$ in millions, except EPS)					2021					2022E							
	FY17	FY18	FY19	FY20	4/20	7/20	10/20	1/21	FY21	4/21E	7/21E	10/21E	1/22E	FY22E	FY23E	FY24E	
<b>Net Income</b>	(151.8)	(155.0)	(134.6)	(144.3)	(25.6)	(7.7)	(5.3)	(4.9)	(43.4)	(9.9)	(4.5)	(8.7)	(11.2)	(34.2)	(19.1)	17.7	
Depreciation and Amortization	40.2	40.1	46.3	59.4	17.9	18.8	19.6	19.1	75.5	5.0	5.1	5.3	5.4	20.8	20.1	22.7	
Stock Compensation Expenses	78.4	97.5	119.3	146.0	40.0	37.6	37.8	38.9	154.3	36.9	40.5	44.2	48.2	169.7	201.0	214.4	
Amortization of Deferred Commissions	18.3	21.5	17.3	25.9	8.2	8.6	9.3	10.0	36.1	10.9	10.7	10.8	11.0	43.3	47.2	51.3	
Tax Benefit from exercise of stock options	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Non-Cash Charge	0.1	(0.1)	(1.4)	(0.1)	0.1	(0.1)	0.1	1.0	1.1	-	-	-	-	-	-	-	
<b>Changes in Working Capital</b>	<b>13.7</b>	<b>57.8</b>	<b>8.4</b>	<b>(42.1)</b>	<b>21.2</b>	<b>(25.0)</b>	<b>(16.4)</b>	<b>(6.5)</b>	<b>(26.6)</b>	<b>40.8</b>	<b>(13.1)</b>	<b>(11.3)</b>	<b>6.2</b>	<b>22.6</b>	<b>14.6</b>	<b>25.4</b>	
Accounts Receivable	(20.6)	(42.0)	(12.4)	(34.3)	110.4	(24.0)	7.4	(112.6)	(18.9)	81.3	(10.9)	4.7	(103.9)	(28.9)	(11.3)	(7.8)	
Deferred Commissions	(20.0)	(26.1)	(37.6)	(44.0)	(7.7)	(10.1)	(11.5)	(18.8)	(48.0)	(8.6)	(12.3)	(12.1)	(20.1)	(53.2)	(57.4)	(61.9)	
Prepaid Expenses and Other Assets	5.9	24.0	(5.0)	(7.1)	(4.9)	10.1	2.5	5.7	13.4	(12.6)	(1.1)	0.6	(7.5)	(20.6)	(4.7)	(5.3)	
Other Assets	-	-	-	9.0	9.7	-	-	10.6	20.3	0.5	(0.8)	(0.8)	(0.8)	(1.9)	(4.4)	(4.9)	
Accounts Payable	(1.1)	6.9	1.7	(0.1)	(7.0)	(1.2)	(3.0)	(1.1)	(12.3)	4.5	0.4	2.3	0.1	7.3	1.0	1.0	
Accrued Expenses	(9.0)	12.9	(2.7)	(5.9)	(12.7)	11.2	0.3	10.7	9.5	1.8	2.0	(0.6)	(0.8)	2.3	2.4	2.1	
Accrued Compensation	-	-	-	-	-	-	-	-	-	(23.8)	6.9	0.4	10.0	(6.6)	2.6	2.3	
Deferred Revenue	55.6	78.9	63.9	48.8	(55.5)	(3.5)	(10.5)	111.3	41.8	(51.5)	1.9	(7.2)	127.9	71.0	82.0	96.0	
Deferred Rent	3.0	3.2	0.5	-	-	-	-	-	-	49.4	0.8	1.6	1.5	53.2	4.3	3.8	
Other Items and Liabilities	-	-	-	(8.6)	(11.0)	(7.4)	(1.6)	(12.3)	(32.4)	-	-	-	-	-	-	-	
<b>Net Cash Provided by (used in) Operati</b>	<b>(1.2)</b>	<b>61.8</b>	<b>55.3</b>	<b>44.7</b>	<b>61.9</b>	<b>32.3</b>	<b>45.1</b>	<b>57.5</b>	<b>196.8</b>	<b>83.6</b>	<b>38.7</b>	<b>40.3</b>	<b>59.6</b>	<b>222.3</b>	<b>263.8</b>	<b>331.6</b>	
YoY % change	-98%	-5176%	-11%	-19%					340%					13%	19%	26%	
Capital Expenditures	(15.0)	(11.8)	(14.8)	(5.5)	(1.4)	(2.7)	(3.3)	(1.6)	(9.1)	(1.7)	(1.7)	(1.8)	(1.8)	(6.9)	(7.7)	(8.7)	
Capitalized Internal-Use SW	-	-	(2.8)	(8.0)	(3.3)	(2.1)	(1.0)	(1.1)	(7.4)	(1.0)	(1.0)	(1.0)	(1.1)	(4.1)	(4.6)	(5.2)	
Maturities/(Purchases) of Investments	7.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Cash Paid for Acquisitions, Other Ass	0.0	0.1	(0.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Investing Activities	0.1	0.0	1.9	0.1	0.1	-	-	-	0.1	-	-	-	-	-	-	-	
<b>Net Cash Provided by (used in) Investir</b>	<b>(7.6)</b>	<b>(11.7)</b>	<b>(16.2)</b>	<b>(13.3)</b>	<b>(4.6)</b>	<b>(4.8)</b>	<b>(4.3)</b>	<b>(2.7)</b>	<b>(16.4)</b>	<b>(2.7)</b>	<b>(2.7)</b>	<b>(2.8)</b>	<b>(2.9)</b>	<b>(11.1)</b>	<b>(12.3)</b>	<b>(13.9)</b>	
Proceeds from Issuance of Common Share	-	-	-	9.8	11.9	-	6.7	-	18.6	-	-	-	-	-	-	-	
Proceeds from Issuance of Preferred Share	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Proceeds from Exercise of Stock Options	26.8	32.1	38.2	19.6	1.0	7.5	1.4	0.4	10.3	1.0	7.5	1.4	0.4	10.3	10.3	10.3	
Tax Benefit from exercise of stock options	(17.6)	(34.8)	(43.8)	(43.3)	(10.2)	(17.2)	(10.8)	(10.5)	(48.8)	-	-	-	-	-	-	-	
Stock Repurchases	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net Borrowing	(0.1)	(40.0)	-	-	30.0	-	(20.0)	288.6	298.6	-	-	-	-	-	-	-	
Other Financing Activities	(8.7)	22.9	(23.9)	(39.5)	(17.4)	(14.2)	(14.6)	(13.9)	(60.0)	(10.0)	(10.5)	(10.8)	(11.0)	(42.3)	(33.4)	(37.6)	
<b>Net Cash Provided by (used in) Financi</b>	<b>0.5</b>	<b>(19.8)</b>	<b>(29.6)</b>	<b>(53.4)</b>	<b>15.3</b>	<b>(23.9)</b>	<b>(37.3)</b>	<b>264.6</b>	<b>218.7</b>	<b>(9.1)</b>	<b>(3.0)</b>	<b>(9.4)</b>	<b>(10.6)</b>	<b>(32.1)</b>	<b>(23.1)</b>	<b>(27.3)</b>	
Exchange Rate Impact	(0.0)	0.4	(0.3)	(0.2)	0.2	0.3	(0.0)	0.3	0.8	-	-	-	-	-	-	-	
<b>Change in Cash and Cash Equivalents</b>	<b>(8.3)</b>	<b>30.7</b>	<b>9.3</b>	<b>(22.2)</b>	<b>72.8</b>	<b>4.0</b>	<b>3.4</b>	<b>319.7</b>	<b>399.9</b>	<b>71.9</b>	<b>33.0</b>	<b>28.1</b>	<b>46.2</b>	<b>179.1</b>	<b>228.4</b>	<b>290.4</b>	
<b>Cash, Beginning of Period</b>	<b>185.7</b>	<b>177.4</b>	<b>208.2</b>	<b>217.8</b>	<b>195.6</b>	<b>268.0</b>	<b>271.9</b>	<b>275.4</b>	<b>195.6</b>	<b>595.1</b>	<b>667.0</b>	<b>700.0</b>	<b>728.1</b>	<b>595.1</b>	<b>774.2</b>	<b>1,002.6</b>	
<b>Cash, end of Period w/o Restricted Cash</b>					<b>268.0</b>	<b>271.9</b>	<b>275.4</b>	<b>595.1</b>	<b>595.1</b>	<b>667.0</b>	<b>700.0</b>	<b>728.1</b>	<b>774.2</b>	<b>774.2</b>	<b>1,002.6</b>	<b>1,293.0</b>	
<b>Retricted Cash</b>					<b>0.4</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.0</b>	<b>0.4</b>								
<b>Cash, end of Period</b>	<b>177.4</b>	<b>208.1</b>	<b>217.5</b>	<b>195.6</b>	<b>268.4</b>	<b>272.0</b>	<b>275.3</b>	<b>595.1</b>	<b>595.5</b>	<b>667.0</b>	<b>700.0</b>	<b>728.1</b>	<b>774.2</b>	<b>774.2</b>	<b>1,002.6</b>	<b>1,293.0</b>	

Source: Company Data, Morgan Stanley Research

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(as of February 28, 2021)

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STOCK RATING CATEGORY	COVERAGE UNIVERSE		INVESTMENT BANKING CLIENTS (IBC)			OTHER MATERIAL INVESTMENT SERVICES CLIENTS (MISC)	
	COUNT	% OF TOTAL	COUNT	% OF TOTAL IBC	% OF RATING CATEGORY	COUNT	% OF TOTAL OTHER MISC
<b>Overweight/Buy</b>	<b>1493</b>	<b>43%</b>	<b>400</b>	<b>47%</b>	<b>27%</b>	<b>664</b>	<b>43%</b>
<b>Equal-weight/Hold</b>	<b>1439</b>	<b>42%</b>	<b>359</b>	<b>42%</b>	<b>25%</b>	<b>651</b>	<b>42%</b>
<b>Not-Rated/Hold</b>	<b>6</b>	<b>0%</b>	<b>1</b>	<b>0%</b>	<b>17%</b>	<b>5</b>	<b>0%</b>
<b>Underweight/Sell</b>	<b>518</b>	<b>15%</b>	<b>87</b>	<b>10%</b>	<b>17%</b>	<b>214</b>	<b>14%</b>
<b>TOTAL</b>	<b>3,456</b>		<b>847</b>			<b>1534</b>	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

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Overweight (O). The stock's total return is expected to exceed the average total return of the analyst's industry (or industry team's) coverage universe, on a risk-adjusted basis, over the next 12-18 months.

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Unless otherwise specified, the time frame for price targets included in Morgan Stanley Research is 12 to 18 months.

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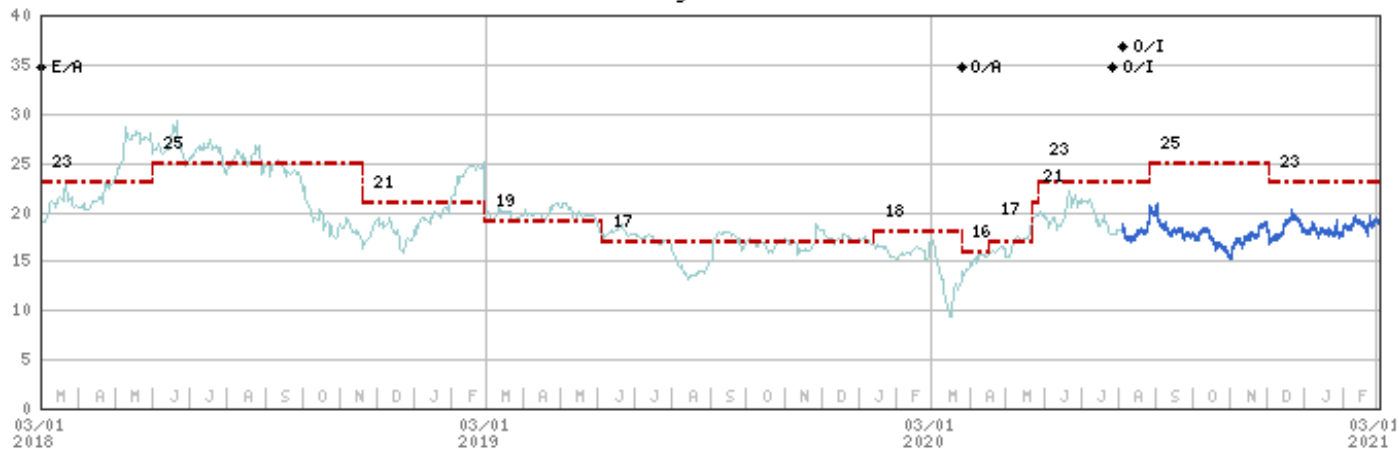
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MSCI Europe; Japan - TOPIX; Asia - relevant MSCI country index or MSCI sub-regional index or MSCI AC Asia Pacific ex Japan Index.

**Stock Price, Price Target and Rating History (See Rating Definitions)**

Box Inc (BOX.N) - As of 3/2/21 in USD  
Industry : Software



Stock Rating History: 3/1/16 : E/A; 3/25/20 : O/A; 7/27/20 : O/I; 8/4/20 : O/I

Price Target History: 2/11/16 : 11; 3/10/16 : 12; 9/1/16 : 13; 12/1/16 : 14; 1/23/17 : 19; 6/1/17 : 20; 1/17/18 : 23; 5/31/18 : 25; 11/20/18 : 21; 2/28/19 : 19; 6/4/19 : 17; 1/13/20 : 18; 3/25/20 : 16; 4/17/20 : 17; 5/22/20 : 21; 5/28/20 : 23; 8/27/20 : 25; 12/2/20 : 23

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target --- No Price Target Assigned (NA)  
 Stock Price (Not Covered by Current Analyst) — Stock Price (Covered by Current Analyst) —  
 Stock and Industry Ratings (abbreviations below) appear as ♦ Stock Rating/Industry View  
 Stock Ratings: Overweight (O) Equal-weight (E) Underweight (U) Not-Rated (NR) No Rating Available (NA)  
 Industry View: Attractive (A) In-line (I) Cautious (C) No Rating (NR)

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**INDUSTRY COVERAGE: Software**

COMPANY (TICKER)	RATING (AS OF)	PRICE* (03/02/2021)
<b>Hamza Fodderwala</b>		
CyberArk Software Ltd (CYBR.O)	O (10/01/2020)	\$147.80
FireEye Inc (FEYE.O)	E (10/28/2020)	\$19.74
McAfee Corp (MCFE.O)	O (11/16/2020)	\$21.52
NortonLifeLock Inc (NLOK.O)	O (02/01/2021)	\$19.94
Proofpoint Inc (PFPT.O)	O (08/19/2020)	\$122.03
Qualys Inc (QLYS.O)	U (02/09/2021)	\$97.47
Rapid7 Inc (RPD.O)	E (08/11/2015)	\$78.99
SailPoint Technologies Holdings Inc (SAIL.N)	O (10/01/2020)	\$59.22
Secureworks Corp (SCWX.O)	E (09/09/2020)	\$14.27
Tenable Holdings Inc (TENB.O)	O (01/15/2019)	\$40.63
Varonis Systems, Inc. (VRNS.O)	O (10/27/2020)	\$182.14
<b>Josh Baer, CFA</b>		
2u Inc (TWOU.O)	E (11/24/2020)	\$40.69
Box Inc (BOX.N)	O (08/04/2020)	\$18.75
CDK Global Inc (CDK.O)	O (06/08/2020)	\$51.31
Chegg Inc (CHGG.N)	O (11/25/2019)	\$97.59
Lightspeed POS Inc. (LSPD.N)	E (02/18/2021)	\$71.44
Pluralsight Inc. (PS.O)	++	\$21.18
Sabre Corp (SABR.O)	O (12/17/2020)	\$14.63
<b>Keith Weiss, CFA</b>		
Adobe Inc. (ADBE.O)	O (04/29/2019)	\$466.59
Akamai Technologies, Inc. (AKAM.O)	E (04/29/2020)	\$95.86
Atlassian Corporation PLC (TEAM.O)	O (01/13/2020)	\$244.40
Autodesk (ADSK.O)	E (01/15/2019)	\$277.92
Check Point Software Technologies Ltd. (CHKP.O)	U (01/13/2020)	\$111.24
Cloudflare Inc (NET.N)	E (06/18/2020)	\$75.50
Fortinet Inc. (FTNT.O)	E (04/10/2018)	\$173.35
Intuit (INTU.O)	O (10/05/2020)	\$401.75
Microsoft (MSFT.O)	O (01/13/2016)	\$233.87
Okta, Inc. (OKTA.O)	E (02/04/2019)	\$259.06
Oracle Corporation (ORCL.N)	E (01/15/2019)	\$66.66
Palantir Technologies Inc. (PLTR.N)	U (12/02/2020)	\$24.48
Palo Alto Networks Inc (PANW.N)	O (10/10/2017)	\$354.66
Qualtrics (XMO)	E (02/23/2021)	\$36.88
Salesforce.com (CRM.N)	E (11/12/2020)	\$213.47
ServiceNow Inc (NOW.N)	O (11/12/2020)	\$549.30
Shopify Inc (SHOP.N)	E (10/05/2020)	\$1,309.06
Slack Technologies, Inc. (WORK.N)	E (12/09/2020)	\$40.92
Snowflake Inc. (SNOW.N)	E (10/12/2020)	\$270.60
Splunk Inc (SPLK.O)	O (11/18/2019)	\$149.09
VMware Inc (VMW.N)	E (01/15/2019)	\$139.24
Workday Inc (WDAY.O)	O (04/14/2020)	\$247.96
Zscaler Inc (ZS.O)	E (06/18/2020)	\$202.61
<b>Meta A Marshall</b>		
8x8 Inc (EGHT.N)	E (01/13/2020)	\$34.45
Five9 Inc (FIVN.O)	O (12/17/2020)	\$187.56
RingCentral Inc (RNG.N)	O (12/17/2020)	\$370.96
Twilio Inc (TWLO.N)	O (09/19/2019)	\$394.62
Vonage Holdings Corp (VG.O)	E (08/18/2020)	\$13.55
Zoom Video Communications Inc (ZM.O)	E (05/13/2019)	\$372.79
<b>Sanjit K Singh</b>		

Appian Corp (APPN.O)	U (04/14/2020)	\$178.34
C3.ai (AI.N)	U (01/04/2021)	\$98.50
Citrix Systems Inc (CTXS.O)	E (10/23/2020)	\$136.72
Cloudera Inc (CLDR.N)	O (06/03/2020)	\$16.24
Datadog, Inc. (DDOG.O)	E (10/14/2019)	\$93.51
Datto Holding Corp. (MSP.N)	E (11/16/2020)	\$24.41
Domo Inc (DOMO.O)	O (12/17/2020)	\$65.08
JFrog Ltd. (FROG.O)	E (10/12/2020)	\$53.51
MongoDB Inc (MDB.O)	O (12/17/2020)	\$379.93
New Relic Inc (NEWR.N)	E (04/14/2020)	\$61.94
NICE Ltd. (NICE.O)	O (12/17/2020)	\$227.16
Nuance Communications Inc. (NUAN.O)	O (01/13/2020)	\$44.51
PagerDuty, Inc. (PD.N)	E (05/06/2019)	\$46.63
Solarwinds Corp (SWM.N)	E (11/13/2018)	\$16.16
Sumo Logic Inc (SUMO.O)	E (10/12/2020)	\$29.50

**Stan Zlotzky, CFA**

Anaplan Inc (PLAN.N)	O (02/16/2021)	\$64.85
Asana Inc (ASAN.N)	E (10/26/2020)	\$35.13
BigCommerce Holdings, Inc. (BIGC.O)	U (08/31/2020)	\$62.01
Coupa Software Inc (COUP.O)	O (04/14/2020)	\$340.16
DocuSign Inc (DOCU.O)	O (10/05/2020)	\$232.59
HubSpot, Inc. (HUBS.N)	O (03/25/2020)	\$517.39
Liveramp Holdings Inc (RAMP.N)	O (07/15/2019)	\$64.56
PROS Holdings Inc (PRO.N)	E (02/18/2020)	\$46.90
Smartsheet Inc (SMAR.N)	O (05/22/2018)	\$69.90
Sprout Social Inc (SPT.O)	E (11/17/2020)	\$66.24
Veeva Systems Inc (VEEV.N)	O (01/13/2020)	\$287.30
Vertex Inc. (VERX.O)	E (08/24/2020)	\$31.52
Workiva Inc (WK.N)	E (12/17/2020)	\$102.12
Yext Inc (YEXT.N)	U (01/15/2019)	\$17.72
Zendesk, Inc (ZEN.N)	O (09/10/2015)	\$148.77
ZoomInfo Technologies Inc (ZI.O)	O (11/18/2020)	\$56.11
Zuora Inc (ZUO.N)	U (04/14/2020)	\$15.29

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\* Historical prices are not split adjusted.