zendesk
This presentation contains forward-looking statements, including, among other things, statements regarding our growth prospects; our ability to attract and retain customers to use our platform; our ability to innovate and provide a superior customer experience; our ability to successfully expand in our existing markets and into new markets; and our ability to effectively manage our growth and future expenses. The words such as “may,” “should,” “will,” “believe,” “expect,” “anticipate,” “target,” “project,” and similar phrases that denote future expectation or intent regarding our financial results, operations and other matters are intended to identify forward-looking statements. You should not rely upon forward-looking statements as predictions of future events.

The outcome of the events described in these forward-looking statements is subject to known and unknown risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to differ materially, including (i) adverse changes in general economic or market conditions; (ii) our ability to adapt our customer service platform to changing market dynamics and customer preferences or achieve increased market acceptance of our platform; (iii) our expectation that the future growth rate of our revenues will decline, and that as our costs increase, we may not be able to generate sufficient revenues to achieve or sustain profitability; (iv) our limited operating history, which makes it difficult to evaluate our prospects and future operating results; (v) our ability to effectively manage our growth and organizational change; (vi) our ability to compete effectively in the intensely competitive market in which we participate; (vii) the development of the market for software as a service business software applications; (viii) our ability to sell our live chat software as a standalone service and more fully integrate our live chat software with our customer service platform; (ix) real or perceived errors, failures, or bugs in our products; (x) our substantial reliance on our customers renewing their subscriptions and purchasing additional subscriptions from us; and (xii) our ability to effectively expand our sales capabilities.

The forward-looking statements contained in this presentation are also subject to additional risks, uncertainties, and factors, including those more fully described in our filings with the Securities and Exchange Commission, including our Quarterly Report on Form 10-Q filed with the Securities and Exchange Commission on August 7, 2014. Further information on potential risks that could affect actual results will be included in the subsequent periodic and current reports and other filings that we make with the Securities and Exchange Commission from time to time.

Forward-looking statements represent our management’s beliefs and assumptions only as of the date such statements are made. We undertake no obligation to update any forward-looking statements made in this presentation to reflect events or circumstances after the date of this presentation or to reflect new information or the occurrence of unanticipated events, except as required by law.
BRINGING ORGANIZATIONS AND THEIR CUSTOMERS CLOSER TOGETHER
THE NEW AMPLIFIED VOICE OF THE INFORMED CUSTOMER HAS CHANGED THE DYNAMICS
CONSUMER EXPECTATIONS HAVE CHANGED DRAMATICALLY

INSTANT

TRANSPARENT

PERSONALIZED

UBIQUITOUS

989 MARKET STREET
ZENDESK EMERGES, A NEW GENERATION BEAUTIFULLY SIMPLE CUSTOMER SERVICE PLATFORM
CLOUD (INTERNET)

OMNI CHANNEL
PLATFORM AGNOSTIC

DEMOCRATIZATION &
CONSUMERIZATION
MEGA TREND: A SHIFT FROM EPISODEIC TO LIFETIME RELATIONSHIP
The customer service and contact center software market is a $10.2B worldwide market according to IDC.

DEVELOPMENT PLATFORM

- Over 200 integrations & apps
- Broad developer ecosystem
- Channel for partners
- Product extensions
- Product experimentation
- Partner evaluation
## COMPETITION

<table>
<thead>
<tr>
<th>Segments</th>
<th>Zendesk Competitive Position</th>
<th>Competitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMB Customer Service</td>
<td>Market Leader</td>
<td>Basic tools</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Gmail, Excel 2010, freshdesk, salesforce desk,</td>
</tr>
<tr>
<td>Mid-Market / Enterprise Customer Service</td>
<td>Market Disruptor</td>
<td>service cloud</td>
</tr>
<tr>
<td>Employee Service Desk</td>
<td>Market Alternative</td>
<td>servicenow, bmc software, hp,</td>
</tr>
<tr>
<td>Segment</td>
<td>Customers</td>
<td></td>
</tr>
<tr>
<td>------------------------</td>
<td>---------------------------------------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>Internet</td>
<td>OpenTable®&lt;sup&gt;*&lt;/sup&gt; Dropbox Groupon zulily shopify meltwater Engine Yard&lt;sup&gt;®&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Telecom</td>
<td>vodafone e-plus twilio CUBIC TELECOM 3&lt;sup&gt;®&lt;/sup&gt; CE On-Demand bandwidth&lt;sup&gt;™&lt;/sup&gt; HOSTWAY&lt;sup&gt;®&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Enterprise</td>
<td>Adobe Zuora box Acquia MINDBODY Pivotal New Relic&lt;sup&gt;®&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td>Media / Entertainment</td>
<td>AOL Rhapsody realnetworks Roku TV Gawker Fairfax Media</td>
<td></td>
</tr>
<tr>
<td>Retail / Consumer</td>
<td>L’ORÉAL’ Red Bull JUST EAT NINE WEST O’NEILL MERCK</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>UBER lonely planet trivago Gastronomiz airbnb lafourchette.com tigerair</td>
<td></td>
</tr>
<tr>
<td>Education / Non-Profit/Government</td>
<td>NOTTINGHAM TRENT UNIVERSITY Ohio Wesleyan University KHANACADEMY SCHOOL OF ROCK charity: water Australian Government</td>
<td></td>
</tr>
</tbody>
</table>
Net Promoter Score

NPS score: 19

Lifetime satisfaction by NPS group:
- Promoters: 96%
- Passives: 83%
- Detractors: 27%

Revenue by NPS score:
- Detractors: $266.2 K
- Passives: $426.7 K
- Promoters: $343.9 K
FINANCIAL HIGHLIGHTS

- High growth subscription revenue model
- Large and diversified global customer base
- Efficient customer acquisition model
- Proven land and expand growth strategy
ANNUAL REVENUE ($ in millions)

2011: $16
2012: $38
2013: $72

112% CAGR

QUARTERLY REVENUE ($ in millions)

Q1: $7
Q2: $9
Q3: $10
Q4: $12
2012
Q1: $14
Q2: $16
Q3: $19
Q4: $23
2013
Q1: $25
Q2: $30
2014

+80%
LARGE GLOBAL AND LOYAL CUSTOMER BASE as of Q2 2014

45,740 CUSTOMER ACCOUNTS WORLDWIDE

REVENUE BY GEOGRAPHIC AREA

- **US**: 57%
- **EMEA**: 28%
- **Other**: 15%

**KEY FACTS**

- **Annual Recurring Revenue Distribution from Accounts**
  - 100+ seats: 77%
  - Less than 100 seats: 23%

- **Annual dollar-based net expansion rate**: 122%
ORGANIC AND VIRAL GROWTH MODEL

Organic and Viral Growth Model Drives

High Revenue Growth + Efficient Customer Acquisition

Percentage of qualified sales leads during Q2 2014
QUARTERLY REVENUE & OPERATING CASH FLOW ($ in millions)

- Q1 2013
- Q2 2013
- Q3 2013
- Q4 2013
- Q1 2014
- Q2 2014

Revenue
Operating Cash Flow
GROWTH DRIVERS

- EXPLOIT DATA AND ANALYTICS OPPORTUNITY
- EXPAND ENTERPRISE CUSTOMER BASE
- INTRODUCE NEW PRODUCTS AND FEATURES
- BROADEN PLATFORM AND PARTNERSHIPS
- DRIVE ORGANIC GROWTH THROUGH BRAND DEVELOPMENT
• Leading the transformation of the customer service market
• Beautifully simple philosophy core to business and platform
• Central to lifetime oriented customer relationships
• Key in the recommendation and sharing economy
• Large and diverse global market
• Unique data proposition
THANK YOU