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INSTRUCTURE

FORWARDING LOOKING STATEMENTS & NON-GAAP MEASURES

INSTRUCTURE

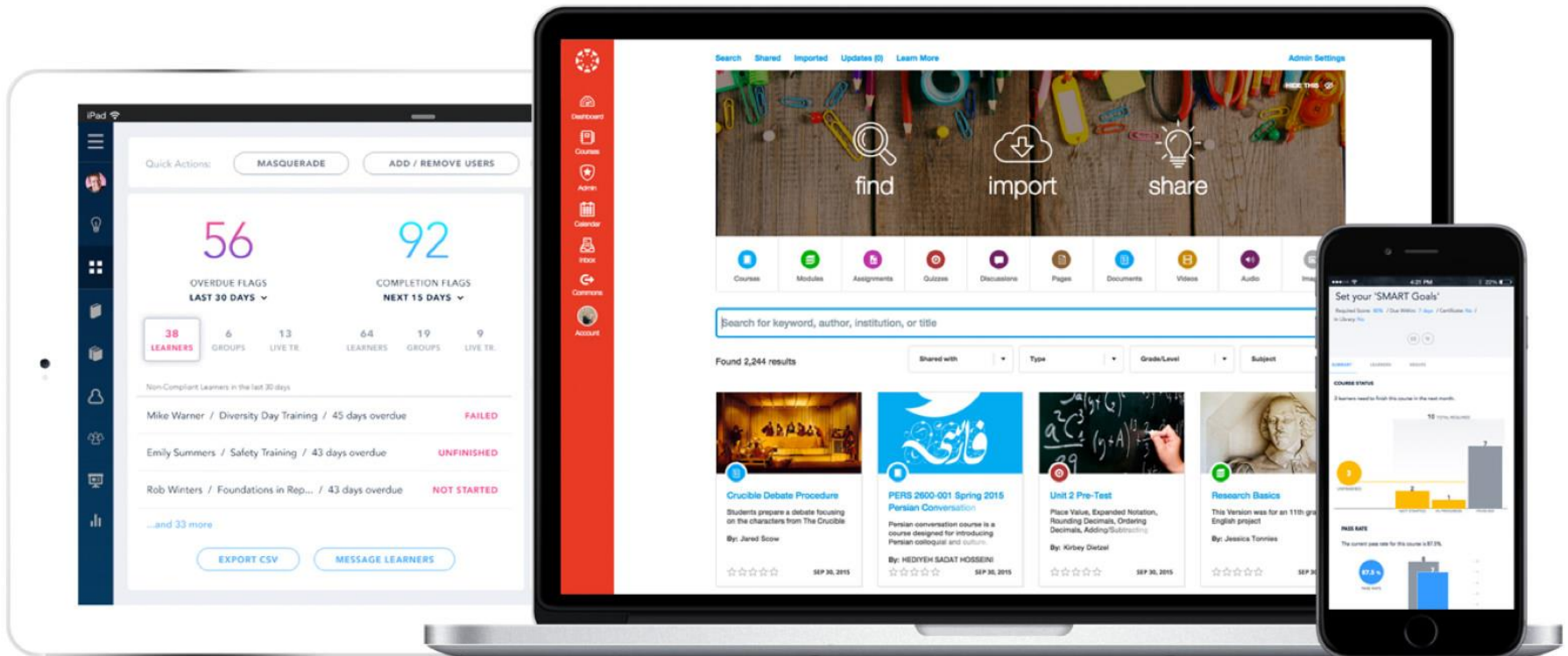
This presentation and the accompanying oral commentary contain “forward-looking” statements, within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995 that are based on our beliefs and assumptions and on information currently available to us. Forward-looking statements include information concerning our possible or assumed future results of operations and financial performance, business strategies, potential growth opportunities and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “believe,” “will,” “may,” “estimate,” “continue,” “anticipate,” “intend,” “should,” “plan,” “might,” “approximately,” “expect,” “predict,” “could,” “potentially” or the negative of these terms or other similar expressions.

Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important risk factors including, but not limited to, risks associated with anticipated growth in our addressable market; our potential market opportunity; competitive factors, our ability to build and expand our sales efforts, risks associated with international operations and general economic and industry conditions are described more fully in the Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, which was filed with the Securities and Exchange Commission (the “SEC”) on May 1, 2019 and other documents filed with the SEC and could cause actual results to vary from expectations.

Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons why actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by the SEC rules. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with U.S. GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures as tools for comparison. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the appendix.

From the first day of school to the last day of work.

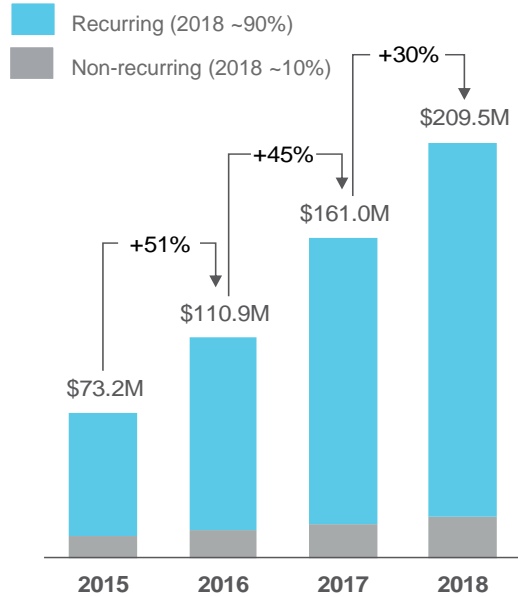


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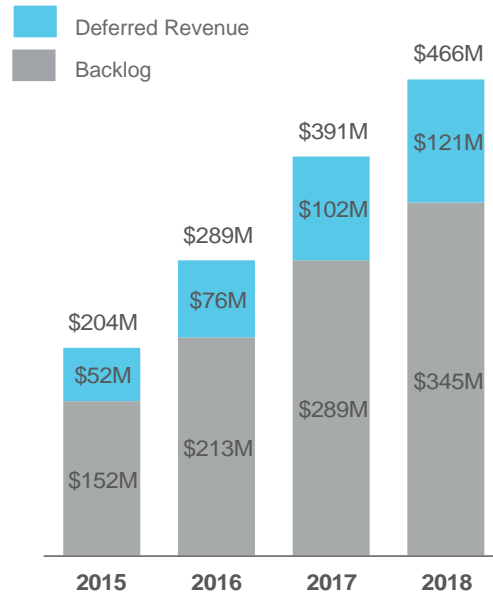
THE INSTRUCTURE STORY

INSTRUCTURE

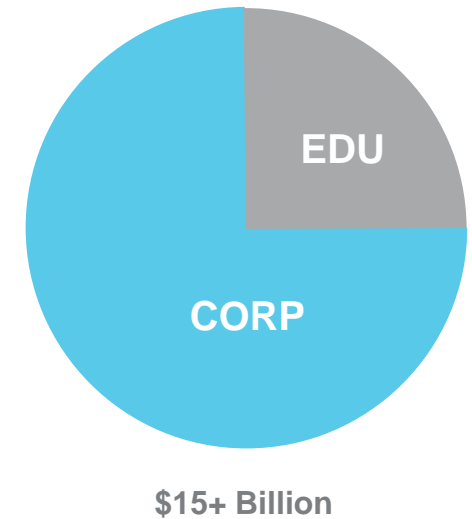
High Growth Subscription Revenue



Backlog & Deferred Revenue



2019 Total Addressable Market



Headquartered in Salt Lake City with 1,200+ employees worldwide¹



Offices in London, Sydney, Hong Kong, Brazil



Flagship products Canvas & Bridge



100% native cloud



>100% retention revenue



>4,000 customers in 70+ countries¹



92% Customer Support Satisfaction¹

¹For quarter ended December 31, 2018
2016 and prior years reported under ASC 605; 2017 and after reported under ASC 606

WE ARE THE CENTER OF THE LEARNING ECOSYSTEM

INSTRUCTURE





- Learning management system (LMS) for HiEd and K12
- Adaptable, reliable, customizable, and 100% native cloud
- Used by millions of students and teachers across the globe

- Integrated video platform for Canvas and Bridge
- Collaboration tools with time tagged comments and annotations makes learning social and interactive



- Powerful assessments within Canvas
- Main focus on K-12 market, with some HiEd applications

- Student success platform that supports nearly 5 million students and alumni and 60,000 educators at more than 3,600 K-20 institutions
- Provides ePortfolios, program and course-level assessments, career pathways, and matches students to job opportunities





BRIDGE
BY INSTRUCTURE

LEARN

- Simple, intuitive learning management system (LMS) for the corporate market
- Build customized content or integrate with top content providers
- Integrates with Perform to align goals and learning in a single interface

PERFORM

- Individualized, continuous, relationship-driven career development platform
- Empowers employees to take control of their career paths
- Shifts review paradigm to continuous ongoing feedback from managers and peers



- Integrated video platform for Canvas and Bridge
- Collaboration tools with time tagged comments and annotations... makes learning social and interactive



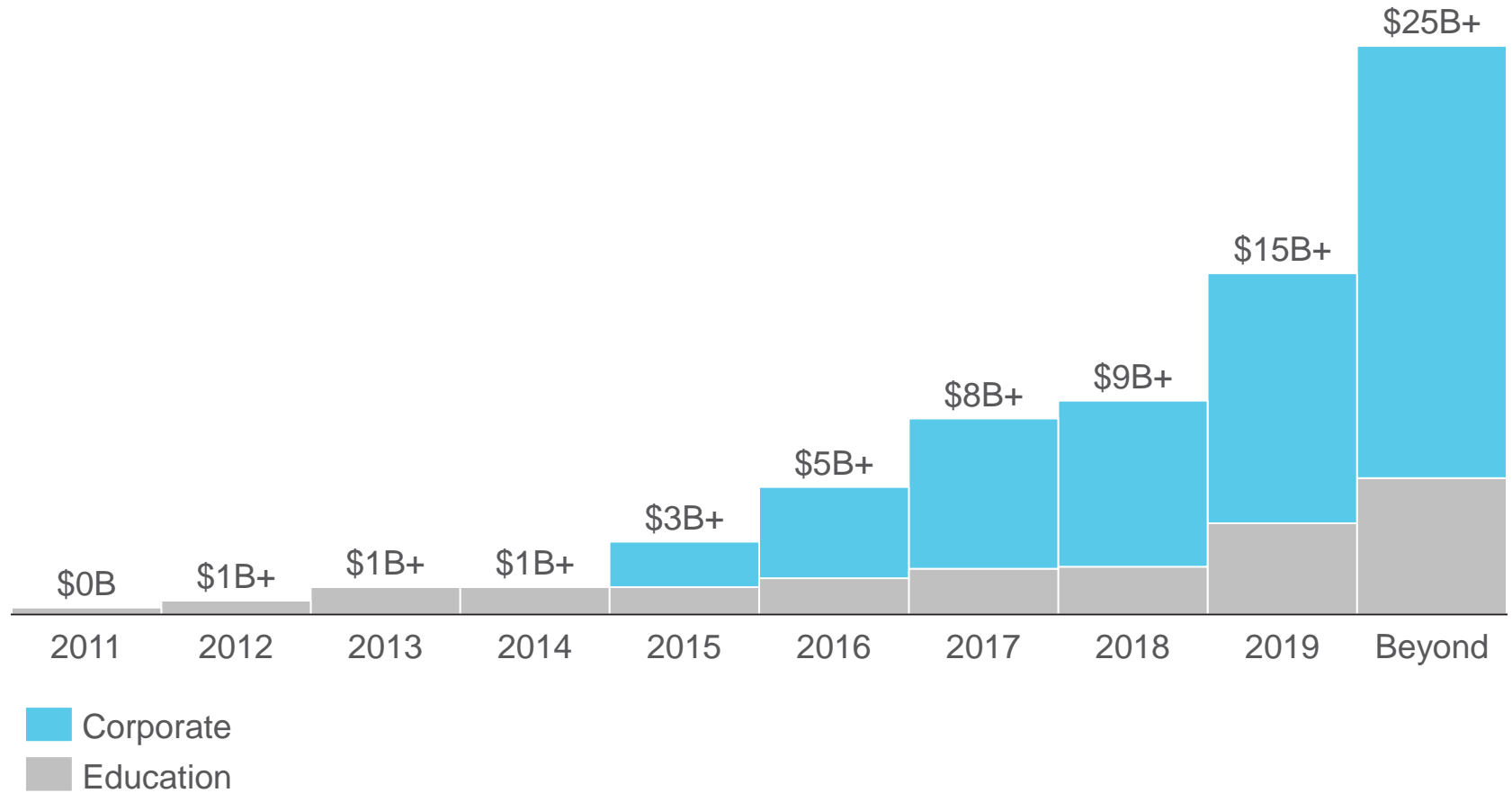
Practice creates a scalable means for teams to frequently practice skills and receive meaningful, timely feedback through the power of peer-to-peer video assessment and coaching.

- Reinforce skills
- Facilitate feedback
- Increase collaboration
- Share expertise
- Continuous learning for the digital age

CONTINUALLY GROWING TAM, A LOT OF HEADROOM REMAINING

INSTRUCTURE

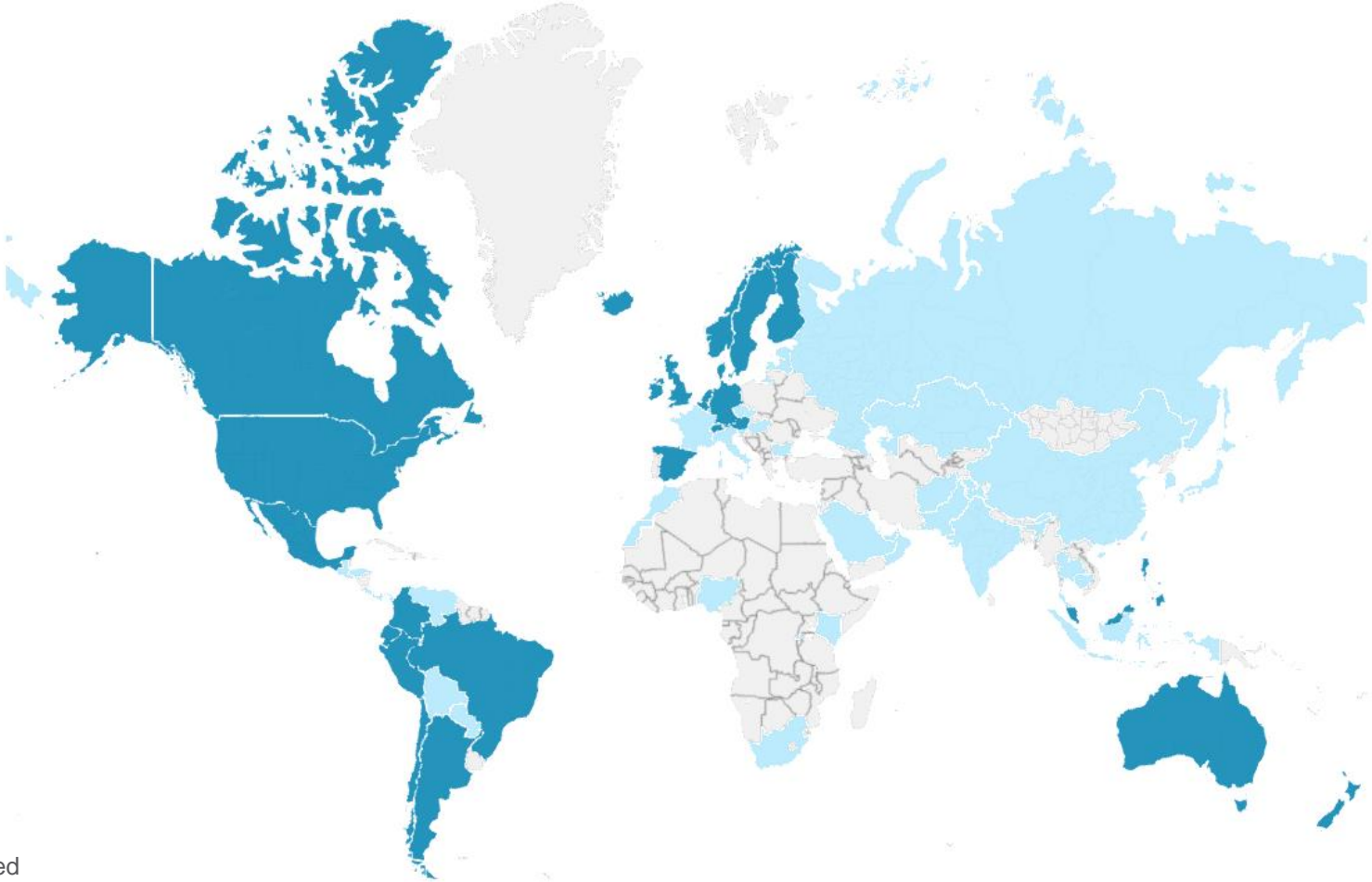
History of Instructure TAM



Sources: Adapted from NCES, IDC, & internal estimates; estimates include "greenfield" opportunities

INT'L EXPANSION... JUST SCRATCHING THE SURFACE

INSTRUCTURE



- LEGEND**
- Deployed
 - Have Customers
 - Unexplored

OVER 4,000 CUSTOMERS¹ ACROSS CATEGORIES

INSTRUCTURE

Higher Ed	   <p>BROWN</p>  <p>INDIANA UNIVERSITY</p>  <p>DARTMOUTH 1769 CLAMANTIS IN DESERTO</p>	Used by 7 Ivy League Schools
K – 12	 <p>Broward County Public Schools</p>  <p>EDUCATION SERVICE CENTER REGION 11</p>  <p>Public Schools of North Carolina</p>  <p>CCSD CLARK COUNTY SCHOOL DISTRICT</p>	Used by K-12 Schools in 49 States
International	 <p>London Business School</p>  <p>UNIVERSITY OF BIRMINGHAM</p>  <p>SYDNEY ANGLICAN SCHOOLS CORPORATION</p>  <p>Cityu 香港城市大學 City University of Hong Kong</p>	Serving 70+ Countries
Corporate	   	Over 500 Customers ²

¹As of June 30, 2018.

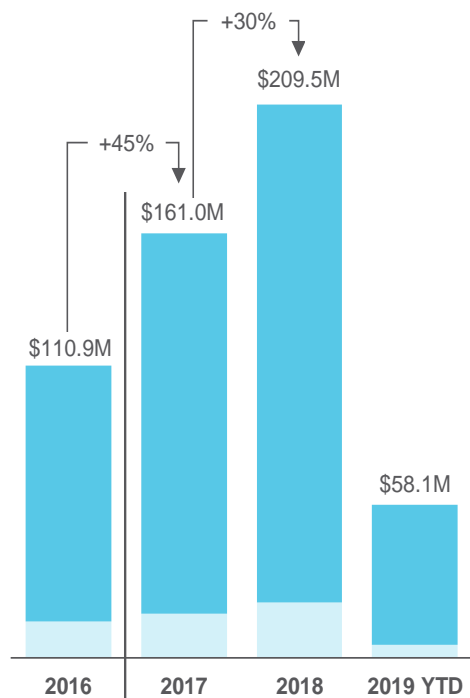
²As of December 31, 2017.

REVENUE & PROFITABILITY HISTORY

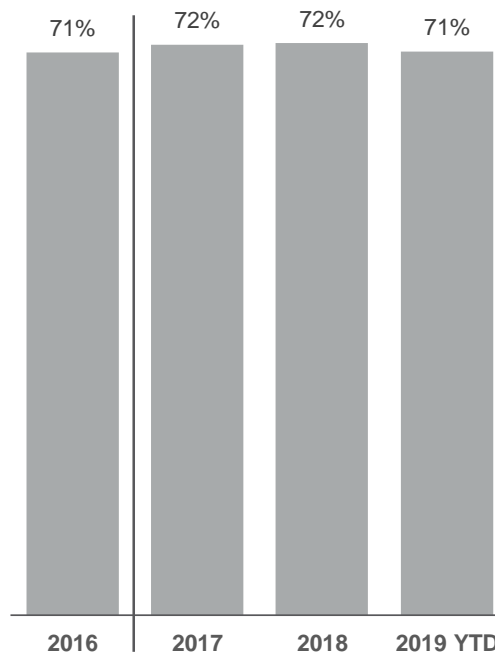
2015 – 2019

INSTRUCTURE

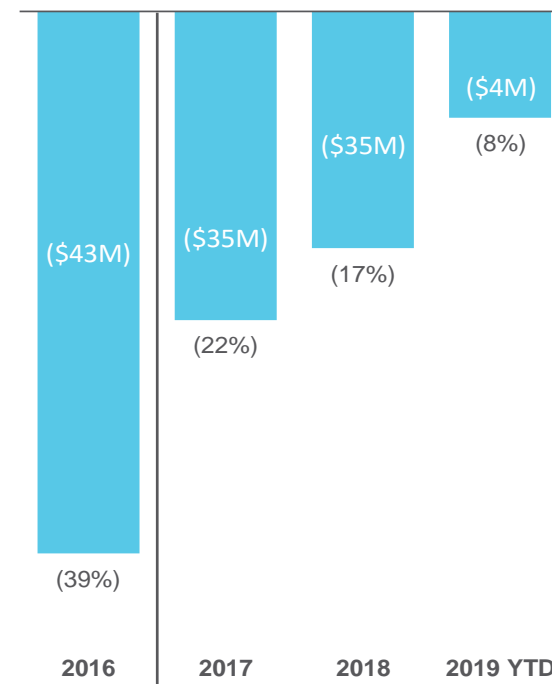
Revenue Growth



Non-GAAP Gross Margin¹



Non-GAAP Operating Loss as a % of Revenue²



- Recurring (2018 ~90%)
- Non-recurring (2018 ~10%)

¹Non-GAAP gross margin is before stock-based compensation, reversal of payroll tax expense on secondary stock purchase transactions, and amortization of acquisition-related intangibles.

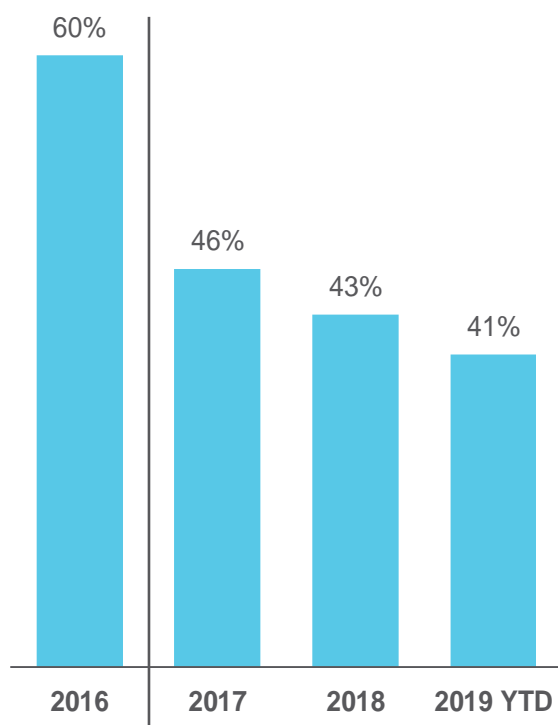
²Operating loss before stock-based compensation, reversal of payroll tax expense on secondary stock purchase transactions, amortization of acquisition-related intangibles, and the change in fair value of contingent liability.

2016 and prior years reported under ASC 605; 2017 and after reported under ASC 606

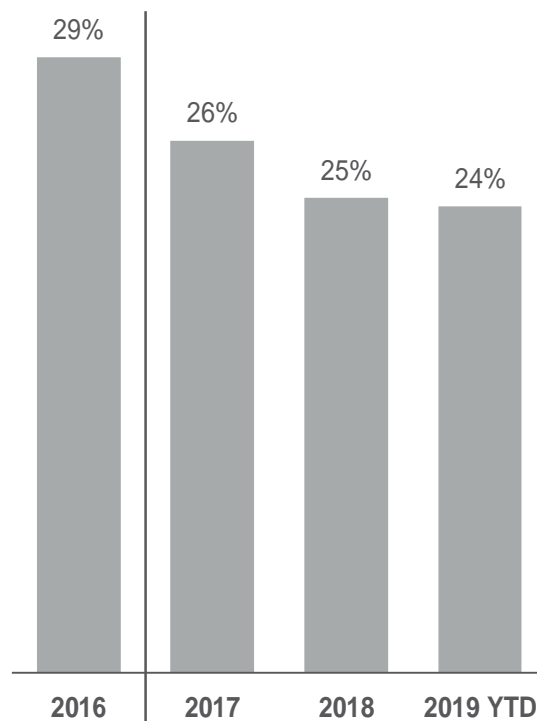
RAPIDLY SCALING

INSTRUCTURE

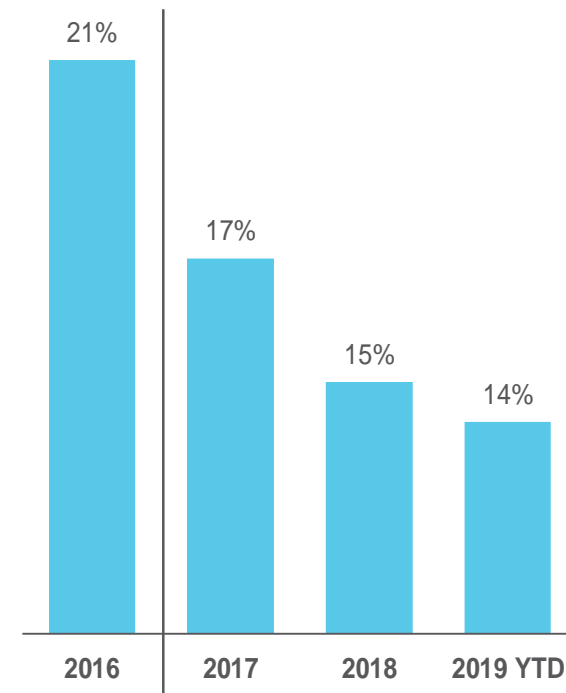
Non-GAAP Sales and Marketing¹
(% of Revenue)



Non-GAAP Research and Development¹
(% of Revenue)



Non-GAAP General and Administration¹
(% of Revenue)

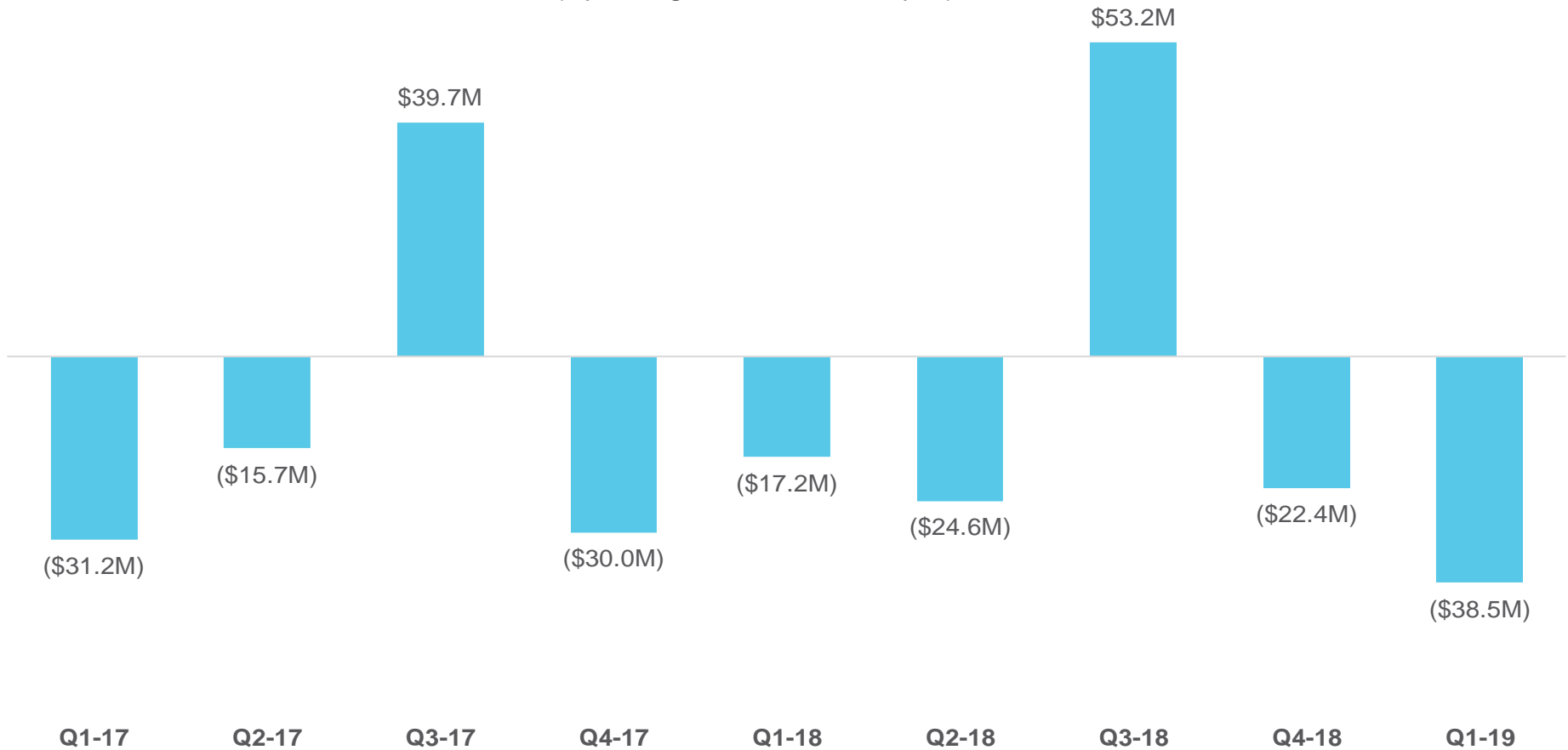


¹Non-GAAP Sales and Marketing, Research and Development and General and Administration expenses are before stock-based compensation, reversal of payroll tax expense on secondary stock purchase transactions, amortization of acquisition-related intangibles, and the change in fair value of contingent liability. 2016 and prior years reported under ASC 605; 2017 and after reported under ASC 606

SEASONALLY STRONG Q3 LEADS TO RAPIDLY EXPANDING CASH FLOW¹

INSTRUCTURE

INST Historical Free Cash Flow
(Operating cash flow, less capex)

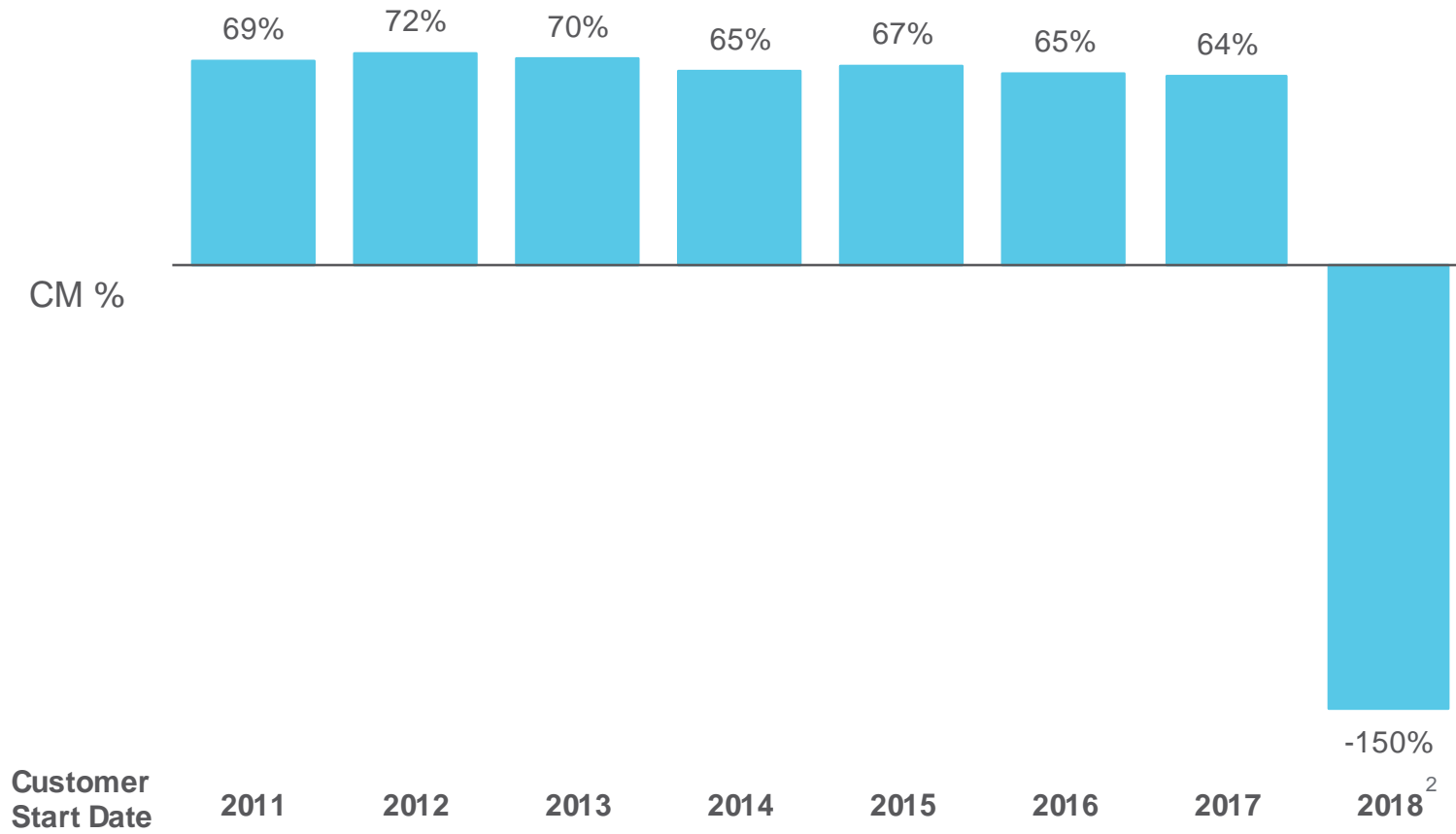


¹Free cash flow is a Non-GAAP measure and is derived by netting operating cash flow with the purchase of property and equipment and intangibles, and proceeds from disposals of property and equipment.

STRONG FOUNDATION FOR BUILDING TOWARD PROFITABILITY

INSTRUCTURE

2018 Contribution Margin¹ by customer cohort; based on Full Year 2018 revenue and expenses



¹Defined as gross margin less sales, direct marketing and account management expense. ²1st year cost (2017) includes customer acquisition and implementation

LONG-RANGE MODEL

INSTRUCTURE

	2015	2016	2017	2018	Long-Term Target
Revenue	100%	100%	100%	100%	100%
Cost of Revenue ¹	32%	29%	28%	28%	~25%
Non-GAAP Gross Margin	68%	71%	72%	72%	~75%
S&M ²	71%	60%	50%	43%	26-28%
R&D ²	31%	29%	27%	25%	15-17%
G&A ²	22%	21%	17%	15%	9-10%
Non-GAAP Operating Income/Loss	(57%)	(39%)	(22%)	(10%)	20-25%

¹Non-GAAP cost of revenue is before stock-based compensation, reversal of payroll tax expense on secondary stock purchase transactions, and amortization of acquisition-related intangibles.

²Non-GAAP operating expenses are before stock-based compensation, reversal of payroll tax expense on secondary stock purchase transactions, amortization of acquisition-related intangibles, and the change in fair value of contingent liability.

2016 and prior years reported under ASC 605; 2017 and after reported under ASC 606

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APPENDIX

GAAP INCOME STATEMENT

INSTRUCTURE

	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Revenue	\$34.5M	\$38.5M	\$43.2M	\$44.8M	\$48.0M	\$50.1M	\$55.2M	\$56.3M	\$58.1M
YoY%	48%	49%	43%	42%	39%	30%	28%	26%	21%
Cost of Sales	\$9.7	\$11.1	\$12.5	\$13.3	\$14.0	\$14.6	\$16.1	\$17.1	\$18.2
Gross Profit	\$24.8M	\$27.5M	\$30.7M	\$31.5M	\$34.0M	\$35.5M	\$39.1M	\$39.1M	\$39.9M
GM%	72%	71%	71%	70%	71%	71%	71%	70%	69%
S&M	\$18.2	\$19.0	\$21.4	\$20.1	\$23.2	\$24.8	\$25.6	\$23.8	\$27.9
% of Rev	53%	49%	50%	45%	48%	50%	46%	42%	48%
R&D	\$11.2	\$11.1	\$12.6	\$13.5	\$14.7	\$14.8	\$15.6	\$14.3	\$18.9
% of Rev	32%	29%	29%	30%	31%	30%	28%	25%	33%
G&A	\$7.0	\$7.6	\$8.3	\$8.3	\$8.3	\$8.2	\$9.8	\$9.3	\$12.5
% of Rev	20%	20%	19%	18%	17%	16%	18%	17%	22%
OPEX	\$36.4M	\$37.7M	\$42.3M	\$41.9M	\$46.1M	\$47.9M	\$51.1M	\$47.4M	\$59.4M
% of Rev	106%	98%	98%	94%	96%	96%	92%	84%	102%
Operating Loss	(\$11.6M)	(\$10.2M)	(\$11.6M)	(\$10.4M)	(\$12.1M)	(\$12.4M)	(\$12.0M)	(\$8.3M)	(\$19.5M)
% of Rev	(34%)	(26%)	(27%)	(23%)	(25%)	(25%)	(22%)	(15%)	(34%)
Warrant liability expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Income/Expense	\$0.1	\$0.1	\$0.3	\$0.1	\$0.4	(\$0.0)	\$0.6	\$0.7	\$0.6
Loss before income taxes	(\$11.5M)	(\$10.1M)	(\$11.3M)	(\$10.3M)	(\$11.7M)	(\$12.4M)	(\$11.4M)	(\$7.6M)	(\$18.9M)
Income taxes	(\$0.1)	(\$0.2)	(\$0.1)	\$0.5	(\$0.1)	(\$0.1)	(\$0.1)	(\$0.0)	\$2.8
Net Loss	(\$11.6M)	(\$10.3M)	(\$11.5M)	(\$9.7M)	(\$11.9M)	(\$12.5M)	(\$11.5M)	(\$7.6M)	(\$16.1M)
% of Rev	(34%)	(27%)	(27%)	(22%)	(25%)	(25%)	(21%)	(13%)	(28%)

¹2018 & 2017 Financials under ASC 606; prior years under ASC 605

NON GAAP INCOME STATEMENT

INSTRUCTURE

	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Revenue	\$31.5M	\$34.0M	\$43.2M	\$44.8M	\$48.0M	\$50.1M	\$55.2M	\$56.3M	\$58.1M
YoY%	35%	31%	43%	42%	52%	47%	28%	26%	21%
Cost of Sales	\$9.4	\$10.7	\$12.2	\$12.8	\$13.2	\$13.8	\$15.2	\$16.2	\$16.6
Gross Profit	\$25.0M	\$27.8M	\$31.1M	\$32.0M	\$34.8M	\$36.3M	\$40.0M	\$40.1M	\$41.5M
GM%	73%	72%	72%	72%	73%	73%	73%	71%	71%
S&M	\$17.3	\$18.0	\$20.1	\$19.2	\$21.5	\$23.3	\$24.0	\$21.9	\$23.6
% of Rev	55%	53%	47%	43%	45%	47%	43%	39%	41%
R&D	\$10.0	\$9.8	\$10.9	\$11.8	\$12.8	\$13.4	\$13.6	\$11.9	\$14.2
% of Rev	32%	29%	25%	26%	27%	27%	25%	21%	24%
G&A	\$6.0	\$6.6	\$7.3	\$7.3	\$7.6	\$7.7	\$8.1	\$7.3	\$8.1
% of Rev	19%	19%	17%	16%	16%	15%	15%	13%	14%
OPEX	\$33.3M	\$34.5M	\$38.4M	\$38.3M	\$41.9M	\$44.4M	\$45.7M	\$41.1M	\$45.9M
% of Rev	105%	101%	89%	86%	87%	89%	83%	73%	79%
Operating Loss	(\$8.2M)	(\$6.6M)	(\$7.4M)	(\$6.3M)	(\$7.1M)	(\$8.1M)	(\$5.7M)	(\$1.0M)	(\$4.4M)
% of Rev	(26%)	(20%)	(17%)	(14%)	(15%)	(16%)	(10%)	(2%)	(8%)
Net Loss	(\$8.2M)	(\$6.7M)	(\$7.2M)	(\$6.2M)	(\$6.9M)	(\$8.2M)	(\$5.2M)	(\$0.3M)	(\$4.1M)
% of Rev	(26%)	(20%)	(17%)	(14%)	(14%)	(16%)	(9%)	(1%)	(7%)

¹2018 & 2017 Financials under ASC 606; prior years under ASC 605
 Non GAAP Net Operating Loss excludes change in fair value warrant liability.

GAAP TO NON-GAAP RECONCILIATION

INSTRUCTURE

	2015	2016	2017	2018	2019 YTD
GAAP Operating Loss	(\$52.0M)	(\$53.4M)	(\$43.8M)	(\$50.8M)	(\$19.5M)
Amortization of Acquisition Related Intangibles					
Cost of Sales	\$-	\$-	\$0.1M	\$0.1M	\$0.6M
S&M	-	-	0.0	0.0	0.6
R&D	0.0	0.0	-	-	-
G&A	-	-	-	-	-
Total	\$0.0M	\$0.0M	\$0.2M	\$0.2M	\$1.1M
Stock Compensation Expense					
Cost of Sales	\$0.3M	\$1.0M	\$1.4M	\$1.4M	\$1.0M
S&M	1.2	3.0	4.3	4.3	3.7
R&D	1.4	3.9	6.0	6.0	4.8
G&A	6.3	2.8	4.0	4.0	4.5
Total	\$9.2M	\$10.7M	\$15.7M	\$15.7M	\$13.9M
Payroll Tax on Secondary Stock Purchase					
Cost of Sales	\$-	\$-	\$-	\$-	\$-
S&M	-	(0.1)	(0.3)	(0.3)	-
R&D	-	(0.1)	(0.3)	(0.3)	-
G&A	1.3	(0.1)	(0.0)	(0.0)	-
Total	\$1.3M	(\$0.2M)	(\$0.5M)	(\$0.5M)	-
Change in fair value of contingent liability					
Cost of Sales	\$-	\$-	\$-	\$-	\$-
S&M	-	-	-	-	-
R&D	-	-	-	-	-
G&A	-	-	-	-	(0.0)
Total	-	-	-	-	(\$0.0M)
Non GAAP Operating Loss	(\$41.4M)	(\$42.9M)	(\$28.5M)	(\$35.5M)	(\$4.4M)

GAAP TO NON-GAAP RECONCILIATION

INSTRUCTURE

	2015	2016	2017	2018	2019 YTD
Revenue	\$73.2M	\$110.9M	\$110.9M	\$158.8M	\$58.1M
GAAP Gross Margin	\$49.1M	\$78.1M	\$78.1M	\$112.4M	\$39.9M
Amortization of Acquisition Related Intangibles	-	-	-	0.1	0.6
Stock Compensation Expense	0.3	1.0	1.0	1.4	1.0
Payroll Tax on Secondary Stock Purchase	-	-	-	-	-
Change in fair value of contingent earn-out liability	-	-	-	-	-
Non GAAP Gross Margin	\$49.5M	\$79.1M	\$79.1M	\$113.9M	\$41.5M
<i>Non GAAP Gross Margin%</i>					
GAAP Sales & Marketing	\$53.5M	\$70.0M	\$70.0M	\$83.7M	\$27.9M
Amortization of Acquisition Related Intangibles	-	-	-	0.0	0.6
Stock Compensation Expense	1.2	3.0	3.0	4.3	3.7
Payroll Tax on Secondary Stock Purchase	-	(0.1)	(0.1)	(0.3)	-
Change in fair value of contingent earn-out liability	-	-	-	-	-
Non GAAP Sales & Marketing	\$52.2M	\$67.0M	\$67.0M	\$79.6M	\$23.6M
<i>Non GAAP Sales & Marketing %</i>	71%	60%	60%	50%	41%
GAAP Research & Development	\$24.2M	\$36.0M	\$36.0M	\$48.3M	\$18.9M
Amortization of Acquisition Related Intangibles	0.0	0.0	0.0	-	-
Stock Compensation Expense	1.4	3.9	3.9	6.0	4.8
Payroll Tax on Secondary Stock Purchase	-	(0.1)	(0.1)	(0.3)	-
Change in fair value of contingent earn-out liability	-	-	-	-	-
Non GAAP Research & Development	\$22.7M	\$32.2M	\$32.2M	\$42.5M	\$14.2M
<i>Non GAAP Research & Development %</i>	31%	29%	29%	27%	24%
GAAP General & Administrative	\$23.5M	\$25.5M	\$25.5M	\$31.2M	\$12.5M
Amortization of Acquisition Related Intangibles	-	-	-	-	-
Stock Compensation Expense	6.3	2.8	2.8	4.0	4.5
Payroll Tax on Secondary Stock Purchase	1.3	(0.1)	(0.1)	(0.0)	-
Change in fair value of contingent liability	-	-	-	-	(0.0)
Non GAAP General & Administrative	\$15.9M	\$22.8M	\$22.8M	\$27.3M	\$8.1M
<i>Non GAAP General & Administrative %</i>	22%	21%	21%	17%	14%

¹2018 & 2017 Financials under ASC 606; prior years under ASC 605

FREE CASH FLOW RECONCILIATION

INSTRUCTURE

	Q1'17	Q2'17	Q3'17	Q4'17	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19
Net Cash Provided by Operating Activities	(\$27.7M)	(\$11.9M)	\$43.6M	(\$25.1M)	(\$12.3M)	(\$22.1M)	\$54.7M	(\$20.2M)	(\$36.2M)
Purchase of PP&E & Intangibles, Net of Disposals	(\$3.4)	(\$3.8)	(\$3.9)	(\$4.9)	(\$4.8)	(\$2.5)	(\$1.5)	(\$2.2)	(\$2.3)
Free Cash Flow	(\$31.2M)	(\$15.7M)	\$39.7M	(\$30.0M)	(\$17.2M)	(\$24.6M)	\$53.2M	(\$22.4M)	(\$38.5M)