Safe Harbor

This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance of BlackLine, Inc. ("BlackLine" or the "Company"), the calculation of certain key financial and operating metrics, capital expenditures, introduction of new solutions or products, expansion into new markets, regulatory compliance, plans for growth and future operations, technological capabilities, and ability to execute our technology and platform initiatives and strategic relationships, including our relationship with SAP, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential," "would," "continue," "ongoing" or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

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In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures, including non-GAAP revenue, gross profit, gross margin, free cash flow, sales and marketing expense, research and development expense, general and administrative expense, loss from operations and operating margin (loss). These non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. The non-GAAP financial measures we use may differ from the non-GAAP financial measures used by other companies. A reconciliation of these measures to the most directly comparable GAAP measure is included in the Appendix to this presentation.
BlackLine Highlights

- SaaS-Based Platform Monetizing Accounting & Finance
- Large & Growing $18.5B Estimated TAM\(^1\) with Multiple Financial Close Adjacencies
- The Industry Recognized Leader in Financial Close Solutions\(^2\)
- Strong Competitive Moat Across Broad Customer Base
- 28% Topline Revenue Growth with 109% Dollar-Based Net Revenue Retention\(^3\)

\(^1\)Source: Frost and Sullivan/2018 TAM for Core Products.
\(^2\)Based on Gartner Magic Quadrant for Cloud Financial Close Solutions, September 2019
\(^3\)YoY Growth as of 9/30/2019. Retention rate as of 9/30/2019
Our Vision

To Lead Finance & Accounting Operations Worldwide
Through **Strategic Finance Transformation**
81% of organizations believe their finance function is not operating at a level necessary to transform into a strategic role within their corporation.

51% of finance leaders feel increased operational responsibilities are stretching their role.

1/3 of accounting teams spend a majority of their time on repetitive low-value tasks.

Source: Ventana Research, 2019
Source: EY Survey of Finance Leaders, 2016
Source: IMA, 2016
The Financial Close is Chaos. On a Deadline.
...And It’s Becoming Increasingly Challenging

Rising Business Complexity
- M&A
- Globalization
- Transfer Pricing Agreements
- Disparate IT Investments

Global Regulatory Landscape
- SOX Compliance
- COSO Framework
- BEAP
- IRS Section 385

Exponentially Growing Data Volume
- Unstructured Information
- System Interoperability
- Big Data

Expectation of Accuracy & Real-Time Data
- Automation
- Robotics
- Business Intelligence
- Agile Decision-Making
BlackLine Transforms the Financial Close

Control
- Accountability, Accuracy, Governance
- Efficient, Clean Audits
- Strong Governance

Transparency
- Visibility & Clarity
- Real-Time Access
- More informed, Quality Decision Making

Efficiency
- Quantifiable ROI
- Automation
- Greater Accuracy
- Timely Financial Information
- Optimized Finance Function

Confidence
- Confident Financials
- Agile Decision-Making
- Standardized Workflows
BlackLine’s Accounting Platform Enables Strategic Finance

**Account Reconciliation**
Accurate and effective account reconciliation process

**Transaction Matching**
Match and reconcile millions of transactions in minutes

**Task Management**
Visibility and control for any accounting checklist

**Compliance**
Elevated Control in the Cloud

**Journal Entry**
Centralize, manage and automate journal entries

**Variance Analysis**
Continuously monitor for risk with automated fluctuation analysis

**Intercompany Hub**
Centralize and streamline end-to-end intercompany accounting

**Smart Close**
Simplify, standardize & automate your financial close in SAP
Large & Underpenetrated Addressable Market

$18.5B

financial close market\(^1\)
comprised of 165,000
target customers

$271M BlackLine LTM revenue
comprised of \(\sim 2,900\) customers\(^2\)

\(^1\)Source: Frost and Sullivan/2018 TAM for Core Products
\(^2\)As of September 30, 2019
Our Go To Market & Customer Strategy

**ENTERPRISE**
>$750M ANNUAL REVENUE

- BlackLine Direct Sales
- SAP Reseller through SolEx
- Partner Ecosystem (Channel, SIs, BPOs, ERP, Consulting)

**MID-MARKET**
$50M-750M ANNUAL REVENUE

- BlackLine Account Management

**ACCOUNT EXPANSION**
~1 YEAR AFTER INITIAL SALE

**Global Sales Deployment**

**Global Customer Team**
- Value Architects
- Professional Services
- Customer Success Management
- Digital Transformation Specialists (AIT)
- Support
- Community
Strength Across Geographies, Sectors & Sizes

CONSUMER AND RETAIL
TECHNOLOGY
INDUSTRIAL AND ENERGY
HEALTHCARE
SERVICES
FINANCIAL SERVICES

Coca-Cola
AUTODESK
centrica
ALLIANCE HEALTHCARE SERVICES
BRINKS
Russell Investments
COSTCO WHOLESALES
GoDaddy
HUBBELL
Takeda
Kempinski HOTELS SINCE 1867
RSA
HERSHEY THE HERSHEY COMPANY
zendesk
Kimberly-Clark
Davita
Holiday Inn Club Vacations
SunTrust
NIKE
Linde
Johnson Controls
Ascension
SiriusXM
Atlantic Union Bank

BLACKLINE
Competitive Landscape

- Market Pioneer
- Deep Account Domain Knowledge
- SaaS-Based Platform
- ERP Agnostic
- Highly Scalable & Configurable

THE COMPETITION

Status Quo
- Excel

Point Solutions
- TRINTECH & FloQast

ERPs
- SAP → BLACKLINE
  SAP Solution Extension
- ORACLE → # Hyperion
- NETSUITE → BLACKLINE
- OTHER ERP VENDORS → NO CORE OFFERING
ERPs Provide A Lot of Functionality

- Order/Revenue Management
- Corporate Performance Management
- Customer Service
- Budget & Planning
- Human Resources
- Expense Management
- Finance Controls & Automation
- Payroll
- Treasury
- Procurement Consolidation
- Financial Reporting
- Business Intelligence
- ERP
“Best of Breed” Provides Superior Solutions
BlackLine is a Recognized Industry Leader
Magic Quadrant for Cloud Financial Close Solutions

Recognized as a Leader
in a Gartner Magic Quadrant
4 Years in a Row
Strong & Passionate Management Team

Therese Tucker
Founder and Chief Executive Officer

Pete Hirsch
Chief Technology Officer

Max Solonski
Chief Security Officer

Andres Botero
Chief Marketing Officer

Mark Partin
Chief Financial Officer

Mario Spanicciati
Chief Strategy Officer

Karen Flathers
Chief Customer Officer

Karole Morgan-Prager
Chief Legal and Administrative Officer

Marc Huffman
Chief Operating Officer

Tammy Coley
Chief Transformation Officer

Patrick Villanova
Chief Accounting Officer

Susan Otto
Chief People Officer
Driving Sustainable Revenue Growth
Growth Levers

1. **Strategic Partner to CFO**
   - Deliver customer success by leading our customers on their accounting and finance transformations

2. **SAP SolEx**
   - Invest in joint enablement to drive alignment across SAP’s global go-to-market teams

3. **Customer Expansion**
   - Drive adoption of new solutions, entities, and users across our ~2,900 enterprise and mid-market customers

4. **Partner Ecosystem**
   - Extend and strengthen our ERP, BPO, channel and consulting partnerships

5. **International Expansion**
   - Grow existing footprint across North America, Europe, and Asia Pacific and leverage partners for ROW distribution
Strategic Partner to the CFO

Our goal is to be a strategic partner who leads our customers on their financial transformation journeys.

- Strategic: Integrated into Business Process
- Collaborative: Ideas on How to Improve
- Preferred: Best Product
- Transactional: Reasonably Priced
BlackLine Use Case for SAP Cloud Transition

Clear benefits to adding BlackLine before or during transition to S/4 HANA

- Clear Open Items (in SAP OIM) to prevent a technical failure on upgrade
- Reduce business complexity
- Maintain integrity and standardization throughout transition
- Recognize immediate time savings and ROI
- Automate manual tasks to enable FTEs to focus on S/4HANA initiative
- Identify risk and analyze trends ahead of go-live
- Simplify validation of financial data before, during and after cutover
- Migrate processes toward “desired state” versus “current state”

Enables a More Successful S/4HANA Upgrade
Customer Expansion in Action

**Mid-Market Customer**
Financial Services Company  *Current ACV of ~$130K*

**Enterprise Customer**
Global Industrials Company  *Current ACV of ~$800K*
## Strategic Product Installed Base Opportunity

<table>
<thead>
<tr>
<th>Name</th>
<th>Transaction Matching</th>
<th>Smart Close</th>
<th>Intercompany Hub</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer count</td>
<td>2,800+</td>
<td>~800</td>
<td>1,600+</td>
</tr>
<tr>
<td>Portion captured</td>
<td>21%</td>
<td>4%</td>
<td>1%</td>
</tr>
</tbody>
</table>

As of September 2019 Investor Day. Data based on the number of customers who have purchased these products as of June 30, 2019.
Partner Ecosystem

RESELLER PARTNERS

GLOBAL ALLIANCES

REGIONAL PARTNERS

SOLUTION PARTNERS

BPO PARTNERS

Represents a sample of BlackLine’s partner ecosystem.
Continued International Expansion

Looking Ahead

FOCUS
• Continue to penetrate existing markets
• Add distribution to top markets by leveraging partners
Key Metrics & Financials
Financial Highlights

28%  109%  83%  6%
Q3'19 Revenue Growth\(^1\)  Q3'19 Dollar-Based Net Revenue Retention Rate  Q3'19 Non-GAAP Gross Margin  Q3'19 Non-GAAP Operating Margin

High Growth Subscription Model
Strong secular tailwinds, early stages in a large market, new customers and expansion within existing customer base

Compelling Expansion Model
High predictability from successful land and expand strategy

High Gross Margins
94% SaaS recurring revenue

Demonstrated Operating Leverage
Operating leverage driving profitability

\(^1\)YOY growth as of September 30, 2019. See appendix for GAAP financial measures and reconciliations.
Highly Visible Subscription Growth Model

Total Revenue
$M

- 2015: $84
- 2016: $124
- 2017: $176
- 2018: $228
- LTM'19: $271

Subscription & Support Revenue
$M

- 2015: $80
- 2016: $118
- 2017: $167
- 2018: $217
- LTM'19: $257

Services Revenue
$M

- 2015: $4
- 2016: $6
- 2017: $9
- 2018: $10
- LTM'19: $14

Y/Y Growth:
- Total Revenue: 26%
- Subscription & Support Revenue: 25%
- Services Revenue: 38%

LTM'19 period ending September 30, 2019. 2017-18 & LTM'19 Revenue under ASC 606. All prior periods are under ASC 605 Standard.
Consistent Customer and User Growth

Customers

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers (’000s)</td>
<td>1,338</td>
<td>1,758</td>
<td>2,208</td>
<td>2,631</td>
<td>2,871</td>
</tr>
<tr>
<td>21% CAGR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Users

<table>
<thead>
<tr>
<th>Year</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>Q3'19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Users (’000s)</td>
<td>129</td>
<td>167</td>
<td>197</td>
<td>223</td>
<td>245</td>
</tr>
<tr>
<td>17% CAGR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Dollar-based revenue renewal rate for each period is calculated by dividing (a) the total actual annualized subscription and support revenue of customer contracts renewed for a given period by (b) the total annualized subscription and support revenue up for renewal of customer contracts expiring in the same period. Dollar-based net revenue retention rate is calculated as the implied monthly subscription and support revenue at the end of a period for the base set of customers from which the company generated subscription revenue in the year prior to the calculation, divided by the implied monthly subscription and support revenue one year prior to the date of calculation for that same customer base. This calculation does not reflect implied monthly subscription and support revenue for new customers added during the one-year period but does include the effect of customers who terminated during the period.
High Gross Margins and Expanding Operating Leverage

Non-GAAP Gross Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Subscription Gross Margin</th>
<th>Total Gross Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>84%</td>
<td>81%</td>
</tr>
<tr>
<td>2016</td>
<td>84%</td>
<td>81%</td>
</tr>
<tr>
<td>2017</td>
<td>84%</td>
<td>81%</td>
</tr>
<tr>
<td>2018</td>
<td>85%</td>
<td>82%</td>
</tr>
<tr>
<td>YTD’19</td>
<td>86%</td>
<td>83%</td>
</tr>
</tbody>
</table>

Non-GAAP Operating Expenses as % of Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>S&amp;M</th>
<th>R&amp;D</th>
<th>G&amp;A</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>80%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>2016</td>
<td>80%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>2017</td>
<td>80%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>2018</td>
<td>80%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>YTD’19</td>
<td>78%</td>
<td>14%</td>
<td>14%</td>
</tr>
</tbody>
</table>

YTD’19 is for the 9 months ending September 30, 2019. 2017-18 & YTD’19 are under ASC 606. All prior periods are under ASC 605 Standard. See appendix for GAAP financial measures and reconciliations.
Demonstrated Improvement in Profitability & Cash Flow

Non-GAAP Net Income Margin¹

2015: -24%
2016: -13%
2017: 1%
2018: 3%
Q3'19: 10%

Free Cash Flow Margin

2015: -14%
2016: -8%
2017: -1%
2018: 2%
Q3'19: 10%

2017-19 are under ASC 606. All prior periods are under ASC 605 Standard. Free cash flow defined as cash flows from operating activities less capex.

¹See appendix for GAAP financial measures and reconciliations.
## Target Operating Model

<table>
<thead>
<tr>
<th>% of Revenue</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>YTD’19</th>
<th>Target Model</th>
</tr>
</thead>
<tbody>
<tr>
<td>Services Revenue</td>
<td>5%</td>
<td>4%</td>
<td>4%</td>
<td>5%</td>
<td>5%</td>
<td>6%</td>
<td>6% - 10%</td>
</tr>
<tr>
<td>Gross Margin¹</td>
<td>82%</td>
<td>81%</td>
<td>81%</td>
<td>81%</td>
<td>82%</td>
<td>83%</td>
<td>~80%</td>
</tr>
<tr>
<td>S&amp;M¹</td>
<td>48%</td>
<td>61%</td>
<td>58%</td>
<td>51%</td>
<td>51%</td>
<td>48%</td>
<td>40% - 45%</td>
</tr>
<tr>
<td>R&amp;D¹</td>
<td>17%</td>
<td>21%</td>
<td>16%</td>
<td>13%</td>
<td>12%</td>
<td>14%</td>
<td>10% - 12%</td>
</tr>
<tr>
<td>G&amp;A¹</td>
<td>17%</td>
<td>20%</td>
<td>17%</td>
<td>16%</td>
<td>17%</td>
<td>16%</td>
<td>7% - 9%</td>
</tr>
<tr>
<td>Operating Margin¹</td>
<td>0%</td>
<td>(21)%</td>
<td>(10)%</td>
<td>1%</td>
<td>2%</td>
<td>6%</td>
<td>20%+</td>
</tr>
</tbody>
</table>

YTD’19 is for the 9 months ending September 30, 2019. 2017-18 & YTD’19 are under ASC 606. All prior periods are under ASC 605 Standard.

¹Represents a Non-GAAP metric. See appendix for GAAP financial measures and reconciliations.
Appendix
NON-GAAP RECONCILIATIONS AND DEFINITIONS NON-GAAP REVENUE, NON-GAAP GROSS PROFIT, AND FREE CASH FLOW ($000’S)

**Non-GAAP Revenues**

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Revenues</td>
<td>$38,181</td>
<td>$41,981</td>
<td>$45,424</td>
<td>$50,017</td>
<td>$51,284</td>
<td>$55,454</td>
<td>$58,734</td>
<td>$62,316</td>
<td>$64,129</td>
<td>$69,664</td>
<td>$74,925</td>
<td>$51,677</td>
<td>$83,607</td>
<td>$123,123</td>
<td>$175,603</td>
</tr>
<tr>
<td>Purchase Accounting Adjustment to Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,952</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Non-GAAP Revenues</td>
<td>$38,181</td>
<td>$41,981</td>
<td>$45,424</td>
<td>$50,017</td>
<td>$51,284</td>
<td>$55,454</td>
<td>$58,734</td>
<td>$62,316</td>
<td>$64,129</td>
<td>$69,664</td>
<td>$74,925</td>
<td>$56,629</td>
<td>$83,607</td>
<td>$123,123</td>
<td>$175,603</td>
</tr>
</tbody>
</table>

**Non-GAAP Gross Profit**

<table>
<thead>
<tr>
<th></th>
<th>GAAP Gross Profit</th>
<th>$28,971</th>
<th>$31,624</th>
<th>$34,553</th>
<th>$39,070</th>
<th>$39,078</th>
<th>$43,088</th>
<th>$45,217</th>
<th>$48,431</th>
<th>$50,511</th>
<th>$54,720</th>
<th>$56,033</th>
<th>$35,079</th>
<th>$60,878</th>
<th>$92,912</th>
<th>$134,218</th>
<th>$176,914</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Accounting Adjustment to Revenue</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,952</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Amortization of Developed Technology</td>
<td>$1,704</td>
<td>$1,713</td>
<td>$1,716</td>
<td>$1,714</td>
<td>$1,708</td>
<td>$1,721</td>
<td>$1,719</td>
<td>$1,711</td>
<td>$1,712</td>
<td>$1,199</td>
<td>$1,339</td>
<td>$1,339</td>
<td>$6,368</td>
<td>$8,447</td>
<td>$6,663</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Non-GAAP Gross Profit</td>
<td>$30,725</td>
<td>$33,337</td>
<td>$36,270</td>
<td>$40,788</td>
<td>$40,796</td>
<td>$45,896</td>
<td>$47,938</td>
<td>$51,026</td>
<td>$53,110</td>
<td>$53,521</td>
<td>$58,619</td>
<td>$62,263</td>
<td>$46,419</td>
<td>$67,483</td>
<td>$100,711</td>
<td>$142,218</td>
<td>$187,042</td>
</tr>
</tbody>
</table>

**Free Cash Flow**

<table>
<thead>
<tr>
<th></th>
<th>Cash flows from operating activities</th>
<th>$(1,705)</th>
<th>$1,972</th>
<th>$3,507</th>
<th>$2,750</th>
<th>$1,922</th>
<th>$4,681</th>
<th>$4,814</th>
<th>$4,623</th>
<th>$3,526</th>
<th>$8,620</th>
<th>$9,854</th>
<th>$8,943</th>
<th>$1,006</th>
<th>$(6,008)</th>
<th>$6,424</th>
<th>$16,740</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalized software development costs</td>
<td>$(1,003)</td>
<td>$(930)</td>
<td>$(1,362)</td>
<td>$(1,279)</td>
<td>$(1,653)</td>
<td>$(1,460)</td>
<td>$(1,527)</td>
<td>$(1,035)</td>
<td>$(1,322)</td>
<td>$(1,387)</td>
<td>$(1,152)</td>
<td>$(1,437)</td>
<td>$(2,273)</td>
<td>$(3,270)</td>
<td>$(4,424)</td>
<td>$(5,675)</td>
<td></td>
</tr>
<tr>
<td>Purchase of property and equipment</td>
<td>$(488)</td>
<td>$(630)</td>
<td>$(2,611)</td>
<td>$(273)</td>
<td>$(1,834)</td>
<td>$(2,062)</td>
<td>$(882)</td>
<td>$(1,696)</td>
<td>$(1,103)</td>
<td>$(886)</td>
<td>$(1,472)</td>
<td>$(1,429)</td>
<td>$(10,994)</td>
<td>$(1,724)</td>
<td>$(4,002)</td>
<td>$(5,824)</td>
<td></td>
</tr>
<tr>
<td>Financed purchases of property and equipment</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td>$(6,222)</td>
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<td>$(59,802)</td>
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*ACQUISITION* DEFINITION

We operated as BlackLine Systems, Inc., which we refer to as the “Predecessor,” from 2001 until September 2013. On September 3, 2013, BlackLine, Inc., which we refer to as the “Successor,” acquired BlackLine Systems, Inc. in connection with an investment by Silver Lake Sumeru and Iconiq, which we refer to as the “Acquisition.” The Successor was created for the sole purpose of acquiring the Predecessor and had no prior operations. We refer to Silver Lake Sumeru and Iconiq collectively as our “Investors” and, in connection with the Acquisition, our Investors obtained a controlling interest in us. The Acquisition resulted in a new basis of accounting and was accounted for as a business combination.

2016 GAAP revenues were adjusted for the impact of purchase accounting resulting from the Runbook Acquisition on August 31, 2016. The purchase accounting adjustments for the quarters ended March 31, 2017, June 30, 2017, September 30, 2017, December 31, 2017, and March 31, 2018 related to the Runbook Acquisition were not meaningful and were thus not presented.
## NON-GAAP RECONCILIATIONS NON-GAAP OPERATING INCOME (LOSS) AND NON-GAAP NET INCOME (LOSS) ($000’S)

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<td>$(14,690)</td>
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<td>$(16,702)</td>
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<tr>
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<td>$(8,186)</td>
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<td>$266</td>
<td>$176</td>
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<tr>
<td>Change in Fair Value of Contingent Consideration</td>
<td>93</td>
<td>96</td>
<td>178</td>
<td>261</td>
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<td>129</td>
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<td>163</td>
<td>41</td>
<td>371</td>
<td>628</td>
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<td>Net Income (Loss) attributable to BlackLine</td>
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<td>Change in Fair Value of Contingent Consideration</td>
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<td>178</td>
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