

BlackLine

Investor Presentation

As of May 6, 2021



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.

Forward-looking statements are based on information available at the time those statements are made and/or management’s good faith beliefs and assumptions as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties are described in greater detail under the heading “Risk Factors” in the filings we make with the Securities and Exchange Commission (“SEC”) from time to time, which are available on our website at <http://investors.blackline.com> and on the SEC’s website at www.sec.gov. Except as required by law, BlackLine does not undertake any obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this presentation, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

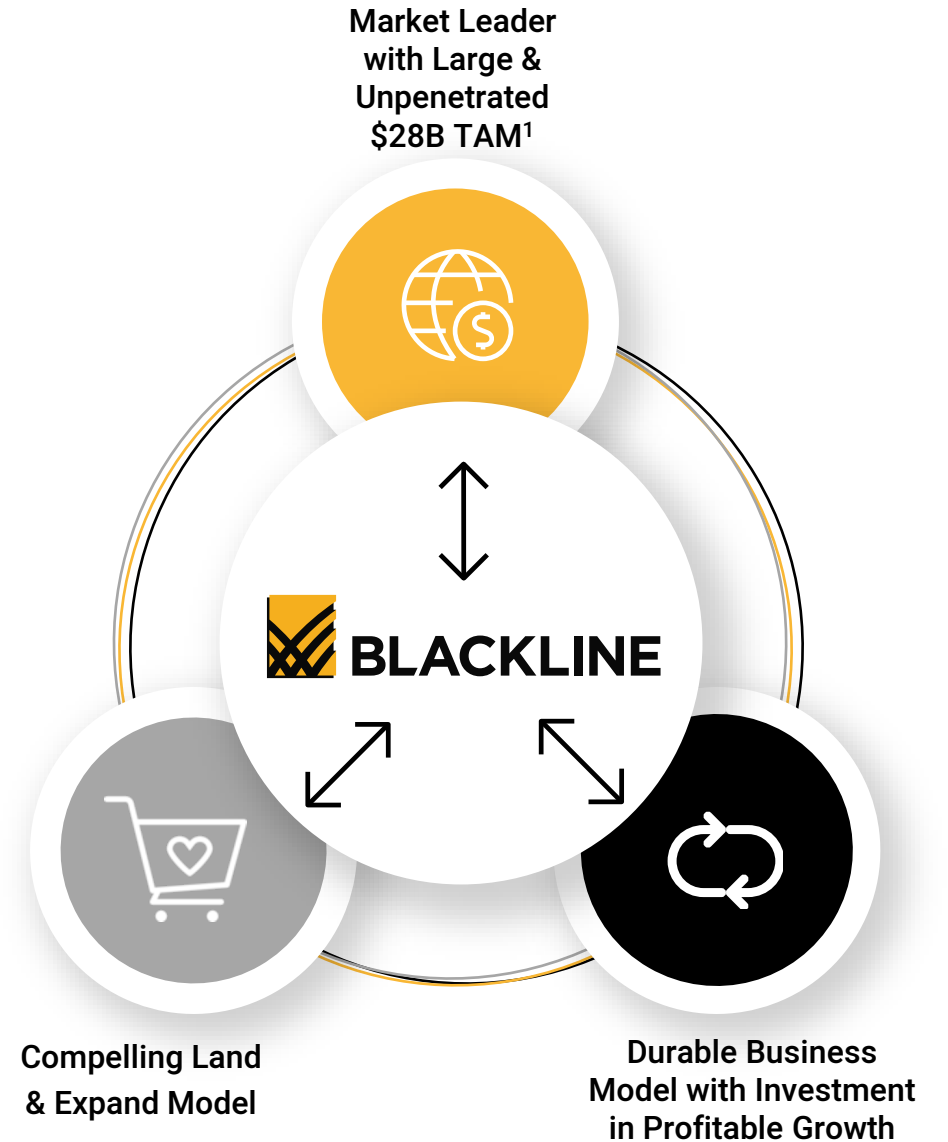
In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures, including non-GAAP revenue, gross profit, gross margin, free cash flow, sales and marketing expense, research and development expense, general and administrative expense, loss from operations and operating 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.

WHO WE ARE

Champions of strategic accounting
and finance transformation

OUR VISION

To be the indispensable platform
for the office of the controller



¹ Combined TAM for Financial Close and Accounts Receivable Markets. Financial Close TAM of \$18.5B based on Frost and Sullivan 2018 TAM for Core Products. Accounts Receivable TAM of \$10B based on independent third-party analysis and assumes ~40,000 target customers in the US, UK, and EMEA with maximum ARR spend of \$250K.

Our Market Is the Office of the Controller

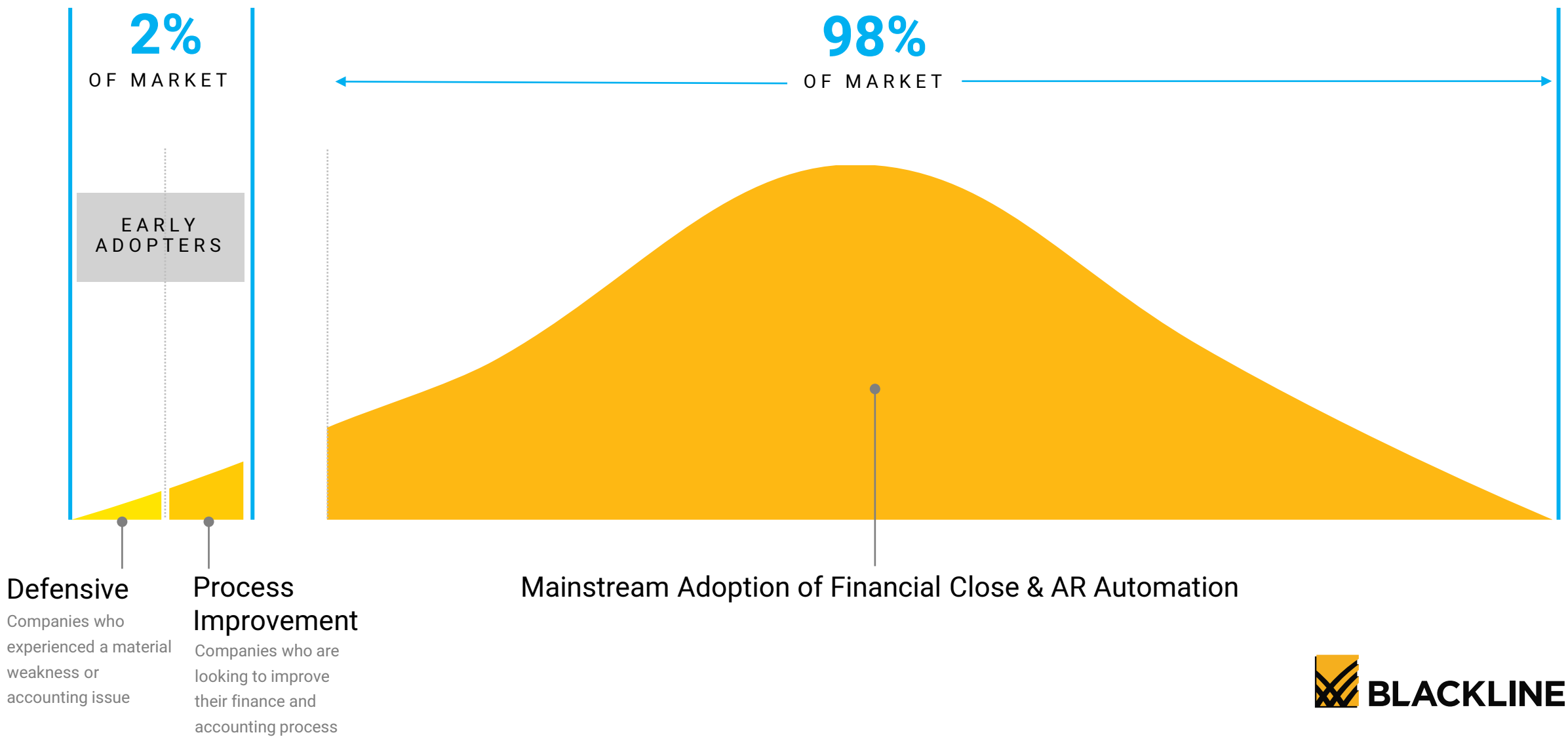
Who is the Corporate Controller?

- The Controller plays a critical role in an organization's financial health
- The Controller oversees a large team across many interconnected departments
- The status quo for today's Controllers and their teams is manual processes with information being shared in binders, shared drivers, and emails

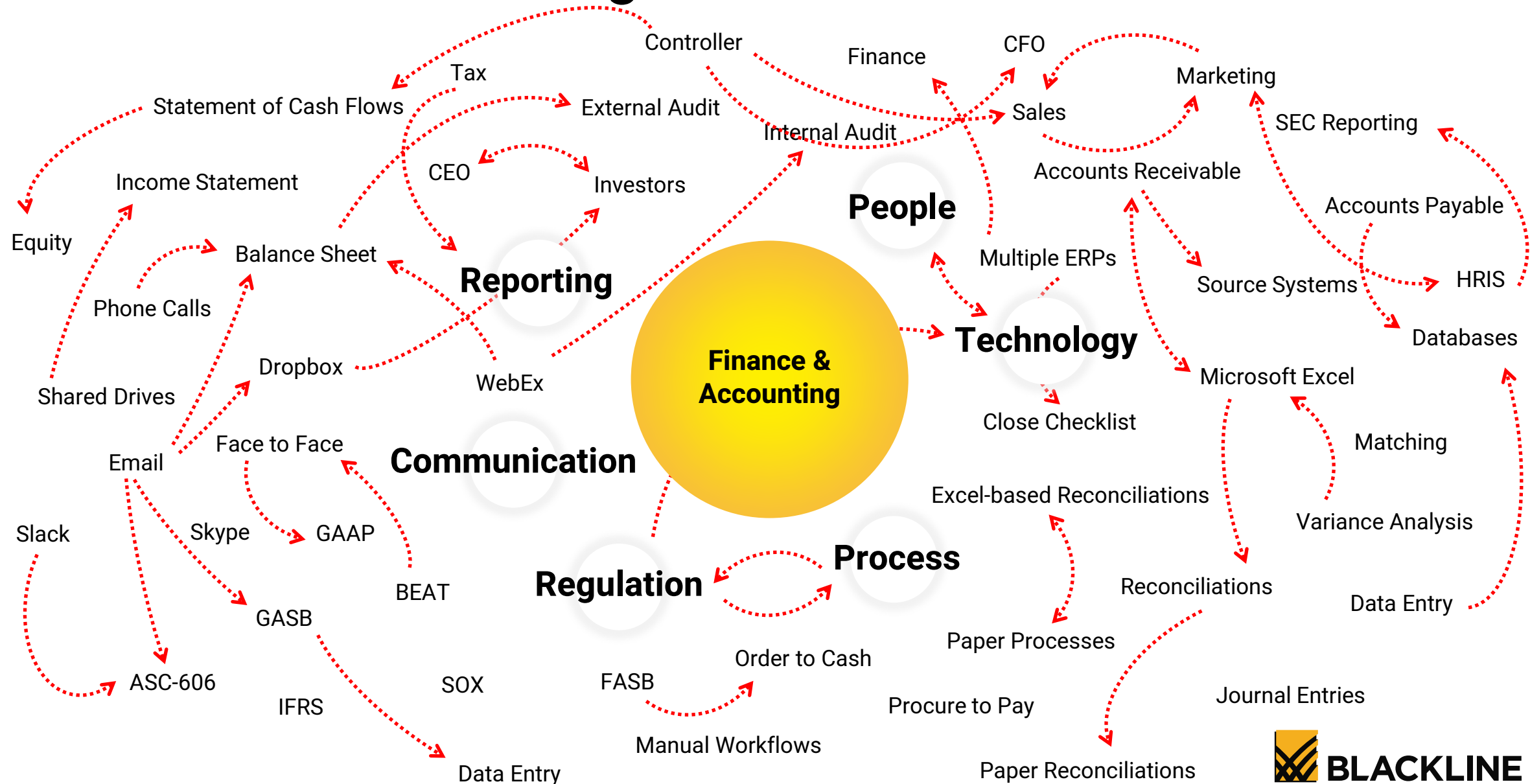


The Office of the Controller has Long Been an Area of Underinvestment

The pandemic has accelerated the global economy's shift to modern software and put a spotlight on the back office



With Manual Accounting Processes That Are Not Sustainable



And Significant Challenges That Impact the C-Suite



CONTROLLER CHALLENGES

Limited
Visibility



Lack of
Ownership & Control



Risk of
Inaccuracy



Volumes of
Unapplied Cash



Talent
Retention



Limited Real-Time
Data Analysis &
Insight

Inefficiencies, Less
Productivity & More
Risk

Material
Weakness

Concerns Over
Liquidity

Overworked Team &
Low Morale

CFO CHALLENGES



BlackLine's Accounting Platform Drives Modern Accounting



And Enables Strategic Accounting & Finance Transformation

Financial Close
Management



Accounts Receivable
Automation



Intercompany
Governance

Drive accountability through visibility. Reporting & Dashboards

Build accuracy, control, and consistency into every process. Financial Controls from Order to Cash to the Financial Close & Compliance

Automate the repetitive to enable higher-value work. Intelligent Automation

Unify systems and data for a complete financial story. Secure integrations, ERP connectors & APIs



Unified.



Automated.



Continuous.

The Collaborative Accounting Experience Sets BlackLine Apart

Proven land and expand approach that drives expansion and value for our customers

2

**Implementation &
Roll-out**

3

**Expansion &
Optimization**

4

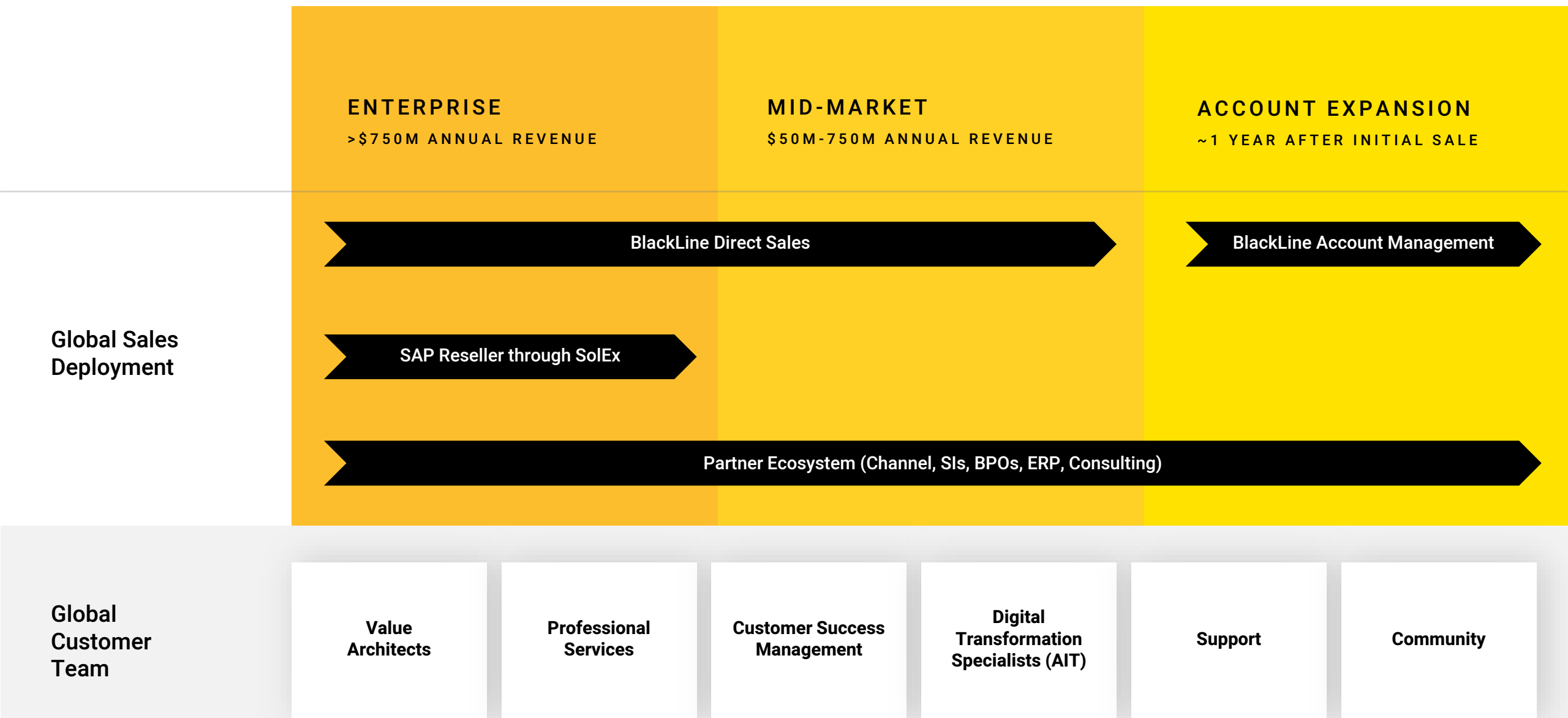
**Finance
Transformation**

1

Initial Sale



Proven Go To Market & Customer Strategy



Strength Across Geographies, Sectors & Sizes

 CONSUMER AND RETAIL	 TECHNOLOGY	 INDUSTRIAL AND ENERGY	 HEALTHCARE	 SERVICES	 FINANCIAL SERVICES
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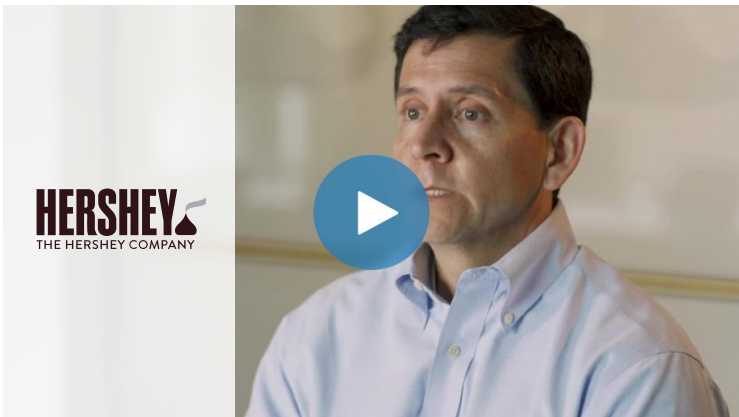
Customer Testimonials



Click image to play video



Click image to play video



Click image to play video



Click image to play video

Extending the Competitive Moat Drives Further Growth

Indispensable Platform for the Controller

- SaaS-based platform
- End-to-end accounting automation technology
- Highly scalable and configurable
- ERP agnostic
- Expanded functionality for the controller

Strong Partner Ecosystem

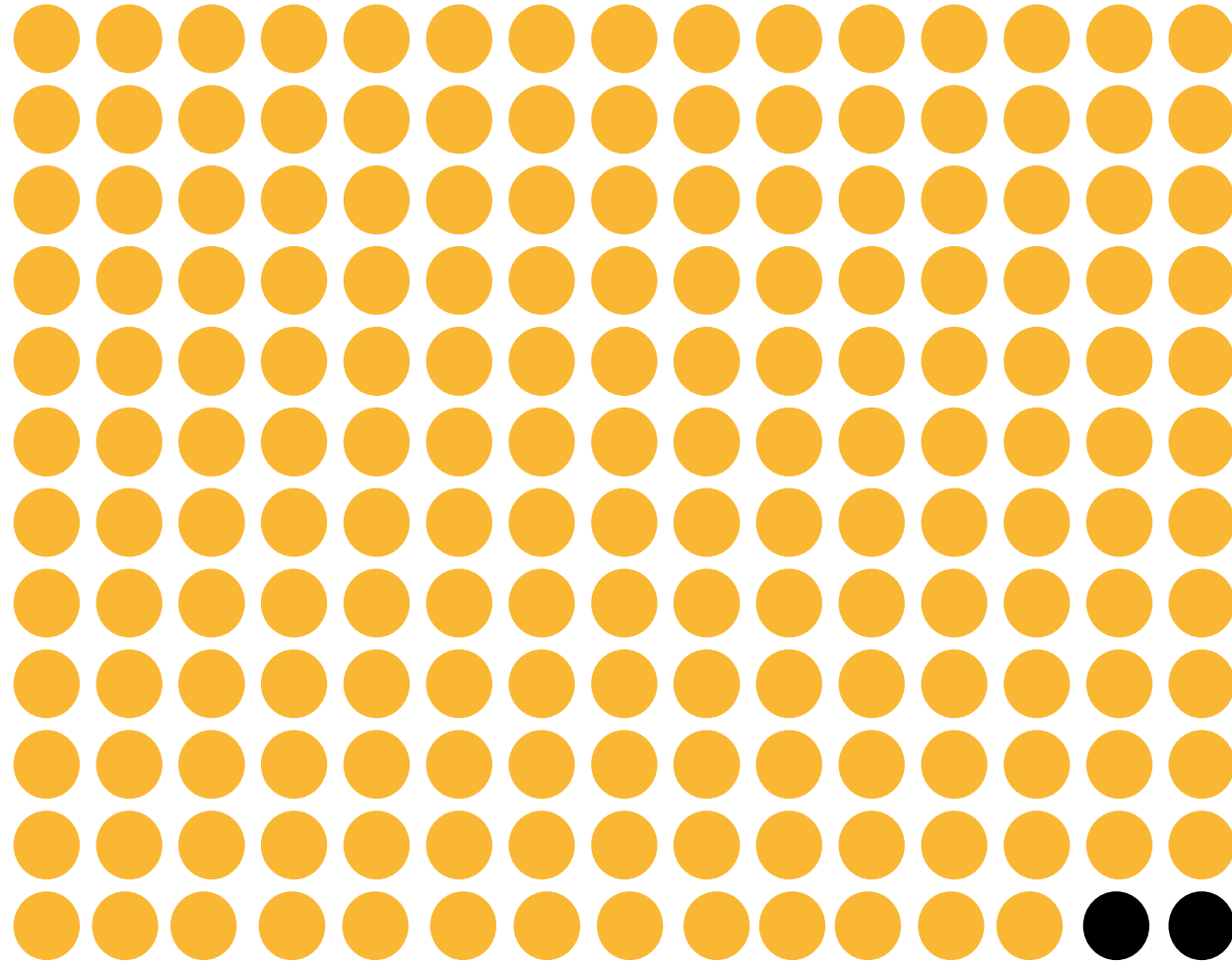
- Strategic reseller partnership with SAP Solution Extensions
- Global & regional consulting alliances
- Partner validation, C-Suite access & influence, and partner deployments
- Comprehensive partner enablement program

Collaborative Accounting Experience

- Core differentiator for customers
- Market pioneer with deep accounting domain knowledge
- Customer centricity
- Unified customer experience
- ~3,500 customers
- Happy, referenceable customers



Market Leader with Large & Underpenetrated TAM



\$28B+

\$18.5B financial close market¹
\$10B accounts receivable market²

comprised of 165,000 target
customers

\$368M BlackLine LTM revenue
comprised of ~3,500 customers³

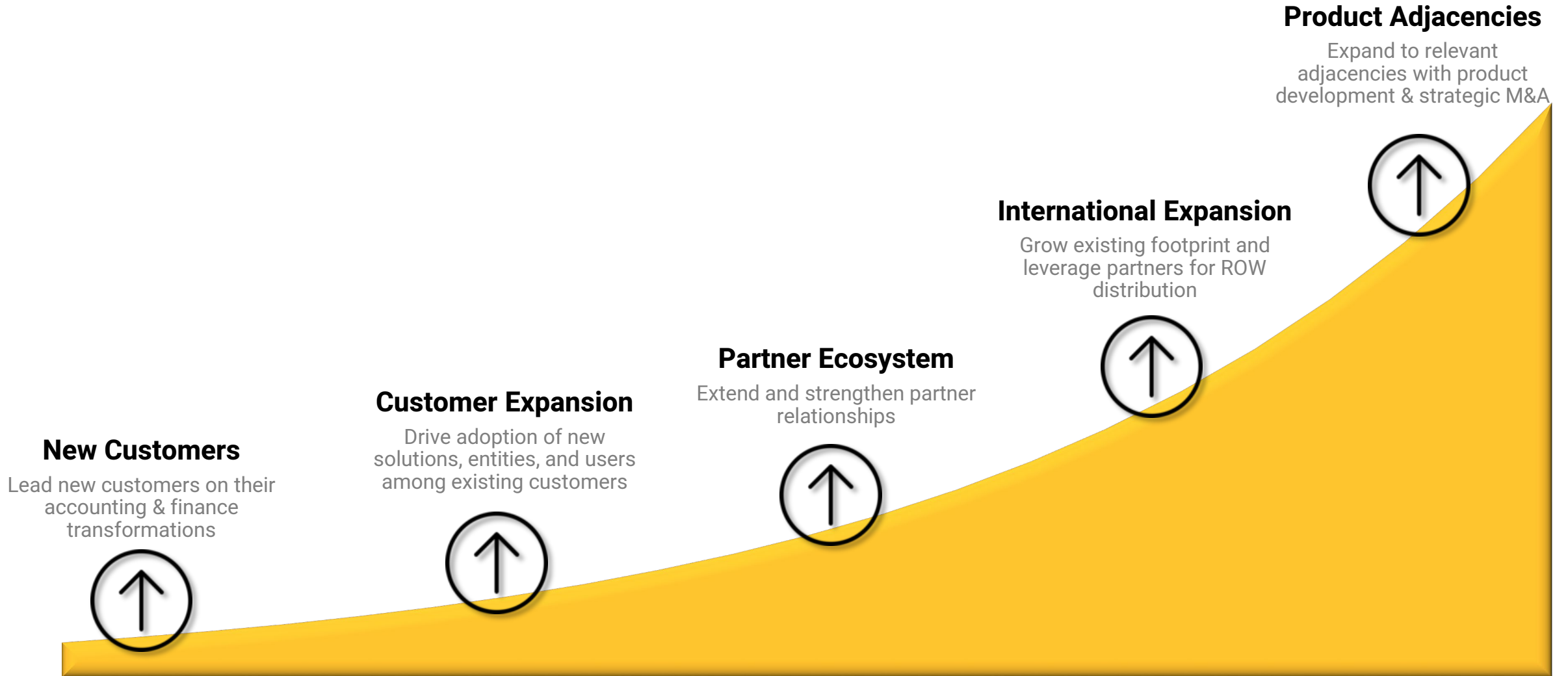
¹ Source: Frost and Sullivan/2018 TAM for Core Products. Assumes 165,000 target customers.

² Source: Independent third-party analysis. Assumes ~40,000 target customers in the US, UK & EMEA with a maximum ARR spend of \$250K.

³ As of March 31, 2021



Multiple Growth Levers



Financial Highlights

20%

Q1'21 Revenue Growth¹

High Growth Subscription Model

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

106%

Q1'21 Dollar-Based Net Revenue Retention Rate

Compelling Expansion Model

High predictability from successful land and expand strategy

80%

Q1'21 Non-GAAP Gross Margin

High Gross Margins

93% SaaS recurring revenue

7%

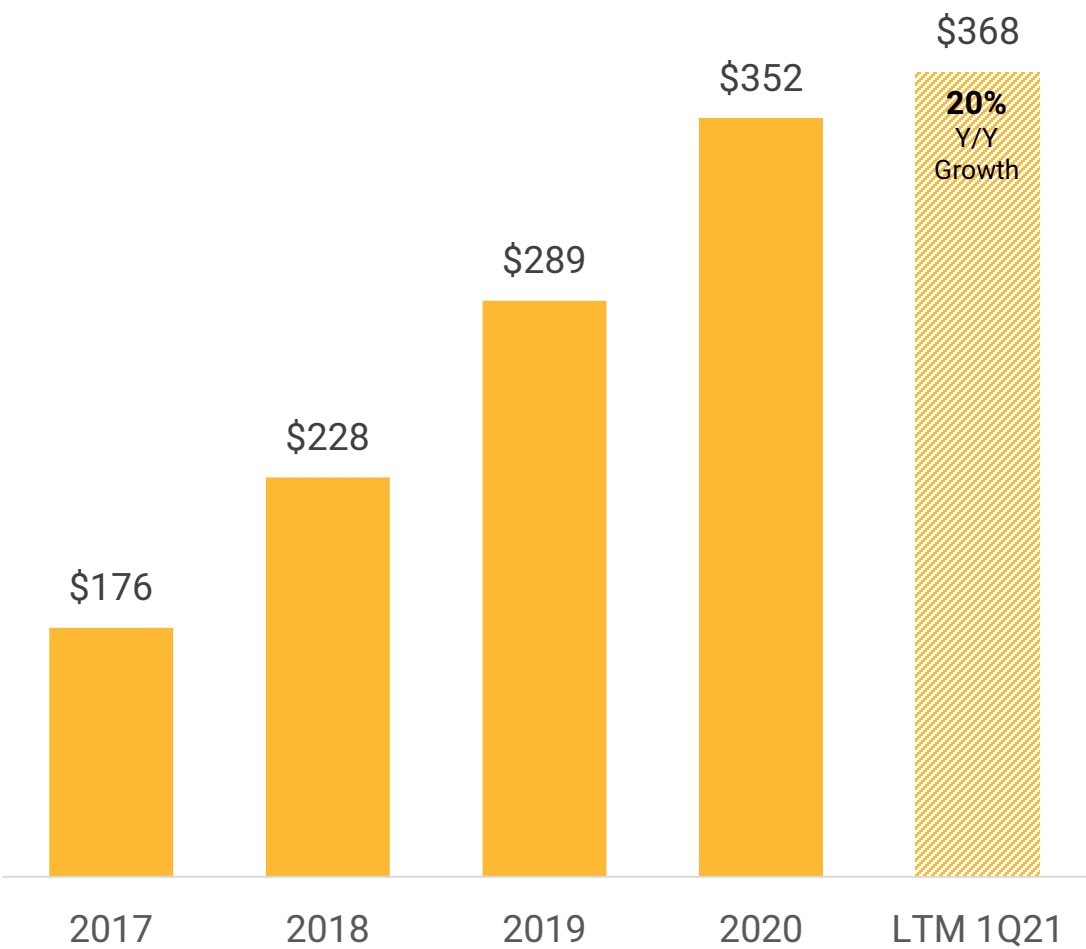
Q1'21 Non-GAAP Operating Margin

Demonstrated Operating Leverage

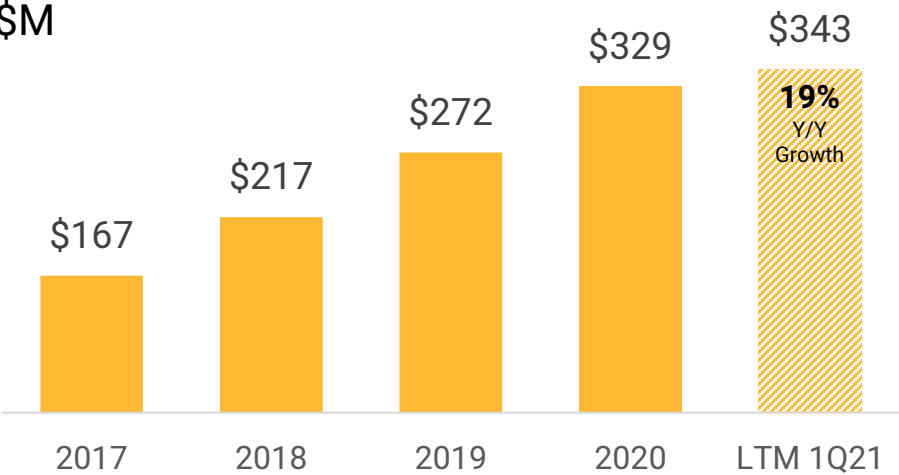
Operating leverage driving profitability

Highly Visible Subscription Growth Model

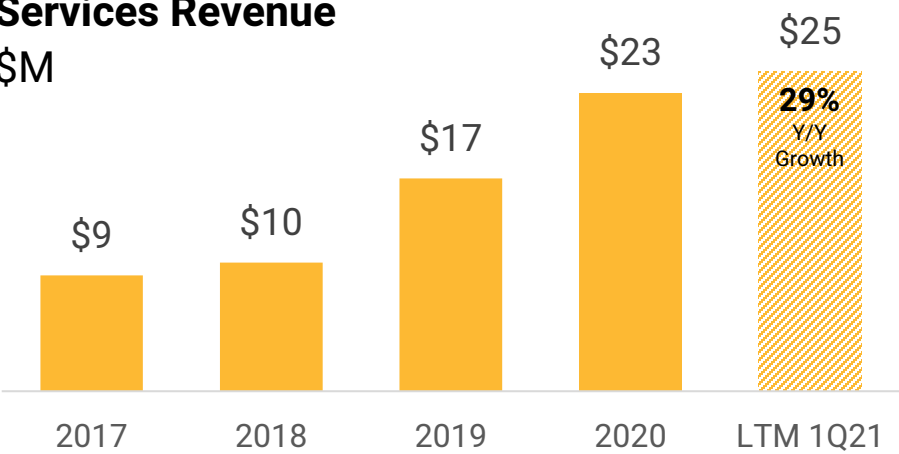
Total Revenue
\$M



Subscription & Support Revenue
\$M

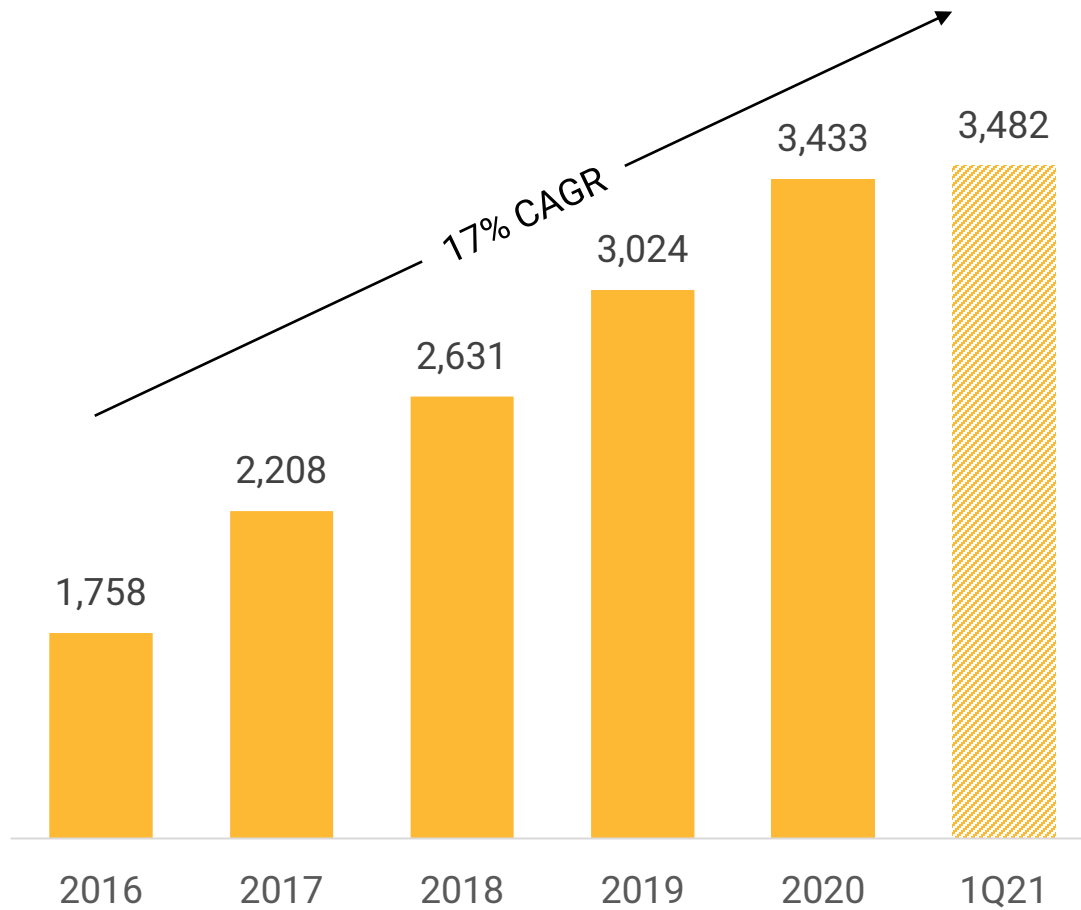


Services Revenue
\$M

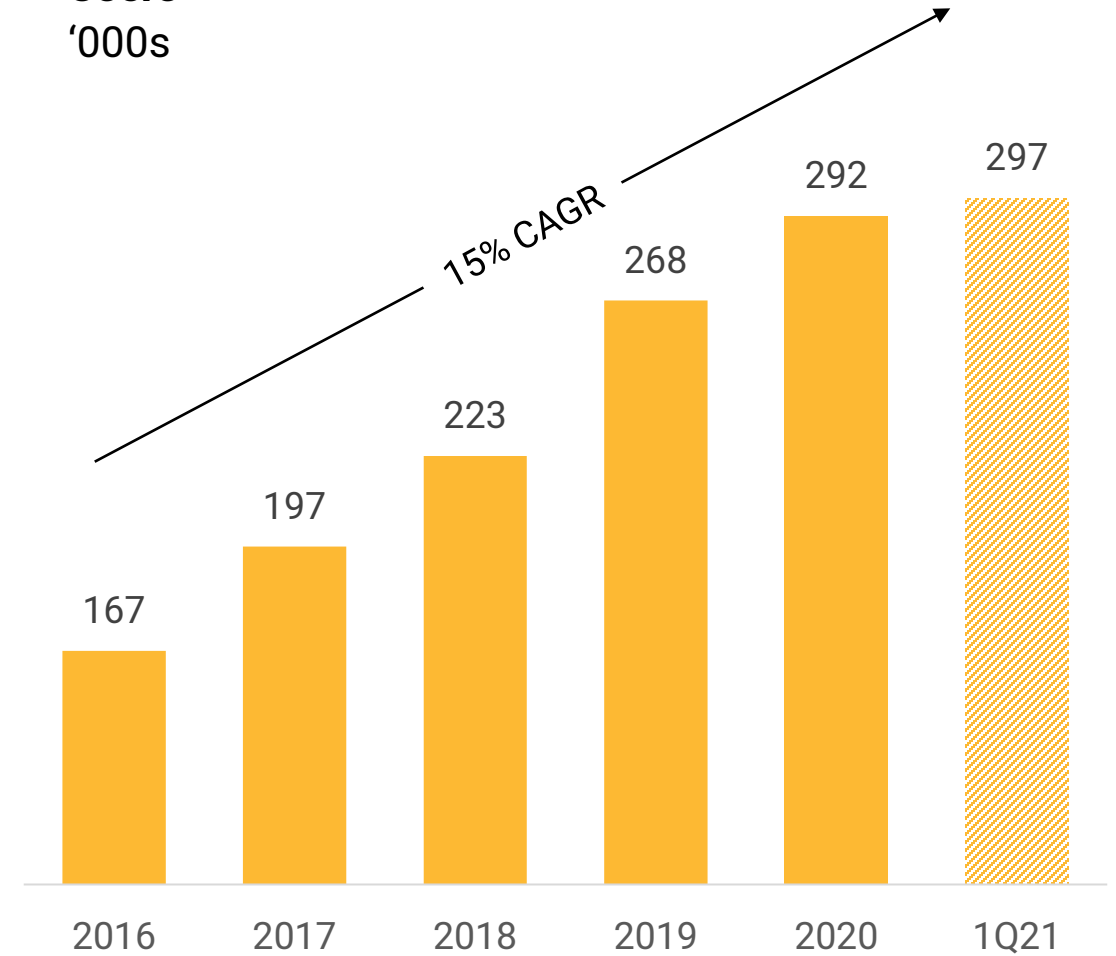


Consistent Customer and User Growth

Customers



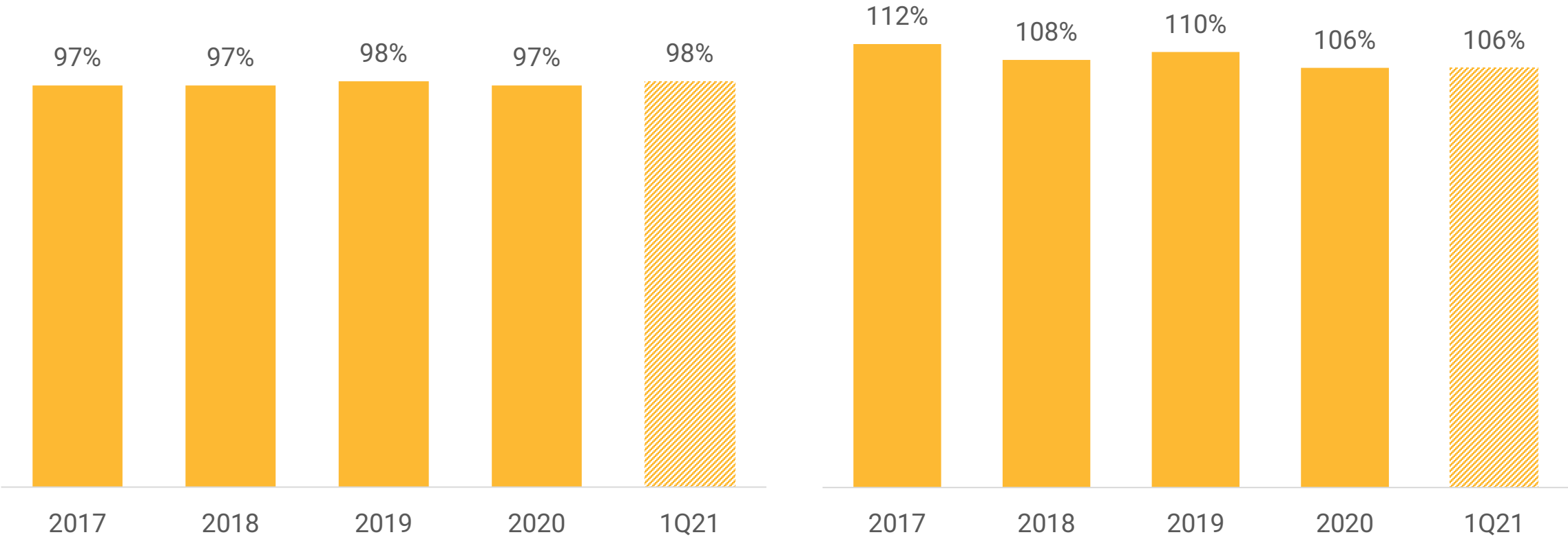
Users
'000s



Strong Renewal Rate Driving Overall Retention Rate

Dollar-Based Revenue Renewal Rate

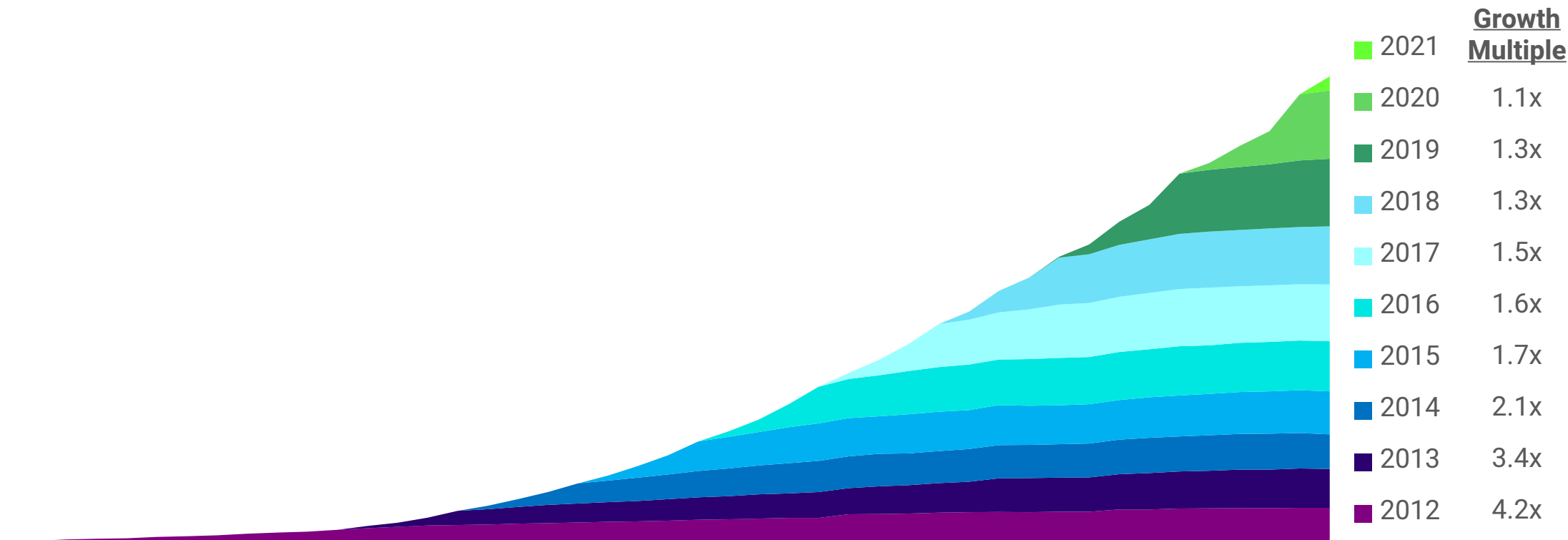
Dollar-Based Net Revenue Retention Rate



20 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.

Compelling Land and Expand Model

Annualized Revenue by Customer Cohort ¹

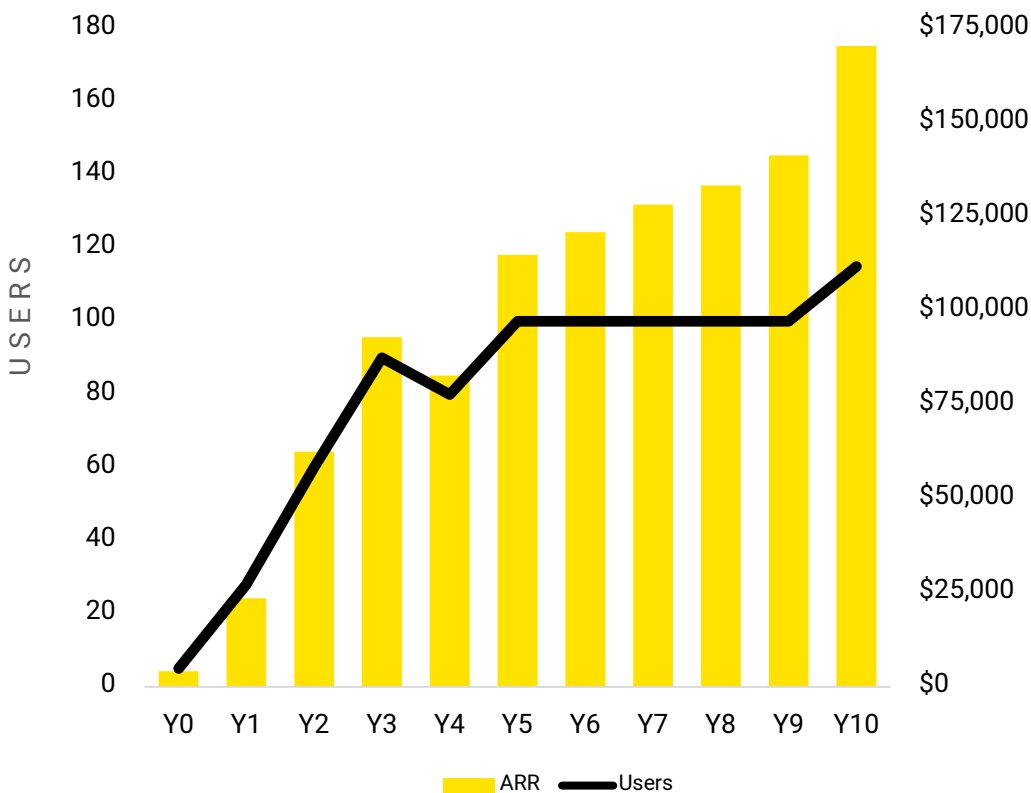


¹Reflects annualized subscription and support revenue for the group of customers that became our customers in each respective cohort year. A “cohort” is a grouping of customers by the year specified. For instance, the 2012 cohort includes all customers whose contract start date is between January 1, 2012 and December 31, 2012. We calculate annualized subscription and support revenue at a particular date as the total amount of minimum subscription and support revenue contractually committed under each of our customer agreements for that month through the remaining term of the agreement, divided by the remaining number of months in the term of the agreement, multiplied by twelve. We calculate initial annualized subscription and support revenue for any given cohort year as the sum of annualized subscription and support revenue as of the first month of each customer agreement that was entered into within that given cohort year. Accordingly, in contrast to annualized subscription and support revenue, initial annualized subscription and support revenue does not reflect any changes in the payments due under or the duration of customer agreements following the first month of the customer agreement. Our annualized subscription and support revenue as of December 31, 2020 for each of our 2012, 2013, 2014, 2015, 2016, 2017, 2018, 2019 and 2020 customer cohorts represented an increase over the initial annualized subscription and support revenue for such customer cohorts, shown as the “Growth Multiple” above.

Customer Expansion in Action

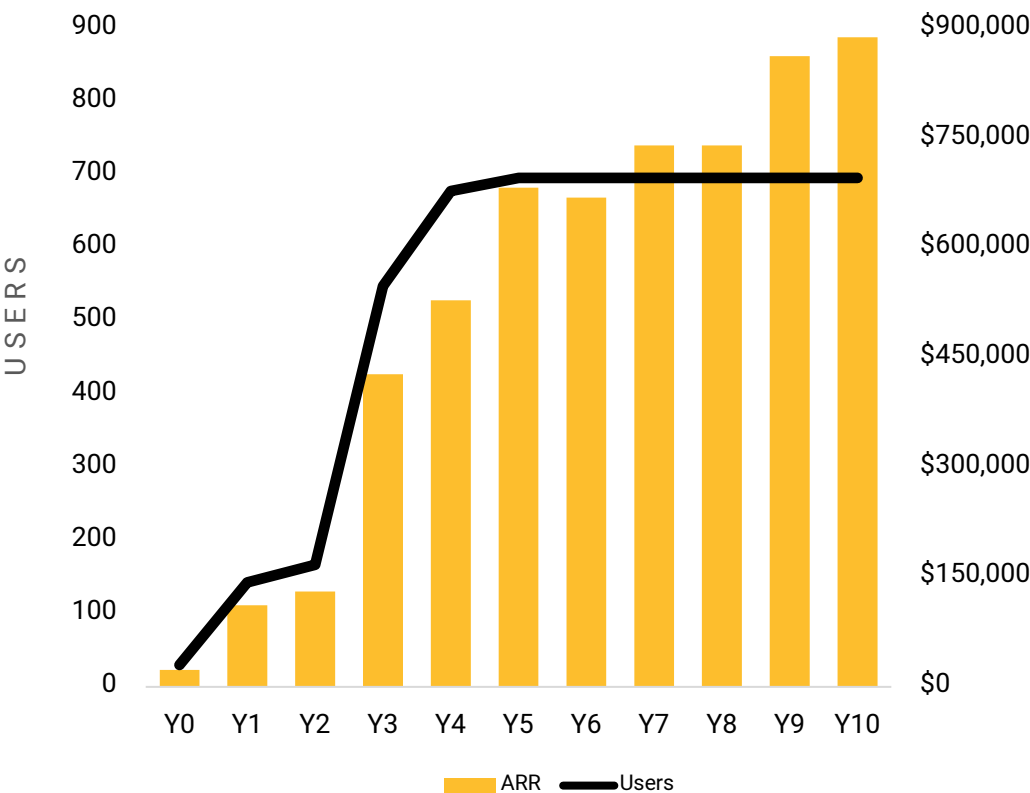
Mid-Market Customer

Financial Services Company *Current ARR of ~\$170K*



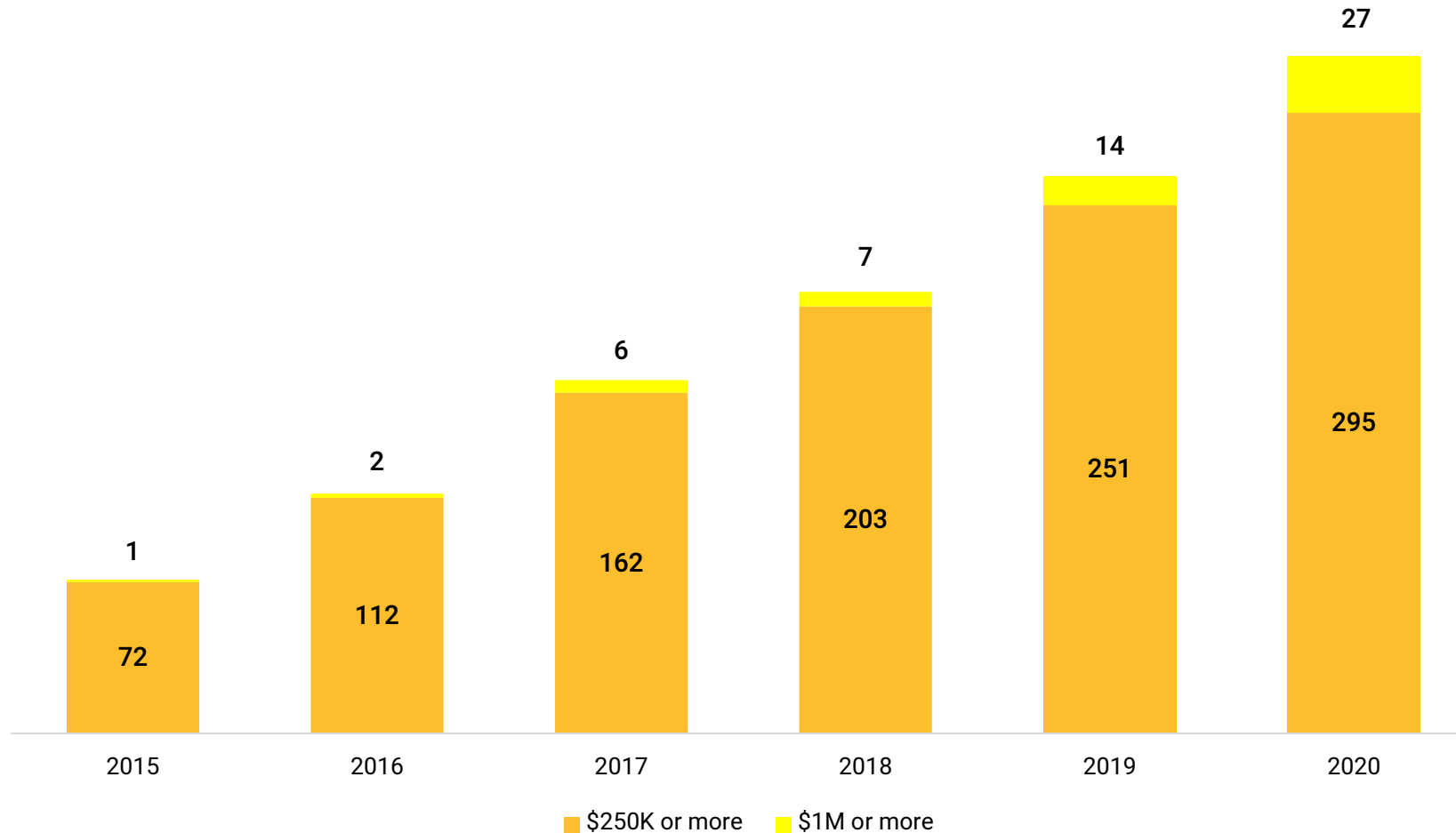
Enterprise Customer

Global Industrials Company *Current ARR of ~\$900K*



Growing Customer Wallet Share

More than 320 customers with an ARR¹ of \$250K+



35%

CAGR in customers
spending \$250K or more

¹ARR refers to annual subscription and support revenue. Data as of December 31, 2020.

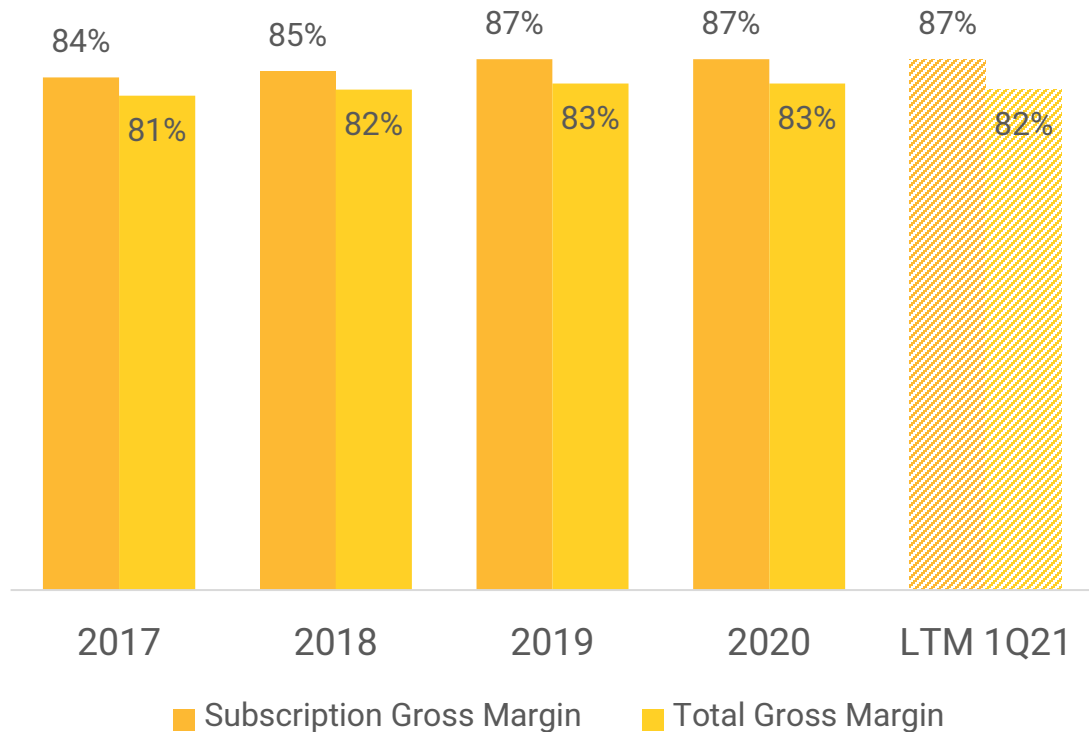
Strategic Product Installed Base Opportunity

	TRANSACTION MATCHING	CASH APPLICATION	SMART CLOSE	INTERCOMPANY HUB
Customers who are target candidates	3,400+	3,400+	~900	1,800+
Portion of this opportunity currently captured	23%	4%	6%	2%
Incremental ARR opportunity	\$150M+	\$250M+	\$100M+	\$300M+

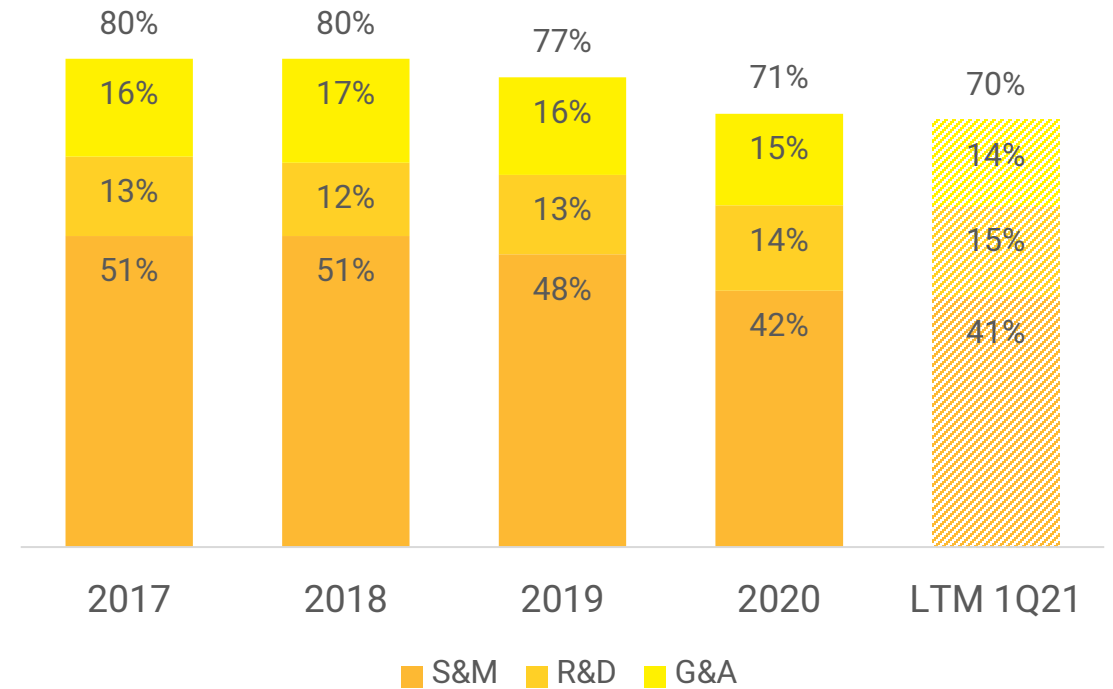
Based on number of customers who
have purchased these products as of
December 31, 2020.

High Gross Margins and Expanding Operating Leverage

Non-GAAP Gross Margin

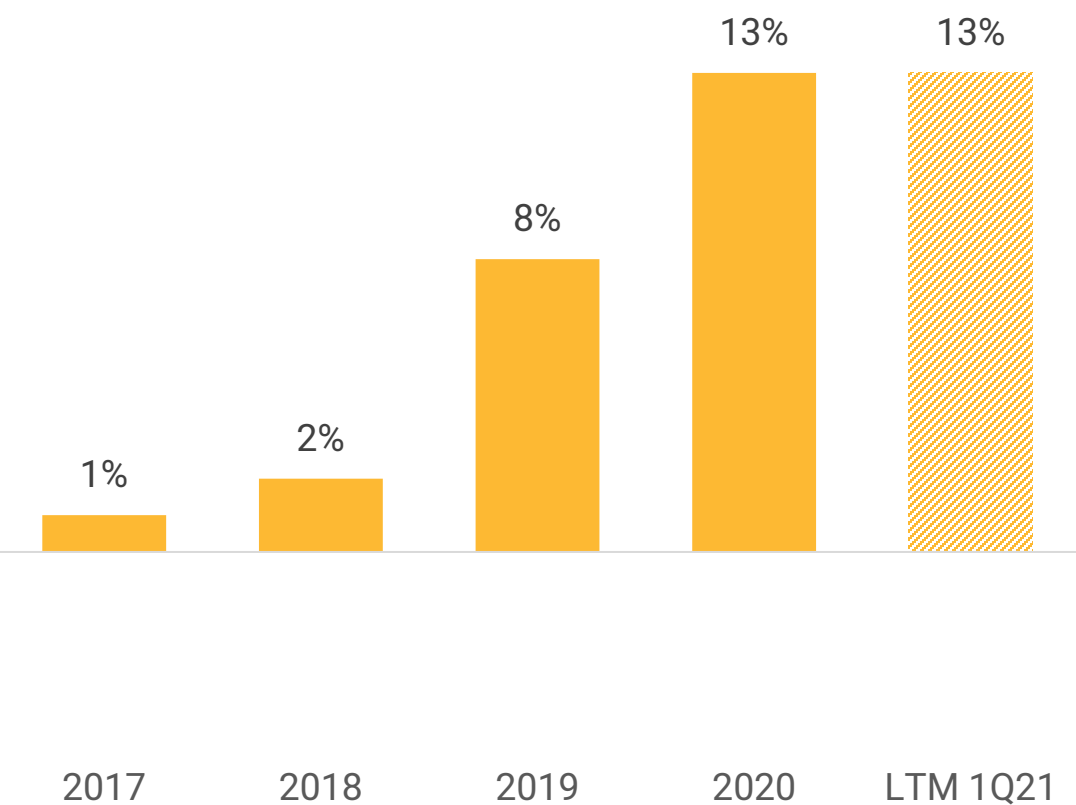


Non-GAAP Operating Expenses as % of Revenue

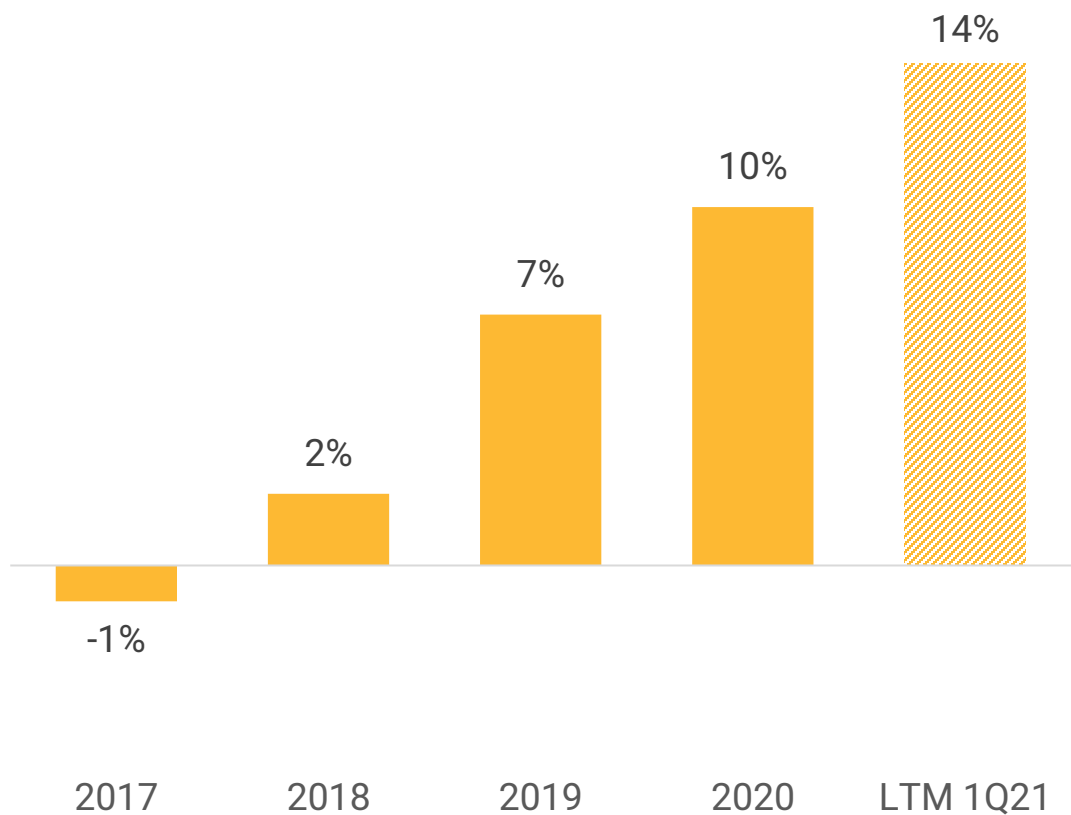


Demonstrated Improvement in Profitability & Cash Flow

Non-GAAP Net Income Margin¹



Free Cash Flow Margin



26 Free cash flow defined as cash flows from operating activities less capex.
¹ See appendix for GAAP financial measures and reconciliations. 2017-19 values have been adjusted for the non-cash, income tax revision.

Target Operating Model

% of Revenue	FY16	FY17	FY18	FY19	FY20	Target Model
Gross Margin ¹	81%	81%	82%	83%	83%	~83%
S&M ¹	58%	51%	51%	48%	42%	38% - 42%
R&D ¹	16%	13%	12%	13%	14%	14% - 16%
G&A ¹	17%	16%	17%	16%	15%	7% - 9%
Operating Margin ¹	(10)%	1%	2%	6%	12%	20%+

27 2017-19 are under ASC 606. All prior periods are under ASC 605 Standard.
¹ Represents 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)

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	2016	2017	2018	2019	2020
Non-GAAP Revenues														
GAAP Revenues	\$64,129	\$69,664	\$74,925	\$80,258	\$82,598	\$83,272	\$90,157	\$95,710	\$98,856	\$123,123	\$175,603	\$227,788	\$288,976	\$351,737
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	-	-	-	716	-	-	-	-
Total Non-GAAP Revenues	\$64,129	\$69,664	\$74,925	\$80,258	\$82,598	\$83,272	\$90,157	\$95,710	\$98,856	\$123,839	\$175,603	\$227,788	\$288,976	\$351,737
Non-GAAP Gross Profit														
GAAP Gross Profit	\$50,511	\$54,720	\$59,633	\$65,137	\$66,533	\$66,529	\$73,175	\$76,528	\$76,966	\$92,912	\$134,218	\$176,914	\$230,001	\$282,765
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	-	-	-	716	-	-	-	-
Amortization of Developed Technology	1,711	1,712	1,199	175	175	176	176	665	665	6,368	6,847	6,863	4,797	1,192
Stock-Based Compensation Expense	888	1,159	1,431	1,336	1,323	1,706	1,871	1,996	1,750	715	1,149	3,265	4,814	6,896
Total Non-GAAP Gross Profit	\$53,110	\$57,591	\$62,263	\$66,648	\$68,031	\$68,411	\$75,222	\$79,189	\$79,381	\$100,711	\$142,214	\$187,042	\$239,612	\$290,853
Free Cash Flow														
Cash flows from operating activities	\$3,026	\$8,620	\$9,854	\$8,224	\$8,517	\$9,617	\$21,789	\$14,812	\$28,505	(\$4,808)	\$6,424	\$16,140	\$29,724	\$54,735
Capitalized software development costs	(1,232)	(1,367)	(1,152)	(1,309)	(2,289)	(2,705)	(2,844)	(2,740)	(4,021)	(3,270)	(4,624)	(5,675)	(5,060)	(10,578)
Purchase of property and equipment	(1,103)	(886)	(1,472)	(1,171)	(1,152)	(1,072)	(291)	(3,998)	(1,096)	(1,724)	(4,002)	(6,284)	(4,632)	(6,513)
Financed purchases of property and equipment	-	(145)	(169)	(113)	(169)	(56)	(169)	(168)	(169)	-	-	-	(427)	(562)
Purchases of intangible assets	-	-	-	-	-	(2,333)	-	-	-	-	-	-	-	(2,333)
Free Cash Flow	\$691	\$ 6,222	\$ 7,061	\$ 5,631	\$ 4,907	\$ 3,451	\$ 18,485	\$7,906	\$23,219	(\$9,802)	(\$2,202)	\$4,181	\$19,605	\$34,749

"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)

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	2016	2017	2018	2019	2020
Non-GAAP Income (Loss) from Operations														
GAAP Loss from Operations	(\$9,323)	(\$5,978)	(\$7,861)	(\$4,737)	(\$7,337)	(\$3,326)	(\$2,036)	(\$7,192)	(\$18,705)	(\$33,934)	(\$30,409)	(\$29,836)	(\$27,899)	(\$19,891)
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	-	-	-	716	-	-	-	-
Amortization of Acquired Intangible Assets	3,077	3,079	2,566	1,543	1,543	1,622	1,622	2,892	2,893	12,505	13,310	13,023	10,265	7,679
Stock-Based Compensation Expense	6,452	8,012	10,141	9,447	9,456	12,616	13,326	14,292	14,794	6,526	16,044	20,895	34,052	49,690
Change in Fair of Contingent Consideration	(9)	193	129	(267)	145	(221)	(72)	176	7,702	371	628	450	46	28
Legal Settlement Gain	-	-	(380)	-	-	-	-	-	-	-	-	-	(380)	-
Acquisition-Related Costs	-	-	-	-	-	-	1,790	2,946	-	1,582	-	-	-	4,736
Secondary offering costs	-	-	-	-	-	-	-	-	-	-	809	-	-	-
Shelf offering costs	212	-	-	-	-	-	-	-	-	-	818	401	212	-
Total Non-GAAP Income (Loss) From Operations	\$409	\$5,306	\$4,595	\$5,986	\$3,807	\$10,691	\$14,630	\$13,114	\$6,684	(\$12,234)	\$1,200	\$4,933	\$16,296	\$42,242
Non-GAAP Net Income (Loss) attributable to BlackLine														
Net income (loss) attributable to BlackLine ¹	(\$8,781)	(\$5,362)	(\$9,206)	(\$9,186)	(\$12,843)	(\$8,332)	(\$8,751)	(\$16,985)	(\$38,964)	(\$39,159)	(\$33,408)	(\$28,714)	(\$32,535)	(\$46,911)
Provision for (benefit from) Income Taxes	-	(18)	53	55	(16)	(72)	35	(616)	81	(6,956)	(511)	(540)	90	(669)
Secondary offering costs	-	-	-	-	-	-	-	-	-	-	809	-	-	-
Shelf offering costs	212	-	-	-	-	-	-	-	-	-	818	401	212	-
Stock-Based Compensation Expense	6,452	8,012	10,141	9,447	9,456	12,616	13,326	14,292	14,787	6,526	16,044	20,895	34,052	49,690
Amortization of debt discount and issuance costs	-	-	2,923	5,487	5,532	5,584	5,758	5,815	7,651	-	-	-	8,410	22,689
Amortization of Acquired Intangible Assets	3,077	3,079	2,566	1,543	1,543	1,622	1,622	2,892	2,893	12,505	13,310	13,023	10,265	7,679
Accretion of Debt Discount	-	-	-	-	-	-	-	-	-	1,303	-	-	-	-
Accretion of Warrant Discount	-	-	-	-	-	-	-	-	-	754	-	-	-	-
Purchase Accounting Adjustment to Revenue	-	-	-	-	-	-	-	-	-	716	-	-	-	-
Change in Fair Value of Contingent Consideration	(9)	193	129	(267)	145	(221)	(72)	176	7,702	371	628	450	46	28
Change in Fair Value of Common Stock Warrant Liability	-	-	-	-	-	-	-	-	-	5,880	3,490	-	-	-
Acquisition-Related Costs	-	-	-	-	-	-	1,790	2,946	-	1,582	-	-	-	4,736
Legal Settlement Gains	-	-	(380)	-	-	-	-	-	-	-	-	-	(380)	-
Adjustment to redeemable non-controlling interest	-	54	839	940	2,201	719	1,319	4,619	5,937	-	-	-	1,833	8,858
Loss on extinguishment of convertible senior notes	-	-	-	-	-	-	-	-	7,012	-	-	-	-	-
Total Non-GAAP Net Income (Loss) attributable to BlackLine	\$951	\$5,958	\$7,065	\$8,019	\$6,018	\$11,916	\$15,027	\$13,139	\$7,099	(\$16,478)	\$1,180	\$5,515	\$21,993	\$46,100

¹ 2017-19 net income (loss) attributable to BlackLine has been adjusted for the non-cash, income tax revision.

NON-GAAP RECONCILIATIONS NON-GAAP S&M, NON-GAAP R&D, NON-GAAP G&A (\$000'S)

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	2016	2017	2018	2019	2020
GAAP Sales and Marketing Expense	\$35,848	\$37,192	\$41,848	\$43,949	\$44,785	\$41,826	\$42,588	\$45,382	\$48,429	\$77,810	\$103,967	\$128,808	\$158,837	\$174,581
Amortization of Intangible Assets	968	968	968	968	969	968	968	1,750	1,750	3,605	3,872	3,887	3,872	4,655
Stock-Based Compensation Expense	2,994	3,558	4,522	4,315	4,393	5,577	5,675	5,901	5,251	2,490	10,811	8,674	15,389	21,546
Non-GAAP Sales and Marketing Expense	\$31,886	\$32,666	\$36,358	\$38,666	\$39,423	\$35,281	\$35,945	\$37,731	\$41,428	\$71,715	\$89,284	\$116,247	\$139,576	\$148,380
GAAP Research and Development Expense	\$10,307	\$10,829	\$11,558	\$10,312	\$11,747	\$11,847	\$14,829	\$18,041	\$18,973	\$21,125	\$23,874	\$30,754	\$43,006	\$56,464
Stock-Based Compensation Expense	944	1,235	1,452	1,098	1,229	1,735	1,954	2,480	2,611	809	767	2,570	4,729	7,398
Non-GAAP Research and Development Expense	\$9,363	\$9,594	\$10,106	\$9,214	\$10,518	\$10,112	\$12,875	\$15,561	\$16,362	\$20,316	\$23,107	\$28,184	\$38,277	\$49,066
GAAP General and Administrative Expense	\$13,679	\$12,677	\$14,088	\$15,613	\$17,338	\$16,182	\$17,794	\$20,297	\$28,269	\$27,911	\$36,786	\$47,188	\$56,057	\$71,611
Amortization of Intangible Assets	398	399	399	400	399	478	478	477	478	2,532	2,591	2,273	1,596	1,832
Stock-Based Compensation Expense	1,626	2,060	2,736	2,698	2,511	3,598	3,826	3,915	5,182	2,512	3,317	6,386	9,120	13,850
Change in Fair Value of Contingent Consideration	(9)	193	129	(267)	145	(221)	(72)	176	7,702	371	628	450	46	28
Legal Settlement Gains	-	-	(380)	-	-	-	-	-	-	-	-	-	(380)	-
Acquisition Related Costs	-	-	-	-	-	-	1,790	2,946	-	1,582	-	-	-	4,736
Secondary offering Costs	-	-	-	-	-	-	-	-	-	-	809	-	-	-
Shelf offering Costs	212	-	-	-	-	-	-	-	-	-	818	401	212	-
Non-GAAP General and Administrative Expense	\$11,452	\$10,025	\$11,204	\$12,782	\$14,283	\$12,327	\$11,772	\$12,783	\$14,907	\$20,914	\$28,623	\$37,678	\$45,463	\$51,165