

Corporate Overview

Third Quarter 2016



Safe Harbor

This presentation includes forward-looking statements. In this presentation, the words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect," "predict," "potential" and similar expressions, as they relate to Cornerstone OnDemand, Inc. ("Cornerstone OnDemand" or the "Company"), business and management, are intended to identify forward-looking statements. In light of the risks and uncertainties outlined below, the future 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. The Company has based these forward-looking statements largely on its current expectations and projections about future events and financial trends affecting its business. Forward-looking statements should not be read as guarantees 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. Forward-looking statements are based on information available at the date of this presentation and management's good faith belief as of such date 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. Important factors that could cause such differences include, but are not limited to:

- The Company's ability to execute its business strategies;
- The Company's ability to accurately forecast revenue and appropriately plan its expenses;
- The accuracy of Company estimates regarding its total addressable market;
- The Company's ability to manage growth, including additional headcount and expansion into new geographies and markets;
- The Company's ability to attract new clients to enter into subscriptions for its solutions;
- The Company's ability to service those clients effectively and induce them to renew and upgrade their deployments of the Company's solutions;
- The timing and success of Company efforts to increase operational efficiency;
- The success of the Company's strategic relationships with third parties;
- The Company's ability to attract and retain qualified employees and key personnel;
- Changes in the competitive environment in the Company's industry and the markets in which the Company operates;
- Continued and/or increased market acceptance of Company solutions and SaaS generally;
- The Company's ability to innovate and introduce new and improved solutions;
- The impact of foreign exchange rates;
- The Company's ability to protect and defend its intellectual property, as well as costs associated with such protection and defense;
- Future regulatory, judicial and legislative changes in the Company's industry;
- Other factors discussed under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Company's periodic reports filed with the Securities and Exchange Commission (the "SEC").

Forward-looking statements speak only as of the date of this presentation. You should not put undue reliance on any forward-looking statement. The Company assumes no obligation to update any forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting future performance or results, except to the extent required by applicable laws. If the Company updates one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements.

In considering investing in the Company's securities, you should read the documents the Company has filed with the SEC for more complete information about the Company. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov.



Cornerstone Today

Our Evolution

16 Years Ago...



Our Evolution

The Last Decade...



Our Evolution

Today



cornerstone | edge



2016

Today with Global Reach...

CLIENTS
2,700+

USERS
26M+

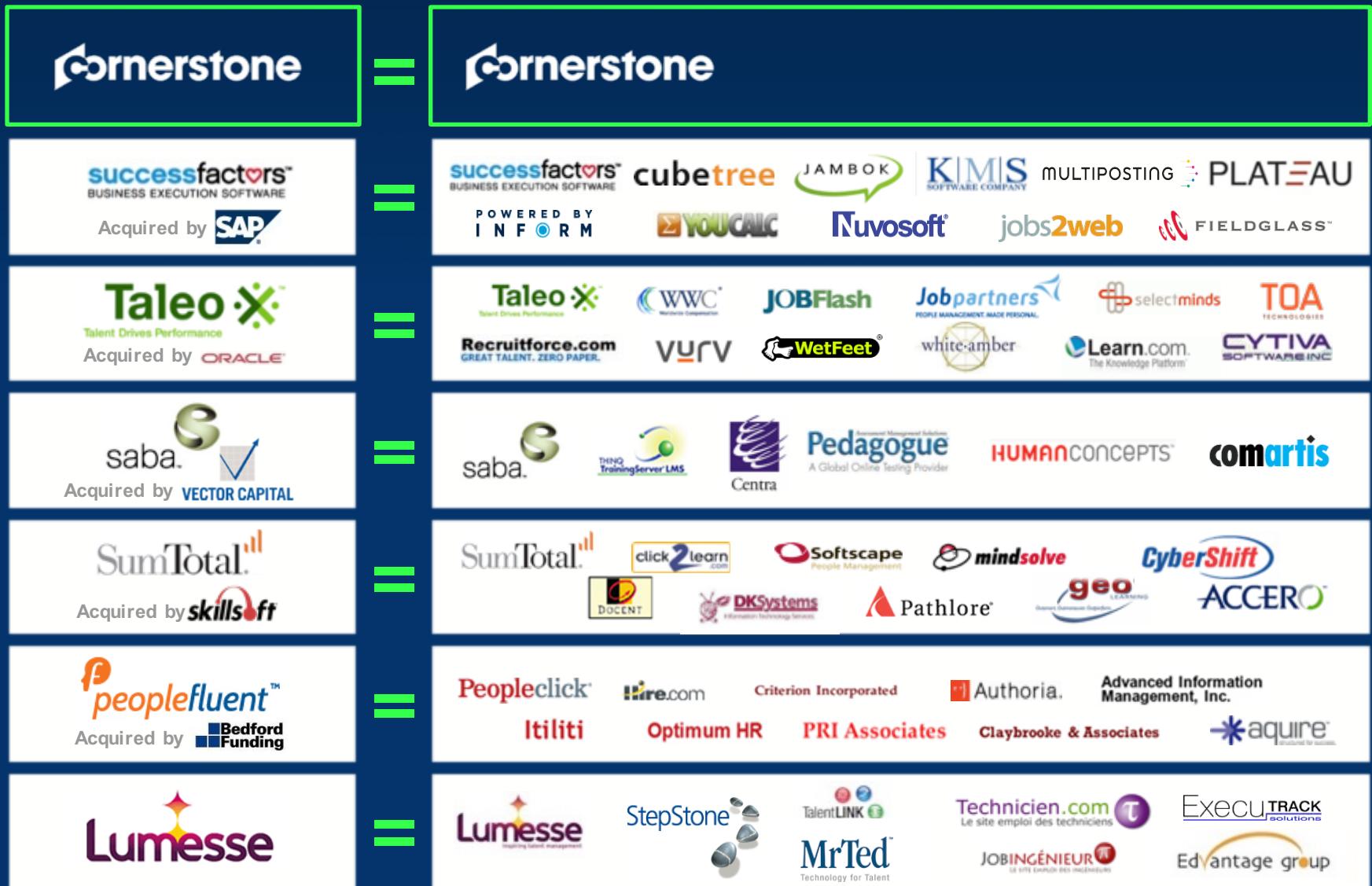
COUNTRIES
191

LANGUAGES
42

OFFICES
19

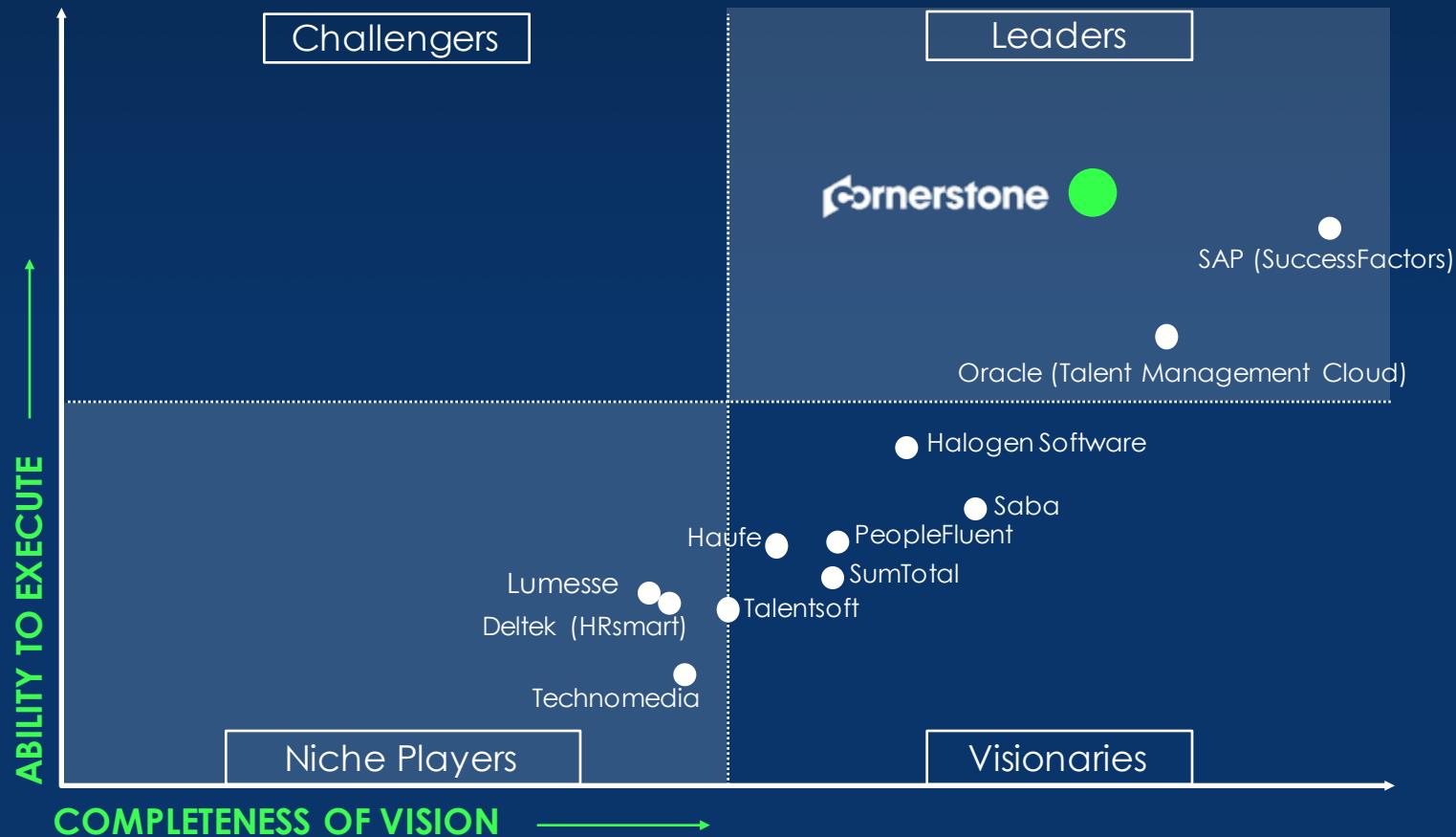


...and an Organically-Grown Core Suite



Cornerstone is the Talent Management Leader

Magic Quadrant for Talent Management Suites



Bolstered by Tier One Global Partners

Select Alliances



The Ability to Integrate with Everyone

ORACLE®
PEOPLESOFT

 Santander

 Reckitt
Benckiser

 CARLSON™

 FRUIT OF THE LOOM.®

 **UNHCR**
The UN Refugee Agency

 **GRUPO
BIMBO**

SAP®

 **NOVARTIS**

HITACHI

 starwood
Hotels and
Resorts

 **KUEHNE+NAGEL**

 **FEDERAL
MOGUL**

HEIDELBERGCEMENT

 **workday.**

FLEXTRONICS X

NISSAN MOTOR COMPANY

 **USC** University of
Southern California

TEACHFORAMERICA

PENNSTATE


 **MGM RESORTS
INTERNATIONAL®**

Now with More People with More to Sell



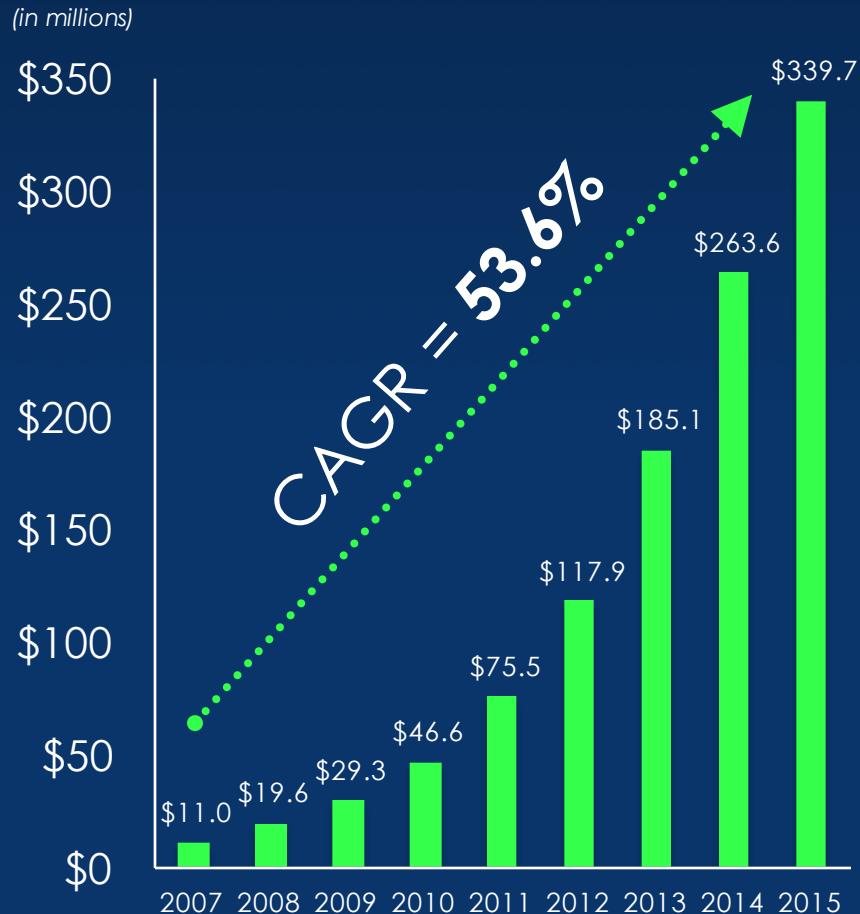
- LEARNING
- PERFORMANCE
- RECRUITING
- ANALYTICS



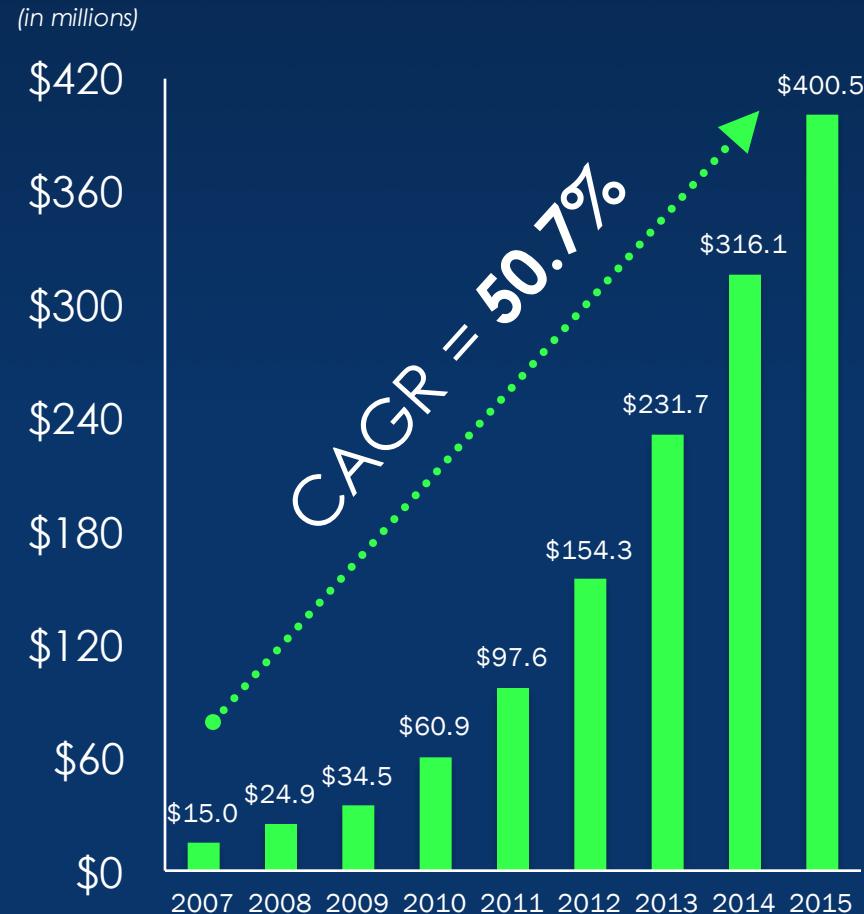
→ OVER TIME, MORE PEOPLE + MORE TO SELL →

Strong Results

Revenue



Bookings



Growing ASPs Across All Geographies

North America

+15%

Europe,
Middle East
& Africa

+48%

Asia Pacific

+44%

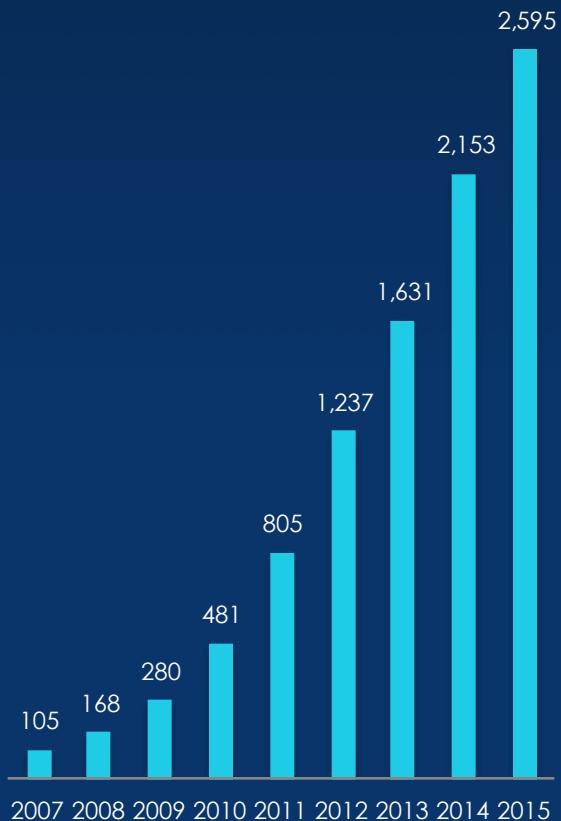
Growth Across All Metrics

Revenue Growth

(in millions)

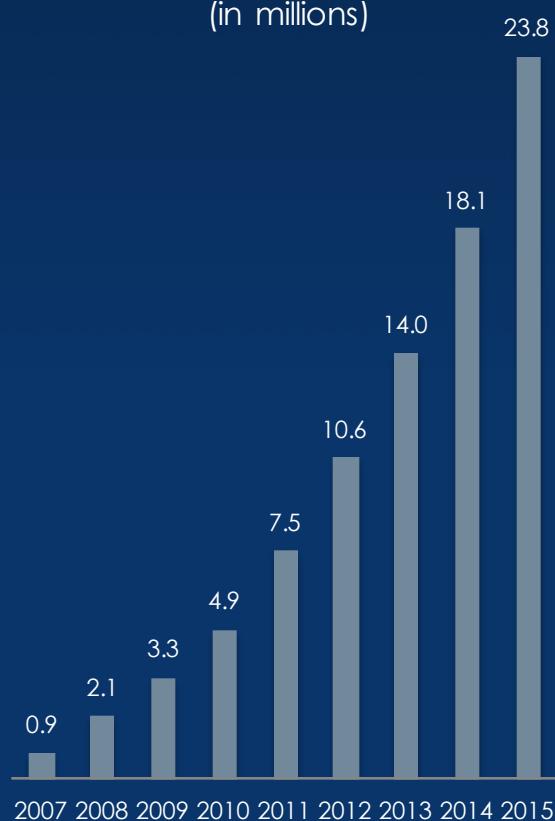


Client Growth



User Growth

(in millions)

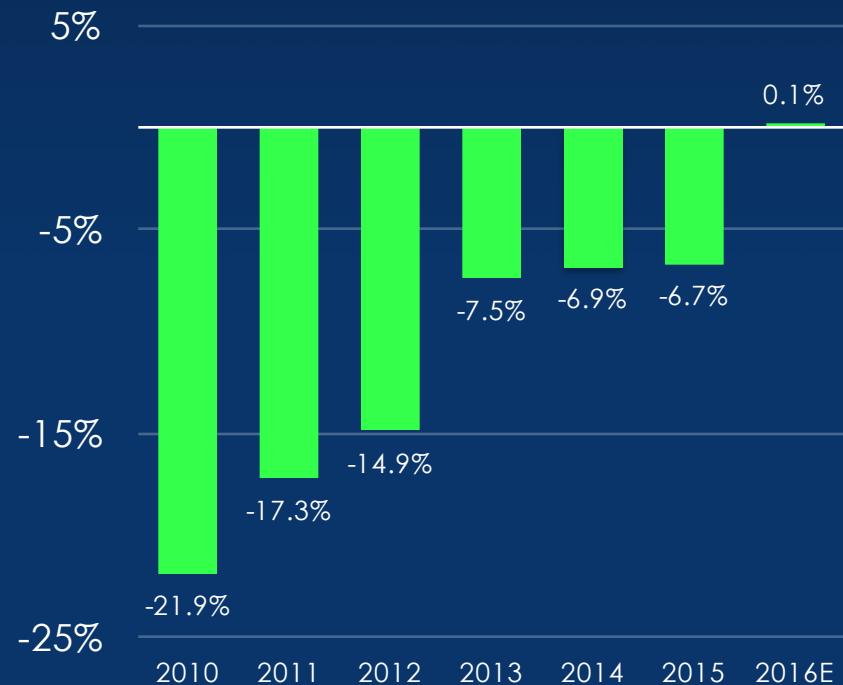


Clear Path to Profitability

Free Cash Flow



Non-GAAP Net Loss Margin



Note: Historical values have been restated to reflect updated definitions of recently published SEC guidance.

2016E values reflect the latest issued guidance. 2016E non-GAAP net loss margin uses the midpoint of the revenue guidance range.

Long-Term Margin Improvement

	2015	Improvement	2018E
Gross Margin	72%	2-3%	74-75%
S&M (% of Rev.)	54%	10-14%	40-44%
R&D (% of Rev.)	10%	-	10%
G&A (% of Rev.)	12%	2%	10%
Operating Margin	-4%	14%+	10%+
Free Cash Flow Margin	4%	12%+	16%+



Our Opportunity

Marching to \$1 Billion

Work is Changing

WHO



WHERE



WHAT



HOW



WHEN

The Market Need is Real

THE
HUFFINGTON
POST

Sramana Mitra | July 5, 2016

**The Future of Work:
Utopia or Dystopia?**

Entrepreneur[®]
MAGAZINE

Thuy Sindell & Milo Sindell
June 15, 2016

**Why Leadership
Development Needs to
Be Updated**



Harvard
Business
Review

Bruce Pfau | April 17, 2016

**What Do Millennials Really
Want at Work? The Same
Things the Rest of Us Do**

FORTUNE

Heather Clancy | May 11, 2016

**What Your HR Data Can
Tell You About Your
Business**

Forbes

Ian Davies | March 17, 2016

**Three Ways Technology
is Transforming Talent
Management in 2016**

The Market is **HUGE**

ADDRESSABLE MARKET

\$31B

CORNERSTONE

26M

USERS

CURRENT MARKET

91M

EST. USERS

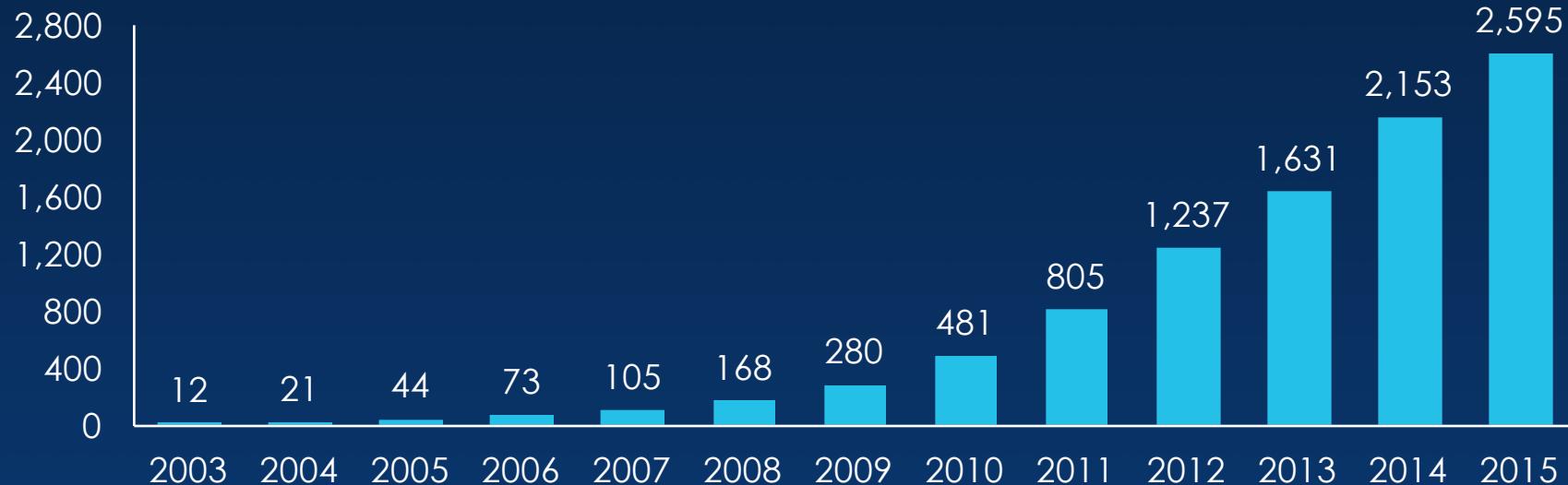
400M

ADDRESSABLE SEATS

Opportunities Abound

- ✓ **Continued Core Market Sales**
- ✓ **Global Expansion**
- ✓ **Market Segmentation**
- ✓ **Vertical Opportunity**
- ✓ **Installed Base Opportunity**
- ✓ **Extended Enterprise**

Accelerating Client Traction



Key Client Additions



Expanded Global Footprint

Europe, Middle East & Africa

8

OFFICES

29

LANGUAGES

7M

EST. USERS

Asia Pacific

7

OFFICES

9

LANGUAGES

2M

EST. USERS

Select Notable Clients

HEIDELBERGCEMENT

GERMANY



UNITED KINGDOM

NOVARTIS

SWITZERLAND



Alcatel-Lucent
FRANCE

BBVA

SPAIN



NETHERLANDS

NISSAN MOTOR COMPANY



JAPAN

LI & FUNG

CHINA

HITACHI

JAPAN

BESTSELLER

CHINA

TATA

INDIA

CommonwealthBank

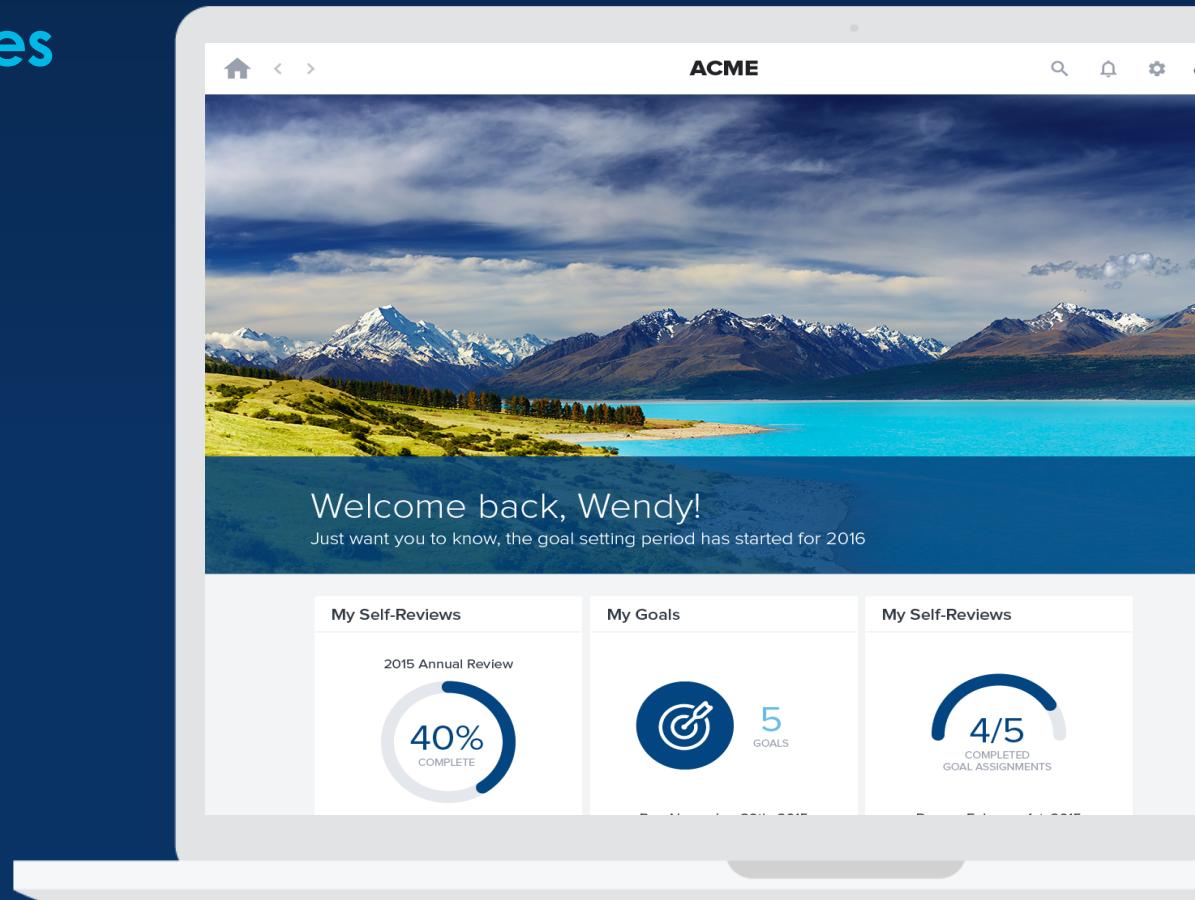


AUSTRALIA

Growth Edition for Small Business

Purpose-built talent management solution for Growing Businesses

- Mobile ready
- Self configurable
- 3 hour deployment
- Bundled training



Installed Base Penetration

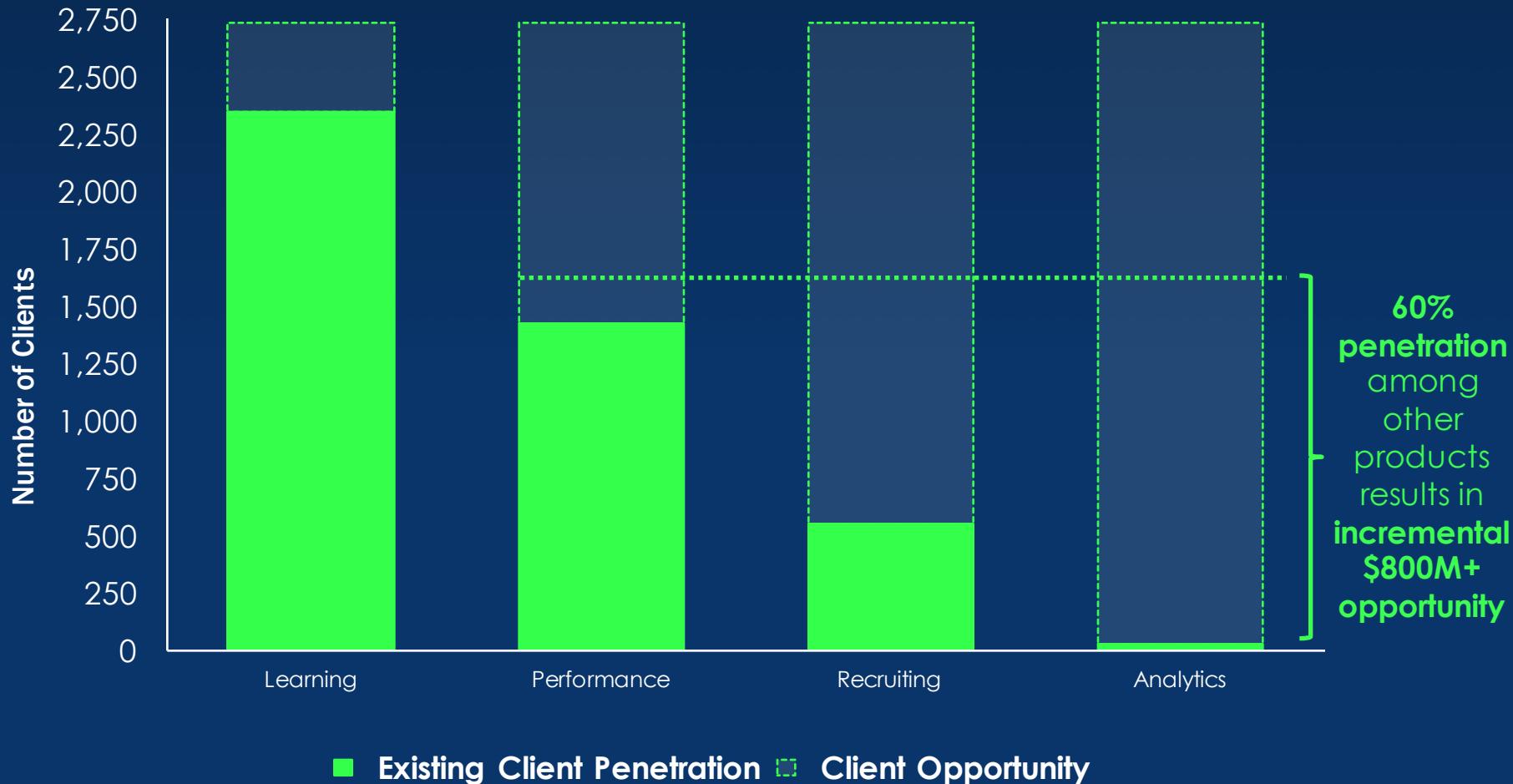


Approximately
70% HAVE 2+ MODULES

Approximately
40% HAVE 3+ MODULES

Installed Base Opportunity

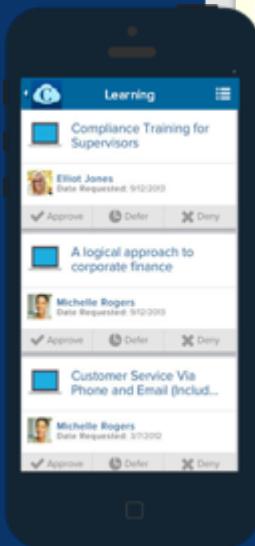
Four key pillars, each a suite, and half of it **GREENFIELD**



Extended Enterprise Opportunity

Engage & enable the entire ecosystem

- Training for profit
- Partner enablement
- Customer engagement
- Crowdsourcing





The Future

Beyond 2016

Cornerstone is Visionary



- ✓ **FIRST** to the Cloud
- ✓ **FIRST** to do Integrated Talent Management
- ✓ **FIRST** to include Social Networking in Talent Management
- ✓ **FIRST** to do client success management
- ✓ **FIRST** to understand consumerization of the enterprise
- ✓ **FIRST** to integrate full machine learning

Cornerstone has “Massive Data”

26.3M USERS | 191 COUNTRIES | DECADE OF DATA

User

- ✓ Position
- ✓ Previous Position
- ✓ Education
- ✓ Skills
- ✓ Certifications
- ✓ Accomplishments
- ✓ Languages
- ✓ Organization
- ✓ Preferences

Collaboration

- ✓ Connections
- ✓ Live Feed (Status)
- ✓ Feedback
- ✓ Actions
- ✓ Snapshot
- ✓ Teams
- ✓ Discussions
- ✓ Badges
- ✓ Likes
- ✓ Comments

Talent

- ✓ Transcript
- ✓ Performance
- ✓ Skills
- ✓ Goals
- ✓ Assessments
- ✓ Dev Plans
- ✓ Succession
- ✓ Compensation
- ✓ Applicants
- ✓ Applicant Status

Organization

- ✓ Industry
- ✓ Business Unit
- ✓ Department
- ✓ Division
- ✓ Region
- ✓ Groups
- ✓ Hierarchies
- ✓ Cost Center
- ✓ Grade
- ✓ Location

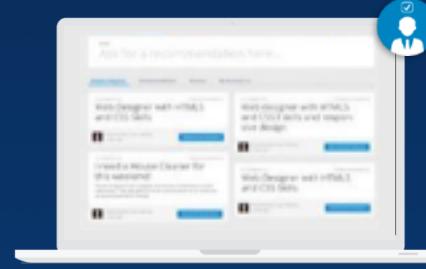
Cornerstone Analytics

REPORT

DISCOVER

PLAN

PREDICT



Cornerstone Reporting

Standard & custom reports
embedded
with Cornerstone

Cornerstone View

Highly visual dashboards
that can easily slice/ dice
talent information

Cornerstone Planning

Big data solution for workforce
planning

Cornerstone Insights

Predictive analytics
for managing
talent decisions

IMPORT

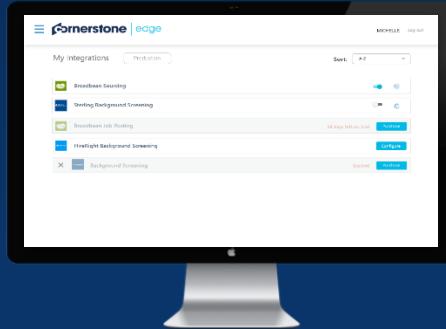
INTEGRATE

BUILD



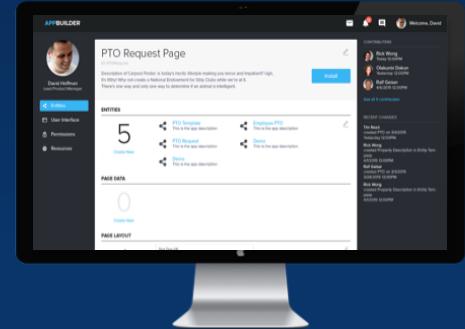
Edge Import

Easily map and load data into Cornerstone



Edge Integrate

Easy build & manage integrations with 3rd-party apps



Edge Build

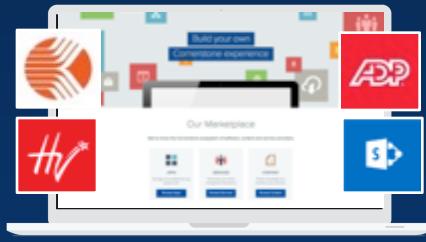
Create new apps using Edge APIs & developer tools

The Power of Platform



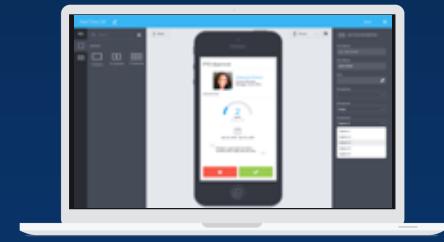
Cornerstone Apps

One unified suite to recruit, train, develop, & connect employees



Partner Apps

Marketplace of apps integrated & embedded within Cornerstone



Custom Apps

Client-specific applications designed & built by clients or partners



Multi-tenant

REST APIs

Mobile-Ready

Thank You!

