

Bitcoin, The Red Wave, and The Crypto Renaissance

Michael Saylor

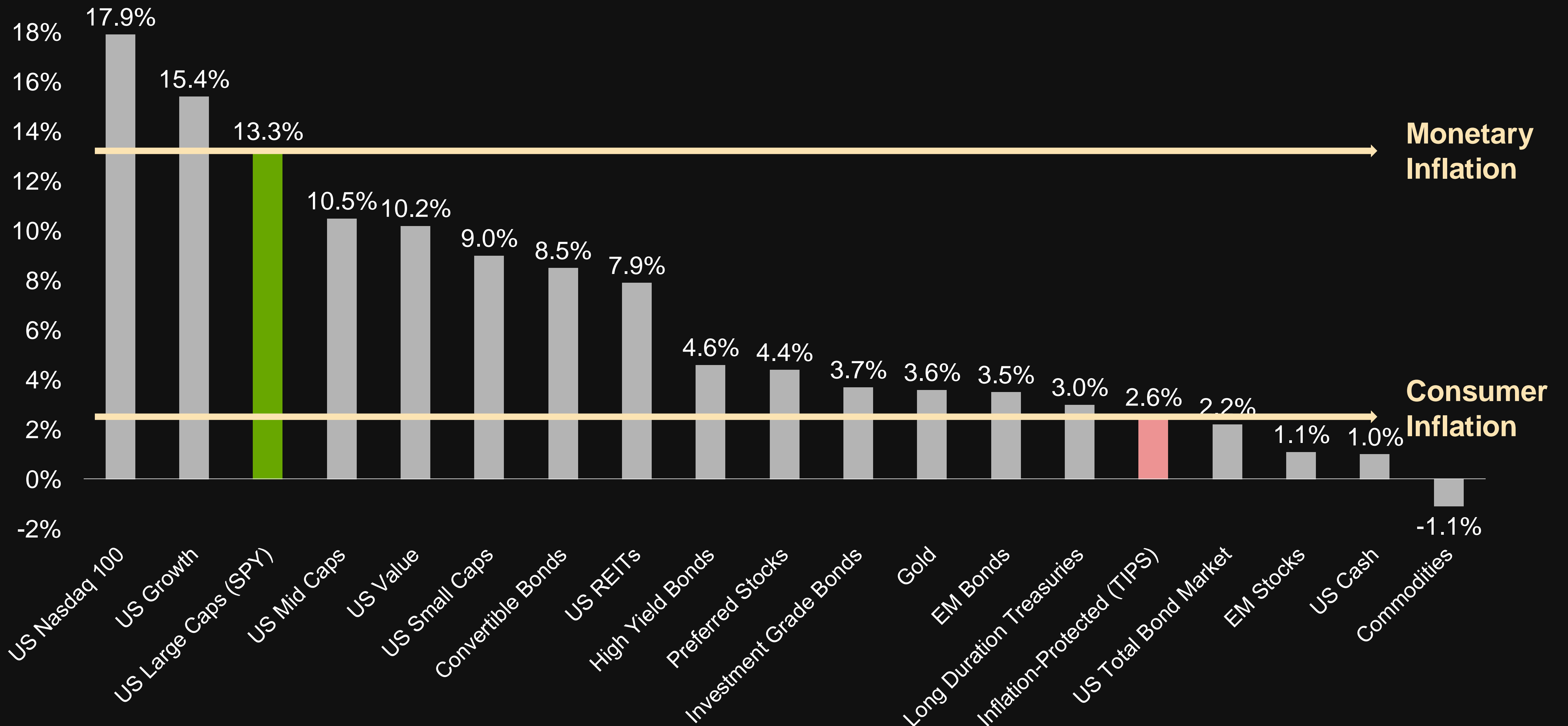


Note: This presentation was presented by Michael Saylor at a conference hosted by Cantor Fitzgerald on November 14, 2024. The views expressed are Michael's own and may not necessarily reflect the views of MicroStrategy Incorporated. This document does not constitute an offering of any financial instrument or legal, tax, financial, investment or other advice or recommendation.

The Economic Problem

Few Asset Classes Outperform Monetary Inflation

14-year annualized return by asset class (2011 – 2024)



If a company can't grow organically 15% per year, institutional investors lose interest and liquidity in the firm's equity & options dissipates.

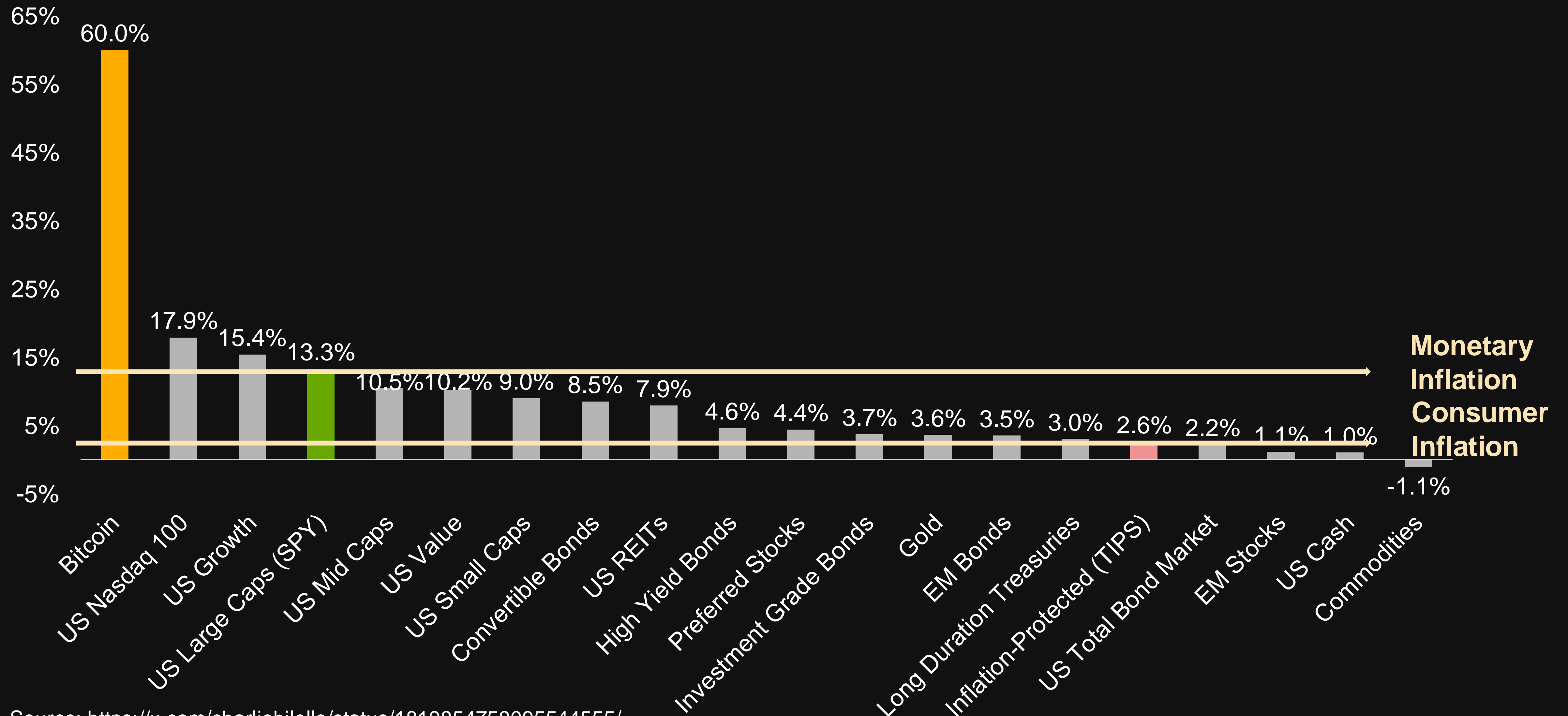
Treasury strategies based on holding sovereign debt underperform the cost of capital by up to 10% per year, destroying shareholder value.

**How do we grow our economy,
deliver prosperity to our people,
overcome our deficit, and
maintain global leadership?**

The Bitcoin Solution

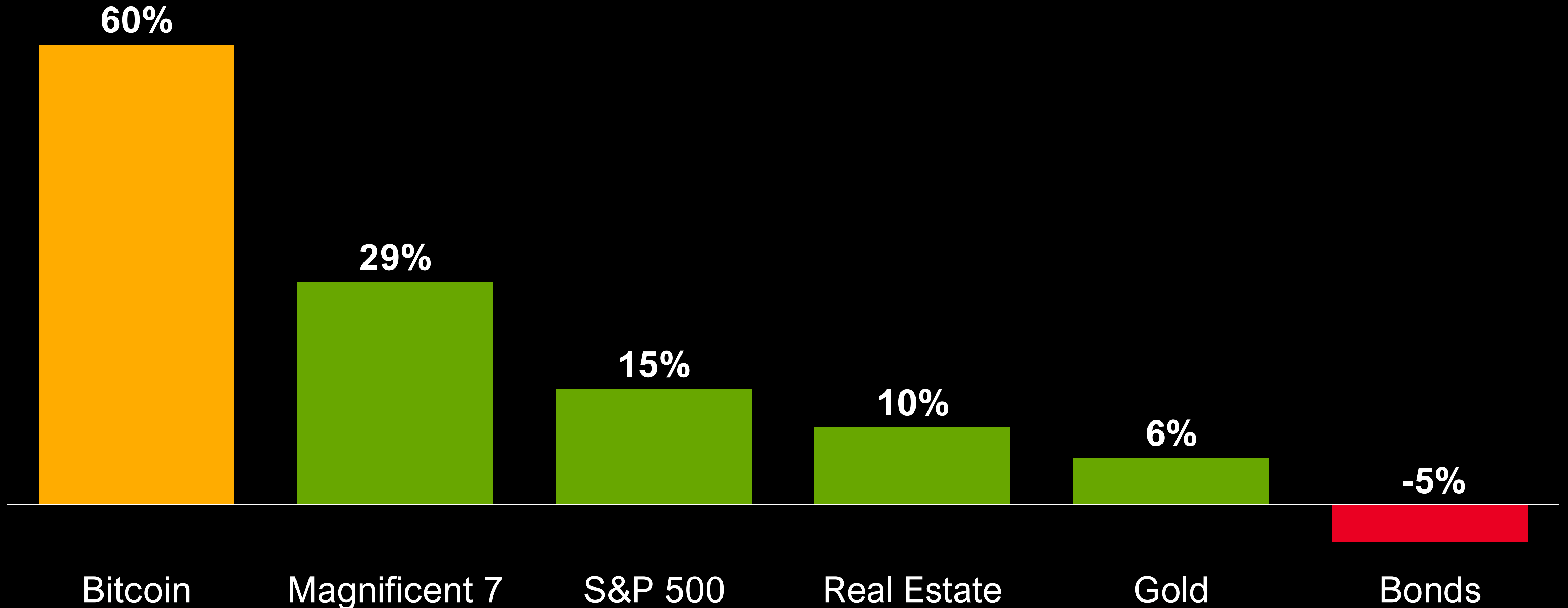
Bitcoin Exceeds Monetary Inflation & Cost of Capital

14-year annualized return by asset class (2011 – 2024) vs. 4 year annualized return of Bitcoin



Source: <https://x.com/charliebilello/status/1819854758095544555/>

Annualized Asset Performance Chart Over Four Years



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 12, 2024.

Bitcoin is the strongest asset for 11 of past 14 years

Bitcoin ARR is 46% 6yr, 78% 8yr, 65% 10yr, 103% 12yr, 168% 14yr

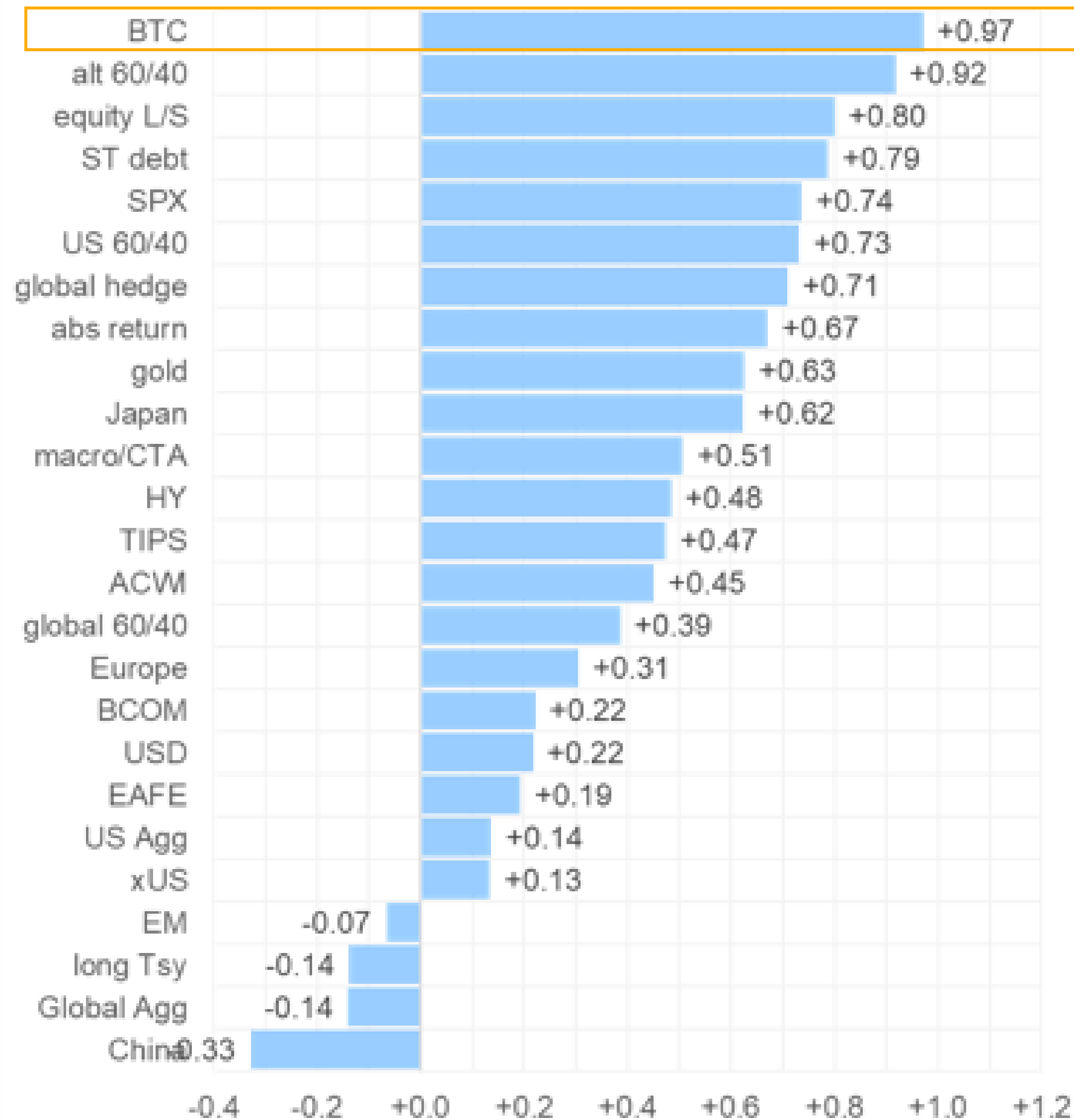
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 (YTD)
	Bitcoin 1,319.09%	Bitcoin 217.26%	Bitcoin 5,537.40%	U.S. REITs 30.38%	Bitcoin 33.74%	Bitcoin 123.31%	Bitcoin 1,414.10%	U.S. Bonds 0.01%	Bitcoin 93.95%	Bitcoin 308.17%	Bitcoin 57.25%	Commodities 21.23%	Bitcoin 156.89%	Bitcoin 45.60%
	Gold 10.10%	EM Equities 18.63%	U.S. Equities 32.39%	U.S. Equities 13.69%	U.S. REITs 2.52%	Commodities 19.53%	EM Equities 37.75%	Gold (1.56%)	U.S. Equities 31.49%	Gold 25.12%	U.S. REITs 43.06%	Gold (0.28%)	U.S. Equities 26.29%	U.S. Equities 15.29%
	U.S. REITs 8.69%	DM Equities 17.90%	DM Equities 23.29%	U.S. Bonds 5.97%	U.S. Equities 1.38%	U.S. Equities 11.96%	DM Equities 25.62%	U.S. Equities (4.38%)	U.S. REITs 25.84%	EM Equities 18.69%	Commodities 42.60%	U.S. Bonds (13.01%)	DM Equities 18.85%	Gold 12.79%
	U.S. Bonds 7.84%	U.S. REITs 17.77%	U.S. REITs 2.47%	Gold (1.44%)	U.S. Bonds 0.55%	EM Equities 11.60%	U.S. Equities 21.83%	U.S. REITs (4.57%)	DM Equities 22.66%	U.S. Equities 18.40%	U.S. Equities 28.71%	DM Equities (14.01%)	U.S. REITs 13.74%	EM Equities 7.68%
	U.S. Equities 2.11%	U.S. Equities 16.00%	U.S. Bonds (2.02%)	EM Equities (1.82%)	DM Equities (0.39%)	U.S. REITs 8.60%	Gold 13.53%	Commodities (11.18%)	EM Equities 18.88%	DM Equities 8.28%	DM Equities 11.78%	U.S. Equities (18.11%)	Gold 13.10%	Commodities 6.00%
	Commodities (2.39%)	Gold 7.06%	EM Equities (2.27%)	DM Equities (4.48%)	Gold (10.41%)	Gold 8.14%	Commodities 6.16%	DM Equities (13.36%)	Gold 18.31%	U.S. Bonds 7.51%	U.S. Bonds (1.54%)	EM Equities (19.74%)	EM Equities 10.27%	DM Equities 5.75%
	DM Equities (11.73%)	U.S. Bonds 4.22%	Commodities (6.55%)	Commodities (26.43%)	EM Equities (14.60%)	U.S. Bonds 2.65%	U.S. REITs 5.07%	EM Equities (14.24%)	Commodities 12.94%	Commodities (7.53%)	EM Equities (2.22%)	U.S. REITs (24.51%)	U.S. Bonds 5.53%	U.S. REITs (0.24%)
	EM Equities (18.17%)	Commodities 4.16%	Gold (28.28%)	Bitcoin (57.74%)	Commodities (26.68%)	DM Equities 1.51%	U.S. Bonds 3.54%	Bitcoin (74.67%)	U.S. Bonds 8.72%	U.S. REITs (7.57%)	Gold (3.64%)	Bitcoin (63.90%)	Commodities (5.33%)	U.S. Bonds (0.71%)

Everyone is searching for an asset
uncorrelated to the S&P 500 with
higher returns on a risk-adjusted
basis.

**Bitcoin is an asset without
counterparty risk from
competitors, countries,
corporations, creditors, cultures,
or currencies.**

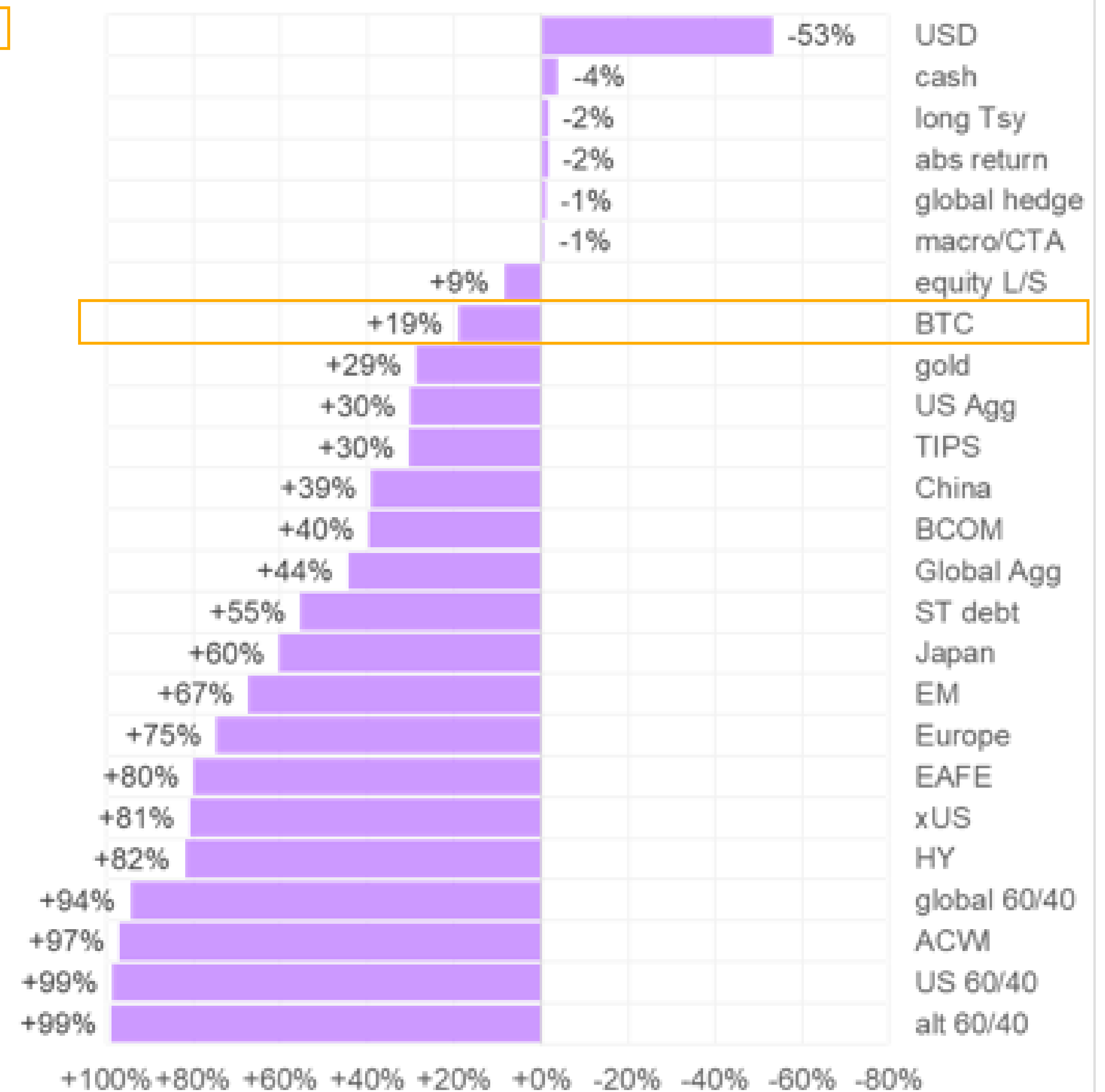
Sharpe Ratios (last 5 years)

Weekly data. Source: FMRCo, Bloomberg



Correlation to SPX (last 5 years)

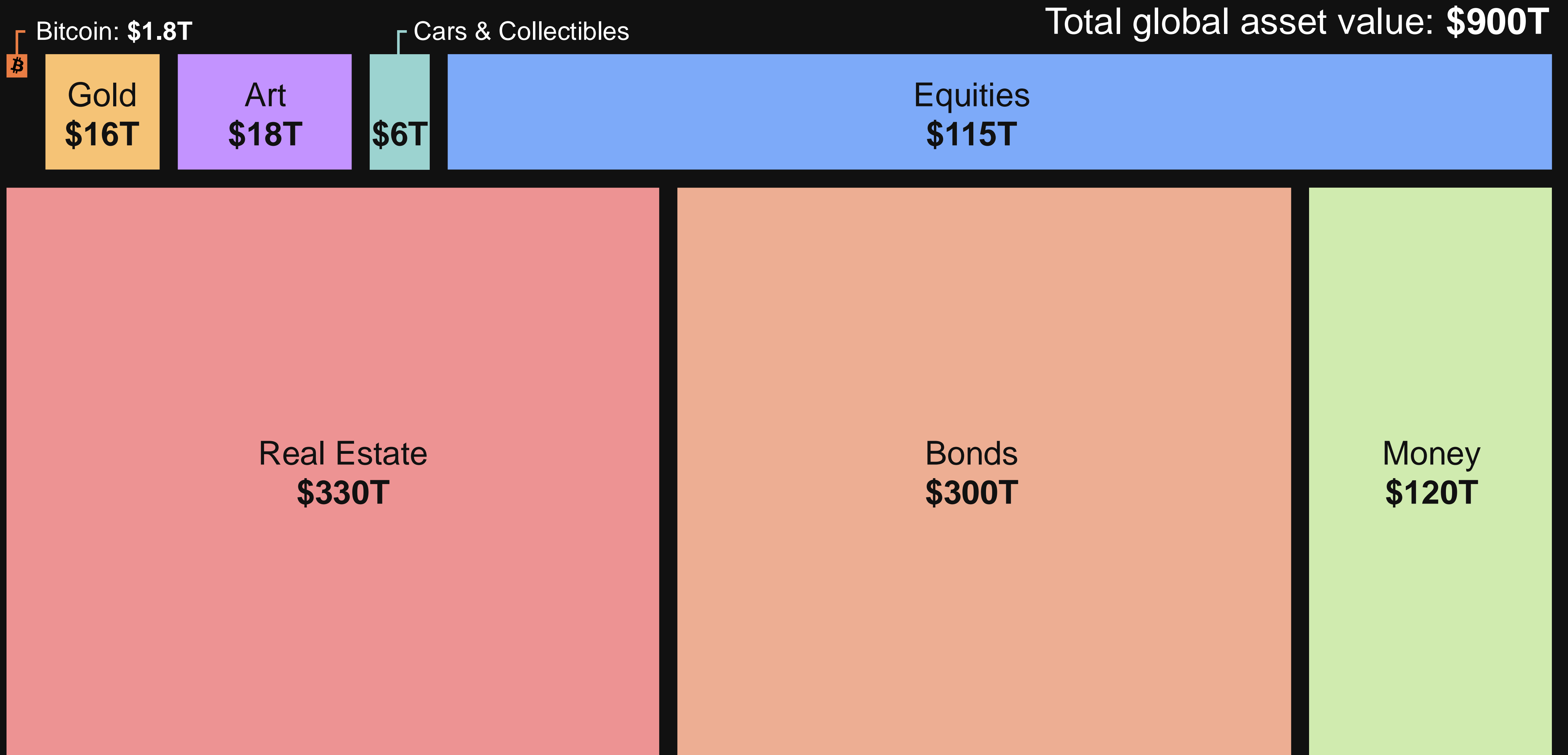
Weekly data. Source: FMRCo, Bloomberg



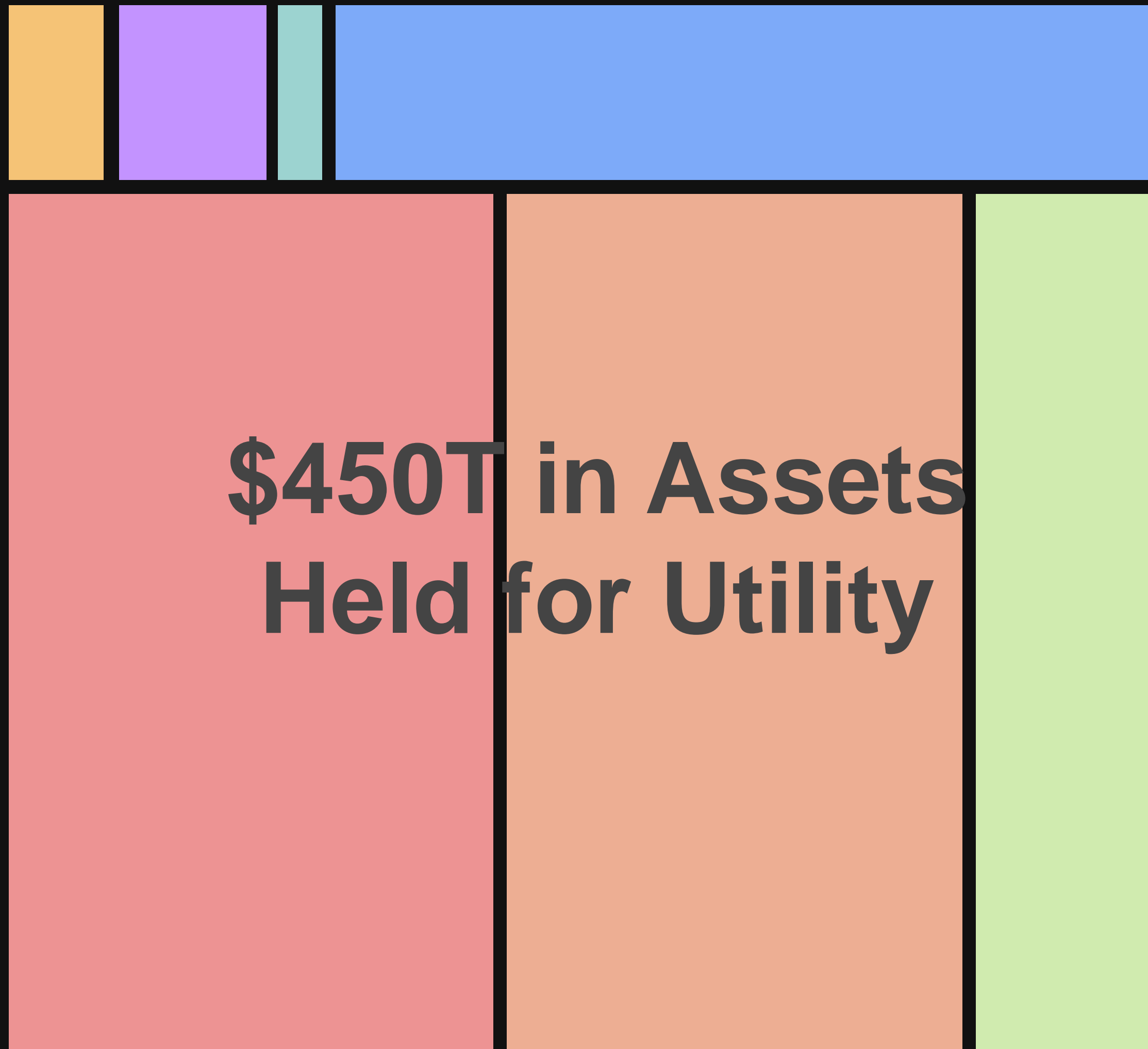
Bitcoin Requires a Return to First Principles



Global wealth is distributed across a variety of assets.



These assets (a) provide utility and (b) preserve capital.



**\$450T is
Long Term Capital
(Store of Value)**

Financial Risk Factors – Entropy Degrades Capital

Regulation, taxation, competition, obsolescence, incompetence, and catastrophe dilute capital.

Tariffs

Tolls

Torts

Trading

Transfers

Insurance

Storage

Spreads

Licensing

Taxes

VAT/Sales

Excise

Capital Gains

Income

Dividend

Inheritance

Gift

Property

Competition

Weather

Accident

War & Crime

Regulation

Obsolescence

Incompetence

Politics

Catastrophe

Physical Risk Factors – Entropy Degrades Capital

Property taxes, economic & political chaos, crime, catastrophe & competition all dilute physical capital.

City Tax

County Tax

State Tax

Federal Tax

Transfer Tax

Usage Tax

Rent Control

Price Control

Culture Shock

Competition

Discrimination

Recession

Currency

Expropriation

Tenants

Technology

Traffic

Torts

Weather

War

Flood

Decay

Accident

Crime

Catastrophe

Insurance

Energy

The Cost of Entropy

**Chaos, Confusion, Competition
Inflation, Politics, War**

is Trillions of Dollars per year.

Capital Preservation is a Constant Struggle for Everyone

Consumption Assets



Capital Assets



Consumption

Saving

1
Years

10
Years

100
Years

1,000
Years

**Satoshi discovered a method to
transfer value without a trusted
intermediary.**

**Satoshi discovered a method to
store value without a trusted
intermediary.**

Bitcoin represents the
transformation of our capital from
financial & physical assets **to**
digital assets.

Bitcoin is an asset **without the financial risk** of currency, stocks, & bonds **or the physical risk** of real estate or property.

Bitcoin is Digital Capital

Digital Capital offers many advantages to Investors

Bitcoin offers the benefits of owning a building, without the liabilities of a conspicuous, immobile asset.

No Tax

No Traffic

No Tenants

No Torts

No Trouble

No Mayor

No Weather

No Corrosion

No Regulator



Invisible

Indestructible

Immortal

Teleportable

Programmable

Divisible

Musical

Fungible

Configurable

Digital Capital is Global Capital

Bitcoin is superior to foreign debt, equity, real estate, & currency as a capital asset.



Bitcoin is a Revolutionary Advance in Capital Preservation

Consumption Assets



Traditional Capital Assets



Digital Capital



Consumption

Saving

1
Years

10
Years

100
Years

1,000
Years

What Backs Bitcoin?

Bitcoin is Digital, Political, & Economic Power.

**733
Exahash**

**\$850B
Invested**



**18.33
Gigawatts**

**420m
Crypto**

220m Holders

Bitcoin is the most powerful crypto network in the world. It has the most popular support, regulatory support, technical support, computer power, electrical power, political power, and economic power.











**Bitcoin is Emerging
as the Dominant
Digital Monetary Network**

**12 out of Top 20
ETFs Launched
in 2024 are
related to BTC,
ETH, or MSTR**

Ticker	Fund Name	YTD Flow
IBIT	iShares Bitcoin Trust ETF	27,386,861,717
FBTC	Fidelity Wise Origin Bitcoin Fund	10,756,542,009
ARKB	ARK 21Shares Bitcoin ETF	2,613,974,905
PUSH	PGIM Ultra Short Municipal Bond ETF	2,469,101,150
BITB	Bitwise Bitcoin ETF Trust	2,324,913,700
ETHA	iShares Ethereum Trust ETF	1,437,696,014
RSSL	Global X Russell 2000 ETF	1,315,438,177
EVLN	Eaton Vance Floating-Rate ETF	1,064,458,200
CCMG	CCM Global Equity ETF	836,411,792
MSTY	YieldMax MSTR Option Income Strategy ETF	754,574,733
HODL	VanEck Bitcoin ETF	710,359,071
BITU	ProShares Ultra Bitcoin ETF	696,394,520
AMJB	Alerian MLP Index ETN	668,409,950
QQQI	NEOS Nasdaq 100 High Income ETF	562,792,119
BRRR	Coinshares Valkyrie Bitcoin Fund	551,925,328
BTC	Grayscale Bitcoin Mini Trust ETF	541,217,600
FETH	Fidelity Ethereum Fund ETF	538,943,685
MSTU	T-Rex 2X Long MSTR Daily Target ETF	534,537,000
QDTE	Roundhill Innovation-100 ODTE Covered Call Strategy ETF	515,531,898
SEIE	SEI Select International Equity ETF	508,670,154

**Bitcoin is the
7th Largest Asset
by Market Cap.**

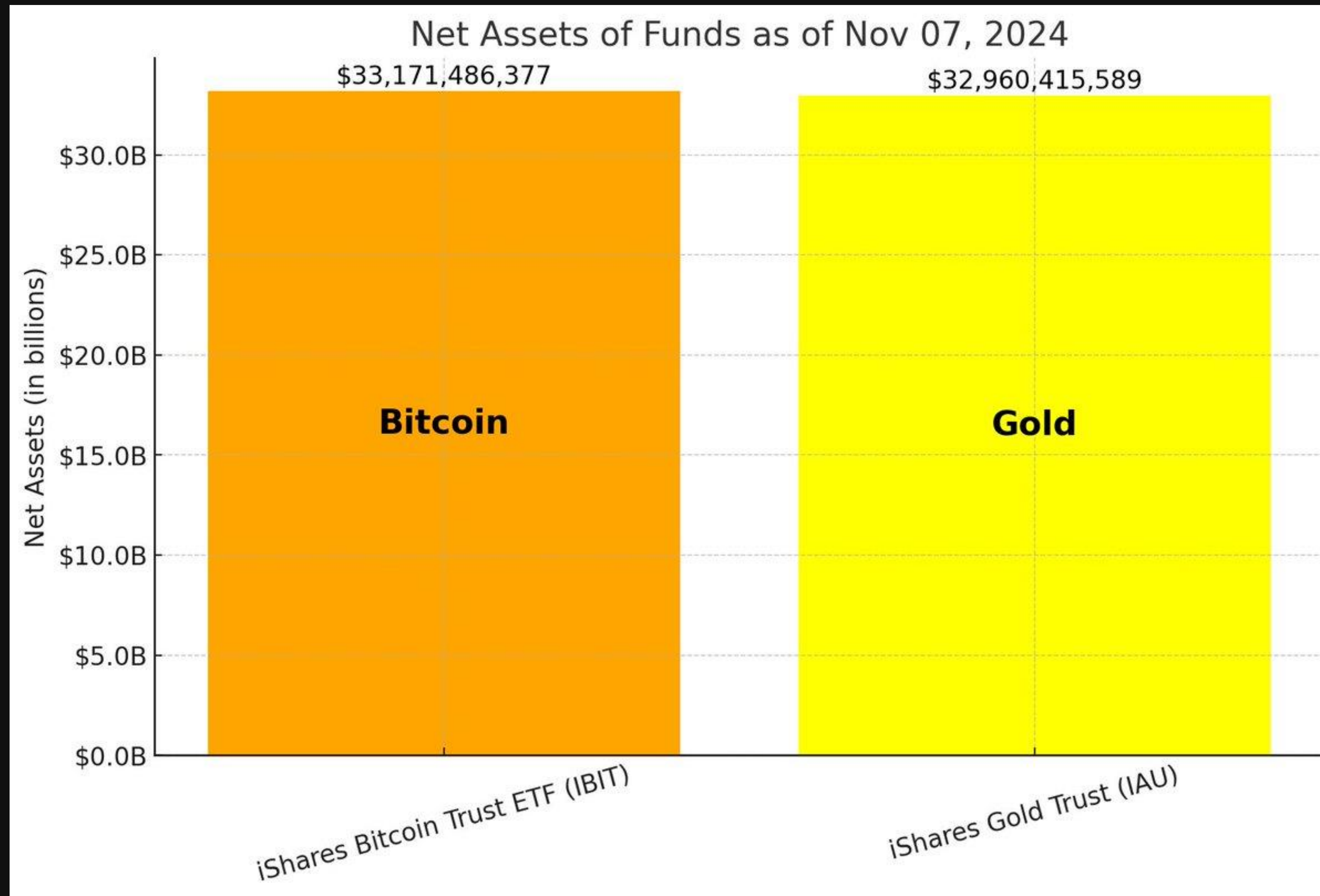
**Bitcoin is now the most
recognized, widely held,
interesting, compelling
investment asset in the
world.**

Rank	Name	Market Cap
1	 Gold GOLD	\$17.376 T
2	 NVIDIA NVDA	\$3.616 T
3	 Apple AAPL	\$3.414 T
4	 Microsoft MSFT	\$3.190 T
5	 Amazon AMZN	\$2.254 T
6	 Alphabet (Google) GOOG	\$2.205 T
7	 Bitcoin BTC	\$1.835 T
8	 Saudi Aramco 2222.SR	\$1.797 T
9	 Silver SILVER	\$1.725 T
10	 Meta Platforms (Facebook) META	\$1.476 T

US Spot Bitcoin ETFs have more than \$90 billion AUM

Name	Ticker	1/10/24 # of Bitcoin	1/31/24 # of Bitcoin	2/29/24 # of Bitcoin	4/30/24 # of Bitcoin	5/31/24 # of Bitcoin	6/28/24 # of Bitcoin	7/31/24 # of Bitcoin	8/31/24 # of Bitcoin	9/30/24 # of Bitcoin	10/31/24 # of Bitcoin	11/8/24 # of Bitcoin	\$ AUM
BlackRock iShares Bitcoin	IBIT	228	66,200	161,266	274,462	291,563	306,979	342,978	357,509	366,451	433,713	449,965	\$ 36,222,182,500
Grayscale Bitcoin	GBTC	619,162	482,592	428,544	295,126	285,081	275,758	241,275	225,671	221,191	219,836	219,248	\$ 17,649,464,000
Fidelity WiseOrigin Bitcoin	FBTC	440	59,224	104,129	152,903	164,117	167,463	180,514	178,349	180,345	187,518	190,605	\$ 15,343,702,500
ARK 21Shares Bitcoin	ARKB	210	15,520	33,924	43,241	47,175	45,316	46,785	44,354	50,535	49,041	48,367	\$ 3,893,543,500
Bitwise Bitcoin ETF	BITB	57	14,956	24,633	33,421	36,773	37,524	38,456	37,147	39,430	41,041	42,267	\$ 3,402,493,500
Grayscale Bitcoin Mini Trus	BTC							27,211	32,543	33,552	34,647	35,205	\$ 2,834,002,500
VanEck Bitcoin Trust	HODL	1,625	2,942	4,243	9,276	10,012	9,927	11,228	10,917	11,992	12,953	13,038	\$ 1,049,559,000
Valkyrie Bitcoin Fund	BRRR	10	2,649	3,106	7,700	8,578	8,372	8,877	8,882	8,983	9,193	9,201	\$ 740,680,500
Invesco Galaxy Bitcoin	BTCO	-	7,002	6,268	6,012	7,351	6,952	6,915	7,680	8,076	8,942	8,894	\$ 715,967,000
Franklin Bitcoin ETF	EZBC	58	1,421	2,407	5,163	6,148	5,887	6,844	6,670	7,039	7,492	7,110	\$ 572,355,000
WisdomTree Bitcoin	BTCW	54	260	807	1,227	1,275	1,290	1,317	3,653	3,708	3,749	3,749	\$ 301,794,500
Hashdex Bitcoin ETF	DEFI	-	-	-	178	178	178	178	178	148	148	148	\$ 11,914,000
Total U.S. ETFs		621,844	652,766	769,327	828,709	858,251	865,646	912,578	913,553	931,450	1,008,273	1,027,797	\$ 82,737,658,500

Blackrock's Bitcoin ETF has Overtaken its Gold ETF



Bitcoin ETFs are outperforming Bond ETFs and beginning to gain a place in the standard 60/40 investment portfolio.

Soon 1-3% allocation will move to a 10-20% allocation.

Horizontal (Category) Axis

Symbol 11/8/24	ETF Name	Assets (\$MM)	YTD %
AGG	iShares Core U.S. Aggregate Bond ETF	\$118,438	2.1%
BND	Vanguard Total Bond Market ETF	\$117,433	2.2%
BNDX	Vanguard Total International Bond ETF	\$61,114	2.7%
TLT	iShares 20+ Year Treasury Bond ETF	\$59,646	-5.7%
VCIT	Vanguard Intermediate Corporate Bond ETF	\$47,881	3.1%
MUB	iShares National Muni Bond ETF	\$39,151	0.8%
IBIT	BlackRock iShares Bitcoin ETF	\$36,222	64.1%
VCSH	Vanguard Short-Term Corporate Bond ETF	\$35,563	4.3%
VTEB	Vanguard Tax-Exempt Bond ETF	\$34,923	0.1%
MBB	iShares MBS ETF	\$33,624	2.2%
BSV	Vanguard Short-Term Bond ETF	\$33,358	3.4%
IUSB	iShares Core Total USD Bond Market ETF	\$33,142	2.8%
IEF	iShares 7-10 Year Treasury Bond ETF	\$32,938	0.4%
VGIT	Vanguard Intermediate Treasury Bond ETF	\$30,801	1.2%
LQD	iShares Investment Grade Corporate Bond ETF	\$28,516	1.2%
GOVT	iShares U.S. Treasury Bond ETF	\$28,516	1.2%
FBTC	Fidelity WiseOrigin Bitcoin ETF	\$15,343	64.1%
ARKB	ARK 21Shares Bitcoin ETF	\$3,894	64.1%
BITB	Bitwise Bitcoin ETF	\$3,405	64.1%

@HODL15Capital

BlackRock has become a major advocate for Bitcoin



Types of Entities Holding Bitcoin

Category	# of BTC	Value (\$B)	%
ETFs	₿1,213,570	\$106B	5.8%
Countries	₿529,365	\$46B	2.5%
Private Companies	₿366,738	\$32B	1.7%
Public Companies (Ex-Miners)	₿331,058	\$29B	1.6%
Mining Companies	₿61,537	\$5.4B	0.3%
Total	₿2,502,268	\$219B	11.9%

Source: <https://bitcointreasuries.com/> as of November 12, 2024.

Drivers of Bitcoin Growth

Institutions are Buying Bitcoin

Pension Funds, Sovereign
Wealth Funds, and
Endowment Funds are
Buying Bitcoin



US Bitcoin ETFs have purchased \$5 Billion in 6 days

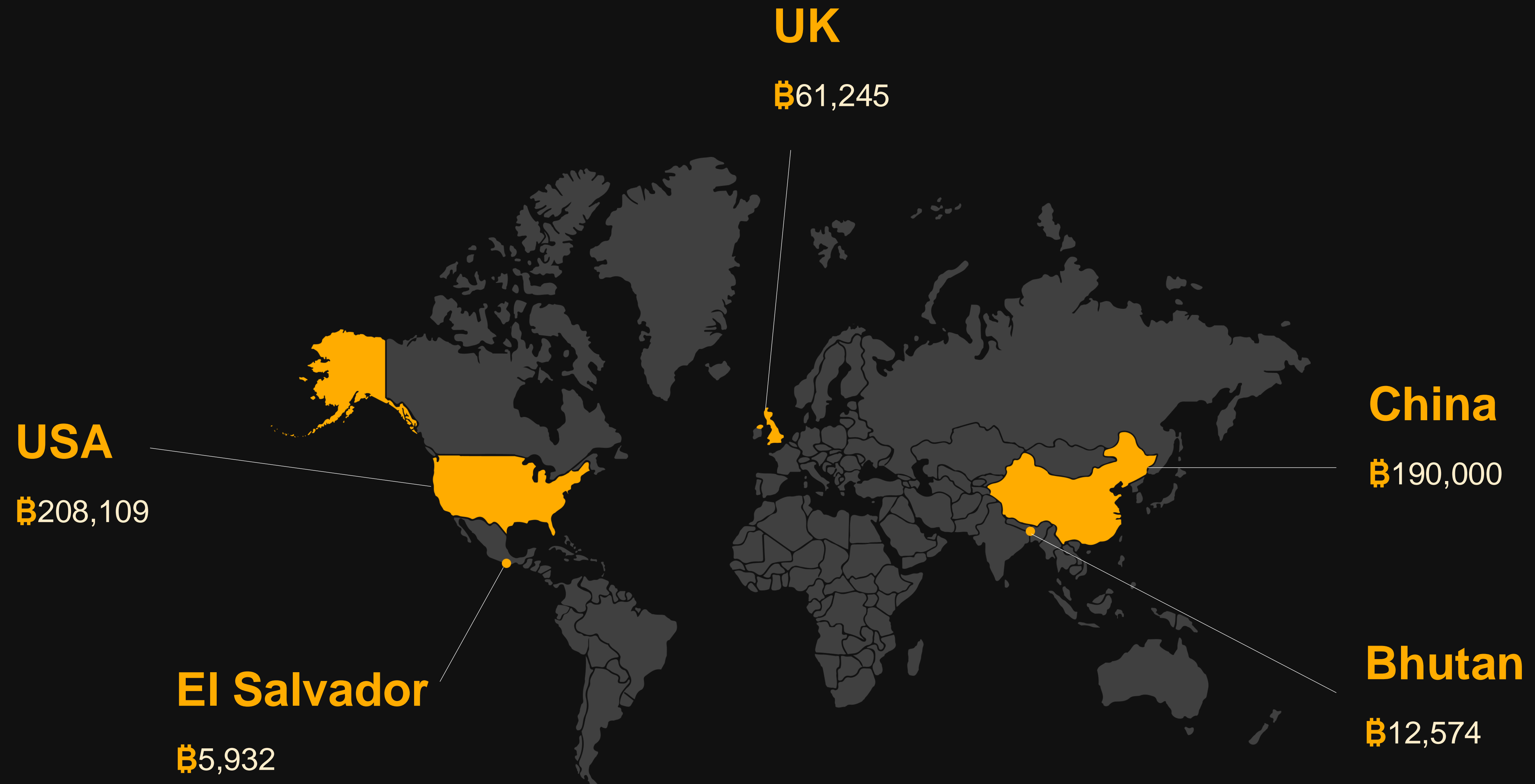
Date	Daily Total Net Inflow
Nov 13,2024	\$510.11M
Nov 12,2024	\$817.54M
Nov 11,2024	\$1.11B
Nov 8,2024	\$293.47M
Nov 7,2024	\$1.38B
Nov 6,2024	\$621.90M

Corporations are Buying Bitcoin

Bitcoin Miners, Crypto Exchanges, MicroStrategy, Tesla, SpaceX, Block



Governments are Buying Bitcoin



Source: <https://bitcointreasuries.com/> as of November 12, 2024.

The 21 Year Bitcoin Outlook

The Bitcoin24 Model is an Open-Source Macro Model

Create a
customized
Bitcoin
corporate
forecast with
Bitcoin24.



Michael Saylor ⚡ 🔒 @saylor · Aug 30

Bitcoin24 is an open-source macro model forecasting asset growth and [#Bitcoin](#) adoption over the next 21 years, along with micro models to evaluate various Bitcoin strategies for individuals, corporations, institutions, and nation-states.



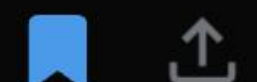
From github.com

338

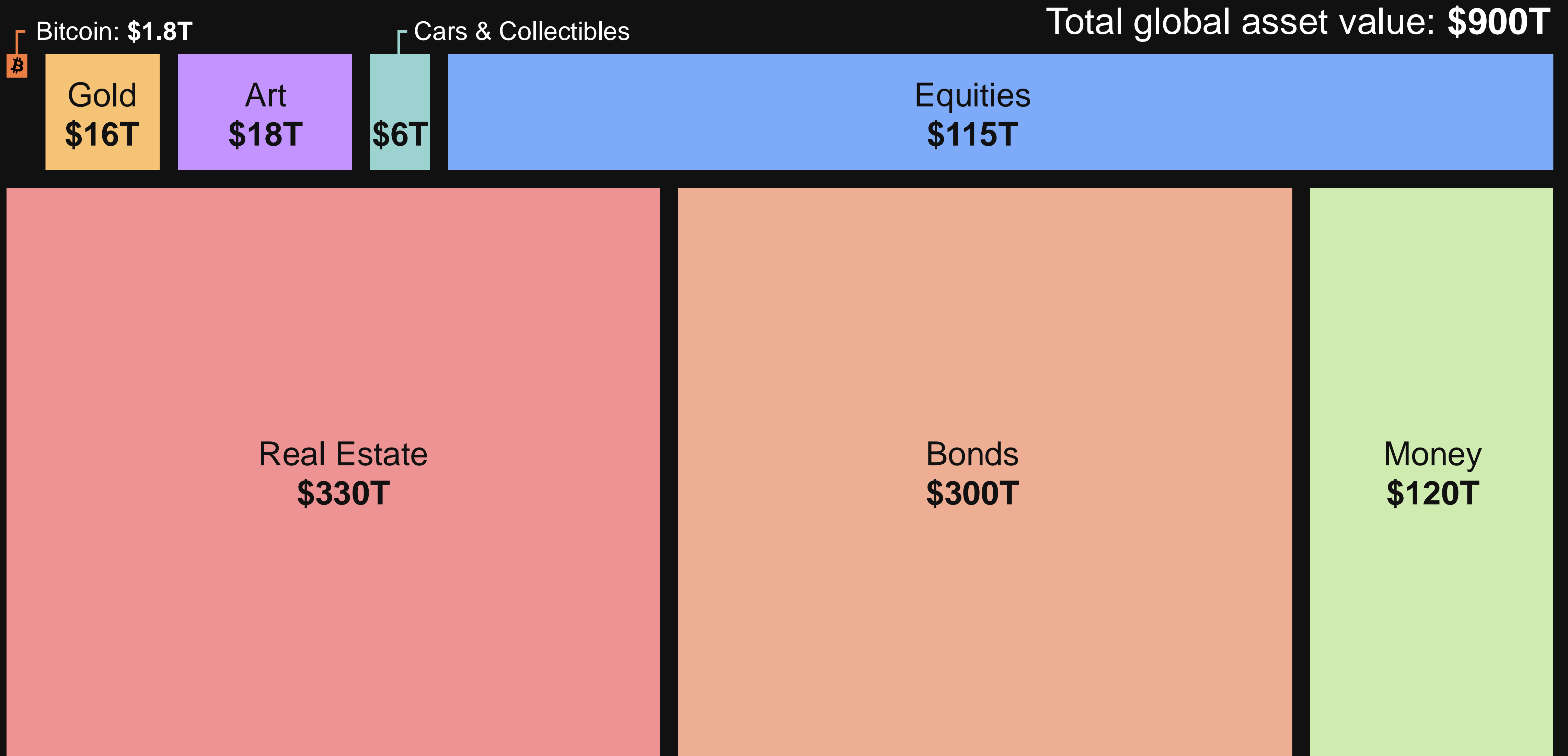
1.1K

5.2K

455K



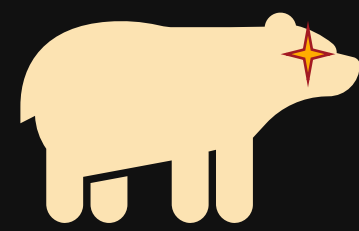


Economic Impact of Technology, Politics, & Competition



Macro 21-Year Forecast

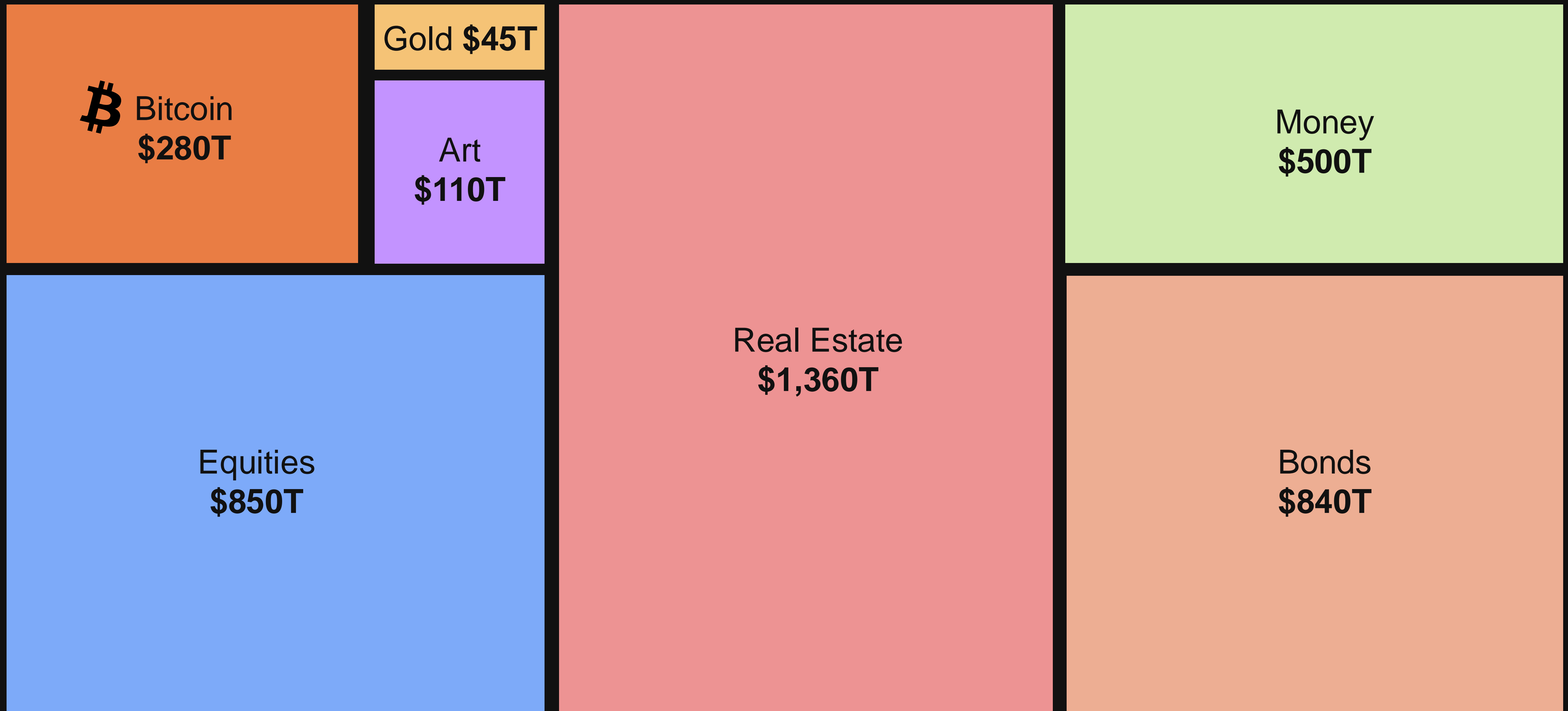
	2024		2045		
	Market Cap (\$T)	%	Market Cap (\$T)	%	ARR
Bitcoin	\$1	0.1%	\$280	7%	29%
Gold	\$16	2%	\$45	1%	5%
Art	\$18	2%	\$110	2%	9%
Equity	\$115	13%	\$850	21%	10%
Real Estate	\$330	37%	\$1,360	34%	7%
Bonds	\$300	33%	\$840	21%	5%
Money	\$120	13%	\$500	12%	7%
Total	\$900	100%	\$4,000	100%	7%

Bitcoin 21-Year Price Forecast

	2024 (July)	2045		
		Bear	Base	Bull
				
₿ Price	\$65K	\$3M	\$13M	\$49M
₿ % of Assets	0.1%	2%	7%	22%
₿ Market Cap	\$1.3T	\$68T	\$280T	\$1,030T
₿ ARR		21%	29%	37%

Macro Assets will shift toward Equity & Bitcoin by 2045

2045 Total global asset value: \$4,000T



MicroStrategy
is the first and largest
Bitcoin Treasury Company

Our BTC Principles

1 Buy and **Hold BTC indefinitely**, exclusively, securely.

2 **Prioritize MSTR** common stock long-term value creation.

3 Treat **all investors with respect**, consistency, & transparency.

4 Structure MSTR to **outperform BTC** via intelligent leverage.

5 Acquire BTC continually while achieving **positive BTC Yield**.

6 **Grow rapidly & responsibly** subject to market dynamics.

7 Issue **innovative fixed income securities** backed by BTC.

8 Maintain healthy, robust, **pristine balance sheet**.

9 **Promote global adoption of BTC** as a treasury reserve asset.

Bitcoin Strategy Over Four Years Drives \$13.5B Gain

MICHAEL SAYLOR ⚡ (MICROSTRATEGY) PORTFOLIO TRACKER

\$25 526 403 369.38

\$25.53 billion

฿279 420

\$91 167.50 now

\$42 888.13 dca

ALL TIME

▲ 113.01%

(\$13 542 603 369.38)

ALL

24H LIVE

WEEK

MONTH



TWEET



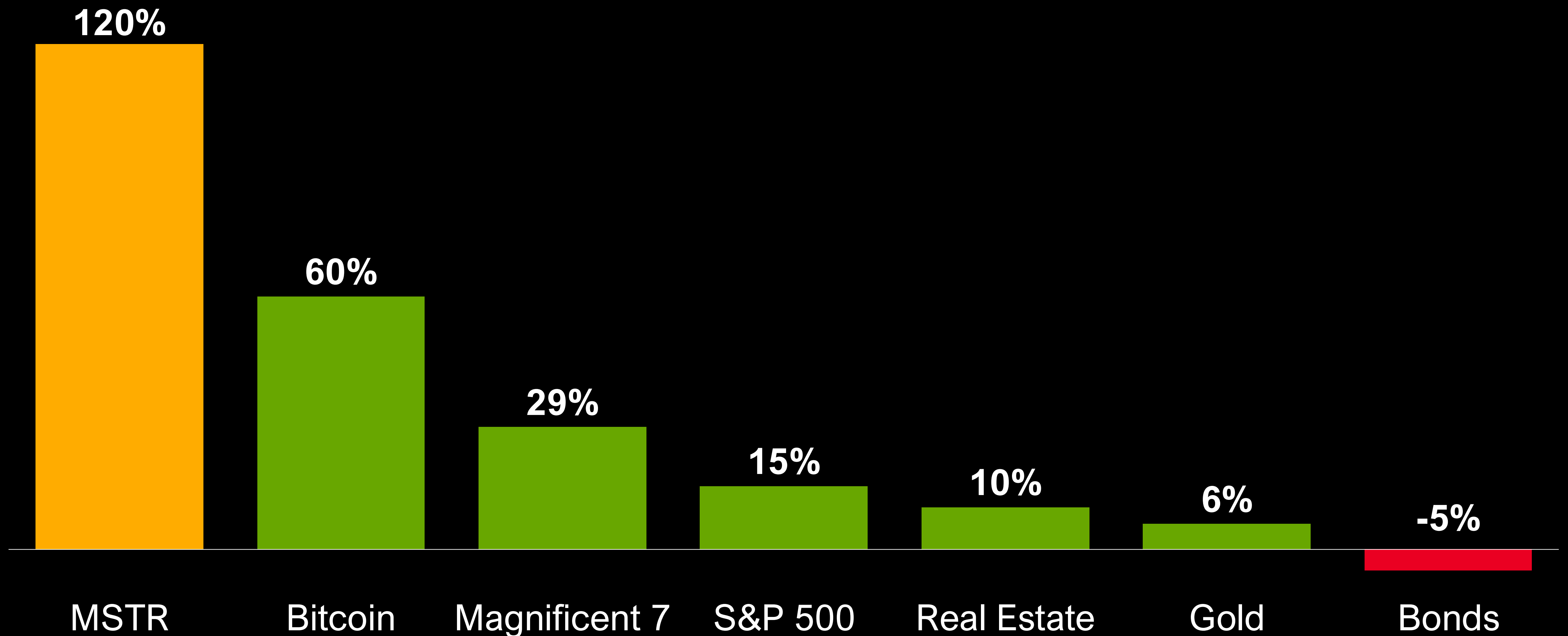
ABOUT



EL SALVADOR



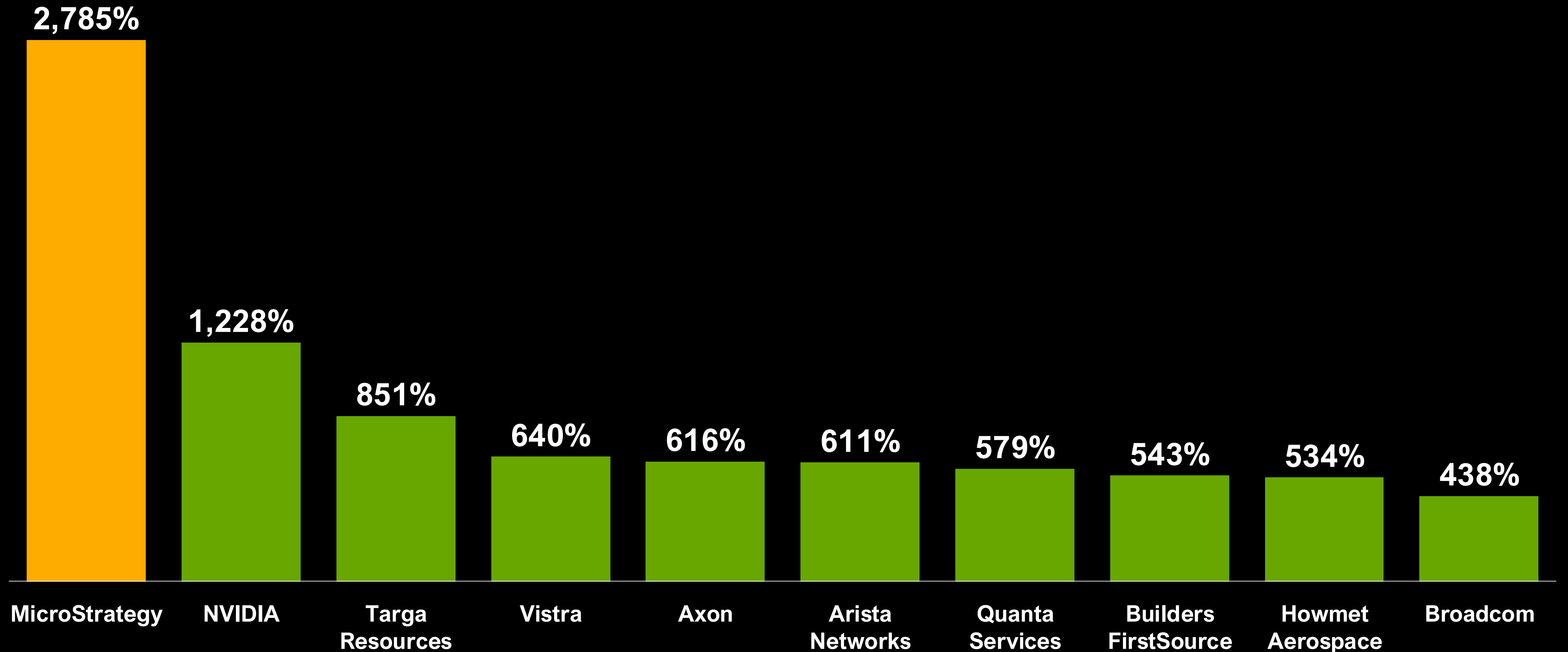
Annualized Asset Performance Chart Over Four Years



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 12, 2024.

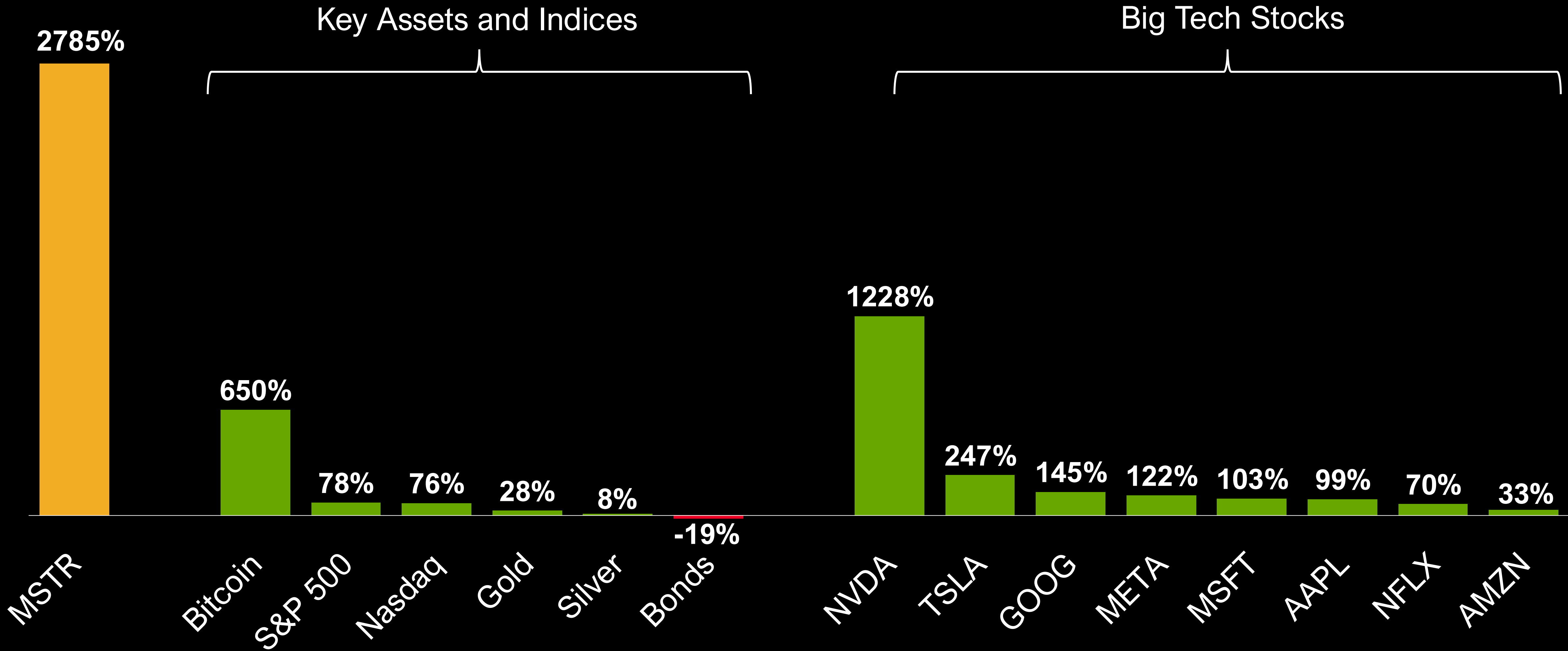
MicroStrategy vs. Top Performing Stocks in S&P 500



Performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 12, 2024. S&P 500 companies meeting exchange listing requirements.

MSTR has outperformed BTC via Intelligent Leverage

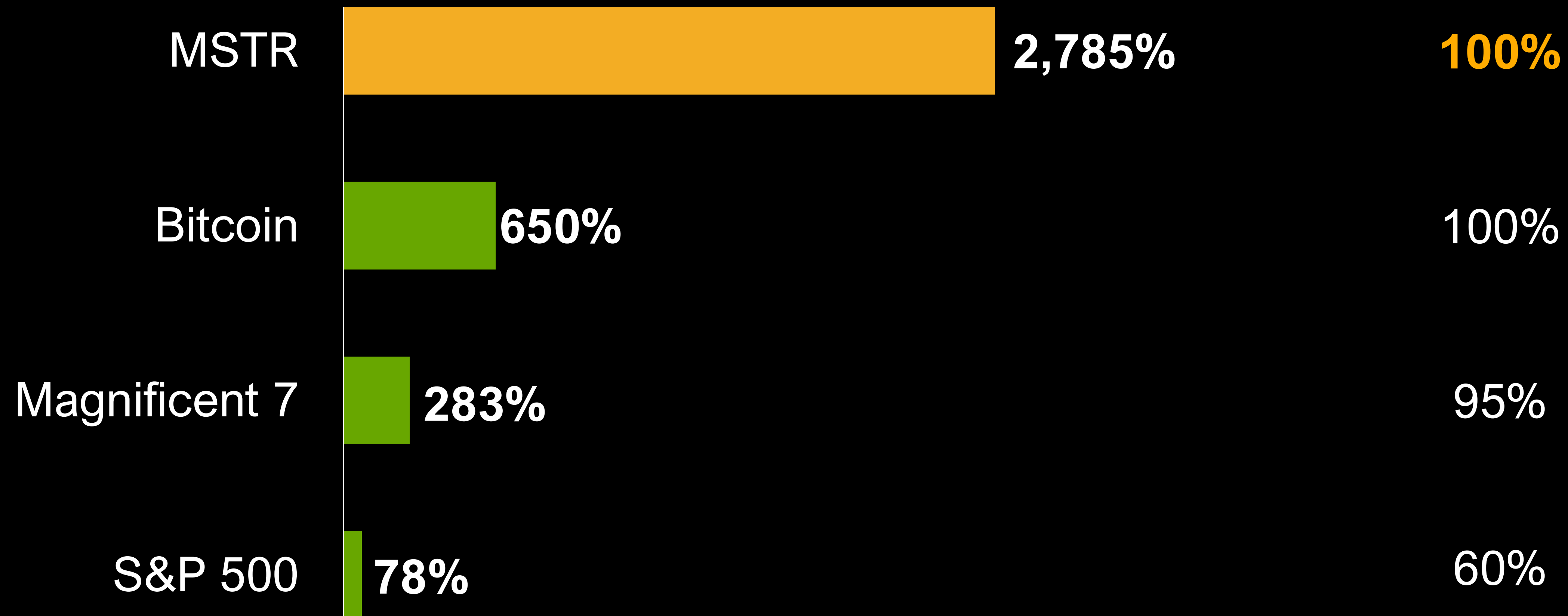


Stock performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of 4:00pm Eastern Time on November 12, 2024.

MSTR Performance Since Adoption of Bitcoin Strategy

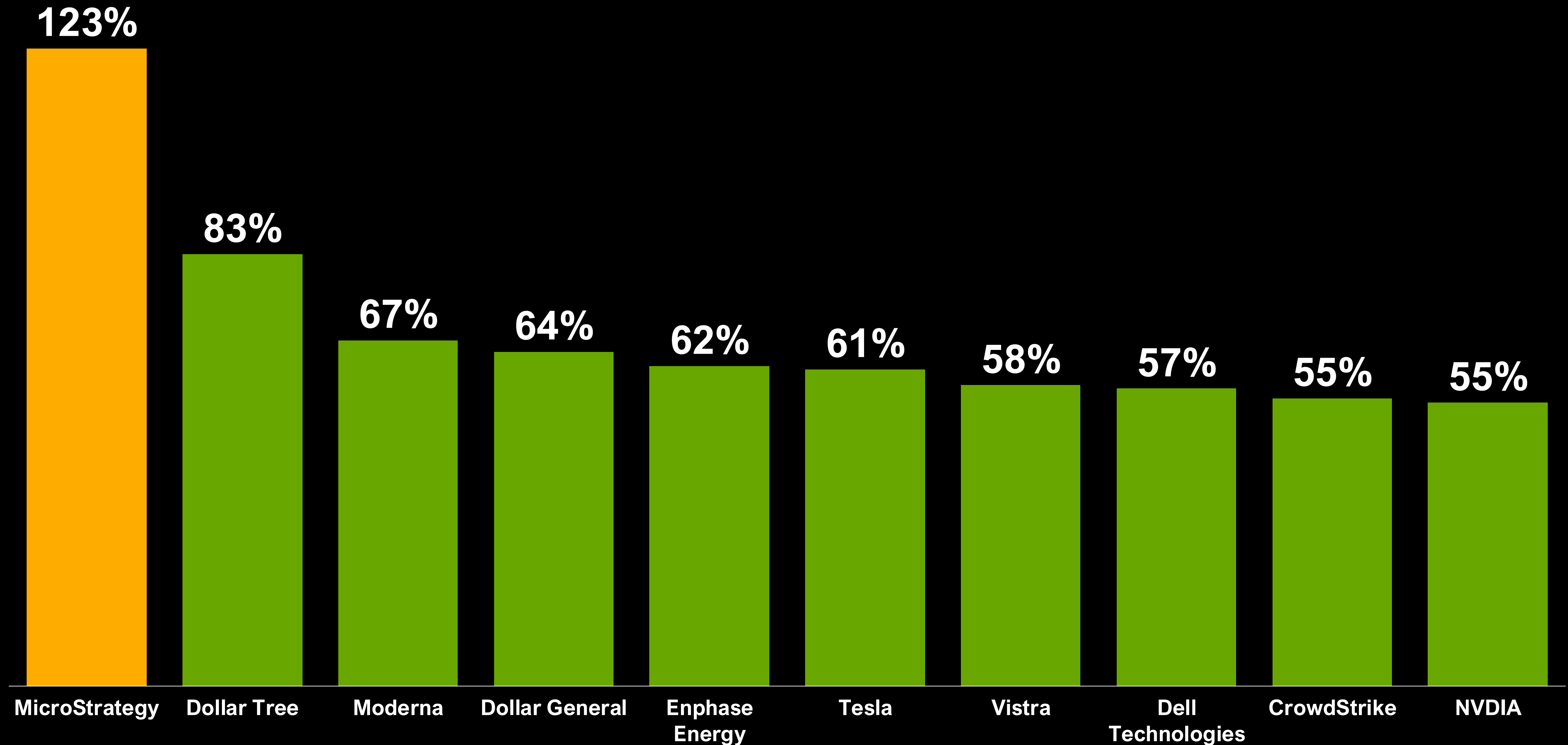
% of S&P 500 companies
outperformed



Stock performance since August 10, 2020, when MicroStrategy adopted its bitcoin strategy.

Source: FactSet as of November 12, 2024.

MSTR is more volatile than any S&P 500 stock

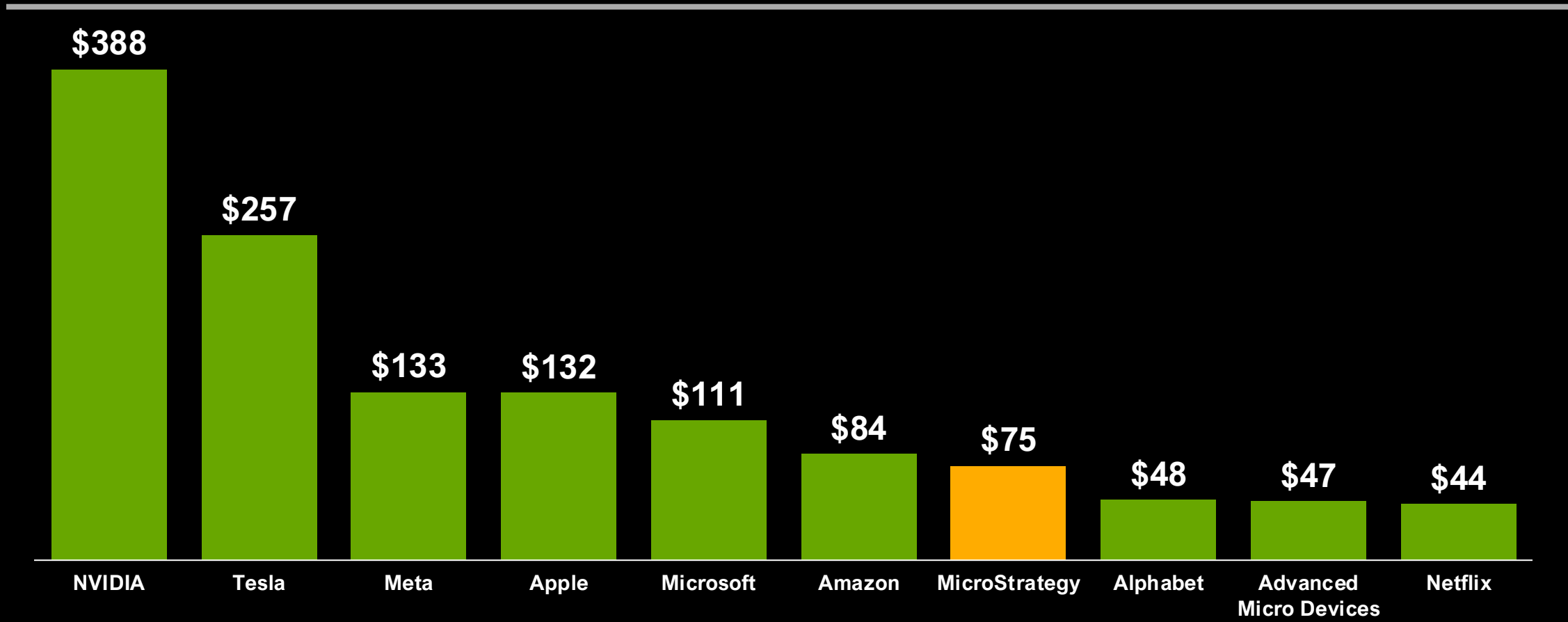


Source: FactSet as of November 12, 2024. Implied volatility for an at-the-money options contract with a 30-day expiration.

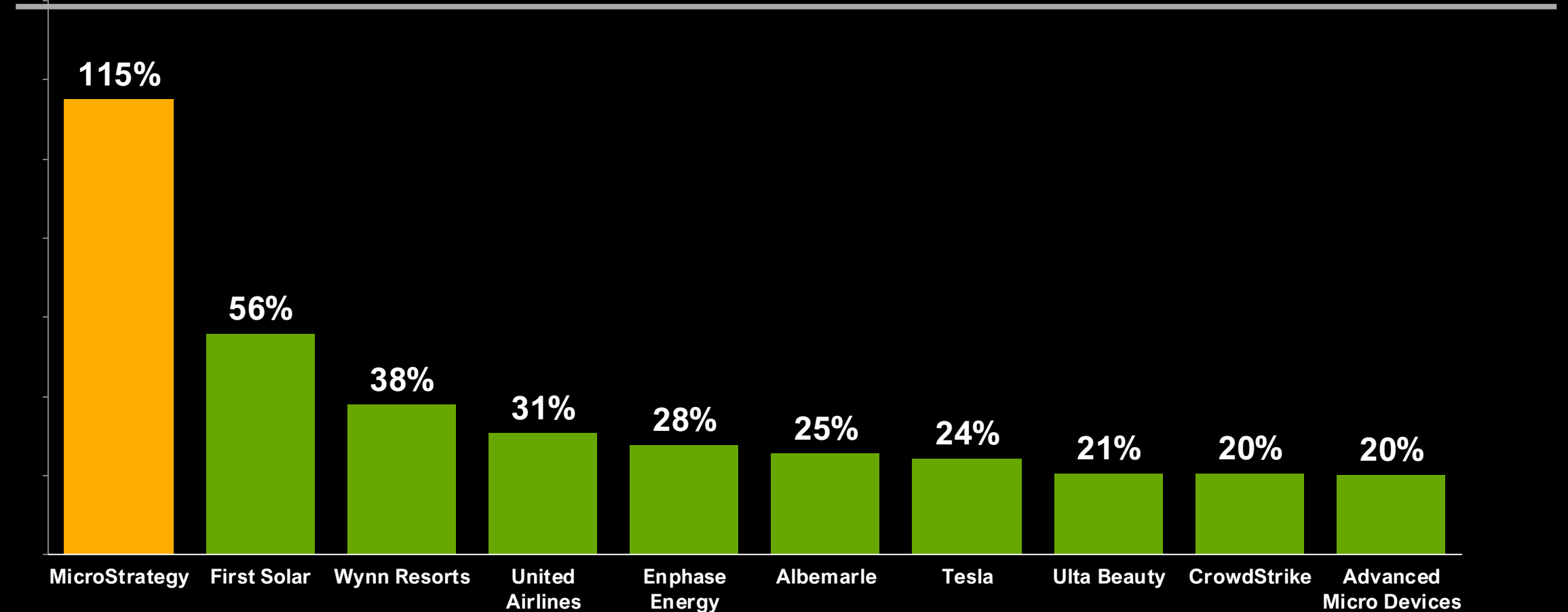
MSTR Volatility = Liquidity & Options Open Interest

Top 10 performers: Comparing MicroStrategy to the Top stocks in the S&P 500

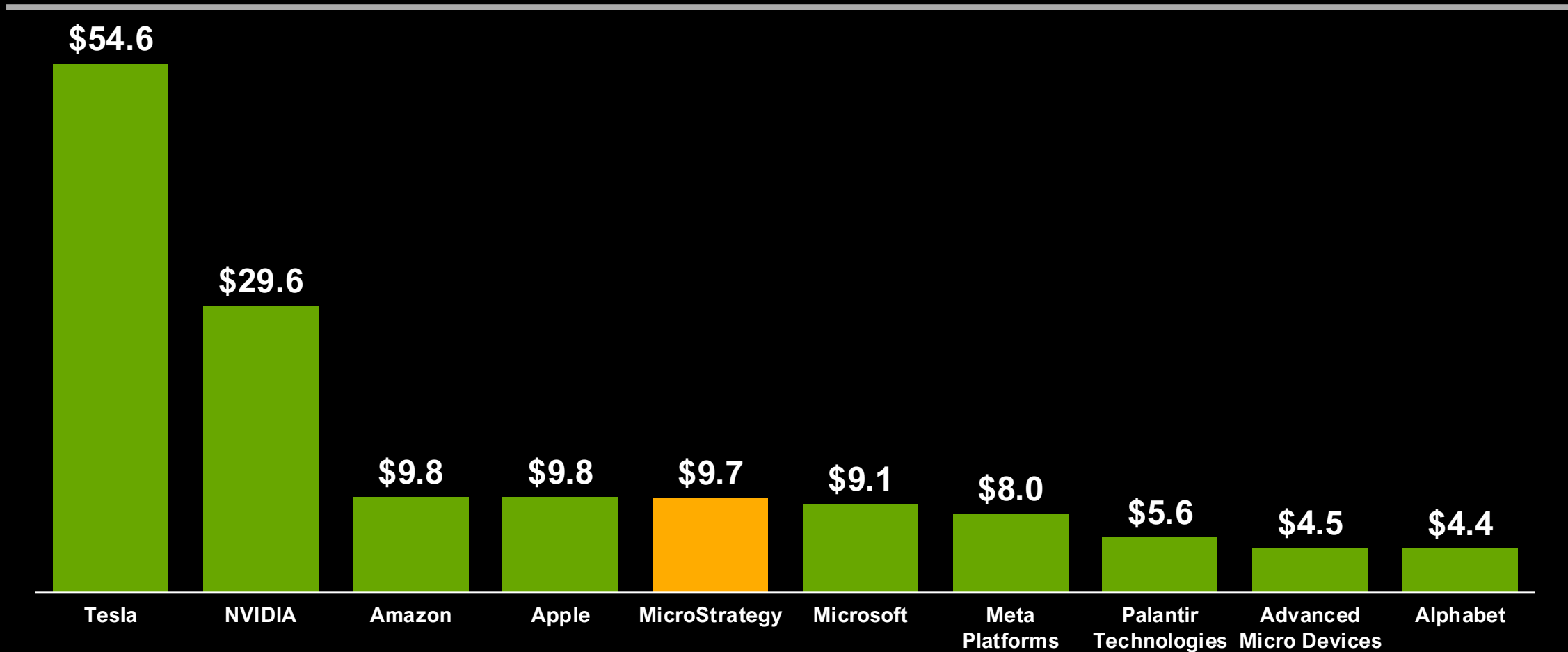
Options Open Interest (\$B)



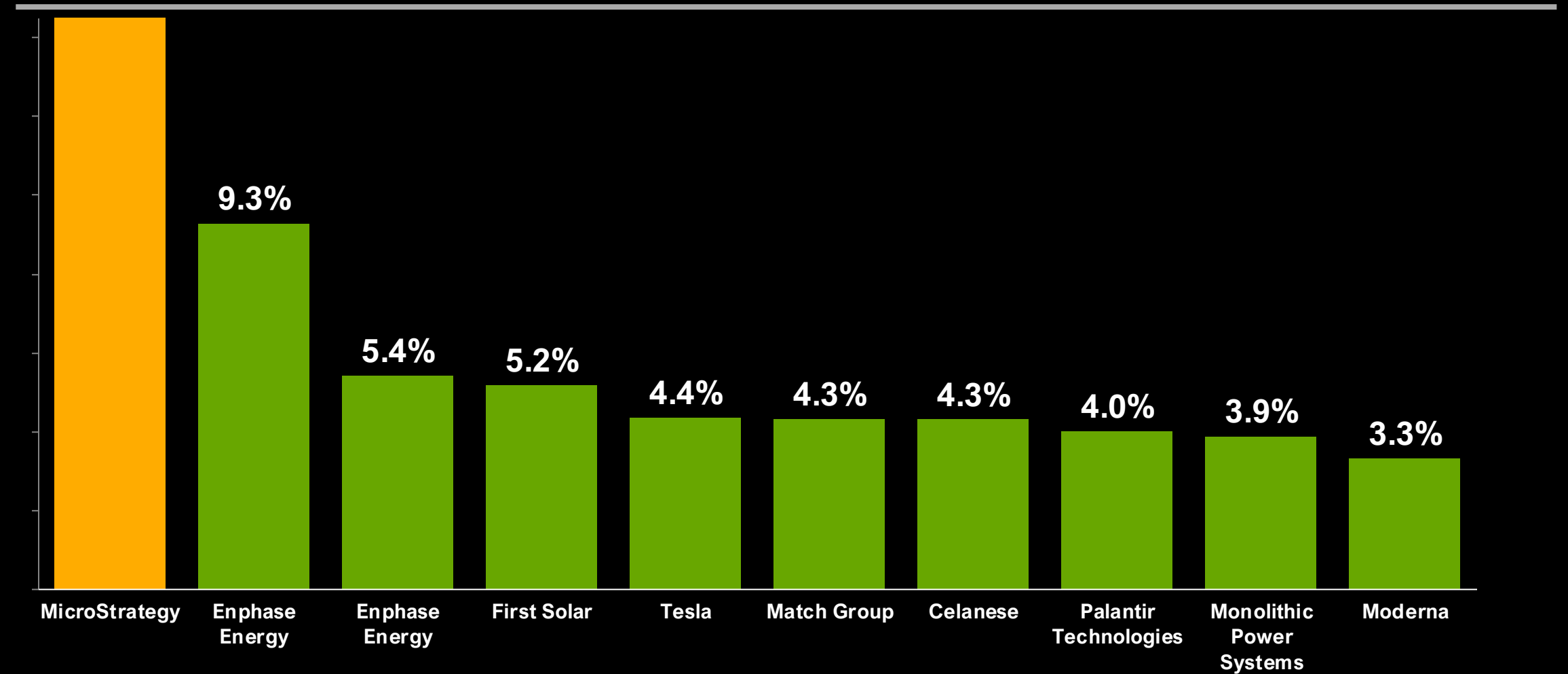
Options Open Interest (\$B) as % of Market Cap



Daily Traded Volume (\$B) (1)



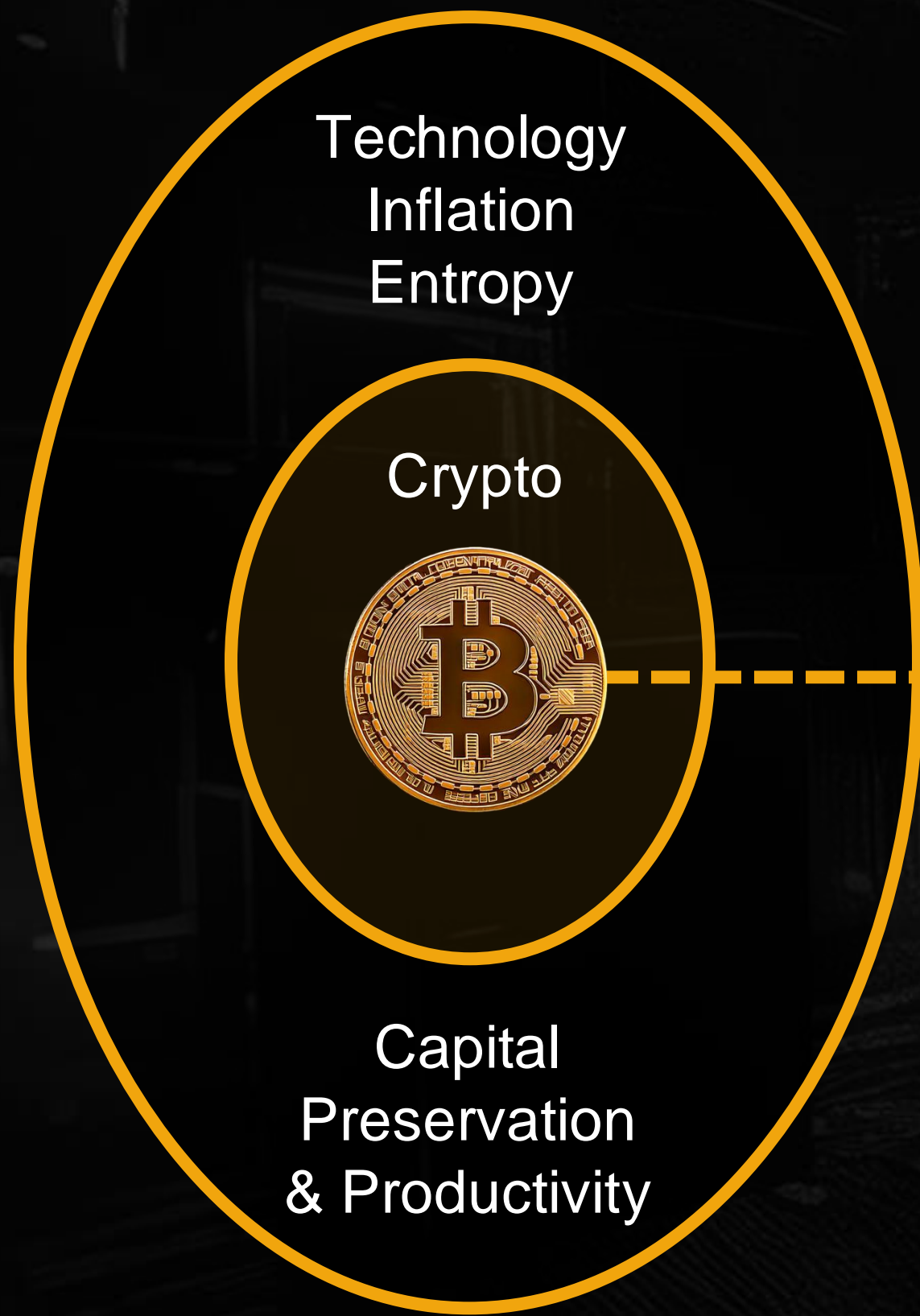
Daily Traded Volume(1) as % of Market Cap



Source: FactSet as of November 12, 2024. (1) Average trading volume over last 5 trading days.

MicroStrategy = BTC Treasury Operations + BTC Reserves

Macro Economy



\$1.8 Trillion Asset Class

MSTR Treasury Operations

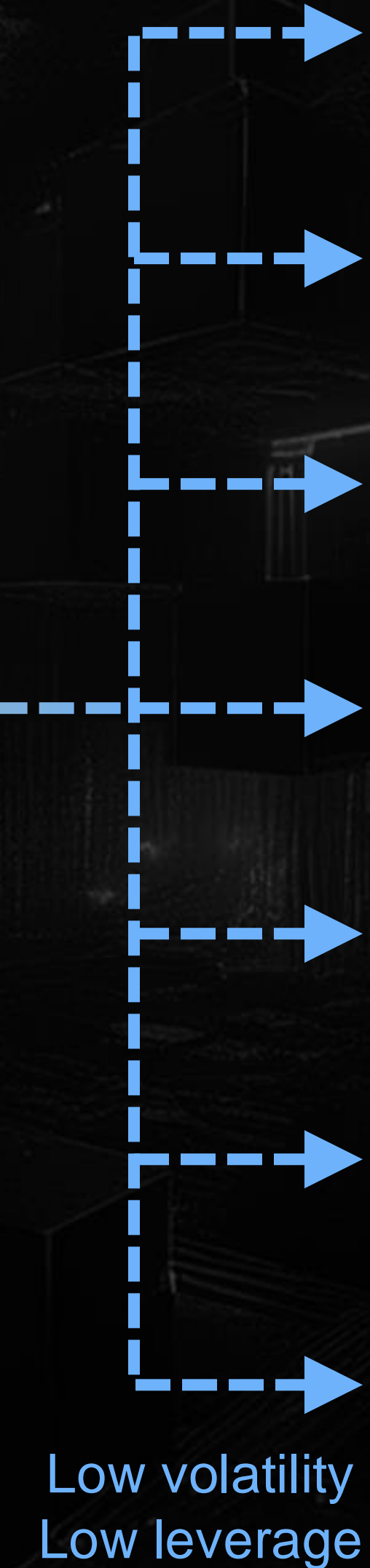


MSTR Bitcoin Reserves



279,420 BTC
~\$25b USD

High volatility
High leverage



Securities

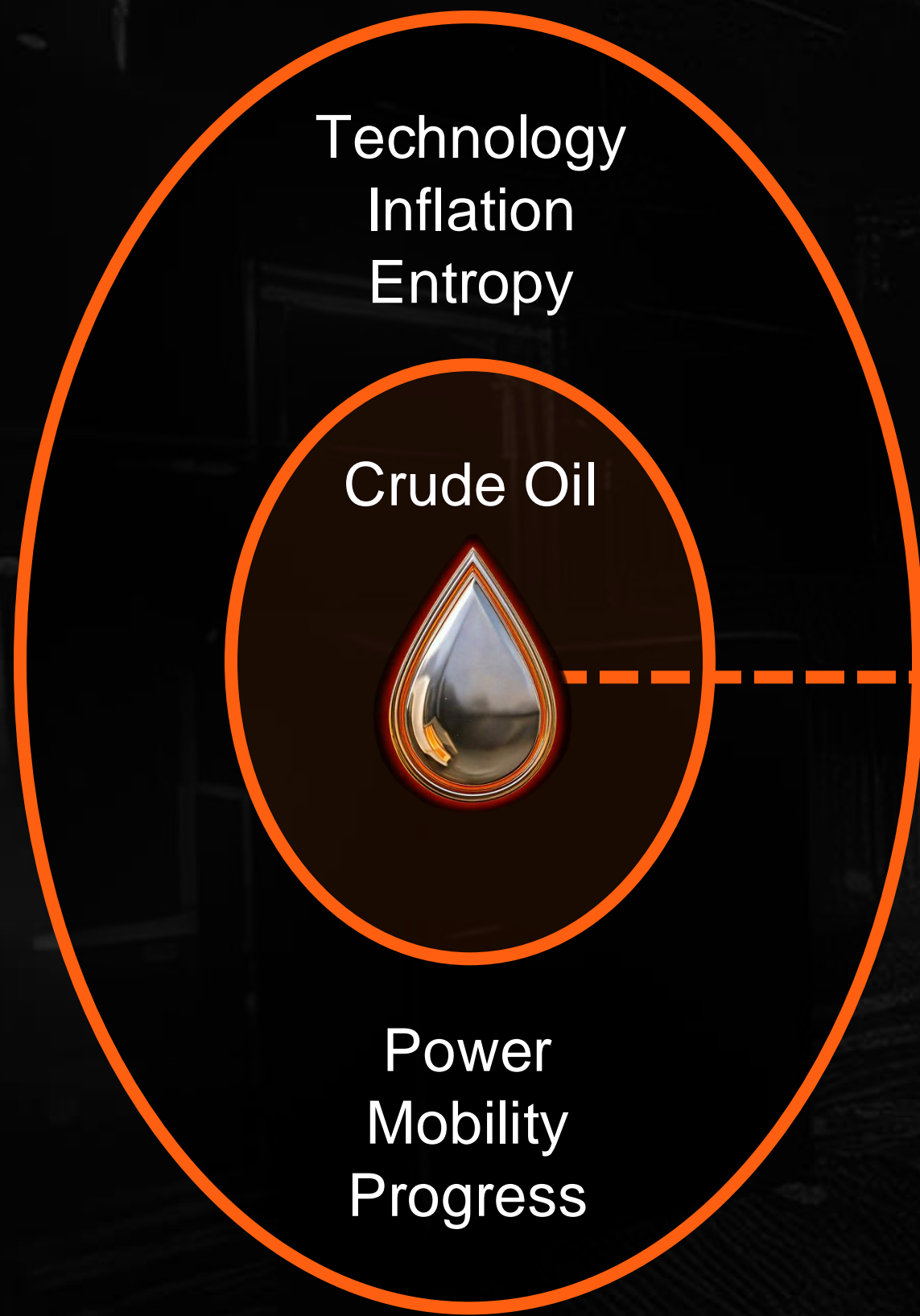
- MSTR Options
- MSTX, MSTU
- MSTR Equity
- Spot BTC ETFs
- MSTR Convert
- MSTR Dividend*
- MSTR Fixed*

* Not yet available.

For illustrative purposes only; does not constitute investment advice and should not form the basis for an investment in MSTR or any other securities.

Energy Companies = Oil Refining Operations + Oil Reserves

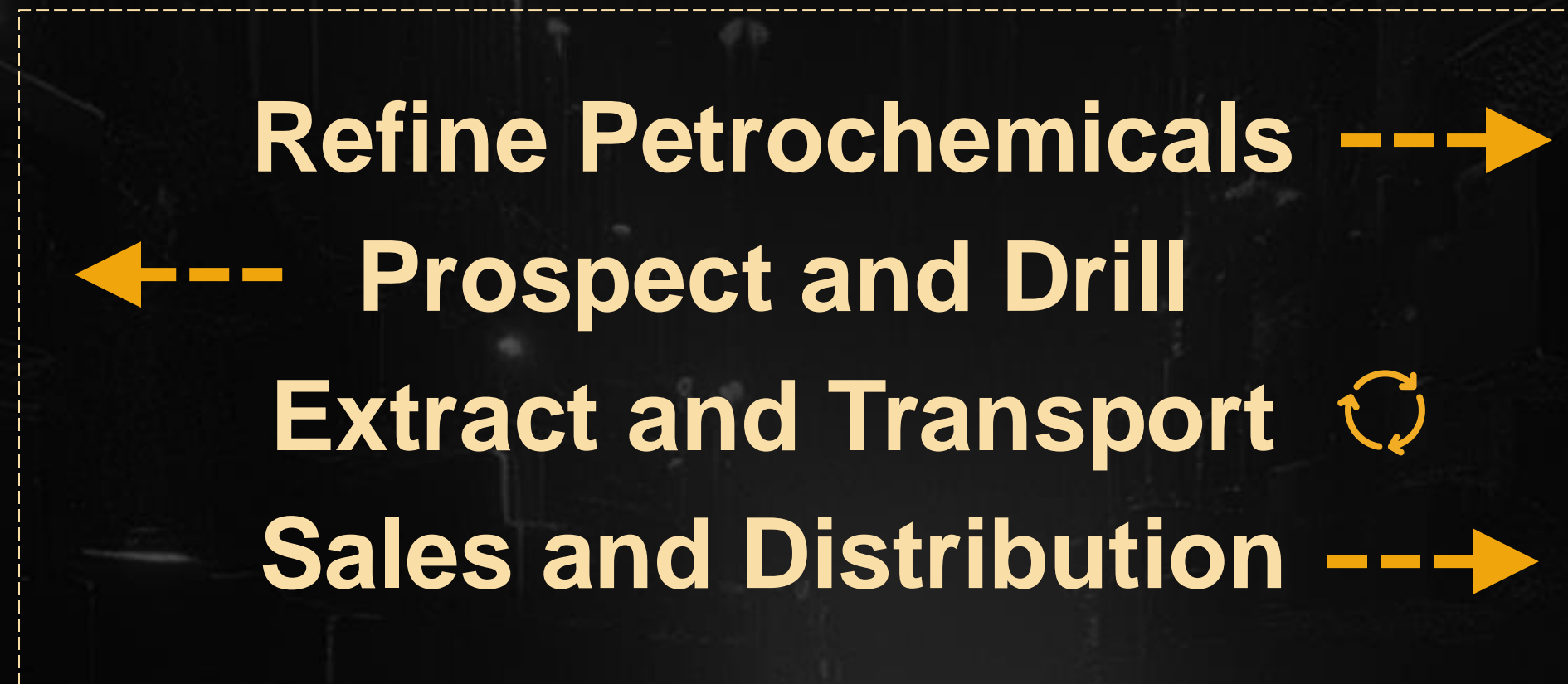
Global Energy



Oil

\$10+ Trillion Asset Class

Oil Refining Operations



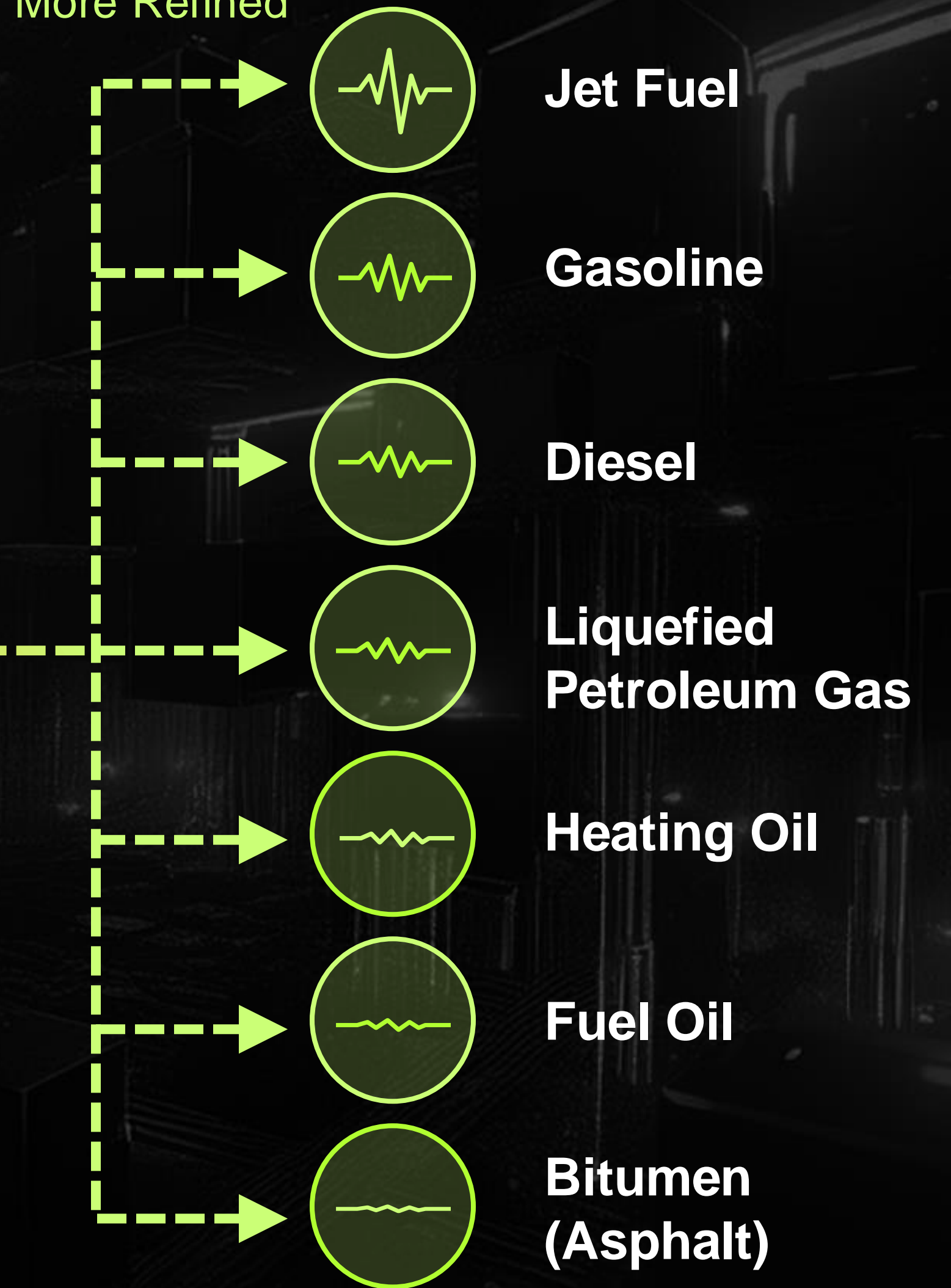
Oil Reserves



Barrels of Oil
Value in USD

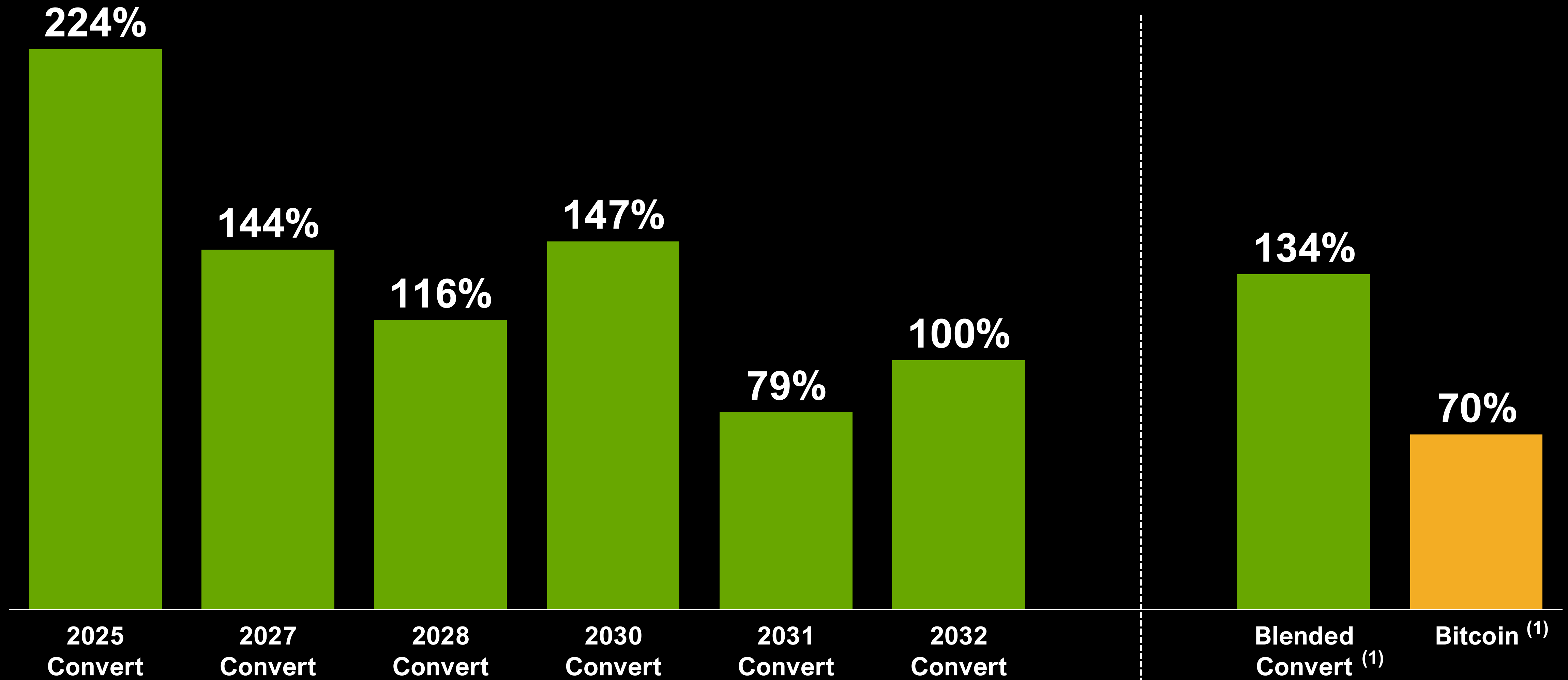
Oil Products

More Refined



Less Refined

MSTR Convertible Bonds Performance Since Issuance

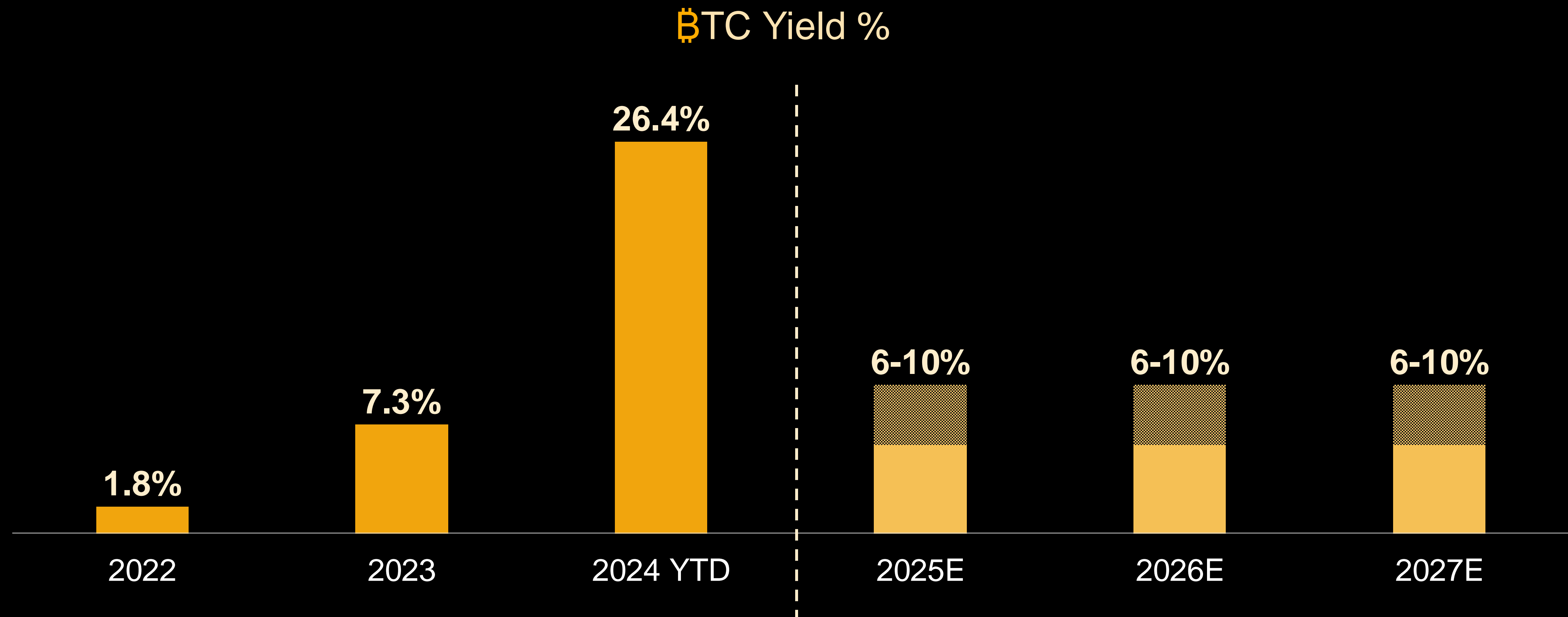


Source: FactSet as of November 12, 2024.

(1) Weighted average appreciation of the bonds and bitcoin from the respective issuance dates of bonds.

BTC Yield KPI Long Term Target

BTC Yield is the % change period-to-period of the ratio between Bitcoin Holdings and Assumed Diluted Shares Outstanding



Note: "BTC Yield" is a KPI (key performance indicator) that represents the % change period-to-period of the ratio between our bitcoin holdings and our Assumed Diluted Shares Outstanding (defined in the Appendix). We use this KPI to help assess the performance of our bitcoin acquisition strategy – it is not an operating performance measure or a financial or liquidity measure. Please refer to the Appendix for additional information about BTC Yield and our BTC Yield targets.

The World's Largest ATM Equity Offering is to Buy Bitcoin

PROSPECTUS SUPPLEMENT
(To Prospectus Dated August 1, 2024)

The logo for MicroStrategy, featuring the word "MicroStrategy" in a bold, red, sans-serif font. A small red starburst icon is positioned above the letter "i" in "Micro". A registered trademark symbol (®) is located at the end of the word "Strategy".

Up to \$21,000,000,000

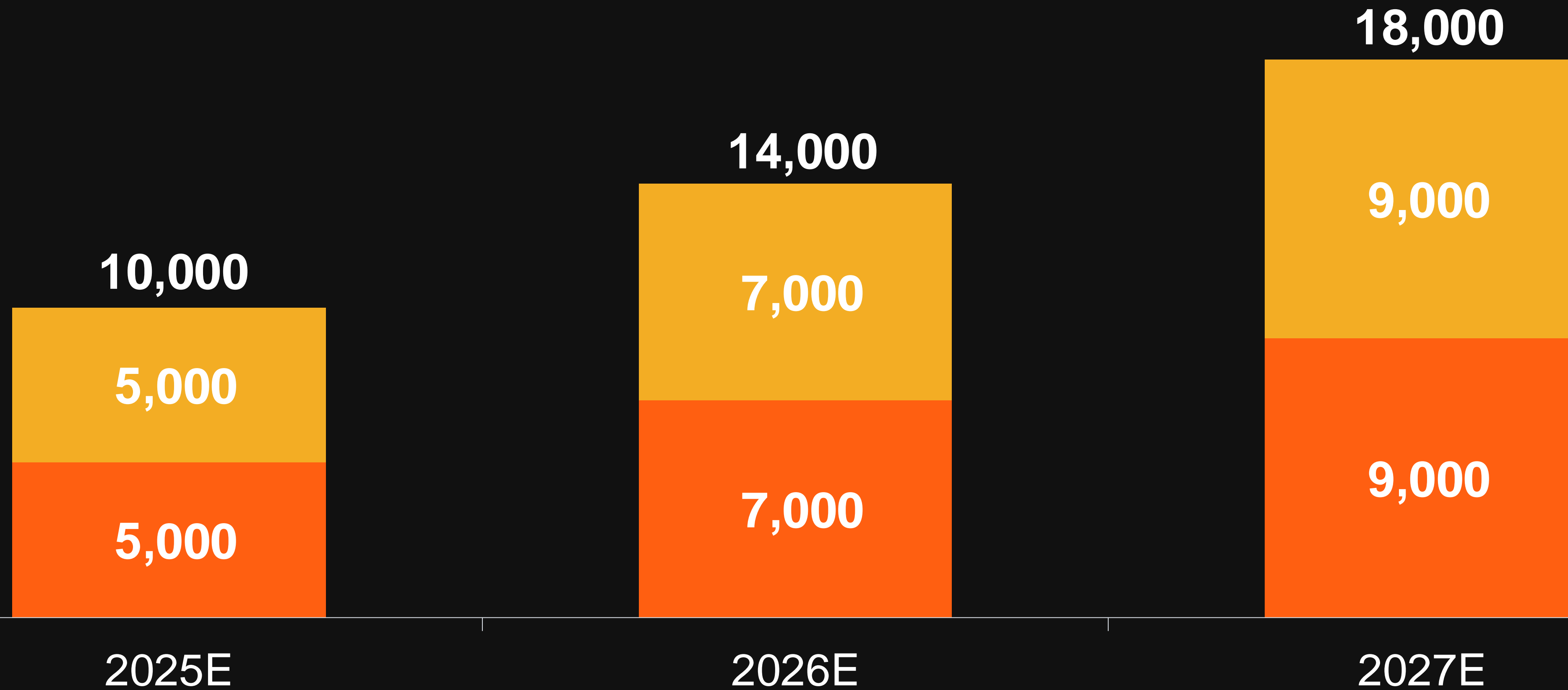
Class A Common Stock

We have entered into a Sales Agreement (the “Sales Agreement”) with TD Securities (USA) LLC, Barclays Capital Inc., The Benchmark Company, LLC, BTIG, LLC, Canaccord Genuity LLC, Cantor Fitzgerald & Co., Maxim Group LLC, Mizuho Securities USA LLC, and SG Americas Securities, LLC (collectively, the “Agents”), dated October 30, 2024, relating to the sale of shares of our class A common stock, par value \$0.001 per share, offered by this prospectus supplement. In accordance with the terms of the Sales Agreement, under this prospectus supplement, we may offer and sell shares of our class A common stock having an aggregate offering price of up to \$21,000,000,000 from time to time through one or more of the Agents, acting as our sales agents.

MicroStrategy is Buying Bitcoin

(\$ in Millions)

■ Equity ■ Fixed Income



**MicroStrategy Acquires
27,200 BTC and
achieves BTC Yield
of 26.4% YTD;
Now Holds
279,420 BTC**



MicroStrategy[®]



Michael Saylor ⚡



@saylor

Our **\$MSTR** treasury operations in the first 10 days of November resulted in a BTC Yield of 7.3%, a net benefit to our shareholders of ~18,410 BTC.

9:01 AM · Nov 11, 2024 · **631.8K** Views

 571

 1.2K

 12K

 207





Michael Saylor ⚡



@saylor



This year, **\$MSTR** treasury operations delivered a BTC Yield of 26.4%, providing a net benefit of ~49,936 BTC to our shareholders. This is equivalent to 157.5 BTC per day, acquired without the operational costs or capital investments typically associated with bitcoin mining.

8:00 AM · Nov 12, 2024 · **821.4K** Views



643



1.6K



12K



513



The Red Wave



“Give People their Freedom Back”

Elon Musk



Donald Trump on July 27, 2024 at Bitcoin Conference



Implications of the Trump Red Wave



End to the War
on Crypto



Digital Assets
Framework



Accelerated Institutional
Adoption



Favorable Tax Laws



Strategic Bitcoin Reserve

Upcoming Bitcoin Milestones of Institutional Adoption

Repeal SAB 121 to Allow Bitcoin Banking

In Kind Create & Redemption for Bitcoin ETFs

Options on Bitcoin ETF

Approval for Solicited Sale by Banks

Acceptance of BTC as Collateral



The Crypto Renaissance

**The Traditional Capital Markets
are Failing the Public.**

**They are crippled by antiquated
structures based on 20th century
techniques that are now obsolete.**

Traditional Capital Markets are Expensive

In order to go public:

Too many lawyers

Too many accountants

Too many approvals

Too many years

Too many employees

Too much insurance

Too much revenue

Too much cost

Too much capital



Capital Markets are Unhealthy full of Zombie Companies

Most public companies:

Offer no liquidity/options

Can't beat S&P index

Can't retain earnings

Can't raise capital

Can't take risks

Capital is Toxic

Volatility is Toxic

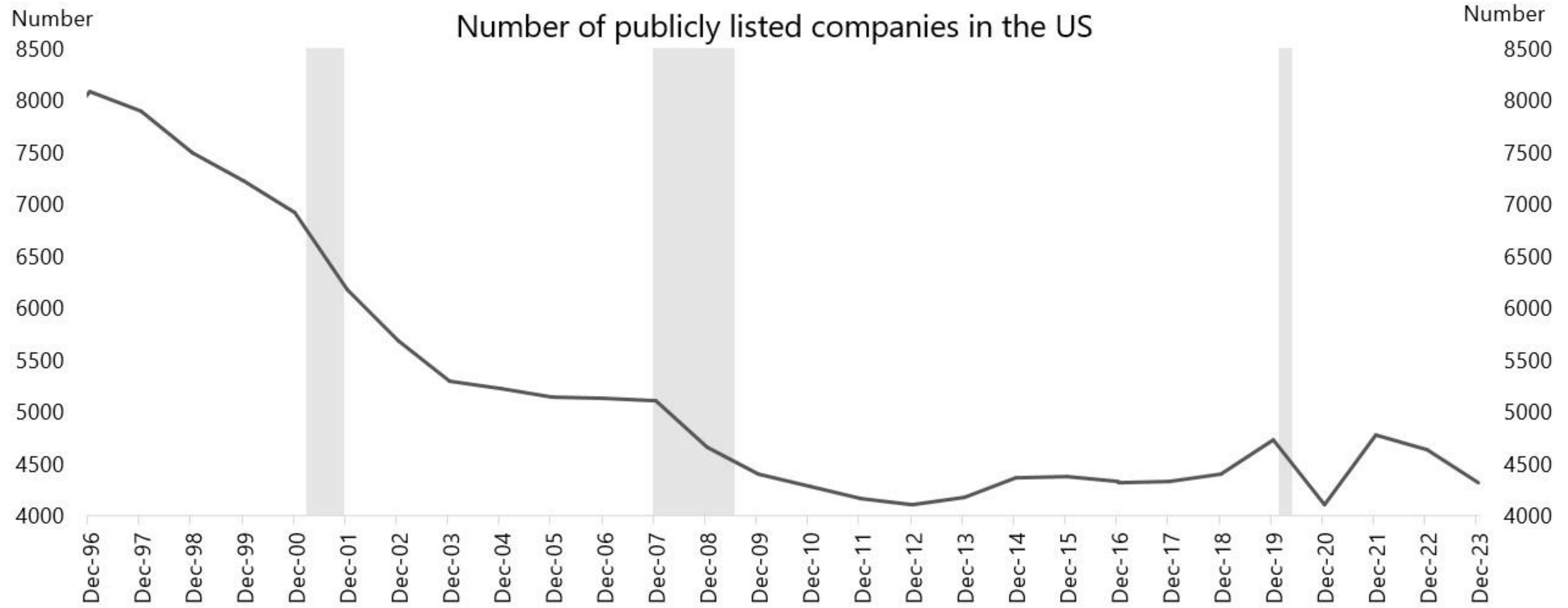
Inflation is Toxic



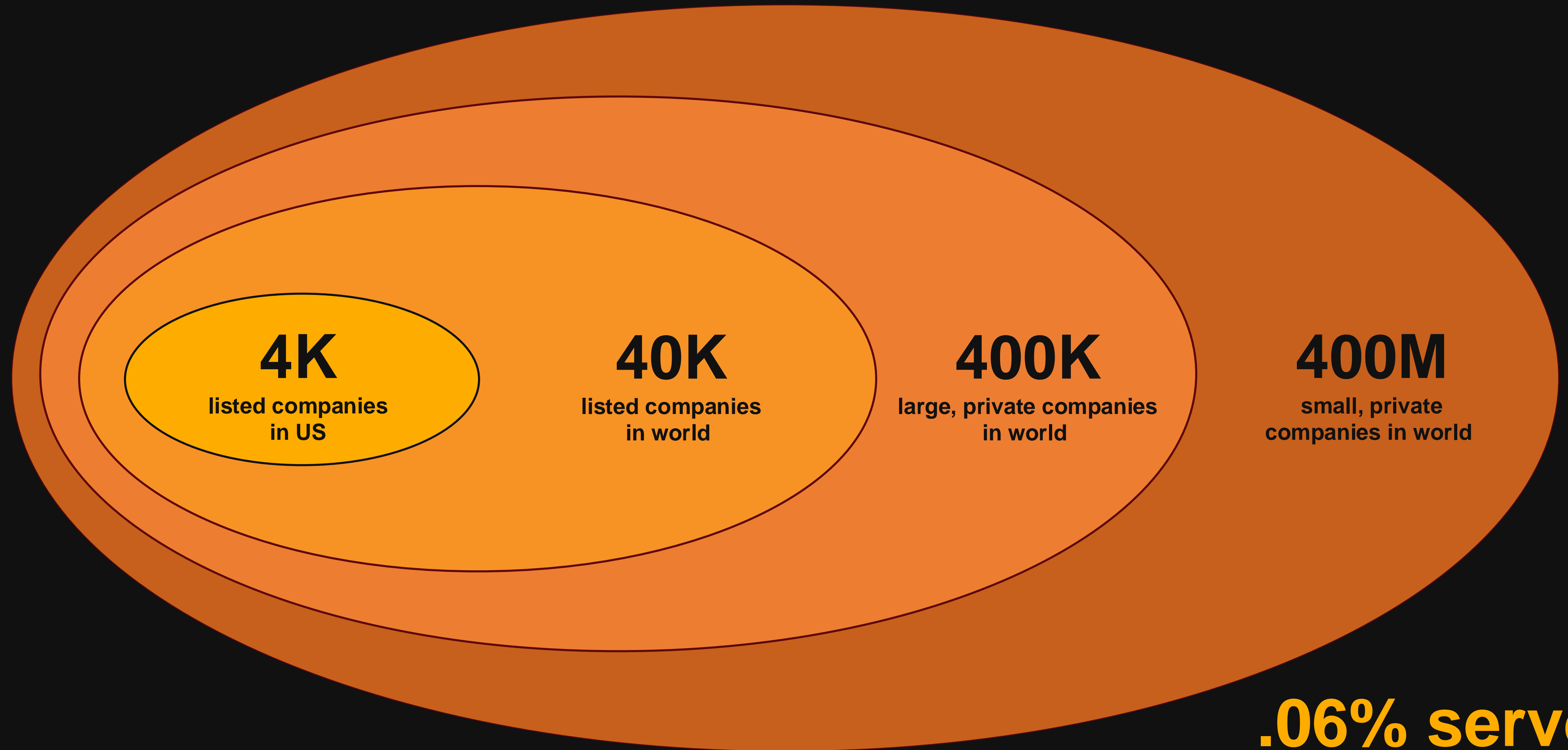
Stifling Regulations Cripple Innovation, Diversity & Growth

APOLLO

US: Significant decline in the number of publicly listed companies



Traditional Capital Markets are Exclusionary & Elitist



.06% served
of all US businesses

**Our current regulations require
4 years and \$40 million to create
a traditional security.**

**It is now possible to issue a
smarter, faster, stronger digital
token in 4 hours for \$40.**

**The Industry Needs a Digital
Assets Framework in Order to
Grow and Prosper**

Define Digital Asset Classes

**Set Sound Ethical, Economical, and
Technical Guidelines**

**Provide Practical Legal Method to
Issue, Own and Operate Digital Assets**

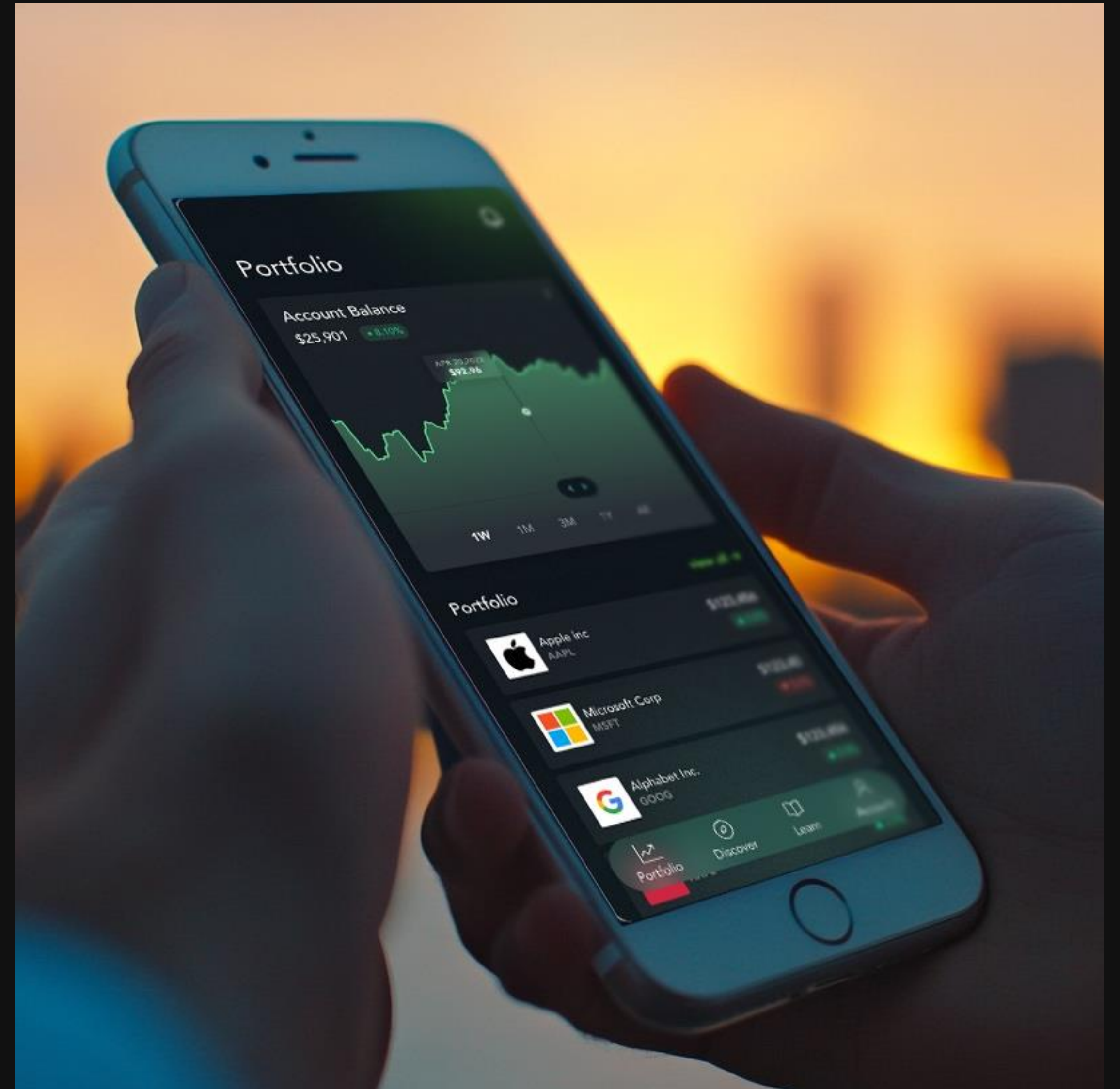
Digital Commodity

Asset without an Issuer
backed by Digital Power



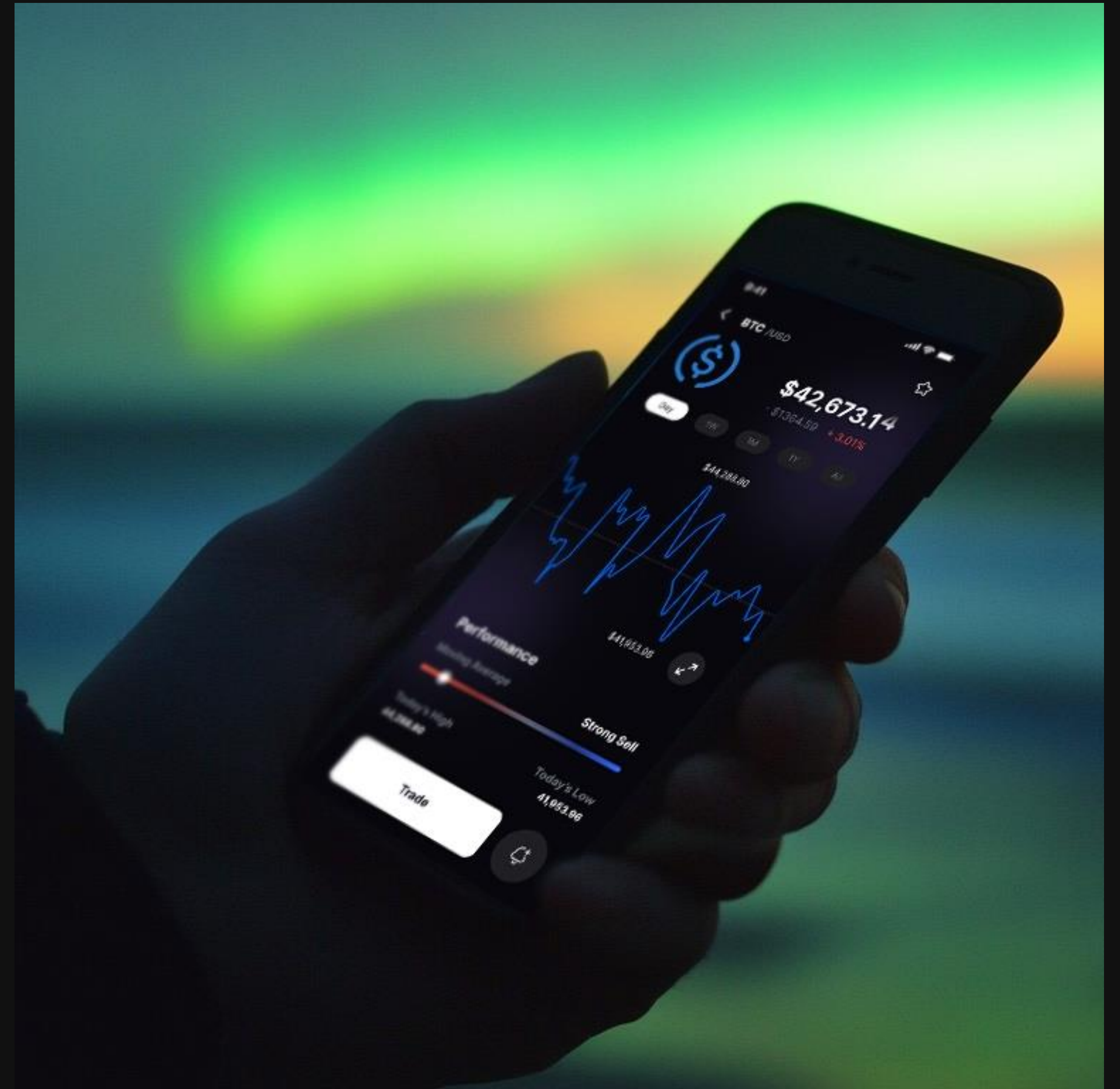
Digital Security

Asset with an Issuer
backed by a Security
(Equity, Debt, Derivative)



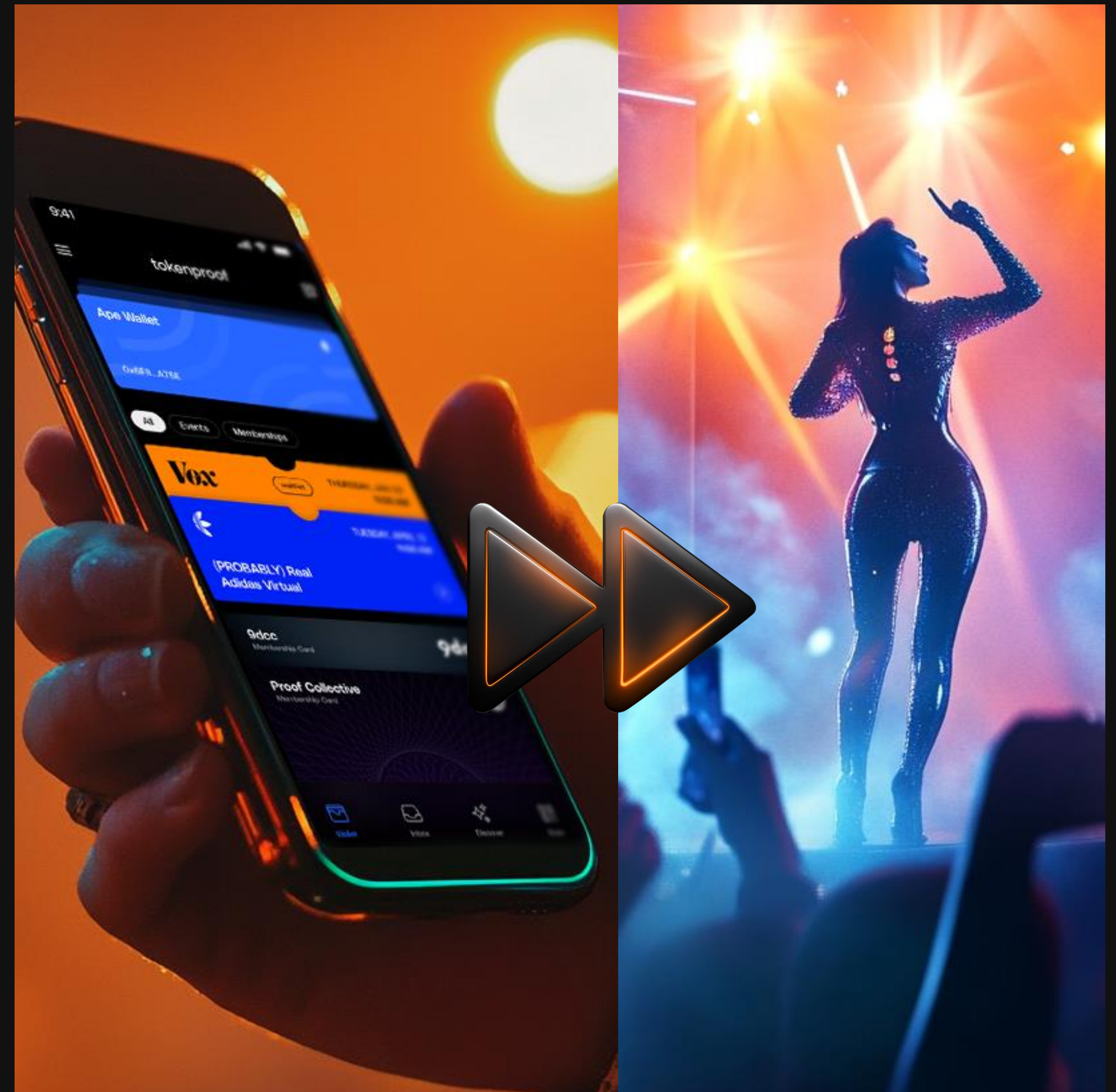
Digital Currency

Asset with an Issuer
backed by a Fiat Currency



Digital Token

Fungible Asset
with an Issuer
offering Digital Utility



Digital NFTs (Non-Fungible Token)

Non-Fungible Asset
with an Issuer
offering Digital Utility



Digital ABTs (Asset Backed Token)

Asset with an Issuer
backed by a Physical Asset
(Gold, Oil, Corn)



Digital Assets Framework & Rules

Digital Currency Rules

How does a corporation issue and operate a stablecoin backed by USD reserves that can be transferred freely & instantly by humans & machines worldwide?

Acid Test:

Tether locates HQ in US



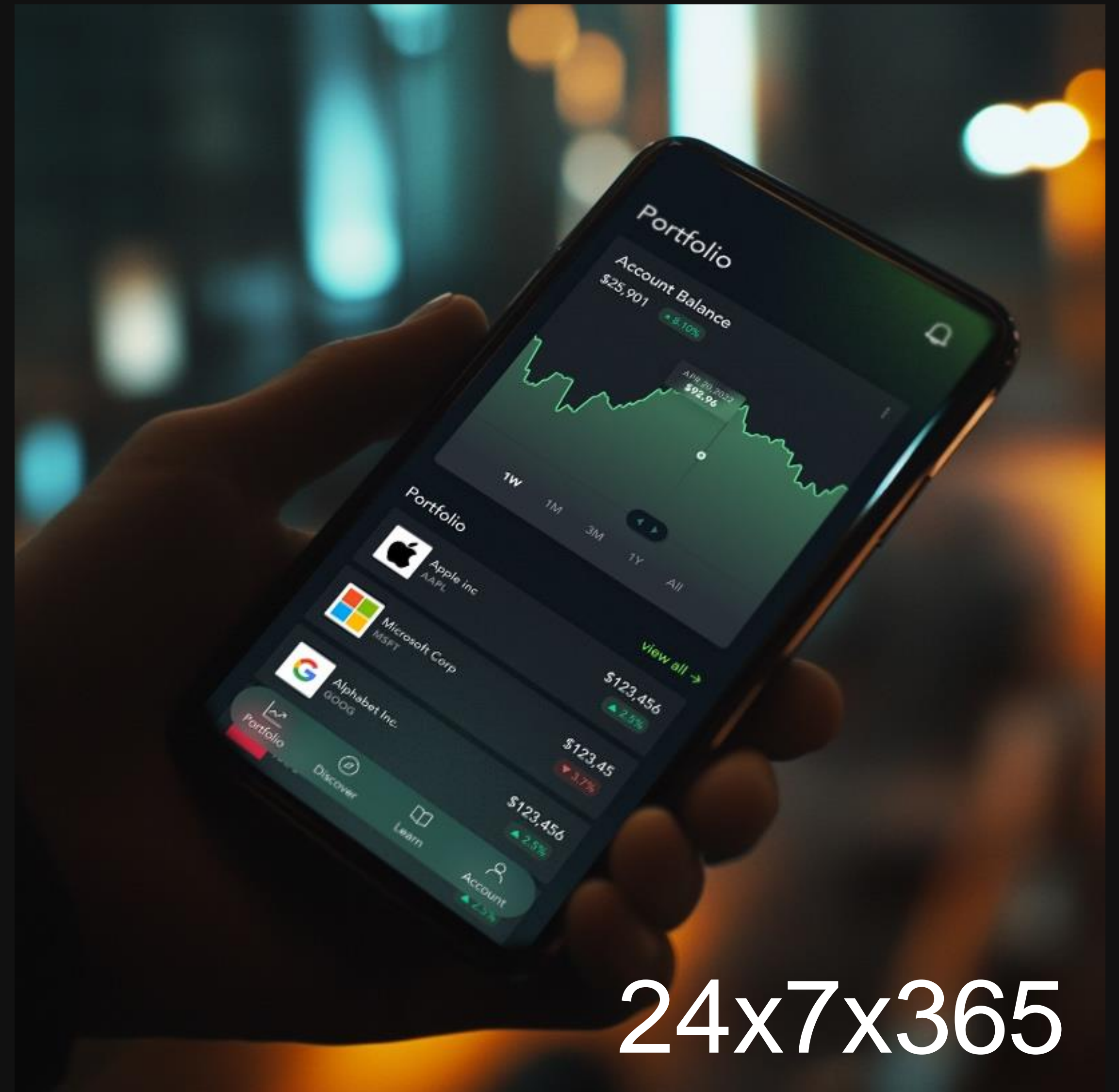
Digital Securities Rules

How does Apple make its shares available for trading 24/7/365 on digital exchanges globally?

How do Apple shareholders take possession of their shares on their iPhones?

Acid Test:

MSTR trades 24/7 on Coinbase



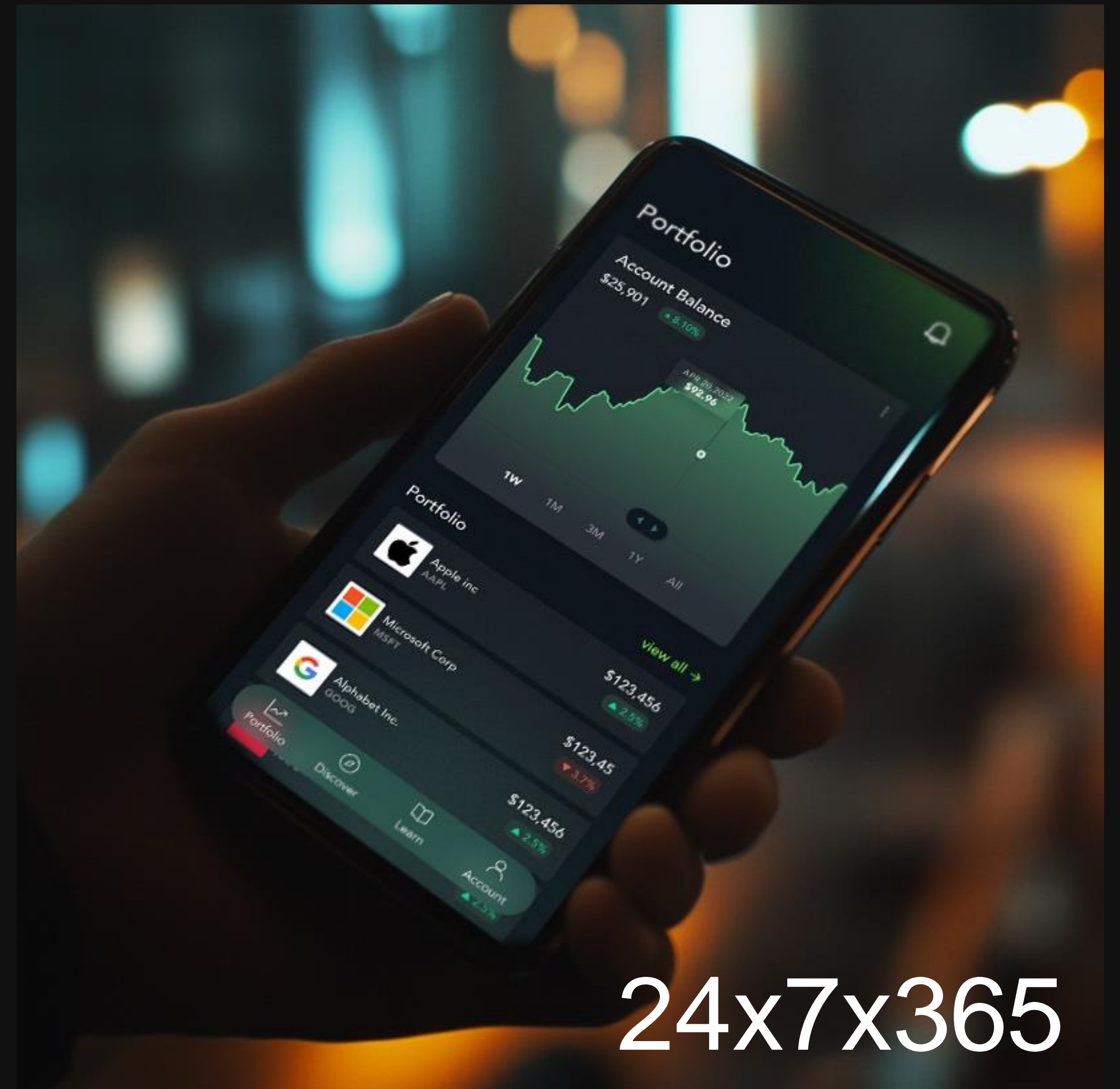
24x7x365

Digital Exchange Rules

How does a European living in Japan send a share of AAPL to an American in Argentina using an Android phone on Saturday afternoon?

Acid Test:

Sell that share for USD, convert to ARS, and use that currency to pay the rent.



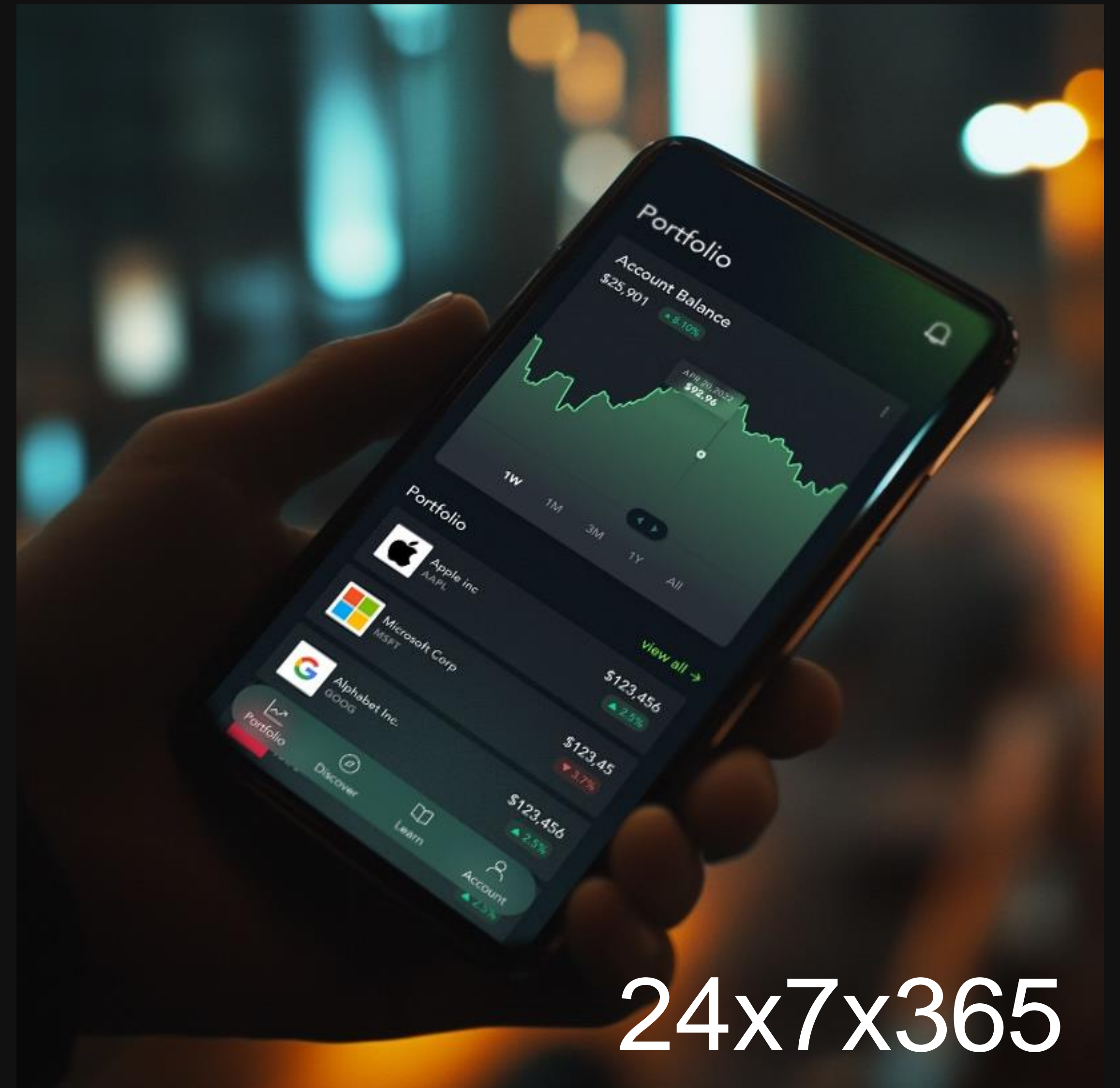
24x7x365

Digital Securities Rules for Small & Mid Size Issuers

How does a small business issue securities worth \$3 million to global investors to fund their expansion...if they only have a few weeks and a few thousand dollars and employ no lawyers?

Acid Test:

You can invest in Joe \$Rogan



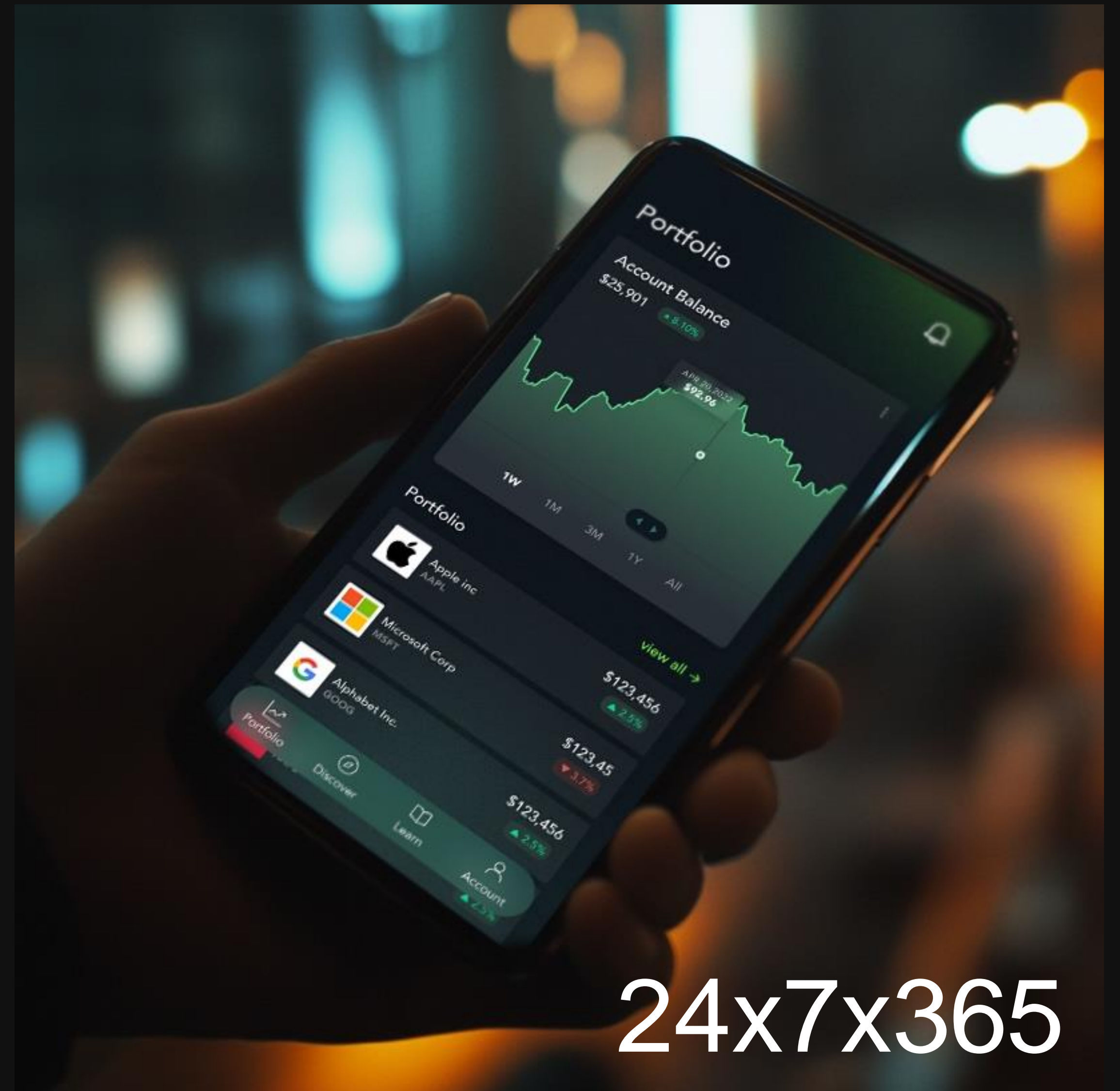
24x7x365

Digital Token Rules

How does a celebrity issue a digital token to their followers that offers special “superfan” privileges to the holder? What are the obligations of the issuer, owner, and exchange?

Acid Test:

You own \$KatyPerry Coin



24x7x365

Digital Exchange Rules

How does a corporation offer crypto exchange services allowing the public to issue, buy, sell, transfer digital assets & derivatives freely & efficiently?

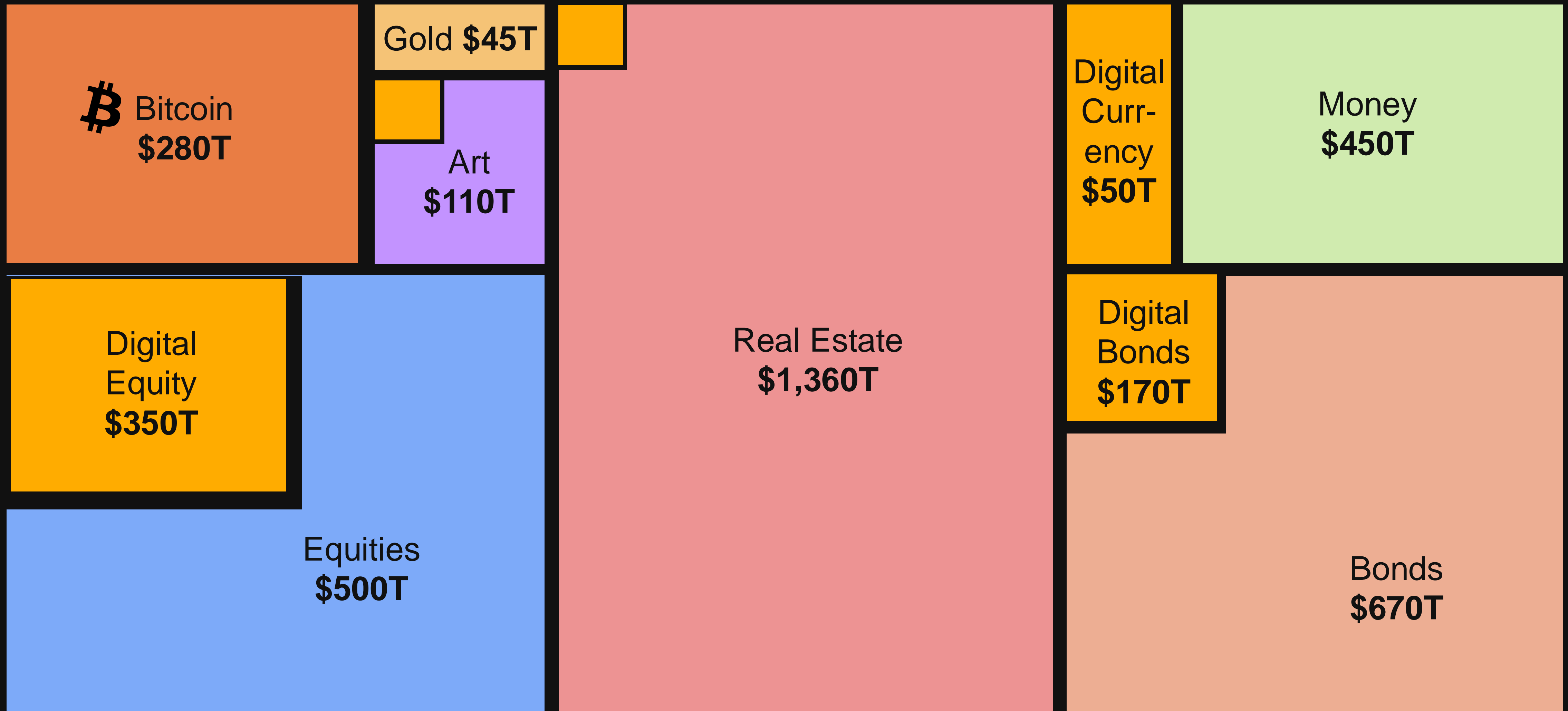
Acid Test:

Binance moves HQ to the US



The Crypto Renaissance will Revitalize Capital Markets

2045 Total global asset value: \$4,000T



The Digital Transformation of \$500T Brings Prosperity

2024

Bitcoin: \$1.8T



Digital Assets: \$1T



2045

Bitcoin
\$280T

Digital Assets: \$590T

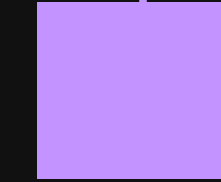
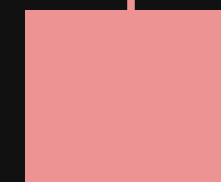
Digital
Equity
\$350T

Digital
Bonds
\$170

Digital Currency
\$50T

Digital Real Estate: \$10T

Digital Art: \$10T



The United States Strategic Bitcoin Reserve

S.4912 - BITCOIN Act of 2024 (Lummis Bill)



**S.4912 -
BITCOIN Act of
2024
(Lummis Bill)**

1 **SEC. 5. BITCOIN PURCHASE PROGRAM.**

2 **(a) ESTABLISHMENT.—**

3 **(1) IN GENERAL.**—The Secretary shall establish
4 a Bitcoin Purchase Program which shall—

5 **(A)** purchase not more than 200,000
6 Bitcoins per year over a 5-year period, for a
7 total acquisition of 1,000,000 Bitcoins;

8 **(B)** conduct purchases in a transparent
9 and strategic manner to minimize market dis-
10 ruption; and

11 **(C)** hold Bitcoin acquired under this sec-
12 tion in trust for the United States, as provided

Geopolitical Logic – Establish Pax Americana 21

Introduce a Fair, Equitable, & Peaceful System to Resolve Political Differences

Bitcoin Supports Prosperity and Pax Americana in 21st Century



Geopolitical Logic – Own the 21st Century

Address the Deficit via
Innovative Economic and
Technological Leadership

Trillions in 20th century
Physical & Financial Capital
will flow into the Bitcoin
network, primarily benefiting
the United States.



Geopolitical Logic – World Reserve Currency + Capital

Strengthen the Dollar and
Protect the USD Status as the
World's Reserve Currency.

US establishes, owns, and
controls the **World's Reserve
Capital** network.

Any movement away from UST
will flow into BTC, assuring US
Economic Power.

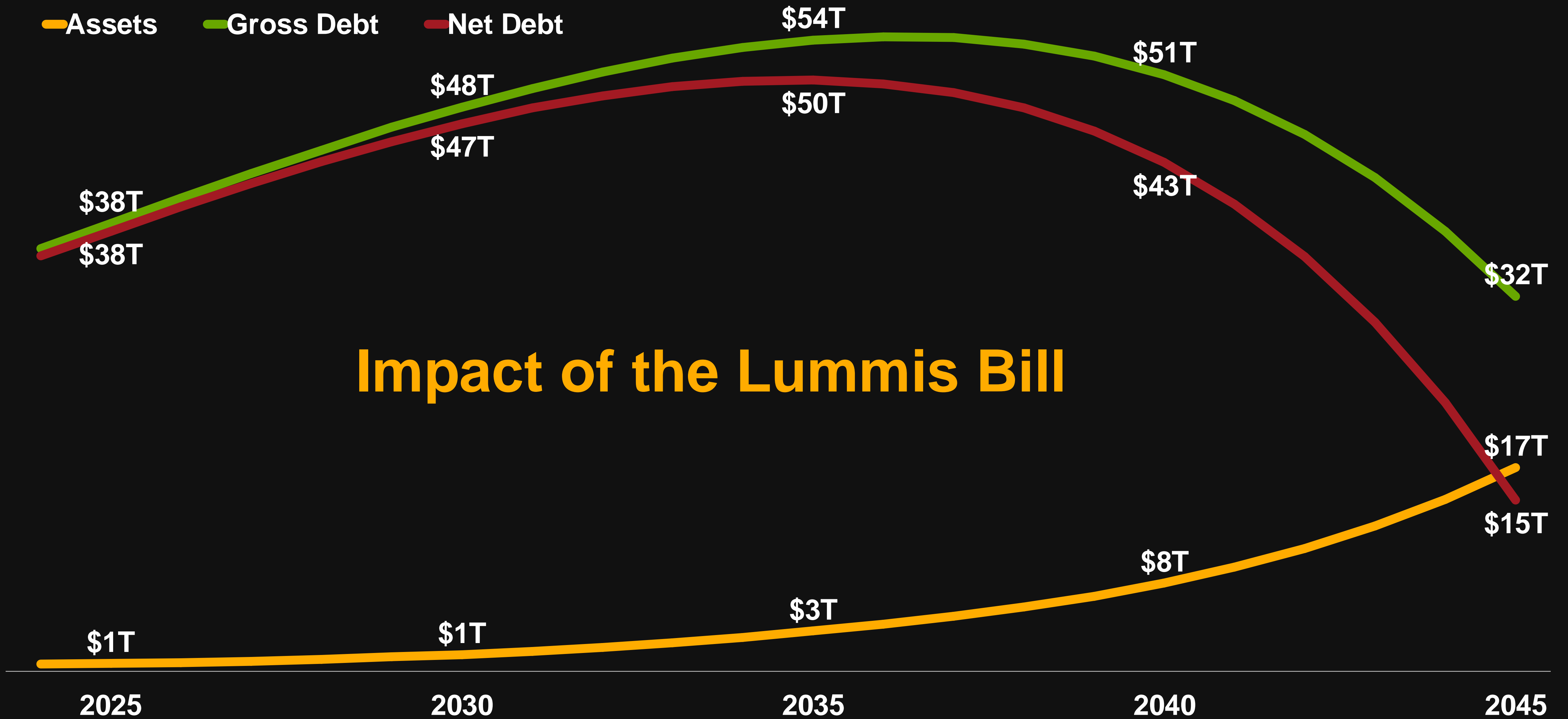


Geopolitical Logic – Bring Foreign Capital to the US

Attract Capital from all around the world into the United States, creating jobs, power and prosperity for US corporations, US institutions, US citizens, and US municipal, state, and federal government.



U.S. Bitcoin Strategic Reserve: Purchase ₿1,000,000



Impact of the Lummis Bill

Historic Precedents for the Strategic Bitcoin Reserve

**Manhattan
(1626)**

Price: 60 Guilders

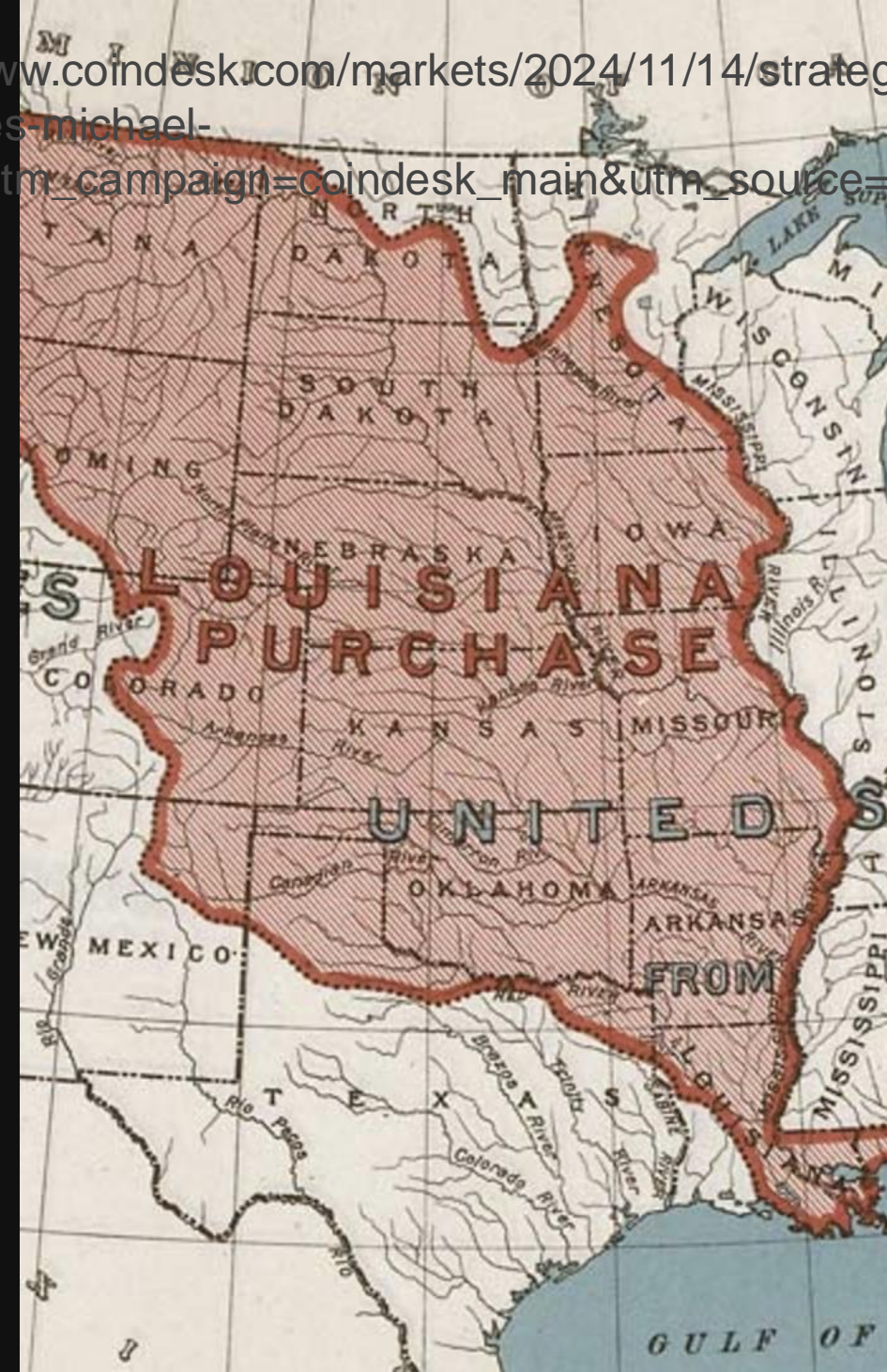
Payoff: \$2.1T
(6.0% ARR)



**Louisiana
(1803)**

Price: \$15m

Payoff: \$12T
(6.3% ARR)



**California
(1848)**

Price: \$18m

Payoff: \$8T
(7.7% ARR)



**Alaska
(1867)**

Price: \$7.2m

Payoff: \$1T
(7.8% ARR)



https://www.coindesk.com/markets/2024/11/14/strategic-bitcoin-reserve-has-precedent-in-other-big-us-government-purchases-michael-saylor/?utm_campaign=coindesk_main&utm_source=twitter&utm_content=editorial&utm_medium=social&utm_term=organic

The Greatest Deal of the 21st Century



Just HODL
₿0.2m



Lummis Bill
Purchase ₿1m



Double Max
Purchase ₿2m



Triple Max
Purchase ₿4m



Trump Max
Purchase ₿4m
Convert 75% Surplus

2045
BTC

₿0.2m

₿1.2m

₿2.2m

₿4.2m

₿6.0m

2045
Payoff

\$3T

\$16T

\$30T

\$56T

\$81T



Thank you

Forward-Looking Statements

Some of the information provided in this presentation regarding bitcoin may constitute forward-looking statements. Actual results may differ materially from these forward-looking statements due to various important factors, including the risk factors discussed in MicroStrategy Incorporated's most recent 10-Q filed with the SEC. No party assumes any obligation to update these forward-looking statements, which speak only as of the date of this presentation.

Important Information About BTC Yield KPI

BTC Yield is a key performance indicator (“KPI”) that represents the % change period-to-period of the ratio between our bitcoin holdings and our Assumed Diluted Shares Outstanding. Assumed Diluted Shares Outstanding refers to the aggregate of our actual shares of common stock outstanding as of the end of each period plus all additional shares that would result from the assumed conversion of all outstanding convertible notes, exercise of all outstanding stock option awards, and settlement of all outstanding restricted stock units and performance stock units. Assumed Diluted Shares Outstanding is not calculated using the treasury method and does not take into account any vesting conditions (in the case of equity awards), the exercise price of any stock option awards or any contractual conditions limiting convertibility of convertible debt instruments.

We use BTC Yield as a KPI to help assess the performance of our strategy of acquiring bitcoin in a manner we believe is accretive to shareholders. We believe this KPI can be used to supplement an investor’s understanding of our decision to fund the purchase of bitcoin by issuing additional shares of our common stock or instruments convertible to common stock. When we use this KPI, management also takes into account the various limitations of this metric, including that it does not take into account debt and other liabilities and claims on company assets that would be senior to common equity and that it assumes that all indebtedness will be refinanced or, in the case of our senior convertible debt instruments, converted into shares of common stock in accordance with their respective terms.

Additionally, this KPI is not, and should not be understood as, an operating performance measure or a financial or liquidity measure. In particular, BTC Yield is not equivalent to “yield” in the traditional financial context. It is not a measure of the return on investment our shareholders may have achieved historically or can achieve in the future by purchasing our stock, or a measure of income generated by our operations or our bitcoin holdings, return on investment on our bitcoin holdings, or any other similar financial measure of the performance of our business or assets.

The trading price of our class A common stock is informed by numerous factors in addition to the amount of bitcoins we hold and number of actual or potential shares of our stock outstanding, and as a result, the market value of our shares may trade at a discount or a premium relative to the market value of the bitcoin we hold, and BTC Yield is not indicative nor predictive of the trading price of our shares of class A common stock.

As noted above, this KPI is narrow in its purpose and is used by management to assist it in assessing whether we are using equity capital in a manner accretive to shareholders solely as it pertains to our bitcoin holdings.

In calculating this KPI, we do not take into account the source of capital used for the acquisition of our bitcoin. We note in particular, we have acquired bitcoin using proceeds from the offerings of senior secured notes (which we have since redeemed), which were not convertible to shares of our common stock, as well as convertible senior notes, which may from time-to-time have conversion prices above our current trading prices or not be exercisable. Such offerings have had the effect of increasing the BTC Yield without taking into account the corresponding debt. Conversely, if any of our convertible senior notes mature or are redeemed without being converted into common stock, we may be required to sell shares in quantities greater than the shares such notes are convertible into or generate cash proceeds from the sale of bitcoin, either of which would have the effect of decreasing the BTC Yield due to changes in our bitcoin holdings and shares in ways that were not contemplated by the assumptions in calculating BTC Yield. Accordingly, this metric might overstate or understate the accretive nature of our use of equity capital to buy bitcoin because not all bitcoin may be acquired using proceeds of equity offerings and not all issuances of equity may involve the acquisition of bitcoin.

We determine our KPI targets based on our history and future goals. Our ability to achieve positive BTC Yield may depend on a variety of factors, including our ability to generate cash from operations in excess of our fixed charges and other expenses, as well as factors outside of our control, such as the availability of debt and equity financing on favorable terms. Past performance is not indicative of future results.

We have historically not paid any dividends on our shares of common stock, and by presenting this KPI we make no suggestion that we intend to do so in the future. Ownership of common stock does not represent an ownership interest in the bitcoin we hold.

Investors should rely on our financial statements and other disclosures contained in our SEC filings. This KPI is merely a supplement, not a substitute. It should be used only by sophisticated investors who understand its limited purpose and many limitations.

Additional Information

MicroStrategy is not an exchange traded product (“ETP”) or an exchange-traded fund (“ETF”) registered under the Investment Company Act of 1940, as amended, is not subject to the same rules and regulations as an ETP or an ETF, and does not operate as an ETP or ETF. In particular, unlike spot bitcoin ETPs, we (i) do not seek for our shares of Class A common stock to track the value of the underlying bitcoin we hold before payment of expenses and liabilities, (ii) do not benefit from various exemptions and relief under the Securities Exchange Act of 1934, as amended, including Regulation M, and other securities laws, which enable spot bitcoin ETPs to continuously align the value of their shares to the price of the underlying bitcoin they hold through share creation and redemption, (iii) are a Delaware corporation rather than a statutory trust, and do not operate pursuant to a trust agreement that would require us to pursue one or more stated investment objectives, (iv) are subject to federal income tax at the entity level and the other risk factors applicable to an operating business, such as ours, and (v) are not required to provide daily transparency as to our bitcoin holdings or our daily NAV.