



Q4 2017 Earnings Webinar

February 2018

Mattersight®

Safe Harbor Language

During today's call we will be making both statements regarding historical facts and "forward-looking statements" that are made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 in order to help you better understand our business. These forward-looking statements are not limited to historical fact, reference our plans, intentions, forecast, expectations, beliefs, strategies and objectives, and involve risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The risks and uncertainties associated with our business are highlighted in our filings with the SEC, including our Annual Report filed on Form 10-K for the year ended December 31, 2016, our quarterly reports on Form 10-Q, as well as our earnings press release issued earlier today.

Mattersight Corporation undertakes no obligation to publicly update or revise any forward-looking statements in this call. Also, be advised that this call is being recorded and is copyrighted by Mattersight Corporation.

Discussion Topics

- Q4 Highlights
- Q4 Results
- Key Trends
- 2018 Guidance
- Q&A

Q4 Highlights

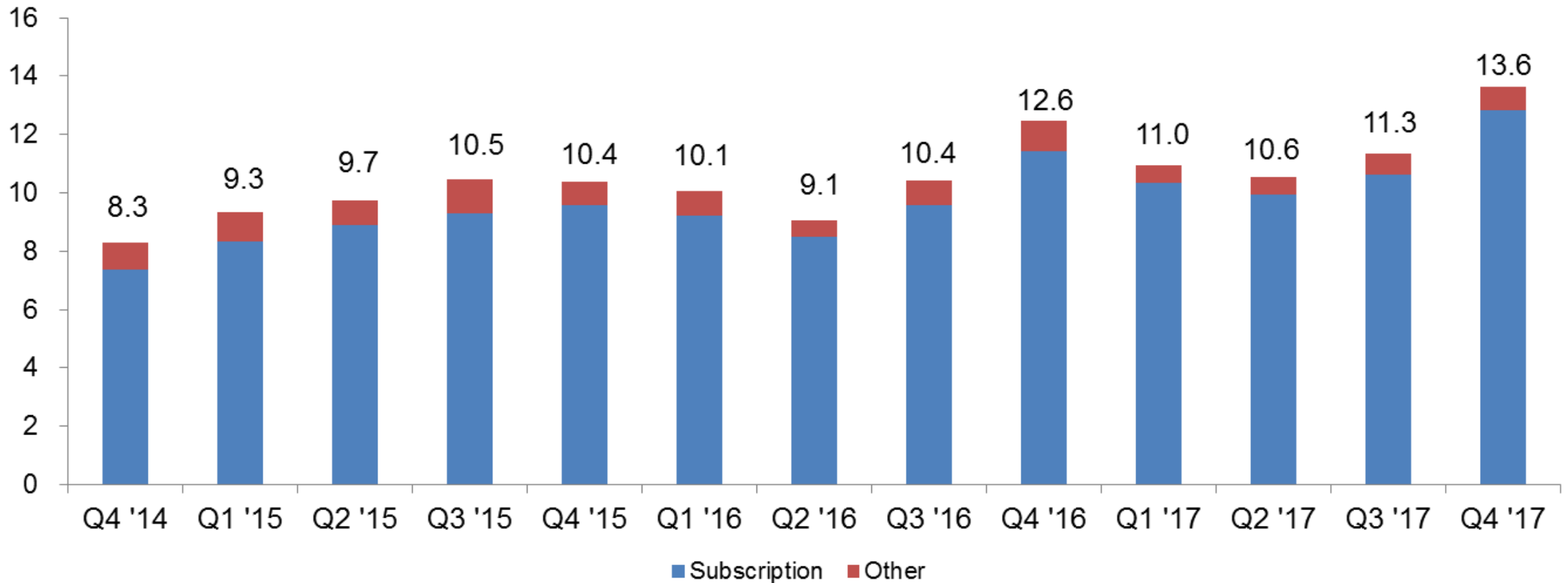
- Record Revenues
- Record Subscription Revenues
- PBR seats and revenue growing rapidly
- Record Adjusted EBITDA
- Continued Progress on New Logo Acquisition

Q4 Financial Results

- Q4 revenue of \$13.6M
 - 9% yoy increase
- Q4 subscription revenue of \$12.8M
 - 12% yoy increase
 - 94% of total revenue
- Bookings of \$2.8M in ACV
- Positive Adjusted EBITDA for Q4 of \$1.0M
 - \$0.5M better yoy
- Backlog of \$8.9M at 12/31/17

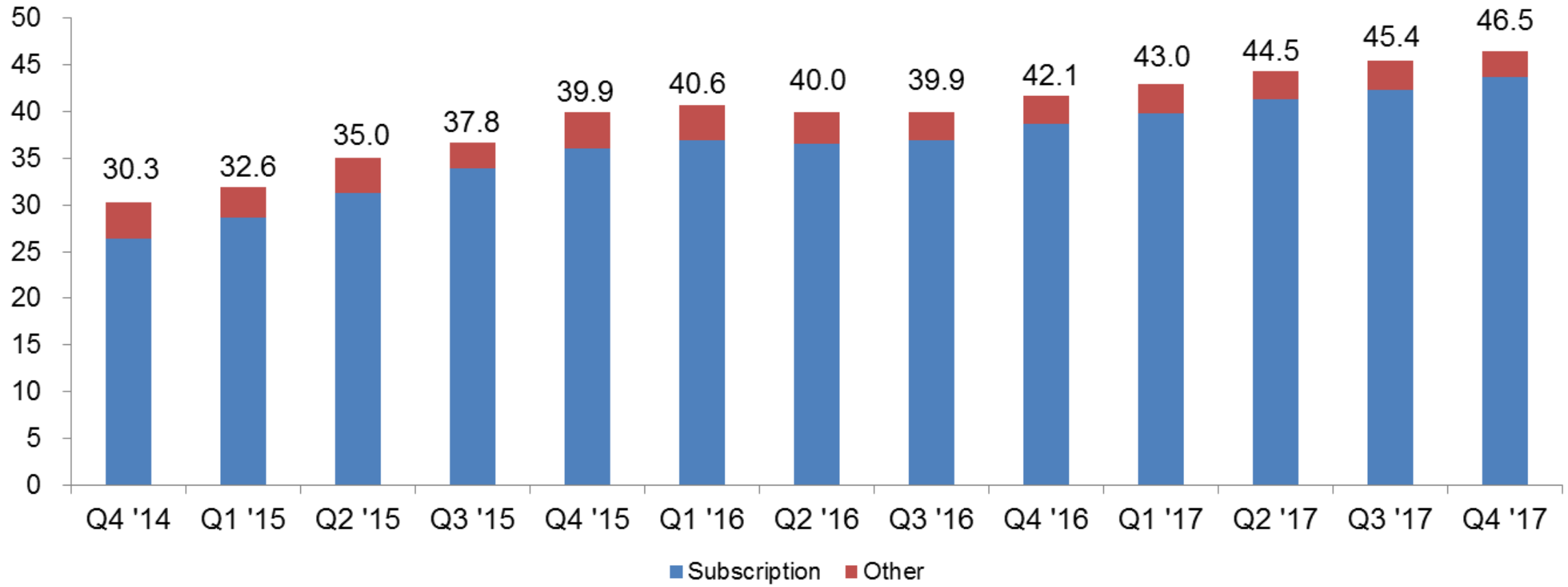
Revenue Trends

QTR Revenue (\$m)

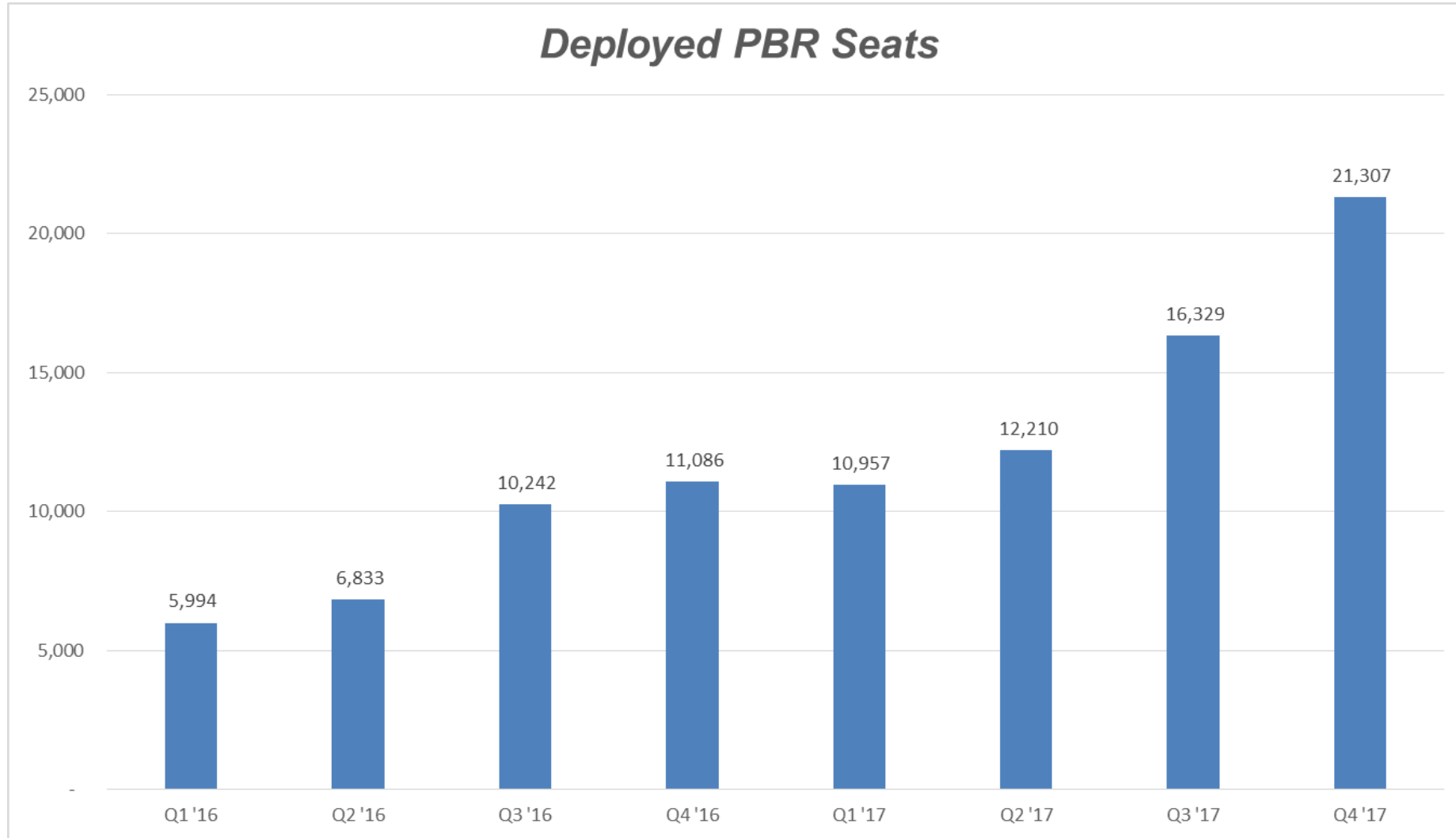


Revenue Trends

TTM Revenue (\$m)



PBR Seat Count



PBR Attrition/Add On Trends

	2016	2017	2016/2017
Subscription Retention	93%	100%	96%
Subscription Retention w/ Upsells	383%	216%	299%

2018 Guidance

- Underlying Drivers
 - Continued high growth in PBR; could be 40-50% of subscription revenues by Q4 2018
 - Softness in analytics products
 - Improving Revenue Mix driving lower costs
 - Focus on operational cost efficiencies
- Guidance
 - Revenue \$48-52M
 - Adjusted EBITDA Positive



Q&A

Thank You

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