

INSTRUCTURE INC

Form S-1/A

November 09, 2015

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As filed with the U.S. Securities and Exchange Commission on November 9, 2015

Registration No. 333-207349

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Amendment No. 4

to

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

INSTRUCTURE, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or other Jurisdiction of Incorporation or Organization)	7372 (Primary Standard Industrial Classification Code Number) 6330 South 3000 East, Suite 700 Salt Lake City, UT 84121 (800) 203-6755	26-3505687 (I.R.S. Employer Identification Number)
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(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Joshua L. Coates
Chief Executive Officer
6330 South 3000 East, Suite 700
Salt Lake City, UT 84121
(800) 203-6755

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

Copies to:

John T. McKenna Alan Hambelton Cooley LLP 3175 Hanover Street Palo Alto, CA 94304 (650) 843-5000	Matthew A. Kaminer Senior Vice President, General Counsel and Secretary Instructure, Inc. 6330 South 3000 East, Suite 700 Salt Lake City, UT 84121 (800) 203-6755	Tony Jeffries Michael Nordtvedt Wilson Sonsini Goodrich & Rosati, Professional Corporation 650 Page Mill Road Palo Alto, CA 94304
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(650) 493-9300

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this registration statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. "

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer " Accelerated filer " Non-accelerated filer Smaller reporting company "

(Do not check if a smaller reporting company)

The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting offers to buy these securities in any jurisdiction where the offer or sale is not permitted.

PROSPECTUS (Subject to Completion)

Issued November 9, 2015

4,400,000 Shares

COMMON STOCK

Instructure, Inc. is offering 4,400,000 shares of its common stock. This is our initial public offering and no public market currently exists for our shares. We anticipate that the initial public offering price of our common stock will be between \$16.00 and \$18.00 per share.

Our common stock has been approved for listing on the New York Stock Exchange under the symbol INST.

We are an emerging growth company as defined under the federal securities laws. Investing in our common stock involves risks. See Risk Factors beginning on page 11.

PRICE \$ A SHARE

	<i>Price to Public</i>	<i>Underwriting Discounts and Commissions⁽¹⁾</i>	<i>Proceeds to Instructure</i>
<i>Per Share</i>	\$	\$	\$
<i>Total</i>	\$	\$	\$

(1) See Underwriters for a description of the compensation payable to the underwriters.

Entities affiliated with Insight Venture Partners, an existing stockholder, have indicated an interest in purchasing up to an aggregate of \$15 million of shares of our common stock in this offering at the initial public offering price. In addition, certain of our directors, executive officers and key employees have indicated an interest in purchasing up to an aggregate of approximately \$3.3 million of shares of our common stock in this offering at the initial public offering price. Because these indications of interest are not binding agreements or commitments to purchase, these parties may elect not to purchase shares in this offering or the underwriters may elect not to sell any shares in this offering to such parties. The underwriters will receive the same discount from any shares of our common stock purchased by these parties as they will from any other shares of our common stock sold to the public in this offering.

We have granted the underwriters the right to purchase up to an additional 660,000 shares of common stock to cover over-allotments.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares of common stock to purchasers on _____, 2015.

MORGAN STANLEY

GOLDMAN, SACHS & CO.

JEFFERIES

*NEEDHAM & COMPANY
, 2015*

OPPENHEIMER & CO.

RAYMOND JAMES

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We are responsible for the information contained in this prospectus and in any free writing prospectus we prepare and authorize. Neither we nor any of the underwriters have authorized anyone to provide you with different information, and we take no responsibility for any other information others may give you. Neither we nor the underwriters are making an offer to sell these securities in any jurisdictions where the offer and sale is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the cover of this prospectus. Our business, financial condition, results of operations and future growth prospects may have changed since that date.

Persons who come into possession of this prospectus and any applicable free writing prospectus in jurisdictions outside the United States are required to inform themselves about and to observe any restrictions as to this offering and the distribution of this prospectus and any such free writing prospectus applicable to that jurisdiction.

Until _____, 2015 (the 25th day after the date of this prospectus), all dealers that buy, sell or trade shares of our common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to their unsold allotments or subscriptions.

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PROSPECTUS SUMMARY

This summary highlights information contained in other parts of this prospectus. Because it is only a summary, it does not contain all of the information that you should consider before investing in shares of our common stock and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information appearing elsewhere in this prospectus. You should read the entire prospectus carefully, especially Risk Factors and Management's Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and the related notes, before deciding to buy shares of our common stock. Unless the context requires otherwise, references in this prospectus to Instructure, the company, we, us and our refer to Instructure, Inc. and its wholly-owned subsidiaries.

INSTRUCTURE, INC.

Mission and Vision

Instructure's mission is to make software that makes people smarter. Our vision is to help organizations everywhere leverage technology to maximize the potential of their people.

Overview

We provide an innovative, cloud-based learning management platform for academic institutions and companies worldwide. We built our learning management applications, Canvas, for the education market, and Bridge, for the corporate market, to enable our customers to easily develop, deliver and manage engaging face-to-face and online learning experiences. Our platform combines powerful, elegant and easy-to-use functionality with the reliability, security, scalability and support required by our customers.

In today's dynamic, knowledge-driven economy, quality education and constant learning are critical to compete and succeed. Academic institutions recognize that for students to reach their maximum potential, they require a learning environment that is interactive and accessible. Similarly, companies need to deliver seamless and easy learning experiences to better attract, develop and retain talent and compete more effectively.

We develop software that millions of students, teachers and employees use to help achieve their education and learning goals. Our applications enhance academic and corporate learning by providing an engaging, easy-to-use platform for instructors and learners, enabling frequent and open interactions, streamlining workflow, and allowing the creation and sharing of content with anytime, anywhere access to information. Our open standards allow for integration with third-party publishers and software providers to deliver additional learning content and applications. Our platform also provides data analytics capabilities enabling real-time reaction to information and benchmarking in order to personalize curricula and increase the efficacy of the learning process.

We offer our platform through a Software-as-a-Service, or SaaS, business model. Customers can rapidly deploy our applications with minimal upfront implementation. Customers also benefit from automatic software updates with virtually no downtime.

We launched Canvas in February 2011 and have experienced rapid customer adoption in the education market. In addition, more than 100 corporate customers have implemented Canvas in order to deliver a more effective, simple way for their employees to learn. To better meet the needs of the corporate market, we leveraged our platform to

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develop Bridge, which launched in February 2015. As of September 30, 2015, we had more than 1,600 customers, representing colleges, universities, K-12 school districts, and companies in more than 25 countries.

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For 2012, 2013 and 2014, revenue was \$8.8 million, \$26.1 million and \$44.4 million, respectively, representing year-over-year growth of 197% and 70%. We have experienced net revenue retention rates of over 100% at each of December 31, 2012, 2013 and 2014. For 2012, 2013 and 2014, our net losses were \$18.5 million, \$22.5 million and \$41.4 million, respectively, as we focused on growing our business. For the nine months ended September 30, 2015, revenue was \$51.4 million and we incurred a net loss of \$40.9 million.

Industry Background

The Markets for Learning are Large, Growing and Highly Strategic

The market for academic and corporate learning management software is estimated to be \$4.1 billion in 2015, and projected to grow to \$7.8 billion in 2018, according to MarketsandMarkets. We attribute the rapid growth of this market, in part, to the migration of instructor-led training to online learning, which we believe will increase the adoption of learning management systems.

Corporate learning management software is part of the broader human capital management market, which also includes the recruiting, workforce management, performance management and compensation management software markets. IDC estimates that these additional markets will be \$5.1 billion in 2015, and projected to grow to \$6.4 billion in 2018. We believe these additional markets may present opportunities for us to develop additional applications on our platform over time.

Consumerization of Technology is Changing How People Interact, Learn, Train and Work

Recent innovations in consumer-oriented technology are changing how people expect to interact, learn, train and work. In particular, the ubiquity of social media and highly intuitive consumer and mobile applications have led instructors, students and employees to expect the same rich functionality, availability and usability from a learning platform.

Strong User Engagement Leads to Robust Data Analytics

A learning management system has the potential to provide significant insight to educators and administrators on their students and employees progress toward meeting learning objectives and the factors impacting performance. High utilization enables the learning management system to capture more data and leads to more insightful analyses on user behavior, quality of individual courses and effectiveness of digital content. Better analytics enables instructors and administrators to make more informed decisions about instruction and materials that in turn drive improved learning outcomes and performance for individuals and companies.

Legacy Learning Management Systems Do Not Meet the Needs of Today's Instructors, Students and Employees

Many traditional learning management systems are based on legacy technology architectures that do not meet the expectations of today's users. We believe legacy learning management systems face the following key challenges:

Poor User Experience. Learning management systems were first introduced over a decade ago. These systems often lack the features and interfaces to deliver a personalized, collaborative, engaging, mobile and

always-on experience that users expect today.

Not Mobile. Legacy learning management systems were not built for mobility and efforts to retrofit for use with mobile devices have often resulted in a poor user experience.

Unreliable with Poor Uptime. Legacy learning management systems were not designed for cloud-based deployment. Traditional on-premise systems require downtime for maintenance, upgrades and unforeseen bug fixes, which can adversely impact instructors and students during critical times.

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Low Utilization. Legacy learning management systems have historically been plagued by user dissatisfaction resulting in low utilization rates. Lack of utilization adversely affects the investments these institutions have made in their learning management systems. 48% of users are looking to leave their current learning management system and move to a new provider, according to the Brandon Hall Group.

Expensive. Legacy learning management systems require substantial upfront and ongoing investments in IT infrastructure to implement and maintain an on-premise solution. Organizations often choose not to deploy software or to delay upgrades to newer versions due to concerns regarding costs, lengthy implementation and customization cycles, and potential business disruptions.

Limited Reach and Complexity of Data Analytics. While legacy learning management systems have historically enabled the capture of data, access has been generally limited to administrators and teachers and not to students. Further, analytics tools currently offered in existing on-premise solutions can be limited in capabilities making it difficult to translate the data into useful actionable information.

Closed Ecosystem. Legacy learning management solutions are often closed systems, which can limit the number of third-party integrations into a platform. Customers are forced to spend time and often money to obtain separate integration contracts with third-party publishers and software providers.

Our Platform

We designed our platform to enable users to teach, learn and collaborate anytime, anywhere, across a wide variety of application environments, operating systems, devices and locations. We believe our platform offers the following key benefits:

Intuitive User Experience. We provide elegant and intuitive user interfaces that leverage familiar, consumer web navigation techniques, such as drag and drop, to make it easy to use our platform. We designed our system from the ground up, with modern, web-based design features, to create a differentiated user experience. We enable seamless collaboration among instructors and learners to share feedback and encourage online discussion forums.

Optimized for Mobile. Our mobile-optimized platform allows users to access their applications anytime and anywhere. We offer a mobile first responsive design to ensure an optimal experience on most devices and, for Canvas, we also have iOS and Android native mobile applications available for free download on both phones and tablets.

High Availability and Uptime. Our software is mission-critical for our users and customers and we focus on maintaining enterprise-grade reliability at all times. Our standard contracts provide for guaranteed 99.9% annual uptime. We achieved 99.9% uptime during 2014 while our customer base grew over 75%.

High Utilization. Over ten million instructors, students and employees have used our software over the 12 months ended September 30, 2015. According to self-reported data in an ECAR 2014 survey, 58% of faculty in higher education use a learning management system to share content with students, while our internal analysis of higher education institutions using Canvas shows that 71% of faculty use Canvas to share content with students.

Native Cloud-based Software. Our cloud-based delivery model enables customers to rapidly deploy our applications to experience immediate benefit. Software updates are implemented regularly and transparently. Our single-instance, multi-tenant architecture is designed to scale to support our rapid growth.

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Open Access to Data Analytics. Our platform provides users with open API access to data analytics. We deliver the analytics in an easy to understand and consumable way, that is optimized for independent analysis. This open visibility allows learners to view their own progress in real-time, educators to adjust programs and personalize curricula for maximum effectiveness and organizations to benchmark user data internally and respond to patterns observed.

Open Platform. We are committed to collaboration and openness. Our open standards allow organizations to easily deliver additional learning content and applications from third-party publishers and software providers through our EduAppCenter.com's growing catalog of approximately 200 integrations or through open APIs.

Our Growth Strategy

We are pursuing the following strategies to grow our business:

Grow our U.S. Customer Base. We believe there is opportunity to substantially expand our base of U.S. academic and corporate customers. K-12 academic institutions have yet to widely adopt learning management systems, while most higher education institutions have adopted legacy systems with which they are often unsatisfied. In the corporate market, there are both greenfield opportunities and opportunities to displace legacy solutions that do not meet customer needs.

Further Maximize our Existing Customer Base. The majority of our academic customers implement Canvas widely within their institutions and across school districts. We plan to increase revenue from this customer base by selling additional applications and services. We plan to further penetrate our existing corporate customer base by growing the number of users on our platform and expanding enterprise wide. We believe our user-based pricing model and innovative applications provide us with a substantial opportunity to increase the value of our existing customer base.

Continue to Expand Internationally. We intend to expand our direct and indirect sales force to further penetrate international markets. We opened our international headquarters in London in June 2014, and for the nine months ended September 30, 2015, international customers accounted for 6% of our revenue.

Continue to Innovate and Offer New Applications. We will continue to make significant investments to further enhance the functionality of our existing applications, expand the number of applications on our extensible learning platform and develop into adjacent markets that will benefit our customers.

Risks Associated with Our Business

Our business is subject to numerous risks and uncertainties including those highlighted in the section titled "Risk Factors" immediately following this prospectus summary. These risks include, among others, the following:

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We have a history of losses and anticipate that we will continue to incur losses for the foreseeable future and may not achieve or maintain profitability in the future.

We have a limited operating history, which makes it difficult to evaluate our prospects and future operating results.

We depend on new customer acquisition and expansion and customer renewals and given our limited operating history, we do not have a long history on which to base forecasts of customer renewal rates or future operating results.

If our efforts to further increase the use and adoption of Canvas do not succeed, or if Bridge does not gain widespread market acceptance, our revenue will be harmed.

We may experience quarterly fluctuations in our operating results due to a number of factors, which makes our future results difficult to predict and could cause our operating results to fall below expectations or our guidance.

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If we fail to manage our growth effectively or our business does not grow as we expect, our operating results may suffer.

We face significant competition from both established and new companies offering learning management systems.

The success of our business depends in part on our ability to protect and enforce our intellectual property rights.

Our executive officers, directors and holders of more than 5% of our outstanding common stock will beneficially own approximately 73.3% of our common stock upon the closing of this offering and will continue to have substantial control over us.

If we are unable to adequately address these and other risks we face, our business, financial condition, operating results and prospects may be adversely affected.

Emerging Growth Company Status

We are an emerging growth company as defined in the Jumpstart Our Business Startups Act, or the JOBS Act, enacted in April 2012, and therefore we intend to take advantage of certain exemptions from various public company reporting requirements, including not being required to have our internal control over financial reporting audited by our independent registered public accounting firm pursuant to Section 404(b) of the Sarbanes-Oxley Act of 2002, reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and exemptions from the requirements of holding a nonbinding advisory vote on executive compensation and any golden parachute payments not previously approved. We may take advantage of these exemptions for up to five years or until we are no longer an emerging growth company, whichever is earlier.

Corporate Information

We were incorporated in Delaware in September 2008. Our principal executive offices are located at 6330 South 3000 East, Suite 700, Salt Lake City, UT 84121 and our telephone number is (800) 203-6755. Our corporate website address is www.instructure.com. Information contained on or accessible through our website is not a part of this prospectus, and the inclusion of our website address in this prospectus is an inactive textual reference only.

Instructure, Canvas, the Instructure logo, Canvas logo and Bridge logo are trademarks of Instructure, Inc. We do not intend our use or display of other companies' trade names or trademarks to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

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THE OFFERING

Common stock offered	4,400,000 shares
Common stock to be outstanding after this offering	26,388,514 shares
Over-allotment option	660,000 shares
Use of proceeds	We estimate that the net proceeds from this offering will be approximately \$66.4 million (or approximately \$76.8 million if the underwriters exercise their over-allotment option in full), based on an assumed initial public offering price of \$17.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

We intend to use the net proceeds to us from this offering primarily for general corporate purposes, including working capital, sales and marketing activities, research and development activities, general and administrative matters and capital expenditures. We may also use a portion of the net proceeds from this offering for acquisitions of, or investments in, technologies, solutions or businesses that complement our business, although we have no present commitments or agreements to enter into any such acquisitions or investments. See Use of Proceeds for additional information.

New York Stock Exchange symbol

INST

Entities affiliated with Insight Venture Partners, an existing stockholder, have indicated an interest in purchasing up to an aggregate of \$15 million of shares of our common stock in this offering at the initial public offering price. In addition, certain of our directors, executive officers and key employees have indicated an interest in purchasing up to an aggregate of approximately \$3.3 million of shares of our common stock in this offering at the initial public offering price. Because these indications of interest are not binding agreements or commitments to purchase, these parties may elect not to purchase shares in this offering or the underwriters may elect not to sell any shares in this offering to such parties. The underwriters will receive the same discount from any shares of our common stock purchased by these parties as they will from any other shares of our common stock sold to the public in this offering.

The number of shares of common stock to be outstanding after this offering is based on 21,988,514 shares of common stock outstanding as of September 30, 2015, and excludes:

3,909,871 shares of common stock issuable upon the exercise of outstanding stock options as of September 30, 2015, with a weighted-average exercise price of \$5.95 per share;

103,332 shares of common stock issuable upon the exercise of outstanding warrants as of September 30, 2015, with a weighted-average exercise price of \$2.11 per share;

373,985 shares of common stock reserved for future issuance under our 2010 Equity Incentive Plan as of September 30, 2015, of which stock options to purchase an aggregate of 313,661 shares of common stock were granted subsequent to September 30, 2015, with an exercise price of \$14.25 per share; all

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shares reserved for future issuance and not subject to an outstanding stock option will cease to be available for issuance at the time our 2015 Equity Incentive Plan becomes effective in connection with this offering;

2,000,000 shares of common stock reserved for future issuance under our 2015 Equity Incentive Plan, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan, which will become effective upon the execution of the underwriting agreement for this offering; and

333,333 shares of common stock reserved for future issuance under our 2015 Employee Stock Purchase Plan, as well as any automatic increases in the number of shares of common stock reserved for future issuance under this plan, which will become effective upon the execution of the underwriting agreement for this offering.

In addition, unless we specifically state otherwise, all information in this prospectus assumes:

a 1-for-1.5 reverse stock split of our common stock and preferred stock effected on October 30, 2015;

the filing of our amended and restated certificate of incorporation and the adoption of our amended and restated bylaws in connection with the closing of this offering;

the conversion of all outstanding shares of our preferred stock into an aggregate of 15,505,330 shares of common stock upon the closing of this offering (assuming a conversion ratio equal to approximately 1.2895 shares of common stock for each share of Series E preferred stock based on an assumed initial public offering price of \$17.00 per share, the midpoint of the price range set forth on the cover page of this prospectus);

no exercise of outstanding stock options or warrants; and

no exercise by the underwriters of their option to purchase up to an additional 660,000 shares of common stock to cover over-allotments.

The number of shares of our common stock to be issued upon the conversion of all outstanding shares of our Series E preferred stock depends in part on the initial public offering price of our common stock. The terms of our Series E preferred stock provide that the ratio at which each share of such series converts into shares of our common stock in connection with this offering will increase if the initial public offering price is below \$21.921 per share, which would result in additional shares of our common stock being issued upon conversion of our Series E preferred stock upon the closing of this offering. Based upon an assumed initial public offering price of \$17.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, the outstanding shares of our Series E preferred stock will convert into an aggregate of 2,352,938 shares of our common stock upon the closing of this offering. For illustrative purposes only, the table below shows the number of shares of our common stock that would be issuable upon

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conversion of the Series E preferred stock at various initial public offering prices and the resulting total number of outstanding shares of our common stock as a result:

Assumed Initial Public Offering Price (\$)	Approximate Series E Preferred Stock Conversion Ratio (#)	Shares of Common Stock Issuable upon Conversion of Series E Preferred Stock (#)	Total Shares of Common Stock Outstanding After this Offering (#)
\$16.00	1.3701	2,499,997	26,535,573
16.50	1.3285	2,424,239	26,459,815
17.00	1.2895	2,352,938	26,388,514
17.50	1.2526	2,285,711	26,321,287
18.00	1.2178	2,222,219	26,257,795

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The following tables summarize our consolidated financial data. We have derived the summary consolidated statements of operations data for the years ended December 31, 2013 and 2014 from our audited consolidated financial statements included elsewhere in this prospectus. The consolidated statement of operations data for the year ended December 31, 2012 has been derived from our audited financial statements not included in this prospectus. The consolidated statements of operations data for the nine months ended September 30, 2014 and 2015 and the consolidated balance sheet data as of September 30, 2015 are derived from our unaudited interim consolidated financial statements included elsewhere in this prospectus. Our unaudited interim consolidated financial statements were prepared on a basis consistent with our audited consolidated financial statements and include, in our opinion, all adjustments, consisting only of normal recurring adjustments, that we consider necessary for a fair presentation of the financial information set forth in those statements included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that may be expected in the future.

You should read this data together with our consolidated financial statements and related notes appearing elsewhere in this prospectus and the sections titled *Selected Consolidated Financial Data* and *Management's Discussion and Analysis of Financial Condition and Results of Operations*.

	Year Ended December 31,			Nine Months Ended	
	2012	2013	2014	September 30,	2015
	(unaudited)				
	(in thousands, except per share data)				
Consolidated Statements of Operations Data:					
Revenue:					
Subscription and support	\$ 7,403	\$ 22,456	\$ 38,093	\$ 26,328	\$ 43,557
Professional services and other	1,371	3,599	6,259	4,288	7,839
Total revenue	8,774	26,055	44,352	30,616	51,396
Cost of revenue:					
Subscription and support ⁽¹⁾	4,346	8,581	12,131	8,331	12,520
Professional services and other ⁽¹⁾	2,748	2,039	2,982	1,979	4,717
Total cost of revenue⁽¹⁾	7,094	10,620	15,113	10,310	17,237
Gross profit	1,680	15,435	29,239	20,306	34,159
Operating expenses:					
Sales and marketing ⁽¹⁾	11,912	20,702	35,390	22,335	38,303
Research and development ⁽¹⁾	4,698	11,242	21,290	12,184	17,441
General and administrative ⁽¹⁾	3,411	5,321	11,268	6,890	18,475
Total operating expenses	20,021	37,265	67,948	41,409	74,219

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Loss from operations	(18,341)	(21,830)	(38,709)	(21,103)	(40,060)
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