

**ForeScout Technologies, Inc.**  
**Supplemental Financial Information and Non-GAAP Financial Measures**

Non-GAAP Financial Measures

This supplemental financial information contains financial statements that have not been prepared in accordance with generally accepted accounting principles in the United States (GAAP). We use these non-GAAP financial measures internally in analyzing our financial results and believe that the use of these non-GAAP financial measures is useful to investors as an additional tool to evaluate ongoing operating results and trends and in comparing our financial results with other companies in our industry, many of which present similar non-GAAP financial measures.

We define the average deal size as the aggregate sales to end-customers during a calendar quarter divided by the number of end-customers purchasing in that quarter, excluding any end-customer for which the total value of their purchases in that quarter were less than five thousand dollars and excluding support and maintenance renewals, as we determined that the majority of this population was comprised of transactions not fundamental to our end-customer group and go-to-market strategy.

We calculate the net-recurring revenue retention rate on support and maintenance contracts as the trailing 12 month annualized value of support and maintenance contracts renewed plus the trailing 12 month annualized value of support and maintenance contracts not subject to renewal because the scheduled expiration date of the multi-year support and maintenance contract falls outside of the 12 month period under measurement plus the annualized value of new support and maintenance contracts from end-customers acquired one year prior, in the aggregate, divided by the aggregate of the trailing 12 months annualized value of support and maintenance contracts scheduled to terminate or renew during the trailing 12 month period plus the trailing 12 month annualized value of support and maintenance contracts not subject to renewal because the scheduled expiration date of the multi-year support and maintenance contract falls outside of the 12 month period under measurement.

Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP financial measures, and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. A reconciliation of our non-GAAP financial measures to the most directly comparable GAAP measures has been provided in the financial statement tables included in this supplemental financial information, and investors are encouraged to review these reconciliations.

**ForeScout Technologies, Inc.**

**Condensed Consolidated Statements of Operations - Fiscal Quarters**

**(In thousands, except share and per share data)**

**(Unaudited)**

	<u>Q1FY16</u>	<u>Q2FY16</u>	<u>Q3FY16</u>	<u>Q4FY16</u>	<u>Q1FY17</u>	<u>Q2FY17</u>	<u>Q3FY17</u>	<u>Q4FY17</u>
Revenue:								
Product	\$ 18,305	\$ 19,757	\$ 30,799	\$ 29,794	\$ 22,105	\$ 22,592	\$ 39,192	\$ 37,524
Maintenance and professional services	15,209	15,400	17,941	19,636	22,248	23,614	25,164	28,432
Total revenue	<u>33,514</u>	<u>35,157</u>	<u>48,740</u>	<u>49,430</u>	<u>44,353</u>	<u>46,206</u>	<u>64,356</u>	<u>65,956</u>
Cost of revenue:								
Product	3,076	4,115	6,563	7,924	4,411	5,505	7,201	6,981
Maintenance and professional services	5,748	6,611	6,945	7,267	8,431	8,543	8,688	9,109
Total cost of revenue	<u>8,824</u>	<u>10,726</u>	<u>13,508</u>	<u>15,191</u>	<u>12,842</u>	<u>14,048</u>	<u>15,889</u>	<u>16,090</u>
Total gross profit	<u>24,690</u>	<u>24,431</u>	<u>35,232</u>	<u>34,239</u>	<u>31,511</u>	<u>32,158</u>	<u>48,467</u>	<u>49,866</u>
Operating expenses:								
Research and development	6,478	7,365	8,509	9,138	10,947	10,702	10,985	14,801
Sales and marketing	29,377	29,180	35,759	33,499	34,454	35,104	34,957	46,578
General and administrative	7,028	8,086	7,967	7,650	9,215	8,902	9,148	23,941
Total operating expenses	<u>42,883</u>	<u>44,631</u>	<u>52,235</u>	<u>50,287</u>	<u>54,616</u>	<u>54,708</u>	<u>55,090</u>	<u>85,320</u>
Loss from operations	(18,193)	(20,200)	(17,003)	(16,048)	(23,105)	(22,550)	(6,623)	(35,454)
Interest expense	(682)	(688)	(702)	(505)	(345)	(318)	(290)	(270)
Other income (expense), net	(37)	(91)	(226)	(253)	(144)	(82)	160	382
Change in fair value of warrant liabilities	1,040	(437)	(224)	725	(392)	50	—	(385)
Loss before income taxes	(17,872)	(21,416)	(18,155)	(16,081)	(23,986)	(22,900)	(6,753)	(35,727)
Income tax provision	137	223	157	733	635	174	412	618
Net loss	\$ (18,009)	\$ (21,639)	\$ (18,312)	\$ (16,814)	\$ (24,621)	\$ (23,074)	\$ (7,165)	\$ (36,345)
Deemed dividend on the conversion of Series G redeemable convertible preferred stock	—	—	—	—	—	—	—	12,810
Net loss attributable to common stockholders	<u>\$ (18,009)</u>	<u>\$ (21,639)</u>	<u>\$ (18,312)</u>	<u>\$ (16,814)</u>	<u>\$ (24,621)</u>	<u>\$ (23,074)</u>	<u>\$ (7,165)</u>	<u>\$ (49,155)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (3.46)</u>	<u>\$ (3.82)</u>	<u>\$ (3.18)</u>	<u>\$ (2.89)</u>	<u>\$ (4.16)</u>	<u>\$ (3.83)</u>	<u>\$ (1.17)</u>	<u>\$ (1.80)</u>
Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted	<u>5,207,391</u>	<u>5,657,396</u>	<u>5,749,930</u>	<u>5,818,185</u>	<u>5,923,858</u>	<u>6,031,346</u>	<u>6,139,876</u>	<u>27,348,937</u>

**ForeScout Technologies, Inc.**

**Non-GAAP Condensed Consolidated Statements of Operations - Fiscal Quarters**

(In thousands, except share and per share data)

(Unaudited)

	<u>Q1FY16</u>	<u>Q2FY16</u>	<u>Q3FY16</u>	<u>Q4FY16</u>	<u>Q1FY17</u>	<u>Q2FY17</u>	<u>Q3FY17</u>	<u>Q4FY17</u>
Revenue:								
Product	\$ 18,305	\$ 19,757	\$ 30,799	\$ 29,794	\$ 22,105	\$ 22,592	\$ 39,192	\$ 37,524
Maintenance and professional services	15,209	15,400	17,941	19,636	22,248	23,614	25,164	28,432
Total revenue	<u>33,514</u>	<u>35,157</u>	<u>48,740</u>	<u>49,430</u>	<u>44,353</u>	<u>46,206</u>	<u>64,356</u>	<u>65,956</u>
Cost of revenue:								
Product	3,072	4,109	6,557	7,910	4,390	5,485	7,182	6,938
Maintenance and professional services	5,545	6,322	6,628	6,953	8,106	8,224	8,402	7,748
Total cost of revenue	<u>8,617</u>	<u>10,431</u>	<u>13,185</u>	<u>14,863</u>	<u>12,496</u>	<u>13,709</u>	<u>15,584</u>	<u>14,686</u>
Total gross profit	<u>24,897</u>	<u>24,726</u>	<u>35,555</u>	<u>34,567</u>	<u>31,857</u>	<u>32,497</u>	<u>48,772</u>	<u>51,270</u>
Operating expenses:								
Research and development	5,988	6,823	7,896	8,472	10,147	10,089	10,355	10,631
Sales and marketing	25,920	27,711	34,216	31,884	32,797	33,495	33,355	36,995
General and administrative	5,767	6,763	6,628	6,287	7,800	7,530	7,776	8,562
Total operating expenses	<u>37,675</u>	<u>41,297</u>	<u>48,740</u>	<u>46,643</u>	<u>50,744</u>	<u>51,114</u>	<u>51,486</u>	<u>56,188</u>
Loss from operations	(12,778)	(16,571)	(13,185)	(12,076)	(18,887)	(18,617)	(2,714)	(4,918)
Interest expense	(682)	(688)	(702)	(505)	(345)	(318)	(290)	(270)
Other income (expense), net	(37)	(91)	(226)	(253)	(144)	(82)	160	382
Loss before income taxes	(13,497)	(17,350)	(14,113)	(12,834)	(19,376)	(19,017)	(2,844)	(4,806)
Income tax provision	137	223	157	733	635	174	412	618
Net loss	<u>\$ (13,634)</u>	<u>\$ (17,573)</u>	<u>\$ (14,270)</u>	<u>\$ (13,567)</u>	<u>\$ (20,011)</u>	<u>\$ (19,191)</u>	<u>\$ (3,256)</u>	<u>\$ (5,424)</u>
Net loss per share attributable to common stockholders, basic and diluted	<u>\$ (2.62)</u>	<u>\$ (3.11)</u>	<u>\$ (2.48)</u>	<u>\$ (2.33)</u>	<u>\$ (3.38)</u>	<u>\$ (3.19)</u>	<u>\$ (0.53)</u>	<u>\$ (0.20)</u>
Weighted-average shares used to compute net loss per share attributable to common stockholders, basic and diluted	<u>5,207,391</u>	<u>5,657,396</u>	<u>5,749,930</u>	<u>5,818,185</u>	<u>5,923,858</u>	<u>6,031,346</u>	<u>6,139,876</u>	<u>27,348,937</u>

**ForeScout Technologies, Inc.**

**GAAP to Non-GAAP Reconciliations - Fiscal Quarters**

**(In thousands, except percentages, share and per share data)**

**(Unaudited)**

	<u>Q1FY16</u>	<u>Q2FY16</u>	<u>Q3FY16</u>	<u>Q4FY16</u>	<u>Q1FY17</u>	<u>Q2FY17</u>	<u>Q3FY17</u>	<u>Q4FY17</u>
GAAP product gross profit	\$ 15,229	\$ 15,642	\$ 24,236	\$ 21,870	\$ 17,694	\$ 17,087	\$ 31,991	\$ 30,543
Stock-based compensation	4	6	6	14	21	20	19	43
Non-GAAP product gross profit	<u>\$ 15,233</u>	<u>\$ 15,648</u>	<u>\$ 24,242</u>	<u>\$ 21,884</u>	<u>\$ 17,715</u>	<u>\$ 17,107</u>	<u>\$ 32,010</u>	<u>\$ 30,586</u>
<i>Non-GAAP product gross margin</i>	83 %	79 %	79 %	73 %	80 %	76 %	82 %	82 %
GAAP maintenance and professional services gross profit	\$ 9,461	\$ 8,789	\$ 10,996	\$ 12,369	\$ 13,817	\$ 15,071	\$ 16,476	\$ 19,323
Stock-based compensation	203	289	317	314	325	319	286	1,361
Non-GAAP maintenance and professional services gross profit	<u>\$ 9,664</u>	<u>\$ 9,078</u>	<u>\$ 11,313</u>	<u>\$ 12,683</u>	<u>\$ 14,142</u>	<u>\$ 15,390</u>	<u>\$ 16,762</u>	<u>\$ 20,684</u>
<i>Non-GAAP maintenance and professional services gross margin</i>	64 %	59 %	63 %	65 %	64 %	65 %	67 %	73 %
GAAP total gross profit	\$ 24,690	\$ 24,431	\$ 35,232	\$ 34,239	\$ 31,511	\$ 32,158	\$ 48,467	\$ 49,866
Stock-based compensation	207	295	323	328	346	339	305	1,404
Non-GAAP total gross profit	<u>\$ 24,897</u>	<u>\$ 24,726</u>	<u>\$ 35,555</u>	<u>\$ 34,567</u>	<u>\$ 31,857</u>	<u>\$ 32,497</u>	<u>\$ 48,772</u>	<u>\$ 51,270</u>
<i>Non-GAAP total gross margin</i>	74 %	70 %	73 %	70 %	72 %	70 %	76 %	78 %
GAAP research and development expense	6,478	7,365	8,509	9,138	10,947	10,702	10,985	14,801
Stock-based compensation	490	542	613	666	800	613	630	4,170
Non-GAAP research and development expense	<u>\$ 5,988</u>	<u>\$ 6,823</u>	<u>\$ 7,896</u>	<u>\$ 8,472</u>	<u>\$ 10,147</u>	<u>\$ 10,089</u>	<u>\$ 10,355</u>	<u>\$ 10,631</u>
<i>Non-GAAP research and development expense as a percentage of total revenue</i>	18 %	19 %	16 %	17 %	23 %	22 %	16 %	16 %
GAAP sales and marketing expense	29,377	29,180	35,759	33,499	34,454	35,104	34,957	46,578
Stock-based compensation	3,457	1,469	1,543	1,615	1,657	1,609	1,602	9,583
Non-GAAP sales and marketing expense	<u>\$ 25,920</u>	<u>\$ 27,711</u>	<u>\$ 34,216</u>	<u>\$ 31,884</u>	<u>\$ 32,797</u>	<u>\$ 33,495</u>	<u>\$ 33,355</u>	<u>\$ 36,995</u>

<i>Non-GAAP sales and marketing expense as a percentage of total revenue</i>	77 %	79 %	70 %	65 %	74 %	72 %	52 %	56 %
GAAP general and administrative expense	\$ 7,028	\$ 8,086	\$ 7,967	\$ 7,650	\$ 9,215	\$ 8,902	\$ 9,148	\$ 23,941
Stock-based compensation	1,261	1,323	1,339	1,363	1,415	1,372	1,372	15,379
Non-GAAP general and administrative expense	\$ 5,767	\$ 6,763	\$ 6,628	\$ 6,287	\$ 7,800	\$ 7,530	\$ 7,776	\$ 8,562
<i>Non-GAAP general and administrative expense as a percentage of total revenue</i>	17 %	19 %	14 %	13 %	18 %	16 %	12 %	13 %
GAAP total operating expenses	\$ 42,883	\$ 44,631	\$ 52,235	\$ 50,287	\$ 54,616	\$ 54,708	\$ 55,090	\$ 85,320
Stock-based compensation	5,208	3,334	3,495	3,644	3,872	3,594	3,604	29,132
Non-GAAP total operating expenses	\$ 37,675	\$ 41,297	\$ 48,740	\$ 46,643	\$ 50,744	\$ 51,114	\$ 51,486	\$ 56,188
<i>Non-GAAP total operating expenses as a percentage of total revenue</i>	112 %	117 %	100 %	94 %	114 %	111 %	80 %	85 %
GAAP operating loss	\$ (18,193)	\$ (20,200)	\$ (17,003)	\$ (16,048)	\$ (23,105)	\$ (22,550)	\$ (6,623)	\$ (35,454)
Stock-based compensation	5,415	3,629	3,818	3,972	4,218	3,933	3,909	30,536
Non-GAAP operating loss	\$ (12,778)	\$ (16,571)	\$ (13,185)	\$ (12,076)	\$ (18,887)	\$ (18,617)	\$ (2,714)	\$ (4,918)
<i>Non-GAAP operating margin</i>	(38)%	(47)%	(27)%	(24)%	(43)%	(40)%	(4)%	(7)%
GAAP net loss	\$ (18,009)	\$ (21,639)	\$ (18,312)	\$ (16,814)	\$ (24,621)	\$ (23,074)	\$ (7,165)	\$ (49,155)
Stock-based compensation	5,415	3,629	3,818	3,972	4,218	3,933	3,909	30,536
Change in fair value of warrant liabilities	(1,040)	437	224	(725)	392	(50)	—	385
Deemed dividend on the conversion of Series G redeemable convertible preferred stock	—	—	—	—	—	—	—	12,810
Non-GAAP net loss	\$ (13,634)	\$ (17,573)	\$ (14,270)	\$ (13,567)	\$ (20,011)	\$ (19,191)	\$ (3,256)	\$ (5,424)
GAAP net loss per share	\$ (3.46)	\$ (3.82)	\$ (3.18)	\$ (2.89)	\$ (4.16)	\$ (3.83)	\$ (1.17)	\$ (1.80)
Stock-based compensation	1.04	0.64	0.66	0.68	0.71	0.65	0.64	1.12
Change in fair value of warrant liabilities	(0.20)	0.07	0.04	(0.12)	0.07	(0.01)	—	0.01

Effect on net loss per share from deemed dividend on the conversion of Series G redeemable convertible preferred stock	—	—	—	—	—	—	—	0.47
Non-GAAP net loss per share	<u>\$ (2.62)</u>	<u>\$ (3.11)</u>	<u>\$ (2.48)</u>	<u>\$ (2.33)</u>	<u>\$ (3.38)</u>	<u>\$ (3.19)</u>	<u>\$ (0.53)</u>	<u>\$ (0.20)</u>
Weighted-average shares used to compute net loss per share	5,207,391	5,657,396	5,749,930	5,818,185	5,923,858	6,031,346	6,139,876	27,348,937

**ForeScout Technologies, Inc.**  
**Condensed Consolidated Balance Sheets - Fiscal Quarters**  
(In thousands)  
(Unaudited)

	<u>Q4FY16</u>	<u>Q1FY17</u>	<u>Q2FY17</u>	<u>Q3FY17</u>	<u>Q4FY17</u>
<b>Assets</b>					
Current assets:					
Cash and cash equivalents	\$ 79,665	\$ 87,855	\$ 72,535	\$ 72,344	\$ 63,009
Short-term investments	—	—	—	—	123,384
Accounts receivable	44,694	16,733	25,315	49,080	65,428
Inventory	890	395	224	132	3,660
Prepaid expenses and other current assets	8,592	10,111	8,196	8,431	8,655
Total current assets	<u>133,841</u>	<u>115,094</u>	<u>106,270</u>	<u>129,987</u>	<u>264,136</u>
Property and equipment, net	24,536	24,138	23,993	23,264	23,260
Severance pay deposits	1,704	1,847	1,965	1,987	2,118
Restricted cash	4,011	4,122	4,143	4,137	4,146
Other assets	3,334	3,838	4,303	4,951	2,002
Total assets	<u>\$ 167,426</u>	<u>\$ 149,039</u>	<u>\$ 140,674</u>	<u>\$ 164,326</u>	<u>\$ 295,662</u>
<b>Liabilities, redeemable convertible preferred stock and stockholders' equity (deficit)</b>					
Current liabilities:					
Accounts payable	\$ 5,210	\$ 1,396	\$ 607	\$ 1,889	\$ 7,348
Accrued compensation	17,286	15,252	20,554	21,106	25,358
Accrued expenses	12,903	9,973	10,157	11,002	10,023
Customer deposits	718	12,242	11,220	6,506	1,008
Deferred revenue	68,844	69,494	76,971	91,216	98,027
Notes payable	7,163	7,183	7,203	7,224	7,245
Total current liabilities	<u>112,124</u>	<u>115,540</u>	<u>126,712</u>	<u>138,943</u>	<u>149,009</u>
Warrant liabilities	4,874	5,266	5,216	5,216	—
Deferred revenue - non-current	40,070	39,745	40,556	56,712	64,731
Notes payable - non-current	22,824	21,020	19,211	17,398	15,579
Accrued severance pay liability	2,033	2,355	2,506	2,524	2,617
Other liabilities	10,244	9,874	9,578	9,340	9,190
Total liabilities	<u>192,169</u>	<u>193,800</u>	<u>203,779</u>	<u>230,133</u>	<u>241,126</u>
Commitments and contingencies					
Redeemable convertible preferred stock	<u>283,854</u>	<u>283,854</u>	<u>283,854</u>	<u>283,854</u>	<u>—</u>
Stockholders' equity (deficit):					
Common stock	6	6	6	6	38
Additional paid-in capital	84,792	89,361	94,091	98,555	551,986
Accumulated other comprehensive loss	—	—	—	—	(112)
Accumulated deficit	(393,395)	(417,982)	(441,056)	(448,222)	(497,376)
Total stockholders' equity (deficit)	<u>(308,597)</u>	<u>(328,615)</u>	<u>(346,959)</u>	<u>(349,661)</u>	<u>54,536</u>
Total liabilities, redeemable convertible preferred stock and stockholders' equity (deficit)	<u>\$ 167,426</u>	<u>\$ 149,039</u>	<u>\$ 140,674</u>	<u>\$ 164,326</u>	<u>\$ 295,662</u>

ForeScout Technologies, Inc.

Condensed Consolidated Statements of Cash Flows - Fiscal Quarters

(In thousands)

(Unaudited)

	Q4FY16	Q1FY17	Q2FY17	Q3FY17	Q4FY17
<b>Cash flows from operating activities</b>					
Net loss	\$ (16,814)	\$ (24,621)	\$ (23,074)	\$ (7,165)	\$ (36,345)
<b>Adjustments to reconcile net loss to net cash used in operating activities</b>					
Stock-based compensation	3,972	4,218	3,933	3,909	30,536
Depreciation and loss on disposal of property and equipment	1,312	1,381	1,641	1,429	1,617
Amortization of discount on debt and interest income	140	90	87	82	(386)
Change in fair value of warrant liabilities	(725)	392	(50)	—	385
<b>Changes in operating assets and liabilities</b>					
Accounts receivable	(12,907)	27,961	(8,582)	(23,765)	(16,348)
Inventory	(575)	495	171	169	(3,554)
Prepaid expenses and other current assets	(516)	(1,519)	2,038	(342)	(240)
Other assets	(44)	69	(50)	(150)	(404)
Accounts payable	2,226	(4,172)	(612)	1,465	5,053
Accrued compensation	(591)	(2,034)	5,302	552	4,252
Accrued expenses	1,290	(1,412)	420	425	(322)
Customer deposits	(391)	11,524	(1,022)	(4,714)	(5,498)
Deferred revenue	15,370	325	8,288	30,401	14,830
Severance pay, net	13	179	33	(4)	(38)
Other liabilities	344	(107)	(42)	21	164
<b>Net cash provided by (used in) operating activities</b>	<b>(7,896)</b>	<b>12,769</b>	<b>(11,519)</b>	<b>2,313</b>	<b>(6,298)</b>
<b>Cash flows from investing activities</b>					
Purchases of property and equipment	(2,047)	(1,237)	(1,557)	(592)	(1,131)
Purchases of short-term investments	—	—	—	—	(123,032)
Change in restricted cash	10	(111)	(21)	6	(10)
<b>Net cash used in investing activities</b>	<b>(2,037)</b>	<b>(1,348)</b>	<b>(1,578)</b>	<b>(586)</b>	<b>(124,173)</b>
<b>Cash flows from financing activities</b>					
Net borrowings of notes payable	29,977	—	—	—	—
Repayments of notes payable	(20,130)	(1,874)	(1,876)	(1,874)	(1,876)
Payment of accrued success fees	—	—	—	—	(350)
Proceeds from exercise of stock options	164	122	542	296	666
Payments of deferred offering costs	(8)	(1,479)	(889)	(340)	(1,537)
Proceeds from initial public offering, net of underwriting discounts and commissions	—	—	—	—	124,233
<b>Net cash provided by (used in) financing activities</b>	<b>10,003</b>	<b>(3,231)</b>	<b>(2,223)</b>	<b>(1,918)</b>	<b>121,136</b>
<b>Net change in cash and cash equivalents for period</b>	<b>70</b>	<b>8,190</b>	<b>(15,320)</b>	<b>(191)</b>	<b>(9,335)</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>79,595</b>	<b>79,665</b>	<b>87,855</b>	<b>72,535</b>	<b>72,344</b>
<b>Cash and cash equivalents at end of period</b>	<b>\$ 79,665</b>	<b>\$ 87,855</b>	<b>\$ 72,535</b>	<b>\$ 72,344</b>	<b>\$ 63,009</b>



**ForeScout Technologies, Inc.****Free Cash Flow Reconciliations - Fiscal Quarters****(In thousands)****(Unaudited)**

	<u>Q4FY16</u>	<u>Q1FY17</u>	<u>Q2FY17</u>	<u>Q3FY17</u>	<u>Q4FY17</u>
<b>Free cash flow (non-GAAP):</b>					
Net cash provided by (used in) operating activities	\$ (7,896)	\$ 12,769	\$ (11,519)	\$ 2,313	\$ (6,298)
Less: purchases of property and equipment	(2,047)	(1,237)	(1,557)	(592)	(1,131)
Free cash flow (non-GAAP)	<u>\$ (9,943)</u>	<u>\$ 11,532</u>	<u>\$ (13,076)</u>	<u>\$ 1,721</u>	<u>\$ (7,429)</u>
<b>Net cash used in investing activities</b>	<u>\$ (2,037)</u>	<u>\$ (1,348)</u>	<u>\$ (1,578)</u>	<u>\$ (586)</u>	<u>\$ (124,173)</u>
<b>Net cash provided by (used in) financing activities</b>	<u>\$ 10,003</u>	<u>\$ (3,231)</u>	<u>\$ (2,223)</u>	<u>\$ (1,918)</u>	<u>\$ 121,136</u>

**ForeScout Technologies, Inc.****Annual Metrics****(Unaudited)**

	<b>FY16</b>	<b>FY17</b>
<b>Deal Metrics</b>		
Number of annual end-customer deals >\$1M	28	48
Average annual deal size	\$202,000	\$217,000
<b>Sales Force Tenure</b>		
Percentage of sales representatives on board > 2 years	14%	35%
Percentage of sales representatives on board < 2 years	86%	65%
<b>Other Metrics</b>		
Percentage penetration into the Global 2000	16%	18%
Net recurring revenue retention rate on support and maintenance contracts	127%	126%