HORTONWORKS, INC. (HDP)
GLOBALLY MANAGE, SECURE AND GOVERN ACROSS ALL DATA ASSETS

Q2 2018 Investor Presentation
August 7, 2018

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Customers who purchase our offerings should make sure their purchasing decisions are based on features that are currently available. Please be advised that any unreleased offerings or features referenced in this presentation or other public statements are not currently available and may not be delivered on time or at all.

This presentation includes both GAAP and Non-GAAP financial measures. We believe certain Non-GAAP measures are helpful in understanding our past financial performance and our future results. Non-GAAP financial measures used in this presentation are not meant to be a substitute for comparable GAAP measures and are not intended to be considered in isolation from, in substitute for, or superior to our GAAP results. Reconciliation of GAAP to Non-GAAP measures may be found in the financial tables in our Press Release dated August 7, 2018, available on the Investor Relations page at www.hortonworks.com.

Throughout this presentation, we have rounded numbers as appropriate.

HORTONWORKS

Our mission to BUILD AND EXTEND the foundation continues...

Make Hadoop an **enterprise-viable data platform**

Bring all data under management, all sources, all types, all tiers

Manage entire **lifecycle of data**

Enable a Modern Data Architecture
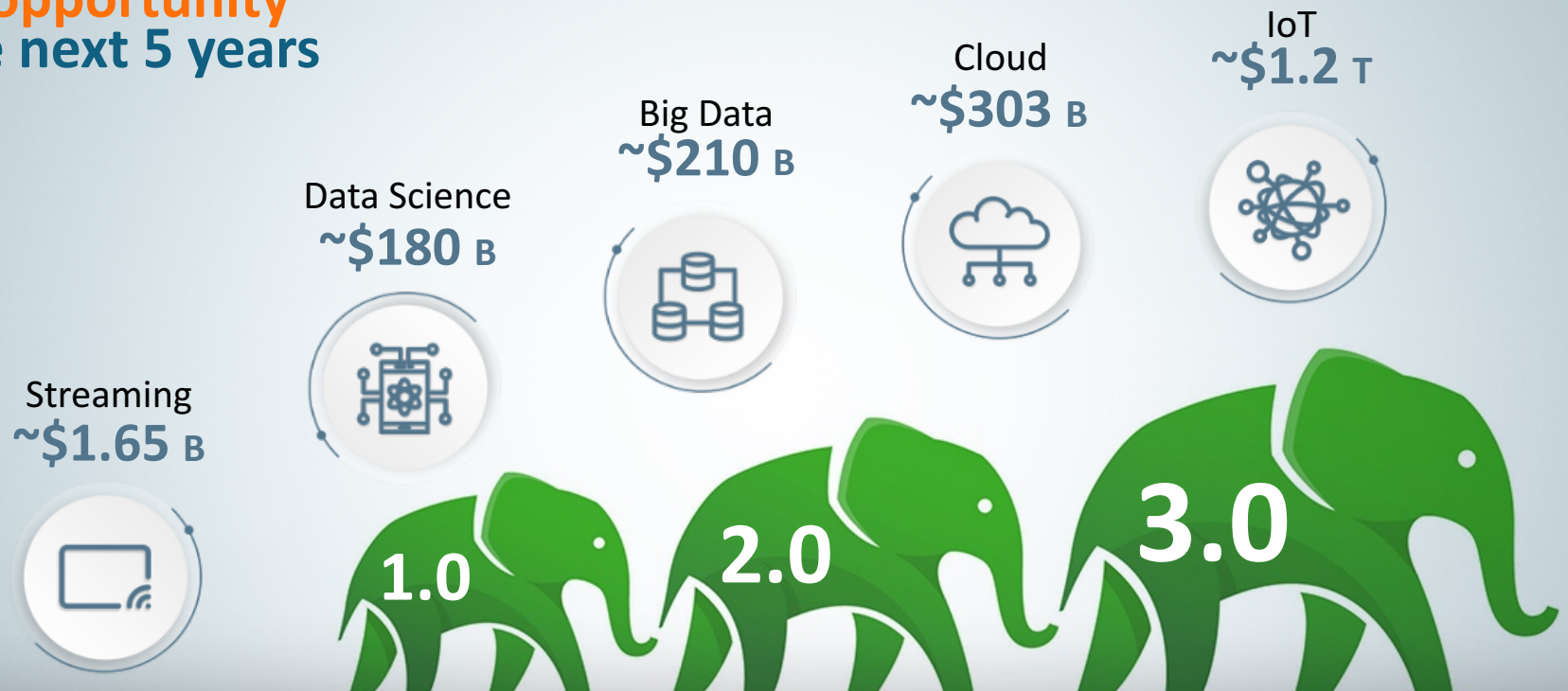
Process **half of the world's data**

HORTONWORKS

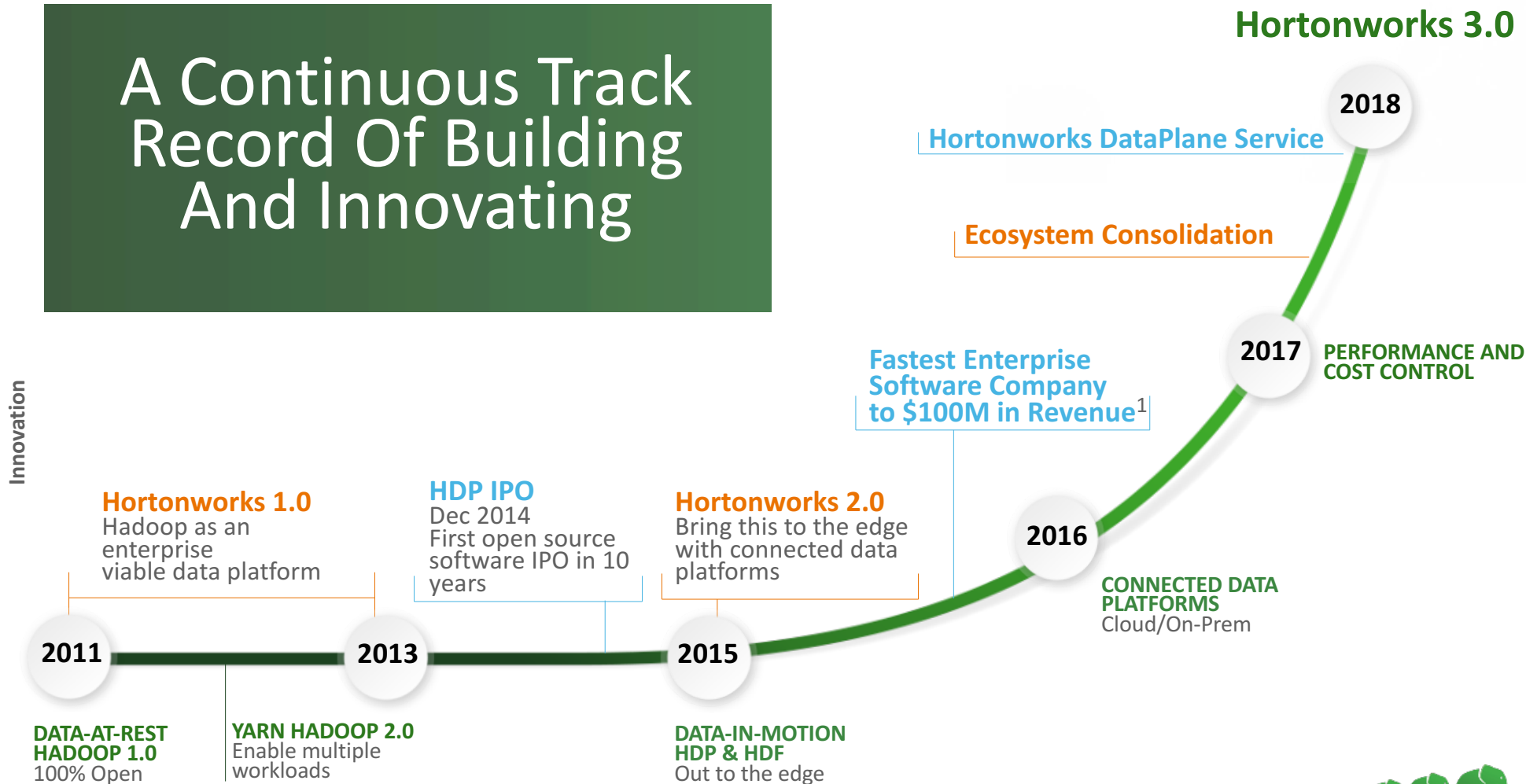# Opportunities to Create Business Value Across Connected Communities

Monetization of Data

Real-Time Operational Models

New Models for Commerce and Trade

Supply Chain Data Exchange

New revenues by monetized customer profile and location data

Cost savings from predictive maintenance

New revenues from location aware E-Commerce

Improve supply chain efficiencies through sharing of real-time data

HORTONWORKS®

The Hortonworks Opportunity

At the core of ~$1.9T in market opportunity over the next 5 years

Streaming
~$1.65 B

Data Science
~$180 B

Big Data
~$210 B

Cloud
~$303 B

IoT
~$1.2 T

1.0

2.0

3.0

A Continuous Track Record Of Building And Innovating

Hortonworks 3.0

2018

Hortonworks DataPlane Service

Ecosystem Consolidation

2017

PERFORMANCE AND COST CONTROL

Fastest Enterprise Software Company to $100M in Revenue[1]

2016

CONNECTED DATA PLATFORMS
Cloud/On-Prem

Innovation

Hortonworks 1.0
Hadoop as an enterprise viable data platform

HDP IPO
Dec 2014
First open source software IPO in 10 years

Hortonworks 2.0
Bring this to the edge with connected data platforms

2011

2013

2015

DATA-AT-REST HADOOP 1.0
100% Open

YARN HADOOP 2.0
Enable multiple workloads

DATA-IN-MOTION HDP & HDF
Out to the edge

[1] Source: Barclays Big Data Data Report, July 10, 2015

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A Path to the **Hybrid Data Cloud with Hortonworks**

Faster Innovation

amazon
web services

Azure

IBM Cloud

Proactively Manage Costs

Cloud Agnostic

Data and Workload Mobility

Integrated Workloads

Application Portability Across Clouds

Consistent Security and Data Governance

Lower Risk
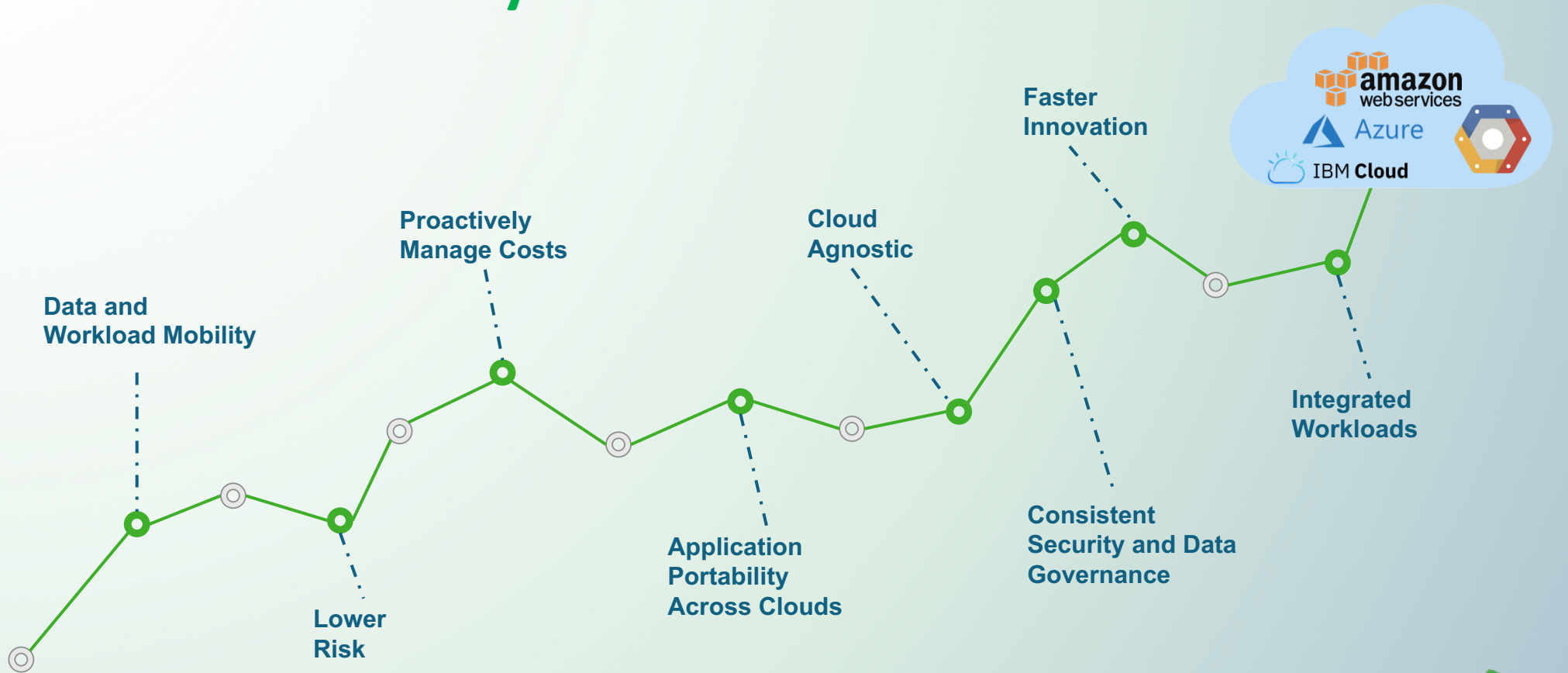
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Hortonworks' Portfolio Enables a Hybrid Architecture

MULTIPLE CLUSTERS AND SOURCES
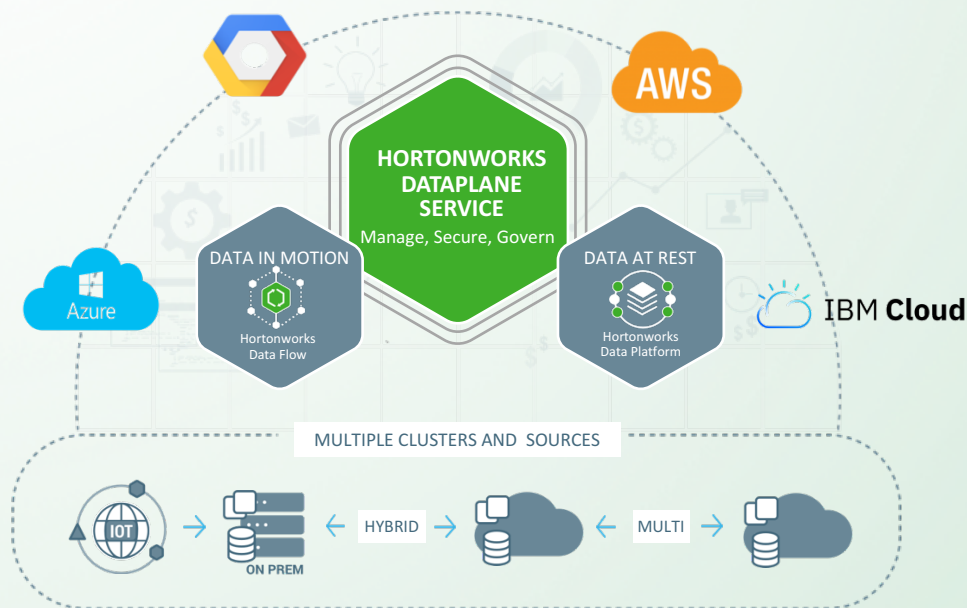
Hortonworks Platforms Are Unique:

- Bridge across on-premises *and* multiple clouds, including application portability, for more architecture choice

- Common Metadata, Security and Governance across all deployments

- Simplified enterprise data asset management

- Reduced vendor lock in at the analytics tool level while reaping benefits of what each cloud vendor has to offer

- Simultaneous support for a variety of workloads

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Multi-Cloud **Partner Ecosystem**

Our platforms and solutions are cloud agnostic. They can be deployed across our cloud partnership ecosystem of Microsoft Azure, Amazon Web Services, Google Cloud Platform and IBM Cloud.

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Hortonworks - U.S. Fortune 100 Company Penetration
Customers Achieve Value in Every Industry

FINANCIALS & INSURANCE

~70% of the **US F100**

RETAIL & FOOD

~50% of the **US F100**

TECHNOLOGY, ENTERTAINMENT & TELECOM

~70% of the **US F100**

MANUFACTURING & AUTOMOTIVE

~75% of the **US F100**

HORTONWORKS

Hortonworks – Fortune Global 500 Company Penetration
Customers Achieve Value in Every Industry

FINANCIALS & INSURANCE

~40% of the **Global F500**

RETAIL & FOOD

~20% of the **Global F500**

TECHNOLOGY, ENTERTAINMENT & TELECOM

~50% of the **Global F500**

MANUFACTURING & AUTOMOTIVE

~30% of the **Global F500**

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Improving Healthcare with SMART data

CHALLENGE

Combine multi-format data streams, with hundreds of sources, into one platform

- Needed a platform that could combine multi-format data streaming
- Data scarcity & latency problems
- Machine learning & data science

SOLUTION

Cloud-based systems architected to deliver SMART data, using HDP and HDF

- First to deliver SMART real-time streaming data
- Clearsense's Inception™ product enables fast decisions for clinicians
- Customers have access to all data sources with HDP & HDF

RESULT

Mission-critical data and relevant insight for 2,000 rural providers

- Mission critical data is now available for doctors to make critical decisions
- Cost efficiencies led to access for 2,000 rural providers
- Real-time data helps prevent "Code Blue"

Source: Clearsense Case Study

Photo by rawpixel on Unsplash

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Trimble

Positioning technology products & services empower companies worldwide

CHALLENGE

Provide accurate data for small carriers to improve business results

- According to Trimble estimates, 95% of small carriers (less than 50 trucks) have a deficit of data available

- Estimated data, price points and revenue base opportunity for controlling fuel cost

- Understanding of freight and lane movement

SOLUTION

Big Data in the Cloud with HDP, HDF, and Microsoft Azure

- Leveraging big data powering Blockchain, with machine learning, to revolutionize Transportation and Logistics industries

- Analyzed fuel data; can consolidate data set for small carriers to generate community data lake

RESULT

Double digit revenue increase, year over year

- Managing for 4 million trucks daily

- $31 billion dollars in freight movement guides customers to profitability

- Blockchain driven architecture

Source: Trimble Blockchain Webinar, June 2018

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Mitsubishi Fuso Truck and Bus Corporation (MFTBC)

Leading truck/bus/industrial engine manufacturer creates strong competitive advantage

CHALLENGE	SOLUTION	RESULT
Compete using data-driven services based on enormous amounts of sensor data	**HDP-based cloud service to provide platform for information analysis**	**1st to offer one of the most advanced tele-diagnosis services available worldwide**

CHALLENGE

- Competitive companies adding services to their product offerings
- Services companies require enormous amounts of sensor data
- Mitsubishi Fuso struggled with this data-driven business model

SOLUTION

- "Connectivity Project" combines/ analyzes data from vehicle sensors
- Big Data connectivity provides accurate diagnosis of vehicle's status
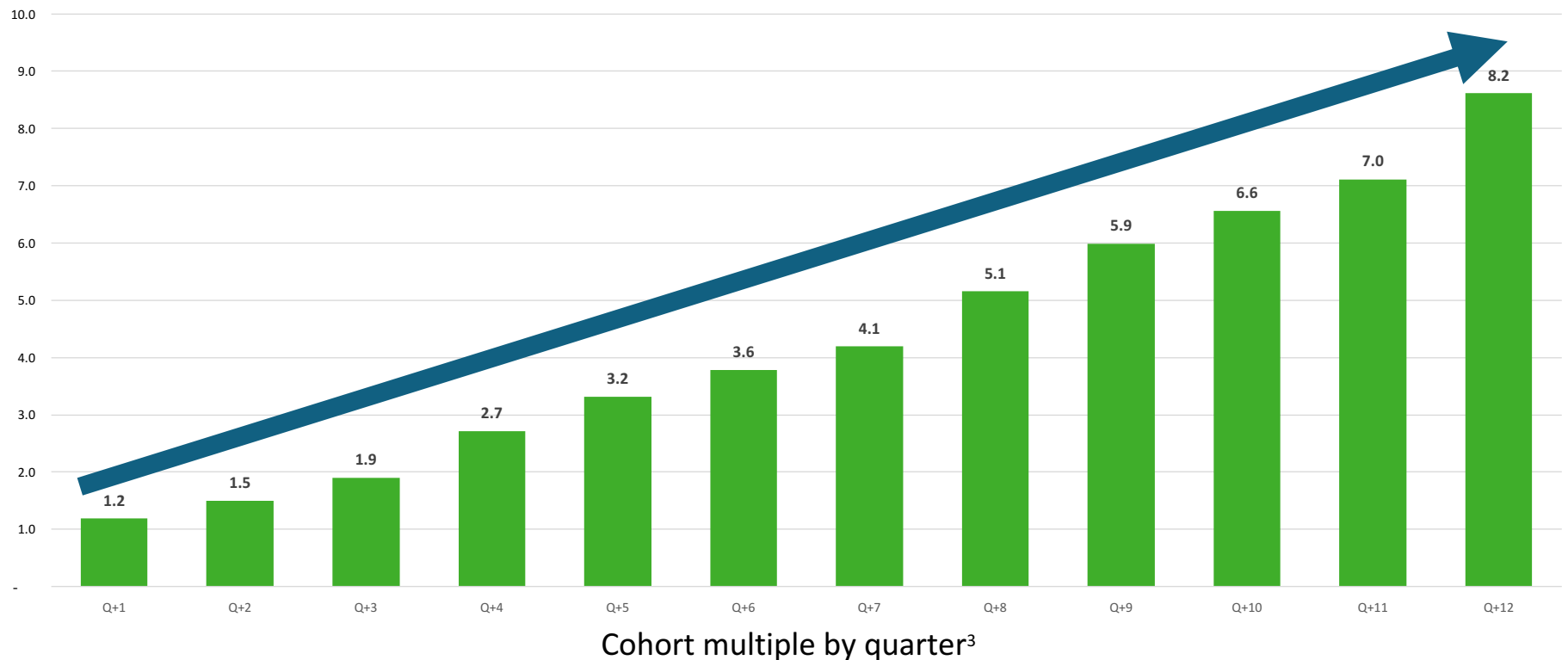- HDP-based cloud service for information analysis platform

RESULT

- Integrating data silos substantially reduces information management costs
- First Japanese commercial vehicle manufacturer offers Truckonnect, one of the most advanced tele-diagnosis services available worldwide

Source: Mitsubishi Fuso Case Study, April 2017

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Cohort[1] Analysis Shows Significant Customer Expansion

Cohort Multiple[2]

Cohort multiple by quarter[3]

Quarter	Q+1	Q+2	Q+3	Q+4	Q+5	Q+6	Q+7	Q+8	Q+9	Q+10	Q+11	Q+12
Value	1.2	1.5	1.9	2.7	3.2	3.6	4.1	5.1	5.9	6.6	7.0	8.2

[1] A cohort class is a group of new customers that execute an initial support subscription contract within a given quarter. Cohort expansion is the aggregate value of all invoices sent to a cohort class for support subscription services after its initial contract through a specific period.

[2] The cohort multiple is the average cohort expansion of a set of cohort classes over a specific number of quarters from initial contract inception.
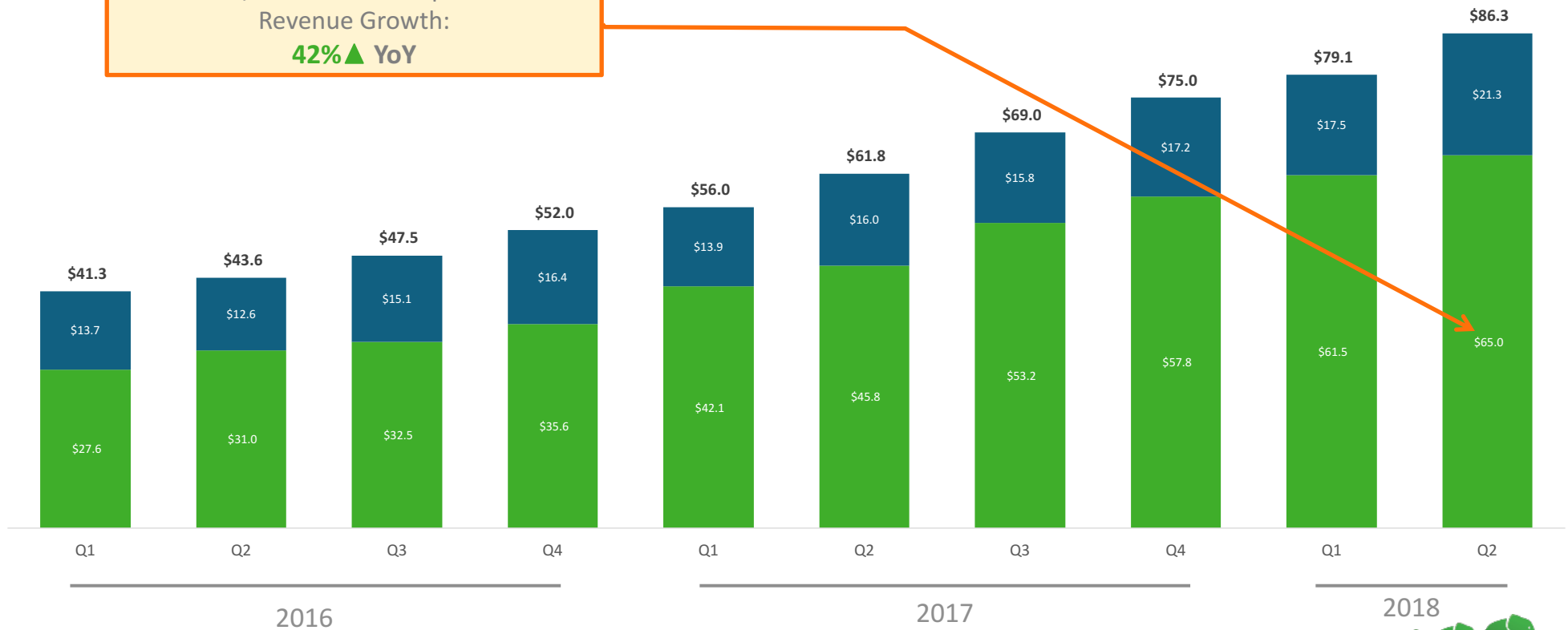
[3] The data includes 22 cohort classes, from Q1 2013 through Q2 2018.

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Significant Revenue Growth and Momentum

Quarterly GAAP Revenue ($mil)

■ Subscription Revenue ■ Services Revenue

Q2 2018/Q2 2017 Subscription GAAP Revenue Growth:
42%▲ YoY

$41.3
$13.7
$27.6

$43.6
$12.6
$31.0

$47.5
$15.1
$32.5

$52.0
$16.4
$35.6

$56.0
$13.9
$42.1

$61.8
$16.0
$45.8

$69.0
$15.8
$53.2

$75.0
$17.2
$57.8

$79.1
$17.5
$61.5

$86.3
$21.3
$65.0

Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
2016				2017				2018	

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Financial Highlights

Subscription-Based Model	• $259.1 million of total contract liabilities[1] as of June 30, 2018
Strong Growth and Cash Position	• Record GAAP revenue, grew 40 percent year-over-year in Q2 2018 to $86.3 million • $86.0 million of cash and investments[2] as of June 30, 2018
Rapidly Expanding Subscription Customer Base	• Over 1,400 support subscription customers including over 60 percent of Fortune 100 and nearly 30 percent of Fortune Global 500 companies • Approximately 2,300 partners in the Partnerworks program
Land and Expand Growth Strategy	• 17 deals >$1 million in Q2 2018, 10 of which included HDF, showing continued adoption of this technology, and 8 of which were with international customers • 59 total deals >$1 million landed in the last twelve months • 60 customers with an annual recurring revenue (ARR) in excess of $1 million • Cohort multiple[4] growth of 8.2X over a twelve quarter period
Investing for Growth ~$1.9 trillion market opportunity[3]	• Investing to capitalize on several mega-trends driven by increased utilization of artificial intelligence, machine learning, Big Data, the enterprise IoT and streaming analytics, both on premises and in the cloud
Attractive Long-Term Model	• Driving to target 80 percent support subscription revenue mix, at 75 percent in Q2 2018 • GAAP gross margin of 72 percent, an improvement of 5 percentage points year over year • GAAP operating margin improvement of 39 percentage points year over year

[1] *Total contract liabilities is comprised of short-term deferred revenue, other contract liabilities and long-term deferred revenue.*
[2] *Excludes access to an undrawn $50.0 million revolving credit facility.*
[3] *See slide 5 for market size references.*
[4] *The cohort multiple is the average cohort expansion of a set of cohort classes over a specific number of quarters from initial contract inception.*

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YOUR **DATA** *IS YOUR* **CLOUD**
strategy   strategy

IS YOUR **BUSINESS**
strategy

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18

NASDAQ—HDP

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