Q4 2016 EARNINGS CALL

February 13, 2017

Safe Harbor and Non-GAAP Measures

This presentation includes forward-looking statements within the meaning of the federal securities laws. These statements relate to, among other things, our business strategy, goals and expectations concerning our market position, the size and growth of the markets in which we compete, our channel partners and carrier relationships, and our future financial and operating results, including our GAAP and non-GAAP guidance.

Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Our operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct.

Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors including those that are described in greater detail in our filings with the Securities and Exchange Commission, including our Form 10-Q for the nine months ended September 30, 2016. All future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the previous statements. We undertake no obligation to update any forward-looking statements that may be made to reflect events or circumstances that occur, or that we become aware of, after the date of this presentation.

In this presentation, we provide certain non-GAAP financial measures, which are reconciled to their directly comparable GAAP financial measures. These reconciliations are presented in the Appendix at the end of this presentation.

We also provide guidance on forecasted non-GAAP EPS and non-GAAP operating margin. We have not reconciled the forecasted non-GAAP EPS to its respective forecasted GAAP measure because we do not provide guidance on it. We do not provide guidance on forecasted GAAP EPS because of the inherent uncertainty and complexity involved in forecasting the intercompany remeasurement gain (loss), which is a significant reconciling item between the non-GAAP and respective GAAP measure. The intercompany remeasurement gain (loss) is impacted by the movement in various exchange rates relative to the USD, which is difficult to predict and subject to constant change. The actual amount of intercompany remeasurement gain (loss) in the fiscal first quarter and full fiscal year of 2017 may have a significant impact on the Company's GAAP net income (loss) per diluted share. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measure is not available without unreasonable effort.

Q4 2016 Business Highlights

- Midmarket and Enterprise shows Momentum
  - Now a $100 million business and grew ARR 93% year-over-year
  - ~50% of RC Office bookings, up from under 40% a year ago
- Traditional Channel Partners switching to Selling Cloud Communication and Collaboration Solutions
  - Channel partners had a record quarter in new bookings, driving key deals in midmarket and enterprise
  - Financial troubles of legacy on-premise vendors helping RingCentral rapidly ramp up these partners
- Significant Enterprise Customer Wins
  - Closed five 7-figure total contract value deals
  - 2,500 RC Office and about 100 Contact Center users at Genex, a leader in integrated managed care services
  - Initial 2,300 users scaling up to potential 10,000 users at a national fast food chain through a carrier partner
- Global Office Traction helping drive new business with larger enterprises
  - Increased the number of Global Office customers by over 50% quarter-over-quarter to over 600
  - 1,700 RC Office users (including 350 Global Office users) at Aptean, a provider of industry-focused enterprise software solutions
  - Expanded Global Office to provide localized user experiences in over 30 countries

Q4 2016 Financial Highlights

- Annualized exit recurring software subscriptions (ARR)
  - RingCentral Office® up 38% year-over-year to $342 million
  - Total up 31% year-over-year to $414 million
- Revenue Growth
  - Software Subscription up 28% year-over-year to $98 million
  - Total up 29%* year-over-year to $105 million
- Indirect channel strategy gaining traction
  - Strongest bookings quarter for Channel Partners
  - Over 25% of software subscription revenue, up from ~20% a year ago
- Land and expand providing a great base for growth
  - ~40% of new RC Office business from existing customers

* As compared to pro forma revenue. Refer to Appendix for a reconciliation of GAAP revenues to pro forma revenues.

Q4 2016 Financial Highlights (continued)

- Software subscription gross margin
  - GAAP: 80.2% up 220 basis points year-over-year
  - Non-GAAP: 81.2% up 250 basis points year-over-year

- Continued profitability improvement
  - GAAP operating margin up 90 basis points year-over-year to (6.3%)
  - Non-GAAP operating margin up 110 basis points year-over-year to 2.1%

- Fourth consecutive quarter of positive free cash flow*
  - Generated $2 million of Free Cash Flow

* Free cash flow = Operating Cash Flow less Capital Expenditures

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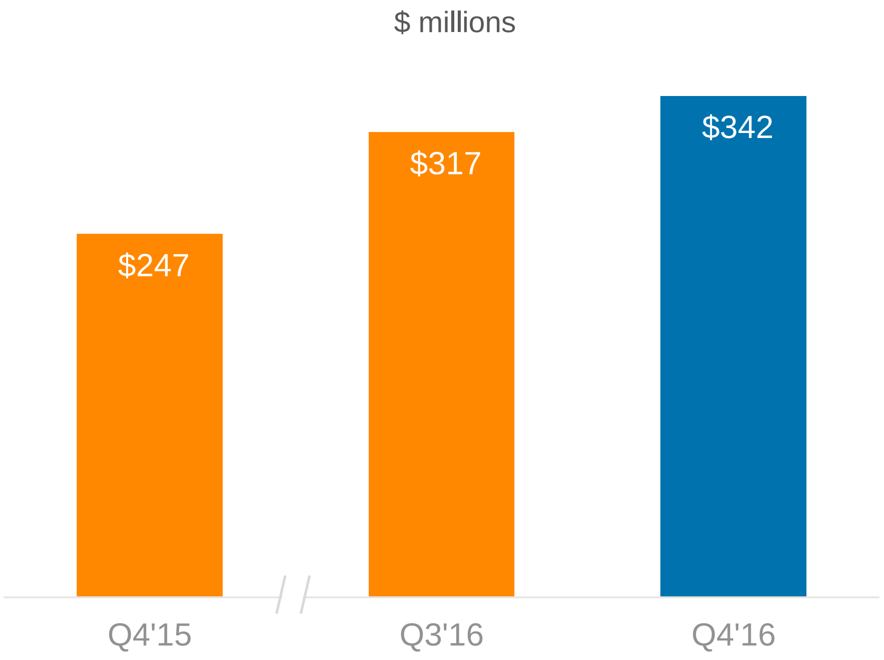
Q4 2016 RingCentral Office ARR

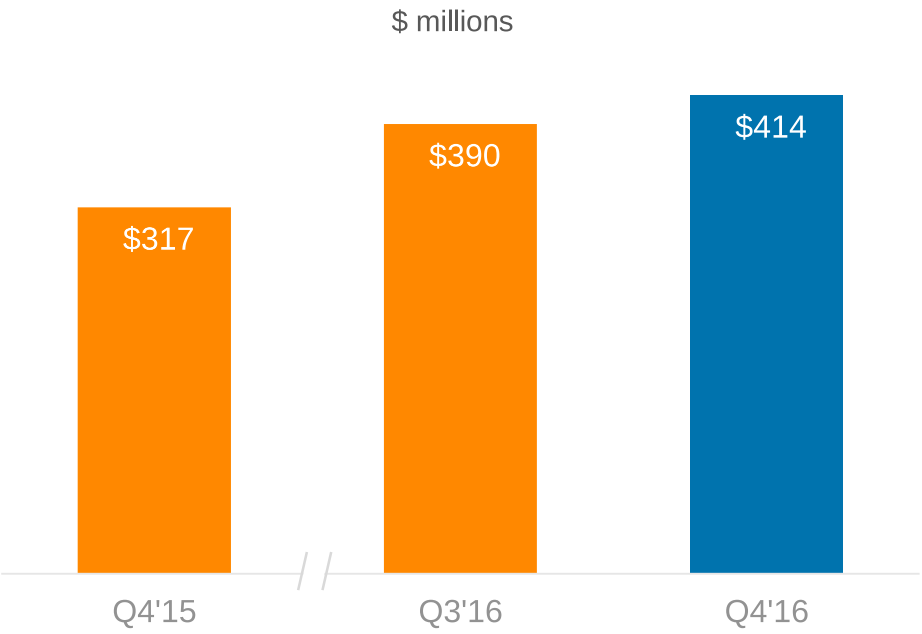
RC Office ARR Grew 38% Y/Y



- Office ARR
  - $342 million
  - Up 38% Y/Y
- Net Monthly Subscription Dollar Retention
  - Over 100%

Q4 2016 Total Software Subscriptions ARR

Total ARR Grew 31% Y/Y



- Total Software Subscriptions ARR
  - $414 million
  - Up 31% Y/Y
- Net Monthly Subscription Dollar Retention
  - Over 99%

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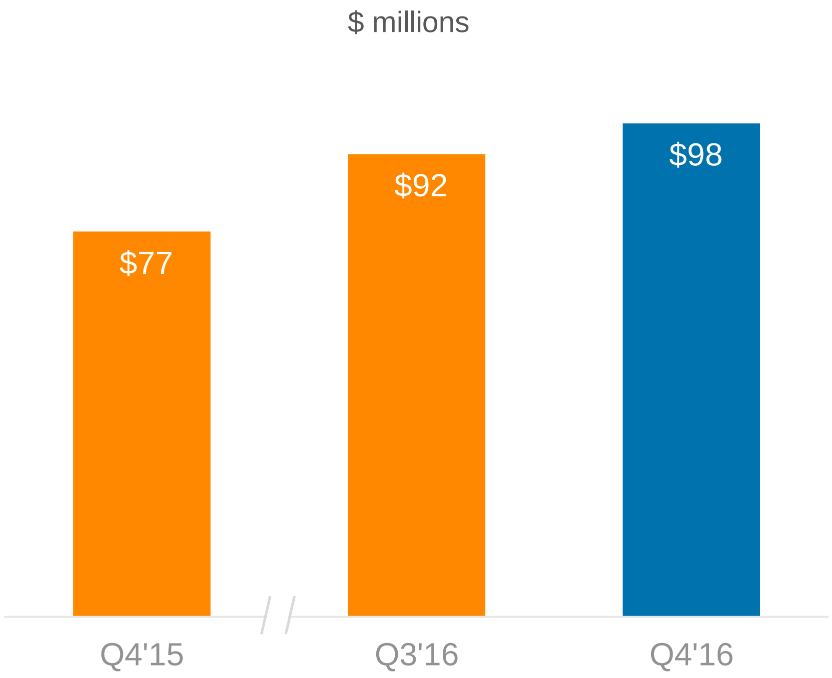
Q4 2016 Software Subscriptions Revenue

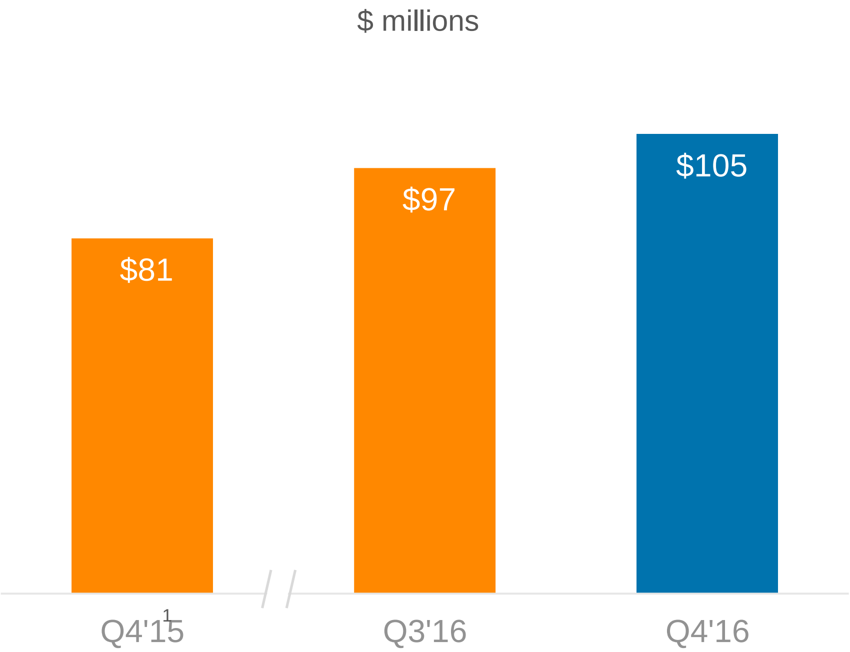
Subscriptions Revenue Grew 28% Y/Y



- Software Subscriptions Revenue
  - $98 million
  - Up 28% Y/Y

Q4 2016 Total Revenue

Total Revenue Grew 29% Y/Y



- Total Revenue
  - $105 million
  - Up 29% Y/Y[1]

1. Other Revenue adjusted to reflect the transition of direct phone sales to the agency model
In 1Q16 RingCentral transitioned direct phone sales to an agency model, in which RingCentral receives a commission for phone sales instead of separately recognizing the full sale price and cost of the product. RingCentral is providing supplemental information on a pro forma basis to provide a clear comparison of the Company's results with prior periods as-if the Company had transitioned phone sales to the new agency model on January 1, 2015. Carrier phone sales remained under the direct phone sale model. A reconciliation is available in the appendix of this deck.

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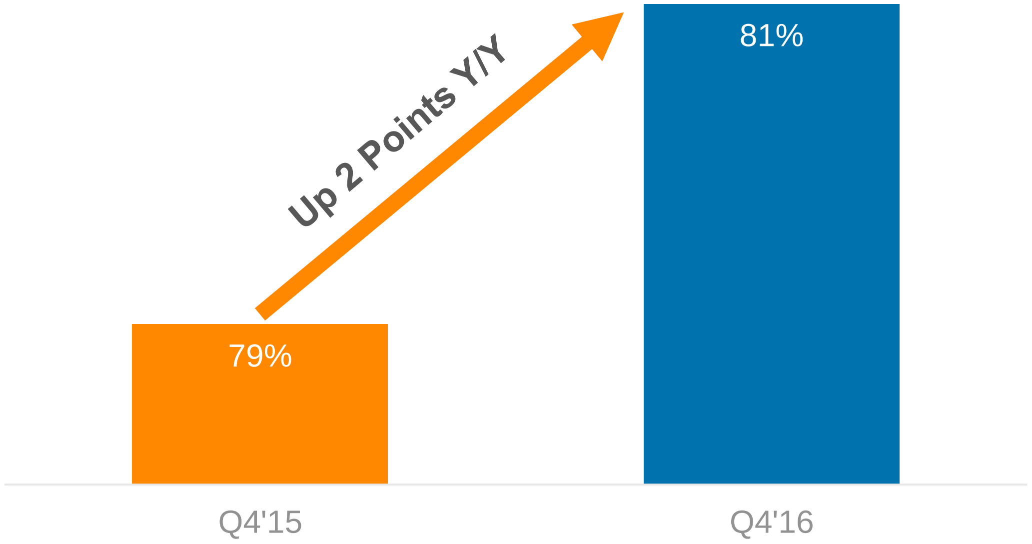
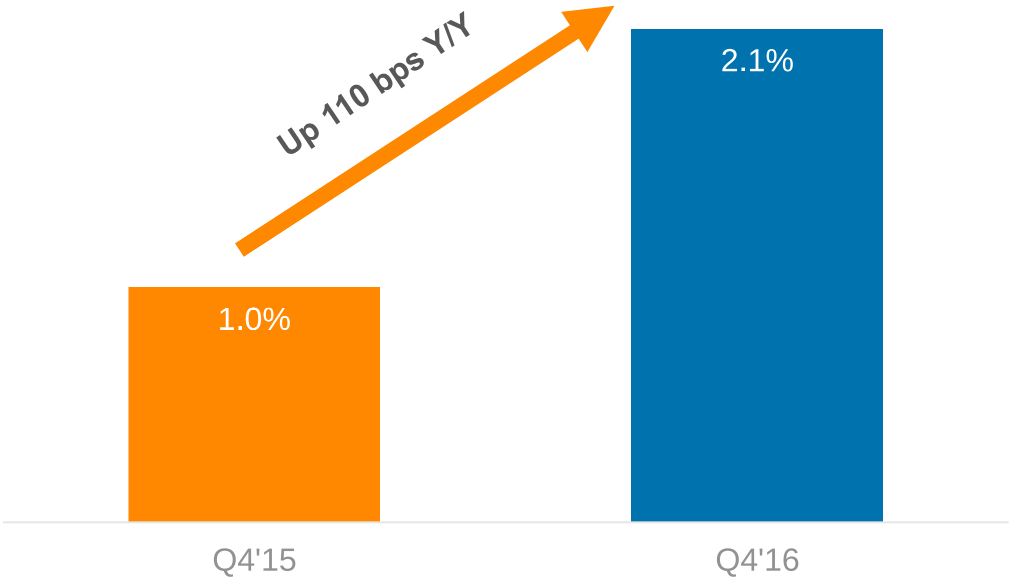
Q4 2016 Non-GAAP Subscription Gross Margin



Q4 2016 Non-GAAP Operating Margin



Q4 2016 Financial Highlights at-a-Glance

Revenue	Software Subscription	Grew 28% year-over-year to $98 million
	Total Revenue	Grew 29%[1] year-over-year to $105 million
ARR	RingCentral Office	Grew 38% year-over-year to $342 million
	Total ARR	Grew 31% year-over-year to $414 million
Non-GAAP Gross Margin	Software Subscription	Increased 250 bps year-over-year to 81.2%
	Total Gross Margin	Increased 170 bps[1] year-over-year to 77.4%
Upmarket	50+ Users ARR	Up 93% year-over-year
	Bookings under contract	76% of net new Office bookings under annual or multi-year contract
Retention	Net Retention	Office net monthly subscription dollar retention was over 100%; overall over 99%.
Indirect	VARs and Carriers	Indirect channel over 25% of revenue, up from ~20% a year ago

1. Other Revenue and Cost of Revenue adjusted to reflect the transition of direct phone sales to the agency model.
In 1Q16 RingCentral transitioned direct phone sales to an agency model, in which RingCentral receives a commission for phone sales instead of separately recognizing the full sale price and cost of the product. RingCentral is providing supplemental information on a pro forma basis to provide a clear comparison of the Company's results with prior periods as-if the Company had transitioned phone sales to the new agency model on January 1, 2015. Carrier phone sales remained under the direct phone sale model. A reconciliation is available in the appendix of this deck.

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Q1 2017 and FY2017 Guidance

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Q1 2017 and FY2017 Guidance

$ in millions except for EPS	Q1 2017	FY2017
Software Revenue	$102M - $103M	$447M - $454M
Software Revenue Growth Y/Y	28% - 29%	26% - 28%
Total Revenue	$109.5M - $111.5M	$484M - $492M
Total Revenue Growth Y/Y*	27% - 29%	27% - 30%
Non-GAAP Operating Margin	1.8% - 2.2%	2.5% - 3.0%
Non-GAAP EPS	$0.01 - $0.03	$0.13 - $0.17

* On a comparative business model basis, adjusting prior periods to the direct phone sales model, 1Q17 and FY17 total revenue growth would be 2 points and 3 points lower, respectively.

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Appendix- Reconciliation of GAAP to Non-GAAP Financial Measures

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RECONCILIATION OF OPERATING INCOME (LOSS)
GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited, in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
Revenues				
Software subscriptions	$ 97,952	$ 76,532	$ 355,850	$ 271,245
Other	6,551	6,907	23,874	24,983
Total revenues	104,503	83,439	379,724	296,228
Cost of revenues reconciliation				
GAAP Software subscriptions cost of revenues	19,363	16,851	73,470	66,354
Stock-based compensation	(810)	(586)	(3,048)	(2,054)
Amortization of acquisition intangibles	(151)	-	(603)	-
Non-GAAP Software subscriptions cost of revenues	18,402	16,265	69,819	64,300
GAAP Other cost of revenues	5,289	6,011	18,741	20,917
Stock-based compensation	(31)	-	(117)	-
Non-GAAP Other cost of revenues	5,258	6,011	18,624	20,917
Gross profit and gross margin reconciliation				
Non-GAAP Subscriptions	81.2%	78.7%	80.4%	76.3%
Non-GAAP Other	19.7%	13.0%	22.0%	16.3%
Non-GAAP Gross profit	77.4%	73.3%	76.7%	71.2%
Operating expenses reconciliation				
GAAP Research and development	17,417	15,312	65,514	52,924
Stock-based compensation	(1,805)	(1,642)	(7,296)	(5,387)
Amortization of acquisition intangibles	-	(151)	-	(480)
Acquisition related matters	(309)	(244)	(1,411)	(575)
Non-GAAP Research and development	15,303	13,275	56,807	46,482
As a % of total revenues non-GAAP	14.6%	15.9%	15.0%	15.7%
GAAP Sales and marketing	54,701	38,378	192,497	139,851
Stock-based compensation	(3,111)	(1,867)	(10,902)	(7,200)
Amortization of acquisition intangibles	(105)	(105)	(420)	(105)
Non-GAAP Sales and marketing	51,485	36,406	181,175	132,546
As a % of total revenues non-GAAP	49.3%	43.6%	47.7%	44.7%
GAAP General and administrative	14,339	12,883	55,454	47,114
Stock-based compensation	(2,480)	(2,203)	(9,477)	(7,447)
Acquisition related matters	-	(39)	(59)	(787)
Non-GAAP General and administrative	11,859	10,641	45,918	38,880
As a % of total revenues non-GAAP	11.3%	12.8%	12.1%	13.1%
Income (loss) from operations reconciliation				
GAAP loss from operations	(6,606)	(5,996)	(25,952)	(30,932)
Stock-based compensation	8,237	6,298	30,840	22,088
Amortization of acquisition intangibles	256	256	1,023	585
Acquisition related matters	309	283	1,470	1,362
Non-GAAP Income (loss) from operations	$ 2,196	$ 841	$ 7,381	$ (6,897)
Non-GAAP Operating margin	2.1%	1.0%	1.9%	(2.3%)

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RECONCILIATION OF NET INCOME (LOSS)
GAAP MEASURES TO NON-GAAP MEASURES
(In thousands, except per share data)
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2016	2015	2016	2015
Net Income (loss) reconciliation				
GAAP Net loss	$ (6,946)	$ (6,941)	$ (29,309)	$ (32,099)
Stock-based compensation	8,237	6,298	30,840	22,088
Amortization of acquisition intangibles	256	256	1,023	585
Acquisition related matters	309	283	1,470	1,362
Intercompany remeasurement loss	167	594	2,508	928
Tax benefit from release of valuation allowance	-	-	-	(1,411)
Non-GAAP Net income (loss)	$ 2,023	$ 490	$ 6,532	$ (8,547)
Basic and diluted net income (loss) per share				
Reconciliation between GAAP and non-GAAP weighted average shares used in computing basic and diluted net income / (loss) per common share:				
Weighted average number of shares used in computing net loss per share	73,961	71,420	72,994	70,069
Effect of dilutive securities	3,606	3,612	3,414	-
Non-GAAP weighted average shares used in computing non-GAAP net income per share	77,567	75,032	76,408	70,069
GAAP Net loss per share	$ (0.09)	$ (0.10)	$ (0.40)	$ (0.46)
Non-GAAP Net income (loss) per share	$ 0.03	$ 0.01	$ 0.09	$ (0.12)

RINGCENTRAL, INC.
PRO FORMA STATEMENT OF GROSS MARGIN UNDER AGENCY MODEL[1]
(Unaudited, in thousands)

	2015				2016				4Q'16	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	Q/Q	Y/Y
GAAP Software subscription revenue	$ 59,951	$ 64,441	$ 70,321	$ 76,532	$ 79,978	$ 86,067	$ 91,853	$ 97,952	7%	28%
GAAP Other revenue	$ 5,367	$ 6,250	$ 6,459	$ 6,907	$ 6,560	$ 5,777	$ 4,986	$ 6,551		
Revised Agency Model adjustment	(2,222)	(2,101)	(2,278)	(2,597)	(1,436)	—	—	—		
Pro forma other revenue	$ 3,145	$ 4,149	$ 4,181	$ 4,310	$ 5,124	$ 5,777	$ 4,986	$ 6,551	31%	52%
Total pro forma revenue	**$ 63,096**	**$ 68,590**	**$ 74,502**	**$ 80,842**	**$ 85,102**	**$ 91,844**	**$ 96,839**	**$104,503**	**8%**	**29%**
GAAP Software subscription cost of revenue	$ 15,914	$ 16,505	$ 17,084	$ 16,851	$ 16,723	$ 18,173	$ 19,211	$ 19,363		
Stock-based compensation	(457)	(476)	(535)	(586)	(634)	(781)	(824)	(810)		
Amortization of acquisition intangibles	—	—	—	—	(151)	(151)	(151)	(151)		
Non-GAAP Software subscriptions cost of revenue	$ 15,457	$ 16,029	$ 16,549	$ 16,265	$ 15,938	$ 17,241	$ 18,236	$ 18,402		
GAAP Other cost of revenue	$ 4,633	$ 5,024	$ 5,249	$ 6,011	$ 5,017	$ 4,191	$ 4,244	$ 5,289		
Stock-based compensation	—	—	—	—	(19)	(32)	(35)	(31)		
Non-GAAP Other cost of revenue	$ 4,633	$ 5,024	$ 5,249	$ 6,011	$ 4,998	$ 4,159	$ 4,209	$ 5,258		
Revised Agency Model adjustment	(2,222)	(2,101)	(2,278)	(2,597)	(1,436)	—	—	—		
Pro forma other cost of revenue	$ 2,411	$ 2,923	$ 2,971	$ 3,414	$ 3,562	$ 4,159	$ 4,209	$ 5,258		
Total pro forma cost of revenue	**$ 17,868**	**$ 18,952**	**$ 19,520**	**$ 19,679**	**$ 19,500**	**$ 21,400**	**$ 22,445**	**$ 23,660**	**5%**	**20%**
Pro forma software subscriptions revenue gross profit	$ 44,494	$ 48,412	$ 53,772	$ 60,267	$ 64,040	$ 68,826	$ 73,617	$ 79,550	8%	32%
Pro forma other revenue gross profit	734	1,226	1,210	896	1,562	1,618	777	1,293	66%	44%
Total pro forma gross profit	**$ 45,228**	**$ 49,638**	**$ 54,982**	**$ 61,163**	**$ 65,602**	**$ 70,444**	**$ 74,394**	**$ 80,843**	**9%**	**32%**
Pro forma software subscriptions revenue gross margin	74%	75%	76%	79%	80%	80%	80%	81%		
Pro forma other revenue gross margin	23%	30%	29%	21%	30%	28%	16%	20%		
Total pro forma gross margin	**72%**	**72%**	**74%**	**75.7%**	**77%**	**77%**	**77%**	**77.4%**		

[1] In 2Q'16, RingCentral provided supplemental information on a pro forma basis to provide a clear comparison of the Company's results with prior periods. The pro forma information reflects results as-if the Company had transitioned to the new agency model for the first quarter of 2016 and for all periods in 2015.

RINGCENTRAL, INC.
RECONCILIATION OF OPERATING CASH FLOW TO FREE CASH FLOW
(in Thousands, except per share data)
(unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2016	**2015**	**2016**	**2015**
Free cash flow reconciliation				
Net cash provided by operations	$ 7,273	$ 2,878	$ 29,708	$ 5,086
Cash outflows for capital expenditures	(5,249)	(4,202)	(16,398)	(17,144)
Free cash flow	$ 2,024	$ (1,324)	$ 13,310	$ (12,058)

RINGCENTRAL, INC.
RECONCILIATION OF FORECASTED GAAP OPERATING MARGIN TO FORECASTED NON-GAAP OPERATING MARGIN
(in millions, except per share data)
(unaudited)

	Q1 2017		FY 2017	
	Low Range	**High Range**	**Low Range**	**High Range**
GAAP revenues	$ 109.5	$ 111.5	$ 484.0	$ 492.0
GAAP loss from operations	(8.2)	(6.7)	(33.9)	(26.9)
GAAP operating margin	(7.5%)	(6.0%)	(7.0%)	(5.5%)
Stock-based compensation	9.6	8.6	44.7	40.5
Amortization of acquisition intangibles and acquisition related matters	0.6	0.5	1.3	1.2
Non-GAAP income from operations	$ 2.0	$ 2.5	$ 12.1	$ 14.8
Non-GAAP operating margin	1.8%	2.2%	2.5%	3.0%

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RINGCENTRAL, INC.
RECONCILIATION OF GAAP REVENUES
TO DIRECT SALES MODEL
(in millions, except per share data)
(unaudited)

	Q1'16		FY16	
GAAP revenues	$	87	$	380
Direct sales model adjustment		1		8
GAAP revenues adjusted to direct sales model	$	88	$	388

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RINGCENTRAL, INC.

RECONCILIATION OF FORECASTED OPERATING CASH FLOW TO FREE CASH FLOW

(in millions, except per share data)

(unaudited)

	FY2017	
	Low Range	**High Range**
Free cash flow reconciliation		
Net cash provided by operations	$ 28.3	$ 38.4
Cash outflows for capital expenditures	(23.3)	(28.4)
Free cash flow	$ 5.0	$ 10.0

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THANK YOU