



Press Releases

Blackboard Inc. to Present at the Citigroup Technology Conference

WASHINGTON, Sept 02, 2008 /PRNewswire-FirstCall via COMTEX News Network/ -- Blackboard Inc. (Nasdaq: BBBB) announced that Michael Chasen, president and CEO, Mike Beach, chief financial officer and Michael J. Stanton, SVP Corporate Affairs & Treasury, will present today at the Citigroup Technology Conference in New York at 4:05 p.m., ET. The live webcast and a replay of the presentation will be available for a limited time at <http://investor.blackboard.com>.

About Blackboard Inc.

Blackboard Inc. (Nasdaq: BBBB) is a leading provider of enterprise software applications and related services to the education industry. Founded in 1997, Blackboard enables educational innovations everywhere by connecting people and technology. With two product suites, the Blackboard Academic Suite(TM) and the Blackboard Commerce Suite(TM), Blackboard is used by millions of people at academic institutions around the globe, including colleges, universities, K-12 schools and other education providers, as well as textbook publishers and student-focused merchants that serve education providers and their students. Blackboard is headquartered in Washington, D.C., with offices in North America, Europe, Australia and Asia.

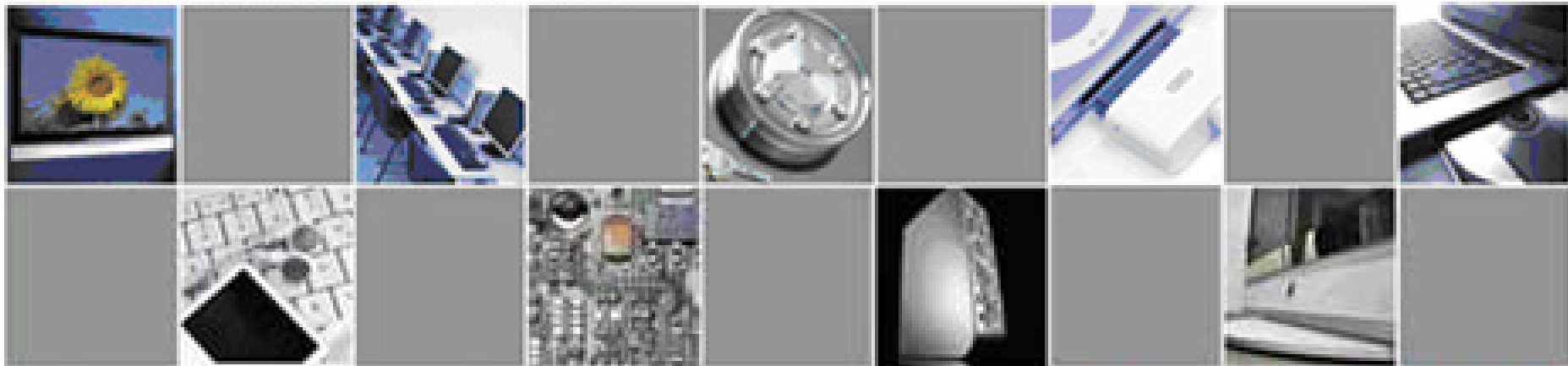
Blackboard

Educate. Innovate. Everywhere.

SOURCE Blackboard Inc.

<http://www.blackboard.com>

Citi Investment Research



Technology Conference

September 2-4, 2008

Blackboard Inc.

Investor Presentation

Michael Chasen, **President & CEO**

Mike Beach, **CFO**

Michael J. Stanton, **SVP, Corporate Affairs & Finance**



Blackboard 101

- Company – A global company with its background and an expertise in technology and education
- Products - Provides a leading technology for bringing educational institutions online
- Subscribers - More than 5,200 annual software subscribers and 20m+ end users
- Financials - \$239.5 million in 2007 revenue, 31% year-over-year growth



Blackboard

The Company



Blackboard History



In 1997 a group of consultants in the **KPMG Higher Education** practice were working with universities doing enterprise system implementation work



Simultaneously a group of teaching assistants and students at **Cornell University** were working to develop e-Learning software for the institution



These two groups joined together and founded **Blackboard Inc.** in 1997 with a vision to transform the Internet into a powerful environment for the education experience.



Blackboard Today

Company:

- Blackboard is a public company with more than 5,200 clients and over 1,000 employees worldwide

Vision:

- Blackboard provides the enterprise technology that institutions use to improve **all aspects of academic life and the student experience.**
- Each day thousands of institutions and millions of students use Blackboard.

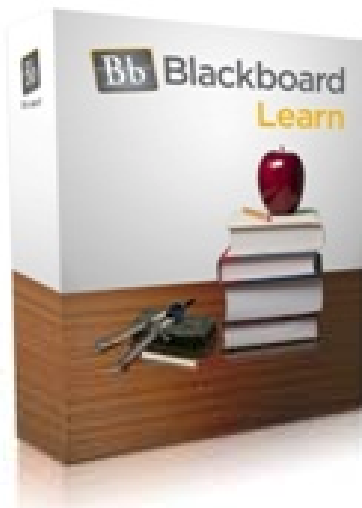


Blackboard Products



Bb Platforms

Bb Academic Suite



Web-based teaching and learning

Bb Commerce Suite



Campus commerce and security management

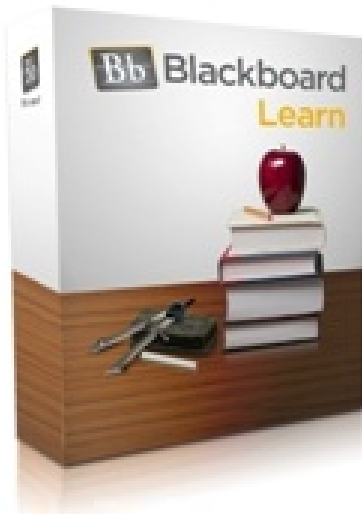
Bb Connect



Multimodal mass notification and alert



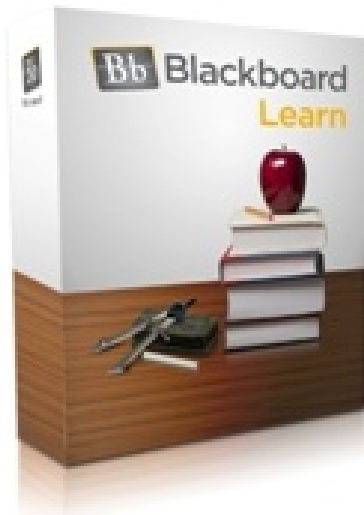
Bb Academic Suite - Description



- A web based teaching and learning platform which allows institutions to put their courses and communities and their entire campus online.



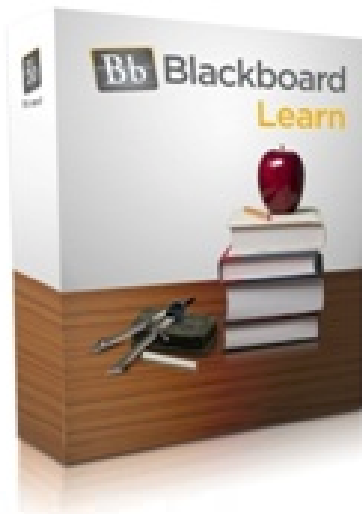
Bb Academic Suite - Key Facts



- **Clients:** Over 3,212 clients and an estimated 15+ million active users
- **Technology:** Software can be deployed locally (2,689+ clients) or hosted (570+ clients)
- **Capacity:** For 570+ hosted clients achieved
 - 1.2 Petabytes of storage,
 - 150 million http hits per day
 - 4 million active users
 - 22 million course documents
 - 350,000 assessments



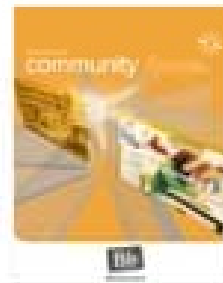
Bb Academic Suite - Module Details



2,335+ clients
886+ basic clients



466+ clients



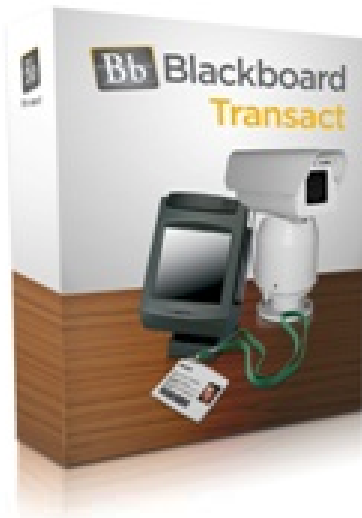
811+ clients



29+ clients



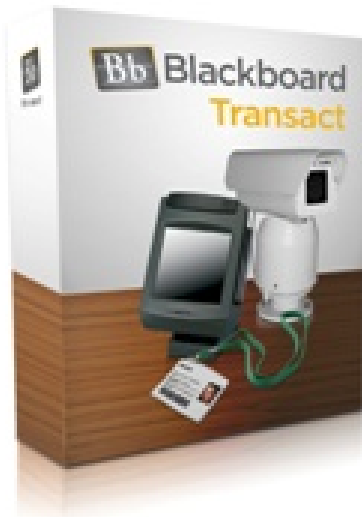
Bb Commerce Suite - Description



- An enterprise software and hardware platform that enables institutions to implement a single campus card solution for both commerce and security transactions.



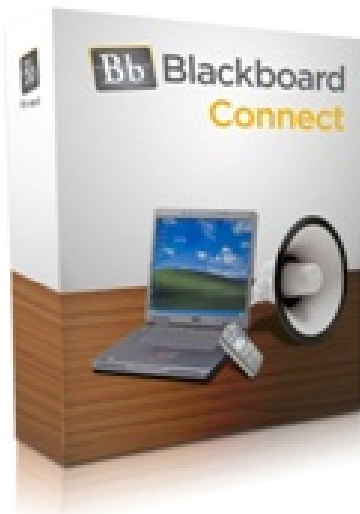
Bb Commerce Suite - Key Facts



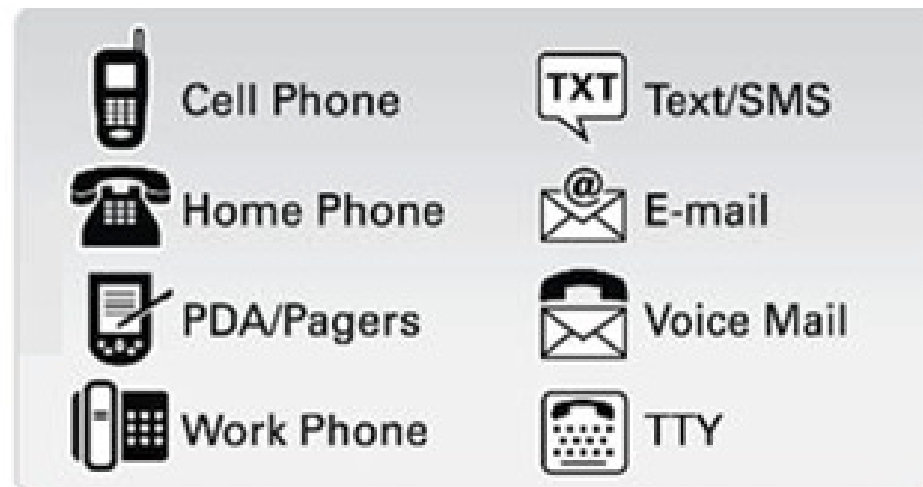
- **Clients:** Over 440 clients, and over an estimated 3.2+ million card holders
- **Technology:** Software and hardware solution
- **Capacity:** Over \$750 million per year transacted through the Blackboard system



Bb Connect - Description



- A web-based notification and alert platform which provides institutions the ability to send thousands of Voice, Email, SMS, Text, TTY, Wireless, and PDA messages in minutes.



Bb Connect - Key Facts



- **Clients:** Over 2,200 clients
- **Technology:** Fully-hosted ASP architecture
- **Capacity:** Sent over 240 million voice calls and over 17 million text and email messages in 2007.



Blackboard

Client Subscribers



Subscription Software

Model

Annual subscriptions

90% renewal rate

Ratable recognition

Cash up front

Benefit

Operating leverage

Recurring revenues

Visibility and predictability

Strong cash flow

A Global Client Base



Blackboard

Financials



Blackboard Business Model

- Subscription model
- Strong Growth
- High annual renewal rates
- Benefits:
 - Strong visibility and predictability
 - Strong cash flows
 - Continued margin expansion

Q2 2008 Results

Revenue	\$75.5 million
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GAAP Net Income	\$1.0 million
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GAAP EPS	\$0.03
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Non-GAAP Adjusted Net Income⁽¹⁾	\$6.9 million
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Non-GAAP Adjusted Net Income EPS	\$0.22
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Notes: (1) Non-GAAP adjusted net (loss) income and non-GAAP adjusted net (loss) income per share are non-GAAP financial measures and have no standardized measurement prescribed by GAAP. Management believes that both measures provide additional useful information to investors regarding the Company's ongoing financial condition and results of operations and since the Company has historically reported these non-GAAP results, they provide an additional basis for comparisons to prior periods. The non-GAAP financial measures may not be comparable with similar non-GAAP financial measures used by other companies and should not be considered in isolation, or as a substitute for, financial information prepared in accordance with GAAP. The Company provides the above reconciliation to the most directly comparable GAAP financial measure to allow investors to appropriately consider each non-GAAP financial measure.

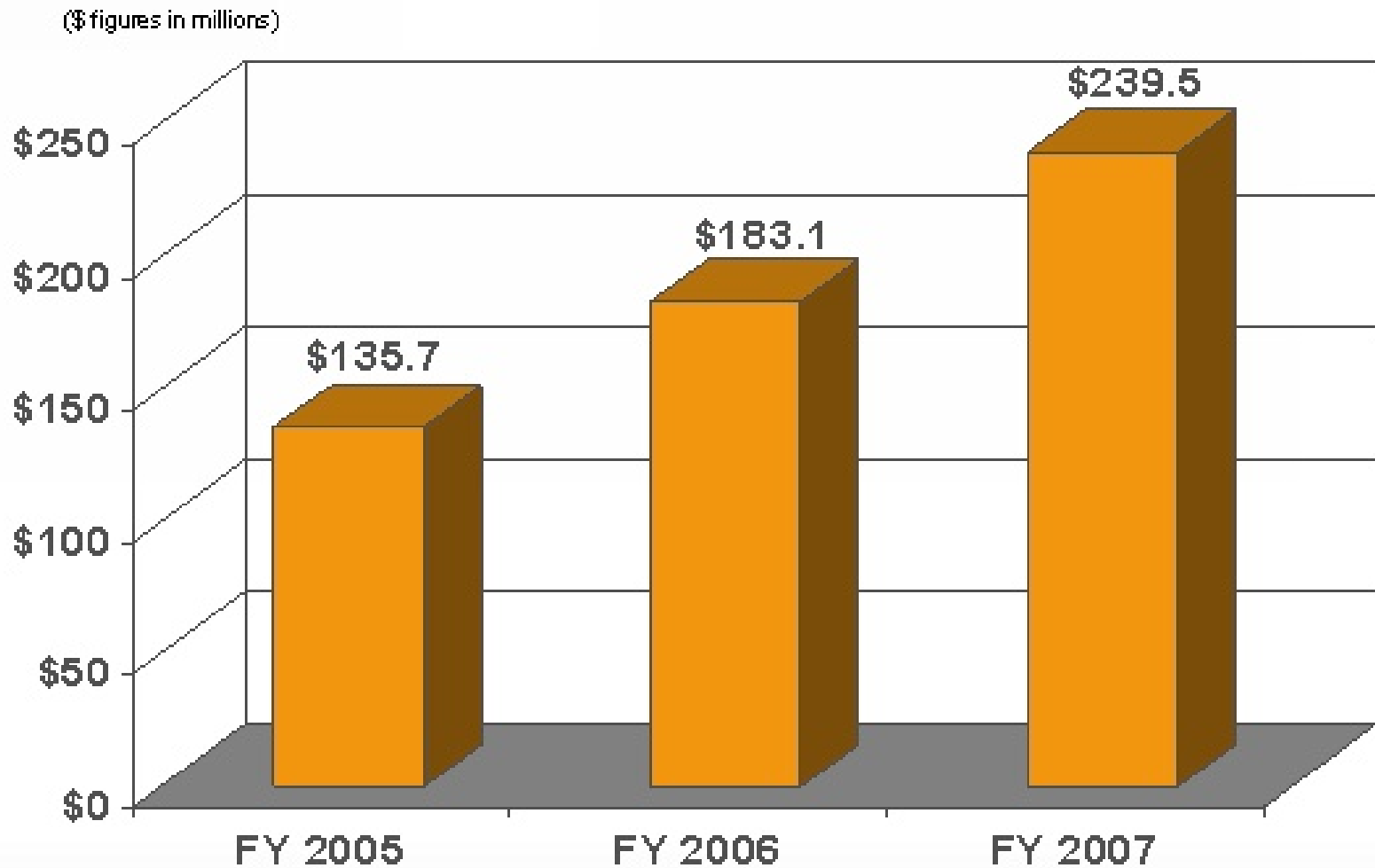
Significant Predictability



**Historic Sources
of Revenue**

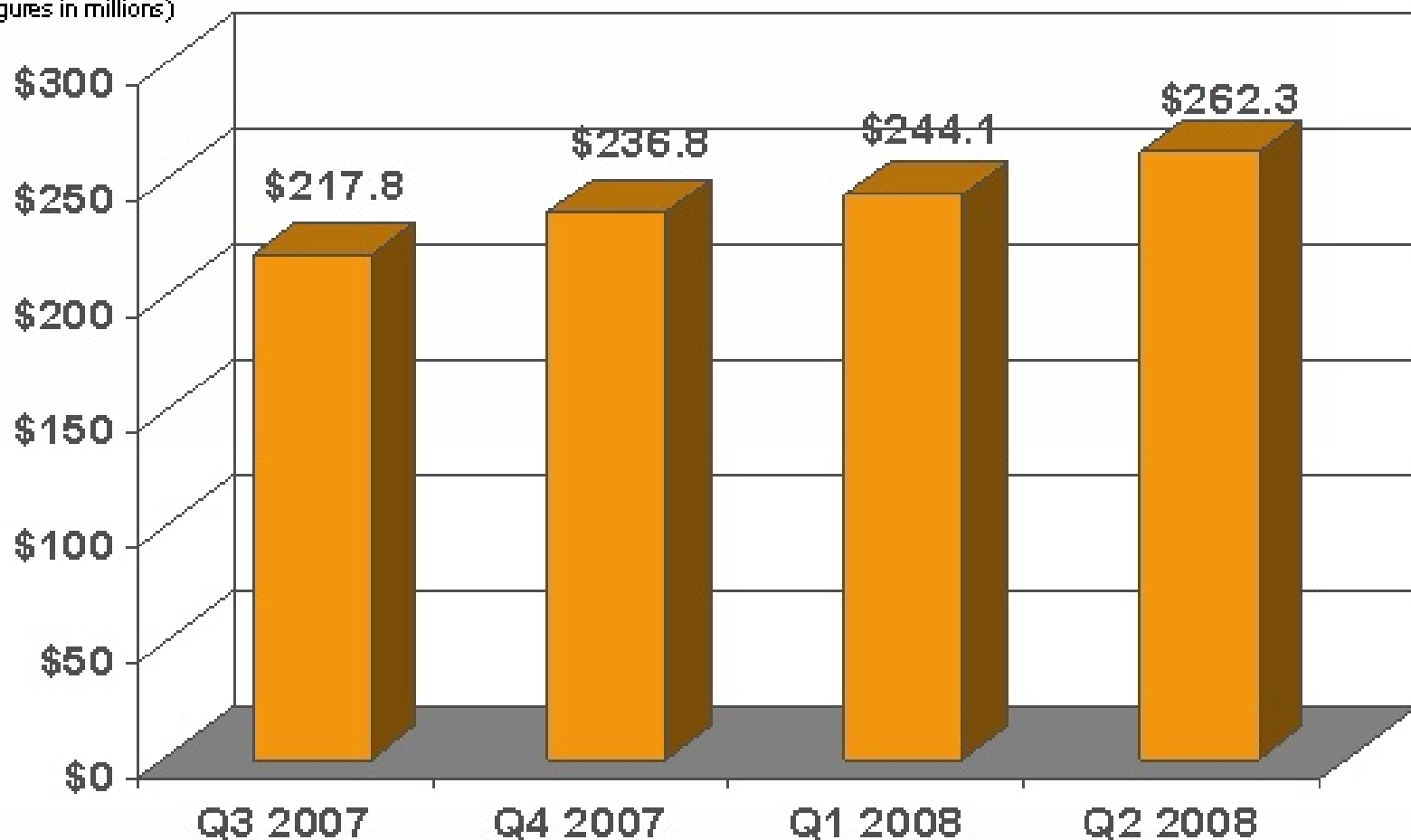
- Blackboard's annual subscription license model provides significant visibility and predictability
 - 80% visibility into the immediate quarter
 - 70% visibility into the forward 12 months revenue
 - Renewal rates of approximately 90%

Revenue Growth



Pro Forma Contract Value Growth

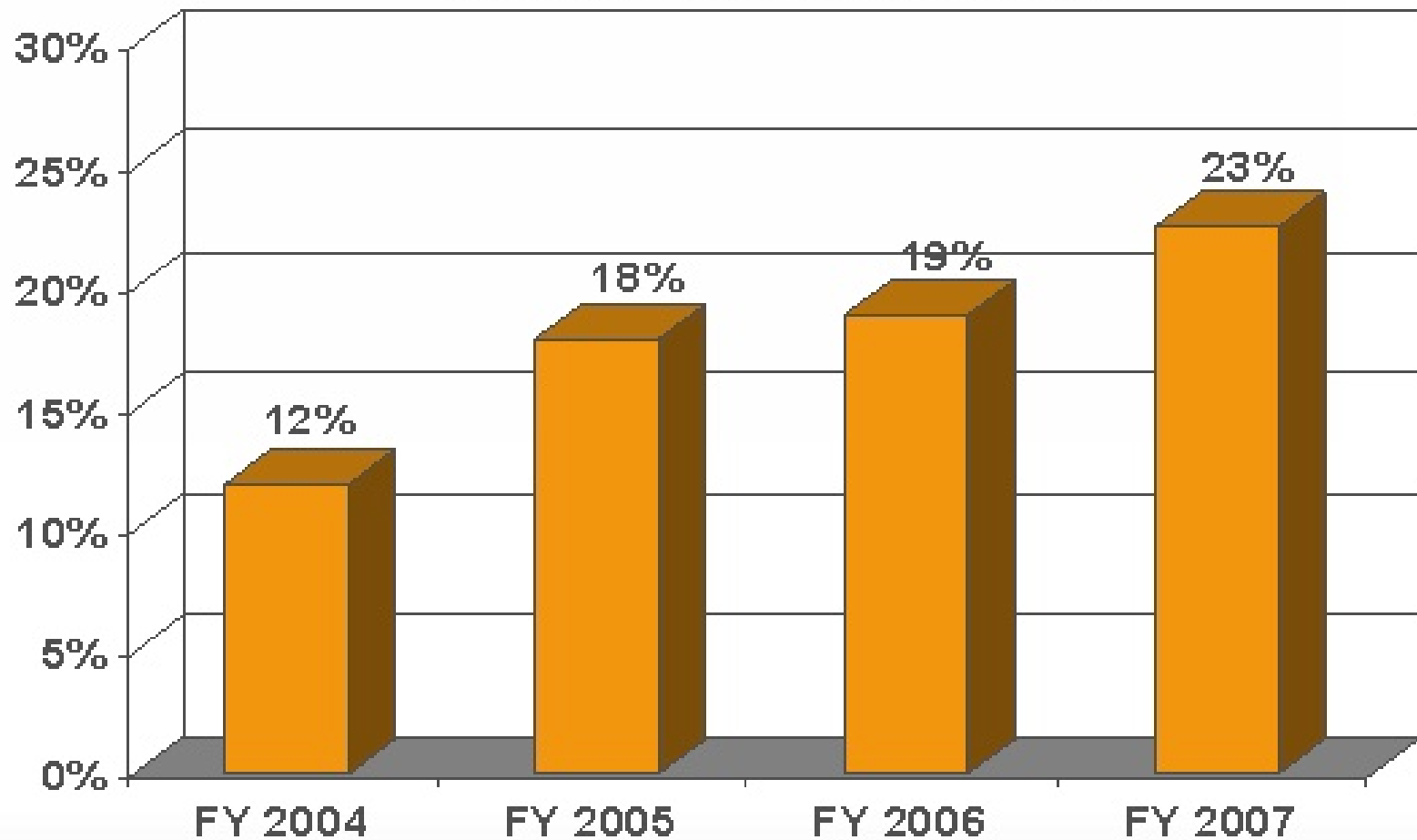
(\$ figures in millions)



Notes: Contract value represents the annualized recurring reliable revenue under existing contracts with clients in effect at the end of the quarter without regard to the remaining duration or renewal of such agreements. This is not intended by management for the estimation of or as a proxy for future revenue to be recognized, but management believes it is a useful tool for investors to evaluate our current operating performance.

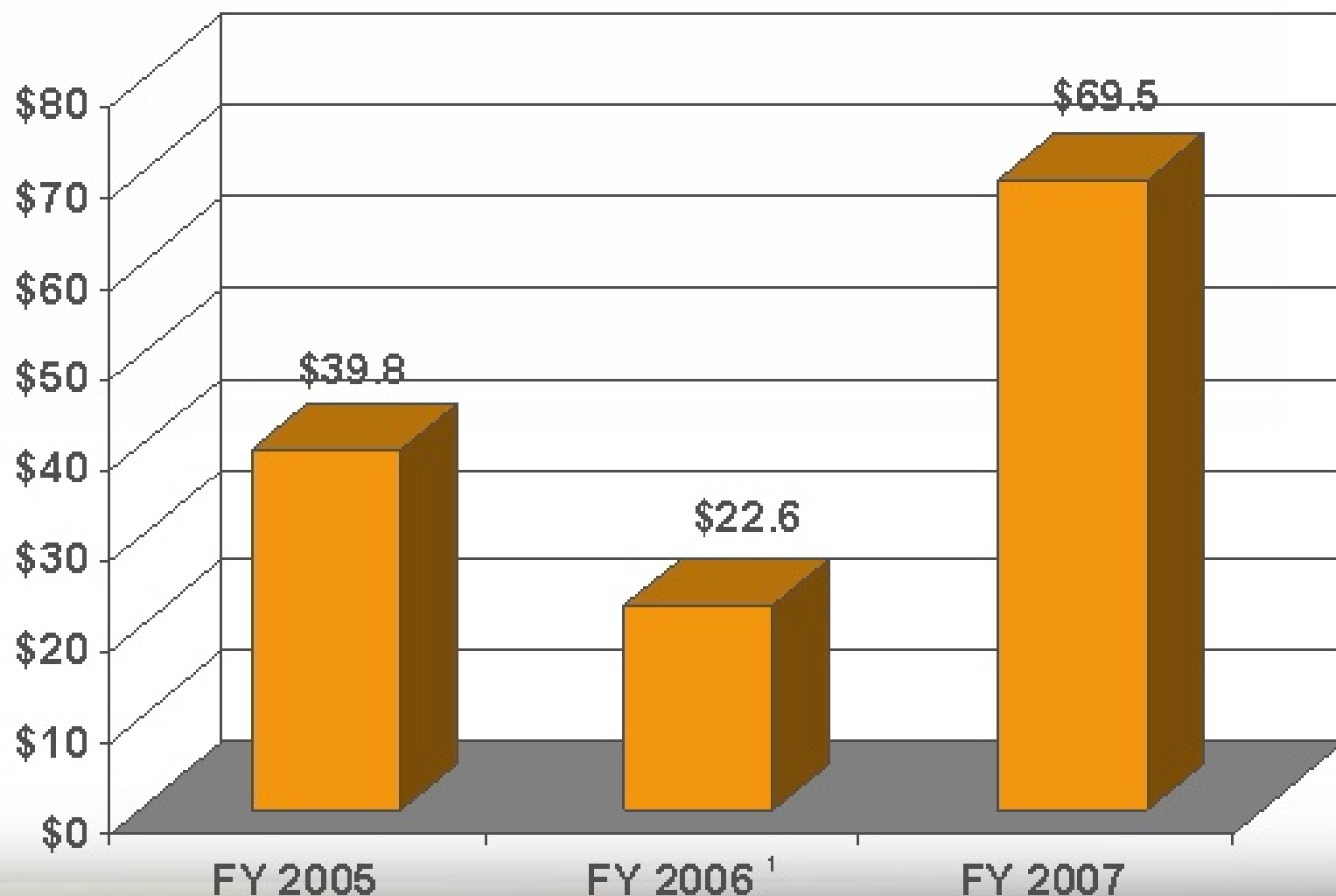
Historic Operating Margins (Pro Forma)

(EBITA excluding Stock Based Compensation)



Cash Flow from Operations Growth

(\$ figures in millions)



NTI Acquisition Business Model & Facts

- Subscription model
- High annual renewal rates
- Nearly 100% ratable revenue
- Transaction closed on 1/31/2008
- Deferred Revenue Impact: \$10 million
- Integration Costs: \$5 million



Summary

1. The global education market is expanding and institutions are facing new types of challenges
2. Blackboard provides a suite of enterprise software to help institutions address these challenges
3. Blackboard has established an unparalleled client base and strong competitive position
4. Blackboard's subscription business model provides financial advantages
5. Blackboard is fast becoming the standard platform for education technology worldwide





Blackboard

Educate. Innovate. Everywhere.

- Web:** investor.blackboard.com
Email: investor@blackboard.com
Phone: (202) 463-4860 Ext. 2305

