

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of report (Date of earliest event reported): February 26, 2019

TENABLE HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

001-38600

(Commission File Number)

47-5580846

(I.R.S. Employer Identification Number)

7021 Columbia Gateway Drive, Suite 500, Columbia, Maryland, 21046

(Address of principal executive offices, including zip code)

(410) 872-0555

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company x

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. x

Item 7.01 Regulation FD Disclosure.

On February 26, 2019, Tenable Holdings, Inc. (the "Company") will make available an updated version of the Company's corporate presentation on the Company's website. A copy of the updated corporate presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

The information in this Item 7.01 of this Current Report on 8-K (including Exhibit 99.1) is furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information shall not be deemed incorporated by reference into any other filing with the Securities and Exchange Commission made by the Company, whether made before or after today's date, regardless of any general incorporation language in such filing, except as shall be expressly set forth by specific references in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Tenable Presentation February 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TENABLE HOLDINGS, INC.

Date: February 26, 2019

By: /s/ Stephen A. Riddick
Stephen A. Riddick
General Counsel and Corporate Secretary



CYBER EXPOSURE

MANAGING AND MEASURING CYBER RISK IN THE DIGITAL ERA

FEBRUARY 2019

Forward-Looking Statements

This presentation includes forward-looking statements. All statements contained in this presentation other than statements of historical facts, including statements regarding our future results of operations and financial position, our business strategy and plans and our objectives for future operations, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “will” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in any forward-looking statements we make.

You should not rely on forward-looking statements as predictions of future events. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. Neither we, nor any other person, are under any duty to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation. Moreover, except as required by law, neither we nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements contained in this presentation.

This presentation also contains estimates and other statistical data made by independent parties and by us relating to market size and growth and other data about our industry. This data involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Neither we nor any other person makes any representation as to the accuracy or completeness of such data or undertakes any obligation to update such data after the date of this presentation. In addition, projections, assumptions and estimates of our future performance and the future performance of the markets in which we operate are necessarily subject to a high degree of uncertainty and risk. By receiving this presentation you acknowledge that you will be solely responsible for your own assessment of the market and our market position and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of our business.

This presentation includes non-GAAP financial measures which have certain limitations and should not be considered in isolation, or as alternatives to or substitutes for, financial measures determined in accordance with GAAP. The non-GAAP measures as defined by us may not be comparable to similar non-GAAP measures presented by other companies. Our presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that our future results will be unaffected by these or other unusual or non-recurring items. See the GAAP to Non-GAAP Reconciliation section for a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measures.

All third-party trademarks, including names, logos and brands, referenced by us in this presentation are property of their respective owners. All references to third-party trademarks are for identification purposes only. Such use should not be construed as an endorsement of our products or services.

Empowering every organization
to understand and reduce
their cybersecurity risk

tenable® At-A-Glance

>27,000
Customers

>50%
of Fortune 500

>25%
of Global 2000

\$0M
Primary institutional capital
raised prior to IPO

~2M
Cumulative, unique
downloads

Subscription
Business model

160+
Countries

1,200+
Employees



1. See Endnotes for additional information related to the figures presented.

2. We adopted ASC 606 on January 1, 2017 using the modified retrospective method. The 2015 and 2016 consolidated statements of operations were not adjusted for the adoption of ASC 606.

Investment Highlights



One of the most recognized brands in security



Data asset drives network effects



Unique approach to secular growth opportunity

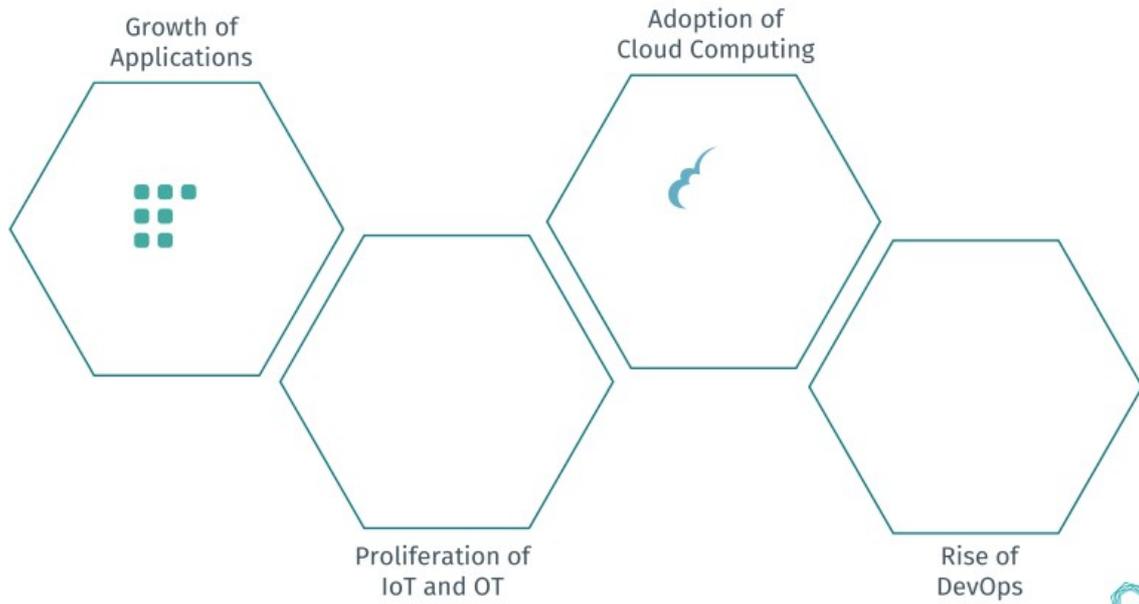


High growth, recurring model



System of record for security

Digital Transformation Increases IT Complexity and Cybersecurity Risk



Cybersecurity Risk is Business Risk

HELPNETSECURITY

Most organizations suffered a business-disrupting cyber event

Massive Amazon S3 leaks highlight user blind spots in enterprise race to the cloud

Data leaks at Dow Jones, Verizon, and a GOP analytics firm show that companies are forgoing security best practices in order to quickly make it to the cloud.

DARKReading

Despite Breaches, Many Organizations Struggle to Quantify Cyber-Risks to Business



US warns of cyber attacks on critical infrastructure

The global ransomware epidemic is just getting started

WannaCry should have been a major warning to the world about ransomware. Then the GoldenEye strain of Petya ransomware arrived. What's next?

THE REAPER IOT BOTNET HAS ALREADY INFECTED A MILLION NETWORKS

THE WALL STREET JOURNAL

PRO CYBER COMMENTARY & ANALYSIS

Cyber Matters: Heed the Window of Opportunity

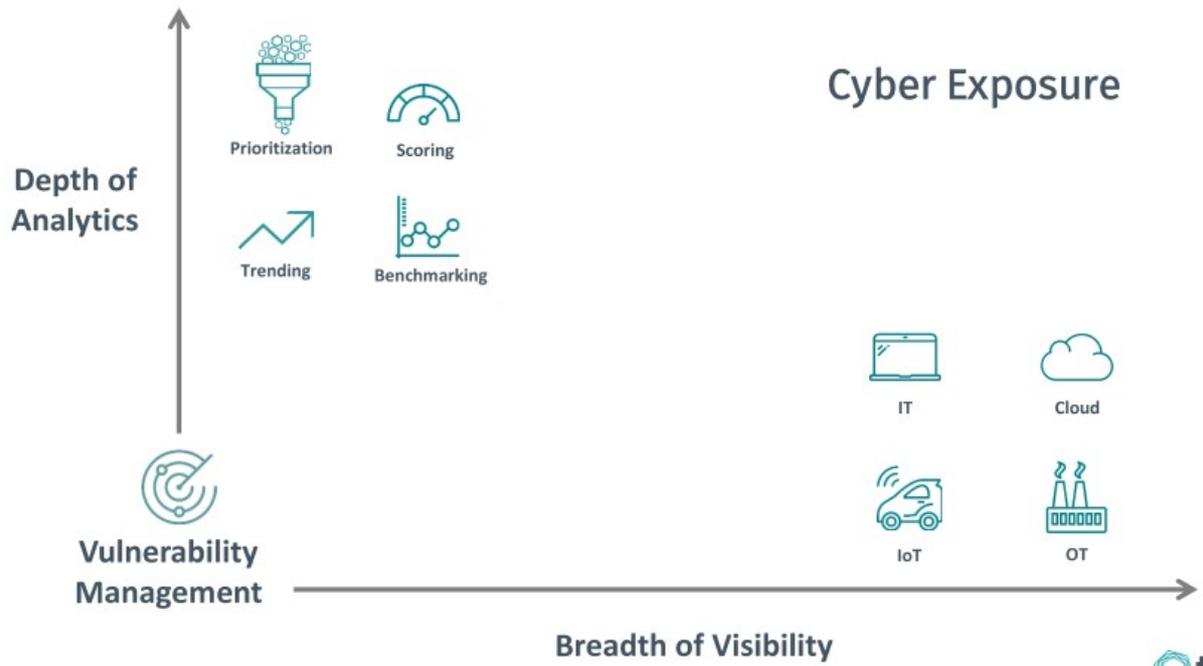
Equifax's Mega-Breach Was Made Possible by a Website Flaw It Could Have Fixed

Vital Boeing computer network infected with WannaCry virus – is it safe to fly?



Casino Gets Hacked Through Its Internet-Connected Fish Tank Thermometer

Evolving Vulnerability Management to Cyber Exposure



Depth of Analytics - Predictive Prioritization



Threat-based vulnerability prioritization

- Predicts likelihood of successful exploit *in 28 days*
- Vulnerability Priority Rating (VPR) derived from 150 data sources
- Dynamic, changes with threat landscape

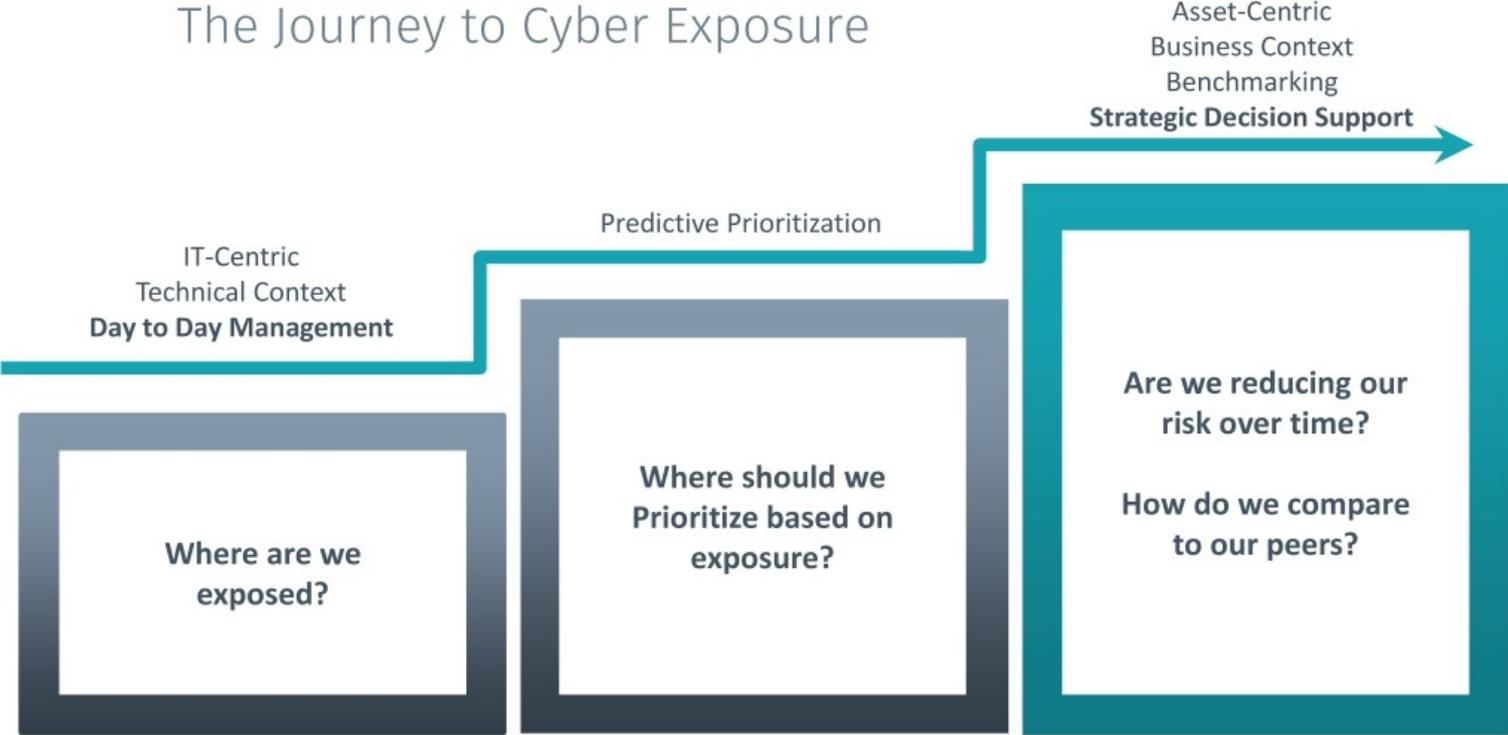
True Competitive Differentiation

- Focus on the **3%** that matters
- Continuously updated

Foundational for Cyber Exposure



The Journey to Cyber Exposure



Understanding Cyber Risk is Strategic and Foundational

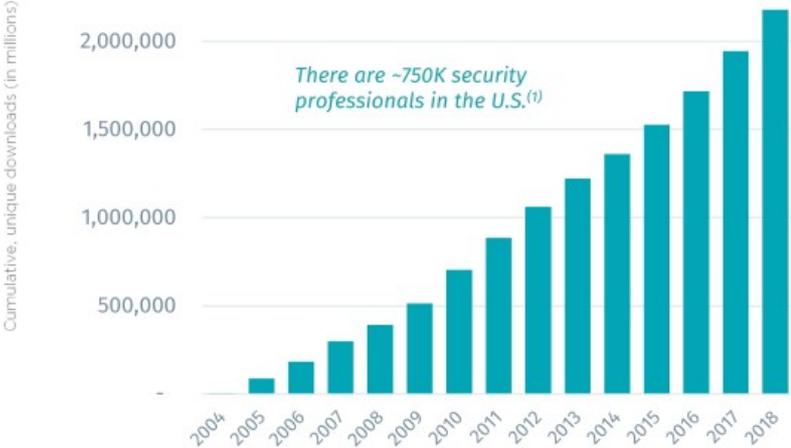


Technology Ecosystem Enhances Platform Value

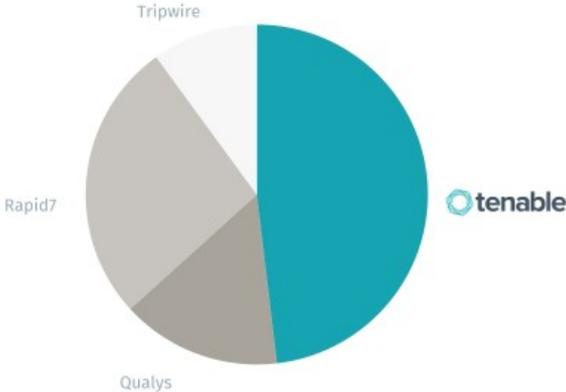


Deeply Trusted Brand Amongst Large Global Community

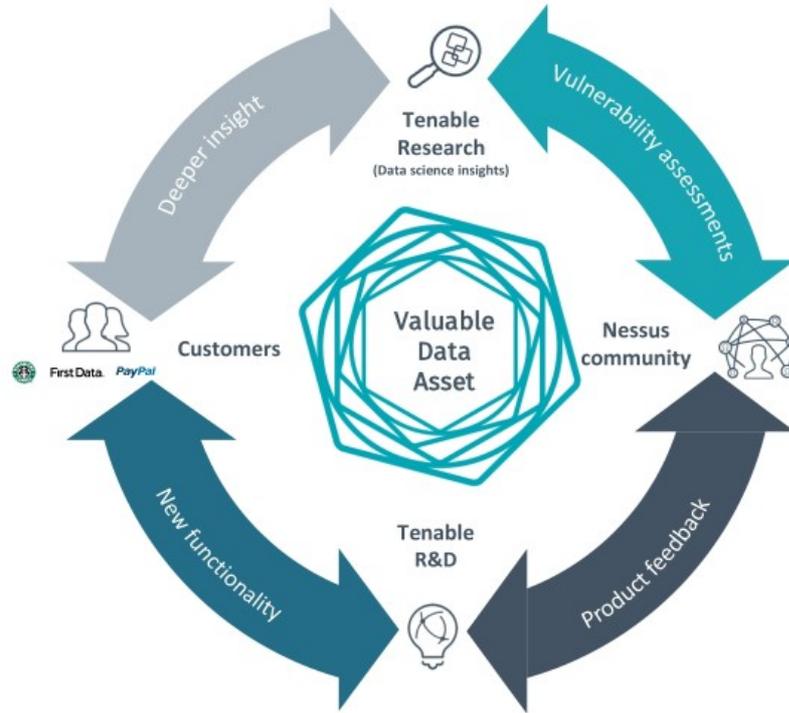
Over 2M cumulative, unique downloads of Free Nessus globally⁽¹⁾



Vulnerability management skills on LinkedIn



Data Asset Drives Significant Network Effects



Tenable Can Be the System of Record for Security



HR



CRM



IT



SECURITY

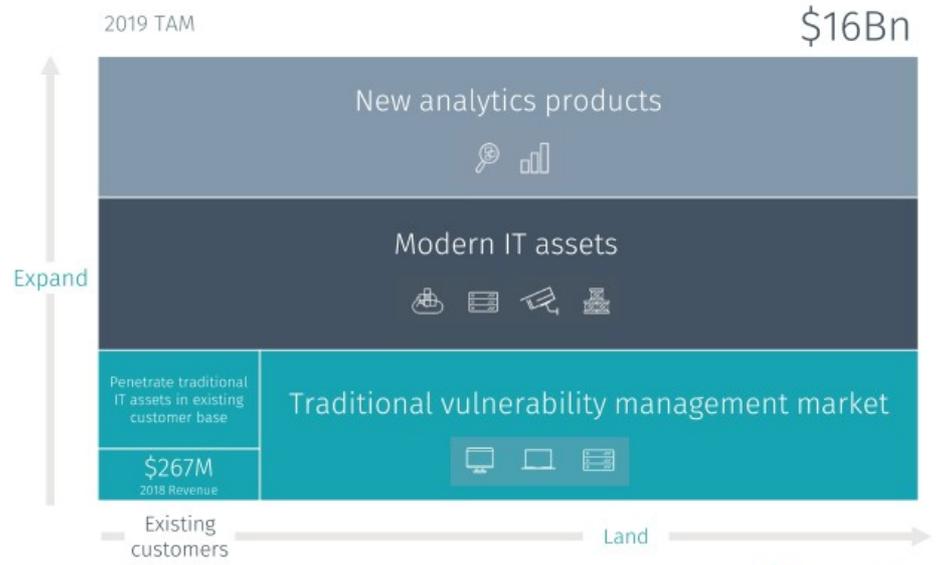


Large and Underpenetrated TAM

Traditional vulnerability management market⁽¹⁾



Bottoms-up analysis

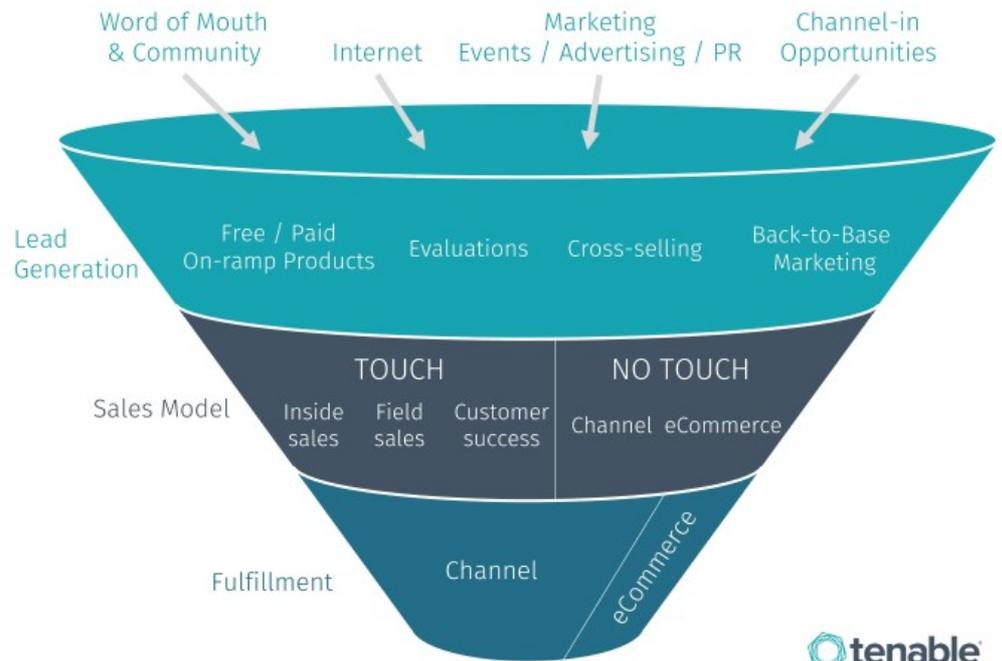


16 1. Please see the Endnotes section of the Appendix for details on source information.



Differentiated Go-to-Market Efficiently Addresses All Organizations

- Nessus on-ramp contributes to land and expand model
- Broad channel engagement, serving both enterprise and mid-market
 - Currently, channel drives over 20% of new enterprise leads
- Growth in enterprise account management model



World Class Customer Base



27,000+ Customers



>25% of Global 2000



>50% of Fortune 500



Customer Examples

Highly Dynamic Cloud Environment

Fortune 100 Retailer



Single platform for Cyber Exposure across 2 million+ assets spanning traditional and modern IT assets from web app to POS and cloud environments

IoT + Cloud



Securing over 100,000 assets including store kiosks and connected roasting machinery

IT/OT

Super Major O&G JV



IT/OT bundle with SC and ICS securing the entire converged IT/OT environment

Growth Strategy



Acquire new enterprise platform customers



Expand asset coverage



Invest in technology and expand use cases



Accelerate international expansion

Experienced Management Team and Board



Amit Yoran
CEO & Chairman



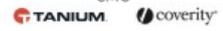
Steve Vintz
CFO



Jack Huffard
Co-Founder, COO & Director



Jennifer Johnson
CMO



John Negrón
CRO



Renaud Deraison
Co-Founder & CTO



Ofer Ben-David
CPO



Steve Riddick
General Counsel



Bridgett Paradise
Chief People Officer



Art Coviello
Former Chairman and CEO, RSA

Ping Li
General Partner, Accel

Jerry Kennelly
Former Chairman and CEO, Riverbed

Brooke Seawell
Director, Tableau & NVIDIA

Richard Wells
Managing Director, Insight

Kim Hammonds
Former COO, Deutsche Bank





Financial Overview

FEBRUARY 2019

Financial Highlights



Rapid, recurring revenue growth at scale



Balance and diversified model



Land-and-expand model



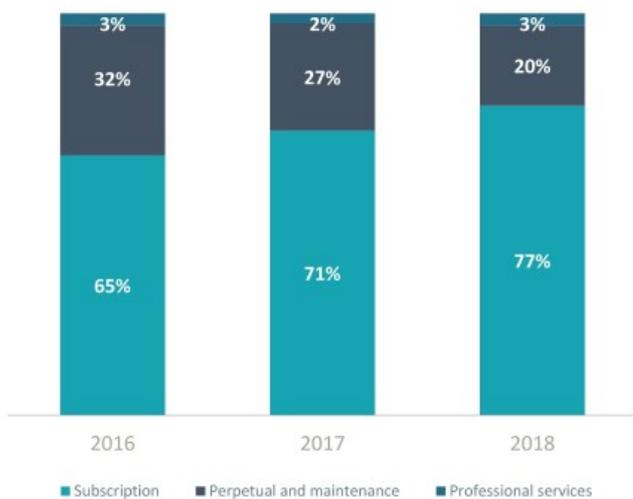
Capital efficient business

Rapidly Growing Revenue



Composition of Revenue

% Revenue by line item⁽¹⁾⁽²⁾

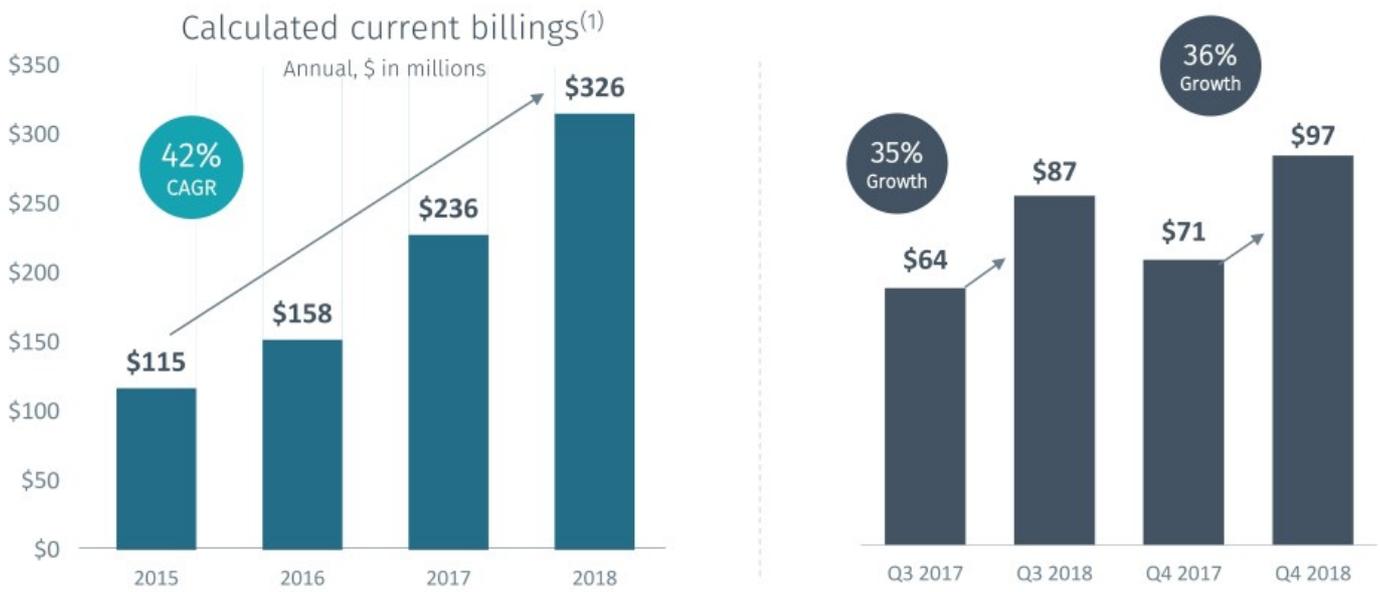


% Recurring⁽¹⁾



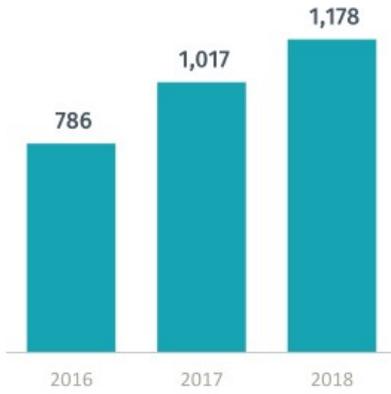
1. We adopted ASC 606 on January 1, 2017 using the modified retrospective method. The 2015 and 2016 consolidated statements of operations were not adjusted for the adoption of ASC 606.
2. Maintenance revenue is \$26 million in 2016, \$29 million in 2017 and \$33 million in 2018.

Strong Growth in Calculated Current Billings

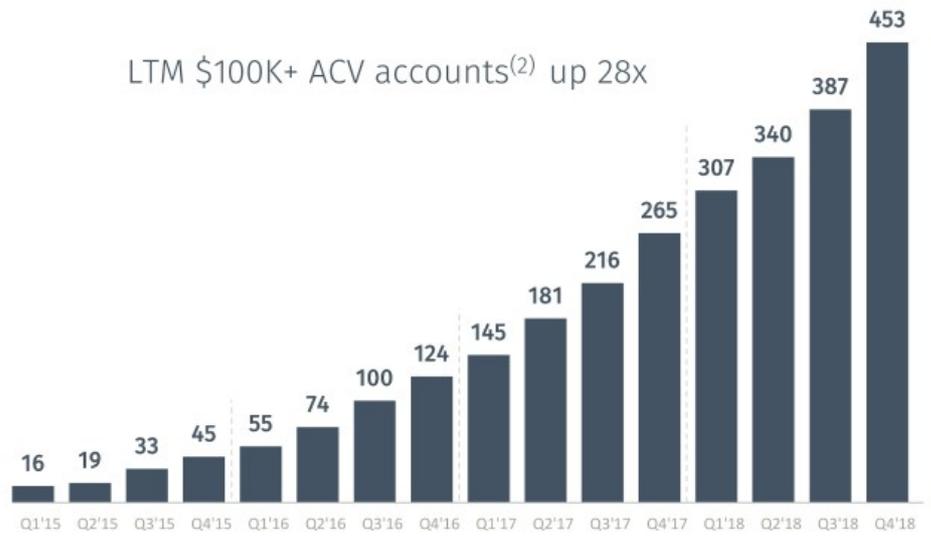


Landing Higher Value Customers

New logo enterprise platform customers⁽¹⁾



LTM \$100K+ ACV accounts⁽²⁾ up 28x

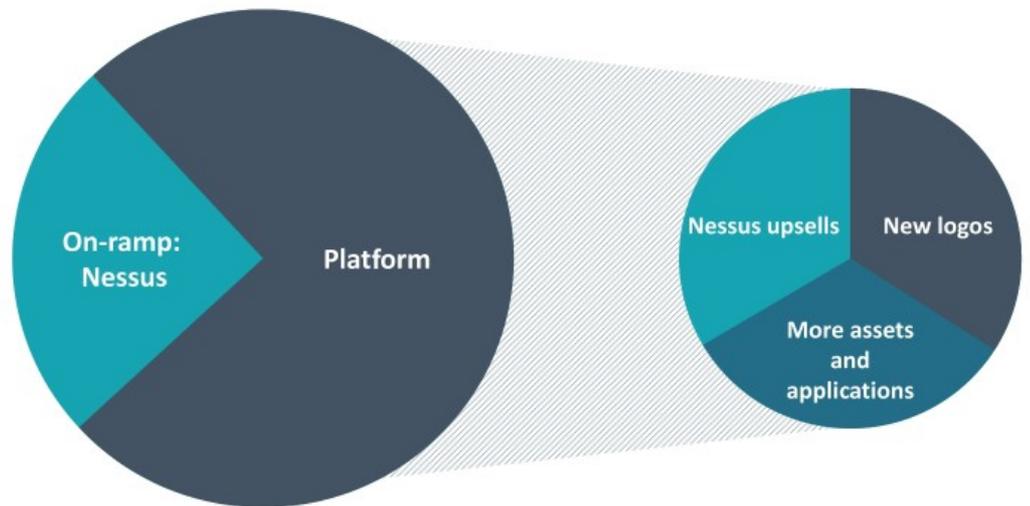


1. Chart represents new enterprise platform customer acquisitions excluding upsells. Enterprise platform customer defined as a customer that has licensed Tenable.io or Tenable.SC for an annual amount of \$5,000 or greater.
2. Chart represents the number of customers with \$100K and greater of annual contract value for the last 12 months.

Multiple Ways to Land and Expand

Annual contract value

- Nessus serves as a cost-effective on-ramp to larger enterprise platform sales
- Elastic, asset-based pricing model
- Proven land-and-expand strategy
- 89% recurring revenue⁽¹⁾



Income Statement and Cash Flow Highlights

~85%
Gross margin

~30%
Investment in R&D

Modest cash burn

(in thousands)	Three Months Ended December 31,				Year Ended December 31,			
	2018	% of rev	2017	% of rev	2018	% of rev	2017	% of rev
Revenue	\$75,221		\$54,117		\$267,360		\$187,727	
Cost of revenue	12,399		8,378		43,167		25,588	
Gross profit	62,822	84%	45,739	85%	224,193	84%	162,139	86%
Operating expenses:								
Sales and marketing	47,380	63%	32,784	61%	173,344	65%	116,299	62%
Research and development	21,169	28%	15,633	29%	76,698	29%	57,673	31%
General and administrative	13,864	18%	8,945	17%	46,732	17%	28,927	15%
Total operating expenses	82,413	110%	57,362	106%	296,774	111%	202,899	108%
Loss from operations	\$(19,591)	-26%	\$(11,623)	-21%	\$(72,581)	-27%	\$(40,760)	-22%
Net cash used in operating activities	\$(1,554)		\$(5,452)		\$(2,559)		\$(6,266)	
Purchases of property and equipment	(1,593)		(1,127)		(5,733)		(2,755)	
Free cash flow	\$(3,147)		\$(6,579)		\$(8,292)		\$(9,021)	

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Appendix

Non-GAAP Reconciliations

Calculated Current Billings: We define calculated current billings, a non-GAAP financial measure, as revenue recognized in a period plus the change in current deferred revenue in the corresponding period. We believe that calculated current billings is a key metric to measure our periodic performance. Given that most of our customers pay in advance (including multi-year contracts), but we generally recognize the related revenue ratably over time, we use calculated current billings to measure and monitor our ability to provide our business with the working capital generated by upfront payments from our customers. We believe that calculated current billings, which excludes deferred revenue for periods beyond twelve months in a customer's contractual term, more closely correlates with annual contract value and that the variability in total billings, depending on the timing of large multi-year contracts and the preference for annual billing versus multi-year upfront billing, may distort growth in one period over another.

The following table presents a reconciliation of revenue, the most directly comparable GAAP measure, to calculated current billings for each of the periods presented:

Calculated Current Billings:	2015	2016	2017	2018	Q3 2017	Q4 2017	Q3 2018	Q4 2018
Revenue	\$93,466	\$124,371	\$187,727	\$267,360	\$48,980	\$54,117	\$69,440	\$75,221
Deferred revenue (current), end of period	54,721	88,011	154,898	213,644	137,521	154,898	191,578	213,644
Deferred revenue (current), beginning of period ⁽¹⁾	(33,163)	(54,721)	(107,006)	(154,898)	(122,190)	(137,521)	(174,277)	(191,578)
Calculated current billings	\$115,024	\$157,661	\$235,619	326,106	\$64,311	\$71,494	\$86,741	\$97,287

Endnotes

REFERENCED FROM PAGE 4:

1. All figures presented are as of December 31, 2018, unless otherwise noted.
2. We believe our ability to expand sales with customers is most effectively measured by our dollar-based net expansion rate. We utilize dollar-based net expansion rate to measure the long-term value of our customer relationships because it is driven by our ability to retain and expand the revenue generated from our existing customers. We calculate dollar-based net expansion rate as follows:
 - Denominator: To calculate our dollar-based net expansion rate as of the end of a reporting period, we first establish the ARR from all active subscriptions and maintenance from perpetual licenses as of the last day of the same reporting period in the prior year. This represents recurring payments that we expect to receive in the next 12-month period from the cohort of customers that existed on the last day of the same reporting period in the prior year.
 - Numerator: We measure the ARR for that same cohort of customers representing all subscriptions and maintenance from perpetual licenses based on customer orders as of the end of the reporting period.

We calculate dollar-based net expansion rate by dividing the numerator by the denominator.

REFERENCED FROM PAGE 13:

1. Unique downloads are based on each unique email address utilized to register for the use of Nessus Home.
2. Determined by data available through CyberSeek, part of the U.S. Commerce Department's National Institute of Standards and Technology.

REFERENCED FROM PAGE 16:

1. Traditional Vulnerability Management Market includes the Policy and Compliance and Device and Application Vulnerability Assessment segments as reported by IDC in their *Worldwide Security and Vulnerability Management Forecast, 2017–2021*, dated January 2018.

