



MICROSTRATEGY PROFIT FROM THE BTC INVESTMENT

Report by **Crypto Extraction**



CryptoExtraction

EXTRACTING EVERY CRYPTOCURRENCY

Content Usage & Financial Disclaimer:

This document and its contents are protected by copyright and are intended solely for personal reading, educational, and informational purposes. Any use of this material, in whole or in part, for the training, development, or enhancement of artificial intelligence (AI) models, machine learning datasets, or similar technologies that has not been published is strictly prohibited without the explicit, prior written consent of the author or copyright holder.

All content provided in this PDF is not financial, legal, or tax advice; it represents the author's personal opinions and general information about the cryptocurrency world. Additionally, the author does not receive financial support for producing this report. Always do your own research (DYOR) before making any investment decisions. Please be aware that trading or investing in cryptocurrency involves significant risk.

If you wish to use or reference this work beyond personal reading or sharing the original PDF, please contact the author for permission.



MICROSTRATEGY DID WHAT IN ORDER TO GET HUGE PROFIT?

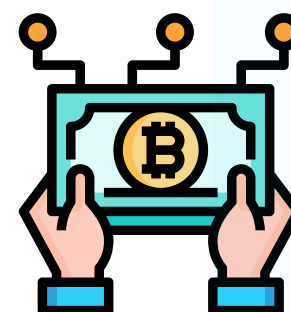
There were **2 ways** what **MicroStrategy** did with their Bitcoin (BTC) investment.

1



They initiated to buy BTC as part of Primary Treasury Reserve Asset in 2020.

2



Microstrategy doesn't buy BTC directly with a huge budget, but slowly.


Isn't it in Bitcoin people are all about hodling? Yes, that's what MicroStrategy did, they bought Bitcoin at different time points and kept on hodling it.





MICROSTRATEGY 1ST DAY BUYING BTC AS RESERVE ASSETS

What they did next is conduct DCA towards BTC. Since they have a lot of cash, they keep buying to this present day.



MicroStrategy Adopts Bitcoin as Primary Treasury Reserve Asset

August 11, 2020
 TYSONS CORNER, VA.—(BUSINESS WIRE)—Aug. 11, 2020—[MicroStrategy](#)® (Nasdaq: MSTR), the largest independent publicly-traded business intelligence platform, today announced that it has purchased 21,454 Bitcoins at an aggregate purchase price of \$250 million, inclusive of fees and expenses. The purchase of Bitcoin cryptocurrency was made pursuant to the two-pronged capital allocation strategy previously announced by the company when it released its second quarter 2020 financial results on July 28, 2020.

The company addressed the first prong, which called for returning a portion of its excess cash to shareholders, when it announced today that it had launched a new tender offer for its \$250 million of MicroStrategy's class A common stock via a modified Dutch Auction offer. By acquiring 42 Bitcoins, MicroStrategy addressed the other prong of its capital allocation strategy, which called for investing up to \$250 million in one or more alternative investments or assets.

"Our investment in Bitcoin is part of our new capital allocation strategy, which seeks to maximize long-term value for our shareholders," said Michael J. Saylor, CEO, MicroStrategy. "This investment reflects our belief that Bitcoin, as the world's most widely adopted cryptocurrency, is a combination of value and an attractive investment asset with long-term appreciation potential that's holding cash. Since its inception over a decade ago, Bitcoin has emerged as a significant addition to the global financial system, with characteristics that are useful to both individuals and institutional investors. MicroStrategy has selected Bitcoin as a legitimate investment asset that can be superior to cash and accordingly has made Bitcoin the primary holding in its treasury reserve strategy."

Mr. Saylor further elaborated on the company's overall capital allocation strategy. Our decision to invest in Bitcoin today at this time was driven in part by a confluence of macro factors affecting the economic and business landscape that we believe is creating long-term risks for our company and the rest of the market. These include pandemic-related economic and business challenges, the economic recession, smaller health crisis precipitated by COVID-19, unprecedented government financial stimulus measures including quantitative easing aimed around the world, and political and regulatory uncertainty. The belief that, together, these and other factors may well have a significant depressing effect on the long-term real value of far currencies and many other conventional assets types, including many of the assets traditionally held in part of corporate treasury operations."

In considering various asset classes for potential investment, MicroStrategy observed distinctive properties of Bitcoin that led it to believe investing in the cryptocurrency would provide not only a reasonable hedge against inflation, but also the prospect of earning a higher return than other investments. These include pandemic-related economic and business challenges, the economic recession, smaller health crisis, smaller architectural, technical utility, and community ethos of Bitcoin to be persuasive evidence of its superiority as an asset class for those seeking long-term real value. Bitcoin is digital, harder to mine, faster, and greater than any money that has preceded it. Its expected value is also aided with advances in technology, expanding adoption, and the network effect that has fueled the rise of so many category leaders in the modern era.

A leader in the business intelligence space, MicroStrategy has a 30-year history of anticipating technology trends. MicroStrategy was one of the first companies in the enterprise business intelligence software sector. It was a pioneer in Relational Analytics, Web Intelligence, and Mobile Intelligence and has most recently invented HyperIntelligence® - zero click insights that can be embedded in applications to make them smarter, faster, and stronger.

In 2012, Mr. Saylor wrote "The Mobile Wave," addressing the impact mobile computing would have on business, consumer, and political behavior and the implications of the rise of Apple, Google, Facebook, Amazon, and Twitter. MicroStrategy believes the world is entering "The Virtual Wave" - a rapid democratization of products, services, and processes enabled by advances in technology and catalyzed by the COVID crisis. MicroStrategy believes that transformation has quickened and rapidly eroding market boundaries. These dynamics have many corporations rethinking their offerings, operations, and systems, as well as their balance sheets and financial strategies.

MicroStrategy remains focused on its corporate strategy of operating a ground-breaking business intelligence company, serving some of the largest respected institutions worldwide. This strategy includes seeking to grow its revenue through its HyperIntelligence, Cloud Intelligence, and Embedded Intelligence offerings, a redefined go-to-market focused on simplified products and pricing, and a cloud-first platform-as-a-service focus. MicroStrategy's goal of generating long-term operating income and free cash flow has also led to add a new capital allocation strategy. MicroStrategy believes that buying \$250 million of Bitcoin will provide the opportunity to earn better returns and preserve the value of our capital over the long-term compared to holding cash. Our corporate strategy and two-pronged capital allocation strategy are designed to benefit shareholders, customers, partners, and employees," said Phong Le, President & CFO, MicroStrategy Incorporated.

About MicroStrategy Incorporated

MicroStrategy (Nasdaq: MSTR) is the largest independent publicly-traded business intelligence company, with its leading enterprise analytics platform. Our mission is to enable leaders Everywhere™. MicroStrategy provides modern analytics on any data, comprehensive enterprise platform solutions with the world's most advanced brains in the Fortune Global 500. Optimized for cloud and on-premises deployments, the platform features HyperIntelligence™, a breakthrough technology that enables actionable insights on popular business topics in two-week make-ready time, faster decisions.

MicroStrategy, HyperIntelligence, and Intelligence Everywhere are company trademarks or registered trademarks of MicroStrategy Incorporated in the United States and certain other countries. Other product and company names mentioned herein may be the trademarks of their respective owners.

This press release includes statements that may constitute forward-looking statements," including estimates of future business prospects and financial results, expectations as to future returns on Bitcoin, the future value of Bitcoin, and the characteristics and utility of Bitcoin in future periods, and statements containing the words "believe," "estimate," "project," "expect," or similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results of MicroStrategy Incorporated and its subsidiaries (collectively, the "Company") to differ materially from the forward-looking statements. Factors that could contribute to such differences include the historical volatility of Bitcoin; uncertainty regarding the regulatory treatment of Bitcoin under various securities, commodities, and other regulatory regimes; the potential for significant impairment charges to the Company's earnings in the event of a decrease in the price of Bitcoin and reducing value of the Company's unreported assets and earnings; the potential for various insurances or other counterbalances that could result in a partial or total loss of the Company's Bitcoin assets; and other risks detailed in the Company's registration statements and periodic reports filed with the Securities and Exchange Commission. The Company undertakes no obligation to update these forward-looking statements for revisions or changes after the date of this release.

MSTR-1F

View source version on [prnewswire.com](https://www.prnewswire.com) or <https://www.businesswire.com/news/home/2020110803140001>
 Brian Derynka, Investor Relations
 ICR for MicroStrategy Incorporated
 617-544-8600
bderynka@microstrategy.com

Michael BVP, VP Corporate Communications
 at MicroStrategy Incorporated
 617-544-8600
mbsaylor@microstrategy.com

Source: MicroStrategy Incorporated



DCA BTC





THE \$ DOLLAR COST AVERAGING (DCA) IS A MAGICAL WAY

DCA is a way to buy an asset or security that is volatile and liquid at **different time points and prices**, in which when combined, it can average the price.

Technically, **you don't 'all in' during the buy time**, such as buying precious metal, stock, ETF, crypto, etc., as long as it doesn't have any interest you can buy it slowly.

3  \$100,000 

If you want to buy 3 BTC with \$100,000 instead of buying it directly with the whole currency, you can buy 1 BTC when it is \$35,000. Then, when it goes down to let's say \$16,000, you can buy 2 Bitcoins. As a result, $((35,000 \times 1) + (16,000 \times 2)) / 3 = 22,333$. So, rather than buying 3 BTC at \$35,000, you can use the above method to get 3 BTC with **an average buying price** of \$22,333; this is DCA.



CASH + DCA CREATE A RISK AND PROFIT AT THE SAME TIME!

On the following page, we have summarized the MicroStrategy BTC purchase: when it was bought, the amount of the Bitcoin purchased, the average price during the transaction, and the worth of the purchase in US dollars.





@cryptoextraction

Buy time	BTC amount	Average price/BTC	\$ amount
11 AUG 20	21,454 BTC	\$11,652.84	\$250 MILLION
14 SEP 20	16,796 BTC	\$10,419.15	\$175 MILLION
4 DEC 20	2574 BTC	\$19,427.00	\$50 MILLION
21 DEC 20	29,646 BTC	\$21,925.00	\$650 MILLION
22 JAN 21	314 BTC	\$31,808.00	\$10 MILLION
2 FEB 21	295 BTC	\$33,810.00	\$10 MILLION
24 FEB 21	19,452 BTC	\$52,765.00	\$1,026 MILLION
1 MAR 21	328 BTC	\$45,710.00	\$15 MILLION
5 MAR 21	205 BTC	\$48,888.00	\$10 MILLION
12 MAR 21	262 BTC	\$57,146.00	\$15 MILLION
5 APR 21	253 BTC	\$59,339.00	\$15 MILLION
13 MAY 21	271 BTC	\$55,387.00	\$15 MILLION
18 MAY 21	229 BTC	\$43,663.00	\$10 MILLION
21 JUN 21	13,005 BTC	\$37,617.00	\$489 MILLION
24 AUG 21	3,907 BTC	\$45,294.00	\$177 MILLION
13 SEP 21	5,050 BTC	\$48,099.00	\$242.9 MILLION
29 NOV 21	7,002 BTC	\$59,187.00	\$414.4 MILLION
9 DEC 21	1,434 BTC	\$57,477.00	\$82.4 MILLION
30 DEC 21	1,914 BTC	\$49,229.00	\$94.2 MILLION

Swipe 



@cryptoextraction

Buy time	BTC amount	Average price/BTC	\$ amount
1 FEB 22	660 BTC	\$37,865.00	\$25 MILLION
5 APR 22	4,167 BTC	\$45,714.00	\$190.5 MILLION
29 JUN 22	480 BTC	\$20,817.00	\$10 MILLION
20 SEP 22	301 BTC	\$19,851.00	\$6 MILLION
21 DEC 22	2,395 BTC	\$17,871.00	\$42.8 MILLION
22 DEC 22	-704 BTC	\$16,776.00	-\$11.8 MILLION
24 DEC 22	810 BTC	\$16,845.00	\$13.6 MILLION
23 MAR 23	6,455 BTC	\$23,238.00	\$150 MILLION
5 APR 23	1,045 BTC	\$28,016.00	\$29.3 MILLION
28 JUN 23	12,333 BTC	\$28,136.00	\$347 MILLION
31 JUL 23	467 BTC	\$30,835.00	\$14.4 MILLION
25 SEP 23	5,445 BTC	\$27,053.00	\$147.3 MILLION
31 OCT 23	155 BTC	\$34,495.00	\$5.3 MILLION
30 NOV 23	16,130 BTC	\$36,785.00	\$593.3 MILLION

To get the average price from the DCA, you will multiply the amount of BTC you bought with the price, sum all of it, and divide it by the total BTC.

Total BTC	Average price
174,530 BTC	\$30,512.81



Swipe >



NOW LET'S DO THE CALCULATION FOR THE MSTR PROFIT!

MSTR stand for MicroStrategy, so let's calculate what they have bought:

Total BTC	Average price	Total in \$
174,530 BTC	\$30,512.81	\$5,325,400,000



So when BTC goes up, ex:

BTC up to	Total BTC in \$
\$42 576.86	\$7,449,112,609

Let's count the profit shall we:

\$7,449,112,609
\$5,325,400,000

Look at that!

The profit
\$2,123,712,609





CONCLUSION: DCA HELPS TO **AVERAGE** **THE PRICE YOU BUY!**

EMOTICON: **OH NO!**

Imagine MicroStrategy stops their DCA at 30 December 2021, they might not profit with BTC rising to \$37,000 as they bought too much BTC at the price of \$52,765.00.



Michael Saylor taken from <https://www.michael.com/en/photos>

EMOTICON: **OH YES!**

Thankfully, Michael J Saylor keeps buying Bitcoin to this moment. The last purchase was on November 30, 2023, after the last one during the Halloween time that made the average BTC price bought at \$30,512.81.



Michael Saylor taken from <https://cryptonewsbtc.org/2021/07/13/a-2-trillion-asset-manager-has-bought-a-12-stake-in-bitcoin-evangelist-michael-saylor-microstrategy-currency-news-financial-and-business-news/>



REFERENCES:

- MicroStrategy. (2020, August 11). MicroStrategy Adopts Bitcoin as Primary Treasury Reserve Asset. https://www.microstrategy.com/content/dam/website-assets/collateral/financial-documents/press-release-archive/microstrategy-announces-fourth-quarter-2022-financial-results_02-02-2023.pdf
- saylortracker. (2023). Michael Saylor ⚡ (microstrategy) portfolio tracker. saylortracker.com. <https://saylortracker.com/>

DISCLAIMER:

This content is not financial, legal, or tax advice; it is only a piece of cryptocurrency information and an opinion from the writer for educational purposes only. Please keep in mind that trading cryptocurrency is considered high risk. DYOR.

FOLLOW:  **CryptoExtraction**
EXTRACTING EVERY CRYPTOCURRENCY