

Bitcoin Treasury Adoption:

A Strategic Guide for Corporate Leaders



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The Problem: Corporate Balance Sheets are Eroding Away

A note on timing before the argument begins. Bitcoin peaked at \$126,200 on 6 October 2025 and trades at \$63,408 as of 28 July 2026 — a decline of 49.8%. Roughly half of all public bitcoin treasury companies fell below 1.0x mNAV in that period, and several liquidated their holdings outright.

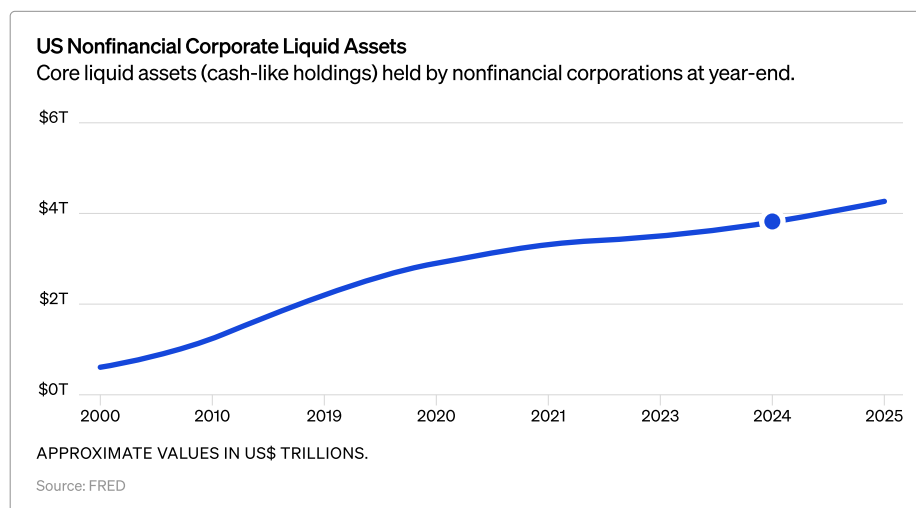
This report is written from that vantage point rather than around it. A treasury strategy that only works in a bull market is not a strategy — it is a trade.

For decades, corporate America shifted its focus from the health of the balance sheet to the allure of income statement performance.

That transformation gained traction in the 1980s, championed by figures like Jack Welch, whose leadership at General Electric embodied a relentless pursuit of maximizing shareholder value. Welch's approach prioritized deploying cash and leveraging assets to drive short-term earnings growth, reshaping corporate culture around immediate profitability at the expense of balance sheet resilience.

Effective in an era of low inflation and low rates, that mindset left corporations exposed. Businesses effectively decapitalized themselves by prioritizing buybacks, dividends and acquisitions over retained earnings — boosting near-term returns while creating fragile organizations dependent on external capital markets to navigate any downturn.

COVID-19 and the disruption that followed prompted treasurers to reassess. Cash reserves were rebuilt. By 2025, U.S. corporations collectively held well over \$4 trillion in liquid assets.

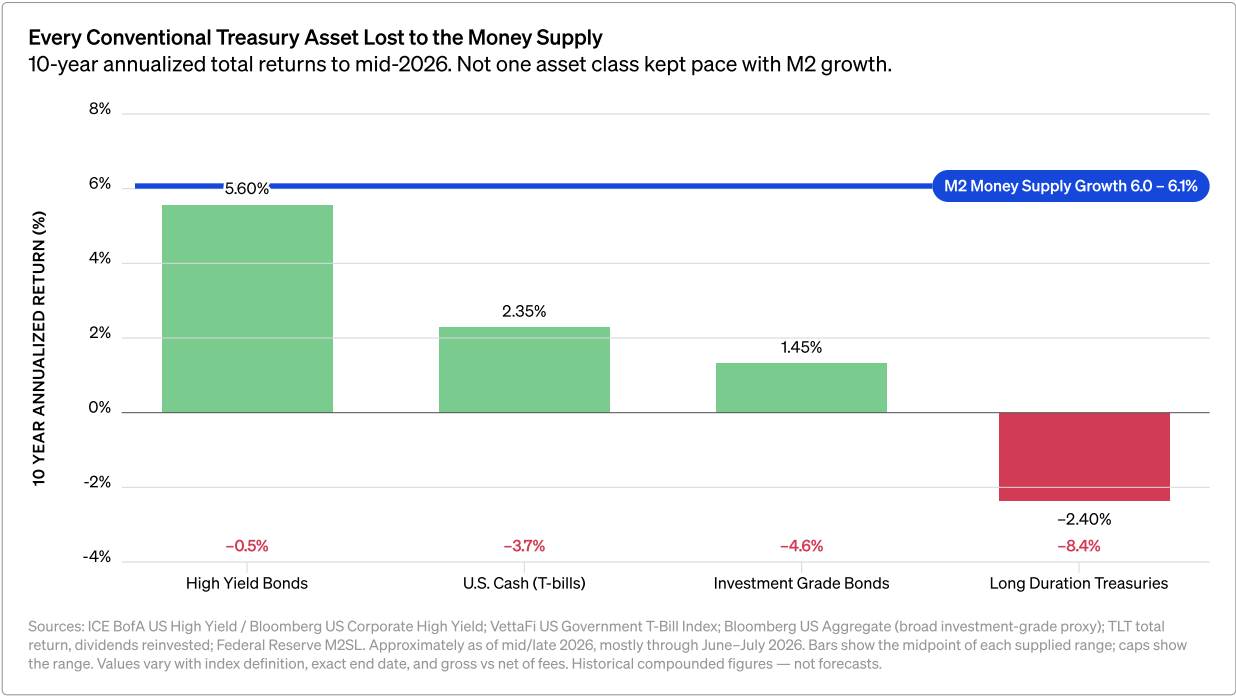


However, this renewed focus on balance sheet strength coincides with a more demanding set of challenges.

U.S. national debt is now approaching \$40 trillion. 10Y Treasury yields have climbed to multi-year highs, raising the cost of capital and compressing the real returns available on traditional reserve assets. At the same time, geopolitical risk has intensified. An ongoing conflict involving Iran disrupted energy markets in 2026 and produced a sustained oil crisis. Trade tensions continue to reshape supply chains and inflation dynamics. These pressures sit alongside elevated sovereign debt burdens, aging demographics, and persistent monetary expansion.

For corporate treasurers, the environment presents a dual challenge: preserving the purchasing power of reserves while maintaining the liquidity required to navigate an uncertain economic and geopolitical landscape. The composition of the corporate treasury has rarely been more consequential.

Traditionally, corporations have relied on low-volatility, safe-haven instruments such as cash and cash equivalents. These assets remain essential for short-term liquidity, yet they are poorly suited to long-term value preservation in a world of ongoing monetary expansion and rising fiscal risk. The U.S. money supply compounded at roughly 6.0–6.1% a year over the decade to mid-2026. Cash-like instruments, including Treasury bills and bonds, have consistently failed to generate returns that match this pace. When measured against M2 growth, every conventional treasury asset class has delivered negative real returns over the past decade.



This systemic erosion of cash and cash-like equivalents underscores the need for treasurers to reassess traditional approaches to capital management. In an era defined by elevated debt, higher rates, energy-market volatility, and geopolitical instability, reliance on legacy strategies is no longer sufficient. Corporate leaders who adapt their balance-sheet composition to these realities will be better positioned to protect purchasing power and maintain resilience in the years ahead.

A Solution: Bitcoin as a Transformational Treasury Asset

OPTION	DESCRIPTION
Reinvest	Deploy into R&D, capex, or hiring. Highest potential return but increases operational risk and may not suit companies with excess cash beyond near-term needs.
Distribute	Return capital via dividends or buybacks. Rewards shareholders but permanently reduces balance-sheet optionality.
Acquire	Purchase another business. Can accelerate growth but introduces integration risk, cultural friction, and potential overpayment.
Save	Retain capital in reserve assets. Preserves optionality and liquidity but exposes the balance sheet to inflation and opportunity cost.

If the decision is to save, the second and more consequential choice follows: in what form should those reserves be held? Traditional treasury assets each fail, in different ways, to solve the dual problem of liquidity and long-term value preservation.

ASSET	STRENGTHS	WEAKNESSES
Cash	Immediate liquidity; no market risk.	Loses purchasing power to monetary expansion; near-zero real yield.
Bonds	Predictable income; low volatility.	Negative real returns when rates lag inflation; duration risk.
Equities	Inflation participation; growth potential.	Volatility; regulatory constraints; may fund competitors.
Gold	Scarcity narrative; long track record.	Supply still grows ~1.5%/yr; storage friction; no yield.
Real Estate	Tangible scarcity; rental income.	Illiquid; management-intensive; concentrated geographic risk.
Bitcoin	Fixed supply of 21 million; no counterparty risk; 24/7 settlement; low correlation.	High volatility; concentration risk; requires custody and governance capability most treasuries lack in-house.

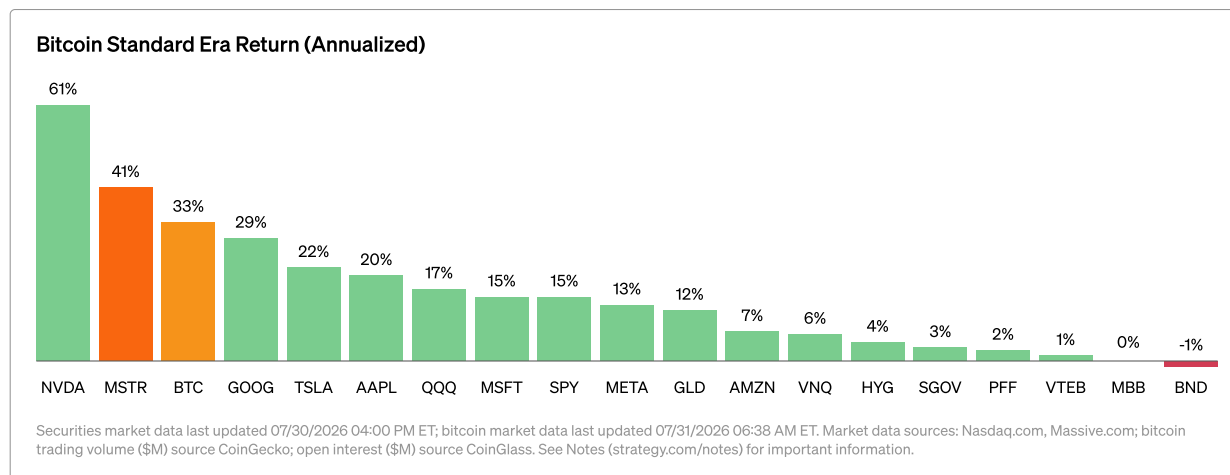
Bitcoin occupies a distinct position. Its supply is capped at 21 million coins. It settles without reliance on traditional financial intermediaries. It has delivered real returns that have substantially outpaced both monetary expansion and conventional reserve assets over the past decade. For treasurers seeking a long-duration store of value that can sit alongside existing liquidity portfolios, these characteristics make bitcoin a rational and increasingly practical addition to the corporate balance sheet.

Case Study: Strategy Inc.

“Volatility is never easy. Bitcoin keeps working. So do we.”

Michael Saylor, Executive Chairman, Strategy Inc., 19 June 2026*

Strategy was the first publicly traded company to adopt bitcoin as a treasury reserve asset in August 2020. Since then, Strategy has outperformed every company (bar Nvidia) in the S&P 500, showing the impact bitcoin can have when a corporation adds it to its balance sheet.



It remains the largest corporate holder in the world by a wide margin, with **843,775 BTC** at an average cost of approximately **\$75,476** as of July 2026.

What it cost

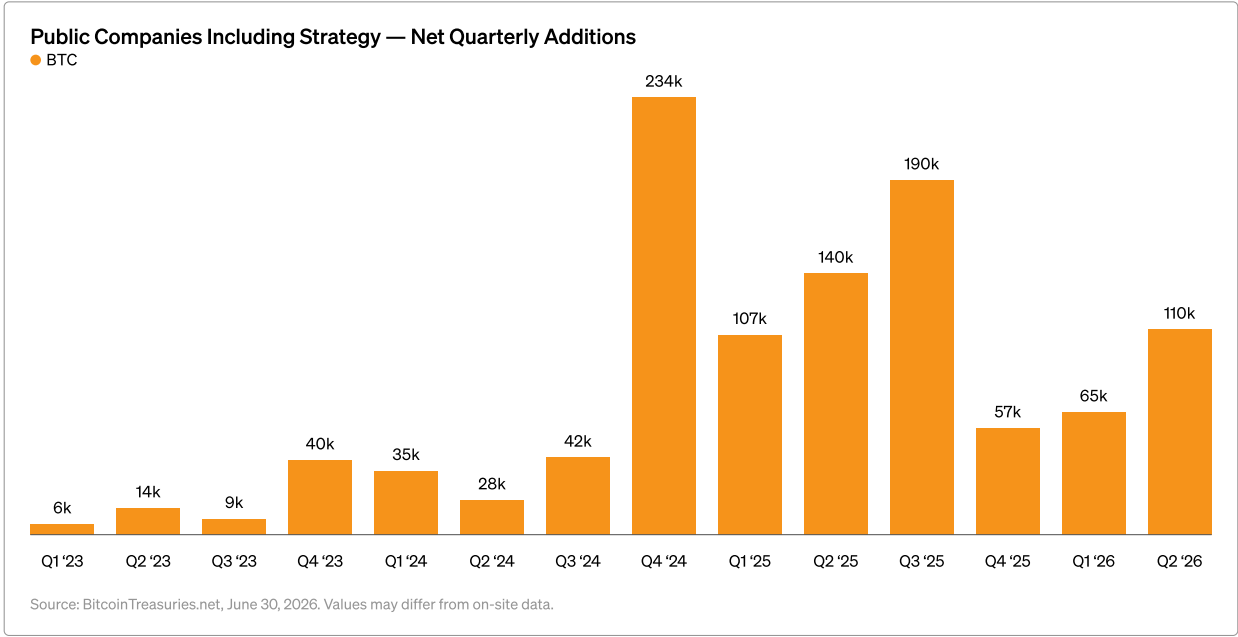
The same position that makes Strategy the sector’s benchmark also makes it the clearest available illustration of drawdown risk. Against an average cost basis of approximately \$75,476 and a bitcoin price of \$63,408 on 28 July 2026, the position carried an unrealized loss of roughly \$10.18 billion. The company reported a digital asset loss of \$8.32 billion for the second quarter of 2026.

Strategy also began selling. Under a BTC Monetization Program established in 2026, it sold approximately \$218.4 million of bitcoin year to date — including roughly 3,588 BTC in late June and early July — to fund preferred dividend obligations.

Neither fact undermines the case for a bitcoin treasury strategy, and Strategy remained one of the sector’s two largest net accumulators across the first half of 2026. Both are reasons a strategy needs a policy: a defined allocation band rather than a target, a funding source that does not depend on the share price trading above net asset value, and a dividend coverage plan that does not require selling the reserve asset into weakness.

*x.com/saylor/status/2067861414069375418?s=20

Corporate Bitcoin Adoption: From Pioneer to Sector



As of 30 June 2026, publicly traded companies held approximately 1.265 million bitcoin. The top 100 alone accounted for 1.262 million BTC.

The funding mechanisms supporting this growth have also evolved. Early adopters relied primarily on operating cash flow or traditional equity issuance. By 2026, preferred-share instruments — often referred to as digital credit — have become a material source of capital for bitcoin accumulation. Strategy and Strive both utilized these structures extensively.

For treasurers evaluating whether to follow, the data points to three considerations. First, the opportunity set has expanded beyond the original pioneer; multiple companies are now demonstrating viable approaches. Second, the capital-markets infrastructure required to scale a position has improved, reducing reliance on free cash flow alone. Third, custody, policy, and active balance-sheet management have become decisive differentiators — precisely the operational disciplines that separate successful long-term strategies from speculative experiments.

Digital Credit: A New Capital Tool for Bitcoin Treasuries

Digital credit is the sector's term for perpetual preferred stock issued to fund bitcoin purchases. The instruments pay a fixed or variable dividend, carry no maturity date, and sit senior to common equity and junior to debt. For the issuer, they raise capital without the covenants of a bond and without the direct dilution of a common share sale. For the holder, they offer a yield-bearing claim against a balance sheet whose principal asset is bitcoin. Strategy pioneered the structure and remains the largest issuer, with STRC, STRF, STRK and STRD outstanding. Strive followed with SATA. Both have used these instruments as a material source of acquisition capital, reducing dependence on operating cash flow and on at-the-market common equity programs. The relevance for a corporate treasurer is not that they should issue one. Most will not. It is that a functioning market for bitcoin-backed preferred stock is what allows the largest holders to keep accumulating through a drawdown rather than sell into it. That market now has a track record worth examining.

\$10B+ combined trading volume

0 missed dividend obligations

Majority of investors unfazed

Both instruments traded below par for the first time in June 2026. Combined volume for the month exceeded \$10 billion, and neither issuer missed a dividend obligation. In a BitcoinTreasuries.net reader survey conducted afterward, 84% of respondents said they held their positions through the dislocation. The trajectory is no longer defined by a single company. It is defined by a growing set of public balance sheets treating bitcoin as a durable reserve asset, funded by instruments that were untested until June 2026.

The June 2026 Stress Test

In mid-June 2026, Strategy's STRC and Strive's SATA — the two leading digital-credit instruments — traded below their \$100 par values for the first time. STRC briefly reached approximately \$75 before recovering toward \$87; SATA rebounded more strongly toward \$97.

The move was driven by accumulated leverage and a concurrent decline in the bitcoin price below \$60,000. Forced sales amplified the dislocation. Critically, neither issuer missed a dividend payment. Dividend reserves remained intact, and combined trading volumes still exceeded \$10 billion for the month — record levels.

The episode tested the structure without breaking it. Market participants largely treated the price action as technical rather than fundamental. Many holders retained positions; a meaningful share bought the discount.

For corporate treasurers, the lesson is practical. Digital credit can help fund a bitcoin treasury strategy at scale, but it introduces leverage sensitivity and temporary trading volatility that must be managed with clear policies and robust coverage. June showed that well-designed instruments can absorb stress while the underlying bitcoin reserve strategy continues.

Bitcoin remains the core asset. Digital credit is a financing tool that succeeds only when subordinated to that priority.

Implementing a Bitcoin Treasury Strategy

“You can’t just talk about strategy.
You have to execute it, live it, and make it happen.”

Jack Welch, Former CEO of General Electric

Adopting bitcoin as a corporate treasury asset requires a disciplined, multi-step approach to align strategic goals with legal, accounting, and operational frameworks.

The process begins with clearly defining objectives — whether as an inflation hedge, a diversification tool, or to embrace innovation. These objectives should be presented to the board of directors through a detailed plan that outlines bitcoin’s long-term benefits while addressing potential risks. Engaging key stakeholders, including investor relations, compliance, and legal teams, ensures alignment and smooth execution of the strategy.

Developing robust policies and procedures is vital to formalizing the strategy. A bitcoin trading policy should define allocation limits, rebalancing guidelines, and authorized personnel responsibilities. Compliance and reporting frameworks must be established to ensure transparency and accountability at every stage.

With a clear plan in place, execution begins with determining the allocation size and acquisition strategy, such as dollar-cost averaging or lump-sum purchases. Selecting trusted vendors is essential — institutional-grade trading platforms ensure secure, efficient purchases, while third-party custody providers can be used to safeguard assets through robust security protocols and insurance coverage.

There are also accounting, tax, legal, and compliance factors that must be carefully considered.

Model the CAMT interaction before scaling a position

Corporations whose three-year average adjusted financial statement income exceeds \$1 billion are subject to a 15% Corporate Alternative Minimum Tax on book income. Under fair value accounting, unrealized bitcoin gains flow through GAAP net income — which, absent relief, would pull them into the CAMT base and create a cash tax liability on gains that have not been realized and generate no cash.

Interim guidance has substantially changed that position. On 30 September 2025, Treasury and the IRS issued Notices 2025-46 and 2025-49, which allow a corporation to elect to disregard unrealized gains and losses on fair value items — including digital assets — when computing adjusted financial statement income. The relief is elective rather than automatic, and it carries a consistency requirement: a corporation making the election must apply it across all of its fair value items. Notice 2026-7 subsequently modified that guidance, with transition rules permitting reliance on the original versions for tax years beginning before 18 February 2026.

The practical implication is that CAMT exposure on unrealized bitcoin gains is now a question of election and documentation rather than an unavoidable cost of holding the asset. It remains something to model with tax counsel before a position is scaled, not after.

Separately, review the custodial agreement as a legal document rather than a procurement item. Segregation, bankruptcy remoteness, rehypothecation, insurance scope and sub-custody arrangements determine what actually happens to the asset if the custodian fails.

By combining thorough planning, disciplined execution, and transparent communication, corporate leaders can integrate bitcoin into their treasury strategy while navigating its complexities with confidence.

Security: The Cornerstone of a Bitcoin Corporate Treasury Strategy

“Risk-taking is an essential part of innovation. But if you’re going to take risks, you better know the downside.”

Jack Welch, Former CEO of General Electric

For corporate treasurers, a risk of holding bitcoin lies in inadequate security. Without proper safeguards, bitcoin holdings can be lost due to human error, hacks, or theft. This makes securing bitcoin holdings not just important but arguably the most critical step in adopting a bitcoin corporate treasury strategy.

Corporations have several custody options, each with distinct benefits and trade-offs. Below is a table that highlights three of the most common custody arrangements available for corporations with their pros and cons.

CUSTODY OPTION	PROS	CONS
Cash	Full control over bitcoin holdings; no counterparty risk; customizable security measures (e.g., multi-signature wallets).	High operational burden; increased risk of human error and theft; limited insurance options.
Bonds	Advanced security features (cold storage, multi-signature); simplifies recordkeeping and reporting; reduces operational burden.	Counterparty risk; reliance on custodian solvency; fees for storage, transactions, and insurance.
Equities	Enhanced security through shared control; greater involvement by the corporation; more user-friendly than full self-custody.	Higher operational burden and complexity compared to third-party custody; risk of human error and theft.

Many corporate treasurers will likely opt to partner with third-party regulated custody providers due to their lack of in-house expertise and to minimize legal liabilities. This is a similar setup seen in traditional finance, as many institutions use qualified and regulated custodians to hold stocks, bonds, and other investments.

Third-party custodians may offer advanced security features, comprehensive insurance coverage, and simplified regulatory compliance. However, entrusting a third party with bitcoin holdings introduces counterparty risk, emphasizing the need for rigorous due diligence.

Security + Due Diligence Checklist

(continued)

When choosing a custody partner, security and compliance must be the top priorities. Custodians should provide security protocols that include cold storage, multi-signature wallets, and robust key management systems. Custodians should also hold SOC-1 and SOC-2 certifications, ensuring adherence to regulatory standards, while offering insurance coverage to protect against theft or operational failures.

BitGo has provided a checklist to help corporations perform proper due diligence when evaluating potential third-party custodians.

Regulation

- ☐ Regulated, qualified custodian
- ☐ Fiduciary duty to me or my organization
- ☐ Funds are held in a segregated manner
- ☐ Funds are never comingled with company assets
- ☐ Assets are bankruptcy remote
- ☐ Insured up to \$250M*

Wallet options

- ☐ Hot and cold wallets
- ☐ Support most or all of the coins/tokens in my portfolio

Wallet security

- ☐ Insurance coverage against theft, loss, or misuse
- ☐ Extra insurance available to purchase
- ☐ Wallets come with backup keys
- ☐ SOC1 and SOC2 accreditations
- ☐ Secure human processes to complement security technology
- ☐ Custom wallet policies like user permissions, whitelisting and transaction limits

Deploying funds

Access to:

TRADING SERVICES

- ☐ trading
- ☐ Settlement
- ☐ Staking
- ☐ Borrowing and lending
- ☐ DeFi

OFF-CHAIN TRADE WITH PARTNER EXCHANGES

- ☐ Trading, settlement, and staking are accessible from cold storage
- ☐ Quality price execution on trades
- ☐ Reasonable fee structure

Building platforms

- ☐ Ability to build on top of their wallet infrastructure
- ☐ Ease of integration

*bitgo.com/resources/insurance

BitGo Stands Out as a Trusted Partner

BitGo has provided institutional digital asset custody since 2013. Three recent developments are directly relevant to a corporate treasurer's diligence.

BitGo is now a federally chartered national trust bank. On 12 December 2025, BitGo Trust Company received approval from the Office of the Comptroller of the Currency to convert to a national trust bank, completing the conversion the same day and operating as BitGo Bank & Trust, National Association. Custody now sits under direct federal supervision.

BitGo is now a public company. BitGo Holdings listed on the New York Stock Exchange under BTGO on 22 January 2026, pricing at \$18 per share and raising \$212.8 million at a valuation of approximately \$2 billion. For a treasurer assessing custodial counterparty risk, audited public financials and a regulated capital position are now matters of public record.



SOC 2 type II



SOC 1 type II

“BitGo has invested the time and energy to bring the best financial tools from mainstream treasury management to digital currency, and it shows in the quality of their products and services.”

Nejc Kodrič, Co-Founder of Bitstamp

Scale and oversight. BitGo held approximately \$104 billion in assets under custody as of 30 September, 2025 (Q3), up 96% year over year, and is subject to oversight from more than 50 U.S. federal, state and foreign regulators. It has completed SOC 1 Type II and SOC 2 Type II audits and carries up to \$250 million of insurance coverage for digital assets held in qualified custody.

BitGo offers MPC-based key management, along with granular policy controls, segregated custody, and an audited operating environment, that eliminates single points of failure.

Conclusion: Pioneering Resilience Through Bitcoin Treasury Strategies

“Change before you have to.”

Jack Welch, Former CEO of General Electric

In 2026 the case for bitcoin as a corporate treasury asset rests on more than theory. Public companies hold over 1.26 million bitcoin, and a growing number have moved from pilot allocations to deliberate, multi-year strategies. Preferred-share instruments now serve as practical financing tools — and their first real stress test in June was absorbed without interrupting dividends or derailing accumulation. The sector has matured.

Bitcoin does not eliminate the need for thoughtful treasury management — it raises the standard. Success depends on pairing a scarce, non-sovereign reserve asset with institutional-grade custody, transparent governance, and disciplined capital allocation. BitGo was built for precisely this combination. As a federally chartered national trust bank with SOC 1 Type II and SOC 2 Type II audits, MPC-based key management, and insurance coverage up to \$250 million, BitGo lets corporate treasurers focus on strategy rather than operational risk.

Organizations that act with clarity today will enter the next decade with balance sheets built for resilience, not mere survival. Bitcoin is no longer an experiment for the few — it is a strategic option for any leadership team prepared to implement it with the same rigor applied to every other material capital decision.

Change before you have to.

Plan your bitcoin treasury strategy with BitGo.

Add bitcoin to your balance sheet →

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Resources

Key quotes from leaders running bitcoin treasuries

“Bitcoin is the universal, perpetual, profitable merger partner for every company on Earth.”

Michael Saylor — Executive Chairman, Strategy Inc. (Nasdaq: MSTR)

“Bitcoin is the hardest hurdle rate to beat.”

Matt Cole — Chairman & CEO, Strive, Inc. (Nasdaq: ASST)

“Strive has been buying Bitcoin hand over fist.”

Matt Cole — Chairman & CEO, Strive, Inc. Said in June 2026, with bitcoin near its cycle lows

“It’s about building a reserve that can stand the test of time.”

Richard Byworth — Managing Partner, Syz Capital

“I’d rather sell my arm than sell Bitcoin.”

Andrew Webley — CEO, The Smarter Web Company PLC, the UK’s largest corporate bitcoin holder