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SIMON MAYS-SMITH, VP INVESTOR RELATIONS

Thanks, operator, and good afternoon. Thank you for joining our conference call to discuss Autodesk's fiscal 26 fourth quarter and full-year results. Andrew Anagnost, our CEO, and Janesh Moorjani, our CFO, are on the line with me.

During this call, we will make forward-looking statements, including outlook and related assumptions, on products, artificial intelligence, sales and marketing optimization, go-to-market, strategies, and trends. Actual events or results could differ materially. Please refer to our SEC filings, including our most recent Form 10-Q and the Form 8-K filed with today's press release, for important risks and other factors that may cause our actual results to differ from those in our forward-looking statements.

Forward-looking statements made during the call are being made as of today. If this call is replayed or reviewed after today, the information presented during the call may not contain current or accurate information. Autodesk disclaims any obligation to update or revise any forward-looking statements.

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We will quote several numeric or growth changes during this call as we discuss our financial performance.

Unless otherwise noted, each such reference represents a year-on-year comparison. All non-GAAP numbers referenced in today's call are reconciled in our press release and supplemental materials available on our investor relations website.

And now, I will turn the call over to Andrew.

ANDREW ANAGNOST, CEO

Thank you, Simon, and welcome everyone to the call.

We delivered strong fiscal 26 results today with billings, revenue, non-GAAP operating margin, non-GAAP earnings per share, and free cash flow all above the high end of our guidance ranges. As demonstrated at Autodesk University and our investor day, and reflected in our results today, we remain well positioned to deliver for Autodesk's customers and investors.

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We have successfully executed one of the most far-reaching transformations in enterprise software – redefining our business model, evolving our go-to-market, reimagining our products, and scaling our platform. In January, we completed the final phase of our go-to-market optimization. While initiatives like this are difficult and complex, they are making Autodesk more resilient and unlocking new avenues for growth and margin expansion.

We're also enhancing our portfolio with cloud-based platforms and capabilities that seamlessly connect Design, Make, and Operate workflows. These platforms enable partners and customers to extend and customize our solutions – driving greater value creation and expanding our addressable market opportunity.

And we're defining the AI revolution for our industries, to empower customers with new task, workflow, and system automations; and capturing shared value through subscription, consumption, and outcomes-based business models that blend human and machine capabilities. In the coming months Autodesk will roll-out powerful AI capabilities built on a combination of frontier models and our proprietary models that understand 3D design and make.

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Autodesk is building the future, and the path to it, for our customers. We have been preparing for, and working towards, the cloud and AI for more than a decade. It's why I believe our best days and greatest opportunities lie ahead. I will now turn the call over to Janesh to discuss our quarterly financial performance and guidance. I'll then come back to update you on our strategic growth initiatives and why Autodesk is best placed to benefit from 3D agentic AI.

JANESH MOORJANI, CFO

Thanks, Andrew.

Q4 was another robust quarter for Autodesk, capping off a strong fiscal year. Autodesk continues to demonstrate growth and resilience, investing to advance our leadership in cloud, platform, and AI, while also expanding operating margins.

Overall, the underlying momentum of the business in the fourth quarter was similar to prior quarters, and better than the assumptions we'd built into our guidance ranges. We again saw strength in AECO, particularly

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in construction and emerging markets, with sustained investment in data centers, infrastructure, and industrial buildings, more than offsetting softness in commercial. EBA and product subscription billings, linearity of billings during the quarter, and up-front revenue, were also strong.

Total revenue in the fourth quarter grew 19 percent as reported and in constant currency. The contribution from the new transaction model to revenue was approximately \$137 million in the quarter. Total revenue grew 14 percent in constant currency and excluding the impact of the new transaction model. Please see the tables in our press release, earnings deck and Excel financials for details by product and region.

Billings increased 33 percent as reported and 30 percent in constant currency. The contribution from the new transaction model to billings was approximately \$185 million in the quarter. Billings grew 32 percent in constant currency and excluding the impact of the new transaction model. As a reminder, our billings growth rate in fiscal 26 was skewed by the new transaction model and by the transition to annual billings for most multi-year contracts.

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Turning to margins, fourth-quarter GAAP and non-GAAP operating margins were 22 percent and 38 percent respectively. GAAP operating margin was broadly flat year over year primarily reflecting a restructuring charge of \$100 million related to our go-to-market optimization. The action we announced in January marks the culmination of our sales and marketing optimization program and reflects our sustained commitment to both investing in our strategic priorities and achieving the long-term margin goal we talked about at our investor day. Non-GAAP operating margin was up 120 basis points year over year, benefiting from operating leverage from our revenue outperformance as well as ongoing cost discipline, partly offset by the margin drag from the new transaction model.

Fourth-quarter free cash flow of \$972 million benefited from overall billings strength as well as the linearity of billings in the quarter.

Moving on to capital allocation, we repurchased approximately 1.1 million shares for \$333 million in the fourth quarter. For the year, our share repurchases increased to \$1.4 billion, a bit more than 50 percent of our free cash flow, and reduced our shares outstanding by 2.1 million shares. Recent share price weakness

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triggered greater share repurchases under our programmatic share repurchase grid. This increased share repurchase activity above guidance, lowered our average purchase price, and further reduced share count.

Let me finish with guidance.

Our guidance philosophy is unchanged. Our guidance continues to be based on the range of possible outcomes in our bottom-up sales forecast, which is grounded in the momentum of the business.

We've assumed the macroeconomic environment will remain broadly stable through the year.

You'll recall our guidance at the start of fiscal 26 was shaped by a prudent assessment of a few key factors:

First, as we entered fiscal 26, we anticipated potential disruption from our restructuring in marketing, customer success, and sales operations. We see the potential for disruption again in fiscal 27 and we believe that both the probability and the potential impact of disruption are higher given the focus of the restructuring

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this year is on customer-facing sales functions. We have embedded this risk discretely into our guidance for fiscal 27.

Second, last year, we anticipated potential disruption from our appointment of a new chief revenue officer.

This did not materialize as Andy Elder settled into his role rapidly.

And finally, last year, I was new to Autodesk. Over the past year, I've gained a deep understanding of the business and its resilience, which has strengthened my confidence in Autodesk's ability to grow at scale, invest in its strategic priorities, and drive expanded profitability.

So, the way to frame our fiscal 27 guidance is that we expect the underlying momentum of the business will remain strong. Like last year, our constant currency guidance incorporates prudence to reflect temporary risk to billings and revenue as we operationalize our sales optimization plan. Unlike last year, it does not reflect

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additional prudence for a new CFO and CRO. And, of course, we cannot assume that we'll get any tailwind from currency movements this year in the same way we did last year.

Let me point out a few items in our guidance measures.

As you can see from our guidance, billings growth in fiscal 27 no longer has a tailwind from the new transaction model or from the transition to annual billings for most multi-year contracts. We expect billings to be slightly more weighted towards the second half of the year, in part reflecting our assumption that there will be short term disruption earlier in the year from our sales restructuring, and in part due to the weighting of our largest EBA cohort in the fourth quarter.

On revenue, the noise from the new transaction model will significantly diminish during the year from a tailwind of roughly 3.5 percentage points in the first quarter to roughly 1.5 percentage points for the full year.

We'll talk about it less as that noise fades. And, again, our assumption that there will be some impact on

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billings from our sales restructuring earlier in the year is reflected in the implied revenue growth later in the year.

Non-GAAP margins will reflect ongoing operating leverage, savings from restructuring, sustained investments in our long-term strategic priorities, roughly a point of incremental headwind from the new transaction model, and prudence to reflect risk as we operationalize our sales optimization plan.

Free cash flow will reflect two discrete movements in fiscal 27. First, we expect cash restructuring outflows of between \$135 million and \$160 million during the year. And second, we do not expect to pay meaningful US federal cash tax in fiscal 27 due to the R&D investment provisions in the One Big Beautiful Bill Act. The net effect of these discrete cash movements is immaterial to free cash flow in fiscal 27. Our US federal cash tax payments will begin to normalize in fiscal 28.

Additionally, we continue to manage our stock-based compensation with discipline. We expect SBC to fall below 10 percent of revenue in fiscal 27, continuing the trend of the last few years.

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Reflecting all this, for fiscal 27, our billings guidance range is \$8.48 billion to \$8.58 billion. Our revenue guidance range is \$8.10 billion to \$8.17 billion. Our GAAP operating margin guidance range is 26 to 28 percent. Our non-GAAP operating margin guidance range is 38.5 to 39 percent. Our free cash flow guidance range is \$2.7 billion to \$2.8 billion.

Our capital allocation framework is unchanged. We will continue to deploy cash to the highest return opportunities, prioritize organic investment in R&D, and accelerate the realization of our strategy with targeted and tuck-in acquisitions. And we will maintain a healthy buyback program with the goal of reducing share count over time. Over the last few years, we've applied approximately 50 percent of our free cash flow towards share buybacks and we expect to do the same in fiscal 27. We expect our share buyback in fiscal 27 to be similar to fiscal 26 in total dollars, with the precise amount determined by our purchasing grids. Subject to acquisitions, we expect to apply approximately 50 percent of our free cash flow towards share buybacks over a multi-year period.

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In summary, we remain disciplined and focused on the controllable factors that drive our revenue, operating margin, earnings per share, and capital allocation, which are the key building blocks of free cash flow per share.

The slide deck on our website has modeling assumptions for the first quarter and full-year fiscal 27. As I mentioned at investor day, we are updating and streamlining certain disclosures to simplify Autodesk's reporting. There's more detail on those changes in the deck, too.

Andrew, back to you.

ANDREW ANAGNOST, CEO

Thank you, Janesh.

Autodesk is focused on the convergence of design and make in the cloud, enabled by platform, industry clouds, and AI. Let me give you some examples of our progress in the quarter.

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Our customers in AECO — architecture, engineering, construction and operations — are demanding convergence. Convergence reduces risk, increases quality, and optimizes costs and resource use during the design and build phase of an asset. And it enhances efficiency, resilience and reuse during operations. All of this is in service of deploying fewer resources to every project so they can bid on, and win, more projects with the resources they have. To better serve these needs, we intend to deploy capital to extend our footprint deeper into operations, applying the same playbook that proved successful in construction.

Forma for Construction, previously known as Autodesk Construction Cloud, is a fast growing component of our Make solutions and has strong momentum with owners, designers, GCs, and subcontractors seeking to converge design and construction workflows. For example, following a competitive RFP process, Prestige Group, a top three real-estate developer and asset owner in India, selected Autodesk as its core design-to-delivery platform for its engineering digital transformation. We won back a major US utility, displacing a competitive solution with Forma for Construction, further demonstrating the value customers see in our modern scalable platform, common data environment, and tighter integration across design and construction workflows. A major hyperscaler is expanding its partnership with Autodesk to accelerate time to operation, cost management, and digital-twin workflows across data centers and facilities, while improving

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collaboration and coordination across an ecosystem of more than 2,000 companies including GCs and subcontractors. As part of its enterprise digital strategy, a global pharmaceutical company chose Autodesk to be its strategic technology partner for the design, build, and operation of its facilities, to connect data, systems, and workflows throughout the entire project and asset lifecycle. ARUP, a global engineering consultancy, is expanding and standardizing on Forma for data centric workflows, real-time collaboration across disciplines and geographies, and AI driven insights to drive innovation and better outcomes for clients in the built environment. Three ENR Top 400 contractors adopted Forma for Construction this quarter, including Roebbelen which is replacing a competitive solution to leverage the power of a connected construction platform across pre-construction, construction, and virtual design and construction.

These stories have a common theme: converging people, processes, and data across the project lifecycle to increase efficiency and resilience, decrease risk, and prepare for an agentic AI world. Our comprehensive end-to-end industry clouds, and platform, drive convergence and extend our footprint further into the larger growth segments, like infrastructure and construction, that we discussed at investor day. All this is reflected in our strong momentum in both infrastructure and construction.

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In manufacturing, customers are demanding convergence as they invest in their digital transformation to leverage granular and unified data and embrace AI-driven automation capable of industry transformation. By consolidating on our Design and Make platform, customers have the flexibility and connectivity across workflows to increase agility, innovation, and resilience.

For example, after successfully adopting Fusion for in-house design and manufacturing of spare parts on production lines, a global brewing company is expanding the deployment to additional breweries to deliver cost savings and improve equipment uptime. A special-purpose shipbuilding and marine engineering firm with more than 2,000 employees, is adopting Fusion Manage as a mission-critical system for every new vessel project, aligning project management and multi-supplier collaboration in one place. Typhoon, a Belgian industrial manufacturer, selected our manufacturing solutions to replace legacy, unintegrated tools which were causing lost engineering hours to non-value-added tasks and inefficient collaboration. Seeking a unified future-ready platform, a multinational automotive manufacturer is replacing a competitive solution with Autodesk's design solutions to standardize workflows and improve integration and collaboration across creative and technical teams. A diversified industrial manufacturer is transitioning more than 900 users onto Autodesk's design and manufacturing solutions from a complex network of legacy systems, while Autodesk

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Platform Services will be leveraged by sales teams to rapidly modify and visualize product configurations in customer conversations. A global manufacturer of advanced lithium-ion batteries is leveraging Autodesk manufacturing solutions for asset standardization, digital factory simulation, and simulation-driven quality improvements to drive growth and efficiency.

Converged data opens up new opportunities for Autodesk. As customers seek efficient innovation, attach rates of Fusion's extensions are growing strongly. And we're delivering meaningful productivity gains to customers where we deploy AI. We have continued to see success with our AI powered Sketch AutoConstrain in Fusion. Since its launch last year, the AI model has delivered over 3.8 million constraints — up from 2.6 million last quarter. Along the way, the model has been retrained and the UX improved. As a result, the acceptance rates by AutoConstrain's suggestions to commercial users have now grown to almost two thirds, with 90 percent of those sketches fully constrained.

In Education, we expanded our relationship with Vellore Institute of Technology (VIT) in India where students are applying industrial-grade Autodesk tools to real-world design challenges. For example, engineering students are using Fusion to design, simulate, and optimize a formula race car, while architecture students are

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leveraging Revit and Forma to design, simulate, and visualize complex architectural projects which embed sustainability and constructability.

And lastly, we continue to find new ways for our customers to consume our products and services in ways that work best for them. For example, Sobha, a real estate developer that designs, engineers, constructs, and finishes units in-house, uses our Flex offering to scale usage dynamically across projects and regions while maintaining full visibility and control over consumption and cost, and aligning investments directly to business outcomes.

Let me finish by talking about AI.

Building agentic AI requires data, context, and expertise. Scaling and monetizing it requires a platform and next-generation business models and go-to-market. Let me unpack that a bit by talking about what's needed to build agentic AI capabilities.

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First, data. AI agents need large quantities of physical-world data to learn how to drive design, make, and operate decisions. This data needs to be high-fidelity, contextual, geometry-rich, span two- and three-dimensions, and represent physics and engineering-based principles for the entire design-make-operate lifecycle. Few companies have access to large amounts of real-world data to train agentic AI for our industries. Autodesk does.

Second, context: Autodesk operates at the intersection of digital and physical worlds. This is one of the most complex real-world contexts in technology. When making inferences, agentic AI has to operate inside a live project where the correct answer depends on the design intent, current model state, regulation and standards, constraints, dependencies, permissions, and approvals. Autodesk provides agents with this context. Decisions must be compliant, coordinated, traceable, and reversible. Autodesk is the system of record where authoritative project and product context lives and where changes are executed, checked, and recorded. That makes Autodesk the natural control point for agentic workflows: Autodesk AI can propose and enable humans to verify and safely commit. Few companies understand this complex industry context across every discipline in the process. Autodesk does.

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And third, expertise. Specialized data and context are prerequisites, but so is specialized AI expertise. For almost a decade, Autodesk has been building a world-class AI team for 3D design, make, and operate, and cultivating a broad external ecosystem to support it. Over that time, we have built a strong reputation for having access to the right data, undertaking cutting-edge research, and solving the most complex problems in 3D AI. With those strong foundations, reinforced by Autodesk's unique purpose and culture, we have been able to attract and retain top talent and develop our own 2D and 3D multi-modal models that understand how the world is designed and made. Few companies have been building their 3D AI capabilities, talent pool and ecosystem for almost a decade. Even fewer have sufficient breadth and depth of 3D AI capabilities and expertise to build on. Autodesk has and does.

Data and context fuel the knowledge graph which is foundational to any artificial intelligence. Data scarcity and context complexity make that knowledge graph hard to replicate for our industries. Even with data and context, you need sufficient specialized expertise to generate unique and valuable intellectual property. And then you need an ecosystem of partners built around that intellectual property, as you saw recently with our investment in World Labs. Few companies have all this. Autodesk does.

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Let's move on to scaling and monetizing agentic AI.

In preparation for the cloud and AI, Autodesk modernized its platform and go-to-market over the last few years, well ahead of industry peers. Few industry peers are ready for the business models and go-to-market motions that will monetize their AI-driven future. Autodesk is.

We've built a platform that provides the identity, permissions, geometry kernels, data models, and compute infrastructure needed to deploy AI safely and at scale into design, engineering, manufacturing, and construction environments. Platforms enable safety, innovation, and efficiency at scale. Autodesk has built Autodesk Platform Services (APS) as an open platform that is purpose-built for an agentic AI world. It means we can ingest and process data more efficiently, accelerate our agentic AI innovation, and deploy agentic AI solutions at scale. Few companies have built infrastructure specifically for our industries. Autodesk has.

To summarize, building agentic AI for design and make requires data, context, and talent. Scaling and monetizing it requires a platform and next-generation business models and go-to-market. Few companies

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have all these advantages. Autodesk does. It is not a coincidence. We have been preparing for, and working towards, the cloud and AI for more than a decade. While some new entrants have some of the required capabilities, they lack the data and context needed to deliver value.

At Autodesk University and last year's investor day, we demonstrated how we're defining the AI revolution for our industries, empowering customers with new task, workflow and system automations; and capturing shared value through subscription, consumption, and outcomes-based business models that blend human and machine capabilities. The pace of our innovation continues, and we have much more to share with you in the coming months. I've never been more confident in the long-term value we are creating for our customers, for the industries that shape the world, and for you, our shareholders.

Operator, we would now like to open the call up for questions.