

Third Quarter Fiscal 21 Earnings

November 24, 2020



Safe Harbor

This presentation contains forward looking statements about revenue, billings, free cash flow, operating margin, EPS, products, future performance, financial and otherwise, and strategy, including statements regarding our progress on our key priorities, guidance for the fourth fiscal quarter, full fiscal year 2021, fiscal year 2022, and our long-term financial objectives. These statements reflect management's current expectations, estimates, and assumptions based on the information currently available to us. These forward-looking statements are not guarantees of future performance and involve significant risks, uncertainties, and other factors that may cause our actual results, performance, or achievements to be materially different from results, performance, or achievements expressed or implied by the forward-looking statements contained in this presentation, such as a failure to maintain subscriptions, ARPS, billings, revenue, deferred revenue, operating margins and cash flow growth; failure to maintain spend management; failure to successfully integrate acquired businesses; developments in the COVID-19 pandemic and the resulting impact on our business and operations; general market, political, economic, and business conditions, including from an economic downturn or recession in the United States or in other countries around the world; complete transitions to new business model and markets; failure of the construction industry to grow as anticipated; failure to successfully expand adoption of our products; failure of product and pricing changes to have the desired benefits; and any worsening in the macro economy or increase in protectionism.

A discussion of factors that may affect future results is contained in our most recent SEC Form 10-K and Form 10-Q filings available at www.sec.gov, including descriptions of the risk factors that may impact us and the forward-looking statements made in this presentation. The forward-looking statements made in this presentation are made as of November 24, 2020. If this presentation is reviewed after November 24, 2020, even if made available by us, on our website or otherwise, it may not contain current or accurate information. We disclaim any obligation to update or revise any forward-looking statement based on new information, future events or otherwise.

Revenue and billings metrics are presented under Accounting Standard Codification ("ASC") 606, unless stated otherwise.

Non-GAAP Financial Measures

These presentations include certain non-GAAP financial measures. Please see the Appendices attached to the presentations for an explanation of management's use of these measures and a reconciliation of the most directly comparable GAAP financial measures.

Third Quarter Fiscal 21 Results

\$1B+

Billings

\$952M

Total Revenue

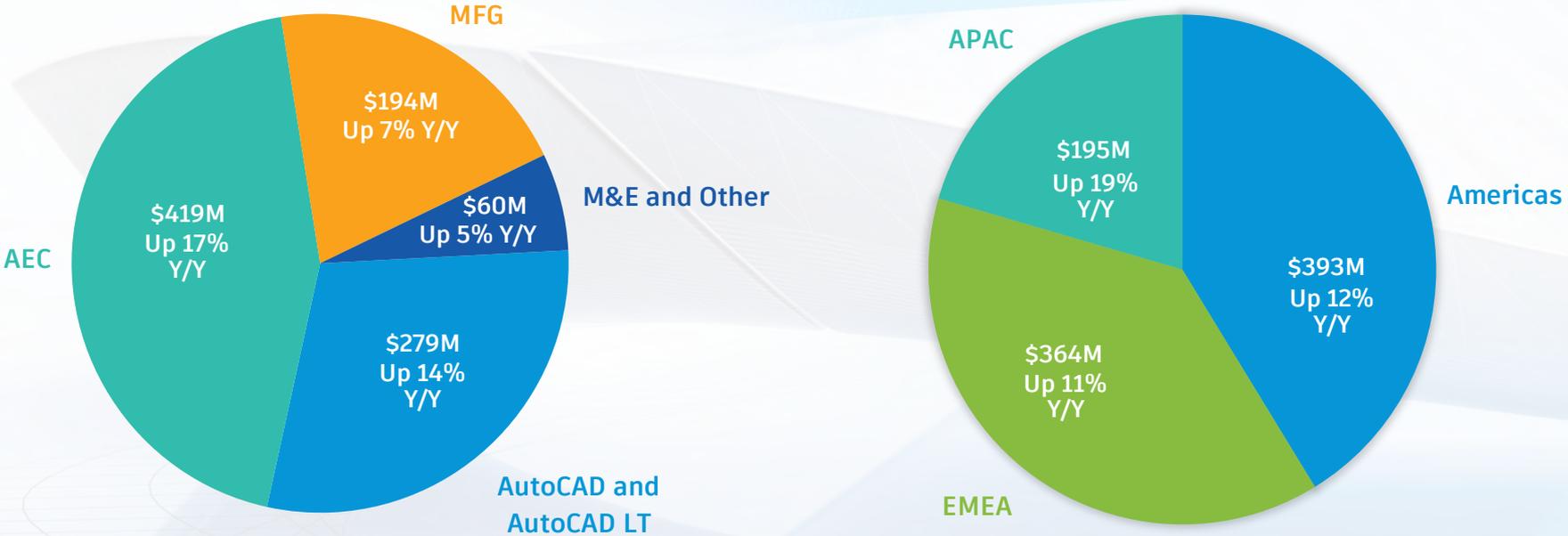
\$340M

Free Cash Flow

30%

Non-GAAP
Operating Margin

Q3 21 Revenue Mix By Product Family & Geography



Totals may not sum due to rounding.

Q3 21 Strategic Update

Accelerating Digitization in AEC

- Announced the unified Autodesk Construction Cloud platform, representing a huge milestone for connected construction
- In November, we acquired Spacemaker, which gives designers the ability to create and test urban design ideas in minutes
- BIM 360 products set records for both worldwide weekly average users and projects

Convergence of Design & Make in Manufacturing

- Ended the quarter with over 120,000 Fusion 360 commercial subscriptions, up 25k from Q2
- Acquired CAMplete and announced several Fusion 360 extensions that further encourage adoption, usage and monetization of the platform
- Fusion 360 on Chromebooks is experiencing rapid adoption in education

Monetizing Non-Compliant Users & Digitization

- Confident about converting the long-term opportunity with non-paying users while being sensitive to current customer situations
- Signed 8 license compliance deals over \$500k
- Early adoption of Premium plan, with customers taking advantage of our enhanced subscription offering during the transition to named users

The background features a complex, layered geometric design. It consists of numerous thin, parallel lines that create a sense of depth and movement. The color palette is primarily light blue and white, with a prominent diagonal split. The word 'Outlook' is written in a clean, blue, sans-serif font on the left side of the image.

Outlook

Outlook

Q4 FY21⁽¹⁾

(ending January 31, 2021)

Revenue (in millions)	\$999 - \$1,014
EPS GAAP	\$0.53 - \$0.59
EPS non-GAAP ⁽²⁾	\$1.04 - \$1.10

FY21⁽¹⁾

(ending January 31, 2021)

Billings (in millions) ⁽³⁾	\$4,070 - \$4,130 Down (3%) - (1%)
Revenue (in millions) ⁽³⁾	\$3,750 - \$3,765 Up 15%
GAAP operating margin	Approx. 16%
Non-GAAP operating margin ⁽⁴⁾	Approx. 29%
EPS GAAP	\$1.86 - \$1.92
EPS non-GAAP ⁽⁵⁾	\$3.91 - \$3.97
Free cash flow (in millions) ⁽⁶⁾	\$1,300 - \$1,360

(1) Non-GAAP to GAAP reconciliations in appendix.

(2) Non-GAAP earnings per diluted share excludes \$0.49 related to stock-based compensation expense, \$0.07 for the amortization of purchased intangibles, \$0.01 for acquisition-related costs, partially offset by (\$0.06) related to GAAP-only tax benefit.

(3) Excluding the approximately \$10 million impact of foreign currency exchange rates and hedge gains/losses, billings guidance would be \$4,080 - \$4,140 million and revenue guidance would be \$3,760 - \$3,775 million.

(4) Non-GAAP operating margin excludes approximately 11% related to stock-based compensation expense, approximately 2% for the amortization of purchased intangibles, and less than 1% related to acquisition-related costs.

(5) Non-GAAP earnings per diluted share excludes \$1.80 related to stock-based compensation expense, \$0.30 for the amortization of purchased intangibles, \$0.14 related to losses on strategic investments and dispositions, \$0.06 related to acquisition-related costs, partially offset by (\$0.25) related to a GAAP-only tax benefit.

(6) Free cash flow is cash flow from operating activities less approximately \$95 million of capital expenditures.

Non-GAAP FY21 Model Considerations

INCOME STATEMENT

- Recurring revenue as percent of total expected to be above 95 percent
- Net revenue retention rate expected to be in the range of 100 to 110 percent for Q4 FY21
- Gross margins expected to be approximately 92 percent
- Operating margin expected to expand year over year by 4 percentage points
- Other income and expense to be approximately (\$50M)
- Effective tax rate of 16 percent
- Share count to be consistent with FY20

BALANCE SHEET / CASH FLOW

- Capital expenditures to be approximately \$95 million
- Long-term deferred revenue as a percent of total deferred revenue to be in the mid-20 percent range

FY22 Preliminary View: Revenue growth to be low- to mid-teens and free cash flow growth of approx. 20 percent.

The background features a series of overlapping, curved, blue and white geometric shapes that create a sense of depth and movement. A prominent white diagonal shape cuts across the center of the image. The overall aesthetic is clean, modern, and professional.

Appendix

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures

(In millions, except per share data)

To supplement our condensed consolidated financial statements presented on a GAAP basis, we provide investors with certain non-GAAP measures including non-GAAP net income per share, non-GAAP operating margin, non-GAAP spend, non-GAAP EPS and free cash flow. For our internal budgeting and resource allocation process and as a means to evaluate period-to-period comparisons, we use non-GAAP measures to supplement our condensed consolidated financial statements presented on a GAAP basis. These non-GAAP measures do not include certain items that may have a material impact upon our future reported financial results. We use non-GAAP measures in making operating decisions because we believe those measures provide meaningful supplemental information regarding our earning potential and performance for management by excluding certain expenses and charges that may not be indicative of our core business operating results. For the reasons set forth below, we believe these non-GAAP financial measures are useful to investors both because (1) they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making and (2) they are used by our institutional investors and the analyst community to help them analyze the health of our business. This allows investors and others to better understand and evaluate our operating results and future prospects in the same manner as management, compare financial results across accounting periods and to those of peer companies and to better understand the long-term performance of our core business. We also use some of these measures for purposes of determining company-wide incentive compensation.

There are limitations in using non-GAAP financial measures because non-GAAP financial measures are not prepared in accordance with GAAP and may be different from non-GAAP financial measures used by other companies. The non-GAAP financial measures are limited in value because they exclude certain items that may have a material impact upon our reported financial results. In addition, they are subject to inherent limitations as they reflect the exercise of judgments by management about which charges are excluded from the non-GAAP financial measures. We compensate for these limitations by analyzing current and future results on a GAAP basis as well as a non-GAAP basis and also by providing GAAP measures in our public disclosures. The presentation of non-GAAP financial information is meant to be considered in addition to, not as a substitute for or in isolation from, the directly comparable financial measures prepared in accordance with GAAP. We urge investors to review the reconciliation of our non-GAAP financial measures to the comparable GAAP financial measures included in this presentation, and not to rely on any single financial measure to evaluate our business.

The following slides shows Autodesk's non-GAAP results reconciled to GAAP results included in this presentation.

Appendix – Other Financial Information

\$ in millions ^(1,2)

	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
Revenue									
Recurring revenue	\$ 631.4	\$ 687.4	\$ 707.8	\$ 767.2	\$ 806.2	\$ 857.3	\$ 865.0	\$ 892.4	\$ 924.2
Recurring revenue as a percentage of total revenue	96 %	93 %	96 %	96 %	96 %	95 %	98 %	98 %	97 %
Subscription revenue	\$ 481.3	\$ 550.0	\$ 595.8	\$ 663.7	\$ 715.0	\$ 777.4	\$ 803.0	\$ 841.2	\$ 884.4
Maintenance revenue	\$ 150.1	\$ 137.4	\$ 112.0	\$ 103.5	\$ 91.2	\$ 79.9	\$ 62.1	\$ 51.2	\$ 39.8
Other revenue	\$ 29.5	\$ 49.9	\$ 27.7	\$ 29.6	\$ 36.5	\$ 42.0	\$ 20.6	\$ 20.7	\$ 28.2
Total net revenue	\$ 660.9	\$ 737.3	\$ 735.5	\$ 796.8	\$ 842.7	\$ 899.3	\$ 885.7	\$ 913.1	\$ 952.4
M2S revenue ⁽³⁾	\$ 103.8	\$ 117.7	\$ 126.5	\$ 141.5	\$ 149.4	\$ 160.7	\$ 169.7	\$ 177.5	\$ 189.7
Direct revenue	28 %	30 %	30 %	30 %	30 %	31 %	30 %	30 %	31 %
Indirect revenue	72 %	70 %	70 %	70 %	70 %	69 %	70 %	70 %	69 %
Revenue by geography									
Americas	\$ 268.5	\$ 300.4	\$ 295.8	\$ 325.9	\$ 349.3	\$ 364.8	\$ 362.2	\$ 371.5	\$ 392.9
Europe, Middle East and Africa	\$ 266.5	\$ 298.6	\$ 297.2	\$ 316.2	\$ 329.6	\$ 360.5	\$ 344.8	\$ 354.7	\$ 364.3
Asia Pacific	\$ 125.9	\$ 138.3	\$ 142.5	\$ 154.7	\$ 163.8	\$ 174.0	\$ 178.7	\$ 186.9	\$ 195.2
Emerging economies	\$ 80.7	\$ 87.3	\$ 87.9	\$ 97.4	\$ 101.6	\$ 109.3	\$ 111.4	\$ 113.7	\$ 114.9
Emerging economies as a percent of total revenue	12 %	12 %	12 %	12 %	12 %	12 %	13 %	12 %	12 %
Revenue by product family									
Architecture, Engineering and Construction	\$ 263.8	\$ 292.9	\$ 304.3	\$ 334.2	\$ 358.0	\$ 380.6	\$ 382.7	\$ 397.0	\$ 419.4
AutoCAD Product Family and AutoCAD LT	\$ 190.6	\$ 209.0	\$ 213.2	\$ 231.3	\$ 245.4	\$ 258.3	\$ 262.2	\$ 271.9	\$ 278.8
Manufacturing	\$ 158.5	\$ 176.2	\$ 167.5	\$ 174.6	\$ 182.2	\$ 201.8	\$ 182.9	\$ 185.5	\$ 194.1
Media and Entertainment	\$ 43.6	\$ 54.9	\$ 45.5	\$ 50.8	\$ 50.6	\$ 52.3	\$ 52.6	\$ 53.3	\$ 54.0
Other	\$ 4.4	\$ 4.3	\$ 5.0	\$ 5.9	\$ 6.5	\$ 6.3	\$ 5.3	\$ 5.4	\$ 6.1

(1) For definitions, please view the Glossary of Terms later in this document.

(2) Totals may not agree with the sum of the components due to rounding.

(3) A portion of M2S revenue is included in Other Revenue. The amounts are not material for the periods presented. For Q3 21 M2S conversion rates were 40% and upsell from eligible products was 16%.

Appendix – Other Financial Information

\$ in millions

	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
Net revenue:									
Design ⁽¹⁾	\$ 609.4	\$ 655.9	\$ 662.6	\$ 715.5	\$ 748.3	\$ 793.7	\$ 797.7	\$ 821.4	\$ 847.7
Subscription	\$ 459.3	\$ 518.5	\$ 550.6	\$ 612.0	\$ 657.1	\$ 713.8	\$ 735.6	\$ 770.2	\$ 807.9
Maintenance	\$ 150.1	\$ 137.4	\$ 112.0	\$ 103.5	\$ 91.2	\$ 79.9	\$ 62.1	\$ 51.2	\$ 39.8
Make ⁽²⁾	\$ 22.0	\$ 31.5	\$ 45.2	\$ 51.7	\$ 57.9	\$ 63.6	\$ 67.4	\$ 71.0	\$ 76.5
Subscription	\$ 22.0	\$ 31.5	\$ 45.2	\$ 51.7	\$ 57.9	\$ 63.6	\$ 67.4	\$ 71.0	\$ 76.5
Other	\$ 29.5	\$ 49.9	\$ 27.7	\$ 29.6	\$ 36.5	\$ 42.0	\$ 20.6	\$ 20.7	\$ 28.2
Total net revenue	\$ 660.9	\$ 737.3	\$ 735.5	\$ 796.8	\$ 842.7	\$ 899.3	\$ 885.7	\$ 913.1	\$ 952.4

(1) Design Business: Represents the combination of maintenance, product subscriptions, and all EBAs. Main products include, but not limited to, AutoCAD, AutoCAD LT, Industry Collections, Revit, Inventor, Maya and 3ds Max. Certain products, such as our computer aided manufacturing solutions, incorporate both Design and Make functionality and are classified as Design.

(2) Make Business: Represents certain cloud-based product subscriptions. Main products include, but not limited to, Assemble, BIM 360, BuildingConnected, PlanGrid, Fusion 360 and Shotgun. Certain products, such as Fusion 360, incorporate both Design and Make functionality and are classified as Make.

Appendix – Other Financial Information

In millions ^(1,2)

	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
Billings & Deferred Revenue									
Billings	\$ 653.5	\$ 1,036.6	\$ 797.6	\$ 892.8	\$ 1,013.2	\$ 1,486.4	\$ 883.7	\$ 786.9	\$ 1,006.3
Short-term Deferred Revenue	\$ 1,517.6	\$ 1,763.3	\$ 1,777.5	\$ 1,772.1	\$ 1,822.0	\$ 2,176.1	\$ 2,163.9	\$ 2,102.1	\$ 2,161.5
Long-term Deferred Revenue	\$ 274.5	\$ 328.1	\$ 376.0	\$ 477.4	\$ 598.0	\$ 831.0	\$ 841.2	\$ 776.8	\$ 771.3
Deferred Revenue	\$ 1,792.1	\$ 2,091.4	\$ 2,153.5	\$ 2,249.5	\$ 2,420.0	\$ 3,007.1	\$ 3,005.1	\$ 2,878.9	\$ 2,932.8
Unbilled Deferred Revenue ⁽³⁾	450.5	591.0	589.1	563.0	549.3	549.6	469.7	468.5	649.6
Remaining Performance Obligations (RPO)	\$ 2,242.6	\$ 2,682.4	\$ 2,742.6	\$ 2,812.5	\$ 2,969.3	\$ 3,556.7	\$ 3,474.8	\$ 3,347.4	\$ 3,582.4
Current RPO	\$ 1,661.0	\$ 1,930.1	\$ 1,998.0	\$ 2,013.6	\$ 2,050.4	\$ 2,368.6	\$ 2,350.4	\$ 2,310.7	\$ 2,382.9
FX impact									
Year-on-year FX benefit (impact) on subscription and maintenance revenue	\$ 11.6	\$ 10.2	\$ 6.0	\$ (0.3)	\$ (5.5)	\$ (8.7)	\$ (11.0)	\$ (11.4)	\$ (8.6)
Year-on-year FX benefit (impact) on total revenue	\$ 9.7	\$ 9.9	\$ 6.1	\$ (0.6)	\$ (6.5)	\$ (9.7)	\$ (11.3)	\$ (11.2)	\$ (4.1)
Year-on-year FX benefit (impact) on cost of revenue and operating expenses	1.0	4.7	7.9	8.1	7.1	2.2	11.3	6.9	(0.8)
Year-on-year FX benefit (impact) on operating income	\$ 10.7	\$ 14.6	\$ 14.0	\$ 7.5	\$ 0.6	\$ (7.5)	\$ —	\$ (4.3)	\$ (4.9)
Balance Sheet Items and Cash Review									
Cash Flow from Operating Activities	\$ 39.2	\$ 311.5	\$ 221.2	\$ 219.3	\$ 276.4	\$ 698.2	\$ 327.3	\$ 91.2	\$ 361.1
Less: Capital Expenditures	12.7	17.6	14.7	14.8	9.7	14.0	19.9	26.8	20.9
Free Cash Flow	\$ 26.5	\$ 293.9	\$ 206.5	\$ 204.5	\$ 266.7	\$ 684.2	\$ 307.4	\$ 64.4	\$ 340.2
Depreciation, Amortization and Accretion	\$ 23.5	\$ 25.4	\$ 32.7	\$ 32.1	\$ 31.6	\$ 30.9	\$ 30.0	\$ 30.0	\$ 32.2
Total Cash and Marketable Securities	\$ 1,193.0	\$ 953.6	\$ 972.1	\$ 991.3	\$ 1,024.5	\$ 1,843.7	\$ 1,466.9	\$ 1,519.5	\$ 1,615.5
Share repurchase (shares)	0.8	0.2	0.6	0.3	0.8	1.0	1.2	0.1	0.8
Share repurchase	\$ 102.6	\$ 22.2	\$ 100.0	\$ 40.5	\$ 123.7	\$ 191.3	\$ 189.0	\$ 7.8	\$ 196.1

(1) For definitions, please view the Glossary of Terms later in this document.

(2) Totals may not agree with the sum of the components due to rounding.

(3) Unbilled deferred revenue represents contractually stated or committed orders under early renewal and multi-year billing plans primarily for subscriptions for which the associated deferred revenue has not been recognized.

Appendix – Other Financial Information

In millions, except per share data

	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
Gross Margin									
Gross Margin - GAAP	89 %	90 %	89 %	90 %	91 %	91 %	91 %	91 %	91 %
Gross Margin - Non-GAAP	90 %	91 %	91 %	92 %	92 %	92 %	92 %	93 %	93 %
Total Spend									
Total Spend - GAAP	\$ 646.2	\$ 697.0	\$ 710.7	\$ 723.0	\$ 732.1	\$ 765.5	\$ 755.1	\$ 767.0	\$ 784.4
Total Spend - Non-GAAP	\$ 568.7	\$ 598.1	\$ 603.6	\$ 610.3	\$ 617.4	\$ 640.4	\$ 637.9	\$ 650.7	\$ 665.3
Operating Margin									
Operating Margin - GAAP	2 %	5 %	3 %	9 %	13 %	15 %	15 %	16 %	18 %
Operating Margin - Non-GAAP	14 %	19 %	18 %	23 %	27 %	29 %	28 %	29 %	30 %
Earnings Per Share									
Basic Net (Loss) Income Per Share - GAAP	\$ (0.11)	\$ 0.30	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.60	\$ 0.30	\$ 0.45	\$ 0.60
Diluted Net (Loss) Income Per Share - GAAP	\$ (0.11)	\$ 0.29	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.59	\$ 0.30	\$ 0.44	\$ 0.59
Basic Net Income Per Share - Non-GAAP	\$ 0.30	\$ 0.46	\$ 0.45	\$ 0.66	\$ 0.79	\$ 0.93	\$ 0.86	\$ 0.99	\$ 1.05
Diluted Net Income Per Share - Non-GAAP	\$ 0.29	\$ 0.46	\$ 0.45	\$ 0.65	\$ 0.78	\$ 0.92	\$ 0.85	\$ 0.98	\$ 1.04
Weighted Average Shares									
Basic Net (Loss) Income Share Count - GAAP	218.9	219.2	219.6	219.6	219.7	220.0	219.2	219.2	219.6
Diluted Net (Loss) Income Share Count - GAAP	218.9	221.3	219.6	222.4	221.9	222.5	221.3	222.2	222.3
Basic Net Income Share Count - Non-GAAP	218.9	219.2	219.6	219.6	219.7	220.0	219.2	219.2	219.6
Diluted Net Income Share Count - Non-GAAP	221.6	221.3	222.0	222.4	221.9	222.5	221.3	222.2	222.3

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions, except per share data

	Three Months Ended October 31,			Nine Months Ended October 31,				
	2020		2019		2020		2019	
	(Unaudited)							
GAAP cost of subscription and maintenance revenue	\$	60.7	\$	54.2	\$	176.6	\$	166.9
Stock-based compensation expense		(4.5)		(3.1)		(12.3)		(10.1)
Acquisition-related costs		(0.2)		(0.3)		(0.5)		(0.3)
Non-GAAP cost of subscription and maintenance revenue	\$	56.0	\$	50.8	\$	163.8	\$	156.5
GAAP cost of other revenue	\$	15.4	\$	16.9	\$	47.5	\$	48.6
Stock-based compensation expense		(1.6)		(1.6)		(4.7)		(4.3)
Non-GAAP cost of other revenue	\$	13.8	\$	15.3	\$	42.8	\$	44.3
GAAP amortization of developed technologies	\$	7.6	\$	8.4	\$	22.4	\$	26.2
Amortization of developed technologies		(7.6)		(8.4)		(22.4)		(26.2)
Non-GAAP amortization of developed technologies	\$	—	\$	—	\$	—	\$	—
GAAP gross profit	\$	868.7	\$	763.2	\$	2,504.7	\$	2,133.3
Stock-based compensation expense		6.1		4.7		17.0		14.4
Amortization of developed technologies		7.6		8.4		22.4		26.2
Acquisition-related costs		0.2		0.3		0.5		0.3
Non-GAAP gross profit	\$	882.6	\$	776.6	\$	2,544.6	\$	2,174.2
GAAP marketing and sales	\$	359.3	\$	330.7	\$	1,051.5	\$	960.8
Stock-based compensation expense		(45.4)		(38.7)		(129.5)		(107.2)
Acquisition-related costs		(1.5)		(0.2)		(4.8)		(0.3)
Non-GAAP marketing and sales	\$	312.4	\$	291.8	\$	917.2	\$	853.3
GAAP research and development	\$	233.0	\$	213.0	\$	682.9	\$	634.0
Stock-based compensation expense		(35.4)		(30.8)		(103.6)		(88.3)
Acquisition-related costs		(0.3)		(1.8)		(0.7)		(2.2)
Non-GAAP research and development	\$	197.3	\$	180.4	\$	578.6	\$	543.5
GAAP general and administrative	\$	98.8	\$	99.1	\$	296.8	\$	299.6
Stock-based compensation expense		(10.5)		(19.8)		(41.4)		(47.5)
Acquisition-related costs		(2.5)		(0.2)		(3.9)		(18.4)
Non-GAAP general and administrative	\$	85.8	\$	79.1	\$	251.5	\$	233.7
GAAP amortization of purchased intangibles	\$	9.6	\$	9.7	\$	28.8	\$	29.2
Amortization of purchased intangibles		(9.6)		(9.7)		(28.8)		(29.2)
Non-GAAP amortization of purchased intangibles	\$	—	\$	—	\$	—	\$	—

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions, except per share data

	Three Months Ended October 31,			Nine Months Ended October 31,		
	2020	2019		2020	2019	
			(Unaudited)			
GAAP restructuring and other exit costs, net	\$	—	\$ 0.1	\$	—	\$ 0.5
Restructuring and other exit costs, net		—	(0.1)		—	(0.5)
Non-GAAP restructuring and other exit costs, net	\$	—	\$ —	\$	—	\$ —
GAAP operating expenses	\$	700.7	\$ 652.6	\$ 2,060.0	\$	1,924.1
Stock-based compensation expense		(91.3)	(89.3)	(274.5)		(243.0)
Amortization of purchased intangibles		(9.6)	(9.7)	(28.8)		(29.2)
Acquisition-related costs		(4.3)	(2.2)	(9.4)		(20.9)
Restructuring and other exit costs, net		—	(0.1)	—		(0.5)
Non-GAAP operating expenses	\$	595.5	\$ 551.3	\$ 1,747.3	\$	1,630.5
GAAP spend	\$	784.4	\$ 732.1	\$ 2,306.5	\$	2,165.8
Stock-based compensation expense		(97.4)	(94.0)	(291.5)		(257.4)
Amortization of developed technologies		(7.6)	(8.4)	(22.4)		(26.2)
Amortization of purchased intangibles		(9.6)	(9.7)	(28.8)		(29.2)
Acquisition-related costs		(4.5)	(2.5)	(9.9)		(21.2)
Restructuring and other exit costs, net		—	(0.1)	—		(0.5)
Non-GAAP spend	\$	665.3	\$ 617.4	\$ 1,953.9	\$	1,831.3
GAAP income from operations	\$	168.0	\$ 110.6	\$ 444.7	\$	209.2
Stock-based compensation expense		97.4	94.0	291.5		257.4
Amortization of developed technologies		7.6	8.4	22.4		26.2
Amortization of purchased intangibles		9.6	9.7	28.8		29.2
Acquisition-related costs		4.5	2.5	9.9		21.2
Restructuring and other exit costs, net		—	0.1	—		0.5
Non-GAAP income from operations	\$	287.1	\$ 225.3	\$ 797.3	\$	543.7
GAAP interest and other expense, net	\$	(11.9)	\$ (14.2)	\$ (69.1)	\$	(37.7)
Loss on strategic investments and dispositions, net		0.3	0.4	31.2		3.2
Non-GAAP interest and other expense, net	\$	(11.6)	\$ (13.8)	\$ (37.9)	\$	(34.5)
GAAP provision for income taxes	\$	(23.9)	\$ (29.7)	\$ (78.7)	\$	(88.8)
Discrete GAAP tax items		3.7	0.3	4.8		1.3
Income tax effect of non-GAAP adjustments		(23.8)	(8.7)	(47.6)		(4.2)
Non-GAAP provision for income tax	\$	(44.0)	\$ (38.1)	\$ (121.5)	\$	(91.7)

Appendix – Non-GAAP Reconciliation to GAAP

In millions, except per share data

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2020	2019	2020	2019
	(Unaudited)			
GAAP net income	\$ 132.2	\$ 66.7	\$ 296.9	\$ 82.7
Stock-based compensation expense	97.4	94.0	291.5	257.4
Amortization of developed technologies	7.6	8.4	22.4	26.2
Amortization of purchased intangibles	9.6	9.7	28.8	29.2
Acquisition-related costs	4.5	2.5	9.9	21.2
Restructuring and other exit costs, net	—	0.1	—	0.5
Loss on strategic investments and dispositions, net	0.3	0.4	31.2	3.2
Discrete GAAP tax items	3.7	0.3	4.8	1.3
Income tax effect of non-GAAP adjustments	(23.8)	(8.7)	(47.6)	(4.2)
Non-GAAP net income	\$ 231.5	\$ 173.4	\$ 637.9	\$ 417.5
GAAP diluted net income per share	\$ 0.59	\$ 0.30	\$ 1.34	\$ 0.37
Stock-based compensation expense	0.44	0.42	1.31	1.16
Amortization of developed technologies	0.04	0.04	0.10	0.12
Amortization of purchased intangibles	0.04	0.04	0.13	0.13
Acquisition-related costs	0.02	0.02	0.04	0.10
Loss on strategic investments and dispositions, net	—	—	0.14	0.01
Discrete GAAP tax items	0.02	—	0.02	0.01
Income tax effect of non-GAAP adjustments	(0.11)	(0.04)	(0.21)	(0.02)
Non-GAAP diluted net income per share	\$ 1.04	\$ 0.78	\$ 2.87	\$ 1.88

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
	(Unaudited)								
GAAP gross margin	89 %	90 %	89 %	90 %	91 %	91 %	91 %	91 %	91 %
Stock-based compensation expense	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Amortization of developed technology	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Non-GAAP gross margin ⁽¹⁾	90 %	91 %	91 %	92 %	92 %	92 %	92 %	93 %	93 %
GAAP operating expenses	\$ 573.9	\$ 620.0	\$ 628.0	\$ 643.5	\$ 652.6	\$ 682.3	\$ 673.2	\$ 686.1	\$ 700.7
Stock-based compensation expense	(59.3)	(68.8)	(70.3)	(83.4)	(89.3)	(99.8)	(93.1)	(90.1)	(91.3)
Amortization of purchased intangibles	(4.2)	(6.2)	(9.8)	(9.7)	(9.7)	(9.7)	(9.7)	(9.5)	(9.6)
Acquisition-related costs	(1.8)	(11.9)	(12.7)	(6.0)	(2.2)	(1.9)	(1.7)	(3.4)	(4.3)
Restructuring and other exit costs, net	(3.7)	(1.9)	(0.2)	(0.2)	(0.1)	—	—	—	—
Non-GAAP operating expenses	\$ 504.9	\$ 531.2	\$ 535.0	\$ 544.2	\$ 551.3	\$ 570.9	\$ 568.7	\$ 583.1	\$ 595.5
GAAP spend	\$ 646.2	\$ 697.0	\$ 710.7	\$ 723.0	\$ 732.1	\$ 765.5	\$ 755.1	\$ 767.0	\$ 784.4
Stock-based compensation expense	(64.2)	(74.0)	(75.2)	(88.2)	(94.0)	(105.0)	(98.2)	(95.9)	(97.4)
Amortization of developed technologies	(3.6)	(4.9)	(9.2)	(8.6)	(8.4)	(8.3)	(7.4)	(7.4)	(7.6)
Amortization of purchased intangibles	(4.2)	(6.2)	(9.8)	(9.7)	(9.7)	(9.7)	(9.7)	(9.5)	(9.6)
Acquisition-related costs	(1.8)	(11.9)	(12.7)	(6.0)	(2.5)	(2.1)	(1.9)	(3.5)	(4.5)
Restructuring and other exit costs, net	(3.7)	(1.9)	(0.2)	(0.2)	(0.1)	—	—	—	—
Non-GAAP spend	\$ 568.7	\$ 598.1	\$ 603.6	\$ 610.3	\$ 617.4	\$ 640.4	\$ 637.9	\$ 650.7	\$ 665.3

(1) Totals may not sum due to rounding.

Appendix – Non-GAAP Reconciliation to GAAP

In millions, except per share data

	Q319	Q419	Q120	Q220	Q320	Q420	Q121	Q221	Q321
	(Unaudited)								
GAAP operating margin	2 %	5 %	3 %	9 %	13 %	15 %	15 %	16 %	18 %
Stock-based compensation expense	10 %	10 %	10 %	11 %	11 %	12 %	11 %	11 %	10 %
Amortization of developed technologies	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Amortization of purchased intangibles	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %	1 %
Acquisition-related costs	— %	2 %	2 %	1 %	— %	— %	— %	— %	— %
Restructuring and other exit costs, net	1 %	— %	— %	— %	— %	— %	— %	— %	— %
Non-GAAP operating margin ⁽¹⁾	14 %	19 %	18 %	23 %	27 %	29 %	28 %	29 %	30 %
GAAP diluted net (loss) income per share	\$ (0.11)	\$ 0.29	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.59	\$ 0.30	\$ 0.44	\$ 0.59
Stock-based compensation expense	0.28	0.33	0.34	0.40	0.42	0.47	0.44	0.43	0.44
Amortization of developed technologies	0.02	0.02	0.04	0.04	0.04	0.04	0.03	0.03	0.04
Amortization of purchased intangibles	0.02	0.03	0.04	0.05	0.04	0.04	0.04	0.04	0.04
Acquisition-related costs	0.01	0.05	0.07	0.02	0.02	0.01	0.01	0.03	0.02
Restructuring and other exit costs, net	—	(0.01)	—	—	—	—	—	—	—
(Gain) Loss on strategic investments and dispositions, net	(0.01)	(0.01)	0.02	(0.01)	—	—	0.08	0.06	—
Discrete GAAP tax items	(0.02)	—	(0.01)	0.01	—	0.01	—	—	0.02
Release of valuation allowance on deferred tax assets ⁽²⁾	—	(0.08)	—	—	—	(0.18)	—	—	—
Income tax effect of non-GAAP adjustments	0.10	(0.16)	0.06	(0.04)	(0.04)	(0.06)	(0.05)	(0.05)	(0.11)
Non-GAAP diluted net income per share	\$ 0.29	\$ 0.46	\$ 0.45	\$ 0.65	\$ 0.78	\$ 0.92	\$ 0.85	\$ 0.98	\$ 1.04
GAAP weighted average shares used in computing diluted net (loss) income per share	218.9	221.3	219.6	222.4	221.9	222.5	221.3	222.2	222.3
Dilutive effect of restricted awards	2.7	—	2.4	—	—	—	—	—	—
Non-GAAP weighted average shares used in computing diluted net income per share	221.6	221.3	222.0	222.4	221.9	222.5	221.3	222.2	222.3

(1) Totals may not sum due to rounding.

(2) Fiscal year 2019 balances previously presented in "Discrete GAAP tax items."

Appendix - 4QFY21 Outlook GAAP to Non-GAAP EPS Reconciliation

GAAP EPS	\$0.53 - \$0.59
Stock-based compensation expense	\$0.49
Amortization of purchased intangibles	\$0.07
Acquisition-related costs	\$0.01
GAAP-only tax benefit	\$(0.06)
Non-GAAP EPS	\$1.04 - \$1.10

Appendix - FY21 Outlook GAAP to Non-GAAP EPS Reconciliation

GAAP EPS	\$1.86 - \$1.92
Stock-based compensation expense	\$1.80
Amortization of purchased intangibles	\$0.30
Acquisition-related costs	\$0.06
Loss on strategic investments & dispositions, net	\$0.14
GAAP-only tax benefit	\$(0.25)
Non-GAAP EPS	\$3.91 - \$3.97

Glossary of Terms

In order to help better understand our financial performance we use several key performance metrics including billings, recurring revenue, ARR, net revenue retention rate ("NR3"), ARPS, and subscriptions. These metrics are key performance metrics and should be viewed independently of revenue and deferred revenue as these metrics are not intended to be combined with those items. We use these metrics to monitor the strength of our recurring business. We believe these metrics are useful to investors because they can help in monitoring the long-term health of our business. Our determination and presentation of these metrics may differ from that of other companies. The presentation of these metrics is meant to be considered in addition to, not as a substitute for or in isolation from, our financial measures prepared in accordance with GAAP.

Billings: Total revenue plus the net change in deferred revenue from the beginning to the end of the period.

Constant Currency (CC) Growth Rates: We attempt to represent the changes in the underlying business operations by eliminating fluctuations caused by changes in foreign currency exchange rates as well as eliminating hedge gains or losses recorded within the current and comparative periods. We calculate constant currency growth rates by (i) applying the applicable prior period exchange rates to current period results and (ii) excluding any gains or losses from foreign currency hedge contracts that are reported in the current and comparative periods.

Design Business: Represents the combination of maintenance, product subscriptions, and all EBAs. Main products include, but are not limited to, AutoCAD, AutoCAD LT, Industry Collections, Revit, Inventor, Maya and 3ds Max. Certain products, such as our computer aided manufacturing solutions, incorporate both Design and Make functionality and are classified as Design.

Enterprise Business Agreements (EBAs): Represents programs providing enterprise customers with token-based access to a broad pool of Autodesk products over a defined contract term.

Free Cash Flow: Cash flow from operating activities minus capital expenditures.

Glossary of Terms

Maintenance Plan: Our maintenance plans provide our customers with a cost effective and predictable budgetary option to obtain the productivity benefits of our new releases and enhancements when and if released during the term of their contracts. Under our maintenance plans, customers are eligible to receive unspecified upgrades when and if available, and technical support. We recognize maintenance revenue over the term of the agreements, generally one year.

Make Business: Represents certain cloud-based product subscriptions. Main products include, but are not limited to, Assemble, BIM 360, BuildingConnected, PlanGrid, Fusion 360 and Shotgun. Certain products, such as Fusion 360, incorporate both Design and Make functionality and are classified as Make.

Net Revenue Retention Rate (NR3): Measures the year-over-year change in subscription and maintenance revenue for the population of customers that existed one year ago (“base customers”). Net revenue retention rate is calculated by dividing the current quarter subscription and maintenance revenue related to base customers by the total corresponding quarter subscription and maintenance revenue from one year ago. Subscription and maintenance revenue is based on USD reported revenue, and fluctuations caused by changes in foreign currency exchange rates and hedge gains or losses have not been eliminated. Subscription and maintenance revenue related to acquired companies, one year after acquisition, has been captured as existing customers until such data conforms to the calculation methodology. This may cause variability in the comparison. Beginning with the first quarter of fiscal 2021, Autodesk modified its definition of NR3 to the definition above. The effect of this change is not material for the periods presented.

Other Revenue: Consists of revenue from consulting, training and other services, and is recognized over time as the services are performed. Other Revenue also includes software license revenue from the sale of products that do not incorporate substantial cloud services and is recognized up front.

Product Subscription: Provides customers the most flexible, cost-effective way to access and manage 3D design, engineering, and entertainment software tools. Our product subscriptions currently represent a hybrid of desktop and SaaS functionality, which provides a device-independent, collaborative design workflow for designers and their stakeholders.

Glossary of Terms

Recurring Revenue: Consists of the revenue for the period from our traditional maintenance plans and revenue from our subscription plan offerings. It excludes subscription revenue related to consumer product offerings, select Creative Finishing product offerings, education offerings, and third-party products. Recurring revenue acquired with the acquisition of a business is captured when total subscriptions are captured in our systems and may cause variability in the comparison of this calculation.

Remaining Performance Obligations (RPO): The sum of total short-term, long-term, and unbilled deferred revenue. Current remaining performance obligations is the amount of revenue we expect to recognize in the next twelve months.

Spend: The sum of cost of revenue and operating expenses.

Subscription Plan: Comprises our term-based product subscriptions, cloud service offerings, and EBAs. Subscriptions represent a combined hybrid offering of desktop software and cloud functionality which provides a device-independent, collaborative design workflow for designers and their stakeholders. With subscription, customers can use our software anytime, anywhere, and get access to the latest updates to previous versions.

Subscription Revenue: Includes subscription fees from product subscriptions, cloud service offerings, and EBAs.

Unbilled Deferred Revenue: Unbilled deferred revenue represents contractually stated or committed orders under early renewal and multi-year billing plans for subscription, services and maintenance for which the associated deferred revenue has not been recognized. Under FASB Accounting Standards Codification ("ASC") Topic 606, unbilled deferred revenue is not included as a receivable or deferred revenue on our Condensed Consolidated Balance Sheet.



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