AUTODESK

Third quarter fiscal 2023 earnings

November 22, 2022

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 and full fiscal year 2023, and our long-term financial objectives. There are a significant number of factors that could cause actual results to differ materially from statements made in this presentation, including: our strategy to develop and introduce new products and services and to move to platforms and capabilities, exposing us to risks such as limited customer acceptance, costs related to product defects, and large expenditures; the effects of the COVID-19 pandemic and related public health measures; global economic and political conditions, including recessionary fears, supply chain disruptions, resulting inflationary pressures and hiring conditions; costs and challenges associated with strategic acquisitions and investments; dependency on international revenue and operations, exposing us to significant international regulatory, economic, intellectual property, collections, currency exchange rate, taxation, political, and other risks; including risks related to the war against Ukraine launched by Russia and our exit from Russia; inability to predict subscription renewal rates and their impact on our future revenue and operating results; existing and increased competition and rapidly evolving technological changes; fluctuation of our financial results, key metrics and other operating metrics; deriving a substantial portion of our net revenue from a small number of solutions, including our AutoCAD-based software products and collections; any failure to successfully execute and manage initiatives to realign or introduce new business and sales initiatives; net revenue, billings, earnings, cash flow, or subscriptions shortfalls; social and ethical issues relating to the use of artificial intelligence in our offerings; security incidents or other incidents compromising the integrity of our or our customers' offerings, services, data, or intellectual property; reliance on third parties to provide us with a number of operational and technical services as well as software; our highly complex software, which may contain undetected errors, defects, or vulnerabilities; increasing regulatory focus on privacy issues and expanding laws; governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls; protection of our intellectual property rights and intellectual property infringement claims from others; the government procurement process; fluctuations in currency exchange rates; our debt service obligations; and our investment portfolio consisting of a variety of investment vehicles that are subject to interest rate trends, market volatility, and other economic factors.

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 22, 2022. If this presentation is reviewed after November 22, 2022, 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.

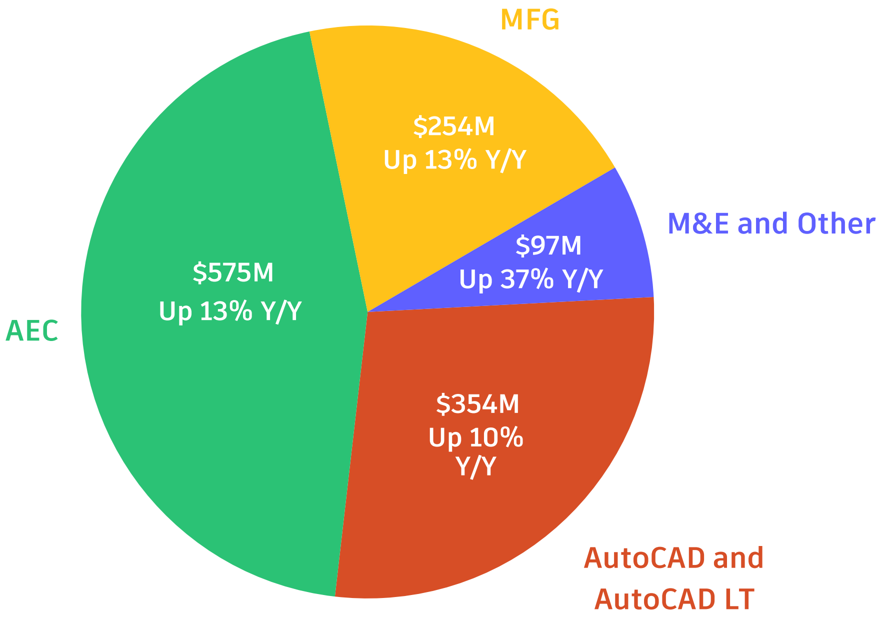
Non-GAAP Financial Measures
These presentations include certain non-GAAP financial measures. Please see the Appendices attached to the presentations for an explanation of management's use of these measures and a reconciliation of the most directly comparable GAAP financial measures.

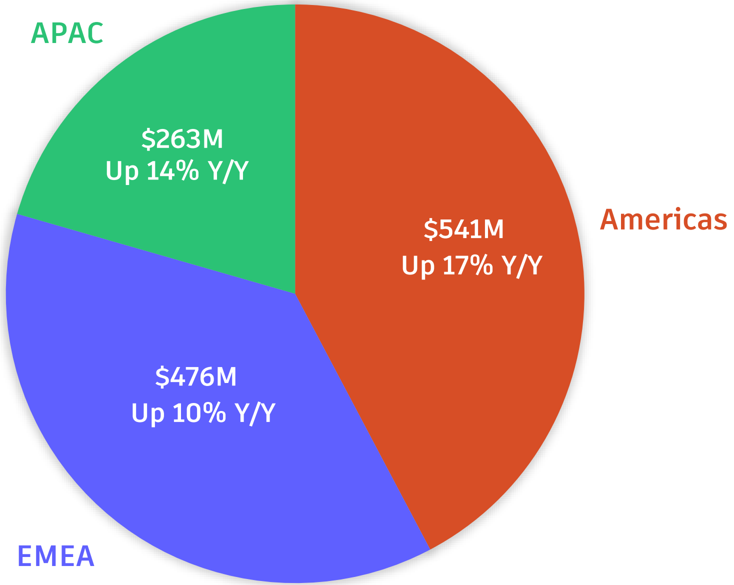
Third quarter fiscal 2023

$1.36B	$1.28B	$460M	36%
Billings	Total Revenue	Free Cash Flow	Non-GAAP Operating Margin

See appendix for glossary of terms and see Excel financials for additional information: investors.autodesk.com/financials/quarterly-results

Q3 FY23 revenue mix by product family & geography





Totals may not sum due to rounding.

Q3 update

Accelerating Digitization in AEC

- Infrastructure owners are connecting workflows from design to make, using Revit and Docs to move from 2D to BIM and digital twins, and Fusion 360 to accelerate maintenance workflows
- In construction, rather than automating wasteful processes downstream, we are seeking to eliminate waste at the source by seamlessly connecting construction data and workflows
- Added almost a thousand new logos across construction with Autodesk Build's monthly active users growing more than 60% quarter over quarter

Converging Design & Make in Manufacturing

- Manufacturers are moving to Vault and Fusion 360 Manage for a cloud PLM solution that improves data security, enables seamless collaboration and scales easily
- Customers across industries are leveraging 3D printing with Fusion to design and manufacture maintenance parts in house, significantly reducing down-time and eliminating external dependencies
- Fusion 360 total subscriptions increased to 211k and demand for extensions continues to grow at an exceptional pace

Growth Enablers and Impact

- At Autodesk University, we announced Autodesk Fusion, Forma, and Flow, our three industry clouds which will connect data, teams, and workflows in the cloud on our trusted platform
- Continue to support customers’ efforts to align with global standards and gain access to the safest version of our software, resulting in a $5M deal, the largest ever led by our license compliance initiatives
- We are helping customers reach their environmental goals through sustainable solutions including additive manufacturing to reduce waste and cloud PLM to enable transparency and decarbonize supply chains

Outlook

Outlook

Q4 FY23[1] (ending January 31, 2023)	
Revenue (in millions)	$1,303 - $1,318
EPS GAAP	$0.99 - $1.05
EPS non-GAAP[2]	$1.77 - $1.83

FY23[1] (ending January 31, 2023)	
Billings (in millions)[3]	$5,570 - $5,670 Up 16% – 18%
Revenue (in millions)[4]	$4,990 - $5,005 Up approx. 14%
GAAP operating margin	Approx. 20%
Non-GAAP operating margin[5]	Approx. 36%
EPS GAAP	$3.43 - $3.49
EPS non-GAAP[6]	$6.56 - $6.62
Free cash flow (in millions)[7]	$1,900 - $1,980

(1) GAAP to Non-GAAP reconciliations in the appendix.
(2) Non-GAAP earnings per diluted share excludes $0.74 related to stock-based compensation expense, $0.11 for the amortization of purchased intangibles, $0.04 for lease-related asset impairments and other charges, and $0.01 for acquisition-related costs, partially offset by ($0.12) related to GAAP-only tax charges.
(3) Excluding the approximately $195 million impact of foreign currency exchange rates and hedge gains/losses, billings guidance would be $5,765 - $5,865 million.
(4) Excluding the approximately $80 million impact of foreign currency exchange rates and hedge gains/losses, revenue guidance would be $5,070 - $5,085 million.
(5) Non-GAAP operating margin excludes approximately 13% related to stock-based compensation expense, approximately 2% for the amortization of purchased intangibles, less than 1% related to acquisition-related costs, and less than 1% related to lease-related asset impairments and other charges.
(6) Non-GAAP earnings per diluted share excludes $3.02 related to stock-based compensation expense, $0.43 for the amortization of purchased intangibles, $0.13 related to lease-related asset impairments and other charges, and $0.04 related to acquisition-related costs, partially offset by ($0.46) related to GAAP-only tax charges and ($0.03) related to gains on strategic investments and dispositions
(7) Free cash flow is cash flow from operating activities less approximately $50 million of capital expenditures.

Non-GAAP FY23 model expectations

INCOME STATEMENT

- Recurring revenue as percent of total expected to be relatively in-line with FY22. Other revenue to increase to between $250-$300 million for the full year driven in part by presenting certain recurring revenue in other revenue rather than subscription revenue starting in Q1'23
- Net revenue retention rate to be in the range of 100 to 110 percent for FY23
- Gross margins to be approximately 92 percent
- Non-GAAP operating margin to expand year over year to approximately 36 percent
- Other income and expense to be approximately ($65 million)
- Effective tax rate of 17 percent
- Q3 share count of 217 million reflects opportunistic share repurchases in the current year within our long-term framework of offsetting stock-based compensation dilution over time

BALANCE SHEET / CASH FLOW

- Capital expenditures to be approximately $50 million
- Long-term deferred revenue as a percent of total deferred revenue to be in the upper-20s percent range
- Expect to retire $350 million short-term debt by end of FY23

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 operating margin, non-GAAP diluted net income per share, 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 present Autodesk's GAAP results reconciled to non-GAAP results included in this presentation.

See Excel financials for additional information: https://investors.autodesk.com/financials/quarterly-results

Appendix - net cash provided by operating activities to free cash flow reconciliation

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2022	2021	2022	2021
	(Unaudited)			
Net cash provided by operating activities	$ 469	$ 271	$ 1,160	$ 809
Capital expenditures	(9)	(14)	(32)	(50)
Free cash flow	$ 460	$ 257	$ 1,128	$ 759

Appendix - GAAP to non-GAAP operating margin reconciliation

	Three Months Ended October 31,		Nine Months Ended October 31,	
	2022	2021	2022	2021
	(Unaudited)			
GAAP operating margin	20 %	17 %	19 %	15 %
Stock-based compensation expense	13 %	13 %	13 %	13 %
Amortization of developed technologies	1 %	1 %	1 %	1 %
Amortization of purchased intangibles	1 %	1 %	1 %	1 %
Lease-related asset impairments and other charges	1 %	— %	1 %	— %
Acquisition-related costs	— %	— %	— %	1 %
Non-GAAP operating margin (1)	36 %	32 %	35 %	31 %

(1) Totals may not sum due to rounding.

Appendix - GAAP to non-GAAP diluted EPS reconciliation

	Q4FY23 Outlook
GAAP EPS	$0.99 - $1.05
Stock-based compensation expense	$0.74
Amortization of purchased intangibles	$0.11
Lease-related asset impairments and other charges	$0.04
Acquisition-related costs	$0.01
Income tax effect of non-GAAP adjustments	$(0.12)
Non-GAAP EPS	$1.77 - $1.83

Appendix - GAAP to non-GAAP diluted EPS reconciliation

	FY23 Outlook
GAAP EPS	$3.43 - $3.49
Stock-based compensation expense	$3.02
Amortization of purchased intangibles	$0.43
Lease-related asset impairments and other charges	$0.13
Acquisition-related costs	$0.04
Gain on strategic investments & dispositions, net	$(0.03)
Income tax effect of non-GAAP adjustments	$(0.46)
Non-GAAP EPS	$6.56 - $6.62

Glossary of terms

In order to help better understand our financial performance we use several key performance metrics including billings, recurring revenue, and net revenue retention rate ("NR3"). 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.

Cloud Service Offerings: Represents individual term-based offerings deployed through web browser technologies or in a hybrid software and cloud configuration. Cloud service offerings that are bundled with other product offerings are not captured as a separate cloud service offering.

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.

Glossary of terms

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.

Industry Collections: Autodesk Industry Collections are a combination of products and services that target a specific user objective and support a set of workflows for that objective. Our Industry Collections consist of: Autodesk Architecture, Engineering and Construction Collection, Autodesk Product Design and Manufacturing Collection, and Autodesk Media and Entertainment Collection.

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, Autodesk Build, BuildingConnected, Fusion 360 and ShotGrid. Certain products, such as Fusion 360, incorporate both Design and Make functionality and are classified as Make.

Glossary of terms

Net Revenue Retention Rate (NR3): Measures the year-over-year change in Recurring Revenue for the population of customers that existed one year ago ("base customers"). Net revenue retention rate is calculated by dividing the current quarter Recurring Revenue related to base customers by the total corresponding quarter Recurring Revenue from one year ago. Recurring 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. Recurring 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.

Other Revenue: Consists of revenue from consulting, training, and other products and services, and is recognized as the products are delivered and services are performed.

Product Subscription: Provides customers a 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 cloud functionality, which provides a device-independent, collaborative design workflow for designers and their stakeholders.

Recurring Revenue: Consists of the revenue for the period from our traditional maintenance plans, our subscription plan offerings, and certain Other revenue. It excludes subscription revenue related to 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.

Glossary of terms

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 our cloud-enabled term-based product subscriptions, cloud service offerings, and flexible 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.