

Fourth Quarter and Full Year Fiscal 2020 Earnings

February 27, 2020



Safe Harbor

This presentation contains forward looking statements about revenue, billings, free cash flow, ARR, operating margin, EPS, products, future performance, financial and otherwise, and strategy, including statements regarding our progress on our key priorities, business model transformation, FY21 product and pricing changes, guidance for the first fiscal quarter and full fiscal year 2021, our long-term financial objectives and capital allocation. 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, ARR, ARPS, billings, revenue, deferred revenue, operating margins and cash flow growth; failure to maintain spend management; failure to successfully integrate acquired businesses, complete transitions to new business model and markets; failure of the construction industry grows 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 February 27, 2020. If this presentation is reviewed after February 27, 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, billings and ARR 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.

Strong Close to Fiscal 2020

\$4.2B

Billings

\$1.36B

Free Cash Flow

\$3.3B

Total Revenue

25%

Non-GAAP
Operating Margin

4.9M

Total
Subscriptions

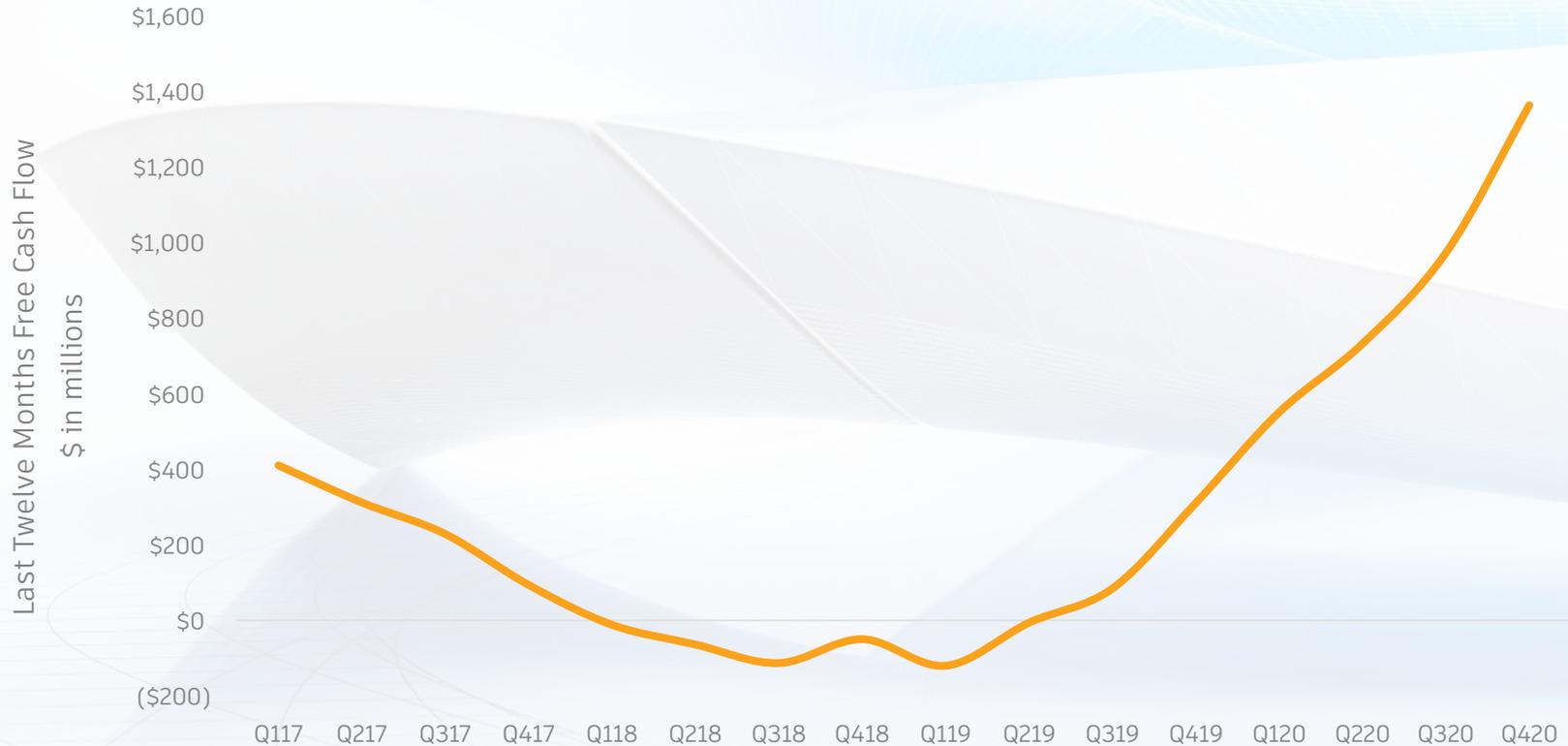
Billings of \$1.5 Billion in Q420

Up 43% in Q4 and 55% in FY20 Y/Y (46% adj for the impacts of ASC 606)



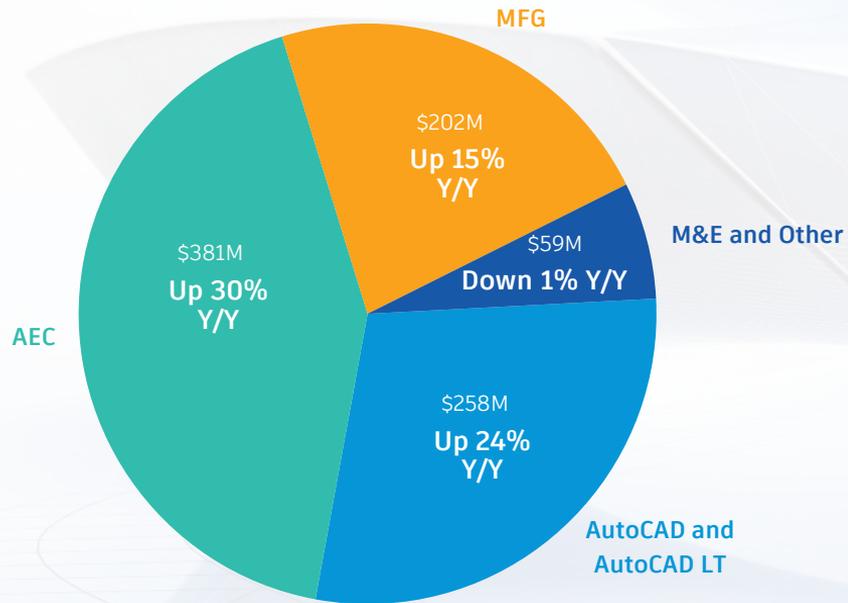
Q119 includes ~\$160 million of adjustments related to implementation of ASC 606.

Delivered \$1.36 Billion of Free Cash Flow in FY20

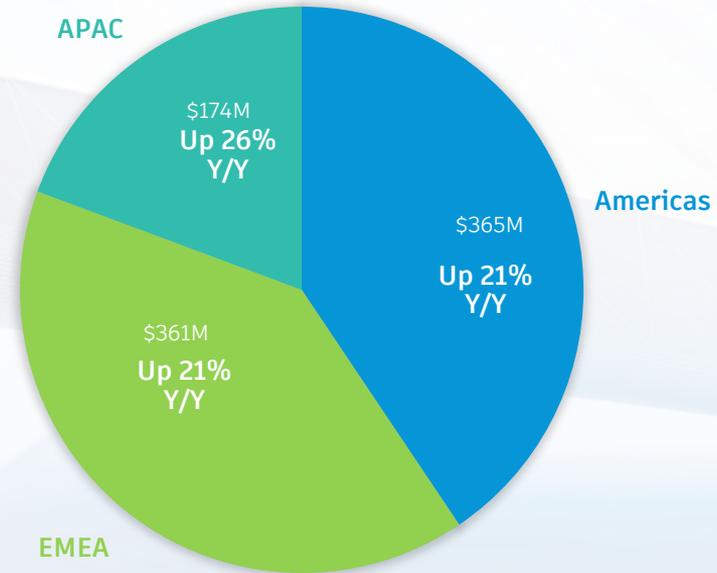


Strong Growth Across Products & Geographies

Q420 Revenue Mix by Product Family



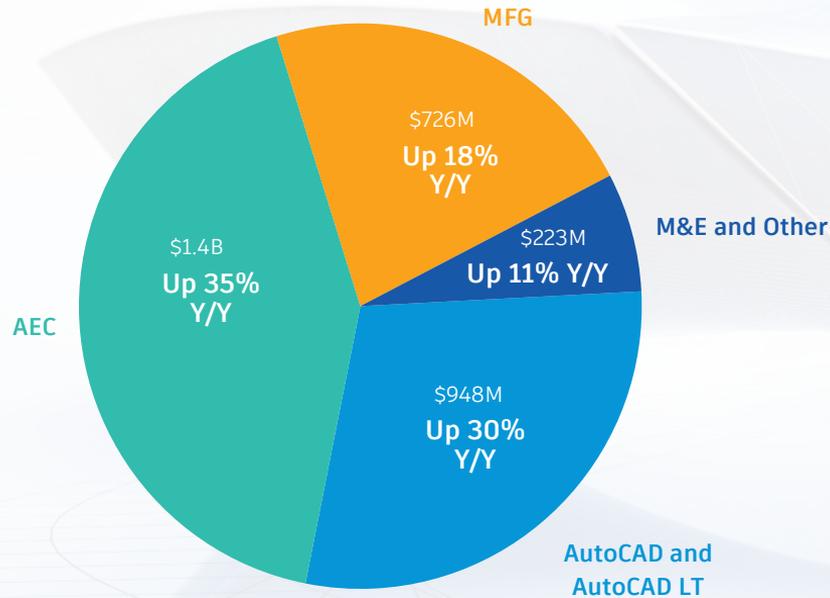
Q420 Revenue Mix by Geography



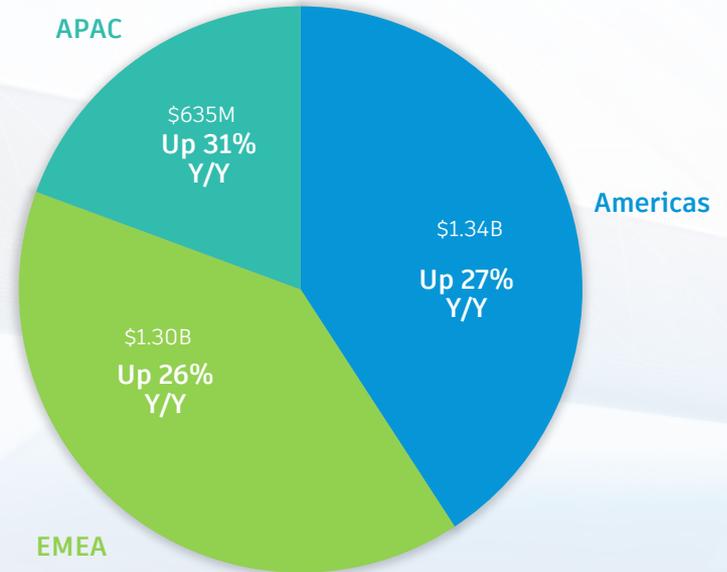
Totals may not sum due to rounding.

Strong Growth Across Products & Geographies

FY20 Revenue Mix by Product Family



FY20 Revenue Mix by Geography



Totals may not sum due to rounding.

Strategic Update

Landmark Year for Construction

- Strong momentum in Construction sales
 - BIM 360 Design drove strong organic cloud ARR growth
 - BuildingConnected crossed 1M users
 - Acquired construction solutions included in 45 enterprise deals
- Acquisitions contributed \$126M of cloud ARR
- Rolled out a comprehensive long-term product integration plan and over 300 enhancements

Strength in Manufacturing

- Manufacturing revenue up 18% year-over-year as we continue to displace competition and gain share
- Our advanced technology solutions with integrated workflows in the cloud are disrupting the manufacturing market
- Added 20K Fusion 360 commercial subscriptions during FY20

Monetizing Non-Paying Users

- Signed 62 license compliance deals over \$500K, including 14 over \$1M
- These large deals were distributed across all regions
- Almost 20% of the 62 deals were in China



Product & Pricing Changes

Product & Pricing Changes

- Ending maintenance to subscription program (M2S) May 2020
- Introducing a one-year trade-in program to convert remaining maintenance customers to subscription
- Transitioning multi-user subscription plans to named user plans
- Introducing standard and premium plans for product subscriptions
- Adjusting prices

Trade-in Opportunity for Maintenance Users to Convert to Subscription

- M2S ends as scheduled in May 2020
- Starting May 7, 2020, at their first renewal, maintenance customers will be able to trade-in each standalone maintenance seat for one standard named-user subscription at their current maintenance price
 - After the trade-in, customers will have the same programmatic price increases as the M2S customer base
- On **May 7, 2021, maintenance plans will retire** and can no longer be renewed
- If a customer does not take the trade-in offer, no updates will be available starting May 7, 2021

Summary of M2S & Maintenance Price Changes

- Starting May 7, 2020, existing maintenance customers will have two choices:
 - Stay on maintenance for additional 20% increase or,
 - Switch to subscription at their current maintenance price
- Following table summarizes our M2S pricing (no change from prior communications) and updated plan for maintenance customers who did not take advantage of the M2S plan

	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Maintenance Trade-in Starting 5/7/20					139%	146%	Up to 5% ↑ Every Other Year					
Staying on Maintenance	100%	105%	116%	139%	166%	5/7/21 Retiring						
FY18 M2S		105%	105%	105%	116%	122%	Up to 5% ↑ Every Other Year					
FY19 M2S			110%	110%	110%	122%	Up to 5% ↑ Every Other Year					
FY20 M2S				116%	116%	122%	Up to 5% ↑ Every Other Year					

NO CHANGE

Percentages as of FY17 maintenance price.

Transition to Named User

- Multi-user subscriptions transitioned to named user
 - Multi-year multi-user subscription contracts are no longer being sold and can no longer be renewed as of February 2020
 - Annual multi-user subscriptions will not be sold after May 7, 2020 and can no longer be renewed after May 7, 2021
- Starting May 7, 2020, at their **first renewal**, multi-user customers can trade-in each multi-user subscription for two named user subscriptions at their current price
 - After the trade-in, customers will have the same programmatic price increases as the M2S customer base
- If a customer does not take the trade-in offer at their first renewal, at the time of their 2nd renewal they can trade in each multi-user subscription for one standard named-user subscription
- Multi-user subscriptions are approximately 20% of our install base

Introducing Standard and Premium Plan

Available May 2020

Premium expected to be additional ~\$300/year per subscription

AUTODESK PLANS	Standard	<small>Recommended</small> Premium	Enterprise
	<p>For individuals and small businesses who need the essential administrative tools.</p> <p>BUY</p>	<p>For larger businesses seeking advanced administrative tools, security, and detailed reporting.</p> <p>CONTACT US</p>	<p>For large, global organizations who require the highest level of control and reporting plus dedicated support from Autodesk.</p> <p>CONTACT US</p>
TOP FEATURES	<ul style="list-style-type: none"> • View and export product usage • 2-factor authentication • 24 x 5 chat support 	<ul style="list-style-type: none"> • View and export product usage with user details • Single Sign-On (SSO) • 24 x 7 voice support 	<ul style="list-style-type: none"> • Connect data to third party tools via API access • Automate user assignments • Enterprise Success Program
PURCHASING OPTIONS			
Individual Access	✓	✓	✗
Flex Access	✗	✗	✓
REPORTING			
View and export product usage	✓	✓	✓
View and export product usage with user details	✗	✓	✓
Add your own metadata	✗	✗	✓
Connect data to third party tools via API access	✗	✗	✓

Pricing Adjustments Summary

- As of February 2020, new **multi-user subscriptions** are being sold at 2x the named user price (an increase of 33% for collections and 14% for point products). Renewals will not be impacted by this price change
- As of February 2020, **BIM 360 Docs & Build** went up ~15%. Renewals were not impacted by the price changes
- As of March 2020, new **named-user subscription** prices will increase 5% for most products. Renewals will not be impacted by the price change

The background features a large, light blue, stylized 'S' shape on the left side. To the right, there is a blue geometric shape resembling a folded piece of paper or a stylized letter 'A'. The background is composed of a grid of thin, light blue lines on a white background, creating a sense of depth and perspective. The overall color palette is light blue and white.

Outlook

Outlook

Q1 FY21 ⁽¹⁾ (ending April 30, 2020)	
Revenue (in millions)	\$880 - \$895
EPS GAAP	\$0.34 - \$0.40
EPS non-GAAP ⁽²⁾	\$0.80 - \$0.86

FY21 ⁽¹⁾ (ending January 31, 2021)	
Billings (in millions) ⁽³⁾	\$4,635 - \$4,715 Up 11%-13%
Revenue (in millions) ⁽³⁾	\$3,930 - \$3,990 Up 20%-22%
GAAP operating margin	18.5%-19.5%
Non-GAAP operating margin ⁽⁴⁾	29.5%-30.5%
EPS GAAP	\$2.40 - \$2.63
EPS non-GAAP ⁽⁵⁾	\$4.21 - \$4.44
Free cash flow (in millions) ⁽⁶⁾	\$1,630 - \$1,690

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

(2) Non-GAAP earnings per diluted share excludes \$0.43 related to stock-based compensation expense, \$0.08 for the amortization of acquisition-related intangibles, \$0.01 for acquisition related costs, partially offset by (\$0.06) related to a GAAP-only tax benefit.

(3) Excluding the approximately \$15 million impact of foreign currency exchange rates and hedge gains/losses, billings guidance would be \$4,650 - \$4,730 and revenue guidance would be \$3,945 - \$4,005 million.

(4) Non-GAAP operating margin excludes approximately 9% related to stock-based compensation expense, approximately 2% for the amortization of acquisition-related intangibles, and less than 1% related to acquisition related costs.

(5) Non-GAAP earnings per diluted share excludes \$1.65 related to stock-based compensation expense, \$0.29 for the amortization of acquisition-related intangibles, \$0.04 related to acquisition related costs, partially offset by (\$0.17) related to a GAAP-only tax benefit.

(6) Free cash flow is cash flow from operating activities less approximately \$105 million of capital expenditures.

Non-GAAP FY21 Model Considerations

INCOME STATEMENT

- Q121 other revenue expected to be about half as much as Q420
- Full-year FY21 considerations:
 - Recurring revenue as percent of total expected to be relatively in-line with FY20
 - Net revenue retention rate expected to remain in the 110 to 120 percent range
 - Gross margins expected to expand slightly, driven by revenue growth
 - Operating margins expected to expand, driven by operating leverage across all functions
 - Interest and other expense to be relatively flat year-over-year
 - Effective tax rate of 16%
 - Share count to be consistent with FY20

BALANCE SHEET / CASH FLOW

- Full-year FY21 considerations:
 - Capital expenditures to be approximately \$105 million
 - Two-thirds of FY21 free cash flow expected in the second half of the year, with heavier weighting towards Q4
 - Long-term deferred revenue as a percent of total deferred revenue is expected to decline modestly from the FY20 level

The background features a complex, abstract design with various shades of blue and white. It consists of overlapping, curved, and faceted geometric shapes that create a sense of depth and movement. A prominent white diagonal band cuts across the scene, providing a clean space for the text.

Appendix

Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures (In millions, except per share data)

To supplement our 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 non-GAAP 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 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

Fourth Quarter Fiscal 2020 Results Excluding Recent Acquisitions^(1,2,3)

\$ in millions except subscriptions and per subscription data

	GAAP								
		Consolidated	Recent Acquisitions (3)	Consolidated ex-Acquisitions	Y/Y change ex-Acquisitions				
Subscription & Maintenance Revenue	\$	857.3	\$	857.3	\$	31.6	\$	825.7	21%
Other	\$	42.0		42.0		0.2		41.8	(16)%
Total Revenue	\$	899.3	\$	899.3	\$	31.8	\$	867.5	19%
ARR									
Core ARR		N/A	\$	3,174.6	\$	–	\$	3,174.6	21%
Cloud ARR		N/A		254.5		126.3		128.2	30%
Total ARR		N/A	\$	3,429.1	\$	126.3	\$	3,302.8	21%
Subscriptions									
Core Subscriptions		N/A		3,979,000		–		3,979,000	10%
Cloud Subscriptions		N/A		890,000		205,000		685,000	18%
Total Subscriptions		N/A		4,869,000		205,000		4,664,000	11%
ARPS									
Core ARPS		N/A	\$	798	\$	–	\$	798	10%
Cloud ARPS		N/A	\$	286	\$	616	\$	187	11%
Total ARPS		N/A	\$	704	\$	616	\$	708	9%

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

(2) May not sum due to rounding.

(3) Recent acquisitions refer to PlanGrid and BuildingConnected.

Appendix

Fourth Quarter Fiscal 2020 Overview

<i>\$ in millions, except per share data ⁽¹⁾</i>	Q4 19	Q4 20	Total Y/Y change, as reported	Management Comments
Subscription plan ARR ⁽²⁾	\$ 2,200.1	\$ 3,109.3	41%	Driven by growth in all subscription plan types, led by product subscriptions
Maintenance plan ARR	549.3	319.8	(42)%	Reflects migration of maintenance plan subscriptions to product subscriptions
Total ARR ⁽²⁾	\$ 2,749.4	\$ 3,429.1	25%	
Revenue ⁽³⁾	\$ 737.3	\$ 899.3	22%	Driven by growth in subscription plan revenue, led by product subscription revenue
GAAP operating income	\$ 40.3	\$ 133.8	232%	Driven by revenue growth
GAAP operating margin ⁽⁴⁾	5%	15%	9pts	Driven by revenue growth, increased operating leverage and lower restructuring expenses
Non-GAAP operating income	\$ 139.2	\$ 258.9	86%	Driven by revenue growth
Non-GAAP operating margin	19%	29%	10pts	Driven by revenue growth and increased operating leverage
GAAP diluted net income per share	\$ 0.29	\$ 0.59	\$ 0.30	
Non-GAAP diluted net income per share	\$ 0.46	\$ 0.92	\$ 0.46	

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

(2) Included in Subscription plan ARR and total ARR is an \$126 million contribution from the fourth quarter FY19 acquisitions. This represented 4 percentage points of the year-over-year increase in Subscription plan ARR and 3 percentage points of the year-over-year increase in total ARR.

(3) Included in revenue was a \$32 million contribution from the fourth quarter acquisitions, or 3 percentage points of the year-over-year increase.

(4) Total Y/Y change, as reported may not compute due to rounding.

Appendix – Other Financial Information

\$ in millions ⁽¹⁾

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
ARR									
Subscription plan ARR	\$ 1,175.0	\$ 1,401.5	\$ 1,681.8	\$ 1,925.1	\$ 2,200.1	\$ 2,383.3	\$ 2,654.8	\$ 2,860.0	\$ 3,109.3
Maintenance plan ARR	\$ 879.1	\$ 724.9	\$ 665.6	\$ 600.6	\$ 549.3	\$ 447.9	\$ 414.0	\$ 364.6	\$ 319.8
Total ARR	\$ 2,054.1	\$ 2,126.4	\$ 2,347.4	\$ 2,525.7	\$ 2,749.4	\$ 2,831.2	\$ 3,068.8	\$ 3,224.6	\$ 3,429.1
Core ARR	\$ 1,984.8	\$ 2,058.0	\$ 2,272.1	\$ 2,437.9	\$ 2,623.5	\$ 2,650.6	\$ 2,862.0	\$ 2,993.0	\$ 3,174.6
Cloud ARR	\$ 69.3	\$ 68.4	\$ 75.3	\$ 87.8	\$ 125.9	\$ 180.6	\$ 206.8	\$ 231.6	\$ 254.5
M2S ARR included in Subscription plan ARR	\$ 151.6	\$ 273.4	\$ 349.2	\$ 414.8	\$ 469.8	\$ 504.8	\$ 565.7	\$ 597.1	\$ 639.3

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

Appendix – Other Financial Information

\$ in millions except subscription data and per subscription data ⁽¹⁾

	Q418	Q419	Q420
ARR			
Subscription plan ARR	\$ 1,175.0	\$ 2,200.1	\$ 3,109.3
Maintenance plan ARR	879.1	549.3	319.8
Total ARR	\$ 2,054.1	\$ 2,749.4	\$ 3,429.1
Core ARR			
Core ARR	\$ 1,984.8	\$ 2,623.5	\$ 3,174.6
Cloud ARR	\$ 69.3	\$ 125.9	\$ 254.5
M2S ARR included in Subscription plan ARR	\$ 151.6	\$ 469.8	\$ 639.3
Subscriptions (in thousands)			
Subscription plan subscriptions	2,267	3,534	4,468
Maintenance plan subscriptions	1,449	796	401
Total subscriptions	3,716	4,330	4,869
Core subscriptions			
Core subscriptions	3,285	3,621	3,979
Cloud subscriptions	431	709	890
M2S subscriptions	342	794	1,057
ARPS			
Subscription plan ARPS	\$ 518	\$ 623	\$ 696
Maintenance plan ARPS	\$ 607	\$ 690	\$ 797
Total ARPS	\$ 553	\$ 635	\$ 704
Core ARPS			
Core ARPS	\$ 604	\$ 725	\$ 798
Cloud ARPS	\$ 161	\$ 177	\$ 286

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

Appendix – Other Financial Information

\$ in millions ^(1,2)

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
Revenue ⁽³⁾									
Recurring revenue	\$ 513.5	\$ 531.6	\$ 586.8	\$ 631.4	\$ 687.4	\$ 707.8	\$ 767.2	\$ 806.2	\$ 857.3
Recurring revenue as a percentage of total revenue	93%	95%	96%	96%	93%	96%	96%	96%	95%
Subscription revenue	\$ 293.7	\$ 350.4	\$ 420.6	\$ 481.3	\$ 550.0	\$ 595.8	\$ 663.7	\$ 715.0	\$ 777.4
Maintenance revenue	219.8	181.2	166.4	150.1	137.4	112.0	103.5	91.2	79.9
Other revenue	40.3	28.3	24.7	29.5	49.9	27.7	29.6	36.5	42.0
Total net revenue	\$ 553.8	\$ 559.9	\$ 611.7	\$ 660.9	\$ 737.3	\$ 735.5	\$ 796.8	\$ 842.7	\$ 899.3
Direct revenue	30%	29%	28%	28%	30%	30%	30%	30%	31%
Indirect revenue	70%	71%	72%	72%	70%	70%	70%	70%	69%
Revenue by geography ⁽³⁾									
Americas	\$ 232.4	\$ 233.5	\$ 247.5	\$ 268.5	\$ 300.4	\$ 295.8	\$ 325.9	\$ 349.3	\$ 364.8
Europe, Middle East and Africa	\$ 221.0	\$ 220.9	\$ 248.3	\$ 266.5	\$ 298.6	\$ 297.2	\$ 316.2	\$ 329.6	\$ 360.5
Asia Pacific	\$ 100.4	\$ 105.5	\$ 115.9	\$ 125.9	\$ 138.3	\$ 142.5	\$ 154.7	\$ 163.8	\$ 174.0
Emerging economies	\$ 64.0	\$ 65.2	\$ 74.2	\$ 80.7	\$ 87.3	\$ 87.9	\$ 97.4	\$ 101.6	\$ 109.3
Emerging economies as a percent of total revenue	12%	12%	12%	12%	12%	12%	12%	12%	12%
Revenue by product family ⁽³⁾									
Architecture, Engineering and Construction	\$ 216.6	\$ 221.8	\$ 243.1	\$ 263.8	\$ 292.9	\$ 304.3	\$ 334.2	\$ 358.0	\$ 380.6
AutoCAD Product Family and AutoCAD LT	\$ 154.1	\$ 155.6	\$ 176.6	\$ 190.6	\$ 209.0	\$ 213.2	\$ 231.3	\$ 245.4	\$ 258.3
Manufacturing	\$ 136.2	\$ 135.4	\$ 146.1	\$ 158.5	\$ 176.2	\$ 167.5	\$ 174.6	\$ 182.2	\$ 201.8
Media and Entertainment	\$ 39.9	\$ 41.8	\$ 41.7	\$ 43.6	\$ 54.9	\$ 45.5	\$ 50.8	\$ 50.6	\$ 52.3
Other	\$ 7.0	\$ 5.3	\$ 4.2	\$ 4.4	\$ 4.3	\$ 5.0	\$ 5.9	\$ 6.5	\$ 6.3

(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) Effective in Q119, revenue is reported under ASC Topic 606.

Appendix – Other Financial Information

In millions ^(1,2)

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
Billings & Deferred Revenue									
Billings	\$ 745.0	\$ 411.2	\$ 604.8	\$ 653.5	\$ 1,036.6	\$ 797.6	\$ 892.8	\$ 1,013.2	\$ 1,486.4
Deferred Revenue	\$ 1,955.1	\$ 1,806.4	\$ 1,799.5	\$ 1,792.1	\$ 2,091.4	\$ 2,153.5	\$ 2,249.5	\$ 2,420.0	\$ 3,007.1
Unbilled Deferred Revenue ⁽³⁾	326.4	411.5	405.8	450.5	591.0	589.1	563.0	549.3	549.6
Remaining Performance Obligations (RPO)	\$ 2,281.5	\$ 2,217.9	\$ 2,205.3	\$ 2,242.6	\$ 2,682.4	\$ 2,742.6	\$ 2,812.5	\$ 2,969.3	\$ 3,556.7
Current RPO	N/A	\$ 1,600.0	\$ 1,634.4	\$ 1,661.0	\$ 1,930.1	\$ 1,998.0	\$ 2,013.6	\$ 2,050.4	\$ 2,368.6
FX impact									
Year-on-year FX (impact) benefit on total ARR	\$ (0.8)	\$ 8.9	\$ 24.7	\$ 37.0	\$ 38.3	\$ 23.7	\$ (1.2)	\$ (22.1)	\$ (35.5)
Year-on-year FX (impact) benefit on total revenue	\$ 0.2	\$ 2.7	\$ 6.7	\$ 9.7	\$ 9.9	\$ 6.1	\$ (0.6)	\$ (6.5)	\$ (9.7)
Year-on-year FX benefit (impact) on cost of revenue and operating expenses	(11.7)	(10.4)	(5.7)	1.0	4.7	7.9	8.1	7.1	2.2
Year-on-year FX (impact) benefit on operating income	\$ (11.5)	\$ (7.7)	\$ 1.0	\$ 10.7	\$ 14.6	\$ 14.0	\$ 7.5	\$ 0.6	\$ (7.5)
Balance Sheet Items and Cash Review									
Cash Flow from Operating Activities	\$ 79.3	\$ (16.9)	\$ 43.3	\$ 39.2	\$ 311.5	\$ 221.2	\$ 219.3	\$ 276.4	\$ 698.2
Less: Capital Expenditures	11.4	16.7	20.0	12.7	17.6	14.7	14.8	9.7	14.0
Free Cash Flow	\$ 67.9	\$ (33.6)	\$ 23.3	\$ 26.5	\$ 293.9	\$ 206.5	\$ 204.5	\$ 266.7	\$ 684.2
Depreciation, Amortization and Accretion	\$ 26.9	\$ 24.1	\$ 22.2	\$ 23.5	\$ 25.4	\$ 32.7	\$ 32.1	\$ 31.6	\$ 30.9
Total Cash and Marketable Securities	\$ 1,514.0	\$ 1,464.4	\$ 1,297.9	\$ 1,193.0	\$ 953.6	\$ 972.1	\$ 991.3	\$ 1,024.5	\$ 1,843.7
Share repurchase (shares)	2.4	0.2	1.1	0.8	0.2	0.6	0.3	0.8	1.0
Share repurchase (\$Ms dollars)	\$ 262.1	\$ 21.0	\$ 146.8	\$ 102.6	\$ 22.2	\$ 100.0	\$ 40.5	\$ 123.7	\$ 191.3

(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 and percentages

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
Gross Margin									
Gross Margin - GAAP	87%	88%	89%	89%	90%	89%	90%	91%	91%
Gross Margin - Non-GAAP	88%	89%	90%	90%	91%	91%	92%	92%	92%
Total Spend									
Total Spend - GAAP	\$ 735.7	\$ 615.2	\$ 636.4	\$ 646.2	\$ 697.0	\$ 710.7	\$ 723.0	\$ 732.1	\$ 765.5
Total Spend - Non-GAAP	\$ 571.3	\$ 530.9	\$ 556.1	\$ 568.7	\$ 598.1	\$ 603.6	\$ 610.3	\$ 617.4	\$ 640.4
Operating Margin									
Operating Margin - GAAP	(33)%	(10)%	(4)%	2%	5%	3%	9%	13%	15%
Operating Margin - Non-GAAP	(3)%	5%	9%	14%	19%	18%	23%	27%	29%
Earnings Per Share									
Basic Net (Loss) Income Per Share - GAAP	\$ (0.79)	\$ (0.38)	\$ (0.18)	\$ (0.11)	\$ 0.30	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.60
Diluted Net (Loss) Income Per Share - GAAP	\$ (0.79)	\$ (0.38)	\$ (0.18)	\$ (0.11)	\$ 0.29	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.59
Basic Net (Loss) Income Per Share - Non-GAAP	\$ (0.09)	\$ 0.07	\$ 0.20	\$ 0.30	\$ 0.46	\$ 0.45	\$ 0.66	\$ 0.79	\$ 0.93
Diluted Net (Loss) Income Per Share - Non-GAAP	\$ (0.09)	\$ 0.06	\$ 0.19	\$ 0.29	\$ 0.46	\$ 0.45	\$ 0.65	\$ 0.78	\$ 0.92
Weighted Average Shares									
Basic Net (Loss) Income Share Count - GAAP	219.1	218.6	219.0	218.9	219.2	219.6	219.6	219.7	220.0
Diluted Net (Loss) Income Share Count - GAAP	219.1	218.6	219.0	218.9	221.3	219.6	222.4	221.9	222.5
Basic Net (loss) Income Share Count - Non-GAAP	219.1	218.6	219.0	218.9	219.2	219.6	219.6	219.7	220.0
Diluted Net (loss) Income Share Count - Non-GAAP	219.1	221.6	222.2	221.6	221.3	222.0	222.4	221.9	222.5

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions (1)

	Three Months Ended January 31,		Fiscal Year Ended January 31,	
	2020	2019	2020	2019
GAAP cost of subscription and maintenance revenue	\$ 57.0	\$ 56.7	\$ 223.9	\$ 216.0
Stock-based compensation expense	(3.7)	(3.7)	(13.8)	(13.1)
Acquisition related costs	(0.2)	–	(0.5)	–
Non-GAAP cost of subscription and maintenance revenue	\$ 53.1	\$ 53.0	\$ 209.6	\$ 202.9
GAAP cost of other revenue	\$ 17.9	\$ 15.4	\$ 66.5	\$ 54.4
Stock-based compensation expense	(1.5)	(1.5)	(5.8)	(4.5)
Non-GAAP cost of other revenue	\$ 16.4	\$ 13.9	\$ 60.7	\$ 49.9
GAAP amortization of developed technology	\$ 8.3	\$ 4.9	\$ 34.5	\$ 15.5
Amortization of developed technology	(8.3)	(4.9)	(34.5)	(15.5)
Non-GAAP amortization of developed technology	\$ –	\$ –	\$ –	\$ –
GAAP gross profit	\$ 816.1	\$ 660.3	\$ 2,949.4	\$ 2,283.9
Stock-based compensation expense	5.2	5.2	19.6	17.6
Amortization of developed technology	8.3	4.9	34.5	15.5
Acquisition related costs	0.2	–	0.5	–
Non-GAAP gross profit	\$ 829.8	\$ 670.4	\$ 3,004.0	\$ 2,317.0
GAAP marketing and sales	\$ 349.5	\$ 320.8	\$ 1,310.3	\$ 1,183.9
Stock-based compensation expense	(41.8)	(31.7)	(149.0)	(109.4)
Acquisition related costs	(0.7)	–	(1.0)	–
Non-GAAP marketing and sales	\$ 307.0	\$ 289.1	\$ 1,160.3	\$ 1,074.5
GAAP research and development	\$ 217.1	\$ 190.4	\$ 851.1	\$ 725.0
Stock-based compensation expense	(32.5)	(25.4)	(120.8)	(82.5)
Acquisition related costs	(1.1)	–	(3.3)	–
Non-GAAP research and development	\$ 183.5	\$ 165.0	\$ 727.0	\$ 642.5
GAAP general and administrative	\$ 106.0	\$ 100.7	\$ 405.6	\$ 340.1
Stock-based compensation expense	(25.5)	(11.7)	(73.0)	(40.0)
CEO transition costs	–	–	–	0.1
Acquisition related costs	(0.1)	(11.9)	(18.5)	(16.2)
Non-GAAP general and administrative	\$ 80.4	\$ 77.1	\$ 314.1	\$ 284.0
GAAP amortization of purchased intangibles	\$ 9.7	\$ 6.2	\$ 38.9	\$ 18.0
Amortization of purchased intangibles	(9.7)	(6.2)	(38.9)	(18.0)
Non-GAAP amortization of purchased intangibles	\$ –	\$ –	\$ –	\$ –

(1) Totals may not sum due to rounding.

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions (1)

	Three Months Ended January 31, 2020		2019		Fiscal Year Ended January 31, 2020		2019	
GAAP restructuring and other exit costs, net	\$	–	\$	1.9	\$	0.5	\$	41.9
Restructuring and other exit costs, net		–		(1.9)		(0.5)		(41.9)
Non-GAAP restructuring and other exit costs, net	\$	–	\$	–	\$	–	\$	–
GAAP operating expenses	\$	682.3	\$	620.0	\$	2,606.4	\$	2,308.9
Stock-based compensation expense		(99.8)		(68.8)		(342.8)		(231.9)
Amortization of purchased intangibles		(9.7)		(6.2)		(38.9)		(18.0)
CEO transition costs		–		–		–		0.1
Acquisition related costs		(1.9)		(11.9)		(22.8)		(16.2)
Restructuring and other exit costs, net		–		(1.9)		(0.5)		(41.9)
Non-GAAP operating expenses	\$	570.9	\$	531.2	\$	2,201.4	\$	2,001.0
GAAP spend	\$	765.5	\$	697.0	\$	2,931.3	\$	2,594.8
Stock-based compensation expense		(105.0)		(74.0)		(362.4)		(249.5)
Amortization of developed technology		(8.3)		(4.9)		(34.5)		(15.5)
Amortization of purchased intangibles		(9.7)		(6.2)		(38.9)		(18.0)
CEO transition costs		–		–		–		0.1
Acquisition related costs		(2.1)		(11.9)		(23.3)		(16.2)
Restructuring and other exit costs, net		–		(1.9)		(0.5)		(41.9)
Non-GAAP spend	\$	640.4	\$	598.1	\$	2,471.7	\$	2,253.8

(1) Totals may not sum due to rounding.

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions (1)

	Three Months Ended January 31,		Fiscal Year Ended January 31,	
	2020	2019	2020	2019
GAAP income (loss) from operations	\$ 133.8	\$ 40.3	\$ 343.0	\$ (25.0)
Stock-based compensation expense	105.0	74.0	362.4	249.5
Amortization of developed technology	8.3	4.9	34.5	15.5
Amortization of purchased intangibles	9.7	6.2	38.9	18.0
CEO transition costs	–	–	–	(0.1)
Acquisition related costs	2.1	11.9	23.3	16.2
Restructuring and other exit costs, net	–	1.9	0.5	41.9
Non-GAAP income from operations	\$ 258.9	\$ 139.2	\$ 802.6	\$ 316.0
GAAP interest and other expense, net	\$ (10.5)	\$ (7.3)	\$ (48.2)	\$ (17.7)
(Gain) loss on strategic investments and dispositions, net	–	(3.0)	3.2	(12.5)
Restructuring and other exit costs, net	–	(4.7)	–	(10.2)
Non-GAAP interest and other expense, net	\$ (10.5)	\$ (15.0)	\$ (45.0)	\$ (40.4)
GAAP provision for income taxes	\$ 8.5	\$ 31.7	\$ (80.3)	\$ (38.1)
Release of valuation allowance on deferred tax assets (2)	(40.4)	(16.8)	(40.4)	(16.8)
Discrete GAAP tax items	0.8	(2.3)	2.1	(14.6)
Income tax effect of non-GAAP adjustments	(13.6)	(36.1)	(17.8)	17.2
Non-GAAP provision for income tax	\$ (44.7)	\$ (23.5)	\$ (136.4)	\$ (52.3)

(1) Totals may not sum due to rounding.

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

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions, except per share data (1)

	Three Months Ended January 31,		Fiscal Year Ended January 31,	
	2020	2019	2020	2019
GAAP net income (loss)	\$ 131.8	\$ 64.7	\$ 214.5	\$ (80.8)
Stock-based compensation expense	105.0	74.0	362.4	249.5
Amortization of developed technology	8.3	4.9	34.5	15.5
Amortization of purchased intangibles	9.7	6.2	38.9	18.0
CEO transition costs	–	–	–	(0.1)
Acquisition related costs	2.1	11.9	23.3	16.2
Restructuring and other exit costs, net	–	(2.8)	0.5	31.7
Loss (Gain) on strategic investments and dispositions, net	–	(3.0)	3.2	(12.5)
Discrete GAAP tax items	0.8	(2.3)	2.1	(14.6)
Release of valuation allowance on deferred tax assets (2)	(40.4)	(16.8)	(40.4)	(16.8)
Income tax effect of non-GAAP adjustments	(13.6)	(36.1)	(17.8)	17.2
Non-GAAP net income	\$ 203.7	\$ 100.7	\$ 621.2	\$ 223.3
GAAP diluted net income (loss) per share	\$ 0.59	\$ 0.29	\$ 0.96	\$ (0.37)
Stock-based compensation expense	0.47	0.33	1.63	1.12
Amortization of developed technology	0.04	0.02	0.16	0.08
Amortization of purchased intangibles	0.04	0.03	0.17	0.08
Acquisition related costs	0.01	0.05	0.11	0.07
Restructuring and other exit costs, net	–	(0.01)	–	0.14
Loss (Gain) on strategic investments and dispositions, net	–	(0.01)	0.01	(0.05)
Discrete GAAP tax items	0.01	–	0.01	(0.06)
Release of valuation allowance on deferred tax assets (2)	(0.18)	(0.08)	(0.18)	(0.08)
Income tax effect of non-GAAP adjustments	(0.06)	(0.16)	(0.08)	0.08
Non-GAAP diluted net income per share	\$ 0.92	\$ 0.46	\$ 2.79	\$ 1.01
GAAP diluted shares used in per share calculation	222.5	221.3	222.5	218.9
Shares included in non-GAAP net income per share, but excluded from GAAP net loss per share as they would have been anti-dilutive	–	–	–	3.1
Non-GAAP diluted weighted average shares used in per share calculation	222.5	221.3	222.5	222.0

(1) Totals may not sum due to rounding.

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

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions, except percent data (1)

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
	Unaudited								
GAAP gross margin	87%	88%	89%	89%	90%	89%	90%	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⁾	88%	89%	90%	90%	91%	91%	92%	92%	92%
GAAP operating expenses	\$ 662.6	\$ 548.4	\$ 566.6	\$ 573.9	\$ 620.0	\$ 628.0	\$ 643.5	\$ 652.6	\$ 682.3
Stock-based compensation expense	(57.8)	(50.9)	(52.9)	(59.3)	(68.8)	(70.3)	(83.4)	(89.3)	(99.8)
Amortization of purchased intangibles	(4.9)	(3.8)	(3.8)	(4.2)	(6.2)	(9.8)	(9.7)	(9.7)	(9.7)
CEO transition costs	0.2	–	0.1	–	–	–	–	–	–
Acquisition related costs	–	–	(2.5)	(1.8)	(11.9)	(12.7)	(6.0)	(2.2)	(1.9)
Restructuring and other exit costs, net	(93.9)	(22.5)	(13.8)	(3.7)	(1.9)	(0.2)	(0.2)	(0.1)	–
Non-GAAP operating expenses	\$ 506.2	\$ 471.2	\$ 493.7	\$ 504.9	\$ 531.2	\$ 535.0	\$ 544.2	\$ 551.3	\$ 570.9
GAAP spend	\$ 735.7	\$ 615.2	\$ 636.4	\$ 646.2	\$ 697.0	\$ 710.7	\$ 723.0	\$ 732.1	\$ 765.5
Stock-based compensation expense	(62.1)	(54.4)	(56.9)	(64.2)	(74.0)	(75.2)	(88.2)	(94.0)	(105.0)
Amortization of developed technology	(3.7)	(3.6)	(3.4)	(3.6)	(4.9)	(9.2)	(8.6)	(8.4)	(8.3)
Amortization of purchased intangibles	(4.9)	(3.8)	(3.8)	(4.2)	(6.2)	(9.8)	(9.7)	(9.7)	(9.7)
CEO transition costs	0.2	–	0.1	–	–	–	–	–	–
Acquisition related costs	–	–	(2.5)	(1.8)	(11.9)	(12.7)	(6.0)	(2.5)	(2.1)
Restructuring and other exit costs, net	(93.9)	(22.5)	(13.8)	(3.7)	(1.9)	(0.2)	(0.2)	(0.1)	–
Non-GAAP spend	\$ 571.3	\$ 530.9	\$ 556.1	\$ 568.7	\$ 598.1	\$ 603.6	\$ 610.3	\$ 617.4	\$ 640.4

(1) Totals may not sum due to rounding.

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions, except percent and share data (1)

	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
	(Unaudited)								
GAAP operating margin	(33)%	(10)%	(4)%	2%	5%	3%	9%	13%	15%
Stock-based compensation expense	11%	10%	9%	10%	10%	10%	11%	11%	12%
Amortization of developed technology	1%	1%	1%	1%	1%	1%	1%	1%	1%
Amortization of purchased intangibles	1%	1%	1%	1%	1%	1%	1%	1%	1%
CEO transition costs	–%	–%	–%	–%	–%	–%	–%	–%	–%
Acquisition related costs	–%	–%	–%	–%	2%	2%	1%	–%	–%
Restructuring and other exit costs, net	17%	4%	2%	1%	–%	–%	–%	–%	–%
Non-GAAP operating margin (2)	(3)%	5%	9%	14%	19%	18%	23%	27%	29%
GAAP diluted net loss (income) per share	\$ (0.79)	\$ (0.38)	\$ (0.18)	\$ (0.11)	\$ 0.29	\$ (0.11)	\$ 0.18	\$ 0.30	\$ 0.59
Stock-based compensation expense	0.28	0.25	0.26	0.28	0.33	0.34	0.40	0.42	0.47
Amortization of developed technology	0.02	0.02	0.02	0.02	0.02	0.04	0.04	0.04	0.04
Amortization of purchased intangibles	0.02	0.02	0.01	0.02	0.03	0.04	0.05	0.04	0.04
CEO transition costs	–	–	–	–	–	–	–	–	–
Acquisition related costs	–	–	0.01	0.01	0.05	0.07	0.02	0.02	0.01
Restructuring and other exit costs, net	0.43	0.09	0.06	–	(0.01)	–	–	–	–
Loss (Gain) on strategic investments and dispositions, net	0.03	(0.01)	(0.02)	(0.01)	(0.01)	0.02	(0.01)	–	–
Discrete GAAP tax items	(0.05)	–	(0.04)	(0.02)	–	(0.01)	0.01	–	0.01
Release of valuation allowance on deferred tax assets (2)	–	–	–	–	(0.08)	–	–	–	(0.18)
Income tax effect of non-GAAP adjustments	(0.03)	0.07	0.07	0.10	(0.16)	0.06	(0.04)	(0.04)	(0.06)
Non-GAAP diluted net (loss) income per share	\$ (0.09)	\$ 0.06	\$ 0.19	\$ 0.29	\$ 0.46	\$ 0.45	\$ 0.65	\$ 0.78	\$ 0.92
GAAP diluted shares used in per share calculation	219.1	218.6	219.0	218.9	221.3	219.6	222.4	221.9	222.5
Shares included in non-GAAP net income per share, but excluded from GAAP net loss per share as they would have been anti-dilutive	–	3.0	3.2	2.7	–	2.4	–	–	–
Non-GAAP diluted weighted average shares used in per share calculation	219.1	221.6	222.2	221.6	221.3	222.0	222.4	221.9	222.5

(1) Totals may not sum due to rounding.

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

Appendix – Non-GAAP Reconciliation to GAAP

	Fiscal Year Ended January 31,	
	2019	2020
	(Unaudited)	
GAAP operating margin	(1)%	10%
Stock-based compensation expense	10%	11%
Amortization of developed technologies	1%	1%
Amortization of purchased intangibles	1%	1%
CEO transition costs	–%	–%
Acquisition related costs	1%	1%
Restructuring and other exit costs, net	1%	–%
Non-GAAP operating margin (1)	12%	25%

(1) Totals may not sum due to rounding.

Appendix – Non-GAAP Reconciliation to GAAP

\$ in millions ⁽¹⁾

	Q117	Q217	Q317	Q417	Q118	Q218	Q318	Q418	Q119	Q219	Q319	Q419	Q120	Q220	Q320	Q420
Last Twelve Months:																
Cash Flow from Operating Activities	\$ 491.9	\$ 396.7	\$ 324.0	\$ 169.7	\$ 50.5	\$ (4.0)	\$ (62.8)	\$ 0.9	\$ (61.2)	\$ 54.6	\$ 144.9	\$ 377.1	\$ 615.2	\$ 791.2	\$ 1,028.4	\$ 1,415.1
Less: Capital Expenditures	82.2	85.2	95.7	76.0	62.3	59.8	50.2	50.7	58.8	61.0	60.8	67.0	65.0	59.8	56.8	53.2
Free Cash Flow	\$ 409.7	\$ 311.5	\$ 228.3	\$ 93.7	\$ (11.8)	\$ (63.8)	\$ (113.0)	\$ (49.8)	\$ (120.0)	\$ (6.4)	\$ 84.1	\$ 310.1	\$ 550.2	\$ 731.4	\$ 971.6	\$ 1,361.9

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

Appendix – 1QFY21 Outlook GAAP to Non-GAAP EPS Reconciliation

GAAP EPS	\$0.34 - \$0.40
Stock-based compensation expense	\$0.43
Amortization of acquisition related intangibles	\$0.08
Acquisition related costs	\$0.01
Income tax effect of non-GAAP adjustments	\$(0.06)
Non-GAAP EPS	\$0.80 - \$0.86

Appendix – FY21 Outlook GAAP to Non-GAAP EPS Reconciliation

GAAP EPS	\$2.40 - \$2.63
Stock-based compensation expense	\$1.65
Amortization of acquisition related intangibles	\$0.29
Acquisition related costs	\$0.04
Income tax effect of non-GAAP adjustments	\$(0.17)
Non-GAAP EPS	\$4.21 - \$4.44

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.

Annualized Recurring Revenue (ARR): Represents the annualized value of total monthly recurring revenue for the preceding three months. "Maintenance plan ARR" captures ARR relating to traditional maintenance attached to perpetual licenses. "Subscription plan ARR" captures ARR relating to subscription offerings. Refer to the definition of recurring revenue below for more details on what is included within ARR. 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.

Annualized Revenue Per Subscription (ARPS): Is calculated by dividing our annualized recurring revenue by the total number of subscriptions.

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

Glossary of Terms

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.

Core Business: Represents the combination of maintenance, product subscription, and EBAs.

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

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

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.

Glossary of Terms

Net Revenue Retention Rate (NR3): Measures the year-over-year change in ARR for the population of customers that existed one year ago (“base customers”). Net revenue retention rate is calculated by dividing the current period ARR related to base customers by the total ARR from one year ago related to the same base customers. ARR 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. ARR related to acquired companies is excluded from the calculation for at least one year from integration.

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 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 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: 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.

Glossary of Terms

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.

Total Subscriptions: Consists of subscriptions from our maintenance plans and subscription plan offerings that are active and paid as of the fiscal year end date. For certain cloud service offerings and EBAs, subscriptions represent the monthly average activity reported within the last three months of the fiscal quarter end date. Total subscriptions do not include education offerings, consumer product offerings, select Creative Finishing product offerings, Autodesk Buzzsaw, Autodesk Constructware, and third party products. Subscriptions acquired with the acquisition of a business are captured once the data conforms to our subscription count methodology and when added, may cause variability in comparison of this calculation.

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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