



Important Information About Non-GAAP References

PTC provides supplemental non-GAAP financial measures to its financial results. We use these non-GAAP financial measures, and we believe that they assist our investors, to make period-to-period comparisons of our operating performance because they provide a view of our operating results without items that are not, in our view, indicative of our operating results. These non-GAAP financial measures should not be construed as an alternative to GAAP results as the items excluded from the non-GAAP financial measures often have a material impact on our operating results, certain of those items are recurring, and others often recur. Management uses, and investors should consider, our non-GAAP financial measures only in conjunction with our GAAP results. Non-GAAP operating expense, non-GAAP operating margin, non-GAAP gross profit, non-GAAP gross margin, non-GAAP net income and non-GAAP EPS exclude the effect of the following items: stock-based compensation; amortization of acquired intangible assets; acquisition and transaction-related charges included in general and administrative expenses; restructuring and other charges, net; certain non-operating charges and credits; and income tax adjustments. Additional information about the items we exclude from our non-GAAP financial measures and the reasons we exclude them can be found in "Non-GAAP Financial Measures" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2022.

Free Cash Flow

PTC provides information on free cash flow to enable investors to assess our ability to generate cash without incurring additional external financings and to evaluate our performance against our announced long-term goals and intent to return approximately 50% of our free cash flow to shareholders via stock repurchases. Free cash flow is cash provided by (used in) operations net of capital expenditures. Free cash flow is not a measure of cash available for discretionary expenditures.

Constant Currency (CC)

We present CC information to provide a framework for assessing how our underlying business performed excluding the effects of foreign currency rate fluctuations. To present CC information, FY'23 and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars using the foreign exchange rate as of September 30, 2022, rather than the actual exchange rates in effect during that period. All discussion of FY'23 and comparative prior period ARR results (including FY'22 baseline amounts) are reflected using the foreign exchange rates as of September 30, 2022.

ARR Operating Measure

ARR (Annual Run Rate) represents the annualized value of our portfolio of active subscription software, cloud, SaaS, and support contracts as of the end of the reporting period. We calculate ARR as follows:

- We consider a contract to be active when the product or service contractual term commences (the "start date") until the right to use the product or service ends (the "expiration date"). Even if the contract with the customer is executed before the start date, the contract will not count toward ARR until the customer right to receive the benefit of the products or services has commenced.
- For contracts that include annual values that increase over time as there are additional deliverables in subsequent periods, which we refer to as ramp contracts, we include in ARR only the annualized value of components of the contract that are considered active as of the date of the ARR calculation. We do not include the future committed increases in the contract value as of the date of the ARR calculation.
- As ARR includes only contracts that are active at the end of the reporting period, ARR does not reflect assumptions or estimates regarding future customer renewals or non-renewals.
- Active contracts are annualized by dividing the total active contract value by the contract duration in days (expiration date minus start date), then multiplying that by 365 days (or 366 days for leap years).

We believe ARR is a valuable operating measure to assess the health of a subscription business because it is aligned with the amount that we invoice the customer on an annual basis. We invoice customers annually for the current year of the contract. A customer with a one-year contract will typically be invoiced for the total value of the contract at the beginning of the contractual term, while a customer with a multi-year contract will be invoiced for each annual period at the beginning of each year of the contract.

ARR increases by the annualized value of active contracts that commence in a reporting period and decreases by the annualized value of contracts that expire in the reporting period.

As ARR is not annualized recurring revenue, it is not calculated based on recognized or unearned revenue and is not affected by variability in the timing of revenue under ASC 606, particularly for on-premises license subscriptions where a substantial portion of the total value of the contract is recognized at a point in time upon the later of when the software is made available, or the subscription term commences.

ARR should be viewed independently of recognized and unearned revenue and is not intended to be combined with, or to replace, either of those items. Investors should consider our ARR operating measure only in conjunction with our GAAP financial results.

Forward-Looking Statements

Statements in this document that are not historic facts, including statements about our future financial and growth expectations, guidance, and targets, and potential stock repurchases, are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected. These risks include: the macroeconomic and/or global manufacturing climates may deteriorate due to, among other factors, supply chain disruptions, increasing interest rates and inflation, volatile foreign exchange rates and the relative strength of the U.S. dollar, tightening of credit standards and availability, the effects of the Russia/Ukraine conflict, including the effect on energy supplies to Europe, and growing tensions with China, any of which could cause customers to delay or reduce purchases of new software, reduce the number of subscriptions they carry, or delay payments to us, which would adversely affect ARR and/or our financial results, including cash flow; our businesses, including our ServiceMax and SaaS businesses, may not expand and/or generate the ARR and/or cash flow we expect if customers are slower to adopt those technologies than we expect or if they adopt competing technologies; our strategic initiatives and investments, including our accelerated investments in our transition to SaaS and the acquisition of ServiceMax, may not deliver the results when or as we expect; we may be unable to integrate the ServiceMax technology when or as we expect; we may be unable to generate sufficient operating cash flow to return 50% of free cash flow to shareholders via share repurchases, and other uses of cash or our credit facility limits could preclude such repurchases; and foreign exchange rates may differ materially from those we expect. In addition, our assumptions concerning our future GAAP and non-GAAP effective income tax rates are based on estimates and other factors that could change, including the geographic mix of our revenue, expenses, and profits. Other risks and uncertainties that could cause actual results to differ materially from those projected are detailed from time to time in reports we file with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.



Consolidated Balance Sheets

(in millions)

ASSETS

Current assets:

Cash and cash equivalents	\$ 327	\$ 296	\$ 307	\$ 322	\$ 272	\$ 388	\$ 320	\$ 282
Short term marketable securities	-	-	-	-	-	-	-	-
Accounts receivable, net	541	479	510	473	637	562	643	625
Prepaid expenses and other current assets	205	235	150	153	160	177	203	196

Total current assets

Property and equipment, net

Goodwill

Acquired intangible assets, net

Deferred tax assets

Long term marketable securities

Lease Assets, Net

Other assets

Total assets

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:

Accounts payable, accrued expenses and other current liabilities	\$ 146	\$ 166	\$ 126	\$ 141	\$ 157	\$ 165	\$ 176	\$ 167
Accrued compensation and benefits	118	120	99	110	104	96	110	151
Deferred acquisition payments	-	-	-	-	-	-	620	620
Accrued income taxes	5	3	15	16	5	2	13	19
Current portion of long term debt	-	-	-	-	-	-	-	-
Deferred revenue	482	465	517	481	504	500	649	631
Short-term lease obligations	28	27	25	22	22	23	25	23

Total current liabilities

Long term debt, net of current portion

Deferred tax liabilities

Deferred revenue

Long-term lease obligations

Other liabilities

Total liabilities

Shareholders' equity:

Common stock	1	1	1	1	1	1	1	1
Additional paid-in capital	1,719	1,590	1,638	1,669	1,721	1,702	1,750	1,767
Accumulated earnings (deficit)	415	461	550	621	728	803	866	928
Accumulated other comprehensive income (loss)	(96)	(98)	(105)	(134)	(153)	(105)	(98)	(98)

Total shareholders' equity

Total liabilities and shareholders' equity

	FY'21	FY'22				FY'23		
	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun
ASSETS								
Current assets:								
Cash and cash equivalents	\$ 327	\$ 296	\$ 307	\$ 322	\$ 272	\$ 388	\$ 320	\$ 282
Short term marketable securities	-	-	-	-	-	-	-	-
Accounts receivable, net	541	479	510	473	637	562	643	625
Prepaid expenses and other current assets	205	235	150	153	160	177	203	196
Total current assets	1,073	1,009	967	948	1,069	1,127	1,166	1,103
Property and equipment, net	100	97	93	91	98	95	92	89
Goodwill	2,192	2,190	2,186	2,383	2,354	2,389	3,369	3,377
Acquired intangible assets, net	379	364	355	399	383	374	979	959
Deferred tax assets	298	292	299	283	256	267	151	146
Long term marketable securities	-	-	-	-	-	-	-	-
Lease Assets, Net	152	150	150	143	138	149	150	145
Other assets	313	318	328	359	390	396	391	388
Total assets	\$ 4,508	\$ 4,421	\$ 4,379	\$ 4,606	\$ 4,687	\$ 4,796	\$ 6,300	\$ 6,208
LIABILITIES AND SHAREHOLDERS' EQUITY								
Current liabilities:								
Accounts payable, accrued expenses and other current liabilities	\$ 146	\$ 166	\$ 126	\$ 141	\$ 157	\$ 165	\$ 176	\$ 167
Accrued compensation and benefits	118	120	99	110	104	96	110	151
Deferred acquisition payments	-	-	-	-	-	-	620	620
Accrued income taxes	5	3	15	16	5	2	13	19
Current portion of long term debt	-	-	-	-	-	-	-	-
Deferred revenue	482	465	517	481	504	500	649	631
Short-term lease obligations	28	27	25	22	22	23	25	23
Total current liabilities	779	780	782	770	792	787	1,593	1,612
Long term debt, net of current portion	1,439	1,440	1,266	1,425	1,351	1,351	1,918	1,738
Deferred tax liabilities	4	4	4	24	28	31	38	35
Deferred revenue	16	16	18	14	17	16	22	19
Long-term lease obligations	181	179	179	173	168	177	177	172
Other liabilities	50	47	46	42	36	33	33	33
Total liabilities	2,469	2,467	2,295	2,448	2,391	2,395	3,781	3,609
Shareholders' equity:								
Common stock	1	1	1	1	1	1	1	1
Additional paid-in capital	1,719	1,590	1,638	1,669	1,721	1,702	1,750	1,767
Accumulated earnings (deficit)	415	461	550	621	728	803	866	928
Accumulated other comprehensive income (loss)	(96)	(98)	(105)	(134)	(153)	(105)	(98)	(98)
Total shareholders' equity	2,038	1,954	2,084	2,157	2,296	2,401	2,519	2,599
Total liabilities and shareholders' equity	\$ 4,508	\$ 4,421	\$ 4,379	\$ 4,606	\$ 4,687	\$ 4,796	\$ 6,300	\$ 6,208



Consolidated Statements of Operations - GAAP

(in millions, except per share amounts)

Revenue:											
Recurring revenue	\$ 1,017	\$ 1,282	\$ 1,616	\$ 405	\$ 453	\$ 415	\$ 463	\$ 1,736	417	\$ 492	\$ 498
Perpetual license	71	33	33	8	10	8	8	34	13	9	8
Professional services	168	144	158	44	43	39	37	163	36	41	36
Total revenue	1,256	1,458	1,807	458	505	462	508	1,933	466	542	542
Cost of revenue	325	334	371	95	93	102	96	386	96	114	116
Gross profit	930	1,124	1,436	363	412	360	412	1,547	370	429	426
Operating expenses:											
Sales and marketing	417	435	518	125	116	124	119	485	118	129	145
Research and development	247	257	300	81	82	88	88	339	88	100	104
General and administrative	128	160	206	52	47	55	51	205	51	66	57
Amortization of acquired intangible assets	24	29	29	8	8	9	9	35	8	11	11
Restructuring and other charges (credits)	51	33	2	34	(2)	4	(1)	36	(0)	0	(0)
Total operating expenses	867	913	1,055	300	253	281	266	1,100	265	306	317
Operating income (loss)	63	211	381	62	159	80	146	447	105	123	110
Interest and other income (expense), net	(43)	(76)	11	(7)	(56)	21	(9)	(50)	(18)	(41)	(33)
Income (loss) before income taxes	20	135	392	55	104	101	137	397	86	81	77
Provision (benefit) for income taxes	48	4	(85)	9	14	30	31	84	11	18	15
Net income (loss)	\$ (27)	\$ 131	\$ 477	\$ 46	\$ 90	\$ 70	\$ 107	\$ 313	\$ 75	\$ 64	\$ 61
Basic net income (loss) per share	\$ (0.23)	\$ 1.13	\$ 4.08	\$ 0.39	\$ 0.77	\$ 0.60	\$ 0.91	\$ 2.67	\$ 0.64	\$ 0.54	\$ 0.52
Diluted net income (loss) per share	\$ (0.23)	\$ 1.12	\$ 4.03	\$ 0.39	\$ 0.76	\$ 0.60	\$ 0.90	\$ 2.65	\$ 0.63	\$ 0.53	\$ 0.51
Weighted average shares outstanding -- Basic	118	116	117	117	117	117	117	117	118	118	118
Weighted average shares outstanding -- Diluted	118	116	118	119	118	118	119	118	119	119	119
Gross margin	74.1%	77.1%	79.5%	79.2%	81.5%	77.9%	81.2%	80.0%	79.4%	79.1%	78.6%
Operating margin	5.0%	14.5%	21.1%	13.6%	31.5%	17.3%	28.7%	23.1%	22.5%	22.6%	20.3%
S&M % of total revenue	33.2%	29.9%	28.7%	27.4%	23.0%	26.9%	23.4%	25.1%	25.4%	23.8%	26.8%
R&D % of total revenue	19.7%	17.6%	16.6%	17.6%	16.2%	19.1%	17.4%	17.5%	18.9%	18.5%	19.1%
G&A % of total revenue	10.2%	11.0%	11.4%	11.3%	9.4%	11.8%	10.0%	10.6%	10.9%	12.2%	10.5%
Tax rate	235.3%	3.0%	-21.7%	16.8%	13.4%	30.1%	22.2%	21.2%	13.2%	21.7%	19.8%



**Consolidated Statements of Operations -
Reconciliation between GAAP and Non-GAAP**
(in millions, except per share amounts and %)

	FY19	FY20	FY21	FY22					FY23		
	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun	30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun
GAAP revenue	\$ 1,256	\$ 1,458	\$ 1,807	\$ 458	\$ 505	\$ 462	\$ 508	\$ 1,933	\$ 466	\$ 542	\$ 542
Fair value adjustment of acquired deferred subscription revenue	0	-	-	-	-	-	-	-	-	-	-
Fair value adjustment of acquired deferred services revenue	1	-	-	-	-	-	-	-	-	-	-
Non-GAAP revenue	\$ 1,256	\$ 1,458	\$ 1,807	\$ 458	\$ 505	\$ 462	\$ 508	\$ 1,933	\$ 466	\$ 542	\$ 542
GAAP cost of revenue	\$ 325	\$ 334	\$ 371	\$ 95	\$ 93	\$ 102	\$ 96	\$ 386	\$ 96	\$ 114	\$ 116
License and subscription stock-based compensation expense	(1)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Support stock-based compensation expense	(5)	(7)	(10)	(3)	(2)	(3)	(3)	(11)	(3)	(3)	(3)
Professional services stock-based compensation expense	(6)	(7)	(9)	(2)	(2)	(6)	(1)	(11)	(1)	(3)	(2)
Fair value adjustment to deferred services cost	0	-	-	-	-	-	-	-	-	-	-
Software amortization of acquired intangible assets	(27)	(27)	(30)	(6)	(6)	(7)	(7)	(26)	(6)	(10)	(10)
Non-GAAP cost of revenue	\$ 286	\$ 293	\$ 322	\$ 83	\$ 83	\$ 87	\$ 85	\$ 338	\$ 86	\$ 98	\$ 100
GAAP gross profit	\$ 930	\$ 1,124	\$ 1,436	\$ 363	\$ 412	\$ 360	\$ 412	\$ 1,547	\$ 370	\$ 429	\$ 426
Fair value adjustment of acquired deferred revenue	1	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	12	14	19	6	4	8	4	23	4	6	6
Fair value adjustment to deferred services cost	(0)	-	-	-	-	-	-	-	-	-	-
Amortization of acquired intangible assets	27	27	30	6	6	7	7	26	6	10	10
Non-GAAP gross profit	\$ 970	\$ 1,168	\$ 1,485	\$ 375	\$ 422	\$ 376	\$ 423	\$ 1,596	\$ 380	\$ 444	\$ 442
GAAP gross margin	74.1%	77.1%	79.5%	79.2%	81.5%	77.9%	81.2%	80.0%	79.4%	79.1%	78.6%
Fair value adjustment of acquired deferred revenue	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stock-based compensation expense	1.0%	1.0%	1.1%	1.3%	0.8%	1.8%	0.8%	1.2%	0.9%	1.1%	1.1%
Fair value adjustment to deferred services cost	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortization of acquired intangible assets	2.2%	1.9%	1.6%	1.4%	1.2%	1.4%	1.3%	1.3%	1.3%	1.8%	1.8%
Non-GAAP gross margin	77.2%	79.9%	82.2%	81.9%	83.5%	81.2%	83.3%	82.5%	81.6%	81.9%	81.5%
GAAP sales and marketing expense	\$ 417	\$ 435	\$ 518	\$ 125	\$ 116	\$ 124	\$ 119	\$ 485	\$ 118	\$ 129	\$ 145
Stock-based compensation expense	(32)	(37)	(54)	(13)	(11)	(14)	(11)	(49)	(12)	(13)	(15)
Non-GAAP sales and marketing expense	\$ 385	\$ 398	\$ 464	\$ 112	\$ 105	\$ 110	\$ 108	\$ 436	\$ 106	\$ 116	\$ 131
GAAP research and development expense	\$ 247	\$ 257	\$ 300	\$ 81	\$ 82	\$ 88	\$ 88	\$ 339	\$ 88	\$ 100	\$ 104
Stock-based compensation expense	(22)	(27)	(34)	(10)	(10)	(11)	(11)	(42)	(11)	(16)	(15)
Non-GAAP research and development expense	\$ 225	\$ 230	\$ 266	\$ 70	\$ 72	\$ 77	\$ 77	\$ 297	\$ 77	\$ 85	\$ 89
GAAP general and administrative expense	\$ 128	\$ 160	\$ 206	\$ 52	\$ 47	\$ 55	\$ 51	\$ 205	\$ 51	\$ 66	\$ 57
Stock-based compensation expense	(20)	(37)	(70)	(17)	(17)	(16)	(15)	(61)	(14)	(18)	(19)
Acquisition and transaction-related charges	(3)	(9)	(15)	(1)	(4)	(6)	(2)	(9)	(6)	(12)	(11)
Non-GAAP general and administrative expense	\$ 104	\$ 114	\$ 121	\$ 34	\$ 31	\$ 32	\$ 34	\$ 131	\$ 31	\$ 36	\$ 38
GAAP operating income (loss)	\$ 63	\$ 211	\$ 381	\$ 62	\$ 159	\$ 80	\$ 146	\$ 447	\$ 105	\$ 123	\$ 110
Fair value adjustment of acquired deferred revenue	1	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	86	115	177	46	38	49	42	175	42	52	54
Fair value adjustment to deferred services cost	(0)	-	-	-	-	-	-	-	-	-	-
Acquisition and transaction-related charges	3	9	15	1	4	6	2	13	6	12	1
Restructuring and other charges (credits)	51	33	2	34	(2)	4	36	36	14	20	(0)
Amortization of acquired intangible assets	51	56	59	15	14	16	16	61	14	20	21
Non-GAAP operating income (loss)	\$ 255	\$ 423	\$ 634	\$ 158	\$ 214	\$ 156	\$ 204	\$ 732	\$ 166	\$ 207	\$ 185
GAAP operating margin	5.0%	14.5%	21.1%	13.6%	31.5%	17.3%	28.7%	23.1%	22.5%	22.6%	20.3%
Fair value adjustment of acquired deferred revenue	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Stock-based compensation expense	6.9%	7.9%	9.8%	10.0%	7.5%	10.7%	8.2%	9.0%	8.9%	9.6%	9.9%
Fair value adjustment to deferred services cost	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Acquisition and transaction-related charges	0.2%	0.0%	0.8%	0.2%	0.8%	1.4%	0.4%	0.7%	1.2%	2.2%	0.1%
Restructuring and other charges (credits)	4.1%	2.2%	0.1%	7.4%	-0.3%	1.0%	-0.1%	1.9%	-0.1%	0.0%	0.0%
Amortization of acquired intangible assets	4.1%	3.8%	3.3%	3.3%	2.8%	3.4%	3.1%	3.1%	3.0%	3.8%	3.8%
Non-GAAP operating margin	20.3%	29.0%	35.1%	34.5%	42.3%	33.7%	40.3%	37.9%	35.6%	38.2%	34.1%
GAAP net income (loss)	\$ (27)	\$ 131	\$ 477	\$ 46	\$ 90	\$ 70	\$ 107	\$ 313	\$ 75	\$ 64	\$ 61
Fair value adjustment of acquired deferred revenue	86	115	177	46	38	49	42	175	42	52	54
Stock-based compensation expense	(0)	-	-	-	-	-	-	-	-	-	-
Fair value adjustment to deferred services cost	3	9	15	1	4	6	2	13	6	12	1
Acquisition and transaction-related charges	51	33	2	34	(2)	4	(1)	36	(0)	0	(0)
Restructuring and other charges (credits)	51	56	59	15	14	16	16	61	14	20	21
Amortization of acquired intangible assets	-	18	(69)	(10)	45	(33)	(3)	(1)	1	5	-
Non-operating one-time gain/loss	-	30	(63)	(192)	(25)	1	(11)	(55)	(19)	(15)	(19)
Income tax adjustments	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP net income (loss)	\$ 195	\$ 298	\$ 470	\$ 113	\$ 163	\$ 114	\$ 150	\$ 541	\$ 118	\$ 138	\$ 118
GAAP basic net income (loss) per share	\$ (0.23)	\$ 1.13	\$ 4.08	\$ 0.39	\$ 0.77	\$ 0.60	\$ 0.90	\$ 2.67	\$ 0.64	\$ 0.54	\$ 0.52
Fair value adjustment of acquired deferred revenue	0.01	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	0.73	1.00	1.52	0.39	0.32	0.42	0.35	1.49	0.35	0.44	0.46
Fair value adjustment to deferred services cost	(0.00)	-	-	-	-	-	-	-	-	-	-
Acquisition and transaction-related charges	0.03	0.07	0.13	0.01	0.03	0.05	0.02	0.11	0.05	0.10	0.01
Restructuring and other charges (credits)	0.43	0.28	0.02	0.29	(0.01)	0.04	(0.01)	0.31	(0.00)	0.00	(0.00)
Amortization of acquired intangible assets	0.43	0.48	0.51	0.13	0.12	0.13	0.13	0.52	0.12	0.17	0.17
Non-operating one-time gain/loss	-	0.16	(0.59)	(0.08)	0.38	(0.03)	(0.03)	0.00	0.00	0.04	0.04
Income tax adjustments	0.25	(0.55)	(1.64)	(0.18)	(0.22)	0.01	(0.10)	(0.47)	(0.16)	(0.13)	(0.16)
Non-GAAP basic net income (loss) per share	\$ 1.65	\$ 2.58	\$ 4.02	\$ 0.96	\$ 1.40	\$ 0.88	\$ 1.27	\$ 4.62	\$ 1.00	\$ 1.17	\$ 0.99
GAAP diluted net income (loss) per share	\$ (0.23)	\$ 1.12	\$ 4.03	\$ 0.39	\$ 0.76	\$ 0.60	\$ 0.90	\$ 2.65	\$ 0.63	\$ 0.53	\$ 0.51
Fair value adjustment of acquired deferred revenue	0.01	-	-	-	-	-	-	-	-	-	-
Stock-based compensation expense	0.73	0.99	1.50	0.39	0.32	0.42	0.35	1.48	0.35	0.44	0.45
Fair value adjustment to deferred services cost	(0.00)	-	-	-	-	-	-	-	-	-	-
Acquisition and transaction-related charges	0.03	0.07	0.13	0.01	0.03	0.05	0.02	0.11	0.05	0.10	0.01
Restructuring and other charges (credits)	0.43	0.28	0.02	0.29	(0.01)	0.04	(0.01)	0.31	(0.00)	0.00	(0.00)
Amortization of acquired intangible assets	0.43	0.48	0.50	0.13	0.12	0.13	0.13	0.51	0.12	0.17	0.17
Non-operating one-time gain/loss	-	0.16	(0.58)	(0.08)	0.38	(0.03)	(0.03)	0.00	0.00	0.04	0.04
Income tax adjustments	0.25	(0.54)	(1.62)	(0.18)	(0.22)	0.01	(0.10)	(0.47)	(0.16)	(0.13)	(0.16)
Non-GAAP diluted net income (loss) per share	\$ 1.64	\$ 2.57	\$ 3.97	\$ 0.95	\$ 1.39	\$ 0.97	\$ 1.27	\$ 4.58	\$ 0.99	\$ 1.16	\$ 0.99



Consolidated Statements of Cash Flows

(in millions)

Cash flows from operating activities:

	FY'16	FY'17	FY'18	FY'19	FY'21
	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep
Net income (loss)	\$ (54)	\$ 6	\$ 52	\$ (27)	\$ 477
Stock-based compensation	66	77	83	86	177
Depreciation and amortization	87	87	87	78	85
Amortization of lease right-of-use assets	-	-	-	-	37
Loss (Gain) on investment	-	-	-	-	(69)
Gain on divestiture of business	-	-	-	-	-
Accounts receivable	53	13	20	29	(119)
Accounts payable and accruals	47	(15)	(2)	4	42
Deferred revenue	16	6	56	46	59
Income taxes	(37)	(29)	(46)	2	(144)
Other	7	(10)	(3)	67	(176)
Net cash provided by (used in) operating activities	\$ 183	\$ 135	\$ 248	\$ 285	\$ 369

Cash flows from investing activities:

	FY'16	FY'17	FY'18	FY'19	FY'21
	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep
Capital expenditures	\$ (26)	\$ (25)	\$ (36)	\$ (64)	\$ (25)
Cost of acquisitions, net	(166)	(5)	(3)	(87)	(718)
(Purchase of)/Proceeds from investments	(1)	15	(1)	(8)	(4)
(Purchase of)/Proceeds from marketable securities	(45)	(1)	(6)	(1)	58
Divestiture of business, net	-	-	-	-	-
Other investing activities	-	-	(3)	10	0
Net cash used in investing activities	\$ (237)	\$ (16)	\$ (49)	\$ (150)	\$ (688)

Cash flows from financing activities:

	FY'16	FY'17	FY'18	FY'19	FY'21
	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep
Proceeds (payments) on debt, net	\$ 90	\$ (40)	\$ (70)	\$ 25	\$ 432
Proceeds from issuance of common stock	0	11	1,016	13	22
Payments of withholding taxes in connection with vesting stock-based awards	(21)	(27)	(45)	(44)	(53)
Repurchases of common stock	-	(51)	(1,100)	(115)	(30)
Contingent consideration	(11)	(11)	(8)	(2)	-
Credit facility origination costs	-	-	-	-	-
Other financing activities	(7)	(0)	(3)	-	(0)
Net cash provided by (used in) financing activities	\$ 52	\$ (118)	\$ (211)	\$ (123)	\$ 370

Effect of exchange rate change on cash

Net increase (decrease) in cash, cash equivalents, and restricted cash

Cash, cash equivalents, and restricted cash at beginning of period

Cash, cash equivalents, and restricted cash at end of period

Free cash flow⁽¹⁾

Net cash provided by (used in) operating activities

Capital expenditures

Free cash flow⁽¹⁾

Repurchases of common stock

Free cash flow return %⁽¹⁾

FY'16	FY'17	FY'18	FY'19	FY'21	FY'22				FY'23				
Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar		30-Jun	30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun
\$ (54)	\$ 6	\$ 52	\$ (27)	\$ 477	\$ 46	\$ 90	\$ 70	\$ 107	\$ 313	\$ 75	\$ 64	\$ 61	
66	77	83	86	177	46	38	49	42	175	42	52	54	
87	87	87	78	85	22	21	22	22	88	21	28	28	
-	-	-	-	37	9	9	9	8	34	8	9	8	
-	-	-	-	(69)	(10)	45	(3)	-	32	-	-	-	
-	-	-	-	-	-	-	(30)	-	(30)	-	-	-	
53	13	20	29	(119)	57	(45)	13	(190)	(165)	106	(19)	13	
47	(15)	(2)	4	42	16	(56)	23	17	0	(10)	2	19	
16	6	56	46	59	(14)	61	(29)	40	58	(20)	56	(17)	
(37)	(29)	(46)	2	(144)	(8)	2	12	22	28	(17)	5	2	
7	(10)	(3)	67	(176)	(27)	(22)	(20)	(28)	(97)	(24)	15	1	
\$ 183	\$ 135	\$ 248	\$ 285	\$ 369	\$ 138	142	\$ 117	\$ 38	\$ 435	\$ 181	\$ 211	\$ 169	
\$ (26)	\$ (25)	\$ (36)	\$ (64)	\$ (25)	\$ (3)	\$ (2)	\$ (4)	\$ (10)	\$ (19)	\$ (9)	\$ (4)	\$ (5)	
(166)	(5)	(3)	(87)	(718)	-	-	(275)	(8)	(283)	-	(828)	-	
(1)	15	(1)	(8)	(4)	-	43	4	-	47	-	(6)	0	
(45)	(1)	(6)	(1)	58	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	33	-	33	(0)	-	-	
-	-	(3)	10	0	6	1	6	9	22	(11)	(2)	(2)	
\$ (237)	\$ (16)	\$ (49)	\$ (150)	\$ (688)	\$ 3	\$ 41	\$ (237)	\$ (8)	\$ (201)	\$ (20)	\$ (840)	\$ (6)	
\$ 90	\$ (40)	\$ (70)	\$ 25	\$ 432	\$ -	\$ (175)	\$ 159	\$ (75)	\$ (91)	\$ -	\$ 566	\$ (180)	
0	11	1,016	13	22	-	11	-	10	21	-	11	-	
(21)	(27)	(45)	(44)	(53)	(49)	(1)	(12)	(6)	(69)	(52)	(4)	(19)	
-	(51)	(1,100)	(115)	(30)	(120)	(5)	-	-	(125)	-	-	-	
(11)	(11)	(8)	(2)	-	-	-	-	-	-	-	-	-	
(7)	(0)	(3)	-	(0)	(0)	-	-	(0)	(0)	(1)	(12)	-	
\$ 52	\$ (118)	\$ (211)	\$ (123)	\$ 370	\$ (169)	\$ (171)	\$ 147	\$ (71)	\$ (264)	\$ (54)	\$ 561	\$ (199)	
\$ 7	\$ 1	\$ (8)	\$ (3)	\$ (0)	\$ (2)	\$ (2)	\$ (11)	\$ (10)	\$ (24)	\$ 9	\$ 1	\$ (2)	
5	2	(20)	10	51	(30)	11	16	(50)	(54)	115	(67)	(39)	
273	279	281	261	276	327	297	307	323	327	273	388	321	
\$ 278	\$ 281	\$ 261	\$ 271	\$ 327	\$ 297	\$ 307	\$ 323	\$ 273	\$ 273	\$ 388	\$ 321	\$ 282	
\$ 183	\$ 135	\$ 248	\$ 285	\$ 369	\$ 138	\$ 142	\$ 117	\$ 38	\$ 435	\$ 181	\$ 211	\$ 169	
(26)	(25)	(36)	(64)	(25)	(3)	(2)	(4)	(10)	(19)	(9)	(4)	(5)	
\$ 157	\$ 110	\$ 212	\$ 221	\$ 344	\$ 134	\$ 140	\$ 112	\$ 29	\$ 416	\$ 172	\$ 207	\$ 164	
-	(51)	(1,100)	(115)	(30)	(120)	(5)	-	-	(125)	-	-	-	
	46%	520%	52%	9%					(30%)				



in Constant Currency at FY23 Plan Rate

(in millions)

ARR by Product Group:

CAD 548
PLM 602
Ending ARR \$ 1,043

% of total:

CAD 47%
PLM 53%
Ending ARR 100%

Change year over year:

CAD 9%
PLM 15%
Ending ARR 12%

ARR by New Product Group (as Reported)

(in millions)

ARR by Product Group:

CAD 534
PLM 578
Ending ARR \$ 1,111

% of total:

CAD 48%
PLM 52%
Ending ARR 100%

Change year over year:

CAD 7%
PLM 13%
Ending ARR 10%

FY'19	FY'20	FY'21	FY'22					FY'23		
Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 495	\$ 554	\$ 615	\$ 632	\$ 648	\$ 665	\$ 685	\$ 685	\$ 696	\$ 714	\$ 735
548	602	738	757	792	831	887	887	907	1,100	1,133
\$ 1,043	\$ 1,156	\$ 1,353	\$ 1,389	\$ 1,440	\$ 1,496	\$ 1,572	\$ 1,572	\$ 1,603	\$ 1,814	\$ 1,868
47%	48%	45%	45%	45%	44%	44%	44%	43%	39%	39%
53%	52%	55%	55%	55%	56%	56%	56%	57%	61%	61%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9%	12%	11%	10%	11%	12%	11%	11%	10%	10%	11%
15%	10%	23%	22%	15%	19%	20%	20%	20%	39%	36%
12%	11%	17%	16%	13%	16%	16%	16%	15%	26%	25%

Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 534	\$ 614	\$ 678	\$ 690	\$ 698	\$ 691	\$ 685	\$ 685	\$ 727	\$ 748	\$ 764
578	649	790	806	834	854	887	887	936	1,134	1,165
\$ 1,111	\$ 1,264	\$ 1,468	\$ 1,496	\$ 1,532	\$ 1,544	\$ 1,572	\$ 1,572	\$ 1,663	\$ 1,882	\$ 1,929
48%	49%	46%	46%	46%	45%	44%	44%	44%	40%	40%
52%	51%	54%	54%	54%	55%	56%	56%	56%	60%	60%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
7%	15%	10%	6%	8%	4%	1%	1%	5%	7%	11%
13%	12%	22%	18%	12%	13%	12%	12%	16%	36%	36%
10%	14%	16%	12%	11%	9%	7%	7%	11%	23%	25%



ARR by Region

(in millions)

ARR by region:

Americas
Europe
APAC
Ending ARR

% of total:

Americas
Europe
APAC
Ending ARR

Change year over year:

Americas
Europe
APAC
Ending ARR

Change year over year in constant currency:

Americas
Europe
APAC
Ending ARR

FY'19	FY'20	FY'21	FY'22				FY'23			
Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar 30-Jun		30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar 30-Jun	
\$ 509	\$ 566	\$ 677	\$ 695	\$ 723	\$ 745	\$ 794	\$ 794	\$ 808	\$ 929	\$ 958
413	476	535	541	550	545	534	534	590	667	692
190	221	257	260	260	255	244	244	264	286	279
\$ 1,111	\$ 1,264	\$ 1,468	\$ 1,496	\$ 1,532	\$ 1,544	\$ 1,572	\$ 1,572	\$ 1,663	\$ 1,882	\$ 1,929
46%	45%	46%	46%	47%	48%	51%	51%	49%	49%	50%
37%	38%	36%	36%	36%	35%	34%	34%	36%	35%	36%
17%	18%	17%	17%	17%	17%	16%	16%	16%	15%	14%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
10%	11%	20%	19%	12%	14%	17%	17%	16%	29%	29%
7%	15%	12%	6%	9%	5%	(0%)	(0%)	9%	21%	27%
17%	17%	16%	8%	9%	4%	(5%)	(5%)	2%	10%	10%
10%	14%	16%	12%	11%	9%	7%	7%	11%	23%	25%
10%	12%	19%	19%	12%	14%	17%	17%	16%	29%	29%
13%	8%	13%	13%	15%	17%	16%	16%	15%	25%	24%
16%	14%	18%	14%	14%	16%	13%	13%	12%	19%	16%
12%	11%	17%	16%	13%	16%	16%	16%	15%	26%	25%



ARR by Distribution Type

(in millions)

ARR by distribution type

Direct

Channel

Ending ARR

% of total

Direct

Channel

Ending ARR

Change year over year:

Direct

Channel

Ending ARR

Change year over year in constant currency:

Direct

Channel

Ending ARR

FY'19	FY'21	FY'22				FY'23			
Yr Ended 30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended		30-Sep	Yr Ended 30-Sep	31-Dec	Qtr Ended 31-Mar	30-Jun
\$ 787	\$ 1,033	\$ 1,055	\$ 1,087	\$ 1,104	\$ 1,136	\$ 1,136	\$ 1,194	\$ 1,394	\$ 1,433
324	436	442	445	440	436	436	468	488	496
\$ 1,111	\$ 1,468	\$ 1,496	\$ 1,532	\$ 1,544	\$ 1,572	\$ 1,572	\$ 1,663	\$ 1,882	\$ 1,929
71%	70%	70%	71%	71%	72%	72%	72%	74%	74%
29%	30%	30%	29%	29%	28%	28%	28%	26%	26%
100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
9%	19%	15%	12%	11%	10%	10%	13%	28%	30%
13%	9%	5%	7%	4%	0%	0%	6%	10%	12%
10%	16%	12%	11%	9%	7%	7%	11%	23%	25%
11%	20%	18%	14%	17%	18%	18%	17%	31%	30%
16%	10%	10%	11%	13%	13%	13%	12%	14%	12%
12%	17%	16%	13%	16%	16%	16%	15%	26%	25%

**Software Revenue by Product Group**

(In millions)

Software Revenue by Product Group:

CAD \$ 533
PLM 555
Total Software Revenue \$ 1,088

% of total:

CAD 49%
PLM 51%
Total Software Revenue 100%

Change year over year:

CAD 21%
PLM 21%
Total Software Revenue 21%

Change year over year in constant currency:

CAD 21%
PLM 21%
Total Software Revenue 21%

FY'19	FY'20	FY'21	FY'22				FY'23			
Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 533	\$ 643	\$ 786	\$ 186	\$ 213	\$ 190	\$ 200	\$ 790	\$ 185	\$ 196	\$ 192
PLM 555	671	853	227	249	233	271	981	245	305	314
Total Software Revenue \$ 1,088	\$ 1,315	\$ 1,649	\$ 414	\$ 462	\$ 423	\$ 471	\$ 1,770	\$ 430	\$ 501	\$ 507
% of total:										
CAD 49%	49%	48%	45%	46%	45%	42%	45%	43%	39%	38%
PLM 51%	51%	52%	55%	54%	55%	58%	55%	57%	61%	62%
Total Software Revenue 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Change year over year:										
CAD 21%	21%	22%	-8%	8%	3%	-1%	0%	-1%	-8%	1%
PLM 21%	21%	29%	19%	11%	11%	14%	14%	8%	22%	35%
Total Software Revenue 21%	21%	25%	5%	10%	7%	7%	7%	4%	8%	20%
Change year over year in constant currency:										
CAD 21%	21%	18%	-7%	11%	9%	8%	5%	7%	-3%	4%
PLM 21%	21%	25%	20%	15%	15%	22%	18%	15%	28%	38%
Total Software Revenue 21%	21%	22%	6%	13%	12%	16%	12%	11%	14%	23%

Total Revenue by Product Group

(In millions)

Total Revenue by Product Group:

CAD \$ 543
PLM 713
Total Revenue \$ 1,256

% of total:

CAD 43%
PLM 57%
Total Revenue 100%

Change year over year:

CAD 20%
PLM 13%
Total Revenue 16%

Change year over year in constant currency:

CAD 21%
PLM 14%
Total Revenue 17%

Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 543	\$ 651	\$ 795	\$ 188	\$ 214	\$ 192	\$ 202	\$ 796	\$ 187	\$ 198	\$ 193
PLM 713	807	1,012	269	291	271	308	1,137	279	344	349
Total Revenue \$ 1,256	\$ 1,458	\$ 1,807	\$ 458	\$ 505	\$ 462	\$ 508	\$ 1,933	\$ 466	\$ 542	\$ 542
% of total:										
CAD 43%	45%	44%	41%	42%	41%	40%	41%	40%	36%	36%
PLM 57%	55%	56%	59%	58%	59%	60%	59%	60%	64%	64%
Total Revenue 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Change year over year:										
CAD 20%	20%	22%	-8%	7%	3%	-1%	0%	-1%	-8%	1%
PLM 13%	13%	25%	20%	11%	9%	10%	12%	4%	18%	29%
Total Revenue 16%	16%	24%	7%	9%	6%	6%	7%	2%	7%	17%
Change year over year in constant currency:										
CAD 21%	21%	18%	-8%	11%	9%	8%	5%	8%	-3%	4%
PLM 14%	14%	22%	22%	15%	13%	19%	17%	10%	24%	32%
Total Revenue 17%	17%	20%	8%	13%	11%	14%	12%	9%	13%	21%

(1) The table includes revenue breakouts for both Software Revenue by Product Group and Total Revenue by Product Group, which includes Professional Services Revenue.

Software Revenue by Region

(In millions)

Software Revenue by Region:

Americas \$ 484
Europe 380
APAC 224
Total Software Revenue \$ 1,088

% of total:

Americas 44%
Europe 35%
APAC 21%
Total Software Revenue 100%

Change year over year:

Americas 22%
Europe 27%
APAC 7%
Total Software Revenue 21%

Change year over year in constant currency:

Americas 23%
Europe 28%
APAC 5%
Total Software Revenue 21%

Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 484	\$ 593	\$ 711	\$ 197	\$ 187	\$ 179	\$ 273	\$ 836	\$ 215	\$ 240	\$ 264
Americas 380	482	646	141	202	157	\$ 134	\$ 633	149	191	159
APAC 224	239	293	76	74	88	\$ 64	\$ 301	66	70	84
Total Software Revenue \$ 1,088	\$ 1,315	\$ 1,649	\$ 414	\$ 462	\$ 423	\$ 471	\$ 1,770	\$ 430	\$ 501	\$ 507
% of total:										
Americas 44%	45%	43%	48%	40%	42%	58%	47%	50%	48%	52%
Europe 35%	37%	39%	34%	44%	37%	28%	36%	35%	38%	31%
APAC 21%	18%	18%	18%	16%	21%	14%	17%	15%	14%	17%
Total Software Revenue 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Change year over year:										
Americas 22%	22%	20%	3%	13%	8%	45%	18%	9%	28%	47%
Europe 27%	27%	34%	-3%	10%	12%	-25%	-2%	6%	-5%	1%
APAC 7%	7%	22%	32%	1%	-2%	-12%	3%	-13%	-5%	-4%
Total Software Revenue 21%	21%	25%	5%	10%	7%	7%	7%	4%	8%	20%
Change year over year in constant currency:										
Americas 23%	23%	20%	3%	12%	8%	44%	18%	9%	28%	48%
Europe 28%	28%	25%	-1%	18%	22%	-14%	6%	20%	1%	3%
APAC 5%	5%	20%	35%	4%	6%	-1%	10%	2%	6%	3%
Total Software Revenue 21%	21%	22%	6%	13%	12%	16%	12%	11%	14%	23%

Total Revenue by Region

(In millions)

Total Revenue by Region:

Americas \$ 538
Europe 465
APAC 253
Total Revenue \$ 1,256

% of total:

Americas 43%
Europe 37%
APAC 20%
Total Revenue 100%

Change year over year:

Americas 21%
Europe 17%
APAC 5%
Total Revenue 16%

Change year over year in constant currency:

Americas 21%
Europe 18%
APAC 3%
Total Revenue 17%

Yr Ended 30-Sep	Yr Ended 30-Sep	Yr Ended 30-Sep	Qtr Ended				Yr Ended 30-Sep	Qtr Ended		
			31-Dec	31-Mar	30-Jun	30-Sep		31-Dec	31-Mar	30-Jun
\$ 538	\$ 649	\$ 766	\$ 213	\$ 203	\$ 193	\$ 286	\$ 895	\$ 227	\$ 256	\$ 278
Americas 465	644	723	162	223	176	\$ 153	\$ 714	167	209	174
APAC 253	265	318	83	79	93	\$ 69	\$ 324	72	77	90
Total Revenue \$ 1,256	\$ 1,458	\$ 1,807	\$ 458	\$ 505	\$ 462	\$ 508	\$ 1,933	\$ 466	\$ 542	\$ 542
% of total:										
Americas 43%	45%	42%	47%	40%	42%	56%	46%	49%	47%	51%
Europe 37%	37%	40%	35%	44%	38%	30%	37%	36%	39%	32%
APAC 20%	18%	18%	18%	16%	20%	14%	17%	15%	14%	17%
Total Revenue 100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Change year over year:										
Americas 21%	21%	18%	5%	13%	7%	41%	17%	7%	26%	44%
Europe 17%	17%	33%	0%	10%	11%	-23%	-1%	3%	-6%	-2%
APAC 5%	5%	20%	28%	0%	-3%	-12%	2%	-13%	-3%	-3%
Total Revenue 16%	16%	24%	7%	9%	6%	6%	7%	2%	7%	17%
Change year over year in constant currency:										
Americas 21%	21%	18%	6%	12%	7%	40%	17%	7%	26%	45%
Europe 18%	18%	24%	2%	16%	21%	-12%	7%	16%	0%	0%
APAC 3%	3%	18%	31%	3%	5%	0%	9%	2%	7%	4%
Total Revenue 17%	17%	20%	8%	13%	11%	14%	12%	9%	13%	21%