

Corporate Overview

February 2024

NUTANIX

Safe Harbor

Non-GAAP Financial Measures and Other Key Performance Measures

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, this presentation includes the following non-GAAP financial and other key performance measures: non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, free cash flow, Annual Contract Value Billings (or ACV Billings), Annual Recurring Revenue (or ARR), and Average Contract Duration. In computing non-GAAP financial measures, we exclude certain items such as stock-based compensation and the related income tax impact, costs associated with our acquisitions (such as amortization of acquired intangible assets, income tax-related impact, and other acquisition-related costs), costs related to the impairment and early exit of operating lease-related assets, restructuring charges, litigation settlement accruals and legal fees related to certain litigation matters, the amortization of the debt discount and issuance costs, interest expense related to convertible senior notes, gains on divestitures, and other non-recurring transactions and the related tax impact. Non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, and non-GAAP operating margin are financial measures which we believe provide useful information to investors because they provide meaningful supplemental information regarding our performance and liquidity by excluding certain expenses and expenditures such as stock-based compensation expense that may not be indicative of our ongoing core business operating results. Free cash flow is a performance measure that we believe provides useful information to our management and investors about the amount of cash generated by the business after necessary capital expenditures, and we define free cash flow as net cash provided by (used in) operating activities less purchases of property and equipment. ACV Billings is a performance measure that we believe provides useful information to our management and investors as it allows us to better track the topline growth of our business during our transition to a subscription-based business model because it takes into account variability in term lengths. ARR is a performance measure that we believe provides useful information to our management and investors as it allows us to better track the topline growth of our subscription business because it takes into account variability in term lengths. We use these non-GAAP financial and key performance measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. However, these non-GAAP financial and key performance measures have limitations as analytical tools and you should not consider them in isolation or as substitutes for analysis of our results as reported under GAAP. Non-GAAP gross margin, non-GAAP operating expenses, non-GAAP operating income, non-GAAP operating margin, and free cash flow are not substitutes for gross margin, operating expenses, operating income (loss), operating margin, or net cash provided by (used in) operating activities, respectively. There is no GAAP measure that is comparable to ACV Billings, ARR, or Average Contract Duration, so we have not reconciled the ACV Billings, ARR, or Average Contract Duration data included in this presentation to any GAAP measure. In addition, other companies, including companies in our industry, may calculate non-GAAP financial measures and key performance measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial measures and key performance measures as tools for comparison. We urge you to review the reconciliation of our non-GAAP financial measures and key performance measures to the most directly comparable GAAP financial measures included in the tables captioned “GAAP to Non-GAAP Reconciliations” and not to rely on any single financial measure to evaluate our business. This presentation also includes the following forward-looking non-GAAP financial measures as part of our third quarter fiscal 2024 outlook and/or our fiscal 2024 outlook: non-GAAP gross margin, non-GAAP operating margin, and free cash flow. We are unable to reconcile these forward-looking non-GAAP financial measures to their most directly comparable GAAP financial measures without unreasonable efforts, as we are currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact the GAAP financial measures for these periods but would not impact the non-GAAP financial measures.

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Forward Looking Statements

This presentation contains express and implied forward-looking statements, including, but not limited to, statements regarding: our business momentum and prospects, our third quarter fiscal 2024 outlook, and our fiscal 2024 outlook.

These forward-looking statements are not historical facts and instead are based on our current expectations, estimates, opinions, and beliefs. Consequently, you should not rely on these forward-looking statements. The accuracy of these forward-looking statements depends upon future events and involves risks, uncertainties, and other factors, including factors that may be beyond our control, that may cause these statements to be inaccurate and cause our actual results, performance or achievements to differ materially and adversely from those anticipated or implied by such statements, including, among others: the inherent uncertainty or assumptions and estimates underlying our projections and guidance, which are necessarily speculative in nature; any failure to successfully implement or realize the full benefits of, or unexpected difficulties or delays in successfully implementing or realizing the full benefits of, our business plans, strategies, initiatives, vision, and objectives; our ability to achieve, sustain and/or manage future growth effectively; the rapid evolution of the markets in which we compete, including the introduction, or acceleration of adoption of, competing solutions, including public cloud infrastructure; failure to timely and successfully meet our customer needs; delays in or lack of customer or market acceptance of our new solutions, products, services, product features or technology; macroeconomic or geopolitical uncertainty, including supply chain issues; our ability to attract, recruit, train, retain, and, where applicable, ramp to full productivity, qualified employees and key personnel; factors that could result in the significant fluctuation of our future quarterly operating results (including anticipated changes to our revenue and product mix, the timing and magnitude of orders, shipments and acceptance of our solutions in any given quarter, our ability to attract new and retain existing end-customers, changes in the pricing and availability of certain components of our solutions, and fluctuations in demand and competitive pricing pressures for our solutions); our ability to form new or maintain and strengthen existing strategic alliances and partnerships, as well as our ability to manage any changes thereto; the impact of a pandemic or major public health concern; our ability to make share repurchases; and other risks detailed in our Annual Report on Form 10-K for the fiscal year ended July 31, 2023 filed with the U.S. Securities and Exchange Commission, or the SEC, on September 21, 2023 and our subsequent Quarterly Reports on Form 10-Q filed with the SEC. Additional information will be set forth in our Quarterly Report on Form 10-Q for the fiscal quarter ended January 31, 2024, which should be read in conjunction with this presentation and the financial results included herein. Our SEC filings are available on the Investor Relations section of our website at ir.nutanix.com and on the SEC's website at www.sec.gov. These forward-looking statements speak only as of the date of this presentation and, except as required by law, we assume no obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any of these forward-looking statements to reflect actual results or subsequent events or circumstances.

NUTANIX

Favorable Secular Trends

Including Hybrid Multicloud adoption and Generative AI

Large and Growing Markets

\$76B¹ TAM in Targeted Markets by FY27

One Platform for Hybrid Multicloud

Offering Unparalleled Simplicity Across Private and Public Clouds

Best-In-Class NPS of 90+

Helps Drive Strong Retention and Expansion

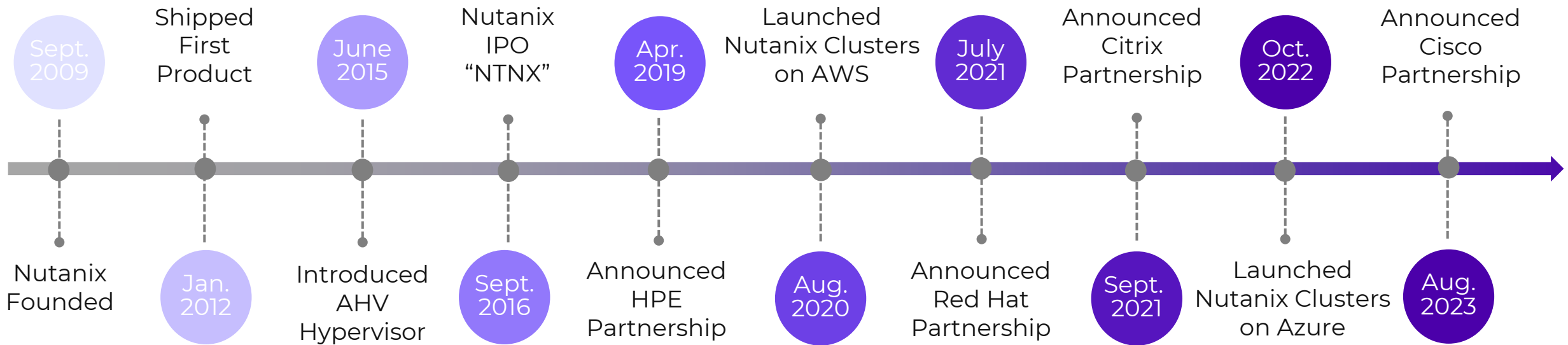
Durable Growth + Increasing Profitability

via Disciplined Execution on Market Opportunity, Renewals and Partner Leverage



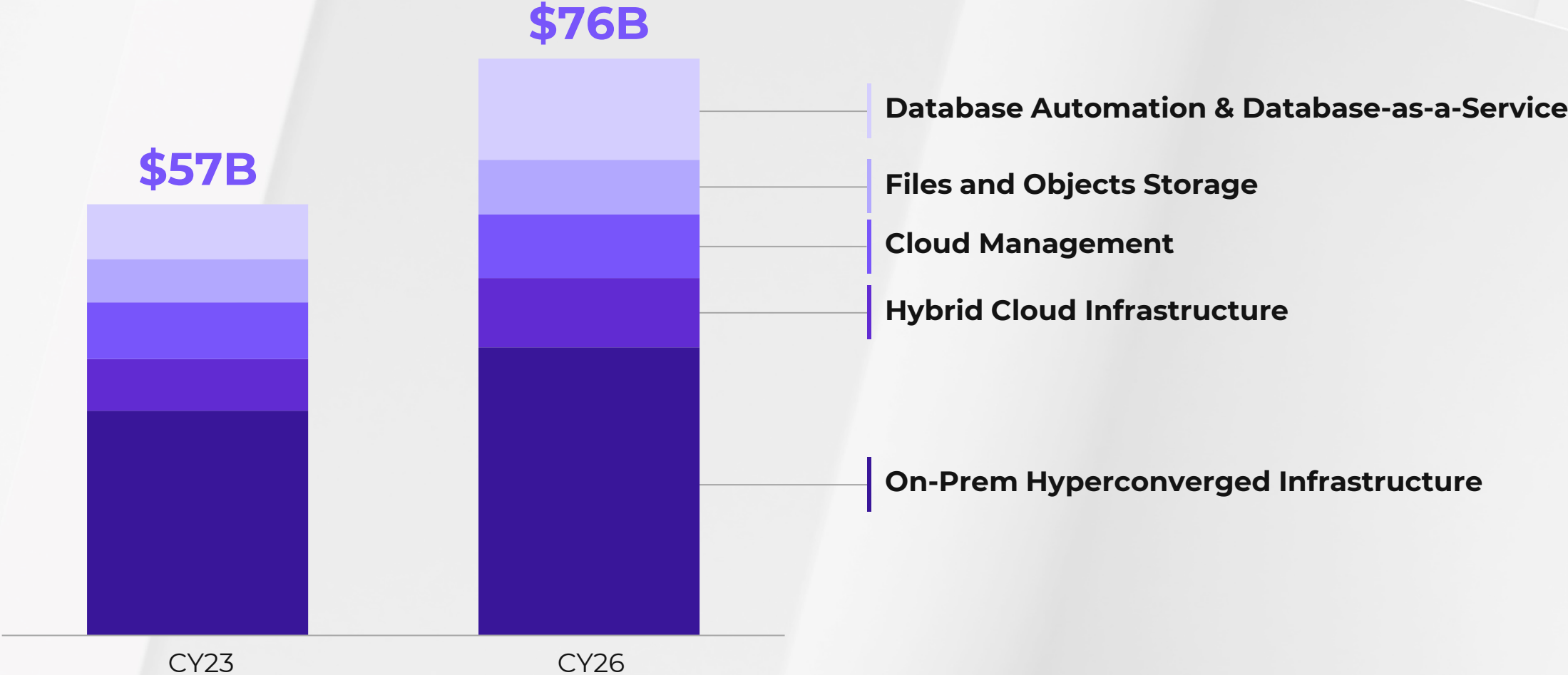
¹Source: Estimates based on Gartner forecasts regarding component markets, with adjustments made to reflect only those applicable to our business

Over A Decade of Progress



Large and Growing Market

Total Addressable Market (TAM)

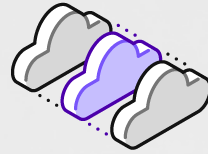


Source: Estimates based on Gartner forecasts regarding component markets, with adjustments made to reflect only those applicable to our business

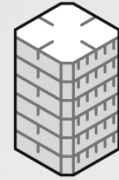
Why We Win



One Unified Platform
For All Apps and Data



Freedom of Choice
Any Server, Any Hypervisor,
Any Cloud – No Lock-in



1-Click Simplicity
Consumer-Like Experience
to Manage Data Center



Customer Delight
NPS Score of 90+



Lower Total Cost of Ownership
ROI Benefits

Aligned with Top CIO Priorities



Modernize
Infrastructure



Run
Modern Apps & AI



Extend
Across Clouds



Enable
Portable Apps

One Software Platform for All Apps and Data Anywhere

Enterprise Apps

Cloud Native Apps

AI/ML

Databases

Desktops

Nutanix Cloud Platform

Unified Storage Services

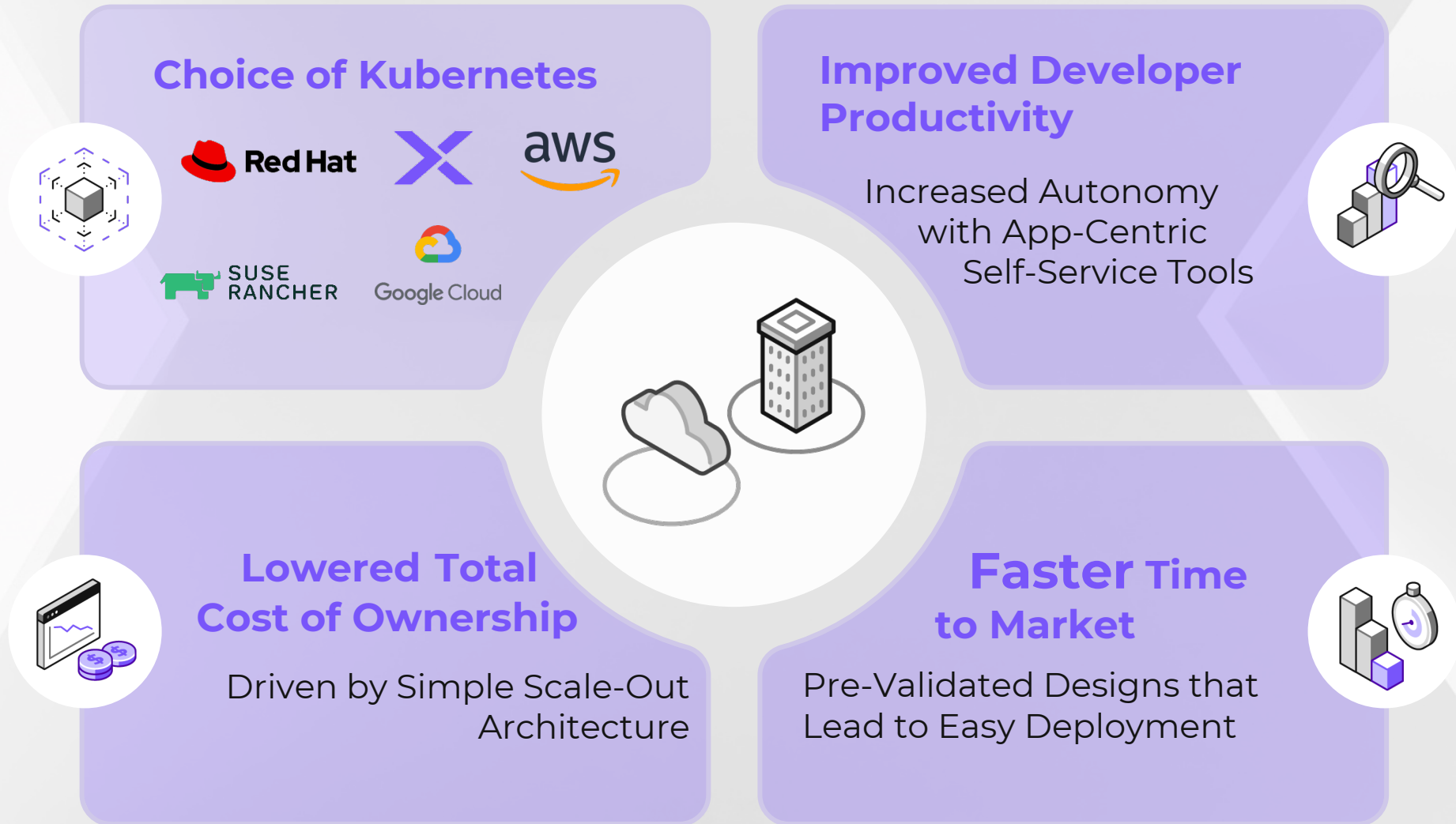
Database Services

Cloud Infrastructure

Cloud Management



Well-Positioned for Modern Apps



Case Study: Micron

Customer Need: Modernize Manufacturing Apps and Infrastructure to Reduce TCO and Enhance Agility

Nutanix Solution: Nutanix Cloud Platform for Kubernetes-based Applications

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Nutanix's **secure, resilient, and scalable** cloud platform allows us to **modernize our manufacturing environment** and move away from traditional compute and storage.

Anand Bahl, Chief Information Officer at Micron



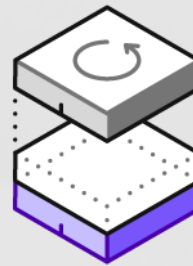
Extending Platform to Public Cloud

Primary Use Cases



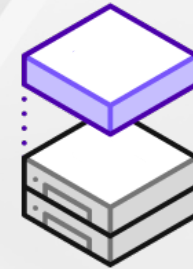
Migration

Move and Run Any App
to Any Cloud Without
Refactoring or
Rearchitecting



Disaster Recovery

Quickly Build-Out
Disaster Recovery
Sites in Any Public
Cloud Region



Expansion

Rapidly Burst into
Public Cloud for
Seasonal Demand
& Geographic
Expansion

Case Study: Fortune 500 Financial Services

Customer Need: Reduce Data Center Footprint by Shifting Some Workloads to the Public Cloud

Nutanix Solution: Nutanix Cloud Platform on Microsoft Azure, Purchased on Azure Marketplace



What Nutanix Delivers for AI



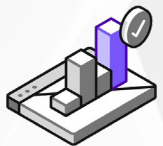
Full AI Stack

Deploy Curated Set of LLMs Using Leading Open Source AI Frameworks



Delivered Anywhere

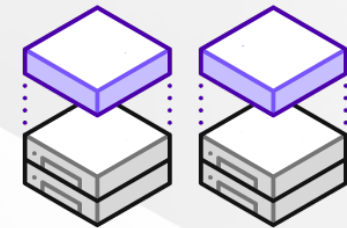
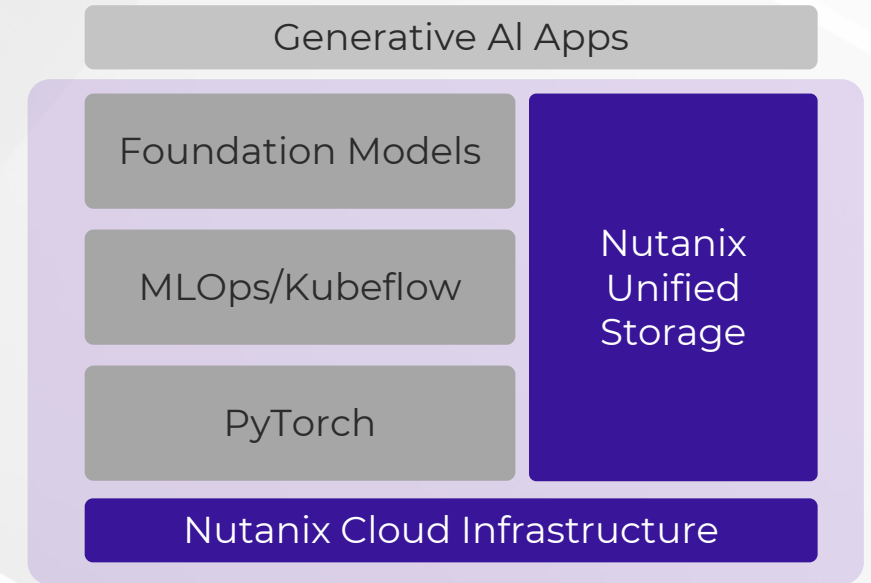
From Small-Scale Edge to Large-Scale Private Cloud



Built-in Data Services

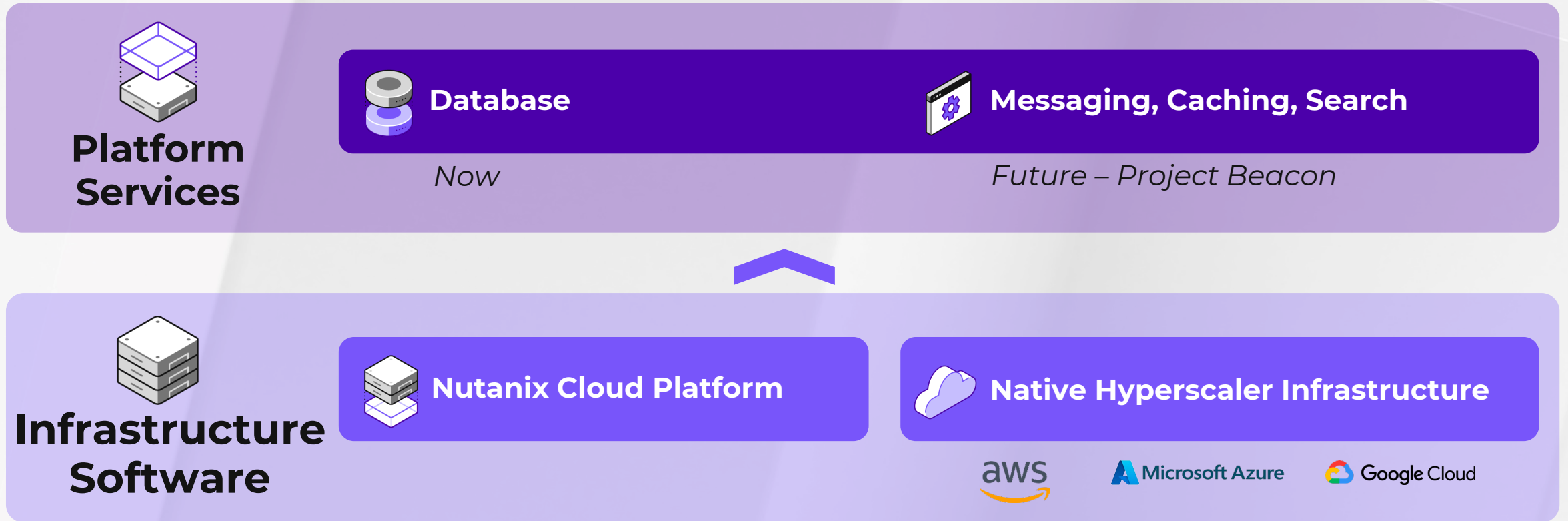
Fine-Tune and Run GPTs While Maintaining Control of Data and Apps

GPT-in-a-Box



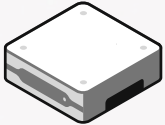
GPU-Enabled Servers

Vision: Build Apps Once and Run Anywhere



This Vision Will Open Up a New Market Opportunity

GTM Leverage Through a Growing Partner Ecosystem



Platform Partners

New Cisco Partnership, other Long-Standing Partners



Cloud/Service Providers

NC2 on Azure and AWS



Channel Partners

Driving Channel Enablement



ISV Partners

Red Hat for Modern Apps, Cloud Desktops with Citrix



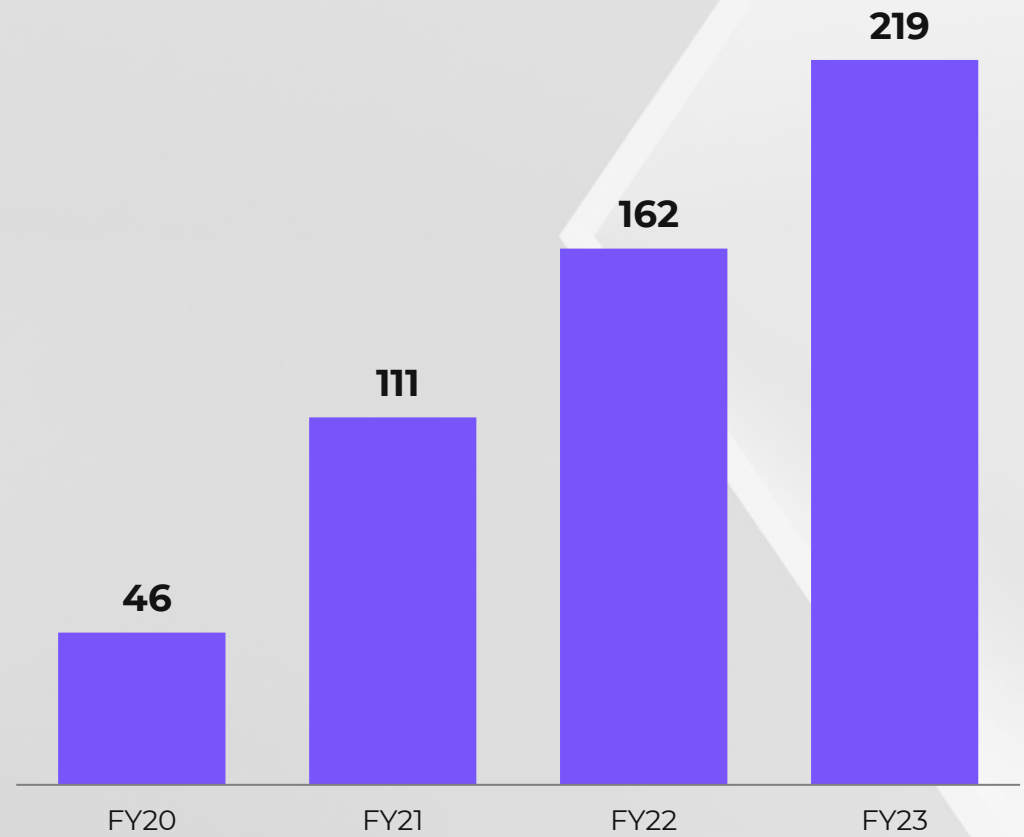
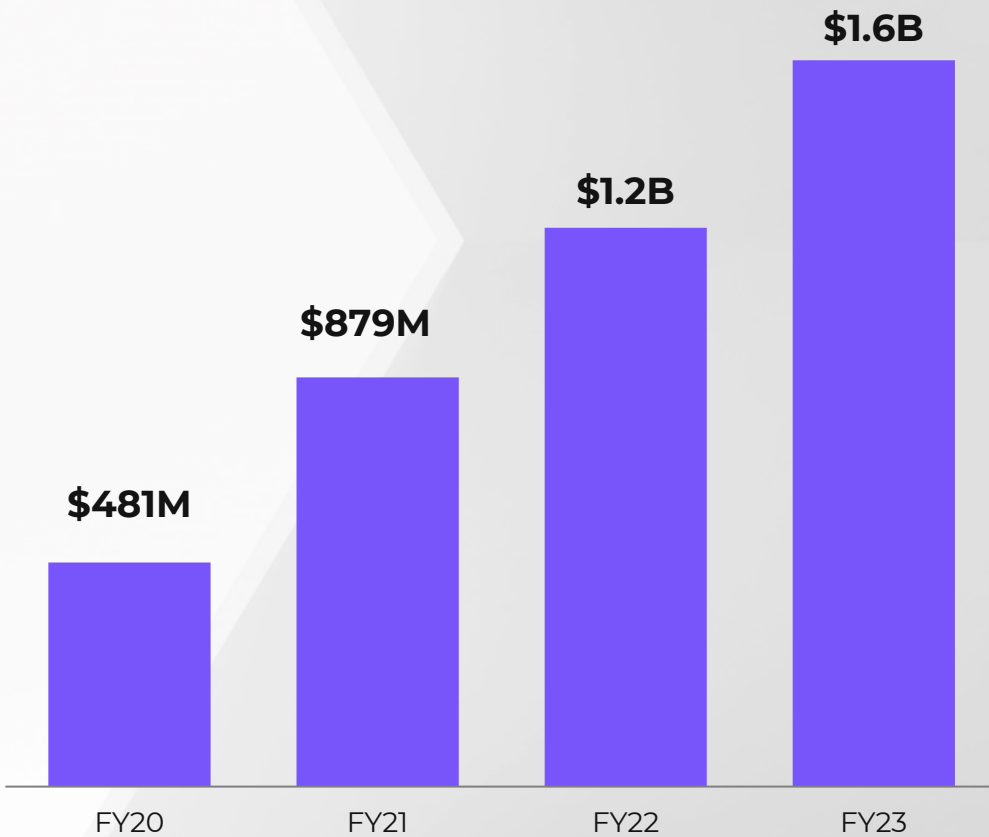
Powering the World's Leading Brands Since 2009



ARR Highlights Robust Subscription Business

ARR

Customer Count with \$1M+ ARR



An Experienced Leadership Team



Rajiv Ramaswami

President & CEO



Mandy Dhaliwal

Chief Marketing Officer



Andrew Brinded

Chief Revenue Officer



David Sangster

Chief Operating Officer



Rukmini Sivaraman

Chief Financial Officer



Shyam Desirazu

Head of Engineering



Anja Hamilton

Chief People Officer



Tarkan Maner

Chief Commercial Officer



Tyler Wall

Chief Legal Officer



Thomas Cornely

SVP, Product Management



Q2 FY2024 Company Highlights

Delivers Outperformance Across All Q2'24 Guided Metrics

ACV Billings of \$329.5 million were up 23% year-over-year and revenue of \$565.2 million was up 16% year-over-year.

Raises FY'24 Guidance

FY'24 outlook raised for all guided metrics, including Revenue, ACV, Billings, Non-GAAP Operating Margin, Non-GAAP Gross Margin and Free Cash Flow.

Achieved GAAP Operating Profitability for the First Time

Achieved GAAP Operating Income of \$37M, the first positive GAAP Operating Profit in the Company's history.

Announced GA of D2iQ Kubernetes Platform 2.7

D2iQ Kubernetes Platform 2.7 made Generally Available, enabling AI-powered modern app management.



Management Commentary

“

Our disciplined execution enabled us to deliver a solid second quarter financial performance against an uncertain, but stable macro backdrop. We continue to remain focused on being a long-term strategic and innovative partner to our customers as they look to operate in a hybrid multicloud world.



Rajiv Ramaswami

President and Chief Executive Officer
Nutanix

“

Our second quarter results demonstrated a good balance of top and bottom line performance with 26% year-over-year ARR growth and strong free cash flow generation. We also achieved GAAP operating profitability for the first time, reflecting the progress we've made in driving operating leverage in our model and optimizing the difference between our GAAP and non-GAAP results.



Rukmini Sivaraman

Chief Financial Officer
Nutanix



Q2 FY2024 Financial Summary

	Q2'24 Results	Y/Y Change	Q2'24 Guidance
ACV Billings	\$329.5M	23%	\$295 – \$305M
Annual Recurring Revenue	\$1.74B	26%	N/A
Average Contract Duration	2.8 Years	(0.2) Years	N/A
Revenue ⁽¹⁾	\$565.2M	16%	\$545 – \$555M
Non-GAAP Gross Margin	87.3%	250 bps	85 – 86%
Non-GAAP Operating Expenses	\$369.4M	8%	N/A
Non-GAAP Operating Income	\$123.9M	\$53.9M	N/A
Non-GAAP Operating Margin	21.9%	7.5% pts	14 – 16%
Non-GAAP Net Income per Share (Diluted)	\$0.46	\$0.20	N/A
Free Cash Flow	\$162.6M	\$99.6M	N/A

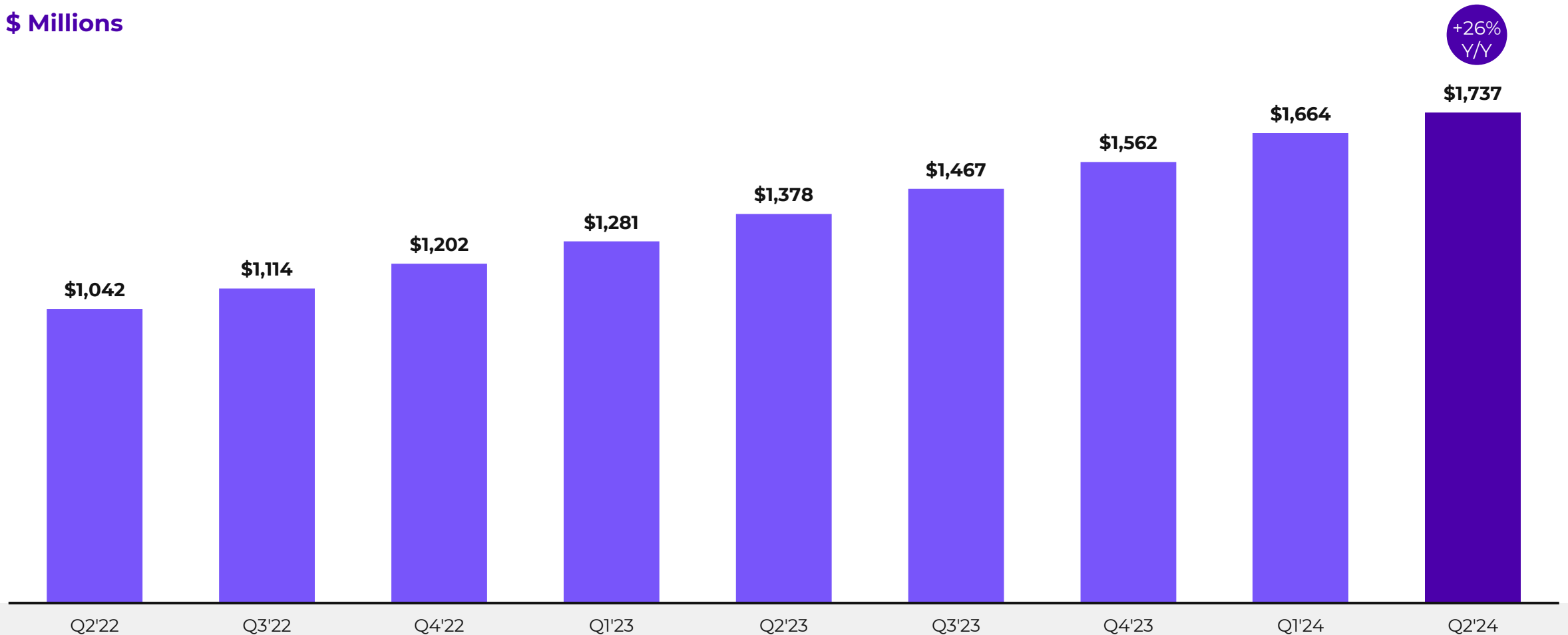
1. See endnote 1 in the Appendix.

Note: See Appendix for GAAP to Non-GAAP reconciliations, as well as definitions of ACV, ACV Billings, Annual Recurring Revenue, and Average Contract Duration. There is no GAAP measure that is comparable to ACV Billings or Annual Recurring Revenue, so the Company has not reconciled ACV Billings and Annual Recurring Revenue in this presentation to any GAAP measure.



Annual Recurring Revenue

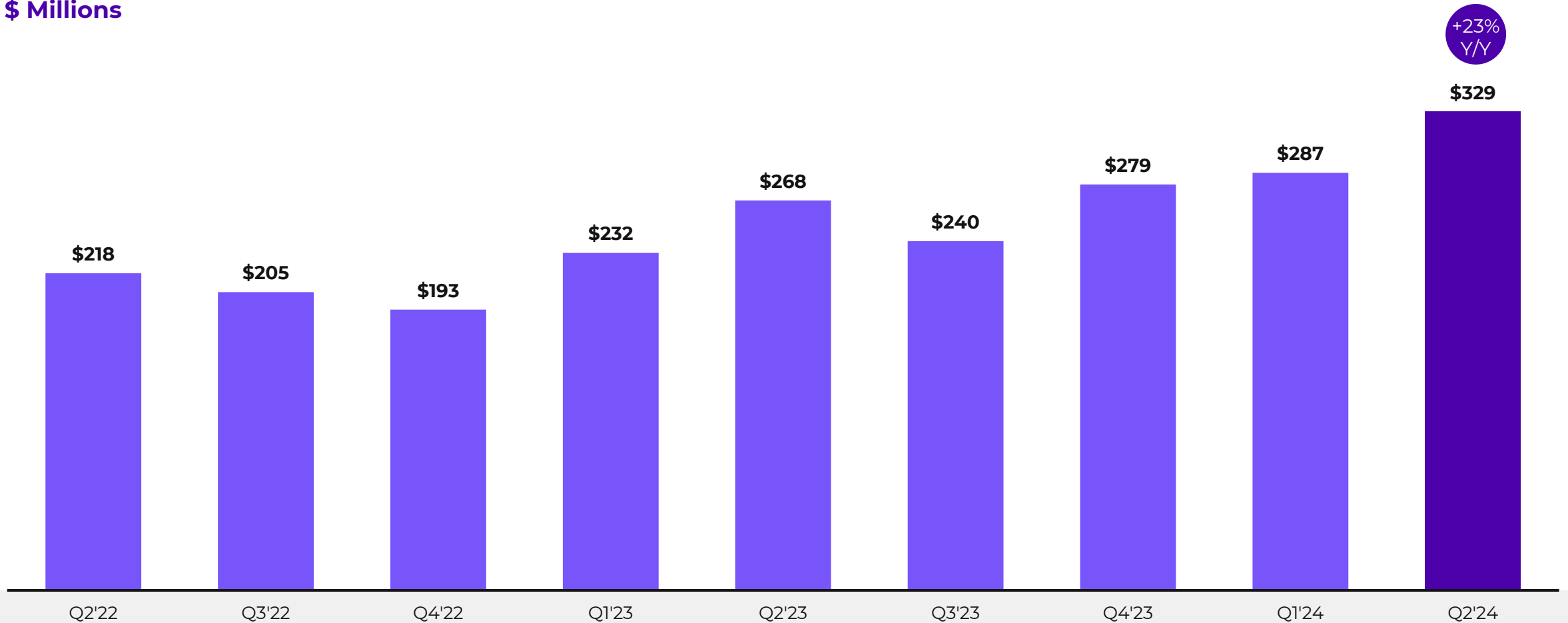
\$ Millions



Note: See Appendix for definition of Annual Recurring Revenue. There is no GAAP measure that is comparable to Annual Recurring Revenue, so the Company has not reconciled Annual Recurring Revenue in this presentation to any GAAP measure.

ACV Billings

\$ Millions



Note: ACV Billings exclude amounts related to professional services and hardware. See Appendix for definition of ACV Billings. There is no GAAP measure that is comparable to ACV Billings, so the Company has not reconciled ACV Billings in this presentation to any GAAP measure.

Appendix

Endnotes and Market Opportunity Data

Endnote

1. Revenue was negatively impacted by a year-over-year decline in the average contract duration, including as a result of Nutanix's transition to a subscription-based business model.

Market Opportunity Data

Certain information contained in this presentation and the accompanying oral commentary may relate to or be based on studies, publications, surveys and other data obtained from third-party sources and the Company's own internal estimates and research. While the Company believes these third-party studies, publications, surveys and other data are reliable as of the date hereof, they have not been independently verified, and the Company makes no representation as to the adequacy, fairness, accuracy, or completeness of any information obtained from third-party sources.

The Company believes the Company's overall market is composed of Adjacent Markets and Hybrid Cloud Market. The Company defines Adjacent Markets as being composed of desktop-as-a-service (DaaS), database automation and database-as-a-service (DBaaS), files and objects storage, cloud management, and disaster recovery-as-a-service (DRaaS) markets. The Total Addressable Market, or TAM, data for the Company's Adjacent Markets included in this presentation are the Company's estimates derived from Gartner forecasts regarding the component markets with adjustments, some of which are based on the Company's internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that the Company believes are applicable to the Company's business. The Company defines Hybrid Cloud Market as being composed of HCI Market and Public Cloud Market. The TAM data for the Company's Hyperconverged Infrastructure Market, or HCI Market, and Public Cloud Market included in this presentation are the Company's estimates derived from Gartner forecasts regarding the hyperconverged infrastructure market and infrastructure-as-a-service (IaaS) server and storage markets, respectively, with adjustments, some of which are based on the Company's internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that the Company believes are applicable to the Company's business.

Definitions

Definitions

Definitions

Annual Contract Value, or **ACV**, is defined as the total annualized value of a contract, excluding amounts related to professional services and hardware. The total annualized value for a contract is calculated by dividing the total value of the contract by the number of years in the term of such contract, using, where applicable, an assumed term of five years for contracts that do not have a specified term. **ACV Billings**, for any given period, is defined as the sum of the ACV for all contracts billed during the given period.

Annual Recurring Revenue, or **ARR**, for any given period, is defined as the sum of ACV for all non life-of-device contracts in effect as of the end of a specific period. For the purposes of this calculation, we assume that the contract term begins on the date a contract is booked, unless the terms of such contract prevent us from fulfilling our obligations until a later period, and irrespective of the periods in which we would recognize revenue for such contract.

Average Contract Duration, represents the dollar-weighted term, calculated on a billings basis, across all subscription and life-of-device contracts, using an assumed term of five years for life-of-device licenses, executed in the period.

Note: ACV and ACV Billings are performance measures that the Company believes provides useful information to its management and investors as they allow the Company to better track the topline growth of its business during its transition to a subscription-based business model because it takes into account variability in term lengths. ARR is a performance measure that the Company believes provides useful information to its management and investors as it allows the Company to better track the topline growth of its subscription business because it takes into account variability in term lengths. There is no GAAP measure that is comparable to ACV, ACV Billings, or ARR so the Company has not reconciled the ACV, ACV Billings, or ARR numbers included in this presentation to any GAAP measure.

GAAP to Non-GAAP Reconciliations

	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
Gross Margin (GAAP)	82.2%	81.6%	83.7%	84.0%	85.6%
Stock-Based Compensation Expense	2.1	1.9	1.7	1.7	1.6
Amortization of Intangible Assets	0.5	0.5	0.4	0.2	0.1
Gross Margin (Non-GAAP)	84.8%	84.0%	85.8%	85.9%	87.3%
Operating Expenses (GAAP)	\$456.2	\$424.8	\$425.1	\$434.8	\$446.6
Stock-Based Compensation Expense	(75.0)	(64.5)	(64.2)	(75.0)	(77.1)
Amortization of Intangible Assets	(0.2)	(0.2)	(0.1)	–	(0.1)
Early Exit of Lease-Related Assets	(0.8)	–	–	–	–
Restructuring Charges	0.5	–	–	–	0.2
Litigation Settlement Accrual and Legal Fees	(38.2)	(0.3)	(0.2)	–	–
Other	–	–	–	–	(0.2)
Operating Expenses (Non-GAAP)	\$342.5	\$359.8	\$360.6	\$359.8	\$369.4
(Loss) Income from Operations (GAAP)	\$(56.5)	\$(58.6)	\$(11.4)	\$(5.7)	\$37.1
Stock-Based Compensation Expense	85.3	72.9	72.6	84.0	86.0
Amortization of Intangible Assets	2.7	2.6	2.2	1.2	0.8
Early Exit of Lease-Related Assets	0.8	–	–	–	–
Restructuring Charges	(0.5)	–	–	–	(0.2)
Litigation Settlement Accrual and Legal Fees	38.2	0.3	0.2	–	–
Other	–	–	–	–	0.2
Income from Operations (Non-GAAP)	\$70.0	\$17.2	\$63.6	\$79.5	\$123.9

Note: All amounts in millions, except percentages.



GAAP to Non-GAAP Reconciliations

	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24
Net Loss (GAAP)	\$(70.8)	\$(71.0)	\$(13.3)	\$(15.9)	\$32.8
Stock-Based Compensation Expense	85.3	72.9	72.6	84.0	86.0
Amortization of Intangible Assets	2.7	2.6	2.2	1.2	0.8
Early Exit of Lease-Related Assets	0.8	–	–	–	–
Restructuring Charges	(0.5)	–	–	–	(0.2)
Litigation Settlement Accrual & Legal Fees	38.2	0.3	0.2	–	–
Amortization of Debt Discount & Issuance Costs	15.9	16.2	16.3	16.3	16.6
Gain on Frame Divestiture	–	–	(11.0)	–	–
Other	–	–	–	0.9	0.1
Income Tax-Related Adjustments	0.5	0.7	0.5	0.3	0.2
Net Income (Non-GAAP)	\$72.1	\$21.7	\$67.5	\$86.8	\$136.3
Net Cash Provided by Operating Activities	\$74.1	\$74.5	\$58.3	\$145.5	\$186.4
Purchase of Property and Equipment	(11.1)	(21.8)	(12.8)	(13.0)	(23.8)
Free Cash Flow (Non-GAAP)	\$63.0	\$52.7	\$45.5	\$132.5	\$162.6

	Q2'23	Q2'24
Weighted Average Shares Outstanding (Basic)	232M	244M
Weighted Average Shares Outstanding (Diluted)	281M	299M

Note: All amounts in millions.



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Thank You