

**NUTANIX™**

Q4 FY'19  
Investor Presentation

AUGUST 28, 2019

# 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, we use the following non-GAAP financial and other key performance measures: billings, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP net loss, non-GAAP net loss per share, free cash flow, software and support revenue, software and support billings, subscription revenue, professional services revenue, subscription billings, and professional services billings. In computing these non-GAAP financial measures and key performance 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, revaluation of contingent consideration, income tax-related impact, and other acquisition-related costs), amortization of debt discount and issuance costs, purchases of property and equipment other non-recurring transactions and the related tax impact, and the revenue and billings associated with pass-through hardware sales. Billings is a performance measure which our management believes provides useful information to investors because it represents the amounts under binding purchase orders received by us during a given period that have been billed, and we calculate billings by adding the change in deferred revenue between the start and end of the period to total revenue recognized in the same period. Non-GAAP gross margin, non-GAAP operating expenses, non-GAAP net loss, and non-GAAP net loss per share are financial measures which our management believes 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 our management believes provides useful information to 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 (used in) provided by operating activities less purchases of property and equipment. Software and support revenue and software and support billings are performance measures that our management believes provide useful information to our management and investors as it allows us to better track the true growth of our software business by excluding the amounts attributable to the pass-through hardware sales that we use to deliver our solutions. Subscription revenue, professional services revenue, subscription billings, and professional services billings are performance measures that our management believes provide useful information to our management and investors as it allows us to better track the growth of the subscription-based portion of our business, which is a critical part of our business plan. 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. Billings, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP net loss, non-GAAP net loss per share, and free cash flow are not substitutes for total revenue, gross margin, operating expenses, net loss, net loss per share, or net cash (used in) provided by operating activities, respectively; software and support revenue, subscription revenue, and professional services revenue are not substitutes for total revenue; and software and support billings, subscription billings, and professional services billings are not substitutes for software and support revenue, subscription revenue, and professional services revenue, respectively. 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 below in the tables captioned “GAAP to non-GAAP reconciliations,” “Calculation of billings,” and “Disaggregation of billings and revenue” included in the appendix hereto and not to rely on any single financial measure to evaluate our business.



# Safe harbor

## Forward looking statements

This presentation and the accompanying oral commentary contain express and implied forward-looking statements, including, but not limited to, statements relating to our business plans, initiatives and objectives and our ability to execute such plans, initiatives and objectives in a timely manner, our long-term financial model targets and our plans to achieve those targets, the benefits and capabilities of our platform, products, services and technology, our plans and expectations regarding new products, services, product features and technology that are under development or in process, our continued investments in talent, technology, and marketing, and the success and impact of such investments, our plans and timing for, and the success and impact of, our transition to a subscription-based and recurring revenue business model, projected changes to our subscription billings mix and our subscription revenue mix, the impact of the actions we have undertaken to strengthen lead and pipeline generation and enhance sales execution, and our plans regarding how we will report our revenue going forward. 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 such forward-looking statements depends upon future events and involves risks, uncertainties, and other factors 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: 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, initiatives and objectives; failure to develop, or unexpected difficulties or delays in developing, new products, services, product features or technology in a timely or cost-effective basis; delays in or lack of customer or market acceptance of our new products, services, product features or technology; delays in the transition to a subscription-based and recurring revenue business model; failure of or delay in the actions we have undertaken to strengthen lead and pipeline generation and enhance sales execution; the rapid evolution of the markets in which we compete; our ability to sustain or manage future growth effectively; factors that could result in the significant fluctuation of our future quarterly operating results, including, among other things, anticipated changes to our revenue and product mix, including changes as a result of our transition to a subscription-based business model, which will slow revenue growth during such transitions and make forecasting future performance more difficult, 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 of certain components of our solutions, and fluctuations in demand and competitive pricing pressures for our solutions; the introduction, or acceleration of adoption of, competing solutions, including public cloud infrastructure; and other risks detailed in our Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2019, filed with the U.S. Securities and Exchange Commission, or the SEC, on June 5, 2019. Additional information will also be set forth in our Form 10-K that will be filed for the fiscal year ended July 31, 2019, which should be read in conjunction with the information in this presentation and the accompanying oral commentary. Our SEC filings are available on the Investor Relations section of the company's website at [ir.nutanix.com](http://ir.nutanix.com) and on the SEC's website at [www.sec.gov](http://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.



# MISSION

Make datacenter infrastructure and clouds invisible, elevating IT to focus on applications and services

## Company overview



**Founded in 2009**

IPO in 2016  
(NASDAQ: NTNX)



**5,340**

Worldwide Employees



**HCI industry leader**

Gartner Magic Quadrant  
Forrester Wave



**Leading market share**

Gartner Calendar Q1'19  
HCI Market Share Report



**69** Forbes 100

**810** Global 2000

**14,180** Total Customers



**90 Net Promoter Score**

Average over 5 Years



**Growing at Scale\***

**\$1.51B** FY'19 Total Billings

**\$1.24B** FY'19 Total Revenue



**Recurring revenue  
model transition**

**71%** Subscription  
Billings Mix

\*Nutanix's FY'19 billings and revenue were negatively impacted by its ongoing transition to a subscription business model.

Note: Global 2000 and Forbes 100 count reflect yearly update of the members of both lists as reported by Forbes.

Total customer count reflects standard adjustments to certain customer accounts within our system of record.

See appendix for reconciliation of non-GAAP metrics to comparable GAAP metrics.

Data as of July 31, 2019.



# Financial highlights

Shift to increasing recurring revenue model

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**71% +19pts YoY**

Q4'19 subscription billings mix

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**\$196M + 72% YoY**

Q4'19 subscription revenue

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**3.6 years**

Q4'19 average subscription contract length

Note: Average subscription contract length is based on a trailing four-quarter weighted average. See appendix for disaggregation of revenue and billings.



# Financial highlights

## Fiscal 2019 financials

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**\$1.41B** +21% YoY  
Software & support billings\*

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**\$1.13B** +26% YoY  
Software & support revenue\*

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**\$910M** +44% YoY  
Total deferred revenue

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\*Nutanix's FY 2019 billings and revenue were negatively impacted by its ongoing transition to a subscription business model.

Note: See appendix for disaggregation of billings and revenue.



# Financial highlights

## Quarterly financials

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**\$359M** flat YoY

Q4'19 software & support billings\*

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**\$287M** +7% YoY

Q4'19 software & support revenue\*

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**80%** +2.3 pts YoY

Q4'19 non-GAAP gross margin

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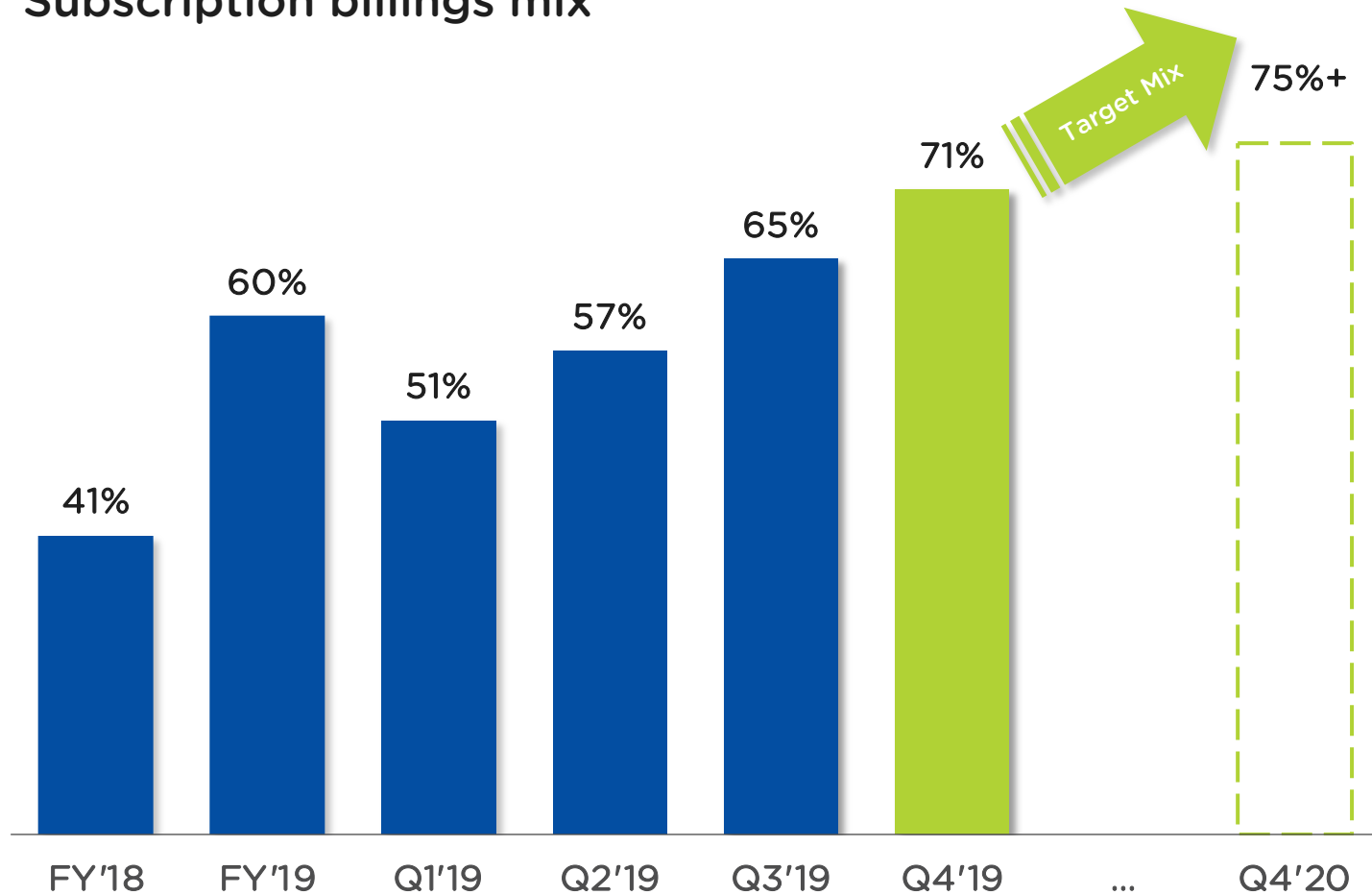
\*Nutanix's Q4'19 billings and revenue were negatively impacted by its ongoing transition to a subscription business model.

Note: See appendix for disaggregation of billings and revenue, and reconciliation of non-GAAP measures to GAAP measures.



# Rapid shift to subscription business model

## Subscription billings mix

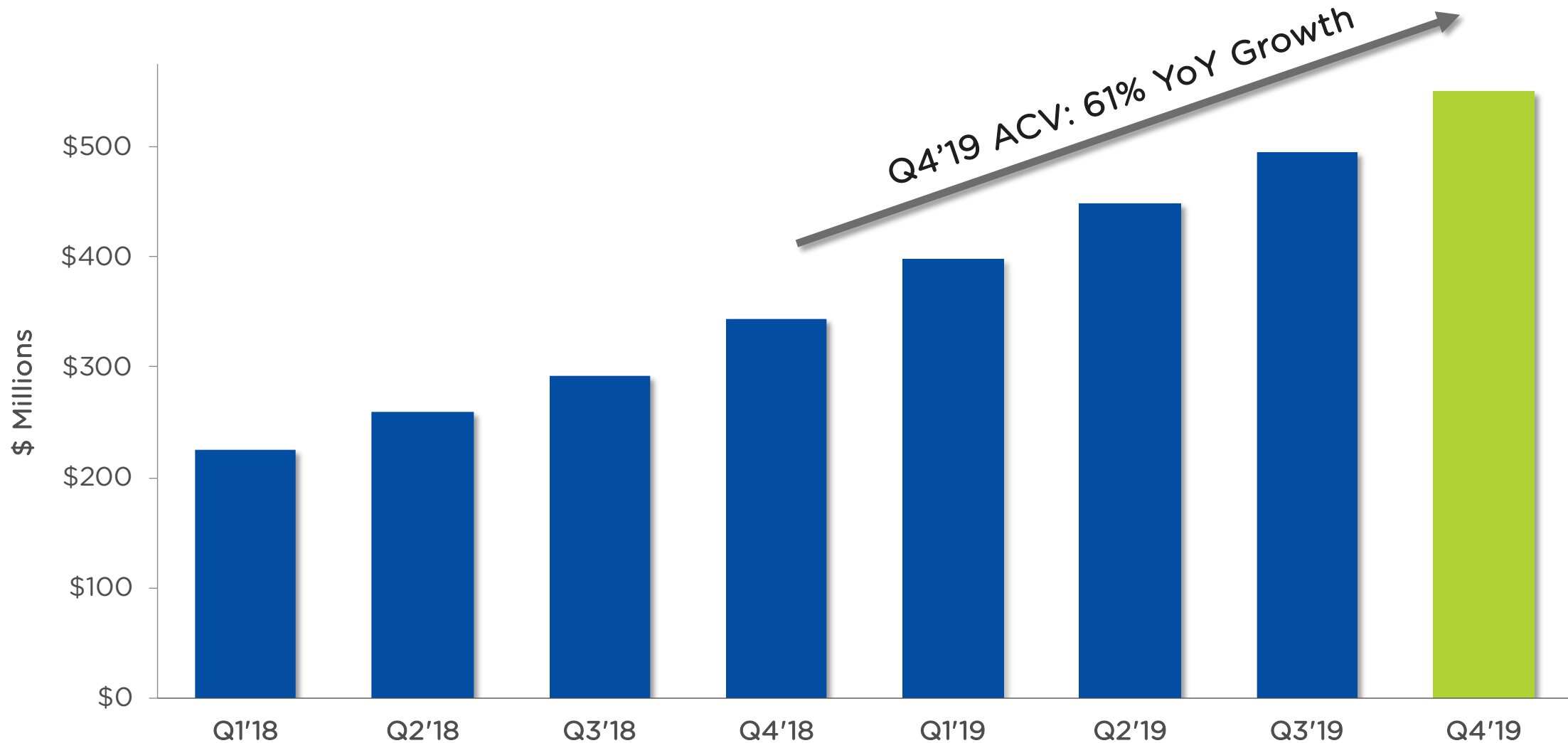


Future period shown is based on management's targeted mix as of August 28, 2019. See appendix for disaggregation of billings and revenue.





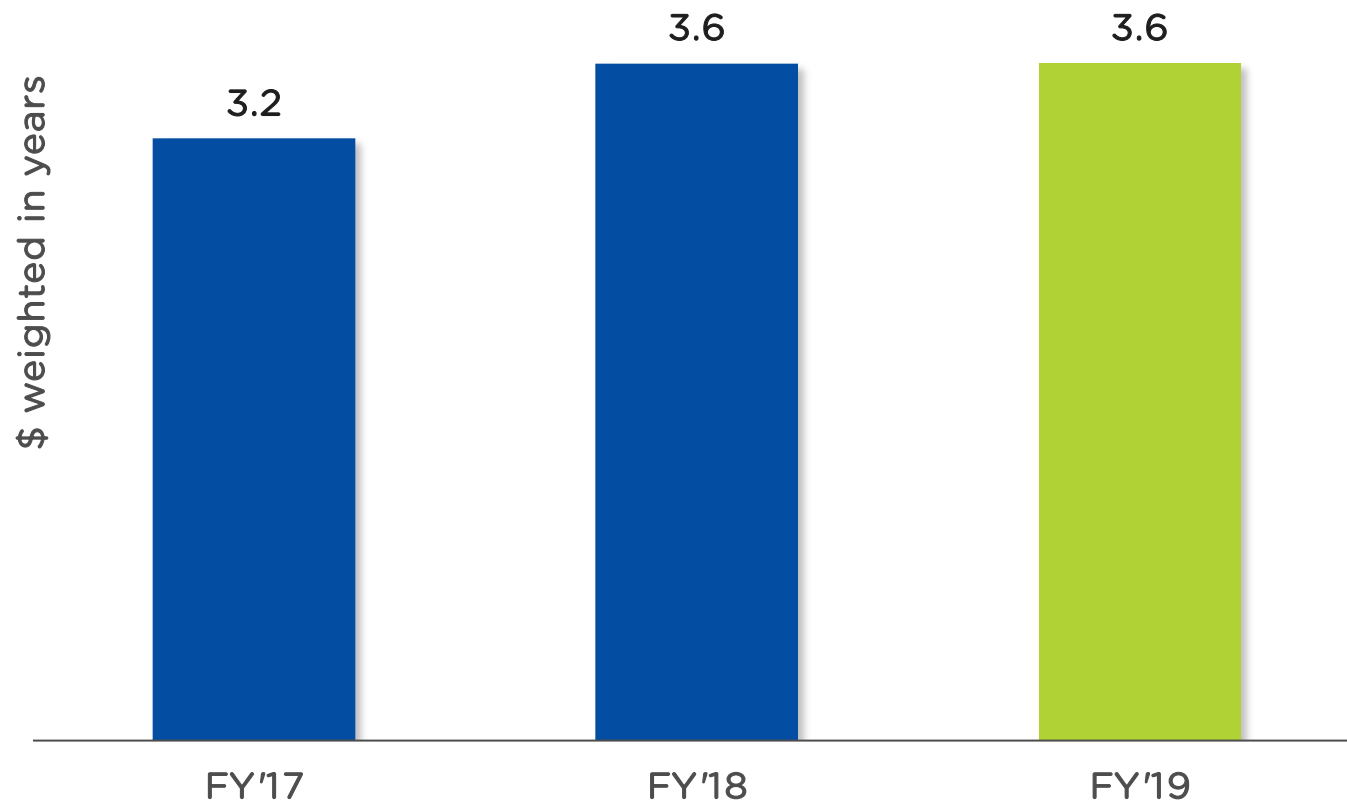
# Annual contract value



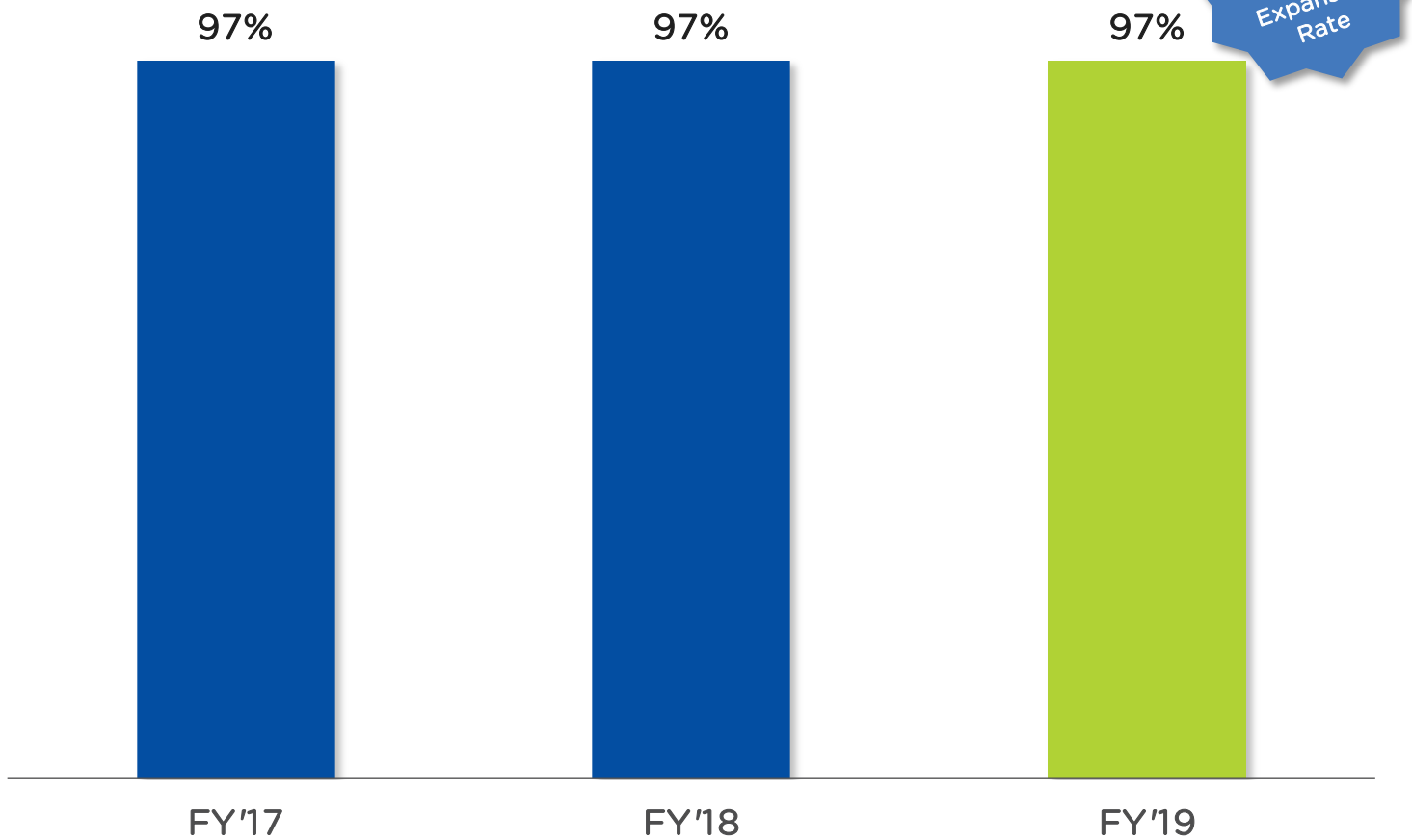
Note: Above reflects total Annual Contract Value, or ACV, for our subscription business. ACV for any given term-based contract is defined as the total billings associated with such contract divided by the number of years in the term of such contract. Total ACV for any given period is the aggregate ACV of all term-based contracts that are in effect during such period.



# Average subscription contract duration



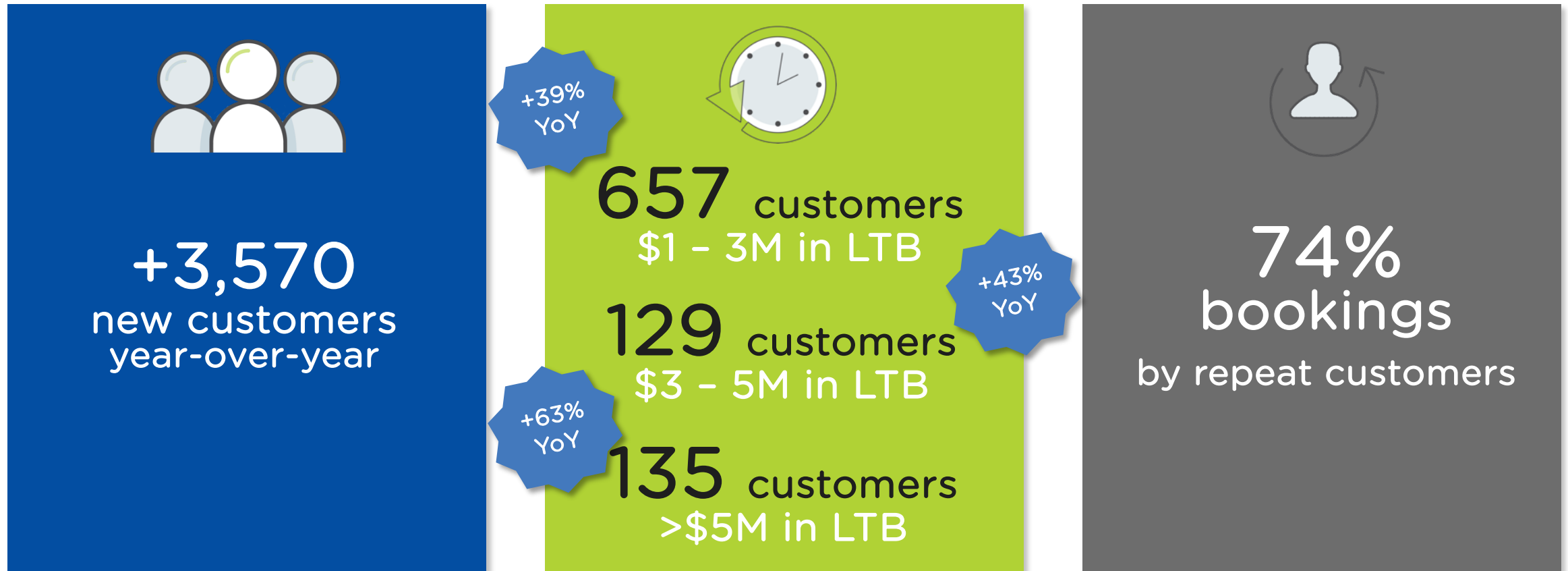
# High customer retention with strong net expansion



See appendix end note 1 for customer retention rate and end note 2 for dollar-based net expansion rate.

# Q4 FY'19 highlights

## Customer momentum

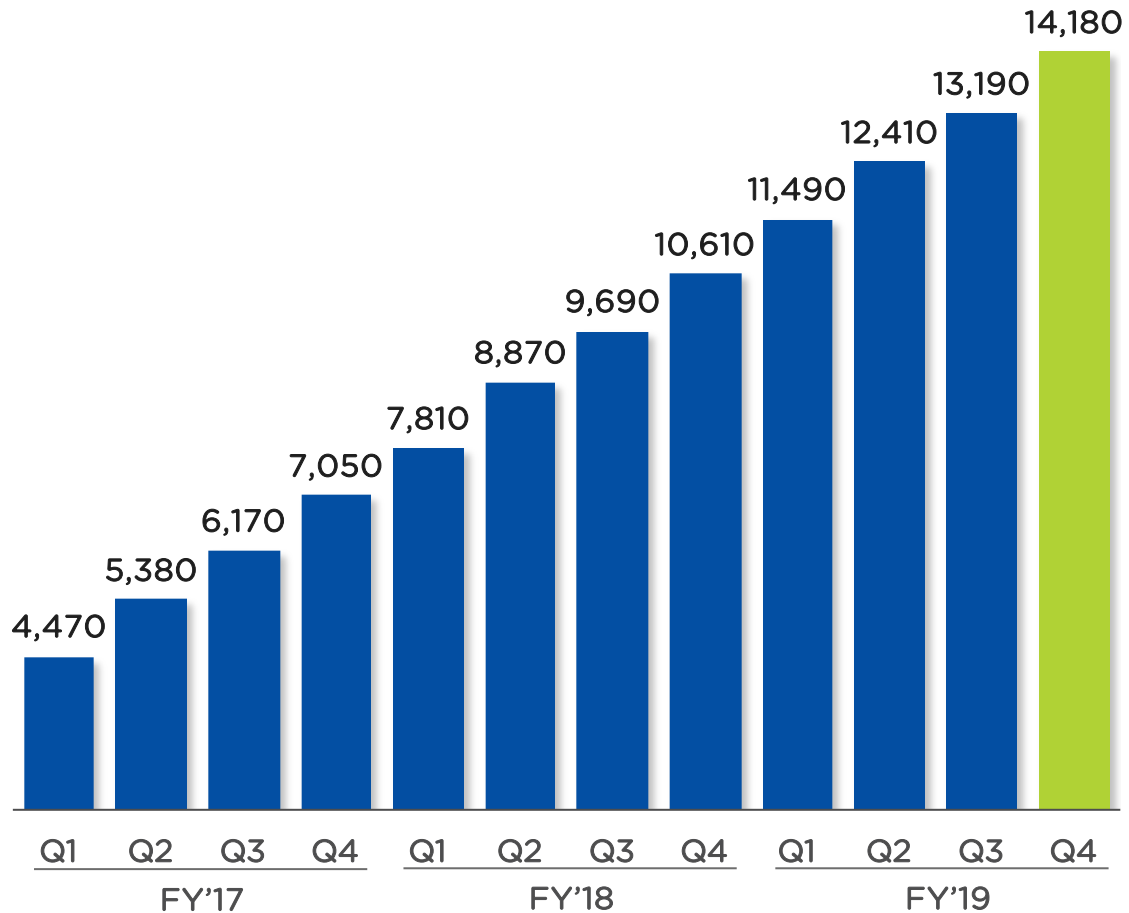


Note: Cumulative customer count reflects standard adjustments to certain customer accounts within our system of record. Cumulative worldwide end-customer numbers are rounded to the nearest 10. LTB denotes lifetime bookings.

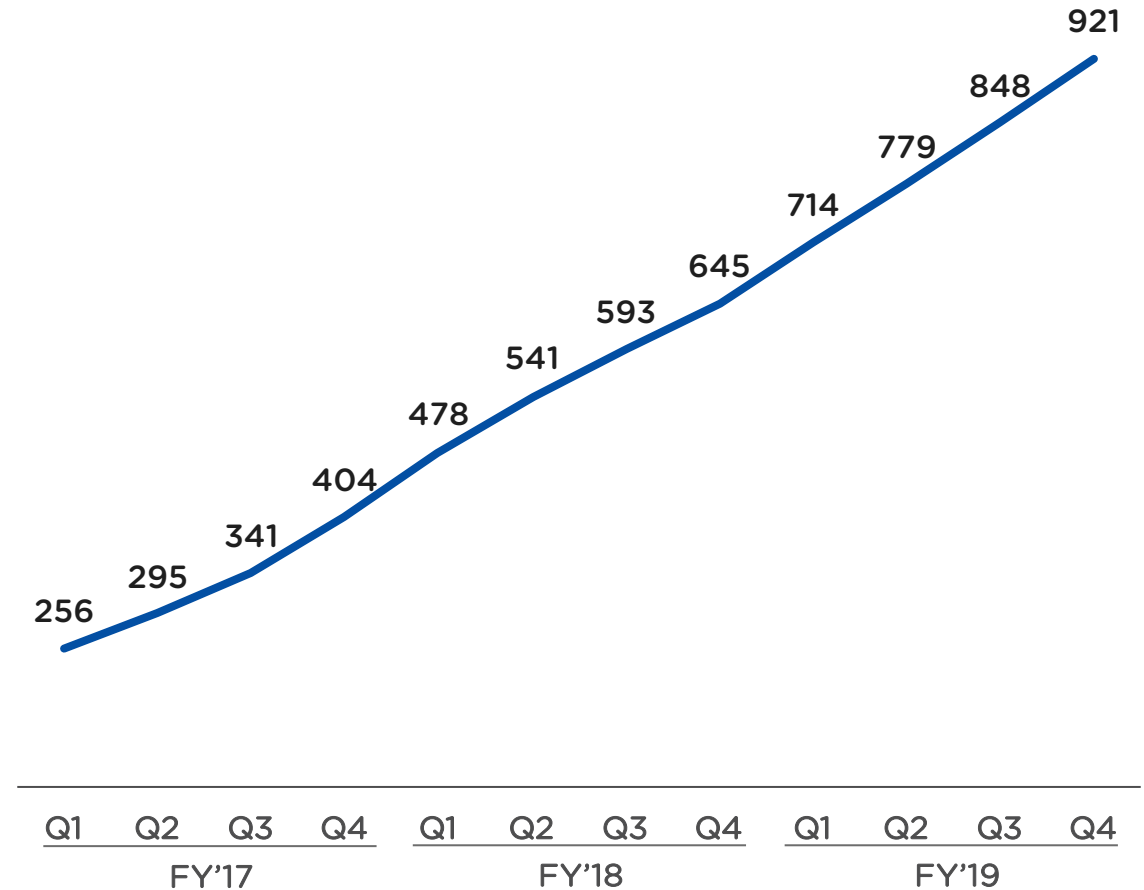


# Customer growth momentum

Cumulative worldwide end-customer count



Cumulative end-customers with lifetime bookings >\$1M

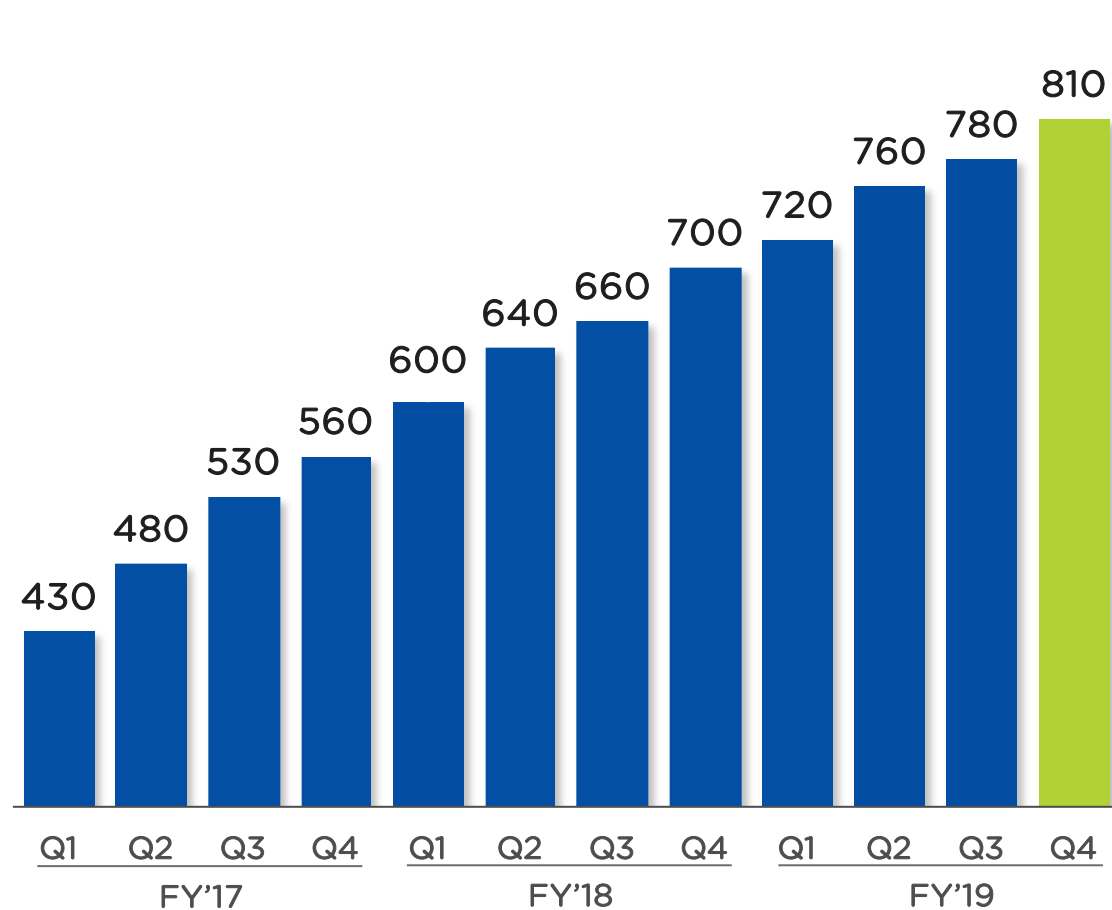


Note: Cumulative customer count reflects standard adjustments to certain customer accounts within our system of record. Cumulative worldwide end-customer numbers are rounded to the nearest 10.

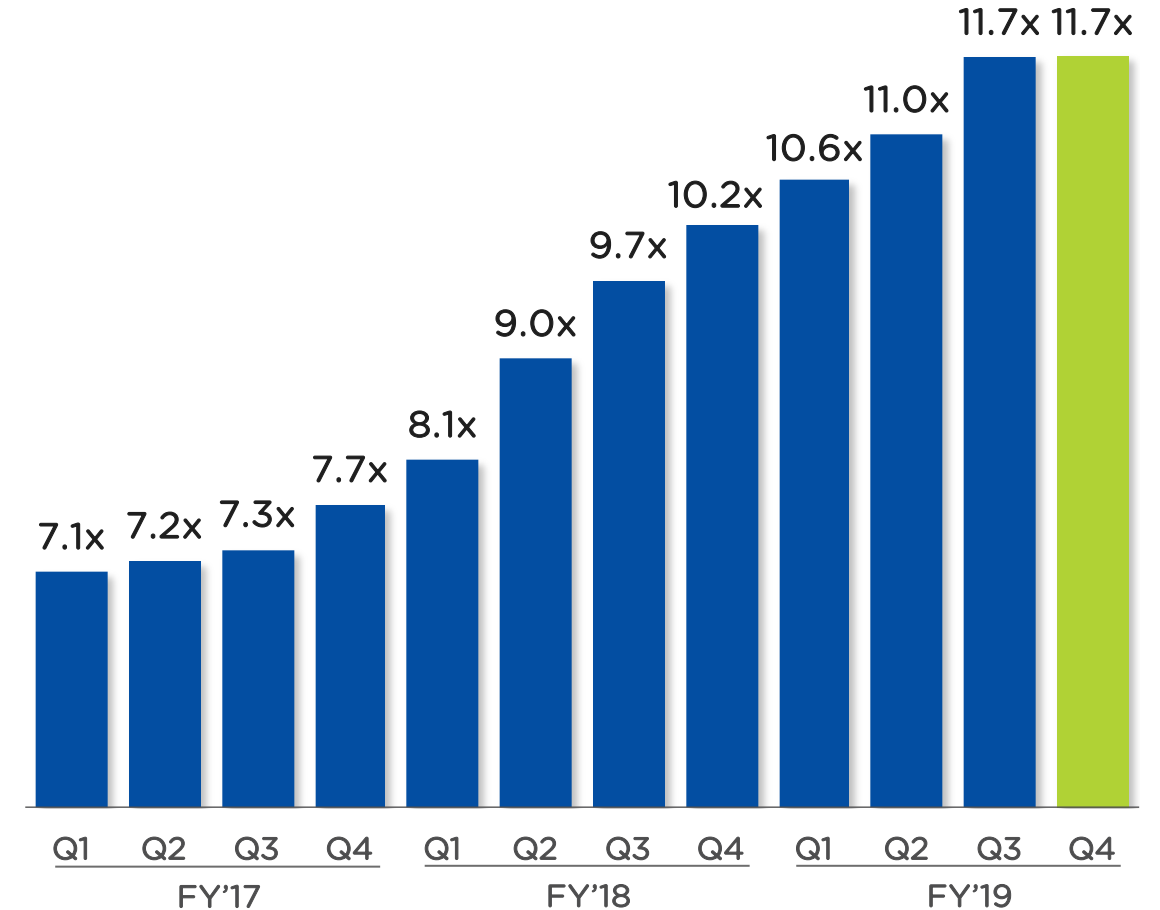


# Global 2000 growth momentum

## Cumulative Global 2000 customers



## Total lifetime purchase multiples

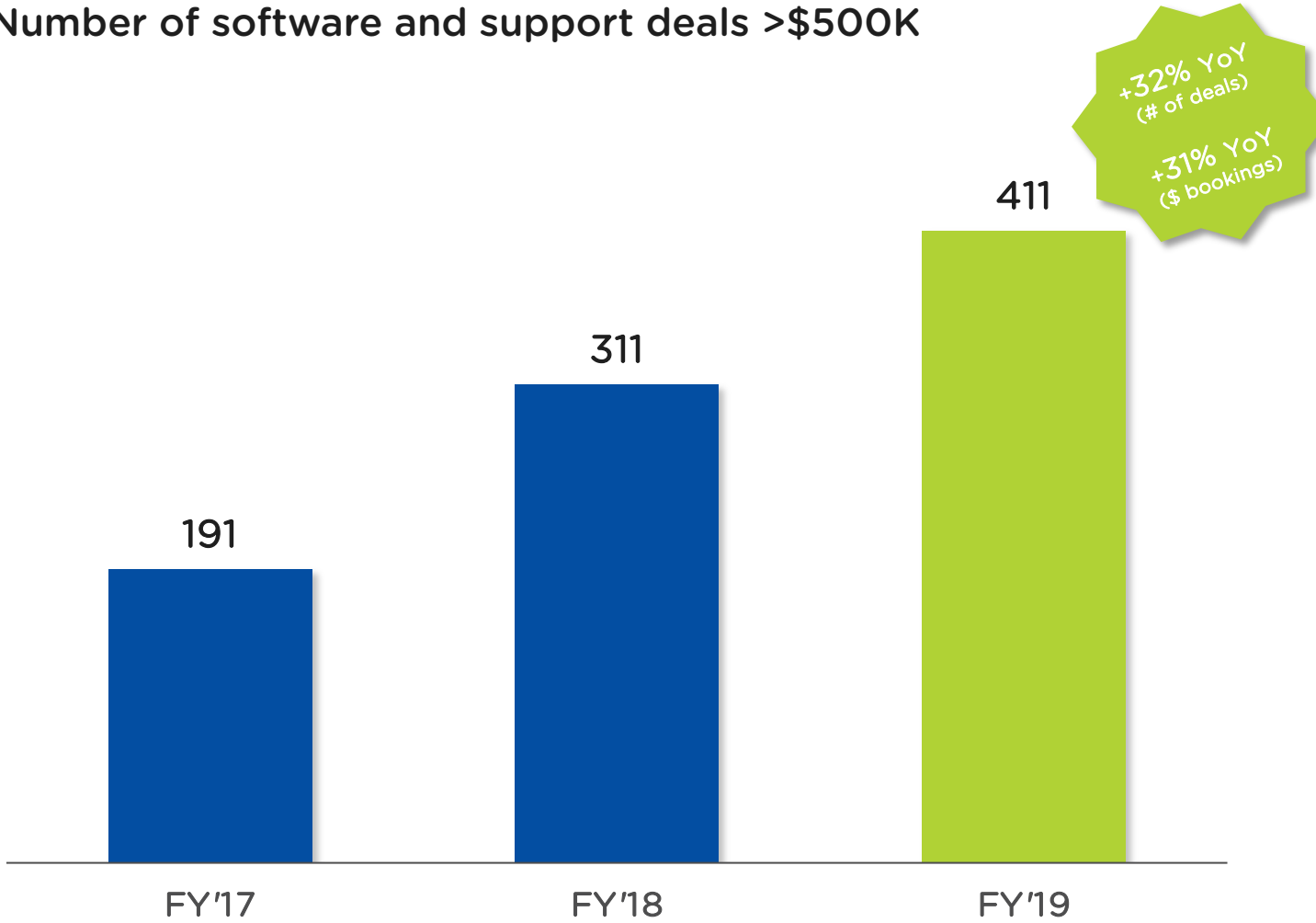


Note: Reflects yearly update of the members of the Global 2000 list as reported by Forbes. Historical data is revised to reflect the updated Global 2000 list. Multiples represent total lifetime purchase / initial purchase using software and support bookings, for G2000 customers that have been customers for over 18 months.



# Large deal momentum

Number of software and support deals >\$500K



# The Nutanix Customer Journey

## Nutanix Enterprise

Xi IoT

Karbon

Era

## Nutanix Essentials

PrismPro

Xi Frame

Xi Clusters \*

Mine \*

Xi Beam

Objects \*

Calm

## Nutanix Core

Xi Epoch

Volumes

Flow

AOS

AHV

Prism

Files

Xi Leap

\*Under development



## Nutanix Core



The industry's most popular hyperconverged infrastructure (HCI) solution



Powerful, secure built-in virtualization that eliminates expensive hypervisor lock-in



Simplify infrastructure management with one-click operations

## Nutanix Essentials



Simple, scalable and reliable file storage for the cloud era



Advanced Networking and Application Centric Network Security



Application Lifecycle Management and Cloud Orchestration



Deliver operational simplicity through smart automation and insights



Open platform delivering integrated secondary storage

## Nutanix Enterprise



Automates and simplifies database operations



Simplifies the provisioning, operations, and lifecycle management of Kubernetes



A native scale-out block storage solution



Scalable, secure, enterprise-grade, S3-compatible object storage in a multi-cloud era



Deploy and manage Nutanix AOS in public clouds



Simple, Scalable, Secure Edge Intelligence for Real-time Analysis



Disaster Recovery Service delivered by Xi Cloud



Run Full Desktops and Applications in Your Browser



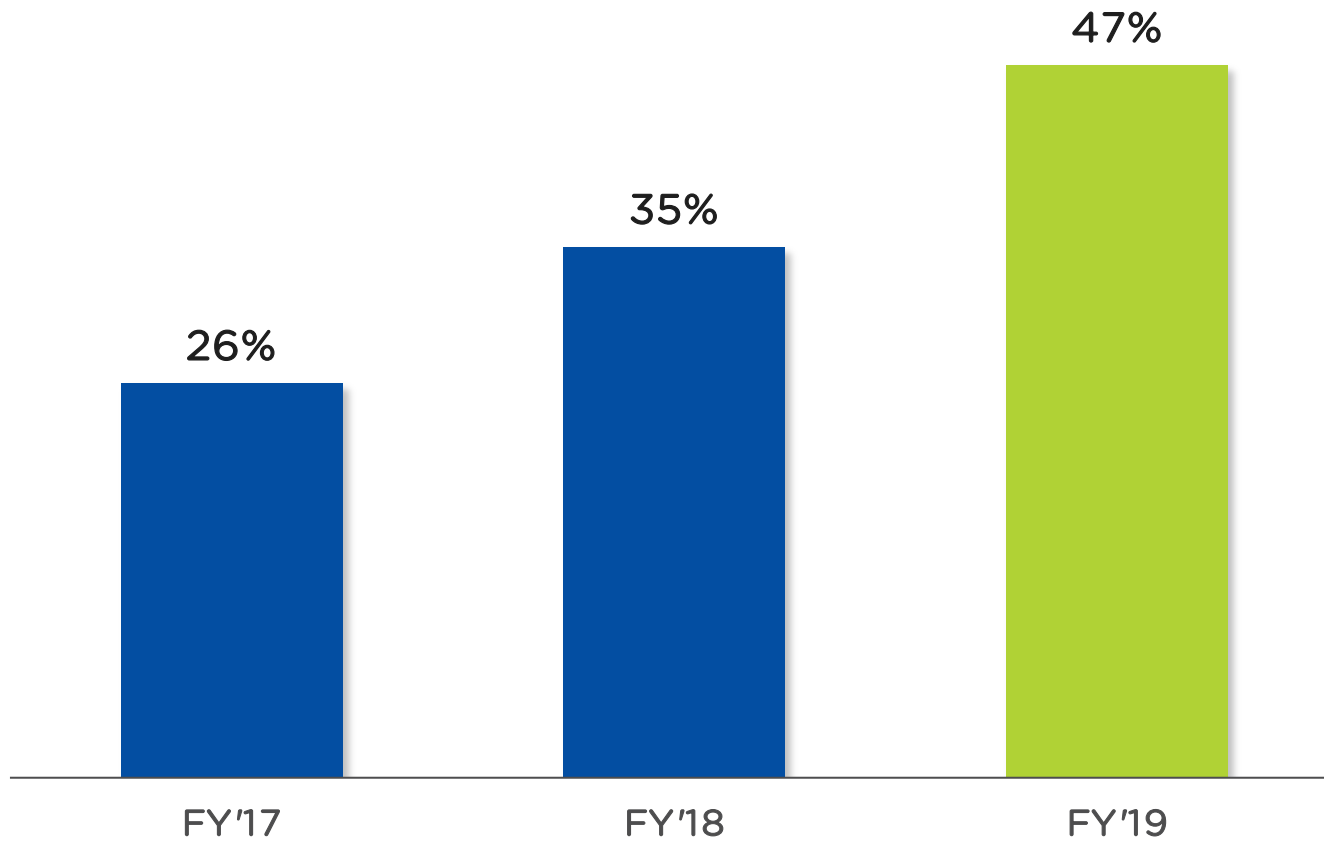
Observability and Monitoring for Multi-Cloud Applications



Multi-cloud optimization service to reduce costs & enhance cloud security compliance

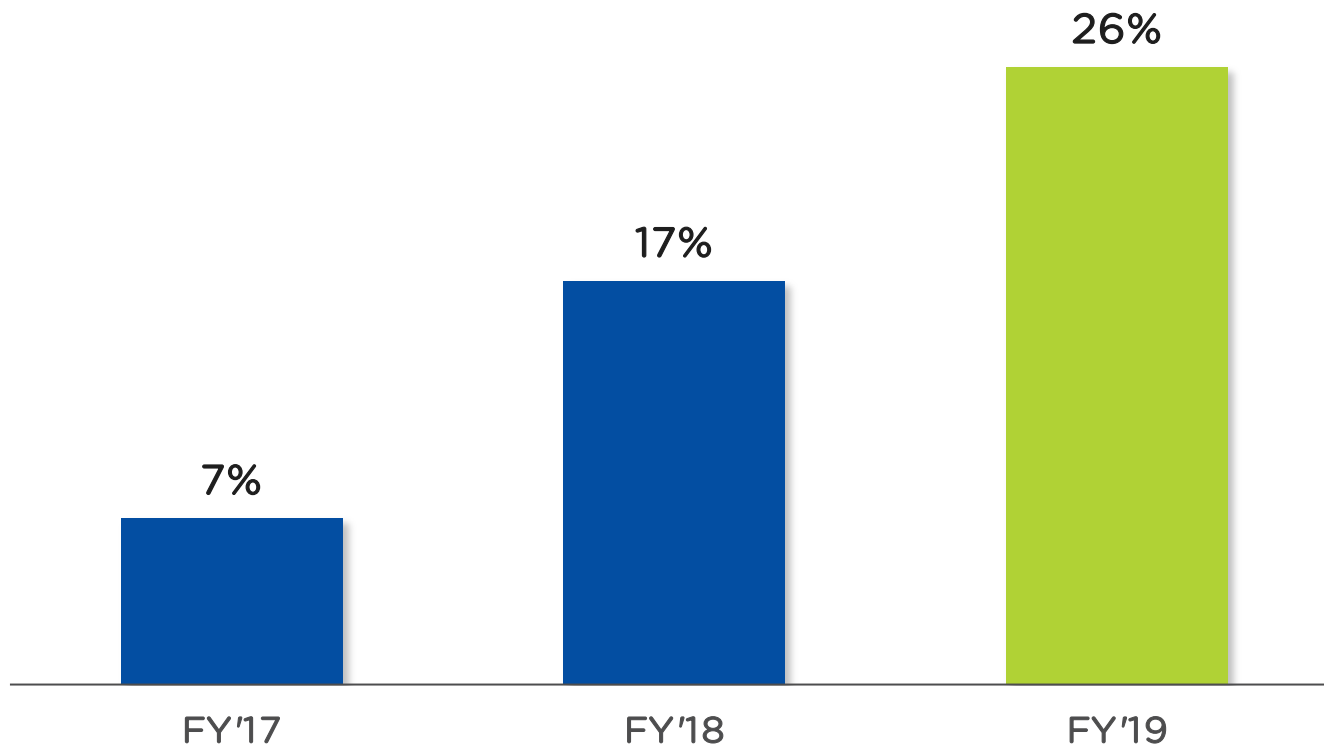


# AHV adoption, as a % of NX nodes



# Expanding beyond Nutanix Core

% of deals involving one or more products in Essentials/Enterprise



# Q4 FY'19 financial results

	Q4'19	Q4'18	Y/Y change	Q3'19	Q/Q change
Software and support billings*	\$358.7	\$359.2	(0.2)%	\$324.2	10.6%
Software and support revenue*	\$286.9	\$267.9	7.1%	\$265.8	7.9%
Gross margin	80.0%	77.7%	2.3pts	77.1%	2.9pts
Operating loss	\$(104.6)	\$(19.7)	\$(84.9)	\$(104.8)	\$0.2
Net loss per share	\$(0.57)	\$(0.11)	\$(0.46)	\$(0.56)	\$(0.01)
Operating cash flow	\$(9.7)	\$22.7	\$(32.4)	\$(36.5)	\$26.8
Free cash flow	\$(33.3)	\$6.5	\$(39.8)	\$(58.9)	\$25.6
Accounts receivable	\$245.5	\$258.3	(5.0)%	\$244.4	0.4%
Total deferred revenue	\$910.0	\$631.2	44.2%	\$838.3	8.6%

\*Nutanix's Q4'19 and Q3'19 billings and revenue were negatively impacted by its ongoing transition to a subscription business model.

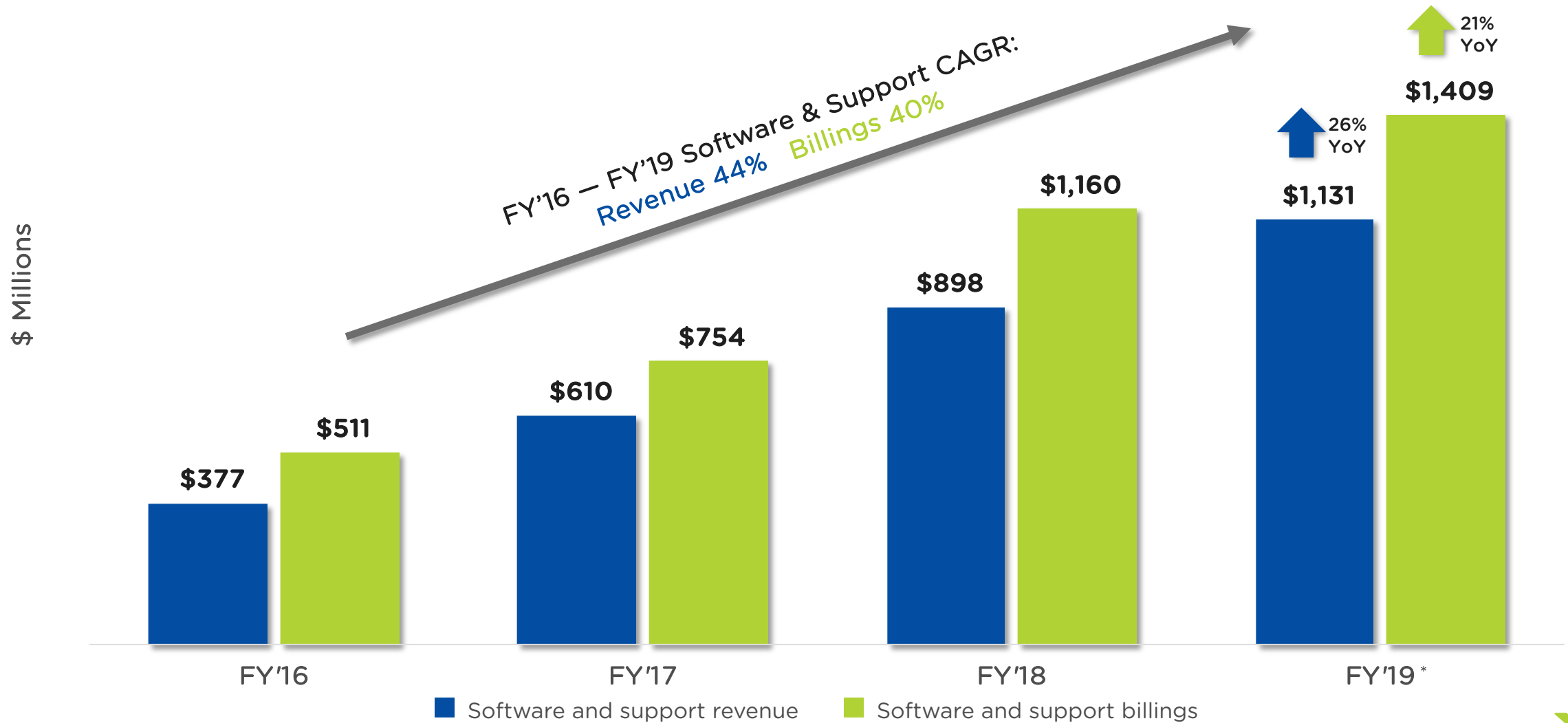
Note: All amounts in millions, except per share amounts and percentages.

All measures are non-GAAP except for operating cash flow, accounts receivable and total deferred revenue.

See appendix for reconciliation of non-GAAP metrics to comparable GAAP metrics and disaggregation of billings and revenue.



# Software and support growth



\*Nutanix's FY'19 billings and revenue were negatively impacted by its ongoing transition to a subscription business model. See appendix for disaggregation of billings and revenue.



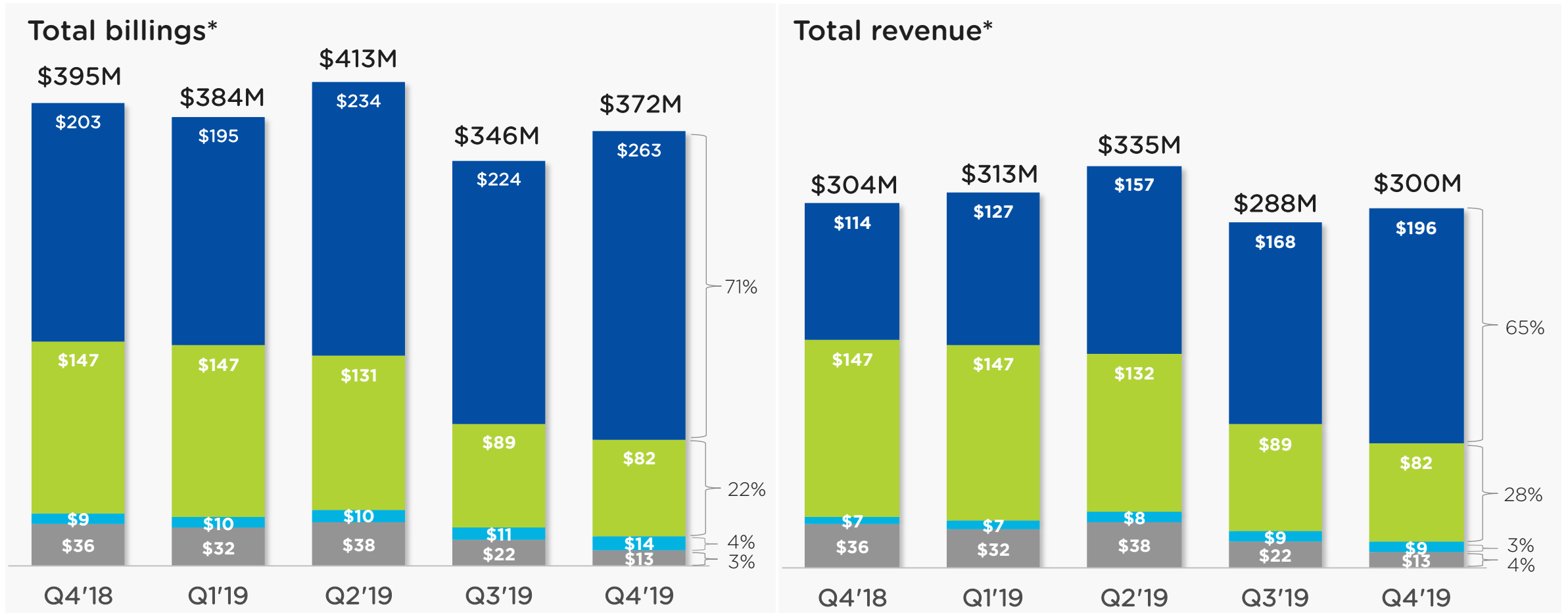
# Billings and revenue mix

■ SUBSCRIPTION

■ NON-PORTABLE SW

■ PROF SERVICES

■ PASS-THRU HW



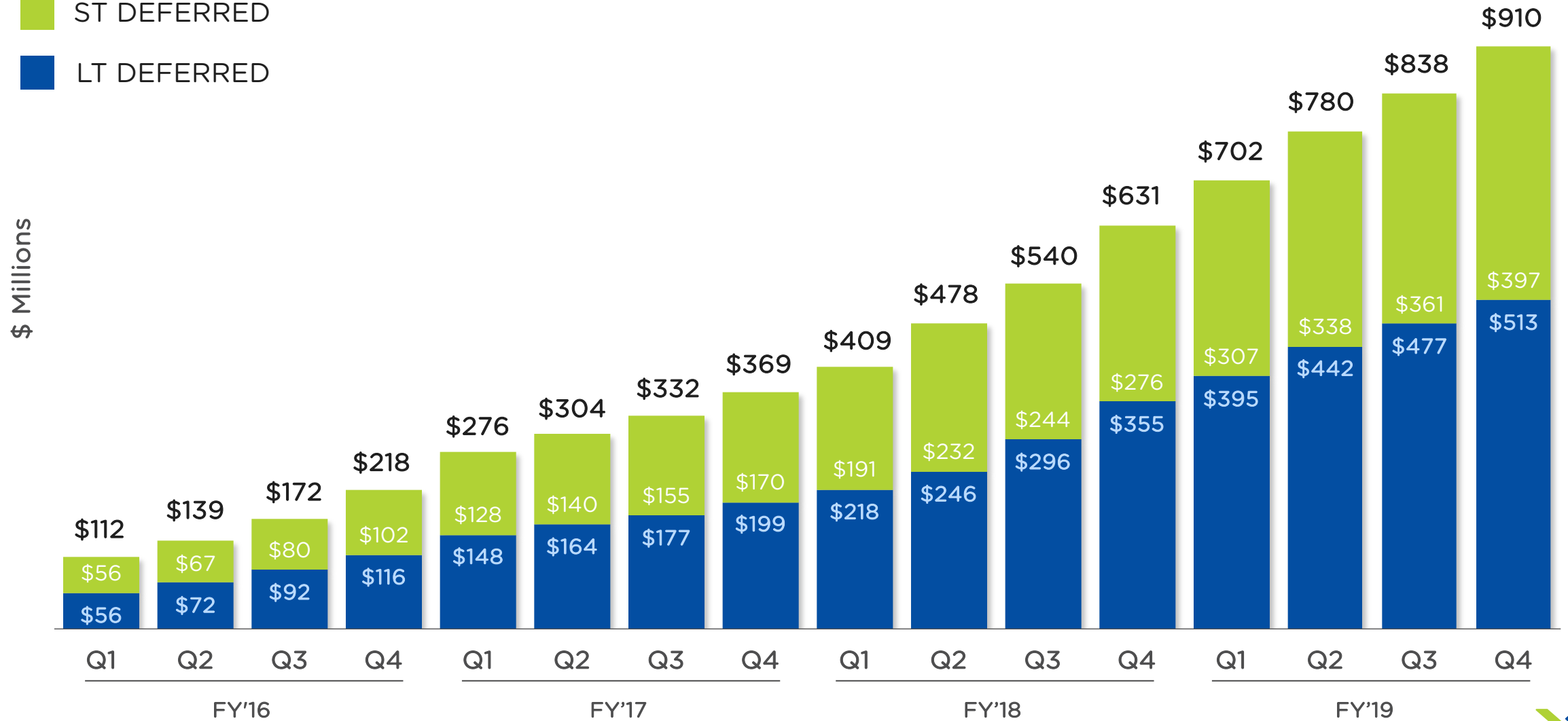
\*Nutanix's FY'19 billings and revenue were negatively impacted by its ongoing transition to a subscription business model.

Note: See appendix for disaggregation of revenue and billings, and reconciliation of non-GAAP metrics to comparable GAAP metrics.



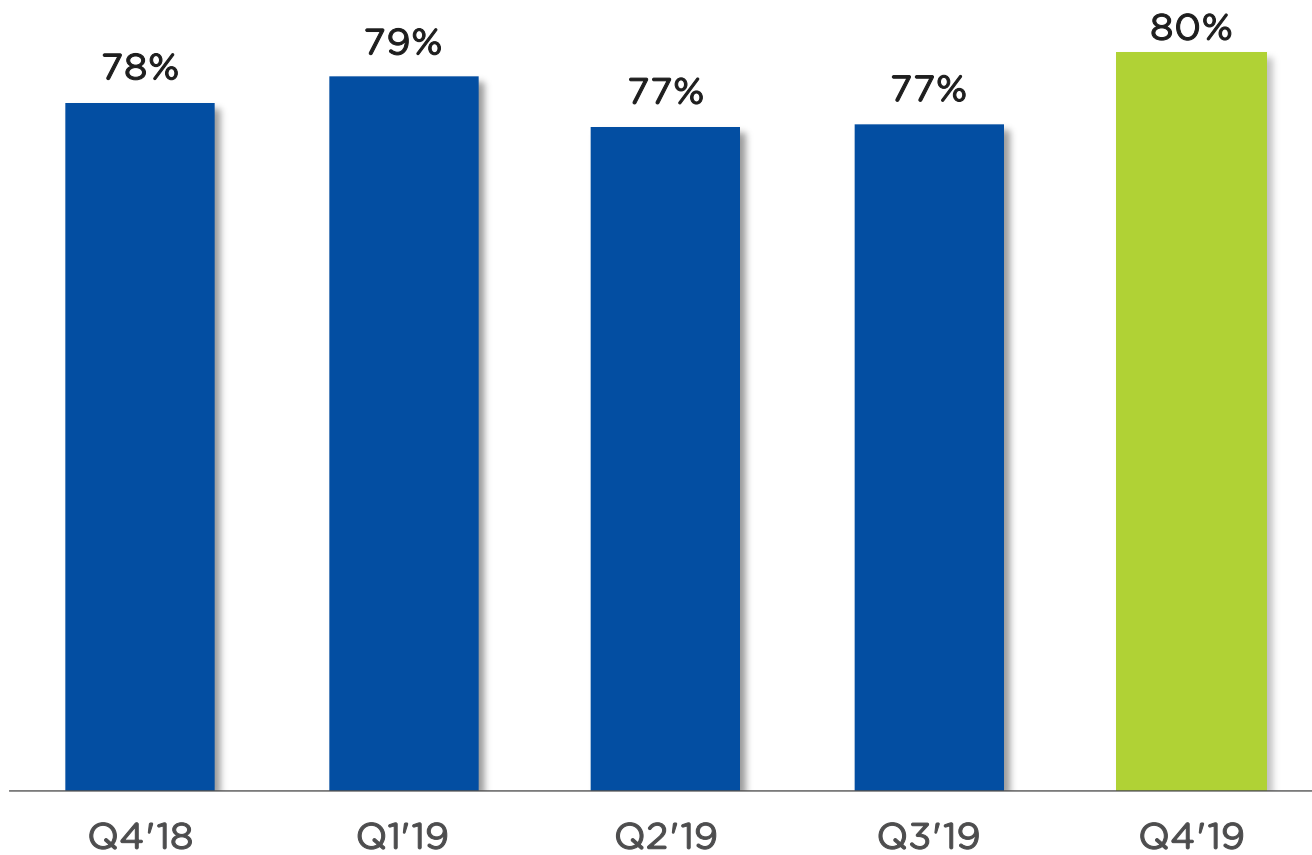
# Growing deferred revenue

■ ST DEFERRED  
■ LT DEFERRED

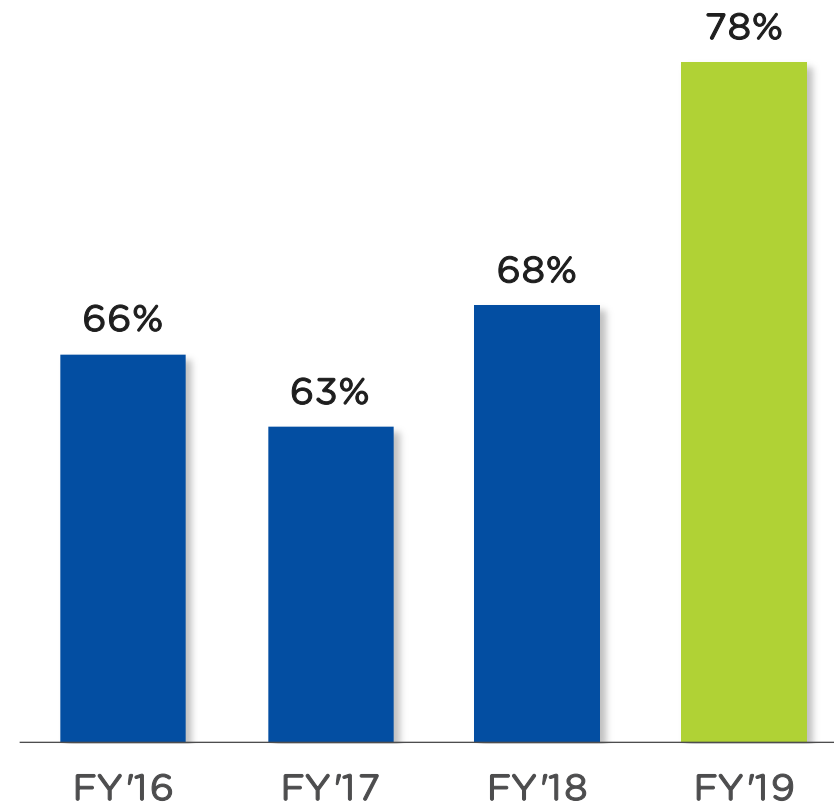


# Gross margin

By quarter



By fiscal year



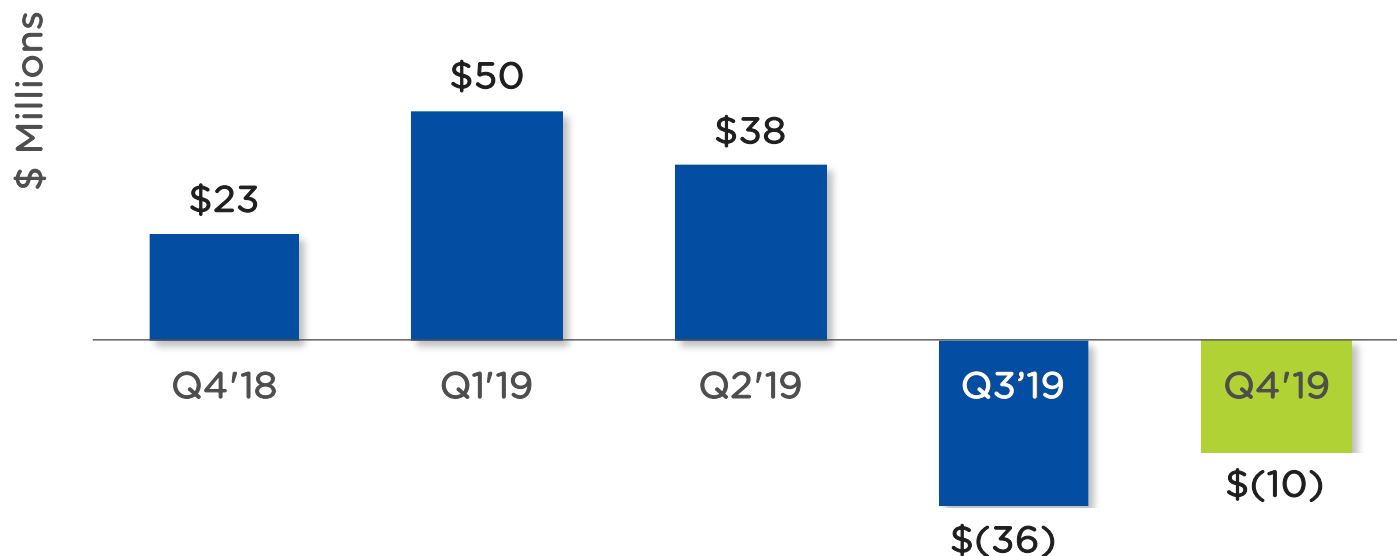
Note: Non-GAAP metric. See appendix for a reconciliation of GAAP to non-GAAP metrics.



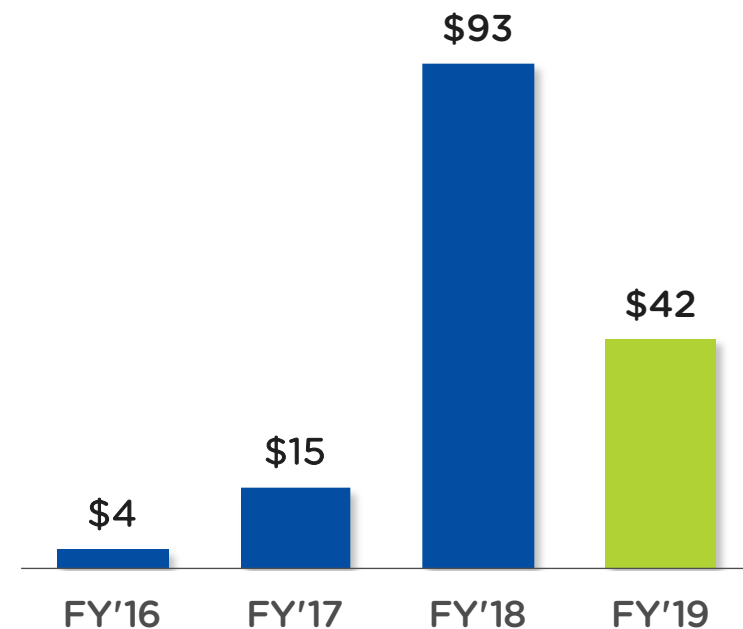


# Operating cash flow generation

By quarter



By fiscal year



OCF margin	7%	16%	11%	(13)%	(3)%
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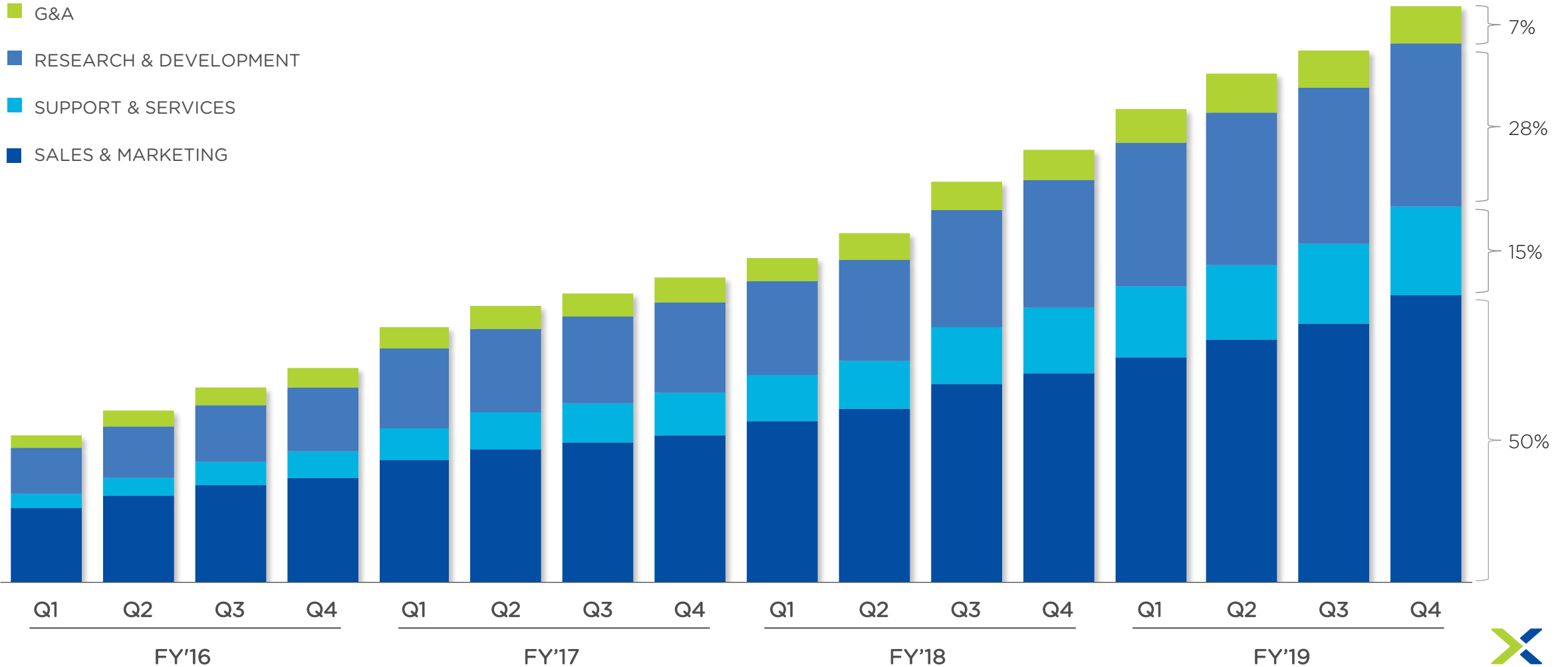
	1%	2%	8%	3%
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Note: Effective August 1, 2018, we adopted ASU 2016-18 (Statement of Cash Flows) retrospectively for the prior periods presented. The adoption did not have a significant impact.



# Continued investment in talent for growth

## Worldwide headcount



# The culture that drives us



## WE START WITH WHY...

...then the How, then the What. It helps us prioritize boulders, pebbles, and sand. With a beginner's mindset, we are **curious** about **first principles**.



## OBSCESS OVER THE CUSTOMER & FRONTLINE

As insurgents, we are waging a war on behalf of the underserved customer, and against naysaying bureaucracy. We have an obsession for **customer success**. We win with **honor**.



## THINK BIG BUT START SMALL

A well-designed innovation engine is ambitious yet iterative, strategic yet detail-oriented, big-picture-biased yet milestone-based. We believe in a **marathon of sprints**.



## HIRE OFTEN AND HIRE DIVERSE

We celebrate people. We constantly evaluate, promote from within, and make bets on people who are different from us. We actively attract, retain, and motivate people from many backgrounds and perspectives. **Being diverse is not optional; it is what we must be.**



## HAVE BACKBONE; DISAGREE BUT COMMIT

Being authentic and respecting boundaries are how we build trust. Backbone is about brutal **intellectual honesty**, but also about committing. There is no place for passive aggressive disagreements (indirect resistance) within.



## HAVE BIAS FOR ACTION

Velocity is essential for survival. Balancing **velocity** and **quality** makes us thrive. Outcomes matter. We discern, design, and deliver.



## BELIEVE IN STRIVING

We are a constantly **learning**, continuously **improving**, eternally **evolving** company with immense respect for the law of small improvements. We re-engineer, we re-factor, we take care of accumulated stress. We believe in **long-term greed**.



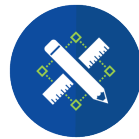
## SHOW GRIT

We endure adversity. We are anti-fragile. Every shock to the system makes us better. We celebrate **failures** and **vulnerable** leaders. Vulnerability connects us, and results in **courage** and **integrity**.



## WE HATE WASTE

It's our money, our property, our company. As owners, we believe in **sharing** and **leveraging** common core, common data, and adjacencies. We fail fast and learn fast.



## DESIGN IS EVERYTHING!

**Empathy** drives design. We strive to reduce friction for the best end user experience. **Less-is-more**, both in product and organizational design. We embrace the mundane, as we strive for elegant **simplicity**.



## CELEBRATE AUTONOMY

We are a startup. It's still Day-1. We constantly **disaggregate** (products, organizations, decision-making), **segment** and delegate, while **responsibly recomposing** for a unified customer experience.



## GET COMFORTABLE BEING UNCOMFORTABLE

Leaders accept ambiguity, are comfortable with change, and are adept at balancing **paradoxes**. We are big-hearted, **tough decision-makers** who are optimistic and paranoid simultaneously. Creators' monomaniacal focus and energy in bringing ideas to life are not always pleasant for those close to them.



# New reporting model

Product type	Product mix	Term	Revenue recognized
<b>Subscription</b>	Term-based subscription	1, 3, or 5 years	Upfront
	SaaS subscription	Monthly up to 5 years	Ratable
	Support and entitlements	1, 3, or 5 years	Ratable
<b>Non-portable software</b>	Software license attached to appliance	Life of the appliance	Upfront
<b>Professional services</b>	Professional services for all Nutanix offerings	Various	As performed
<b>Pass-through hardware</b>	Pass-through hardware cost	N/A	Upfront



# Appendix

# Appendix

**1. Customer Retention Rate.** We define our customer retention rate by subtracting our attrition rate from 100%. We calculate our attrition rate for a period by dividing the number of customers lost during the period by the sum of the number of customers at the beginning of the period and the number of new customers acquired during the period.

**2. Dollar-Based Expansion.** We believe that our dollar-based net expansion rate provides insight into our ability to retain and increase revenue from our customers, as well as their potential long-term value to us. Accordingly, we compare the aggregate retained contract value of our customer base at the end of the prior year, referred as the base contract value, to the aggregate retained contract value from the same group of customers at the end of the current year. We calculate our dollar-based expansion rate on an annual basis by dividing the retained contract value by the base contract value and dollar-weighted across cohort. Retained contract value is defined as aggregate contract value of a customer base less churn, assuming any active contract expiring during the period is renewed and continues on its existing terms and at its prevailing rate of utilization.



# Calculation of billings

\$ Millions

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	FY'19
Total revenue	\$275.6	\$286.7	\$289.4	\$303.7	\$313.3	\$335.4	\$287.6	\$299.9	\$1,236.2
Change in deferred revenue, net of acquisitions	39.7	69.2	61.8	91.4	70.3	78.0	58.4	71.8	278.5
<b>Total billings</b>	<b>\$315.3</b>	<b>\$355.9</b>	<b>\$351.2</b>	<b>\$395.1</b>	<b>\$383.6</b>	<b>\$413.4</b>	<b>\$346.0</b>	<b>\$371.7</b>	<b>\$1,514.7</b>

	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19
Software revenue	\$158.5	\$188.8	\$191.8	\$199.0	\$162.9	\$173.4
Support, entitlements & other services revenue	68.3	79.1	88.9	98.4	102.9	113.5
<b>Total software and support revenue</b>	<b>\$226.8</b>	<b>\$267.9</b>	<b>\$280.7</b>	<b>\$297.4</b>	<b>\$265.8</b>	<b>\$286.9</b>
Change in software and support deferred revenue, net of acquisitions	65.2	91.3	70.3	78.1	58.4	71.8
<b>Total software and support billings</b>	<b>\$292.0</b>	<b>\$359.2</b>	<b>\$351.0</b>	<b>\$375.5</b>	<b>\$324.2</b>	<b>\$358.7</b>

	FY'16	FY'17	FY'18	FY'19
Software revenue	\$287.6	\$437.0	\$630.7	\$727.1
Support, entitlements & other services revenue	89.5	172.6	267.5	403.7
<b>Total software and support revenue</b>	<b>\$377.1</b>	<b>\$609.6</b>	<b>\$898.2</b>	<b>\$1,130.8</b>
Change in software and support deferred revenue, net of acquisitions	134.4	144.6	262.0	278.5
<b>Total software and support billings</b>	<b>\$511.5</b>	<b>\$754.2</b>	<b>\$1,160.2</b>	<b>\$1,409.3</b>



# Disaggregation of billings and revenue

\$ Millions

	FY'17	Q1'18	Q2'18	Q3'18	Q4'18	FY'18	Q1'19	Q2'19	Q3'19	Q4'19	FY'19
Subscription revenue	\$172.5	\$62.4	\$74.2	\$80.1	\$114.0	\$330.7	\$127.0	\$157.4	\$168.4	\$195.6	\$648.4
Change in subscription deferred revenue, net of acquisitions	139.4	36.5	62.4	62.9	89.5	251.3	67.8	76.2	55.9	67.7	267.6
<b>Subscription billings</b>	<b>\$311.9</b>	<b>\$98.9</b>	<b>\$136.6</b>	<b>\$143.0</b>	<b>\$203.5</b>	<b>\$582.0</b>	<b>\$194.8</b>	<b>\$233.6</b>	<b>\$224.3</b>	<b>\$263.3</b>	<b>\$916.0</b>
Non-portable software revenue	\$421.0	\$126.9	\$129.2	\$140.9	\$147.0	\$544.0	\$146.6	\$131.6	\$88.7	\$82.2	\$449.1
Change in non-portable software deferred revenue, net of acquisitions	-	-	1.8	(1.8)	-	-	-	-	-	-	-
<b>Non-portable software billings</b>	<b>\$421.0</b>	<b>\$126.9</b>	<b>\$131.0</b>	<b>\$139.1</b>	<b>\$147.0</b>	<b>\$544.0</b>	<b>\$146.6</b>	<b>\$131.6</b>	<b>\$88.7</b>	<b>\$82.2</b>	<b>\$449.1</b>
Professional services revenue	\$16.1	\$5.4	\$5.3	\$5.8	\$6.9	\$23.4	\$7.2	\$8.5	\$8.6	\$9.0	\$33.3
Change in professional services deferred revenue, net of acquisitions	5.2	3.3	1.6	4.1	1.8	\$10.8	2.5	1.8	2.5	4.2	11.0
<b>Professional services billings</b>	<b>\$21.3</b>	<b>\$8.7</b>	<b>\$6.9</b>	<b>\$9.9</b>	<b>\$8.7</b>	<b>\$34.2</b>	<b>\$9.7</b>	<b>\$10.3</b>	<b>\$11.1</b>	<b>\$13.2</b>	<b>\$44.3</b>
Pass-through hardware revenue	\$236.3	\$80.8	\$78.0	\$62.6	\$35.9	\$257.3	\$32.5	\$37.9	\$21.9	\$13.0	\$105.3
Change in pass-through hardware deferred revenue, net of acquisitions	-	-	3.4	(3.4)	-	-	-	-	-	-	-
<b>Pass-through hardware billings</b>	<b>\$236.3</b>	<b>\$80.8</b>	<b>\$81.4</b>	<b>\$59.2</b>	<b>\$35.9</b>	<b>\$257.3</b>	<b>\$32.5</b>	<b>\$37.9</b>	<b>\$21.9</b>	<b>\$13.0</b>	<b>\$105.3</b>





# GAAP to non-GAAP reconciliations

	Q1'18	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	Q3'19	Q4'19	FY'16	FY'17	FY'18	FY'19
Gross margin (GAAP)	60.6%	62.2%	67.0%	75.9%	76.3%	74.4%	73.9%	77.0%	66.1%	61.3%	66.6%	75.4%
Stock-based compensation expense	1.0	0.9	0.9	1.1	1.2	1.3	1.9	1.8	0.2	1.6	1.0	1.5
Amortization of intangible assets	0.3	0.4	0.5	0.7	1.1	1.1	1.3	1.2	-	0.2	0.5	1.2
<b>Gross margin (Non-GAAP)</b>	<b>61.9%</b>	<b>63.5%</b>	<b>68.4%</b>	<b>77.7%</b>	<b>78.6%</b>	<b>76.8%</b>	<b>77.1%</b>	<b>80.0%</b>	<b>66.3%</b>	<b>63.1%</b>	<b>68.1%</b>	<b>78.1%</b>
Loss from operations (GAAP)	\$(59.0)	\$(59.8)	\$(82.3)	\$(79.2)	\$(95.2)	\$(116.2)	\$(204.2)	\$(182.5)				
Stock-based compensation expense	35.5	42.0	44.9	55.5	65.9	72.6	94.8	73.4				
Change in fair value of contingent consideration	0.3	(4.2)	0.6	0.9	(0.8)	-	-	-				
Amortization of intangible assets	1.1	1.4	1.7	2.4	3.7	4.4	4.4	4.3				
Acquisition-related costs	-	0.5	0.5	0.7	0.5	-	0.2	-				
Other	-	-	-	-	-	0.2	-	0.2				
<b>Loss from operations (Non-GAAP)</b>	<b>\$(22.1)</b>	<b>\$(20.2)</b>	<b>\$(34.6)</b>	<b>\$(19.7)</b>	<b>\$(25.9)</b>	<b>\$(39.0)</b>	<b>\$(104.8)</b>	<b>\$(104.6)</b>				
Net loss per share (GAAP)	\$(0.39)	\$(0.39)	\$(0.51)	\$(0.51)	\$(0.54)	\$(0.68)	\$(1.15)	\$(1.04)				
Stock-based compensation expense	0.23	0.26	0.27	0.32	0.38	0.40	0.52	0.39				
Change in fair value of contingent consideration	-	(0.03)	-	-	-	-	-	-				
Amortization of intangible assets	-	0.01	0.01	0.02	0.02	0.02	0.03	0.02				
Acquisition-related costs	-	0.01	-	0.01	-	-	-	-				
Amortization of debt discount and issuance costs	-	0.01	0.04	0.04	0.04	0.04	0.04	0.04				
Income tax-related adjustments	-	(0.01)	(0.02)	0.01	(0.03)	(0.01)	-	0.02				
<b>Net loss per share (Non-GAAP)</b>	<b>\$(0.16)</b>	<b>\$(0.14)</b>	<b>\$(0.21)</b>	<b>\$(0.11)</b>	<b>\$(0.13)</b>	<b>\$(0.23)</b>	<b>\$(0.56)</b>	<b>\$(0.57)</b>				
Net cash provided by operating activities	\$10.1	\$46.4	\$13.3	\$22.7	\$49.8	\$38.5	\$(36.5)	\$(9.7)				
Purchases of property and equipment	(18.0)	(14.0)	(14.1)	(16.2)	(29.8)	(42.6)	(22.4)	(23.6)				
<b>Free cash flow (Non-GAAP)</b>	<b>\$(7.9)</b>	<b>\$32.4</b>	<b>\$(0.8)</b>	<b>\$6.5</b>	<b>\$20.0</b>	<b>\$(4.1)</b>	<b>\$(58.9)</b>	<b>\$(33.3)</b>				

Note: All amounts in millions, except per share amounts and percentages.

