

Corporate Overview

August 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 and conversion of the debt discount and issuance costs related to convertible senior notes, 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 has provided useful information to our management and investors during our transition to a subscription-based business model as it has allowed us to better track the topline growth of our business during the transition 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 below in the tables captioned "Reconciliation of GAAP to Non-GAAP Profit Measures" and "Reconciliation of GAAP Net Cash Provided By Operating Activities to Non-GAAP Free Cash Flow," 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 first quarter fiscal 2025 outlook and/or our fiscal 2025 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 plan to continue innovating towards our goal of being the leading platform for running applications and managing data, anywhere; our focus on delivering sustainable, profitable growth; our first quarter fiscal 2025 outlook; and our fiscal 2025 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, objectives, momentum, prospects and outlook; 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; 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; 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 Annual Report on Form 10-K for the fiscal year ended July 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

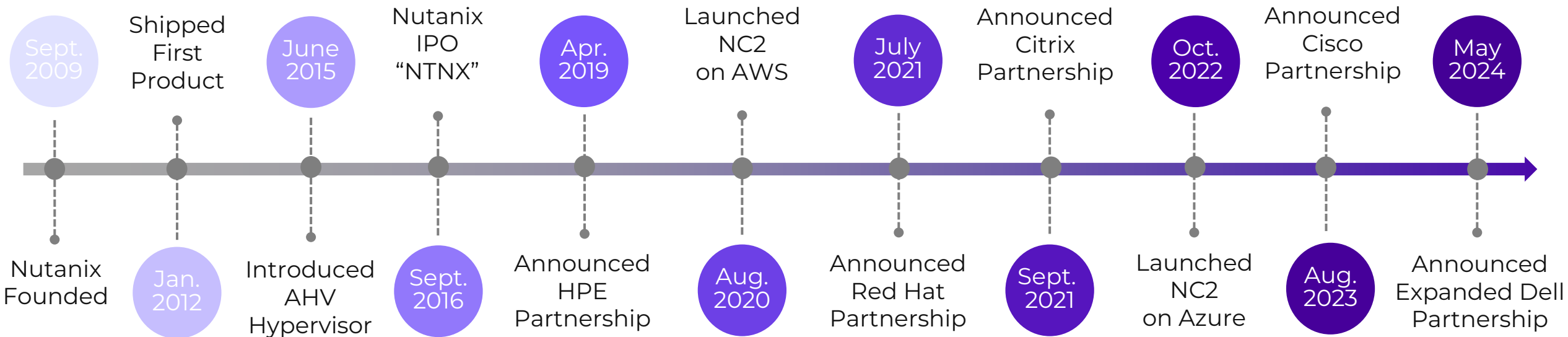
Durable Growth + Increasing Profitability

via Disciplined Execution on Market Opportunity, Renewals and Partner Leverage



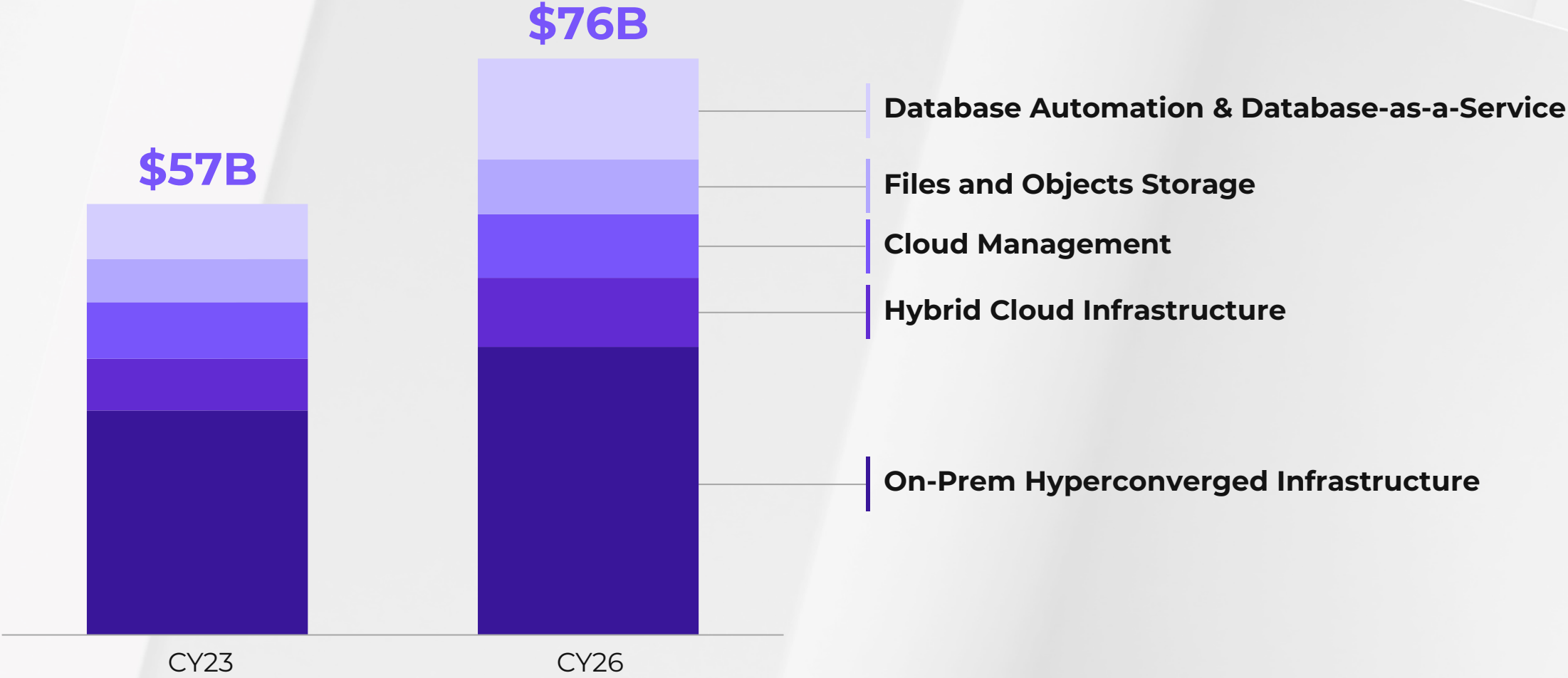
¹Source: Estimates based on Gartner forecasts regarding component markets, with adjustments made to reflect only those applicable to our business

Over A Decade of Progress



Large and Growing Market

Total Addressable Market (TAM)

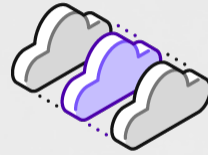


Source: Estimates based on Gartner forecasts regarding component markets, with adjustments made to reflect only those applicable to our business

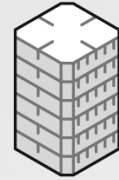
Why We Win



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

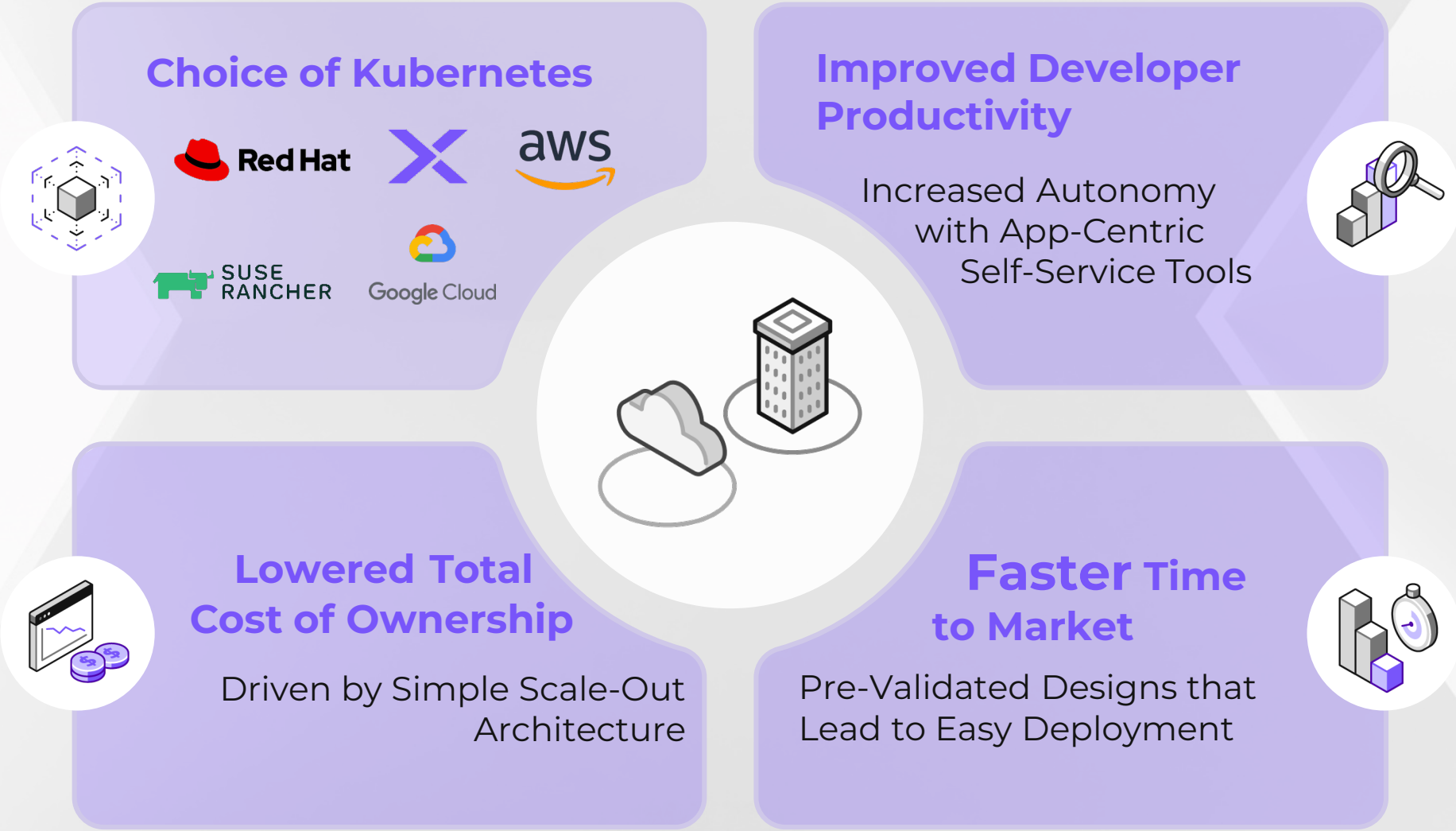
Database Services

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



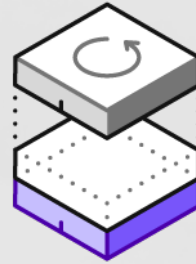
Extending Platform to Public Cloud

Primary Use Cases



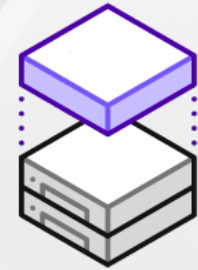
Migration

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

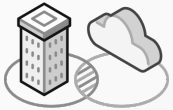


What Nutanix Delivers for AI



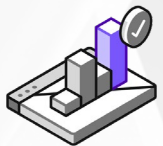
Full AI Stack

Deploy Curated Set of LLMs Using Leading Open Source AI Frameworks



Delivered Anywhere

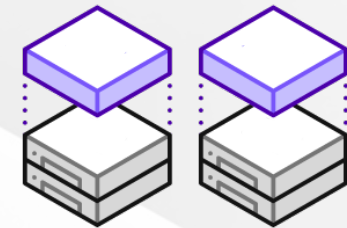
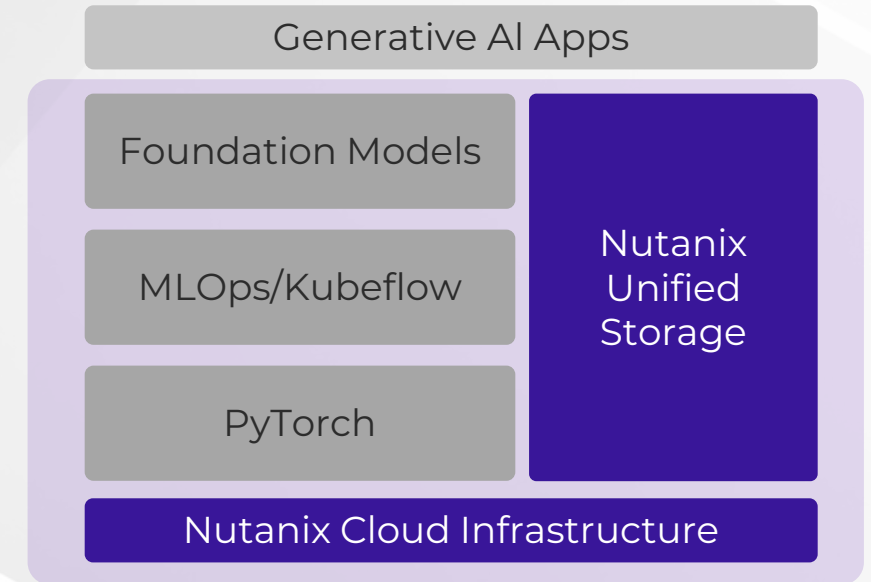
From Small-Scale Edge to Large-Scale Private Cloud



Built-in Data Services

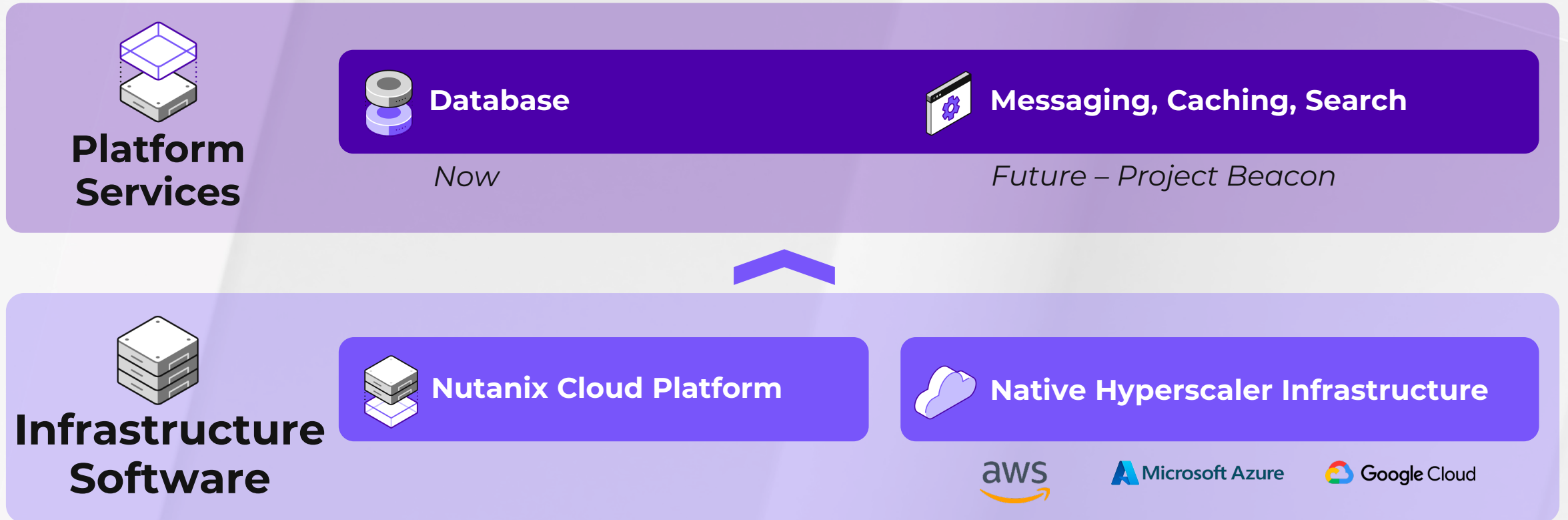
Fine-Tune and Run GPTs While Maintaining Control of Data and Apps

GPT-in-a-Box



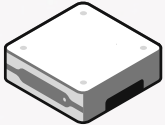
GPU-Enabled Servers

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



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



Jennifer Lepird
Interim Chief People Officer



Tarkan Maner
Chief Commercial Officer



Brian Martin
Chief Legal Officer



Thomas Cornely
SVP, Product Management



Q4 and FY'24 Company Highlights

Delivered Outperformance Across All Q4'24 and FY'24 Guided Metrics

FY'24 Revenue of \$2.15 billion was up 15% year-over-year and FY'24 Free Cash Flow (FCF) was \$598 million, almost 3x higher than FY'23.

Strong FY'24 Rule of 40 Score

FY'24 Revenue growth of 15% plus a FY'24 FCF Margin of 28% resulted in a Rule of 40 score of 43.

Strong New Logo Performance

Added 670 new logos in Q4'24 - the highest in 3 years - benefiting from go-to-market leverage from partners and new programs.

Posted First Annual GAAP Operating Profit in FY'24

Reported first full-year positive GAAP operating profit of \$8 million in FY'24 - another important milestone for the Company.

Management Commentary

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Our fourth quarter was a solid finish to a fiscal year that showed good progress on our financial model with solid top line growth and sharp year-over-year improvement in profitability. In fiscal 2024, we also made notable progress on partnerships, signing new or enhanced agreements with Cisco, NVIDIA and Dell, and continued to innovate towards our goal of being the leading platform for running applications and managing data, anywhere.



Rajiv Ramaswami

President and Chief Executive Officer
Nutanix

“

Our fiscal 2024 results demonstrated a good balance of top and bottom line performance with 22% year-over-year ARR growth, strong free cash flow generation and our first full year of positive GAAP operating income. We remain focused on delivering sustainable, profitable growth.



Rukmini Sivaraman

Chief Financial Officer
Nutanix



Note: See Appendix for a GAAP to Non-GAAP reconciliation of free cash flow. See Appendix for definition of Annual Recurring Revenue (ARR). There is no GAAP measure that is comparable to ARR, so the Company has not reconciled ARR in this presentation to any GAAP measure.

Q4 FY2024 Financial Summary

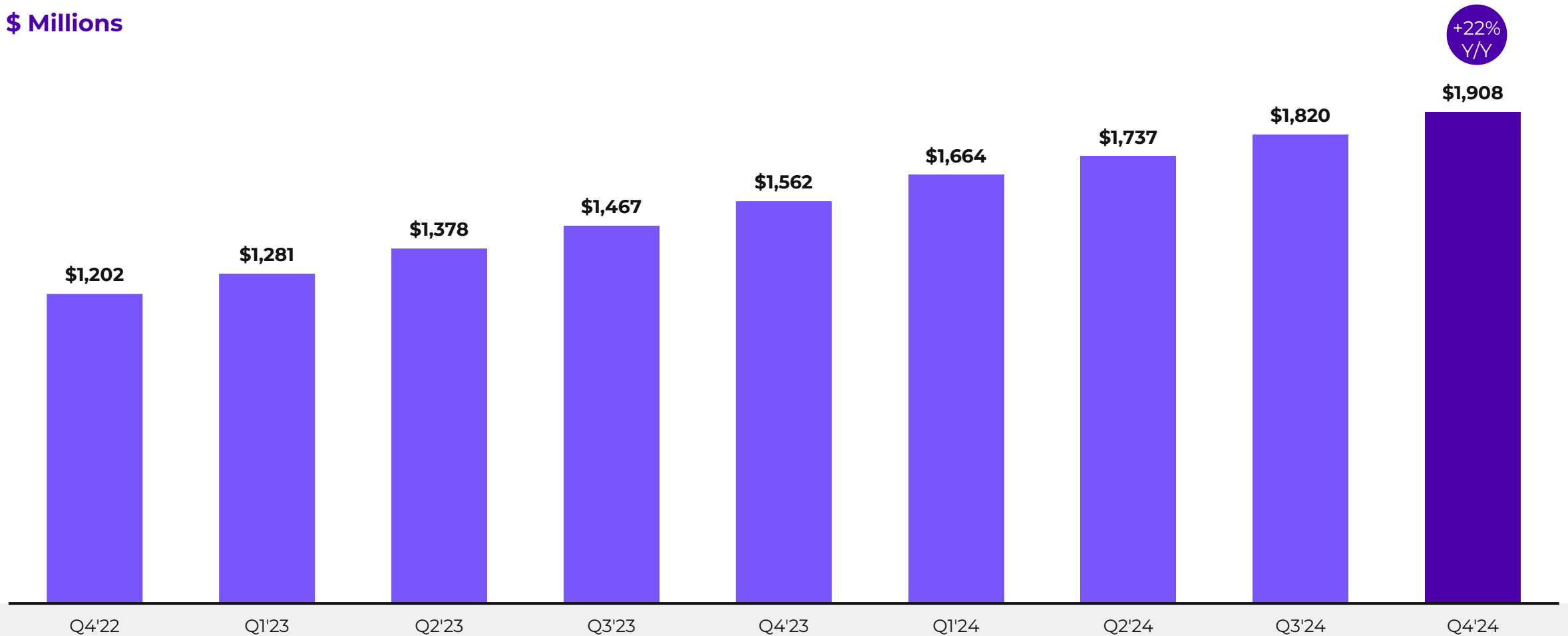
	Q4'24 Results	Y/Y Change	Q4'24 Guidance
ACV Billings	\$338.0M	21%	\$295 – \$305M
Annual Recurring Revenue	\$1.91B	22%	N/A
Average Contract Duration	3.1 Years	0.1 Year	N/A
Revenue	\$548.0M	11%	\$530 – \$540M
Non-GAAP Gross Margin	86.9%	110 bps	85% to 86%
Non-GAAP Operating Expenses	\$405.5M	12%	N/A
Non-GAAP Operating Income	\$70.5M	\$6.9M	N/A
Non-GAAP Operating Margin	12.9%	0% pts	9% to 10%
Non-GAAP Net Income per Share (Diluted)	\$0.27	\$0.03	N/A
Free Cash Flow	\$224.3M	\$178.8M	N/A



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

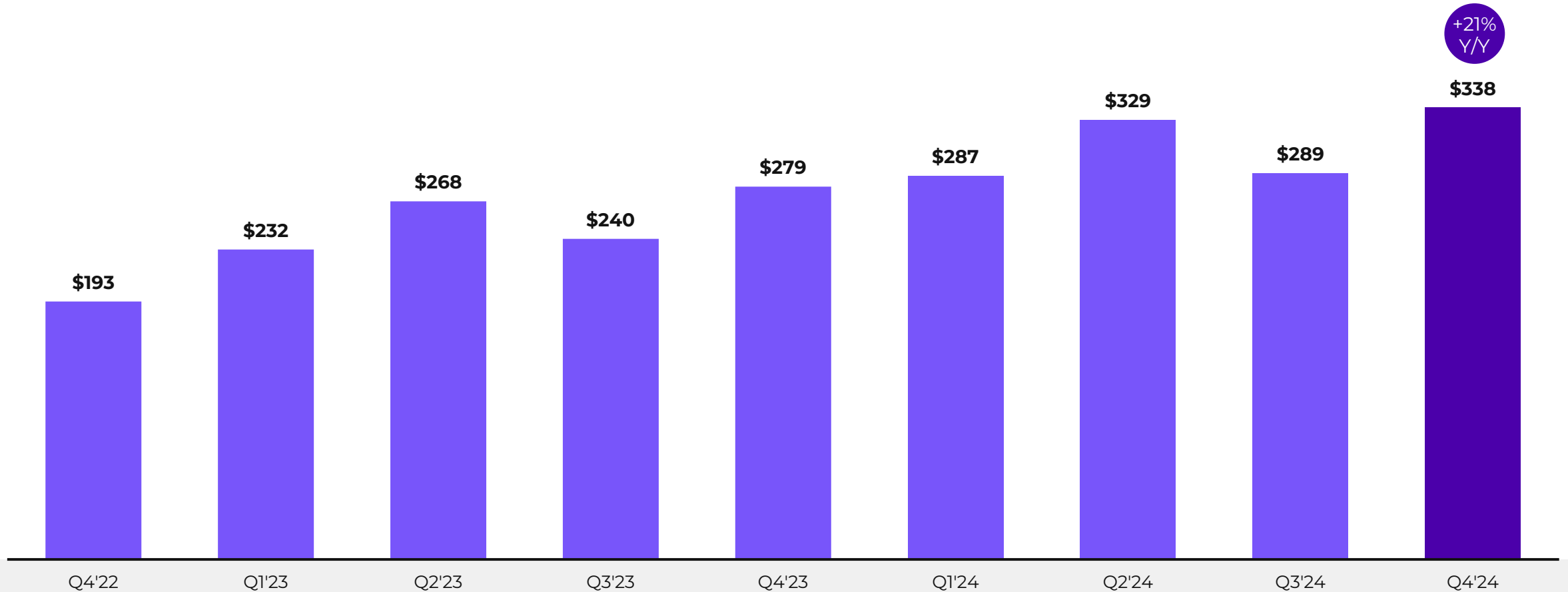
\$ Millions



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



X 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

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. 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 life-of-device contracts that do not have a specified term. Excludes amounts related to professional services and hardware. **ACV Billings**, for any given period, is defined as the sum of the ACV for all contracts billed during the given period. The Company will discontinue reporting ACV Billings beginning with the Company's first quarter fiscal 2025 financial results.

Annual Recurring Revenue, or **ARR**, for any given period, is defined as the sum of ACV for all subscription 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. Excludes all life-of-device contracts.

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

	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	FY'24
Gross Margin (GAAP)	83.7%	84.0%	85.6%	84.8%	85.2%	84.9%
Stock-Based Compensation Expense	1.7	1.7	1.6	1.6	1.6	1.6
Amortization of Intangible Assets	0.4	0.2	0.1	0.1	0.1	0.2
Gross Margin (Non-GAAP)	85.8%	85.9%	87.3%	86.5%	86.9%	86.7%
Operating Expenses (GAAP)	\$425.1	\$434.8	\$446.6	\$456.5	\$479.2	\$1,817.1
Stock-Based Compensation Expense	(64.2)	(75.0)	(77.1)	(74.3)	(73.4)	(299.7)
Amortization of Intangible Assets	(0.1)	–	(0.1)	(0.1)	(0.1)	(0.3)
Restructuring Charges	–	–	0.2	–	–	0.2
Litigation-Related Costs	(0.2)	–	–	(1.7)	(0.2)	(2.0)
Other	–	–	(0.2)	–	–	(0.2)
Operating Expenses (Non-GAAP)	\$360.6	\$359.8	\$369.4	\$380.4	\$405.5	\$1,515.1
(Loss) Income from Operations (GAAP)	\$(11.4)	\$(5.7)	\$37.1	\$(11.5)	\$(12.2)	\$7.6
Stock-Based Compensation Expense	72.6	84.0	86.0	82.3	81.6	333.8
Amortization of Intangible Assets	2.2	1.2	0.8	0.8	0.9	3.7
Restructuring Charges	–	–	(0.2)	–	–	(0.2)
Litigation-Related Costs	0.2	–	–	1.7	0.2	2.0
Other	–	–	0.2	–	–	0.2
Income from Operations (Non-GAAP)	\$63.6	\$79.5	\$123.9	\$73.3	\$70.5	\$347.1



Note: All amounts in millions, except percentages.

GAAP to Non-GAAP Reconciliations

	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24	FY'24
Net (Loss) Income (GAAP)	\$(13.3)	\$(15.9)	\$32.8	\$(15.6)	\$(126.1)	\$(124.8)
Stock-Based Compensation Expense	72.6	84.0	86.0	82.3	81.6	333.8
Amortization of Intangible Assets	2.2	1.2	0.8	0.8	0.9	3.7
Restructuring Charges	–	–	(0.2)	–	–	(0.2)
Litigation-Related Costs	0.2	–	–	1.7	0.2	2.0
Amortization and Conversion of Debt Discount and Issuance Costs	16.3	16.3	16.6	16.9	119.5	169.4
Gain on Frame Divestiture	(11.0)	–	–	–	–	-
Other	–	0.9	0.1	(0.1)	(0.2)	0.8
Income Tax-Related Adjustments	0.5	0.3	0.2	(0.8)	(0.2)	(0.5)
Net Income (Non-GAAP)	\$67.5	\$86.8	\$136.3	\$85.2	\$75.7	\$384.2
Net Cash Provided by Operating Activities	\$58.3	\$145.5	\$186.4	\$96.3	\$244.7	\$672.9
Purchases of Property and Equipment	(12.8)	(13.0)	(23.8)	(18.0)	(20.4)	(75.2)
Free Cash Flow (Non-GAAP)	\$45.5	\$132.5	\$162.6	\$78.3	\$224.3	\$597.7

	Q4'23	Q4'24
Weighted Average Shares Outstanding (Basic)	238M	248M
Weighted Average Shares Outstanding (Diluted)	286M	285M



Note: All amounts in millions.

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Thank You