

The Nutanix logo features the word "NUTANIX" in a bold, white, sans-serif font. The letter "X" is stylized, with its right side being a bright green chevron shape pointing to the right. A small "TM" trademark symbol is located to the right of the "X".

NUTANIX™

Q4 FY'17 Investor Presentation

September 5, 2017



* Financial results herein are reported under new revenue standard ASC 606

Non-GAAP Financial Measures and Other Key Performance Measures

To supplement our condensed 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 percentage, non-GAAP net loss, pro forma non-GAAP net loss per share, and free cash flow. In computing these 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, revaluation of contingent consideration, income tax related impact, and other acquisition-related costs), loss on debt extinguishment, and changes in the fair value of our preferred stock warrant liability. 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. 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. 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. Our management believes that these non-GAAP financial and key performance measures 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. 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 percentage, non-GAAP net loss, pro forma non-GAAP net loss per share, and free cash flow are not substitutes for total revenue, gross profit, net loss, net loss per share, or net cash (used in) provided by operating activities, 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 “Reconciliation of Non-GAAP Financial Measures and Key Performance Measures” and not to rely on any single financial measure to evaluate our business.

Forward Looking Statements

This presentation contains express and implied forward-looking statements, including but not limited to statements relating to our long-term financial model targets and our plans to achieve those targets. 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: 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, our revenue or 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 to the pricing of certain components of our solutions, and fluctuations in demand and competitive pricing pressures for our solutions; delays in or lack of customer or market acceptance of our new product features or technology; 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 quarter ended April 30, 2017, filed with the SEC on June 2, 2017, and amended on July 5, 2017. Additional information will also be set forth in our Form 10-K that will be filed for the fiscal year ended July 31, 2017, which should be read in conjunction with the information in this presentation. Our SEC filings are available on the Investor Relations section of the company’s 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 to update forward-looking statements to reflect actual results or subsequent events or circumstances.

> Q4 FY2017 KEY HIGHLIGHTS

MARKET



- > **\$100B+** TAM

GROWTH



- > **\$252M** total revenue, up **57%** YoY
- > **\$289M** billings, up **40%** YoY
- > **\$369M** in deferred revenue, up **69%** YoY

CUSTOMERS



- > **7,051** total customers, up **87%** YoY
- > **559** Global 2000 customers
- > **313** customers with lifetime bookings of \$1-3M
- > **52** customers with lifetime bookings of \$3-5M
- > **39** customers with > \$5M in lifetime bookings
- > **70%** of bookings from repeat customers
- > **37%** of bookings from international customers

BALANCE SHEET



- > **\$349M** in cash & ST inv.
- > DSO of **73** days, weighted average DSO of **27** days
- > **No** inventory

LIQUIDITY



- > Cash flow from operations of **\$14M** for FY17
- > Free cash flow of **\$-36M** for FY17

See appendix for reconciliation of Billings and Free Cash Flow to comparable GAAP metrics.

Q4 FISCAL YEAR 2017 FINANCIAL RESULTS

	Q4'17	Q3'17	Q/Q Change	Q4'16	Y/Y Change
Revenue	\$252.5	\$205.7	23%	\$160.5	57%
Billings ¹	\$289.2	\$234.1	24%	\$206.6	40%
Gross Margin ¹	62.6%	61.2%	1.4	66.3%	-3.7
Operating Loss ¹	-\$23.9	-\$43.8	45%	-\$22.0	-9%
Net Loss Per Share ^{1, 2}	-\$0.17	-\$0.32	\$0.15	-\$0.21	\$0.04
Cash Flow from Operations	\$5.9 ³	-\$16.0 ⁴	\$21.9	\$2.4	\$3.5
Free Cash Flow ¹	-\$6.5 ³	-\$29.2 ⁴	\$22.7	-\$6.5	\$-

¹ Indicates Non-GAAP results or financial metric - see GAAP to Non-GAAP/metric reconciliations in appendix of this presentation.

² Assumes conversion of all preferred shares to common shares in prior periods.

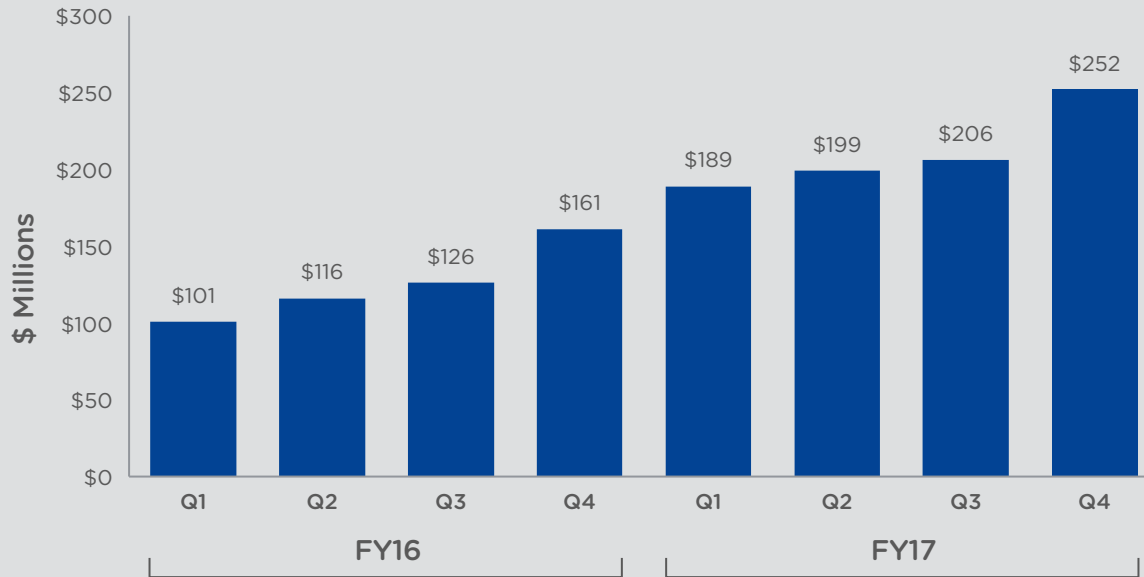
³ Reflects \$10.6 million inflow of operating cash related to the company's ESPP plan

⁴ Reflects \$9.6 million outflow of operating cash related to the company's ESPP plan

Note: All amounts in millions, except for EPS and margin % and Q/Q and Y/Y change percentages.

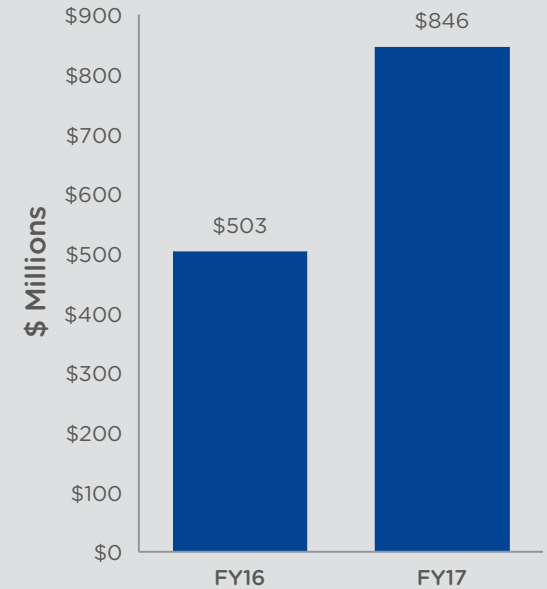
STRONG REVENUE GROWTH

By Quarter



YoY Growth %	--	--	--	--	88	71	63	57
QoQ Growth %	--	16	8	27	17	6	3	23

By Fiscal Year

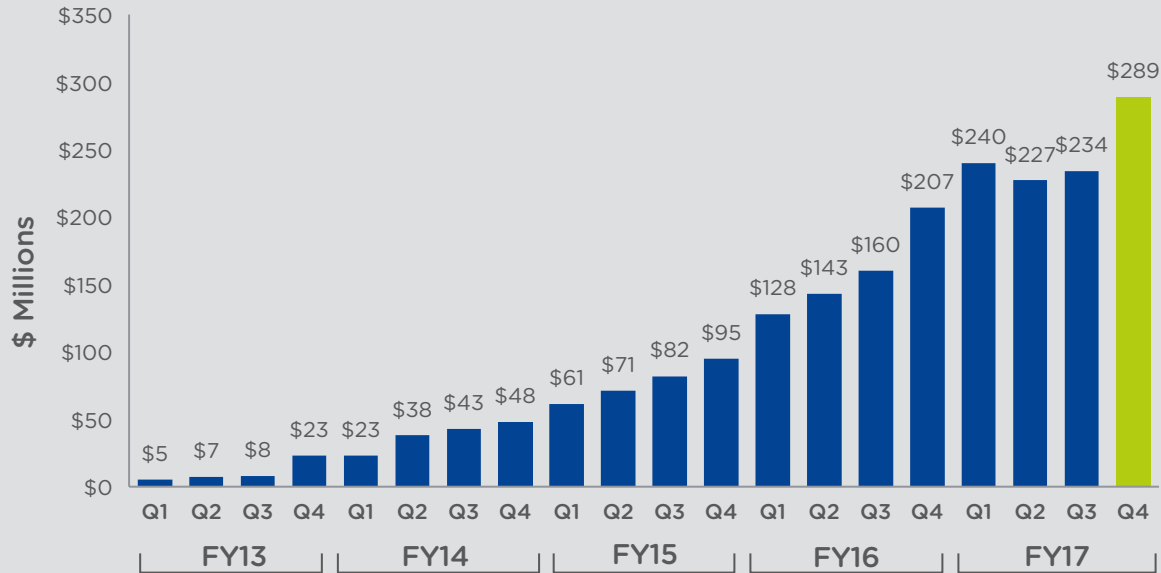


YoY Growth %	*	68
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*FY16 growth not shown as only 2 years recast under ASC 606

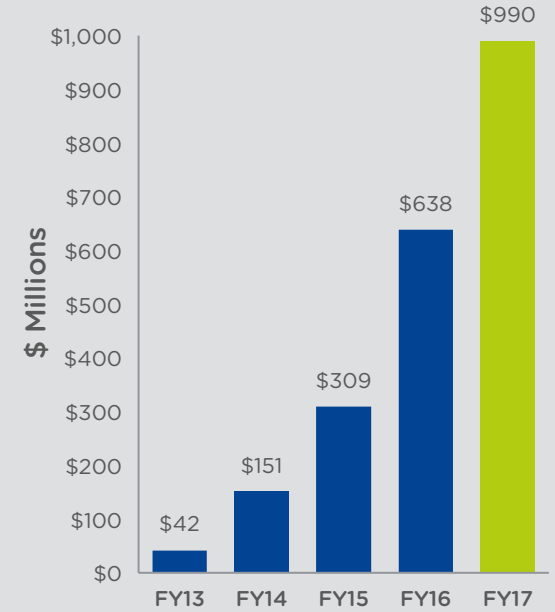
HISTORICAL BILLINGS PERFORMANCE

By Quarter



YoY Growth %	--	--	--	--	360	443	438	109	165	87	91	98	110	101	95	118	88	59	47	40
QoQ Growth %	68	40	14	188	0	65	13	12	27	16	15	16	35	12	12	29	16	-5	3	24

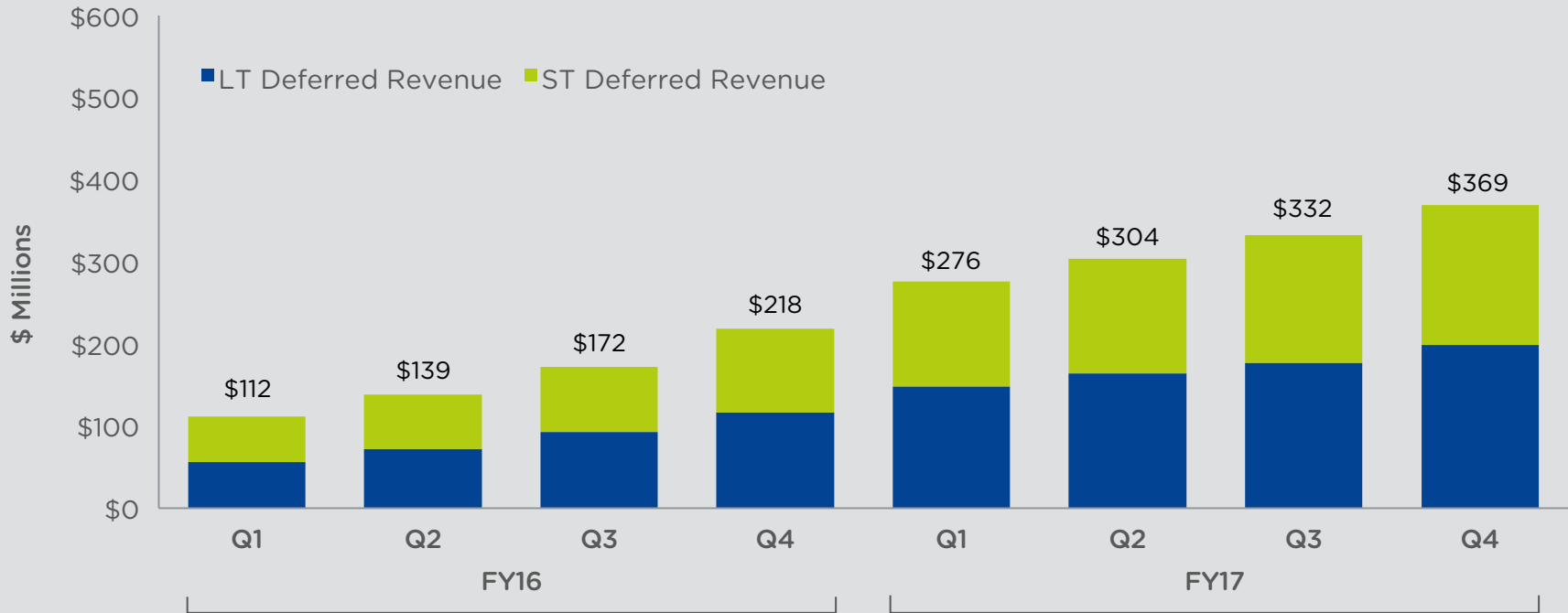
By Fiscal Year



YoY Growth %	--	260	105	106	55
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See Appendix for reconciliation of Billings to GAAP Revenue

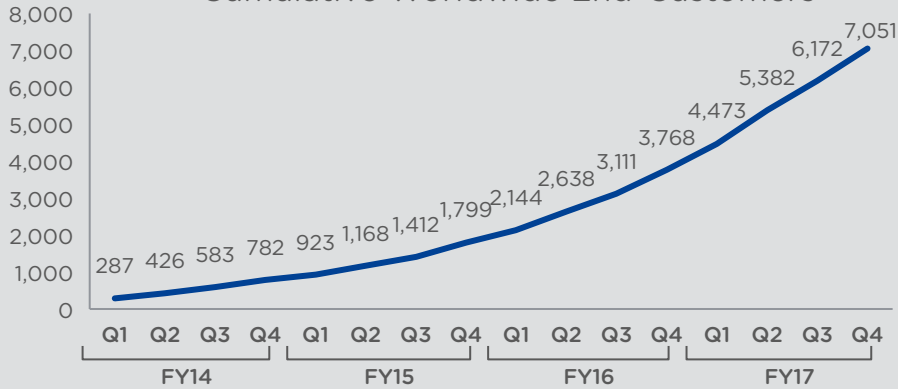
DEFERRED REVENUE BUILDS FOR THE FUTURE



ST Deferred Revenue	\$56	\$67	\$80	\$102	\$128	\$140	\$155	\$170
LT Deferred Revenue	\$56	\$72	\$93	\$117	\$148	\$164	\$177	\$199

STRONG CUSTOMER GROWTH METRICS

Fast Growing Customer Acquisition
Cumulative Worldwide End-Customers

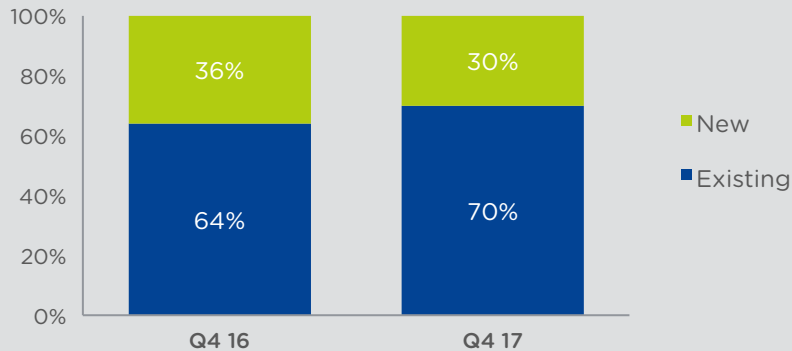


Cumulative End-Customers with Lifetime
Purchases >\$1M*

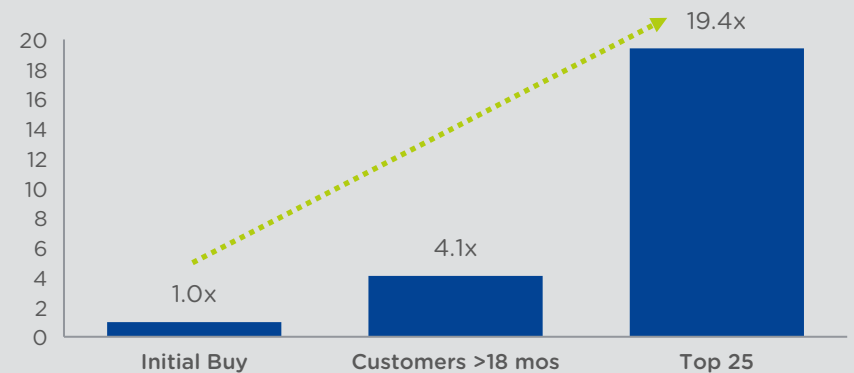


*Based on bookings.

Strong Repeat Business
New vs. Existing End-Customer Bookings



Total Lifetime Purchase Multiples* **

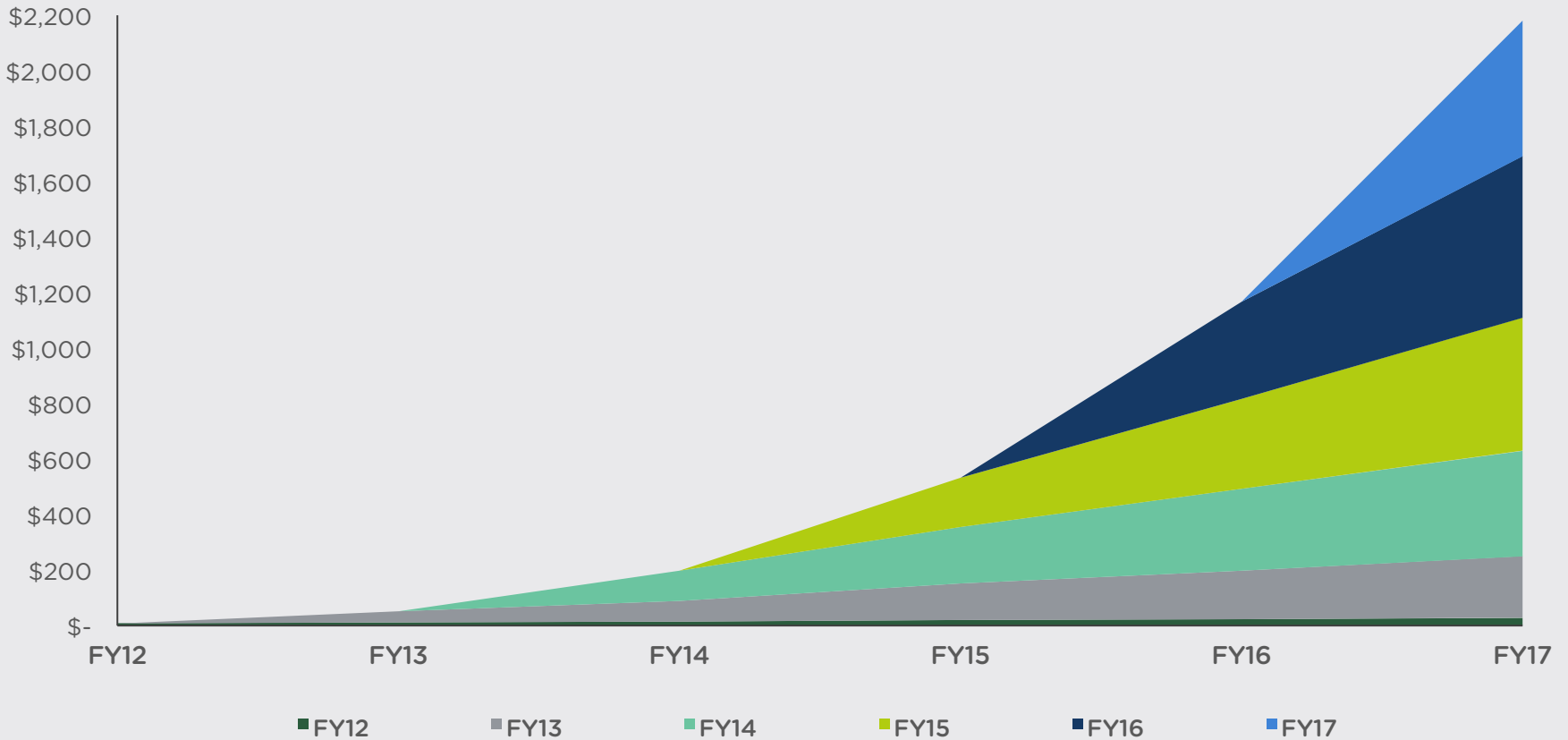


* Multiples represent Total Lifetime Purchase / Initial Purchase.

**Top 25 is from IPO class of customers, for comparability.

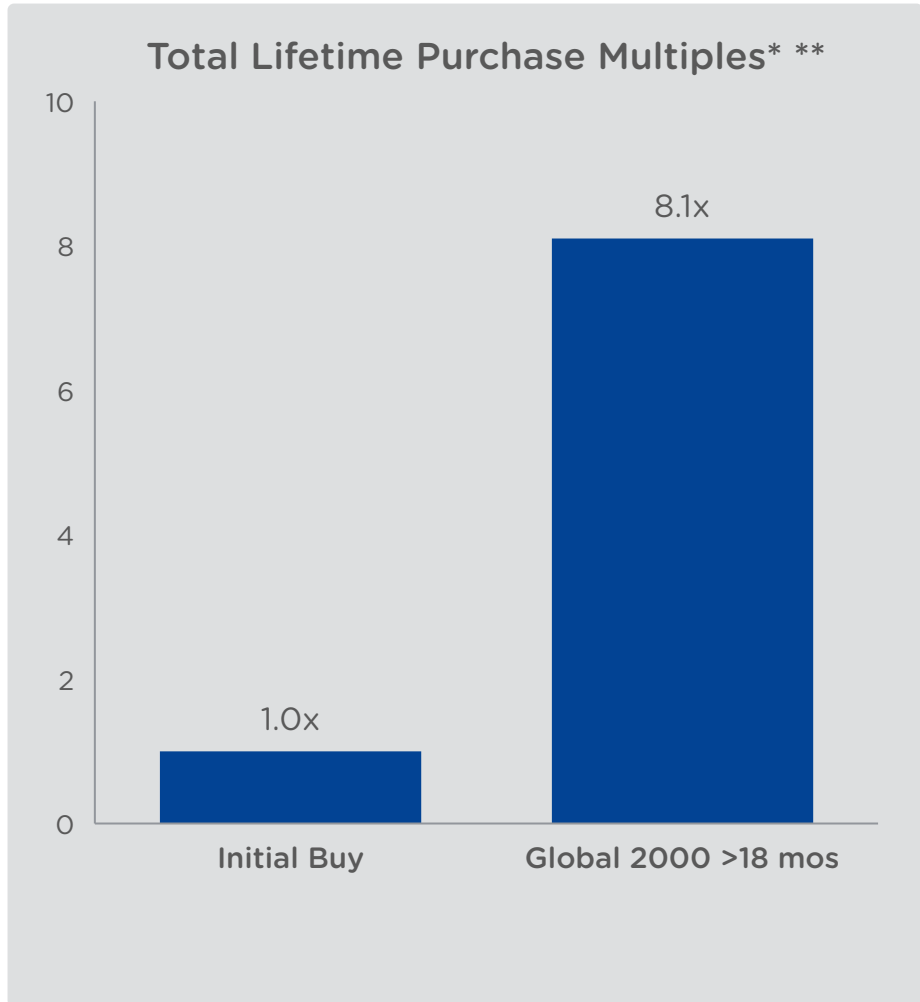
CUSTOMER COHORT BOOKING CAPACITY COMPOUNDING

Cumulative Bookings by End-Customer Cohort*



* Classified according to the fiscal year in which an end-customer made its first purchase.

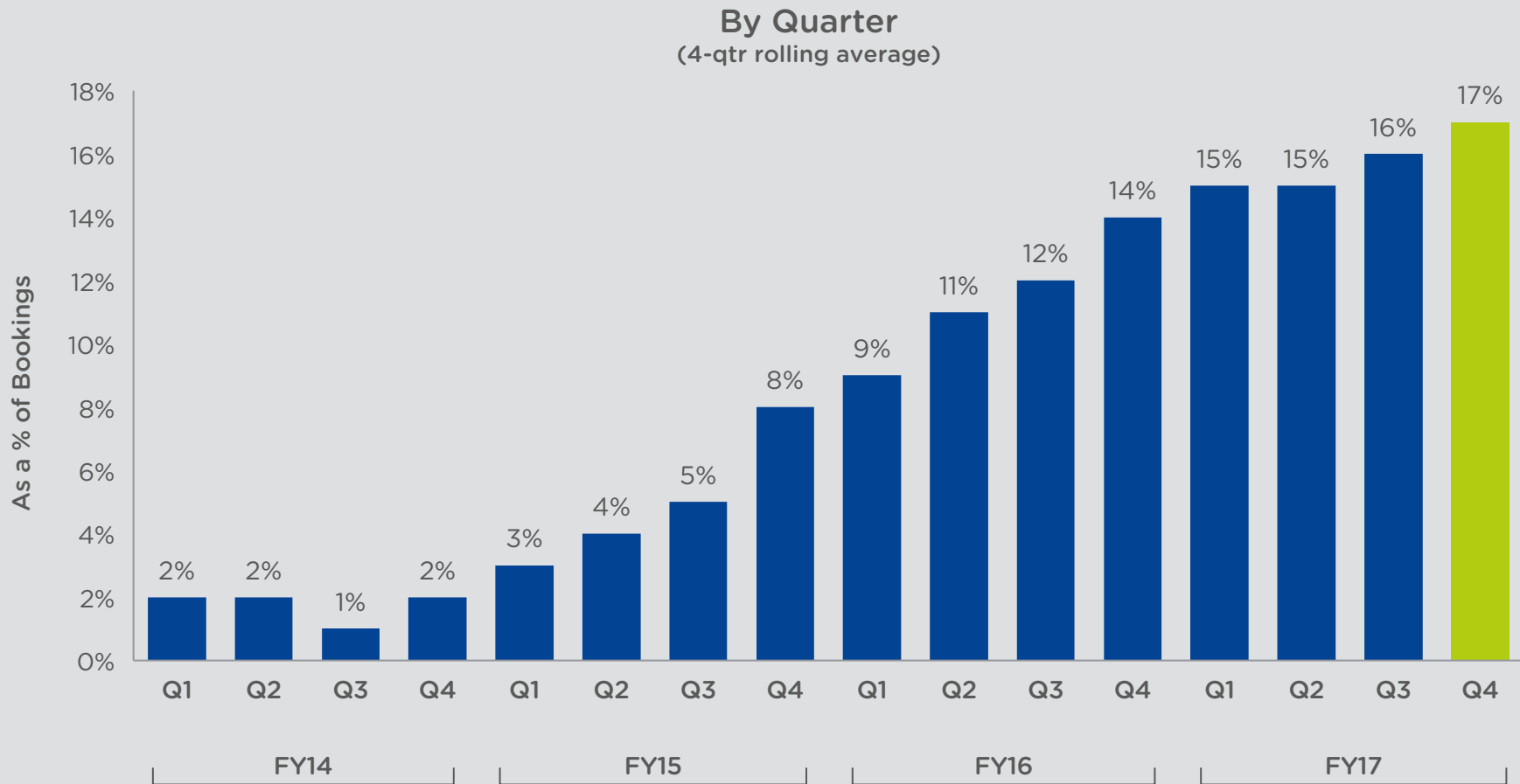
STRONG GROWTH IN THE GLOBAL 2000



*Reflects yearly update of the members of the Global 2000 list as reported by Forbes. Global 2000 status is updated each fiscal year and historical data is revised to reflect the updated status.

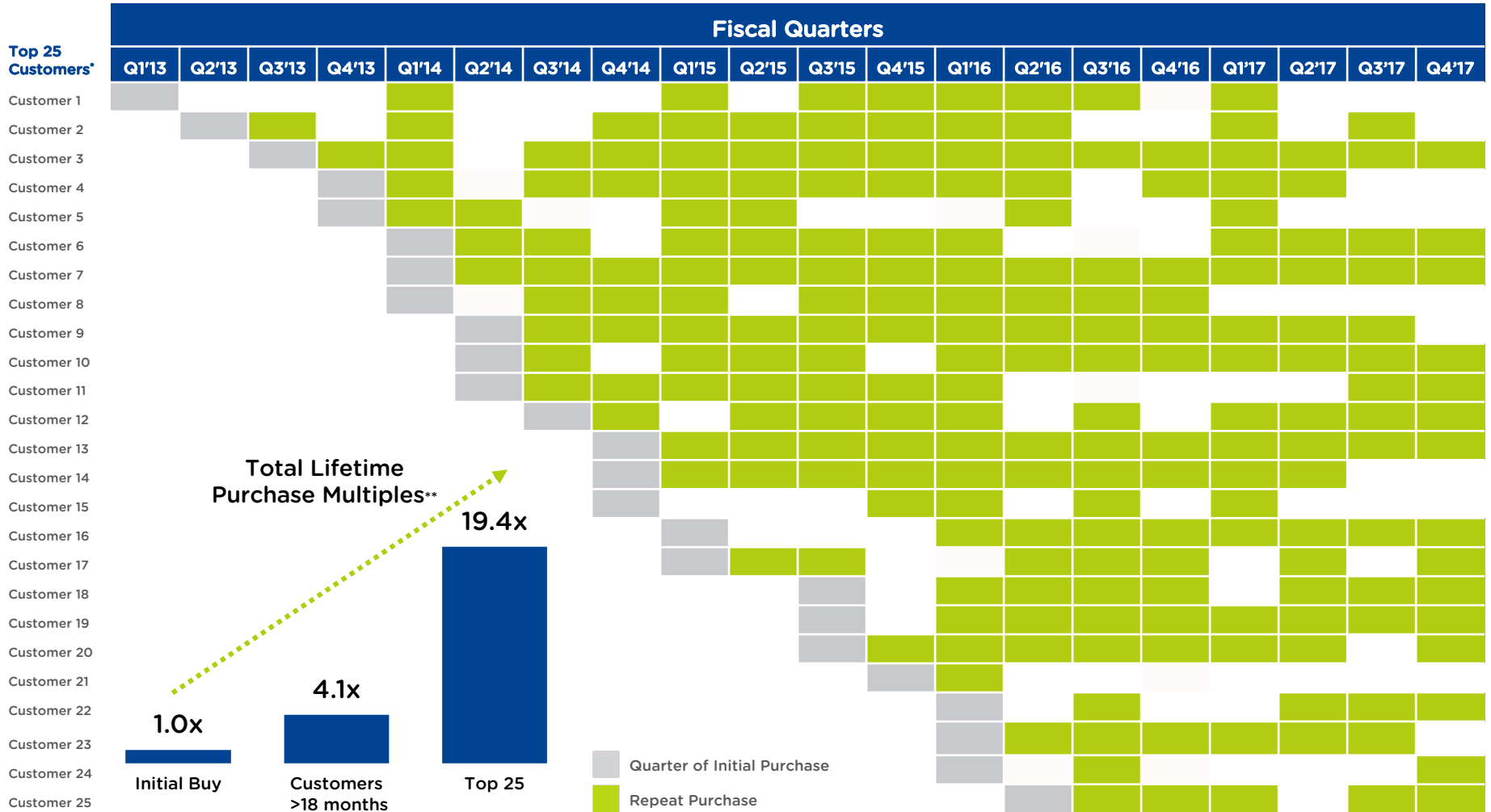
**Multiples represent Total Lifetime Purchase / Initial Purchase.

SOFTWARE ONLY BOOKINGS



Note: Approximately 2/3 of OEM bookings are classified as software, approximately 1/3 is classified as support. Includes OEM, ELA, and upgraded fees for Acropolis Pro & Ultimate

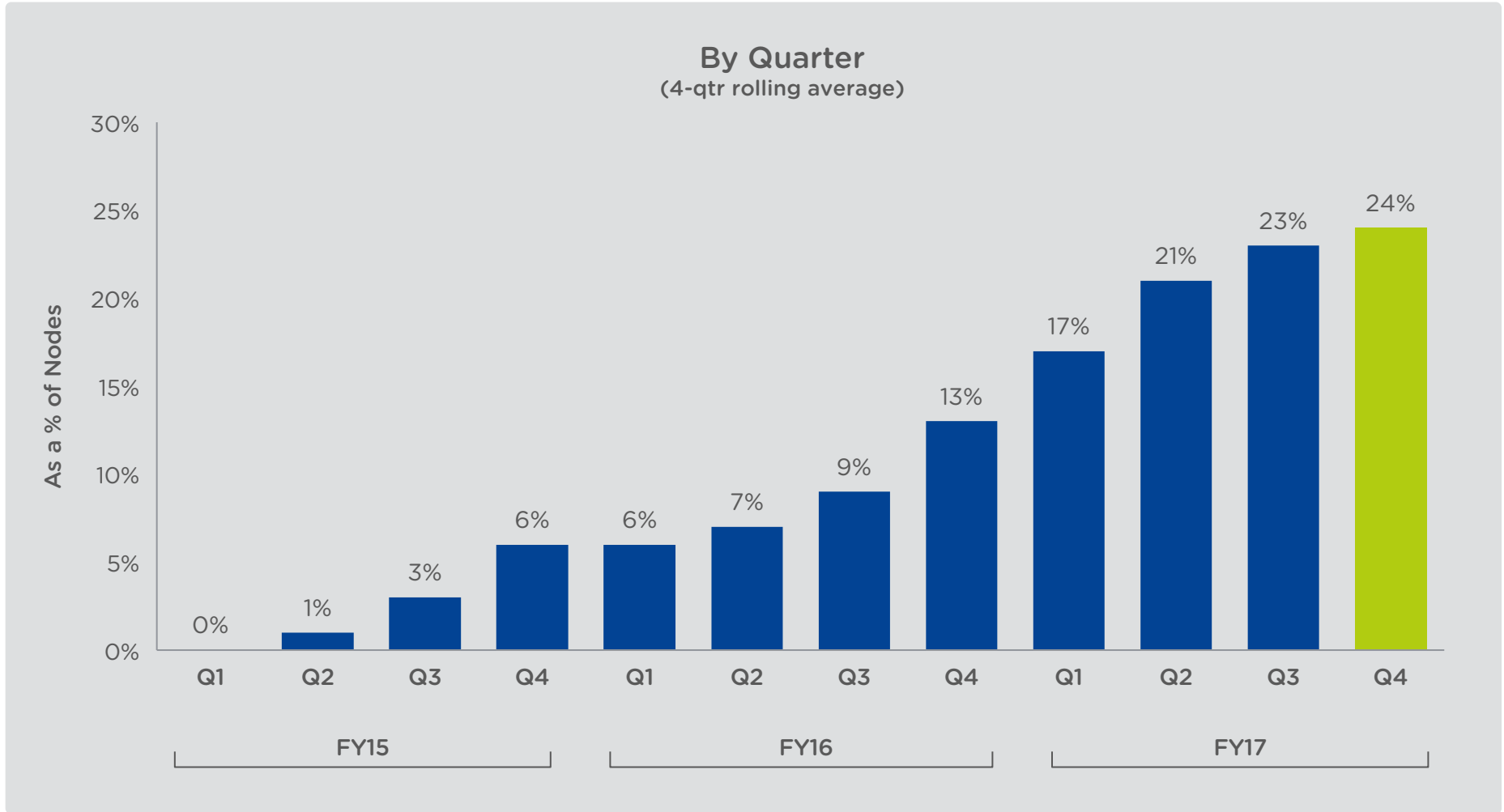
> LAND AND EXPAND (STRATEGY AND EXECUTION)



* Top 25 lifetime purchases by End-Customers for IPO class of customers, sorted by initial first purchase quarter

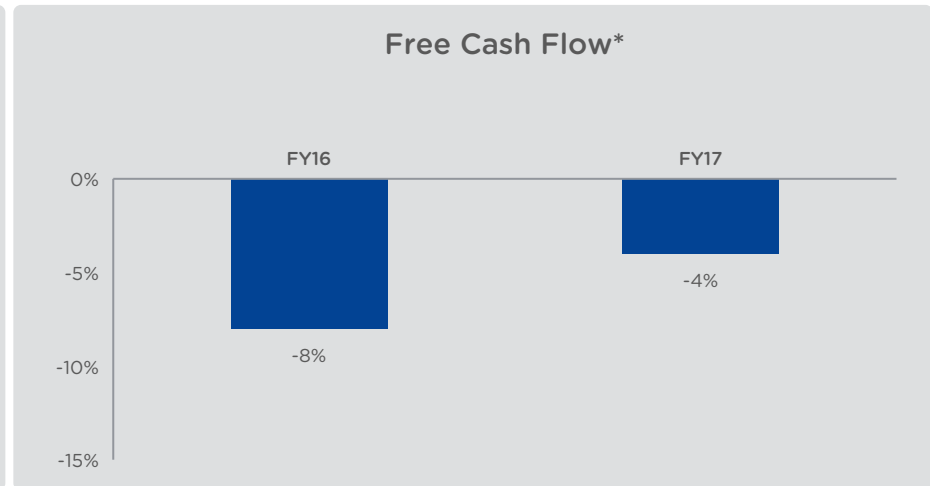
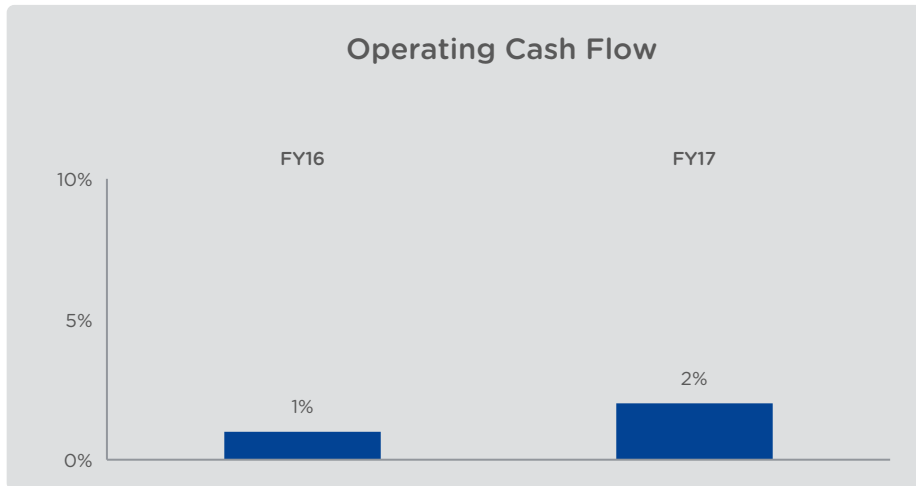
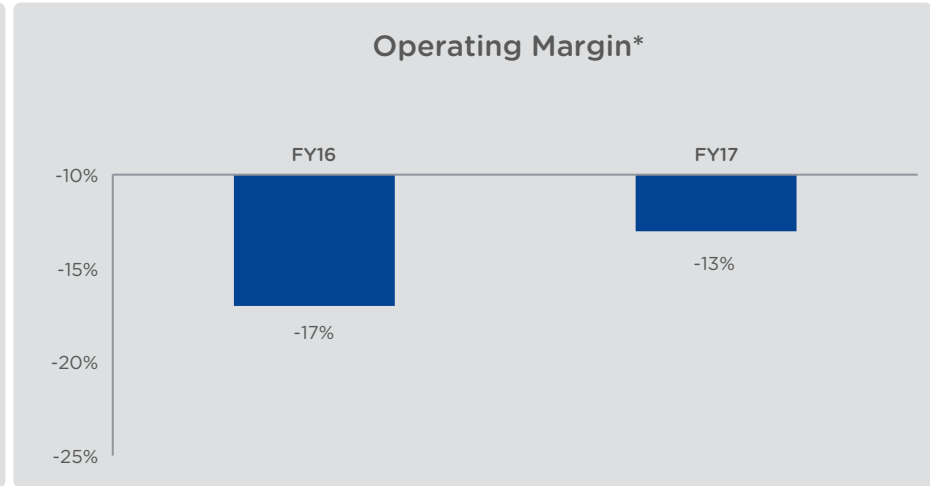
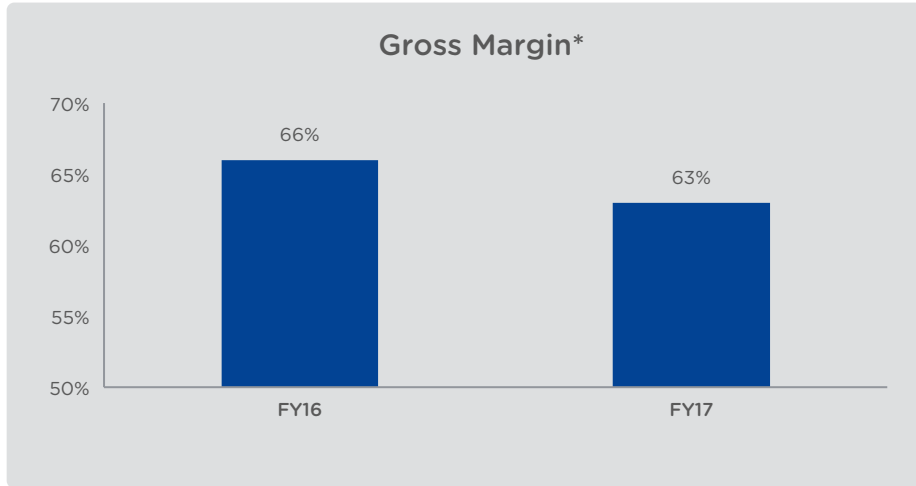
** Multiples represent Total Lifetime Purchase/Total Initial Purchase.

STeady AHV ADOPTION, AS A % of ALL NODES



OPERATIONAL LEVERAGE

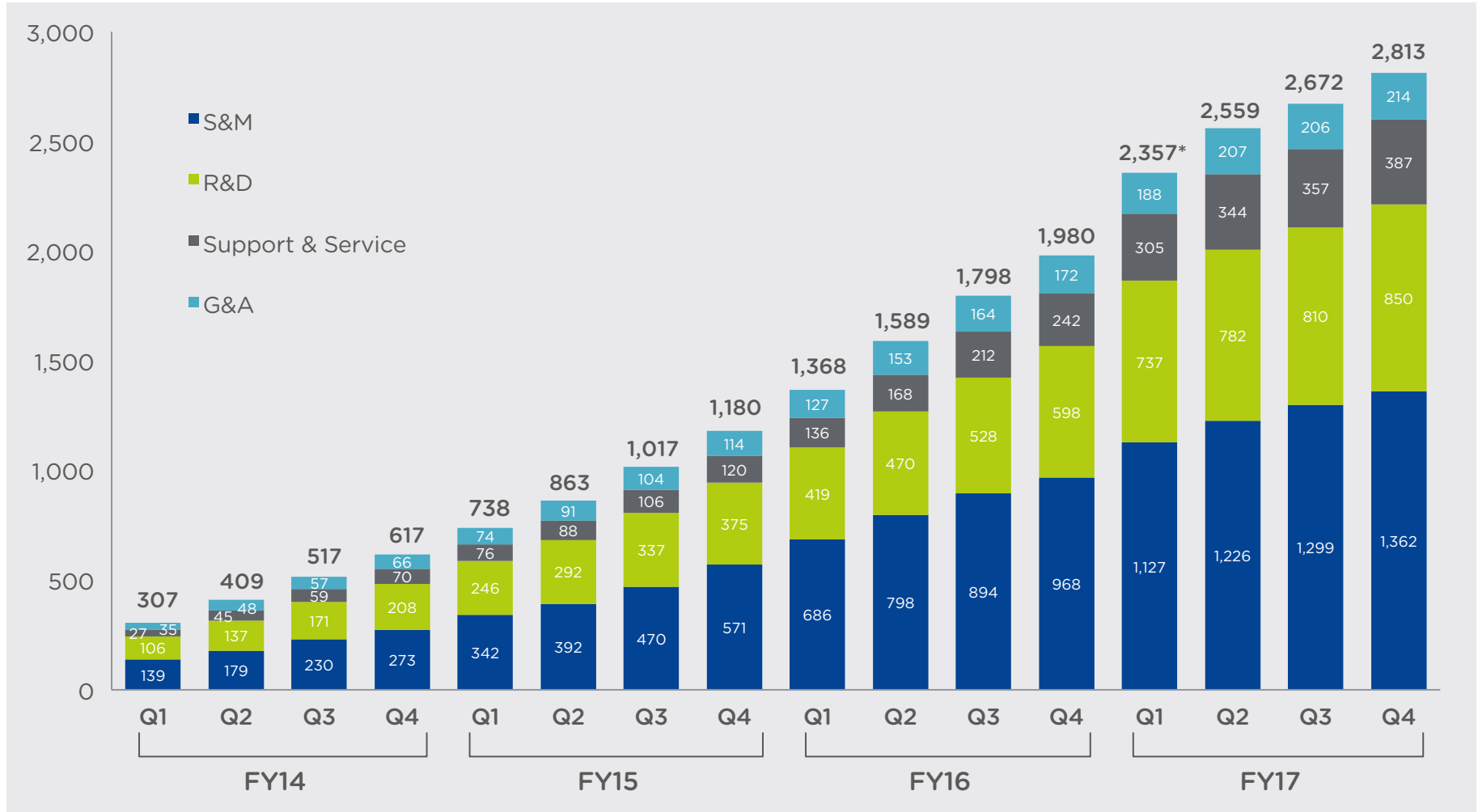
Percentages Indicated as a % of Revenue



* Non-GAAP metrics shown. See appendix of this presentation for a reconciliation of GAAP to Non-GAAP metrics

** FY17 GM% was negatively impacted by 600 bps due to DRAM cost increases

FUNDING HEADCOUNT RESOURCES FOR THE FUTURE




* Q1 FY'17 additions include 112 employees from the PernixData and Calm.io acquisitions.

> BALANCE SHEET TRENDS

\$ Millions	Q4'17 Actual	Q3'17 Actual	Q/Q Change	Q4'16 Actual	Y/Y Change
Cash and ST Investments	\$349.1	\$350.3	-	\$185.2	88%
Accounts Receivable	\$178.9	\$170.3	5%	\$110.7	62%
Days Sales Outstanding*	73	79	- 6 days	73	-
Weighted Days Sales Outstanding	27	23	+ 4 days	31	- 4 days
Total Deferred Revenue	\$369.1	\$332.3	11%	\$218.5	69%

* Calculated using revenue and ending accounts receivable
 Note: In millions, except Days Sales Outstanding and percentages.

TARGET FINANCIAL MODEL

	FY2016	FY2017	How We Get There 	Target Long-term Model
Gross Margin (non-GAAP) ¹	66%	63%	Revenue mix shifts more toward software - ELAs, Term-based Software upgrades, OEM	63-65%
R&D as % of Revenue (non-GAAP) ¹	22%	21%	Top line growth, optimize engineering cost structure	13%-15%
S&M as % of Revenue (non-GAAP) ¹	55%	50%	Sales force maturity driving full productivity, increased OEM and channel leverage and improved customer acquisition costs	29%-32%
G&A as % of Revenue (non-GAAP) ¹	6%	5%	Top line growth, cost efficiencies through scale	5%-6%
Non-GAAP Operating Margin (non-GAAP) ¹	-17%	-13%		15%-18%
Long-Term Tax Rate	-	-	Profitability and maintain current domestic and international revenue splits	15%-20%

¹ See appendix for reconciliation.



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GAAP to NON-GAAP
RECONCILIATIONS





RECONCILIATION OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE MEASURES--2017

	Q1	Q2	Q3	Q4	FY 2017
Billings					
Revenue	\$ 188.6	\$ 199.2	\$ 205.7	\$ 252.5	\$ 845.9
Change in deferred revenue	51.3	28.2	28.4	36.7	144.6
Total billings	\$ 239.8	\$ 227.4	\$ 234.1	\$ 289.2	\$ 990.5
Reconciliation of GAAP to Non-GAAP					
Gross profit - GAAP	\$ 118.8	\$ 122.4	\$ 122.5	\$ 154.9	\$ 518.6
Gross margin - GAAP	63%	61%	60%	61%	61%
Stock-based compensation expense	4.3	3.2	3.1	2.8	13.5
Amortization of intangibles	0.2	0.4	0.4	0.4	1.3
Gross profit - Non-GAAP	\$ 123.3	\$ 126.0	\$ 126.0	\$ 158.1	\$ 533.4
Gross margin - Non-GAAP	65%	63%	61%	63%	63%
Sales and marketing - GAAP	\$ 128.6	\$ 111.4	\$ 126.7	\$ 134.3	\$ 501.0
Stock-based compensation expense	(33.9)	(15.5)	(15.7)	(13)	(78.1)
Amortization of intangibles	(0.2)	(0.2)	(0.3)	(0.2)	(0.9)
Sales and marketing - Non-GAAP	\$ 94.5	\$ 95.6	\$ 110.7	\$ 121.0	\$ 422.0
Research and development - GAAP	\$ 75.3	\$ 70.9	\$ 74.6	\$ 67.8	\$ 228.6
Stock-based compensation expense	(34.0)	(28.8)	(27.0)	(19.2)	(109.0)
Research and development - Non-GAAP	\$ 41.3	\$ 42.2	\$ 47.6	\$ 48.6	\$ 179.6
General and administrative - GAAP	\$ 29.4	\$ 15.5	\$ 15.6	\$ 16.9	\$ 77.3
Stock-based compensation expense	(18.5)	(5.1)	(4.5)	(2.8)	(30.9)
Change in fair value of contingent consideration	(0.2)	(0.3)	0.3	(1.8)	(1.9)
Acquisition related costs	(0.7)	-	-	-	(0.7)
General and administrative - Non-GAAP	\$ 10.0	\$ 10.1	\$ 11.4	\$ 12.4	\$ 43.9
Operating expenses - GAAP	\$ 233.3	\$ 197.8	\$ 216.9	\$ 219.0	\$ 866.9
Stock-based compensation expense	(86.4)	(49.4)	(47.3)	(35)	(218.0)
Change in fair value of contingent consideration	(0.2)	(0.3)	0.3	(1.8)	(1.9)
Acquisition related costs	(0.7)	-	-	-	(0.9)
Amortization of intangibles	(0.2)	(0.2)	(0.3)	(0.2)	(0.7)
Operating expenses - Non-GAAP	\$ 145.8	\$ 147.8	\$ 169.7	\$ 182.0	\$ 645.5
Loss from operations - GAAP	\$(114.5)	\$(75.4)	\$(94.5)	\$(64.0)	\$(348.4)
Operating Margin - GAAP	(61)%	(38)%	(46)%	(25)%	(41)%
Stock-based compensation expense	90.7	52.6	50.4	37.8	231.5
Change in fair value of contingent consideration	0.2	0.3	(0.3)	1.8	1.9
Acquisition related costs	0.7	-	-	-	0.7
Amortization of intangibles	0.4	0.6	0.6	0.6	2.2
Loss from operations - Non-GAAP	\$(22.5)	\$(21.9)	\$(43.8)	\$(23.8)	\$(112.1)
Operating Margin - Non-GAAP	(12)%	(11)%	(21)%	(9)%	(13)%
Net loss - GAAP	\$(140.3)	\$(76.4)	\$(96.8)	\$(66.1)	\$(379.6)
Stock-based compensation expense	90.7	52.6	50.4	37.8	231.5
Change in fair value of contingent consideration	0.2	0.3	(0.3)	1.8	1.9
Acquisition related costs	0.7	-	-	-	0.7
Amortization of intangibles	0.4	0.6	0.6	0.6	2.2
Loss on debt extinguishment	3.3	-	-	-	3.3
Warrant MtM	21.1	-	-	-	21.1
Income tax-related adjustments	(2.1)	(0.2)	0.5	(0.1)	(1.8)
Net loss - Non-GAAP	\$(26.0)	\$(23.0)	\$(45.7)	\$(26.0)	\$(120.7)
Net cash (used in) provided by operating activities	\$ 4.2	\$ 19.8	\$(16.0)	\$ 5.9	\$ 13.8
Purchases of PPE	(11.9)	(12.7)	\$(13.2)	(12.4)	\$(50.2)
Free cash flow	\$(7.8)	\$ 7.1	\$(29.2)	\$(6.5)	\$(36.4)
Free cash flow margin	(4)%	4%	(14)%	(3)%	(4)%
Pro forma basic and diluted EPS - GAAP	\$(1.09)	\$(0.54)	\$(0.67)	\$(0.43)	\$(2.68)
Stock-based compensation expense	0.71	0.37	0.35	0.25	1.61
Change in fair value of contingent consideration	0.00	0.00	0.00	0.00	0.01
Acquisition related costs	0.01	0.00	0.00	0.00	0.00
Amortization of intangibles	0.00	0.01	0.01	0.01	0.02
Loss on debt extinguishment	0.03	0.00	0.00	0.00	0.02
Warrant MtM	0.16	0.00	0.00	0.00	0.15
Income tax-related adjustments	(0.02)	0.00	0.00	0.00	(0.01)
Pro forma basic and diluted EPS - Non-GAAP	\$(0.20)	\$(0.16)	\$(0.32)	\$(0.17)	\$(0.85)

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE MEASURES—2016

	Q1	Q2	Q3	Q4	FY 2016
Billings					
Revenue	\$ 100.5	\$ 116.4	\$ 126.0	\$ 160.5	\$ 503.4
Change in deferred revenue	27.7	27.0	33.5	46.1	134.4
Total billings	\$ 128.3	\$ 143.4	\$ 159.5	\$ 206.6	\$ 637.8
Reconciliation of GAAP to Non-GAAP					
Gross profit - GAAP	\$ 65.4	\$ 78.5	\$ 82.6	\$ 106.1	\$ 332.6
Gross margin - GAAP	65 %	67 %	66 %	66 %	66 %
Stock-based compensation expense	0.4	0.3	0.3	0.3	1.3
Gross profit - Non-GAAP	\$ 65.8	\$ 78.8	\$ 82.9	\$ 106.4	\$ 334.0
Gross margin - Non-GAAP	66 %	68 %	66 %	66 %	66 %
Sales and marketing - GAAP	\$ 58.1	\$ 65.2	\$ 75.8	\$ 87.4	\$ 286.6
Stock-based compensation expense	(2.1)	(2.0)	(2.0)	(1.9)	(8.0)
Sales and marketing - Non-GAAP	\$ 56.0	\$ 63.2	\$ 73.7	\$ 85.5	\$ 278.6
Research and development - GAAP	\$ 23.8	\$ 26.0	\$ 31.4	\$ 35.1	\$ 116.4
Stock-based compensation expense	(1.6)	(1.6)	(1.5)	(1.5)	(6.2)
Research and development - Non-GAAP	\$ 22.2	\$ 24.4	\$ 29.9	\$ 33.6	\$ 110.1
General and administrative - GAAP	\$ 7.4	\$ 7.8	\$ 8.8	\$ 10.3	\$ 34.3
Stock-based compensation expense	(1.3)	(1.0)	(1.2)	(1.0)	(4.4)
General and administrative - Non-GAAP	\$ 6.1	\$ 6.8	\$ 7.6	\$ 9.3	\$ 29.8
Operating expenses - GAAP	\$ 89.3	\$ 99.1	\$ 115.9	\$ 132.8	\$ 437.2
Stock-based compensation expense	(5.0)	(4.6)	(4.7)	(4.4)	(18.7)
Operating expenses - Non-GAAP	\$ 84.3	\$ 94.5	\$ 111.2	\$ 128.4	\$ 418.6
Loss from operations - GAAP	\$ (23.9)	\$ (20.8)	\$ (33.3)	\$ (26.7)	\$ (104.6)
Operating Margin - GAAP	(24)%	(18)%	(26)%	(17)%	(21)%
Stock-based compensation expense	5.4	4.9	5.1	4.7	20.1
Loss from operations - Non-GAAP	\$ (18.6)	\$ (15.7)	\$ (28.3)	\$ (22.0)	\$ (84.6)
Operating Margin - Non-GAAP	(18)%	(13)%	(22)%	(14)%	(17)%
Net loss - GAAP	\$ (25.3)	\$ (18.6)	\$ (35.5)	\$ (28.8)	\$ (108.2)
Stock-based compensation expense	5.4	4.9	5.1	4.7	20.1
Warrant MtM	0.7	(2.6)	1.3	(1.4)	(2.0)
Net loss - Non-GAAP	\$ (19.2)	\$ (16.4)	\$ (29.1)	\$ (25.5)	\$ (90.2)
Net cash (used in) provided by operating activities	\$ (5.6)	\$ 4.4	\$ 2.4	\$ 2.4	\$ 3.6
Purchases of PPE	(9.6)	(10.4)	\$ (13.4)	(8.9)	(42.3)
Free cash flow	\$ (15.3)	\$ (5.9)	\$ (11.0)	\$ (6.5)	\$ (38.7)
Free cash flow margin	(15)%	(5)%	(9)%	(4)%	(8)%
Pro forma basic and diluted EPS - GAAP	\$ (0.21)	\$ (0.16)	\$ (0.29)	\$ (0.24)	\$ (0.90)
Stock-based compensation expense	0.05	0.04	0.04	0.04	0.17
Warrant MtM	0.00	(0.02)	0.01	(0.01)	(0.02)
Pro forma basic and diluted EPS - Non-GAAP	\$ (0.16)	\$ (0.14)	\$ (0.24)	\$ (0.21)	\$ (0.75)



RECONCILIATION OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE MEASURES—2015

	Q1	Q2	Q3	Q4	Total
Billings					
Revenue	\$ 46.0	\$ 56.8	\$ 64.5	\$ 74.1	\$ 241.4
Change in deferred revenue	14.7	14.2	17.6	20.6	67.1
Total billings	\$ 60.7	\$ 71.0	\$ 82.1	\$ 94.7	\$ 308.5
Net cash (used in) provided by operating activities	\$ (6.9)	\$ (7.7)	\$ (5.7)	\$ (5.4)	\$ (25.7)
Purchases of PPE	(4.5)	(6.4)	(5.2)	(7.2)	(23.3)
Free cash flow	\$ (11.4)	\$ (14.1)	\$ (11.0)	\$ (12.6)	\$ (49.0)
Free cash flow margin	(25)%	(25)%	(17)%	(17)%	(20)%



RECONCILIATION OF NON-GAAP FINANCIAL MEASURES AND KEY PERFORMANCE MEASURES—2014

	Q1	Q2	Q3	Q4	Total
Billings					
Revenue	\$ 19.8	\$ 32.2	\$ 36.0	\$ 39.1	\$ 127.1
Change in deferred revenue	3.0	5.4	6.8	8.8	24.0
Total billings	\$ 22.8	\$ 37.6	\$ 42.8	\$ 47.9	\$ 151.1
Net cash (used in) provided by operating activities	\$ (8.8)	\$ (14.3)	\$ (5.8)	\$ (16.9)	\$ (45.7)
Purchases of PPE	(3.7)	(4.7)	(4.2)	(6.4)	(19.0)
Free cash flow	\$ (12.4)	\$ (19.0)	\$ (10.0)	\$ (23.3)	\$ (64.7)
Free Cash flow margin	(63)%	(59)%	(28)%	(60)%	(51)%

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Thank You!

