

**NUTANIX™**

# Corporate Presentation

JULY 2021

# Safe Harbor

## Non-GAAP Financial Measures and Other Key Performance Measures

To supplement its consolidated financial statements, which are prepared and presented in accordance with GAAP, Nutanix uses 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, subscription revenue, subscription billings, subscription revenue mix, subscription billings mix, professional services billings, Annual Contract Value (or ACV), ACV Billings, ACV Bookings, New ACV, New ACV Billings, and Run-rate ACV. In computing these non-GAAP financial measures and key performance measures, Nutanix excludes certain items such as stock-based compensation and the related income tax impact, costs associated with its acquisitions (such as amortization of acquired intangible assets, income tax-related impact, and other acquisition-related costs), impairment of operating lease-related assets, change in fair value of derivative liability, amortization of debt discount and issuance costs, non-cash interest expense, 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 Nutanix 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 Nutanix calculates 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 Nutanix believes provide useful information to investors because they provide meaningful supplemental information regarding its performance and liquidity by excluding certain expenses and expenditures such as stock-based compensation expense that may not be indicative of its ongoing core business operating results. Free cash flow is a performance measure that Nutanix believes provides useful information to its management and investors about the amount of cash generated by the business after necessary capital expenditures, and Nutanix defines free cash flow as net cash (used in) provided by operating activities less purchases of property and equipment. Subscription revenue, subscription billings, subscription revenue mix, subscription billings mix, and professional services billings are performance measures that Nutanix believes provide useful information to its management and investors as they allow us to better track the growth of the subscription-based portion of its business, which is a critical part of its business plan. ACV, ACV Billings, ACV Bookings, New ACV, New ACV Billings, and Run-rate ACV are performance measures that Nutanix believes provide useful information to its management and investors as they allow us to better track the topline growth of its business during its transition to a subscription-based business model because they take into account variability in term lengths. Nutanix uses 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 its 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; subscription revenue is not a substitute for total revenue; and subscription and professional services billings are not substitutes for subscription and professional services revenue, respectively. There is no GAAP measure that is comparable to ACV, ACV Billings, ACV Bookings, New ACV, New ACV Billings, or Run-rate ACV, so Nutanix has not reconciled the ACV, ACV Billings, ACV Bookings, New ACV, New ACV Billings, and Run-rate ACV numbers included in this presentation to any GAAP measure. In addition, other companies, including companies in its 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 its non-GAAP financial measures and key performance measures as tools for comparison. Nutanix urges you to review the reconciliation of its non-GAAP financial measures and key performance measures to the most directly comparable GAAP financial measures set forth in the tables captioned "Calculation of Billings," "GAAP to Non-GAAP Reconciliations" and "Disaggregation of Billings and Revenue" included in the appendix hereto, and not to rely on any single financial measure to evaluate its 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: Nutanix' business plans, goals, strategies, vision, mission, objectives, and outlook, including its go-to-market strategy; Nutanix' ability to execute on such plans, goals, strategies, and objectives successfully and in a timely manner, including its abilities to successfully realize benefits of its long-term growth drivers and go-to-market strategy, leverage its partner ecosystem, drive operating leverage in future periods, and expand upon its market opportunity; the benefits and impact of such plans, goals, strategies, and objectives on its business, operations and financial results, including any impact on its top line growth in future periods; its plans and timing for, and the success and impact of, any current and future business model transitions (including its ongoing transition to a subscription-based business model and ACV-based sales compensation model), including any expected benefits of the subscription model on its business, customers and partners; the competitive market, including Nutanix' competitive position and ability to compete effectively against its current and potential competitors, its projections about its market share in future periods, and the competitive advantages of its products; Nutanix' market opportunity in future periods, including its estimates regarding the sizes and growth rates of the total addressable market for its target markets and the assumptions underlying such estimates; macroeconomic environment and industry trends, projected growth or trend analysis; the needs and preferences of its customers and its ability to address those needs successfully and in a timely manner; its ability to attract new end customers (including G2K customers) and retain and grow sales from its existing end customers (including G2K customers); Nutanix' ability to form new, maintain and strengthen, and successfully leverage, existing, strategic alliances and partnerships, as well as the impact of any changes to such relationships on its business, operations and financial results, including on its market opportunity, productivity, ability to meet customer needs, and long-term success; the benefits and capabilities of Nutanix' platform, solutions, products, services and technology, including the ability of its solutions to provide customers with choice and portability and the interoperability and availability of its solutions with and on third-party platforms; Nutanix' plans and expectations regarding new solutions, products, services, features, enhancements, functionality, and technology, including those that are still under development or in process, and any future product or roadmap; and Nutanix' outlook and estimates regarding its business and financial performance in future periods, including its expectations regarding future growth rates (including any accelerations thereof) for revenue and revenue growth, business model predictability, and operating leverage, as well as assumptions underlying or forming the basis of such expectations.

These forward-looking statements are not historical facts and instead are based on Nutanix' 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 Nutanix' control, that may cause these statements to be inaccurate and cause its 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, its plans, goals, strategies, vision, mission, objectives; delays or unexpected accelerations in the transition to a subscription-based business model; its ability to achieve, sustain and/or manage future growth effectively; its ability to attract, recruit, train, retain, and, where applicable, ramp to full productivity, qualified employees and key personnel, including those in its engineering, research and development and sales teams; failure to timely and successfully meet its customer needs; delays in or lack of customer or market acceptance of its new products, services, product features or technology; the rapid evolution of the markets in which it competes; factors that could result in the significant fluctuation of its future quarterly operating results, including, among other things, anticipated changes to its revenue and product mix, the timing and magnitude of orders, shipments and acceptance of its solutions in any given quarter, its ability to attract new and retain existing end-customers, changes in the pricing of certain components of its solutions, and fluctuations in demand and competitive pricing pressures for its solutions; the introduction, or acceleration of adoption of, competing solutions, including public cloud infrastructure; and other risks detailed in its periodic and current reports filed with the U.S. Securities and Exchange Commission, or the SEC, which should be read in conjunction with this presentation and the financial results included herein. Nutanix' SEC filings are available on the Investor Relations section of its 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, Nutanix assumes no obligation, and expressly disclaims any obligation, to update, alter or otherwise revise any of the forward-looking statements included herein to reflect actual results or subsequent events or circumstances.



# Safe Harbor

## Market Share and Market Opportunity Data

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

Nutanix believes its overall market is composed of Adjacent Markets and Hybrid Cloud Market. Nutanix 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 Nutanix's Adjacent Markets included in this presentation are its estimates derived from IDC and Gartner forecasts regarding the component markets with adjustments, some of which are based on Nutanix's internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that Nutanix believes are applicable to its business. Nutanix defines Hybrid Cloud Market as being composed of HCI Market and Public Cloud Market. The TAM data for Nutanix's Hyperconverged Infrastructure Market, or HCI Market, and Public Cloud Market included in this presentation are its estimates derived from IDC 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 Nutanix's internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that Nutanix believes are applicable to its business.

## Product or Roadmap Information

Any future product or roadmap information included in the following presentations and the accompanying oral commentaries is intended to outline general product directions, and is not a commitment, promise or legal obligation for Nutanix to deliver any material, code, or functionality. This information should not be used when making a purchasing decision. Further, note that Nutanix has made no determination as to if separate fees will be charged for any future products, product enhancements and/or functionality which may ultimately be made available. Nutanix may, in its own discretion, choose to charge separate fees for the delivery of any future products, product enhancements and/or functionality which are ultimately made available.

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# Nutanix Overview – Q3'21

## VISION

Make clouds invisible, freeing customers to focus on their business outcomes

## MISSION

Delight customers with a simple, open, hybrid, and multicloud software platform with rich data services to build, run, and manage any application



**\$1.45B**  
+25% YoY  
Run-rate ACV



**\$160M**  
+18% YoY  
ACV Billings



**\$345M**  
+8% YoY  
Revenue



**3.3 Years**  
(0.5) Year YoY  
Average Contract  
Term



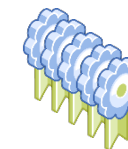
**81.7%**  
+100 bps YoY  
Non-GAAP  
Gross Margin



**19,430<sup>(1)</sup>**  
+2,850 YoY  
Total Customer  
Count



**960<sup>(1)</sup>**  
+50 YoY  
Global 2000  
Customer Count



**90**  
7-Year Average  
Net Promoter  
Score

Note: Data is as of April 30, 2021. See Appendix for definitions of Run-rate ACV, ACV, ACV Billings, and Average Contract Term and a GAAP to non-GAAP reconciliation of Non-GAAP Gross Margin.

(1) The cumulative total customer and G2K customer counts reflect standard adjustments/consolidation to certain customer accounts within our system of record and are rounded to the nearest 10. These adjustments were more significant in Q3'21 than in past quarters. See endnote 1 in the Appendix



# Nutanix Value Proposition



## Differentiated Cloud Platform for Hybrid and Multicloud Solutions

Manage any app anywhere at any scale with unparalleled simplicity, scalability, choice, and portability



## Compelling Market Opportunity

Large and expanding \$60+<sup>(1)</sup> billion TAM in core hyperconverged infrastructure and adjacent markets



## Multiple Long-Term Growth Drivers

Datacenter modernization | Digital transformation | Hybrid and multicloud infrastructure



## Customer Delight and Expansion

Loyal customer base with best-in-class avg. Net Promoter Score (NPS) of 90 over past 7 years and G2K lifetime expansion multiple<sup>(2)</sup> of 16.2x



## Subscription Model for Datacenter and Cloud Infrastructures

Higher customer lifetime value, and a more predictable business model with recurring revenue expected over time



## Unlocking Operating Leverage

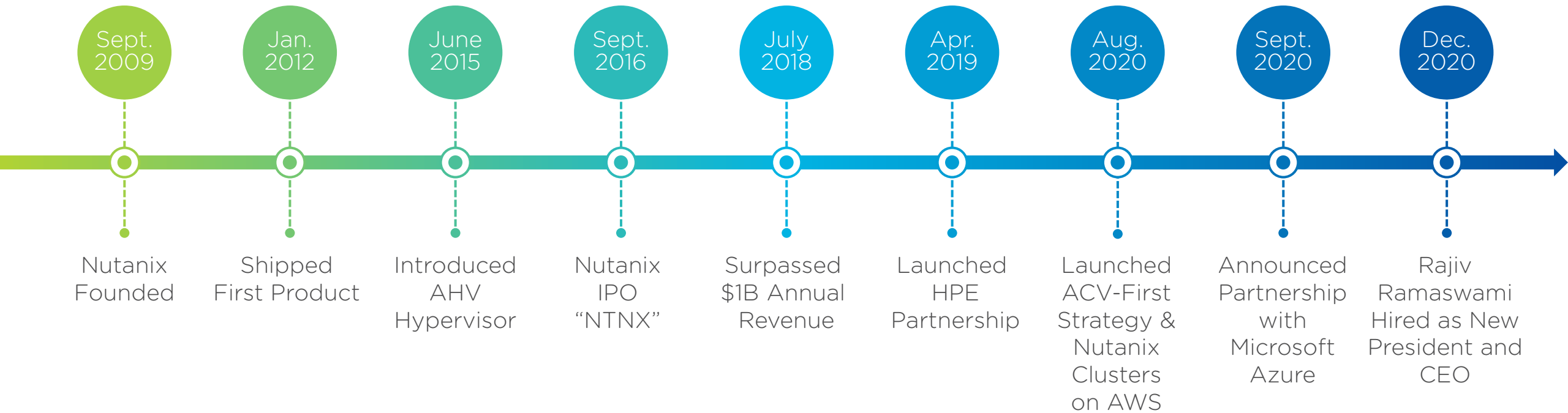
ACV-first strategy is expected to drive better unit economics and shorten time to efficient renewals, driving operating leverage over time

(1) Total Addressable Market in 2025. See Section Titled “Market Opportunity Data” in Appendix for Additional Details

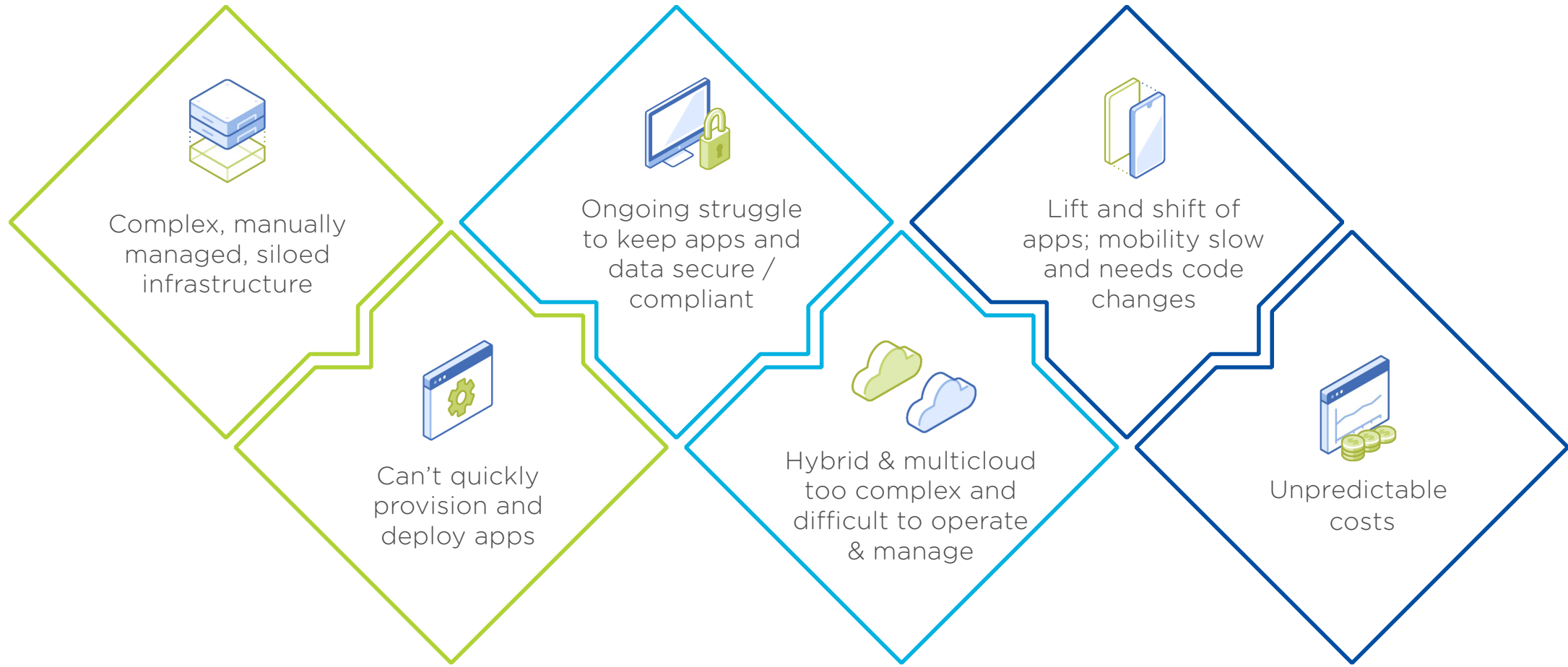
(2) See endnote 2 in the Appendix  
See Appendix for definition of ACV



# Nutanix Timeline



# Top IT Challenges in the Digital Economy





# Rising Demand for Hybrid Cloud Deployments<sup>19</sup>



76% of respondents said COVID-19 has caused IT to be viewed more strategically in their organizations



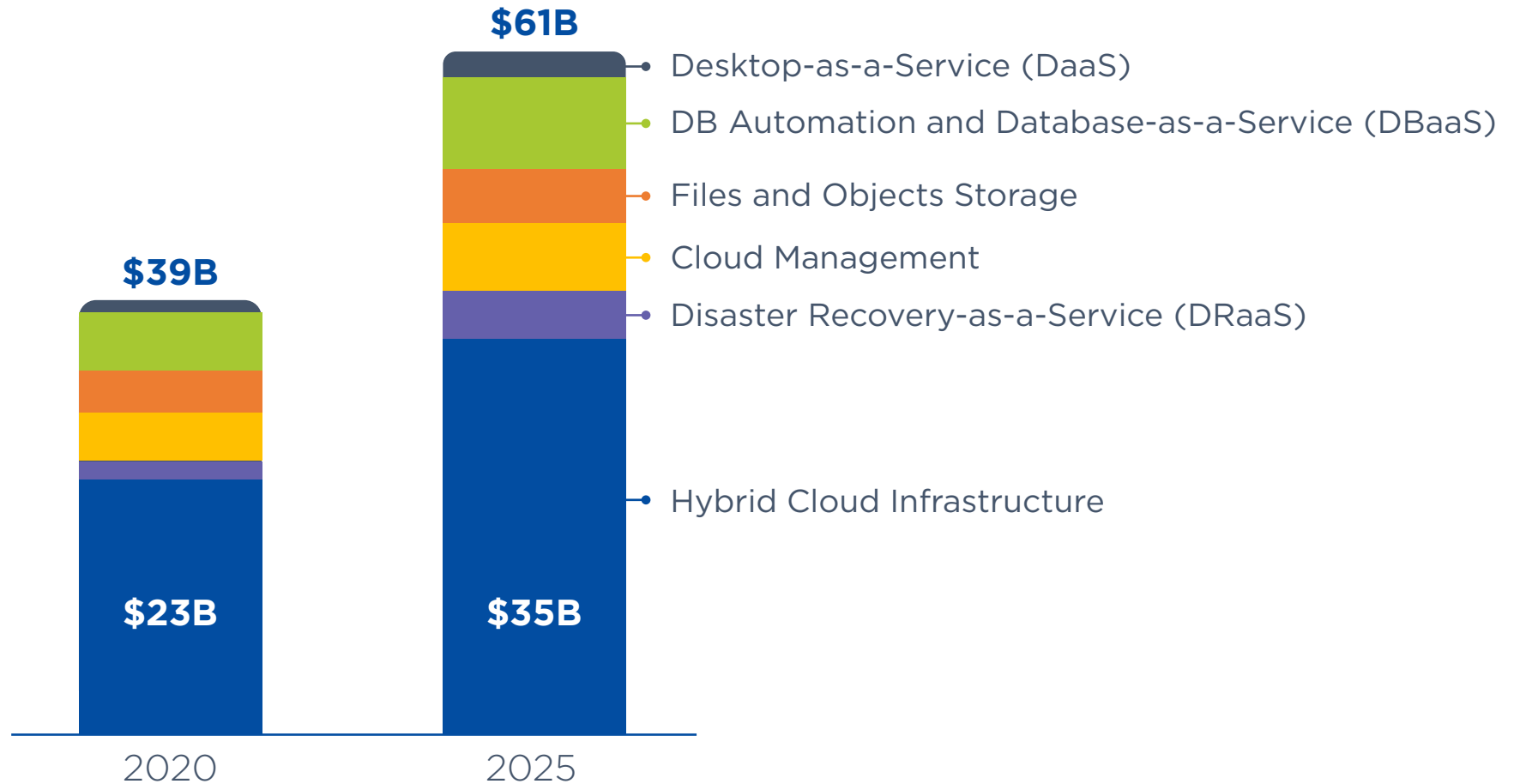
86% of respondents consider hybrid their ideal operating model



92% of respondents who currently run on-premises infrastructure have deployed or plan to deploy hyperconverged infrastructure



# Addressing a Large Core and Adjacent TAM <sup>| 10</sup>

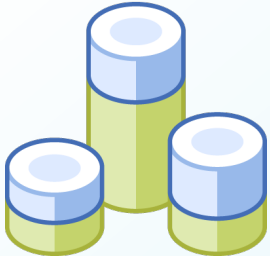


See Section Titled “Market Opportunity Data” in Appendix for Additional Details



# Key Growth Drivers of Our Business

Infrastructure Modernization



Operational Efficiency / Economics

Server Virtualization, VDI, ROBO, Business-critical Apps, Databases, Big Data



ITaaS




“aaS” for Automation

Simplicity, Automation, Self-service, Integration across Clouds, CI/CD



Cloud

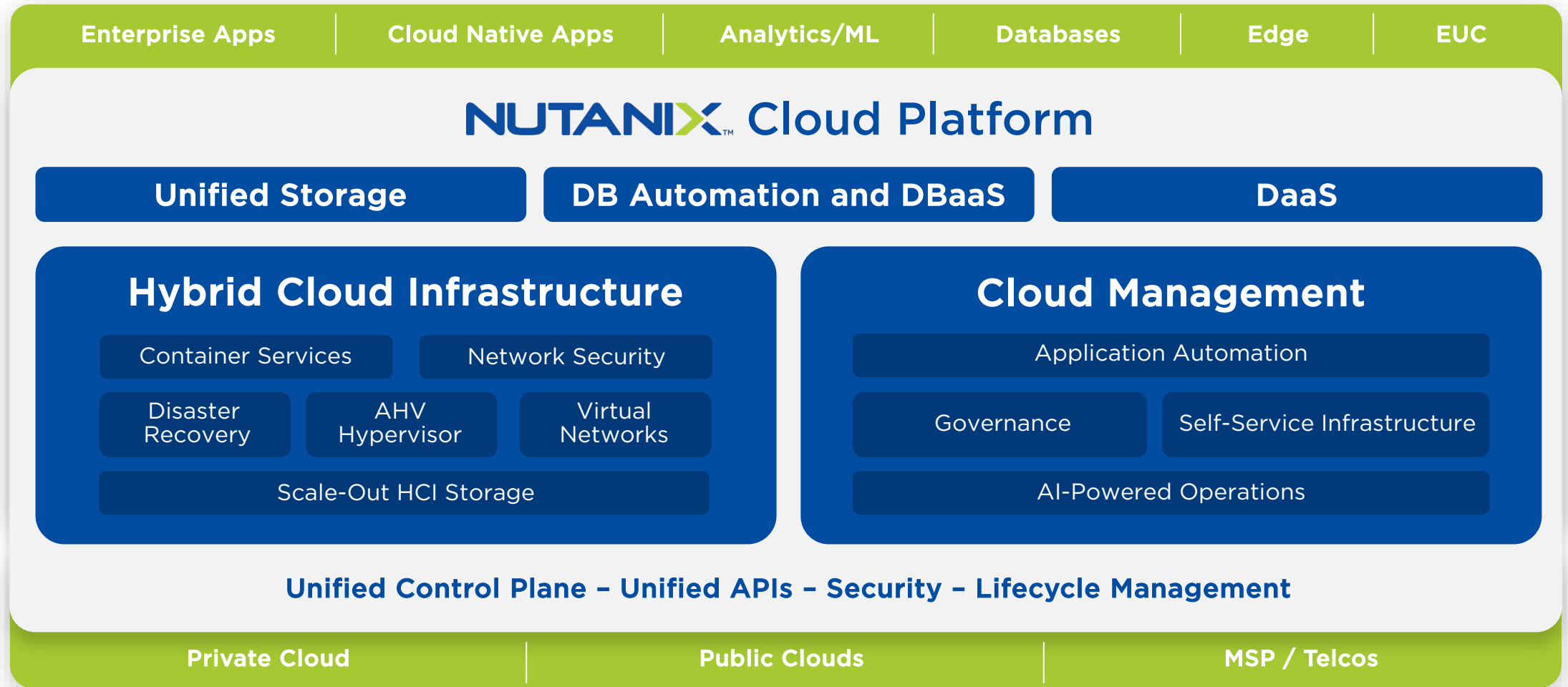


Innovation, Agility

Hybrid Cloud, Multicloud, Cloud Native



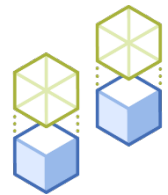
# One Platform for Hybrid Multicloud



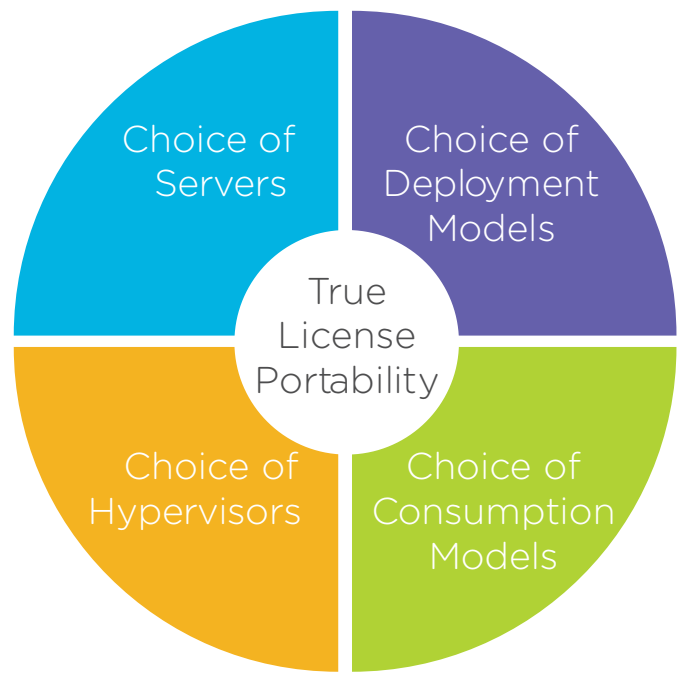
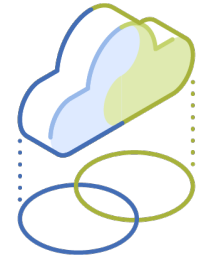
# Giving Customers Unparalleled Choice & Portability

- > Gives control back to IT
- > Provides choice to avoid rigid technology and costly vendor lock-in
- > Supports all major hypervisors including VMware ESXi, Microsoft Hyper-V, and our own Nutanix (no additional cost) AHV to help IT preserve existing investment

All Major Server Platforms



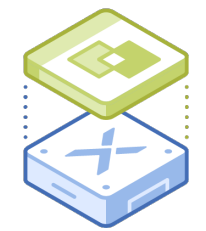
Private, Hybrid, & Multicloud



Multiple Hypervisors



Software, Purposefully Built Appliances





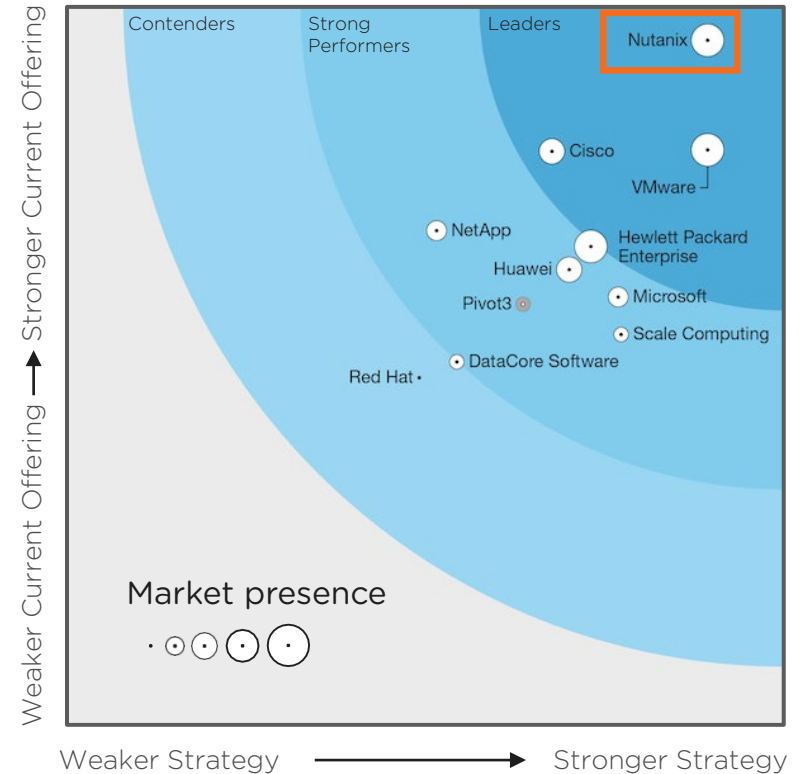
# Undisputed Market Leadership

Gartner  
Magic Quadrant for HCI, 2020



Gartner Magic Quadrant for Hyperconverged Infrastructure, Jeff Hewitt, Phil Dawson, Julia Palmer and John McArthur, Published 7 Dec 2020

Forrester  
Wave HCI, 2020



The Forrester Wave™: Hyperconverged Infrastructure, Q3 2020, Forrester Research, Inc., 29 July 2020



# How We Win Against Legacy Infrastructure

## Freedom of Choice

Choose your hardware, hypervisors, applications, and clouds



## One-click Simplicity

No need for low-level infrastructure management

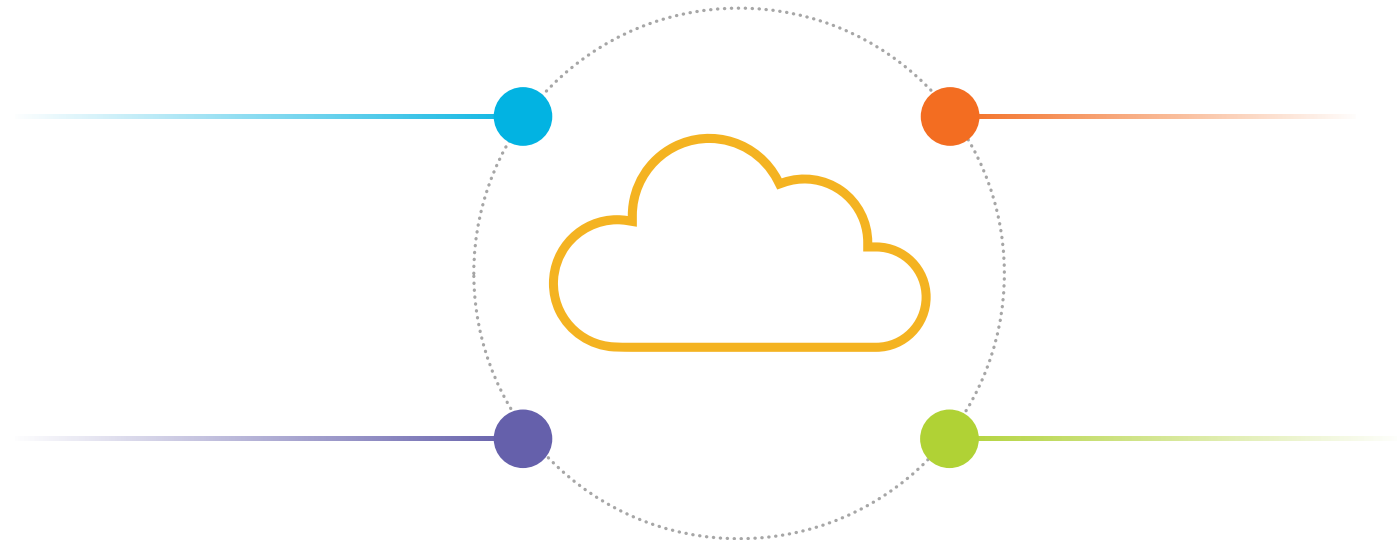
## Flexible IT Consumption

Get and pay only for what you need—either as operating or capital expense



## Continuous Innovation

Infrastructure continues to get better



# How We Win Against HCI Competition

**Web-Scale Architecture**  
Unlike other packaged solutions



**One-click Upgrades**  
Across the entire infrastructure  
and software stack

**Resiliency & Performance**  
Better results delivered by data  
locality and management

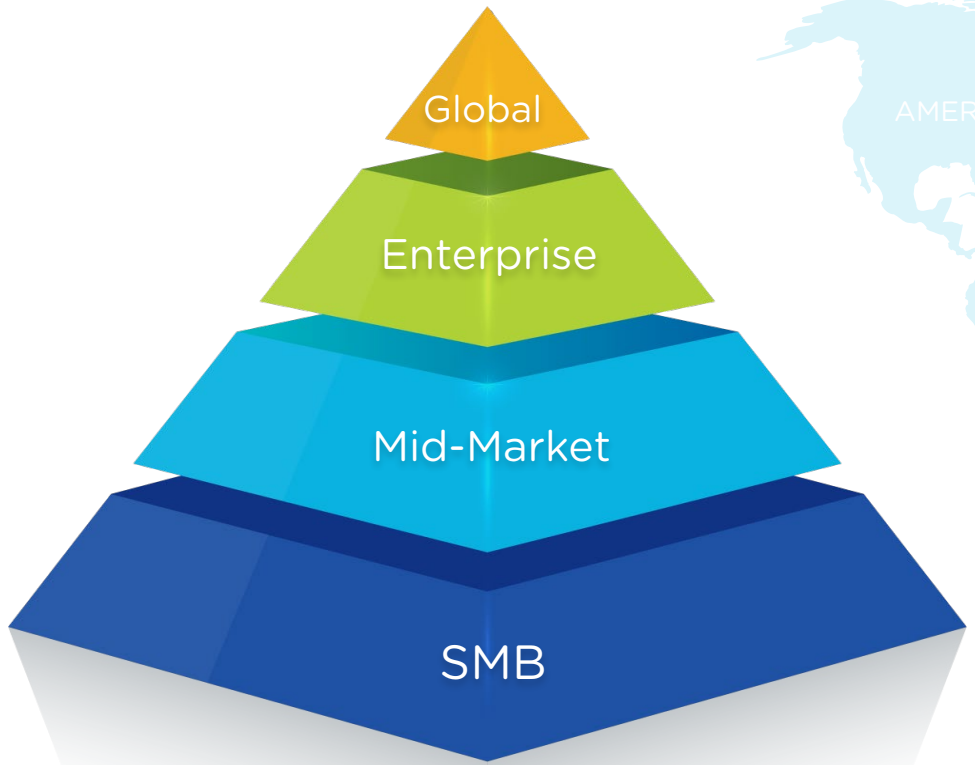


**Single User Interface**  
End-to-end infrastructure and  
application management



# Go To Market Strategy

Federal  
State Government  
Healthcare/  
Education  
Local Government



## > Market Opportunity

- Hybrid Multicloud + Emerging Products
- G2K + Vertical Overlays

## > Productivity Acceleration

- Solution Selling
- Partner Leverage

## > Go-to-Market Efficiency

- Lower Cost Renewals
- Digital Marketing



# Partner Ecosystem Strength



Customer & Market Reach with Thousands of Partners Globally





# Our Hybrid Multicloud Platform



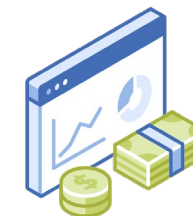
52%

AHV Adoption as  
a % of Total Nodes<sup>(1)</sup>  
+4pts YoY



39%

% of Deals Involving at Least  
One Emerging Product<sup>(1)</sup>  
+7pts YoY



80+%

YoY Growth of  
New ACV  
from Emerging Products

(1) Calculated on a rolling four-quarter average  
Note: See Appendix for definitions of ACV and New ACV



# Delivering Excellent Customer Business Outcomes



**62%**  
Lower  
Five-Year TCO



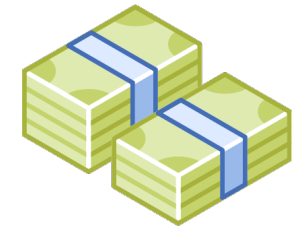
**85%**  
Less Unplanned  
Downtime



**9**  
Months to  
Payback



**477%**  
Five-Year  
ROI



**\$932,800**  
Additional  
Revenue per Year



# #1 Companies are Choosing Nutanix

<b>Aerospace &amp; Defense</b>	<b>Home Improvement Retail</b>
<b>Air Courier</b>	<b>Hotels &amp; Motels</b>
<b>Apparel / Accessories</b>	<b>Insurance Brokers</b>
<b>Apparel / Footwear Retail</b>	<b>Internet &amp; Catalog Retail</b>
<b>Auto &amp; Truck Manufacturers</b>	<b>Investment Services</b>
<b>Auto &amp; Truck Parts</b>	<b>Iron &amp; Steel</b>
<b>Beverages</b>	<b>Life &amp; Health Insurance</b>
<b>Biotechs</b>	<b>Major Banks</b>
<b>Broadcasting &amp; Cable</b>	<b>Managed Healthcare</b>
<b>Business Products &amp; Supplies</b>	<b>Medical Equipment &amp; Supplies</b>
<b>Casinos &amp; Gaming</b>	<b>Natural Gas Utilities</b>
<b>Computer &amp; Electronics Retail</b>	<b>Oil &amp; Gas Operations</b>
<b>Computer Services</b>	<b>Oil Services &amp; Equipment</b>
<b>Conglomerates</b>	<b>Other Industrial Equipment</b>
<b>Construction Materials</b>	<b>Other Transportation</b>
<b>Construction Services</b>	<b>Pharmaceuticals</b>
<b>Consumer Electronics</b>	<b>Precision Healthcare Equipment</b>
<b>Consumer Financial Services</b>	<b>Property &amp; Casualty Insurance</b>
<b>Discount Stores</b>	<b>Railroads</b>
<b>Diversified Insurance</b>	<b>Real Estate</b>
<b>Diversified Media</b>	<b>Recreational Products</b>
<b>Diversified Metals &amp; Mining</b>	<b>Restaurants</b>
<b>Diversified Utilities</b>	<b>Security Systems</b>
<b>Drug Retail</b>	<b>Semiconductors</b>
<b>Electric Utilities</b>	<b>Software &amp; Programming</b>
<b>Electrical Equipment</b>	<b>Specialized Chemicals</b>
<b>Electronics</b>	<b>Specialty Stores</b>
<b>Environmental &amp; Waste</b>	<b>Telecommunications Services</b>
<b>Food Retail</b>	<b>Thrifts &amp; Mortgage Finance</b>
<b>Healthcare Services</b>	<b>Tobacco</b>
<b>Heavy Equipment</b>	<b>Trading Companies</b>

Above shows categories where Nutanix has customers that are listed as #1 in their respective categories based on Forbes 2020 Global 2000 list.



# Customer Case Studies



## Mercedes-Benz

“You fill out two or three pieces of information and in a matter of twenty minutes you have a cluster with high availability and several machines, all with incredible ease. Now, I can leave the infrastructure to Nutanix and focus my efforts on the business.”

– Anibal Ulisses Coral, IT Infrastructure Architect, Mercedes-Benz do Brasil Ltda.

[> Learn More](#)



“Nutanix not only converges technologies, their software has enabled us to converge infrastructure, teams, and opportunities. By combining IT specialists into a single operations group, we can now see our end-to-end environment, work collaboratively, and make better decisions for the business.”

– Kevin Priest, Senior Director, The Home Depot

[> Learn More](#)



“Standardizing on the Nutanix solution has enabled us to dramatically reduce TCO, while helping us make our operations more efficient.”

– Guillaume Brocard, Senior Operations Advisor, Total S.A.

[> Learn More](#)



# Obsessed with Customer Success

“ The Name Nutanix Carries an Image of Functionality and Quality.

**Gartner**

SWOT: Nutanix, Hyperconverged Infrastructure, Worldwide, Nov 2018



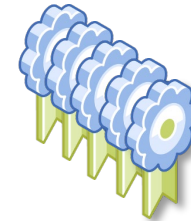
19,430<sup>(1)</sup>

Proven, and Trusted  
by Customers



96%<sup>(2)</sup>

Customer  
Retention



90

Net Promoter Score  
(7-Year Average)



4.8<sup>(3)</sup>

Gartner Peer  
Insights Score  
(4.8 of 5)

(1) See endnote 1 in the Appendix

(2) Customer Retention reflects FY'20 results. See Appendix for the definition of Customer Retention

(3) Gartner Peer Insights ratings and reviews as of March 31, 2021. Click [here](#) for more details

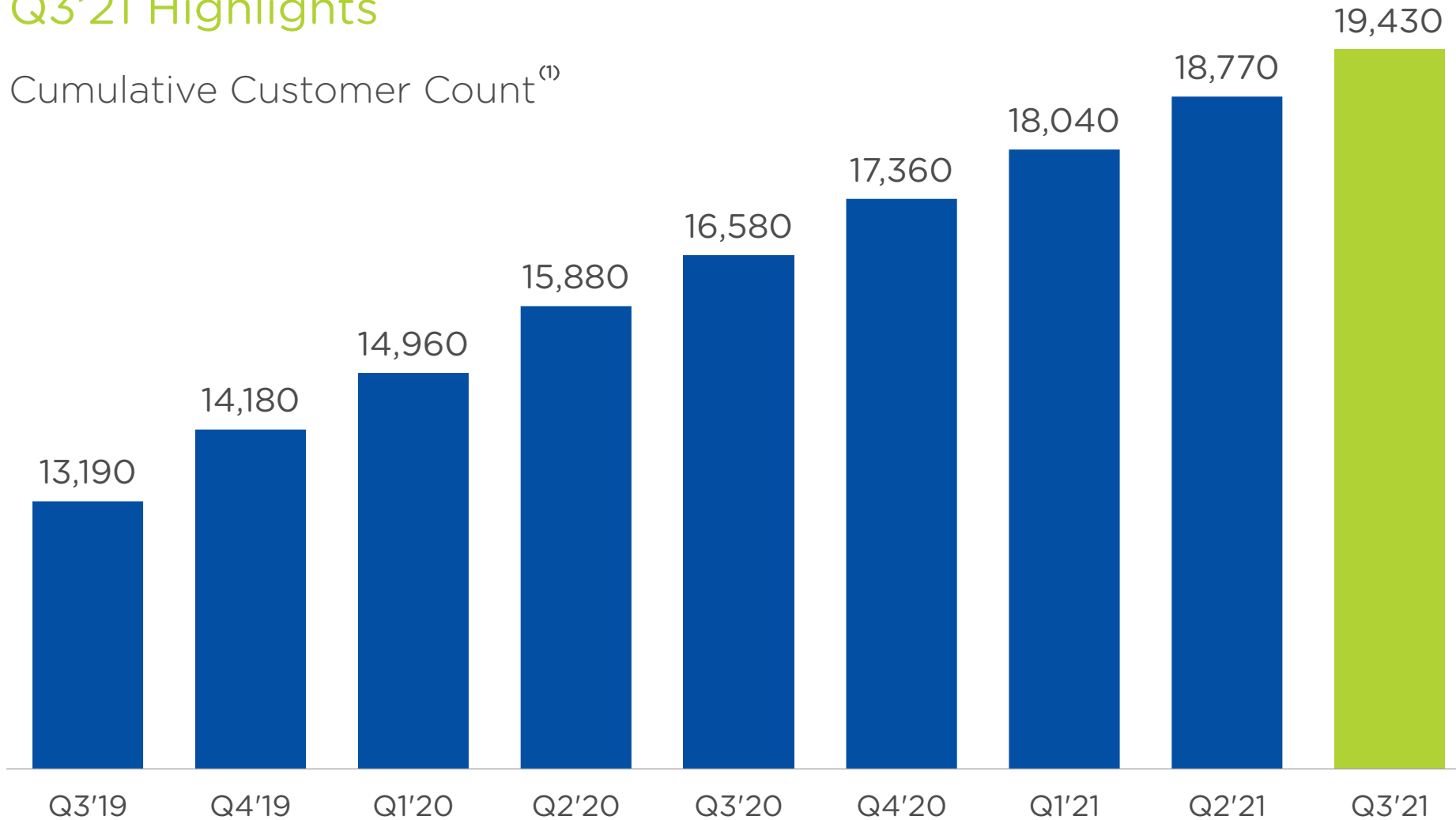




# Customer Growth Momentum

## Q3'21 Highlights

Cumulative Customer Count<sup>(1)</sup>



**17%**  
Total Customers  
YoY Growth

**960<sup>(1)</sup>**  
G2K Customers

**16.2x<sup>(2)</sup>**  
G2K Lifetime ACV  
Repeat Purchase Multiple

**80**  
Forbes Global  
100 Customers

**90 NPS**  
7-Year Average

(1) The cumulative total customer and G2K customer counts reflect standard adjustments/consolidation to certain customer accounts within our system of record and are rounded to the nearest 10. These adjustments were more significant in Q3'21 than in past quarters. See endnote 1 in the Appendix

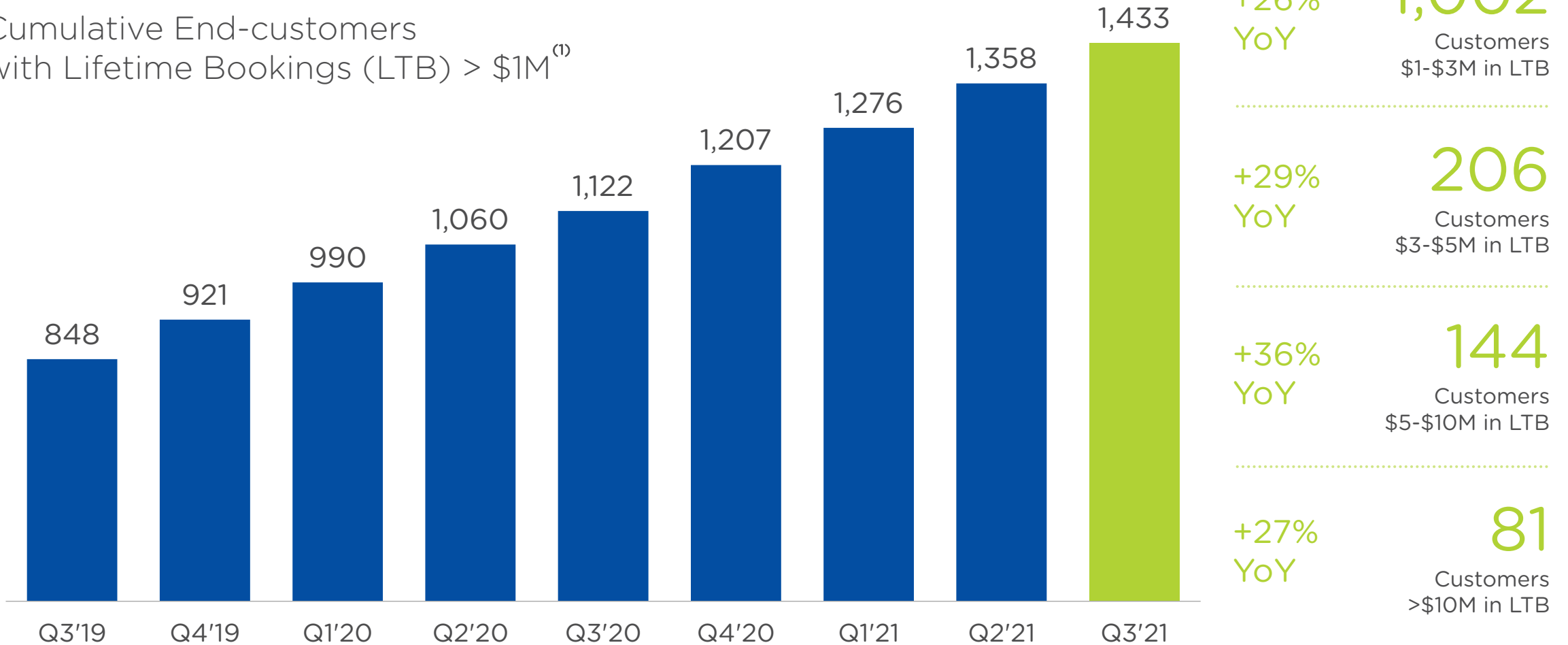
(2) See endnote 2 in the Appendix. See Appendix for definition of ACV



# Over \$1M Customer Growth

## Q3'21 Highlights

Cumulative End-customers with Lifetime Bookings (LTB) > \$1M<sup>(1)</sup>



(1) Measured in TCV Bookings. See Appendix for definition of TCV Bookings. There is no GAAP measure that is comparable to TCV Bookings, so the Company has not reconciled the TCV Bookings numbers in this presentation to any GAAP measure.



# Experienced Nutanix Leadership Team



Rajiv Ramaswami  
PRESIDENT & CEO



Ben Gibson  
CHIEF MARKETING  
OFFICER



Chris Kaddaras  
CHIEF REVENUE  
OFFICER



David Sangster  
CHIEF OPERATING  
OFFICER



Duston Williams  
CHIEF FINANCIAL  
OFFICER



Rajiv Mirani  
CHIEF TECHNOLOGY  
OFFICER



Rukmini Sivaraman  
SVP, PEOPLE &  
BUSINESS OPERATIONS



Tarkan Maner  
CHIEF COMMERCIAL  
OFFICER



Tyler Wall  
CHIEF LEGAL  
OFFICER





Wendy Pfeiffer  
CHIEF INFORMATION  
OFFICER



# Investing in Our Subscription Transformation



- 
**Prior to subscription model transition:**
  - Reached \$1.5B LTM total billings as of Q1'19, using \$73M cumulative Free Cash Flow from Q1'15 to Q1'19
  - Hardware sales made up 28% of Nutanix's revenue in fiscal 2017 vs. ~0% as of Q1 fiscal 2021
  - FY'19 total revenue growth would have been 26% without model transition
- 
**Subscription model offers tremendous long-term benefits despite top-line headwind during transition.**
  - 89% of total billings and 89% of total revenue were subscription-based as of Q3'21
  - Q1'21 marked our shift of focus from TCV to ACV, making ACV Billings a key metric for top-line performance

Note: See Appendix for non-GAAP to GAAP reconciliations and definitions of TCV and ACV Billings.

# Subscription Model Benefits



## Customers

- No lock-in on hardware, hypervisor and cloud
- Flexible consumption (monthly, 1, 3, and 5-year term) and license bursting
- License mobility between private and public clouds
- Foundation for hybrid & multicloud infrastructure, the ideal IT operating model for 86% surveyed enterprises\*
- Easy access to Nutanix's continuous innovation via subscriptions



## Partners and Nutanix

- ACV focus expected to improve deal economics and shorten time to efficient renewals
- Access to real-time customer relationships with more frequent cross-and-upsell opportunities
- Higher total customer lifetime value
- Lower go-to-market cost structure
- More predictable business model
- Recurring revenue stream over time

\*Source: [2020 Enterprise Cloud Index](#), which is based on a survey of 3,400 IT decision makers globally.





# Q3'21 Company Highlights

- **Delivered Upside Across All Guided Metrics Driven by Consistent Execution**  
Record ACV Billings with 18% YoY growth and 25% YoY growth in Run-rate ACV
- **Extended Partnership with Lenovo to Deliver a Complete Hosted Desktop Environment**  
Lenovo and Nutanix announced a new as-a-service solution for hosted desktops that includes a choice of Lenovo client devices, choice of Citrix VDI or Nutanix Frame, and ThinkAgile HX Series servers (powered by Nutanix), all managed as-a-service, with the convenience of a single monthly payment and single point of contact for support.
- **Saw Continued Momentum in Emerging Products**  
New ACV from emerging products up 80+% YoY; emerging product attach rate increased to 39%,<sup>(1)</sup> up 7 points YoY
- **Recognized as a Gartner Peer Insights Customers' Choice for Hyperconverged Infrastructure**  
Nutanix was recognized as a Customers' Choice for the third year in a row

Note: See Appendix for definitions of ACV Billings, Run-rate ACV, ACV and New ACV. There is no GAAP measure that is comparable to either ACV Billings or Run-rate ACV, so the Company has not reconciled the ACV Billings and Run-rate ACV numbers in this presentation to any GAAP measure.

(1) Defined as the % of deals that involve at least one emerging product, calculated on a rolling four-quarter average



# Management Commentary

**Rajiv Ramaswami**

President & Chief  
Executive Officer

➤ “I am delighted with our strong quarterly results. For the third quarter in a row, we delivered outperformance across all guided metrics and demonstrated our ability to execute consistently,” said Rajiv Ramaswami, President and CEO of Nutanix. “We are also pleased with our progress on key priorities, including bolstering our ecosystem with our extended partnership with Lenovo, continued momentum with our core cloud software platform and an increased attach rate of our emerging products.”

**Duston Williams**

Chief Financial Officer

➤ “We saw record ACV Billings, with growth accelerating to 18 percent year-over-year, while our disciplined spending delivered operating expenses below our guidance,” said Duston Williams, CFO of Nutanix. “Our growing renewals pipeline will help to drive future top line growth, offer substantial sales and marketing efficiencies, and increase the predictability in our business.”



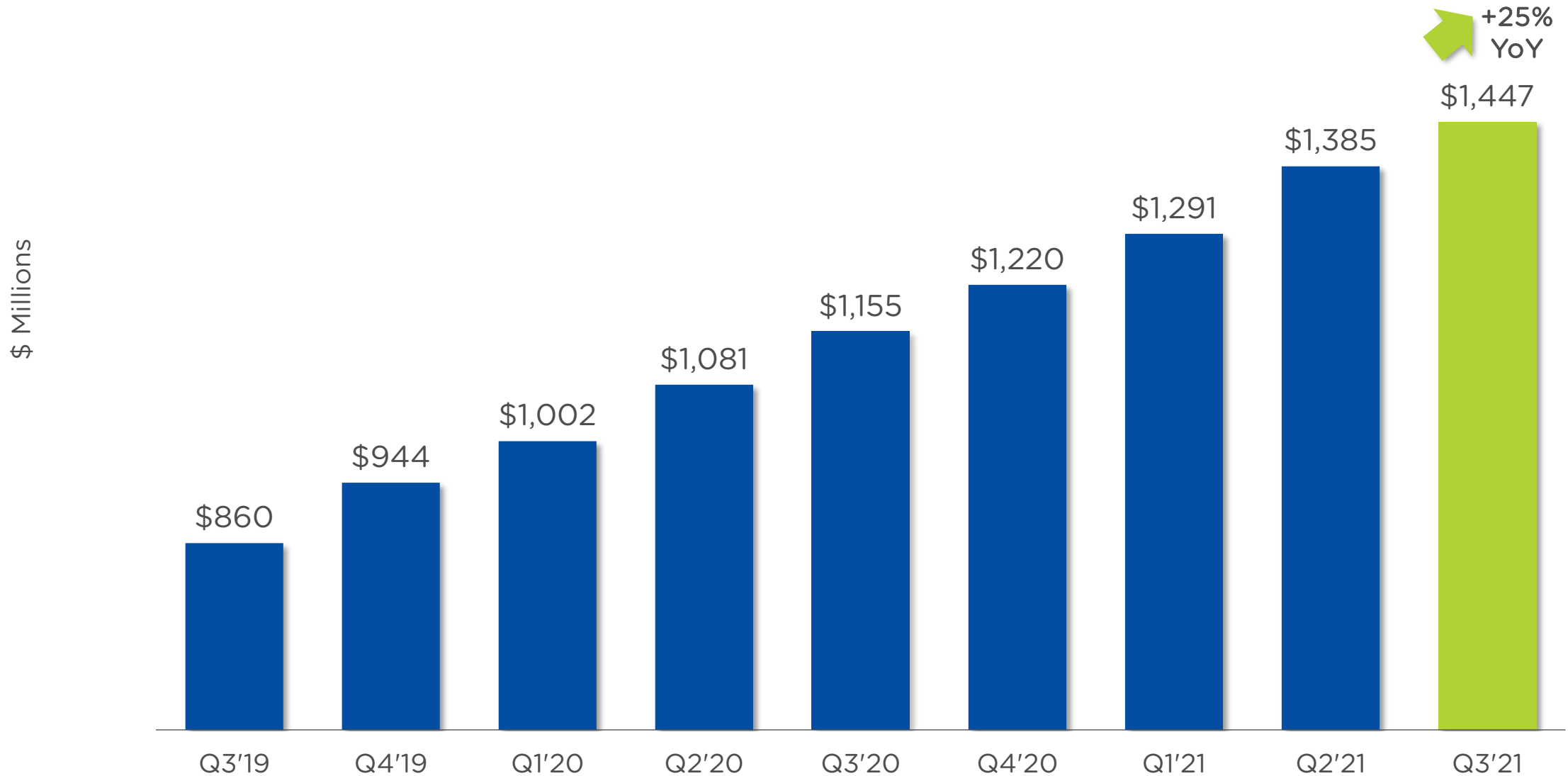
# Q3'21 Financial Summary

	Q3'21 Results	YoY Change	Q3'21 Guidance
ACV Billings	\$159.9M	18%	\$150 - \$155M
Run-rate ACV	\$1.45B	25%	N/A
Average Contract Term	3.3 Years	(0.5) Year	N/A
Revenue	\$344.5M	8%	N/A
Non-GAAP Gross Margin	81.7%	100 bps	Approximately 81%
Non-GAAP Operating Expenses	\$361.5M	(7)%	\$365 - \$370M
Non-GAAP Net Loss Per Share	\$(0.41)	\$0.28	N/A
Free Cash Flow	\$(71.5)M	\$46.0M	N/A

Note: See Appendix for GAAP to non-GAAP reconciliations, as well as definitions of ACV Billings, Run-rate ACV, ACV and Average Contract Term. There is no GAAP measure that is comparable to either ACV Billings or Run-rate ACV, so the Company has not reconciled the ACV Billings and Run-rate ACV numbers in this presentation to any GAAP measure.



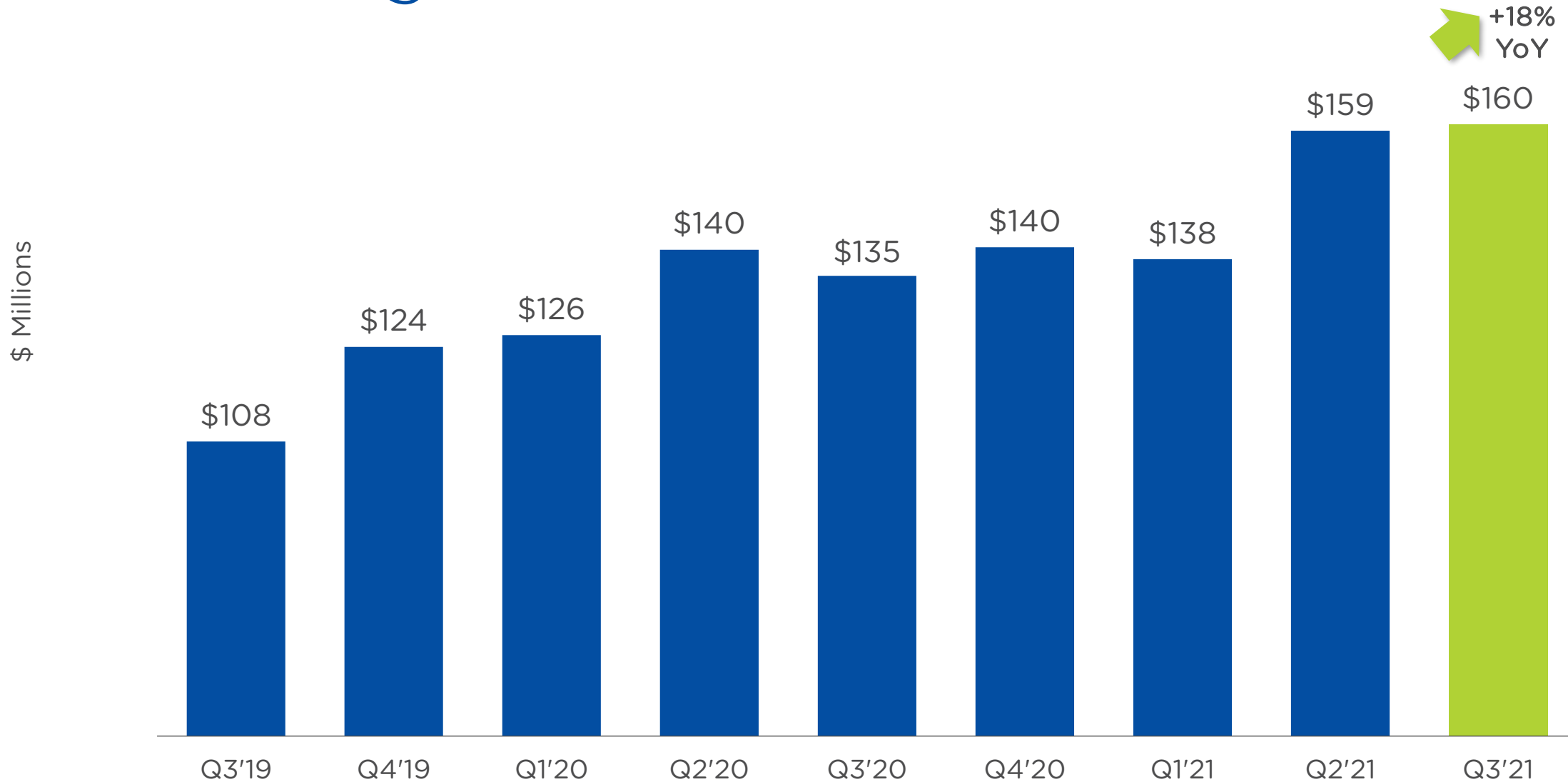
# Run-rate ACV



Note: See Appendix for definition of Run-rate ACV and ACV. There is no GAAP measure that is comparable to Run-rate ACV, so the Company has not reconciled the Run-rate ACV numbers in this presentation to any GAAP measure.



# ACV Billings



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



# Q3'21 ACV Billings to Total Billings Conversion | 34

## ACV Billings to Total Billings Conversion

- 1 Start with forecasting ACV Billings and compare your estimate with Nutanix's ACV Billings guidance and seasonality commentary
- 2 Estimate ACV Billings % by Term to get to ACV Billings \$ by Term
- 3 Multiply ACV Billings \$ by Contract Term (Year) to get to TCV Billings \$ by Term and the corresponding TCV Billings Term Mix, and then multiply TCV Billings Term Mix by Contract Term (Year) to back into Average Contract Term
- 4 Estimate PS & HW Billings<sup>(1)</sup> and add it to total TCV Billings \$ by Term to get to Total Billings. Historical PS & HW billings mix can be found in the Appendix

Contract Term (Year)	ACV % by Term	ACV \$ by Term	Contract Term (Year)	TCV \$ by Term	TCV Term Mix	Average Contract Term
<= 1	52%	\$83	<=1	\$69	20%	~0.2
2	3%	\$5	2	\$10	3%	~0.1
3	29%	\$46	3	\$135	39%	~1.1
4	2%	\$3	4	\$14	4%	~0.2
5*	14%	\$22	5	\$115	33%	~1.6
6	~0%	~\$0	6	\$1	~0%	~0.0
7	~0%	\$1	7	\$3	1%	~0.1
<b>Total</b>	<b>100%</b>	<b>\$160</b>		<b>\$347</b>	<b>100%</b>	<b>3.3</b>
	PS & HW Billings:	-		+\$24		
<b>1</b>	<b>ACV Billings:**</b>	<b>\$160</b>	<b>Total Billings:</b>	<b>\$371</b>	<b>ACV Billings to Total Billings Ratio:</b>	<b>2.32</b>

\* 5-year term includes 5-year subscription licenses and non-portable (life-of-device) software licenses with an assumed contract term of 5 years

\*\* ACV Billings exclude amounts related to professional services and hardware

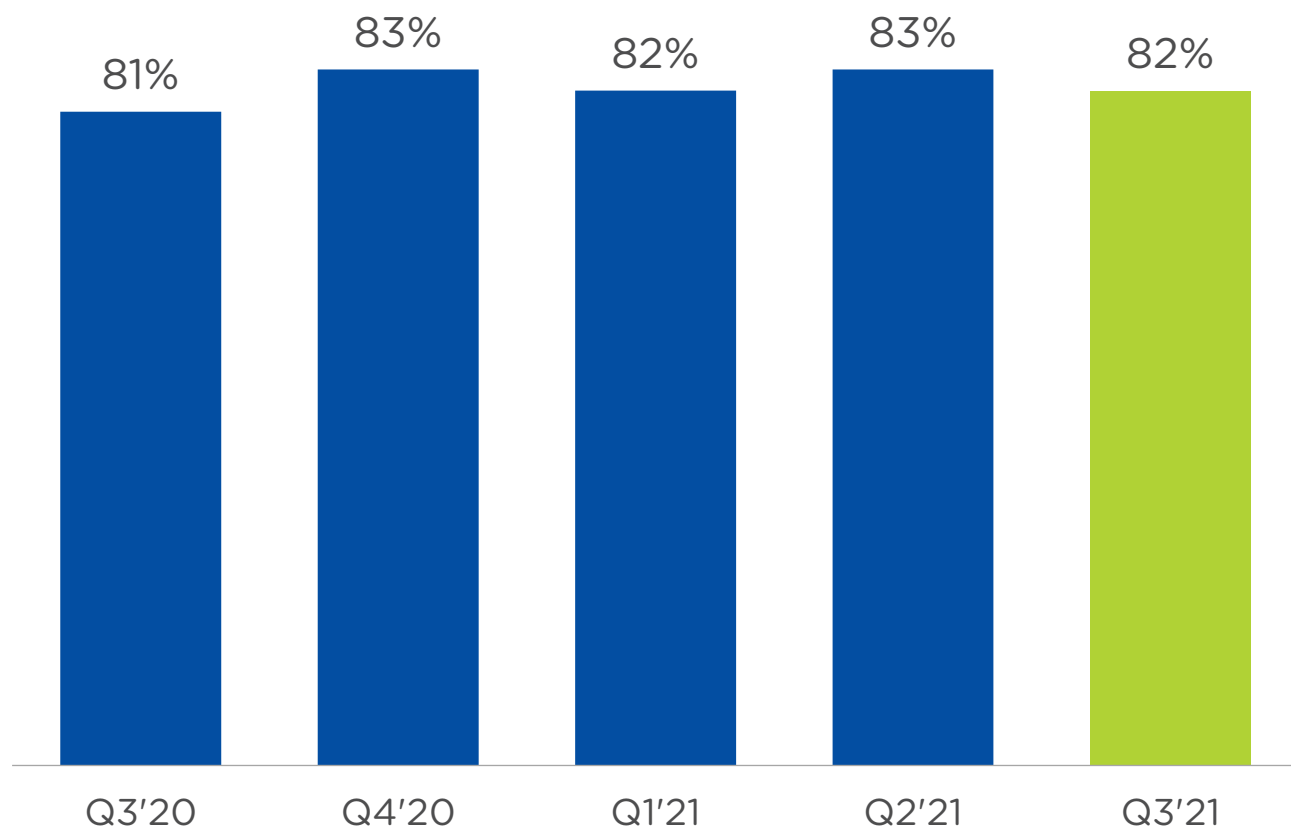
(1) Refers to professional services and hardware billings

Note: See Appendix for definitions of ACV Billings, ACV, Average Contract Term and TCV Billings. There is no GAAP measure that is comparable to ACV Billings, so the Company has not reconciled the ACV Billings numbers in this presentation to any GAAP measure.

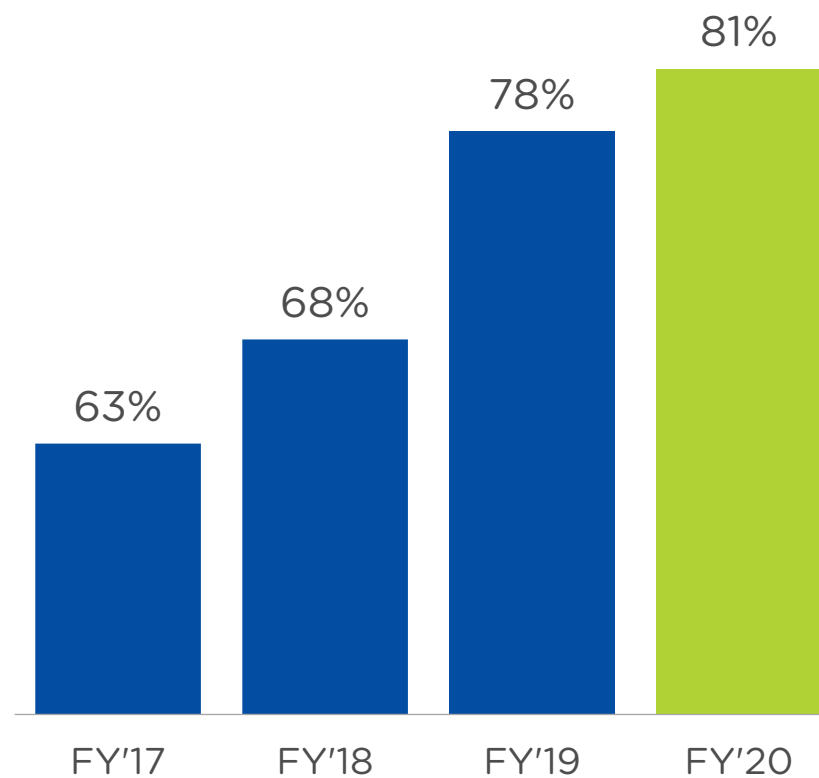


# Gross Margin

By Quarter



By Fiscal Year



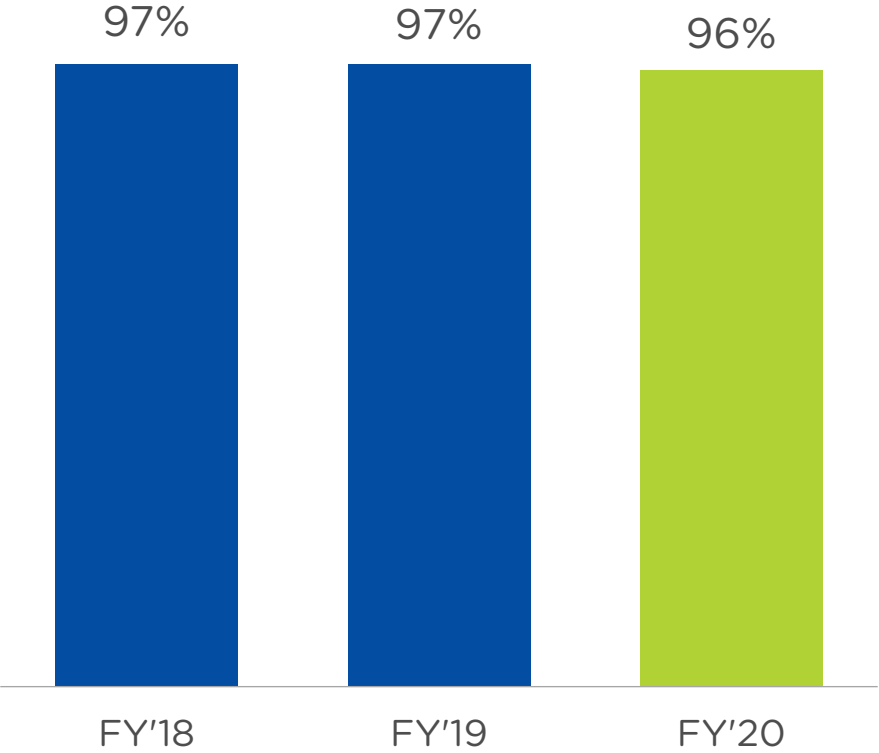
Note: Margins shown on a non-GAAP basis. See Appendix for a reconciliation of GAAP to non-GAAP measures



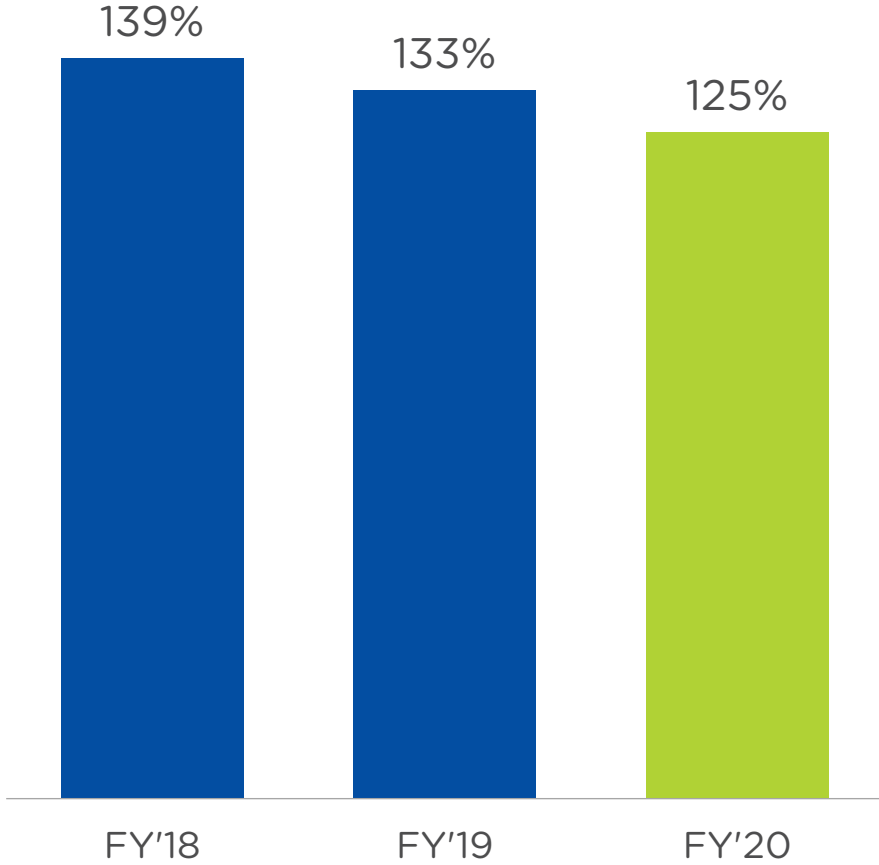


# FY'20 Retention and Expansion Rates

Customer Retention



ACV Dollar-based Net Expansion



Note: See Appendix for definitions of Customer Retention and ACV Dollar-based Net Expansion.



# Renewals—Paving the Way to Leverage



Note: Q3'21 LTM renewal billings accounted for approximately 11% of total billings.



# Nutanix in Summary



## Differentiated Cloud Platform for Hybrid and Multicloud Solutions

Manage any app anywhere at any scale with unparalleled simplicity, scalability, choice, and portability



## Compelling Market Opportunity

Large and expanding \$60+<sup>(1)</sup> billion TAM in core hyperconverged infrastructure and adjacent markets



## Multiple Long-Term Growth Drivers

Datacenter modernization | Digital transformation | Hybrid and multicloud infrastructure



## Customer Delight and Expansion

Loyal customer base with best-in-class avg. Net Promoter Score (NPS) of 90 over past 7 years and G2K lifetime expansion multiple<sup>(2)</sup> of 16.2x



## Subscription Model for Datacenter and Cloud Infrastructures

Higher customer lifetime value, and a more predictable business model with recurring revenue expected over time



## Unlocking Operating Leverage

ACV-first strategy is expected to drive better unit economics and shorten time to efficient renewals, driving operating leverage over time

(1) Total Addressable Market in 2025. See Section Titled “Market Opportunity Data” in Appendix for Additional Details

(2) See endnote 2 in the Appendix  
See Appendix for definition of ACV



# Nutanix Core Values

## HUNGRY TO BE THE BEST



Be **Ambitious** to  
achieve our dreams

Be **Courageous** to  
do what matters

Be **Tenacious** to  
keep customers happy

## HUMBLE IN HOW WE THINK AND ACT



## HEART

Be **Empathetic** to  
employees, customers, partners

Be **Respectful**  
of differences

Be **Appreciative**  
of others

## HONEST TO DO THE RIGHT THING



Be **Authentic**  
and true

Be **Credible** -  
walk your talk

Be **Transparent**  
for stronger collaboration



# Appendix

## Endnotes

1. Global 2000 (G2K) and Forbes 100 customer counts reflect yearly update to the members of both lists as reported by Forbes. Cumulative total customer and G2K customer counts reflect standard adjustments/consolidation to certain customer accounts within our system of record, and are rounded to the nearest 10.
2. G2K lifetime ACV purchase multiple is defined as ACV of total lifetime purchase divided by ACV of initial purchase, for G2K customers that have been customers for over 18 months.

## Definitions

**ACV Billings**, for any given period, is defined as the sum of the ACV for all contracts billed during the given period. ACV Billings is the sum of New ACV Billings and Renewals ACV Billings. **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 Bookings**, for any given period, is defined as the sum of the ACV for all contracts booked during the given period.

**ACV Dollar-based Net Expansion**. We believe that our ACV 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 ACV of our customer base at the end of the prior fiscal year, referred as the base ACV, to the aggregate retained ACV from the same group of customers at the end of the current fiscal year. We calculate our dollar-based expansion rate on an annual basis by dividing the retained ACV by the base ACV on a dollar-weighted basis across cohort. Retained ACV is defined as aggregate ACV 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.

**Customer Retention**. 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.

**New ACV** is defined as the ACV pertaining to sales to a new customer, or any up-sell / expansion sales to an existing customer.

**Run-rate ACV**, at the end of any period, is the sum of ACV for all contracts that are in effect as of the end of that period. For the purposes of this calculation, the Company assumes that the contract term begins on the date a contract is booked, irrespective of the periods in which the Company would recognize revenue for such contract.

**Average Contract Term** 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.

**TCV**, or **Total Contract Value**, for any given period is defined as the total software and support revenue, total software and support billings, or total software and support bookings, as applicable, during such period, which excludes revenue, billings, and bookings associated with pass-through hardware sales during the period.

**Total Contract Value Bookings**, or **TCV Bookings**, for any given period is defined as the total software and support contracts booked during such period, which excludes amounts associated with pass-through hardware sales during the period.

Note: ACV, ACV Billings, ACV Bookings, New ACV, and Run-rate ACV 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. TCV Bookings is a performance measure that the Company believes provide useful information to its management and investors as it allows the Company to better track the true growth of its software business by excluding the amounts attributable to the pass-through hardware sales that the Company uses to deliver its solutions. TCV Bookings is not a substitute for total revenue. There is no GAAP measure that is comparable to ACV, ACV Billings, ACV Bookings, New ACV, Run-rate ACV, or TCV Bookings so the Company has not reconciled the ACV, ACV Billings, ACV Bookings, New ACV, Run-rate ACV, and TCV Bookings numbers included 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 our own internal estimates and research. While we believe these third-party studies, publications, surveys and other data are reliable as of the date hereof, they have not been independently verified, and we make no representation as to the adequacy, fairness, accuracy, or completeness of any information obtained from third-party sources.

We believe our overall market is composed of **Adjacent Markets** and **Hybrid Cloud Market**. We define **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 our **Adjacent Markets** included in this presentation are our estimates derived from IDC and Gartner forecasts regarding the component markets with adjustments, some of which are based on our internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that we believe are applicable to our business. We define **Hybrid Cloud Market** as being composed of HCI Market and Public Cloud Market. The TAM data for our **Hyperconverged Infrastructure Market**, or **HCI Market**, and **Public Cloud Market** included in this presentation are our estimates derived from IDC 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 our internal assumptions and market experience and knowledge, made to focus only on the segments of the applicable markets that we believe are applicable to our business.



# Calculation of Billings

\$ Millions	FY'17	FY'18	FY'19	FY'20
Software revenue	\$437.0	\$630.7	\$727.1	\$742.4
Support, entitlements & other services revenue	172.6	267.5	403.7	541.8
<b>Total software and support (TCV) revenue</b>	<b>\$609.6</b>	<b>\$898.2</b>	<b>\$1,130.8</b>	<b>\$1,284.2</b>
Change in software and support (TCV) deferred revenue, net of acquisitions	144.6	262.0	278.5	272.4
<b>Total software and support (TCV) billings</b>	<b>\$754.2</b>	<b>\$1,160.2</b>	<b>\$1,409.3</b>	<b>\$1,556.6</b>

	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Software revenue	\$177.0	\$177.7	\$155.0	\$173.5	\$171.3
Support, entitlements & other services revenue	137.5	148.8	157.0	171.6	172.2
<b>Total software and support (TCV) revenue</b>	<b>\$314.5</b>	<b>\$326.5</b>	<b>\$312.0</b>	<b>\$345.1</b>	<b>\$343.5</b>
Change in software and support (TCV) deferred revenue, net of acquisitions	65.2	60.6	22.2	39.1	26.6
<b>Total software and support (TCV) billings</b>	<b>\$379.7</b>	<b>\$387.1</b>	<b>\$334.2</b>	<b>\$384.2</b>	<b>\$370.2</b>

	Q2'18 to Q2'19	FY'19	FY'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Total revenue	\$1,193.1	\$1,236.2	\$1,307.7	\$318.3	\$327.9	\$312.7	\$346.4	\$344.5
Change in deferred revenue, net of acquisitions	292.6	278.5	272.4	65.2	60.6	22.2	39.1	26.6
<b>Total billings</b>	<b>\$1,485.7</b>	<b>\$1,514.7</b>	<b>\$1,580.1</b>	<b>\$383.5</b>	<b>\$388.5</b>	<b>\$334.9</b>	<b>\$385.5</b>	<b>\$371.1</b>





# GAAP to Non-GAAP Reconciliations

	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	FY'17	FY'18	FY'19	FY'20
Gross margin (GAAP)	77.3%	79.6%	78.3%	79.5%	78.4%	61.3%	66.6%	75.4%	78.1%
Stock-based compensation expense	2.3	2.3	2.3	2.1	2.2	1.6	1.0	1.5	2.1
Amortization of intangible assets	1.1	1.1	1.2	1.1	1.1	0.2	0.5	1.2	1.1
Impairment of lease-related assets	-	-	0.1	-	-	-	-	-	-
<b>Gross margin (Non-GAAP)</b>	<b>80.7%</b>	<b>83.0%</b>	<b>81.9%</b>	<b>82.7%</b>	<b>81.7%</b>	<b>63.1%</b>	<b>68.1%</b>	<b>78.1%</b>	<b>81.3%</b>
Operating expenses (GAAP)	\$(476.2)	\$(432.3)	\$(426.9)	\$(431.7)	\$(450.6)				
Stock-based compensation expense	84.8	85.3	81.9	77.0	87.6				
Amortization of intangible assets	0.6	0.7	0.7	0.7	0.7				
Impairment of lease-related assets	-	-	2.5	-	-				
Other	0.5	0.5	0.6	0.5	0.8				
<b>Operating expenses (Non-GAAP)</b>	<b>\$(390.3)</b>	<b>\$(345.8)</b>	<b>\$(341.2)</b>	<b>\$(353.5)</b>	<b>\$(361.5)</b>				
Net loss per share (GAAP)	\$(1.23)	\$(0.93)	\$(1.31)	\$(1.42)	\$(0.60)				
Stock-based compensation expense	0.48	0.47	0.44	0.42	0.46				
Amortization of intangible assets	0.02	0.02	0.02	0.02	0.02				
Impairment of lease-related assets	-	-	0.02	-	-				
Amortization of debt discount and issuance costs	0.04	0.04	0.07	0.11	0.11				
Change in fair value of derivative liability	-	-	0.32	0.50	(0.41)				
Income tax-related adjustments	-	0.01	-	-	-				
Other	-	-	-	-	0.01				
<b>Net loss per share (Non-GAAP)</b>	<b>\$(0.69)</b>	<b>\$(0.39)</b>	<b>\$(0.44)</b>	<b>\$(0.37)</b>	<b>\$(0.41)</b>				
Net cash provided by operating activities	\$(84.9)	\$3.6	\$(4.1)	\$(15.6)	\$(55.6)				
Purchases of property and equipment	(32.6)	(17.4)	(12.2)	(12.9)	(15.9)				
<b>Free cash flow (Non-GAAP)</b>	<b>\$(117.5)</b>	<b>\$(13.8)</b>	<b>\$(16.3)</b>	<b>\$(28.5)</b>	<b>\$(71.5)</b>				

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



# Disaggregation of Billings and Revenue

\$ Millions	FY'18	FY'19	FY'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21
Subscription revenue	\$330.7	\$648.4	\$1,030.2	\$261.0	\$284.8	\$278.2	\$305.9	\$307.3
Change in subscription deferred revenue, net of acquisitions	251.3	267.6	246.2	60.1	55.9	15.7	33.2	23.5
<b>Subscription billings</b>	<b>\$582.0</b>	<b>\$916.0</b>	<b>\$1,276.4</b>	<b>\$321.1</b>	<b>\$340.7</b>	<b>\$293.9</b>	<b>\$339.1</b>	<b>\$330.8</b>
Non-portable software revenue	\$544.0	\$449.1	\$208.1	\$41.9	\$29.5	\$20.0	\$21.7	\$16.7
Change in non-portable software deferred revenue, net of acquisitions	-	-	-	-	-	-	-	-
<b>Non-portable software billings</b>	<b>\$544.0</b>	<b>\$449.1</b>	<b>\$208.1</b>	<b>\$41.9</b>	<b>\$29.5</b>	<b>\$20.0</b>	<b>\$21.7</b>	<b>\$16.7</b>
Professional services revenue	\$23.4	\$33.3	\$45.9	\$11.6	\$12.2	\$13.8	\$17.5	\$19.5
Change in professional services deferred revenue, net of acquisitions	\$10.8	\$11.0	\$26.2	5.1	4.7	6.5	5.9	3.2
<b>Professional services billings</b>	<b>\$34.2</b>	<b>\$44.3</b>	<b>\$72.1</b>	<b>\$16.7</b>	<b>\$16.9</b>	<b>\$20.3</b>	<b>\$23.4</b>	<b>\$22.7</b>
Pass-through hardware revenue	\$257.3	\$105.3	\$23.5	\$3.8	\$1.4	\$0.7	\$1.3	\$1.0
Change in pass-through hardware deferred revenue, net of acquisitions	-	-	-	-	-	-	-	-
<b>Pass-through hardware billings</b>	<b>\$257.3</b>	<b>\$105.3</b>	<b>\$23.5</b>	<b>\$3.8</b>	<b>\$1.4</b>	<b>\$0.7</b>	<b>\$1.3</b>	<b>\$1.0</b>
Subscription revenue mix	29%	52%	79%	82%	87%	89%	89%	89%
Non-portable software revenue mix	47%	36%	16%	13%	9%	7%	6%	5%
Professional services revenue mix	2%	3%	3%	4%	4%	4%	5%	6%
Pass-through hardware revenue mix	22%	9%	2%	1%	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>
Subscription billings mix	41%	60%	81%	84%	88%	88%	88%	89%
Non-portable software billings mix	38%	30%	13%	11%	8%	6%	6%	5%
Professional services billings mix	3%	3%	5%	4%	4%	6%	6%	6%
Pass-through hardware billings mix	18%	7%	1%	1%	0%	0%	0%	0%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>



**NUTANIX™**

Thank You