



NUTANIX™

INVESTOR DAY

2021



Rajiv Ramaswami

Nutanix President & CEO



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 use the following non-GAAP financial and other key performance measures: billings, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP net loss, non-GAAP net loss per share, free cash flow, subscription revenue, subscription billings, subscription revenue mix, subscription billings mix, professional services billings, Annual Contract Value (or ACV), ACV Billings, ACV Bookings, Annual Retention Rate, Gross Retention Rate, New ACV, New ACV Billings, Renewals ACV Billings, and Run-rate ACV. In computing these non-GAAP financial measures and key performance measures, Nutanix exclude 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 believe 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 calculate billings by adding the change in deferred revenue between the start and end of the period to total revenue recognized in the same period. Non-GAAP gross margin, non-GAAP operating expenses, non-GAAP net loss, and non-GAAP net loss per share are financial measures which Nutanix believe 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 believe provides useful information to its management and investors about the amount of cash generated by the business after necessary capital expenditures, and Nutanix define 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 believe 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, Annual Retention Rate, Gross Retention Rate, New ACV, New ACV Billings, Renewals ACV Billings and Run-rate ACV are performance measures that Nutanix believe 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 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 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, Annual Retention Rate, Gross Retention Rate, New ACV, New ACV Billings, Renewals ACV Billings or Run-rate ACV, so Nutanix have not reconciled the ACV, ACV Billings, ACV Bookings, Annual Retention Rate, Gross Retention Rate, New ACV, New ACV Billings, Renewals 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 urge 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 table captioned “GAAP to Non-GAAP Reconciliations” included in the appendix to the presentation given by Duston Williams, its Chief Financial Officer, and not to rely on any single financial measure to evaluate its business. All estimates for the Company’s fiscal year ending July 31, 2021 included in the following presentations and the accompanying oral commentaries are based on: (i) actual financial results from the Company’s fiscal quarters ended October 30, 2020, January 31, 2021 and April 30, 2021; plus (ii) estimates consistent with the Company’s guidance for its fiscal quarter ending July 31, 2021.



Forward Looking Statements

The following presentations and the accompanying oral commentaries contain express and implied forward-looking statements, including, but not limited to, statements relating to: its business plans, goals, strategies, vision, mission, objectives, and outlook, including its plans to provide a hybrid multicloud platform with a streamlined product portfolio and at-scale solutions, its go-to-market strategy and its focus on sales productivity and execution, solution selling, deepening and leveraging partnerships, renewals, and digital-first marketing, and its plans to balance growth and spend to achieve long-term financial targets and focus on disciplined investments and diversity; its ability to execute on such plans, goals, strategies, and objectives successfully and in a timely manner, including its abilities to increase sales productivity by solution selling and partner leverage and capture 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 on its ability to align incentives of its sales representatives with customer buying preferences and budgets, deal economics, average contract term lengths, and product attach rates and revenue and product mix; its go-to-market strategy, including the impact thereof on its sales execution (including quota attainment, bookings linearity and product attach rate), customer choice, average selling price and deal economics, sales rep count and productivity, cost of sales, sales and marketing efficiencies, retention and attach rates for its products, renewals (including growth and efficiency of renewals pipeline), average contract term lengths, free cash flow, cash usage, operating expenses, operating profit, business predictability, and top line growth in future periods; the competitive market, including its competitive position and ability to compete effectively, its projections about its market share in future periods, the competitiveness of its future cost structure with those of other companies, and the competitive advantages of its products; its 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; its customers' needs and preferences 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); its ability to form new, and maintain and strengthen 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 its platform, solutions, products, services and technology, including the interoperability and availability of its solutions with and on third-party platforms; its 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; its guidance on estimated ACV Billings, non-GAAP gross margin, non-GAAP operating expenses and weighted average shares outstanding for any future fiscal periods, including its expectations and assumptions underlying such guidance; its 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, ACV Billings, total billings to ACV Billings ratio, billings to revenue ratio, operating expenses, free cash flow, operating profit, Run-rate ACV, Annual Run Rate, and Gross Retention Rate, as well as assumptions underlying or forming the basis of such expectations (including its expectations regarding changes to its sales rep count and productivity, product portfolio and revenue and product mix, renewals cost, growth and mix, New ACV Billings, Renewals ACV, average contract term lengths, ACV per core, and Net Dollar Retention Rate in future periods); and its decision to use new or different metrics, make adjustments to the metrics it uses, or to provide additional information to supplement its financial reporting, and the impact thereof.

These forward-looking statements are not historical facts and instead are based on its 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 its 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 Nutanix's Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission, or the SEC which should be read in conjunction with these presentations. Nutanix's SEC filings are available on the Investor Relations section of its 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 Nutanix's 2021 Investor Day 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 in the following presentations and the accompanying oral commentaries to reflect actual results or subsequent events or circumstances.

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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Key Takeaways

Clear Leader in a Fast-Growing HCI Market

Addressing \$30B¹ TAM

Substantial Growth Opportunity

\$30B¹ TAM in Adjacent Markets

One Platform for Hybrid Multicloud

Unparalleled Simplicity

Go-To-Market Leverage

via Renewals, Solutions, and Partnerships

25%+ ACV Billings Growth Through FY25
Cash Flow Positive Expected by 2HCY22 (1HFY23)

See Sections Titled “Definitions” and “Market Opportunity Data” in Appendix for Definition of ACV Billings and Additional Details Regarding the Market Opportunity Data Above

(1) Total Addressable Market in 2025



My Initial Impressions

Customers
Love Nutanix

Product
Simplicity and
Experience

Customer
Obsession

Exceptional
Talent

Culture of
Innovation



Our Evolution

On-Prem



Hybrid Multicloud

Great Products



At-Scale Solutions

Do It Yourself



Leverage Partnerships

Land and Expand



Land, Adopt, Expand, Renew

Physical-First Marketing



Digital-First Marketing

Spend to Fuel Growth



Disciplined Investments

Opportunistic Diversity

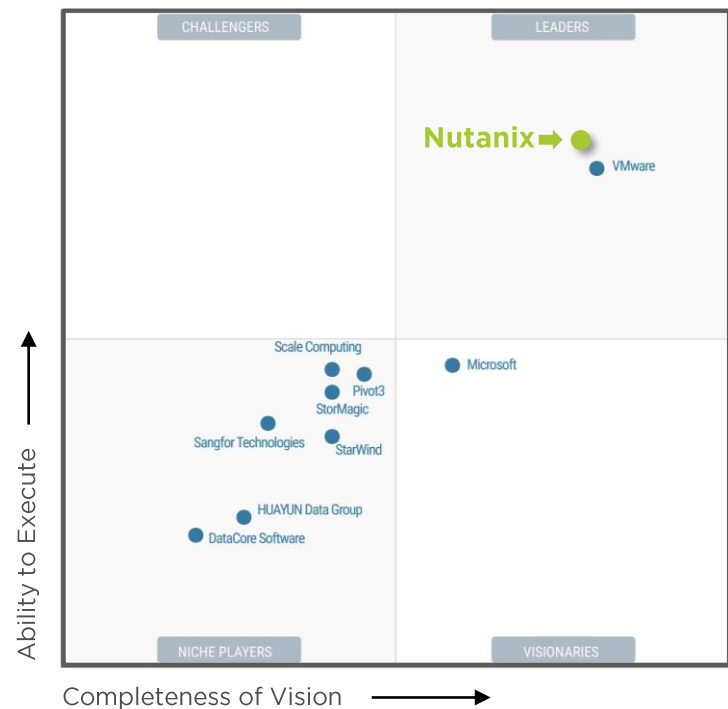


Diversity as Differentiator



Leader in Fast-Growing HCI Market

Gartner Magic Quadrant for HCI Dec 2020

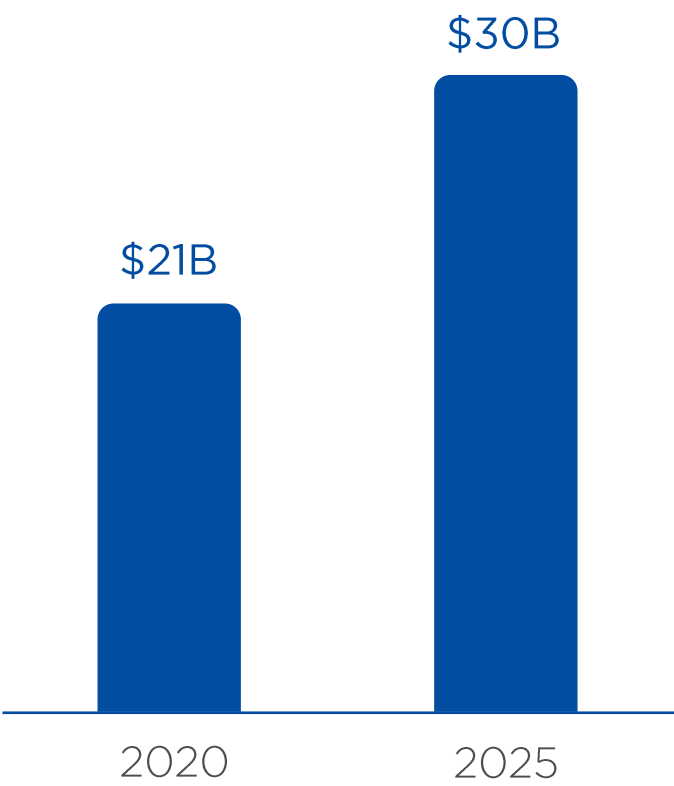


Forrester Wave HCI Q3 2020

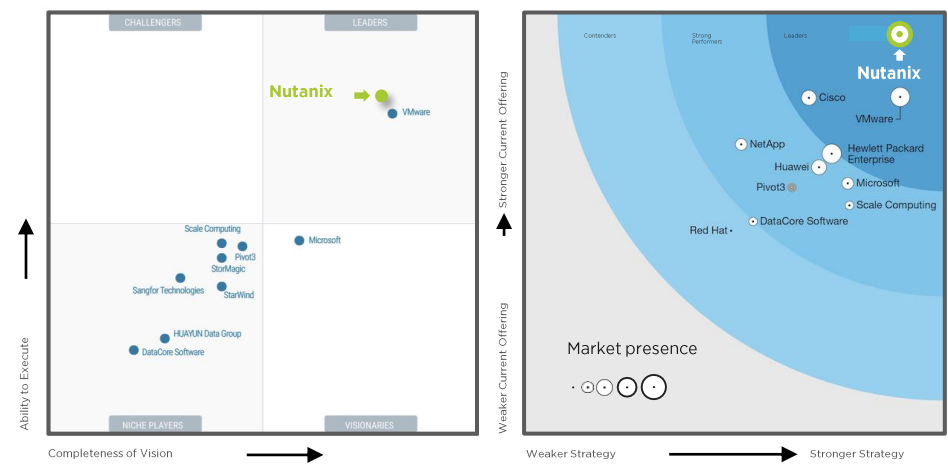


Leader in Fast-Growing HCI Market

HCI Addressable Market



Industry Leader

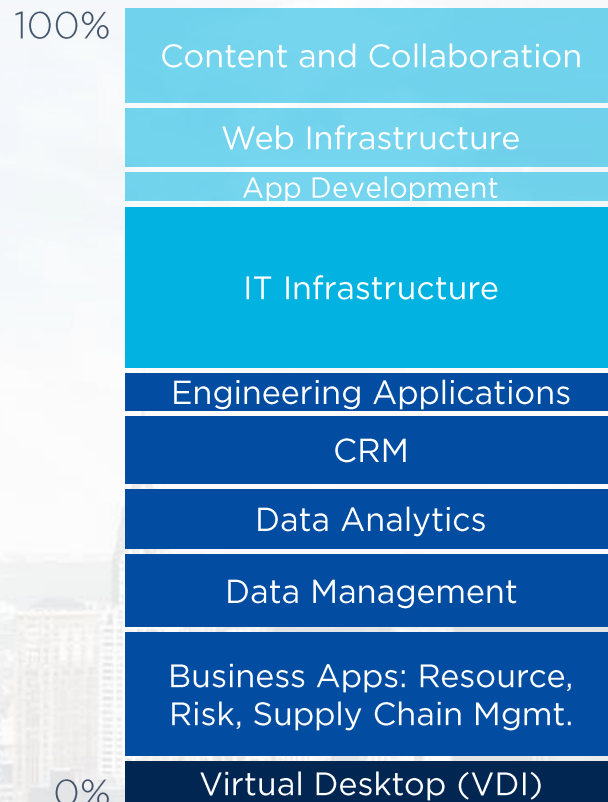


See Section Titled “Market Opportunity Data” in Appendix for Additional Details

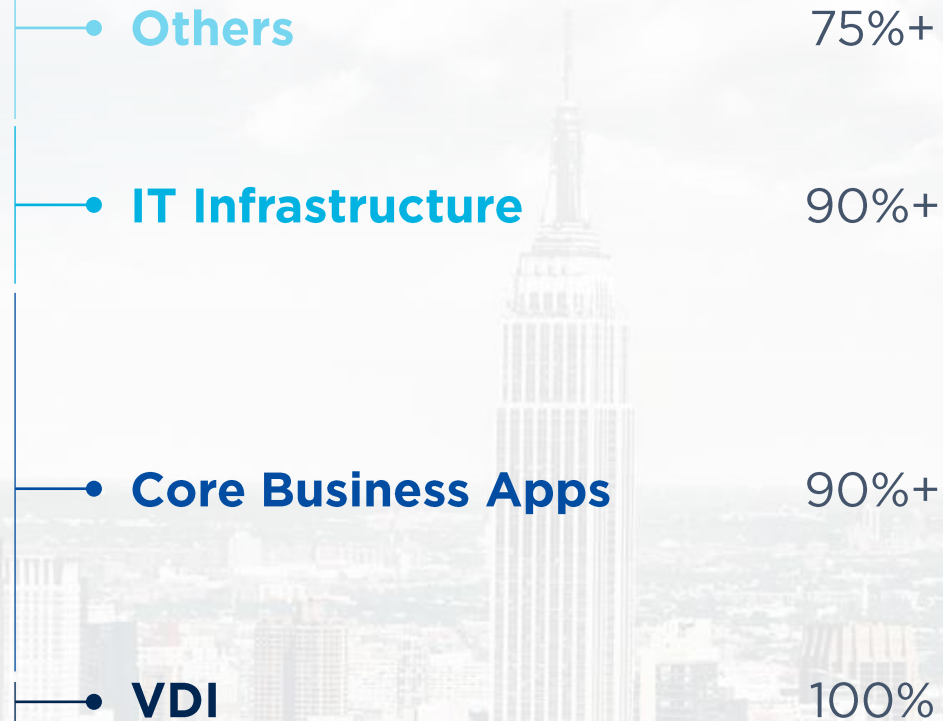


Core HCI: A Platform for All Workloads

Private Cloud Workloads by Type

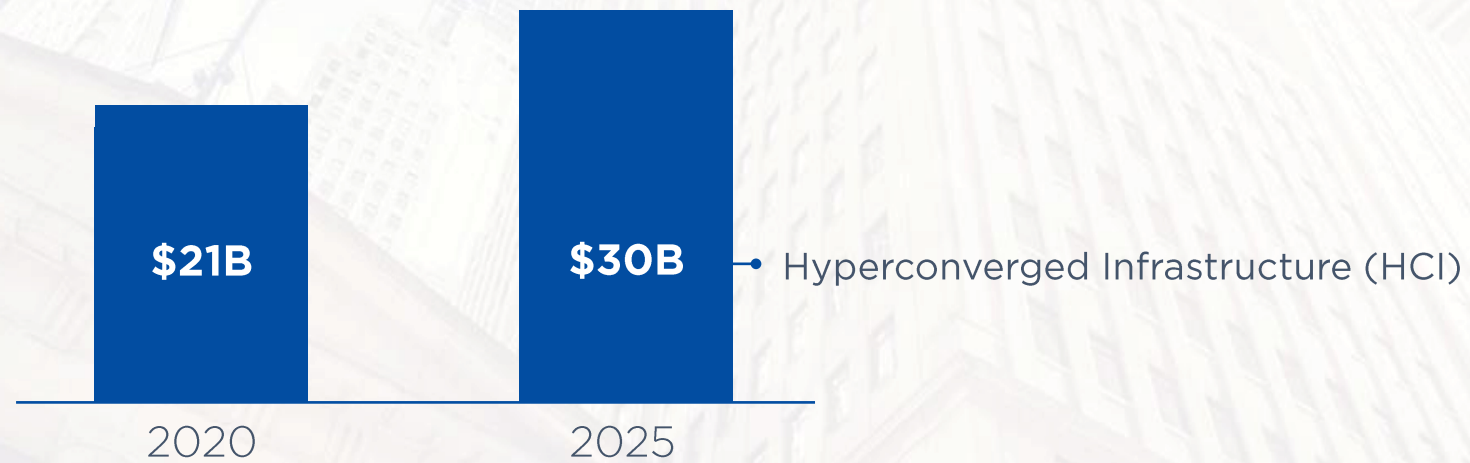


HCI Addressability



Large Opportunity for HCI to Displace Legacy Architectures

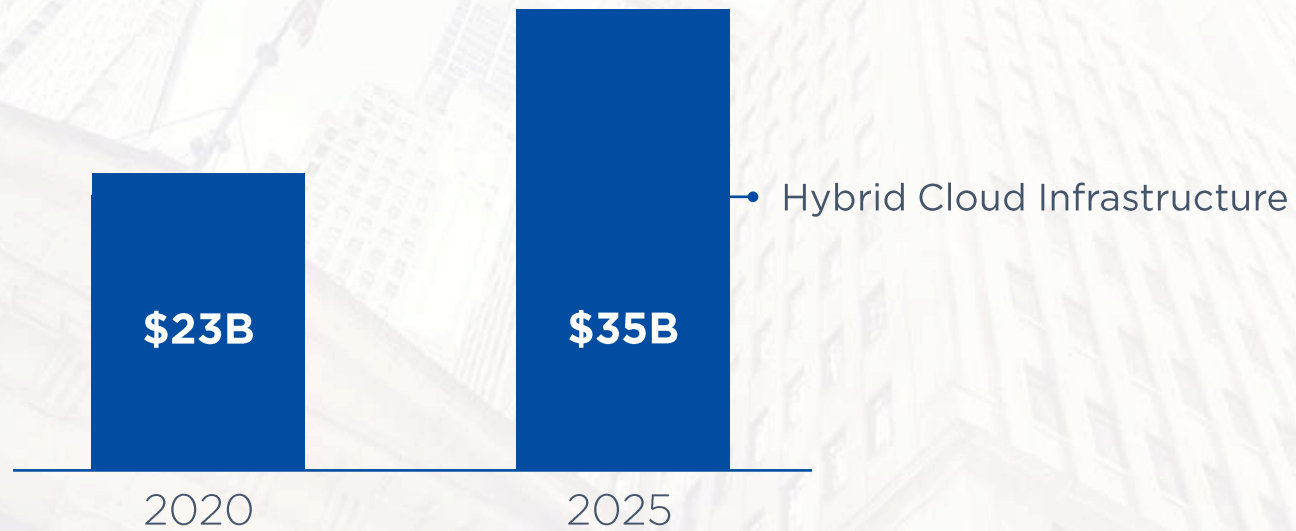
Large Adjacent Market Opportunity



See Section Titled "Market Opportunity Data" in Appendix for Additional Details



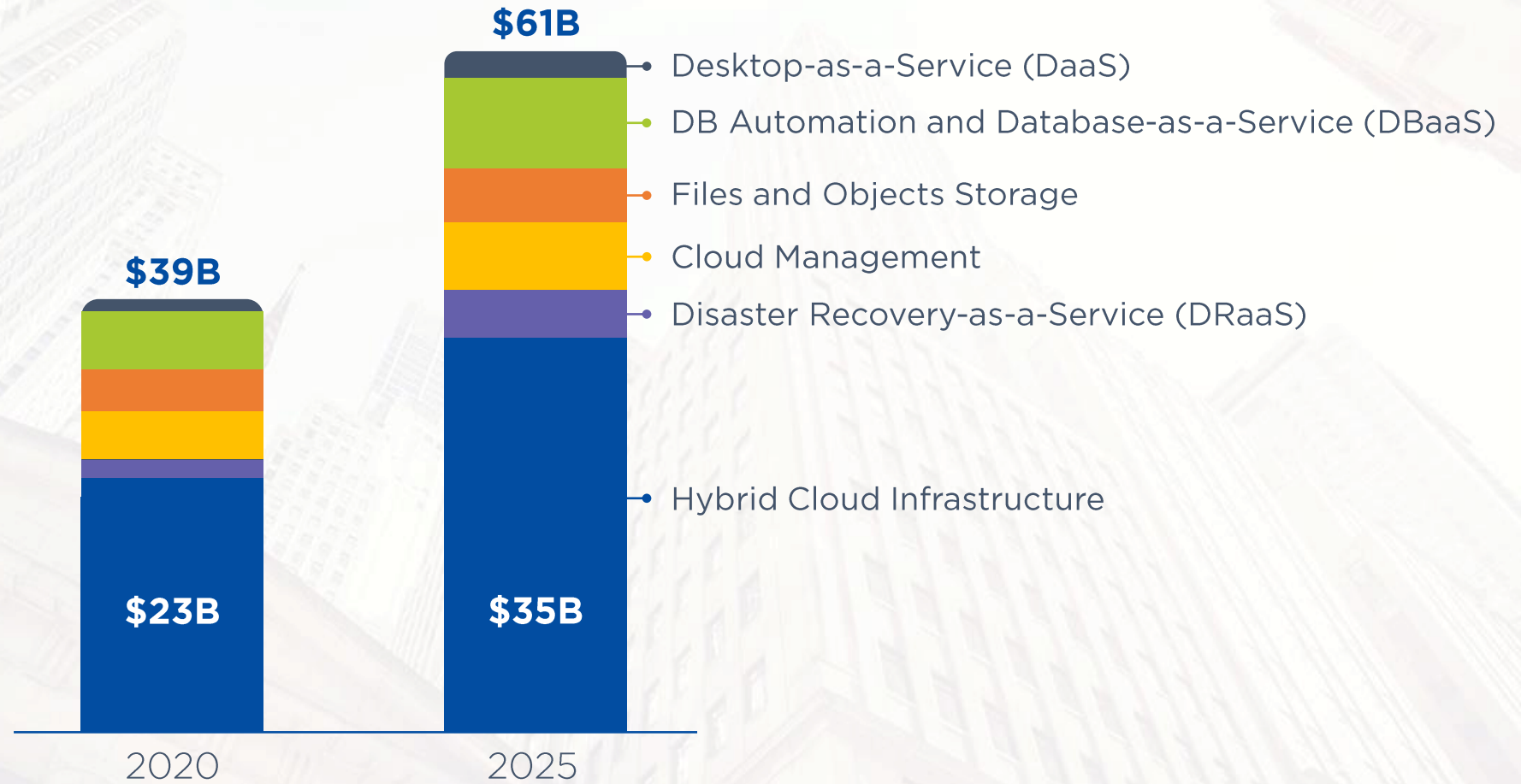
Large Adjacent Market Opportunity



See Section Titled "Market Opportunity Data" in Appendix for Additional Details



Large Adjacent Market Opportunity

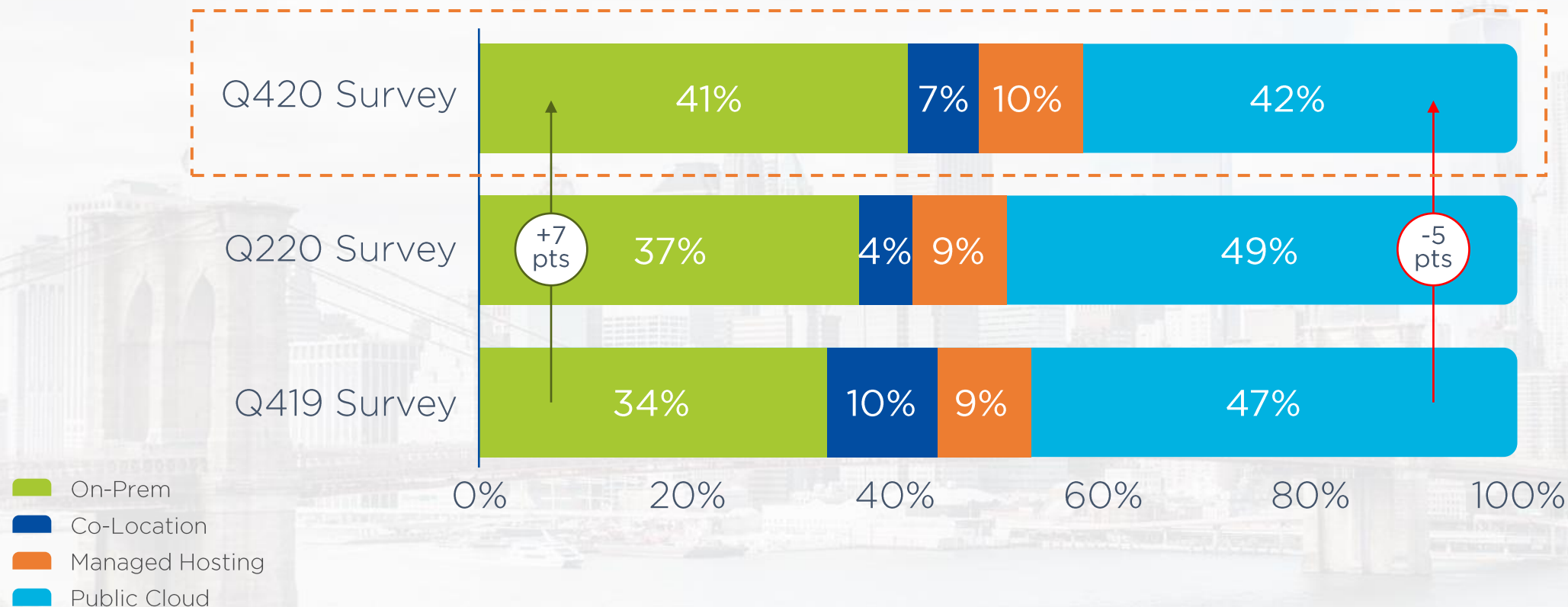


See Section Titled "Market Opportunity Data" in Appendix for Additional Details



CIOs Recalibrating Choice for Workload Location

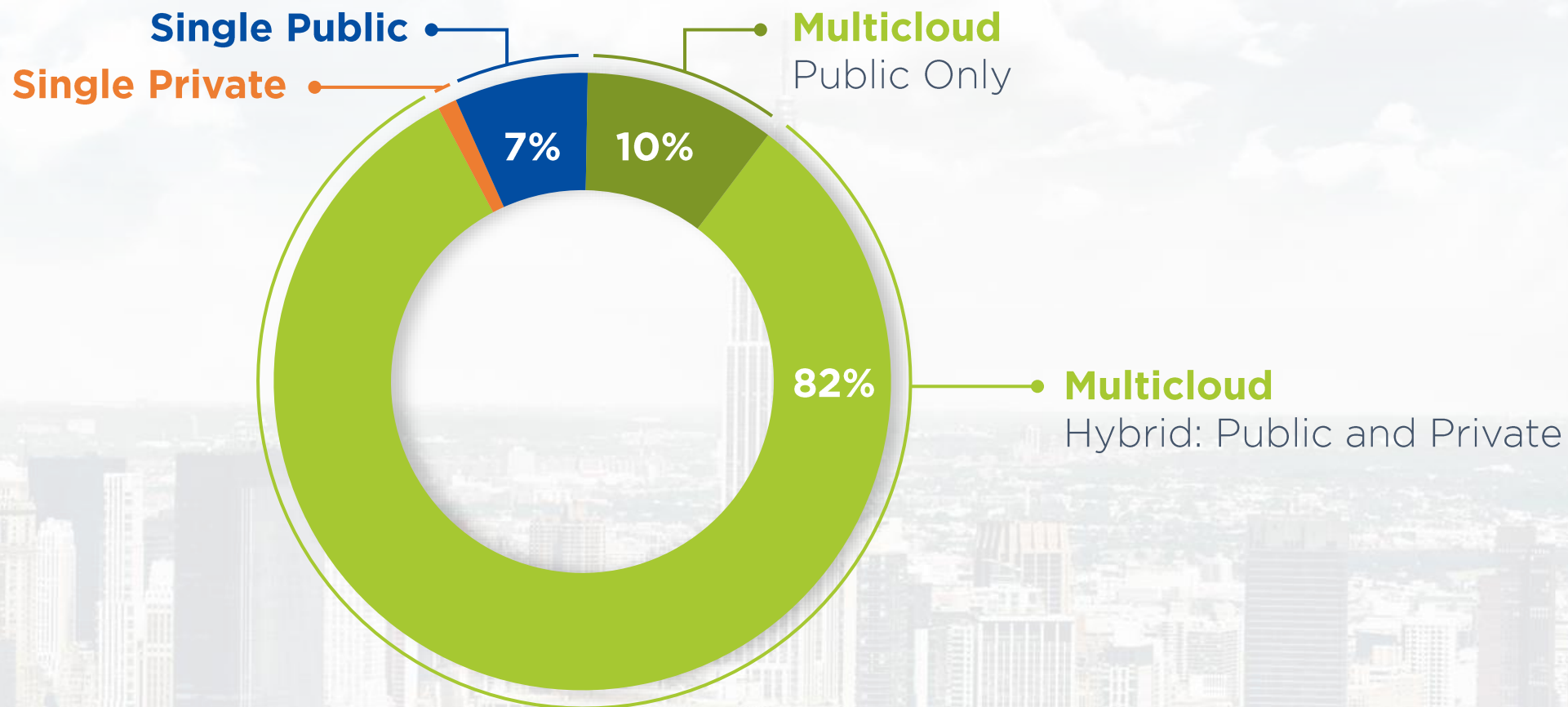
CIO Expected Location of Application Workloads by 2023



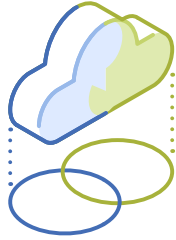
Drivers: Data Governance, Security, Edge Use Cases, and Public Cloud Costs

Hybrid Cloud Is the Preferred Multicloud Deployment

Enterprise Cloud Strategy (% of Enterprise Respondents)



Busting Cloud Silos

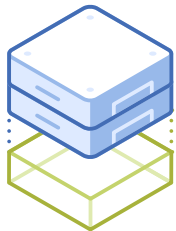


Cloud Consolidation

Private and Public Clouds

1-Click Hybrid Multicloud

Busting IT Silos



Datacenter Consolidation

Compute, Storage, and Network

1-Click Private Cloud

VISION

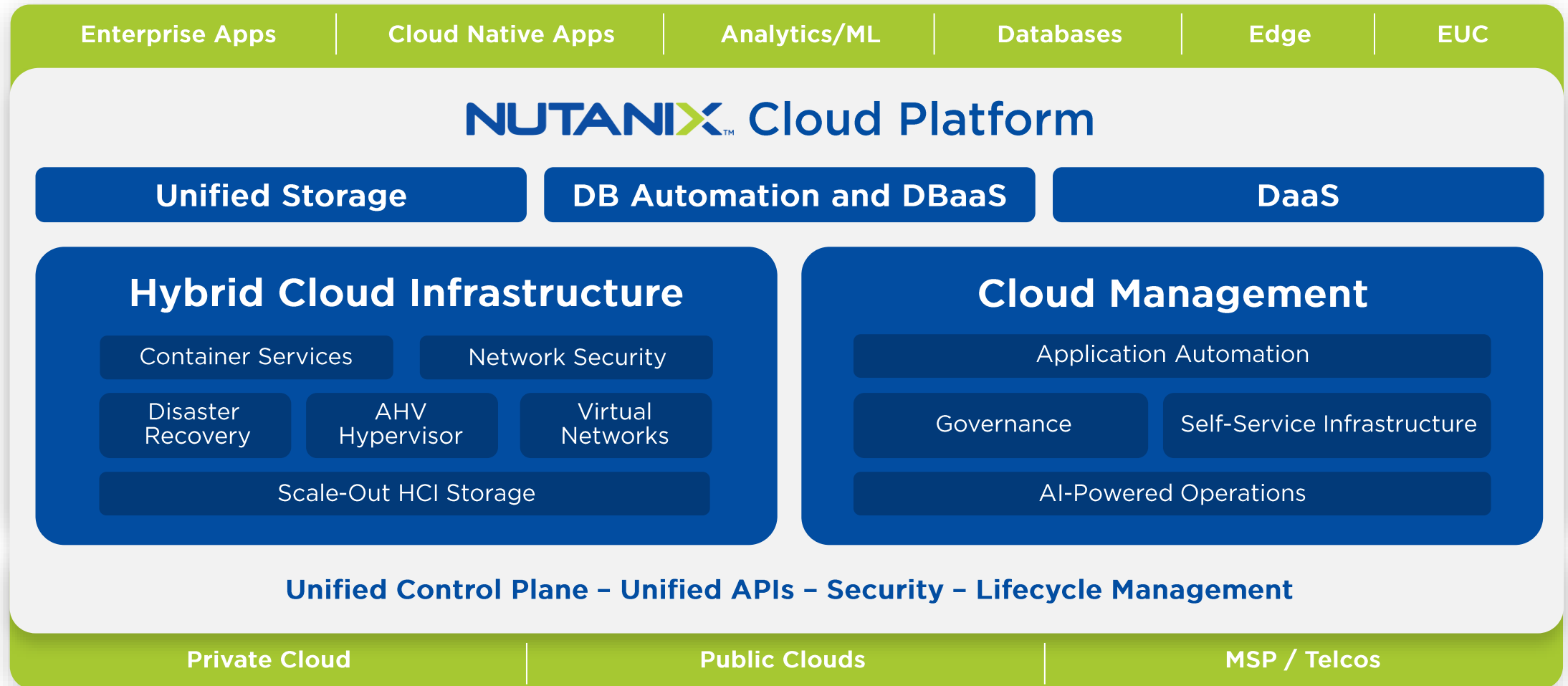
Make clouds invisible, freeing customers to focus on their business outcomes



MISSION

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

One Platform for Hybrid Multicloud



Customer Case Study: Estes

BUSINESS NEED

| Cloud-first mandate. Use public cloud for disaster recovery as first step

WHY NUTANIX

- | Unified, easy-to-manage solution across public and private clouds
- | Nutanix used for VDI workloads at Estes primary data center
- | Ability to quickly move to AWS for Disaster Recovery

NUTANIX SOLUTIONS

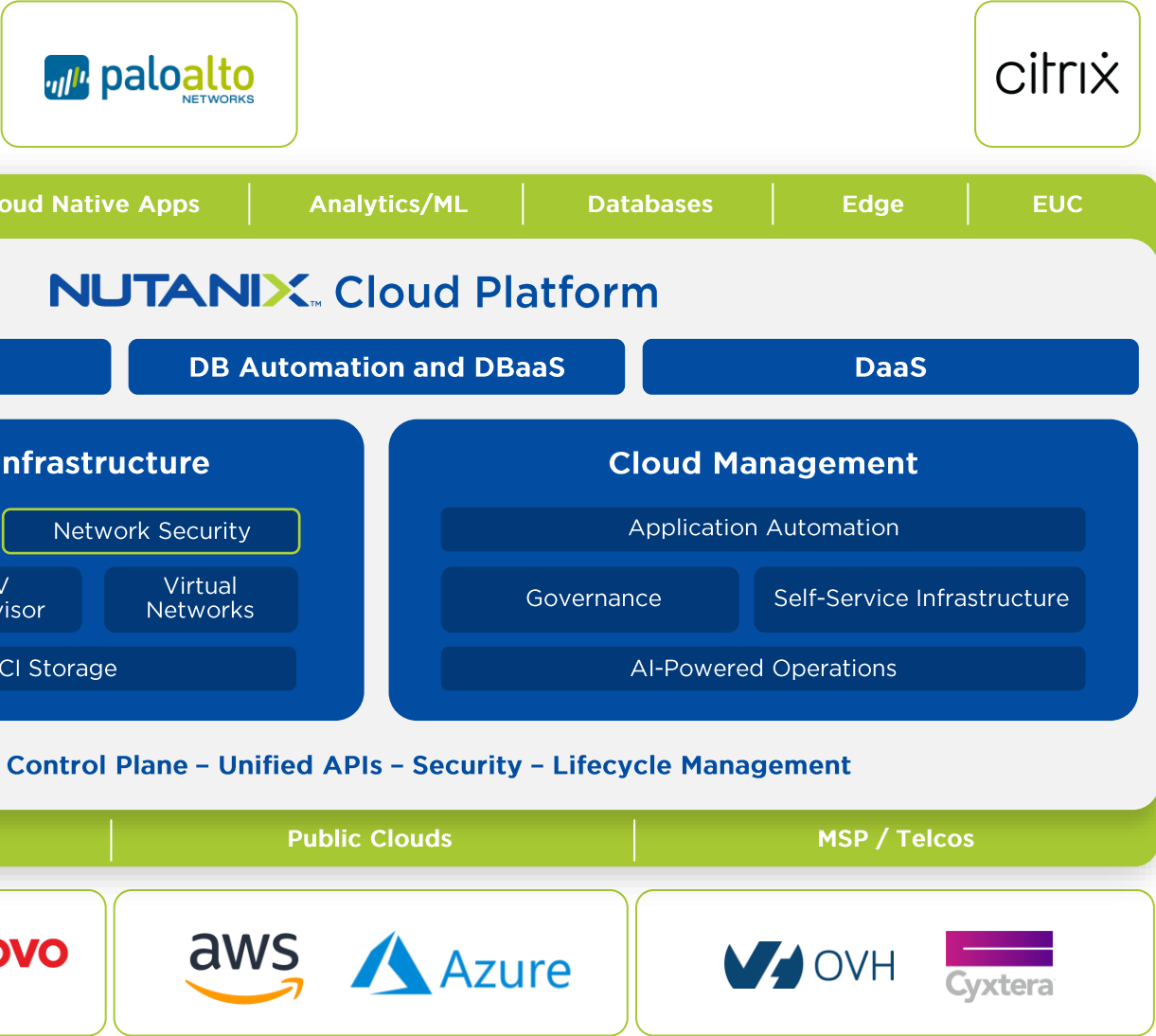
- | Hybrid Cloud Infrastructure
- | Cloud Management
- | Files and Objects Storage
- | End-User Computing



ESTES

Estes is the largest, privately-owned freight shipping company in North America

Leverage Through Strategic Partners



Customer Case Study: Global Bulge Bracket Bank

BUSINESS NEED

- | Improve performance and resiliency of VDI deployment with best-in-class solution

WHY NUTANIX

- | Consistent performance scalability of cloud platform to address growing VDI workload demands
- | Tight technical and commercial integration with Citrix, HPE, and Atos

HOW PARTNERSHIPS HELPED

- | HPE, Citrix, and Nutanix teams worked closely to create an out-of-the-box well-integrated solution
- | Atos' support of Nutanix technology with deep expertise and bench strength
- | Collaboration of field teams in building the right commercial strategy to win the deal

Global bulge bracket
investment bank

Building Out Efficient Subscription Go-To-Market



Sales Execution

Improved Quota Attainment
and Bookings Linearity



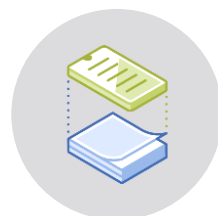
Move to ACV

More Customer Choice and
Better Deal Economics



New ACV Productivity

Increased Solution Selling
and Partner Leverage



Subscription Renewals

80% Lower Acquisition Cost¹
at Industry Comparable GRR



Marketing Efficiency

Digital Focus Yielding
More Efficient Pipeline

**Sales and Marketing Costs Targeted to Decrease from
79% (FY20) to 43–47% (FY25) as % of Revenue**

(1) Compared to New ACV Sales. See Appendix for Definition of New ACV

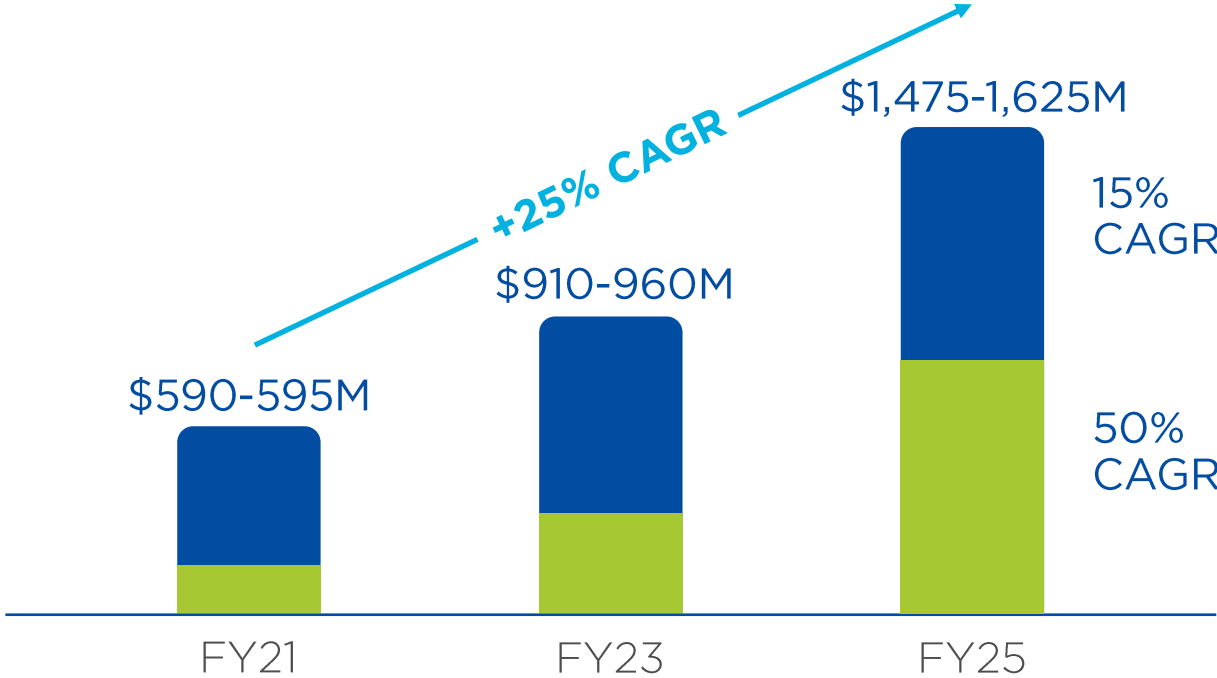
Strong Topline Growth

ACV Billings



Key Takeaways

- Higher Rep Productivity
- Increased Number of Reps
- Core & Emerging Products Growth
- Increasing Volume of Renewals

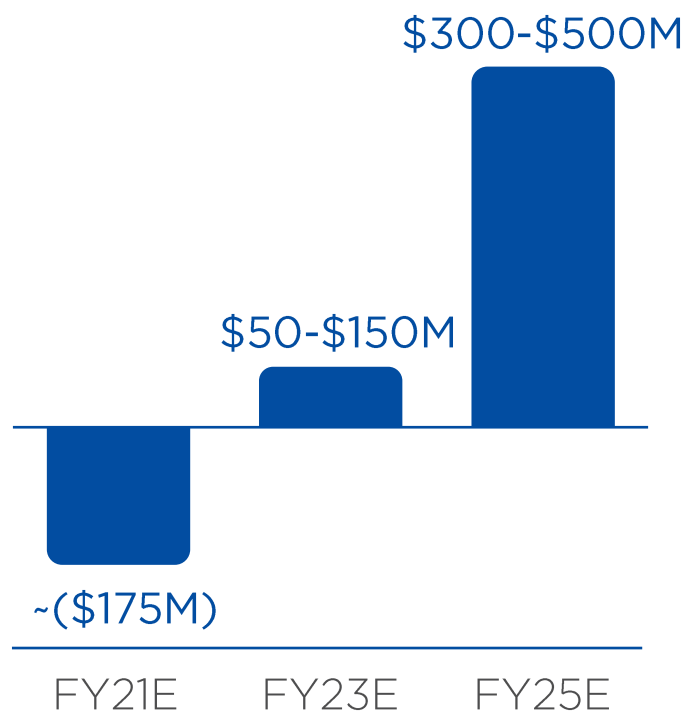


■ New ACV Billings
■ Renewals ACV Billings

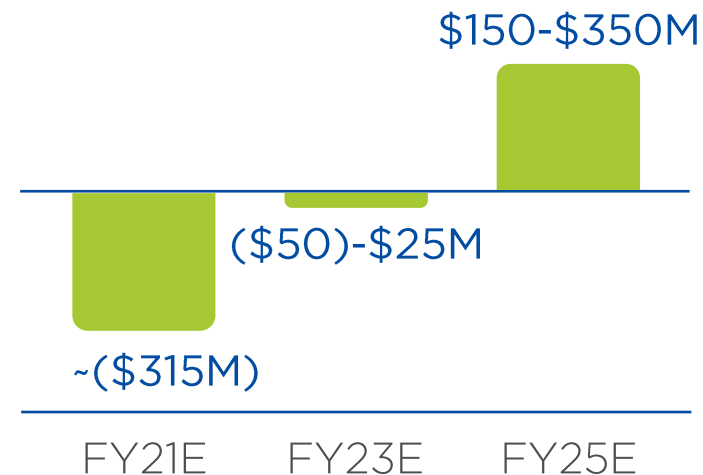
Growth CAGR Represents Midpoint of the Ranges
See Appendix for Definitions of New ACV Billings and Renewals ACV Billings

Clear Path to Profitability

Positive Free Cash Flow
Expected by 1HFY23



Positive Operating Profit
Expected by 2HFY23/1HFY24



Growth in Renewals

Lower Cost of Renewals

Go-to-Market Efficiency

Continuing to Obsess Over Customers

19,430

Proven and Trusted
by Customers¹

>90%

Gross Retention
Rate

93

Industry Leading Net
Promoter Score

16x

Lifetime ACV Repeat
Purchase Multiple²

Data as of Q3'21; NPS is Calculated on a Rolling 4-quarter Average
See Appendix for Definitions of ACV and Gross Retention Rate

(1) See Endnote 1 in the Appendix
(2) See Endnote 2 in the Appendix



Key Takeaways

Clear Leader in a Fast-Growing HCI Market

Addressing \$30B¹ TAM

Substantial Growth Opportunity

\$30B¹ TAM in Adjacent Markets

One Platform for Hybrid Multicloud

Unparalleled Simplicity

Go-To-Market Leverage

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25%+ ACV Billings Growth Through FY25
Cash Flow Positive Expected by 2HCY22 (1HFY23)

See Sections Titled “Definitions” and “Market Opportunity Data” in Appendix for Definition of ACV Billings and Additional Details Regarding the Market Opportunity Data Above

(1) Total Addressable Market in 2025



Appendix

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Endnotes and Market Opportunity Data

Endnotes

1. Cumulative total customer count reflects standard adjustments and/or consolidations to certain customer accounts within our system of record and is 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 Global 2000 (G2K) customers that have been customers for over 18 months.
3. The software-only HCI market share information provided in the oral commentary accompanying this presentation is based on Market Share: Data Center Hardware Integrated Systems, Worldwide, 3Q20 Update, published on December 29, 2020, by Gartner, and does not, and will not, reflect subsequent updates by Gartner.

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.

Definitions

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Key Definitions and Why They Matter

Metric	Definition	Why It Matters
Annual Contract Value (ACV)	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.	Enables a term agnostic comparison
ACV Billings	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.	Measures total business billed in any given period
Annual Run Rate (ARR)	Annual Run Rate, or ARR, for any given period, is defined as the sum of ACV for all non-life-of-device contracts in effect as of the end of a specific period. For the purposes of this calculation, we assume that the contract term begins on the date a contract is booked, unless the terms of such contract prevent us from fulfilling our obligations until a later period, and irrespective of the periods in which we would recognize revenue for such contract.	A proxy of annual recurring revenue, and measures earnings potential

Note: All financial measures used in this presentation, except revenue, are expressed on a non-GAAP basis and have been adjusted to exclude certain charges. We have provided, to the extent available, reconciliations of these non-GAAP financial measures to GAAP financial measures in the Appendix to this presentation.

Key Definitions and Why They Matter

Metric	Definition	Why it Matters
Average Contract Term	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.	Helps determine total contract value for contracts billed
Gross Retention Rate (GRR)	Gross Retention Rate, or GRR, for any given period, is calculated by dividing ARR at the end of the period excluding any up-sell/expansion by the ARR of the same group of customers at the beginning of that 12-month period.	Represents ARR retained every year from existing customer base; a proxy for long-term health
New ACV	New ACV is defined as the ACV pertaining to sales to a new customer, or any up-sell / expansion sales to an existing customer.	Measures New ACV billed in any given period
New ACV Billings	New ACV Billings, for any given period, is defined as the sum of the New ACV billed during the given period.	Measures new/expansion business and effectiveness of S&M spend

Note: All financial measures used in this presentation, except revenue, are expressed on a non-GAAP basis and have been adjusted to exclude certain charges. We have provided, to the extent available, reconciliations of these non-GAAP financial measures to GAAP financial measures in the Appendix to this presentation.

Key Definitions and Why They Matter

Metric	Definition	Why it Matters
Renewals ACV Billings	Renewals ACV Billings, for any given period, is defined as the sum of the ACV of all renewal contracts billed during the given period.	Measures renewals ACV billings
Run-rate ACV	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, we assume that the contract term begins on the date a contract is booked, irrespective of the periods in which we would recognize revenue for such contract.	A proxy for total book of business whether a subscription or life-of-device contract

Note: All financial measures used in this presentation, except revenue, are expressed on a non-GAAP basis and have been adjusted to exclude certain charges. We have provided, to the extent available, reconciliations of these non-GAAP financial measures to GAAP financial measures in the Appendix to this presentation.



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THANK YOU