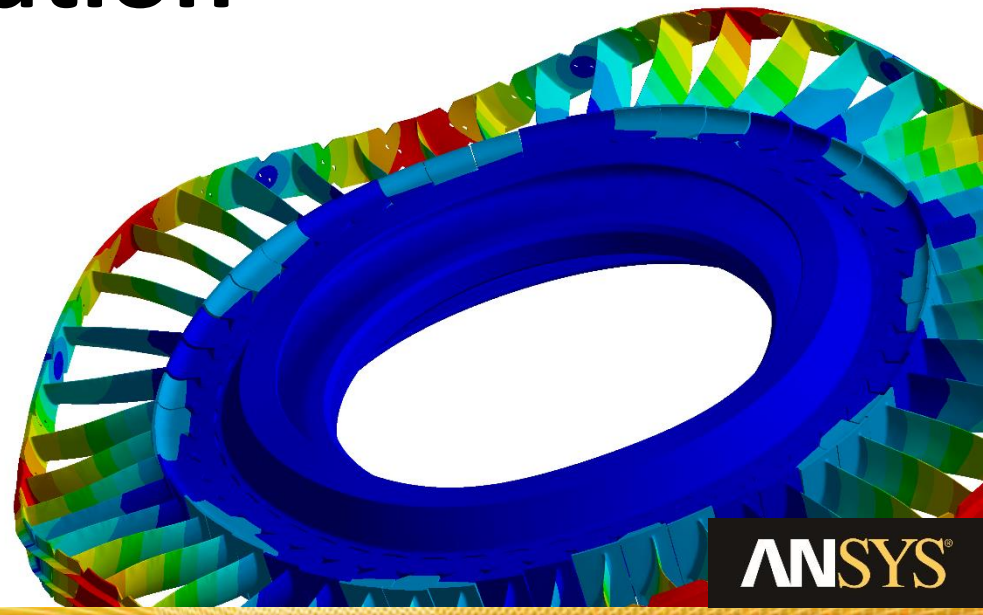
Innovation Through Simulation

Investor Presentation

First Quarter 2018



NASDAQ: ANSS

Safe Harbor

Certain statements contained in this presentation regarding matters that are not historical facts, including, but not limited to, statements regarding our projections for revenue, operating margin, effective tax rate, earning per share and operating cash flow (on a non-GAAP basis) and earnings per share for the second quarter 2018 and fiscal year 2018; statements about management's views concerning the Company's prospects and outlook for 2018, statements regarding our financial objectives beyond 2018, including revenue growth and operating margin targets on a non-GAAP basis, statements regarding the likelihood of obtaining those objectives and the drivers and points of impact required to reach such objectives, statements regarding the expected impact of ASC 606, the planned changes in the Company's disclosure practices, any statements regarding the Company's financial outlook utilizing the new ASC 606 framework, statements regarding the future use and pervasiveness of simulation, statements regarding our plan for investment, including the relative allocation of such investments, statements regarding the ability of our solutions to unlock the potential of additive manufacturing, statements regarding the ability of simulation to unlock significant value in digital twins, statements regarding changes in our go-to-market approach and its likelihood of success, statements regarding our European sales operations in FY 2018 and beyond are "forward-looking" statements (as defined in the Private Securities Litigation Reform Act of 1995). Because such statements are subject to risks and uncertainties, actual results may differ materially from those expressed or implied by such forward-looking statements. All forward-looking statements made during this Investor Day are subject to risks and uncertainties including, but not limited to, the risk that adverse conditions in the global and domestic markets will significantly affect ANSYS' customers' ability to purchase products from the Company at the same level as prior periods or to pay for the Company's products and services, the risk that declines in the ANSYS' customers' business may lengthen customer sales cycles, the risk of declines in the economy of one or more of ANSYS' primary geographic regions, the risk that ANSYS' revenues and operating results will be adversely affected by changes in currency exchange rates or economic declines in any of the countries in which ANSYS conducts transactions, the risk that the assumptions underlying ANSYS' anticipated revenues and expenditures will change or prove inaccurate, the risk that ANSYS has overestimated its ability to maintain growth and profitability and control costs, uncertainties regarding the demand for ANSYS' products and services in future periods, uncertainties regarding customer acceptance of new products, the risk of ANSYS' products future compliance with industry quality standards and its potential impact on the Company's financial results, the risk that the Company may need to change its pricing models due to competition and its potential impact on the Company's financial results, the risk that ANSYS' operating results will be adversely affected by possible delays in developing, completing or shipping new or enhanced products, the risk that enhancements to the Company's products or products acquired in acquisitions may not produce anticipated sales, the risk that the Company may not be able to recruit and retain key executives and technical personnel, the risk that third parties may misappropriate the Company's proprietary technology or develop similar technology independently, the risk of unauthorized access to and distribution of the Company's source code, the risk of the Company's implementation of its new IT systems, the risk of difficulties in the relationship with ANSYS' independent regional channel partners, the risk of ANSYS' reliance on perpetual licenses and the result that any change in customer licensing behavior may have on the Company's financial results, the risk that ANSYS may not achieve the anticipated benefits of its acquisitions or that the integration of the acquired technologies or products with the Company's existing product lines may not be successful, the risk of periodic reorganizations and changes within ANSYS' sales organization, the risk of industry consolidation and the impact it may have on customer purchasing decisions, and other factors that are detailed from time to time in reports filed by ANSYS, Inc. with the Securities and Exchange Commission, including ANSYS, Inc.'s Annual Report and Form 10-K for the fiscal year ended December 31, 2017. We undertake no obligation to publicly update or revise any forward-looking statements, whether changes occur as a result of new information or future events, after the date they were made.

ANSYS is the simulation leader

FOCUSED

This is all we do.
Leading product technologies in all physics areas. Largest development team focused on simulation

TRUSTED

97 of the FORTUNE **100** industrials

More than **45,000** customers worldwide

ISO 9001 CERTIFIED

PROVEN

Member of the prestigious STANDARD &POOR'S 500

$13B+ market capitalization

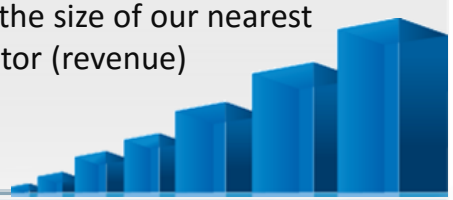
GLOBAL

3,000+ employees globally

75 offices in **40** countries

LARGEST

3x the size of our nearest competitor (revenue)



INDEPENDENT

Long-term financial stability

CAD agnostic

COMMITTED

Overall customer satisfaction globally is at **87.8%** in 2017

DRIVEN

Helping customers address new market challenges: **digital exploration, additive manufacturing** and **digital twins**

ANSYS

World-class companies leveraging our platform









ANSYS

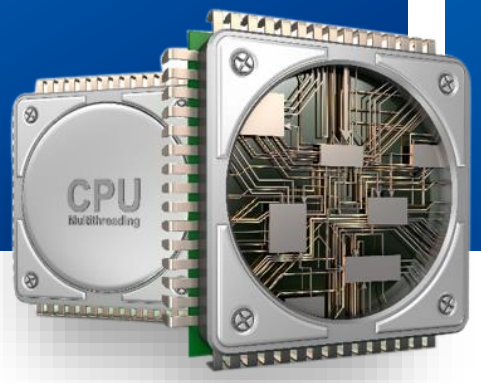
MISSION

EMPOWER OUR CUSTOMERS TO DESIGN AND DELIVER TRANSFORMATIONAL PRODUCTS

Our customers face increased pressure to deliver on the classic challenges

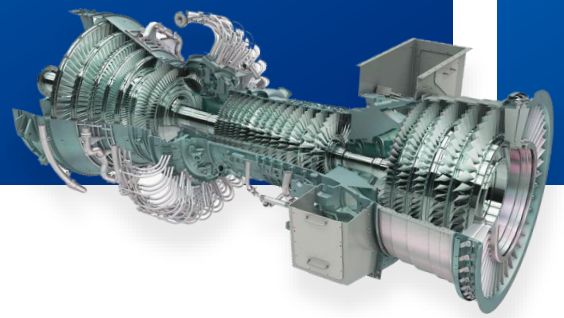
Time-to-market

↓ 30%



Cycle Times

↓ 2 years



New Product Rollouts

↑ 66%

The digital revolution is making the problem even harder

Chips are ever more complex and sophisticated

Every product will soon be connected (and smart)

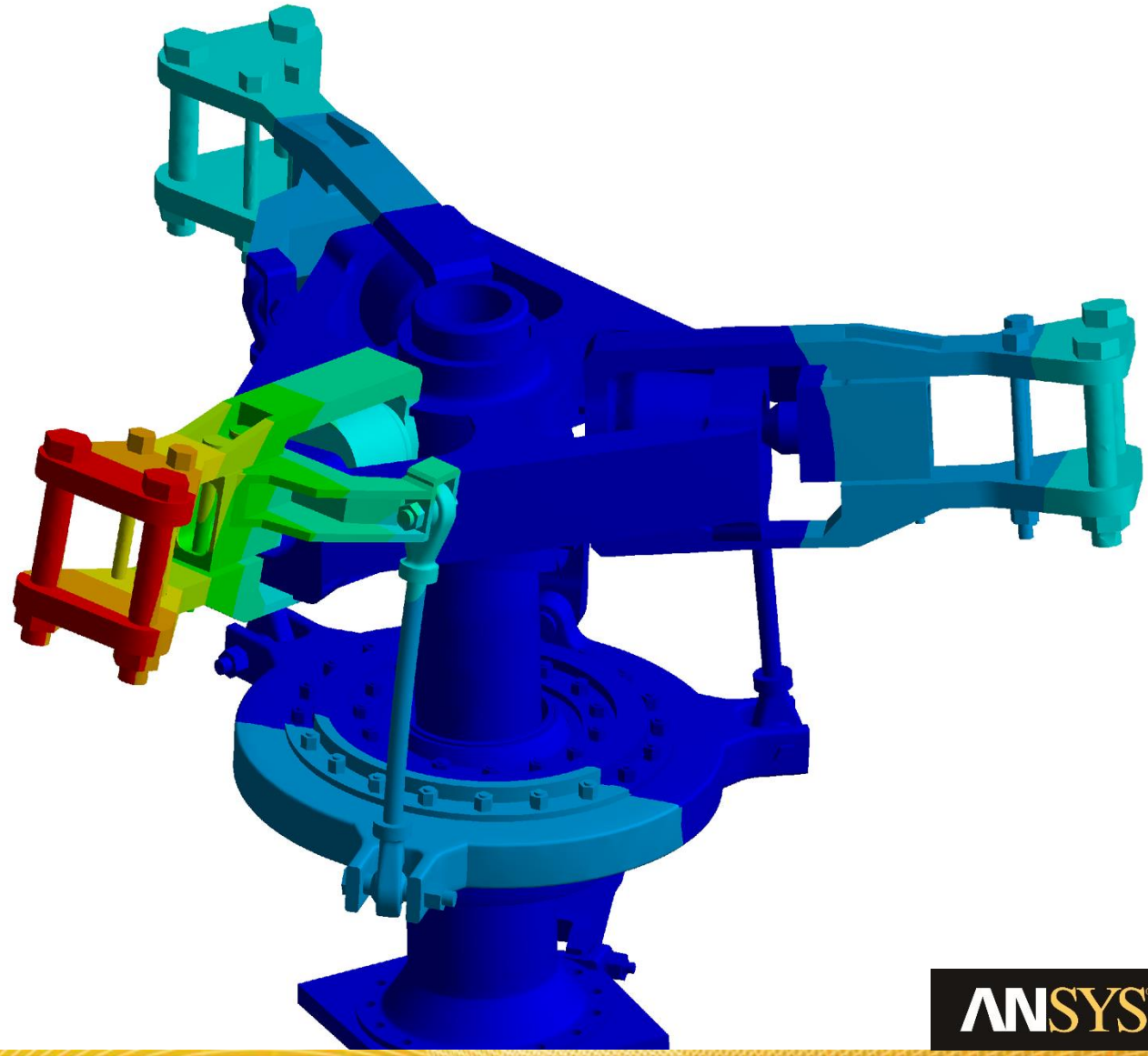
Electronics are everywhere

Additive manufacturing is transforming manufacturing

Products are made of increasingly complex composite materials

The Internet of Things is changing the way products are delivered and maintained

SIMULATION IS THE ANSWER



Simulation enables product managers to…

- Drive **INNOVATION**
- Manage **COMPLEXITY**

+

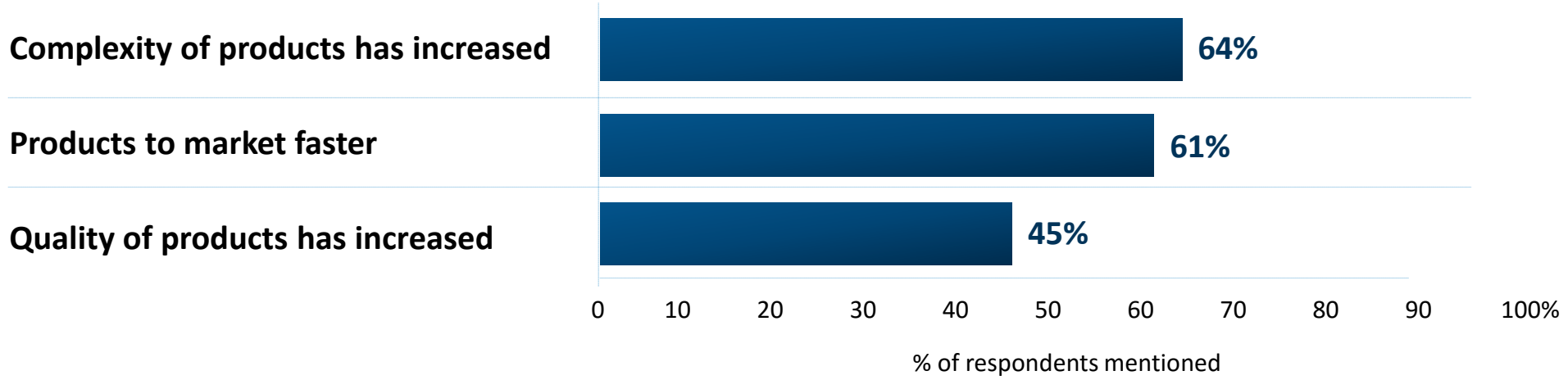
- Lower **CYCLE TIME**
- Reduce **COSTS**

+

- Increase **QUALITY**
- Eliminate **RISK**

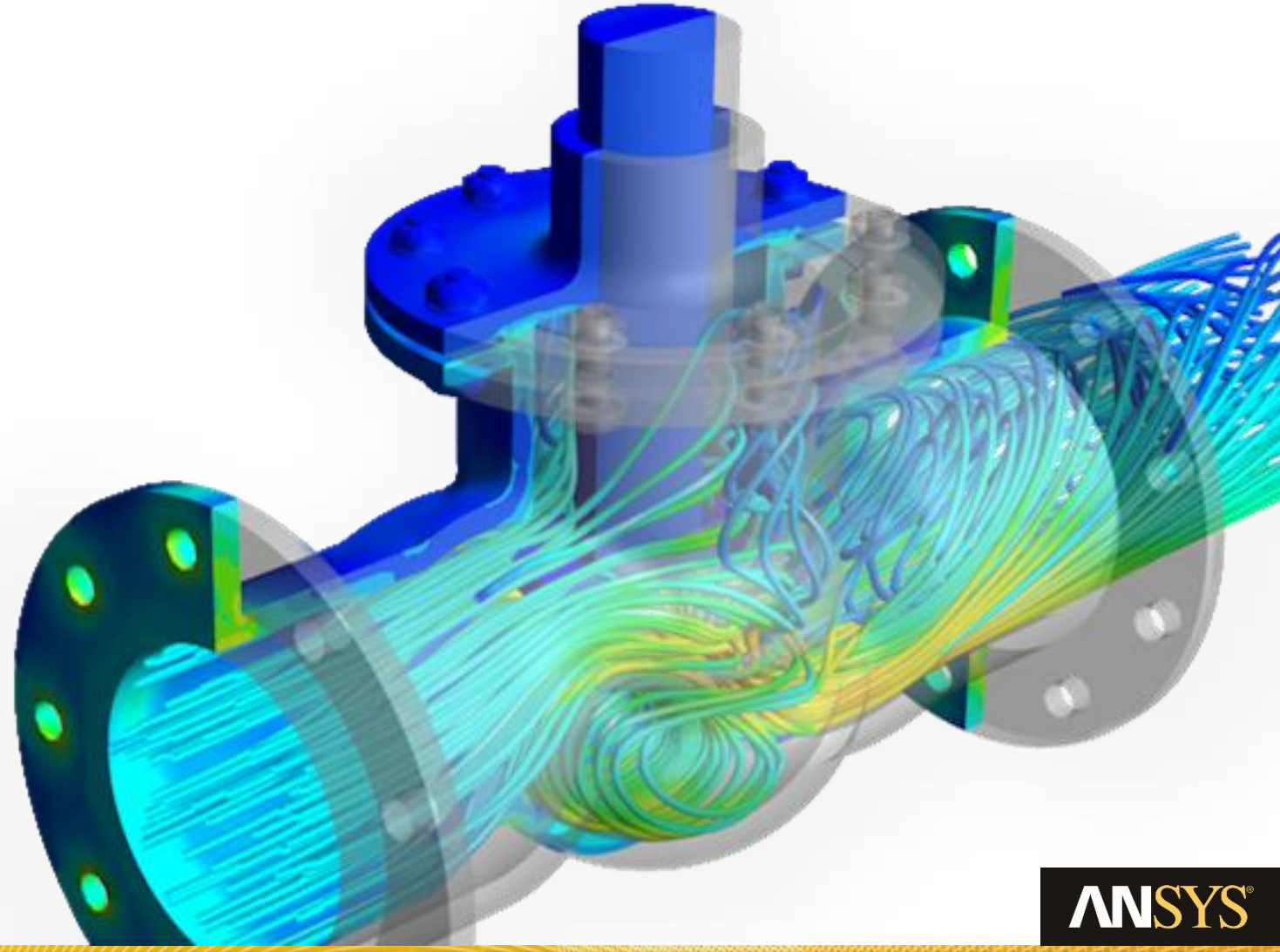
…which is driving simulation usage

Top 3 responses to: Which of the following are driving your company to use more simulation?

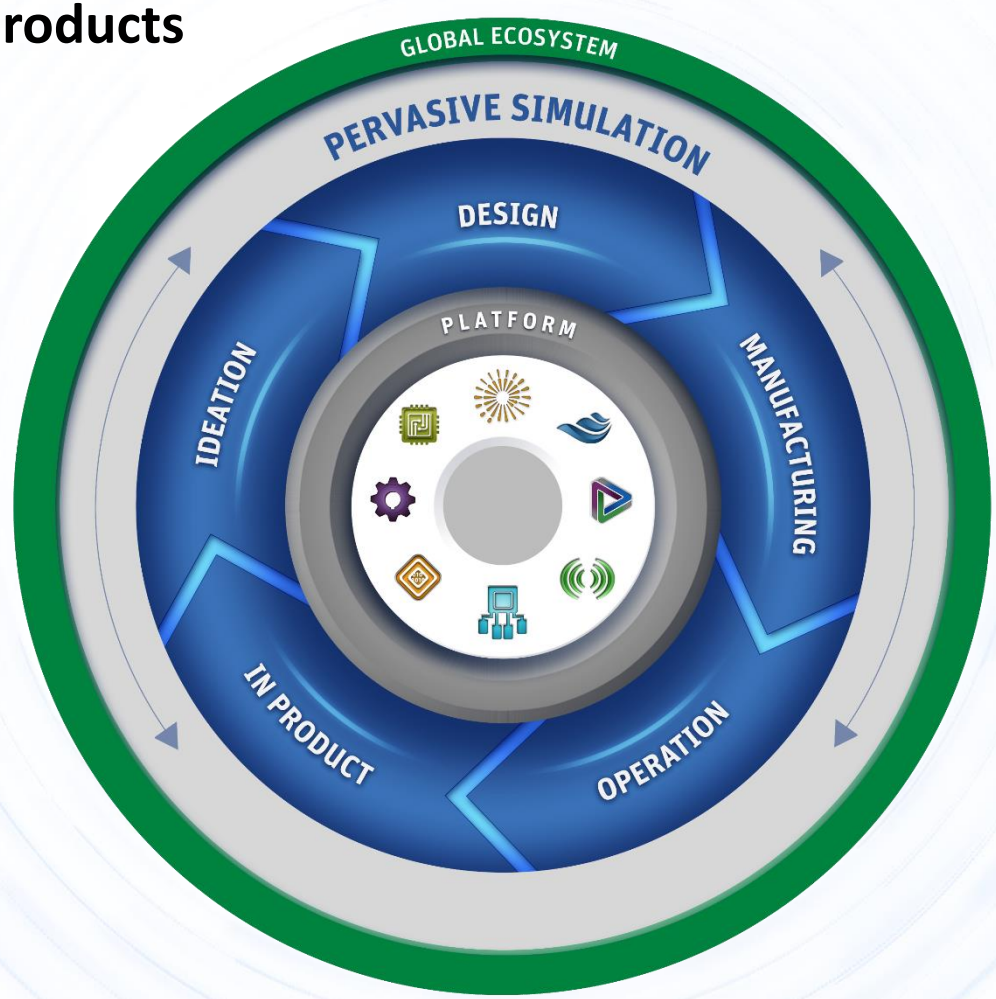


Source: ANSYS customer survey April 2017 (N = 582)

WHERE DOES SIMULATION GO FROM HERE?



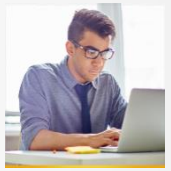
Pervasive simulation is continuous simulation with all physics across the entire lifecycle for all products



IDEATION

80% of costs locked in early in the design phase

DESIGN



Reduce development time 9X while warranty costs 89% more likely to decrease

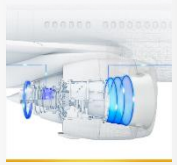
MANUFACTURING

Reduce weight of part by 25% through topology optimization and additive manufacturing

IN PRODUCT

Reduce time needed to validate autonomous vehicles from 10,000 years to 2-3 years

OPERATIONS



Increased performance with 10-20% reduction in maintenance costs

ANSYS offers the only true simulation platform with best-of-breed simulation across all major physics

Market Leader Across Individual Physics with Industry-Leading Platform

Structures

Fluids

Electromagnetics

Semiconductor Power

Mission-critical Embedded Software

Optical

Platform

We are investing in solutions to move Additive Manufacturing from trial-and-error innovation to Simulation-Driven innovation

DESIGN AND VALIDATION

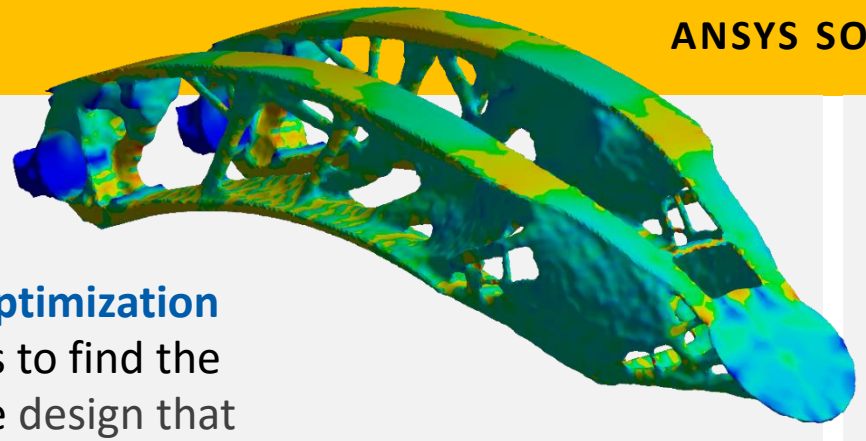
Novel designs are **difficult to optimize**

PRINT PROCESS SIMULATION

Designs **require extensive** testing to avoid **costly build failure**

3D printing creates unique **material microstructure that is difficult to predict**

ANSYS SOLUTION



Topology Optimization uses physics to find the best possible design that meets the requirements

With the **only suite offering design-to-print capabilities**, ANSYS predicts part performance, build failures, part distortion, and material microstructure

ANSYS®

+

3DSIM

ANSYS®

OPTIS Acquired in Q2 2018

OPTIS is the leading provider of software for scientific simulation of light, human vision and physics-based visualization. With OPTIS, ANSYS capabilities now span the simulation of all sensors, including lidar, cameras and radar; the Multiphysics simulation of physical and electronic components; the analysis of systems functional safety; as well as the automated development of safety-certified embedded software.

Since 1989, OPTIS' physics-based optical simulation solutions have helped companies around the world improve the look and ensure the safety of their designs, reduce their ecological footprint and bring products to market faster.

The acquisition is a significant milestone as ANSYS now delivers the industry's most comprehensive solution for simulating autonomous vehicles – offering the broadest toolset for validating the safety and reliability of autonomous vehicles – mitigating the need for billions of miles of road testing.

OPTIS

More than 2400 clients in over 50 countries, including Audi, Bentley, Ford, Toyota, Honda, Boeing, Airbus, Sony, Nikon Canon, GE, Swarovski and L'Oréal.

Headquarters: La Farlede, France

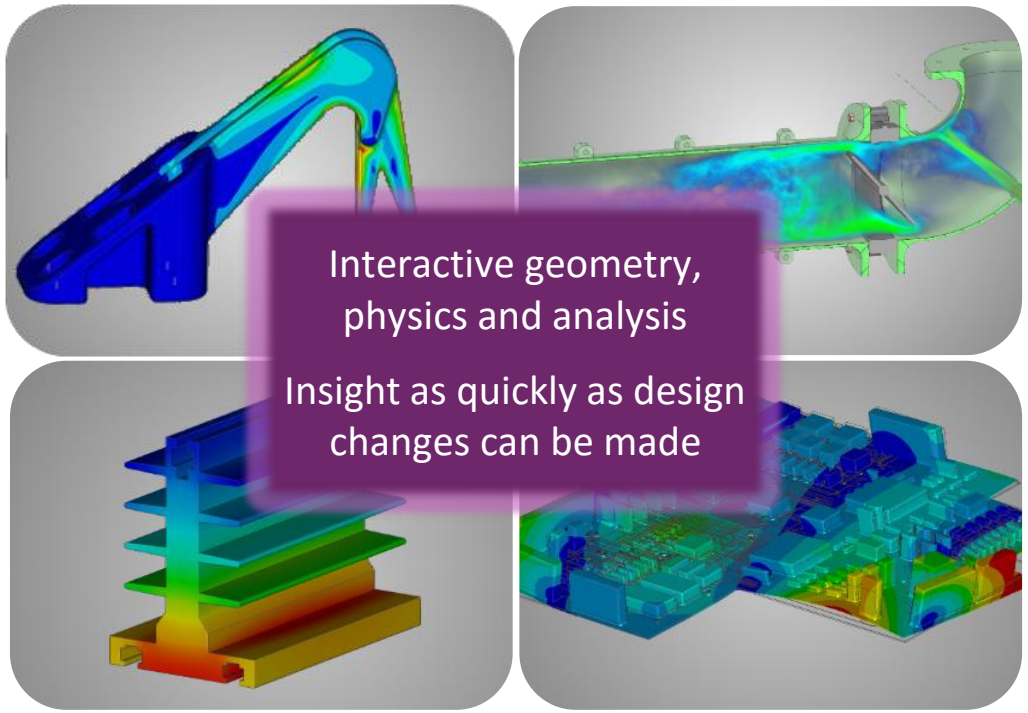
Offices: China, Germany, India, Italy, South Korea, Sweden, the United Kingdom and the United States

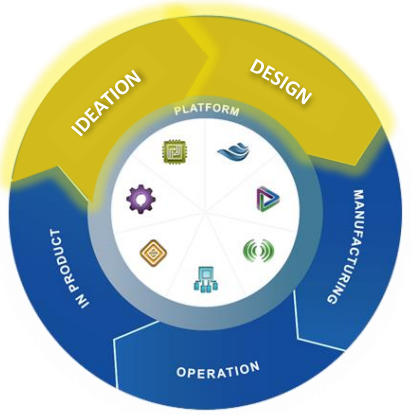
Employees: ~240 globally

ANSYS

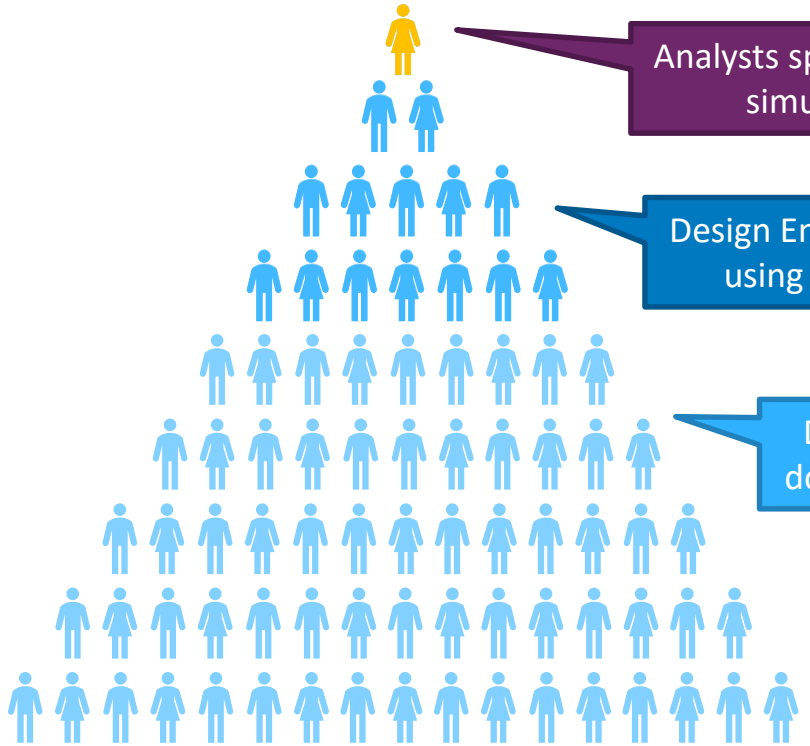
ANSYS Discovery Live - *A new paradigm in 3D design exploration*

First real-time intuitive simulation tool





10 million
Design Engineers



DEVELOP3D

"…one of the biggest breakthroughs in design and engineering technology in the last ten years"

ENGINEERING.COM

"I've heard the 'we're going to revolutionise simulation' a billion times …so can it [Discovery Live] really change simulation adoption? My belief is that it could."

ANSYS

ANSYS is the only company that can deliver on what matters most to our customers

Our customers increasingly solve harder and harder problems

Essential to predict real-life product behavior

Why ANSYS

ANSYS has years of experience using advanced methods and emerging technology to enhance the power of physics-based engineering simulation

1 **Accuracy**

2 **Multiphysics**

3 **Electrification**

4 **Customer support**

5 **Advanced methods**

Source: Third-party customer and market research

Improving EV design with multiphysics simulation

Digital Exploration for a High-End Electric Vehicle

- To increase engineering cooperation and beat competitors to market with a luxury vehicle requires a new integrated approach and software that can optimize all systems and subsystems without regard to the physics involved.

ANSYS Solution

- The ANSYS simulation platform facilitates cooperation across different engineering disciplines
- Lucid engineers used ANSYS Fluent to simulate aerodynamics, motor cooling, inverter cooling and other systems
- They used ANSYS Maxwell to design the motor and ANSYS Fluent and ANSYS Mechanical to model the battery pack

"ANSYS multiphysics simulation platform helps Lucid to address customer needs, solve engineering problems, optimize subsystems and components, meet regulatory requirements and bring a world-class vehicle to market."

Alberto Bassanese
Manager
Multiphysics and Optimization
Lucid Motors

Key Results

- Improved key vehicle attributes and created more compact package with superb energy density and higher comfort level.
- Reduced resource requirements by minimizing physical testing
- Saved significant time through faster design iterations and use of predictive and calibration tools within the ANSYS platform.

Cut calibration dyno time by 80 percent

Increased motor's power density and energy efficiency by 12 percent

ANSYS support helps to address challenges in system-centric SoC-thermal optimization

Background

- *Qualcomm has been uniquely leveraging Reduced Order Models (ROMs) for thermal mitigation to avert thermal run-away problems in smartphones*
- *The ROMs are generated using ANSYS Icepak and are used for thermally optimizing the SoC in a system-centric manner.*
- *ANSYS and Qualcomm collaborated to address the thermal runaway challenge*

ANSYS in Action

Experienced ANSYS support engineers

- Shared relevant technical content documents and their knowledge on Reduced Order Modelling and ANSYS Icepak simulation methodology
- Helped in refining the simulation settings to properly capture the transient data

Key Results

ANSYS Support services helped to

- Understand the theory and settings required for ROM
- Refine the simulation settings to capture the transient data
- Speed up convergence

"Thanks to the technical support team from ANSYS India (Pune) for assisting in reduced order modeling and the application of ROM and Simplorer tools for SoC thermal optimization.

Our team at Qualcomm is now able to capture the impact of system-level thermal dynamics on SoC (and vice versa) in a very efficient manner to deliver a thermally superior chipset to our customers.

ROM has reduced the turnaround time for doing the Floorplan what-ifs from several hours to a few minutes."

***Palkesh Jain**, Sr. Staff Engineer*
Qualcomm India, Bangalore

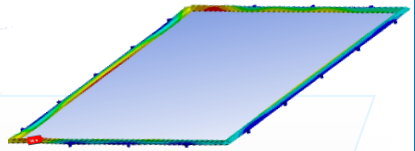
Shorten learning curve

Best practices

Result interpretation

Startup develops lightweight composite aircraft pallets

Carbon Freight
Advanced Containers



Digital Prototyping

- Reducing cargo weight is important to increase aircraft fuel efficiency
- Decreasing the weight of the cargo pallets can contribute but pallets must be strong and durable

ANSYS Solution

- Use ANSYS structural solutions to develop composite pallets.
- Consider complex forces including loading stress created by cargo and contact stresses as pallets are lifted, transported and packed together.

"We've been able to test different material thicknesses and fiber orientations without the time and expense of creating physical prototypes. When we do get to the physical testing stage, we're really happy with the accuracy of our simulations."

Glen Philen
CEO
Carbon Freight

Key Results

- Tested different material thicknesses and fiber orientations without the time and expense of creating physical prototypes.
- Obtained regulatory approvals from the Federal Aviation Administration and other organizations.

18% lighter than traditional pallets

Saved 50% in development time

Saved hundreds of thousands of dollars in physical testing

ANSYS

Designing better fuel injector nozzle geometry

DELPHI

Fuel injectors are critical to fuel economy, emissions and performance

- Engineers must translate spray requirements into detailed nozzle design.
- No way to effectively measure turbulence and vortex structures inside nozzles
- Today, engineers largely rely on build and test methods

ANSYS Solution

- Use ANSYS Fluent computational fluid dynamics large eddy simulation (LES) scheme to resolve multiscale vortex dynamics.
- LES resolves only the large eddies, making it possible to use a coarser mesh and larger time steps.
- Simulate round- and sharp-edge hole nozzles as well as high-performance (HP) atomization hole nozzle.

Key Results

- The nozzle flow and measured spray pattern predicted by simulation closely match experimental results.
- Simulation enables engineers to understand how different nozzle geometries produce contrasting results.
- Engineers have advanced the fundamental understanding of fluid dynamics needed to optimize fuel injector nozzle designs.

"Simulation will enable engineers to better understand the complex interaction of geometric parameters within the nozzle, which will allow a shift from a parametric to a knowledge-based optimization process. Delphi Automotive Systems engineers use ANSYS Fluent CFD to characterize the nozzle flow dynamics and breakup process."

Junmei Shi
Simulation Team Leader
Delphi Automotive Systems

Will reduce nozzle design time

Will enable higher performing engines with greater fuel economy and lower emissions

ANSYS

Decreasing spacecraft fuel sloshing

Fuel Sloshing Impacts Carefully Calculated Maneuvers

- Spacecraft maneuver to observe a different point or transmit to a ground station.
- During maneuvers, fuel sloshes around in the tank.
- Designers must predict sloshing to determine whether remediation is needed.

ANSYS Solution

- Airbus engineers use ANSYS fluid–structure interaction (FSI) to calculate the impact of a membrane on sloshing in the fuel tank.
- They apply translation profiles to the tank representing typical spacecraft maneuvers.
- They simultaneously solve for the effect of the fuel on the membrane and the influence of the membrane on the fuel.

Key Results

- Fluid–structure interaction enables Airbus engineers to predict fuel sloshing.
- Whether design changes are needed can be determined early in the process when changes are relatively inexpensive.
- Engineer can identify a solution with the lowest cost and weight to meet attitude control specifications.

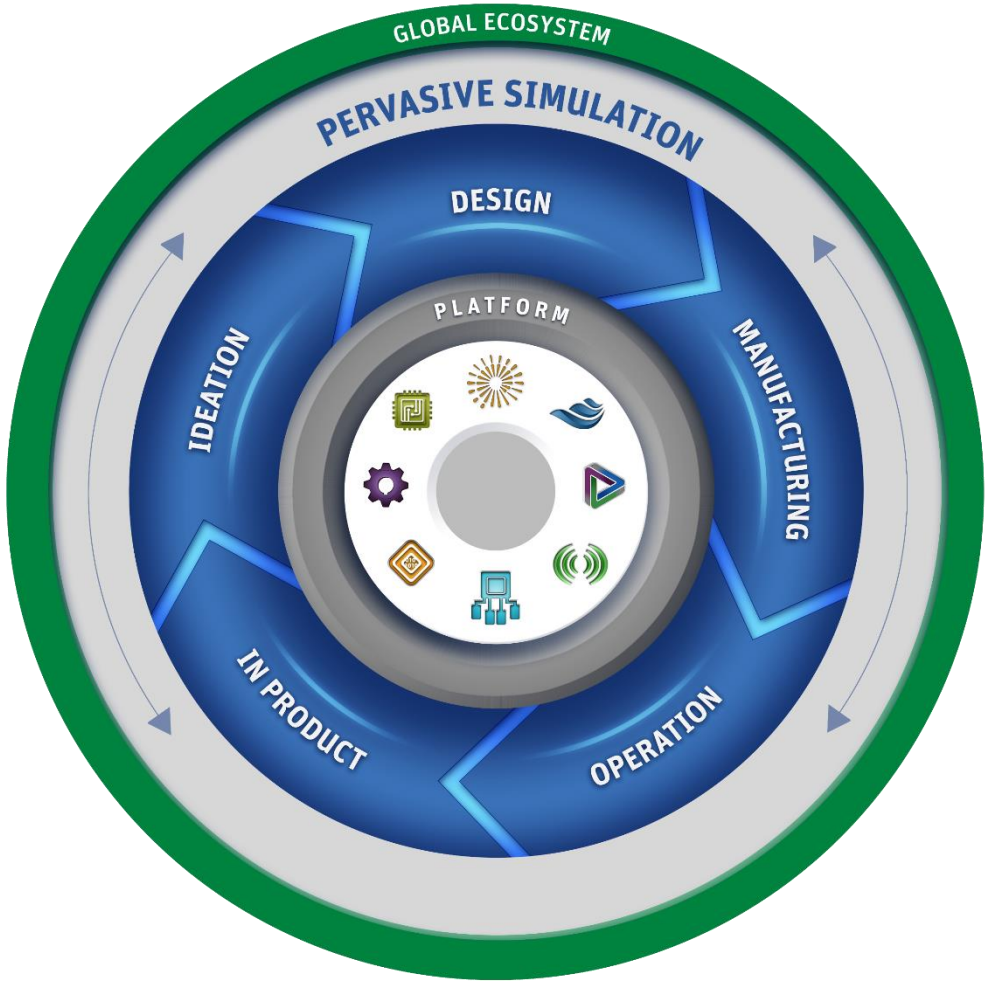
"FSI and other multiphysics simulations enable Airbus engineers to make more informed design decisions at a stage in the design process when it is possible to have a substantial impact. ANSYS software provides the complete physics required for FSI simulation."

Rémi Roumiguié
Fluidic Engineer
Airbus Defence and Space

Make better decisions earlier in design process

Minimize cost and weight of remediation solution

Our 2020 objective is sustained double-digit organic revenue growth with continued financial discipline and industry-leading operating margins



A world-class GTM will enable double-digit organic revenue growth

WE USED A 'CUSTOMER FIRST' APPROACH…
Outside-in approach: Customer and Partner input
Analytics and Data-based research
Previous experience

…WHICH POINTED TO THE NECESSARY CHANGES	
1	Consultative sale for Enterprise and Strategic accounts
2	Expanded field technical team
3	Volume sale for smaller accounts
4	Expanding channel and remote sales
5	Building infrastructure to scale

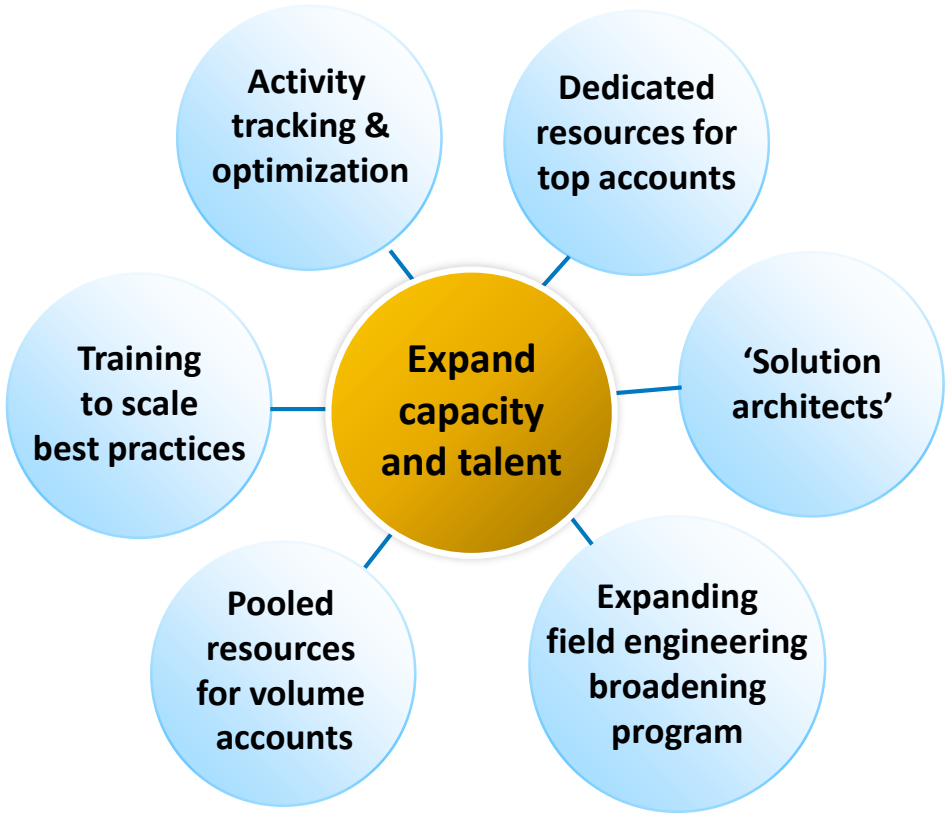
Expanding the field engineering team key to accelerating growth

CENTRAL TO BUILDING CUSTOMER RELATIONSHIPS AND DRIVING GROWTH

Field engineers enable ANSYS to:

- Better understand the problems our customers are trying to solve
- Collaborate with our customers to solve their most challenging problems
- Further penetrate accounts and displace competition

WE ARE INVESTING TO EXPAND CAPACITY AND TALENT



Building a world-class GTM will require investment

PEOPLE	TOOLS/SYSTEMS	PROCESSES
Enhanced enterprise and regional leadership teams	Industry-standard CRM capability	Customer advisory councils and strategic customer MRBs
Enterprise and strategic account programs	New quote-to-cash system	Formalized solutions architecture practice and function
Increased ratio of field engineers to sales reps	New world-class online customer community	Field/Factory interlocks for product planning and validation
Channel expansion and remote sales capability	Customer analytics based opportunity targeting	Data-driven resource planning and allocation
Robust sales operations function	Digital/E-commerce portal	Industry-standard forecasting process
		Standardized deal models and quality metrics

IT ALL COMES DOWN TO EXECUTION

Key messages

Incredible **financial strength…**

…driven by years of **financial discipline**

Exciting **opportunity to turn the growth dial…**

…and return to **sustained double-digit organic revenue growth**

Committed to **continued financial discipline…**

…and **industry-leading margins**

We must increase **our investment and execution…**

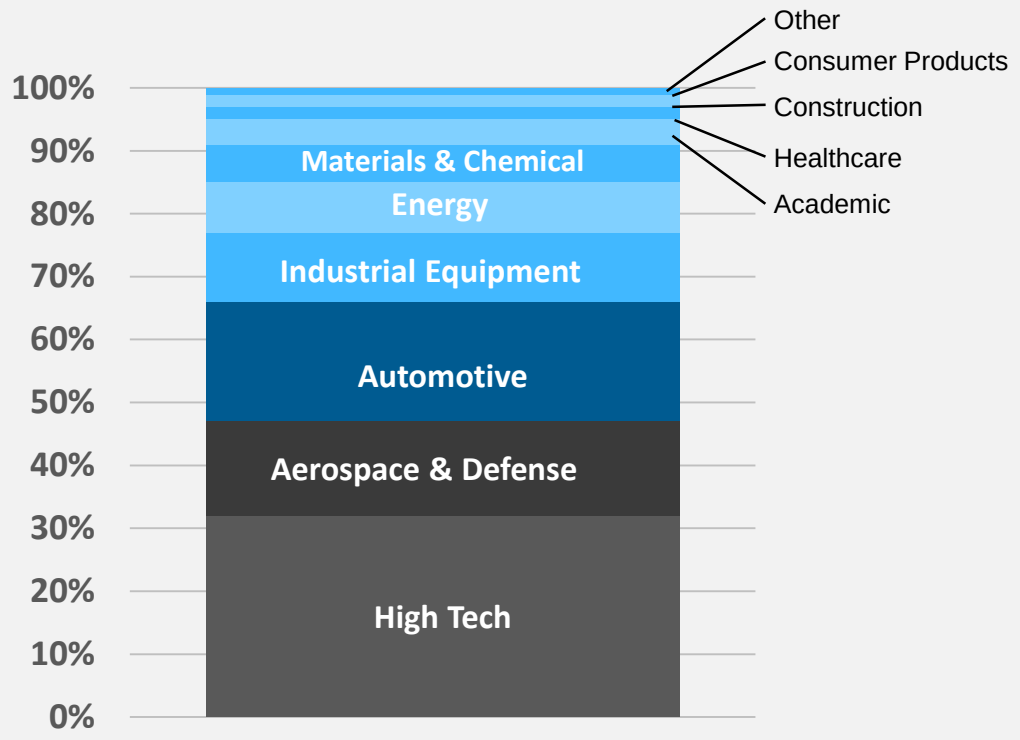
…early signs of success, but **significant work** ahead

Increasingly strong financial foundation

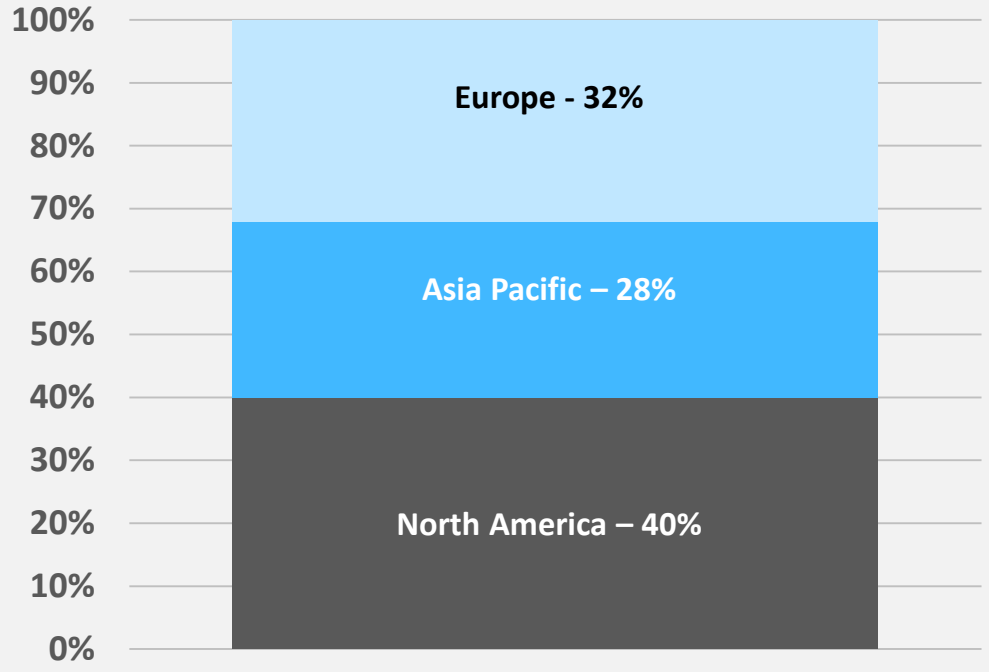
- Crossed the $1B revenue threshold in 2017
- Diversified customer base and revenue streams
- High rate of recurring revenue
- Continuing to build deferred revenue and backlog
- Strong balance sheet
- Industry-leading margins
- Leveraging to inflect the growth trajectory

Diversified customer base

INDUSTRY



GEOGRAPHY

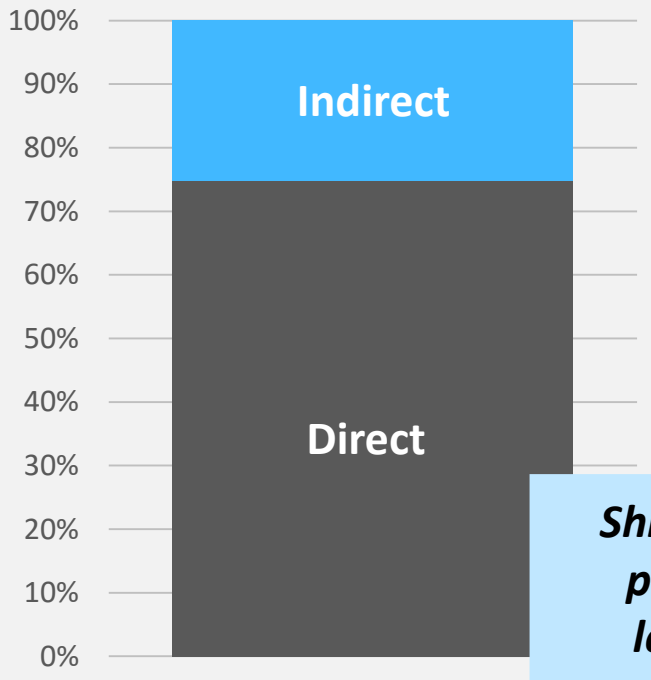


Trailing Twelve Months (TTM) revenue as of (March 31, 2018)

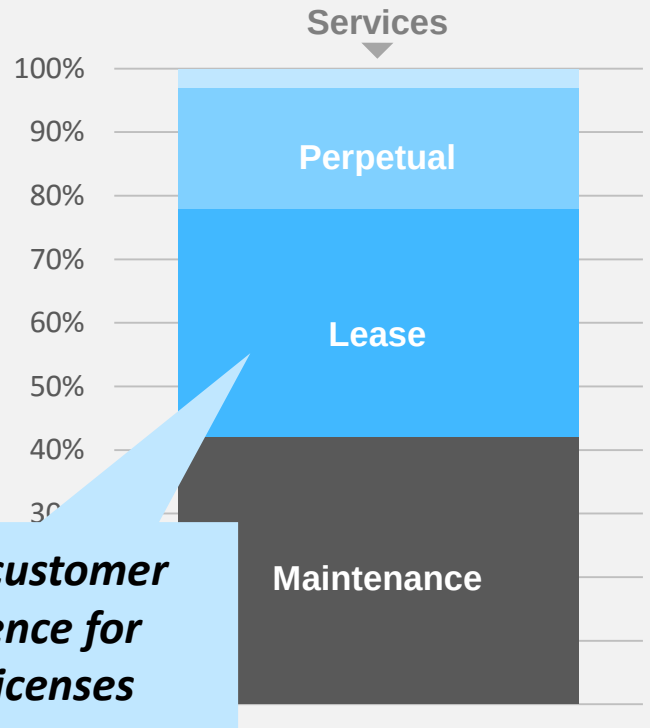
As of March 31, 2018

Diversified revenue streams

CHANNEL

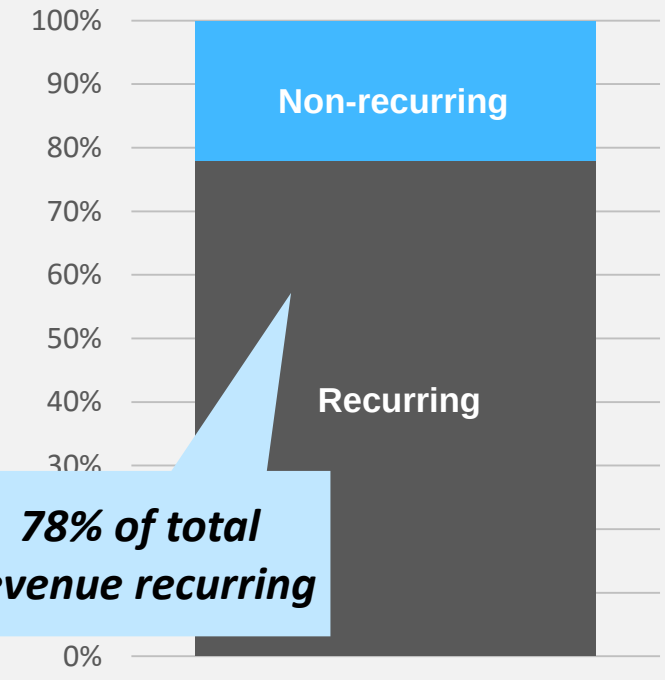


REVENUE SOURCE



Shift in customer preference for lease licenses

RECURRING VS. NEW

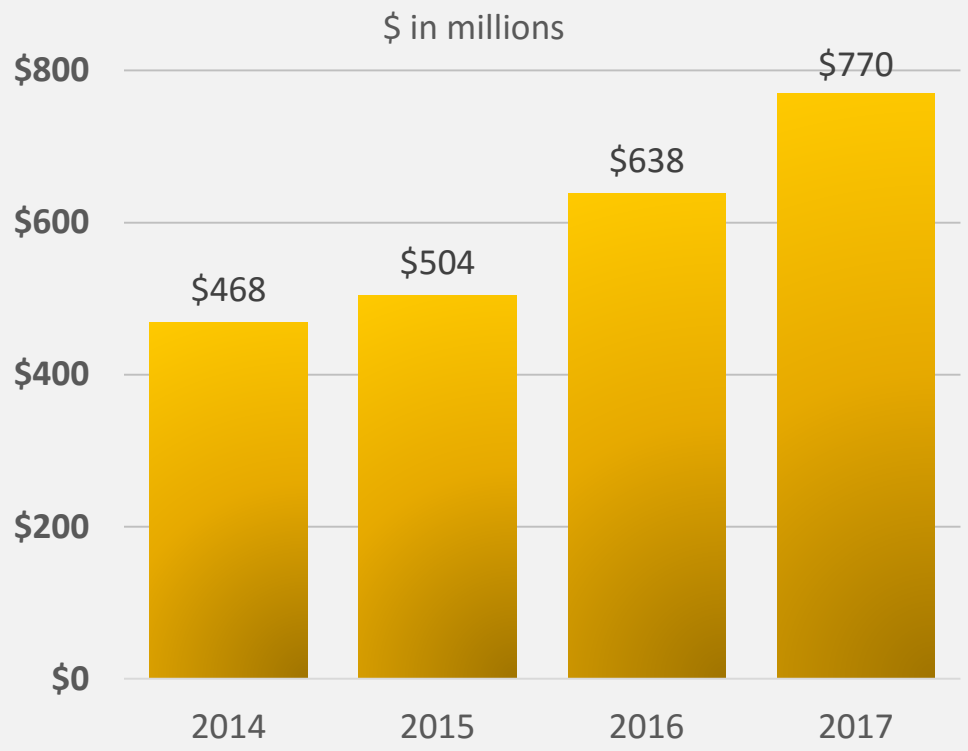


78% of total revenue recurring

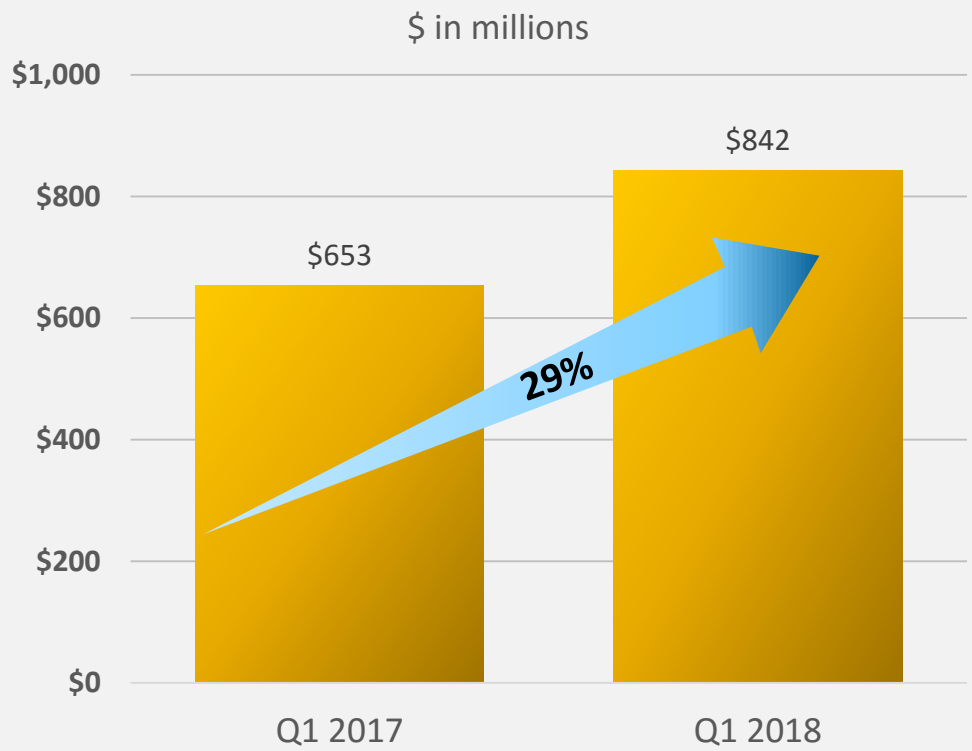
LTM revenue (for quarter ending March 31, 2018)

Continuing to build deferred revenue & backlog

2014 THROUGH 2017



Q1 2017 AND 2018



Deferred revenue and backlog

Note: Includes long-term deferred revenue and backlog – ASC 605

Opportunity to turn the growth dial

Our 2020 target is sustained double-digit organic revenue growth…

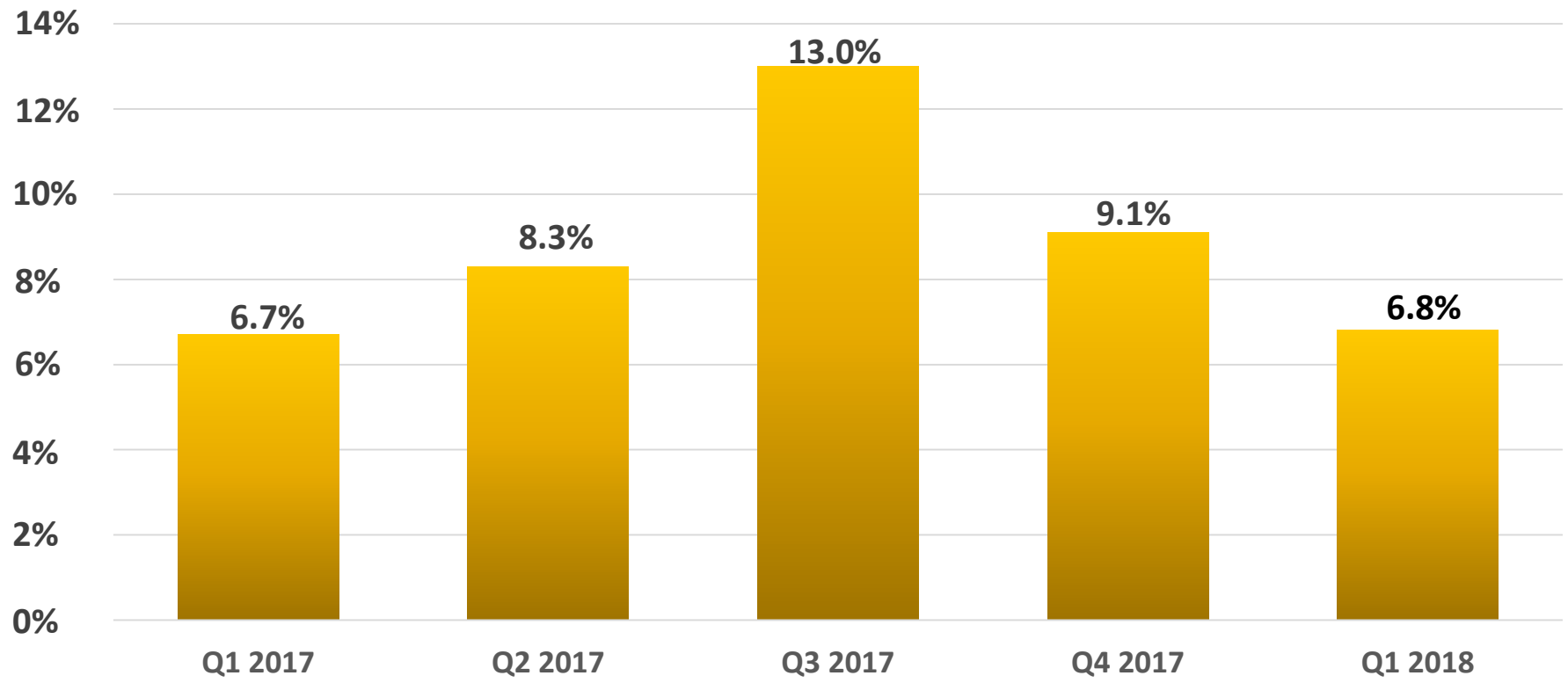
…while maintaining financial discipline and best-in-class operating margins

Since 2015 we have increased investment and focused on improved execution

- Sales capacity
- Channel expansion
- ANSYS CRM
- European performance improvement
- Increased focus on making channel partners successful

We have generated momentum…

ANSYS CONSTANT CURRENCY REVENUE GROWTH



… but we are not satisfied–there is more work to do

Non-GAAP constant currency – ASC 605

Further opportunity to drive growth will require incremental investment

Go-to-market	• People (increased ratio of field engineers to sales reps, channel expansion and remote sales capability) • Tools/systems (quote-to-cash, low touch renewals) • Processes (customer advisory councils, data-driven planning)
Product	• Extending core technology leadership (physics, platform) • Investing in next-generation innovation (digital exploration, additive manufacturing, digital twin, IoT)
Scale Infrastructure	• Tools and systems (CRM, HRIS) • Expand competencies (FP&A, pricing, M&A) • New talent acquisition

Partnerships and Acquisitions	• Investing to build strategic partnerships
	  • Customers: GE, Flowserve
	  • Peers: PTC, Synopsys

2020 growth and operating margin target (non-GAAP)

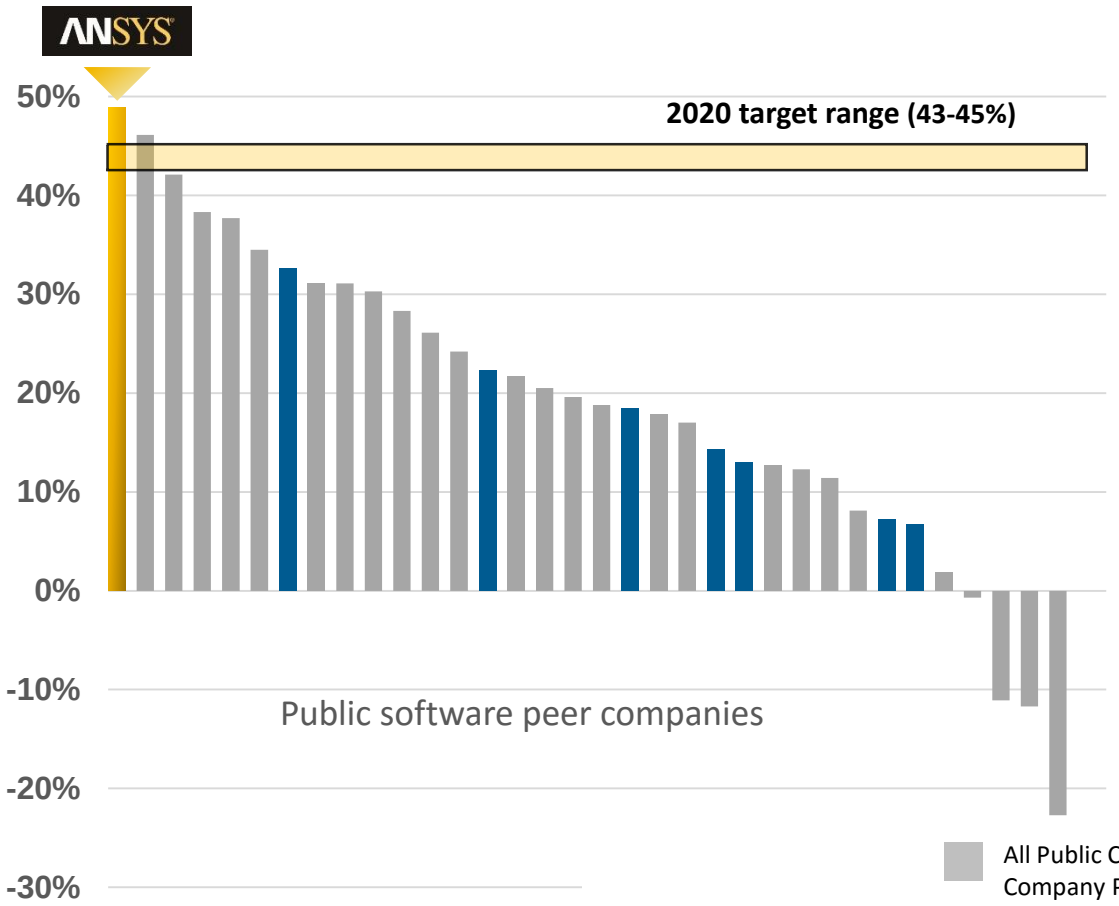
	Baseline (2016A)	Target 2020
REVENUE GROWTH (%)	5%	10%+
OPERATING MARGIN (%)	47.0%	43-45%

TARGET DELIVERS INCREMENTAL STOCKHOLDER VALUE COMPARED TO BASELINE

Note: Non-GAAP
Source: ANSYS Financial Statements

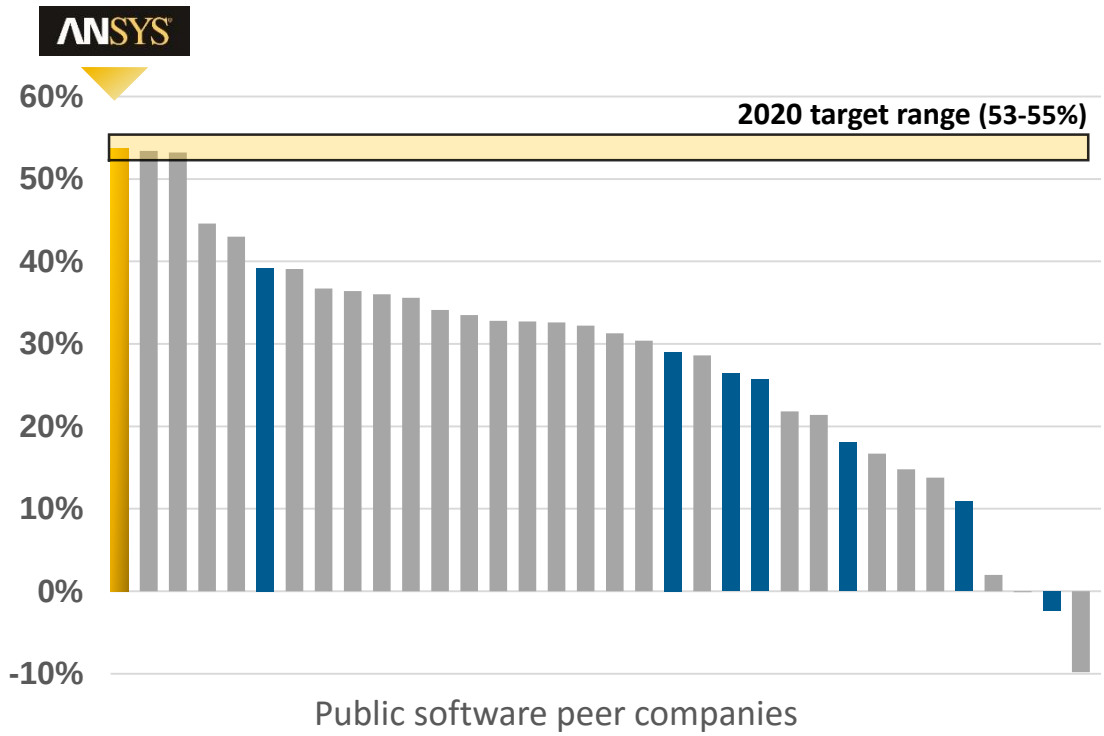
We are committed to financial discipline and industry-leading margins

2016 MARGINS FOR ANSYS AND PEERS



Note: ANSYS data is non-GAAP operating margin. All other Public Company data is EBITDA margins.

2016 REVENUE GROWTH + 2016 MARGINS FOR ANSYS AND PEERS



All Public Company Software Company Peers

ANSYS direct peers (Autodesk, Cadence, Dassault, ESI, PTC, Siemens, Synopsys)

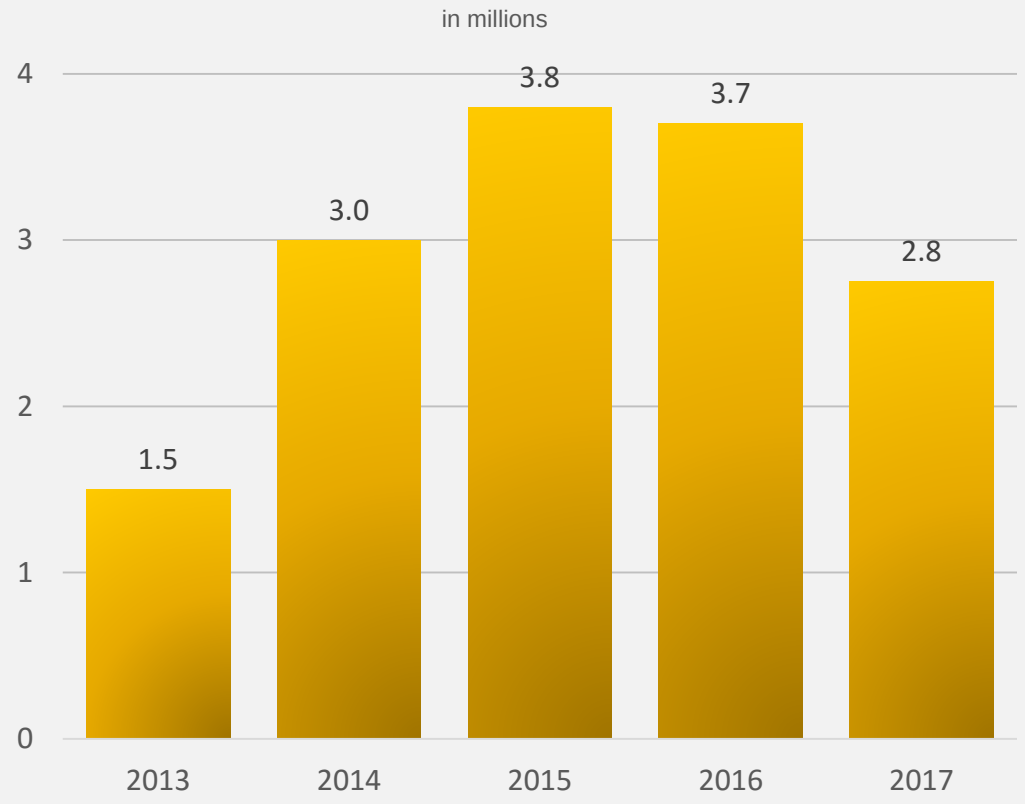
Note: ANSYS data is constant-currency revenue growth plus non-GAAP operating margin. All other Public Company data is revenue growth plus EBITDA margin.

Capital allocation priorities

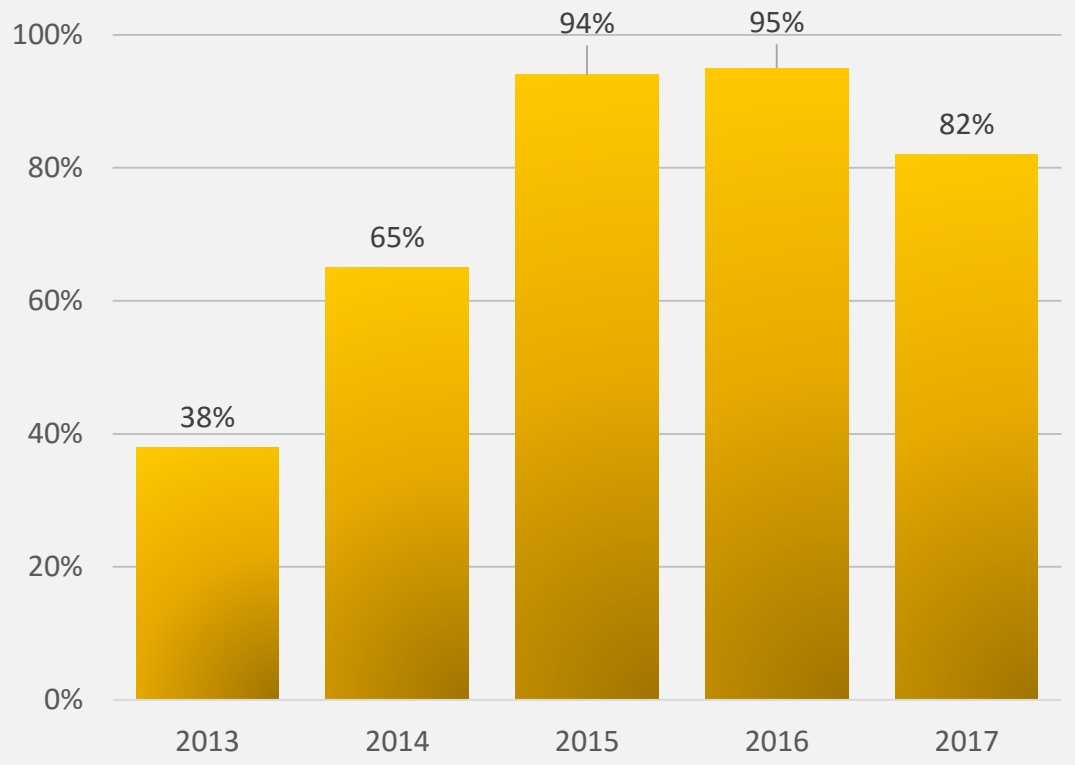
- **Investment in organic growth of the core business**
- **M&A to enhance growth**
  - **Size not determining factor – proven technology is key**
  - **Experienced talent**
  - **Synergy with customer base and global channel**
  - **Financially accretive within a reasonable timeframe**
- **Stock repurchase**
  - **Commitment to return excess cash to stockholders**

Return of excess capital to stockholders

NUMBER OF SHARES REPURCHASED



% OF FREE CASH FLOW SPENT ON SHARE REPURCHASES



Note: Free Cash Flow (FCF) defined as Operating Cash Flow – Capital Expenditures

ASC 606 requires three primary changes relative to current practice

Immediate license revenue recognition (including the license portion embedded in a lease)

1

Revenue allocation based on estimated selling price rather than Vendor-Specific Objective Evidence (VSOE)

2

Increased financial statement disclosures (including unbilled receivables, and the expected rollout of deferred revenue and backlog)

3

Overview of ASC 606 impact

YEAR 1 IMPACT

- Revenue recognition change will accelerate revenue
- Large, multi-year deals will create some volatility depending on timing (minority of the business)
- Modified retrospective implementation approach will provide disclosure of results under current rules for the first year
- Cash-flow impact for tax consequences of accelerated revenue
- No material change in accounting for sales commissions

GO-FORWARD IMPACT

- Minimal impact on future comparability for the vast majority of business volume
- Large, multi-year deals will create some volatility depending on timing (minority of the business)
- Impact likely to decrease over time as predictability increases
- ACV metric will provide clarity into business health
- No material change in accounting for sales commissions unless plan structure changes

New ACV metric will provide increased clarity into business health

NEW ANNUALIZED CONTRACT VALUE (ACV) METRIC

= **Bookings that occur during the quarter** + **Bookings in previous quarters with current period start date** - **Bookings in current quarter with a future start date** +/- **Adjustment to annualize time-based license and maintenance contracts greater than 1 year**

- We will continue to report and provide guidance on the same key financial metrics as we do today (revenue, operating margin, EPS, tax rate, etc.)
- We will begin disclosing fiscal year guidance on **operating cash flow, free cash flow and ACV**

Q1 2018 (non-GAAP) – as of March 31, 2018 ($ *in millions*)

Revenue	**ASC 606 - $ 283.3** **ASC 605 - $ 285.2**
Operating margin	**ASC 606 - 45.0%** **ASC 605 - 45.3%**
Tax rate	**ASC 606 - 20.4%** **ASC 605 - 20.3%**
EPS	**ASC 606 - $ 1.20** **ASC 605 - $ 1.22**
Projected ACV for 2018	**$1,262.0 - $1,302.0**
FY 2017 ACV	**$1,124.0**

2017 (non-GAAP) – as of December 31, 2017

Revenue	$1.098B
Operating margin	46.4%
Tax rate	32.3%
EPS	$4.01

Closing thoughts

Double organic revenue growth rate from 5% to 10%+ by 2020…
Continue to maintain industry-leading operating margins…

…Combination will drive significantly higher stockholder value over the long term

Appendix

Appendix

ANSYS, INC. AND SUBSIDIARIES
ASC 606 Reconciliation of Non-GAAP Measures
(Unaudited)

(in thousands, except percentages and per share data)	Three Months Ended March 31, 2018			
	GAAP Results	Adjustments		Non-GAAP Results
Total revenue	$ 282,873	$ 401	(1)	$ 283,274
Operating income	95,061	32,351	(2)	127,412
Operating profit margin	33.6%			45.0%
Net income	$ 84,280	$ 18,784	(3)	$ 103,064
Earnings per share – diluted:				
Earnings per share	$ 0.98			$ 1.20
Weighted average shares	86,152			86,152

1) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with the accounting for deferred revenue in business combinations.

2) Amount represents $15.3 million of stock-based compensation expense, $3.1 million of excess payroll taxes related to stock-based awards, $12.2 million of amortization expense associated with intangible assets acquired in business combinations, $1.4 million of transaction expenses related to business combinations and the $0.4 million adjustment to revenue as reflected in (1) above.

3) Amount represents the impact of the adjustments to operating income referred to in (2) above, decreased for the related income tax impact of $15.0 million and increased for an incremental measurement-period adjustment related to the Tax Cuts and Jobs Act of $1.4 million.

Appendix

ANSYS, INC. AND SUBSIDIARIES

ASC 605 Reconciliation of Non-GAAP Measures

(Unaudited)

(in thousands, except percentages and per share data)	Three Months Ended					
	March 31, 2018			March 31, 2017		
	As Reported	Adjustments	Non-GAAP Results	As Reported	Adjustments	Non-GAAP Results
Total revenue	$ 284,569	$ 604 (1)	$ 285,173	$ 253,405	$ 143 (4)	$ 253,548
Operating income	96,757	32,554 (2)	129,311	85,472	32,111 (5)	117,583
Operating profit margin	34.0 %		45.3 %	33.7 %		46.4 %
Net income	$ 85,753	$ 18,936 (3)	$ 104,689	$ 63,306	$ 14,183 (6)	$ 77,489
Earnings per share – diluted:						
Earnings per share	$ 1.00		$ 1.22	$ 0.73		$ 0.89
Weighted average shares	86,152		86,152	87,224		87,224

1) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with the accounting for deferred revenue in business combinations.

2) Amount represents $15.3 million of stock-based compensation expense, $3.1 million of excess payroll taxes related to stock-based awards, $12.2 million of amortization expense associated with intangible assets acquired in business combinations, $1.4 million of transaction expenses related to business combinations and the $0.6 million adjustment to revenue as reflected in (1) above.

3) Amount represents the impact of the adjustments to operating income referred to in (2) above, decreased for the related income tax impact of $15.1 million and increased for an incremental measurement-period adjustment related to the Tax Cuts and Jobs Act of $1.4 million.

4) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with the accounting for deferred revenue in business combinations.

5) Amount represents $12.0 million of amortization expense associated with intangible assets acquired in business combinations, $10.5 million of stock-based compensation expense, $9.3 million of restructuring charges, $0.1 million of transaction expenses related to business combinations and the $0.1 million adjustment to revenue as reflected in (4) above.

6) Amount represents the impact of the adjustments to operating income referred to in (5) above, adjusted for the related income tax impact of $17.9 million.

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