

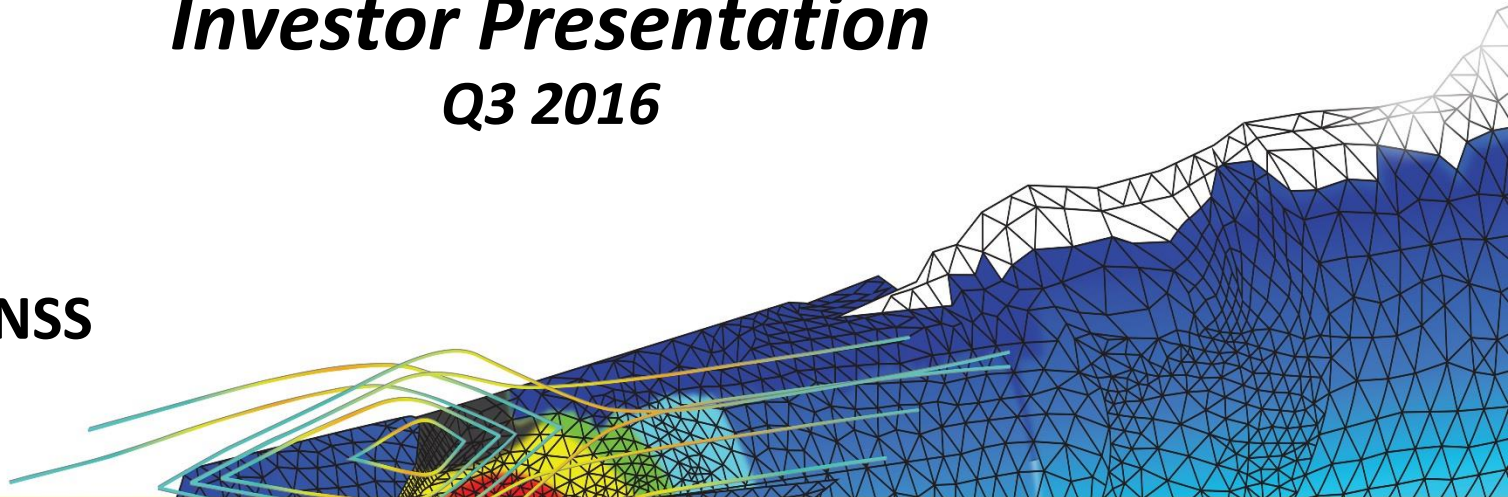
The ANSYS logo is centered at the top of the slide. It consists of the word "ANSYS" in a bold, sans-serif font. The letters "AN" are white, and "SYS" is gold. A registered trademark symbol (®) is located to the upper right of the "S". The logo is set against a solid black rectangular background.

ANSYS®

**The World's Leading Engineering
Software Provider**

Investor Presentation
Q3 2016

NASDAQ: ANSS



Important Factors Regarding Future Results

The Company cautions investors that its performance is subject to risks and uncertainties. Some matters that will be discussed throughout this presentation may constitute forward-looking statements that involve risks and uncertainties which could cause actual results to differ materially from those projected. These risks and uncertainties are discussed at length, and may be amended from time to time, in the Company's Annual Report to Stockholders and its filings with the SEC, including our most recent filings on Forms 10-K and 10-Q. 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

96 of the top 100

FORTUNE 500 Industrials
ISO 9001 and NQA-1 certified

FORTUNE

500

CAPABLE



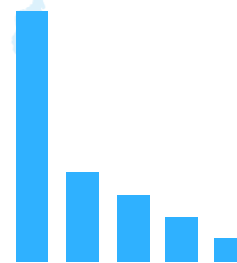
PROVEN

Recognized as one of the world's **MOST INNOVATIVE AND FASTEST-GROWING COMPANIES***

INDEPENDENT

Long-term financial stability
CAD agnostic

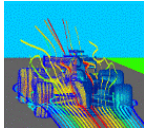
LARGEST



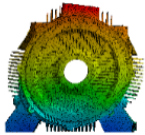
3x The size of our nearest competitor

Comprehensive industry reach and solution offerings

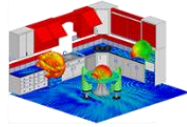
Leading Disciplines



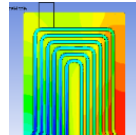
Fluids



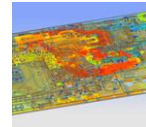
Structures



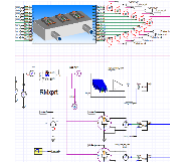
Electromagnetics



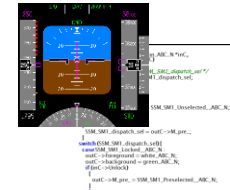
Thermal



Power Integrity



Systems



Embedded Software

Global Reach

PEOPLE

1,400+

680+

800+

2,000+
FROM CHANNEL PARTNERS

CUSTOMERS

45,000+
GLOBALLY

Industry Presence



Automotive



Academic



Consumer Goods



Energy



Industrial Equip.
& Rotating Machinery



Aerospace
& Defense



Construction



Electronics



Healthcare



Materials &
Chemical Processing



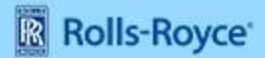
Semiconductors

Industry-leading customers

Aerospace/
Defense



BAE SYSTEMS



Industrial
Equipment

SIEMENS



ABB

ALSTOM

VOLVO



Hi-Tech
Electronics



HITACHI



Panasonic



Automotive



BOSCH



DAIMLER



Energy



Consumer
Products

Nestlé



P&G

Canon



Biomed



ThermoFisher
SCIENTIFIC



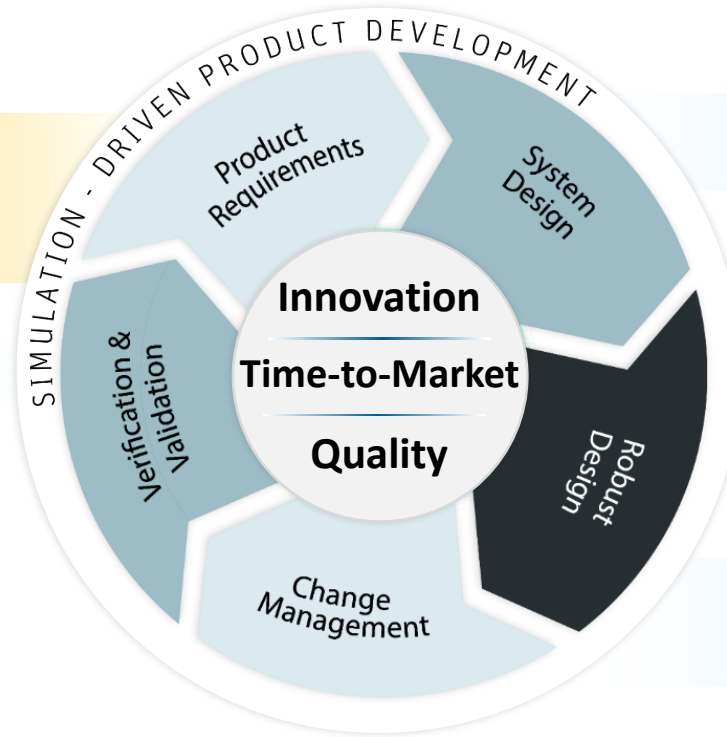
PHILIPS



By using simulation throughout the product development process...

Simulation-Driven Product Development Process

Concept



Detailed Design

Physical Testing

Production

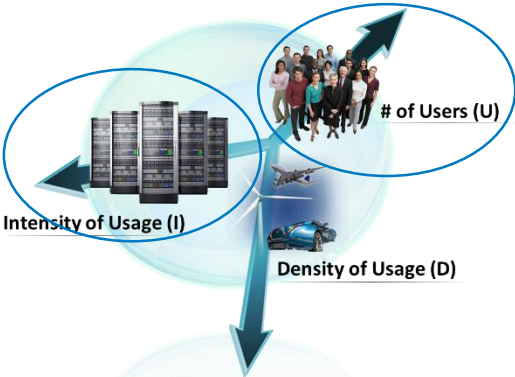
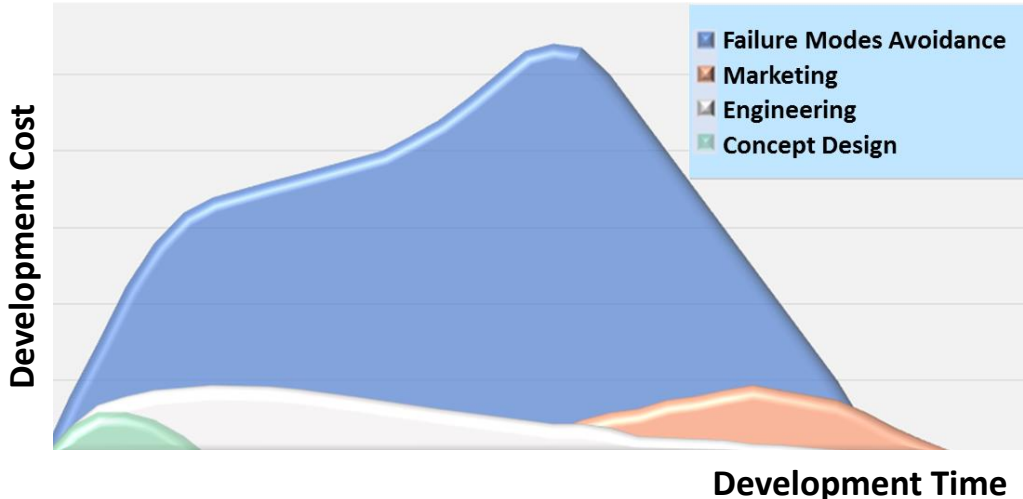
Traditional Product Development Process



A model-based systems engineering approach to ensure products meet their requirements



Reduce product development cost



Relative Product Development Costs



- Design and engineering contributes ~17% of product development costs
- Most costs are spent avoiding failure modes

Source: MIT Study on Product Development Cost Distribution

ANSYS complete virtual prototype

Comprehensive Solution to Pressing Business Challenges

...as is the value of a platform approach

HOLISTIC DEVELOPMENT vs SILOED DEVELOPMENT

Holistic Development Experiences:

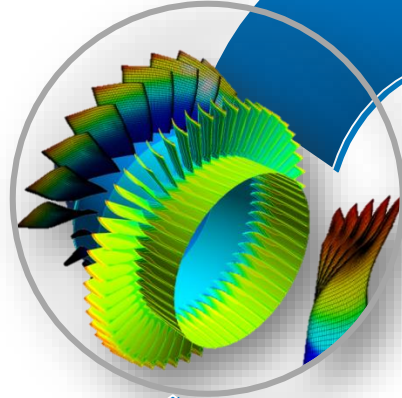
Length of Development Time	▼	7x reduction
Overall Product Cost	▼	2.5x reduction
Warranty Costs	▼	53% more likely to decrease
Number of Change Orders After Release to Manufacturing	▼	123% more likely to decrease
Percent Successful New Product Introduction (NPI) Rate	▲	33% more likely to achieve

Source: Aberdeen Group July 2015

ANSYS®

Improve next-generation products and operations

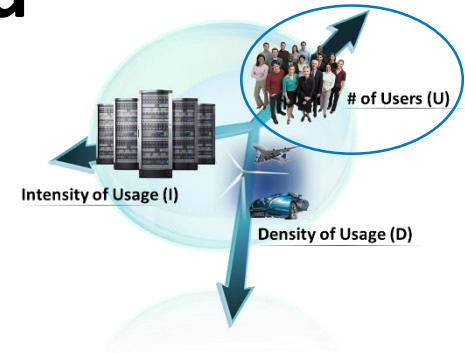
Design



Test

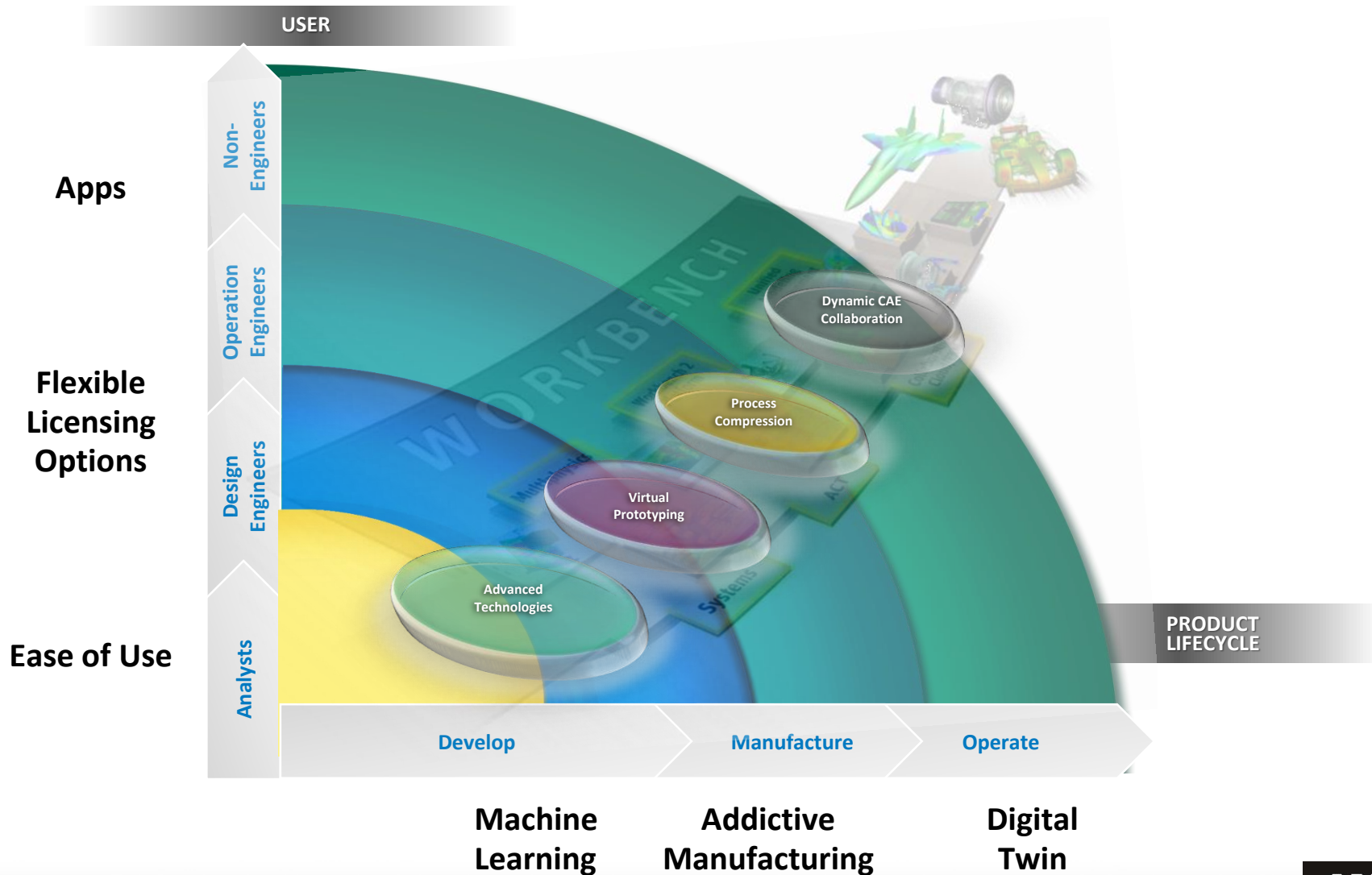


Operate



- **Design to reality**
(increase profits, customer for life)
- **Compress cycle time/cost** (grow market share)
- **Best product at best price**
(sustained growth)

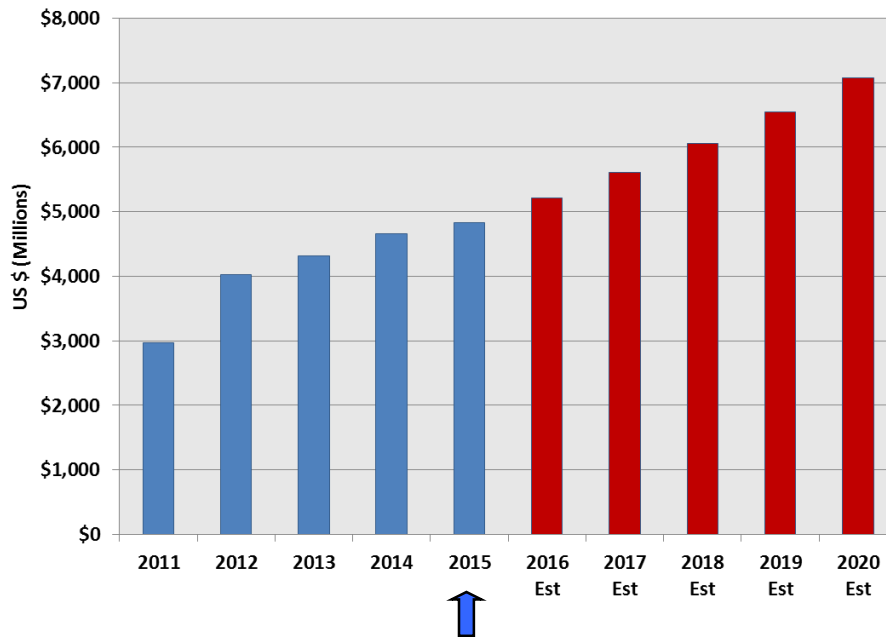
The next 20 years



Solid and increasing opportunity

Simulation & Analysis – Investments

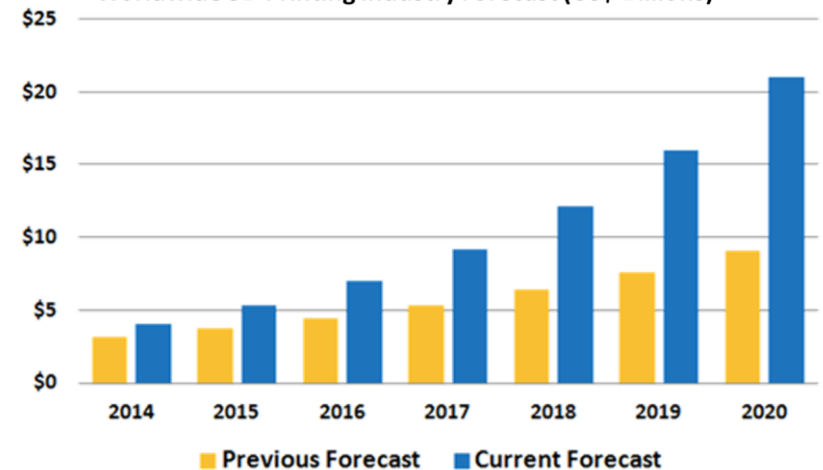
Software + services market history and forecast – Five year CAGR estimate = 7.9%



Additive Manufacturing Forecasts

Wohlers Associates forecasts from 2013 and 2014 reports

Worldwide 3D Printing Industry Forecast (US\$ Billions)



Source: CIMdata June 2016

Solid and increasing opportunity



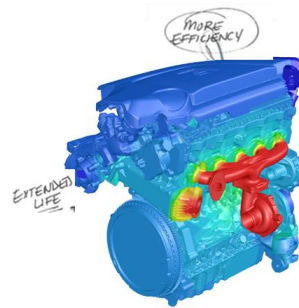
A billion times better

1000x resolution
1000x lighter
1000x cheaper



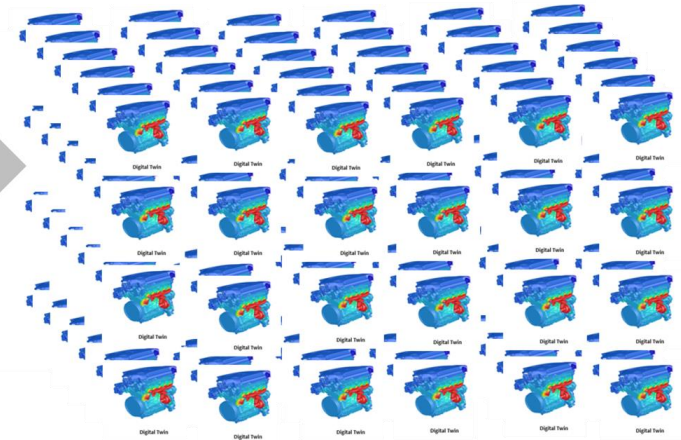
Source: Peter Diamandis lecture series

“Engineering” Asset
Design Model



1 Automotive Engine System Model =
1,000s of component models

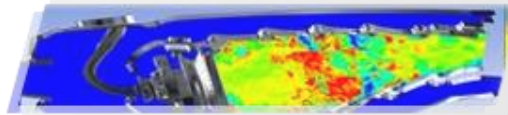
Digital Twins in
operations



1,000,000s of Systems Models



Product & technology investments



Frequent Release Program – 17.x
Sustaining Our Competitive Advantage



Cloud & Elastic Licensing
Scaling Simulation on Demand



App Store – ANSYS ACT
Reaching Non-Traditional Users



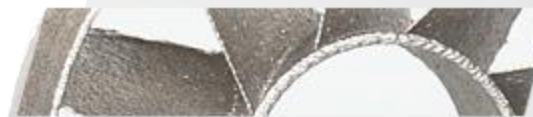
ANSYS AIM
Simulation for Every Engineer



Internet of Things
Reaching Beyond Engineering Design



Big Data & Analytics
Increasing Simulation Throughput



Additive Manufacturing
New Opportunities for Extreme Customization

Extending our competitive advantage with R17.x



STRUCTURES

Scalability up to an incredible 1000s cores. 10x compared to the three-year-old hardware and software



ELECTRONICS

Patent-pending technology solves time steps simultaneously, reducing solution times greater than 30x



FLUIDS

Set-up time for complex model reduced 40-80%. Continued leadership in CFD extends range of applications



SEMICONDUCTORS

The most robust and productive coupled chip-package-system design for smaller, high-power density electronics



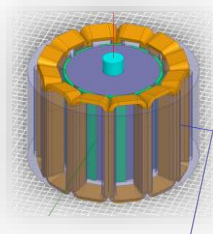
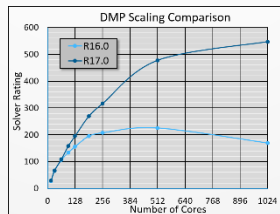
SYSTEMS

New system simulation capabilities provide ability to simulate with over 1,500 additional modeling components



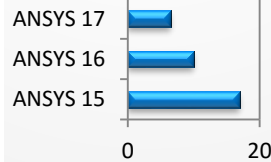
EMBEDDED SOFTWARE

New embedded applications supported for avionics, automotive and rail transportation

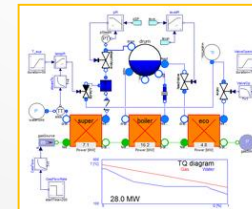
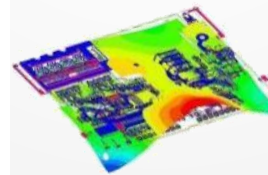


From 11 days to 12 hours!

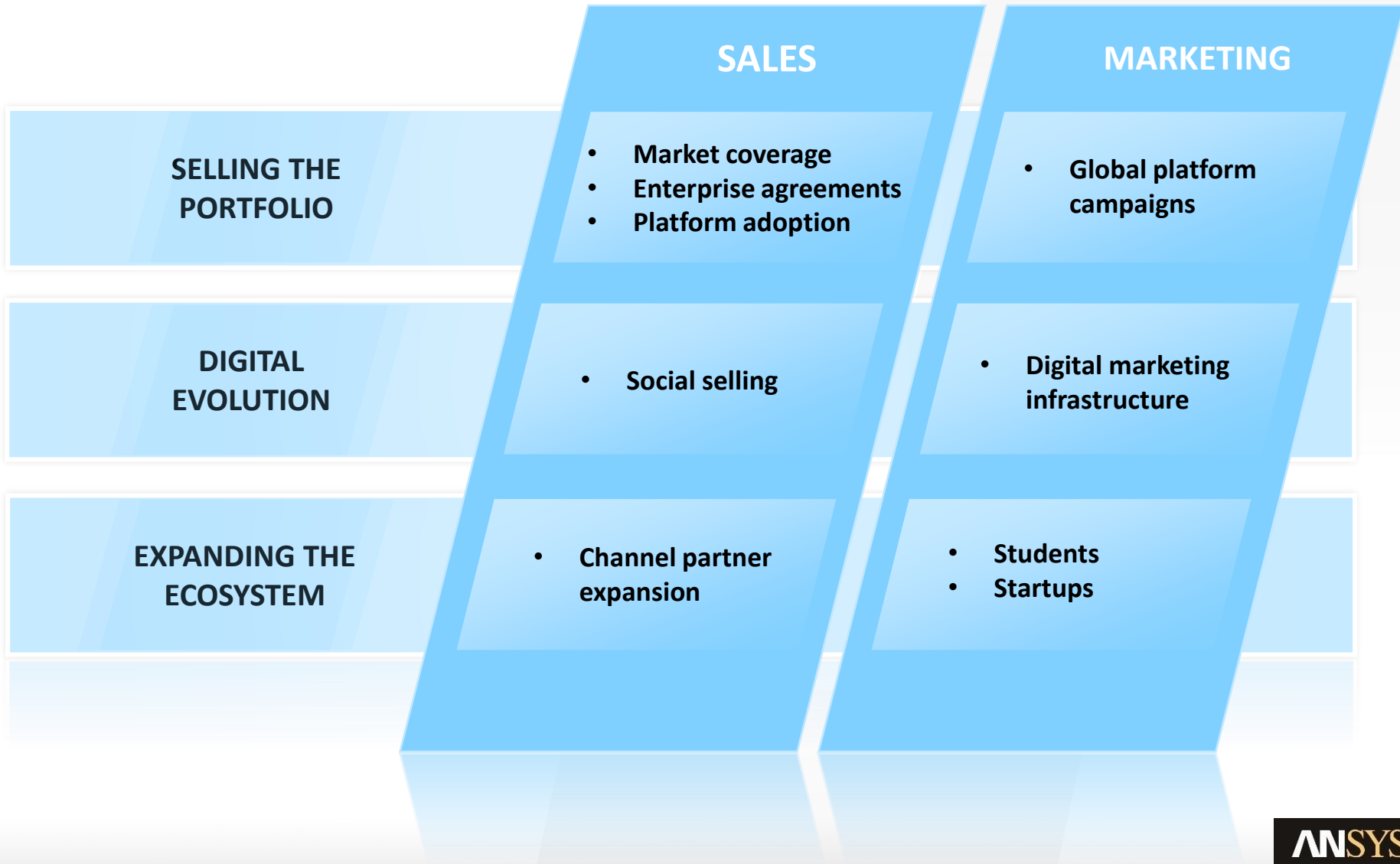
Typical auto cases -40 %



CAD/Mesh effort



Transforming the go-to-market



Transforming our go-to-market

HIRE

40%
of sales force
<2 years tenure

SHIFT

20%

Transitioned to
named accounts

90%

Named account team
has >2 years tenure

EXECUTE

- Sell platform into high-value accounts
- Consulting offerings to increase adoption
- Enterprise license agreements
- CRM & sales technology deployment
- Improve market coverage
- ACE team optimization
- Channel program execution

Modernizing the ANSYS sales force

LinkedIn's Social Selling Index U.S. Powerhouse



Create a **professional brand**

Find the **right people**

Build strong **relationships**

Engage with **insights**

Enterprise license agreement

Why do an enterprise license agreement with ANSYS?

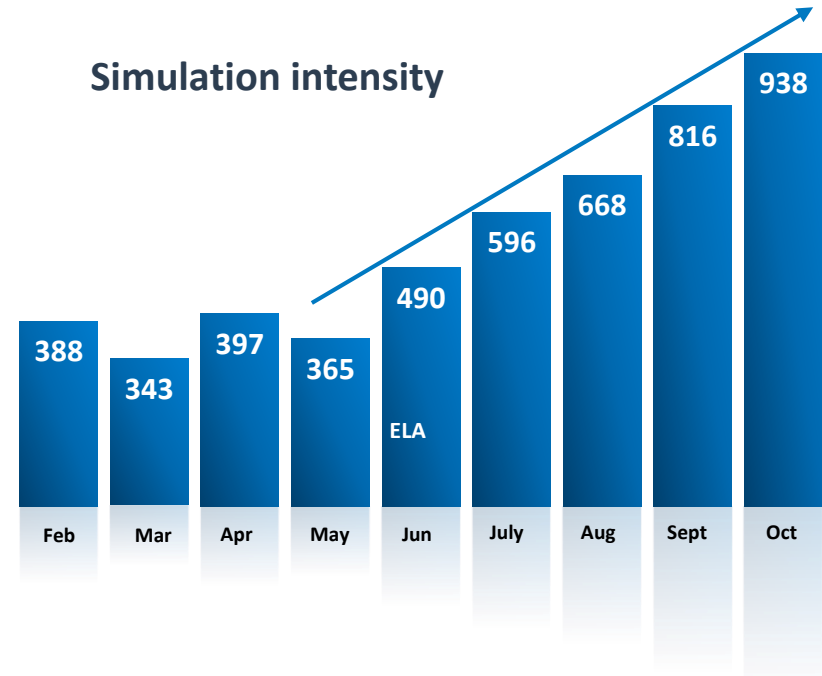
Flexibility

Reduce risk

Adopt one simulation platform

Maximize simulation investment

Simulation intensity



6

Number of Enterprise Agreements
In 2014 & 2015

15

Number of Enterprise Agreements
Estimated In 2016

ANSYS Elite Channel Partner Program



15

Number of new channel partners signed in 2015

75

Number of total channel partners by end of 2016

30%

Number of channel partners expanded from single to multiple physics

60%

Number of channel partners on new incentive program

New consulting offerings – Launched 2016

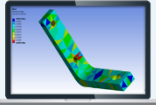
- Consulting offerings support the adoption of the ANSYS simulation platform
- Paid high-value engagements



- Simulation deployments
- Workflow optimization
- Embedded experts
- Mentoring experts

Simulation for every engineer

Empowering next-generation engineers



Access



Content



Engagement

Free ANSYS Student product launched Q3 2015

ANSYS AIM Student product launched Q2 2016

+20,000 signed up for Cornell & edX MOOC

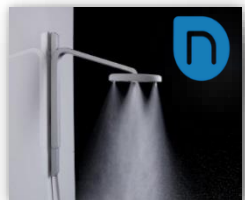
Most Hyperloop student teams using ANSYS

All top 25 engineering schools in the US use ANSYS

Over 100,000 downloads of ANSYS Student!

Simulation for every engineer

Supporting next-generation engineering companies



KARMA



Pilot
2015

Incubator Program
2016

Online Startup program
2017+



TECHWILDCATTERS

LACI



ANSYS YTD 2016 financial highlights

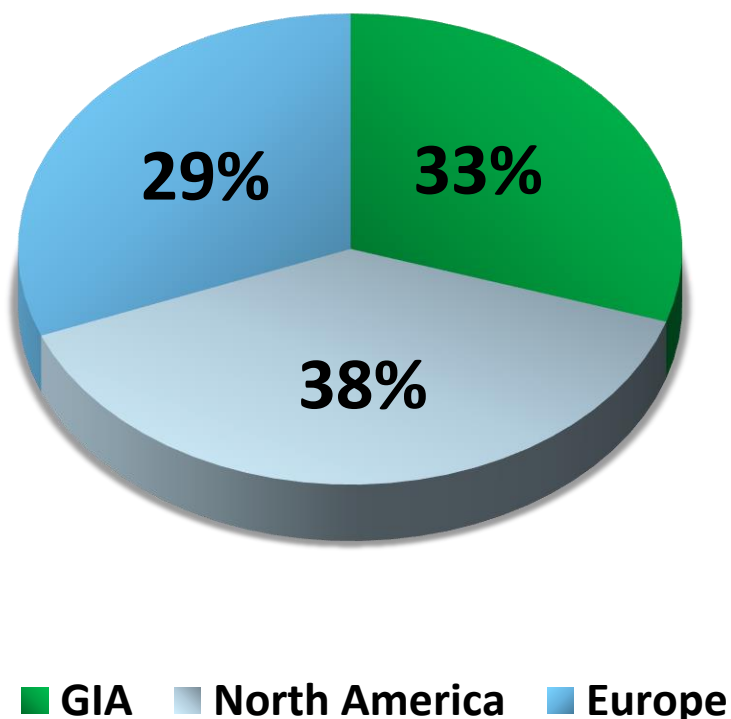
- **Non-GAAP Revenue** **\$717.9M**
- **Non-GAAP Diluted EPS** **\$2.65/share**
- **Non-GAAP Operating Margin** **47.7%**
- **Recurring Revenue** **76%**
- **Cash Flows from Operations** **\$195.7M**
- **Deferred Revenue & Backlog** **\$484.9M**

ANSYS Q3 2016 financial highlights

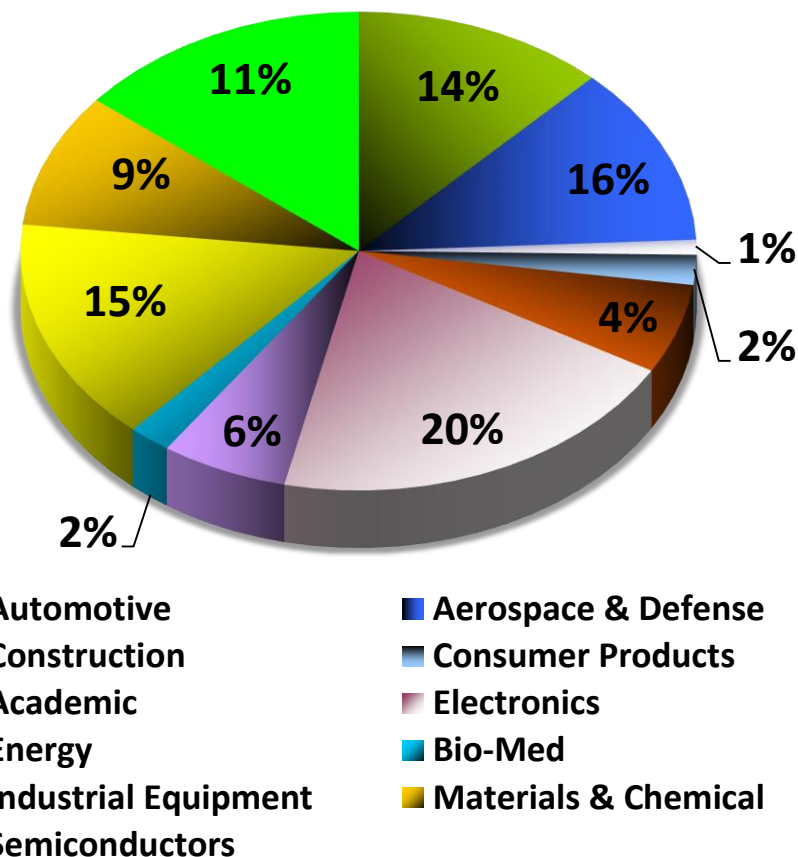
- **Non-GAAP Revenue** **\$245.9M**
- **Non-GAAP Diluted EPS** **\$0.95/share**
- **Non-GAAP Operating Margin** **49.6%**
- **Recurring Revenue** **76%**
- **Cash Flows from Operations** **\$ 82.0M**
- **Deferred Revenue & Backlog** **\$484.9M**

Diversified Revenue Model – Trailing 12 Months Thru September 30, 2016

Revenue by Geography*



Sales by Industry**



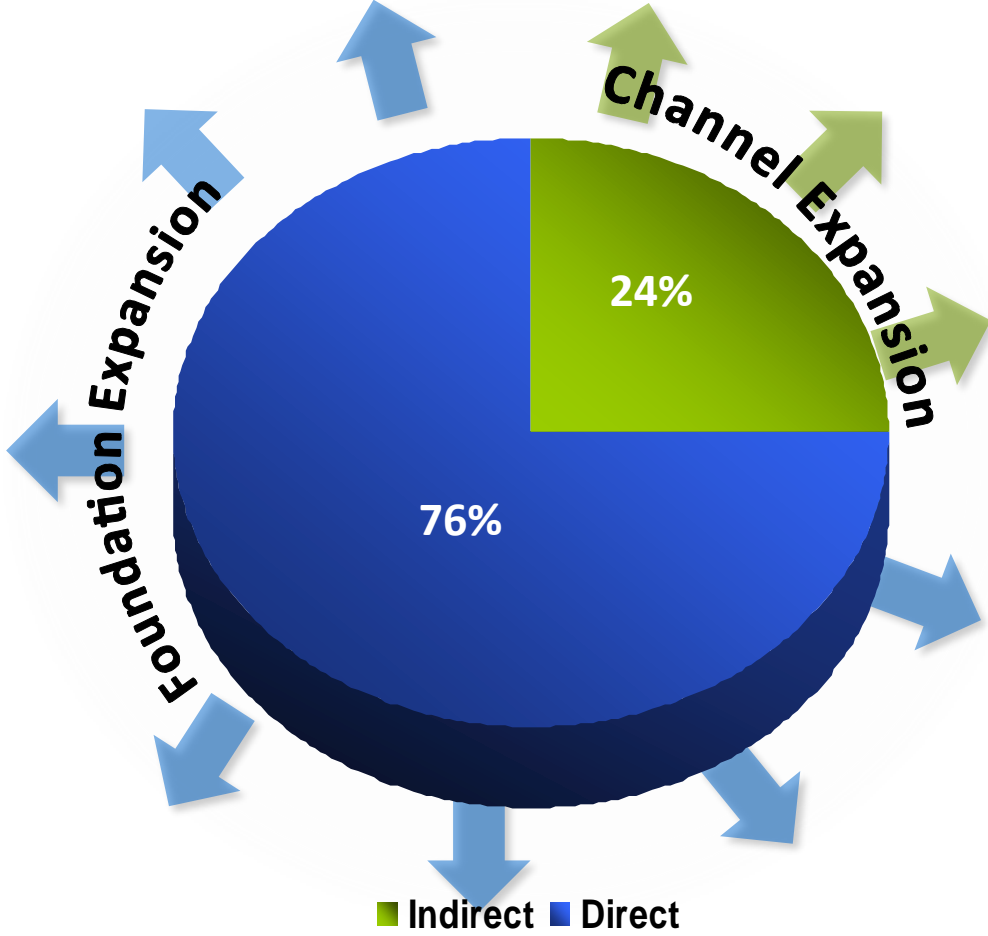
* Non-GAAP

(Unaudited)**

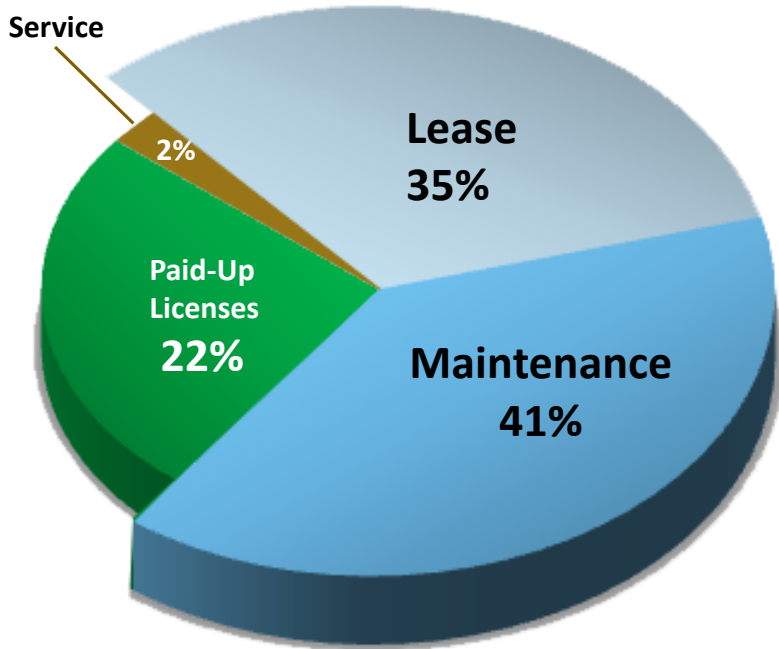


Revenue Distribution

Q3 2016
Revenue Distribution



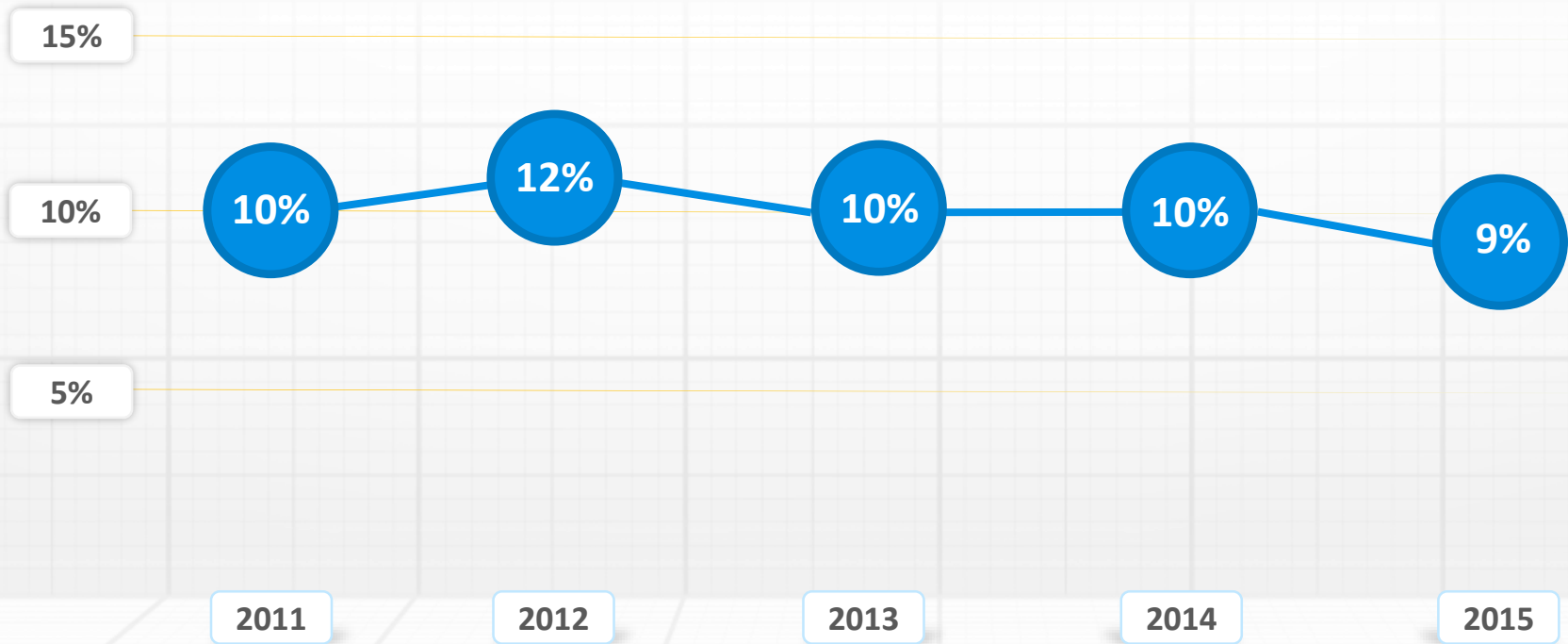
Q3 2016
Revenue Streams



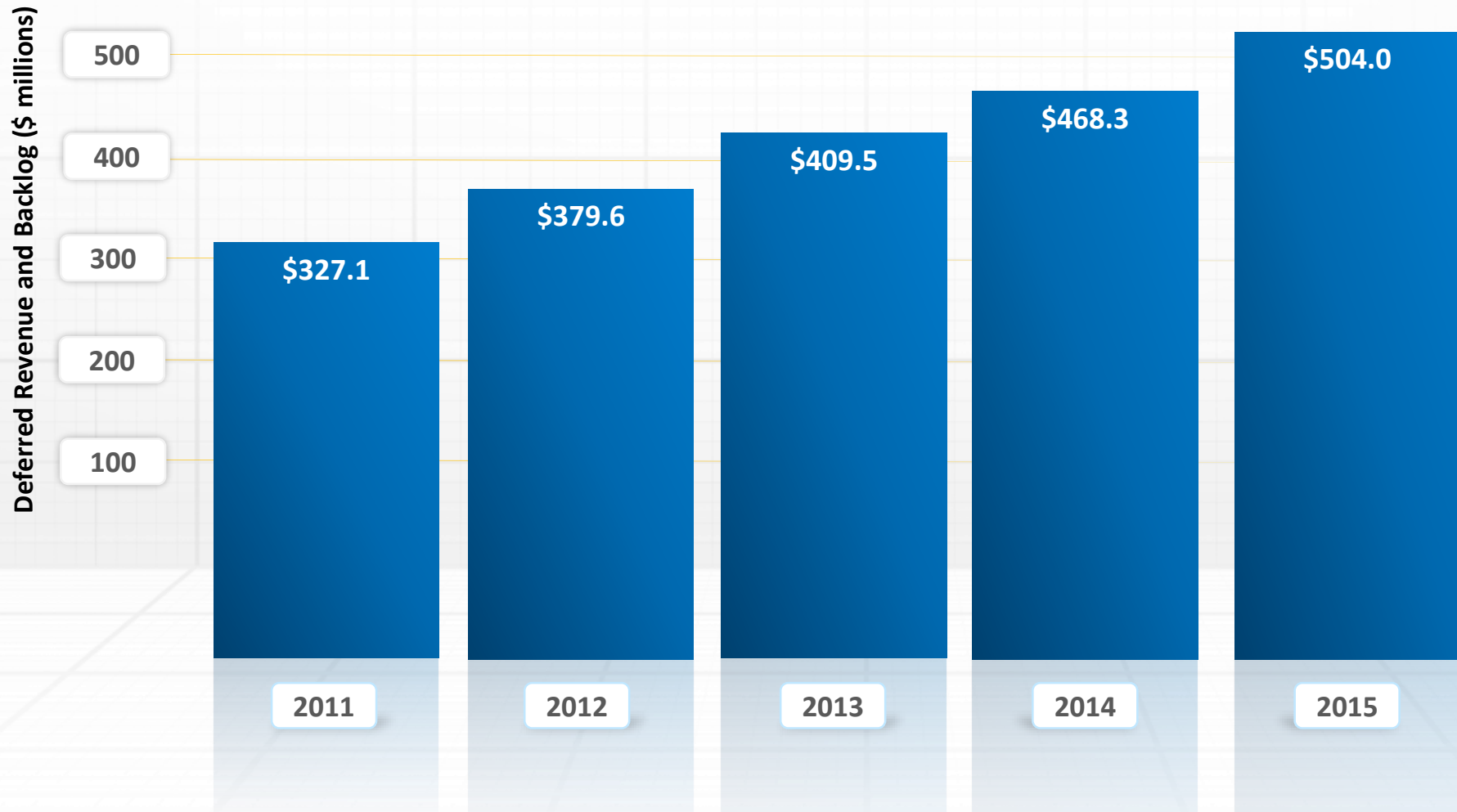
Recurring Revenue = 76%



Annual organic recurring revenue growth (in constant currency)

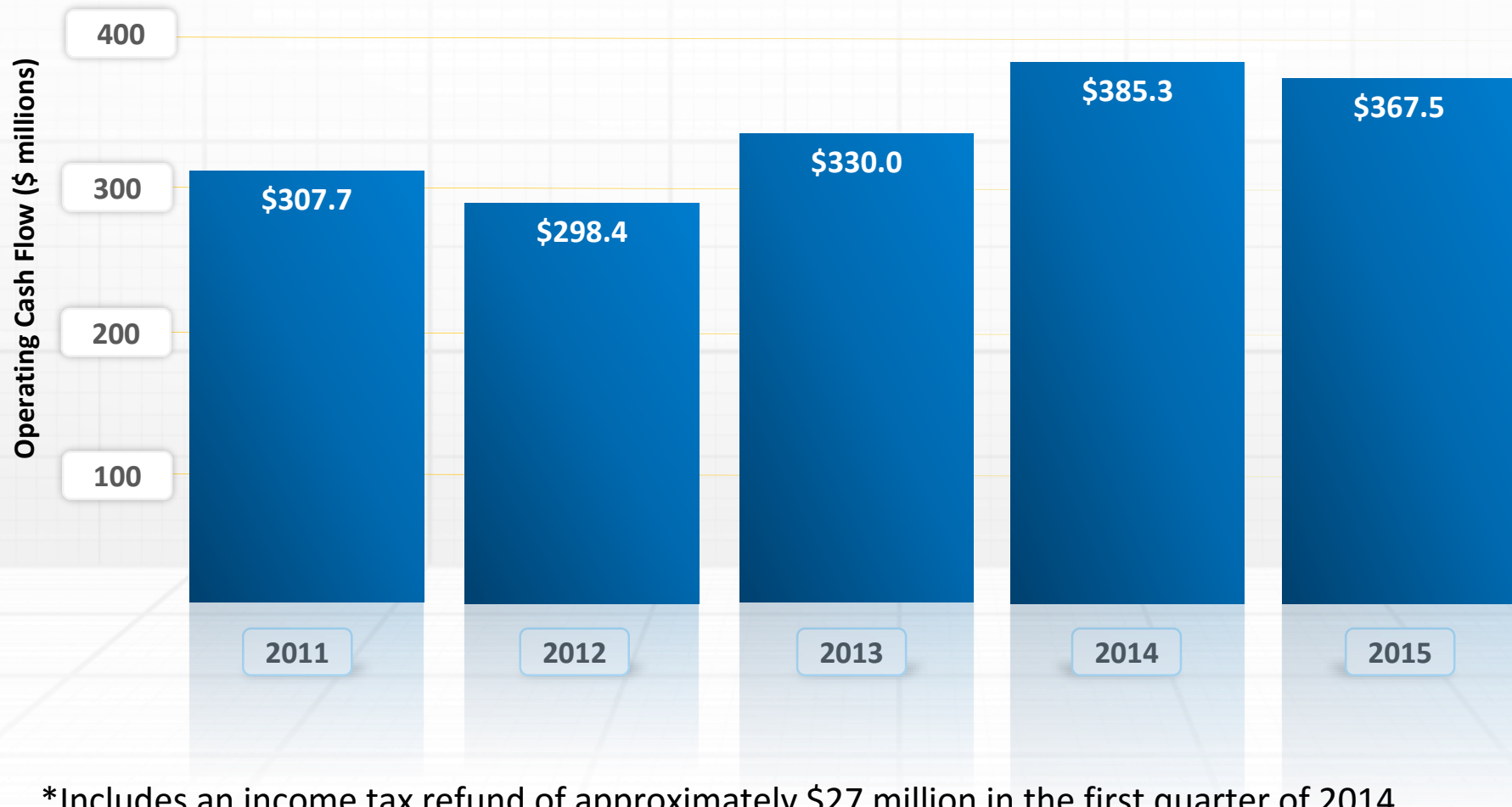


Building deferred revenue & backlog



*Includes long-term deferred revenue and backlog

Consistently strong cash flows from operations



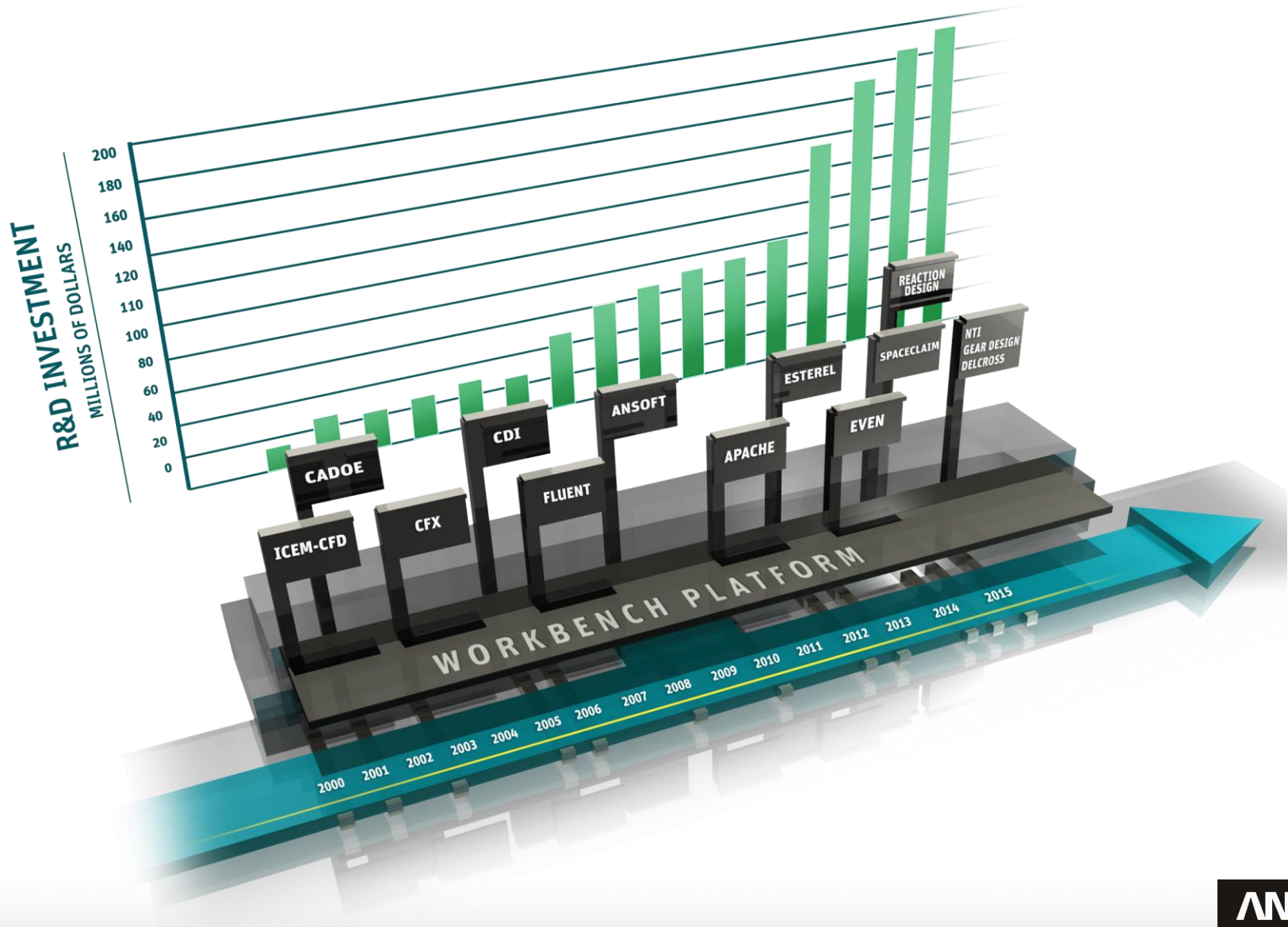
*Includes an income tax refund of approximately \$27 million in the first quarter of 2014 that did not recur in 2015

2016 Capital Allocation

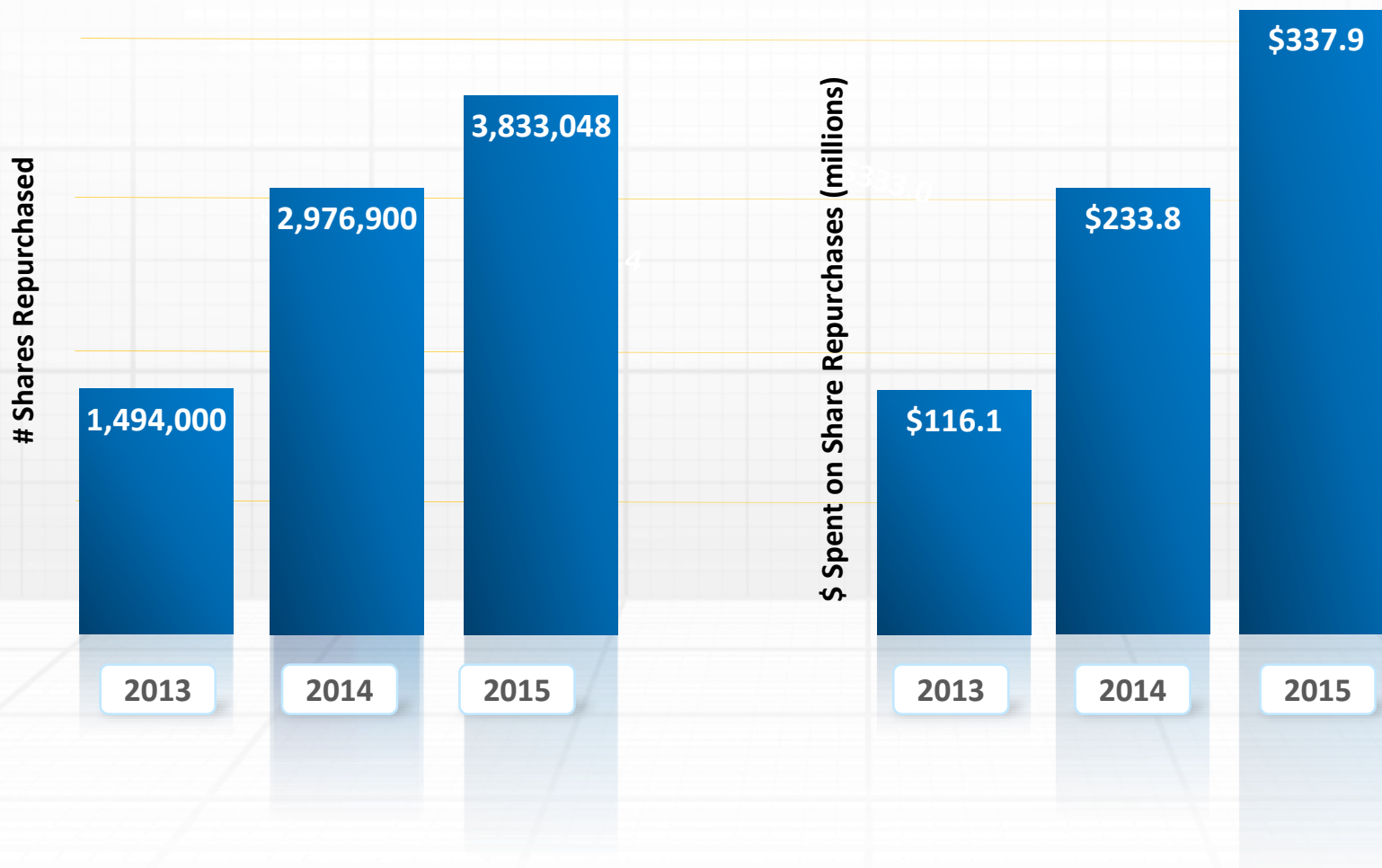
- **Investment in Organic Growth of the Business**
- **M&A to Enhance Growth**
 - **Size Not Determining Factor –Proven Technology is Key**
 - **Experienced Talent**
 - **Synergy With Customer Base and Global Channel**
 - **Financially Accretive Within a Reasonable Timeframe**
- **Stock Repurchase**
 - **Commitment to Return Excess Cash to Stockholders**
 - **Reduce Total Share Count Over Time**



...and ongoing financial commitment to deliver value



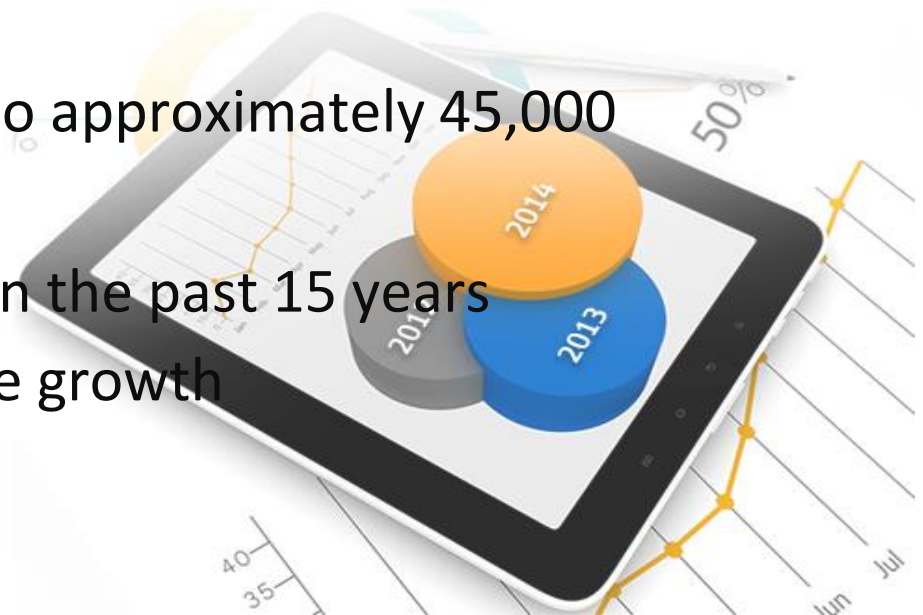
Share repurchases over time



History Of Performance

Track record of strong and consistent execution

- Released ANSYS®17.2 in August 2016; ANSYS® AIM 17.2 in September 2016; ANSYS®17.1 in May 2016; ANSYS®17.0 in January 2016;– delivering major enhancements across the Company’s entire product portfolio
- Grown the customer base to approximately 45,000 logoed companies
- Increased revenue 13 fold in the past 15 years
- Driving to improved top line growth in constant currency
- Industry leading margins

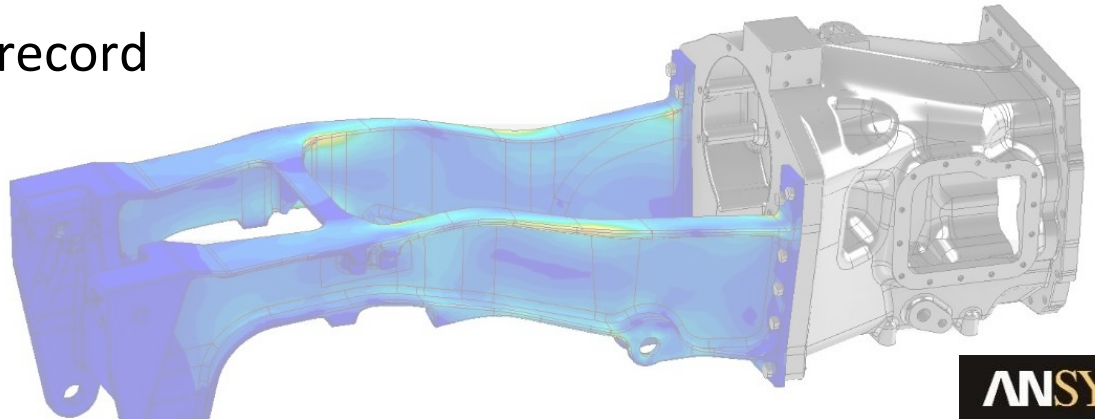


Positioning ANSYS for the Next 20 Years



ANSYS: Well positioned for continued value creation

- Unique customer value proposition
- The market leader focused on engineering simulation
- Investing in future growth: people, sales & marketing initiatives, technology and infrastructure
- Large and growing market opportunity
- Capitalizing on key global trends in engineering and compute environments (increased power and capacity)
- Broad customer base of leaders in their field
- Diverse portfolio across industries and geographies
- Proven financial track record
- Solid balance sheet



A race with no finish line



Reconciliation Of Non-GAAP

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the three months ended September 30, 2016
(in millions, except per share data)
(unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue	\$245.9		\$245.9
Operating income	\$100.1	\$21.9 ⁽¹⁾	\$122.0
Operating profit margin	40.7%		49.6%
Net income	\$69.6	\$14.6 ⁽²⁾	\$84.2
EPS – diluted	\$0.78		\$0.95
Weighted avg. shares-diluted	88.7		88.7

(1) Amount represents \$12.7 million of amortization expense associated with intangible assets acquired in business combinations and \$9.0 million of stock-based compensation expense, and \$0.2 million of transaction expenses related to business combinations.

(2) Amount represents the impact of the adjustments to operating income referred to in (1) above, adjusted for the related income tax impact of \$7.2 million.

Reconciliation Of Non-GAAP

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the nine months ended September 30, 2016
(in millions, except per share data)
(unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue	\$717.8	\$0.1 ⁽¹⁾	\$717.9
Operating income	\$279.3	\$63.0 ⁽²⁾	\$342.3
Operating profit margin	38.9%		47.7%
Net income	\$195.7	\$41.1 ⁽³⁾	\$236.8
EPS – diluted	\$2.19		\$2.65
Weighted avg. shares-diluted	89.4		89.4

- (1) Amount represents the revenue not reported during the period as a result of the acquisition accounting adjustment associated with accounting for deferred revenue in business combinations.
- (2) Amount represents \$38.1 million of amortization expense associated with intangible assets acquired in business combinations, \$24.6 million charge for stock-based compensation, and \$0.1 million adjustment to revenue as reflected in (1) above and \$0.2 million of transaction expenses related to business combinations.
- (3) Amount represents the impact of the adjustments to operating income referred to in (2) above, adjusted for the related income tax impact of \$21.8 million.



For More Information, Contact:

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