Q3'25 FINANCIAL RESULTS

Neil Barua
CEO

Kristian Talvitie
CFO

July 30, 2025

FORWARD LOOKING STATEMENTS

This presentation includes forward looking statements regarding PTC's future financial performance, strategic outlook and expectations, anticipated future operations, expected effects of strategic investments and initiatives, and share repurchase expectations. Because such statements deal with future events, actual results may differ materially from those projected in the forward-looking statements. Information about factors that could cause actual results to differ materially from those in the forward-looking statements can be found in the appendix to this presentation and in PTC's Annual Report on Form 10-K, Forms 10-Q and other filings with the U.S. Securities and Exchange Commission.

IMPORTANT INFORMATION ABOUT OPERATING AND NON-GAAP FINANCIAL MEASURES

This presentation includes supplemental operating and non-GAAP financial measures, targets and estimates. The non-GAAP financial measures are not prepared in accordance with generally accepted accounting principles. The definitions of these items and reconciliations of non-GAAP financial measures to comparable GAAP measures are included in the appendix to this presentation.

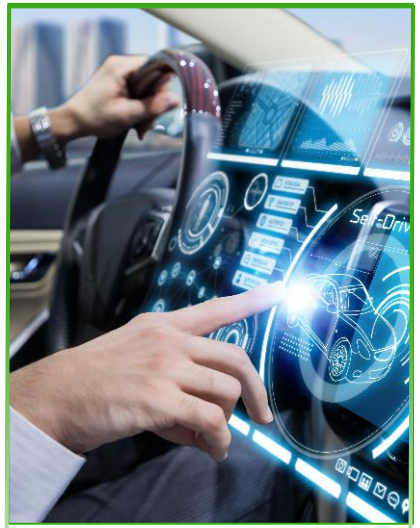
NEIL BARUA, CEO

OUR UNIQUE PORTFOLIO HELPS CUSTOMERS ACCELERATE TIME TO MARKET AND MANAGE INCREASING COMPLEXITY

PLM

Product Lifecycle Management

ALM

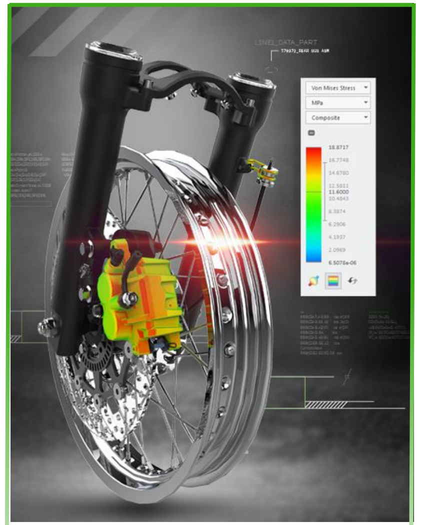


Application Lifecycle Management

SLM

Service Lifecycle Management

CAD



Computer Aided Design

SaaS

Software as a Service

LEVERAGING AI

KRISTIAN TALVITIE, CFO

SOLID ARR AND CASH FLOW RESULTS

ARR

$ in millions	Q3'25	Q3'24	YoY Change	Q3'25 Guidance
ARR as reported	$2,416	$2,126	14%	
Constant currency ARR at FY'25 Plan FX rates[1]	$2,372	$2,170	9.3%	8.5% to 9.5% growth

CASH FLOW

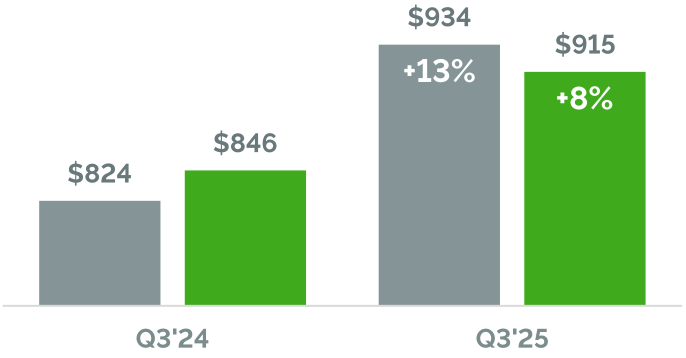
$ in millions	Q3'25[2]	Q3'24	YoY Change	Q3'25 Guidance
Operating cash flow	$244	$214	14%	$234 to $239
Free cash flow	$242	$212	14%	$230 to $235

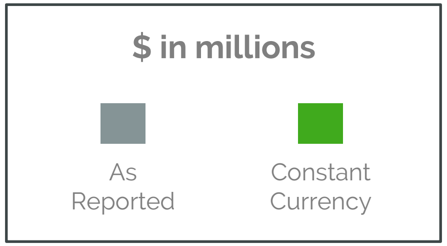
- In Q3'25, ARR results were near the high-end of our guidance range and cash flow results were above our guidance range, as we extended our track record of disciplined operational and financial management

[1] On a constant currency basis, using our FY'25 Plan foreign exchange rates (rates as of September 30, 2024) for all periods.
[2] Q3'25 cash flow absorbed $3 million of outflows related to our go-to-market realignment.

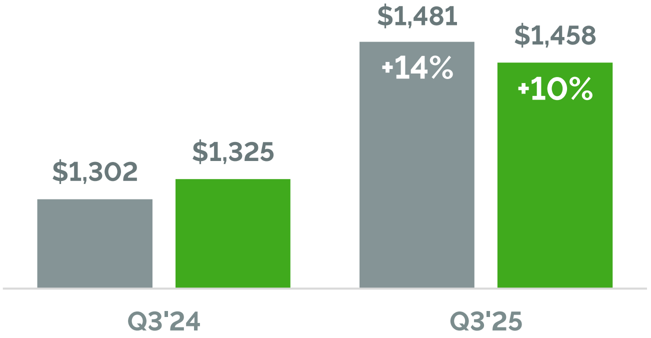
ARR BY PRODUCT GROUP AND GEOGRAPHIC REGION

CAD: Product data authoring software

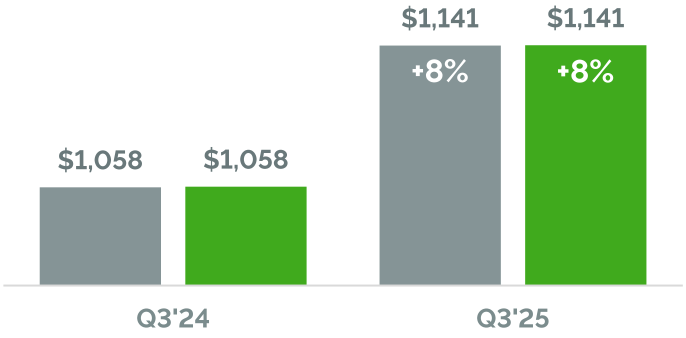




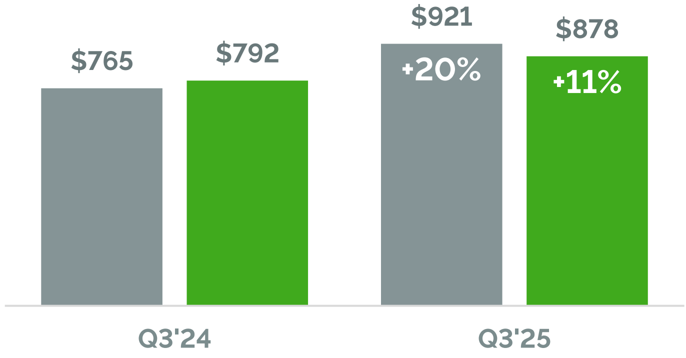
PLM: Product data management and process orchestration software



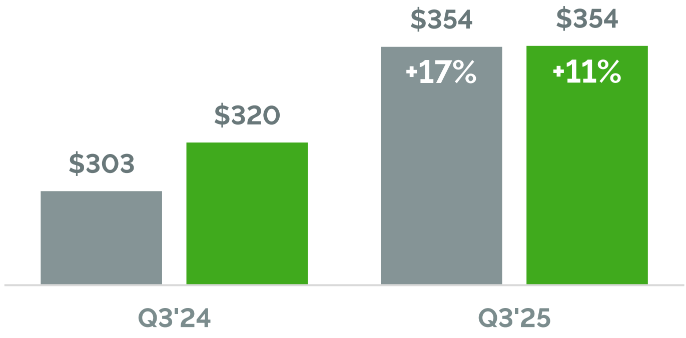
Americas[1]



Europe[1]



APAC[1]



[1] For comparability purposes, Q3'24 ARR amounts by geographic region reflect immaterial adjustments to previously reported amounts, with no change to total ARR.

BALANCE SHEET AND SHARE REPURCHASE PROGRAM

Balance sheet

$ in millions	Q3'25		Q2'25		Change	
Cash and cash equivalents	**$**	**199**	**$**	**235**	**$**	**(36)**
Senior notes with a fixed interest rate of 4.0% as of Q3'25		500		500		-
Term loan with a variable interest rate of 5.5% as of Q3'25		475		481		(6)
$1,250 revolving credit facility with a variable interest rate of 5.8% as of Q3'25		261		411		(150)
Total debt with a weighted average interest rate of 5.0% as of Q3'25	**$**	**1,236**	**$**	**1,393**	**$**	**(156)**
Unamortized debt issuance costs related to senior notes		(3)		(3)		0
Debt, net of deferred issuance costs	**$**	**1,233**	**$**	**1,389**	**$**	**(156)**

- Debt/EBITDA ratio at the end of Q3'25 was 1.2x
- In Q3'25, we generated $242 million of free cash flow:
  - $156 million, net, was used to pay down PTC debt
  - $75 million was used to repurchase shares of PTC common stock

$2 billion share repurchase authorization through FY'27

- In FY'25, we intend to repurchase approximately $300 million of our common stock, as we balance debt paydown with returning capital to shareholders
- We repurchased $225 million of our common stock during the first three quarters of FY'25, and we intend to repurchase approximately $75 million in Q4'25
- We expect our fully diluted share count to be approximately flat in FY'25
- Given the consistency and predictability of our free cash flow generation, we aim to maintain a low cash balance and expect to return excess cash to shareholders via share repurchases

FY'25 AND Q4'25 GUIDANCE

$ in millions except per share amounts % rounded to the nearest half	FY'25 Previous Guidance	FY'25 Guidance	FY'25 YoY Growth Guidance	Q4'25 Guidance
Constant currency ARR **at FY'25 Plan FX rates**[1]	7% to 9% growth	8% to 9% growth	8% to 9%	8% to 9% growth
Operating cash flow	$855 to $865	~$860[3]	~15%	$93 to $98[3]
Free cash flow[2]	$840 to $850	~$850[3]	~16%	$90 to $95[3]
Revenue	$2,445 to $2,565	$2,570 to $2,630	12% to 14%	$725 to $785
Earnings per share	$3.78 to $4.73	$4.77 to $5.23	53% to 68%	$1.57 to $2.03
Non-GAAP earnings per share[2]	$5.80 to $6.55	$6.63 to $7.03	31% to 38%	$2.10 to $2.50

Over the mid-term, we expect free cash flow to grow faster than ARR, with non-GAAP operating expenses expected to grow at roughly half the rate of ARR

[1] On a constant currency basis, using our FY'25 Plan foreign exchange rates (rates as of September 30, 2024) for all periods.
[2] Refer to the non-GAAP to GAAP reconciliation tables on slide 25.
[3] FY'25 cash flow guidance includes approximately $18 million of outflows related to go-to-market realignment, of which $17 million was paid out during the first three quarters of FY'25, and approximately $1 million is expected to be paid out in Q4'25.

Q4'25 ILLUSTRATIVE CONSTANT CURRENCY ARR MODEL

What does PTC need to deliver to achieve our constant currency ARR guidance?

Using FX rates as of September 30, 2024 $ in millions	Actual Q1'23	Actual Q2'23	Actual Q3'23	Actual Q4'23	Actual Q1'24	Actual Q2'24	Actual Q3'24	Actual Q4'24	Actual Q1'25	Actual Q2'25	Actual Q3'25	What you need to believe Q4'25
Beginning ARR	$ 1,641	$ 1,674	$ 1,889	$ 1,945	$ 2,021	$ 2,059	$ 2,119	$ 2,170	$ 2,255	$ 2,277	$ 2,326	$ 2,372
Ending ARR	**1,674**	**1,889**	**1,945**	**2,021**	**2,059**	**2,119**	**2,170**	**2,255**	**2,277**	**2,326**	**2,372**	**2,432 to 2,457**
Sequential ARR growth	32	215	56	76	39	60	51	84	22	50	46	**60 to 85**
Acquisitions and exits[1]	-	(160)	-	-	-	-	-	-	-	-	-	-
Sequential net ARR growth	**$ 32**	**$ 55**	**$ 56**	**$ 76**	**$ 39**	**$ 60**	**$ 51**	**$ 84**	**$ 22**	**$ 50**	**$ 46**	**$ 60 to 85**

- Using FX rates as of September 30, 2024 for all periods
- We expect churn to remain low
- To hit our guidance of 8% to 9% YoY growth in FY'25, we need $60 million to $85 million of sequential net ARR growth in Q4'25

[1] ServiceMax acquisition in Q2'23.

FY'25 ILLUSTRATIVE CONSTANT CURRENCY ARR MODEL

What does PTC need to deliver to achieve our constant currency ARR guidance?

Using FX rates as of September 30, 2024 $ in millions	Actual FY'22	Actual FY'23	Actual FY'24	What you need to believe FY'25
Beginning ARR	$ 1,411	$ 1,641	$ 2,021	$ 2,255
Ending ARR	**1,641**	**2,021**	**2,255**	**2,432 to 2,457**
ARR growth	231	379	234	178 to 203
Acquisitions and exits[1]	(12)	(160)	-	-
Net ARR growth	**$ 219**	**$ 219**	**$ 234**	**$ 178 to 203**

- Using FX rates as of September 30, 2024 for all periods
- We expect churn to remain low
- To hit our guidance of 8% to 9% YoY growth in FY'25, we need $178 million to $203 million of net ARR growth in FY'25
- FY'24 benefitted by approximately $10 million due to deferred ARR

[1] Russia exit and Codebeamer acquisition in FY'22; ServiceMax acquisition in FY'23.

Q&A

THANK YOU

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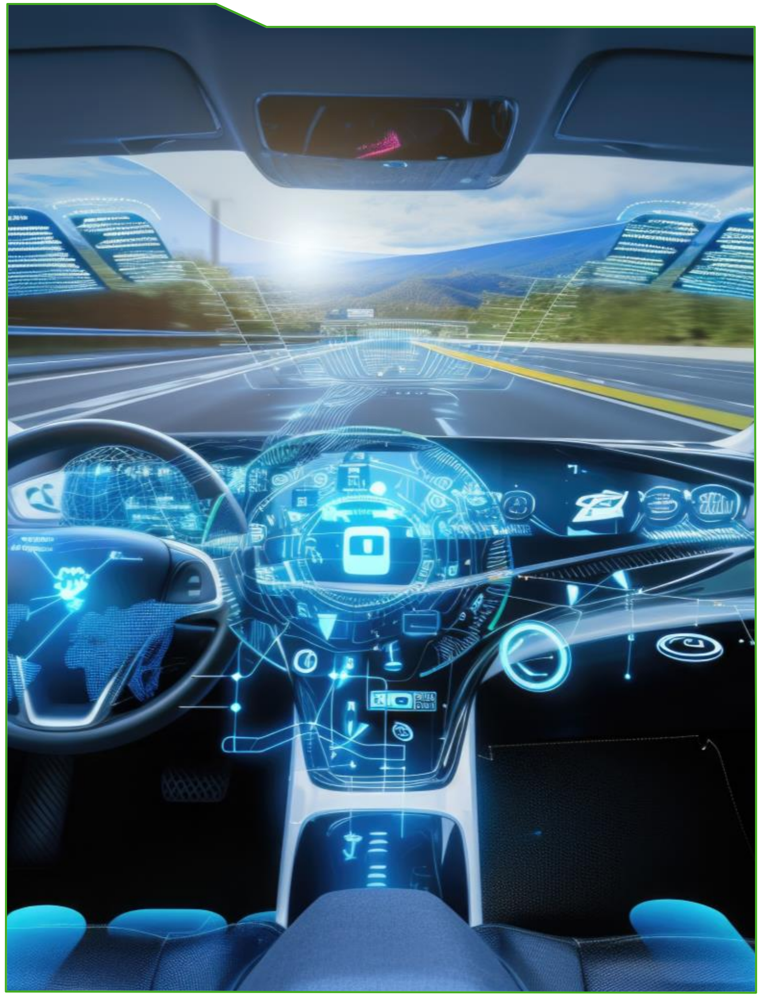
APPENDIX

APPENDIX: FY’25 GUIDANCE INCLUDES THE FOLLOWING ASSUMPTIONS

- We provide ARR guidance on a constant currency basis, using our FY’25 Plan foreign exchange rates (rates as of September 30, 2024) for all periods.
- We expect churn to remain low.
- For cash flow, due to largely similar invoicing seasonality, and consistent with the past 4 years, we expect the majority of our collections to occur in the first half of our fiscal year and for fiscal Q4 to be our lowest cash flow generation quarter.
- Compared to FY’24, given our FY’25 ARR guidance range, FY’25 GAAP operating expenses are expected to increase approximately 3% and FY’25 non-GAAP operating expenses are expected to increase approximately 3%, primarily due to investments to drive future growth.
- FY’25 cash flow guidance includes approximately $18 million of outflows related to go-to-market realignment, of which $17 million was paid out during the first three quarters of FY’25, and approximately $1 million is expected to be paid out in Q4’25.
- Capital expenditures are expected to be approximately $10 million.
- Cash interest payments are expected to be approximately $80 million.
- Cash tax payments are expected to be approximately $110 million to $120 million.
- GAAP and non-GAAP tax rates are expected to be approximately 20% to 25%.
- GAAP P&L results are expected to include the items below, totaling approximately $299 million to $309 million, as well as their related tax effects:
  - approximately $210 million to $220 million of stock-based compensation expense,
  - approximately $79 million of intangible asset amortization expense,
  - approximately $8 million of impairment charges to right-of-use lease assets related to facilities subleasing activities, and
  - approximately $2 million related to acquisition and transaction-related expenses.
- We intend to repurchase approximately $300 million of our common stock in FY’25, of which $225 million was repurchased during the first three quarters of FY’25, and approximately $75 million is expected to be repurchased in Q4’25.
- We expect our fully diluted share count to be approximately flat in FY’25.

APPENDIX: CODEBEAMER ALM CROSS-SELL AND WINDCHILL PLM EXPANSION AT AN AUTOMOTIVE COMPANY



codebeamer® windchill®

Goal

- This European automotive company is one of the largest automotive suppliers in the world, with over 90,000 employees. They have been a PTC customer for more than 20 years, and they are leveraging Windchill as their enterprise PLM platform. **Due to the growing importance of software-defined vehicles, this customer is now focused on modernizing their legacy ALM environment while continuing to invest in Windchill.**

Solution and Impact

- This customer's current legacy ALM tool is limited in terms of enterprise-grade capabilities and scalability. Achieving comprehensive, **end-to-end development traceability and efficient reuse of software** has become a **critical priority**.
- This automotive supplier works with multiple automotive OEMs that have chosen **Codebeamer ALM to help overcome software-related complexity**. Like the companies they supply to, this customer sees an opportunity to **improve both time to market and product quality by streamlining their overall product development processes.** PTC's strong relationship with this customer was a key part of their decision to place an initial Codebeamer order.
- This customer also decided to **step up their investment in Windchill to enable further productivity gains across their enterprise. As they continue to modernize their core engineering environment, they see strong potential in the Codebeamer and Windchill integration work we are focused on.**

APPENDIX: SERVICEMAX SLM EXPANSION AT A MEDICAL TECHNOLOGY COMPANY

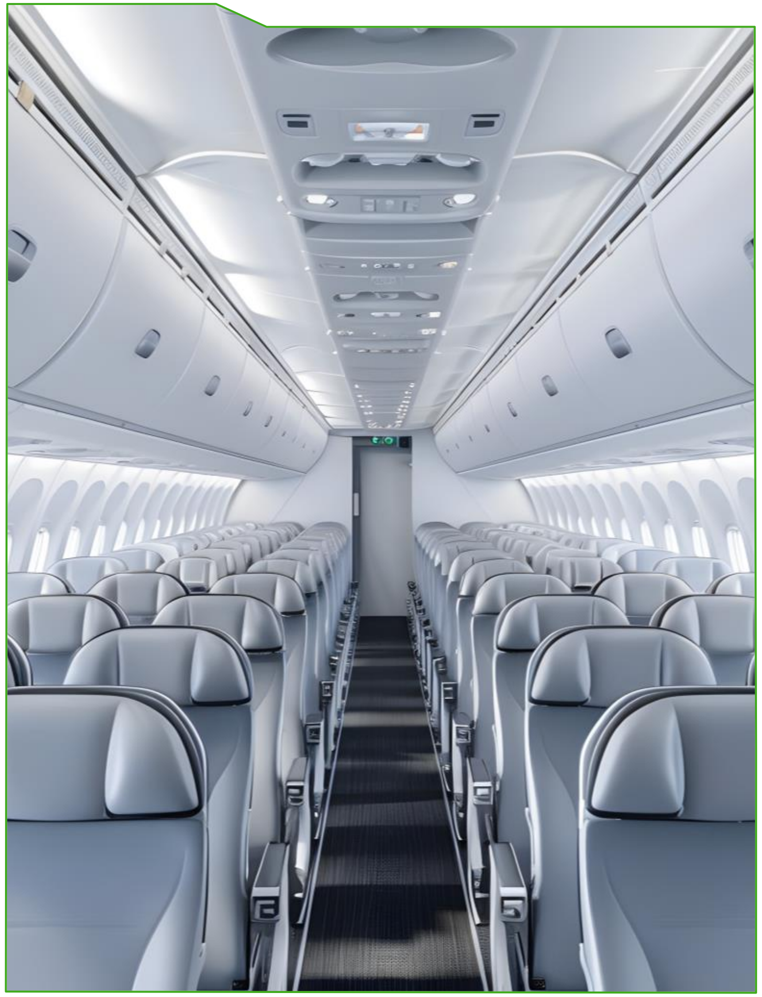
Goal

- This medical technology company is a global leader that focuses on innovative medical solutions and has over 50,000 employees. They have been a PTC customer for more than 20 years, and they continue to prioritize **digital transformation to support their strong growth trajectory and operational efficiency. This customer is now focused on expanding ServiceMax SLM to their largest division to help improve revenue generation.**

Solution and Impact

- This customer has standardized on Windchill as their enterprise PLM platform. They liked that ServiceMax was acquired by PTC, and they became a ServiceMax customer in FY'24. They have deployed a central ServiceMax foundation, and their central IT team supports the unique ServiceMax use cases across their different divisions.
- **In their largest division, they want to provide their field clinicians with a modern tool that enables faster response times, which is a key driver of their revenue.** Every minute counts – their field clinicians need real-time visibility to both inventory and personnel. If the field clinician responds too slowly to an opportunity for a medical procedure, the opportunity will be lost to a competitor. After a thorough assessment process, this division determined that ServiceMax meets their specific needs better than other competitive offerings.
- In addition, this division operates in a **regulated industry, and enabling end-to-end traceability of workflows with ServiceMax and Windchill** is a priority, to ensure regulatory compliance and drive further operational efficiency.

APPENDIX: WINDCHILL+ SaaS PLM AT AN AEROSPACE COMPANY



Goal

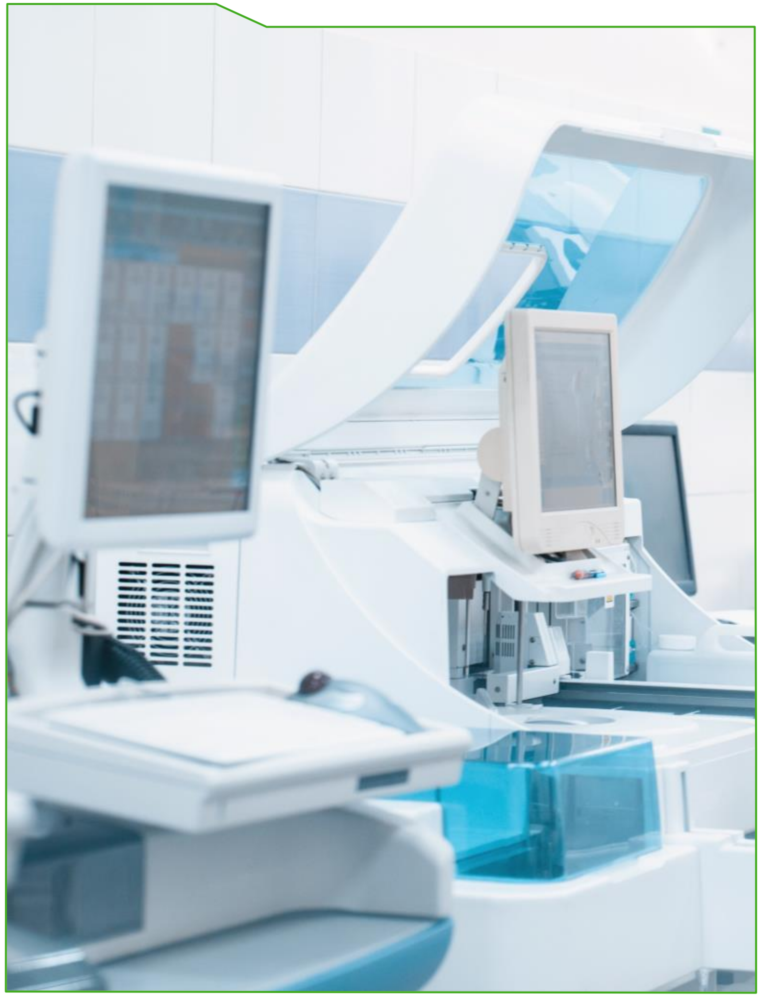
- This global aerospace leader is accelerating its digital transformation by **prioritizing innovation, sustainability, and industrial performance**. With a strong footprint in both civil and defense sectors, this customer is focused on **improving product performance and reducing environmental impact, while enhancing safety and the passenger experience.**
- As a long-standing strategic customer, their **partnership with PTC** supports this vision, enabling **greater efficiency, faster execution, and competitiveness through digital innovation**.

Solution and Impact

- To support their goals, the company has chosen Windchill+, PTC's SaaS PLM platform. **Choosing Windchill+ aligns with the company's focus on driving engineering collaboration, industrial performance, and time-to-market.**
- As a SaaS-based offering, Windchill+ will enable **increased business agility, accelerated deployment, and streamlined collaboration across distributed teams**. Windchill+ also offers the scalability and security needed to support future programs. For example, this customer sees the potential to leverage Windchill + as a transformational asset to align their engineering practices across the globe.
- This win demonstrates the concrete value of **Windchill+ SaaS PLM in the Federal, Aerospace, and Defense market**, opening the door to broader adoption within this vertical and paving the way for future PTC SaaS opportunities across the Federal, Aerospace, and Defense ecosystem.

windchill+™

APPENDIX: WINDCHILL+ SaaS PLM AND COMPETITIVE DISPLACEMENT AT A MEDICAL TECHNOLOGY COMPANY



Goal

- This global leader in the diagnostics and life sciences industry is known for developing and manufacturing innovative products for biomedical testing and research. **They see the potential to improve both time to market and quality by moving from their legacy PLM environment to a modern SaaS-based PLM system.**

Solution and Impact

- This customer's product data is currently siloed across over multiple separate PLM applications from different vendors. Because of this, a high level of manual data processing is necessary within core engineering. They made the decision to step up their digital transformation by investing in **a modern, secure, stable, and efficient global PLM solution**.
- **This customer decided to standardize on Windchill+ SaaS PLM as their enterprise PLM platform over competitive offerings.** They expect to **unlock significant productivity improvements across their enterprise**, as they leverage Windchill+ to help them move from manual and siloed processes to a seamless enterprise PLM system with integrations to their other key enterprise systems.
- **In addition, this customer is a long-standing ServiceMax customer, and this was a key part of their Windchill+ decision.**
- During the selection process, Windchill+ demonstrated significant advantages in enabling closed-loop quality. As this customer continues to modernize their PLM environment, **they see significant value in the ServiceMax and Windchill integrations that will allow them to implement closed-loop quality from service back to engineering.**

windchill+™

APPENDIX: FX IMPACT ON ARR

Using FX rates as of September 30, 2024 (FY'25 Plan FX rates) $ in millions	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25	Q4'25 Guidance
Constant Currency ARR by Product Group								
CAD (product data authoring)	$ 806	$ 829	$ 846	$ 868	$ 881	$ 897	$ 915	
PLM (product data management and process orchestration)	1,254	1,291	1,325	1,387	1,395	1,429	1,458	
Ending ARR on a constant currency basis	**$ 2,059**	**$ 2,119**	**$ 2,170**	**$ 2,255**	**$ 2,277**	**$ 2,326**	**$ 2,372**	**$ 2,432 to 2,457**

As reported $ in millions	Q1'24	Q2'24	Q3'24	Q4'24	Q1'25	Q2'25	Q3'25[1]	Q4'25 Implied Guidance[2]
ARR by Product Group								
CAD (product data authoring)	$ 805	$ 814	$ 824	$ 868	$ 848	$ 880	$ 934	
PLM (product data management and process orchestration)	1,252	1,275	1,302	1,387	1,357	1,410	1,481	
Ending ARR	**$ 2,057**	**$ 2,088**	**$ 2,126**	**$ 2,255**	**$ 2,205**	**$ 2,290**	**$ 2,416**	**$ 2,476 to 2,501**

We report constant currency ARR to help investors understand and assess our business performance excluding FX volatility

[1] At end of Q3'25 FX rates, our Q3'25 as reported ARR was $43 million higher than our constant currency results.
[2] At end of Q3'25 FX rates, our Q4'25 and FY'25 as reported ARR guidance midpoint would be higher by approximately $44 million, compared to our constant currency guidance.

FORWARD-LOOKING STATEMENTS

Statements in this document that are not historic facts, including statements about our future operating, financial and growth expectations, and potential stock repurchases, are forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those projected. These risks include: the macroeconomic and/or global manufacturing climates may not improve or may deteriorate due to, among other factors, the effects of recently imposed import tariffs, threats of additional and reciprocal import tariffs, global trade tensions and uncertainty, volatile foreign exchange rates, high interest rates or increases in interest rates, inflation, tightening of credit standards and availability, geopolitical uncertainty, including the effects of the conflicts between Russia and Ukraine and in the Middle East, and tensions between the U.S. and China, any of which could cause customers to delay or reduce purchases of new software, adopt competing software solutions, reduce the number of subscriptions they carry, or delay payments to us, which would adversely affect our ARR (Annual Run Rate) and/or financial results and cash flow and growth; our investments in our software solutions, including the integration of artificial intelligence (AI) capabilities into our software solutions, may not drive expansion of those solutions and/or generate the ARR and/or cash flow we expect if customers are slower to adopt those solutions than we expect or if they adopt competing solutions; customers may not build the product data foundations essential for the AI-driven transformation of their business when or as we expect, which could adversely affect our ARR and/or financial results and cash flow and growth; our go-to-market realignment and related initiatives may disrupt our business to a greater extent than we expect or may not generate the ARR and/or financial results or cash flow when or as we expect; other uses of cash or our credit facility limits could limit or preclude the return of excess cash to shareholders via share repurchases, or could change the amount and timing of any share repurchases; and foreign exchange rates may differ materially from those we expect. In addition, our assumptions concerning our future GAAP and non-GAAP effective income tax rates are based on estimates and other factors that could change, including changes to tax laws in the U.S. and other countries and the geographic mix of our revenue, expenses, and profits. Other risks and uncertainties that could cause actual results to differ materially from those projected are described from time to time in reports we file with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and other filings with the U.S. Securities and Exchange Commission.

OPERATING MEASURE

ARR: ARR (Annual Run Rate) represents the annualized value of our portfolio of active subscription software, SaaS, hosting, and support contracts as of the end of the reporting period. We calculate ARR as follows:

- We consider a contract to be active when the product or service contractual term commences (the "start date") until the right to use the product or service ends (the "expiration date"). Even if the contract with the customer is executed before the start date, the contract will not count toward ARR until the customer right to receive the benefit of the products or services has commenced.
- For contracts that include annual values that change over time, we include in ARR only the annualized value of components of the contract that are considered active as of the date of the ARR calculation. We do not include any future committed increases in the contract value as of the date of the ARR calculation.
- As ARR includes only contracts that are active at the end of the reporting period, ARR does not reflect assumptions or estimates regarding future customer renewals or non-renewals.
- Active contracts are annualized by dividing the total active contract value by the contract duration in days (expiration date minus start date), then multiplying that by 365 days (or 366 days for leap years).

We believe ARR is a valuable operating measure to assess the health of a subscription business because it is aligned with the amount that we invoice the customer on an annual basis. We generally invoice customers annually for the current year of the contract. A customer with a one-year contract will typically be invoiced for the total value of the contract at the beginning of the contractual term, while a customer with a multi-year contract will be invoiced for each annual period at the beginning of each year of the contract.

ARR increases by the annualized value of active contracts that commence in a reporting period and decreases by the annualized value of contracts that expire in the reporting period.

OPERATING MEASURE (CONTINUED)

As ARR is not annualized recurring revenue, it is not calculated based on recognized or unearned revenue and is not affected by variability in the timing of revenue under ASC 606, particularly for on-premises license subscriptions where a substantial portion of the total value of the contract is recognized as revenue at a point in time upon the later of when the software is made available, or the subscription term commences.

ARR should be viewed independently of recognized and unearned revenue and is not intended to be combined with, or to replace, either of those items. Investors should consider our ARR operating measure only in conjunction with our GAAP financial results.

NON-GAAP FINANCIAL MEASURES

PTC provides supplemental non-GAAP financial measures to its financial results. We use these non-GAAP financial measures, and we believe that they assist our investors, to make period-to-period comparisons of our operating performance because they provide a view of our operating results without items that are not, in our view, indicative of our operating results. These non-GAAP financial measures should not be construed as an alternative to GAAP results as the items excluded from the non-GAAP financial measures often have a material impact on our operating results, certain of those items are recurring, and others often recur. Management uses, and investors should consider, our non-GAAP financial measures only in conjunction with our GAAP results.

Non-GAAP operating expense, non-GAAP operating margin, non-GAAP gross profit, non-GAAP gross margin, non-GAAP net income and non-GAAP EPS exclude the effect of the following items: stock-based compensation; amortization of acquired intangible assets; acquisition and transaction-related charges included in general and administrative expenses; impairment and other charges (credits), net; non-operating charges (credits), net shown in the reconciliation provided; and income tax adjustments. Additional information about the items we exclude from our non-GAAP financial measures and the reasons we exclude them can be found in "Non-GAAP Financial Measures" in our Annual Report on Form 10-K for the fiscal year ended September 30, 2024 and today's press release.

Free Cash Flow: PTC provides information on free cash flow to enable investors to assess our ability to generate cash without incurring additional external financings and to evaluate our performance against our announced long-term goals and intent to return excess cash to shareholders via stock repurchases. Free cash flow is cash provided by (used in) operations net of capital expenditures. Free cash flow is not a measure of cash available for discretionary expenditures.

Constant Currency (CC): We present CC information to provide a framework for assessing how our underlying business performed excluding the effects of foreign currency rate fluctuations. To present CC information, FY'25 and comparative prior period results for entities reporting in currencies other than United States dollars are converted into United States dollars using the foreign exchange rate as of September 30, 2024, rather than the actual exchange rates in effect during that period.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES TO GAAP

Free Cash Flow

In millions	Q3'24	Q3'25	Q4'25 Guidance	FY'25 Guidance
Operating Cash Flow	$214	$244	$93 to $98	~$860
Capital expenditures	($2)	($2)	~($3)	~($10)
Free cash flow	$212	$242	$90 to $95	~$850

Diluted Earnings per Share: GAAP vs. Non-GAAP

	Q3'25	Q4'25 Guidance	FY'25 Guidance
Diluted earnings per share	$1.17	$1.57 to $2.03	$4.77 to $5.23
Stock-based compensation	$0.45	$0.49 to $0.41	$1.82 to $1.74
Amortization of acquired intangibles	$0.16	~$0.16	~$0.65
Impairment and other charges (credits), net	-	~$0.03	~$0.07
Acquisition and transaction-related charges	$0.01	~$0.00	~$0.02
Income tax adjustments	($0.16)	($0.15) to ($0.13)	($0.70) to ($0.68)
Non-GAAP diluted earnings per share	$1.64	$2.10 to $2.50	$6.63 to $7.03