

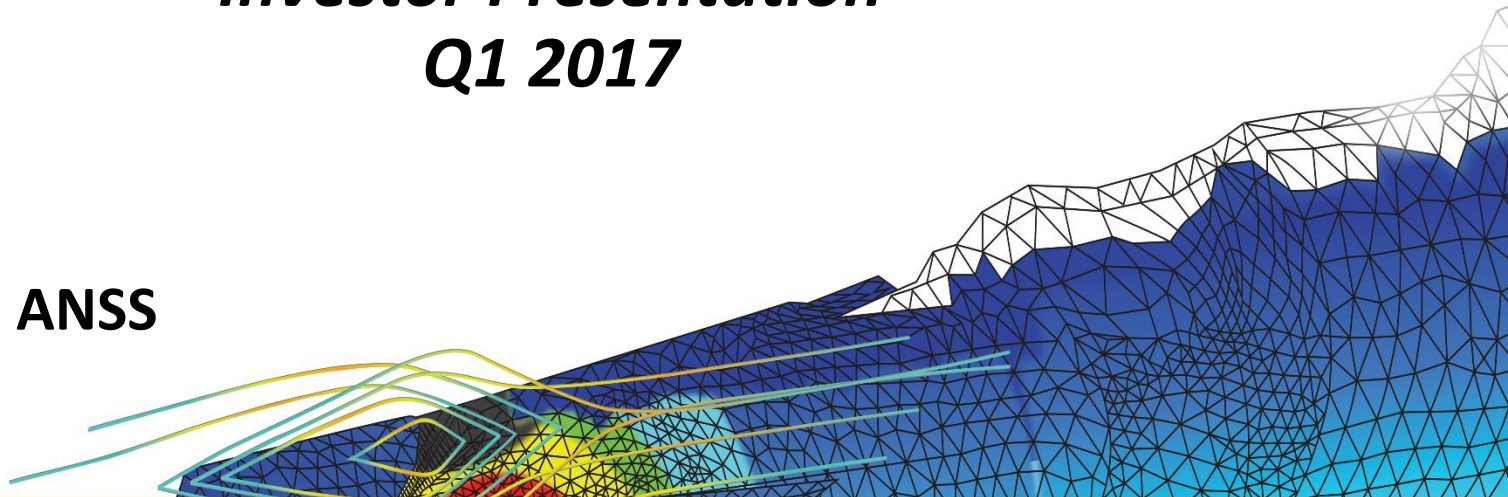
The ANSYS logo is centered at the top of the slide. It consists of the word "ANSYS" in a bold, sans-serif font. The letters "AN" are white, and "SYS" are yellow. A registered trademark symbol (®) is located to the upper right of the "S". The logo is set against a solid black rectangular background.

ANSYS®

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

***Investor Presentation
Q1 2017***

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 certified

FORTUNE

100

CAPABLE



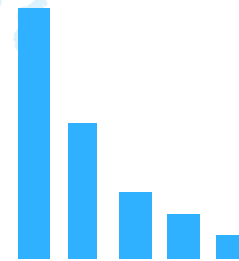
PROVEN

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

INDEPENDENT

Long-term financial stability
CAD agnostic

LARGEST



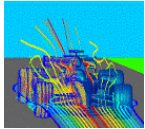
2x The size of our nearest competitor

**BusinessWeek, FORTUNE*

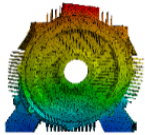
ANSYS

Comprehensive industry reach and solution offerings

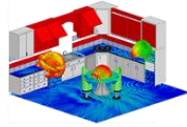
Leading Disciplines



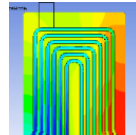
Fluids



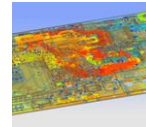
Structures



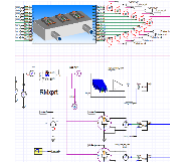
Electromagnetics



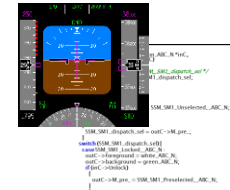
Thermal



Power Integrity



Systems



Embedded Software

Global Reach

PEOPLE

1,375+

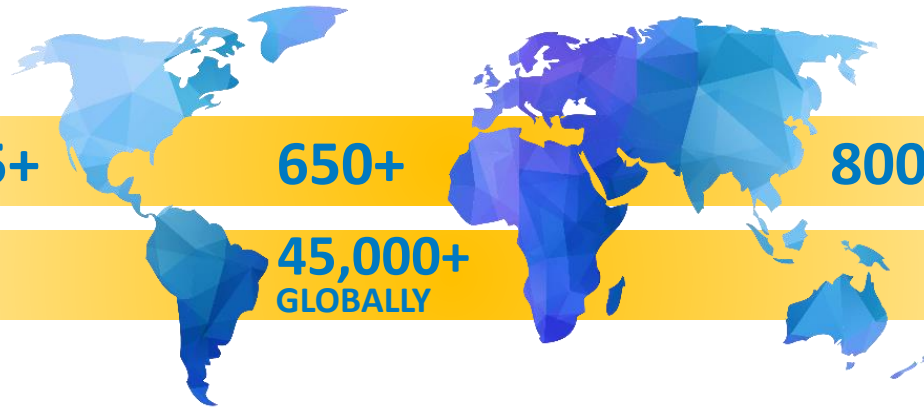
650+

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



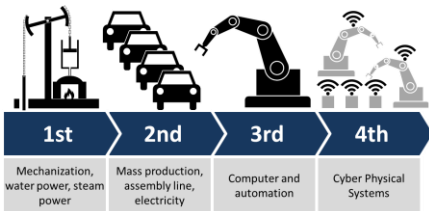
Semiconductors

World-Class companies leveraging our platform



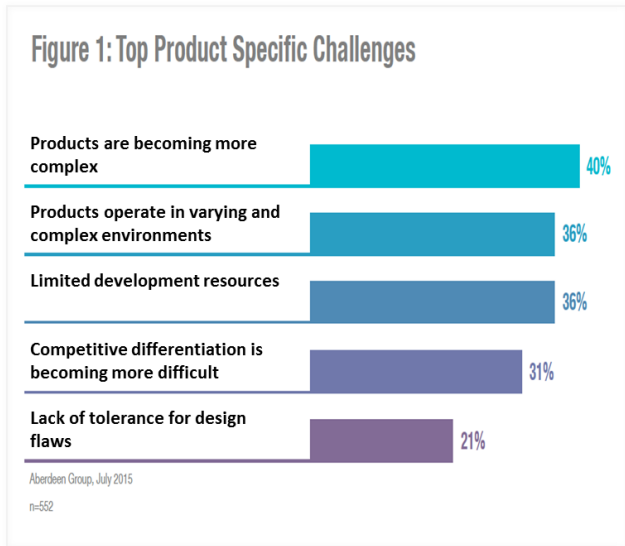
A time of profound industry transformation

1 Greatest value creation since the industrial revolution



+\$11 trillion potential by 2025

2 Product complexity is increasing dramatically



3 Engineering simulation critical to the products of tomorrow

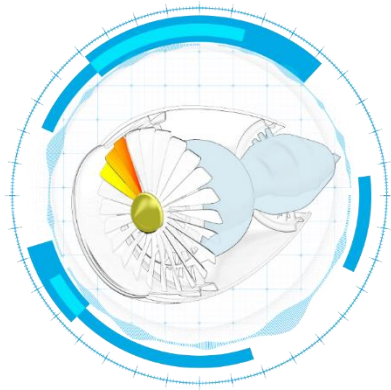
Top 3 technologies that will have the biggest impact on product design and development over the next 5 years?

1. Additive Manufacturing
2. Engineering Simulation
3. Advanced Materials

SIMULATION vs NO SIMULATION
Simulated Environments Experience:

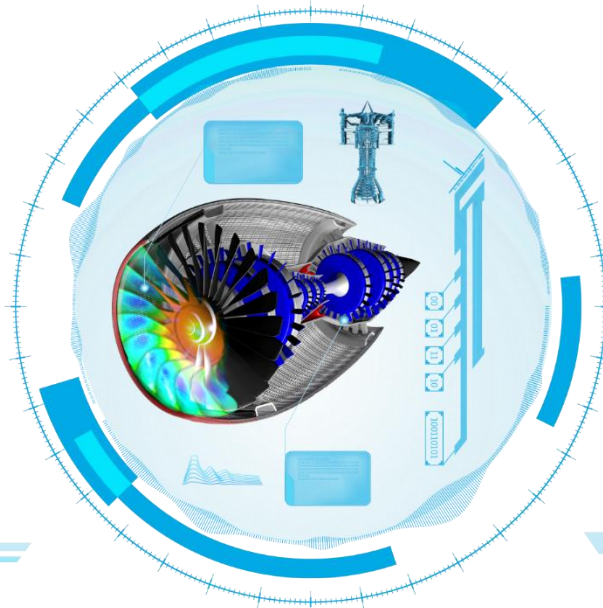
Length of Development Time	▼	9x reduction
Overall Product Cost	▼	4x reduction

Engineering simulation is becoming pervasive!



**DIGITAL
EXPLORATION**

DESIGNERS



**DIGITAL
PROTOTYPE**

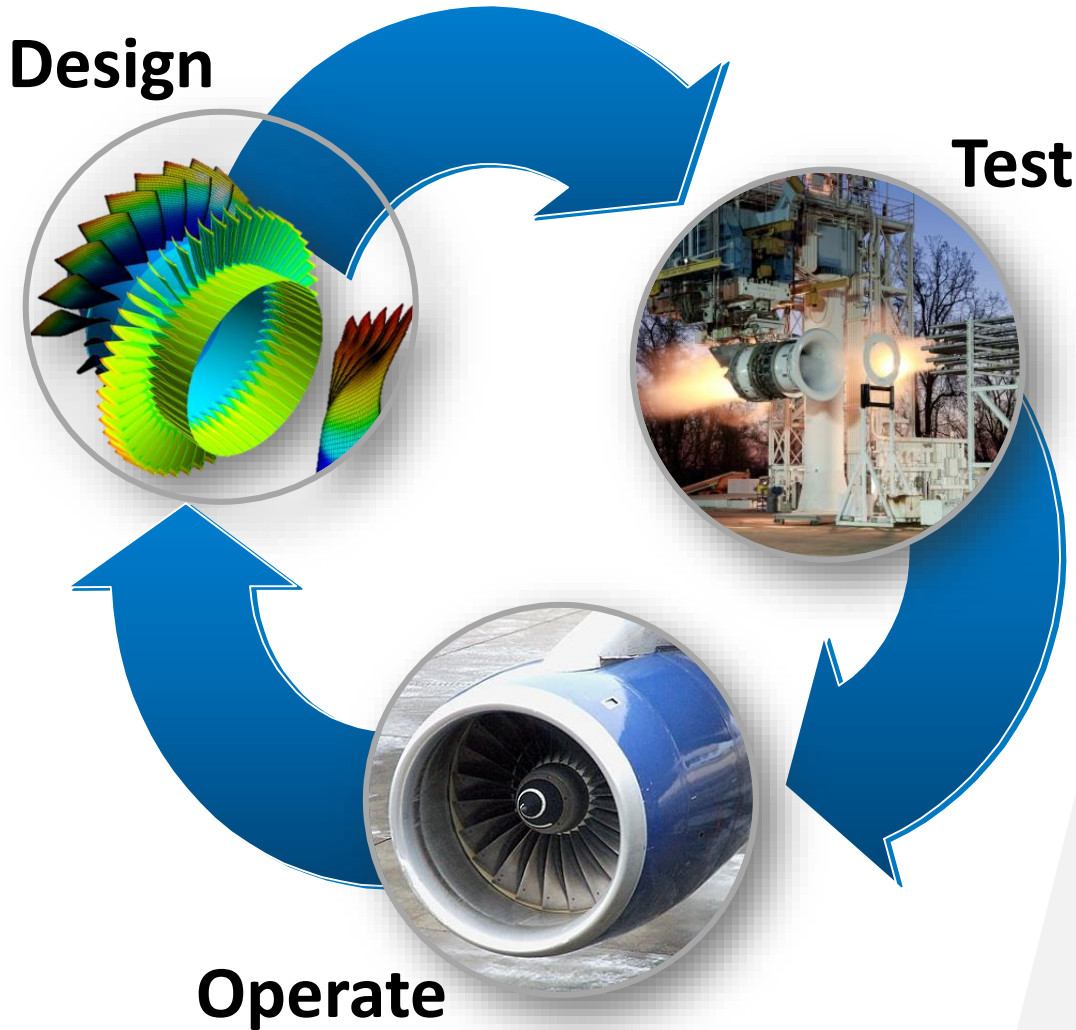
ANALYSTS



**DIGITAL
TWIN**

OPERATORS

Improving next-generation products and operations

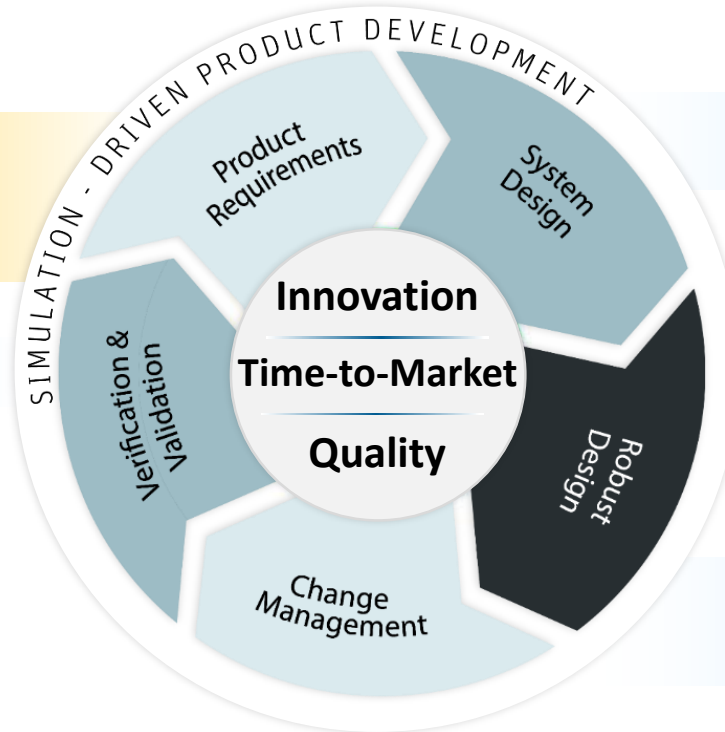


- **Design to reality**
(increase profits, customer for life)
- **Compress cycle time/cost** (grow market share)
- **Best product at best price**
(sustained growth)

By using simulation throughout the product development process...

Simulation-Driven Product Development Process

Concept



Detailed Design

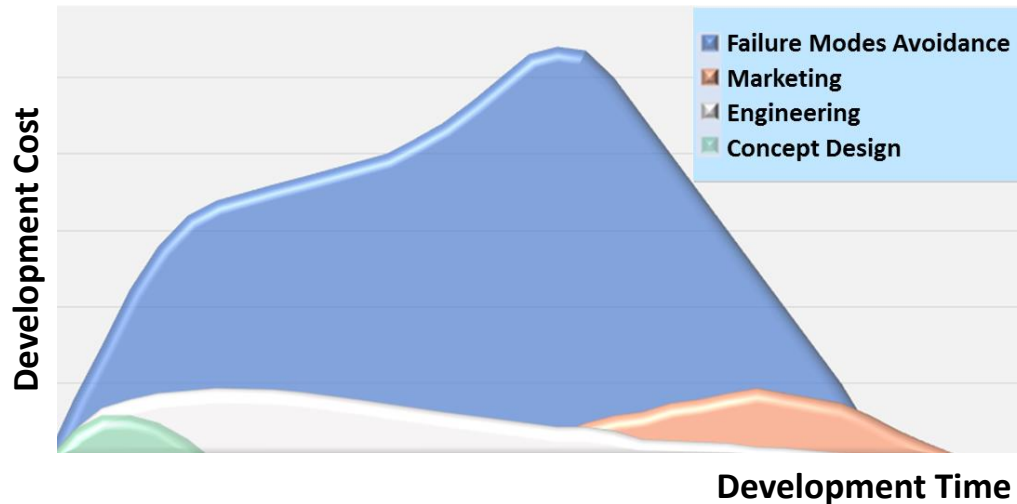
Physical Testing

Production

Traditional Product Development Process



...companies are reducing 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 digital 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

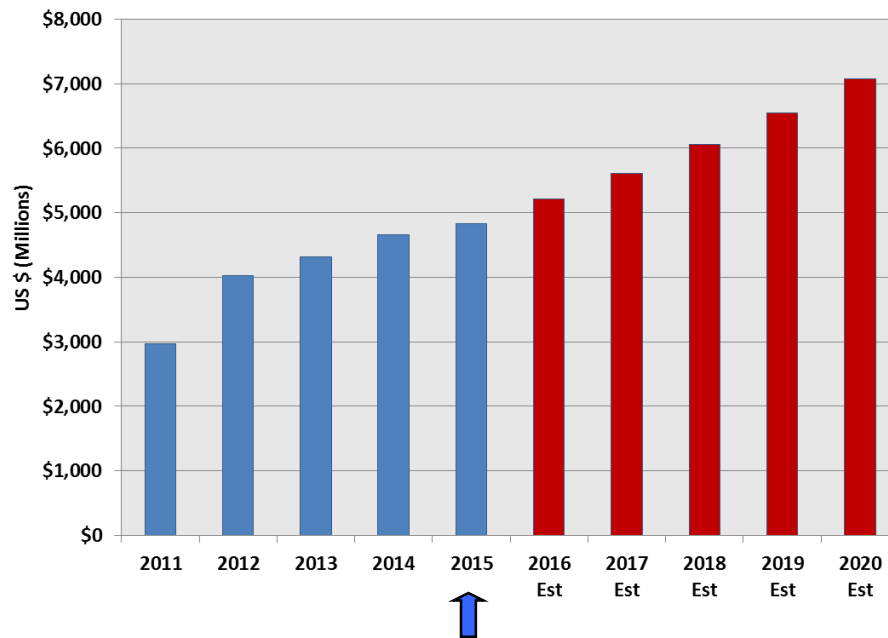
Source: Aberdeen Group July 2015

ANSYS[®]

Solid and increasing opportunity

Simulation & Analysis – Investments

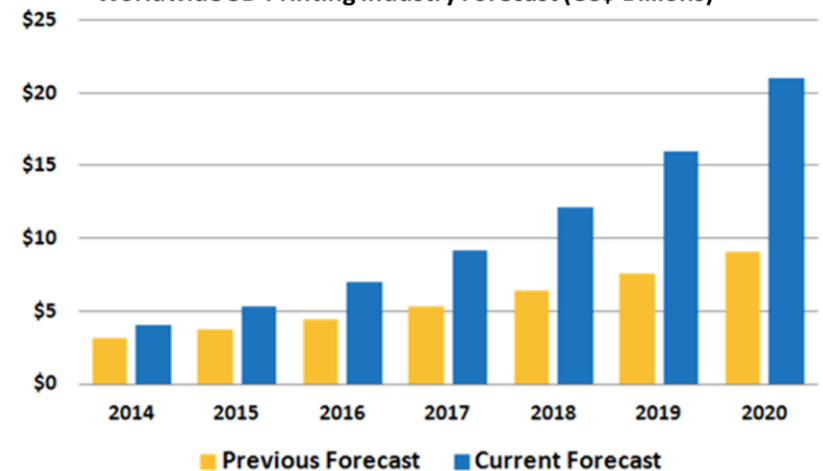
Software + services market history and forecast – Five year CAGR estimate = 7.9%



Additive Manufacturing Forecasts

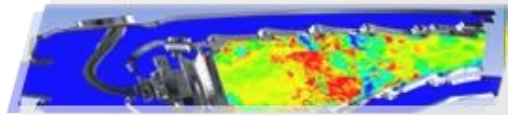
Wohlers Associates forecasts from 2013 and 2014 reports

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



Source: CIMdata June 2016

Product & technology investments



Frequent Release Program – 18.0
Sustaining Our Competitive Advantage



Cloud & Elastic Licensing
Scaling Simulation on Demand



App Store – ANSYS ACT
Reaching Non-Traditional Users



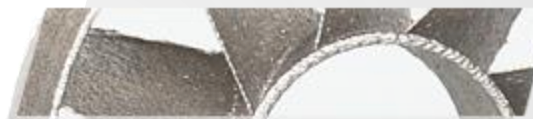
ANSYS AIM
Simulation for Every Engineer



Internet of Things
Reaching Beyond Engineering Design






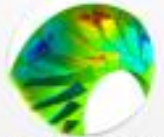

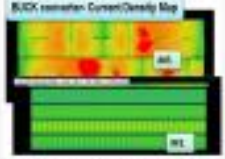

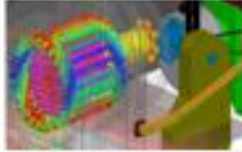




Big Data & Analytics
Increasing Simulation Throughput

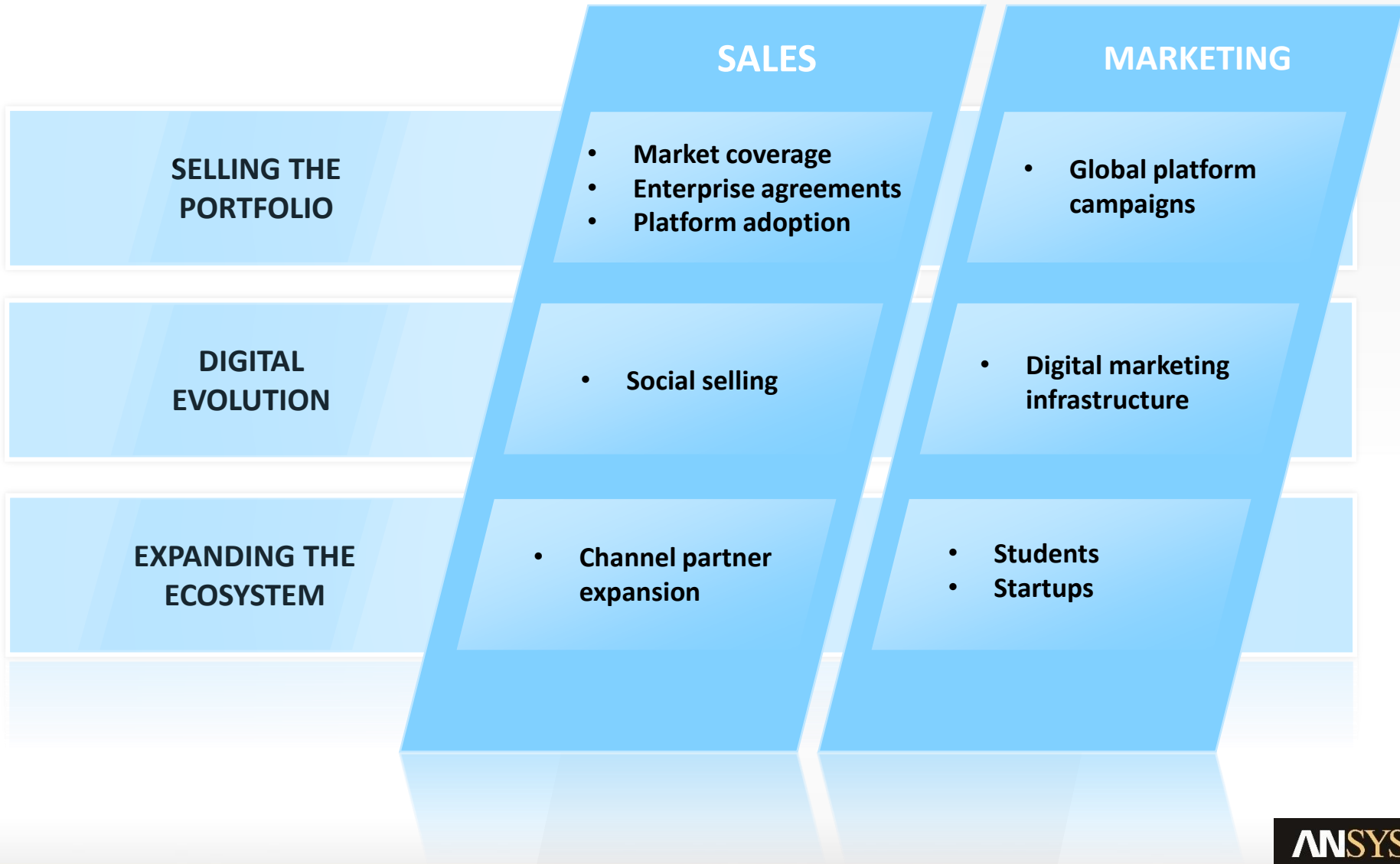


Additive Manufacturing
New Opportunities for Extreme Customization

Extending our competitive advantage with R18x

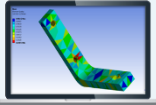
 <p>STRUCTURES</p> <p>Next generation capabilities to tackle reliability, fuel efficiency, lightweighting, and safety challenges</p> <p>Easy to use topology optimization for Additive Manufacturing applications</p> 	 <p>ELECTRONICS</p> <p>Shooting and bouncing ray technology to predict antenna performance on electrically large platforms</p> <p>Faster results with automated broadband adaptive meshing</p> 	 <p>FLUIDS</p> <p>Breakthrough harmonic analysis delivers accurate turbomachinery simulations up to 100x faster</p> <p>ANSYS AIM integration with Fluent for easy prep and meshing</p>  <p>Harmonic Analysis</p>	 <p>SEMICONDUCTORS</p> <p>Comprehensive analysis for integrated PMIC designs and advanced 3D-IC designs</p> <p>1000x faster power profiles in RTL power analysis</p>  <p>Buck Converter</p>	 <p>SYSTEMS</p> <p>Breakthrough ROM technology, Reuse 3-D physics-based models at system level</p> <p>Modelica support for fluid power, liquid cooling and mechanical dynamics</p> 	 <p>EMBEDDED SOFTWARE</p> <p>Develop, test, and certify ADAS applications with new automotive package – fulfills ISO-26262 & AUTOSAR.</p> <p>Avionics package includes FACE capability for efficient software component design – fulfills DO-178C</p> 
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Transforming the go-to-market



Simulation for every engineer

Empowering next-generation engineers



Access



Content



Engagement

Free ANSYS Student product launched Q3 2015

ANSYS AIM Student product launched Q3 2016

+35,000 signed up for Cornell & edX MOOC

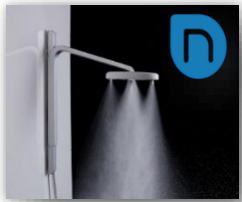
Most Hyperloop student teams using ANSYS

All top 25 engineering schools in the US use ANSYS

Over 200,000 downloads of ANSYS Student!

Simulation for every engineer

Supporting next-generation engineering companies

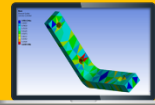


KARMA



TECHWILDCATTERS

LACI



ANSYS Startup Program

Pilot
2015

Incubator Program
2016

Online Startup program
2017+

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



ANSYS Q1 2017 revenue highlights

ANSYS, Inc.
NON-GAAP REVENUE COMPARISON
(Unaudited)

<i>(in thousands, except percentages)</i>	Q1 2017	% of Total	Q1 2016	% of Total	% Change	% Change in Constant Currency
Lease	\$ 93,777	37.0%	\$ 81,666	36.1%	14.8%	15.5%
Perpetual	48,274	19.0%	44,412	19.7%	8.7%	9.4%
Maintenance	104,406	41.2%	93,694	41.5%	11.4%	12.3%
Service	7,091	2.8%	6,237	2.8%	13.7%	15.1%
Total	\$ 253,548		\$ 226,009		12.2%	13.0%

ANSYS, Inc.
NON-GAAP REVENUE GEOGRAPHIC COMPARISON
(Unaudited)

<i>(in thousands, except percentages)</i>	Q1 2017	% of Total	Q1 2016	% of Total	% Change	% Change in Constant Currency
North America	\$ 104,257	41.1%	\$ 88,841	39.3%	17.4 %	17.3 %
Germany	22,692	8.9%	23,369	10.3%	(2.9)%	0.1 %
United Kingdom	7,323	2.9%	8,777	3.9%	(16.6)%	(5.0)%
Other Europe	39,723	15.7%	36,931	16.3%	7.6 %	11.0 %
Europe	69,738	27.5%	69,077	30.6%	1.0 %	5.3 %
Japan	31,438	12.4%	27,855	12.3%	12.9 %	10.8 %
Other Asia-Pacific	48,115	19.0%	40,236	17.8%	19.6 %	18.0 %
Asia-Pacific	79,553	31.4%	68,091	30.1%	16.8 %	15.1 %
Total	\$ 253,548		\$ 226,009		12.2 %	13.0 %

ANSYS Q1 2017 financial highlights

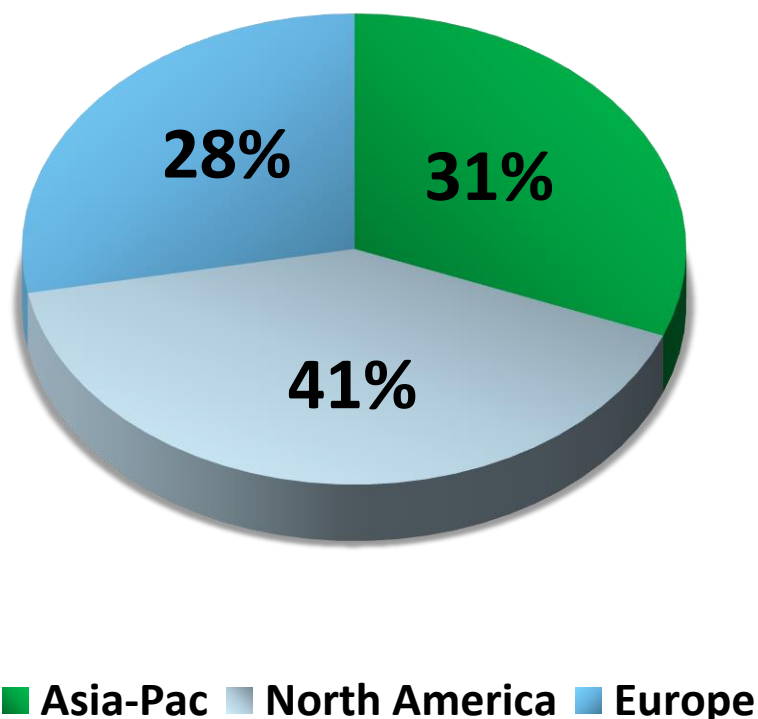
<i>(in millions, except percentages and per share data)</i>	GAAP			Non-GAAP		
	Q1 2017	Q1 2016	% Change	Q1 2017	Q1 2016	% Change
Revenue	\$ 253.4	\$ 225.9	12%	\$ 253.5	\$ 226.0	12%
Net income	\$ 63.3	\$ 56.5	12%	\$ 77.5	\$ 69.4	12%
Earnings per share	\$ 0.73	\$ 0.63	16%	\$ 0.89	\$ 0.77	16%
Operating profit margin	33.7%	37.6%		46.4%	46.4%	
Operating cash flow	\$ 125.9	\$ 110.7	14%			

ANSYS, INC. AND SUBSIDIARIES Condensed Consolidated Balance Sheets (Unaudited)

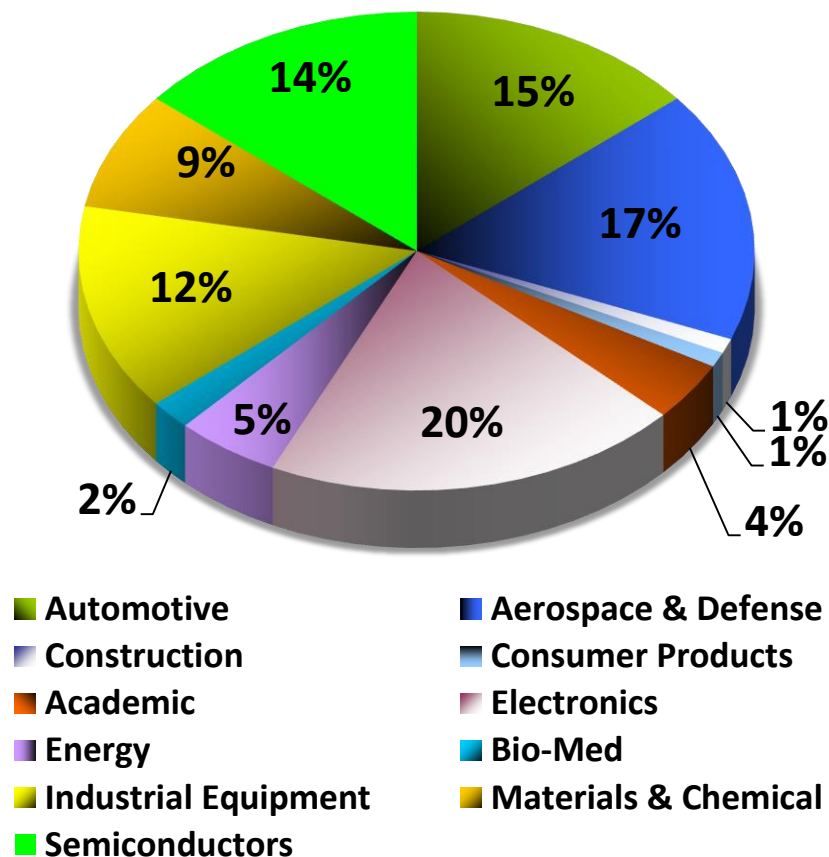
<i>(in thousands)</i>	March 31, 2017	December 31, 2016
ASSETS:		
Cash & short-term investments	\$ 866,556	\$ 822,860
Accounts receivable, net	92,332	107,192
Goodwill	1,340,391	1,337,215
Other intangibles, net	164,112	172,619
Other assets	331,302	360,640
Total assets	<u>\$ 2,794,693</u>	<u>\$ 2,800,526</u>
LIABILITIES & STOCKHOLDERS' EQUITY:		
Deferred revenue	\$ 414,708	\$ 403,279
Other liabilities	168,540	188,842
Stockholders' equity	2,211,445	2,208,405
Total liabilities & stockholders' equity	<u>\$ 2,794,693</u>	<u>\$ 2,800,526</u>

Diversified Revenue Model – Trailing 12 Months Thru March 31, 2017

Revenue by Geography*



Sales by Industry**

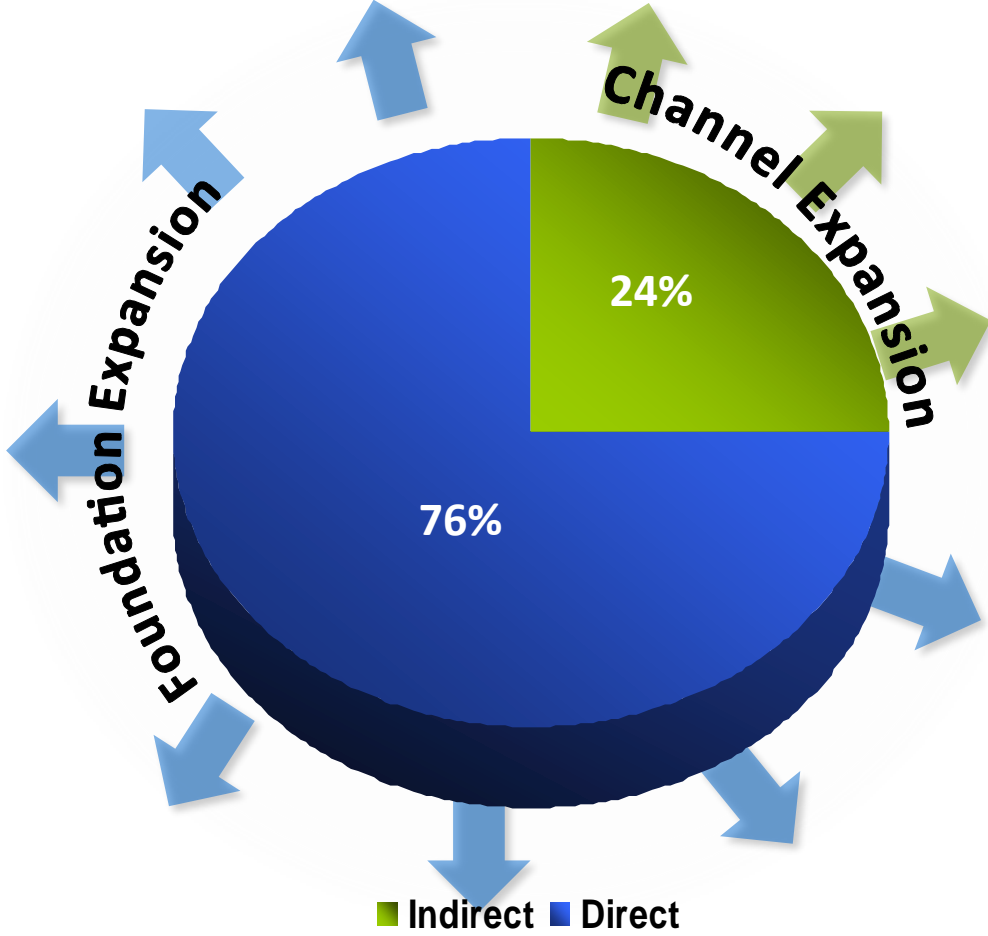


* Non-GAAP

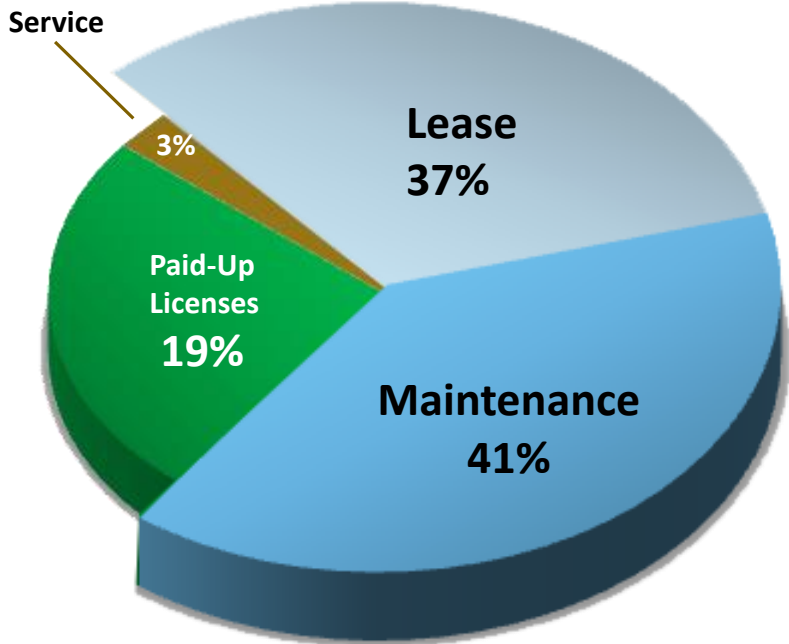
(Unaudited)**

Revenue distribution

Q1 2017
Revenue Distribution

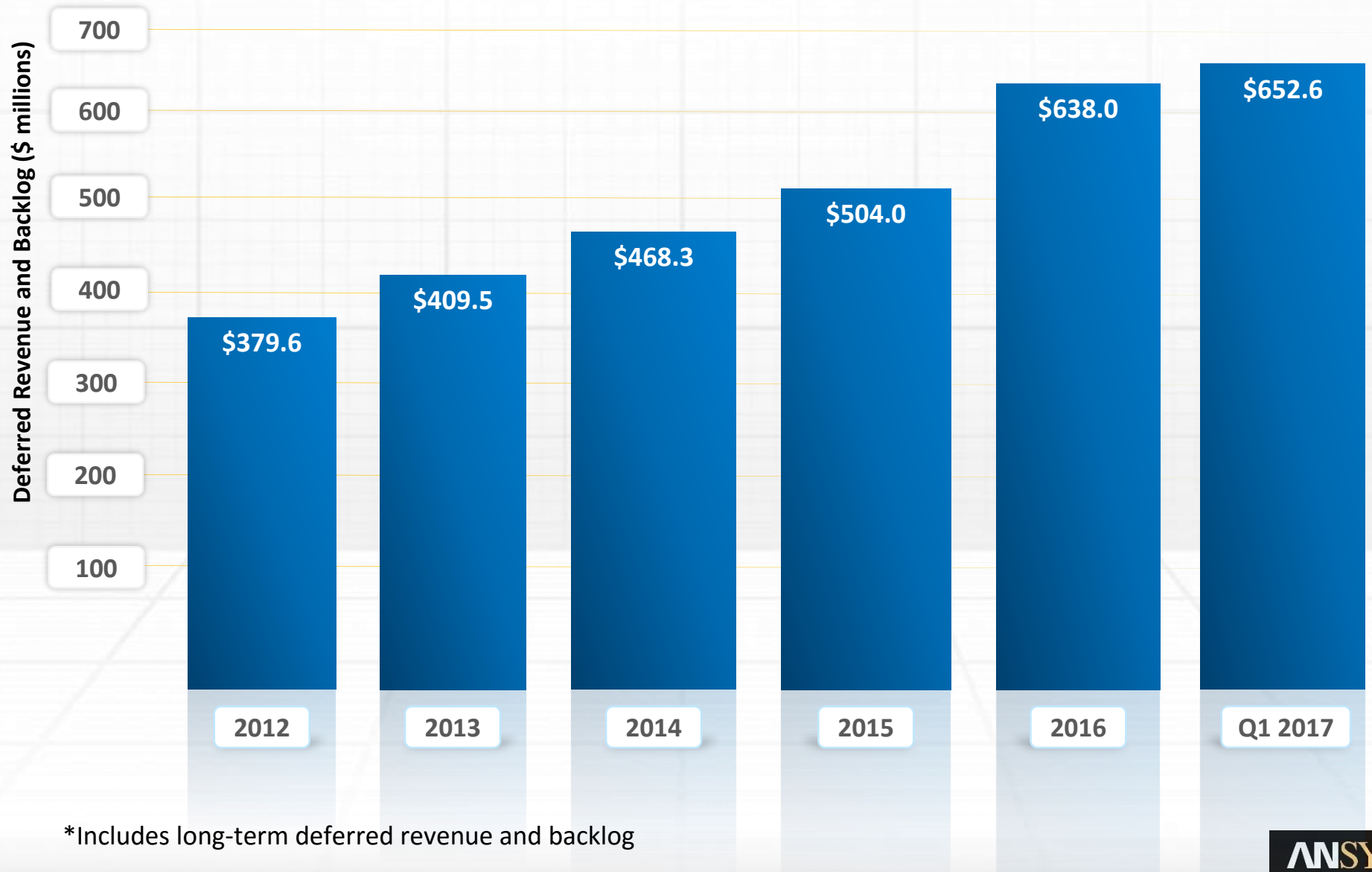


Q1 2017
Revenue Streams

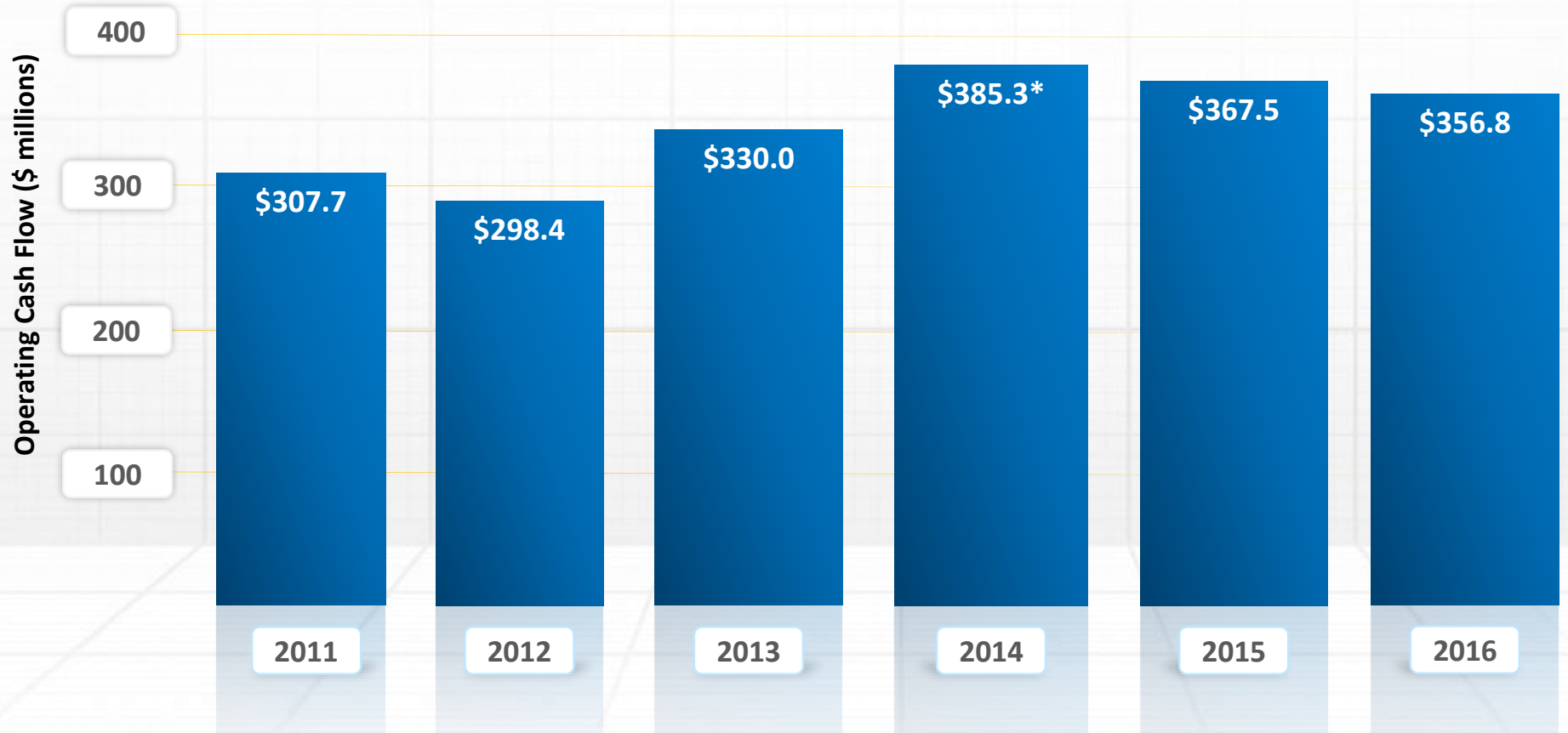


Recurring Revenue = 78%

Building deferred revenue & backlog



Consistently strong cash flows from operations



Q1 2017 operating cash flows of \$125.9 million, a 14% increase over Q1 2016

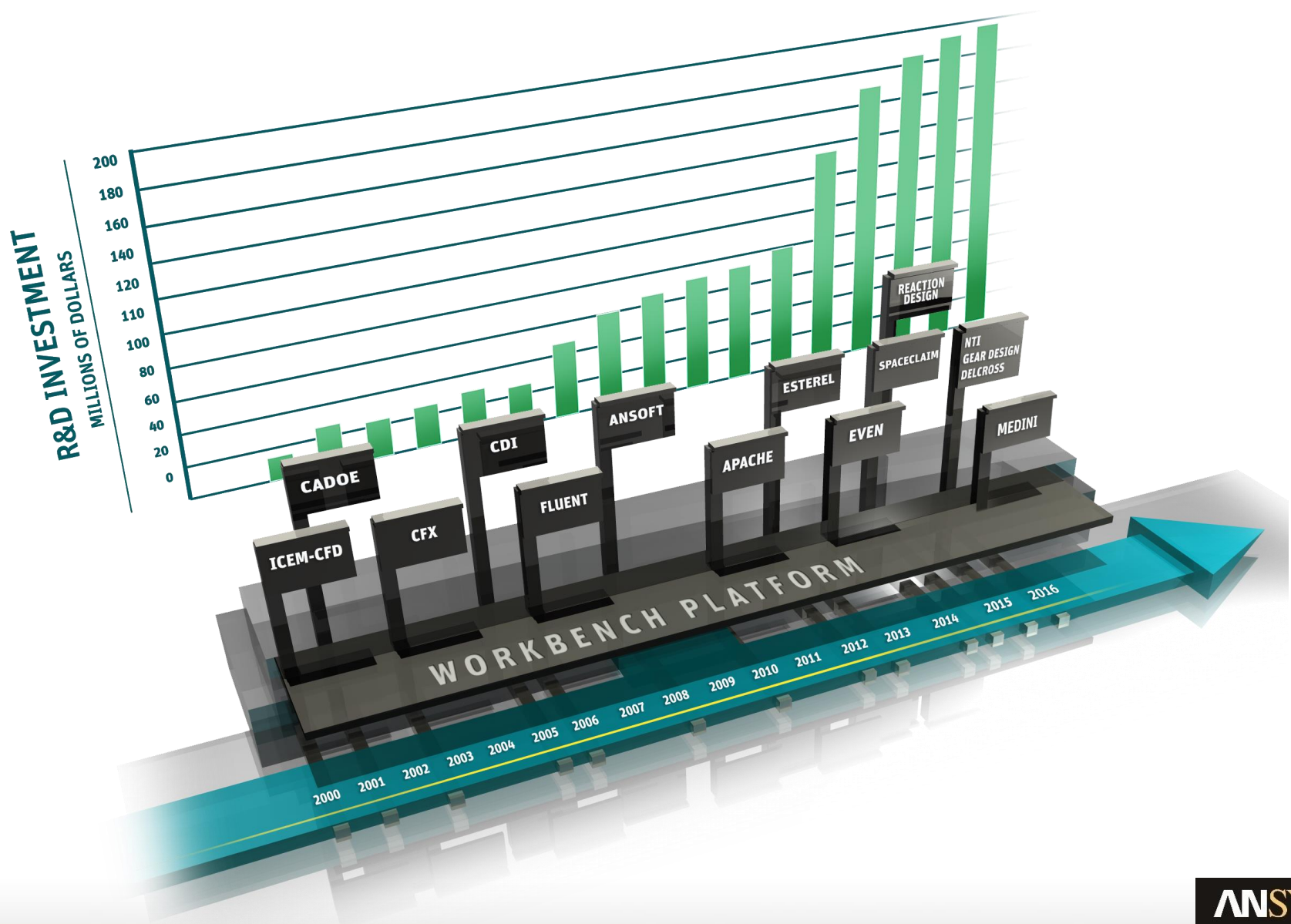
*Includes an income tax refund of approximately \$27 million in the first quarter of 2014 that did not recur in 2015

2017 capital allocation

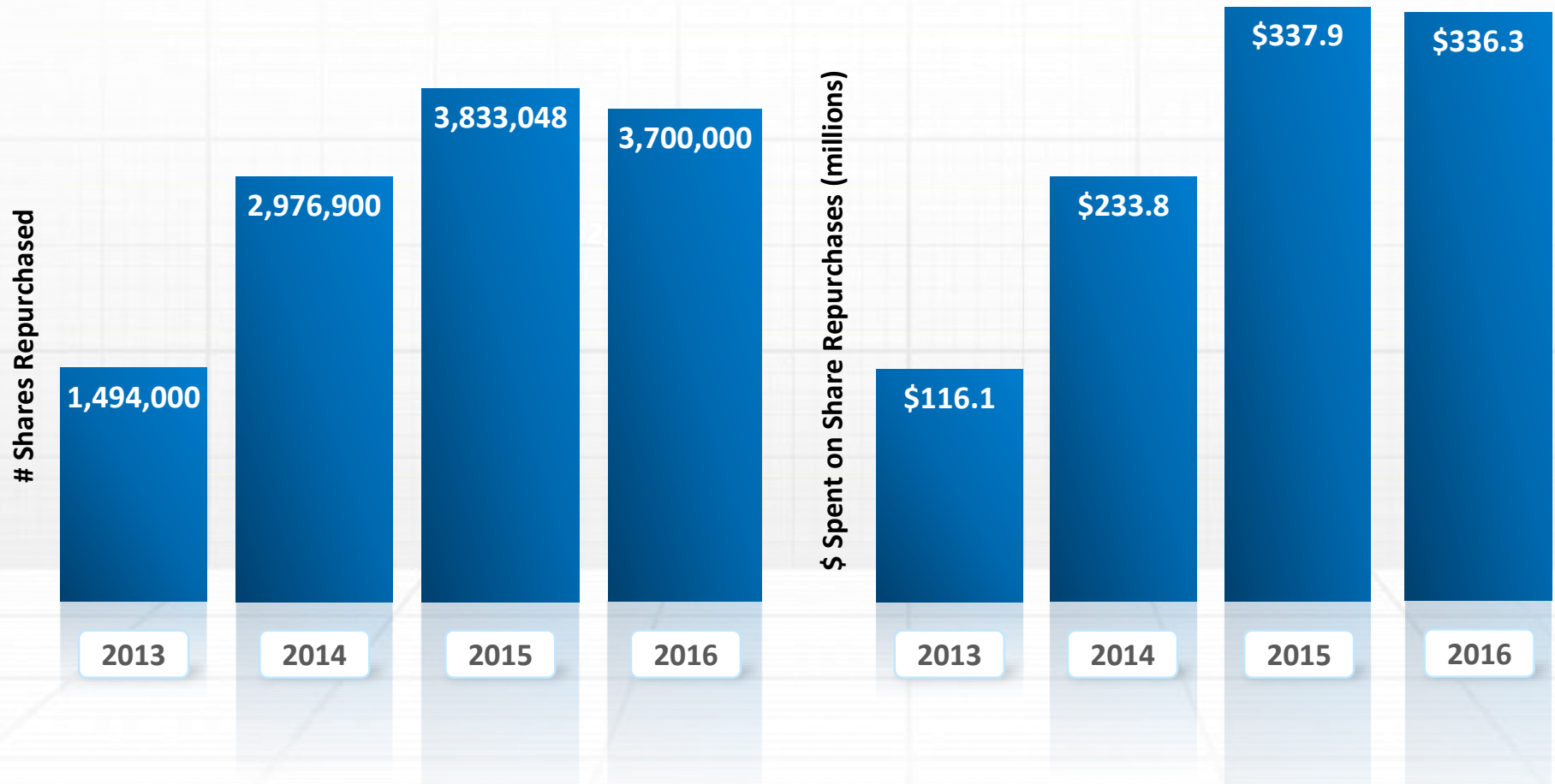
- **Investment in Organic Growth of the Business**
- **M&A to Enhance Growth**
 - **Size Not Determining Factor – Proven Technology is Key**
 - **Experienced Talent**
 - **Synergy With Customer Base and Global Channel**
 - **Financially Accretive Within a Reasonable Timeframe**
- **Stock Repurchase**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



Our ongoing financial commitment to deliver value



Share repurchases over time



1 million shares repurchased in Q1 2017 at average cost of \$100.35 per share.

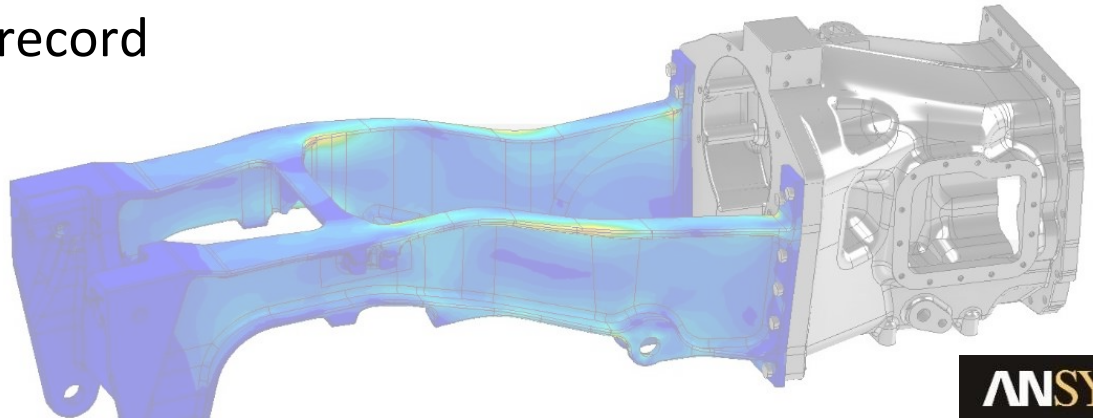
History of performance

Track record of strong and consistent execution

- Released ANSYS®18.0 in January 2017, 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

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 (autonomy, electrification, etc.)
- 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 March 31, 2017
(in millions, except per share data)
(unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue	\$253.4	\$ 0.1 ⁽¹⁾	\$253.5
Operating income	\$85.5	\$32.1 ⁽²⁾	\$117.6
Operating profit margin	33.7%		46.4%
Net income	\$63.3	\$14.2 ⁽³⁾	\$77.5
EPS – diluted	\$0.73		\$0.89
Weighted avg. shares-diluted	87.2		87.2

(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 \$12.0 million of amortization expense associated with intangible assets acquired in business combinations and \$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 \$0.1 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, adjusted for the related income tax impact of \$17.9 million.

Reconciliation Of Non-GAAP

ANSYS, INC. AND SUBSIDIARIES
Reconciliation of Non-GAAP Measures
For the twelve months ended December 31, 2016
(in millions, except per share data)
(unaudited)

	As Reported	Adjustments	Non-GAAP Results
Total revenue	\$988.5	\$0.1 ⁽¹⁾	\$988.6
Operating income	\$376.2	\$88.1 ⁽²⁾	\$464.3
Operating profit margin	38.1%		47.0%
Net income	\$265.6	\$57.3 ⁽³⁾	\$322.9
EPS – diluted	\$2.99		\$3.63
Weighted avg. shares-diluted	89.0		89.0

- (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 \$50.8 million of amortization expense associated with intangible assets acquired in business combinations, \$33.3 million charge for stock-based compensation, and \$0.1 million adjustment to revenue as reflected in (1) above and \$3.4 million of restructuring charges and \$0.4 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 \$30.8 million.



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Website: www.ansys.com

NASDAQ:ANSS

