

1. **What did Ansys announce today?**

ANSYS announced that it has closed its acquisition of Analytical Graphics Incorporated (AGI), a premier provider mission-driven simulation, modeling, testing and analysis software for aerospace, defense and intelligence applications.

2. **What was the purchase price?**

The purchase price for the transaction is \$700 million, of which 67% of the consideration will be paid in cash and 33% will be paid through the issuance of Ansys common stock. In conjunction with the transaction, Ansys is obtaining new debt financing to fund all or a significant portion of the cash component of the purchase price.

3. **What does AGI do?**

AGI is the leader in digital mission engineering software, providing simulation, planning and analysis capabilities for a wide variety of multi-domain missions from satellites in space, to submarines in the sea and virtually everything in between.

4. **Why is this significant?**

AGI's customers currently perform mission simulations with parametric or statistical methods for understanding the performance of various components. In 2019, Ansys and AGI announced a partnership and have begun integrating aspects of Ansys physics-based simulation products with AGI technology to improve mission outcomes. By bringing AGI and Ansys together, such integrations will be accelerated and enhanced, giving customers the ability to use physics-based simulation to create component models with improved fidelity, precision and dependability, enabling more sophisticated levels of mission simulation and systems-of-systems simulation.

Once closed, the acquisition will expand the scope of Ansys' solution offering, empowering users to solve challenges by simulating from the chip now all the way to a customers' entire mission – like tracking an orbiting satellite and its periodic connection to ground stations.

5. **Who is AGI used by?**

AGI's products are used by engineers across aerospace, defense, telecommunications and beyond. Some of the most important air, space and defense programs of the past 30 years have relied on AGI products.

6. **Why is this acquisition important?**

Bringing AGI and Ansys together will extend the reach of Ansys' core physics solutions into mission planning and simulation scenarios, creating a unique, fully integrated "component-to-mission" level simulation offering. Simply put, detailed component-level simulation of mission features will increase the value of its products and create new use cases for Ansys.

Additionally, bringing AGI into the Ansys family will significantly boost Ansys' presence in the key vertical of aerospace & defense, a growing market segment.

7. **When will the acquisition close?**

The transaction is expected to close in the fourth quarter of 2020, subject to the satisfaction of customary closing conditions and regulatory clearance. Ansys management will provide further details regarding the transaction and its impact on the 2020 financial outlook after the closing.

8. **What is the long-term financial impact for Ansys?**

Ansys expects that the transaction will add \$75 million to \$85 million of non-GAAP revenue to its 2021 results and will be modestly accretive to non-GAAP diluted earnings per share. Non-GAAP projections exclude the effects of acquisition adjustments to deferred revenue, stock-based compensation, amortization of acquired intangible assets and transaction costs related to the acquisition.

9. **Where is AGI based?**

AGI is based in Exton, Pennsylvania, just outside of Philadelphia.

10. **How many people does AGI employ?**

AGI employs about 200 people, nearly all in the United States.

11. **How will this acquisition affect Ansys and AGI customers?**

This acquisition will bring significant benefits to both Ansys and AGI customers. Ansys customers will benefit from easier access to AGI's leading technology in the area of digital mission engineering. AGI's customers will benefit from easier access to and usage of high-fidelity physics-based simulations to augment their systems and systems-of-systems models. All customers will enjoy an even tighter integration between AGI and Ansys technology.

12. **How will AGI fit into the overall structure at Ansys?**

While the specifics are still being evaluated, both companies are committed to taking a careful approach to integration, ensuring key and unique aspects of AGI's organization – which often serve sensitive customers in the area of national defense – are not disrupted.

13. **Who will be responsible for the integration of the two businesses?**

As with past acquisitions, leaders from both companies will work collaboratively to plan and to leverage each individual company's strengths for the benefit of the combined organization.