



## 3Q16 Financial Results & Business Outlook

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- Additionally during this presentation, we may discuss various non-GAAP financial measures as defined by the SEC's Regulation G. More information on the non-GAAP financial measures used in this presentation can be found in the earnings press release issued today and on the Investor Relations page of our corporate website at [www.citrix.com/investors](http://www.citrix.com/investors).



# Financial Results & Business Outlook

David Henshall | COO & CFO

# 3Q16 Financial Highlights

- Net revenue was \$841 million, up 3% from 3Q15
- Non-GAAP operating margin was 30%
- Non-GAAP earnings per share was \$1.32, up 27% from 3Q15
- Cash flow from operations was \$288 million

# 3Q16 Geo Net Revenue Highlights

Net Revenue (in millions)	3Q16	3Q15	Y-O-Y	2Q16	SEQ
Americas	\$397.3	\$369.6	7.5%	\$402.7	(1.3%)
EMEA	\$199.8	\$208.2	(4.0%)	\$205.1	(2.6%)
Pacific	\$71.5	\$71.4	0.1%	\$66.2	8.0%
Mobility Apps	\$172.5	\$164.1	5.1%	\$169.0	2.1%
<b>Total Net Revenue*</b>	<b>\$841.3</b>	<b>\$813.3</b>	<b>3.4%</b>	<b>\$843.0</b>	<b>(0.2%)</b>

\*amounts may not add due to rounding

## 49 transactions of \$1M+

- Americas - 37
- EMEA - 8
- Pacific - 4

# Workspace Services

- Total revenue of \$414 million in 3Q16
- An increase of 5% from 3Q15
- Product license revenue grew 5% from 3Q15
- Americas saw strength in license revenue growth of 18% from 3Q15
- Citrix Service Provider grew 30% from 3Q15

# Delivery Networking

- Total revenue of \$191 million in 3Q16
- An increase of 1% from 3Q15
- Product license revenue declined 2% from 3Q15
- NetScaler license revenue grew 5% from 3Q15

## 3Q16 Business Metrics

- NetScaler had strength in the Cloud Service Provider segment, representing 40% of mix in 3Q16
- Solution Attach sales represented nearly 15% of mix
- Enterprise ADC sales represented nearly 45% of mix
- Transacted with over 1,600 networking customers; over 33% being new

# SaaS and Recurring Revenue

- Total SaaS revenue of \$207 million in 3Q16
- An increase of 9% from 3Q15
- GoTo products were \$173 million in 3Q16
- Merger of GoTo with LogMeIn received U.S. anti-trust approval in September and deal is expect to close in Q1'17
- Cloud-based services contributed \$35 million in revenue, growing 28% from 3Q15
- Enterprise subscription ARR was over \$225 million in 3Q16



# 3Q16 Expenses and Operations

- Non-GAAP operating margin was 30.3% in 3Q16
  - An increase of 411 bps from 3Q15
- Cash flow from operations was \$288 million in 3Q16
- Trailing twelve months cash flow from operations was \$1.14 billion

# Summary and Guidance

## FY16 Outlook

- Consolidated revenue expected to be in the range of \$3.40 – \$3.41 billion
- Non-GAAP earnings per share expected to be \$5.18 – \$5.20
- Core Citrix revenue expected to be in the range of \$2.71 – \$2.72 billion, or approximately 2.5% - 3% excluding the GoTo business

## FY17 Outlook

- Core Citrix revenue expected to be in the range of 3% – 4%
- Core Citrix non-GAAP operating margin expected to be in the range of 32% – 33%



# CEO Perspective

President and CEO Kirill Tatarinov



# 3Q16 Overall Highlights

- XenApp/XenDesktop continued growth
- Cultural and Workforce stability progress
- Citrix Cloud progress
- Accelerated product innovation



## 3Q16 Product Highlights

- Virtualization
  - XenApp/XenDesktop 7.11
  - Norskale Acquisition
  - Nutanix Support for XenServer
- Networking
  - NetScaler SD-WAN 9.1
  - NetScaler CPX Express
  - NetScaler FIPS Platform
- Enterprise File Sync and Share
  - ShareFile Personal Cloud Connectors
  - ShareFile Legal
  - ShareFile Workflows

# Competitive Wins

- Virtualization
  - Continued momentum in target verticals; healthcare and higher education
- Networking
  - Continued momentum in core ADC area
- Enterprise File Sync and Sharing
  - Strong differentiation positions ShareFile for further growth

# 3Q16 Highlights

- Industry Analysts Event
  - Positive Feedback on Strategy and Vision
- Microsoft Partnership
  - Joint Wins
  - Microsoft Azure RemoteApp Announcement

A person wearing a white lab coat is holding a smartphone in their hands. The background is a blurred laboratory or office environment with various lights and equipment. The text "Q&A" is overlaid in the center of the image.

Q&A





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