



March 24, 2017

PTC Issues Statement

Comments in Short Seller Report are Inaccurate and Misleading; PTC Stands by Its Reporting and Disclosure

NEEHDHAM, Mass.--(BUSINESS WIRE)-- [PTC](#) (Nasdaq: PTC) today addressed assertions made in a report issued on March 23, 2017 by short-seller Spruce Point Capital Management, that, by its own admission, stands to profit from any decline in the Company's stock price, whether driven by its report or otherwise.

- | Spruce Point states that it considers the metrics PTC uses to discuss its performance during its subscription transition to be misleading. PTC stands by its reporting and disclosure. PTC provides such metrics to enable investors to better understand the Company's business performance as it transitions to a subscription business model. Use of additional performance metrics is common among software companies transitioning to a subscription model. PTC has been transparent about the metrics the Company provides, the reasons we believe they are helpful, and how they are calculated.
- | Spruce Point also notes that PTC provides non-GAAP measures in addition to GAAP financial results, which is true for many software companies. PTC clearly describes the items excluded from the non-GAAP measures, why they are excluded, and reconciles the non-GAAP measures to its GAAP results. PTC's financial statements are prepared in accordance with GAAP and our financial statements are audited by independent auditing firm PricewaterhouseCoopers LLP.
- | We believe PTC's stock performance over the past 12 months, both on an absolute and relative basis, reflects the progress the Company is making as well as the market's confidence in the Company and our ability to continue executing on our strategy.
- | The Company believes it is exiting the subscription transition trough and that its results will begin to reflect the expected benefits of our strategic execution and business model transition, including accelerated revenue growth, margin expansion, and earnings growth, that we expect will translate into even greater returns for PTC shareholders.

Forward-Looking Statements

Statements in this press release that are not historic facts, including statements about our exit from the subscription trough and the expected benefits of our strategic execution and business model transition, 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; customers may not purchase our solutions when or at the rates we expect; our businesses, including our Internet of Things (IoT) business, may not expand and/or generate the revenue we expect; and sales of our solutions as subscriptions and our execution may not have the effects on revenue, margins or earnings that we expect. Other risks and uncertainties that could cause actual results to differ materially from those projected are detailed from time to time in reports we file with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

About PTC

[PTC](#) (NASDAQ: PTC) PTC has the most robust Internet of Things technology in the world. In 1986 we revolutionized digital 3D design, and in 1998 were first to market with Internet-based PLM. Now our leading IoT and AR platform and field-proven solutions bring together the physical and digital worlds to reinvent the way you create, operate, and service products. With PTC, global manufacturers and an ecosystem of partners and developers can capitalize on the promise of the IoT today and drive the future of innovation.

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