

Bentley Systems Second Quarter 2025 Results



August 6, 2025

Bentley[®]

Agenda

- 01 Perspectives from the Executive Chair
- 02 Perspectives from the CEO
- 03 Perspectives from the CFO
- 04 Q&A

Disclaimer

This presentation includes forward-looking statements regarding the future results of operations and financial position, business strategy, and plans and objectives for future operations of Bentley Systems, Incorporated (the "Company," "we," "us," and words of similar import). All such statements contained in or made during this presentation, other than statements of historical facts, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "expect" and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations, projections and assumptions about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions, and there are a significant number of factors that could cause actual results to differ materially from statements made in or during this presentation including: adverse changes in global economic and/or political conditions; the impact of tariffs and related policies on our business and the businesses of the industries we serve; the impact of current and future sanctions, embargoes and other similar laws at the state and/or federal level that impose restrictions on our counterparties or upon our ability to operate our business within the subject jurisdictions; political, economic, regulatory and public health and safety risks and uncertainties in the countries and regions in which we operate; failure to retain personnel necessary for the operation of our business or those that we acquire; failure to effectively manage succession; changes in the industries in which our accounts operate; the competitive environment in which we operate; the quality of our products; our ability to develop and market new products to address our accounts' rapidly changing technological needs; changes in capital markets and our ability to access financing on terms satisfactory to us or at all; the impact of changing or uncertain interest rates on us and on the industries we serve; our ability to integrate acquired businesses successfully; and our ability to identify and consummate future investments and/or acquisitions on terms satisfactory to us or at all; and other risks and uncertainties described in our reports filed from time to time with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2024 and subsequent Form 10-Qs.

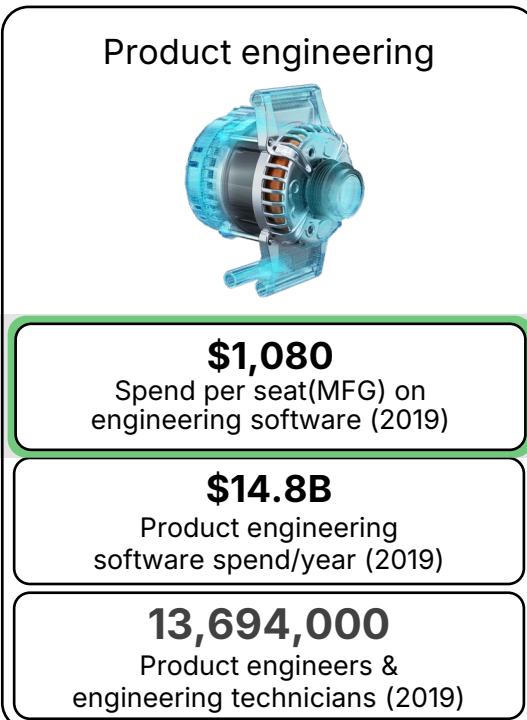
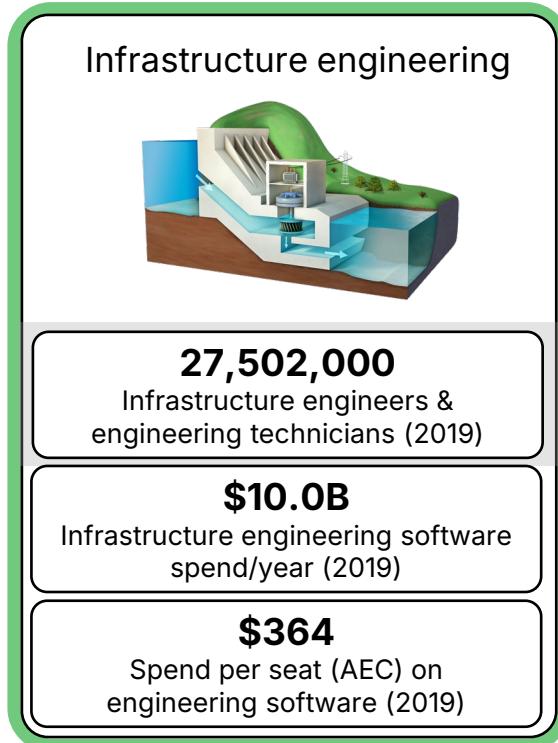
The forward-looking statements made in this presentation are made as of August 6, 2025. If this presentation is reviewed after August 6, 2025, even if made available by us, on our website or otherwise, it may not contain current or accurate information. We disclaim any obligation to update or revise any forward-looking statement based on new information, future events, or otherwise.

Please refer to the Appendix of this presentation for definitions of KPIs and non-GAAP financial measures, and where applicable, reconciliations to their nearest GAAP equivalents, included in this presentation.

01 Perspectives from the Executive Chair, Greg Bentley

Total addressable market ("TAM")

What if infrastructure engineers/technicians would each spend on engineering software the same amount that product engineers/technicians (on average) already spend?



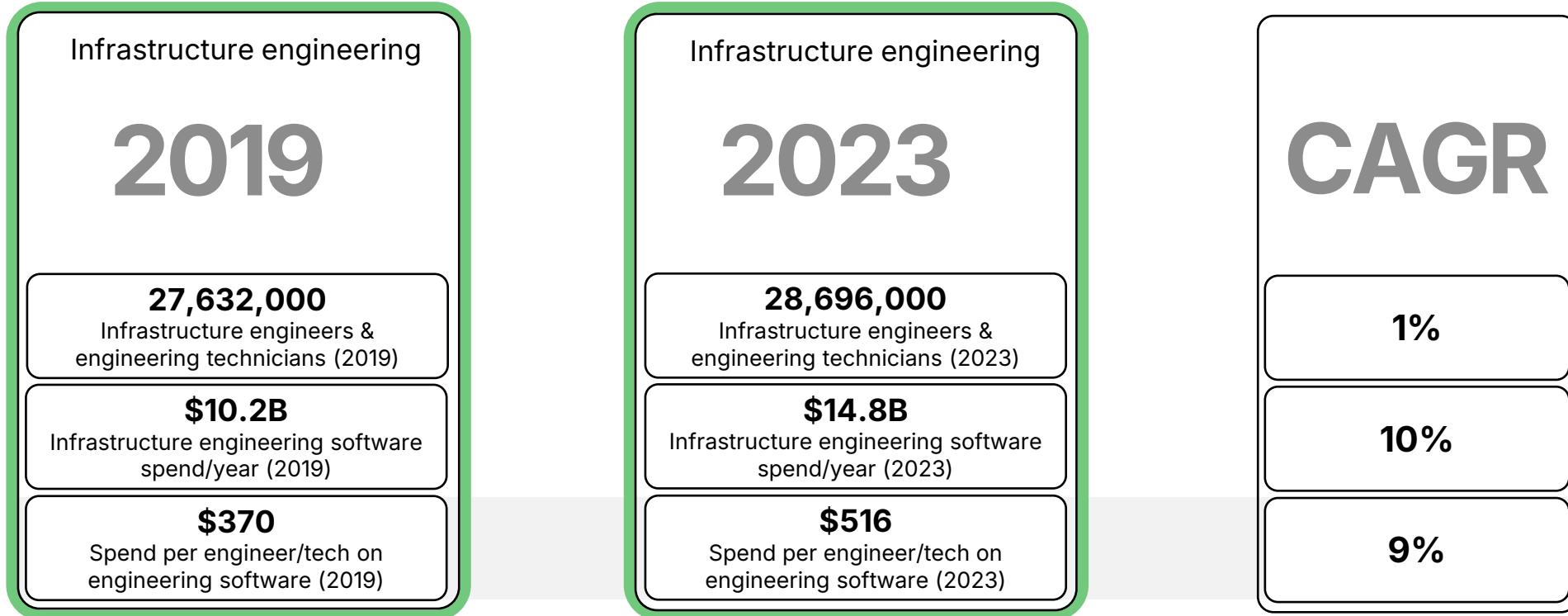
Total addressable market for infrastructure engineering software

\$29.8B
"TAM"

 **Cambashi**
Industry Knowledge for Business Advantage

Note: Source: Oct. 2021 Cambashi study commissioned by Company

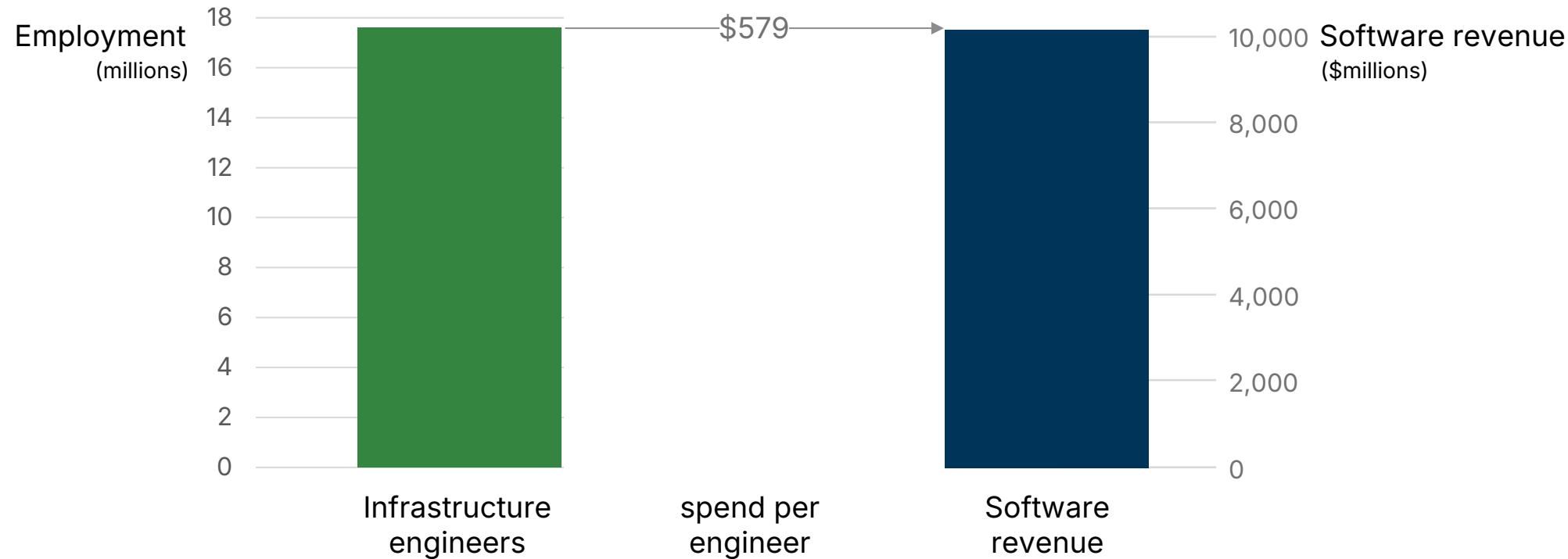
Infrastructure Engineering and Software Spending



Source May 2025, Cambashi study commissioned by Company

Note: Data based on 2023 Software Revenue (not constant currency)

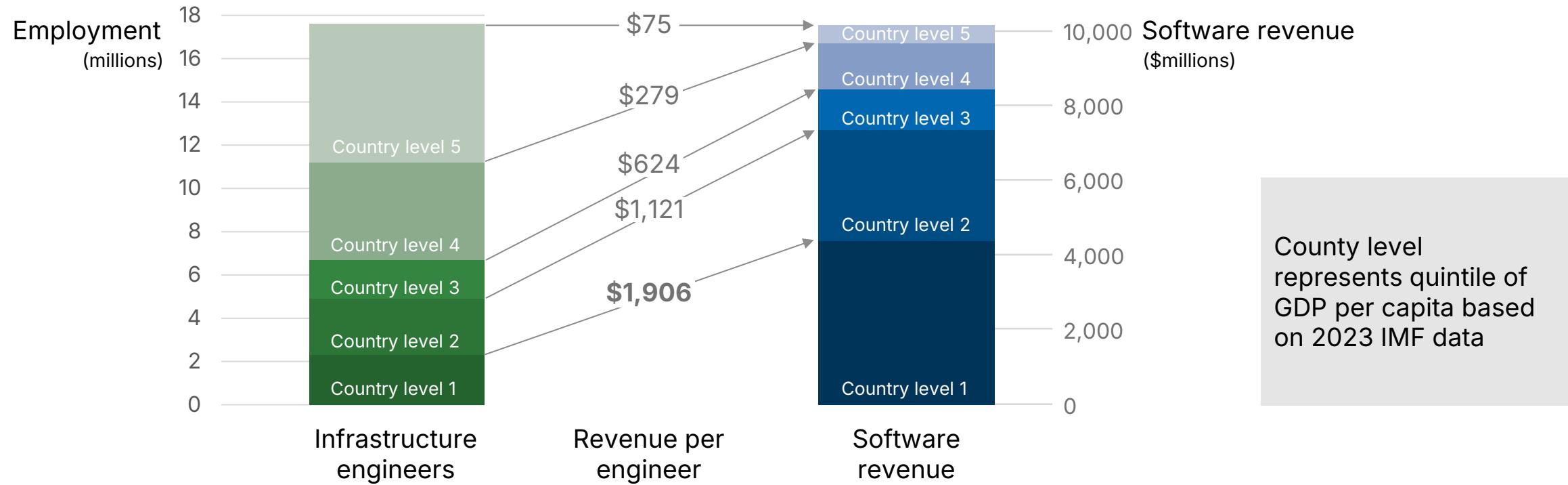
Spending per *Engineer*



Source May 2025, Cambashi study commissioned by Company

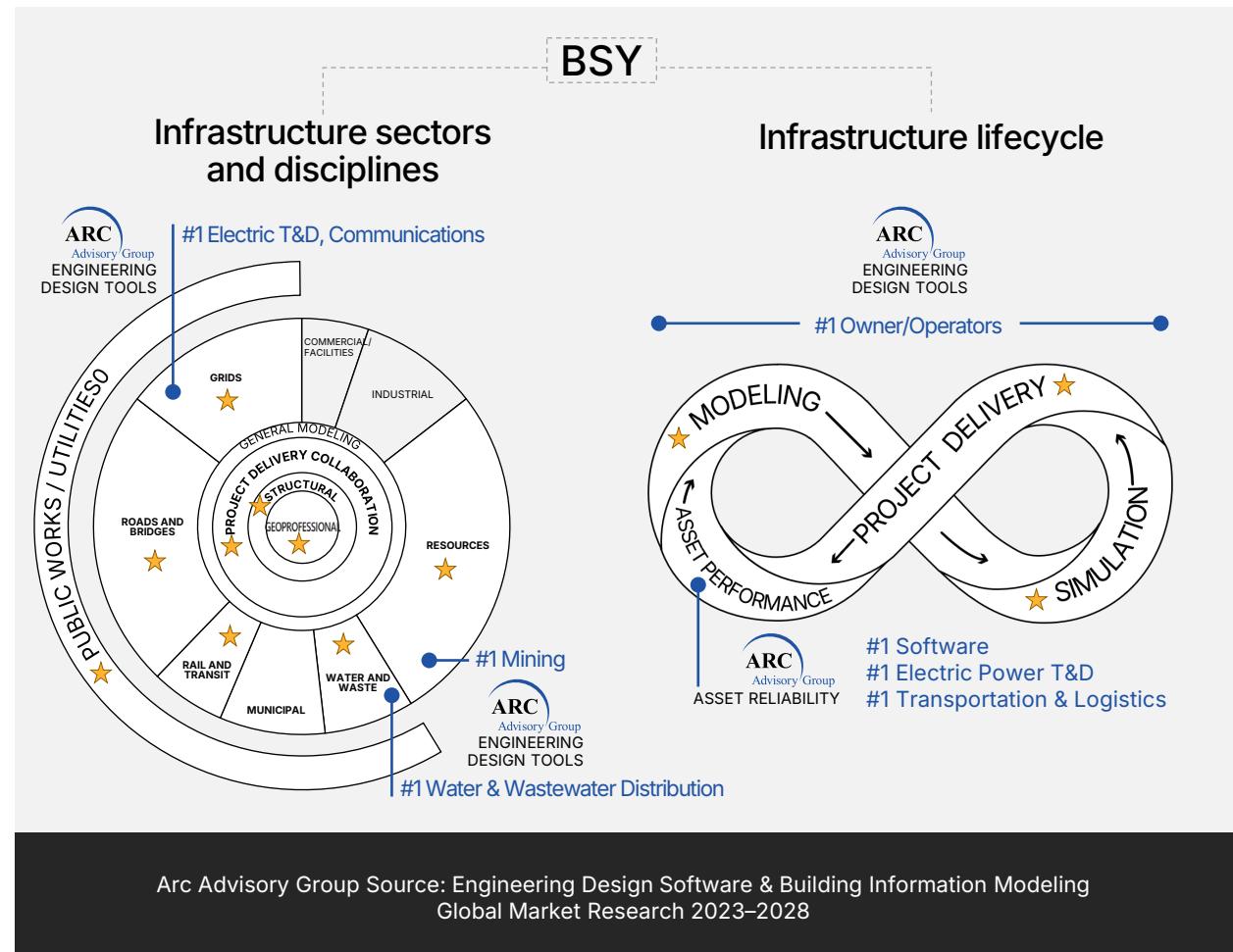
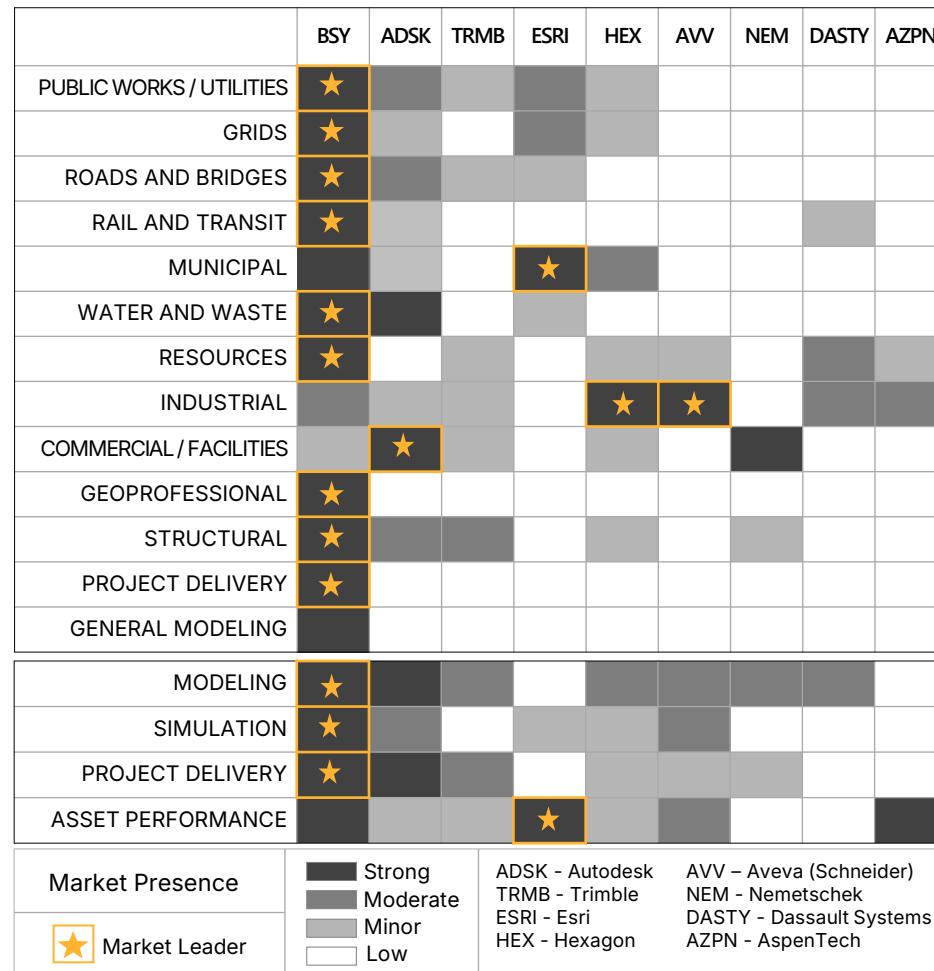
Note: Data based on 2023 Software Revenue (not constant currency)

Spending per *Engineer*



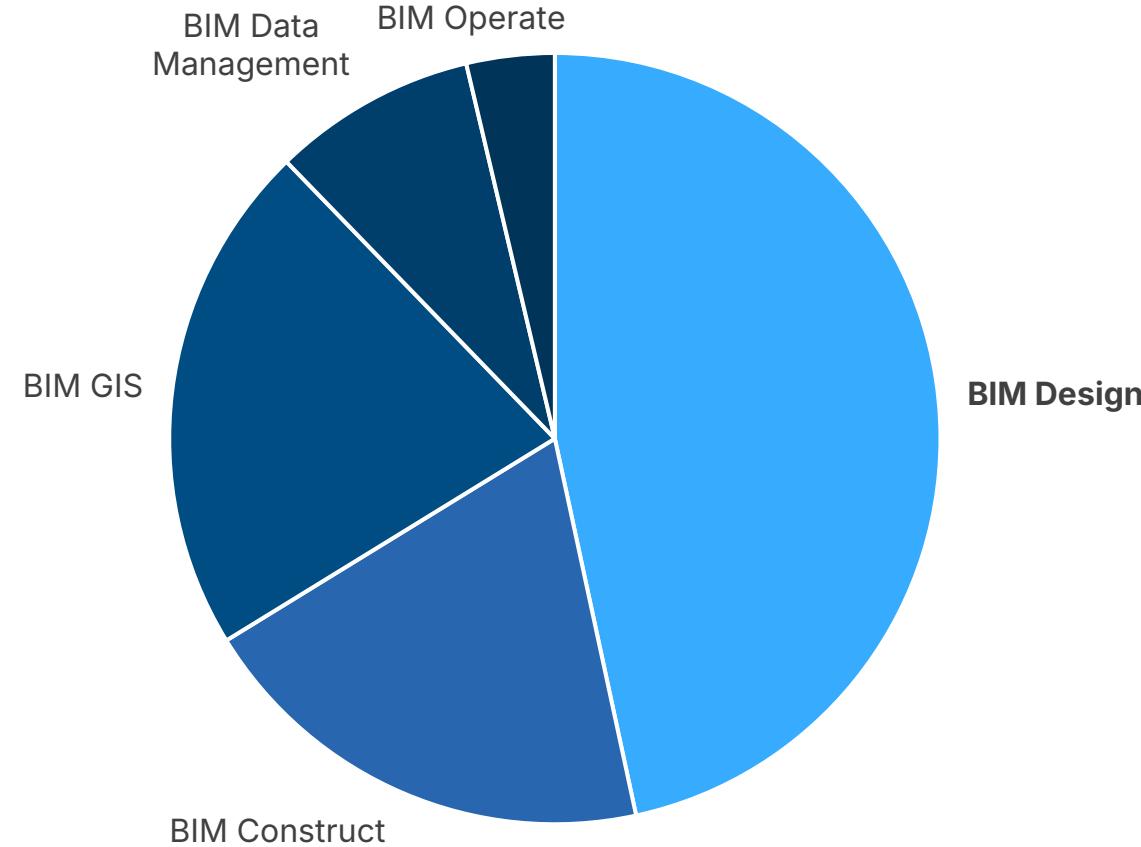
Competitive landscape

As presented in the Introduction to Bentley



“BIM” **(Construct/Data Management/Design/Operate/GIS)**

Total revenue
\$14B

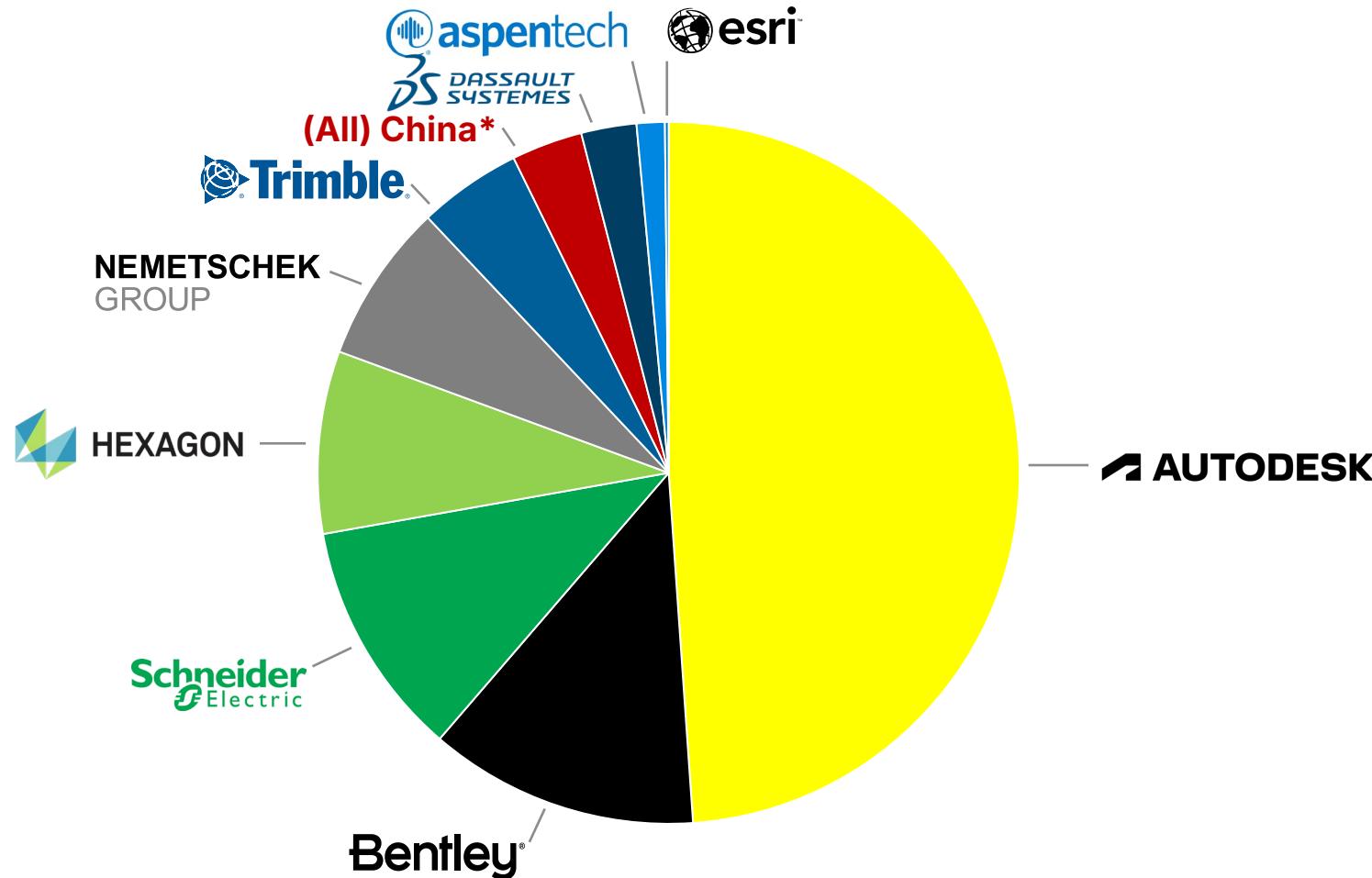


Source: June 2025, Cambashi study commissioned by Company

Note: Data based on 2024 Software Revenue

BIM Design

Total revenue
\$6.5B

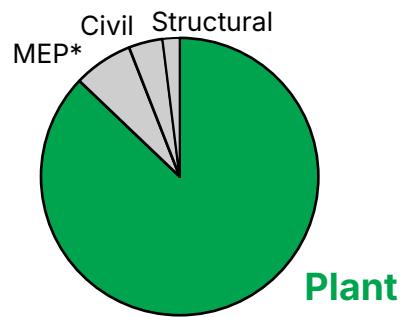
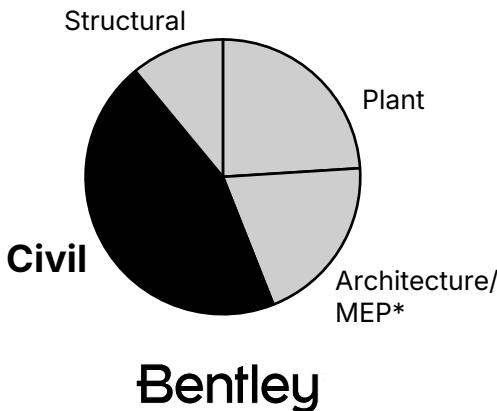


 **Cambashi**
Industry Knowledge for Business Advantage

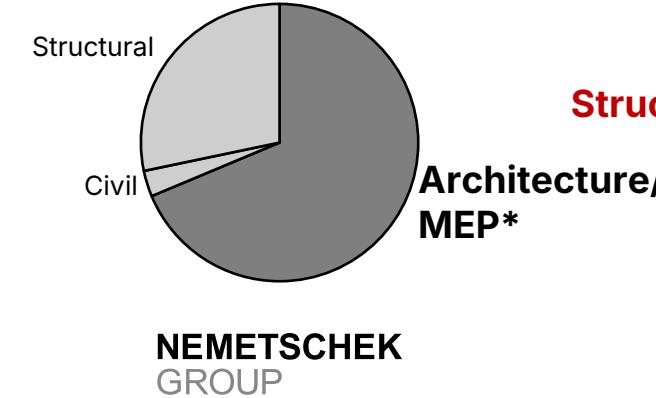
Source: June 2025, Cambashi study commissioned by Company

Note: Data based on 2024 Software Revenue | *: Includes Glodon, Bochaosoft, SuperMap, ZWSOFT, CABR Tech

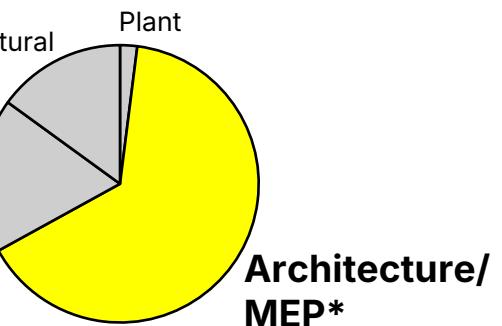
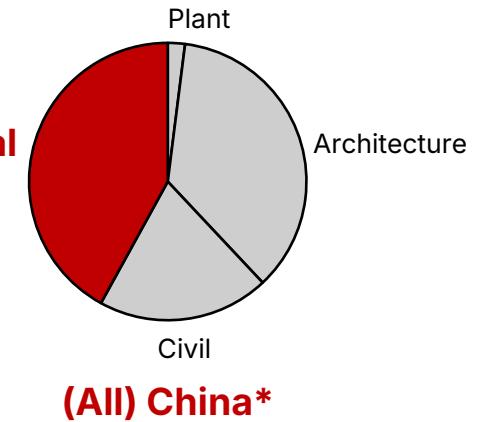
BIM Design



**Schneider
Electric**

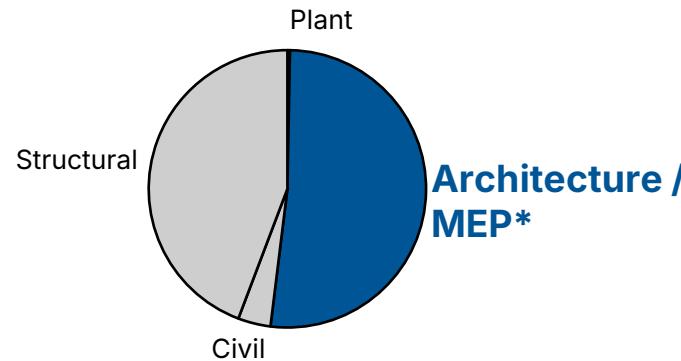


**NEMETSCHEK
GROUP**



AUTODESK

HEXAGON



Trimble

Cambashi
Industry Knowledge for Business Advantage

Source: June 2025, Cambashi study commissioned by Company

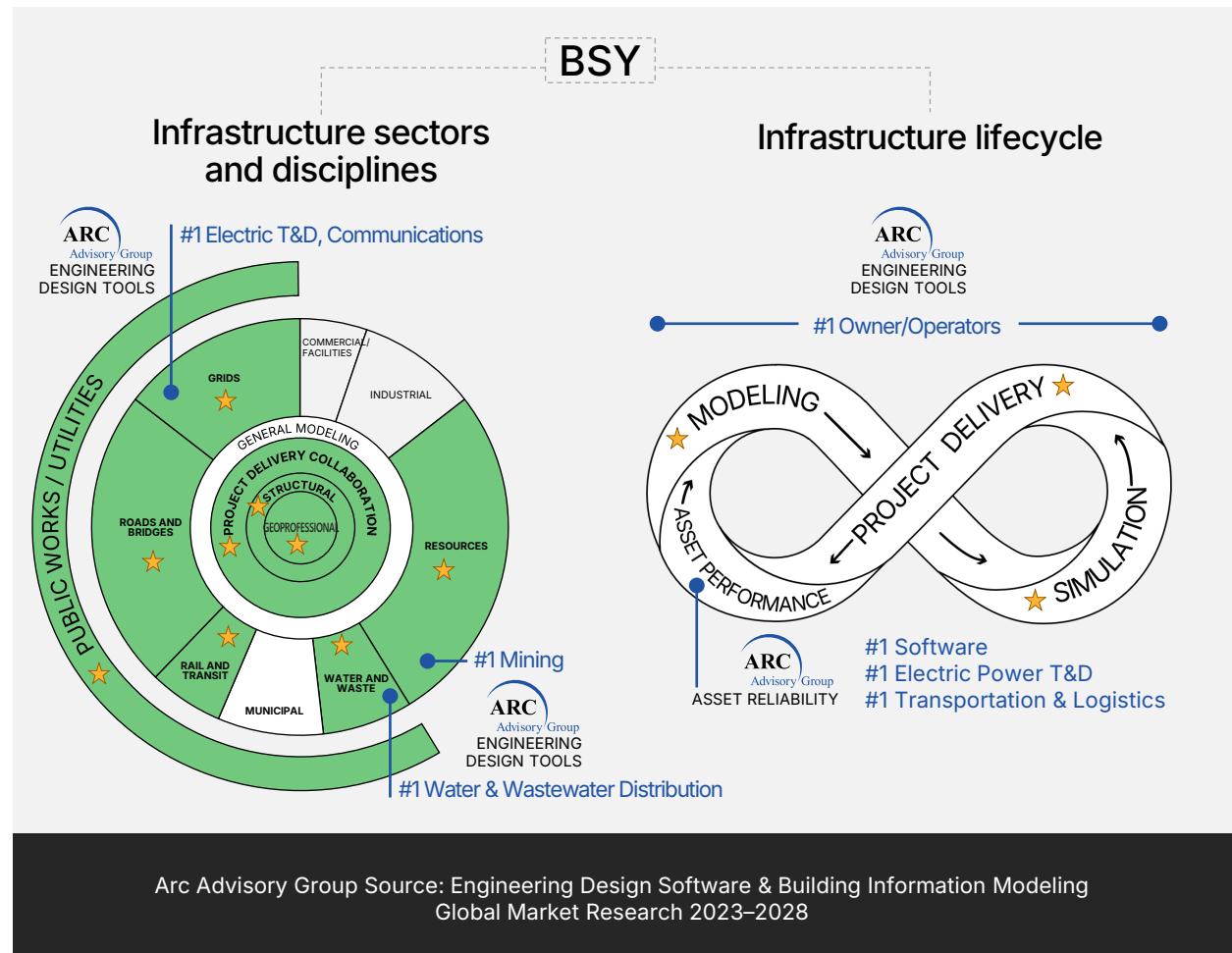
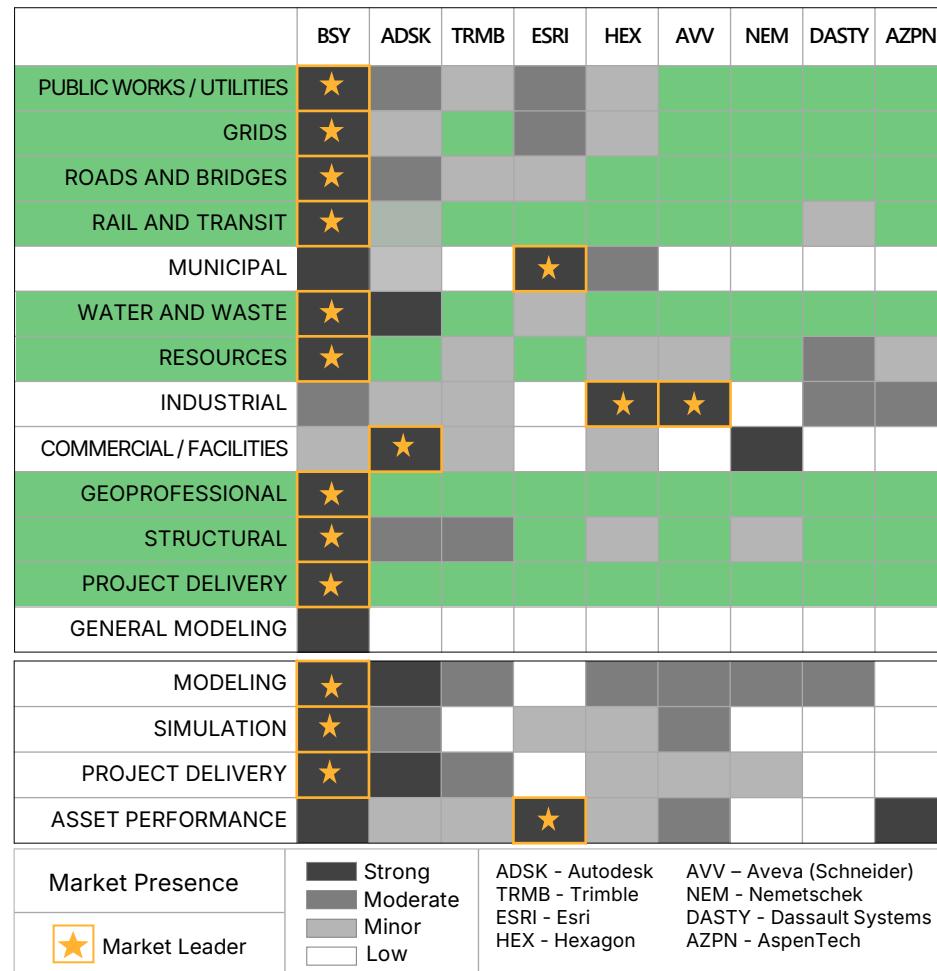
Note: Data based on 2024 Software Revenue

*: Includes Glodon, Bochaosoft, SuperMap, ZWSOFT, CABR Tech

**MEP: Mechanical/Electrical/Plumbing

Competitive landscape

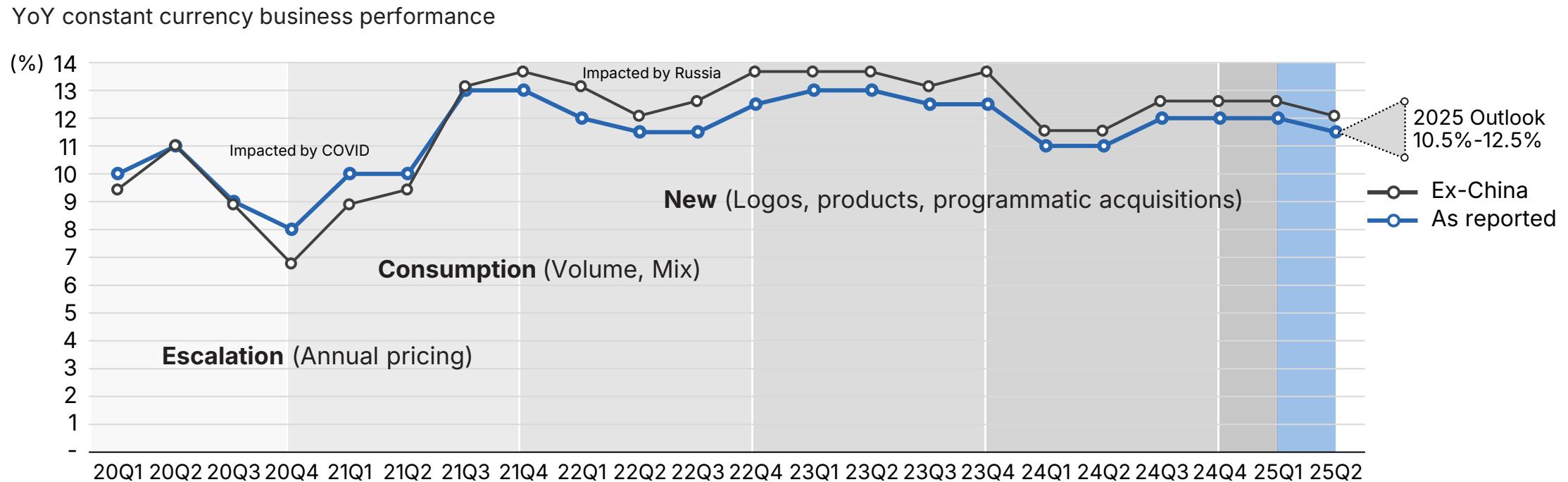
As presented in the Introduction to Bentley



02 Perspectives from the CEO, Nicholas Cumins

YoY ARR growth⁸

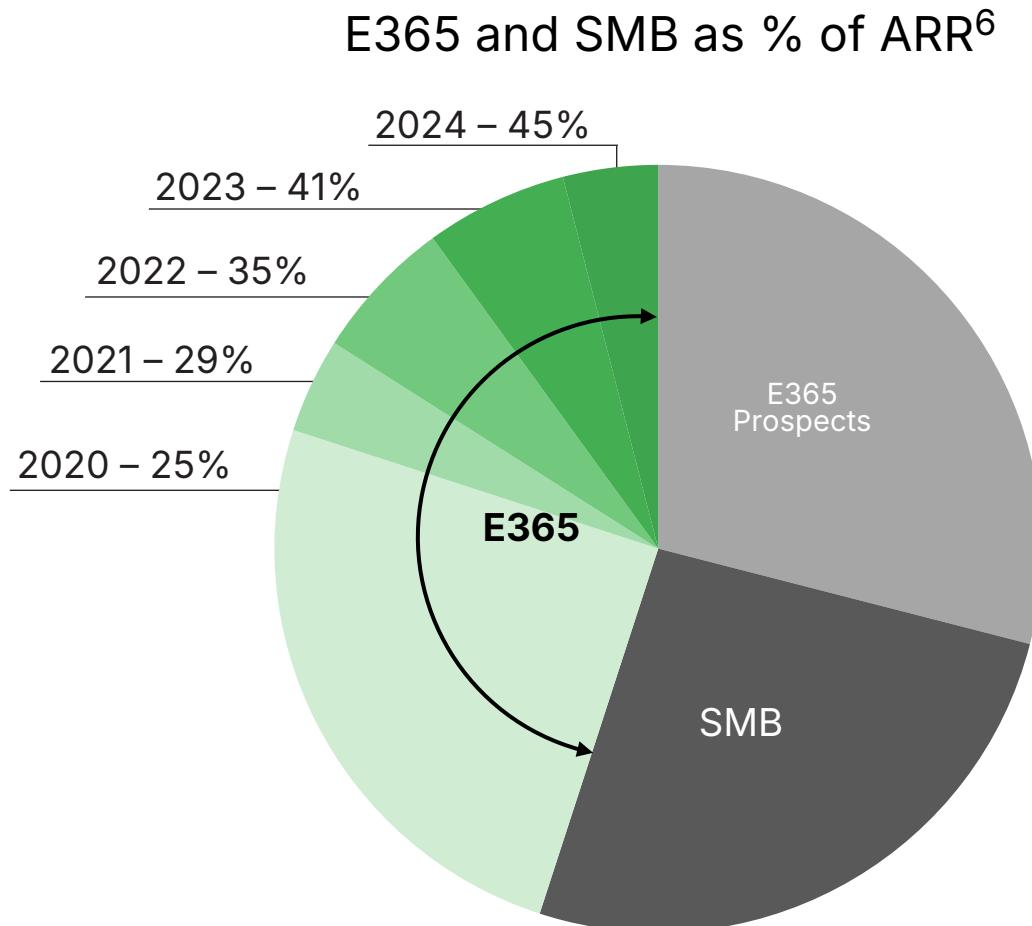
Strong H1 positions us well to achieve annual outlook



Footnote 8: See appendix for KPI and non-GAAP definitions

ARR⁶ by account size

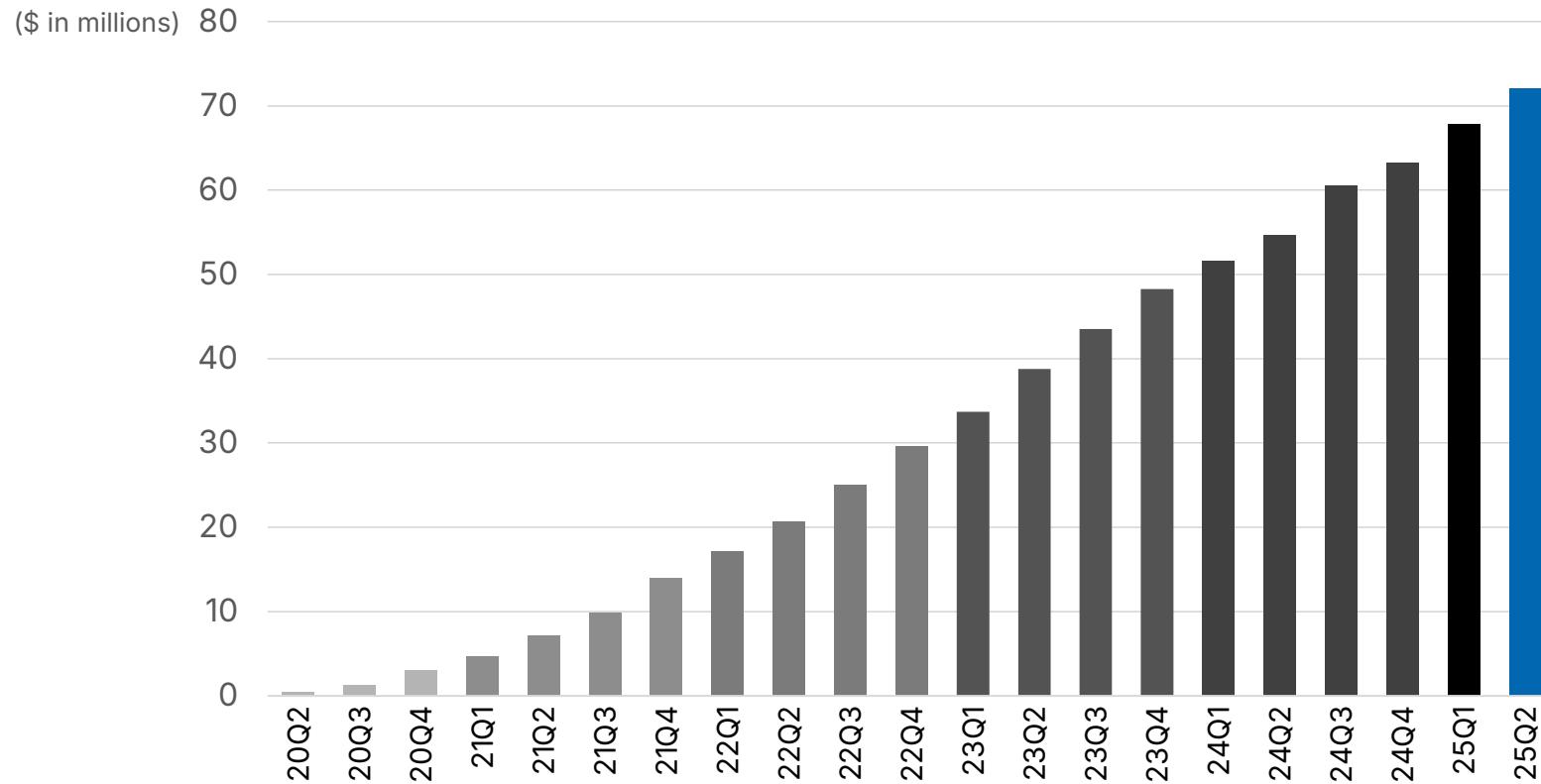
Solid E365 and SMB trends continue



Footnote 6: See appendix for KPI and non-GAAP definitions

Virtuosity ARR⁶

Fourteenth consecutive quarter of at least 600 new logos

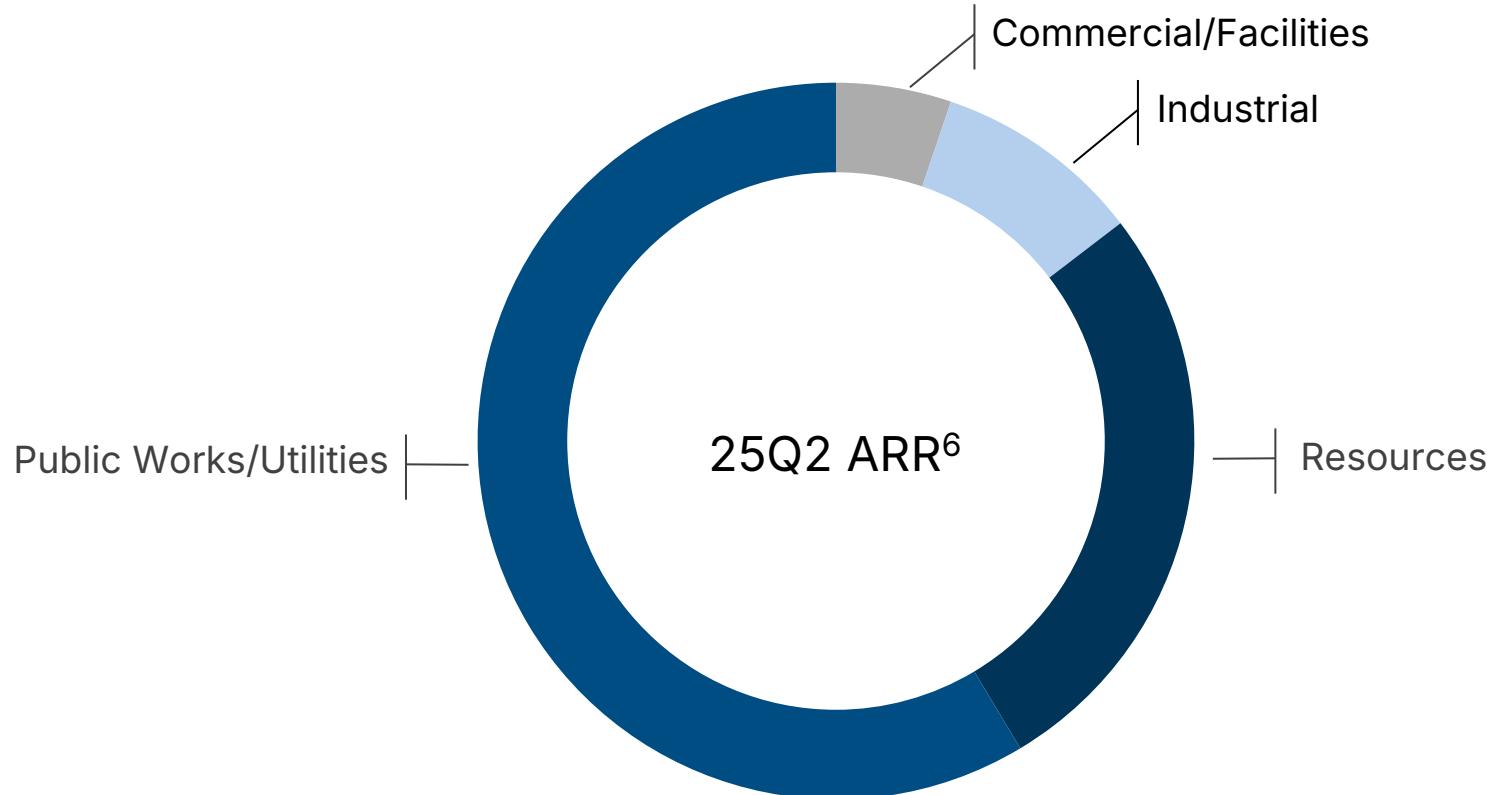


Note: All periods use exchange rates as of June 30, 2025. Data at spot FX rate

Footnote 6: See appendix for KPI and non-GAAP definitions

Tone of business by infrastructure sector

Resources fastest growing sector and Public Works/Utilities solid in Q2



Note: Chart segment sizing corresponds to underlying % of 25Q2 Sector-attributable ARR⁶

Footnote 6: See appendix for KPI and non-GAAP definitions

Tone of business by geographic region

Solid execution and results across regions



Americas

Favorable signals for longer-term U.S. infrastructure spend

Continued strength in Latin America led by mining



EMEA

First EU budget proposal for 2028-2034 very favorable to continued robust infrastructure spend

Middle East main growth driver again followed by the UK



ASIA PACIFIC

India standout once again with positive sentiment across strategic national programs for water and power

Australia seeing slower transportation spend; however major projects tied to Brisbane 2032 Olympics expected to ramp up

Cesium developer conference 2025

Philadelphia, PA, US, June 23-25, 2025

From earth to orbit: first Cesium developer conference lands in Philly to explore the future of 3D geospatial tech, digital twins, and open data innovation

More than 400 global developers and innovators gather in Philadelphia to explore advances in 3D geospatial tech, digital twins, and real-world applications powered by open standards and interoperable data.

<https://blog.bentley.com/insights/from-earth-to-orbit-first-cesium-developer-conference-lands-in-philly-to-explore-the-future-of-3d-geospatial-tech-digital-twins-and-open-data-innovation/>



Bentley's Patrick Cozzi speaks with Vijay Kumar, UPenn engineering dean and founder of autonomous robotics company, Exyn Technologies, a Cesium user.

Better decisions for infrastructure through 3D geospatial context powered by Cesium

HNTB streamlines infrastructure project visualization with Cesium

When it comes to infrastructure investments, visualization transforms public engagement from abstract discussions to concrete decision-making. HNTB's Immersive Media Solutions team uses Cesium ion, Cesium for Unreal, Cesium for Unity, and Google Photorealistic 3D Tiles to help community stakeholders better understand proposed infrastructure projects and engage meaningfully in the approval process.

<https://cesium.com/blog/2025/06/26/hntb-streamlines-infrastructure-project-visualization-with-cesium/>



HNTB's visualization team leveraged Cesium to vertically align long linear infrastructure models with the Earth's curvature. Courtesy HNTB.

Bentley's Going Digital Awards celebrate the extraordinary work of the organizations that help advance the world's infrastructure.

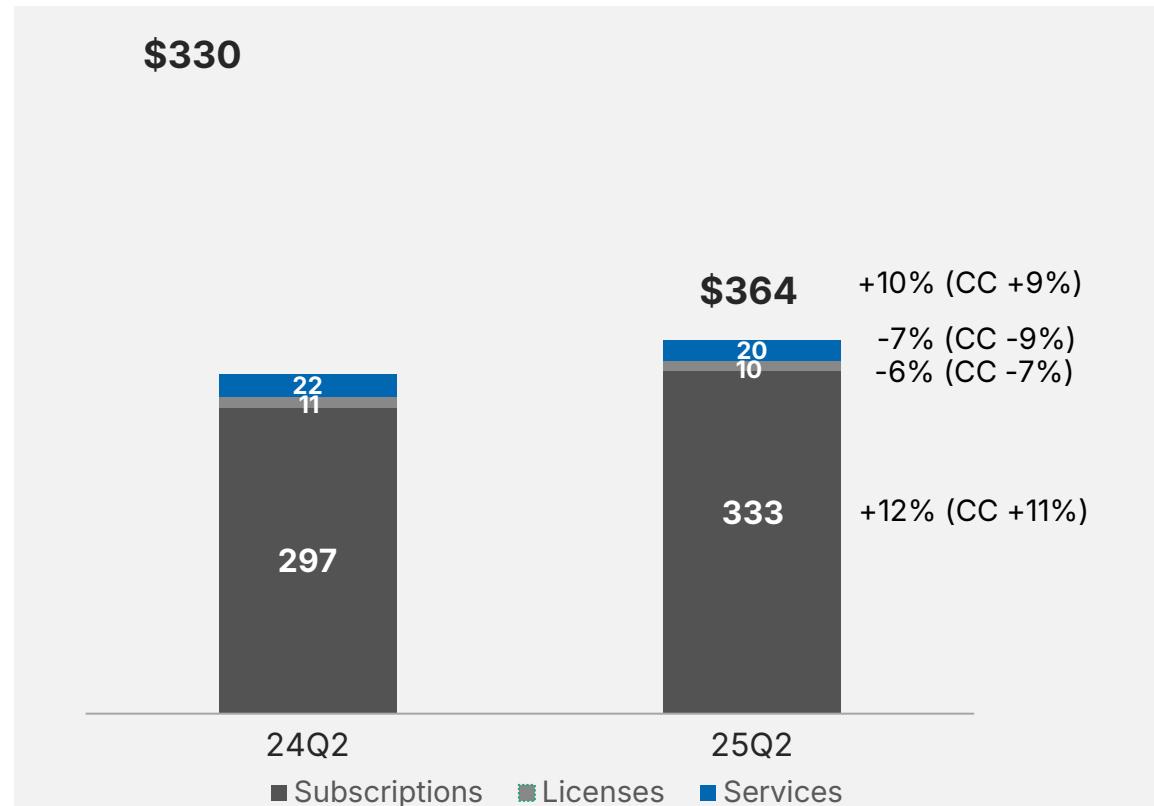


03 Perspectives from the CFO, Werner Andre

Revenue performance

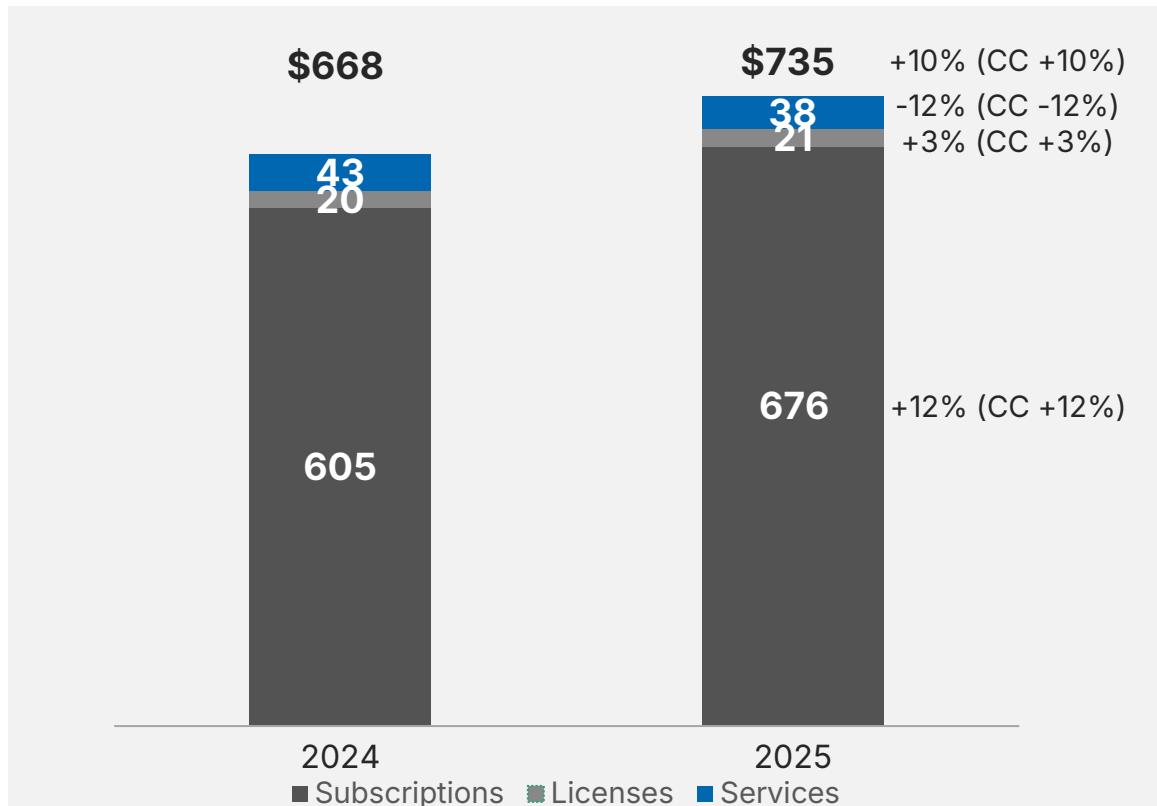
Second quarter

\$ in millions - CC constant currency¹



First half

\$ in millions - CC constant currency¹

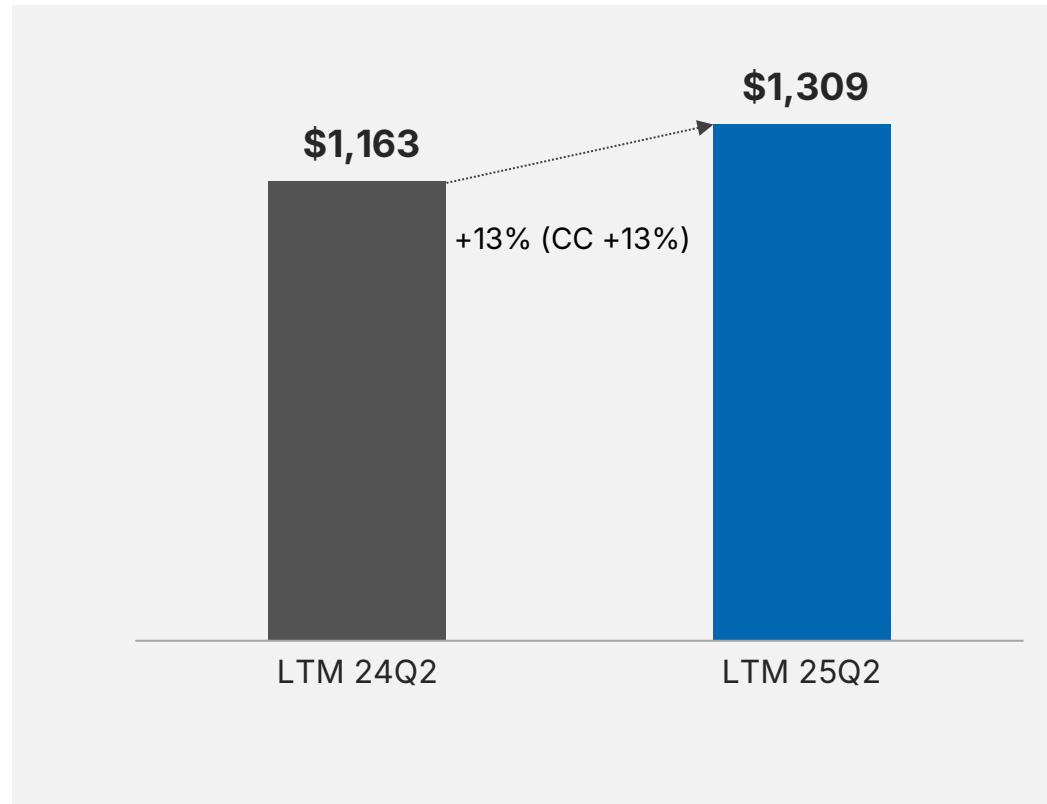


Footnote 1: See appendix for KPI and non-GAAP definitions

Recurring revenue performance

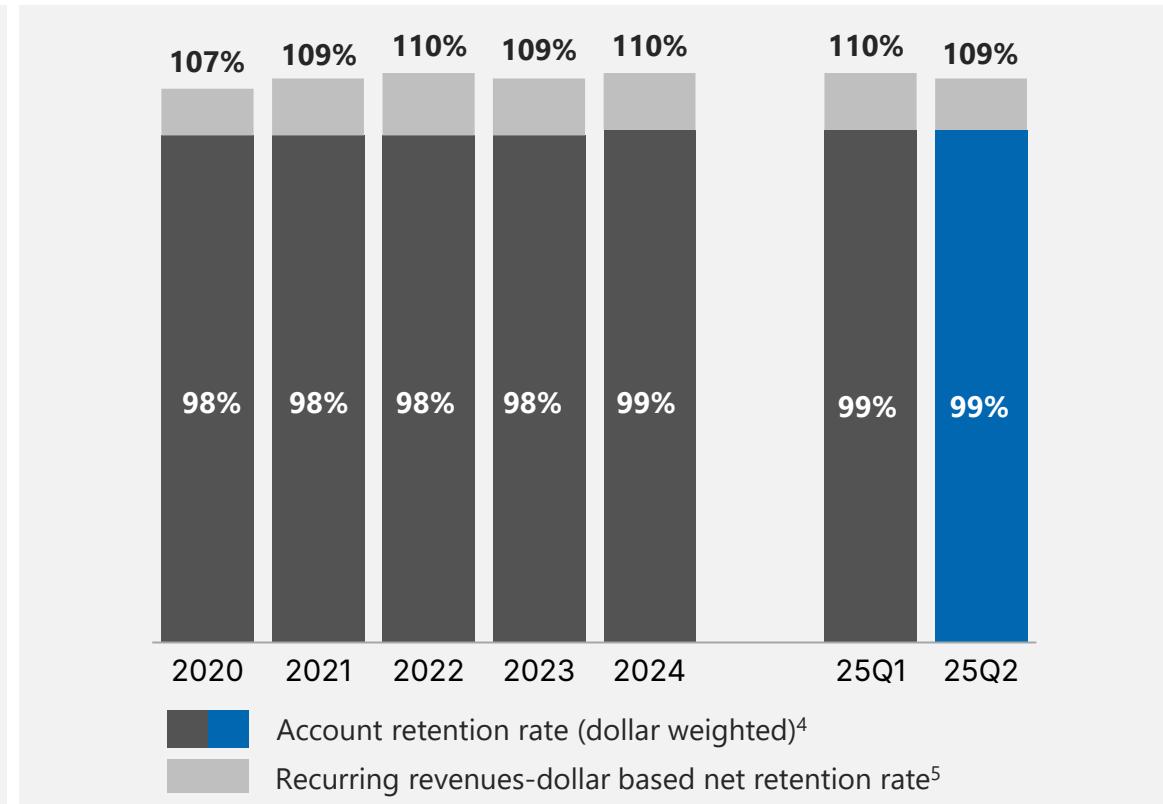
LTM recurring revenues³

\$ in millions - CC constant currency¹



LTM recurring revenue retention

\$ in millions - CC constant currency¹, YoY



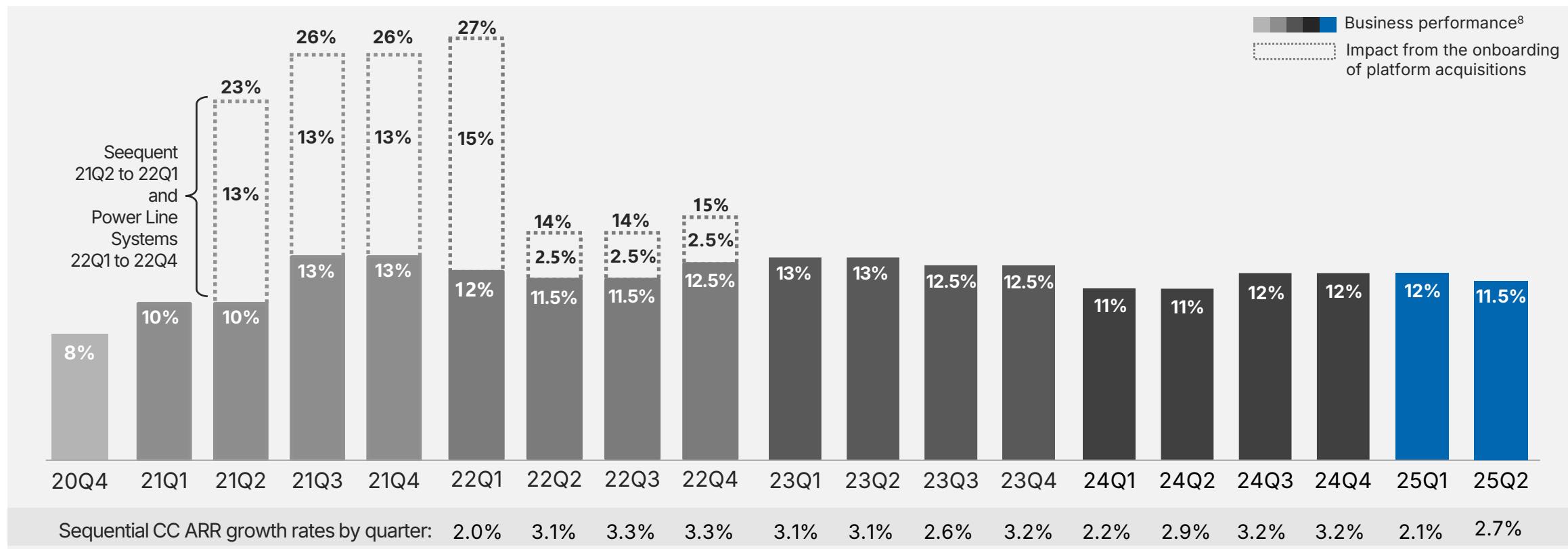
Footnotes 1, 3, 4, 5: See appendix for KPI and non-GAAP definitions

Recurring revenue performance

ARR growth^{7,8}

\$ in millions - CC constant currency¹, YoY

ARR⁶: \$1,379 million at 06/30/2025 spot rates

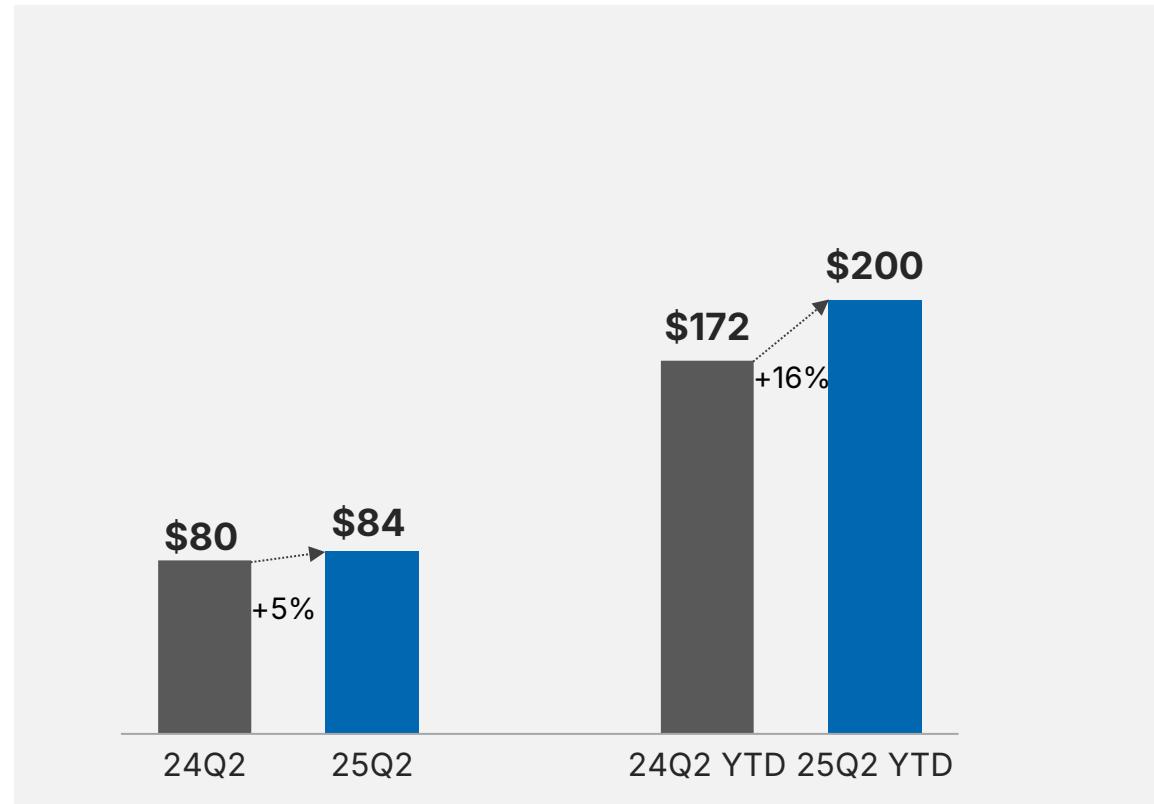


Footnotes 1, 6, 7, 8: See appendix for KPI and non-GAAP definitions

Profitability performance

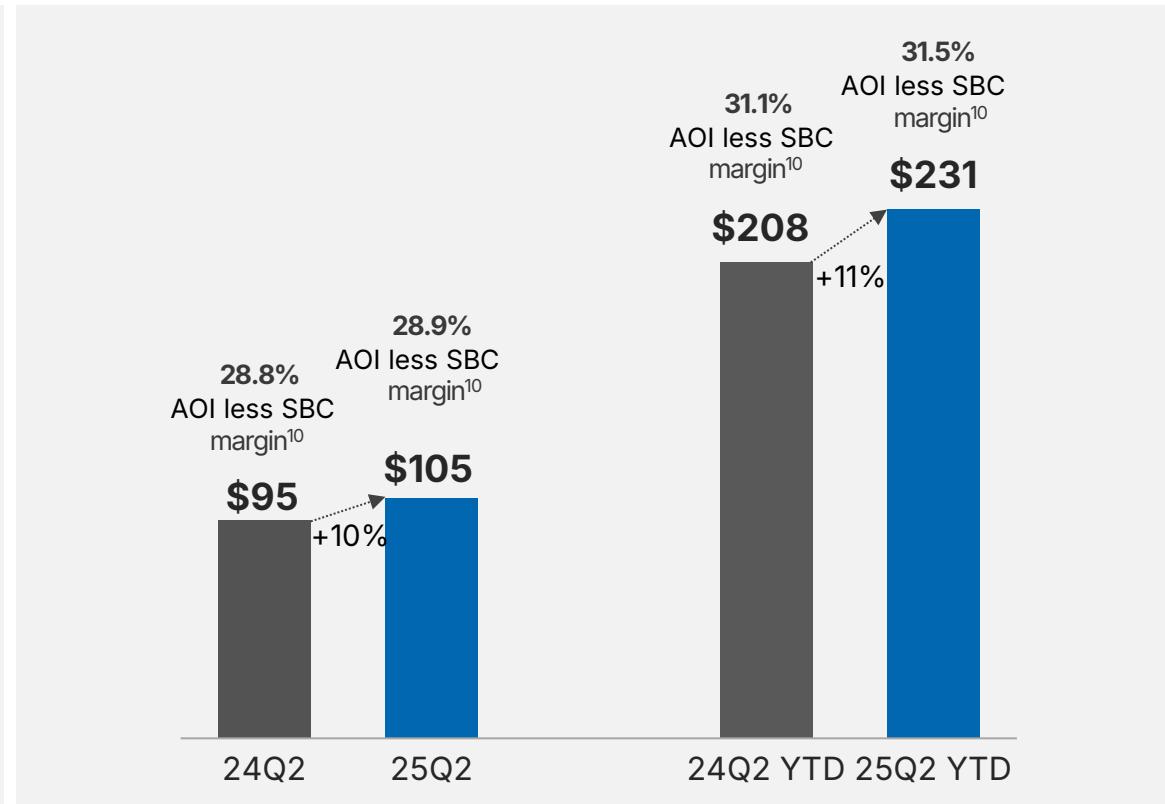
GAAP operating income

\$ in millions



AOI less SBC⁹

\$ in millions



Footnotes 9, 10: See appendix for KPI and non-GAAP definitions

Liquidity and Capital Structure

Operating and Free cash flows¹³

\$ in millions



Year-to-date 25Q2 capital allocation

- \$135 million in net bank debt reduction
- \$75 million in share repurchases, including \$25 million of de-facto share repurchases
- \$42 million in dividends
- \$10 million in convertible senior notes repurchase

Footnote a: Debt gross of unamortized debt issuance costs

Footnote b: Net senior debt is senior debt minus cash

Footnote c: Net senior debt leverage is net senior debt divided by LTM adjusted EBITDA¹¹

25Q2 credit metrics

\$ in millions

Cash	\$ 90
Senior debt ^a	\$ —
Net senior debt ^b	\$ (90)
Net senior debt leverage ^c	0.0x
Available revolver credit capacity	\$ 1,300

- Senior debt excludes \$1,253 million^a of convertible notes due 2026/2027 if not converted
 - Annual cash interest on these notes is minimal at ~\$3 million per year
 - Net debt leverage^d including convertible notes as indebtedness is 2.4x
- At \$100 million / year (exceeding recent average) for programmatic acquisitions, we can expect to de-lever at the rate of about .7x (turns of adjusted EBITDA¹¹) annually
- Convertible debt leverage^e is 2.6x

Footnote d: Net debt leverage is net senior debt plus \$1,253M of convertible notes divided by LTM adjusted EBITDA¹¹

Footnote e: Convertible debt leverage is convertible debt divided by LTM adjusted EBITDA¹¹

Footnotes 11,13: See appendix for KPI and non-GAAP definitions

Full year 2025 financial outlook

Financial metrics	Outlook
Total Revenues	\$1,461 million to \$1,490 million ^a or \$1,481 million to \$1,510 million in constant currency
Subscriptions Revenues	+10.5% to 12.5% in constant currency
Perpetual Licenses Revenues	Approximately flat in constant currency
Services Revenues	Approximately flat in constant currency
ARR growth ⁸ (constant currency ¹)	10.5% to 12.5% ^b
AOI less SBC margin ¹⁰	Approximately 28.5% (representing annual improvement of 100bps)
Effective tax rate	Approximately 21%
Free Cash Flows ¹³	\$430 million to \$470 million, up from our prior Outlook of \$415 million to \$455 million
Capital expenditures	Approximately \$20 million

Additional expectations to support financial modeling

- Full year interest expense of approximately \$10 million. Approximately zero cash interest (net of the receipts from our interest rate swap);
- Full year cash taxes of approximately \$60 million, down from our prior Outlook of approximately \$75 million;
- Stock-based compensation of approximately 5% of revenues;
- Operating depreciation and amortization of approximately 1.5% of revenues;
- Fully diluted weighted average shares outstanding between 333.3 and 334.9 million;
- Dividends of \$0.28 per share

Footnote a: Reflecting an approximate 1.5% headwind to revenue growth in constant currency. We do not update our revenues outlook for subsequent changes in foreign exchange rates

Footnote b: Includes ARR⁶ acquired from programmatic acquisitions, which generally are immaterial, individually, and in the aggregate | Footnotes 1, 6, 8, 10, 13: See appendix for KPI and non-GAAP definitions

Appendix

KPI and non-GAAP definitions

This presentation includes certain KPIs and non-GAAP financial measures, which are defined herein. Reconciliations of non-GAAP financial measures to their most directly comparable GAAP financial measures are included in our Form 8-K (Quarterly Earnings Release) announcing our quarterly financial results, which can be found on the SEC's website at www.sec.gov and on our website at www.bentley.com.

1. **Constant currency.** In reporting period-over-period results, except for ARR as discussed further below, we calculate the effects of foreign currency fluctuations and constant currency information by translating current and prior period results on a transactional basis to our reporting currency using prior period average foreign currency exchange rates in which the transactions occurred.
2. **Recurring revenues.** We define recurring revenues as subscriptions revenues that recur monthly, quarterly, or annually with specific or automatic renewal clauses and professional services revenues in which the underlying contract is based on a fixed fee and contains automatic annual renewal provisions.
3. **LTM Recurring revenues.** Our last twelve-months ("LTM") recurring revenues are calculated as recurring revenues recognized over the preceding twelve-month period.
4. **Account retention rate.** Our account retention rate for any given twelve-month period is calculated using the average currency exchange rates for the prior period, as follows: the prior period recurring revenues from all accounts with recurring revenues in the current and prior period, divided by total recurring revenues from all accounts during the prior period. 2019 calculated using ASC 605, and 2020, 2021, 2022, 2023, 2024, and 2025 calculated using ASC 606.
5. **LTM Recurring revenues dollar-based net retention rate.** Our LTM recurring revenues dollar-based net retention rate is calculated, using the average exchange rates for the prior period, as follows: the recurring revenues for the current period, including any growth or reductions from existing accounts, but excluding recurring revenues from any new accounts added during the current period, divided by the total recurring revenues from all accounts during the prior period. A period is defined as any trailing twelve months. Related to our platform acquisitions, recurring revenues into new accounts will be captured as existing accounts starting with the second anniversary of the acquisition when such data conforms to the calculation methodology. This may cause variability in the comparison. 2019 calculated using ASC 605, and 2020, 2021, 2022, 2023, 2024, and 2025 calculated using ASC 606.

KPI and non-GAAP definitions

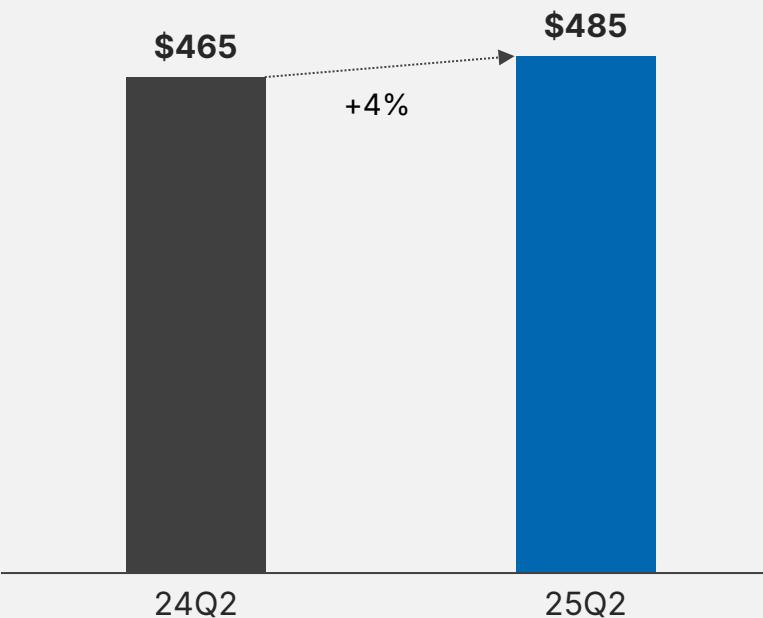
6. **Annualized Recurring Revenues ("ARR").** Our ARR is defined as the sum of the annualized value of our portfolio of contracts that produce recurring revenues as of the last day of the reporting period, and the annualized value of the last three months of recognized revenues for our contractually recurring consumption-based software subscriptions with consumption measurement durations of less than one year, calculated using the spot foreign exchange rates.
7. **ARR growth rate.** Our constant currency ARR growth rate is the growth rate of ARR measured on a constant currency basis. In reporting period-over-period ARR growth rates in constant currency, we calculate constant currency growth rates by translating current and prior period ARR on a transactional basis to our reporting currency using current year budget exchange rates.
8. **ARR growth rate from business performance.** Our constant currency ARR growth rate from business performance excludes the ARR onboarding of our platform acquisitions and includes the impact from the ARR onboarding of programmatic acquisitions, which generally are immaterial, individually and in the aggregate.
9. **AOI less SBC.** Our Adjusted operating income less stock-based compensation expense ("AOI less SBC") is defined as operating income adjusted for the following: amortization of purchased intangibles, expense (income) relating to deferred compensation plan liabilities, acquisition expenses, and realignment expenses (income).
10. **AOI less SBC margin.** Our AOI less SBC margin is calculated by dividing AOI less SBC by total revenues.
11. **Adjusted EBITDA.** Our Adjusted EBITDA is defined as cash flow from operations adjusted for the following: cash interest, cash taxes, cash deferred compensation plan distributions, cash acquisition expenses, cash realignment costs, changes in operating assets and liabilities, and other cash items (such as those related to our interest rate swap). From time to time, we may exclude from Adjusted EBITDA the impact of certain cash receipts or payments that affect period-to-period comparability.
12. **Organic ARR.** Organic ARR is defined as reported ARR less ARR onboarded from programmatic acquisitions.
13. **Free cash flow ("FCF").** FCF is defined as cash flow from operations ("OCF") less purchases of property and equipment and investment in capitalized software.

Adjusted EBITDA¹¹

Reconciliation of cash flows from operations to Adjusted EBITDA¹¹

Last twelve months

\$ in millions



Last twelve months 25Q2

\$ in thousands

Cash flow from operations	\$ 448,237
Cash interest	11,820
Cash taxes	64,386
Cash deferred compensation plan distributions	3,766
Cash acquisition expenses	9,232
Cash realignment costs	1,280
Change in operating assets and liabilities	(45,101)
Other ^a	(8,279)
Adjusted EBITDA	\$ 485,341

Footnote 11: See appendix for KPI and non-GAAP definitions

Footnote a: Includes cash receipts related to interest rate swap.

Constant currency¹

Reconciliation of total revenues and subscriptions revenues to total revenues and subscriptions revenues in constant currency

\$ in thousands	Three months ended June 30, 2025			Three months ended June 30, 2024		
	Actual	Impact of foreign exchange at 2024 rates	Constant currency	Actual	Impact of foreign exchange at 2024 rates	Constant currency
Total revenues	\$ 364,106	\$ (3,603)	\$ 360,503	\$ 330,337	\$ (335)	\$ 330,002
Subscriptions revenues	\$ 333,452	\$ (3,191)	\$ 330,261	\$ 297,444	\$ (341)	\$ 297,103

\$ in thousands	Six months ended June 30, 2025			Six months ended June 30, 2024		
	Actual	Impact of foreign exchange at 2024 rates	Constant currency	Actual	Impact of foreign exchange at 2024 rates	Constant currency
Total revenues	\$ 734,648	\$ 174	\$ 734,822	\$ 668,100	\$ (677)	\$ 667,423
Subscriptions revenues	\$ 675,770	\$ 142	\$ 675,912	\$ 604,533	\$ (673)	\$ 603,860

Footnote 1: See appendix for KPI and non-GAAP definitions

Free Cash Flow¹³

Reconciliation of cash flows from operations to free cash flow

\$ in thousands	Second quarter June 30		Year-to-date June 30		Last twelve months June 30	
	2025	2024	2025	2024	2025	2024
Cash flows from operations	\$ 61,085	\$ 62,586	\$ 280,500	\$ 267,555	\$ 448,237	\$ 427,432
Purchases of property and equipment and investment in capitalized software	(4,091)	(3,090)	(7,135)	(6,689)	(14,492)	(20,438)
Free cash flow	\$ 56,994	\$ 59,496	\$ 273,365	\$ 260,866	\$ 433,745	\$ 406,994

Footnote 13: See appendix for KPI and non-GAAP definitions

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