



# Corporate Overview for Investors

September 2025

## Forward-Looking Statements

This presentation contains forward-looking statements, including, but not limited to, statements regarding Synopsys, Inc.'s (Synopsys, we or our) short-term and long-term financial targets, expectations and objectives; our businesses, business segments, strategies, initiatives and opportunities, including, among other things, our plan to reallocate resources in our Design IP segment to higher growth opportunities; harness AI efficiencies, and undertake actions that will impact our workforce; industry growth and technological trends; our market outlook; the macroeconomic environment and global economic conditions; the impact of current and future U.S. and foreign trade regulations, government actions and regulatory changes, such as export control restrictions and tariffs, including the anticipated impact of China export control restrictions; the Ansys Merger and its expected impact; planned dispositions and their expected impact, including the pending sales to Keysight Technologies, Inc. of our Optical Solutions Group and the Ansys PowerArtist RTL business and their potential impact on our ability to realize the benefits of the Ansys Merger; our key customers, customer concentration, customer demand and market expansion; product development and our planned product releases and capabilities; the expected realization of our contracted but unsatisfied or partially unsatisfied performance obligations (backlog); planned stock repurchases; our expected tax rate; and the impact and result of pending legal, regulatory, administrative and tax proceedings. These statements involve risks, uncertainties and other factors that could cause our actual results, time frames or achievements to differ materially from those expressed or implied in such forward-looking statements. Such risks, uncertainties and factors include, but are not limited to: macroeconomic conditions and geopolitical uncertainty in the global economy; uncertainty in the growth of the semiconductor and electronics industries; the highly competitive industry we operate in; actions by the U.S. or foreign governments, such as the imposition of additional export restrictions or tariffs; consolidation among our customers and our dependence on a relatively small number of large customers; risks and compliance obligations relating to the global nature of our operations; failure to realize the benefits expected from the Ansys Merger or unexpected difficulties or expenditures arising therefrom; and more. Additional information on potential risks, uncertainties and other factors that could affect Synopsys' results is included in filings we make with the SEC from time to time, including in the sections entitled "Risk Factors" in our latest Annual Report on Form 10-K, and in our latest Quarterly Report on Form 10-Q. The financial information contained in this presentation should be read in conjunction with the consolidated financial statements and notes thereto included in Synopsys' most recent reports on Forms 10-K and 10-Q, each as may be amended from time to time. Synopsys' financial results for its third quarter of fiscal year 2025 are not necessarily indicative of Synopsys' operating results for any future periods. The information provided herein is as of September 9, 2025. Synopsys undertakes no duty to, and does not intend to, update any forward-looking statement, whether as a result of new information, future events or otherwise, unless required by law.

## Regulation G

In addition to financial results prepared in accordance with Generally Accepted Accounting Principles (GAAP), this presentation also contains certain non-GAAP financial measures. When possible, Synopsys provides a reconciliation of non-GAAP financial measures to their most closely applicable GAAP financial measures. Reconciliations of certain of the non-GAAP financial measures (either contained in this presentation or given verbally) to their most comparable GAAP measures are included in the table at the end of this presentation, along with the third quarter of fiscal year 2025 earnings release and financial supplement, dated September 9, 2025, and available on Synopsys' website at <https://investor.synopsys.com/overview/default.aspx>. Synopsys is unable to provide a reconciliation of its long-term, multi-year target for annual non-GAAP EPS growth and certain fourth quarter and full fiscal year 2025 non-GAAP financial targets to the corresponding GAAP financial measures on a forward-looking basis because Synopsys believes that it would not be possible for it to have the required information necessary to quantitatively reconcile such measures with sufficient precision without unreasonable efforts due to, among other things, the potential variability and limited predictability of the excluded adjustment items necessary for a full reconciliation such as certain acquisition/divestiture related items, restructuring charges, tax deduction variability, changes in the fair value of non-qualified deferred compensation plan, and gains (losses) on the sale of strategic investments. For the same reasons, Synopsys is unable to address the probable significance of the unavailable information. Investors are encouraged to review Item 2.02 of Synopsys' Current Report on Form 8-K filed on September 9, 2025, for additional information about the measures Synopsys uses to evaluate its core business operations.

# Empowering Our Customers' INNOVATION

## PURPOSE

To power innovation today  
that ignites the ingenuity  
of tomorrow

## MISSION

Empower innovators  
to drive human  
advancement

## VALUE PROPOSITION

Maximize customers'  
R&D capabilities and multiply  
their productivity

# SYNOPSYS®

Our Technology, **Your Innovation™**

# CREATING THE LEADER in Engineering Solutions from Silicon to Systems

**SYNOPSYS®**

Leader in Silicon Design



**Ansys**

Leader in Simulation & Analysis

## PROVIDES

comprehensive solutions  
for the entire silicon design process  
including multi-die simulation & analysis

## EXTENDS

AI leadership in EDA  
and simulation to accelerate  
customers' innovation

## ACCELERATES

creation of intelligent products by  
bringing silicon expertise across  
systems verticals

# Synopsys: Industry and Technology Leader

## BROAD PRODUCT PORTFOLIO

Electronic Design Automation (EDA)

Semiconductor Intellectual Property (IP)

Simulation & Analysis (S&A)

	FY24 <sup>1</sup>	FY25 Targets <sup>2, 3</sup>
<b>Revenue:</b>	\$6.127B	\$7.03B – \$7.06B
<b>Non-GAAP Operating Margin:</b>	38.5%	~37.0%* *Midpoint of range
<b>Non-GAAP Diluted EPS:</b>	\$13.20	\$12.76 – \$12.80

<sup>1</sup> On September 30, 2024, Synopsys completed the sale of its Software Integrity business. Unless otherwise noted, Synopsys' Software Integrity business has been presented as a discontinued operation in the Synopsys' consolidated financial statements for all periods presented in this presentation and all financial results and targets are presented herein on a continuing operations basis.

<sup>2</sup> Target are provided as of September 9, 2025 and reflect the acquisition of ANSYS, Inc. (Ansys). See GAAP to non-GAAP reconciliations below for more information.

<sup>3</sup> Synopsys' fourth quarter and fiscal year 2025 will end on October 31, 2025. These targets reflect a change in Synopsys' fiscal year from a 52/53-week period ending on the Saturday nearest to October 31 of each year to October 31 of each year. As a result of this change, there will be ten fewer days in the first half of fiscal year 2025 and two extra days in the second half of fiscal year 2025, which results in eight fewer days in the aggregate in Synopsys' fiscal year 2025 as compared to its fiscal year 2024.

# Long-term Financial Objectives<sup>1</sup>

## OUR COMBINED COMPANY LONG-TERM, MULTI-YEAR OBJECTIVES ARE:

### REVENUE

Industry-leading  
double-digit growth

**Design Automation:**  
double digits

**Design IP:** mid-teens

### MARGIN

Long-term non-GAAP  
operating margins  
in mid 40s

Long-term unlevered  
free cash flow margins  
in mid 30s

### EARNINGS

Non-GAAP  
EPS growth in the  
high-teens range

<sup>1</sup> These multi-year objectives are provided as of September 9, 2025 and reflect the acquisition of Ansys. See GAAP to non-GAAP reconciliations below for more information.

# Global Value Chain—2024

## EDA & IP—AT THE HEART OF ACCELERATING ELECTRONICS INNOVATION



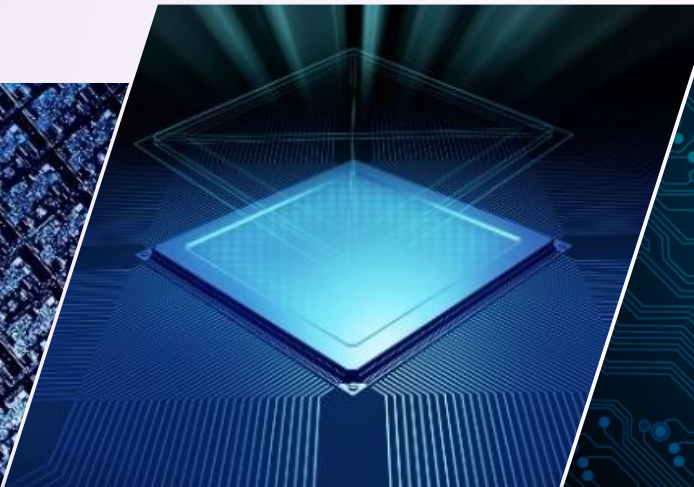
**EDA & IP**  
**\$19.9B**



**Embedded Software**  
**\$17.9B**



**Foundry**  
**\$158B**

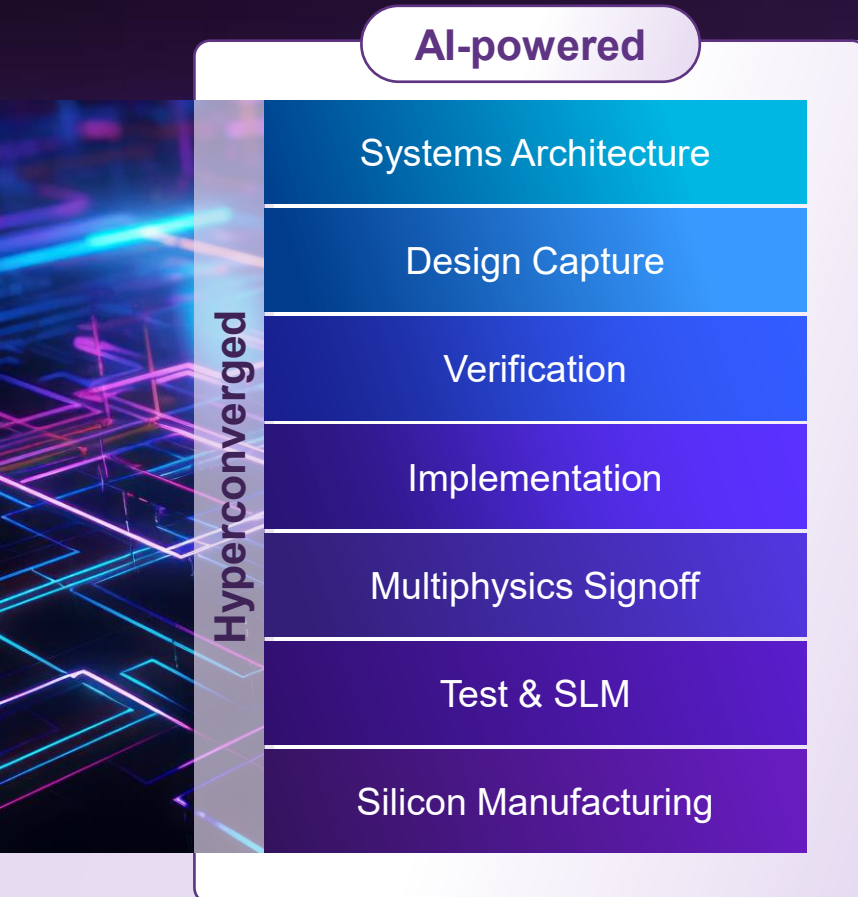


**Semiconductors**  
**\$677B**



**Electronic Systems**  
**\$2.50T**

# INDUSTRY-LEADING Full-Stack EDA Solution



**#1 IN EDA**, Leader in digital design and verification

**OVER 1400** tape-outs at 16nm and below\*

**LEADER IN** GPU-accelerated analog verification

**LEADER IN** simulation and IR-drop analysis

**GOLD STANDARD** in Signoff and TCAD

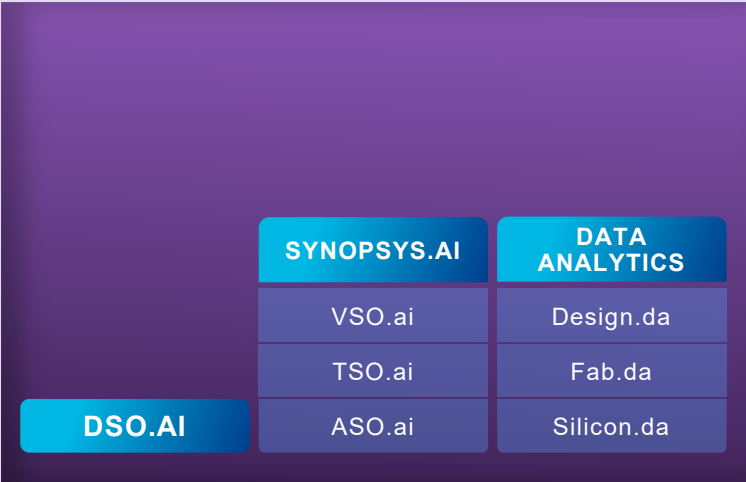
**PIONEER** in AI-powered EDA

**SUPERIOR CUSTOMER OUTCOMES** through PPA, capacity leadership and silicon accuracy

# EDA AI LEADERSHIP - RL to Generative to Agentic

## REINFORCEMENT LEARNING

Optimization of Results



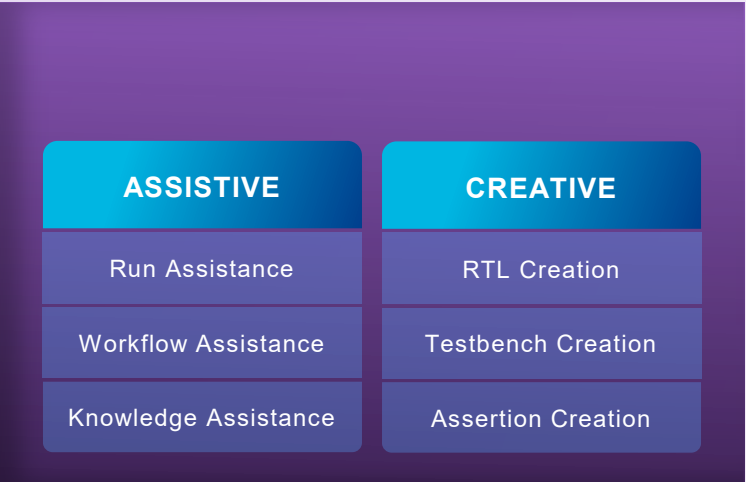
2017-2020

2023

2023

## GENERATIVE AI / LLMS

Assistive and Creative Capabilities



2023

## AGENTIC AI

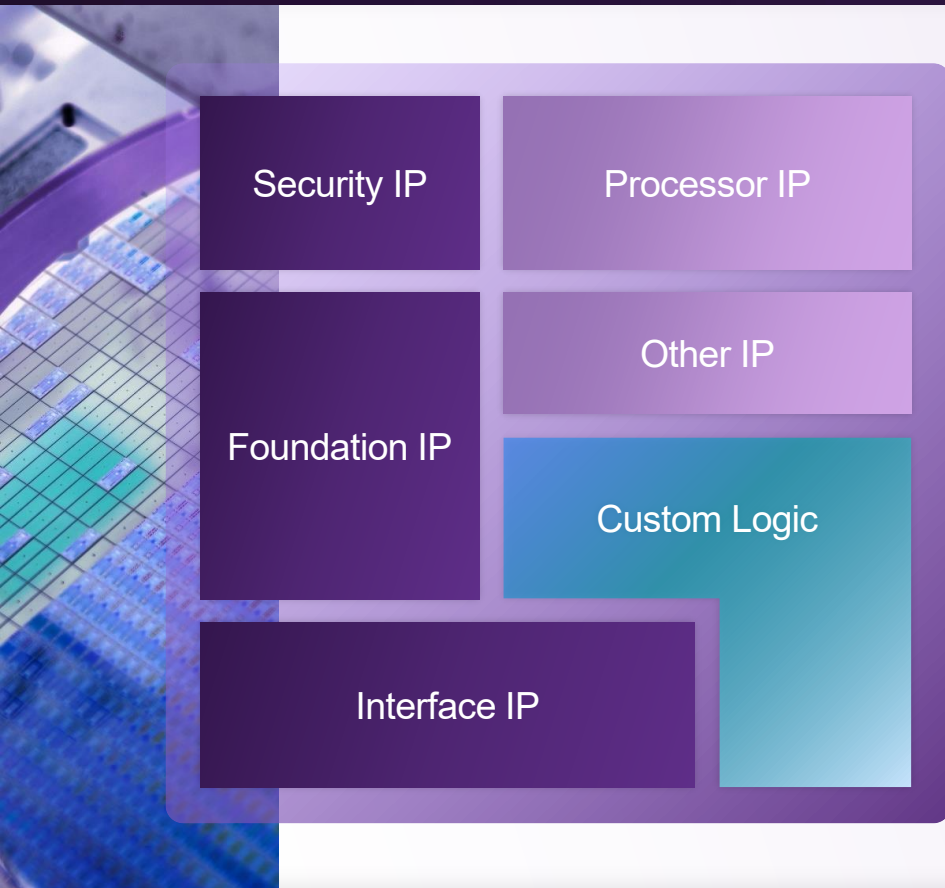
Autonomous Tasks



AgentEngineer™ Technology

Next

# Broadest & Most Advanced IP PORTFOLIO



**26 YEARS** of investment & commitment

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**#2 IP PROVIDER** worldwide

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**#1 IN** Interface IP

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**#1 IN** Foundation IP

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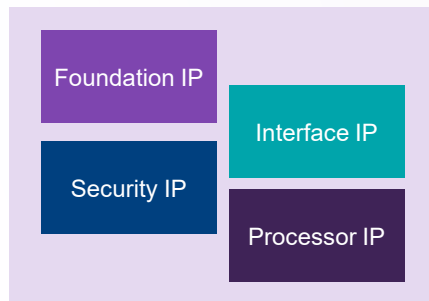
**GROWING** Processor and Security IP portfolios

**INCREASE PRODUCTIVITY AND REDUCE DESIGN RISK** with high-quality Synopsys IP

# ADVANCED TECHNOLOGY to Accelerate Silicon Productivity

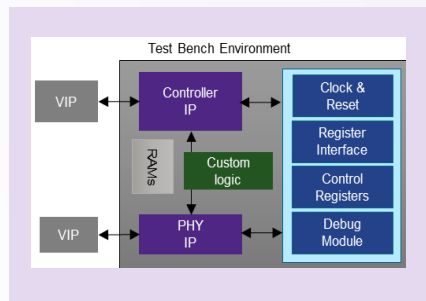
## Broad IP Portfolio

Reduced TTM



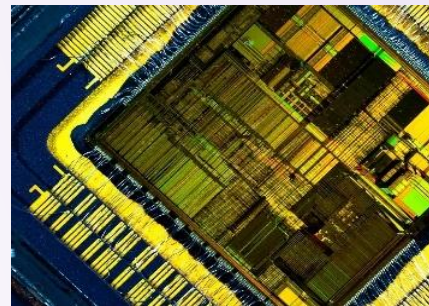
## IP Subsystems

Reduced risk



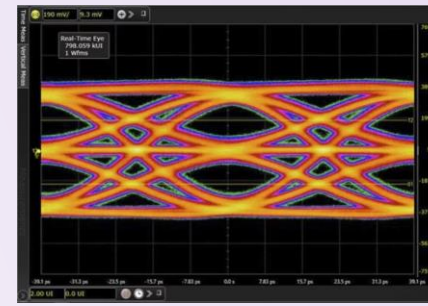
## IP Subsystem Hardening

Improved design efficiency



## Advanced Package

Maximized signal & power integrity



## Silicon Bring-up

Shortened time to production



## SYNOPSYS PARTNERSHIP from IP Core to Silicon Bring-Up

# INDUSTRY-LEADING Simulation & Analysis Portfolio

AI-powered

Mission Engineering

System Simulation & Analysis

Materials & Optimization

Multiphysics

**#1 in S&A**, the leader in multiphysics analysis

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**LEADER IN** orbital dynamics & mission operations

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**GOLD STANDARD** in multiphysics & safety

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**PIONEER IN** digital twins & AI physics informed neural networks

**SUPERIOR CUSTOMER OUTCOMES** through accurate digital twins and broadest multiphysics portfolio

# ADVANCED TECHNOLOGY to Accelerate Systems Productivity

## Multiphysics Simulation & Analysis

Numerics that provide accurate, reliable and consistent answers



## Systems Simulation & Analysis

Transforming the engineering lifecycle, enabling faster and more efficient product development



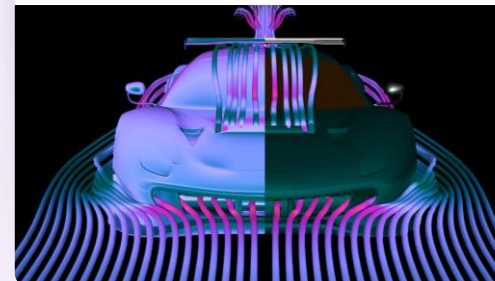
## High-Performance Computing

Scalable deployment with support for both managed and self-service cloud offerings



## Artificial Intelligence

Leveraging AI optimized design configurations while improving efficiency and reducing errors



## Cloud & Experience

Ensuring traceability, security, consistency, and reusability of simulation data



# GAAP to Non-GAAP Reconciliation

## EARNINGS PER SHARE—Full Fiscal Year 2025 Targets

	Range for Fiscal Year Ending	
	October 31, 2025	
	Low	High
Target GAAP earnings per diluted share attributed to Synopsys	\$ 5.03	\$ 5.16
Adjustments:		
Amortization of acquired intangible assets	3.05	3.00
Stock-based compensation	5.68	5.64
Acquisition/divestiture related items <sup>(1)</sup>	1.60	1.60
Loss on sale of strategic investments	0.02	0.02
Tax adjustments	(2.62)	(2.62)
Target non-GAAP earnings per diluted share attributed to Synopsys	<u>\$ 12.76</u>	<u>\$ 12.80</u>
Shares used in non-GAAP calculation (midpoint of target range)	165,500	165,500

<sup>1</sup> Adjustments reflect actual expenses incurred by Synopsys as of July 31, 2025 or certain contractually obligated financing fees and related amortization expenses, and do not fully reflect all potential adjustments for future periods for the reasons set forth in "GAAP to Non-GAAP Reconciliation"

# GAAP to Non-GAAP Reconciliation<sup>1</sup>

## OPERATING MARGIN—Midpoint of Fiscal Year 2025 Targets

	<b>Fiscal Year Ending October 31, 2025</b>
At midpoint of revenue and expense guidance ranges	
GAAP operating margin	13.5 %
Amortization of acquired intangible assets	7.1 %
Stock-based compensation	13.3 %
Acquisition/divestiture related items <sup>(2)</sup>	3.1 %
Target non-GAAP operating margin	37.0 %

<sup>1</sup> These numbers represent the midpoint of targets in the prepared remarks provided on September 9, 2025, and do not represent official guidance for the fourth quarter of fiscal year 2025.

<sup>2</sup> Adjustments reflect actual expenses incurred by Synopsys as of July 31, 2025 and do not fully reflect all potential adjustments for future periods for the reasons set forth in "GAAP to Non-GAAP Reconciliation" below.

# GAAP to Non-GAAP Reconciliation<sup>1</sup>

## EARNINGS PER SHARE—Fiscal Year 2024 Actual Results

	<b>Twelve Months Ended October 31, 2024</b>
GAAP net income from continuing operations per diluted share attributed to Synopsys	\$ 9.25
Adjustments:	
Amortization of acquired intangible assets	0.67
Stock-based compensation	4.21
Acquisition/divestiture related items	1.11
Gain on sale of strategic investments	(0.35)
Tax adjustments	(1.69)
Non-GAAP net income from continuing operations per diluted share attributed to Synopsys	<u>\$ 13.20</u>
Shares used in computing net income per diluted share amounts:	155,944

<sup>1</sup> Synopsys' fiscal year 2024 ended on November 2, 2024. For presentation purposes, we refer to the closest calendar month end. Fiscal year 2024 was a 53-week year, which included an extra week in the first quarter.

# GAAP to Non-GAAP Reconciliation<sup>1,4</sup>

## OPERATING MARGIN—Fiscal Year 2024 Actual Results

	<b>Twelve Months Ended October 31, 2024</b>
GAAP operating margin	22.1 %
Amortization of acquired intangible assets <sup>(2)</sup>	2.0 %
Stock-based compensation <sup>(2)</sup>	10.7 %
Acquisition/divestiture related items <sup>(3)</sup>	2.3 %
Non-qualified deferred compensation plan	1.4 %
Non-GAAP operating margin	<u>38.5 %</u>

<sup>1</sup> Synopsys' fiscal year 2024 ended on November 2, 2024. For presentation purposes, we refer to the closest calendar month end. Fiscal year 2024 was a 53-week year, which included an extra week in the first quarter.

<sup>2</sup> The adjustment includes non-GAAP expenses attributable to non-controlling interest and redeemable non-controlling interest.

<sup>3</sup> The adjustment excludes the amortization of bridge financing costs entered into in connection with the pending Ansys Merger that was recorded in interest expense in our unaudited condensed consolidated statements of income.

<sup>4</sup> Presented on a continuing operations basis.

The background is a dark purple gradient. In the lower half, there are numerous horizontal and curved light trails in shades of blue and purple, creating a sense of motion and depth. The trails are more concentrated on the right side, where they curve upwards and outwards.

# SYNOPSYS<sup>®</sup>

Our Technology, **Your Innovation**<sup>™</sup>