

The background is a dark blue gradient with a large, faint, concentric circular pattern on the left side, resembling a ripple effect. A bright blue lens flare is positioned on the left, partially overlapping the circular pattern. On the right side, there is a large, curved, translucent blue shape that looks like a stylized sphere or a lens.

SYNOPSYS[®] **INVESTOR DAY**

September 30, 2026

SYNOPSYS[®] INVESTOR DAY

Welcome

Tushar Jain

Vice President, Investor Relations

Cautionary Statement Regarding Forward Looking Statements

This presentation contains certain forward-looking statements within the meaning of the federal securities laws, including, but not limited to, statements concerning our anticipated financial performance, guidance, long-term financial objectives and projections; anticipated synergies and other benefits; capital allocation plans, including planned share repurchases; revenue growth objectives and the expected timing and pace of realization; operating margin expansion objectives; customer demand, market opportunities and industry trends, including the anticipated impact of artificial intelligence; products, services, technologies, business offerings and models, strategies and anticipated product performance and customer benefits; partnerships and customer agreements; and the operating structure and growth strategy of Synopsys, Inc. ("Synopsys," "we," "our" or "us"). These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions or the negatives of these words or other comparable terminology to convey uncertainty of future events or outcomes. Forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks and uncertainties.

Many risks, uncertainties and other factors that could cause Synopsys' actual future events to differ materially from any future results, time frames, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to: (i) macroeconomic conditions and geopolitical uncertainty in the global economy; (ii) uncertainty in the growth of the semiconductor and electronics industries; (iii) the highly competitive industry in which we operate; (iv) actions by the U.S. or foreign governments, such as the imposition of additional export restrictions or tariffs; (v) consolidation among our customers and our dependence on a relatively small number of large customers; (vi) risks and compliance obligations relating to global nature of our operations; (vii) failure to realize the benefits expected from the transactions we complete, including the acquisition of ANSYS, Inc. ("Ansys"), or unexpected difficulties or expenditures arising therefrom; (viii) risks related to inaccuracies in, or failures to achieve, our operational and business metrics or forecasts of growth; and (ix) other risks and uncertainties described in our filings with the SEC. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements.

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. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Although this presentation is expected to remain available on Synopsys' website through the time Synopsys announces its results for the fourth quarter and fiscal year 2026, its continued availability through such time does not mean that Synopsys is reaffirming or confirming its continued validity. All forward-looking statements by their nature address matters that involve risks and uncertainties, many of which are beyond Synopsys' control, and are not guarantees of future results. Readers are cautioned not to put undue reliance on forward-looking statements, and Synopsys assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law. Synopsys gives no assurances that it will achieve its expectations.

Non-GAAP Financial Information

This presentation includes certain non-GAAP financial information. See the Appendix for additional information regarding these non-GAAP measures, including reconciliations to the most comparable GAAP measures for historical non-GAAP measures presented and, to the extent available without unreasonable efforts, forward-looking non-GAAP measures.

Investor Day Agenda

EASTERN TIME		
1:00p – 1:05p	Welcome & Agenda	Tushar Jain Vice President, Investor Relations
1:05p – 3:00p	Synopsys' Next Phase of Growth	Sassine Ghazi President & Chief Executive Officer Joined by Shankar Krishnamoorthy Chief Product Development Officer
3:00p – 3:15p	Break	
3:15p – 3:45p	Financial Model	Shelagh Glaser Chief Financial Officer
3:45p – 4:15p	Q&A	Sassine Ghazi & Shelagh Glaser

SYNOPSYS[®] **INVESTOR DAY**

Synopsys' Next Phase of Growth

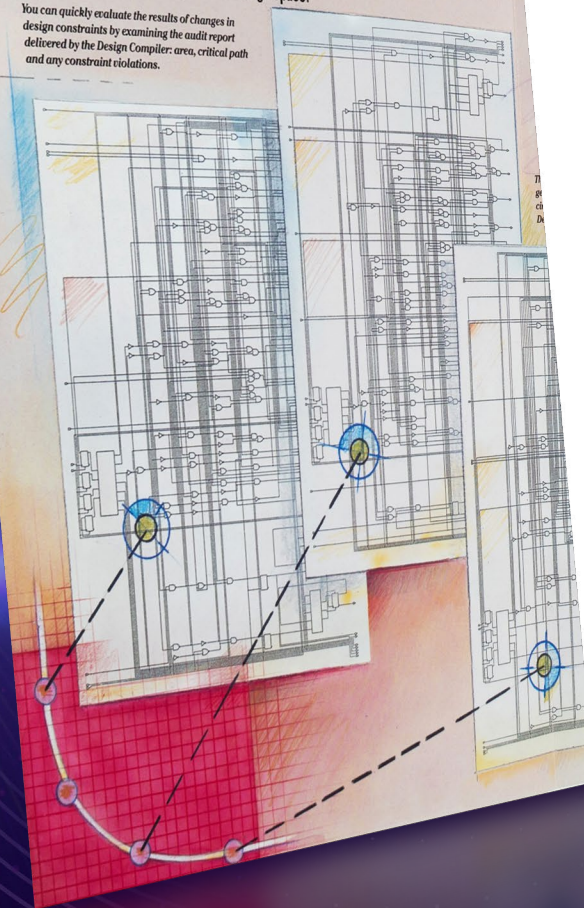
Sassine Ghazi

President and Chief Executive Officer

Synthesis-Based Design:

How the Design Compiler lets you explore the Design Space:

You can quickly evaluate the results of changes in design constraints by examining the audit report delivered by the Design Compiler: area, critical path and any constraint violations.



PROSPECTUS

2,000,000 Shares **synopsys** COMMON STOCK

Of the 2,000,000 shares of Common Stock being offered, 1,600,000 shares are being offered in the United States and Canada by the U.S. Underwriters and 400,000 shares are being offered outside of the United States and Canada by the International Underwriters. See "Underwriters." Of the 1,600,000 shares of Common Stock offered by the U.S. Underwriters, 1,150,000 shares are being sold by the Company and 450,000 shares are being sold by the Selling Stockholders. See "Principal and Selling Stockholders." All of the shares of Common Stock offered by the International Underwriters are being sold by the Company. The Company will not receive any proceeds from the sale of shares by the Selling Stockholders. Prior to this offering, there has been no public market for the Common Stock of the Company. See "Underwriters" for a discussion of the factors considered in determining the initial public offering price.

THIS OFFERING INVOLVES A HIGH DEGREE OF RISK. SEE "RISK FACTORS."

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

PRICE \$18 A SHARE

	Price to Public	Underwriting Discounts and Commissions(1)	Proceeds to Company(2)	Proceeds to Selling Stockholders
Per Share	\$18.00	\$1.26	\$16.74	\$16.74
Total (3)	\$36,000,000	\$2,520,000	\$25,947,000	\$7,633,000

The Company and the Selling Stockholders have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

(1) The Company and the Selling Stockholders have agreed to indemnify the Underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended.

(2) Before deducting expenses payable by the Company estimated at \$600,000.

(3) The Company has granted to the U.S. Underwriters an option, exercisable within 30 days of the date hereof, to purchase up to an aggregate of 300,000 additional Shares at the price to public less underwriting discounts and commissions for the purpose of covering over-allotments, if any. If the Underwriters exercise such option in full, the total price to public, underwriting discounts and commissions and proceeds to Company will be \$41,400,000, \$2,898,000 and \$30,963,000, respectively. See "Underwriters."

The shares are offered, subject to prior sale, when, as and if accepted by the Underwriters named herein and subject to approval of certain legal matters by Morrison & Foerster, counsel for the Underwriters. It is expected that delivery of the certificates for the shares will be made on or about March 3, 1992 at the offices of Morgan Stanley & Co. Incorporated, New York, N.Y., against payment therefor in New York funds.

MORGAN STANLEY & CO.
Incorporated

ALEX. BROWN & SONS
Incorporated

WESSELS, ARNOLD & HENDERSON

February 26, 1992

40 Years of Synopsys

40 Years of Innovation

Pioneering the evolution from automated chip design to multi-domain systems engineering

The Scaling Era

Enabling PCs & Communications



1980

1990

The SoC & IP Era

Enabling Mobile, Cloud & IoT



2000

2010

The Pervasive Intelligence Era

Enabling SW-defined, AI-enabled products everywhere



2020

2030

**SILICON
TO
SYSTEMS**

Pioneered Synthesis

Verification
& Signoff

Interface IP

Place
& Route

Computational
Fluid Dynamics
(CFD)

Electromagnetic
Simulation

Foundation IP

Emulation

Ansys + Synopsys
Partnership

AI-Powered EDA

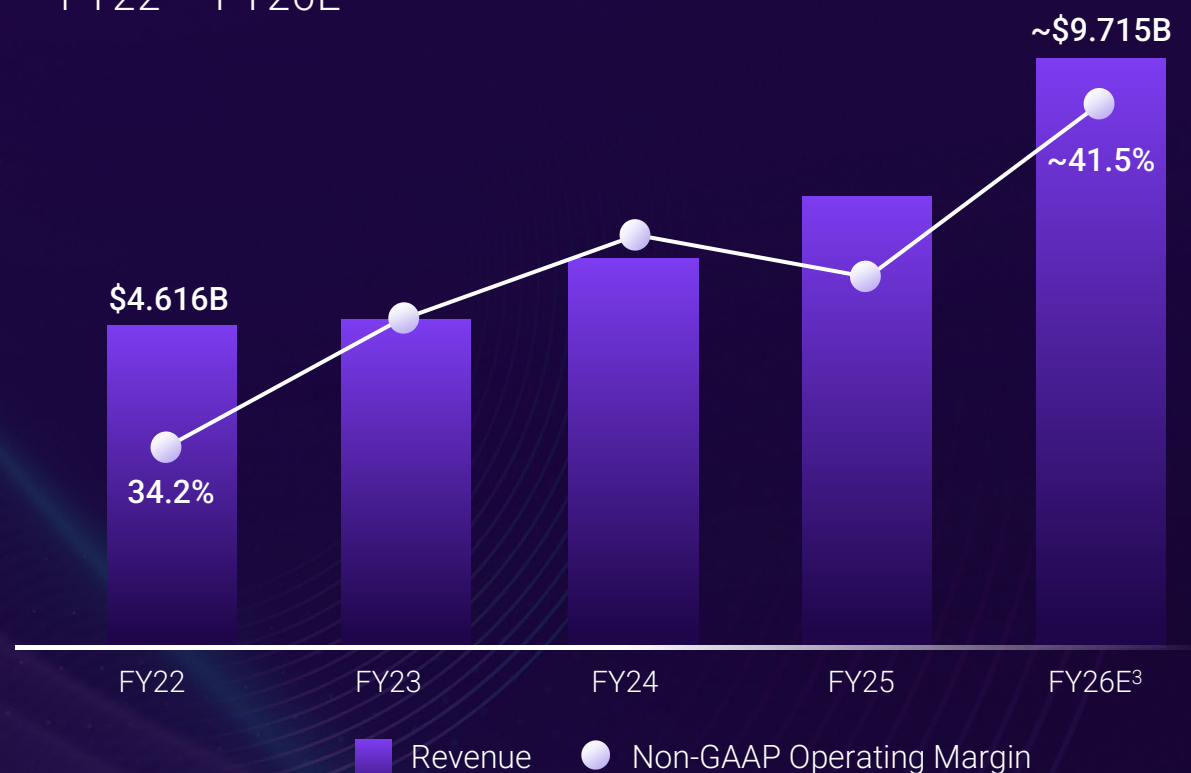
Embedded
SW Testing

Electronics Digital Twin

**Ansys
Acquisition**

5 Years of Transformation

REVENUE & NON-GAAP OPERATING MARGIN^{1,2} FY22 – FY26E



TRANSFORMATION BY THE NUMBERS – OUR EXPECTATIONS EXITING THE YEAR

2.1X

Revenue
Growth³

7+

Points of Non-GAAP
Margin Expansion³

>22K

Customers Worldwide

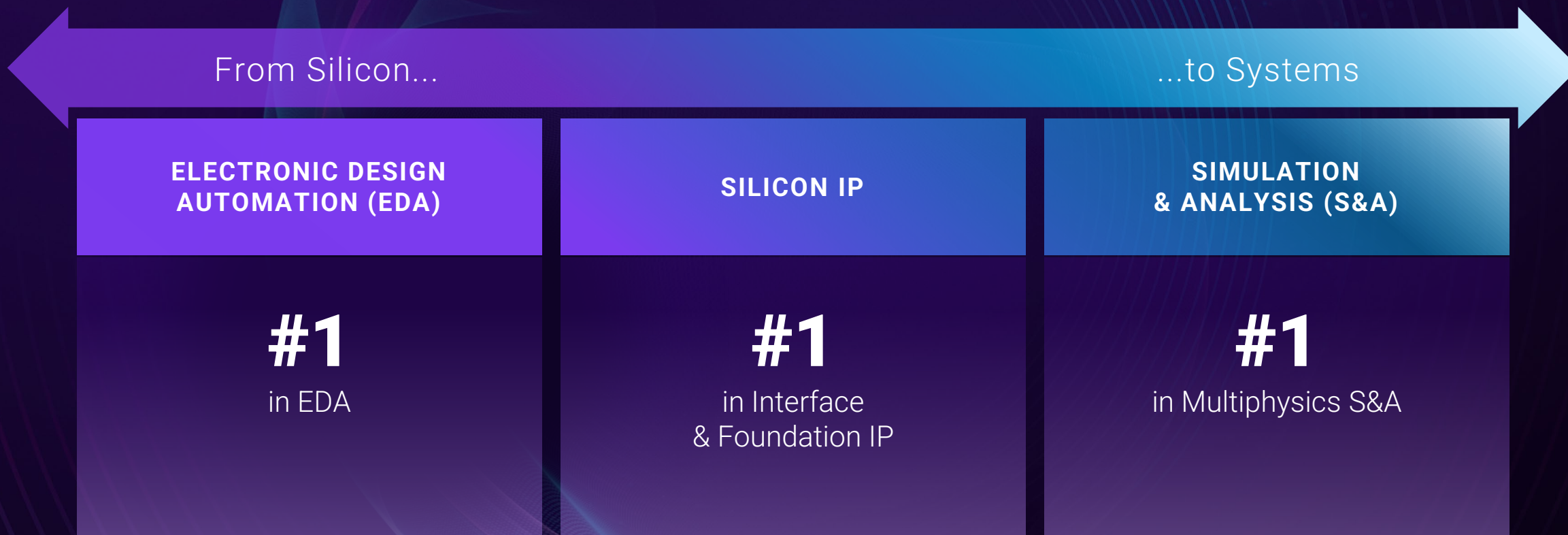
1. See Appendix for additional information regarding these non-GAAP measures, including reconciliations to the most comparable GAAP measures for historical non-GAAP measures presented and, to the extent available without unreasonable efforts, forward-looking non-GAAP measures.

2. Historical data excludes the operations of our Software Integrity business that was divested in 2024.

3. All estimates at midpoint.

Synopsys is the Leader

in Engineering Solutions



Era of **Pervasive Intelligence**

Digital AI



Physical AI



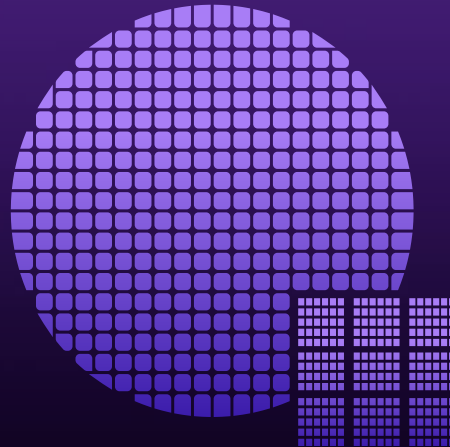
PURPOSE-BUILT SILICON

Silicon & Systems Increasingly Co-designed

Complexity
Compounding



Pace
Accelerating



Cost
Increasing



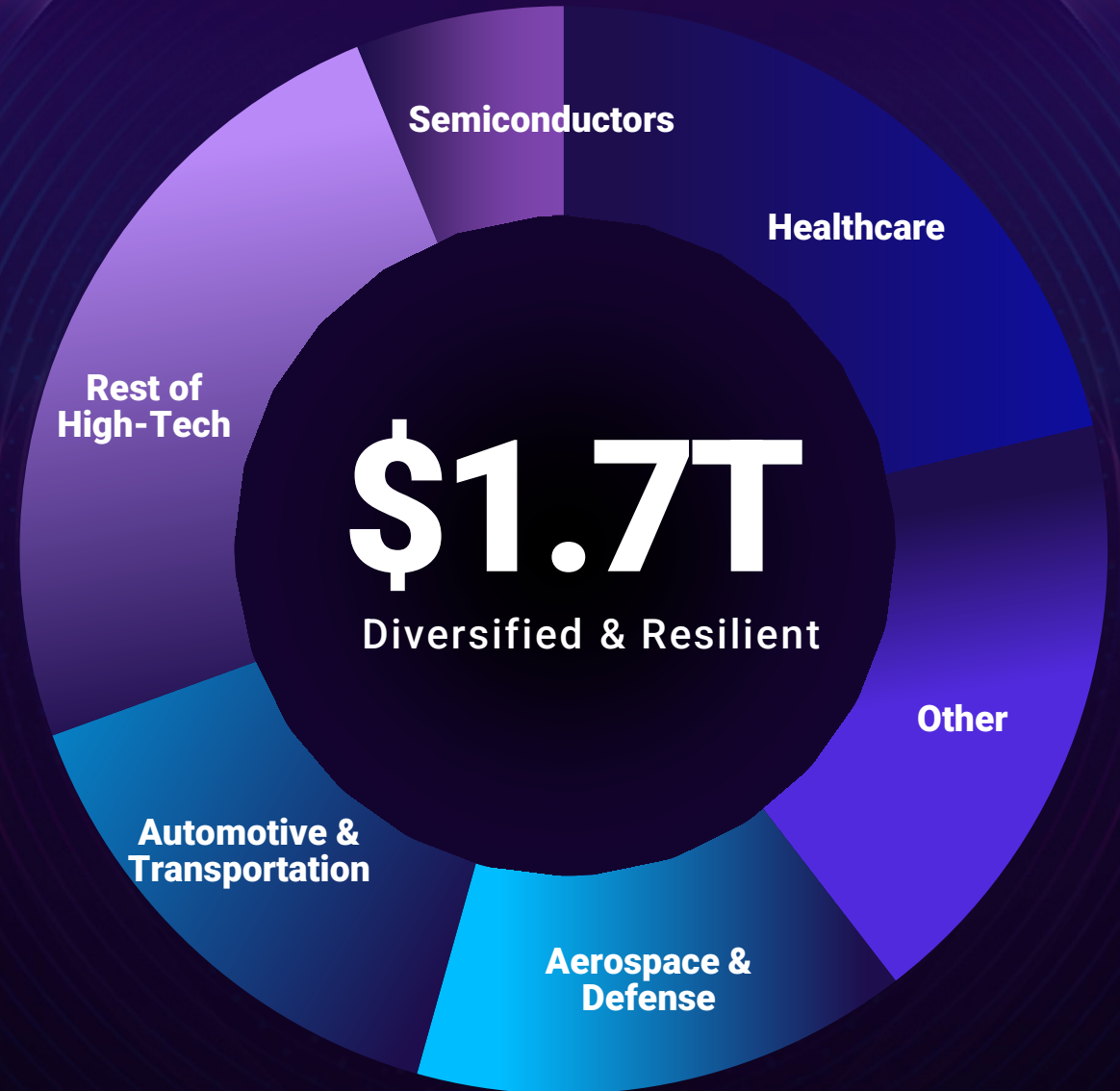
First-time-right systems are critical

The background is a dark blue gradient. On the left side, there is a bright lens flare with a yellow and white core, emitting a horizontal beam of light. Concentric circles in a lighter blue shade emanate from the center of the flare, expanding across the frame. Some of these circles are dotted with small, faint blue dots.

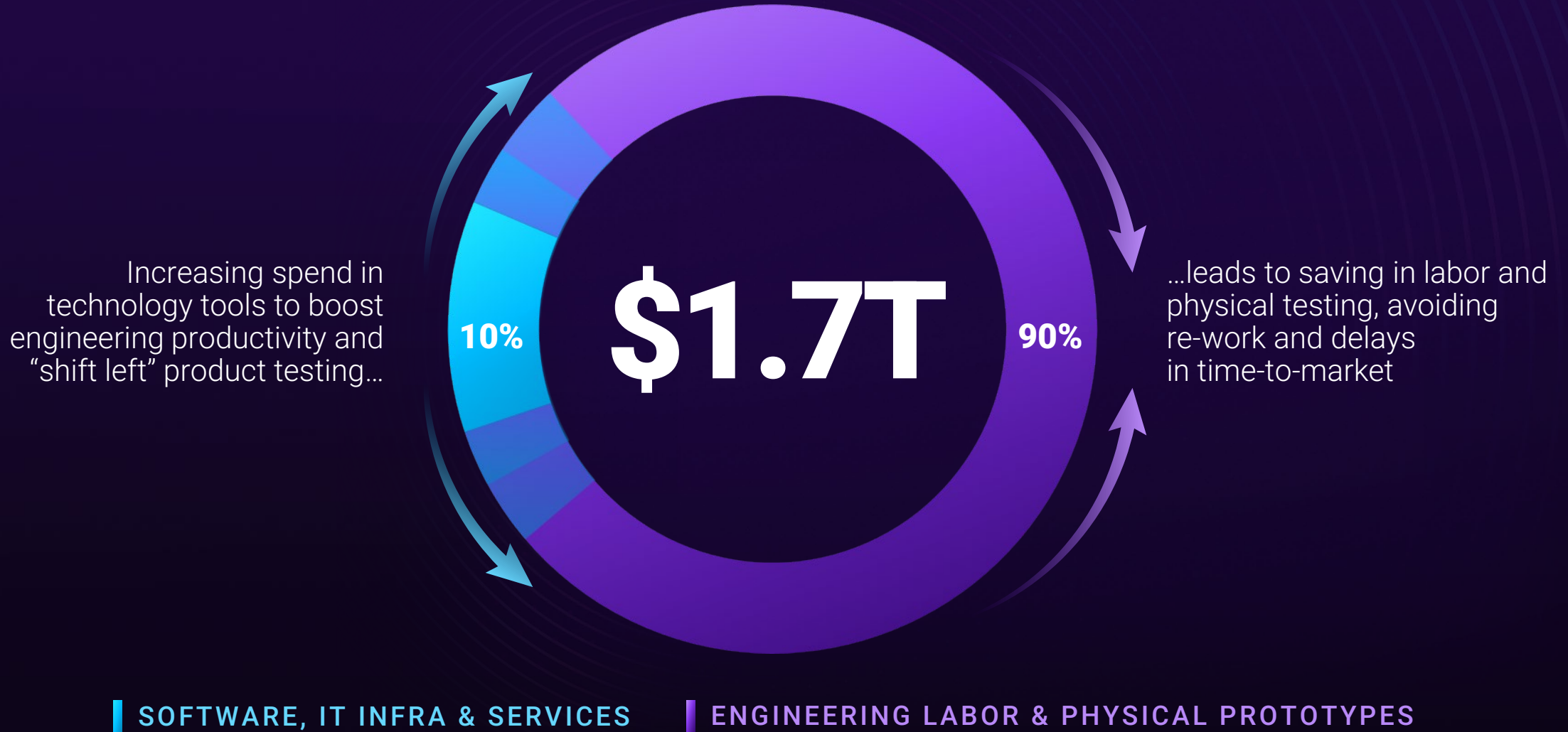
Re-Engineering Engineering™

For the Era of Pervasive Intelligence

We Serve Global R&D Spend



AI is Pulling More R&D Spending to Technology



AI is Transforming Engineering

Digital AI & Physical AI

Expands our opportunity

SILICON

Compute demand drives design starts
& rise of application-optimized silicon

SYSTEMS

Systemic complexity of engineering
intelligent products drives S&A demand

PHYSICS-AWARE CO-DESIGN

Autonomous Engineering

Built on ground truth physics-based engines and solvers

Synopsys Portfolio Aligned to AI Tailwinds

Expanding our opportunity, accelerating our growth



Design IP

The background features a series of concentric circles in shades of purple and blue, creating a tunnel-like effect. In the center, there is a pie chart with three segments: a large teal segment, a smaller purple segment, and a very small red segment. The text 'Design IP' is positioned at the top, and 'IP' is written inside the purple segment of the pie chart.

IP

Industry Leadership, Foundry Reach and Silicon-Proven Scale

#1

INTERFACE IP

Industry-leading IP spanning datacenter,
mobile, automotive and consumer markets

#1

FOUNDATION IP

Only IP provider
at leading-edge, Gate-All-Around nodes

Silicon Proven: 10+ Foundries; 80+ Process Nodes; 3000+ IP Products

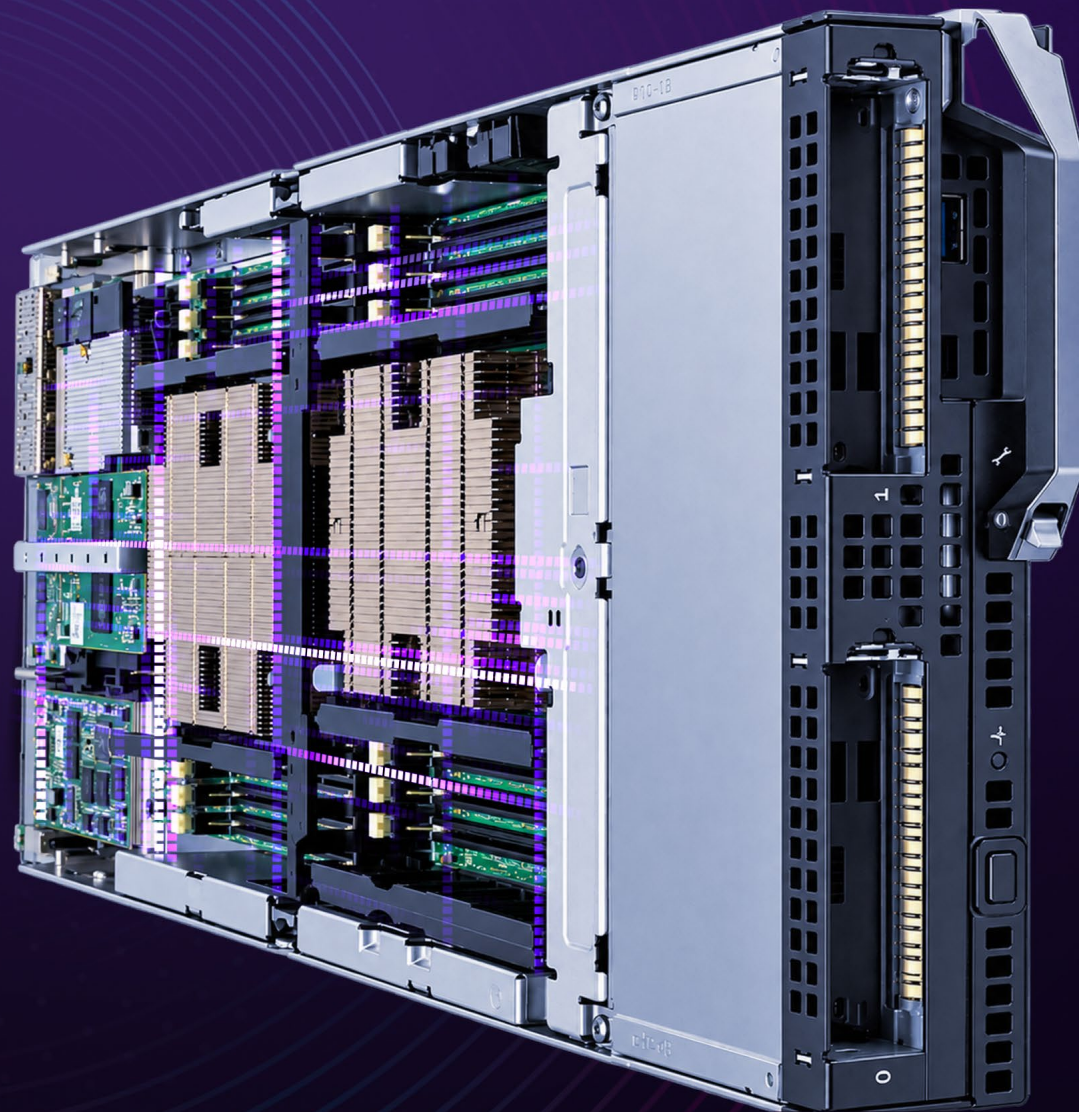


◀ Data Center



◀ AI Rack

AI Server Blade



Interface IP

PCIE

DDR

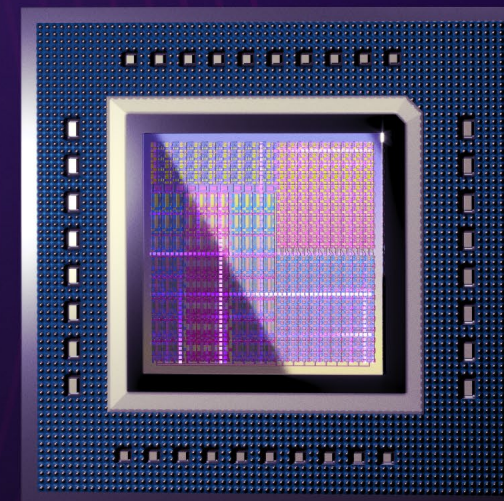
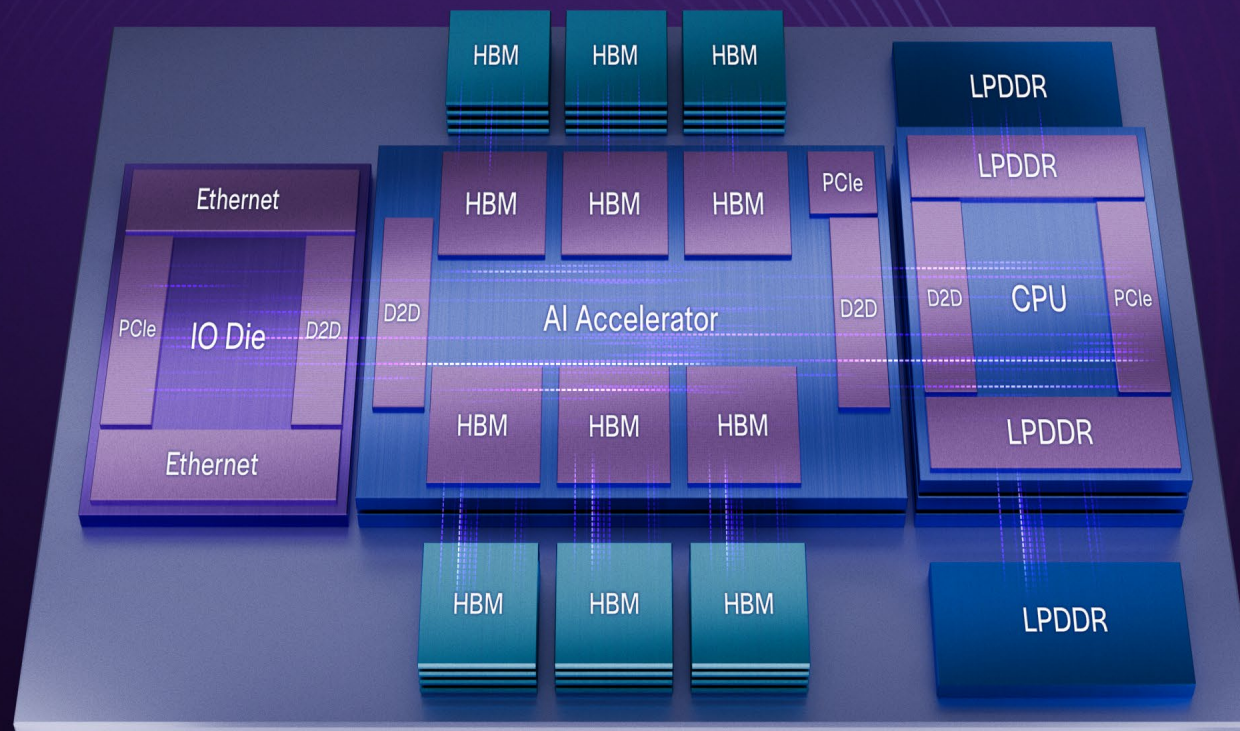
HBM

Ethernet

UCIE

USB

Foundation IP



AI Leaders Setting a Faster Pace for Silicon Innovation

Annual AI silicon cycles are outpacing the standards progression

INDUSTRY STANDARDS CHANGE EVERY 2-3 YEARS



Protocol
Definition

Ecosystem
Development

Broad Market
Adoption

AI LEADERS DELIVERING A NEW PRODUCT EVERY 12 MONTHS

Workload
Requirements

System
Architecture

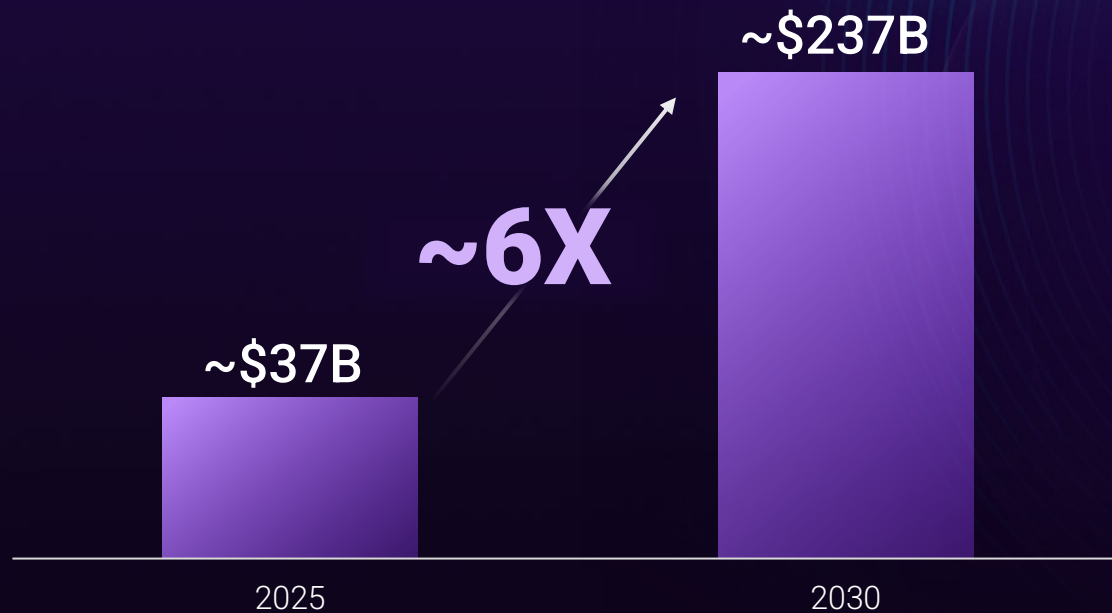
Silicon
Generation

Faster Pace Dictates a Recipe Change for AI Silicon

The Rise of Custom AI Silicon

CUSTOM AI ACCELERATORS *

DRIVERS



Supplier optionality

Cost

Workload Efficiency

Custom AI Silicon: From ASIC to Customer Owned Tooling (COT)

“

Having our own hotly demanded AI chip opens up many possibilities, but perhaps none larger than the ability to lower costs for customers and secure better economics for AWS.

”

Andy Jassy

CEO & President, Amazon

“

We are optimizing every layer of the tech stack, from DC design to silicon to systems software, the model architecture, as well as its optimization. This is translating into operational gains.

”

Satya Nadella

CEO, Microsoft

“

We have been making strategic investments in areas like our internal custom silicon effort which will provide long term strategic flexibility and supply chain leverage.

”

Susan Li

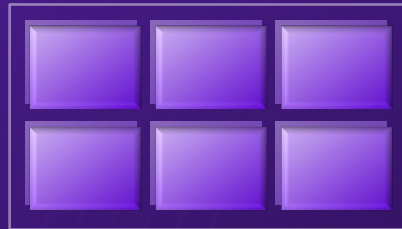
CFO, Meta

Two IP Engines Power the Next Stage of Growth

'FACTORY 1'

Standards Based IP

Build once, license broadly to
100s of customers



Two IP Engines Power the Next Stage of Growth

'FACTORY 1'

Standards Based IP

Build once, license broadly to
100s of customers



'FACTORY 2' EXPANSION

Application Optimized IP (AOIP)

Build optimized silicon with
select customers



Two IP Engines Power the Next Stage of Growth

'FACTORY 1'

Standards Based IP

Build once, license broadly to
100s of customers



\$ License

\$ Nonrecurring Engineering (NRE) Fees

'FACTORY 2' EXPANSION

Application Optimized IP (AOIP)

Build optimized silicon with
select customers



Two IP Engines Power the Next Stage of Growth

'FACTORY 1'

Standards Based IP

Build once, license broadly to
100s of customers



\$ License

\$ Nonrecurring Engineering (NRE) Fees

'FACTORY 2' EXPANSION

Application Optimized IP (AOIP)

Build optimized silicon with
select customers



\$ License

\$ Customization Fee

\$ Royalty

AOIP Engagement Model Aligns Synopsys to the Annual AI Silicon Cycle

STANDARD DEVELOPMENT MOTION

Standard Defined
↓
IP Developed
↓
Silicon Proven
↓
Licensed Broadly

Repeatable • Scalable • Broad Market

AOIP CO-DESIGN WITH SYSTEM ARCHITECTURE & WORKLOADS

**Embedded
Customer
Engagement**



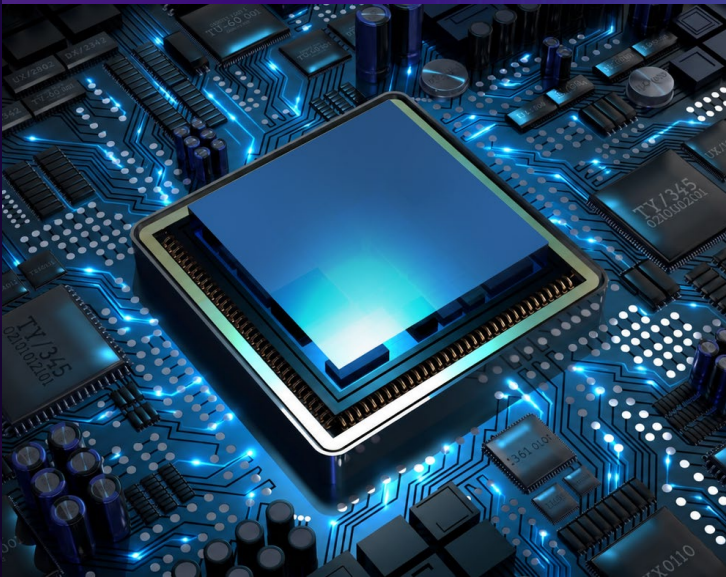
Customer Workloads
↓
IP Co-design w/ Customer
↓
IP Integration into SoC
↓
System Validation
↓
Production

Reusable platform expands to other customers

AOIP is Winning Customers Across Custom Silicon Architectures

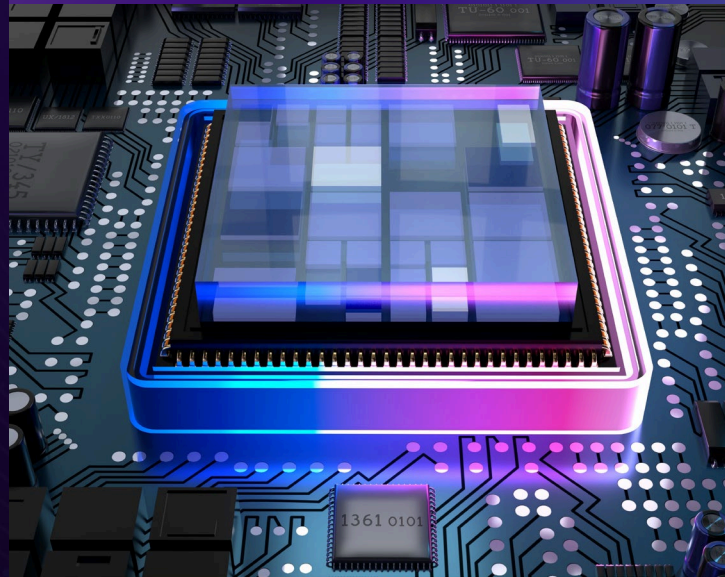
COMPUTE

AI accelerators and CPU



ASIC

Custom silicon suppliers



CONNECTIVITY

Scale-up and Scale-out backbone



Purpose-built AI Silicon



SYNOPSYS®



amazon

“

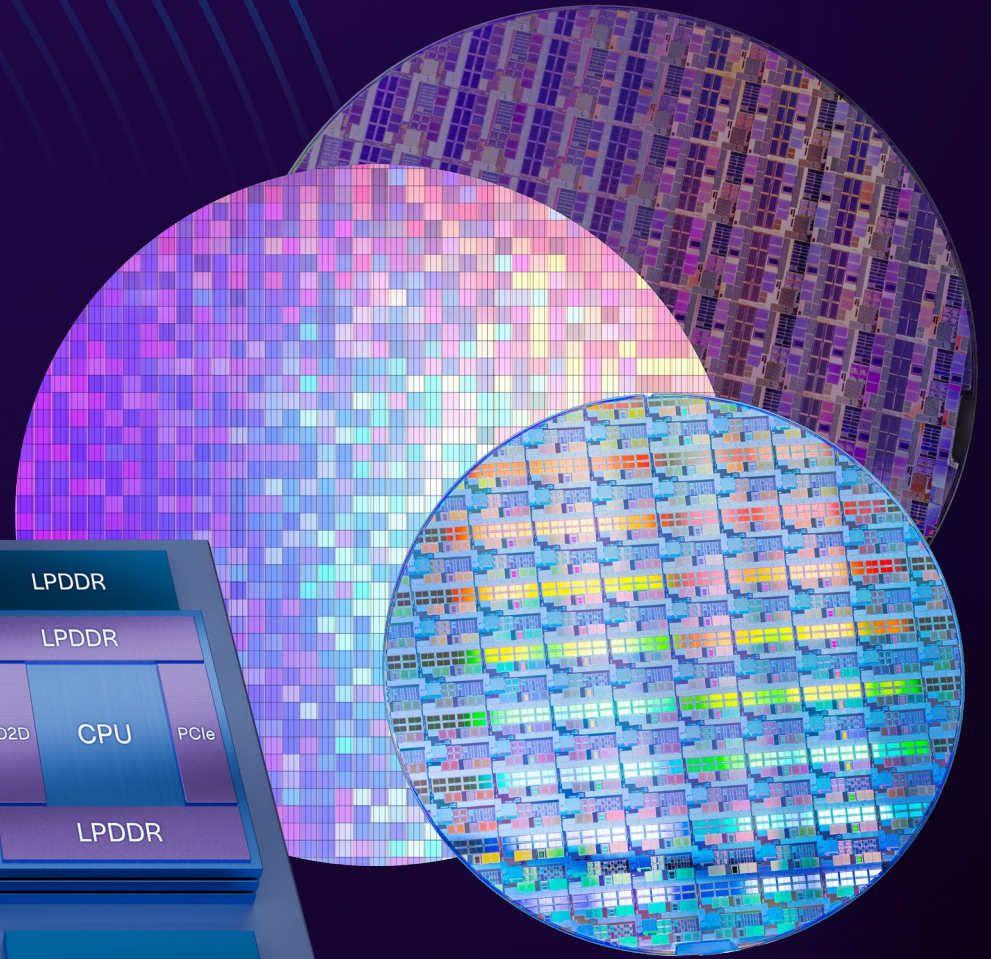
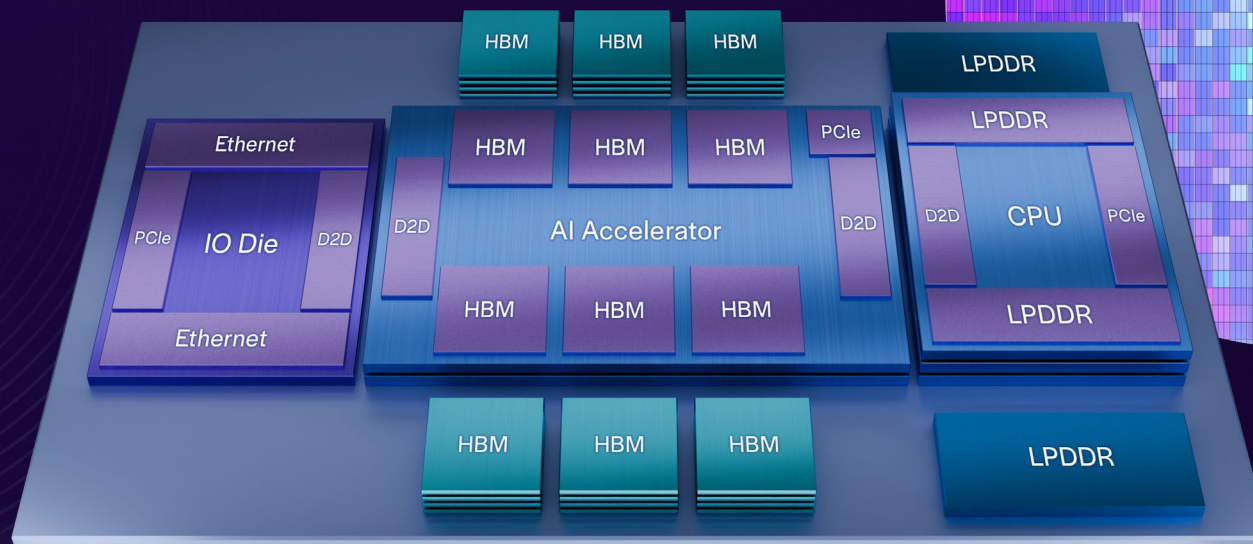
As our chip designs grow more ambitious and AI reshapes the engineering process itself, Synopsys help us move faster across the design cycle, helping us deliver more capable, efficient computing for customers worldwide.

”

Peter DeSantis

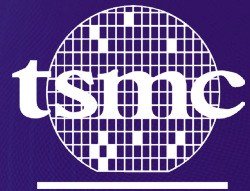
Senior Vice President, Amazon

Synopsys Enables the World's Foundries



Datacenter Silicon

Pushing Hyperscalers to Multi-foundry



intel
foundry

SAMSUNG



Multi-foundry capacity sourcing drives re-targets and new design starts

Synopsys' silicon-proven catalog attaches at the new node without a re-architecture

Foundries also buy enablement (NRE and license)

Synopsys is the choice for IP across foundries and nodes.



“

Silicon-proven interface IP is one of the critical enablers of AI systems, unlocking the full potential of advanced logic and advanced package technologies. Synopsys is a key TSMC Open Innovation Platform® (OIP) IP Alliance partner, enabling our customers to rapidly realize next-generation AI systems from design to production.

”

Kevin Zhang

SVP & Deputy Co-COO, TSMC



synopsys®

intel



SYNOPSYS®

SAMSUNG

Design IP: High-Teens Growth

FY26E-FY30E REVENUE CAGR: 17%+

More design starts; more IP content

Factory 2:
Application Optimized IP Expansion (AOIP)

Multi-Foundry Enablement

IP

AOIP projected to grow to
~\$1B
by FY30E

Royalty upside grows
over time

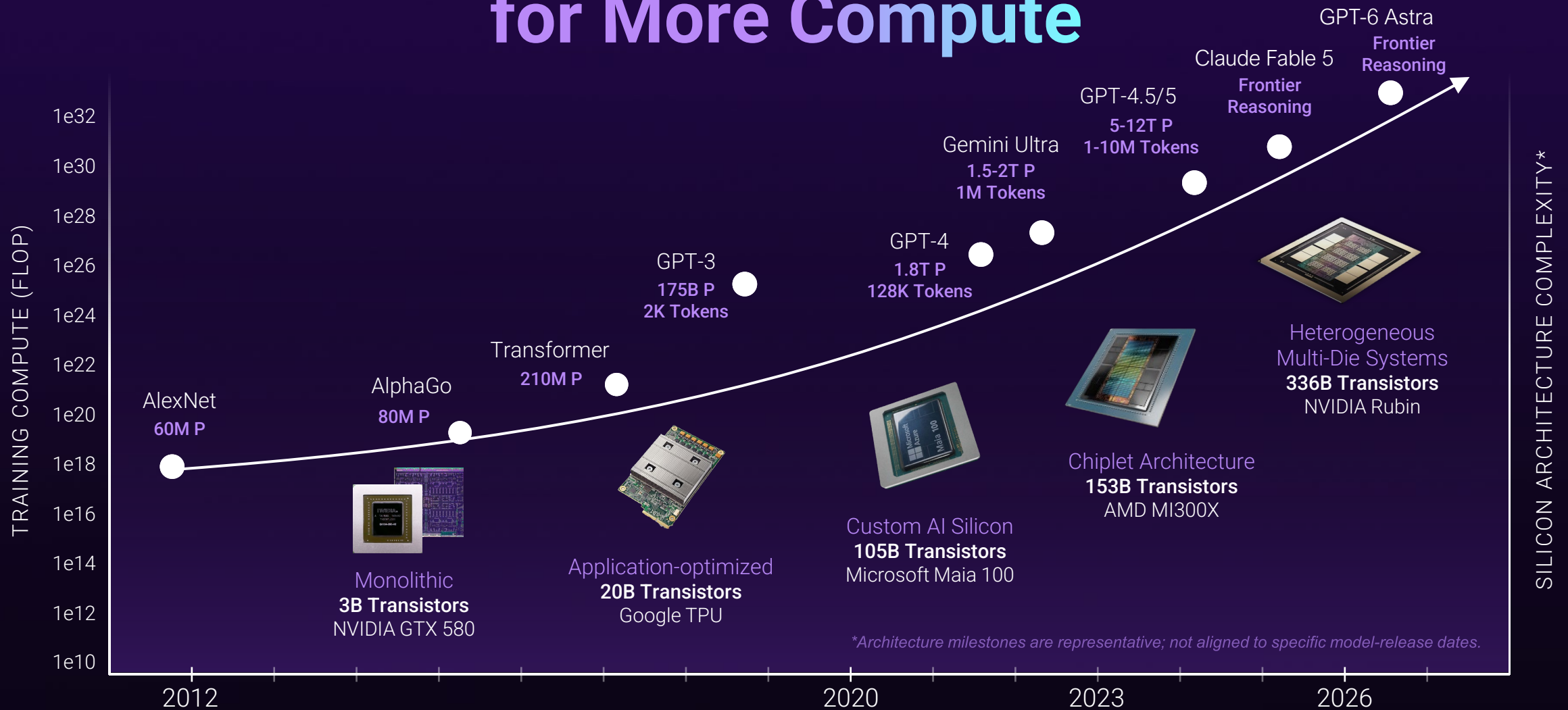
Targeting royalty revenue
mix > license fee over time

Design Automation: EDA

The background features a series of concentric circles in shades of purple and blue, creating a ripple effect. In the center, there is a pie chart with three segments: a light blue segment at the top, a teal segment at the bottom left, and a purple segment at the bottom right. The word "EDA" is written in white, bold, sans-serif font across the top of the pie chart.

EDA

AI Driving Insatiable Demand for More Compute



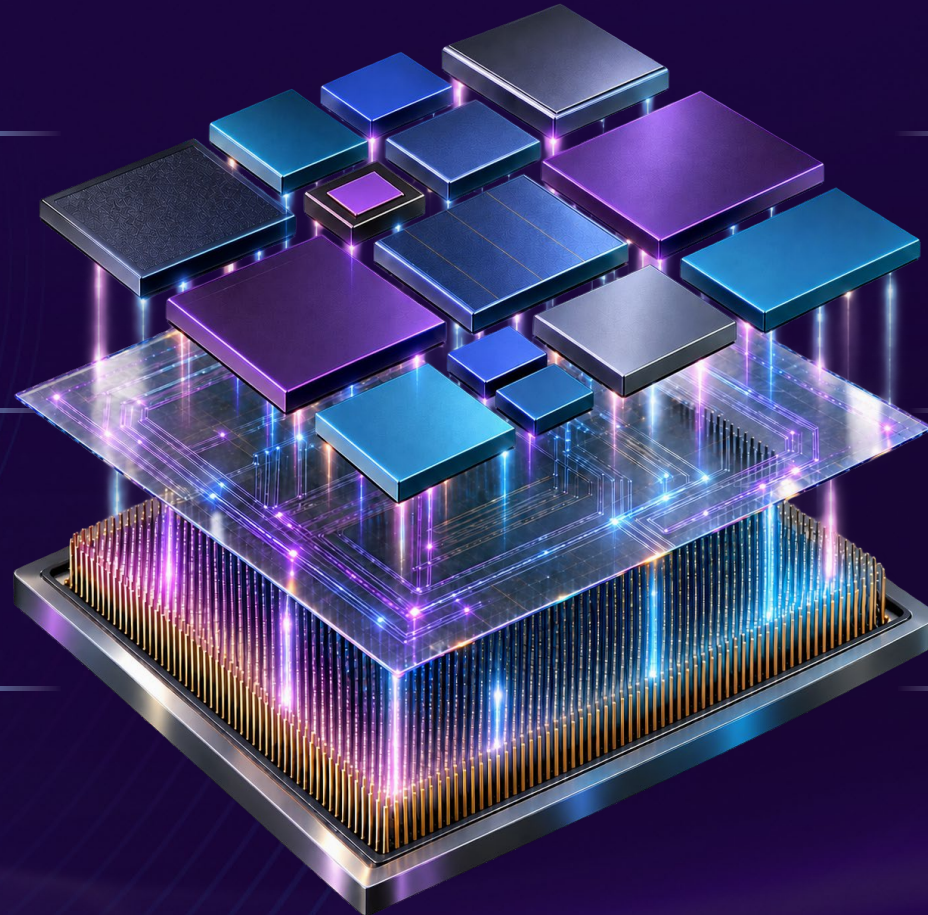
Source: EpochAI. Trendlines approximate exponential growth across eras; slopes are representative, not exact.

Transition to Multi-Die Systems Drives New Opportunities

Application Optimized
IP

High-Bandwidth
Memory

Advanced
Packaging



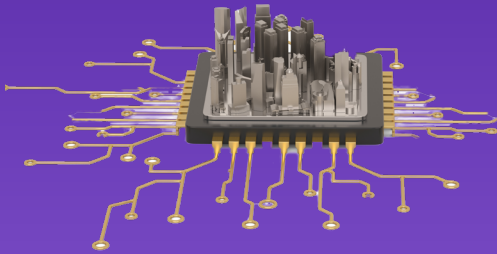
Multiphysics
Signoff

System-level
Validation

AI
Engineering

Synopsys Uniquely Positioned Turning Portfolio Breadth into Differentiated Value

CORE GROWTH



Core EDA Platform

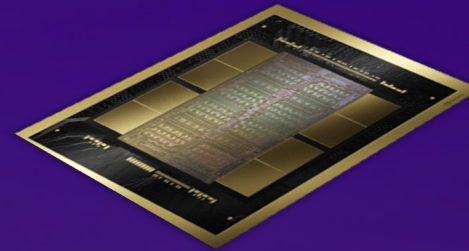
Leading franchises,
hyperconverged deliver
best PPA

CORE EXPANSION



Multiphysics Fusion

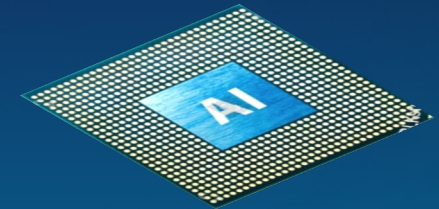
Signoff leadership accelerates
convergence



Hardware-Assisted Verification

Performance leadership for
faster system bring up

MARKET EXPANSION



AI Platform

Agentic breadth & depth
scales engineering
productivity

Core EDA Franchises Remain the Foundation of Growth

INNOVATION VECTORS FOR THE AI ERA

Agentic AI Automation

PPA Leadership

Multi-Die Optimized

Multiphysics Fusion

#1

FUSION COMPILER 3DIC COMPILER

Advanced-node leader;
only exploration-to-signoff
platform

PRIMETIME

Undisputed
signoff leadership

VCS/VERDI

Fastest digital
functional
simulator/debug

PRIMESIM

GPU
acceleration leader

REDHAWK-SC

Power and thermal
signoff leader

AI Silicon Depends on Synopsys

OpenAI

“

Building a custom AI inference accelerator like Jalapeño requires turning ambitious architectural ideas into production silicon on an extremely compressed schedule. **Synopsys' EDA solutions are instrumental** to making that possible, helping engineering teams move from concept to silicon with the speed, predictability, and confidence required for next-generation AI infrastructure.

”

Richard Ho

Head of Hardware

AI Silicon Depends on Synopsys



“

The success of our AI product roadmap depends on bringing increasingly complex silicon to market quickly and predictably. **Synopsys' AI-powered EDA tools and Hardware platforms** have proven essential for accelerating development, reducing execution risk, and achieving volume production faster across our leading-edge designs.

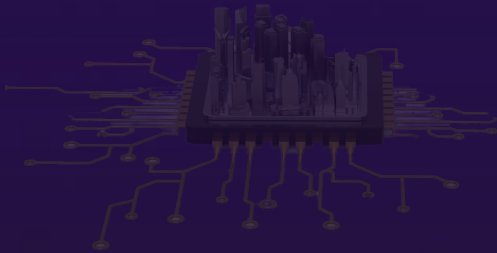
”

Yuan Xing Lee

Corporate VP and Head of Central Engineering

Synopsys Uniquely Positioned Turning Portfolio Breadth into Differentiated Value

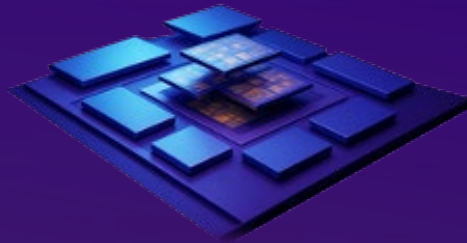
CORE GROWTH



Core EDA
Platform

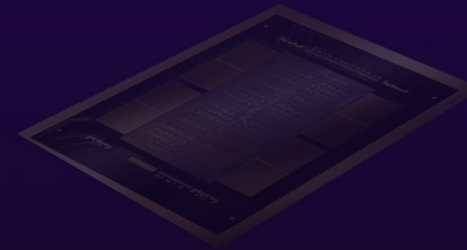
Leading franchises,
hyperconverged deliver
best PPA

CORE EXPANSION



Multiphysics
Fusion

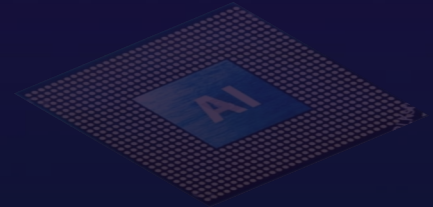
Signoff leadership accelerates
convergence



Hardware-Assisted
Verification

Performance leadership for
faster system bring up

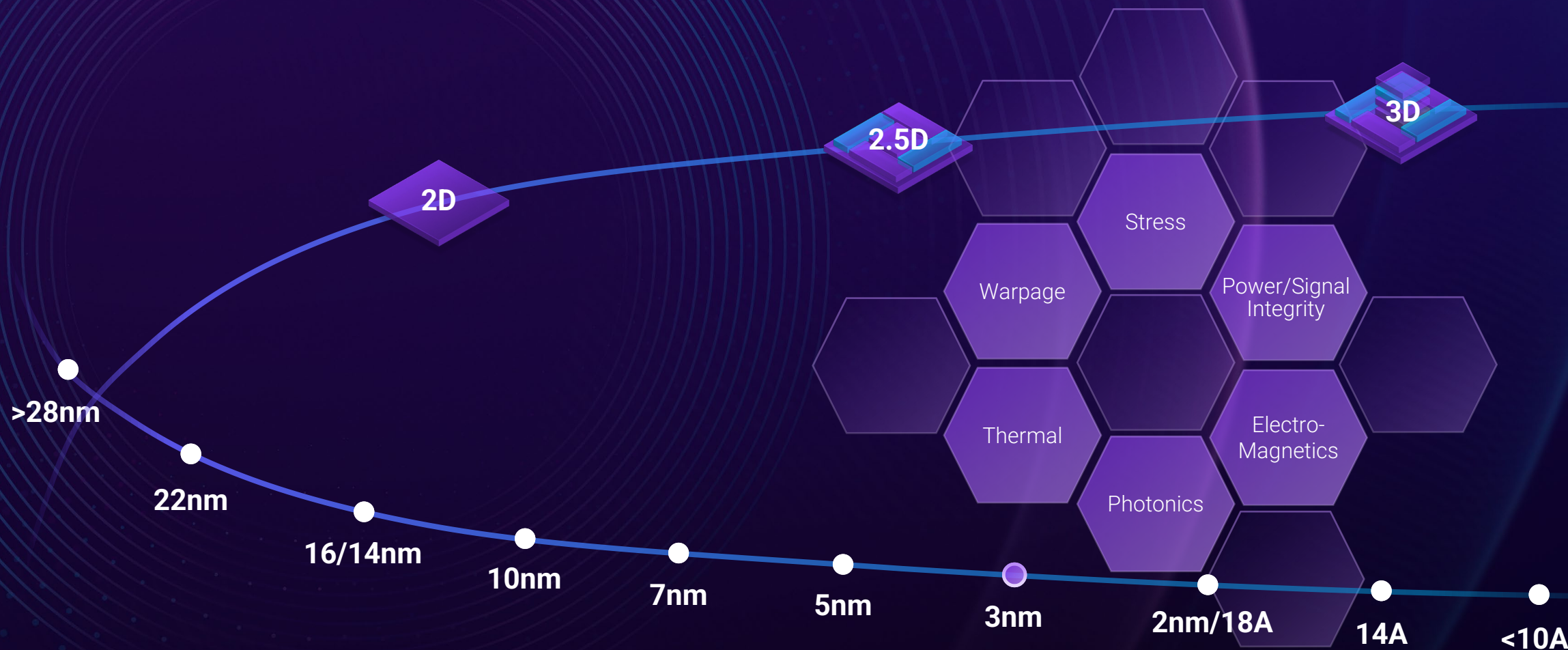
MARKET EXPANSION



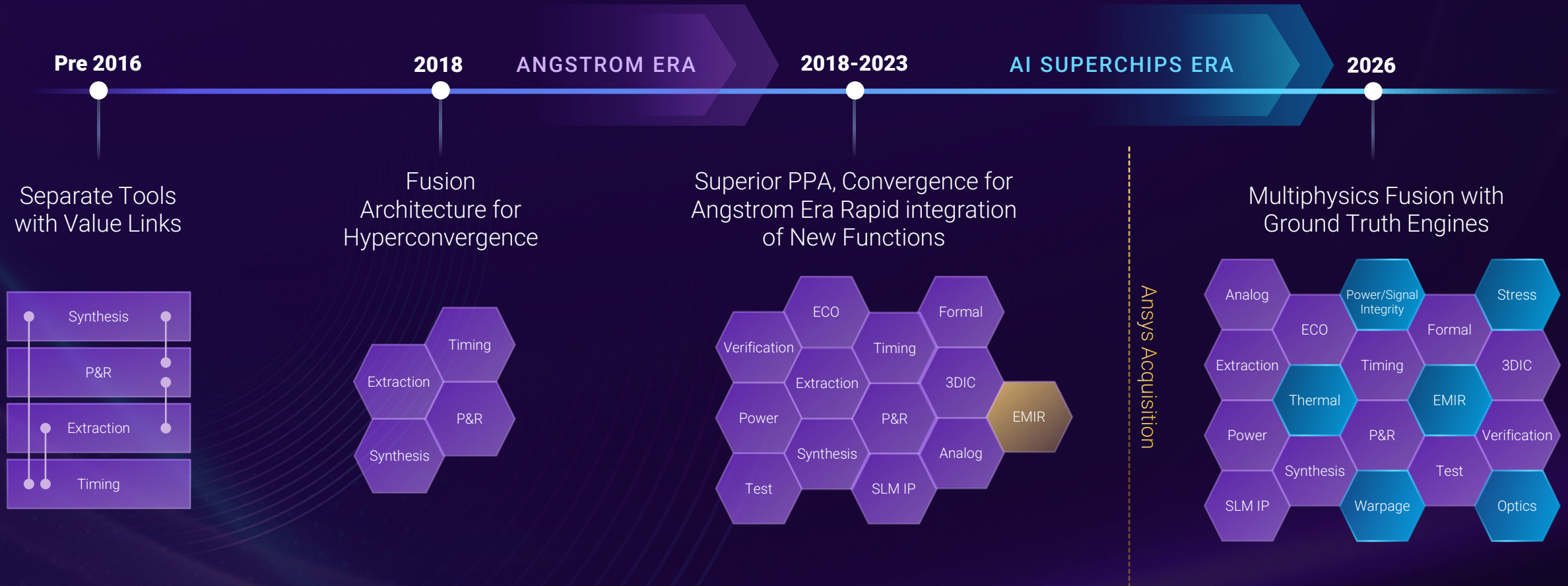
AI
Platform

Agentic breadth & depth
scales engineering
productivity

Multiphysics Effects Across Silicon and Package Drive Increased Cost and Schedule Delay



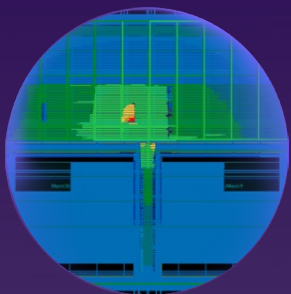
Expanding the Hyperconverged EDA Stack with Ground Truth Engines



Multiphysics Embedded Across the Design Flow

IMPLEMENTATION

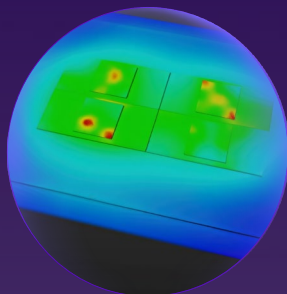
Faster convergence,
better PPA with power
integrity & thermal
optimization



Fusion Compiler® with
RedHawk-SC, RedHawk-SC
Electrothermal

MULTI-DIE DESIGNS

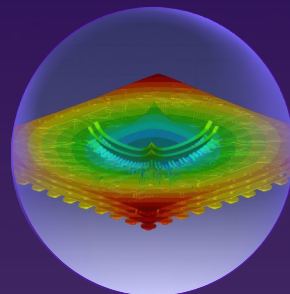
Concurrent multiphysics
analysis through signoff



3DIC Compiler® with
RedHawk-SC™, RedHawk-SC
Electrothermal™, HFSS-IC™

SIGNOFF

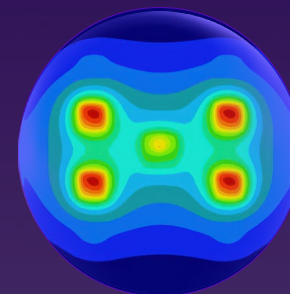
Greater accuracy with
SPICE-accurate IR and
thermal-aware timing



PrimeTime® with
RedHawk-SC, RedHawk-SC
Electrothermal

DESIGN CLOSURE

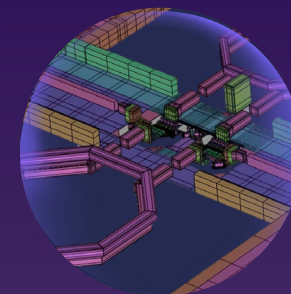
Faster closure with IR-
aware ECO optimization



PrimeClosure™ with
RedHawk-SC

ANALOG & PHOTONICS

High-accuracy
electromagnetic
analysis for photonics
and optics



Custom Compiler® with
Multiphysics HFSS-IC™;
OptoCompiler™ with Lumerical®

Multiphysics Fusion Momentum

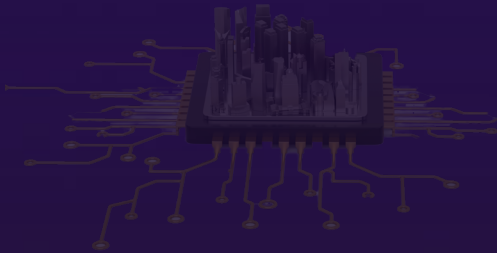
IMPLEMENTATION	MULTI-DIE	SIGNOFF	DESIGN CLOSURE	ANALOG & PHOTONICS
 80% reduction in IR drop violations	 >6x speedup	TOP CONSUMER ELECTRONICS PROVIDER Better silicon accuracy	 5x faster design closure Up to 86% IR fix rate	 Up to 5-10x photonics layout productivity
 76% reduction in IR drop violations	 33% lower IR drop 10% smaller LSI area	 4% Pessimism Reduction, 2x TAT	 Better PPA Faster runtime	 10x faster photonic simulation
LEADING CPU PROVIDER 8% thermal profile improvement	 90% TAT reduction 6% better eye-opening	 3 σ signoff accuracy, 3x TAT	 5x faster runtime	 3x higher fidelity for 3D geometry
		 Pessimism reduction with thermal STA	 10x faster runtime 60% IR fixrate	

NEW Since Launch

Synopsys Uniquely Positioned

Turning Portfolio Breadth into Differentiated Value

CORE GROWTH



Core EDA
Platform

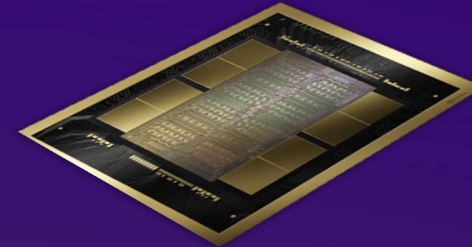
Leading franchises,
hyperconverged deliver
best PPA

CORE EXPANSION



Multiphysics
Fusion

Signoff leadership accelerates
convergence



Hardware-Assisted
Verification

Performance leadership for
faster system bring up

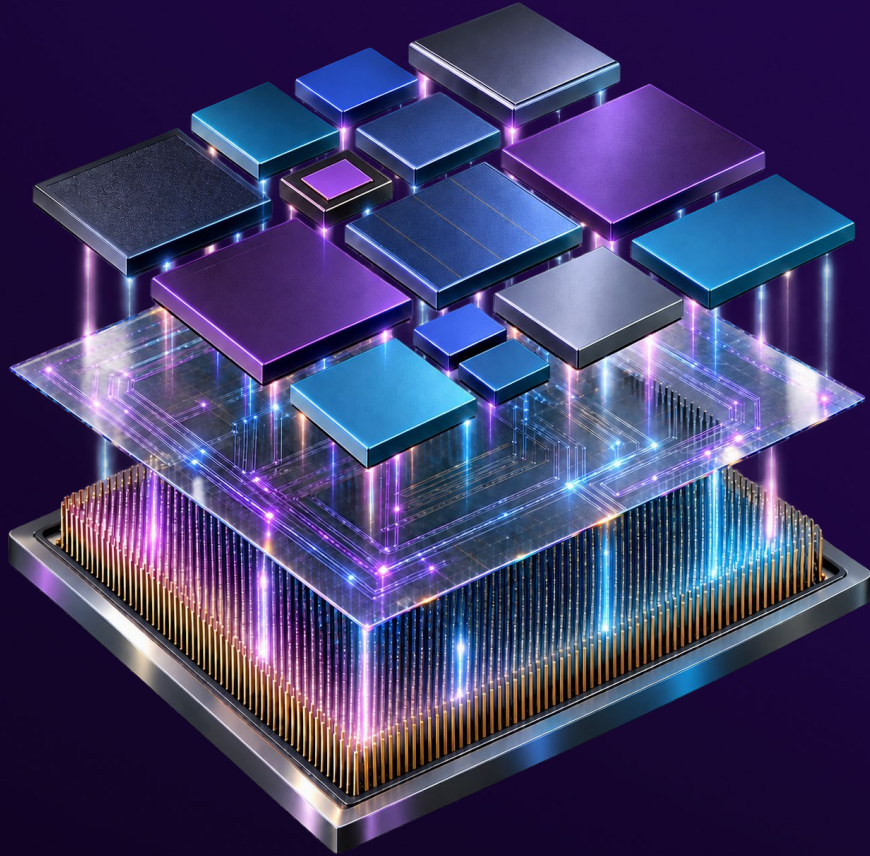
MARKET EXPANSION



AI
Platform

Agentic breadth & depth
scales engineering
productivity

AI Chips Need System-Level Validation



AI CHIPS DOUBLE IN COMPLEXITY EVERY YEAR

A LEADING-EDGE RESPIN CAN COST UP TO \$100M*

SOFTWARE VALIDATION COMPLEXITY HAS CROSSED
A QUADRILLION CYCLES

Pre-Silicon Validation Is Essential

*Source: SemiAnalysis EDA Market Primer (May 2026)



“

We're competing in one of tech's fastest-moving markets, where every month matters. **Synopsys ZeBu emulation solution enabled us to validate our chip in context of AI inference workloads pre-silicon.** As a result, we brought our production chips up and **ran AI inference workloads just weeks after receiving silicon**, compared to a process that often takes six months or more. That speed helps us move faster on our mission to make AI more accessible and affordable at scale.

”

Gavin Uberti
Founder and CEO

Synopsys HAV Portfolio

Spanning Emulation to Prototyping



ZeBu® Server 5



ZeBu ® -200 12F



EP-Ready



HAPS® 200

UNMATCHED CAPACITY

Reliably validate the largest AI systems

SYSTEM-LEVEL PERFORMANCE

Validate the full system before silicon

SOFTWARE-DEFINED HAV

Increase performance over the system lifetime through software updates

Next Generation ZeBu
Capacity And Performance For The AI Era

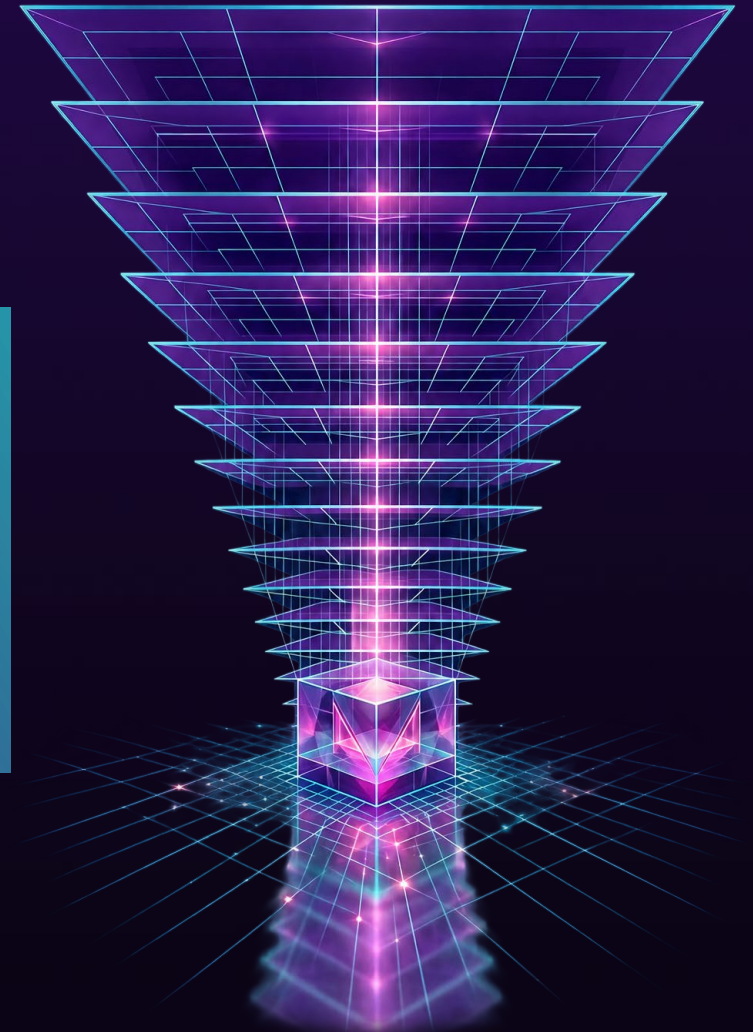
Artemis

COMING IN 1H'27

Larger
Capacity

Higher
Performance

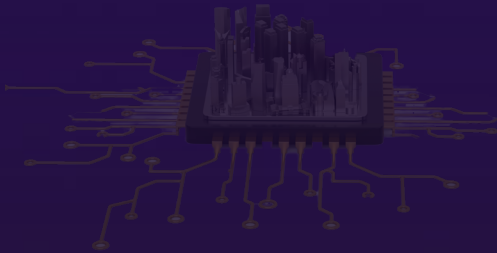
Unmatched
Reliability
& TCO



Synopsys Uniquely Positioned

Turning Portfolio Breadth into Differentiated Value

CORE GROWTH



Core EDA
Platform

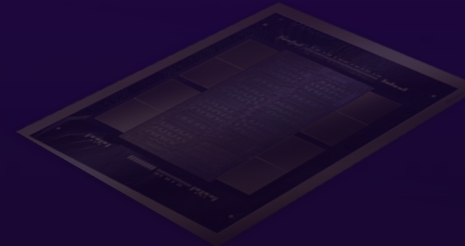
Leading franchises,
hyperconverged deliver
best PPA

CORE EXPANSION



Multiphysics
Fusion

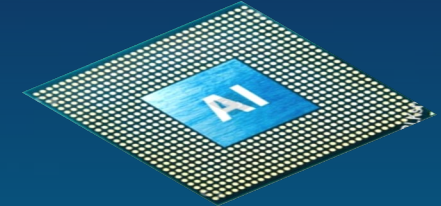
Signoff leadership accelerates
convergence



Hardware-Assisted
Verification

Performance leadership for
faster system bring up

MARKET EXPANSION



AI
Platform

Agentic breadth & depth
scales engineering
productivity

SYNOPSYS[®] **INVESTOR DAY**

Synopsys AI Platform

Shankar Krishnamoorthy

Chief Product Development Officer

Silicon & Systems Increasingly Co-designed

Complexity
Compounding



Pace
Accelerating

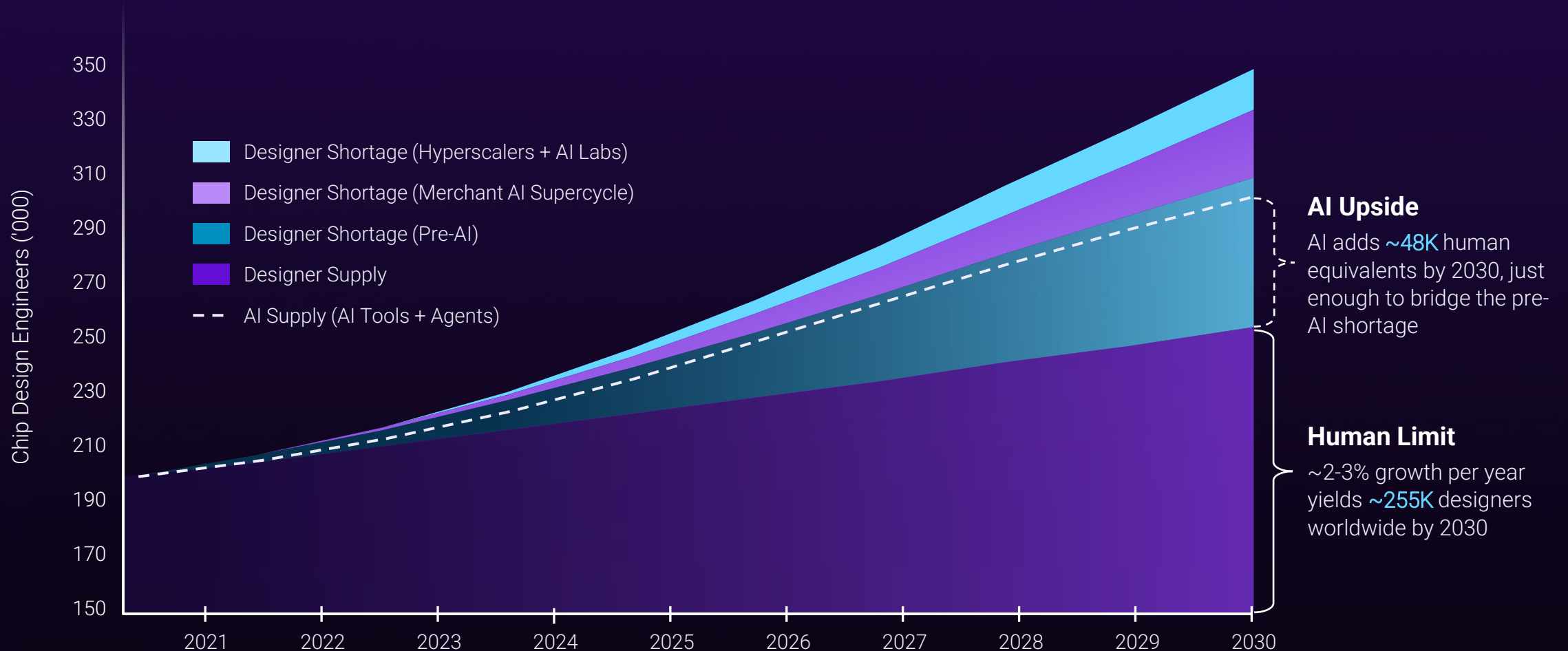


Cost
Increasing

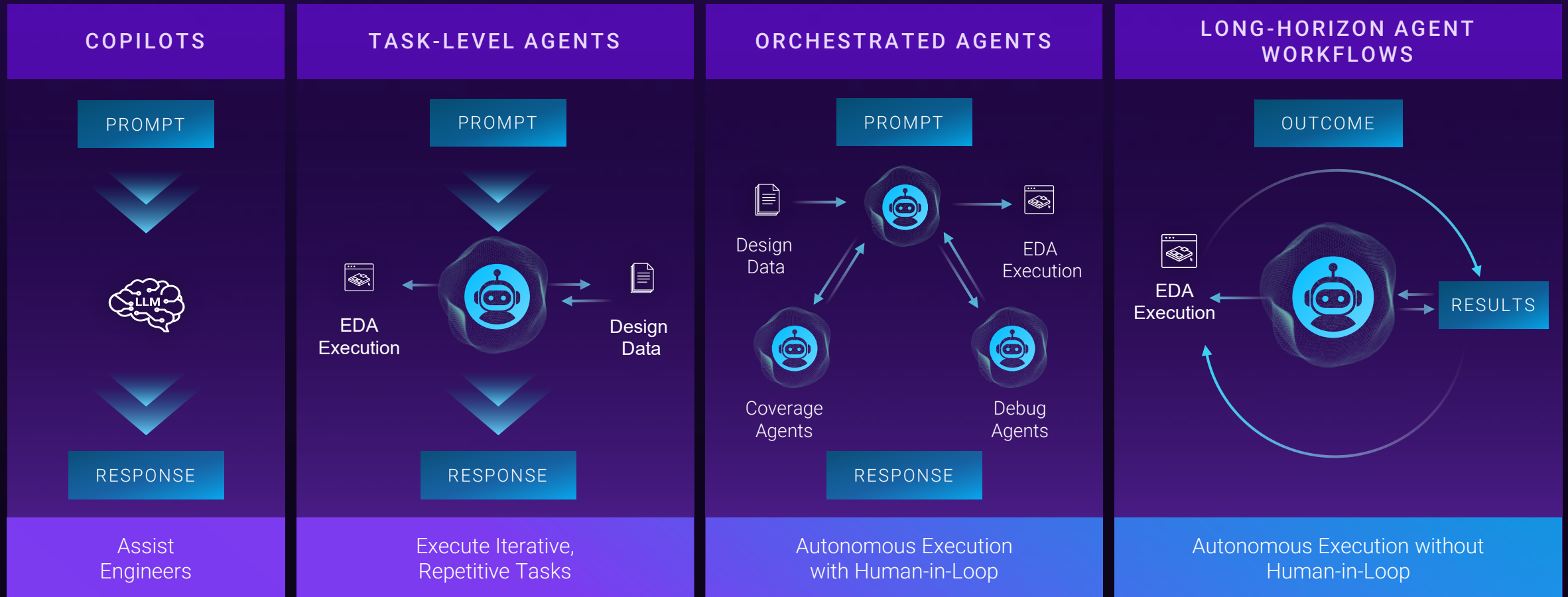


First-time-right systems are critical

Silicon Demand Outpacing Engineering Workforce



From Copilots to Long-Horizon Agents



Synopsys Agentic AI Portfolio

Delivering Breadth and Depth of AgentEngineer™ Solutions

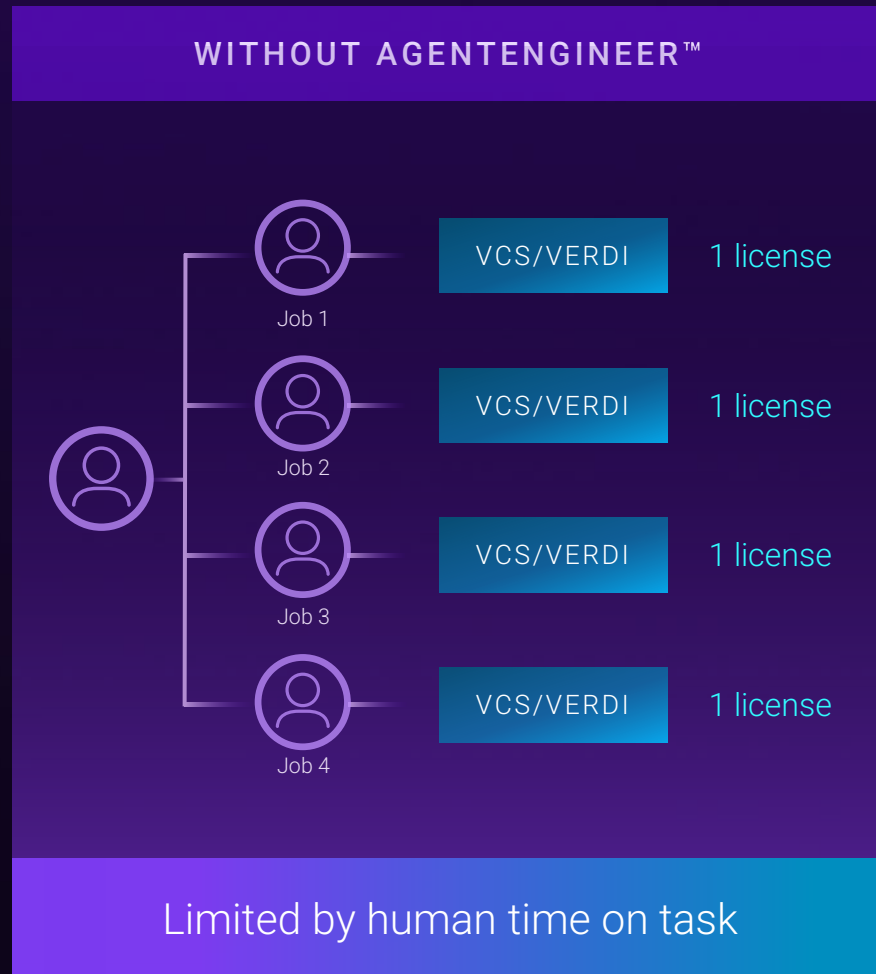


Synopsys Autopilot™ Platform

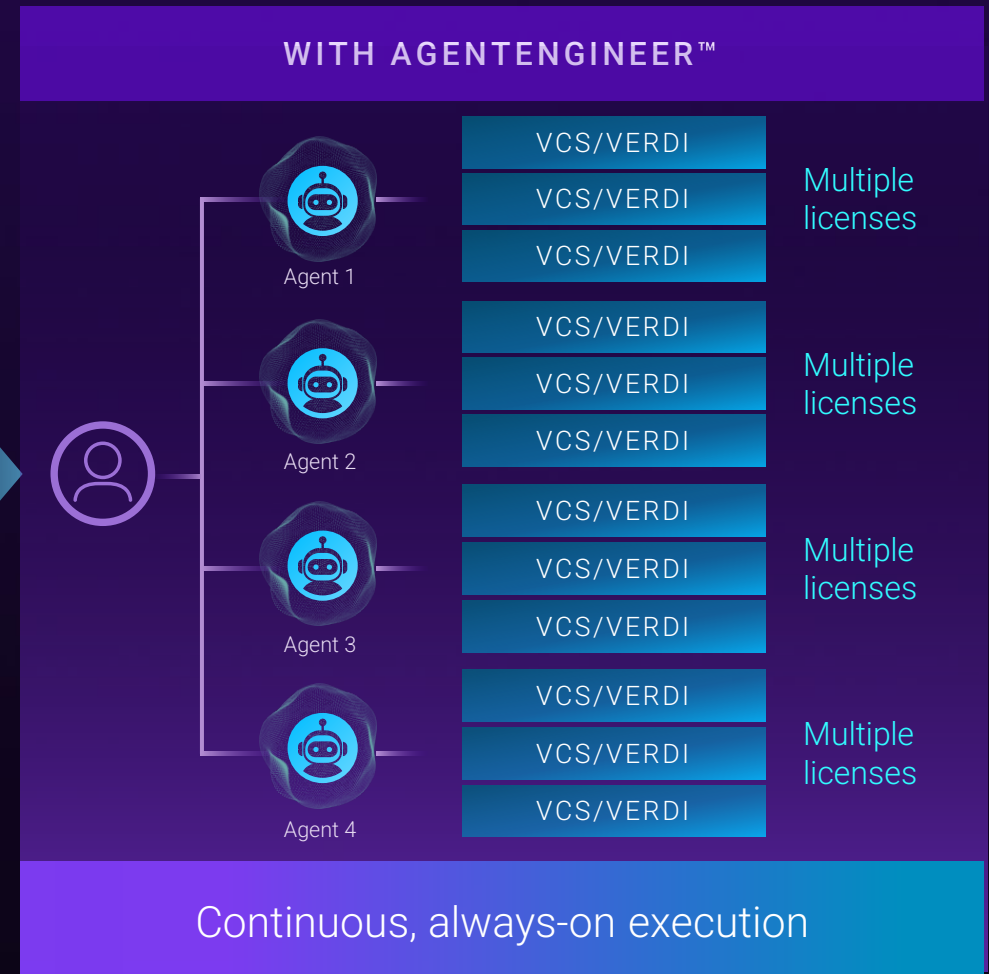
The background is a dark blue gradient. On the left side, there is a bright lens flare effect with a central yellow-white point and several horizontal and diagonal rays of light in shades of blue and purple. Overlaid on this background are numerous thin, concentric circles that originate from the left side and expand towards the right, creating a ripple effect. The text is centered horizontally and partially overlaps the circles.

Synopsys AgentEngineer™ in Action

Agentic Execution Multiplies EDA Tool Usage



5-10x
More Tool
Calls*



* Based on early estimates

Agentic AI Momentum

50+ Customer Engagements Underway

“

intel.

Our work with Synopsys Verification AgentEngineer technology highlights the promise of agentic AI for debug...We believe these advancements can **help reduce verification bottlenecks, improve engineering efficiency, and accelerate the delivery of our silicon innovations.**

”

Manoj Selva Vice President, Product Enablement

“



Synopsys is combining its silicon-to-systems expertise with NVIDIA accelerated computing and NVIDIA Agent Toolkit, including NVIDIA Nemotron models and the NVIDIA OpenShell secure runtime, to build long-running agents that **help engineers improve design quality and accelerate development.**

”

Tim Costa Vice President & General Manager

“

MEDIATEK

...we are continuing our collaboration with Synopsys... driving the next frontier of autonomous analog engineering flows. We believe this **transformative technology will fundamentally reshape how our teams create, optimize, and implement** complex AMS designs.

”

ChingSan Wu Vice President

“

SAMSUNG

Synopsys agentic AI solutions are **helping Samsung's engineering teams accelerate complex development workflows**, allowing us to focus more effort on innovating the advanced memory technologies that power the next generation of AI infrastructure.

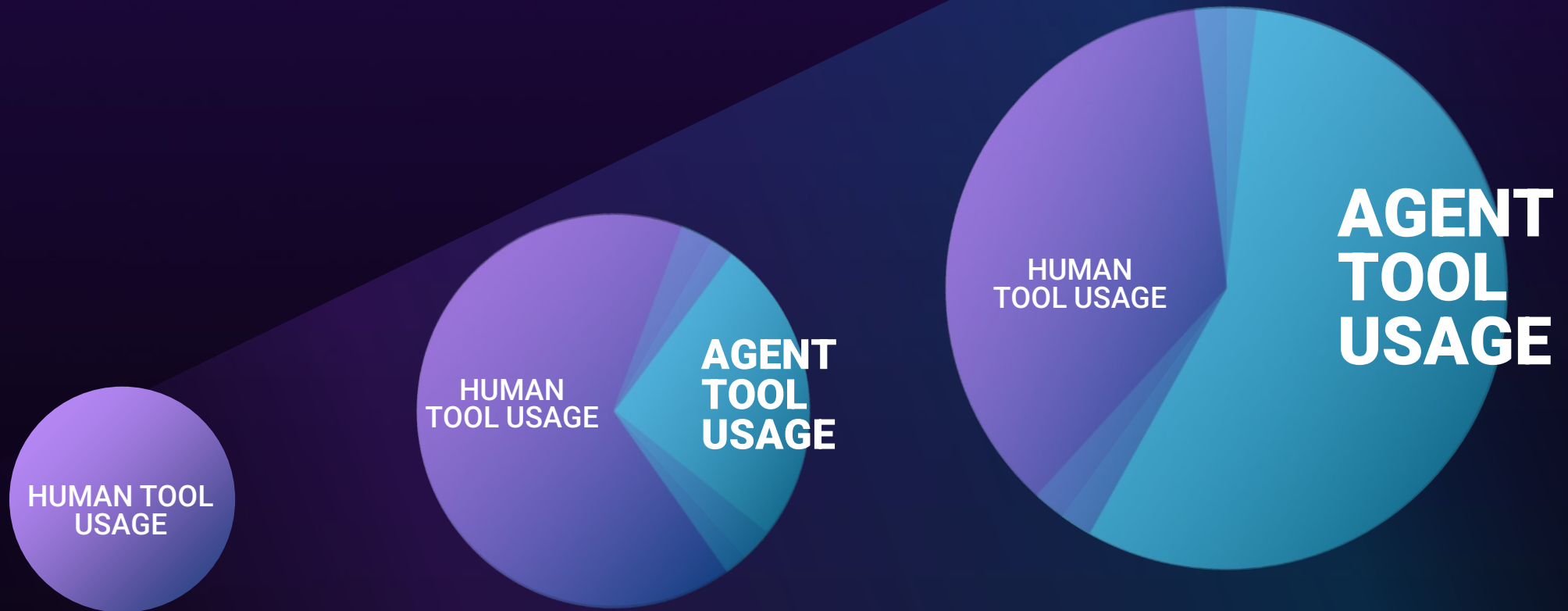
”

JY Choi Executive Vice President & Head of Memory Design Technology



AI Monetization Framework

Agentic AI = EDA TAM Expansion



Customer AI Adoption Choices

Synopsys' Strategy Provides Customer Optionality and Multiple Paths to Monetization



**Synopsys
Full Stack**



**Customer-Owned
Platform
+
Agents**



**Frontier
Models**

EDA and S&A Engines Provide Physics-Based Ground Truth

Synopsys Agentic AI Opportunity

First Revenue Stream



Synopsys
Full Stack



Platform Subscription



Agent Subscription



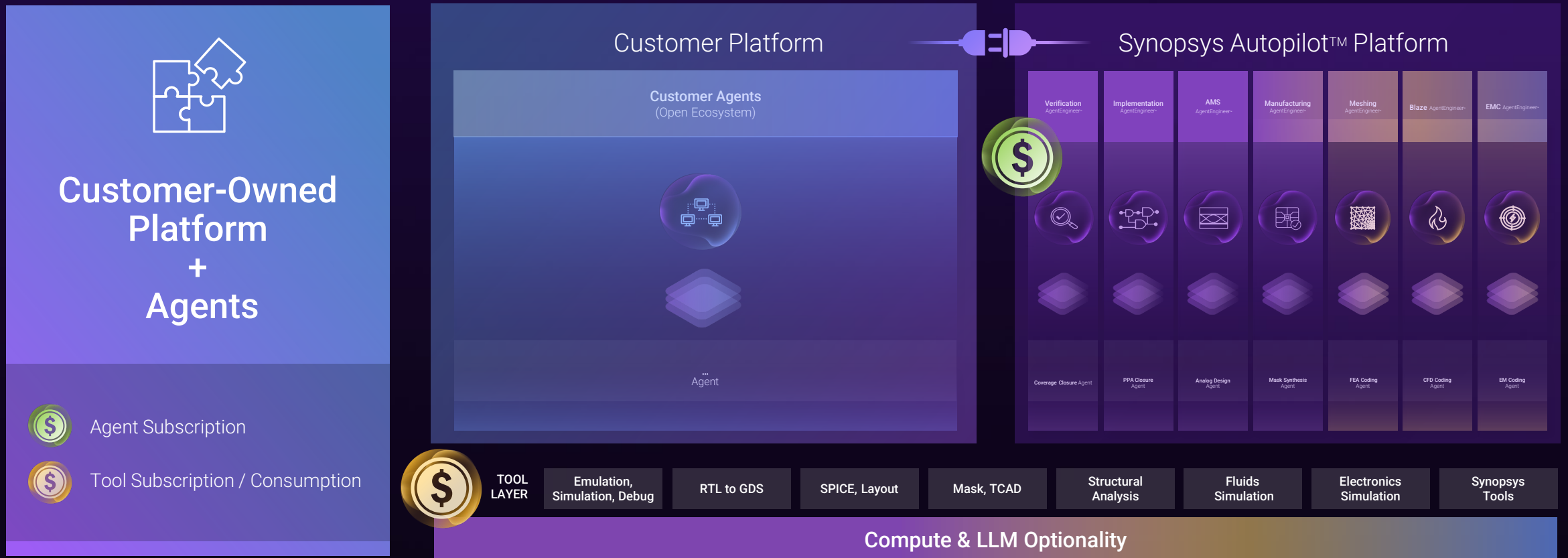
Tool Subscription / Consumption



Synopsys Autopilot™ Platform

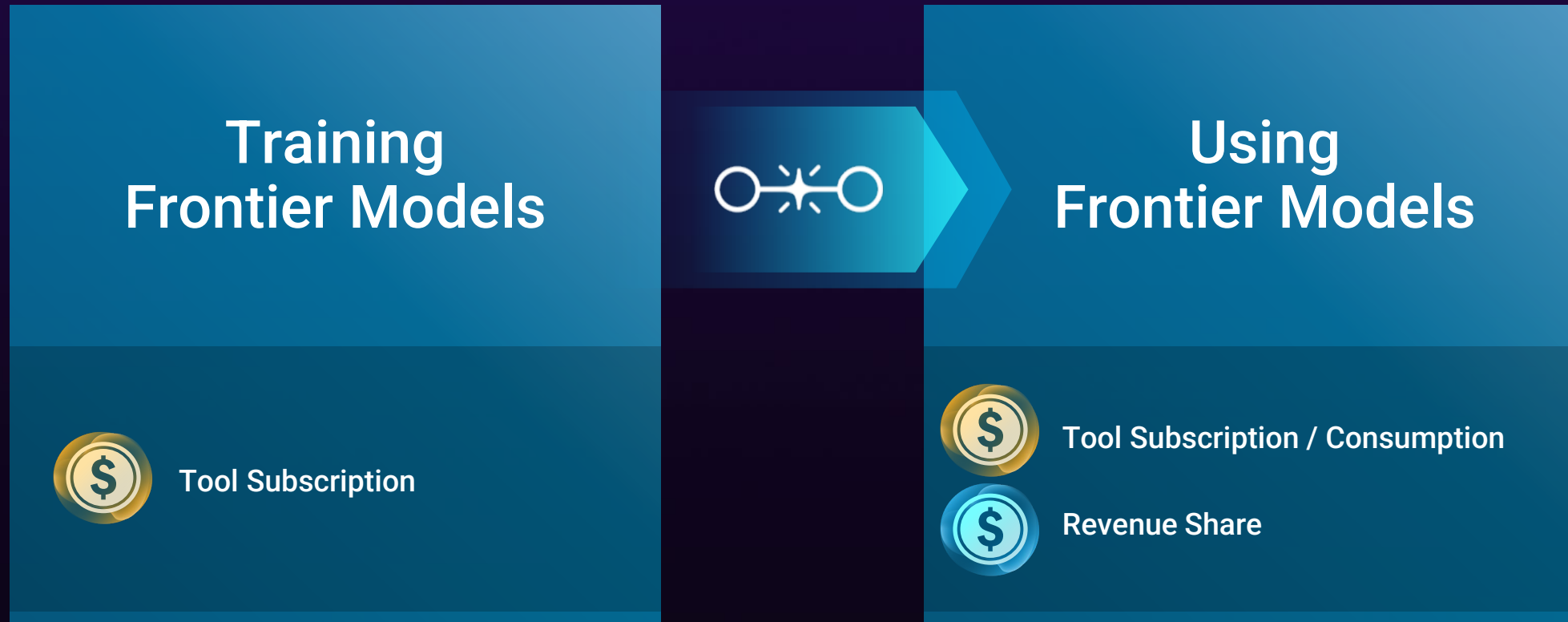
Synopsys Agentic AI Opportunity

Second Revenue Stream



Synopsys Agentic AI Opportunity

Third Revenue Stream





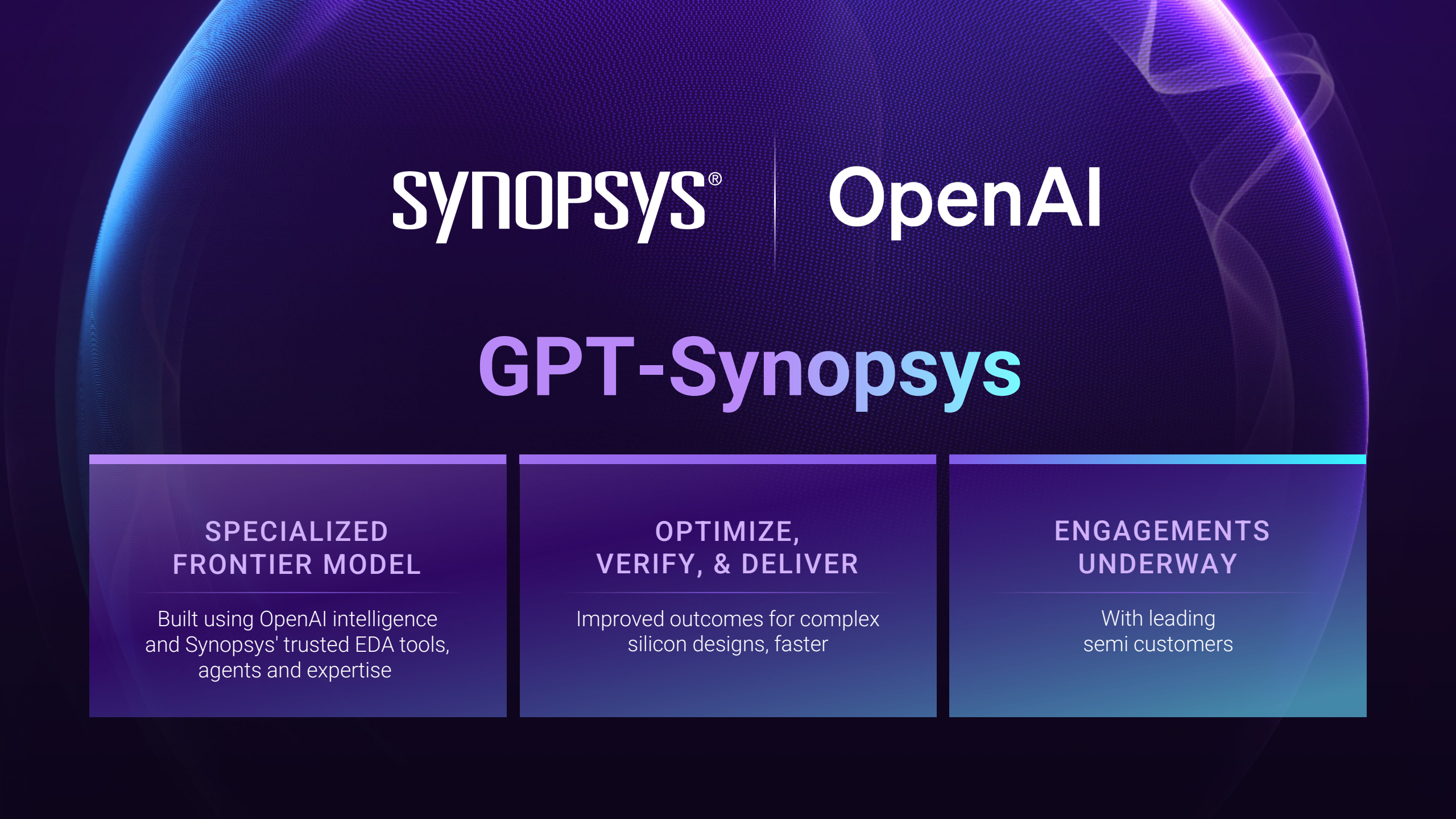
synopsys®

OpenAI

ANNOUNCING

GPT-Synopsys

How to revolutionize chip design?



synopsys®

OpenAI

GPT-Synopsys

SPECIALIZED FRONTIER MODEL

Built using OpenAI intelligence
and Synopsys' trusted EDA tools,
agents and expertise

OPTIMIZE, VERIFY, & DELIVER

Improved outcomes for complex
silicon designs, faster

ENGAGEMENTS UNDERWAY

With leading
semi customers

AI Reasons & Explores Synopsys Generates & Validates



Agentic AI

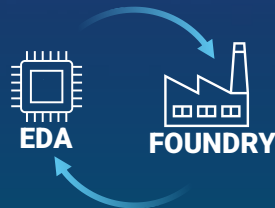
Reason • Plan • Orchestrate • Execute



Ground Truth EDA Engines

Built Over Decades

Foundry-certified Signoff •
Deterministic • Physics Grounded • Rigorously
Validated • Manufacturing/Yield Assurance



Verified Outcomes

Better PPA • Faster Closure •
Higher Engineering Capacity



“In AI we believe, but in physics we trust.”

EDA: Mid-Teens Growth

FY26E-FY30E REVENUE CAGR: 13%+

More complex silicon
& design starts

Convergence of
electronics & physics

AI-driven chip design



EDA

Design Automation: Simulation & Analysis



The background features a series of concentric circles in shades of purple and blue, creating a ripple effect. In the center, there is a pie chart with three segments: a large purple segment, a smaller teal segment, and a very small dark purple segment. The text 'S&A' is written in white on the teal segment.

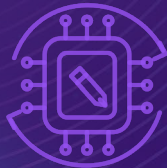
S&A

Systemic Complexity is Compounding

Faster than engineering teams can respond

25%

Of components redesigned
before production



32%

Of new product offerings
exceed cost targets



71%

Of manufactured products
expected intelligent / connected



Industry Applications Drive Growth

Digital Engineering Shift Drives Durable S&A Growth, with AI Reshaping Product Design

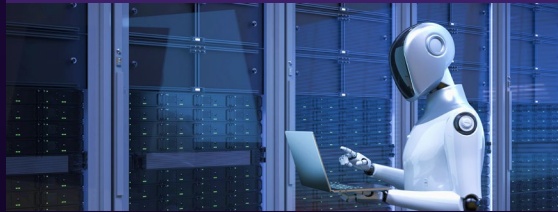
Data Centers

Chip-to-chillers end-to-end system optimization.



Robotics

Sim-to-real validation & synthetic data generation.



Aerospace

Digital test ranges and mission simulation.



Industrial

Digital twins for operational optimization.



Healthcare

Imaging, diagnostics, and clinical workflow simulation.



Automotive

Autonomy validation and vehicle system twins.



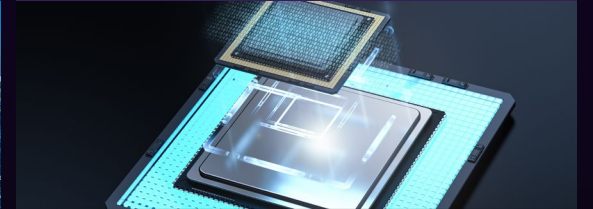
Energy

Grid, storage, and generation system modeling.

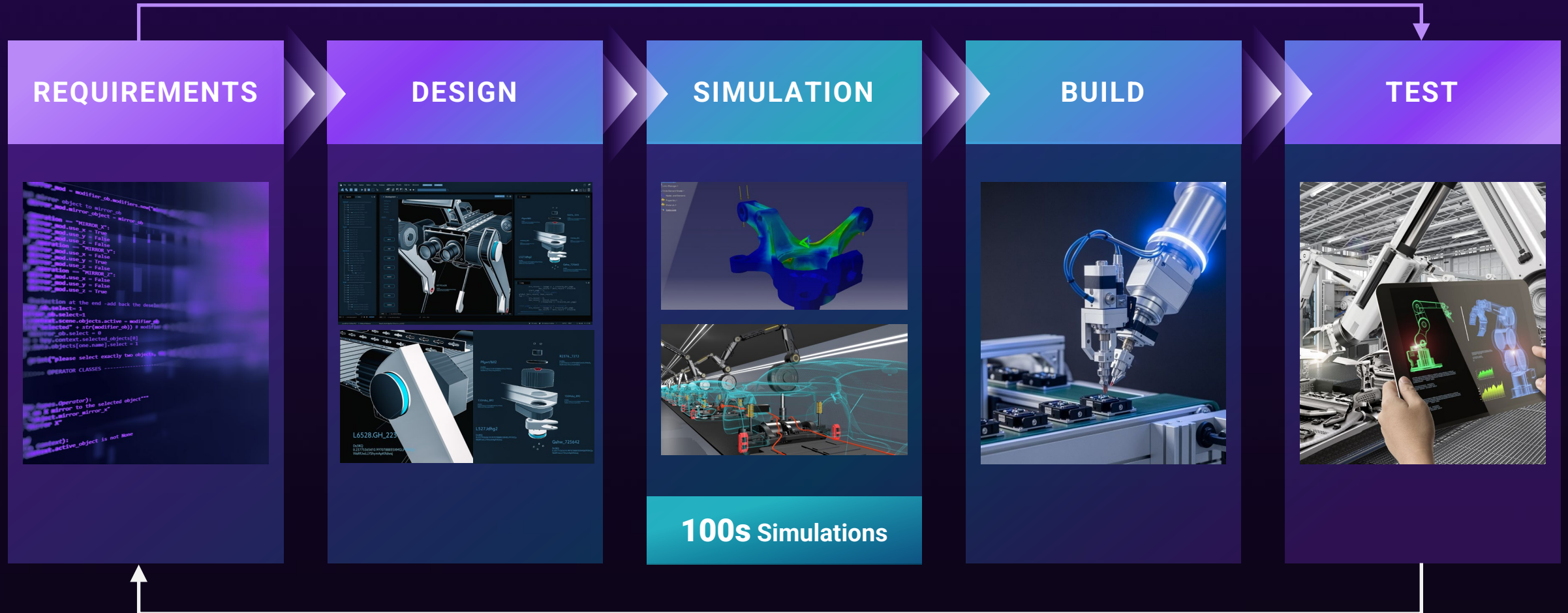


High Tech

Semiconductor and device design acceleration.



Traditional Development Model



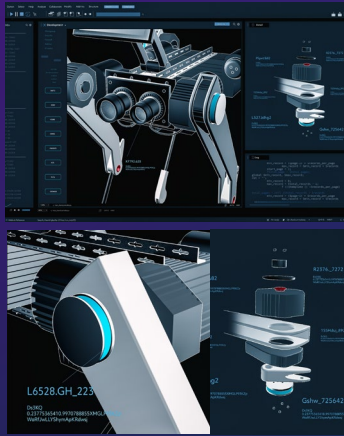
Many expensive prototypes & many costly product failures

Simulation Breaks The Bottleneck

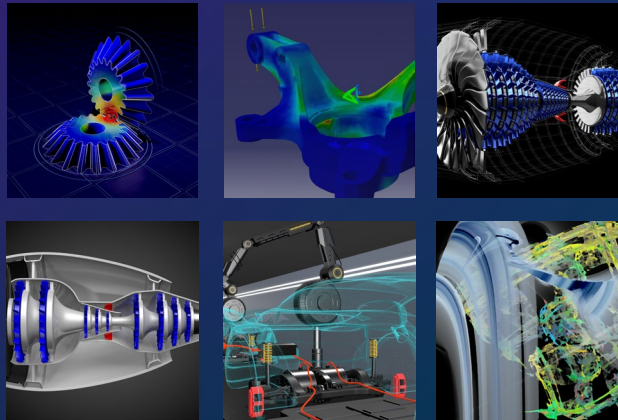
REQUIREMENTS



DESIGN



SIMULATION



1000s Simulations

BUILD



TEST



Fewer Prototype Builds & More Product Successes

Shift Left Results in Tangible Outcomes



Achieved optimal headlamp performance with 80% fewer physical development iterations through virtual design, simulation, and testing



Shortened development cycles, reduced physical testing, and enabled better engineering decisions throughout the product lifecycle. Simulation is no longer just an analysis tool; it has become a strategic capability



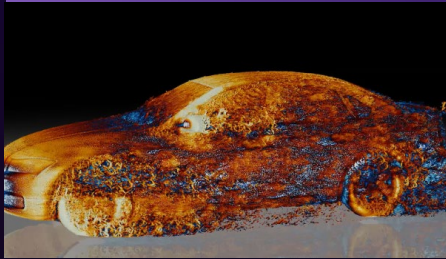
Scaled from a few specialists to hundreds of engineers adopting simulation transforming product design

Simulation Signoff Leadership Powers Growth

FLUID DYNAMICS



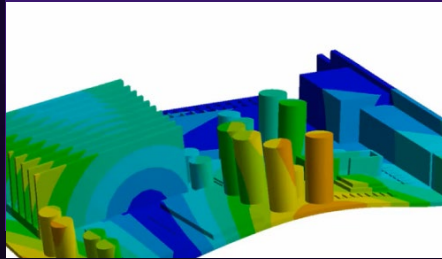
ANSYS FLUENT



STRUCTURAL



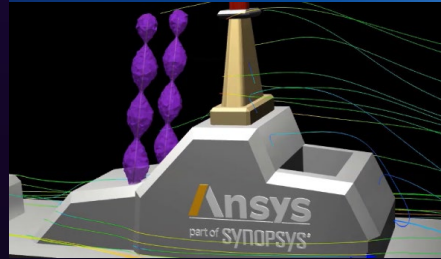
ANSYS MECHANICAL



ELECTROMAGNETICS



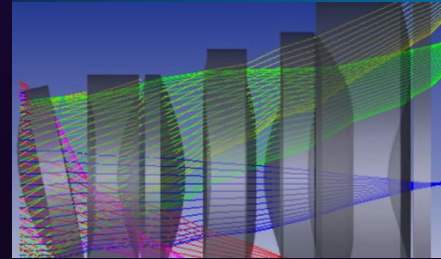
ANSYS HFSS



OPTICAL



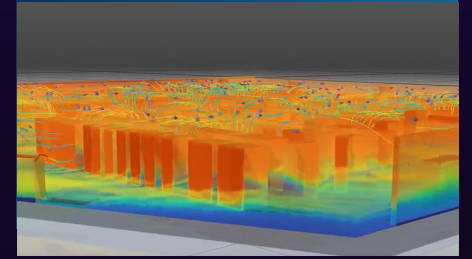
ANSYS LUMERICAL



THERMAL



ANSYS ICEPAK



Best-in-class Multiphysics and Broadest Simulation Signoff Portfolio

Ground truth physics solvers

Digital Engineering connects Data, People and Processes, improving Product Design

Re-Engineering Engineering™ with Simulation & AI

REQUIREMENTS

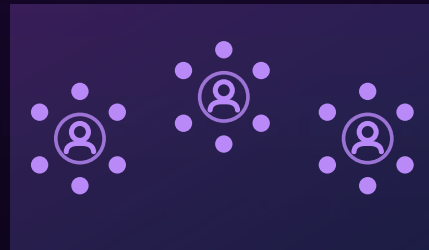
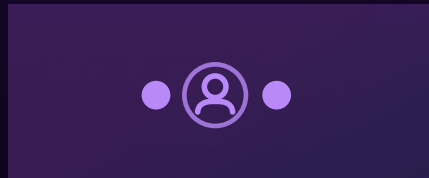
DESIGN

SIMULATION

BUILD

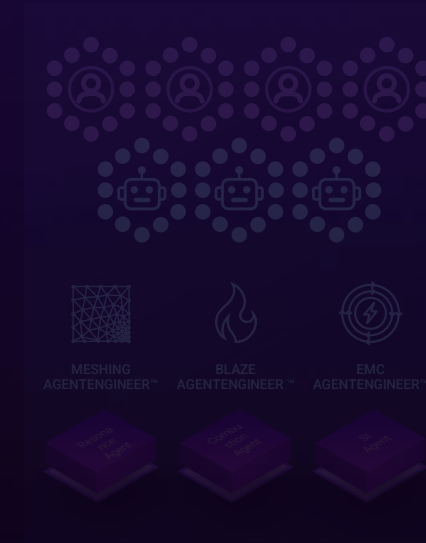
TEST

DEMOCRATIZATION OF SIMULATION



SURROGATE MODELS

AI DRIVEN INFLECTION



AGENTS



FRONTIER MODELS

Ground truth physics-based signoff is essential for every stage.

Re-Engineering Engineering™ with Simulation & AI

REQUIREMENTS

DESIGN

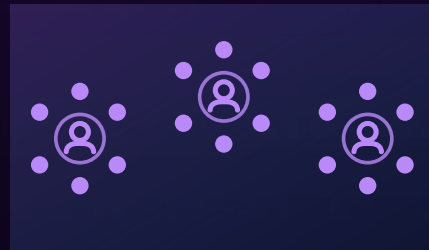
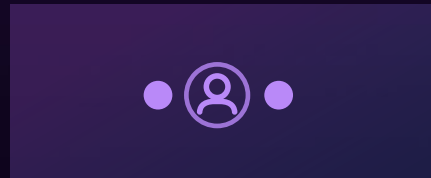
SIMULATION

BUILD

TEST

DEMOCRATIZATION OF SIMULATION

AI DRIVEN INFLECTION



SURROGATE MODELS

Ground truth physics-based signoff is essential for every stage.

Re-Engineering Engineering™ with Simulation & AI

REQUIREMENTS

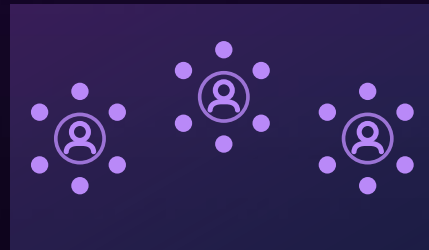
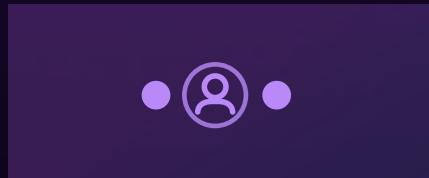
DESIGN

SIMULATION

BUILD

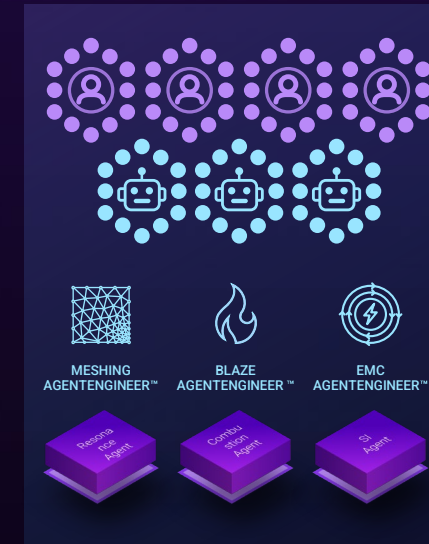
TEST

DEMOCRATIZATION OF SIMULATION

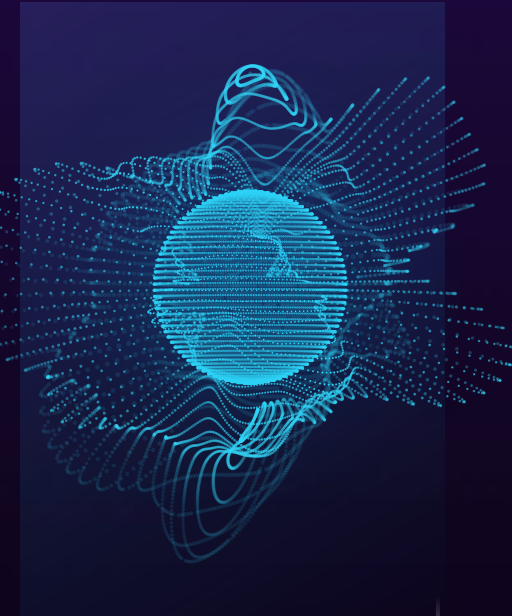


SURROGATE MODELS

AI DRIVEN INFLECTION



AGENTS



FRONTIER MODELS

Ground truth physics-based signoff are essential for every stage.

Synopsys Agentic AI Portfolio

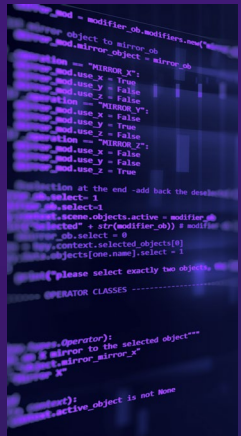
Delivering Breadth and Depth of AgentEngineer™ Solutions



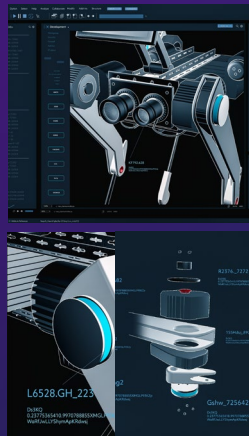
Synopsys Autopilot™ Platform

Simulation & AI Revolutionizes Engineering

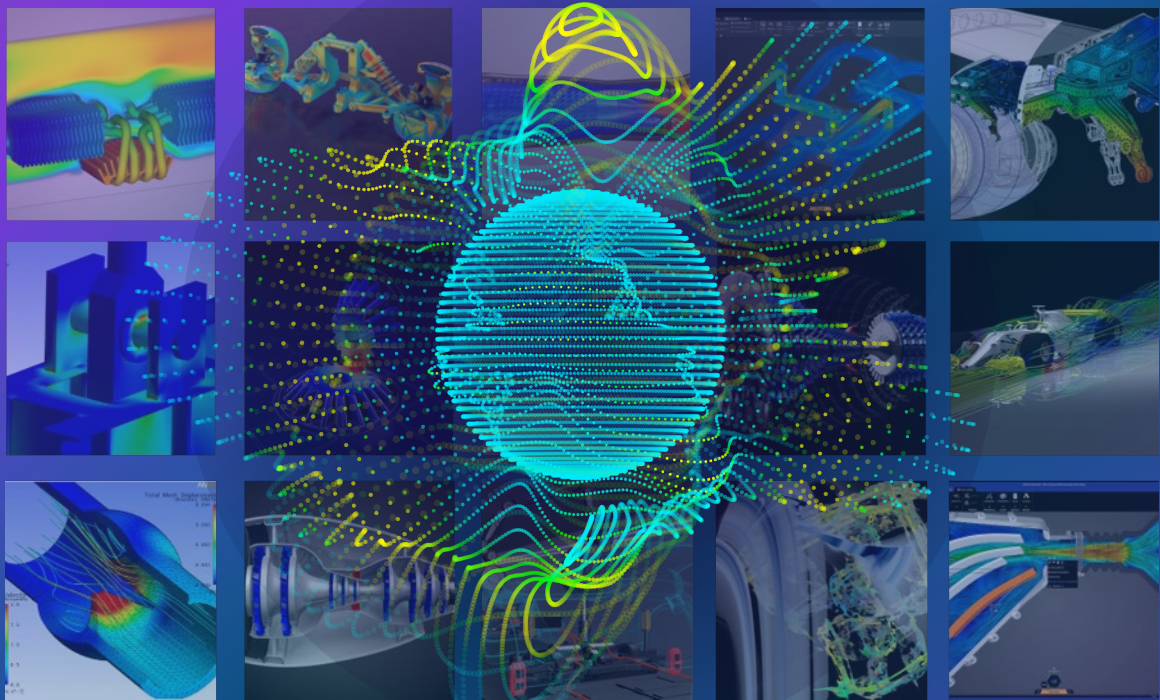
REQUIREMENTS



DESIGN



AI POWERED SIMULATION



Democratizes Simulation Usage Across
Product Development

BUILD



TEST





Datacenter

HVAC and digital infrastructure



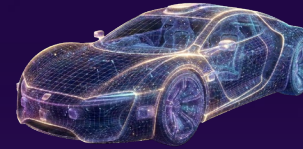
Industrial

High-speed filling operations



Datacenter

Power management & digital twins



Automotive

Lighting and optical design



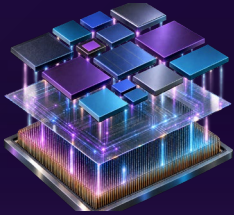
Space

Lunar landers and space systems



Construction

Construction component digital twins



Semiconductor

Motor and controller digital twins



Industrial

Coatings and finishing lines



Automotive

Cockpit and dashboard systems



Robotics

Cable management



Aerospace

Search and rescue mission simulation



Healthcare

Medical imaging and device design

DIGITAL TWIN
SYNOPSYS®

Accelerated by
NVIDIA Omniverse libraries

S&A: Double-digit Growth

FY26E-FY30E REVENUE CAGR: 10%+

More simulation, digitization of design

Value capture, accelerated simulation

More users, AI driven inflection

New opportunities, digital twins

S&A

Synopsys Growth Accelerating

LONG-TERM GROWTH OUTLOOK

Total Revenue

Mid-Teens CAGR

FY26E – FY30E Revenue CAGR ~15%



FY27 OUTLOOK
(MIDPOINT OF RANGE)

Total Revenue

~\$11.15B

~15% YoY Growth

AI is Transforming Engineering

Digital AI & Physical AI

Expands our opportunity

SILICON

Compute demand drives design starts
& rise of application-optimized silicon

SYSTEMS

Systemic complexity of engineering
intelligent products drives S&A demand

PHYSICS-AWARE CO-DESIGN

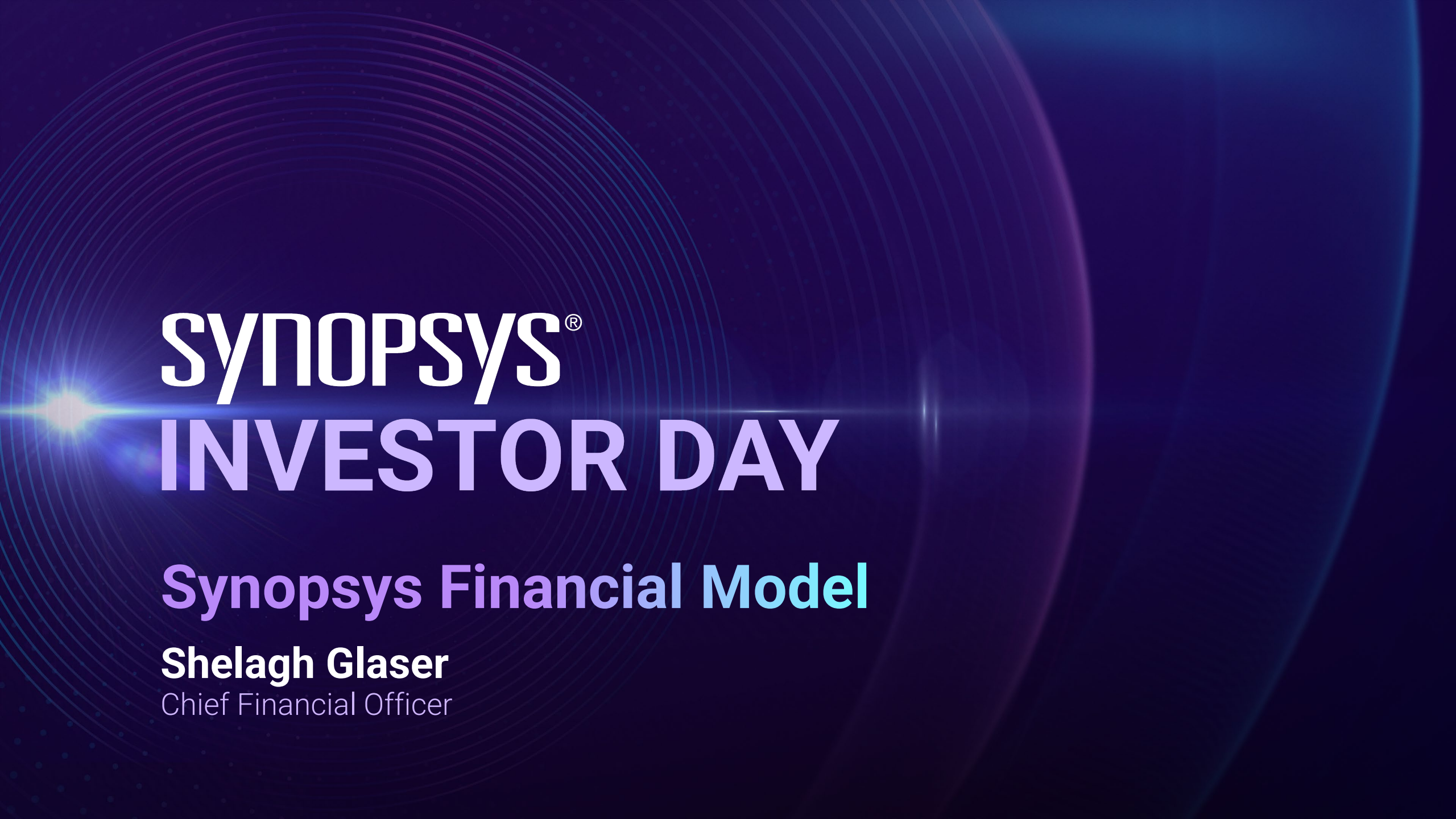
Autonomous Engineering

Built on ground truth physics-based engines and solvers



synopsys®

Thank You



SYNOPSYS[®] **INVESTOR DAY**

Synopsys Financial Model

Shelagh Glaser
Chief Financial Officer

Leading the AI-Driven Inflection Point

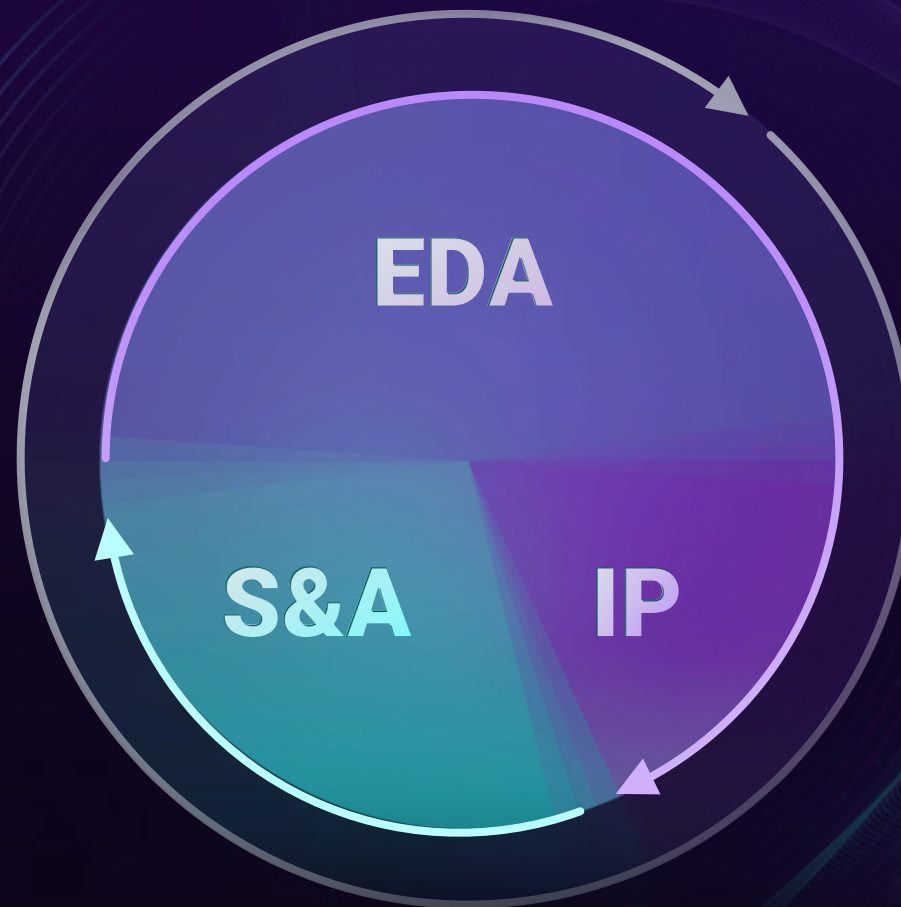
WHY NOW

INFLECTION POINT

- Pace & complexity of silicon and systems

CUSTOMER NEEDS

- Application optimized, first time right systems
- System co-design



WHY US

UNMATCHED ASSETS & SCALE

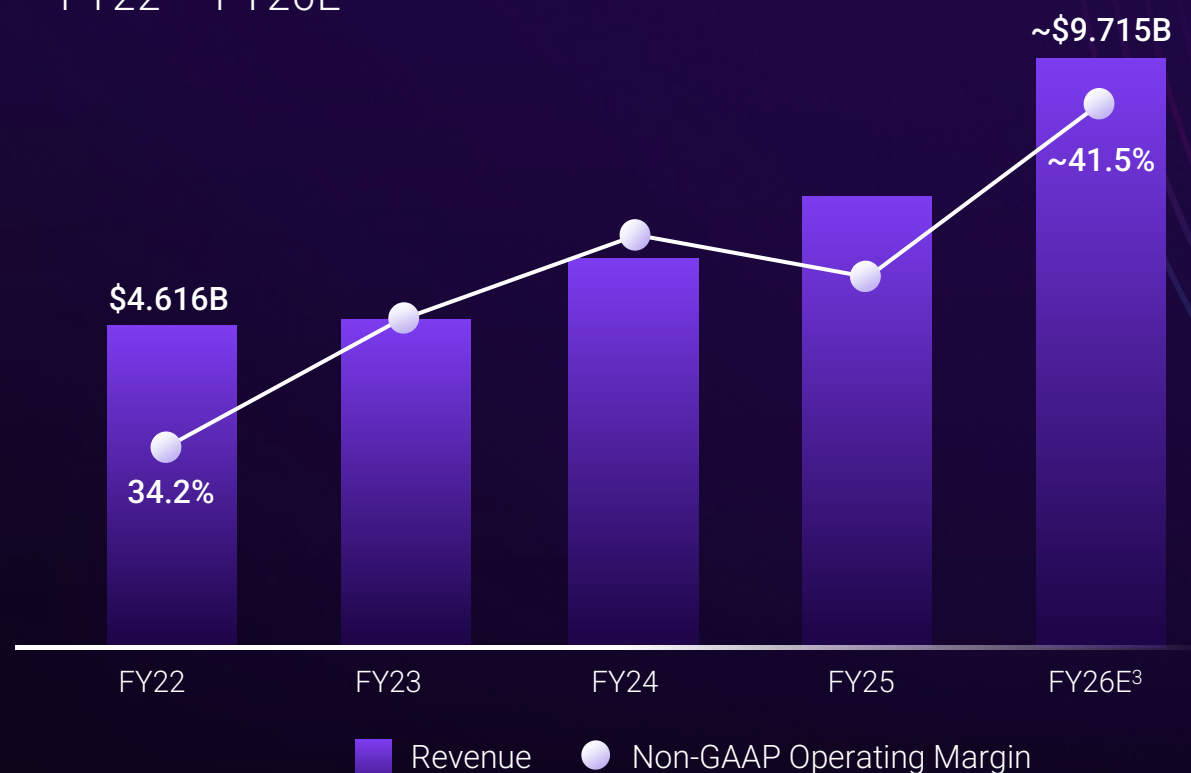
- #1 portfolio; Silicon proven solutions at scale
- Ground truth physics-based solvers and engines

LEADING THE INDUSTRY

- Higher value capture with business model change
- First mover in early innings

5 Years of Transformation

REVENUE & NON-GAAP OPERATING MARGIN^{1,2} FY22 – FY26E



TRANSFORMATION BY THE NUMBERS – OUR EXPECTATIONS EXITING THE YEAR

2.1X

Revenue
Growth³

7+

Points of Non-GAAP
Margin Expansion³

>22K

Customers Worldwide

1. See Appendix for additional information regarding these non-GAAP measures, including reconciliations to the most comparable GAAP measures for historical non-GAAP measures presented and, to the extent available without unreasonable efforts, forward-looking non-GAAP measures.

2. Historical data excludes the operations of our Software Integrity business that was divested in 2024.

3. All estimates at midpoint.

Building Momentum

FY26E Execution¹

REVENUE	NON-GAAP OPERATING MARGIN ³	NON-GAAP EPS ³	FREE CASH FLOW ³
CURRENT GUIDE ² ~\$9.715B	CURRENT GUIDE ~41.5%	CURRENT GUIDE ~\$15.07	CURRENT GUIDE ~\$2.6B
INITIAL FY26 GUIDE ~\$9.610B	INITIAL FY26 GUIDE ~40.5%	INITIAL FY26 GUIDE ~\$14.36	INITIAL FY26 GUIDE ~\$1.9B

1. All estimates at midpoint. Initial FY26 guide as of December 10, 2025.

2. Fiscal year 2026 revenue includes \$2.98 billion of expected Ansys revenue and reflects the impact of approximately \$110 million of the divested Optical Solutions Group and PowerArtist RTL businesses, and \$40 million related to the recently completed divestiture of the Processor IP solutions business.

3. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

How We Will Present the Combined Revenue Base

FY26 – CURRENT REVENUE BY PRODUCT GROUP



FY27 – NEW REVENUE BY PRODUCT GROUP



The Growth Algorithm

FY26E-FY30E Revenue CAGR¹

FY26E REVENUE
(MIDPOINT)²

~\$9.715B

DESIGN AUTOMATION SEGMENT

DESIGN IP SEGMENT

EDA

Mid-Teens
Growth
13%+

S&A

Double-Digit
Growth
10%+

DESIGN IP

High-Teens
Growth
17%+

FY26E-FY30E
OBJECTIVE

**Mid-Teens
CAGR**

~15%

REVENUE SYNERGIES

VALUE CAPTURE

1. These multi-year objectives are provided as of September 30, 2026.

2. Fiscal year 2026 revenue includes \$2.98 billion of expected Ansys revenue and reflects the impact of approximately \$110 million of the divested Optical Solutions Group and PowerArtist RTL businesses, and \$40 million related to the recently completed divestiture of the Processor IP solutions business.

Revenue & Cost Synergies

REVENUE SYNERGIES¹

How We Get There

Multiphysics Fusion

Systems Expansion

ON TRACK

ACROSS EDA & S&A

~\$400M

run-rate by FY29E

FY25

FY26E

FY27E

FY28E

FY29E

COST SYNERGIES¹

Source Of Savings

Streamlining & Scale

Platform & Technology Integration

ACCELERATED

~\$400M

run-rate by FY27E

~1 YEAR FASTER

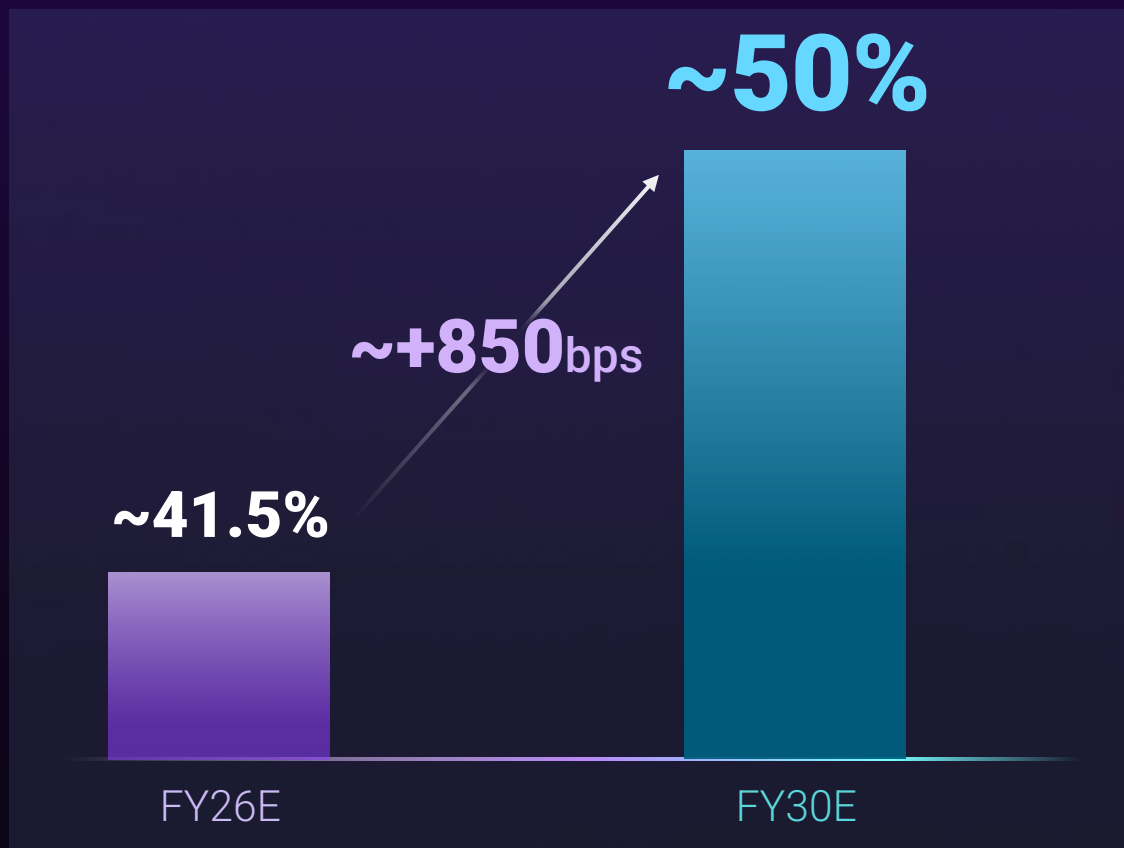
ORIGINAL PLAN

~\$400M run-rate by FY28E

AHEAD OF PLAN

1. These multi-year objectives are provided as of September 30, 2026.

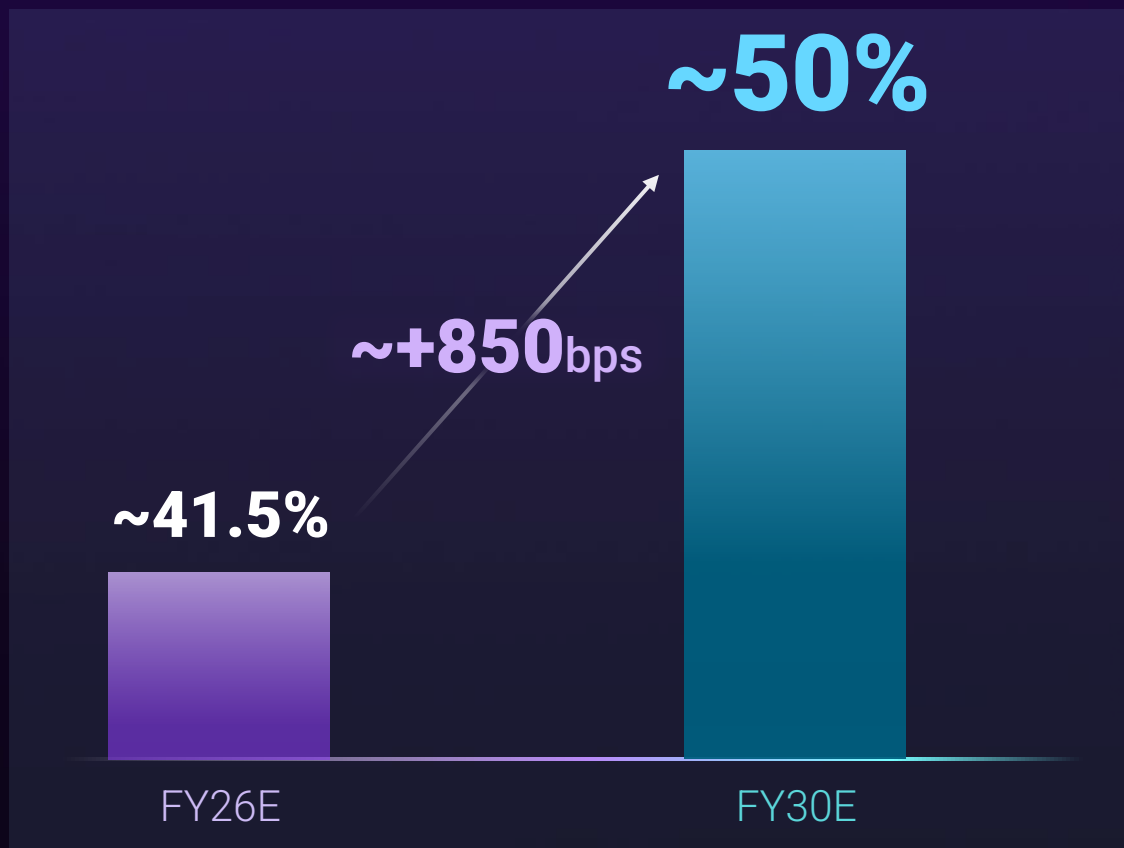
The Path to ~50% Non-GAAP Operating Margin^{1,2}



1. All estimates at midpoint. These multi-year objectives are provided as of September 30, 2026.

2. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

The Path to ~50% Non-GAAP Operating Margin^{1,2}



SCALE & EFFICIENCY DRIVING MARGINS

Value Capture

Portfolio Optimization

Operational Leverage

WHERE WE'RE INVESTING

Advanced-Node & Multi-Die Design

Simulation & Digital Engineering

AI for Engineering

Application Optimized IP (Factory 2)

1. All estimates at midpoint. These multi-year objectives are provided as of September 30, 2026.

2. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

Capital Allocation Framework¹

1 Invest for Growth

R&D First

Fund organic innovation & disciplined M&A

2 Maintain a Strong Balance Sheet

Maintain Investment Grade Rating

Term loans fully repaid ahead of schedule

3 Return Capital to Shareholders

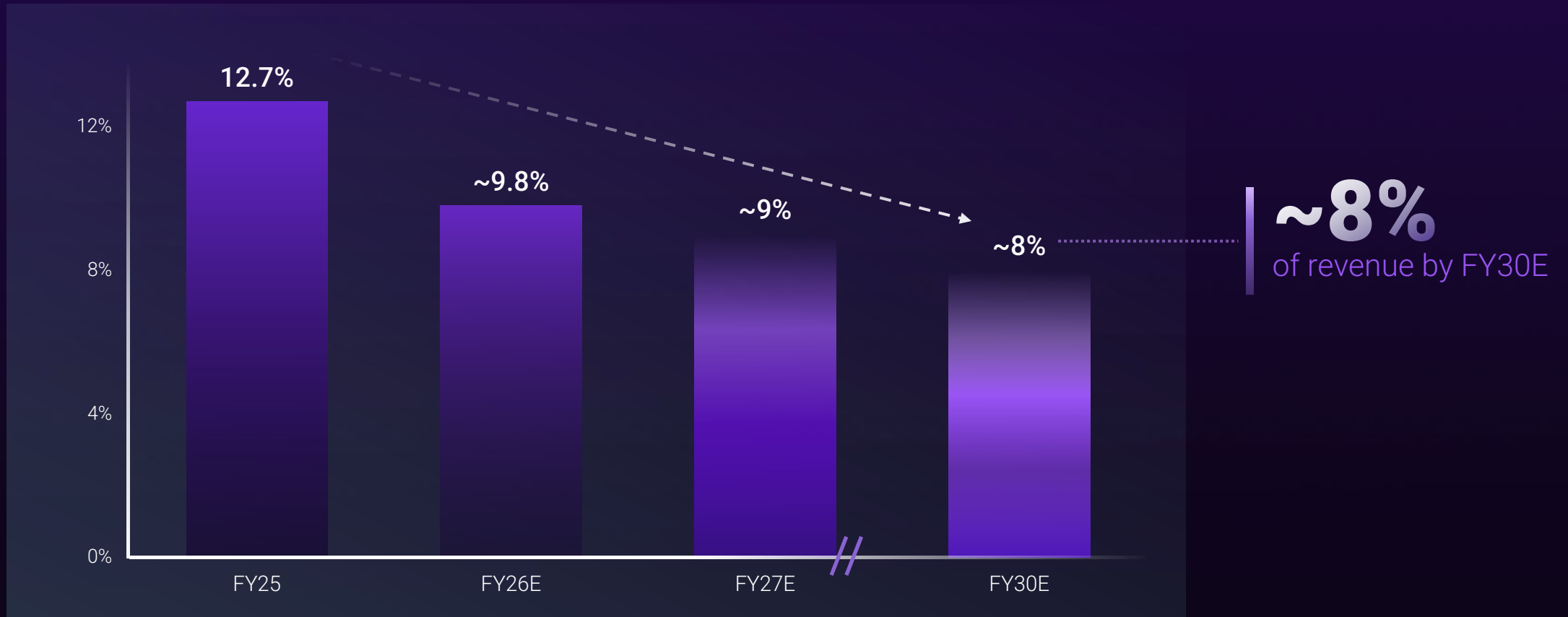
Up to 50% of FCF

Planned return to shareholders via share repurchases through FY30E

1. Capital allocation objectives are based on current business outlook and may vary based on market conditions, strategic opportunities, and balance sheet priorities.

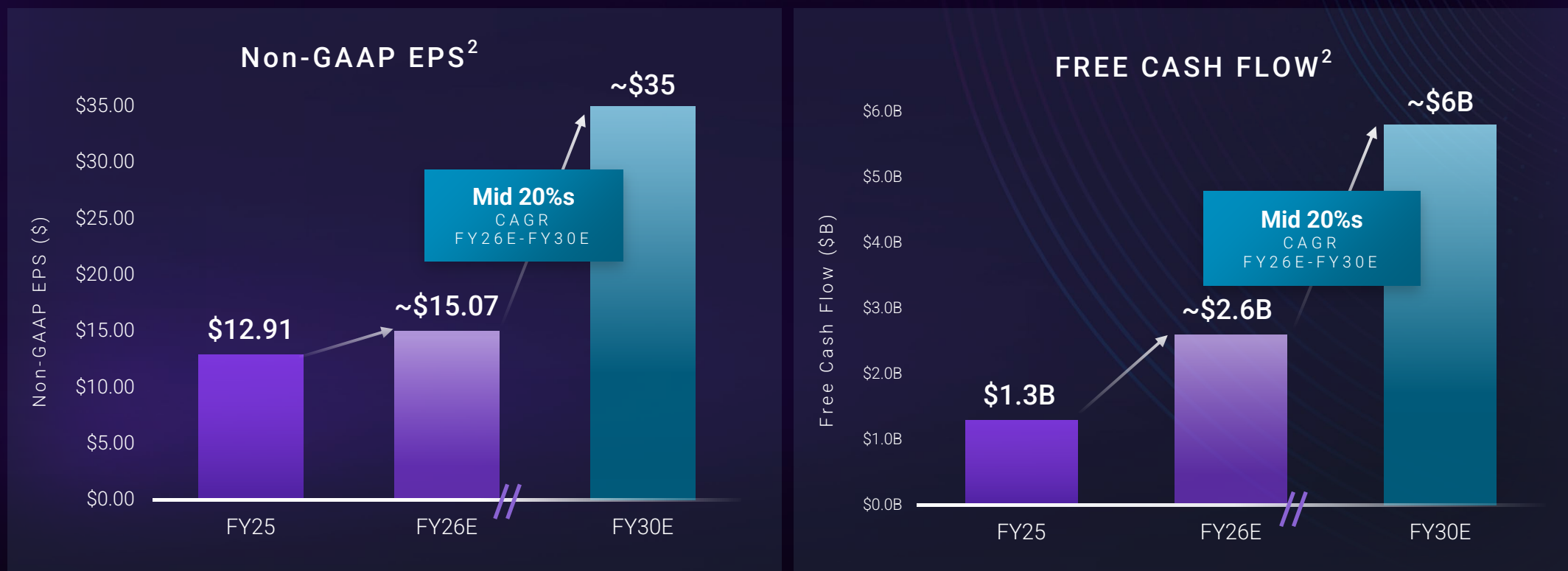
Stock-Based Compensation Targets

SBC AS % OF REVENUE¹



1. All estimates at midpoint. These multi-year objectives are provided as of September 30, 2026.

Compounding Non-GAAP EPS and Free Cash Flow ¹



1. All estimates at midpoint. These multi-year objectives are provided as of September 30, 2026.

2. See Appendix for additional information regarding these non-GAAP measures, including reconciliations to the most comparable GAAP measures for historical non-GAAP measures presented and, to the extent available without unreasonable efforts, forward-looking non-GAAP measures.

Long-Term Financial Objectives

Through FY30E

THE VALUE EQUATION

Revenue Growth

+

Margin Expansion

+

Capital Allocation

=

EPS & FCF Growth

LONG TERM OBJECTIVES¹

REVENUE
GROWTH

Mid-Teens

~15% FY26E–FY30E CAGR

NON-GAAP
OPERATING MARGIN²

~50%

Non-GAAP, FY30E target

NON-GAAP EPS
GROWTH²

Mid 20%s

Non-GAAP, FY26E–FY30E CAGR

FREE CASH FLOW
GROWTH²

Mid 20%s

FY26E–FY30E CAGR

CAPITAL RETURN³

Up to 50%

Of FCF, planned via share repurchases

1. These multi-year objectives are provided as of September 30, 2026.

2. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

3. Capital allocation objectives are based on current business outlook and may vary based on market conditions, strategic opportunities, and balance sheet priorities.

LONG-TERM MODEL → THE YEAR AHEAD

Bringing FY2027 Into Focus

Fiscal Year 2027 Guidance

Midpoints of Range

REVENUE

~\$11.15 B

~15% Growth YoY²

Range: \$11.1B - \$11.2B

NON-GAAP OPERATING MARGIN¹

~44.0%

~+250 bps YoY²

Non-GAAP Expense Range: \$6.215B - \$6.275B

NON-GAAP EPS¹

~\$19.08

~27% Growth YoY²

Range: \$19.04 - \$19.12

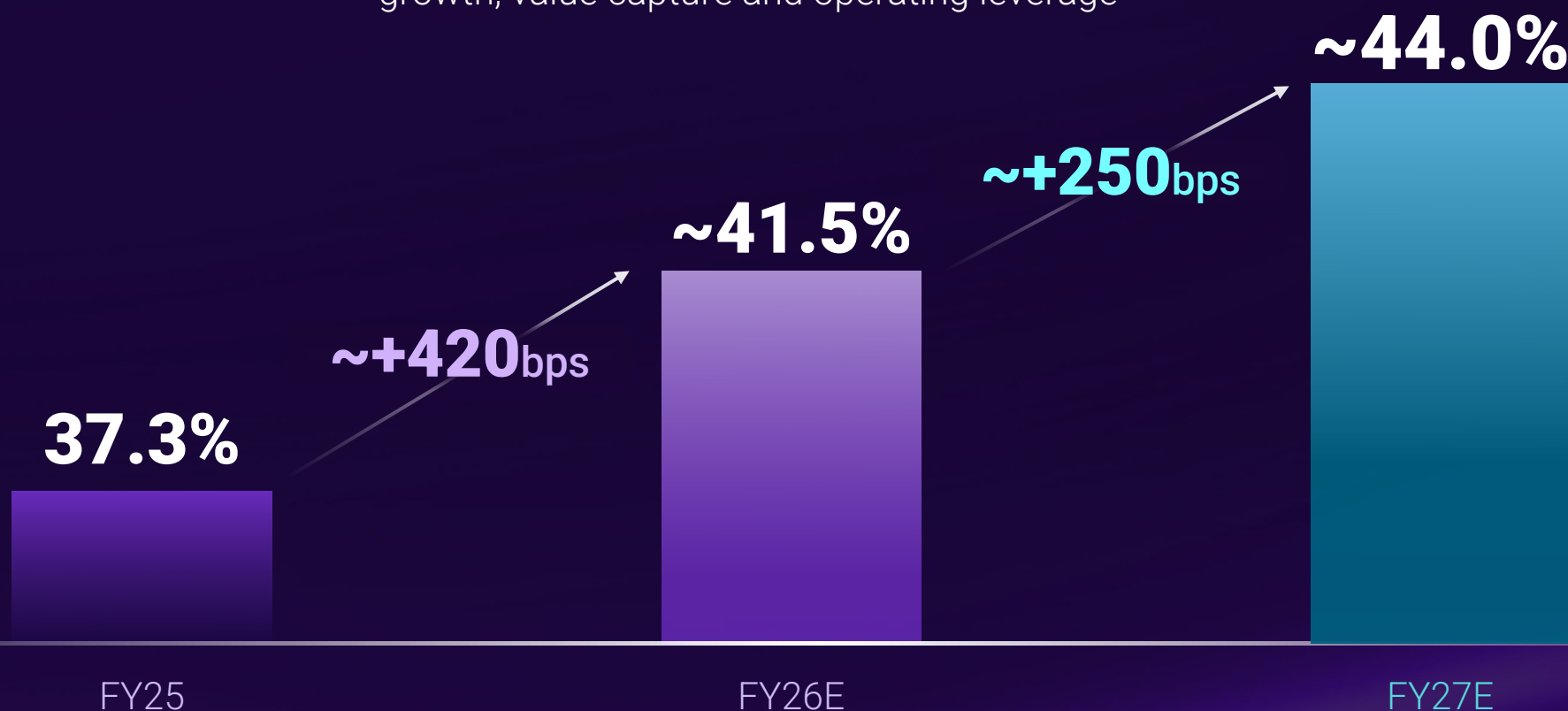
1. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

2. Year-over-year comparison of FY27E to FY26E.

Non-GAAP Operating Margin Expansion

FY25-FY27E ^{1,2}

+670 bps of margin expansion in two years driven by revenue growth, value capture and operating leverage



1. See Appendix for additional information regarding these non-GAAP measures, including reconciliations to the most comparable GAAP measures for historical non-GAAP measures presented and, to the extent available without unreasonable efforts, forward-looking non-GAAP measures.

2. All estimates at midpoint.

Fiscal Year 2027 Guidance

Continued growth with meaningful margin and FCF expansion

METRIC	FY26E GUIDANCE ^{1,2}	FY27E GUIDANCE ^{1,2}
Revenue	~\$9.715B	~\$11.150B
Non-GAAP operating margin	~41.5%	~44.0%
Non-GAAP EPS	~\$15.07	~\$19.08
Fully Diluted Outstanding Shares	~193M	~191M
Free cash flow	~\$2.6B	~\$3.1B

1. See Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

2. All estimates at midpoint.

~\$1.0 BILLION

INTENT TO REPURCHASE SHARES OVER COMING MONTHS¹

OFFSET DILUTION

REDUCE SHARE COUNT

INCREASE EPS

Enabled by Stronger Cash Generation, Margin Expansion and Continued Deleveraging

1. Capital allocation objectives are based on current business outlook and may vary based on market conditions, strategic opportunities, and balance sheet priorities.



synopsys®

Thank You

APPENDIX

GAAP to Non-GAAP Reconciliations, Definitions and FY27 Detailed Guide

Non-GAAP Financial Information

This presentation contains certain forward-looking financial measures that are not in accordance with the U.S. generally accepted accounting principles (“GAAP”). It also includes future estimates for non-GAAP operating margin, non-GAAP tax rate, non-GAAP interest and other income (expense), net, non-GAAP expenses, non-GAAP earnings per diluted share (“EPS”), non-GAAP EPS compound annual growth rate (“CAGR”), free cash flow (“FCF”) and FCF CAGR.

- FCF is calculated as cash provided from operating activities less capital expenditures
- FCF CAGR is calculated as the average annual growth rate of FCF over a period of time
- Non-GAAP EPS is calculated as GAAP net income excluding amortization of acquired intangible assets, stock-based compensation, restructuring charges, acquisition/divestiture-related items, loss on sale of strategic investments, and legal matters, adjusted for the difference between GAAP and non-GAAP tax rates, divided by fully diluted outstanding shares
- Non-GAAP EPS CAGR is calculated as the average annual growth rate of non-GAAP EPS over a period of time
- Non-GAAP expenses are calculated as GAAP expenses, excluding amortization of acquired intangible assets, stock-based compensation, restructuring charges, and acquisition/divestiture-related items
- Non-GAAP operating margin is non-GAAP operating income for a period divided by revenue for the same period
- Non-GAAP tax rate is set at a three-year normalized tax rate of 18.0%. In projecting this rate, we evaluated our historical and projected mix of U.S. and international profit before tax, excluding the impact of stock-based compensation, the amortization of purchased intangibles and other GAAP only adjustments.
- Non-GAAP interest and other income (expense), net is calculated as GAAP interest and other income (expense), net adjusted for the change in fair value of our non-qualified deferred compensation plan

Synopsys continues to provide all information required in accordance with GAAP but acknowledges evaluating its ongoing operating results may not be as useful if an investor is limited to reviewing only GAAP financial measures. Accordingly, Synopsys presents non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate Synopsys’ operating results in a manner that focuses on what Synopsys believes to be its core business operations and what Synopsys uses to evaluate its business operations and for internal budgeting and resource allocation purposes. These non-GAAP financial measures may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles, and management exercises judgment in determining which items should be excluded in the calculation of non-GAAP measures. The presentation of non-GAAP financial information is not meant to be considered in isolation from, as superior to or as a substitute for the directly comparable financial measures prepared in accordance with GAAP. These non-GAAP financial measures are meant to supplement, and be viewed in conjunction with, the corresponding GAAP financial measures.

Certain non-GAAP financial measures used by management, as well as the reconciliation of non-GAAP financial measures to their most closely applicable GAAP financial measures, is contained in this presentation and in our press release available in the investor relations portion of Synopsys’ corporate website at www.synopsys.com. Synopsys is unable to provide a full reconciliation of non-GAAP tax rate for FY 2027E; non-GAAP interest and other income (expense), net for FY 2027E; non-GAAP operating margin for FY 2028E-FY 2030E; non-GAAP EPS for FY 2028E-FY 2030E; non-GAAP EPS CAGR for FY 2026E-FY 2030E; FCF for FY 2028E-FY 2030E; and FCF CAGR for FY 2026E-FY 2030E projections, targets and guidance measures 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 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, 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. Synopsys is presenting forward looking non-GAAP financial measures for illustrative purposes and may not report on this basis going forward.

GAAP to Non-GAAP Reconciliation¹

Operating income and operating margin

(\$ IN MILLIONS)	FY2022 ²	FY2023 ²	FY2024 ²	FY2025	FY2026E ³	FY2027E ³
Revenue	\$4,615.7	\$5,318.0	\$6,127.4	\$7,054.2	~\$9,715	~\$11,150
GAAP operating income and operating margin	\$1,148.7 24.9%	\$1,273.2 23.9%	\$1,355.7 22.1%	\$914.9 13.0%	~10.4%	~20.7%
Adjustments:						
Amortization of acquired intangible assets	\$56.3 1.2%	\$54.6 1.0%	\$124.2 2.0%	\$504.4 7.2%	~16.6%	~13.9%
Stock-based compensation	\$421.7 9.1%	\$513.1 9.6%	\$657.9 10.7%	\$893.3 12.7%	~9.8%	~8.7%
Acquisition/divestiture related items	\$9.4 0.2%	\$13.8 0.3%	\$138.7 2.3%	\$254.8 3.6%	~0.6%	—
Restructuring charges	\$11.2 0.2%	\$53.1 1.0%	—	—	~4.1%	~0.7%
Non-qualified deferred compensation plan	(\$67.5) (1.5%)	\$20.2 0.4%	\$85.4 1.4%	\$65.5 0.8%	—	—
Non-GAAP operating income and operating margin	\$1,579.9 34.2%	\$1,928.0 36.3%	\$2,362.1 38.5%	\$2,632.9 37.3%	~41.5%	~44.0%

1. Amounts may not foot due to rounding.

2. Historical data excludes the operations of our Software Integrity business that was divested in fiscal year 2024.

3. All estimates at midpoint.

GAAP to Non-GAAP Reconciliation

Net income per diluted share (“EPS”)

PER DILUTED SHARE	FY2025	FY2026E ¹	FY2027E ¹
GAAP net income per diluted share attributed to Synopsys	\$8.07	\$3.96	\$8.39
Amortization of acquired intangible assets	\$3.04	\$8.36	\$8.09
Stock-based compensation	\$5.39	\$4.93	\$5.08
Acquisition/divestiture related items	(\$1.50)	(\$1.88)	—
Loss on sale of strategic investment	\$0.02	—	—
Restructuring charges	—	\$2.05	\$0.39
Tax adjustments	(\$2.11)	(\$2.34)	(\$2.87)
Non-GAAP net income per diluted share attributed to Synopsys	\$12.91	\$15.07	\$19.08

1. All estimates at midpoint.

Reconciliation of Free Cash Flow

(\$ IN MILLIONS)	FY2025	FY2026E	FY2027E
Cash flow from operating activities	\$1,519	~\$2,800	~\$3,600
(-) Purchases of property and equipment	(\$169)	~(\$225)	~(\$500)
= Free Cash Flow	\$1,350	~\$2,600	~\$3,100

GAAP to Non-GAAP Reconciliation

FY27 guidance: expenses

(\$ IN MILLIONS)	FY2027E MIDPOINT	FY2027E LOW	FY2027E HIGH
Target GAAP expenses	\$8,835	\$8,765	\$8,905
Adjustments:			
Amortization of acquired intangible assets	(\$1,545)	(\$1,540)	(\$1,550)
Stock-based compensation	(\$970)	(\$960)	(\$980)
Restructuring charges	(\$75)	(\$50)	(\$100)
Target non-GAAP expenses	\$6,245	\$6,215	\$6,275

GAAP to Non-GAAP Reconciliation

FY27 guidance: net income per diluted share (“EPS”)

PER DILUTED SHARE	FY2027E MIDPOINT	FY2027E LOW	FY2027E HIGH
Target GAAP net income per diluted share attributed to Synopsys	\$8.39	\$8.16	\$8.61
Adjustments:			
Amortization of intangible assets	\$8.09	\$8.12	\$8.06
Stock-based compensation	\$5.08	\$5.13	\$5.03
Restructuring charges	\$0.39	\$0.52	\$0.26
Tax adjustments and settlement	(\$2.87)	(\$2.89)	(\$2.84)
Target Non-GAAP net income per diluted share attributed to Synopsys	\$19.08	\$19.04	\$19.12

FY27 Detailed Guidance

METRIC	2027 Guidance ¹
Revenue (\$M)	\$11,100 – \$11,200
GAAP Expenses (\$M)	\$8,765 - \$8,905
Non-GAAP Expenses (\$M)	\$6,215 – \$6,275
Non-GAAP Interest and Other Income (Expense), Net (\$M)	(\$465) – (\$455)
Non-GAAP Tax Rate	18%
Fully Diluted Outstanding Shares (M)	190 – 192
GAAP Operating Margin	Midpoint: ~20.7%
Non-GAAP Operating Margin	Midpoint: ~44.0%
GAAP EPS	\$8.16 - \$8.61
Non-GAAP EPS	\$19.04 – \$19.12
Cash Flow from Operations	~\$3.6B
Capital Expenditures (\$M)	~\$500
Free Cash Flow	~\$3.1B

1. See elsewhere in this Appendix for additional information regarding these forward-looking non-GAAP measures, including reconciliations to the most comparable GAAP measures to the extent available without unreasonable efforts.

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SYNOPSYS[®] **INVESTOR DAY**

September 30, 2026