



**Bentley**<sup>®</sup>  
Advancing Infrastructure

**23Q3**

Operating Results

**Greg Bentley**  
Chief Executive Officer

**Nicholas Cumins**  
Chief Operating Officer

**Werner Andre**  
Chief Financial Officer

# 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 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; 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 on terms satisfactory to us or at all; our ability to identify and consummate future investments 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, 2022 and subsequent Form 10-Qs.

The forward-looking statements made in this presentation are made as of November 7, 2023. If this presentation is reviewed after November 7, 2023, 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.

Revenue metrics are presented under Accounting Standard Codification ("ASC") 606, unless stated 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.

# Agenda

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Directions and Developments  
Greg Bentley, Chief Executive Officer

Operational Perspectives  
Nicholas Cumins, Chief Operating Officer

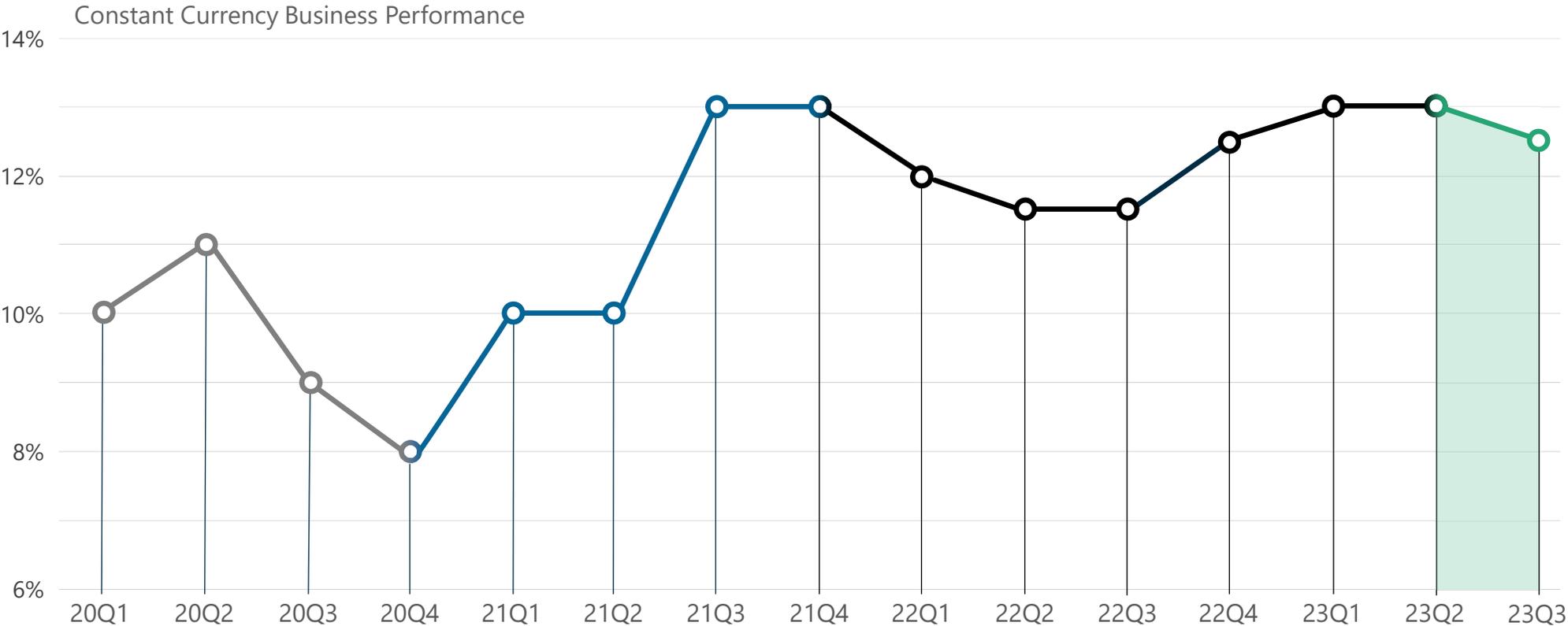
Financial Performance  
Werner Andre, Chief Financial Officer

# Directions

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# YoY ARR Growth<sup>8</sup>

*Sustained at High-water Mark...*



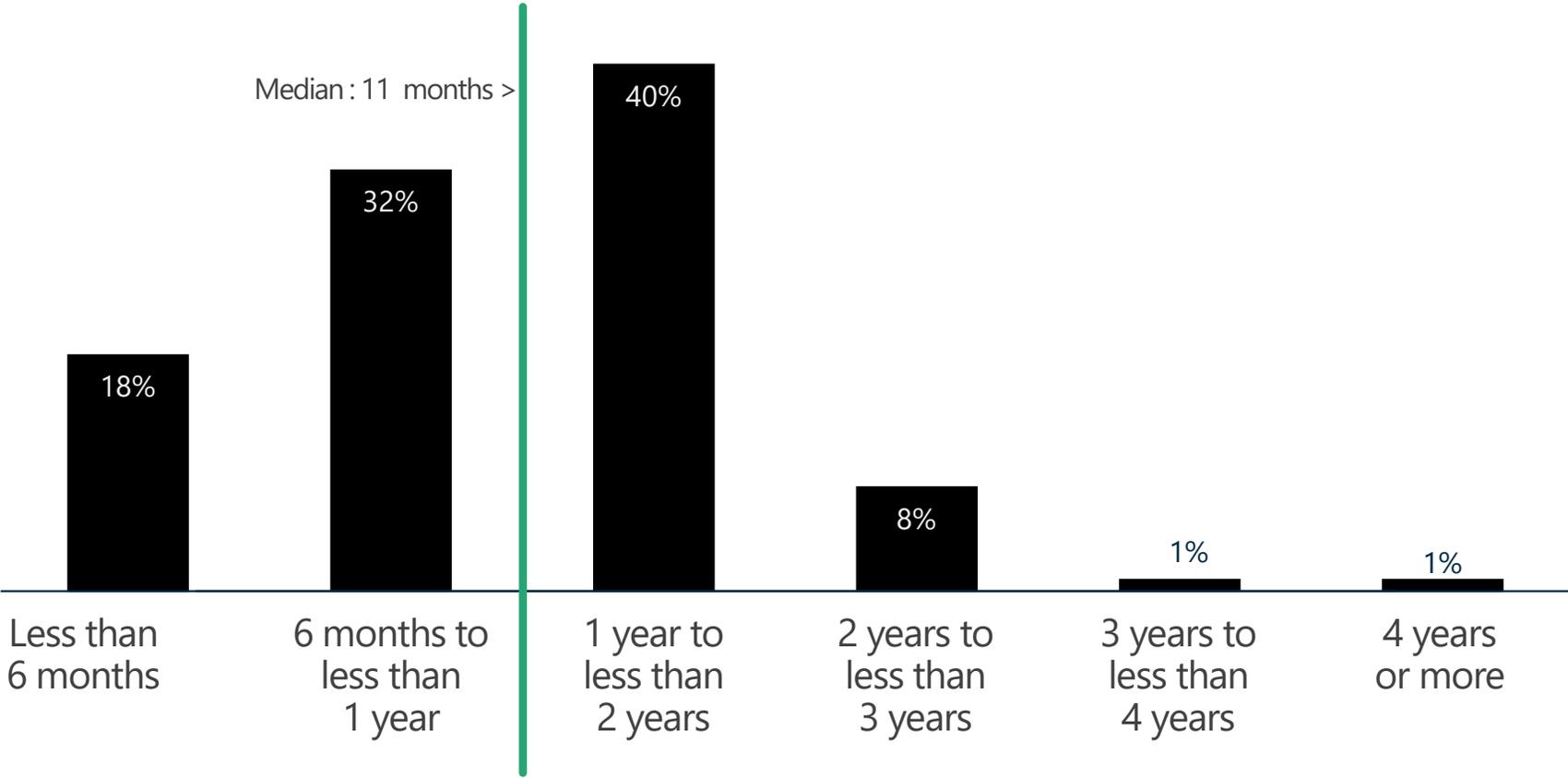
Note: Annualized Recurring Revenue ("ARR")<sup>6</sup>  
Footnotes 6,8 : See appendix for KPI and non-GAAP definitions

# Directions

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- ◆ U.S. IJA Flywheel

# Current Backlog

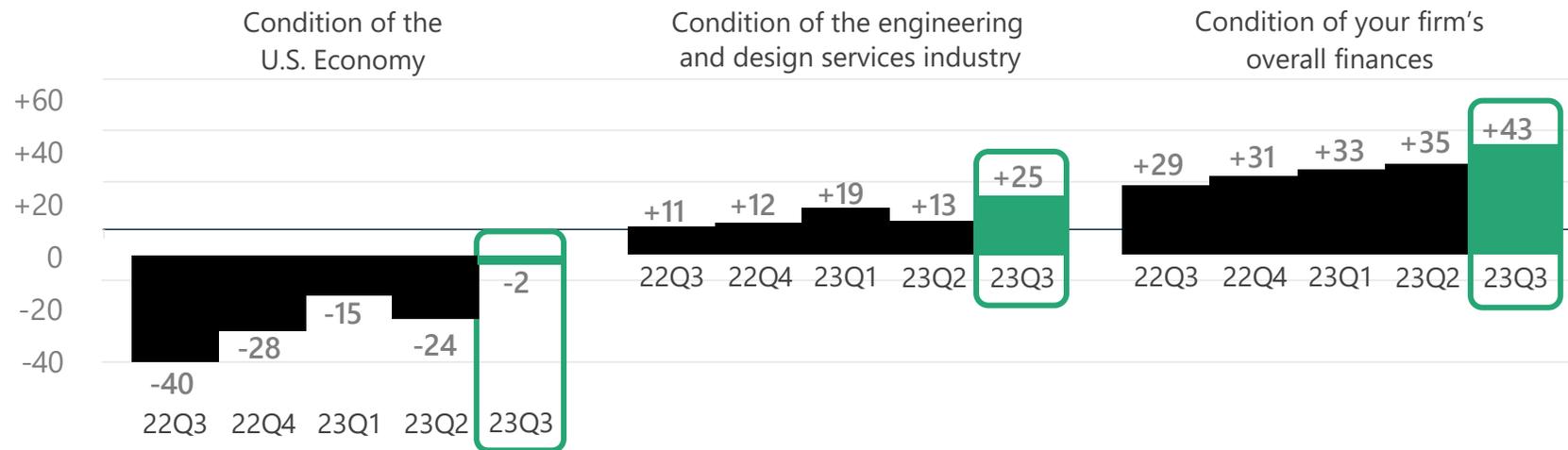


2023 Q3 (n=526)



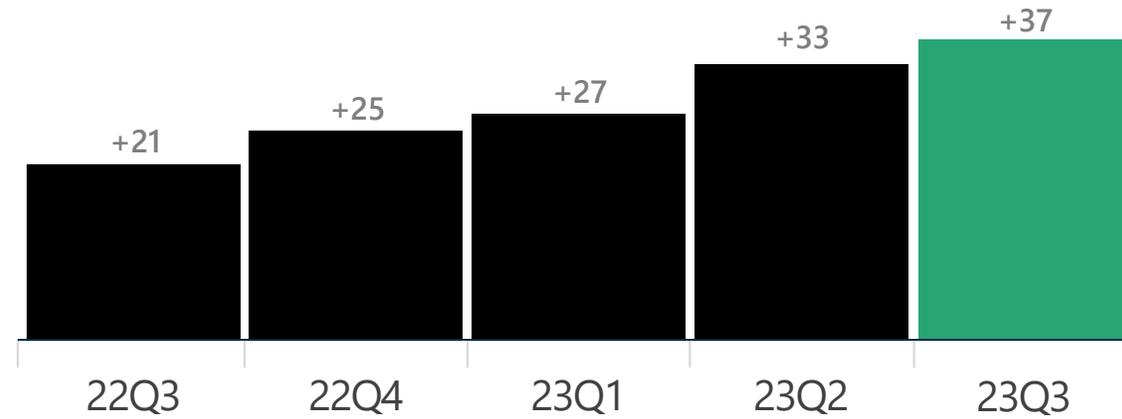
Source: ACEC Research Institute Engineering Business Sentiment © | 2023 Q3- <https://programs.acec.org/impact-report-21/>

# Economic Sentiment 12 Months from Now vs. Previous Quarters



Source: ACEC Research Institute Engineering Business Sentiment © | 2023 Q3- <https://programs.acec.org/impact-report-21/>

# Backlog 12 Months from Now

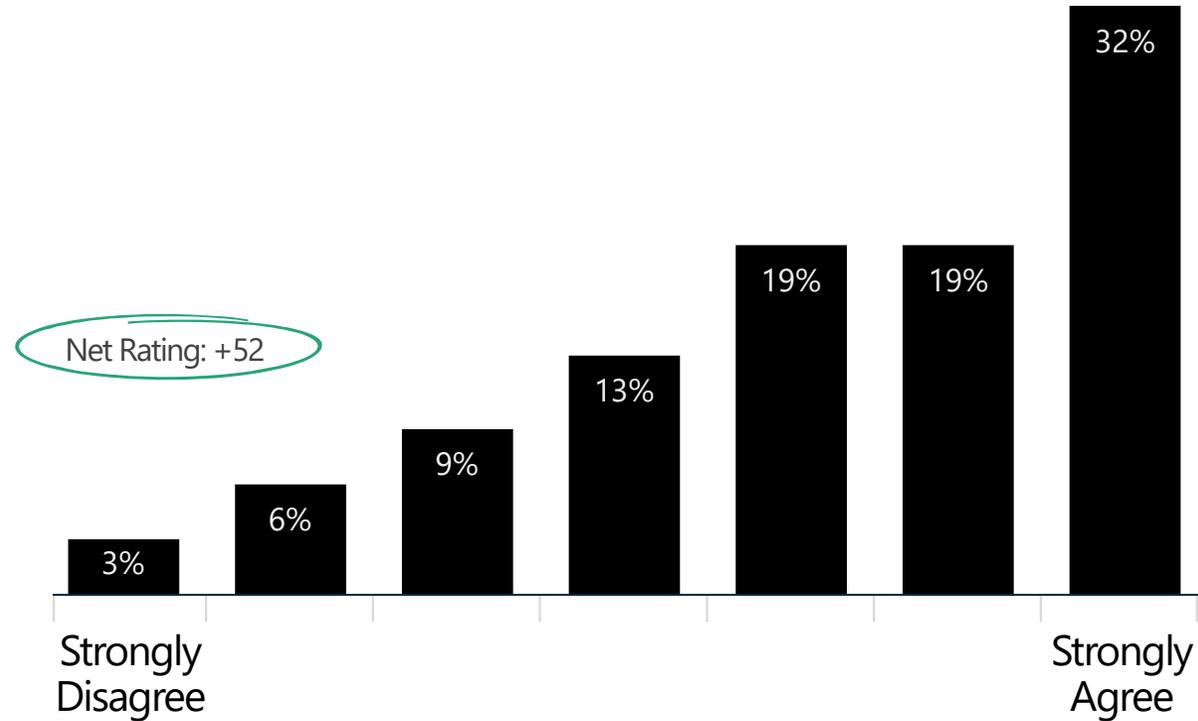


2023 Q2 (n=529)



Source: ACEC Research Institute Engineering Business Sentiment © | 2023 Q3- <https://programs.acec.org/impact-report-21/>

# Lack of Qualified Workers: Single Largest Barrier to Growth?

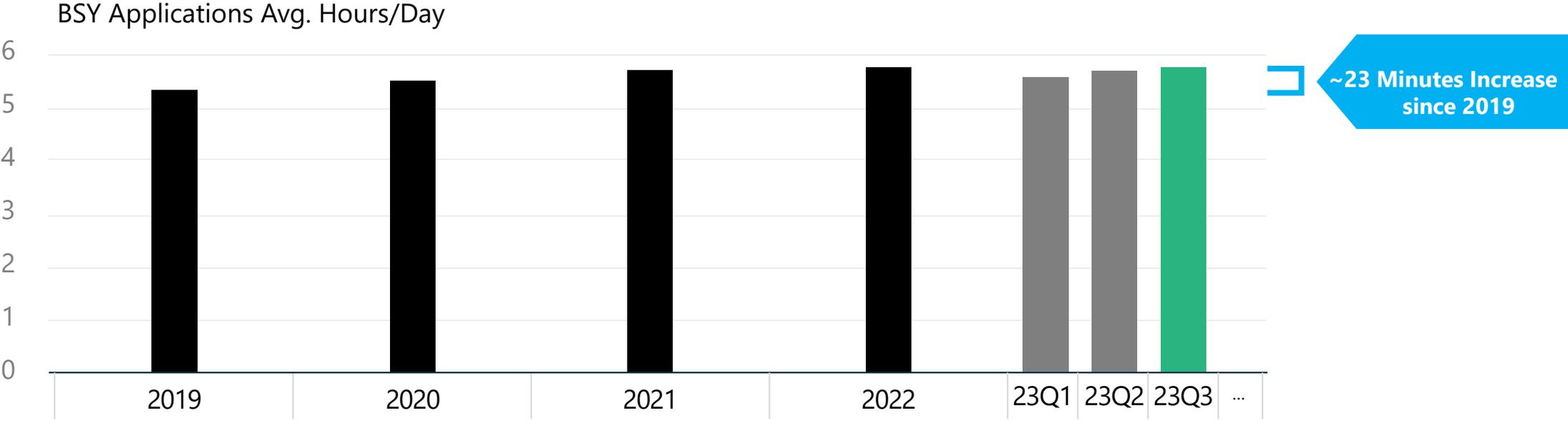


2023 Q3 (n=511)



Source: ACEC Research Institute Engineering Business Sentiment © | 2023 Q3- <https://programs.acec.org/impact-report-21/>

# Infrastructure Engineers Are Working Longer Days



# Directions

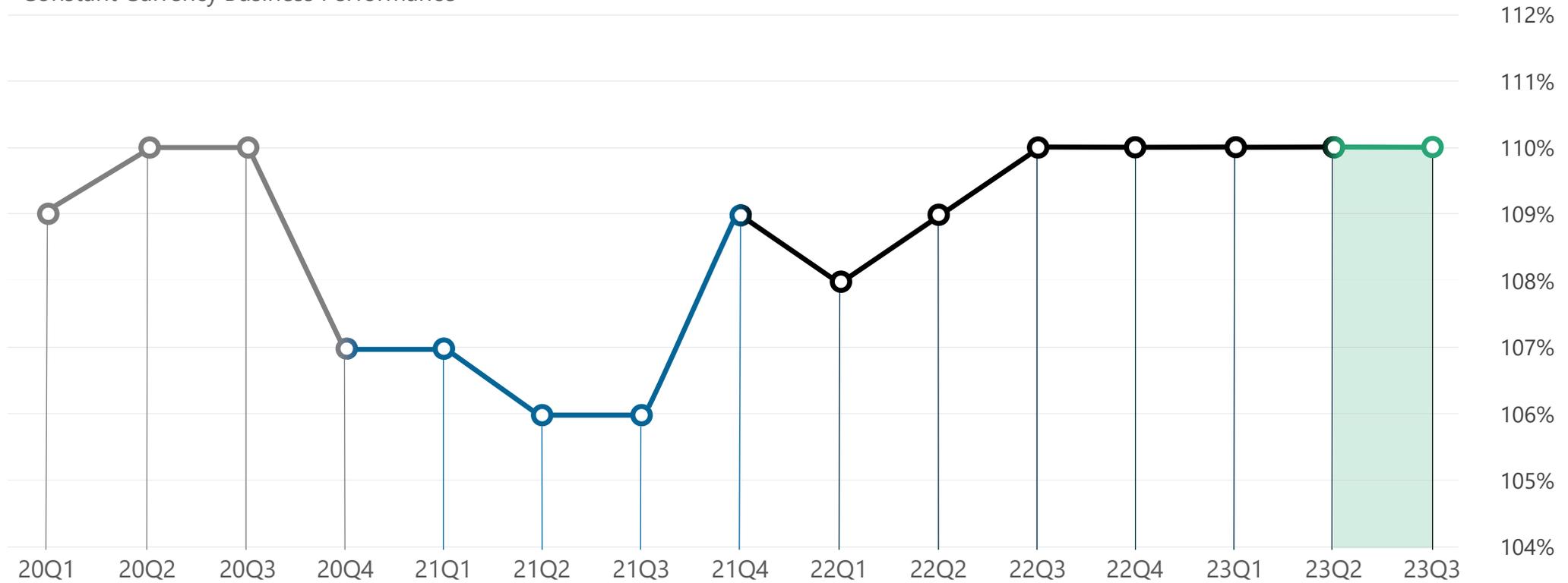
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- ◆ U.S. IIA Flywheel
- ◆ E365 (Puts and Takes)

# YoY LTM Recurring Revenues Dollar-Based *Net Retention Rate*<sup>5</sup> (NRR)

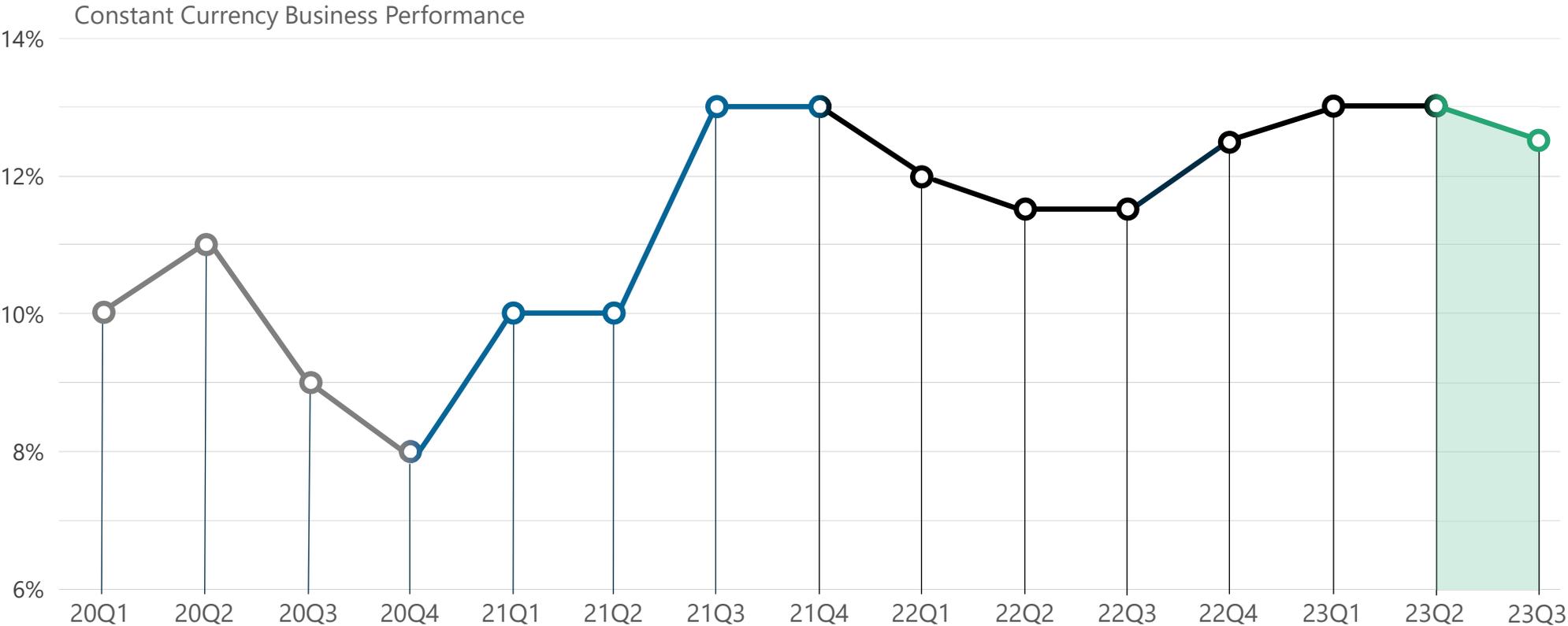
*Sustained at High-water Mark...*

Constant Currency Business Performance



# YoY ARR Growth<sup>8</sup>

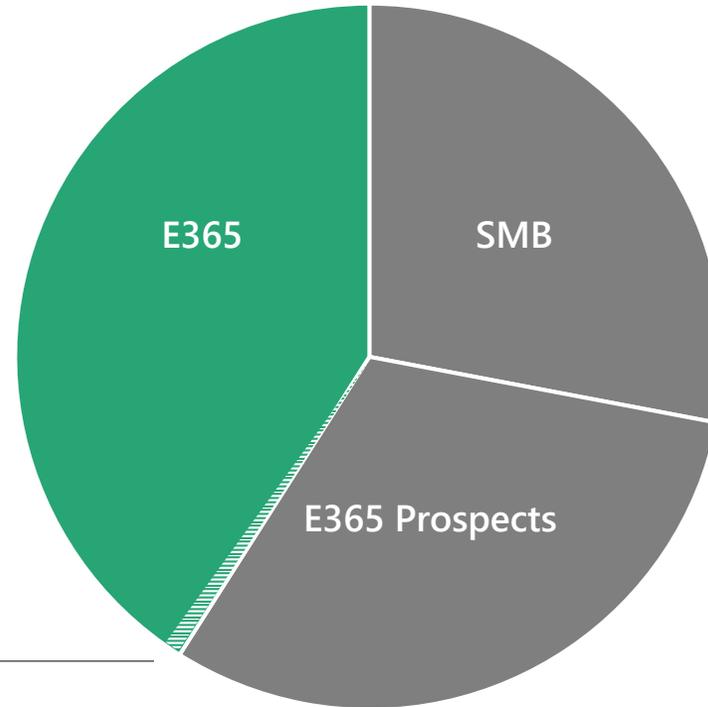
*Sustained at High-water Mark...*



Note: Annualized Recurring Revenue ("ARR")<sup>6</sup>  
Footnotes 6,8 : See appendix for KPI and non-GAAP definitions

# ARR<sup>6</sup> by Account Size

*E365 leads Accretion...*

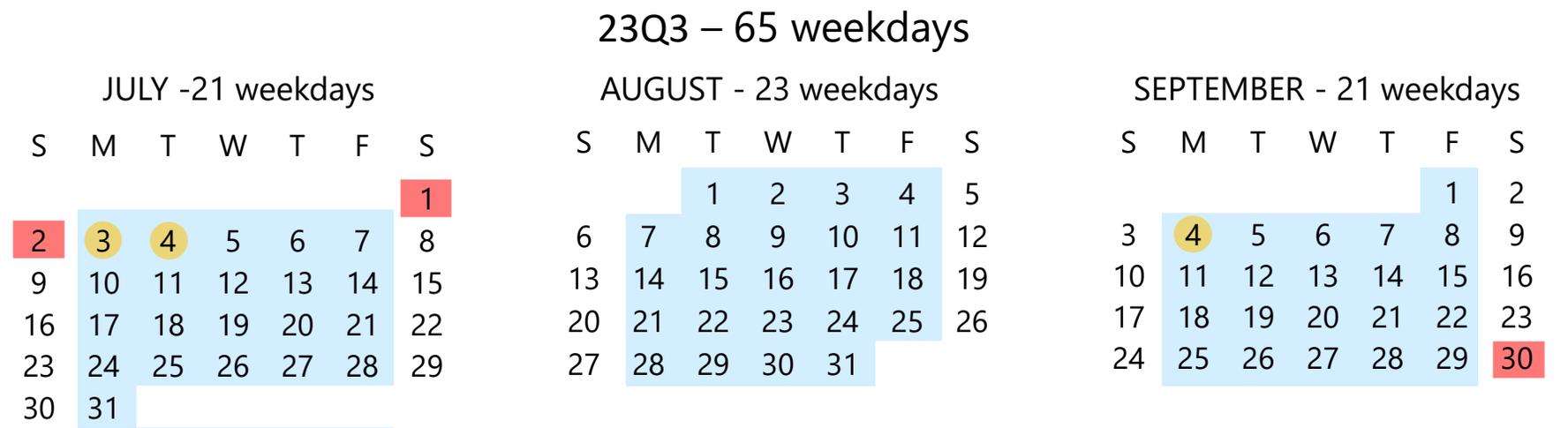


E365 growth during 23Q3

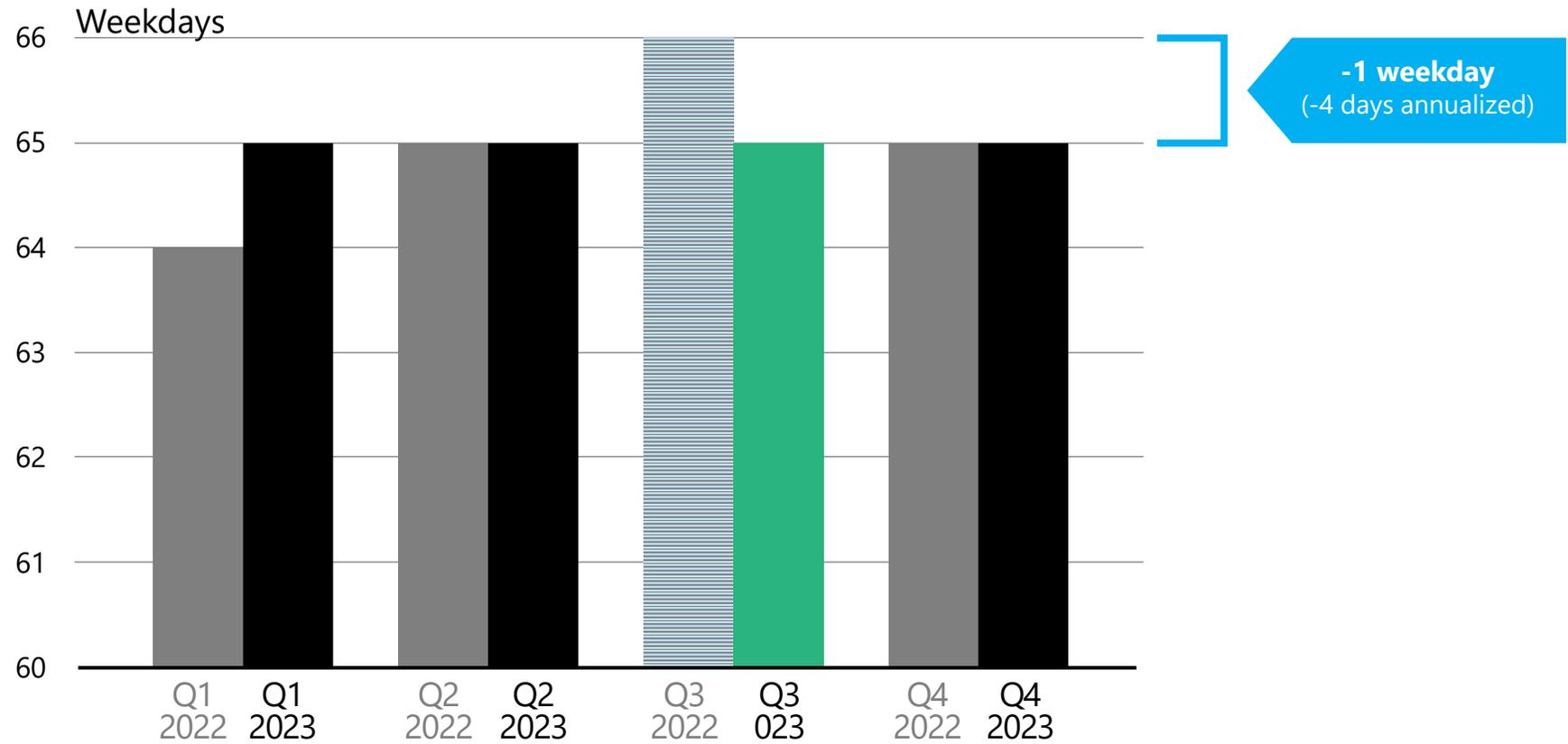
Note: Chart segment sizing corresponds to underlying % of 23Q3 ARR<sup>6</sup>  
Footnote 6 : See appendix for KPI and non-GAAP definitions

# 23Q3 / 22Q3

*Fewer Weekdays*



# Weekdays per Quarter 2023/2022



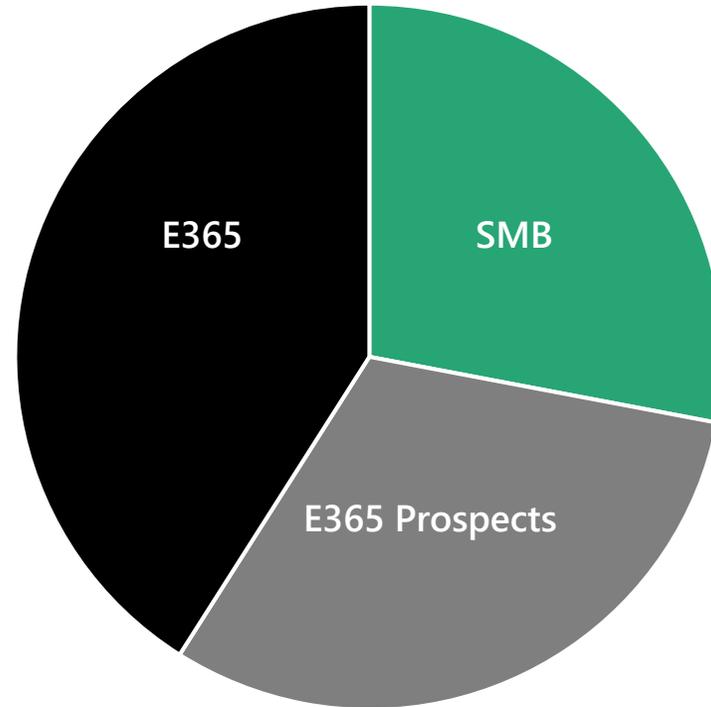
# Directions

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- ◆ U.S. IIA Flywheel
- ◆ E365 (Puts and Takes)
- ◆ SMB / License Sales (Puts and Takes)

# ARR<sup>6</sup> by Account Size

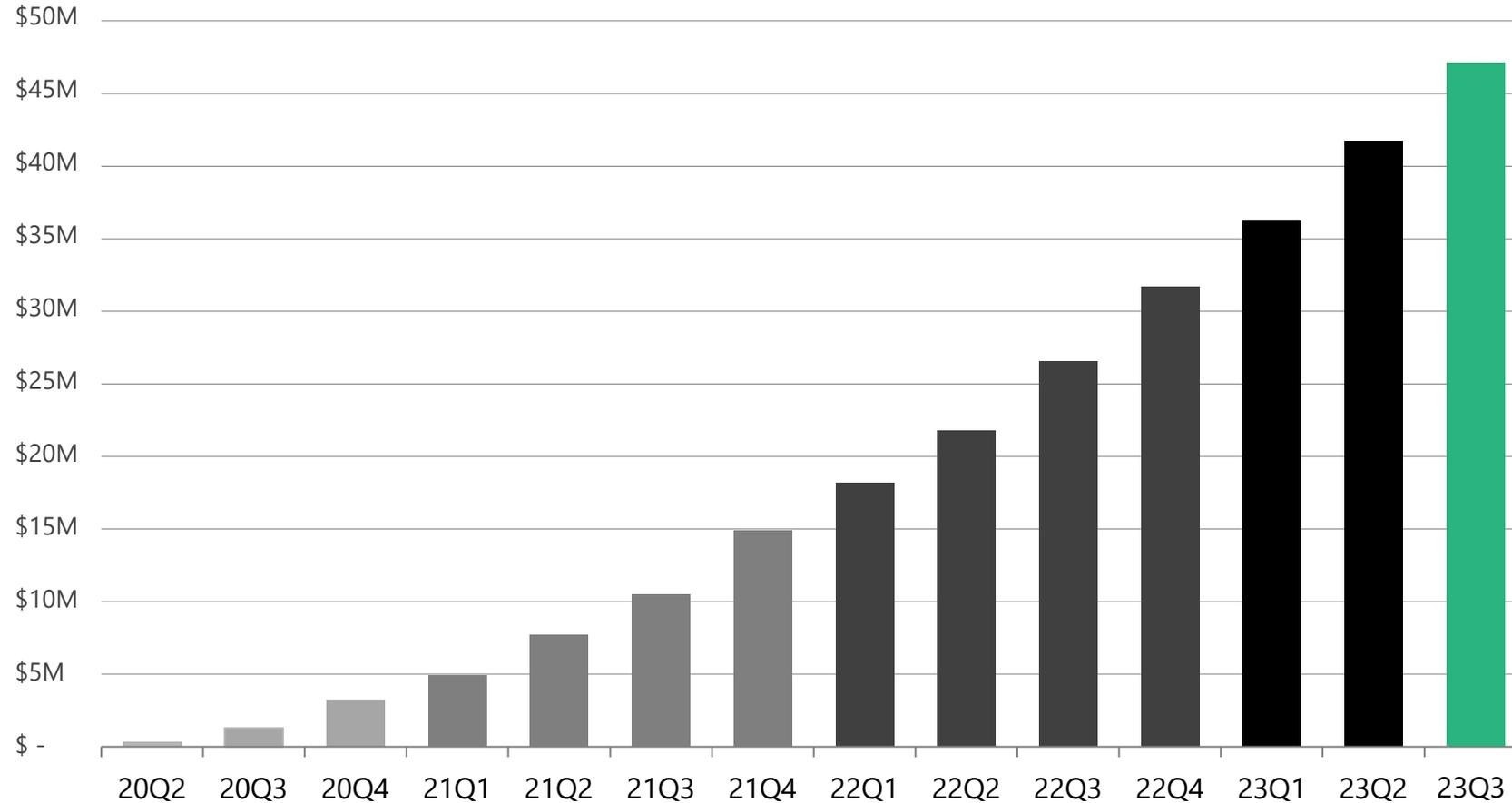
*SMB Broadens our Reach...*



Note: Chart segment sizing corresponds to underlying % of 23Q3 ARR<sup>6</sup>  
Footnote 6 : See appendix for KPI and non-GAAP definitions

# Virtuosity ARR<sup>6</sup>

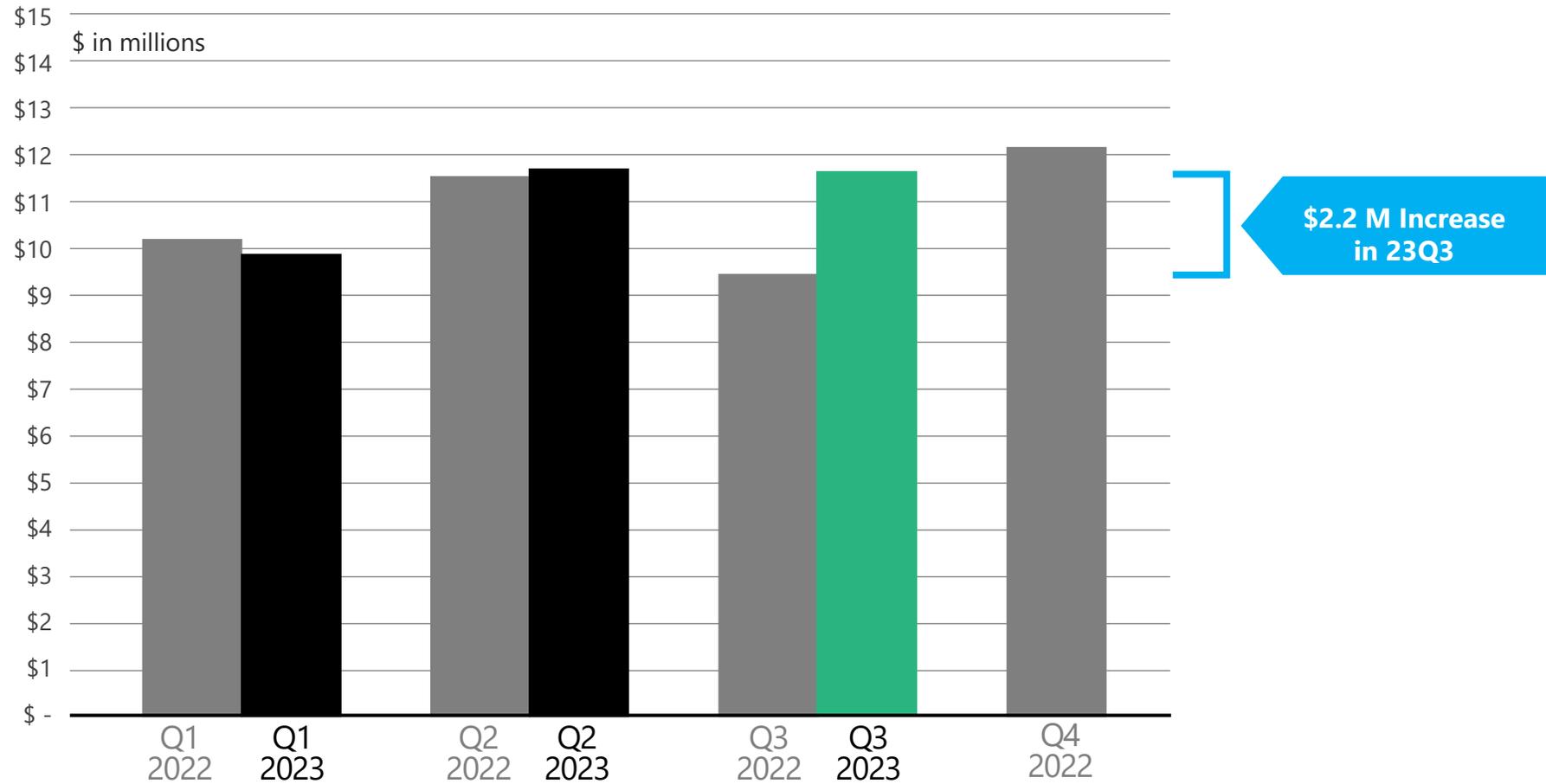
*Cumulative Compounding...*



Notes: All periods use exchange rates as of Sept 30, 2023  
Footnotes 6 : See appendix for KPI and non-GAAP definitions

# Perpetual License Revenues

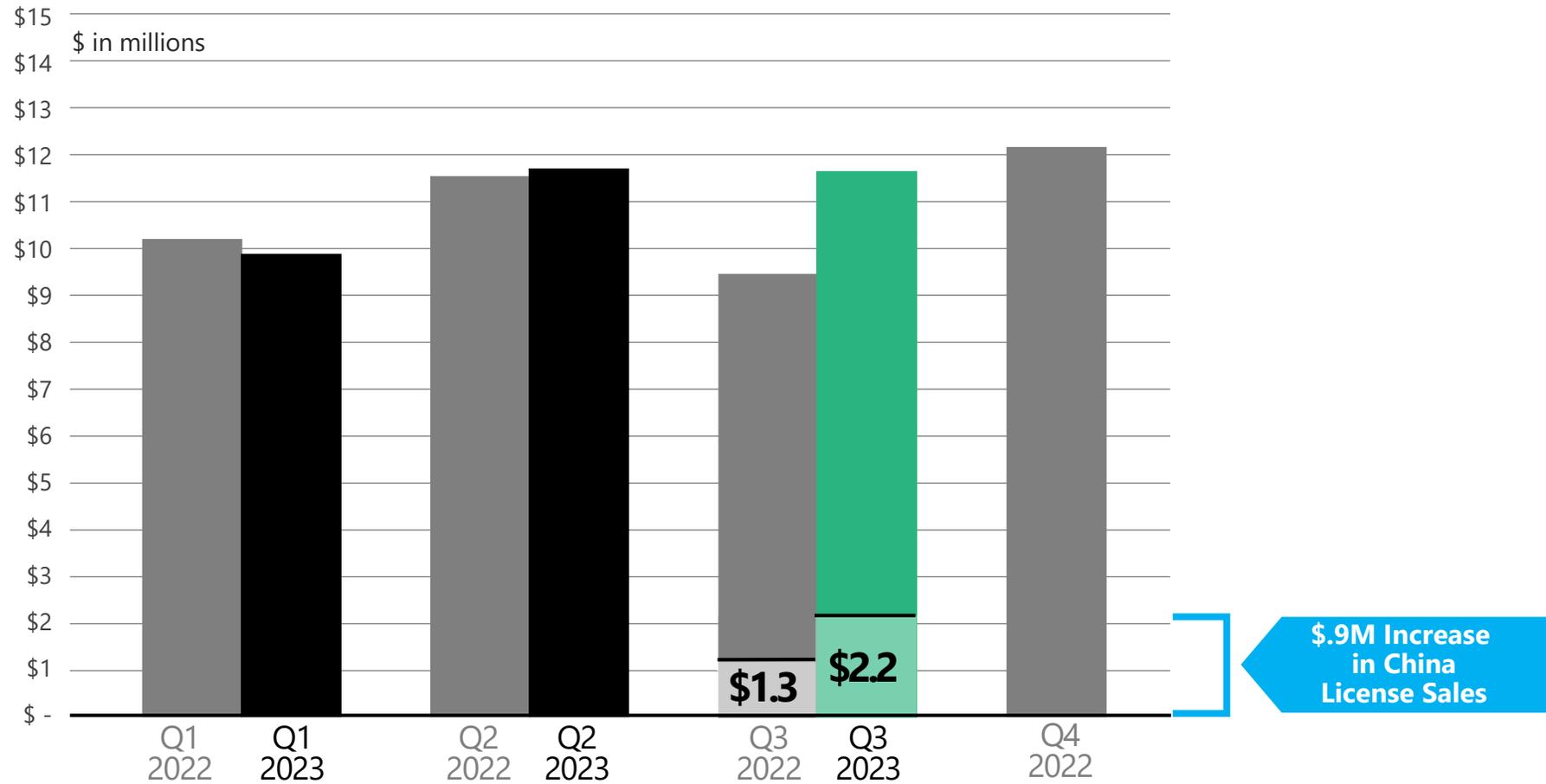
(Constant Currency<sup>1</sup>)



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

# Perpetual License Revenues

(Constant Currency<sup>1</sup>)



# Directions

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- ◆ U.S. IIA Flywheel
- ◆ E365 (Puts and Takes)
- ◆ SMB / License Sales (Puts and Takes)

# ◆ Developments

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◆ Towards Infrastructure Intelligence

# Going Digital Towards *Infrastructure Intelligence!*

**+300**

*Going Digital Awards in Infrastructure*  
**Nominations**

**36**

**Finalists**  
in 12 categories

**2023 Year in Infrastructure and Going Digital Awards**

Watch the full Inspiring Keynotes and Industry Breakout Sessions

[bentley.com/events/going-digital-awards](https://bentley.com/events/going-digital-awards)

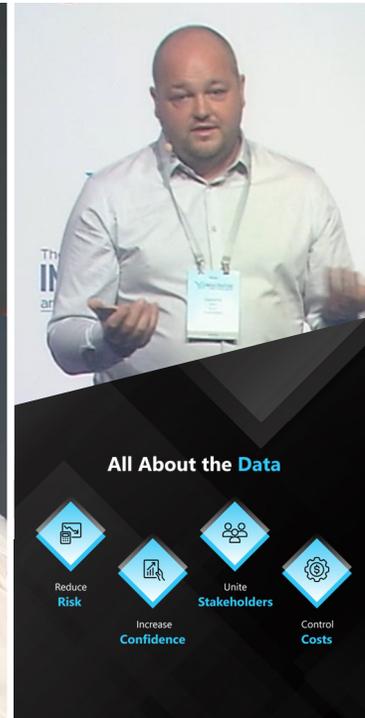


# 2023 Year in Infrastructure and Going Digital Awards

Watch a summary of the Keynotes and Industry Breakout Sessions



## Keynotes



## YII event

**Towards Infrastructure Intelligence**  
0:00 to 20:15 min.

**Product & Technology**  
20:18 to 26:56 min.

**Construction**  
27:00 to 29:26 min.

**Energy**  
29:30 to 32:26 min.

**Transportation**  
32:30 to 35:40 min.

**Water & Utility**  
35:43 to 38:25 min.

**YII 2023 Overview**  
38:30 to 40:34 min.

[investors.bentley.com](https://investors.bentley.com)



# Going Digital Award Finalists

302 Nominees from 51 Countries



## Americas

4 Finalists

United States (4)



## EMEA

13 Finalists

Belgium

Germany (2)

Italy (2)

Lithuania

Netherlands

South Africa

Spain

United Kingdom (4)



## APAC

19 Finalists

China (7)

Australia (3)

India (5)

Japan

Republic of Korea

Malaysia

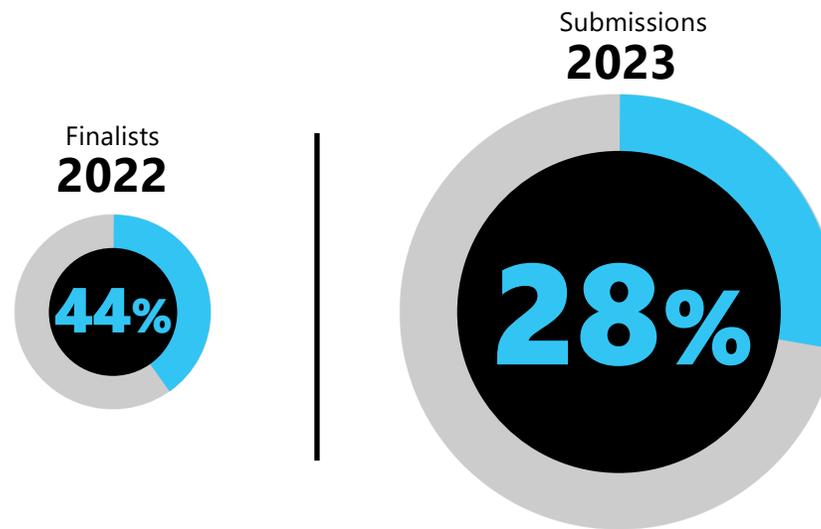
New Zealand

# (Engineering) Hours Saved by Finalists Reporting

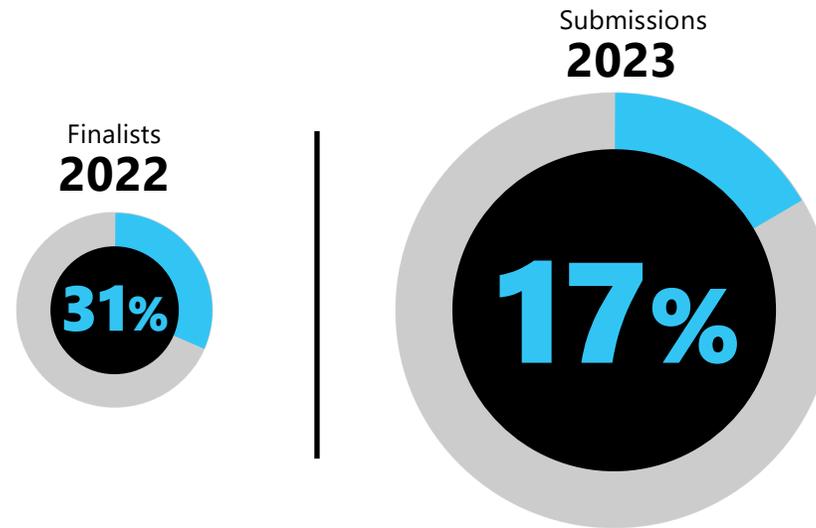
Project Name	Organization	Saved Hours		
N4 Montrose Interchange	SMEC South Africa	42%		South Africa
RSAS – Carstairs	Arcadis	35%		India
Digital Twins and Artificial Intelligence for Historic Robert Street Bridge Rehabilitation	Collins Engineers, Inc.	33%		United States of America
Automated Design of Civil and Architectural Structures with STAAD API	Hyundai Engineering	30%		Republic of Korea,
SEPA Surrey Hills Level Crossing Removal Project	Laing O'Rourke	25%		Australia
Value Engineering Stage for Detailed Design and Supervision of the Rail Baltica Project	IDOM	25%		Spain
Achieving Drink from Tap 24x7 Water Supply System for Emerging Economies	Geoinfo Services	22%		India
Digital Twin Application Project of Electrolytic Aluminum Engineering of Chinalco China Resources	Shenyang Aluminum & Magnesium Engineering & Research Institute Co., Ltd.	18%		China
Southern Program Alliance	WSP Australia Pty Ltd.	15%		Australia
Provision of Services on the Generation of CityGML Models of Kowloon East for the Lands	Avineon India P Ltd.	15%		India
South Dock Bridge	Arcadis	13%		United Kingdom
New High Speed Line Salerno – Reggio Calabria	Italferr S.p.A.	10%		Italy
The Digital Twin for structural monitoring of St. Peter's Basilica	Italferr S.p.A.	10%		Italy
Rajghat Multi Village Rural Water Supply Scheme	L&T Construction	10%		India
Green and Digital plant Construction Project of Linyi 2.7 Million Tons of High-Quality Special Steel Base	MCC Capital Engineering & Research Incorporation Limited	6%		China

18%  
(median)

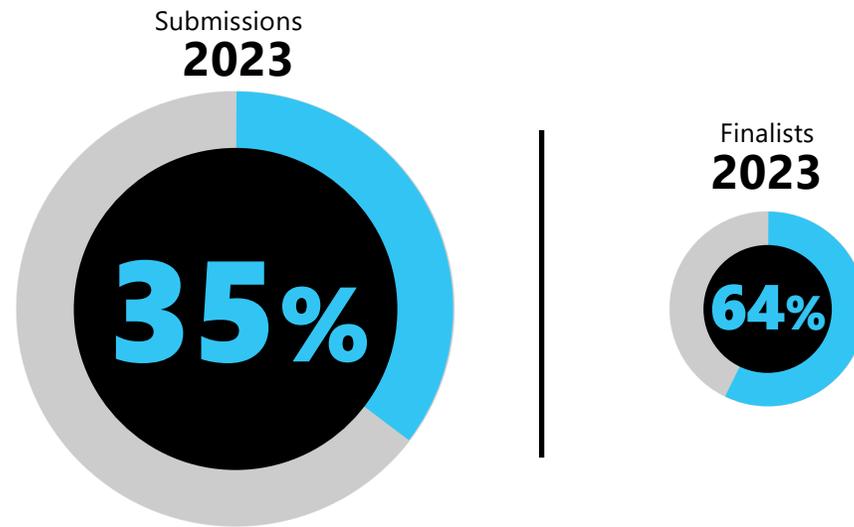
# Crediting *iTwin Capture*



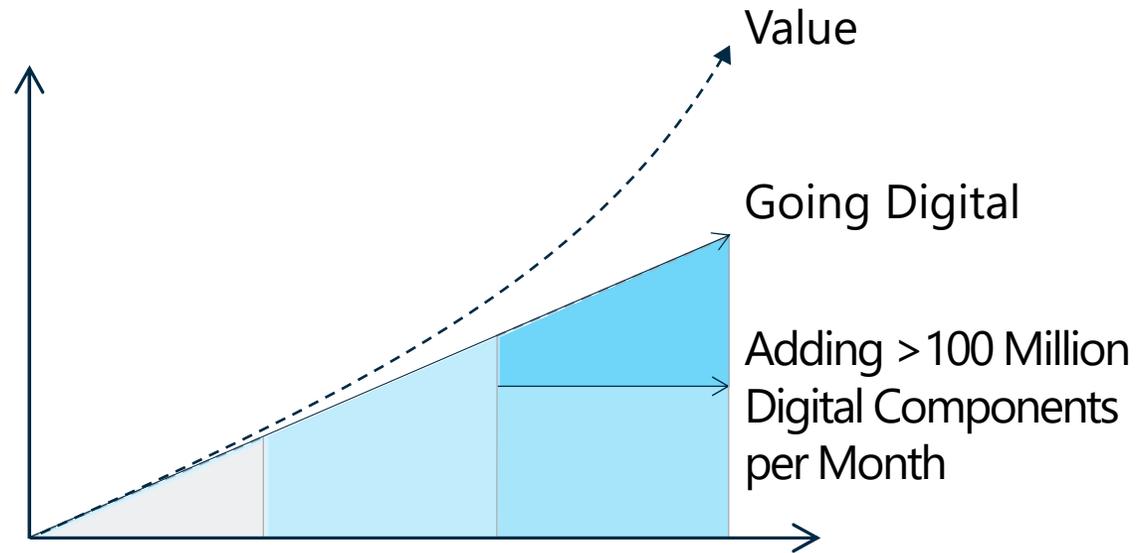
# Crediting *SYNCHRO*



# Crediting *iTwin*



# Accumulating Becomes *Compounding*



# bp Selects AssetWise Lifecycle Information Management and AssetWise Reliability as Standard for Information Management and Asset Integrity

*For an Enterprise-wide Approach to Asset Information Management in Parallel with Structural Integrity and Reliability Management*



**November 2, 2023**

EXTON, Pa. – Nov. 2, 2023 – Bentley Systems, Incorporated (Nasdaq: BSY), the *infrastructure engineering software* company, today announced that bp has selected Bentley’s AssetWise Asset Lifecycle Information Management (ALIM) and AssetWise Reliability (AR), part of Bentley Infrastructure Cloud, to manage engineering information for projects and operations to help assure global asset integrity management.

In 2019, bp selected Bentley to provide its leading AssetWise ALIM solution as a Central Information Store (CIS) to manage change in a controlled manner to maintain validated information needed for global projects and operations, including all documents, tags, associated metadata, and 3D model visualization.

bp will now standardize AssetWise ALIM across all projects, production, and manufacturing assets. AssetWise ALIM enables a seamless migration of all critical information throughout the lifecycle, supporting the capital project process through to ongoing operations more efficiently to support safe and reliable projects and operations.

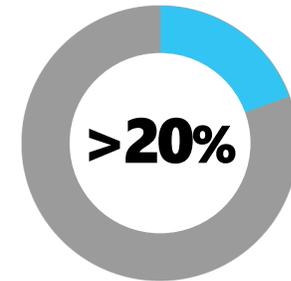
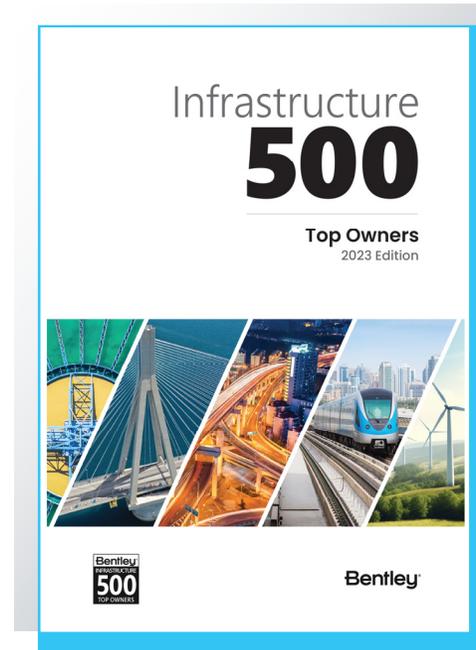
...

Rob Kelly, VP Digital Asset Management, bp, said, “I am pleased to be expanding the use of Bentley’s AssetWise portfolio of solutions specifically extending ALIM across bp’s global projects, production and manufacturing assets, and integration of Asset Reliability. This gives bp the assurance and advantage of accuracy of our information through effective change control, enabling us to make trusted decisions whether in projects or operations.”

# Bentley Infrastructure 500 *Top Owners*



Increase in BSY runrate  
(359 accounts) VS BI500 2022



of overall  
BSY runrate

[bentley.com/top-infrastructure-owners](https://www.bentley.com/top-infrastructure-owners) 

**ARC**  
Advisory Group  
Engineering Design Tools  
September 2023

**#1**



Electric T&D  
Communications

**#1**



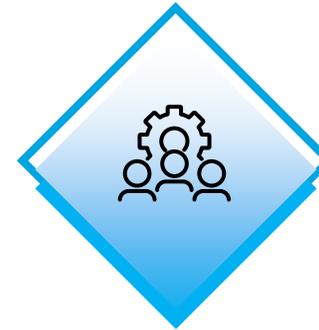
Mining

**#1**



Water & Wastewater  
Distribution

**#1**



Owner / Operators

# ◆ **Developments**

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- ◆ Towards Infrastructure Intelligence
- ◆ Programmatic Acquisitions

# Bentley Systems' iTwin Ventures Acquires Blyncsy, Breakthrough Innovator in AI Services for Transportation Operations and Maintenance

*To Broaden And Accelerate Infrastructure Asset Analytics*

**August 14, 2023**



EXTON, Pa. – Bentley Systems, Incorporated (Nasdaq: BSY), the *infrastructure engineering software* company, today announced the acquisition of **Blyncsy** provider of breakthrough artificial intelligence services for departments of transportation to support operations and maintenance activities. The digital twin ecosystem focus of Bentley's iTwin Ventures portfolio is bolstered by accelerating the development and propagation of such broadly valuable infrastructure asset analytics.

Founded in 2014 in Salt Lake City, Utah, by CEO Mark Pittman, Blyncsy applies computer vision and artificial intelligence in analyzing commonly available imagery to identify maintenance issues on roadway networks. Pittman originally conceived the idea for the company while stuck at a traffic light, believing there had to be ways to combine "real-time" condition data and innovative technologies to help DoTs become more efficient.

Blyncsy's disruptive AI services replace costly and slow manual data collection efforts, reducing the need for personnel or specialized vehicles or hardware in the field and improving transportation owner-operators' awareness and timely mitigation of road conditions. Blyncsy detects over 50 different roadway safety issues, including the actual location of active construction work zones.

Pittman said, "Blyncsy is committed to applying the latest AI and machine learning techniques to benefit transportation networks. This alignment with Bentley will only strengthen the value to our users and together we will provide even deeper asset analytics to transportation owners, to support the drivers of today and tomorrow."

"Safety is our first priority, and operational efficiency is a high number 2. We depend on real-time data, like the information we receive from Blyncsy, to proactively manage the highway system to be as safe and reliable as possible," said Hawaii Department of Transportation Director Ed Sniffen. "HDOT embraces technology that enables us to run in the most productive manner possible. Blyncsy gets us weekly reports with graphics and photos detailing guardrail, roadway, and vegetation conditions that provide more tools to allow us to prioritize our resources to address the needs of the system."

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# Bentley Systems Announces Seequent's Acquisition of Geothermal Simulation Leader Flow State Solutions

*Combines Seequent's Geological Modeling With Flow State Solutions' Geothermal Simulation Software*

**October 11, 2023**

SINGAPORE – Oct. 11, 2023 – Bentley Systems, Incorporated (Nasdaq: BSY), the infrastructure engineering software company, today announced that Seequent, The Bentley Subsurface Company, has signed an agreement to acquire Flow State Solutions, an industry leader in geothermal simulation software. The move further solidifies Seequent's position as the most comprehensive subsurface software provider for the geothermal industry.

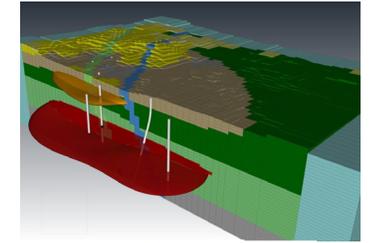
Flow State Solutions' geothermal reservoir, wellbore, and surface network simulation software helps project developers and operators better understand geothermal resources for asset development and optimization and improved well performance. Combining Flow State Solutions' Volsung portfolio with Seequent's capabilities creates the most robust end-to-end solution for reservoir analysis available. Detailed models of the subsurface built in Leapfrog Energy can be utilized in Flow State Solutions' simulation environment to build a full picture of a geothermal asset.

Geothermal industry leaders are already utilizing both solutions to better understand their resources. Simon Webbison, Vice President, Exploration and Resource Management, Ormat Technologies Inc., said, "Ormat Technologies is one of the largest and most active geothermal companies globally, and we are delighted to see the combination of Seequent and Flow State Solutions software capabilities through this acquisition. We already use both companies' software to better understand our geothermal assets and predict performance, and we are looking forward to working with the joint team to continue driving our success."

Graham Grant, CEO, Seequent, said, "We are delighted to welcome the Flow State Solutions team to Seequent. Geothermal has the potential to help solve the world's biggest energy challenges. With this acquisition, Seequent's best-in-class subsurface analysis software enables a full understanding of geothermal asset performance."

Flow State Solutions co-founder Jonathon Clearwater, who joins Seequent as Technical Domain Expert, Reservoir Engineering, said, "We are excited to join Seequent's energy team. By combining Seequent's expertise and our technical capability in geothermal modeling, we are looking forward to making a significant contribution to the renewable energy transition through improved management of natural resources."

 SEEQUENT



 FLOW STATE SOLUTIONS

# Agenda

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Directions and Developments  
Greg Bentley, Chief Executive Officer

Operational Perspectives  
Nicholas Cumins, Chief Operating Officer

Financial Performance  
Werner Andre, Chief Financial Officer

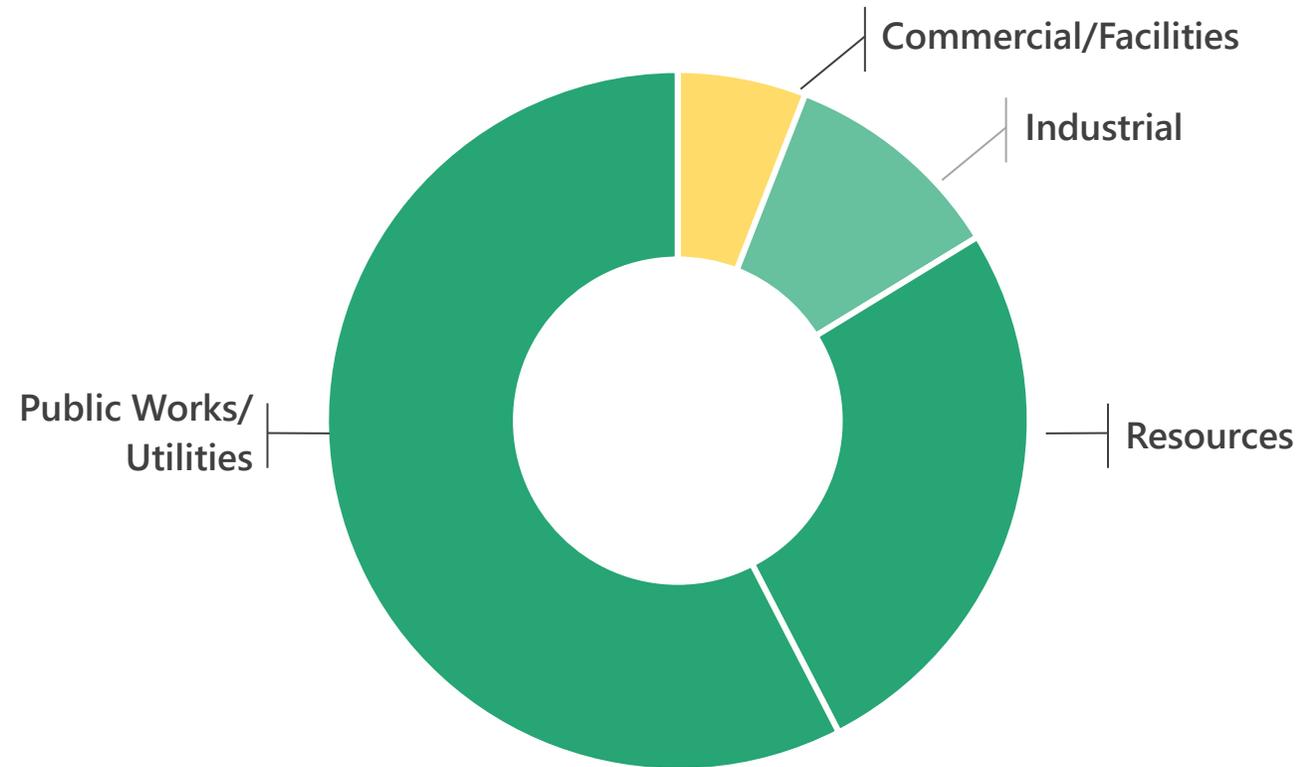
# Operational Perspectives



Nicholas Cumins, Chief Operating Officer

# Tone of Business by Infrastructure Sector

*Growth in Public Works/Utilities Leads the Way*



Note: Chart segment sizing corresponds to underlying % of 23Q3 ARR<sup>6</sup>  
Footnote 6 : See appendix for KPI and non-GAAP definitions

# Notable Q3 Developments Across Geographies

*Strong Performance Across the Board*

## Americas

### Very solid growth

- North America leading growth
- IIJA funding continues to broaden
- Growth rate with US DOTs increased by 50% YoY

## EMEA

### Steady growth

- EU funding benefiting transportation, water and energy projects
- Accounts expanding reach from home country to broader region

## Asia Pacific

### Very solid growth

- Australia & India leading growth
- Transportation and Water strong across the region
- China preference for perpetual licenses

# Trusted Advisor to US DOTs for Digital Delivery

BENTLEY BLOG

## The Advanced Digital Construction Management Systems Discretionary Grant Program

Notice of Funding Opportunity released for \$85M through the US Federal Highways Administration

July 13, 2023



By David Lieberman, Director, U.S. Government Relations

On June 27, the U.S. Federal Highway Administration (FHWA) released the much-anticipated ADCMS Notice of Funding Opportunity (NOFO) for FY 2022 and FY 2023.



FHWA has stood up dozens of grant programs as directed by the Infrastructure Investment and Jobs Act (IIJA) since the law was passed 18 months ago. Formula and discretionary grants such as MEGA, BFP, RURAL, RAISE, and INFRA all, in some way or another, allow for states, tribes, and localities to use federal money to build more infrastructure. The Advanced Digital Construction Management Systems (ADCMS) grant program, however, doesn't just enable states and localities to build more infrastructure, it allows them to build *better* infrastructure by allowing for state public agencies to invest in the tools required to accomplish more with fewer resources.

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[blog.bentley.com](https://blog.bentley.com)

PRESS RELEASE

## Bentley, Infotech, And AASHTO Unite To Support Digital Delivery Initiatives For Departments Of Transportation

To Eliminate Disjointed Manual Processes By Automating Digital Workflows Between Design And Construction

October 3, 2023

Bentley Systems, Incorporated (Nasdaq: BSY), *the infrastructure engineering software company*, Infotech®, a leader in infrastructure construction software solutions, and the American Association of State Highway and Transportation Officials (AASHTO), a nonprofit, nonpartisan association representing transportation departments in 50 states, the District of Columbia, and Puerto Rico, today announced an initiative to support digital delivery for departments of transportation. Their work together will provide increased value and tools to modernize project delivery processes for better project outcomes, including streamlined design to construction processes, better quality of data, and improved communication of design intent.



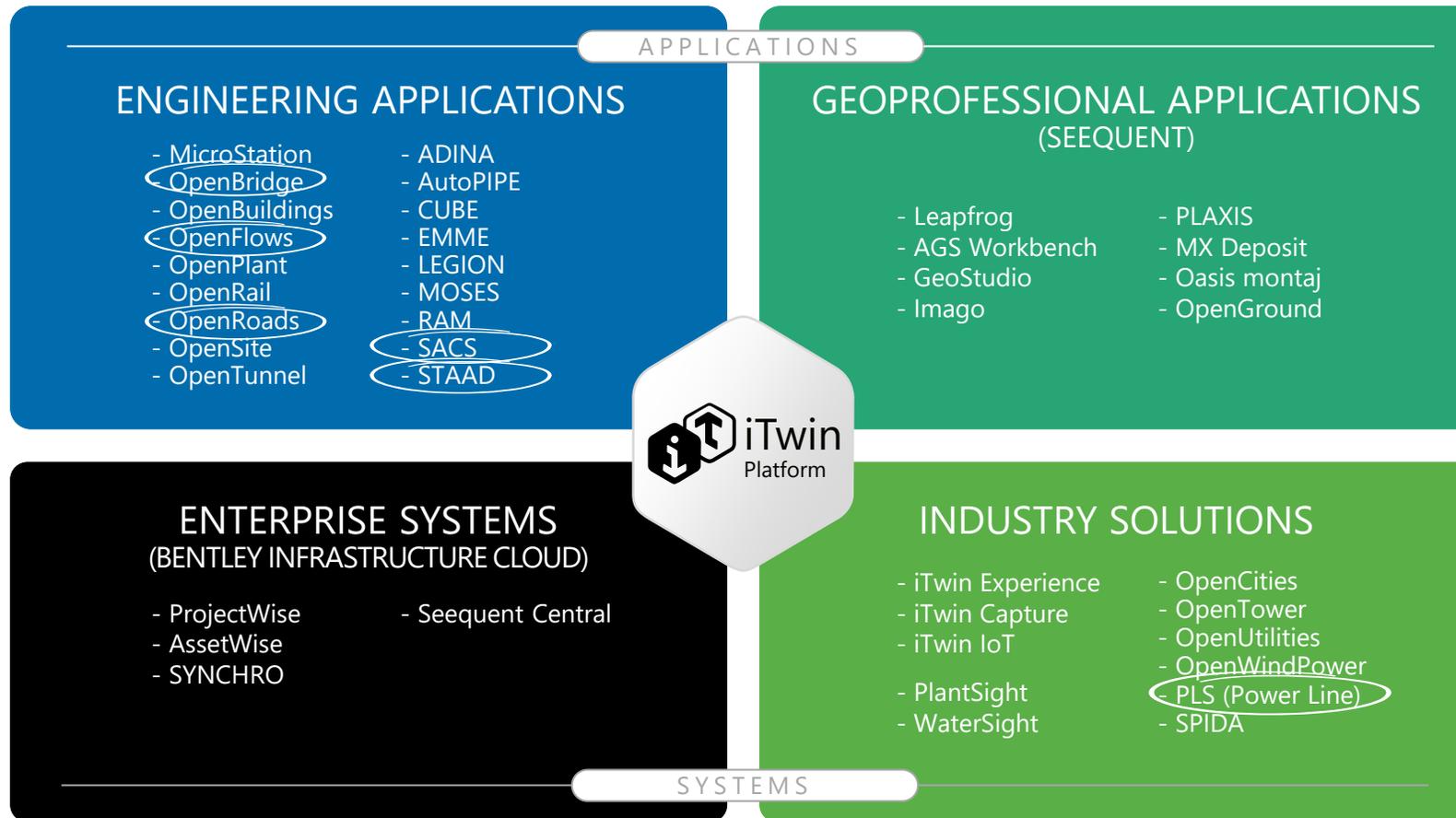
To validate the approach, parties are working together with MnDOT, the lead state DOT on this effort, on a digital delivery proof of concept that should improve the digital collaboration across design and construction.

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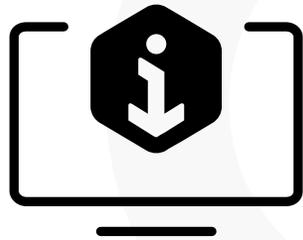
[www.bentley.com/newsroom](https://www.bentley.com/newsroom)

# Notable Developments in New Business Across Products

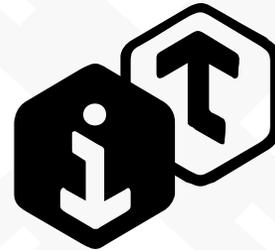
*Strong Growth of Water Modeling, Civil and Structural Engineering Applications*



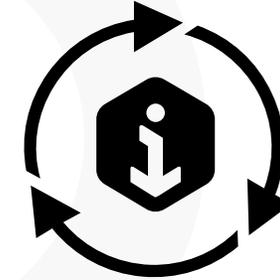
# Accelerating Infrastructure Intelligence



Bentley  
**Open Applications**

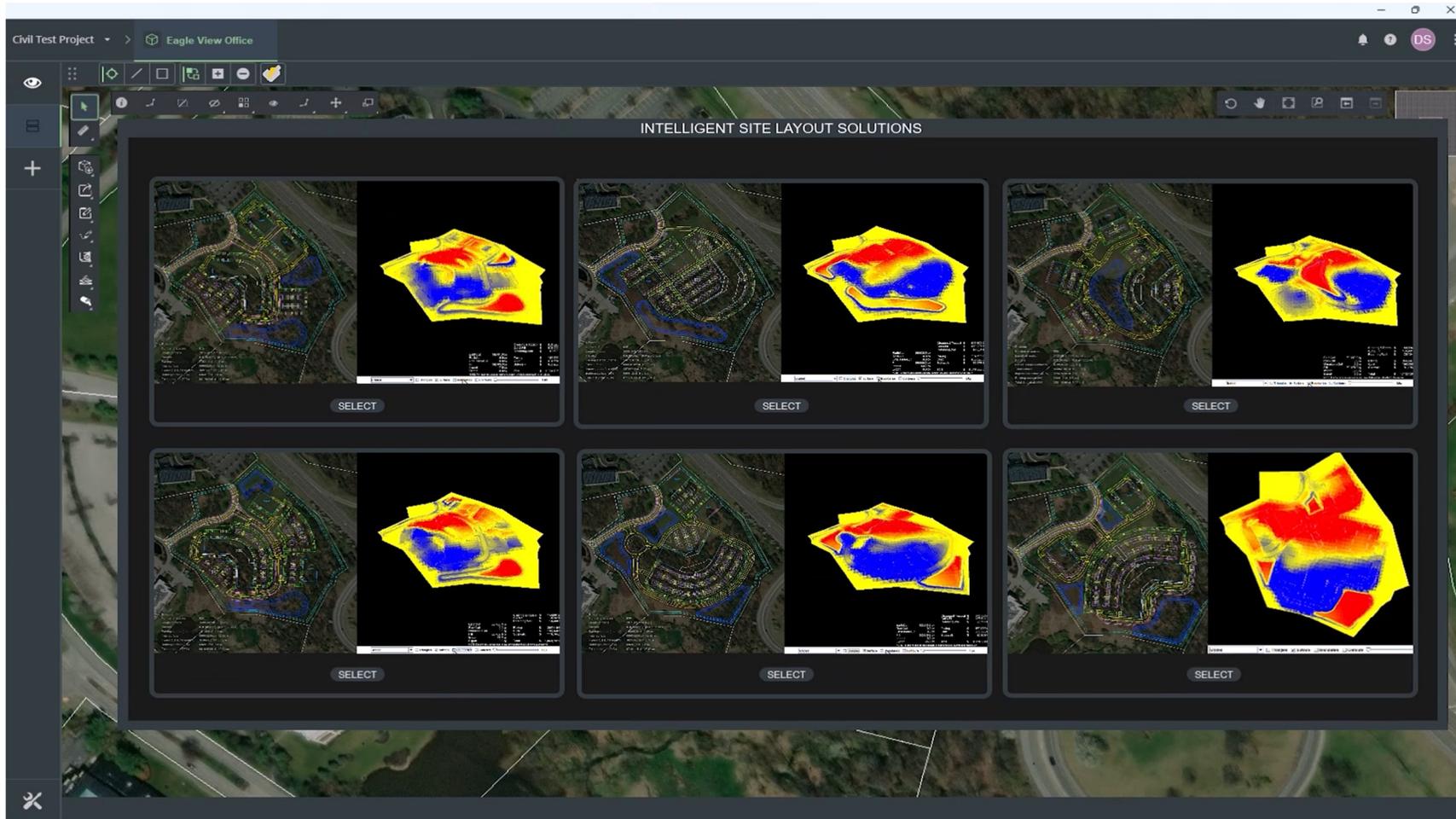


Bentley  
**iTwin Platform**



Bentley  
**Infrastructure Cloud**

# AI as a Paradigm Shift



# Clear Commitment to Data Stewardship

- 1** We are committed to helping you derive ever more value from all of the engineering data that you secure in Bentley Infrastructure Cloud (ProjectWise, SYNCHRO, AssetWise).
- 2** By using Bentley Infrastructure Cloud to manage and leverage your engineering data, you are maximizing its potential for generative AI.
- 3** With Bentley Infrastructure Cloud, you retain all access to and control of your engineering data, and only you will explicitly direct to what extent it will be used for AI training.

# Financial Performance

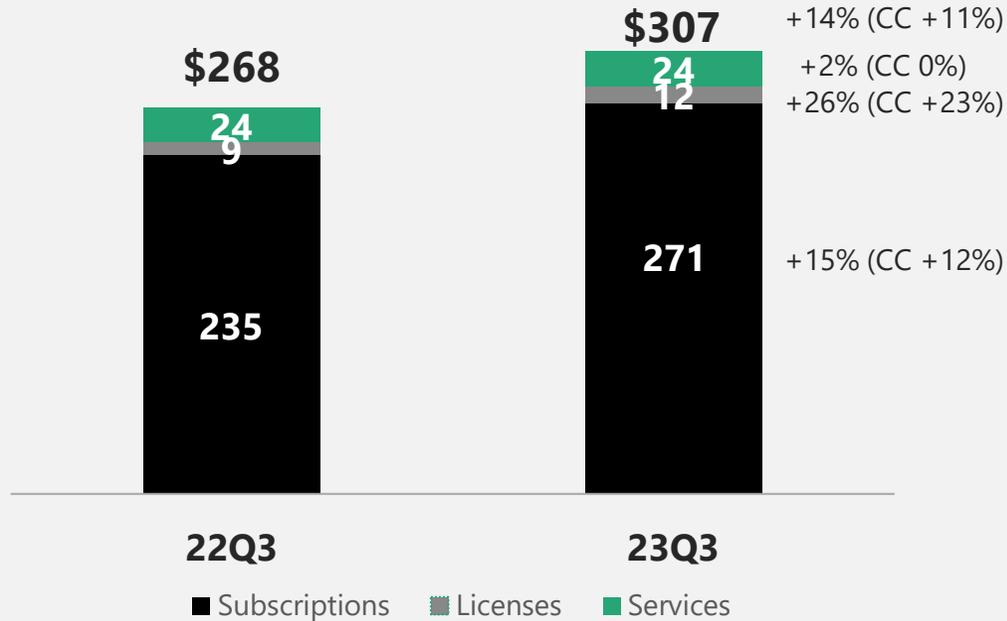


Werner Andre, Chief Financial Officer

# Revenue Performance

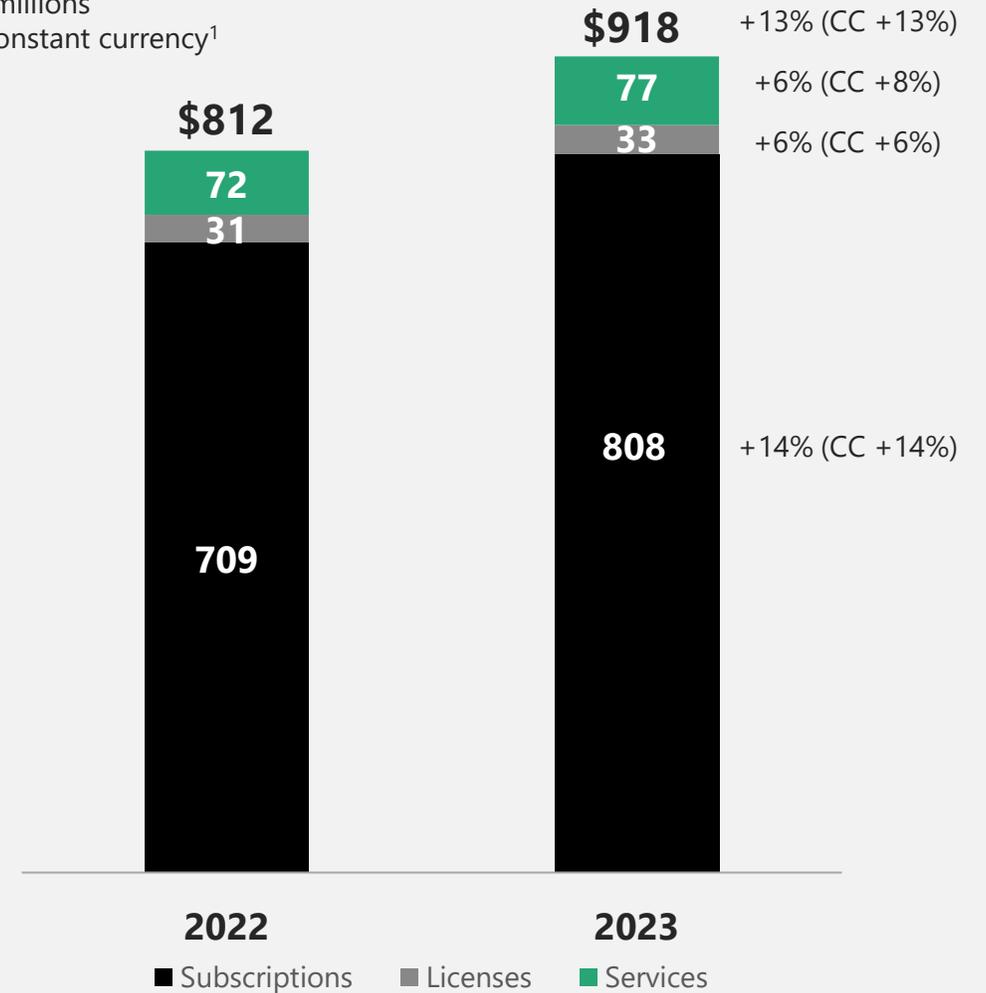
## Third Quarter

\$ in millions  
CC constant currency<sup>1</sup>



## September YTD

\$ in millions  
CC constant currency<sup>1</sup>

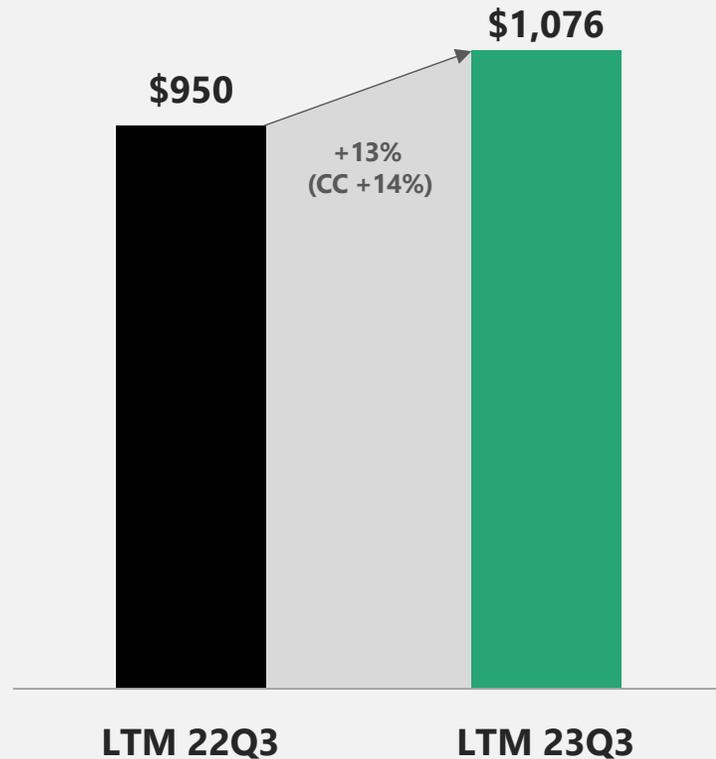


Footnote 1: See appendix for KPI and non-GAAP definitions

# Recurring Revenue Performance

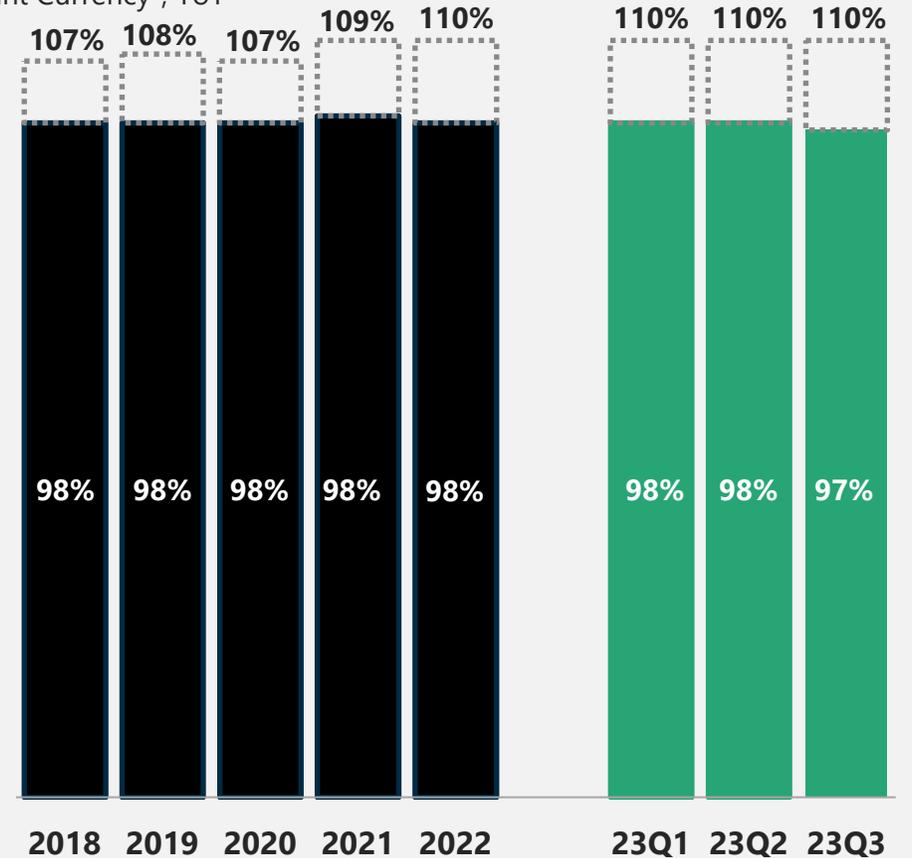
## LTM Recurring Revenues<sup>3</sup>

\$ in millions  
CC constant currency<sup>1</sup>



## LTM Recurring Revenue Retention

Constant Currency<sup>1</sup>, YoY



■ Account Retention Rate (Dollar Weighted)<sup>4</sup>

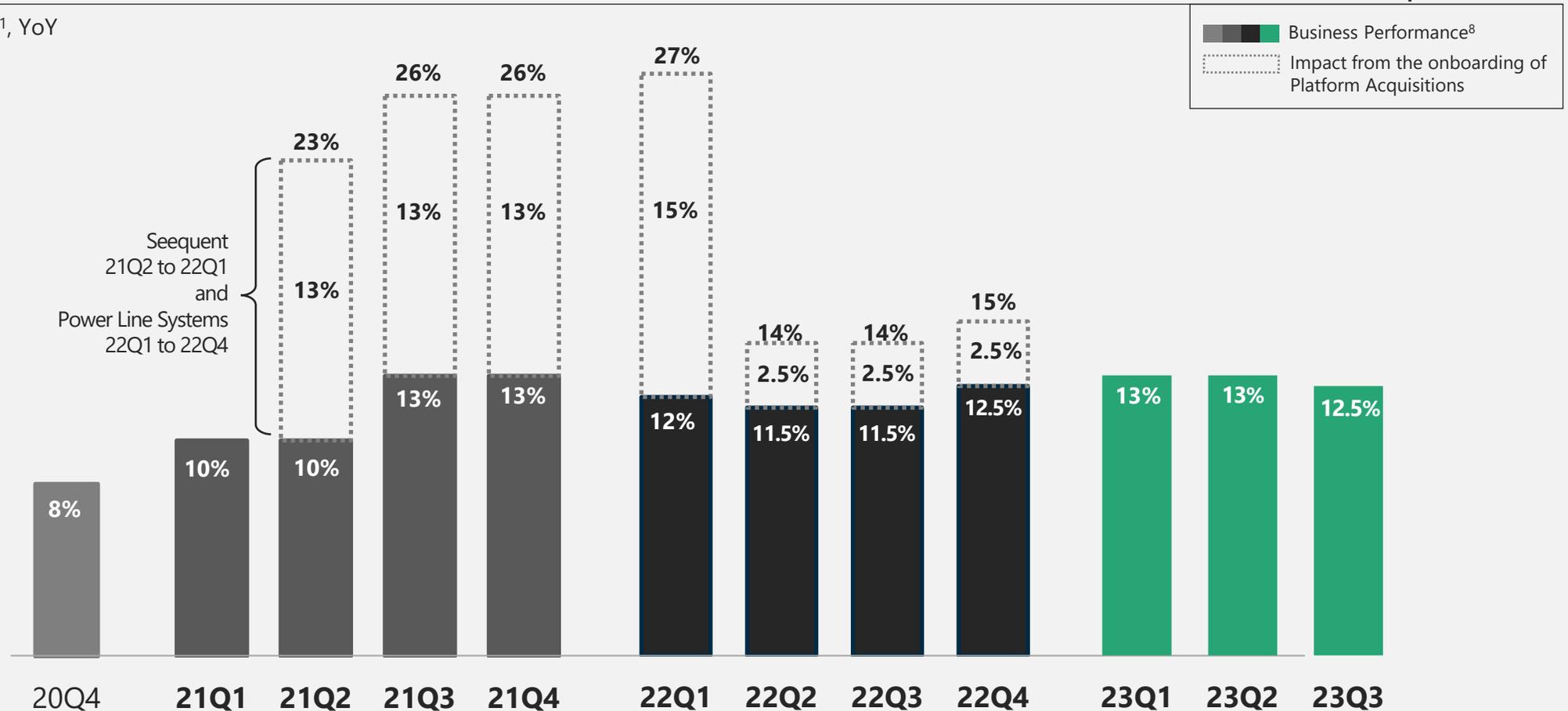
▭ Recurring revenues-dollar based net retention rate<sup>5</sup>

# Recurring Revenue Performance

ARR Growth<sup>7,8</sup>

ARR<sup>6</sup>: \$1,125 million at 9/30/2023 Spot Rates

Constant Currency<sup>1</sup>, YoY

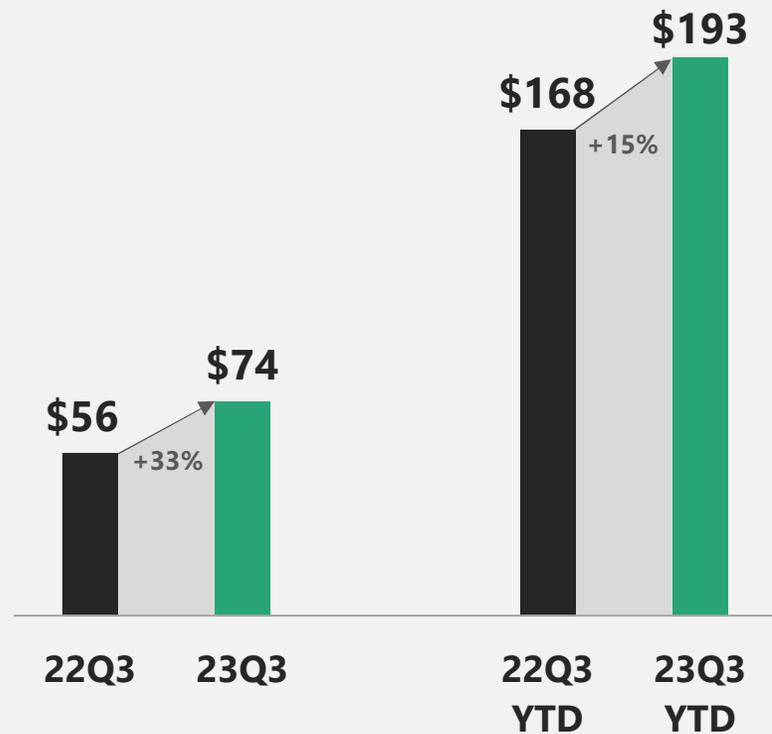


Footnotes 1, 6, 7, 8: See appendix for KPI and non-GAAP definitions

# Profitability Performance

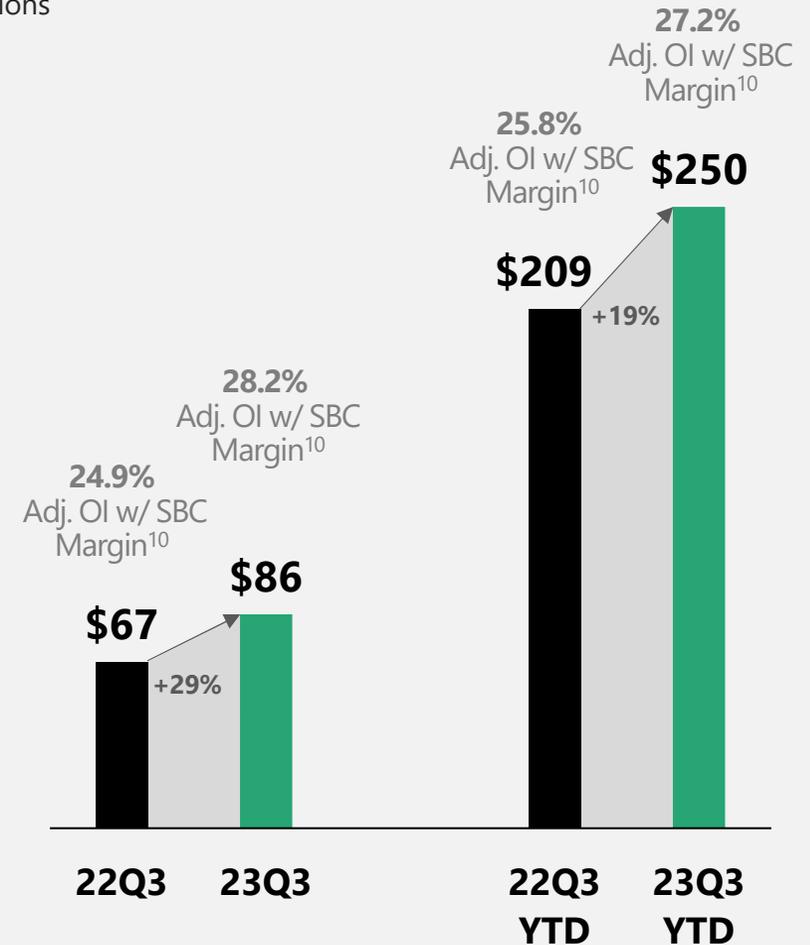
## GAAP Operating Income

\$ in millions



## Adjusted OI w/ SBC<sup>9</sup>

\$ in millions

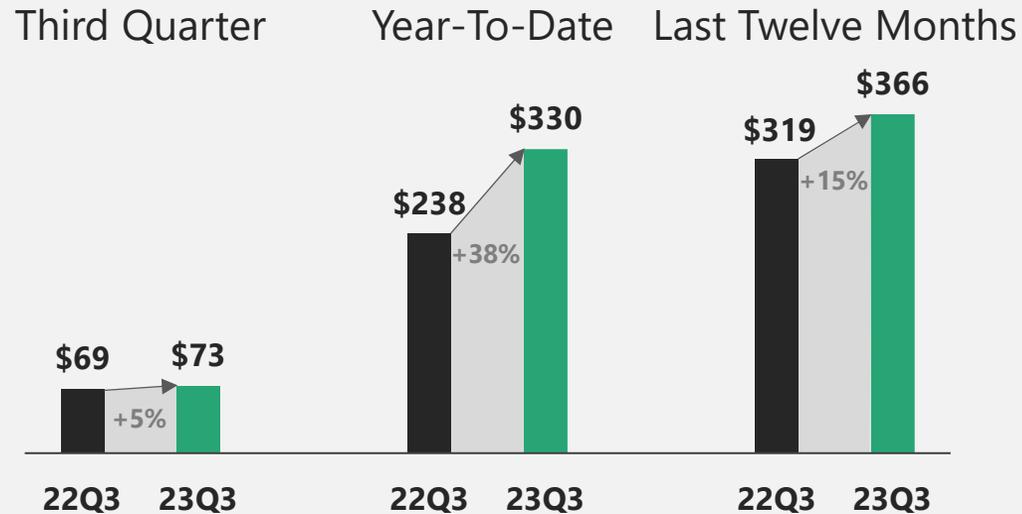


Footnote 9,10: See appendix for KPI and non-GAAP definitions

# Liquidity and Capital Structure

## GAAP Operating Cash Flows

\$ in millions



## 23Q3 Equity Repurchases

\$6 million of de-facto share repurchases associated mainly with deferred compensation plan distributions for a total of \$58M year to date.

## 23Q3 Credit Metrics

\$ in millions

Cash	\$ 67
Senior Debt <sup>a</sup>	\$ 345
Net Senior Debt <sup>b</sup>	\$ 278
Net Senior Debt Leverage <sup>c</sup>	0.7x
Available Revolver Credit Capacity	\$ 696

- Senior debt excludes \$1,263 million<sup>a</sup> 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<sup>d</sup> including convertible notes as indebtedness is 3.7x
- At \$100 million / year (exceeding recent average) for programmatic acquisitions, we can expect to de-lever at the rate of about .7 (turns of Adjusted EBITDA<sup>11</sup>) annually

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 Adj. EBITDA<sup>11</sup>

Footnote d: Net Debt Leverage is Net Senior Debt plus \$1,263M of convertible notes divided by LTM Adj. EBITDA<sup>11</sup>

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

# Full Year 2023 Financial Outlook

Financial Metrics	Outlook
Total Revenues	\$1,205 million to \$1,235 million <sup>a</sup> (+9.5% to 12.5%; +10.5% to 13.5% in constant currency <sup>1</sup> )
ARR Growth <sup>8</sup> (constant currency <sup>1</sup> )	12% to 13% <sup>bc</sup>
Adjusted OI w/SBC Margin <sup>10</sup>	Approximately 26%
Effective Tax Rate	Approximately 20%
Cash Flow from Operations	Approximately 85-90% of Adjusted EBITDA <sup>11</sup> , up from our prior Outlook of approximately 80%
Capital expenditures	Approximately \$30 million, which includes certain IT investments

Footnote a: We do not update our revenues outlook for subsequent changes in foreign exchange rates.

Footnote b: Includes ARR<sup>6</sup> acquired from programmatic acquisitions, which generally are immaterial, individually, and in the aggregate.

Footnote c: The range was tightened on 23Q2 operating results call (previously 11.5% to 13.5%).

## Additional expectations to support financial modeling

- Full year interest expense of approximately \$49 million. Around \$33 million cash interest (net of around \$9 million of payments received from our interest rate swap);
- Full year cash taxes of around \$45 million;
- Stock-based compensation in the 6% range of revenues;
- Operating depreciation and amortization of approximately 1.5% of revenues;
- Fully diluted weighted average shares outstanding between 331 and 332.5 million;
- Dividends of \$0.20 per share.

# Q&A



# Appendix

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# KPI and Non-GAAP Definitions

*This presentation includes certain KPIs and non-GAAP financial measures, which are defined herein. Reconciliations of Adjusted OI w/SBC and Adjusted EBITDA to their nearest GAAP equivalents are included in our Form 8-K (Quarterly Earnings Release) announcing our quarterly operating results, which can be found on the SEC's website at [www.sec.gov](http://www.sec.gov) and on our website at [www.bentley.com](http://www.bentley.com).*

- 1. Constant currency.** In reporting period-over-period results, we calculate the effects of foreign currency fluctuations and constant currency information by translating current period results using prior period average foreign currency exchange rates.
- 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. 2018 and 2019 calculated using ASC 605, and 2020, 2021, 2022, and 2023 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. 2018 and 2019 calculated using ASC 605, and 2020, 2021, 2022, and 2023 calculated using ASC 606.

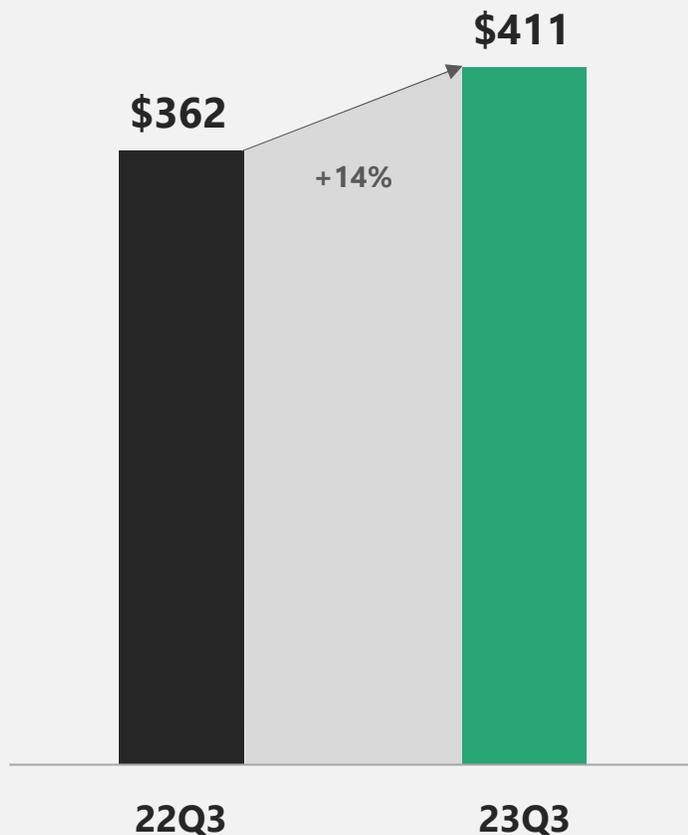
# KPI and Non-GAAP Definitions

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.
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. **Adjusted OI w/SBC.** Our Adjusted operating income inclusive of stock-based compensation expense (“Adjusted OI w/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. **Adjusted OI w/SBC margin.** Our Adjusted OI w/SBC margin is calculated by dividing Adjusted OI w/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, changes in operating assets and liabilities, and other cash items (such as those related to our interest rate swap). Adjusted EBITDA is our liquidity measure in the context of conversion of Adjusted EBITDA to cash flow from operations (i.e., the ratio of GAAP cash flow from operations to Adjusted EBITDA).

# Adjusted EBITDA<sup>11</sup> and Non-GAAP Reconciliation

## Last Twelve Months

\$ in millions



## Reconciliation of cash flow from operations to Adjusted EBITDA<sup>11</sup>

\$ in millions

	LTM 23Q3
Cash flow from operations	\$ 366
Cash interest	38
Cash taxes	36
Cash deferred compensation plan distributions	2
Cash acquisition expenses	23
Change in operating assets and liabilities	(46)
Other <sup>a</sup>	(8)
<b>Adjusted EBITDA</b>	<b>\$ 411</b>

Footnote 11: See appendix for KPI and non-GAAP definitions  
Footnote a: Includes receipts related to interest rate swap.