



Bentley Systems' 21Q4 Operating Results

Greg Bentley
Chief Executive Officer

Nicholas Cumins
Chief Operating Officer

David Hollister
Chief Investment Officer

Werner Andre
Chief Financial Officer

Bentley[®]
Advancing Infrastructure

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: current and potential future impacts of the COVID-19 pandemic on the global economy and our business, and consolidated financial statements; adverse changes in global economic and/or political conditions; political, economic, regulatory and public health and safety risks and uncertainties in the countries and regions in which we operate, including the potential impact of any proposed or final infrastructure bill in the United States; 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; our ability to integrate acquired businesses successfully; 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, 2021 and subsequent Forms 10-Q.
- The forward-looking statements made in this presentation are made as of March 1, 2022. If this presentation is reviewed after March 1, 2022, 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.
- This presentation includes certain non-GAAP financial measures, including Adjusted EBITDA and Adjusted EBITDA Margin. Non-GAAP financial measures such as Adjusted EBITDA and Adjusted EBITDA Margin should be considered only as supplemental to, and not as superior to, financial measures prepared in accordance with GAAP. Please refer to the Appendix of this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Agenda

Tone of Business (Greg)

Operational Perspectives (Nicholas)

Corporate Developments (Greg)

BSY Investments (David)

21Q4 Financial Performance and 2022 Outlook (Werner)

Tone of Business

Greg Bentley, Chief Executive Officer

March 1, 2022 |

Bentley Systems Announces 21Q4 and 2021 Operating Results, and its 2022 Financial Outlook

EXTON, Pa. – **March 1, 2022** – Bentley Systems, Incorporated (Nasdaq: BSY) (“Bentley Systems” or the “Company”), the infrastructure engineering software company, today announced operating results for its fourth quarter and full year ended December 31, 2021, and its financial outlook for 2022.

Fourth Quarter 2021 Financial Results:

- *Total revenues* were \$267.7 million, up 21.9% year-over-year;
- *Subscriptions revenues* were \$223.1 million, up 25.2% year-over-year;
- *Last twelve-month recurring revenues* were \$834.2 million, up 19.7% year-over-year;
- *Last twelve-month recurring revenues dollar-based net retention rate* was 109%, compared to 107% for the same period last year;
- *Last twelve-month account retention rate* was 98%, consistent with the same period last year;
- *Annualized Recurring Revenue (“ARR”)* was \$921.2 million as of December 31, 2021, representing a constant currency ARR growth rate of 26% from December 31, 2020;
- *GAAP operating income* was \$43.3 million, compared to \$54.3 million for the same period last year;
- *GAAP net income* was \$38.6 million, compared to \$51.9 million for the same period last year. *GAAP net income per diluted share* was \$0.12, compared to \$0.17 for the same period last year;
- *Adjusted Net Income* was \$72.0 million, compared to \$52.3 million for the same period last year. *Adjusted Net Income per diluted share* was \$0.23 compared to \$0.17 for the same period last year;
- *Adjusted EBITDA* was \$88.2 million, compared to \$77.4 million for the same period last year. *Adjusted EBITDA margin* was 32.9%, compared to 35.2% for the same period last year;
- *Cash flow from operations* was \$80.6 million, compared to \$82.3 million for the same period last year.

Press Release

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Full Year 2021 Financial Results:

- *Total revenues* were \$965.0 million, up 20.4% year-over-year;
- *Subscriptions revenues* were \$812.8 million, up 19.7% year-over-year;
- *GAAP operating income* was \$94.6 million, compared to \$150.2 million for the same period last year. *GAAP operating income* for 2021 includes a one-time compensation charge of \$90.7 million resulting from a modification of our deferred compensation plan;
- *GAAP net income* was \$93.2 million, compared to \$126.5 million for the same period last year. *GAAP net income per diluted share* was \$0.30, compared to \$0.42 for the same period last year. *GAAP net income* for 2021 includes a one-time compensation charge of \$83.4 million, net of tax, resulting from a modification of our deferred compensation plan;
- *Adjusted Net Income* was \$266.9 million, compared to \$192.8 million for the same period last year. *Adjusted Net Income per diluted share* was \$0.85 compared to \$0.64 for the same period last year;
- *Adjusted EBITDA* was \$324.9 million, compared to \$266.4 million for the same period last year. *Adjusted EBITDA margin* was 33.7%, compared to 33.2% for the same period last year;
- *Cash flow* from operations was \$288.0 million, compared to \$258.3 million for the same period last year.

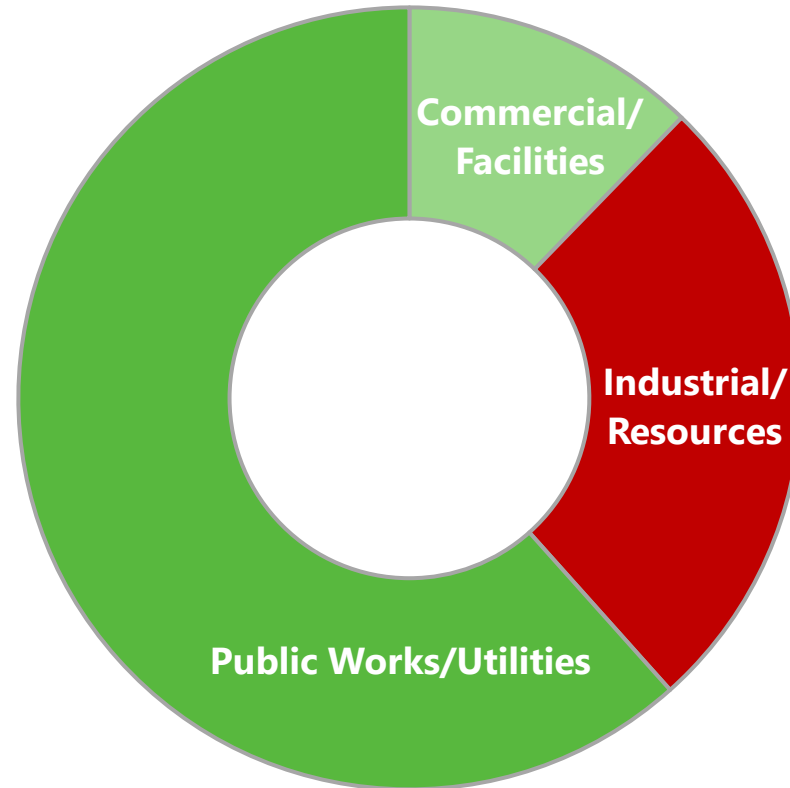
Definitions of the non-GAAP financial measures used in this press release and reconciliations of such measures to the most comparable GAAP financial measures are included below under the heading “Use and Reconciliation of Non-GAAP Financial Measures.”

CEO Greg Bentley said, “Our fourth quarter of 2021 capped a year of consistently and increasingly improving tone of business and operating metrics, and we enter 2022 on an unprecedented high note in terms of business confidence. From a long-term standpoint, BSY management takes pride in having responsibly completed our first full year as a public company, to our considerable satisfaction. Though our quarterly reporting tends to focus on milestones in operations and acquisitions, I think our notable headway in adjusted earnings per share is representative of the conscientious stewardship to which we hold ourselves accountable. While our many established competitive advantages as the infrastructure engineering software company make us confident in predictably achieving advancements in both growth and financial performance, the profound opportunities for digital twin cloud services to advance infrastructure resilience are so generationally compelling as to more than warrant new and continued investment initiatives.”

Mr. Bentley continued, “Our 2020 and 2021 results, and our 2022 outlook, stand for our inviolate commitment to deliberately and measurably expand our adjusted operating margins (normalized for nonrecurring pandemic-related savings) annually, indefinitely. At the same time, encouraged by strong market demand globally, and especially by virtue of our expanded resource allocations for our user organizations’ success, for deeper SMB penetration, and for ever greater comprehensiveness across infrastructure digital twin opportunities, we believe our gains in ARR growth from pre-pandemic (and pre-IPO) levels are directionally sustainable for the foreseeable future. In January, 2022 we closed the Power Line Systems acquisition to complete our market-leading grid integration portfolio for energy transmission and distribution— signifying our proactivity in advancing infrastructure engineering, going digital, to enable our world’s sustainable development goals.”

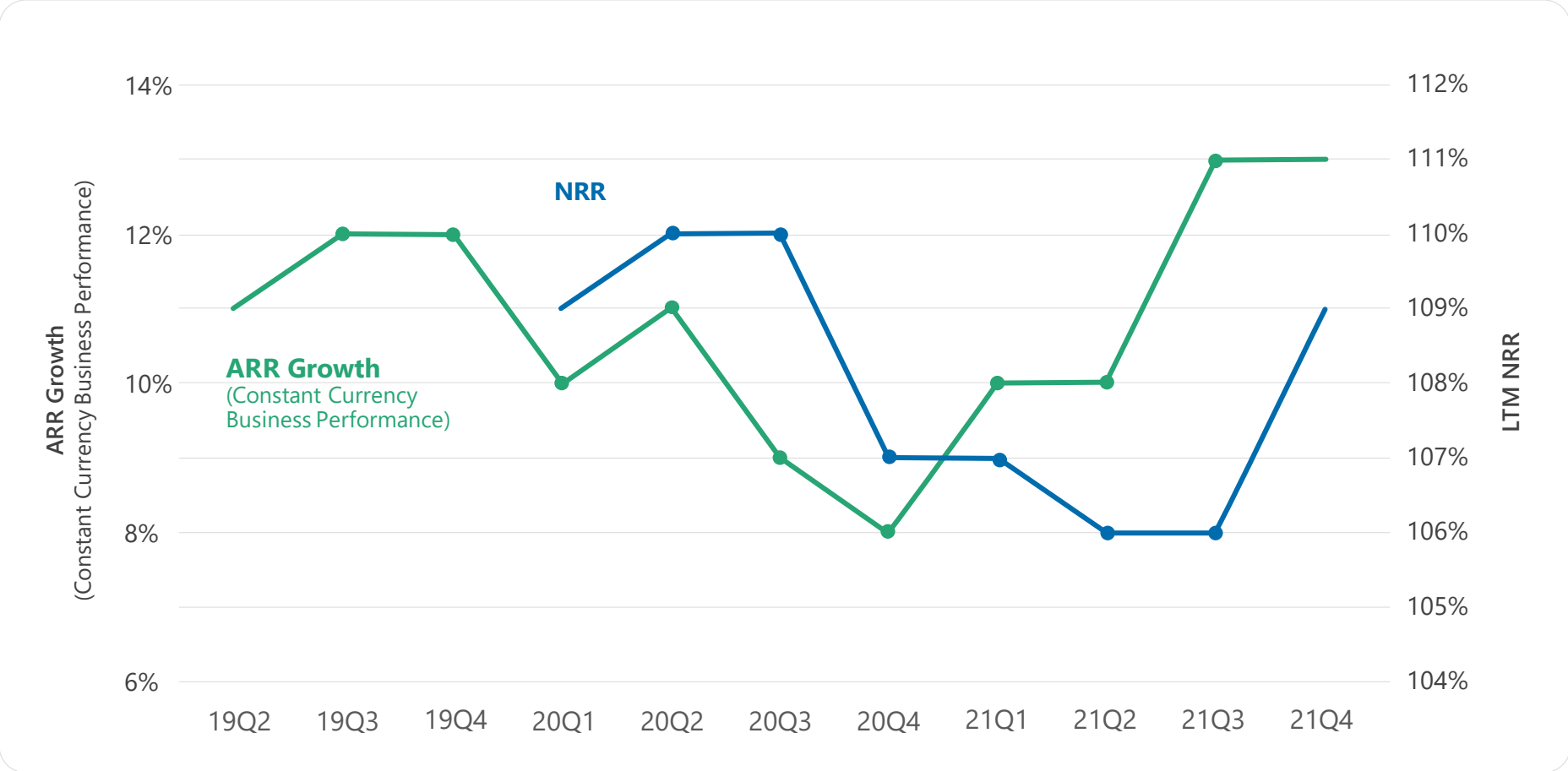
Application Usage Trends by Infrastructure Sector

As presented
at our 21Q2
Operating Results Call



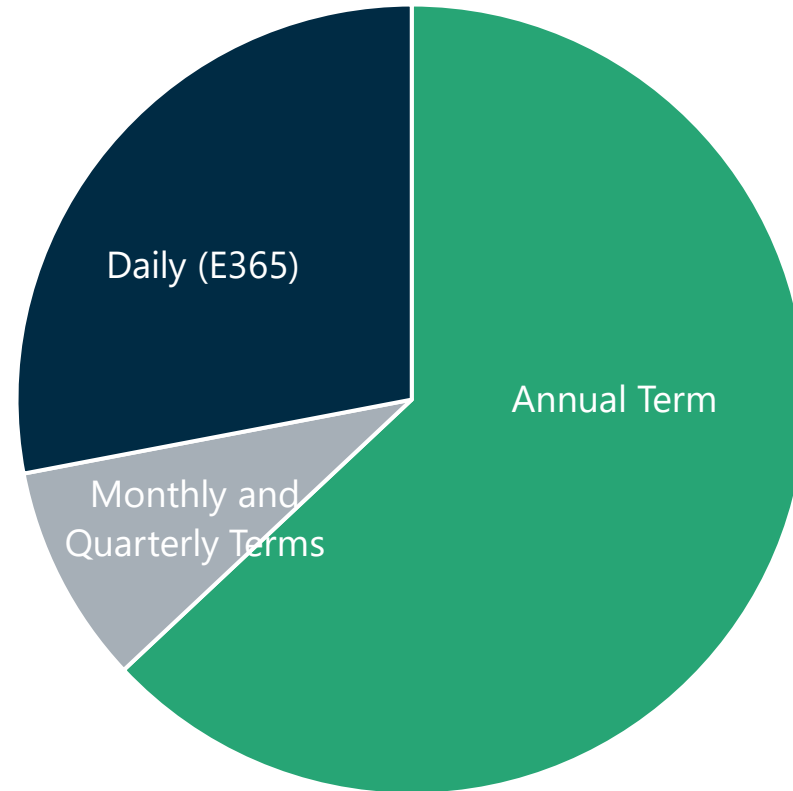
"Note: Chart segment sizing corresponds to underlying % of 2020 ASC 606 Revenue."

Historical ARR⁴ Growth and Net Retention³ Growth



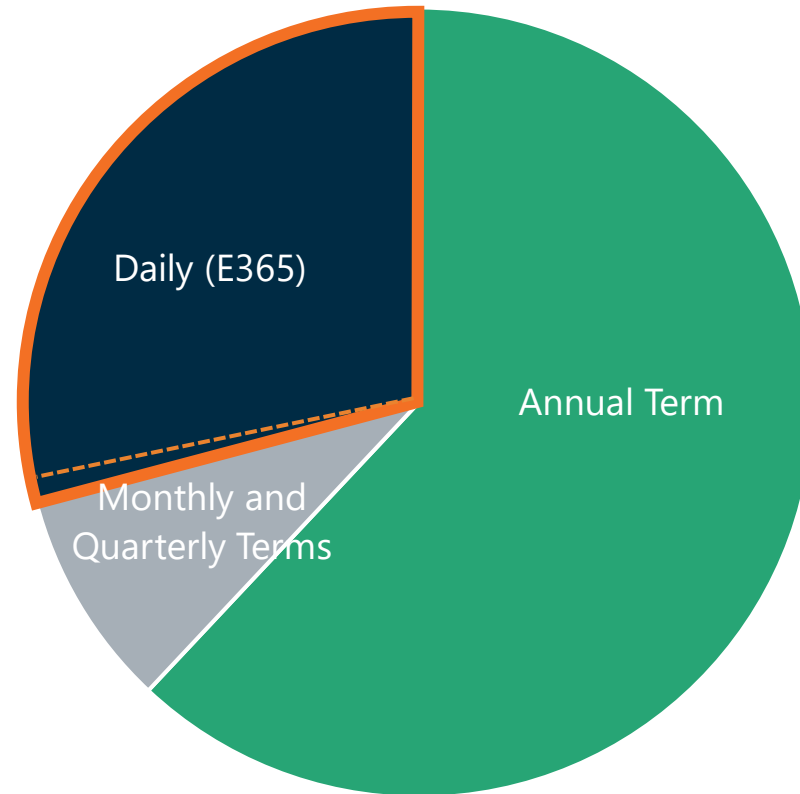
ARR by Consumption Model

As presented
at our 21Q3
Investors Call



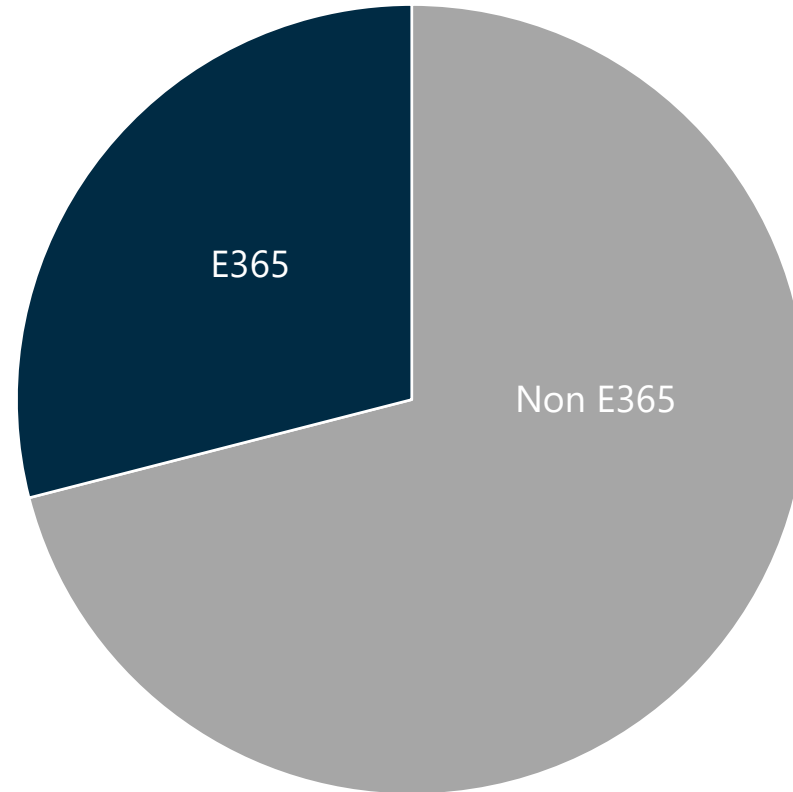
As of September 30, 2021

ARR by Consumption Model



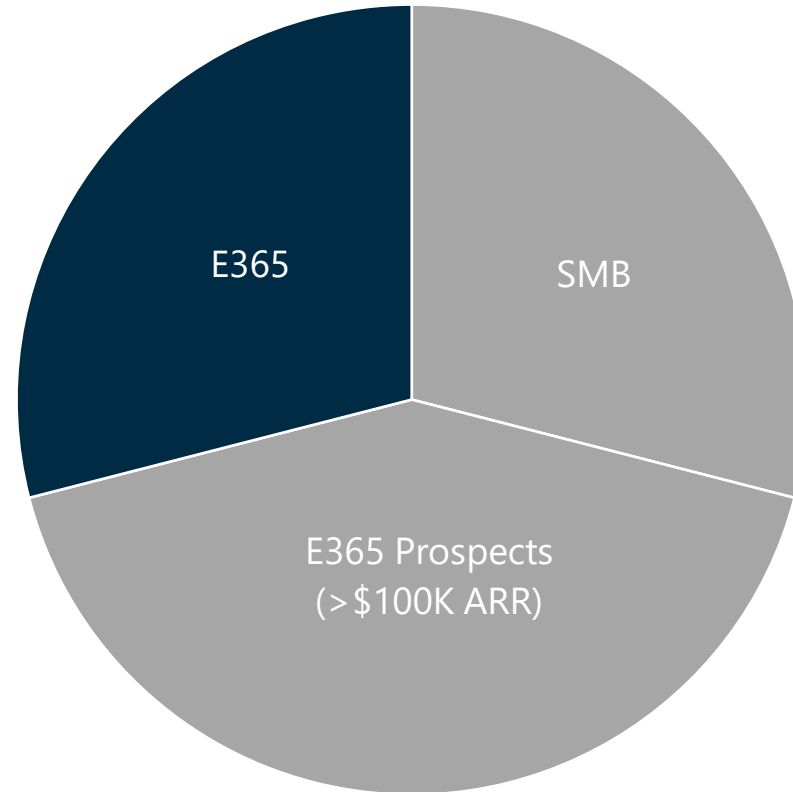
As of December 31, 2021

ARR by *Commercial Model*



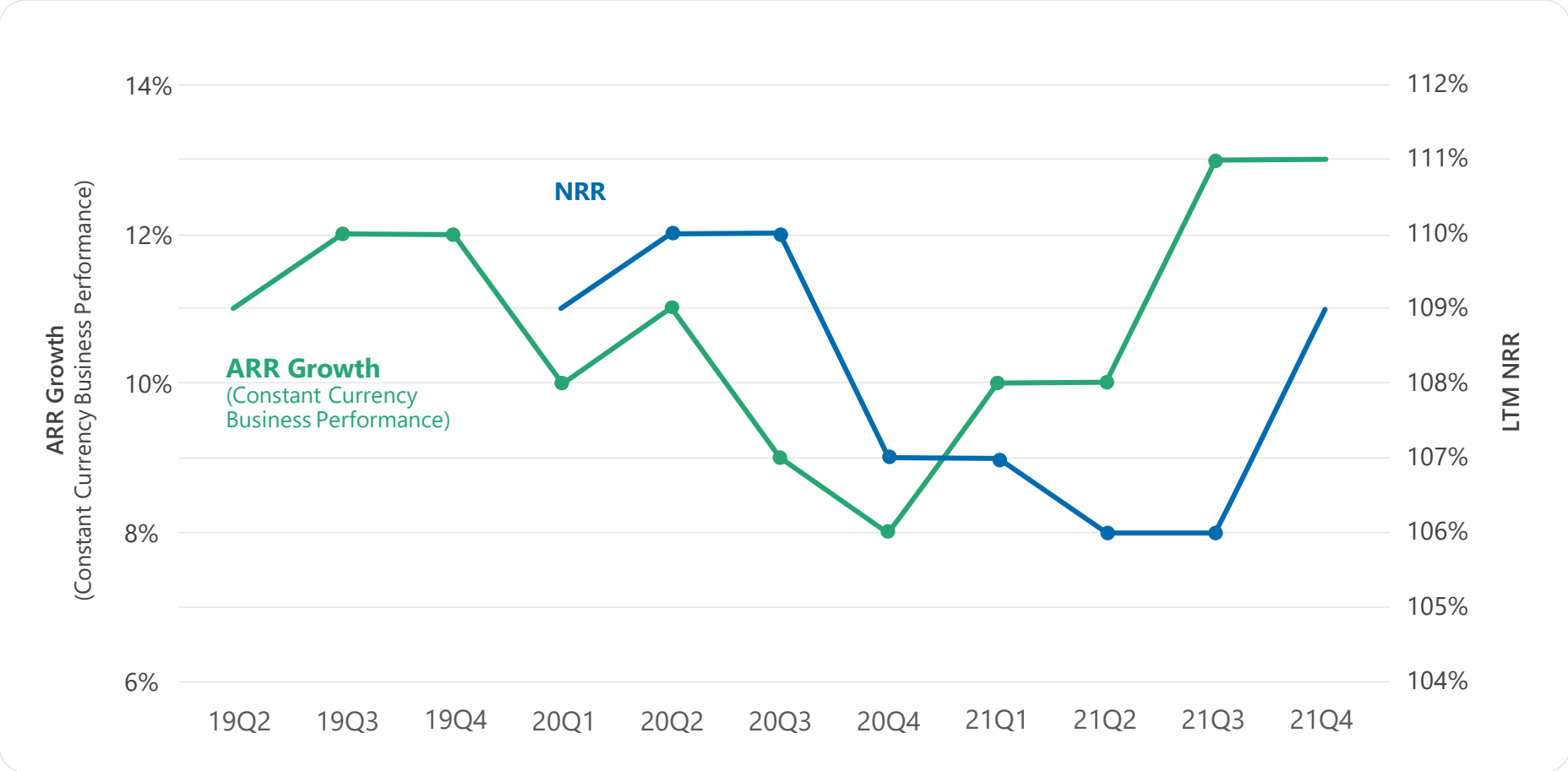
As of December 31, 2021

ARR by *Commercial Model*

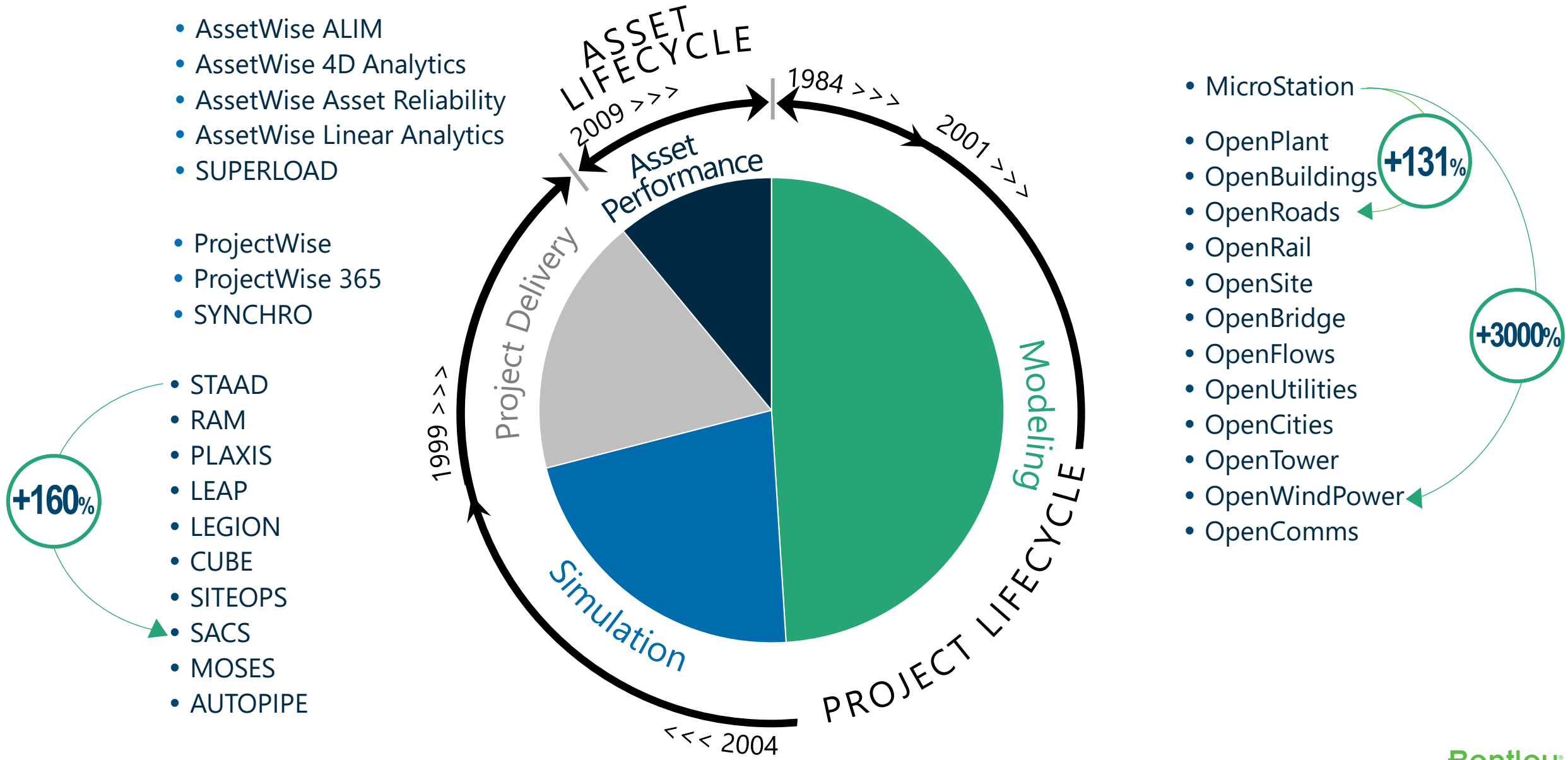


As of December 31, 2021

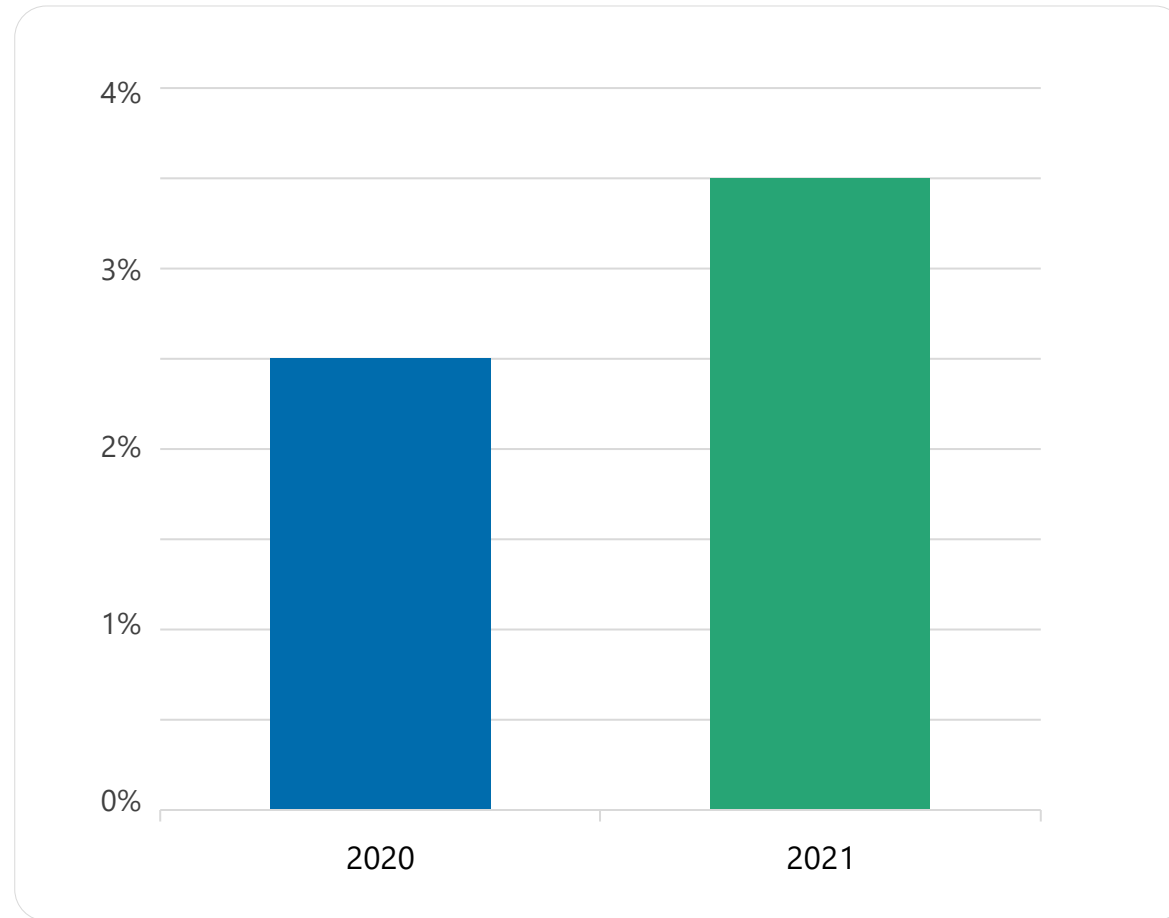
Historical ARR⁴ Growth and Net Retention³ Growth



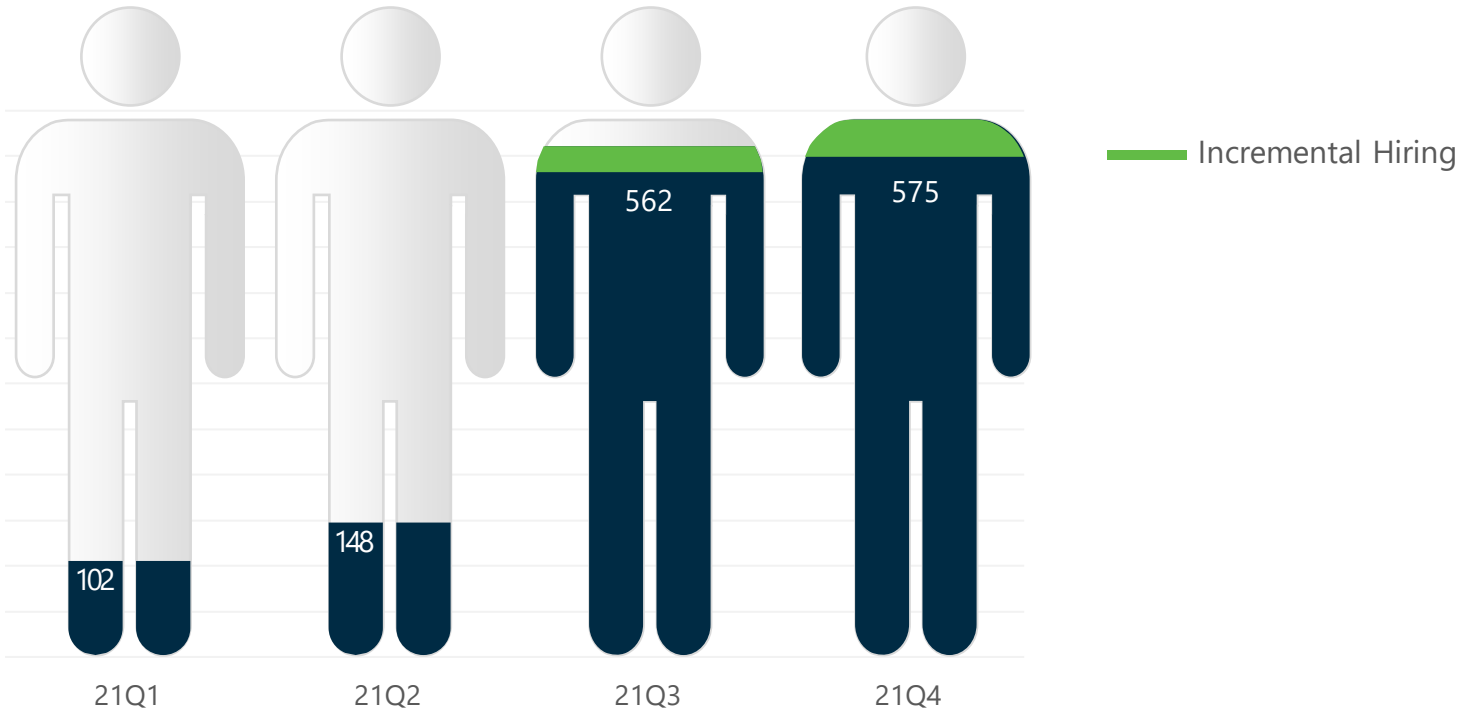
Revenues by *Infrastructure Lifecycle*



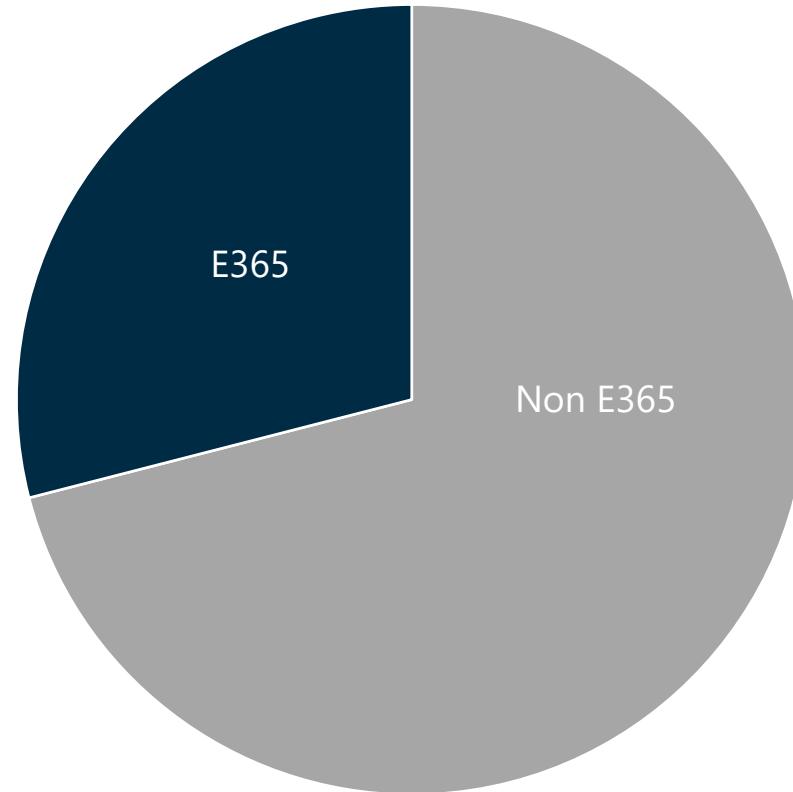
Application Mix Accretion



User Success Colleagues

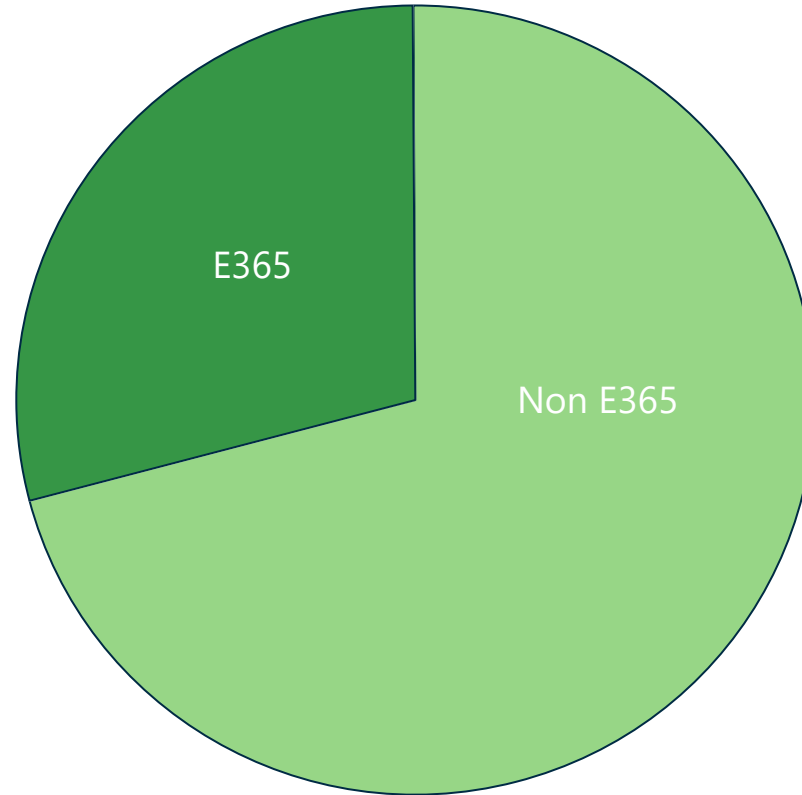


ARR by *Commercial Model*



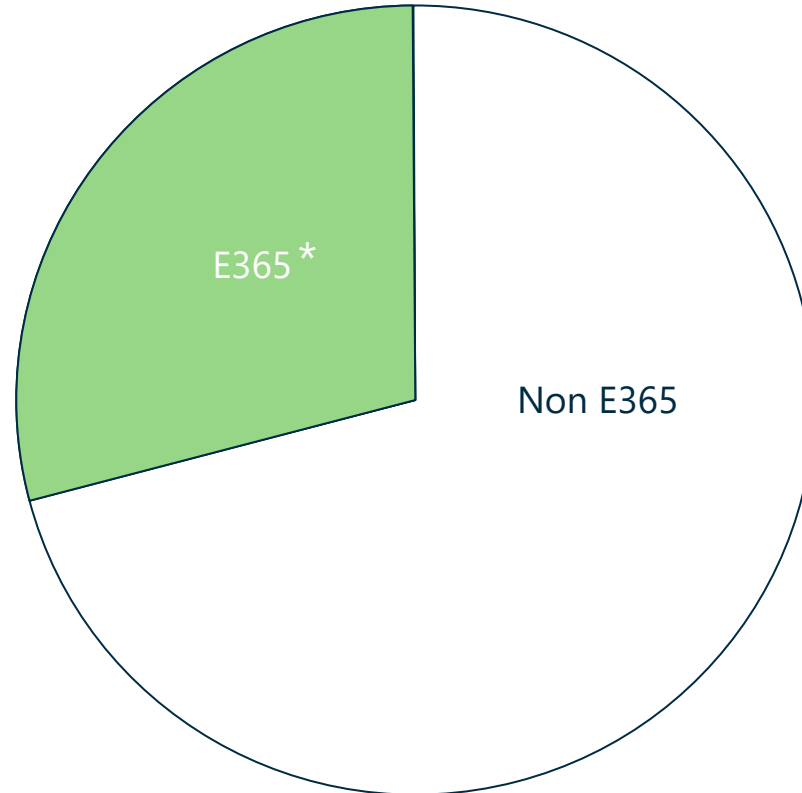
As of December 31, 2021

Application Mix Accretion



As of December 31, 2021

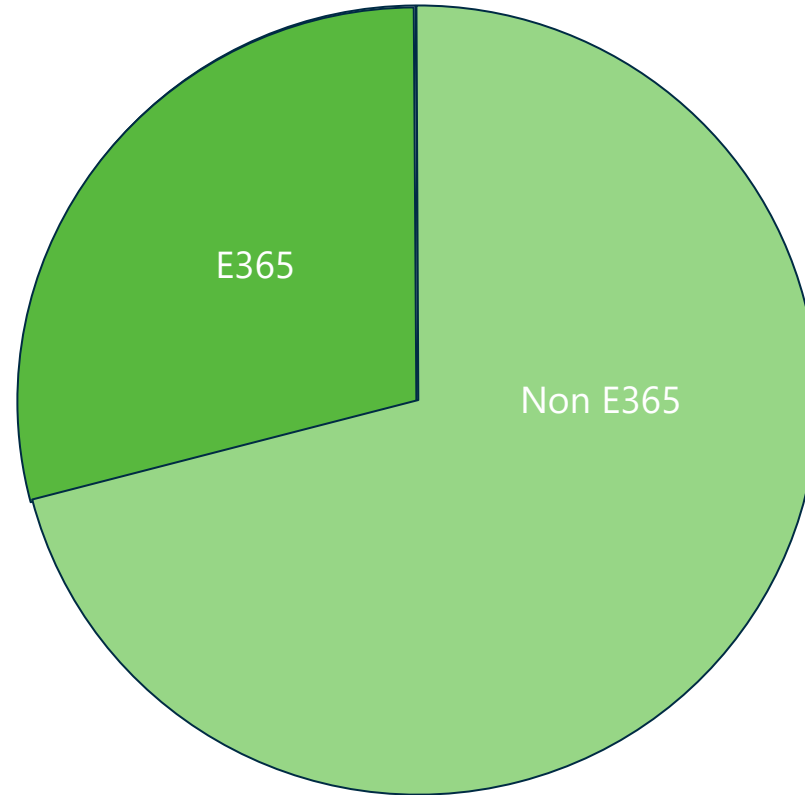
Application Usage Growth Since 2019



*excludes EPCs

As of December 31, 2021

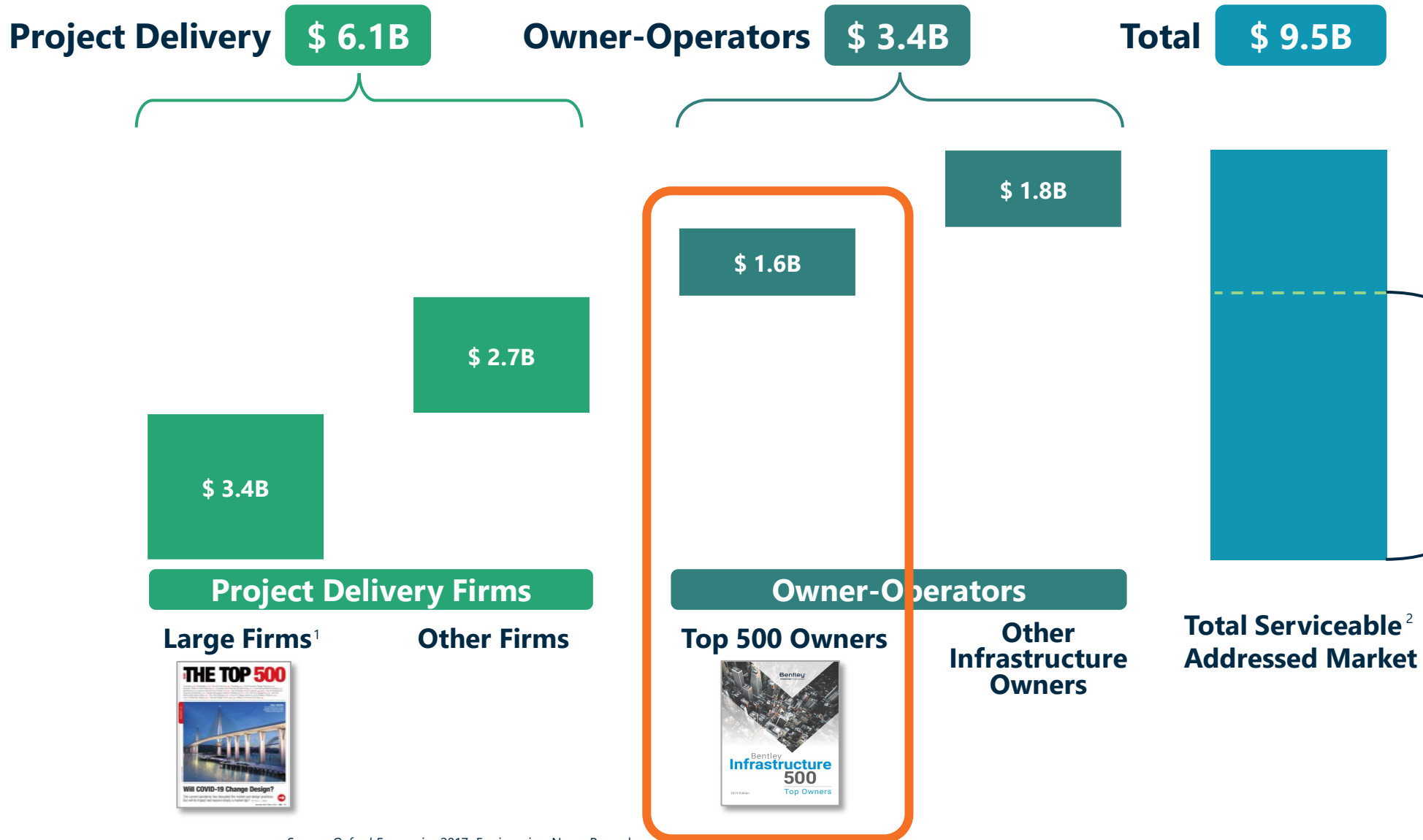
Account Sentiment Improvement



As of December 31, 2021

"SAM" (Serviceable Addressable Market)

As presented in IPO Roadshow

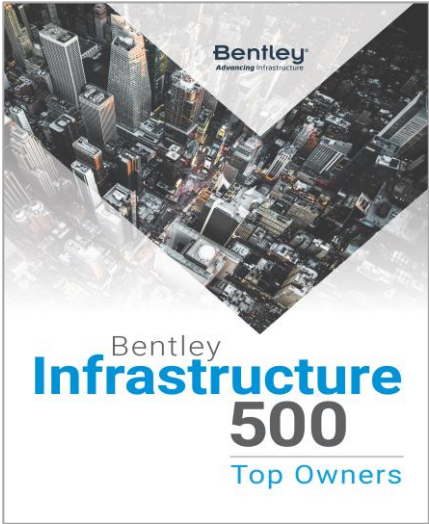


Source: Oxford Economics 2017, Engineering News-Record, and Internal Research

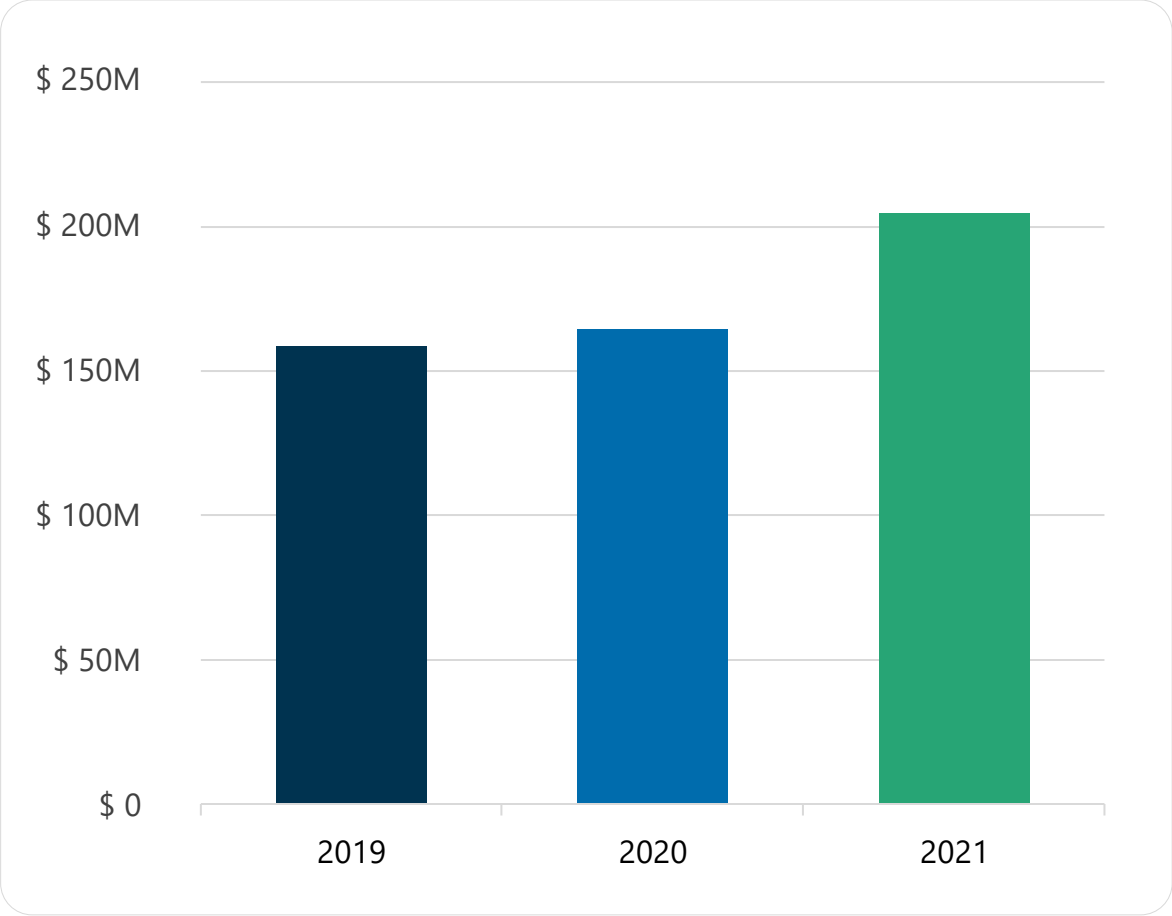
¹ Large Project Delivery Firms includes firms listed in Engineering News-Record (Global) Top Design Firms and Engineering News-Record (Global) Top (Construction) Contractors.

² See Appendix, Footnote 4 for SAM calculation

Bentley Infrastructure Top Owners: *BSY Runrate*



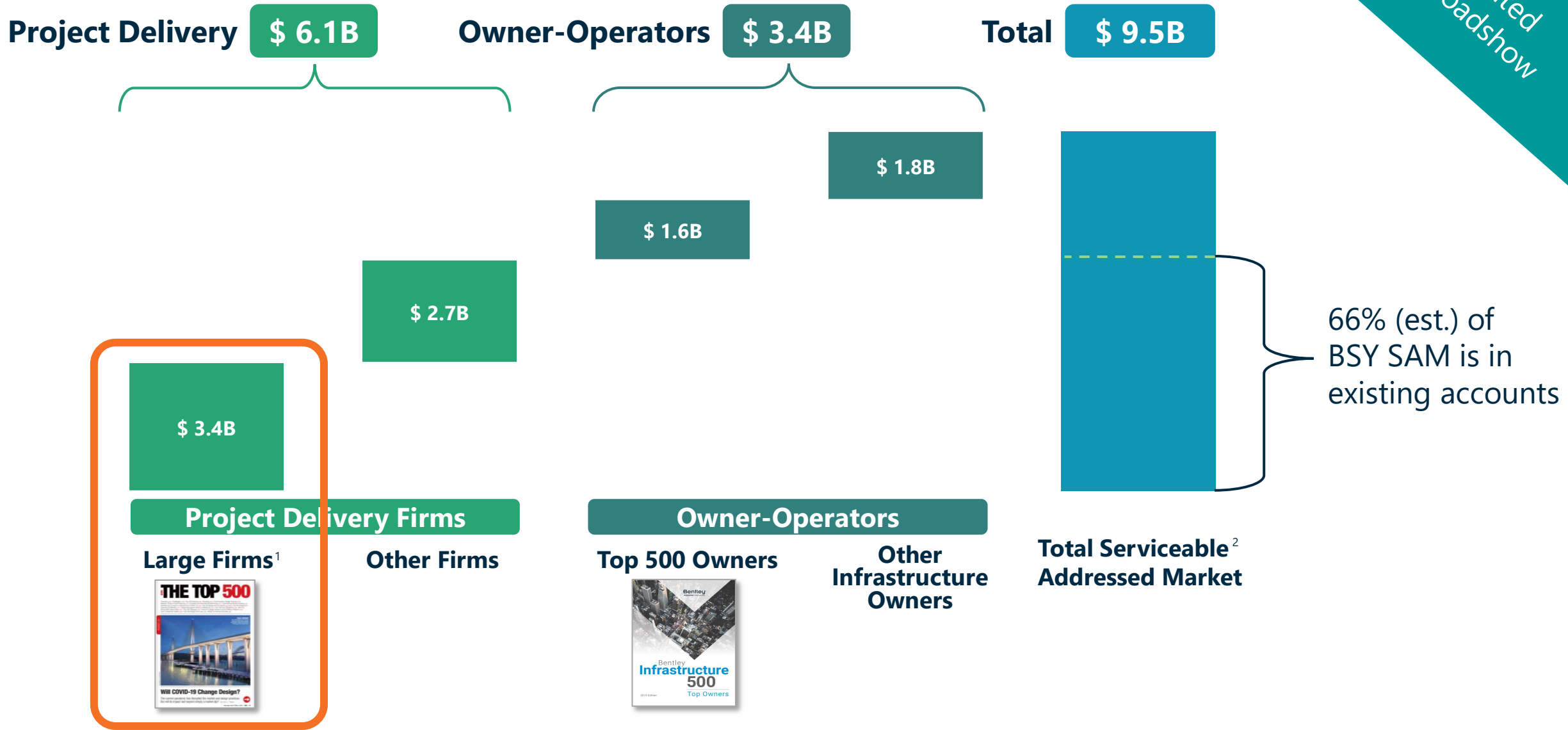
<https://www.bentley.com/en/top-infrastructure-owners>



BSY Runrate (ARR + License Sales + Services)

"SAM" (Serviceable Addressable Market)

As presented
in IPO Roadshow

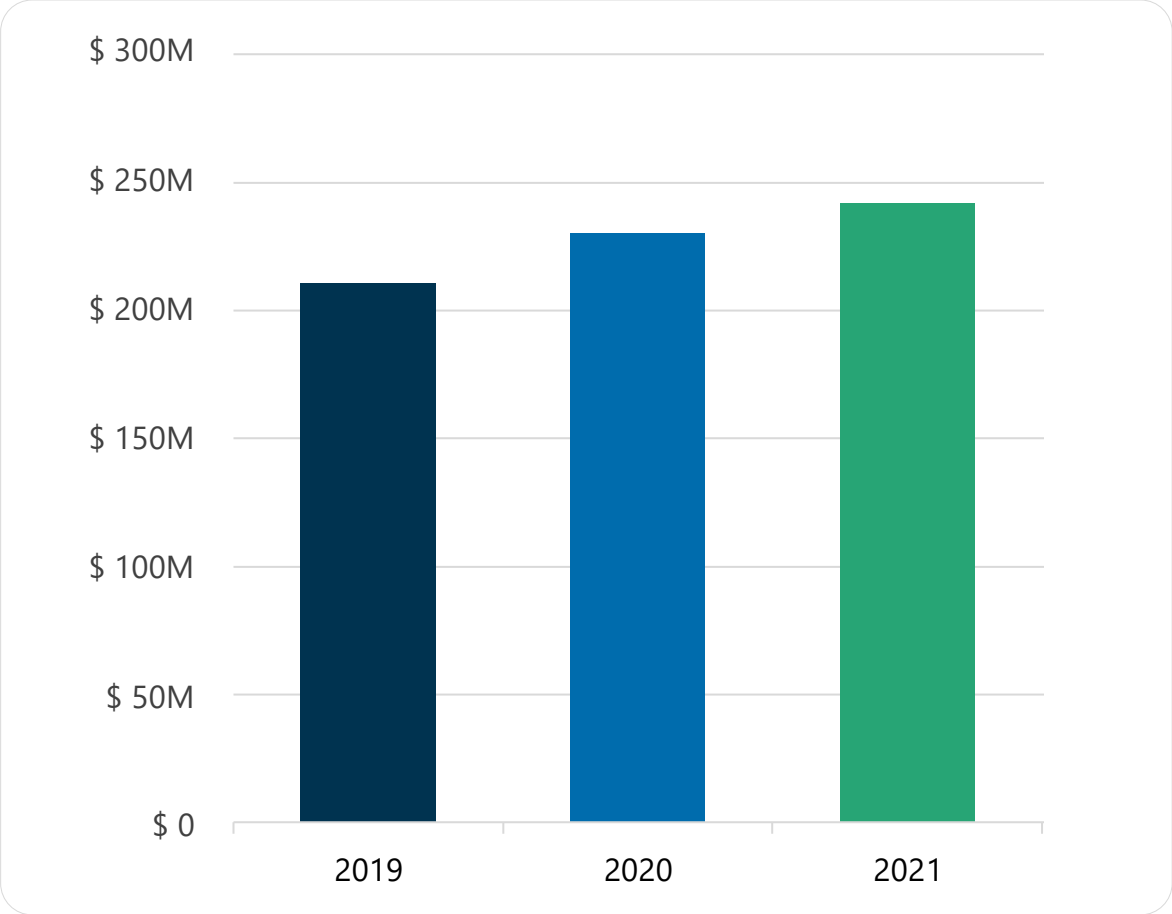


Source: Oxford Economics 2017, Engineering News-Record, and Internal Research

¹ Large Project Delivery Firms includes firms listed in Engineering News-Record (Global) Top Design Firms and Engineering News-Record (Global) Top (Construction) Contractors.

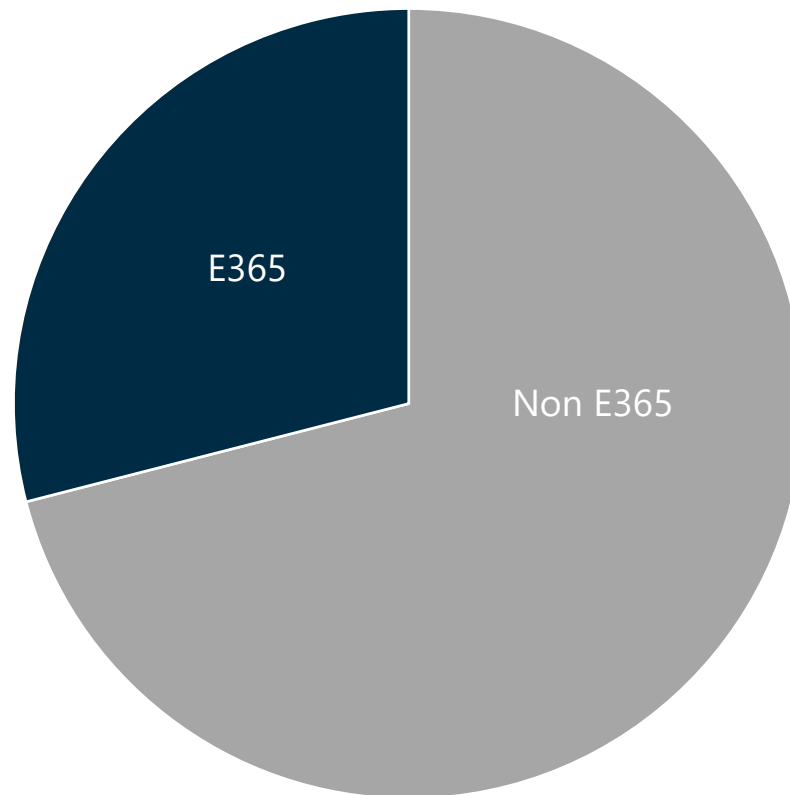
² See Appendix, Footnote 4 for SAM calculation

ENR Top Design Firms: *BSY Runrate*



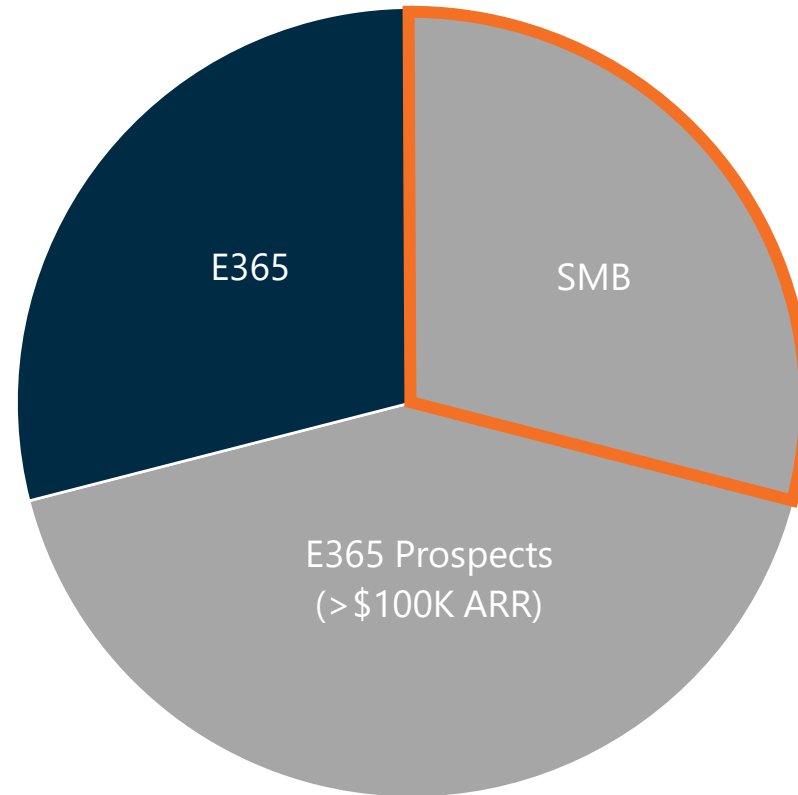
BSY Runrate (ARR + License Sales + Services)

ARR by *Commercial Model*



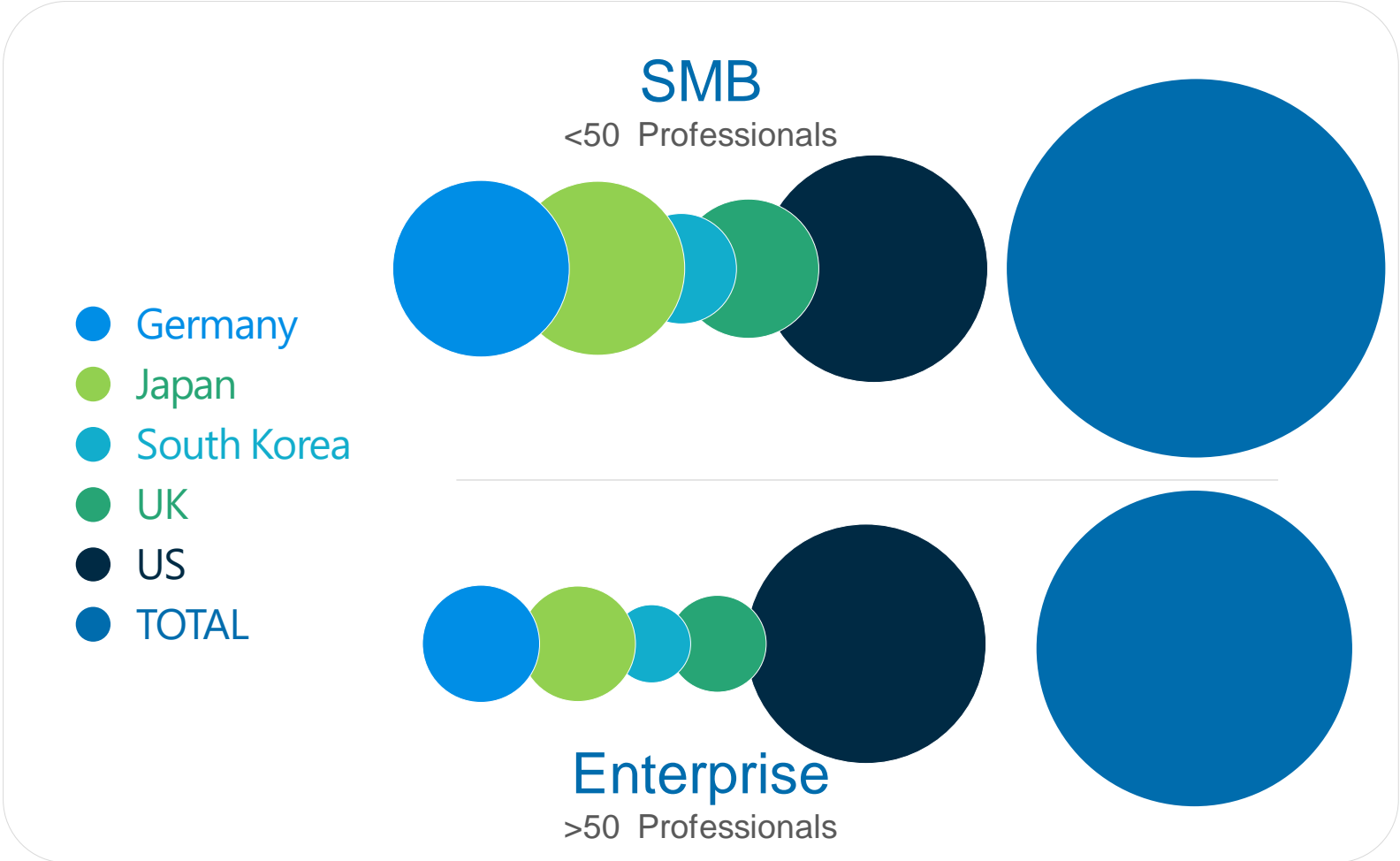
As of December 31, 2021

ARR by Commercial Model

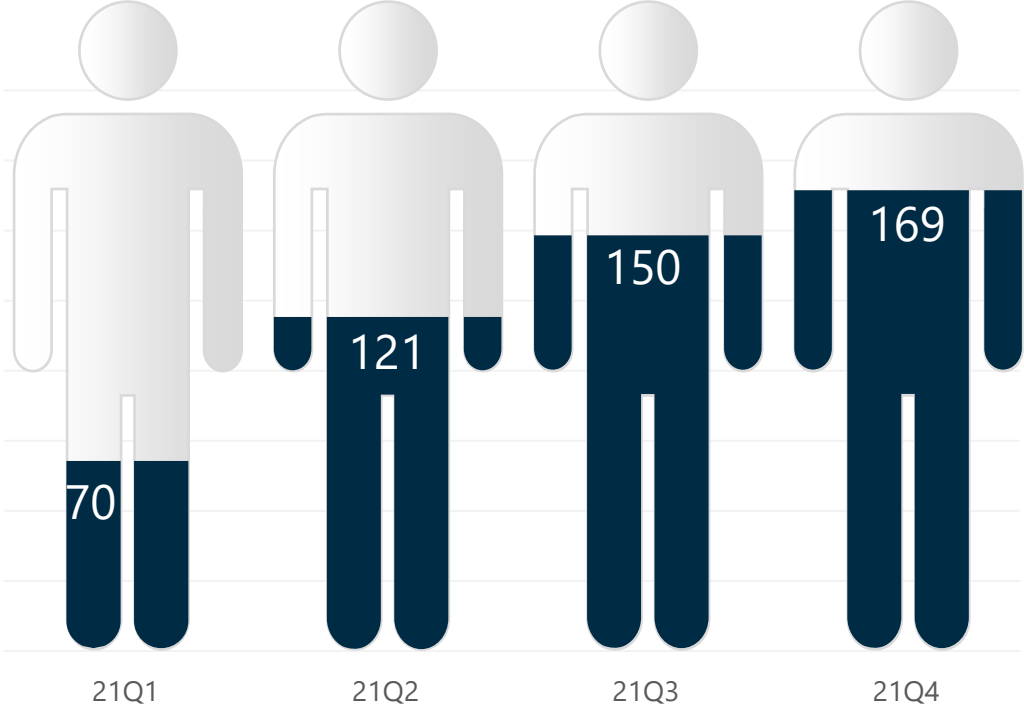


As of December 31, 2021

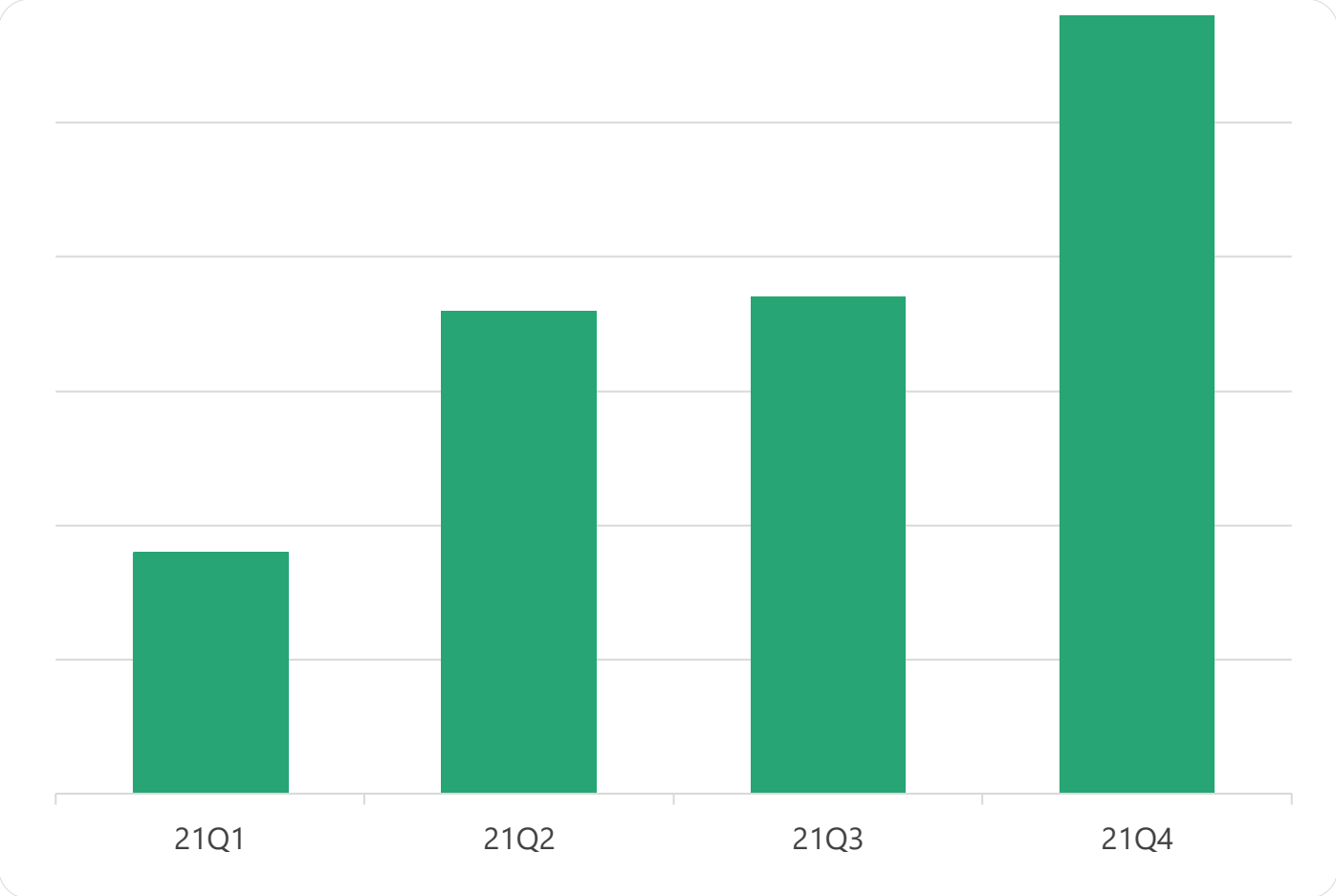
Professionals in "AEC" Firms



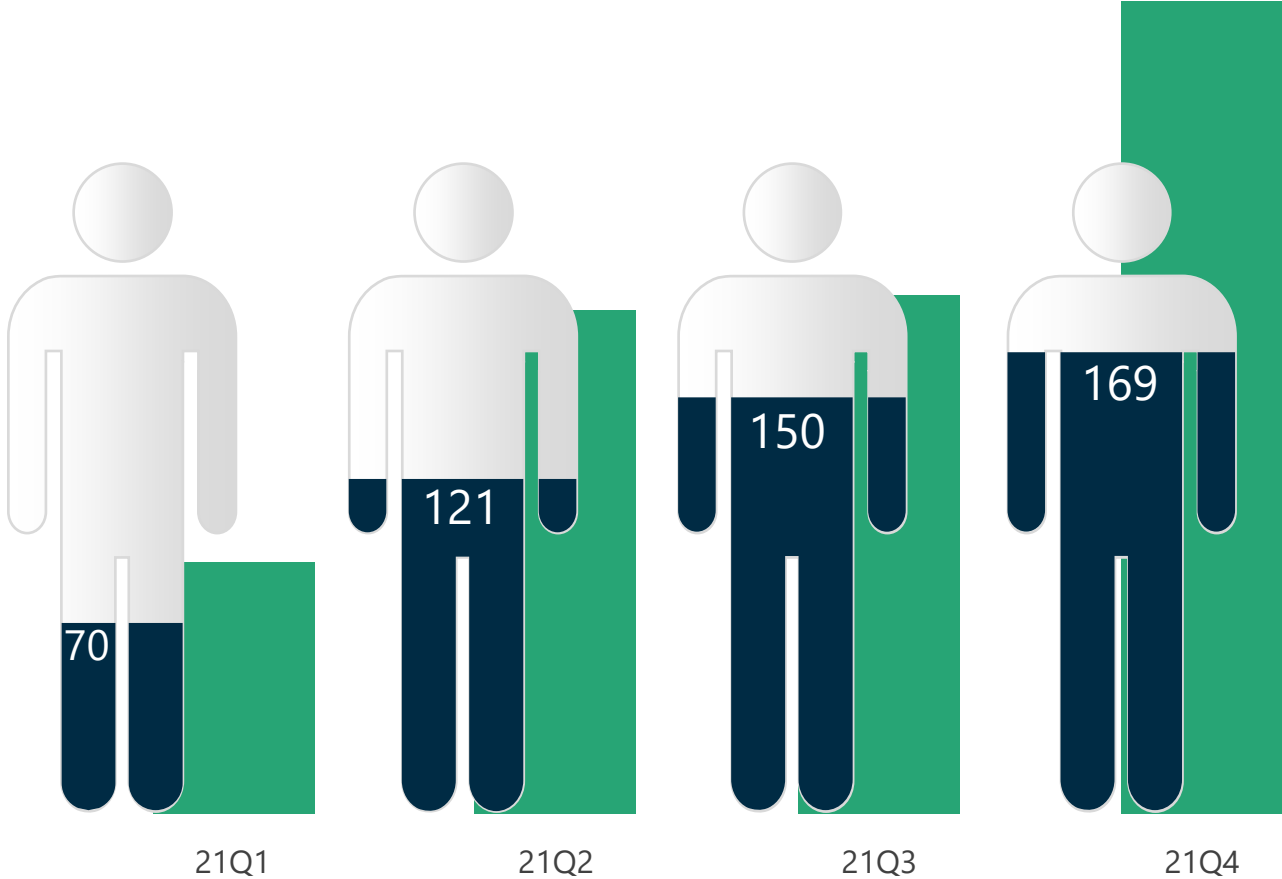
Virtuosity Colleagues



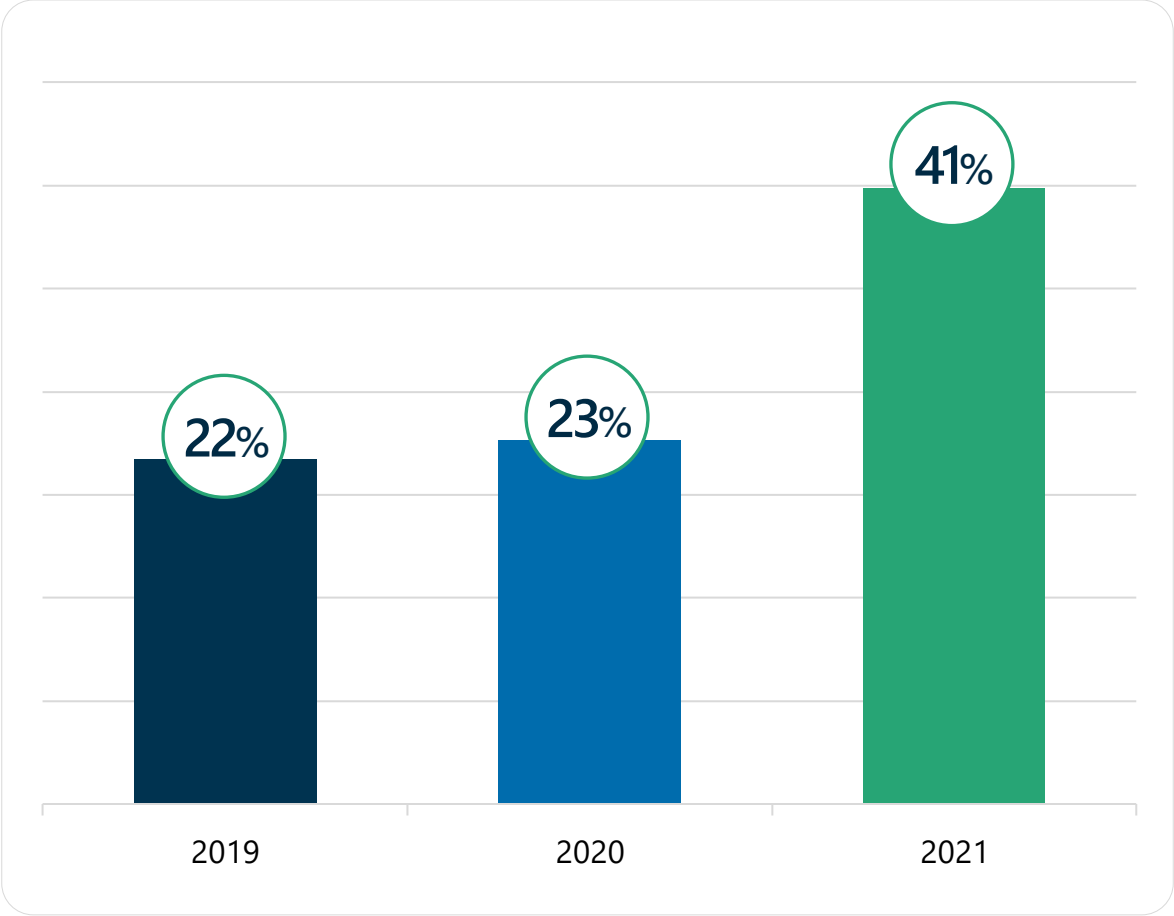
Virtuosity NBG (New Business Growth)



Virtuosity NBG Overlap Quarter on the Resources

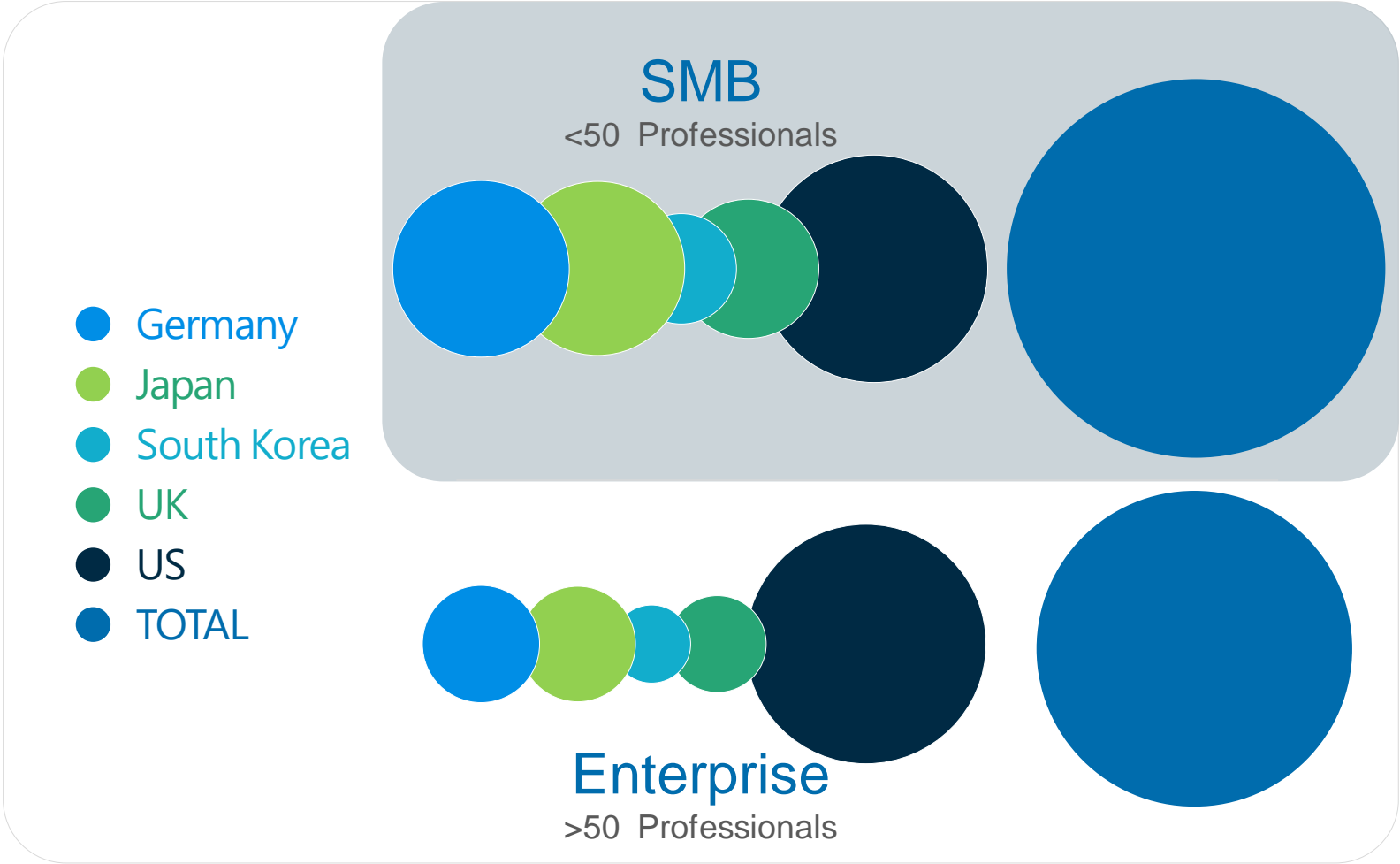


SMB NBG



○ % total NBG

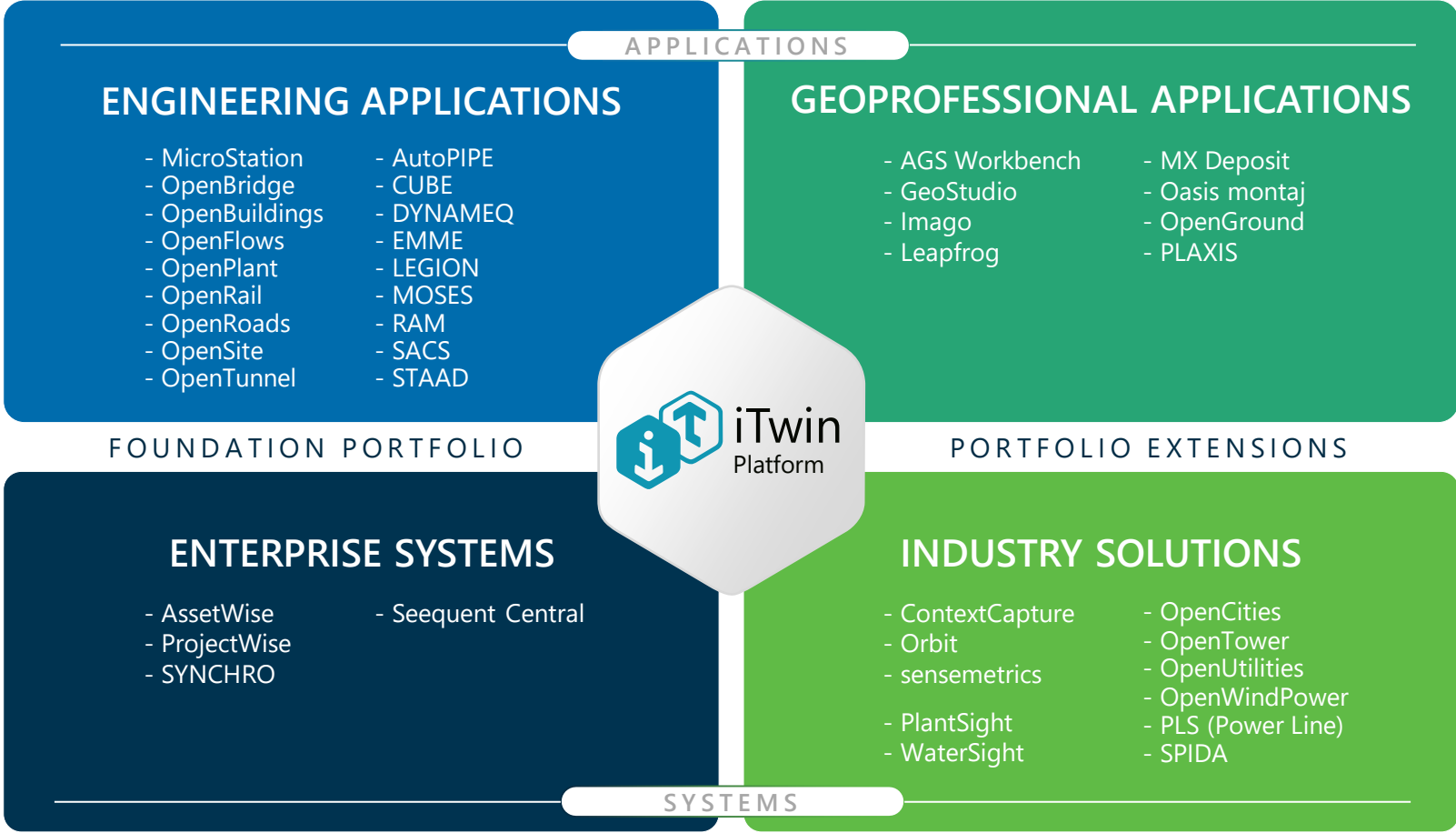
Professionals in "AEC" Firms



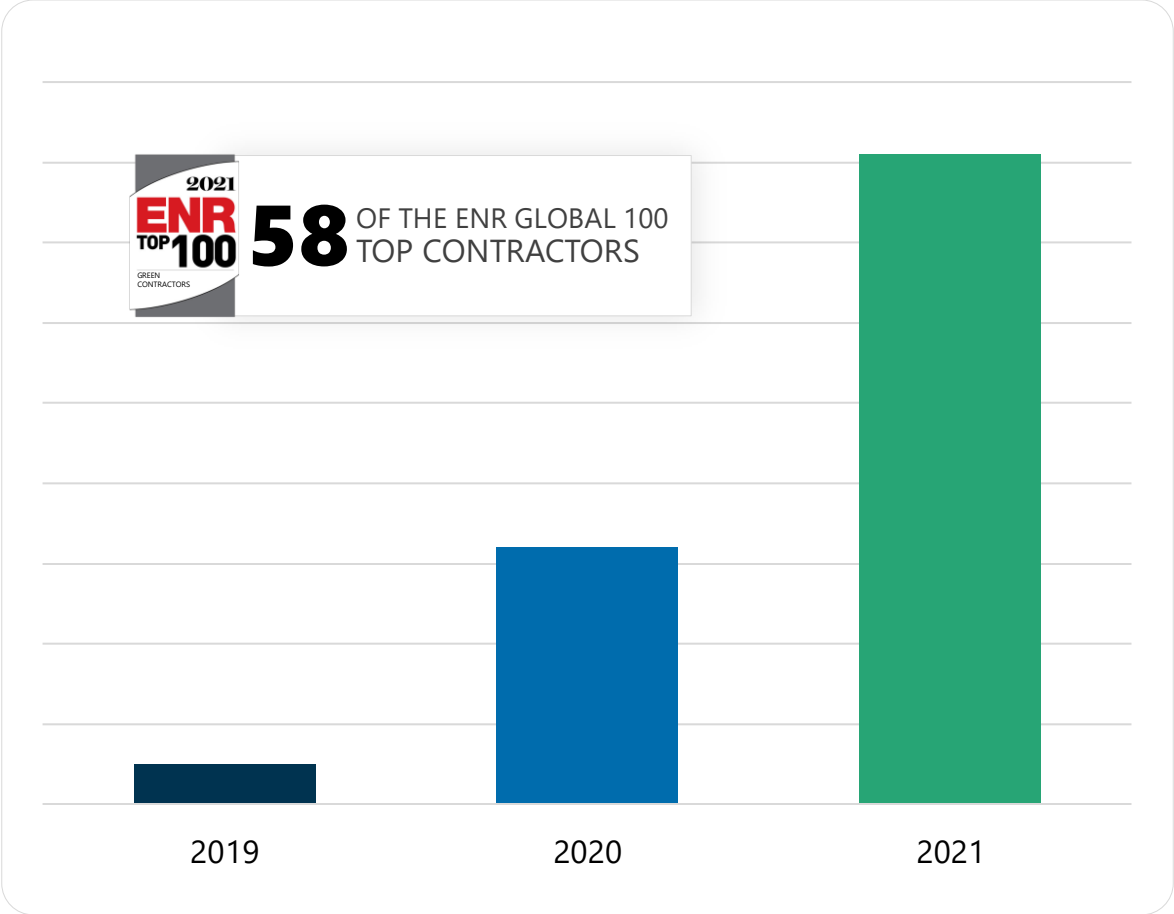
Operational Perspectives

Nicholas Cumins, Chief Operating Officer

Comprehensive *Product Advancement*



SYNCHRO NBG

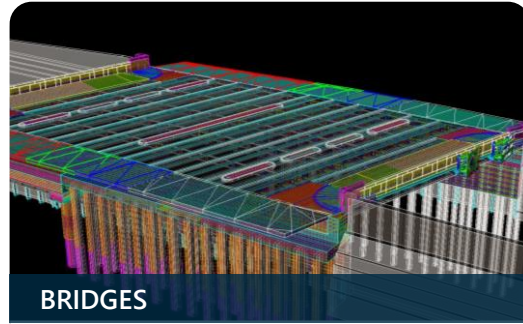




2021 WINNERS

INFRASTRUCTURE

Crediting SYNCHRO 



BRIDGES

East 138th Street over the Major Deegan Expressway

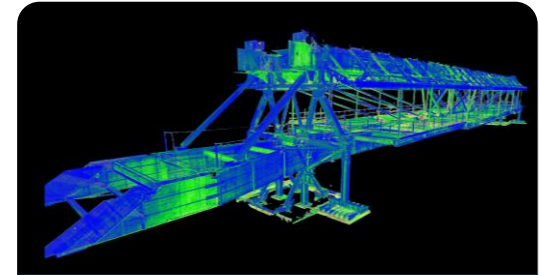
New York State Department of Transportation
United States of America



BUILDINGS AND CAMPUSES

High-tech Multifunctional Medical Complex

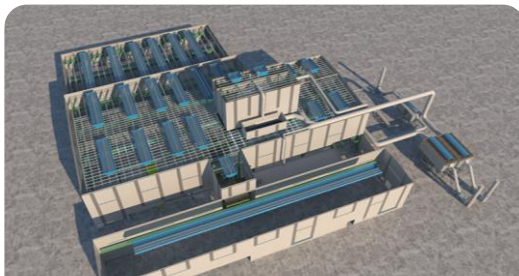
Volgogradnefteproekt, LLC
Russian Federation



DIGITAL CONSTRUCTION

SeaTac Airport International Arrivals Facility

Clark Construction Group, LLC
United States of America



MANUFACTURING

Continuous Casting Project of Jinnan Steel Phase II Quwo Base Capacity Reduction and Replacement Project

WISDRI Engineering & Research Incorporation Limited
China



MINING AND OFFSHORE ENGINEERING

Construction of the Blagodatnoye Mill-5

Polyus
Russian Federation



POWER GENERATION

The Subcritical Blast Furnace Gas Power Generation Project World's First 60MW

Capital Engineering & Research Incorporation Limited
China



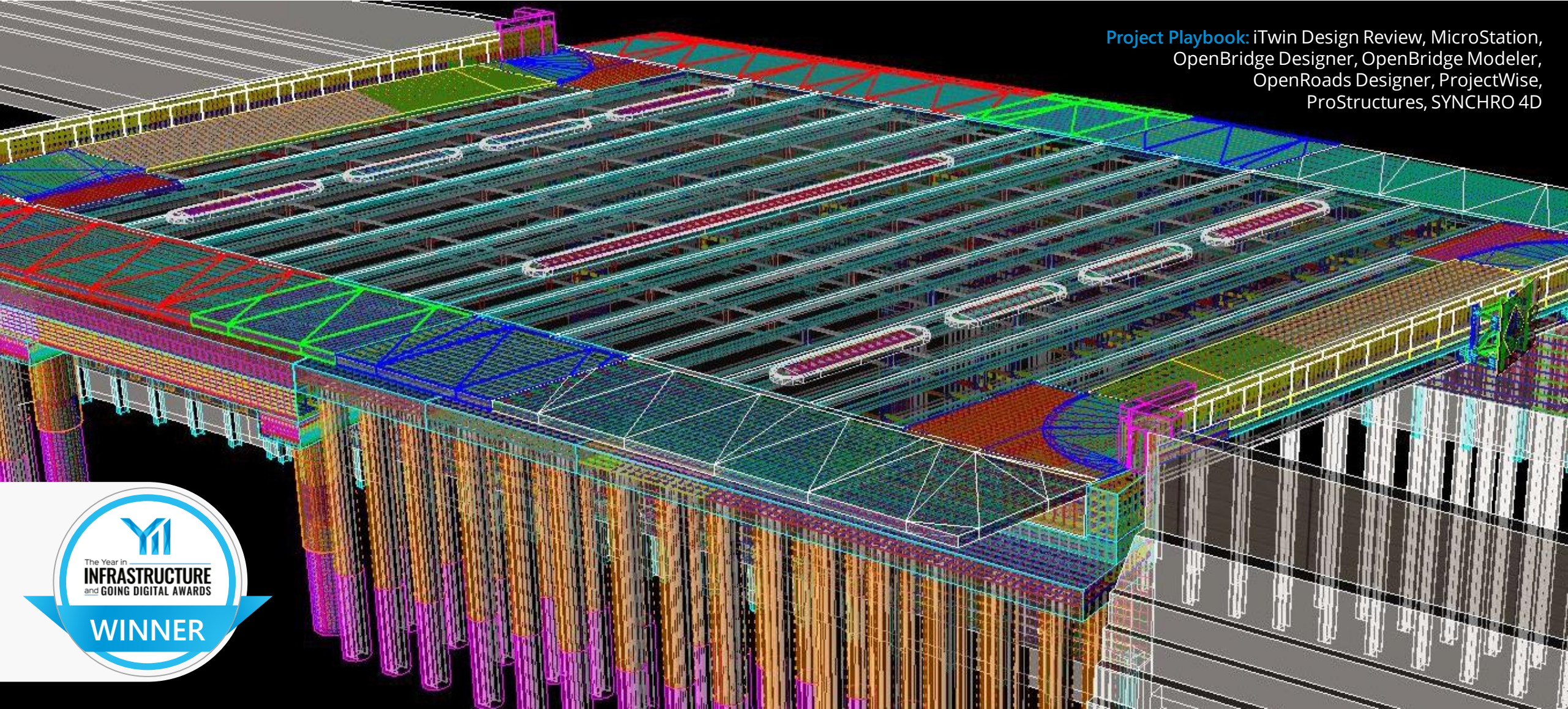
UTILITIES AND COMMUNICATIONS

Suixian & Guangshui 80MWp Ground-Based Photovoltaic Power Project of Hubei Energy Group

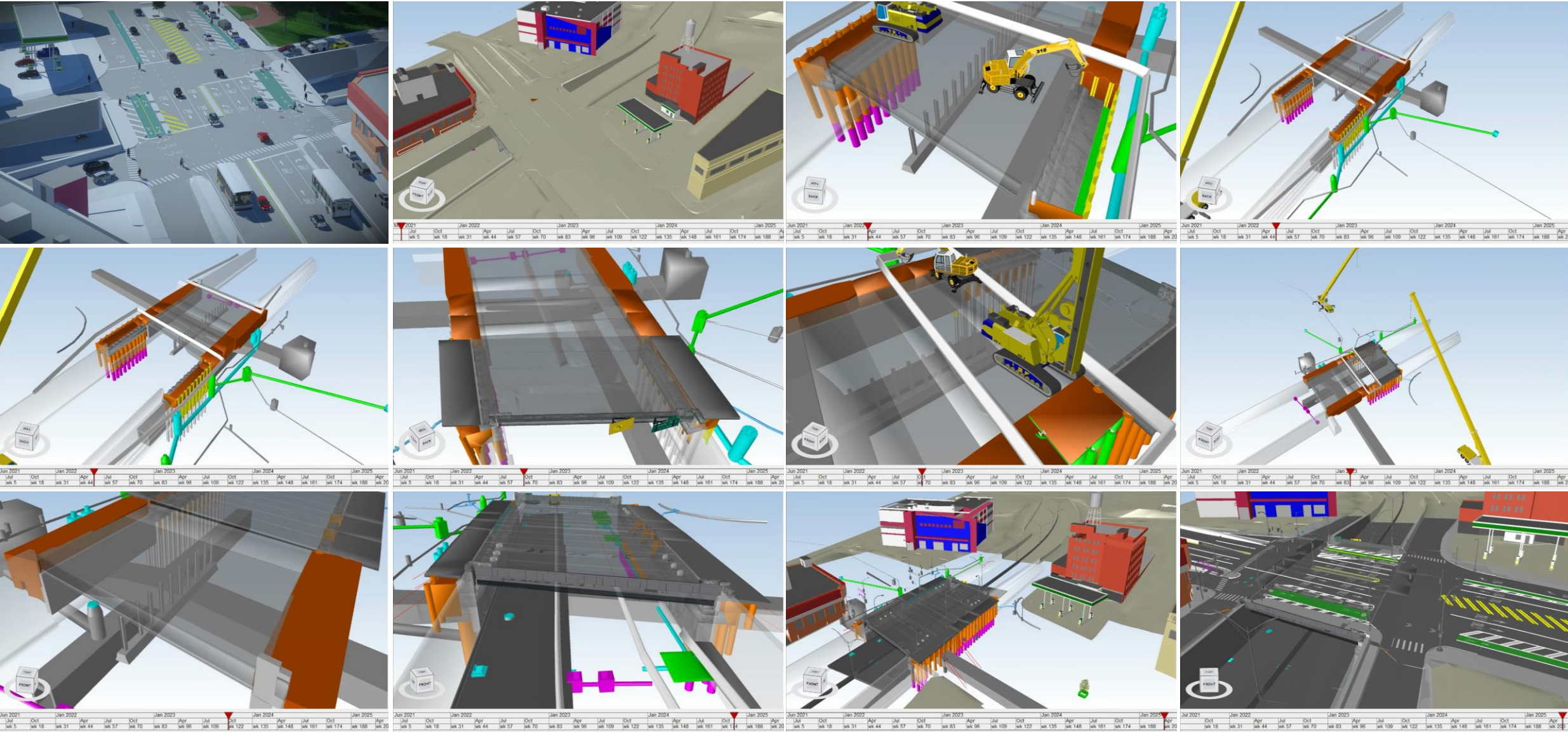
PowerChina Hubei Electric Engineering Co., Limited
China

East 138th St. over the Major Deegan Expressway — New York State DOT

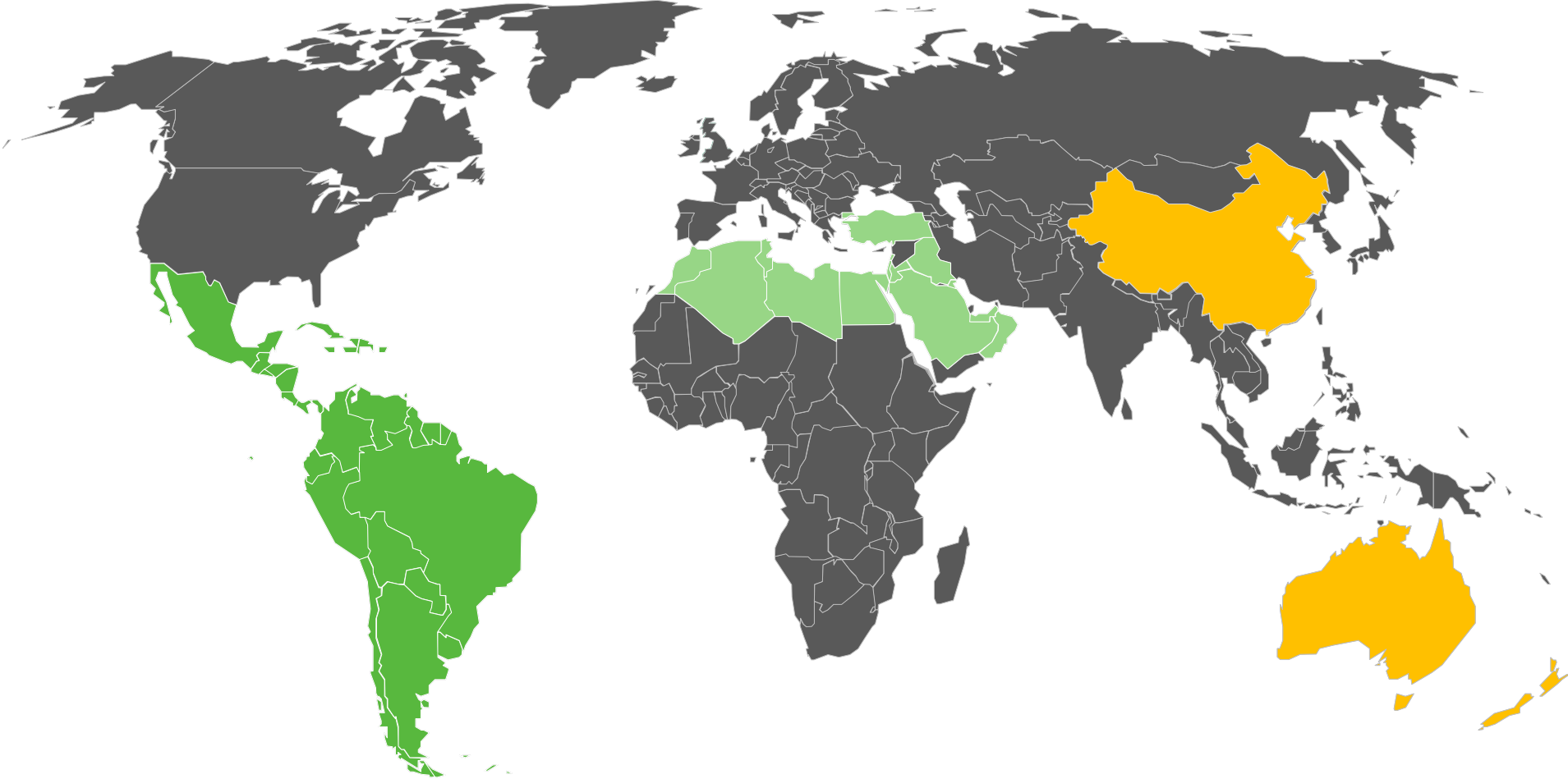
Project Playbook: iTwin Design Review, MicroStation, OpenBridge Designer, OpenBridge Modeler, OpenRoads Designer, ProjectWise, ProStructures, SYNCHRO 4D



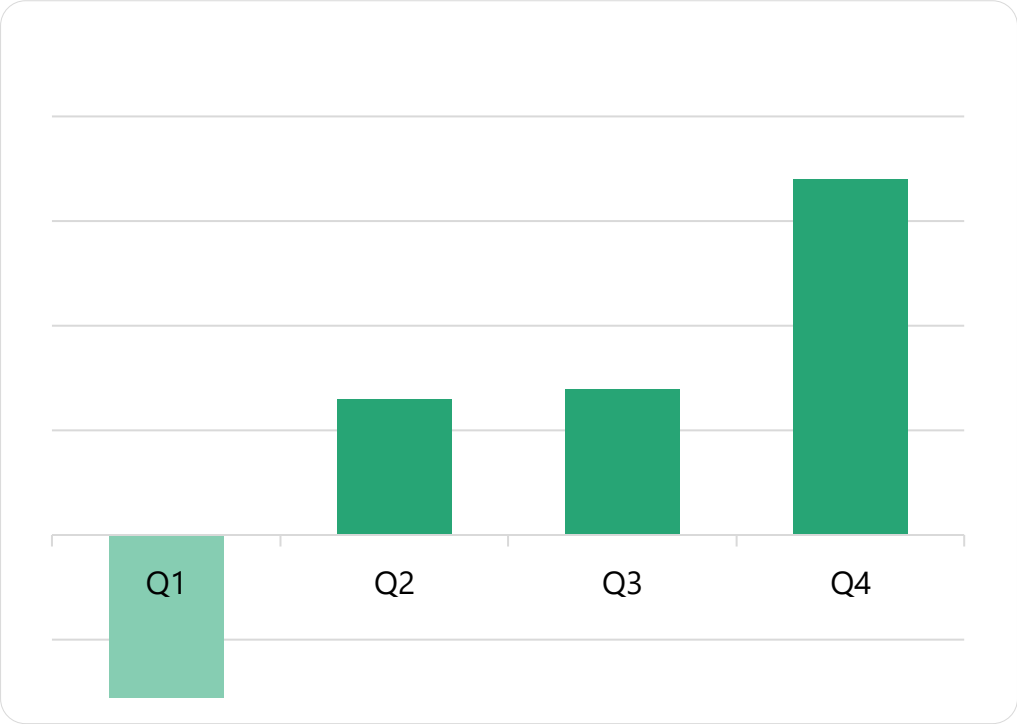
East 138th St. over the Major Deegan Expressway — New York State DOT



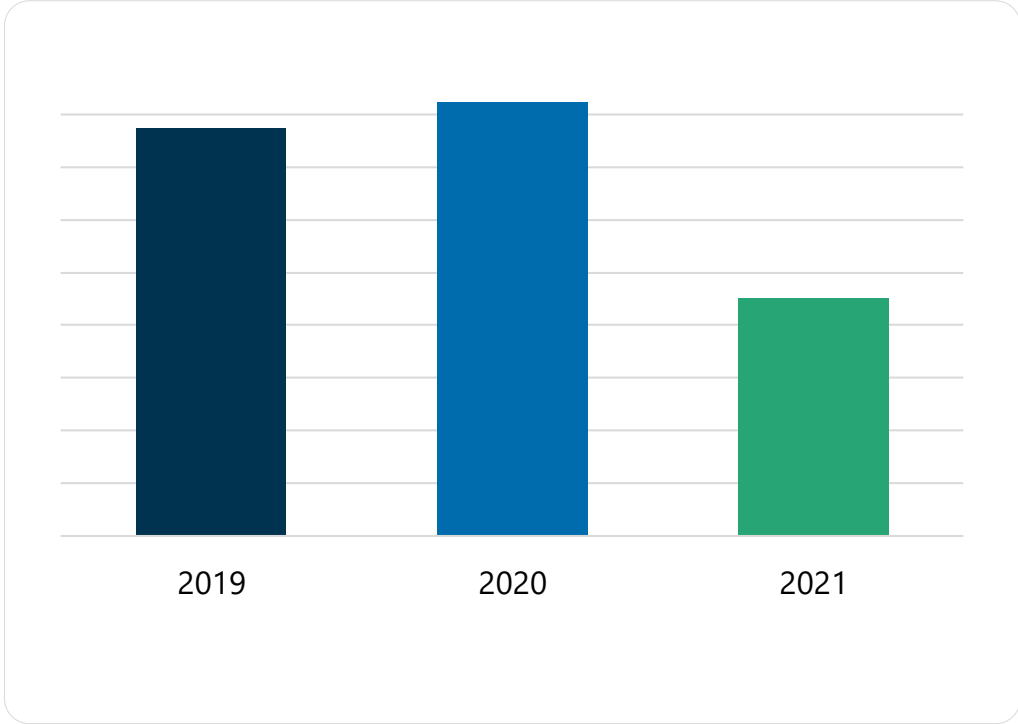
Comprehensiveness Across *Geographies*: Notable New Business Growth



Greater China NBG



Greater China NBG by Quarter for 2021



Greater China NBG by Year



2021 WINNERS

INFRASTRUCTURE



DIGITAL CITIES

Ezhou Huahu Airport Project

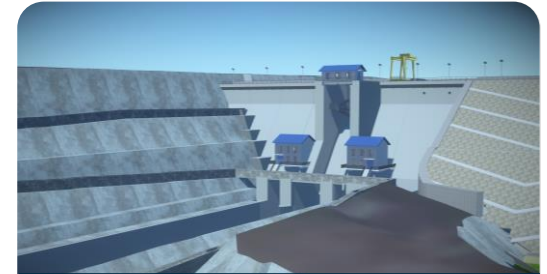
Hubei International Logistics Airport Co., Ltd.,
Shenzhen S.F. Taisen Holdings (Group) Co., Ltd.,
Airport Construction Engineering Co., Ltd.
China



GEOTECHNICAL ENGINEERING

Geological Survey of Water Conservancy and Hydropower Engineering

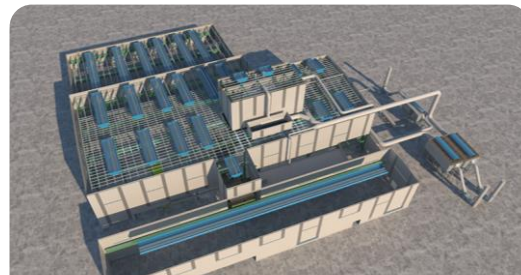
China Water Resources Beifang
Investigation, Design and Research Co. Ltd.
China



LAND AND SITE DEVELOPMENT

Dongtaizi Reservoir Project

Liaoning Water Conservancy and
Hydropower Survey and Design Research
Institute Co., Ltd.
China



MANUFACTURING

Continuous Casting Project of Jinnan Steel Phase II Quwo Base Capacity Reduction and Replacement Project

WISDRI Engineering & Research
Incorporation Limited
China

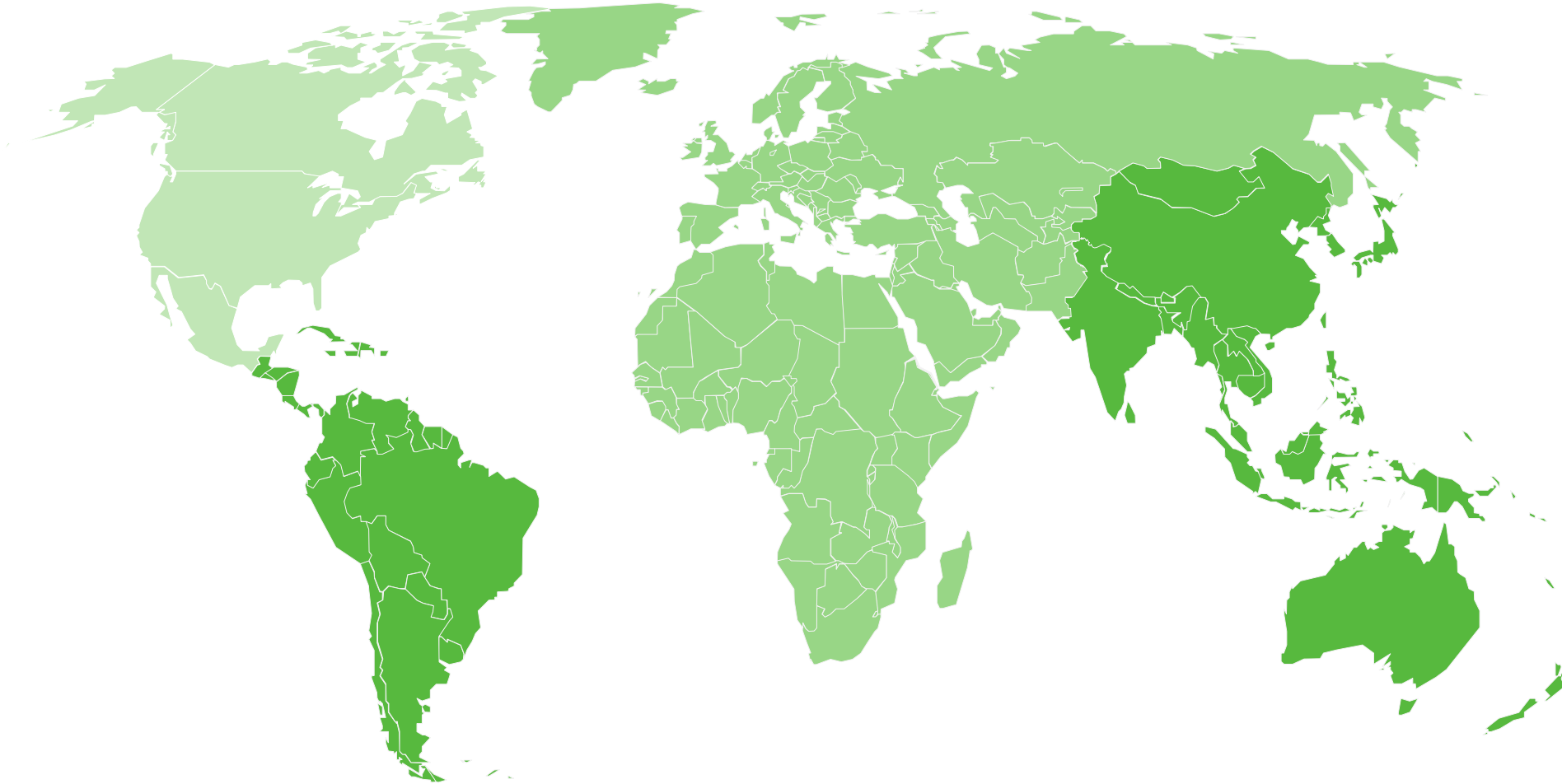


POWER GENERATION

The Subcritical Blast Furnace Gas Power Generation Project World's First 60MW

Capital Engineering & Research
Incorporation Limited
China

Comprehensiveness Across *Geographies*: Seequent



Comprehensive Product Portfolio for Geoprofessionals



PRODUCT CATEGORY



PRODUCT FAMILY






FIRST MAJESTIC
SILVER CORP




 SEEQUENT

 leapfrog

 leapfrog
EDGE

 CENTRAL

 GeoStudio

 PLAXIS



PHOTO: Hernán Valdez Gutiérrez

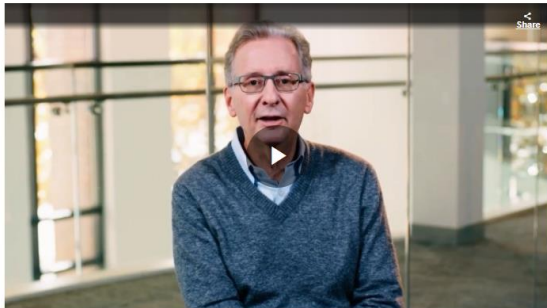
Corporate Developments

Greg Bentley, Chief Executive Officer

Our Impact: ES(D)G

Hear from Bentley CEO, Greg Bentley, on Empowering Sustainable (Development) Goals, his perspective for how the infrastructure community contributes to progress on the U.N. Sustainable Development Goals.

[Watch the Video](#) →



SUSTAINABLE DEVELOPMENT GOALS



17

U.N. Sustainable Development Goals

The 17 UN Sustainable Development Goals are a global call to action, "a shared blueprint for peace and prosperity for people and the planet, now and into the future." Sustainable and resilient infrastructure is a foundational and essential contributor to reaching these goals. Our expertise in infrastructure is our greatest contribution to sustainable development, and we will report on how our users leverage our technology to drive progress toward these goals.

[Watch the Video](#) →

Innovation, Resilience, Responsibility

It is not a question of whether we will build infrastructure, as it is essential to our quality of life and underpins our economies. Rather, we must build sustainable infrastructure and endeavor to be the best possible stewards of our environment. Understandably, then, we feel that our greatest impact is providing the technology and facilitating the sharing of best practices that empowers our users to advance infrastructure responsibly. Our users are the enterprises and professionals who design, build, and operate the world's infrastructure.

[Read Their Stories Below](#)



CLEAN ENERGY TRANSITION Power Generation Engineering and Services Company

Building One of the Largest Solar Parks in the World

[Learn More](#) →



CLIMATE ACTION & RESILIENCE Shanghai Investigation, Design & Research Institute Co., Ltd.

Determining How to Prevent Flooding in an Urban Area

[Learn More](#) →



HEALTHY COMMUNITIES The Bay Area Air Quality Management District

Improving Air Quality and the Health of a Large U.S. City

[Learn More](#) →



LAND & WATER RESOURCES Advisian

Providing Clean Water to 750,000 Refugees

[Learn More](#) →



UN Sustainable Development Goals: **SDG**

Environment, **Social**, and **Governance**: **ESG**



To remind us throughout Bentley Systems
of our quite unique capabilities,
and hence imperatives, in...

ES(D)G:



**Empowering Sustainable
Development Goals!**







ES(D)G Priorities

MOBILITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 
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12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 
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ENVIRONMENT

6 CLEAN WATER AND SANITATION 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
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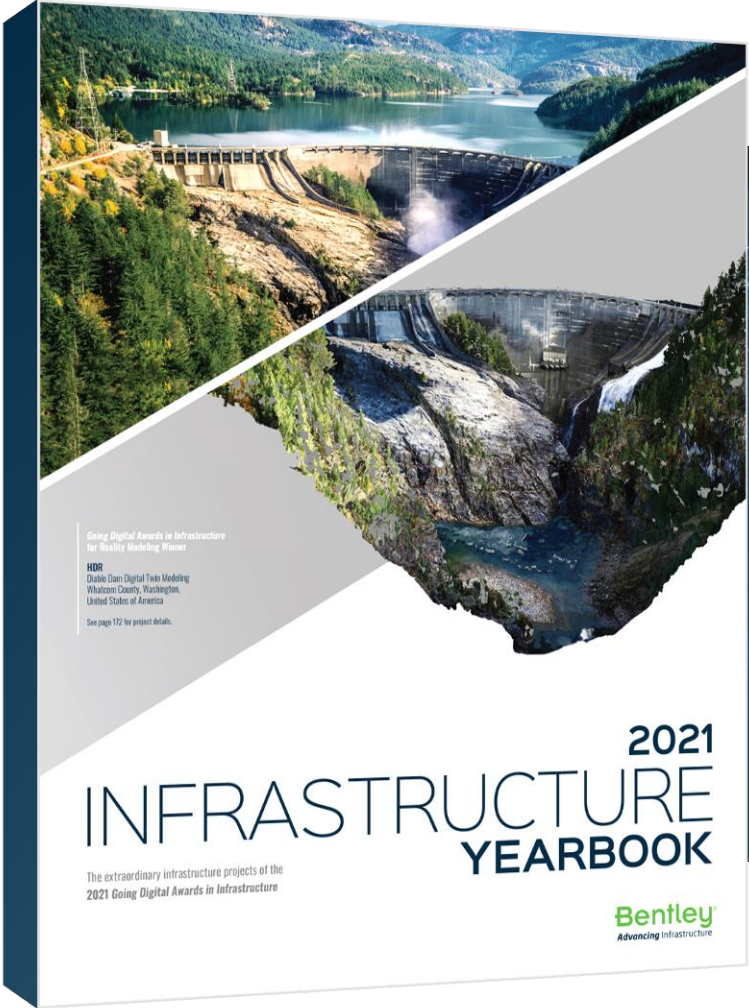
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 
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GRIDS

7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
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12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 
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2021 Infrastructure Yearbook

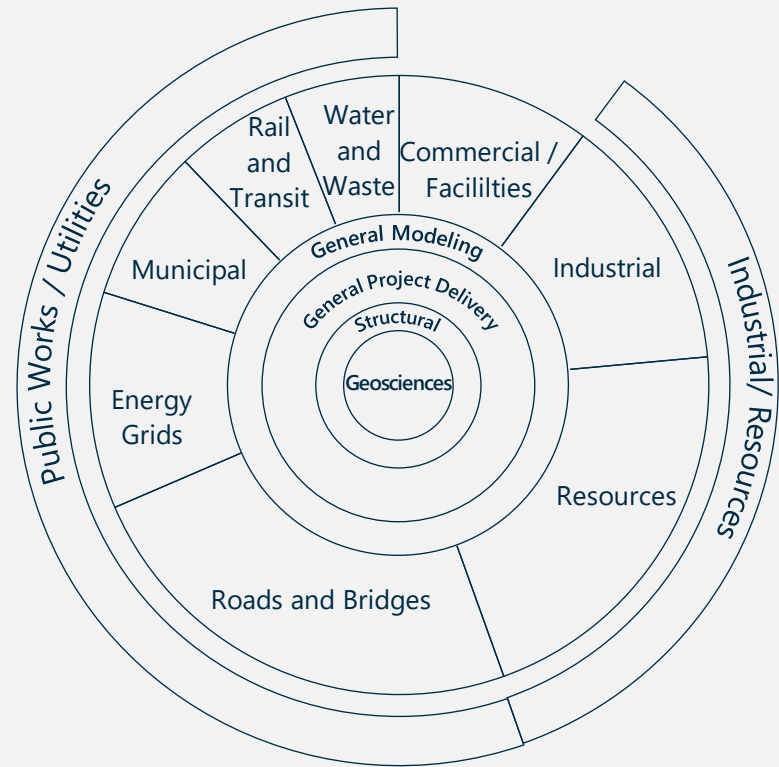


www.bentley.com/en/infrastructure-yearbook

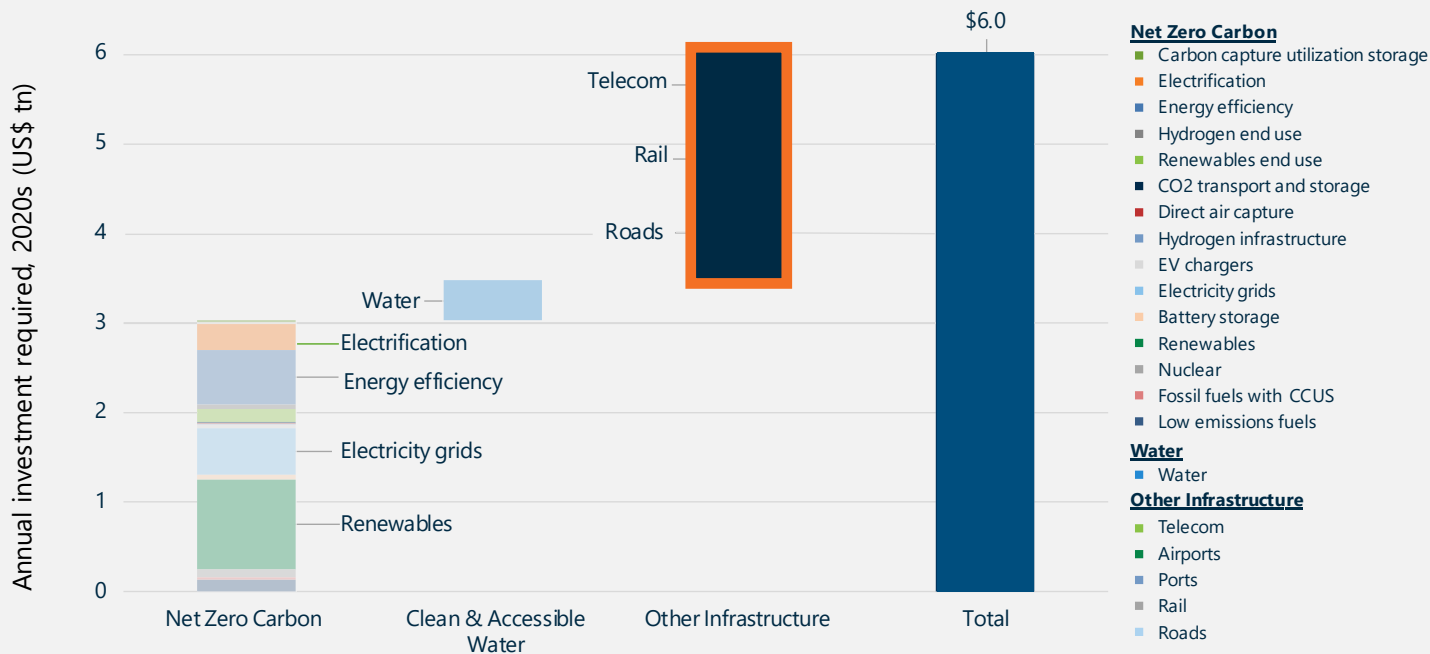
ES(D)G Priorities

MOBILITY

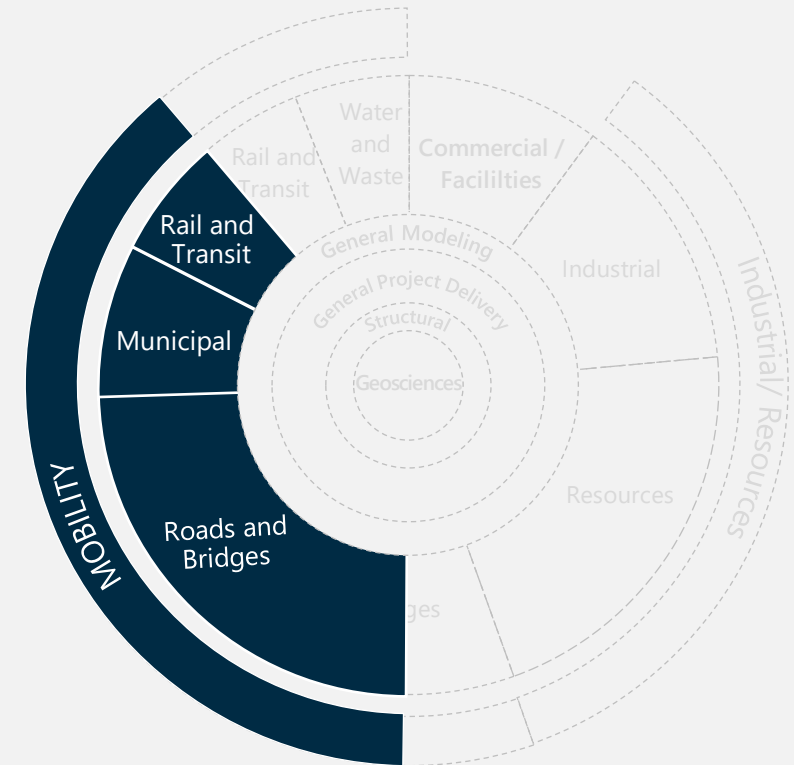




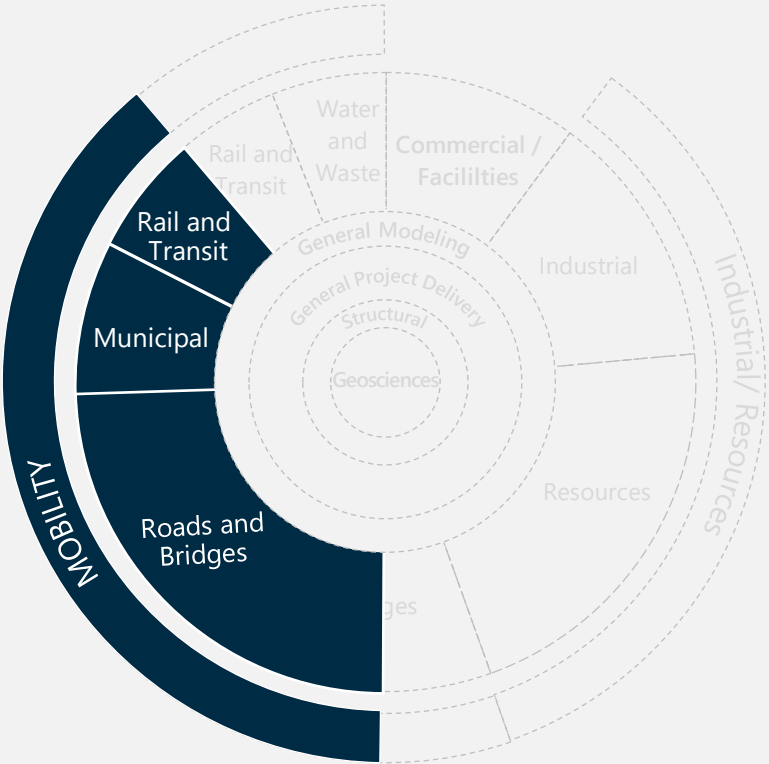
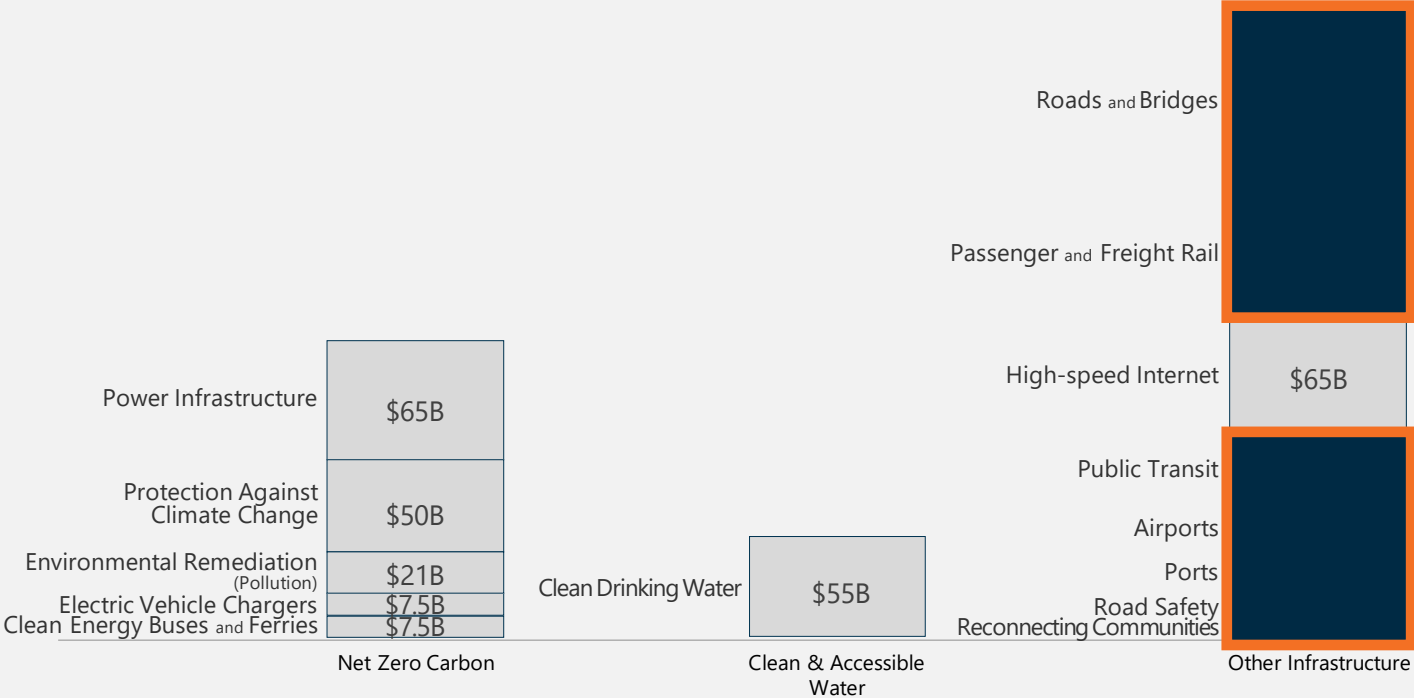
Annual Green Capex to Meet Global Net Zero, Infrastructure, and Clean Water Goals



Source: IEA, OECD, McKinsey & Company, Goldman Sachs Global Investment Research – 2021/10/11



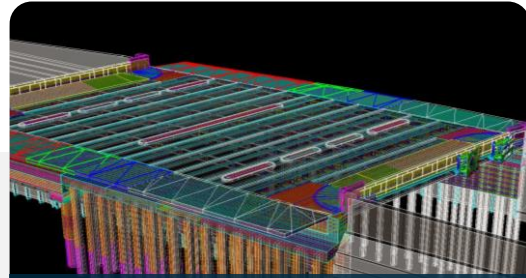
Infrastructure Investment and Jobs Act





2021 WINNERS

ES(D)G IN MOBILITY



BRIDGES

East 138th Street over the Major Deegan Expressway

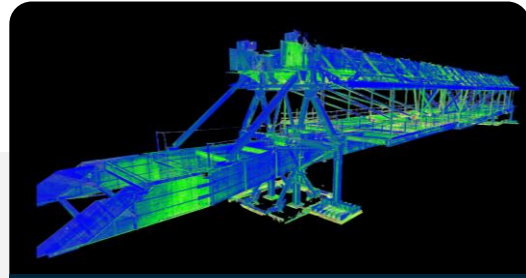
New York State Department of Transportation
United States of America



DIGITAL CITIES

Ezhou Huahu Airport Project

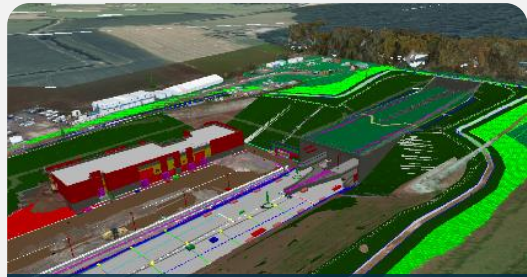
Hubei International Logistics Airport Co., Ltd., Shenzhen S.F. Taisen Holdings (Group) Co., Ltd., Airport Construction Engineering Co., Ltd.
China



DIGITAL CONSTRUCTION

SeaTac Airport International Arrivals Facility

Clark Construction Group, LLC
United States of America



PROJECT DELIVERY INFORMATION MANAGEMENT

HS2 Phase 1 Main Civil Construction Works

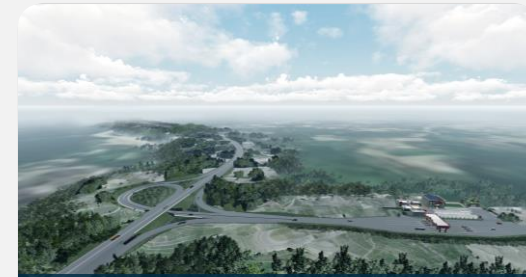
Mott MacDonald Systra JV with Balfour Beatty Vinci
United Kingdom



RAIL AND TRANSIT

Transpennine Route Upgrade

Network Rail + Jacobs
United Kingdom



ROADS AND HIGHWAYS

Trans Sumatera Toll Road Project Section Serbelawan-Pematangsiantar

PT Hutama Karya (Persero)
Indonesia



ROAD AND RAIL ASSET PERFORMANCE

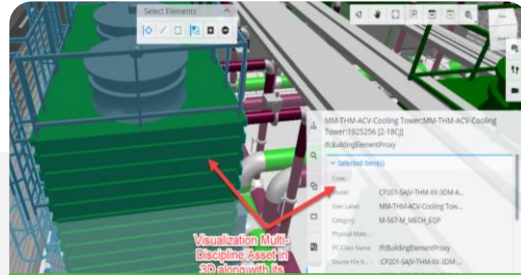
Stone Arch Bridge Rehabilitation

Collins Engineers, Inc
United States of America



FOUNDERS' HONOREES

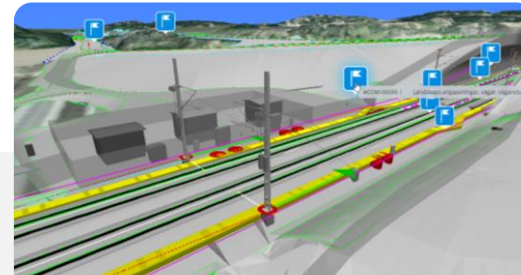
ES(D)G IN MOBILITY



4D DESIGN REVIEW

MRT Jakarta Phase II

PT MRT JAKARTA (Perseroda)
Indonesia



DIGITAL ADAPTATION

East Link

AERY & Tyréns Consortium
Sweden



COMPREHENSIVE PROJECT DT

Application of BIM Technology in the Design of Xi'an-Shiyan High-Speed Railway

China Railway First Survey and Design Institute Group Co., Ltd.
China



4D DIGITAL TWINS ADVANCEMENT

TH 169: Redefine Elk River

WSB
United States of America



PANDEMIC-PROOF EXECUTION

Modification of Surabaya – Gresik Toll Road Interchange

PT Hutama Karya (Persero)
Indonesia

ES(D)G Priorities

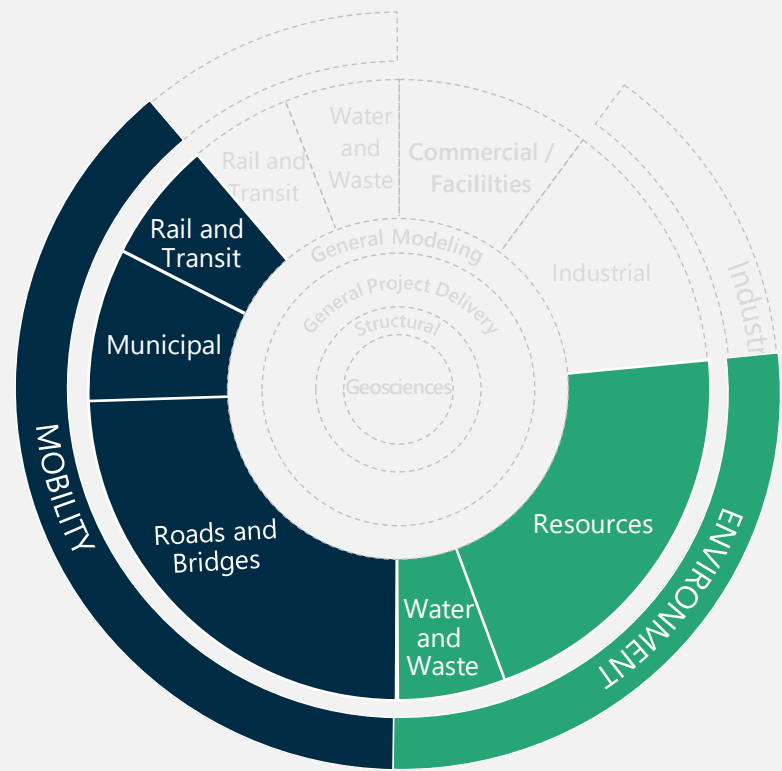
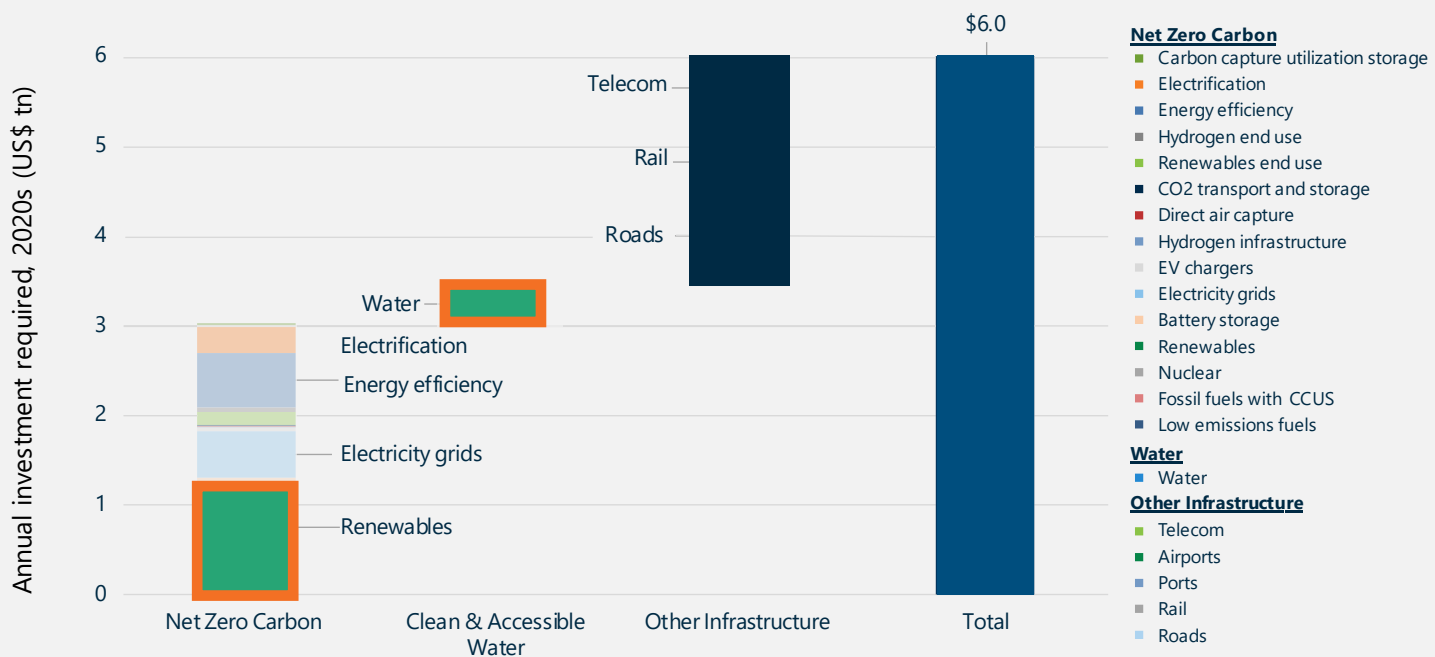
MOBILITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 

ENVIRONMENT

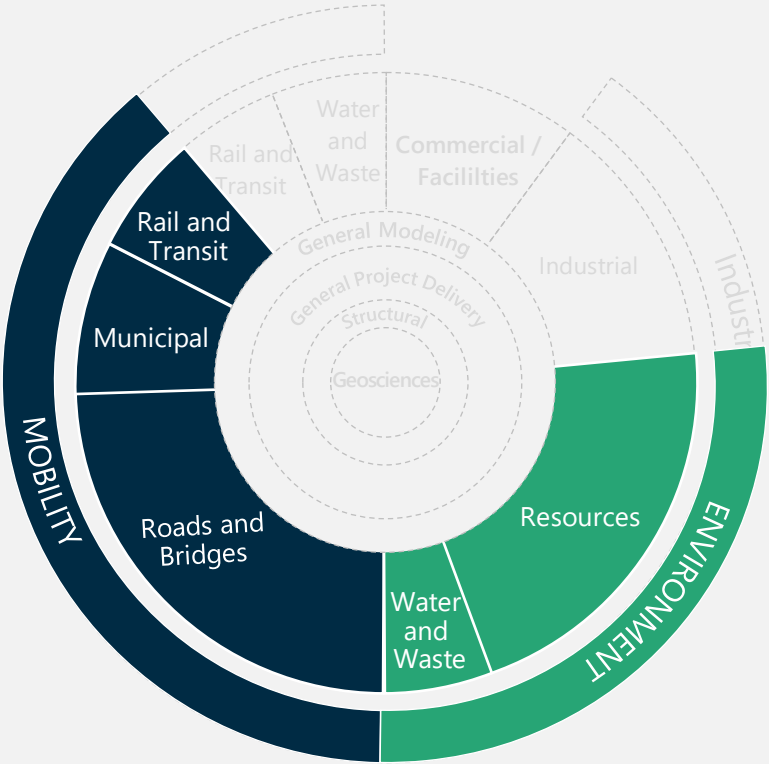
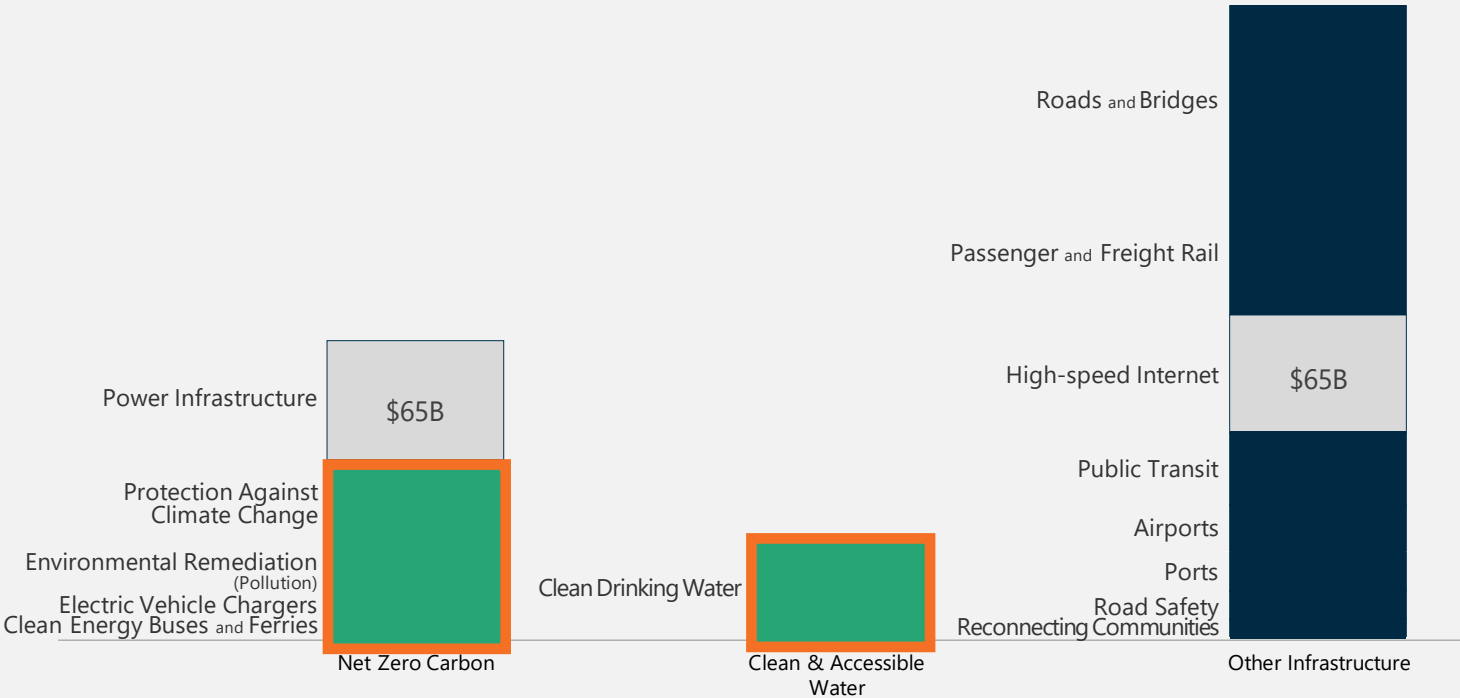
6 CLEAN WATER AND SANITATION 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 

Annual Green Capex to Meet Global Net Zero, Infrastructure, and Clean Water Goals



Source: IEA, OECD, McKinsey & Company, Goldman Sachs Global Investment Research – 2021/10/11

Infrastructure Investment and Jobs Act





2021 WINNERS

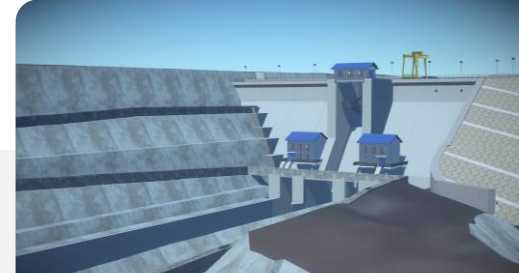
ES(D)G IN ENVIRONMENT



GEOTECHNICAL ENGINEERING

Geological Survey of Water Conservancy and Hydropower Engineering

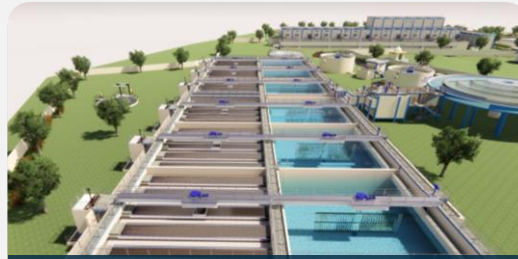
China Water Resources Beifang Investigation, Design and Research Co. Ltd.
China



LAND AND SITE DEVELOPMENT

Dongtaizi Reservoir Project

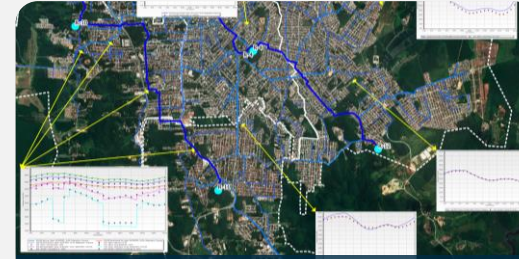
Liaoning Water Conservancy and Hydropower Survey and Design Research Institute Co., Ltd.
China



WATER AND WASTEWATER TREATMENT PLANTS

Khatan group of villages Water Supply Scheme (Surface Water Treatment), UP, India

Larsen & Tubro
India



WATER, WASTEWATER AND STORMWATER NETWORKS

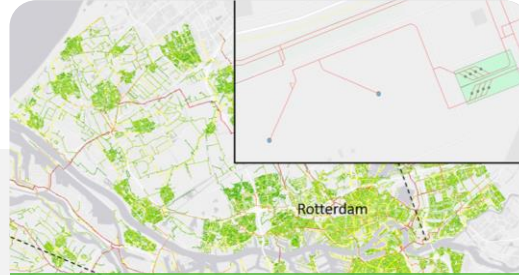
Contingency plan to ensure supply in the event of drought (Joinville-Santa Catarina)

Companhia Águas de Joinville (CAJ)
Brazil



FOUNDERS' HONOREES

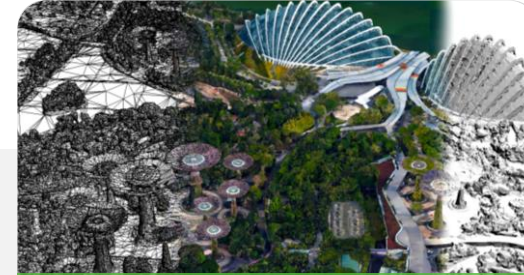
ES(D)G IN ENVIRONMENT



CLIMATE ACTION

Pumping energy optimization and CO2 reduction Evides case study

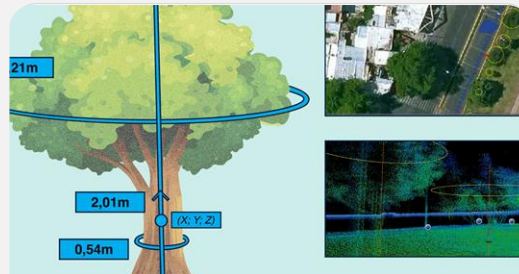
Evides NV
Netherlands



NATIONAL DIGITAL TWIN

Advancing Singapore National 3D Reality Mapping for a Changing World

Singapore Land Authority
Singapore



SUSTAINABLE CITIES AND COMMUNITIES

Tree modeling and feature extraction using Mobile Mapping

GenMap
Argentina



COMPREHENSIVE COLLABORATION

Tuas Water Reclamation Plant - Contract C4A - BioSolids & Digesters

CES_SDC Pte Ltd (CES_SDC) & AECOM
Singapore Pte Ltd (AECOM)
Singapore

Bentley recognized as **Asia Pacific Region Social Impact Recognition Award Winner** for **Sustainability Changeloger 2021**

Microsoft
Asia Pacific
Partner



2021 Partner of the Year Winner
Social Impact
Sustainability Changeloger



<https://customers.microsoft.com/en-us/story/848311-doosan-manufacturing-azure-digital-twins>





“ With Azure Digital Twins, IoT Hub, and the Bentley iTwin digital visualization model, we could take advantage of ready-to-use building blocks to quickly build the wind farm model, and we now use it to create new technical innovations and business opportunities.

—Seiyoung Jang, General Manager of Strategy and Innovation, Doosan Heavy Industries & Construction



ES(D)G Priorities

MOBILITY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 
---	---



12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 
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ENVIRONMENT

6 CLEAN WATER AND SANITATION 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
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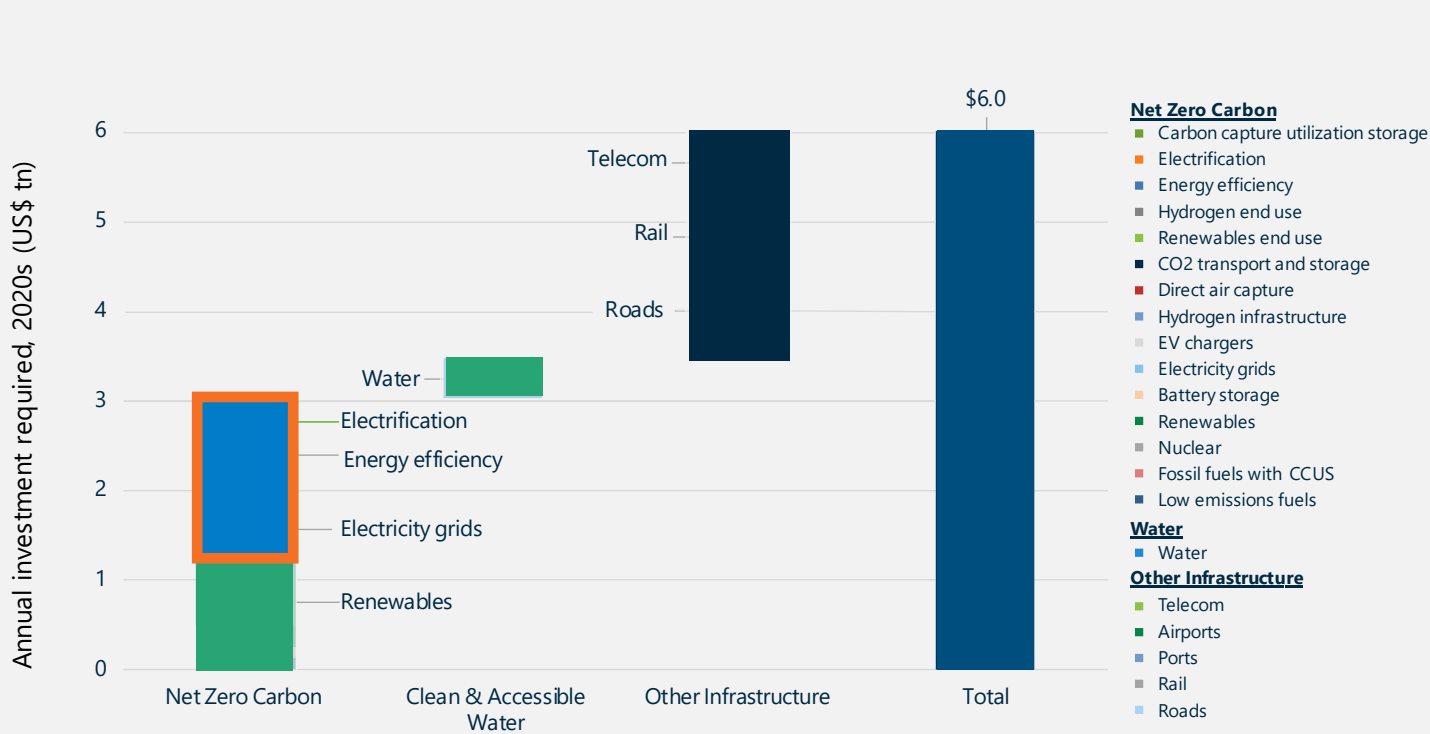
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 	15 LIFE ON LAND 
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GRIDS

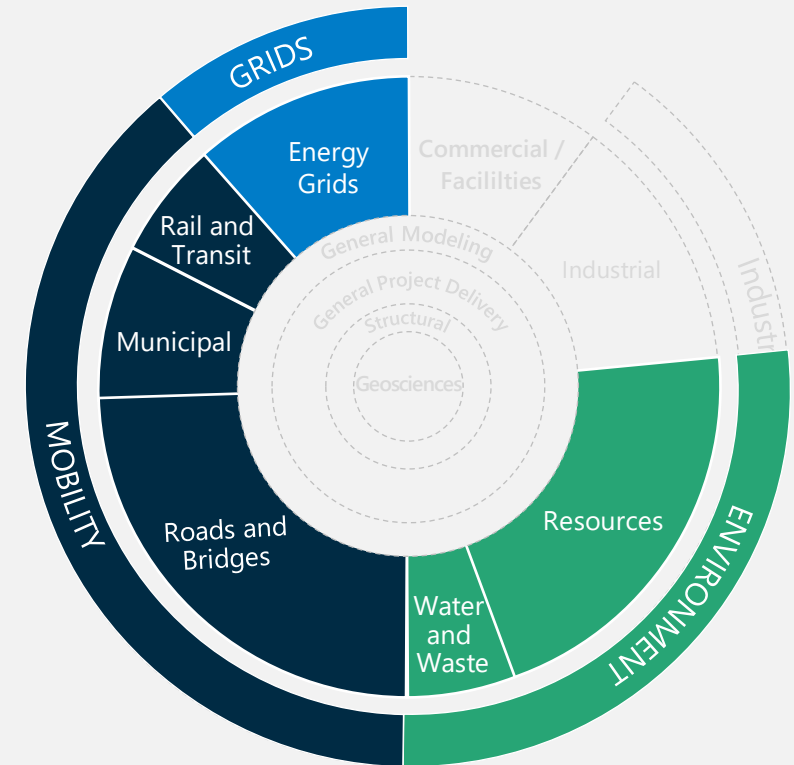
7 AFFORDABLE AND CLEAN ENERGY 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 
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12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION 
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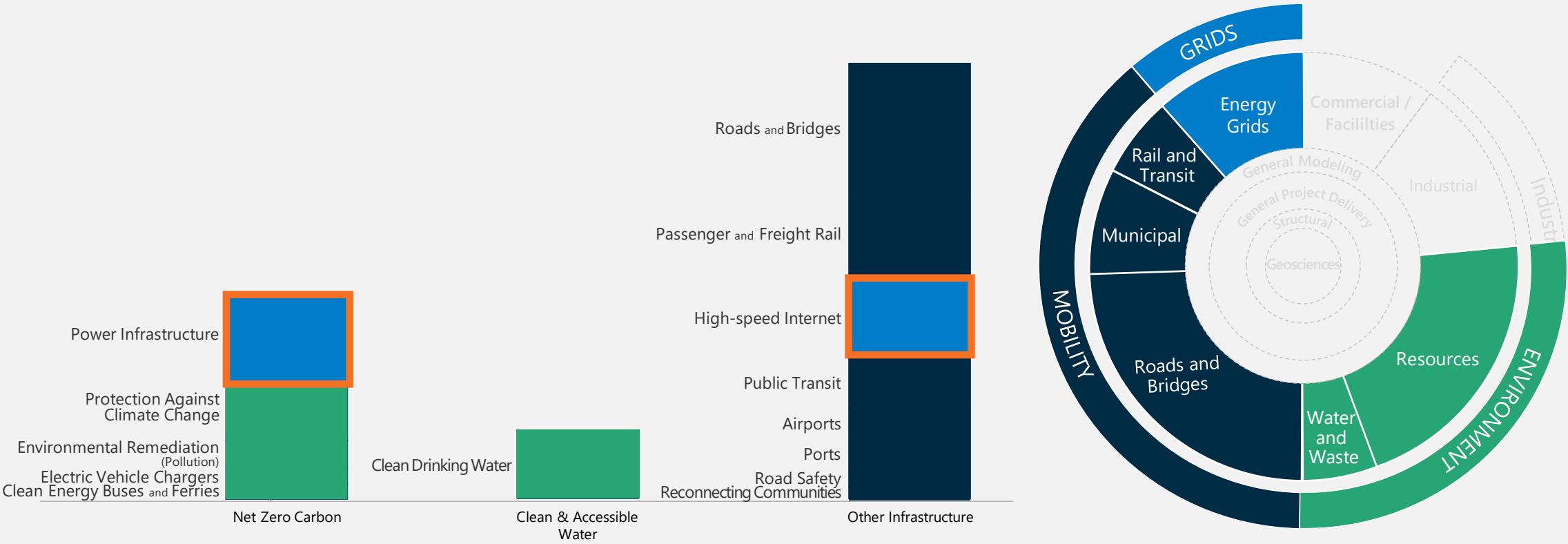
Annual Green Capex to Meet Global Net Zero, Infrastructure, and Clean Water Goals



Source: IEA, OECD, McKinsey & Company, Goldman Sachs Global Investment Research – 2021/10/11



Infrastructure Investment and Jobs Act





2021 WINNERS

ES(D)G IN GRIDS



POWER GENERATION

The World's First 60MW Subcritical Blast Furnace Gas Power Generation Project

Capital Engineering & Research
Incorporation Ltd.
China



REALITY MODELING

Diablo Dam Digital Twin Modeling

HDR
United States of America



UTILITIES AND COMMUNICATIONS

Suixian & Guangshui 80MWp Ground-Based Photovoltaic Power Project of Hubei Energy Group

PowerChina Hubei Electric
Engineering Co., Ltd.
China



FOUNDERS' HONOREES

ES(D)G IN GRIDS



DIGITAL TWINS R&D

Application of Digital Twin Technology in the Full Lifecycle of Offshore Wind Power Projects

Shanghai Investigation, Design & Research Institute Co., Ltd.
China



AFFORDABLE AND CLEAN ENERGY

Fujian Changle Zone C Offshore Wind Farm

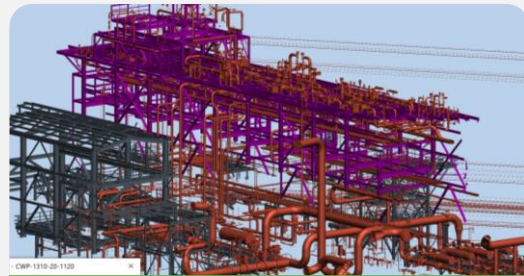
Fujian Yongfu Power Engineering Co., Ltd.
China



VIRTUOSO INVENTION

Hydraulic Trashrack Cleaning Machine (TRCM) Customized to Remove Sedimentation

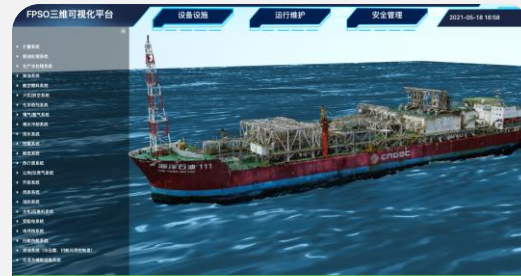
GMW Private Limited
India



PROJECT DELIVERY VISIBILITY

Golden Pass LNG Export Project

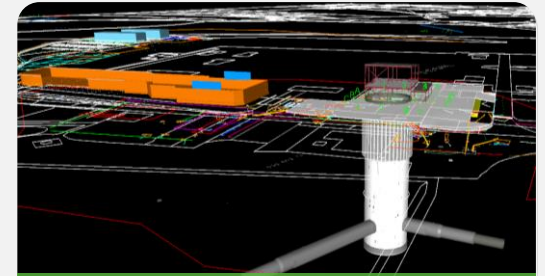
Zachry Industrial, Inc., a Zachry Group Company
Canada



AS-OPERATED DIGITAL TWIN

Digital Twin Project of the FPSO Offshore Oil Gathering and Transportation Platform

CNOOC Energy Development Design and R&D Center
China



DIGITAL INTEGRATOR

London Power Tunnels 2

Mott MacDonald and National Grid
United Kingdom

BSY: The Infrastructure Engineering Software Company

As presented
(2020)



Note: All figures as of December 31, 2020 unless otherwise noted.
Recurring revenues consist of subscriptions revenues and certain professional services revenues that are recurring in nature.

¹ See Appendix Footnote 1

² See Appendix Footnote for non-GAAP definitions and reconciliations

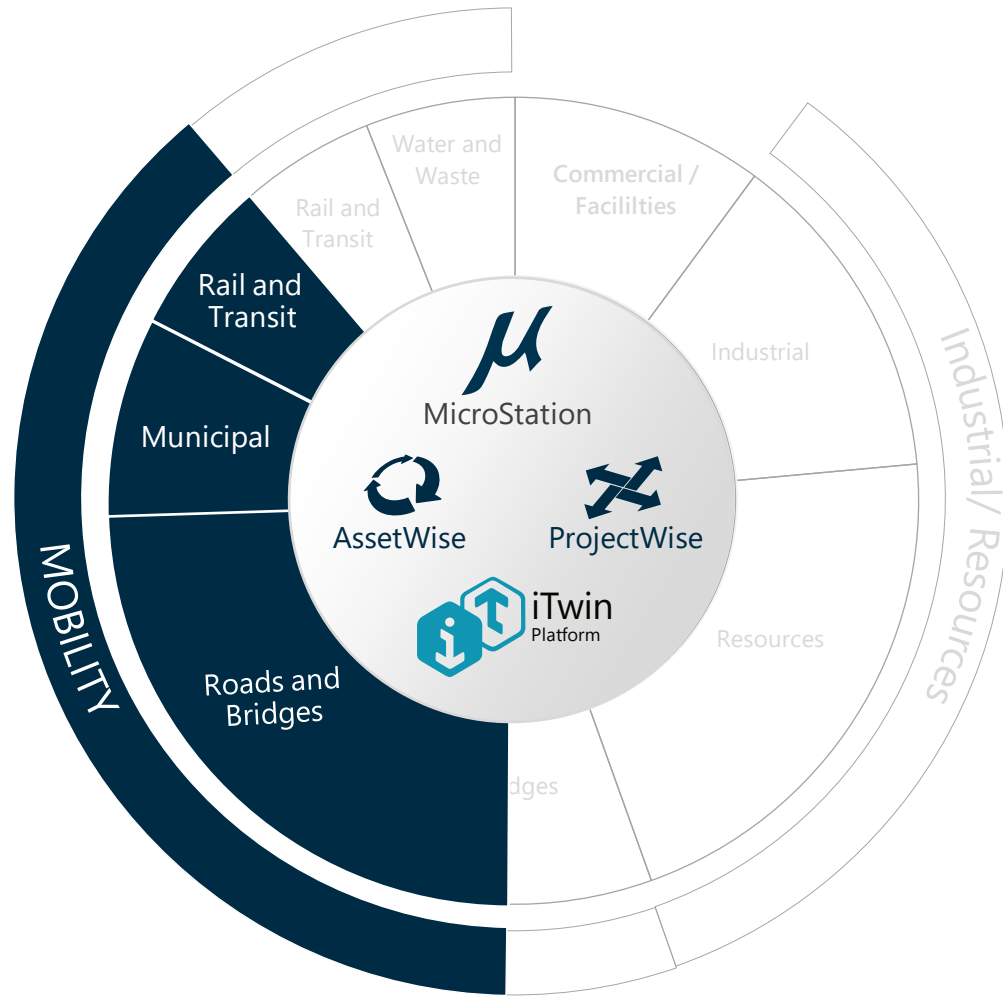
BSY: *The Infrastructure Engineering Software Company*



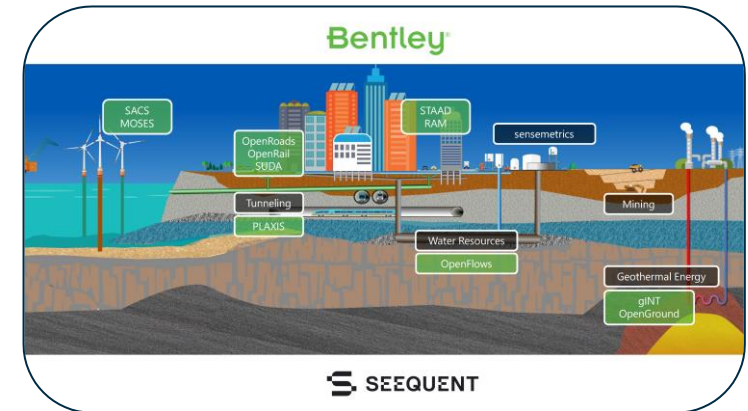
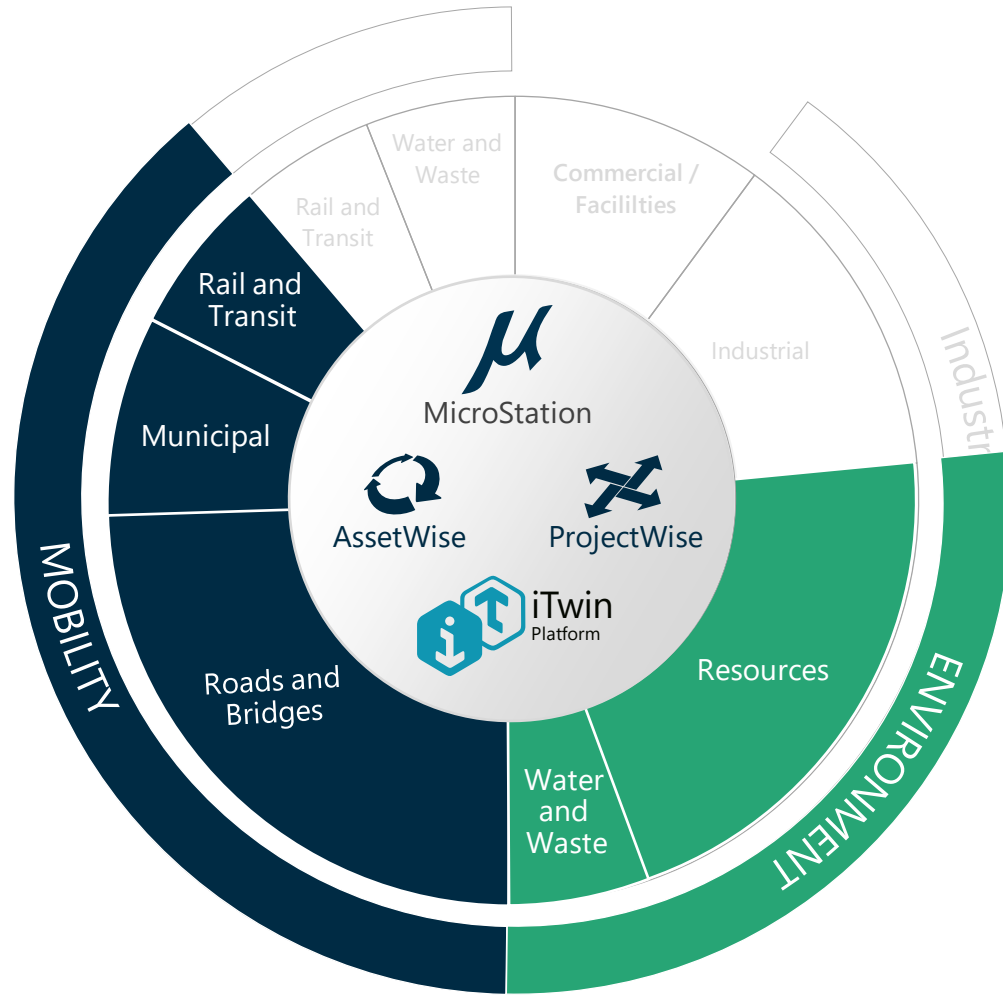
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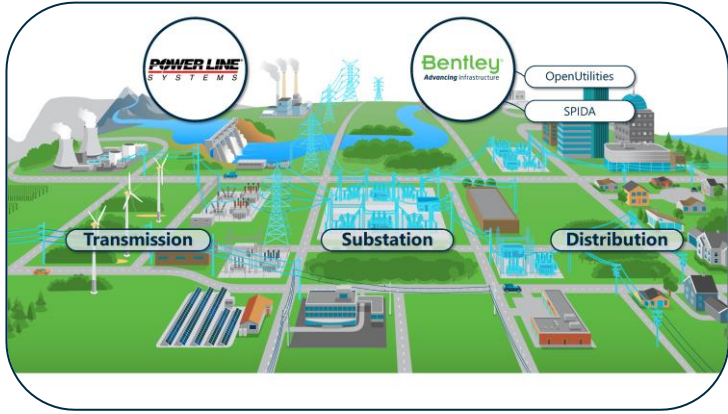


- CUBE
- EMME
- DYNAMEQ
- SYNCHRO
- SUPERLOAD
- OpenRoads
- OpenRail
- OpenBridge

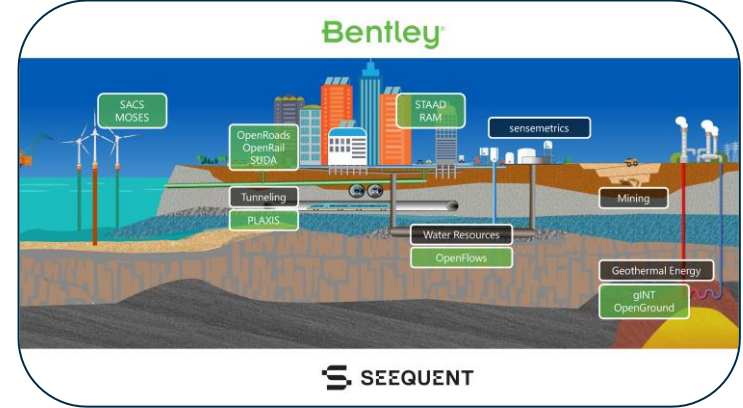
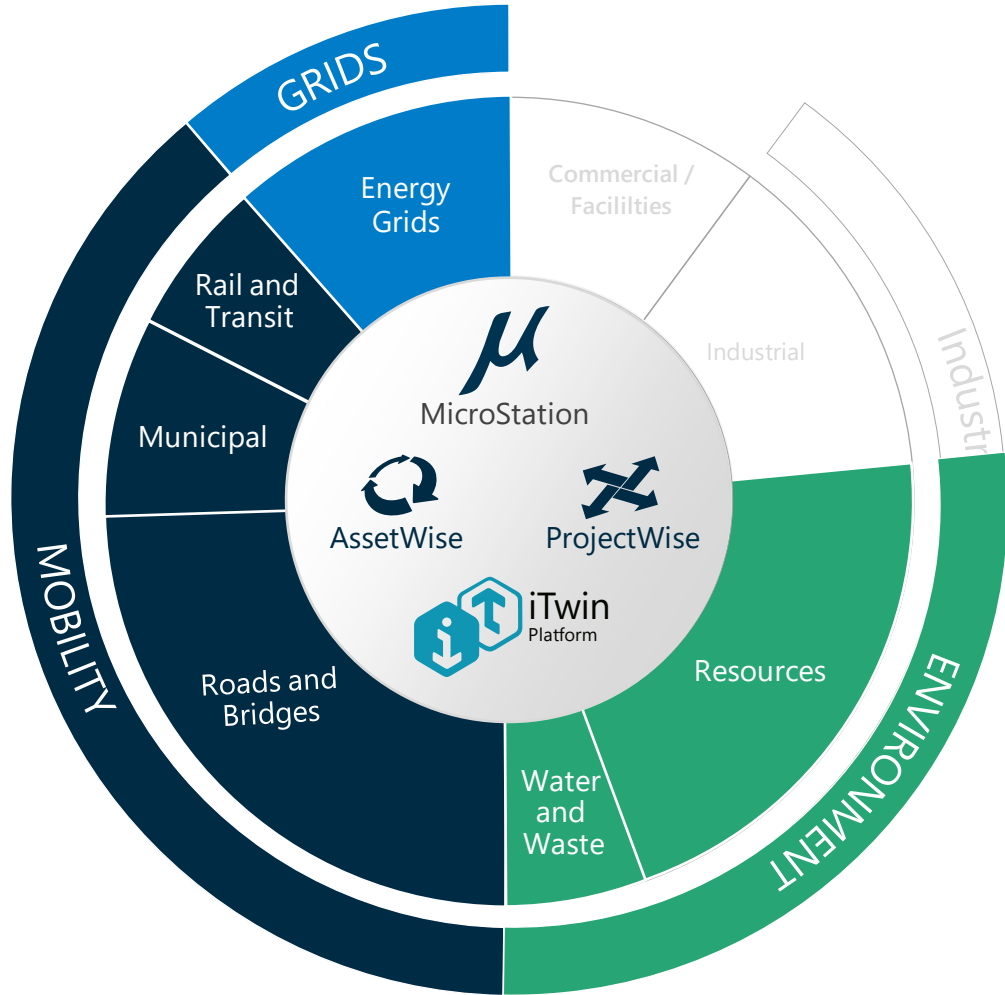


- CUBE
- EMME
- DYNAMEQ
- SYNCHRO
- SUPERLOAD
- OpenRoads
- OpenRail
- OpenBridge

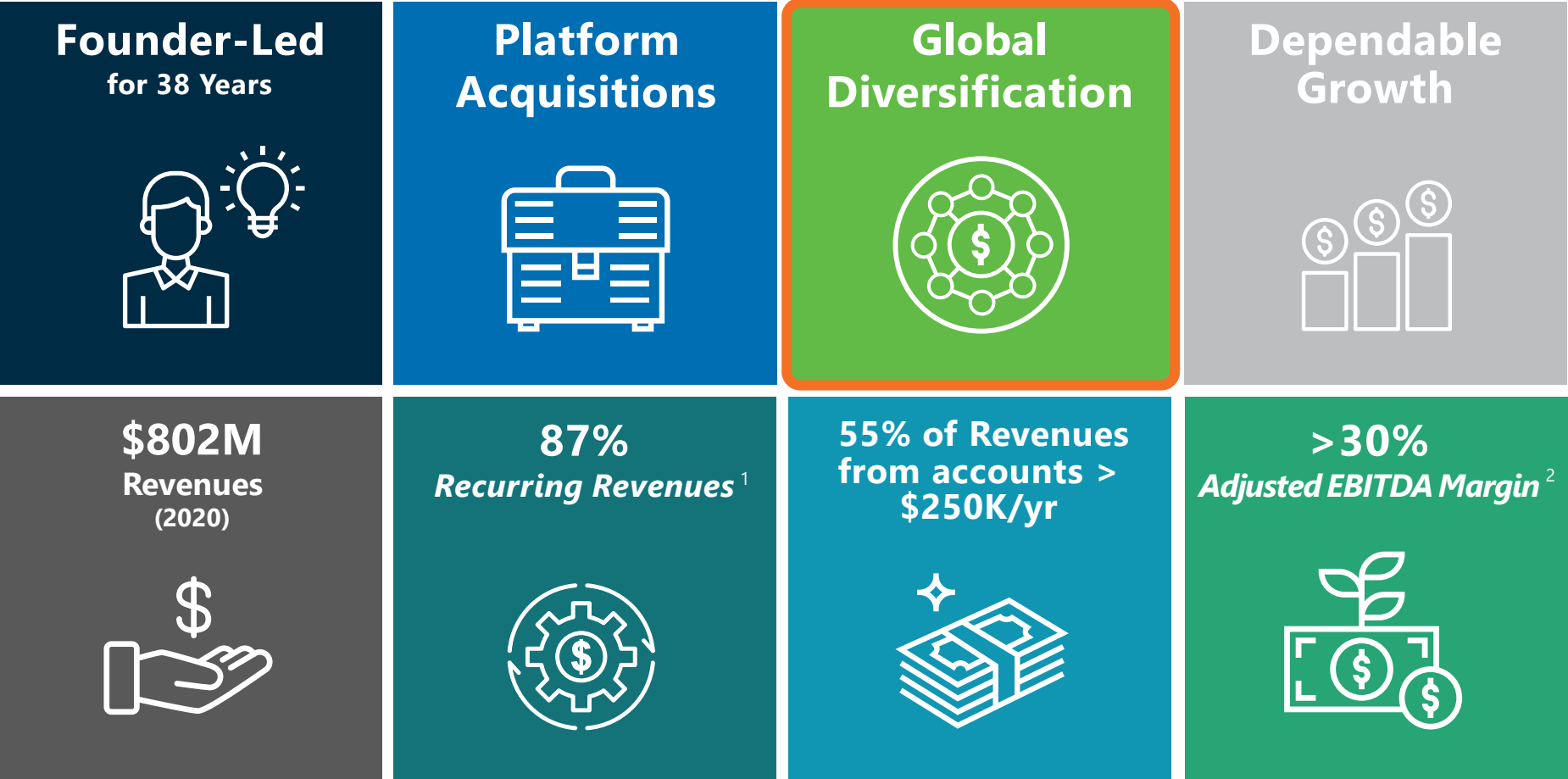




- CUBE
- EMME
- DYNAMEQ
- SYNCHRO
- SUPERLOAD
- OpenRoads
- OpenRail
- OpenBridge

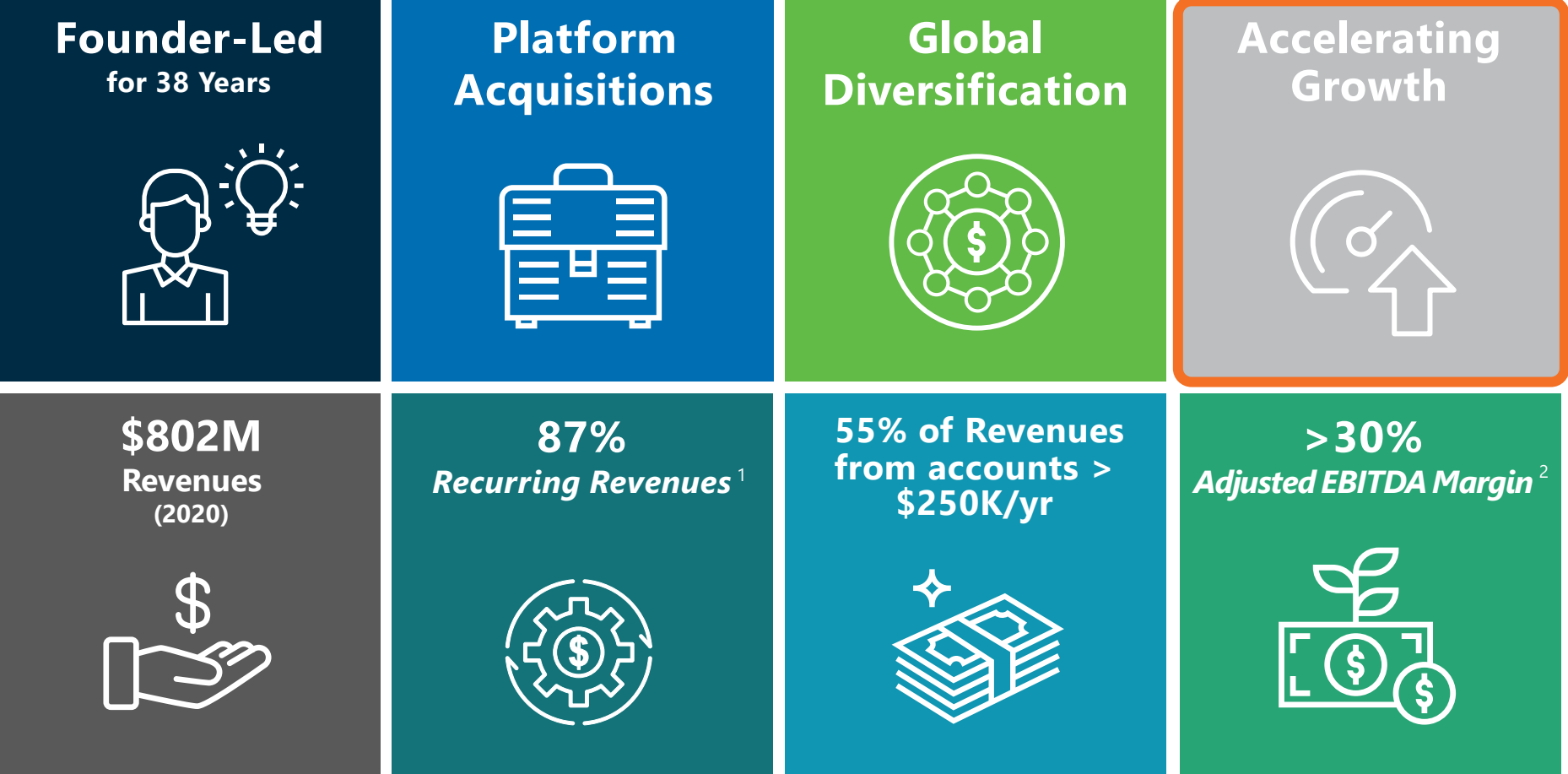


BSY: *The Infrastructure Engineering Software Company*



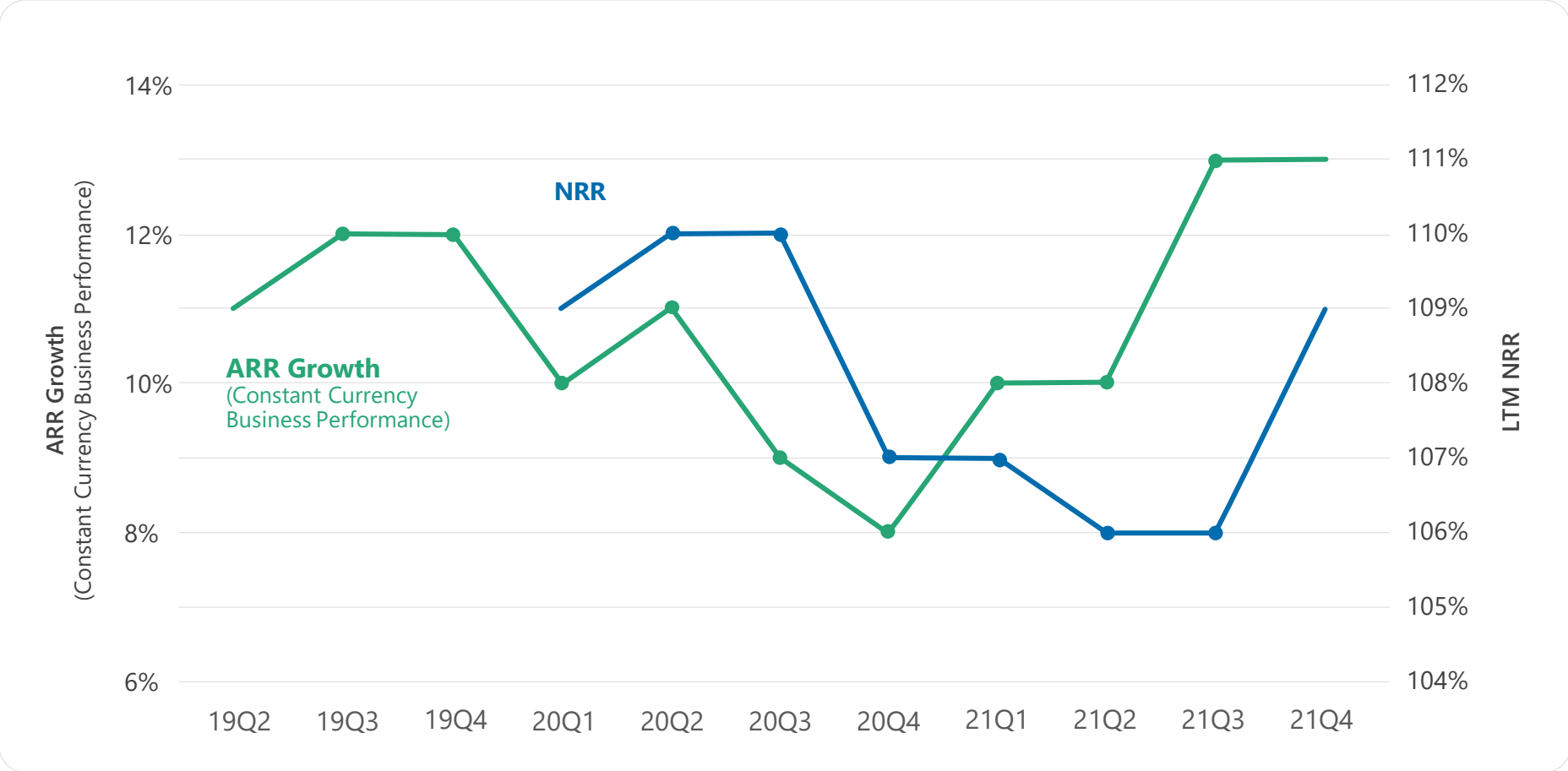
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BSY: *The Infrastructure Engineering Software Company*

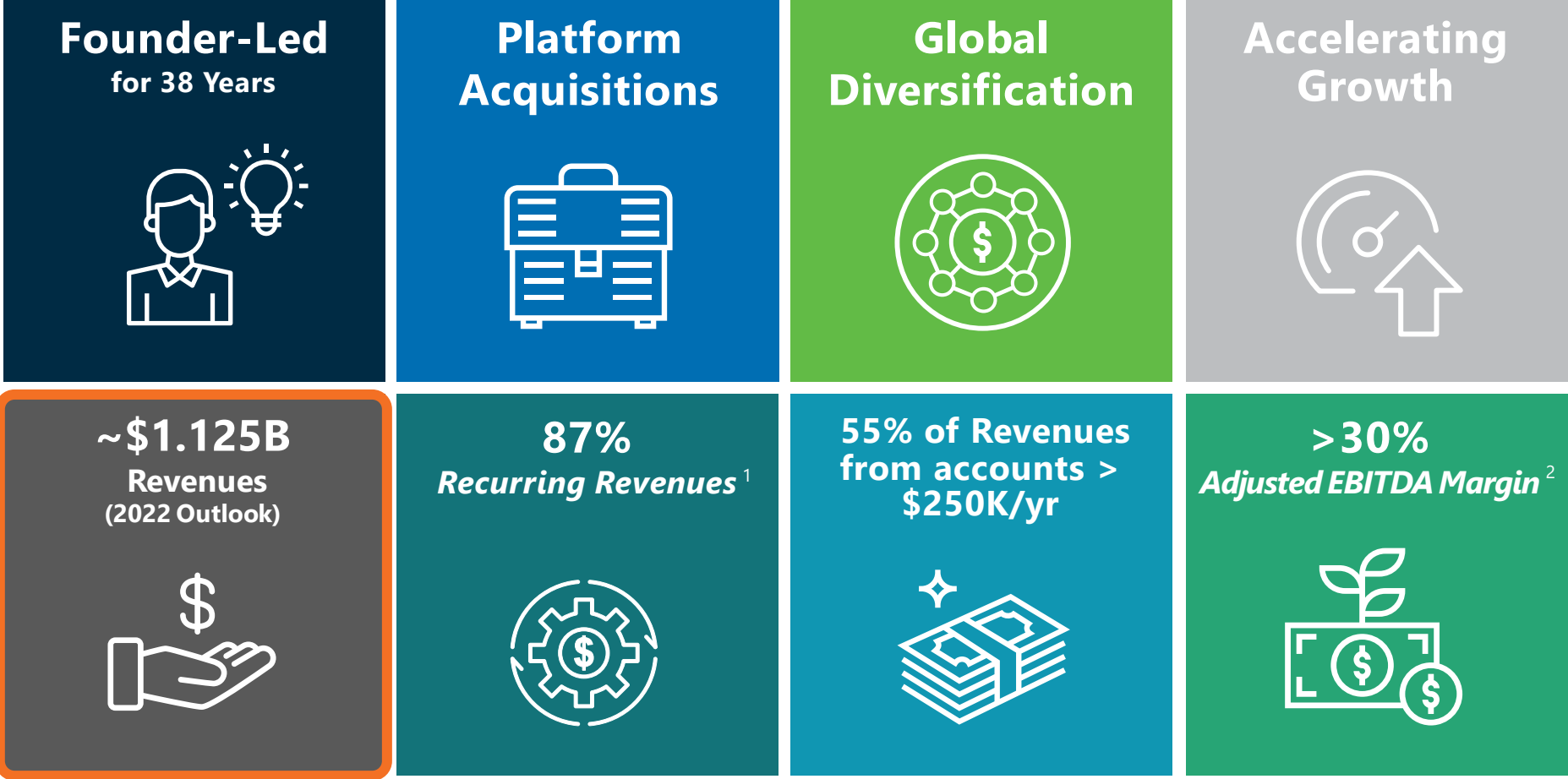


*Note: All figures as of December 31, 2020 unless otherwise noted.
Recurring revenues consist of subscriptions revenues and certain professional services revenues that are recurring in nature.
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² See Appendix Footnote for non-GAAP definitions and reconciliations*

Historical ARR⁴ Growth and Net Retention³ Growth

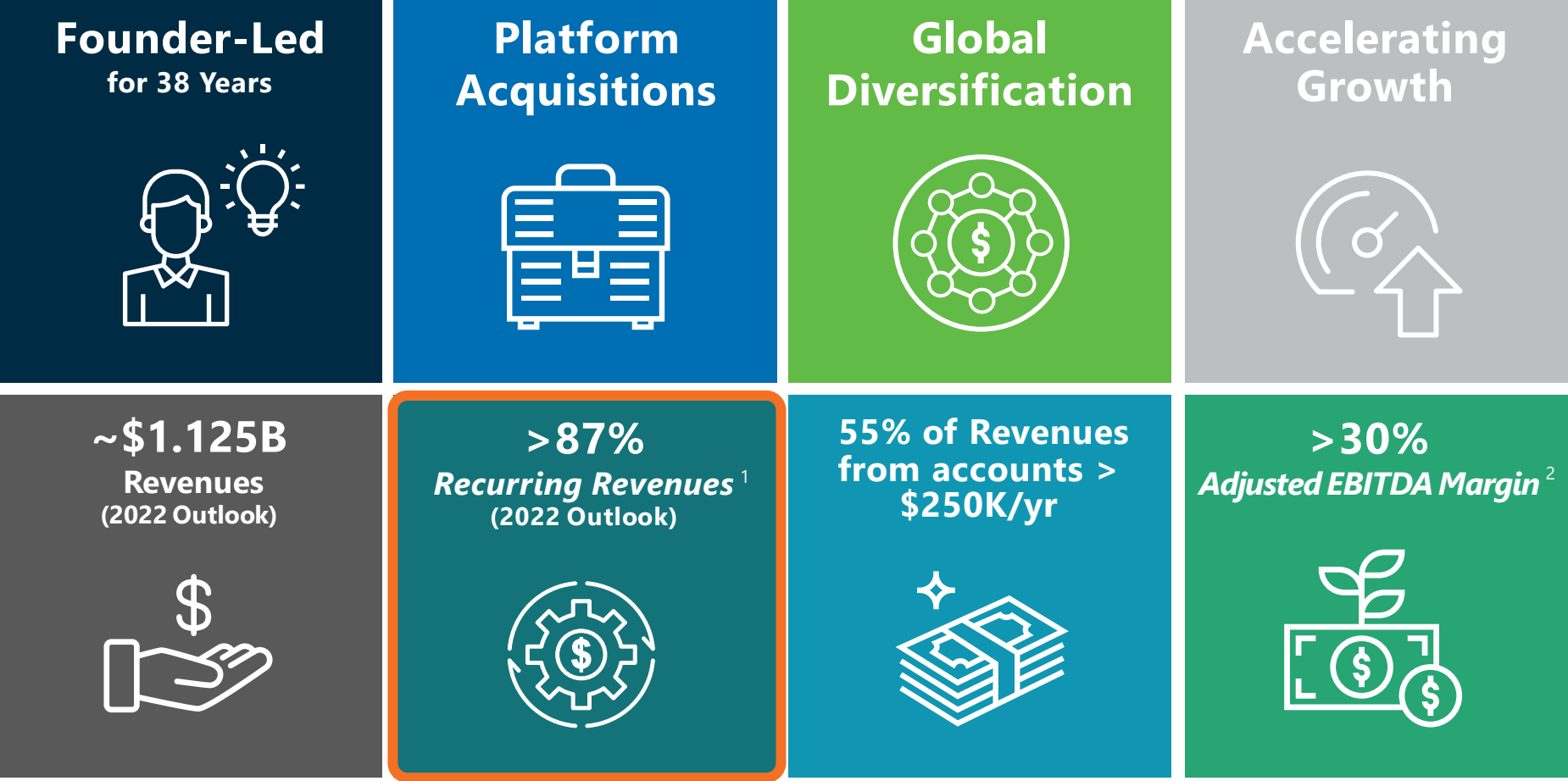


BSY: *The Infrastructure Engineering Software Company*



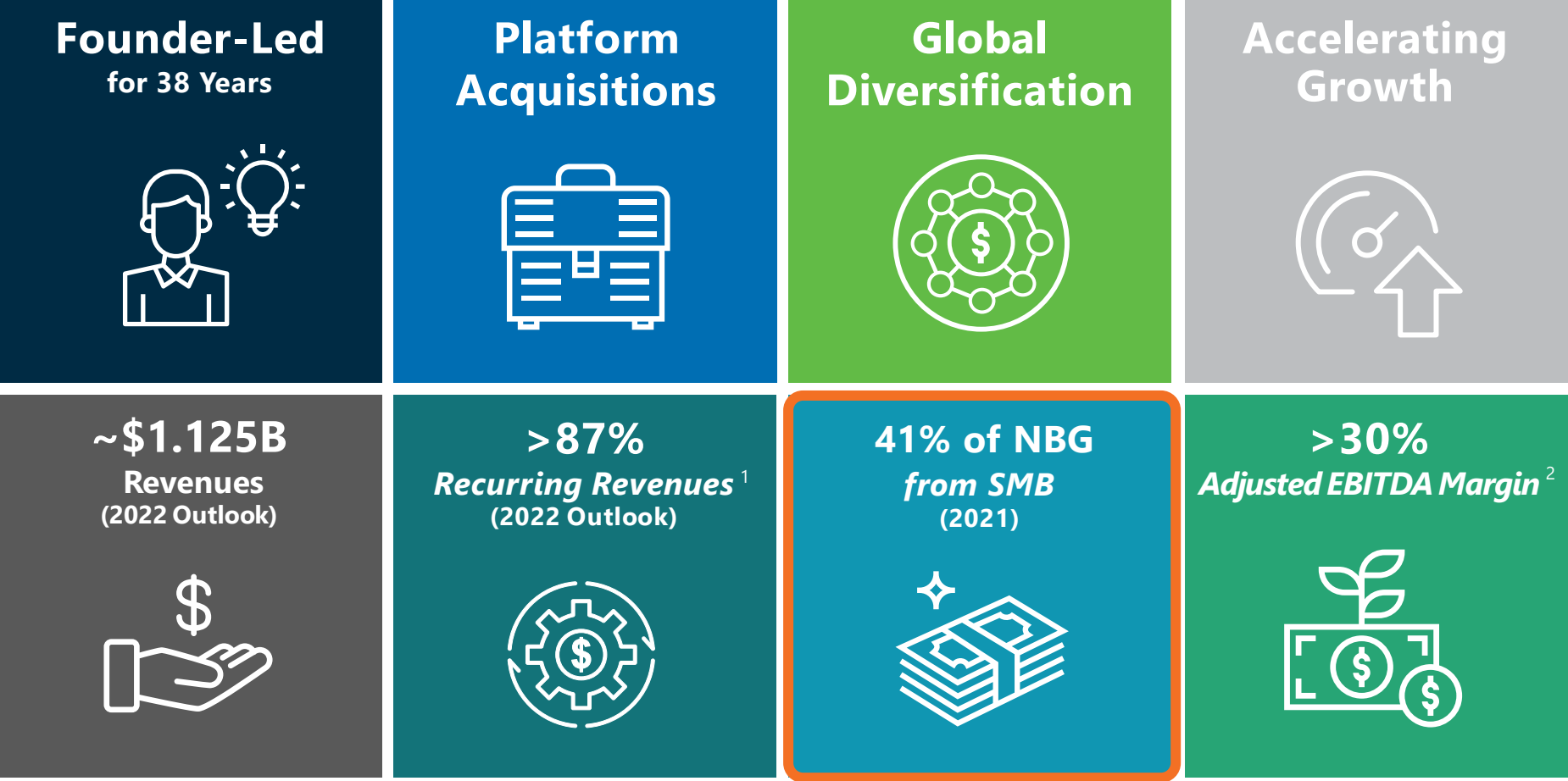
*Note: All figures as of December 31, 2020 unless otherwise noted.
Recurring revenues consist of subscriptions revenues and certain professional services revenues that are recurring in nature.
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BSY: The Infrastructure Engineering Software Company



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BSY: *The Infrastructure Engineering Software Company*

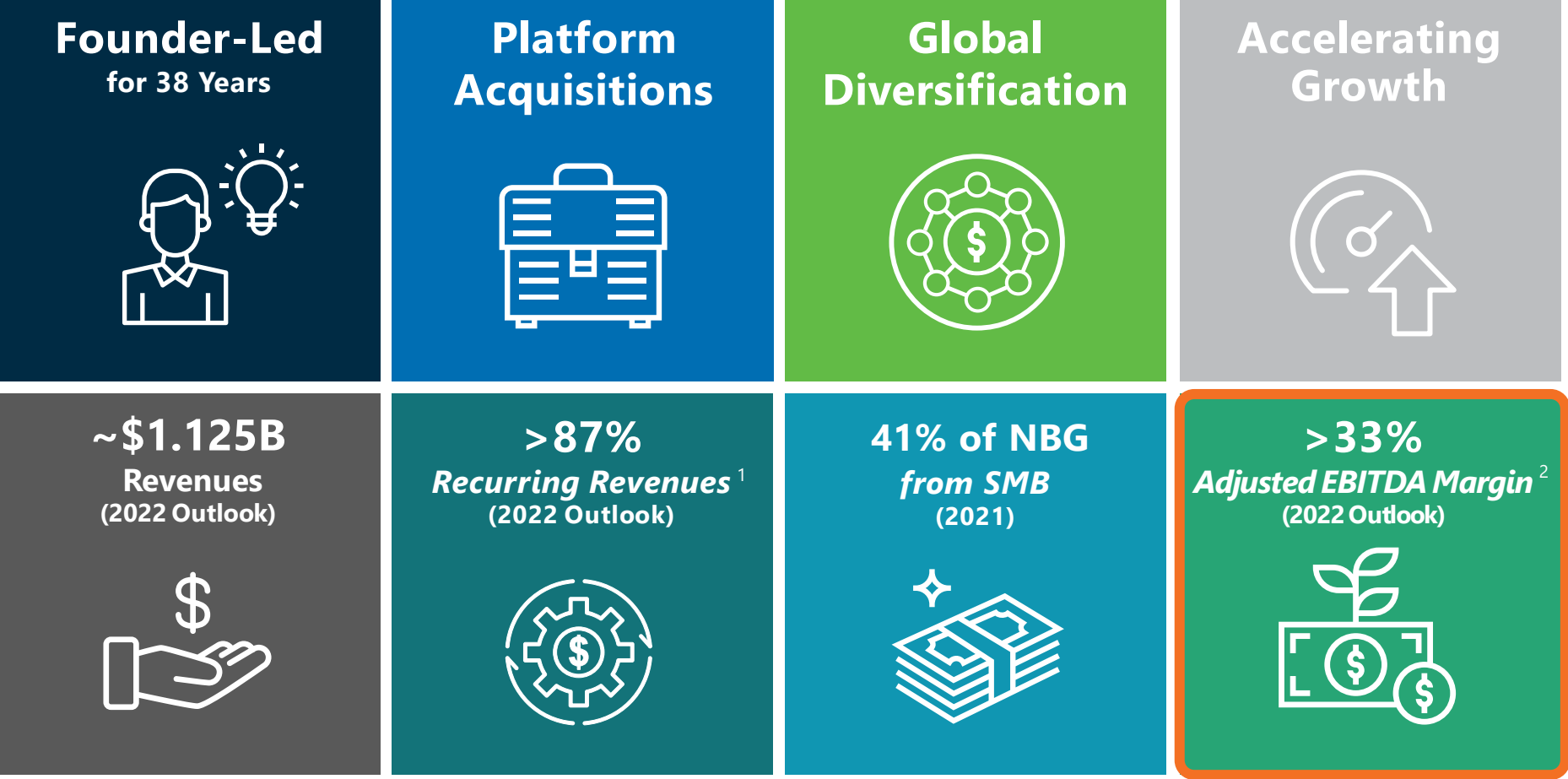


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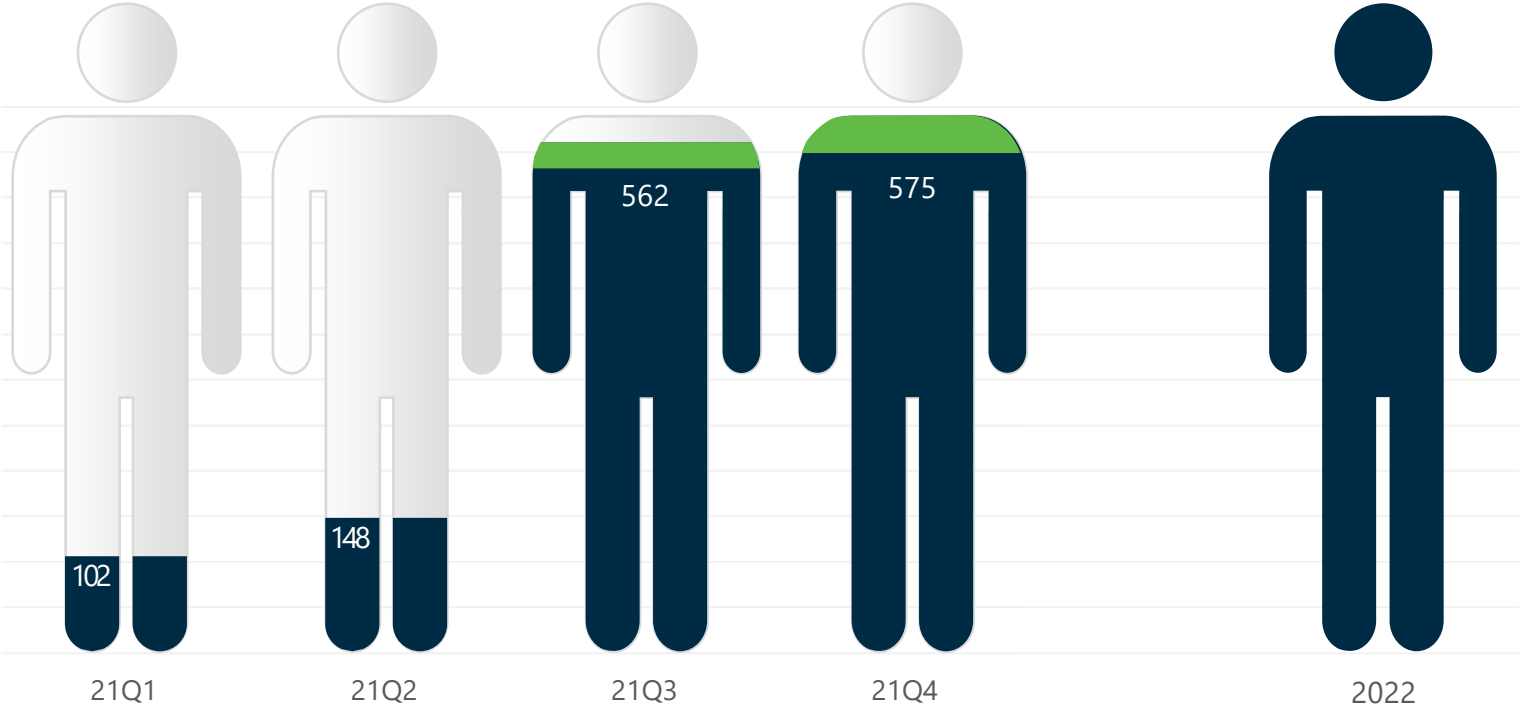
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BSY: *The Infrastructure Engineering Software Company*

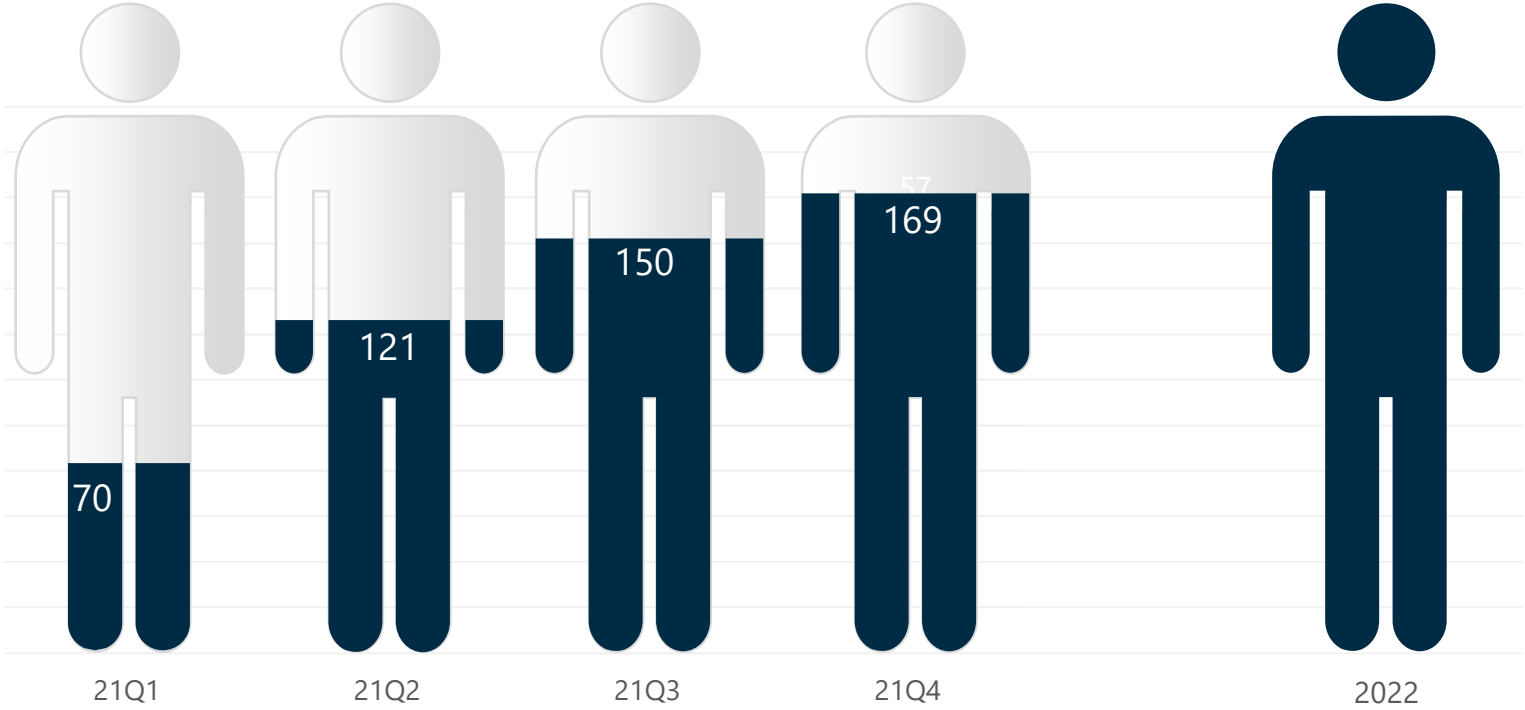


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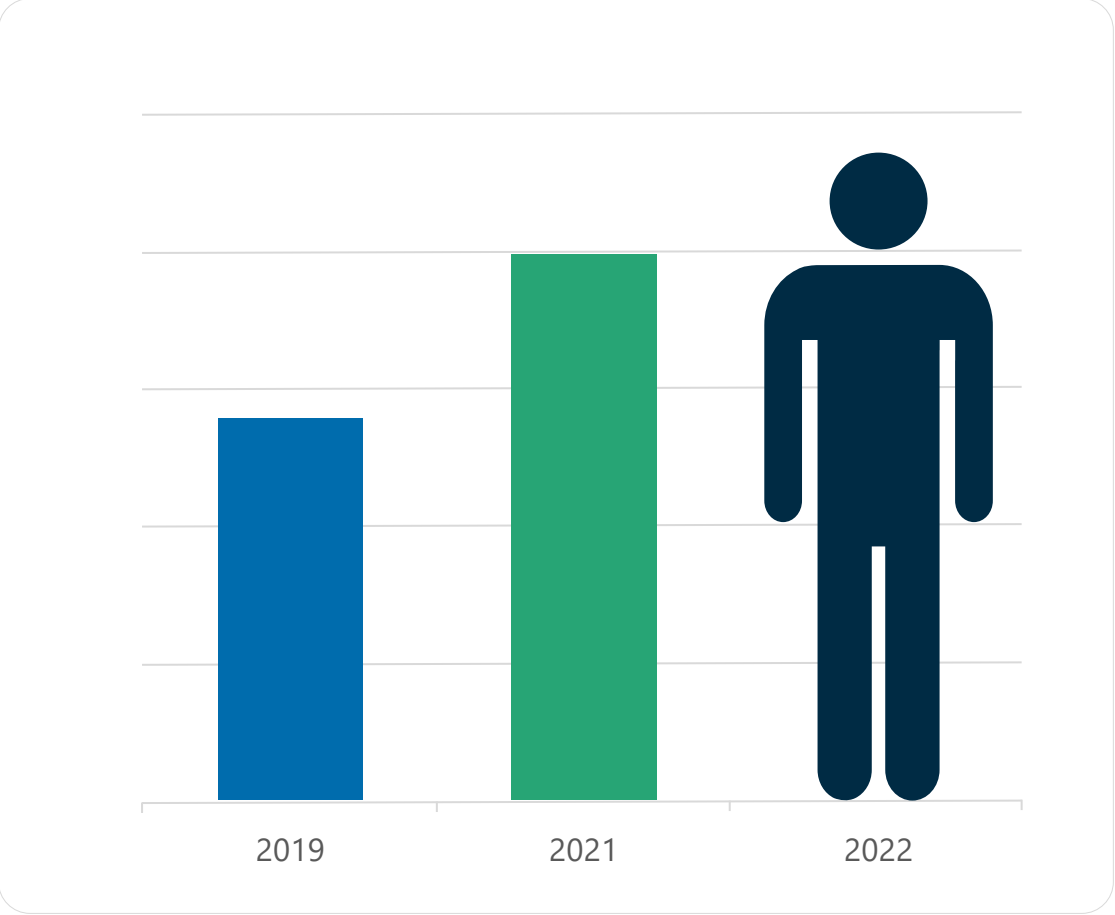
User Success Colleagues



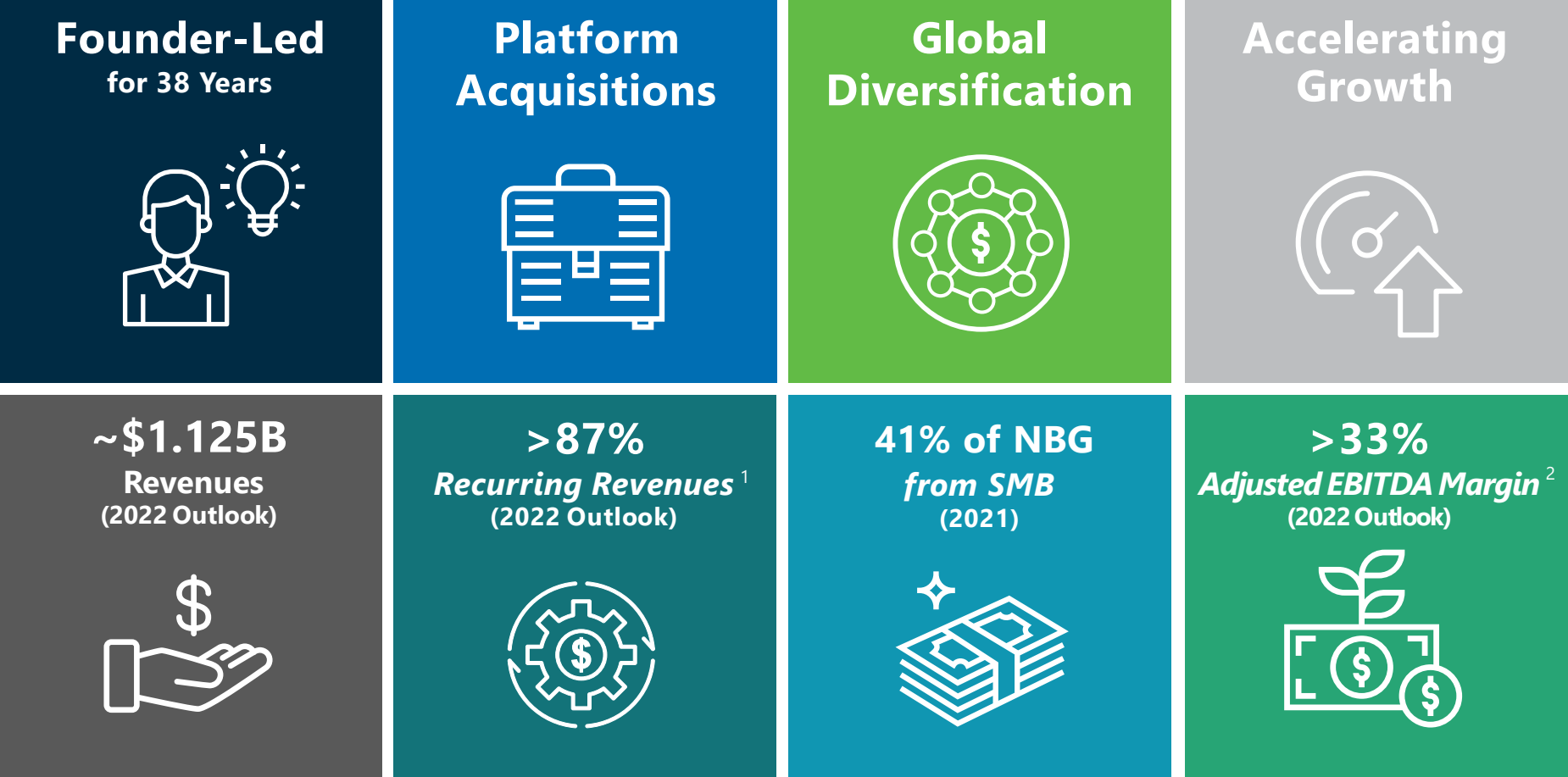
Virtuosity Colleagues



(Going Digital) Experience



BSY: *The Infrastructure Engineering Software Company*



*Note: All figures as of December 31, 2020 unless otherwise noted.
Recurring revenues consist of subscriptions revenues and certain professional services revenues that are recurring in nature.*

¹ See Appendix Footnote 1

² See Appendix Footnote for non-GAAP definitions and reconciliations

BSY Investments

David Hollister, Chief Investment Officer

INVESTING IN BUSINESSES, ENTREPRENEURS AND AN ECOSYSTEM FOR INFRASTRUCTURE DIGITAL TWIN ADOPTION



Portfolio Development
(M&A)



Bentley | iTwin
Ventures

www.bentleyitwinventures.com



Bentley | Acceleration
Initiatives

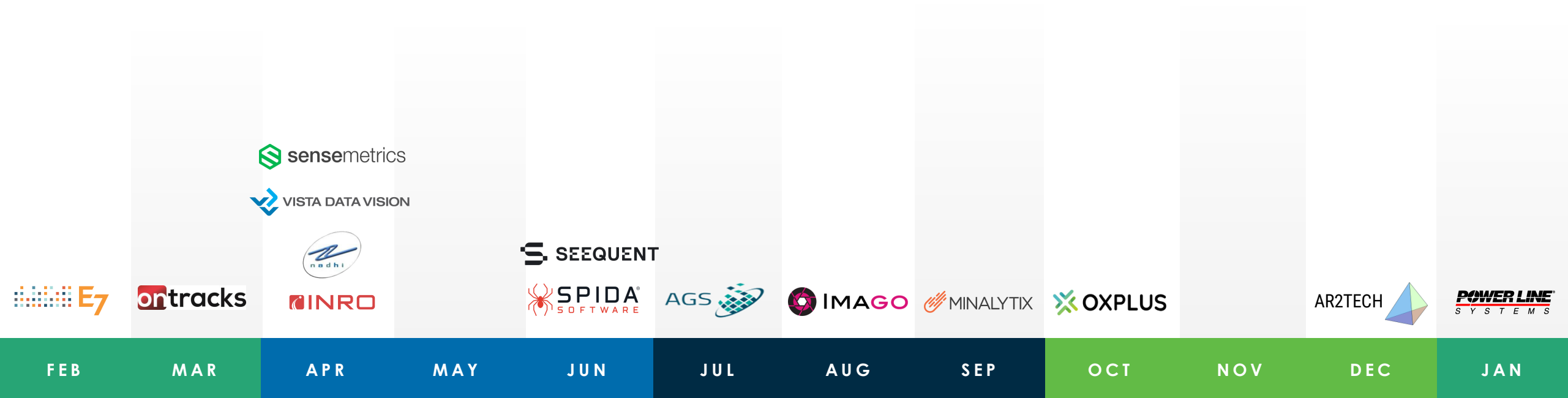
www.bentleyaccelerationinitiatives.com



Digital Integrators

www.cohesivegroup.com
www.digitalconstructionworks.com

The Year in Acquisitions



2021

2022

The Year in Acquisitions

PROGRAMMATIC



PLATFORM/SCALE



ES(D)G Priorities

MOBILITY

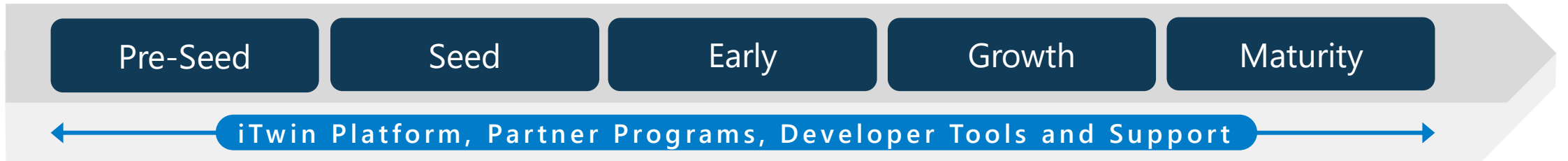


ENVIRONMENT



GRIDS





iTwin Ventures
Ecosystem Sponsorship Program

Agile Handover · AKULAR ·
ALLVISION BEYOND CAD BURO HAPPOLD
CCTech
ClimaTwin INESS 360
Hepta M2X.ai
Ni RE scan PHOCAZ SILO AI

iTwin Ventures
Portfolio Investments

SewerAI EVERCAM CONSTRUCTION CAMERAS
Unearth
FutureOn® NIRICSON

BSY Investments
M&A and Acceleration

POWER LINE SYSTEMS The Cohesive Companies A BENTLEY COMPANY
VISTA DATA VISION sensemetrics

PLS Transaction Overview

As presented in
November 17, 2021
PLS Transaction Call

Terms & Valuation

- Purchase price of approximately \$700mm
- Deal structure includes a tax-deductible step-up in basis that we present-value at approximately \$90mm
- Valuation in line with recent comparable transactions and industry peers

Financing & Balance Sheet

- To be financed with cash or a combination of cash and equity at Bentley's discretion

Timing & Closing Conditions

- Transaction expected to close by end of 4Q 2021
- Subject to customary closing conditions and regulatory approvals

Financial Impact

- PLS is expected to contribute approximately \$30mm of subscription revenue to Bentley Systems for FY22
- PLS is expected to be accretive to Bentley Systems' core revenue and ARR growth rates
- PLS has an adjusted EBITDA margin more than twice that of Bentley Systems

2022 Acceleration

- Acceleration of sales & marketing activities
- Geographic expansion push
- Grid Integration Group – rollout of structural digital twin for utilities



Significant New Business in 21H2 & 22Q1



Multi Phase Design and Delivery of Maximo across the nuclear and non nuclear asset base

Recurring relationship drove new 8-figure contract win



Collaboration with Thales for Maximo implementation for Canadian Government operations



Bentley | Cohesive - a vector for iTwin digital twin pull-through

UK National Highways – Smart Motorways Programme



Delivery of the Enterprise Wide “Business Information Framework” (BIF)

Integrated Asset Management, Digital By Default,
powered by **iTwin** technology



UK - High Speed Two

HS2

330 Miles Long – London to Manchester
140 Miles of Tunnels
400 km/h running speed
£42.6 Bn Capital Cost

Largest construction project in Europe where Cohesive have developed the strategic case for Digital Twins and have delivered the VisHub -- the first phase of the Digital Twin, incorporating Bentley **iTwin** technology



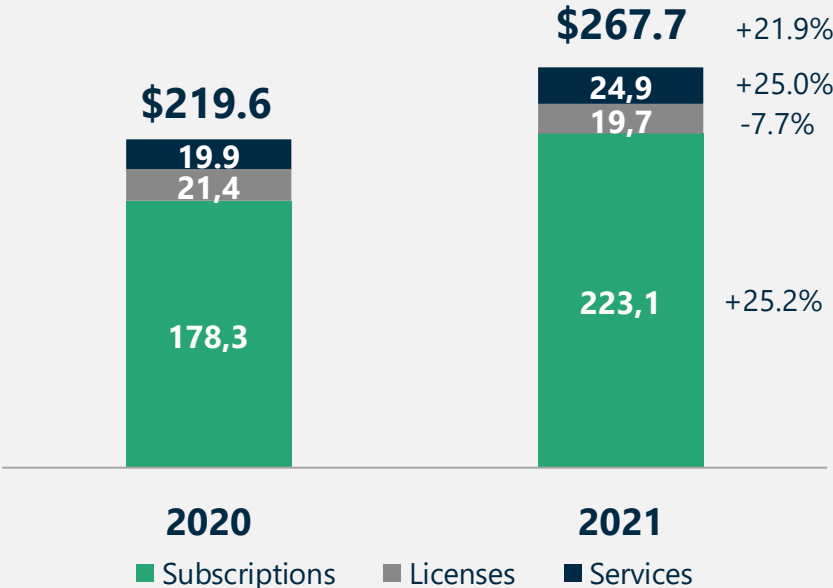
21Q4 Financial Performance and 2022 Outlook

Werner Andre, Chief Financial Officer

Revenue Performance

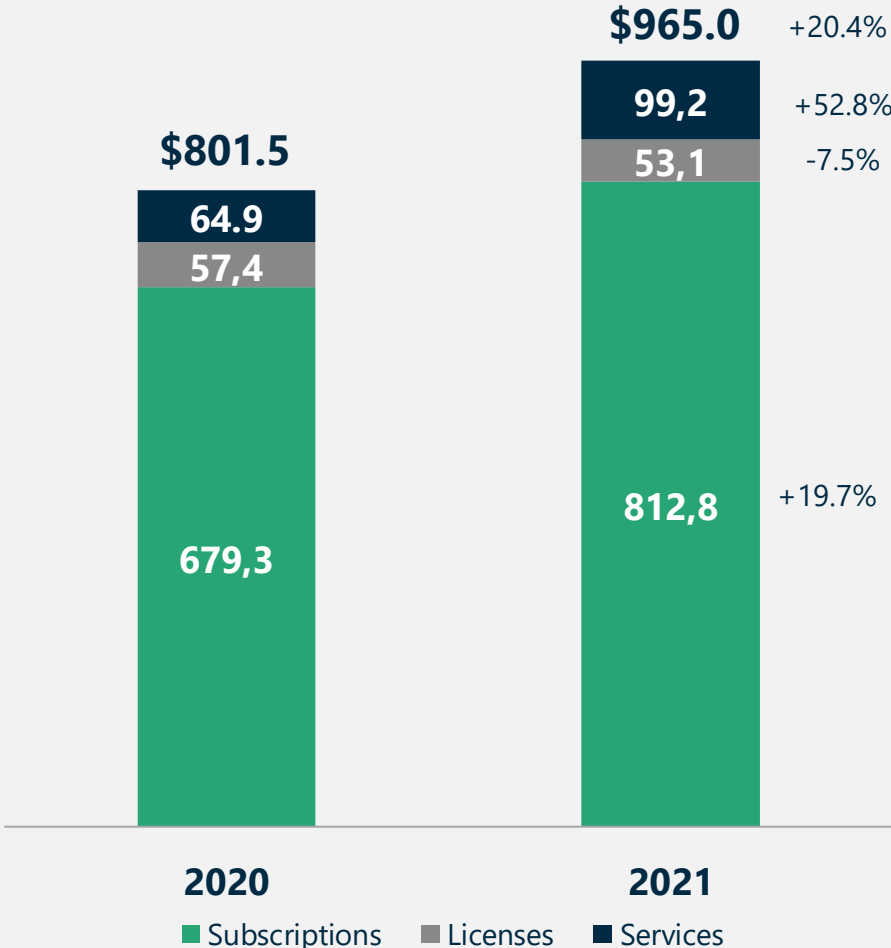
Fourth Quarter

\$ in millions



Full Year

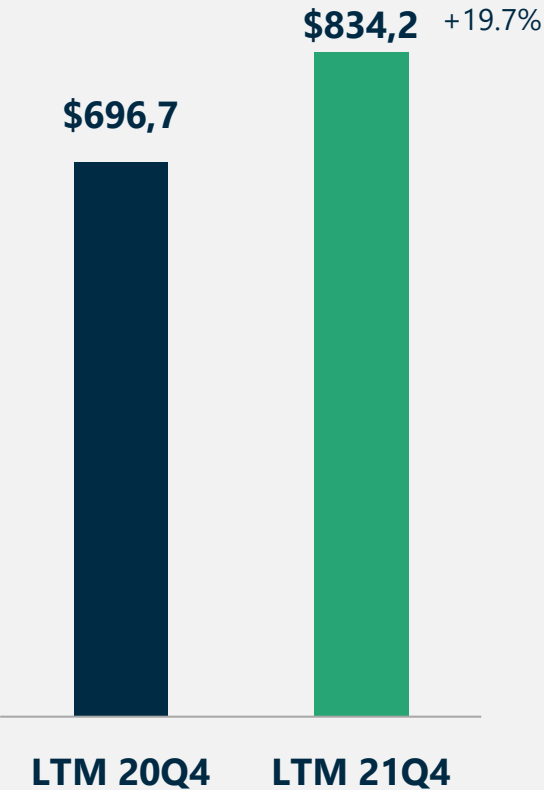
\$ in millions



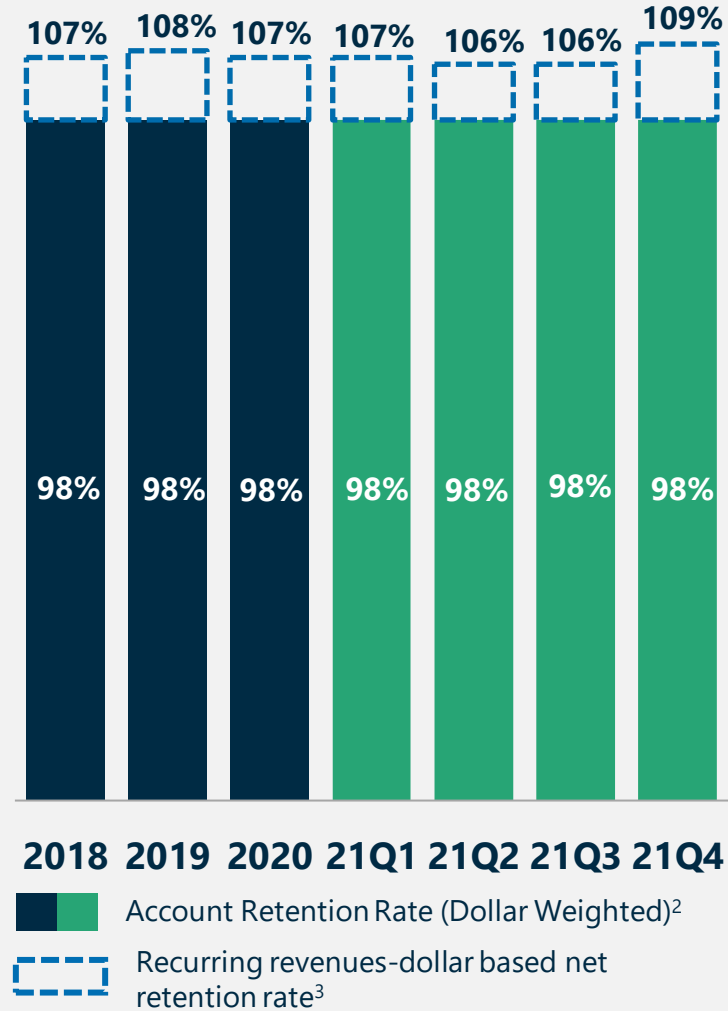
Recurring Revenue Performance

LTM Recurring Revenues¹

\$ in millions



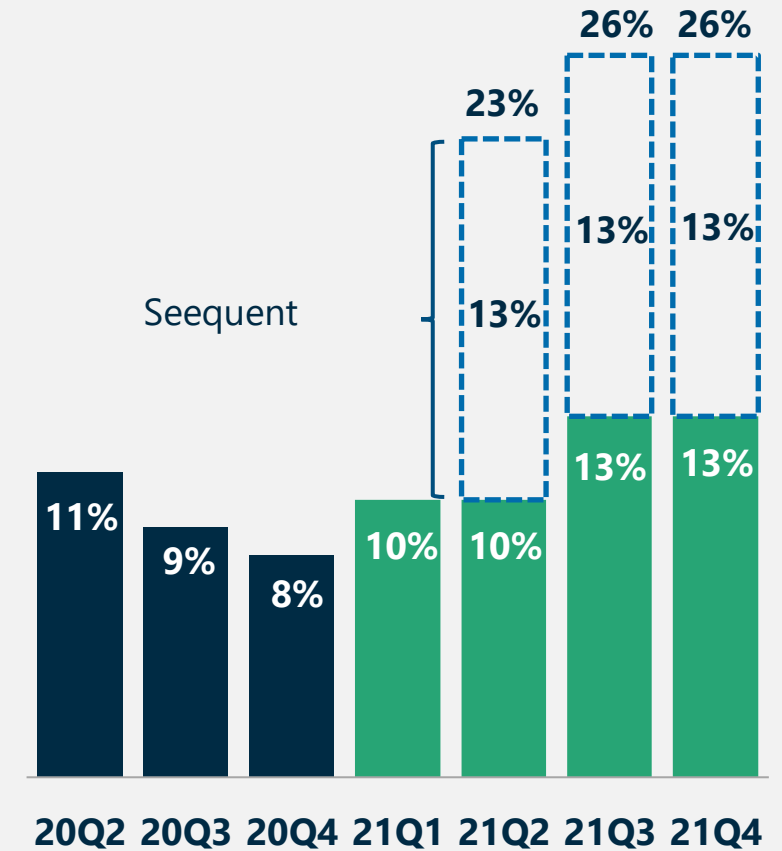
LTM Recurring Revenue Retention



ARR⁴: 26% Y-o-Y constant currency growth
\$921.2 million at 12/31/2021 spot

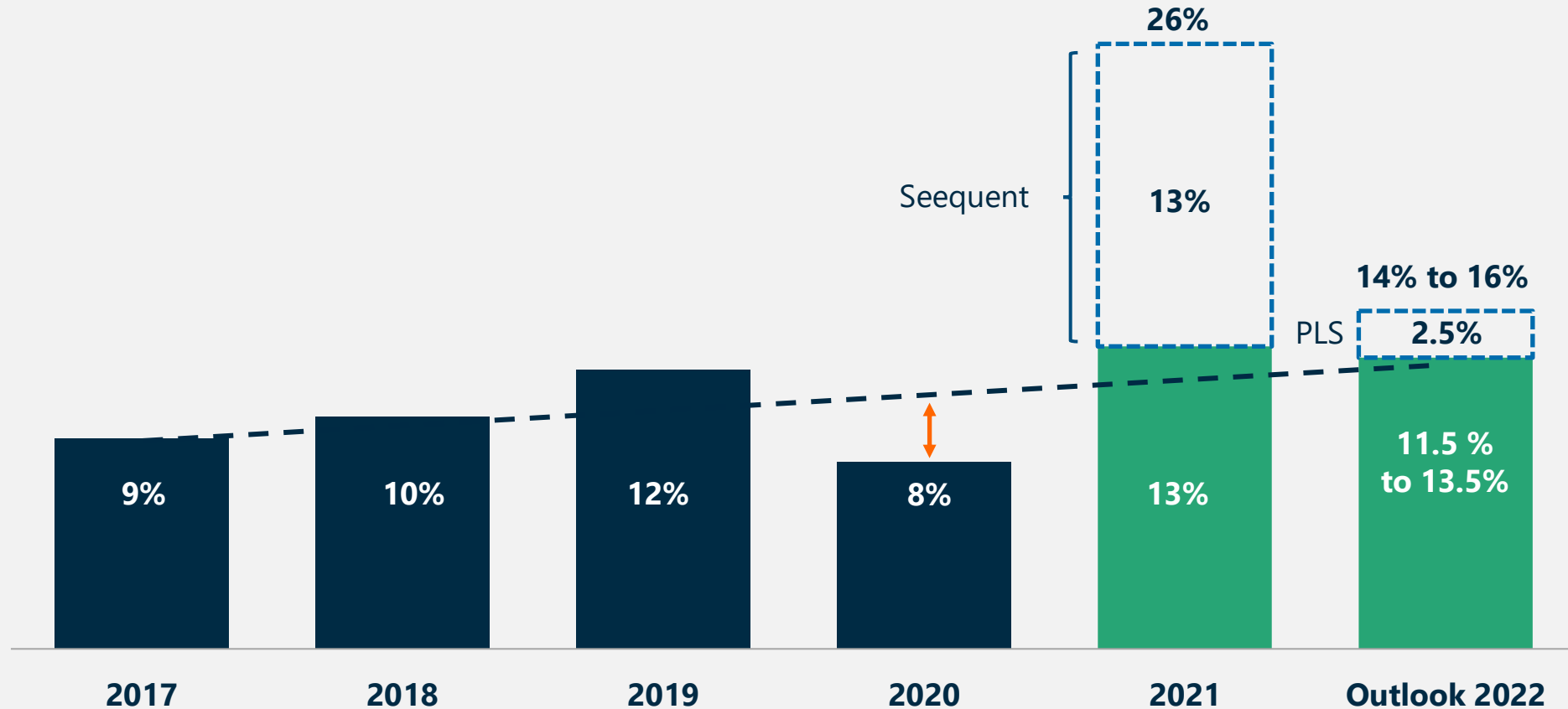
Annualized Recurring Revenue (ARR)⁴

Constant Currency growth v. prior year



Footnotes 1, 2, 3, 4: See appendix for KPI and non-GAAP definitions and reconciliations

ARR⁴ Growth Performance and 2022 Outlook



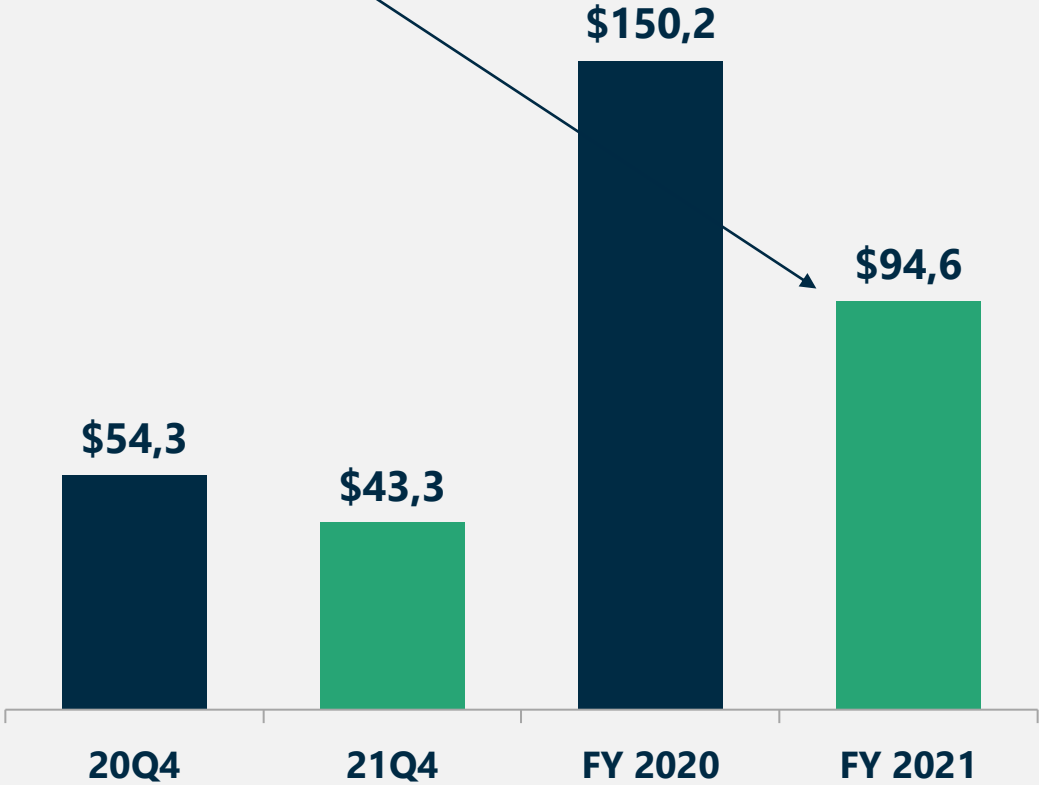
Footnote 4: See appendix for KPI and non-GAAP definitions and reconciliations

Profitability Performance

GAAP Operating Income

\$ in millions

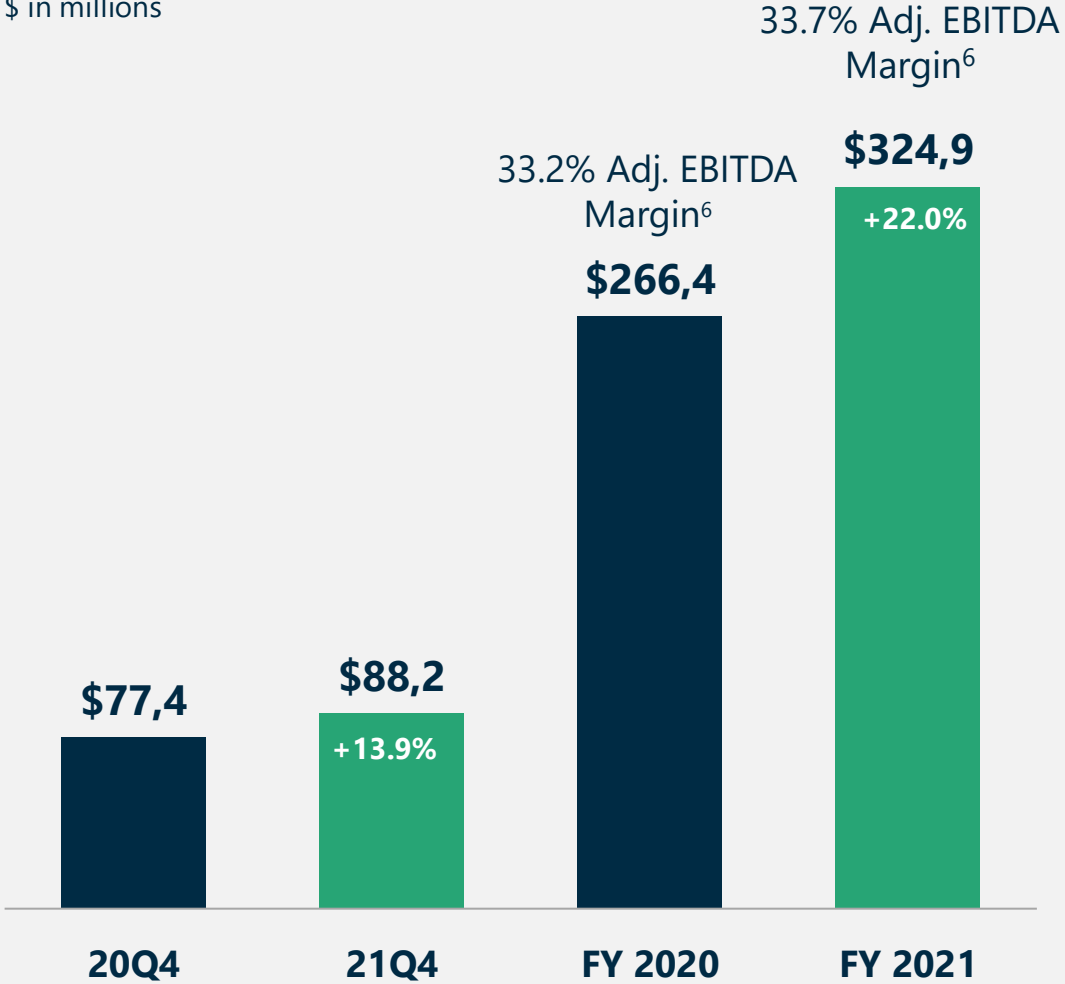
Includes \$90.7 Deferred compensation plan one-time modification charge*



Footnote *: See Note 12: Retirement Plans in the 2021 Form 10-K for further detail

Adjusted EBITDA⁵

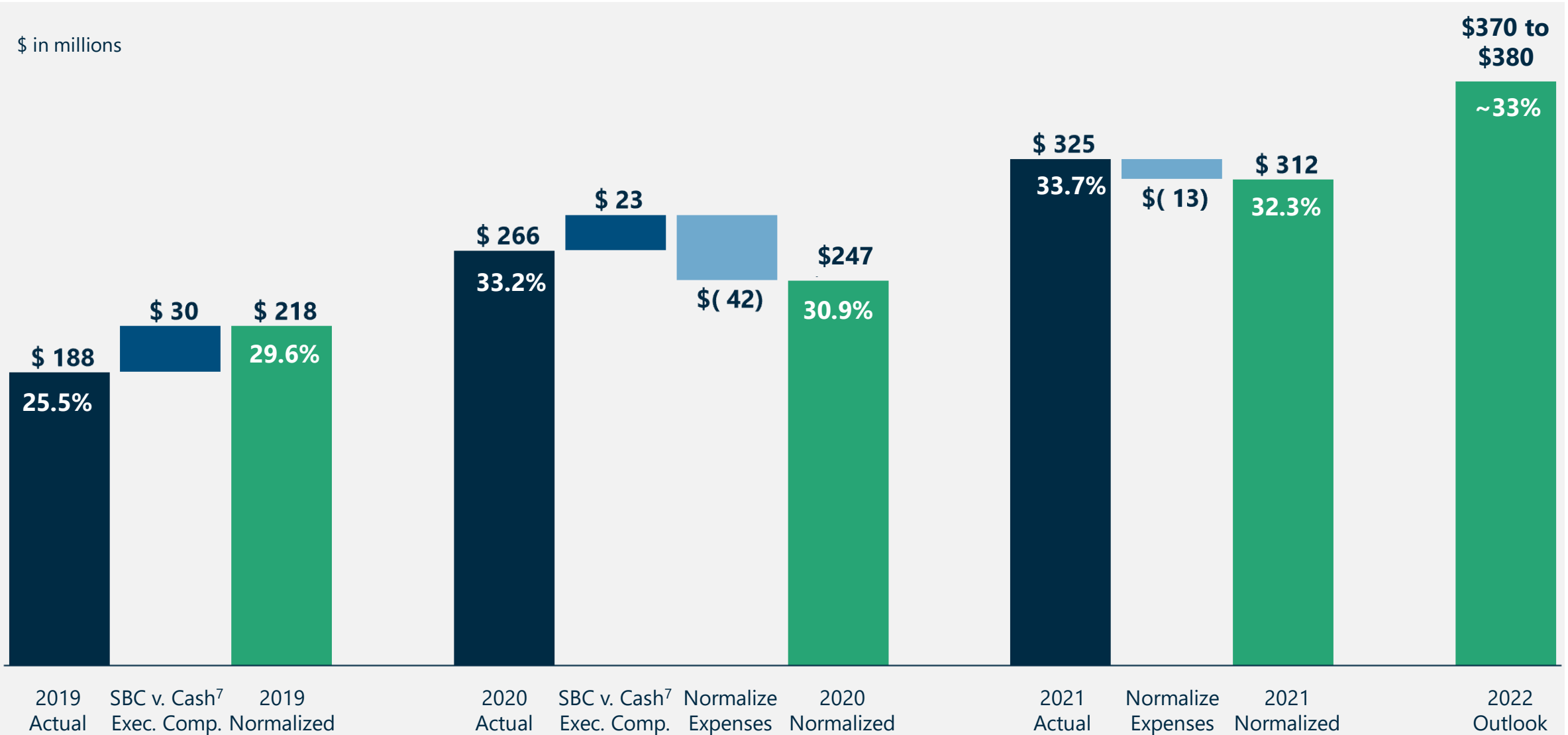
\$ in millions



Footnotes 5, 6: See appendix for KPI and non-GAAP definitions and reconciliations

Adjusted EBITDA⁵ & Margin⁶ Normalization and 2022 Outlook

\$ in millions



Footnotes 5, 6, 7: See appendix for KPI and non-GAAP definitions and reconciliations

Full Year 2022 Financial Outlook

Financial Metrics	Guidance
Total Revenues	\$1,110 million to \$1,140 million ^a increase of 15.0% to 18.1%
ARR ⁴ Growth (constant currency)	14% to 16% ^b
Adjusted EBITDA ⁵	\$370 million to \$380 million approximately 33% Margin ⁶

Footnote a: Revenue outlook is net of a ~\$18.5 million decrease due to strengthening US dollar. Constant currency growth of 16.9% to 20.1%

Footnote b: Outlook includes growth of 2.5% from the inclusion of PLS, and growth of 11.5% to 13.5% from business performance

Additional expectations to support financial modeling

- Full year interest expense of approximately \$32 million with around \$25 million being cash interest
- Full year effective tax rate of <15%
- Full year capital expenditures, including investments in capitalized software <2.5% of revenues
- Fully diluted weighted average shares outstanding between 331.5 and 333.5 million
- Dividends of \$0.12 per share

Footnotes 4, 5, 6: See appendix for KPI and non-GAAP definitions and reconciliations

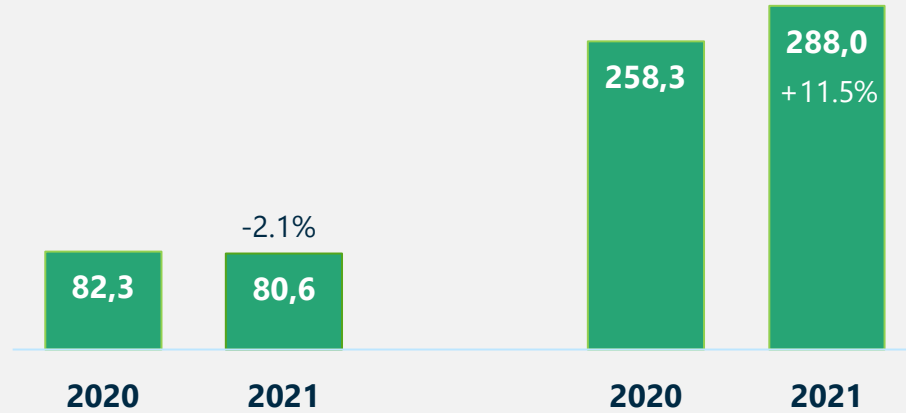
Liquidity and Capital Structure

GAAP Operating Cash Flows

Fourth Quarter

Full Year

\$ in millions



Major Transactions

- \$200 million Senior Secured Term Loan due 2025 (Dec. 2021)
 - Pricing 25 BPS favorable to revolver; \$0.5 million in fees
 - Annual repayment of 2.5% through 2023 and then 5% through Q3 2025
- Acquired Power Line Systems (PLS) for \$700 million in cash, net of cash acquired (January 31, 2022)
- 2021 Net settlements of shares issued with the deferred compensation plan and other stock-based compensation of \$120.5 million (effectively manifests as a share buyback)

12/31/2021 Credit Metrics Pro Forma for PLS

\$ in millions

Cash	\$	114.9
Senior Debt	\$	692.2
Net Senior Debt ¹	\$	577.3
Net Debt Senior Leverage ²		1.6x
Available Revolver Credit Capacity	\$	357.7

Excludes \$1,265 million¹ of convertible notes due 2026/2027 if not converted.

Annual debt service on these notes is minimal at ~ \$3 million per year.

Net debt leverage² including convertible notes as indebtedness is 5.0X

Footnote 1: Debt gross of unamortized debt issuance costs

Footnote 2: LTM Adj. EBITDA⁵ used to calculate leverage is pro-forma for acquisitions, most notably Seequent and PLS

Footnote 5: See appendix for KPI and non-GAAP definitions and reconciliations



Q&A



Bentley Systems' 21Q4 Operating Results

Greg Bentley
Chief Executive Officer

Nicholas Cumins
Chief Operating Officer

David Hollister
Chief Investment Officer

Werner Andre
Chief Financial Officer

Bentley[®]
Advancing Infrastructure

Appendix

KPI and non-GAAP definitions and reconciliations

- 1. *Recurring revenues.*** Last twelve-months recurring revenues is calculated as recurring revenues recognized over the preceding twelve-month period. 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.
- 2. *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 calculated using Topic ASC 605 and 2019, 2020, and 2021 calculated using Topic ASC 606.
- 3. *Recurring revenues dollar-based net retention rate.*** Our 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. 2018 calculated using Topic ASC 605 and 2019, 2020, and 2021 calculated using Topic ASC 606.
- 4. *Annualized Recurring Revenue (ARR).*** Our ARR is defined as the sum of the annualized value of our portfolio of contracts that produce recurring revenue 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.
- 5. *Adjusted EBITDA.*** Our Adjusted EBITDA is defined as net (loss) income adjusted for interest expense, net, provision (benefit) for income taxes, depreciation and amortization, stock-based compensation, expense (income) relating to deferred compensation plan liabilities, acquisition expenses, realignment expenses, expenses associated with IPO, other non-operating (income) expense, net, and (income) loss from investment accounted for using the equity method, net of tax.
- 6. *Adjusted EBITDA margin.*** Our Adjusted EBITDA divided by Total Revenues.
- 7. *Stock-based v. Cash Executive compensation.*** Effective as of the beginning of the fourth quarter of 2020, participants in our Executive Bonus Plan may elect to receive any portion, or all, of such participants non-deferred incentive bonus in the form of fully vested Class B Common Stock, instead of cash payments, and subject to a combined quarterly limit of \$7.5 million. To facilitate comparability, the analysis normalizes the historical 2019 and 2020 periods to recharacterize as stock-based compensation, at a rate of \$7.5 million per quarter, that element of cash compensation that prospectively will be in the form of stock-based compensation.

NOTE: See detailed definitions of KPIs and individual Adjusted EBITDA reconciling items in the MD&A section of the associated Form 10-K.

Non-GAAP Reconciliation: Adjusted EBITDA

	Three Months Ended December 31		Year Ended December 31	
	2021	2020	2021	2020
Net Income	\$ 38,581	\$ 51,932	\$ 93,192	\$ 126,521
Interest expense, net	3,883	3,026	12,491	7,476
Provision (benefit) for income taxes	1,642	16,480	(3,448)	38,625
Depreciation and amortization	16,847	10,281	52,793	36,117
Stock-based compensation	15,966	9,354	48,152	32,114
Deferred compensation plan	5,719	292	95,046	177
Acquisition expenses	6,369	3,168	34,368	11,666
Realignment expenses	-	10	-	10,022
Expenses associated with IPO	-	-	-	26,130
Other (income) expense, net	(1,483)	(18,190)	(11,231)	(24,946)
Loss from investments accounted for using the equity method, net of tax	646	1,027	3,585	2,474
Adjusted EBITDA	\$ 88,170	\$ 77,380	\$ 324,948	\$ 266,376

Note: See further commentary on adjustments in MD&A section of the December 31, 2021 10-K