



Citrix Reports First Quarter Financial Results

Quarterly revenue of \$719 million up 3% year-over-year. Quarterly subscription revenue of \$142 million up 37% year-over-year. Quarterly SaaS revenue of \$85 million up 43% year-over-year. Workspace Revenue of \$515 million up 13% year-over-year. Quarterly GAAP diluted EPS of \$0.78; non-GAAP diluted EPS of \$1.27. Deferred and unbilled revenue up 21% year-over-year. Board of Directors declares \$0.35 per share quarterly dividend.



FORT LAUDERDALE, Fla. - April 24, 2019 - Citrix Systems, Inc. (NASDAQ:CTXS) today reported financial results for the first quarter of fiscal year 2019 ended March 31, 2019.

For the first quarter of fiscal year 2019, Citrix achieved revenue of \$719 million, compared to \$697 million in the first quarter of fiscal year 2018, representing 3 percent revenue growth.

Net income for the first quarter of fiscal year 2019 was \$110 million, or \$0.78 per diluted share, compared to net income of \$144 million, or \$0.99 per diluted share, for the first quarter of fiscal year 2018.

Non-GAAP net income for the first quarter of fiscal year 2019 was \$172 million, or \$1.27 per diluted share, compared to \$184 million, or \$1.29 per diluted share for the first quarter of fiscal year 2018. Non-GAAP net income for the first quarter of fiscal years 2019 and 2018 excludes the effects of stock-based compensation expense, amortization of acquired intangible assets, amortization of debt discount, restructuring charges and the tax effects related to these items. Non-GAAP net income per diluted

share for the first quarter of fiscal years 2019 and 2018 reflects the anti-dilutive impact of the company's convertible note hedges.

In addition to financial results, Citrix also announced that its Board of Directors declared a quarterly cash dividend of \$0.35 per share payable on June 21, 2019 to all shareholders of record as of the close of business on June 7, 2019.

“We’re pleased to report solid first quarter results, which were driven by accelerated revenue growth in our Workspace business,” said David Henshall, president and CEO of Citrix. “Workspace revenue grew 13% year-over-year, its fastest rate of growth since 2012. Our subscription model transition continues to progress well, and SaaS, which accounted for 60% of our subscription business, delivered strong 43% year over year growth.”

The results for the first quarter of fiscal year 2019 compared to the first quarter of fiscal year 2018 are as follows:

- Subscription revenue increased 37 percent;
 - Product and license revenue decreased 16 percent;
 - Support and services revenue increased 2 percent;
 - Deferred and unbilled revenue totaled \$2.14 billion as of March 31, 2019, compared to \$1.77 billion as of March 31, 2018, an increase of 21 percent; and
 - Cash flow from operations was \$268 million for the first quarter of fiscal year 2019, compared to \$358 million for the first quarter of fiscal year 2018.
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- Subscription revenue as a percentage of total revenue was 20 percent;
 - GAAP gross margin was 85 percent, and non-GAAP gross margin was 87 percent;
 - GAAP operating margin was 17 percent, and non-GAAP operating margin was 28 percent; and
 - The company repurchased approximately 1.5 million shares.

Citrix management expects to achieve the following results for the second quarter of fiscal year 2019:

- Net revenue is targeted to be in the range of \$765 million to \$775 million;
- GAAP diluted earnings per share is targeted to be in the range of \$0.76 to \$0.81; and
- Non-GAAP diluted earnings per share is targeted to be in the range of \$1.30 to \$1.35.

Citrix management expects to achieve the following results for fiscal year 2019:

- Net revenue is targeted to be in the range of \$3.08 billion to \$3.09 billion;
- GAAP operating margin is targeted to be in the range of 20.4 percent to 20.9 percent;
- Non-GAAP operating margin is targeted to be in the range of 31.5 percent to 32.0 percent;
- GAAP diluted earnings per share is targeted to be approximately \$3.69; and

- Non-GAAP diluted earnings per share is targeted to be approximately \$6.00.

The above statements are based on current targets. These statements are forward-looking, and actual results may differ materially.

Our first quarter earnings letter, discussing financial results, quarterly highlights and business outlook is posted at <http://www.citrix.com/investors>. Citrix will host a conference call today at 4:45 p.m. ET to address questions.

The conference call may be accessed by dialing: (888) 799-0519 or (706) 634-0155, using passcode: CITRIX. A replay of the conference call can be accessed for approximately 90 days on the Investor Relations section of the Citrix corporate website at <http://www.citrix.com/investors>.

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