

Adobe Summit

Investor Meeting

Summit 2025

March 18, 2025



Welcome

Steve Day

SVP, Finance and Investor Relations

Adobe
Summit



Safe harbor statements and disclaimer

In addition to historical information, this presentation and accompanying oral commentary (the "Materials") contains "forward-looking statements" within the meaning of applicable securities law, including statements related to our product development plans and new or enhanced offerings; our business, innovation and artificial intelligence ("AI") momentum; our market and AI opportunity and future growth; customer and AI strategy; financial and monetization strategy; market and AI trends; strategic investments; current macroeconomic conditions; fluctuations in foreign currency exchange rates; revenue; operating margin; operating efficiencies; annualized recurring revenue; tax rate on a GAAP and non-GAAP basis; earnings per share on a GAAP and non-GAAP basis; our stock repurchases; share count; industry positioning; and customer acquisition and retention. In addition, when used in the Materials, the words "will," "expects," "could," "would," "may," "anticipates," "intends," "plans," "believes," "seeks," "targets," "estimates," "looks for," "looks to," "continues" and similar expressions, as well as statements regarding our focus for the future, are generally intended to identify forward-looking statements. Each of the forward-looking statements we make in the Materials involves risks, uncertainties and assumptions based on information available to us as of the date of this presentation. Such risks and uncertainties, many of which relate to matters beyond our control, could cause actual results to differ materially and adversely from these forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to: failure to innovate effectively and meet customer needs; issues relating to development and use of AI; failure to compete effectively; damage to our reputation or brands; failure to realize the anticipated benefits of investments or acquisitions; service interruptions or failures in information technology systems by us or third parties; security incidents; failure to effectively develop, manage and maintain critical third-party business relationships; risks associated with being a multinational corporation and adverse macroeconomic conditions; complex sales cycles; failure to recruit and retain key personnel; litigation, regulatory inquiries and intellectual property infringement claims; changes in, and compliance with, global laws and regulations, including those related to information security and privacy; failure to protect our intellectual property; changes in tax regulations; complex government procurement processes; risks related to fluctuations in or the timing of revenue recognition from our subscription offerings; fluctuations in foreign currency exchange rates; impairment charges; our existing and future debt obligations; catastrophic events; and fluctuations in our stock price. Further information on these and other risk factors are discussed in the section titled "Risk Factors" in Adobe's most recently filed Annual Report on Form 10-K and Adobe's most recently filed Quarterly Reports on Form 10-Q. The risks described in the Materials and in Adobe's filings with the U.S. Securities and Exchange Commission should be carefully reviewed. Adobe assumes no obligation to, and does not currently intend to, update the forward-looking statements.

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Numbers in the Materials may be rounded for presentation purposes.

Agenda

Speaker	Section
Steve Day	Introduction
Shantanu Narayen	Adobe's Strategy
David Wadhwani	Business Professionals & Consumers
Anil Chakravarthy	Creative Professionals & Creators
Dan Durn	Creativity & Marketing
Q&A	Adobe's Growth Agenda

Q1 FY2025 Results

	Results	As reported	Constant currency
Total Revenue	\$5.71 billion	10% YoY growth	11% YoY growth ¹
Digital Media Ending ARR		12.6% YoY growth	
Digital Media segment revenue	\$4.23 billion	11% YoY growth	12% YoY growth ¹
Digital Experience segment revenue	\$1.41 billion	10% YoY growth	10% YoY growth ¹
Digital Experience subscription revenue	\$1.30 billion	11% YoY growth	11% YoY growth ¹
Earnings per share	GAAP: \$4.14 Non-GAAP: \$5.08		

- Generated \$2.48 billion of cash flows from operations
- 7.0 million shares repurchased in the quarter
- Remaining Performance Obligations (RPO) exiting the quarter were \$19.69 billion
- Current Remaining Performance Obligations (cRPO) exiting the quarter were 67%

¹. Adjusted to show growth rates in constant currency.

Q2 FY2025 Financial Targets | March 12, 2025

Total Revenue	\$5.77 billion to \$5.82 billion	
Digital Media segment revenue	\$4.27 billion to \$4.30 billion	
Digital Experience segment revenue	\$1.43 billion to \$1.45 billion	
Digital Experience subscription revenue	\$1.315 billion to \$1.325 billion	
Earnings per share	GAAP: \$3.80 to \$3.85	Non-GAAP: \$4.95 to \$5.00

Targets assume non-GAAP operating margin of ~45%, non-GAAP tax rate of ~18.5% and diluted share count of ~432 million for second quarter fiscal year 2025.

The information on this slide contains forward looking statements that involve risk and uncertainty. Actual results may differ materially. Please review Adobe's SEC filings and/or visit the Adobe Investor Relations website for additional information.

Reconciliations between GAAP and non-GAAP targets and assumptions are included in the Appendix.

FY2025 Financial Targets | Reaffirmed March 12, 2025

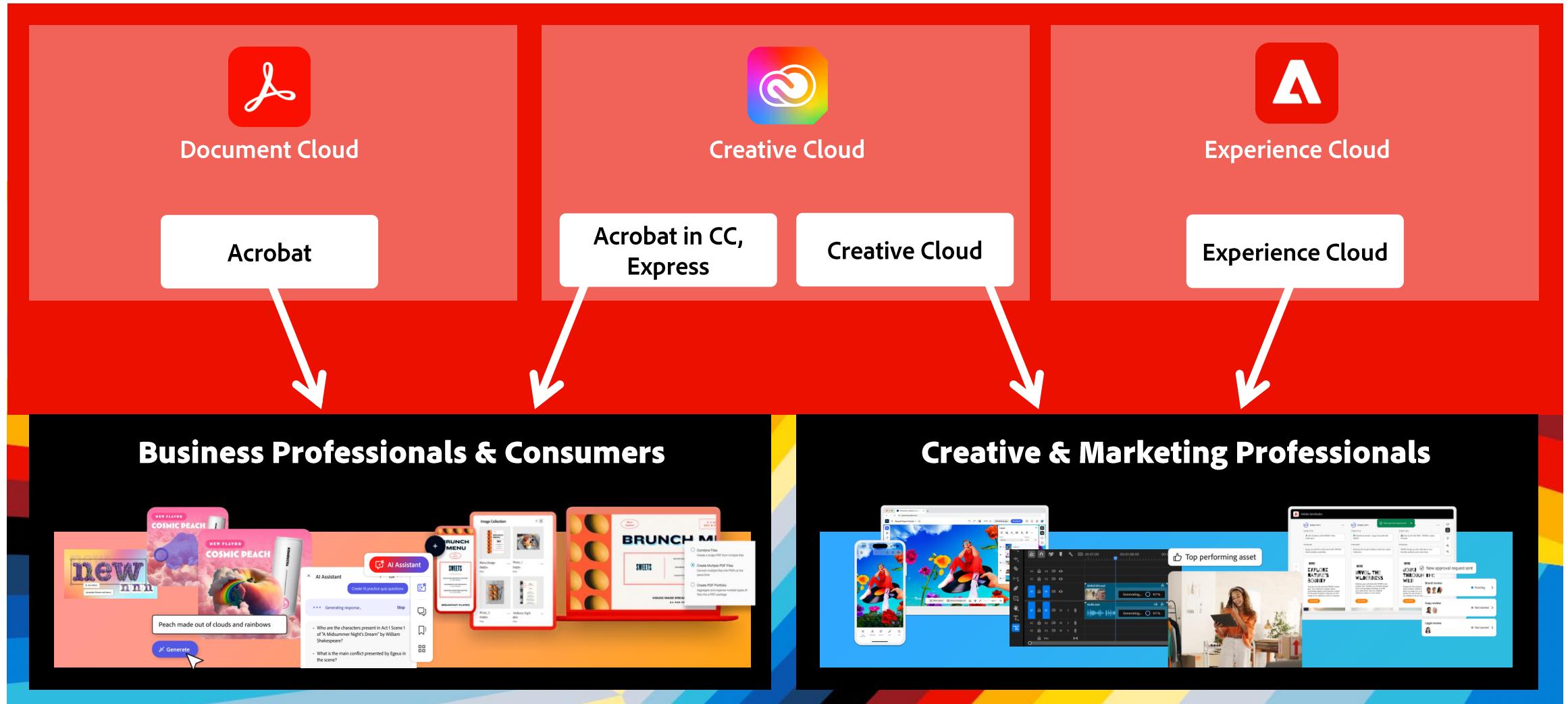
Total Revenue	\$23.30 billion to \$23.55 billion
Digital Media segment revenue	\$17.25 billion to \$17.40 billion
Digital Media ending ARR growth	11.0% YoY
Digital Experience segment revenue	\$5.80 billion to \$5.90 billion
Digital Experience subscription revenue	\$5.375 billion to \$5.425 billion
Earnings per share	GAAP: \$15.80 to \$16.10 Non-GAAP: \$20.20 to \$20.50

Targets assume non-GAAP operating margin of ~46%, non-GAAP tax rate of ~18.5% and diluted share count of ~433 million for fiscal year 2025.

The information on this slide contains forward looking statements that involve risk and uncertainty. Actual results may differ materially. Please review Adobe's SEC filings and/or visit the Adobe Investor Relations website for additional information.

Reconciliations between GAAP and non-GAAP targets and assumptions are included in the Appendix.

Customer Groups



Adobe's Strategy

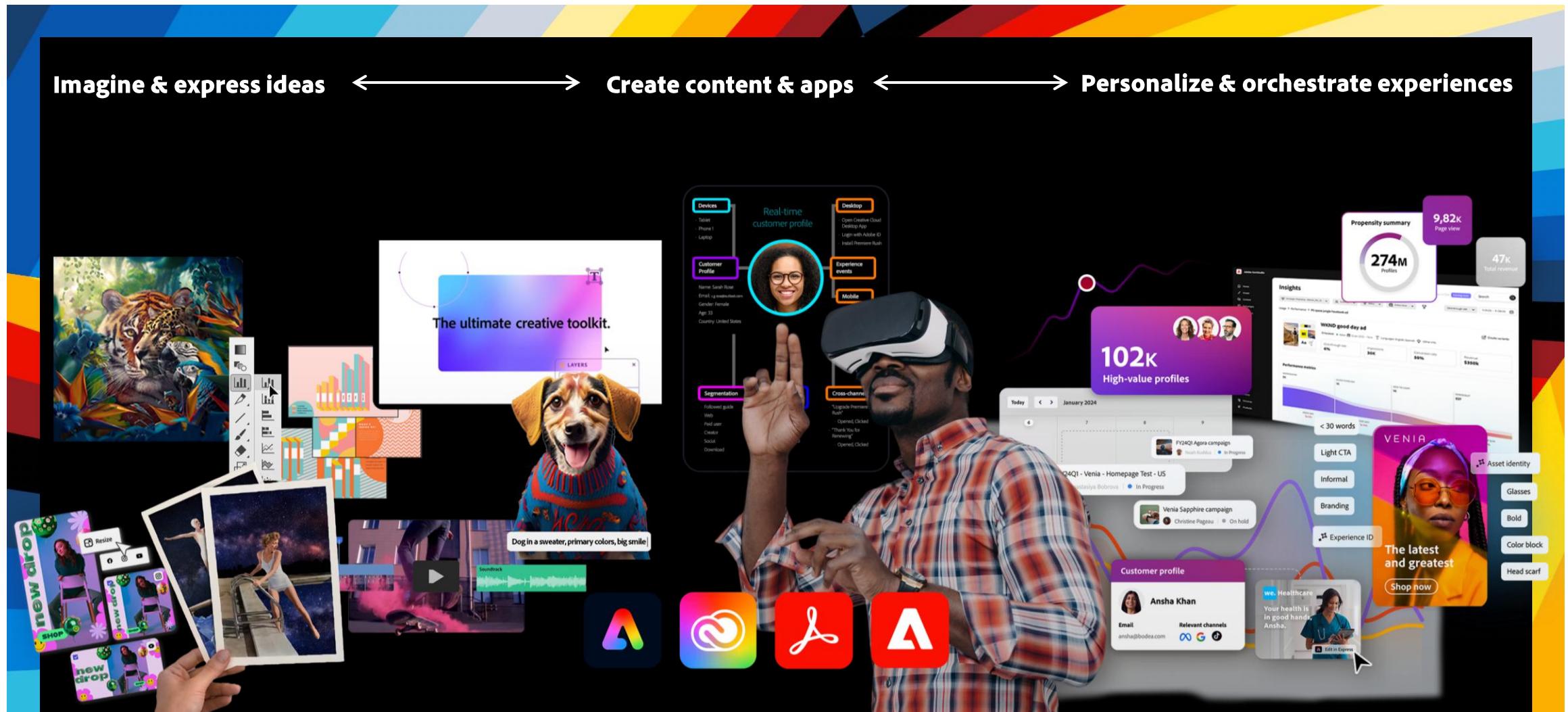
Shantanu Narayen

Chair & CEO

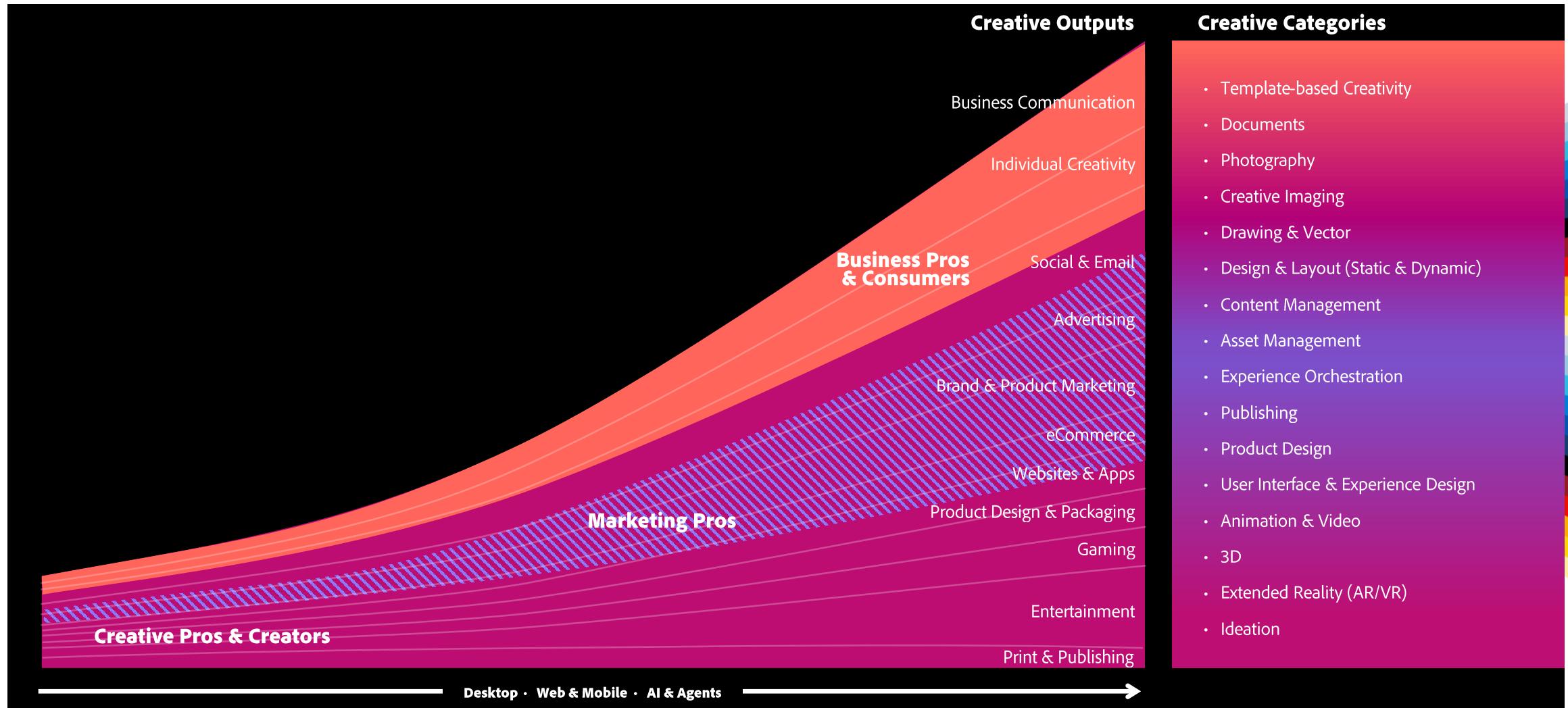
Reflections



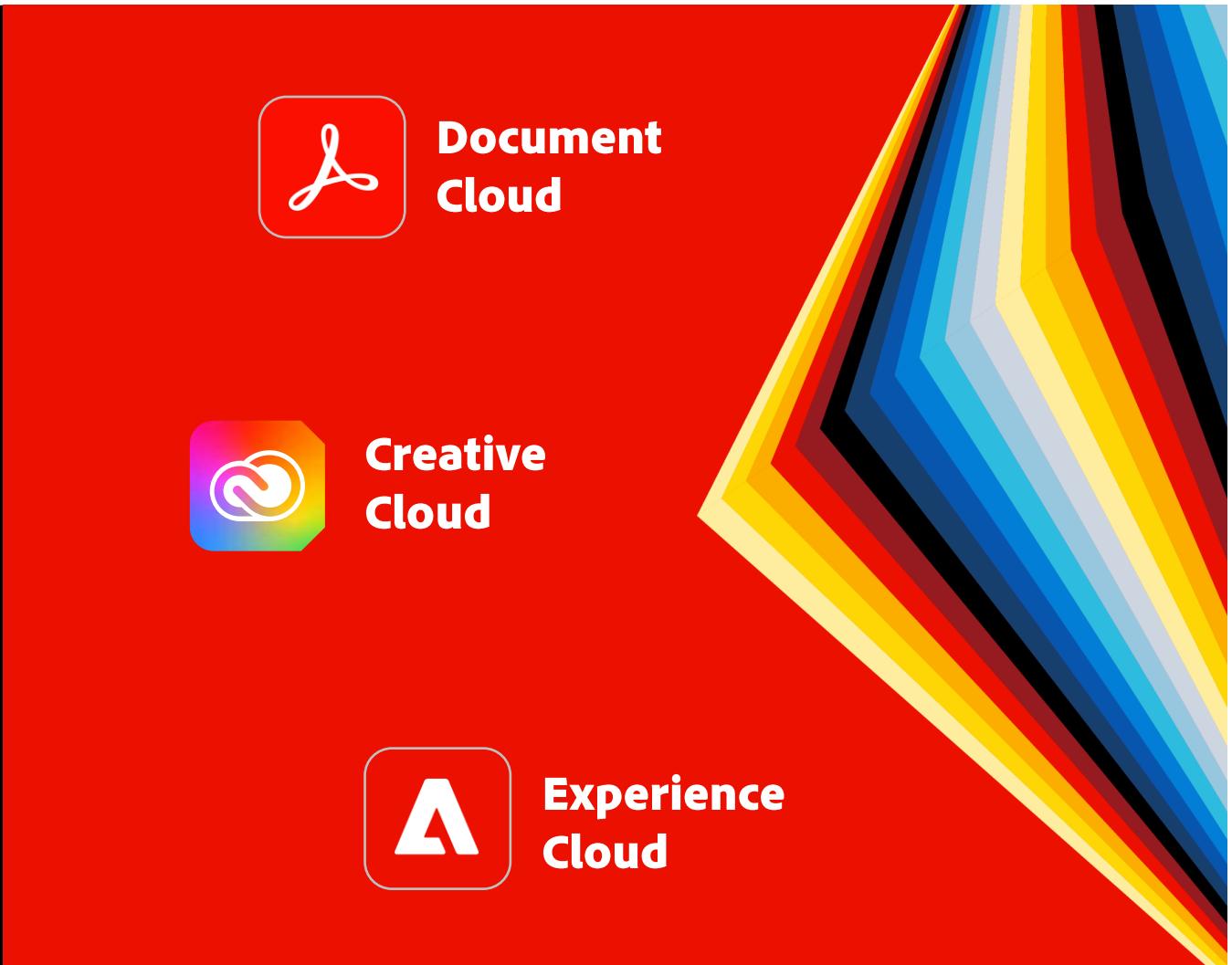
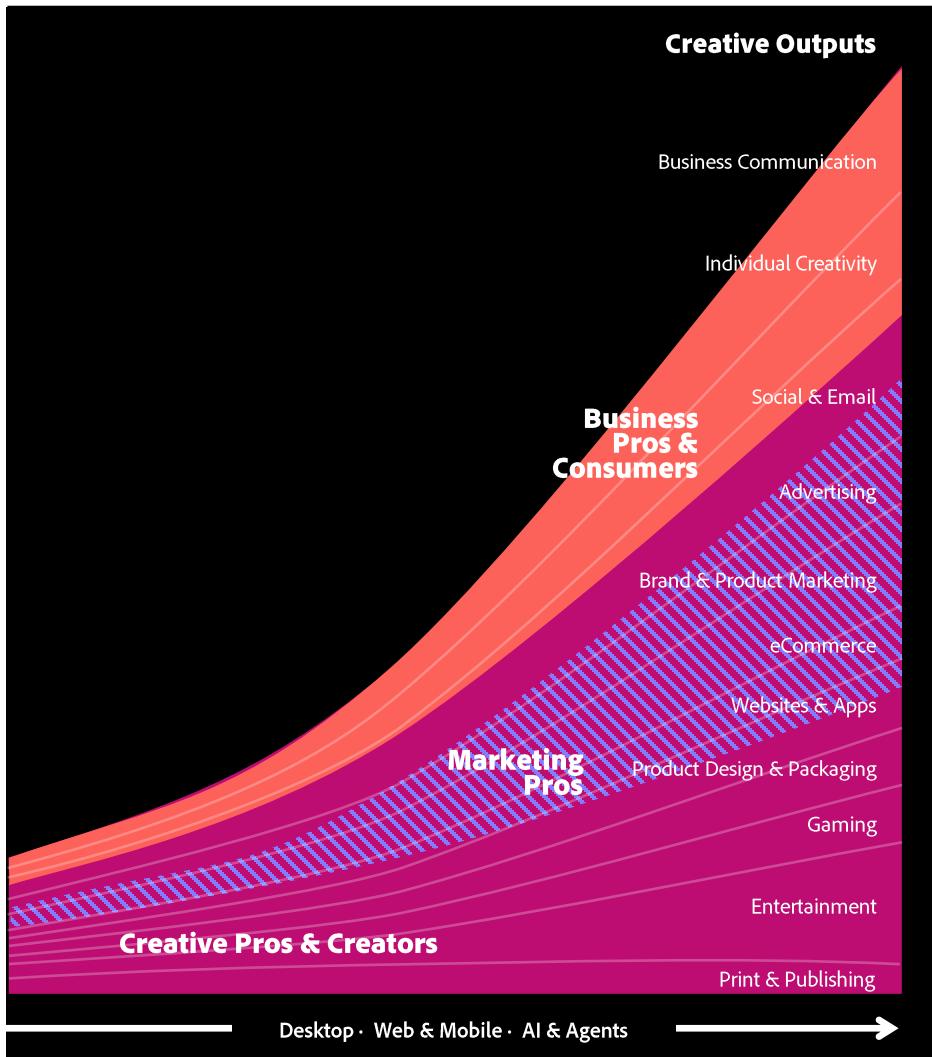
Changing the world through personalized digital experiences



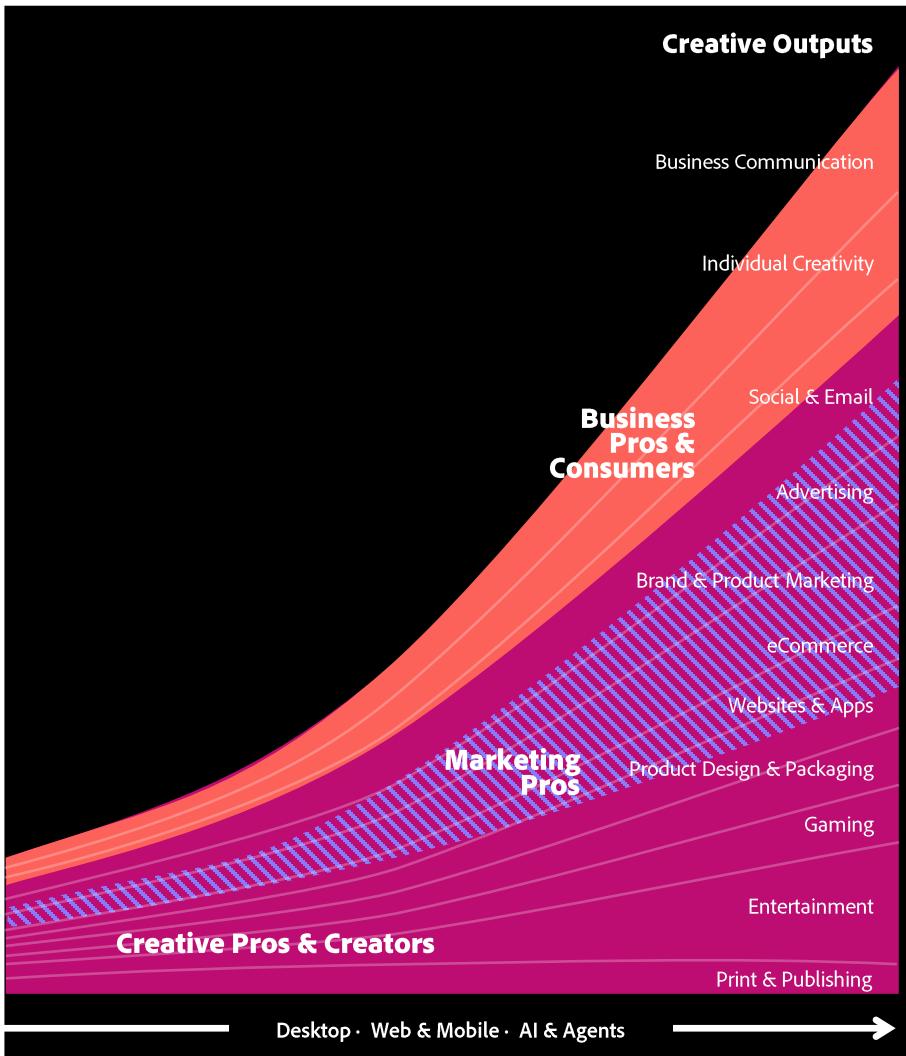
Evolution of the creative opportunity



Adobe has grown by category-defining cloud innovation



Adobe has grown by expanding product offerings



Document Cloud



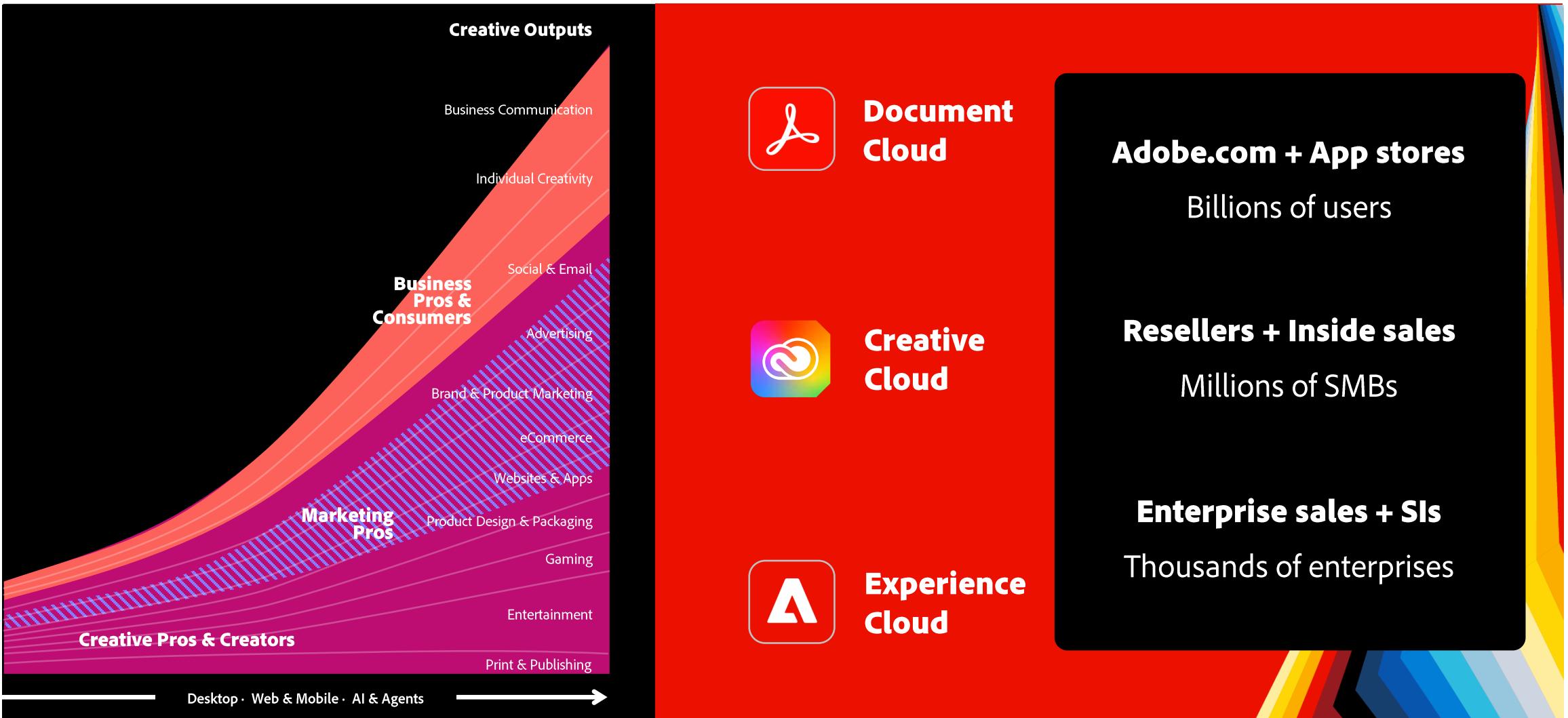
Creative Cloud



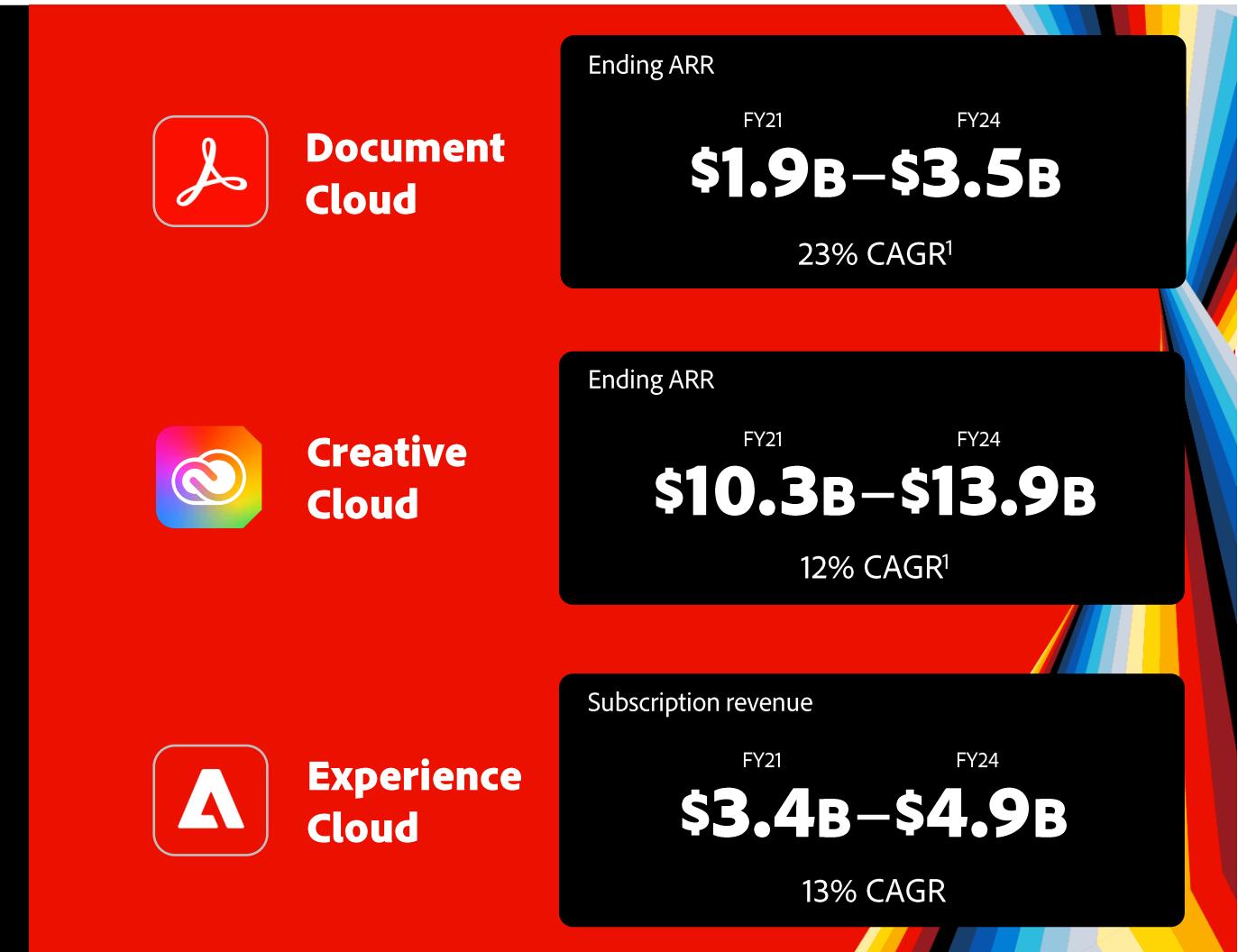
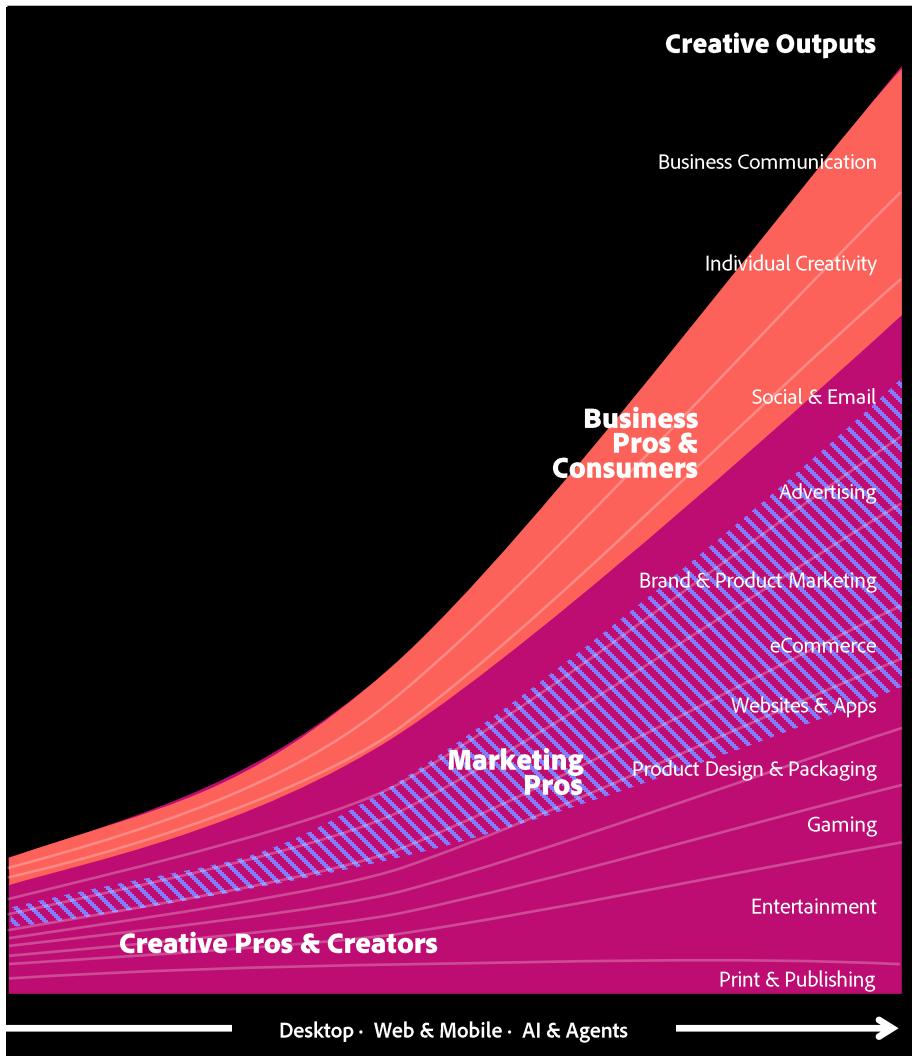
Experience Cloud



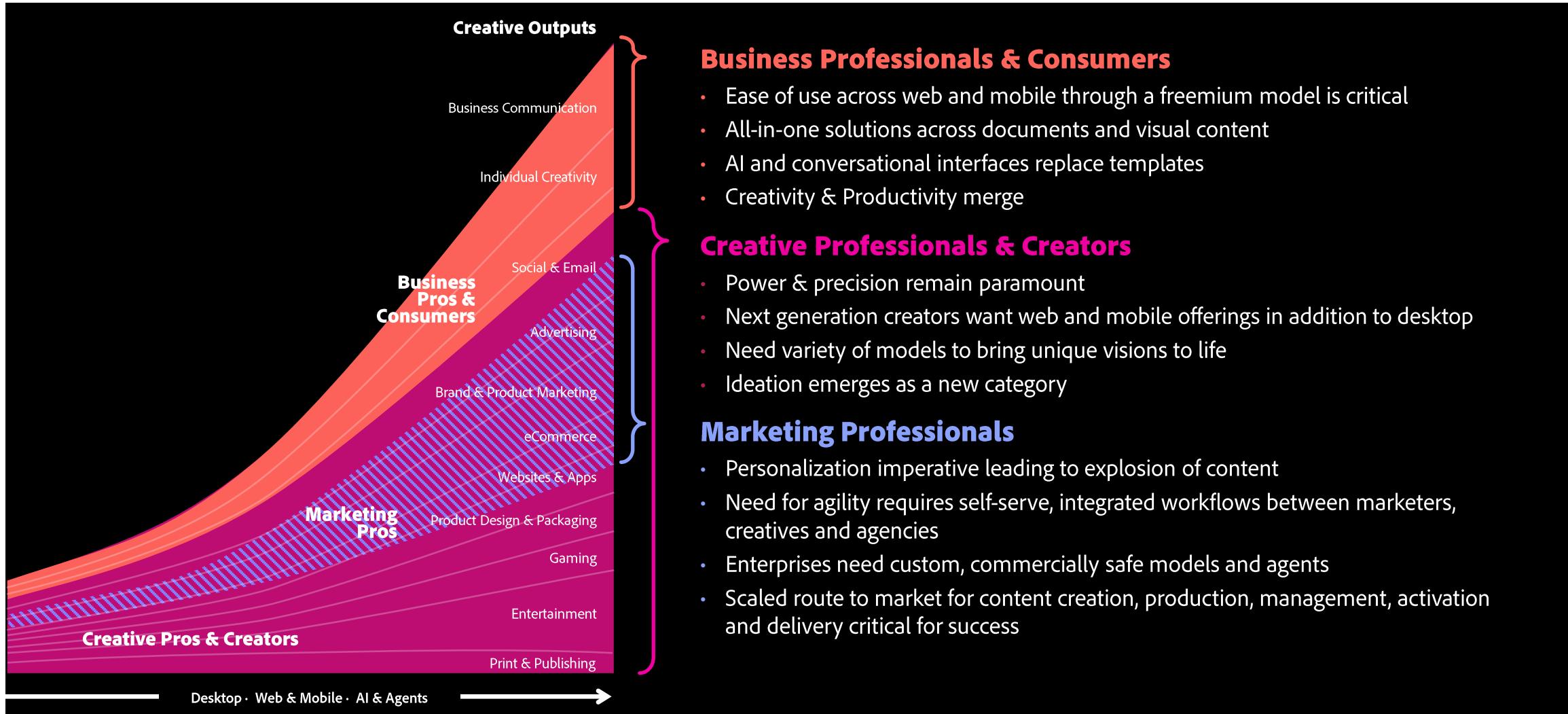
Adobe has grown by expanding routes to market



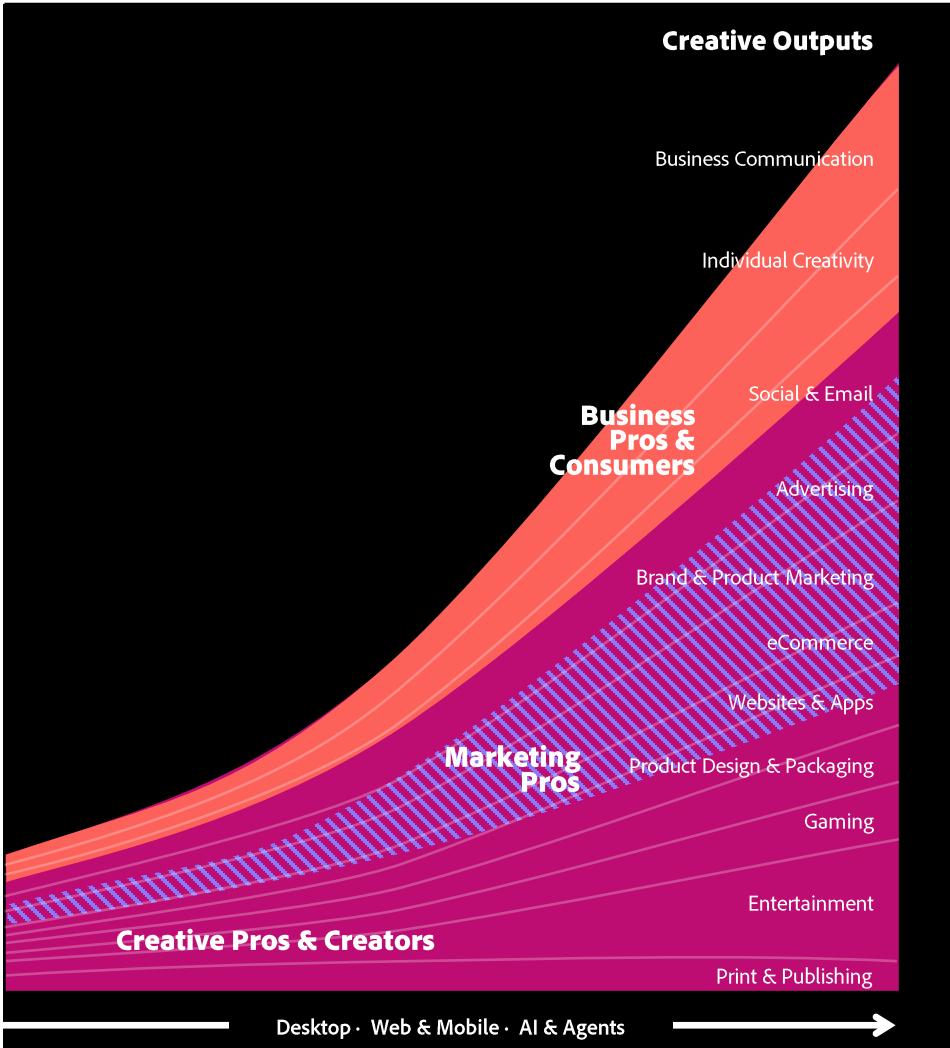
Adobe's growth has shaped the creative landscape



The creative opportunity is accelerating in the era of AI



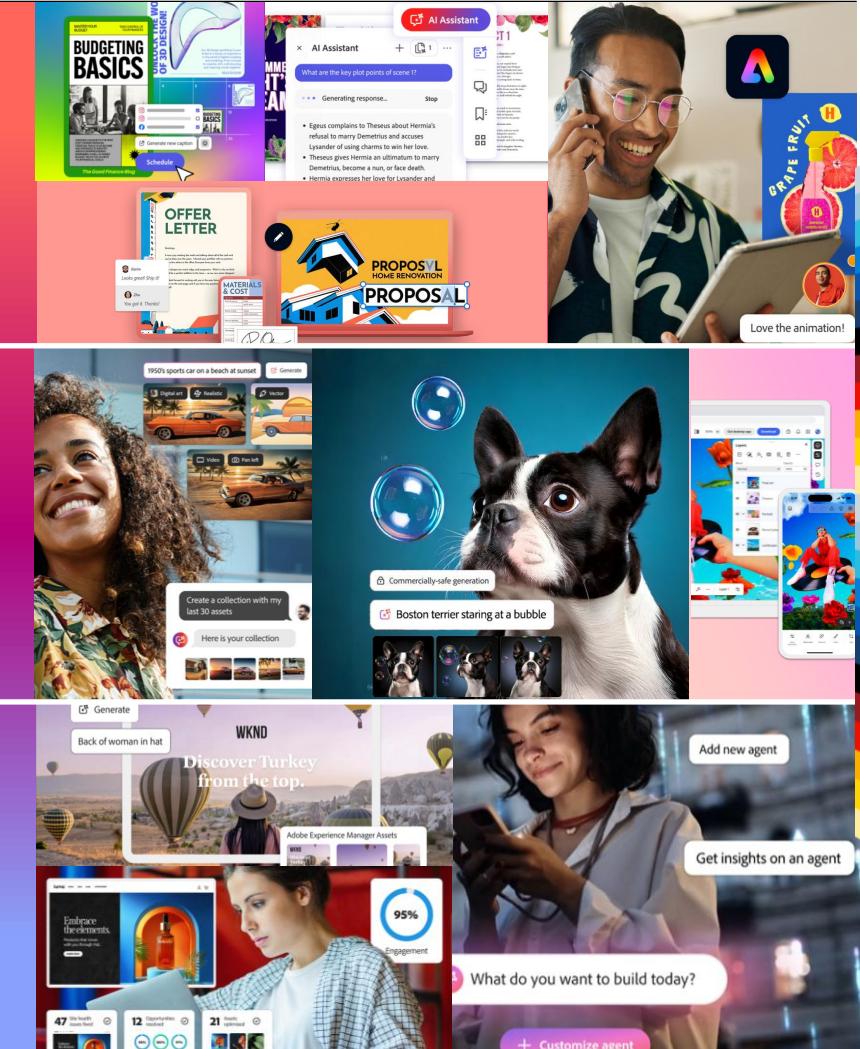
Adobe will accelerate success through customer-focused innovation



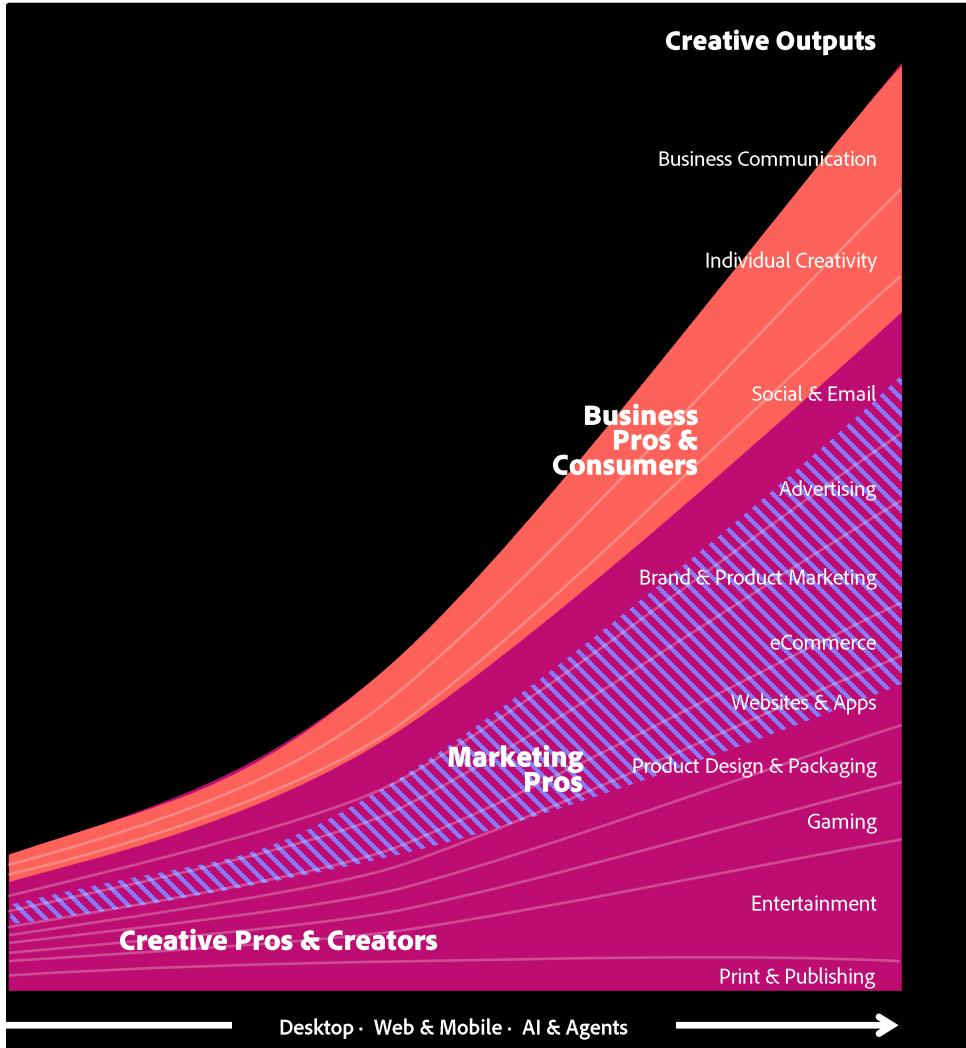
Business Professionals & Consumers

Creative Professionals & Creators

Marketing Professionals



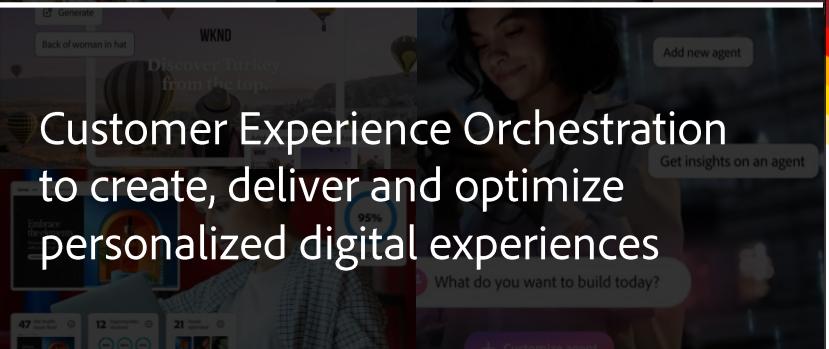
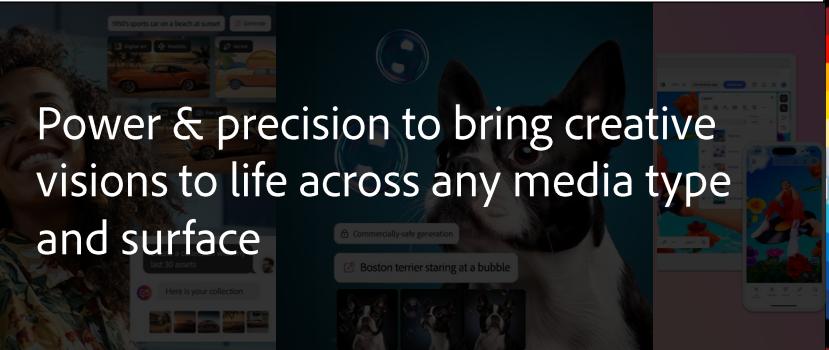
Adobe's growth agenda is to serve these massive and expanding audiences



Business Professionals & Consumers

Creative Professionals & Creators

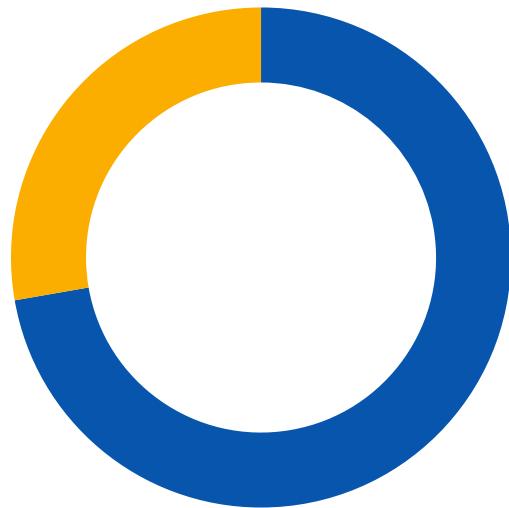
Marketing Professionals



Adobe's business

Customer Groups¹

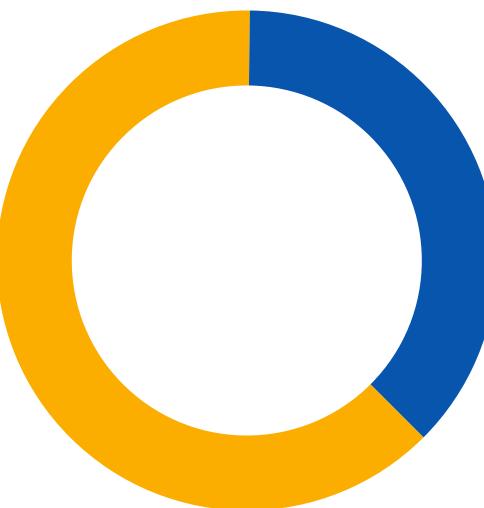
FY24



- Creative & Marketing Professionals
- Business Professionals & Consumers

Routes to Market¹

FY24



- Digital & Channel
- Enterprise

\$20.4B

FY24 subscription revenue¹

~750M

Digital Media MAU²

~22,000

Enterprise customers³

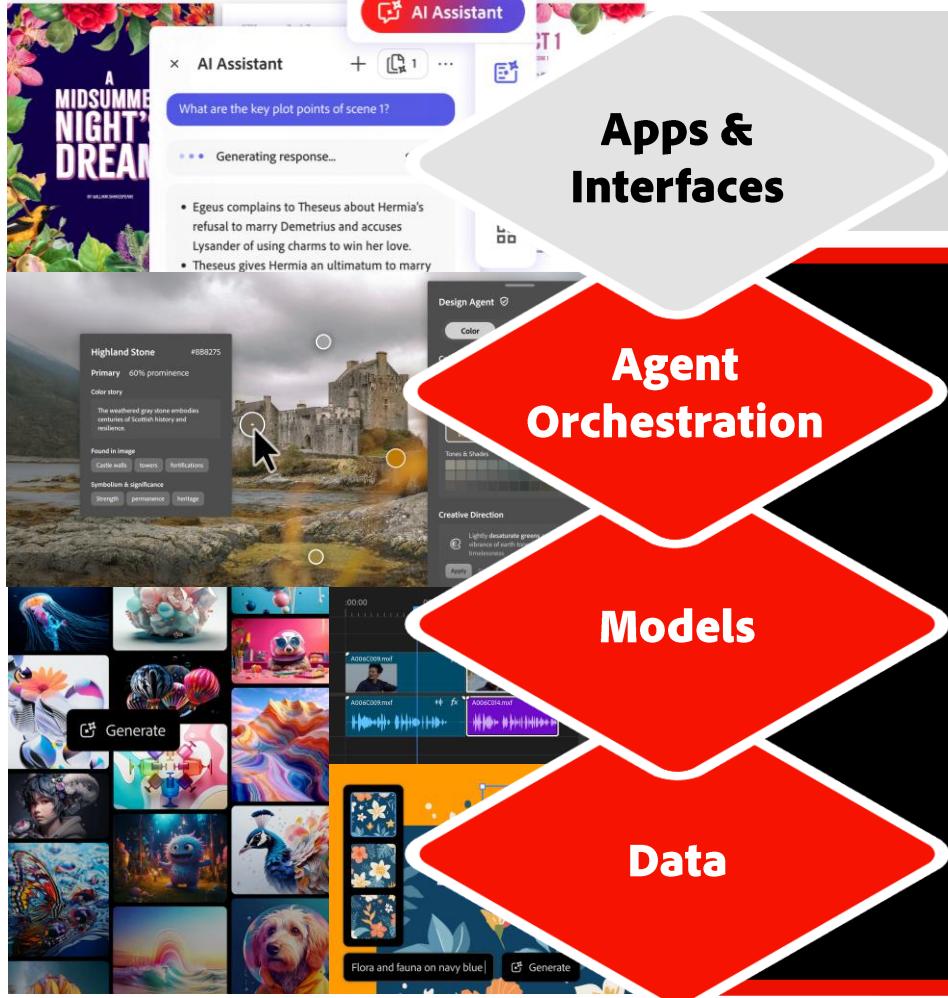
>50%

Web and mobile as percentage of MAU²

>100%

YoY growth of joint Creative & Marketing deals⁴

Adobe's AI strategy



Apps & Interfaces

Agent
Orchestration

Models

Data

Deeply integrate into existing products & solutions
and launch new apps & services

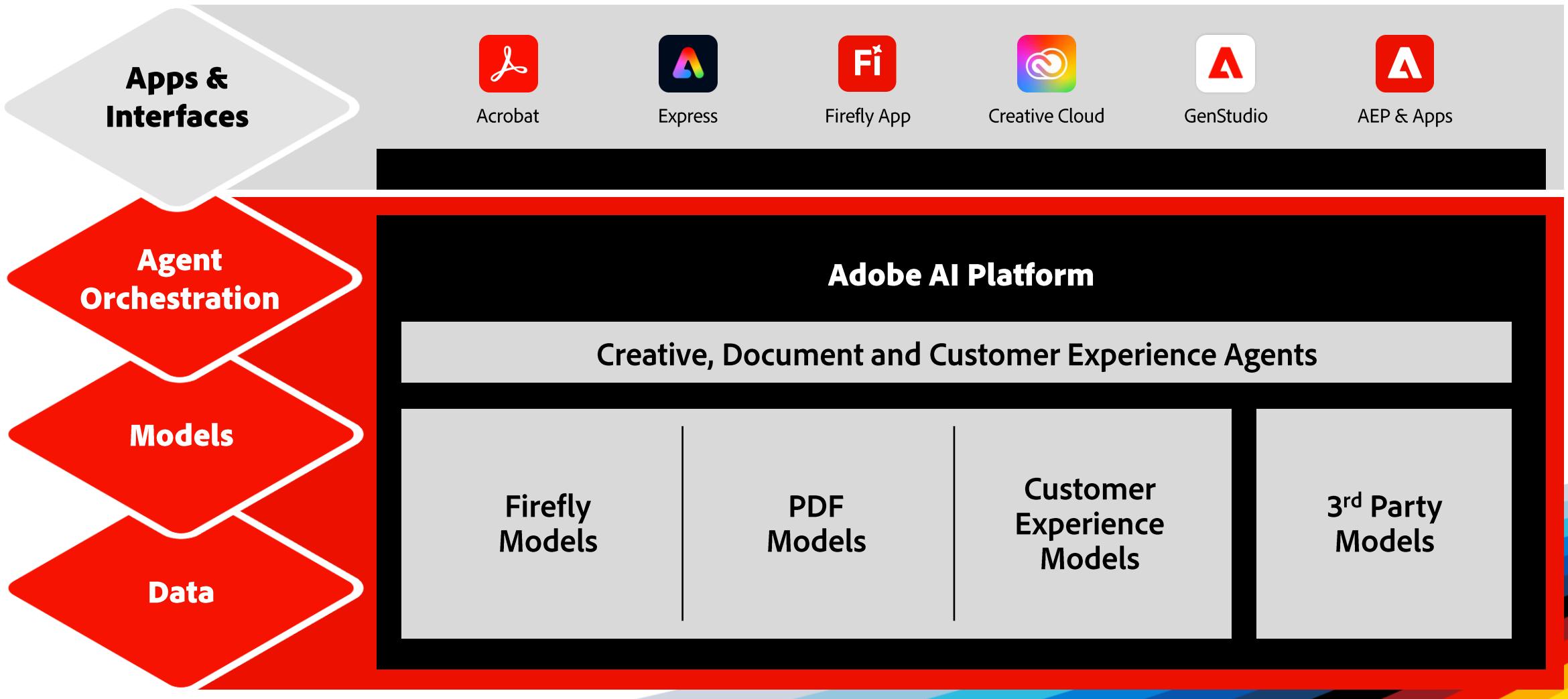
Adobe AI Platform

Create and orchestrate agents that can reason and perform tasks to achieve goals

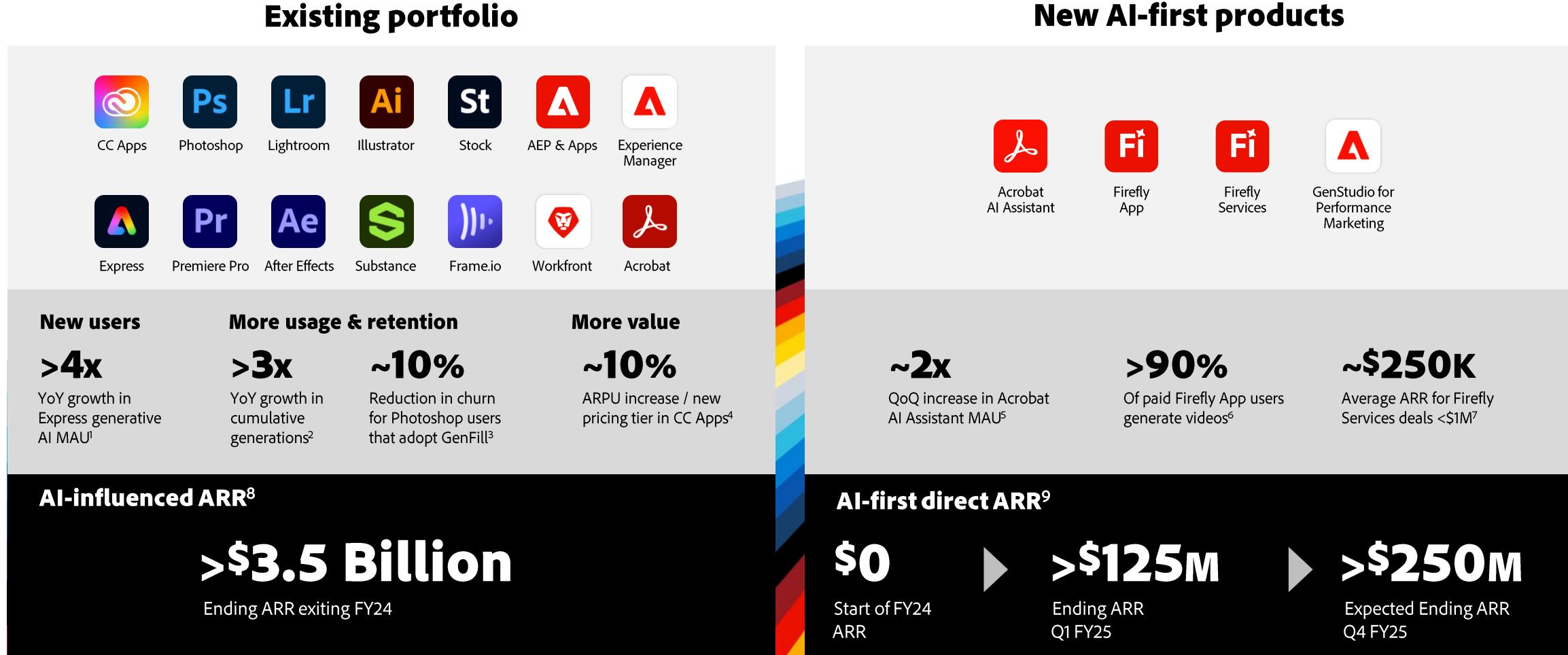
Build category-leading, commercially safe foundation models and partner with 3rd party models

Harness unique data assets and unlock 1st party data

Adobe's AI Platform



Adobe's AI monetization



¹Average monthly active users (MAU) for the 4 weeks ended 02/28/2025 vs the 4 weeks ended 03/01/2024; ²Cumulative Firefly generations Q1 FY25 vs Q1 FY24; ³Average reduction in weekly churn over the last 6 months of Photoshop users that use GenFill vs those that do not; ⁴November 2023; ⁵Free and Paid MAU for the last month of Q1 FY25 vs. Q4 FY24; ⁶Paid Firefly Add On subscribers, measured from 2/12/2025 to 2/21/2025; ⁷Average new annualized deal value for Firefly Services, when under \$1M ARR, Q1 FY24 to Q1 FY25; ⁸Adobe estimated, March 2025; ⁹Includes Acrobat AI Assistant (available Q1 FY24), Firefly App (available Q1 FY25), Firefly Services (available Q2 FY24) and GenStudio for Performance Marketing (available Q4 FY24), and excludes Express, Firefly embedded in Apps, AI Assistant in Acrobat Premium, Digital Experience Prime & Ultimate Tiers.

Adobe's strategy

Business Professionals & Consumers



AI-powered, quick & easy apps to stand out through Creativity & Productivity

Creative Professionals & Creators



Power & precision to bring creative visions to life across any media type and surface

Marketing Professionals

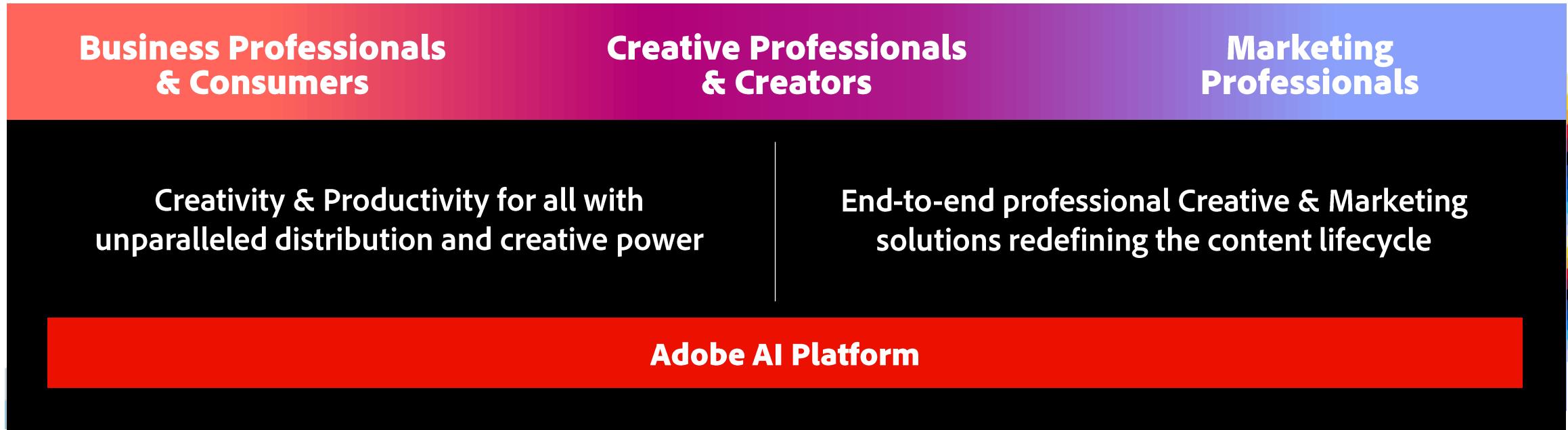


Customer Experience Orchestration to create, deliver and optimize personalized digital experiences

Adobe AI Platform



How we win



Product innovation to create and lead categories in Creativity, Productivity and Marketing

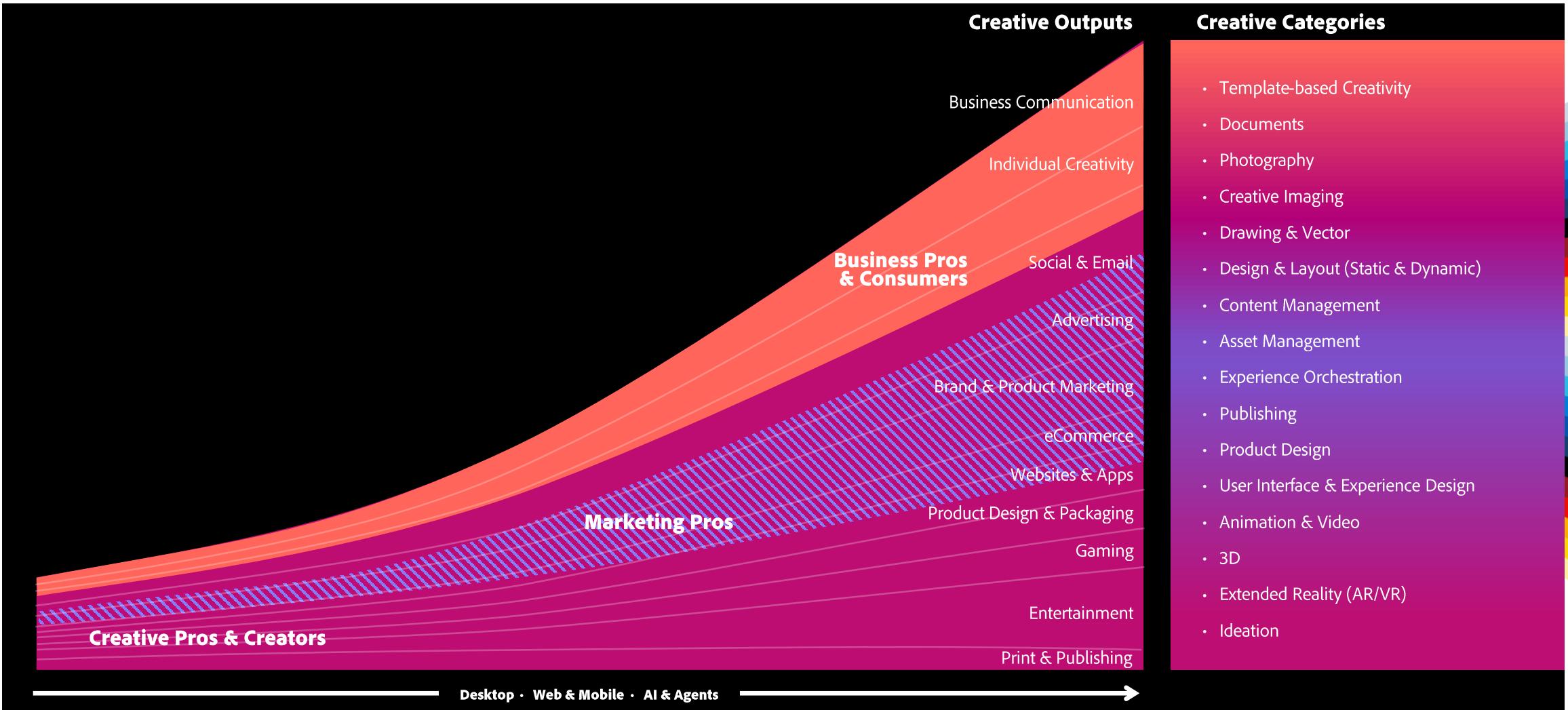
Scaled, differentiated digital and enterprise **routes to market**

Exceptional brand value and expansive **global reach**

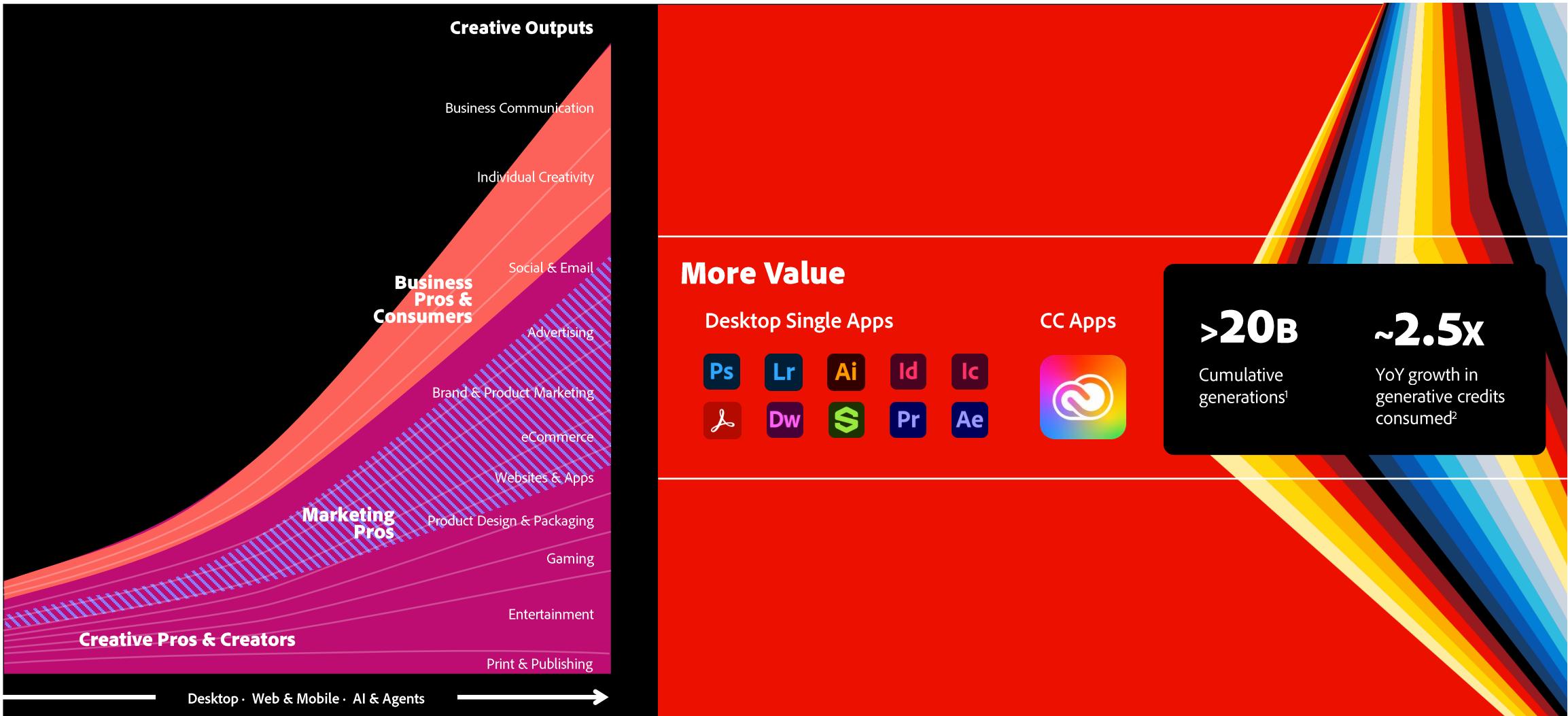
David Wadhwani
President, Digital Media Business

Adobe
Summit

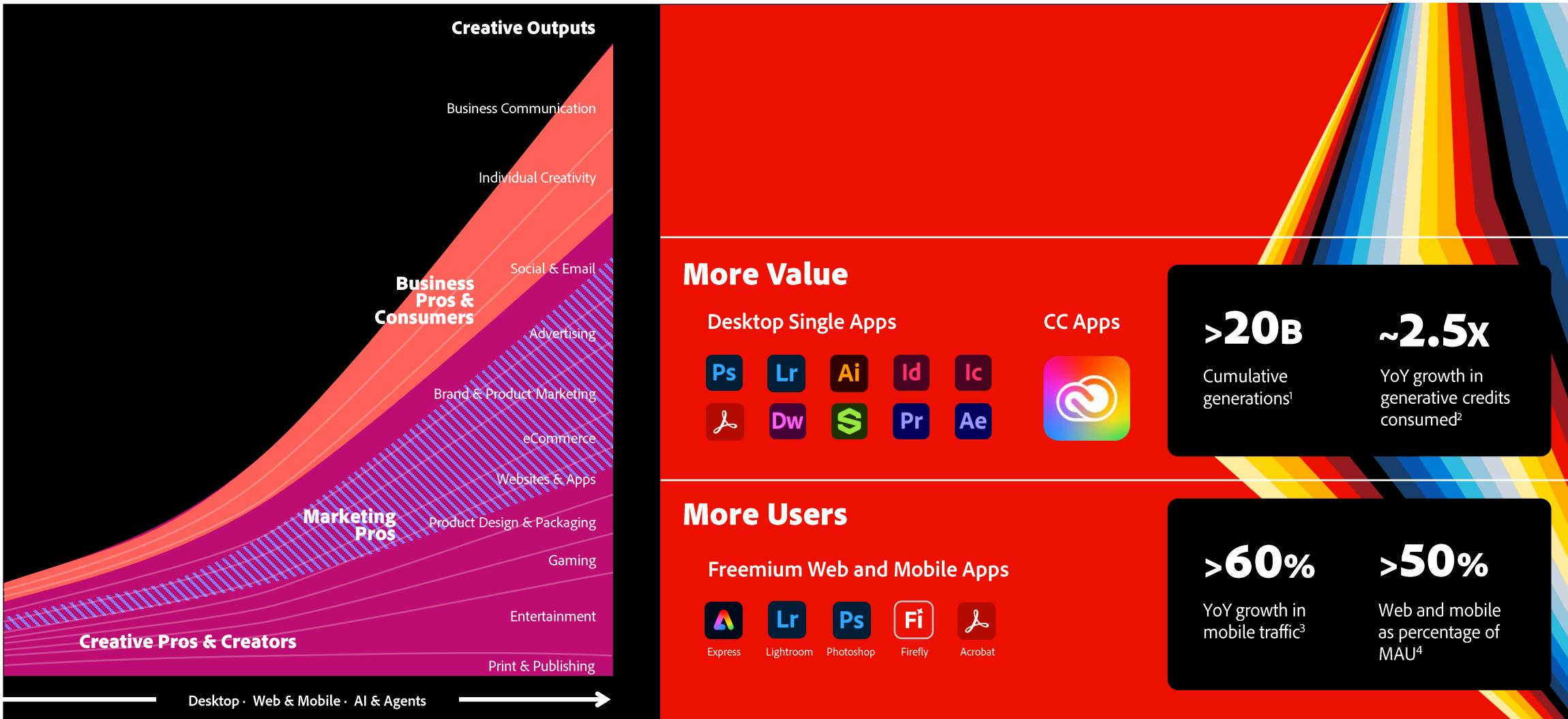
Adobe will accelerate success through customer-focused innovation



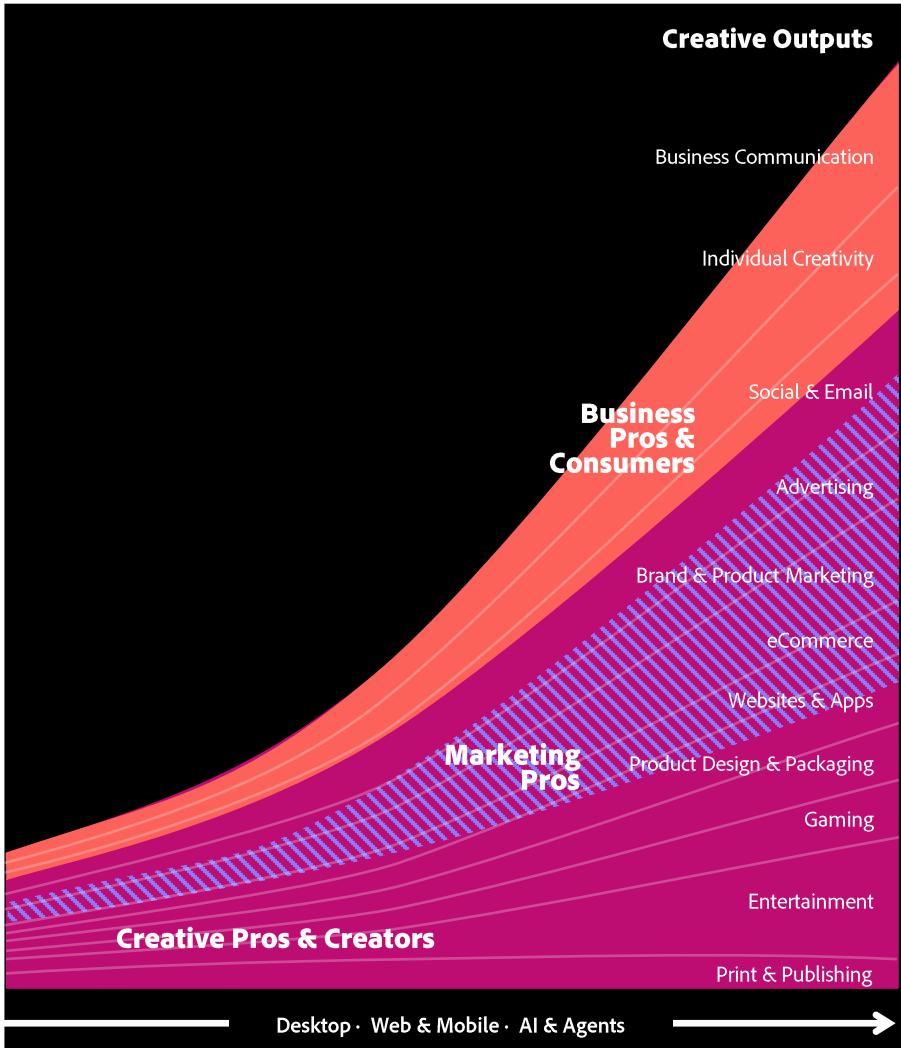
Adobe will accelerate success through customer-focused innovation



Adobe will accelerate success through customer-focused innovation



Adobe will accelerate success through customer-focused innovation



More Solutions



>1,400 >\$250k

Cumulative
Custom Models
trained¹

Average ARR for
Firefly Services
deals <\$1M²

More Value

Desktop Single Apps



CC Apps



>20B

Cumulative
generations¹

~2.5x

YoY growth in
generative credits
consumed³

More Users

Freemium Web and Mobile Apps



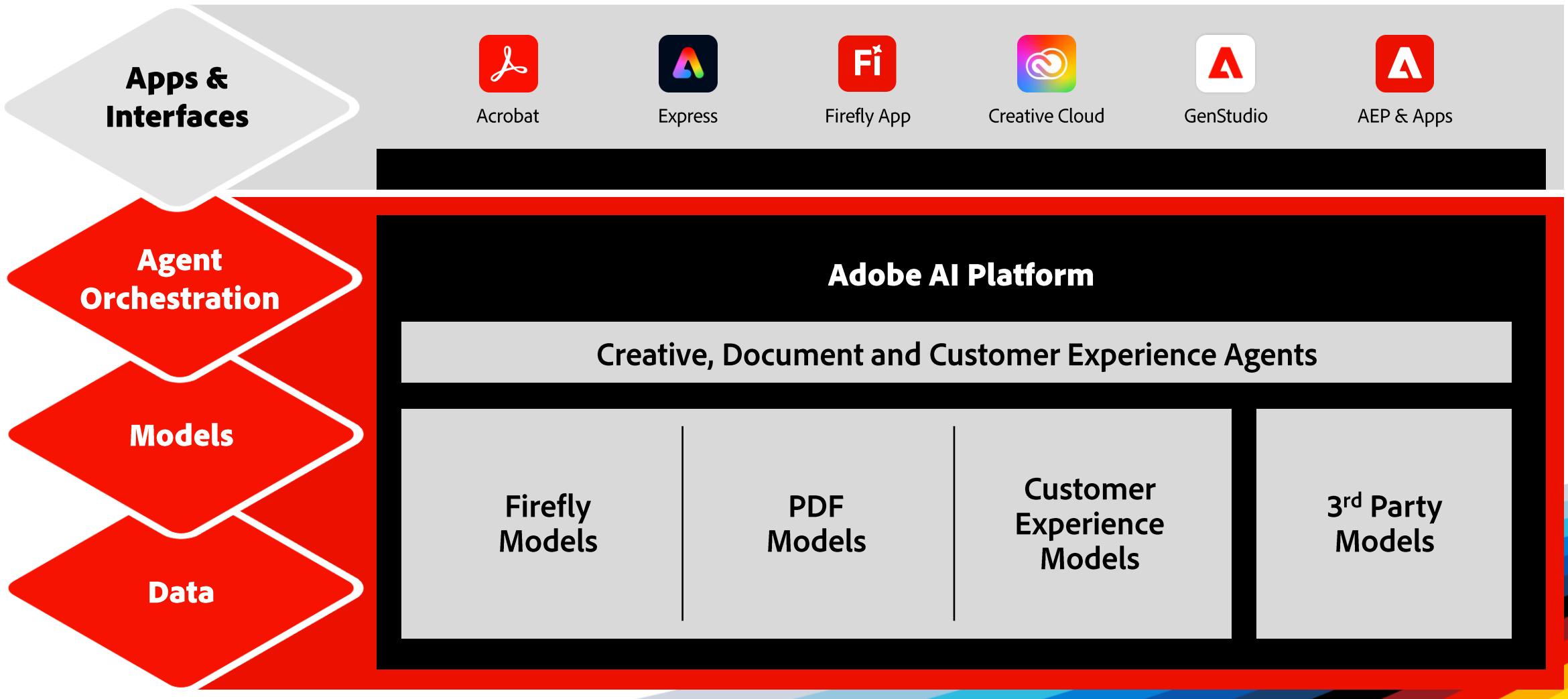
>60%

YoY growth in
mobile traffic⁴

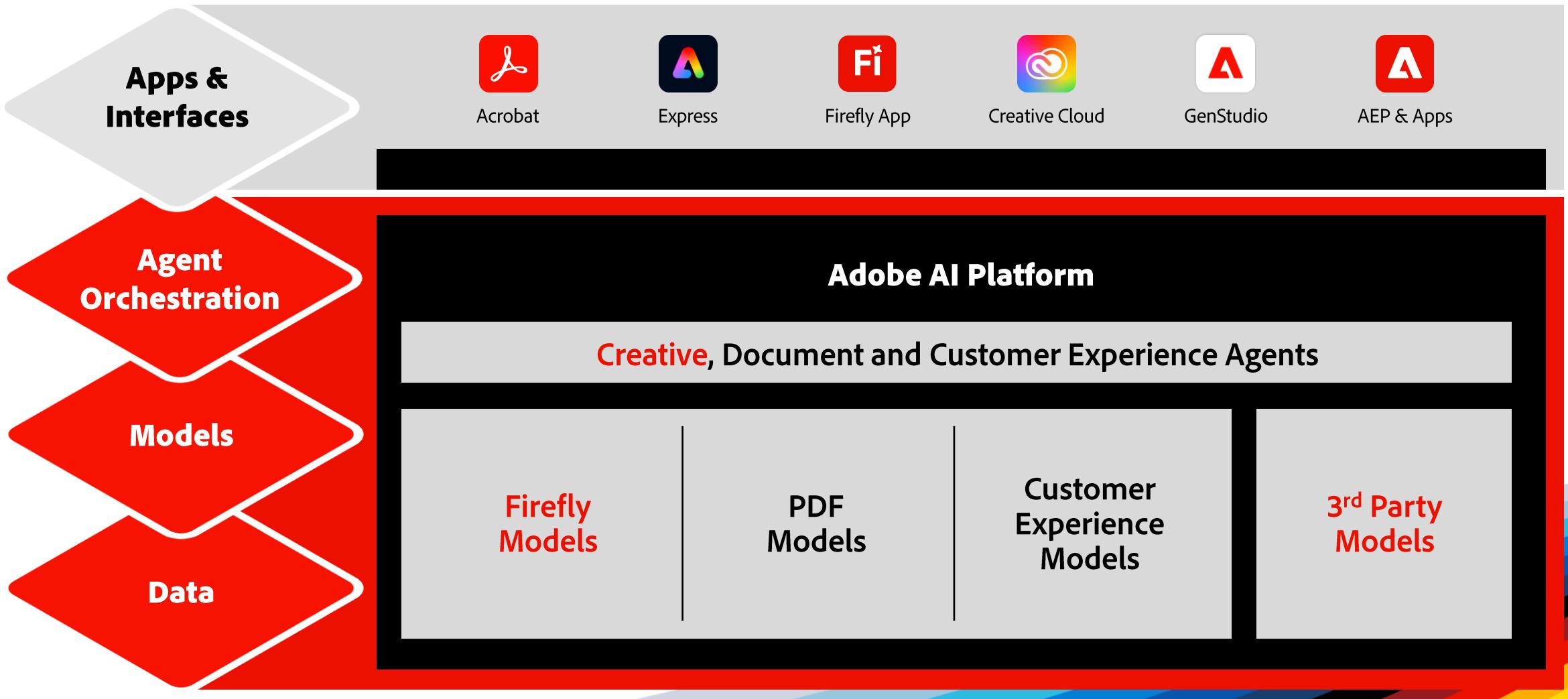
>50%

Web and mobile
as percentage of
MAU⁵

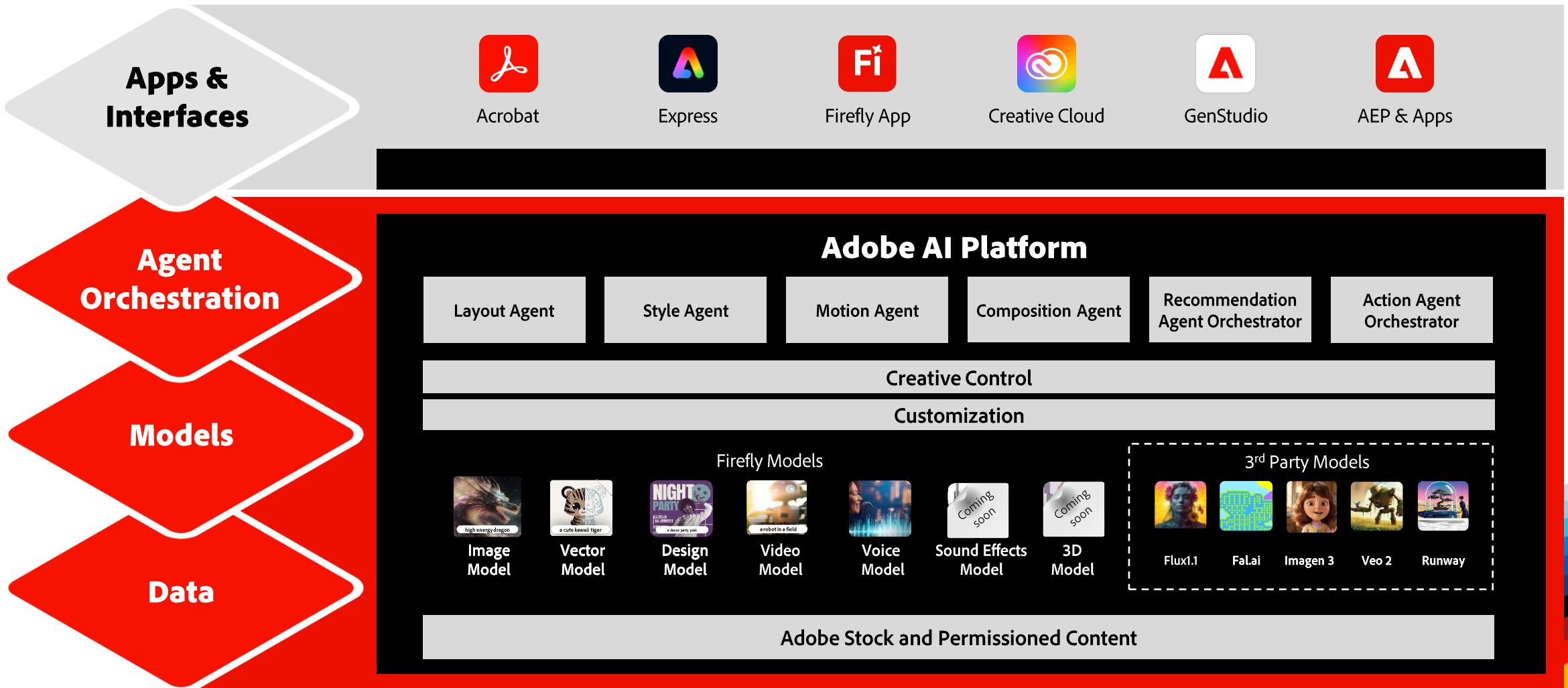
Adobe's AI Platform



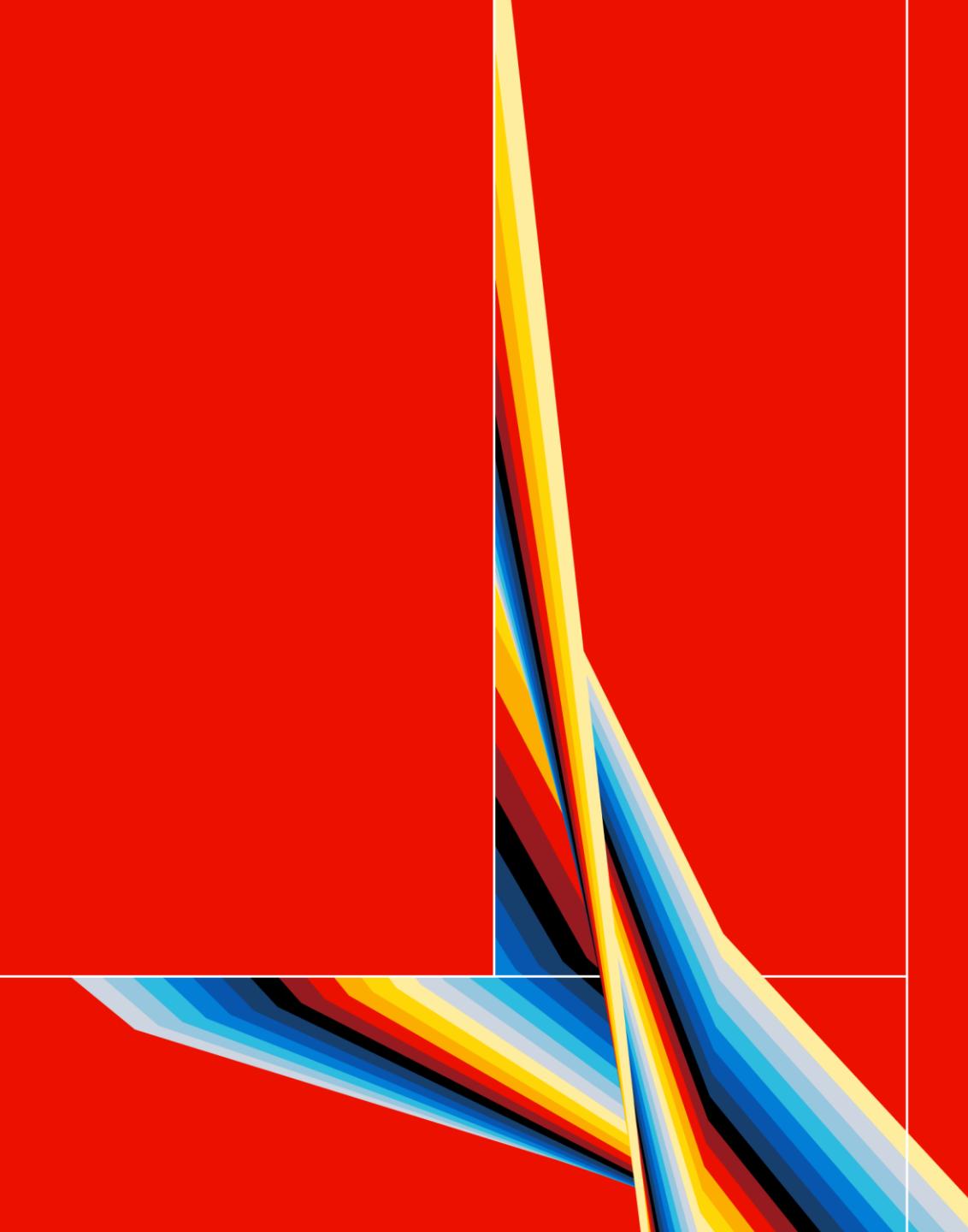
Adobe's AI Platform



Building the most complete AI platform for creativity



Business Professionals & Consumers



Market Opportunity: Business Professionals & Consumers

Billions of people

Communicate for work, school and play

- Research, summary and insights from documents
- Edit and manage documents
- Review and sign agreements
- Communicate visually (sales, HR, comms)
- Post social content
- Submit homework

Business Professionals

Social Media Teams, Sales Reps, HR Teams, Communication Teams, Small Business Owners, etc.

Consumers

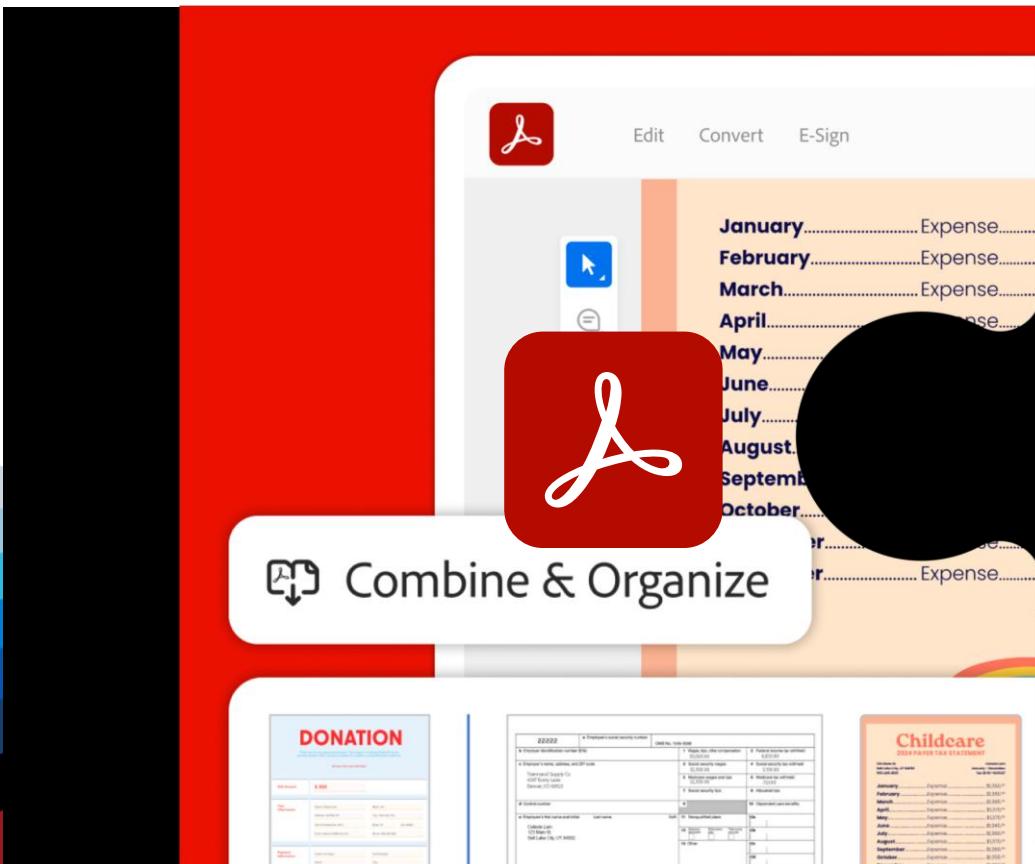
Students, Teachers, PTAs, Personal Use Cases like travel, invitations, announcements, etc.

PDF is the standard for unstructured data

Access to information continues to explode and individuals need faster insights through conversational interfaces

Digital communication overload means visual content is the way to differentiate and stand out

Creativity is the new productivity



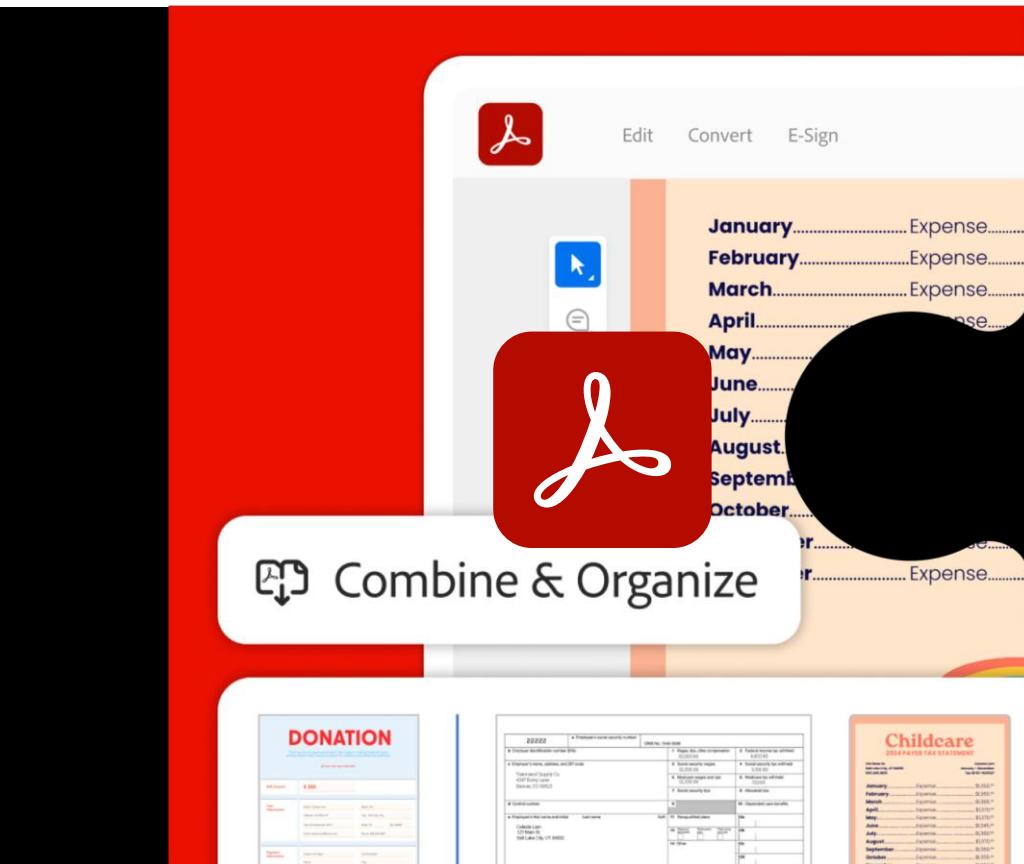
Adobe Acrobat
AI-powered document productivity

~650 MILLION
Monthly active Acrobat users¹

~3 TRILLION
PDFs in the world²

>400 BILLION
Documents opened in
Acrobat annually³

Creativity is the new productivity



The screenshot shows the Adobe Acrobat interface. At the top, there's a toolbar with 'Edit', 'Convert', and 'E-Sign' buttons. Below the toolbar, a large red button with a white PDF icon has the text 'Combine & Organize' next to it. The main workspace displays several document thumbnails: a monthly expense report for 'January' through 'October', a 'DONATION' form, a 'Childcare 2022 TAX STATEMENT' form, and a 'Childecare 2023 PAYMENT STATEMENT' form.

Adobe Acrobat
AI-powered document productivity

~50B

Visual documents opened in Acrobat annually¹

- Marketing content
- Sales pitches
- Presentations
- Infographics
- Cover pages

Creativity is the new productivity

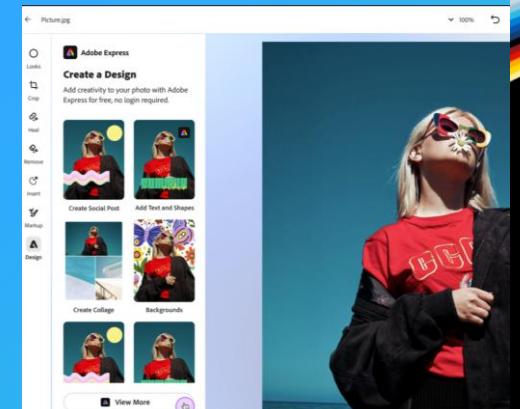
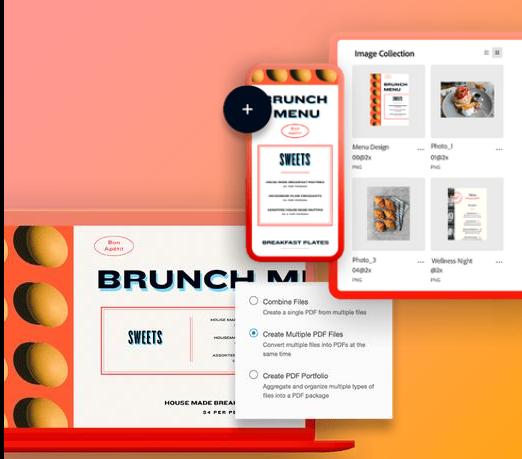
The image is a collage of various Adobe products and services, illustrating how they facilitate creativity and productivity. It includes:

- Adobe Acrobat:** A screenshot of the software interface showing document management features like 'Combine & Organize' and 'Edit', along with a preview of a PDF document.
- Adobe Express:** A collage of vibrant, AI-generated visual content including a 'REMINDERS' board, a 'your truth' quote, a 'BOOK CLUB' poster, and a 'Show Us What You've Got' section featuring a microphone.

Adobe Acrobat
AI-powered document productivity

Express
AI-powered visual content creation

Business Professionals & Consumers Strategy



Proliferate access to **Acrobat across every surface** (desktop, web, mobile and voice) to provide users with a trusted and consistent experience

Empower individuals and teams to quickly gather rich insights with **collaborative Acrobat AI Assistant experiences**

Enable individuals and teams to harness the power of AI to easily create beautiful visual content that stands out with **Adobe Express**

Bring productivity and creativity together through an integrated experience, from consumption to creation, with **Acrobat and Express**

Acrobat across every surface



Make Acrobat a trusted and consistent experience everywhere

Strategy:

- Expand our multi-surface ecosystem across desktop, web, mobile and voice
- Integrate Acrobat AI Assistant into 3rd party ecosystems
- Expand usage through enhanced collaboration features

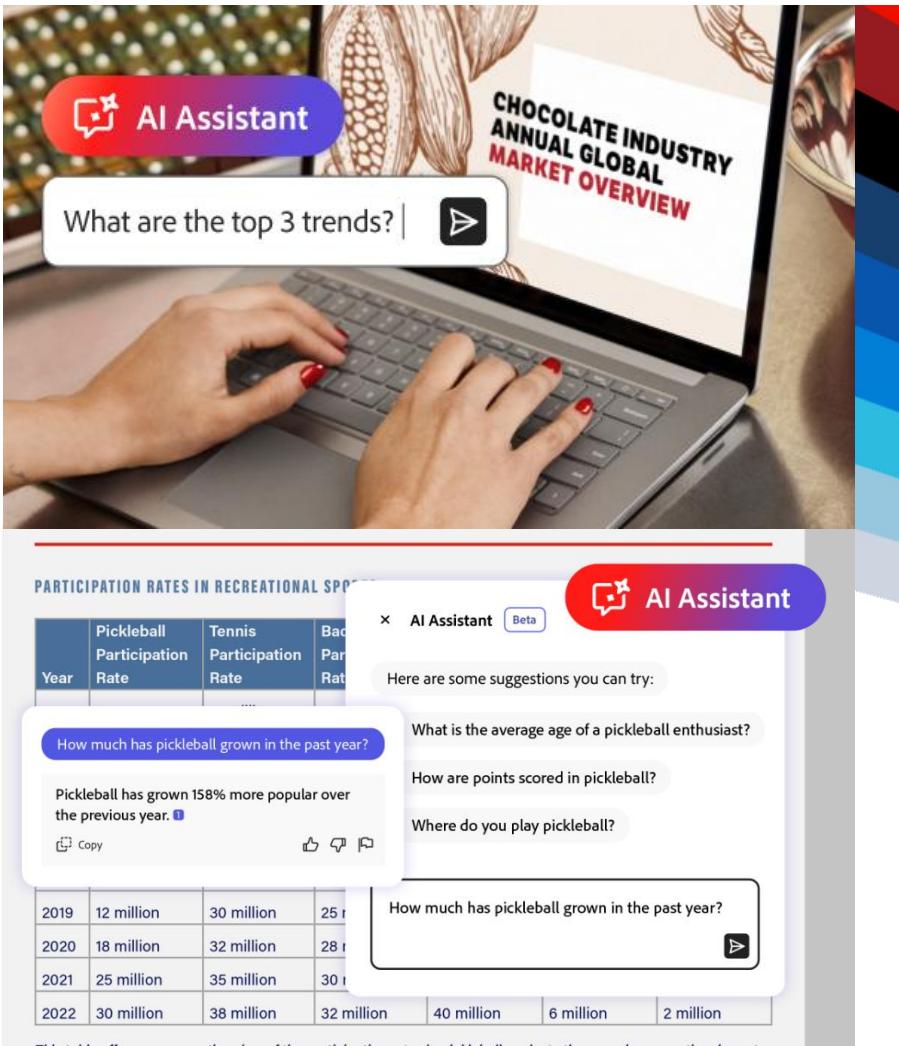
~23%

Total Acrobat MAU
growth YoY¹

~50%

Acrobat web MAU
growth YoY²

Deeper engagement with conversational interfaces



Establish Acrobat as the leading collaborative, conversational document platform

Strategy:

- Deliver the most accurate and verifiable answers in the market
- Unlock collaboration via shared Workspaces
- Tune responses with customizable agents
- Deliver enterprise-grade agentic solution for document-centric conversations

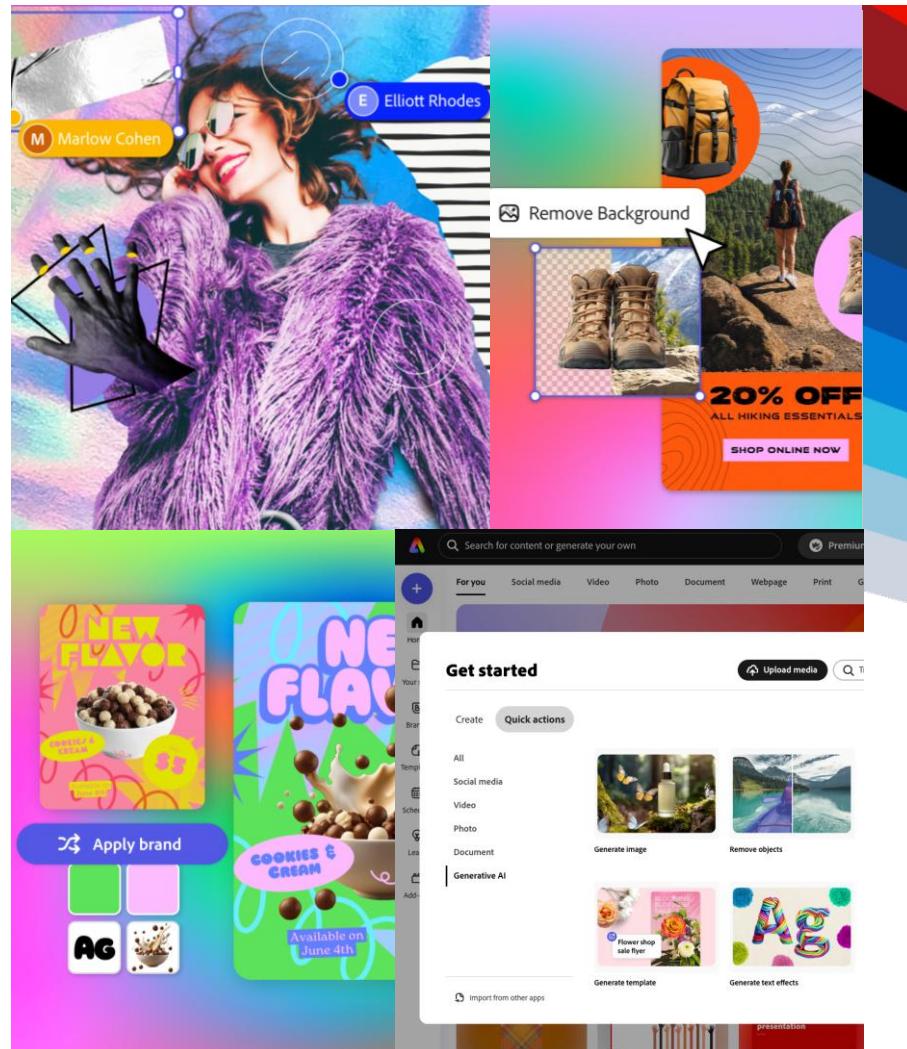
4X

Faster average task completion
with Acrobat AI Assistant¹

~2X

QoQ increase in Acrobat AI
Assistant MAU²

AI-powered visual content creation that is commercially safe



Proliferate Express for AI-powered visual creation

Strategy:

- Move beyond limitations of static templates with new era of AI-generated designs
- Deliver world-class image, video, design and motion by integrating Firefly, Photoshop, Premiere features
- Integrate with Adobe ecosystem: Acrobat, CC Apps, Firefly App, GenStudio, AEP & Apps
- Provide classroom-safe AI with Firefly to meet student and teacher needs

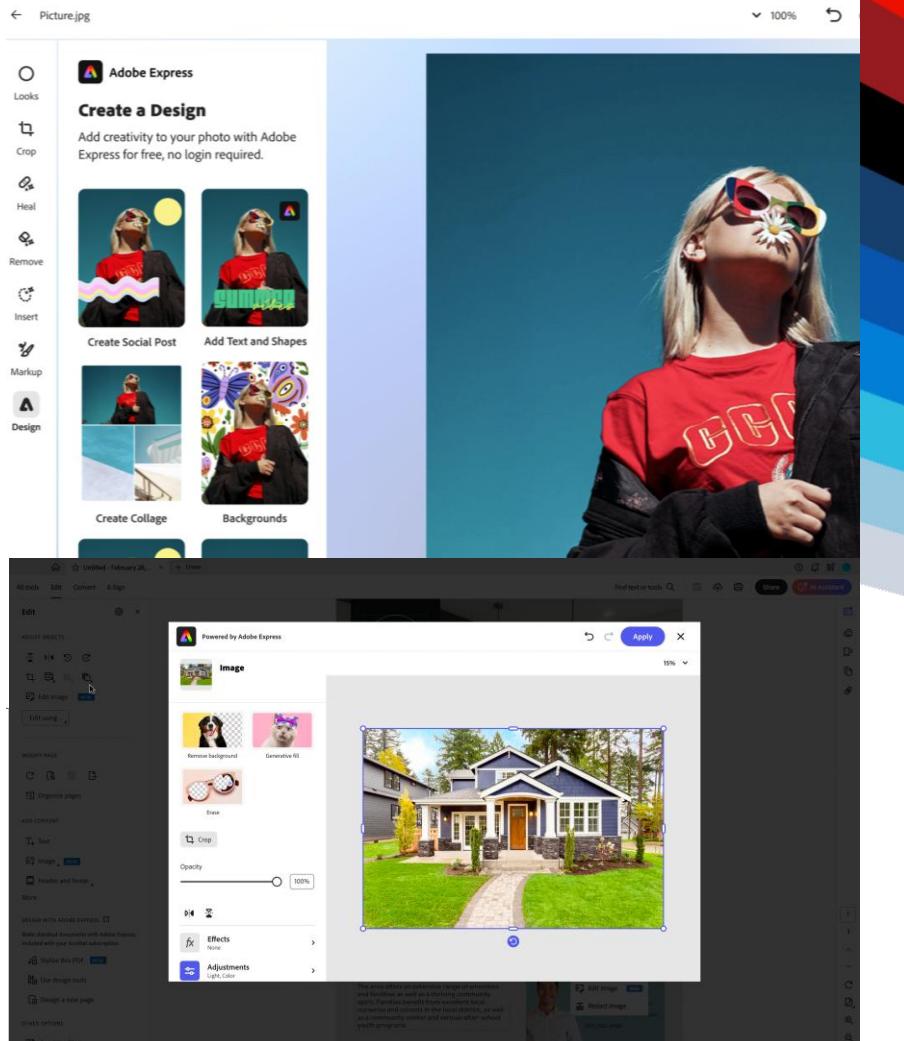
>1B

Cumulative Express
projects created¹

~6K

Number of new businesses
onboarded in Q1²

Accelerate productivity with AI-powered consumption & creation



Become the platform of choice for Creativity & Productivity with quick & easy agentic creation

Strategy:

- Enhance PDFs with compelling visual elements by integrating Express deeply into Acrobat workflows like Edit PDF, Convert PDF, Generate PDF and more
- Transform PDF and other documents into polished visual forms of communication like presentations, videos, interactive avatars, podcasts and more

~50B
Visual documents opened in
Acrobat annually¹

>10X
Express usage growth
through Acrobat YoY²

Business Professionals & Consumers: From consumption to creation

PDF is the gold standard of document interchange

>400B
PDFs opened in Acrobat/year¹

Acrobat available across web, mobile and desktop

~3T
PDFs in the world²

Acrobat and Express power conversational consumption and agentic visual creation

~1B
Links shared from Acrobat in FY24

~650M
Monthly active Acrobat users³

How we win

Business Professionals & Consumers

Creativity & Productivity for all with unparalleled distribution and creative power

Creative Professionals & Creators

End-to-end professional Creative & Marketing solutions redefining the content lifecycle

Marketing Professionals

Adobe AI Platform

Reach billions of users with Acrobat and Express

Supercharge content consumption with Acrobat AI Assistant & collaborative Workspaces

~650M

Acrobat MAU¹

~2x

QoQ increase in Acrobat AI Assistant MAU²

Transform visual content creation from templates to AI-generated designs with Adobe Express

~50B

Visual documents opened in Acrobat annually³

>1B

Cumulative Express projects created⁴

Unify consumption and creation workflows by integrating Acrobat and Express

>10x

Express usage growth through Acrobat YoY⁵

How we monetize

Business Professionals & Consumers

Creativity & Productivity for all with unparalleled distribution and creative power

Creative Professionals & Creators

End-to-end professional Creative & Marketing solutions redefining the content lifecycle

Marketing Professionals

Adobe AI Platform

Reach billions of users with Acrobat and Express

More Users

Freemium Acrobat, Acrobat AI Assistant and Express plans acquire new users with focus on student and consumer adoption

More Value

Premium tiers with integrated Acrobat, Acrobat AI Assistant and Express for an all-in-one consumption and creation solution will drive user acquisition and ARPU expansion

More Solutions

Enterprise platform for document-centric conversational experiences and agent customization

Creative Professionals & Creators



Market Opportunity: Creative Professionals & Creators

Millions of people

Create pixel perfect images, videos, illustrations, 3D, designs and experiences

- Promote company, products and services
- Engage customers through digital experiences
- Entertain audiences with blockbuster movies
- Deliver richly textured video games
- Build community with short form social videos

Creative Professionals

Graphic Designers, Photographers, Videographers, Illustrators, 3D Artists, etc.

Creators

Social Media Influencers, Solopreneurs, Travel Bloggers, Gig Workers, etc.

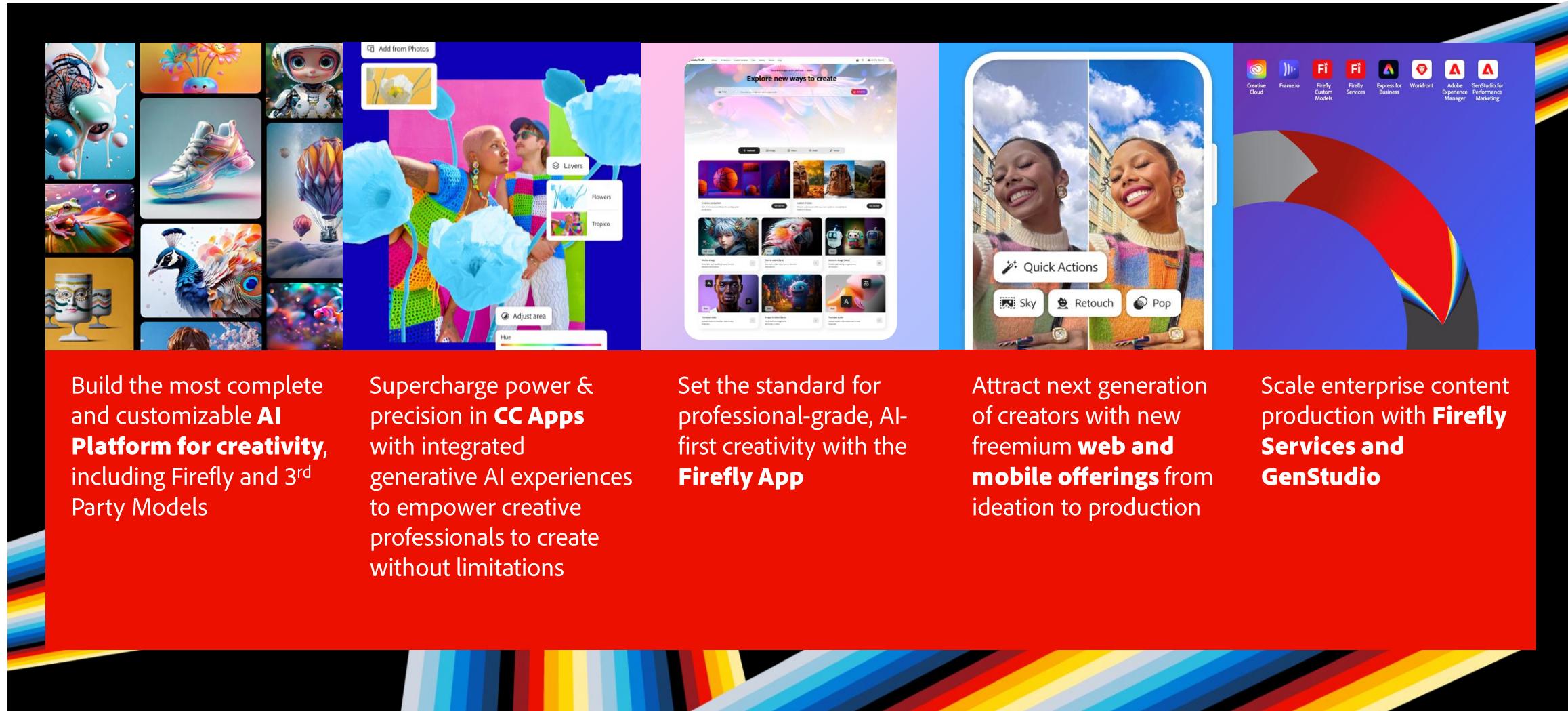
Content is fueling the global economy

Creative professionals are struggling to keep up with the demand for content

Exploding base of next generation creators are embracing creative AI models

Creative & Marketing Professionals are looking for ways to augment human creation with automation for scaled production of hyper-personalized content

Creative Professionals & Creators Strategy



The collage consists of five panels:

- Panel 1:** A grid of various creative projects including a butterfly on a branch, a colorful flower arrangement, a robot, a sneaker, a hot air balloon, a peacock, and a glass.
- Panel 2:** A screenshot of the Firefly App interface showing a user interacting with AI-generated content.
- Panel 3:** Two smartphone screens showing AI-enhanced photo editing features like "Quick Actions" (Sky, Retouch, Pop).
- Panel 4:** A screenshot of the Creative Cloud mobile app interface.
- Panel 5:** A screenshot of the Firefly Services and GenStudio interface, featuring a large red and blue graphic.

Build the most complete and customizable **AI Platform for creativity**, including Firefly and 3rd Party Models

Supercharge power & precision in **CC Apps** with integrated generative AI experiences to empower creative professionals to create without limitations

Set the standard for professional-grade, AI-first creativity with the **Firefly App**

Attract next generation of creators with new freemium **web and mobile offerings** from ideation to production

Scale enterprise content production with **Firefly Services and GenStudio**

Firefly: The most comprehensive family of models

Image

Video

Vector

Colorful iguana shapes

Avatar

Creative Control

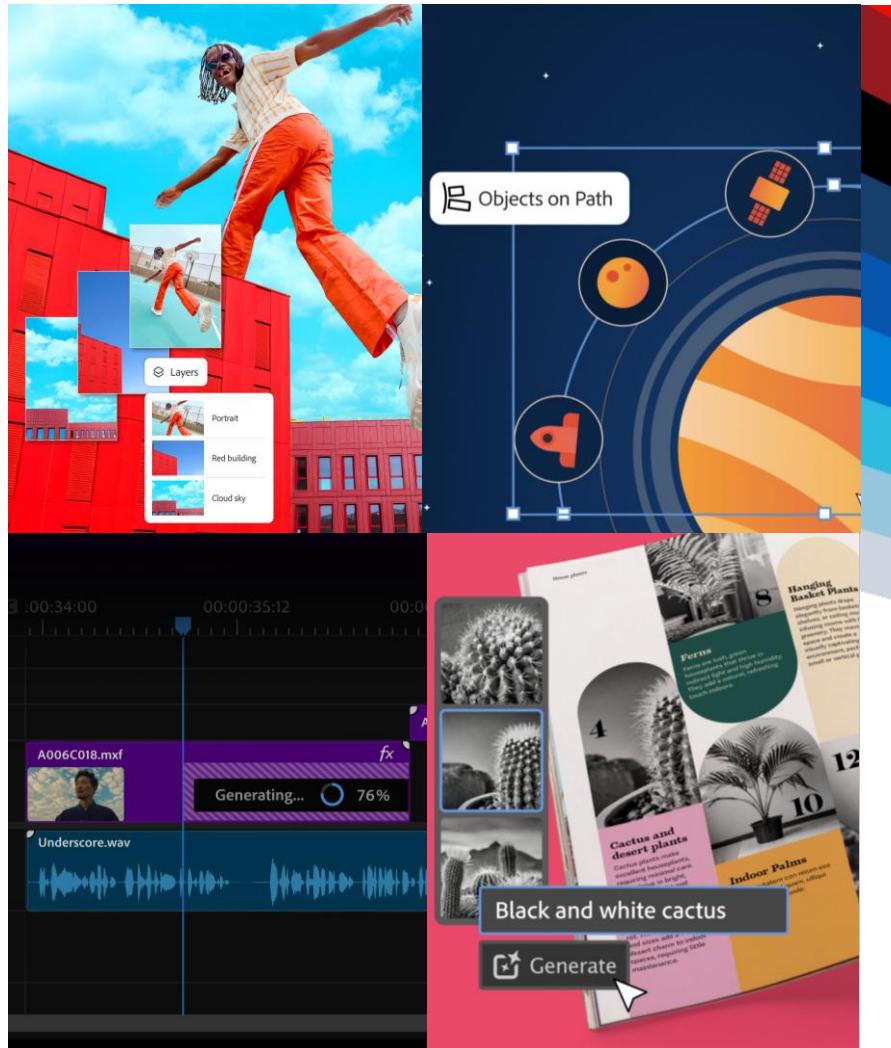
Firefly Models

Image Model	Vector Model	Design Model	Video Model	Voice Model	Sound Effects Model	3D Model
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3rd Party Models

Flux1.1	Fal.ai	Imagen 3	Veo 2	Runway
---------	--------	----------	-------	--------

Power & precision in CC Applications



Continue to grow CC Apps as the platform for limitless creativity

Strategy:

- Deliver power & precision capabilities across CC Apps
- Integrate Generative AI deeply into CC Apps with Firefly and 3rd party models
- Introduce agent-based recommendations and actions
- Fuel the content supply chain with AEM, Workfront, Frame and GenStudio integrations

~75%

Total Photoshop MAU
that have used Firefly¹

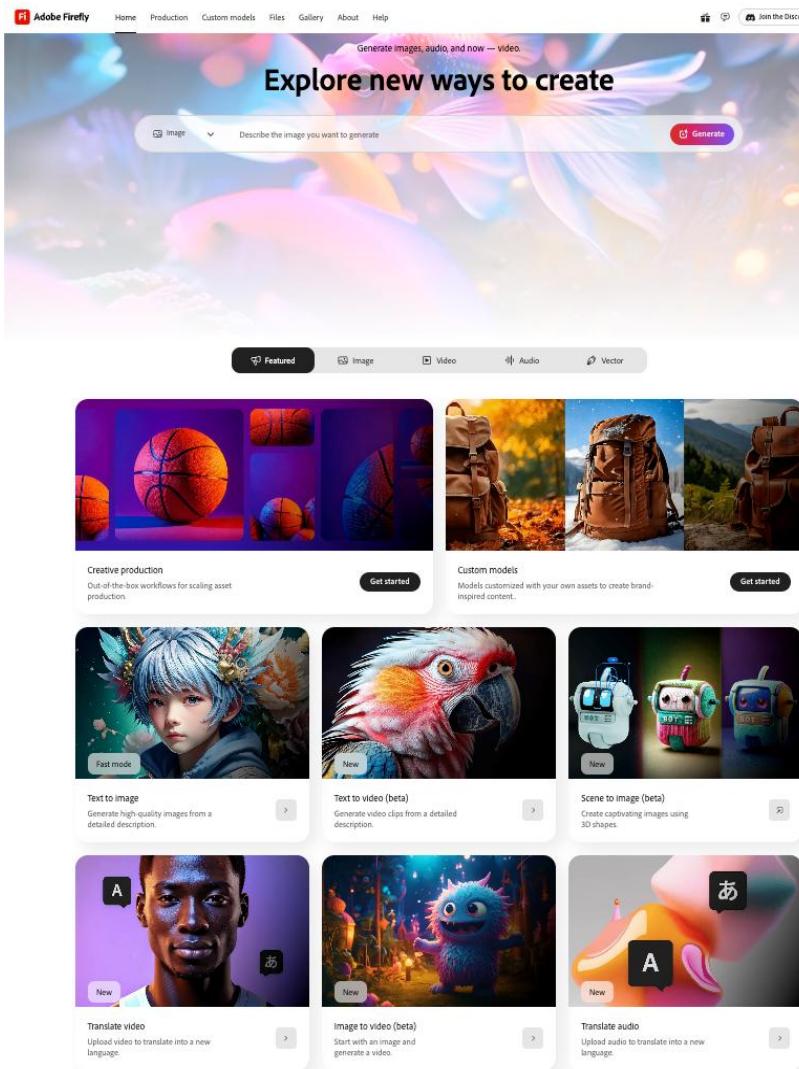
~2.5X

YoY growth in generative
credits consumed²

Power & precision into CC Applications

Q4 2023											
Ps Generative Expand on iPad	Ai Dimension tool	Ai Save object selection	Ai Unembed multiple images at once	Ai Add prefixes to artboard names	Ai Delete linked and embedded objects	Fr Enhance color diversity					
Pr Filler word detection	Pr Redesigned MOGRT management	Pr New sequence presets	Pr Trimming and multicam improvements	Pr Support for 16-bit PNG file export	Ae 3D model import	Ae Image-based lighting					
Ae Advanced 3D renderer	Ae 2D/3D interoperability	Ae Animated lights and cameras	Ae 3D model-driven effects	Lr Move geometry panel and Auto Upright	Lr Create stack in Enhance	Lr Accessibility mode	Lrc Support for new IPTC fields				
Lrc Support for new cameras and lenses	Ds Auto-expand frames	Ds Fit size to content	Ds Node placement	Pt Send textured mesh to After Effects	A Add custom themes to webpage	A Replace IG reel cover photo in Content Scheduler					
Q1 2024											
Ps Improved Layers panel	Ps Adjustment Presets	Ps Improved Contextual Task Bar	Ps Improved Remove Tool for iPad	Ai Enhanced Text to Vector Graphic (Beta)	Ai Match Font and Edit Text in Retype	Ai Generate patterns with a refined color scheme					
Ai Customizable star shapes	Ai Improved pan and zoom	Id Export and Import User Settings	Id Id Text to Image (Beta)	Fr New brushes	Fr Spin option	Fr Export motion GIFs with transparent backgrounds	Pr Enhance Speech				
Pr Enhanced Warp Stabilizer	Pr GPU-accelerated Noise Effect	Pr Label Color Presets and Swatches	Pr Import OBJ 3D models	Ae Enable video preview of Motion Graphics Templates	Ae Cast and accept shadows for 3D objects						
Ae Per-character styling for Text layers	Io Forensic Watermarking	Io Support for Microsoft Office files	Io Camera-to-cloud updates	Io Workfront Integration	Lrc Sort Order	Lrc Filters & Smart Collections	Pt Use Illustrator files with art boards				
Pt 3D Assets in Painter	A Content Scheduler for multiple accounts	H Structure Reference in Text to Image	H Style Reference in Text to Image	Fi Firefly community gallery	Fi Firefly Image 2 Model	St 4K videos in Stock subscriptions					
Q2 2024											
Ps Improved Font browser	Ai Relink missing files automatically	Fr Spring brush set	Fr Summer brush collection	Fr Apple Pencil Pro support	Pr Interactive Fade Handles	Pr Audio tagging and badges	Pr Modern, intelligent waveforms and clips				
Pr Hardware acceleration for more video formats	Pr Override the default media color space	Ae Multi-layer keyframe copy-paste	Ae Shadow catchers	Ae Embedded 3D model animations	Ae Camera and light properties in the Properties panel						
Io V4 Beta - Redesigned workspace	Io V4 Beta - Metadata	Io V4 Beta - Collections	Io V4 Beta - Simplified sharing	Io Real-time logging for Camera to Cloud	Me Hardware decoding support	Me Compare source and output in AME Export Settings					
Lr Generative Remove (Early Access)	Lr Lens Blur	Lr Edit videos using Curve controls	Lr Slideshow options	Lrc Generative Remove (Early Access)	Lrc Lens Blur	Lrc Improved sync workflow reliability and performance	Md Outliner	Md Raise tool			
Sa Image to Texture (Beta)	Sa Text to Pattern (Beta)	Sa Text to Texture (Beta)	Sg Generative Background	Sg Interactive denoiser	Sg New Select tool option	Fi Firefly Image 3 Model	Fi Generative Expand in Generative Fill	Fi Style Kits for enterprises			
Fi Object Composites for enterprises	H Custom Models	A Adobe Express mobile app	A ChatGPT to discover Adobe Express templates	A Generate image with Firefly Image 3 Model	A Generate image with Firefly Image 3 Model	A Generate and edit captions for social media					
Q3 2024											
Ps Selection Brush Tool	Ps Adjustment Brush Tool	Ps Bullets and Numbering	Ps Text to Image with Firefly Image 3 Model	Ps Enhance Detail	Ps iPad Generative Expand	Ps Generate Image on Web	Ai Generative Shape Fill (Beta)				
Ai Enhanced Text to Pattern (Beta) workflow	Ai Redesigned Mockup panel	Ai Contextual Task Bar	Id Generative Expand (Beta)	Id History panel	Fr Symmetry	Fr Motion presets	Pr Free Stock audio inside Premiere Pro				
Ae Directly import to a folder	Io Lightroom Connect (Beta)	Lrc Edit in Photoshop (beta or GA)	Ds Kuwahara filter	Ds Histogram equalize	Ds Bevel smooth	Ds 2D view	Ds Gradient map	Md Assets Panel	Md Updated VR controls		
Pt Embroidery decal filter	Sa Gradients texture generator category	H Fast mode	A View in presenter mode	A Share designs as view-only	A Collage maker quick access	A Import and enhance PDFs on mobile	A Visualize audio waveforms				
Q4 2024											
Ps Distraction Removal	Ps Generative Fill with Image 3 Model	Ps Generative Workspace (Beta)	Ps Substance 3D Viewer (Beta) app plug-in	Ai Objects on Path	Ai Enhanced Image Trace	Ne Project Neo (Beta)	Id Generative Expand	Id Text to Image	Id Export to Adobe Express		
Pr Generative Extend (Beta)	Pr Premiere Color Management (Beta)	Pr Quick Actions (Beta)	Pr Generative Remove	Pr Content Credentials	Io Frame.io V4	Res Resize	Res Bulk Create	Res Animate All	Res InDesign import	Res Lightroom integration	Res One-click Apply Brand
A Rewrite	A Translate	A Draw Shapes	A Sound effects	A Controlled Templates	A Shared Calendars	A Integrations with Slack, Hubspot and Webflow	S New default filters	S USD and VFX platform support updates			
Q1 2025											
Ps Enhanced Frame tool	Ps Photoshop on iPhone	Ps Live co-editing (Beta)	Ai Retype	Ai Reflow Viewer	Pr Media Intelligence (Beta)	Pr Search panel (Beta)	Pr Caption Translation (Beta)	Ae Improved caching (Beta)	Ae HDR support (Beta)	Lr Adaptive Profiles	
Lr Dual monitor support	Lr Smart Albums	Ps Distraction Removal (Beta)	Fi Text to Video (Beta)	Fi Image to Video (Beta)	Fi Scene to Image (Beta)	Fi Translate Video (Beta)	Fi Translate Audio (Beta)	Fi Project Concept (Beta)	A Adobe Express on iPad		
A Adobe Express for Box	A Clip Maker	A Profile Maker	S Splines and path updates	S Nodes and alignment tools	S Copy/paste parameters	S Color sampler tool	S Search improvements	S Quick actions	S New renderer	S HP Z captis integration	S Text to background
S 3D model to image	S Text to 3D	S Match Image lighting									

Firefly: A new AI-first creativity offering

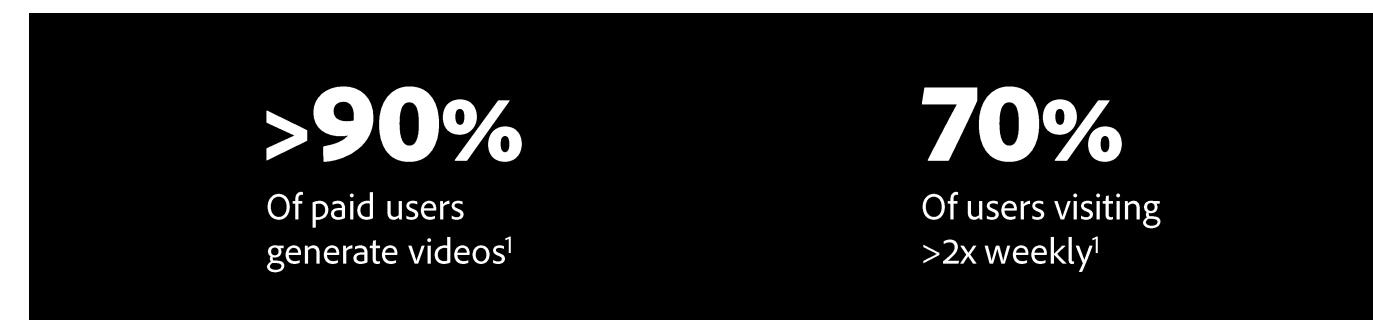




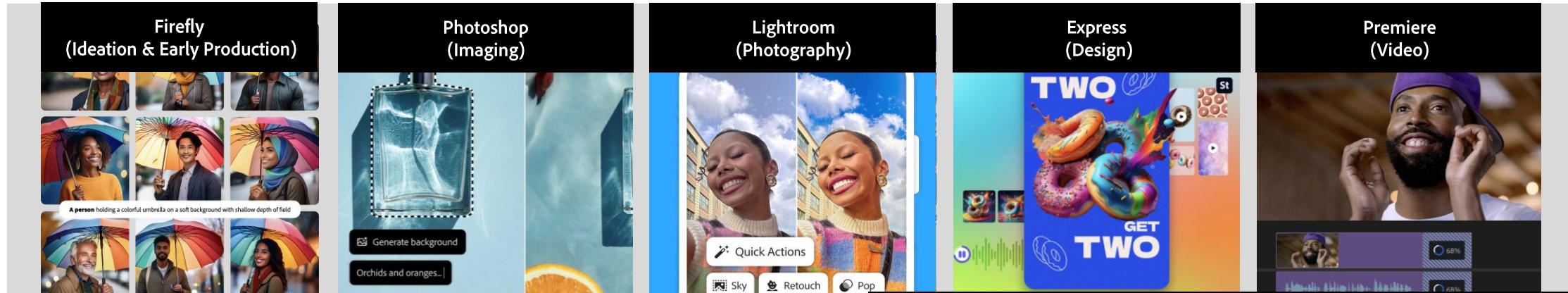
Deliver the ultimate destination for AI-powered creativity

Strategy:

- Generative AI that spans broad array of media types – image, video, vector, voice, sound, music, 3D and more
- Support for broad array of models – Firefly, Veo, Imagen, Flux, Runway and more
- Provide richest platform for generation and Ideation
- Deliver frictionless workflows with CC Apps for production



Win the next generation of creators



Deliver the most complete ecosystem of freemium web and mobile creativity apps

Strategy:

- Scale Photoshop, Firefly, Express and Lightroom on web and mobile with more to come
- Integrate AI capabilities throughout web and mobile apps
- Enable seamless workflows across web and mobile apps
- Streamline onboarding with freemium offerings

~50M

Web and mobile MAU¹

>60%

YoY growth in mobile traffic²

Scale content creation, automation and workflow

GenStudio Solution



Scale creative production to fuel personalization at scale with Firefly Services, Custom Models and GenStudio

Strategy:

- Empower brands to train Custom Models on their own content and brand styles
- Automate time consuming tasks—resize designs and videos for multiple social destinations, translate and lip sync videos for local markets, accelerate digital twins for increasingly personalized content and more
- Integrate end-to-end workflows in GenStudio

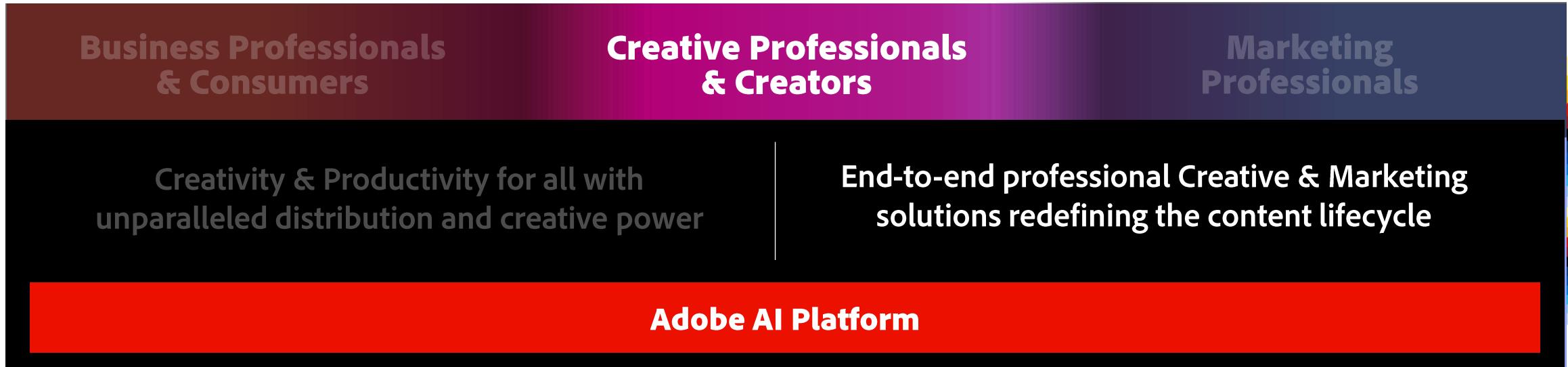
>\$250K

Average ARR for Firefly Services deals <\$1M¹

>70%

Annual productivity lift for scaling asset variations for organizations that use Firefly Services²

How we win



Business Professionals & Consumers

Creativity & Productivity for all with unparalleled distribution and creative power

Creative Professionals & Creators

End-to-end professional Creative & Marketing solutions redefining the content lifecycle

Marketing Professionals

Adobe AI Platform

Supercharge creative power & precision with Generative AI

Extend leadership of CC Apps with the integrated power of AI

~2.5X

YoY growth in generative credits consumed¹

Establish the Firefly App as the ultimate destination for AI-first creativity

>90%

Firefly paid users generating video²

Attract next generation of creators with new family of web and mobile apps

~50M

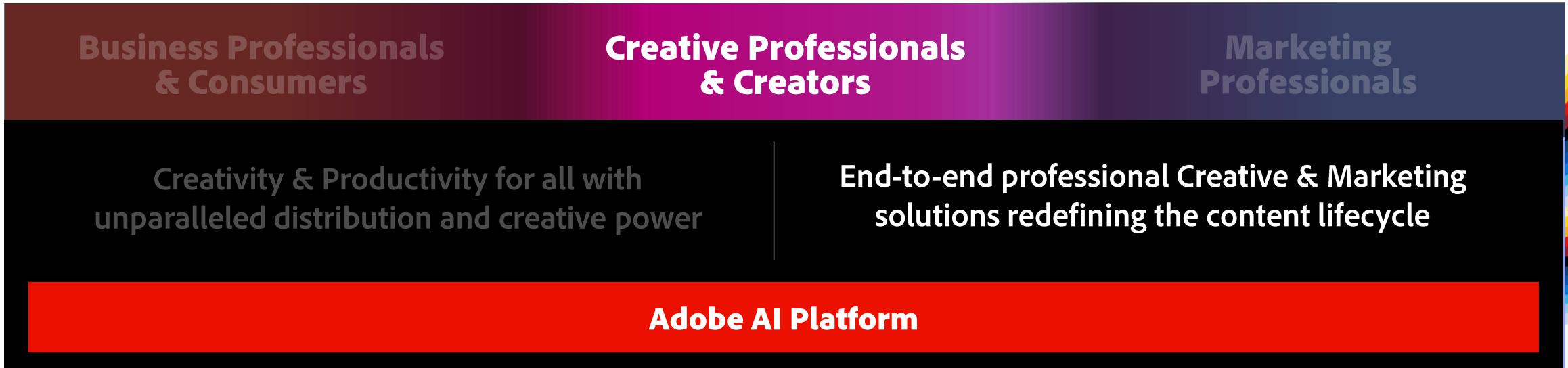
Web and Mobile MAU³

Power the era of content automation for businesses of all sizes

>\$250K

Average ARR for Firefly Services deals <\$1M⁴

How we monetize



Business Professionals & Consumers

Creativity & Productivity for all with unparalleled distribution and creative power

Creative Professionals & Creators

End-to-end professional Creative & Marketing solutions redefining the content lifecycle

Marketing Professionals

Adobe AI Platform

Supercharge creative power & precision with Generative AI

More Users

Drive new freemium web and mobile plans for Firefly, Photoshop, Lightroom and more

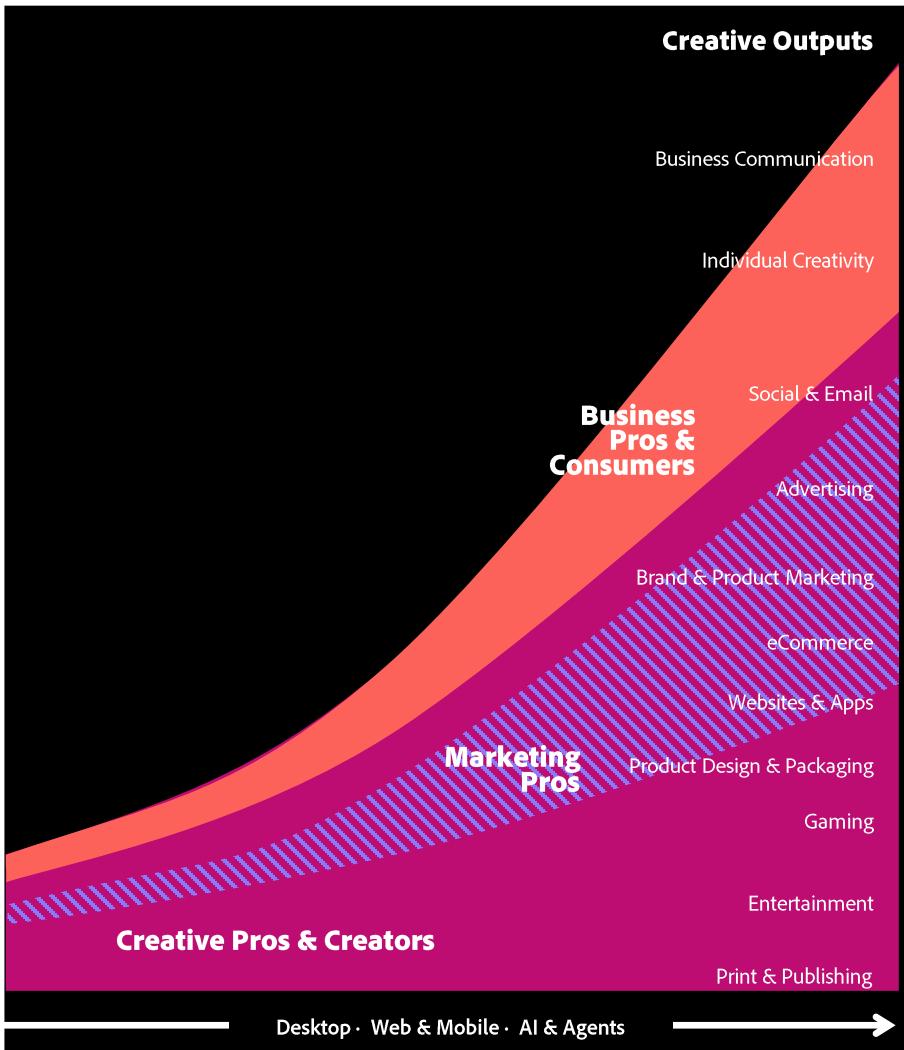
More Value

Integrate generative AI and the Firefly app into Creative Cloud and introduce premium tiers

More Solutions

Establish Firefly Services, Custom Models and GenStudio as leading enterprise-grade content automation platforms

Adobe will accelerate success through customer-focused innovation



More Solutions



>1,400 >\$250K

Cumulative
Custom Models
trained¹

Average ARR for
Firefly Services
deals <\$1M²

More Value

Desktop Single Apps



CC Apps



>20B

Cumulative
generations¹

~2.5x

YoY growth in
generative credits
consumed³

More Users

Freemium Web and Mobile Apps



>60%

YoY growth in
mobile traffic⁴

>50%

Web and mobile
as percentage of
MAU⁵

Creativity & Marketing

Anil Chakravarthy

President, Digital Experience Business



Adobe Summit

Attendees

>12,000

In-person

Partners

~1,400

Partners registered
for partner day

Highlights

- Strategy and luminary keynotes
- 335 total sessions
- Product innovation across strategic areas



James Quincey



Jamie Dimon



Esi Eggleston Bracey



Jennifer Oleksiw

accenture

CODE AND THEORY
A STAGWELL COMPANY

cognizant
moment

Deloitte.
Digital

dentsu

IBM

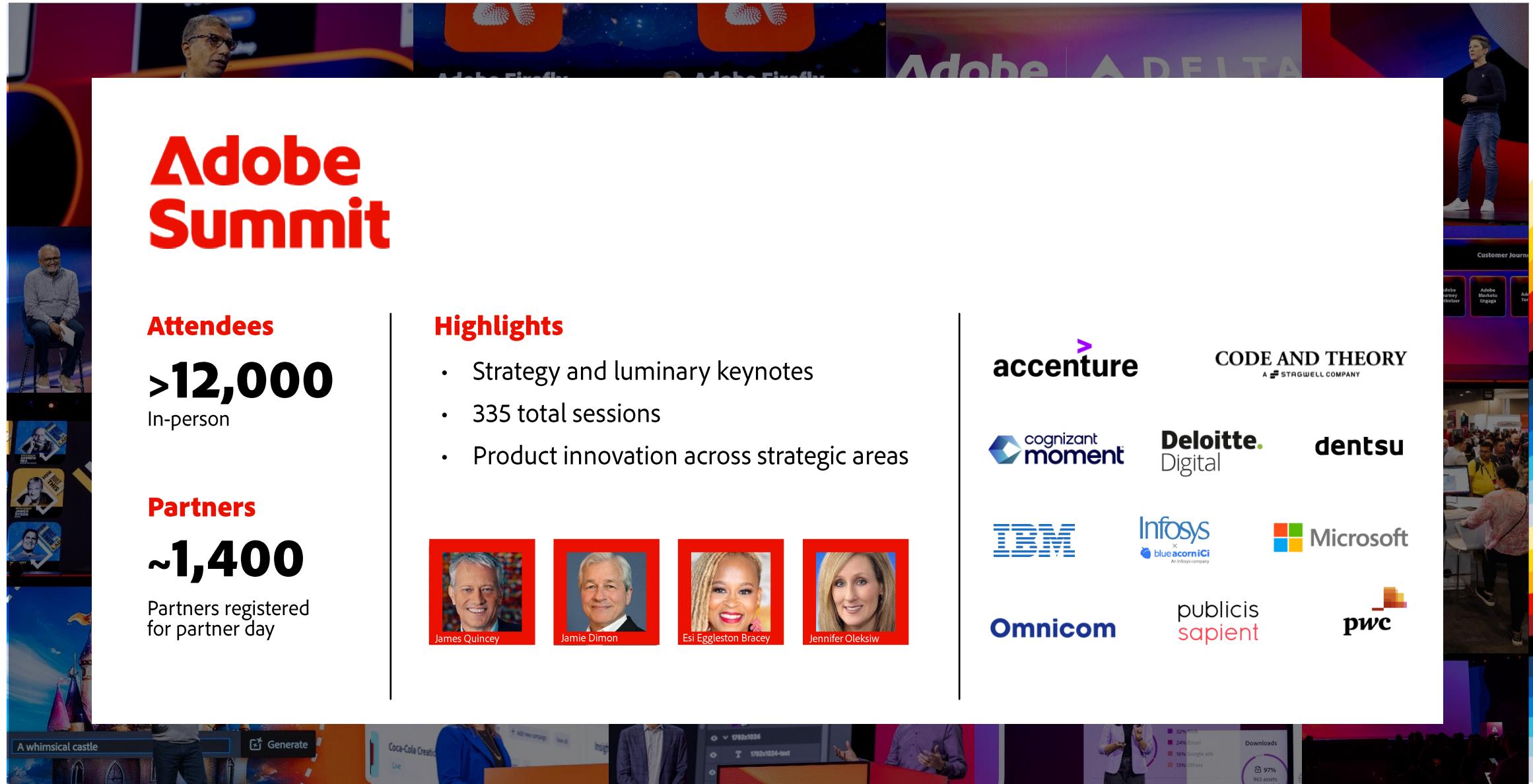
Infosys
blueacornCi
An Infosys company

Microsoft

Omnicom

publicis
sapient

pwc



Adobe Summit product announcements

Adobe Firefly Creative Production

Available Today



Commercially-safe generation
Iguana slow motion moving head

Adobe GenStudio for Performance Marketing



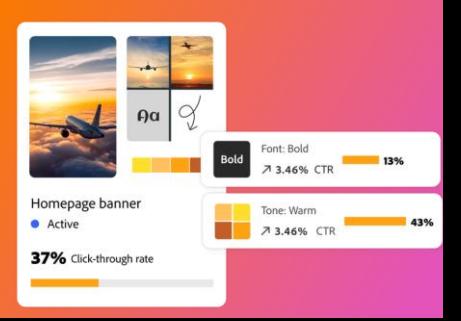
Send email
REDEFINE PERFORMANCE
Evergreen campaign Anisha Khan In Progress
Summer sale campaign Jeanette Bailey On Hold
Isaac Torez 3:27PM Hi Jeanette, can you review this featured ad layout for approval?
Looks great! Approved

Adobe Express for Business



Paper lavender clouds
Ag ag Ag
Love this instant!
Let's go fast!

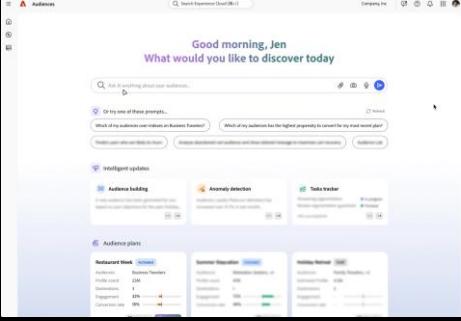
Adobe Content Analytics



Font: Bold ↗ 3.46% CTR 13%
Tone: Warm Active 43%
37% Click-through rate

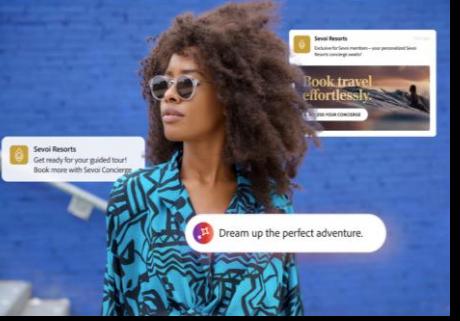
Adobe Experience Platform Agent Orchestrator

Coming Soon



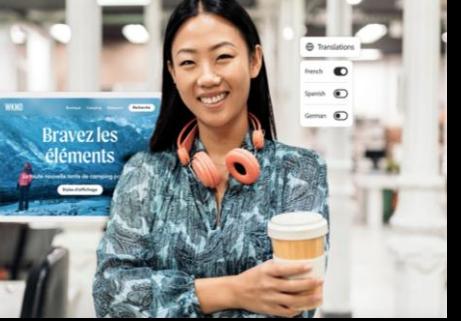
Good morning, Jen
What would you like to discover today?

Adobe Brand Concierge



Sofitel Resorts
Exclusive for Sofitel members - your personalized Sofitel
Book travel effortlessly.
Book more with Sofitel Concierge.

Adobe Experience Manager Sites Optimizer



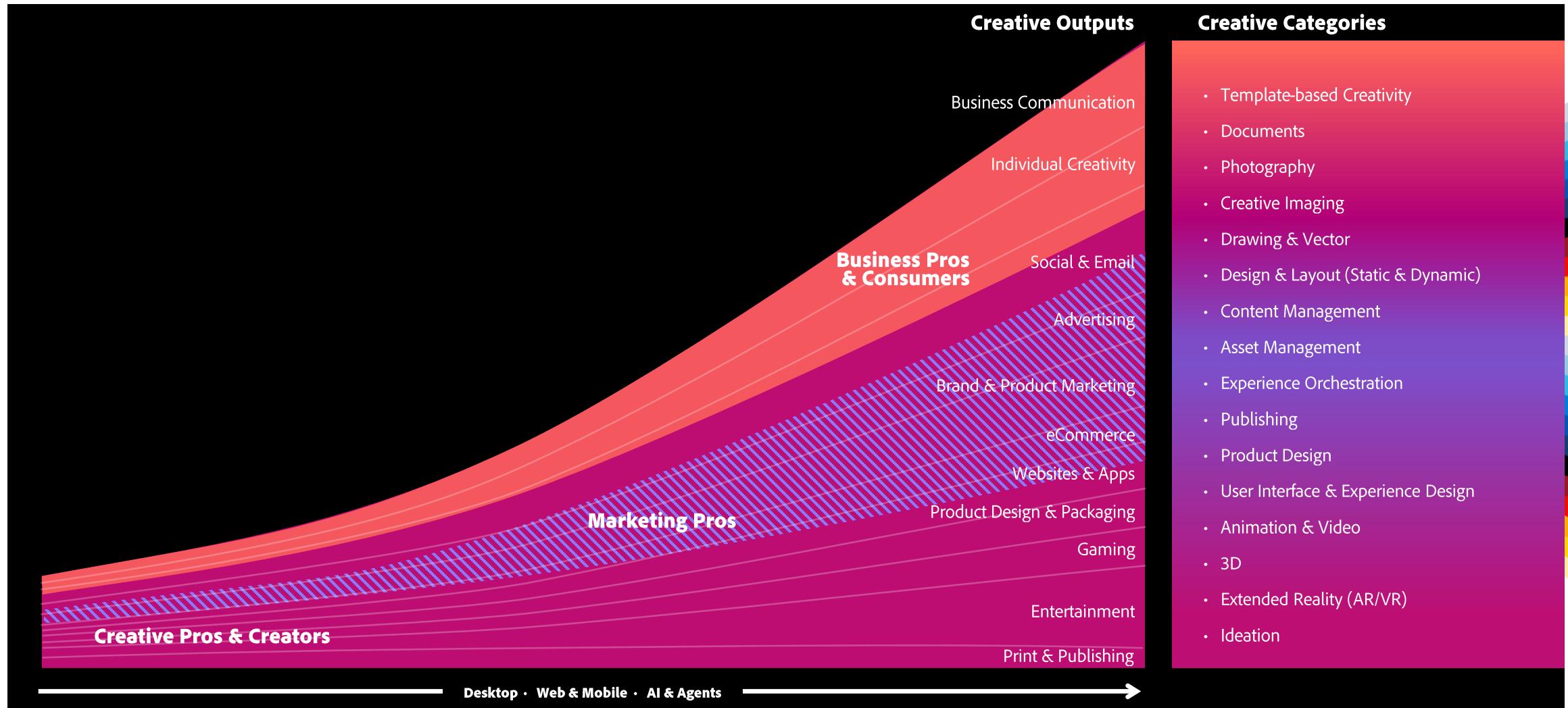
Bravez les éléments

Adobe Journey Optimizer Experimentation Accelerator



Connect CRM
Get insights
Create product expert
What do you want to build today?

Evolution of the creative opportunity



Market Opportunity: Creativity & Marketing

Thousands of enterprises

Deliver personalized, connected and compelling digital experiences

- Design and deliver effective marketing campaigns
- Create visually stunning on-brand content
- Adapt creative assets for media formats, languages and regional variations
- Activate experiences in real-time
- Incorporate customer feedback and signals from real-world performance

Creative Professionals

Graphic Designers, Photographers, Videographers, Illustrators, 3D Artists, etc.

Marketing Professionals

Brand Managers, Channel Marketers, Campaign Strategists, Performance Marketers, Social Marketers, Data Analysts, Marketing Ops, etc.

Need to create and deliver personalized content at scale despite pressure on marketing spend

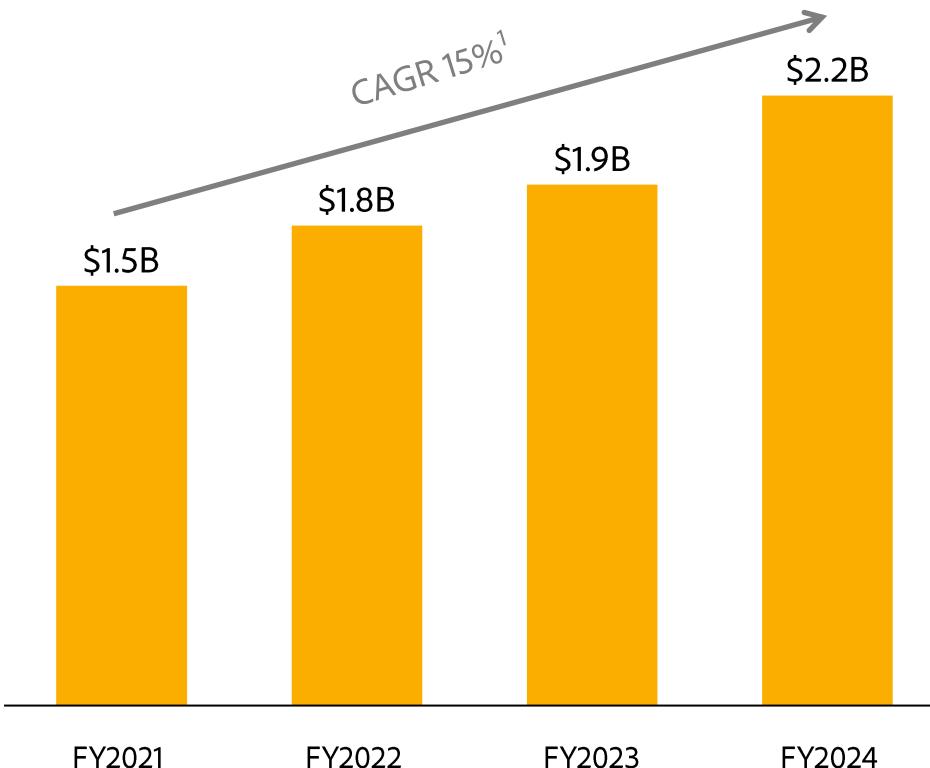
Imperative to delight customers with connected experiences and journeys

Need to increase speed of campaign creation & delivery while driving greater ROI

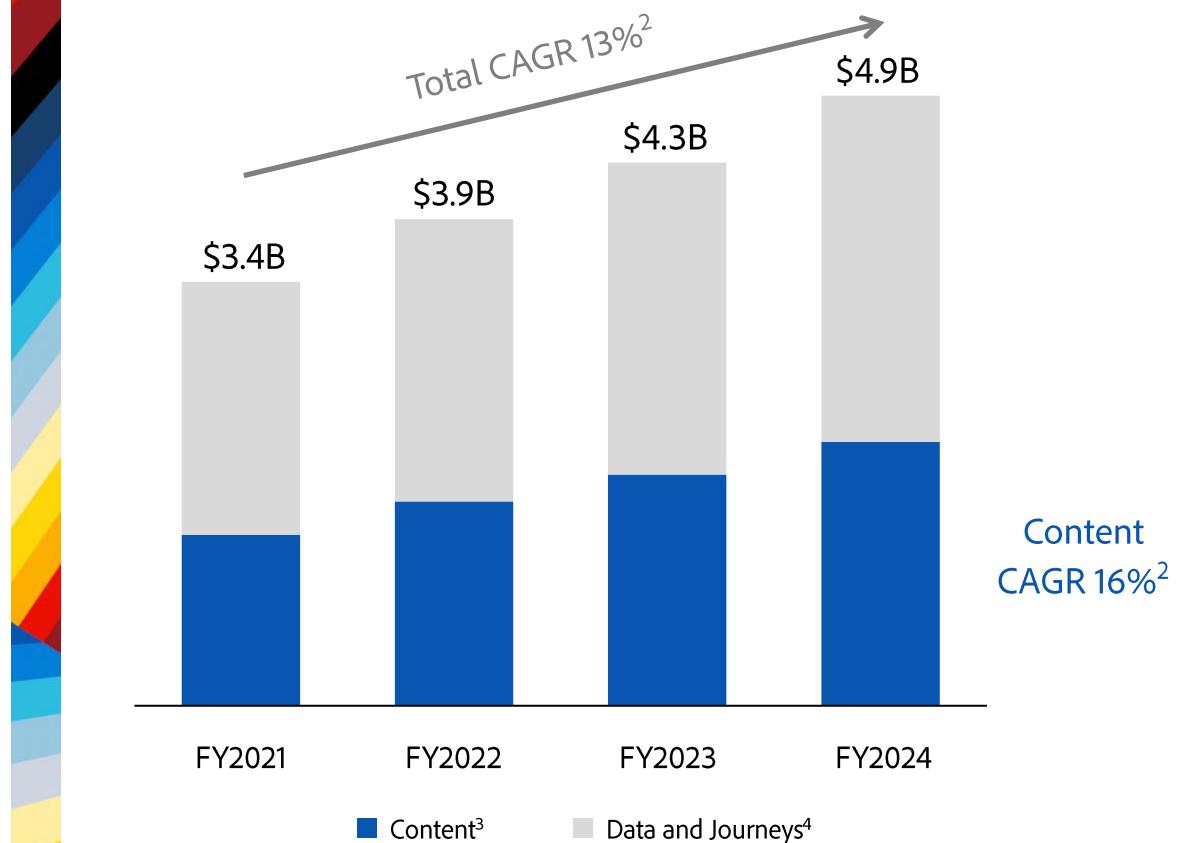
Need to orchestrate next-gen Customer Experience workflows

Creative opportunity driving enterprise growth

Creative Cloud enterprise ARR



Experience Cloud subscription revenue



¹ FY21-FY24 CAGR on constant currency basis; ² FY21-FY24 CAGR on as-reported basis; ³ Includes subscription revenue from Adobe Experience Manager, Commerce, GenStudio for Performance Marketing and Workfront; ⁴ Includes subscription revenue from Adobe Analytics, Adobe Audience Manager, Adobe Campaign, Adobe Journey Optimizer (B2C and B2B), Customer Journey Analytics, Real-time CDP, Adobe Experience Platform Add-ons, Marketo, Target and other associated offerings.

Category creation powered by content

The image is a collage of various digital marketing and customer experience management tools, arranged on a blue background with a colorful diagonal stripe pattern.

- Digital Marketing:** Shows a screenshot of a platform with "Image attributes" and metrics: "Personas Entrepreneur", "Impressions 9M", "Clicks 36K".
- Content + Analytics:** Shows a screenshot of Marketo's interface with "Product recommendation" cards and a "Contextual message" card.
- Customer Experience Management:** Shows a screenshot of Adobe Workfront with a "Content + Data + Journeys" callout.
- Customer Experience Orchestration:** Shows a screenshot of the Adobe Experience Platform with a "Content Supply Chain + Unified Customer Experience + AI" callout.
- OMNITURE***: Shows a screenshot of the OMNITURE platform.
- Magento®**: Shows a screenshot of the Magento platform.
- Adobe Experience Platform**: Shows a screenshot of the Adobe Experience Platform.

Customer Experience Orchestration

Enable enterprises to combine Creativity, Marketing and Agentic AI to deliver personalized, conversational digital experiences in real-time at global scale

Adobe enables every enterprise to orchestrate personalized customer experiences at scale

Personalization at Scale

Content | Data | Journeys

**Content Supply
Chain**

**Unified Customer
Experience**

Adobe Experience Platform Agent Orchestrator

Purpose-built Agents | Multi-Agent Collaboration | Reasoning Engine | Customer Experience Models



Adobe Experience Platform

Adobe enables every enterprise to orchestrate personalized customer experiences at scale

Personalization at Scale

Content | Data | Journeys

**Content Supply
Chain**

**Unified Customer
Experience**

Adobe Experience Platform Agent Orchestrator

Purpose-built Agents | Multi-Agent Collaboration | Reasoning Engine | Customer Experience Models



Adobe Experience Platform

Adobe is transforming the content supply chain

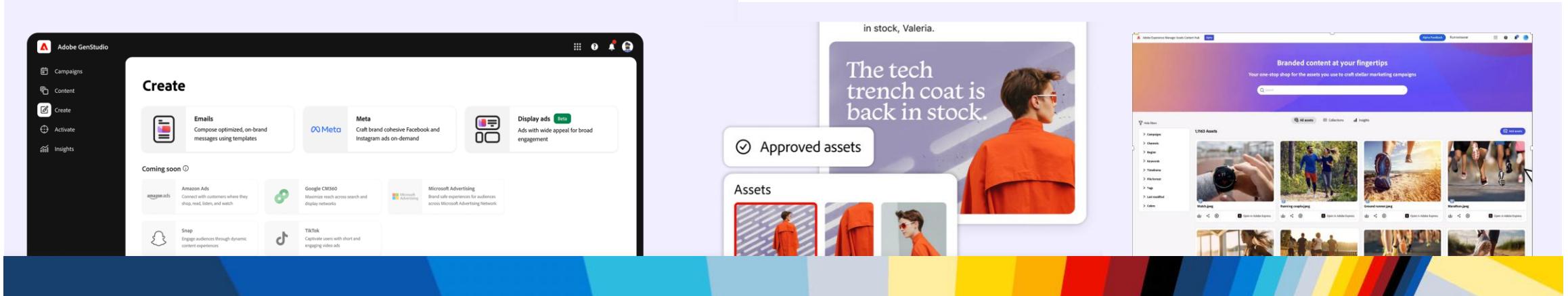


The central graphic illustrates the Adobe Content Supply Chain platform, featuring a grid of six main sections:

- Content creation and production**: Includes icons for Photoshop, Illustrator, InDesign, and Acrobat.
- Workflow and collaboration**: Includes icons for Experience Manager, AEM, and AEM Forms.
- Asset management**: Includes icons for Experience Manager Assets and AEM Assets.
- Analytics and reporting**: Includes icons for Experience Cloud Metrics and AEM Analytics.
- Delivery and activation**: Includes icons for Experience Platform and AEM Personalization.
- Central hub**: Shows various Adobe products like Photoshop, InDesign, and Acrobat, along with icons for Experience Manager, AEM, and AEM Forms.

On the right side of the slide, there are three main bullet points describing the platform's capabilities:

- Create and deliver personalized content across channels and social platforms
- Address content requirements across multiple languages and cultures
- Accelerate campaign creation and delivery and drive greater ROI and cost savings through AI-powered workflows



Adobe GenStudio

Creativity ← → Marketing

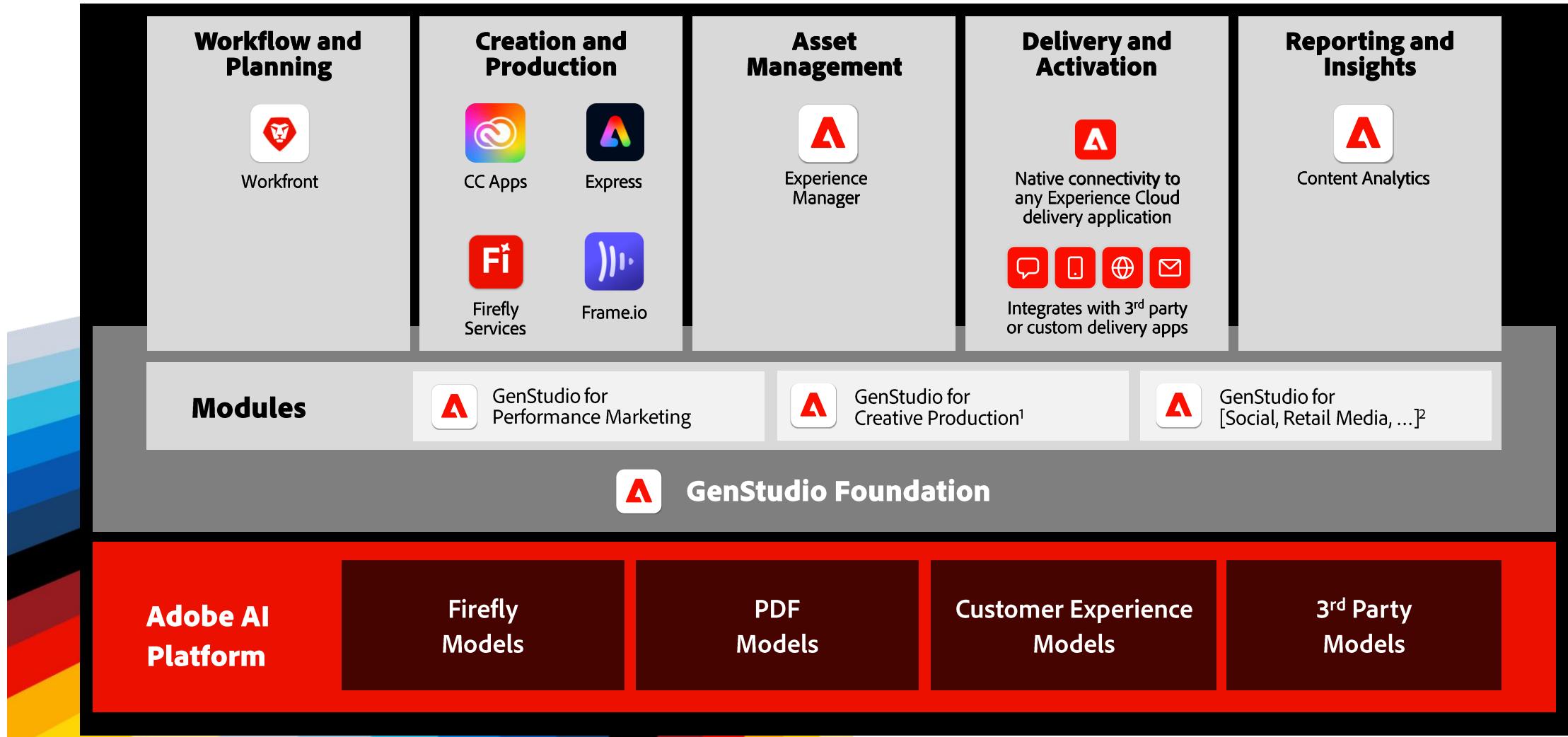
Adobe AI Platform

End-to-end AI-powered solution that brings together Adobe's best-in-class Creative & Marketing applications to optimize the content supply chain

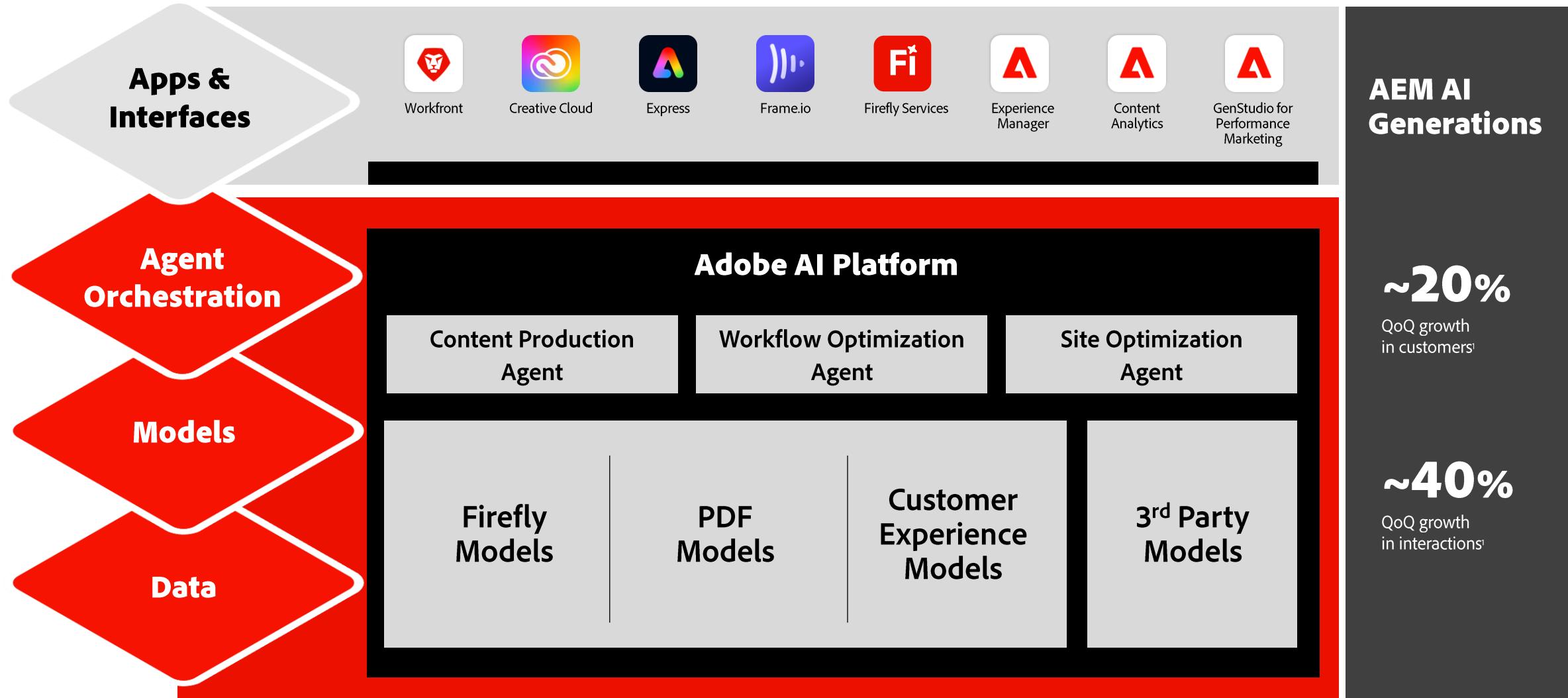
The collage at the top shows three screenshots of Adobe software:

- Adobe GenStudio:** A dashboard titled "Create" featuring sections for "Emails", "Meta", "Display ads (Beta)", and "Coming soon" (Amazon Ads, Google CM360, Microsoft Advertising, Snap, TikTok).
- Adobe Experience Manager Assets Content Hub:** A landing page for "Approved assets" showing a hero image of a person in an orange trench coat and a grid of smaller asset thumbnails.
- Adobe Experience Manager Assets Content Hub:** A detailed view of the asset library interface, showing a sidebar with filters like "Campaign", "Channel", "Region", "Keywords", "Thumbnail", "File format", "Last modified", and "Color".

Adobe GenStudio supercharges the content supply chain



Adobe AI Platform powers Adobe GenStudio



Adobe GenStudio momentum across ecosystem



Adobe enables every enterprise to orchestrate personalized customer experiences at scale

Personalization at Scale

Content | Data | Journeys

Content Supply
Chain

Unified Customer
Experience

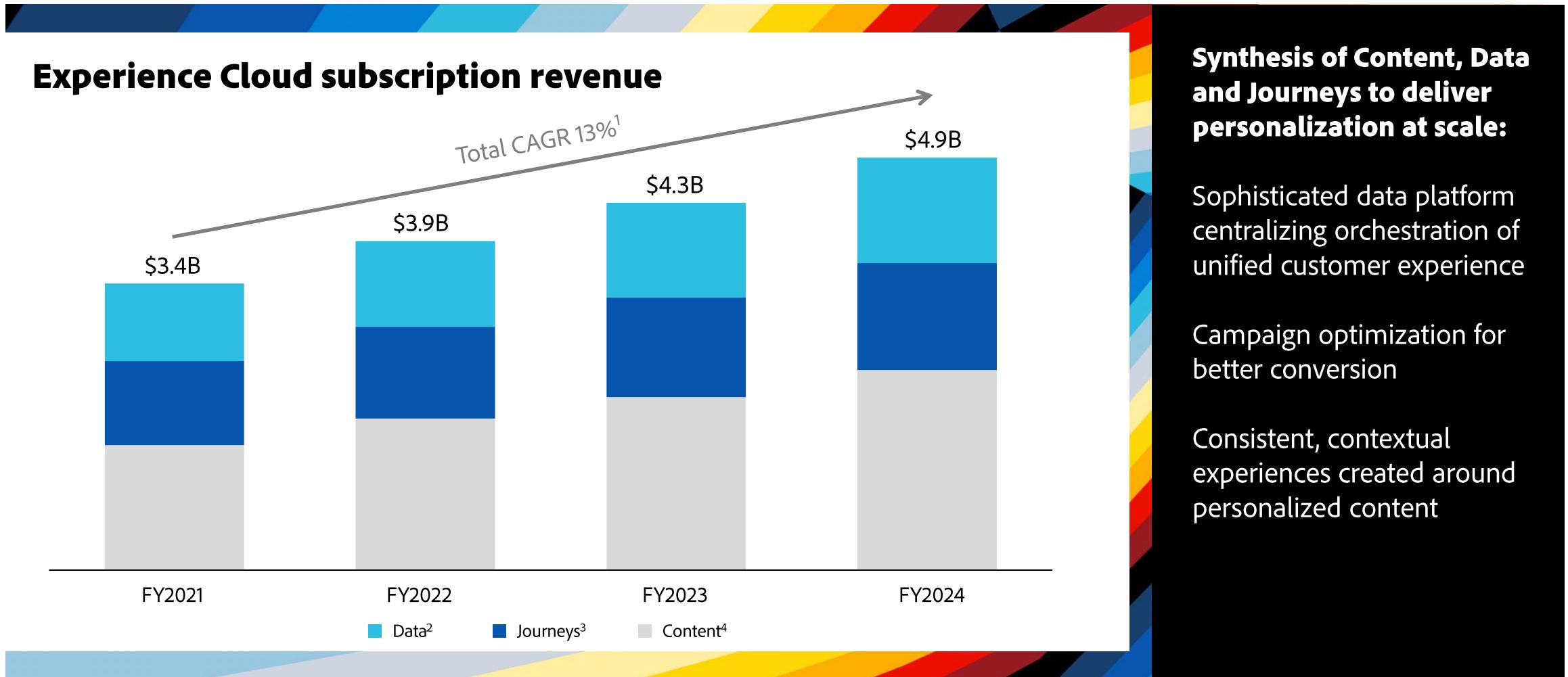
Adobe Experience Platform Agent Orchestrator

Purpose-built Agents | Multi-Agent Collaboration | Reasoning Engine | Customer Experience Models



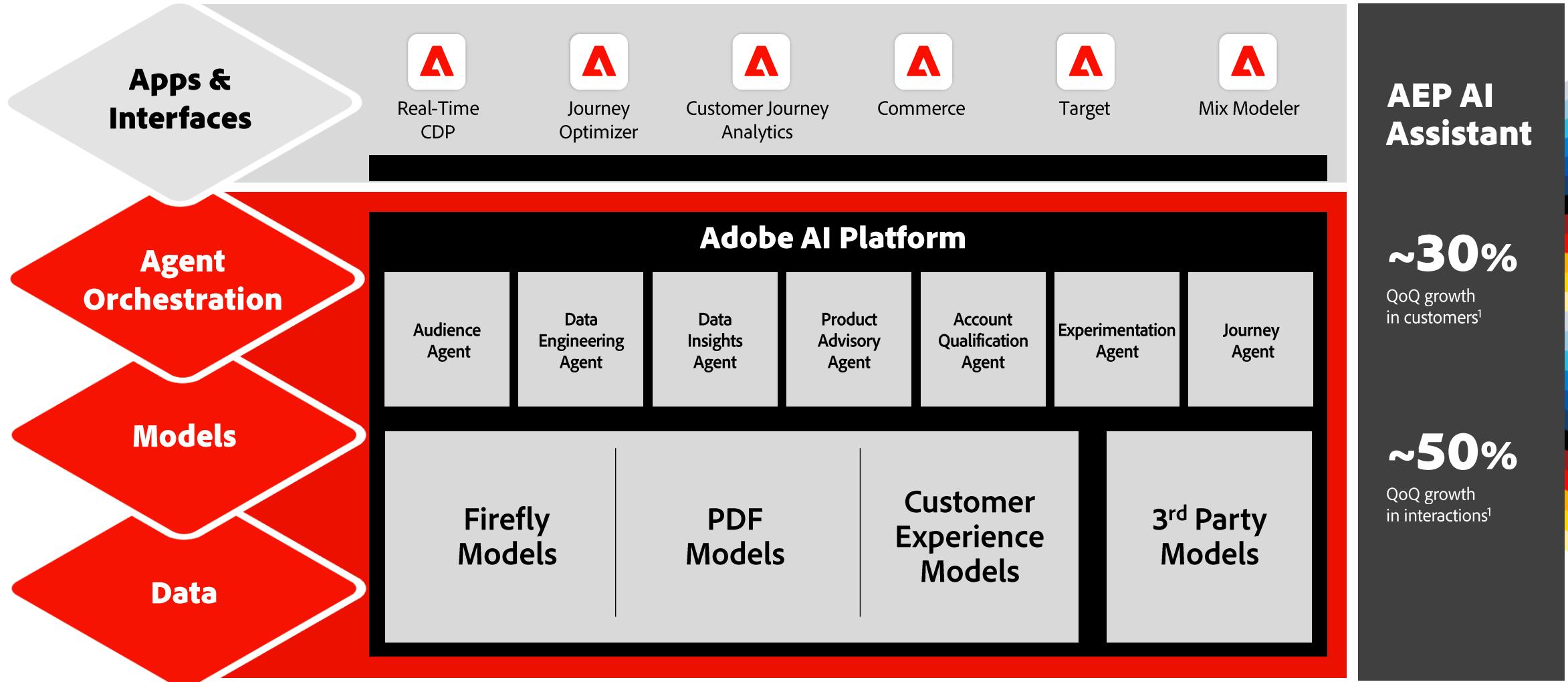
Adobe Experience Platform

Personalization at scale driving enterprise growth

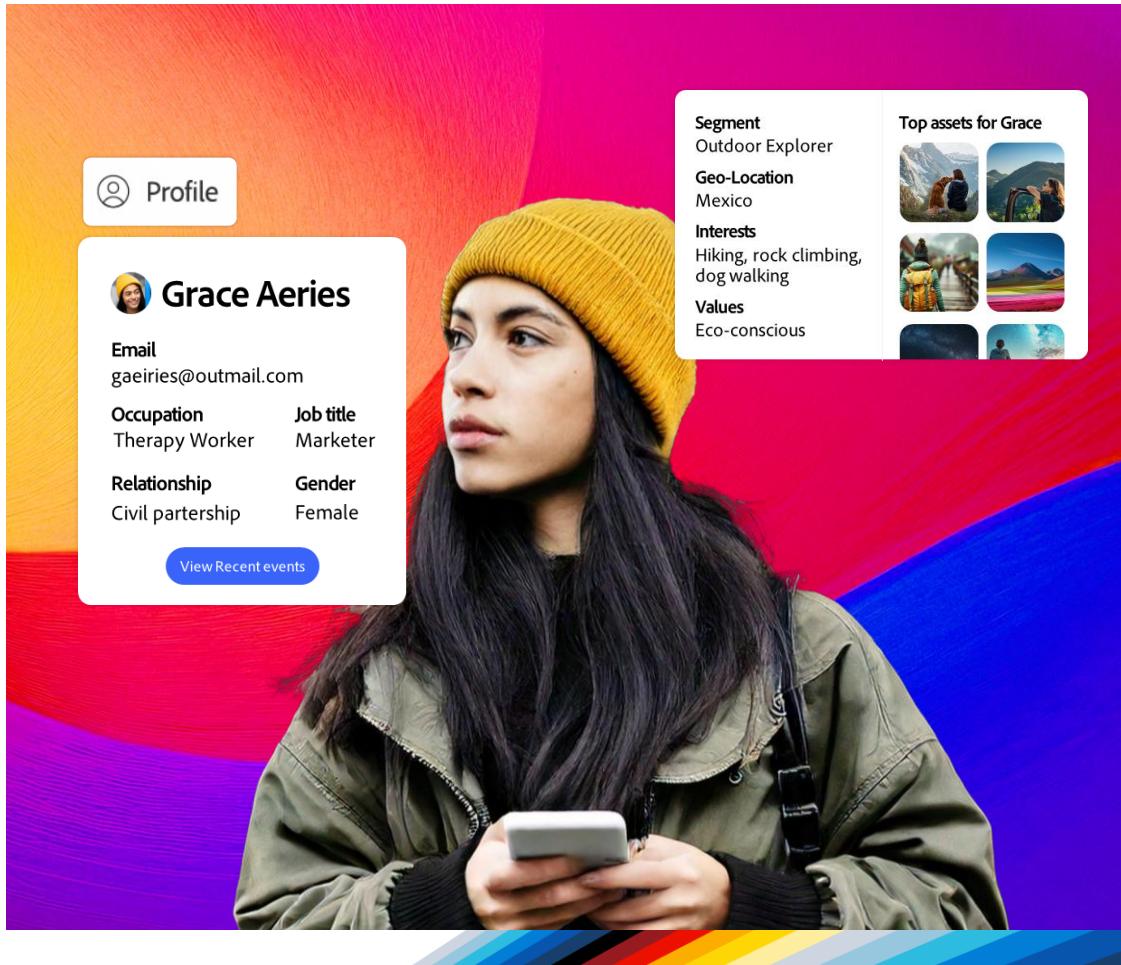


¹FY21-FY24 CAGR on as-reported basis; ²Includes subscription revenue from Adobe Analytics, Adobe Audience Manager, Customer Journey Analytics, Real-time CDP, Adobe Experience Platform Add-ons and other associated offerings; ³Includes subscription revenue from Adobe Journey Optimizer (B2C and B2B), Adobe Campaign, Marketo, Target and other associated offerings; ⁴Includes subscription revenue from Adobe Experience Manager, Adobe GenStudio for Performance Marketing, Commerce, Workfront and other associated offerings.

Adobe AI Platform powers AEP & Apps



Personalization at scale industry leadership



<100ms

Response time at 99.5%¹

~1.2T

Experiences activated per year³

~43B

Profiles managed⁵

~50%

AEP & Apps revenue growth YoY⁷

~14B

Peak engagement events on the Edge per day²

~15M

Peak page views per hour⁴

~76B

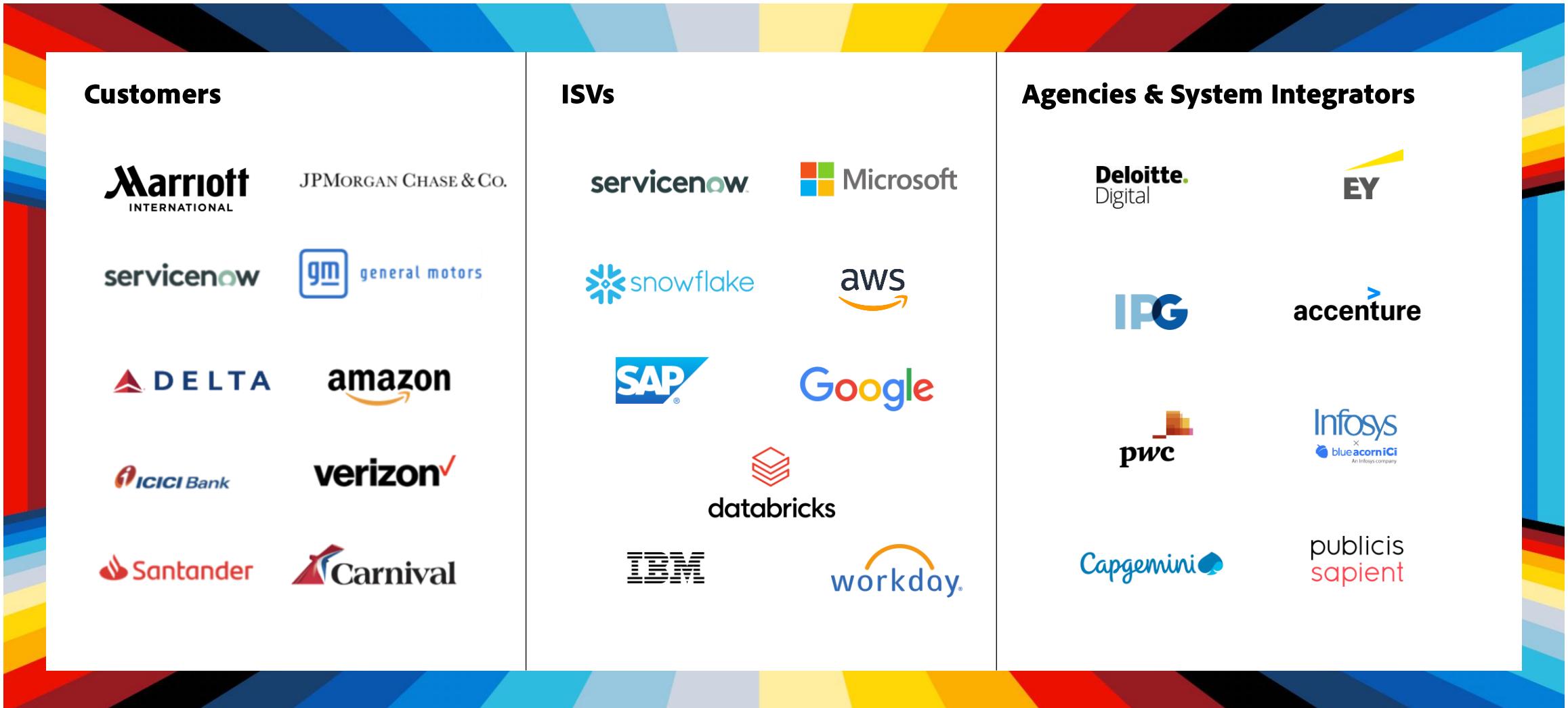
Peak daily profile activations⁶

~30%

AEP & Apps customer growth YoY⁸

¹ FY24; ² 3/3/25 - 3/7/25; ³ Experiences include emails sent, offers proposed and push messages sent over FY24 across Adobe Journey Optimizer B2C, Adobe Journey Optimizer B2B and Adobe Campaign; ⁴ Adobe hosted AEM page views per hour from 2/26/25-3/4/25; ⁵ Number of total profiles managed February 2025; ⁶ Highest per day profile activations during the month of February 2025; ⁷ FY24 vs. FY23 subscription revenue; ⁸ Ending customer count, Q1 FY25 vs. Q1 FY24.

AEP & Apps momentum across ecosystem



Adobe's enterprise go-to-market

Trusted partner to C-Suite

>250

Accounts with >\$5M ARR¹

>100%

YoY growth of joint Creative & Marketing deals³



Broad customer base

~22,000

Enterprise customers¹

~1,500

Enterprises with 5+ products¹



Expansive partner ecosystem

>4,000

Partners²

>500

ISV/Partner Integrations⁴



Verticals | Geographies

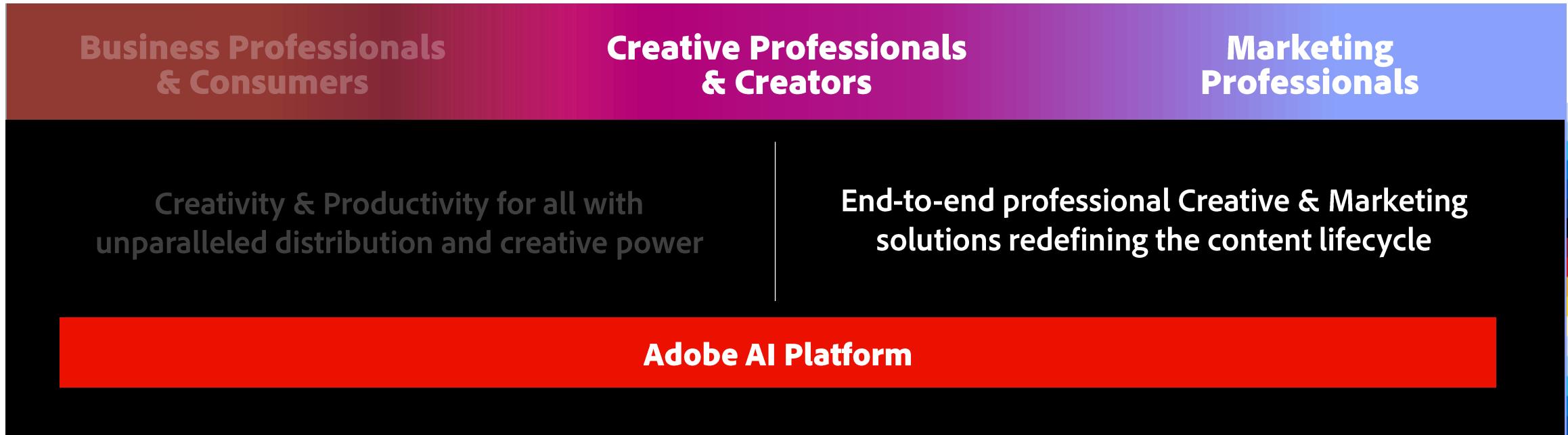
Adobe's enterprise leadership across verticals



One Adobe GTM successes

		Global Restaurant Chain
		>\$150M TCV
Customer needs	Increase loyalty by driving deeper digital engagement and acquire new high-value customers	Acquire new cardholders and increase share of wallet while simultaneously standardizing on one unified customer experience platform
Why Adobe?	Adobe provided a unified platform across content supply chain and unified customer experience enabling simplicity, speed to market and real time activation	Adobe was the only technology partner able to offer AI-powered activation of digital experiences in real time on a trusted platform
Products	Creative Cloud, Firefly, GenStudio, AEM, AEP & Apps, Target, Acrobat	Firefly, GenStudio, AEM, AEP & Apps, Analytics, Target, Marketo, Acrobat
		Global Agency
		>\$50M TCV
		Standardize and accelerate content production across breadth of sub-agencies
		Adobe built on an established creative foundation to create a unified end-to-end content supply chain across the agency
		Creative Cloud, Firefly, Stock, GenStudio, AEM, Acrobat, Sign

How we win



Category defining
Customer Experience Orchestration portfolio

Umbrella **GenStudio** solution to transform
Creativity & Marketing

Personalization at Scale via
AEP & Apps powered by
the **Adobe AI Platform**

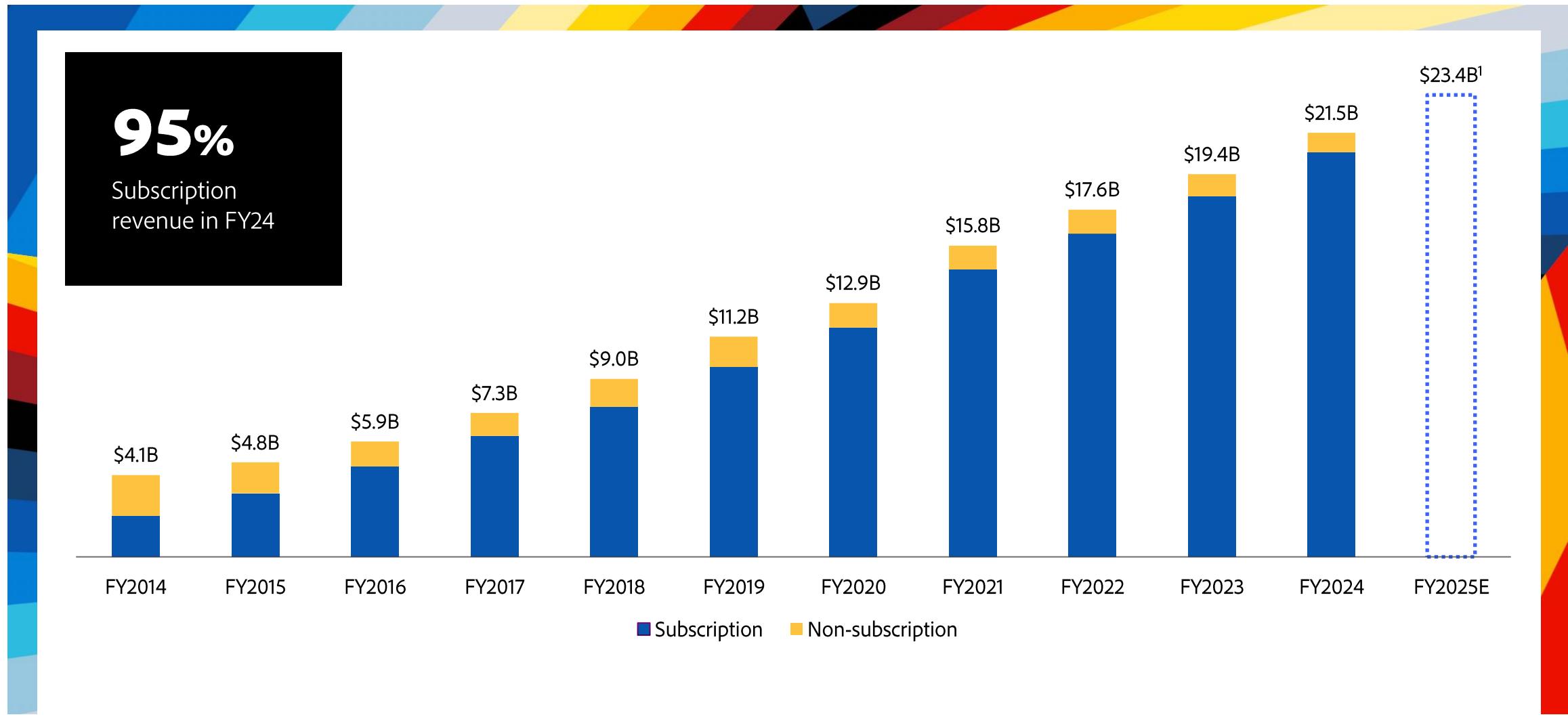
One Adobe enterprise GTM at global scale with expansive partner ecosystem

Adobe's Growth Agenda

Dan Durn

Chief Financial Officer

World-class SaaS business



During FY20, we reclassified revenue from our Advertising Cloud offerings from subscription to non-subscription. Financial information beginning in FY18 has been updated to reflect this reclassification.



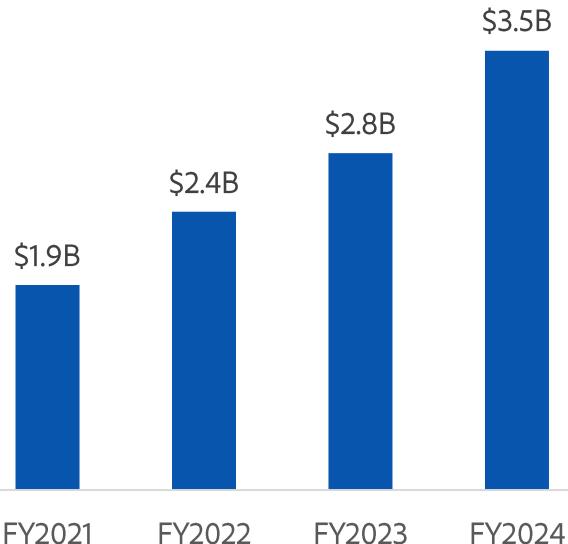
¹ FY25 estimates based on Adobe's total revenue targets at midpoint, issued December 11, 2024 and reaffirmed on March 12, 2025.

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Adobe's industry-leading clouds

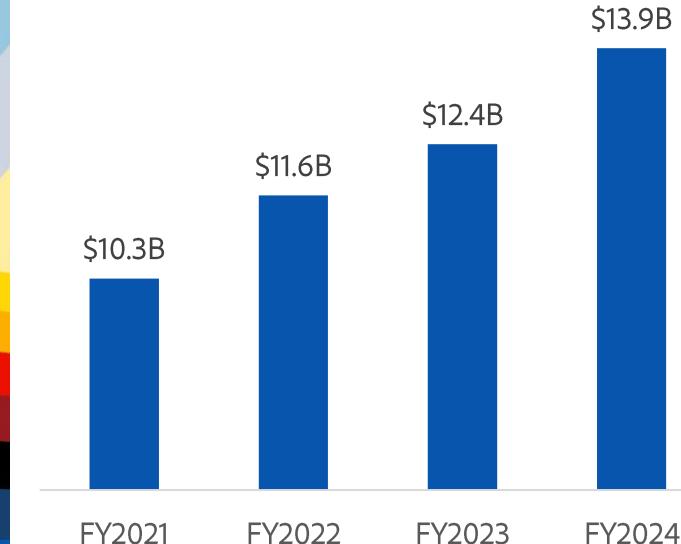
Document Cloud

Ending ARR



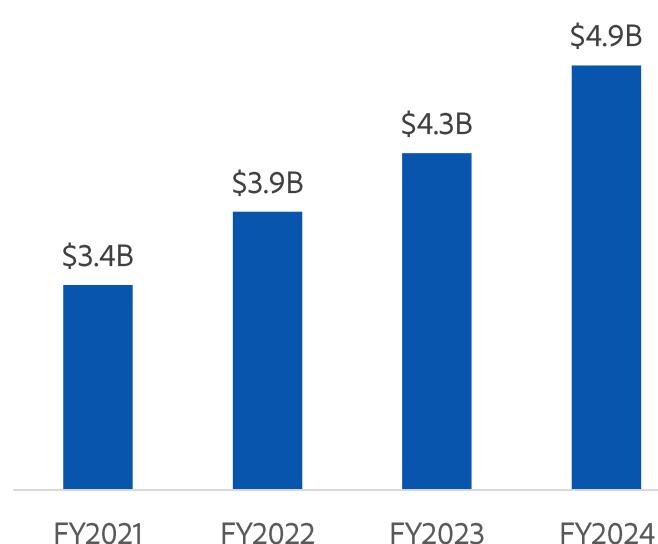
Creative Cloud

Ending ARR



Experience Cloud

Subscription revenue



~19%

Subscriptions CAGR¹

~24%

ARPU growth¹

~10%

Subscriptions CAGR¹

~10%

US CC Apps
ARPU growth¹

~13%

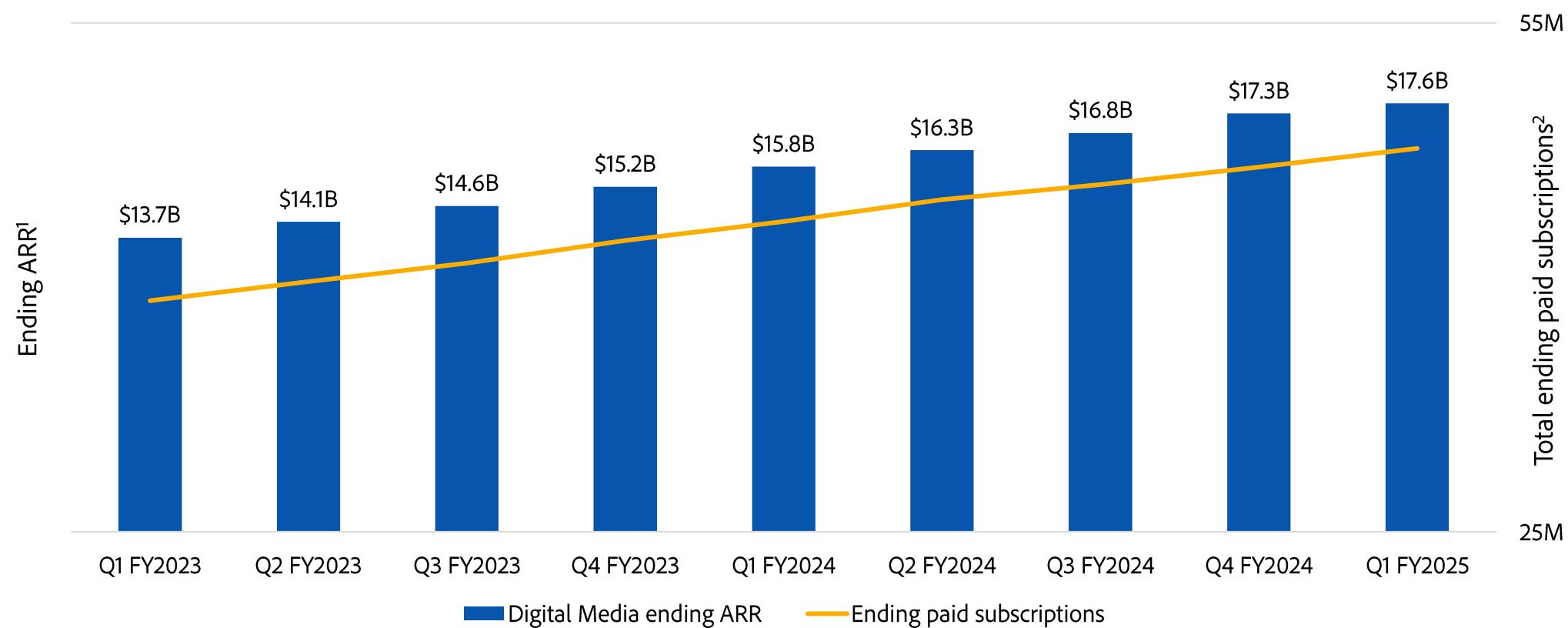
Subscription
revenue CAGR¹

>75%

AEP & Apps
revenue CAGR¹

Digital Media business momentum

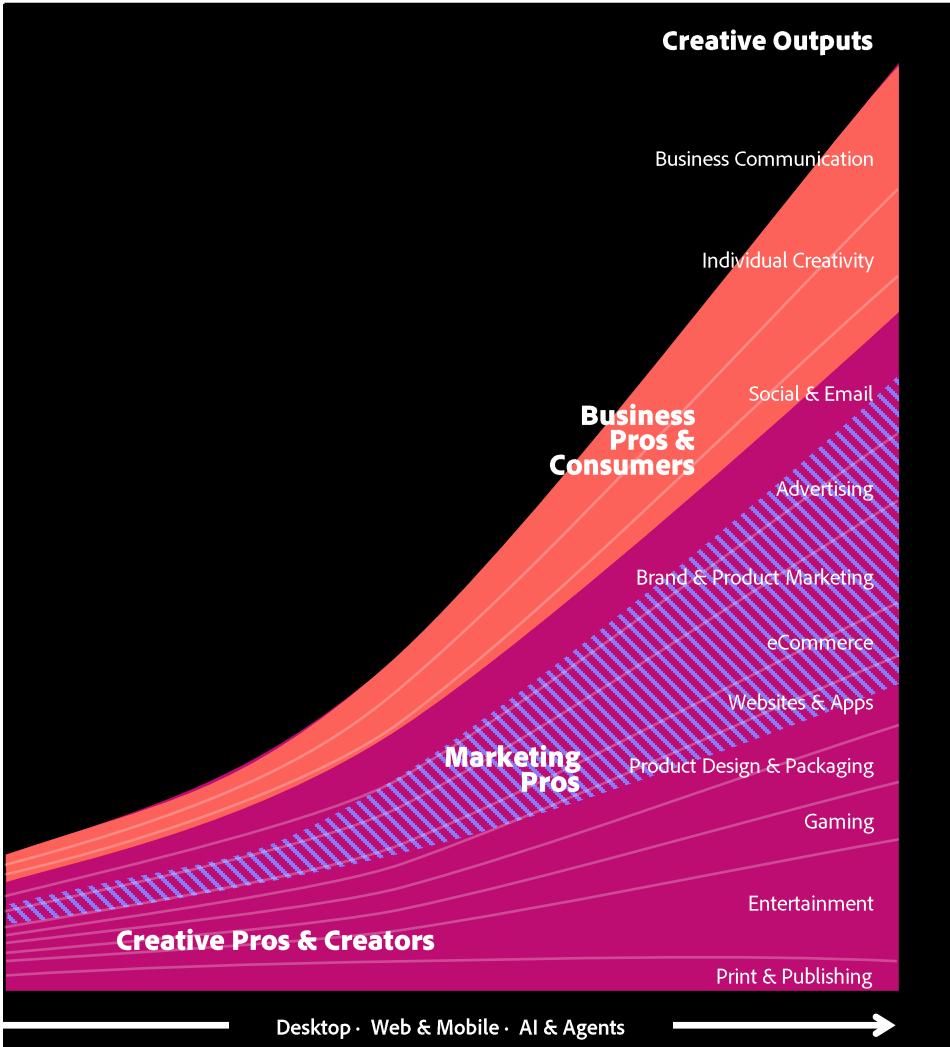
Digital Media ending ARR and ending subscriptions



¹FY23 ending Annualized Recurring Revenue (ARR) at December 2022 currency rates, FY24 ending ARR at December 2023 currency rates & FY25 ending ARR at December 2024 currency rates.

²Total ending paid subscriptions, excluding Education & Enterprise.

Adobe will accelerate success through customer-focused innovation



Business Professionals & Consumers



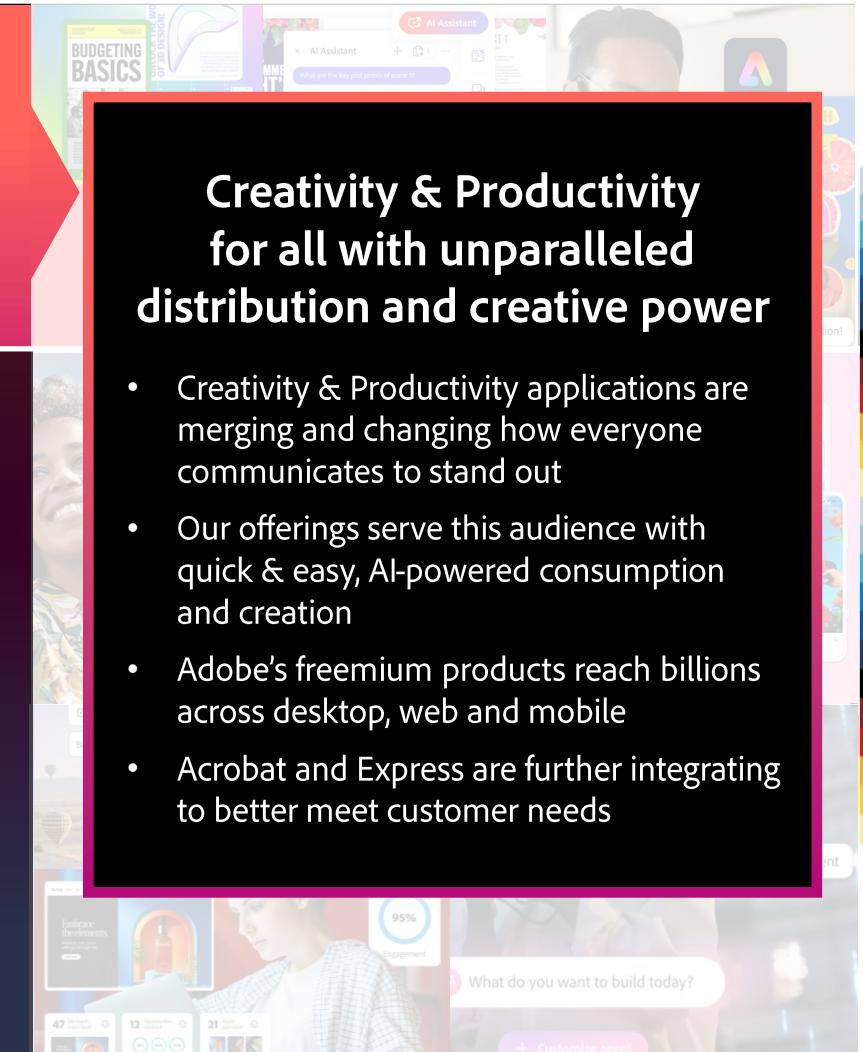
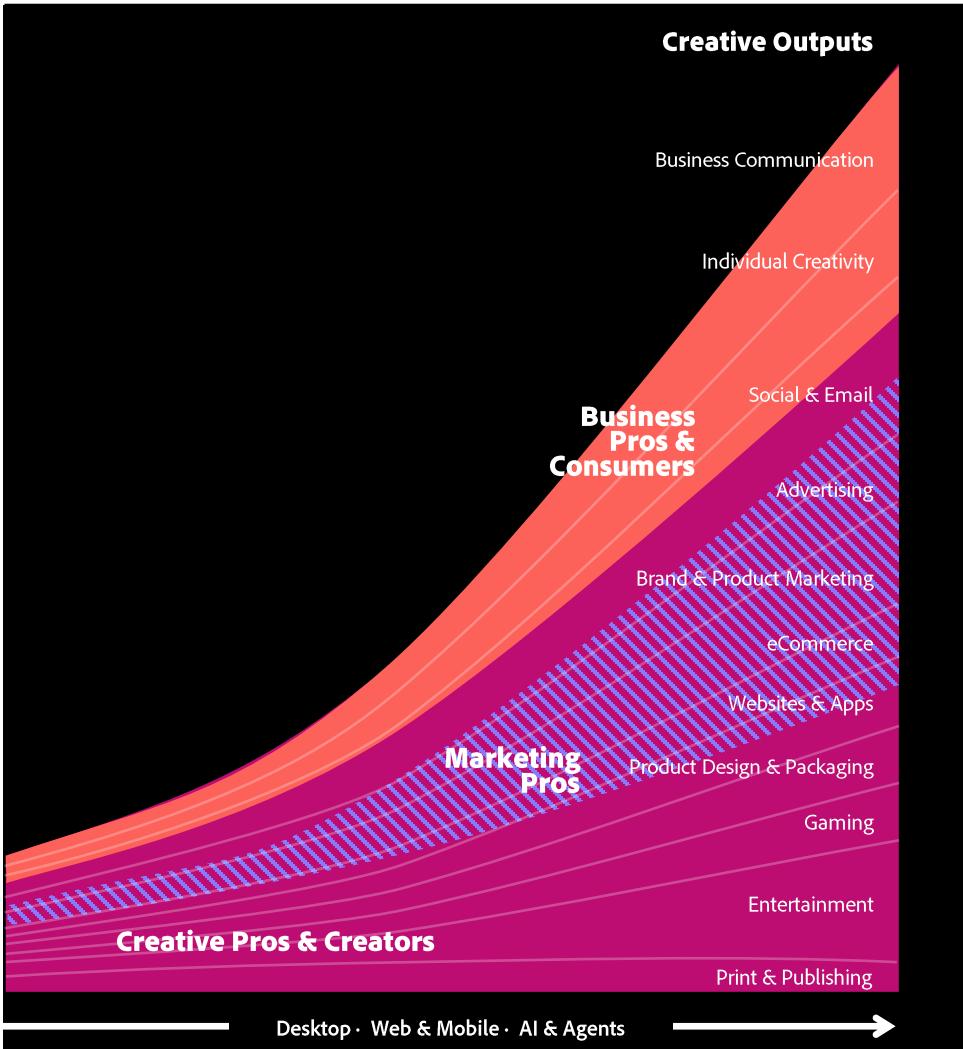
Creative Professionals & Creators



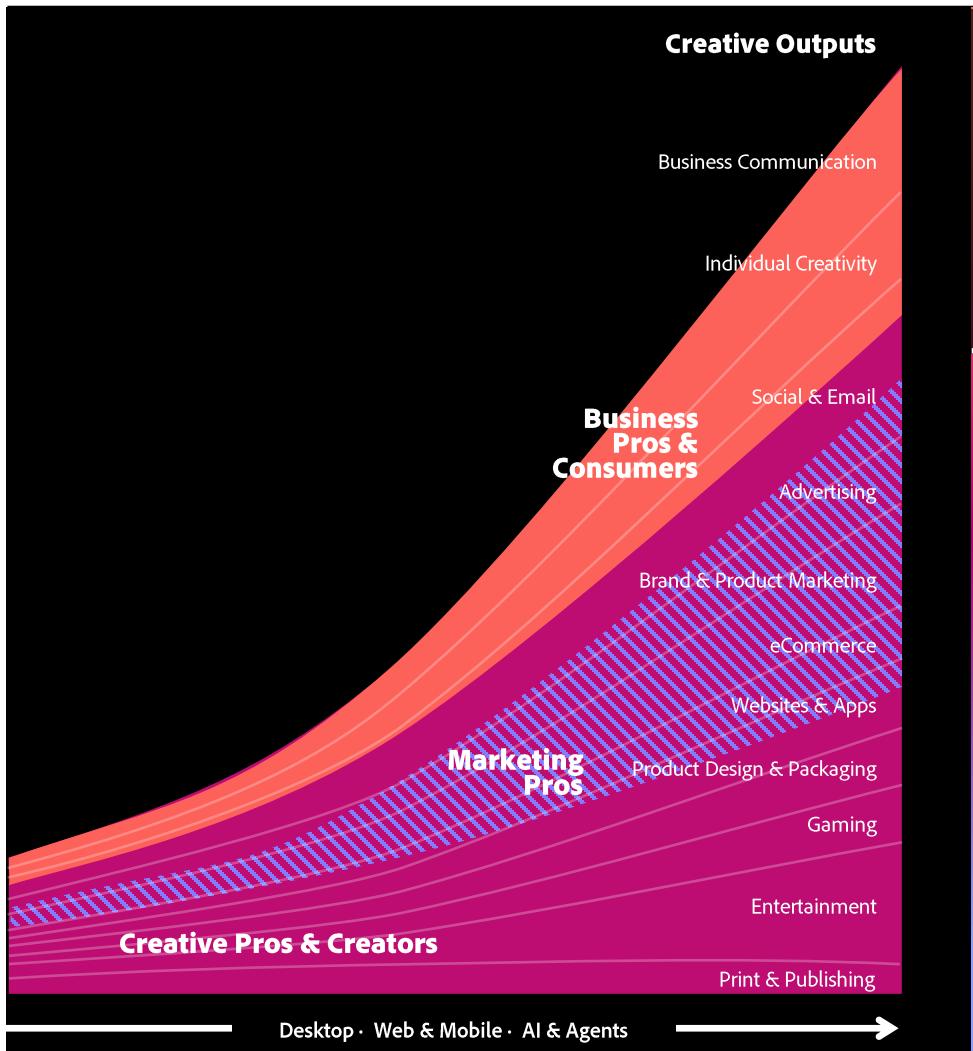
Marketing Professionals



Customer Groups: Financial insights aligned with customer strategy



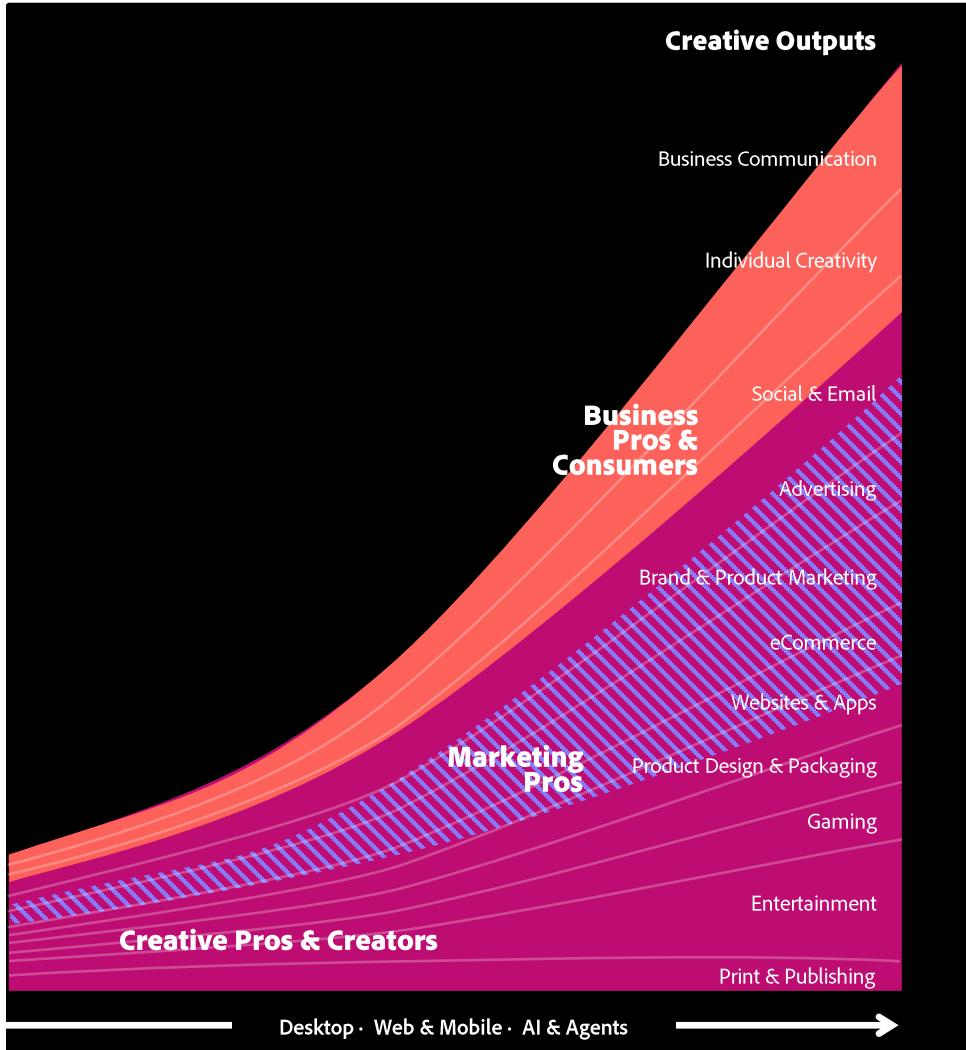
Customer Groups: Financial insights aligned with customer strategy



End-to-end professional Creative & Marketing solutions redefining the content lifecycle

- Creative Pros need power & precision across all media types and surfaces
- Creatives and Marketers are increasingly collaborating in the content lifecycle
- Adobe's AI-powered solutions are addressing the need for integrated workflows across creators, agencies and enterprises
- Adobe's unified enterprise GTM and One Adobe deals are increasingly creating value for customers while driving efficiency
- New strategic opportunities are emerging to monetize creation and production based on volume of content

Our growth agenda is to serve our massive and expanding audiences



Business Professionals & Consumers

Creative & Marketing Professionals

Creativity & Productivity for all with unparalleled distribution and creative power

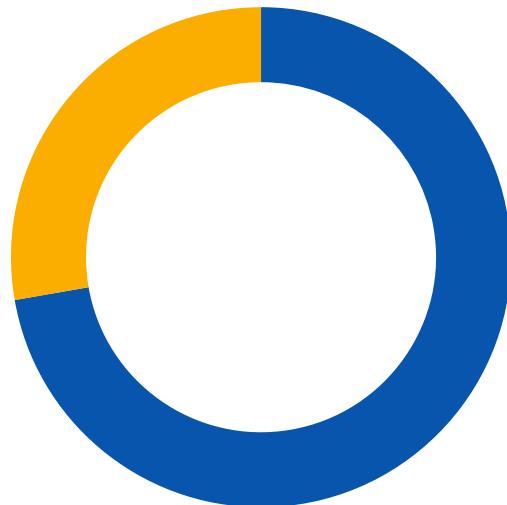
End-to-end professional Creative & Marketing solutions redefining the content lifecycle

Adobe's Customer Groups: Breadth of opportunity

← Subscription • SaaS • Services • Consumption • Marketplace • Freemium • Community →

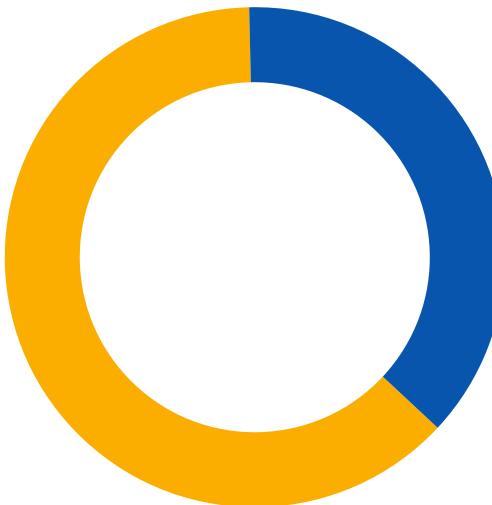
Customer Group¹

FY24



Routes to Market¹

FY24



\$20.4B

FY24 subscription revenue¹

~750M

Digital Media MAU²

>50%

Web and mobile as percentage of MAU²

~22,000

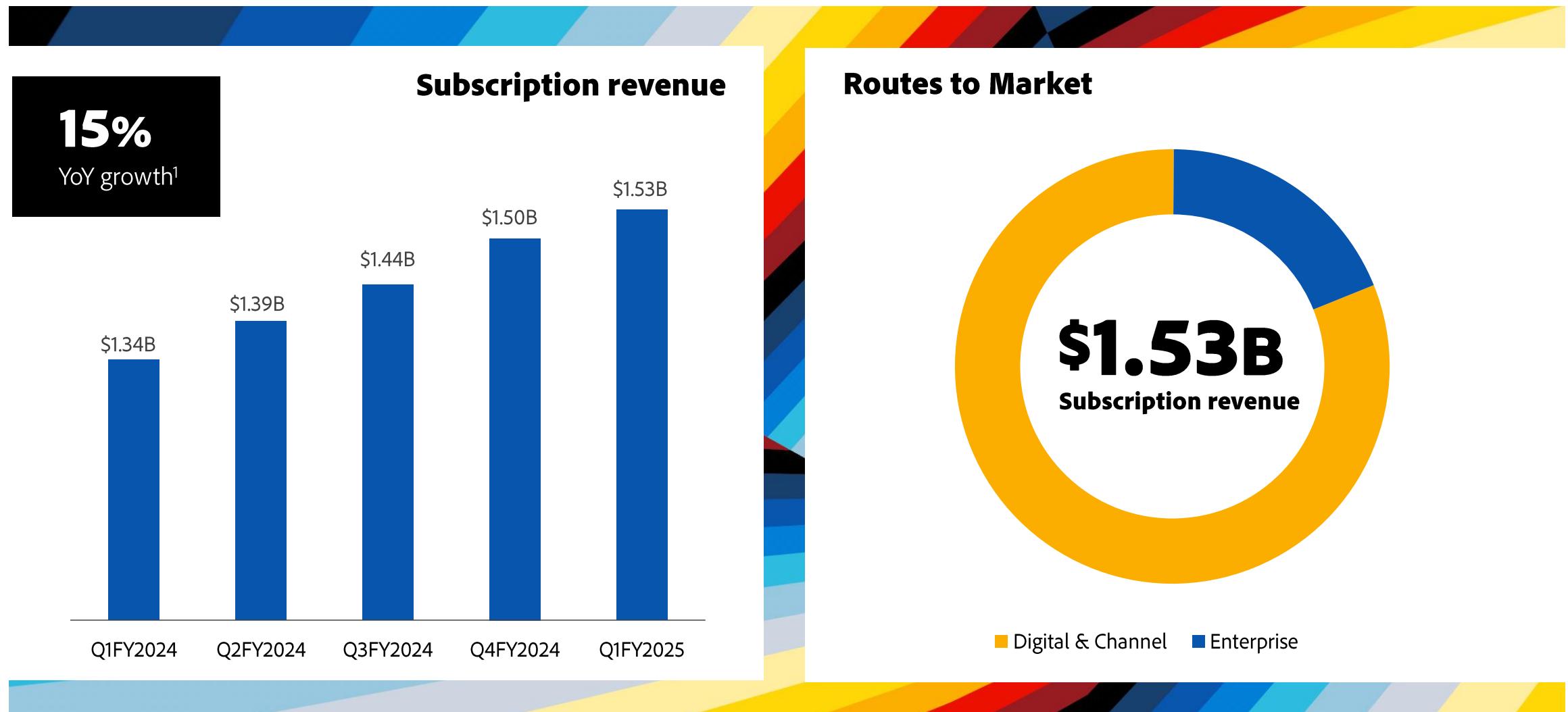
Enterprise customers³

>100%

YoY growth of joint Creative & Marketing deals⁴

← Students • Consumers • Business Professionals • Creative Professionals • Creators • Marketing Professionals • SMBs • Enterprises →

Business Professionals & Consumers



Business Professionals & Consumers: Accelerating growth

Business Momentum

~23%

Total Acrobat MAU
YoY growth¹

~50%

Acrobat web MAU
YoY growth²

>1B

Cumulative
Express projects
created³

>10x

Express usage growth
through Acrobat YoY⁴



Accelerating growth

New user acquisition

- Freemium model & product-led growth
- Web, mobile and desktop
- Express proliferation
- Acrobat & Express distribution
- International and enterprise expansion

Increasing customer value

- Acrobat AI Assistant & Workspaces
- Adobe Express premium
- Premium subscription offerings

Business Professionals & Consumers: Proven track record

PDF is the gold standard of document interchange

>400B
PDFs opened in Acrobat/year¹

Acrobat enables productivity workflows - editing, commenting and sharing PDFs

~1B
Links shared from Acrobat in FY24

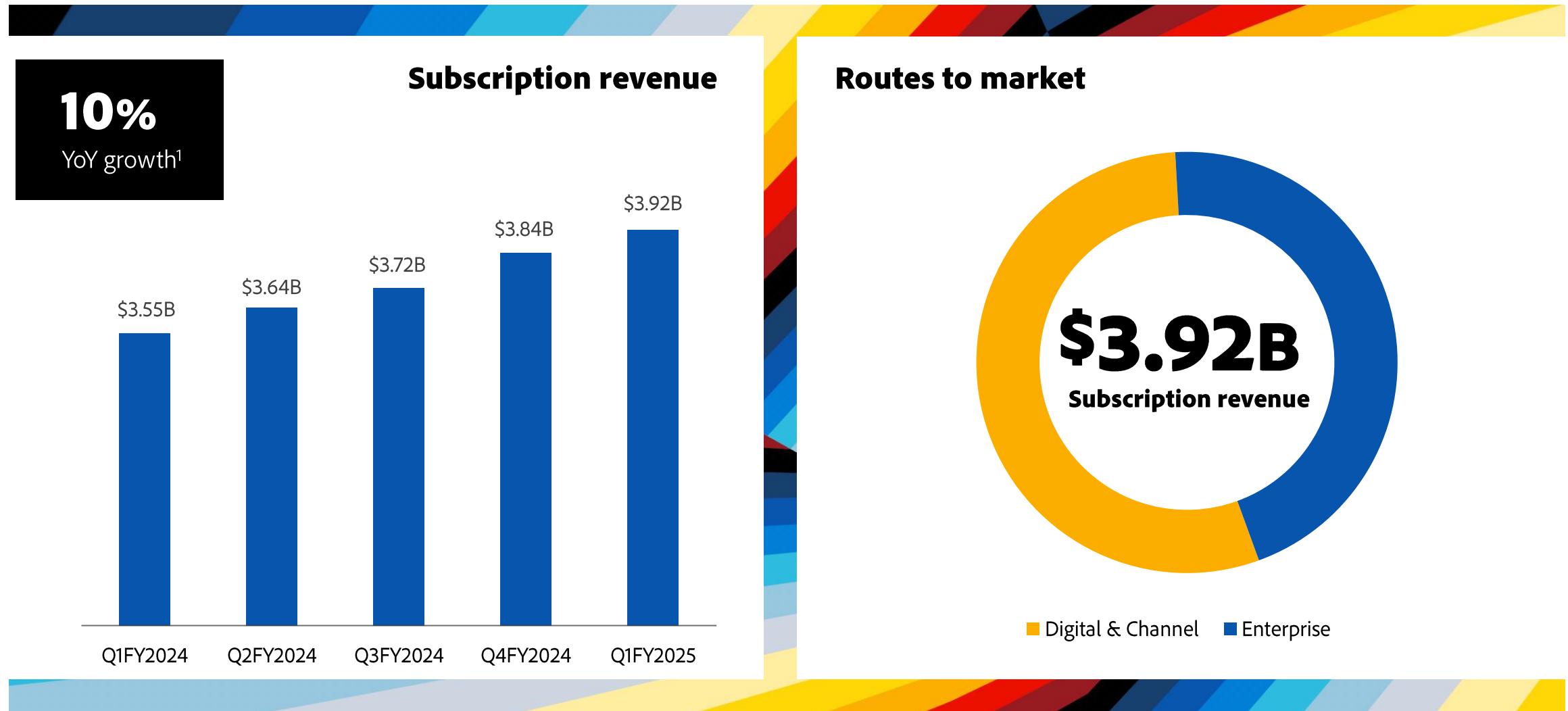
~3T
PDFs in the world²

Acrobat available across web, mobile and desktop

~650M
Monthly active Acrobat users³

Acrobat and Express power conversational consumption and agentic visual creation

Creative & Marketing Professionals



Creative & Marketing Professionals: Accelerating growth

Business Momentum

>1B

Generations monthly¹

~50M

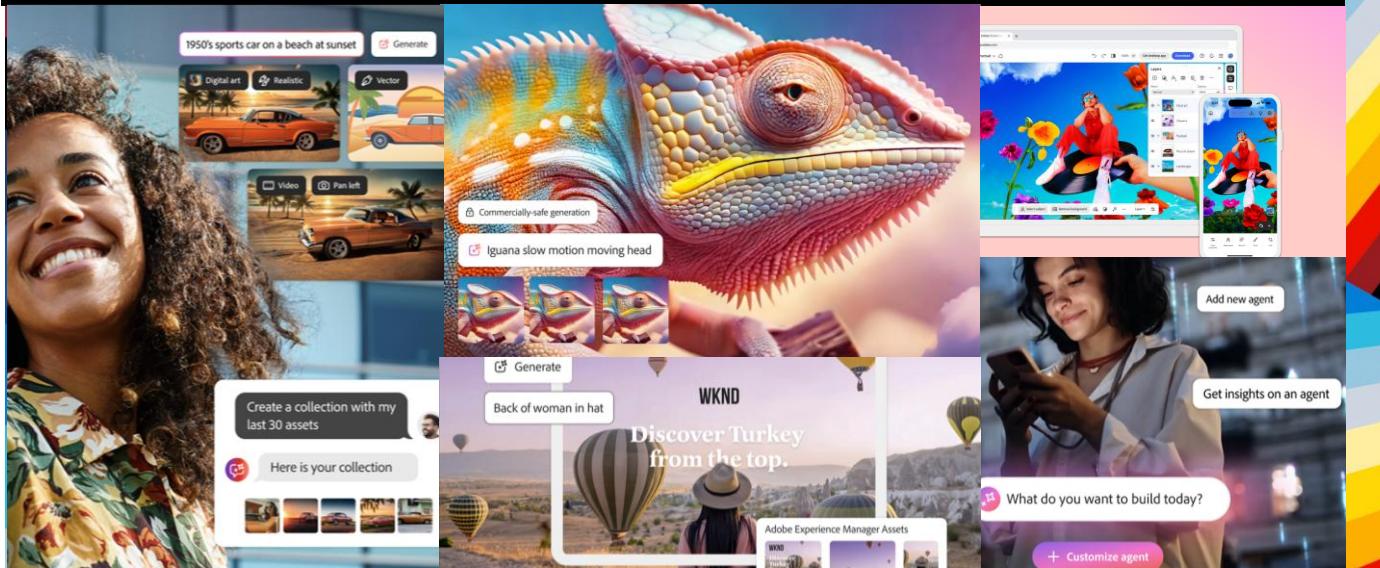
Creative Web and Mobile MAU²

>250

Accounts with \$5M+ ARR³

>100%

YoY growth of joint Creative & Marketing deals⁴



Accelerating growth

Massive seat-based opportunity

- Web and mobile offerings for imaging, video, design, etc.
- Firefly App and onboarding 3rd party models
- Firefly generations across CC Apps
- Tiered CC and Firefly subscription offerings
- International expansion

Massive enterprise opportunity

- Transform content supply chain with GenStudio, Firefly Services and CCE
- Revolutionize personalization at scale with AEP & Apps
- Agent and Orchestration capability based tiered pricing
- New logo, cross-sell and upsell opportunities
- Expansive partner ecosystem
- International expansion

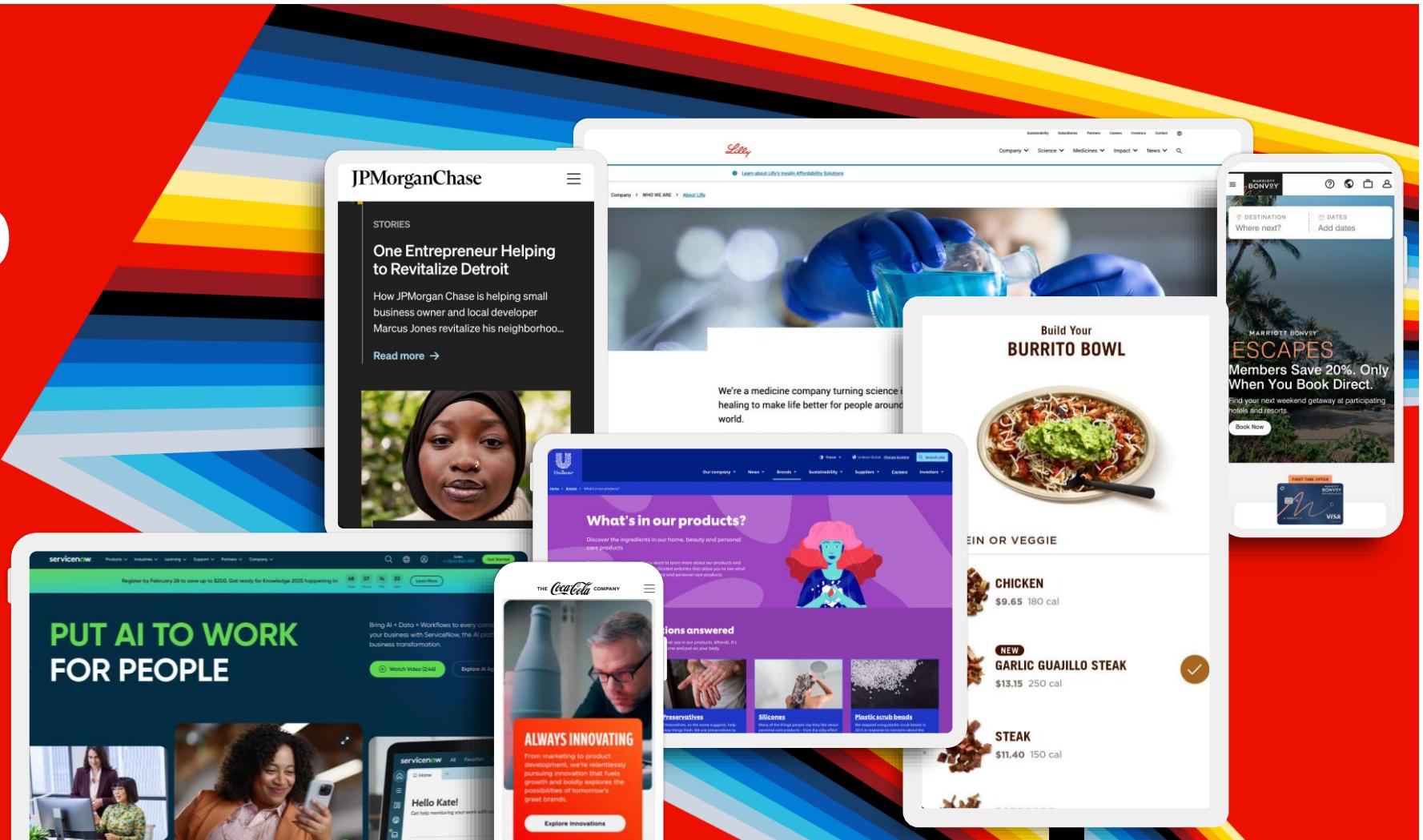
Creative & Marketing Professionals: Unlocking the enterprise opportunity

~22,000

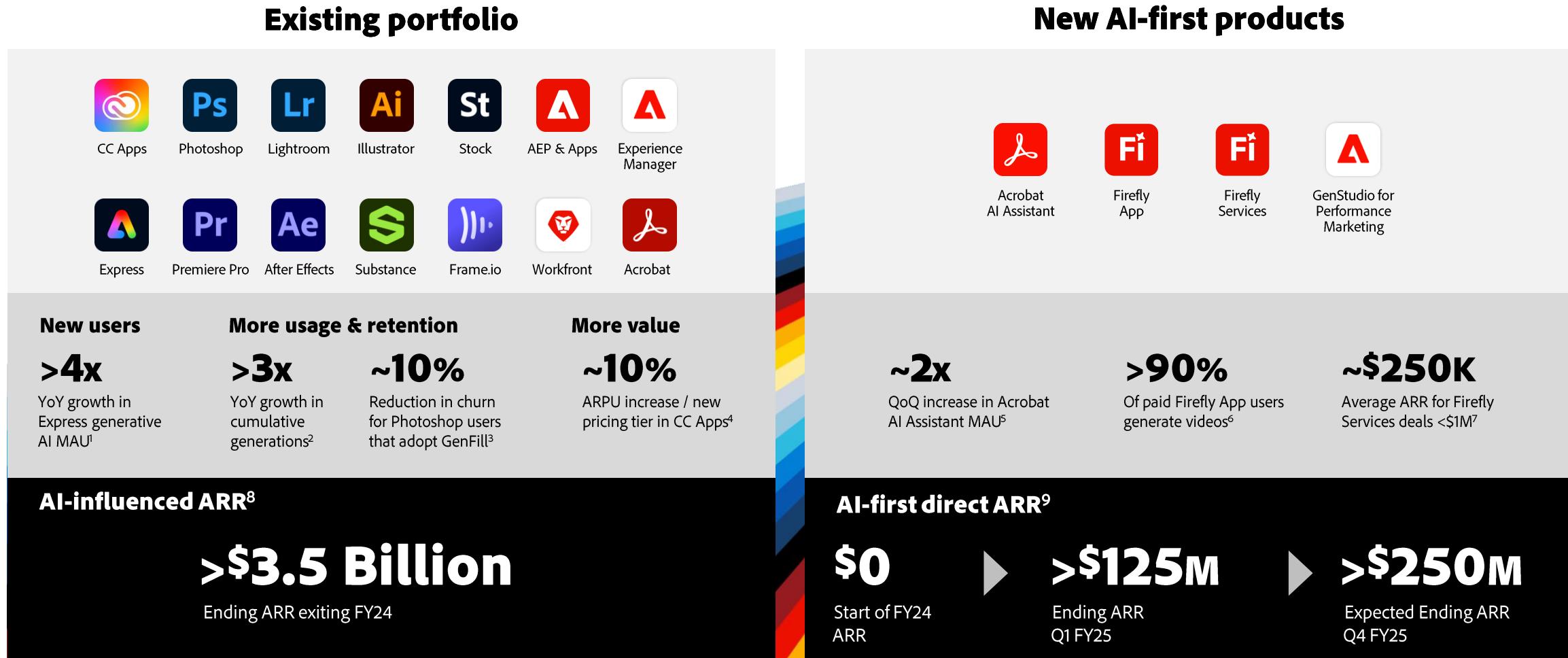
Enterprise customers¹

~1,500

Enterprises with
5+ products¹

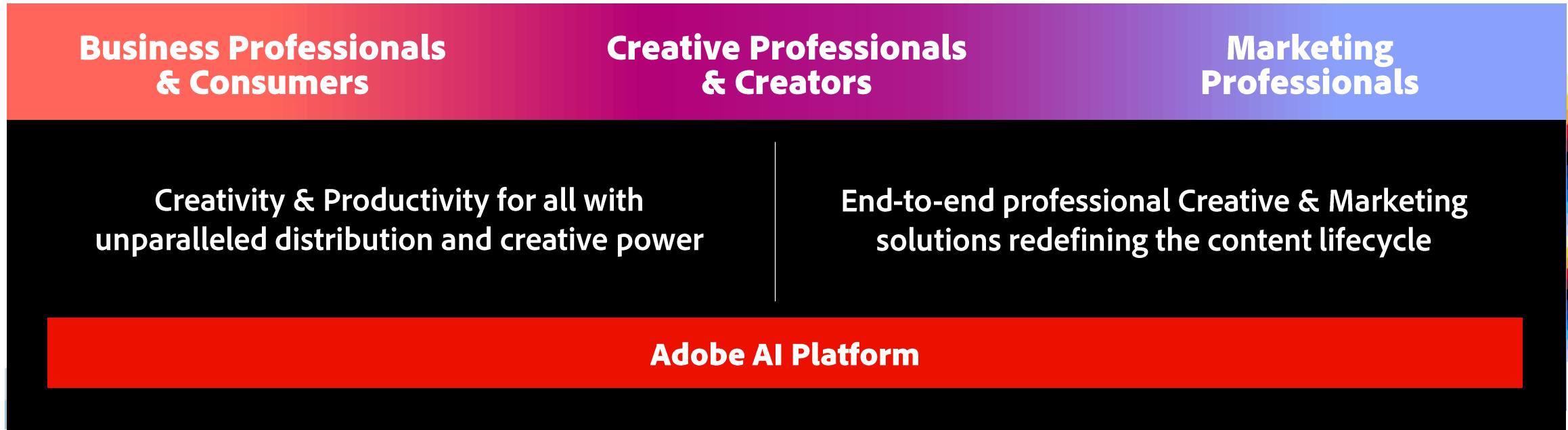


Adobe's AI monetization



¹Average monthly active users (MAU) for the 4 weeks ended 02/28/2025 vs the 4 weeks ended 03/01/2024; ²Cumulative Firefly generations Q1 FY25 vs Q1 FY24; ³Average reduction in weekly churn over the last 6 months of Photoshop users that use GenFill vs those that do not; ⁴November 2023; ⁵Free and Paid MAU for the last month of Q1 FY25 vs. Q4 FY24; ⁶Paid Firefly Add On subscribers, measured from 2/12/2025 to 2/21/2025; ⁷Average new annualized deal value for Firefly Services, when under \$1M ARR, Q1 FY24 to Q1 FY25; ⁸Adobe estimated, March 2025; ⁹Includes Acrobat AI Assistant (available Q1 FY24), Firefly App (available Q1 FY25), Firefly Services (available Q2 FY24) and GenStudio for Performance Marketing (available Q4 FY24), and excludes Express, Firefly embedded in Apps, AI Assistant in Acrobat Premium, Digital Experience Prime & Ultimate Tiers.

How we win



Product innovation to create and lead categories in Creativity, Productivity and Marketing

Scaled, differentiated digital and enterprise **routes to market**

Exceptional brand value and expansive **global reach**

World-class financial profile

>46%

Non-GAAP operating margins¹

>\$30B

Cumulative operating cash flows²

~6.4%

Reduction in share count²

~14% Non-GAAP EPS CAGR²

¹ FY24 & FY25 Non-GAAP operating margins at mid-point of the fiscal 2025 financial targets; FY24 GAAP operating margin 31.3%. FY25 GAAP operating margin 36.0% at mid-point of the fiscal 2025 financial targets.

² FY21 to FY24 for cash flows, reduction in share count and Non-GAAP EPS CAGR, GAAP EPS CAGR of ~7%.

Reconciliations between GAAP and non-GAAP results are included in the Appendix.

Expanding Adobe's Opportunity: The path to \$30B and beyond



Adobe

Appendix

Use of Non-GAAP Financial Information

These Materials contain non-GAAP financial measures (including targets and assumptions), which are not prepared in accordance with generally accepted accounting principles ("GAAP"), including non-GAAP diluted earnings per share, non-GAAP operating margin, non-GAAP tax rate and constant currency revenue growth rates. These non-GAAP financial measures are not an alternative for measures prepared in accordance with GAAP and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Adobe believes that non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company's financial results as determined in accordance with GAAP and that these measures should only be used to evaluate the Company's financial results in conjunction with the corresponding GAAP measures; therefore, the Company qualifies the use of non-GAAP financial information in a statement when non-GAAP information is presented.

Non-GAAP measures may exclude items including (but not limited to): stock-based and deferred compensation expenses, amortization of intangibles, investment gains and losses, income tax adjustments and other items that are not considered part of the Company's ongoing operations, and the income tax effect of the non-GAAP pre-tax adjustments from the provision for income taxes. Constant currency revenue growth rates are calculated by converting non-United States Dollar revenue using comparative period exchange rates and determining the change from prior period reported revenue, adjusted for any hedging effects.

Adobe uses non-GAAP financial information to evaluate its ongoing operations and for internal planning and forecasting purposes. Adobe's management does not itself, nor does it suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Adobe presents such non-GAAP financial measures in reporting its financial results to provide investors with an additional tool to evaluate Adobe's operating results. Adobe believes these non-GAAP financial measures are useful because they allow for greater transparency with respect to key metrics used by management in its financial and operational decision-making. This allows institutional investors, the analyst community and others to better understand and evaluate Adobe's operating results and future prospects in the same manner as management. Adobe's management believes it is useful for itself and investors to review, as applicable, both GAAP and non-GAAP measures, as well as the reconciliation of the non-GAAP financial measures to their most directly comparable GAAP financial measure.

Non-GAAP reconciliation

Reconciliation of GAAP to non-GAAP earnings per share

	Q1 FY25 Actual	Q2 FY25 Target		FY25 Target	
		Low	High	Low	High
GAAP diluted earnings per share	\$ 4.14	\$ 3.80	\$ 3.85	\$ 15.80	\$ 16.10
Stock-based and deferred compensation	1.07	1.16	1.16	4.69	4.69
Amortization of intangibles	0.19	0.19	0.19	0.71	0.71
Investments (gains) losses, net	(0.01)	–	–	–	–
Income tax adjustments	(0.31)	(0.20)	(0.20)	(1.00)	(1.00)
Non-GAAP diluted earnings per share	\$ 5.08	\$ 4.95	\$ 5.00	\$ 20.20	\$ 20.50

Non-GAAP reconciliation

Reconciliation of GAAP to non-GAAP operating margin

	FY24 Actual	Q2 FY25 Target	FY25 Target
GAAP operating margin	31.3 %	35.0 %	36.0 %
Stock-based and deferred compensation	8.7	8.6	8.7
Amortization of intangibles	1.6	1.4	1.3
Acquisition-related expenses (*)	4.7	–	–
Loss contingency reversal (**)	(0.2)	–	–
Lease-related asset impairments and other charges (***)	0.5	–	–
Non-GAAP operating margin	46.6 %	45.0 %	46.0 %

(*) Associated with the Figma transaction, and includes deal costs, certain professional fees and the termination fee

(**) Associated with an IP litigation matter

(***) Associated with the optimization of our leased facilities, and primarily includes impairment charges related to certain operating lease right-of-use assets and leasehold improvements

Non-GAAP reconciliation

Reconciliation of GAAP to non-GAAP tax rate

Q2 FY25 Target	
GAAP effective income tax rate	19.5 %
Stock-based and deferred compensation	(1.7)
Amortization of intangibles	(0.3)
Income tax adjustments	1.0
Non-GAAP effective income tax rate	18.5 %

Non-GAAP reconciliation

Reconciliation of GAAP to non-GAAP earnings per share

	FY21 Actual	FY24 Actual	FY21-FY24 CAGR
GAAP diluted earnings per share	\$ 10.02	\$ 12.36	7%
Stock-based and deferred compensation	2.30	4.18	
Amortization of intangibles	0.73	0.75	
Acquisition-related expenses (*)	–	2.24	
Loss contingency reversal (**)	–	(0.10)	
Lease-related asset impairments and other charges (***)	–	0.22	
Investments (gains) losses, net	(0.03)	(0.10)	
Income tax adjustments	(0.54)	(1.13)	
Non-GAAP diluted earnings per share	\$ 12.48	\$ 18.42	14%

(*) Associated with the Figma transaction, and includes deal costs, certain professional fees and the termination fee

(**) Associated with an IP litigation matter

(***) Associated with the optimization of our leased facilities, and primarily includes impairment charges related to certain operating lease right-of-use assets and leasehold improvements

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