

# FYE25 Second Quarter Conference Call

The CX Automation Leader  
*Delivering AI Business Outcomes NOW*

September 4, 2024

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## Non-GAAP Financial Measures

This presentation includes financial measures which are not prepared in accordance with generally accepted accounting principles ("GAAP"), including certain constant currency measures. For a description of these non-GAAP financial measures, including the reasons management uses each measure, and reconciliations of these non-GAAP financial measures to the most directly comparable financial measures prepared in accordance with GAAP, please see the appendices to this presentation, Verint's earnings press releases, as well as the GAAP to non-GAAP reconciliation found under the Investor Relations tab on Verint's website [Verint.com](https://www.verint.com).

# Q2 FYE25 Earnings Call Topics



**Strong AI Momentum in Q2 with AI Bookings Increasing >40% Year-over-Year**

**Q2 Bundled SaaS Revenue Growth Accelerates to 15% Year-over-Year, Driven by AI**

**Verint Customers Report Strong AI Business Outcomes, Now**

**On Track to Achieve FYE25 Guidance**

# Very Large TAM and Early-Stage Opportunity

Brands Spend \$2 Trillion Annually on CX Workforce



Increasing Agent Capacity



Elevating CX

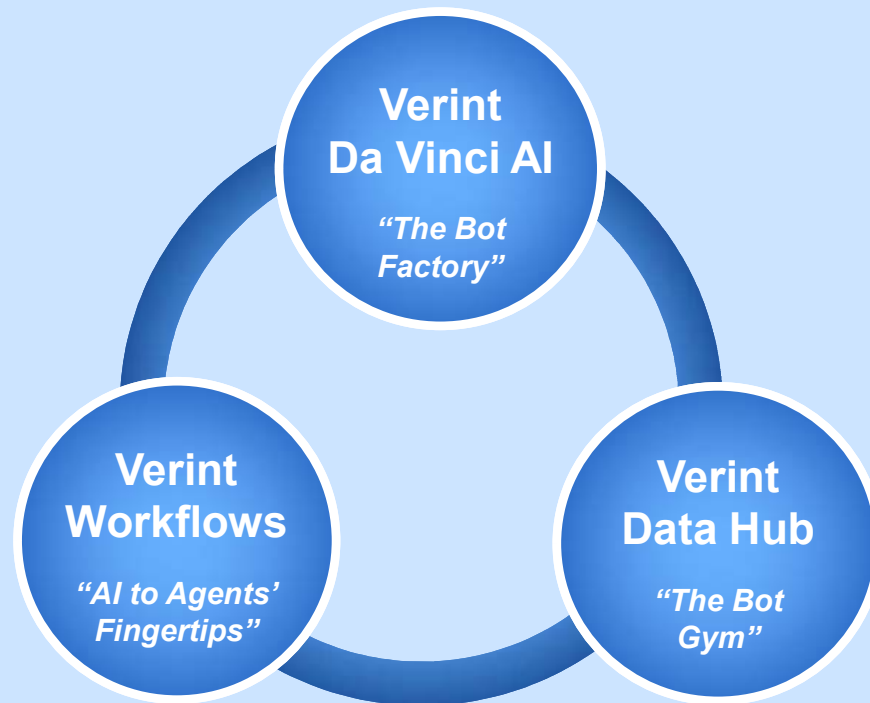


Automating CX Workflows

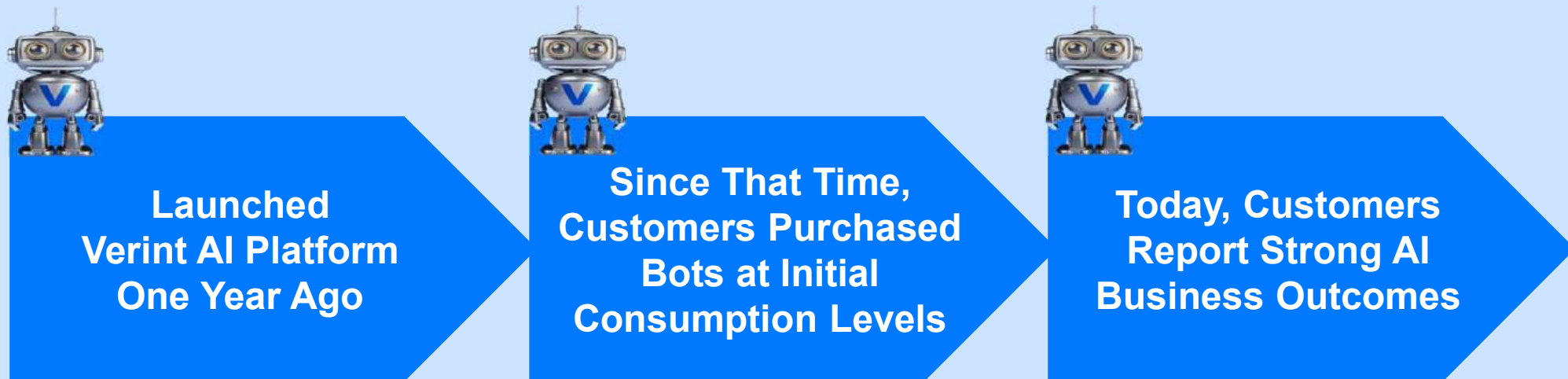
**‘AI Business Outcomes, Now’™ – Resonating Well With Customers**

# Verint Delivers Tangible ‘AI Business Outcomes, Now’

Strong Competitive Differentiation



# Verint Customers' AI Journey



**Over 50% of our Largest Customers Have Purchased At Least One Bot  
Significant Opportunity for Consumption Growth and Bot Expansion**

Note: Largest Customers are defined as customers with more than \$1 million ARR

# Customers Reporting Strong AI Business Outcomes

## Press Release

### Leading Hotel Brand Increases Self-Service Containment by 60 Percent Across More Than 10 Million Customer Interactions Annually with Verint Bots

MELVILLE, N.Y., June 5, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a major multinational hotel brand is using the advanced conversational AI capabilities of the Verint Open Platform. The hotel is deploying Verint Intelligent Virtual Assistant (IVA) across more than 10 million digital and voice guest interactions annually.

## Press Release

### Verint Quality Bots Help Fortune 500 Brand Save Approximately \$2 Million Through CX Automation

MELVILLE, N.Y., June 13, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a Fortune 500 brand deployed the Verint Quality Bots to modernize their quality program, achieving significant AI business outcomes with an estimated savings of \$2 million.

The brand transitioned from a manual, time-consuming quality process to a modern streamlined quality process using the AI-powered Verint Quality Bots to evaluate agents across 100 percent of their customer interactions. The Quality Bots increased the scope and accuracy of the program while decreasing the manual effort required.

## Press Release

### Travel Company Uses Verint Bots for 95 Percent of Their Customer Bookings

MELVILLE, N.Y., June 18, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a leading U.S. travel company has been using Verint bots to achieve successful self-service containment of 95 percent of their customer interactions.

The travel company is using Verint's AI-powered IVA to handle six million digital customer interactions per year related to travel booking, changes and cancellations. The company also reported positive customer experiences when their customers interacted with the Verint bots.

## Press Release

### Global Insurance Brand Reports Strong AI Business Outcomes with Verint Bots

Insurance Brand Increases NPS Score by 97 Percent and Reduces Operating Costs by \$6 Million

MELVILLE, N.Y., June 24, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a global insurance company has reported strong AI business outcomes using multiple bots with the Verint Open Platform.

## Press Release

### Top 10 U.S. Retailer Uses Verint Interviewing Bot for Contact Center Hiring

Retailer Experiences 50 Percent Reduction in Hiring Costs

MELVILLE, N.Y., July 10, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a leading U.S. retailer has significantly reduced its hiring costs across approximately 2,000 new agent hires annually after deploying the Verint Interviewing Bot.

## Press Release

### Healthcare Service Provider Increases Agent Capacity by 10 Percent with Verint Intelligent Virtual Assistant

MELVILLE, N.Y., July 16, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a healthcare service provider has reported a 10 percent increase in their contact center agent capacity after deploying the Verint Intelligent Virtual Assistant (IVA).

## Press Release

### Leading Bank Reports Major CX Improvement Driven by Verint AI-powered Bots

MELVILLE, N.Y., August 8, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a leading bank has improved its contact center Net Promoter Score® (NPS) twelvefold through the AI-powered Verint Quality Bot and Verint Coaching Bot.

## Press Release

### BPO Fights Self-Service Fraud with Verint Call Risk Scoring Bot

MELVILLE, N.Y., August 16, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a business process outsourcer (BPO) reported groundbreaking AI business outcomes using the Verint Call Risk Scoring Bot, blocking \$6 million of self-service fraudulent attempts throughout July 2024.

The BPO is offering citizens a self-service tool to collect state unemployment insurance payments. As sophisticated fraudsters aggressively target such programs, the BPO chose the Verint Open Platform to deliver fraud protection for its self-service offering. Today, the Verint Call Risk Scoring Bot proactively analyzes customer behavior data and detects fraudulent patterns.

## Press Release

### Leading Healthcare Provider Expands Use of the Verint Interaction Wrap Up Bot from 300 to 30,000 Contact Center Agents

MELVILLE, N.Y., August 20, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a major healthcare company is expanding its use of the Verint Interaction Wrap Up Bot from 300 to 30,000 agents in their contact center.

# Strong AI Business Outcomes Drive Verint's Growth

Case Study: Leading Healthcare Company Deploys Multiple Bots

## Customer AI Journey Drives Verint ARR Growth



Note: Millions of USD

## Customer AI Journey



### Wrap-Up Bot Example

January 2024: Initial 300 Agent Deployment

July 2024: Increased to 30,000 Agent Deployment

**Increases Agent Capacity by the Equivalent of  
\$70 Million**





# Large Wins from World's Leading Brands

## Press Release

### **Verint Awarded a \$13 Million Deal from a Fortune 25 Brand to Deploy Multiple AI-Powered Bots and Drive AI Business Outcomes in the Contact Center**

MELVILLE, N.Y., June 11, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced a \$13 million, multi-year contract with a Fortune 25 brand to deploy knowledge management, including two bots, across 60,000 agents.

## Press Release

### **Verint Awarded \$6.5 Million Deal from Top 10 U.S. Public Utility Company to Deploy Multiple AI-powered Bots**

MELVILLE, N.Y., June 28, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a top 10 U.S. public utility company signed a multi-year contract for the Verint Open Platform. They plan to increase CX automation and deliver AI business outcomes in their 1,800-agent contact center.

## Press Release

### **Leading Insurer Awards Verint \$4.5 Million Contract to Deploy AI-Powered Bots**

MELVILLE, N.Y., Aug. 2, 2024 – Verint® (NASDAQ: VRNT), The CX Automation Company™, today announced that a leading insurance company awarded Verint a \$4.5 million contract over three years. They will use the Verint bots to increase CX automation and deliver AI business outcomes across their contact center of 3,000 agents.

# Insurer Deploys Five Bots at Initial Consumption Level

Q2 Win Case Study: \$5 Million Order

**3,000 Agent Contact Center**  
**Five Bots Initially Purchased for 600 Agents (20% of total)**



**Transcription Bot**



**Knowledge Bot**



**Coaching Bot**



**Wrap Up Bot**



**Data Insights Bot**

# AI Competitive Differentiation

**Stronger AI Outcomes**

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**Faster AI Outcomes**

## Q2 Recap



**Strong Q2 AI Bookings and Bundled SaaS Revenue Growth**

**Enter H2 with Strong Bundled SaaS Pipeline; Expect AI Momentum to Continue**

**FYE25 Guidance of 5% Adjusted Revenue Growth and 10% Adjusted EBITDA Growth**

**Targeting 'Rule of 40' in FYE27**

# Financial Review



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# Today's Topics

Q2 Results

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Mid-Year Review

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Benefits of AI on Our Long-Term Model

## Q2 Results: P&L

### Revenue

**GAAP: \$210 million**

Flat year-over-year

**Non-GAAP: \$210 million**

Up 3% year-over-year,  
adjusted for divestiture

### Gross Margin

**GAAP: 69.2%**

Up 200bps year-over-year

**Non-GAAP: 71.2%**

Up 170bps year-over-year

### Diluted EPS

**GAAP: \$0.02**

**Non-GAAP: \$0.49**

Up 3% year-over-year

Note: Revenue growth is adjusted for the divestiture on January 31, 2024. GAAP diluted EPS y-o-y growth not provided as it does not provide meaningful information.

## Q2 Results: AI Adoption Metrics

AI-Powered Bots Available Only in Bundled SaaS

**Bundled SaaS  
Revenue Growth**

**Up 15%**  
year-over-year

**Acceleration from Q1**

**New Bundled SaaS ACV Bookings  
From New Deals**

**Up 37%**  
year-over-year

**Reflects Growing AI Adoption**



# Mid-Year Review: Bookings Trends

New SaaS ACV – Bundled SaaS Component				
	FYE24		FYE25	H2 FYE25 Outlook
	H1	H2	H1	
From New Deals	\$19.8	\$34.3	\$27.5	H1: Up 39% H2 Outlook: Similar growth rate to H1
From Conversions	\$13.0	\$6.0	\$2.2	H1: \$2 million H2 Outlook: Small amount

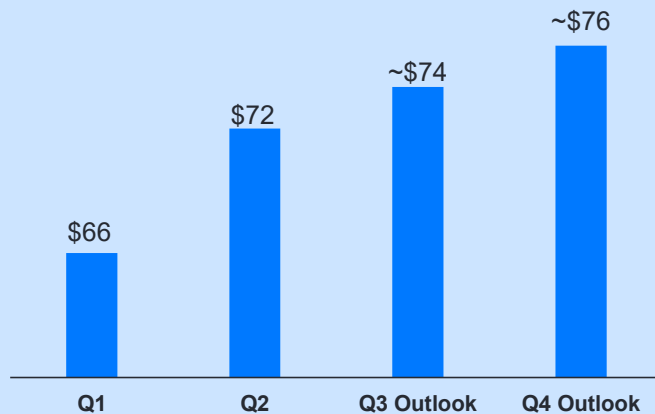
Note: In millions of USD

# Mid-Year Review: SaaS Revenue Trends

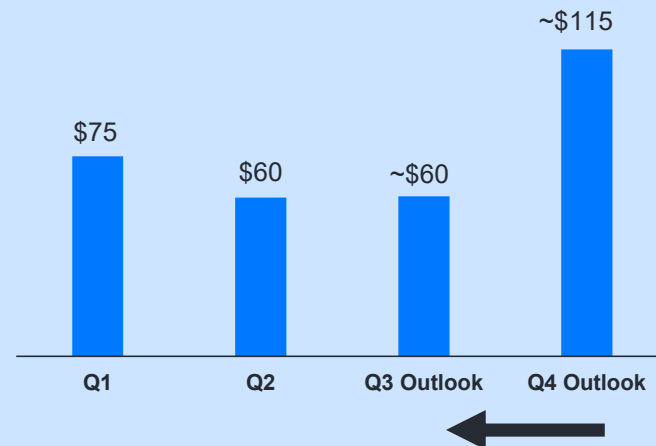
Bundled SaaS: Expect Continued Sequential Growth Driven by AI

Unbundled SaaS: Trend Similar to Last Year – Many Renewals In Q4

**Bundled SaaS Revenue**



**Unbundled SaaS Revenue**



\$20 million may shift from Q4 to Q3

Note: In millions of USD. Outlook figures are aligned to the mid point of our guidance range.

# FYE25 Guidance

**Revenue:** \$933 million +/- 2%, up 5% (growth rate adjusted for divestiture)

**Gross Margin Expansion:** At least 73%, up >150bps

**Adjusted EBITDA Growth:** Up 10%

**Non-GAAP Diluted EPS:** \$2.90

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## Below the Line Items for Full Year FYE25

**Interest and Other Expense, Net:** A little over \$2 million

**Net Income from Non-Controlling Interest:** ~\$1 million

**Tax Rate:** ~12% cash tax rate

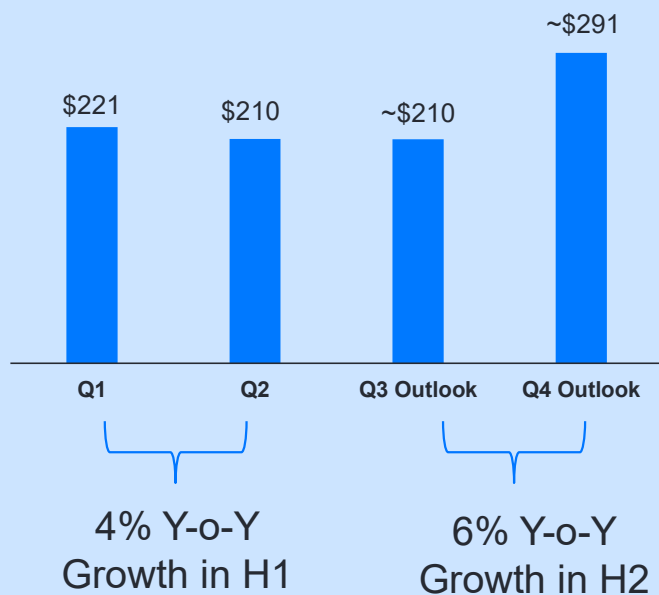
**Fully Diluted Shares Outstanding:** ~72.5 million

Note: Guidance is provided on a non-GAAP basis. Growth rates are on a year-over-year basis.

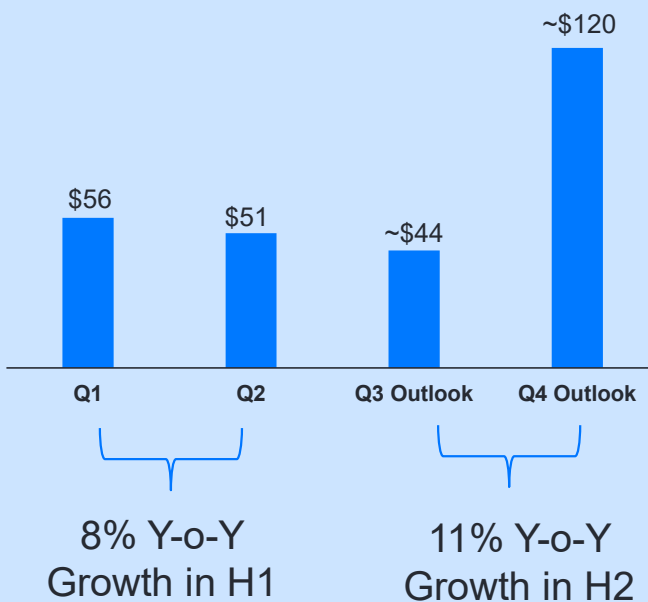
# FYE25 Quarterly Trends

Similar to Last Year – Reflects Bundled and Unbundled Revenue Dynamics

## Total Revenue



## Adjusted EBITDA



## Diluted EPS

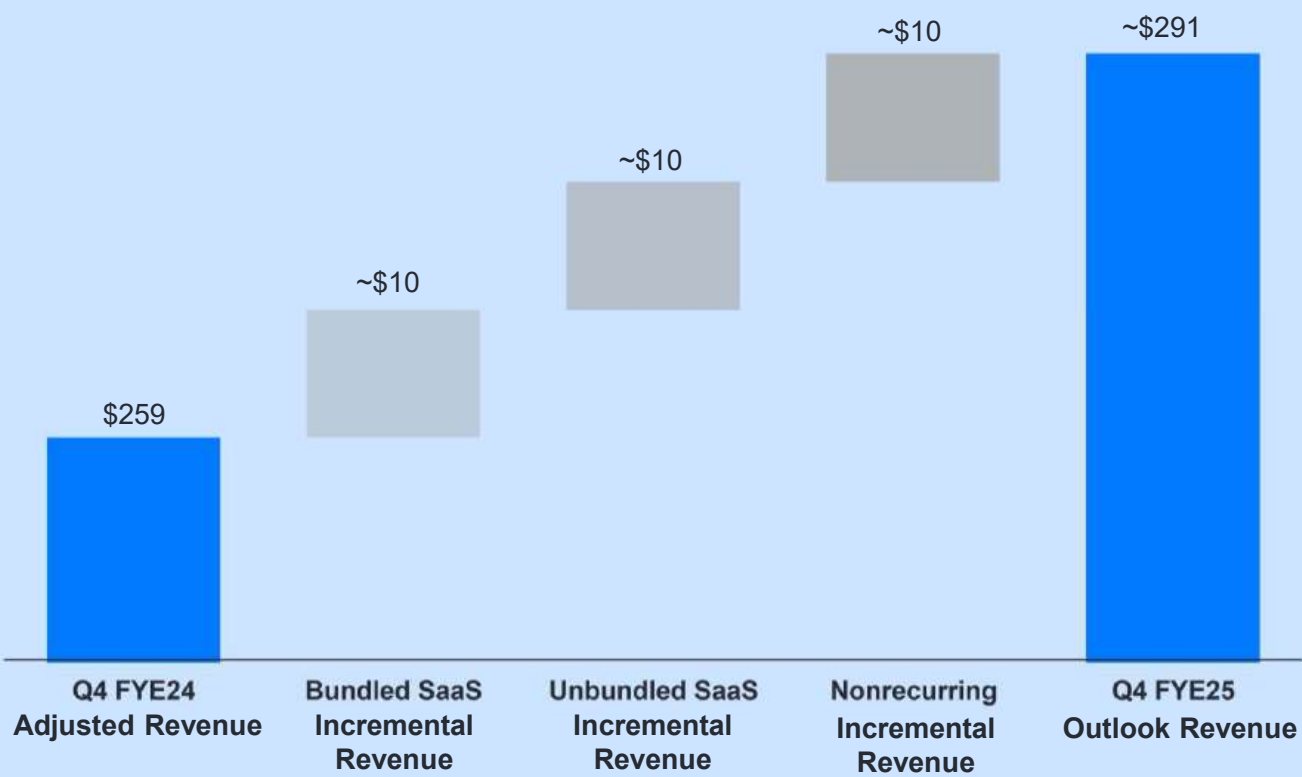
Q3 Outlook: \$0.43

Q4 Outlook: \$1.40

Note: Millions of USD. Guidance is provided on a non-GAAP basis. Growth is provided on a year-over-basis and is adjusted for the divestiture on January 31, 2024

# Q4 FYE24 to Q4 FYE25 High-Level Revenue Bridge

FYE25 Dynamics Similar to FYE24



Note: Millions of USD. Q4 FYE24 reflects revenue adjusted for quality managed services divestiture (closed January 31, 2024) which generated \$5.9 million of revenue in Q4 FYE24.

# Balance Sheet, FCF, and Share Buyback

Strong Balance Sheet with Low Leverage

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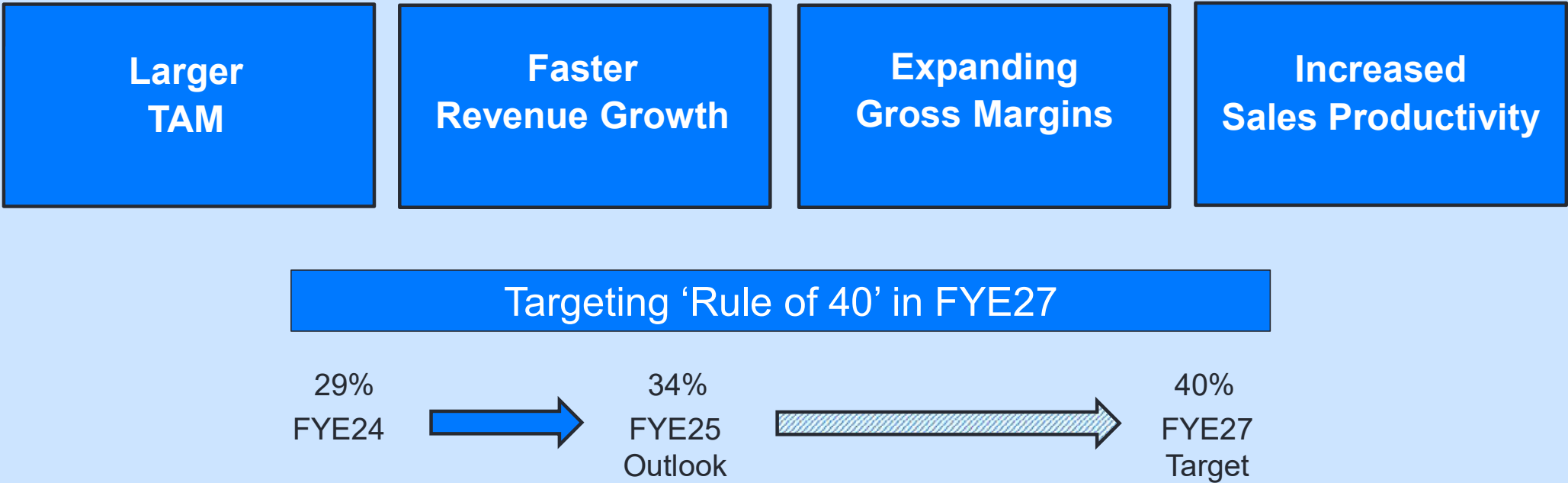
FYE25 FCF Outlook: Increase ~40% y-o-y to ~\$180 million

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New \$200 Million Buyback Program

Note: y-o-y represents year-over-year

# AI Adoption – Positive Impact to Verint Financial Model



Note: FYE24 and FYE25 Rule of 40 revenue growth is adjusted for the divestiture on January 31, 2024. FYE25 outlook figures are aligned to the mid point of our guidance range of 5% adjusted revenue growth and 29% adjusted EBITDA margin.

# Thank You

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# Financial Outlook

Our non-GAAP outlook for three months ending October 31, 2024 and year ending January 31, 2025 excludes the following GAAP measure which we are able to quantify with reasonable certainty:

- Amortization of intangible assets of approximately \$4 million and \$18 million, for the three months ending October 31, 2024 and year ending January 31, 2025, respectively.

Our non-GAAP outlook for the three months ending October 31, 2024 and year ending January 31, 2025 excludes the following GAAP measures for which we are able to provide a range of probable significance:

- Stock-based compensation expenses are expected to be between approximately \$19 million and \$21 million, and \$78 million and \$82 million, for the three months ending October 31, 2024 and year ending January 31, 2025, respectively, assuming market prices for our common stock approximately consistent with current levels.

Our non-GAAP guidance does not include the potential impact of any in-process business acquisitions that may close after the date hereof, and, unless otherwise specified, reflects foreign currency exchange rates approximately consistent with current rates.

We are unable, without unreasonable efforts, to provide a reconciliation for other GAAP measures which are excluded from our non-GAAP outlook, including the impact of future business acquisitions or acquisition expenses, future restructuring expenses, and non-GAAP income tax adjustments due to the level of unpredictability and uncertainty associated with these items. For these same reasons, we are unable to assess the probable significance of these excluded items. While historical results may not be indicative of future results, actual amounts for the three and six months ended July 31, 2024 and 2023 for the GAAP measures excluded from our non-GAAP outlook appear in this press presentation.

# Financial Outlook

Our non-GAAP three-year targets exclude various GAAP measures, including:

- Amortization of intangible assets.
- Stock-based compensation expenses.
- Acquisition expenses.
- Restructuring expenses.

Our non-GAAP three-year targets also reflect income tax provisions on a non-GAAP basis.

We are unable, without unreasonable efforts, to provide a reconciliation for these GAAP measures which are excluded from our non-GAAP three-year targets, due to the level of unpredictability and uncertainty associated with these items. For these same reasons, we are unable to assess the probable significance of these excluded items. Our non-GAAP three-year targets reflect foreign currency exchange rates approximately consistent with current rates.

# SaaS KPIs

(\$ in millions)	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Month Ended
	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric
SaaS ARR	\$401.8	\$428.4	\$460.8	\$498.0	\$498.0	\$493.7	\$502.9	\$512.3	\$534.4	\$534.4	\$537.7	\$556.5	\$556.5
SaaS ARR Growth YoY	48.6%	41.7%	36.5%	25.3%	25.3%	22.9%	17.4%	11.2%	7.3%	7.3%	8.9%	10.7%	10.7%
New SaaS ACV	\$24.1	\$27.3	\$26.8	\$23.9	\$102.1	\$16.0	\$26.5	\$25.4	\$25.4	\$93.3	\$19.8	\$21.1	\$40.8
New SaaS ACV Components													
Bundled SaaS	\$15.0	\$16.7	\$17.4	\$15.6	\$64.7	\$11.9	\$21.0	\$22.3	\$18.1	\$73.2	\$14.9	\$14.8	\$29.7
Bundled SaaS - New Deals ACV						\$10.4	\$9.5	\$16.7	\$17.5	\$54.1	\$14.5	\$13.0	\$27.5
Bundled SaaS - Conversion ACV						\$1.5	\$11.5	\$5.5	\$0.5	\$19.1	\$0.4	\$1.8	\$2.2
Unbundled SaaS	\$9.0	\$10.6	\$9.5	\$8.3	\$37.4	\$4.1	\$5.5	\$3.1	\$7.4	\$20.1	\$4.9	\$6.2	\$11.1

# Summary

(\$ in millions)		Three Months Ended										Year Ended		Three Months Ended								Year Ended		Three Months Ended				Six Month Ended	
		4/30/2022		7/31/2022		10/31/2022		1/31/2023		3/31/2023		4/30/2023		7/31/2023		10/31/2023		1/31/2024		3/31/2024		4/30/2024		7/31/2024		7/31/2024			
		GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP		
Revenue Metrics	Recurring Revenue	\$159.4	\$160.7	\$166.4	\$167.2	\$174.2	\$174.6	\$185.5	\$186.0	\$655.5	\$658.5	\$166.4	\$167.1	\$161.0	\$161.2	\$161.1	\$161.2	\$210.7	\$210.8	\$699.2	\$700.3	\$173.5	\$173.5	\$163.2	\$163.2	\$336.8	\$336.8		
	Nonrecurring Revenue	\$58.5	\$58.5	\$55.5	\$55.5	\$51.0	\$51.0	\$50.7	\$50.7	\$216.7	\$216.7	\$50.1	\$50.1	\$49.2	\$49.2	\$57.4	\$57.4	\$54.4	\$54.4	\$211.1	\$211.1	\$47.7	\$47.7	\$46.9	\$46.9	\$94.7	\$94.7		
	Total Revenue	\$217.9	\$219.2	\$222.9	\$222.6	\$225.2	\$225.6	\$236.2	\$236.8	\$872.2	\$875.2	\$216.6	\$217.2	\$210.2	\$210.4	\$218.5	\$218.7	\$265.1	\$265.2	\$910.4	\$911.5	\$221.3	\$221.3	\$210.2	\$210.2	\$431.4	\$431.4		
	Reported Revenue Growth, adjusted for January 31, 2024 quality managed services divestiture																												
	Reported Revenue Growth	8.5%	8.6%	3.9%	3.7%	0.2%	-0.6%	0.9%	0.2%	3.2%	2.8%	-0.6%	-0.9%	-5.7%	-5.9%	-3.0%	-3.1%	12.2%	12.0%	0.9%	0.7%	2.2%	1.9%	0.0%	-0.1%	1.1%	0.9%		
Constant Currency Revenue Growth		9.5%	9.9%	6.7%	6.2%	3.2%	2.2%	2.9%	2.0%	5.3%	5.0%	1.0%	0.3%	-5.8%	-6.1%	-3.6%	-3.8%	11.7%	11.5%	0.9%	0.6%	2.0%	1.8%	-0.1%	-0.2%	1.2%	1.0%		
Recurring Revenue Mix	% of Software Revenue that is Recurring Revenue	82.7%	82.9%	84.4%	84.4%	87.7%	87.7%	86.8%	86.9%	85.5%	85.5%	87.2%	87.3%	86.5%	86.5%	86.8%	86.8%	89.1%	89.1%	87.5%	87.5%	87.5%	87.5%	87.3%	87.3%	87.4%	87.4%		
Gross Profit Metrics	Gross Profit	\$141.2	\$147.9	\$147.8	\$153.8	\$154.8	\$160.7	\$163.4	\$169.3	\$650.2	\$651.7	\$148.2	\$151.5	\$141.3	\$146.3	\$153.0	\$155.9	\$190.8	\$196.2	\$633.3	\$651.9	\$157.5	\$160.1	\$145.4	\$149.7	\$302.9	\$309.8		
	Gross Margin %	64.8%	67.5%	66.3%	68.8%	68.7%	71.2%	69.2%	71.5%	67.3%	69.8%	68.4%	69.8%	67.2%	69.5%	70.0%	71.3%	72.0%	74.7%	69.8%	71.5%	71.2%	72.4%	69.2%	71.2%	70.2%	71.8%		
	Gross Profit Growth YoY	9.8%	8.9%	4.0%	3.2%	1.3%	-0.3%	7.1%	5.7%	5.4%	4.2%	5.0%	2.4%	-4.4%	-4.9%	-1.2%	-3.0%	16.8%	17.1%	4.3%	3.2%	6.3%	5.7%	2.9%	2.3%	4.7%	4.0%		
Operating Expense Metrics	Research and Development, net % of Revenue	\$30.9	\$28.2	\$34.0	\$29.5	\$32.9	\$28.9	\$32.8	\$29.1	\$130.6	\$115.6	\$31.8	\$29.3	\$34.1	\$28.8	\$32.1	\$29.0	\$35.9	\$32.7	\$133.8	\$119.8	\$36.7	\$31.7	\$35.4	\$30.7	\$72.1	\$62.4		
	Selling, General and Administrative % of Revenue	\$102.9	\$75.9	\$105.7	\$76.6	\$93.8	\$73.2	\$90.6	\$78.5	\$392.9	\$304.2	\$101.3	\$77.1	\$106.4	\$76.7	\$87.9	\$73.3	\$108.4	\$82.4	\$405.9	\$309.4	\$93.3	\$78.4	\$93.2	\$74.7	\$186.5	\$153.1		
		47.2%	34.6%	47.4%	34.3%	41.6%	32.5%	38.3%	33.1%	43.6%	33.6%	46.8%	35.5%	51.6%	36.4%	40.2%	33.9%	40.9%	31.1%	44.0%	33.9%	42.2%	35.4%	44.3%	35.5%	43.2%	35.5%		
Profitability Metrics	Operating (Loss) Income	\$0.5	\$43.8	\$1.5	\$47.7	\$21.7	\$58.6	\$33.7	\$61.7	\$57.4	\$211.8	\$8.8	\$45.1	(\$7.5)	\$40.9	\$26.7	\$53.6	\$40.2	\$83.1	\$68.2	\$222.6	\$24.4	\$50.0	\$13.9	\$44.3	\$38.3	\$94.2		
	Operating Margin %	0.2%	20.0%	0.7%	21.3%	9.6%	26.0%	14.3%	26.1%	6.4%	23.4%	4.1%	20.8%	-3.6%	19.4%	12.2%	24.5%	15.2%	31.3%	7.5%	24.4%	11.0%	22.6%	6.6%	21.1%	8.9%	21.8%		
	Adjusted EBITDA	\$50.6	\$50.6	\$54.0	\$54.0	\$64.7	\$64.7	\$68.0	\$68.0	\$237.3	\$237.3	\$51.9	\$51.9	\$47.4	\$47.4	\$59.2	\$59.2	\$88.7	\$88.7	\$247.2	\$247.2	\$56.3	\$56.3	\$50.5	\$50.5	\$106.8	\$106.8		
	Adjusted EBITDA Margin	23.1%	23.1%	24.2%	24.2%	28.7%	28.7%	28.7%	28.7%	26.2%	26.2%	23.9%	23.9%	22.5%	22.5%	27.1%	27.1%	33.4%	33.4%	27.1%	27.1%			25.4%	25.4%	24.0%	24.0%		
	Diluted EPS	(\$0.08)	\$0.52	(\$0.12)	\$0.56	(\$0.02)	\$0.69	\$0.09	\$0.12	\$0.75	(\$0.09)	\$2.52	(\$0.03)	\$0.53	(\$0.17)	\$0.46	\$0.12	\$0.65	\$0.37	\$1.07	\$0.28	\$2.73	\$0.16	\$0.59	\$0.02	\$0.49	\$0.18	\$1.08	

# Divestiture Revenue

(\$ in millions)	Three Months Ended				Year Ended
	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024
<b>Total GAAP revenue</b>	\$ 216.6	\$ 210.2	\$ 218.5	\$ 265.1	\$ 910.4
Revenue from divested offering	6.8	6.4	6.1	5.9	25.2
<b>Total GAAP revenue without divested offering</b>	<b>\$ 209.8</b>	<b>\$ 203.7</b>	<b>\$ 212.4</b>	<b>\$ 259.2</b>	<b>\$ 885.1</b>
<b>Total non-GAAP revenue</b>	\$ 217.2	\$ 210.4	\$ 218.7	\$ 265.2	\$ 911.5
Revenue from divested offering	6.8	6.4	6.1	5.9	25.2
<b>Total non-GAAP revenue without divested offering</b>	<b>\$ 210.4</b>	<b>\$ 204.0</b>	<b>\$ 212.6</b>	<b>\$ 259.3</b>	<b>\$ 886.2</b>

# Recurring Summary

\$ (in millions)		Three Months Ended								Year Ended		Three Months Ended								Year Ended		Three Months Ended				Six Month Ended	
		4/30/2022		7/31/2022		10/31/2022		1/31/2023		1/31/2023		4/30/2023		7/31/2023		10/31/2023		1/31/2024		1/31/2024		4/30/2024		7/31/2024		7/31/2024	
		GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
Revenue Metrics	Recurring Revenue	\$159.4	\$160.7	\$166.4	\$167.2	\$174.2	\$174.6	\$185.5	\$196.0	\$685.5	\$688.5	\$166.4	\$167.1	\$161.0	\$161.2	\$161.1	\$161.2	\$210.7	\$210.8	\$699.2	\$700.3	\$173.5	\$173.5	\$163.2	\$163.2	\$336.8	\$336.8
	SaaS	\$94.7	\$96.0	\$102.6	\$103.2	\$115.8	\$116.2	\$131.1	\$131.6	\$444.2	\$447.0	\$117.1	\$117.8	\$113.4	\$113.7	\$115.7	\$115.8	\$168.6	\$168.7	\$514.8	\$515.9	\$141.0	\$141.0	\$131.1	\$131.1	\$272.1	\$272.1
	SaaS Bundled	\$49.3	\$50.6	\$54.7	\$55.4	\$57.0	\$57.4	\$61.6	\$62.0	\$222.6	\$225.4	\$59.5	\$60.1	\$62.1	\$62.3	\$63.3	\$63.4	\$65.8	\$65.9	\$250.5	\$251.6	\$65.7	\$65.7	\$71.6	\$71.6	\$137.3	\$137.3
	SaaS Unbundled	\$45.4	\$45.4	\$47.9	\$47.9	\$58.7	\$58.7	\$69.6	\$69.6	\$221.6	\$221.6	\$57.7	\$57.7	\$51.4	\$51.4	\$52.4	\$52.4	\$102.8	\$102.8	\$264.3	\$264.3	\$75.3	\$75.3	\$59.5	\$59.5	\$134.8	\$134.8
	Support	\$48.7	\$48.7	\$48.1	\$48.1	\$43.0	\$43.0	\$40.1	\$40.1	\$179.9	\$180.0	\$36.4	\$36.4	\$35.4	\$35.4	\$33.6	\$33.6	\$31.3	\$31.3	\$136.7	\$136.7	\$27.4	\$27.4	\$26.6	\$26.6	\$53.9	\$53.9
	Optional Managed Services	\$15.9	\$16.0	\$15.8	\$15.8	\$15.4	\$15.5	\$14.3	\$14.3	\$61.4	\$61.6	\$12.9	\$12.9	\$12.2	\$12.2	\$11.8	\$11.8	\$10.8	\$10.8	\$47.7	\$47.7	\$5.2	\$5.2	\$5.6	\$5.6	\$10.7	\$10.7
	Recurring Revenue Growth YoY	10.3%	10.5%	6.6%	6.3%	9.7%	8.5%	6.8%	5.9%	8.3%	7.7%	4.4%	4.0%	-3.3%	-3.5%	-7.5%	-7.7%	13.6%	13.3%	2.0%	1.7%	4.3%	3.9%	1.4%	1.2%	2.8%	2.6%
	Constant Currency Recurring Revenue Growth YoY	11.5%	11.7%	9.3%	9.1%	13.1%	11.9%	9.8%	7.8%	10.6%	10.1%	5.9%	5.4%	-3.6%	-3.9%	-8.4%	-8.5%	13.1%	12.9%	1.9%	1.6%	4.2%	3.8%	1.5%	1.3%	2.9%	2.6%
	SaaS Revenue Growth YoY	49.0%	49.0%	34.3%	33.6%	41.0%	38.1%	30.2%	28.3%	37.6%	36.1%	23.7%	22.7%	10.6%	10.1%	-0.1%	-0.3%	28.6%	28.2%	15.9%	15.4%	20.3%	19.7%	15.6%	15.3%	16.0%	17.6%
	Constant Currency SaaS Revenue Growth YoY	50.3%	50.3%	36.6%	36.2%	44.3%	41.4%	32.2%	30.2%	39.9%	38.4%	25.1%	24.1%	10.3%	9.8%	-0.9%	-1.2%	28.1%	27.7%	15.8%	15.3%	20.2%	19.6%	15.6%	15.4%	18.0%	17.5%
Gross Profit																											
	Recurring Gross Profit	\$118.3	\$120.3	\$125.6	\$127.3	\$135.4	\$137.0	\$143.9	\$145.7	\$523.2	\$530.3	\$126.8	\$127.9	\$121.4	\$123.5	\$122.2	\$122.9	\$165.9	\$170.5	\$536.4	\$544.7	\$137.6	\$138.2	\$126.9	\$126.1	\$264.5	\$266.2
	Recurring Gross Profit Growth YoY	74.3%	74.9%	75.5%	76.1%	77.7%	78.4%	77.6%	78.3%	76.3%	77.0%	76.2%	76.5%	75.4%	76.6%	75.9%	76.2%	78.7%	80.9%	76.7%	77.8%	79.3%	79.6%	77.8%	78.5%	78.6%	79.1%

# Nonrecurring Summary

( \$ in millions)		Three Months Ended										Year Ended		Three Months Ended								Year Ended		Three Months Ended				Six Month Ended									
		4/30/2022				7/31/2022				10/31/2022				1/31/2023				4/30/2023		7/31/2023		10/31/2023		1/31/2024		4/30/2024				7/31/2024		10/31/2024					
		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP		GAAP		Non-GAAP	
		GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP		
Revenue	Nonrecurring Revenue	\$58.5	\$58.5	\$56.5	\$56.5	\$51.0	\$51.0	\$50.7	\$50.7	\$216.7	\$216.7	\$50.1	\$50.1	\$49.2	\$49.2	\$57.4	\$57.4	\$54.4	\$54.4	\$211.1	\$211.1	\$47.7	\$47.7	\$46.9	\$46.9	\$46.9	\$46.9	\$46.7	\$46.7	\$46.9	\$46.9	\$46.7	\$46.7	\$46.0	\$46.0		
	Perpetual	\$33.3	\$33.3	\$30.0	\$30.0	\$24.4	\$24.4	\$28.1	\$28.1	\$116.6	\$116.6	\$24.3	\$24.3	\$25.2	\$25.2	\$24.6	\$24.6	\$25.8	\$25.8	\$99.9	\$99.9	\$24.9	\$24.9	\$23.8	\$23.8	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7	\$48.7		
	Professional Services and other	\$25.3	\$25.3	\$26.7	\$26.7	\$26.5	\$26.5	\$22.6	\$22.6	\$100.1	\$100.1	\$25.8	\$25.8	\$24.0	\$24.0	\$32.9	\$32.9	\$28.7	\$28.7	\$111.3	\$111.3	\$22.8	\$22.8	\$23.1	\$23.1	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0	\$46.0		
	Nonrecurring Revenue Growth YoY	3.7%	3.7%	-3.4%	-3.4%	-22.8%	-22.8%	-16.1%	-16.1%	-10.2%	-10.2%	-14.4%	-14.4%	-12.9%	-12.9%	12.7%	12.7%	7.2%	7.2%	-2.6%	-2.6%	-4.7%	-4.7%	-4.5%	-4.5%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%	-4.6%		
Gross Profit	Nonrecurring Gross Profit	\$26.5	\$27.6	\$25.8	\$26.5	\$23.0	\$23.7	\$22.0	\$23.5	\$97.2	\$101.3	\$23.3	\$23.6	\$21.8	\$22.8	\$32.4	\$33.0	\$26.5	\$27.7	\$104.0	\$107.1	\$21.3	\$22.0	\$20.1	\$21.6	\$41.4	\$41.4	\$43.6	\$43.6	\$43.6	\$43.6	\$43.6	\$43.6	\$43.6	\$43.6		
	Nonrecurring Gross Margin %	45.2%	47.1%	45.6%	47.0%	45.0%	46.5%	43.3%	46.4%	44.8%	46.8%	46.5%	47.1%	44.3%	46.4%	56.4%	57.4%	48.7%	51.0%	49.3%	50.7%	44.5%	46.0%	42.9%	46.0%	43.7%	43.7%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%	46.0%		
	Nonrecurring Gross Profit Growth YoY	-0.4%	0.0%	-7.8%	-7.9%	-35.3%	-35.0%	-19.0%	-15.7%	-17.1%	-16.1%	-11.9%	-14.3%	-15.4%	-13.9%	41.1%	39.1%	20.6%	17.8%	7.0%	5.8%	-8.8%	-7.0%	-7.6%	-5.4%	-8.2%	-8.2%	-6.2%	-6.2%	-6.2%	-6.2%	-6.2%	-6.2%	-6.2%	-6.2%		

# Constant Currency

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
<b>GAAP</b>													
Revenue for the three months ended prior period	\$ 200.9	\$ 214.6	\$ 224.8	\$ 234.2	\$ 874.5	\$ 217.9	\$ 222.9	\$ 225.2	\$ 236.2	\$ 902.2	\$ 216.6	\$ 210.2	\$ 426.7
Revenue for the three months ended current period	\$ 217.9	\$ 222.9	\$ 225.2	\$ 236.2	\$ 902.2	\$ 216.6	\$ 210.2	\$ 218.5	\$ 265.1	\$ 910.4	\$ 221.3	\$ 210.2	\$ 431.4
Revenue for the three months ended current period at constant currency (1)	\$ 220.0	\$ 229.0	\$ 232.0	\$ 241.0	\$ 921.0	\$ 220.0	\$ 210.0	\$ 217.0	\$ 264.0	\$ 910.0	\$ 221.0	\$ 210.0	\$ 432.0
Reported period-over-period revenue growth	8.5%	3.9%	0.2%	0.9%	3.2%	-0.6%	-5.7%	-3.0%	12.2%	0.9%	2.2%	0.0%	1.1%
% impact from change in foreign currency exchange rates	1.0%	2.8%	3.0%	2.0%	2.1%	1.6%	-0.1%	-0.6%	-0.5%	0.0%	-0.2%	-0.1%	0.1%
Constant currency period-over-period revenue growth	9.5%	6.7%	3.2%	2.9%	5.3%	1.0%	-5.8%	-3.6%	11.7%	0.9%	2.0%	-0.1%	1.2%
<b>Non-GAAP</b>													
Revenue for the three months ended prior period	\$ 201.9	\$ 215.6	\$ 226.9	\$ 236.2	\$ 880.7	\$ 219.2	\$ 223.6	\$ 225.6	\$ 236.8	\$ 905.2	\$ 217.2	\$ 210.4	\$ 427.6
Revenue for the three months ended current period	\$ 219.2	\$ 223.6	\$ 225.6	\$ 236.8	\$ 905.2	\$ 217.2	\$ 210.4	\$ 218.7	\$ 265.2	\$ 911.5	\$ 221.3	\$ 210.2	\$ 431.4
Revenue for the three months ended current period at constant currency (1)	\$ 222.0	\$ 229.0	\$ 232.0	\$ 241.0	\$ 925.0	\$ 220.0	\$ 210.0	\$ 217.0	\$ 264.0	\$ 911.0	\$ 221.0	\$ 210.0	\$ 432.0
Reported period-over-period revenue growth	8.6%	3.7%	-0.6%	0.2%	2.8%	-0.9%	-5.9%	-3.1%	12.0%	0.7%	1.9%	-0.1%	0.9%
% impact from change in foreign currency exchange rates	1.3%	2.5%	2.8%	1.8%	2.2%	1.2%	-0.2%	-0.7%	-0.5%	-0.1%	-0.1%	-0.1%	0.1%
Constant currency period-over-period revenue growth	9.9%	6.2%	2.2%	2.0%	5.0%	0.3%	-6.1%	-3.8%	11.5%	0.6%	1.8%	-0.2%	1.0%



# Gross Profit

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
<b>Gross Profit and Gross Margin</b>													
Total GAAP revenue	\$ 217.9	\$ 222.9	\$ 225.2	\$ 236.2	\$ 902.2	\$ 216.6	\$ 210.2	\$ 218.5	\$ 265.1	\$ 910.4	\$ 221.3	\$ 210.2	\$ 431.4
Recurring costs	41.0	40.9	38.8	41.6	162.3	39.6	39.6	38.9	44.8	162.9	35.9	36.3	72.2
Nonrecurring costs	32.1	30.7	28.0	28.7	119.5	26.8	27.4	25.0	27.9	107.1	26.5	26.8	53.3
Amortization of acquired technology	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	1.6	7.1	1.4	1.6	3.0
Total GAAP cost of revenue	76.7	75.1	70.4	72.8	295.1	68.4	68.9	65.5	74.3	277.1	63.8	64.7	128.5
GAAP gross profit	\$ 141.2	\$ 147.8	\$ 154.8	\$ 163.4	\$ 607.2	\$ 148.2	\$ 141.3	\$ 153.0	\$ 190.8	\$ 633.3	\$ 157.5	\$ 145.4	\$ 302.9
GAAP gross margin	64.8%	66.3%	68.7%	69.2%	67.3%	68.4%	67.2%	70.0%	72.0%	69.6%	71.2%	69.2%	70.2%
Revenue adjustments	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	0.1	1.1	-	-	-
Amortization of acquired technology	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	1.6	7.1	1.4	1.6	3.0
Stock-based compensation expenses	1.2	1.8	1.3	1.4	5.7	0.4	1.4	1.1	1.2	4.1	1.1	2.2	3.3
Acquisition and divestitures expenses (benefit), net	0.3	(0.1)	-	-	0.2	0.1	0.3	0.0	(0.2)	0.1	-	-	-
Restructuring expenses	0.3	0.0	0.6	1.5	2.4	0.3	1.2	(0.0)	4.7	6.1	0.2	0.4	0.6
Separation expenses (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Discontinued operations corporate overhead adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP gross profit	\$ 147.9	\$ 153.8	\$ 160.7	\$ 169.3	\$ 631.7	\$ 151.5	\$ 146.3	\$ 155.9	\$ 198.2	\$ 651.9	\$ 160.1	\$ 149.7	\$ 309.8
Non-GAAP gross margin	67.5%	68.8%	71.2%	71.5%	69.8%	69.8%	69.5%	71.3%	74.7%	71.5%	72.4%	71.2%	71.8%
<b>Recurring Gross Profit and Gross Margin</b>													
GAAP recurring revenue	\$ 159.4	\$ 166.4	\$ 174.2	\$ 185.5	\$ 685.5	\$ 166.4	\$ 161.0	\$ 161.1	\$ 210.7	\$ 699.2	\$ 173.5	\$ 163.2	\$ 336.8
GAAP recurring costs	41.0	40.9	38.8	41.6	162.3	39.6	39.6	38.9	44.8	162.9	35.9	36.3	72.2
GAAP recurring gross profit	118.3	125.6	135.4	143.9	523.2	126.8	121.4	122.2	165.9	536.4	137.6	126.9	264.5
GAAP recurring gross margin	74.3%	75.5%	77.7%	77.6%	76.3%	76.2%	75.4%	75.9%	78.7%	76.7%	79.3%	77.8%	78.6%
Recurring revenue adjustments	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	0.1	1.1	-	-	-
Recurring stock-based compensation expenses	0.5	0.9	0.7	0.7	2.9	0.3	0.7	0.5	0.6	2.1	0.5	1.1	1.7
Recurring acquisition and divestitures expenses (benefit), net	0.0	-	-	-	0.0	0.1	0.3	0.0	(0.2)	0.1	-	-	-
Recurring restructuring expenses	0.1	0.0	0.5	0.7	1.3	0.1	0.8	(0.0)	4.1	5.0	0.0	(0.0)	0.0
Recurring separation expenses (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Recurring impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Recurring discontinued operations corporate overhead adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Recurring allocation methodology difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP recurring gross profit	\$ 120.3	\$ 127.3	\$ 137.0	\$ 145.7	\$ 530.3	\$ 127.9	\$ 123.5	\$ 122.9	\$ 170.5	\$ 544.7	\$ 138.2	\$ 128.1	\$ 266.2
Non-GAAP recurring gross margin	74.9%	76.1%	78.4%	78.3%	77.0%	76.5%	76.6%	76.2%	80.9%	77.8%	79.6%	78.5%	79.1%
<b>Nonrecurring Gross Profit and Gross Margin</b>													
GAAP nonrecurring revenue	\$ 58.5	\$ 56.5	\$ 51.0	\$ 50.7	\$ 216.7	\$ 50.1	\$ 49.2	\$ 57.4	\$ 54.4	\$ 211.1	\$ 47.7	\$ 46.9	\$ 94.7
GAAP nonrecurring costs	32.1	30.7	28.0	28.7	119.5	26.8	27.4	25.0	27.9	107.1	26.5	26.8	53.3
GAAP nonrecurring gross profit	26.5	25.8	23.0	22.0	97.2	23.3	21.8	32.4	26.5	104.0	21.3	20.1	41.4
GAAP nonrecurring gross margin	45.2%	45.6%	45.0%	43.3%	44.8%	46.5%	44.3%	56.4%	48.7%	49.3%	44.5%	42.9%	43.7%
Nonrecurring revenue adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrecurring stock-based compensation expenses	0.6	0.8	0.6	0.7	2.8	0.1	0.7	0.6	0.6	2.0	0.5	1.0	1.6
Nonrecurring acquisition and divestitures expenses (benefit), net	0.2	(0.1)	-	-	0.2	-	-	-	-	-	-	-	-
Nonrecurring restructuring expenses (benefit)	0.2	0.0	0.1	0.8	1.2	0.2	0.3	0.0	0.6	1.1	0.2	0.4	0.6
Nonrecurring separation expenses (2)	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrecurring impairment charges	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrecurring discontinued operations corporate overhead adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Nonrecurring allocation methodology difference	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-GAAP nonrecurring gross profit	\$ 27.6	\$ 26.5	\$ 23.7	\$ 23.5	\$ 101.3	\$ 23.6	\$ 22.8	\$ 33.0	\$ 27.7	\$ 107.1	\$ 22.0	\$ 21.6	\$ 43.6
Non-GAAP nonrecurring gross margin	47.1%	47.0%	46.5%	46.4%	46.8%	47.1%	46.4%	57.4%	51.0%	50.7%	46.0%	46.0%	46.0%

# Operating Expenses

	Three Months Ended					Year Ended	Three Months Ended					Year Ended	Three Months Ended		Six Months Ended					
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024							
<b>Research and Development, net</b>																				
GAAP research and development, net	\$	30.9	\$	34.0	\$	32.9	\$	32.8	\$	130.6	\$	31.8	\$	133.8	\$	36.7	\$	35.4	\$	72.1
as a % of GAAP revenue		14.2%		15.2%		14.6%		13.9%		14.5%		14.7%		16.2%		14.7%		16.6%		16.7%
Stock-based compensation expenses		(2.4)		(4.4)		(3.5)		(2.2)		(12.6)		(2.3)		(3.5)		(3.0)		(3.1)		(8.0)
Acquisition and divestitures (expenses) benefit, net		(0.2)		-		-		(0.2)		(0.0)		(0.1)		(0.0)		(0.0)		(0.1)		(0.0)
Restructuring expenses		(0.1)		-		(0.5)		(1.5)		(2.1)		(0.1)		(0.2)		(0.0)		(0.3)		(1.6)
Separation expenses (2)		-		-		-		-		-		-		-		-		-		-
IT facilities and infrastructure realignment (6)		-		-		-		-		-		(1.6)		-		(0.0)		(1.7)		-
Other Adjustments		(0.0)		(0.0)		(0.0)		(0.1)		(0.1)		(0.0)		0.0		-		-		-
Discontinued operations corporate overhead adjustment		-		-		-		-		-		-		-		-		-		-
Allocation methodology difference		-		-		-		-		-		-		-		-		-		-
Non-GAAP research and development, net	\$	28.2	\$	29.5	\$	28.9	\$	29.1	\$	115.6	\$	29.3	\$	28.8	\$	29.0	\$	32.7	\$	119.8
as a % of non-GAAP revenue		12.8%		13.2%		12.8%		12.3%		12.8%		13.5%		13.7%		13.3%		12.3%		13.1%
<b>Selling, General and Administrative expenses</b>																				
GAAP selling, general and administrative expenses	\$	102.9	\$	105.7	\$	93.8	\$	90.6	\$	392.9	\$	101.3	\$	108.4	\$	87.9	\$	108.4	\$	405.9
as a % of GAAP revenue		47.2%		47.4%		41.6%		38.3%		43.6%		46.8%		51.6%		40.2%		40.9%		44.6%
Stock-based compensation expenses		(14.8)		(19.5)		(15.0)		(8.5)		(57.9)		(12.2)		(14.3)		(12.1)		(13.0)		(51.6)
Acquisition and divestitures benefit (expenses), net (7)		(1.4)		(0.1)		(1.2)		1.3		(1.3)		(7.7)		1.8		0.2		(10.1)		(15.7)
Restructuring expenses		(2.7)		(3.8)		(1.3)		(3.0)		(10.8)		(1.0)		(1.9)		(0.5)		(1.2)		(4.6)
Separation expenses (2)		(0.6)		(0.3)		(0.3)		(0.2)		(1.3)		(0.1)		(0.2)		(0.2)		(0.2)		(0.8)
Accelerated lease costs (5)		(5.5)		(1.6)		(0.7)		(0.4)		(8.3)		(0.3)		(4.9)		(0.1)		(0.1)		(5.4)
IT facilities and infrastructure realignment (6)		(1.5)		(0.9)		(1.1)		(0.9)		(4.5)		(2.8)		(12.1)		(1.9)		(1.4)		(18.2)
Impairment charges		-		(1.8)		-		-		(1.8)		-		-		-		-		-
Other Adjustments		(0.5)		(1.1)		(0.9)		(0.4)		(2.9)		(0.0)		(0.2)		(0.0)		(0.2)		(0.1)
Discontinued operations corporate overhead adjustment		-		-		-		-		-		-		-		-		-		-
Allocation methodology difference		-		-		-		-		-		-		-		-		-		-
Non-GAAP selling, general and administrative expenses	\$	75.9	\$	76.6	\$	73.2	\$	78.5	\$	304.2	\$	77.1	\$	76.7	\$	73.3	\$	82.4	\$	309.4
as a % of non-GAAP revenue		34.6%		34.3%		32.5%		33.1%		33.6%		35.5%		36.4%		33.5%		31.1%		33.9%

# Operating Margin

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
<b>GAAP operating (loss) income</b>	<b>\$ 0.5</b>	<b>\$ 1.5</b>	<b>\$ 21.7</b>	<b>\$ 33.7</b>	<b>\$ 57.4</b>	<b>\$ 8.8</b>	<b>\$ (7.5)</b>	<b>\$ 26.7</b>	<b>\$ 40.2</b>	<b>\$ 68.2</b>	<b>\$ 24.4</b>	<b>\$ 13.9</b>	<b>\$ 38.3</b>
<b>GAAP operating margin</b>	<b>0.2%</b>	<b>0.7%</b>	<b>9.6%</b>	<b>14.3%</b>	<b>6.4%</b>	<b>4.1%</b>	<b>-3.6%</b>	<b>12.2%</b>	<b>15.2%</b>	<b>7.5%</b>	<b>11.0%</b>	<b>6.6%</b>	<b>8.9%</b>
Revenue adjustments	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	0.1	1.1	-	-	-
Amortization of acquired technology	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	1.6	7.1	1.4	1.6	3.0
Amortization of other acquired intangible assets	6.8	6.6	6.4	6.4	26.2	6.3	6.4	6.3	6.3	25.4	3.1	3.0	6.1
Stock-based compensation expenses	18.4	25.7	19.9	12.2	76.1	15.0	19.1	16.2	17.3	67.6	18.0	23.7	41.8
Acquisition and divestitures (benefit) expenses, net (7)	1.8	0.0	1.2	(1.3)	1.7	7.8	(1.5)	(0.2)	9.9	16.0	0.2	0.9	1.1
Restructuring expenses	3.1	3.8	2.4	5.9	15.3	1.4	3.2	0.5	5.9	11.0	2.8	1.0	3.8
Separation expenses (2)	0.6	0.3	0.3	0.2	1.3	0.1	0.2	0.2	0.2	0.8	-	-	-
Accelerated lease costs (5)	5.5	1.6	0.7	0.4	8.3	0.3	4.9	0.1	0.1	5.4	-	-	-
IT facilities and infrastructure realignment (6)	1.5	0.9	1.1	0.9	4.5	2.8	13.7	1.9	1.4	19.9	-	-	-
Impairment charges	-	1.8	-	-	1.8	-	-	-	-	-	-	-	-
Other adjustments	0.6	1.1	0.9	0.5	3.0	0.0	0.2	0.0	0.0	0.2	0.1	0.1	0.2
Discontinued operations corporate overhead adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Non-GAAP operating income</b>	<b>\$ 43.8</b>	<b>\$ 47.7</b>	<b>\$ 58.6</b>	<b>\$ 61.7</b>	<b>\$ 211.8</b>	<b>\$ 45.1</b>	<b>\$ 40.9</b>	<b>\$ 53.6</b>	<b>\$ 83.1</b>	<b>\$ 222.6</b>	<b>\$ 50.0</b>	<b>\$ 44.3</b>	<b>\$ 94.2</b>
<b>Non-GAAP operating margin</b>	<b>20.0%</b>	<b>21.3%</b>	<b>26.0%</b>	<b>26.1%</b>	<b>23.4%</b>	<b>20.8%</b>	<b>19.4%</b>	<b>24.5%</b>	<b>31.3%</b>	<b>24.4%</b>	<b>22.6%</b>	<b>21.1%</b>	<b>21.8%</b>

# Adjusted EBITDA Margin

(\$ in millions)	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
<b>GAAP net (loss) income from continuing operations</b>	<b>\$ 0.6</b>	<b>\$ (2.2)</b>	<b>\$ 4.2</b>	<b>\$ 13.1</b>	<b>\$ 15.7</b>	<b>\$ 3.6</b>	<b>\$ (5.8)</b>	<b>\$ 12.9</b>	<b>\$ 28.9</b>	<b>\$ 39.6</b>	<b>\$ 15.4</b>	<b>\$ 5.7</b>	<b>\$ 21.1</b>
<b>As a percentage of GAAP revenue</b>	<b>0.3%</b>	<b>-1.0%</b>	<b>1.9%</b>	<b>5.5%</b>	<b>1.7%</b>	<b>1.7%</b>	<b>-2.8%</b>	<b>5.9%</b>	<b>10.9%</b>	<b>4.4%</b>	<b>7.0%</b>	<b>2.7%</b>	<b>4.9%</b>
Provision for (benefit from) income taxes	0.3	2.8	17.4	18.6	39.1	4.4	(2.5)	13.0	6.9	21.6	8.0	4.3	12.2
Other expense, net	(0.4)	0.9	0.1	2.0	2.6	0.8	0.8	0.9	4.4	6.9	1.1	3.9	5.0
Depreciation and amortization (3)	17.4	16.6	16.2	15.1	65.3	16.9	24.7	13.9	13.6	69.0	10.7	10.9	21.7
Revenue adjustments	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	0.1	1.1	-	-	-
Stock-based compensation expenses	18.4	25.7	19.9	12.2	76.1	15.0	19.1	16.2	17.3	67.6	18.0	23.7	41.8
Acquisition and divestitures (benefit) expenses, net (7)	1.8	0.0	1.2	(1.3)	1.7	7.8	(1.5)	(0.2)	9.9	16.0	0.2	0.9	1.1
Restructuring expenses	3.0	3.7	2.3	5.8	14.9	1.3	3.2	0.5	5.9	10.9	2.8	1.0	3.8
Separation expenses (2)	0.6	0.3	0.3	0.2	1.3	0.1	0.2	0.2	0.2	0.8	-	-	-
Accelerated lease costs (5)	5.5	1.6	0.7	0.4	8.3	0.3	4.9	0.1	0.1	5.4	-	-	-
IT facilities and infrastructure realignment (6)	1.5	0.9	1.1	0.9	4.5	1.0	4.0	1.7	1.4	8.1	-	-	-
Impairment charges	-	1.8	-	-	1.8	-	-	-	-	-	-	-	-
Other adjustments	0.6	1.1	0.9	0.5	3.0	0.0	0.2	0.0	0.0	0.2	0.1	0.1	0.2
Discontinued operations corporate overhead adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Adjusted EBITDA</b>	<b>\$ 50.6</b>	<b>\$ 54.0</b>	<b>\$ 64.7</b>	<b>\$ 68.0</b>	<b>\$ 237.3</b>	<b>\$ 51.9</b>	<b>\$ 47.4</b>	<b>\$ 59.2</b>	<b>\$ 88.7</b>	<b>\$ 247.2</b>	<b>\$ 56.3</b>	<b>\$ 50.5</b>	<b>\$ 106.8</b>
<b>As a percentage of non-GAAP revenue</b>	<b>23.1%</b>	<b>24.2%</b>	<b>28.7%</b>	<b>28.7%</b>	<b>26.2%</b>	<b>23.9%</b>	<b>22.5%</b>	<b>27.1%</b>	<b>33.4%</b>	<b>27.1%</b>	<b>25.4%</b>	<b>24.0%</b>	<b>24.8%</b>

# Other Expense, Tax and Net Income

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
<b>Other Expense Reconciliation</b>													
GAAP other (expense) income, net	\$ 0.4	\$ (0.9)	\$ (0.1)	\$ (2.0)	\$ (2.6)	\$ (0.8)	\$ (0.8)	\$ (0.9)	\$ (4.4)	\$ (6.9)	\$ (1.1)	\$ (3.9)	\$ (5.0)
Unrealized losses on derivatives, net	-	-	-	-	-	-	-	-	-	-	-	-	-
Amortization of convertible note discount	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenses and losses on debt modification or retirement	-	-	-	-	-	0.2	-	-	-	0.2	-	-	-
Change in fair value of future tranche right	-	-	-	-	-	-	-	-	-	-	-	-	-
Acquisition and divestitures expenses (benefit), net	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	-	-
Separation expenses (benefit) (2)	-	-	-	1.3	1.3	(0.0)	(0.1)	(0.1)	5.1	4.8	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-	0.5	0.5
Non-GAAP other (expense) income, net	\$ 0.4	\$ (0.9)	\$ (0.1)	\$ (0.8)	\$ (1.3)	\$ (0.7)	\$ (0.9)	\$ (1.0)	\$ 0.7	\$ (2.0)	\$ (1.1)	\$ (3.4)	\$ (4.5)
<b>Tax Provision (Benefit) Reconciliation</b>													
GAAP provision for (benefit from) income taxes	\$ 0.3	\$ 2.8	\$ 17.4	\$ 18.6	\$ 39.1	\$ 4.4	\$ (2.5)	\$ 13.0	\$ 6.9	\$ 21.6	\$ 8.0	\$ 4.3	\$ 12.2
GAAP effective income tax rate	34.0%	465.4%	80.5%	58.6%	71.4%	54.6%	30.5%	50.2%	19.2%	35.3%	34.1%	42.6%	36.7%
Non-GAAP income tax adjustments	4.2	1.9	(11.3)	(14.7)	(19.9)	(0.3)	6.1	(8.6)	(0.8)	(3.6)	(1.8)	0.8	(1.0)
Non-GAAP provision for income taxes	\$ 4.5	\$ 4.7	\$ 6.1	\$ 3.8	\$ 19.2	\$ 4.1	\$ 3.6	\$ 4.3	\$ 6.1	\$ 18.1	\$ 6.2	\$ 5.1	\$ 11.3
Non-GAAP effective income tax rate	10.2%	10.1%	10.4%	6.3%	9.1%	9.2%	9.0%	8.2%	7.2%	8.2%	12.6%	12.4%	12.5%
<b>Net (Loss) Income from Continuing Operations Attributable to Verint Systems Inc. Common Shares Reconciliation</b>													
GAAP net (loss) income from continuing operations attributable to Verint Systems Inc. common shares	\$ (4.9)	\$ (7.6)	\$ (1.1)	\$ 7.7	\$ (5.9)	\$ (1.9)	\$ (11.2)	\$ 7.4	\$ 23.5	\$ 17.8	\$ 10.0	\$ 1.5	\$ 11.5
Total GAAP net (loss) income adjustments (4) (7)	39.1	49.5	53.4	49.2	196.4	36.7	42.1	40.6	54.0	183.8	32.5	34.1	66.6
Non-GAAP net income from continuing operations attributable to Verint Systems Inc. common shares	\$ 34.2	\$ 41.9	\$ 52.3	\$ 57.0	\$ 190.5	\$ 34.8	\$ 30.9	\$ 48.0	\$ 77.5	\$ 201.6	\$ 42.6	\$ 35.6	\$ 78.1

# EPS and Diluted Shares Outstanding

	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
(\$ in millions, except share and per share data; shares in thousands)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
GAAP diluted net loss from continuing operations per common share attributable to Verint Systems Inc.	\$ (0.08)	\$ (0.12)	\$ (0.02)	\$ 0.12	\$ (0.09)	\$ (0.03)	\$ (0.17)	\$ 0.12	\$ 0.37	\$ 0.28	\$ 0.16	\$ 0.02	\$ 0.18
Non-GAAP diluted net income from continuing operations per common share attributable to Verint Systems Inc. (4)	\$ 0.52	\$ 0.56	\$ 0.69	\$ 0.75	\$ 2.52	\$ 0.53	\$ 0.48	\$ 0.65	\$ 1.07	\$ 2.73	\$ 0.59	\$ 0.49	\$ 1.08
<b>GAAP weighted-average shares used in computing diluted net loss from continuing operations per common share</b>	<b>64,947</b>	<b>64,958</b>	<b>65,583</b>	<b>66,131</b>	<b>65,332</b>	<b>64,940</b>	<b>64,294</b>	<b>64,144</b>	<b>63,080</b>	<b>64,318</b>	<b>62,845</b>	<b>62,631</b>	<b>62,732</b>
Additional weighted-average shares applicable to non-GAAP net income from continuing operations per common share attributable to Verint Systems Inc	1,255	10,356	10,004	9,478	10,235	447	269	9,478	9,478	9,478	9,477	9,478	9,477
<b>Non-GAAP diluted weighted-average shares used in computing net income from continuing operations per common share (4)</b>	<b>66,202</b>	<b>75,314</b>	<b>75,587</b>	<b>75,609</b>	<b>75,567</b>	<b>65,387</b>	<b>64,563</b>	<b>73,622</b>	<b>72,558</b>	<b>73,796</b>	<b>72,322</b>	<b>72,109</b>	<b>72,209</b>

# Debt

	As of		As of		As of		As of		As of		As of	
(\$ in millions)	1/31/2023		4/30/2023		7/31/2023		10/31/2023		1/31/2024		4/30/2024	
Current maturities of long-term debt	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Long-term debt		408.9		409.7		410.0		410.5		411.0		411.4
Unamortized debt discounts and issuance costs		6.1		5.3		5.0		4.5		4.0		3.6
<b>Gross debt</b>		<b>415.0</b>		<b>415.0</b>		<b>415.0</b>		<b>415.0</b>		<b>415.0</b>		<b>415.0</b>
Less:												
Cash and cash equivalents		282.1		260.7		231.3		209.6		241.4		236.6
Restricted cash and cash equivalents, and restricted bank time deposits		0.3		0.3		-		1.8		1.3		1.1
Short-term investments		0.7		3.6		1.5		0.7		0.7		0.8
Long-term restricted cash, cash equivalents, bank time deposits and investments		0.3		0.3		0.2		0.2		0.2		0.2
<b>Net debt, including long-term restricted cash, cash equivalents, bank time deposits, and investments</b>	<b>\$</b>	<b>131.6</b>	<b>\$</b>	<b>150.1</b>	<b>\$</b>	<b>182.0</b>	<b>\$</b>	<b>202.7</b>	<b>\$</b>	<b>171.5</b>	<b>\$</b>	<b>176.4</b>
												<b>\$ 205.4</b>

# Revenue Metrics Reconciliation

	Three Months Ended				Year Ended	Three Month Ended				Year Ended
(\$ in millions)	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024
<b>Recurring revenue- GAAP</b>	<b>\$ 159.4</b>	<b>\$ 166.4</b>	<b>\$ 174.2</b>	<b>\$ 185.5</b>	<b>\$ 685.5</b>	<b>\$ 166.4</b>	<b>\$ 161.0</b>	<b>\$ 161.1</b>	<b>\$ 210.7</b>	<b>\$ 699.2</b>
SaaS revenue - GAAP	94.7	102.6	115.8	131.1	444.2	117.1	113.4	115.7	168.6	514.8
Optional managed services revenue - GAAP	15.9	15.8	15.4	14.3	61.4	12.9	12.2	11.8	10.8	47.7
Support revenue - GAAP	48.7	48.1	43.0	40.1	179.9	36.4	35.4	33.6	31.3	136.7
<b>Nonrecurring revenue - GAAP</b>	<b>58.5</b>	<b>56.5</b>	<b>51.0</b>	<b>50.7</b>	<b>216.7</b>	<b>50.1</b>	<b>49.2</b>	<b>57.4</b>	<b>54.4</b>	<b>211.1</b>
Perpetual revenue - GAAP	33.3	30.8	24.4	28.1	116.6	24.3	25.2	24.6	25.8	99.9
Professional services and other revenue - GAAP	25.3	25.7	26.5	22.6	100.1	25.8	24.0	32.9	28.7	111.3
<b>Total revenue - GAAP</b>	<b>\$ 217.9</b>	<b>\$ 222.9</b>	<b>\$ 225.2</b>	<b>\$ 236.2</b>	<b>\$ 902.2</b>	<b>\$ 216.6</b>	<b>\$ 210.2</b>	<b>\$ 218.5</b>	<b>\$ 265.1</b>	<b>\$ 910.4</b>
<b>Estimated recurring revenue adjustments</b>	<b>1.3</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>3.0</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>1.1</b>
Estimated SaaS revenue adjustments	1.3	0.7	0.4	0.5	2.8	0.6	0.2	0.1	0.1	1.1
Estimated optional managed services revenue adjustments	0.1	0.1	0.0	0.0	0.2	0.0	0.0	0.0	0.0	0.0
Estimated support revenue adjustments	0.0	-	-	-	0.0	-	-	-	-	-
<b>Estimated nonrecurring revenue adjustments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Estimated perpetual revenue adjustments	-	-	-	-	-	-	-	-	-	-
Estimated professional services and other revenue adjustments	-	-	-	-	-	-	-	-	-	-
<b>Total estimated revenue adjustments</b>	<b>1.3</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>3.0</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>1.1</b>
<b>Recurring revenue- non-GAAP</b>	<b>\$ 160.7</b>	<b>\$ 167.2</b>	<b>\$ 174.6</b>	<b>\$ 186.0</b>	<b>\$ 688.5</b>	<b>\$ 167.1</b>	<b>\$ 161.2</b>	<b>\$ 161.2</b>	<b>\$ 210.8</b>	<b>\$ 700.3</b>
SaaS revenue - non-GAAP	96.0	103.2	116.2	131.6	447.0	117.8	113.7	115.8	168.7	515.9
Optional managed services revenue - non-GAAP	16.0	15.8	15.5	14.3	61.6	12.9	12.2	11.8	10.8	47.7
Support revenue - non-GAAP	48.7	48.1	43.0	40.1	180.0	36.4	35.4	33.6	31.3	136.7
<b>Nonrecurring revenue - non-GAAP</b>	<b>58.5</b>	<b>56.5</b>	<b>51.0</b>	<b>50.7</b>	<b>216.7</b>	<b>50.1</b>	<b>49.2</b>	<b>57.4</b>	<b>54.4</b>	<b>211.1</b>
Perpetual revenue - non-GAAP	33.3	30.8	24.4	28.1	116.6	24.3	25.2	24.6	25.8	99.9
Professional services and other revenue - non-GAAP	25.3	25.7	26.5	22.6	100.1	25.8	24.0	32.9	28.7	111.3
<b>Total revenue - non-GAAP</b>	<b>\$ 219.2</b>	<b>\$ 223.6</b>	<b>\$ 225.6</b>	<b>\$ 236.8</b>	<b>\$ 905.2</b>	<b>\$ 217.2</b>	<b>\$ 210.4</b>	<b>\$ 218.7</b>	<b>\$ 265.2</b>	<b>\$ 911.5</b>



# SaaS Revenue Reconciliation

(\$ in millions)	Three Months Ended				Year Ended	Three Months Ended				Year Ended	Three Months Ended		Six Months Ended
	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	1/31/2024	1/31/2024	4/30/2024	7/31/2024	7/31/2024
Bundled SaaS revenue - GAAP	\$ 49.3	\$ 54.7	\$ 57.0	\$ 61.6	\$ 222.6	\$ 59.5	\$ 62.1	\$ 63.3	\$ 65.8	\$ 250.5	\$ 65.7	\$ 71.6	\$ 137.3
Unbundled SaaS revenue - GAAP	45.4	47.9	58.7	69.6	221.6	57.7	51.4	52.4	102.8	264.3	75.3	59.5	134.8
<b>SaaS revenue - GAAP</b>	<b>94.7</b>	<b>102.6</b>	<b>115.8</b>	<b>131.1</b>	<b>444.2</b>	<b>117.1</b>	<b>113.4</b>	<b>115.7</b>	<b>168.6</b>	<b>514.8</b>	<b>141.0</b>	<b>131.1</b>	<b>\$ 272.1</b>
Estimated bundled SaaS revenue adjustments	1.3	0.7	0.4	0.5	2.8	0.6	0.2	0.1	0.1	1.1	-	-	-
Estimated unbundled SaaS revenue adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Estimated SaaS revenue adjustments</b>	<b>1.3</b>	<b>0.7</b>	<b>0.4</b>	<b>0.5</b>	<b>2.8</b>	<b>0.6</b>	<b>0.2</b>	<b>0.1</b>	<b>0.1</b>	<b>1.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
Bundled SaaS revenue - non-GAAP	50.6	55.4	57.4	62.0	225.4	60.1	62.3	63.4	65.9	251.6	65.7	71.6	137.3
Unbundled SaaS revenue - non-GAAP	45.4	47.9	58.7	69.6	221.6	57.7	51.4	52.4	102.8	264.3	75.3	59.5	134.8
<b>SaaS revenue - non-GAAP</b>	<b>\$ 96.0</b>	<b>\$ 103.2</b>	<b>\$ 116.2</b>	<b>\$ 131.6</b>	<b>\$ 447.0</b>	<b>\$ 117.8</b>	<b>\$ 113.7</b>	<b>\$ 115.8</b>	<b>\$ 168.7</b>	<b>\$ 515.9</b>	<b>\$ 141.0</b>	<b>\$ 131.1</b>	<b>\$ 272.1</b>

# Footnotes

Note: Amounts may not foot throughout the workbook due to rounding.

- (1) Revenue for the current period at constant currency is calculated by translating current-period GAAP or non-GAAP foreign currency revenue (as applicable) into U.S. dollars using average foreign currency exchange rates for the same prior period rather than actual current-period foreign currency exchange rates.
- (2) For the quarters ended April 30, 2020, July 31, 2020, October 31, 2020 and January 31, 2021, separation expenses are considered part of discontinued operations and are, therefore, not included in the reported results from continuing operations. Effective February 1, 2024, separation expenses (benefit) are immaterial and therefore included in Other adjustments.
- (3) Represents depreciation and amortization expenses that are adjusted for financing fee amortization.
- (4) EPS calculation includes the more dilutive of either preferred stock dividends or conversion of preferred stock shares.
- (5) Accelerated lease costs were previously included within Restructuring expenses for the three months ended April 30, 2020, July 31, 2020, October 31, 2020, April 30, 2021, July 31, 2021 and October 31, 2021.
- (6) IT facilities and infrastructure realignment costs were previously included within Other Adjustments for the three months ended April 30, 2021, July 31, 2021, October 31, 2021, January 31, 2022, April 30, 2022 and July 31, 2022.
- (7) For the three months and year ended January 31, 2024, acquisition and divestitures (expenses) benefit, net included a loss on the sale of our manual quality managed services business of \$9.7 million, which was recorded as part of selling, general, and administrative expenses in our consolidated statement of operations. Today, our platform includes an AI-powered solution for automating the quality process. We expect our customers to adopt AI over time and believe that a people-centric managed services offering is no longer core to our offering.

# Supplemental Info Non-GAAP Measures

The following tables include reconciliations of certain financial measures not prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), consisting of non-GAAP revenue, non-GAAP recurring revenue, non-GAAP nonrecurring revenue, non-GAAP perpetual revenue, non-GAAP support revenue, non-GAAP professional services revenue, non-GAAP SaaS revenue, non-GAAP bundled SaaS revenue, non-GAAP unbundled SaaS revenue, non-GAAP optional managed services revenue, non-GAAP revenue from divested manual quality managed services, non-GAAP recurring gross profit and gross margins, non-GAAP nonrecurring gross profit and gross margins, non-GAAP gross profit and gross margins, non-GAAP research and development, net, non-GAAP selling, general and administrative expenses, non-GAAP operating income and operating margins, non-GAAP other income (expense), net, non-GAAP provision for (benefit from) income taxes and non-GAAP effective income tax rate, non-GAAP net income (loss) attributable to Verint Systems Inc. common shares, non-GAAP diluted net income (loss) per common share attributable to Verint Systems Inc., adjusted EBITDA and adjusted EBITDA as a percentage of non-GAAP revenue, net debt and constant currency measures. The tables above include a reconciliation of each non-GAAP financial measure for completed periods presented in this press release to the most directly comparable GAAP financial measure.

We believe these non-GAAP financial measures, used in conjunction with the corresponding GAAP measures, provide investors with useful supplemental information about the financial performance of our business by:

- facilitating the comparison of our financial results and business trends between periods, by excluding certain items that either can vary significantly in amount and frequency, are based upon subjective assumptions, or in certain cases are unplanned for or difficult to forecast,
- facilitating the comparison of our financial results and business trends with other technology companies who publish similar non-GAAP measures, and
- allowing investors to see and understand key supplementary metrics used by our management to run our business, including for budgeting and forecasting, resource allocation, and compensation matters.

We also make these non-GAAP financial measures available because a number of our investors have informed us that they find this supplemental information useful.

Non-GAAP financial measures should not be considered in isolation, as substitutes for, or superior to, comparable GAAP financial measures. The non-GAAP financial measures we present have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP, and these non-GAAP financial measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP financial measures. These non-GAAP financial measures do not represent discretionary cash available to us to invest in the growth of our business, and we may in the future incur expenses similar to or in addition to the adjustments made in these non-GAAP financial measures. Other companies may calculate similar non-GAAP financial measures differently than we do, limiting their usefulness as comparative measures.

Our non-GAAP financial measures are calculated by making the following adjustments to our GAAP financial measures:

• **Revenue adjustments.** For acquisitions completed prior to February 1, 2023, we exclude from our non-GAAP revenue the impact of fair value adjustments required under previous GAAP guidance relating to SaaS services, optional managed services and customer support contracts acquired in a business acquisition, which would have otherwise been recognized on a stand-alone basis. Beginning February 1, 2023, we adopted accounting guidance which eliminates the fair value provision that resulted in the accounting adjustment on a prospective basis. We believe that it is useful for investors to understand the total amount of revenue that we and the acquired company would have recognized on a stand-alone basis under GAAP, absent the accounting adjustment associated with the business acquisition under prior accounting guidance. Our non-GAAP revenue also reflects certain adjustments from aligning an acquired company's revenue recognition policies to our policies. We believe that our non-GAAP revenue measure helps management and investors understand our revenue trends and serves as a useful measure of ongoing business performance.

• **Amortization of acquired technology and other acquired intangible assets.** When we acquire an entity, we are required under GAAP to record the fair values of the intangible assets of the acquired entity and amortize those assets over their useful lives. We exclude the amortization of acquired intangible assets, including acquired technology, from our non-GAAP financial measures because they are inconsistent in amount and frequency and are significantly impacted by the timing and size of acquisitions. We also exclude these amounts to provide easier comparability of pre- and post-acquisition operating results.

• **Stock-based compensation expenses.** We exclude stock-based compensation expenses related to restricted stock unit and performance stock unit awards, stock bonus programs, bonus share programs, and other stock-based awards from our non-GAAP financial measures. We evaluate our performance both with and without these measures because stock-based compensation is typically a non-cash expense and can vary significantly over time based on the timing, size and nature of awards granted, and is influenced in part by certain factors which are generally beyond our control, such as the volatility of the price of our common stock. In addition, measurement of stock-based compensation is subject to varying valuation methodologies and subjective assumptions, and therefore we believe that excluding stock-based compensation from our non-GAAP financial measures allows for meaningful comparisons of our current operating results to our historical operating results and to other companies in our industry.



# Supplemental Info Non-GAAP Measures

• **Unrealized gains and losses on certain derivatives, net.** We exclude from our non-GAAP financial measures unrealized gains and losses on certain derivatives which are not designated as hedges under accounting guidance. We exclude unrealized gains and losses on foreign currency derivatives that serve as economic hedges against variability in the cash flows of recognized assets or liabilities, or of forecasted transactions. These contracts, if designated as hedges under accounting guidance, would be considered "cash flow" hedges. These unrealized gains and losses are excluded from our non-GAAP financial measures because they are non-cash transactions which are highly variable from period to period. Upon settlement of these foreign currency derivatives, any realized gain or loss is included in our non-GAAP financial measures.

• **Amortization of convertible note discount.** Our non-GAAP financial measures for periods prior to February 1, 2021 exclude the amortization of the imputed discount on our convertible notes. Under GAAP, certain convertible debt instruments that may be settled in cash upon conversion were required to be bifurcated into separate liability (debt) and equity (conversion option) components in a manner that reflected the issuer's assumed non-convertible debt borrowing rate. For GAAP purposes, we were required to recognize imputed interest expense on the difference between our assumed non-convertible debt borrowing rate and the coupon rate on our 1.50% convertible notes. This difference is excluded from our non-GAAP financial measures because we believe that this expense is based upon subjective assumptions and does not reflect the cash cost of our convertible debt. Effective with the February 1, 2021 adoption of Accounting Standards Update ("ASU") 2020-06, Accounting for Convertible Instruments and Contracts in an Entity's Own Equity, we no longer record the conversion feature of our convertible senior notes in equity. Instead, we combined the previously separated equity component with the liability component, which together is classified as debt, thereby eliminating the subsequent amortization of the debt discount as interest expense.

• **Expenses and losses on debt modification or retirement.** We exclude from our non-GAAP financial measures losses on early retirements of debt attributable to refinancing or repaying our debt, and expenses incurred to modify debt terms, because we believe they are not reflective of our ongoing operations.

• **Change in fair value of future tranche right.** On December 4, 2019, we entered into an Investment Agreement with an affiliate of Apax Partners (the "Apax Investor"), whereby the Apax Investor agreed to make an investment in us of up to \$400.0 million of convertible preferred stock. In connection with the Apax Investor's first \$200.0 million investment on May 7, 2020 (for 200,000 shares of Series A Preferred Stock), we determined that our obligation to issue, and the Apax Investor's obligation to purchase the Series B Preferred Stock in connection with the completion of the spin-off of our former Cyber Intelligence Solutions business and the satisfaction of other customary closing conditions (the "Future Tranche Right") met the definition of a freestanding financial instrument. This Future Tranche Right was reported at fair value as an asset or liability on our consolidated balance sheet and was remeasured at fair value each reporting period until the settlement of the right at the time of issuance of the Series B Preferred Stock, which occurred on April 8, 2021. Changes in its fair value were recognized as a non-cash charge or benefit within other income (expense), net on the condensed consolidated statement of operations. We excluded this change in fair value of the Future Tranche Right from our non-GAAP financial measures because it was unusual in nature, could vary significantly in amount, and was unrelated to our ongoing operations.

• **Acquisition and divestitures expenses (benefit), net.** In connection with acquisition activity (including with respect to acquisitions that are not consummated), we incur expenses (benefits), including legal, accounting, and other professional fees, integration costs, changes in the fair value of contingent consideration obligations, and other costs. Integration costs may consist of information technology expenses as systems are integrated across the combined entity, consulting expenses, marketing expenses, and professional fees, as well as non-cash charges to write-off or impair the value of redundant assets. In connection with divestiture activity, we exclude the gain or loss on divestiture as well as any expenses incurred, including legal, accounting, and other professional fees. We exclude these expenses from our non-GAAP financial measures because they are unpredictable, can vary based on the size and complexity of each transaction, and are unrelated to our continuing operations or to the continuing operations of the acquired businesses.

• **Restructuring expenses (benefit).** We exclude restructuring expenses (benefit) from our non-GAAP financial measures, which include employee termination costs, facility exit costs (except as included in accelerated lease costs and IT facilities and infrastructure realignment described below), certain professional fees, asset impairment charges (except as included in acquisition or IT facilities and infrastructure realignment), and other costs directly associated with resource realignments incurred in reaction to changing strategies or business conditions. All of these costs can vary significantly in amount and frequency based on the nature of the actions as well as the changing needs of our business and we believe that excluding them provides easier comparability of pre- and post-restructuring operating results.

• **Separation expenses (benefit).** On February 1, 2021, we completed the spin-off of our former Cyber Intelligence Solutions business. We exclude from our non-GAAP financial measures expenses incurred (benefit from) in connection with the spin-off, including third-party advisory, accounting, legal, tax, consulting, and other similar services related to the separation as well as costs associated with the operational separation of the two businesses, including those related to human resources, brand management, real estate, and information technology (which are included in Separation expenses to the extent not capitalized). Separation expenses also include incremental cash income taxes related to the reorganization of legal entities and operations in order to effect the separation and other expense adjustments associated with tax-related indemnification asset as a result of the spin-off. These costs are incremental to our normal operating expenses and are being incurred solely as a result of the separation transaction. Accordingly, we are excluding these separation expenses from our non-GAAP financial measures in order to evaluate our performance on a comparable basis. Separation expenses incurred through January 31, 2024 are recorded under this category in this document. Effective February 1, 2024, these expenses are included in impairment charges and other adjustments, as defined below.

# Supplemental Info Non-GAAP Measures

**•Accelerated lease costs.** We exclude from our non-GAAP financial measures accelerated facility costs and associated accelerated lease expenses, including losses on terminations, due to the early termination or abandonment of certain office leases as a result of our move to a hybrid work model because these charges are not reflective of our ongoing business and operating results.

**•IT facilities and infrastructure realignment.** We exclude from our non-GAAP financial measures nonrecurring IT facilities and infrastructure realignment costs and other IT charges associated with modifying the workplace, including consolidating and/or migrating data centers and labs to the cloud, simplifying the corporate network, and one-time costs for implementing collaboration tools to enable our work from anywhere strategy, as well as asset impairment charges, accelerated depreciation and IT facility exit costs.

**•Impairment charges and other adjustments.** We exclude from our non-GAAP financial measures asset impairment charges (other than those already included within restructuring, acquisition, or IT facilities and realignment activity), rent expense for redundant facilities, gains or losses on sales of property, gains or losses on settlements of certain legal matters, and certain professional fees unrelated to our ongoing operations, all of which are unusual in nature and can vary significantly in amount and frequency. Effective February 1, 2024, separation expenses excluded from our non-GAAP financial measures are included in this category within this document. We exclude from our non-GAAP financial measures separation expenses incurred in connection with the spin-off of our former Cyber Intelligence Solutions business, including third-party advisory, accounting, legal, tax, consulting, and other similar services related to the separation as well as costs associated with the operational separation of the two businesses, including those related to human resources, brand management, real estate, and information technology. Separation expenses also include incremental cash income taxes related to the reorganization of legal entities and operations in order to effect the separation and other expense adjustments associated with a tax-related indemnification asset as a result of the spin-off. These costs were incremental to our normal operating expenses and were incurred solely as a result of the separation transaction. Separation expenses (benefit) incurred through January 31, 2024 are included in the Separation expenses (benefit) category of this document, as defined above.

**•Discontinued operations corporate overhead adjustment.** These amounts represent general corporate overhead costs related to executive management, finance, legal, information technology, and other shared services functions that were historically allocated to Cognyte, but are not permitted to be included in discontinued operations under GAAP guidelines as they represent indirect expenses of Cognyte.

**•Allocation methodology difference.** These amounts are the result of presenting our former Cyber Intelligence Solutions business on a discontinued operations basis for quarters previously reported due to the completion of the spin-off on February 1, 2021. This adjustment represents the difference between the allocation of shared corporate support expenses under GAAP guidelines for reporting discontinued operations compared to management's previously estimated allocations of those shared corporate support expenses.

**•Non-GAAP income tax adjustments.** We exclude from our non-GAAP measures of net income attributable to Verint Systems Inc., our GAAP provision for (benefit from) income taxes and instead include a non-GAAP provision for income taxes, determined by applying a non-GAAP effective income tax rate to our income before provision for income taxes, as adjusted for the non-GAAP items described above. The non-GAAP effective income tax rate is generally based upon the income taxes we expect to pay in the reporting year. Our GAAP effective income tax rate can vary significantly from year to year as a result of tax law changes, settlements with tax authorities, changes in the geographic mix of earnings including acquisition activity, changes in the projected realizability of deferred tax assets, and other unusual or period-specific events, all of which can vary in size and frequency. We believe that our non-GAAP effective income tax rate removes much of this variability and facilitates meaningful comparisons of operating results across periods. Our non-GAAP effective income tax rate for the year ending January 31, 2025 is currently approximately 12%, and was 8% for the year ended January 31, 2024, 9% for the year ended January 31, 2023, 11% for the year ended January 31, 2022, 8% for the year ended January 31, 2021. We evaluate our non-GAAP effective income tax rate on an ongoing basis, and it can change from time to time. Our non-GAAP income tax rate can differ materially from our GAAP effective income tax rate.

## Revenue Metrics and Operating Metrics

Recurring revenue, on both a GAAP and non-GAAP basis, is the portion of our revenue that we believe is likely to be renewed in the future, and primarily consists of SaaS revenue, optional managed services revenue and initial and renewal post contract support.

Nonrecurring revenue, on both a GAAP and non-GAAP basis, primarily consists of our perpetual licenses, consulting, implementation and installation services, hardware, training and patent license royalties.

SaaS revenue includes bundled SaaS, software with standard managed services and unbundled SaaS (including associated support) that we account for as term licenses where managed services are purchased separately.

Optional Managed Services are recurring services that are intended to improve our customers' operations and reduce expenses.

Percentage of software revenue that is recurring revenue is calculated as the sum of SaaS revenue, optional managed services revenue and support revenue as a percentage of total SaaS revenue, optional managed services revenue, support revenue, and perpetual revenue.



# Supplemental Info Non-GAAP Measures

New SaaS Annual Contract Value (ACV) includes the annualized contract value of all new SaaS contracts received within the period; new unbundled SaaS contracts only include the license portion of those orders. In cases where SaaS is offered to partners through usage-based contracts, we include the incremental value of usage contracts over a rolling four quarters. Orders are only included in New SaaS ACV with a completed customer contract signed by both parties before the end of the period. New Unbundled SaaS ACV includes only the ACV of the unbundled SaaS contracts included in New SaaS ACV. New Bundled SaaS ACV includes only the ACV of the bundled SaaS contracts included in New SaaS ACV and is comprised of two components:

- New Deals ACV, which represents the annual contract value of new bundled SaaS contracts, received within the period. This includes purchases of new applications by both new and existing customers as well as expansions of entitlements to applications already in use by existing customers, other than if in connection with a conversion. AI booking from new deals represents the portion of New Deals ACV attributable specifically to AI applications.
- Conversion ACV, which represents the bundled SaaS annual contract value sold to a customer who is converting from an on-premises application to the Verint Cloud within the period. This metric also includes the value of incremental licenses or expansion of entitlements as part of the conversion, including for AI applications.

SaaS Annual Recurring Revenue (SaaS ARR) represents the annualized quarterly run-rate value of active or signed SaaS contracts as of the end of a period. For unbundled SaaS contracts, the amount included in SaaS ARR is generally consistent with the amount that we invoice the customer annually for the term-based license transaction. We use SaaS ARR to identify the annual recurring value of customer contracts at the end of a reporting period and to monitor the growth of our recurring business as we shift to SaaS. SaaS ARR reduces fluctuations due to seasonality, contract term, and the sales mix of subscriptions for bundled SaaS and unbundled SaaS. SaaS ARR should be viewed independently of revenue, and does not represent our revenue under ASC 606 on an annualized basis, as it is an operating metric that is impacted by contract start and end dates and renewal rates. SaaS ARR is not intended to be a replacement for forecasts of SaaS revenue.

## Adjusted EBITDA

Adjusted EBITDA is a non-GAAP measure defined as net income (loss) before interest expense, interest income, income taxes, depreciation expense, amortization expense, stock-based compensation expenses, revenue adjustments, restructuring expenses, acquisition expenses, separation expenses, accelerated lease costs, IT facilities and infrastructure realignment, and other expenses excluded from our non-GAAP financial measures as described above. We believe that adjusted EBITDA is also commonly used by investors to evaluate operating performance between companies because it helps reduce variability caused by differences in capital structures, income taxes, stock-based compensation expenses, accounting policies, and depreciation and amortization policies. Adjusted EBITDA is also used by credit rating agencies, lenders, and other parties to evaluate our creditworthiness.

## Net Debt

Net Debt is a non-GAAP measure defined as the sum of long-term and short-term debt on our consolidated balance sheet, excluding unamortized discounts and issuance costs, less the sum of cash and cash equivalents, restricted cash, restricted cash equivalents, restricted bank time deposits, and restricted investments (including long-term portions), and short-term investments. We use this non-GAAP financial measure to help evaluate our capital structure, financial leverage, and our ability to reduce debt and to fund investing and financing activities and believe that it provides useful information to investors.

## Free Cash Flow

Free Cash Flow is defined as GAAP cash provided by operating activities less our capital expenditures, which include purchases of property and equipment and capitalized software development costs.

## Supplemental Information About Constant Currency

Because we operate on a global basis and transact business in many currencies, fluctuations in foreign currency exchange rates can affect our consolidated U.S. dollar operating results. To facilitate the assessment of our performance excluding the effect of foreign currency exchange rate fluctuations, we calculate our GAAP and non-GAAP revenue, recurring revenue, and SaaS revenue on both an as-reported basis and a constant currency basis, allowing for comparison of results between periods as if foreign currency exchange rates had remained constant. We perform our constant currency calculations by translating current-period results into U.S. dollars using prior-period average foreign currency exchange rates or hedge rates, as applicable, rather than current period exchange rates. We believe that constant currency measures, which exclude the impact of changes in foreign currency exchange rates, facilitate the assessment of underlying business trends.

Unless otherwise indicated, our financial outlook, which is provided on a non-GAAP basis, reflects foreign currency exchange rates approximately consistent with rates in effect when the outlook is provided.

We also incur foreign exchange gains and losses resulting from the revaluation and settlement of monetary assets and liabilities that are denominated in currencies other than the entity's functional currency. Our financial outlook for diluted earnings per share includes net foreign exchange gains or losses incurred to date, if any, but does not include potential future gains or losses.