Investor Day

Verint AI Differentiation

December 13, 2023

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Disclaimers

Forward-Looking Statements

This presentation contains "forward-looking statements," including statements regarding expectations, predictions, views, opportunities, plans, strategies, beliefs, and statements of similar effect relating to Verint Systems Inc. These forward-looking statements are not guarantees of future performance and they are based on management's expectations that involve a number of known and unknown risks, uncertainties, assumptions, and other important factors, any of which could cause our actual results to differ materially from those expressed in or implied by the forward-looking statements. The forward-looking statements contained in this presentation are made as of the date of this presentation and, except as required by law, Verint assumes no obligation to update or revise them, or to provide reasons why actual results may differ. For a more detailed discussion of how these and other risks, uncertainties, and assumptions could cause Verint’s actual results to differ materially from those indicated in its forward-looking statements, see Verint’s prior filings with the Securities and Exchange Commission.

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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.

Verint's AI Opportunity

Dan Bodner
Chief Executive Officer

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Agenda

Topic	Speaker
Welcome	Matt Frankel *Investor Relations Director*
Verint AI Opportunity	Dan Bodner *Chief Executive Officer*
Verint AI Differentiation	Jaime Meritt *Chief Product Officer*
Verint Open Platform	Rob Scudiere *Chief Technology Officer*
Verint AI Go-To-Market	Steve Seger *Chief Revenue Officer*
Verint Financial Model	Grant Highlander *Chief Financial Officer*
Q&A	All

Largest Expense in CX Industry is the Workforce

50 Million Customer Engagement Employees × **$40K Average Salary** = **$2 Trillion Annual CX Labor Spend**

Brands Look for AI to Increase CX Automation

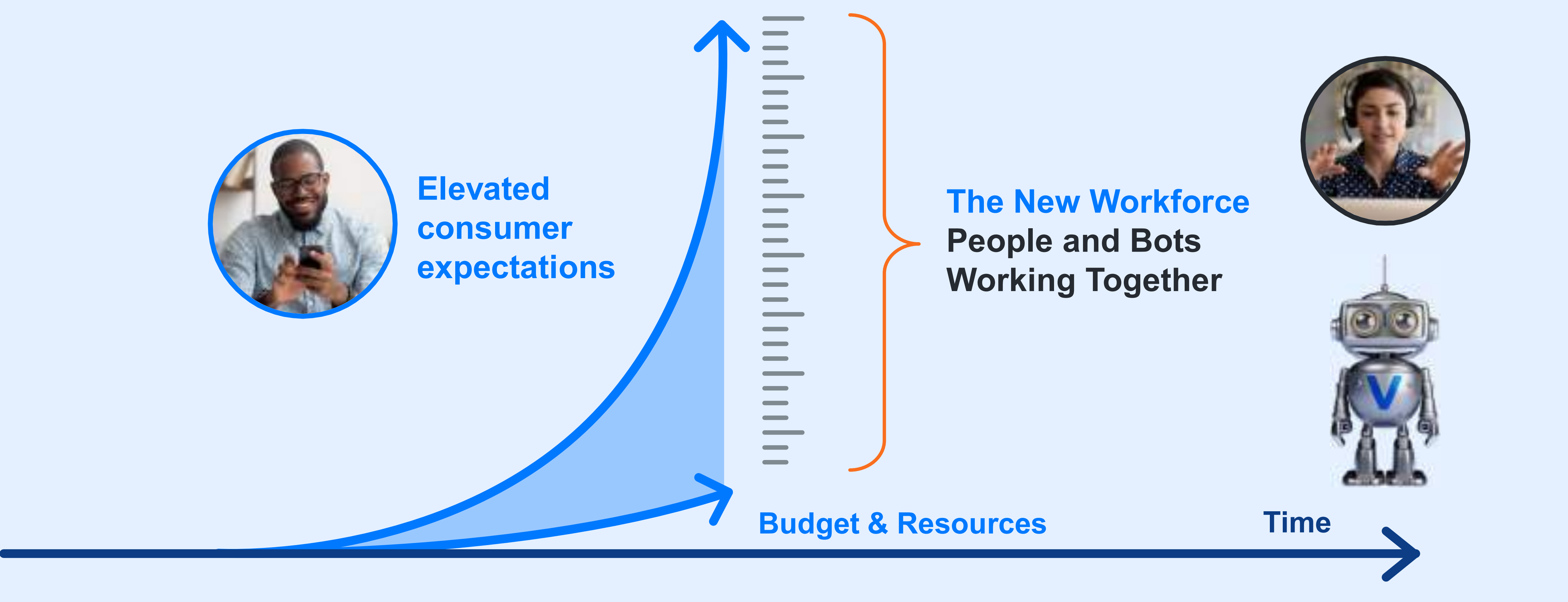
Industry Analysts Expect AI to Accelerate CX Automation

“AI can significantly improve customer service operations in a multitude of ways…including cost reduction, revenue growth and service quality” – **GARTNER**

“Contact centers using AI achieve faster response times, which in turn is improving overall customer satisfaction.” – **CMS WIRE**

“We believe AI-based solutions can bring 85% cost savings (mostly labor) to customers by meaningfully reducing the live agents/seats.” – **OMDIA**

Problem: Brands Need to Do More with Same Resources
Solution: A CX Automation Platform Enabling the New Workforce



Increasing CX Automation Drives Huge ROI

CX Automation allows brands to increase labor capacity and elevate CX

Verint's AI Journey

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Verint's AI Journey

Unstructured Data Leader

Verint 1.0

1994

→

WFO Leader

Verint 2.0

2006

→

WFE Leader

Verint 3.0

2016

→

CX Automation Leader

Verint 4.0

2023

↑

Security Spin Off in 2021
Pure-play CX Leader

Verint Today – Large Enterprise Customer Base

Agent Licenses:
4 Million Deployed

Interactions Volume:
30 Billion Annually

Verint CX Automation Platform Differentiation

- Behavioral Data at the Core
- A Team of Specialized Bots
- Open Design

Verint Platform Empowers the New Workforce

35 specialized bots available today and increasing

Verint Growth Opportunity

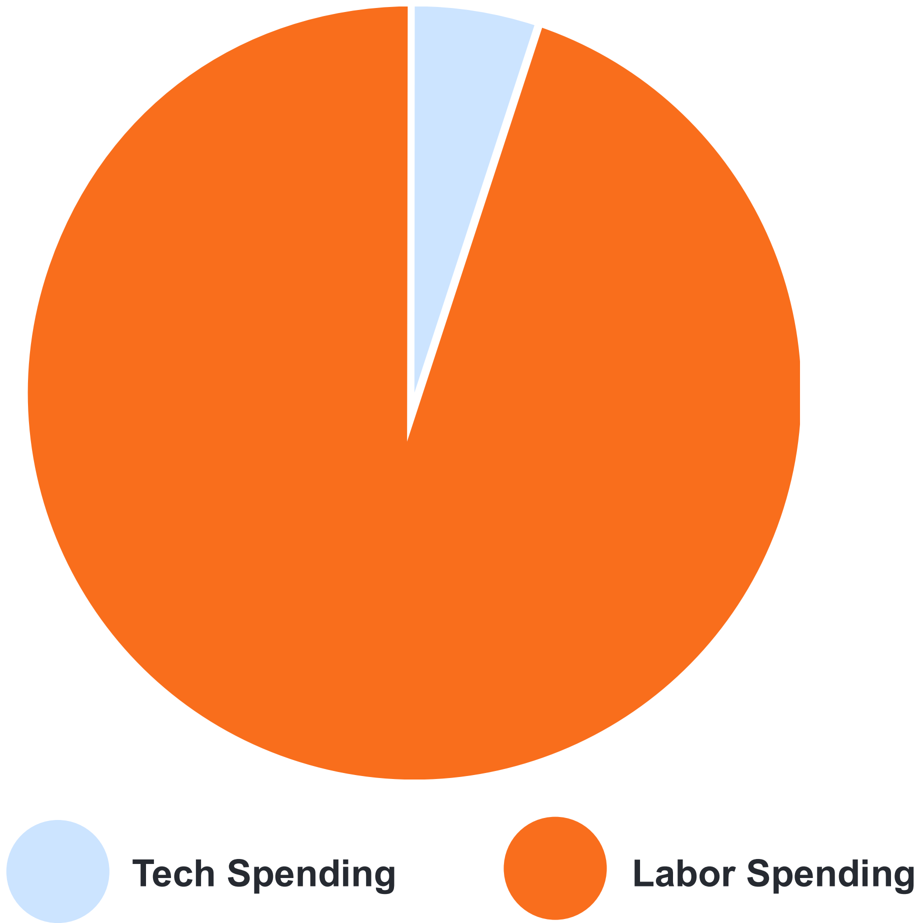
VERINT

Brands Adopt AI to Reduce Their Overall CX Spending

Labor cost greatly reduced while tech investment increases

TODAY

Human Workforce

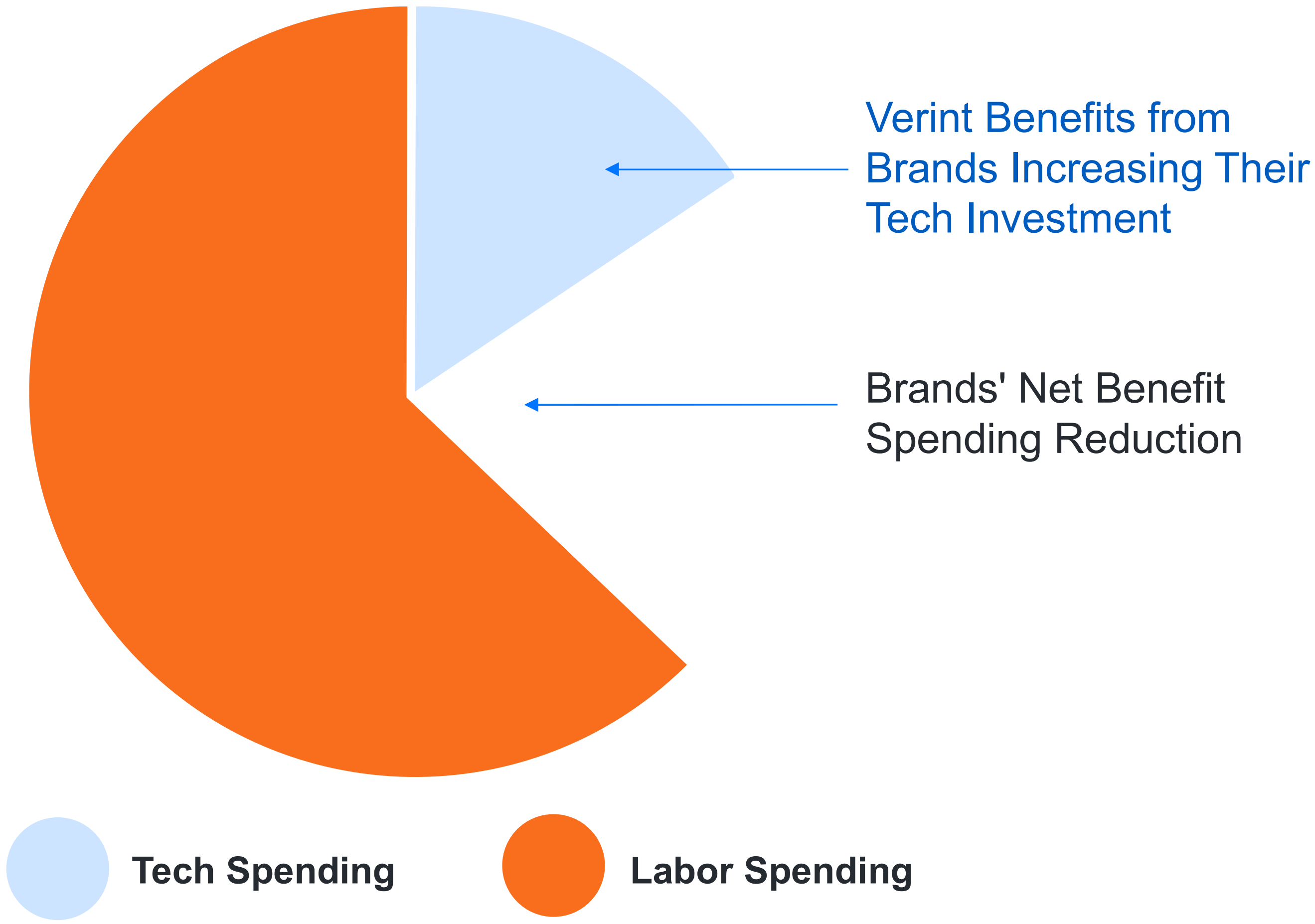


Brands Adopt AI to Reduce Their Overall CX Spending

Labor cost greatly reduced while tech investment increases

Next

People and Bots Workforce



Uniquely Positioned to Deliver AI to Base and New Logos

Customer Base

4 Million Agents

30 Billion Interactions Annually

New Logos

100 New Logos Per Quarter

More Than **300 Partners**

Verint Targets “Rule of 40” in FYE27

AI adoption accelerates Bundled SaaS growth

Accelerating Revenue Growth to ~10%

Expanding to ~30% Adjusted EBITDA Margins

Growing Non-GAAP Diluted EPS Faster than Revenue

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

Verint AI Differentiation

Jaime Meritt
Chief Product Officer

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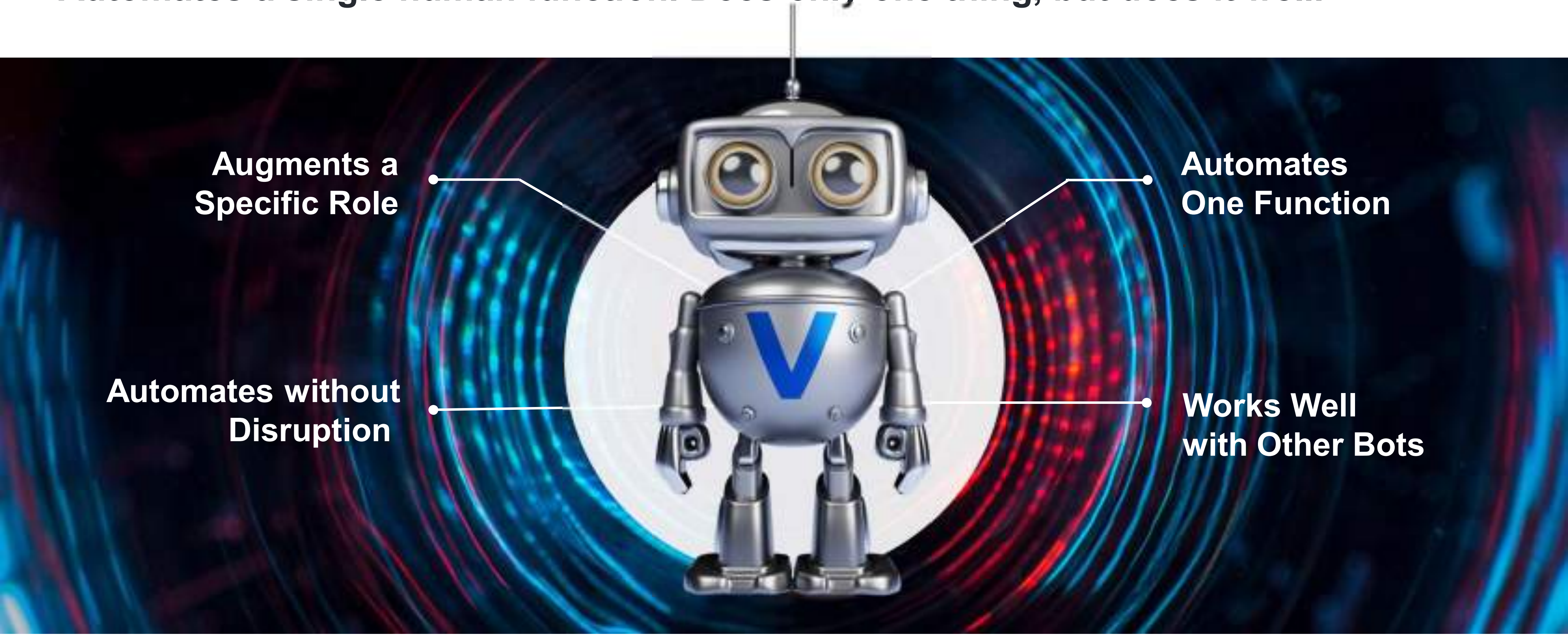
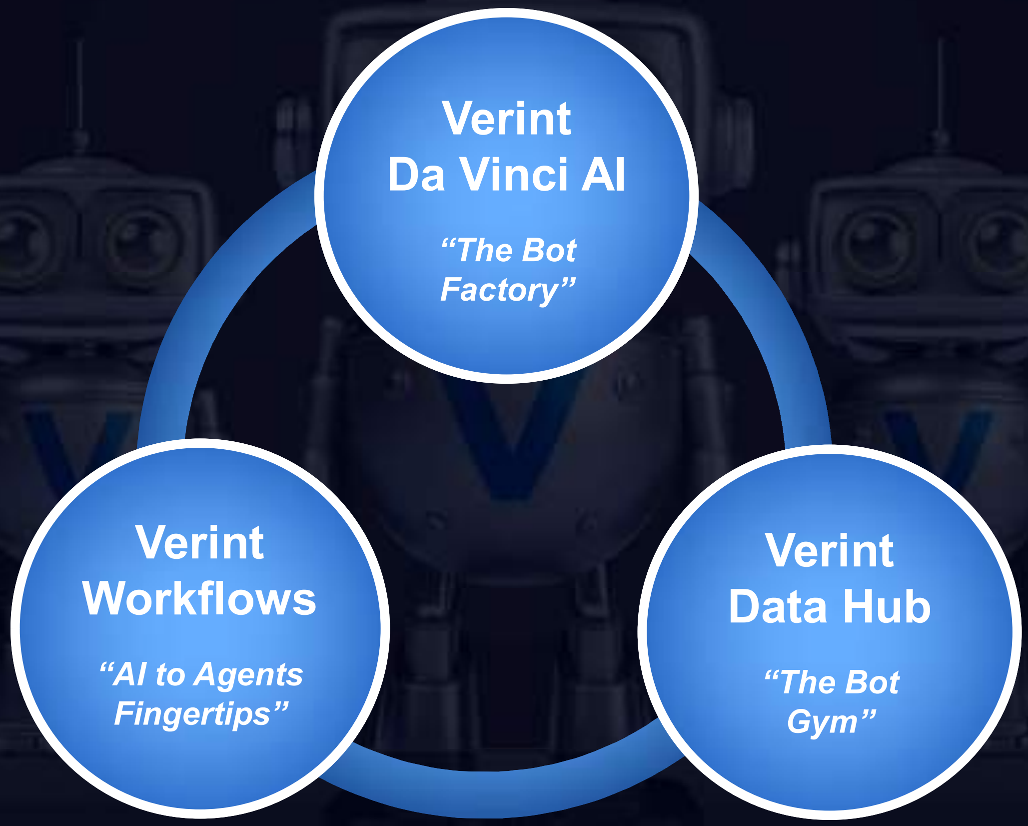
What Is a Bot?

Automates a single human function. Does only one thing, but does it well.



Differentiation: All Bots Live in the Verint Open Platform

Latest AI innovation, trained on relevant data, delivered to workforce without disruption



Team of Agent Bots and Enterprise Bots

Available in the Platform to reduce operating costs and elevate CX
Each bot embedded in CX workflows to deliver business outcomes

Agent Bots | Increase Agent Capacity

- Advanced Containment
- Wrap-up Voice
- Wrap-up Digital
- Performance Coaching
- Knowledge Suggestion
- Sentiment Coaching
- Agent Virtual Assistant
- Agent Transfer
- Self-service Transfer

Enterprise Bots | Increase Capacity of Other Roles in CX Workforce

- Workload Forecasting
- Compliance Scoring
- CX Scoring
- Extended Workload Forecasting
- Intent Discovery
- Knowledge Creation
- Performance Scoring
- Quality Template
- Transcription Tuning

Increasing CX Automation Drives Huge ROI

CX Automation allows brands to increase labor capacity and elevate CX

CX Automation Demo Part 1

VERINT.

Summary of What you just saw…

This slide exists for production to know that Jaime will come back on screen and talk about what you just saw.

CX Automation Demo Part 2

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Bot Pricing Model

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Significant Brand Savings. Significant Verint TAM Growth

Example 1: Voice Containment Bot

Before	After
$5.50 Cost of Agent Labor (per Interaction)	**$0.20** Cost of Verint Bot (per Contained Interaction)
$0.06 Cost of Verint Software to Empower Agent (per Interaction)	

Assumptions:
Agent cost $40k and handles 7,200 interactions per year

Alight

Containment Bot Customer

Human Capital Technology Vendor

Play Customer Video

Verint Containment Bot: Market Leadership

Opus Conversational AI Report

“For organizations looking to transform engagement through intelligent automation, **Verint presents a strong option** with **proven technology** and a **track record of successful deployments**.”

Verint receives top scores in all criteria:

2023 Conversational AI Intelliview: Decision Makers Guide to Enterprise Intelligent Assistants, Opus Research

Significant Brand Savings and Significant Verint TAM Growth

Example 2: Interaction Wrap-up Bot

Before

$1.18
Cost of Agent Labor
(for wrap-up of interaction)

$0.01
Cost of Verint Agent License
(for wrap-up time of interaction

After

$0.05
Cost of Verint Bot
(for automated wrap-up
of interaction)

Assumptions:
Agent cost $40k and handles 7,200 interactions per year.

Contact Center Illustration of People and Bots Working Together

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Contact Center Scenario

2,000 seat contact center planning for a 20% increase in interaction growth
Deploys a team of bots to increase workforce capacity

Interaction Wrap-up Bot	Knowledge Suggestion Bot	Performance Coaching Bot	Voice Containment Bot
100% of interactions	50% of interactions	50% of interactions	10% of interactions

Deploying a Team of Bots Can Drive a 20% Increase in Agent Capacity

Team of Bots to Increase Workforce Capacity

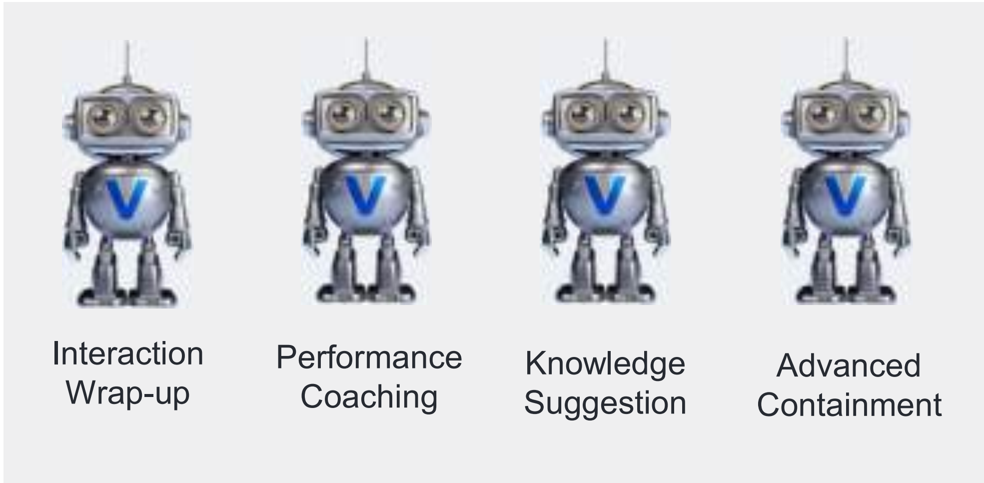
Verint Gets Paid Based on Bots' Volumes of Interaction

Brand Economics: Significant Savings

Adding bots instead of agents results in $14.7 million annual savings

Agent Option: Add 400 Agents		Bot Option: Deploy a Team of Bots
Total Workforce: 2,400 Agents		Total Workforce: 2,000 Agents + Bots

OR



Incremental Labor Cost
$16 Million

Incremental Bot Cost
$1.3 Million

Verint Economics: Significant TAM Growth

Bots represents a significant incremental revenue opportunity for Verint

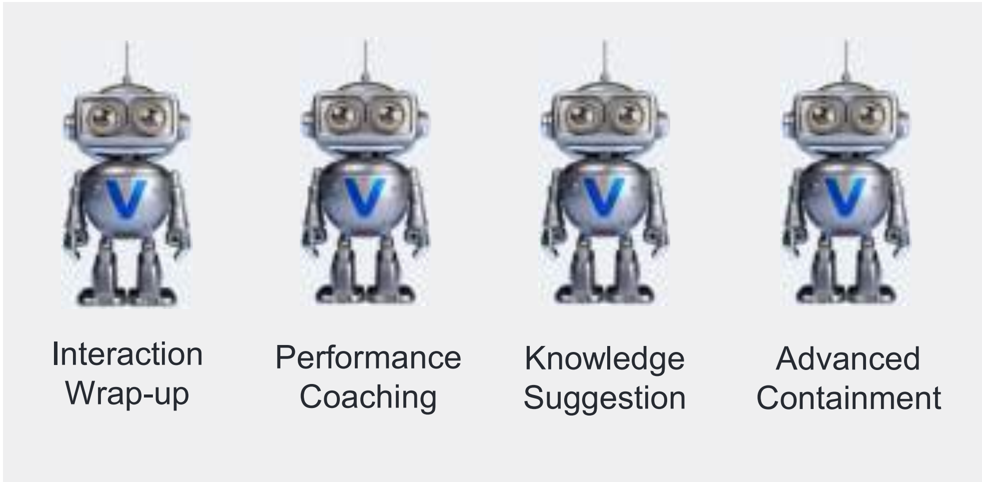
Agent Option: Verint Sells 400 Agent Licenses

Incremental Verint Revenue

$200,000

OR

Bot Option: Verint Sells Bots Licenses



Incremental Verint Revenue

$1.3 Million

Brands Need to Orchestrate the New Workforce

Flexibility to shift work from people to bots to drive increasing ROI

Verint Platform Orchestrates Work Across People and Bots

Verint Open Platform

Rob Scudiere
Chief Technology Officer

VERINT

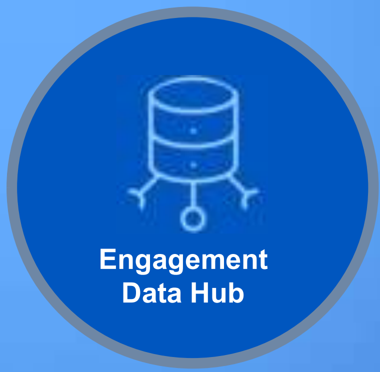
Workforce Engagement Applications

Best of breed market leader

Verint Open Platform

Platform Is designed with data and AI at the core to increase CX Automation

Deploy latest AI innovation to augment the human workforce



Empower your customer operations with real-time behavioral data

Verint Da Vinci AI is “The Bot Factory”

Using latest AI innovation to create expert bots

Verint Da Vinci AI is Open

Leverage latest innovation from commercial AI vendors as well as proprietary AI models

Verint Da Vinci AI is at Platform Core

Powers all applications running in the platform, accelerating pace of innovation

"Bot Factory" for Customer Engagement

Verint Da Vinci AI evaluates AI models based on deep expertise in customer engagement

Verint Data Hub Is “The Bot Gym”

Unifying siloed behavioral data across the enterprise

Relevant Behavioral Data Available in Verint Data Hub

Workforce Data

- Contact Center
- Back Office
- Branches

Interaction Data

- Voice
- Digital
- Social
- CCaaS
- UCaaS
- Teams Zoom

Experience Data

- Email Surveys
- Post-call Surveys
- Digital Experience

Verint Open Data Hub is Differentiated

Unlocking value of behavioral data across many business use cases

Bots Augment the Workforce Without Disruption

Bots become experts when powered by relevant data

Bots Are Designed to Do ONE Thing and Do it Well

- Each bot is designed to help a specific workforce role

Bots are Embedded in Workflows to Avoid Disruption

- Bots are built into workflows to augment the workforce
- Bots in the Verint Cloud are available for on-prem customers

Factory, Gym, Workflows. Fast Pace of AI Innovation

35 specialized bots available today and increasing fast

Easy for Customer to Evolve and Adopt Bots

Customer-driven innovation based on their desired journey

Innovation
Easy for cloud and on-prem customers to consume bots

Adoption
Adoption aligned to business priorities with volume consumption

No Disruption
Open design enables "start anywhere" to avoid disruptive transformation

Future Proof Investment
Open design is critical given rapid pace of technological innovation

Summary

Differentiated open platform delivers rapid innovation

Unique behavioral data is the fuel for bots

DaVinci takes advantage of the latest AI innovations

Bots are available to all Verint customers

Verint AI Go-to-Market

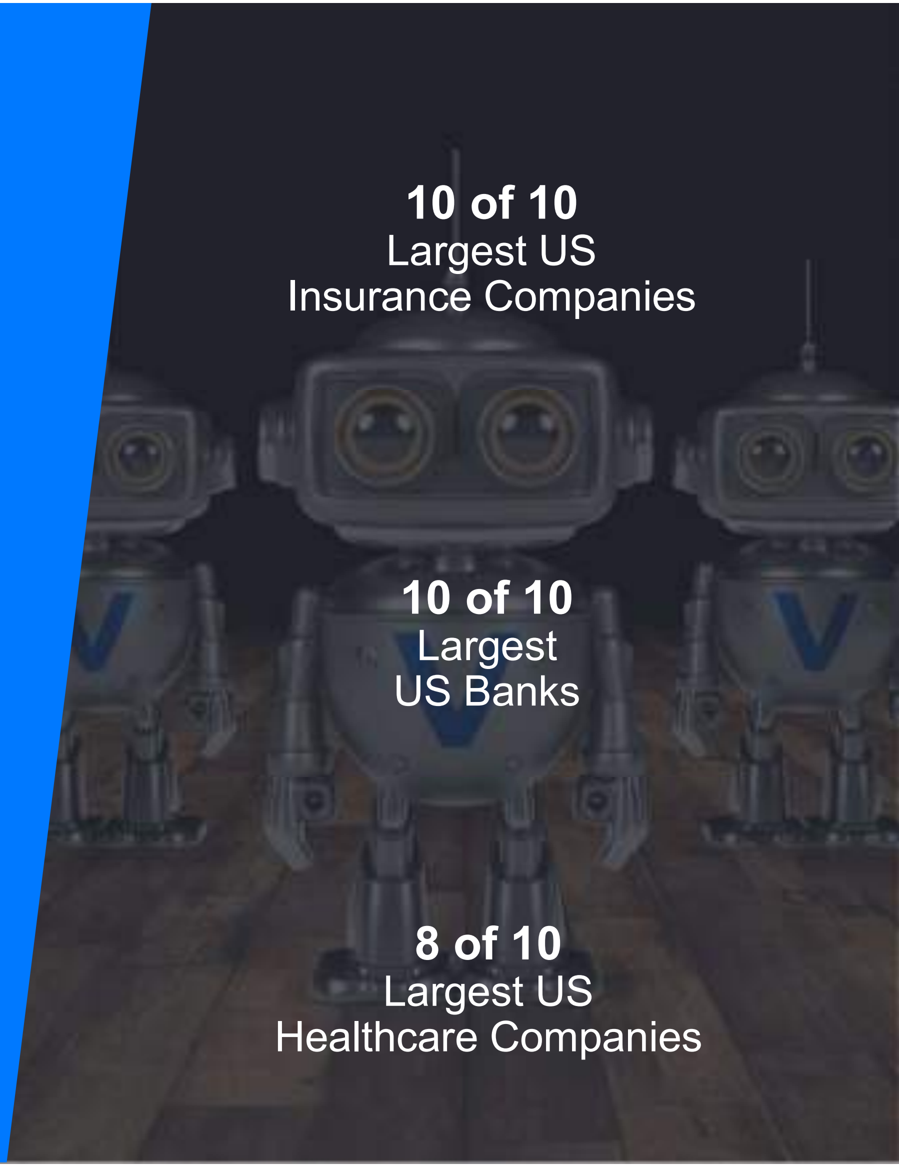
Steve Seger
Chief Revenue Officer

VERINT.

Differentiated Open Platform

Adopted by some of the world's leading brands

Allstate, American Red Cross, AT&T, Capita, CardinalHealth
cigna, CISCO, citi, COMCAST, COSTCO WHOLESALE
CVS, DHL, DOORDASH, FedEx, Ford
GEICO, Goldman Sachs, Google, HSBC, iag
MACQUARIE, MARRIOTT, MSC CRUISES, overstock, PROGRESSIVE
TOYOTA, TELUS, TESCO, vodafone, WELLS FARGO



10 of 10
Largest US
Insurance Companies

10 of 10
Largest
US Banks

8 of 10
Largest US
Healthcare Companies

Why Do We Win?

Highly Differentiated
Open CX Automation Platform

Easy to Infuse AI Into
Existing CX Workflows

Flexible Path to the
Verint Cloud without Disruption

Customer and Partner Interviews

CONNEX

IHG
HOTELS & RESORTS

NAVY FEDERAL
Credit Union

Connex Introduction

Systems integrator focused on contact centers

Joint customers include some of the largest banks and insurance companies in Canada including Bank of Montreal, Bank of Nova Scotia, RBS, TD Bank and Manulife

Open platform and
AI evangelist

Play Customer Video

IHG Introduction

Achieved strong ROI with the Verint Containment Bot

Operates a variety of hotel brands, including Holiday Inn, Kimpton, Crown Plaza, Iberostar

Play Customer Video

Navy Federal Introduction

NAVY FEDERAL Credit Union

Credit union serving 13 million members, including military, veterans, and their families

Moving to the Verint Cloud with great flexibility

Play Customer Video

Key Takeaways From Interviews

Partners and customers are excited about AI and the Verint approach to AI

They started to adopt AI with Verint and plan to increase adoption over time

Verint made it easy for customers to adopt AI gradually and increase over time

Note: Guidance is provided on a non-GAAP basis.

Summary

Tremendous amount of interest in AI from base and new logos

Verint is uniquely positioned to infuse AI into workflows and increase CX automation

Verint Financial Model

Grant Highlander
Chief Financial Officer

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Verint Financial Model Topics

1. Verint's SaaS Journey Since Spin – Last Three Years
2. Our Next Chapter – Next Three-year Trends
3. How We Will Measure and Report Our Progress
4. Free Cash Flow and Capital Allocation

Verint's SaaS Journey Since the Spin – Last Three Years

Expect >$500 million of SaaS revenue in FYE24

Increased revenue every year during SaaS transition

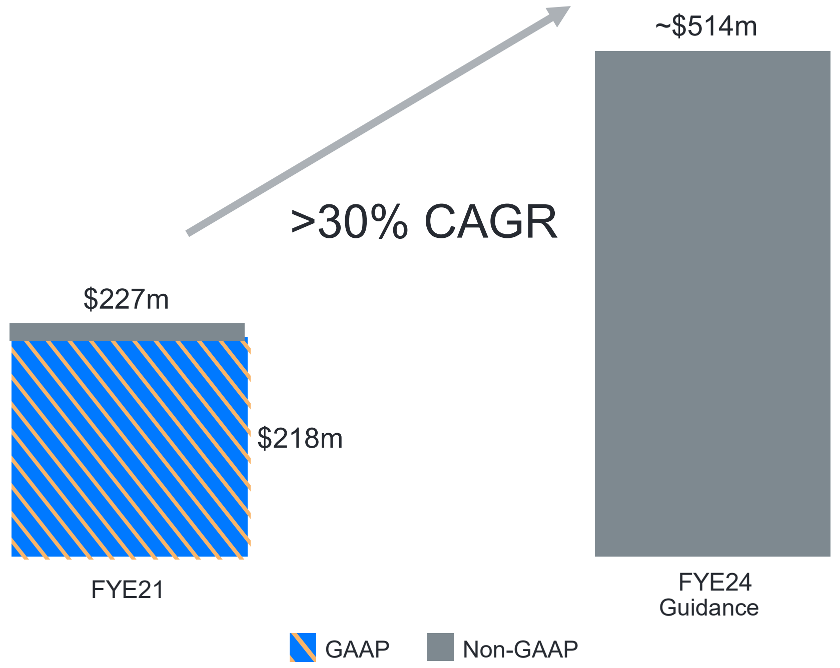
Completed perpetual to SaaS transition

Launched a highly differentiated CX automation platform

Note: Guidance is provided on a non-GAAP basis.

Expect to Scale to >$500 Million of Total SaaS Revenue in FYE24

Our customer base deployed our platform in both Verint Cloud and “Other Clouds”



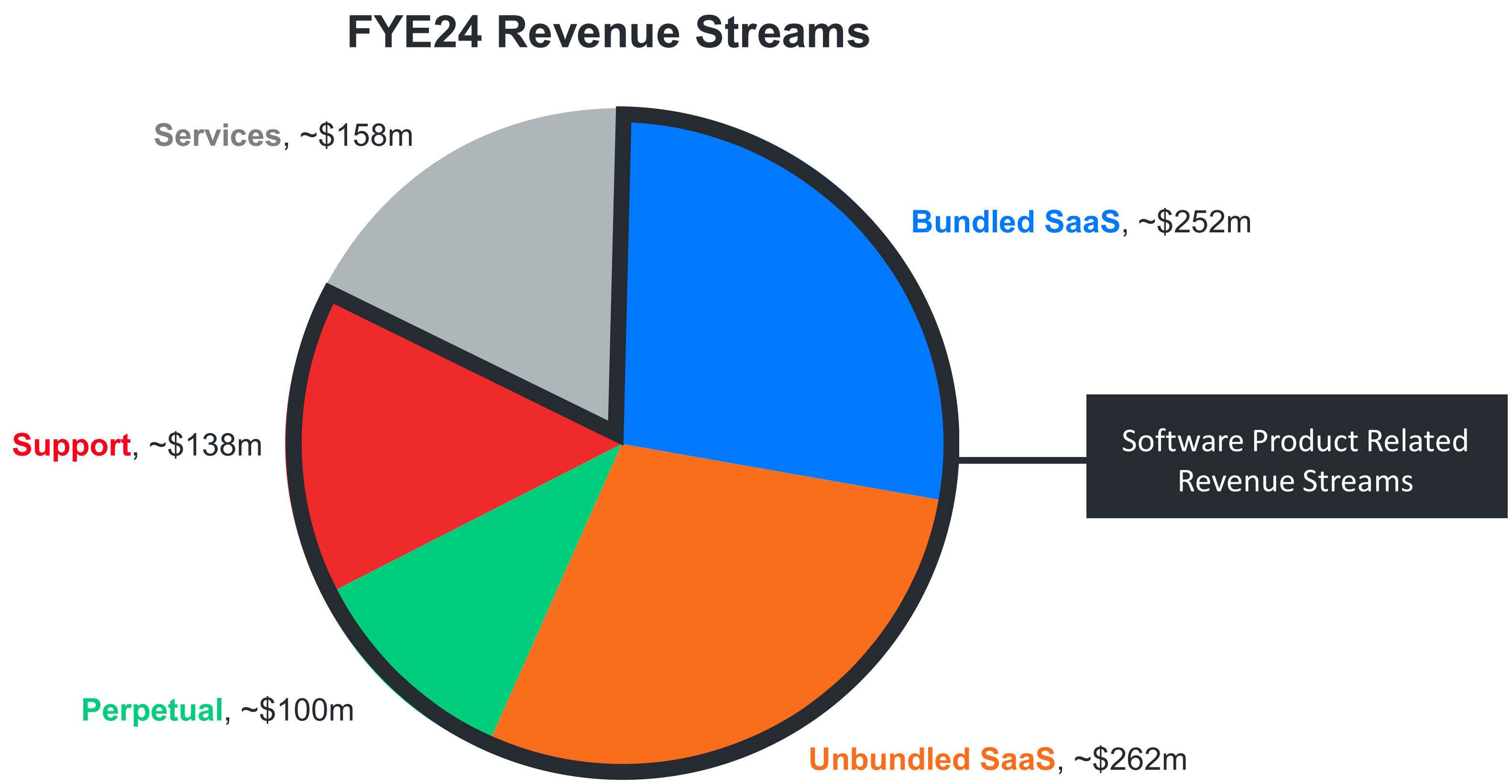
Verint Cloud = Bundled SaaS

“Other Clouds” = Unbundled SaaS

Note: “Other Clouds” is when the Verint software is hosted in a partner cloud, customer cloud, or customer data center.
Note: Guidance is provided on a non-GAAP basis. Amounts are USD millions.

FYE24 Guidance – Revenue Streams

83% Software Product; 17% Services



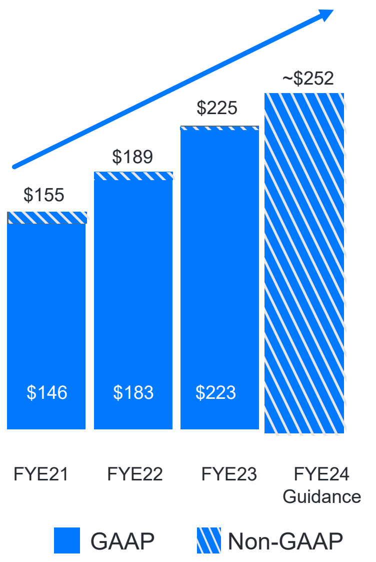
Note: Guidance is provided on a non-GAAP basis.

Software Product Streams – Historical Trends

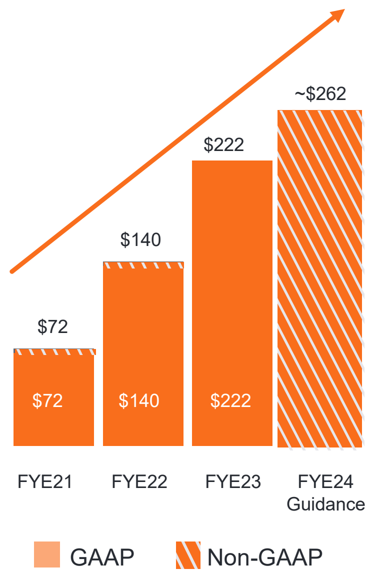
Bundled and Unbundled SaaS – steady growth
Perpetual License – completed transition to SaaS
Support – on-going conversion to SaaS

SaaS

Bundled SaaS

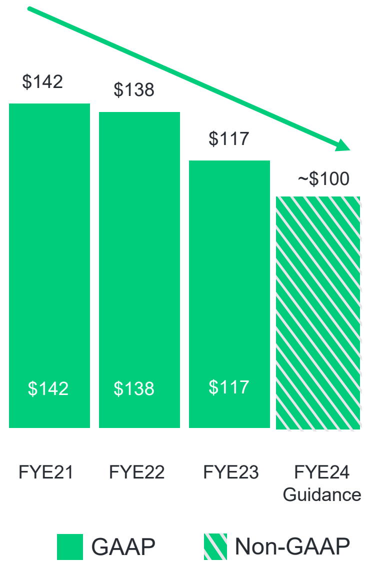


Unbundled SaaS

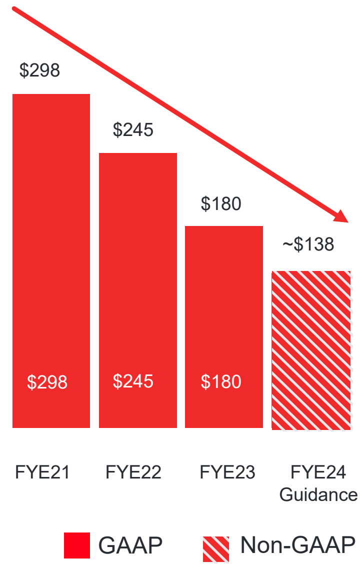


Perpetual and Support

Perpetual License



Support



Note: Guidance is provided on a non-GAAP basis. Amounts are USD millions. Unbundled SaaS revenue is the same on a GAAP and Non-GAAP basis in FYE23. Perpetual license revenue is the same on a GAAP and Non-GAAP basis from FYE21 through FYE23.

SaaS Revenue – Historical Trends

Historically, large enterprise customers were able to deploy in Verint Cloud or "Other Clouds"
Today, AI innovation is available only in the Verint Cloud

Bundled SaaS = Verint Cloud

Revenue is ratable

Today: AI Platform Innovation

Unbundled SaaS = "Other Clouds"

Revenue predominantly upfront

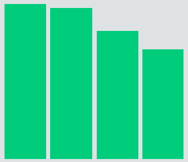
Today: WFE Only Innovation

Note: "Other Clouds" is when the Verint software is hosted in a partner cloud, customer cloud, or customer data center.

Perpetual and Support – Historical Trends

Revenue headwinds from perpetual license to SaaS transition behind us

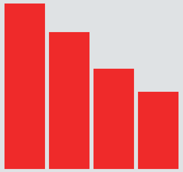
Perpetual



Levels off at ~$100 million

Today: Revenue headwinds from perpetual transition behind us

Support



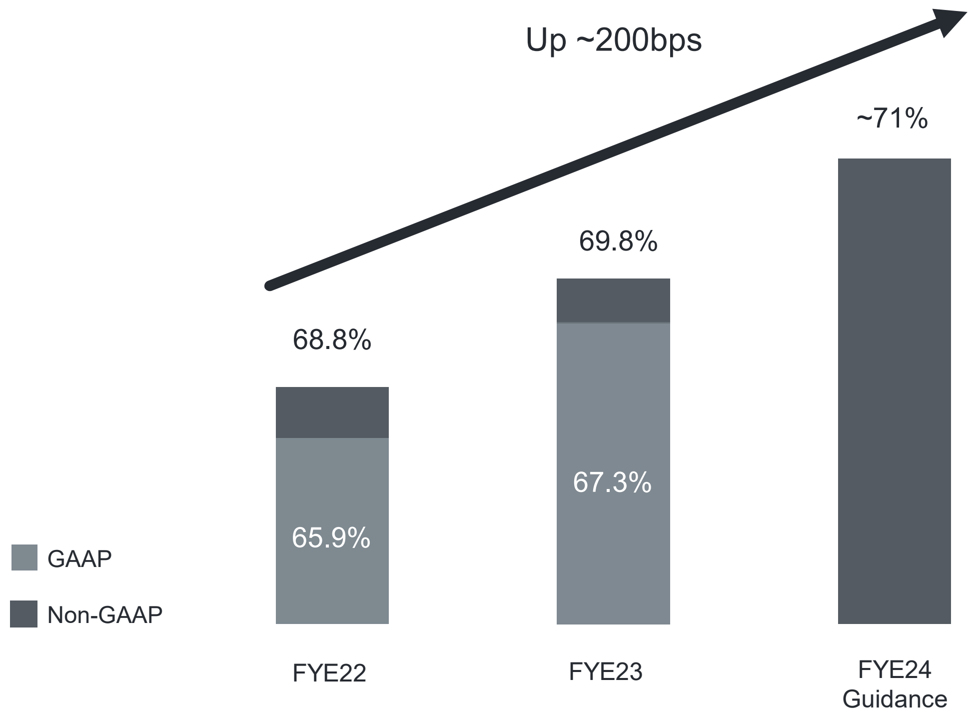
Decline moderating over time

Today: Converting primarily to bundled SaaS

Note: Guidance is provided on a non-GAAP basis.

Gross Margin Expansion – Historical Trends

Shift to SaaS driving gross margin expansion
Reflects Verint Open Platform pricing power



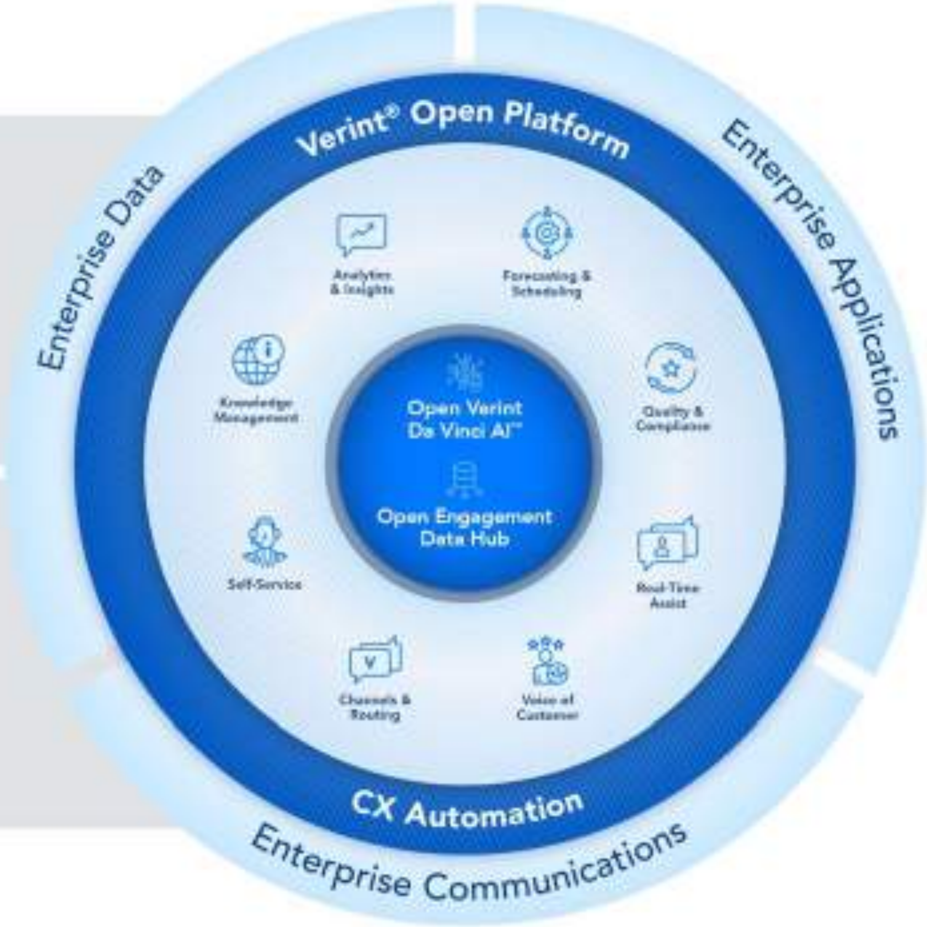
Note: Guidance is provided on a non-GAAP basis

Launched CX Automation Platform Earlier this Year

Highly differentiated with behavioral data and AI at the core

~1,200 R&D Professionals

>13% of Revenue Invested in R&D



Note: R&D % of Revenue based on FYE24 Q3 YTD amounts

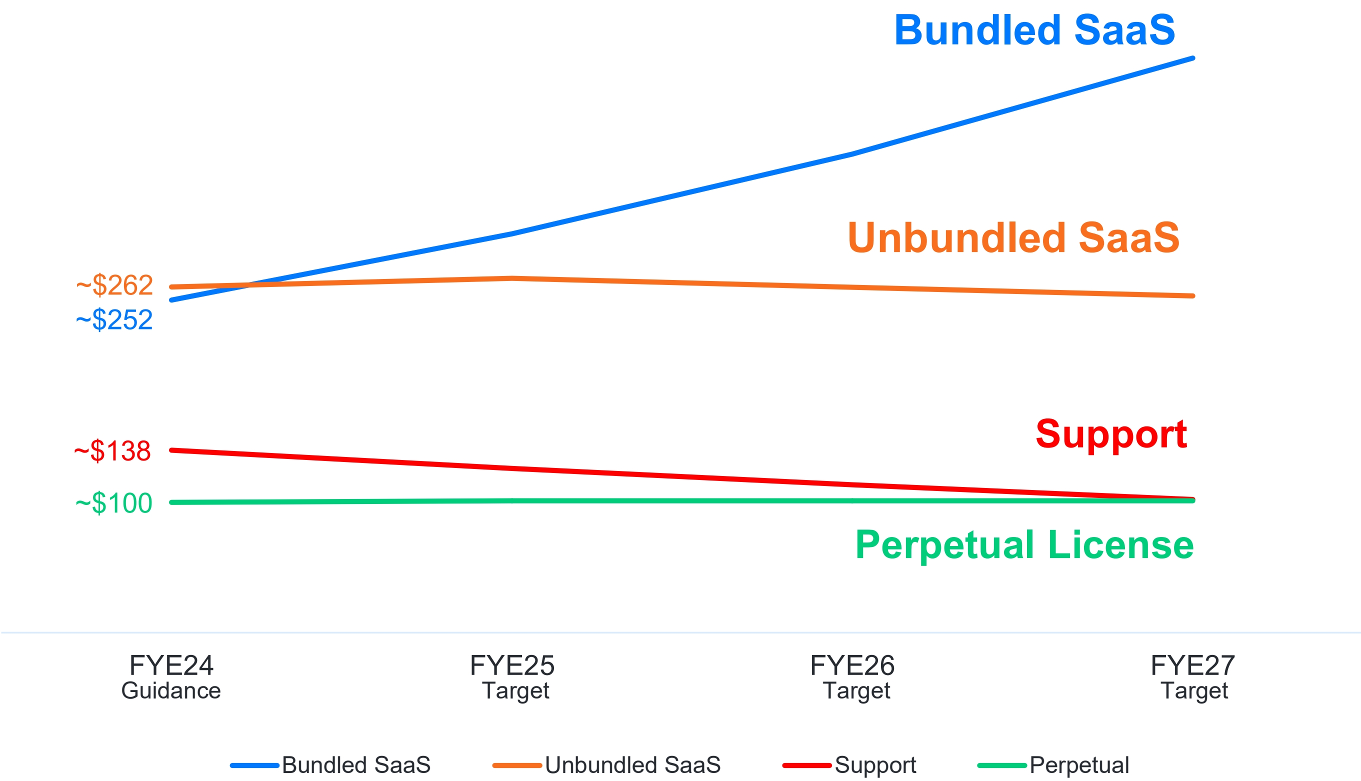
Our Next Chapter:
Next Three-Year Trends

Next Chapter – Accelerated Growth

With SaaS Transition Complete, Shifting Focus to Monetizing AI

Software Product Streams – Expected Future Trends

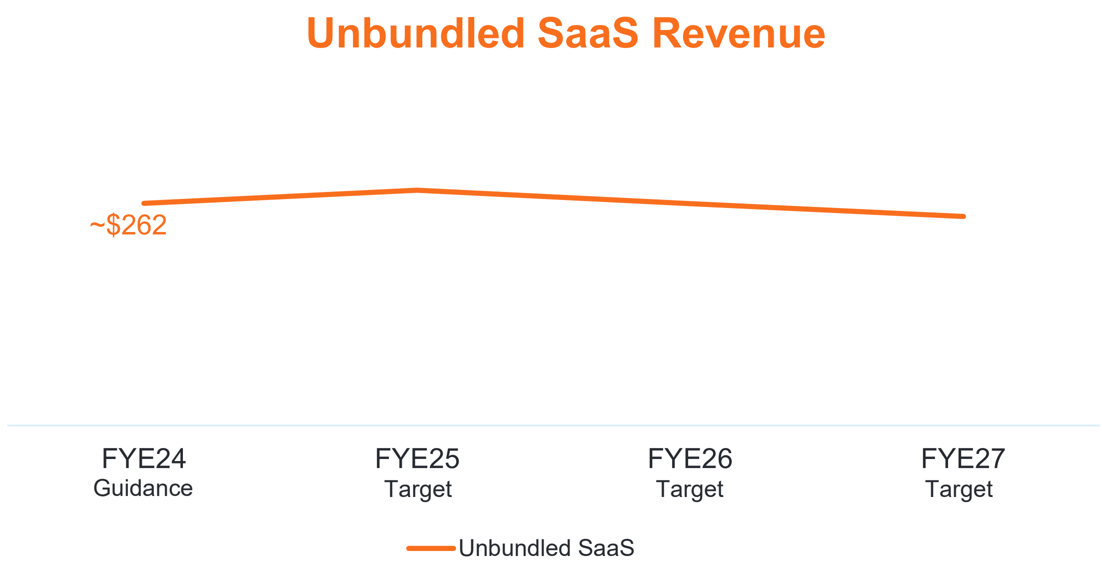
Targeting "Rule of 40” in FYE27



Note: Guidance and targets provided on a non-GAAP basis. Amounts are USD millions.

Unbundled SaaS Revenue – Expected Future Trends

Trend reflects industry shift to AI, which is available only in bundled SaaS



Unbundled SaaS Revenue Trends

FYE25: Slight increase

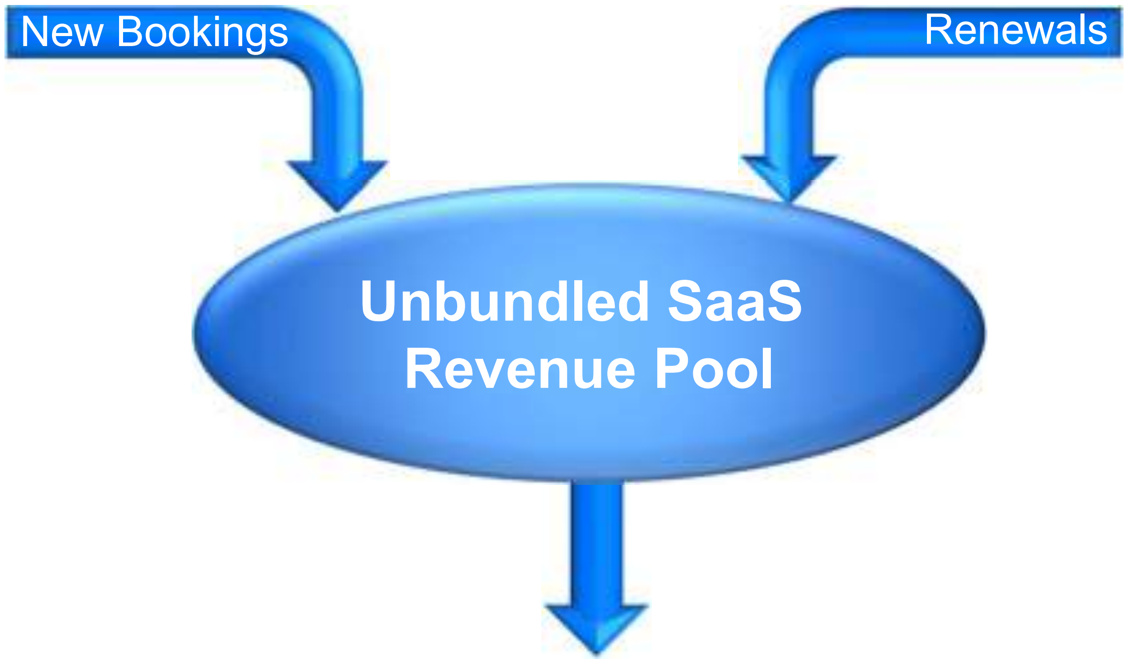
FYE26 and FYE27: Slight decrease

Note: Guidance and targets provided on a non-GAAP basis. Amounts are USD millions.

Unbundled SaaS Revenue – Inflows and Outflows

FYE25: expect slight increase in revenue
FYE26/FYE27: expect slight decrease in revenue driven by gradual conversion to Bundled SaaS

Unbundled SaaS represents only ~10% of pipeline today; future bookings primarily bundled

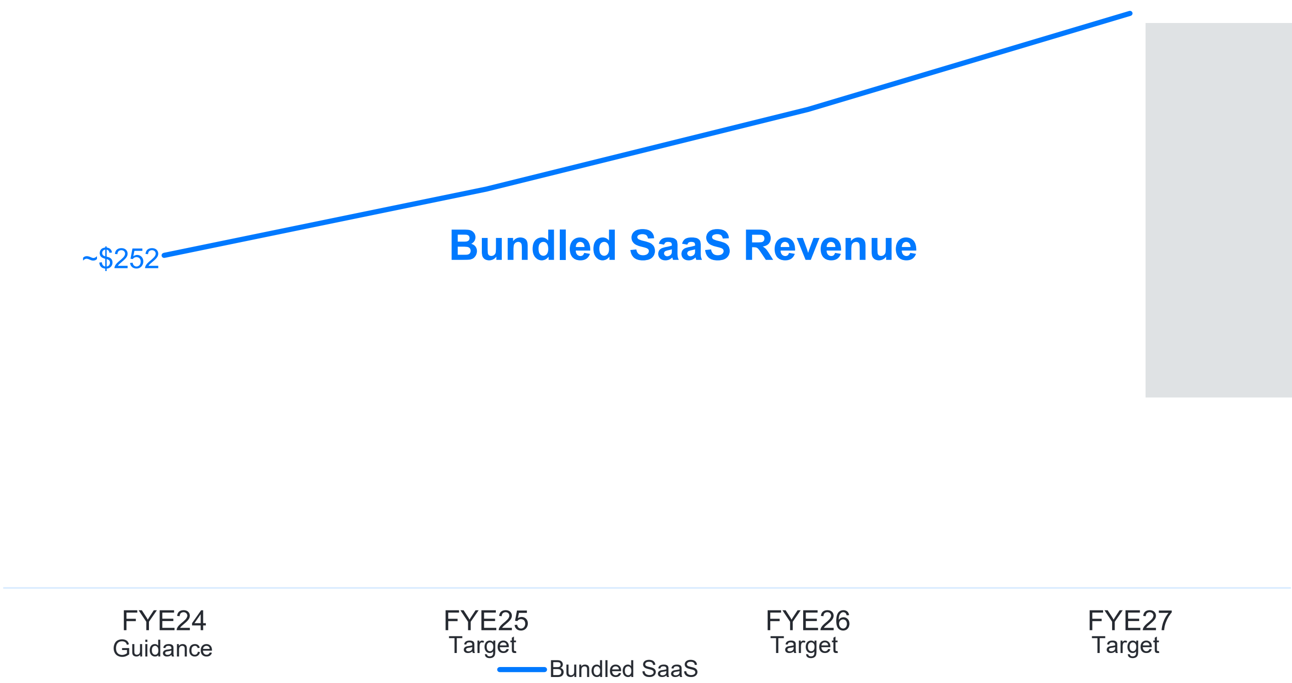


Waterfall drives steady revenue from multi-year Unbundled SaaS renewals

Conversion - Unbundled SaaS gradually converts to bundled SaaS

Bundled SaaS Revenue – Expected Future Trends

>20% growth driven by AI adoption



Bundled SaaS Revenue Trends

>20% Growth
in FYE25, FYE26 and FYE27

Note: Guidance and targets provided on a non-GAAP basis. Amounts are USD millions. Growth is provided on a year-over-year basis.

Bundled SaaS Revenue – Growth Acceleration Factors

Deliver Bots to Augment Four Million Agents in Customer Base

Add New Logos

Increase Bot Consumption As Interaction Volume Grows

What if Verint Base Replaced 10% of Their Agents with Verint Bots?

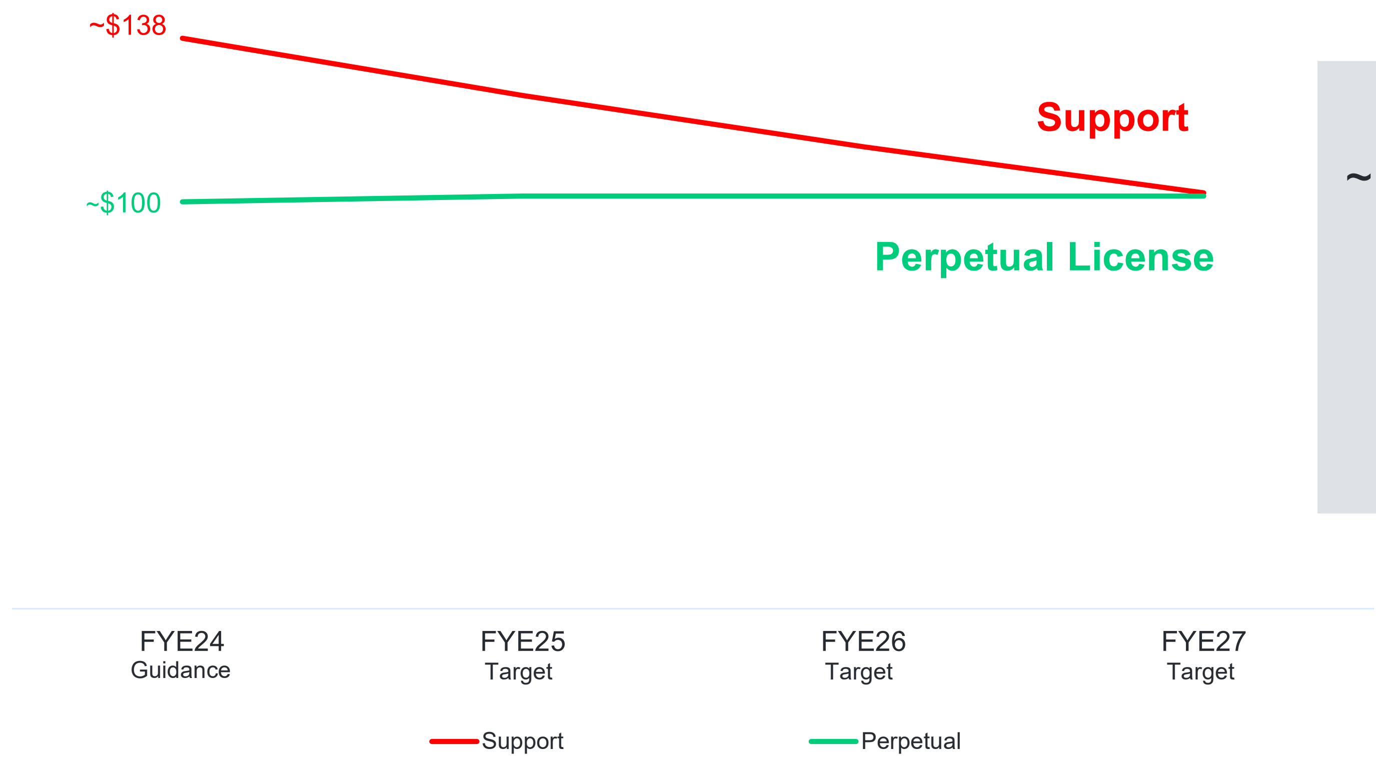
Verint revenue would increase by $1.1 billion

Lost Revenue from Agent License
$200 Million

Gained Revenue from Bot License
$1.3 Billion

Perpetual and Support Streams – Expected Future Trends

Perpetual License revenue headwind behind us in FYE25



Support
~10% average annual decline; converting to Bundled SaaS

Perpetual
Flat at ~$100 Million

Note: Guidance is provided on a non-GAAP basis. Amounts in USD millions.

Fiscal 2025 Guidance

Revenue Guidance Growth: **Mid-Single Digits**

Bundled SaaS Revenue Growth: >**20%**

Non-GAAP Diluted EPS Growth: **Slightly Faster than Revenue**

Free Cash Flow Growth: ~**50%**

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

Targeting "Rule of 40" in FYE27

AI adoption expected to accelerate Bundled SaaS growth

Accelerating Revenue Growth to ~10%

Expanding Adjusted EBITDA Margins to ~30%

Growing Non-GAAP Diluted EPS Faster than Revenue

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

How We Will Measure and Report Our Progress

Next Three Years – Reporting SaaS KPIs

Bundled New SaaS ACV Bookings	Bundled SaaS Revenue	SaaS ARR	Free Cash Flow

SaaS ARR

Normalizes different revenue recognition between Bundled and Unbundled SaaS

SaaS ARR Normalizes Revenue Accounting

SaaS ARR represents the annual run rate value of SaaS contracts and is not impacted by differences in accounting

Free Cash Flow and Capital Allocation

Free Cash Flow Acceleration

FYE25 ~50% y-o-y growth driven by shift to bundled SaaS and elimination of one-timers

Free Cash Flow Definition

GAAP Cash From Operations less CapEx

FYE24 Guidance

~$120 Million, up ~15% year-over-year

FYE25 Target

~$180 Million, up ~50% year-over-year

FYE26 and FYE27 Expected Trends

Double Digit CAGR

Capital Allocation

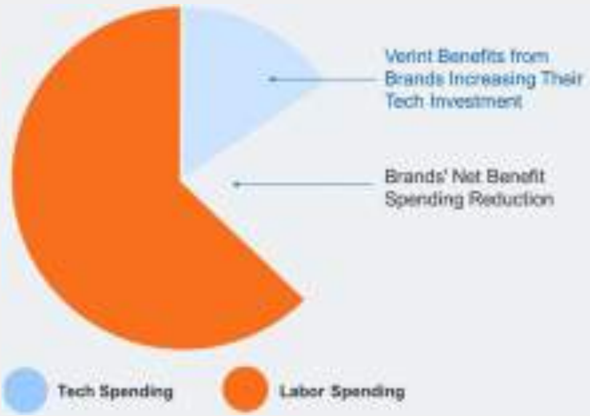
Strong Balance Sheet with Low Leverage

Free Cash Flow Expected to Add $600 Million to Balance Sheet Over Next Three Years

Majority of Free Cash Flow Expected to be Allocated to Ongoing Buyback Program

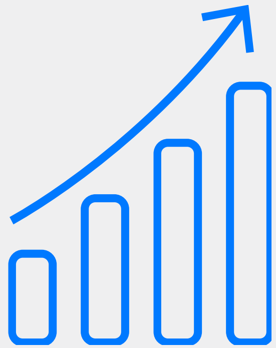
Summary

Brands Adopting AI to Reduce Their Overall CX Spending



Well Positioned with a Highly Differentiated CX Automation Platform

Targeting "Rule of 40" In Three Years



Appendix

Financial Outlook

FYE 2024 Outlook

We are providing our non-GAAP outlook for the year ending January 31, 2024 as follows:

- **Revenue**: $910 million +/- 2%
- **SaaS Revenue:** 15% year-over-year growth
- **Diluted EPS:** $2.65 at the midpoint of our revenue guidance, reflecting 5% year-over-year growth

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

- Amortization of intangible assets of approximately $33 million.

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

- Revenue adjustments are expected to be between approximately $1 million and $2 million.
- Stock-based compensation expenses are expected to be between approximately $67 million and $69 million, assuming market prices for our common stock approximately consistent with current levels.
- Costs associated with modifying our workplace in response to our decision to move to a hybrid work environment, including assumed lease terminations and abandonments, IT facilities and infrastructure costs, and other nonrecurring charges are expected to be between approximately $26 million and $28 million.

Our non-GAAP guidance and targets do 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 nine months ended October 31, 2023 and 2022 for the GAAP measures excluded from our non-GAAP outlook appear in this presentation.

Financial Outlook

Our non-GAAP outlook for 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 $17 million.

Our non-GAAP outlook for the 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 $64 million and $70 million, 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.

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

- Amortization of intangible assets.
- Stock-based compensation expenses.
- Revenue adjustments.
- 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)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	7/31/2022	10/31/2022	1/31/2023	Year Ended 1/31/2023	Three Month Ended 4/30/2023	7/31/2023	10/31/2023	Nine Month Ended 10/31/2023
	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric	Operating Metric
SaaS ARR		$397.4	$401.8	$428.4	$460.8	$498.0	$498.0	$493.7	$502.9	$512.3	$512.3
SaaS ARR Growth YoY			*48.6%*	*41.7%*	*36.5%*	*25.3%*	*25.3%*	*22.9%*	*17.4%*	*11.2%*	*11.2%*
New SaaS ACV			$24.1	$27.3	$26.8	$23.9		$16.0	$26.5	$25.4	$67.8
New SaaS ACV - Last Twelve Months	$66.2	$94.0	$99.2	$99.9	$108.5	$102.1	$102.1	$94.0	$93.1	$91.7	
New SaaS ACV - Last Twelve Months - Growth YoY		*42.0%*	*35.8%*	*20.5%*	*26.7%*	*8.6%*	*8.6%*	*-5.3%*	*-6.8%*	*-15.4%*	
New SaaS ACV - Bundled SaaS Component		$67.0	$15.0	$16.7	$17.4	$15.6	$64.7	$11.9	$21.0	$22.3	$55.1
Growth YoY			*7.1%*	*-18.1%*	*35.9%*	*-21.4%*	*-3.5%*	*-21.1%*	*25.9%*	*28.2%*	*12.3%*
New SaaS ACV - Unbundled SaaS Component		$26.9	$9.0	$10.6	$9.5	$8.3	$37.4	$4.1	$5.5	$3.1	$12.7
Growth YoY			*89.4%*	*71.1%*	*71.2%*	*-20.8%*	*38.7%*	*-54.3%*	*-48.5%*	*-67.0%*	*-56.3%*

Summary

	($ in millions)	Year Ended		Year Ended		Three Months Ended								Year Ended		Three Month Ended						Nine Month Ended	
		1/31/2021		1/31/2022		4/30/2022		7/31/2022		10/31/2022		1/31/2023		1/31/2023		4/30/2023		7/31/2023		10/31/2023		10/31/2023	
		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**	$575.6	$586.0	$633.1	$639.3	$159.4	$160.7	$166.4	$167.2	$174.2	$174.6	$185.5	$186.0	$685.5	$688.5	$166.4	$167.1	$161.0	$161.2	$161.1	$161.2	$488.6	$489.5
	Nonrecurring Revenue	$254.6	$254.6	$241.4	$241.4	$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	$156.7	$156.7
	Total Revenue	$830.2	$840.6	$874.5	$880.7	$217.9	$219.2	$222.9	$223.6	$225.2	$225.6	$236.2	$236.8	$902.2	$905.2	$216.6	$217.2	$210.2	$210.4	$218.5	$218.7	$645.3	$646.3
	Reported Revenue Growth	*-1.9%*	*-3.7%*	*5.3%*	*4.8%*	*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%*	*-3.1%*	*-3.3%*
	Constant Currency Revenue Growth	*-2.1%*	*-3.9%*	*4.2%*	*3.6%*	*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%*	*-3.0%*	*-3.2%*
Recurring Revenue Mix	***% of Software Revenue that is Recurring Revenue***	*80.2%*	*80.5%*	*82.1%*	*82.2%*	*82.7%*	*82.9%*	*84.4%*	*84.4%*	*87.7%*	*87.7%*	*86.8%*	*86.9%*	*85.5%*	*85.5%*	*87.2%*	*87.3%*	*86.46%*	*86.48%*	*86.77%*	*86.78%*	*86.8%*	*86.9%*
Gross Profit Metrics	**Gross Profit**	$542.7	$580.8	$575.9	$606.2	$141.2	$147.9	$147.8	$153.8	$154.8	$160.7	$163.4	$169.3	$607.2	$631.7	$148.2	$151.5	$141.3	$146.3	$153.0	$155.9	$442.5	$453.7
	Gross Margin %	*65.4%*	*69.1%*	*65.9%*	*68.8%*	*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%*	*68.6%*	*70.2%*
	Gross Profit Growth YoY			*6.1%*	*4.4%*	*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%*	*-0.3%*	*-1.9%*
Operating Expense Metrics	**Research and Development, net**	$128.2	$113.0	$123.3	$114.3	$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	$97.9	$87.0
	% of Revenue	*15.4%*	*13.4%*	*14.1%*	*13.0%*	*14.2%*	*12.8%*	*15.2%*	*13.2%*	*14.6%*	*12.8%*	*13.9%*	*12.3%*	*14.5%*	*12.8%*	*14.7%*	*13.5%*	*16.2%*	*13.7%*	*14.7%*	*13.3%*	*15.2%*	*13.5%*
	Selling, General and Administrative	$327.3	$246.3	$376.8	$284.6	$102.9	$75.9	$105.7	$76.6	$93.8	$73.2	$90.6	$78.5	$392.9	$304.2	$101.3	$77.1	$108.4	$76.7	$87.9	$73.3	$297.5	$227.1
	% of Revenue	*39.4%*	*29.3%*	*43.1%*	*32.3%*	*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%*	*33.5%*	*46.1%*	*35.1%*
Profitability Metrics	**Operating (Loss) Income**	$57.4	$221.5	$46.8	$207.2	$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	$28.0	$139.6
	Operating Margin %	*6.9%*	*26.4%*	*5.4%*	*23.5%*	*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%*	*4.3%*	*21.6%*
	Adjusted EBITDA		$248.8		$232.5		$50.6		$54.0		$64.7		$68.0		$237.3		$51.9		$47.4		$59.2		$158.5
	Adjusted EBITDA Margin		*29.6%*		*26.4%*		*23.1%*		*24.2%*		*28.7%*		*28.7%*		*26.2%*		*23.9%*		*22.5%*		*27.1%*		*24.5%*
	Diluted EPS	($0.88)	$2.57	($0.07)	$2.28	($0.08)	$0.52	($0.12)	$0.56	($0.02)	$0.69	$0.12	$0.75	($0.09)	$2.52	($0.03)	$0.53	($0.17)	$0.48	$0.12	$0.65	($0.09)	$1.67

Recurring Summary

($ in millions)		Year Ended 1/31/2021		Year Ended 1/31/2022		Three Months Ended 4/30/2022		Three Months Ended 7/31/2022		Three Months Ended 10/31/2022		Three Months Ended 1/31/2023	
		GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
Revenue Metrics	**Recurring Revenue**	$575.6	$586.0	$633.1	$639.3	$159.4	$160.7	$166.4	$167.2	$174.2	$174.6	$185.5	$186.0
	SaaS	$218.0	$227.1	$322.8	$328.4	$94.7	$96.0	$102.6	$103.2	$115.8	$116.2	$131.1	$131.6
	SaaS Bundled	$146.0	$155.0	$183.0	$188.6	$49.3	$50.6	$54.7	$55.4	$57.0	$57.4	$61.6	$62.0
	SaaS Unbundled	$72.0	$72.2	$139.7	$139.8	$45.4	$45.4	$47.9	$47.9	$58.7	$58.7	$69.6	$69.6
	Support	$298.2	$298.4	$244.7	$244.8	$48.7	$48.7	$48.1	$48.1	$43.0	$43.0	$40.1	$40.1
	Optional Managed Services	$59.5	$60.5	$65.6	$66.2	$15.9	$16.0	$15.8	$15.8	$15.4	$15.5	$14.3	$14.3
	Recurring Revenue Growth YoY	*7.7%*	*4.4%*	*10.0%*	*9.1%*	*10.3%*	*10.5%*	*6.6%*	*6.3%*	*9.7%*	*8.5%*	*6.8%*	*5.9%*
	Constant Currency Recurring Revenue Growth YoY			*8.8%*	*7.9%*	*11.6%*	*11.7%*	*9.3%*	*9.1%*	*13.1%*	*11.9%*	*8.8%*	*7.8%*
	SaaS Revenue Growth YoY	*32.9%*	*20.5%*	*48.1%*	*44.6%*	*49.0%*	*49.0%*	*34.3%*	*33.6%*	*41.0%*	*38.1%*	*30.2%*	*28.3%*
	Constant Currency SaaS Revenue Growth YoY			*46.8%*	*43.3%*	*50.3%*	*50.3%*	*36.8%*	*36.2%*	*44.3%*	*41.4%*	*32.2%*	*30.2%*
Gross Profit	**Recurring Gross Profit**	$436.6	$450.7	$476.6	$485.4	$118.3	$120.3	$125.6	$127.3	$135.4	$137.0	$143.9	$145.7
	Recurring Gross Margin %	*75.8%*	*76.9%*	*75.3%*	*75.9%*	*74.3%*	*74.9%*	*75.5%*	*76.1%*	*77.7%*	*78.4%*	*77.6%*	*78.3%*
	Recurring Gross Profit Growth YoY			*9.2%*	*7.7%*	*11.2%*	*11.2%*	*5.9%*	*5.9%*	*11.0%*	*9.9%*	*11.0%*	*10.2%*

($ in millions)		Year Ended 1/31/2023		Three Month Ended 4/30/2023		Three Month Ended 7/31/2023		Three Month Ended 10/31/2023		Nine Month Ended 10/31/2023	
		GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP	GAAP	Non-GAAP
Revenue Metrics	**Recurring Revenue**	$685.5	$688.5	$166.4	$167.1	$161.0	$161.2	$161.1	$161.2	$488.6	$489.5
	SaaS	$444.2	$447.0	$117.1	$117.8	$113.4	$113.7	$115.7	$115.8	$346.2	$347.2
	SaaS Bundled	$222.6	$225.4	$59.5	$60.1	$62.1	$62.3	$63.3	$63.4	$184.8	$185.7
	SaaS Unbundled	$221.6	$221.6	$57.7	$57.7	$51.4	$51.4	$52.4	$52.4	$161.5	$161.5
	Support	$179.9	$180.0	$36.4	$36.4	$35.4	$35.4	$33.6	$33.6	$105.4	$105.4
	Optional Managed Services	$61.4	$61.6	$12.9	$12.9	$12.2	$12.2	$11.8	$11.8	$36.9	$36.9
	Recurring Revenue Growth YoY	*8.3%*	*7.7%*	*4.4%*	*4.0%*	*-3.3%*	*-3.5%*	*-7.5%*	*-7.7%*	*-2.3%*	*-2.6%*
	Constant Currency Recurring Revenue Growth YoY	*10.6%*	*10.1%*	*5.9%*	*5.4%*	*-3.6%*	*-3.9%*	*-8.4%*	*-8.5%*	*-2.2%*	*-2.5%*
	SaaS Revenue Growth YoY	*37.6%*	*36.1%*	*23.7%*	*22.7%*	*10.6%*	*10.1%*	*-0.1%*	*-0.3%*	*10.6%*	*10.1%*
	Constant Currency SaaS Revenue Growth YoY	*39.9%*	*38.4%*	*25.1%*	*24.1%*	*10.3%*	*9.8%*	*-0.9%*	*-1.2%*	*10.6%*	*10.1%*
Gross Profit	**Recurring Gross Profit**	$523.2	$530.3	$126.8	$127.9	$121.4	$123.5	$122.2	$122.9	$370.5	$374.2
	Recurring Gross Margin %	*76.3%*	*77.0%*	*76.2%*	*76.5%*	*75.4%*	*76.6%*	*75.9%*	*76.2%*	*75.8%*	*76.4%*
	Recurring Gross Profit Growth YoY	*9.8%*	*9.3%*	*7.1%*	*6.3%*	*-3.3%*	*-3.0%*	*-9.7%*	*-10.3%*	*-2.3%*	*-2.7%*

Nonrecurring Summary

		Year Ended		Year Ended		Three Months Ended								Year Ended		Three Month Ended						Nine Month Ended	
		1/31/2021		1/31/2022		4/30/2022		7/31/2022		10/31/2022		1/31/2023		1/31/2023		4/30/2023		7/31/2023		10/31/2023		10/31/2023	
($ in millions)		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	**Nonrecurring Revenue**	$254.6	$254.6	$241.4	$241.4	$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	$156.7	$156.7
	Perpetual	$141.8	$141.8	$138.1	$138.1	$33.3	$33.3	$30.8	$30.8	$24.4	$24.4	$28.1	$28.1	$116.6	$116.6	$24.3	$24.3	$25.2	$25.2	$24.6	$24.6	$74.1	$74.1
	Professional Services	$112.8	$112.8	$103.3	$103.3	$25.3	$25.3	$25.7	$25.7	$26.5	$26.5	$22.6	$22.6	$100.1	$100.1	$25.8	$25.8	$24.0	$24.0	$32.9	$32.9	$82.6	$82.6
	Nonrecurring Revenue Growth YoY			*-5.2%*	*-5.2%*	*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%*	*-5.6%*	*-5.6%*
Gross Profit	**Nonrecurring Gross Profit**	$124.1	$130.1	$117.2	$120.8	$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	$77.5	$79.4
	Nonrecurring Gross Margin %	*48.7%*	*51.1%*	*48.5%*	*50.0%*	*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%*	*49.5%*	*50.7%*
	Nonrecurring Gross Profit Growth YoY			*-5.6%*	*-7.2%*	*-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%*	*3.1%*	*2.1%*

Constant Currency

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	Three Months Ended 7/31/2022	Three Months Ended 10/31/2022	Three Months Ended 1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	Three Months Ended 7/31/2023	Three Months Ended 10/31/2023	Nine Months Ended 10/31/2023
GAAP											
Revenue for the three months ended prior period	$ 846.5	$ 830.2	$ 200.9	$ 214.6	$ 224.8	$ 234.2	$ 874.5	$ 217.9	$ 222.9	$ 225.2	$ 666.0
Revenue for the three months ended current period	$ 830.2	$ 874.5	$ 217.9	$ 222.9	$ 225.2	$ 236.2	$ 902.2	$ 216.6	$ 210.2	$ 218.5	$ 645.3
Revenue for the three months ended current period at constant currency (1)	$ 829.0	$ 865.0	$ 220.0	$ 229.0	$ 232.0	$ 241.0	$ 921.0	$ 220.0	$ 210.0	$ 217.0	$ 646.0
Reported period-over-period revenue growth	-1.9%	5.3%	8.5%	3.9%	0.2%	0.9%	3.2%	-0.6%	-5.7%	-3.0%	-3.1%
% impact from change in foreign currency exchange rates	-0.2%	-1.0%	1.0%	2.8%	3.0%	2.0%	2.1%	1.6%	-0.1%	-0.6%	0.1%
Constant currency period-over-period revenue growth	**-2.1%**	**4.2%**	**9.5%**	**6.7%**	**3.2%**	**2.9%**	**5.3%**	**1.0%**	**-5.8%**	**-3.6%**	**-3.0%**
Non-GAAP											
Revenue for the three months ended prior period	$ 873.2	$ 840.6	$ 201.9	$ 215.6	$ 226.9	$ 236.2	$ 880.7	$ 219.2	$ 223.6	$ 225.6	$ 668.5
Revenue for the three months ended current period	$ 840.6	$ 880.7	$ 219.2	$ 223.6	$ 225.6	$ 236.8	$ 905.2	$ 217.2	$ 210.4	$ 218.7	$ 646.3
Revenue for the three months ended current period at constant currency (1)	$ 839.0	$ 871.0	$ 222.0	$ 229.0	$ 232.0	$ 241.0	$ 925.0	$ 220.0	$ 210.0	$ 217.0	$ 647.0
Reported period-over-period revenue growth	-3.7%	4.8%	8.6%	3.7%	-0.6%	0.2%	2.8%	-0.9%	-5.9%	-3.1%	-3.3%
% impact from change in foreign currency exchange rates	-0.2%	-1.2%	1.3%	2.5%	2.8%	1.8%	2.2%	1.2%	-0.2%	-0.7%	0.1%
Constant currency period-over-period revenue growth	**-3.9%**	**3.6%**	**9.9%**	**6.2%**	**2.2%**	**2.0%**	**5.0%**	**0.3%**	**-6.1%**	**-3.8%**	**-3.2%**

Gross Profit

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	7/31/2022	10/31/2022	1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	7/31/2023	10/31/2023	Nine Months Ended 10/31/2023
Gross Profit and Gross Margin											
Total GAAP revenue	**$ 830.2**	**$ 874.5**	**$ 217.9**	**$ 222.9**	**$ 225.2**	**$ 236.2**	**$ 902.2**	**$ 216.6**	**$ 210.2**	**$ 218.5**	**$ 645.3**
Recurring costs	139.0	156.6	41.0	40.9	38.8	41.6	162.3	39.6	39.6	38.9	118.1
Nonrecurring costs	130.5	124.2	32.1	30.7	28.0	28.7	119.5	26.8	27.4	25.0	79.2
Amortization of acquired technology	18.0	17.8	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	5.5
Total GAAP cost of revenue	**287.6**	**298.6**	**76.7**	**75.1**	**70.4**	**72.8**	**295.1**	**68.4**	**68.9**	**65.5**	**202.8**
GAAP gross profit	**$ 542.7**	**$ 575.9**	**$ 141.2**	**$ 147.8**	**$ 154.8**	**$ 163.4**	**$ 607.2**	**$ 148.2**	**$ 141.3**	**$ 153.0**	**$ 442.5**
GAAP gross margin	**65.4%**	**65.9%**	**64.8%**	**66.3%**	**68.7%**	**69.2%**	**67.3%**	**68.4%**	**67.2%**	**70.0%**	**68.6%**
Revenue adjustments	10.3	6.2	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	1.0
Amortization of acquired technology	18.0	17.8	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	5.5
Stock-based compensation expenses	3.3	5.0	1.2	1.8	1.3	1.4	5.7	0.4	1.4	1.1	2.9
Acquisition expenses (benefit), net	0.4	0.3	0.3	(0.1)	-	-	0.2	0.1	0.3	0.0	0.4
Restructuring expenses	2.2	0.8	0.3	0.0	0.6	1.5	2.4	0.3	1.2	(0.0)	1.4
Separation expenses (2)	-	0.1	-	-	-	-	-	-	-	-	-
Impairment charges	0.1	-	-	-	-	-	-	-	-	-	-
Discontinued operations corporate overhead adjustment	4.7	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	(0.8)	-	-	-	-	-	-	-	-	-	-
Non-GAAP gross profit	**$ 580.8**	**$ 606.2**	**$ 147.9**	**$ 153.8**	**$ 160.7**	**$ 169.3**	**$ 631.7**	**$ 151.5**	**$ 146.3**	**$ 155.9**	**$ 453.7**
Non-GAAP gross margin	**69.1%**	**68.8%**	**67.5%**	**68.8%**	**71.2%**	**71.5%**	**69.8%**	**69.8%**	**69.5%**	**71.3%**	**70.2%**
Recurring Gross Profit and Gross Margin											
GAAP recurring revenue	$ 575.6	$ 633.1	$ 159.4	$ 166.4	$ 174.2	$ 185.5	$ 685.5	$ 166.4	$ 161.0	$ 161.1	$ 488.6
GAAP recurring costs	139.0	156.6	41.0	40.9	38.8	41.6	162.3	39.6	39.6	38.9	118.1
GAAP recurring gross profit	**436.6**	**476.6**	**118.3**	**125.6**	**135.4**	**143.9**	**523.2**	**126.8**	**121.4**	**122.2**	**370.5**
GAAP recurring gross margin	**75.8%**	**75.3%**	**74.3%**	**75.5%**	**77.7%**	**77.6%**	**76.3%**	**76.2%**	**75.4%**	**75.9%**	**75.8%**
Recurring revenue adjustments	10.3	6.2	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	1.0
Recurring stock-based compensation expenses	1.1	2.0	0.5	0.9	0.7	0.7	2.9	0.3	0.7	0.5	1.5
Recurring acquisition expenses, net	0.1	0.1	0.0	-	-	-	0.0	0.1	0.3	0.0	0.4
Recurring restructuring expenses	1.0	0.5	0.1	0.0	0.5	0.7	1.3	0.1	0.8	(0.0)	0.9
Recurring separation expenses (2)	-	0.0	-	-	-	-	-	-	-	-	-
Recurring impairment charges	-	-	-	-	-	-	-	-	-	-	-
Recurring discontinued operations corporate overhead adjustment	1.0	-	-	-	-	-	-	-	-	-	-
Recurring allocation methodology difference	0.6	-	-	-	-	-	-	-	-	-	-
Non-GAAP recurring gross profit	**$ 450.7**	**$ 485.4**	**$ 120.3**	**$ 127.3**	**$ 137.0**	**$ 145.7**	**$ 530.3**	**$ 127.9**	**$ 123.5**	**$ 122.9**	**$ 374.2**
Non-GAAP recurring gross margin	**76.9%**	**75.9%**	**74.9%**	**76.1%**	**78.4%**	**78.3%**	**77.0%**	**76.5%**	**76.6%**	**76.2%**	**76.4%**
Nonrecurring Gross Profit and Gross Margin											
GAAP nonrecurring revenue	$ 254.6	$ 241.4	$ 58.5	$ 56.5	$ 51.0	$ 50.7	$ 216.7	$ 50.1	$ 49.2	$ 57.4	$ 156.7
GAAP nonrecurring costs	130.5	124.2	32.1	30.7	28.0	28.7	119.5	26.8	27.4	25.0	79.2
GAAP nonrecurring gross profit	**124.1**	**117.2**	**26.5**	**25.8**	**23.0**	**22.0**	**97.2**	**23.3**	**21.8**	**32.4**	**77.5**
GAAP nonrecurring gross margin	**48.7%**	**48.5%**	**45.2%**	**45.6%**	**45.0%**	**43.3%**	**44.8%**	**46.5%**	**44.3%**	**56.4%**	**49.5%**
Nonrecurring revenue adjustments	-	-	-	-	-	-	-	-	-	-	-
Nonrecurring stock-based compensation expenses	2.2	3.0	0.6	0.8	0.6	0.7	2.8	0.1	0.7	0.6	1.4
Nonrecurring acquisition expenses (benefit), net	0.2	0.2	0.2	(0.1)	-	-	0.2	-	-	-	-
Nonrecurring restructuring expenses (benefit)	1.2	0.3	0.2	0.0	0.1	0.8	1.2	0.2	0.3	0.0	0.5
Nonrecurring separation expenses (2)	-	0.0	-	-	-	-	-	-	-	-	-
Nonrecurring impairment charges	0.1	-	-	-	-	-	-	-	-	-	-
Nonrecurring discontinued operations corporate overhead adjustment	3.7	-	-	-	-	-	-	-	-	-	-
Nonrecurring allocation methodology difference	(1.4)	-	-	-	-	-	-	-	-	-	-
Non-GAAP nonrecurring gross profit	**$ 130.1**	**$ 120.8**	**$ 27.6**	**$ 26.5**	**$ 23.7**	**$ 23.5**	**$ 101.3**	**$ 23.6**	**$ 22.8**	**$ 33.0**	**$ 79.4**
Non-GAAP nonrecurring gross margin	**51.1%**	**50.0%**	**47.1%**	**47.0%**	**46.5%**	**46.4%**	**46.8%**	**47.1%**	**46.4%**	**57.4%**	**50.7%**

Operating Expenses

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	7/31/2022	10/31/2022	1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	7/31/2023	10/31/2023	Nine Months Ended 10/31/2023
Research and Development, net											
GAAP research and development, net	**$ 128.2**	**$ 123.3**	**$ 30.9**	**$ 34.0**	**$ 32.9**	**$ 32.8**	**$ 130.6**	**$ 31.8**	**$ 34.1**	**$ 32.1**	**$ 97.9**
as a % of GAAP revenue	**15.4%**	**14.1%**	**14.2%**	**15.2%**	**14.6%**	**13.9%**	**14.5%**	**14.7%**	**16.2%**	**14.7%**	**15.2%**
Stock-based compensation expenses	(3.9)	(7.6)	(2.4)	(4.4)	(3.5)	(2.2)	(12.6)	(2.3)	(3.5)	(3.0)	(8.8)
Acquisition expenses, net	(0.3)	(0.5)	(0.2)	-	-	-	(0.2)	(0.1)	(0.0)	(0.0)	(0.1)
Restructuring expenses	(1.4)	(0.4)	(0.1)	-	(0.5)	(1.5)	(2.1)	(0.1)	(0.2)	(0.0)	(0.3)
Separation expenses (2)	-	(0.5)	-	-	-	-	-	-	-	-	-
IT facilities and infrastructure realignment (6)	-	-	-	-	-	-	-	-	(1.6)	-	(1.6)
Other Adjustments	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)	(0.0)	0.0	-	-
Discontinued operations corporate overhead adjustment	(16.9)	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	7.4	-	-	-	-	-	-	-	-	-	-
Non-GAAP research and development, net	**$ 113.0**	**$ 114.3**	**$ 28.2**	**$ 29.5**	**$ 28.9**	**$ 29.1**	**$ 115.6**	**$ 29.3**	**$ 28.8**	**$ 29.0**	**$ 87.0**
as a % of non-GAAP revenue	**13.4%**	**13.0%**	**12.8%**	**13.2%**	**12.8%**	**12.3%**	**12.8%**	**13.5%**	**13.7%**	**13.3%**	**13.5%**
Selling, General and Administrative expenses											
GAAP selling, general and administrative expenses	**$ 327.3**	**$ 376.8**	**$ 102.9**	**$ 105.7**	**$ 93.8**	**$ 90.6**	**$ 392.9**	**$ 101.3**	**$ 108.4**	**$ 87.9**	**$ 297.5**
as a % of GAAP revenue	**39.4%**	**43.1%**	**47.2%**	**47.4%**	**41.6%**	**38.3%**	**43.6%**	**46.8%**	**51.6%**	**40.2%**	**46.1%**
Stock-based compensation expenses	(38.0)	(52.7)	(14.8)	(19.5)	(15.0)	(8.5)	(57.9)	(12.2)	(14.3)	(12.1)	(38.6)
Acquisition benefit (expenses), net	(2.8)	(9.6)	(1.4)	(0.1)	(1.2)	1.3	(1.3)	(7.7)	1.8	0.2	(5.7)
Restructuring expenses	(3.6)	(4.8)	(2.7)	(3.8)	(1.3)	(3.0)	(10.8)	(1.0)	(1.9)	(0.5)	(3.3)
Separation expenses (2)	-	(12.4)	(0.6)	(0.3)	(0.3)	(0.2)	(1.3)	(0.1)	(0.2)	(0.2)	(0.6)
Accelerated lease costs (5)	(2.4)	(9.8)	(5.5)	(1.6)	(0.7)	(0.4)	(8.3)	(0.3)	(4.9)	(0.1)	(5.3)
IT facilities and infrastructure realignment (6)	-	(1.2)	(1.5)	(0.9)	(1.1)	(0.9)	(4.5)	(2.8)	(12.1)	(1.9)	(16.8)
Impairment charges	-	(1.6)	-	(1.8)	-	-	(1.8)	-	-	-	-
Other Adjustments	0.5	(0.1)	(0.5)	(1.1)	(0.9)	(0.4)	(2.9)	(0.0)	(0.2)	(0.0)	(0.2)
Discontinued operations corporate overhead adjustment	(29.3)	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	(5.5)	-	-	-	-	-	-	-	-	-	-
Non-GAAP selling, general and administrative expenses	**$ 246.3**	**$ 284.6**	**$ 75.9**	**$ 76.6**	**$ 73.2**	**$ 78.5**	**$ 304.2**	**$ 77.1**	**$ 76.7**	**$ 73.3**	**$ 227.1**
as a % of non-GAAP revenue	**29.3%**	**32.3%**	**34.6%**	**34.3%**	**32.5%**	**33.1%**	**33.6%**	**35.5%**	**36.4%**	**33.5%**	**35.1%**

Operating Margin

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	7/31/2022	10/31/2022	1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	7/31/2023	10/31/2023	Nine Months Ended 10/31/2023
GAAP operating (loss) income	**$ 57.4**	**$ 46.8**	**$ 0.5**	**$ 1.5**	**$ 21.7**	**$ 33.7**	**$ 57.4**	**$ 8.8**	**$ (7.5)**	**$ 26.7**	**$ 28.0**
GAAP operating margin	**6.9%**	**5.4%**	**0.2%**	**0.7%**	**9.6%**	**14.3%**	**6.4%**	**4.1%**	**-3.6%**	**12.2%**	**4.3%**
Revenue adjustments	10.3	6.2	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	1.0
Amortization of acquired technology	18.0	17.8	3.6	3.6	3.6	2.4	13.2	2.0	1.9	1.6	5.5
Amortization of other acquired intangible assets	29.8	29.0	6.8	6.6	6.4	6.4	26.2	6.3	6.4	6.3	19.0
Stock-based compensation expenses	45.2	65.3	18.4	25.7	19.9	12.2	76.1	15.0	19.1	16.2	50.3
Acquisitions (benefit) expenses, net	3.4	10.4	1.8	0.0	1.2	(1.3)	1.7	7.8	(1.5)	(0.2)	6.1
Restructuring expenses	7.1	6.0	3.1	3.8	2.4	5.9	15.3	1.4	3.2	0.5	5.1
Separation expenses (2)	-	12.9	0.6	0.3	0.3	0.2	1.3	0.1	0.2	0.2	0.6
Accelerated lease costs (5)	2.4	9.8	5.5	1.6	0.7	0.4	8.3	0.3	4.9	0.1	5.3
IT facilities and infrastructure realignment (6)	-	1.2	1.5	0.9	1.1	0.9	4.5	2.8	13.7	1.9	18.5
Impairment charges	0.1	1.6	-	1.8	-	-	1.8	-	-	-	-
Other adjustments	(0.4)	0.1	0.6	1.1	0.9	0.5	3.0	0.0	0.2	0.0	0.2
Discontinued operations corporate overhead adjustment	50.9	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	(2.7)	-	-	-	-	-	-	-	-	-	-
Non-GAAP operating income	**$ 221.5**	**$ 207.2**	**$ 43.8**	**$ 47.7**	**$ 58.6**	**$ 61.7**	**$ 211.8**	**$ 45.1**	**$ 40.9**	**$ 53.6**	**$ 139.6**
Non-GAAP operating margin	**26.4%**	**23.5%**	**20.0%**	**21.3%**	**26.0%**	**26.1%**	**23.4%**	**20.8%**	**19.4%**	**24.5%**	**21.6%**

Adjusted EBITDA Margin

($ in millions)	Year Ended	Year Ended	Three Months Ended				Year Ended	Three Months Ended			Nine Months Ended
	1/31/2021	1/31/2022	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	10/31/2023
GAAP net (loss) income from continuing operations	**$ (48.6)**	**$ 15.7**	**$ 0.6**	**$ (2.2)**	**$ 4.2**	**$ 13.1**	**$ 15.7**	**$ 3.6**	**$ (5.8)**	**$ 12.9**	**$ 10.7**
As a percentage of GAAP revenue	**-5.9%**	**1.8%**	**0.3%**	**-1.0%**	**1.9%**	**5.5%**	**1.7%**	**1.7%**	**-2.8%**	**5.9%**	**1.7%**
Provision for (benefit from) income taxes	6.9	23.9	0.3	2.8	17.4	18.6	39.1	4.4	(2.5)	13.0	14.8
Other expense, net	99.1	7.3	(0.4)	0.9	0.1	2.0	2.6	0.8	0.8	0.9	2.5
Depreciation and amortization (3)	75.0	72.6	17.4	16.6	16.2	15.1	65.3	16.9	24.7	13.9	55.4
Revenue adjustments	10.3	6.2	1.3	0.7	0.4	0.5	3.0	0.6	0.2	0.1	1.0
Stock-based compensation expenses	45.2	65.3	18.4	25.7	19.9	12.2	76.1	15.0	19.1	16.2	50.3
Acquisitions (benefit) expenses, net	3.4	10.4	1.8	0.0	1.2	(1.3)	1.7	7.8	(1.5)	(0.2)	6.1
Restructuring expenses	7.1	5.9	3.0	3.7	2.3	5.8	14.9	1.3	3.2	0.5	5.0
Separation expenses (2)	-	12.6	0.6	0.3	0.3	0.2	1.3	0.1	0.2	0.2	0.6
Accelerated lease costs (5)	2.4	9.8	5.5	1.6	0.7	0.4	8.3	0.3	4.9	0.1	5.3
IT facilities and infrastructure realignment (6)	-	1.2	1.5	0.9	1.1	0.9	4.5	1.0	3.9	1.7	6.7
Impairment charges	0.1	1.6	-	1.8	-	-	1.8	-	-	-	-
Other adjustments	(0.4)	0.1	0.6	1.1	0.9	0.5	3.0	0.0	0.2	0.0	0.2
Discontinued operations corporate overhead adjustment	50.9	-	-	-	-	-	-	-	-	-	-
Allocation methodology difference	(2.7)	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	**$ 248.8**	**232.5**	**50.6**	**54.0**	**64.7**	**68.0**	**237.3**	**51.9**	**47.4**	**59.2**	**158.5**
As a percentage of non-GAAP revenue	**29.6%**	**26.4%**	**23.1%**	**24.2%**	**28.7%**	**28.7%**	**26.2%**	**23.9%**	**22.5%**	**27.1%**	**24.5%**

Other Expense, Tax and Net Income

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	Three Months Ended 7/31/2022	Three Months Ended 10/31/2022	Three Months Ended 1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	Three Months Ended 7/31/2023	Three Months Ended 10/31/2023	Nine Months Ended 10/31/2023
Other Expense Reconciliation											
GAAP other (expense) income, net	**$ (99.1)**	**$ (7.3)**	**$ 0.4**	**$ (0.9)**	**$ (0.1)**	**$ (2.0)**	**$ (2.6)**	**$ (0.8)**	**$ (0.8)**	**$ (0.9)**	**$ (2.5)**
Unrealized losses on derivatives, net	1.1	14.3	-	-	-	-	-	-	-	-	-
Amortization of convertible note discount	12.9	-	-	-	-	-	-	-	-	-	-
Expenses and losses on debt modification or retirement	1.5	2.5	-	-	-	-	-	0.2	-	-	0.2
Change in fair value of future tranche right	56.1	(15.8)	-	-	-	-	-	-	-	-	-
Acquisition expenses (benefit), net	0.1	(3.5)	-	-	-	-	-	(0.2)	-	-	(0.2)
Separation expenses (benefit)	-	-	-	-	-	1.3	1.3	(0.0)	(0.1)	(0.1)	(0.2)
Other adjustments	-	(1.2)	-	-	-	-	-	-	-	-	-
Non-GAAP other (expense) income, net	**$ (27.3)**	**$ (11.0)**	**$ 0.4**	**$ (0.9)**	**$ (0.1)**	**$ (0.8)**	**$ (1.3)**	**$ (0.7)**	**$ (0.9)**	**$ (1.0)**	**$ (2.6)**
Tax Provision (Benefit) Reconciliation											
GAAP provision for (benefit from) income taxes	**$ 6.9**	**$ 23.9**	**$ 0.3**	**$ 2.8**	**$ 17.4**	**$ 18.6**	**$ 39.1**	**$ 4.4**	**$ (2.5)**	**$ 13.0**	**$ 14.8**
GAAP effective income tax rate	**-16.6%**	**60.4%**	**34.0%**	**465.4%**	**80.5%**	**58.6%**	**71.4%**	**54.6%**	**30.5%**	**50.2%**	**58.0%**
Non-GAAP tax adjustments	9.2	(2.3)	4.2	1.9	(11.3)	(14.7)	(19.9)	(0.3)	6.1	(8.6)	(2.8)
Non-GAAP provision for income taxes	**$ 16.2**	**$ 21.6**	**$ 4.5**	**$ 4.7**	**$ 6.1**	**$ 3.8**	**$ 19.2**	**$ 4.1**	**$ 3.6**	**$ 4.3**	**$ 12.0**
Non-GAAP effective income tax rate	**8.3%**	**11.0%**	**10.2%**	**10.1%**	**10.4%**	**6.3%**	**9.1%**	**9.2%**	**9.0%**	**8.2%**	**8.8%**
Net (Loss) Income from Continuing Operations Attributable to Verint Systems Inc. Common Shares Reconciliation											
GAAP net (loss) income from continuing operations attributable to Verint Systems Inc. common shares	**$ (57.3)**	**$ (4.5)**	**$ (4.9)**	**$ (7.6)**	**$ (1.1)**	**$ 7.7**	**$ (5.9)**	**$ (1.9)**	**$ (11.2)**	**$ 7.4**	**$ (5.7)**
Total GAAP net (loss) income adjustments (4)	234.3	177.9	39.1	49.5	53.4	49.2	196.4	36.7	42.1	40.6	129.8
Non-GAAP net income from continuing operations attributable to Verint Systems Inc.common shares	**$ 177.0**	**$ 173.4**	**$ 34.2**	**$ 41.9**	**$ 52.3**	**$ 57.0**	**$ 190.5**	**$ 34.8**	**$ 30.9**	**$ 48.0**	**$ 124.1**

EPS and Diluted Shares Outstanding

($ in millions, except share and per share data; shares in thousands)	Year Ended	Year Ended	Three Months Ended				Year Ended	Three Months Ended			Nine Months Ended
	1/31/2021	1/31/2022	4/30/2022	7/31/2022	10/31/2022	1/31/2023	1/31/2023	4/30/2023	7/31/2023	10/31/2023	10/31/2023
GAAP diluted net loss from continuing operations per common share attributable to Verint Systems Inc.	$ (0.88)	$ (0.07)	$ (0.08)	$ (0.12)	$ (0.02)	$ 0.12	$ (0.09)	$ (0.03)	$ (0.17)	$ 0.12	$ (0.09)
Non-GAAP diluted net income from continuing operations per common share attributable to Verint Systems Inc. (4)	$ 2.57	$ 2.28	$ 0.52	$ 0.56	$ 0.69	$ 0.75	$ 2.52	$ 0.53	$ 0.48	$ 0.65	$ 1.67
GAAP weighted-average shares used in computing diluted net loss from continuing operations per common share	**65,173**	**65,591**	**64,947**	**64,958**	**65,583**	**66,131**	**65,332**	**64,940**	**64,294**	**64,144**	**64,411**
Additional weighted-average shares applicable to non-GAAP net income from continuing operations per common share attributable to Verint Systems Inc	3,654	10,419	1,255	10,356	10,004	9,478	10,235	447	269	9,478	9,802
Non-GAAP diluted weighted-average shares used in computing net income from continuing operations per common share (4)	**68,827**	**76,010**	**66,202**	**75,314**	**75,587**	**75,609**	**75,567**	**65,387**	**64,563**	**73,622**	**74,213**

Debt

($ in millions)	As of 1/31/2023	As of 4/30/2023	As of 7/31/2023	As of 10/31/2023
Current maturities of long-term debt	$ -	$ -	$ -	$ -
Long-term debt	408.9	409.7	410.0	410.5
Unamortized debt discounts and issuance costs	6.1	5.3	5.0	4.5
Gross debt	**415.0**	**415.0**	**415.0**	**415.0**
Less:				
Cash and cash equivalents	282.1	260.7	231.3	209.6
Restricted cash and cash equivalents, and restricted bank time deposits	0.3	0.3	-	1.8
Short-term investments	0.7	3.6	1.5	0.7
Long-term restricted cash, cash equivalents, bank time deposits and investments	0.3	0.3	0.2	0.2
Net debt, including long-term restricted cash, cash equivalents, bank time deposits, and investments	**$ 131.6**	**$ 150.1**	**$ 182.0**	**$ 202.7**

Revenue Metrics Reconciliation

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	7/31/2022	10/31/2022	1/31/2023	Year Ended 1/31/2023	Three Month Ended 4/30/2023	7/31/2023	10/31/2023	Nine Months Ended 10/31/2023
Recurring revenue- GAAP	**$ 575.6**	**$ 633.1**	**$ 159.4**	**$ 166.4**	**$ 174.2**	**$ 185.5**	**$ 685.5**	**$ 166.4**	**$ 161.0**	**$ 161.1**	**$ 488.6**
SaaS revenue - GAAP	218.0	322.8	94.7	102.6	115.8	131.1	444.2	117.1	113.4	115.7	346.2
Optional managed services revenue - GAAP	59.5	65.6	15.9	15.8	15.4	14.3	61.4	12.9	12.2	11.8	36.9
Support revenue - GAAP	298.2	244.7	48.7	48.1	43.0	40.1	179.9	36.4	35.4	33.6	105.4
Nonrecurring revenue - GAAP	**254.6**	**241.4**	**58.5**	**56.5**	**51.0**	**50.7**	**216.7**	**50.1**	**49.2**	**57.4**	**156.7**
Perpetual revenue - GAAP	141.8	138.1	33.3	30.8	24.4	28.1	116.6	24.3	25.2	24.6	74.1
Professional services revenue - GAAP	112.8	103.3	25.3	25.7	26.5	22.6	100.1	25.8	24.0	32.9	82.6
Total revenue - GAAP	**$ 830.2**	**$ 874.5**	**$ 217.9**	**$ 222.9**	**$ 225.2**	**$ 236.2**	**$ 902.2**	**$ 216.6**	**$ 210.2**	**$ 218.5**	**$ 645.3**
Estimated recurring revenue adjustments	**10.3**	**6.2**	**1.3**	**0.7**	**0.4**	**0.5**	**3.0**	**0.6**	**0.2**	**0.1**	**1.0**
Estimated SaaS revenue adjustments	9.2	5.6	1.3	0.7	0.4	0.5	2.8	0.6	0.2	0.1	1.0
Estimated optional managed services revenue adjustments	1.0	0.5	0.1	0.1	0.0	0.0	0.2	0.0	0.0	0.0	0.0
Estimated support revenue adjustments	0.2	0.0	0.0	-	-	-	0.0	-	-	-	-
Estimated nonrecurring revenue adjustments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Estimated perpetual revenue adjustments	-	-	-	-	-	-	-	-	-	-	-
Estimated professional services revenue adjustments	-	-	-	-	-	-	-	-	-	-	-
Total estimated revenue adjustments	**10.3**	**6.2**	**1.3**	**0.7**	**0.4**	**0.5**	**3.0**	**0.6**	**0.2**	**0.1**	**1.0**
Recurring revenue- non-GAAP	**$ 586.0**	**$ 639.3**	**$ 160.7**	**$ 167.2**	**$ 174.6**	**$ 186.0**	**$ 688.5**	**$ 167.1**	**$ 161.2**	**$ 161.2**	**$ 489.5**
SaaS revenue - non-GAAP	227.1	328.4	96.0	103.2	116.2	131.6	447.0	117.8	113.7	115.8	347.2
Optional managed services revenue - non-GAAP	60.5	66.2	16.0	15.8	15.5	14.3	61.6	12.9	12.2	11.8	36.9
Support revenue - non-GAAP	298.4	244.8	48.7	48.1	43.0	40.1	180.0	36.4	35.4	33.6	105.4
Nonrecurring revenue - non-GAAP	**254.6**	**241.4**	**58.5**	**56.5**	**51.0**	**50.7**	**216.7**	**50.1**	**49.2**	**57.4**	**156.7**
Perpetual revenue - non-GAAP	141.8	138.1	33.3	30.8	24.4	28.1	116.6	24.3	25.2	24.6	74.1
Professional services revenue - non-GAAP	112.8	103.3	25.3	25.7	26.5	22.6	100.1	25.8	24.0	32.9	82.6
Total revenue - non-GAAP	**$ 840.6**	**$ 880.7**	**$ 219.2**	**$ 223.6**	**$ 225.6**	**$ 236.8**	**$ 905.2**	**$ 217.2**	**$ 210.4**	**$ 218.7**	**$ 646.3**

SaaS Revenue Reconciliation

($ in millions)	Year Ended 1/31/2021	Year Ended 1/31/2022	Three Months Ended 4/30/2022	Three Months Ended 7/31/2022	Three Months Ended 10/31/2022	Three Months Ended 1/31/2023	Year Ended 1/31/2023	Three Months Ended 4/30/2023	Three Months Ended 7/31/2023	Three Months Ended 10/31/2023	Nine Months Ended 10/31/2023
Bundled SaaS revenue - GAAP	$ 146.0	$ 183.0	$ 49.3	$ 54.7	$ 57.0	$ 61.6	$ 222.6	$ 59.5	$ 62.1	$ 63.3	$ 184.8
Unbundled SaaS revenue - GAAP	72.0	139.7	45.4	47.9	58.7	69.6	221.6	57.7	51.4	52.4	161.5
SaaS revenue - GAAP	**218.0**	**322.8**	**94.7**	**102.6**	**115.8**	**131.1**	**444.2**	**117.1**	**113.4**	**115.7**	**346.2**
Estimated bundled SaaS revenue adjustments	9.0	5.6	1.3	0.7	0.4	0.5	2.8	0.6	0.2	0.1	1.0
Estimated unbundled SaaS revenue adjustments	0.2	0.1	-	-	-	-	-	-	-	-	-
Estimated SaaS revenue adjustments	**9.2**	**5.6**	**1.3**	**0.7**	**0.4**	**0.5**	**2.8**	**0.6**	**0.2**	**0.1**	**1.0**
Bundled SaaS revenue - non-GAAP	155.0	188.6	50.6	55.4	57.4	62.0	225.4	60.1	62.3	63.4	185.7
Unbundled SaaS revenue - non-GAAP	72.2	139.8	45.4	47.9	58.7	69.6	221.6	57.7	51.4	52.4	161.5
SaaS revenue - non-GAAP	**$ 227.1**	**$ 328.4**	**$ 96.0**	**$ 103.2**	**$ 116.2**	**$ 131.6**	**$ 447.0**	**$ 117.8**	**$ 113.7**	**$ 115.8**	**$ 347.2**

Footnotes

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.

(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.

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 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.
- ***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.

Supplemental Info Non-GAAP Measures

- ***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 6, 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 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. 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.

- ***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.

- ***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.

Supplemental Info Non-GAAP Measures

-***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, 2024 is currently approximately 9%, and was 9% for the year ended January 31, 2023, and was 11% for the year ended January 31, 2022, and was 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.

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.

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.

Supplemental Info Non-GAAP Measures

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, cost of revenue, and operating expenses 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.