

# **Q3 2025 Earnings Presentation**

**(NASDAQ: NICE)**

Create a  
**NiCE..**  
world 



# Disclaimer

## ***Forward Looking Statements Disclaimer***

This presentation contains forward-looking statements as that term is defined in the Private Securities Litigation Reform Act of 1995. In some cases, forward-looking statements may be identified by words such as “believe”, “expect”, “seek”, “may”, “will”, “intend”, “should”, “project”, “anticipate”, “plan”, and similar expressions. Forward-looking statements are based on the current beliefs, expectations and assumptions of the Company’s management regarding the future of the Company’s business, performance, future plans and strategies, projections, anticipated events and trends, the economic environment, and other future conditions. Examples of forward-looking statements include guidance regarding the Company’s revenue and earnings and the growth of our cloud, analytics and artificial intelligence business.

Forward looking statements are inherently subject to significant uncertainties, contingencies, and risks, including, economic, competitive and other factors, which are difficult to predict and many of which are beyond the control of management. The Company cautions that these statements are not guarantees of future performance, and investors should not place undue reliance on them. There are or will be important known and unknown factors and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. These factors, include, but are not limited to, risks associated with changes in economic and business conditions, competition, successful execution of the Company’s growth strategy, success and growth of the Company’s cloud Software-as-a-Service business, difficulties in making additional acquisitions or effectively integrating acquired operations, products, technologies and personnel, the Company’s dependency on third-party cloud computing platform providers, hosting facilities and service partners, rapid changes in technology and market requirements, the implementation of AI capabilities in certain products and services; decline in demand for the Company’s products; inability to timely develop and introduce new technologies, products and applications, loss of market share, cyber security attacks or other security incidents, privacy concerns and legislation impacting the Company’s business, changes in currency exchange rates and interest rates, the effects of additional tax liabilities resulting from our global operations, the effect of unexpected events or geo-political conditions, including those arising from political instability or armed conflict that may disrupt our business and the global economy, our ability to recruit and retain qualified personnel, the effect of newly enacted or modified laws, regulation or standards on the Company and our products, and various other factors and uncertainties discussed in our filings with the U.S. Securities and Exchange Commission (the “SEC”).

You are encouraged to carefully review the section entitled “Risk Factors” in our latest Annual Report on Form 20-F and our other filings with the SEC for additional information regarding these and other factors and uncertainties that could affect our future performance. The forward-looking statements contained in this press release speak only as of the date hereof, and the Company undertakes no obligation to update or revise them, whether as a result of new information, future developments or otherwise, except as required by law.

## ***Explanation of Non-GAAP measures***

Non-GAAP financial measures are included in this presentation. Non-GAAP financial measures consist of GAAP financial measures adjusted to exclude share-based compensation, amortization of acquired intangible assets, acquisition related expenses, amortization of discount on debt and the tax effect of the Non-GAAP adjustments.

The Company believes that 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. We believe Non-GAAP financial measures are useful to investors as a measure of the ongoing performance of our business. Our management regularly uses our supplemental Non-GAAP financial measures internally to understand, manage and evaluate our business and to make financial, strategic and operating decisions. These Non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Our Non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. These Non-GAAP financial measures may differ materially from the Non-GAAP financial measures used by other companies. Reconciliation between results on a GAAP and Non-GAAP basis is provided in a table in the earnings press release and in the appendix in this presentation. The Company provides guidance only on a Non-GAAP basis. A reconciliation of guidance from a GAAP to Non-GAAP basis is not available due to the unpredictability and uncertainty associated with future events that would be reported in GAAP results and would require adjustments between GAAP and Non-GAAP financial measures, including the impact of future possible business acquisitions. Accordingly, a reconciliation of the guidance based on Non-GAAP financial measures to corresponding GAAP financial measures for future periods is not available without unreasonable effort.

# Create a NiCE world



## Customer Experience

**Automating** Customer Service by Orchestrating Workflows, Agents & Knowledge



## Financial Crime & Compliance

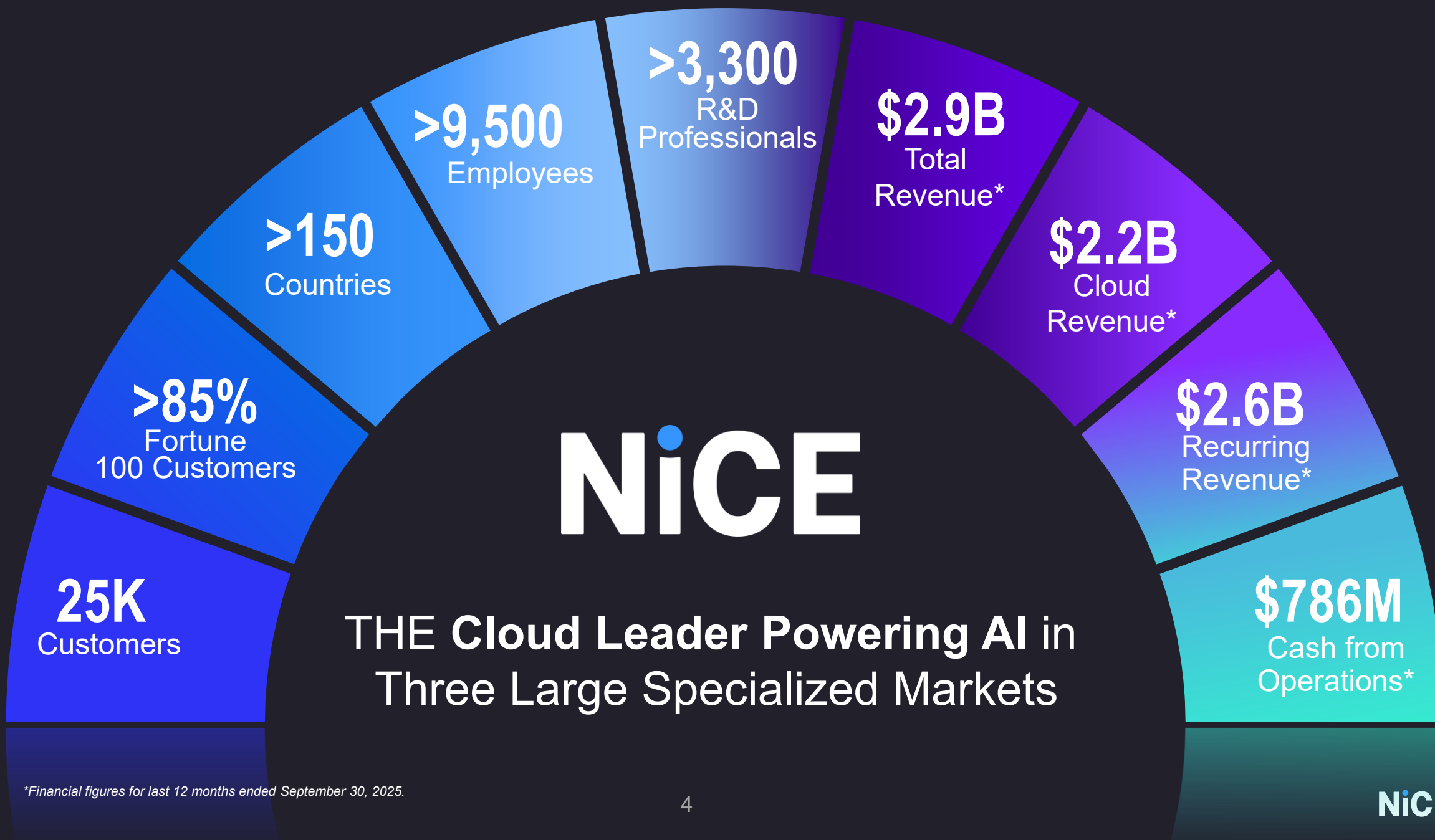
**Fighting** Financial Crime and Fraud



## Public Safety & Justice

**Digitally Transforming** Criminal Justice





*\*Financial figures for last 12 months ended September 30, 2025.*

# FINANCIAL OVERVIEW

## Quarterly Results

In a NiCE world

technology works for you



## Q3-25 Financial Highlights

| Q3 2025 Results*          | Quarterly Results | Change Y/Y |
|---------------------------|-------------------|------------|
| Total Revenue             | \$732M            | 6%         |
| Cloud Revenue             | \$563M            | 13%        |
| Non-GAAP Operating Income | \$231M            | 5%         |
| Non-GAAP Operating Margin | 31.5%             | (50 bps)   |
| Non-GAAP EPS              | \$3.18            | 10%        |

\* Q3 2025 results include the financial performance of Cognigy from the date of the acquisition.

# Cloud Growth Fueled by AI Adoption and Customer Expansion

**\$268M**

AI and Self-Service  
ARR

**49%**

AI and Self-Service  
ARR YoY Growth  
(+43% YoY excluding Cognigy)

**12%**

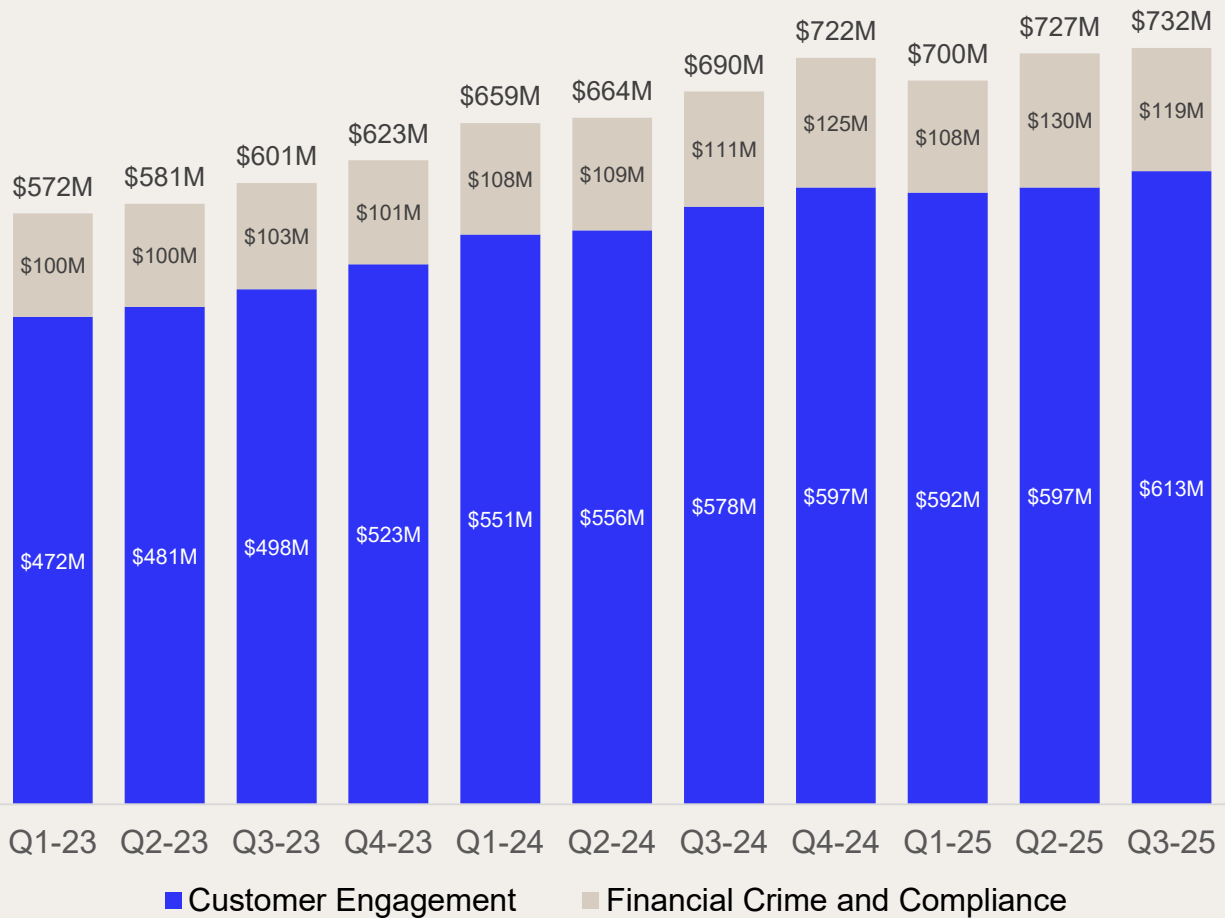
AI and Self-Service as  
% of Total Cloud  
Revenue

**109%**

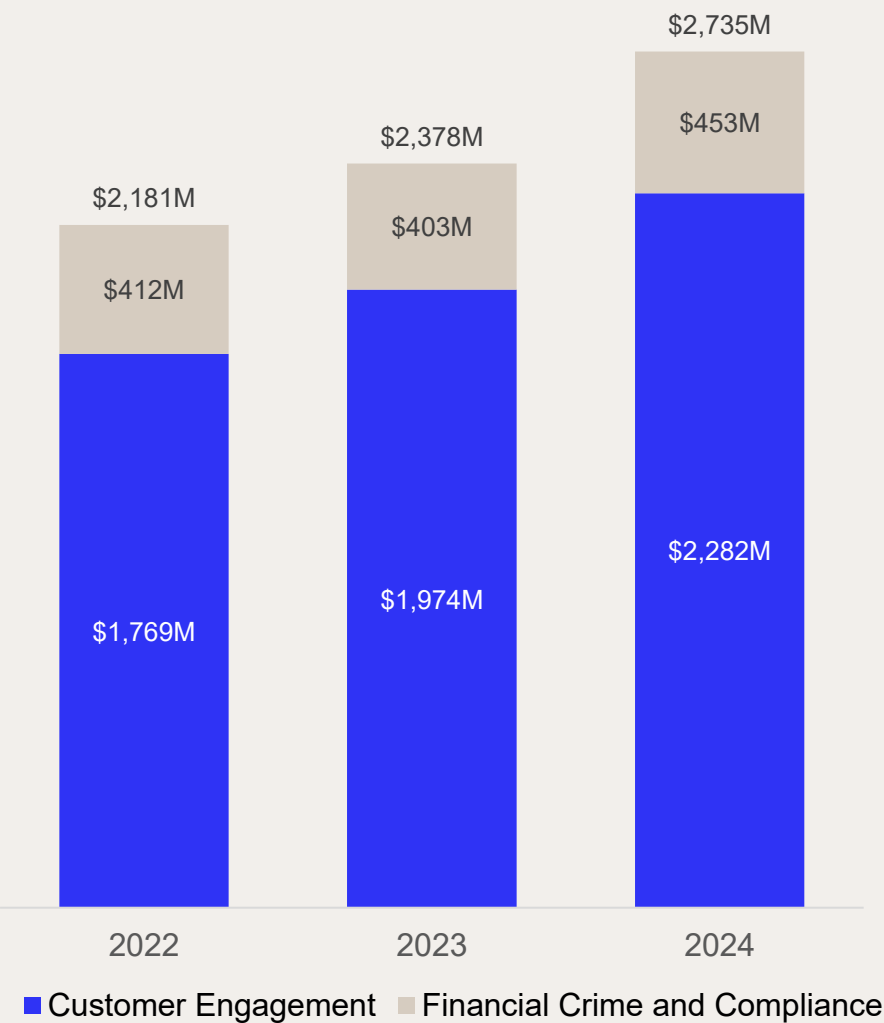
LTM Q3/2025  
Cloud NRR

# Revenue Breakdown by Business Segment

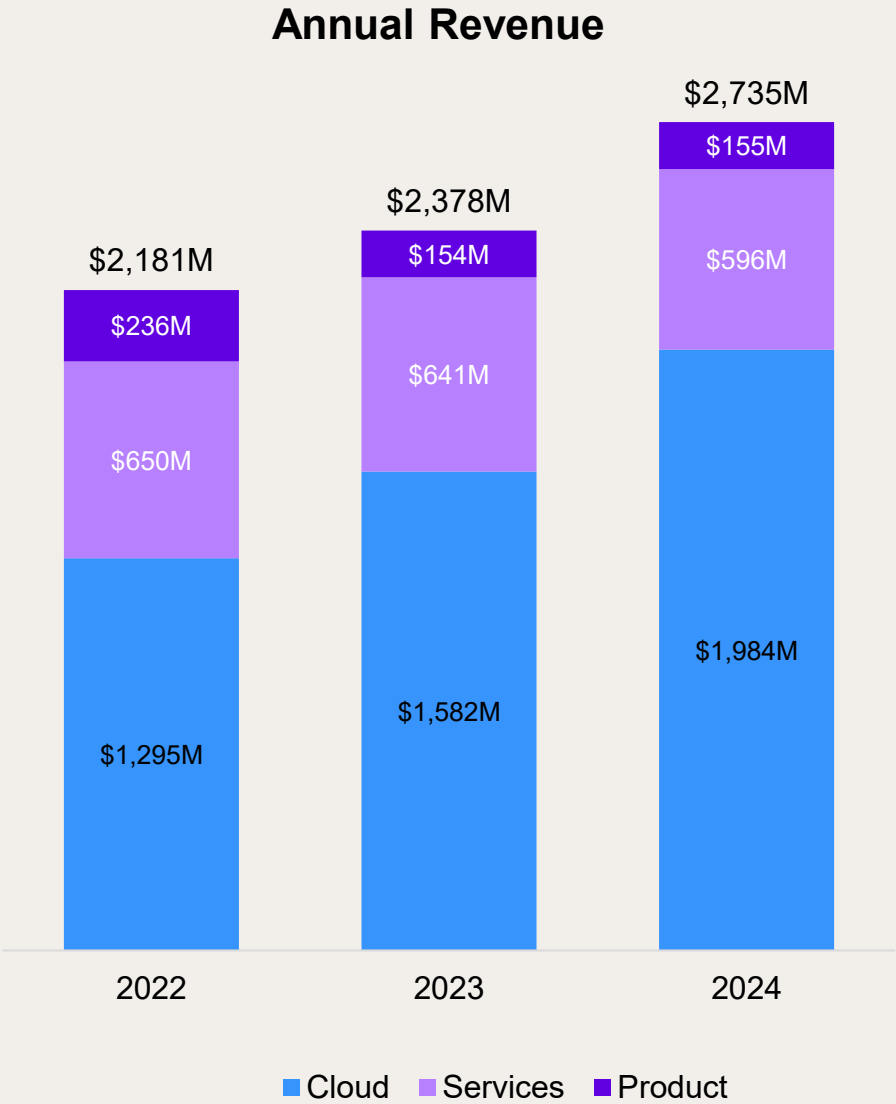
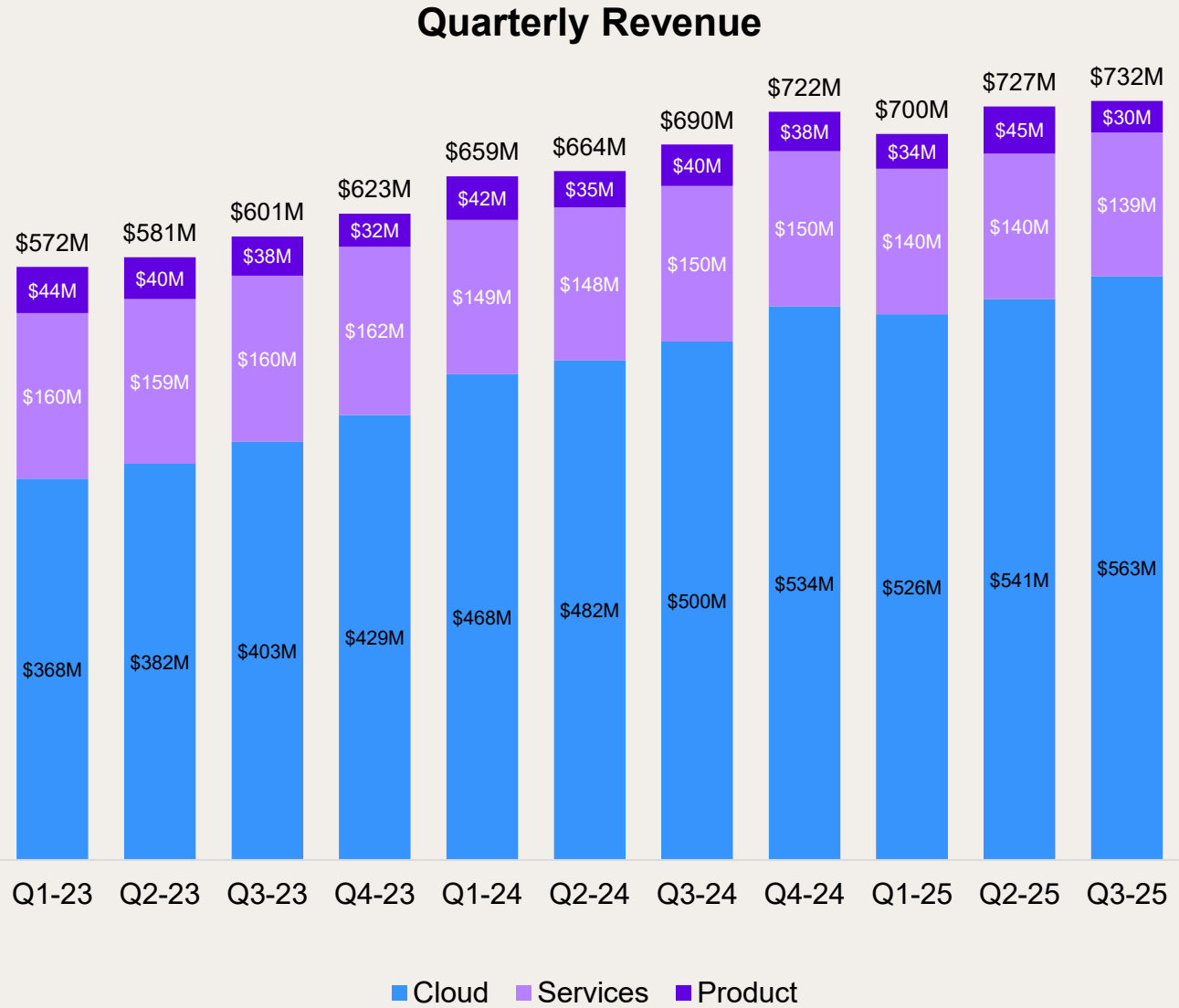
Quarterly Revenue



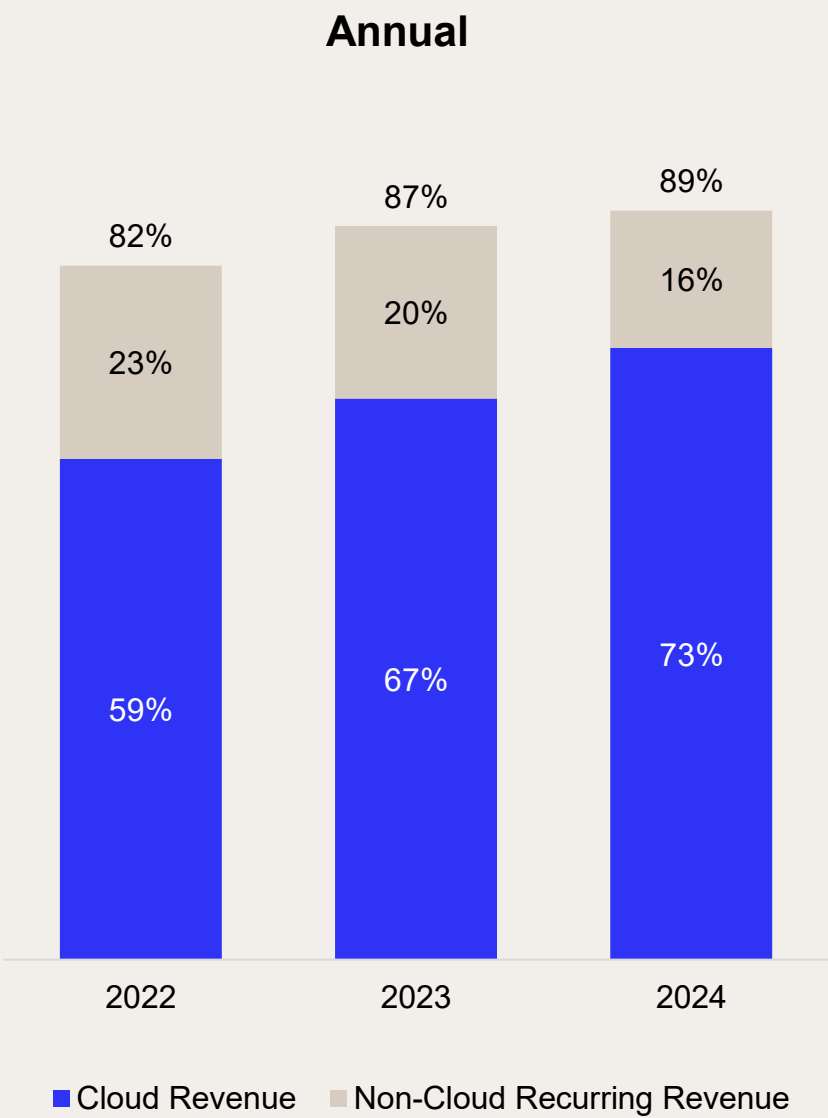
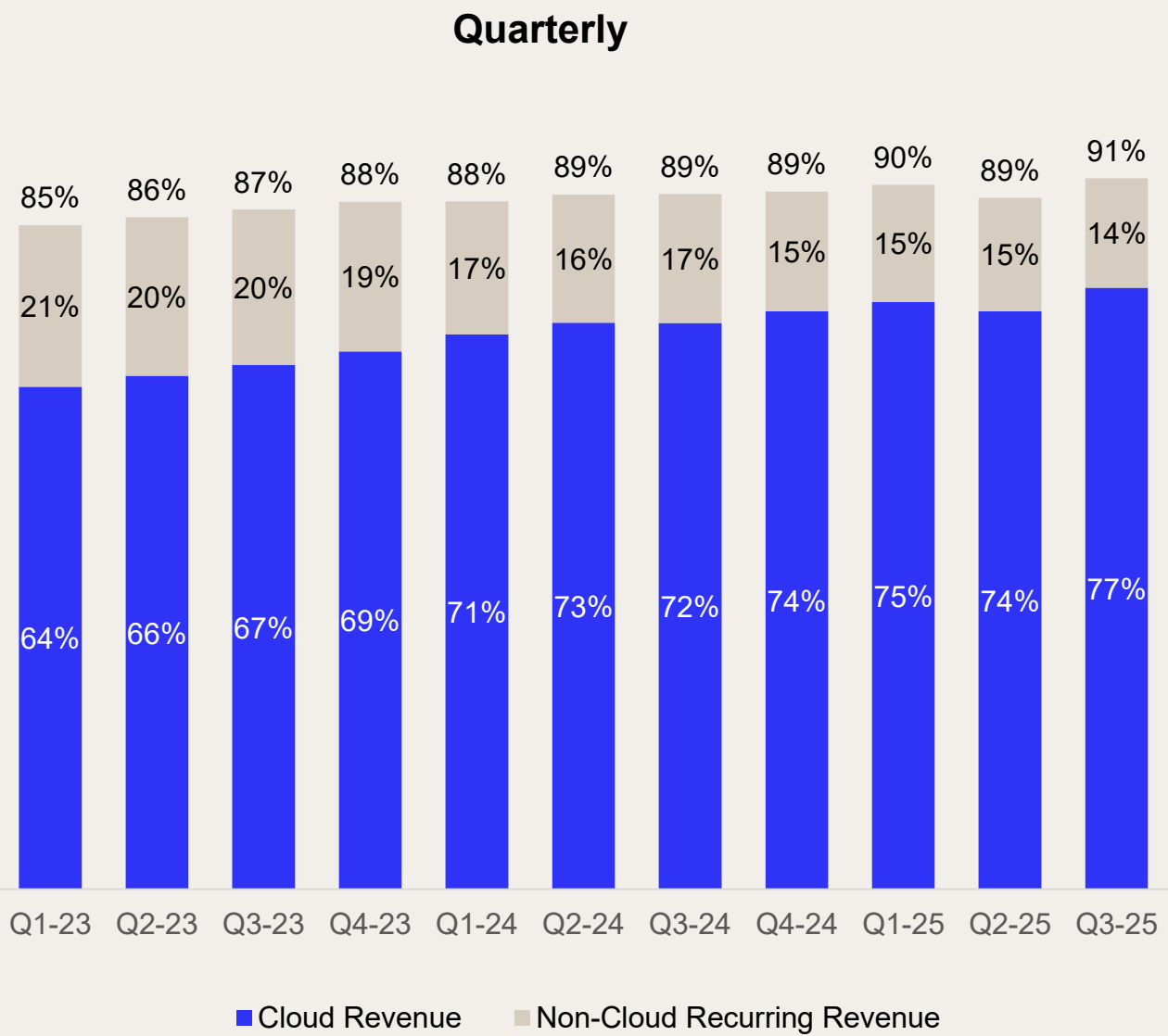
Annual Revenue



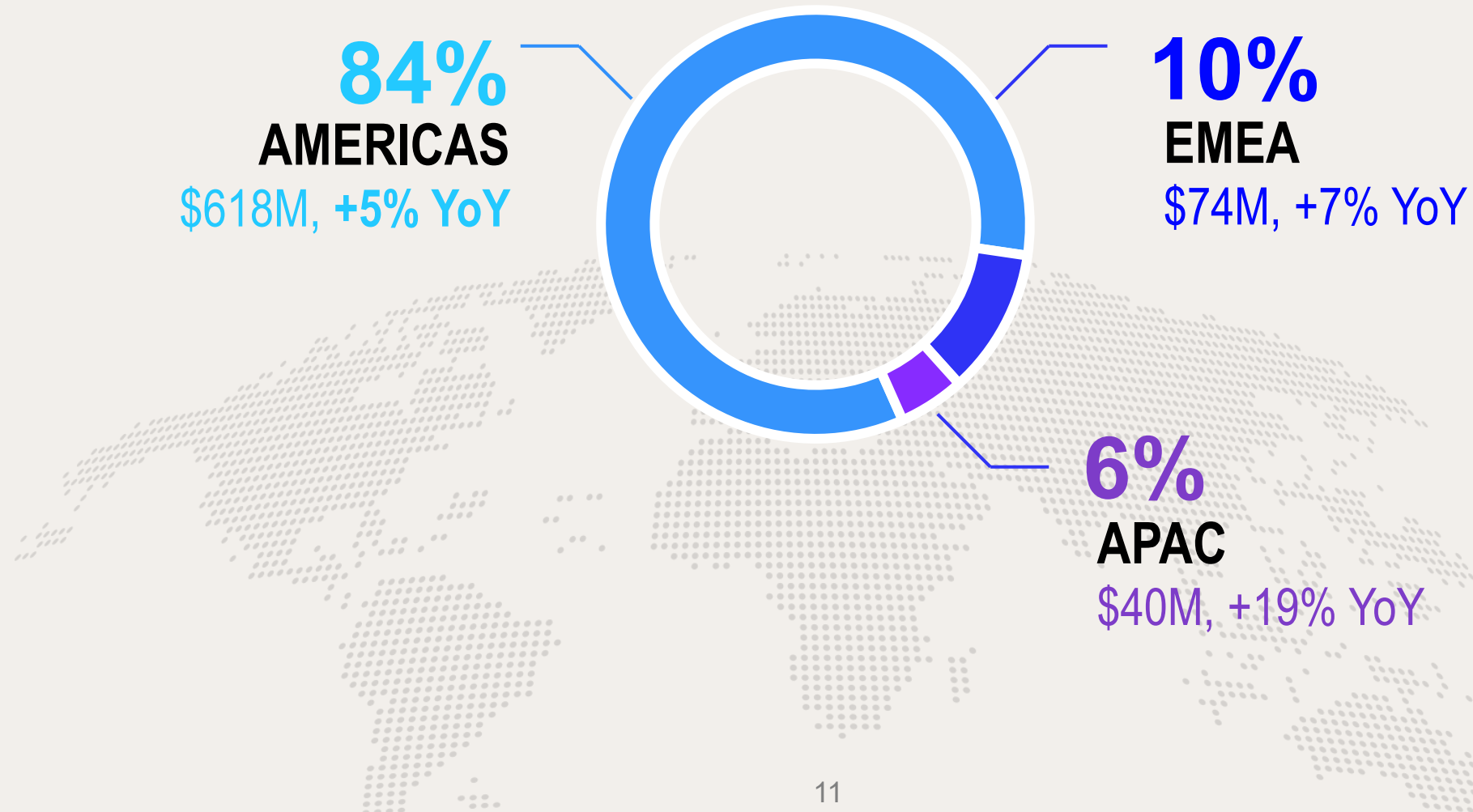
# Revenue Breakdown by Business Model



# Recurring Revenue as a Percent of Total Revenue

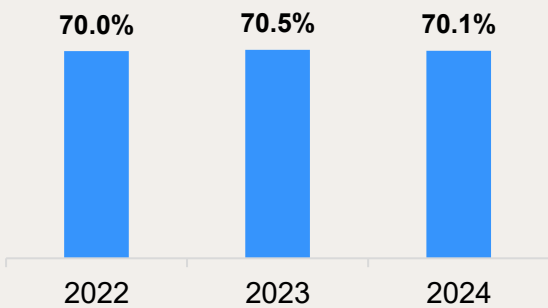
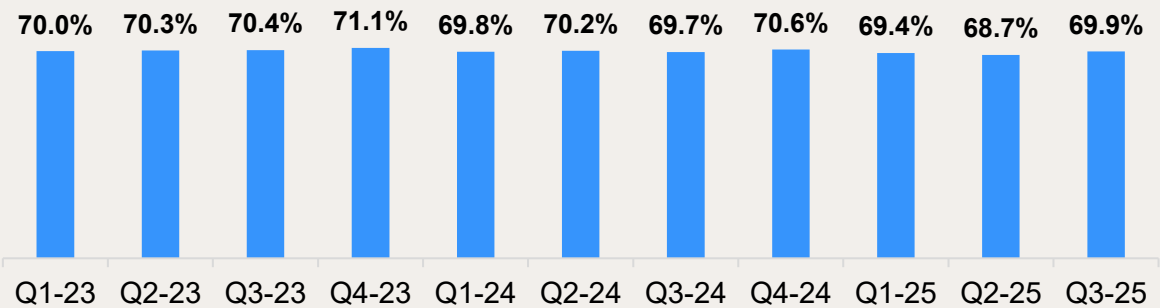


# Revenue Breakdown by Geographic Region – Q3 2025

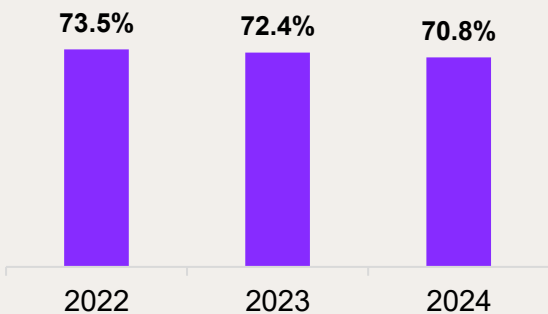
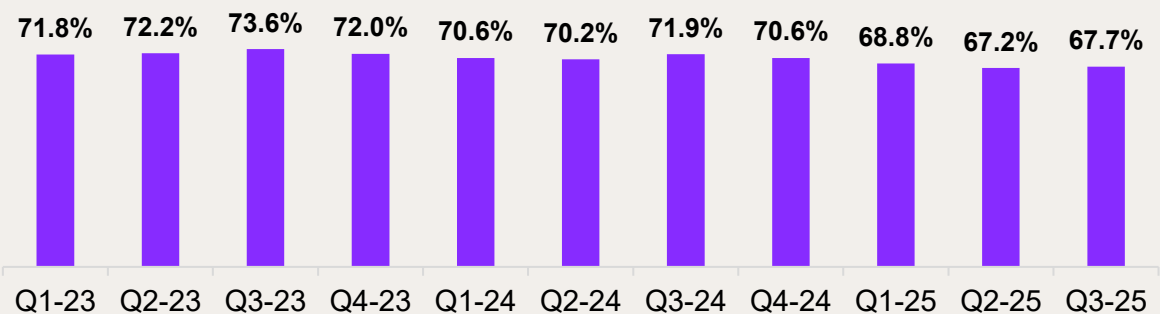


# Healthy Gross Margins (Non-GAAP)

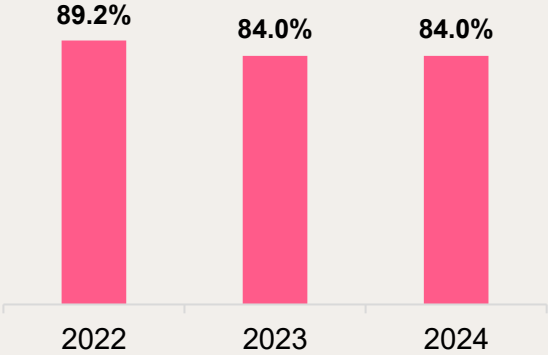
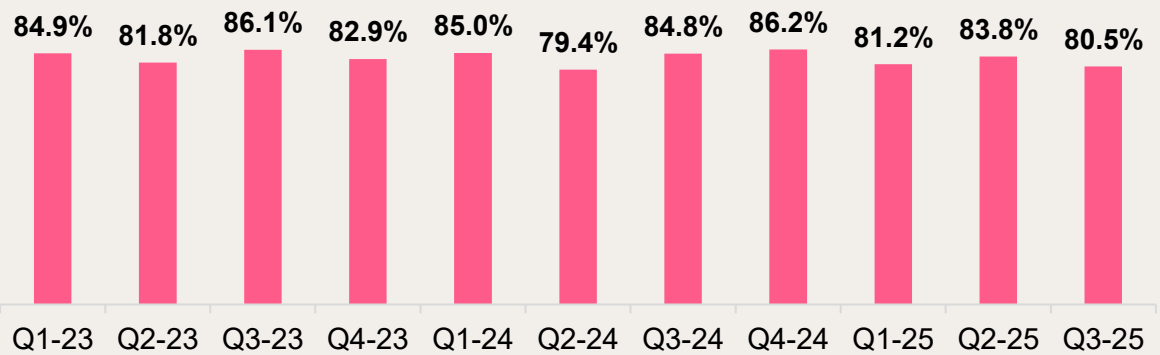
Cloud GM



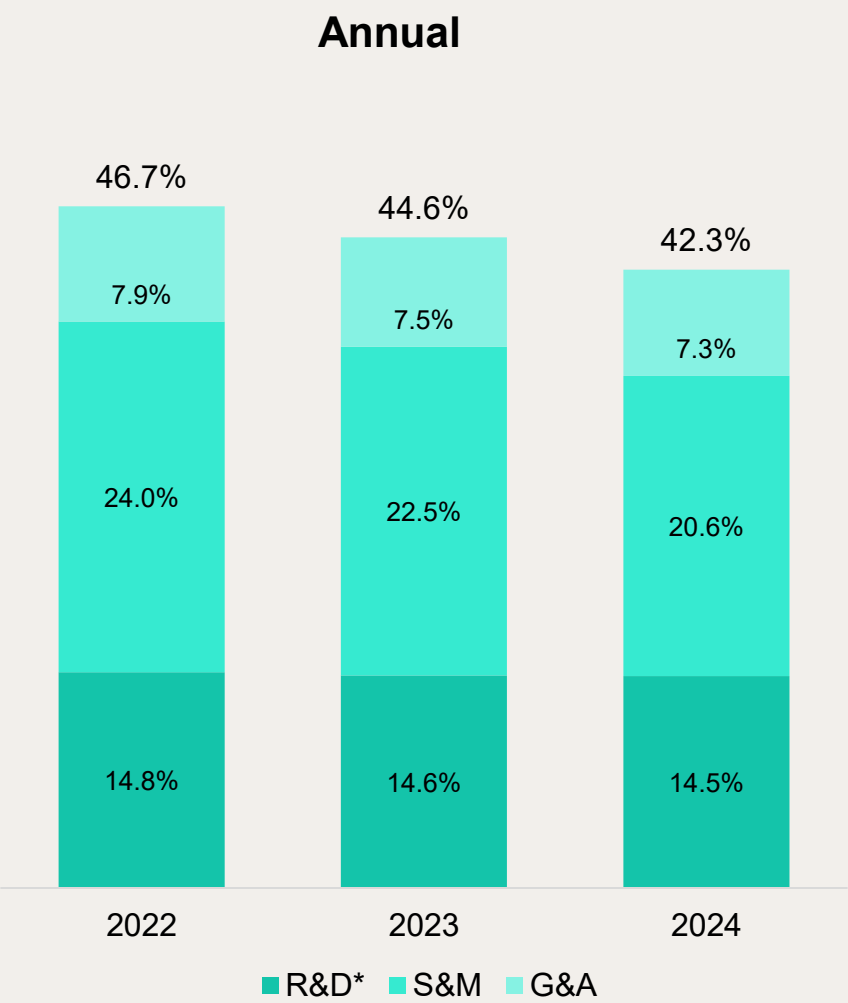
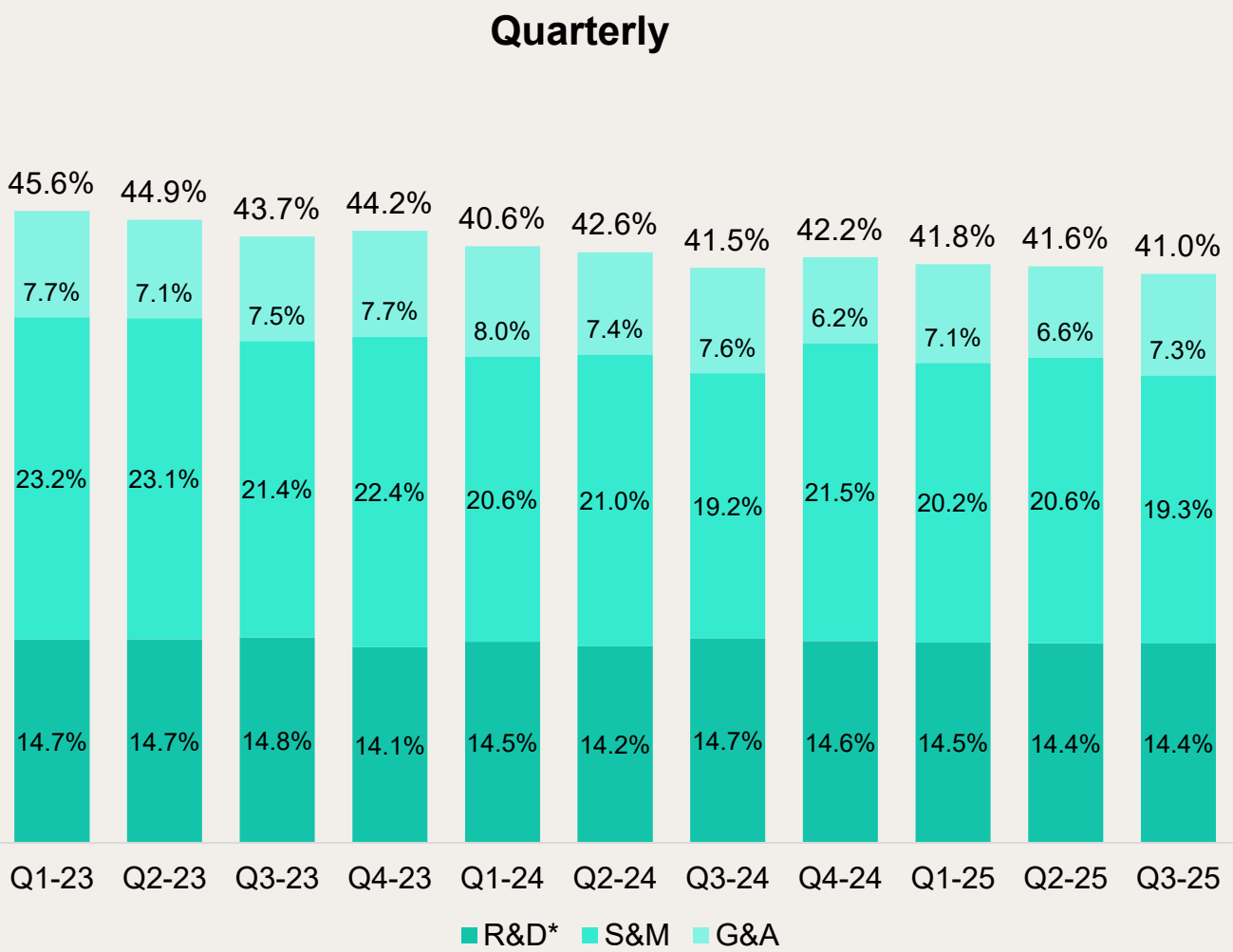
Services GM



Product GM



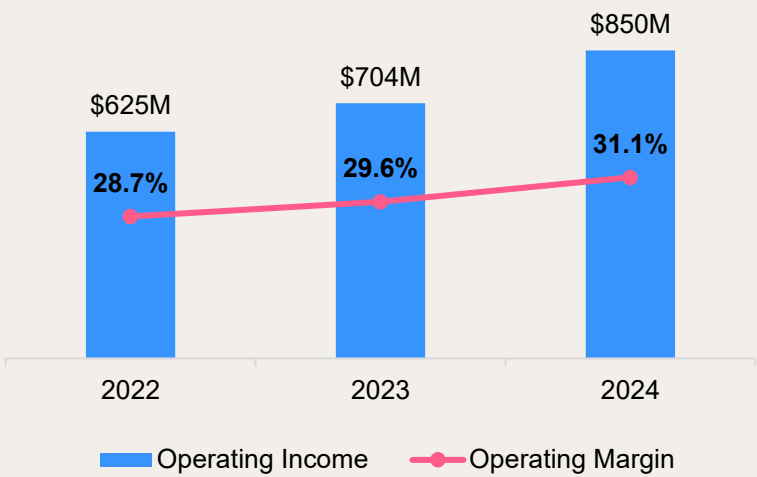
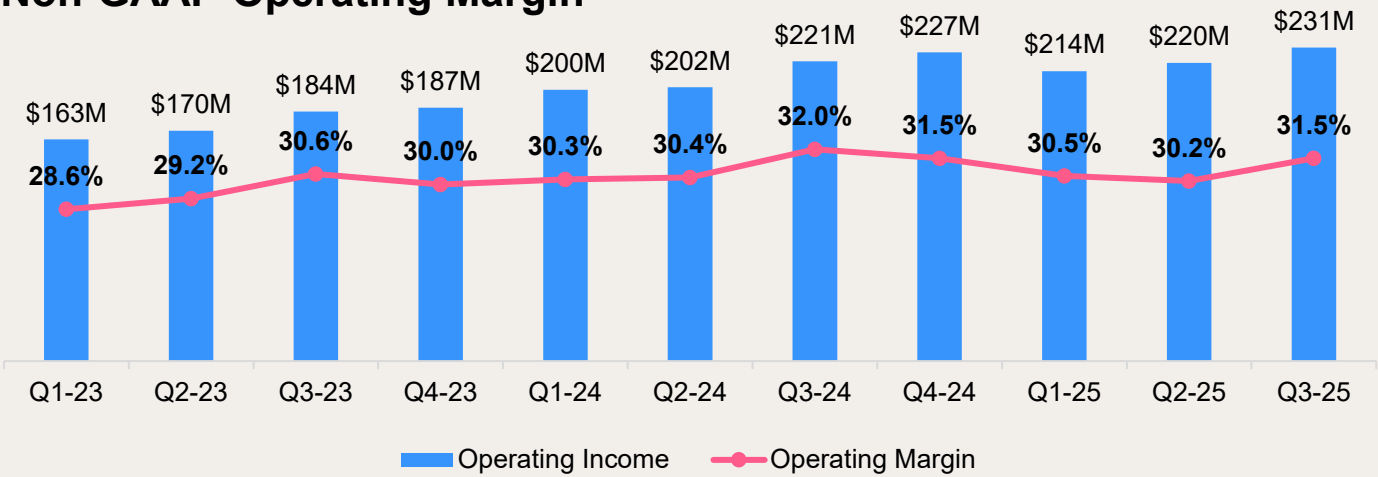
# Non-GAAP Operating Expenses as a Percent of Total Revenue



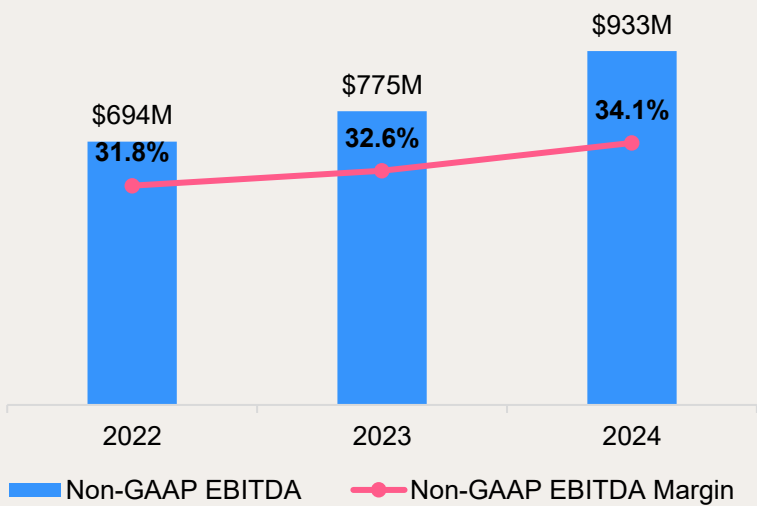
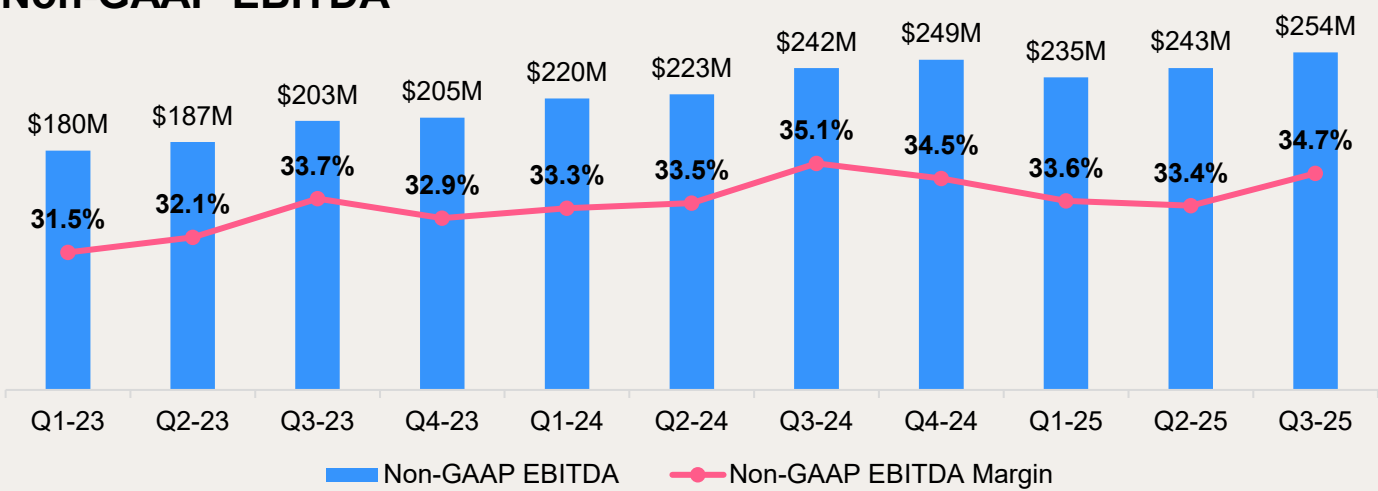
\* R&D including capitalization

# Strong Operating Leverage Evident in Growing Profitability

## Non-GAAP Operating Margin

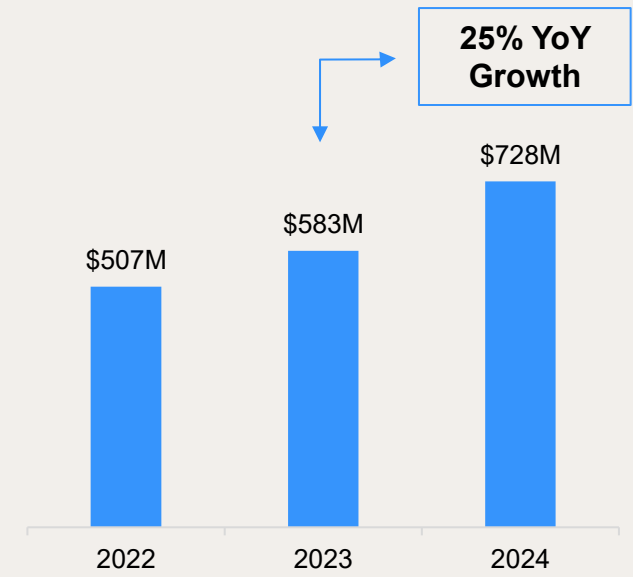
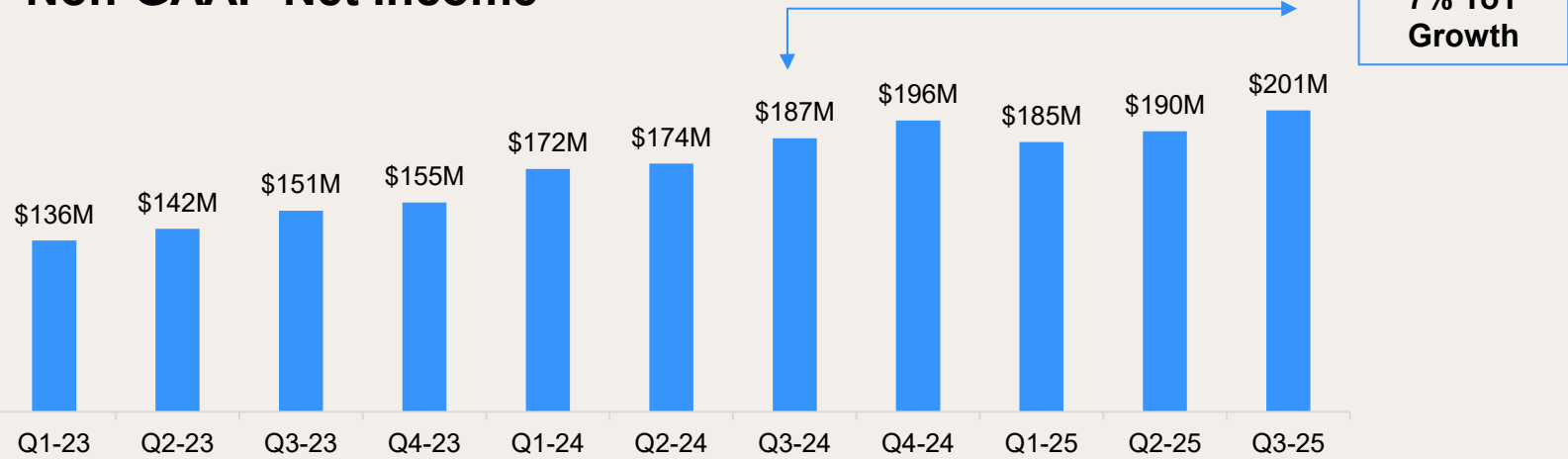


## Non-GAAP EBITDA

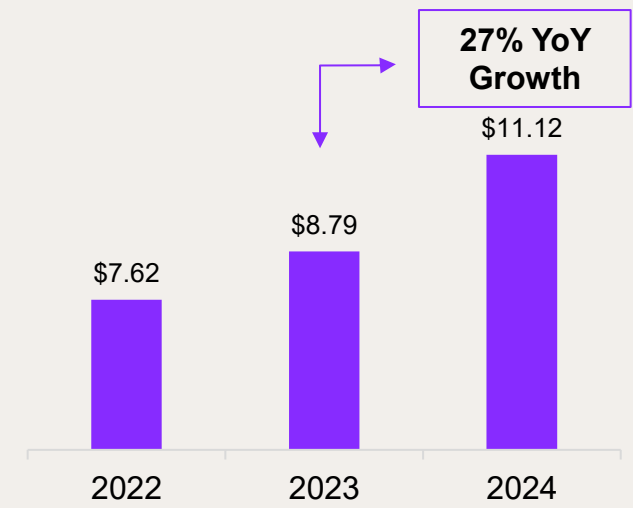
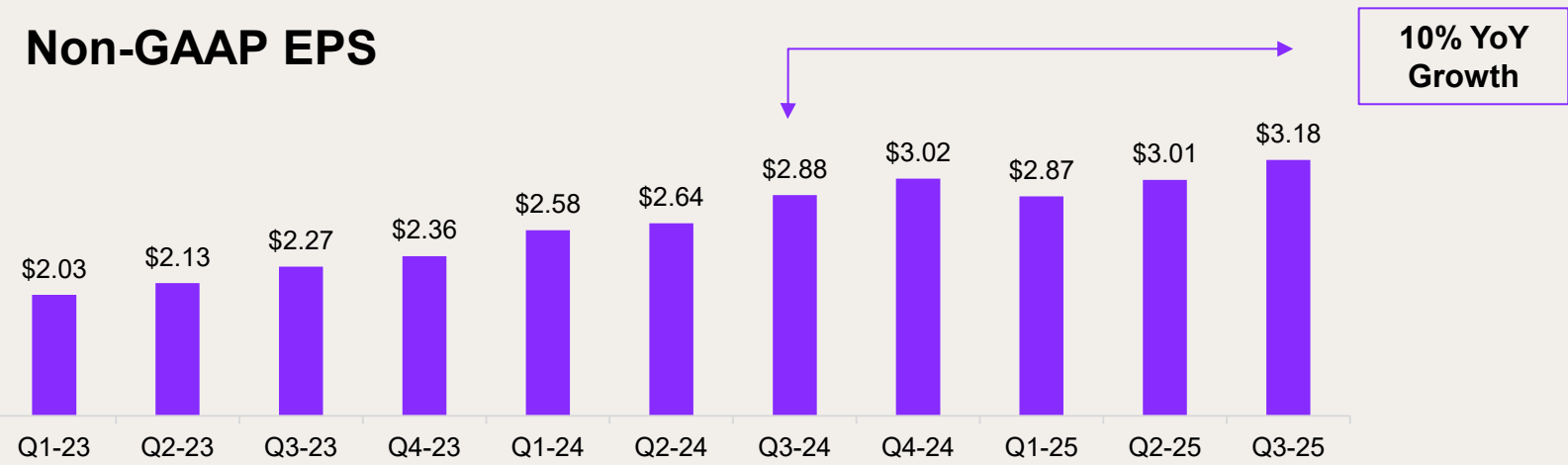


# Non-GAAP Net Income and EPS Reflect NICE's Financial Strength

## Non-GAAP Net Income



## Non-GAAP EPS

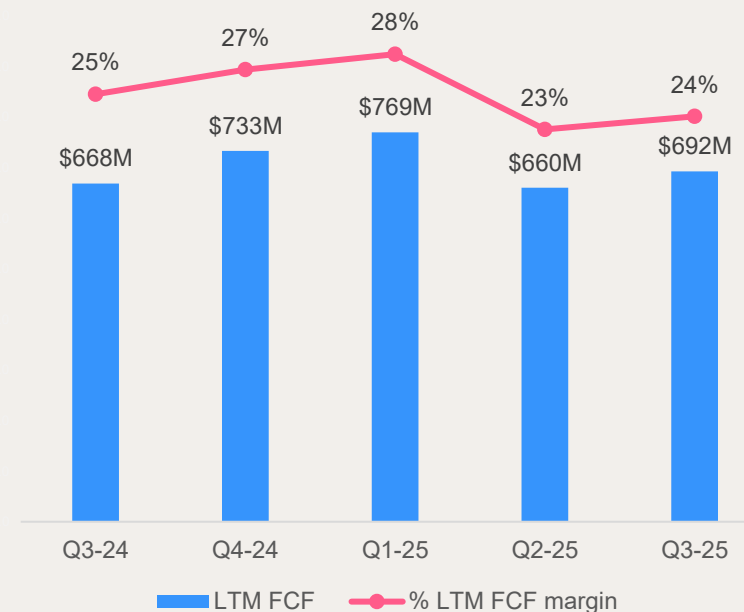


# Healthy Cash From Operations and Free Cash Flow



| \$M                                           | LTM Q3-25    | LTM Q3-24    |
|-----------------------------------------------|--------------|--------------|
| Operating Cash Flow                           | 786.4        | 763.6        |
| Capital expenditure of property and equipment | (23.1)       | (33.5)       |
| Capitalization of software development        | (71.4)       | (61.9)       |
| <b>Free cash flow</b>                         | <b>692.0</b> | <b>668.3</b> |
| Free cash flow margin                         | 24.0%        | 25.3         |
| Cash conversion rate *                        | 0.9          | 1.0          |

LTM Free Cash Flow and Margin

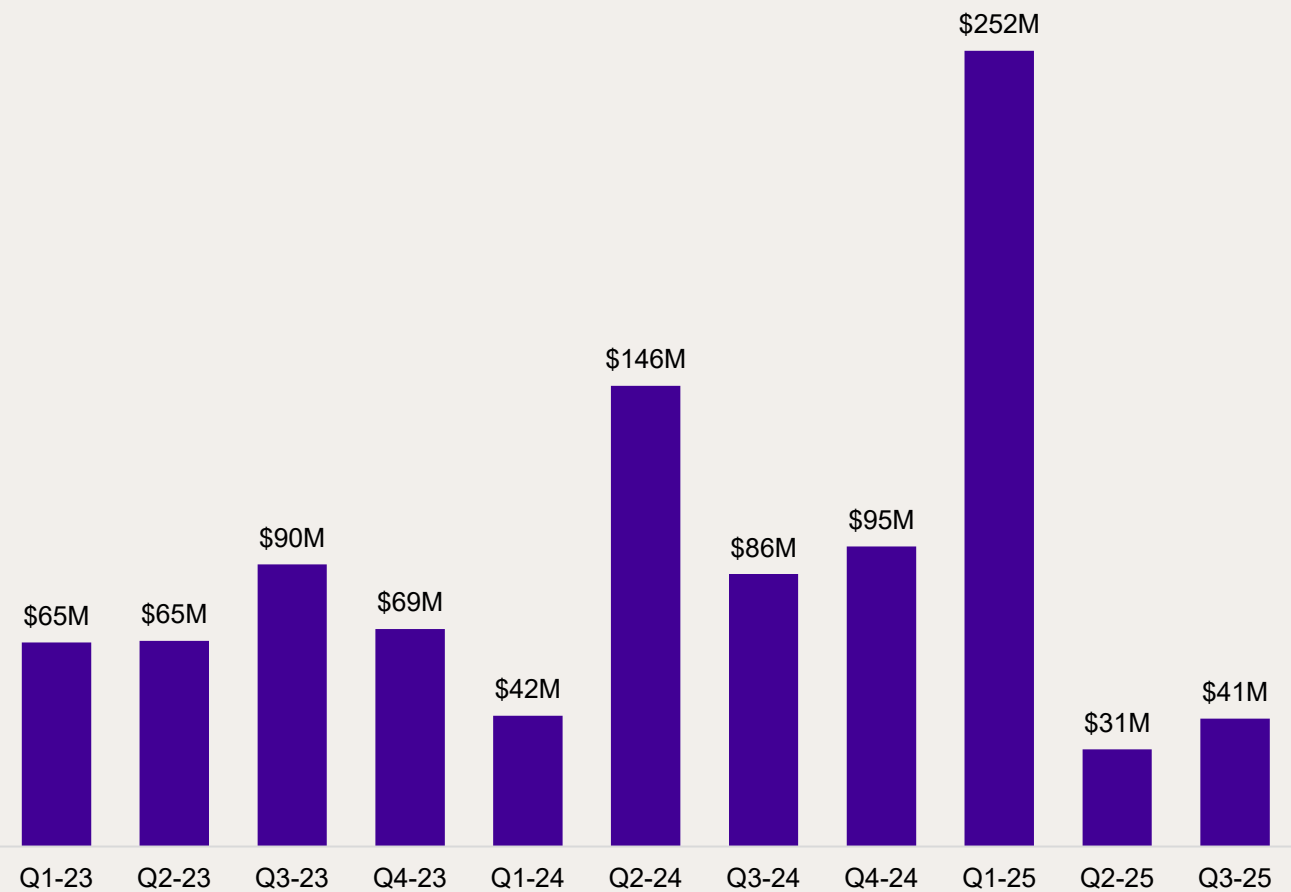


\* Cash Conversion Rate = (Free Cash Flow / Non-GAAP Net Income)

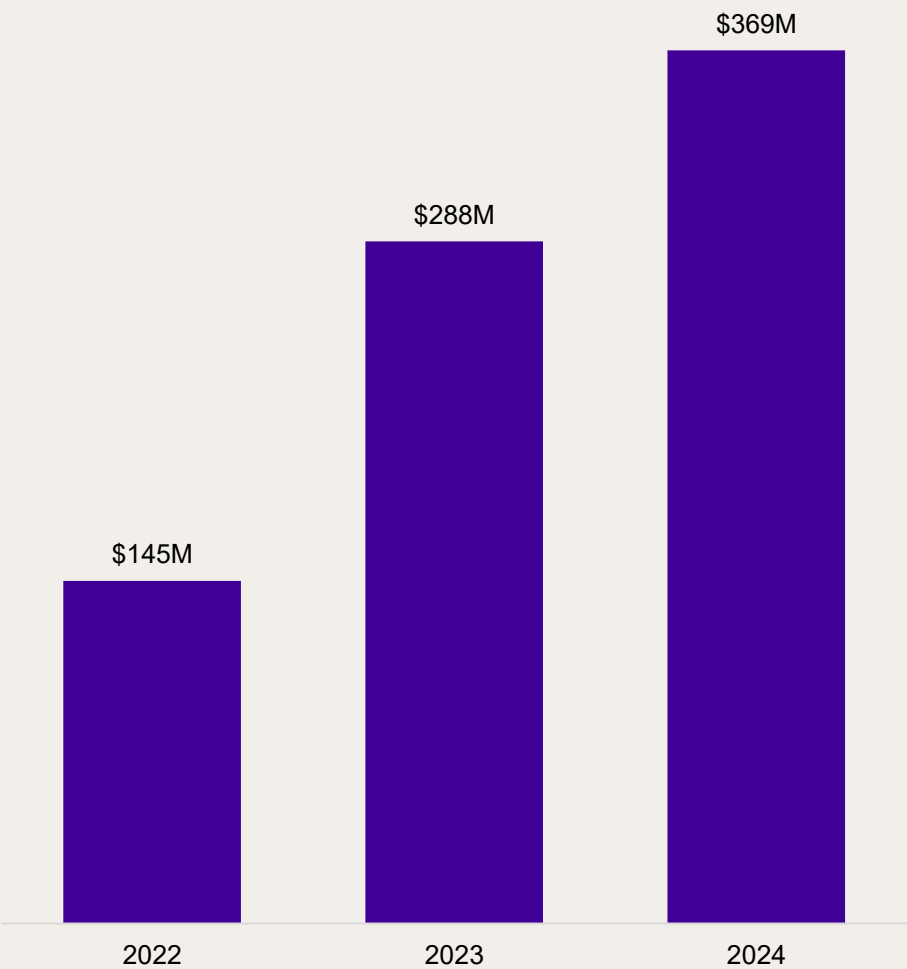
# Executing on Share Repurchase Plan



Quarterly

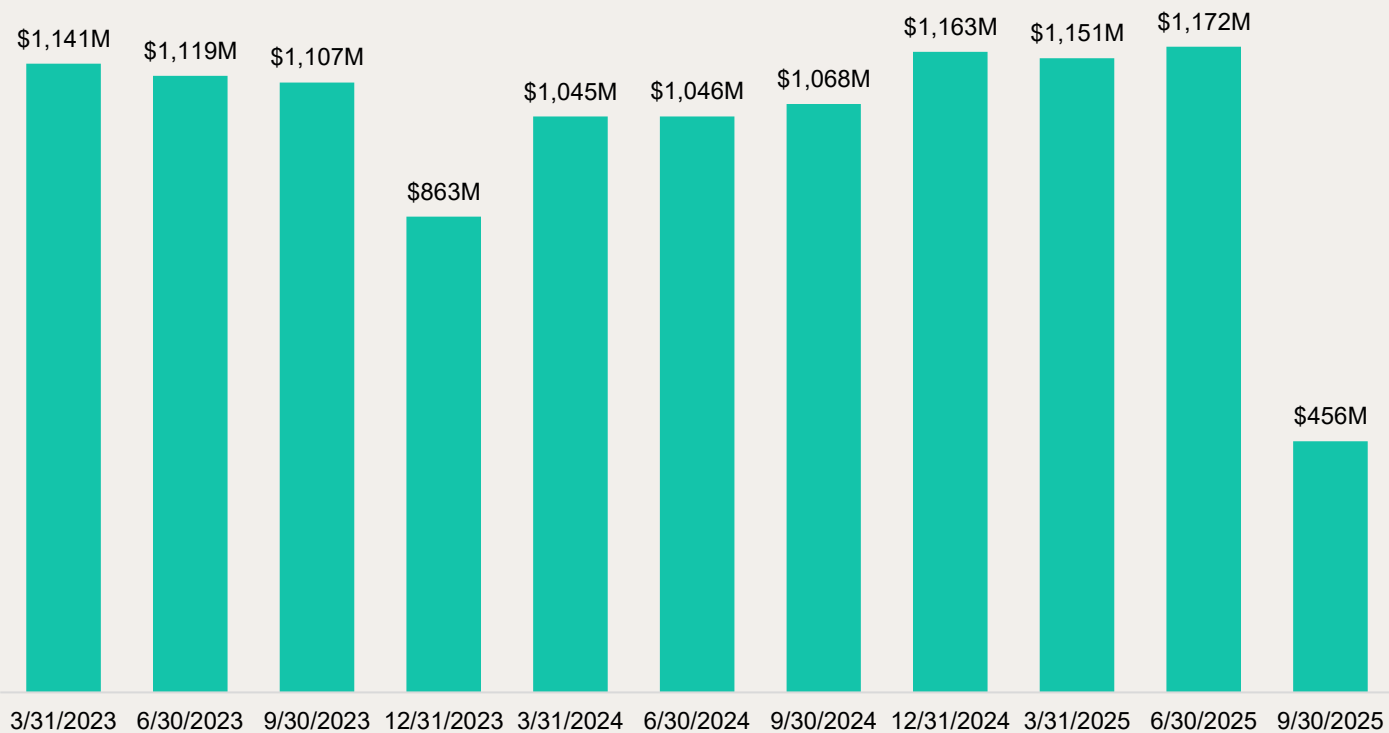


Annual

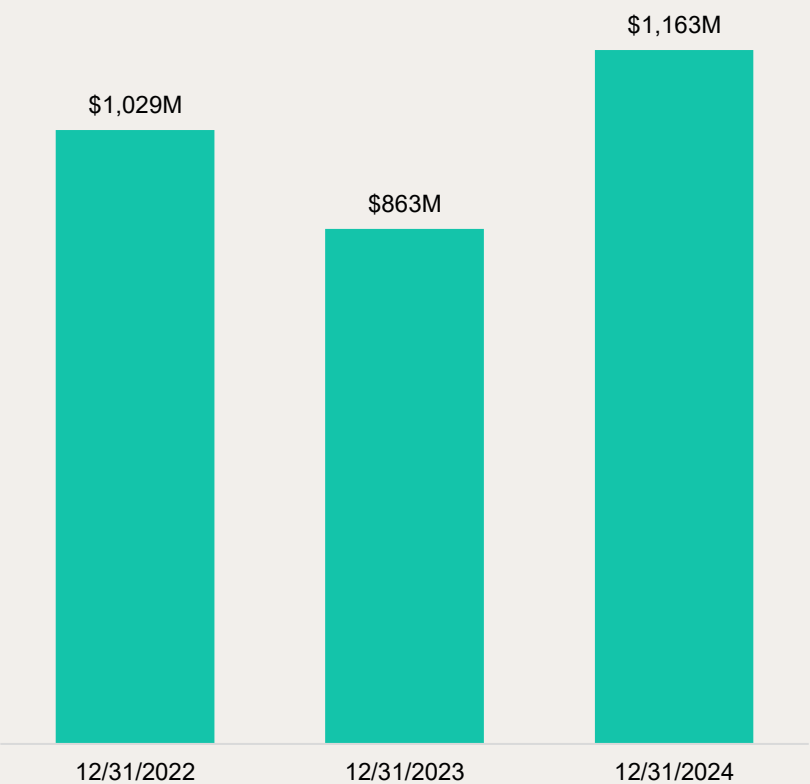


# Industry Leading Strong Net Cash Position\*

Quarterly



Annual



Net cash and investments = cash, cash equivalents and short-term investments less total debt net of debt hedge option asset  
Ending cash balance in 9/30/2025 reflects Cognigy acquisition closed in Sep' 25 for \$827M and debt repayment of \$460M

# Outlook\* (Non-GAAP)

|                                   | FY 2025       |  |
|-----------------------------------|---------------|--|
| Revenue (\$M)                     | 2,932 – 2,946 |  |
| Revenue Growth<br>YoY at Midpoint | 7%            |  |
| EPS (\$)                          | 12.18 – 12.32 |  |
| EPS Growth<br>YoY at Midpoint     | 10%           |  |

\*The outlook is provided as of November 13, 2025. There is no guarantee that the Company will change or update these figures in this presentation should a need arise in the future to update the outlook. This is in addition to the forward-looking statements disclaimer at the beginning of the presentation.

# Appendix

A man and a woman in business attire are working together at a desk. The man, on the left, is wearing a white shirt, a patterned tie, and glasses. He is looking at a laptop screen. The woman, on the right, is wearing a dark blazer over a light blue shirt and is smiling. They are in a modern office setting with a wooden desk, a laptop, a potted plant, and a pen holder. The background is blurred, showing other office furniture and a lamp.



# GAAP and Non-GAAP Income Statement

USD in thousands (except EPS)

|                                                               | Quarter ended<br>September 30, |                    | Year to date<br>September 30, |                     |
|---------------------------------------------------------------|--------------------------------|--------------------|-------------------------------|---------------------|
|                                                               | 2025                           | 2024               | 2025                          | 2024                |
| GAAP revenues                                                 | \$ 731,999                     | \$ 689,963         | \$ 2,158,903                  | \$ 2,013,672        |
| Non-GAAP revenues                                             | <u>\$ 731,999</u>              | <u>\$ 689,963</u>  | <u>\$ 2,158,903</u>           | <u>\$ 2,013,672</u> |
| GAAP cost of revenue                                          | \$ 242,930                     | \$ 229,686         | \$ 716,611                    | \$ 677,138          |
| Amortization of acquired intangible assets on cost of cloud   | (17,177)                       | (24,278)           | (45,782)                      | (73,778)            |
| Amortization of acquired intangible assets on cost of product | -                              | -                  | -                             | (410)               |
| Cost of cloud revenue adjustment (1,2)                        | (2,910)                        | (3,175)            | (9,381)                       | (9,029)             |
| Cost of services revenue adjustment (1)                       | (2,431)                        | (2,511)            | (7,127)                       | (7,506)             |
| Cost of product revenue adjustment (1)                        | (22)                           | (30)               | (65)                          | (90)                |
| Non-GAAP cost of revenue                                      | <u>\$ 220,390</u>              | <u>\$ 199,692</u>  | <u>\$ 654,256</u>             | <u>\$ 586,325</u>   |
| GAAP gross profit                                             | \$ 489,069                     | \$ 460,277         | \$ 1,442,292                  | \$ 1,336,534        |
| Gross profit adjustments                                      | 22,540                         | 29,994             | 62,355                        | 90,813              |
| Non-GAAP gross profit                                         | <u>\$ 511,609</u>              | <u>\$ 490,271</u>  | <u>\$ 1,504,647</u>           | <u>\$ 1,427,347</u> |
| GAAP operating expenses                                       | \$ 328,295                     | \$ 318,898         | \$ 972,757                    | \$ 944,892          |
| Research and development (1,2)                                | (4,762)                        | (6,734)            | (12,633)                      | (22,361)            |
| Sales and marketing (1,2)                                     | (13,457)                       | (14,944)           | (42,129)                      | (42,326)            |
| General and administrative (1,2)                              | (22,469)                       | (22,154)           | (58,951)                      | (59,414)            |
| Amortization of acquired intangible assets                    | (6,859)                        | (5,613)            | (18,508)                      | (15,824)            |
| Valuation adjustment on acquired deferred commission          | -                              | 1                  | -                             | 24                  |
| Non-GAAP operating expenses                                   | <u>\$ 280,748</u>              | <u>\$ 269,454</u>  | <u>\$ 840,536</u>             | <u>\$ 804,991</u>   |
| GAAP financial and other income, net                          | \$ (21,136)                    | \$ (12,280)        | \$ (51,806)                   | \$ (41,934)         |
| Amortization of discount on debt                              | (361)                          | (430)              | (1,210)                       | (1,404)             |
| Change in fair value of contingent consideration              | -                              | (36)               | -                             | (115)               |
| Realized gain on marketable securities, net                   | 4,463                          | -                  | 4,463                         | -                   |
| Non-GAAP financial and other income, net                      | <u>\$ (17,034)</u>             | <u>\$ (12,746)</u> | <u>\$ (48,553)</u>            | <u>\$ (43,453)</u>  |
| GAAP taxes on income                                          | \$ 37,057                      | \$ 32,738          | \$ 59,794                     | \$ 90,497           |
| Tax adjustments re non-GAAP adjustments                       | 10,043                         | 13,886             | 76,763                        | 42,665              |
| Non-GAAP taxes on income                                      | <u>\$ 47,100</u>               | <u>\$ 46,624</u>   | <u>\$ 136,557</u>             | <u>\$ 133,162</u>   |



# GAAP and Non-GAAP Income Statement (cont.)

USD in thousands (except EPS)

|                                                              | Quarter ended<br>September 30, |                   | Year to date<br>September 30, |                   |
|--------------------------------------------------------------|--------------------------------|-------------------|-------------------------------|-------------------|
|                                                              | 2025                           | 2024              | 2025                          | 2024              |
| GAAP net income                                              | \$ 144,853                     | \$ 120,921        | \$ 461,547                    | \$ 343,079        |
| Amortization of acquired intangible assets                   | 24,036                         | 29,891            | 64,290                        | 90,012            |
| Valuation adjustment on acquired deferred commission         | -                              | (1)               | -                             | (24)              |
| Share-based compensation (1)                                 | 37,380                         | 48,731            | 121,220                       | 137,997           |
| Acquisition related expenses (2)                             | 8,671                          | 817               | 9,066                         | 2,729             |
| Amortization of discount on debt                             | 361                            | 430               | 1,210                         | 1,404             |
| Realized gain on marketable securities, net                  | (4,463)                        | -                 | (4,463)                       | -                 |
| Change in fair value of contingent consideration             | -                              | 36                | -                             | 115               |
| Tax adjustments re non-GAAP adjustments                      | (10,043)                       | (13,886)          | (76,763)                      | (42,665)          |
| Non-GAAP net income                                          | <u>\$ 200,795</u>              | <u>\$ 186,939</u> | <u>\$ 576,107</u>             | <u>\$ 532,647</u> |
|                                                              |                                |                   |                               |                   |
| GAAP diluted earnings per share                              | <u>\$ 2.29</u>                 | <u>\$ 1.86</u>    | <u>\$ 7.26</u>                | <u>\$ 5.22</u>    |
| Non-GAAP diluted earnings per share                          | <u>\$ 3.18</u>                 | <u>\$ 2.88</u>    | <u>\$ 9.06</u>                | <u>\$ 8.10</u>    |
|                                                              |                                |                   |                               |                   |
| Shares used in computing GAAP diluted earnings per share     | 63,161                         | 64,838            | 63,574                        | 65,741            |
| Shares used in computing non-GAAP diluted earnings per share | 63,161                         | 64,838            | 63,574                        | 65,741            |

# GAAP and Non-GAAP Income Statement (cont.)

USD in thousands

(1) Share-based compensation

|                            | Quarter ended<br>September 30, |                  | Year to date<br>September 30, |                   |
|----------------------------|--------------------------------|------------------|-------------------------------|-------------------|
|                            | 2025                           | 2024             | 2025                          | 2024              |
| Cost of cloud revenue      | \$ 2,910                       | \$ 3,175         | \$ 9,381                      | \$ 8,967          |
| Cost of services revenue   | 2,431                          | 2,511            | 7,127                         | 7,506             |
| Cost of product revenue    | 22                             | 30               | 65                            | 90                |
| Research and development   | 4,762                          | 6,734            | 12,633                        | 22,031            |
| Sales and marketing        | 13,447                         | 14,937           | 42,119                        | 41,676            |
| General and administrative | 13,808                         | 21,344           | 49,895                        | 57,727            |
|                            | <u>\$ 37,380</u>               | <u>\$ 48,731</u> | <u>\$ 121,220</u>             | <u>\$ 137,997</u> |

(2) Acquisition related expenses

|                            | Quarter ended<br>September 30, |               | Year to date<br>September 30, |                 |
|----------------------------|--------------------------------|---------------|-------------------------------|-----------------|
|                            | 2025                           | 2024          | 2025                          | 2024            |
| Cost of cloud revenue      | \$ -                           | \$ -          | \$ -                          | \$ 62           |
| Research and development   | -                              | -             | -                             | 330             |
| Sales and marketing        | 10                             | 7             | 10                            | 650             |
| General and administrative | 8,661                          | 810           | 9,056                         | 1,687           |
|                            | <u>\$ 8,671</u>                | <u>\$ 817</u> | <u>\$ 9,066</u>               | <u>\$ 2,729</u> |



# Non-GAAP EBITDA Reconciliation

USD in thousands

|                                                      | Quarter ended<br>September 30, |                   | Year to date<br>September 30, |                   |
|------------------------------------------------------|--------------------------------|-------------------|-------------------------------|-------------------|
|                                                      | 2025                           | 2024              | 2025                          | 2024              |
|                                                      | Unaudited                      | Unaudited         | Unaudited                     | Unaudited         |
| GAAP net income                                      | \$ 144,853                     | \$ 120,921        | \$ 461,547                    | \$ 343,079        |
| Non-GAAP adjustments:                                |                                |                   |                               |                   |
| Depreciation and amortization                        | 48,918                         | 52,964            | 136,971                       | 156,244           |
| Share-based compensation                             | 35,834                         | 47,252            | 116,481                       | 133,882           |
| Financial and other income, net                      | (21,136)                       | (12,280)          | (51,806)                      | (41,934)          |
| Acquisition related expenses                         | 8,671                          | 817               | 9,066                         | 2,729             |
| Valuation adjustment on acquired deferred commission | -                              | (1)               | -                             | (24)              |
| Taxes on income                                      | 37,057                         | 32,738            | 59,794                        | 90,497            |
| Non-GAAP EBITDA                                      | <u>\$ 254,197</u>              | <u>\$ 242,411</u> | <u>\$ 732,053</u>             | <u>\$ 684,473</u> |



# Free Cash Flow Reconciliation

USD in thousands

|                                               | Quarter ended<br>September 30, |                   | Year to date<br>September 30, |                   |
|-----------------------------------------------|--------------------------------|-------------------|-------------------------------|-------------------|
|                                               | 2025                           | 2024              | 2025                          | 2024              |
|                                               | Unaudited                      | Unaudited         | Unaudited                     | Unaudited         |
| Net cash provided by operating activities     | \$ 190,500                     | \$ 158,961        | \$ 536,893                    | \$ 583,119        |
| Purchase of property and equipment            | (7,258)                        | (10,419)          | (15,504)                      | (27,395)          |
| Capitalization of internal use software costs | (19,663)                       | (16,812)          | (54,566)                      | (47,986)          |
| Free Cash Flow (a)                            | <u>\$ 163,579</u>              | <u>\$ 131,730</u> | <u>\$ 466,823</u>             | <u>\$ 507,738</u> |

(a) Free cash flow from continuing operations is defined as operating cash flows from continuing operations less capital expenditures of the continuing operations and less capitalization of internal use software costs.

# Condensed Consolidated Balance Sheet

USD in thousands



|                                             | September 30,<br>2025<br>Unaudited | December 31,<br>2024<br>Audited |
|---------------------------------------------|------------------------------------|---------------------------------|
| <b>ASSETS</b>                               |                                    |                                 |
| <b>CURRENT ASSETS:</b>                      |                                    |                                 |
| Cash and cash equivalents                   | \$ 418,052                         | \$ 481,712                      |
| Short-term investments                      | 37,840                             | 1,139,996                       |
| Trade receivables                           | 714,915                            | 643,985                         |
| Prepaid expenses and other current assets   | 212,159                            | 239,080                         |
| Total current assets                        | 1,382,966                          | 2,504,773                       |
| <b>LONG-TERM ASSETS:</b>                    |                                    |                                 |
| Property and equipment, net                 | 188,373                            | 185,292                         |
| Deferred tax assets                         | 222,486                            | 219,232                         |
| Other intangible assets, net                | 624,057                            | 231,346                         |
| Operating lease right-of-use assets         | 76,611                             | 93,083                          |
| Goodwill                                    | 2,438,371                          | 1,849,668                       |
| Prepaid expenses and other long-term assets | 218,658                            | 212,512                         |
| Total long-term assets                      | 3,768,556                          | 2,791,133                       |
| <b>TOTAL ASSETS</b>                         | <b>\$ 5,151,522</b>                | <b>\$ 5,295,906</b>             |

|                                                   | September 30,<br>2025<br>Unaudited | December 31,<br>2024<br>Audited |
|---------------------------------------------------|------------------------------------|---------------------------------|
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>       |                                    |                                 |
| <b>CURRENT LIABILITIES:</b>                       |                                    |                                 |
| Trade payables                                    | \$ 92,114                          | \$ 110,603                      |
| Deferred revenues and advances from customers     | 345,315                            | 299,367                         |
| Current maturities of operating leases            | 12,783                             | 12,554                          |
| Debt                                              | -                                  | 458,791                         |
| Accrued expenses and other liabilities            | 530,024                            | 593,109                         |
| Total current liabilities                         | 980,236                            | 1,474,424                       |
| <b>LONG-TERM LIABILITIES:</b>                     |                                    |                                 |
| Deferred revenues and advances from customers     | 61,996                             | 66,289                          |
| Operating leases                                  | 74,071                             | 92,258                          |
| Deferred tax liabilities                          | 114,136                            | 1,965                           |
| Other long-term liabilities                       | 60,337                             | 57,807                          |
| Total long-term liabilities                       | 310,540                            | 218,319                         |
| <b>SHAREHOLDERS' EQUITY</b>                       |                                    |                                 |
| Nice Ltd's equity                                 | 3,860,746                          | 3,589,742                       |
| Non-controlling interests                         | -                                  | 13,421                          |
| Total shareholders' equity                        | 3,860,746                          | 3,603,163                       |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>\$ 5,151,522</b>                | <b>\$ 5,295,906</b>             |