

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

June 24, 2021  
Date of Report (Date of earliest event reported)

Progress Software Corporation  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation or organization)

**0-19417**  
(Commission file number)

**04-2746201**  
(I.R.S. Employer Identification No.)

**14 Oak Park**  
**Bedford, Massachusetts 01730**  
(Address of principal executive offices, including zip code)

**(781) 280-4000**  
(Registrant's telephone number, including area code)

**Not applicable**  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	PRGS	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 2.02 Results of Operations and Financial Condition

On June 24, 2021, Progress Software Corporation ("Progress") issued a press release announcing its financial results for the fiscal second quarter ended May 31, 2021. A copy of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not deemed incorporated by reference into any other filing of the company, whether made before or after the date of this report, regardless of any general incorporation language in the filing.

*Non-GAAP Financial Information* - Progress provides non-GAAP supplemental information to its financial results. We use this non-GAAP information to evaluate our period-over-period operating performance because our management believes the information helps illustrate underlying trends in our business and provides us with a more comparable measure of our continuing business, as well as a greater understanding of the results from the primary operations of our business, by excluding the effects of certain items that do not reflect the ordinary earnings of our operations. Management also uses this non-GAAP financial information to establish budgets and operational goals, which are communicated internally and externally, evaluate performance, and allocate resources. In addition, compensation of our executives and non-executive employees is based in part on the performance of our business evaluated using this same non-GAAP information. We believe this non-GAAP financial information enhances investors' overall understanding of our current financial performance and our prospects for the future by providing more transparency for certain financial measures and providing a level of disclosure that helps investors understand how we plan and measure our business. We believe that providing this non-GAAP information affords investors a view of our operating results that may be more easily compared to our peer companies and enables investors to consider our operating results on both a GAAP and non-GAAP basis during and following the integration period of our acquisitions.

However, this non-GAAP information is not in accordance with, or an alternative to, generally accepted accounting principles in the United States ("GAAP") and should be considered in conjunction with our GAAP results as the items excluded from the non-GAAP information often have a material impact on Progress' financial results. A reconciliation of non-GAAP adjustments to Progress' GAAP financial results is included in the tables in the press release and is available on the Progress website at [www.progress.com](http://www.progress.com) within the investor relations section.

As described in more detail below, non-GAAP revenue, non-GAAP costs of sales and operating expenses, non-GAAP income from operations and operating margin, non-GAAP net income, and non-GAAP diluted earnings per share exclude the effect of purchase accounting on the fair value of acquired deferred revenue, amortization of acquired intangible assets, stock-based compensation expense, restructuring charges, acquisition-related and transition expenses, amortization of the discount on our convertible senior notes, and the related tax effects of the preceding items. We also provide guidance on adjusted free cash flow, which is equal to cash flows from operating activities less purchases of property and equipment, plus restructuring payments.

In the noted fiscal periods, we adjusted for the following items from our GAAP financial results to arrive at our non-GAAP financial measures:

- *Acquisition-related revenue* - In all periods presented, we include acquisition-related revenue, which constitutes revenue reflected as pre-acquisition deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of acquisitions. The acquisition-related revenue in our results relates to Chef Software, Inc. and Ipswitch, Inc., which we acquired on October 5, 2020 and April 30, 2019, respectively. Since GAAP accounting requires the elimination of this revenue, GAAP results alone do not fully capture all of our economic activities. We believe these adjustments are useful to management and investors as a measure of the ongoing performance of the business because, although we cannot be certain that customers will renew their contracts, we have historically experienced high renewal rates on maintenance and support agreements and other customer contracts. Additionally, although acquisition-related revenue adjustments are non-recurring with respect to past acquisitions, we expect to incur these adjustments in connection with any future acquisitions.
  - *Amortization of acquired intangibles* - In all periods presented, we exclude amortization of acquired intangibles because those expenses are unrelated to our core operating performance and the intangible assets acquired vary significantly based on the timing and magnitude of our acquisition transactions and the maturities of the businesses acquired.
  - *Stock-based compensation* - In all periods presented, we exclude stock-based compensation to be consistent with the way management and the financial community evaluates our performance and the methods used by analysts to calculate consensus estimates. The expense related to stock-based awards is generally not controllable in the short-term and can vary significantly based on the timing, size and nature of awards granted. As such, we do not include these charges in operating plans. Stock-based compensation will continue in future periods.
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- *Restructuring expenses* - In all periods presented, we exclude restructuring expenses incurred because those expenses distort trends and are not part of our core operating results.
- *Acquisition-related and transition expenses* - In all periods presented, we exclude acquisition-related expenses because those expenses distort trends and are not part of our core operating results. In recent years, we have completed a number of acquisitions, which result in our incurring operating expenses which would not otherwise have been incurred. By excluding certain transition, integration and other acquisition-related expense items in connection with acquisitions, this provides more meaningful comparisons of the financial results to our historical operations and forward-looking guidance and the financial results of less acquisitive peer companies. We consider these types of costs and adjustments, to a great extent, to be unpredictable and dependent on a significant number of factors that are outside of our control. Furthermore, we do not consider these acquisition-related costs and adjustments to be related to the organic continuing operations of the acquired businesses and are generally not relevant to assessing or estimating the long-term performance of the acquired assets. In addition, the size, complexity and/or volume of past acquisitions, which often drives the magnitude of acquisition-related costs, may not be indicative of the size, complexity and/or volume of future acquisitions.
- *Amortization of the discount on our convertible senior notes* - In April 2021, in a private offering, we issued 1.0% Convertible Senior Notes with an aggregate principal amount of \$360 million, including the over allotment, due April 15, 2026, unless earlier repurchased, redeemed or converted (the "Notes"). We exclude the portion of amortization of debt discount that relates to the equity component of the Notes as they are non-cash and have no direct correlation to the operations of our business.
- *Income tax adjustment* - In all periods presented, we adjust our income tax provision by excluding the tax impact of the non-GAAP adjustments discussed above.

*Constant Currency* - Revenue from our international operations has historically represented a substantial portion of our total revenue. As a result, our revenue results have been impacted, and we expect will continue to be impacted, by fluctuations in foreign currency exchange rates. For example, if the local currencies of our foreign subsidiaries strengthen, our consolidated results stated in U.S. dollars are positively impacted.

As exchange rates are an important factor in understanding period to period comparisons, we present revenue growth rates on a constant currency basis, which helps improve the understanding of our revenue results and our performance in comparison to prior periods. The constant currency information presented is calculated by translating current period results using prior period weighted average foreign currency exchange rates. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP.

*Annual Recurring Revenue ("ARR")* - We provide an ARR performance metric to help investors better understand and assess the performance of our business because our mix of revenue generated from recurring sources has increased in recent years. ARR represents the annualized contract value for all active and contractually binding term-based contracts at the end of a period. ARR includes maintenance, software upgrade rights, public cloud and on-premises subscription-based transactions and managed services.

ARR does not have any standardized meaning and is therefore unlikely to be comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and deferred revenue and is not intended to be combined with or to replace either of those items. ARR is not a forecast and the active contracts at the end of a reporting period used in calculating ARR may or may not be extended or renewed by our customers.

#### Item 7.01 Regulation FD Disclosure

In connection with the issuance of the press release attached hereto as Exhibit 99.1, the supplemental data attached as Exhibit 99.2 to this Current Report will be available on the Progress website within the investor relations section prior to the live conference call.

#### Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit No.	Description
99.1	<a href="#">Press release issued by Progress Software Corporation dated June 24, 2021</a>
99.2	<a href="#">Q2 2021 Supplemental Data</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 24, 2021

Progress Software Corporation

By: /s/ ANTHONY FOLGER  
Anthony Folger  
Chief Financial Officer

## P R E S S A N N O U N C E M E N T

## Progress Announces Second Quarter 2021 Financial Results

Q2 Revenue and Earnings Per Share Exceed Guidance  
Full Year Guidance Raised

**BEDFORD, Mass, June 24, 2021 (GlobeNewswire)** — Progress (NASDAQ: PRGS), the leading provider of products to develop, deploy and manage high-impact business applications, today announced financial results for its fiscal second quarter ended May 31, 2021.

## Second Quarter 2021 Highlights:

- Revenue of \$122.5 million increased 22% year-over-year on an actual currency basis, and 19% on a constant currency basis.
- Non-GAAP revenue of \$129.2 million increased 26% on an actual currency basis, and 23% on a constant currency basis.
- Annualized Recurring Revenue (ARR) of \$437 million increased 23% year-over-year on a constant currency basis.
- Operating margin was 18% and Non-GAAP operating margin was 38%.
- Diluted earnings per share was \$0.30 compared to \$0.37 in the same quarter last year, a decrease of 19%.
- Non-GAAP diluted earnings per share was \$0.82 compared to \$0.63 in the same quarter last year, an increase of 30%.

“We delivered a strong second quarter, which came in well ahead of our top- and bottom-line guidance ranges, demonstrating the success of our total growth strategy,” said Yogesh Gupta, CEO at Progress. “Our outperformance was driven by a combination of strength in our core business coupled with our acquired DevOps products from Chef, which is achieving nearly all of the integration synergies we expected ahead of schedule. The combination of another quarter of outperformance in our core businesses along with Chef proceeding ahead of plan makes us increasingly confident in our expectations for a strong year.”

Additional financial highlights included<sup>(1)</sup>:

(In thousands, except percentages and per share amounts)	Three Months Ended					
	GAAP			Non-GAAP		
	May 31, 2021	May 31, 2020	% Change	May 31, 2021	May 31, 2020	% Change
Revenue	\$ 122,488	\$ 100,383	22 %	\$ 129,198	\$ 102,505	26 %
Income from operations	\$ 22,282	\$ 25,309	(12)%	\$ 49,712	\$ 39,590	26 %
Operating margin	18 %	25 %	(700) bps	38 %	39 %	(100) bps
Net income	\$ 13,557	\$ 16,968	(20)%	\$ 36,513	\$ 28,656	27 %
Diluted earnings per share	\$ 0.30	\$ 0.37	(19)%	\$ 0.82	\$ 0.63	30 %
Cash from operations (GAAP) /Adjusted free cash flow (Non-GAAP)	\$ 54,690	\$ 37,957	44 %	\$ 55,411	\$ 38,399	44 %

<sup>(1)</sup>See Legal Notice Regarding Non-GAAP Financial Information

## Other fiscal second quarter 2021 metrics and recent results included:

- Cash, cash equivalents and short-term investments were \$362.7 million at the end of the quarter.
- DSO was 44 days compared to 47 days in the fiscal second quarter of 2020 and 53 days in the fiscal first quarter of 2021.
- Pursuant to the \$250 million share authorization by the Board of Directors, Progress repurchased 0.4 million shares for \$20.0 million during the second fiscal quarter of 2021. As of May 31, 2021, there was \$155.0 million remaining under this authorization.
- During the second quarter, the company completed an offering of convertible senior unsecured notes in the aggregate amount of \$360,000,000, including the over allotment. To mitigate potential dilution to existing shareholders, the

company privately negotiated capped call transactions that effectively doubled the conversion premium, for an effective conversion price of \$89.88 per share.

- On June 22, 2021, our Board of Directors declared a quarterly dividend of \$0.175 per share of common stock that will be paid on September 15, 2021 to shareholders of record as of the close of business on September 1, 2021.
- During the second quarter, Progress began operating as one distinct segment to align with the way that management internally analyzes the business. Progress previously reported results based on three segments.

Anthony Folger, CFO, said: "We're very pleased with the performance of our core business and our continued success integrating Chef. Our second quarter results reflect strength across all product lines and we're very pleased with the growth in ARR and the improvement in our net retention rates, both of which were introduced as key metrics last quarter. At the same time, we are achieving acquisition synergies sooner than anticipated, which contributed to our strong profitability and cash flows. These results reinforce our optimism and increase our confidence, providing us with comfort to raise our FY21 guidance again this quarter."

## 2021 Business Outlook

Progress provides the following guidance for the fiscal year ending November 30, 2021 and the fiscal third quarter ending August 31, 2021:

<i>(In millions, except percentages and per share amounts)</i>	Updated FY 2021 Guidance (June 24, 2021)		Prior FY 2021 Guidance (March 25, 2021)	
	GAAP	Non-GAAP	GAAP	Non-GAAP
Revenue	\$503 - \$509	\$529 - \$535	\$493 - \$501	\$519 - \$527
Diluted earnings per share	\$1.51 - \$1.55	\$3.46 - \$3.50	\$1.56 - \$1.60	\$3.38 - \$3.42
Operating margin	21%	39%	20%	38%
Cash from operations (GAAP) / Adjusted free cash flow (Non-GAAP)	\$160 - \$164	\$158 - \$162	\$157 - \$162	\$155 - \$160
Effective tax rate	20% - 21%	20% - 21%	21 %	20 %
			Q3 2021 Guidance	
<i>(In millions, except per share amounts)</i>			GAAP	Non-GAAP
Revenue			\$124 - \$127	\$129 - \$132
Diluted earnings per share			\$0.34 - \$0.36	\$0.81 - \$0.83

Based on current exchange rates, the expected positive currency translation impact on Progress' fiscal year 2021 business outlook compared to 2020 exchange rates is approximately \$8.4 million on GAAP and non-GAAP revenue, and approximately \$0.05 on GAAP and non-GAAP diluted earnings per share. The expected positive currency translation impact on Progress' fiscal Q3 2021 business outlook compared to 2020 exchange rates on GAAP and non-GAAP revenue is approximately \$2.2 million. The expected positive impact on GAAP and non-GAAP diluted Q3 2021 earnings per share is \$0.02. To the extent that there are changes in exchange rates versus the current environment, this may have an impact on Progress' business outlook.

## Conference Call

Progress will hold a conference call to review its financial results for the fiscal second quarter of 2021 at 5:00 p.m. ET on Thursday, June 24, 2021. The call can be accessed on the investor relations section of the company's website, located at [www.progress.com](http://www.progress.com). Additionally, you can listen to the call by telephone by dialing 800-458-4121 or +1 773-377-9334, passcode 3588537. The conference call will include comments followed by questions and answers. An archived version of the conference call and supporting materials will be available on the Progress website within the investor relations section after the live conference call.

### Legal Notice Regarding Non-GAAP Financial Information

Progress provides non-GAAP financial information as additional information for investors. These non-GAAP measures are not in accordance with, or an alternative to, generally accepted accounting principles in the United States ("GAAP"). Progress believes that the non-GAAP results described in this release are useful for an understanding of its ongoing operations and provide additional detail and an alternative method of assessing its operating results. A reconciliation of non-GAAP adjustments to the company's GAAP financial results is included in the tables below and is available on the Progress website at [www.progress.com](http://www.progress.com) within the investor relations section. Additional information regarding the company's non-GAAP financial information is contained in the company's Current Report on Form 8-K furnished to the Securities and Exchange Commission in connection with this press release, which is also available on the Progress website within the investor relations section.

### Note Regarding Forward-Looking Statements

This press release contains statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like "believe," "may," "could," "would," "might," "should," "expect," "intend," "plan," "target," "anticipate" and "continue," the negative of these words, other terms of similar meaning or the use of future dates.

Forward-looking statements in this press release include, but are not limited to, statements regarding Progress' business outlook and financial guidance. There are a number of factors that could cause actual results or future events to differ materially from those anticipated by the forward-looking statements, including, without limitation:

(1) Economic, geopolitical and market conditions can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price. (2) We may fail to achieve our financial forecasts due to such factors as delays or size reductions in transactions, fewer large transactions in a particular quarter, fluctuations in currency exchange rates, or a decline in our renewal rates for contracts. (3) Our ability to successfully manage transitions to new business models and markets, including an increased emphasis on a cloud and subscription strategy, may not be successful. (4) If we are unable to develop new or sufficiently differentiated products and services, or to enhance and improve our existing products and services in a timely manner to meet market demand, partners and customers may not purchase new software licenses or subscriptions or purchase or renew support contracts. (5) We depend upon our extensive partner channel and we may not be successful in retaining or expanding our relationships with channel partners. (6) Our international sales and operations subject us to additional risks that can adversely affect our operating results, including risks relating to foreign currency gains and losses. (7) If the security measures for our software, services, other offerings or our internal information technology infrastructure are compromised or subject to a successful cyber-attack, or if our software offerings contain significant coding or configuration errors, we may experience reputational harm, legal claims and financial exposure. (8) We have made acquisitions, and may make acquisitions in the future, and those acquisitions may not be successful, may involve unanticipated costs or other integration issues or may disrupt our existing operations. (9) Delay or failure to realize the expected synergies and benefits of the Chef acquisition could negatively impact our future results of operations and financial condition. (10) The continuing impact of the coronavirus disease (COVID-19) outbreak on our employees, customers, partners, and the global financial markets could adversely affect our business, results of operations and financial condition. For further information regarding risks and uncertainties associated with Progress' business, please refer to Progress' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the fiscal year ended November 30, 2020. Progress undertakes no obligation to update any forward-looking statements, which speak only as of the date of this press release.

**About Progress**

[Progress](#) (NASDAQ: PRGS) provides the best products to develop, deploy and manage high-impact business applications. Our comprehensive product stack is designed to make technology teams more productive and we have a deep commitment to the developer community, both open source and commercial alike. With Progress, organizations can accelerate the creation and delivery of strategic business applications, automate the process by which apps are configured, deployed and scaled, and make critical data and content more accessible and secure—leading to competitive differentiation and business success. Over 1,700 independent software vendors, 100,000 enterprise customers, and three million developers rely on Progress to power their applications. Learn about Progress at [www.progress.com](http://www.progress.com) or +1-800-477-6473.

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**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Unaudited)

(In thousands, except per share data)	Three Months Ended			Six Months Ended		
	May 31, 2021	May 31, 2020	% Change	May 31, 2021	May 31, 2020	% Change
<b>Revenue:</b>						
Software licenses	\$ 30,107	\$ 19,663	53 %	\$ 63,424	\$ 50,292	26 %
Maintenance and services	92,381	80,720	14 %	180,344	159,774	13 %
Total revenue	122,488	100,383	22 %	243,768	210,066	16 %
<b>Costs of revenue:</b>						
Cost of software licenses	1,038	810	28 %	2,189	2,199	— %
Cost of maintenance and services	14,673	11,785	25 %	27,992	23,636	18 %
Amortization of acquired intangibles	3,599	1,664	116 %	7,120	3,310	115 %
Total costs of revenue	19,310	14,259	35 %	37,301	29,145	28 %
Gross profit	103,178	86,124	20 %	206,467	180,921	14 %
<b>Operating expenses:</b>						
Sales and marketing	29,262	21,716	35 %	58,731	45,914	28 %
Product development	26,415	21,787	21 %	50,963	43,441	17 %
General and administrative	16,460	12,440	32 %	29,884	25,188	19 %
Amortization of acquired intangibles	7,979	4,177	91 %	14,858	8,308	79 %
Restructuring expenses	(64)	695	(109)%	1,093	1,735	(37)%
Acquisition-related expenses	844	—	— %	1,240	314	295 %
Total operating expenses	80,896	60,815	33 %	156,769	124,900	26 %
Income from operations	22,282	25,309	(12)%	49,698	56,021	(11)%
Other expense, net	(5,218)	(2,847)	(83)%	(7,870)	(6,244)	(26)%
Income before income taxes	17,064	22,462	(24)%	41,828	49,777	(16)%
Provision for income taxes	3,507	5,494	(36)%	9,310	11,693	(20)%
Net income	\$ 13,557	\$ 16,968	(20)%	\$ 32,518	\$ 38,084	(15)%
<b>Earnings per share:</b>						
Basic	\$ 0.31	\$ 0.38	(18)%	\$ 0.74	\$ 0.85	(13)%
Diluted	\$ 0.30	\$ 0.37	(19)%	\$ 0.73	\$ 0.84	(13)%
<b>Weighted average shares outstanding:</b>						
Basic	43,818	44,889	(2)%	43,963	44,893	(2)%
Diluted	44,472	45,267	(2)%	44,562	45,391	(2)%
Cash dividends declared per common share	\$ 0.175	\$ 0.165	6 %	\$ 0.350	\$ 0.330	6 %
Stock-based compensation is included in the condensed consolidated statements of operations, as follows:						
Cost of revenue	\$ 468	\$ 338	38 %	\$ 860	\$ 657	31 %
Sales and marketing	1,752	1,110	58 %	3,255	2,160	51 %
Product development	2,412	1,899	27 %	4,331	3,825	13 %
General and administrative	3,730	2,276	64 %	6,700	5,032	33 %
Total	\$ 8,362	\$ 5,623	49 %	\$ 15,146	\$ 11,674	30 %

**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Unaudited)

<i>(In thousands)</i>	May 31, 2021	November 30, 2020
<b>Assets</b>		
<b>Current assets:</b>		
Cash, cash equivalents and short-term investments	\$ 362,660	\$ 105,995
Accounts receivable, net	64,045	84,040
Unbilled receivables and contract assets	23,157	24,917
Other current assets	21,106	23,983
<b>Total current assets</b>	<b>470,968</b>	<b>238,935</b>
Property and equipment, net	29,333	29,817
Goodwill and intangible assets, net	682,499	704,473
Right-of-use lease assets	30,833	30,635
Long-term unbilled receivables and contract assets	10,742	17,133
Other assets	15,619	20,789
<b>Total assets</b>	<b>\$ 1,239,994</b>	<b>\$ 1,041,782</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities:</b>		
Accounts payable and other current liabilities	\$ 61,239	\$ 70,899
Current portion of long-term debt, net	22,005	18,242
Short-term operating lease liabilities	7,361	7,015
Short-term deferred revenue	175,472	166,387
<b>Total current liabilities</b>	<b>266,077</b>	<b>262,543</b>
Long-term debt, net	254,757	364,260
Convertible senior notes, net	288,023	—
Long-term operating lease liabilities	26,541	26,966
Long-term deferred revenue	27,158	26,908
Other long-term liabilities	11,717	15,092
<b>Shareholders' equity:</b>		
Common stock and additional paid-in capital	334,064	306,244
Retained earnings	31,657	39,769
<b>Total shareholders' equity</b>	<b>365,721</b>	<b>346,013</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 1,239,994</b>	<b>\$ 1,041,782</b>

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited)

	Three Months Ended		Six Months Ended	
	May 31, 2021	May 31, 2020	May 31, 2021	May 31, 2020
<i>(In thousands)</i>				
Cash flows from operating activities:				
Net income	\$ 13,557	\$ 16,968	\$ 32,518	\$ 38,084
Depreciation and amortization	14,829	7,572	26,691	15,241
Stock-based compensation	8,362	5,623	15,146	11,674
Other non-cash adjustments	708	2,309	3,123	7,656
Changes in operating assets and liabilities	17,234	5,485	21,900	(1,682)
Net cash flows from operating activities	54,690	37,957	99,378	70,973
Capital expenditures	(950)	(609)	(2,116)	(1,757)
Issuances of common stock, net of repurchases	(17,185)	3,063	(28,700)	(12,692)
Dividend payments to shareholders	(7,763)	(7,438)	(15,617)	(14,906)
Payments of principal on long-term debt	(87,262)	(1,880)	(106,025)	(3,762)
Proceeds from issuance of Notes, net of issuance costs	349,196	—	349,196	—
Purchase of capped calls	(43,056)	—	(43,056)	—
Other	619	(4,503)	3,605	(7,896)
Net change in cash, cash equivalents and short-term investments	248,289	26,590	256,665	29,960
Cash, cash equivalents and short-term investments, beginning of period	114,371	177,055	105,995	173,685
Cash, cash equivalents and short-term investments, end of period	\$ 362,660	\$ 203,645	\$ 362,660	\$ 203,645

**RECONCILIATIONS OF GAAP TO NON-GAAP SELECTED FINANCIAL MEASURES - SECOND QUARTER**

(Unaudited)

(In thousands, except per share data)

	Three Months Ended				% Change Non-GAAP
	May 31, 2021		May 31, 2020		
<b>Adjusted revenue:</b>					
GAAP revenue	\$	122,488		\$	100,383
Acquisition-related revenue <sup>(1)</sup>		6,710			2,122
Non-GAAP revenue	\$	129,198	100 %	\$	102,505
					100 %
					26 %
<b>Adjusted income from operations:</b>					
GAAP income from operations	\$	22,282	18 %	\$	25,309
Amortization of acquired intangibles		11,578	9 %		5,841
Restructuring expenses and other		(64)	— %		695
Stock-based compensation		8,362	5 %		5,623
Acquisition-related revenue <sup>(1)</sup> and expenses		7,554	6 %		2,122
Non-GAAP income from operations	\$	49,712	38 %	\$	39,590
					39 %
					26 %
<b>Adjusted net income:</b>					
GAAP net income	\$	13,557	11 %	\$	16,968
Amortization of acquired intangibles		11,578	9 %		5,841
Restructuring expenses and other		(64)	— %		695
Stock-based compensation		8,362	6 %		5,623
Acquisition-related revenue <sup>(1)</sup> and expenses		7,554	6 %		2,122
Amortization of discount on notes		1,480	1 %		—
Provision for income taxes		(5,954)	(5)%		(2,593)
Non-GAAP net income	\$	36,513	28 %	\$	28,656
					28 %
					27 %
<b>Adjusted diluted earnings per share:</b>					
GAAP diluted earnings per share	\$	0.30		\$	0.37
Amortization of acquired intangibles		0.26			0.13
Restructuring expenses and other		—			0.02
Stock-based compensation		0.19			0.12
Acquisition-related revenue <sup>(1)</sup> and expenses		0.17			0.05
Amortization of discount on notes		0.03			—
Provision for income taxes		(0.13)			(0.06)
Non-GAAP diluted earnings per share	\$	0.82		\$	0.63
					30 %
					(2)%
<b>Non-GAAP weighted avg shares outstanding - diluted</b>					
		44,472			45,267

(1) Acquisition-related revenue constitutes revenue reflected as pre-acquisition deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of acquisitions. Since GAAP accounting requires the elimination of this revenue, GAAP results alone do not fully capture all of our economic activities.

**RECONCILIATIONS OF GAAP TO NON-GAAP SELECTED FINANCIAL MEASURES - YEAR TO DATE**  
(Unaudited)

(In thousands, except per share data)

	Six Months Ended				% Change Non-GAAP	
	May 31, 2021		May 31, 2020			
<b>Adjusted revenue:</b>						
GAAP revenue	\$	243,768		\$	210,066	
Acquisition-related revenue <sup>(1)</sup>		17,214			6,201	
Non-GAAP revenue	\$	260,982	100 %	\$	216,267	100 %
						21 %
<b>Adjusted income from operations:</b>						
GAAP income from operations	\$	49,698	20 %	\$	56,021	27 %
Amortization of acquired intangibles		21,978	8 %		11,618	5 %
Restructuring expenses and other		1,093	— %		1,735	— %
Stock-based compensation		15,146	6 %		11,674	5 %
Acquisition-related revenue <sup>(1)</sup> and expenses		18,454	7 %		6,515	3 %
Non-GAAP income from operations	\$	106,369	41 %	\$	87,563	40 %
						21 %
<b>Adjusted net income:</b>						
GAAP net income	\$	32,518	13 %	\$	38,084	18 %
Amortization of acquired intangibles		21,978	8 %		11,618	6 %
Restructuring expenses and other		1,093	— %		1,735	1 %
Stock-based compensation		15,146	6 %		11,674	5 %
Acquisition-related revenue <sup>(1)</sup> and expenses		18,454	7 %		6,515	2 %
Amortization of discount on notes		1,480	— %		—	— %
Provision for income taxes		(11,652)	(4)%		(6,267)	(3)%
Non-GAAP net income	\$	79,017	30 %	\$	63,359	29 %
						25 %
<b>Adjusted diluted earnings per share:</b>						
GAAP diluted earnings per share	\$	0.73		\$	0.84	
Amortization of acquired intangibles		0.49			0.26	
Restructuring expenses and other		0.02			0.04	
Stock-based compensation		0.35			0.26	
Acquisition-related revenue <sup>(1)</sup> and expenses		0.41			0.14	
Amortization of discount on notes		0.03			—	
Provision for income taxes		(0.26)			(0.14)	
Non-GAAP diluted earnings per share	\$	1.77		\$	1.40	
						26 %
<b>Non-GAAP weighted avg shares outstanding - diluted</b>						
		44,562			45,391	(2)%

(1) Acquisition-related revenue constitutes revenue reflected as pre-acquisition deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of acquisitions. Since GAAP accounting requires the elimination of this revenue, GAAP results alone do not fully capture all of our economic activities.

**OTHER NON-GAAP FINANCIAL MEASURES**  
(Unaudited)

**Quarter to Date Adjusted Free Cash Flow**

<i>(In thousands)</i>	Q2 2021	Q2 2020	% Change
Cash flows from operations	\$ 54,690	\$ 37,957	44 %
Purchases of property and equipment	(950)	(609)	56 %
Free cash flow	53,740	37,348	44 %
Add back: restructuring payments	1,671	1,051	59 %
Adjusted free cash flow	\$ 55,411	\$ 38,399	44 %

**Year to Date Adjusted Free Cash Flow**

<i>(In thousands)</i>	Q2 2021	Q2 2020	% Change
Cash flows from operations	\$ 99,378	\$ 70,973	40 %
Purchases of property and equipment	(2,116)	(1,757)	20 %
Free cash flow	97,262	69,216	41 %
Add back: restructuring payments	4,664	2,480	88 %
Adjusted free cash flow	\$ 101,926	\$ 71,696	42 %

**RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR FISCAL YEAR 2021 GUIDANCE**

(Unaudited)

**Fiscal Year 2021 Updated Revenue Guidance**

	Fiscal Year Ended		Fiscal Year Ending					
	November 30, 2020		November 30, 2021					
(In millions)			Low	% Change	High	% Change		
GAAP revenue	\$	442.1	\$	503.0	14 %	\$	509.0	15 %
Acquisition-related adjustments - revenue <sup>(1)</sup>		14.1		26.0	84 %		26.0	84 %
Non-GAAP revenue	\$	456.2	\$	529.0	16 %	\$	535.0	17 %

<sup>(1)</sup>Acquisition-related revenue constitutes revenue reflected as pre-acquisition deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of acquisitions. Since GAAP accounting requires the elimination of this revenue, GAAP results alone do not fully capture all of our economic activities. Acquisition-related revenue adjustments relate to Ipswitch and Chef.

**Fiscal Year 2021 Updated Non-GAAP Operating Margin Guidance**

	Fiscal Year Ending November 30, 2021			
		Low		High
GAAP income from operations	\$	106.2	\$	108.4
GAAP operating margins		21 %		21 %
Acquisition-related revenue		26.0		26.0
Acquisition-related expense		1.3		1.3
Restructuring expense		1.2		1.2
Stock-based compensation		28.8		28.8
Amortization of acquired intangibles		44.9		44.9
Total adjustments <sup>(2)</sup>		102.2		102.2
Non-GAAP income from operations	\$	208.4	\$	210.6
Non-GAAP operating margin		39 %		39 %

<sup>(2)</sup>Total adjustments include preliminary estimates relating to the valuation of intangible assets acquired from Chef and restructuring expenses. The final amounts will not be available until the Company's internal procedures and reviews are completed.

**Fiscal Year 2021 Updated Non-GAAP Earnings per Share and Effective Tax Rate Guidance**

	Fiscal Year Ending November 30, 2021			
		Low		High
GAAP net income	\$	67.3	\$	69.1
Adjustments (from previous table)		102.2		102.2
Amortization of discount on notes		7.2		7.2
Income tax adjustment <sup>(3)</sup>		(22.4)		(22.4)
Non-GAAP net income	\$	154.3	\$	156.1
GAAP diluted earnings per share	\$	1.51	\$	1.55
Non-GAAP diluted earnings per share	\$	3.46	\$	3.50
Diluted weighted average shares outstanding		44.6		44.6

<sup>(3)</sup>Tax adjustment is based on a non-GAAP effective tax rate of approximately 21% for Low and 20% for High, calculated as follows:

Non-GAAP income from operations	\$	208.4	\$	210.6
Other (expense) income		(14.3)		(14.3)
Non-GAAP income from continuing operations before income taxes		194.1		196.3
Non-GAAP net income		154.3		156.1
Tax provision	\$	39.8	\$	40.2
Non-GAAP tax rate		21 %		20 %

**RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR FISCAL YEAR 2021 GUIDANCE**

(Unaudited)

**Fiscal Year 2021 Adjusted Free Cash Flow Guidance**

<i>(In millions)</i>	Fiscal Year Ending November 30, 2021	
	Low	High
Cash flows from operations (GAAP)	\$ 160	\$ 164
Purchases of property and equipment	(7)	(7)
Add back: restructuring payments	5	5
Adjusted free cash flow (non-GAAP)	\$ 158	\$ 162

**RECONCILIATIONS OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR Q3 2021 GUIDANCE**

(Unaudited)

**Q3 2021 Revenue Guidance**

	Three Months Ended		Three Months Ending					
	August 31, 2020		August 31, 2021					
			Low	% Change	High	% Change		
<i>(In millions)</i>								
GAAP revenue	\$	109.7	\$	123.8	13 %	\$	126.8	16 %
Acquisition-related adjustments - revenue <sup>(1)</sup>		1.2		5.2	333 %		5.2	333 %
Non-GAAP revenue	\$	110.9	\$	129.0	16 %	\$	132.0	19 %

<sup>(1)</sup>Acquisition-related revenue constitutes revenue reflected as pre-acquisition deferred revenue that would otherwise have been recognized but for the purchase accounting treatment of acquisitions. Since GAAP accounting requires the elimination of this revenue, GAAP results alone do not fully capture all of our economic activities. Acquisition-related revenue adjustments relate to Ipswitch and Chef.

**Q3 2021 Non-GAAP Earnings per Share Guidance**

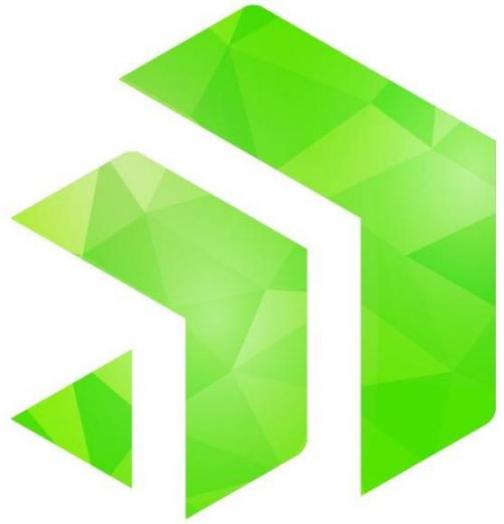
	Three Months Ending August 31, 2021			
	Low		High	
GAAP diluted earnings per share	\$	0.34	\$	0.36
Acquisition-related revenue		0.12		0.12
Stock-based compensation		0.15		0.15
Amortization of acquired intangibles		0.26		0.26
Total adjustments <sup>(2)</sup>		0.53		0.53
Amortization of discount on notes		0.06		0.06
Income tax adjustment		(0.12)		(0.12)
Non-GAAP diluted earnings per share	\$	0.81	\$	0.83

<sup>(2)</sup>Total adjustments include preliminary estimates relating to the valuation of intangible assets acquired from Chef. The final amounts will not be available until the Company's internal procedures and reviews are completed.



# Progress Financial Results

Q2 2021 Supplemental Data



# Legal Notice

This presentation contains statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Progress has identified some of these forward-looking statements with words like "believe," "may," "could," "would," "might," "should," "expect," "intend," "plan," "target," "anticipate" and "continue," the negative of these words, other terms of similar meaning or the use of future dates. Forward-looking statements in this presentation include, but are not limited to, statements regarding Progress's strategy; acquisitions; future revenue growth, operating margin and cost savings; strategic partnering and marketing initiatives; and other statements regarding the future operation, direction, prospects and success of Progress's business.

There are a number of factors that could cause actual results or future events to differ materially from those anticipated by the forward-looking statements, including, without limitation:

- Economic, geopolitical and market conditions can adversely affect our business, results of operations and financial condition, including our revenue growth and profitability, which in turn could adversely affect our stock price.
- We may fail to achieve our financial forecasts due to such factors as delays or size reductions in transactions, fewer large transactions in a particular quarter, fluctuations in currency exchange rates, or a decline in our renewal rates for contracts.
- Our ability to successfully manage transitions to new business models and markets, including an increased emphasis on a cloud and subscription strategy, may not be successful.
- If we are unable to develop new or sufficiently differentiated products and services, or to enhance and improve our existing products and services in a timely manner to meet market demand, partners and customers may not purchase new software licenses or subscriptions or purchase or renew support contracts.
- We depend upon our extensive partner channel and we may not be successful in retaining or expanding our relationships with channel partners.
- Our international sales and operations subject us to additional risks that can adversely affect our operating results, including risks relating to foreign currency gains and losses.
- If the security measures for our software, services, other offerings or our internal information technology infrastructure are compromised or subject to a successful cyber-attack, or if our software offerings contain significant coding or configuration errors, we may experience reputational harm, legal claims and financial exposure.
- We have made acquisitions, and may make acquisitions in the future, and those acquisitions may not be successful, may involve unanticipated costs or other integration issues or may disrupt our existing operations.
- Delay or failure to realize the expected synergies and benefits of the Chef acquisition could adversely impact our future results of operations and financial condition.
- The continuing impact of the coronavirus disease (COVID-19) outbreak on our employees, customers, partners, and the global financial markets could adversely affect our business, results of operations and financial condition.

For further information regarding risks and uncertainties associated with our business, please refer to our filings with the Securities and Exchange Commission. Progress undertakes no obligation to update any forward-looking statements, which speak only as of the date of this presentation, except for statements relating to Progress' projected results for the quarter ended May 31, 2021 and fiscal year ended November 30, 2021, which speak only as of June 24, 2021.

Finally, during this presentation we will be referring to non-GAAP financial measures such as non-GAAP revenue, non-GAAP income from operations and operating margin, adjusted free cash flow and non-GAAP diluted earnings per share. These non-GAAP measures are not prepared in accordance with generally accepted accounting principles. A reconciliation between non-GAAP and the most directly comparable GAAP financial measures appears in our earnings press release for the fiscal quarter ended May 31, 2021 and is available in the Investor Relations section of our Web site.

# Conference Call Details

What:	Progress Q2 2021 Financial Results Conference Call
When:	Thursday, June 24 <sup>th</sup> , 2021
Time:	5:00 p.m. ET
Live Call:	1-800-458-4121, pass code 3588537
Live / Recorded Webcast:	<a href="http://investors.progress.com">http://investors.progress.com</a>

# Summary Highlights

## Strong Financial Results

- Two consecutive quarters of strong performance in our core business provide confidence to **increase our full year 2021 guidance**
  - Results driven by **top-line strength across all products**, most notably OpenEdge, File Transfer, Network Management and Sitefinity
  - Stable, durable top line reflected in **ARR growth** (23% on a constant currency basis and 3.1% on a pro-forma basis) and **improvement in net retention rate** to above 100%
- **Chef** exceeding our expectations on the top and bottom line as integration proceeds ahead of plan

## M&A efforts continue

- **Convertible notes offering** enhances our balance sheet allowing for nimbler M&A execution
- Growth in pipeline, expansion of sourcing channels and enhanced capabilities create momentum despite highly competitive environment

# Leverage the Cloud Opportunity

| Sitefinity

| Chef

| DataDirect

| MOVEit

| OpenEdge

| Corticon

# Capital Allocation Focus



- Continue to return capital to shareholders in the form of dividends

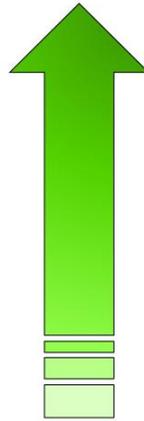


- Accretive M&A that meets our disciplined criteria

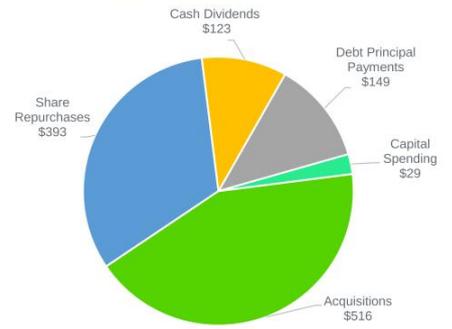


- Repurchase shares so that at a minimum, we offset dilution from our equity programs
  - Existing authorization \$250M; \$155M remaining
  - Flexibility to increase, reduce or suspend repurchases, depending on market conditions and size and timing of M&A

Primary focus



Capital Allocation 2016 – Q2 2021



Share repurchase authorization

- Current total: \$250M
- Remaining: \$155M

## M&A Framework

--- Goal is to double the size of the company in 5 years ---

Accretive M&A enables us to add scale and cash flows, and generate strong shareholder returns

- Target acquisition profile:
  - Complementary to our business (product, audience, and growth profile)
  - Significant recurring revenue and excellent retention rates
  - Cost synergistic and accretive
  - Operating margins after synergies that are consistent with our overall margins
  - ROIC above our weighted average cost of capital

# Ingredients to Address a Massive M&A Opportunity



Target Opportunities



Venture Capital



Founder Led Companies



Private Equity



Large Technology Carveouts

Over 5 years, VCs invested over \$100B in over 15,000 companies in our infrastructure software space

Year	Company Count	Deal Count	Capital Invested (US\$ in mm)
2020	2,805	3,199	\$34,121
2019	3,462	4,067	31,465
2018	3,537	4,179	28,522
2017	3,484	4,076	21,942
2016	3,181	3,657	17,637
2015	2,995	3,482	16,137
2014	2,717	3,106	16,215
2013	2,258	2,579	9,418
2012	1,672	1,850	7,352
2011	1,226	1,341	5,900
2010	960	1,026	4,408
2009	803	870	3,478
2008	774	835	4,542

Source: Pitchbook

# Progress Investment Highlights



Durable, predictable financial model



High-quality revenue base, high and increasing mix of recurring revenue



Accretive M&A and operational efficiencies driving margin improvement



Track record of successful acquisition integration and synergy achievement



Delivering meaningful earnings per share and free cash flow growth



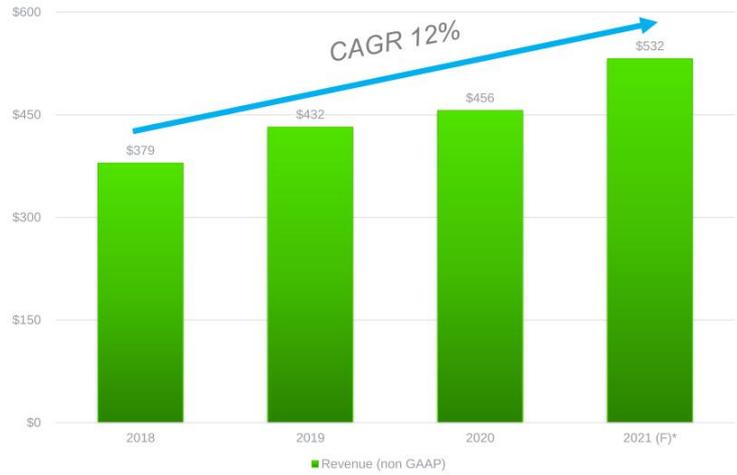
Disciplined and shareholder-friendly capital allocation strategy

## Summary Q2 2021 Financial Results

	Q2 2021 Results	Q2 2021 Outlook (3/25/2021)
GAAP Revenue	\$122 M	\$112 M - \$116 M
Non-GAAP Revenue	\$129 M	\$119 M - \$123 M
GAAP earnings per share (Diluted)	\$0.30	\$0.25 - \$0.27
Non-GAAP earnings per share (Diluted)	\$0.82	\$0.72 - \$0.74
GAAP Operating Margin	18%	Not guided
Non-GAAP Operating Margin	38%	Not guided
Adjusted Free Cash Flow	\$55 M	Not guided

# Driving Total Growth

- 2021(F)\* revenue growth of 17%
- Revenue CAGR of 12%  
2018 – 2021(F)\*



\* Represents our 2021 guidance or the mid-point of our 2021 guidance range



# Growth in Annualized Recurring Revenue

(amounts reported in constant currency)

**"As Reported"**  
 Chef adds less than \$80M of ARR  
 ARR growth = 23 % year-over-year  
 Net Retention Rate has ranged between 97%-100%



**"Pro Forma"**  
 Chef ARR included in both periods presented  
 ARR growth = 3 % year-over-year  
 Net Retention Rate has ranged between 97%-100%



Note: ARR is a Non-GAAP operating metric and does not have a standardized definition. It is therefore unlikely to be comparable to similarly titled measures presented by other companies. ARR should be viewed independently of revenue and deferred revenue and is not intended to be combined with or to replace either of those items. ARR is not a forecast and the active contracts at the end of a reporting period used in calculating ARR may or may not be extended or renewed by our customers.

# Growing Profitability

- Consistent growth in operating income  
CAGR 16% 2018 – 2021(F)\*
- Best-in-class operating margins consistently above 35%



\* Represents our 2021 guidance or the mid-point of our 2021 guidance range



# Convertible Notes Offering

Key Terms	
Total Offering Amount (including overallotment option)	\$360 million
Interest Rate	1.00%
Maturity	5-years (April 15, 2026)
Conversion Premium	27.5%
Capped Call (increases conversion premium)	100% or \$89.88
Net Proceeds (Net of issuance costs and capped call)	\$306.1 million



Low-cost, unsecured capital



Limited risk of dilution



Better positioned to execute our Total Growth Strategy

## Business Outlook (as of June 24, 2021)

	Q3 2021 Current Outlook	FY 2021 Current Outlook	FY 2021 Prior Outlook (As of 3/25/2021)	
Non-GAAP Revenue	\$129 M – \$132 M	\$529 M – \$535 M	\$519 M – \$527 M	↑
Non-GAAP EPS	\$0.82 – \$0.84	\$3.46 – \$3.50	\$3.38 – \$3.42	↑
Non-GAAP Operating Margin	Not guided	39%	38%	↑
Non-GAAP Adjusted Free Cash Flow	Not guided	\$157.5 M – \$162.5 M	\$155 M – \$160 M	↑
Non-GAAP Effective Tax Rate	Not guided	20%	20%	≡

## Supplemental Financial Information \*

\* The following supplemental financial information is presented on a GAAP basis.  
A reconciliation of non-GAAP financial measures to the most directly comparable GAAP  
numbers can be found in the financial results press release that we issued today.

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# Supplemental Revenue Information

(Unaudited)

(in thousands)	QTD GAAP Basis					
	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021
<b>Revenue by Type</b>						
License	30,629	19,663	27,514	37,443	33,317	30,107
Maintenance	70,056	71,686	72,764	74,381	76,977	80,069
Services	8,998	9,034	9,421	10,561	10,986	12,312
<b>Total Revenue</b>	<b>\$ 109,683</b>	<b>\$ 100,383</b>	<b>\$ 109,699</b>	<b>\$ 122,385</b>	<b>\$ 121,280</b>	<b>\$ 122,488</b>
<b>Revenue by Region</b>						
North America	65,413	56,564	62,927	76,094	71,505	71,094
EMEA	34,988	34,157	37,447	37,162	40,240	41,321
Latin America	4,000	3,346	3,547	3,681	3,493	3,753
Asia Pacific	5,282	6,316	5,778	5,448	6,042	6,320
<b>Total Revenue</b>	<b>\$ 109,683</b>	<b>\$ 100,383</b>	<b>\$ 109,699</b>	<b>\$ 122,385</b>	<b>\$ 121,280</b>	<b>\$ 122,488</b>

# Other NON-GAAP Financial Measures

(Unaudited)

(in thousands)	QTD GAAP Q2 2021	QTD Non-GAAP Adjustment	QTD Non-GAAP Revenue
<b>Revenue by Type</b>			
License	30,107	192	30,299
Maintenance	80,069	6,468	86,537
Services	12,312	50	12,362
<b>Total Revenue</b>	<b>\$ 122,488</b>	<b>\$ 6,710</b>	<b>\$ 129,198</b>
<b>Revenue by Region</b>			
North America	71,094	4,956	76,050
EMEA	41,321	1,363	42,684
Latin America	3,753	29	3,782
Asia Pacific	6,320	362	6,682
<b>Total Revenue</b>	<b>\$ 122,488</b>	<b>\$ 6,710</b>	<b>\$ 129,198</b>

# Other NON-GAAP Financial Measures

(Unaudited)

(in thousands)	GAAP Q2 2021	YTD Non-GAAP Adjustment	YTD Non-GAAP Q2 2021
<b>Revenue by Type</b>			
License	63,424	2,758	66,182
Maintenance	157,046	14,318	171,364
Services	23,298	138	23,436
<b>Total Revenue</b>	<b>\$ 243,768</b>	<b>\$ 17,214</b>	<b>\$ 260,982</b>
<b>Revenue by Region</b>			
North America	142,599	11,442	154,041
EMEA	81,561	4,872	86,433
Latin America	7,246	82	7,328
Asia Pacific	12,362	818	13,180
<b>Total Revenue</b>	<b>\$ 243,768</b>	<b>\$ 17,214</b>	<b>\$ 260,982</b>



