2nd Quarter 2025 Results

July 30, 2025

Safe Harbor Statement

This presentation and the accompanying oral presentation contain forward-looking statements and information that are based on our management's beliefs and assumptions and on information currently available to our management. The statements and information contained in this presentation that are not purely historical are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements about: the enduring value of our solutions to our customers; the criticality of our technology; our ability to cross-sell additional of our solutions to large customers of our solutions; the favorable demand environment for our solutions; our ability to compete and the strength of our reputation; our innovation services, opportunities and expansion; the resilience and growth of our customers; our ability to maintain strong demand for our solutions amidst dynamic macroeconomic conditions; the continued strength of our financial model and performance; the opportunity for innovation studio and its market differentiation; the capabilities of and opportunities for our relationship pricing solutions, and our momentum and optimism regarding those solutions; the capabilities and success of and growth opportunity and demand for our risk and fraud solutions; our expansion opportunity with existing customers and momentum with new customer prospects; our bookings renewals and expansion; our position for continued success in 2025 and beyond, including as it relates to our backlog and subscription ARR growth; our updated three-year financial framework and targets; continued growth in subscription revenue; continued challenges and declines for professional services revenue; continued focus on higher margin revenue streams and profitable growth; our ability to execute against our financial targets; the high level of visibility in our business model; our robust pipeline; our position to capitalize on market demand; our momentum and ability to deliver strong results in 2025 and beyond; our confidence in the future of our business; our highly differentiated solution set; our roadmap and customers' trust in us as a strategic partner; our visibility into continued sales momentum; our ability to build on our sales success; our position to deliver value to customers, employees and shareholders for 2025 and beyond; and, Q2's quarterly and annual financial guidance.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates," "believes," "could," "seeks," "estimates," "expects," "intends," "may," "plans," "potential," "predicts," "projects," "should," "will," "would, " "strategy," "future," "likely" or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management's beliefs and assumptions only as of the date of this presentation. These statements are not guarantees of future performance or development and involve known and unknown risks, uncertainties and other factors that are in some cases beyond our control. Factors that may cause such differences include, but are not limited to, the risks described in our earnings press release for the period ending June 30, 2025 and under "Risk Factors" in our quarterly report on Form 10-Q for the second quarter of 2025, in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on February 12, 2025, and those discussed in other documents we file and furnish with the SEC. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes references to adjusted EBITDA, which is a non-GAAP financial measure under SEC rules. We define adjusted EBITDA as net income (loss) before stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. There were no transaction-related costs in either of the three or six months ended June 30, 2025 or 2024. This presentation also references non-GAAP gross margin and non-GAAP gross profit, which adjusts gross profit and gross margin for stock-based compensation, amortization of acquired technology, transaction-related costs, lease and other restructuring charges. This presentation also references free cash flow, which adjusts net cash provided by (used in) operating activities for purchases of property and equipment and capitalized software development costs. This presentation also references adjusted EBITDA margin, which is determined by dividing adjusted EBITDA by revenue. Management believes that these non-GAAP measures are useful measures of operating performance because they exclude items that we do not consider indicative of our core performance. However, these non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, the most directly comparable GAAP measure, or other financial measures prepared in accordance with GAAP. Our management uses these non-GAAP financial measures as a measure of operating performance; to prepare our annual operating budget; to allocate resources to enhance the financial performance of our business; to evaluate the effectiveness of our business strategies; to provide consistency and comparability with past financial performance; to facilitate a comparison of our results with those of other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results; and in communication with our board of directors concerning our financial performance. A reconciliation to the closest GAAP measures of these non-GAAP measures is contained in tabular form at the end of this presentation. A reconciliation of forward-looking adjusted EBITDA guidance used in this presentation to GAAP net income (loss) is not available without unreasonable effort due to the uncertainty regarding, and the potential variability of, certain of the adjustments required to calculate adjusted EBITDA that may be incurred in the future.

Unless otherwise indicated, all financial measures discussed in this presentation are presented on a non-GAAP basis.

2nd Quarter 2025 Review

$195.1M[1]
REVENUE

$716M
Subscription Annualized Recurring Revenue[1]

$2.4B
Ending backlog as of June 30, 2025

6
Tier 1 Wins[2]

$532M
End of Quarter balance of cash, cash equivalents + investments[3]

$45.8M
Adjusted EBITDA[1]

23.5%
Adjusted EBITDA margin[1]

[1] For the second quarter ended June 30, 2025. [2] Number of contracts signed with customers above $5 billion in assets (Tier 1) throughout the second quarter 2025.
[3] As of June 30, 2025, excluding restricted cash from the calculation.

2nd Quarter 2025 Results

		2Q25		2Q24
		Totals	Y/Y Change	Totals
GAAP	Revenue	$195.1	13%	$172.9
GAAP	Gross Profit	$104.6	20%	$86.8
GAAP	Net Income (Loss)	$11.8	*NM*	($13.1)
Non-GAAP	Gross Profit	$112.3	17%	$96.3
Non-GAAP	Adj EBITDA	$45.8	53%	$29.9

$ in millions

We finished the first half of the year with solid sales execution and financial results. Second quarter bookings included meaningful renewals and expansions, underscoring the long-term value our platform delivers.

We also saw continued demand for our risk and fraud solutions, which were a major focus at CONNECT, our annual customer conference, where customers expressed their commitment to innovation, efficiency, and growth.

With the strength of our recent execution and a healthy pipeline, we're confident in our ability to deliver on our profitable growth strategy for the remainder of the year.

Matt Flake
Chairman & CEO

Q2

2nd Quarter 2025 Highlights

New Customer Wins & Expansion Opportunities	Subscription ARR	Backlog
6 Tier 1 Wins	**$716 million** Subscription Annualized Recurring Revenue	**$2.4 billion** Total Committed Backlog
	+13% Y/Y From $634 million in 2Q24	**+21% Y/Y** Compared to 2Q24

- Signed six Tier 1 contracts in the quarter highlighted by:
  - An expansion agreement with a Top 100 U.S. bank to add retail digital banking, complementing existing commercial solutions on our platform.
  - An expansion agreement with a Top 100 U.S. bank to broaden use of our relationship pricing solutions across its full customer base following an acquisition.
  - A digital banking contract with a new Tier 1 customer to utilize our retail digital banking solutions.
  - A relationship pricing contract with a new Tier 1 customer.

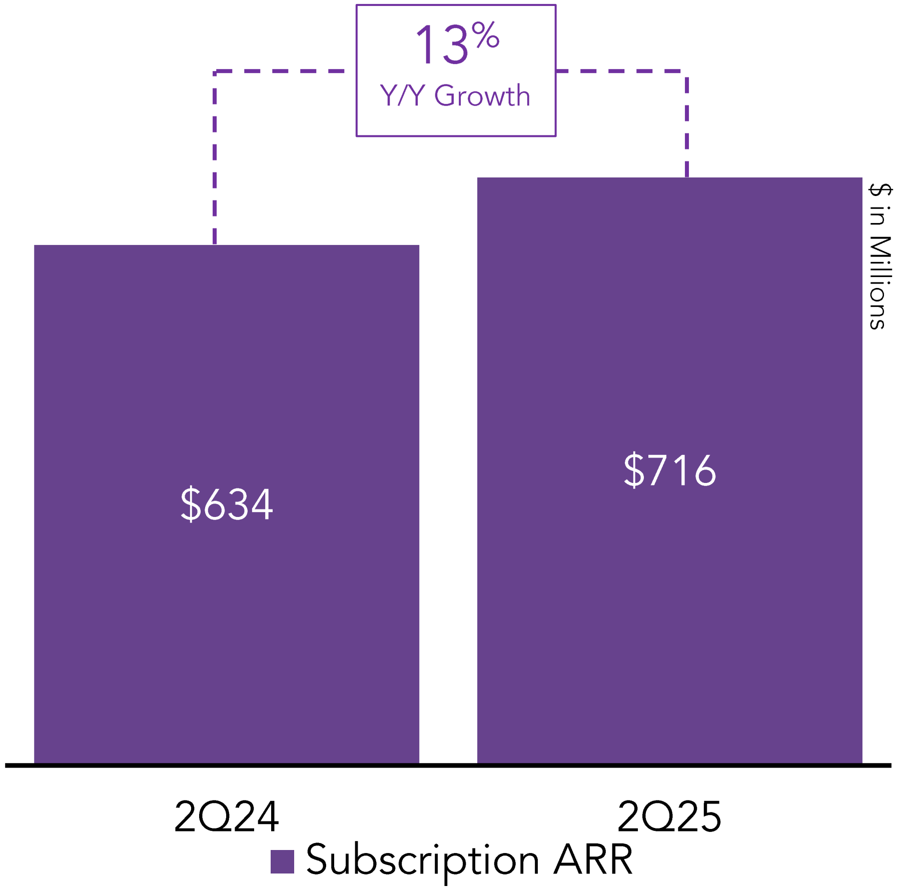
- Subscription Annualized Recurring Revenue increased to $716 million, up 13 percent year-over-year from $634 million at the end of the second quarter of 2024.

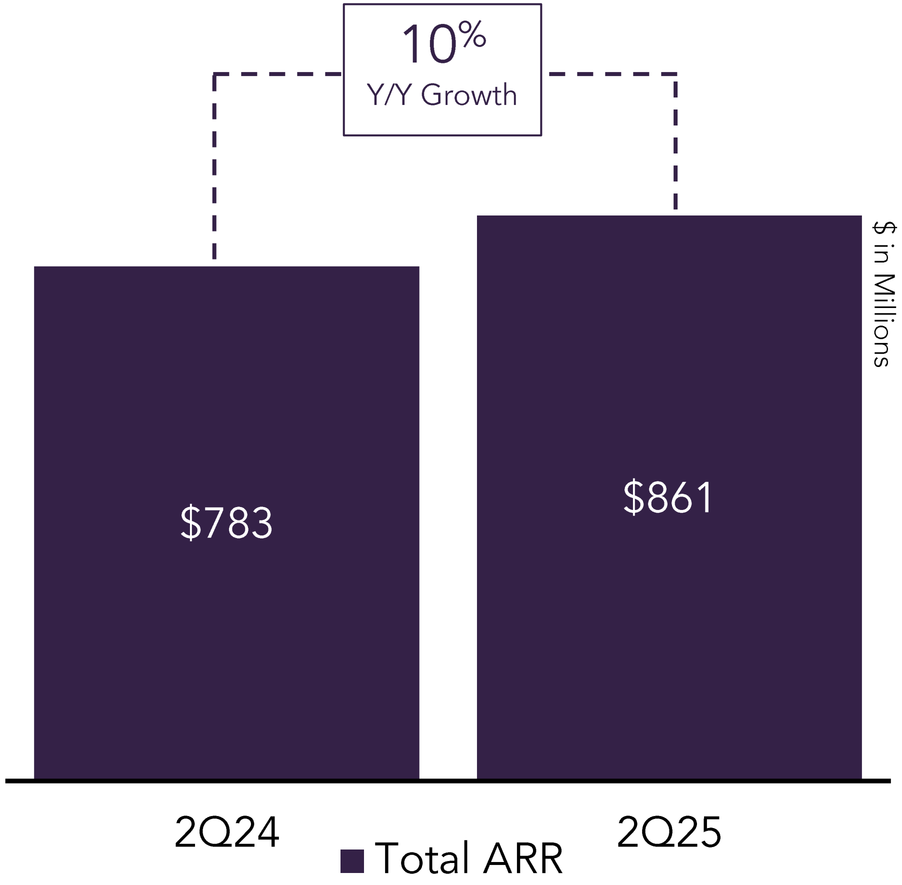
- Remaining Performance Obligation total, or Backlog, increased by $61 million sequentially, resulting in total committed Backlog of approximately $2.4 billion at quarter-end, representing 3 percent sequential growth and 21 percent year-over-year growth.

See the "Customer Tiering" and Subscription Annualized Recurring Revenue (Subscription ARR) definitions in the Appendix to this presentation.

Annualized Recurring Revenue

Subscription ARR growth of 13%; Total ARR growth continues to be impacted by declines in non-Subscription ARR





Subscription Annualized Recurring Revenue and Total Annualized Recurring Revenue (ARR) are defined in the appendix of this presentation.

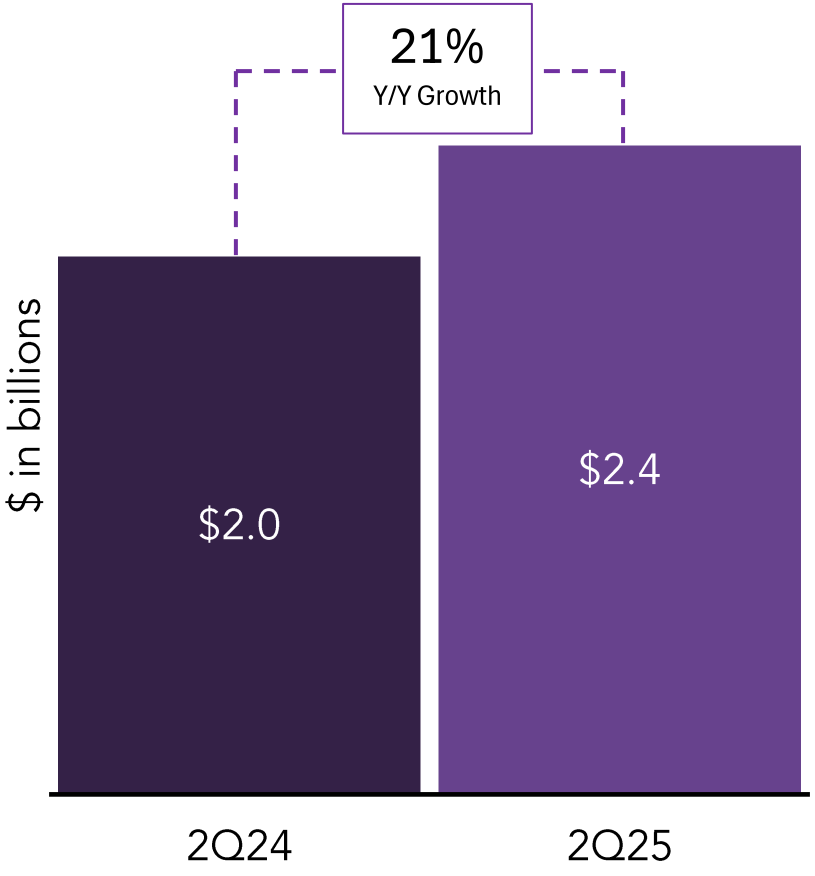
Remaining Performance Obligations (RPO, Backlog)

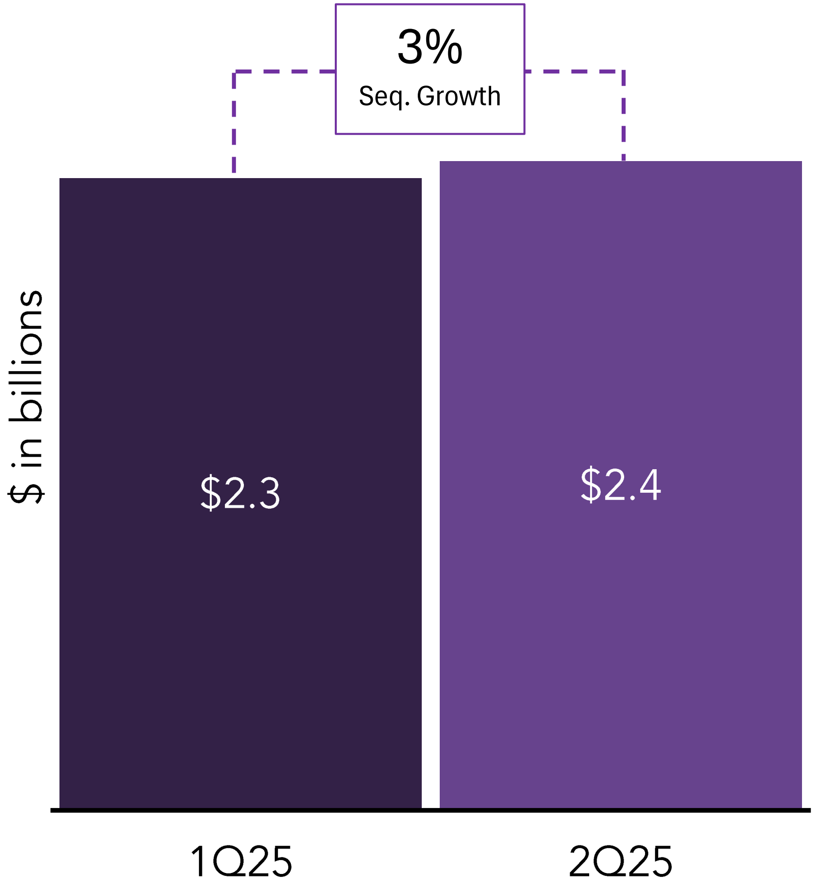
Continued solid year-over-year growth driven by expansion-based bookings

$2.4B

RPO Balance as of June 30, 2025

RPO Expected to be Recognized in the Next:	% of Total RPO Amount
24 months	**54%**
25-48 months	**34%**

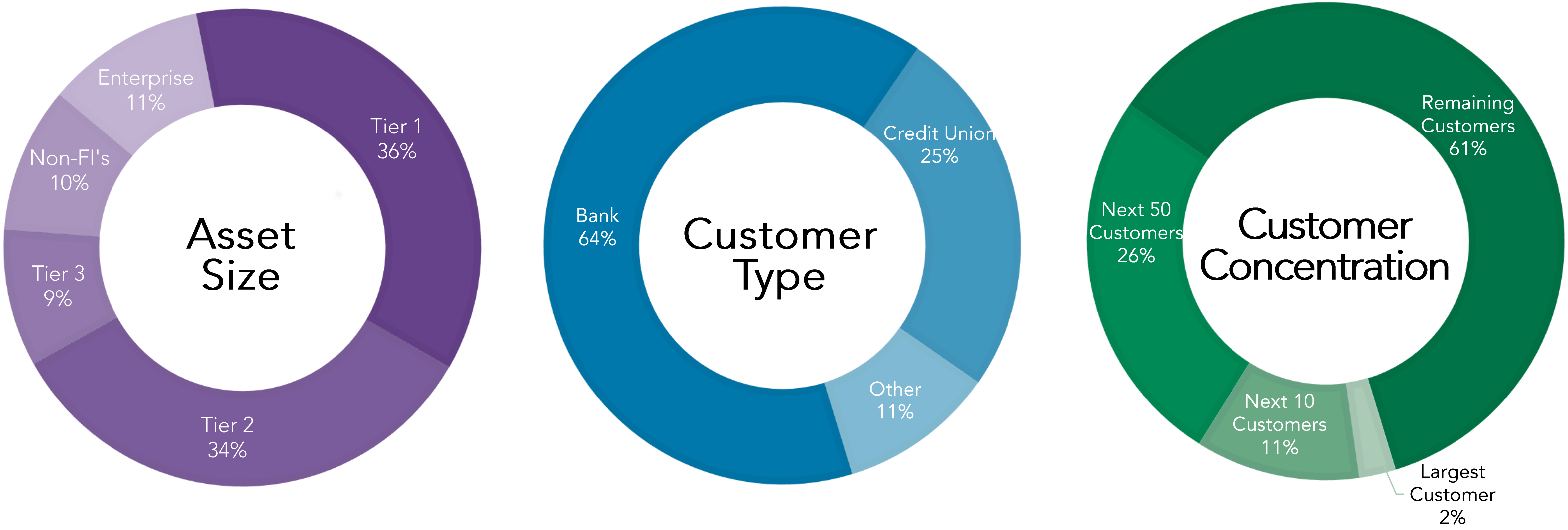




Remaining Performance Obligations, or "Backlog", represents contracted revenue minimums that have not yet been recognized, including amounts that are contracted to be invoiced and recognized as revenue in future periods.

Revenue Breakout

Diverse base of customers across asset size and customer type



Note: Data as of first half ended June 30, 2025. See "Customer Tiering" in the Appendix to this presentation for further information on how we define the various Tiers of our customers.

Financial Outlook

Represents 12% to 13% full year revenue growth and full year adjusted EBITDA margin of approximately 23%

	3Q 2025		Full Year 2025	
	Low	High	Low	High
Revenue	$196.0	$200.0	$783.0	$788.0
Adj EBITDA	$44.0	$47.0	$177.0	$181.0

$ In Millions

$ In Millions

As of July 30, 2025, Q2 Holdings is providing guidance for its third quarter of 2025 and full-year 2025, which represents Q2 Holdings' current estimates on Q2 Holdings' operations and financial results. The financial information above represents forward-looking, non-GAAP estimates of adjusted EBITDA financial information. GAAP net income (loss) is the most comparable GAAP measure to adjusted EBITDA. Adjusted EBITDA differs from GAAP net income (loss) in that it excludes items such as stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. Q2 Holdings is unable to predict with reasonable certainty the ultimate outcome of these exclusions without unreasonable effort. Therefore, Q2 Holdings has not provided guidance for GAAP net income (loss) or a reconciliation of the foregoing forward-looking adjusted EBITDA guidance to GAAP net income (loss). However, it is important to note that these excluded items could be material to our results computed in accordance with GAAP in future periods.

Financial Targets: 2024 - 2026

Average Annual Subscription Revenue Growth	Average Annual Adjusted EBITDA Margin Expansion	Free Cash Flow Conversion in Full Year 2026
~15%	~360bps	>90%
Strong demand driving an increasing mix of subscription revenue	Driven by revenue mix and scaling both cost of sales & operating expenses	Flexibility to service debt and have ample cash to run the business

The forward-looking figures in this presentation represent Q2's long-term financial targets, may prove to be inaccurate, and do not constitute guidance. We define Free Cash Flow Conversion as Free Cash Flow as a percentage of adjusted EBITDA in a defined time period.

Appendix

Strong Visibility, Increasing Profitability, Expanding Opportunity

Long Runway to Sustain High Growth and Margin Expansion

+1,300 Total Customers[1]	13% YoY Growth in Subscription ARR[2]	+5 Years Avg. Contract Length[3]	81% Subscription revenue as a % of Total[4]
460 Digital Banking Platform Customers[5]	+15% ASP increase over last 5 years[6]	+26M Registered End Users[7]	57% Avg. Customer Contracted Revenue Growth at 48 months[8]

$20B Total Addressable Market[9]

[1] Total numbers of customers signed as of December 31, 2024. [2] Subscription Annualized Recurring Revenue (ARR) growth as measured from the total balance of Subscription ARR on June 30, 2025 compared to the total balance of Subscription ARR on June 30, 2024. [3] For digital banking platform customers as of December 31, 2024. [4] Subscription revenue as a percentage of total company revenue for the second quarter of 2025. [5] Installed Digital Banking customers as of December 31, 2024. [6] Average Selling Price (ASP) is derived from Digital Banking Platform deals sold in full year 2024 compared to 2019. [7] Registered end users on our digital banking platform, as of June 30, 2025. [8] Based on digital banking platform customers that went live from 2013-2024. Growth of contracted recurring revenue by Q2 platform customers 48 months after implementation. [9] We believe our expanded solution offerings and the continued growth of our customer base and market opportunity have increased the addressable market for our solutions to greater than $20.0 billion as discussed in our annual report on 10-K filed on February 12th, 2025. These forward-looking figures represent Q2's financial targets, may prove to be inaccurate, and do not constitute guidance.

Consolidated Balance Sheets

Q2 Holdings, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	June 30, 2025	December 31, 2024
Assets		
Current assets:		
Cash and cash equivalents	$ 414,275	$ 358,560
Restricted cash	1,742	2,233
Investments	117,797	88,066
Accounts receivable, net	60,323	42,084
Contract assets, current portion, net	8,033	7,888
Prepaid expenses and other current assets	20,321	23,512
Deferred solution and other costs, current portion	27,025	26,611
Deferred implementation costs, current portion	10,230	9,706
Total current assets	659,746	558,660
Property and equipment, net	27,070	31,528
Right of use assets	29,535	30,402
Deferred solution and other costs, net of current portion	27,492	28,116
Deferred implementation costs, net of current portion	28,342	26,408
Intangible assets, net	86,769	94,633
Goodwill	512,869	512,869
Contract assets, net of current portion and allowance	11,296	9,483
Other long-term assets	2,294	2,696
Total assets	$ 1,385,413	$ 1,294,795
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and accrued liabilities	$ 50,043	$ 60,542
Convertible notes, current portion	493,438	190,331
Deferred revenues, current portion	179,438	137,700
Lease liabilities, current portion	9,362	10,327
Total current liabilities	732,281	398,900
Convertible notes, net of current portion	-	302,115
Deferred revenues, net of current portion	25,285	27,281
Lease liabilities, net of current portion	36,524	38,346
Other long-term liabilities	6,988	10,357
Total liabilities	801,078	776,999
Stockholders' equity:		
Common stock	6	6
Additional paid-in capital	1,233,480	1,183,893
Accumulated other comprehensive loss	(1,438)	(1,873)
Accumulated deficit	(647,713)	(664,230)
Total stockholders' equity	584,335	517,796
Total liabilities and stockholders' equity	$ 1,385,413	$ 1,294,795

Consolidated Statements of Comprehensive Income (Loss)

Q2 Holdings, Inc.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(in thousands, except per share data)
(unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues	$ 195,148	$ 172,890	$ 384,883	$ 338,398
Cost of revenues[1]	90,584	86,063	179,329	169,319
Gross profit	104,564	86,827	205,554	169,079
Operating expenses:				
Sales and marketing	27,037	27,733	53,564	53,178
Research and development	36,914	35,759	74,767	70,621
General and administrative	31,034	31,283	63,356	61,459
Amortization of acquired intangibles	-	4,788	93	9,616
Lease and other restructuring charges	(261)	967	1,745	2,093
Total operating expenses	94,724	100,530	193,525	196,967
Income (loss) from operations	9,840	(13,703)	12,029	(27,888)
Total other income, net	3,657	2,732	6,708	4,629
Income (loss) before income taxes	13,497	(10,971)	18,737	(23,259)
Provision for income taxes	(1,733)	(2,089)	(2,220)	(3,644)
Net income (loss)	$ 11,764	$ (13,060)	$ 16,517	$ (26,903)
Other comprehensive income (loss):				
Unrealized gain (loss) on available-for-sale investments	(53)	51	(77)	177
Foreign currency translation adjustment	335	49	512	(272)
Comprehensive income (loss)	$ 12,046	$ (12,960)	$ 16,952	$ (26,998)
Net income (loss) per common share				
Basic	$ 0.19	$ (0.22)	$ 0.27	$ (0.45)
Diluted	$ 0.18	$ (0.22)	$ 0.25	$ (0.45)
Weighted average common shares outstanding				
Basic	62,353	60,162	61,790	59,804
Diluted	69,642	60,162	64,963	59,804

(1) Includes amortization of acquired technology of $5.5 million for each of the three months ended June 30, 2025 and 2024, and $11.0 million for each of the six months ended June 30, 2025 and 2024.

Consolidated Statements of Cash Flows

Q2 Holdings, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Cash flows from operating activities:		
Net income (loss)	$ 16,517	$ (26,903)
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Amortization of deferred implementation, solution and other costs	14,566	13,115
Depreciation and amortization	27,275	35,168
Amortization of debt issuance costs	1,086	991
Amortization of premiums and discounts on investments	(835)	(443)
Stock-based compensation expense	43,510	45,132
Deferred income taxes	(1,303)	944
Other non-cash items	146	496
Changes in operating assets and liabilities:	(8,790)	(19,034)
Net cash provided by operating activities	92,172	49,466
Cash flows from investing activities:		
Net maturities (purchases) of investments	(28,973)	26,745
Purchases of property and equipment	(2,095)	(2,856)
Capitalized software development costs	(10,549)	(11,835)
Net cash provided by (used in) investing activities	(41,617)	12,054
Cash flows from financing activities:		
Proceeds from exercise of stock options and ESPP	4,218	11,448
Net cash provided by financing activities	4,218	11,448
Effect of exchange rate changes on cash, cash equivalents and restricted cash	451	(260)
Net increase in cash, cash equivalents and restricted cash	55,224	72,708
Cash, cash equivalents and restricted cash, beginning of period	360,793	233,632
Cash, cash equivalents and restricted cash, end of period	$ 416,017	$ 306,340

Reconciliation of GAAP to Non-GAAP Measures

Q2 Holdings, Inc.
Reconciliation of GAAP to Non-GAAP Measures
(in thousands)
(unaudited)

	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
GAAP gross profit	$ 104,564	$ 86,827	$ 205,554	$ 169,079
Stock-based compensation	2,062	3,400	5,280	6,565
Amortization of acquired technology	5,504	5,504	11,009	11,008
Lease and other restructuring charges	173	588	317	595
Non-GAAP gross profit	$ 112,303	$ 96,319	$ 222,160	$ 187,247
Non-GAAP gross margin:				
Non-GAAP gross profit	$ 112,303	$ 96,319	$ 222,160	$ 187,247
Revenues	195,148	172,890	384,883	338,398
Non-GAAP gross margin	57.5%	55.7%	57.7%	55.3%
GAAP sales and marketing expense	$ 27,037	$ 27,733	$ 53,564	$ 53,178
Stock-based compensation	(3,989)	(4,469)	(7,441)	(8,340)
Non-GAAP sales and marketing expense	$ 23,048	$ 23,264	$ 46,123	$ 44,838
GAAP research and development expense	$ 36,914	$ 35,759	$ 74,767	$ 70,621
Stock-based compensation	(4,161)	(4,625)	(8,203)	(8,468)
Non-GAAP research and development expense	$ 32,753	$ 31,134	$ 66,564	$ 62,153
GAAP general and administrative expense	$ 31,034	$ 31,283	$ 63,356	$ 61,459
Stock-based compensation	(12,288)	(11,837)	(22,586)	(21,759)
Non-recurring legal settlements	-	-	(1,750)	-
Non-GAAP general and administrative expense	$ 18,746	$ 19,446	$ 39,020	$ 39,700
GAAP operating income (loss)	$ 9,840	$ (13,703)	$ 12,029	$ (27,888)
Stock-based compensation	22,500	24,331	43,510	45,132
Amortization of acquired technology	5,504	5,504	11,009	11,008
Amortization of acquired intangibles	-	4,788	93	9,616
Lease and other restructuring charges	(88)	1,555	2,062	2,688
Non-recurring legal settlements	-	-	1,750	-
Non-GAAP operating income	$ 37,756	$ 22,475	$ 70,453	$ 40,556
Reconciliation of GAAP net income (loss) to adjusted EBITDA:				
GAAP net income (loss)	$ 11,764	$ (13,060)	$ 16,517	$ (26,903)
Stock-based compensation	22,500	24,331	43,510	45,132
Depreciation and amortization	13,555	17,645	27,275	35,168
Lease and other restructuring charges	(88)	1,555	2,062	2,688
Non-recurring legal settlements	-	-	1,750	-
Provision for income taxes	1,733	2,089	2,220	3,644
Interest and other income, net	(3,666)	(2,689)	(6,826)	(4,625)
Adjusted EBITDA	$ 45,798	$ 29,871	$ 86,508	$ 55,104
Adjusted EBITDA margin	23.5%	17.3%	22.5%	16.3%

Reconciliation of Free Cash Flow

Q2 Holdings, Inc.
Reconciliation of Free Cash Flow
(in thousands)
(unaudited)

	Six Months Ended June 30,	
	2025	**2024**
Net cash provided by operating activities	$ 92,172	$ 49,466
Purchases of property and equipment	(2,095)	(2,856)
Capitalized software development costs	(10,549)	(11,835)
Free cash flow	$ 79,528	$ 34,775

Q2

Definitions

Adjusted EBITDA: We define adjusted EBITDA as net income (loss) before stock-based compensation, transaction-related costs, depreciation, amortization, lease and other restructuring charges, non-recurring legal settlements, provision for income taxes and interest and other (income) expense, net. We believe that adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results for the following reasons:

- adjusted EBITDA is widely used by investors and securities analysts to measure a company's operating performance with and without regard to items that can vary substantially from company to company depending upon their financing, capital structures and the method by which assets were acquired;
- our management uses adjusted EBITDA in conjunction with GAAP financial measures for planning purposes, in the preparation of our annual operating budget, as a measure of our operating performance, to assess the effectiveness of our business strategies and to communicate with our board of directors concerning our financial performance;
- adjusted EBITDA provides more consistency and comparability with our past financial performance, facilitates period-to-period comparisons of our operations and also facilitates comparisons with other companies, many of which use similar non-GAAP financial measures to supplement their GAAP results; and
- our investor and analyst presentations include adjusted EBITDA as a supplemental measure of our overall operating performance.

Contracted Revenue: We refer to contracted recurring revenue as being inclusive of all revenue recognized relating to contracted minimums in addition to variable revenue in excess of contracted amounts. Contracted revenue does not include revenue from professional services or other sources of revenue that are not deemed to be recurring in nature.

Customers: We define customers as individuals or entities that have purchased one or more of our products under a unique customer identification number since our inception and individuals or entities that are contracted for at least one of our products. Each unique customer identification number constitutes a separate customer regardless of the amount purchased.

Customer Tiering: For our financial institution customers, we may refer to their designated tiering, which we use to group customers based upon the total assets they report. We define “Enterprise” customers as having total assets equal to or greater than $50 billion. We define “Tier 1” customers as having total assets equal to or greater than $5 billion but less than $50 billion. We define “Tier 2” customers as having total assets equal to or greater than $1 billion but less than $5 billion. We define “Tier 3” customers as having total assets less than $1 billion. Total assets are reported by financial institutions to the FDIC or NCUA, as applicable, and are disclosed on a quarterly basis.

Definitions

Digital Banking Platform: Our digital banking platform allows financial institutions to offer a comprehensive and unified suite of digital banking services to their End Users. Our open platform architecture, deep integration with other systems and the multi-tenant aspects of our infrastructure, enable us to develop digital banking solutions that allow our customers to harness the power of the information within their other systems to gain greater insights and to improve the overall security of their End Users and themselves.

Digital Lending and Relationship Pricing Platforms: Refers to both our PrecisionLender and Symphonix platforms.

Free Cash Flow: In the case of free cash flow, we adjust net cash provided by (used in) operating activities for purchases of property and equipment and capitalized software development costs.

Installed Customers: We define Installed Customers as the number of live customers on our digital banking platforms.

PrecisionLender Platform: Our PrecisionLender platform is a cloud-based, data-driven sales enablement, pricing and portfolio management solution that allows financial institutions globally to structure and negotiate commercial lending, deposits and fee-based business transactions more effectively.

Registered Users: We define a registered user as an individual related to an account holder of an Installed Customer on our consumer Digital Banking Platform who has registered to use one or more of our digital banking solutions and has current access to use those solutions as of the last day of the reporting period presented.

Revenue: We define revenue as total revenue excluding the impact of purchase accounting. We monitor these measures to assess our performance because we believe our revenue growth rates would be understated without these adjustments. We believe presenting revenue aids in the comparability between periods and in assessing our overall operating performance.

Beginning in the year ended December 31, 2024, because there was no impact of purchase accounting on revenue, our non-GAAP total revenue is now equivalent to our GAAP total revenue, and we have therefore not reported non-GAAP total revenue.

Definitions

Subscription Annualized Recurring Revenue: We calculate Subscription ARR as the annualized value of all recurring subscription revenue recognized in the last month of the reporting period, with the exception of variable revenue in excess of contracted amounts for which we instead take the average monthly run rate of the trailing three months within that reporting period. Our Subscription ARR also includes the contracted minimum subscription amounts associated with all contracts in place at the end of the quarter for which revenue recognition has not yet commenced. Subscription revenues are defined within "Critical Accounting Policies and Significant Judgements and Estimates" in our Form 10-K. Subscription ARR is not a forecast of future revenue, which can be impacted by contract start and end dates and renewal rates. Subscription ARR should be viewed independently of revenue and deferred revenue as Subscription ARR is an operating metric and are not intended to be combined with or replace these items. Our use of Subscription ARR has limitations as an analytical tool, and investors should not consider it in isolation. Other companies in our industry may calculate Subscription ARR differently, which reduces their usefulness as comparative measures.

Symphonix: Previously referred to as Q2 Cloud Lending, CL, or Q2 Alt-Fi, this modular, end-to-end platform allows non-bank lenders to automate and digitize their lending activities, supporting cloud-based loan origination, loan servicing, collections and investor management applications globally, serving a wide range of industries.

Total Annualized Recurring Revenue: We calculate Total ARR as the annualized value of all recurring revenue recognized in the last month of the reporting period, with the exception of variable revenue in excess of contracted amounts for which we instead take the average monthly run rate of the trailing three months within that reporting period. Our Total ARR also includes the contracted minimums associated with all contracts in place at the end of the quarter for which revenue recognition has not yet commenced, and revenue generated from Integrated Services. Integrated Services revenue is generated from select established customer relationships where we have engaged with the customer for more tailored, premium professional services resulting in a deeper and ongoing level of engagement with them, which we deem to be recurring in nature. Total ARR does not include revenue from professional services or other sources of revenue that are not deemed to be recurring in nature. Total ARR is not a forecast of future revenue, which can be impacted by contract start and end dates and renewal rates. Total ARR should be viewed independently of revenue and deferred revenue as Total ARR is an operating metric and is not intended to be combined with or replace these items. Our use of Total ARR has limitations as an analytical tool, and investors should not consider it in isolation. Other companies in our industry may calculate Total ARR differently, which reduces their usefulness as comparative measures.