

**2026 Third Quarter Earnings Review
2026 Annual Guidance**

October 28, 2026



tyler
technologies

Statement Regarding Use of Non-GAAP Measures

Tyler Technologies has provided in this press release financial measures that have not been prepared in accordance with generally accepted accounting principles (GAAP) and are therefore considered non-GAAP financial measures. This information includes non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating income, non-GAAP operating margin, non-GAAP net income, non-GAAP earnings per diluted share, EBITDA, adjusted EBITDA, free cash flow, and free cash flow margin. We use these non-GAAP financial measures internally in analyzing our financial results and believe they are useful to investors, as a supplement to GAAP measures, in evaluating Tyler's ongoing operational performance because they provide additional insight in comparing results from period to period while isolating the effects of some items that vary from period to period without correlation to core operating performance. Tyler believes the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial results with other companies in our industry, many of which present similar non-GAAP financial measures. EBITDA is net income before interest expense, other income, income taxes, depreciation, and amortization. Non-GAAP and adjusted financial measures discussed above exclude share-based compensation expense, employer portion of payroll taxes on employee stock transactions, expenses associated with amortization of intangibles arising from business combinations, acquisition-related expenses, restructuring costs and other, gain on remeasurement of equity investment, and other non-recurring items in other income. Annualized recurring revenue (ARR) is calculated by annualizing the current quarter's recurring revenues from subscriptions and maintenance.

Tyler currently uses a non-GAAP tax rate of 23.0%. This rate is based on Tyler's estimated annual GAAP income tax rate forecast, adjusted to account for items excluded from GAAP income in calculating Tyler's non-GAAP income, as well as significant non-recurring tax adjustments. The non-GAAP tax rate used in future periods will be reviewed periodically to determine whether it remains appropriate in consideration of factors including Tyler's periodic annual effective tax rate calculated in accordance with GAAP, changes resulting from tax legislation, changes in the geographic mix of revenues and expenses, and other factors deemed significant. Due to differences in tax treatment of items excluded from non-GAAP earnings, as well as the methodology applied to Tyler's estimated annual tax rate as described above, the estimated tax rate on non-GAAP income may differ from the GAAP tax rate and from Tyler's actual tax liabilities.

Non-GAAP financial measures should be considered in addition to, and not as a substitute for, or superior to, financial information prepared in accordance with GAAP. The non-GAAP measures used by Tyler Technologies may be different from non-GAAP measures used by other companies. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures, which has been provided in the financial statement tables included below in this press release.

Forward-Looking Statements

This document contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 that are not historical in nature and typically address future or anticipated events, trends, expectations or beliefs with respect to our financial condition, results of operations or business. Forward-looking statements often contain words such as “believes,” “expects,” “anticipates,” “foresees,” “forecasts,” “estimates,” “plans,” “intends,” “continues,” “may,” “will,” “should,” “projects,” “might,” “could” or other similar words or phrases. Similarly, statements that describe our business strategy, outlook, objectives, plans, intentions or goals also are forward-looking statements. We believe there is a reasonable basis for our forward-looking statements, but they are inherently subject to risks and uncertainties and actual results could differ materially from the expectations and beliefs reflected in the forward-looking statements.

We presently consider the following to be among the important factors that could cause actual results to differ materially from our expectations and beliefs: (1) changes in the budgets or regulatory environments of our clients, including local, state and federal government agencies, that could negatively impact information technology spending; (2) disruption to our business and harm to our competitive position resulting from cyber-attacks, evolving use of artificial intelligence (“AI”), security vulnerabilities and software updates, or changes in our ability to access third-party software and services; (3) our ability to protect client information from security breaches or misuse through AI and to provide uninterrupted operations of data centers; (4) our ability to achieve growth or operational synergies through the integration of acquired businesses, while avoiding unanticipated costs and disruptions to existing operations; (5) material portions of our business require the Internet infrastructure to be adequately maintained; (6) our ability to actively monitor developments in AI regulation and ethical standards as we expect that future changes in the regulatory landscape may affect our product development timelines, compliance costs, and market opportunities related to AI; (7) Our ability to successfully research, develop, integrate, and commercialize AI capabilities into our solutions, to achieve client adoption of those capabilities, and to effectively monetize them is subject to significant risks, including the continued need for substantial investment, competition from new and existing market participants offering alternative AI solutions, and the possibility that clients may not adopt or pay for AI features at the levels we expect, any of which could result in disruption to our business, adversely affect our revenue and margins, and harm our competitive position; (8) our ability to achieve our financial forecasts due to various factors, including project delays by our clients, reductions in transaction size, fewer transactions, delays in delivery of new products or releases or a decline in our renewal rates for service agreements; (9) general economic, political and market conditions, including inflation and changes in interest rates; (10) technological and market risks associated with the development of new technologies, products or services or of new versions of existing or acquired products or services; (11) competition in the industry in which we conduct business and the impact of competition on pricing, client retention and pressure for new products or services; (12) the ability to attract and retain qualified personnel and dealing with rising labor costs, the loss or retirement of key members of management or other key personnel; and (13) costs of compliance and any failure to comply with government and stock exchange regulations.

These factors and other risks that affect our business are described in our filings with the Securities and Exchange Commission, including the detailed “Risk Factors” contained in our most recent annual report on Form 10-K and quarterly report on Form 10-Q. We expressly disclaim any obligation to publicly update or revise our forward-looking statements.

The Leader in Software Solutions to the Public Sector

Key Metrics

#1

MARKET POSITION



87%

RECURRING
REVENUES 2025



98%

GROSS CLIENT
RETENTION



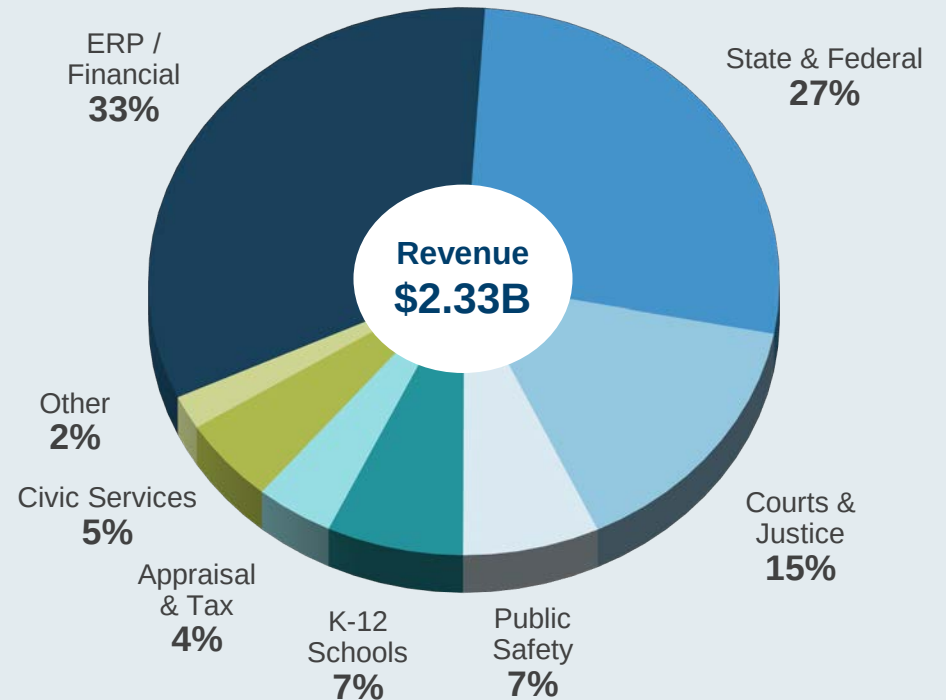
~27%

FREE CASH FLOW
MARGIN 2025



Diversified Revenue Streams

2025 REVENUE BREAKDOWN



Consistent Strategy with AI-Enhanced Growth Pillars

Leveraging Installed Base

- Flips / Upsell
- Cross-sell
- AI adoption

Expanding TAM

- Expanded AI market
- Leverage M&A to grow in new and existing markets

Completing Cloud Transition

- Cloud-first drives long-term ARR growth + expanded FCF

Driving Transactions Growth

- Truly differentiated offering

GOAL

ARR Growth +
Improved Margins =
Expanded Free
Cash Flow

Q3 2026 Summary

Third Quarter Results

DOUBLE-DIGIT ARR GROWTH
RECORD QUARTERLY FREE CASH FLOW



Revenues*

Total Revenues \$647.6M, up 8.7%

Up 10.2% excluding the impact of the Texas payments contract

SaaS Revenues \$242.2M, up 21.2%

Transaction Revenues \$220.4M, up 9.5%

Up 14.2% excluding the impact of the Texas payments contract

ARR \$2.28B, up 11%



Free Cash Flow¹

\$277.0M, up 11.9%

FCF margin expanded to 42.8%



Non-GAAP Operating Margin¹

28.1%, up 150 bps

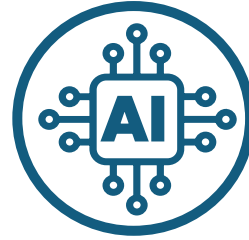
¹ See the reconciliation of GAAP to Non-GAAP measures included in this presentation and in our earnings release.

Third Quarter Results

SOLID EXECUTION, AI MOMENTUM,
AND STRATEGIC CAPITAL DEPLOYMENT



Stable public sector market and generally healthy budgets; high volume of RFP and demo trends reflecting sustained modernization priorities and continued tech investment to drive efficiencies and augment workforce capacity



Expanding AI adoption initiatives, addressing practical use cases purpose-built for the public sector with ~300 deals containing AI closed YTD and ~130 sold in Q3



SaaS revenue growth of 21.2% with SaaS bookings up 14.0% and total bookings up 7.3%



Strategic capital deployment:

- o Completed CODY Systems acquisition for \$27.7M
- o Executed \$379M in share repurchases, representing 1.1M shares
- o YTD repurchased 3.6 million shares, representing 8.5% of outstanding shares
- o ~\$1.4 billion remaining on our authorization



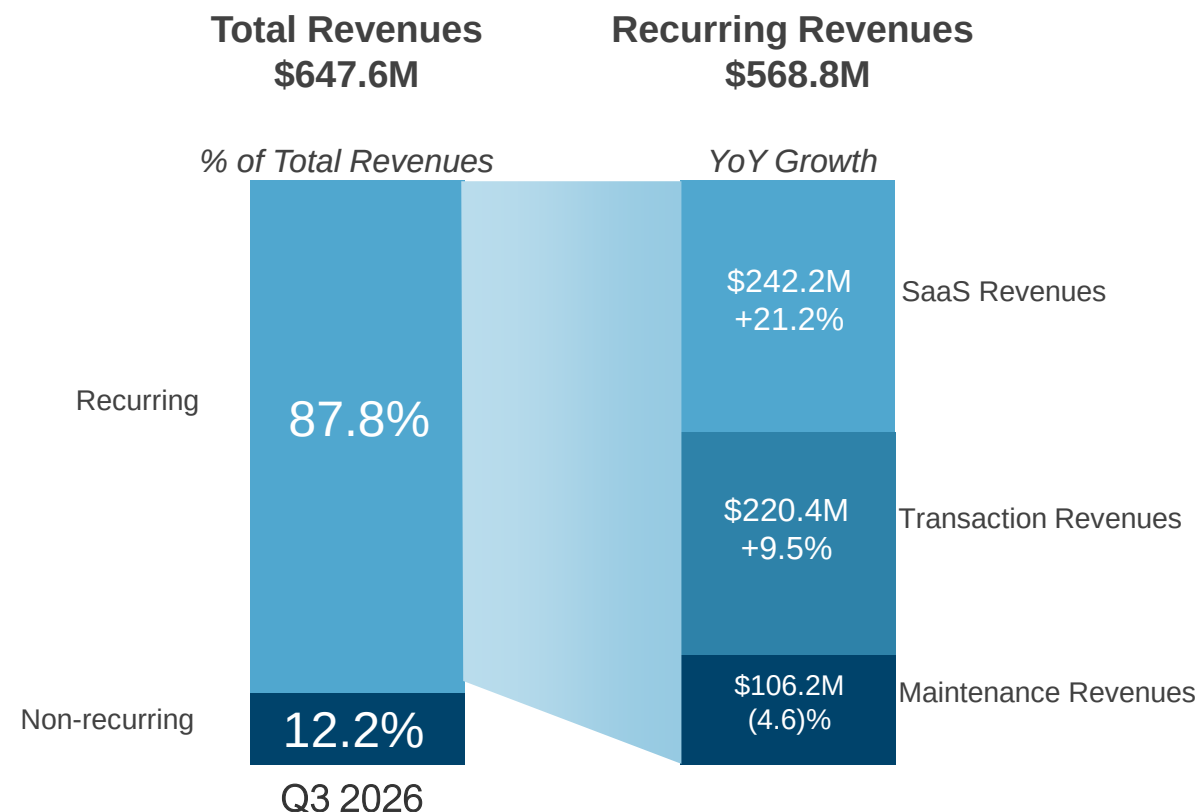
Robust bookings growth with new SaaS ACV up 75% and continued progress with cloud migrations, with flips ACV bookings growth of 2%



Strong balance sheet provides financial flexibility to invest organically, pursue strategic M&A, and return capital to shareholders

Strong Recurring Revenue Growth

- Recurring revenues **up 11.0%**
 - *Excluding the impact of the Texas payments contract, recurring revenues grew 12.8%*
- Subscriptions **rose 15.3%**
 - SaaS revenues **grew 21.2%**
 - Transaction revenues **increased 9.5%**
 - o *Excluding the impact of the Texas payments contract, transaction revenues grew 14.2%, subscription revenues grew 17.8%, and total revenues grew 10.2%.*
 - o Maintenance revenues declined 4.6%, reflecting the ongoing migration of on-premises clients to SaaS



Notable Q3 Wins

CONTINUING SAAS MOMENTUM

New SaaS Software deals

- City of Gallup, NM
 - Enterprise ERP
- City of Vero Beach, FL
 - Enterprise ERP
- Tarrant County, TX
 - Records Management
- Florida Dept of Environmental Protection
 - Recreation Management
- County of Riverside, CA
 - Enterprise Corrections
- Baker County Sheriff, FL
 - Enterprise Public Safety
- City of Azusa, CA
 - Enterprise Public Safety

SaaS flips

- City of Buffalo, NY
 - Enterprise ERP
- Nova Scotia, Canada
 - Enterprise Assessment & Tax
- City and County of Honolulu, HI
 - Enterprise Assessment & Tax
- Cameron County, TX
 - Enterprise Justice
- Superior Court of California, County of Shasta
 - Enterprise Justice
- Sangamon County, IL
 - Enterprise Public Safety
- City of Roseville, CA
 - Enterprise Public Safety
- City of Providence, RI
 - Enterprise Public Safety

AI-Driven deals

- Harris County, TX
 - Priority Based Budgeting
- St. Louis County, MO
 - Priority Based Budgeting
- Polk County, IA
 - Priority Based Budgeting
- City of Corpus Christi, TX
 - Priority Based Budgeting
- City of National City, CA
 - Priority-Based Budgeting
- State of Nebraska
 - Resident AI Assistant
 - Document Automation, expanded use for VIN validation
- Colorado Department of Human Services
 - Resident AI Assistant
- State of North Dakota
 - Document Automation
- Denton County, TX
 - Document Automation

Notable Q3 Wins

State & Federal deals

- Louisiana LP Gas Commission
 - Regulatory Licensing
- Texas Health & Human Services
 - Food Truck Licensing
- U.S. Department of Veterans Affairs
 - Workforce Case Management, Reasonable Accommodations
 - Largest Workforce deal to date
- U.S. Department of Justice
 - Workforce Case Management, Employee & Labor Relations
- National Institutes of Health
 - Data & Insights
- U.S. Department of Agriculture
 - Workforce Case Management, Employee & Labor Relations

Transaction-Funded deals

- New Jersey State Police
 - Regulatory Licensing - Firearm Vendors & Instructors
 - Second transaction-funded contract for Regulatory suite
 - Estimated ~\$600K in ARR
- Louisiana State Parks
- Yuba County, CA
 - Outdoor Recreation
 - Estimated ~\$500K in ARR
- Arkansas Supreme Court
 - Engagement Builder

Transaction-funded deals are not included in SaaS bookings or revenues

Multi-Product / Cross-Sell Synergies

- City of Lufkin, TX
 - Enterprise ERP
 - Enterprise Permitting and Licensing
 - Enterprise Asset Management
- Terrebonne Parish, LA
 - Enterprise ERP + Tyler Payments
- City of Mobile, AL
 - Enterprise ERP and Enterprise Public Safety
- Alabama Department of Corrections
 - Warehouse Management
 - Enterprise Justice / State & Federal Teams
- Colorado Office of Administrative Courts
 - Enterprise Justice, including eFile and multiple Justice solutions
 - First Enterprise Justice client in Colorado
 - Enterprise Justice / State & Federal Teams
- Lake County, FL
 - Enterprise Permitting & Licensing + Tyler Payments
 - EP&L / EERP Teams

2026 Annual Guidance

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EXECUTING LONG-TERM GROWTH AND CLOUD-FIRST STRATEGY

REVENUE DRIVERS

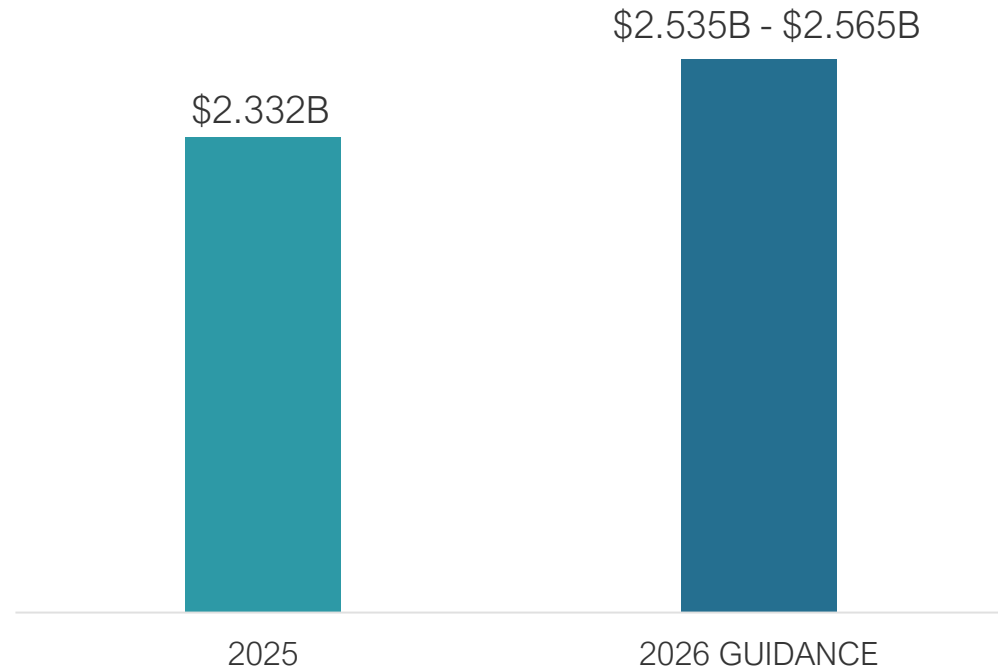
Guidance midpoint implies growth of approx. 9.3%

- Excluding impact of Texas payments contract, midpoint implies 11.0% growth

Revenue percentage growth expectations:

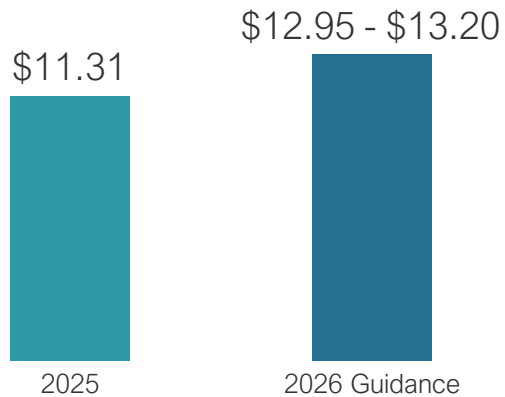
- Subscriptions growth of 13 - 16%
 - SaaS growth of 21.5 – 22.5%
 - Transaction growth of 6 - 8%
 - Excluding impact of Texas payments contract, growth of 11 – 13%
- Maintenance decline of 3 - 5%
- Professional services growth of 0 - 2%
- Other revenue growth of 15 - 17%

TOTAL REVENUES

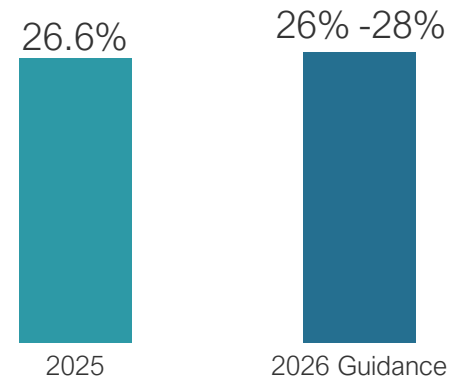


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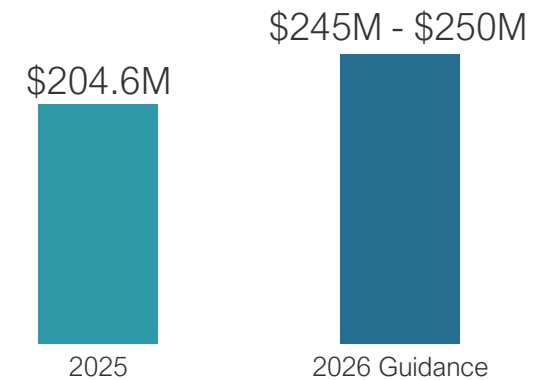
Diluted EPS - Non-GAAP



Free Cash Flow Margin



R&D Expense



Most recent 2026 guidance provided on 10/28/26

Tyler Technologies has not reconciled forward-looking full-year non-GAAP financial measures to their most directly comparable GAAP measures, as permitted by item 10(e)(1)(i)(B) of Regulation S-K. Such reconciliations would require unreasonable efforts at this time to estimate and quantify with a reasonable degree of certainty various necessary GAAP components, including for example those related to stock-based compensation, acquisition transactions, tax items or others that may arise during the year. These components and other factors could materially impact the amount of the future directly comparable GAAP measures, which may differ significantly from their non-GAAP counterparts.

Positioned to Scale Purpose-Built AI for Government

AI Makes Tyler More Valuable

RECURRING SOFTWARE REVENUE TODAY

\$2.0B

Protected recurring base

+

AI WORLD

New TAM

The labor augmentation budget

AI strengthens it.

A new TAM we have the right to win.

Scale: Scaling AI Across the Market on Tyler's Advantages



INSTALLED BASE

Enabled as a feature in the cloud — no waiting for an install, nothing separate for clients to manage.

Zero new installs



SALES FORCE

An established national sales force with 16,000 client relationships.

16,000+ relationships



PROCUREMENT

An amendment to a trusted vendor's existing contract — not a 12-month start-from-scratch.

Weeks, not years



TRUSTED DELIVERY

Clients trust our delivery methodology with their mission-critical systems.

Mission-critical proven

Tyler's Government-Grade AI Has the Foundational Elements to Succeed

W H Y W E W I N



Data

Produced daily by over
16,000 clients

+



Expertise

From decades of public
sector experience
managing complex
workflows

+



Tyler AI

Internal & partnerships
with Microsoft +
OpenAI + AWS +
Anthropic

+



Trust

Clients trust
us to lead

Appendix

Non-GAAP Measures

THE TABLE
RECONCILES THE
NON-GAAP
MEASURES USED
IN THIS
PRESENTATION

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Reconciliation of non-GAAP gross profit and margin				
GAAP gross profit	\$ 318,209	\$ 281,452	\$ 921,700	\$ 821,717
Non-GAAP adjustments:				
Add: Share-based compensation expense included in cost of revenues	9,167	9,307	28,145	26,912
Add: Amortization of acquired software	8,786	9,376	26,302	27,989
Non-GAAP gross profit	\$ 336,162	\$ 300,135	\$ 976,147	\$ 876,618
GAAP gross margin	49.1 %	47.2 %	48.4 %	46.8 %
Non-GAAP gross margin	51.9 %	50.4 %	51.2 %	49.9 %

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Reconciliation of non-GAAP operating income and margin				
GAAP operating income	\$ 117,037	\$ 97,932	\$ 311,944	\$ 282,701
Non-GAAP adjustments:				
Add: Share-based compensation expense	39,214	36,669	120,035	112,631
Add: Employer portion of payroll tax related to employee stock transactions	103	159	1,332	2,278
Add: Acquisition-related costs	492	214	2,803	247
Add: Restructuring costs and other	189	57	6,004	105
Add: Amortization of acquired software	8,786	9,376	26,302	27,989
Add: Amortization of other intangibles	16,239	14,201	45,918	42,173
Non-GAAP adjustments subtotal	65,023	60,676	202,394	185,423
Non-GAAP operating income	\$ 182,060	\$ 158,608	\$ 514,338	\$ 468,124
GAAP operating margin	18.1 %	16.4 %	16.4 %	16.1 %
Non-GAAP operating margin	28.1 %	26.6 %	27.0 %	26.6 %

	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Reconciliation of non-GAAP net income and earnings per share				
GAAP net income	\$ 95,074	\$ 84,393	\$ 269,766	\$ 250,072
Non-GAAP adjustments:				
Add: Total non-GAAP adjustments to operating income	65,023	60,676	202,394	185,423
Less: Gain on remeasurement of equity investment	—	—	(25,048)	—
Add: Non-recurring items in other income, net	—	—	1,406	—
Less: Income tax impact	(16,738)	(14,692)	(42,757)	(55,142)
Non-GAAP net income	\$ 143,359	\$ 130,377	\$ 405,761	\$ 380,353
GAAP earnings per diluted share	\$ 2.33	\$ 1.93	\$ 6.51	\$ 5.70
Non-GAAP earnings per diluted share	\$ 3.52	\$ 2.97	\$ 9.79	\$ 8.67

Non-GAAP Measures

THE TABLE
RECONCILES THE
NON-GAAP
MEASURES USED
IN THIS
PRESENTATION

Detail of share-based compensation expense	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Cost of revenues	\$ 9,167	\$ 9,307	\$ 28,145	\$ 26,912
Operating expenses	30,047	27,362	91,890	85,719
Total share-based compensation expense	<u>\$ 39,214</u>	<u>\$ 36,669</u>	<u>\$ 120,035</u>	<u>\$ 112,631</u>

Reconciliation of EBITDA and adjusted EBITDA	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
GAAP net income	\$ 95,074	\$ 84,393	\$ 269,766	\$ 250,072
Amortization of other intangibles	16,239	14,201	45,918	42,173
Depreciation and amortization included in cost of revenues, sales and marketing expense, general and administrative expense, and research and development expense	19,383	20,683	58,401	61,214
Interest expense	3,773	1,235	7,813	3,743
Gain on remeasurement of equity investment	—	—	(25,048)	—
Other income, net	(7,893)	(10,855)	(19,031)	(26,397)
Income tax provision	26,083	23,159	78,444	55,283
EBITDA	<u>\$ 152,659</u>	<u>\$ 132,816</u>	<u>\$ 416,263</u>	<u>\$ 386,088</u>
Share-based compensation expense	39,214	36,669	120,035	112,631
Acquisition-related costs	492	214	2,803	247
Employer portion of payroll tax related to employee stock transactions	103	159	1,332	2,278
Lease restructuring costs and other	189	57	6,004	105
Adjusted EBITDA	<u>\$ 192,657</u>	<u>\$ 169,915</u>	<u>\$ 546,437</u>	<u>\$ 501,349</u>

Reconciliation of free cash flow	Three months ended September 30,		Nine months ended September 30,	
	2026	2025	2026	2025
Net cash provided by operating activities	\$ 282,473	\$ 255,191	\$ 514,146	\$ 409,660
Less: additions to property and equipment	(4,433)	(3,876)	(12,721)	(11,698)
Less: investment in software development	(1,062)	(3,738)	(3,167)	(14,138)
Free cash flow	<u>\$ 276,978</u>	<u>\$ 247,577</u>	<u>\$ 498,258</u>	<u>\$ 383,824</u>
Free cash flow margin	<u>42.8 %</u>	<u>41.5 %</u>	<u>26.1 %</u>	<u>21.8 %</u>

Empowering people who serve the public[®]



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