

Q3 2023 Media Backgrounder

About Teradata

At Teradata, we believe that people thrive when empowered with better information. That's why we built the most complete cloud analytics and data platform for AI.

By delivering harmonized data, trusted AI, and faster innovation, we uplift and empower our customers—and our customers' customers—to make better, more confident decisions. The world's top companies across every major industry trust Teradata to improve business performance, enrich customer experiences, and fully integrate data across the enterprise.

We drive positive impact for hundreds of millions of people every day around the world with faster, flexible data integration and trusted, cost-effective AI innovation.

Teradata is based in San Diego, California, with 7,000+ employees in 41 countries.

Executive leadership

- Steve McMillan, President and CEO
- Hillary Ashton, Chief Product Officer
- Claire Bramley, Chief Financial Officer
- Todd Cione, Chief Revenue Officer
- Kathy Cullen-Cote, Chief People Officer
- Michael Hutchinson, Chief Customer Officer
- Molly Treese, Chief Legal Officer
- Jacqueline Woods, Chief Marketing Officer

Teradata VantageCloud: The complete cloud analytics and data platform for AI

Teradata VantageCloud is the complete cloud analytics and data platform, delivering harmonized data and trusted AI/ML for all. VantageCloud gives organizations the tools and confidence to unlock the hidden insights in data, power infinite innovation, and reveal new opportunities.

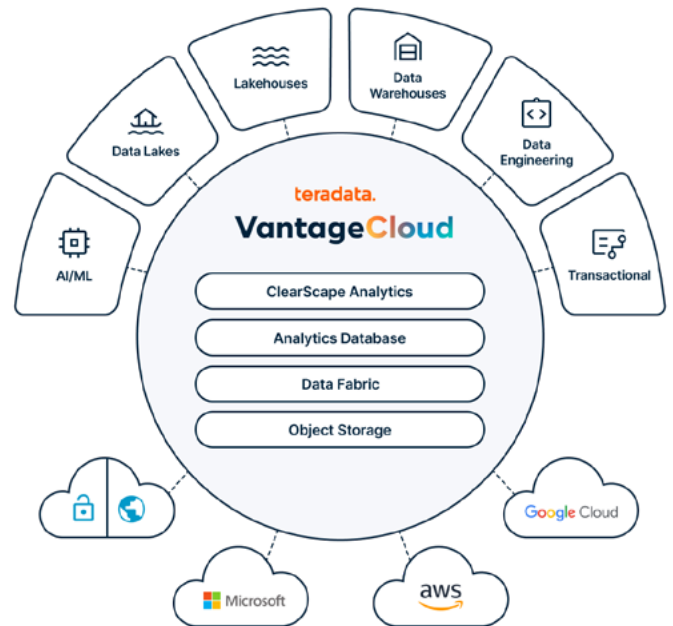


Figure 1. Teradata VantageCloud

VantageCloud Lake: Innovate faster, scale smarter, govern better

VantageCloud Lake is a cloud-native, self-service offering that enables organizations to meet the increasingly diverse analytics and data needs of evolving business and uniquely execute all workload types at scale, including AI/ML, decision support, data science, data engineering, transactional, and reporting.

With VantageCloud Lake, organizations can:

- Empower more users to improve performance and accelerate breakthroughs
- Optimize productivity to grow businesses more flexibly and sustainably
- Maintain oversight of harmonized data with the lowest total cost of ownership

VantageCloud Enterprise: Powerful performance everywhere

Organizations around the world use VantageCloud Enterprise to run the most critical, IT-managed enterprise workloads while getting the best price performance on the market.

VantageCloud Enterprise gives organizations the ability to:

- Automatically unify and harmonize data
- Discover insights that power breakthrough decisions faster than ever
- Empower users and drive innovation across the enterprise

ClearScape Analytics™: Better answers. Faster results.

With ClearScape Analytics, organizations can scale AI/ML quicker and more effectively to solve complex challenges, reduce cost and friction, and accelerate time to value throughout the organization.

ClearScape Analytics has the most powerful, open, and connected AI/ML capabilities on the market to deliver more breakthrough performance, value, and growth across the enterprise.

Teradata AI Unlimited: Drive faster, easier, and more cost-effective AI innovation

Teradata AI Unlimited is Teradata's serverless AI/ML engine in the cloud that allows data scientists, data engineers, and developers to explore and discover innovative new use cases—on demand and using data at scale.

AI Unlimited brings the power of ClearScape Analytics to a low-cost environment that maximizes exploration and discovery. With high-performance, serverless compute and in-engine analytics, AI Unlimited is a complete engine that features advanced AI/ML capabilities, giving organizations the ability to uncover valuable new use cases.

Recent news

- Teradata announced the native integration of Teradata AI Unlimited, its serverless AI/ML engine in the cloud, into Microsoft Fabric and OneLake, Fabric's unified, multi-cloud data lake. AI Unlimited is available in private preview via Microsoft Azure Marketplace. Teradata also announced the availability of AI Unlimited in private preview via Amazon Web Service (AWS) through AWS Marketplace.
- Teradata announced several new and enhanced partnerships this quarter:
 - Teradata and ActionIQ announced a new joint offering for marketing and customer experience (CX) activations for Teradata VantageCloud customers. The collaboration highlights Teradata's open and connected ecosystem, which includes a strong partnership with ActionIQ to leverage the companies' collective expertise in advertising and marketing technology for CX.
 - UiPath and Teradata announced a partnership that will allow enterprises to seamlessly and securely automate complex data applications directly at the source—from dashboards to generative AI to large language models (LLMs).
- Continuing its AI/ML momentum, Teradata also announced:
 - The launch of ask.ai, a new generative AI capability for VantageCloud Lake. The natural language interface is designed to allow anyone with approved access to ask questions of their company's data and receive instant responses from VantageCloud Lake. By reducing the need for complex coding and querying, ask.ai can dramatically increase productivity, speed, and efficiency for technical users and expand analytic use to team members in non-technical roles, who can now also use Teradata's powerful, cloud-native platform to sift through mountains of data and draw insights.
 - New enhancements to its leading AI/ML model management software in ClearScape Analytics (e.g., ModelOps) to meet the growing demand from organizations across the globe for advanced analytics and AI.

Industries served

On any given business day, in almost every industry throughout the world, millions of users benefit from a Teradata analytics environment in the areas of:

- Retail
- Financial services and insurance
- Government and public services
- Healthcare
- Life sciences
- Ecommerce
- Digital media
- Entertainment
- Manufacturing
- Oil and gas
- Hospitality
- Telecommunications
- Travel
- Transportation
- Utilities

6 of the top 6

airlines

6 of the top 6

banks

5 of the top 6

telecommunication companies

5 of the top 6

courier services

5 of the top 5

healthcare providers

4 of the top 5

auto manufacturers

3 of the top 5

professional services

3 of the top 4

retailers

Company Financials

Non-GAAP*, In millions	2023			2022
	Q1	Q2	Q3	FY
REVENUES				
Recurring	\$ 389	\$ 371	\$ 360	\$ 1,419
Perpetual software licenses,hardware and other	13	13	7	65
Consulting services	74	78	71	311
Total revenues	476	462	438	1,795
GROSS PROFIT				
Recurring	293	266	258	1,037
Perpetual software licenses,hardware and other	2	1	-	19
Consulting services	11	13	6	49
Total gross profit	306	280	264	1,105
% of Revenue	64.3 %	60.6 %	60.3 %	61.6 %
EXPENSES				
SG&A	134	141	133	545
R&D	64	67	68	274
TOTAL OPERATING INCOME	108	72	63	286
% of Revenue	22.7 %	15.6 %	14.4 %	15.9 %
Other Expense, net	(21)	(9)	(14)	(51)
Income tax expense	24	14	6	61
Net income	\$ 63	\$ 49	\$ 43	\$ 174
% of Revenue	13.2 %	10.6 %	9.8 %	9.7 %
Shares outstanding (diluted)	103.8	102.9	102.0	105.8
EPS (diluted) non-GAAP	\$ 0.61	\$ 0.48	\$ 0.42	\$ 1.64

* See the Reconciliation of Results - GAAP to Non-GAAP on the Investor Relations page of the company's website at investor.teradata.com

Figure 2. TDC Q3 2023 Media Background Final

Partnerships (selected)

Ab Initio • Accenture • ActionIQ • Alation • Amazon Web Services (AWS) • Antuit.ai • Capgemini • Celebrus • Cisco Systems • Cloudera • Cognizant Technology Solutions • Dataiku • Dell-EMC • Deloitte Consulting • DeLorean AI • Deutsche Telekom • DotData • ESRI • FICO • GE Aviation • Google Cloud • IBM, including Services, Data & AI (InfoSphere DataStage, Cognos Analytics, Watson Studio, and SPSS) and Security Guardium • Informatica • Intel • Looker • Microsoft • MicroStrategy • MinIO • NetApp • Nvidia • Oracle • Protegrity • Qlik • RStudio • SAS • Synscort • Tableau • Tata Consulting Services • Thales • ThoughtSpot • TIBCO • UiPath • Vcinity • VMware • VoltDB • Wipro • WhereScape

Recognition

Teradata is recognized by top IT analysts and other industry groups for leadership in cloud data management and analytics. Teradata scored highest in 4 out of 4 use cases in 2022 Gartner Critical Capabilities for Cloud Database Management Systems for Analytical Use Cases, including ranking as the lead in the new Critical Capabilities category for Data Lake. In addition, the 2022 Gartner Magic Quadrant for Cloud Database Management Systems named Teradata as a Leader. In Q2 2023, Forrester Research named Teradata a Leader in “The Forrester Wave™: Cloud Data Warehouses, Q2 2023,” written by principal analyst Noel Yuhanna with Aaron Katz, Sarah Morana, and Kara Hartig, June 26, 2023. Teradata has also been named one of the 2023 World’s Most Ethical Companies® by Ethisphere—for the fourteenth consecutive year.

Customers (selected)

ABANCA • Air France KLM Group • Air Miles • American Airlines • American Red Cross • Arcos Dorados • Aviva • Banco Bradesco • Banco de Credito e Inversiones • BevMo! • BlueCross BlueShield of North Carolina • NP Paribas • Boeing Company • Bouygues Telecom • Brinker International • Bunnings Warehouse • Cars.com • Caesars Entertainment • Cencasud • China Merchants Bank • Chugai Pharmaceutical • Cisco • CK Hutchison Holdings Limited • Codelco • Credit Saison • CSS Insurance • Dell • DHL Express • Enedis • Enterprise Holdings • Etisalat Egypt • Eva Air • Gates Corporation • G-Foot • Grainger • Groupon • Hertz Corporation • HSBC • Intertoys • JCB • Jibun Bank • Juniper Networks • Kobe Steel • KPN • LCL • Lowe’s • Lufthansa Group • Maersk Line • McCain Foods • Medibank • Mercado Libre • METRO AG • MS & AD Insurance Group • National Hockey League • NCR • Norfolk Southern Corporation • New York Giants • O2 Czech Republic • Optus • Papa Gino’s • Perum Peruri • Polkomtel Poland • Raiffeisen Bank • Rakuten • Rogers Communications • Royal Bank of Canada • Sainsbury’s Bank • Sanofi • SASOL • Saudi Telecom • Siemens Healthineers • SiriusXM • Standard Chartered Bank • Swedbank • Swisscom • Tabcorp • Telefonica Spain • Tesco • Texas Health Resources • The Very Group • Ticketmaster • T-Mobile • Trinity Health • Unilever • UnitedHealth Group • Verizon • VIVO • Vodafone • Volvo Cars • Wells Fargo • Yahoo! Japan • Yodel • YPF