Bentley Q3 2026 Earnings Call Transcript

Eric Boyer: Good morning and thank you for joining Bentley Systems' Q3 2026 results.

I'm Eric Boyer, Bentley's Investor Relations Officer.

On the webcast today, we have Bentley Systems' Executive Chair Greg Bentley, Chief Executive Officer Nicholas Cumins, and Chief Financial Officer Werner Andre.

This webcast includes forward-looking statements, made as of November 5, 2026, regarding the future results of operations and financial position, business strategy and plans, and objectives for future operations of Bentley Systems, Incorporated.

All such statements made in or contained during this webcast, other than statements of historical fact, are forward-looking statements.

This webcast will be available for replay on Bentley Systems' Investor Relations website at investors.bentley.com on November 5, 2026.

After our presentation, we will conclude with Q&A. And with that, let me introduce the Executive Chair of Bentley Systems, Greg Bentley.

Greg Bentley: Welcome, and thanks to each of you for your interest and attention, as always.

We're excited to report 26Q3 operating performance in which many factors contributed so impressively that our key metric, year-over-year ARR growth—after already notching up during each quarter of 2026—at 13% surpassed our annual outlook range.

Our NRR (net revenue retention) for the quarter also reached a historical high, of 110%, thanks to Nicholas and our teams for stalwart global execution.

Being purposeful about programmatic acquisitions, we define our business performance ARR growth to include the generally rather minor ARR onboarded with these, the last of which had occurred back in 25Q4. I am very enthusiastic about the substantive rationale for our just-announced 26Q4 acquisition of Eliis, as Nicholas will further explain; by expanding both the scope and the reach of

Seequent's market-leading comprehensive subsurface modeling, it is also accretive to our ongoing growth rate. Werner will quantify the business-performance ARR growth impact of the acquisition and also of proforma excluding our Cohesive business, the divestment of which we've also just concluded.

Although Cohesive will no longer be financially consolidated, I will make the case that its strategic significance for us, in support of our generational opportunity in infrastructure operations and maintenance, can become greater.

Last quarter, I showed how we are uniquely well positioned for this operations lifecycle opportunity. In fact, among our enterprise accounts (those spending over $100,000 per year with us) more at each enterprise tier—and spending more with BSY—are owner-operators, than are project delivery firms, their supply chain who make up the other half of our business.

As I also showed last quarter, 346 of our enterprise accounts are among the 457 ex-China Bentley Infrastructure 500 Top Owners in the world, ranked on their net infrastructure asset value. To underscore the compelling magnitude of this O&M lifecycle opportunity, these existing enterprise accounts' collective infrastructure asset value is $15.5 trillion.

In our annual BI500 reporting, we classify and analyze the top owners and their asset values informatively.

A relevant question this quarter is whether the recent surge in government bond yields globally could materially impact infrastructure investment by encroaching on sovereign government budgets. The evidence dispels this potential concern.

As you see (perhaps surprisingly, and, again, ex-China) the proportion of the top owner's collective infrastructure asset value that is owned privately is half-again as large as the proportion owned publicly.

Drilling down to the public/private distribution of BSY's revenue from the enterprise accounts, which represents over three-quarters of our total revenue as shown here, underscores this resilience. While the largest infrastructure sector for BSY is public works/utilities, this includes the large investor-owned utilities. And half of our revenue in public works/utilities is from the private project delivery's supply chain doing the capital project work.

All told, less than a quarter of our enterprise revenue is directly from any level of government, and within governments, more of our enterprise revenue is from the combination of state/provincial and local governments, than from federal governments.

Our revenue proportion directly from the U.S. federal government is less than 1%.

Among public works at all levels of government, the bulk of infrastructure spending is financed through utility rates, user fees, motor fuel and vehicle taxes, and other dedicated sources, rather than full faith and credit.

The overriding objective observed everywhere is to avoid subjecting infrastructure investment—given its fundamental primacy to support all other economic, environmental, and social priorities—to the tightening constraints of public budgets and/or credit factors.

Greater stress in global sovereign credit quality and spending capacity accelerates private financing of infrastructure investment, both by necessity and choice, and increasingly through varied blended finance alternatives, in addition to traditional P3 public/private partnerships.

Auspiciously for BSY, private infrastructure financing is most often effectuated through design/build/operate concessions, incubating a lifecycle engineering digital twins as the perfect prescription.

In magnitude by sector, our own digital twin opportunity in infrastructure operations corresponds closely to the BI500 Top Owner’s distribution of asset value by their infrastructure sector classification.

For owner-operators within the mainstream infrastructure sectors of public works/utilities, industrial, and resources, the compelling economic potential of engineering-grade digital twins during the operating lifecycle is to enable better maintenance decisions—performing only what, and when, and how would be determined at the engineering level to be necessary and effective, planned in 3D, while continuously monitoring in 4D, and simulating throughput, resilience, and safety.

The ideal way to effectuate such improved maintenance would be in conjunction with an owner's enterprise asset management (EAM) system, responsible for maintenance work orders and their history. In keeping with our longstanding determination to integrate with—rather than to replicate—the functionality of enterprise administrative systems, and so as not to handicap our sales force by contending against them, we undertook to partner with IBM Maximo, by far the EAM environment most prevalent among our owner-operator accounts and prospects.

To explore and to learn how to introduce operating digital twins, just before our IPO six years ago, we acquired the original Cohesive, a leading Maximo systems integration firm, and then combined several subsequent Maximo services acquisitions into our eponymous captive global digital integrator.

The enlarged Cohesive would go on to encounter sustained headwinds as Maximo customers responded slowly to IBM's enforced migration from sunsetted on-premise Maximo to managed services. Cohesive's utilization has since then improved substantially, but after the all-consuming distraction of the reluctant migrations, digital twin integration with Maximo remains nascent.

During this fray, very capable PE-funded entrepreneurs recognized a compelling opportunity and founded U.K.-based Naviam by consolidating most of the world's remaining Maximo business partners. Naviam's breakthrough was to very successfully institutionalize provisioning comprehensive Maximo hosting, plus ancillary cloud services.

We are very pleased to have now joined forces by merging Cohesive into Naviam in exchange for becoming a significant minority investor in this fast-growing, profitable, recurring-revenue business, now a fully scaled and credibly independent digital twin integrator.

Beyond financial investment returns, we will gain as Naviam adds Bentley Infrastructure Cloud and our iTwin technology to its Maximo-additive repertoire, with its services force, now including our former Cohesive colleagues, forward-deployed throughout the Maximo footprint.

The distribution by sector here of Naviam's business post-Cohesive reinforces this mutual synergy, while serving also as a representative proxy for the

stronghold business mix of Maximo itself. Only about 10% is outside of infrastructure. Just as for BSY, the majority of Naviam's (all Maximo-centered) business is in public works/utilities, followed by the resources sector, then industrial.

Among our owner-operator accounts, we remain on the cusp of advancing engineering software and AI throughout the full infrastructure lifecycle. A case in point are the 346 ex-China BI500 Top Owners who, as BSY accounts, already spend, on average, almost a million dollars annually with us each.

But so far, corresponding to where we started and our direction of progress as a company, that's mainly for Capex project delivery, not Opex asset performance, leaving a big opportunity cost for them, and an emerging opportunity for us.

On average, these 346 accounts subscribe to six brands (on average, three of our top 10 brands) across our portfolio, thus generally including both modeling and simulation functionality within our portfolio of Bentley Open applications.

As I mentioned last quarter, almost half already leverage Bentley Infrastructure Cloud as a system of record for at least the portion of their infrastructure engineering performed with our applications. Most of this usage is of ProjectWise.

A small minority, to date, do use AssetWise for asset information management, thus sharing the same Bentley Infrastructure Cloud schema for Opex as Capex, but so far only rarely throughout the full infrastructure lifecycle.

But now, enabled and empowered by AI, asset analytics can be considered the keystone of our strategy to finally close the loop between our Capex point of departure and our Opex opportunity.

For ultimately every infrastructure asset, instant-on digital twins are becoming feasible by leveraging AI through our reality capture software and continuous surveying (including autonomously) to inspect as-operated conditions of the infrastructure asset, updating and 4D-monitoring its engineering-grade digital twin in Bentley Infrastructure Cloud.

The differentiating payoff is that asset analytics then closes the lifecycle loop by agentically invoking our pertinent modeling and simulation capabilities to

intrinsically calibrate and simulate ongoing capacity, resilience, and safety, supporting asset performance management algorithms to optimize maintenance strategies and scheduling, uptime, and throughput.

Our exemplary use cases so far are for integrated grid structural resilience, ranging from cell towers to distribution poles. Our imperative is to extend our asset analytics platform across our application portfolio, and across all accounts, with AI appropriate to create, curate, and leverage operating digital twins for every infrastructure asset.

By rights, AI-enabled asset analytics for infrastructure operations—although more volatile along the way by virtue of its less-predictable sales cycles for major procurements—should become increasingly material, eventually within our overall business proportions, but first within our incremental growth.

And as it happens, asset analytics was among the converging factors behind unsurpassed business performance ARR growth in 26Q3.

For the fuller picture of all those factors, now over to Nicholas.

Thank you.

Nicholas Cumins: Thank you, Greg.

Last month in Singapore, we hosted our 2026 Year in Infrastructure event, now focused on our global awards competition. I encourage everyone to explore our website to learn more about this year's finalists, winners, and Founder's Honorees, and to watch the event's recordings, including my own reflections on the practical progress made with AI.

Shortly before and after Singapore, two important industry publications were released: the American Society of Civil Engineers published its first AI Roadmap for Civil Engineering, and AEC Advisors issued their comprehensive State of the AEC Industry report.

Together, these developments capture where the infrastructure industry stands today with AI, and where it is heading.

The ASCE roadmap points out that civil engineers are not only users of AI, they are the enablers of the physical infrastructure AI requires to exist.

Every AI inference ultimately depends on physical fiber backbones, power generation, high-voltage transmission lines, substation interconnections, and water-cooling networks. That enabling infrastructure must be planned, designed, built, and maintained by engineers.

At the very same time, global demand for new and better infrastructure is vastly outpacing available engineering capacity. The only way to bridge this gap between supply and demand is by empowering engineers with AI.

The AEC Advisors report confirms that engineering firms understand this clearly.

Faced with severe talent shortages, 70% of AEC firms expect workflow automation to help them most over the next 18 to 24 months, automating repetitive tasks, such as routine drafting and documentation, to free up engineering capacity.

The report also shows that the larger the firm, the more likely they will use AI to generate and evaluate design alternatives faster—what is called “optioneering.”

We saw this exact transition play out in our Year in Infrastructure Awards, where more than 25% of all submissions, and close to 70% of all finalists, used AI in their projects.

The greatest economic leverage remains in design, where early engineering decisions have an outsized impact on an asset’s total lifecycle cost and long-term performance.

Take AYESA, the winner in our Bridges and Tunnels category for the Porto Metro expansion in Portugal. Traditionally, geotechnical modeling is so labor intensive that engineering teams can only evaluate a handful of viable scenarios before project deadlines force them to stop.

AI changes that dynamic entirely. AYESA deployed AI agents to evaluate massive simulation outputs from our geotechnical solver, PLAXIS, and ran more than 100 simulations instead of just a handful. The result was not just a 30% reduction in

design costs, but a significantly superior design that saved 4,500 cubic meters of concrete.

What is remarkable about our YII submissions is that because award entries reflect completed project milestones, they were based on technology that existed 6, 12, or 18 months ago. When you consider the accelerating pace of AI development, that is a very long time. Back then, teams like AYESA had to write extensive custom code to connect AI to our solvers, a capability out of reach for most firms.

At YII, I used my keynote to show what is possible here and now when you use AI with our engineering applications at machine speed via MCP servers.

Yet, with all that generative power comes great responsibility. In infrastructure engineering, decisions carry real physical consequences. Precision is mandatory, and the margin for error is zero. There is no room for “AI sloppiness” in our space.

That is why we have to establish a clear division of labor.

Optimization is the domain of the machine.

Navigating the tradeoffs and holding professional judgment remains the domain of the engineer.

This principle is fully aligned with the AI Roadmap for Civil Engineering. In their Human-AI Boundary Matrix, ASCE drew strict red lines: accountability is never delegated, and AI outputs in sealed work must always be verified by a licensed professional.

Our deterministic solvers are precisely the computational engines that engineers and AI agents rely upon throughout optioneering, iterating across thousands of physics-based simulations to converge on the better design.

Finally, as our technology becomes increasingly operated at machine speed, business models must evolve to match. With so much productivity being unlocked, engineering firms recognize that their own commercial models have to adapt. The AEC Advisors report shows that 63% of the largest engineering firms expect a significant move away from time-and-materials billing over the next

three to five years toward fixed-fee and value-based pricing to capture the economic dividends of AI-powered optimization.

And in our discussions with accounts, they recognize that, as their own business models evolve, our commercial model will evolve as well. For now, our focus remains on driving adoption and validating these new agentic workflows. Monetization will come next.

Seeing the immense potential firsthand—the sheer power of using our applications at machine speed, and the profound value that will unlock across the entire infrastructure lifecycle—you can count Bentley firmly in the AI optimist camp. We are convinced that artificial intelligence will usher in a new era for infrastructure engineering: one where the capacity and capability of the profession will expand significantly to deliver safer, more resilient, and higher-quality infrastructure more efficiently.

Now, turning to our business highlights for the third quarter.

Our year-over-year ARR growth further accelerated to 13%, driven by broad-based demand across our core sectors and disciplined execution across all regions.

Our net revenue retention rate reached 110%, underscoring steady expansion across our existing accounts.

Our renewal performance with E365 accounts also remained strong, even though Q3 is a small quarter for renewals, driven by solid floor uplifts as accounts commit to expanding their engineering capacity with Bentley.

New logos contributed about 300 basis points of ARR growth once again, primarily through our SMB business. Through Virtuoso, our flagship commercial program for SMB accounts, we added over 600 new logos. The underlying sentiment across SMB accounts remains resilient, with healthy project backlogs. SMB accounts are also showing increased interest in AI and want to engage with us on it.

Turning to our tone of business by infrastructure sector.

Resources was once again our fastest-growing sector overall. Seequent delivered another standout quarter, driven by sustained strength in mining. Mining companies continue to prioritize brownfield optimization and expansion to meet the urgent global demand for critical minerals, supporting electrification, supply chain security, and the rapid buildout of AI data centers. We recently announced an acquisition to expand the Seequent portfolio in resources, and I will come back to that in a few minutes.

Our largest sector, public works and utilities, delivered another quarter of strong growth, fueled by sustained global infrastructure spend and grid modernization. The growth of PLS continues to stand out, driven by the global imperative to strengthen and expand the transmission grid. Our Asset Analytics business also showed strong performance, securing strategic enterprise expansions in telecommunications tower inspection and transportation infrastructure AI.

Growth in the industrial sector remained solid, in particular in power generation, while commercial and facilities remained relatively flat, consistent with recent quarters.

Turning to our tone of business by geographic region.

In the Americas, our largest region, growth further accelerated across both North America and Latin America.

In the United States, the macro environment remains very healthy. Our engineering accounts continue to operate at capacity with robust backlogs, sustained by continued federal and state public funding alongside substantial private capital deployments. Departments of transportation continue to be a growth engine as they advance their digital delivery initiatives. The scale of private investment in AI data centers continues to generate tailwinds across our portfolio.

Latin America delivered an exceptional quarter, led by mining and momentum across water infrastructure.

EMEA delivered solid performance, supported by sustained infrastructure commitments and strong renewal execution across major accounts.

Growth was once again led by the Middle East, despite the ongoing conflicts, with strong execution in the UAE and Saudi Arabia as major airport and transportation programs continue to move forward.

In the U.K., growth remained solid, driven by major ongoing national programs including Sizewell C, National Highways, and HS2.

In continental Europe, despite a traditionally slow quarter, we are encouraged by early signs of infrastructure funding deployment in Germany, where major rail and highway tenders are beginning to move forward.

We also saw major European consultancies shift more engineering work to their delivery centers in India, moderating our consumption growth in Europe, but helping fuel our acceleration in Asia Pacific.

And in fact, Asia Pacific was our fastest-growing region this quarter.

India delivered very strong growth, driven both by massive domestic investments in water, grid, and offshore energy infrastructure, and by its role as the global engineering hub for multinational firms.

Australia and New Zealand delivered strong growth, underpinned by the broader resources sector and notable expansions from key mining accounts.

In Southeast Asia, demand across regional civil projects and power networks drove strong growth as well.

China, which represents less than 2% of our ARR, continues to suffer from geopolitical and macroeconomic headwinds that we expect to persist in the foreseeable future. The strength across the remainder of Asia Pacific more than offsets these headwinds.

Finally, today, I want to briefly highlight our recent acquisition of Eliis, now part of Seequent, our subsurface company.

Seequent is dedicated to helping organizations understand the underground. And to understand the subsurface, geoscientists rely on a variety of data collection methods—from drilling boreholes and analyzing physical rock cores to measuring acoustic, magnetic, and gravity signals from the surface.

With Eliis, we are adding another important signal to our portfolio: seismic.

Seismic interpretation provides the highest resolution and the deepest geophysical picture of the subsurface. Historically, seismic methods have been at the forefront of oil and gas exploration, where Eliis established its leadership.

Yet, as seismic data acquisition costs decline and resolution increases, this method is proving increasingly essential across the broader resources sector. It is already opening new frontiers in energy, such as identifying reservoirs for low-temperature geothermal energy and carbon capture, and helping mining companies detect deeper critical mineral deposits.

Seismic interpretation also has direct applicability in civil infrastructure, where high-resolution imaging de-risks large transport corridors, complex tunneling projects, offshore wind farm foundations, and other critical assets.

By bringing seismic data directly into Leapfrog's 3D implicit modeling, we are giving geoscientists and engineers a far more complete, connected picture of the subsurface. This acquisition advances our mission to reshape how infrastructure and critical resources are delivered and optimized globally.

And with that, over to you, Werner.

Werner Andre: Thank you, Nicholas.

We are pleased with our performance so far this year. Our third-quarter results extend the momentum of the first half, with ARR growth accelerating once again and subscription revenues and profitability ahead of our expectations, both in the quarter and year-to-date.

Total revenues for the third quarter were $422 million, growing 12.2% year-over-year, and 12.7% in constant currency. Year-to-date, total revenues increased 13.2%, or 12.3% in constant currency.

Our performance continues to be led by our mainstay subscription revenues, which represented 92% of total revenues during the quarter. Subscription revenues increased 12.4% year-over-year, or 12.9% in constant currency,

reflecting continued strength across both our E365 and SMB initiatives. Year-to-date, subscription revenues increased 13.5%, or 12.7% in constant currency.

In our smaller and less predictable revenue streams: perpetual license revenues for the quarter were approximately $13 million, up roughly $2 million year-over-year, and approximately $31 million year-to-date, down about $0.5 million and representing approximately 2% of total revenues. Services revenues increased 8.4%, or 8.8% in constant currency, driven by Maximo-related services within Cohesive. Year-to-date, services revenues increased 15.2%, or 13.8% in constant currency.

As Greg described, we completed the divestiture of Cohesive on October 13. Year-to-date, Cohesive represented approximately 50% of our services revenues and approximately 3.5% of total revenues. Beginning in the fourth quarter, we, therefore, expect services revenues to decline year-over-year through 2027, and to represent less than 3% of total revenues, compared with approximately 5% year-to-date.

While Cohesive's departure reduces our revenues, what remains is of higher quality: subscriptions will represent approximately 95% of our total revenues, up from 92%, making our revenues even more recurring and predictable.

As of September 30, our last 12-months recurring revenues were $1.528 billion, an increase of 13.2% year-over-year, or 12% in constant currency, and represented 93% of total revenues.

Our last 12-months constant currency account retention rate remained consistent at 99%, and our constant currency net revenue retention rate increased to 110%. The combination of our high retention rates and new business momentum gives us confidence in the continued durability of our recurring revenue growth.

Now, turning to ARR. We ended the third quarter with ARR of $1.583 billion at quarter-end spot rates.

On a constant currency basis, our year-over-year ARR growth rate accelerated to 13%, ahead of our expectations and above the high end of our annual outlook range, marking the second consecutive quarter of acceleration this year. Year-

over-year growth included approximately 40 basis points from our Talon acquisition, unchanged from the prior two quarters.

Sequential constant currency growth in the quarter was 3.1%, all organic, compared with 2.2% in the third quarter of last year, and has exceeded the prior-year quarter in each quarter of 2026.

Asset analytics contributed meaningfully to both our year-over-year and sequential growth, with large contract expansions from existing accounts accounting for approximately half of the improvement in sequential growth over last year.

Our GAAP operating income was $123 million for the third quarter and $337 million year-to-date. As I've discussed previously, our GAAP results can be impacted by deferred compensation plan revaluations and other acquisition-related items.

Moving to adjusted operating income less operating stock-based compensation, which was $135 million for the quarter, with a margin of 32.1%, compared to 28.1% a year ago, and $392 million year-to-date, with a margin of 31.2%, compared to 30.7% a year ago. As planned, we invested earlier in the year than in 2025, so our first-half margin trailed the prior year, and our second-half margin improvement is correspondingly higher.

Beyond this planned pattern, our results were ahead of our expectations, reflecting a mix shift toward higher-quality subscription revenues, compared to our original plan, along with disciplined cost control.

Our year-to-date G&A also reflects investments in our new enterprise-wide finance and quote-to-cash platforms, which went live during the second quarter, driving a step-up in costs around the go-live that was contemplated in our outlook. G&A growth moderated to 14% in the third quarter, from 27% in the first half. Notably, we did not adjust these costs out of our profitability—we absorbed them within our margin commitment—underscoring the quality of our year-to-date performance while positioning us for greater efficiency and operating leverage.

We remain well positioned to deliver on our AOI less operating SBC outlook, including our annual constant currency margin improvement.

Our free cash flow for the quarter was $101 million, reflecting working capital timing, with the year weighted toward a stronger fourth quarter. On a last 12-months basis, free cash flow was $489 million, up 6% year-over-year.

Year-to-date, free cash flow was $353 million, down 8%, reflecting two factors we have discussed: exceptionally strong collections at the end of 2025, which created a tougher comparison, and our plan to invest earlier in the year than in 2025.

We continue to execute a disciplined and balanced approach to capital allocation. Year-to-date, we reduced net debt by $88 million while returning capital to shareholders through $168 million of share repurchases—up meaningfully from the prior year—and $64 million of dividends.

Our balance sheet supports significant strategic flexibility. We ended the quarter with cash of approximately $150 million and $1.26 billion of availability in our revolving credit capacity, and our net debt leverage was 1.7 times adjusted EBITDA, down from 1.9 times in the prior quarter, with our cash interest exposure mitigated by the low fixed coupon on our convertible notes and our $200 million interest rate swap, expiring in 2030.

This provides ample capacity to support our strategic priorities, including programmatic acquisitions, such as Eliis, addressing our mid-2027 convertible notes at maturity, ongoing share repurchases, and dividends.

Moving to our outlook: as discussed, year-to-date, we have been exceeding our expectations in constant currency ARR growth, subscription revenues growth, and profitability.

Our original outlook did not contemplate the divestiture of Cohesive. In order to provide a like-for-like comparison, we are presenting our updated 2026 ARR growth outlook, excluding the impact of the divestiture of Cohesive.

On this basis, given our year-to-date performance, expected continued momentum, and the programmatic acquisition of Eliis, which we expect to contribute approximately 100 basis points, we are raising our outlook to 12.5% to 13.5%, above the high end of our original range of 10.5% to 12.5%.

Including the impact from the divestiture, we expect reported ARR growth to be approximately 100 basis points lower.

We are also updating our revenue outlook for the divestiture of Cohesive, which we expect to reduce fourth-quarter revenues by approximately $12 million, about three-quarters of it in services.

Our updated outlook for total revenues, at the exchange rates assumed in our 2026 outlook, is $1.673 billion to $1.703 billion.

With this, we now expect our constant currency subscription revenues growth toward the high end of our 11% to 13% outlook range, and constant currency perpetual licenses and services revenues to remain approximately flat, reflecting the divestiture.

We are maintaining our AOI less operating SBC outlook range of $495 to $510 million, and we continue to expect free cash flow within our outlook range of $500 to $570 million, including the impact of higher cash taxes related to the Cohesive transaction.

As in prior years, our fourth-quarter free cash flow will depend on the timing of year-end collections relative to our January 1 renewal cycle.

For modeling purposes, we now expect cash taxes of approximately $55 to $60 million and weighted average diluted shares of approximately 319 million, reflecting our higher share repurchases. And also for modeling purposes, year-to-date through September 30, Cohesive contributed approximately $35 million of services revenues and approximately $10 million of subscription revenues.

With regards to foreign exchange rates: through the third quarter, the U.S. dollar strengthened relative to the exchange rates assumed in our 2026 annual financial outlook, resulting in approximately $8 million less revenues from currency. If end-of-October exchange rates were to prevail throughout the fourth quarter, our revenues would be negatively impacted by an incremental $5 million, relative to the exchange rates assumed in our 2026 outlook.

And with that, over to Eric for Q&A. Thank you.

Eric B: Thanks, Werner. Just a quick point of note: next quarter, the Q&A portion of the call will be audio only. And as always, please limit your questions today to just one. The first question comes from Joe Vruwink from Robert W. Baird.

Joe Vruwink: Hi. Great. Thanks very much for the time today. I wanted to ask about some of the acquisition activity in the mining space. Of course, you talked about your recent activity, but I think there's been three acquisitions now since 2025 of some of the more platform companies. And I'm curious what you make of this. Obviously, you kind of saw this coming, because Seequent was way back in 2021. But in terms of the recent M&A activity, what does that maybe signal about a desire of operators to add more software exposure or what AI might ultimately end up meaning to this specific product portfolio?

Greg B: Nicholas, maybe you'll want to speak more to this, but my observation would be, once again, as in the case of EAM, there are ERP systems for mining, in effect, that involve more administrative activities. And we don't covet being in that space. It's the 3D engineering where we have most to add in the geosciences aspect. Otherwise, the competitors are formidable there.

But the 3D modeling is unique in mining in that every scoop of earth or substrate gives you new information that you can incorporate right away. And that is our contributing differentiator in mining.

Nicholas C: Yeah, Joe, I will add that, no surprise, there's so much activity going on because mining is very strong. Now, depending on which acquisitions you're referring to, the way we're expanding our portfolio in mining with Seequent is, as you could tell, since the time of the acquisition more than five years ago now, is by adding more capabilities that help better understand what's in the ground. So, we've added capabilities to process signals, like magnetic signals, for example, or electrical. And with the acquisition of Eliis now, it's a seismic interpretation.

So, we have a pretty broad and deep portfolio now of capabilities to help better understand what's going on in the ground, which is of critical importance for mining, for sure. But it is also a platform for us to grow beyond mining and resources. Eliis, as I mentioned in my prepared remarks, is very strong in oil and gas. And those capabilities of Eliis seismic interpretation are necessary for us to grow beyond high-temperature geothermal energy production into low-temperature.

But those capabilities are also very relevant for civil. And that's what makes us quite distinct as well, which is we take all of the Seequent type of capabilities to understand the underground and make them available in civil workflows right now in order to de-risk project delivery and ensure long-term resilience of infrastructure assets.

Eric B: Thanks, Joe. Next question comes from Matt Hedberg from RBC Capital Markets.

Matt Hedberg: Thanks, Eric. First of all, congrats on the results, guys. Really great to see. I guess I'm curious—there was a lot of commentary, I think mostly was from Nicholas, on AI. It really does seem like you guys have continued to lean into that from a functionality perspective, and it's resonating with clients. And I guess from a monetization perspective, I think, Nicholas, you said it's going to eventually come. It's going to take time.

But I'm just kind of curious, with the good results here—and it sounds like asset analytics was the real star of the quarter—are you seeing any indication that AI is positively becoming a tailwind to growth today? And just as we start to think about the next few years, how should we think about AI monetization feathering into growth?

Nicholas C: Thank you, Matt. Yeah, so AI, in terms of monetization, this is already happening, indeed, with asset analytics, as you pointed out. Our asset analytics offering is leveraging AI to help owner-operators better understand the physical conditions of their infrastructure assets.

And Q3 was a great quarter for asset analytics. We did a number of deals with existing accounts, both for telecommunication tower inspection and for road monitoring. So, monetization for AI is already happening there.

That really reflects, by the way, where we are with AI overall in the infrastructure ecosystem. The first use cases started many years back in operations and maintenance. And that became the angle that we took with asset analytics.

Now, when it comes to AI in design, this is still very early stage. And we're really focusing right now on adoption, exploration, validation. We are making sure that, from a technical standpoint, we will be able to start monetization in 2027.

However, as we said before, we don't expect monetization of AI in design to be a material growth driver in 2027. It will be the year where we start.

The decision to start will be really based on whether accounts are moving now from exploration to production, number one. And number two is, how fast are they going to adopt our new applications that have these MCP servers in order to be able to use these applications at machine speed with AI.

So that's where we are. Our focus, again, is all about adoption. The feedback that we're getting from the accounts, as you said, is very positive. When they understand, they realize the potential here which is unlocked, they're truly excited. And so are we.

Eric B: Thanks, Matt. Next question comes from Jason Celino from Keybanc.

Jason Celino: So, I wanted to ask about the acquisition—Eliis. I know Seequent has been growing, I think, 2x your corporate average. Maybe can you share some financial profile metrics of that acquisition, if there's any customer overlap with Seequent or yourselves? So, any color there would be helpful.

Nicholas C: So, the core business of Eliis is oil and gas. So, there is overlap, actually, with traditional accounts of Bentley more than of Seequent. From a financial standpoint, it is accretive to our ARR growth. And it's roughly in line with us from a margin standpoint. So, it really is a very high-quality asset that we were able to acquire here.

Jason C: Okay, great—

Greg B: I'll add it's accretive to our revenue multiple as well, reasonable from that standpoint. And then, in terms of overlap, it happens that the oil and gas owner-operators, as we think of them, are now all-of-the-above energy operators. And they are interested in applying Seequent modalities beyond seismic to opportunities, such as geothermal and carbon capture.

So, we have now the account access to go beyond pilots into scaled offerings for the oil and gas energy—diversified energy providers as they diversify into other underground sources.

Eric B: Thanks, Jason.

Jason C: Thank you.

Eric B: The next question comes from Daniel Jester from BMO.

Daniel Jester: All right. Good morning, everyone, and thank you for taking my question. I wanted to go back to the slide in the presentation that talked about how different companies by size expect the change in their business models. And it looked like there was a lot of diversity in terms of expectations.

Enterprise, I think 60% expected big change, and SMBs, less so. So, I guess a two-part question. I guess, number one, any hypothesis as to why there's such diversity in terms of expectations for how those business models may change? And then two, as your enterprise customers do change their business models, how may you have to change yours to meet their future needs? Thank you.

Nicholas C: Great question, Daniel. So, on the first one, the way I would interpret that difference is that the larger the firm—that was another slide—the larger the firm, the more likely they're going to be starting to use AI in design to not just automate, but to optimize designs. And my read on this, and also talking to larger accounts, is that as they do this, then they really realize the potential.

And based on this, they also realize that a business model which is primarily based on time and material is probably not right for them to capture their fair share of the value that's going to be created. The conversation has to shift to value and outcomes, and so that the incentives are perfectly aligned with what ultimately is good for the owner-operators, which is optimal designs. So, that's that.

Then, on the second one, as accounts are saying, yes, they're going to have to shift to something which is maybe fixed price or indeed outcome-based, et cetera, there's not necessarily an implication that our business model will have to change to accommodate for that. I think these two things are actually quite compatible.

The realization, however—it's a little bit the same for us, which is if our commercial models are somewhat user-centric and somewhat based on how much time users are spending with our applications, then going forward, this

might not be the right way for us to capture also our fair share of the value that's going to be created, and we have to shift to something else.

So, it's actually very interesting in these conversations with the accounts because there's a lot of reciprocity. They realize that they have to evolve their business model. And based on this, they also understand that we also have to evolve our business model. That, especially with E365, as a program, application days, it is a proxy for how much time, in a way, engineers are spending with our software and if they start to use our applications at machine speed, then, on top of that, there should be another price.

Daniel J: Great. Thank you very much.

Eric B: Thank you. Next question comes from Siti Panigrahi from Mizuho.

Siti Panigrahi: Great, thank you. Congrats on the quarter. So, if I ask the ARR growth that reached almost 13%, and about half of that better sequential growth came from large expansion in our existing accounts with asset analytics contributing to that. So, for this year, the question is, how much of that momentum is already locked into Q4 given your outlook now implied 11.5 to 12.5?

And for 2027, how do you rank the growth drivers like uplift in renewals, new logo and asset analytics, and now—even Nicholas, you talked about AI-related consumption. So, which of them do you expect to add growth versus just sustain it heading into 2027?

Nicholas C: So, Siti, first of all, we definitely have a lot of momentum. And our results in Q3, 13%, this was really based on strength in resources, strength in public works/utilities, and large enterprise deals in asset analytics. And that was all organic, no acquisition, and we had 13%.

So, for the remainder of the year in the updated outlook that we gave, this does factor in already, then, the acquisition of Eliis. And for us now to be able to get to the top end of that range, we will need to continue to do very well in resources and public works and utilities. We will have to do very well with our renewals. And you know that Q4 is our biggest quarter for E365 renewals. And we'll have to bring, again, important deals—enterprise deals for asset analytics.

So, obviously, this is not the time for us to talk about our outlook for 2027. This will be the focus of our call when we review our Q4 results. But we don't see at this point, given the strength of the end markets and the strengths of us as a company, our competitive strengths, we don't see why we should go away from our long-term financial framework that we've used in all the past few years.

Siti P: Okay. Thank you.

Eric B: Thanks. The next question comes from Jay Vleeschhouwer from Griffin Securities.

Jay Vleeschhouwer: Thank you. Good morning. In the prepared remarks, you made some reference to Bentley Infrastructure Cloud adoption, I believe, among some of your largest customers. Could you speak more broadly about infrastructure cloud adoption across all or most of your cohorts, and the adoption dynamics? In other words, is it the case that Bentley Infrastructure Cloud helps to induce more applications adoption, or is it really more the reverse where customers buy enough applications, then they adopt infrastructure cloud?

And then, secondly, you referred to the Naviam relationship as representing not just Cohesive, but some of your apps. Is that going to be a significant enough channel partner relationship that your percentage of revenue from the channel could finally start to increase more meaningfully?

Nicholas C: On the first question—maybe Greg will address the second one. So, on the first question, Bentley Infrastructure Cloud, the reason why we grow with Bentley Infrastructure Cloud is, number one, our openness. The fact that we actually work great with Bentley and non-Bentley applications. We work even better with Bentley applications, but we work great with non-Bentley applications.

And so, Bentley Infrastructure Cloud is just a fantastic platform for collaboration and data exchange for entire infrastructure value chains across engineering disciplines, across engineering organizations because of the strength of that openness.

And the other reason why we're winning, more and more, is because of the strong stance that we took when it comes to data, where we basically said that the data that is in Bentley Infrastructure Cloud is our users' data, always. So, we don't use

it to train our own AI models. We don't use it to train AI unless there is explicit direction from the accounts. And that makes us quite distinct from other platforms out there, as we discussed in previous quarters.

Greg B: And I'll say that my reason to bring up Bentley Infrastructure Cloud in particular, as to the footprint of our owner-operator accounts, that half of our business—it's mostly ProjectWise, in those accounts. And so, they have a Bentley Infrastructure Cloud schema that they can interrogate and query, including autonomously, to utilize and maintain their assets during operations and maintenance.

But until now, they don't. But they're just one step away from it, and my point is that asset analytics provides the keystone, that one step where they can have an as-operated physical condition of their asset to feed back into re-simulating and remodeling based on the design information they have already.

So, it's become possible now to have instant-on digital twins for these owner-operators with AI and asset analytics. In the case of Naviam and Maximo, of course, as we've learned, it's anything but instant-on when you're adapting an enterprise system to expand from maintenance information to engineering information to inform the maintenance.

Naviam is a really impressive outfit run by entrepreneurs who are looking to make more of Maximo. And it's early in the relationship; obviously, the divestment just closed, and we're going to be on their board and encouraging their brief to include, as I say, a digital twin integrator as well. There really is an opportunity for that. But it's more of a long-term opportunity, I acknowledge.

Jay V: Thank you.

Eric B: Thanks. The next question comes from Andrew Degasperi from BNP.

Andrew Degasperi: Thanks for taking my question. So, I wanted to touch on a bit in terms of your strength in the Americas. And I think you mentioned that data centers directly benefited that region. Obviously, there's been a change since Tuesday in terms of at least the high-level headlines in terms of—particularly, in certain geographies of the U.S., so, like, Texas. And there's some concern about slowdowns or project delays with regards to data centers.

So, just curious to know what you make of that in terms of what is your exposure there. Like, do you think there could be—in terms of at least where your products are deployed, there could be some impact? And maybe if you can—given you've been around for 40 years, I'm sure you've seen these type of cycles before—just curious to know what could we expect in terms of that in the future?

Greg B: Let me address the election, generally. And of course, we're familiar with divided government in the U.S., but it's about to thoroughly take place after this lame-duck session. What we think is that infrastructure investment is where there's likely to be a bipartisan concurrence. Of course, the IIJA ended after five years at the end of September. The projects in process, of course, will be completed.

It's been extended. Its spending has been extended until December 11th, most of that spending, and that could go on further. But in the interim, there's been something called the BUILD America 250 bill, which, in its committee in the House, was approved by a 62 to 2 vote. So, it's a bipartisan opportunity.

Now, we don't think that's going to be acted on in the lame-duck session. When it comes to next year in the new Congress, it's likely that that already adequate spending for surface transportation, roads, and bridges—to that will probably be added, now, rail and transit spending as well. And in general, the Democratic-led Congresses have had—have tended to fund infrastructure at greater degrees. So, that probably lies ahead.

What's very interesting is permitting reform, which is important to a lot of what we do. And that has finally come so far that a bipartisan bill, again, has been reported out of all the committees, the applicable committees in the senate. And it's actually scheduled for a vote on next Monday to come to a vote to bring it to debate on the full floor.

And it's not out of the question that that could be enacted because it is a bipartisan priority, even during this year still, because it's thought by—although there are some environmental groups in opposition, it's thought to be about the best that's going to be achieved by many who have to make that decision.

In Congress, also, is the biennial water bill. That has bipartisan support and will, for the first time, include funding for digital initiatives, including digital twins.

And then finally, back to your question about data centers, it's likely that, as you say, across the country and in various jurisdictions, there'll be more scrutiny of the environmental impacts. These are impacts having to do with energy provision, with water provision, the surrounding infrastructure. That's where our software is utilized. And we can imagine site plans for data centers now, and needing to include infrastructure digital twins. And we actually see that as an opportunity.

Eric B: Thanks. The next question comes from Kristen Owen from Oppenheimer.

Kristen Owen: Hi. Good morning. Congratulations on the nice results. And Nicholas, appreciate the Spider-Man reference that you gave us.

You talked about this in some of your prior questions, but I want to put a finer point on it. Just help us understand, with the Eliis acquisition, where that creates the most immediate commercial opportunity. Is it selling into Seequent's existing tools—selling Seequent into those existing Eliis customers? Is it bringing that seismic interpretation into your mining customer base? And how do you think about those synergy opportunities contributing to incremental ARR growth? Thank you.

Greg B: Kristen, I'm going to jump in to say that what I learned about seismic interpretation is that, of course, you make the earth rumble and listen to what happens. It used to require a tractor trailer and a big rig to generate these waves. Now, it's down to something that can be towed behind a golf cart. So, it's applicable to civil projects in general. And probably that lower cost of acquisition will continue to be more advantageous.

So, to me, the big opportunity is applying it where it's been prohibitive in the past. And there's many other such modalities where that's been the case over the lifecycle of Seequent.

Sorry, Nicholas, I just had to say, I'm imagining creating a seismic wave with a golf cart-sized machine as something that sticks in my head.

Nicholas C: All good. All good. Kristen, I will say energy, first of all, because Eliis is already strong there, and there's so much more to do. As I said, this company on its own, already growing quite fast and will be accretive to our ARR growth. So,

there's more in energy, traditional energy sources, but new sources of energy as well.

I will probably say mining is second because seismic allows you to find minerals at a much deeper, deeper level and with a much higher resolution than is possible with traditional methods or other methods. And then civil.

Eric B: Great, thanks. Next question comes from Faith Brunner from William Blair.

Faith Brunner: Hey, guys. Good morning. Just wanted to double-click on some of the conversations you guys are having with your design customers in regard to AI. It does seem like there's a lot of interest. There's a lot of excitement about the opportunity.

But is there anything that's maybe driving a wedge between willingness and readiness in the sense of—you talk to how business models may have to change around material and time and different optimization. But is there anything else, maybe on the customer end, from a change management perspective that we should be aware of that might add some time between initial interactions and a more scaled adoption of these AI solutions?

Nicholas C: Well, I will say two things. First one is education. And I mean it with a ton of respect. But education on what's really possible here and now. And this is a big priority for us with our marketing team. It's also a big priority with our solution engineering team. Those are what you could consider forward-deployed engineers who are working hand in hand with our accounts to show them what's possible right now.

And the second thing is what I indeed touched on in my—earlier, when we talked about AI monetization and API monetization going forward. We're going to be dependent on how fast they adopt the new applications, the new versions, that have these APIs that are instrumented and that have these MCP servers. I think as they realize the potential, they will have a big incentive to move faster to these new versions than they've had done in the past.

Eric B: Thanks.

Faith B: Thank you.

Eric B: Next question now comes from Alexei Gogolev from J.P. Morgan.

Alexei Gogolev: Hi, everyone. Thank you. Thank you, Eric. So, Greg, you described asset analytics as the keystone to close the Capex to Opex loop. So, strategically, do you see asset analytics becoming a standalone platform category inside Bentley or remaining a capability layer distributed across each domain portfolio?

Greg B: Well, we're managing it as an asset analytics group at the moment, so that they can move quickly. And, as you know, we've grown by acquisition in asset analytics because we don't want to start from scratch where we don't have to, with a particular AI for particular asset types. Like, Talon brought us distribution poles and so forth. And I think that will remain the case for a while.

It's different in that we charge per asset, per year, not per user, per day at the enterprise level. It's incremental in that respect. And the competitive set is different. It tends to be hardware-oriented competitors at the present time. Again, what's our differentiation, which is the reason I refer to it as a keystone, is not only do we capture the current physical condition of an asset, but we feed that back in to resimulate or remodel—to remodel and resimulate. Does that mean it's still safe? Is it still resilient? And what maintenance action would be sensible, based on what's worked elsewhere?

So, our differentiation is over on the—what we have thought of as the Capex side of our business. But the modeling and simulation, which the owners own and paid for and have, they have never used during the operating lifecycle. So, asset analytics is meant to open that up. But for now, organizational, it's a platform in its own right, where, of course, the digital twin information is persisted in Bentley [Infrastructure] Cloud. But we're competing in major procurements with other data acquisition approaches. And that requires some specialization.

It's a distinct sales group now and so forth. Over time, as you know, I think it can grow, should grow, to be comparable in scale, our revenues per asset should be comparable to our revenues per user over time. But we'll have to complete the portfolio to get to the other asset types, of course, along with the organizational development that's underway.

Eric B: Thanks. Next question comes from Taylor McGinnis from UBS.

Taylor McGinnis: Yeah, hey, team. Thanks so much for taking my questions. So, the 13% ARR growth was clearly the highlight and really strong. So, I believe constant currency net new ARR was actually over 15 million or so higher than it was last year. So, could you just help us understand, in that incremental bookings that you guys have, how much of that is coming from asset analytics, Seequent momentum, or any other areas? And then second, if we look at the 4Q guidance range, it actually seems that you expect that net new ARR booking strength growth to continue on a year-over year basis, despite some of the tougher Seequent comps. So, I guess, what are you seeing at the start of the quarter that's giving you that comfort?

Nicholas C: Werner, do you want to address it?

Werner A: Yeah, happy to. So, Q3 was raising 150 basis points. It's the combination of, I would say, two-thirds is just better than expected underlying performance, led by resources, grid, and asset analytics. Asset analytics was particularly strong, compared to Q3 last year and year-to-date—compared to year-to-date last year.

And then, the Eliis acquisition, as I mentioned, contributed about approximately 100 basis points of ARR growth. We will see that being added in Q4. And we had about 40 to 70 basis points in our outlook for programmatic acquisition. So, Eliis is contributing approximately a third of the overperformance that we see year-to-date.

And going into Q4, I think to get to the high end of the range, I think Nicholas hit on that before. It just will require the continued strength across resources, public works, utilities, and especially grid. And Q4 is our strongest renewal quarters. So, we need a strong renewal quarter, but we have reasonable visibility into the pipeline.

And then, it will require larger asset analytics deals. Asset analytics had a particularly strong Q4 last year. But as said, if all that aligns, then I think we will see a solid Q4 again.

Eric B: Great, thanks. Next question comes from Joshua Tilton from Wolfe.

Joshua Tilton: Maybe, to step back then, like more of a high-level question, Nicholas, I really appreciated you addressing the business model transition that has to happen. But if we step back, it sounds like what you're saying is, as you continue to embed AI more into your products, you're essentially selling your customers the ability to be more productive and automate more of their processes.

But right now, your customers are charging their customers by the hour. So, those incentives might not exactly be aligned. I guess what I'm trying to understand is, at least from my perspective, that kind of feels like a big shift. So, what gives you the confidence that the industry is going to get this pricing shift correct? And why is this not like a lot more longer-term dynamic than a shorter-term dynamic? Does that make sense?

Nicholas C: Yeah, it absolutely makes sense. And I'll try to be to be super brief. So, you've characterized it well. And we've always been in the business of making engineers more productive since 1984. Obviously, the kind of productivity gains we're talking about here, both efficiency and effectiveness, is considerable. And we do see a clear correlation for those accounts who have already shifted their business model, when they can, to something like fixed price or outcome based, they lean on AI much harder than others.

So, when they can, because ultimately, it will depend also on the owner-operators, they don't completely dictate on their own, as engineering firms. But we were surprised, talking to CEOs of large engineering firms at AEC Advisors just last week, of how many of them have already made significant transition to business models that will be—where there will be no counterincentive for them to become way more productive using AI.

Greg B: Joshua, I think you could say that the transition to outcomes based is hard and may take longer. The transition to fixed price is a way station that's relatively easy. And there's no pushback. There's less pushback to that.

Eric B: Great, thanks. Next question comes from Tomer Zilberman from B of A.

Tomer Zilberman: I wanted to ask maybe a more conceptual question around AI. If you look at the data from the labs, it shows that maybe some of your core

customers, kind of civil engineers and the like, are using AI a lot less than some other knowledge work type roles. I think it's like 30 to 300 times less.

So, the question is, one part of it is the data is a little bit stale as of a few months ago, and models have improved pretty significantly in terms of engineering capabilities. But the question is, when you're talking to your customers and they're talking about interest in AI, is it more so about embedding AI into your existing products? So, it's almost as if they're not using AI as the interface. Or are you seeing increasing demand, either for standalone AI applications from yourself or even the concept of headless where, maybe, they're interacting with a third-party model, but they're connecting to you guys at the back end?

Nicholas C: When we look, for example, at the results of the AEC Advisor survey, we can see that we're still in the early stages of adopting AI when it comes to design. And the use cases, the first use cases that engineering firms went after were use cases that, you could argue, are really about knowledge workers. It's really about how to help them find information faster about the project, understand better the project requirements, and so on and so forth.

When it comes to using AI for the actual design, so to automate pieces of the design or to be able to optimize design, definitely very early stage. And depending on the sophistication of the accounts, we will hear either accounts who say, "Bentley, please do this—we have our own Bentley Copilot, which is leveraging third-party LLMs—so yes, we're going to use Bentley Copilot together with your applications."

And the more sophisticated ones are saying, "No, we actually have our own, we basically picked whatever AI harness, Microsoft Copilot or Claude or whatever, and we have made it such that it has so much skills, it really understands how we work as an engineering firm, and we want that AI harness to be interacting with your applications."

So, those are the most sophisticated ones. But that's why it was very important for us very quickly to clarify that—and it has been a long tradition for Bentley, we embrace openness—that we will have an open architecture when it comes to AI interacting with our applications, that you will be able to use LLMs that are provided through us and our own Bentley Copilot, you will be able to use,

obviously, AI models that we create ourselves, but you will also be able to use third-party AI models with our applications.

Tomer Z: Thank you.

Nicholas C: Tom, one more thing, actually. If you do get the AEC Advisors report, you will see some questions regarding openness, and that will reinforce what I just said.

Eric B: Great. The last question today comes from Mason Marion from Cantor.

Mason Marion: Hey, everybody. Thanks for sneaking me in here. I'll ask a fast one. So, in August, you installed a new chief revenue officer. Have any changes been made thus far to your go-to-market strategy, or do you expect any material changes over the next year?

Nicholas C: We don't expect to change. We expect a reinforcement of what already had started with the previous chief revenue officer, who had hired our new chief revenue officer and prepared him as a successor. Andy, our new chief revenue officer, his background is technical sales and among other things. He has a very rich background, a lot of experience.

But at Bentley, he was in charge of solution engineering. That's the team I referred to earlier, saying, those are the forward-deployed engineers. And through Andy's leadership, we have significantly improved the feedback loop between our accounts and our product teams, with solution engineering basically being the keystone here in that feedback loop. And that is so important right now, given the profound technological change going on with AI, that we have this very close feedback loop. So, you can expect more of that with Andy as our chief revenue officer.

Mason M: Thank you.

Eric B: One last one from Blair Abernethy from Rosenblatt.

Blair Abernethy: Thanks for squeezing me in. Just on the asset analytics, I just wanted to touch base. Last quarter, you said you were running around $50 million in revenue. I'm not sure, are you going to update that annually or what kind of metrics we can get around the asset analytics progress. And what are you doing there in terms of go-to-market partnerships? Obviously, the cell tower business is

more concentrated, but road maintenance is huge. So, how are you guys going to market and leveraging the technology with partners?

Nicholas C: Blair, I think the $50 million number, this was our run rate at the time of the Talon acquisition, so last year, Q4. But it was not all ARR at that time, and that's why we said run rate, because some of the revenue could not be qualified as ARR.

So, when it comes to telecommunication towers, we have two sources of growth here. One is winning new accounts. And we talked about, last quarter, a very important telecommunication tower owner who was looking to use our, and will use our solution, and is actually now using our solution, to do regular inspection of the towers. But we also have equipment manufacturers. And this quarter, we had significant expansion deals with equipment manufacturers that were already accounts of ours. So, that's on telecommunication towers.

We do see a natural expansion from telecommunication towers into the electric grid, starting with the distribution towers. That was one of the main objectives of the acquisition of Talon, because they were already supporting use cases where their technology was deployed on distribution towers. So, that's a natural expansion.

And then road and monitoring, our focus remains, but not exclusively, but the primary focus is still with the DOTs, and there's still a lot to do with the DOTs. And we had some significant expansion with DOTs in Q3.

Eric B: Thanks, Blair.

Blair A: Great. Thank you.

Eric B: Yeah. And that concludes our call today. We thank you for your interest and time in Bentley Systems.

Greg B: Cheers. Thank you.

Nicholas C: Thank you.