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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 000-23593

VERISIGN, INC.

(Exact name of registrant as specified in its charter)

Delaware	**94-3221585**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
12061 Bluemont Way, Reston, Virginia	**20190**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (703) 948-3200

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	VRSN	Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

Class	Shares Outstanding as of October 16, 2026
Common stock, $0.001 par value per share	89.7 million

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

VERISIGN, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except par value)
(Unaudited)

	September 30, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 206.8	$ 307.9
Marketable securities	269.3	272.6
Other current assets	97.4	72.0
Total current assets	573.5	652.5
Property and equipment, net	221.2	213.7
Goodwill	52.5	52.5
Intangible assets	171.4	—
Deferred tax assets	218.1	233.2
Deposits to acquire intangible assets	—	145.2
Other long-term assets	43.4	28.8
Total long-term assets	706.6	673.4
Total assets	$ 1,280.1	$ 1,325.9
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable and accrued liabilities	$ 286.8	$ 298.0
Deferred revenues	1,094.4	1,035.1
Total current liabilities	1,381.2	1,333.1
Long-term deferred revenues	368.9	349.4
Long-term senior notes	1,785.9	1,788.2
Other long-term liabilities	28.8	9.4
Total long-term liabilities	2,183.6	2,147.0
Total liabilities	3,564.8	3,480.1
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock—par value $.001 per share; Authorized shares: 5.0; Issued and outstanding shares: none	—	—
Common stock and additional paid-in capital—par value $.001 per share; Authorized shares: 1,000; Issued shares: 355.9 at September 30, 2026 and 355.6 at December 31, 2025; Outstanding shares: 89.8 at September 30, 2026 and 91.9 at December 31, 2025	8,849.6	9,623.5
Accumulated deficit	(11,131.4)	(11,775.0)
Accumulated other comprehensive loss	(2.9)	(2.7)
Total stockholders' deficit	(2,284.7)	(2,154.2)
Total liabilities and stockholders' deficit	$ 1,280.1	$ 1,325.9

See accompanying Notes to Condensed Consolidated Financial Statements.

VERISIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions, except per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 443.0	$ 419.1	$ 1,306.5	$ 1,231.3
Costs and expenses:				
Cost of revenues	49.8	48.8	149.0	147.3
Research and development	26.5	25.4	81.5	77.1
Selling, general and administrative	70.2	60.6	189.6	170.7
Total costs and expenses	146.5	134.8	420.1	395.1
Operating income	296.5	284.3	886.4	836.2
Interest expense	(21.2)	(18.9)	(59.3)	(58.1)
Non-operating income, net	4.3	6.3	13.5	19.3
Income before income taxes	279.6	271.7	840.6	797.4
Income tax expense	(67.0)	(58.9)	(197.0)	(177.9)
Net income	212.6	212.8	643.6	619.5
Other comprehensive (loss) income	(0.1)	0.1	(0.2)	(0.2)
Comprehensive income	$ 212.5	$ 212.9	$ 643.4	$ 619.3
Earnings per share:				
Basic	$ 2.36	$ 2.28	$ 7.08	$ 6.60
Diluted	$ 2.35	$ 2.27	$ 7.06	$ 6.58
Shares used to compute earnings per share				
Basic	90.1	93.3	90.8	93.9
Diluted	90.4	93.6	91.1	94.1

See accompanying Notes to Condensed Consolidated Financial Statements.

VERISIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(In millions)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Total stockholders' deficit, beginning of period	$ (2,254.1)	$ (1,993.8)	$ (2,154.2)	$ (1,957.9)
Common stock and additional paid-in capital				
Beginning balance	9,092.7	10,203.0	9,623.5	10,645.3
Repurchase of common stock	(193.2)	(218.7)	(620.0)	(627.2)
Common stock cash dividends	(73.0)	(72.0)	(220.8)	(144.1)
Stock-based compensation	20.5	18.6	59.5	52.5
Issuance of common stock under stock plans	4.2	4.4	12.7	12.3
Excise tax on repurchase of common stock	(1.6)	(1.9)	(5.3)	(5.4)
Balance, end of period	8,849.6	9,933.4	8,849.6	9,933.4
Accumulated deficit				
Beginning balance	(11,344.0)	(12,194.0)	(11,775.0)	(12,600.7)
Net income	212.6	212.8	643.6	619.5
Balance, end of period	(11,131.4)	(11,981.2)	(11,131.4)	(11,981.2)
Accumulated other comprehensive loss				
Beginning balance	(2.8)	(2.8)	(2.7)	(2.5)
Other comprehensive (loss) income	(0.1)	0.1	(0.2)	(0.2)
Balance, end of period	(2.9)	(2.7)	(2.9)	(2.7)
Total stockholders' deficit, end of period	$ (2,284.7)	$ (2,050.5)	$ (2,284.7)	$ (2,050.5)
Cash dividends declared per common share	$ 0.81	$ 0.77	$ 2.43	$ 1.54

See accompanying Notes to Condensed Consolidated Financial Statements.

VERISIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net income	$ 643.6	$ 619.5
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation of property and equipment	19.8	24.5
Stock-based compensation expense	58.8	51.8
Amortization of discount on investments in debt securities	(5.3)	(8.2)
Other, net	10.2	2.4
Changes in operating assets and liabilities:		
Other assets	(40.4)	(3.2)
Other liabilities	(8.5)	20.6
Deferred revenues	78.9	80.1
Net deferred income taxes	15.2	14.0
Net cash provided by operating activities	772.3	801.5
Cash flows from investing activities:		
Proceeds from maturities and sales of marketable securities	354.7	412.5
Purchases of marketable securities	(346.3)	(393.6)
Purchases of property and equipment	(33.6)	(18.3)
Other investing activities	(7.7)	—
Net cash (used in) provided by investing activities	(32.9)	0.6
Cash flows from financing activities:		
Repurchases of common stock	(620.0)	(627.2)
Repayment of borrowings	(550.0)	(500.0)
Proceeds from senior note issuance, net of issuance costs	545.0	493.3
Payment of dividends	(220.8)	(144.1)
Proceeds from employee stock purchase plan	12.7	12.3
Payment of excise tax on repurchase of common stock	(7.9)	(11.6)
Net cash used in financing activities	(841.0)	(777.3)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	0.5	0.1
Net (decrease) increase in cash, cash equivalents, and restricted cash	(101.1)	24.9
Cash, cash equivalents, and restricted cash at beginning of period	309.5	212.1
Cash, cash equivalents, and restricted cash at end of period	$ 208.4	$ 237.0
Supplemental cash flow disclosures:		
Cash paid for interest	$ 49.9	$ 55.4
Cash paid for income taxes, net of refunds received	$ 195.5	$ 169.3

See accompanying Notes to Condensed Consolidated Financial Statements.

VERISIGN, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Basis of Presentation

Interim Financial Statements

The accompanying unaudited Condensed Consolidated Financial Statements have been prepared by VeriSign, Inc. ("Verisign" or the "Company") in accordance with the instructions to Form 10-Q pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC") and, therefore, do not include all information and notes normally provided in audited financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals and other adjustments) considered necessary for a fair presentation have been included. The results of operations for any interim period are not necessarily indicative of, nor comparable to, the results of operations for any other interim period or for a full fiscal year. These unaudited Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and related notes contained in Verisign's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K") filed with the SEC on February 5, 2026.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires additional disclosure of certain costs and expenses within the notes to the financial statements. This guidance will be effective for the Company's 2027 Form 10-K. The Company does not expect the adoption of this guidance to have a material impact on the Company's consolidated financial statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software*, which clarifies and modernizes certain aspects of the accounting for and disclosure of internal-use software costs. The ASU does not change what types of costs are capitalized or when internal-use software cost capitalization ceases. This guidance will be effective for the Company in 2028. The Company does not expect the adoption of this guidance to have a material impact on the Company's consolidated financial statements.

Note 2. Financial Instruments

Cash, Cash Equivalents, and Marketable Securities

The following table summarizes the Company's cash, cash equivalents, and marketable securities and the fair value categorization of the financial instruments measured at fair value on a recurring basis:

	September 30, 2026	December 31, 2025
	(In millions)	
Cash	$ 16.0	$ 18.5
Time deposits	2.1	1.9
Money market funds (Level 1)	131.3	243.3
Debt securities issued by the U.S. Treasury (Level 1)	328.3	318.4
Total	$ 477.7	$ 582.1
Cash and cash equivalents	$ 206.8	$ 307.9
Restricted cash (included in Other long-term assets)	1.6	1.6
Total Cash, cash equivalents, and restricted cash	208.4	309.5
Marketable securities	269.3	272.6
Total	$ 477.7	$ 582.1

The gross and net unrealized gains and losses included in the fair value of the debt securities were not significant for the periods presented. All of the debt securities held as of September 30, 2026 are scheduled to mature in less than one year.

Fair Value Measurements

The fair value of the Company's investments in money market funds approximates their face value. Such instruments are included in Cash and cash equivalents. The fair value of the debt securities consisting of U.S. Treasury bills is based on their quoted market prices. Debt securities purchased with original maturities in excess of three months are included in Marketable securities. The fair value of the Company's foreign currency forward contracts is based on foreign currency rates quoted by banks or foreign currency dealers and other public data sources. The fair value of all of these financial instruments is classified as Level 1 in the fair value hierarchy.

As of September 30, 2026, the Company's other financial instruments include cash, accounts receivable, restricted cash, and accounts payable whose carrying values approximated their face values. The aggregate fair value of the Company's senior notes is $1.67 billion and $1.75 billion as of September 30, 2026 and December 31, 2025, respectively. The fair values of these debt instruments are based on available market information from public data sources and are classified as Level 2.

Note 3. Selected Balance Sheet Items

Other Current Assets

Other current assets consist of the following:

	September 30, 2026	December 31, 2025
	(In millions)	
Prepaid expenses	$ 35.7	$ 28.1
Prepaid registry fees	28.9	26.6
Taxes receivable	22.0	7.2
Accounts receivable, net	9.6	7.7
Other	1.2	2.4
Total other current assets	$ 97.4	$ 72.0

Property and Equipment, Net

Certain assets included in Property and equipment, net were classified as held for sale as of September 30, 2026 and December 31, 2025. These assets are not material and are not presented separately. During the nine months ended September 30, 2026, the Company recognized a loss of $7.5 million in Selling, general and administrative expenses to adjust the carrying value of these assets to their estimated fair value less costs to sell.

Intangible Assets

In July 2026, the *.web* generic top-level domain ("gTLD") was delegated into the global Domain Name System ("DNS") root zone, with Verisign as the designated registry operator. Upon entry into the Registry Agreement for the *.web* gTLD, the Company reclassified $145.2 million of Deposits to acquire intangible assets as of December 31, 2025 to Intangible assets as of September 30, 2026. The Company capitalized an additional aggregate amount of $26.2 million for certain other acquisition costs, which were individually not material. The intangible asset has an indefinite life and therefore is not subject to amortization but will be tested for impairment on an annual basis.

Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities consist of the following:

	September 30, 2026	December 31, 2025
	(In millions)	
Accounts payable and accrued expenses	$ 13.9	$ 13.8
Customer deposits	82.7	92.6
Accrued employee compensation	62.3	77.2
Taxes payable	60.8	64.0
Interest payable	22.1	15.1
Customer incentives payable	19.2	13.2
Accrued registry fees	14.5	13.4
Current operating lease liabilities	5.9	5.8
Other accrued liabilities	5.4	2.9
Total accounts payable and accrued liabilities	$ 286.8	$ 298.0

Accrued employee compensation primarily consists of liabilities for employee leave, salaries, payroll taxes, employee contributions to the employee stock purchase plan, and incentive compensation. Accrued employee incentive compensation as of December 31, 2025 was paid during the nine months ended September 30, 2026.

Note 4. Debt

On June 26, 2026, the Company issued $550.0 million of 5.10% senior unsecured notes due July 15, 2031 (“2026 Notes”). The 2026 Notes were issued at 99.961% of par value. The Company will pay interest on the notes semi-annually on January 15 and July 15, commencing on January 15, 2027. The total discount and issuance costs of $5.0 million are presented on the balance sheet as a reduction of the debt obligation and are being amortized to Interest expense over the 5-year term of the notes.

On July 20, 2026, the Company used the net proceeds from the 2026 Notes and cash on hand to redeem all of its $550.0 million aggregate principal amount of outstanding 4.75% senior unsecured notes issued in 2017 (“2017 Notes”), prior to their scheduled maturity on July 15, 2027.

Note 5. Stockholders’ Deficit

A summary of the Company’s common stock repurchases is as follows:

	Three Months Ended September 30, 2026			Nine Months Ended September 30, 2026		
	Shares	Total Costs	Average Price	Shares	Total Costs	Average Price
	(In millions, except average price amounts)					
Total repurchases under the repurchase plans	0.7	$ 189.1	$ 282.34	2.3	$ 600.3	$ 261.21
Total repurchases for tax withholdings	—	4.1	$ 293.13	0.1	19.7	$ 254.60
Total repurchases	0.7	$ 193.2	$ 282.56	2.4	$ 620.0	$ 260.99

Effective July 23, 2026, the Company’s Board of Directors authorized the repurchase of its common stock in the amount of $884.2 million, in addition to the $615.8 million that remained available for repurchases under the prior share repurchase authorization, for a total repurchase authorization of up to $1.50 billion under the program. The program has no expiration date. Purchases made under the program can be effected through open market transactions, block purchases, accelerated share repurchase agreements or other negotiated transactions. As of September 30, 2026, there was $1.36 billion remaining available for repurchases under the Company’s share repurchase program.

Since inception, the Company has repurchased 266.1 million shares of its common stock for an aggregate cost of $16.38 billion, which is recorded as a reduction of Additional paid-in capital. The share repurchase and authorization amounts disclosed within this Form 10-Q exclude the excise tax on share repurchases.

A summary of the Company's dividend activities is as follows:

Record Date	Payment Date	Dividend Per Share	Total
		(In millions, except per share amounts)	
February 19, 2026	February 27, 2026	$ 0.81	$ 74.2
May 19, 2026	May 27, 2026	0.81	73.6
August 19, 2026	August 27, 2026	0.81	73.0
		$ 2.43	$ 220.8

The dividends were accounted for as a reduction of Additional paid-in capital. On October 19, 2026, the Company's Board of Directors declared a cash dividend of $0.81 per share of the Company's outstanding common stock to stockholders of record as of the close of business on November 17, 2026, payable on November 24, 2026. The Company intends to continue to pay a cash dividend on a quarterly basis, subject to market conditions and approval by the Company's Board of Directors.

Note 6. Calculation of Earnings per Share

The following table presents the computation of weighted-average shares used in the calculation of basic and diluted earnings per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In millions)			
Weighted-average shares of common stock outstanding	90.1	93.3	90.8	93.9
Weighted-average potential shares of common stock outstanding:				
Unvested RSUs and ESPP	0.3	0.3	0.3	0.2
Shares used to compute diluted earnings per share	90.4	93.6	91.1	94.1

The calculation of diluted weighted average shares outstanding excludes performance-based RSUs granted by the Company for which the relevant performance criteria have not been achieved and any awards that are antidilutive. The number of potential shares excluded from the calculation was not significant in any period presented.

Note 7. Segment Information

The Company has one reportable segment that includes all the operations of the business. The chief operating decision maker assesses performance and decides how to allocate resources based on revenues, operating income and net income as reported on the Consolidated Statements of Comprehensive Income.

The following table presents information about segment revenues, significant expenses and profits:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In millions)			
Revenues	$ 443.0	$ 419.1	$ 1,306.5	$ 1,231.3
Costs and expenses:				
Compensation and benefits expenses	61.6	60.7	191.7	183.9
Stock-based compensation expenses	20.3	18.4	58.8	51.8
Equipment and software expenses	14.7	12.5	42.8	37.0
Registry fee expenses	12.2	12.1	35.6	35.4
Depreciation expenses	6.8	7.3	19.8	24.5
Other segment items	30.9	23.8	71.4	62.5
Total costs and expenses	146.5	134.8	420.1	395.1
Operating income	296.5	284.3	886.4	836.2
Interest expense	(21.2)	(18.9)	(59.3)	(58.1)
Non-operating income, net	4.3	6.3	13.5	19.3
Income tax expense	(67.0)	(58.9)	(197.0)	(177.9)
Net income	$ 212.6	$ 212.8	$ 643.6	$ 619.5

Other segment items that are a part of the Company's segment net income include professional services expenses, telecommunication expenses, legal expenses, occupancy expenses, losses related to assets held for sale, marketing expenses, and other miscellaneous expenses.

Note 8. Revenues

The Company generates revenues in the U.S.; Europe, the Middle East and Africa ("EMEA"); Australia, China, Japan, Singapore, and other Asia Pacific countries ("APAC"); and certain other countries, including Canada and Latin American countries.

The following table presents the Company's revenues disaggregated by geography, based on the billing addresses of the Company's customers:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In millions)			
U.S.	$ 295.1	$ 275.9	$ 866.2	$ 812.5
EMEA	78.0	71.2	227.4	207.0
APAC	46.8	47.0	142.3	136.9
Other	23.1	25.0	70.6	74.9
Total revenues	$ 443.0	$ 419.1	$ 1,306.5	$ 1,231.3

Revenues in the table above are attributed to the country of domicile and the respective regions in which registrars are located; however, this may differ from the regions where the registrars operate or where registrants are located. Revenues for each region may be impacted by registrars reincorporating, relocating, or from acquisitions or changes in affiliations of resellers. Revenues for each region may also be impacted by registrars domiciled in one region, registering domain names in another region.

Deferred Revenues

As payment for domain name registrations and renewals are due in advance of the Company's performance, the Company records these amounts as deferred revenues. The increase in the deferred revenues balance for the nine months ended September 30, 2026 was primarily driven by amounts billed in the nine months ended September 30, 2026 for domain name registrations and renewals to be recognized as revenues in future periods, offset by refunds for domain name renewals deleted during the 45-day grace period, and $884.1 million of revenues recognized that were included in the deferred revenues balance at December 31, 2025. The balance of deferred revenues as of September 30, 2026 represents the Company's aggregate remaining performance obligations. Amounts included in current deferred revenues are all expected to be recognized in revenues within 12 months, except for a portion of deferred revenues that relates to domain name renewals that are deleted in the 45-day grace period following the transaction. The long-term deferred revenues amounts will be recognized in revenues over several years, and in some cases, up to ten years.

Note 9. Stock-based Compensation

Stock-based compensation is classified in the Condensed Consolidated Statements of Comprehensive Income in the same expense line items as cash compensation. The following table presents the classification of stock-based compensation:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In millions)			
Cost of revenues	$ 2.2	$ 2.2	$ 6.9	$ 6.5
Research and development	2.9	2.9	8.9	8.5
Selling, general and administrative	15.2	13.3	43.0	36.8
Stock-based compensation expense	20.3	18.4	58.8	51.8
Capitalization (included in Property and equipment, net)	0.2	0.2	0.7	0.7
Total stock-based compensation	$ 20.5	$ 18.6	$ 59.5	$ 52.5

The following table presents the nature of the Company's total stock-based compensation:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In millions)			
RSUs	$ 14.6	$ 14.3	$ 41.4	$ 40.2
Performance-based RSUs	4.8	3.3	14.9	9.5
ESPP	1.1	1.0	3.2	2.8
Total stock-based compensation	$ 20.5	$ 18.6	$ 59.5	$ 52.5

Note 10. Non-operating Income, Net

Non-operating income, net, primarily consists of interest income from the Company's surplus cash balances and marketable securities. Interest income was $5.4 million and $15.6 million during the three and nine months ended September 30, 2026, respectively, compared to $6.7 million and $20.6 million during the same periods in 2025. The decrease in interest income during the three and nine months ended September 30, 2026 primarily reflects the lower amounts invested in debt securities in the current period and lower interest rates on the Company's investments in debt securities compared to the prior period.

Note 11. Income Taxes

The following table presents income tax expense and the effective tax rate:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Income tax expense	$ 67.0	$ 58.9	$ 197.0	$ 177.9
Effective tax rate	24 %	22 %	23 %	22 %

The effective tax rate for each of the periods in the table above differed from the statutory federal rate of 21%, due to state income taxes and U.S. taxes on foreign earnings, net of foreign tax credits, partially offset by a lower foreign effective tax rate.

Note 12. Contingencies

On September 4, 2026, an individual named Jeff Kessler filed a putative class action complaint against Verisign and ICANN in the U.S. District Court for the Central District of California. The complaint asserts claims under federal and California antitrust and unfair competition laws relating to the *.com* Registry Agreement and *.com* domain name pricing, and seeks both injunctive relief and damages. Verisign intends to vigorously defend this matter. Based on the information currently available, the Company is unable to reasonably estimate a range of possible losses, if any, that may result from this proceeding.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with the 2025 Form 10-K and the interim unaudited Condensed Consolidated Financial Statements and related notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). These forward-looking statements are based on current expectations and assumptions and involve risks, uncertainties, and other important factors, including, among other things, statements regarding the Company's quarterly dividend and our expectations about the sufficiency of our existing cash, cash equivalents and marketable securities, and funds generated from operations, together with our borrowing capacity under the unsecured revolving credit facility. In some cases, you can identify forward-looking statements by terms such as "assumes," "could," "estimates," "forecasts," "may," "plans," "potential," "predicts," "projects," "should," "targets," "will," "would," "seeks," "expects," "anticipates," "intends," "believes" and similar language intended to identify forward-looking statements. Our actual results may differ significantly from those projected in the forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in the section titled "Risk Factors" in Part II, Item 1A of this Quarterly Report on Form 10-Q. You should also carefully review the risks described in other documents we file from time to time with the Securities and Exchange Commission, including the Quarterly Reports on Form 10-Q or Current Reports on Form 8-K that we file in 2026. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to update publicly or revise such statements, whether as a result of new information, future events, or otherwise, except as required by law.

For purposes of this Quarterly Report on Form 10-Q, the terms "Verisign," "the Company," "we," "us," and "our" refer to VeriSign, Inc. and its consolidated subsidiaries.

Overview

We are a global provider of critical internet infrastructure and domain name registry services, enabling internet navigation for many of the world's most recognized domain names. We help enable the security, stability, and resiliency of the DNS and the internet by providing Root Zone Maintainer Services, operating two of the thirteen global internet root servers, and providing registration services and authoritative resolution for the *.com* and *.net* gTLDs, which support the majority of global e-commerce.

As of September 30, 2026, we had 182.5 million *.com* and *.net* registrations in the domain name base. The number of domain names registered is largely driven by continued growth in online advertising, e-commerce, and the number of internet users, which is partially driven by greater availability of internet access, as well as marketing activities carried out by us and our registrars. The number of domain name registrations under our management may be negatively impacted by certain factors, including overall economic conditions, competition from country code top-level domains ("ccTLDs"), other gTLDs, services that offer alternatives for an online presence, and ongoing changes in the internet practices and behaviors of consumers and businesses. Factors such as the evolving practices and preferences of internet users, and how they navigate the internet, as well as the motivation of domain name registrants and how they will manage their investment in domain names, can negatively impact our business and the demand for new domain name registrations and renewals.

Business Highlights and Trends

- We recorded revenues of $443.0 million and $1,306.5 million during the three and nine months ended September 30, 2026, which represents an increase of 6% compared to the same periods in 2025.
- We recorded operating income of $296.5 million and $886.4 million during the three and nine months ended September 30, 2026, which represents an increase of 4% and 6%, respectively, compared to the same periods in 2025.
- As of September 30, 2026, we had 182.5 million *.com* and *.net* registrations in the domain name base, which represents a 6.1% increase from September 30, 2025, and a net increase of 3.4 million domain name registrations from June 30, 2026.
- During the three months ended September 30, 2026, we processed 13.1 million new domain name registrations for *.com* and *.net* compared to 10.6 million for the same period in 2025.
- The final *.com* and *.net* renewal rate for the second quarter of 2026 was 75.2% compared to 75.5% for the second quarter of 2025. Renewal rates are not fully measurable until 45 days after the end of the quarter.
- We generated cash flows from operating activities of $772.3 million during the nine months ended September 30, 2026, compared to $801.5 million for the same period in 2025.

- During the three months ended September 30, 2026, we repurchased 0.7 million shares of common stock for an aggregate cost of $189.1 million. As of September 30, 2026, there was $1.36 billion remaining for future share repurchases under the share repurchase program.
- On October 19, 2026, the Board of Directors declared a cash dividend of $0.81 per share of the Company's outstanding common stock to stockholders of record as of the close of business on November 17, 2026, payable on November 24, 2026.

Pursuant to our agreements with ICANN, we make available files containing all active domain names registered in the *.com* and *.net* registries. Further, we also make available a summary of the active zone count registered in the *.com* and *.net* registries and the number of *.com* and *.net* domain name registrations in the domain name base. The zone counts and information on how to obtain access to the zone files can be found at https://www.verisign.com/resources/zone-file. The domain name base is the active zone plus the number of domain names that are registered but not configured for use in the respective top-level domain zone file plus the number of domain names that are in a client or server hold status. The domain name base may also reflect compensated or uncompensated judicial or administrative actions to add or remove from the active zone an immaterial number of domain names. These files and the related summary data are updated daily. The update times may vary each day. The number of domain names provided in this Form 10-Q is as of midnight of the date reported.

Results of Operations

The following table presents information regarding our results of operations as a percentage of revenues:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	100.0 %	100.0 %	100.0 %	100.0 %
Costs and expenses:				
Cost of revenues	11.2	11.6	11.4	12.0
Research and development	6.0	6.1	6.2	6.3
Selling, general and administrative	15.9	14.5	14.6	13.8
Total costs and expenses	33.1	32.2	32.2	32.1
Operating income	66.9	67.8	67.8	67.9
Interest expense	(4.8)	(4.5)	(4.5)	(4.7)
Non-operating income, net	1.0	1.5	1.0	1.6
Income before income taxes	63.1	64.8	64.3	64.8
Income tax expense	(15.1)	(14.0)	(15.0)	(14.5)
Net income	48.0 %	50.8 %	49.3 %	50.3 %

Revenues

Our revenues are primarily derived from registrations for domain names in the *.com* and *.net* domain name registries. We also derive revenues from operating domain name registries and technical systems for several other gTLDs and one ccTLD, all of which are not significant in relation to our consolidated revenues. For domain names registered in the *.com* and *.net* registries, we receive a fee from registrars per annual registration that is determined pursuant to our agreements with ICANN. Individual customers, called registrants, contract directly with registrars or their resellers, and the registrars, who are our direct customers, in turn register the domain names with Verisign. Changes in revenues are driven largely by changes in the number of new domain name registrations and the renewal rate for existing registrations as well as the impact of new and prior price increases, to the extent permitted by ICANN and the Department of Commerce. New registrations and the renewal rate for existing registrations are impacted by continued growth in online advertising, e-commerce, and the number of internet users, as well as marketing activities carried out by us and our registrars. We also offer promotional incentive-based discount programs to registrars based upon market conditions and the business environment in which the registrars operate.

In November 2024, we renewed the *.com* Registry Agreement with ICANN, pursuant to which we will remain the sole registry operator for the *.com* registry through November 30, 2030. Under the *.com* Registry Agreement, we are permitted to increase the price of a *.com* domain name registration by up to 7% in each of the final four years of each six-year period. The current such six-year period began on October 26, 2024. We increased the annual registry-level wholesale fee for each new and renewal *.com* domain name registration from $9.59 to $10.26 effective September 1, 2024. On April 23, 2026, we announced that we will increase the annual registry-level wholesale fee for each new and renewal *.com* domain name registration from $10.26 to $10.97 effective November 1, 2026. Under the *.net* Registry Agreement, we are permitted to increase the price of *.net* domain name registrations by up to 10% each year during the term of our agreement with ICANN, through June 30, 2029. We

increased the annual registry-level wholesale fee for each new and renewal *.net* domain name registration from $9.92 to $10.91 effective February 1, 2024. On August 27, 2026, we announced that we will increase the annual registry-level wholesale fee for each new and renewal *.net* domain name registration from $10.91 to $12.00 effective March 1, 2027. All fees paid to us for *.com* and *.net* registrations are in U.S. dollars.

A comparison of revenues is presented below:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	% Change	2025	2026	% Change	2025
	(Dollars in millions)					
Revenues	$ 443.0	6%	$ 419.1	$ 1,306.5	6%	$ 1,231.3

The following table compares the *.com* and *.net* domain name registrations in the domain name base:

	September 30, 2026	% Change	September 30, 2025
.com and *.net* domain name registrations in the domain name base	182.5 million	6%	171.9 million

Revenues increased during the three and nine months ended September 30, 2026, as compared to the same periods last year, primarily due to an increase in the domain name base as of September 30, 2026 compared to September 30, 2025 and the *.com* price increases.

Demand for *.com* and *.net* domain names has been primarily driven by continued internet growth and marketing activities carried out by us and our registrars. However, the demand for *.com* and *.net* domain names may be limited by competitive pressure from other TLDs and alternatives for an online presence. Additionally, changes in internet practices, consumer behavior, and global economic conditions, as well as the motivation of existing domain name registrants managing their investment in domain names, such as for resale at increased prices or for revenue generation through website advertising, may impact demand for *.com* and *.net* domain names. Our domain name base increased during the three and nine months ended September 30, 2026 compared to September 30, 2025, as the positive domain name base trends that began in 2025 continued into 2026 with higher new registrations and renewal rates. Growth in the domain name base has been positively impacted by continued registrar focus on customer acquisition and engagement with our marketing programs, as well as the evolution of AI tools used in content and website creation.

Geographic revenues

We generate revenues in the U.S.; Europe, the Middle East and Africa ("EMEA"); Australia, China, Japan, Singapore, and other Asia Pacific countries ("APAC"); and certain other countries, including Canada and Latin American countries.

The following table presents a comparison of our geographic revenues:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	% Change	2025	2026	% Change	2025
	(Dollars in millions)					
U.S.	$ 295.1	7%	$ 275.9	$ 866.2	7%	$ 812.5
EMEA	78.0	10%	71.2	227.4	10%	207.0
APAC	46.8	0%	47.0	142.3	4%	136.9
Other	23.1	(8)%	25.0	70.6	(6)%	74.9
Total revenues	$ 443.0		$ 419.1	$ 1,306.5		$ 1,231.3

Revenues in the table above are attributed to the country of domicile and the respective regions in which our registrars are located; however, this may differ from the regions where the registrars operate or where registrants are located. Revenue growth for each region may be impacted by registrars reincorporating, relocating, or from acquisitions or changes in affiliations of resellers. Revenue growth for each region may also be impacted by registrars domiciled in one region, registering domain names in another region.

Cost of revenues

Cost of revenues consists primarily of salaries and employee benefits expenses for our personnel who manage the operational systems, depreciation expenses, operational costs associated with the delivery of our services, fees paid to ICANN, customer support and training, costs of facilities and computer equipment used in these activities, telecommunications expense and allocations of indirect costs such as corporate overhead.

A comparison of cost of revenues is presented below:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	% Change	2025	2026	% Change	2025
	(Dollars in millions)					
Cost of revenues	$ 49.8	2%	$ 48.8	$ 149.0	1%	$ 147.3

Cost of revenues increased slightly during the three months ended September 30, 2026, compared to the same period last year, due to a combination of individually insignificant factors.

Cost of revenues increased slightly during the nine months ended September 30, 2026, compared to the same period last year, primarily due to increases in allocated overhead expenses and compensation and benefits expenses, including stock-based compensation expenses, partially offset by a decrease in depreciation expenses. Allocated overhead expenses increased by $3.1 million due to an increase in the total allocable expenses and a slight increase in average headcount relative to other cost types. Compensation and benefit expenses, including stock-based compensation expenses, increased by $2.8 million primarily due to annual salary increases, a slight increase in average headcount, and a combination of several other individually insignificant factors. Although purchases of property and equipment increased in the nine months ended September 30, 2026, depreciation expenses decreased by $4.0 million due to a decrease in capital expenditures in recent prior periods.

Research and development

Research and development expenses consist primarily of costs related to research and development personnel, including salaries and other personnel-related expenses, consulting fees, facilities costs, computer and communications equipment, support services used in our service and technology development, and allocations of indirect costs such as corporate overhead.

A comparison of research and development expenses is presented below:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	% Change	2025	2026	% Change	2025
	(Dollars in millions)					
Research and development	$ 26.5	4%	$ 25.4	$ 81.5	6%	$ 77.1

Research and development expenses increased during the three and nine months ended September 30, 2026, compared to the same periods last year, due to a combination of individually insignificant factors.

Selling, general and administrative

Selling, general and administrative expenses consist primarily of salaries and other personnel-related expenses for our executive, administrative, legal, finance, information technology, human resources, sales, and marketing personnel, travel and related expenses, trade shows, costs of computer and communications equipment and support services, consulting and professional service fees, costs of marketing programs, costs of facilities, management information systems, support services, and certain tax and license fees, offset by allocations of indirect costs such as facilities and shared services expenses to other cost types.

A comparison of selling, general and administrative expenses is presented below:

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2026	% Change	2025	2026	% Change	2025
	(Dollars in millions)					
Selling, general and administrative	$ 70.2	16%	$ 60.6	$ 189.6	11%	$ 170.7

Selling, general and administrative expenses increased during the three months ended September 30, 2026, compared to the same period last year, primarily due to a $7.5 million loss recognized in the current period to adjust assets held for sale to their estimated fair value, less costs to sell.

Selling, general and administrative expenses increased during the nine months ended September 30, 2026, compared to the same period last year, primarily due to increases in other expenses, stock-based compensation expenses, equipment and software expenses, and compensation and benefit expenses, partially offset by an increase in overhead expenses allocated to other cost types. Other expenses increased by $8.4 million primarily due to a $7.5 million loss recognized in the current period to adjust assets held for sale to their estimated fair value, less costs to sell. Stock-based compensation expense increased by $6.2 million primarily due to an increase in the total projected achievement levels on certain performance-based RSU grants. Equipment and software expenses increased by $5.9 million primarily due to increases in expenses related to network security and other software services. Compensation and benefit expenses increased by $3.7 million primarily due to higher expenses for certain employee health-insurance related benefits and annual salary increases. Overhead expenses allocated to other cost types increased by $5.0 million primarily due to an increase in the total allocable expenses.

Interest expense

Interest expense increased slightly during the three and nine months ended September 30, 2026, compared to the same period last year, due to interest accrued on the 2026 Notes issued on June 26, 2026.

Non-operating income, net

Non-operating income decreased during the three and nine months ended September 30, 2026, compared to the same periods last year, primarily due to a decrease in interest income as a result of lower amounts invested in debt securities in the current period and a decrease in interest rates on the Company's investments in debt securities.

Income tax expense

The following table presents income tax expense and the effective tax rate:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in millions)			
Income tax expense	$ 67.0	$ 58.9	$ 197.0	$ 177.9
Effective tax rate	24 %	22 %	23 %	22 %

The effective tax rate for each of the periods in the table above differed from the statutory federal rate of 21%, due to state income taxes and U.S. taxes on foreign earnings, net of foreign tax credits, partially offset by a lower foreign effective tax rate.

Liquidity and Capital Resources

The following table presents our principal sources of liquidity:

	September 30, 2026	December 31, 2025
	(In millions)	
Cash and cash equivalents	$ 206.8	$ 307.9
Marketable securities	269.3	272.6
Total	$ 476.1	$ 580.5

The marketable securities primarily consist of debt securities issued by the U.S. Treasury meeting the criteria of our investment policy, which is focused on the preservation of our capital through investment in investment grade securities. The cash equivalents consist of amounts invested in money market funds, time deposits and U.S. Treasury bills purchased with original maturities of three months or less. As of September 30, 2026, all of our debt securities have contractual maturities of less than one year. Our cash and cash equivalents are readily accessible. For additional information on our investment portfolio, see Note 2, "Financial Instruments," of our Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Quarterly Report on Form 10-Q.

Effective July 23, 2026, the Board of Directors authorized the repurchase of common stock in the amount of $884.2 million, in addition to the $615.8 million that remained available for repurchases under the prior share repurchase authorization, for a total repurchase authorization of up to $1.50 billion under the program. During the three months ended September 30, 2026, we repurchased 0.7 million shares of common stock for an aggregate cost of $189.1 million. As of September 30, 2026, there was $1.36 billion remaining available for future share repurchases under the Company's share repurchase program.

In the nine months ended September 30, 2026, we paid dividends of $220.8 million. On October 19, 2026, the Board of Directors declared a cash dividend of $0.81 per share of the Company's outstanding common stock to stockholders of record as of the close of business on November 17, 2026, payable on November 24, 2026. We intend to continue to pay a cash dividend on a quarterly basis, subject to market conditions and approval by the Board of Directors.

On June 26, 2026, we issued $550.0 million of the 2026 Notes. On July 20, 2026, we used the net proceeds from the 2026 Notes and cash on hand to redeem all of our $550.0 million aggregate principal amount outstanding of the 2017 Notes. As of September 30, 2026, we also had $750.0 million aggregate principal amount of outstanding 2.70% senior unsecured notes issued in 2021, and $500.0 million aggregate principal amount of outstanding 5.25% senior unsecured notes issued in 2025. As of September 30, 2026, we had no outstanding borrowings and $200.0 million in borrowing capacity under our credit facility, which matures in 2028.

We believe existing cash, cash equivalents and marketable securities, and funds generated from operations, together with our ability to arrange for additional financing should be sufficient to meet our working capital, capital expenditure

requirements, fund our quarterly dividend, and to service our debt for the next 12 months and beyond. We regularly assess our cash management approach and activities in view of our current and potential future needs. Our cash requirements have not changed materially since the 2025 Form 10-K.

In summary, our cash flows for the nine months ended September 30, 2026 and 2025 were as follows:

	Nine Months Ended September 30,	
	2026	2025
	(In millions)	
Net cash provided by operating activities	$ 772.3	$ 801.5
Net cash (used in) provided by investing activities	(32.9)	0.6
Net cash used in financing activities	(841.0)	(777.3)
Effect of exchange rate changes on cash, cash equivalents, and restricted cash	0.5	0.1
Net (decrease) increase in cash, cash equivalents, and restricted cash	$ (101.1)	$ 24.9

Cash flows from operating activities

Our largest source of operating cash flows is cash collections from our customers. Our primary uses of cash from operating activities are for personnel-related expenditures and other general operating expenses, as well as payments related to taxes, interest and facilities.

Net cash provided by operating activities decreased during the nine months ended September 30, 2026, compared to the same period last year, primarily due to increases in cash paid to employees and vendors and cash paid for income taxes, partially offset by an increase in cash received from customers and a decrease in cash paid for interest. Cash paid to employees and vendors increased primarily due to an increase in operating expenses and the timing of payments. Cash paid for income taxes increased primarily due to an increase in taxable income compared to the prior period and higher non-U.S. income tax payments which were driven by the Organization for Economic Cooperation and Development ("OECD") Pillar 2 minimum tax adopted by Switzerland. Cash received from customers increased primarily due to the *.com* price increases and higher *.com* domain name registrations and renewals. Cash paid for interest decreased primarily due to the timing of interest payment dates for each senior note issuance.

Cash flows from investing activities

The changes in cash flows from investing activities primarily relate to purchases, maturities and sales of marketable securities, purchases of property and equipment, and other investing activities.

We had net cash outflows from investing activities during the nine months ended September 30, 2026, compared to net cash inflows from investing activities during the same period last year, primarily due to increases in purchases of property and equipment and other investing activities, and a decrease in proceeds from maturities and sales of marketable securities, net of purchases of marketable securities.

Cash flows from financing activities

The changes in cash flows from financing activities primarily relate to proceeds from and repayment of borrowings, share repurchases, dividend payments, payment of excise tax on share repurchases, and proceeds from our employee stock purchase plan.

Net cash used in financing activities increased during the nine months ended September 30, 2026, compared to the same period last year, primarily due to an increase in dividend payments to stockholders, partially offset by decreases in shares repurchases and payment of excise tax on share repurchases.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

There have been no significant changes in our market risk exposures since December 31, 2025.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (our principal executive officer) and our Chief Financial Officer (our principal financial officer), evaluated the effectiveness of our disclosure controls and procedures. Based on this evaluation, as of September 30, 2026, our principal executive officer and principal financial officer have concluded that our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are effective to ensure that information required to be disclosed by us in reports that we file or submit under the Exchange Act is recorded,

processed, summarized and reported within the time periods specified in SEC rules and forms and is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2026 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Inherent Limitations of Disclosure Controls and Internal Control over Financial Reporting

Because of their inherent limitations, our disclosure controls and procedures and our internal control over financial reporting may not prevent material errors or fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. The effectiveness of our disclosure controls and procedures and our internal control over financial reporting is subject to risks, including that the controls may become inadequate because of changes in conditions or that the degree of compliance with our policies or procedures may deteriorate.

PART II—OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

Refer to Note 12, "Contingencies", of our Notes to Condensed Consolidated Financial Statements in Part I, Item 1 of this Form 10-Q, which is incorporated herein by reference.

The Company is also involved in various other investigations, claims and lawsuits arising in the normal conduct of our business, none of which, in our opinion, will have a material adverse effect on our financial condition, results of operations, or cash flows. The Company cannot assure you that it will prevail in any litigation. Regardless of the outcome, any litigation may require us to incur significant litigation expense and may result in significant diversion of management attention.

ITEM 1A. RISK FACTORS

Please carefully consider the following discussion of significant factors, events and uncertainties that make an investment in our securities risky. In addition to other information in this Form 10-Q, the following risk factors should be carefully considered in evaluating us and our business. When the factors, events and contingencies described below or elsewhere in this Form 10-Q materialize, our business, operating results, financial condition, reputation, cash flows or prospects can be materially adversely affected. In such cases, the trading price of our common stock could decline and you could lose part or all of your investment. Additional risks and uncertainties not currently known to us or that we currently deem immaterial may also materially adversely affect our business, operating results, financial condition, reputation, cash flows and prospects. Actual results could differ materially from those projected in the forward-looking statements contained in this Form 10-Q as a result of the risk factors discussed below and elsewhere in this Form 10-Q and in other filings we make with the SEC.

Cybersecurity and Technology Risk Factors

Attempted security breaches, including from the exploitation of vulnerabilities, cyber-attacks and Distributed Denial of Service ("DDoS") attacks against our systems and services increase our costs, expose us to potentially material liability, and could materially harm our business and reputation.

As an operator of critical internet infrastructure, we experience a high rate of cyber-attacks and attempted security breaches targeting our systems and services, including the most sophisticated forms of attacks, such as advanced persistent threat attacks, exploitation of zero-day vulnerabilities, ransomware attacks, and social engineering attacks. The forms of these attacks are constantly evolving and may involve methods, tools, and strategies that may not have been previously identified and may not have been observed until the moment of launch, or until sometime after, making these attacks virtually impossible to anticipate and difficult to defend against. For example, recent advances in AI-based tools have made, and will continue to make, cyber-attacks more sophisticated, harder to defend, and easier and faster to launch. These tools allow for rapid exploitation of vulnerabilities, which hinders our ability to defend against such exploitation. In addition to external threats, our systems and services are subject to insider threat risks, including physical or electronic break-ins, sabotage, and risks from suppliers, such as consultants and advisors, SaaS providers, hardware, software, and network systems manufacturers, regional internet registries, and other vendors, or from current or former contractors or employees. These threats and any resulting security breaches can arise from intentional or unintentional actions. Our continued exposure to these threats and the potential that they could lead to material liability claims against us requires us to expend significant financial and other resources. We have developed policies, standards, and procedures to identify, protect, detect, respond, and recover from threats posed by cybersecurity risks, and failure to comply with these policies, standards, and procedures by our employees or suppliers could limit our ability to effectively manage threats from these cybersecurity risks. Furthermore, we must ensure that our employees stay focused on protecting the

Company against cybersecurity threats especially in our hybrid work environment, or our ability to effectively manage cybersecurity risks could be impacted. Our failure to effectively manage these security risks, including external and insider threats, could result in material harm to our business, including loss of or delay in revenues, failure to meet service level agreements, material liability claims, failure to maintain market acceptance, injury to our reputation, and increased costs, and could call into question our ability to preserve the security and stability of the internet.

Security vulnerabilities in our systems and our vendors' systems, including vulnerabilities in third party software and hardware, pose a material risk to our operations. We use externally-developed technology, systems, and services, including both hardware and software, for a variety of purposes, including compute, storage, encryption and authentication, back-office support, and other functions. We have developed policies, standards, and procedures to reduce the impact of security vulnerabilities in system components, as well as at any vendors where our data is stored or processed. However, such measures cannot provide absolute security. Vulnerabilities could be exploited before a vulnerability has been disclosed or before our remediation is effective and, if so, could cause systems and service interruptions, data loss and other damages. Our failure to identify, remediate, and mitigate security vulnerabilities, including any potential failure to timely replace and upgrade hardware, software, or other technology assets, could result in material harm to our business, including loss of or delay in revenues, failure to meet service level agreements, material liability claims, failure to maintain market acceptance, injury to our reputation, increased costs, and call into question our ability to preserve the security and stability of the internet.

Our networks have been, and likely will continue to be, subject to DDoS attacks. Recent industry experience has demonstrated that DDoS attacks continue to grow in size and sophistication, due in part to advances in AI-based tools, and have the ability to widely disrupt internet services. We have successfully mitigated DDoS attacks to date; however, there can be no assurance that we will be able to defend against every attack, especially as the attacks increase in size and sophistication. Any attack, even if only partially successful, could disrupt our networks, increase response time, negatively impact our ability to meet our service level agreements, and generally impede our ability to provide reliable service to our customers and the broader internet community. We have historically incurred, and will continue to incur, significant costs to enable our infrastructure to process levels of attack traffic that can be substantially larger than our normal transaction volume. We are employing new technologies and new and different services and capabilities to help mitigate DDoS attacks. If these new technologies, services and capabilities are not effective, our infrastructure could be disrupted, our response times could increase, our ability to meet our service level agreements could be negatively impacted, and our ability to provide reliable service to our customers and the broader internet community could be impeded.

We are subject to social engineering attacks including phishing, spear phishing, whaling, vishing, smishing, and domain spoofing, which are designed to entice people to divulge sensitive information or take actions that, if successful, could pose a material risk to our operations. The number of such attacks is increasing. Recent advances in AI have automated and increased the velocity and sophistication of these types of attacks as attackers are better able to rapidly create more personalized and targeted communications at scale using information derived from people's relationships, online behavior and preferences. Social engineering attacks have occurred in concert with ransomware attacks. The various measures we take to mitigate cyber-attacks, including our deployment of advanced tools and implementation of redundant architecture and multiple recovery solutions, as well as conducting continuous security awareness training to address social engineering attacks and periodic exercises to mitigate the threat of ransomware cannot provide absolute security. We still may be subject to successful cyber-attacks despite our efforts. Our failure to prevent such attacks, including any successful social engineering attack, could result in our inability to meet our service level agreements and could otherwise materially harm our business, including from legal claims, governmental investigations and scrutiny, injury to our reputation, and increased costs.

We do not maintain specific reserves for security breaches, cyber-attacks and DDoS attacks against our systems and the amount of insurance coverage we maintain may be inadequate to cover claims or liabilities relating to such attacks.

We may introduce undetected or unknown defects into our systems or services, which could materially harm our business and harm our vendors or our customers.

Despite testing, services as complex as those we offer or develop could contain undetected defects or errors, which could result in service outages or disruptions, compromised customer data, including DNS data, diversion of development resources, injury to our reputation, legal claims, increased insurance costs or increased service costs. Performance of our services, whether or not defective, could have unforeseen or unknown adverse effects on the networks over which they are delivered, on internet users and consumers, and on third-party applications and services that use our services, any of which could result in legal claims against us. While we strive to prevent, detect and remediate defects or errors, they can and do occur and they could result in our inability to meet customer expectations in a timely manner, failure to meet our service level agreements, injury to our reputation, and increased costs.

Our infrastructure and services are subject to vulnerabilities in the global routing system for the internet, as well as risks arising from internet services providers' increasing adoption of the Resource Public Key Infrastructure system.

Routing on the internet depends on the Border Gateway Protocol ("BGP"), which is a protocol that relies on networks within the internet infrastructure acting in a trustworthy manner when sharing information about destinations for connectivity

and the routing of internet traffic. As a trust-based protocol, BGP has a number of vulnerabilities that may lead to outages or disrupt our services, including as a result of "route hijacks" that involve accidental or malicious rerouting of internet traffic, or "route leaks" that involve the malicious or unintentional propagation of routing information beyond the intended scope of the originator, receiver, and/or one of the networks along the route's path. Both route hijacks and route leaks can result in partial or full rerouting of internet traffic for the impacted destinations. These types of events, which are generally beyond our control, could enable an array of attack conditions or service disruptions, and could result in adverse publicity and adversely affect the public's perception of the security of commerce and communications over the internet, as well as of the security or reliability of our services.

To address internet routing system vulnerabilities, regional internet registries ("RIRs") have adopted internet reachability policies based on a system known as the Resource Public Key Infrastructure ("RPKI"). The RIRs allocate internet number resources, such as internet protocol addresses, to enterprises and network operators. We and other registries as well as internet service providers have also adopted or have begun to adopt RPKI. We have limited visibility into the maturity of and investment in the RIRs' operational and security controls, which are outside of our control. When the availability, integrity, or confidentiality of any of the information in the RPKI system, or systems used to maintain and administer RPKI data and systems, are impacted or otherwise compromised in any of the RIRs, or any network operator that is a relying party of the RPKI system, or the operations or ingestion of data from the RPKI system are otherwise impacted by a known or unknown vulnerability, our services may be negatively impacted. Such impacts may include degraded or full loss of reachability of service addresses in the global internet routing system, resulting in degradation or complete loss of availability of our registration and resolution services. A compromise of the RPKI system and related services, or unintentional or unauthorized manipulation of data therein, may also result in other denial of service attack conditions for our infrastructure and services. The systemic dependencies introduced by the RPKI system and by the relying parties of the RPKI system, including internet service providers, are outside of our control, and systems that depend upon the RPKI may be only as secure as the weakest elements of the RPKI system. Contracting with RIRs for the provision of and access to RPKI services carries material operational risks, as described above, as well as material contractual risks, which may expose us to service disruptions and material liability.

We could encounter system interruptions or system failures resulting from activities beyond our direct control that could materially harm our business.

We depend on the uninterrupted operation of our various systems, secure data centers, points of presence around the world and other computer and communication networks. Our systems and operations are vulnerable to damage or interruption from power loss, war, transmission cable cuts and other telecommunications failures, damage or interruption caused by fire, earthquake, and other natural disasters, intentional acts of vandalism, terrorist attacks, unintentional mistakes, or errors. In response to cyber threats or geopolitical conflict, network operators may disconnect from the global internet, limiting access to our DNS resolution services even when our systems remain operational. Our systems and operations also face risks inherent in, or arising from, the terms and conditions of our agreements with service providers to operate our networks and data centers. We are also subject to the risk of state suppression of internet operations. Any of these scenarios could create potential liability and exposure, including from a failure to meet our service level agreements, and could decrease customer satisfaction, materially harming our business, or resulting in adverse publicity and damage to our reputation or call into question our ability to preserve the security and stability of the internet.

Advances in quantum computing could compromise the security of the public-key cryptography algorithms that have been widely deployed in the industry.

Quantum computing poses a significant emerging risk to existing encryption standards, potentially enabling data breaches, authentication failures, and other new types of security threats. A "cryptographically relevant quantum computer" (CRQC) could compromise the security of the public-key cryptography algorithms that have been widely deployed in the industry. Although estimates vary on when a CRQC would be broadly available, the possibility exists today of a "harvest now / decrypt later" attack where pre-quantum encrypted data is collected now and held for future analysis by a CRQC. We plan to migrate our enterprise and production systems to post quantum cryptography ("PQC") algorithms. Any failure by us, our customers, or the industry to implement PQC could expose pre-quantum encrypted data and systems to compromise. In addition, DNSSEC uses pre-quantum algorithms. Technology has not been standardized or deployed to effectively implement PQC for DNSSEC at scale due in part to DNSSEC's unique operational constraints. Because of the decentralized nature of DNS deployments, the possibility exists that PQC for DNSSEC will not be defined, standardized, and deployed before the emergence of a CRQC. If these risks do materialize, they could have a material adverse effect on our operations, financial condition, results of operations and cash flows.

Our data centers, our data center systems, including the Shared Registration Systems located at our data centers, and our resolution systems are vulnerable to damage or interruption, which could impede our ability to provide our services, expose us to material liability, and materially harm our reputation.

Most of the computing infrastructure for our Shared Registration System is located at, and most of our customer information is stored in, data centers we own or lease. These data centers, which are concentrated in the same geographic

region, are vulnerable to damage or interruption, including from natural disasters, such as fires, earthquakes, hurricanes, and floods, power loss, hardware or system failures, physical or electronic break-ins, human error or interference. We are also regularly updating and enhancing our network architecture in our data centers and globally distributed resolution systems. If our data center facilities or the updated network architectures, hardware or software upgrades, or security controls do not operate as expected, including the ability to quickly manage services across sites, we could experience service interruptions or outages. A failure in the operation of our Shared Registration System could result in the inability of one or more registrars to register or manage domain names for a period of time. If such a registrar has not implemented robust services in a manner that preserves transactions until processed by the registry, then the failure in the operation of our Shared Registration System could result in permanent loss of transactions at the registrar during that period. A failure in the operation of our Shared Registration System could also impact our ability to provide up-to-date information in our globally distributed resolution systems, which could result in our failure to meet our service level agreements pertaining to our resolution services and impact the resolution of domain names on the internet. We do not carry insurance or designated financial reserves for such interruptions.

In addition, our services depend on the secure and efficient operation of the internet connections to and from customers to our Shared Registration System residing in our secure data centers as well as our globally distributed resolution systems. These connections depend upon the secure and efficient operation of internet service providers, internet exchange point operators, and internet backbone service providers. Such providers have encountered periodic operational problems or experienced outages in the past beyond our scope of control and may continue to encounter problems and outages or may choose to discontinue their service. If the providers that our connections depend upon do not protect, maintain, improve, and reinvest in their networks or present inconsistent, incorrect, or invalid data regarding routing information or DNS responses through their networks, our business could be harmed.

A failure in the operation or update of the root zone servers that we operate, the root zone file, the Root Zone Management System, the TLD name servers, the TLD zone files that we operate, or other network functions, could result in, among other problems, (1) a DNS resolution or other service outage or degradation, (2) the deletion of one or more gTLDs or ccTLDs from the internet, (3) the deletion of one or more second-level domain names from the internet, or (4) a misdirection of one or more domain names to different servers. A failure in the operation or update of the supporting cryptographic and other operational infrastructure that we maintain could result in similar consequences. Any of these problems or outages could create potential material liability and exposure from litigation and investigations, could result in a failure to meet our service level agreements, and could decrease customer satisfaction, harming our business. These problems could also result in adverse publicity, decrease the public's trust in the security of e-commerce and other forms of online presence, or call into question our ability to preserve the security and stability of the internet.

We retain certain customer and employee information in our data centers and various domain name registration systems. Any physical or electronic break-in or other security breach or compromise of the information stored at our data centers or domain name registration systems may jeopardize the security of information we retain or that is retained in the computer systems and networks of our customers. In such an event, we could face material liability and exposure from litigation and investigations, fail to meet service level agreements, or be at risk of losing various security and standards-based compliance certifications needed for operation of our businesses, and customers could be reluctant to use our services. Any such outcomes could also adversely affect our reputation and harm our business or cause financial losses that are either not insured against or not fully covered through any insurance.

Our launch of new products or services, or other strategic initiatives, may not be successful.

We are developing and launching new products and services, including Verisign Informed and *.web* and in the future may develop other new products and services such as *.pki*, which we applied for recently. Our success in these initiatives relies in part on our ability to manage early-stage operational issues, unanticipated market obstacles, the ability to attract and develop channel partners, and other business, technical and operational challenges including cybersecurity threats. Any failure to do so could impact the success of these new products or services. In addition, the size and extent of the demand for these new products and services is not precisely known, and they may not obtain market acceptance or may grow more slowly than anticipated. Further, our strategic planning contemplates various potential initiatives, including other new products or services, to enhance revenue or reduce risks to the business. These potential initiatives may not be implemented and if they are, they may not be successful and could give rise to unintended consequences, which could harm our business or reputation, lead to litigation, or scrutiny by regulators or others.

We face risks from the operation of the root server system and our performance of the Root Zone Maintainer functions under the RZMA.

Although the overall root server system is redundant and dispersed, an infrastructure or services failure or other disruption of one or more organizations involved in the operation of the root server system could impact the effectiveness of our *.com* and *.net* authoritative servers and therefore negatively impact directory services necessary for the operation of the internet. We also have an important operational role in support of a key Internet Assigned Numbers Authority ("IANA") function as the Root Zone Maintainer. In this role, we provision and publish the authoritative root zone data and make it available to all root

server operators under the RZMA with ICANN. If we make errors in the publication of the root zone or experience operational issues that impact the timeliness of updates to the root zone data, we may be subject to material claims challenging the RZMA or our performance under it, including tort claims, and we may not have immunity from, or sufficient indemnification or insurance for, such claims.

Contractual, Regulatory, Legal and Compliance Risk Factors

Any loss or modification of our right to operate the *.com* and *.net* gTLDs could have a material adverse impact on our business and result in loss of revenues.

Substantially all of our revenues are derived from our operation of the *.com* gTLD under our Cooperative Agreement with the DOC and our *.com* Registry Agreement as well as our operation of the *.net* gTLD under our *.net* Registry Agreement. Any loss or modification of our right to operate the *.com* and *.net* gTLDs could materially and adversely impact our ability to conduct our business and result in loss of revenues. Our *.com* and *.net* Registry Agreements contain "presumptive" rights of renewal upon the expiration of their current terms on November 30, 2030 and June 30, 2029, respectively. ICANN could refuse to renew upon expiration or terminate our *.com* Registry Agreement or our *.net* Registry Agreement if, upon proper notice, (1) we fail to cure a fundamental and material breach of certain specified obligations, and (2) we fail to timely comply with a final decision of an arbitrator or court. Additionally, each of the *.com* and *.net* Registry Agreements provide that if certain terms of these agreements are not similar to such terms generally in effect in the registry agreements of the five largest gTLDs, then a renewal of these agreements would be upon terms reasonably necessary to render such terms to be similar to the registry agreements for those other gTLDs. Any such terms, if they apply, could be unfavorable to us and have a material adverse impact on our business.

Standard renewals of the *.com* Registry Agreement do not require further DOC approval, although the prior written approval of the DOC is required for the removal of, or any changes to the pricing section (other than as approved in Amendment 35 to the Cooperative Agreement), and for changes to certain other specified terms whether such removal or changes are made at a renewal or otherwise. We can provide no assurances that DOC approval would be provided upon our request for any of these changes.

In addition, under Amendment 35 to the Cooperative Agreement, we have agreed to continue to operate the *.com* gTLD in a content-neutral manner and to work within ICANN processes to promote the development of content-neutral policies for the operation of the DNS. Such policies and processes could expose us to compliance costs and substantial liability and result in costly and time-consuming investigations or litigation.

Changes or challenges to the pricing provisions in the *.com* Registry Agreement could have a material adverse impact on our business.

Under the terms of the *.com* Registry Agreement, we may increase the annual fee of each *.com* domain name registration or renewal by up to 7% over the previous year in each of the final four years of each six-year period. We can provide no assurances that we will exercise such right to increase the annual fee. In addition to this contractual right, we are entitled to increase the annual fee of each *.com* domain name registration or renewal by up to 7% due to the imposition of any new specifications or policies adopted by ICANN pursuant to the procedures set forth in its bylaws and due process ("Consensus Policies") or to a documented extraordinary expense resulting from an attack or threat of attack on the security and stability of the DNS (an "Extraordinary Expense"). In addition, our ability to increase the price for *.com* domain name registrations and renewals due to a Consensus Policy or Extraordinary Expense may occur only in years in which we do not increase the price for *.com* domain name registrations and renewals as described above. It is uncertain whether circumstances would arise that would permit us to take a price increase due to a Consensus Policy or Extraordinary Expense, or if they do, whether we would seek to increase the price for *.com* domain name registrations for this reason. A failure to seek and obtain a price increase due to a Consensus Policy or Extraordinary Expense, when applicable, could negatively affect our operating results. We also have the right under the Cooperative Agreement to seek the removal of these pricing restrictions on the *.com* gTLD if we demonstrate to the DOC that market conditions no longer warrant these restrictions. However, we can provide no assurances whether we will seek the removal of these restrictions, or whether the DOC would approve the removal of these restrictions.

Our *.com* Registry Agreement, and the Cooperative Agreement, including their pricing provisions, have been challenged, and could face challenges in the future, through publicity campaigns, governmental scrutiny, media interest, legal challenges, or challenges under ICANN's accountability mechanisms. Such challenges have arisen, and could in the future, arise from trade organizations, the media, registrars, registrants, and others, particularly when these agreements are being renewed. These challenges, if successful, and even when unmeritorious and/or unsuccessful, could have a material adverse effect on our business.

Government regulation and the application of new and existing laws in the U.S. and internationally may slow business growth, increase our costs of doing business, create potential material liability and could have a material adverse effect on our business.

Application of new and existing laws and regulations in the U.S. or internationally to the internet, the domain name industry, or us have imposed and may in the future impose new costs and new restrictions on our business. In the U.S., new or modified Executive Orders or legislation involving the internet, cybersecurity, or in other areas could result in new obligations that could negatively impact our business. In addition, laws and regulations, including those designed to restrict who can register and who can distribute domain names or to require registrants to provide additional documentation to register domain names, have, and may in the future, impose significant additional costs on our business and subject us to additional liabilities or could prevent us from operating in certain jurisdictions. For example, the government of China has indicated that it will issue, and has issued, new regulations, and it has begun to enforce existing regulations differently, including by directing certain implementation models for registry services, that impose additional costs on, and risks to, our provision of registry services in China. These regulations are impacting the demand for domain name registrations in China. These regulations require registries, including us, and China-based registrars, to obtain a government-issued license for each gTLD or ccTLD operating in China. Any failure to obtain or renew the required licenses, or to comply with any license requirements or any updates thereto, or any failure to comply with these regulations or directives, by us or our China-based registrars, could result in significant harm to our business in China including the suspension of some or all of our registry services in China.

We are also subject to changing laws and regulations that impact whether, how, and under what circumstances we may transfer, process and/or receive certain data that is critical to our operations, including data shared between countries or regions in which we operate, and data shared among our products and services. For example, the data transfer frameworks between the U.S. and E.U. have been subject to legal challenges, which has created uncertain legal obligations.

New laws, regulations, directives or ICANN policies that require us to obtain and maintain personal information of registrants of domain names in the *.com* and *.net* gTLDs could impose material compliance costs and could create new, material legal and other risks to our business.

If we are required to, or choose to, obtain and maintain personal information of registrants of domain names in the *.com* and *.net* gTLDs we could be required to incur significant compliance and legal costs as a result of GDPR and other similar regulations. For example, in 2023, the European Union adopted the Network and Information Security Directive ("NIS 2") that addresses registrant data. Our current obligations do not require us to obtain and maintain personal information of registrants of domain names. Specific E.U. member state implementations of NIS 2 could create uncertainty about, or change, these obligations. Failure to properly protect such information, if obtained, or failure to comply with GDPR or NIS 2, could expose the Company to material costs and penalties. In addition, new obligations to obtain and maintain personal information of registrants in the *.com* and *.net* gTLDs could conflict with certain laws and regulations that may require such personal information be maintained solely within the jurisdiction of the data subject. Furthermore, any such new obligations could increase the cost and risks associated with complying with regulations that require verification of registrant personal information, including for purposes of complying with the economic and trade sanctions programs administered by the Office of Foreign Assets Control ("OFAC"), for example.

Such laws, regulations, directives or ICANN policies, could give rise to significant claims, inquiries, investigations or other actions against us, which could result in significant costs, damages, fines or penalties and could delay the development of new products, change our current business practices, result in negative publicity, or require significant management time and attention, all or any of which could materially harm our business.

Our international operations expose us and our business to additional economic, legal, regulatory and political risks that could have a material adverse impact on our revenues and business.

A significant portion of our revenues is derived from customers outside the U.S. Our business operations in international locations have required, and will continue to require, significant management attention and resources. We may also need to tailor some of our services for a particular location and to enter into international distribution and operating relationships. We may fail to maintain our ability to conduct business, including potentially material business operations in some international locations, or we may not succeed in expanding our services into new international locations or expand our presence in existing locations. Failure to do so could materially harm our business. Moreover, local laws and customs in many countries differ significantly from those in the U.S. In many foreign countries, particularly in those with developing economies, it is common for others to engage in business practices that are prohibited by our internal policies and procedures or U.S. law or regulations applicable to us. Despite our internal controls, there can be no assurance that our employees, contractors and agents will not take actions in violation of such policies, procedures, laws and/or regulations. Violations of laws, regulations or internal policies and procedures by our employees, contractors or agents could result in financial reporting problems, investigations, fines, penalties, or prohibition on the importation or exportation of our products and services and could have a material adverse effect on our business. In addition, we face risks inherent in doing business internationally, including:

- competition with companies in international locations or other domestic companies entering international locations in which we operate, as well as local governments actively promoting ccTLDs that we do not operate;
- political and economic tensions between governments and changes in international trade policies and/or the economic and trade sanctions programs administered by the United States including OFAC of the U.S. Department of the Treasury;
- tariffs and other trade barriers and restrictions;
- difficulties in staffing and managing international operations;
- potential problems associated with adapting our services to technical conditions existing in different countries;
- additional vulnerability from terrorist groups targeting U.S. interests abroad;
- potentially conflicting or adverse tax consequences; and
- potential concerns of international governments or customers and prospects regarding doing business with U.S. technology companies due to U.S. government policies.

Political tensions between the United States and China, including tensions resulting from tariffs or proposed tariffs, in particular may pose additional risks to our business in China. The U.S. government has imposed restrictions on certain Chinese companies and on trading in certain technologies. The Chinese government has announced actions that, if implemented, could impose additional restrictions on the operations of non-Chinese companies in China. These and possible future government actions could impact our ability to operate in China and may cause our management's attention to be diverted, our reputation to be damaged, or our business in China to be adversely affected.

Changes in, or interpretations of, tax rules and regulations or our tax positions may materially and adversely affect our income taxes.

We are subject to income taxes in both the U.S. and numerous international jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. Our effective tax rates may fluctuate significantly on a quarterly basis because of a variety of factors, including changes in the mix of earnings and losses in countries with differing statutory tax rates, changes in our business or structure, changes in tax laws that could adversely impact our income or non-income taxes or the expiration of or disputes about certain tax agreements in a particular country. We are subject to audit by various tax authorities. In accordance with U.S. GAAP, we recognize income tax benefits, net of required valuation allowances and accrual for uncertain tax positions. Although we believe our tax estimates are reasonable, the final determination of tax audits and any related litigation could be materially different than that which is reflected in historical income tax provisions and accruals. Should additional taxes be assessed as a result of an audit or litigation, an adverse effect on our results of operations, financial condition and cash flows in the period or periods for which that determination is made could result.

The OECD continues to issue guidance that will provide a long-term, multilateral proposal on the taxation of the digital economy. Certain countries, including our major international tax jurisdictions, have enacted legislation based on the OECD's guidance. To date the legislation has had a limited impact on us, but the impact of future legislation is uncertain. Similarly, some international tax jurisdictions, independent of the OECD, have enacted or may enact new tax regimes aimed at income resulting from digital services. Although we cannot predict the nature or outcome of such changes or the likelihood of such legislative proposals being adopted in the U.S. or throughout the world, any or all of these changes in tax laws, including but not limited to changes in scope of OECD's Pillar One, as well as new guidance issued and enacted pertaining to OECD's Pillar Two, could increase our taxes and adversely impact our financial condition and cash flow.

Our business faces risks arising from ICANN's consensus and temporary policies, technical standards and other processes.

Our Registry Agreements with ICANN require us to implement Consensus Policies and changes mandated by ICANN through temporary specifications or policies ("Temporary Policies"). ICANN could adopt Consensus Policies or Temporary Policies that (1) are unfavorable to us as the registry operator of *.com*, *.net* and other gTLDs we operate, (2) are inconsistent with our current or future plans, (3) impose substantial costs on our business, (4) subject the Company to additional legal risks, or (5) affect our competitive position. These Consensus Policies or Temporary Policies could have a material adverse effect on our business.

Our Registry Agreements with ICANN require us to implement and comply with various technical standards and specifications published by the Internet Engineering Task Force ("IETF"). ICANN could impose requirements on us through changes to these IETF standards, or new standards, that are inconsistent with our current or future plans, that impose substantial costs on our business, that subject the Company to additional legal risks, or that affect our competitive position. Any such changes to the IETF standards, or new standards, could have a material adverse effect on our business.

Weakening of, or changes to, the multi-stakeholder form of internet governance could materially and adversely impact our business.

The internet is governed under a multi-stakeholder model comprising civil society, the private sector, including for-profit and not-for-profit organizations such as ICANN, governments, including the U.S. government, academia, non-governmental organizations, the technical community, and international organizations. Substantially weakening or replacing the multi-stakeholder form of internet governance could materially harm our business. For example, certain governments, governmental organizations, and private actors continue to express dissatisfaction with the multi-stakeholder form of internet governance and have proposed alternatives including oversight by the United Nations or by international treaties. Furthermore, national legislation has been proposed on topics such as information security and access to personal information that effectively supplants the multi-stakeholder process for policy development in the DNS.

In addition, in 2016 the U.S. government transferred key internet functions to ICANN, who adopted new and enhanced accountability mechanisms in its bylaws such as the creation of the Empowered Community. There can be no assurance that the removal of the U.S. government oversight of these key functions, or the changes to ICANN's bylaws, will not negatively impact our business.

Claims, lawsuits, audits or investigations in which we are or could become involved may result in material adverse outcomes to our business.

We are, and may in the future become, involved in claims, lawsuits, audits, and investigations, including intellectual property litigation and infringement claims. Litigation is inherently unpredictable, and unexpected judgments or excessive verdicts do occur. We are currently named as a defendant in a putative class action lawsuit alleging antitrust violations and may face similar or other class action claims in the future. In addition, proceedings that we initially view as immaterial could prove to be material. For example, we are engaged in activities to help mitigate security threats and other forms of DNS abuse in the gTLDs and ccTLD we operate and we are involved in community efforts that have increased and expanded such activities to include contractual obligations. In addition, we receive reports of suspected threats and abuse and we notify registrars or others of domain names associated with suspected malicious or illegal activity. We may also disable one or more domain names in the gTLDs or ccTLD we operate including in response to reports of suspected threats and abuse, governmental directives and court orders in those jurisdictions in which we operate. Activities such as these have resulted in, and could in the future result in, significant litigation and could harm our reputation. Adverse outcomes in lawsuits, audits and investigations could result in significant monetary damages, including indemnification payments, injunctive relief, or changes to our business practice that could adversely affect our ability to conduct our business, and may have a material adverse effect on our financial condition, results of operations and cash flows. These matters may also be costly and time-consuming to defend, regardless of the outcome. Given the inherent uncertainties in litigation, even when we are able to reasonably estimate the amount of possible loss or range of loss and therefore record an aggregate litigation accrual for probable and reasonably estimable loss contingencies, the accrual may change in the future due to new developments or changes in approach. In addition, such claims, lawsuits, audits and investigations could involve significant expense and diversion of management's attention and resources from other matters.

Economic and Competition Risk Factors

Challenging global economic conditions have in the past and may in the future negatively impact our business.

Factors such as inflation, interest rates, currency fluctuations, trade barriers, tariffs, war, civil unrest, and other political and economic developments and their impact on global economic conditions have in the past and may in the future negatively impact our business. These factors may have varying impacts on different geographic regions. For example, demand for our services substantially declined in China during 2023 and 2024 as a result of various factors including Chinese regulatory mandates that made it more difficult to register a domain name or establish an online presence using a domain name. Additionally, the rapid increase in demand for compute and network hardware, including servers, chips, memory and other technology, caused by new demand from AI companies, is increasing our costs for some of these goods and could increase our capital and operating costs. The overall economic impact, severity and duration of these conditions, as well as the timing, strength, and sustainability of any future economic growth or recovery, are not known at this time, and are not within the Company's control.

The business environment is highly competitive and, if we do not compete effectively, we may suffer material adverse impact to our business, including lower demand for our products, reduced gross margins, and loss of market share.

We face competition from services that provide an online identity or presence, including other gTLDs and ccTLDs. In order to remain competitive, we must continually demonstrate the security, stability, and resiliency of our services and must adopt and support new technologies to adapt our services to changing cybersecurity threats, regulations, application environments, market conditions, and our customers' and internet users' preferences and practices. Also to remain competitive, we have undertaken important initiatives including the acquisition of the *.web* gTLD, and we may in the future undertake other initiatives. Any of these initiatives require significant resources, can subject us to regulatory scrutiny and/or negative publicity,

and divert management attention from our existing business. Such undertakings may be unsuccessful and costly. In addition, competing technologies developed by others or the emergence of new technologies such as AI or new industry standards may adversely affect our competitive position or render our services or technologies noncompetitive or obsolete. Finally, consolidation and ownership changes within our industry have occurred and are likely to continue to occur. Our ability to participate and benefit from such consolidations and ownership changes may be limited and consolidation and ownership changes within our industry among our competitors or customers have in the past and could in the future harm our competitive position and adversely impact our business.

We are the registry operator for certain new gTLDs, including certain IDN gTLDs. Our new gTLDs may not be as or more successful than the new gTLDs obtained by our competitors. In addition, our new gTLDs may face additional universal acceptance and usability challenges and it is possible that resolution of domain names within some of these new gTLDs may be blocked within certain state or organizational environments, challenging universal resolvability of these domain names and their general acceptance and usability.

See the "Competition" section in Part I, Item 1 of the 2025 Form 10-K for further information.

Strategic, Business and Operating Risk Factors

The evolution of technologies or internet practices and behaviors, the adoption of substitute technologies, or wholesale price increases of domain names in the gTLDs we operate may materially and negatively impact the demand for the domain names for which we are the registry operator.

Technologies relating to online presence, including social media, AI, mobile devices, apps, and search engines, have evolved and continue to evolve, changing the internet practices and behaviors of consumers and businesses. These ongoing changes can negatively impact the demand for our domain names. In addition, registrants purchase domain names for a variety of reasons, including personal, commercial, and investment reasons. Changes in the motivation of domain name registrants can negatively impact our business.

Technology changes to web browser or internet search technologies could reduce demand for domain names. Similarly, if internet users' preferences or practices shift away from recognizing and relying on web addresses or if internet users were to significantly decrease the use of web browsers in favor of applications to locate and access content, demand for domain names in the gTLDs we operate could be negatively impacted. Demand for domain names in the gTLDs we operate could be negatively impacted by new technologies that significantly decrease the use of traditional domain names to present and protect an online identity. New technologies that encourage internet users to expand the use of third-level domains or alternative identifiers, such as identifiers from social networking, e-commerce platforms and microblogging sites, could also negatively impact the demand for domain names in the gTLDs we operate. In addition, the demand for domain names in the gTLDs we operate could be impacted by alternative namespaces with domain-name-like identifiers that are operated outside the single authoritative DNS root zone, including blockchain namespaces. To the extent that web browsers, applications, DNS registrars and DNS resolvers recognize and support such namespaces, and that internet users are able to perform online operations with identifiers from such namespaces, demand for domain names in gTLDs and ccTLDs in the single authoritative DNS root zone, including the gTLDs we operate, could be negatively impacted. To the extent that alternative namespaces introduce user confusion about the relationship between identical or similar-looking identifiers in these namespaces and domain names in the DNS, demand for domain names and user confidence in the value of domain names as unique identifiers could also be negatively impacted. In addition, applications using AI could be transformational in ways that cannot be anticipated fully at this time. To the extent such applications impact the demand for domain names, it could have a material impact on our business.

Some registrars and registrants purchase and resell domain names at an increased price in a secondary market. Adverse changes in the resale value of domain names, changes in the business models for such domain name registrars and registrants, or other factors, including regulations limiting the resale of domain names, could result in a decrease in the demand and/or renewal rates for domain names in the gTLDs we operate.

Some registrars and registrants seek to generate revenues by registering domain names specifically for website advertising. Changes in the way these registrars and registrants are compensated (including changes in methodologies and metrics) by advertisers and advertisement placement networks, such as Google, Baidu and Bing, have adversely affected, and may continue to adversely affect the market for domain names used for this purpose, which has resulted in, and may continue to result in, a decrease in demand and/or the renewal rate for such domain names. In addition, if spending on online advertising and marketing is reduced, this may result in a further decline in the demand for domain names used for this purpose.

Under the terms of the *.com* and *.net* Registry Agreements, as amended, we are permitted to increase the annual fee of each *.com* and *.net* domain name registration or renewal according to the provisions in these agreements. To the extent we increase our prices, there could be a decrease in the demand and/or renewal rates for *.com* or *.net* domain names.

If we fail to expand our services into developing and emerging economies in international locations, our business may not grow.

We seek to serve new, developing, and emerging economies in international locations to grow our business. These economies are rapidly evolving and may not grow or even if they do grow, our services may not be widely used or accepted there. Accordingly, the demand for our services in these locations is uncertain. A variety of economic and non-economic factors may affect acceptance or adoption of our services in these locations, including regional internet infrastructure development and government regulations.

Our registry business depends on registrars and their resellers maintaining focus on marketing our products and services.

All of the domain name registrations and renewals for the registries we operate occur through registrars. Registrars and their resellers engage in substantial marketing efforts to increase the demand and/or renewal rates for domain names as well as their own associated offerings. Consolidation in the registrar or reseller industry or changes in ownership, management, or strategy among individual registrars or resellers, including vertical integration by registrar or reseller industry participants, could result in significant changes to their businesses, operating models, and cost structures. These changes could include reduced marketing efforts for the gTLDs we operate or other operational changes that could adversely impact the demand and/or the renewal rates for the domain names for which we are the registry operator.

Our registrars and resellers sell domain name registrations of other competing registries, including new gTLDs, and some also sell and support their own services for websites such as email, website hosting, and other services. With the planned introduction of a new round of gTLDs, registrars and resellers, as they have done in the past, may in the future focus their short- or long-term marketing efforts on new offerings and/or reduce the prominence or visibility of our products and services on their e-commerce platforms. To the extent that registrars and resellers focus less marketing on the registration and renewal of domain names in the gTLDs we operate, our revenues could be adversely impacted. Likewise, our registrars and resellers may be more motivated to market to registrants to whom they can also market their own services, which could disadvantage our gTLDs and could adversely impact our revenues.

We depend on highly skilled employees to maintain our high assurance critical internet infrastructure and provide innovative solutions for our business, which could be materially harmed if we are not able to attract and retain such qualified talent.

Our business is highly technical and requires individuals skilled and knowledgeable in unique technologies, configurations, operating systems, and software development tools. We depend on the knowledge, experience, and performance of these employees and leaders to effectively manage and provide innovative solutions for our business. For example, we require employees with expertise in DNS operations and with certain cybersecurity specialties. Because such employees are in high demand by our competitors and other companies, we must be able to attract, integrate, retain and motivate such highly skilled employees and leaders. Failure to attract and retain such employees and to effectively implement succession plans for these employees could harm our business.

Capital Structure Risk Factors

We may not pay any dividends on our common stock in the future.

During the second quarter of 2025, we began to declare quarterly dividends. Future dividends will be subject to declaration by the Board and, thus, may be subject to numerous factors in existence at the time of any such declaration including, but not limited to, prevailing market conditions, our results of operations, financial condition and liquidity, contractual prohibitions and other restrictions with respect to the payment of dividends. There is no assurance that the Board will declare and thus that we will pay, any dividends on our common stock in the future. The Board may, in its discretion, decrease the level of cash dividends. A reduction or elimination of cash dividends could negatively affect the market price of our common stock.

Intellectual Property Risk Factors

We rely on our intellectual property rights to protect our proprietary assets, and any failure by us to protect or enforce, or any misappropriation of, our intellectual property could materially harm our business.

Our success depends in part on our internally developed technologies and related intellectual property. Despite our precautions, it may be possible for an external party to copy or otherwise obtain and use our intellectual property without authorization. Furthermore, the laws of other countries may not protect our proprietary rights in those countries to the same extent U.S. law protects these rights in the U.S. In addition, it is possible that others may independently develop substantially equivalent intellectual property. If we do not effectively protect our intellectual property, our business could suffer. Additionally, we have filed patent applications with respect to some of our technology in the U.S. Patent and Trademark Office and patent offices outside the U.S. Patents may not be awarded with respect to these applications and even if such patents are

awarded, third parties may seek to oppose or otherwise challenge our patents, and such patents' scope may differ significantly from what was requested in the patent applications and may not provide us with sufficient protection of our intellectual property. In the future, we may have to resort to litigation to enforce and protect our intellectual property rights, to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. This type of litigation is inherently unpredictable and, regardless of its outcome, could result in substantial costs and diversion of management attention and technical resources. Some of the software and protocols used in our business are based on standards set by standards setting organizations such as the IETF. To the extent any of our patents are considered "standards essential patents," in some cases we may be required to license such patents to our competitors on reasonable and non-discriminatory terms or otherwise be limited in our ability to assert such patents.

We also license externally developed technology that is used in some of our products and services to perform key functions. These externally developed technology licenses may not continue to be available to us on commercially reasonable terms or at all. The loss of, or our inability to obtain or maintain, any of these technology licenses could hinder or increase the cost of our services, of launching new products and services, or of entering into new markets and/or otherwise harm our business. Some of the software and protocols used in our business are in the public domain or may otherwise become publicly available, which means that such software and protocols are or may become equally available to our competitors.

We rely on the strength of our Verisign brand to help differentiate our products. Dilution of the strength of our brand could harm our business. We are at risk that we will be unable to fully register, build equity in, or enforce our rights in the Verisign brand in all markets where Verisign products and services are sold.

General Risk Factors

The use of AI technology by third-parties, including our vendors, and our use of AI technology, tools, and services could expose us to cybersecurity, operational, intellectual property and regulatory risks that could adversely affect our business, reputation or financial results.

The use of AI technology by third parties or carried out autonomously by AI agents may increase our exposure to cybersecurity and data protection risks. For example, recent advances in AI technology and tools have made, and will continue to make, cyber-attacks more sophisticated, harder to defend, and easier and faster to launch. These tools permit rapid exploitation of vulnerabilities, which hinders our ability to defend against such exploitation. In addition, the use and integration of AI technology into the products and services that we procure could create or exacerbate vulnerabilities, potentially resulting in unauthorized access to our systems including our sensitive or proprietary information. For more details on these risks, see our risk factor "Attempted security breaches, including from the exploitation of vulnerabilities, cyber-attacks and Distributed Denial of Service ("DDoS") attacks against our systems and services increase our costs, expose us to potentially material liability, and could materially harm our business and reputation."

We may also experience challenges in the effective or timely adoption of AI technology. Our decision to adopt AI technologies in a low-risk manner could result in slower adoption of AI technology that could hinder or prevent us from realizing efficiencies or benefits, which could result in less efficient operations. Further, although we have established AI policies and procedures, our use of AI technology, if not effectively governed, could result in unintended consequences, including errors, biased, otherwise unreliable outputs or unauthorized or unintended autonomous operations. The use of certain AI technology tools, including those provided by third parties, may also create intellectual property risks, such as uncertainty regarding ownership of AI-generated output, IP infringement, or the disclosure of confidential or proprietary information.

Finally, AI is subject to increasing regulatory scrutiny and evolving laws, rules and regulations, which may increase our compliance costs and affect our development, adoption, use, implementation and maintenance of AI technologies or tools, and subject us to increased legal liability, regulatory scrutiny, and reputational harm.

Short sellers have in the past, and may in the future, engage in efforts to lower the market price of our common stock through the dissemination of false or misleading information.

Short selling is the practice of selling securities that the seller does not own but rather has borrowed or intends to borrow from a third party with the intention of subsequently buying lower-priced identical securities to return to the lender. Accordingly, it is in the interest of a short seller to want the price of our common stock to decline. Short sellers may seek to profit from declines in the market price of our common stock and, in some cases, may publish, or arrange for the publication of, false or misleading information regarding our business. We have been, and may in the future be, the target of short sellers. The dissemination of such information, regardless of its veracity, can lead to significant stock price volatility, reputational harm, and the diversion of management's attention from our core business. Such activities may result in a decline in the market price of our stock or could lead to costly litigation or regulatory inquiries.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following table presents the share repurchase activity during the three months ended September 30, 2026:

	Total Number of Shares Purchased (3)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (1) (3)	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (1) (2)
		(Shares in thousands)		
July 1 - 31, 2026	252	$ 268.43	252	$ 1,482.5 million
August 1 - 31, 2026	210	$ 288.77	210	$ 1,421.8 million
September 1 - 30, 2026	207	$ 292.78	207	$ 1,361.1 million
	670		670	

(1) Effective July 23, 2026, the Board of Directors authorized the repurchase of common stock in the amount of $884.2 million, in addition to the $615.8 million that remained available for repurchases under the prior share repurchase authorization, for a total repurchase authorization of up to $1.50 billion under the program. The share repurchase program has no expiration date. Purchases made under the program can be effected through open market transactions, block purchases, accelerated share repurchase agreements or other negotiated transactions.

(2) Amounts presented are exclusive of the excise tax on share repurchases.

(3) Amounts in the table above may not sum due to rounding.

ITEM 5. OTHER INFORMATION

Insider Trading Arrangements

Our directors and executive officers may from time to time enter into plans or other arrangements for the purchase or sale of our shares that are intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or may represent a non-Rule 10b5-1 trading arrangement under the Exchange Act.

There were no directors or executive officers that adopted, terminated or modified plans or other arrangements during the quarter ended September 30, 2026.

ITEM 6. EXHIBITS

As required under Item 6—Exhibits, the exhibits filed as part of this report are provided in this separate section. The exhibits included in this section are as follows:

Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	Date	Number	Filed Herewith
31.01	Certification of Principal Executive Officer pursuant to Exchange Act Rule 13a-14(a).				X
31.02	Certification of Principal Financial Officer pursuant to Exchange Act Rule 13a-14(a).				X
32.01	Certification of Principal Executive Officer pursuant to Exchange Act Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code (18 U.S.C. 1350). *				X
32.02	Certification of Principal Financial Officer pursuant to Exchange Act Rule 13a-14(b) and Section 1350 of Chapter 63 of Title 18 of the U.S. Code (18 U.S.C. 1350). *				X
101	Interactive Data File. The instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.				X
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).				X

* As contemplated by SEC Release No. 33-8212, these exhibits are furnished with this Quarterly Report on Form 10-Q and are not deemed filed with the SEC and are not incorporated by reference in any filing of VeriSign, Inc. under the Securities Act of 1933 or the Securities Exchange Act of 1934, whether made before or after the date hereof and irrespective of any general incorporation language in such filings.

SIGNATURES

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

VERISIGN, INC.

Date: October 22, 2026

By: /S/ D. JAMES BIDZOS

D. James Bidzos

President and Chief Executive Officer

(Principal Executive Officer)

Date: October 22, 2026

By: /S/ JOHN D. CALYS

John D. Calys

Executive Vice President and Chief Financial Officer

(Principal Financial Officer and Principal Accounting Officer)