

4) *Professional Service and Other:*

Professional service and other revenues consist of revenues from consulting contracts and contracts to provide implementation, training and integration services (professional services). Other revenues consist of hardware revenues, which are grouped within the “Professional service and other” category because they are relatively immaterial to our service revenues. Professional services are typically performed after the purchase of new software licenses. Professional service and other revenues can vary from period to period based on the type of engagements as well as those implementations that are assumed by our partner network.

Cost of professional service and other revenues consists primarily of the costs of providing integration, configuration and training with respect to our various software products. The most significant components of these costs are personnel-related expenses, travel costs and third party subcontracting.

(In thousands)	Year Ended June 30,				
	2019	Change increase (decrease)	2018	Change increase (decrease)	2017
<i>Professional Service and Other Revenues:</i>					
Americas	\$ 132,426	\$ (19,045)	\$ 151,471	\$ 39,872	\$ 111,599
EMEA	122,861	(8,982)	131,843	29,601	102,242
Asia Pacific	29,649	(3,294)	32,943	11,468	21,475
Total Professional Service and Other Revenues	284,936	(31,321)	316,257	80,941	235,316
Cost of Professional Service and Other Revenues	224,635	(28,754)	253,389	58,435	194,954
GAAP-based Professional Service and Other Gross Profit	\$ 60,301	\$ (2,567)	\$ 62,868	\$ 22,506	\$ 40,362
GAAP-based Professional Service and Other Gross Margin %	21.2%		19.9%		17.2%
<i>% Professional Service and Other Revenues by Geography:</i>					
Americas	46.5%		47.9%		47.4%
EMEA	43.1%		41.7%		43.4%
Asia Pacific	10.4%		10.4%		9.2%

Professional service and other revenues decreased by \$31.3 million or 9.9% during the year ended June 30, 2019 as compared to the prior fiscal year; down 7.4% after factoring the impact of \$8.1 million of foreign exchange rate changes. Geographically, the overall change was attributable to a decrease in Americas of \$19.0 million, a decrease in EMEA of \$9.0 million and a decrease in Asia Pacific of \$3.3 million.

Cost of Professional service and other revenues decreased by \$28.8 million during the year ended June 30, 2019 as compared to the prior fiscal year as a result of a decrease in labour-related costs of approximately \$29.0 million resulting primarily from a reduction in the use of external labour resources, partially offset by an increase in other miscellaneous costs of \$0.2 million.

Overall, the gross margin percentage on Professional service and other revenues increased to approximately 21% from approximately 20%. This is the result of effectively executing our strategy of optimizing margins by being selective about the professional service engagements we accept.

Professional service and other revenues under proforma Topic 605 were not materially different from those under Topic 606 as discussed above.

Amortization of Acquired Technology-based Intangible Assets

(In thousands)	Year Ended June 30,				
	2019	Change increase (decrease)	2018	Change increase (decrease)	2017
Amortization of acquired technology-based intangible assets	\$ 183,385	\$ (2,483)	\$ 185,868	\$ 55,312	\$ 130,556

Amortization of acquired technology-based intangible assets decreased during the year ended June 30, 2019 by \$2.5 million, as compared to the same period in the prior fiscal year. This was due to a reduction of \$20.6 million, relating to intangible assets from certain previous acquisitions becoming fully amortized, partially offset by an increase in amortization of \$18.1 million, relating to newly acquired technology-based intangible assets from our recent acquisitions of Catalyst and