

# Annual Shareholder Meeting

May 1, 2007

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NIC Executive Management Team

[www.nicusa.com](http://www.nicusa.com)

NASDAQ: EGOV



# Agenda

- Investing for growth
- Questions & answers

## NiC's 4-year goals

### **Increase shareholder value by:**

#### **Winning more new state portal contracts**

- 2004 - 2006 win rate: 1 new portal every 18 months
- 2007 - 2010 goal: 4 new state portals per year

#### **Driving higher non-DMV portal revenues**

- 2006 non-DMV revenue growth rate: 15%
- 2010 goal: 35% non-DMV revenue growth rate

## Where we expect to be in 2010

### TODAY

19 state portals

61M population served

\$71M revenues (2006)

### 2010

30 state portals

120M population served

\$150M revenues

**Annual incremental investment: \$4 - \$6 million**

## Investing for long-term growth will help us get there

### **Accelerate NIC's new state portal win rate**

- Expanding the sales team by 175% to reach key decision-makers in multiple states
- Increase our ability to educate and influence the marketplace

### **Drive higher portal non-DMV revenues**

- Add leaders to cross-sell high potential services to current and new customers
- Invest in the development of innovative new portal services

## NiC's highest potential non-DMV opportunities

### **Identity Verification**

- Financial institutions validating against state databases
- Expand into other areas that require ID verification
  - Security companies
  - Bars & liquor stores
  - Child care centers

### **Channel Expansion & Private Sector Alliances**

- Retail point-of-purchase for outdoor licenses
- Vehicle tag renewals processed by inspection stations
- Dealer-issued temporary license plates

### **Payment Processing**

- Processed \$1.5B in government payments in 2006
- State and local expansion (current & new markets)
- Over-the-counter and automated phone solutions

## We see tremendous opportunity for future growth

### **Our team has been realigned to focus on:**

- Winning more new states
- Accelerating non-DMV growth

### **No company is better positioned to expand its portal market share**

- 19 long-term state partnerships
- A library of 3,600 industry-leading services
- 15 years of leadership

### **Investing for long-term growth is the best way NIC can be:**

- The best partner government has ever worked with
- The best place our employees have ever worked
- The best investment our investors have ever made

## Questions & answers

