

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

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

DATE OF REPORT (DATE OF EARLIEST EVENT REPORTED) SEPTEMBER 4, 2006

VERINT SYSTEMS INC.
(Exact name of registrant as specified in charter)

| | | |
|---|--|--|
| DELAWARE (State or Other Jurisdiction of Incorporation) | 0-49790 (Commission File Number) | 11-3200514 (IRS Employer Identification No.) |
|---|--|--|

330 SOUTH SERVICE ROAD, MELVILLE, NEW YORK 11747
(Address of Principal Executive Offices) (Zip Code)

(631) 962-9600
(Registrant's telephone number, including area code)

NOT APPLICABLE
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On September 6, 2006, Verint Systems Inc. ("Verint" or the "Company") issued a press release announcing, among other things, that the Company preliminarily expects to restate its historical financial statements for each of the fiscal years ended January 31, 2005, 2004, 2003 and 2002. A copy of the press release is attached to this current report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.

The information contained in Item 2.02 of this report, including Exhibit 99.1 attached hereto, is being furnished and shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of Section 18. Furthermore, the information contained in Item 2.02 of this report shall not be deemed to be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended.

ITEM 3.01 NOTICE OF DELISTING OR FAILURE TO SATISFY A CONTINUED LISTING RULE OR STANDARD; TRANSFER OF LISTING.

On September 6, 2006, the Company issued a press release announcing that the Company has made a submission to The NASDAQ Listing and Hearing Review Council (the "Listing Council") requesting that the Listing Council grant a stay of the NASDAQ Listing Qualifications Panel's August 18, 2006 decision which established a deadline of September 25, 2006 for the Company to complete the restatements of its financial statements and to file its Annual Report on Form 10-K for the fiscal year ended January 31, 2006, its Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2006, and the Current Report on Form 8-K/A to amend the Form 8-K dated January 9, 2006. The Company also requested an additional 60-day extension from the Listing Council's decision to make the necessary filings. There can be no assurance that the Listing Council will grant an extension or that the Company's securities will remain listed on The NASDAQ

Stock Market.

The Company intends to announce the Listing Council's decision promptly after it receives written notice of such decision. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Certain statements contained in this Report concerning Verint's future revenues, earnings per share, results or prospects are "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. There can be no assurances that forward-looking statements will be achieved, and actual results could differ materially from forecasts and estimates. Important risks, uncertainties and other important factors that could cause actual results to differ materially include, among others: potential impact on Verint's financial results as a result of Comverse's creation of a special committee of the Board of Directors of Comverse to review matters relating to grants of Comverse stock options, including but not limited to, the accuracy of the stated dates of Comverse option grants and whether Comverse followed all of its proper corporate procedures and the results of the Comverse special committee's review; the effect of Verint's failure to

file all required reports under the Securities Exchange Act of 1934, and the resultant potential delisting of Verint's common stock on NASDAQ; the impact of governmental inquiries arising out of or related to option grants; introducing quality products on a timely basis that satisfy customer requirements and achieve market acceptance; lengthy and variable sales cycles create difficulty in forecasting the timing of revenue; integrating the business and personnel of Mercom and CM Insight; risks associated with significant foreign operations, including fluctuations in foreign currency exchange rates; aggressive competition in all of Verint's markets, which creates pricing pressure; integrating the business and personnel of MultiVision, including implementation of adequate internal controls; managing our expansion in the Asia Pacific region; risks that Verint's intellectual property rights may not be adequate to protect its business or that others may claim that Verint infringes upon their intellectual property rights; risks associated with integrating the business and employees of Opus and RP Sicherheissysteme GMBH; risks associated with Verint's ability to retain existing personnel and recruit and retain qualified personnel in all geographies in which Verint operates; decline in information technology spending; changes in the demand for Verint's products; challenges in increasing gross margins; risks associated with changes in the competitive or regulatory environment in which Verint operates; dependence on government contracts; expected increase in Verint's effective tax rate; perception that Verint improperly handles sensitive or confidential information; inability to maintain relationships with value added resellers and systems integrators; difficulty of improving Verint's infrastructure in order to be able to continue to grow; risks associated with Comverse Technology, Inc. controlling Verint's business and affairs; and other risks described in filings with the Securities and Exchange Commission. All documents are available through the SEC's Electronic Data Gathering Analysis and Retrieval system (EDGAR) at www.sec.gov or from Verint's website at www.verint.com. Verint makes no commitment to revise or update any forward-looking statements.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) EXHIBITS:

| Exhibit No. | Description |
|-------------|--|
| 99.1 | Press Release of Verint Systems Inc. dated September 6, 2006 |

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 hereunto duly authorized.

VERINT SYSTEMS INC.

Dated: September 6, 2006

By: /s/ Peter D. Fante

Name: Peter D. Fante
Title: General Counsel

EXHIBIT INDEX

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|-------------|---|
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PRESS RELEASE

CONTACTS

Investor Relations

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VERINT REQUESTS STAY OF NASDAQ PANEL DECISION AND ADDITIONAL EXTENSION
FROM NASDAQ LISTING COUNCIL

Continues to Wait for Final Information from Converse

NEW YORK, NY, SEPTEMBER 6, 2006 - Verint Systems Inc. (NASDAQ: VRNT) today announced that the Company has made a submission to The NASDAQ Listing and Hearing Review Council requesting that the Listing Council grant a stay of the NASDAQ Listing Qualifications Panel's August 18, 2006 decision which established a deadline of September 25, 2006 for the Company to file its Annual Report on Form 10-K for the fiscal year ended January 31, 2006, its Quarterly Report on Form 10-Q for the fiscal quarter ended April 30, 2006, and the Current Report on Form 8-K/A to amend the Form 8-K dated January 9, 2006. The Company also requested an additional 60 day extension from the date of the Listing Council's decision to make the necessary filings.

In accordance with NASDAQ regulations, the Company's right to submit this stay request expires on September 5, 2006. Therefore, the Company has made this request to the NASDAQ Listing and Hearing Review Council in order to avoid a potential de-listing because the Company expects that it will be unable to meet the September 25, 2006 deadline.

The Company was recently provided preliminary measurement dates of Converse Technology, Inc. stock options issued to Verint's employees when the Company was a wholly-owned subsidiary of Converse. In that regard, the Company expects to record non-cash stock-based compensation expense to prior periods. Based on the preliminary measurement date conclusions of Converse, the Company expects that such non-cash charges may be material for certain periods and the Company therefore preliminarily expects to restate its historical financial statements for each of the fiscal years ended January 31, 2005, 2004, 2003 and 2002. Such charges could also affect periods prior to the fiscal year ended January 31, 2002. In addition to such stock based compensation charges, the Company also expects to record certain material tax charges, make various tax payments and pay third party fees and expenses relating to the impact of the Converse backdated options. These amounts have not yet been determined.

The Company believes that all stock options issued by Verint Systems Inc. were granted at fair market value on the date of grant and the related accounting for these stock options in its publicly filed historical financial statements was correct.

There can be no assurance that the Listing Council will grant the Company's requested extension or that the Company's securities will remain listed on the NASDAQ Stock Market. The Company intends to announce the Listing Council's decision promptly after it receives written notice of such decision.

VERINT REQUESTS STAY OF NASDAQ PANEL DECISION AND ADDITIONAL
EXTENSION FROM NASDAQ LISTING COUNCIL
SEPTEMBER 6, 2006
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ABOUT VERINT SYSTEMS INC.

Verint Systems Inc., headquartered in Melville, New York, is a leading provider of analytic software-based solutions for security and business intelligence. Verint software, which is used by over 1,000 organizations in over 50 countries worldwide, generates actionable intelligence through the collection, retention and analysis of voice, fax, video, email, Internet and data transmissions from

multiple communications networks. Visit us at our website www.verint.com.

Note: Certain statements concerning Verint's future revenues, earnings per share, results or prospects are "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. There can be no assurances that forward-looking statements will be achieved, and actual results could differ materially from forecasts and estimates. Important risks, uncertainties and other important factors that could cause actual results to differ materially include, among others: potential impact on Verint's financial results as a result of Comverse's creation of a special committee of the Board of Directors of Comverse to review matters relating to grants of Comverse stock options, including but not limited to, the accuracy of the stated dates of Comverse option grants and whether Comverse followed all of its proper corporate procedures and the results of the Comverse special committee's review; the effect of Verint's failure to timely file all required reports under the Securities Exchange Act of 1934, and the resultant potential delisting of Verint's common stock on NASDAQ; the impact of governmental inquiries arising out of or related to option grants; introducing quality products on a timely basis that satisfy customer requirements and achieve market acceptance; lengthy and variable sales cycles create difficulty in forecasting the timing of revenue; integrating the business and personnel of Mercom and CM Insight; risks associated with significant foreign operations, including fluctuations in foreign currency exchange rates; aggressive competition in all of Verint's markets, which creates pricing pressure; integrating the business and personnel of MultiVision, including implementation of adequate internal controls; managing our expansion in the Asia Pacific region; risks that Verint's intellectual property rights may not be adequate to protect its business or that others may claim that Verint infringes upon their intellectual property rights; risks associated with integrating the business and employees of Opus and RP Sicherheissysteme GMBH; risks associated with Verint's ability to retain existing personnel and recruit and retain qualified personnel in all geographies in which Verint operates; decline in information technology spending; changes in the demand for Verint's products; challenges in increasing gross margins; risks associated with changes in the competitive or regulatory environment in which Verint operates; dependence on government contracts; expected increase in Verint's effective tax rate; perception that Verint improperly handles sensitive or confidential information; inability to maintain relationships with value added resellers and systems integrators; difficulty of improving Verint's infrastructure in order to be able to continue to grow; risks associated with Comverse Technology, Inc. controlling Verint's business and affairs; and other risks described in filings with the Securities and Exchange Commission. All documents are available through the SEC's Electronic Data Gathering Analysis and Retrieval system (EDGAR) at www.sec.gov or from Verint's website at www.verint.com. Verint makes no commitment to revise or update any forward-looking statements.

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Verint, the Verint word mark, Actionable Intelligence, Powering Actionable Intelligence, STAR-GATE, RELIANT, NEXTIVA, LORONIX, SmartSight, Lanex and ULTRA are trademarks of Verint Systems Inc. Other names may be trademarks of their respective owner.