

**Report of Organizational Actions
Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Nuance Communications Inc. & Subs		94-3156479	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Tracy Krumme, Investor Relations	(781) 565-4334	tracy.krumme@nuance.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
1 Wayside Road		Burlington, MA 01803	
8 Date of action	9 Classification and description		
October 1, 2019	Section 355 Spin-off of Common Stock		
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
67020Y100		NUAN	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

- 14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ See attachment.
- 15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ See attachment.
- 16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ See attachment.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ See attachment.

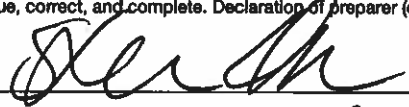
Blank lined area for listing applicable Internal Revenue Code sections.

18 Can any resulting loss be recognized? ▶ See attachment.

Blank lined area for answering question 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ See attachment.

Blank lined area for providing other information for question 19.

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
	Signature ▶ 	Date ▶ 10/11/19			
Paid Preparer Use Only	Print your name ▶ STEVEN OKPYCH	Title ▶ ASST. TREASURER			
	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> If self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no.			

Nuance Communications, Inc.
Attachment to Form 8937, Part II
Report of Organizational Actions Affecting Basis of Securities

The information contained herein is being provided pursuant to the requirements of Section 6045B of the Internal Revenue Code of 1986, as amended, and includes a general summary regarding the application of certain US federal income tax laws and regulations relating to the effects of the Distribution (as defined below) on shareholders' tax basis in Nuance Communications, Inc. ("Nuance US") stock and the allocation of tax basis between Nuance US stock and Cerence, Inc. stock following the Distribution. The information contained herein does not constitute tax advice and does not purport to be complete or to describe the consequences that may apply to particular categories of stockholders. All holders of Nuance US common stock should consult their own tax advisors regarding the particular consequences of the Distribution to them, including the applicability and effect of all US federal, state, and local tax laws and foreign tax laws. Please read the registration statement on Form 10 of Nuance US filed with Securities and Exchange Commission on August 21, 2019. Specifically, the tax consequences of the Distribution are discussed under the heading "Material U.S. Federal Income Tax Consequences of the Spin-Off."

Part II, Line 14 – Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

On October 1, 2019, Nuance US distributed to its shareholders, on a pro rata basis, approximately 98.2% of the common shares of Cerence, Inc (the "Distribution"). The remaining 1.8% of the common shares of Cerence Inc. were sold in a private placement to a third party investor on September 30, 2019. Each shareholder of Nuance US as of the record date of September 17, 2019 received one share of Cerence, Inc. common stock for every eight shares of common stock owned on the record date. No fractional shares of Cerence, Inc. were issued. Rather, shareholders received cash in lieu of fractional shares.

Part II, Line 15 – Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

As a result of the distribution of Cerence Inc. by Nuance US, Nuance US shareholders will be required to allocate the aggregate tax basis in their Nuance US shares held immediately before October 1, 2019 between their Nuance US shares and the Cerence Inc. shares received in the Distribution (including any fractional share of Cerence Inc. stock for which cash was received). This allocation should be made in proportion to the relative fair market values of the respective Nuance US stock and Cerence, Inc. stock. Shareholders that acquired Nuance US shares at different times or at different prices will need to calculate their tax basis in each block of Nuance US stock and then allocate a portion of that tax basis to the shares of Cerence Inc. stock received in the Distribution.

Part II, Line 16 – Describe the calculation of the change in basis and the data that support the calculation, such as the market values of the securities and the valuation dates.

U.S. federal income tax law does not specifically prescribe how you should determine the fair market value of the Cerence Inc. stock for purposes of allocating a shareholder's tax basis and there may be

multiple approaches for making the determinations. The below is merely an example of a method of determining the respective fair market values of Nuance US and Cerence, Inc. stock. Other valuation methodologies may exist and we urge you to consult your own tax advisor regarding these basis allocation calculations.

One method is to utilize the NASDAQ opening trading price on October 2, 2019 (the first trading day immediately after the distribution) for Cerence, Inc. (\$17.19) and Nuance US (\$14.10). Because shareholders received one share of Cerence, Inc. stock for each eight shares of Nuance US stock owned, after accounting for the distribution ratio, Nuance US has a value of \$112.80 as compared to \$17.19 for Cerence, Inc. Based on that approach, 86.8% of a Nuance US shareholder's aggregate tax basis in their shares of Nuance US common stock immediately prior to the Distribution would be allocated to such shareholder's shares of Nuance US, and 13.2% would be allocated to such shareholder's shares in Cerence, Inc. (including any Cerence, Inc. fractional share).

As an example, assuming: (i) a shareholder purchased 800 shares of Nuance US common stock in exchange for \$15,000 (resulting in initial basis of \$15,000); (ii) received 100 shares of Cerence, Inc. stock in the Distribution; and (iii) applied the opening trading price valuation alternative, discussed above, the tax basis allocation is as follows:

	Number of shares of stock	Original tax basis [A]	Percentage of Total Fair Market Value [B]	Allocated Tax Basis [A*B]
Nuance US	800	\$15,000	86.8%	\$13,020
Cerence, Inc.	100		13.2%	\$1,980
Total			100%	\$15,000

Nuance US shareholders who acquired blocks of Nuance US stock at different times or different prices should perform such an allocation with respect to each block of Nuance US stock. Such holders should consult their own tax advisors in performing the allocations with respect to blocks of Nuance US stock.

Part II, Line 17 – List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.

The tax treatment described above is generally based on sections 355, 358, 1001, and 368 of the Internal Revenue Code and the Treasury regulations promulgated thereunder.

Part II, Line 18 – Can any resulting loss be recognized.

Nuance Communications Inc. intends for the distribution to qualify as a reorganization under sections 355 and 368(a)(1)(D) of the Internal Revenue Code. Assuming this characterization is respected, shareholders of Nuance US will generally not recognize any loss on the distribution for U.S. federal income tax purposes. Loss, if any, may be recognized with respect to any cash received in lieu of fractional shares of Cerence, Inc. common stock.

Part II, Line 19 – Provide any other information necessary to implement the adjustment, such as the reportable tax year.

The distribution was effective on October 1, 2019 at 5PM Eastern. For Nuance US shareholders whose tax year is the calendar year, the reportable tax year is 2019.