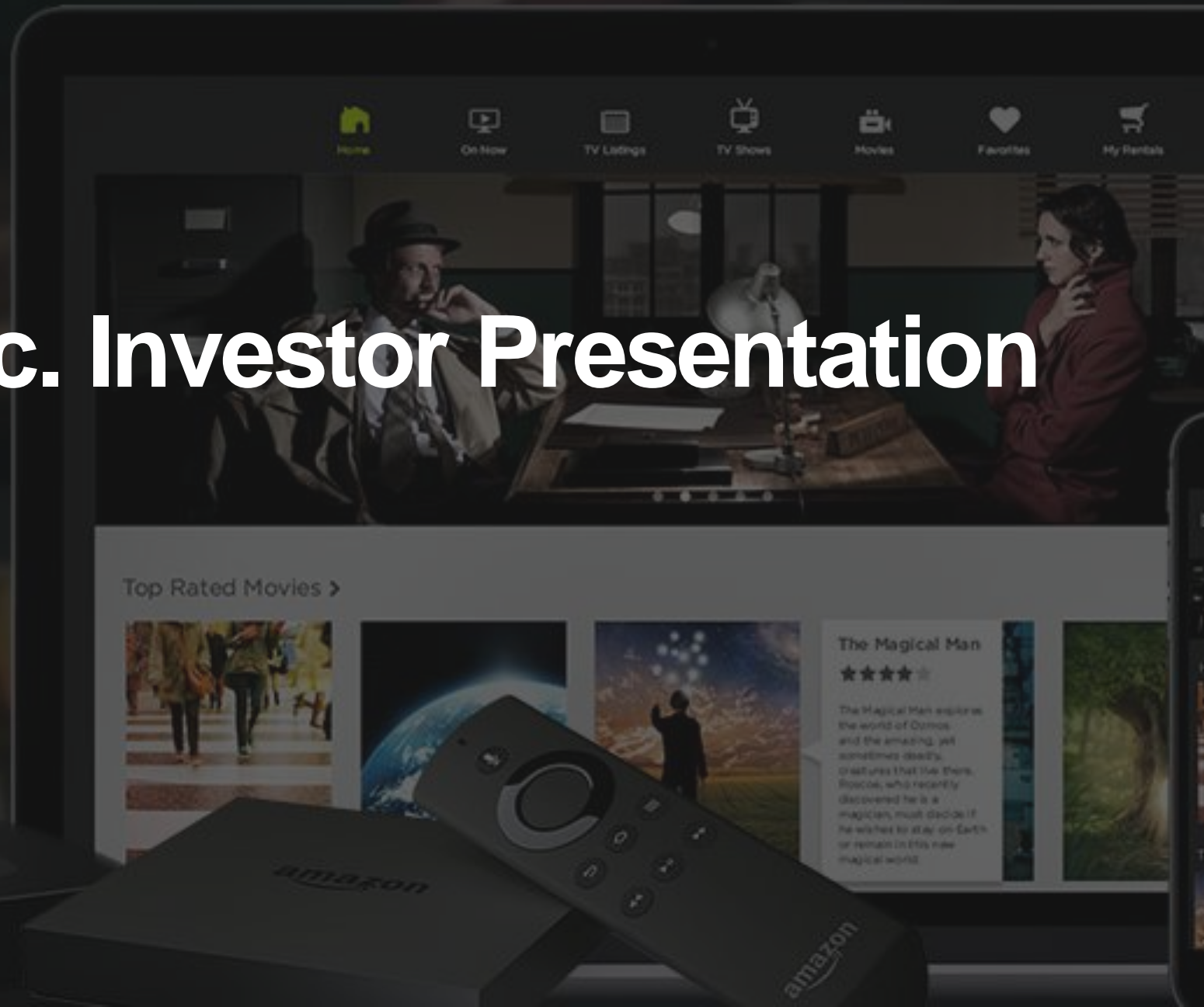




Brightcove Inc. Investor Presentation

May 2017



Safe Harbor Statement

These slides and the accompanying oral presentation contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements our financial guidance for the second fiscal quarter of 2017 and full year 2017, our position to execute on our growth strategy, and our ability to expand our leadership position and market opportunity. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this press release that are not historical facts and statements identified by words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “estimates” or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation; our history of losses, our limited operating history; expectations regarding the widespread adoption of customer demand for our products; our ability to expand the sales of our products to customers located outside the U.S., keeping up with the rapid technological change required to remain competitive in our industry, our ability to retain existing customers; our ability to manage our growth effectively and successfully recruit additional highly-qualified personnel; foreign currency fluctuations; and the price volatility of our common stock, and other risks set forth under the caption “Risk Factors” in our most recently filed Annual Report on Form 10-K, as updated by our subsequently filed Quarterly Reports on Form 10-Q and our other SEC filings. We assume no obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

BRIGHTCOVE AT A GLANCE

BOSTON, MA
HEADQUARTERS


506
EMPLOYEES



12 OFFICES WORLDWIDE

REVENUE 

\$150.3M
2016 REVENUE

GROWTH 


19%
2010-17E REVENUE CAGR

PROFITABILITY 

\$5.7M
2016 aEBITDA

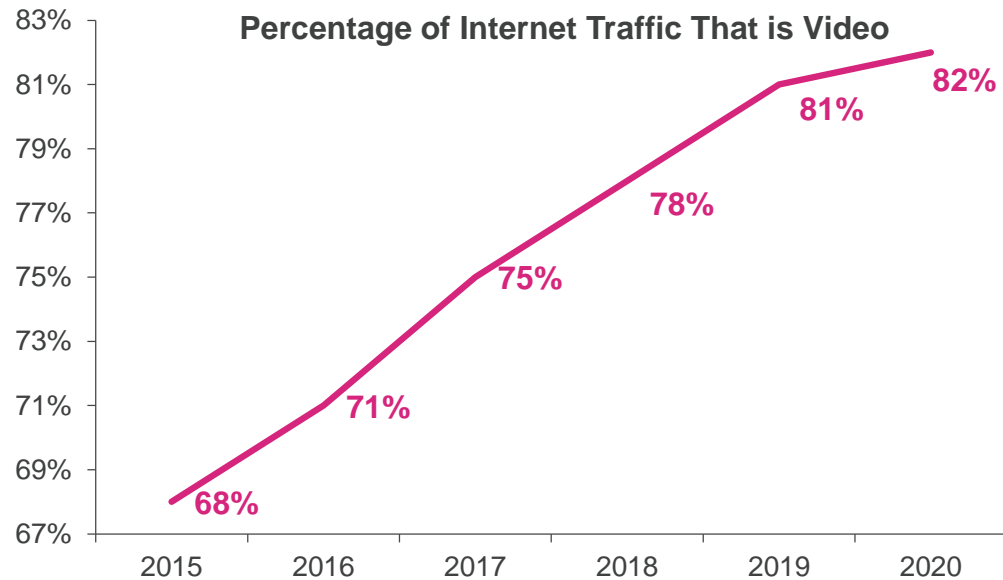
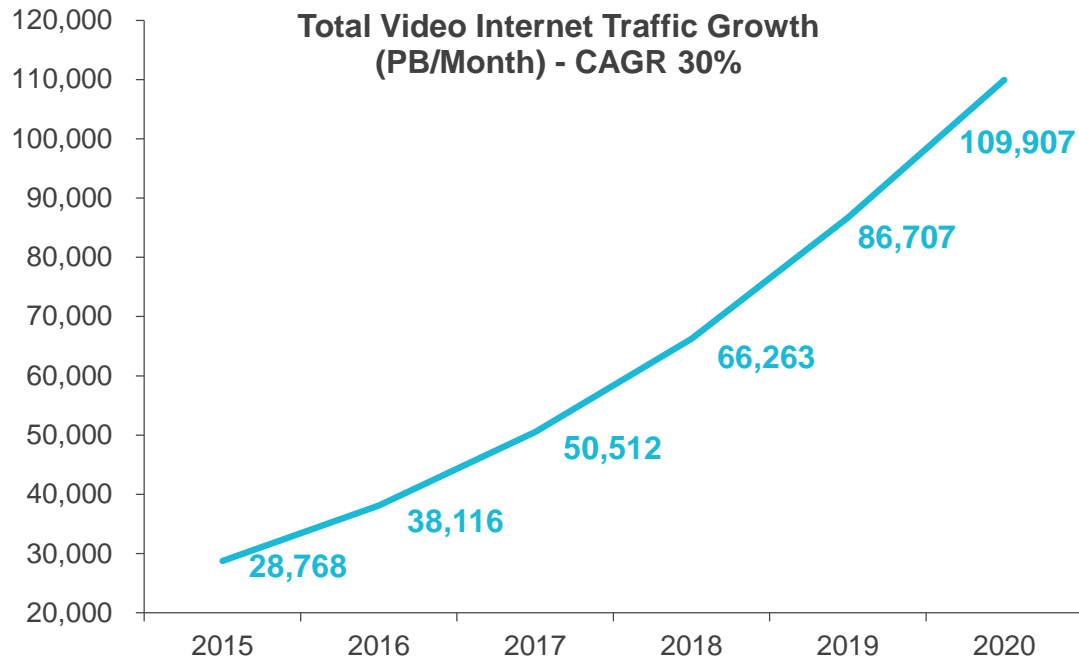
ENGAGEMENT 

2.7B
STREAMS

CUSTOMERS 

2,021
PREMIUM CUSTOMERS

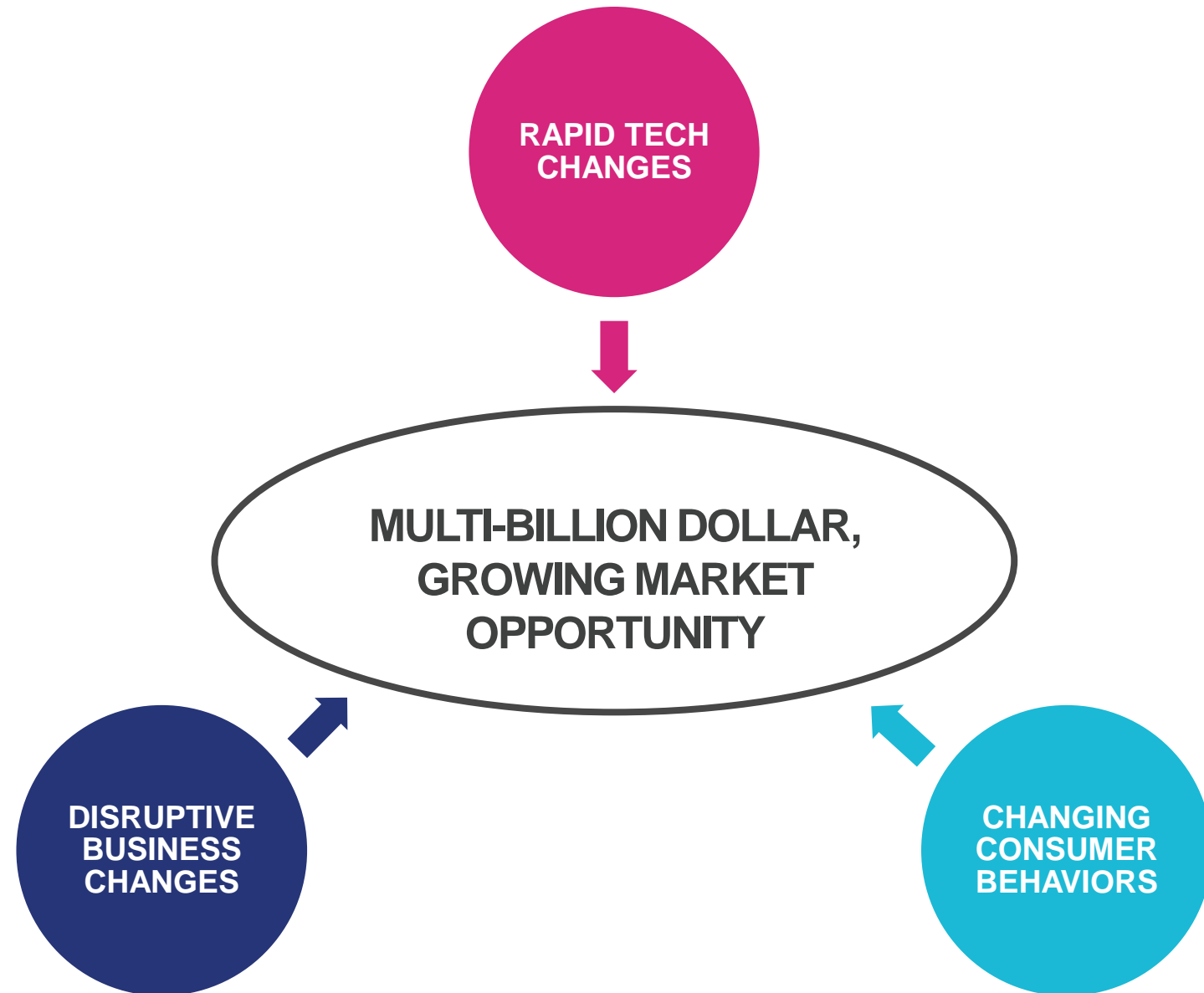
Video Growth is Exploding, Making Delivering Great Video Increasingly Complex



- Growing user expectations
 - Any time, any place, any device
 - TV-like quality is expected
- Rapidly changing technologies
- Monetization model disruption
 - Video IS the business
- Marketing model disruption
 - Video SUPPORTS the business
- Enterprise communication disruption
 - Video POWERS internal and external communication



- **Leadership position** in a multi - billion dollar market opportunity: delivering and monetizing video content
- Accelerating **engineering velocity** and innovation
- Rich **ecosystem** of partners
- Proven **global scale**, reliability, services



Why Brightcove?

Brightcove simplifies, streamlines, and enriches the delivery and monetization of extraordinary video experiences for media, marketers, and enterprises

**SUPERIOR
TECHNOLOGY**

**GLOBAL
REACH**

**DELIVER
EXCEPTIONAL
EXPERIENCES**

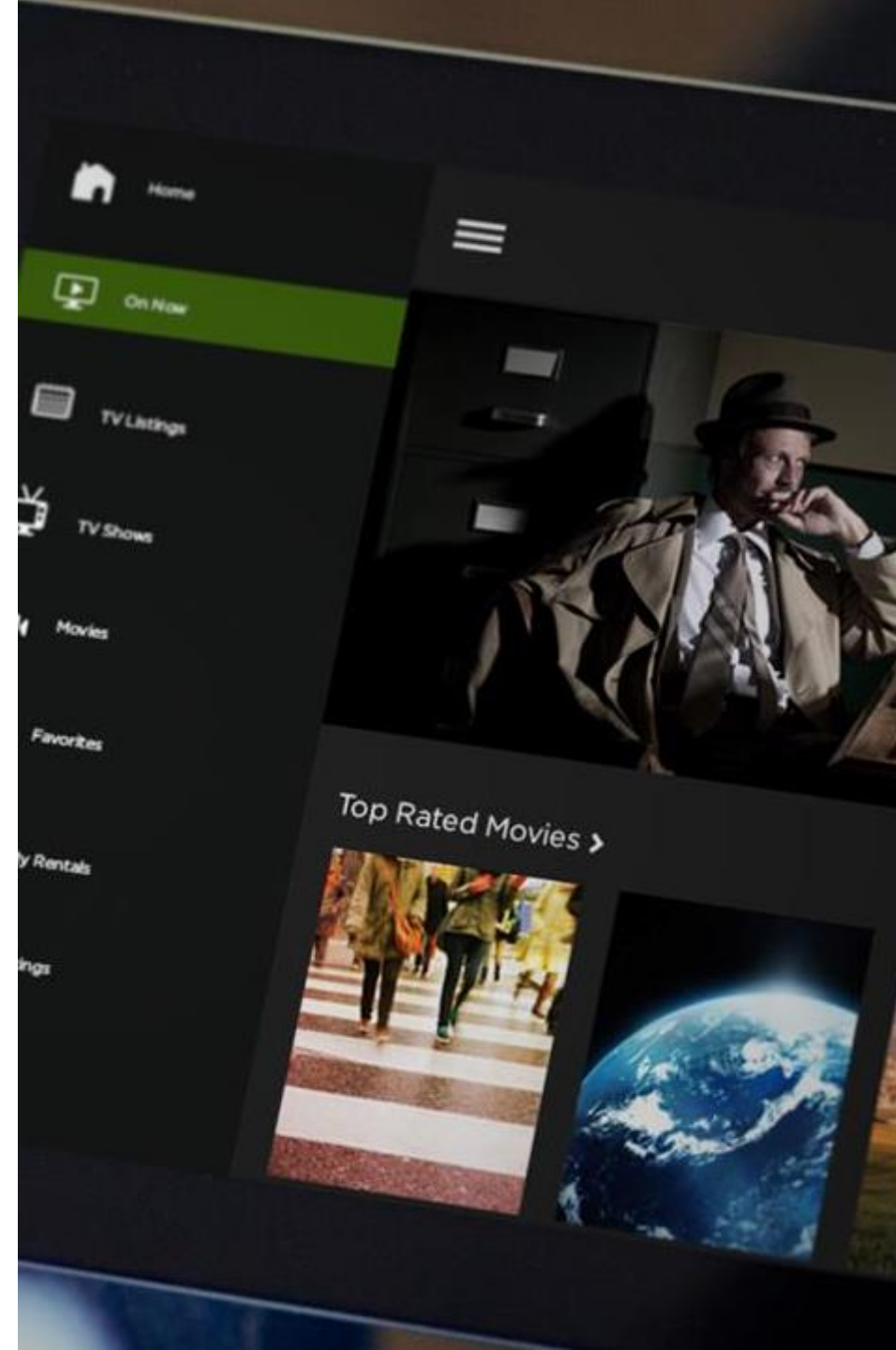
FOR MEDIA COMPANIES

Video IS the Business

- Complex requirements
- Significant existing technology and workflow investments
- Performance, scalability are critical

Their approach: Many DIY solutions, however, the market is becoming more complex each day

Our solution: Best of breed platform that leverages innovative new technology, monetization, experience and workflow solutions





FOR MARKETERS

Video SUPPORTS the Growing Role of Marketing in a Digital World

- Non-technical users
- Domain expertise embedded in the app functionality
- Integrate with existing technology investments: marketing, sales, and support

Their approach: YouTube or they are not using video effectively

Our Solution: All-in-one video marketing suite optimized for customer lifecycle management to build brands, grow leads, drive conversion, earn customer loyalty—and make themselves look great in the process

FOR ENTERPRISE

Video POWERS the Transformation of Internal and External Enterprise Communication

- External Communication for Sales, Support, HR, ...
- Internal Communication across geography, functions
- Employee Training
- Live Video Streaming

Their approach: Cobbled together video collaboration tools that are not well integrated into broader technology stacks

Our Solution: Deploy and manage all video applications from one secure, scalable, functionally-rich enterprise-class platform



MEDIA CUSTOMERS



朝日新聞
The Asahi Shimbun

GANNETT



Forbes



ATLANTIC MEDIA



FINANCIAL TIMES



GSPAN

LE FIGARO



YAHOO!

POLITICO

SXSW



The Seattle Times

Vox

Time Inc.

Tastemade



Trinity Mirror plc



MARKETING/ENTERPRISE CUSTOMERS



abbvie



bugaboo



AMGEN

Campbell's



dunkin' brands

NET-A-PORTER

riverbed

KOHLER



SAMSUNG

SAFEWAY

FASTENAL



TJX THE TJX COMPANIES, INC.

COMPETITIVE LANDSCAPE

MEDIA

DIY STILL PREVALENT

REDUCED
COMPETITOR
AGILITY

LIMITED
COMPETITOR
SCALE

ENTERPRISE

LOW END OR
FREE

POINT
SOLUTION
VENDORS

COLLABORATION
TOOLS



Product Overview

MEDIA OFFERINGS

SSAI[™]

OTT FLOW[™]
powered by accedo

PLAYER[™]

ZENCODER[™]

LIVE[™]

SOCIAL[™]



ENTERPRISE OFFERINGS

VMS[™]

EVS[™]

GALLERY[™]

AUDIENCE[™]

LIVE[™]

SOCIAL[™]

ACCELERATING DELIVERY OF NEW PRODUCTS THAT RAISE THE BAR

Social



Mission control for video on social platforms

Live



Live streaming with SSAI monetization for discrete events and 24/7 programming

Context Aware Encoding (BOLT)



Reduce storage, bandwidth required to deliver video by up to 50%, but without compromising quality

Dynamic Media Delivery



Dynamically process and package only the video streams you need for greater cost effectiveness

SSAI



Server Side Ad Insertion for improved user experience, better monetization, and managing ad blockers

Brightcove Continues to Lead



Strong growth opportunities



Continued product innovation linked to business value



Customer- and Industry-validated



Focused on helping marketers succeed with video



Gartner Magic Quadrant Leader



Named a Leader in Online Video Platforms for Sales and Marketing



FROST & SULLIVAN

Market Leadership Award:
Online Video Platforms, Global

FINANCIAL HIGHLIGHTS

- ➔ **Highly recurring SaaS revenue model**
- ➔ **Strong platform renewal rates**
- ➔ **Global diverse revenue base**
- ➔ **Scalable business model**
- ➔ **Mid teens bookings growth providing future growth opportunities**

THREE PILLARS OF GROWTH

GROWING SALES CAPACITY

ENTERPRISE

INDIA

LATIN AMERICA

NEW PRODUCTS

LIVE

SOCIAL

SSAI

OTT FLOW

CONTEXT AWARE
ENCODING

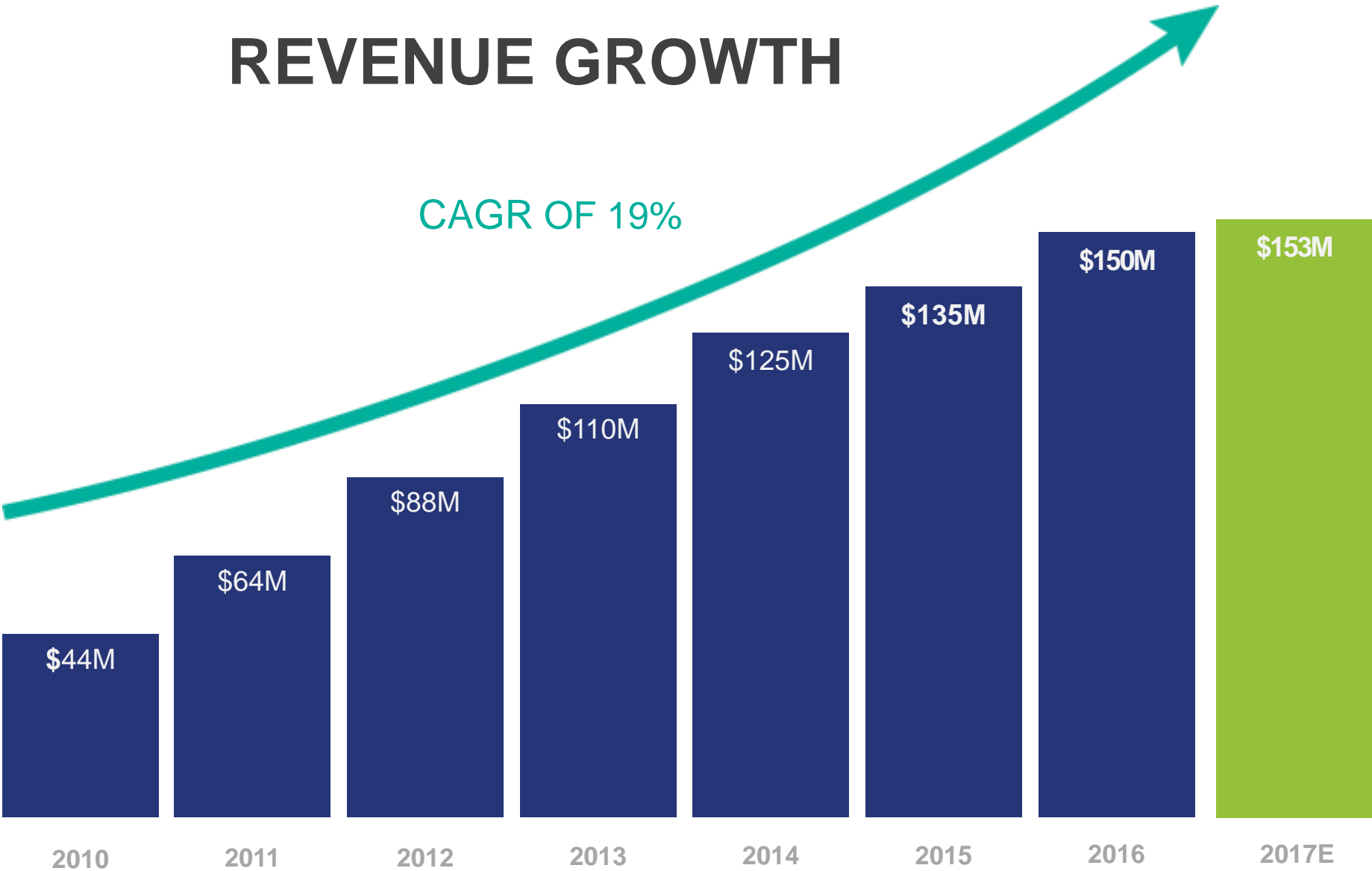
DYNAMIC MEDIA
DELIVERY

EXPLOSION OF VIDEO USAGE



REVENUE GROWTH

CAGR OF 19%

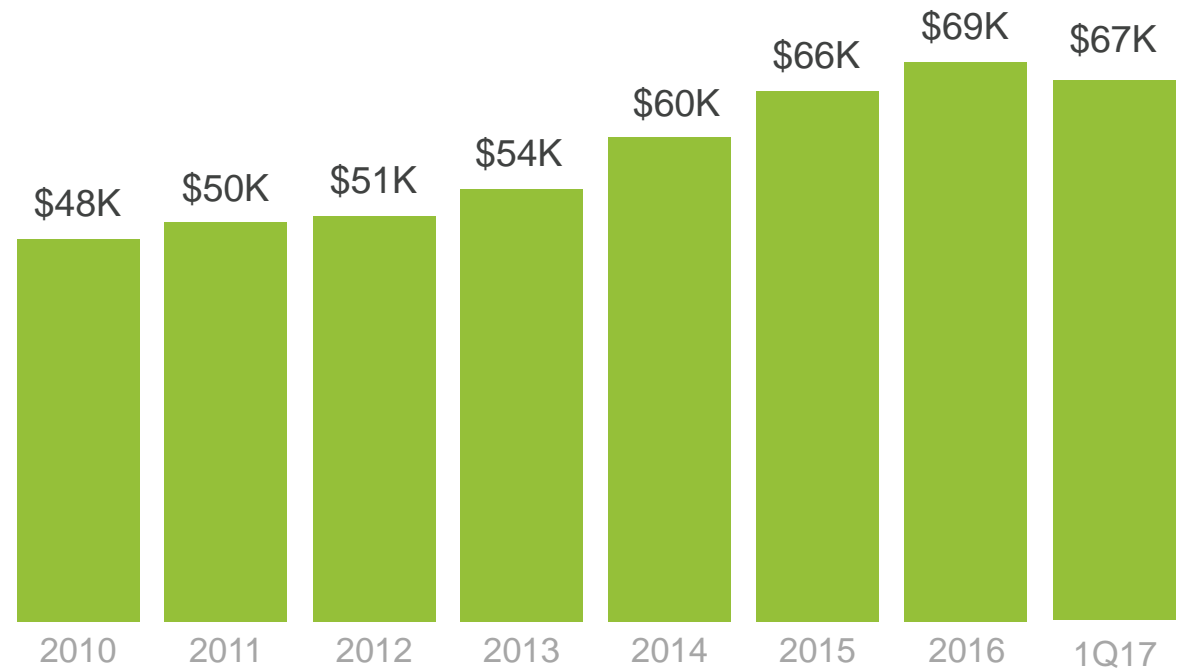


EXPANDING CUSTOMER ENGAGEMENTS

- History of growing customers and spend over time
- New product innovations enabling upsell opportunities
 - Live
 - Social
 - SSAI
 - OTT Flow
 - Context Aware Encoding
 - Dynamic Delivery (BOLT)
- Land and expand strategy taking shape
- New pricing / packaging being rolled out

Revenue per premium customer

Average annual subscription revenue from a premium customer

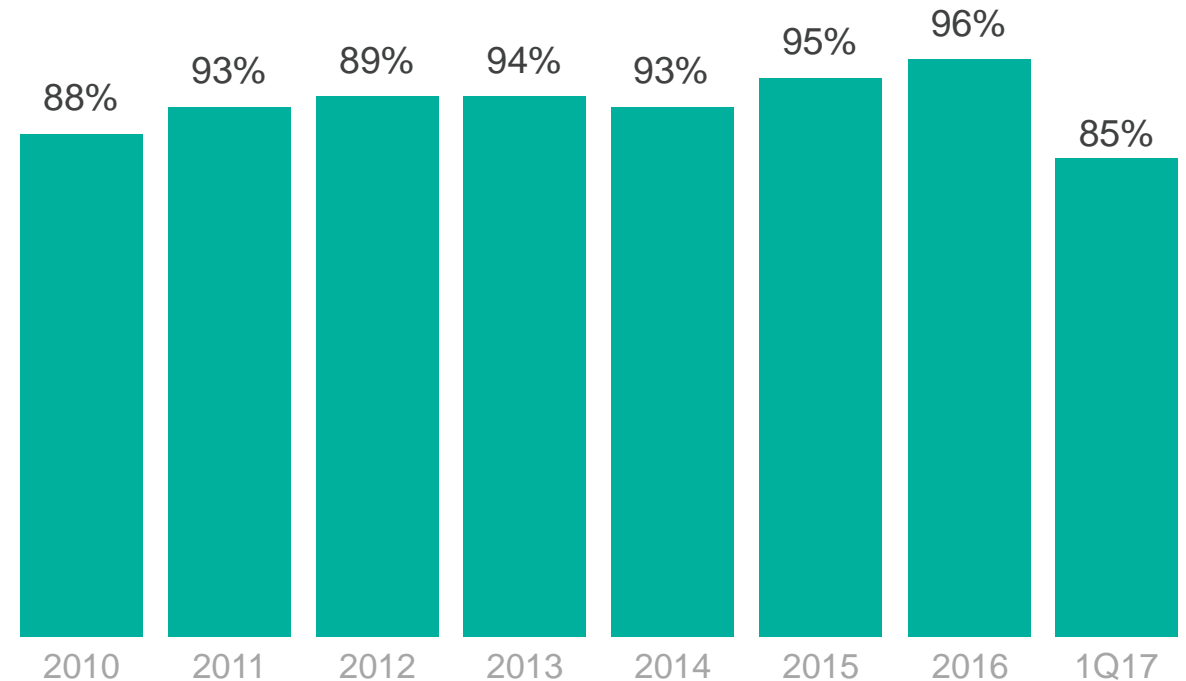


NEAR-TERM HEADWINDS TO RETENTION

- Historical low to mid 90% revenue retention rate
- Challenge in 1Q17 led to 85%
 - Primarily associated with commodity pricing elements with OVP platform pricing
- Expect to lap this retention issue in 1 year
- Set up for double digit growth in 2018

Recurring dollar retention rate

% Renewal of existing subscription revenue



STRONG BALANCE SHEET

(\$ in millions)	DEC 31, 2016	MAR 31, 2017
Cash and cash equivalents	\$36.8	\$29.2
Total assets	\$136.4	\$131.2
Deferred revenue	\$34.8	\$36.0
Total debt	\$0.3	\$0.3
Total liabilities	\$58.2	\$56.1
Total stockholders' equity	\$78.2	\$75.1

Appendix

(Non-GAAP financial reconciliation)

Brightcove Inc.
Calculation of Adjusted EBITDA
(in thousands)

	<u>Three Months Ended December 31,</u>		<u>Twelve Months Ended December 31,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Net (loss) income	\$ (4,363)	\$ 172	\$ (9,986)	\$ (7,580)
Other expense, net	471	(522)	598	258
Provision for income taxes	208	136	410	391
Merger-related expenses	-	63	21	201
Depreciation and amortization	1,895	1,789	7,796	8,687
Stock-based compensation expense	1,747	1,702	6,012	6,014
Costs to exit a facility	845	-	845	-
Adjusted EBITDA	<u>\$ 803</u>	<u>\$ 3,340</u>	<u>\$ 5,696</u>	<u>\$ 7,971</u>