

AVID TECHNOLOGY, INC.
Investor Relations Datasheet

(unaudited, in \$ millions, except Other Key Metrics Data)

Please refer to the definitions below for a definition of the non-GAAP and operational metrics used herein.

	Q1'13	Q2'13	Q3'13	Q4'13	2013	Q1'14	Q2'14	Q3'14	Q4'14	2014	Q1'15	Q2'15	Q3'15	Q4'15	2015	Q1'16	2016
Bookings Summary																	
Bookings (As Reported)	125.1	120.7	127.0	150.4	523.1	126.1	127.8	112.2	153.2	519.3	112.3	117.6	115.1	193.1	538.1	92.5	92.5
Product	87.6	92.7	93.5	100.7	374.5	88.3	95.6	78.5	81.7	344.1	74.5	77.7	73.4	93.9	319.5	53.6	53.6
Service - Maintenance & Subscription	30.3	20.3	23.7	42.9	117.2	27.0	19.5	24.0	64.7	135.2	31.6	30.8	32.0	75.7	170.1	30.5	30.5
Service - Professional Service	7.2	7.7	9.8	6.8	31.5	10.8	12.7	9.7	6.8	40.0	6.2	9.1	9.7	23.4	48.4	8.1	8.1
Bookings (constant FX)	123.5	120.1	126.4	148.4	518.5	126.3	125.6	111.0	155.0	517.9	117.8	122.5	121.0	200.9	562.2	98.0	98.0
Bookings Marketed (constant FX)	116.2	113.1	122.3	141.7	493.3	121.2	122.1	108.1	154.0	505.4	117.3	122.4	121.0	201.0	561.7	97.9	97.9
Recurring Revenue Bookings (Maintenance & Subs) %	22%	15%	17%	28%	21%	21%	15%	21%	42%	26%	29%	26%	27%	55%	38%	34%	
Non-GAAP Net Revenue																	
Product	98.7	99.9	93.0	104.0	395.5	94.6	87.3	105.2	91.3	378.4	80.0	76.1	88.9	91.4	336.5	84.5	84.5
Service - Maintenance & Subscription	28.1	31.2	32.0	29.8	121.1	28.9	28.3	27.4	29.4	114.0	29.7	26.6	40.3	39.9	136.5	50.6	50.6
Service - Professional Service	9.3	10.3	14.0	13.3	46.9	11.5	9.1	9.8	7.5	37.9	9.8	7.0	8.2	8.4	33.4	8.7	8.7
Total Non-GAAP Net Revenue	136.1	141.4	139.0	147.1	563.5	135.0	124.7	142.4	128.2	530.3	119.5	109.7	137.4	139.7	506.4	143.8	143.8
US & Rest of Americas	67.7	63.4	63.1	70.2	264.4	61.4	56.0	66.5	58.8	242.6	52.7	48.5	59.1	60.1	220.4	71.3	71.3
Europe, Middle East & Africa	47.5	54.5	55.7	59.0	216.6	55.4	48.9	57.7	50.4	212.4	49.3	47.0	55.5	59.2	211.0	51.7	51.7
Asia-Pacific	20.9	23.5	20.1	17.9	82.3	18.2	19.8	18.2	19.0	75.3	17.6	14.2	22.8	20.3	75.0	20.8	20.8
Total Non-GAAP Net Revenue	136.1	141.3	138.9	147.1	563.4	135.0	124.6	142.4	128.2	530.3	119.5	109.7	137.4	139.7	506.4	143.8	143.8
Pre-2011 Revenue	34.1	31.2	30.0	29.0	124.4	26.5	24.1	21.6	19.4	91.7	17.0	15.3	13.5	11.9	57.7	9.3	9.3
Post-2010 Revenue	102.0	110.1	109.0	118.0	439.2	108.5	100.5	120.8	108.8	438.6	102.6	94.4	123.9	127.8	448.7	134.6	134.6
Total Non-GAAP Net Revenue	136.1	141.4	139.0	147.1	563.5	135.0	124.7	142.4	128.2	530.3	119.5	109.7	137.4	139.7	506.4	143.8	143.8
Non-GAAP Gross Margin %																	
Product	62.6%	61.2%	57.4%	58.1%	59.8%	63.1%	59.9%	63.7%	60.9%	62.0%	60.4%	62.8%	63.7%	56.0%	60.6%	68.0%	
Service	59.4%	63.1%	64.6%	62.9%	62.6%	61.4%	59.1%	61.0%	60.4%	60.6%	61.3%	56.0%	69.0%	68.3%	64.7%	76.2%	
Total Non-GAAP Gross Margin %	61.7%	61.7%	59.8%	59.5%	60.7%	62.6%	59.7%	63.0%	60.8%	61.6%	60.5%	60.7%	65.4%	60.2%	62.0%	71.2%	
Other Key Metrics																	
Media Central Licences Sold (cumulative)	-	1,068	3,232	5,317	-	12,619	15,389	18,458	20,881	-	23,709	25,000	28,043	32,240	-	35,832	
Active Paid Subscribers (a)	-	-	-	-	-	-	-	-	3,000	-	5,131	10,588	17,228	25,216	-	34,950	
Key Balance Sheet Items																	
Accounts Receivable DSO	53	46	36	35	35	39	42	36	38	38	39	45	37	38	38	28	
Inventory Turns	3.9	3.5	3.3	3.5	3.5	3.8	4.0	4.0	4.2	4.2	5.0	4.9	4.3	4.0	4.0	3.6	
Revenue Backlog																	
Pre-2011				176.1	176.1	150.0	126.2	104.6	84.6	84.6	66.9	51.5	37.9	25.9	25.9	16.5	
Post-2010				290.7	290.7	301.8	303.8	314.7	330.2	330.2	345.7	341.3	326.6	322.5	322.5	291.9	
Deferred Revenue				466.8	466.8	451.8	430.0	419.3	414.8	414.8	412.7	392.8	364.5	348.4	348.4	308.4	
Other Backlog				92.2	92.2	97.2	113.2	119.9	124.7	124.7	116.0	147.5	148.8	203.7	203.7	188.6	
Total Revenue Backlog				559.1	559.1	549.0	543.1	539.2	539.5	539.5	528.6	540.3	513.3	552.1	552.1	497.0	
Total Post-2010 Revenue Backlog				383.0	383.0	399.0	417.0	434.6	454.9	454.9	461.7	488.7	475.4	526.2	526.2	480.4	

(a) Revised from previous datasheet

AVID TECHNOLOGY, INC.

Reconciliations of GAAP financial measures to Non-GAAP financial measures

(unaudited - in thousands, except per share data)

Please refer to the definitions below for a definition of the non-GAAP and operational metrics used herein.

	Q1'13	Q2'13	Q3'13	Q4'13	2013	Q1'14	Q2'14	Q3'14	Q4'14	2014	Q1'15	Q2'15	Q3'15	Q4'15	2015	Q1'16
Non-GAAP Revenue																
GAAP Revenue	\$ 136,071	\$ 141,345	\$ 138,893	\$ 147,103	\$ 563,412	\$ 134,952	\$ 124,644	\$ 142,429	\$ 128,196	\$ 530,221	\$ 119,586	\$ 109,767	\$ 137,436	\$ 138,806	\$ 505,595	\$ 143,547
Amortization of acquired deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	858	858	269
Non-GAAP Revenue	136,071	141,345	138,893	147,103	563,412	134,952	124,644	142,429	128,196	530,221	119,586	109,767	137,436	139,664	506,453	143,816
Non-GAAP Gross Profit																
GAAP Gross profit	83,129	86,550	82,680	87,144	339,503	84,267	74,224	89,641	77,648	325,780	72,094	66,298	87,814	81,944	308,150	100,063
Amortization of acquired deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	858	858	269
Amortization of intangible assets	651	501	158	158	1,468	50	-	-	-	50	-	163	1,950	1,950	4,063	1,950
Stock-based compensation	226	212	185	173	796	153	163	78	282	676	254	215	183	171	823	179
Non-GAAP Gross Profit	84,006	87,263	83,023	87,475	341,767	84,470	74,387	89,719	77,930	326,506	72,348	66,676	89,947	84,923	313,894	102,461
Non-GAAP Operating Expenses																
GAAP Operating expenses	74,049	76,457	78,814	85,415	314,735	74,580	76,584	74,581	80,336	306,081	70,979	74,493	73,409	82,296	301,177	74,316
Less Amortization of intangible assets	663	658	660	667	2,648	480	398	373	375	1,626	374	408	786	786	2,354	(786)
Less Stock-based compensation	1,851	1,895	1,347	1,028	6,121	1,108	1,973	(759)	8,513	10,835	2,208	2,667	2,206	1,612	8,691	(1,919)
Less Restructuring costs (recoveries), net	273	1,918	688	2,491	5,370	-	(165)	-	-	(165)	-	539	-	5,766	6,305	(2,777)
Less Restatement costs	769	2,929	8,730	8,162	20,591	4,155	6,690	8,564	3,919	23,328	1,807	(1,106)	287	51	1,039	(80)
Less Acquisition, integration and other costs	(125)	-	-	-	(125)	-	-	-	-	-	2,342	3,333	1,965	1,595	9,232	(515)
Less Efficiency program costs	-	-	-	-	-	-	-	-	-	-	-	-	-	1,144	1,144	(716)
Non-GAAP Operating expenses	70,618	69,057	67,389	73,067	280,130	68,837	67,688	66,403	67,529	270,457	64,248	68,652	68,165	71,342	272,412	67,523
Non-GAAP Operating Income																
GAAP Operating income	9,080	10,093	3,866	1,729	24,768	9,687	(2,360)	15,060	(2,688)	19,699	1,115	(8,195)	14,405	(352)	6,973	25,747
Amortization of acquired deferred revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	858	858	269
Amortization of intangible assets	1,314	1,159	818	825	4,116	530	398	373	375	1,676	374	571	2,736	2,736	6,417	2,736
Stock-based compensation	2,077	2,108	1,532	1,200	6,917	1,261	2,136	(681)	8,795	11,511	2,462	2,882	2,389	1,783	9,514	2,098
Restructuring costs (recoveries), net	273	1,918	688	2,491	5,370	-	(165)	-	-	(165)	-	539	-	5,766	6,305	2,777
Restatement costs	769	2,929	8,730	8,162	20,591	4,155	6,690	8,564	3,919	23,328	1,807	(1,106)	287	51	1,039	80
Acquisition, integration and other costs	(125)	-	-	-	(125)	-	-	-	-	-	2,342	3,333	1,965	1,595	9,232	515
Efficiency program costs	-	-	-	-	-	-	-	-	-	-	-	-	-	1,144	1,144	716
Non-GAAP Operating Income	13,388	18,207	15,634	14,408	61,636	15,633	6,699	23,316	10,401	56,049	8,100	(1,976)	21,782	13,581	41,482	34,938
Adjusted EBITDA																
Non-GAAP operating income (from above)	13,388	18,207	15,634	14,408	61,636	15,633	6,699	23,316	10,401	56,049	8,100	(1,976)	21,782	13,581	41,482	34,938
Depreciation and amortization	4,821	4,506	4,351	4,972	18,650	4,385	4,039	3,996	3,858	16,278	3,677	3,411	3,168	3,416	13,672	3,611
Adjusted EBITDA	18,209	22,713	19,985	19,380	80,286	20,018	10,738	27,312	14,259	72,327	11,777	1,435	24,950	16,997	55,154	38,549
Adjusted Free Cash Flow																
GAAP net cash used in operating activities	(1,410)	(4,146)	(4,472)	883	(9,145)	(23,992)	(2,090)	5,252	10,933	(9,897)	4,630	(30,844)	(9,873)	2,061	(34,026)	(11,209)
Capital expenditures	(2,126)	(3,164)	(3,708)	(2,627)	(11,625)	(3,515)	(2,876)	(5,269)	(1,632)	(13,292)	(2,940)	(3,802)	(4,368)	(4,220)	(15,330)	(4,518)
Restructuring payments	4,293	3,122	3,256	2,536	13,207	2,926	1,885	1,274	1,127	7,212	428	308	316	564	1,616	3,533
Restatement payments	-	1,514	3,919	7,728	13,161	10,351	5,737	6,814	5,756	28,658	2,117	1,507	-	321	3,945	-
Acquisition, integration and other payments	-	-	-	-	-	-	-	-	-	-	-	1,590	3,368	1,988	6,946	773
Efficiency program payments	-	-	-	-	-	-	-	-	-	-	-	-	-	1,556	1,556	1,981
Adjusted free cash flow	\$ 757	\$ (2,674)	\$ (1,005)	\$ 8,520	\$ 5,598	\$ (14,230)	\$ 2,656	\$ 8,071	\$ 16,184	\$ 12,681	\$ 4,235	\$ (31,241)	\$ (10,557)	\$ 2,270	\$ (35,293)	\$ (9,440)

AVID TECHNOLOGY, INC.
Definition of Key Metrics

	Key Metric	Avid's Definition of Key Metric
Bookings (1)	Bookings	Bookings is an operational metric that is defined as the amount of revenue we expect to earn from an agreement between Avid and a customer for goods and services over the course of the agreement. To count as a booking, we expect there to be persuasive evidence of an agreement between us and our customer and that the collectability of the amounts payable under the arrangement are reasonably assured.
	Marketed Bookings	Bookings as defined above, excluding the products and services not actively marketed to customers, as management believes these products are non-strategic due to lower growth, lower margin profiles.
	Recurring Revenue Bookings	Bookings that represent recurring business, such as annual multi year maintenance or support contracts purchased by our customers as well as any bookings associated with our subscription based model for our software.
Revenue Backlog (2)	Revenue Backlog (includes Pre-2011 and Post-2010 Deferred Revenue and Other Backlog)	Revenue backlog is an operational metric that is defined as firm orders received including (i) orders where the customer has paid in advance of our performance obligations being fulfilled, and (ii) orders for future product deliveries or services that have not yet been invoiced by us. We generally ship our products shortly after the receipt of an order. Orders that may exist at the end of a quarter and have not been shipped are not recognized as revenue and are included in revenue backlog.
	Deferred Revenue	Represents arrangement consideration paid in advance or invoiced and payable related to (i) the undelivered portion of annual support contracts, (ii) software arrangements for which VSOE of fair value of undelivered elements does not exist, (iii) Implied Maintenance Release PCS performance obligations, and (iv) in-process installations that are subject to substantive customer acceptance provisions. Note that pre-2011 and post-2010 deferred revenue outlined below are subsets of total deferred revenue.
	Pre-2011 Deferred Revenue	Deferred Revenue from arrangements originating before January 1, 2011. Prior to our adoption of ASU No. 2009-14 on January 1, 2011, the majority of our products were subject to software revenue recognition guidance that required us to recognize revenue ratably for periods as long as eight years from product delivery because we did not have VSOE of fair value for the Implied Maintenance Release PCS deliverable included in most of our customer arrangements.
	Post-2010 Deferred Revenue	Deferred Revenue from arrangements originating after December 31, 2010, which primarily represents the the Implied Maintenance Release PCS and other service and support elements to be recognized over time as services are rendered.
	Other Backlog	Represents orders for future product deliveries and services where cash has not been received or order has not yet invoiced, such as (i) product orders received but not yet shipped, (ii) professional services not yet rendered and (iii) future years of multi-year support agreements not yet billed.
Non-GAAP Measures (3)	These non-GAAP measures reflect how Avid manages its businesses internally.	
	Non-GAAP Revenue	GAAP revenue plus revenue eliminated through the application of purchase accounting which requires acquired deferred revenue to be recorded at fair value rather than the amount paid by customers.
	Non-GAAP Gross Profit Non-GAAP Gross Margin %	GAAP gross profit excluding stock based compensation and amortization of intangibles. Non-GAAP Gross Margin % is Non-GAAP Gross Profit divided by revenues.
	Non-GAAP Operating Expenses Non-GAAP Operating Income (Loss) Non-GAAP Net Income (Loss)	Each of these non-GAAP metrics exclude restructuring costs, stock based compensation, amortization and impairment of intangibles as well as other unusual items such as costs related to the restatement, M&A related activity, and impact of significant legal settlements.
	Adjusted EBITDA Adjusted EBITDA Margin %	Non-GAAP operating income (loss) excluding depreciation and all amortization expense. Adjusted EBITDA Margin % is Adjusted EBITDA divided by revenues.
	Adjusted Free Cash Flow Adjusted Free Cash Flow Conversion %	GAAP operating cash flow less capital expenditures and excluding payments or receipts related to M&A, significant legal settlements, restructuring, restatement or other non-operational or non-recurring events. Adjusted Free Cash Flow Conversion % is Adjusted Free Cash Flow divided by Adjusted EBITDA.

(1) Due to the timing of revenue recognition, all of the revenue related to the booking may not be recorded in the period that it was transacted and would therefore be reported as part of revenue backlog and/or deferred revenue, thereby providing visibility into future revenue. However, because our bookings are based on orders that, under certain circumstances can be cancelled or adjusted, bookings may not convert into revenue earned.

(2) Refer to the Revenue Recognition Accounting Policies in our 2014 Form 10-K and our 2015 Form 10-Qs filed with the SEC for a complete description of the timing and methodology of revenue recognition and risks related thereto. Certain orders included in revenue backlog may be reduced, canceled or deferred by our customers. The expected timing of the recognition or amortization of revenue backlog into revenue is based on current estimates and could change based on a number of factors, including (i) the timing of delivery of products and services, (ii) customer cancellations or change orders, (iii) changes in the estimated period of time Implied Maintenance Release PCS is provided to customers or (iv) changes in accounting standards or policies. Implied Maintenance Release PCS, as we define it, is the implicit obligation to make software updates available to customers over a period of time that represents implied post-contract customer support, or PCS, and is deemed to be a deliverable in each arrangement and accounted for as a separate element.

(3) Avid's non-GAAP measures may vary from how other companies present non-GAAP measures. Non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles. This non-GAAP information supplements, and is not intended to represent a measure of performance in accordance with, disclosures required by generally accepted accounting principles, or GAAP. Non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP.