

COMPANY UPDATE

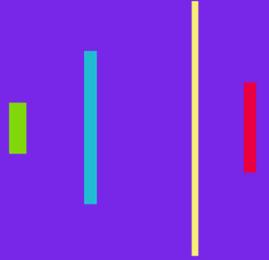
Avid Technology (Nasdaq: AVID)

January 2022

MEDIA COMPOSER
DISTRIBUTED PROCESSING

Offload processor-intensive media creation
workflow tasks to any available local computers





NON-GAAP MEASURES & OPERATIONAL METRICS

The following non-GAAP measures & operational metrics will be used in the presentation:

Non-GAAP Measures

- Adjusted EBITDA
- Adjusted EBITDA Margin
- Free Cash Flow
- Non-GAAP Gross Profit
- Non-GAAP Gross Margin
- Non-GAAP Operating Expenses
- Non-GAAP Net Income
- Non-GAAP Net Income per Share
- LTM Adjusted EBITDA

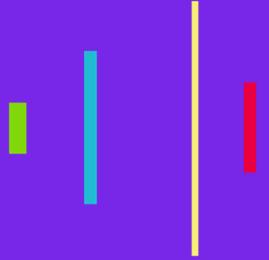
Operational Metrics

- Cloud Enabled Software Subscriptions
- LTM Recurring Revenue %
- Annual Contract Value (“ACV”)
- Revenue Backlog

Reconciliations of all non-GAAP measures used in this presentation that are required to be reconciled to their comparable GAAP measures are included in this presentation and in our press release announcing Q3 2021 results published on November 9, 2021 and filed as an exhibit to our 8-K filed with the SEC on November 9, 2021, and definitions of the operational metrics used in this presentation are included in the supplemental financial information datasheet available on ir.avid.com. Avid believes the non-GAAP measures and the operational metrics provided in this presentation provide helpful information to investors with respect to evaluating the Company’s performance. However, these non-GAAP measures and operational metrics may vary from how other companies present such measures. Non-GAAP measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP.

The presentation also includes expectations for future Adjusted EBITDA, Non-GAAP Net Income per Share and Free Cash Flow, which are forward-looking non-GAAP financial measures. Reconciliations of these forward-looking non-GAAP measures are not included in this presentation or elsewhere, due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from the estimation of the non-GAAP results, together with some of the excluded information not being ascertainable or accessible at this time. As a result, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measure without unreasonable efforts.





SAFE HARBOR STATEMENT



Certain information provided in this presentation includes forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include statements regarding our future financial performance or position, results of operations, business strategy, plans and objectives of management for future operations, and other statements that are not historical fact. You can identify forward-looking statements by their use of forward-looking words such as “may”, “will”, “anticipate”, “expect”, “believe”, “estimate”, “intend”, “plan”, “should”, “seek”, or other comparable terms.

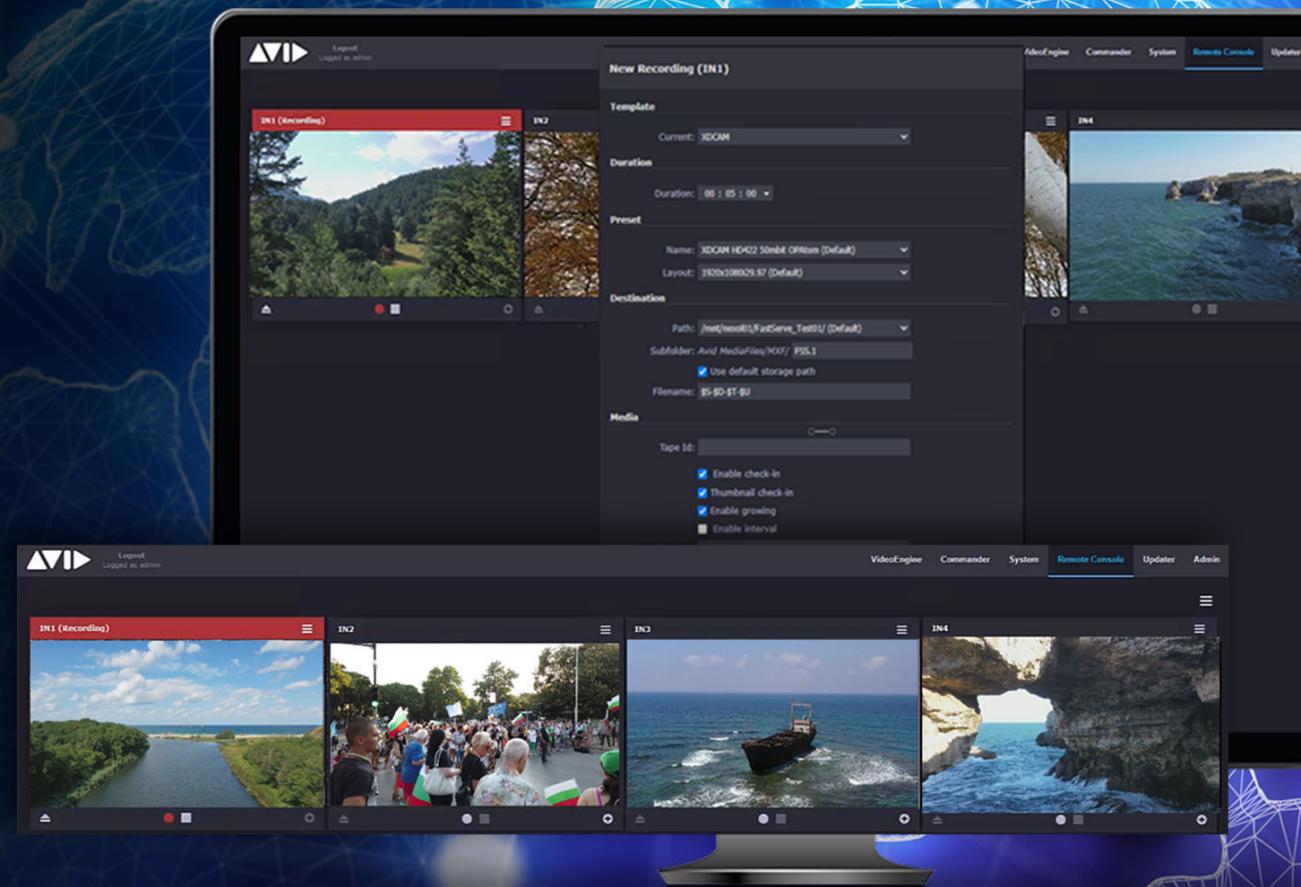
Readers of this presentation should understand that these forward-looking statements are not guarantees of performance or results. Forward-looking statements provide our current expectations and beliefs concerning future events and are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements.

These risks, uncertainties, and factors include, but are not limited to: risks related to the impact of the coronavirus (COVID-19) outbreak and its variants on our business, suppliers, consumers, customers and employees; our liquidity; our ability to execute our strategic plan including our cost saving strategies, and to meet customer needs; our ability to retain and hire key personnel; our ability to produce innovative products in response to changing market demand, particularly in the media industry; our ability to successfully accomplish our product development plans; competitive factors; history of losses; fluctuations in our revenue based on, among other things, our performance and risks in particular geographies or markets; our higher indebtedness and ability to service it and meet the obligations thereunder; restrictions in our credit facilities; our move to a subscription model and related effect on our revenues and ability to predict future revenues; fluctuations in subscription and maintenance renewal rates; elongated sales cycles; fluctuations in foreign currency exchange rates; seasonal factors; adverse changes in economic conditions; variances in our Revenue Backlog and the realization thereof; risks related to the availability and prices of raw materials, including any negative effects caused by inflation, weather conditions, or health pandemics; disruptions or inefficiencies in our supply chain and/or operations, including from the COVID-19 outbreak; the costs, disruption, and diversion of management’s attention due to the COVID-19 outbreak; the possibility of legal proceedings adverse to our Company; and other risks described in our reports filed from time to time with the U.S. Securities and Exchange Commission. Moreover, the business may be adversely affected by future legislative, regulatory or other changes, including tax law changes, as well as other economic, business and/or competitive factors. The risks included above are not exhaustive. We caution readers not to place undue reliance on any forward-looking statements included in this presentation which speak only as to the date of this presentation. We undertake no responsibility to update or revise any forward-looking statements, except as required by law.

BUSINESS UPDATE

Jeff Rosica

Chief Executive Officer & President



MEDIACENTRAL | STREAM

Simple, reliable and secure contribution from IP streams into Avid's MediaCentral platform for fast turnaround workflows





If you **enjoy** the movies,
watch television or
listen to music—you're
experiencing **AVID** tools
and solutions at work

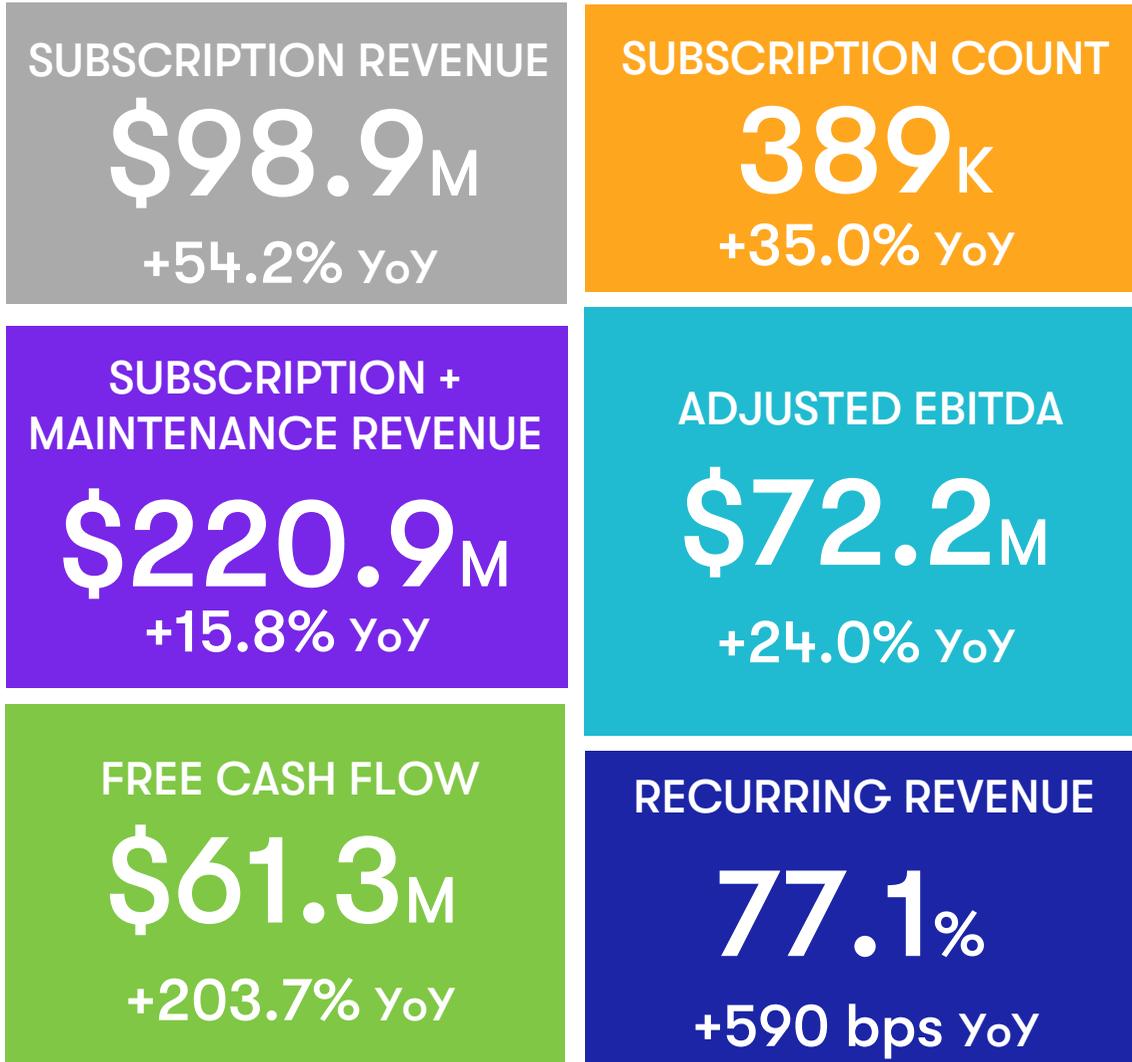




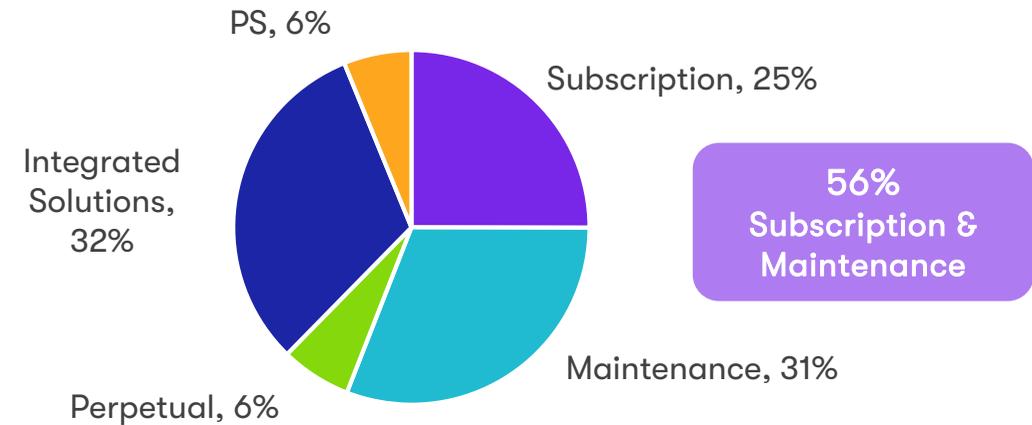
Many award-winning artists & media creators, the leading studios and major broadcasters all rely on **AVID** to create content



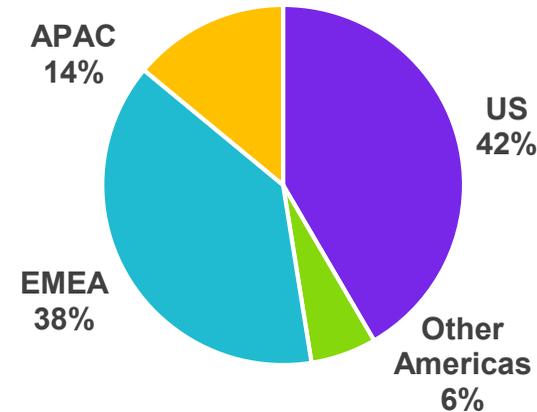
AVID BY THE NUMBERS



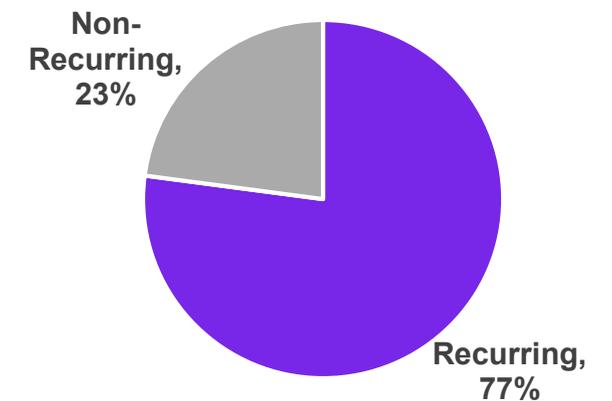
REVENUE BY TYPE



REVENUE BY GEO



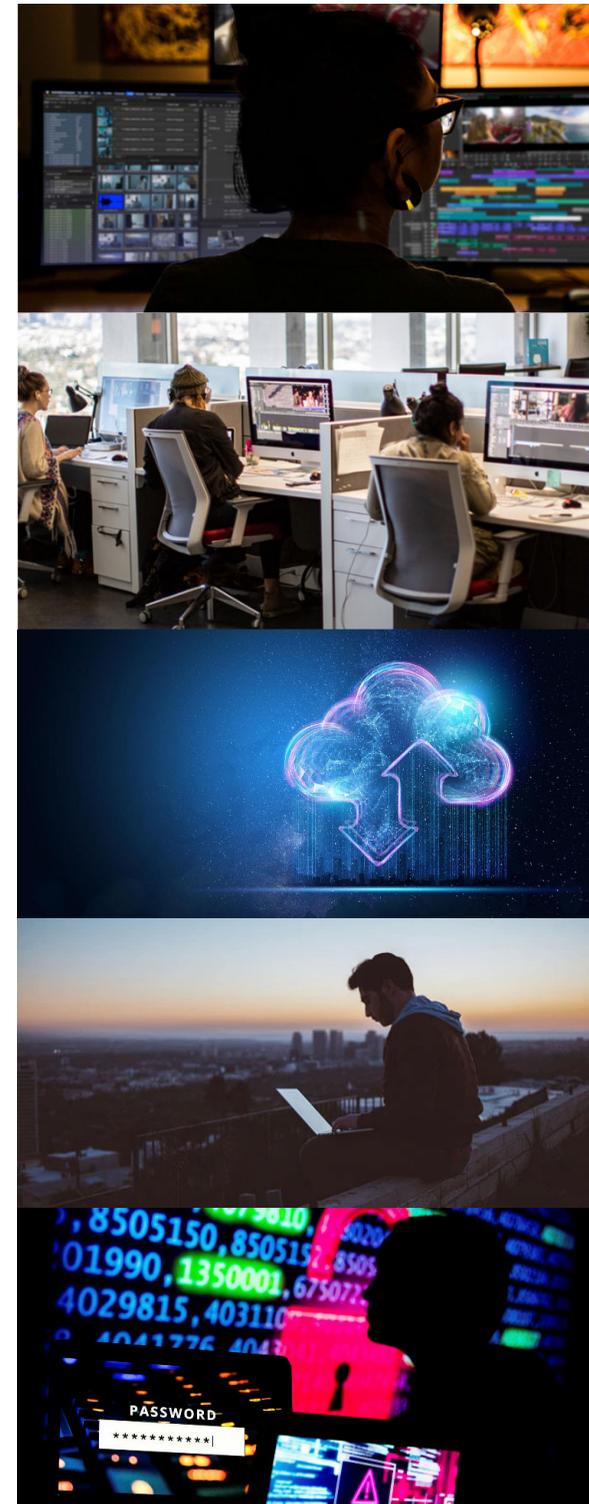
RECURRING REVENUE %



Unless otherwise noted, all data is for LTM (Last 12 Months) period ending Q3'2021, with YoY comparison to 12 months ending Q3'2020. Subscription count is paid Cloud-enabled software subscriptions as of September 30, 2021.

INVESTMENT THESIS

- 1 Market leading media technology provider of **innovative software and solutions** with **sticky customer relationships**
- 2 **Big shifts in media markets** driving technology refreshes and customer requirements that play well into Avid's unique strengths
- 3 **Period of accelerating subscription growth** with expected continued growth from creatives plus new growth coming from enterprises
- 4 Early stages of the **transition to SaaS & cloud** for the media industry, with Avid holding an early mover advantage
- 5 **Increasing need for better interoperability** between software tools in rapidly expanding market of **tens of millions creative pros**
- 6 Positive performance trajectory delivering continued **strong improvement in revenue growth, profitability and free cash flow**



INDUSTRY-TRUSTED SOFTWARE AND SOLUTIONS

CREATIVE SOFTWARE

The industry's preferred suite of powerful creative software tools for creating high-quality audio and video content



Pro Tools
DAW



Media
Composer
Video Editor



Sibelius
Notation



Avid Link
Community



MediaCentral
Editorial
Management

ENTERPRISE SOFTWARE

Media's leading cloud-enabled, secure and open platform for media production workflows to create content more efficiently



MediaCentral
Production
Management



MediaCentral
Newsroom
Management



MediaCentral
Asset
Management



MediaCentral
Graphics
Management

INTEGRATED SOLUTIONS

Integrated hardware + software solutions that offer advanced capabilities and help uniquely position the company's offering



S1, S4, S6, S6L
Control
Surfaces



Video &
Audio I/O



NEXIS
Storage



FastServe
Video
Servers



Maestro
Graphics



DRIVING MULTIPLE TIERS OF SUBSCRIPTION GROWTH

- Heavy focus on driving the **continued growth of creative tools** subscriptions
- **Enterprise subscriptions** providing an **additional growth** driver since Q4 2020 launch
- Beginning stage of **new growth engine** with **Cloud/SaaS** solutions offering

CLOUD

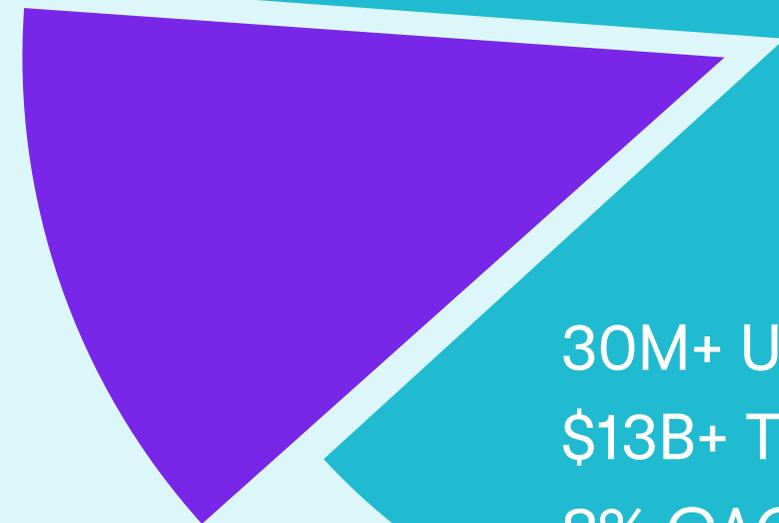
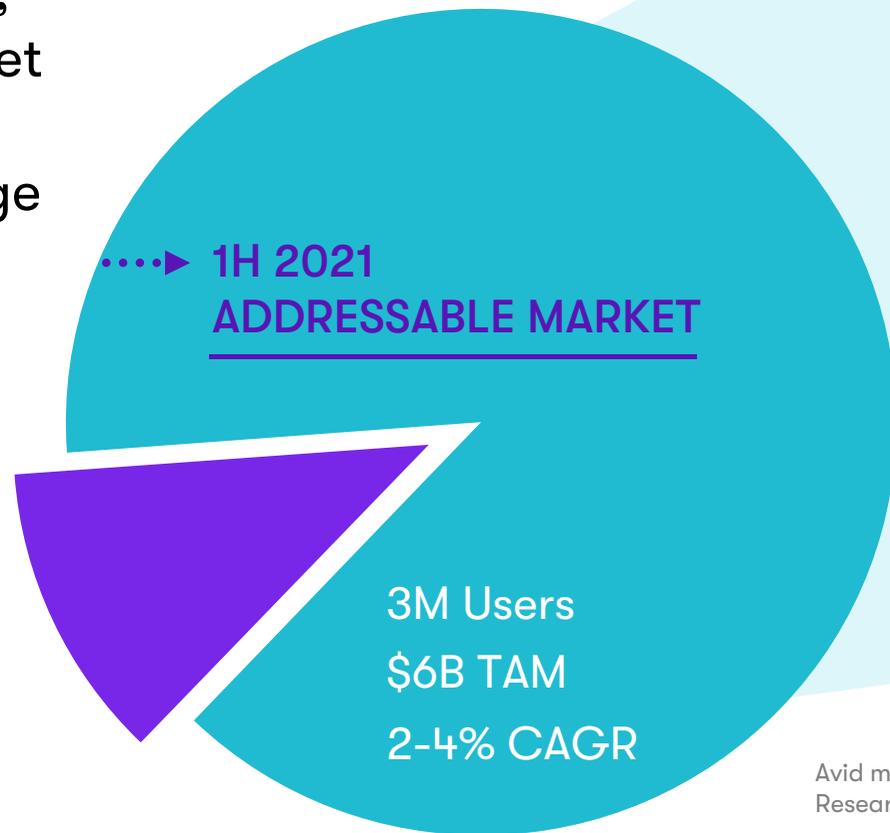
ENTERPRISE

CREATIVE



EXPANDING OUR MARKET AND GROWTH OPPORTUNITIES

Pursuing attractive market opportunities in the growing music creation segment, professional video market and the wider media content and data storage product category through technology innovation and go-to-market expansion moves



Avid market estimates based on Frost & Sullivan (2020), IABM-DC (2020), MiDiA Research (2020) and Coughlin & Associates (2020)



LOOKING FORWARD

- We expect continued solid growth trajectory of subscriptions for creative tools
- We anticipate continued strong enterprise software subscription adoption
- Continued stream of innovative software releases planned to fuel subscription growth
- Keeping focus on cost discipline while investing in digital transformation and innovation for growth
- We expect continued strong margins, profitability and Free Cash Flow conversion



Q3 2021 FINANCIAL RESULTS

Ken Gayron

Executive Vice President
& Chief Financial Officer

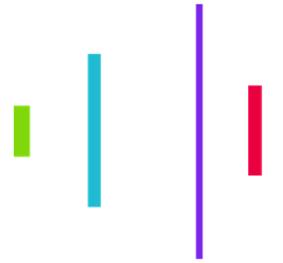


PRO TOOLS 2021.10

Providing everything you need to turn ideas
into Grammy®-level music productions



Q3 2021 EXECUTIVE SUMMARY



1

Strong subscription revenue growth driven by both creative tools and enterprise solutions

2

Strengthening recovery of end markets also contributed to robust overall growth

3

Continue to deliver consistent profitability and strong Free Cash Flow conversion

Strong performance in Q3 2021 gives us confidence in our expected Q4 2021 business performance trajectory



Q3 2021 RESULTS – BY THE NUMBERS

+56.4% *YoY*

SUBSCRIPTION REVENUE

+20.5% *YoY*

SUBSCRIPTION +
MAINTENANCE REVENUE

65.3%

NON-GAAP GROSS MARGIN
+140bps QoQ

+35.0% *YoY*

CLOUD-ENABLED
SOFTWARE SUBSCRIPTIONS

+16.3% *YoY*

INTEGRATED SOLUTIONS
REVENUE

16.8%

ADJUSTED EBITDA MARGIN
+10bps QoQ

+19,300

CLOUD-ENABLED SOFTWARE
SUBSCRIPTIONS ADDED IN Q3
389,000 TOTAL AT SEPT 30

\$101.6M

TOTAL REVENUE
+12.4% YoY

\$14.0M

FREE CASH FLOW
+152.4% QoQ

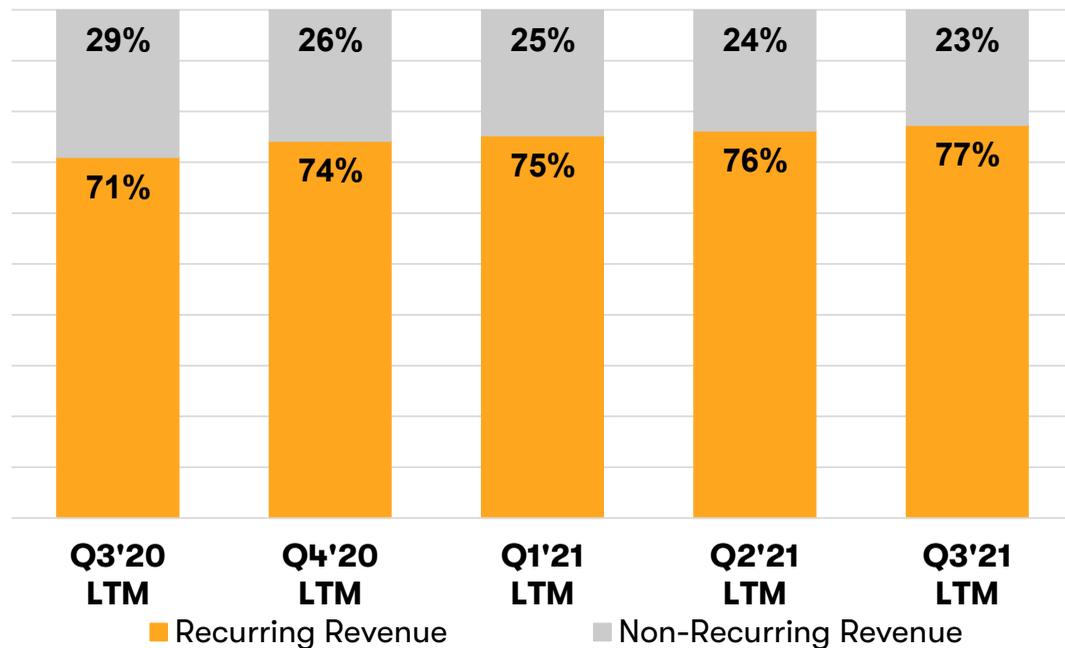


Note: Cloud-enabled software subscriptions reflect adjustments made in third quarter of 2021. See page 14 of Q3 2021 Earnings Presentation for details.

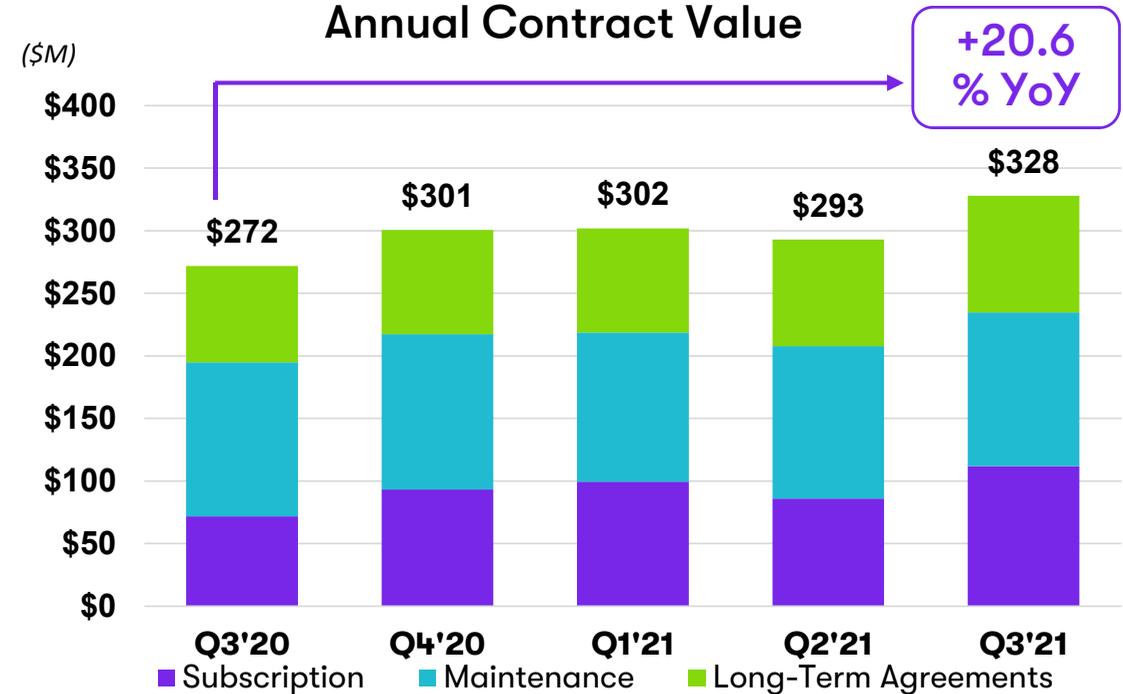
LTM RECURRING REVENUE % AND ACV METRICS

LTM Recurring Revenue % increased 590 bps YoY to 77.1% and Annual Contract Value increased +20.6% YoY

LTM Recurring Revenue %



Annual Contract Value



Continued increase in LTM Recurring Revenue %, driven by strength in subscription and maintenance revenue and Long-Term Agreements

ACV improved YoY and QoQ due to enterprise Subscription growth and Long-Term Agreements



Note: Long-Term Agreement contribution to ACV excludes maintenance and subscription portion

FY 2021 GUIDANCE

As presented during Q3 2021 earnings call on November 9, 2021

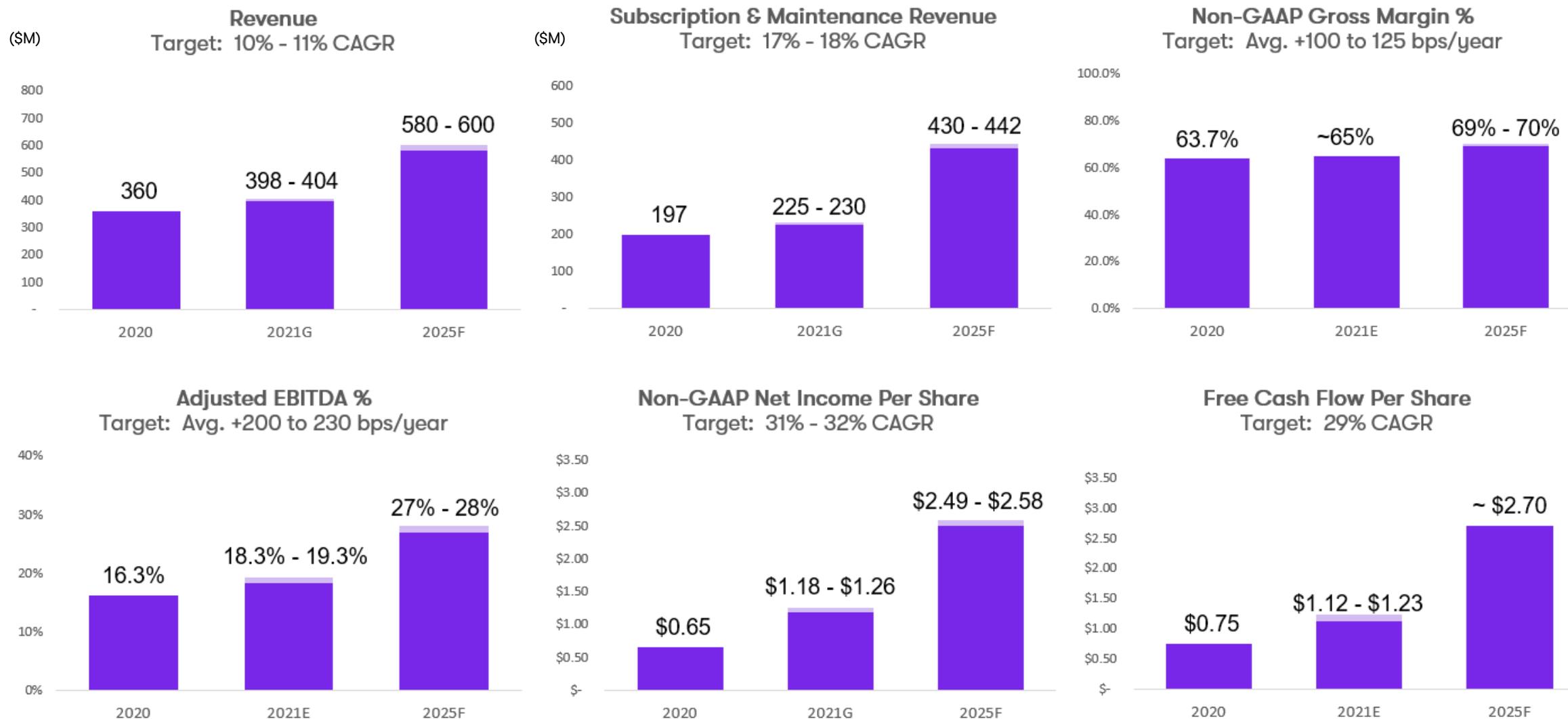
(\$M, except per share)	Full-Year 2021 Guidance		2020 Actual	YoY Change at Midpoint of 2021 Guidance
	Low	High		
Revenue	\$398	\$404	\$360.5	11.2%
Subscription & Maintenance Revenue	\$225	\$230	\$197.0	15.5%
Non-GAAP Net Income per Share ⁽¹⁾	\$1.18	\$1.26	\$0.65	87.7%
Adjusted EBITDA	\$73	\$78	\$58.6	28.8%
Free Cash Flow	\$52	\$57	\$33.9	60.9%



(1) Assumes 46.3M shares for FY 2021.

KEY LONG-TERM MODEL TARGETS

2025 targets as presented at May 2021 Investor Day



2021G = 2021 Guidance (as revised on November 9, 2021; assumes +6.3M shares for FY2021); 2021E = 2021 estimate consistent with guidance. CAGR calculated from 2020A-2025F. We do not consider our five-year operating model for 2022F through 2025F to be financial guidance, and we do not intend to provide any updates with respect to such outlook.

Q&A



Q3 2021 & LTM Q3 2021 FINANCIAL RESULTS

Growth in revenue yielded continued healthy profitability

(\$M, except per share)

	<u>Q3'20²</u>	<u>Q2'21</u>	<u>Q3'21</u>	<u>YoY change Fav/(Unfav)</u>	<u>QoQ change Fav/(Unfav)</u>	<u>LTM Q3 2020²</u>	<u>LTM Q3 2021</u>	<u>Change Fav/(Unfav)</u>
Revenue	\$90.4	\$94.9	\$101.6	12.4%	7.1%	\$372.5	\$395.2	6.1%
Subscription & Maintenance Revenue	48.7	52.0	58.7	20.5%	13.0%	190.8	220.9	15.8%
Non-GAAP Gross Profit	58.7	60.6	66.3	13.0%	9.5%	237.3	254.6	7.3%
<i>Non-GAAP Gross Margin</i>	<i>64.9%</i>	<i>63.9%</i>	<i>65.3%</i>	<i>40 bps</i>	<i>140 bps</i>	<i>63.7%</i>	<i>64.4%</i>	<i>70 bps</i>
Non-GAAP Operating Expenses	\$41.4	\$47.0	\$51.3	(24.1%)	(9.2%)	\$187.6	\$191.0	(1.8%)
Non-GAAP Net Income	12.2	11.6	12.4	1.9%	7.1%	26.1	52.3	100.6%
<i>Non-GAAP Net Income per Share</i>	<i>\$0.27</i>	<i>\$0.25</i>	<i>\$0.27</i>	<i>\$0.00</i>	<i>\$0.02</i>	<i>\$0.59</i>	<i>\$1.13</i>	<i>\$0.55</i>
Adjusted EBITDA	19.3	15.8	17.0	(11.9%)	7.7%	58.2	72.2	24.0%
<i>Adjusted EBITDA Margin %</i>	<i>21.4%</i>	<i>16.7%</i>	<i>16.8%</i>	<i>(460 bps)</i>	<i>10 bps</i>	<i>15.6%</i>	<i>18.3%</i>	<i>270 bps</i>
Free Cash Flow	\$15.5	\$5.6	\$14.0	(\$1.5)	\$8.5	\$20.2	\$61.3	\$41.1
Change in Working Capital¹	\$3.0	(\$6.5)	\$2.9	(\$0.0)	\$9.5	(\$12.1)	\$9.5	\$21.6
Capital Expenditures	(\$2.4)	(\$1.0)	(\$2.5)	(\$0.1)	(\$1.5)	(\$7.2)	(\$4.8)	\$2.4



(1) (Increase) decrease in working capital during a period is the change in operating assets and liabilities, as shown on the consolidated statement of cash flows.
 (2) Q2'20 and Q3'20 periods included significant temporary cost savings measures due to COVID-19, including (\$6.0M)/qtr. savings from employee furloughs.



BALANCE SHEET AS OF SEPTEMBER 30, 2021

(\$M)	<u>9/30/20</u>	<u>12/31/20</u>	<u>9/30/21</u>
Cash and Cash Equivalents	\$49.1	\$79.9	\$50.5
Accounts Receivable	59.7	78.6	58.1
Contract Assets	15.3	18.6	22.6
Net Inventory	28.4	26.6	22.2
Accounts Payable	13.5	21.8	22.4
Deferred Revenue	81.2	99.3	86.8
Total Debt	208.2	207.7	172.1
Net Debt	159.1	127.8	121.7
Net Debt / LTM Adjusted EBITDA	2.7x	2.2x	1.7x



(1) Net Debt = Total Debt – Cash and Cash Equivalents

REVENUE & NON-GAAP GROSS MARGIN BY TYPE

(\$M)	Q3 2020	Q2 2021	Q3 2021	Q3 2021 Q/Q %	Q3 2021 Y/Y %	LTM Q3 2021
Revenue						
Subscriptions	\$17.9	\$21.5	\$28.0	30.2%	56.4%	\$98.9
Maintenance	30.8	30.4	30.7	0.9%	(0.4%)	122.0
Subscriptions and Maintenance	\$48.7	\$52.0	\$58.7	13.0%	20.5%	\$220.9
Perpetual Licenses	9.0	5.9	5.7	(3.1%)	(36.7%)	25.3
SW Licenses and Maintenance	\$57.7	\$57.8	\$64.4	11.4%	11.6%	\$246.2
Integrated Solutions	26.8	31.3	31.2	(0.5%)	16.3%	124.6
Professional Services & Training	5.9	5.7	6.1	5.8%	2.7%	24.3
Total Revenue	\$90.4	\$94.9	\$101.6	7.1%	12.4%	\$395.2
Software Revenue (Subscriptions + Perpetual Licenses)	\$26.9	\$27.4	\$33.7	23.1%	25.3%	\$124.2
Non-GAAP Gross Margin						
SW Licenses and Maintenance	85.2%	79.8%	82.5%	270 bps	(270 bps)	82.3%
Integrated Solutions	30.3%	44.7%	40.7%	(400 bps)	1040 bps	39.0%
Professional Services & Training	23.7%	8.2%	9.2%	100 bps	(1450 bps)	13.5%
Total Non-GAAP Gross Margin %	64.9%	63.9%	65.3%	140 bps	40 bps	64.4%



Note: Non-GAAP Gross Margin by revenue type excludes stock-based compensation and amortization of intangible assets

RECONCILIATION OF NON-GAAP GROSS PROFIT AND NON-GAAP OPERATING EXPENSES

AVID TECHNOLOGY, INC.

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

(unaudited - in thousands)

	Q3 2021	Q2 2021	Q3 2020	LTM Q3 2021	LTM Q3 2020
GAAP Revenue					
GAAP Revenue	\$ 101,640	\$ 94,876	\$ 90,431	\$ 395,181	\$ 372,471
Non-GAAP Gross Profit					
GAAP Gross Profit	65,903	60,138	58,257	252,807	236,243
Stock-based compensation	444	478	433	1,793	1,105
Non-GAAP Gross Profit	<u>\$ 66,347</u>	<u>\$ 60,616</u>	<u>\$58,690</u>	<u>\$ 254,600</u>	<u>\$ 237,348</u>
GAAP Gross Margin	64.8%	63.4%	64.4%	64.0%	63.4%
Non-GAAP Gross Margin	65.3%	63.9%	64.9%	64.4%	63.7%
Non-GAAP Operating Expenses					
GAAP Operating Expenses	56,355	51,140	45,140	212,873	199,795
Less Amortization of intangible assets	(105)	(105)	(105)	(420)	(306)
Less Stock-based compensation	(3,337)	(3,159)	(2,865)	(11,574)	(9,197)
Less Restructuring costs, net	88	(15)	(723)	(5,039)	(1,121)
Less Restatement costs	-	-	-	-	15
Less Acquisition, integration and other costs	(876)	(838)	-	(3,098)	(805)
Less Efficiency program costs	-	-	(79)	(934)	(504)
Less Digital Transformation	(808)	-	-	(808)	-
Less COVID-19 related expenses	-	(20)	(3)	(49)	(251)
Non-GAAP Operating Expenses	<u>\$ 51,317</u>	<u>\$ 47,003</u>	<u>\$ 41,365</u>	<u>\$ 190,951</u>	<u>\$ 187,626</u>

These non-GAAP measures reflect how Avid manages its businesses internally. 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.



RECONCILIATION OF NON-GAAP OPERATING INCOME, ADJUSTED EBITDA, AND ADJUSTED EBITDA MARGIN

AVID TECHNOLOGY, INC.

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

(unaudited - in thousands)

	Q3 2021	Q2 2021	Q3 2020	LTM Q3 2021	LTM Q3 2020
Non-GAAP Operating Income and Adjusted EBITDA					
GAAP net income	14,775	7,006	7,987	33,259	19,345
Interest and other expense	(6,218)	1,633	4,423	5,017	20,788
Provision for income taxes	991	359	707	1,658	(3,685)
GAAP Operating Income	9,548	8,998	13,117	39,934	36,448
Amortization of intangible assets	105	105	105	420	306
Stock-based compensation	3,781	3,637	3,297	13,367	10,302
Restructuring costs, net	(88)	15	723	5,039	1,121
Restatement costs	-	-	-	-	(15)
Acquisition, integration and other costs	876	838	-	3,098	805
Efficiency program costs	-	-	79	934	504
Digital Transformation	808	-	-	808	-
COVID-19 related expenses	-	20	3	49	251
Non-GAAP Operating Income	<u>\$ 15,030</u>	<u>\$ 13,613</u>	<u>\$ 17,324</u>	<u>\$ 63,649</u>	<u>\$ 49,722</u>
Depreciation	2,002	2,202	2,004	8,511	8,484
Adjusted EBITDA	<u>\$ 17,032</u>	<u>\$ 15,815</u>	<u>\$ 19,328</u>	<u>\$ 72,160</u>	<u>\$ 58,206</u>
GAAP net income margin	14.5%	7.4%	8.8%	8.4%	5.2%
Adjusted EBITDA Margin	16.8%	16.7%	21.4%	18.3%	15.6%

These non-GAAP measures reflect how Avid manages its businesses internally. 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.



RECONCILIATION OF NON-GAAP NET INCOME, NON-GAAP NET INCOME PER SHARE AND FREE CASH FLOW

AVID TECHNOLOGY, INC.

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

(unaudited - in thousands)

	Q3 2021	Q2 2021	Q3 2020	LTM Q3 2021	LTM Q3 2020
Non-GAAP Net Income					
GAAP net income	14,775	7,006	7,987	33,259	19,345
Amortization of intangible assets	105	105	105	420	306
Stock-based compensation	3,781	3,637	3,297	13,367	10,302
Restructuring costs, net	(88)	15	723	5,039	1,121
Restatement costs	-	-	-	-	(15)
Acquisition, integration and other costs	876	838	-	3,098	805
Efficiency program costs	-	-	79	934	504
Digital Transformation	808	-	-	808	-
Gain on forgiveness of PPP Loan	(7,800)	-	-	(7,800)	-
COVID-19 related expenses	-	20	3	49	251
Loss on Extinguishment of debt	-	-	-	3,748	7
Tax impact of non-GAAP adjustments	(25)	(10)	5	(645)	(6,566)
Non-GAAP Net Income	<u>\$ 12,432</u>	<u>\$ 11,611</u>	<u>\$ 12,199</u>	<u>\$ 52,277</u>	<u>\$ 26,060</u>
Weighted-average share count (Basic)	45,564	45,211	44,019	45,115	44,019
Weighted-average share count (Diluted)	46,428	46,550	44,758	46,449	44,758
Non-GAAP Earnings per Share (Basic)	\$ 0.27	\$ 0.26	\$ 0.28	\$ 1.16	\$ 0.59
Non-GAAP Earnings per Share (Diluted)	\$ 0.27	\$ 0.25	\$ 0.27	\$ 1.13	\$ 0.58
Free Cash Flow					
Net cash provided by operating activities	16,521	6,585	17,955	66,123	27,362
Capital expenditures	(2,475)	(1,021)	(2,407)	(4,823)	(7,175)
Free Cash Flow	<u>\$ 14,046</u>	<u>\$ 5,564</u>	<u>\$ 15,548</u>	<u>\$ 61,300</u>	<u>\$ 20,187</u>
Free Cash Flow conversion from Adjusted EBITDA	82.5%	35.2%	80.4%	84.9%	34.7%

These non-GAAP measures reflect how Avid manages its businesses internally. 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.



RECONCILIATION OF LTM ADJUSTED EBITDA AND LTM ADJUSTED EBITDA MARGIN

AVID TECHNOLOGY, INC.

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

(unaudited - in thousands)

	Nine Months Ended September 30,		Year Ended December 31,	Last Twelve Months (LTM)	Last Twelve Months (LTM)
	2021	2020	2020	Q3 2021	Q3 2020
GAAP revenue	\$ 290,880	\$ 256,165	\$ 360,466	\$ 395,181	\$ 372,471
Non-GAAP Operating Income and Adjusted EBITDA					
GAAP net income	26,172	3,975	11,062	33,259	19,345
Interest and other expense	1,088	15,204	19,133	5,017	20,788
Provision for income taxes	1,832	1,546	1,372	1,658	(3,685)
GAAP operating income	29,092	20,725	31,567	39,934	36,448
Amortization of intangible assets	315	306	411	420	306
Stock-based compensation	10,835	8,132	10,664	13,367	10,302
Restructuring costs, net	1,001	1,008	5,046	5,039	1,121
Restatement costs	-	-	-	-	(15)
Acquisition, integration and other costs	2,083	(183)	832	3,098	805
Efficiency program costs	48	445	1,331	934	504
Digital Transformation	808	-	-	808	-
COVID-19 related expenses	22	251	278	49	251
Non-GAAP Operating Income	\$ 44,204	\$ 30,684	\$ 50,129	\$ 63,649	\$ 49,722
Depreciation	6,323	6,317	8,505	8,511	8,484
Adjusted EBITDA	\$ 50,527	\$ 37,001	\$ 58,634	\$ 72,160	\$ 58,206
GAAP net income margin	9.0%	1.6%	3.1%	8.4%	5.2%
Adjusted EBITDA Margin	17.4%	14.4%	16.3%	18.3%	15.6%
				LTM Adjusted EBITDA	

These non-GAAP measures reflect how Avid manages its businesses internally. 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.





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