

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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): December 23, 2015

AVID TECHNOLOGY, INC.
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

1-36254
(Commission File Number)

04-2977748
(I.R.S. Employer
Identification No.)

75 Network Drive, Burlington, Massachusetts 01803
(Address of Principal Executive Offices) (Zip Code)

(978) 640-6789
(Registrant's Telephone Number, Including Area Code)

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 7.01 Regulation FD Disclosure

Avid Technology, Inc. (the "Company") has posted on the Avid investor relations website page an updated investor relations presentation deck. The presentation deck is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Limitation on Incorporation by Reference. The information furnished in Item 7.01 and in Exhibit 99.1 hereto shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Cautionary Note Regarding Forward-Looking Statements. Except for historical information contained in this Form 8-K and Exhibit 99.1 hereto, the Form 8-K and exhibit contain forward-looking statements that involve certain risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these statements. Please refer to the cautionary notes in the presentation deck regarding these forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

The following exhibits relating to Item 7.01 shall be deemed to be furnished, and not filed:

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
99.1	Presentation Deck dated December 23, 2015

SIGNATURE

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.

AVID TECHNOLOGY, INC.

(Registrant)

Date: December 23, 2015

By: /s/ John W. Frederick

Name: John W. Frederick

Title: Executive Vice President, Chief Financial Officer and Chief Administrative Officer



Avid Technology:
Key Value Creation Strategy Highlights
December 23, 2015

Safe Harbor Statement

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Additional information concerning these statements is contained in the Risk Factors and Forward-Looking Statements sections of the Company's 2014 Annual Report on Form 10-K and 2015 Quarterly Reports on Form 10-Q. Copies of these filings are available from the SEC, the Avid Technology web site or the Company's Investor Relations Department.



Non-GAAP and Operational Measures

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- *Adjusted EBITDA and Adjusted EBITDA Margin*
- *Adjusted Free Cash Flow and Adjusted Free Cash Flow Conversion*
- *Non-GAAP Operating Income (loss)*
- *Non-GAAP Gross Profit and Non-GAAP Gross Margin*
- *Non-GAAP Operating Expenses*
- *Bookings, Marketed Bookings, Recurring Revenue Bookings*
- *Revenue Backlog*

These Non-GAAP and operational measures are defined and the Non-GAAP measures are reconciled with GAAP measures in an appendix to this presentation.



Avid At-a-Glance

Avid Technology, Inc. is the premier provider of technology solutions to media companies to create, manage, distribute and monetize media content

Total revenues
Over \$530M in FY2014

Trusted partner
For customers in 140 countries

Employees
Over 2,100 FTEs in offices located in 26 countries

Trades on NASDAQ under the ticker
AVID

Headquartered in
Burlington, MA

Category creator with
25-year heritage of
innovation and industry leadership

Comprehensive media technology
suite and leading global brands,
including Avid Everywhere



Investment Highlights

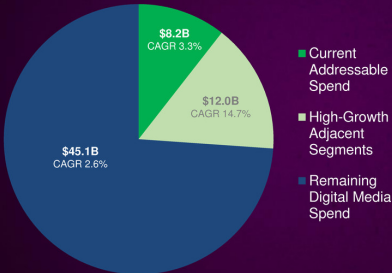
- Large and Growing Market in Transition** ➤ Growing \$65B media technology market in transition as spending rapidly shifts to address changing business needs, creating significant opportunities for growth as media companies are forced to quickly adapt
- Unparalleled Market Position** ➤ Avid is a trusted market leader and innovator in media technology solutions, with a broad product portfolio and deep distribution reach
- Clear Path to Value Creation** ➤ Avid has a clearly articulated platform-based strategy to leverage its market position and capitalize on attractive market growth to create additional value for all shareholders
- Transformation Well Underway** ➤ Avid has made and demonstrated significant progress executing against its strategic plan and re-positioning for growth
- Strengthening Performance** ➤ Avid's transformation has already delivered operational improvements and near-term benefits for shareholders



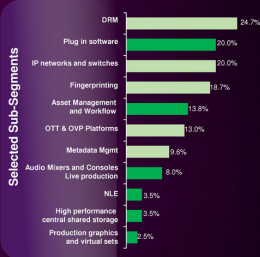
Avid Operates in a Large Market with High-Growth Segments

Avid has expanded its offering to now address \$8.2B of the \$65B media technology market, with significant room to grow

Current and adjacent segments are projected to grow faster than the overall market



Breakdown of \$65B Media Technology Market in 2014



Selected Segments Multi-Year CAGR

Major Industry Transition is Creating Growth Opportunities

Emerging Industry Trends

Digitization drives growth in content creation, consumption, distribution...

- Rate of content creation up 2x-4x
- Number of distribution platforms up > 10x
- Content consumption up 1.5x
- Media tech budgets up only 3-4%

...But disrupts the traditional, linear media value chain

- Breaks down siloes
- Changes channels and formats of distribution
- Increases emphasis on collaboration, security and measurement
- Budgets are shifting to higher growth portions of value chain

Industry Constants

All media companies still need to:

- Create high quality content
- Maximize asset value
- Ensure efficiency
- Distribute across multiple devices and channels
- Do it all in a safe and secure way

Avid's Solution Designed for the Whole Industry

Traditional media companies must:

- ✓ Lower operating costs in traditional areas
- ✓ Reduce interconnectivity friction
- ✓ Invest in growth areas

Next-generation media companies must:

- ✓ Invest in growth areas
- ✓ Scale quickly and more efficiently
- ✓ Leverage multiple platforms for distribution



Avid is a Trusted Market Leader with Global Reach and Positioned to Lead Industry Revolution

- ✓ **6 of 6 ...** of the **major film studios** use **Avid products**
- ✓ **9 of 10 ...** of the **leading international news networks** use **Avid products**
- ✓ **4 of 5 ...** of the **largest station group owners** use **Avid products**
- ✓ **~70% ...** of **today's music commercially published** with **Avid products**
- ✓ **80-90% ...** of **original content from leading streaming providers** produced with **Avid Solutions**

Product

Avid has wide product and global customer breadth participating in a majority of broadcast and media technology segments

Geography

Broad and diverse distribution channels

- Sales into 140 countries
- Over 55% of revenue originates outside of North and South America
- More than 550+ channel partners globally



Avid's Clear Path to Value Creation

Improve performance
in our current
markets

- Realign product portfolio with industry growth trends
- Enhance customer outreach and engagement
- Maximize value of customer relationships
- Align cost structure with growth strategy

Enter higher-growth
areas of our current
markets

- Extend product capabilities to meet evolving industry needs
- Leverage significant customer base to grow
- Create new alliances to strategically expand

Enter highest-growth
areas of adjacent
markets

- Accelerate market entry through strategic M&A
- Develop new products to meet evolving industry needs
- Leverage significant customer base to grow
- Create new alliances to strategically expand

Transformation designed to leverage Avid's strong market position to capitalize on the growth opportunities in the evolving media marketplace



Foundations for Growth

Launched Enterprise-Wide Platform



- Faster new product introduction
- Improve cross selling
- Participate in higher growth areas
- Lower cost deployment
- Scale to all segments

- Furthest along
- Vision is resonating
- Adoption growing
- More to be done

Enhanced Service Model

The Avid Advantage

- Improve service model
- More efficient and targeted delivery
- Increase revenue
- Improve relationships

- Good progress on infrastructure and offering innovations
- Value-added services growth opportunity not fully exploited

Increased Engagement



- Increase community engagement
- Improve return on investment
- Greater market alignment
- Productive outlet for energy

- Community is engaging
- Participation is growing
- ~5,000 members strong
- Helping shape products and strategic development

Avid Everywhere Addresses Changing Industry Needs

The Avid Everywhere ecosystem of products enables our customers to work more efficiently, collaboratively, flexibly and securely across the new media value chain, from media creation to distribution and monetization



Customer Wins Demonstrate Traction of Avid Everywhere

Record breaking ten-year Sinclair managed services contract underscores potential of Avid Everywhere:

- Avid will provide customized newsroom and media management solutions based on the Avid Everywhere model to all of Sinclair Broadcast Group's 64 local news producing stations
- Innovative commercial approach and unique technology deployment model – made possible by Avid Everywhere – helps Sinclair cost-effectively keep its news operations at the forefront of technology for the next decade
- This not only demonstrates Avid's ability to address the entire workflow, but also expands Avid solutions to include higher growth managed services
- Contract expected to have a material positive impact on Q4 bookings and may lead to updated 2015 bookings guidance or pre-release in early January 2016

Strong adoption of Avid Everywhere with 28,000+ units sold and 20,000+ subscriptions:

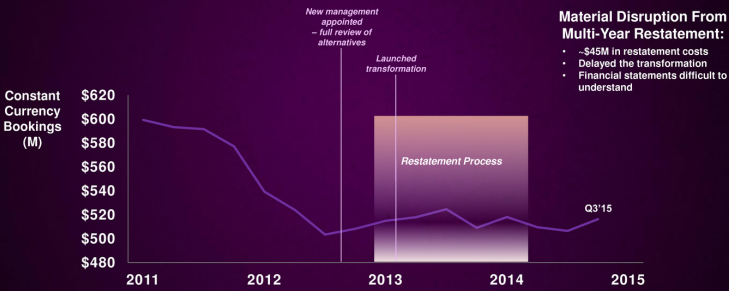


Note: Avid Everywhere units and subscriptions are cumulative numbers through 11/8/15



Avid Needed to Transform to Meet Market Opportunities

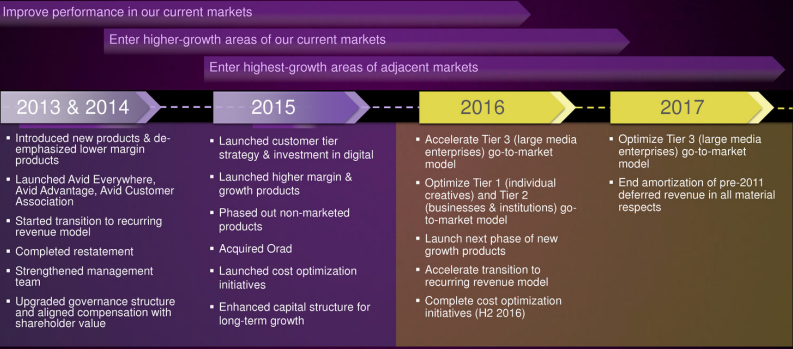
In 2013, new management implemented a critical transformation strategy, and has made significant and demonstrable progress...



...despite disruption of inherited restatement, which took approximately 18 months to fully address and complete



Avid Transformation is Well Underway



Key Accomplishments Since Launch of Transformation

Accounting Restatement	Completed the financial restatement related to revenue recognition in September 2014 and relisted on the NASDAQ in December 2014
Rollout of Avid Everywhere	Launched MediaCentral Platform, which we believe is the most comprehensive media work flow in the industry, and have already grown the installed base to more than 28,000 units
Orad Acquisition	Addition of Orad strengthened our position as one of the most comprehensive providers of content creation to distribution workflows for broadcast and media customers around the world
Convertible Senior Notes Issuance	Opportunistic issuance of \$125M convertible senior notes due in 2020 to enhanced balance sheet for long-term growth
Improved Operating Results	Growth in marketed bookings YoY, higher gross margins YoY, improved quality and customer service scores, and shift to recurring / subscription-based model
New Management Team	Completely overhauled management team and reevaluated governance and compensation practices to best align leadership with shareholder interests



Milestones to Complete Transformation in Q2 2017

End of 2015

Complete roll-off of non-marketed products

~\$12M bookings headwind in 2015

2nd Half of 2016

Complete the defined cost optimization projects

Ongoing cost optimization to yield additional benefits

2nd Quarter of 2017

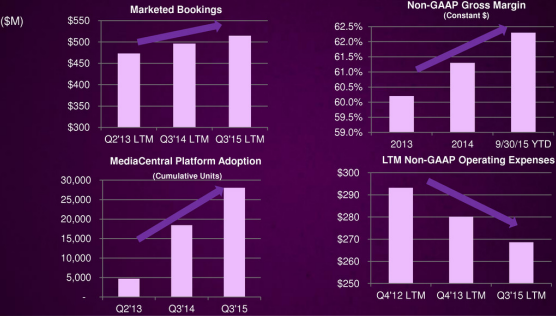
End amortization of pre-2011 deferred revenue in all material respects

~\$33M revenue headwind in 2015

Achievement of key milestones expected to accelerate growth, enhance profitability and drive increased value creation for all shareholders



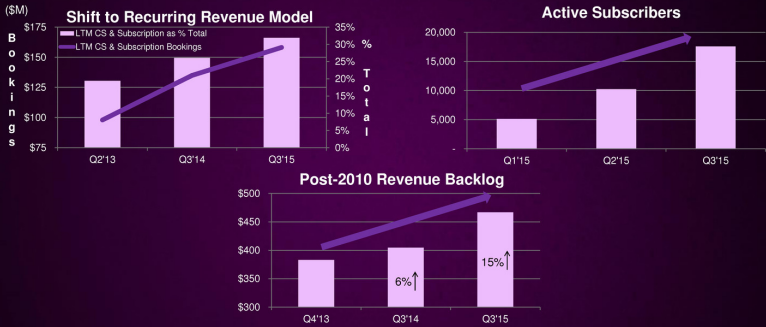
Transformation Already Yielding Results



Avid has continued to deliver new growth, expanding margins and lower costs, and expects these trends to continue



Transition to Recurring Revenue Model Accelerating



Avid has more than tripled its active subscribers since March 2015



Transformation Driving Shareholder Value Creation

De-Listing
2/24/14

- Avid announced that it received notification of delisting effective February 25, 2014 as it worked through its financial restatement
- Delisting immediately preceded the release of Avid Everywhere

12/22/15

- Avid is more than half way through its transformation resulting in higher recurring revenue, improved profitability and greater exposure to higher growth areas of the value chain
- Avid completed its financial restatement in September 2014 and relisted on Nasdaq in December 2014



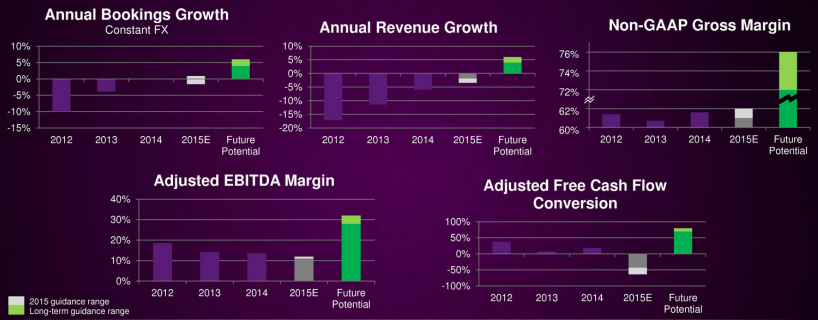
Despite a volatile transformation, Avid's enterprise value has nearly tripled since de-listing

Memo: Total Stock Return Comparison
Comparable Companies Index: (32%)
NASDAQ: +6% | Russell 2000: 8%

Source: Capital IQ
Comparable Companies Index: Belden, Evertz Technologies, Harmonic, EVS Broadcast Equipment and Daili



Compelling Long-Term Opportunity



The transformed company will be well-positioned to create long-term shareholder value

Note: 2015 guidance has not been updated to reflect recently announced Sinclair deal.
Future estimated potential annual growth rates after excluding historical hardware revenue following shifting to software only model. Assuming annual market growth rates of 2-3% and workflows going fully IP based, i.e. software only.



Investment Highlights

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Appendix

Definition of Key Metrics

Bookings (1)	Bookings	Bookings is an operational metric that is defined as the amount of revenue we expect to earn from an agreement between Autodesk 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. Includes 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 ASC 606-10 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 been 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.

(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 as anticipated.

(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 cancelled 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.



Definition of Key Metrics

Non-GAAP Measures (2)	These non-GAAP measures reflect how Avid manages its businesses internally.	
	Non-GAAP Gross Profit	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 Gross Margin %	
	Non-GAAP Operating Expenses	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.
	Non-GAAP Operating Income (Loss)	
	Non-GAAP Net Income (Loss)	
Adjusted EBITDA		Non-GAAP operating income (loss) excluding depreciation and all amortization expense.
Adjusted EBITDA Margin %		Adjusted EBITDA Margin % is Adjusted EBITDA divided by revenues.
Adjusted Free Cash Flow		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.
Adjusted Free Cash Flow Conversion %		

(2) 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.



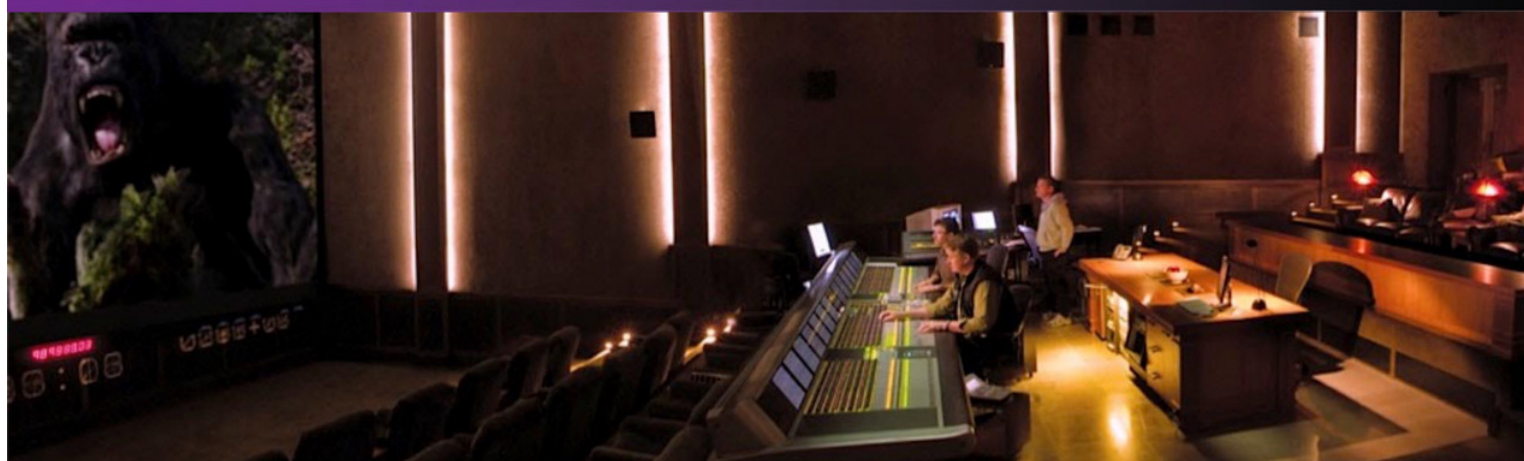
Non-GAAP Reconciliation

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2015	2014	2015	2014
Non-GAAP Adjusted Profit				
GAAP Gross profit	\$ 87,814	\$ 89,641	\$ 228,306	\$ 248,132
Amortization of intangible assets	1,565	-	2,113	40
Stock-based compensation	553	78	452	314
Non-GAAP Gross Profit	89,932	89,719	230,871	248,586
Non-GAAP Adjusted Expenses				
GAAP Operating expenses	73,409	74,581	216,881	225,745
Less Amortization of intangible assets	(780)	(373)	(1,588)	(1,251)
Less Stock-based compensation	(2,090)	759	(7,880)	(2,324)
Less Restructuring costs (reverses), net	-	-	(539)	165
Less Restatement costs	(287)	(8,564)	(988)	(19,408)
Less Acquisition and other costs	(1,565)	-	(7,463)	-
Non-GAAP Operating expenses	68,165	66,483	201,968	202,927
Non-GAAP Adjusted Operating Income				
GAAP Operating income	14,405	15,060	7,325	22,387
Amortization of intangible assets	2,736	373	3,681	1,301
Stock-based compensation	2,389	(641)	7,752	2,718
Restructuring costs (reverses), net	-	-	539	(165)
Restatement costs	287	8,564	988	19,408
Acquisition and other costs	1,565	-	7,463	-
Non-GAAP Operating Income	21,782	23,316	27,905	45,649
Adjusted EBITDA				
Non-GAAP operating income (from above)	21,782	23,316	27,905	45,649
Depreciation	3,168	3,568	10,257	12,254
Amortization of capitalized software development costs	-	78	-	437
Adjusted EBITDA	24,950	27,362	38,162	58,339
Adjusted Free Cash Flow				
GAAP net cash used in operating activities	(8,873)	5,252	(26,887)	(28,038)
Capital expenditures	(4,368)	(5,289)	(11,115)	(11,688)
Restructuring payments	216	1,214	1,052	6,085
Restatement payments	-	6,814	3,824	22,302
Acquisition and other payments	(3,365)	-	(4,955)	-
Adjusted free cash flow	\$ (16,350)	\$ 8,091	\$ (27,965)	\$ (5,323)

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Avid Technology: Key Value Creation Strategy Highlights

December 23, 2015

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Trades on NASDAQ under the ticker

AVID

Headquartered in

Burlington, MA

Category creator with
25-year heritage of
innovation and industry leadership

Comprehensive media technology
suite and leading global brands
including Avid Everywhere



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Transformation Well Underway

Avid has made and demonstrated significant progress executing against its strategic plan and re-positioning for growth

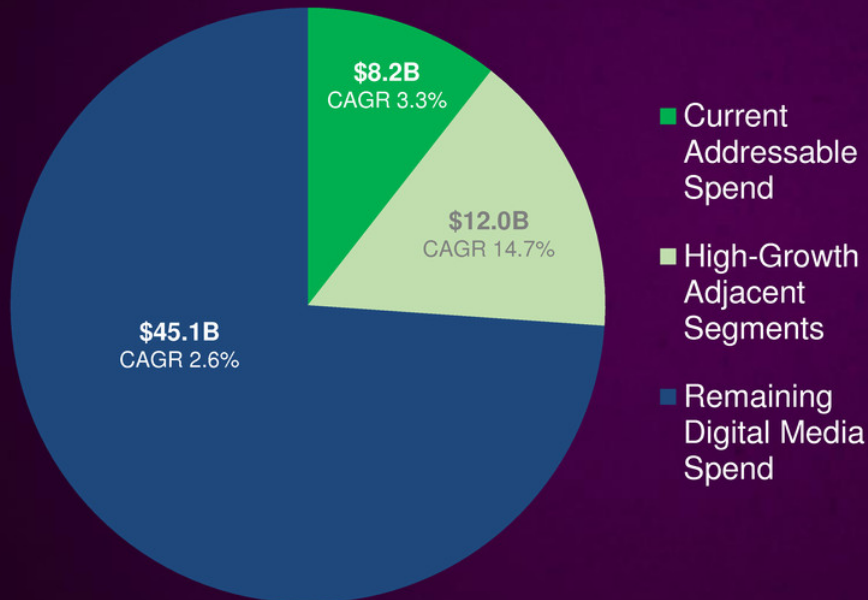
Strengthening Performance

Avid's transformation has already delivered operational improvements and financial benefits for shareholders

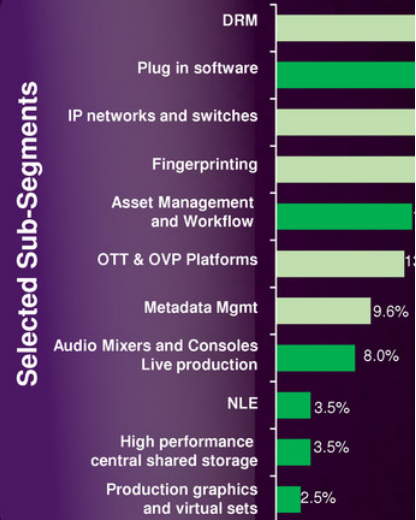
Avid Operates in a Large Market with High-Growth S

Avid has expanded its offering to now address \$8.2B of the \$65B media technology market, with significant room to grow

Current and adjacent segments are projected to grow faster than the overall market



Breakdown of \$65B Media Technology Market in 2014



Selected Segments Multi-Year CAGR

Major Industry Transition is Creating Growth Opportunities

Emerging Industry Trends

Digitization drives growth in content creation, consumption, distribution...

- Rate of content creation up 2x-4x
- Number of distribution platforms up > 10x
- Content consumption up 1.5x
- Media tech budgets up only 3-4%

...But disrupts the traditional, linear media value chain

- Breaks down siloes
- Changes channels and formats of distribution
- Increases emphasis on collaboration, security and measurement
- Budgets are shifting to higher growth portions of value chain

Industry Constants

All media companies still need to:

- Create high quality content
- Maximize asset value
- Ensure efficiency
- Distribute across multiple devices and channels
- Do it all in a safe and secure way

Avid's Solution for the Whole

Traditional media companies

- ✓ Lower operating costs in traditional areas
- ✓ Reduce interconnectivity
- ✓ Invest in growth areas

Next-generation media companies

- ✓ Invest in growth areas
- ✓ Scale quickly and natively
- ✓ Leverage multiple platforms for distribution

Avid is a Trusted Market Leader with Global Reach and Positioned to Lead Industry Revolution

- ✓ **6 of 6** ... of the **major film studios use Avid products**
- ✓ **9 of 10** ... of the **leading international news networks use Avid products**
- ✓ **4 of 5** ... of the **largest station group owners use Avid products**
- ✓ **~70%** ... of **today's music commercially published with Avid products**
- ✓ **80-90%** ... of **original content from leading streaming providers produced with**

Product

Avid has wide product and global customer breadth participating in a majority of broadcast and media technology segments

Geography

Broad and diverse distribution channels

- Sales into **140** countries
- Over **55%** of revenue originates North and South America
- More than **550+** channel partners

Avid's Clear Path to Value Creation

Improve performance
in our current
markets

- Realign product portfolio with industry growth trends
- Enhance customer outreach and engagement
- Maximize value of customer relationships
- Align cost structure with growth strategy

Enter higher-growth
areas of our current
markets

- Extend product capabilities to meet evolving industry needs
- Leverage significant customer base to grow
- Create new alliances to strategically expand

Enter highest-growth
areas of adjacent
markets

- Accelerate market entry through strategic M&A
- Develop new products to meet evolving industry needs
- Leverage significant customer base to grow
- Create new alliances to strategically expand

Transformation designed to leverage Avid's strong market position to capitalize on the growth opportunities in the evolving media marketplace

Foundations for Growth

Launched Enterprise-Wide Platform



- Faster new product introduction
- Improve cross selling
- Participate in higher growth areas
- Lower cost deployment
- Scale to all segments

- Furthest along
- Vision is resonating
- Adoption growing
- More to be done

Enhanced Service Model

The Avid Advantage

- Improve service model
- More efficient and targeted delivery
- Increase revenue
- Improve relationships

- Good progress on infrastructure and offering innovations
- Value-added services growth opportunity not fully exploited

Increased Engagement



Customer Association

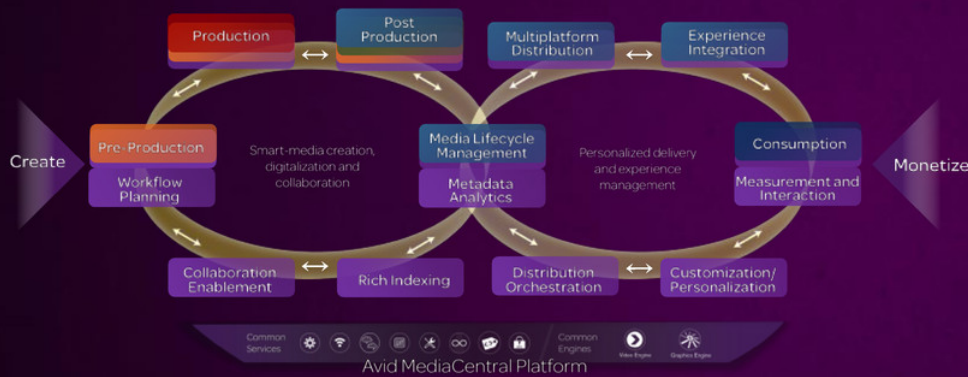
- Increase community engagement
- Improve return on investment
- Greater market penetration
- Productive outcomes

- Community is engaged
- Participation is growing
- ~5,000 members
- Helping shape product strategic development

Avid Everywhere Addresses Changing Industry Needs

The Avid Everywhere ecosystem of products enables our customers to work more efficiently, collaborate flexibly and securely across the new media value chain, from media creation to distribution and monetization.

New Media Value Chain



Avid Everywhere Solutions



Market Expansion

Scalable up and down market through flexible pricing and deployment

New Revenue Streams

Opportunities for renewals, support and service add-ons

Lower Cost

Common platform designed to reduce total cost and increase speed to market

Customer Wins Demonstrate Traction of Avid Everywhere

Record breaking ten-year Sinclair managed services contract underscores potential of Avid Everywhere:

- Avid will provide customized newsroom and media management solutions based on the Avid Everywhere model to Broadcast Group's 64 local news producing stations
- Innovative commercial approach and unique technology deployment model – made possible by Avid Everywhere – cost-effectively keep its news operations at the forefront of technology for the next decade
- This not only demonstrates Avid's ability to address the entire workflow, but also expands Avid solutions to include managed services
- Contract expected to have a material positive impact on Q4 bookings and may lead to updated 2015 bookings guide release in early January 2016

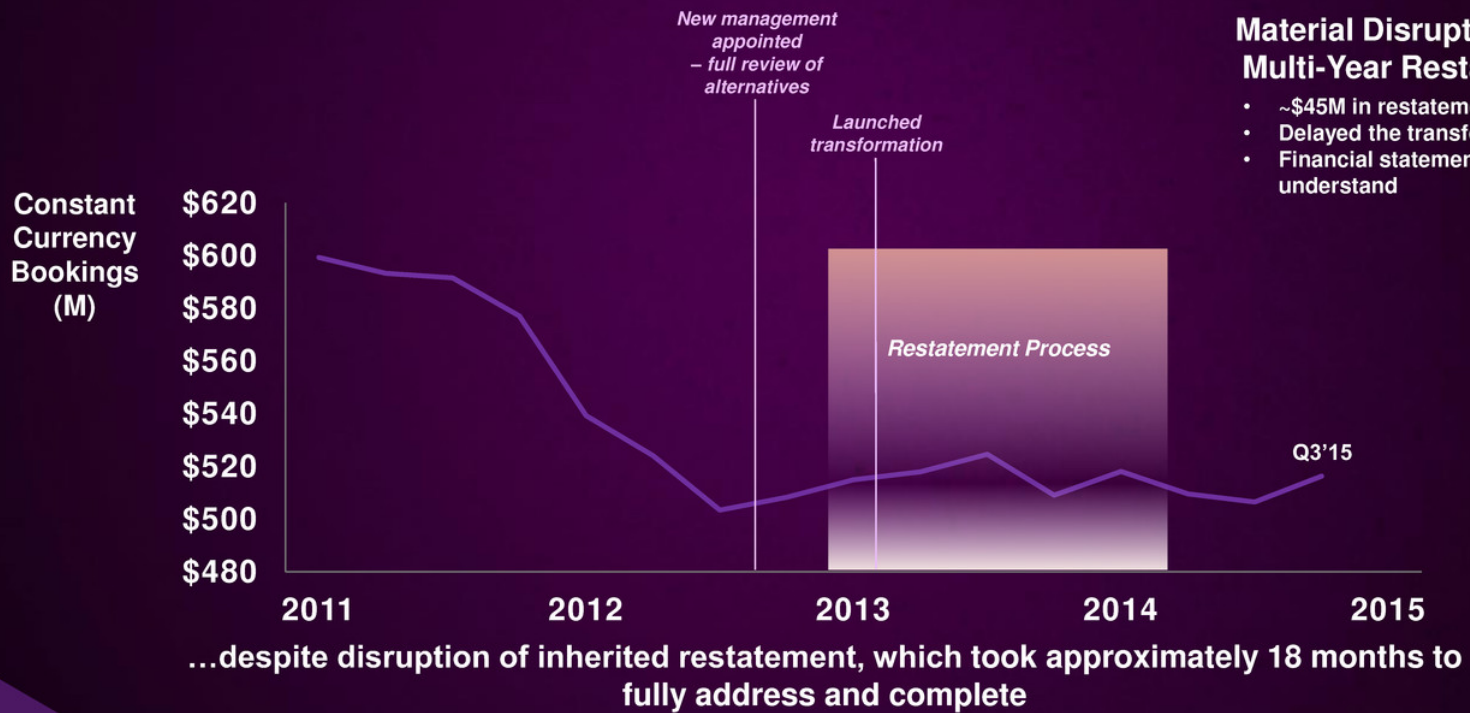
Strong adoption of Avid Everywhere with 28,000+ units sold and 20,000+ subscriptions



Note: Avid Everywhere units and subscriptions are cumulative numbers through 11/8/15

Avid Needed to Transform to Meet Market Opportunities

In 2013, new management implemented a critical transformation strategy, and made significant and demonstrable progress...



Avid Transformation is Well Underway

Improve performance in our current markets

Enter higher-growth areas of our current markets

Enter highest-growth areas of adjacent markets

2013 & 2014

- Introduced new products & de-emphasized lower margin products
- Launched Avid Everywhere, Avid Advantage, Avid Customer Association
- Started transition to recurring revenue model
- Completed restatement
- Strengthened management team
- Upgraded governance structure and aligned compensation with shareholder value

2015

- Launched customer tier strategy & investment in digital
- Launched higher margin & growth products
- Phased out non-marketed products
- Acquired Orad
- Launched cost optimization initiatives
- Enhanced capital structure for long-term growth

2016

- Accelerate Tier 3 (large media enterprises) go-to-market model
- Optimize Tier 1 (individual creatives) and Tier 2 (businesses & institutions) go-to-market model
- Launch next phase of new growth products
- Accelerate transition to recurring revenue model
- Complete cost optimization initiatives (H2 2016)

2017

- Optimize Tier 1 (individual creatives) and Tier 2 (businesses & institutions) go-to-market model
- End amortization of deferred revenue

Key Accomplishments Since Launch of Transformation

Accounting Restatement

Completed the financial restatement related to revenue recognition in September 2014 and relisted on the NASDAQ in December 2014

Rollout of Avid Everywhere

Launched MediaCentral Platform, which we believe is the most comprehensive workflow in the industry, and have already grown the installed base to more than 100,000 users

Orad Acquisition

Addition of Orad strengthened our position as one of the most comprehensive end-to-end content creation to distribution workflows for broadcast and media customers around the world

Convertible Senior Notes Issuance

Opportunistic issuance of \$125M convertible senior notes due in 2020 to enhance our balance sheet for long-term growth

Improved Operating Results

Growth in marketed bookings YoY, higher gross margins YoY, improved quality of service, customer service scores, and shift to recurring / subscription-based model

New Management Team

Completely overhauled management team and reevaluated governance and business practices to best align leadership with shareholder interests

Milestones to Complete Transformation in Q2 2017

End of 2015

Complete roll-off of non-marketed products

~\$12M bookings headwind in 2015

2nd Half of 2016

Complete the defined cost optimization projects

Ongoing cost optimization to yield additional benefits

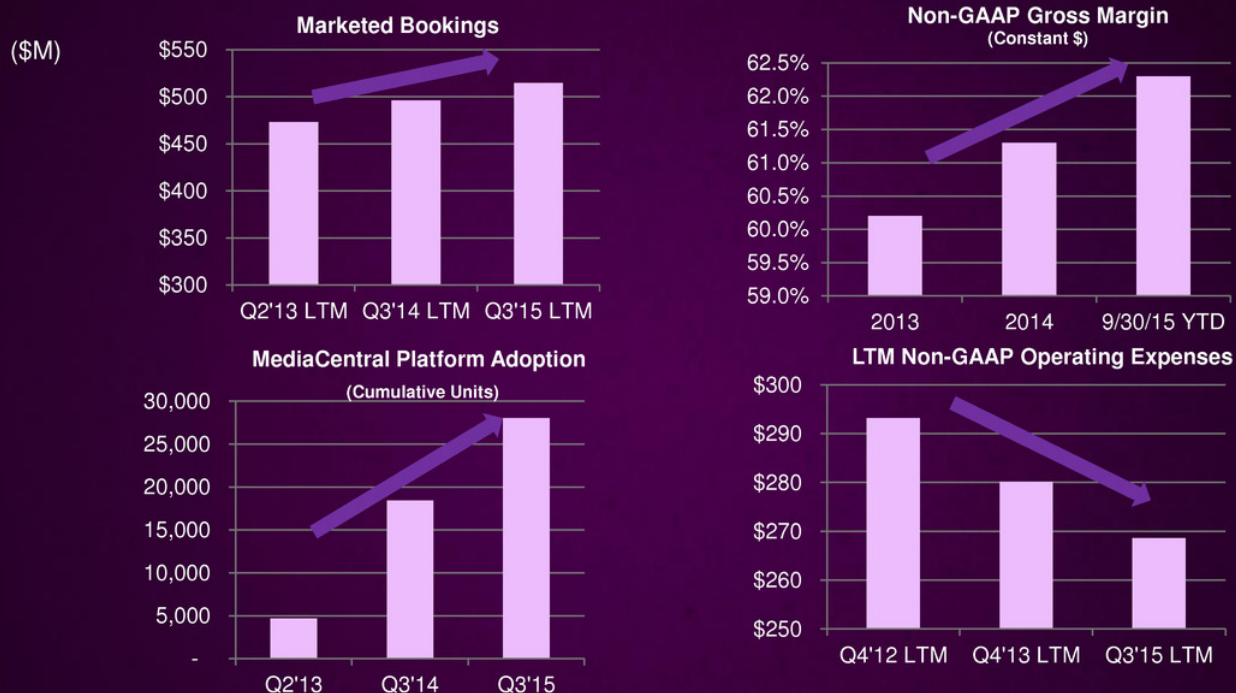
2nd Quarter

End amortization of deferred revenue material reserves

~\$33M revenue increase in 2015

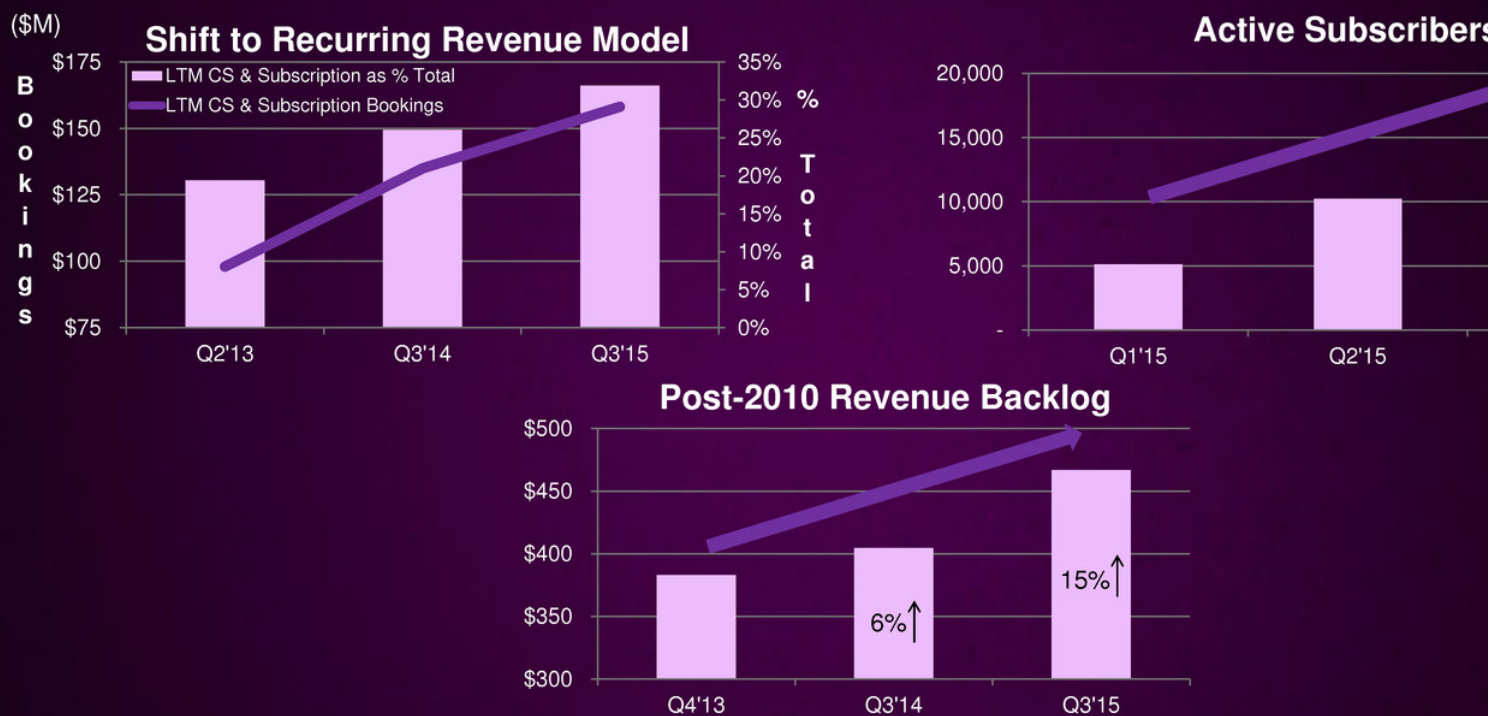
Achievement of key milestones expected to accelerate growth, enhance profitability and drive increased value creation for all shareholders

Transformation Already Yielding Results



Avid has continued to deliver new growth, expanding margins and lower costs, and expects these trends to continue

Transition to Recurring Revenue Model Accelerating



Avid has more than tripled its active subscribers since March 2015

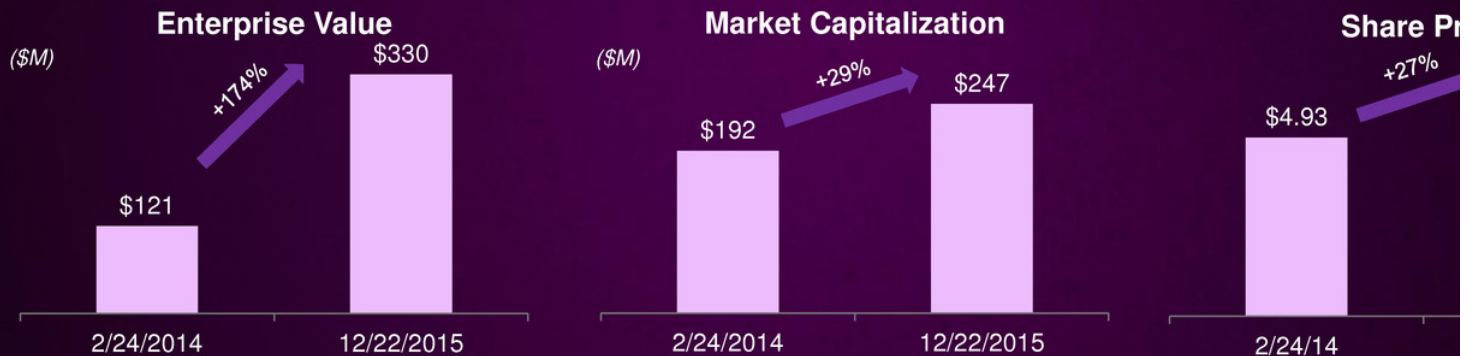
Transformation Driving Shareholder Value Creation

De-Listing 2/24/14

- Avid announced that it received notification of delisting effective February 25, 2014 as it worked through its financial restatement
- Delisting immediately preceded the release of Avid Everywhere

12/22/15

- Avid is more than half way through its transition to higher recurring revenue, improved profitability and exposure to higher growth areas of the video production market
- Avid completed its financial restatement in November 2014 and relisted on Nasdaq in December 2014



Despite a volatile transformation, Avid's enterprise value has nearly tripled since delisting

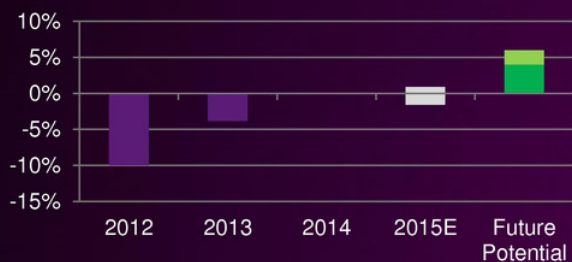
Memo: Total Stock Return Comparison
 Comparable Companies Index: (32%)
 NASDAQ: 16% | Russell 3000: 8%

Source: Capital IQ.
 Comparable Companies Index: Belden, Evertz Technologies, Harmonic, EVS Broadcast Equipment and Dalet.

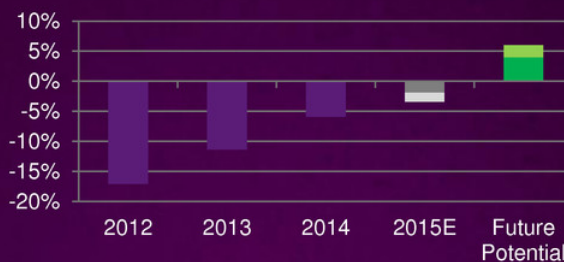
Compelling Long-Term Opportunity

Annual Bookings Growth

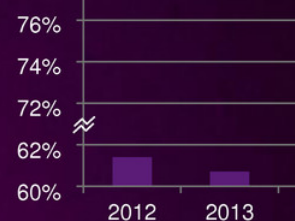
Constant FX



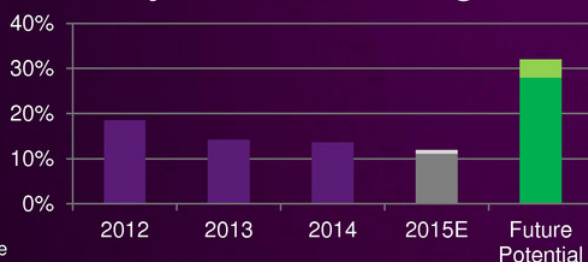
Annual Revenue Growth



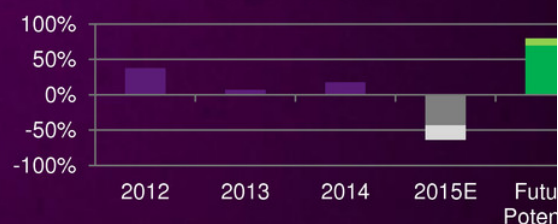
Non-GAAP



Adjusted EBITDA Margin



Adjusted Free Cash Flow Conversion



2015 guidance range
Long-term guidance range

The transformed company will be well-positioned to create long-term shareholder value

Note: 2015 guidance has not been updated to reflect recently announced Sinclair deal
Future estimated potential annual growth rates after excluding historical hardware revenue following shifting to software only model. Assuming annual market growth rates of 2-3% and working fully IP based, i.e. software only

Investment Highlights

Large and Growing Market in Transition

Growing \$65B media technology market in transition as spending rapidly shifts to new products and services, creating significant opportunities for growth as media companies are forced to quickly adapt

Unparalleled Market Position

Avid is a trusted market leader and innovator in media technology solutions, with a strong product portfolio and deep distribution reach

Clear Path to Value Creation

Avid has a clearly articulated platform-based strategy to leverage its market position and capitalize on attractive market growth to create additional value for all shareholders

Transformation Well Underway

Avid has made and demonstrated significant progress executing against its strategic plan and re-positioning for growth

Strengthening Performance

Avid's transformation has already delivered operational improvements and financial benefits for shareholders



Appendix

Definition of Key Metrics

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.

(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 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 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, represents an 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.

Definition of Key Metrics

Non-GAAP Measures (3)	These non-GAAP measures reflect how Avid manages its businesses internally.	
	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.

(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, 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.

Non-GAAP Reconciliation

		Three Months Ended September 30,		Nine Months Ended September 30,	
		2015	2014	2015	2014
Non-GAAP Gross Profit	GAAP Gross profit	\$ 87,814	\$ 89,641	\$ 226,206	\$ 248,132
	Amortization of intangible assets	1,950	-	2,113	50
	Stock-based compensation	183	78	652	394
	Non-GAAP Gross Profit	89,947	89,719	228,971	248,576
Non-GAAP Operating Expenses	GAAP Operating expenses	73,409	74,581	218,881	225,745
	Less Amortization of intangible assets	(786)	(373)	(1,568)	(1,251)
	Less Stock-based compensation	(2,206)	759	(7,080)	(2,324)
	Less Restructuring costs (recoveries), net	-	-	(539)	165
	Less Restatement costs	(287)	(8,564)	(988)	(19,408)
	Less Acquisition and other costs	(1,965)	-	(7,640)	-
	Non-GAAP Operating expenses	68,165	66,403	201,066	202,927
Non-GAAP Operating Income	GAAP Operating income	14,405	15,060	7,325	22,387
	Amortization of intangible assets	2,736	373	3,681	1,301
	Stock-based compensation	2,389	(681)	7,732	2,718
	Restructuring costs (recoveries), net	-	-	539	(165)
	Restatement costs	287	8,564	988	19,408
	Acquisition and other costs	1,965	-	7,640	-
	Non-GAAP Operating Income	21,782	23,316	27,905	45,649
Adjusted EBITDA	Non-GAAP operating income (from above)	21,782	23,316	27,905	45,649
	Depreciation	3,168	3,968	10,257	12,294
	Amortization of capitalized software development costs	-	28	-	127
	Adjusted EBITDA	24,950	27,312	38,162	58,070
Adjusted Free Cash Flow	GAAP net cash used in operating activities	(9,873)	5,252	(36,087)	(20,830)
	Capital expenditures	(4,368)	(5,269)	(11,110)	(11,680)
	Restructuring payments	316	1,274	1,052	6,085
	Restatement payments	-	6,814	3,624	22,902
	Acquisition and other payments	3,368	-	4,958	-
	Adjusted free cash flow	\$ (10,557)	\$ 8,071	\$ (37,563)	\$ (3,523)

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.



