

**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  |
|---|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| <b>Bookings Summary</b>                           |       |       |       |       |       |       |       |       |       |       |       |       |       |       |       |
| 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 |
| 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 |
| 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 |
| 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  |
| 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 |
| 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 |
| Recurring Revenue Bookings (Maintenance & Subs) % | 22%   | 15%   | 17%   | 28%   | 21%   | 21%   | 15%   | 21%   | 42%   | 26%   | 29%   | 26%   | 27%   | 55%   | 38%   |

| <b>Non-GAAP Net Revenue</b>          |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 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        |
| 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        |
| 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         |
| <b>Total Non-GAAP Net Revenue</b>    | <b>136.1</b> | <b>141.4</b> | <b>139.0</b> | <b>147.1</b> | <b>563.5</b> | <b>135.0</b> | <b>124.7</b> | <b>142.4</b> | <b>128.2</b> | <b>530.3</b> | <b>119.5</b> | <b>109.7</b> | <b>137.4</b> | <b>139.7</b> | <b>506.4</b> |
| 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        |
| 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        |
| 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         |
| <b>Total Non-GAAP Net Revenue</b>    | <b>136.1</b> | <b>141.3</b> | <b>138.9</b> | <b>147.1</b> | <b>563.4</b> | <b>135.0</b> | <b>124.6</b> | <b>142.4</b> | <b>128.2</b> | <b>530.3</b> | <b>119.5</b> | <b>109.7</b> | <b>137.4</b> | <b>139.7</b> | <b>506.4</b> |
| 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         |
| 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        |
| <b>Total Non-GAAP Net Revenue</b>    | <b>136.1</b> | <b>141.4</b> | <b>139.0</b> | <b>147.1</b> | <b>563.5</b> | <b>135.0</b> | <b>124.7</b> | <b>142.4</b> | <b>128.2</b> | <b>530.3</b> | <b>119.5</b> | <b>109.7</b> | <b>137.4</b> | <b>139.7</b> | <b>506.4</b> |

| <b>Non-GAAP Gross Margin %</b>       |              |              |              |              |              |              |              |              |              |              |              |              |              |              |              |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 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%        |
| 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%        |
| <b>Total Non-GAAP Gross Margin %</b> | <b>61.7%</b> | <b>61.7%</b> | <b>59.8%</b> | <b>59.5%</b> | <b>60.7%</b> | <b>62.6%</b> | <b>59.7%</b> | <b>63.0%</b> | <b>60.8%</b> | <b>61.6%</b> | <b>60.5%</b> | <b>60.7%</b> | <b>65.4%</b> | <b>60.2%</b> | <b>62.0%</b> |

| <b>Other Key Metrics</b>                 |   |       |       |       |   |        |        |        |        |   |        |        |        |        |   |
|--|---|-------|-------|-------|---|--------|--------|--------|--------|---|--------|--------|--------|--------|---|
| 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 | - |
| Active Paid Subscribers (a)              | - | -     | -     | -     | - | -      | -      | -      | 3,000  | - | 5,131  | 10,588 | 17,228 | 25,216 | - |

| <b>Key Balance Sheet Items</b>         |     |     |     |              |              |              |              |              |              |              |              |              |              |              |              |
|--|-----|-----|-----|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Accounts Receivable DSO                | 53  | 46  | 36  | 35           | 35           | 39           | 42           | 36           | 38           | 38           | 39           | 45           | 37           | 38           | 38           |
| 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          |
| <b>Revenue Backlog</b>                 |     |     |     |              |              |              |              |              |              |              |              |              |              |              |              |
| 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         |
| 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        |
| <b>Deferred Revenue</b>                |     |     |     | <b>466.8</b> | <b>466.8</b> | <b>451.8</b> | <b>430.0</b> | <b>419.3</b> | <b>414.8</b> | <b>414.8</b> | <b>412.7</b> | <b>392.8</b> | <b>364.5</b> | <b>348.4</b> | <b>348.4</b> |
| 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        |
| <b>Total Revenue Backlog</b>           |     |     |     | <b>559.1</b> | <b>559.1</b> | <b>549.0</b> | <b>543.1</b> | <b>539.2</b> | <b>539.5</b> | <b>539.5</b> | <b>528.6</b> | <b>540.3</b> | <b>513.3</b> | <b>552.1</b> | <b>552.1</b> |
| <b>Total Post-2010 Revenue Backlog</b> |     |     |     | <b>383.0</b> | <b>383.0</b> | <b>399.0</b> | <b>417.0</b> | <b>434.6</b> | <b>454.9</b> | <b>454.9</b> | <b>461.7</b> | <b>488.7</b> | <b>475.4</b> | <b>526.2</b> | <b>526.2</b> |

(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            |                    |
|---|---|------------------------------|-------------------|-------------------|-----------------|-----------------|--------------------|-----------------|-----------------|------------------|------------------|-----------------|--------------------|--------------------|-----------------|--------------------|
| Non-GAAP Revenue                          | <b>GAAP Revenue</b>                               | \$ 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         |
|   | Amortization of acquired deferred revenue         | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 858             | 858                |
|   | <b>Non-GAAP Revenue</b>                           | <b>136,071</b>               | <b>141,345</b>    | <b>138,893</b>    | <b>147,103</b>  | <b>563,412</b>  | <b>134,952</b>     | <b>124,644</b>  | <b>142,429</b>  | <b>128,196</b>   | <b>530,221</b>   | <b>119,586</b>  | <b>109,767</b>     | <b>137,436</b>     | <b>139,664</b>  | <b>506,453</b>     |
| Non-GAAP Gross Profit                     | <b>GAAP Gross profit</b>                          | <b>83,129</b>                | <b>86,550</b>     | <b>82,680</b>     | <b>87,144</b>   | <b>339,503</b>  | <b>84,267</b>      | <b>74,224</b>   | <b>89,641</b>   | <b>77,648</b>    | <b>325,780</b>   | <b>72,094</b>   | <b>66,298</b>      | <b>87,814</b>      | <b>81,944</b>   | <b>308,150</b>     |
|   | Amortization of acquired deferred revenue         | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 858             | 858                |
|   | Amortization of intangible assets                 | 651                          | 501               | 158               | 158             | 1,468           | 50                 | -               | -               | 50               | -                | 163             | 1,950              | 1,950              | 1,950           | 4,063              |
|   | Stock-based compensation                          | 226                          | 212               | 185               | 173             | 796             | 153                | 163             | 78              | 282              | 676              | 254             | 215                | 183                | 171             | 823                |
|   | <b>Non-GAAP Gross Profit</b>                      | <b>84,006</b>                | <b>87,263</b>     | <b>83,023</b>     | <b>87,475</b>   | <b>341,767</b>  | <b>84,470</b>      | <b>74,387</b>   | <b>89,719</b>   | <b>77,930</b>    | <b>326,506</b>   | <b>72,348</b>   | <b>66,676</b>      | <b>89,947</b>      | <b>84,923</b>   | <b>313,894</b>     |
| Non-GAAP Operating Expenses               | <b>GAAP Operating expenses</b>                    | <b>74,049</b>                | <b>76,457</b>     | <b>78,814</b>     | <b>85,415</b>   | <b>314,735</b>  | <b>74,580</b>      | <b>76,584</b>   | <b>74,581</b>   | <b>80,336</b>    | <b>306,081</b>   | <b>70,979</b>   | <b>74,493</b>      | <b>73,409</b>      | <b>82,296</b>   | <b>301,177</b>     |
|   | Less Amortization of intangible assets            | 663                          | 658               | 660               | 667             | 2,648           | 480                | 398             | 373             | 375              | 1,626            | 374             | 408                | 786                | 786             | 2,354              |
|   | 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              |
|   | Less Restructuring costs (recoveries), net        | 273                          | 1,918             | 688               | 2,491           | 5,370           | -                  | (165)           | -               | -                | (165)            | -               | 539                | -                  | 5,766           | 6,305              |
|   | 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              |
|   | Less Acquisition, integration and other costs     | (125)                        | -                 | -                 | -               | (125)           | -                  | -               | -               | -                | -                | 2,342           | 3,333              | 1,965              | 1,595           | 9,232              |
|   | Less Efficiency program costs                     | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 1,144           | 1,144              |
|   | <b>Non-GAAP Operating expenses</b>                | <b>70,618</b>                | <b>69,057</b>     | <b>67,389</b>     | <b>73,067</b>   | <b>280,130</b>  | <b>68,837</b>      | <b>67,688</b>   | <b>66,403</b>   | <b>67,529</b>    | <b>270,457</b>   | <b>64,248</b>   | <b>68,652</b>      | <b>68,165</b>      | <b>71,342</b>   | <b>272,412</b>     |
|   | Non-GAAP Operating Income                         | <b>GAAP Operating income</b> | <b>9,080</b>      | <b>10,093</b>     | <b>3,866</b>    | <b>1,729</b>    | <b>24,768</b>      | <b>9,687</b>    | <b>(2,360)</b>  | <b>15,060</b>    | <b>(2,688)</b>   | <b>19,699</b>   | <b>1,115</b>       | <b>(8,195)</b>     | <b>14,405</b>   | <b>(352)</b>       |
| Amortization of acquired deferred revenue |   | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 858             | 858                |
| 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              |
| 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              |
| Restructuring costs (recoveries), net     |   | 273                          | 1,918             | 688               | 2,491           | 5,370           | -                  | (165)           | -               | -                | (165)            | -               | 539                | -                  | 5,766           | 6,305              |
| 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              |
| Acquisition, integration and other costs  |   | (125)                        | -                 | -                 | -               | (125)           | -                  | -               | -               | -                | -                | 2,342           | 3,333              | 1,965              | 1,595           | 9,232              |
| Efficiency program costs                  |   | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 1,144           | 1,144              |
| <b>Non-GAAP Operating Income</b>          |   | <b>13,388</b>                | <b>18,207</b>     | <b>15,634</b>     | <b>14,408</b>   | <b>61,636</b>   | <b>15,633</b>      | <b>6,699</b>    | <b>23,316</b>   | <b>10,401</b>    | <b>56,049</b>    | <b>8,100</b>    | <b>(1,976)</b>     | <b>21,782</b>      | <b>13,581</b>   | <b>41,482</b>      |
| Adjusted EBITDA                           | <b>Non-GAAP operating income (from above)</b>     | <b>13,388</b>                | <b>18,207</b>     | <b>15,634</b>     | <b>14,408</b>   | <b>61,636</b>   | <b>15,633</b>      | <b>6,699</b>    | <b>23,316</b>   | <b>56,049</b>    | <b>8,100</b>     | <b>(1,976)</b>  | <b>21,782</b>      | <b>13,581</b>      | <b>41,482</b>   |                    |
|   | 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             |
|   | <b>Adjusted EBITDA</b>                            | <b>18,209</b>                | <b>22,713</b>     | <b>19,985</b>     | <b>19,380</b>   | <b>80,286</b>   | <b>20,018</b>      | <b>10,738</b>   | <b>27,312</b>   | <b>14,259</b>    | <b>72,327</b>    | <b>11,777</b>   | <b>1,435</b>       | <b>24,950</b>      | <b>16,997</b>   | <b>55,154</b>      |
| Adjusted Free Cash Flow                   | <b>GAAP net cash used in operating activities</b> | <b>(1,410)</b>               | <b>(4,146)</b>    | <b>(4,472)</b>    | <b>883</b>      | <b>(9,145)</b>  | <b>(23,992)</b>    | <b>(2,090)</b>  | <b>5,252</b>    | <b>10,933</b>    | <b>(9,897)</b>   | <b>4,630</b>    | <b>(30,844)</b>    | <b>(9,873)</b>     | <b>2,061</b>    | <b>(34,026)</b>    |
|   | 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)           |
|   | 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              |
|   | 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              |
|   | Efficiency program payments                       | -                            | -                 | -                 | -               | -               | -                  | -               | -               | -                | -                | -               | -                  | -                  | 1,556           | 1,556              |
|   | <b>Adjusted free cash flow</b>                    | <b>\$ 757</b>                | <b>\$ (2,674)</b> | <b>\$ (1,005)</b> | <b>\$ 8,520</b> | <b>\$ 5,598</b> | <b>\$ (14,230)</b> | <b>\$ 2,656</b> | <b>\$ 8,071</b> | <b>\$ 16,184</b> | <b>\$ 12,681</b> | <b>\$ 4,235</b> | <b>\$ (31,241)</b> | <b>\$ (10,557)</b> | <b>\$ 2,270</b> | <b>\$ (35,293)</b> |

**AVID TECHNOLOGY, INC.**  
**Definition of Key Metrics**

|                              | <b>Key Metric</b>  | <b>Avid's Definition of Key Metric</b>  |
|------------------------------|--|---|
| <b>Bookings (1)</b>          | <b>Bookings</b>  | 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.   |
|                              | <b>Marketed Bookings</b>   | 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.  |
|                              | <b>Recurring Revenue Bookings</b>  | Bookings that represent recurring business, such as annual multi year maintenance or support contacts purchased by our customers as well as any bookings associated with our subscription based model for our software.   |
| <b>Revenue Backlog (2)</b>   | <b>Revenue Backlog (includes Pre-2011 and Post-2010 Deferred Revenue and Other Backlog)</b>                        | 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.            |
|                              | <b>Deferred Revenue</b>  | 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. |
|                              | <b>Pre-2011 Deferred Revenue</b>   | 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.   |
|                              | <b>Post-2010 Deferred Revenue</b>  | 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.  |
|                              | <b>Other Backlog</b>   | 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.   |
| <b>Non-GAAP Measures (3)</b> | <b>These non-GAAP measures reflect how Avid manages its businesses internally.</b>                                 |   |
|                              | <b>Non-GAAP Revenue</b>  | 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.   |
|                              | <b>Non-GAAP Gross Profit</b><br><b>Non-GAAP Gross Margin %</b>   | GAAP gross profit excluding stock based compensation and amortization of intangibles. Non-GAAP Gross Margin % is Non-GAAP Gross Profit divided by revenues.   |
|                              | <b>Non-GAAP Operating Expenses</b><br><b>Non-GAAP Operating Income (Loss)</b><br><b>Non-GAAP Net Income (Loss)</b> | 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.  |
|                              | <b>Adjusted EBITDA</b><br><b>Adjusted EBITDA Margin %</b>  | Non-GAAP operating income (loss) excluding depreciation and all amortization expense. Adjusted EBITDA Margin % is Adjusted EBITDA divided by revenues.  |
|                              | <b>Adjusted Free Cash Flow</b><br><b>Adjusted Free Cash Flow Conversion %</b>                                      | 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.