The technology provider that **powers** the media & entertainment industry

COMPANY OVERVIEW

AVID TECHNOLOGY

September 2019

Non-GAAP & Operational Measures

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

Non-GAAP Measures

Adjusted EBITDA
Free Cash Flow
Non-GAAP Gross Profit
Non-GAAP Gross Margin
Non-GAAP Operating Expenses
Non-GAAP Operating Income
Non-GAAP Net Income (Loss) Per Share

Operational Measures

Revenue Backlog
Recurring Revenue
LTM Recurring Revenue %
Annual Contract Value

The non-GAAP measures used in this presentation are reconciled to their comparable GAAP measures in our 8-K filed with the SEC on August 5, 2019, and the operational measures used in this presentation are defined in the supplemental financial information datasheet available on ir.avid.com. Avid believes the non-GAAP measures and operational measures provided in this presentation provide helpful information to investors with respect to evaluating the Company's performance. However, these non-GAAP measures and operational measures 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 guidance for Adjusted EBITDA, Free Cash Flow, and Non-GAAP Net Income Per Share, which are forward-looking non-GAAP financial measures. Reconciliations of these forward-looking non-GAAP measures are not included in this presentation, due to the high variability and difficulty in making accurate forecasts and projections of some of the excluded information, 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 statements made within this presentation contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward looking statements involve risks and uncertainties, including projections and statements about our anticipated plans, objectives, expectations and intentions. Among other things, this presentation includes projected results of operations for the third quarter and full fiscal year 2019 which are based on a variety of assumptions about key factors and metrics that will determine our future results of operations, including, for example, anticipated market update of new products, realization of identified efficiency programs and market based cost inflation. Other forward-looking statements include, without limitation, statements based upon or otherwise incorporating judgments or estimates relating to future performance such as future operating results and expenses; earnings; backlog; product mix and free cash flow; Recurring Revenue and Annual Contract Value; our long-term and recent cost savings initiatives and the anticipated benefits therefrom; our future strategy and business plans; our product plans, including products under development, such as cloud and subscription based offerings, recurring revenue and annual contract value. The projected future results of operations, and the other forward-looking statements in this presentation are based on current expectations as of the date of this presentation and subject to known and unknown risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. The guidance presented in this presentation is inherently uncertain and subject to numerous risks and uncertainties. Our actual future results of operations and cash flows could differ materially from those discussed in this presentation.

For additional information, including a discussion of some of the key risks and uncertainties associated with these forward-looking statements, please see the “Forward Looking Statements” section of our press release issued today, as well as the Risk Factors and Forward-Looking Statements sections of the Company’s 2018 Annual Report on Form 10-K filed with the SEC. Copies of these filings are available from the SEC, the Avid web site or the Company’s Investor Relations Department.

Any forward-looking information relayed in this presentation speaks only as of today, and Avid undertakes no obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

Business Overview

Ken Gayron
CFO and EVP

Leading Technology Provider And Category Creator

Avid is the ***leading technology provider*** that powers the media and entertainment industry

With over one million creative users and thousands of enterprise clients relying on Avid's technology platforms and solutions around the world, ***Avid enables the industry to thrive*** in today's connected media and entertainment world

Proven History Of Innovative Category Creation

DIGITAL
Non-Linear Editing

DIGITAL
Audio Workstation

ONLINE
Shared Storage

PRODUCTION
Asset Management

Avid At-a-Glance

By The Numbers (LTM 6/30/19)

$419M
LTM Revenue

$58M
LTM Adjusted EBITDA

$11M
LTM Free Cash Flow

+2.3%
LTM Revenue Growth

+52%
LTM Adjusted EBITDA Growth

60%
LTM Non-GAAP Gross Margin

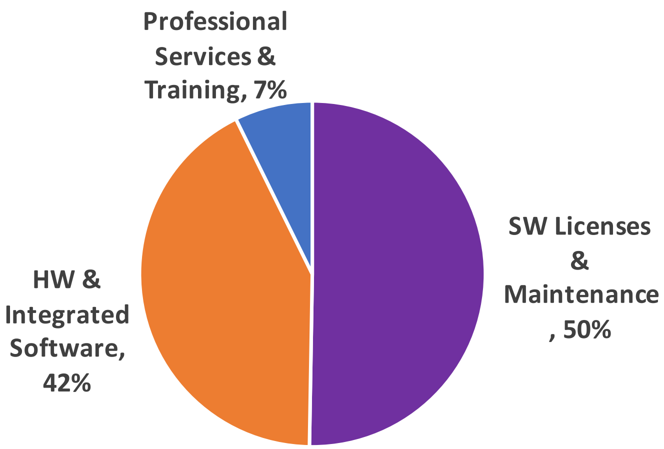
+40%
Subscription Growth YoY

58%
LTM Recurring Revenue

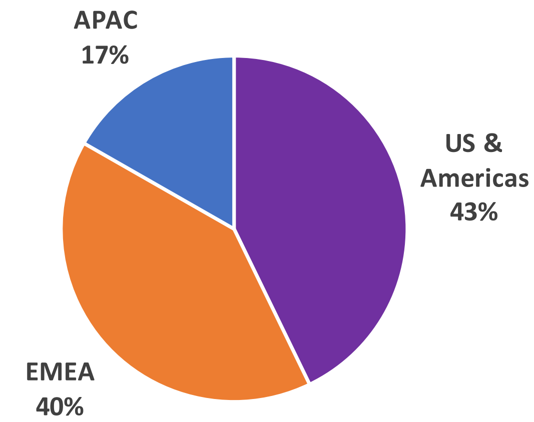
147K+
Paid Subscriptions

Revenue Breakdown (LTM 6/30/19)

Type Split



Geographic Split



Media Technology for Creative Individuals And Enterprises

Creative Individuals

- Solutions for professional and amateur creative individuals to create, mix, edit and master digital audio and video content
- End users include video editors, sound editors, recording engineers, producers, musicians, filmmakers and students
- Solutions used in every Oscar nominee and award winner in the categories of film editing, sound editing, sound mixing and original score in 2019
- Over 1.3 million licenses sold, over 147,000 paid subscriptions and over 1.5 million downloads of First versions

Pro Tools
Media Composer
Sibelius

Media Enterprises

- Broadcast networks, newsrooms, sports, post-production, live production and other organizations that acquire, create, process and distribute video and audio content
- Solutions include MediaCentral platform for sports and news workflows and asset management, NEXIS high-performance storage and Maestro production graphics
- Cloud offerings pioneer within the media industry through a strategic alliance with Microsoft
- Avid serves a large base of 10K+ enterprise customers

viacom NBC CBS sky SINCLAIR BROADCAST GROUP meredith FOTOKEM itv ALJAZEERA

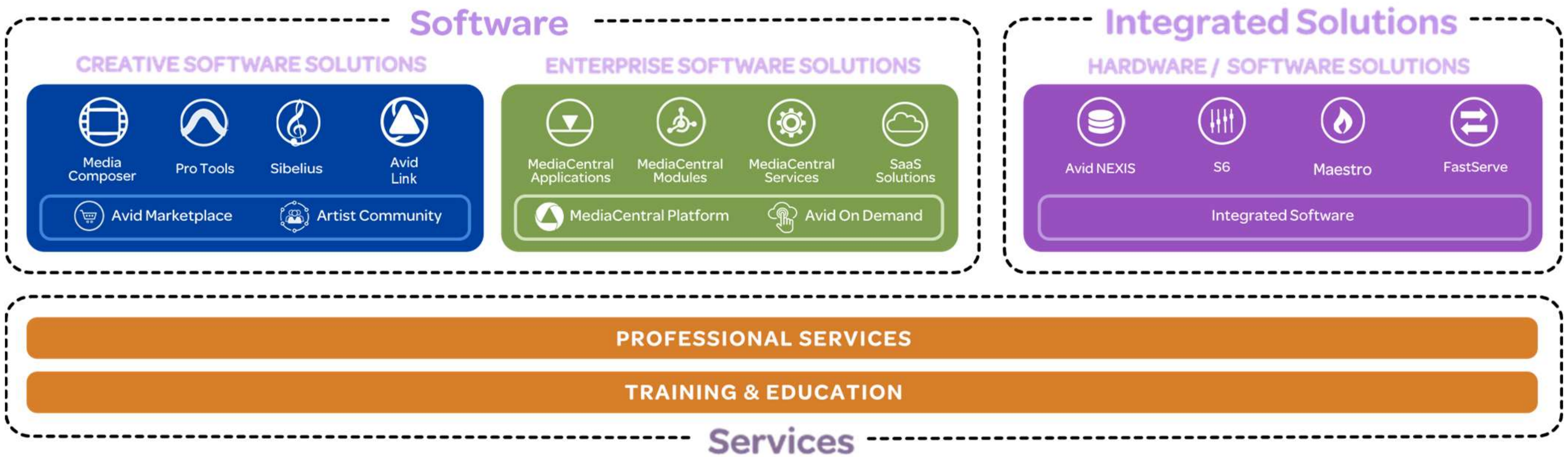
Avid Offers a Differentiated, High-Value Portfolio

- Large high-margin **software and maintenance** business
- Transitioning from **license to subscription**
- Sets stage for more growth fueled by move to cloud / SaaS

Q2 2019 rev: $50.0M | GM: 85.2% | % of rev: 51%

- Differentiated, high value-add **integrated solutions**
- Best-in-class hardware platforms with integrated software
- Good growth and margin profile moving forward

Q2 2019 rev: $41.7M | GM: 36.5% | % of rev: 42%



- Strategically important, but lower margin **services** business
- Moving towards higher value-add services in the future
- Meaningful opportunities to improve margins moving forward

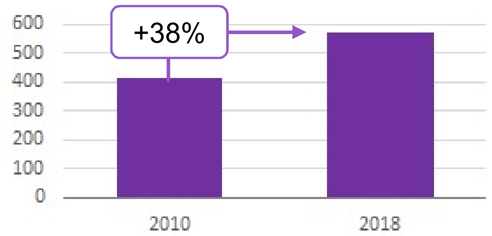
Q2 2019 rev: $7.0M | GM: 11.1% | % of rev: 7%

Note: Non-GAAP Gross Margin %

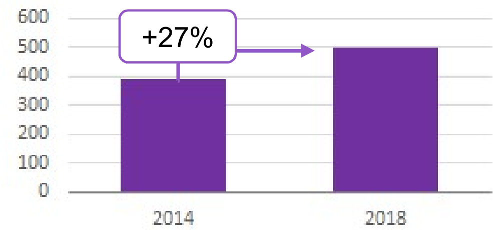
Avid market trends

Continued growth in media content creation

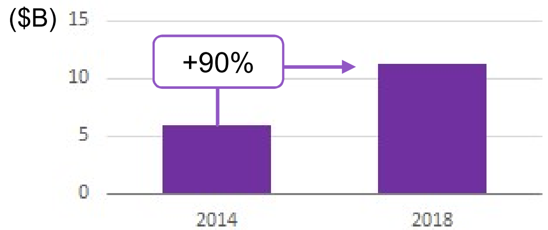
Theatrically released films [1]



Scripted TV shows [2]



Global recorded music industry digital and streaming revenue [3]



New SVOD entrants challenging established companies

Existing: Netflix, Hulu, HBO Go, Showtime Anytime, CBS All Access

New (2019-20): Disney+, HBO Max, Apple TV+, Discovery, NBCUniversal

Growth in media file sizes for higher quality content

1080 HD ➔ 4K UHD ➔ 8K UHD

Bit depth: 8bit ➔ HDR10/10+ ➔ Dolby Vision™

5.1 surround ➔ 7.1 ➔ Dolby Atmos® 7.1.4

Consolidation & cord cutting forcing operating efficiencies

- Cloud
- Automation / AI
- Standardization
- Supplier Rationalization

Avid market opportunity

Avid participates in the $53 billion global market for broadcast & media technology [4]

Avid directly addresses a $7.3 billion subset of the B&M technology market [4]

Avid is focused on growing share in its core markets:

- Audio and video post-production software
- Media management software
- Media storage and production graphics
- Live sound and studio audio hardware

Avid is addressing new, higher growth areas including

- IAAS compute/storage – 2018 market of $860 million, growing 22% [4]

Source: (1) BoxOfficeMojo (US & Canada; top 50 studios by gross); (2) FX Networks Research, "Estimated Number of Scripted Original Series, Broadcast, Cable and Online Services" (as of Dec. 5, 2018); (3) IFPI, "Global Music Report 2019" all statements in this presentation attributable to IFPI represent Avid's interpretation of the data and have not been reviewed by IFPI; (4) IABM DC, "2019 Broadcast and Media Technology Global Market Valuation & Strategy"

New Product Innovation:
Unlock upgrade cycles, win new customers and expand market opportunities

Media Composer 2019

Completely reimagined video editing solution designed to attract a new generation of users, while protecting and building upon the current customer/user base.

Released

Avid S1

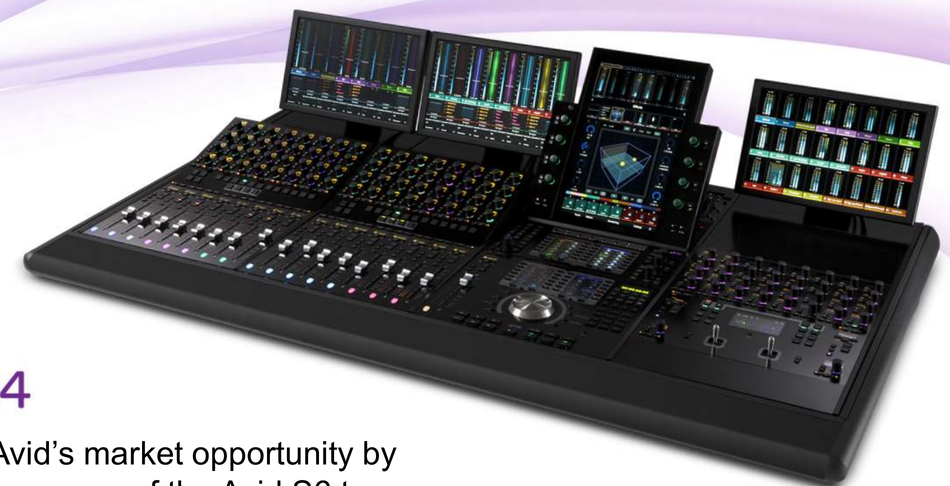
Powerful, portable mixing surface that fits in the tighter spaces and with a low price point; opens cross-selling opportunities to many Pro Tools users.

Announced

MediaCentral 2019

Next-gen media platform update that enables small-to-medium sized enterprise customers to collaborate across teams, create better content faster and more efficiently; opens upgrade opportunities for Avid and prepares customers to start to utilize cloud-based workflows.

Released



Avid S4

Expands Avid's market opportunity by bringing the power of the Avid S6 to small to mid-sized music and post facilities at an affordable price point.

Available for Pre Order

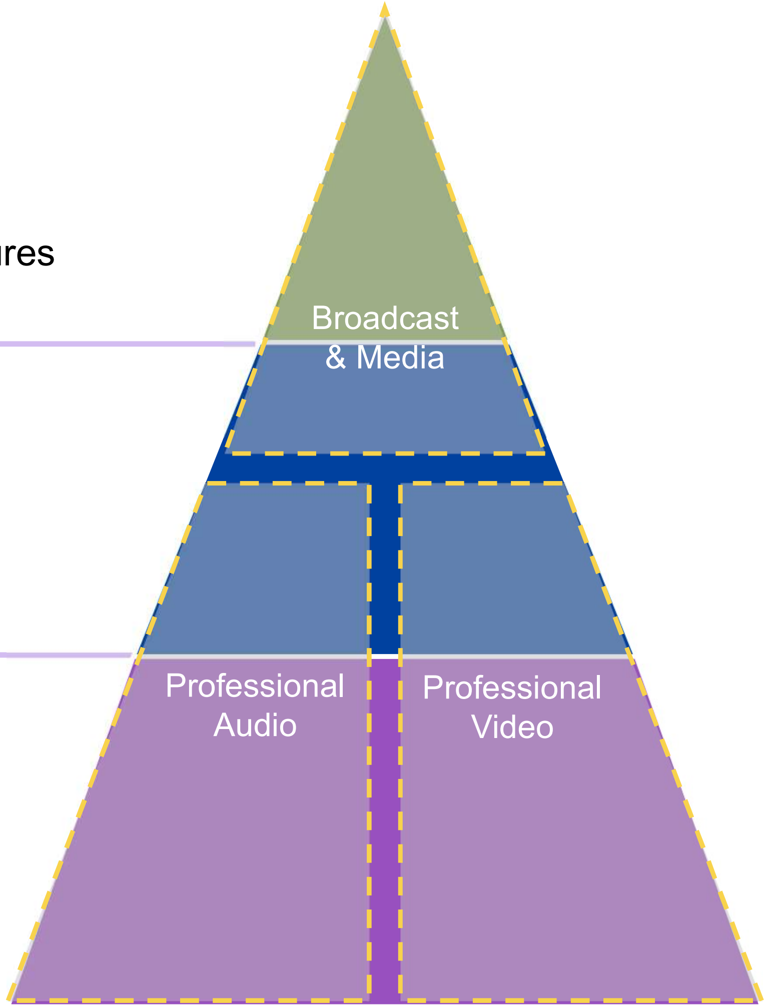
Go-To-Market For Enterprise And Creative Individuals

Aligned Along Logical "Swim Lanes" To Maximize Success

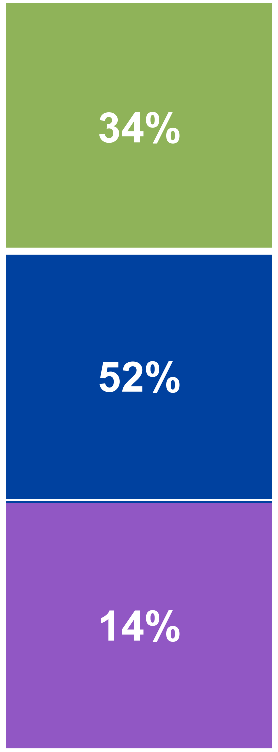
Enterprise Direct
- Account-based marketing model
- Multi-year Enterprise Agreements with key customers
- Flexible deployment models, licensing options and commercial structures

Channel
- Strategic Partner agreements with market leading resellers and VARs
- Scalable service and support
- Localized approach to help end-users access products, training and support quickly

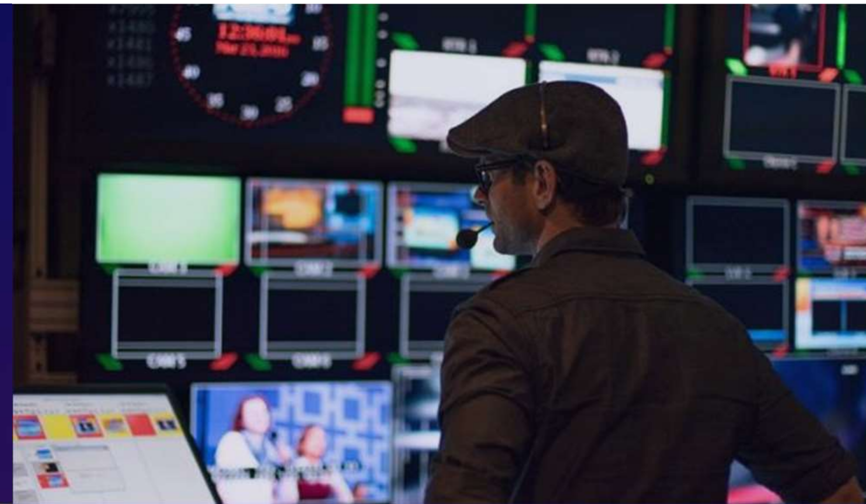
Digital
- Best-in-class eCommerce engine serving creative individuals and small teams
- Proactive support model with recurring subscriptions



% of Revenue (LTM 6/30)



Our Opportunity



Large and growing market poised for transition

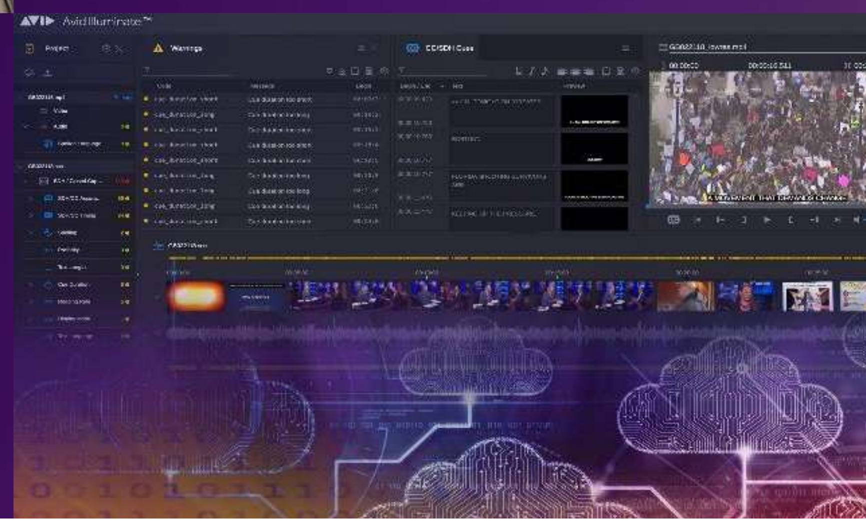
Clients facing significant disruption and on the cusp of making major changes and investments in their business and operational approaches

Deeply entrenched with a market leadership position

Ability to strategically leverage significant global customer base that is loyal to the brand across TV, film, music and media

Best positioned to help the industry navigate disruption

Unique approach with common technology platform, leading software apps and integrated solutions—with a large and open ecosystem



Ready to intercept the next emerging opportunity

Leveraging unique partnership with Microsoft to lead media and entertainment industry into the cloud with market-leading SaaS and AI offerings

Financial Overview

Ken Gayron
CFO and EVP

Key Business Observations

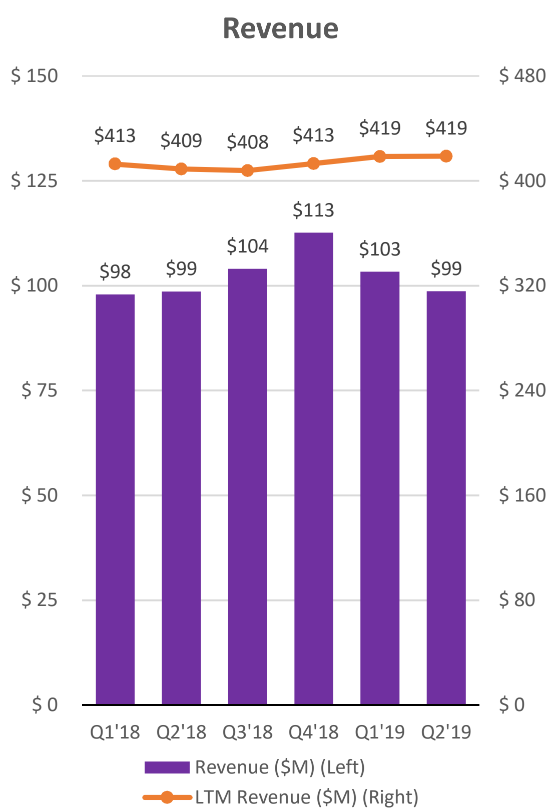
- Minor revenue headwinds due to the supply chain transition during Q2 impacted quarterly results, but doesn’t change the improving longer term trajectory
- Continued strong growth in subscriptions and addition of new long-term agreements
- Continued improving cost structure; achieved OpEx savings targets and COGS savings benefits from supply chain transition expected in H2 2019
- Significant progress in building out next-generation, cloud-based workflows at large media companies
- Ongoing momentum in adding long-term agreements with large media customers and channel partners

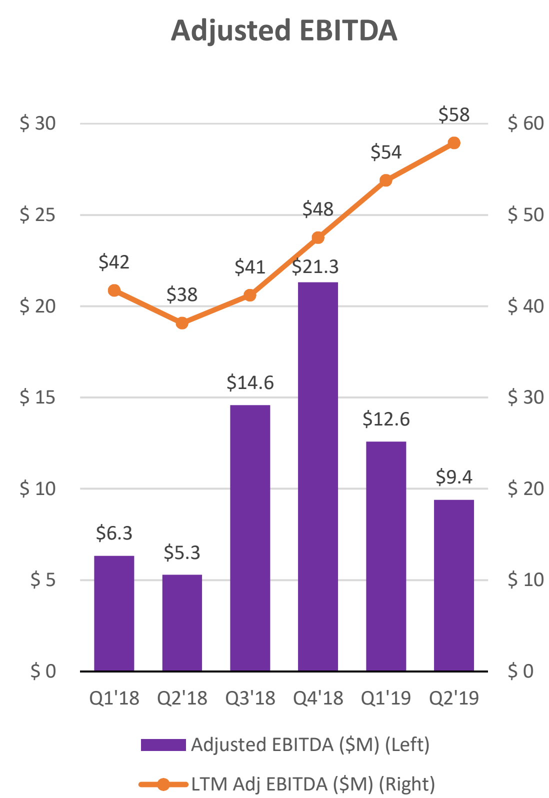
Q2 2019 Business Performance

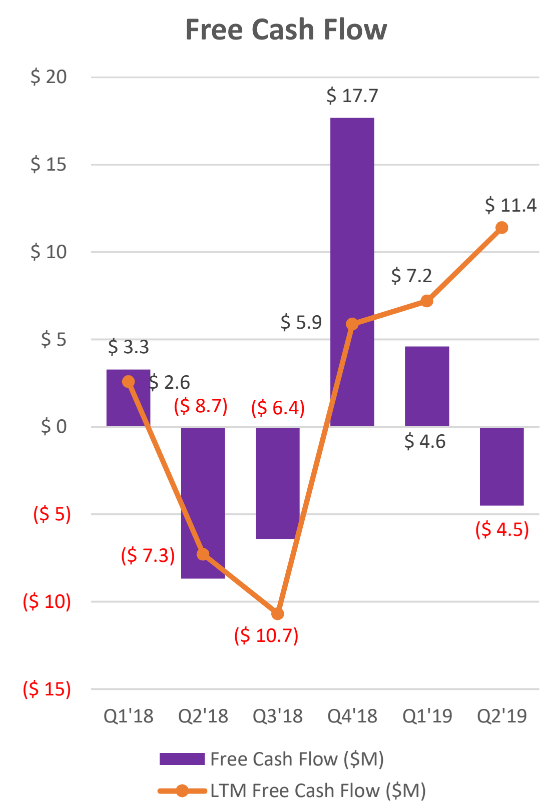
($M, except per share)	Q2 2019	YoY Change
Revenue	$98.7	+0.1%
Non-GAAP Gross Margin	59.4%	+20bps
Adjusted EBITDA	$9.4	+78%
Free Cash Flow	($4.5)	+$4.2
Non-GAAP Net Income per Share	$0.02	+$0.12

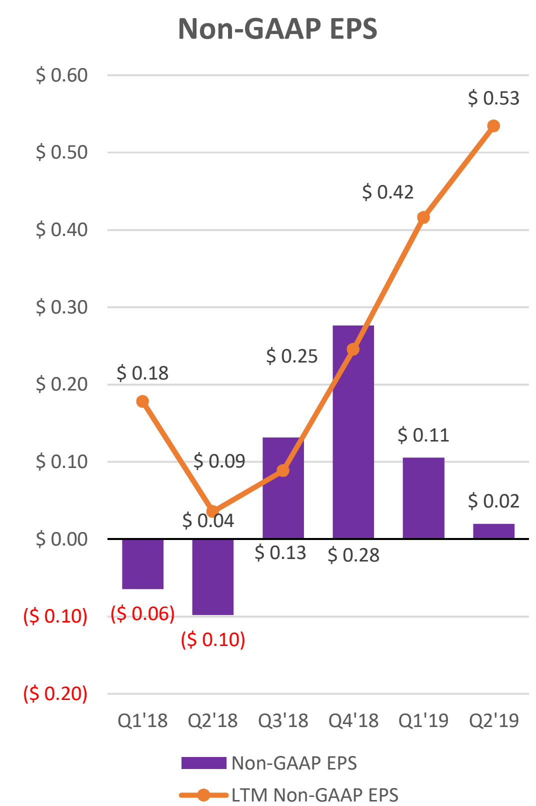
- E-commerce revenue up 19% YoY
- Paid software subscriptions over 147,000, up 40% YoY
- Subscription revenue grew 17% YoY
- Avid First free downloads reached 1.5M cumulative

Business Strategy is Yielding Improving LTM Financial Performance









Revenue and Non-GAAP Gross Margin by Type

($M)	Q2'18	Q3'18	Q4'18	Q1'19	Q2'19	YoY %
Revenue						
Software Licenses	$15.3	$18.5	$23.2	$17.4	$18.4	20.3%
Maintenance	36.1	35.1	34.3	32.0	31.6	(12.5%)
SW Licenses and Maintenance	**$51.4**	**$53.6**	**$57.5**	**$49.4**	**$50.0**	**(2.7%)**
HW & Integrated Software	**$39.4**	**$42.4**	**$47.3**	**$46.3**	**$41.7**	**5.8%**
Professional Services & Training	**$7.8**	**$8.1**	**$7.9**	**$7.6**	**$7.0**	**(10.3%)**
Total Revenue	**$98.6**	**$104.0**	**$112.7**	**$103.3**	**$98.7**	**0.1%**
Non-GAAP Gross Margin						
SW Licenses and Maintenance	*83.8%*	*85.1%*	*85.5%*	*84.8%*	*85.2%*	+140bps
HW & Integrated Software	*38.2%*	*40.3%*	*38.7%*	*43.8%*	*36.5%*	(170bps)
Professional Services & Training	*3.0%*	*-0.2%*	*13.6%*	*14.5%*	*11.1%*	+810bps
Total Non-GAAP Gross Margin	***59.2%***	***60.2%***	***60.8%***	***61.3%***	***59.4%***	**+20bps**
Non-cash maintenance revenue (a)	2.2	1.5	1.1	1.2	1.2	
Maintenance revenue (excl. non-cash revenue)	**$33.9**	**$33.6**	**$33.2**	**$30.8**	**$30.4**	(10.3%)

(a) Non-cash maintenance revenue is the change in Implied PCS deferred revenue during the period

At June 30, 2019, maintenance deferred revenue was $69.1M, up $6.6M from June 30, 2018

Full Year 2019 Guidance

($M, except per share)	Full Year 2019 Guidance Low	Full Year 2019 Guidance High
Revenue	$420	$430
Adjusted EBITDA	$60	$65
Free Cash Flow	$12	$17
Non-GAAP Net Income per Share (1)	$0.60	$0.72

(1) Assumes 43.0M shares

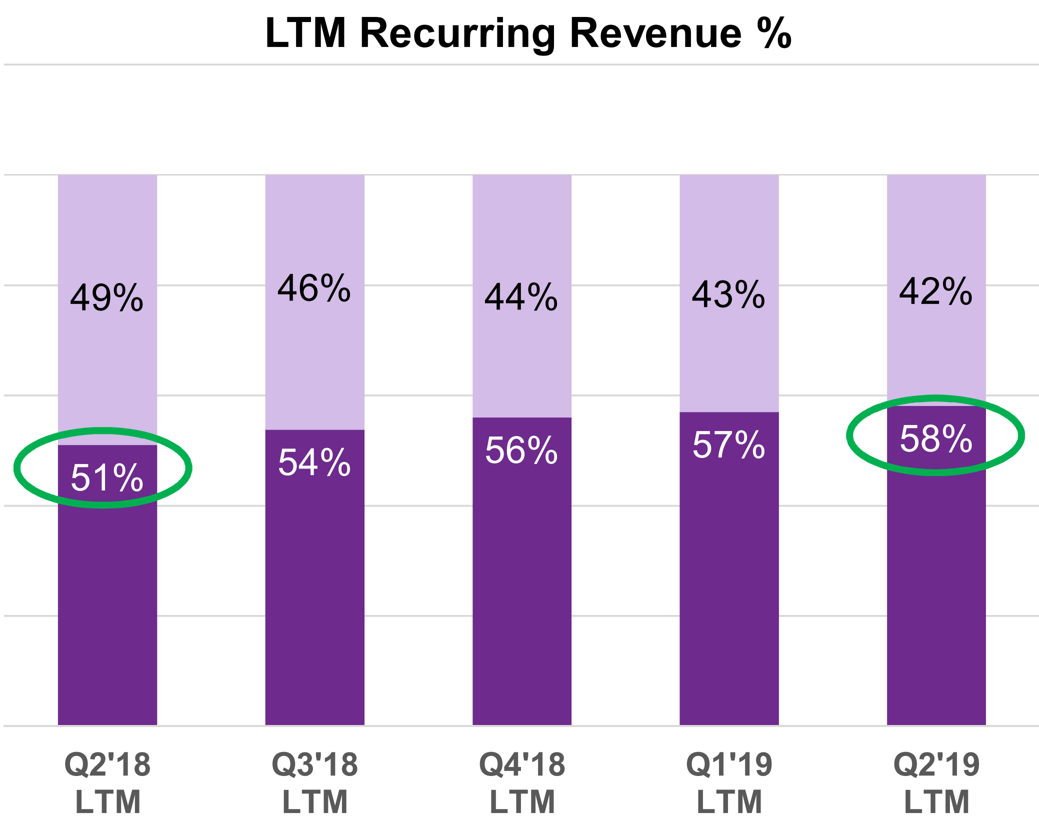
Supplemental Materials

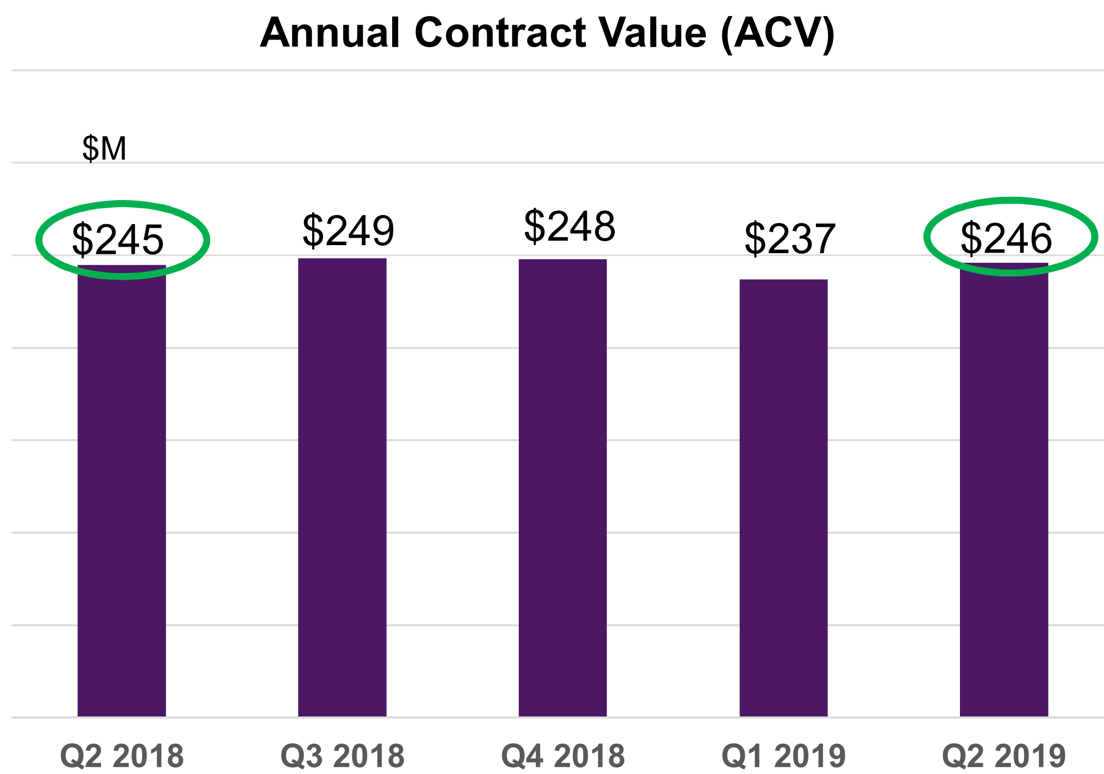
Q2 2019 Financial Results

($M, except per share)	Q2'18	Q1'19	Q2'19	Change Fav/(Unfav) YoY	Change Fav/(Unfav) Seq
Revenue	**$ 98.6**	**$ 103.3**	**$ 98.7**	**+0%**	**(4%)**
LTM Recurring Revenue %	**51%**	**57%**	**58%**	**710bp**	**110bp**
Non-GAAP Gross Profit	**58.4**	**63.3**	**58.6**	**+0%**	**(7%)**
Non-GAAP Gross Margin %	*59.2%*	*61.3%*	*59.4%*	*20bp*	*(190bp)*
Non-GAAP Operating Expenses	**56.0**	**53.1**	**51.8**	**8%**	**3%**
Non-GAAP Net Income (Loss) per Share	**($0.10)**	**$0.11**	**$0.02**	**+$0.12**	**($0.09)**
Adjusted EBITDA	**5.3**	**12.6**	**9.4**	**78%**	**(25%)**
Free Cash Flow	**($8.7)**	**$ 4.6**	**($4.5)**	**+$4.2**	**($9.1)**

- Revenue flat YoY – limited at end of Q2 by order mix and availability due to supply chain transition
- Non-GAAP Gross Margin improved by 20bps YoY, primarily from better software and professional services margins
- Non-GAAP Operating Expenses were down ($4.2M) YoY, largely driven by Smart Savings initiatives
- Adjusted EBITDA up $4.1M YoY, due to lower operating expenses

LTM Recurring Revenue % and Annual Contract Value





Growth in subscriptions and long-term agreements is driving an increase in LTM recurring revenue%

ACV up slightly YoY from growth in subscription and long-term agreements, partially offset by decline in maintenance

Balance Sheet & Backlog as of June 30, 2019

($M)		6/30/18	3/31/19	6/30/19
Cash and Cash Equivalents*		**$60.2**	**$55.3**	**$51.0**
Accounts Receivable		**47.7**	**61.3**	**58.6**
DSO		*44*	*53*	*54*
Contract Assets		**$15.5**	**$18.7**	**$18.5**
Net Inventory		**31.8**	**34.3**	**34.1**
Accounts Payable		**33.5**	**38.4**	**39.1**
Deferred Revenue	**a**	**97.7**	**101.3**	**93.5**
Contractually Committed Backlog	**b**	**350.5**	**358.4**	**351.3**
Total Revenue Backlog	**a+b**	**448.2**	**459.7**	**444.8**
Long-Term Debt		**230.7**	**218.2**	**200.2**

- Growth in A/R and Inventory funded by A/P
- A/P to come down in 2H'19 with planned reduction in Inventory

- Cash balance down ($9M) YoY due primarily to repurchases of convertible notes
  - $8.5M restricted cash collateralizing letter of credit returned in Q3 as unrestricted
- Accounts receivable up $11M YoY on timing of shipments during the quarter
- Contract assets up $3M YoY on growth in subscription business
- Inventory up $2M YoY on supply chain transition – expected to decline in 2H'19 as that transition is completed
- Contractually committed backlog up $1M YoY on increased long term agreements
- Long Term Debt of $200M, excludes $29M remaining convertible notes, now classified as short term debt

*Cash balance excludes $8.5 million of restricted cash at 6/30/18 and $9.0 million at 3/31/19 and 6/30/19