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

Company Overview - March 2019

AVID TECHNOLOGY

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

Operational Measures
Bookings
Revenue Backlog
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 March 14, 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 and Free Cash Flow, which are forward-looking non-GAAP financial measures. Reconciliations of these forward-looking non-GAAP measures are not included in this presentation, 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 first 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; bookings; 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

Serves Both Creative Individuals And Enterprise Markets

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
- Over 1.3 million licenses sold, over 125,000 paying subscribers and over 1.2 million downloads of First versions

Pro Tools
Media Composer
Sibelius

Market Trends

- ✓ Consumerization of content / music creation and distribution
- ✓ Growth in number of Creative Individuals looking online for top tier tools and entertainment solutions
- ✓ Accelerated digitization of media assets

Media Enterprises

- Broadcast networks, newsrooms, sports, post-production, live production and other organizations that acquire, create, process and distribute video and audio content
- Avid serves a large base of 10K+ enterprise customers

viacom NBC CBS
sky SINCLAIR BROADCAST GROUP FOTOKEM
meredith ALJAZEERA itv

Market Trends

- ✓ UHD / 4K, IP and immersive driving large scale retooling
- ✓ Industry migration toward virtualization and cloud deployment for accessibility, scalability and elasticity
- ✓ Enterprise shift from perpetual licensing models to subscription
- ✓ Increasing spend on digital distribution infrastructure

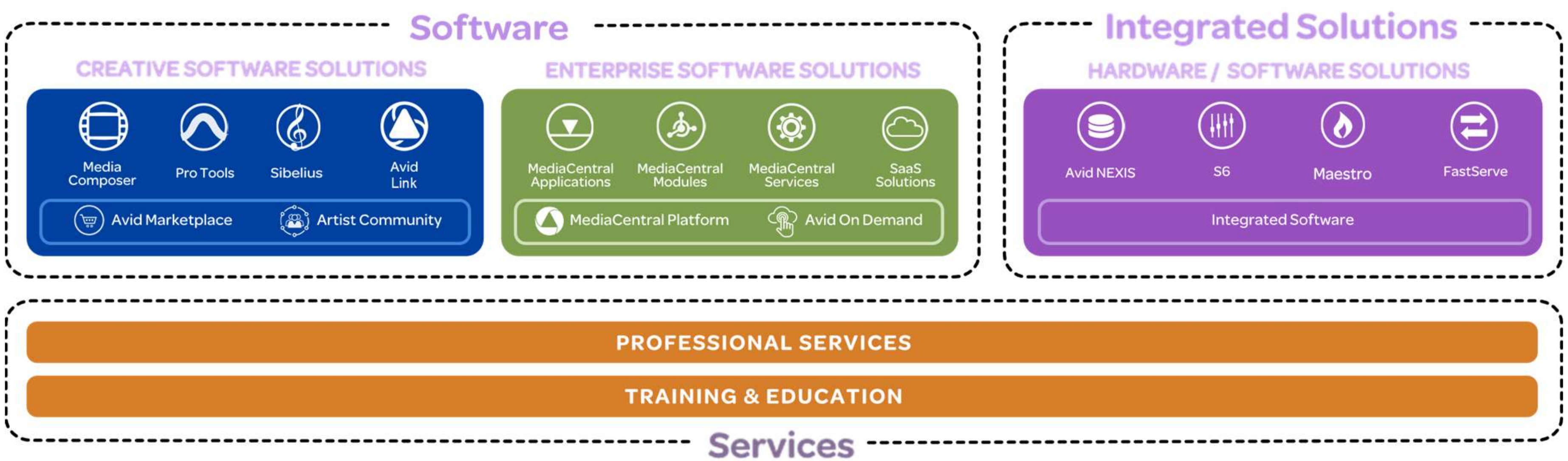
Avid Offers A Differentiated, High-Value Portfolio

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

2018 cash rev: $207.2M | Share: 50.9%

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

$166.8M | 40.9%



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

$33.1M | 8.1%

2018 cash revenue | share of cash revenue %

Ecosystem For Creative Individuals

Product Overview

Media Composer
Pro Tools
Sibelius
Avid Link

Media Composer
- High-end film and non-linear video editing software

Pro Tools
- Digital Audio Workstation and software solutions

Sibelius
- Music notation software to create, establish and publish musical scores

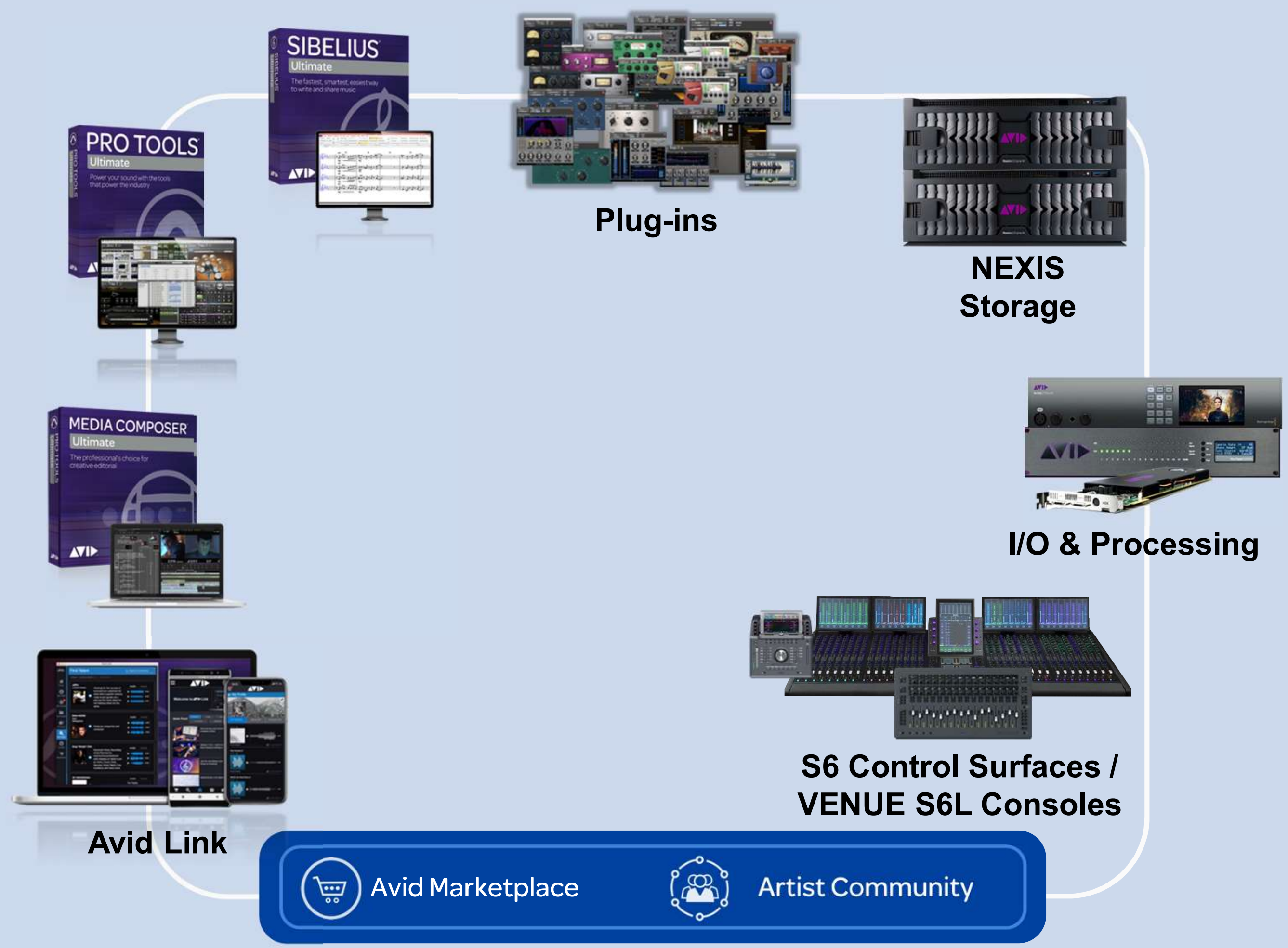
Avid Link
- Application to manage Avid products and connect with other Avid users

S6
VENUE
Avid NEXIS

Control Surfaces - S6
- Mixing control surfaces for sound engineers

VENUE S6L
- Consoles for live sound production

NEXIS Storage
- High-performance central shared storage with proprietary NEXIS file system



Proprietary Platform For Media Enterprises

Product Overview

MediaCentral Applications
- Cloud media production and management platform apps

MediaCentral Modules
- Management modules to optimize user workflows including ingest, transcoding, indexing and distribution

MediaCentral Services
- Media management services including distribution and audience engagement

SaaS Solutions
- Avid On Demand extends MediaCentral capabilities through SaaS

NEXIS Storage
- High-performance central shared storage with proprietary NEXIS file system

Maestro
- Comprehensive broadcast graphics solutions

FastServe
- Video server product to assist broadcasters' workflow

Go-To-Market For Enterprise And Creative Individuals

Optimizing Along Logical "Swim Lanes" Will Maximize Success

Enterprise

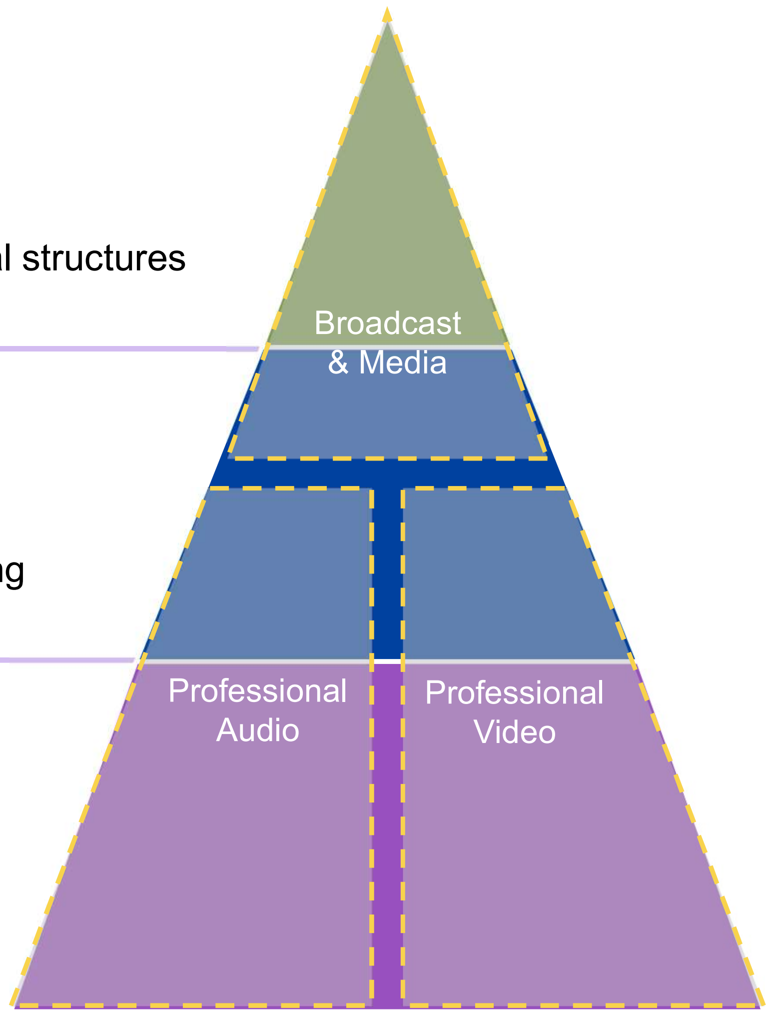
- Account-based marketing model
- Multi-year Enterprise Agreements with key customers
- Flexible deployment models, licensing options and commercial structures

Channel

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

Digital

- Best-in-class eCommerce engine
- Proactive support model with recurring subscriptions
- 52% revenue growth through digital marketplace in 2018 (total revenue over $50m)



A New Team, A Strong Plan

Well Positioned To Achieve Robust Growth Through Current Strategy And Business Plan

Driving Sustained Profitable Growth

- Pursuing a focused investment strategy to drive sustained growth
- Investing in key growth pillars (e.g. Cloud and Subscription software offerings)
- Further enhance competitive differentiation through continued innovation in product

Operational Improvements

- Making significant changes in business operations to better support company's strategy
- Increase business performance with higher performing operational infrastructure / capabilities

Internal Efficiency & Cost Savings

- Implemented cost savings initiatives targeted towards non-personnel costs
- Lowering total headcount targets
- $20M publicly announced savings program on track to improve margins

New Supply Chain Model

- Revamping supply chain / logistics while moving to LEAN, implementing new supplier / factory structure
- Lower working capital needs, improve hardware margins and increase velocity / speed

Optimizing Go-to-Market

- Simplification and improvement of overall go-to-market
- Improve effectiveness of efforts while increasing efficiency; drive growth in pipeline and revenue

Business Update

Key Business Observations

- Key financial indicators in Q4 2018 are encouraging and showing progress, highlighted by
  - ✓ First GAAP y/y revenue growth since Q2 2016
  - ✓ Largest quarterly FCF generation in 7 years
- Confidence that the new leadership team and revised strategy and business plan are delivering better results
- Good progress on moving to more recurring revenue with continued growth in subscriptions and long-term agreements
- New product introductions driving growth – with more coming
- Continued focus on operational improvements and our smart savings initiatives to deliver $20M savings target
- There is more work to do, and the new team is just getting started, but the company is on a better trajectory

Q4 2018 Financial Results

($M)	(ASC 605) Q4'17	(ASC 606) Q3'18	(ASC 606) Q4'18	Change Fav/(Unfav) Seq	YoY
Revenue	**107.3**	**104.0**	**112.7**	**8%**	**5%**
Non-Cash Revenue	*2.2*	*1.5*	*0.3*		
Total Excluding Non-Cash Revenue	*105.1*	*102.5*	*112.4*	*10%*	*7%*
Recurring Revenue Percentage	**47%**	**60%**	**56%**	**(480bp)**	**830bp**
Non-GAAP Gross Profit	**60.1**	**62.7**	**68.6**	**9%**	**14%**
Non-GAAP Gross Margin %	*56.0%*	*60.2%*	*60.8%*	*60bp*	*480bp*
Non-GAAP Operating Expenses	**48.2**	**50.8**	**50.2**	**1%**	**(4%)**
Adjusted EBITDA	**15.0**	**14.6**	**21.3**	**46%**	**42%**
Free Cash Flow	**$ 1.1**	**$ (6.4)**	**$ 17.7**	**376%**	**1535%**

- Revenue up 5% YoY – 1st quarter with YoY GAAP revenue growth since Q2'16
  - Up 7% YoY excluding non-cash revenue
  - Recurring revenue 56% in Q4, up 830bps YoY
- NG Gross Margin improved by 480bps YoY, primarily from better integrated solutions GM
- NG Operating Expenses were down ($3.2M) YoY (excluding the $5.2M legal settlement credit in Q4'17), largely driven by smart savings initiatives
- Adjusted EBITDA of $21.3 up $6.7M from Q3'18 and up $6.3M from Q4'17, due to higher revenue and improved gross margin
- Free Cash Flow was $17.7M up from $1.1M in Q4'17. Excluding the $9.3M bonus payout in Q4'17, FCF was up $7.3M over Q4'17.

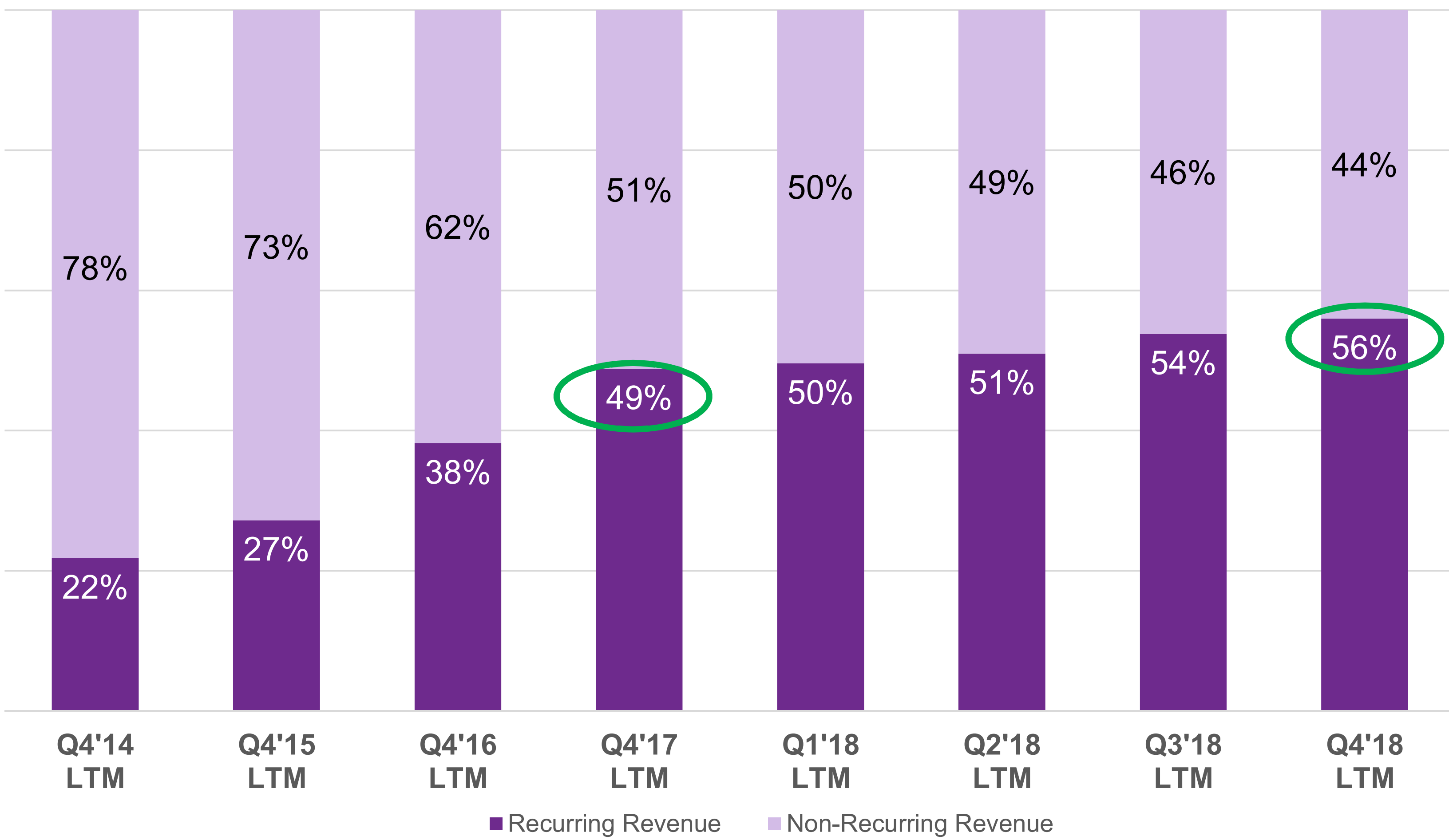
2018 Financial Results

($M)	(ASC 605) 2017	(ASC 606) 2018	Change Fav/(Unfav) YoY
Bookings	**$ 533.1**	**$ 440.3**	**(17%)**
Bookings excluding Greater China	*438.2*	*440.3*	*0%*
Revenue	**419.0**	**413.3**	**(1%)**
Non-Cash Revenue	*30.9*	*6.2*	
Total Excluding Non-Cash Revenue	*388.1*	*407.1*	*5%*
Recurring Revenue Percentage	**49%**	**56%**	**720bp**
Non-GAAP Gross Profit	**250.2**	**247.3**	**(1%)**
Non-GAAP Gross Margin %	*59.7%*	*59.8%*	*10bp*
Non-GAAP Operating Expenses	**214.9**	**211.7**	**1%**
Adjusted EBITDA	**48.4**	**47.5**	**(2%)**
Free Cash Flow	**$ 1.1**	**$ 5.9**	**456%**

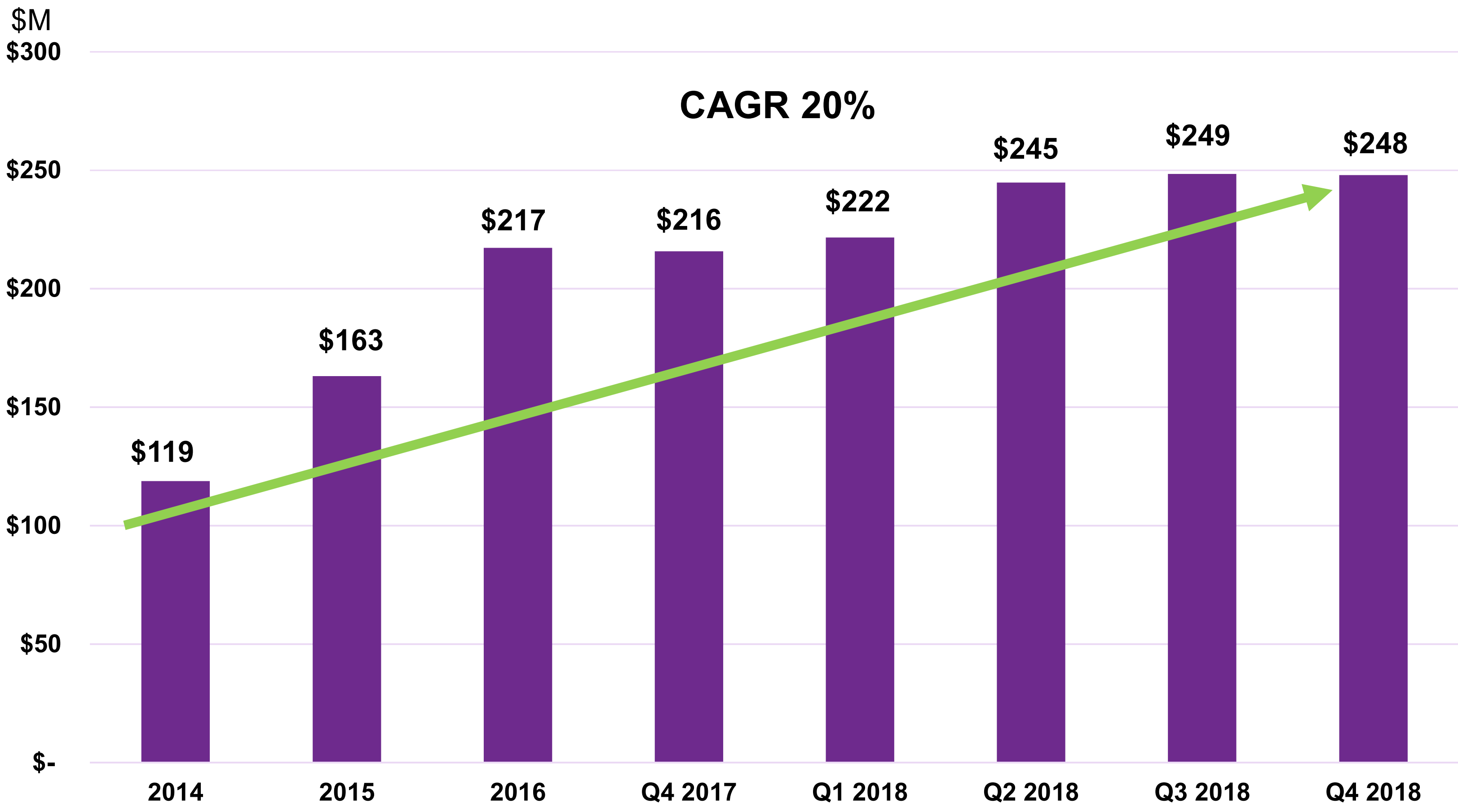
- Bookings down (17%) YoY, but flat year over year, excluding Greater China
  - Bookings were 107% of revenue for 2018
- Total revenue of $413.3M, down (1%) YoY
  - Revenue excluding non-cash revenue was up 5% over 2017
- Non-GAAP Gross Margin was 59.8%, up 10bps YoY
- Non-GAAP operating expenses of $211.7M, down ($8.4M), excluding the $5.2M legal settlement credit in Q4’17
- Adjusted EBITDA of $47.5M, down ($0.9M) YoY
- Free cash flow of $5.9M, up $4.8M YoY

Recurring Revenue

Significant growth in subscriptions and long-term agreements is driving an increase in Recurring Revenue



Annual Contract Value (ACV)



- ACV up 15% year over year, due to more subscriptions and long term agreements
- ACV flat in Q4 sequentially, due in part to timing of certain enterprise bookings that moved into Q1’19

New Presentation for Reporting Revenue

$M @AFX

	2017	Q1'18	Q2'18	Q3'18	Q4'18	2018	YoY %
Software Licenses	$ 76.0	$ 17.2	$ 15.4	$ 18.6	$ 23.2	$ 74.3	-2%
Maintenance	159.5	33.7	36.0	35.0	34.3	139.1	-13%
SW Licenses and Maintenance	235.6	50.9	51.4	53.6	57.5	213.4	-9%
% of Total Revenue	*56.2%*	*52.0%*	*52.1%*	*51.5%*	*51.0%*	*51.6%*	
HW & Integrated Software	153.6	37.7	39.4	42.4	47.3	166.8	9%
Professional Services & Training	29.9	9.3	7.8	8.1	7.9	33.1	11%
Total Revenue	**$ 419.0**	**$ 97.9**	**$ 98.6**	**$ 104.0**	**$ 112.7**	**$ 413.3**	**-1%**
SW Lic & Main't Excl. Non-Cash Rev	*$ 204.7*	*$ 48.7*	*$ 49.2*	*$ 52.1*	*$ 57.2*	*$ 207.2*	*1%*
% of Total Revenue excl. Non-Cash	*52.7%*	*50.9%*	*51.0%*	*50.8%*	*50.9%*	*50.9%*	
Total excl. Non-Cash Revenue	*$ 388.1*	*$ 95.7*	*$ 96.4*	*$ 102.5*	*$ 112.4*	*$ 407.1*	*5%*

On Revenue excl. non-cash revenue basis, SW Licenses and Maintenance shows a modest growth of 1% year over year and remains approximately 51% of total Revenue

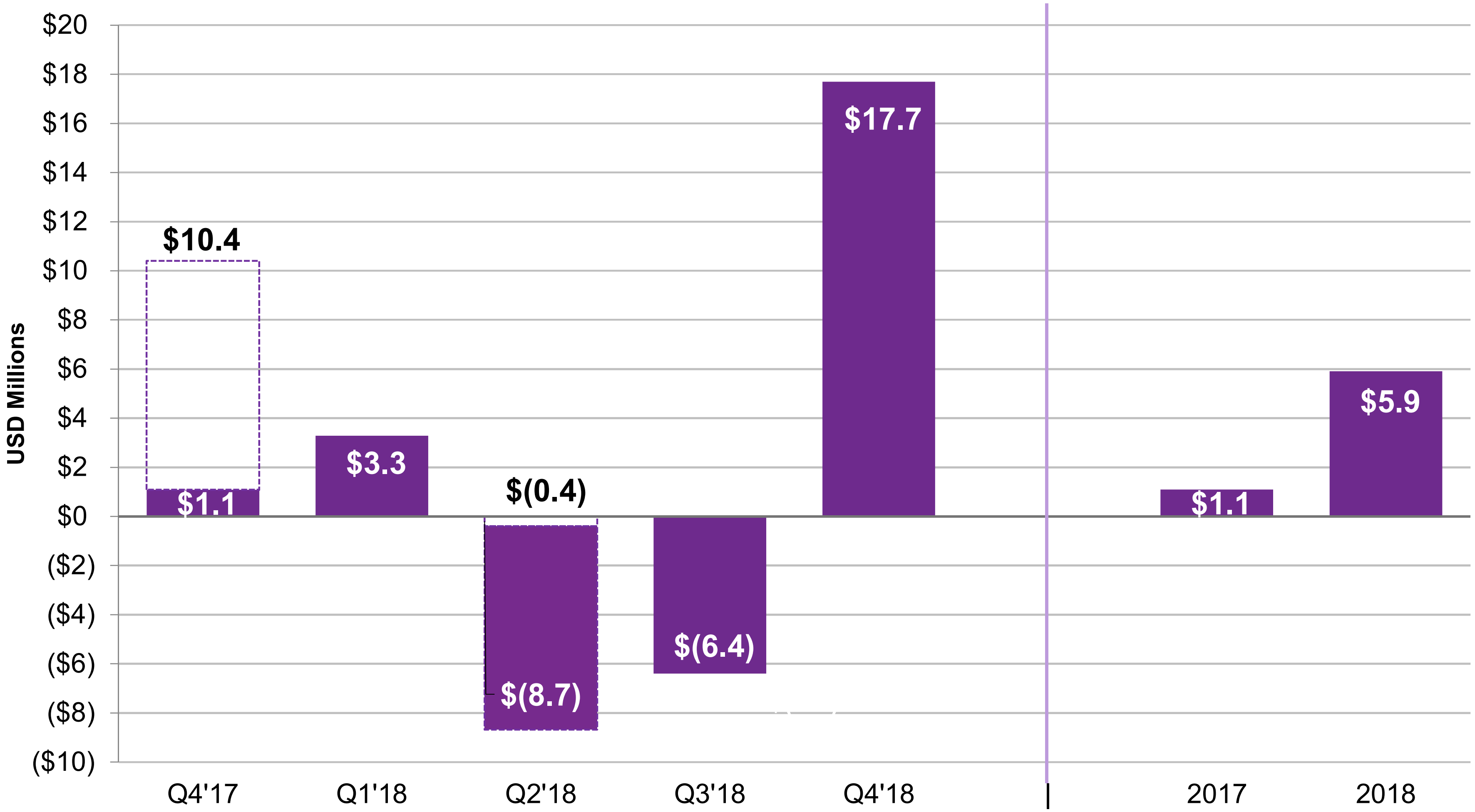
Balance Sheet & Backlog as of 12/31/2018

($M)		12/31/17	9/30/18	12/31/18
Cash*		**$57.2**	**$50.5**	**$56.1**
Accounts Receivable		**61.2**	**51.0**	**67.8**
Accounts Receivable (ASC 605)		*40.1*		
Contract Assets		**$6.6**	**$17.1**	**$16.5**
Contract Assets (ASC 605)		-		
Net Inventory		**32.7**	**32.1**	**33.0**
Net Inventory (ASC 605)		*38.4*		
Deferred Revenue	a	**98.0**	**88.2**	**99.6**
Deferred Revenue (ASC 605)		*194.6*		
Contractually Committed Backlog	b	**334.9**	**370.9**	**357.2**
Contractually Committed Backlog (ASC 605)		*341.5*		
Total Revenue Backlog	a+b	**432.9**	**459.1**	**456.8**
Annual Contract Value (ACV)		**215.8**	**248.5**	**248.0**
Long-Term Debt		**$204.5**	**$229.4**	**$220.6**

- Cash balance remains strong over year. When including the $8.5M of restricted cash, balance is up $7.4M YoY
- Adoption of ASC 606 had an impact on balances for Accounts Receivable, Inventory, Deferred Revenue and Total Revenue Backlog
- AR up $6.6M YoY (ASC 606 adj.) due to strong billings in Q4'18
- Contractually committed backlog of $357M at year end, up $22M YoY (ASC 606 adj.) on increased LTAs and subscriptions
- ACV of $248M at year end, up $32M YoY
- Long Term Debt of $220.6M, up $16.1M YoY due to additional term loan draw under bank amendment offset in part by repurchase of $16M convertible notes

*Cash balance excludes $8.5 million of restricted cash on both 9/30/18 and 12/31/18

Free Cash Flow Analysis



- Q4 Free Cash Flow of $17.7M, up from $10.4M in Q4'17 (normalized for $9.3M bonus payout)
  - Highest FCF quarter in 7 years
  - Driven by growth in EBITDA
- 2017 bonus of $8.3M was paid in Q2 2018
- 2016 bonus of $9.3M was paid in Q4 2017
- 2018 Free Cash Flow was $5.9M, up from $1.1M in 2017

Q1 and Full Year 2019 Guidance

($M)	Q1 2019 Guidance Low	Q1 2019 Guidance High	Full Year 2019 Guidance Low	Full Year 2019 Guidance High
Revenue	$96	$104	$420	$430
Adjusted EBITDA	$7	$12	$60	$65
Free Cash Flow			$12	$17

Q&A