



November 5, 2015

## **Avid Announces Financial Results for Third Quarter 2015**

### **Transformation on Track and Expected to be Completed by Q2 2017; Continued Shift to Recurring Revenue Drives Year on Year Bookings Growth**

BURLINGTON, Mass., Nov. 05, 2015 (GLOBE NEWSWIRE) -- Avid® (Nasdaq:AVID) announced today that it has released third quarter results and updated its 2015 full year guidance.

#### **Q3 2015 Highlights**

- Bookings as reported increased 2.6% year on year to \$115.1 million. Bookings on a constant dollar basis grew 9% year on year to \$121 million.
- Revenue as reported declined by 4% year on year to \$137 million but increased 25% sequentially. Revenue on a constant dollar basis was lower by 0.2% year on year. Pre-2011 revenue and non-marketed product bookings headwinds continue to diminish.
- Recurring revenue bookings increased 42% year-on-year, representing 28% of total quarter's bookings.
- Adjusted EBITDA of \$25.0 million versus \$27.3 million in Q314. Sequentially, Adjusted EBITDA grew by \$23.5 million.
- Current paid subscribers exceeded 20,000 users.
- Cumulative Media Central platform licenses reached more than 28,000, over a 50% increase from Q3 2014
- Updated Full Year 2015 Earnings Guidance
  - Adjusted EBITDA range of \$55 to \$60 million, as reported
  - Bookings range of \$490 to \$503 million, as reported
  - Adjusted free cash flow range adjusted to use of \$26 to \$35 million, as reported

"Avid continues to solidify its market leadership position by helping customers increase media workflow efficiencies in an industry that's seeing tremendous monetization pressures" said Louis Hernandez, Jr, Chairman, President, and CEO of Avid. "At the same time, Avid's own transformation is progressing well and we continue to drive towards a business with more recurring revenue streams and efficient operating model by 2017, when we expect our transformation to be largely complete, as evidenced by the fact that the headwinds from pre-2011 deferred revenue and non-marketed product bookings should have burned off and we should have completed our cost optimization projects".

"During Q3, we made good progress on our transformation, which was reflected in our year-on-year constant dollar bookings growth in Q3." said John Frederick, Chief Financial and Administrative Officer of Avid. "We're continuing to work on our cost structure, build long term backlog and shift to higher margin products. As our bookings growth converts to revenue and cash, we're looking forward to expanding margins and improved cash generation."

Avid includes non-GAAP financial measures, including adjusted EBITDA, adjusted free cash flow, non-GAAP operating income (loss), non-GAAP operating income per share, non-GAAP gross margin, and non-GAAP operating expenses, as well as operational metrics of bookings, marketed bookings, recurring revenue bookings and revenue backlog in this release. Definitions of the non-GAAP financial measures and the reconciliations to the Company's comparable GAAP financial measures for the periods presented are included in our Form 8-K filed today and in the supplemental financial and operational data sheet available on our investor relations webpage at [ir.avid.com](http://ir.avid.com), which also includes definitions of the operational metrics. Unless noted, all financial information is as reported based on actual exchange rates.

#### **Conference Call**

A conference call to discuss Avid's financial results for the third quarter of 2015 will be held on Thursday, November 5, 2015 at 5:00 p.m. ET. The call will be open to the public and can be accessed by dialing 719-457-2697 and referencing confirmation code 9388800. You may also listen to the call on the Avid Investor Relations website. To listen via the website, go to the events tab at [ir.avid.com](http://ir.avid.com) for complete details prior to the start of the conference call. A replay of the call will also be available on the Avid Investor Relations website shortly after the completion of the call. Earnings documents, including slides to accompany Avid's management presentation and a supplemental financial and operational data sheet are posted to Avid's investor relations website in advance of the conference call for reference.

#### **Forward-Looking Statements**

The information provided in this press release including the tables attached hereto include forward-looking statements that

involve risks and uncertainties, including projections and statements about our anticipated plans, objectives, expectations and intentions. Such statements include, without limitation, statements regarding our financial statements or other information included herein based upon or otherwise incorporating judgments or estimates relating to future performance such as future operating expenses; earnings; bookings; backlog; revenue backlog conversion rate; product mix and free cash flow; our cost savings initiatives; our future strategy and business plans; our product plans, including products under development, such as cloud and subscription based offerings; our liquidity and ability to raise capital; the anticipated benefits of the Orad acquisition, including estimated synergies, and the effects of the transaction, including effects on future financial and operating results; and our liquidity. These forward-looking statements are based on current expectations as of the date of this release 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, including but not limited to the effect on our sales, operations and financial performance resulting from: our liquidity; our ability to execute our strategic plan, including cost savings initiatives, and meet customer needs; our ability to retain and hire key personnel; our ability to produce innovative products in response to changing market demand, particularly in the media industry; our ability to successfully accomplish our product development plans; competitive factors; history of losses; fluctuations in our revenue, based on, among other things, our performance and risks in particular geographies or markets; our higher indebtedness and ability to service it and meet the obligations thereunder; restrictions in our credit facilities; our move to a subscription model and related effect on our revenues and ability to predict future revenues; elongated sales cycles; fluctuations in foreign currency exchange rates; seasonal factors; adverse changes in economic conditions; variances in our revenue backlog and the realization thereof; the identified material weaknesses in our internal control over financial reporting; and the possibility of legal proceedings adverse to our company. Moreover, the business may be adversely affected by future legislative, regulatory or changes, including tax law changes, as well as other economic, business and/or competitive factors. The risks included above are not exhaustive. Other factors that could adversely affect our business and prospects are described in the filings made by our company with the SEC. We expressly disclaim any obligation or undertaking to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

## About Avid

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## AVID TECHNOLOGY, INC.

### Condensed Consolidated Statements of Operations

(unaudited - in thousands, except per share data)

|                                   | Three Months Ended |            | Nine Months Ended |            |
|-----------------------------------|--------------------|------------|-------------------|------------|
|                                   | September 30,      |            | September 30,     |            |
|                                   | 2015               | 2014       | 2015              | 2014       |
| Net revenues:                     |                    |            |                   |            |
| Products                          | \$ 88,945          | \$ 105,330 | \$ 245,124        | \$ 287,215 |
| Services                          | 48,491             | 37,099     | 121,665           | 114,840    |
| Total net revenues                | 137,436            | 142,429    | 366,789           | 402,055    |
| Cost of revenues:                 |                    |            |                   |            |
| Products                          | 32,256             | 37,807     | 92,416            | 107,898    |
| Services                          | 15,416             | 14,981     | 46,054            | 45,975     |
| Amortization of intangible assets | 1,950              | -          | 2,113             | 50         |
| Total cost of revenues            | 49,622             | 52,788     | 140,583           | 153,923    |
| Gross profit                      | 87,814             | 89,641     | 226,206           | 248,132    |

|  |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| Operating expenses:                                  |                |                |                |                |
| Research and development                             | 25,225         | 22,154         | 71,708         | 67,178         |
| Marketing and selling                                | 31,564         | 31,410         | 92,420         | 98,522         |
| General and administrative                           | 15,834         | 20,644         | 52,646         | 58,959         |
| Amortization of intangible assets                    | 786            | 373            | 1,568          | 1,251          |
| Restructuring costs (recoveries), net                | -              | -              | 539            | (165)          |
| Total operating expenses                             | <u>73,409</u>  | <u>74,581</u>  | <u>218,881</u> | <u>225,745</u> |
| Operating income                                     | 14,405         | 15,060         | 7,325          | 22,387         |
| Interest and other expense, net                      | (2,519)        | (455)          | (4,681)        | (1,163)        |
| Income before income taxes                           | <u>11,886</u>  | <u>14,605</u>  | <u>2,644</u>   | <u>21,224</u>  |
| Provision for (benefit from) income taxes, net       | 768            | 365            | (4,221)        | 1,427          |
| Net income   | <u>11,118</u>  | <u>14,240</u>  | <u>6,865</u>   | <u>19,797</u>  |
| Net income per common share - basic and diluted      | <u>\$ 0.28</u> | <u>\$ 0.36</u> | <u>\$ 0.17</u> | <u>\$ 0.51</u> |
| Weighted-average common shares outstanding - basic   | 39,231         | 39,133         | 39,417         | 39,117         |
| Weighted-average common shares outstanding - diluted | 39,750         | 39,201         | 40,727         | 39,164         |

#### AVID TECHNOLOGY, INC.

#### Reconciliations of GAAP financial measures to Non-GAAP financial measures

(unaudited - in thousands, except per share data)

|  | Three Months Ended<br>September 30 , |                   | Nine Months Ended<br>September 30, |                   |
|--|--------------------------------------|-------------------|------------------------------------|-------------------|
|  | 2015                                 | 2014              | 2015                               | 2014              |
| <b>GAAP</b>  |                                      |                   |                                    |                   |
| <b>Net revenues</b>                                  | <b>\$ 137,436</b>                    | <b>\$ 142,429</b> | <b>\$ 366,789</b>                  | <b>\$ 402,055</b> |
| Cost of revenues                                     | 49,622                               | 52,788            | 140,583                            | 153,923           |
| Gross profit   | <u>87,814</u>                        | <u>89,641</u>     | <u>226,206</u>                     | <u>248,132</u>    |
| Operating expenses                                   | 73,409                               | 74,581            | 218,881                            | 225,745           |
| <b>Operating income</b>                              | <b>14,405</b>                        | <b>15,060</b>     | <b>7,325</b>                       | <b>22,387</b>     |
| Interest and other expense, net                      | (2,519)                              | (455)             | (4,681)                            | (1,163)           |
| Provision for (benefit from) income taxes, net       | 768                                  | 365               | (4,221)                            | 1,427             |
| Net income   | <u>\$ 11,118</u>                     | <u>\$ 14,240</u>  | <u>\$ 6,865</u>                    | <u>\$ 19,797</u>  |
| Weighted-average common shares outstanding - basic   | 39,231                               | 39,133            | 39,417                             | 39,117            |
| Weighted-average common shares outstanding - diluted | 39,750                               | 39,201            | 40,727                             | 39,164            |
| <b>Net income per share - basic and diluted</b>      | <b>\$ 0.28</b>                       | <b>\$ 0.36</b>    | <b>\$ 0.17</b>                     | <b>\$ 0.51</b>    |

#### Adjustments to GAAP Results

##### Cost of revenues

|                                   |       |    |       |     |
|-----------------------------------|-------|----|-------|-----|
| Amortization of intangible assets | 1,950 | -  | 2,113 | 50  |
| Stock-based compensation          | 183   | 78 | 652   | 394 |

##### Operating expenses

|                                       |       |         |       |        |
|---------------------------------------|-------|---------|-------|--------|
| Amortization of intangible assets     | 786   | 373     | 1,568 | 1,251  |
| Restructuring costs (recoveries), net | -     | -       | 539   | (165)  |
| Restatement costs                     | 287   | 8,564   | 988   | 19,408 |
| Acquisition and other costs           | 1,965 | -       | 7,640 | -      |
| Stock-based compensation              |       |         |       |        |
| R&D                                   | 73    | 96      | 225   | 336    |
| Sales & Marketing                     | 529   | 252     | 1,902 | 1,186  |
| G&A                                   | 1,604 | (1,107) | 4,953 | 802    |

|                |   |   |   |     |
|----------------|---|---|---|-----|
| <b>Other</b>   |   |   |   |     |
| Tax adjustment | - | 4 | - | (7) |

**Non-GAAP**

|  |                |                |                |                |
|--|----------------|----------------|----------------|----------------|
| <b>Net revenues</b>                            | <b>137,436</b> | <b>142,429</b> | <b>366,789</b> | <b>402,055</b> |
| Cost of revenues                               | 47,489         | 52,710         | 137,818        | 153,479        |
| Gross profit                                   | 89,947         | 89,719         | 228,971        | 248,576        |
| Operating expenses                             | 68,165         | 66,403         | 201,066        | 202,927        |
| <b>Operating income</b>                        | <b>21,782</b>  | <b>23,316</b>  | <b>27,905</b>  | <b>45,649</b>  |
| Interest and other expense, net                | (2,519)        | (455)          | (4,681)        | (1,163)        |
| Provision for (benefit from) income taxes, net | 768            | 361            | (4,221)        | 1,434          |
| Net income                                     | 18,495         | 22,500         | 27,445         | 43,052         |
| <b>Net income per share - diluted</b>          | <b>\$ 0.47</b> | <b>\$ 0.57</b> | <b>\$ 0.67</b> | <b>\$ 1.10</b> |

**Adjusted EBITDA**

|  |               |               |               |               |
|--|---------------|---------------|---------------|---------------|
| <b>Non-GAAP operating income (from above)</b>          | <b>21,782</b> | <b>23,316</b> | <b>27,905</b> | <b>45,649</b> |
| Depreciation   | 3,168         | 3,968         | 10,257        | 12,294        |
| Amortization of capitalized software development costs | -             | 28            | -             | 127           |
| <b>Adjusted EBITDA</b>                                 | <b>24,950</b> | <b>27,312</b> | <b>38,162</b> | <b>58,070</b> |

**Adjusted Free Cash Flow**

|   |                    |                 |                    |                   |
|---|--------------------|-----------------|--------------------|-------------------|
| <b>GAAP net cash used in operating activities</b> | <b>(9,873)</b>     | <b>5,252</b>    | <b>(36,087)</b>    | <b>(20,830)</b>   |
| 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              | -                 |
| <b>Adjusted Free Cash Flow</b>                    | <b>\$ (10,557)</b> | <b>\$ 8,071</b> | <b>\$ (37,563)</b> | <b>\$ (3,523)</b> |

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.

**AVID TECHNOLOGY, INC.**

**Condensed Consolidated Balance Sheets**

(unaudited - in thousands)

|  | <b>September<br/>30,<br/>2015</b> | <b>December<br/>31,<br/>2014</b> |
|--|-----------------------------------|----------------------------------|
| <b>ASSETS:</b>   |                                   |                                  |
| <b>Current assets:</b>   |                                   |                                  |
| Cash and cash equivalents  | \$ 21,980                         | \$ 25,056                        |
| Accounts receivable, net of allowances of \$9,257 and \$10,692 at September 30, 2015 and December 31, 2014, respectively | 56,995                            | 54,655                           |
| Inventories  | 48,784                            | 48,001                           |
| Deferred tax assets, net   | 310                               | 322                              |
| Prepaid expenses   | 8,448                             | 6,892                            |
| Other current assets   | 12,954                            | 17,932                           |
| Total current assets   | <u>149,471</u>                    | <u>152,858</u>                   |
| Property and equipment, net  | 34,777                            | 32,136                           |
| Intangible assets, net   | 35,966                            | 2,445                            |
| Goodwill   | 33,905                            | -                                |
| Long-term deferred tax assets, net   | 2,044                             | 1,886                            |
| Other long-term assets   | 8,013                             | 2,274                            |
| Total assets   | <u>\$ 264,176</u>                 | <u>\$ 191,599</u>                |

LIABILITIES AND STOCKHOLDERS' DEFICIT:

Current liabilities:

|  |                |                |
|--|----------------|----------------|
| Accounts payable                               | \$ 39,232      | \$ 32,951      |
| Accrued compensation and benefits              | 23,362         | 32,636         |
| Accrued expenses and other current liabilities | 32,228         | 32,353         |
| Income taxes payable                           | 3,176          | 5,480          |
| Short-term debt                                | 10,000         | -              |
| Deferred tax liabilities, net                  | 316            | -              |
| Deferred revenues                              | 199,572        | 206,608        |
| Total current liabilities                      | <u>307,886</u> | <u>310,028</u> |

|   |                |                |
|---|----------------|----------------|
| Long-term debt                          | 94,605         | -              |
| Long-term deferred tax liabilities, net | 7,687          | 136            |
| Long-term deferred revenues             | 164,935        | 208,232        |
| Other long-term liabilities             | 16,674         | 14,273         |
| Total liabilities                       | <u>591,787</u> | <u>532,669</u> |

Stockholders' deficit:

|   |                   |                   |
|---|-------------------|-------------------|
| Common stock                                | 423               | 423               |
| Additional paid-in capital                  | 1,058,330         | 1,049,969         |
| Accumulated deficit                         | (1,314,933)       | (1,321,798)       |
| Treasury stock at cost                      | (64,415)          | (68,051)          |
| Accumulated other comprehensive loss        | (7,016)           | (1,613)           |
| Total stockholders' deficit                 | <u>(327,611)</u>  | <u>(341,070)</u>  |
| Total liabilities and stockholders' deficit | <u>\$ 264,176</u> | <u>\$ 191,599</u> |

**AVID TECHNOLOGY, INC.**

**Condensed Consolidated Statements of Cash Flows**

(unaudited - in thousands)

|   | <b>Nine Months Ended</b> |                 |
|---|--------------------------|-----------------|
|   | <b>September 30,</b>     |                 |
|   | <b>2015</b>              | <b>2014</b>     |
| Cash flows from operating activities:   |                          |                 |
| Net income  | \$ 6,865                 | \$ 19,797       |
| Adjustments to reconcile net income to net cash used in operating activities: |                          |                 |
| Depreciation and amortization   | 13,936                   | 13,721          |
| Recovery from doubtful accounts   | (175)                    | (177)           |
| Stock-based compensation expense  | 7,731                    | 2,718           |
| Non-cash interest expense   | 1,544                    | 220             |
| Unrealized foreign currency transaction gains                                 | (5,098)                  | (494)           |
| Deferred tax benefit  | (6,504)                  | (6)             |
| Changes in operating assets and liabilities, net of effects from acquisition: |                          |                 |
| Accounts receivable   | 6,844                    | 931             |
| Inventories   | 4,028                    | 6,145           |
| Prepaid expenses and other current assets                                     | 1,772                    | 646             |
| Accounts payable  | 4,932                    | 585             |
| Accrued expenses, compensation and benefits and other liabilities             | (17,764)                 | (14,842)        |
| Income taxes payable  | 1,268                    | (603)           |
| Deferred revenues   | (55,466)                 | (49,471)        |
| Net cash used in operating activities   | <u>(36,087)</u>          | <u>(20,830)</u> |
| Cash flows from investing activities:   |                          |                 |
| Purchases of property and equipment   | (11,110)                 | (11,660)        |
| Payments for business and technology acquisitions, net of cash acquired       | (65,967)                 | -               |

|   |                  |                  |
|---|------------------|------------------|
| Proceeds from divestiture of consumer business                                    | -                | 1,500            |
| (Increase) decrease in other long-term assets                                     | (575)            | 51               |
| Increase in restricted cash   | (1,047)          | -                |
| Net cash used in investing activities   | <u>(78,699)</u>  | <u>(10,109)</u>  |
| Cash flows from financing activities:   |                  |                  |
| Proceeds from long-term debt, net of issuance costs                               | 120,401          | -                |
| Payments for repurchase of common stock   | (7,999)          | -                |
| Cash paid for capped call transaction   | (10,125)         | -                |
| Proceeds from the issuance of common stock under employee stock plans             | 3,113            | 1                |
| Common stock repurchases for tax withholdings for net settlement of equity awards | (1,442)          | (318)            |
| Proceeds from revolving credit facilities   | 49,500           | 20,500           |
| Payments on revolving credit facilities   | (39,500)         | (12,500)         |
| Payments of credit facilities issuance costs                                      | (1,193)          | -                |
| Net cash provided by financing activities   | <u>112,755</u>   | <u>7,683</u>     |
| Effect of exchange rate changes on cash and cash equivalents                      | (1,045)          | (2,471)          |
| Net decrease in cash and cash equivalents   | (3,076)          | (25,727)         |
| Cash and cash equivalents at beginning of period                                  | 25,056           | 48,203           |
| Cash and cash equivalents at end of period  | <u>\$ 21,980</u> | <u>\$ 22,476</u> |

**AVID TECHNOLOGY, INC.**  
**Supplemental Revenue Information**  
(unaudited - in thousands)

|                         | September 30,<br>2015 | June 30,<br>2015  | September 30,<br>2014 |
|-------------------------|-----------------------|-------------------|-----------------------|
| <b>Revenue Backlog*</b> |                       |                   |                       |
| Pre-2011                | \$ 37,885             | \$ 51,520         | \$ 104,629            |
| Post-2010               | \$ <u>326,622</u>     | \$ <u>341,279</u> | \$ <u>312,708</u>     |
| <b>Deferred Revenue</b> | <b>\$ 364,507</b>     | <b>\$ 392,799</b> | <b>\$ 417,337</b>     |
| Other Backlog           | \$ 148,776            | \$ 147,453        | \$ 92,000             |
| Total Revenue Backlog   | \$ 513,283            | \$ 540,252        | \$ 509,337            |
| <b>Post 2010</b>        | <b>\$ 475,398</b>     | <b>\$ 488,732</b> | <b>\$ 404,708</b>     |

The expected timing of recognition of revenue backlog as of September 30, 2015 is as follows:

|  | Q4 2015           | 2016              | 2017             | Thereafter       | Total             |
|--|-------------------|-------------------|------------------|------------------|-------------------|
| Orders executed prior to January 1, 2011                           | \$ 12,017         | \$ 24,772         | \$ 952           | \$ 144           | \$ 37,885         |
| Orders executed or materially modified on or after January 1, 2011 | \$ 48,769         | \$ 131,225        | \$ 68,686        | \$ 77,942        | \$ 326,622        |
| Other Backlog  | \$ 51,449         | \$ 48,191         | \$ 30,338        | \$ 18,797        | \$ 148,776        |
| Total Revenue Backlog  | <b>\$ 112,235</b> | <b>\$ 204,189</b> | <b>\$ 99,975</b> | <b>\$ 96,883</b> | <b>\$ 513,283</b> |

\*A definition of Revenue Backlog is included in the supplemental financial and operational data sheet available on our investor relations webpage at [ir.avid.com](http://ir.avid.com).

Note: current estimates could change based on a number of factors, including (i) the timing of delivery of products and services, (ii) customer cancellations or change order, (iii) changes in the estimated period of time Implied Maintenance Release PCS is provided to customers, including as a result of changes in business practices

**2015 Outlook (a)**

(unaudited - in millions)

|   | Bookings    |            | Adjusted EBITDA |           | Adjusted Free Cash Flow |             |
|---|-------------|------------|-----------------|-----------|-------------------------|-------------|
|   | As Reported |            | Low             | High      | Low                     | High        |
|   | Low         | High       |                 |           |                         |             |
| <b>1st Half of 2015</b>   | \$ 230      | \$ 230     | \$ 13           | \$ 13     | \$ (27)                 | \$ (27)     |
| - Estimated 2nd Half (including Orad product lines), using 1st Half run rates | 250         | 252        | 18              | 18        | (23)                    | (23)        |
| - Estimated New Products and Growth Initiatives                               | 15          | 21         | 18              | 20        | 16                      | 18          |
| - Estimated Impact of Cost Initiatives  | -           | -          | 4               | 5         | 4                       | 5           |
| - Estimated 2nd Half Seasonality and other                                    | 14          | 25         | 21              | 24        | 42                      | 47          |
| <b>Outlook 2015, August Guidance</b>  | <b>509</b>  | <b>528</b> | <b>74</b>       | <b>80</b> | <b>12</b>               | <b>20</b>   |
| -Underperformance in Tier 3 Audio   | (17)        | (14)       | (11)            | (10)      | (20)                    | (17)        |
| -Mix Shift to Multi-Year Support Contracts                                    | -           | -          | (4)             | (4)       | (15)                    | (14)        |
| -Estimated 2nd Half Seasonality and other                                     | -           | -          | -               | -         | (12)                    | (12)        |
| - Currency and Other, Net   | (2)         | (11)       | (4)             | (6)       | -                       | (3)         |
| <b>Outlook 2015 (a)</b>   | <b>490</b>  | <b>503</b> | <b>55</b>       | <b>60</b> | <b>(35)</b>             | <b>(26)</b> |

(a) As of November 5, 2015

Note: The 2015 Outlook is based on estimates as of the date of this press release and Avid expressly disclaims any obligation or undertaking to update such estimates; actual results may differ materially from those estimates as a result of a number of risks and uncertainties. Please see the forward looking disclaimer included in the press release. Each range of values provided represents the expected low and high estimates for such financial or operating factor.

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