> Empowering media creators **with innovative technology, powerful solutions and collaborative tools** to entertain, inform, educate and enlighten the world

Q1 2020 EARNINGS CALL

Avid Technology

May 7, 2020

NON-GAAP & OPERATIONAL MEASURES

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

Non-GAAP Measures
- Adjusted EBITDA
- Adjusted EBITDA Margin
- 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
- Cloud Enabled Software Subscriptions
- Recurring Revenue
- LTM Recurring Revenue %
- Annual Contract Value ("ACV")

The non-GAAP measures used in this presentation are reconciled to their comparable GAAP measures in our press release announcing Q1 2020 results published today and filed as an exhibit to our 8-K filed with the SEC today, 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 expectations for Adjusted EBITDA, Adjusted EBITDA Margin 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 information excluded from the estimation of the non-GAAP results, 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 information provided in this presentation includes forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, as amended. Examples of forward-looking statements include statements regarding our future financial performance or position, results of operations, business strategy, plans and objectives of management for future operations, and other statements that are not historical fact. You can identify forward-looking statements by their use of forward-looking words such as “may”, “will”, “anticipate”, “expect”, “believe”, “estimate”, “intend”, “plan”, “should”, “seek”, or other comparable terms.

Readers of this presentation should understand that these forward-looking statements are not guarantees of performance or results. Forward-looking statements provide our current expectations and beliefs concerning future events and are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements.

These risks, uncertainties, and factors include, but are not limited to: our liquidity; our ability to execute our strategic plan including our cost saving strategies, and to 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; fluctuations in subscription and maintenance renewal rates; 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; risks related to the impact of the coronavirus (COVID-19) outbreak on our business, suppliers, consumers, customers and employees; risks related to the availability and prices of raw materials, including any negative effects caused by inflation, weather conditions, or health pandemics; disruptions or inefficiencies in our supply chain and/or operations, including from the COVID-19 outbreak; the costs, disruption, and diversion of management's attention due to the COVID-19 outbreak; the possibility of legal proceedings adverse to our Company; and other risks described in our reports filed from time to time with the U.S. Securities and Exchange Commission. Moreover, the business may be adversely affected by future legislative, regulatory or other changes, including tax law changes, as well as other economic, business and/or competitive factors. The risks included above are not exhaustive. We caution readers not to place undue reliance on any forward-looking statements includes in this press release which speak only as to the date of this press release. We undertake no responsibility to update or revise any forward-looking statements, except as required by law.

BUSINESS UPDATE

Jeff Rosica

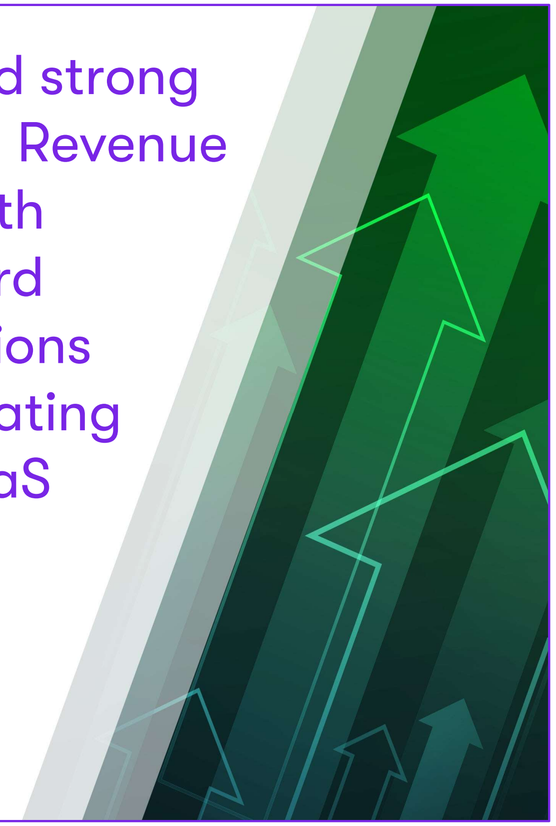
Chief Executive Officer & President

Q1 2020 SUMMARY

Global spread of COVID-19 negatively impacted Avid and media industry starting in March

Non-Recurring Revenue lower due to impact of COVID-19 on customer demand and service delivery

Continued strong Recurring Revenue YoY growth with record subscriptions & accelerating cloud/SaaS demand



Avid moved quickly with a comprehensive plan to respond to COVID-19 challenges

CONTINUED RECURRING REVENUE GROWTH

Subscription Revenue
+50% YoY

LTM Recurring Revenue %
66%
+930 bps YoY

Subscription + Maintenance Revenue
+11% YoY

Annual Contract Value
+11% YoY

Growing Cloud Opportunity

Accelerating demand and opportunity for cloud-based workflows and SaaS offerings to support business continuity and remote workers with our customers

NON-RECURRING REVENUE CHALLENGES

Intensifying COVID-19 crisis during March negatively impacted the non-recurring portions of the business

- COVID-19 related restrictions impacting live music, film & TV production, and live sports
- Enterprise customers delaying some projects and purchasing decisions during the crisis
- Stocking channel partners overall being more careful with level of inventory purchases
- Challenges completing projects and delivering certain professional services due to travel restrictions and workplace access

LOOKING FORWARD

- Rapidly responding and adjusting plans to address the evolving COVID-19 pandemic crisis
- Positive expectations for the business when we emerge from the crisis, but abundance of caution in Q2 and rest of 2020 as we navigate the situation
- Building on the momentum with customers to adopt cloud-based media workflows & SaaS solutions to address accelerating shift from on-premise deployments to the cloud
- Continue to drive Recurring Revenue growth, especially from subscriptions—including push of new enterprise subscription offerings

Q1 2020
FINANCIAL RESULTS

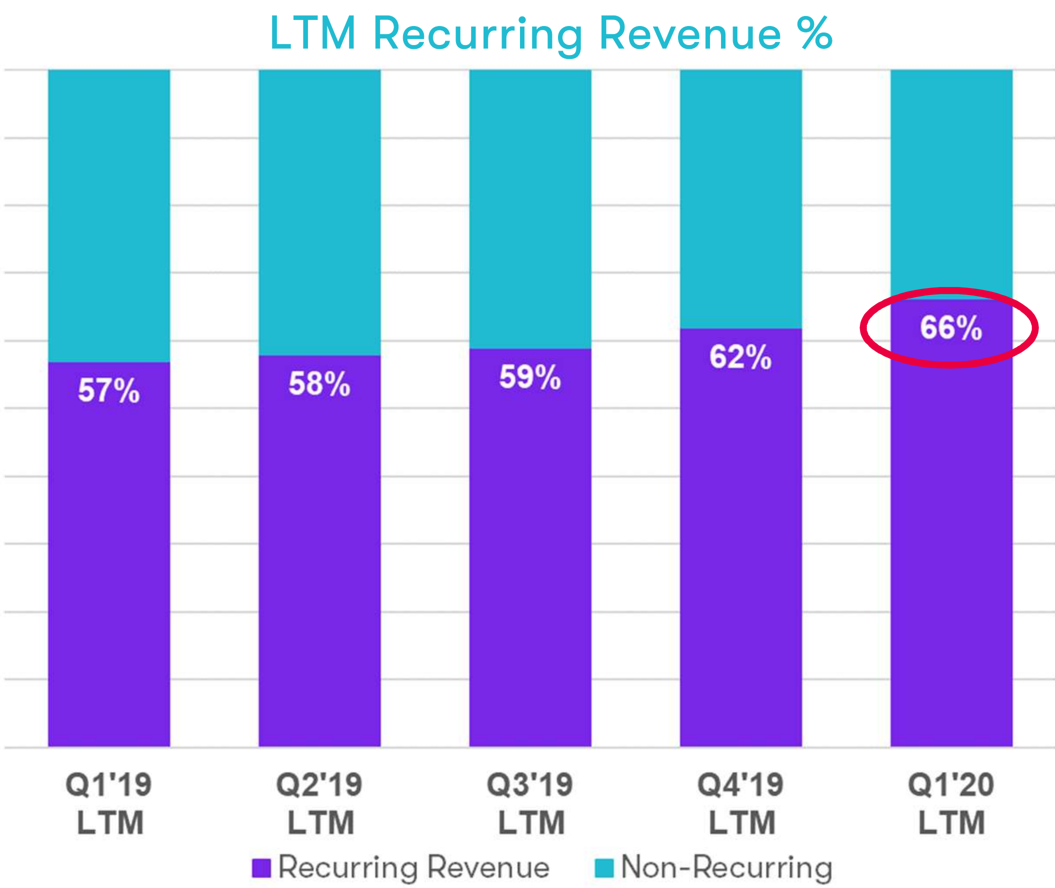
Ken Gayron
Executive Vice President & Chief Financial Officer

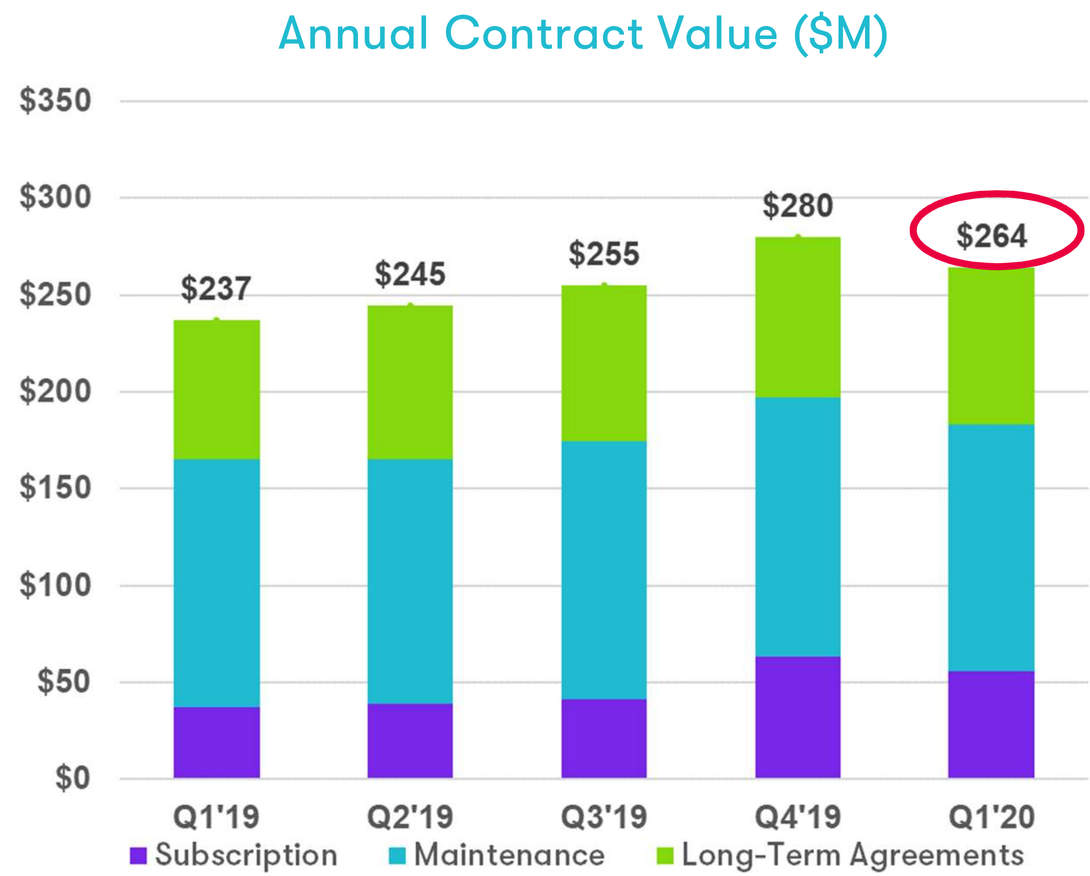
Q1 2020 FINANCIAL RESULTS

($M, except per share)	Q1'19	Q4'19	Q1'20	YoY change Fav/(Unfav)
Revenue	$103.3	$116.3	$86.5	(16.3%)
Subscription & Maintenance Revenue	41.3	49.3	45.8	10.8%
Non-GAAP Gross Profit	63.3	73.5	53.4	(15.7%)
Non-GAAP Gross Margin	*61.3%*	*63.2%*	*61.7%*	*40 bps*
Non-GAAP Operating Expenses	$53.1	$54.4	$51.3	3.4%
Adjusted EBITDA	12.6	21.2	4.2	(66.9%)
Adjusted EBITDA Margin %	*12.2%*	*18.2%*	*4.8%*	*(740 bps)*
Non-GAAP Net Income (Loss) per Share	$0.11	$0.28	($0.08)	($0.19)
Free Cash Flow	$4.6	$17.0	($7.1)	($11.7)

- Revenue down (16.3%) YoY on lower product sales and professional services delivery at the end of Q1'20
- Subscription & Maintenance revenue up 10.8% YoY on subscription growth and flat maintenance
- Non-GAAP Gross Margin improved 40 bps YoY, primarily from improved mix offset in part by unabsorbed overhead as product & PS revenue declined
- Non-GAAP Operating Expenses were 3.4% lower YoY on benefits from smart savings
- Adjusted EBITDA down due to reduced gross profit from lower revenue
- FCF impacted by reduced billings and collections and increased inventory

LTM RECURRING REVENUE % AND ANNUAL CONTRACT VALUE





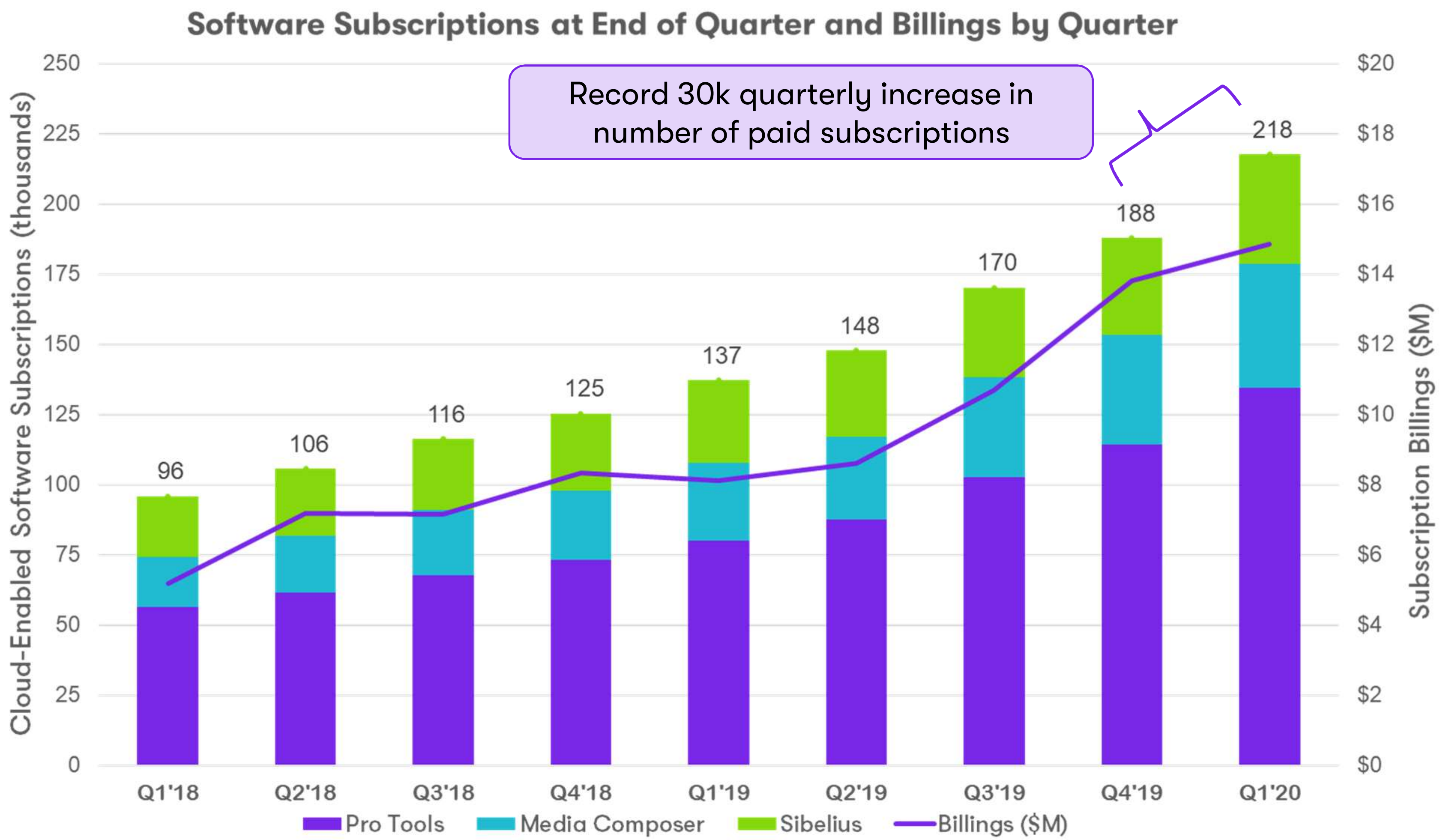
LTM Recurring Revenue % increased 930 bps YoY from growth in subscriptions and Long-Term Agreements, and lower non-recurring product sales in Q1'20

ACV up $27M, or +11%, YoY from increased subscription revenue and growth of Long-Term Agreements

Note: Long-Term Agreement contribution to ACV excludes maintenance and subscription

SUBSCRIPTION GROWTH CONTINUES

- Paid cloud-enabled software subscriptions up 59% YoY in Q1 to approximately 218,000
- Subscription revenue up 50% YoY in Q1
- Subscription billings up 83% YoY in Q1
- Annual paid up front subscriptions were 18% of total at end of Q1, up 980 bps YoY



REVENUE & NON-GAAP GROSS MARGIN BY TYPE

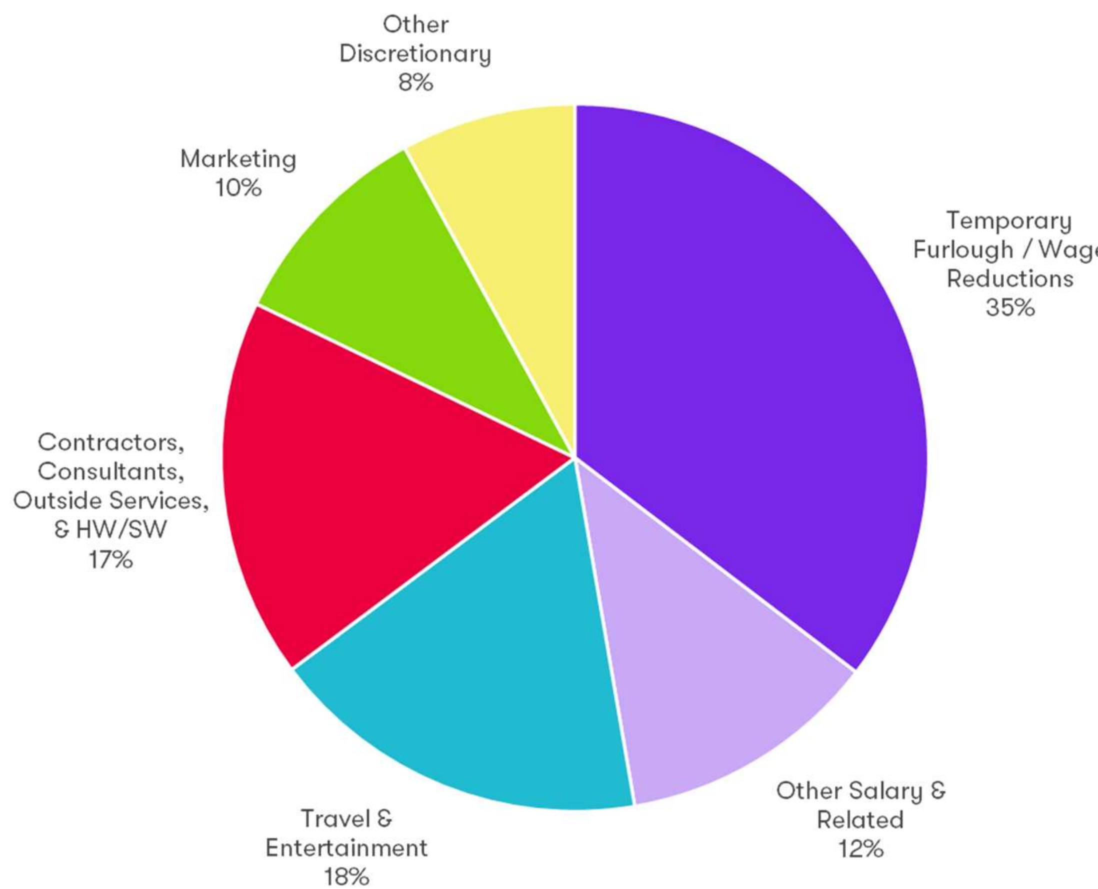
($M)	Q1 2019	Q4 2019	Q1 2020	Q1 2020 Y/Y %
Revenue				
Subscriptions	$9.3	$15.8	$14.0	50.4%
Maintenance	32.0	33.4	31.8	(0.7%)
Subscriptions and Maintenance	**$41.3**	**$49.3**	**$45.8**	**10.8%**
Perpetual Licenses	8.1	9.5	5.4	(33.9%)
SW Licenses and Maintenance	**$49.4**	**$58.8**	**$51.1**	**3.4%**
HW & Integrated Software	46.3	50.3	29.3	**(36.6%)**
Professional Services & Training	7.6	7.2	6.0	**(21.4%)**
Total Revenue	**$103.3**	**$116.3**	**$86.5**	**(16.3%)**
Non-GAAP Gross Margin				
SW Licenses and Maintenance	84.8%	85.8%	85.2%	40 bps
HW & Integrated Software	43.8%	43.1%	32.2%	(1160 bps)
Professional Services & Training	14.5%	18.8%	5.7%	(880 bps)
Total Non-GAAP Gross Margin %	**61.3%**	**63.2%**	**61.7%**	**40 bps**
Non-Cash Revenue (1)	1.2	0.8	1.2	
Legacy storage end-of-service maintenance revenue	1.7	1.0	0.9	
Maintenance, excl. non-cash(1) and legacy storage end-of-service	**$29.1**	**$31.6**	**$29.7**	**2.1%**

(1) Amortization of IPCS deferred revenue, net of current period deferrals.

COST SAVINGS IMPLEMENTED IN APRIL

- Rapidly implemented cost savings plan in April to address expected impact of COVID-19 crisis, including temporary and permanent savings
- Expect total operating expense savings of at least $30 million YoY during 2020, including at least $9 million savings YoY in Q2
- Reducing non-material COGS by at least $10 million YoY to protect gross margin at expected lower product and professional services volumes
- Reduced capital expenditure plans – expect 40% reduction from initial 2020 guidance provided in November 2019

Expected 2020 YoY Operating Expense Cost Savings



BALANCE SHEET AS OF MARCH 31, 2020

($M)	3/31/19	12/31/19	3/31/20
Cash and Cash Equivalents*	$55.3	$69.1	$81.2
Accounts Receivable	61.3	73.8	60.0
DSO	*53*	*58*	*64*
Contract Assets	$18.7	$19.5	$22.2
Net Inventory	34.3	29.2	32.6
Accounts Payable	38.4	39.9	35.0
Deferred Revenue	101.3	97.9	95.4
Long-Term Debt	196.0	199.0	220.4

- Cash balance up $12.1M from 12/31/19 from $22.0M draw on existing revolver offset by negative Free Cash Flow in the quarter
- Accounts Receivable down ($13.8M) from 12/31/19 due to reduced billings offset by extended collections at the end of the quarter
- Contract Assets increased $2.7M from 12/31/19 from enterprise agreements and annual paid monthly subscriptions
- Inventory up $3.4M from 12/31/19 from lower than expected sales at the end of the quarter
- Deferred revenue down ($2.5M) from 12/31/19 from recognition of IPCS non-cash revenue of $1.2M, and seasonal decline in maintenance deferred revenue
- Long Term Debt of $220M includes $22M revolver

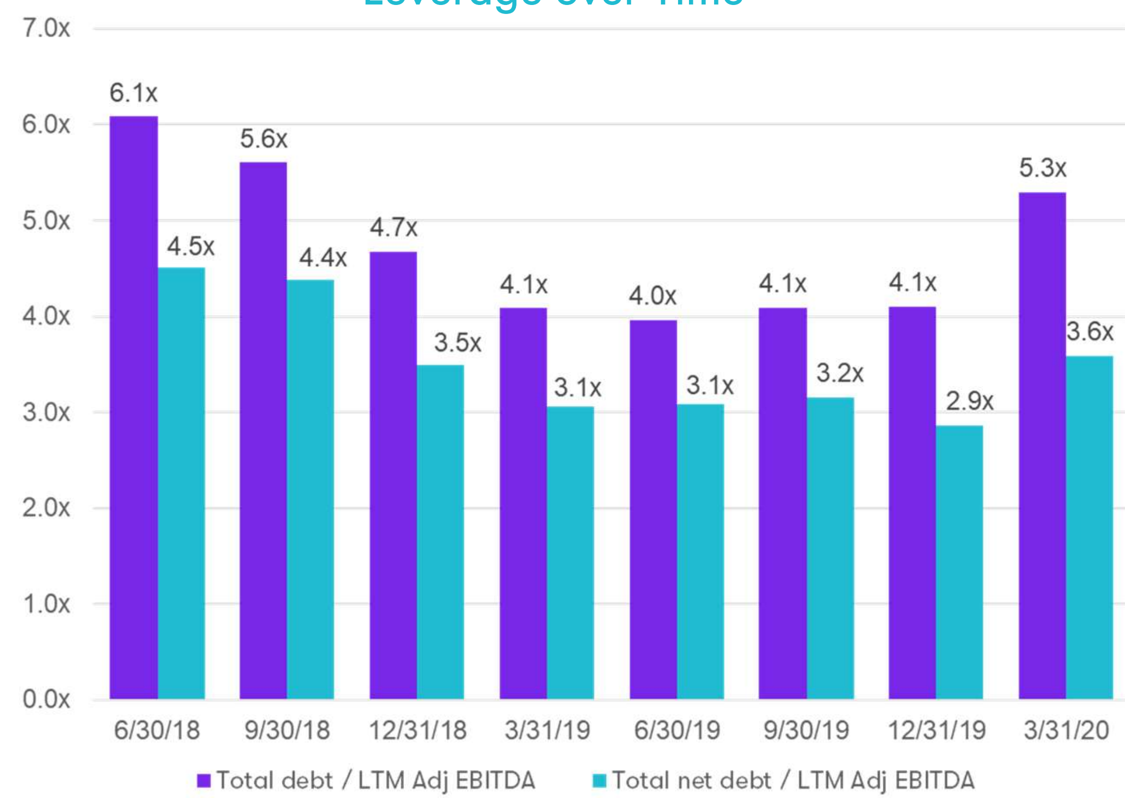
*Cash balance excludes restricted cash in all periods - $9.0M, $1.7M, and $1.7M for 3/31/19, 12/31/19 and 3/31/20, respectively.

CAPITALIZATION AND CREDIT METRICS

- $81 million in cash at March 31, following draw of $22 million on existing revolver in March
- In compliance with 6.0x maximum leverage covenant at March 31
- While covenant level begins to gradually step down starting in June 2020, we expect our leverage to gradually improve in 2H 2020 as we realize cost savings

($M)	3/31/2020	Maturity / Rate
Cash & Cash Equivalents	$81.2	
Revolver ($0.5M undrawn)	22.0	May 2023 LIBOR +625
Term Loan (including current portion)	200.0	May 2023 LIBOR +625
Convertible Notes	28.6	June 15, 2020 2.00%
Total Debt	251.8	
Total Debt / LTM Adjusted EBITDA	5.3x	
Net Debt / LTM Adjusted EBITDA	3.6x	
Secured Debt / Credit Facility Adjusted EBITDA	4.6x	

Leverage over Time



LTM Adjusted EBITDA = $47.6M as of March 31, 2020; Convertible Notes excluded from leverage per covenant.

OUTLOOK AND CURRENT EXPECTATIONS

Based on the fluid COVID-19 situation, we are providing limited outlook on our current Q2 and FY 2020 expectations

Current expectations for Q2'20

- Expect market to continue to be challenging during Q2 due to COVID-19
- Indications that Recurring Revenue will continue to hold up well while non-recurring revenue will remain challenging in the near term
- Expect overall Q2 revenue decline due to headwinds on non-recurring part of business, but expect subscription + maintenance revenue to continue to grow year over year
- Cost savings measures implemented in April expected to significantly reduce operating expenses, yielding sequential increase in Adjusted EBITDA

Current expectations for FY 2020

- Demand for products to support live sound, live sports and film/TV on-set production to remain weak into fall – pent up demand will surface when restrictions ease up
- Demand for subscription and remote workflow solutions to remain strong as media companies and creators strive to continue producing content during downturn
- Taken what we believe to be appropriate cost measures to deliver stable Adjusted EBITDA margin and positive Free Cash Flow for FY 2020

Q&A

POWERING
GREATER
CREATORS