

A man with dark skin, wearing black-rimmed glasses, a blue and white striped t-shirt, a dark blue blazer, and blue headphones around his neck, is looking intently at a silver tablet he is holding. The background is a solid blue color.

BRIGHTCOVE®

The World's Leading Online Video Platform

Brightcove Analyst Day

NASDAQ: BCOV



JEFF RAY
CHIEF EXECUTIVE OFFICER



JENNIFER SMITH
CHIEF MARKETING OFFICER



NAMITA DHALLAN
CHIEF PRODUCT OFFICER



RICK HANSON
CHIEF REVENUE OFFICER



ROBERT NORECK
EVP & CHIEF FINANCIAL OFFICER



TOM WHITE
GLOBAL CLIENT DIRECTOR

Safe Harbor Statement

These slides and the accompanying oral presentation contain certain “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, including statements related to Brightcove Inc.'s (the "Company", "Brightcove", "we" or "us") predictions about industry and market trends, our position to execute on our growth strategy, and our ability to expand our leadership position and market opportunity. These forward-looking statements include, but are not limited to, plans, objectives, expectations and intentions and other statements contained in this presentation that are not historical facts and statements identified by words such as "may," "will," "should," "expects," "anticipates," "continues," "intends," "plans," "explores," "believes," "seeks," "estimates," "projects" or words of similar meaning. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation: the effect of the COVID-19 pandemic, including on our business operations, as well as its impact on the general economic and financial market conditions; our ability to retain existing customers and acquire new ones; our history of losses; the timing and successful integration of the Ooyala acquisition; expectations regarding the widespread adoption of customer demand for our products; the effects of increased competition and commoditization of services we offer, including data delivery and storage; keeping up with the rapid technological change required to remain competitive in our industry; our ability to manage our growth effectively and successfully recruit additional highly-qualified personnel; the price volatility of our common stock; other risks set forth under the caption “Risk Factors” in our most recently filed Annual Report on Form 10-K, as updated by our subsequently filed Quarterly Reports on Form 10-Q and our other SEC filings; and various other factors beyond our control. We assume no obligation to update any forward-looking statements contained in this document as a result of new information, future events or otherwise.

This presentation includes statistical and other industry and market data that the Company obtained from industry publications and research, surveys and studies conducted by third parties. Industry publications and third-party research, surveys and studies generally indicate that their information has been obtained from sources believed to be reliable, although they do not guarantee the accuracy or completeness of such information. While the Company believes that these industry publications and third-party research surveys are reliable, the Company has not independently verified such data and the Company does not make any representation as to the accuracy of the information.

Non-GAAP Financial Measures

Brightcove has provided in this presentation the non-GAAP financial measure of adjusted EBITDA. Brightcove uses this non-GAAP financial measure internally in analyzing its financial results and believes it is useful to investors, as a supplement to GAAP measures, in evaluating Brightcove's ongoing operational performance. Brightcove believes that the use of this non-GAAP financial measure provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial results with other companies in Brightcove's industry, many of which present a similar non-GAAP financial measure to investors. The non-GAAP financial results discussed above of adjusted EBITDA is defined as consolidated net income (loss), plus stock-based compensation expense, the amortization of acquired intangible assets, merger-related expenses, restructuring expense, depreciation expense, other income/expense, including interest expense and interest income, and the provision for income taxes.

Merger-related expenses include fees incurred in connection with an acquisition. Non-GAAP financial measures have limitations as an analytical tool and should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Investors are encouraged to review the reconciliation of these non-GAAP measures to their most directly comparable GAAP financial measures. A reconciliation of adjusted EBITDA to its most directly comparable GAAP measure has been provided at the end of this presentation on the slide titled “Reconciliation net loss to adjusted EBITDA.” Additionally, Brightcove's earnings press releases containing such non-GAAP reconciliations can be found on the Investors section of Brightcove's web site at <http://www.brightcove.com>

WELCOME

JEFF RAY

CHIEF EXECUTIVE OFFICER

THE POWER OF VIDEO



VIDEO

**THE ONLY MEDIUM
TO CONNECT STORIES**

142%

**CORPORATE
COMMUNICATIONS**

42%

**STREAMING
ENTERTAINMENT**



**SCALABLE
SECURE
RELIABLE**

FROST & SULLIVAN

BEST
2020 PRACTICES
AWARD



BRIGHTCOVE®



SONY MUSIC





↙ SXSW. ONLINE 2021





HYBRID

THIS IS
VIDEO'S
MOMENT



OPPORTUNITY

JENNIFER GRIFFIN SMITH
CHIEF MARKETING OFFICER

WE SERVE A LARGE GROWING MARKET

ACV

\$4.2B
**PROCREATIVES,
SMB**

\$3.1B
**MID MARKET,
ENTERPRISE
DEPARTMENTAL**

\$5.7B
**MEDIA & ENTERPRISE
WIDE**

ROBUSTNESS

- Global Scale
- Broadcast-Grade
- Quality / Reliable

Not inclusive of Consumer, Freemium, Social, Web Conferencing

MAJOR MARKET OPPORTUNITY

More video content
uploaded in

30

days than the major
US TV networks have
created in 30 years!

**LEADING
OTT
GROWTH**

MAJOR MARKET OPPORTUNITY

Recommendations drive

80%

of shows watched
on Netflix

MACHINE LEARNING DRIVEN

MAJOR MARKET OPPORTUNITY

Video will drive

90%

Of household data
usage growth in the
next 5 years

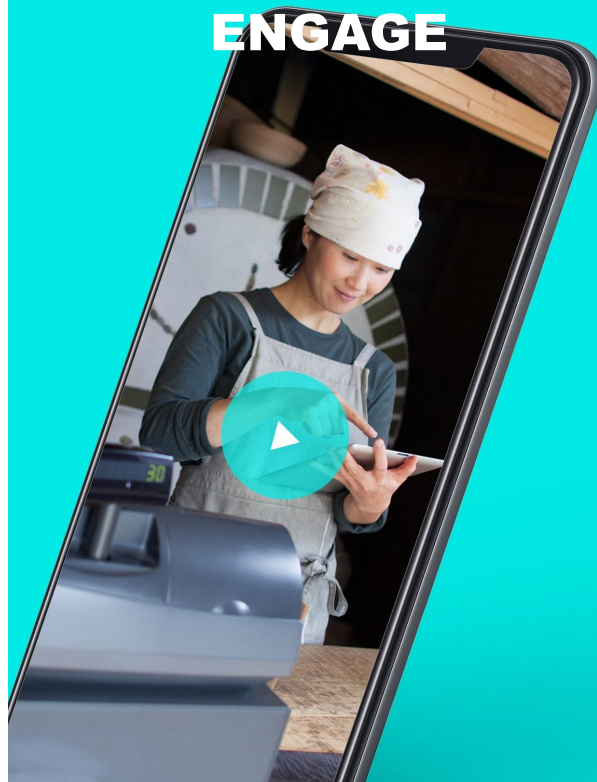
**VIDEO
SCIENCE
INNOVATION**

CUSTOMERS USE VIDEO TO

**MONETIZE
CONTENT**



**COMMUNICATE &
ENGAGE**



**SELL PRODUCTS &
SERVICES**



DELIVERING APPLICATIONS FOR USE CASES THAT DRIVE GROWTH AND RETENTION

**MONETIZE
CONTENT**



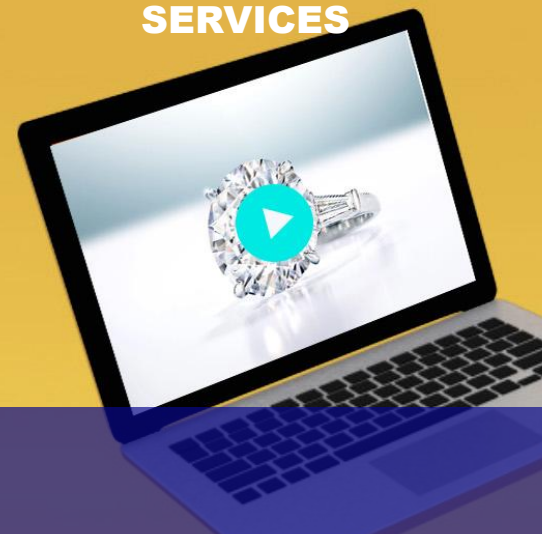
**MEDIA &
BROADCAST
Product Development**

**COMMUNICATE &
ENGAGE**



**ENTERPRISE
Corporate
Communications**

**SELL PRODUCTS &
SERVICES**



**ENTERPRISE
Sales & Marketing**

PRODUCT UPDATE

NAMITA DHALLAN
CHIEF PRODUCT OFFICER

OUR SOLE MISSION:
TO HELP
BIG BRANDS
ACCOMPLISH
BIG THINGS.



OUR BELIEFS

1 WHY CUSTOMERS LOVE US:
BEAUTIFUL PRODUCTS

2 WHY CUSTOMERS RELY ON US:
SECURITY & SCALABILITY

3 WHY CUSTOMERS BELIEVE IN US:
INNOVATION



INDUSTRY LEADER IN VIDEO TECHNOLOGY

**>50
PATENTS**



**US Patent & Trademark Office
World Intellectual Property Organization**

**Two Technology
& Engineering
Emmy® Awards**

**Standards Developing Organizations
Industry Boards**

SUPERIOR SCALABILITY: REACHING AUDIENCES EVERYWHERE

BRIGHTCOVE®

+875M
VIEWERS A WEEK

134M
VIDEOS A DAY

LIVE SCALING FROM
80,000 TO 3.4M
CONCURRENT USERS IN 24 MINUTES

WITH INDUSTRY LEADING RELIABILITY
99.95% PLAYER UPTIME
IN 2020

WORLD CLASS SECURITY: PROTECTING CUSTOMERS AND CONTENT

- Encryption
- Privacy Compliance



- Unparalleled DRM

- | | |
|-------------------------|---------------------------|
| ✓ Domain restriction | ✓ Designated Market Area |
| ✓ IP restriction | ✓ Proxy restriction |
| ✓ Date/Time restriction | ✓ Mid-Stream Rights check |
| ✓ Geo restriction | ✓ Stream concurrency |
| ✓ Entitlement check | ✓ Device registration |



BRIGHTCOVE INTELLIGENT VIDEO CLOUD

BRIGHTCOVE®

BRIGHTCOVE VIDEO PLATFORM

- ▶ Live Streaming
- ▶ Security
- ▶ Viewer Experiences
- ▶ Monetization

- ▶ Dynamic Delivery
- ▶ DRM / Encryption
- ▶ CMS
- ▶ Player Experiences

- ▶ Live / VOD Transcoding
- ▶ Viewer Management
- ▶ Video Portals
- ▶ Social Distribution

Italicized items are Roadmap Features

BRIGHTCOVE INTELLIGENT VIDEO CLOUD

BRIGHTCOVE®

ML

- ▶ Intelligent Video Delivery
- ▶ *Smart Playlists*
- ▶ Video Insights
- ▶ *Ad Insights*
- ▶ *Recommendations*
- ▶ *Content Analysis*
- ▶ Viewer Insights
- ▶ QOS

**BRIGHTCOVE
VIDEO
PLATFORM**

- ▶ Live Streaming
- ▶ Security
- ▶ Viewer Experiences
- ▶ Monetization
- ▶ Dynamic Delivery
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- ▶ CMS
- ▶ Player Experiences
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- ▶ Social Distribution

Italicized items are Roadmap Features

BRIGHTCOVE INTELLIGENT VIDEO CLOUD

BRIGHTCOVE®

APPS



Virtual
Events



Demand
Gen



Employee
Engagement



Over
the Top



eCommerce

ML

- ▶ Intelligent Video Delivery
- ▶ *Smart Playlists*
- ▶ Video Insights
- ▶ *Ad Insights*
- ▶ *Recommendations*
- ▶ *Content Analysis*
- ▶ Viewer Insights
- ▶ QOS

BRIGHTCOVE VIDEO PLATFORM

- ▶ Live Streaming
- ▶ Security
- ▶ Viewer Experiences
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- ▶ Video Portals
- ▶ Social Distribution

Italicized items are Roadmap Features

BRIGHTCOVE INTELLIGENT VIDEO CLOUD

BRIGHTCOVE®

APIs / SDKs



Dev Partners



App Partners

APPS



Virtual Events



Demand Gen



Employee Engagement



Over the Top



eCommerce

ML

- ▶ **Intelligent Video Delivery**
- ▶ *Smart Playlists*
- ▶ **Video Insights**
- ▶ *Ad Insights*
- ▶ *Recommendations*
- ▶ *Content Analysis*
- ▶ **Viewer Insights**
- ▶ **QOS**

BRIGHTCOVE VIDEO PLATFORM

- ▶ **Live Streaming**
- ▶ **Security**
- ▶ **Viewer Experiences**
- ▶ **Monetization**
- ▶ **Dynamic Delivery**
- ▶ **DRM / Encryption**
- ▶ **CMS**
- ▶ **Player Experiences**
- ▶ **Live / VOD Transcoding**
- ▶ **Viewer Management**
- ▶ **Video Portals**
- ▶ **Social Distribution**

Italicized items are Roadmap Features

BRIGHTCOVE VIDEO CLOUD™

DELIVER YOUR VIDEO WITH
SECURITY & SCALE

ENGAGE YOUR AUDIENCE WITH
LIVE & LINEAR

DRIVE REVENUE WITH
MONETIZATION

VIDEO CLOUD

LIVE & CLOUD PLAYOUT

BEACON & SSAI

The screenshot shows the 'VIDEO CLOUD' interface for a 'Gallery Player'. The top navigation bar includes 'PLAYERS', 'SUPPORT', 'ADMIN', and 'BC THE GAME' with the user 'Brandon Dobro'. The left sidebar lists various settings: Player Information, Styling, Playback, Controls, Social, Plugins, End Screens, Advertising, Content Restriction, Third-Party Analytics, Google Analytics, and Adobe Analytics. The main content area is titled 'Back to Players' and 'Gallery Player', with buttons for 'Delete', 'Deactivate', 'Revert Changes', 'Preview', and 'Publish & Embed'. The 'Player Information' section shows 'Player ID: rjnYBjG', 'Name: Gallery Player', and 'Short Description: Gallery Default Player'. The 'Sizing' section is set to 'Responsive' with an aspect ratio of 16:9 and dimensions of 960x540px. A video player thumbnail is visible with a play button and a message: 'This player is published. You can make changes and publish them when you are ready.'

The screenshot shows the 'BRIGHTCOVE LIVE & CLOUD PLAYOUT' interface for 'Channel01'. The top navigation bar includes 'SUPPORT', 'ADMIN', and 'Status: RUNNING'. The interface features three line graphs for 'Network In-Use (Mbps)', 'Network Output (Mbps)', and 'Stream Disrupt', each with a time axis from 00:00 to 00:18. Below the graphs is a table of scheduled content items. A 'Stop Now' button is in the top right, and 'Show Playing Now' and 'Full Program' buttons are at the bottom right.

Name	Duration	Start Time	End Time
v8-bal	03:17	Feb 10, 09:25:18	Feb 10, 09:28:34
intro_gc_cml_testhal	04:04	Feb 10, 09:28:34	Feb 10, 09:32:38
vt_3380	04:22	Feb 10, 09:32:38	Feb 10, 09:36:59
DRM TESTING PAS-lightning-clip (CMA)	00:43	Feb 10, 09:36:59	Feb 10, 09:37:41
DRM TESTING PAS-mediab-clip (CMA)	02:19	Feb 10, 09:37:41	Feb 10, 09:38:59
xxxxxxxx	04:14	Feb 10, 09:38:59	Feb 10, 09:43:12
vt-qp	03:03	Feb 10, 09:43:12	Feb 10, 09:46:15
v8-bal	03:17	Feb 10, 09:46:15	Feb 10, 09:49:32
intro_gc_cml_testhal	04:04	Feb 10, 09:49:32	Feb 10, 09:53:36
vt_3380	04:22	Feb 10, 09:53:36	Feb 10, 09:57:58
DRM TESTING PAS-lightning-clip (CMA)	00:43	Feb 10, 09:57:58	Feb 10, 09:58:40

BRIGHTCOVE VIDEO CLOUD™

BROADEN YOUR REACH WITH
VIRTUAL EVENTS

VIRTUAL EVENT EXPERIENCES

AMP UP YOUR
BRAND AWARENESS

VIDEO MARKETING SUITE

TAKE IT
OVER THE TOP

BEACON

The screenshot shows the website for Lantern Excursions. The header includes the logo, navigation links (HOME, LIVE STREAM, ON-DEMAND SESSIONS), and a search bar. The main content area features a large video player with a play button, a speaker icon, and a chat window. The chat window displays the user's profile as 'You're Anonymous. Profile' and the event title 'Lantern Excursion - Copy'. Below the video player, there is a section titled 'ADVANCE BOOKINGS: HOW EARLY IS TOO EARLY?' with placeholder text.

The screenshot shows the Stadium TV app interface. The main menu includes options like HOME, STADIUM TV, GUIDE, GAMES, SHOWS, INTERVIEWS, DOCUMENTARIES, NETWORKS, SEARCH, SETTINGS, and EXIT. The 'SHOWS' section is highlighted, showing a grid of content including 'Stadium Extra: March 5' and 'Emerge: March 4'. The 'Emerge' show features a baseball player in a red jersey. The bottom of the screen shows a row of thumbnails for various content, including a man in a suit and a group of people.



INTRODUCING CLOUD PLAYOUT

ROADMAP

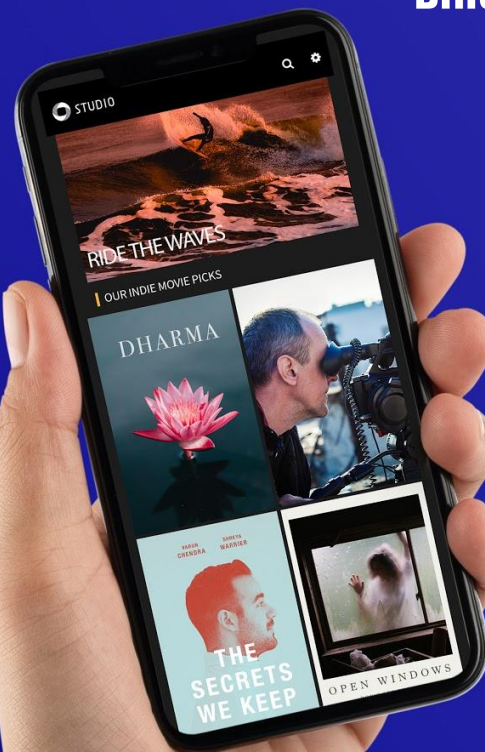
CUSTOMER EXPERIENCE

1 Auto Transcription

2 Smart Playlists

3 Monetization

4 TV Everywhere



ROADMAP

PLATFORM SCALE

- 1** VOD Forensic
Watermarking
- 2** Global Payment Support
- 3** China Delivery
- 4** Right to Left Support



GO-TO-MARKET

RICK HANSON
CHIEF REVENUE OFFICER

**LARGE MARKET
OPPORTUNITY**

**DIFFERENTIATING
PLATFORM**

**LARGE MARKET
OPPORTUNITY**

**DIFFERENTIATING
PLATFORM**

**LARGE MARKET
OPPORTUNITY**

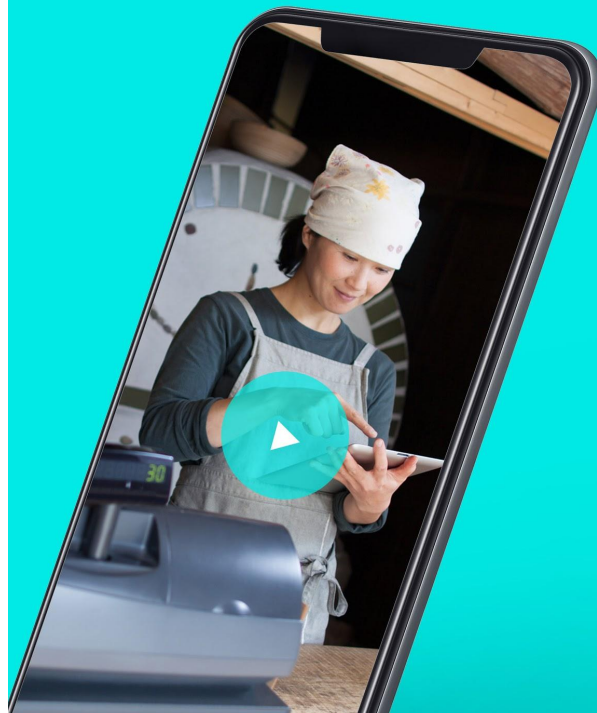
**HOW WE
WIN IN
MARKET**

WE WIN BY FOCUSING ON CUSTOMER USE CASE

**MONETIZE
CONTENT**



**COMMUNICATE &
ENGAGE**



**SELL PRODUCTS &
SERVICES**



USING VIDEO TO MONETIZE CONTENT



We need the best technology to service our goals. We chose Brightcove video because we won't have the pitfalls, hiccups or complaints about our user experience that we had in the past.”

DAMIAN PELLICCIONE
CEO AND CO-FOUNDER, REVRY

revry
QUEER TV 24/7

MEDIA & BROADCAST

Head of OTT | CEO | Product Development



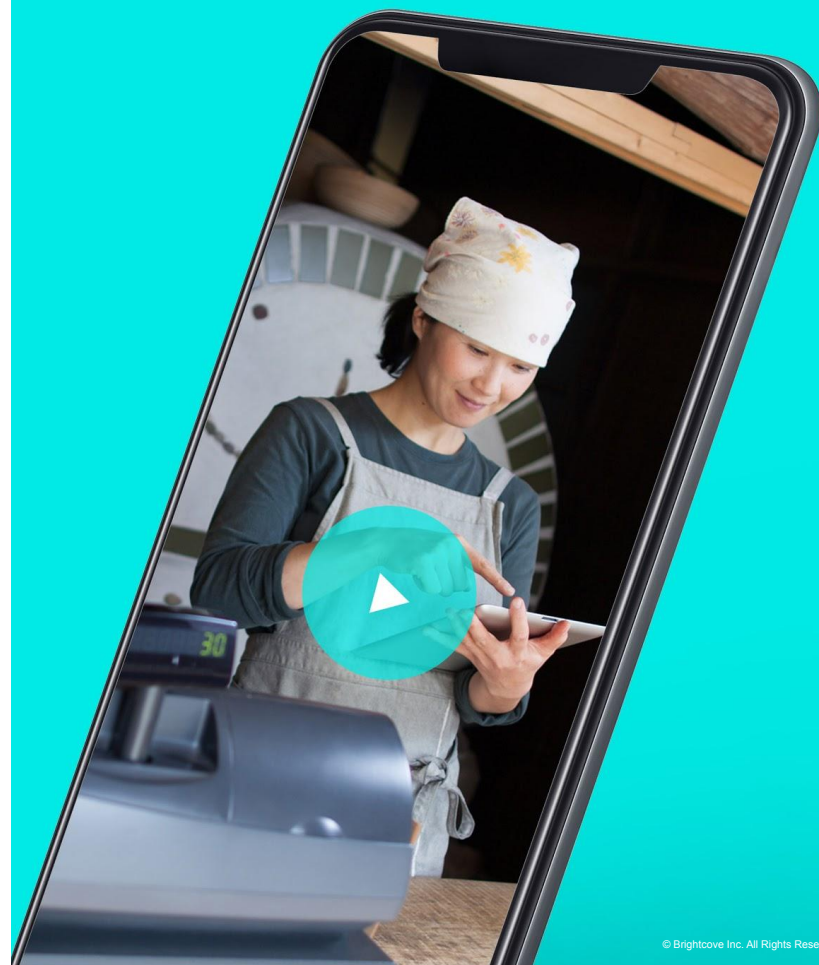
USING VIDEO TO COMMUNICATE & ENGAGE

“Video is an invaluable communications tool. We’re seeing a greater return on our video investment by increasing engagement and delivering more compelling messages with greater frequency.”

GLEN SCHWARTZ
SENIOR DIRECTOR OF CORPORATE
COMMUNICATIONS, DUNKIN' BRANDS

DUNKIN'®

ENTERPRISE
Corporate Communications



USING VIDEO TO SELL PRODUCTS & SERVICES



Brightcove was truly an ideal partner...we knew Video Cloud was robust enough to handle the scalability and spikes in viewership and that it would all just work!”

HUGO BOSS

BOSS
HUGO BOSS

ENTERPRISE
Sales & Marketing

BRIGHTCOVE®



GO-TO-MARKET

BRIGHTCOVE®

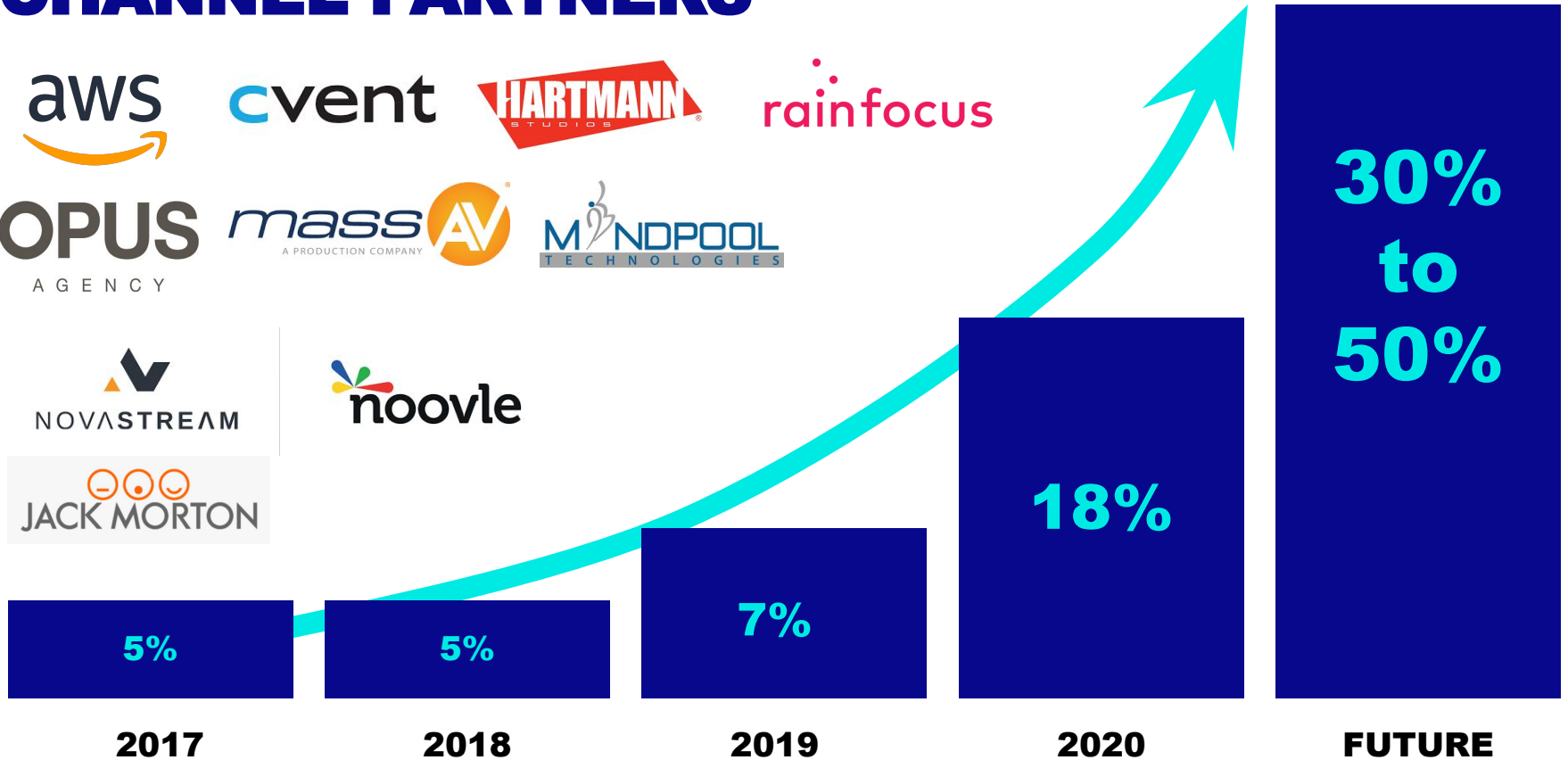


POWER OF DIRECT & INDIRECT

CHANNEL PARTNERS

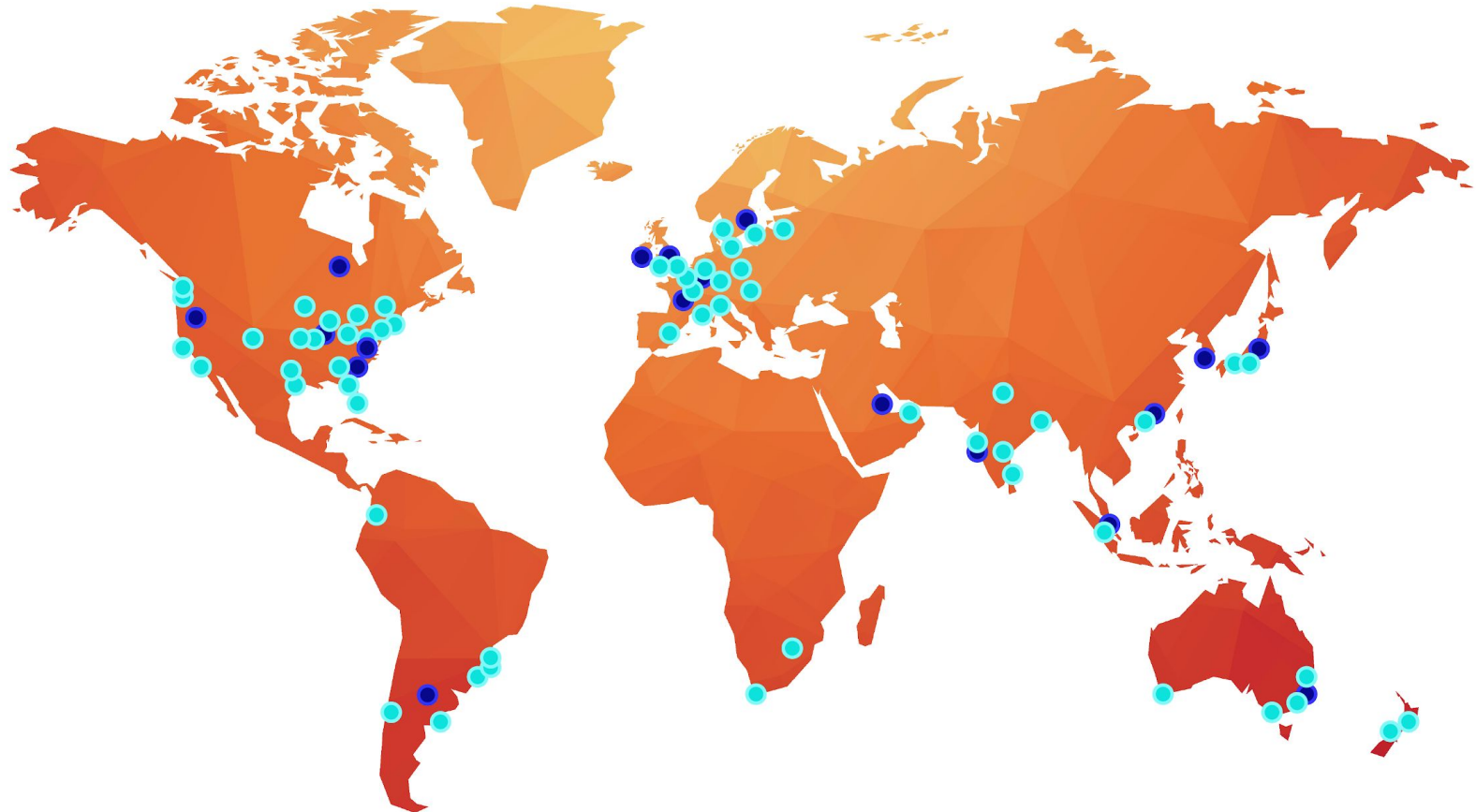


BRIGHTCOVE®



GLOBAL REACH

BRIGHTCOVE®



 **70+ COUNTRIES**  **16 DATA CENTERS**

GLOBAL CUSTOMER BASE SPANNING INDUSTRIES

BRIGHTCOVE®

MEDIA



CONSUMER GOODS & RETAIL



TECHNOLOGY



ENTERTAINMENT



FINANCIAL SERVICES/INSURANCE



HEALTHCARE



CONSUMER SERVICES



MANUFACTURING



PROFESSIONAL SERVICES



STRONG SERVICES MODEL

9%

**STICKIER
CUSTOMERS**

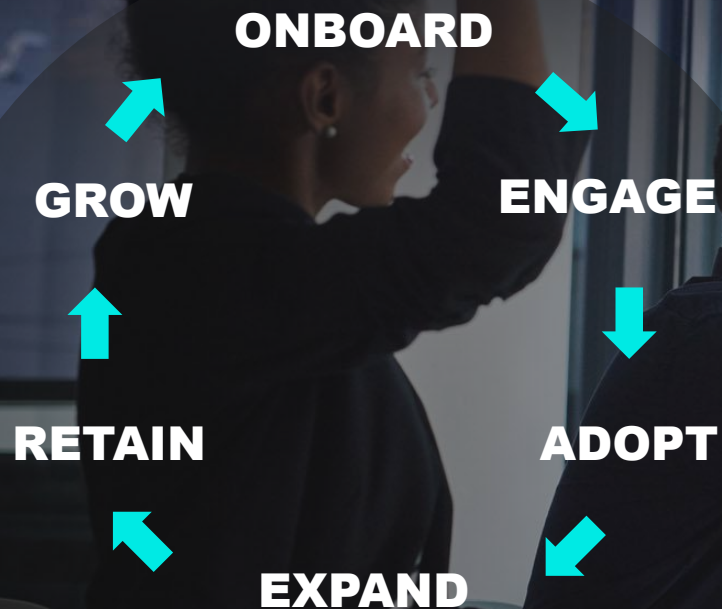
2.7x

**LARGER
DEAL SIZES**

\$14K

**ADDITIONAL
CUSTOMER
GROWTH**

DRIVE EXCEPTIONAL EXPERIENCE & INCREASED RETENTION



WHY WE WIN

BRIGHTCOVE®

**CUSTOMER
OBSESSION**

**GLOBAL
REACH**

**STRONG
SERVICES**

**EXTENSIVE
CHANNEL
ECOSYSTEM**

**HIGH PERFORMING
DIRECT SALES
ENGINE**

**USE CASES FOCUS
ON CUSTOMER
PAIN**

FINANCE UPDATE

ROBERT NORECK
EVP & CHIEF FINANCIAL OFFICER

**1 ACCELERATING
REVENUE GROWTH**

2 IMPROVING PROFITABILITY

**3 ATTRACTIVE
LONG TERM MODEL**

1 ACCELERATING REVENUE GROWTH

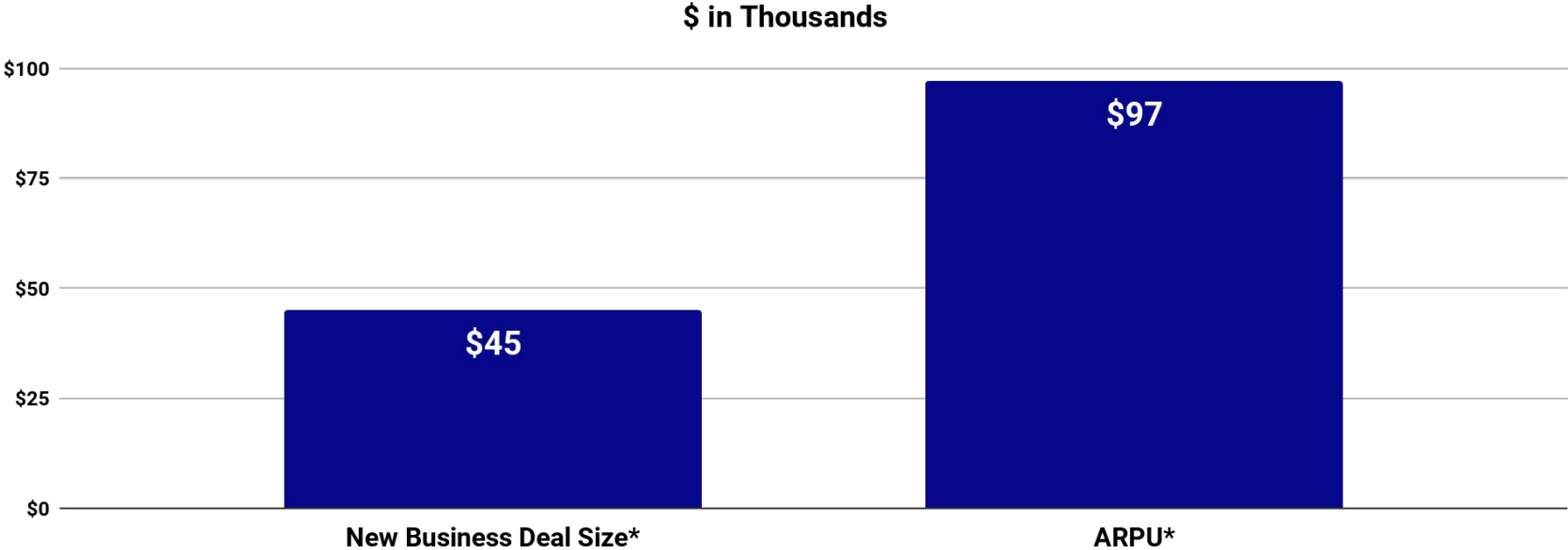
MULTIPLE PATHS TO ACCELERATE REVENUE GROWTH

Expansion within the Customer Base

Accelerate Bookings Growth through Channel Partners

Improve Retention Rates

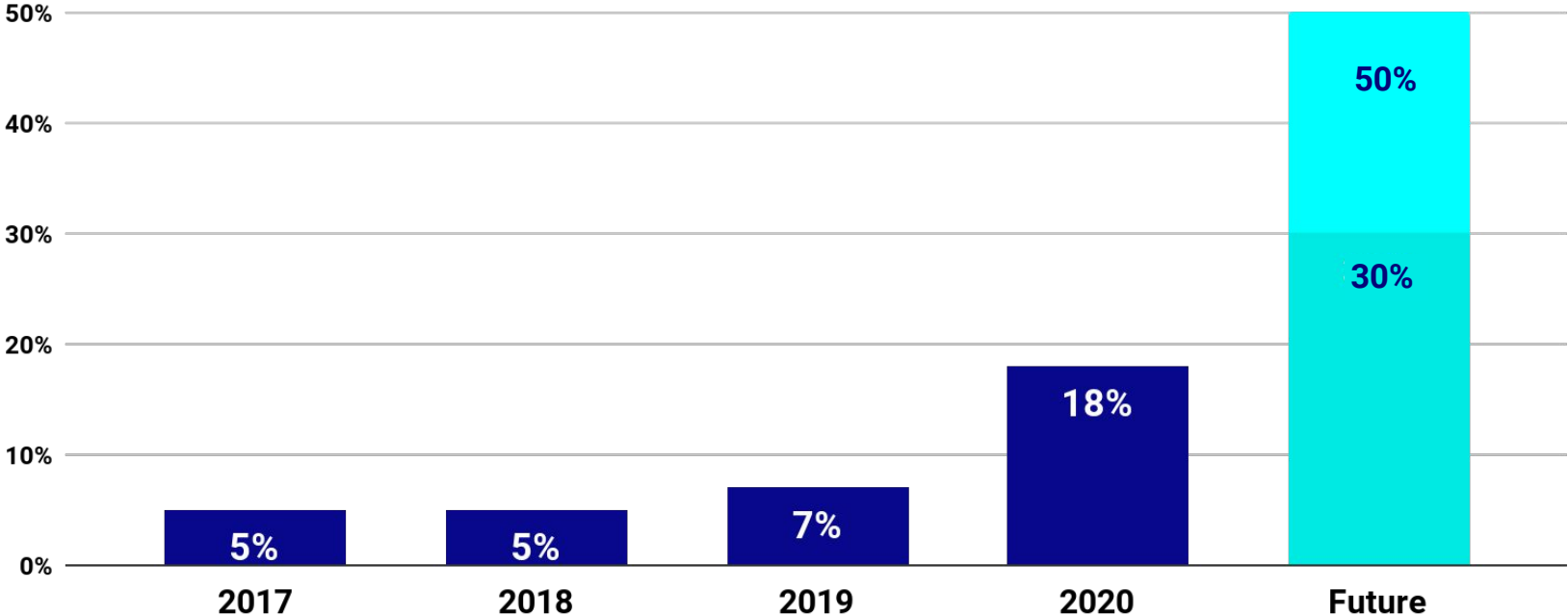
EXPANSION WITHIN THE CUSTOMER BASE



*Q4 2020 results

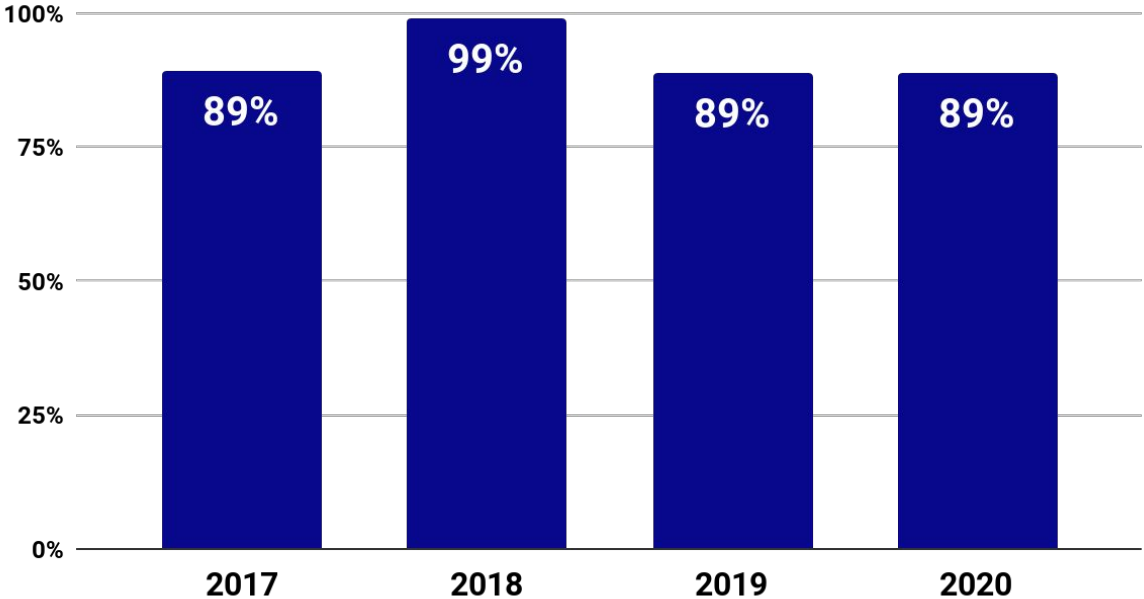
GROWTH IN BOOKINGS FROM CHANNEL

Channel Bookings % of Total



RETENTION RATE IMPROVEMENTS WILL SIGNIFICANTLY IMPACT GROWTH RATES

Recurring Dollar Retention Rate



Target mid-90's Retention Rate

A 1% point improvement creates 1% of incremental revenue growth annually

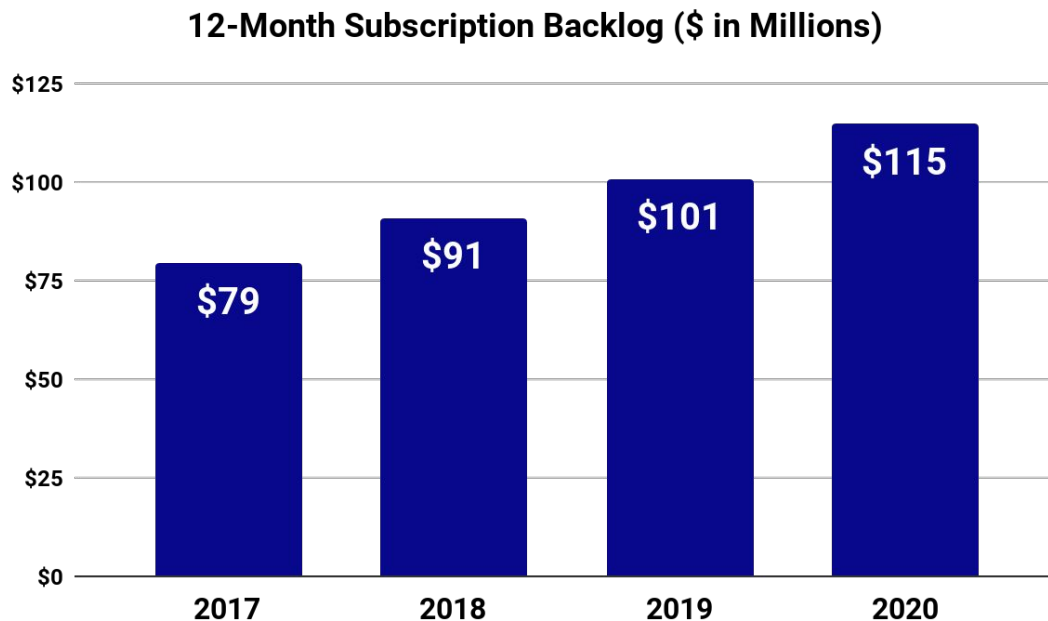
**REFINE THE
CUSTOMER
JOURNEY**

**EXPAND THE
PARTNER
COMMUNITY**

**DELIVER APPS THAT
SOLVE BUSINESS
PROBLEMS**

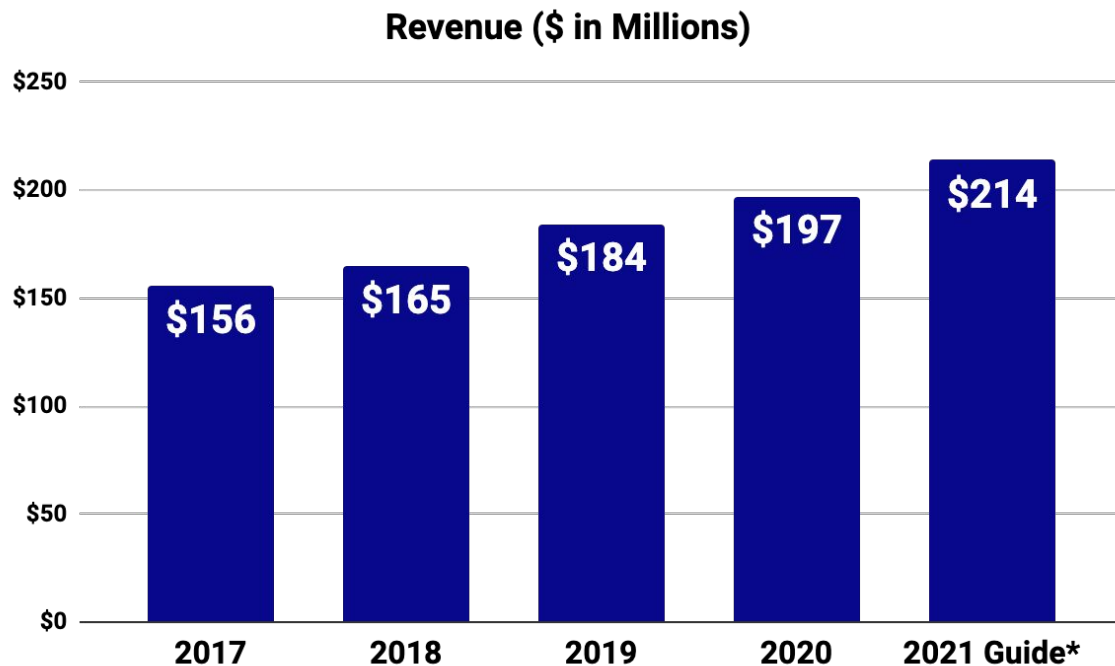
**INVEST IN
DATA ANALYTICS
AND MACHINE
LEARNING**

GROWTH IN 12 MONTH BACKLOG



Backlog growth
is a leading
indicator of
Revenue
Growth

ACCELERATING REVENUE GROWTH RATES

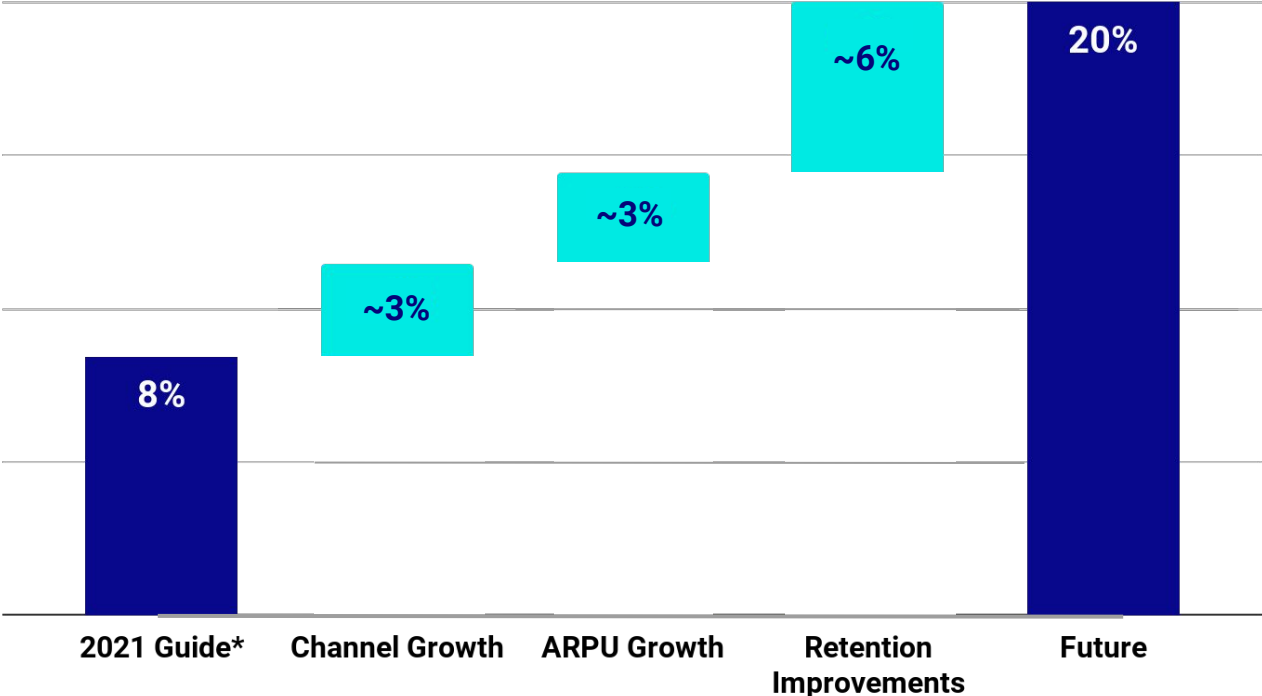


Revenue
CAGR of 8%
over the last 5
years

*reflects mid-point of the current guidance of \$211M - \$217M

ACHIEVING BREAKOUT GROWTH

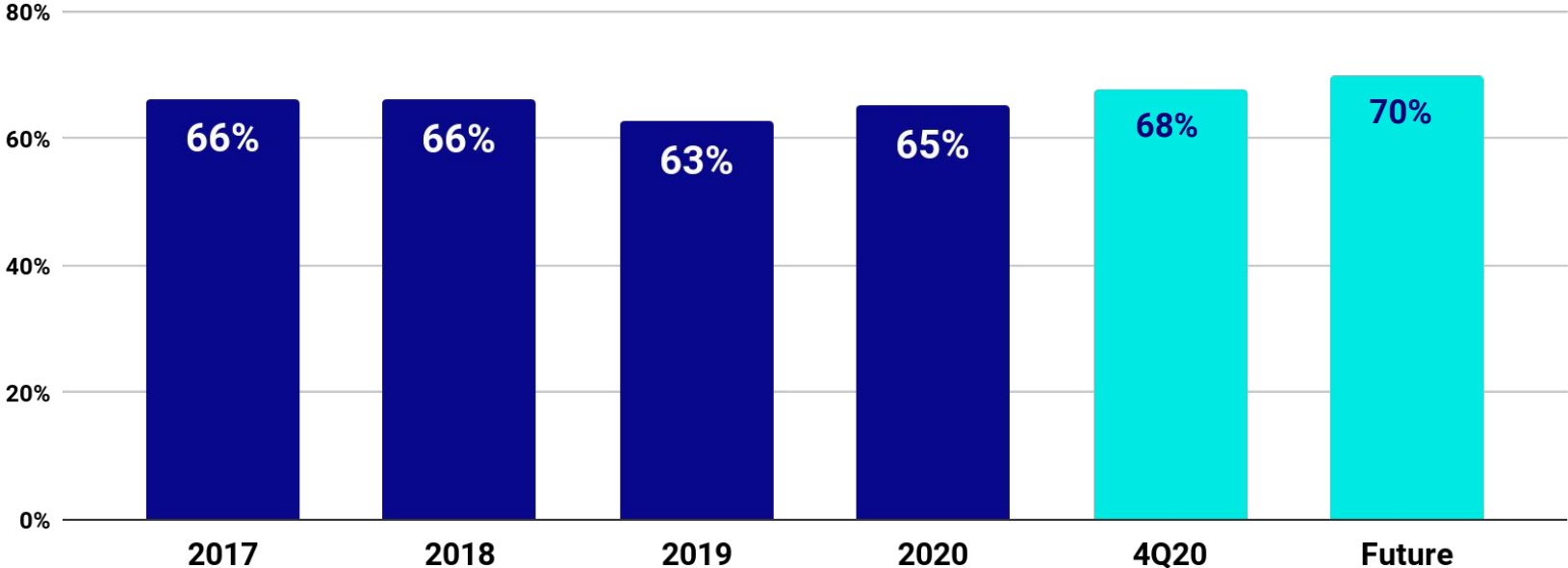
Revenue Growth Bridge



2 IMPROVING PROFITABILITY

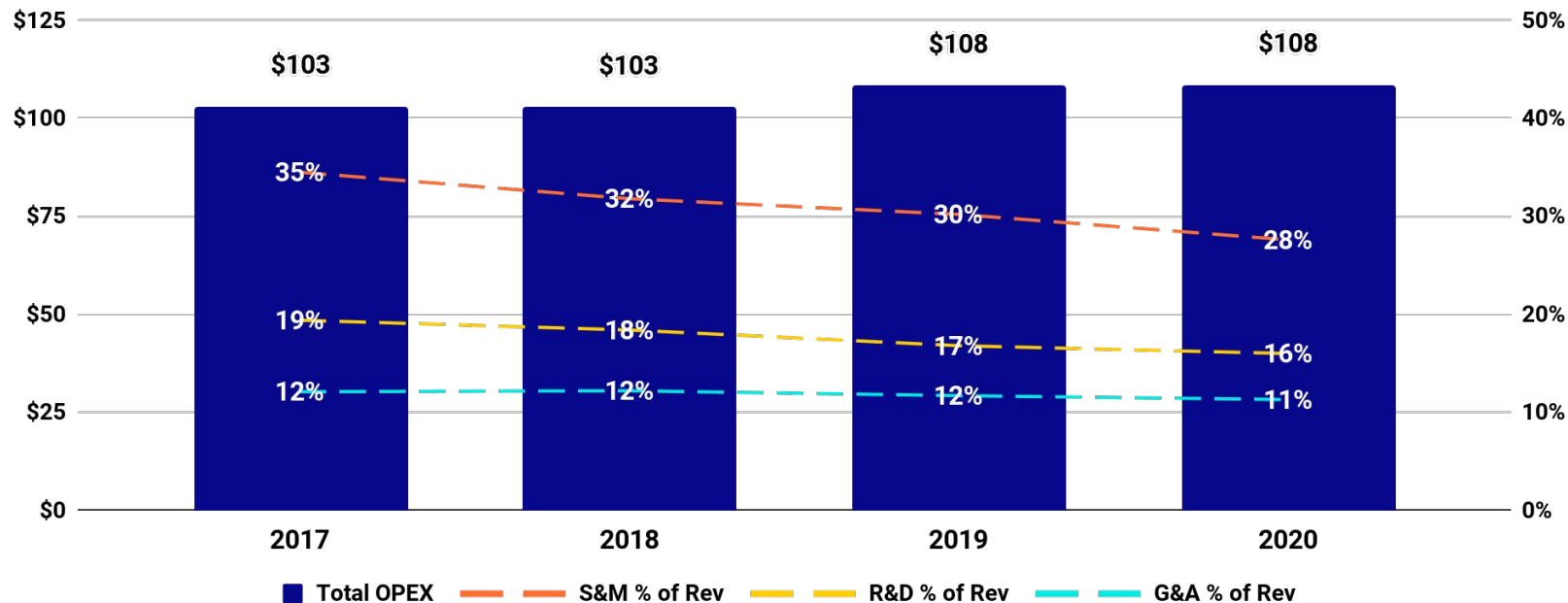
IMPROVING SUBSCRIPTION MARGINS

Subscription Margin %



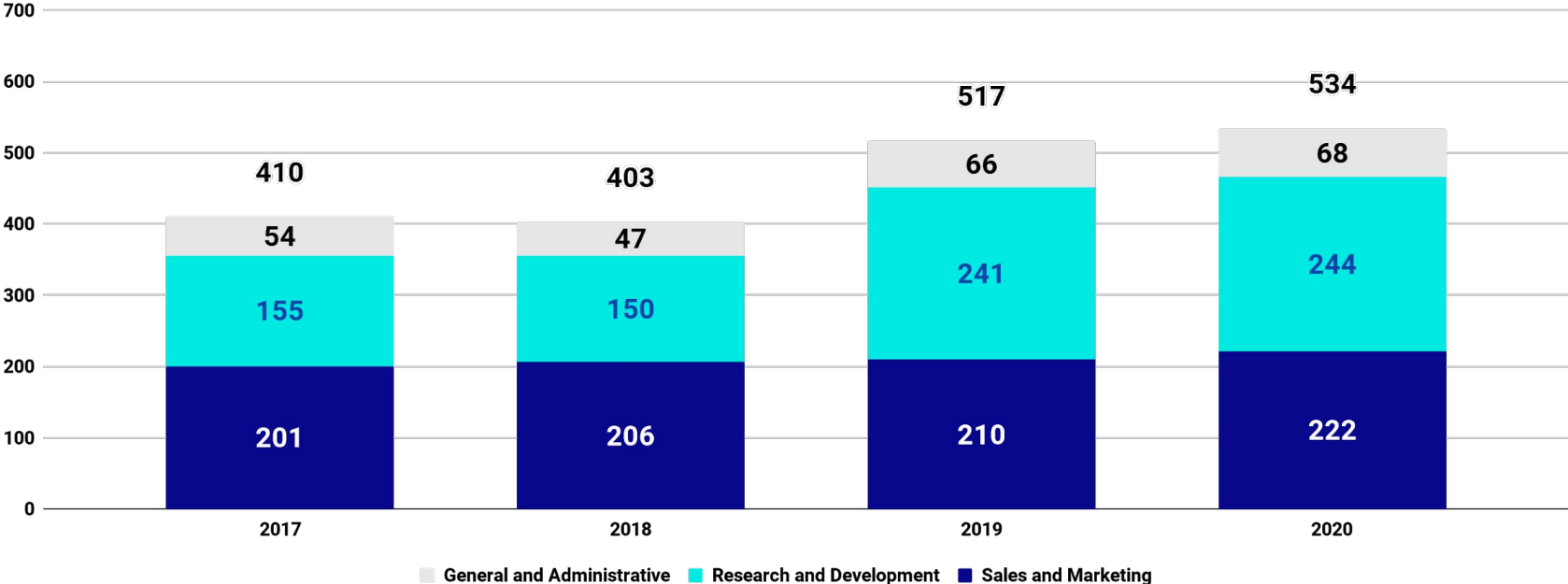
DISCIPLINED INVESTMENT DECISIONS DRIVING OPERATING EXPENSE EFFICIENCIES

Operating Expenses (\$ in Millions)

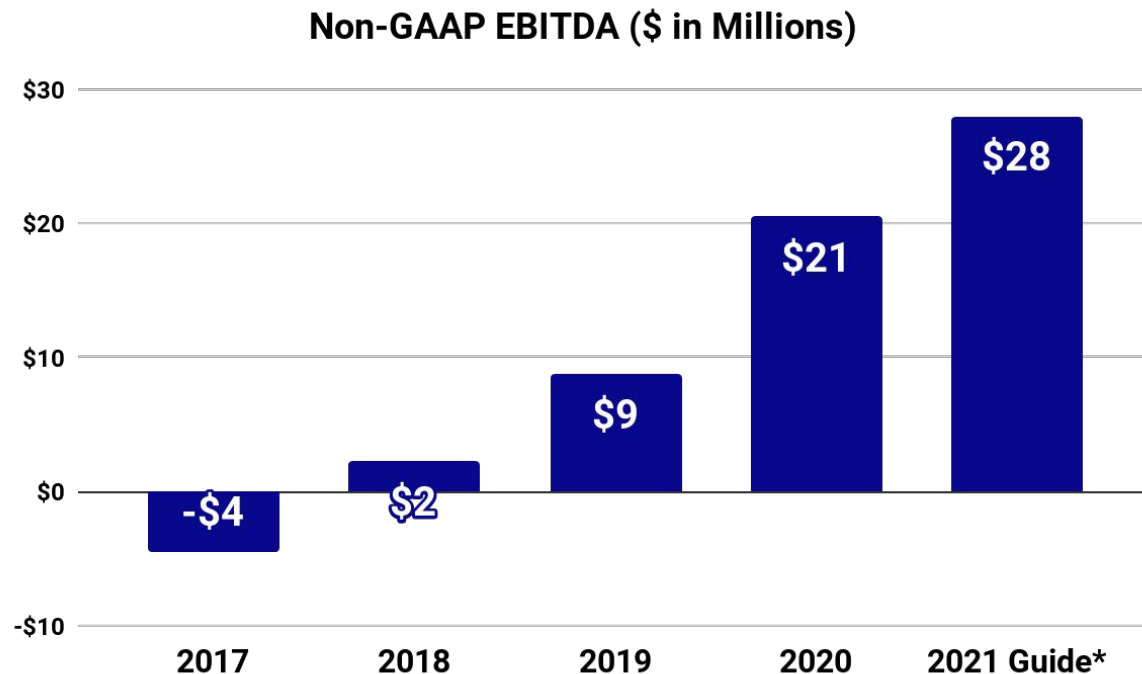


INVEST IN HEADCOUNT TO INCREASE CAPACITY

OPEX Headcount by Function



IMPROVING PROFITABILITY PROFILE

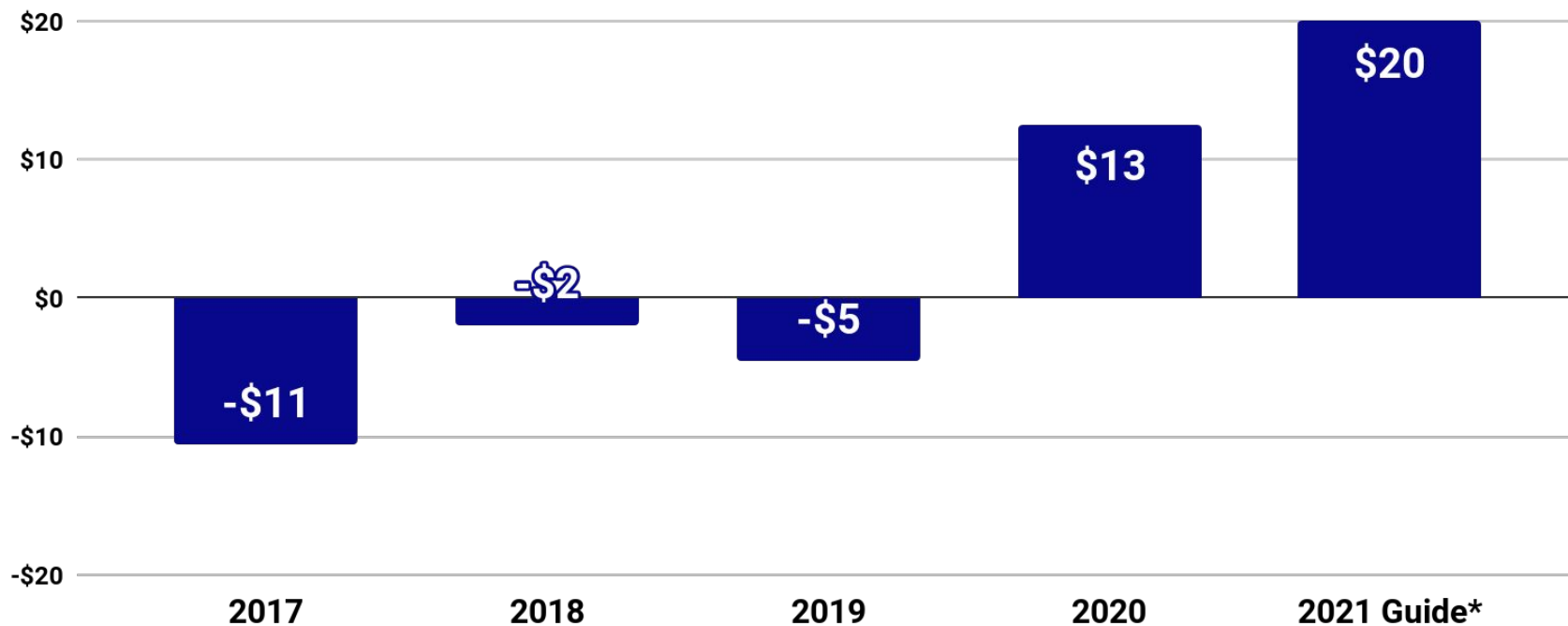


Improving
profitability the
result of
disciplined
investment
decisions

*reflects mid-point of the current guidance of \$25.5M - \$30.5M

GENERATING FREE CASH FLOW

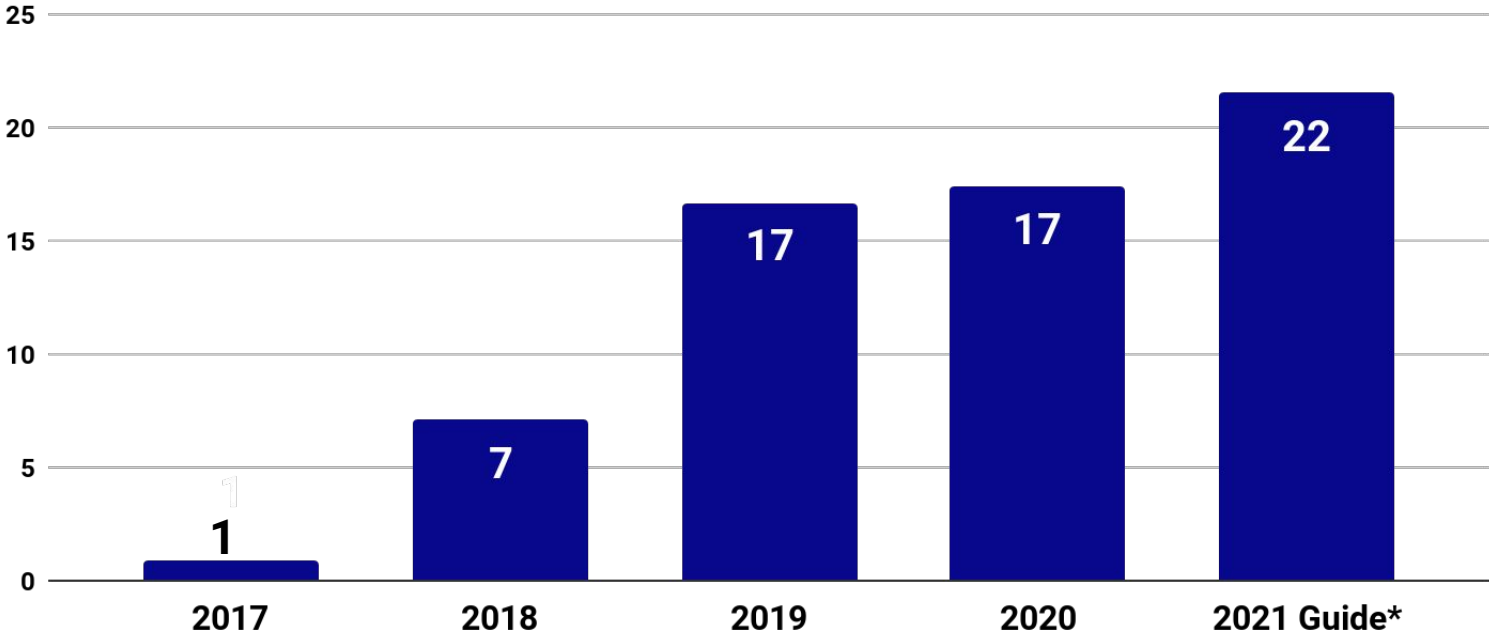
Free Cash Flow (\$ in Millions)



*reflects mid-point of the current guidance of \$17.5M - \$22.5M

SIGNIFICANT PROGRESS MADE ON “RULE OF” PERFORMANCE

Rule of Calculation



*reflects mid-point of the current guidance

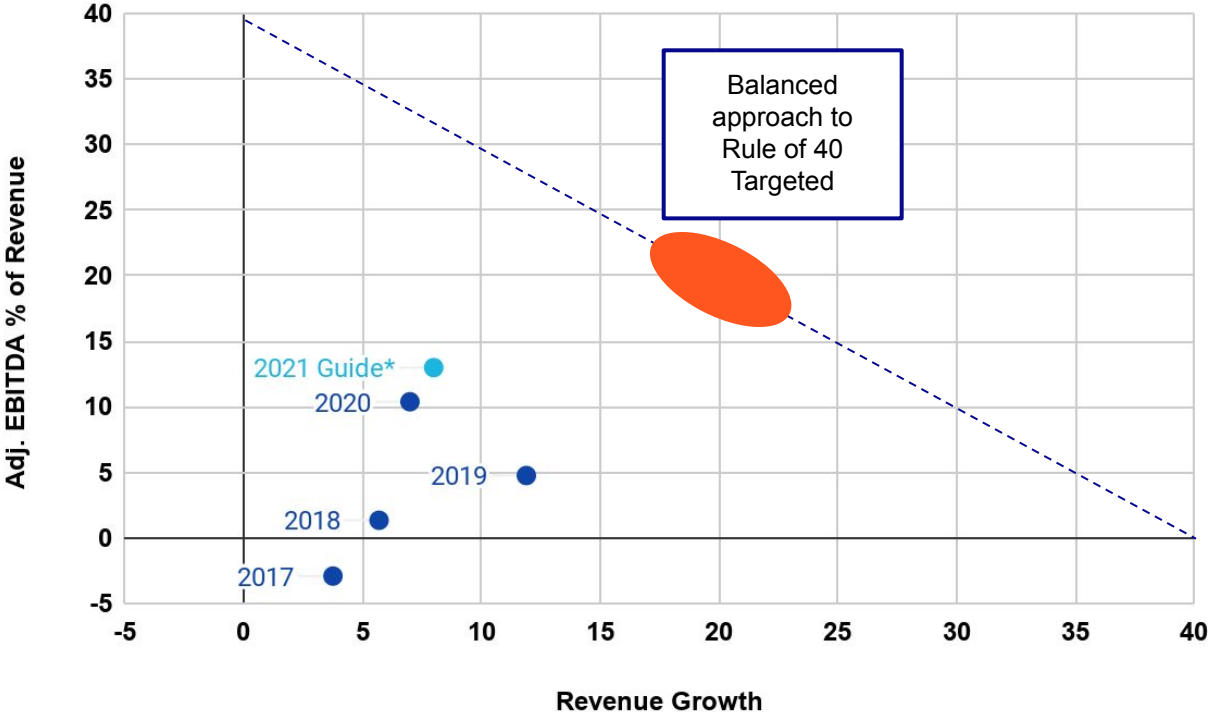
3

**ATTRACTIVE
LONG TERM MODEL**

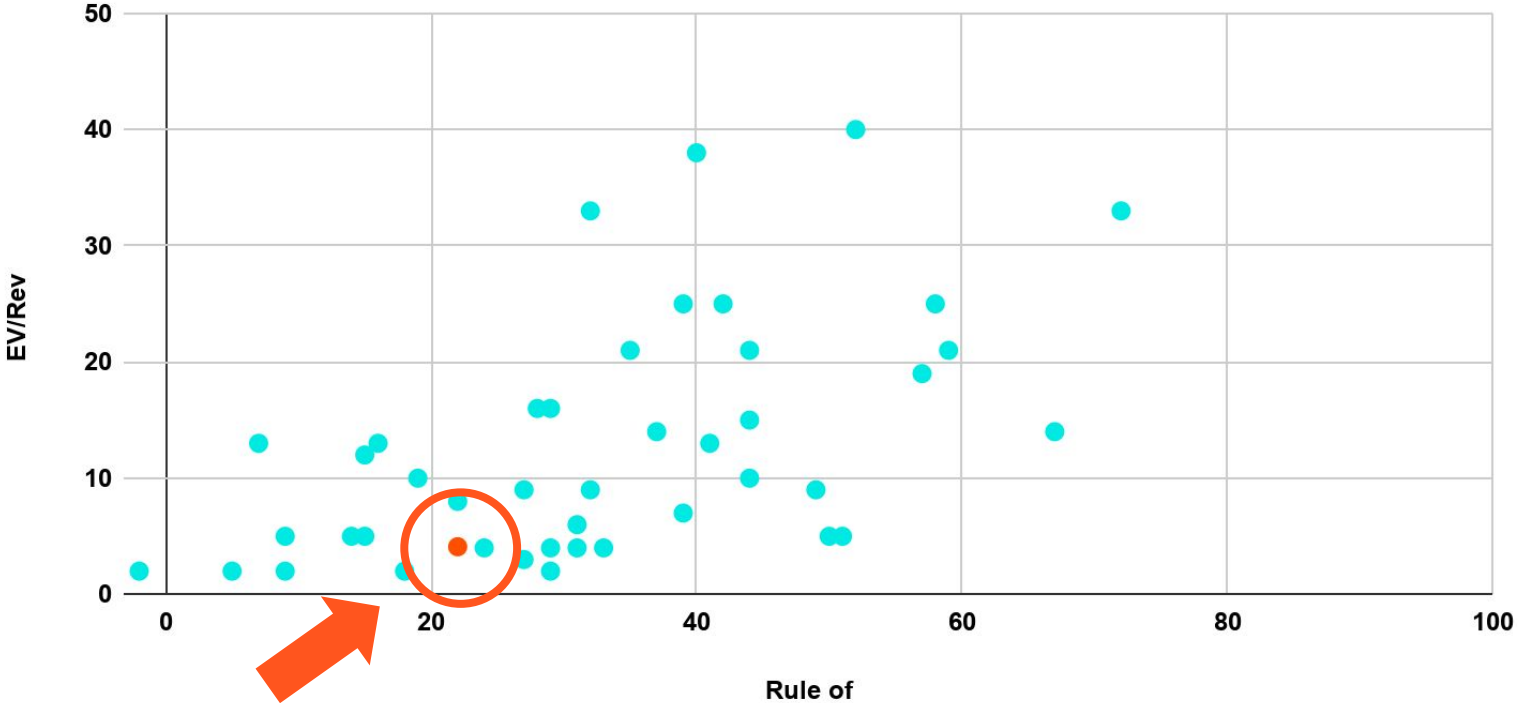
RULE OF 40 TARGETED

	<u>2020 Actual</u>	<u>Long Term Targets</u>
Revenue Growth	7%	20% +
Subscription Gross Margin	65%	70% +
Operating Expenses	55%	50%
Adjusted EBITDA %	10%	20% +
Rule of Calculation	17	40 +

LONG TERM MODEL IMPROVES BOTH REVENUE GROWTH RATES AND MARGINS



BRIGHTCOVE UNDERVALUED IN RELATION TO PEER GROUP



Q&A

WE ENJOY A
**LARGE AND
GROWING MARKET**

OUR PLATFORM DRIVES
**ECOSYSTEM AND
INNOVATION**

WE HAVE GLOBAL REACH
**AND DIVERSE BRAND
LEADERS**

POSITIVE TREND
**IN PROFITABLE
GROWTH THAT IS
UNDERVALUED**

**THANK
YOU**

APPENDIX

NON-GAAP RECONCILIATION - 4Q20

	Three Months Ended December 31,	
	2020	2019
GROSS PROFIT:		
GAAP gross profit	\$ 34,232	\$ 28,803
Stock-based compensation expense	221	408
Amortization of acquired intangible assets	335	495
Restructuring	-	-
Non-GAAP gross profit	<u>\$ 34,788</u>	<u>\$ 29,706</u>
INCOME (LOSS) FROM OPERATIONS:		
GAAP income (loss) from operations	\$ 1,623	\$ (6,870)
Stock-based compensation expense	2,061	4,755
Amortization of acquired intangible assets	812	963
Merger-related	-	3,356
Restructuring	873	-
Non-GAAP income from operations	<u>\$ 12</u>	<u>\$ 2,204</u>
NET INCOME (LOSS):		
GAAP net income (loss)	\$ 2,021	\$ (6,712)
Stock-based compensation expense	2,061	4,755
Amortization of acquired intangible assets	812	963
Merger-related	-	3,356
Restructuring	873	-
Non-GAAP net income	<u>\$ 5,767</u>	<u>\$ 2,362</u>
GAAP diluted net income (loss) per share	<u>\$ 0.05</u>	<u>\$ (0.17)</u>
Non-GAAP diluted net income per share	<u>\$ 0.14</u>	<u>\$ 0.06</u>
Shares used in computing GAAP diluted net income (loss) per share	39,932	38,891
Shares used in computing Non-GAAP diluted net income per share	41,646	39,691

NON-GAAP RECONCILIATION - FY20

	Twelve Months Ended December 31,	
	2020	2019
GROSS PROFIT:		
GAAP gross profit	\$ 121,256	\$ 108,986
Stock-based compensation expense	906	972
Amortization of acquired intangible assets	1,501	1,621
Restructuring	51	292
Non-GAAP gross profit	<u>\$ 123,714</u>	<u>\$ 111,871</u>
INCOME (LOSS) FROM OPERATIONS:		
GAAP income (loss) from operations	\$ (5,323)	\$ (21,063)
Stock-based compensation expense	8,785	9,259
Amortization of acquired intangible assets	3,410	3,205
Merger-related	5,768	11,447
Restructuring	2,583	752
Non-GAAP income from operations	<u>\$ 15,223</u>	<u>\$ 3,600</u>
NET INCOME (LOSS):		
GAAP net income (loss)	\$ (5,813)	\$ (21,903)
Stock-based compensation expense	8,785	9,259
Amortization of acquired intangible assets	3,410	3,205
Merger-related	5,768	11,447
Restructuring	2,583	752
Non-GAAP net income	<u>\$ 14,733</u>	<u>\$ 2,760</u>
GAAP diluted net income (loss) per share	<u>\$ (0.15)</u>	<u>\$ (0.58)</u>
Non-GAAP diluted net income per share	<u>\$ 0.36</u>	<u>\$ 0.07</u>
Shares used in computing GAAP diluted net income (loss) per share	39,473	37,739
Shares used in computing Non-GAAP diluted net income per share	40,449	39,104