Ribbon Communications

First Quarter 2021 Results

April 28, 2021

Note Regarding Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, which are subject to a number of risks and uncertainties. All statements other than statements of historical facts contained in this presentation, including without limitation statements regarding the projected financial results for the second quarter of 2021 and beyond, potential COVID-19 impacts, customer engagement and momentum, and plans for future product development and manufacturing, are forward-looking statements. Without limiting the foregoing, the words “believes”, “estimates”, “expects”, “expectations”, “intends”, “may”, “plans”, “projects” and other similar language, are intended to identify forward-looking statements.

Forward-looking statements are based on our current expectations and assumptions and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. These statements involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results or performance expressed or implied by the forward-looking statements including, but not limited to, risks related to the continuing COVID-19 pandemic; risks that we will not realize estimated cost savings and/or anticipated benefits from the acquisition of ECI Telecom Group Ltd. (“ECI”); failure to realize anticipated benefits from the sale of the Kandy Communications business (“Kandy”); supply chain disruptions resulting from component availability and/or geopolitical instabilities and disputes; unpredictable fluctuations in quarterly revenue and operating results; failure to compete successfully against telecommunications equipment and networking companies; credit risks; the timing of customer purchasing decisions and our recognition of revenues; macro economic conditions; our ability to recruit and retain key personnel; the impact of restructuring and cost-containment activities; litigation; rapid technological and market change; our ability to protect our intellectual property rights and obtain necessary licenses; risks related to cybersecurity and data intrusion; the potential for defects in our products; risks related to the terms of our credit agreement; higher risks in international operations and markets; increases in tariffs, trade restrictions or taxes on our products; currency fluctuations; failure or circumvention of our controls and procedures and the other risks and uncertainties disclosed in our periodic reports filed with the U.S. Securities and Exchange Commission, including our most recent Annual Report on Form 10-K.

Any forward-looking statements represent our views only as of the date on which such statement is made and should not be relied upon as representing our views as of any subsequent date. While we may elect to update forward-looking statements at some point, we specifically disclaim any obligation to do so, except as may be required by law.

This presentation also includes certain non-GAAP financial measures in addition to the U.S. GAAP financials. Our management believes that presenting certain non-GAAP financial measures provides meaningful information to investors in understanding our operating results and may enhance investors' ability to analyze financial and business trends including the ability to compare period to period more easily by excluding items that could have a disproportionately negative or positive impact on results in a given financial period. The non-GAAP measures have limitations as analytical tools and you should not consider them in isolation or as a substitute for the most directly comparable financial measures prepared in accordance with U.S. GAAP. We urge you to review the reconciliation of our non-GAAP financial measures to the most directly comparable GAAP financial measures set forth in the Appendix to this presentation, and not to rely on any single financial measure to evaluate our business.

First Quarter 2021 Business Overview

Bruce McClelland, President & CEO

Mick Lopez, Executive Vice President & CFO

First Quarter 2021 Business Highlights

- Strong performance in Cloud & Edge segment with Non-GAAP Adjusted EBITDA up 191% year over year[1] to $28 million
  - Core SBC grew 12% year over year[1]
  - Support for newly introduced Microsoft Operator Connect
  - Continued strong demand for VoIP Network Transformation products; expansion orders from three Tier 1 carriers totaling more than $40 million

- Organic IP Optical year over year revenue growth of 22%[1]
  - Significant RFP and proof of concept activity across all regions including several large mobile carrier opportunities
  - 13 new customer wins in multiple market verticals including four US regional telcos
  - Introduced two new IP transport access products that address the needs of the 5G cell site router and critical infrastructure markets
  - Strong interest and evaluation of new 400G ZR+ solution with commercial availability planned for early in the third quarter

Note:
1. Three months ended March 31, 2021 compared with the corresponding period in 2020. Please see the basis of presentation in the appendix.

First Quarter 2021 Financial Highlights

Growing Revenue

$193M, up $35M YoY[1]; (includes $37M YoY increase in IP Optical)

Balance Sheet

$109M Ending Cash
Amended credit facility, weighted average interest rate **3.40%**

Improving Profitability

$20M Adjusted EBITDA[2], up **106%** YoY[1]

Cloud and Edge[2]

Unified Communications Growth

12% YoY[1] growth in Core SBC product revenue

Software 52% of total Cloud and Edge product revenue

Strong Gross Margin

67% Non-GAAP Gross Margin[2], **up ~500 BPS YoY[1]**

IP Optical Networks[2]

Revenue Trend

Up **125% YoY[3]** (up 22% on an organic basis)

Customer Success

13 new customers, including **4** in rural **US market**

Notes:
1. Three months ended March 31, 2021 compared with the corresponding period in 2020.
2. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.
3. ECI acquisition closed on March 3, 2020; year-over-year increase is three months ended March 31, 2021 versus the period from March 3, 2020 to March 31, 2020.

First Quarter 2021 GAAP Financial Summary

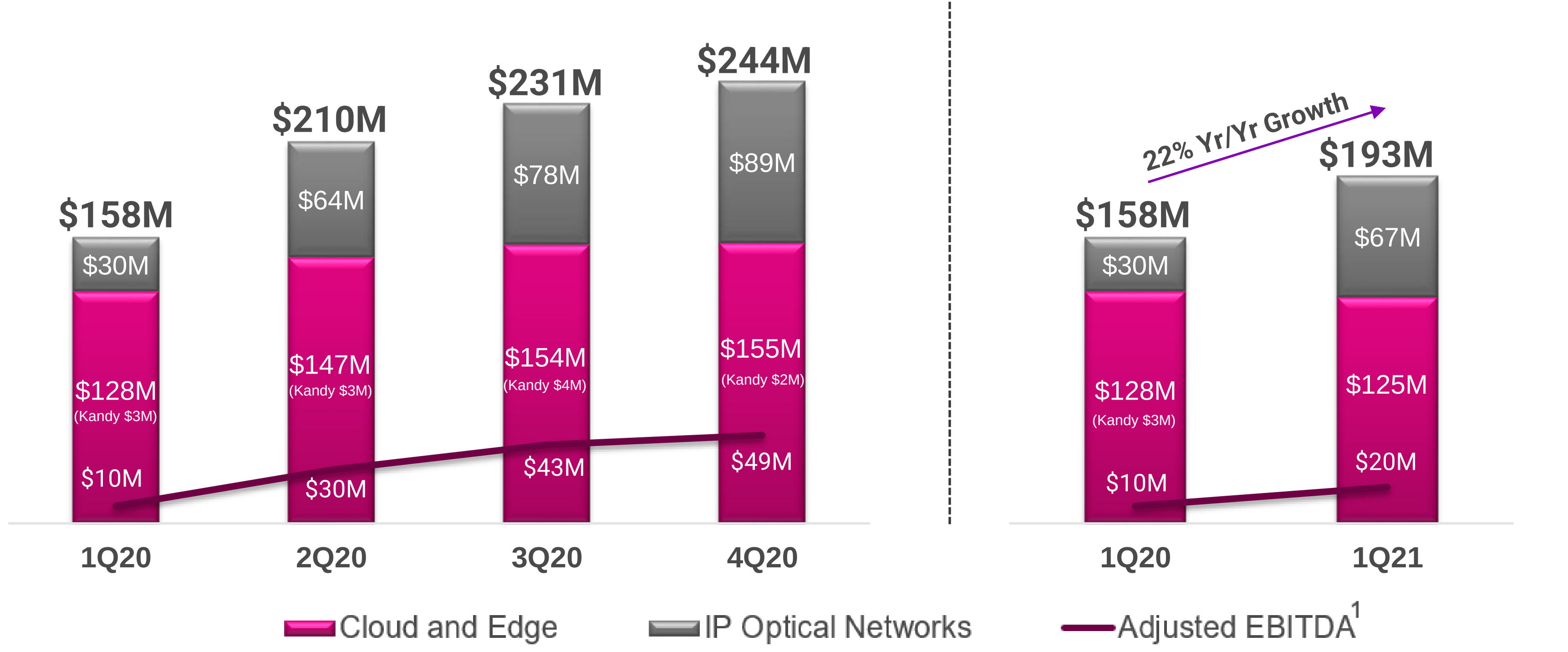
	1Q20[1]	4Q20[1]	1Q21[1]
Revenue	$158M	$244M	$193M
Gross Margin	57%	59%	57%
Opex	$119M	$127M	$123M
Net income (loss)	($33M)	$124M	($45M)
Diluted EPS	($0.27)	$0.81	($0.31)

The sale of the Kandy business to American Virtual Cloud Technologies, Inc. (AVCT) in 4Q20 resulted in a non-cash GAAP gain of $114M and $0.74 increase to EPS in 4Q20.

In 1Q21, $23.9M measurement non-cash loss associated with fair value and quarterly mark-to-market of the AVCT investment partially offset by $1.5M of paid-in-kind interest income earned on the convertible debt from transaction, for a net negative impact to income of $22.4M and to EPS of $0.15.

Note:
1. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.

Total Revenue and Adjusted EBITDA[1]



Note:
1. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.

First Quarter 2021 Non-GAAP Financial Summary

	1Q20	4Q20	1Q21
Revenue	$158M	$244M	$193M
Non-GAAP Gross Margin[1]	57%	59%	57%
Non-GAAP Opex[1]	$85M	$100M	$95M
Non-GAAP Operating Margin[1]	4%	18%	8%
Non-GAAP Adjusted EBITDA[1]	$10M	$49M	$20M
Non-GAAP Diluted EPS[1]	$0.01	$0.18	$0.03

Note:
1. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.

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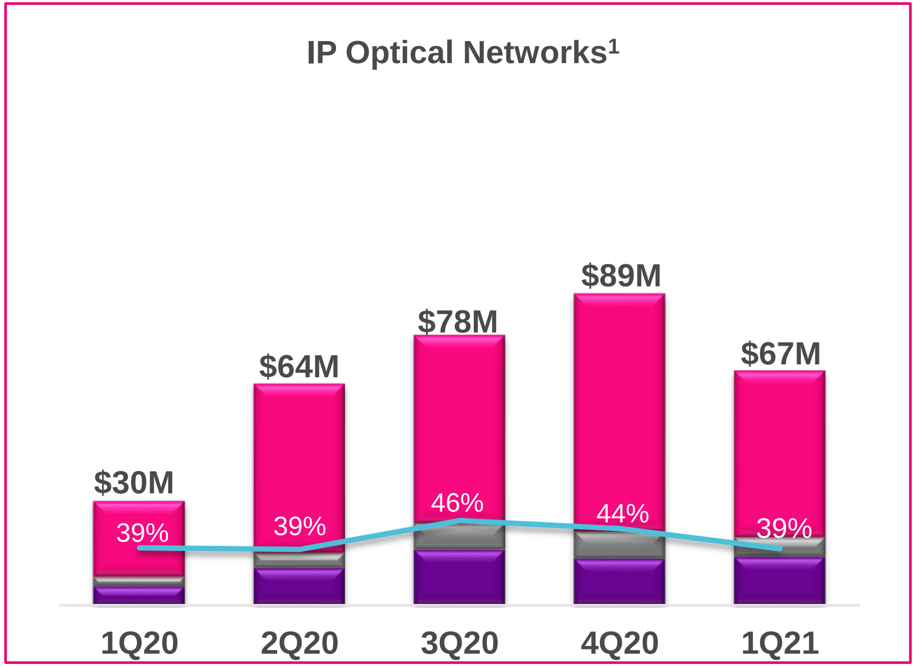
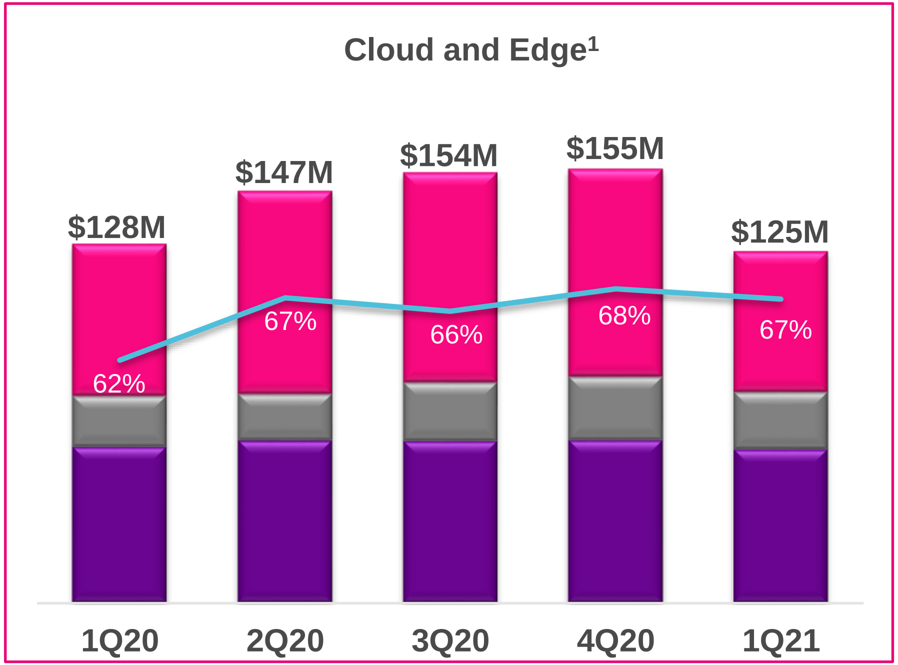
First Quarter 2021 Non-GAAP Segment Summary

	Cloud and Edge	IP Optical Networks	Consolidated
Revenue	$125M	$67M	$193M
Non-GAAP Gross Margin[1]	67%	39%	57%
Non-GAAP Adjusted EBITDA[1]	$28M	($9M)	$20M
Non-GAAP Adjusted EBITDA Margin[1]	23%	(13%)	10%

Note:
1. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.

Quarterly Performance: Revenue & Non-GAAP Gross Margins[1]





Maintenance   Product   Professional Services   Non-GAAP Gross Margin[1]

Note:
1. Please see the basis of presentation and the non-GAAP reconciliation in the appendix.

First Quarter 2021 Key Metrics

Pipeline

1Q21 Book to Revenue[1] Ratio of 1.14

Nearly 80% of 2021 maintenance renewals completed by quarter-end 1Q21

Revenue Mix

30% Software Revenue[2]

36% Maintenance Revenue[3]

Top 10 Customers Revenue 46%[3]

Enterprise 23%[2]
Service Provider 77%[2]

Domestic 41%[3]
International 59%[3]

Balance Sheet

Cash Balance $109M

Debt[5] $391M

Current Annualized Weighted Interest Rate 3.40%

Covenant Ratio Metrics[4]:
Leverage 2.35x vs 4x max.
FCCR 3.94x vs 1.25x min.

Cash Flow

($6M) Cash From Operations

($7M) Unlevered Free Cash Flow[6]

$5M Capex included $3M of real estate facility improvements

Notes:
1. Product and Professional Services (excluding maintenance) Bookings divided by Product and Professional Services Revenue (excluding maintenance) for the three months ended March 31, 2021.
2. As a percentage of total product revenue.
3. As a percentage of total revenue.
4. Calculated in accordance with the Amended and Restated Credit Agreement.
5. Principal balance outstanding.
6. Please see the non-GAAP reconciliation in the appendix.

Key Trends and Outlook

Market Trends and Operating Environment

Market Trends

- Strong secular demand for bandwidth accelerated by COVID-19 with increased federal funding opportunities
- 5G mobile technology upgrade cycle creating demand for front-, mid-, and back-haul capacity expansion with unique networking requirements
- IP/Optical Convergence needed to simplify network management and maximize performance
- Legacy network refresh network cycle gaining momentum
- India recovery extending into 2H21
- Unique competitive environment creating opportunity for new industry leadership
- Effectively managing tightening supply chain environment

Portfolio and Customer Activity

Cloud & Edge

– Enterprise adoption of Cloud Communications driving growth in SBC demand thru Service Provider and channel

– Voice Network modernization initiatives expanding to address multiple pressure points - aging installed base, tightening environmental standards, cloud migration and robo-calling/fraud mitigation

IP Optical

– Growing pipeline of customer evaluations including several late-stage Tier 1 opportunities

– Launching full portfolio of 400G ZR+ products

– Strong interest in MUSE network orchestration platform to manage IP Optical convergence

Second Quarter and Full Year 2021 Business Outlook

	2020	2Q21	FY21
Revenue	$844M	$215M to $225M	$925M to $945M
Non-GAAP Gross Margin[1]	59%	56% to 57%	55% to 56%
Non-GAAP Adjusted EBITDA[1]	$131M	$30M to $34M	$145M to $155M
Non-GAAP Diluted EPS[1]	$0.43	$0.09 to $0.11	$0.49 to $0.54

Interest & Other Expense	($22M)	~($6M)	~($26M)
Non-GAAP Income Taxes	32.75%	~27%	~27%
Diluted Share Count (millions)	144.7	~155	~155

Strengthening financial profile with profitable growth

Note:
1. Please see non-GAAP reconciliations in the appendix.

Appendix

Ribbon Condensed Statements of Operations

USD Millions except percentages and EPS	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
GAAP FINANCIAL MEASURES						
Product Revenue	76	121	129	142	468	98
Service Revenue	82	90	102	102	376	95
Total Revenue	**158**	**210**	**231**	**244**	**844**	**193**
Gross Profit	**91**	**123**	**135**	**144**	**493**	**111**
Gross Margin %	*57%*	*59%*	*58%*	*59%*	*58%*	*57%*
Research and development	42	52	49	51	194	47
Selling, general and administrative	48	49	53	53	203	53
Amortization of acquired intangible assets	14	15	16	16	61	16
Acquisition-, disposal- and integration-related and Restructuring and related expenses	14	6	5	8	33	7
Total Operating Expenses	**119**	**122**	**123**	**127**	**491**	**123**
Income/(Loss) from Operations	**(29)**	**2**	**12**	**17**	**2**	**(13)**
Operating Margin %	*-18%*	*1%*	*5%*	*7%*	*0%*	*-7%*
Net Income/(Loss)	**(33)**	**(8)**	**6**	**124**	**89**	**(45)**
Diluted EPS	**($0.27)**	**($0.06)**	**$0.04**	**$0.81**	**$0.61**	**($0.31)**
Shares used to compute GAAP diluted earnings (loss) per share	121	144	152	153	145	146
Cash Flow from Operating Activities	**40**	**(3)**	**29**	**36**	**102**	**(6)**
NON-GAAP FINANCIAL MEASURES[1]						
Adjusted EBITDA	**10**	**30**	**43**	**49**	**131**	**20**
Unlevered Free Cash Flow	**35**	**(6)**	**29**	**33**	**90**	**(7)**

Note:

1. Please see the basis of presentation non-GAAP reconciliations in the appendix.

Ribbon Condensed Balance Sheets

USD Millions	1Q20	2Q20	3Q20	4Q20	1Q21
ASSETS					
Cash and cash equivalents[1]	110	94	111	136	109
Accounts receivable, net	206	205	208	238	209
Inventory	67	58	51	46	45
Property and equipment, net	47	48	48	49	49
Intangible assets, net and Goodwill	866	866	850	834	818
Investments	-	-	-	115	93
Other Assets	177	157	138	130	129
Total Assets	**1,472**	**1,428**	**1,406**	**1,547**	**1,453**
LIABILITIES AND EQUITY					
Liabilities	384	362	349	352	301
Deferred revenue	140	130	115	123	125
Debt[2]	395	392	387	385	384
Stockholders' Equity	554	545	555	687	643
Total Liabilities and Equity	**1,472**	**1,428**	**1,406**	**1,547**	**1,453**

Notes:
1. Includes cash, cash equivalents, and restricted cash.
2. Net of debt issuance costs and associated amortization.

Ribbon Condensed Statements of Cash Flows

USD Millions	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Cash from Operations	40	(3)	29	36	102	(6)
Purchases of property and equipment	(6)	(9)	(4)	(8)	(27)	(5)
Business Acquisitions	(347)	-	-	-	(347)	-
Sale of Fixed Assets	44	-	-	-	44	-
Borrowings, net	336	(4)	(7)	(3)	322	(4)
Other	(1)	-	(1)	-	(2)	(12)
Net Change	**65**	**(16)**	**17**	**25**	**91**	**(27)**
Cash[1] Beginning of Period	**45**	**110**	**94**	**111**	**45**	**136**
Cash[1] End of Period	**110**	**94**	**111**	**136**	**136**	**109**

Note:
1. Includes cash, cash equivalents, and restricted cash.

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Ribbon Key Revenue Statistics

USD Millions except for percentages	1Q20	2Q20	3Q20	Q420	FY20	1Q21
Revenue						
Product	76	121	129	142	468	98
Service	82	90	102	102	376	95
Total Revenue	**158**	**210**	**231**	**244**	**844**	**193**
% of Total Revenue:						
Revenue Mix						
Product	48%	57%	56%	58%	55%	51%
Services	52%	43%	44%	42%	45%	49%
Revenue by Geography						
Domestic	50%	48%	45%	40%	45%	41%
International	50%	52%	55%	60%	55%	59%
Revenue by Channel						
Direct	62%	73%	72%	74%	71%	79%
Indirect	38%	27%	28%	26%	29%	21%
Product Revenue By Market						
Enterprise	36%	30%	29%	27%	30%	23%
Service Providers	64%	70%	71%	73%	70%	77%
10% Total Revenue Customers	Verizon AT&T	Verizon	Verizon	Verizon	Verizon	Verizon

Basis of Presentation

Totals may not sum due to rounding.

The terms “Cloud and Edge”, “Ribbon standalone”, “Ribbon’s organic business” and “organic” as used herein refer to the business, continuing operations and/or financial results, as the context dictates, of Ribbon Communications excluding the recently acquired ECI Telecom business, which was completed on March 3, 2020. The term “overall” as used herein refers to Ribbon consolidated results (including the results of ECI post-acquisition through March 31, 2021) for the metric or period indicated.

ECI results prior to its acquisition by Ribbon on March 3, 2020 have been combined with the Ribbon standalone results for certain financial metrics, for illustrative purposes only. These combined results are presented for illustrative purposes and are not intended to represent or be indicative of the actual results of the combined company that would have been achieved had the acquisition occurred on January 1, 2020.

On December 1, 2020, Ribbon sold Kandy; the results of the Kandy business are included in all periods through that date.

IP Optical Networks relates to the ECI Telecom business.

Cloud and Edge relates to Ribbon standalone and excludes the ECI Telecom business.

Discussion of Non-GAAP Financial Measures

Our management uses several different financial measures, both GAAP and non-GAAP, in analyzing and assessing the overall performance of its business, making operating decisions, planning and forecasting future periods, and determining payments under compensation programs. We consider the use of non-GAAP financial measures helpful in assessing the core performance of our continuing operations and when planning and forecasting future periods. Our annual financial plan is prepared on a non-GAAP basis and is approved by our board of directors. In addition, budgeting and forecasting for revenue and expenses are conducted on a non-GAAP basis and actual results on a non-GAAP basis are assessed against the annual financial plan. By continuing operations, we mean the ongoing results of the business adjusted for certain expenses and credits, as described below. We believe that providing non-GAAP information to investors will allow investors to view the financial results in the way our management views them and helps investors to better understand our core financial and operating performance and evaluate the efficacy of the methodology and information used by our management to evaluate and measure such performance.

While our management uses non-GAAP financial measures as tools to enhance their understanding of certain aspects of our financial performance, our management does not consider these measures to be a substitute for, or superior to, GAAP measures. In addition, our presentations of these measures may not be comparable to similarly titled measures used by other companies. These non-GAAP financial measures should not be considered alternatives for, or in isolation from, the financial information prepared and presented in accordance with GAAP. Investors are cautioned that there are material limitations associated with the use of non-GAAP financial measures. In particular, many of the adjustments to our financial measures reflect the exclusion of items that are recurring and will be reflected in our financial results for the foreseeable future.

Discussion of Non-GAAP Financial Measures (continued)

Acquisition-Related Inventory Adjustment
Acquisition-related inventory adjustment amounts are inconsistent in frequency and amount and are significantly impacted by the then-current market prices of such inventory items. We believe that excluding non-cash inventory adjustments arising from acquisitions facilitates the comparison of our financial results to our historical operating results and to other companies in our industry as if the inventory had been acquired by us through our normal channels rather than acquired.

Stock-Based Compensation
The expense related to stock-based awards is generally not controllable in the short-term and can vary significantly based on the timing, size and nature of awards granted. We believe that presenting non-GAAP operating results that exclude stock-based compensation provides investors with visibility and insight into our management's method of analysis and the Company's core operating performance.

Amortization of Acquired Intangible Assets
Amortization amounts are inconsistent in frequency and amount and are significantly impacted by the timing and size of acquisitions. We believe that excluding non-cash amortization of intangible assets facilitates the comparison of our financial results to our historical operating results and to other companies in our industry as if the acquired intangible assets had been developed internally rather than acquired.

Litigation Costs
We have been involved in litigation with one of our competitors and with a former GENBAND business partner and have reached settlements in both cases. We exclude the costs of such litigation because we believe such costs are not part of our core business or ongoing operations.

Discussion of Non-GAAP Financial Measures (continued)

Acquisition-, Disposal- and Integration-Related Expense

We consider certain acquisition-, disposal- and integration-related costs to be unrelated to the organic continuing operations of our acquired businesses and the Company, and such costs are generally not relevant to assessing or estimating the long-term performance of the acquired assets. We exclude such acquisition-, disposal- and integration-related costs to allow more accurate comparisons of our financial results to our historical operations and the financial results of less acquisitive peer companies and allows management and investors to consider the ongoing operations of the business both with and without such expenses.

Restructuring and Related Expense

We have recorded restructuring and related expense to streamline operations and reduce operating costs by closing and consolidating certain facilities and reducing our worldwide workforce. We believe that excluding restructuring and related expense facilitates the comparison of our financial results to our historical operating results and to other companies in our industry, as there are no future revenue streams or other benefits associated with these costs.

Gain on Sale of Business

On December 1, 2020, we completed the sale of Kandy to AVCT. As consideration, we received units of AVCT securities, comprised of AVCT's Series A-1 convertible debentures ("Debentures") and warrants to purchase shares of AVCT's common stock ("Warrants"), with an aggregate fair value approximating $84 million on the date of sale. We exclude this gain because we believe that such gain is not part of our core business or ongoing operations.

Discussion of Non-GAAP Financial Measures (continued)

Interest Income on Debentures
We recorded paid-in-kind interest income on the Debentures, which increased their fair value. We exclude this interest income because we believe that such a gain is not part of our core business or ongoing operations.

(Increase) Decrease in Fair Value of Investments
We calculate the fair value of the Debentures and Warrants at each quarter-end and record any adjustments to their fair values in Other (expense), income, net. We exclude this and any subsequent gains and losses from the change in fair value of the Debentures and Warrants because we believe that such gains or losses are not part of our core business or ongoing operations.

Tax Effect of Non-GAAP Adjustments
Non-GAAP income tax expense is presented based on an estimated tax rate applied against forecasted annual non-GAAP income. Non-GAAP income tax expense assumes no available net operating losses or valuation allowances for the U.S. because of reporting significant cumulative non-GAAP income over the past several years. We are reporting our non-GAAP quarterly income taxes by computing an annual rate for the Company and applying that single rate (rather than multiple rates by jurisdiction) to our consolidated quarterly results. We expect that this methodology will provide a consistent rate throughout the year and allow investors to better understand the impact of income taxes on our results. Due to the methodology applied to our estimated annual tax rate, our estimated tax rate on non-GAAP income will differ from our GAAP tax rate and from our actual tax liabilities.

Discussion of Non-GAAP Financial Measures (continued)

Adjusted EBITDA

We use Adjusted EBITDA as a supplemental measure to review and assess our performance. We calculate Adjusted EBITDA by excluding from Income (loss) from operations: depreciation; amortization of acquired intangible assets; stock-based compensation; acquisition-related inventory adjustments; certain litigation costs; acquisition-, disposal- and integration-related expense; and restructuring and related expense. In general, we exclude the expenses that we consider to be non-cash and/or not part of our ongoing operations. We may exclude other items in the future that have those characteristics. Adjusted EBITDA is a non-GAAP financial measure that is used by our investing community for comparative and valuation purposes. We disclose this metric to support and facilitate our dialogue with research analysts and investors. Other companies may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

GAAP to Non-GAAP Reconciliation

$000's	1Q20			2Q20			3Q20			4Q20			FY20			Q121		
	Cloud and Edge	IP Optical Networks	Consolidated	Cloud and Edge	IP Optical Networks	Consolidated	Cloud and Edge	IP Optical Networks	Consolidated	Cloud and Edge	IP Optical Networks	Consolidated	Cloud and Edge	IP Optical Networks	Consolidated	Cloud and Edge	IP Optical Networks	Consolidated
Revenue	$ 128,031	$ 29,951	$ 157,982	$ 146,907	$ 63,586	$ 210,493	$ 153,530	$ 77,588	$ 231,118	$ 154,802	$ 89,400	$ 244,202	$ 583,270	$ 260,525	$ 843,795	$ 125,422	$ 67,350	$ 192,772
GAAP Gross profit	$ 78,778	$ 11,746	$ 90,524	$ 98,591	$ 24,676	$ 123,267	$ 101,711	$ 33,243	$ 134,954	$ 105,322	$ 39,040	$ 144,362	$ 384,402	$ 108,705	$ 493,107	$ 84,162	$ 26,385	$ 110,547
GAAP Gross margin - total (Total gross profit/Revenue)	61.5%	39.2%	57.3%	67.1%	38.8%	58.6%	66.2%	42.8%	58.4%	68.0%	43.7%	59.1%	65.9%	41.7%	58.4%	67.1%	39.2%	57.3%
Stock-based compensation	0.2%	0.0%	0.1%	0.1%	0.0%	0.1%	0.2%	0.1%	0.1%	0.2%	*	0.1%	0.1%	*	0.1%	0.1%	0.1%	0.2%
Acquisition-related inventory adjustment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%	0.9%	0.0%	0.0%	0.0%	0.0%	0.8%	0.3%	0.0%	0.0%	0.0%
Non-GAAP Gross margin - total	61.7%	39.2%	57.4%	67.2%	38.8%	58.7%	66.4%	45.5%	59.4%	68.2%	43.7%	59.2%	66.0%	42.5%	58.8%	67.2%	39.3%	57.5%

* Less than 0.1% impact on Gross margin

Adjusted EBITDA	1Q20 Cloud and Edge	1Q20 IP Optical Networks	1Q20 Consolidated	2Q20 Cloud and Edge	2Q20 IP Optical Networks	2Q20 Consolidated	3Q20 Cloud and Edge	3Q20 IP Optical Networks	3Q20 Consolidated	4Q20 Cloud and Edge	4Q20 IP Optical Networks	4Q20 Consolidated	FY20 Cloud and Edge	FY20 IP Optical Networks	FY20 Consolidated	Q121 Cloud and Edge	Q121 IP Optical Networks	Q121 Consolidated
GAAP (Loss) income from operations	$ (13,557)	$ (15,183)	$ (28,740)	$ 16,742	$ (15,150)	$ 1,592	$ 21,955	$ (10,038)	$ 11,917	$ 23,483	$ (6,583)	$ 16,900	$ 48,623	$ (46,954)	$ 1,669	$ 3,632	$ (16,236)	$ (12,604)
Depreciation	2,993	481	3,474	2,984	1,802	4,786	2,990	1,504	4,494	3,144	1,290	4,434	12,111	5,077	17,188	3,137	1,089	4,226
Amortization of acquired intangible assets	12,214	2,120	14,334	11,324	3,345	14,669	12,513	3,836	16,349	11,724	3,834	15,558	47,775	13,135	60,910	11,306	4,517	15,823
Stock-based compensation	2,976	-	2,976	3,138	84	3,222	3,400	569	3,969	3,136	596	3,732	12,650	1,249	13,899	4,394	666	5,060
Acquisition-related inventory adjustment	-	-	-	-	-	-	-	2,000	2,000	-	-	-	-	2,000	2,000	-	-	-
Litigation costs	3,038	-	3,038	(937)	-	(937)	-	-	-	-	-	-	2,101	-	2,101	-	-	-
Acquisition-, disposal- and integration-related expense	-	12,384	12,384	-	857	857	850	516	1,366	1,002	1,555	2,557	1,852	15,312	17,164	241	956	1,197
Restructuring and related expense	2,075	-	2,075	4,246	1,115	5,361	213	3,077	3,290	4,032	1,477	5,509	10,566	5,669	16,235	5,620	330	5,950
Non-GAAP Adjusted EBITDA	$ 9,739	$ (198)	$ 9,541	$ 37,497	$ (7,947)	$ 29,550	$ 41,921	$ 1,464	$ 43,385	$ 46,521	$ 2,169	$ 48,690	$ 135,678	$ (4,512)	$ 131,166	$ 28,330	$ (8,678)	$ 19,652
Adjusted EBITDA Margin (Adjusted EBITDA/Revenue)																		
GAAP (Loss) income from operations	-10.6%	-50.7%	-18.2%	11.4%	-23.8%	0.8%	14.3%	-12.9%	5.2%	15.2%	-7.4%	6.9%	8.3%	-18.0%	0.2%	2.9%	-24.1%	-6.5%
Depreciation	2.3%	1.6%	2.2%	2.0%	2.8%	2.3%	1.9%	1.9%	1.9%	2.0%	1.4%	1.8%	2.1%	1.9%	2.0%	2.5%	1.6%	2.2%
Amortization of acquired intangible assets	9.6%	7.1%	9.1%	7.7%	5.3%	6.9%	8.2%	4.9%	7.1%	7.7%	4.3%	6.4%	8.2%	5.0%	7.3%	9.0%	6.7%	8.2%
Stock-based compensation	2.3%	0.0%	1.9%	2.1%	0.1%	1.5%	2.2%	0.7%	1.7%	2.0%	0.7%	1.5%	2.2%	0.5%	1.6%	3.5%	1.0%	2.6%
Acquisition-related inventory adjustment	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.6%	0.9%	0.0%	0.0%	0.0%	0.0%	0.8%	0.2%	0.0%	0.0%	0.0%
Litigation costs	2.4%	0.0%	1.9%	-0.6%	0.0%	-0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.4%	0.0%	0.2%	0.0%	0.0%	0.0%
Acquisition-, disposal- and integration-related expense	0.0%	41.3%	7.8%	0.0%	1.3%	0.4%	0.6%	0.7%	0.6%	0.6%	1.7%	1.0%	0.3%	5.9%	2.0%	0.2%	1.4%	0.6%
Restructuring and related expense	1.6%	0.0%	1.3%	2.9%	1.8%	2.5%	0.1%	4.0%	1.4%	2.6%	1.7%	2.3%	1.8%	2.2%	2.0%	4.5%	0.5%	3.1%
Non-GAAP Adjusted EBITDA Margin	7.6%	-0.7%	6.0%	25.5%	-12.5%	14.0%	27.3%	1.9%	18.8%	30.1%	2.4%	19.9%	23.3%	-1.7%	15.5%	22.6%	-12.9%	10.2%

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GAAP to Non-GAAP Reconciliation (Continued)

$000s	1Q20	Q220	Q320	Q420	FY20	Q121
GAAP Operating expenses	$ 119,264	$ 121,675	$ 123,037	$ 127,462	$ 491,438	$ 123,151
Stock-based compensation	(2,819)	(3,024)	(3,708)	(3,473)	(13,024)	(4,798)
Amortization of acquired intangible assets	(14,334)	(14,669)	(16,349)	(15,558)	(60,910)	(15,823)
Litigation costs	(3,038)	937	-	-	(2,101)	-
Acquisition-, disposal- and integration-related expense	(12,384)	(857)	(1,366)	(2,557)	(17,164)	(1,197)
Restructuring and related expense	(2,075)	(5,361)	(3,290)	(5,509)	(16,235)	(5,950)
Non-GAAP Operating expenses	$ 84,614	$ 98,701	$ 98,324	$ 100,365	$ 382,004	$ 95,383

Income (loss) from operations as a percentage of revenue ("Operating margin")	1Q20	Q220	Q320	Q420	FY20	Q121
GAAP Operating margin	-18.2%	0.8%	5.2%	6.9%	0.2%	-6.5%
Acquisition-related inventory adjustment	0.0%	0.0%	0.9%	0.0%	0.2%	2.6%
Stock-based compensation	1.9%	1.5%	1.7%	1.5%	1.6%	0.0%
Amortization of acquired intangible assets	9.1%	7.0%	7.0%	6.4%	7.3%	8.2%
Litigation costs	1.9%	-0.4%	0.0%	0.0%	0.2%	0.0%
Acquisition-, disposal- and integration-related expense	7.8%	0.4%	0.6%	1.0%	2.0%	0.6%
Restructuring and related expense	1.3%	2.5%	1.4%	2.3%	2.0%	3.1%
Non-GAAP Operating margin	3.8%	11.8%	16.8%	18.1%	13.5%	8.0%

GAAP to Non-GAAP Reconciliation (Continued)

	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Earnings (loss) per share						
GAAP (Loss) per share or diluted earnings per share	$ (0.27)	$ (0.06)	$ 0.04	$ 0.81	$ 0.61	$ (0.31)
Acquisition-related inventory adjustment	-	-	0.01	-	0.01	-
Stock-based compensation	0.02	0.02	0.03	0.02	0.11	0.03
Amortization of acquired intangible assets	0.12	0.10	0.11	0.10	0.42	0.11
Litigation costs	0.02	(0.01)	-	-	0.01	-
Acquisition-, disposal- and integration-related expense	0.10	0.01	0.01	0.02	0.12	0.01
Restructuring and related expense	0.02	0.04	0.02	0.04	0.11	0.05
Gain on sale of business	-	-	-	(0.54)	(0.58)	-
Interest income on debentures	-	-	-	-	-	(0.01)
(Increase) decrease in fair value of investments	-	-	-	(0.20)	(0.21)	0.16
Tax effect of non-GAAP adjustments	*	(0.02)	(0.08)	(0.07)	(0.17)	(0.01)
Non-GAAP Diluted earnings per share	$ 0.01	$ 0.08	$ 0.14	$ 0.18	$ 0.43	$ 0.03
Weighted average shares used to compute (loss) per share or diluted earnings per share (000's)						
Shares used to compute **GAAP** diluted earnings (loss) per share	120,992	144,483	151,680	153,441	144,650	145,936
Shares used to compute **non-GAAP** diluted earnings per share	121,603	150,512	151,680	153,441	144,650	155,032

* Less than $0.01 impact on (loss) per share or diluted earnings per share

	1Q20	2Q20	3Q20	4Q20	FY20	1Q21
Unlevered Free Cash Flow ($000s)						
GAAP Net cash provided by (used in) operating activities	$ 39,932	$ (3,220)	$ 28,536	$ 36,316	$ 101,564	$ (6,212)
Interest paid	688	5,587	4,570	4,701	15,546	4,317
Purchases of property and equipment	(6,017)	(8,874)	(3,794)	(8,036)	(26,721)	(5,357)
Non-GAAP Unlevered free cash flow	$ 34,603	$ (6,507)	$ 29,312	$ 32,981	$ 90,389	$ (7,252)

GAAP to Non-GAAP Reconciliation (Continued)

Outlook	Three months ending June 30, 2021 Range			Year ending December 31, 2021 Range		
Revenue (in $ millions)	$ 215	to	$ 225	$ 925	to	$ 945
Gross margin						
GAAP outlook	55.9%		56.9%	54.9%		55.9%
Stock-based compensation	0.1%		0.1%	0.1%		0.1%
Non-GAAP outlook	56.0%		57.0%	55.0%		56.0%
(Loss) earnings per share**						
GAAP outlook	$ (0.05)		$ (0.02)	$ (0.02)		$ 0.05
Stock-based compensation	0.03		0.03	0.14		0.14
Amortization of acquired intangible assets	0.11		0.11	0.43		0.43
Acquisition-, disposal- and integration-related expense	0.01		0.01	0.02		0.02
Restructuring and related expense	0.01		0.01	0.06		0.06
Interest income on debentures	*		*	(0.01)		(0.01)
Tax effect of non-GAAP adjustments	(0.02)		(0.03)	(0.13)		(0.15)
Non-GAAP outlook	$ 0.09		$ 0.11	$ 0.49		$ 0.54
Weighted average shares used to compute (loss) per share or diluted earnings per share (in thousands)						
GAAP Shares used to compute loss per share or diluted earnings per share	147,500		147,500	148,000		155,000
Non-GAAP Shares used to compute diluted earnings per share	155,000		155,000	155,000		155,000
Adjusted EBITDA (in $ millions)						
GAAP Operating income (loss)	$ (0.5)		$ 3.5	$ 27.1		$ 37.1
Depreciation	4.4		4.4	17.4		17.4
Amortization of acquired intangible assets	17.2		17.2	66.7		66.7
Stock-based compensation	5.2		5.2	20.9		20.9
Acquisition-, disposal- and integration-related expense	1.5		1.5	3.6		3.6
Restructuring and related expense	2.2		2.2	9.3		9.3
Non-GAAP outlook	$ 30.0		$ 34.0	$ 145.0		$ 155.0

* Less than $0.01 impact on earnings per share

** Excludes any income (loss) related to the change in fair value of the Debentures and Warrants received as sale consideration

Thank you

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